

# Measuring our performance

Set out below are the Key Performance Indicators we use to track our strategic progress.

## 1. Dividend per share

5.00 cents

FY23	5.00 cents
FY22	5.00 cents
FY21	5.00 cents

### How we measure it

Dividends paid to Shareholders and declared in relation to the period.

### Our progress in FY23

Our policy is to pay an attractive and progressive dividend, with a minimum payout of 85% of Adjusted Earnings.

While keeping the dividend per share unchanged from the prior year, the earnings growth from the business supported the dividend being fully covered for the year.

## 2. Total Return (TR)

(22.5)%

FY23	-22.5%
FY22	6.0%
FY21	14.3%

### How we measure it

Total Return (TR) measures the change in the EPRA Net Tangible Assets (EPRA NTA) over the period plus dividends paid.

### Our progress in FY23

The return calculated from the dividends paid has been more than offset by the decline in valuation, which was driven by inflation and the resulting impacts on interest rates.

## 3. Basic Net Asset Value (NAV)

€795.6 million

FY23	€795.6 million
FY22	€1,065.8 million
FY21	€1,053.5 million

### How we measure it

Net asset value in IFRS GAAP.

### Our progress in FY23

Inflation and the resulting impacts on interest rates have been the key drivers of this valuation movement, which could not be fully offset by strong market rental growth and indexation.

## 4. Adjusted Earnings

€44.5 million

FY23	€44.5 million
FY22	€34.2 million
FY21	€24.7 million

### How we measure it

EPRA earnings, adjusted to include licence fees and rental guarantees receivable on forward funded development assets and for other earnings not supported by cash flows.

### Our progress in FY23

Adjusted Earnings increased by 30% in the year, reflecting the full-year impact on rental income from acquisitions in the prior year and a 10% decrease in administrative expenses.

## 5. Loan to value (LTV) ratio

46.4%

FY23	46.4%
FY22	35.2%
FY21	13.3%

### How we measure it

The proportion of our gross asset value that is funded by net borrowings (excluding cash).

### Our progress in FY23

The lower portfolio valuation, ongoing capital expenditure and working capital movements largely offset the benefit of the sales proceeds from the disposal programme. The Company remains comfortably below the LTV ratio covenant of 65%. (Including the disposals of Bochum and Malmö, the pro forma LTV is 44.0%.

### Bönen, Germany

Redevelopment of a brownfield site, comprising six units within a c.66,000 sqm building situated in the Rhine-Ruhr metropolitan region – one of the most important logistics hubs in Europe.



## 6. Weighted Average Unexpired Lease Term (WAULT)

# 7.9 years

FY23	7.9 years
FY22	8.0 years
FY21	9.3 years

### How we measure it

The portfolio average of the remaining number of years, weighted by annual passing rents, until the sooner of the lease expiry or the customer's break option.

### Our progress in FY23

The Company has maintained a WAULT of greater than five years across the portfolio, in accordance with typical lease lengths in Continental Europe. The WAULT to expiry is 9.6 years.

## 7. Dividend cover

# 110.2%

FY23	110.2%
FY22	84.8%
FY21	80.2%

### How we measure it

Adjusted Earnings as a proportion of the dividend declared for the financial period.

### Our progress in FY23

The 30% growth in Adjusted Earnings, combined with maintaining a dividend per share of 5.00 cents, drove an increase in dividend cover to 110.2%.

## Measured against our strategy

We clearly link each of our KPIs to our four strategic priorities.



► More information on page 15

## 8. Interest cover

# 4.8x

FY23	4.8x
FY22	4.2x
FY21	4.6x

### How we measure it

The ratio of consolidated earnings before interest and taxation to consolidated net finance costs in respect of any measurement period.

The definition, and calculation method, of interest cover ratio has changed during the year aligning banking covenants and reporting. See Notes to EPRA and Other Key Performance Indicators for calculation. Comparatives for FY22 and FY21 were 6.6x and 6.3x using the previous definition.

### Our progress in FY23

The Company remains comfortably above its interest cover ratio covenant of 1.5x.

## 9. Like-for-like rental growth

# 4.5%

FY23	4.5%
FY22	3.6%
FY21	2.4%

### How we measure it

Like-for-like rental growth (excluding extensions; including extensions: 7.8%) compares the growth of the rental income of the portfolio that has been consistently in operation and not under development during the two full preceding periods.\*

### Our progress in FY23

Solid rental growth in the period was driven by our asset management initiatives and indexation.

\* The definition, and calculation method, of like-for-like growth has changed during the year, moving to be in line with the industry standard definition, which excludes extensions. The comparative for FY22 using the previous basis was 4.0%. There were no extensions in FY21.

# EPRA performance measures

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

## 1. EPRA Net Reinvestment Value (EPRA NRV)

**€903.0 million**

FY23	€903.0 million
FY22	€1,194.7 million
FY21	€1,147.4 million

Basic NAV adjusted for mark-to-market valuation of derivatives, deferred tax and transaction costs (real estate transfer tax and purchaser's costs).

### Comments

A key measure to highlight the value of net assets on a long-term basis. The metric reflects what would be needed to recreate the current portfolio of the Company.

## 2. EPRA Net Tangible Assets (EPRA NTA)

**€820.6 million**

FY23	€820.6 million
FY22	€1,111.0 million
FY21	€1,086.5 million

Basic NAV adjusted to remove the fair values of financial instruments and deferred taxes (this excludes transaction costs).

### Comments

Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

## 3. EPRA Net Disposal Value (EPRA NDV)

**€795.6 million**

FY23	€795.6 million
FY22	€1,065.8 million
FY21	€1,053.5 million

Equivalent to IFRS NAV, as this includes the fair values of financial instruments and deferred taxes.

### Comments

Represents the Shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

## 4. EPRA Earnings

**€45.7 million**

FY23	€45.7 million
FY22	€20.9 million
FY21	€14.7 million

Earnings from operational activities.

### Comments

A key measure of the Company's underlying results and an indication of the extent to which current dividend payments are supported by earnings.

## 5. EPRA Net Initial Yield (NIY)

**4.2%**

FY23	4.2%
FY22	3.6%
FY21	3.7%

Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchaser's costs.

### Comments

This measure should make it easier for investors to judge how the valuations of portfolios compare.

## 6. EPRA topped-up NIY

**4.3%**

FY23	4.3%
FY22	3.7%
FY21	3.8%

This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

### Comments

This measure should make it easier for investors to judge how the valuations of portfolios compare.

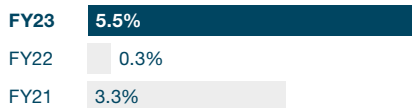


**Roosendaal, the Netherlands**

112,018 sqm building of two units is well positioned in the West-Noord-Brabant area, with connections to the ports of Rotterdam, Antwerp and Amsterdam and linkages with three major highways and a train station with high-speed rail.

**7. EPRA vacancy rate**

**5.5%**



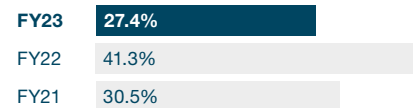
Estimated market rental value (“ERV”) of vacant space divided by ERV of the whole portfolio.

**Comments**

A “pure” (%) measure of investment property space that is vacant, based on ERV, and includes rental guarantees.

**8. EPRA Cost Ratio**

**27.4%**



Administrative and operating costs (inclusive of vacant property costs) divided by gross rental income.

**Comments**

A key measure to enable meaningful measurement of the changes in a company’s operating costs.

**9. Adjusted EPRA Cost Ratio**

**24.2%**



EPRA Cost Ratio adjusted for non-operational items.

**Comments**

This ratio includes licence fee income and rental guarantees and excludes exceptional items of a capital nature. See Notes to the EPRA and Other Key Performance Indicators for further details.

**10. EPRA loan to value (LTV) ratio**

**46.3%**



The proportion of our gross asset value that is funded by net borrowings (incorporating net payables).

**Comments**

The EPRA LTV introduces a consistent and comparable metric for the sector, with the aim to assess the gearing of the shareholder equity within a real estate company.

**Bornem, Belgium**

45,850 sqm development, strategically situated in the main Belgian logistics corridor between Brussels and Antwerp, with links to the Port of Antwerp, which is the second largest port on the continent and known locally as the “gateway to Europe”.

