

## Press Release

27 November 2019

**Tritax EuroBox plc**  
(the "Company")

### **AGREEMENT TO FUND 88,000 SQM EXTENSION OF MANGO GLOBAL DISTRIBUTION CENTRE AT LLIÇÀ D'AMUNT, BARCELONA, SPAIN**



The Board of Tritax EuroBox plc (tickers: EBOX (Sterling), BOXE (Euro)), which invests in Continental European logistics real estate assets, announces that it has agreed to fund an 88,000 sqm extension to its global distribution centre at Lliçà d'Amunt, Barcelona let to Punto Fa S.L., trading as MANGO ("Mango"), one of the world's leading fashion retailers.

This state-of-the-art global distribution centre, which distributes to Mango's worldwide store network, was acquired off-market by the Company in September 2018 for a total consideration of €150 million (excluding purchaser's costs), reflecting a net initial yield of 5.0%, with the benefit of an adjacent plot of zoned land providing scope to extend the property.

The Company will finance the construction of the extension at an attractive yield on cost, for an estimated capital commitment of €30.5 million. Construction is anticipated to start by Autumn 2021, once all necessary permissions have been obtained and in line with Mango's strategic objectives and development programme.

The 88,000 sqm extension will accommodate the continued growth of Mango's global e-commerce operations, combining the in-store and online fulfilment functions, increasing this facility's total gross internal area to over 274,000 sqm.

Upon practical completion, targeted for Spring 2023, the extension will be incorporated into the existing full repairing and insuring lease that commenced in December 2016 on a 30-year term, reflecting an unexpired lease term on completion of the extension of approximately 14 years to the first tenant break option in 2036, with further break options in 2039 and 2042. The rent is subject to annual upward only indexation.

As part of the extension, the Company and Mango have agreed to work together to optimise and reduce energy consumption within both the existing building and the extension in order to improve the overall environmental performance of the property.

This high specification logistics facility, purpose-built in 2016, is strategically located 25 km north of Barcelona, and benefits from excellent connectivity to Europe's motorway and rail networks. Barcelona's port and airport are within a 40-minute drive.

**Nick Preston, Fund Manager of Tritax EuroBox, commented:**

"This key asset management initiative, at an attractive yield on cost, underlines the Company's ability to source acquisitions with embedded upside potential. This extension will enhance both

the rental income generated and also the capital value of the investment, supporting the Company's delivery of secure long-term income to shareholders and an attractive total return.

By working proactively with Mango, a valued tenant partner, we are delighted to fund this extension opportunity to accommodate the evolving requirements of one of the world's leading fashion retailers, helping to future-proof this high specification asset that plays an integral role in Mango's global supply chain.

This very significant extension to the property will allow Mango to continue to grow its successful in-store and online business, demonstrating its deep commitment to the location as well as reflecting the value of this site."

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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The Company's LEI is: 213800HK59N7H979QU33.

**NOTES:**

Tritax EuroBox plc invests in and manages a well-diversified portfolio of well-located Continental European logistics real estate assets that are expected to deliver an attractive capital return and secure income to shareholders. These assets fulfil key roles in the logistics and distribution supply-chain focused on the most established logistics markets and on the major population centres across core Continental European countries.

Occupier demand for Continental European logistics assets is in the midst of a major long-term structural change principally driven by the growth of e-commerce. This is evidenced by technological advancements, increased automation and supply-chain optimisation, set against a backdrop of resurgent economic growth across much of Continental Europe.

The Company is targeting, on a fully invested and geared basis, an initial Ordinary Share dividend yield of 4.75% p.a.<sup>1</sup>, which is expected to increase progressively through regular indexation events inherent in underlying lease agreements, and a total return on the Ordinary Shares of 9.0% p.a.<sup>1</sup> over the medium-term. The Company intends to pay dividends on a quarterly basis with shareholders able to receive dividends in Sterling or Euro.

Further information on Tritax EuroBox plc is available at [www.tritaxeurobox.co.uk](http://www.tritaxeurobox.co.uk)