

PRESS RELEASE

P3 Group S.à.r.l with record operational results and strong financials for 2022

Luxembourg | 27 March 2023 – P3 Group S.à.r.l (the “Company”) has announced record operational results and strong financials for full year 2022. The European investor and developer of warehouse properties increased Gross Asset Value (“GAV”) to €8.3b, only modestly impacted by a 2.3% valuation decline. Operationally, the Company’s portfolio grew to 7.6 million m² across 11 European countries, registering an all-time high occupancy rate of 98%.

Despite continuing market volatility, the Company posted strong results supported by resilient industry growth dynamics, including favourable long-term supply and demand trends due to the continued retail shift to e-commerce and the re-organisation of customer supply chains. The Company’s GAV growth was driven by a prudently executed capital deployment programme aimed at growing the portfolio profitably via acquisition and development activities.

Frank Pörschke, CEO, commented: “P3’s 2022 results reinforce our ambition to be the leading owner, investor and developer of prime logistics and industrial assets across Europe. Structural tailwinds for logistic properties remain intact with strong supply and demand dynamics despite economic uncertainties. Our portfolio value grew to €8.3b driven by acquisitions and development despite experiencing, thanks to our prudent, long-term approach, a comparatively low negative revaluation through market-wide yield expansion of just 2.3%. Building on these strong fundamentals, we will continue to carefully manage our existing portfolio and actively seek attractive growth opportunities, be those developments, individual yielding assets, forward-funding, whole portfolios or even platforms.”

Thilo Kusch, CFO, commented: “Our operating and financial results improved further in 2022, signalling that our long-term, value-driven approach is correct. Following the issuance of our €1.0b of green bonds in January last year, we continued to execute our new financing strategy, which is designed to maximize operational flexibility, while maintaining robust credit metrics and a stable S&P BBB credit rating. We similarly deployed prudent policies to control costs and drive efficiency across the platform. ESG has continued to be a focus for us in 2022, and we are happy to publish our first ESG Report in tandem with our financial results, which describes the meaningful progress we have made against our ESG targets and ambition.”

The Company’s Consolidated Financial Statements 2022 and an updated investor presentation have been published on <https://www.p3parks.com/investors>.

A summary of the main drivers of the Company’s 2022 performance are listed as follows:

Resilient growth dynamics

- The Company’s growth has been underpinned by resilient industry growth dynamics, including favourable long-term supply / demand trends due to the continued retail shift to e-commerce and the re-organisation of customer supply chains.
- Recent European events have accelerated / amplified this dynamic and demonstrated the resilience of rent collection rates relative to other real estate sectors.



Highly diversified & quality portfolio

- The Company owns and operates one of the largest logistics portfolios in continental Europe with €8.3b of GAV across 11 countries and 7.6m m² of GLA.
- Geographically diversified portfolio with presence in 11 countries, split as follows: Western markets (~61%) and CEE markets (~39%).
- High quality, modern portfolio with average building age of only ~11 years and 65% properties within urban location.

Tenant strength

- Large institutional grade tenants, many of whom carry Investment Grade (“IG”) ratings or are subsidiaries of IG parents.
- ~470 customers across sectors such as 3PL, food & non-food retail, automotive, building materials with high retention rate (~65%) across the portfolio and stable rent collection even throughout recent European events.

Strong operating platform

- In-house teams in 9 countries for development, acquisition, asset management, construction and finance.
- Attractive development pipeline and strong track record of successfully delivering projects.
- Proven capability of achieving off-market acquisitions with attractive NIY (Net Initial Yield).

ESG as a priority

- Exceeded 75% BREEAM Very Good or higher target (80% on like-for-like portfolio).
- First ESG Report, Transitional Risk Report, Impact & Allocation Report delivered, supporting the Company’s green funding strategy.
- Solar target increased to 100MWp by 2027 to meet investor expectations, tenant needs and regulatory requirements.

Conservative financial policy & robust credit metrics

- Transition to standalone debt structure consisting of unsecured bonds and bank debt to maximize operational flexibility.
- Target LTV of max 47.5% (December 2022 LTV of 44.7%) and maintaining a BBB (or equivalent) credit rating with future borrowings to be non-recourse to the shareholder.

Strong and well-capitalised shareholder

- GIC is a long-term oriented investor with significant capital resources as the sovereign wealth fund of Singapore.
- Significant equity value currently in the business.



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About P3 Logistic Parks

P3 is a long-term investor, manager and developer of European warehouse properties with more than 7.6 million m² of assets under management and land bank of 1.9 million m² for further development. P3 has commercial activities in 11 countries and has been investing and developing in European markets for more almost two decades. Headquartered in Prague, P3 employs more than 250 people across 11 offices in key European cities, offering integrated development, asset and property management services. For more information about P3, please visit www.p3parks.com

Forward-looking statements

This press release includes forward-looking statements. Forward-looking statements can be identified by the use of forward-looking terminology such as the words “expect”, “estimate”, “project”, “anticipate”, “believes”, “should”, “could”, “intend”, “plan”, “probability”, “risk”, “target”, “goal”, “objective”, “may”, “will”, “endeavour”, “outlook”, “optimistic”, “prospects” or by the use of similar expressions or variations on such expressions, or by the discussion of strategy or objectives. Forward-looking statements are based on current plans, estimates and projections and are subject to inherent risks, uncertainties and other factors which could cause actual results to differ materially from the future results expressed or implied by such forward-looking statements. Any forward-looking statements made in this press release speak only as of the date hereof. The Company does not intend to publicly update or revise these forward-looking statements to reflect events or circumstances after the date of this press release and does not assume any responsibility to do so.

