

NS Miscellaneous



DEBT REDUCTION AND REFINANCING UPDATE

[SUPERMARKET INCOME REIT PLC](#)

Released 07:00:05 15 September 2023

RNS Number : 5259M
Supermarket Income REIT PLC
15 September 2023

15 September 2023

SUPERMARKET INCOME REIT PLC (the "Company")

DEBT REDUCTION AND REFINANCING UPDATE

Supermarket Income REIT plc (LSE: SUPR), the real estate investment trust providing secure, inflation-linked, long income from grocery property in the UK, announces the completion of a comprehensive debt refinancing exercise.

Debt refinancing

The debt refinancing exercise involved the cancellation of two shorter-dated debt facilities, the reduction and extension of an existing debt facility and the completion of a new unsecured debt facility with a new lender.

Overall, the Company has reduced its loan-to-value ("LTV") ratio to 34%¹ (December 2022: 40%) and the weighted average term of debt is now in excess of four years². Over 60% of the Company's debt facilities are now unsecured (December 2022: 48%) and the Company has available undrawn committed facilities in excess of £100 million.

- The Company has cancelled two of its shorter-dated debt facilities, including the £77.5 million secured revolving credit facility ("RCF") with Barclays and Royal Bank of Canada, and the £62.1 million unsecured debt facility provided by a syndicate of relationship banks
- The existing secured interest-only £150 million RCF with HSBC has been refinanced with a new £50 million, secured, three-year RCF with a £75 million uncommitted accordion option. The new RCF has two one-year extension options and a margin of 170 bps over SONIA
- A new £67 million, unsecured, three-year debt facility has been completed with Sumitomo Mitsui Banking Corporation ("SMBC"). The debt facility has two one-year extension options and a margin of 140 bps over SONIA

Hedging update

The Company has also used the value of its existing in-the-money interest rate hedges to extend the term of its hedging arrangements to match the maturity of its debt facilities at no additional cost to the Company. 100% of the Company's drawn

debt is now either fixed rate or hedged to a fixed rate, representing a weighted average all-in cost of debt of 3.1%.

Ben Green, Director of Atrato Capital Limited, the Investment Adviser to Supermarket Income REIT, said:

"We are very pleased to be working with new lender SMBC in the refinancing of the Company's debt facilities whilst benefitting from the continuing support of our existing relationship banks. We have also been able to extend hedging to further protect the Company's balance sheet at no additional cost.

The Company continues to be able to access debt financing at attractive margins, however, given the current macroeconomic environment the Board considers it prudent to maintain a lower LTV."

FOR FURTHER INFORMATION

Atrato Capital Limited +44 (0)20 3790 8087
Steven Noble / Rob Abraham / Chris McMahon ir@atratocapital.com

Stifel Nicolaus Europe Limited +44 (0)20 7710 7600
Mark Young / Matt Blawat / Rajpal Padam

Goldman Sachs International +44 (0)20 7774 1000
Jimmy Bastock / Tom Hartley

FTI Consulting +44 (0)20 3727 1000
Dido Laurimore / Eve Kirmatzis / Andrew Davis SupermarketIncomeREIT@fticonsulting.com

NOTES TO EDITORS:

Supermarket Income REIT plc (LSE: SUPR) is a real estate investment trust dedicated to investing in grocery properties which are an essential part of the UK's feed the nation infrastructure. The Company focuses on grocery stores which are omnichannel, fulfilling online and in-person sales. All of the Company's supermarkets are let to leading UK supermarket operators, diversified by both tenant and geography.

The Company provides investors with attractive, long-dated, secure, inflation-linked, growing income with the potential for capital appreciation over the longer term and targets a 7% to 10% p.a. total shareholder return over the medium term⁽¹⁾.

The Company is listed on the premium segment of the Official List of the UK Financial Conduct Authority and its Ordinary Shares are traded on the Main Market of the London Stock Exchange, having listed initially on the Specialist Fund Segment of the Main Market on 21 July 2017.

Atrato Capital Limited is the Company's Investment Adviser.

Further information is available on the Company's website www.supermarketincomereit.com

LEI: 2138007FOINJAM7L537

1. *There is no certainty that these illustrative projections will be achieved*

Stifel Nicolaus Europe Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Supermarket Income REIT plc and no one else in connection with this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Stifel Nicolaus Europe Limited nor for providing advice in connection with the matters referred to in this announcement.

Goldman Sachs International, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for Supermarket Income REIT plc and no one else in connection with this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Goldman Sachs International nor for providing advice in connection with the matters referred to in this announcement.

[1] Based on last published portfolio valuation as at 31 December 2022 plus acquisitions at cost. The Company will publish its 30 June 2023 valuation in its annual results on 20 September 2023.

[2] Including uncommitted extension options

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCFZGMLGDDGFZZ

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

© 2023 London Stock Exchange plc. All rights reserved.