



NS Acquisition



ACQUISITION OF A TESCO STORE AND AMENDMENTS TO IAA

[SUPERMARKET INCOME REIT PLC](#)

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SUPERMARKET INCOME REIT PLC (the "Company")

ACQUISITION OF A TESCO SUPERMARKET AND AMENDMENTS TO INVESTMENT ADVISORY AGREEMENT

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 acquisition of a Tesco omnichannel supermarket in Stoke-on-Trent, Staffordshire, for a total purchase price of £34.7 million (excluding acquisition costs), reflecting a net initial yield of 7.5%.

The acquisition comprises a 54,451 sq ft net sales area omnichannel supermarket and petrol filling station which sits on an 8.7 acre site. The store was built in 1994 and supports Tesco's online fulfilment operation via both home delivery vans and customer Click & Collect. The store is being acquired with an unexpired lease term of 11 years and is subject to annual RPI-linked rent reviews (subject to a 4% cap and a 0% floor).

The acquisition has been funded through the drawdown of the Company's existing revolving credit facility.

Investment Advisory Agreement (the "IAA")

The Company also announces that it has entered into an amended and restated investment advisory agreement (the "Revised IAA") with its investment adviser, Atrato Capital Limited (the "Investment Adviser"), and its alternative investment fund manager, JTC Global AIFM Solutions Limited.

The principal amendments to the existing IAA relate to the termination provisions of the agreement and seek to reflect the original commercial intentions of the Board and Investment Adviser. The Board has agreed to make these amendments to provide clarification for all parties in the event of a takeover, delisting or liquidation (a "Relevant Event"). As described below, the Revised IAA allows for a payment in lieu of written notice to the Investment Adviser following a Relevant Event, limited to the equivalent of the fees that would have been due over the existing rolling two-year written notice period. The two-year written notice period was agreed in July 2021 (RNS Number: 2849F), in conjunction with a reduction in the investment advisory fees.

In particular, the Revised IAA:

- clarifies that fees relating to the period following a Relevant Event are calculated on the basis of the last available net asset value prior to the Relevant Event;
- gives the Company the right, in addition to its existing right to terminate on two years' written notice (where notice would be required to be worked), to terminate the agreement following the announcement of a takeover, a possible takeover or a delisting. Such termination would take effect upon the Relevant Event becoming effective and the Investment Adviser would, on that date, receive a payment in lieu of written notice (such that notice would not be required to be worked) equal to fees for a period of two years less the time since the notice was given or (if earlier) since the date on which any earlier termination notice was given; and
- clarifies that if there is a liquidation or similar event in relation to the Company, and the Investment Adviser terminates the agreement with immediate effect (as it has always been entitled to do), the Investment Adviser would immediately receive a payment in lieu of written notice (such that notice

would not be required to be worked) equal to fees for a period of two years less (if applicable) the time since any earlier termination notice was given.

For the purposes of Chapter 11 of the FCA's Listing Rules, the Investment Adviser is a related party of the Company. Pursuant to Listing Rule 11.1.10R, the entry into the amended and restated investment advisory agreement constitutes a smaller related party transaction and this announcement is made in accordance with Listing Rule 11.1.10R(2)(c).

FOR FURTHER INFORMATION

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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 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.

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

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