

SUPR ○○○
SUPERMARKET INCOME REIT

SUPR INTERNALISATION

Investor Presentation

MARCH 2025



INVESTING IN THE FUTURE OF GROCERY

Transaction summary



Board has reached agreement with Atrato to internalise its management function for £19.7m⁽¹⁾

Continuation of ongoing strategic initiatives

SUPR has reached scale and maturity for internalised structure

Highest return capital allocation option delivering significant cost savings of at least £4 million pa, a 5 year payback period

Subject to voluntary shareholder vote on 20 March, the Internalisation is expected to be effective from 25 March 2025

Progressing our strategic initiatives



Cost reduction	Internalisation is the culmination of that strategy	✓
Recycle low yielding assets	Tesco, Newmarket sold at 5.2% NIY ⁽¹⁾	✓
Prove affordable rents	Lease extensions materially above MSCI and valuer ERVs	✓
Introduce JV capital	In progress, with capital allocation optionality	⌚

Focus on enhancing earnings and dividend cover

Internalisation delivers significant benefits for SUPR



- 1 Highest return capital allocation option
- 2 Significant cost savings of at least £4 million per annum, equivalent to a c.5 year payback period
- 3 New EPRA cost ratio target < 9%, one of the lowest in the sector
- 4 Enhancing the alignment between the Company, management and shareholders
- 5 Simplified management structure, securing the specialist team and platform
- 6 Broaden interest in the investment community, reduce costs and improve shareholder returns

Highest return capital allocation option



19%

Internalisation
yield

9%

Buyback
yield

9%

Unlevered IRR
for acquisitions

Internalisation is the most accretive capital allocation option

Delivering cost savings of at least £4m per annum



Units: £000s	FY24 adjusted for Dec-24 IA fee change ⁽¹⁾	Pro-forma 12 month run rate ⁽³⁾	Notes
Investment adviser fees	7,786	-	Market cap based fee ⁽²⁾
Salaries, social security costs	-	4,200	Transferred management team, allows for 50% vesting of LTIPs
Director's remuneration	410	580	New NED fees following internalisation
Corporate administration fees	740	600	Key savings – AIFM ⁽¹⁾
Legal and professional fees	1,475	1,400	No material change
Other administrative expenses	2,812	1,820	Key savings – Accounting and Payment Services ⁽¹⁾
Office, IT and other costs	-	500	
Total	13,223	9,100	c.£4m total saving vs market cap based fee

Past performance is not indicative of future results

- 1) Figures as per the audited financial statements from year ended 30 June 2024, adjusted for previously announced cost saving initiatives.
- 2) Assumes investment adviser fee calculated on market capitalisation based on an average share price of 72.60 pence for the 12 months to 28 February 2025.
- 3) The pro-forma 12 month run rate as presented above is not intended as a profit forecast or estimate for any period and does not allow for one-off or exceptional costs.

Highly experienced Management Team and Board



Management Team



Rob Abraham
CEO

- Fund Manager, for 3 years, with Atrato for 6 years, helping grow SUPR's portfolio from 7 to 82 supermarkets
- 14 years of experience across real estate, finance, capital markets and investment
- CFA qualified



Mike Perkins
CFO

- Finance Director, Supermarkets, for 1 year
- Previously CFO at Logistics Asset Management, IA to Urban Logistics REIT
- 15 years' experience in the real estate and financial services sector
- 8 years of listed real estate experience
- Fellow, ACCA

Simplified leadership structure

Experienced team of 14 full time employees including Fund Management, Asset Management, Investor Relations and Finance functions

Efficient operational transition of entire platform

Team which is 100% focused on SUPR

Board of Directors



Nick Hewson
Chair



Sapna Shah
SID



Jon Austen
Audit Chair



Vince Prior
NED



Frances Davies
NED



Cathryn Vanderspar
NED



Roger Blundell
NED

Outsourced services

- HR
- IT
- Cosec
- ESG

Transitional services to be provided by Atrato



Ensuring continuity of business

ESG

Atrato Head of Sustainability to provide support for nine months

IT

IT separation to be delivered (Atrato IT has recent transition experience following processes with ROOF and SOHO), with nine months support thereafter

Systems

New systems are being set up and ringfenced from wider Atrato business: eg HR management software, finance etc

HR

Atrato HR has supported with review / update of HR policies / employment contracts etc



EXPECTED TIMETABLE OF PRINCIPAL EVENTS ⁽¹⁾	
4 March 2025	Announce Internalisation and Publication of Circular
2 p.m. on 18 March 2025	Latest time and date for receipt of proxy appointments
2 p.m. on 20 March 2025	General Meeting
25 March 2025 ⁽²⁾	Expected completion date of the Internalisation

- 1) The times set out in the expected timetable of principal events above and mentioned throughout this document are times in London unless otherwise stated, and may be subject to change, in which event details of the new times and dates will be notified to Shareholders.
- 2) These times and dates are indicative only and will depend on, amongst other things, the date upon which the Condition is satisfied.

Key strategic objectives



Focus on enhancing earnings and dividend cover



Deliver internalisation and pursue change of listing



Review capital allocation options



Progress JV opportunities and accretive acquisitions



Target 100% unsecured debt financing and extend debt maturity



EPRA cost ratio target of <9% to be amongst sector leaders

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