



FACTSHEET, SEPTEMBER 2023

Supermarket Income REIT plc is a real estate investment trust dedicated to investing in supermarket property forming a key part of the future model of UK grocery. We provide investors with long dated, secure, inflation-linked income and potential capital appreciation over the longer term.



INVESTMENT POLICY

Highly focused investment strategy in omnichannel stores:



TRADITIONAL
IN-STORE



CLICK & COLLECT
AT STORE



HOME DELIVERY
FROM STORE

With attractive lease terms:



13 YEARS AVERAGE
LEASE LENGTH⁽¹⁾



80% INFLATION
LINKED RENT
REVIEWS⁽¹⁾



THE UK'S LARGEST AND
LEADING GROCERY
OPERATORS

Providing regular, sustainable, inflation-linked income:



DIVIDEND PAID FY23⁽⁴⁾



DIVIDEND TARGET
FY 24⁽⁴⁾



DIVIDEND YIELD AS AT
SEPTEMBER 2023⁽⁴⁾

FINANCIAL AND OPERATING PERFORMANCE

Performance summary:

- Acquired fifty-five supermarkets in the UK that operate as physical supermarkets and as online fulfilment centres
- All assets have upward only rent reviews

Target returns:

- Full year dividend target 6.06p FY24⁽⁴⁾
- 7-10% net total return target over the medium term⁽⁴⁾

Sainsbury's Reversion Portfolio:

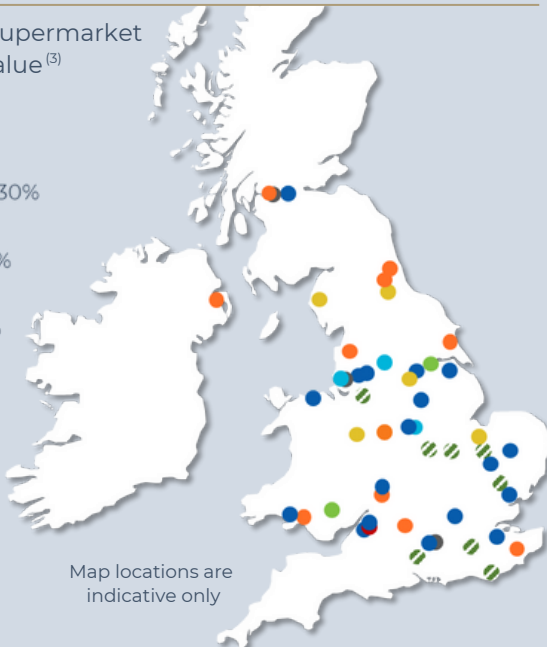
- SUPR sold its 51% interest in the Sainsbury's Reversion Portfolio for £430.9m (excluding costs).
- SUPR's investment in the JV has an estimated money-on-money multiple of 1.9x and an IRR of 30%.
- The proceeds were received in March and July 2023 and provide the Company with significant balance sheet flexibility.

Forecasts are not indicative of future performance and past performance is not a reliable indicator of future results.

OUR PORTFOLIO

Map key and supermarket exposure by value⁽³⁾

- Tesco 49%
- Sainsbury's 30%
- Morrisons 6%
- Waitrose 5%
- Asda 2%
- Aldi 1%
- M&S 1%
- Iceland <1%



Map locations are
indicative only

KEY HIGHLIGHTS

£1.7bn Total Assets ⁽²⁾	55 Supermarkets ⁽²⁾
£103m Passing annualised rent ⁽²⁾	13 years WAULT ⁽²⁾
93p EPRA NTA per share ⁽¹⁾	35% EPRA loan to value ⁽¹⁾
5.6% Net initial yield ⁽¹⁾	4.1% Average rental uplift ⁽¹⁾



AT A GLANCE

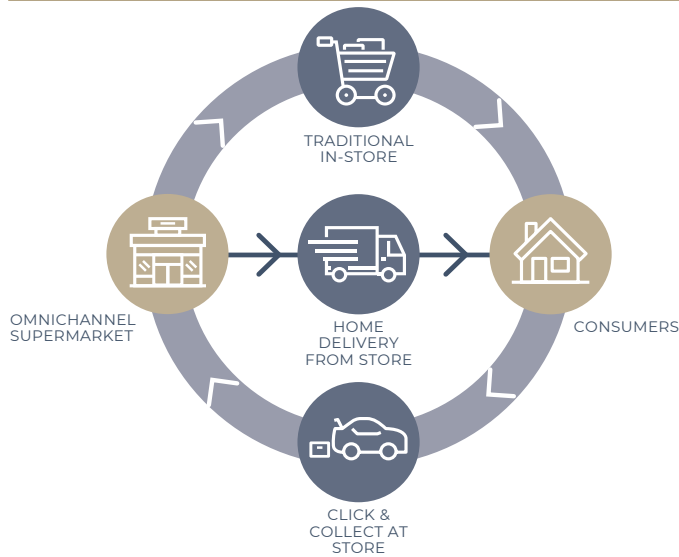
We invest in future-proofed stores; modern, flexible buildings providing both physical retailing and last mile online distribution.

Ticker
SUPR

Listed
**London stock
exchange, FTSE
250**

Market cap⁽²⁾
£1bn

THE OMNICHANNEL MODEL



RATIONALE

Omnichannel stores are:

- Large, modern buildings adapted to operate both in store and online grocery operations
- Located in strategic locations close to major road networks and within large catchment areas
- The principal method of online grocery distribution in the UK: 90% of Tesco online orders are fulfilled from omnichannel stores⁽⁶⁾
- Positioned to benefit from online channel growth, predicted to increase 12% by 2025 to £22bn⁽⁷⁾
- The model being adopted by major online retailers including Amazon through Whole Foods and Alibaba to HEMA

SUPERMARKET PROPERTY – THE INVESTMENT CASE

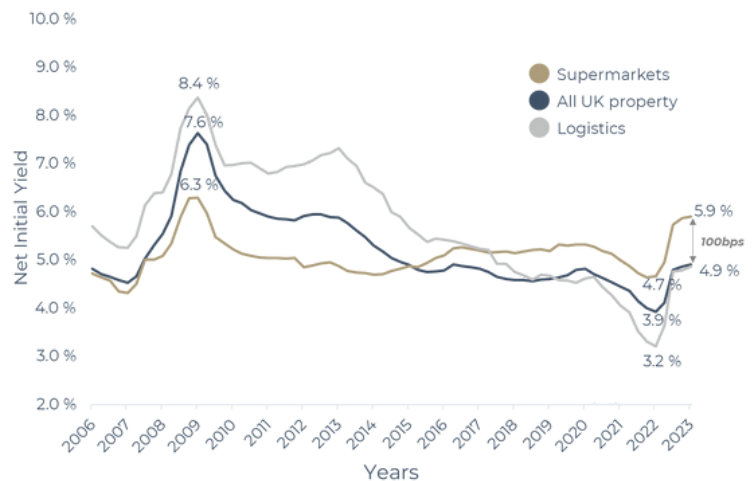
Stable Predictable Income:

- Grocery is a non-cyclical, low volatility sub sector of real estate with a 30 year track record of delivering stable, predictable income.
- Institutional grade tenants – Tesco, Sainsbury's, Asda and Morrisons have c.64% of the UK grocery market share⁽⁸⁾

Strong Value Proposition:

- Current yields are attractive
- Leases benefitting from inflationary tailwinds
- Typically very well located for last mile logistics

Supermarket yields are attractive compared to All Property and Distribution Warehouses:



Source: Property yields sourced from MSCI for the period March 2006 to June 2023

Past performance is not indicative of future results

(1) As at 30 June 2023 (2) As at 20 September 2023 (3) Based on 30 June 2023 valuations plus acquisitions at cost (4) Past performance is not indicative of future results and there is no guarantee targets will be achieved. (5) As at 29 March 2023 (6) Operator website and Atrato estimates which are derived from third party sources believed to be reliable. No warranty or representation regarding the accuracy, validity or completeness of the information is given. (7) IGD Channel forecasts 2022-2025. (8) Kantar September 2023 grocery market share data.

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