



RNS Acquisition

Accretive long income acquisitions

LXI REIT PLC

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LXi REIT plc

(the "Company", the "Group" or "LXi REIT")

ACCRETIVE LONG INCOME ACQUISITIONS

The Board of LXi REIT (ticker: LXI), the specialist inflation-protected long income REIT, is pleased to announce the following acquisitions (the "Acquisitions"), which will further utilise the Group's revolving credit facility.

The Acquisitions, which are for a total cost of £6.1 million, benefit from an accretive average net initial yield of 5.75% (net of acquisition costs), a long average unexpired lease term to first break of 18 years, are let to strong tenant covenants on sustainable rents, and 100% of the income is index-linked to RPI inflation through contractual rental uplifts.

These latest Acquisitions take the Company's total funding deployed/committed to £151 million since its £125 million capital raise in March 2021, across 12 separate transactions in structurally supported sectors, with a long weighted average unexpired lease term to first break of 21 years, and with 100% of the rent roll being inflation-linked (97% to RPI and 3% to CPI).

Cazoo click & collect facility, Doncaster

The Company has exchanged contracts to acquire a click & collect, storage, sales and customer services facility in Doncaster. The property, which comprises 18,000 sq ft, is let to Cazoo, with just under 20 years unexpired until first break and benefits from RPI rental uplifts reviewed on a five yearly basis, collared at 1% pa and capped at 3% pa.

Cazoo is a leading online car retailer, founded and run by Alex Chesterman, the founder of Zoopla and LoveFilm, which now employs 2,000 people across the UK, France, Germany and Portugal. Cazoo is pioneering the shift to online car buying and since its launch has already delivered over 14,000 cars to consumers across the UK.

The property is one of a number of new facilities which Cazoo is rolling out across the UK to provide its customers with a click & collect option, in addition to home delivery.

The site is well-located, fronting the A630 Wheatley Hall Road which forms part of Doncaster ring road, close to the junction with the A18 Thorne Road. The property offers good visibility from the roadside with over 25,000 vehicles passing daily.

Costa coffee drive-thru portfolio forward funding

The Company has exchanged contracts on the pre-let forward funding of two additional drive-thru coffee units in Edinburgh and Dumbarton, to be developed for and pre-let to Costa Limited on new, long term leases. The rent will increase in line with RPI inflation on a five yearly basis.

The assets are being built on the car parks of Morrisons foodstores, with good roadside prominence and dense catchment populations. The Company will now own a portfolio of 24 drive-thru coffee units located in Morrisons car parks.

Costa Limited, which was acquired by Coca-Cola in 2019 from Whitbread PLC in a \$4.9 billion transaction, is the largest coffee shop operator in the UK with over 2,681 units. Coca-Cola is listed on the New York Stock Exchange with a market

cap of \$235 billion.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The Company's LEI is: 2138008YZGXOKAXQVI45

NOTES:

LXI REIT plc invests in UK commercial property assets let, or pre-let, on very long (typically 20 to 30 years to expiry or first break), inflation-linked leases to a wide range of strong tenant covenants across a diverse range of robust property sectors.

The Company may invest in fixed-price forward funded developments, provided they are pre-let to an acceptable tenant and full planning permission is in place. The Company will not undertake any direct development activity nor assume direct development risk.

The Company is targeting an annual dividend of 6.0 pence per ordinary share for the 12-months commencing 1 April 2021*.

The Company, a real estate investment trust ("**REIT**") incorporated in England and Wales, is listed on the premium listing segment of the Official List of the UK Listing Authority and was admitted to trading on the main market for listed securities of the London Stock Exchange in February 2017.

The Company is a constituent of the FTSE 250, FTSE EPRA/NAREIT and MSCI indices.

Further information on the Company is available at www.lxireit.com

* These are guidance levels or targets only and not a profit forecast and there can be no assurance that they will be met.

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