SAVILLS

VALUATION REPORT

Mitry-Mory

3-5, rue Isaac Newton,

77290 Mitry-Mory

Valuation date: 31 December 2022

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31 December 2022

Ref: DP/22475

Headlam Group plc
Gorsey Lane
Coleshill
Birmingham
B46 1 LW

(The Addressee(s))

For the attention of John Fowler

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Dear Sir,

Client: Headlam Group
Property: Mitry Mory – ZI de Compans 3-5, rue Isaac Newton – 77290 Mitry-Mory

In accordance with our letter to you dated 8 November 2022, we have made such enquiries as are sufficient to provide you with our opinion of value on the basis below.

We draw your attention to our accompanying Report together with the General Assumptions and Conditions upon which our Valuation has been prepared, details of which are provided to the rear of our report.

We trust that our report meets your requirements, however should you have any queries, please do not hesitate to contact us.

Yours faithfully

For and on behalf of Savills Valuation SAS

David Poole MRICS
RICS Registered Valuer
President

Mickael Rasmussen
Associate

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The Property, Statutory & Legal Aspects

2.1 LOCATION

2.1.1 Macro Location

The Property is located in the Ile-de-France region, within the Seine-et-Marne department (77), within the town of Mitry-Mory circa 25 km north-east of Paris. Situated in the northwestern part of the department, it borders Tremblay-en-France to the west, Villeparisis to the south, Compans & Gressy to the east, and Mesnil-Amelot to the north.

The city has c. 29,500 inhabitants (INSEE 2019) and forms part with 41 other cities of the "Communauté d'Agglomération Roissy Pays de France" which totals c. 355,000 inhabitants.

Public transport access:

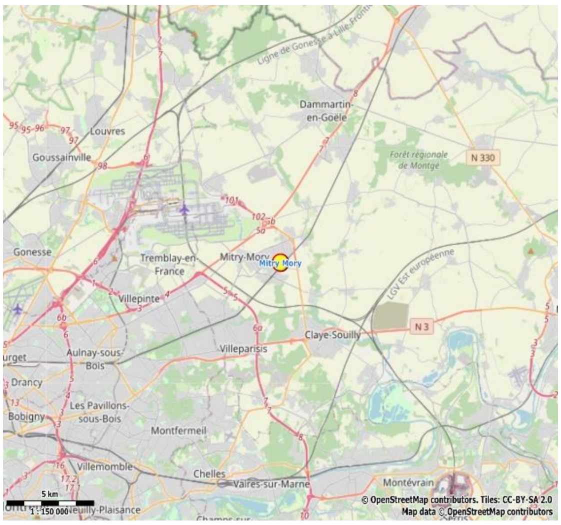
- RER B: Mitry - Claye & Villeparisis - Mitry-le-Neuf stations.
- Transilian: Mitry - Claye station (line K).
- TER Picardie: Mitry - Claye station.
- Several bus lines of the CIF & TVF bus networks serve the town.

Road access:

- Both the A104 motorway and the N1104 national road cross the town and provide easy and fairly direct access.
- Furthermore, Mitry-Mory is served by several departmental roads (D84, D9, D139...)

Mitry-Mory is located very close to the Paris-Charles-de-Gaulle airport, part of whose runways are located in the municipality. The Orly international airport is located some 50 km south west.

General Location Map | **Macro Location Map**



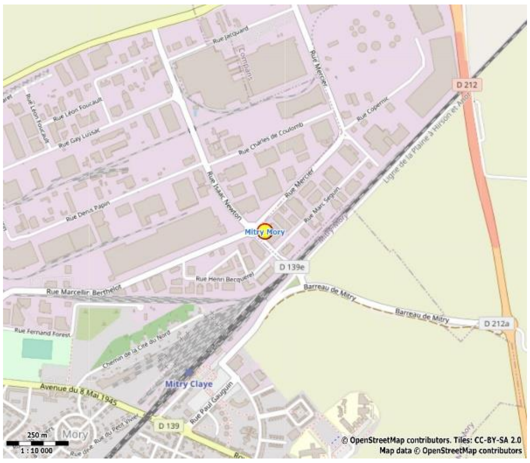
2.1.2 Micro Location

The subject Property is situated in the eastern part of the town, within the Industrial zone of Mitry-Compans. The Mitry-Compans industrial zone is the largest in Seine-et-Marne. It includes more than 250 companies and 6,500 employees on 237.5 hectares in the towns of Compans and Mitry-Mory.

Created in 1972, around a few chemical companies driven out by the densification of the inner suburbs of Paris, it has since developed in all sectors of activity. The municipality was keen to diversify the companies that set up there: metallurgy, food processing, construction, transport and logistics, technology, etc. including companies such as Messer France S.A.S., Transports Prevost, PGS Palettes Gestion Service Ile de France, Gama international Interlines, JMO Transports, France Distribution Express, etc...

Of note the zone is managed by the inter-municipal syndicate of the Mitry-Mory/Compans business park.

Micro Location	**Aerial View**



Especially, The Property is situated on 3-5 rue Isaac Newton; less than 4 km south-west of the exit n°5a of the N2 national road, and some 5 km north of the A104 motorway, both easily accessible via several departmental roads. We thus consider The Property benefits from very good road access overall.

In terms of public transport, The Property benefits from a good situation overall being located only 1km north of the "Mitry-Claye" station (RER line B & Transilian line K). Furthermore, several bus lines serve the zone, with the closest bus stop named "Vinci 2" located in front of the property.

The location is a well-known and established zone, with excellent road access, located 40 km from Paris.

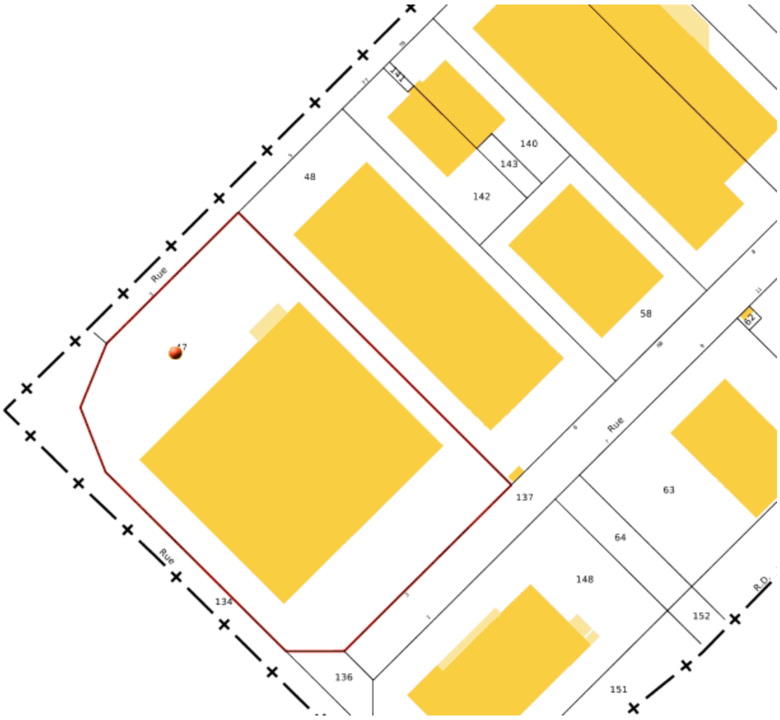
2.2 SITE

The Property sits within a rectangular shaped plot. The site has a total area of 8,865 sq m as registered in the Cadastre of Mitry-Mory as follows:

Cadastral Information

Address	Section	Number	Area
			sqm
3 rue Mercier	AB	47	8 865
3 rue Newton			
Total			**8 865**

Cadastre outline



www.cadastre.gouv.fr. The Property is outlined in Red

2.3 DESCRIPTION

The building subject to this valuation is a square-shaped industrial building. We have been verbally informed that the property was constructed in 1988/1990. It is of metal frame construction with painted cladding facades, with double skin steel deck and metal cladding cover and skylights.

It consists of one cell of approximately 3,583 sq m of industrial space, 310 sq m of mezzanine and 90 sq m of office space. The warehouse benefits from14 sectional doors. The rest of the site is used for parking with a total surface area of over 8,865 sq m, allowing parking and circulation of delivery vehicles. It is fully enclosed.

The industrial part is made of a metal cladding with a masonry basement and concrete flooring. The warehouse is equipped with 14 loading doors, and benefits from a clear internal eave's height of circa 7 meters

The office area benefits from basic fittings in good state of repair: partitioned walls, wooden flooring and suspended ceilings with neon lightings.

The site is currently occupied by the landlord: LMS.

Photographs of The Property taken on the date of our inspection are attached in **Appendix II**.

2.4 SPECIFICATIONS

In summary the Property benefits from

- 14 loading doors
- Gas heaters
- Double glazing windows
- Fire hoses

2.5 FLOOR AREAS

We have not been provided with a formal schedule of floor areas for The Property measured by a Géomètre Expert.

In the absence of a tenancy schedule and exploitable plans, for the purpose of our valuation, we have based our analysis on the previous valuation report dated 9 December 2002 and issued by Michel Marx Expertises and on the 'Acte Achat par Levée d'Options" dated 20 November 2002. Hence, we have based our valuation on the total lettable area of 3,983 sq m as follows:

Areas		
Use	**Floor**	**Lettable area (incl. Share of common areas)**
Industrial	GF	3 583,00
Offices	GF	90,00
Mezzanine	Mezzanine	310,00
Total		**3 983**

2.6 CONDITION

2.6.1 Building condition report

We have not been provided with a building condition report.

2.6.2 General Condition

The due diligence enquiries referred to below were undertaken by Glória Ferreira, Consultant (Savills Valuation SAS) and David Poole MRICS, President (Savills Valuation SAS) Registered Valuer.

The Property was inspected on 23 November 2022 by Glória Ferreira. We were able to inspect The Property both internally and externally in the company of Florence Lemarchand, of LMS.

As instructed, we have not carried out a structural survey, nor have we tested any of the services. However, we would comment, without liability that during our inspection for valuation purposes, we observed that the property appears to be in a fair good condition overall given its construction date in 1988/1990, but it is kept in good state of maintenance.

Finally, we have not been provided with a CapEx budget.

2.7 ENVIRONMENT

2.7.1 Informal Enquiries

As instructed, we have not carried out a soil test or an environmental audit. Following informal enquiries, we understand that the land has a history of industrial use. On the basis of these informal enquiries, it would appear unlikely that land contamination exists or is likely to affect the Property in the foreseeable future. This comment is made without liability.

2.7.2 ICPE

The Property is not subject to ICPE regulations.

2.7.3 Assumption

As our informal enquiries have suggested that land contamination is unlikely, we have valued the property on the basis that it has not suffered any land contamination in the past, nor is it likely to become so contaminated in the foreseeable future. However, should it subsequently be established that contamination exists at the property, or on any neighbouring land, then we may wish to review our valuation advice.

2.7.4 Extent of Due Diligence Enquiries and Information Sources

The extent of the due diligence enquiries we have undertaken and the sources of the information we have relied upon for the purpose of our valuation are stated in the relevant sections of our report below.

Where reports and other information have been provided, we summarise the relevant details in this report. We do not accept responsibility for any errors or omissions in the information and documentation provided to us, nor for any consequences that may flow from such errors and omissions.

2.7.5 Asbestos/Risk of Lead Exposure/Termites

We have been provided with an asbestos diagnosis dated 20 September 2002 and carried out by the Cabinet Opera Groupe. This report concludes to the absence of asbestos in the building.

We have not been provided with any report dealing with Lead Exposure or Termites.

For the purpose of or study, we have assumed The Property was free of any pollution that could lead to impact its Market Value. We reserve the right to amend our Report should we be subsequently communicated with such a report.

2.8 TOWN PLANNING

2.8.1 Statutory Background

The Property lies with Zone UX of the Plan Local d'Urbanisme (P.L.U) for Compans last approved on 24 January 2019. This is an activity zone for industries, services, tertiary or craft activities, etc.… The UX zone is affected by zones B, C and D of the PEB of Roissy-Charles-de-Gaulle airport and by the Noise Pollution Plan. The main regulations governing the zone are as follows:

Use	Economic activities
Plot footprint (CES)	Non set
Maximal height of construction	16 m
Parking	For industrial, the parking area will represent 10% of the floor area

We have not been provided with the building permit and have assumed that the property has been constructed in line with the relevant regulations applicable at the time of construction.

Furthermore, this area is being considered as an area of uncertainty covered by several PLUs, any construction /reconstruction or demolition project will have to be the subject of an extensive study to determine the applicable urban planning rules.

2.8.2 Public Easement

We are not aware of any easement concerning The Property that could have an impact on its Market Value and have undertaken our valuation on this assumption.

2.8.3 Planning Consents

We have not been provided with copies of the planning consent for the construction of The Property, nor copies of any future planning applications, consents or declarations of works.

We have assumed, for the purpose of our valuation, that The Property has been constructed in conformity with the regulations applicable at the time of construction.

2.9 TENURE

We have not been provided with a copy of the title deed. We understand from the documents provided that the property is held freehold by Distribution France Ameublement.

We have assumed, for the purpose of our valuation, that there are no onerous obligations or restrictions on title that would cause us to review our opinion of value.

2.10 OCCUPATIONAL LEASE(S)

2.10.1 Summary of the tenancy situation

The property is currently owner occupied however for the purpose of our valuation we have assumed that The Property is currently 100% let to a single tenant under the terms of a commercial lease, subject to Articles L 145-1 to L145-60 of the New Commercial Code and the valid articles of the Decree of 30 September 1953 and subsequent texts. We have assumed that The Property benefits from a Current annual Gross Rent of **€258,895** as follows:

Tenancy schedule analysis by tenants *

Tenant name	Lettable area	Vacancy	Current rental income	WALB	WALT
	sq m		EUR p.a.	years	years
LMS	3 983	-	258 895	3,00	9,00
Vacancy	-	100,0%			
Total	**3 983**	**-**	**258 895**	**3,00**	**9,00**

* As at date of valuation; not including temporary rent reductions and future lease contracts

With regard to tenant break options, we have assumed a 3/6/9 year lease, starting from the valuation date, i.e. 31/12/2022:

WALB / WALT analysis *

Lease term	Next Break Date (WALB)		Lease Expiry (WALT)	
	Current rental income	Share	Current rental income	Share
	sq m		EUR p.a.	years
Undetermined / open ended	-	-	-	-
< 3 years	-	-	-	-
from 3 to <6 years	258 895	100,0%	-	-
from 6 to <9 years	-	-	258 895	100,0%
from 9 years	-	-	-	-
Total	**258 895**	**100,0%**	**258 895**	**100,0%**

* As at date of valuation; not including temporary rent reductions and future lease contracts

2.10.2 Service Charge

We have not been provided with the service charge budget 2022

2.10.3 Net Rental Income

We have assumed all the charges are recoverable from the tenants except for the major repairs (article 606 of the French civil code). We have allowed 0.2% for irrecoverable costs for *loi Pinel* management fees and 2% for article 606 costs.

Consequently, we have valued The Property on the basis that the net rental income is **€253,199 per annum**.

2.10.3 Void Costs

We have not included void costs as we have assumed that the Property is fully let.

Market Commentary

3.1 ECONOMIC OVERVIEW

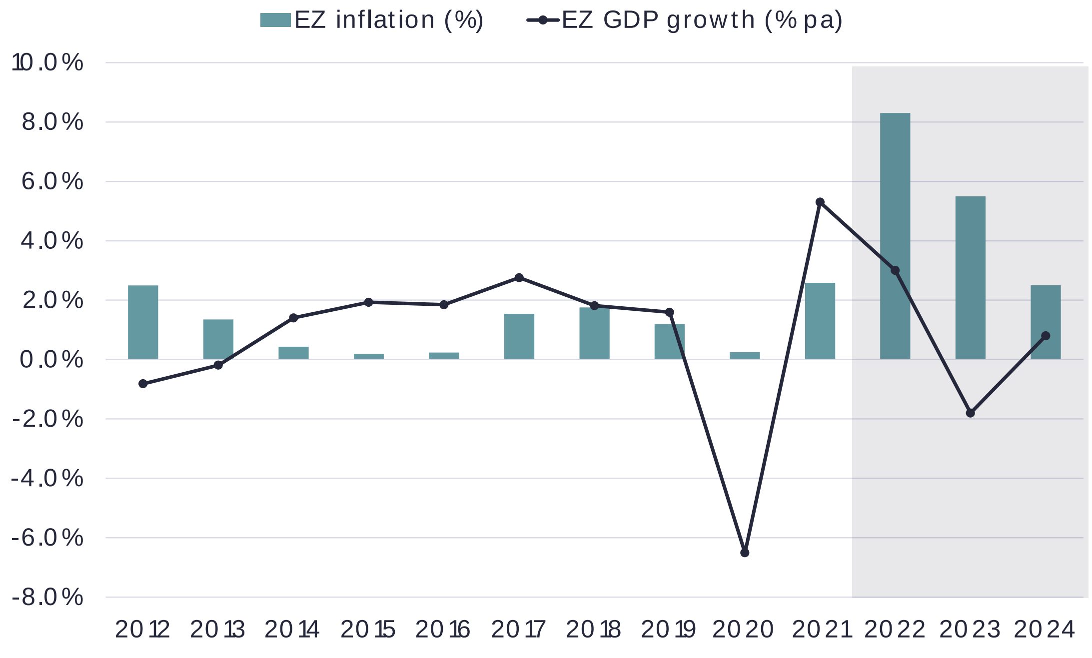
Eurozone inflation continued to exceed market expectations in October, reaching 10.7% yoy, and applying further pressure on the European Central Bank (ECB) to raise interest rates. The ECB's latest base rate rise of 75 bps to 1.50% is expected to be followed by an additional 50 bps rise by the end of 2022.

Consensus forecasts indicate Eurozone inflation is still expected to peak during Q4 2022, but concerningly for the ECB, the current core inflation rate of 5% is likely to remain above the ECB's target for some time. Eurozone countries who tend to rely on Russian energy exports are observing some of the highest headline rates of inflation, led by the Netherlands (16.8%), Belgium (12.3%), Italy (11.9%) and Germany (10.4%), whilst Central Eastern European markets continue to see rising prices well above 15%. Eurozone wage growth is expected to reach 4.2% during 2022, and 4.4% in 2023, although given there still remains space capacity in the employment markets, any fears of an inflationary spiral remain unlikely.

Capital Economics anticipate Eurozone base rates will reach 3% by mid-2023 in an attempt to control inflation, although policymakers will be aware of the negative impact on economic growth across the Eurozone- GDP is already forecast to contract by 0.4% during Q4 2022. Weaker economic growth forecasts are beginning to have an impact on hiring sentiment among employers, although employer hiring expectations still remain above the long-term average, according to the European Commission, which should position the economy for a "soft landing".

10-year German government bond yields have risen to 2.1% at the end of October 2022, up from -0.2% just 12 months ago, with consensus forecasts expecting this to stabilise at 2.3% during 2023. As a result, all in costs of debt for European CBD offices rose above 4% during Q3 2022, as we begin to see lender margins increase for the additional risk. Although this clearly presents an opportunity for cash buyers, they continue to seek discounts reflecting the higher cost of debt in the market.

Eurozone inflation and GDP growth forecasts (%)



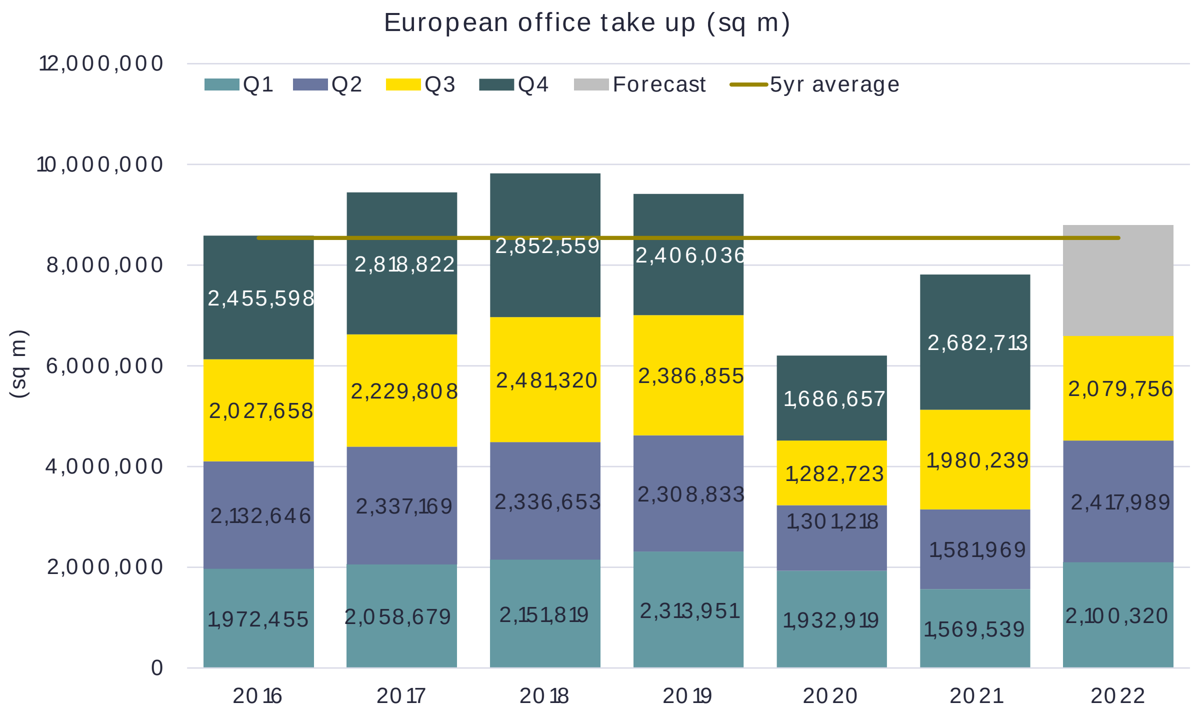
Offices

European office take up reached 2.1m sq m during Q3, in line with the five year Q3 average, following a slowdown against the previous quarter. For the year to date (YTD), office take up is 9% above the five-year Q1-Q3 average following a strong first half of activity. Among the strongest performing markets have been Lisbon (+111% against five-year YTD average), Cologne (+41%) and Prague (+30%).

One concern for office landlords is the slowdown in venture capital funding, particularly into the tech sector, given rising interest rates. Companies who were previously loss making are now reducing costs and, in some cases, headcount, in order to break even. We may begin to see some tech companies begin to sub-lease space or consolidate offices to tackle cost challenges in 2023.

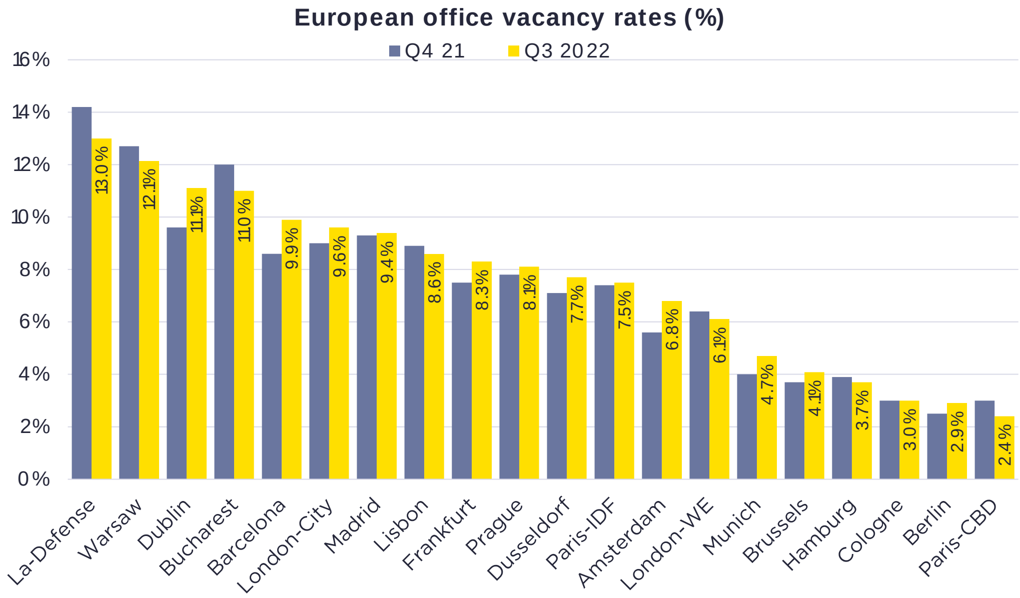
However, given the resilience in new office requirements, we expect a fairly busy final quarter of deals and expect total take up for 2022 to reach circa 9m sq m, with a steady flow of deals into 2023.

European office take up (sq m)



Office vacancy rates have increased marginally to 7.5% during the third quarter of 2022. Core markets' vacancy rates generally remain below 5%, including Paris CBD (2.4%), Berlin (2.9%) and Cologne (3.0%). We have observed a minor increase in tenant-controlled supply in Dublin during 2022, whilst in Amsterdam, we have recorded a number of new office deliveries scheduled for the next six months, although the South Axis availability remains undersupplied at 5% vacancy rate. Despite a higher overall vacancy rate in Madrid, there remains a shortage of larger units available within the M-30 ring road as we observe tenant requirements intensify for city centre stock. Developer sentiment remains cautious as we approach 2023, with construction starts delayed. Those occupiers seeking high quality space in 2025/26 will ultimately need to start their search earlier.

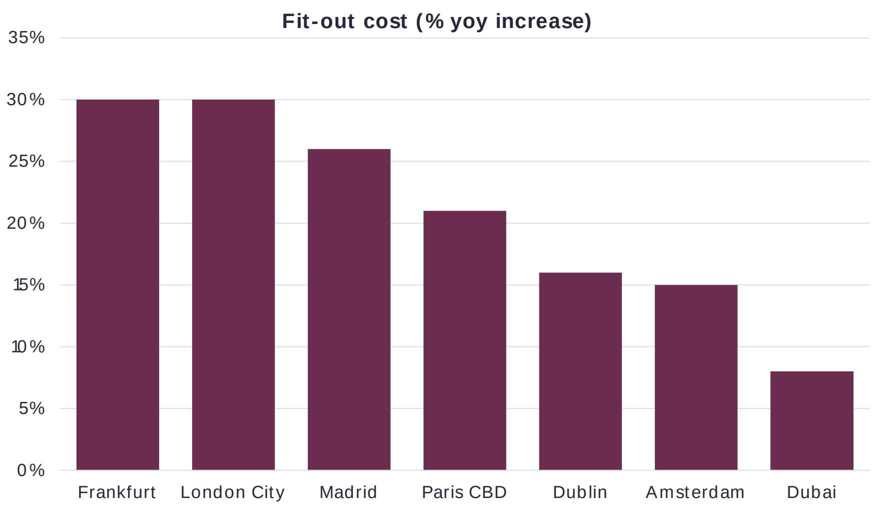
European office vacancy rates (%)



Average prime European office rents rose by 5.5% following a shortage of best-in-class stock available across the core markets as rents begin to diverge between prime and secondary stock. Amsterdam (+16%), Munich (+14%) and Berlin (+13%) are recording some of the strongest increases, supported by undersupplied prime stock and rising construction costs, and we expect further rental growth into 2023 as occupiers compete for the best space. A further concern for occupiers is the rising energy costs filter through into increases in service charges, as observed in Amsterdam (+50%), London City (+20%) and Dublin (+7%) over the last 12 months.

Rising commodity prices, ongoing supply chain issues and increasing construction and labour costs continue to add upward pressure on fit out costs, as outlined in Savills Prime Office Costs (SPOC) report Q3 2022. Fit out costs have subsequently risen by 21% on average across Europe, led by Frankfurt (+30%), London City (+30%) and Madrid (+26%)- above the global average of 10%. Fit out costs are generally paid for by the landlord in Germany, although tenants generally cover the costs in London City, Madrid and Paris CBD.

European office fit out cost annual increase (%)



Feature: In which EME office markets are occupiers most exposed to rising inflation?

Savills has benchmarked European office markets where occupiers have the highest rental exposure to inflation through their office leases. In the UK it is more common for leases to include rent reviews at break option, or at lease expiry, sheltering occupiers from inflation-linked increases.

However, mainland European tenants tend to face annual rent indexation, many of which without a rental cap or collar clause in their contracts. Given Eurozone inflation had not exceeded 4% until the current energy crisis, occupiers had not negotiated rental caps in their lease agreements. With Eurozone inflation now above 10% and reaching 15-20% across Central and Eastern Europe (CEE) occupiers are finding themselves exposed to rental increases.

However, should inflation continue at current high levels, and we begin to see office rents decline following weaker employer sentiment and cost reduction strategies, we may begin to see over rented, reversionary leases. If estimated rental value (ERVs) growth fall significantly behind inflation, then landlords may be faced with tenants vacating their premises at their next lease event, should a compromise not be met.

The British Council for Offices indicates that office related costs generally account for around 10% of total business costs. As global occupiers continue to seek best in class office space in order to attract the workforce back, rental indexation is unlikely to have any significant impact on occupier locations.

We now expect to see tenants signing new leases to require indexation clauses to mitigate higher inflation risks over the short-medium term. Landlords, however, have sought European offices as a favourable inflation hedge and will be reluctant to shift to open market rent reviews. Occupiers in search of new, high quality office space will therefore need to start their search earlier to account for extended negotiation periods.

Logistics

Occupational

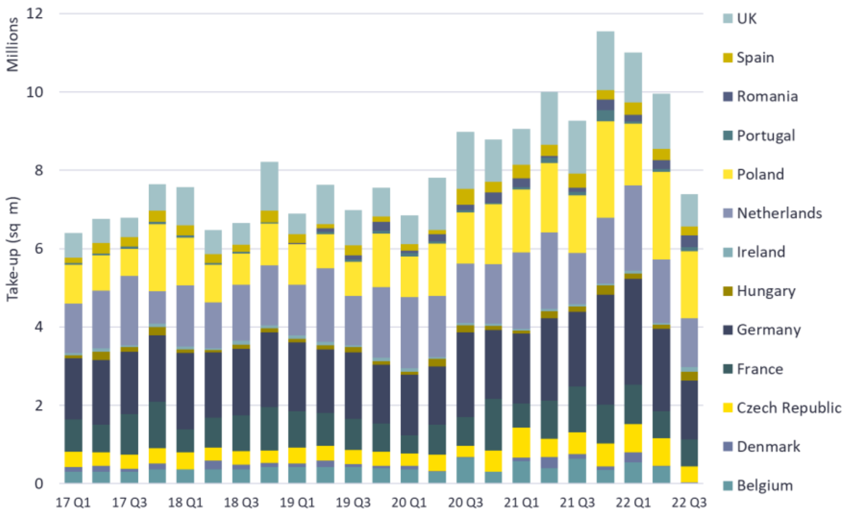
The occupational fundamentals of the logistics sector continue to be strong and provide a positive outlook for the end of this year. European logistics take-up reached nearly 29m sq m during Q1-3 2022, which is up by 4% from the record in 2021 and is 30% above the five-year average for this stage.

Romania (87%), Ireland (37%), and Hungary (15%) saw take-up increase compared to same period last year, whilst take-up decreased in Denmark (-40%), Spain (-17%), and France (-14%).

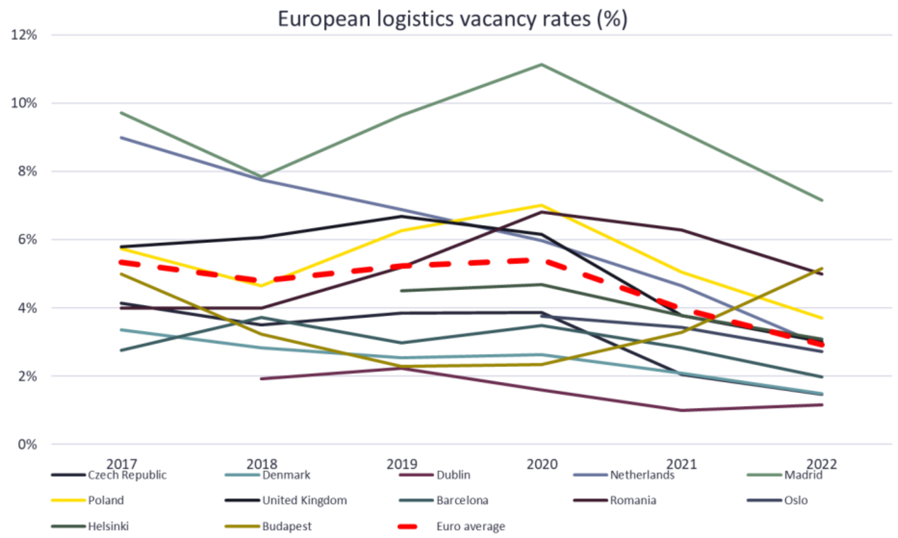
European logistics take up (sq m)

However, availability continues to limit occupier expansion, especially in Madrid (6.4%, -300bps), Romania (4%, -250bps), and the Netherlands (2.6%, -220bps) in Q3 2022. All across Europe, less space was available except for three markets where vacancy rates increased, though the vacancy increased from record breaking lows: Budapest (4.9%, +130bps) and Dublin (1.4%, +80bps).

The question arises if this slowing momentum from an occupational standpoint continues towards year end. On the one hand, many occupiers are faced by increasing costs (e.g. energy and labour) and are therefore forced to downsize. Whilst on the other hand, occupiers are still seeking to sign for more space to further secure their supply chains and to manage their inventories.



European logistics vacancy rates (%)

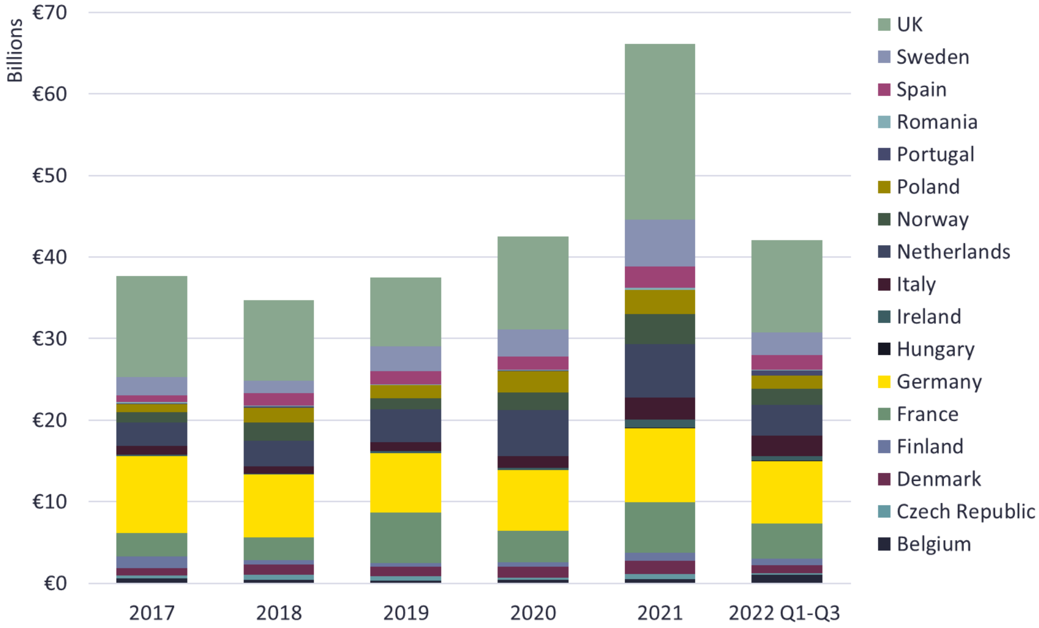


With less space available on the markets, the competition for space has increased which on its turns drives the prime rental growth. Across Europe, the prime rent grew by 10.7% in Q3 2022 compared to same period last year. Prime rents especially increased (YoY) in Paris (38%), Prague (36%), and London and SE (32%). Prime rents stabilized in the cities in the Nordics and decreased slightly in Stockholm (-5%).

Investment

The strong occupational performance of the logistics sector is also reflected in the capital/investment into the sector. We recorded a total investment volume of €42bn for Europe in Q1-3, which is 2% higher than the record from last year and is 50% above the five-year average. Especially, the investment volume in Portugal (3119%), Belgium (154%), and Italy (73%) increased YoY during Q1-3.

European logistics investment (€bn)



However, the total investment volume of Q1-3 is mainly driven by the strong performance of the first two quarters of this year. During the third quarter of this year, we have recorded a slowdown in investment volumes across Europe with a total investment volume of €9.7bn, 16% down compared to Q3 2021. However, the investment volume of Q3 2022 is still well above (28%) the Q3 five-year average. During Q3 22, Portugal saw the biggest uplift in investment volume compared to the same period last year (+2406%), followed by France (117%) and Spain (76%). Whilst Czech Republic and Hungary lost momentum with no transactions in Q3 2022, and a decline for Romania (-69%), the Netherlands (-66%), and the UK (-46%).

This slowdown in investment volume in the last quarter is also reflected by the sharp decline in the number of deals brought to the markets and decrease in number of bidders per deal. The explanation is found in the increased costs of debt, meaning that leveraged buyers are not willing, or able, to close deals and in most cases are not able to meet the seller's expectations. This means that we entered a price discovery momentum in the second half of this year.

This price discovery momentum has hardly started as only a limited number of deals are completed due to big price gaps between buyers and sellers, providing minimum transactional evidence for 'new' market prices. The few deals that have been closed do show discounts ranging from 10% to 20%, but for now sellers are withdrawing their deals from the market entirely, rather than accepting a discount.
Prime logistics yields moved out for the UK (4.25%, +100bps), Poland (5.2%, +95bps), Czech Republic (4.75%, +75bps), and Spain (4.75%, +75bps) compared to the beginning of the year.

Investment

RCA data indicates that the total investment volume for the third quarter of the year reached €53bn, which brings the total volume cumulated from Q1 to Q3, to €218bn. This represents a 5% drop compared to the same period last year. The UK (€58bn, +4% yoy), German (€40bn, -24% yoy) and France (€25bn, +11% yoy) accounted for the majority of activity for the year to date. Spain (+18%), Italy (+25%) and Norway (+42%) reported the largest annual increases, although Sweden (-42%) and the Netherlands (-18%) reported a fall in volumes. The Q3 slowdown in activity was fairly universal across sectors, with industrial activity falling by 26% yoy, whilst office transactions fell by 44% yoy and apartment transactions fell by 38% yoy. This slowdown has been due to three major factors.

First, to tackle the surge in inflation, central banks have been forced to raise rates to historically high levels. The narrowing gap between bond and real estate yields is increasingly unfavourable to real estate. On average across Europe, the spread between real estate and long-term bond yields dropped to 44 bps in September from 279 bps on average in the past ten years. Second, the rising cost of debt is reducing the range of opportunities in terms of countries, locations and in terms of asset classes, with the very low yielding assets looking increasing unviable. It is also reducing the range of active market players. We are seeing a growing activity from cash-rich investors, such as sovereign wealth funds, whilst private equity investors are slowly retrenching. Third, the strong inflation is starting to drag down the European economy, which in turn affect investors sentiment. Historically, GDP growth and real estate investment volume have been strongly correlated.

We anticipate the end-year volume to range between €275bn and €280bn. The living and logistics sectors will remain the preferred asset classes. In both sectors, a structural supply and demand imbalance is favouring rental growth. And going forward; property fundamentals will become again the key drivers of all investment decisions. We have recorded strong investment activity in student housing during the first part of the year and we expect it will continue. And this is unsurprising given the countercyclical nature of the sector. During economic slowdowns, which ultimately affect the labour market, the number of students rise, hence, the demand for student accommodation is growing.

At the other end of the spectrum, we expect the overall retail and leisure investment volumes to be negatively impacted by slowing down consumer spending. Historically in uncertain times, investors tend to reposition their activity domestically, because their national market is easier to read and access. This trend has not materialized in cross-border investment figures, but we expect the share of domestic investment to start rising as we approach 2023. That said, international cities such as London, Frankfurt, Berlin or Paris will remain magnet destinations for cross-border investment. Beyond Europe’s borders, the weakening euro and the European real estate position in the global property cycle may catch some investor's attention. All in all, for the next six months, we expect the overall cross-border investment activity will be reduced to established gateways and mostly fuelled by non-continental capital.

Multifamily

There has been a major shift in the economic and geopolitical backdrop across Europe during 2022. Inflation has reached multidecade highs across the continent, driven by soaring energy costs, which have been exacerbated by the ongoing war in Ukraine.

This has driven a dramatic change in monetary policy. The European Central Bank (ECB) increased their interest rate again in October 2022, the third time that they have done so this year. This means that their deposit facility rate has risen from -0.5% at the start of the year to 1.50%. As a result, there has been a marked shift in the debt markets, with the five-year Euro swap rate over 300bps higher in October, compared with the start of the year – underpinning an upward repricing of debt. In spite of these headwinds, multifamily investment across the continent reached a record level in H1, with over €27 billion of capital deployed across the 13 markets we track.

But there were signs in Q2 that economic uncertainty and the rising cost of debt were starting to impact the market. This has continued into Q3 where only €6.9 billion of capital was invested in multifamily in total across Europe, which is the around half the five years quarterly average and the lowest quarterly volume in over five years.

Interestingly however, the fall in investment activity in Q3 2022 was not evenly spread across Europe. Our data suggest that it has been primarily driven by a continued slowdown in the larger markets, such as Germany and the Netherlands. Other markets such as the UK and Spain have seen robust levels of activity. This highlights the growing diversification of investment in multifamily across the continent and is likely, in part, to reflect where investors can find higher yielding opportunities.

Given the headwinds facing Europe it is unsurprising to see that prime yields across many markets have moved out since the start of 2022. The initial softening started to during Q2 in some markets, such as the Netherlands, Spain and Norway. These have been joined by Germany, Denmark, Finland and the Czech Republic in Q3.

As a result, yields in these markets are between 25bps and 75bps softer than they were at the end of Q1. The continuing high cost of debt mean that we expect that yields will remain under pressure in the near term.

3.2 ILE-DE-FRANCE LIGHT INDUSTRIAL/LOGISTIC MARKET AS OF H1 2022

Take-up – Paris region

In H1 2022, over 500,000 sq m of industrial real estate were transacted in the Paris region, which reflects an increase of +17% compared to the 10-year average. H1 2022 continued the excellent course of 2021, setting new records driven by changes in production, consumption and distribution.

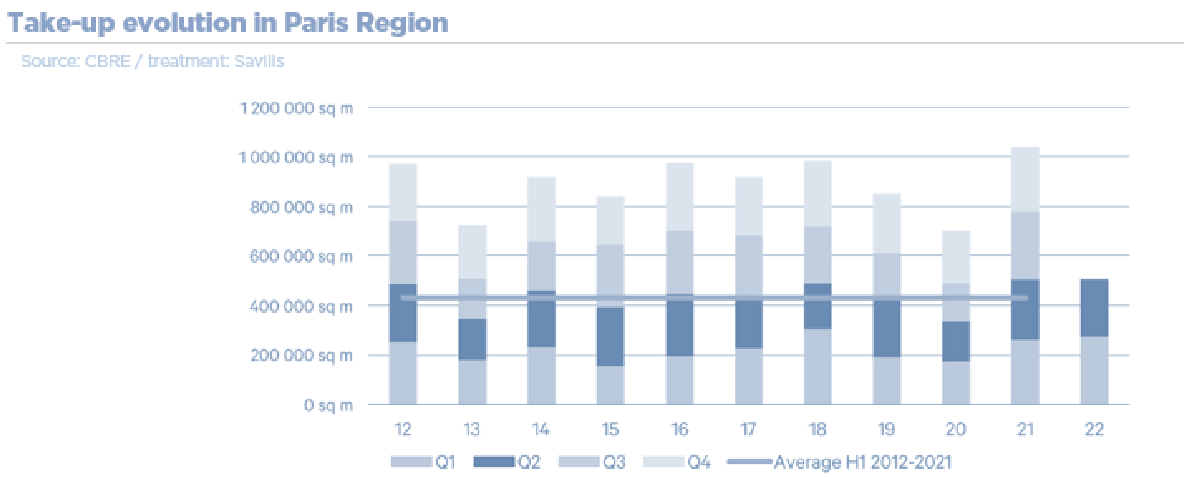
Over 420 industrial deals have been signed. The number of medium-sized (3,000-5,000 sqm) and large deals increased significantly (+25% compared to H1 2021). These dynamics reflect the resilience of market fundamentals despite a turbulent environment.

Demand remains strong due to the current e-commerce boom. Occupiers are increasingly seeking solutions for last-mile penetration. As a result, competition among users, buyers and tenants is intensifying. Leasing continues to be predominant, accounting for more than 65% of take-up.

The proportion of sales is constrained by the scarcity of offers available for sale in the Inner and even Outer Rim.

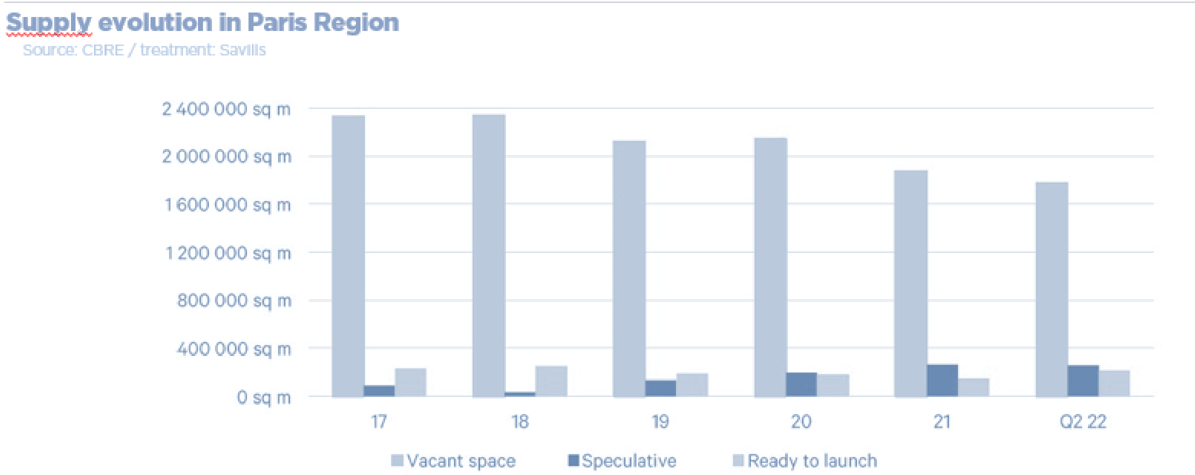
Occupiers looking to acquire industrial premises are in direct competition with investors who see this asset class as a haven and source of diversification.

In an uncertain inflationary environment, declining consumer confidence and tightening financial terms could limit some users' decision-making, especially regarding acquisition, until the end of the year.



Supply – Paris Region

Vacant space for light industrial premises in the Paris Region totaled nearly 2 million sq m, down 15% year-on-year. The imbalance between supply and demand continues in tight markets, especially within the A86. In response to the scarcity of vacant space, more long-term leases have been signed. Occupiers are increasingly looking to secure industrial premises for longer periods but struggle to secure highly functional and scalable spaces that meet their operational and sustainable-efficiency requirements. As a result, future development schemes ("speculative") have increased to reach nearly 260,000 sq m across all greater Paris region markets while ready-to-launch supply totals more than 215,000 sq m.



Rental Values – Paris Region

The Light Industrial market in Ile-de-France is experiencing a continuous rise in rental values. Although this rise has effects everywhere, it varies significantly by area within the Paris Region. The average rent within the A86 is now €150 pa/sq m. Yet, the highest rents are negotiated in the south with a prime rent for new space within the A86 of €250/sq m. In the North, rent rises are spreading to the Outer Rim ring due to space being increasingly limited in the Inner Rim. This phenomenon is also echoed in the West and East sectors. Continued rent increases are prompting landlords, investors and developers to find creative ways to increase supply, such as remodelling and developing multi-story premises. The current scarcity of land combined with a lack of available space in popular suggests that rents will continue to rise.

Paris sectors	Sub sectors	Asking rent New/Refurb. € psm pax	Asking rent second hand. € psm pax
North	Within the A86	€120/€170	€90/€160
	Outside the A86	€80/€140	€60/€100
West	Within the A86	€130/€170	€100/€150
	Outside the A86	€100/€140	€70/€120
South	Within the A86	€170/€250	€130/€185
	Outside the A86	€95/€145	€80/€100
East	Within the A86	€150/€180	€120/€160
	Outside the A86	€90/€140	€75/€110

3.3 LETTING COMPARABLES

We detail below some letting transactions comparable to the subject property from the past years and available assets:

Industrial

#	Map reference	Rent (EUR per sq m p.a.)	Floor Area (sq m)	Location rating	Property rating
1	A	**113**	3 531	↑	↑
2	B	**80**	1 976	✓	↑
3	C	**45**	2 080	✓	↓
4	D	**99**	2 000	↑	↑
5	E	**60**	4 022	✓	↑
6	F	**95**	3 057	✓	↑
7	G	**75**	6 940	✓	↗
8	F	**60**	2 643	✓	✓

#	Map referen	Property Name / Address	Post Code	Municipality	Tenants	Floor areas (sq m)	Date	Condition
1	A	Rue des Chardonnerets	93290	Tremblay-en-France	Cab Formations	**3 531**	mai 2020	Second hand
2	B	4-16 rue Gay-Lussac	77290	Mitry-Mory	Little Cigogne	**1 976**	sept 2020	Second hand
3	C	39 rue Gay-Lussac	77290	Mitry-Mory	Sarl Organidem	**2 080**	juin 2021	Second hand
4	D	Avenue Valquiou	93290	Tremblay-en-France	Howdens Cuisines	**2 000**	juil 2022	Second hand
5	E	1 rue René Cassin	77290	Mitry-Mory	Adexcel	**4 022**	janv 2019	Second hand
6	F	Nd	77290	Mitry-Mory	Offer	**3 057**	Offer	Second hand
7	G	Zac de la Feuchère	77290	Compans	Offer	**6 940**	Offer	Renovated
8	F	Nd	77290	Mitry-Mory	Offer	**2 643**	Offer	Second hand

Based on the above transactions and having in mind the main characteristics of The Property such as it excellent location at proximity of Paris, its size, it's good condition, we are of the opinion the Market Rent lies in the region of €65 per sq m pax overall.

3.4 INVESTMENT COMPARABLES

We detail below some investment transactions comparable to the subject property, from the past years:

Industrial

#	Map referen	Capital Value EUR per sq m	Floor Area sq m	Net Initial Yield	Location rating	Property rating
1	A	**902**	4 100		✓	
2	B	**1 060**	5 988	**7,50%**	✓	↑
3	C	**1 008**	1 280		↑	
4	D	**1 355**	2 287		↑	
5	E	**1 079**	1 869		↑	
6	F	**1 206**	2 886		↑	↑

#	Map referen	Property type	Property Name / Address	Etat	Post Code	Municipality	Date de Construction	Floor Area sq m	Purchase Price EUR	Buyer	Date
1	A	Industrial	Rue Mercier		77290	Compans	1 996	4 100	**3 700 000**	Arkea	juin 2022
2	B	Industrial	Rue Gay Lussac	47% occ.; Pre-let	77290	Mitry-Mory	2 019	5 988	**6 350 000**	La Francaise	juin 2018
3	C	Industrial	Rue Jean Mermoz		93290	Tremblay-en-France		1 280	**1 290 000**	SCI CPHM	mars 2021
4	D	Industrial	Tremblay-en-France	Bought for occupancy	93290	Tremblay-en-France		2 287	**3 100 000**	Nd	oct 2018
5	E	Industrial	11-13 Rue Henri Farman	Tenants: Computer Sl	93290	Tremblay-en-France		1 869	**2 017 000**	M7 Real Estate	juil 2018
6	F	Industrial	Rte de La Croix Au Platre	Bought for occupancy	93290	Tremblay-en-France	2 017	2 886	**3 480 516**	Manuloc	févr 2018

We consider the here above transaction ranked A is the most comparable one to The Property. The building is located in the same industrial area (ZI de Mitry-Compans), has a similar construction date and size.

Having in mind the current trend observed on the investment market which after several years of yield compression seems to have reached a slowdown where investors are adopting a “wait & see” attitude as we anticipate a rise in yields mainly due to the economic context, and having regard to the main characteristics of The Property such as its location, tenancy situation and size, very good condition overall, we are of the opinion the Property could reach an equivalent yield in the region of 6,00% if it was to be sold.

Valuation Advice

4.1 VALUATION CONSIDERATIONS

Having regard to the above sections, we consider The Property to have the following strengths and weaknesses:

STRENGTHS	WEAKNESSES
↑ Excellent location at the doors of Paris	↓ Limited public transport
↑ Excellent access by road	↓ Ageing building
↑ Freehold	
↑ Efficient building	

OPPORTUNITIES	THREATS
↑ Scarcity of such well-located logistics assets,	↓ Uncertainty of the economic market
↑ Strong letting market for last mile logistics	↓ WALB 3 years
↑ High demand for well-located distribution space	↓ Increasing costs to maintain ageing property
↑ Renovation of the buildings	

4.2 INCOME ANALYSIS

4.2.1 Analysis of Lease Terms

The property is currently owner occupied however for the purpose of our valuation we have assumed it to be let on a 3/6/9 year commercial lease. The theoretical weighted average unexpired lease term is some 3.00 years (earliest) and 9.00 years (expiry).

Tenancy schedule analysis by use *

Areas	Lettable area	Vacancy	Current rental income	WALB	WALT
	sq m		EUR p.a.	years	years
Warehouse	3 583	-	232 895	3,00	9,00
Offices	90	-	5 850	3,00	9,00
Mezzanine	310	-	20 150	3,00	9,00
Subtotal	**3 983**	**-**	**258 895**	**3,00**	**9,00**
Total			**258 895**	**3,00**	**9,00**

* As at date of valuation; not including temporary rent reductions and future lease contracts

4.3 APPROACH TO VALUATION

4.3.1 Market Rent

Based on the comparable evidence above, with have allowed for an average market rent for the property of €65 per sq m pax. We consider that the current aggregate Market Rent of the subject property on a headline basis is in the region of **€258,895 (rounded) per annum excl**.

Market rent analysis by use *

Areas	Lettable area	Current rental income	Current rental income	Market rental income	Market rental income	Over / underrent
	sq m	EUR per sq m p.a.	EUR p.a.	EUR per sq m p.a.	EUR p.a.	currently let rental units
Warehouse	3 583	65	232 895	65	232 895	-
Offices	90	65	5 850	65	5 850	-
Mezzanine	310	65	20 150	65	20 150	-
Subtotal	**3 983**	**65**	**258 895**	**65**	**258 895**	**-**
Total			**258 895**		**258 895**	**-**

* As at date of valuation; not including temporary rent reductions and future lease contracts

The above Market Rent is the aggregate “headline” rent that we believe is achievable for the property in today’s market, on the assumption that the subject property is let on a 9 year lease with a 3 year firm commitment. We have allowed a rent-free period of 6 months.

4.3.2 Term & Reversion approach

In our analysis is based on the traditional investment method of valuation, whereby we have capitalized the potential income from the property, having regard to comparable evidence, the overall characteristics of the property, tenant covenant strength, rental levels and general investor sentiment for this type of product.

The yields we have chosen reflect the risks of industrial properties and the sale liquidity of the building.

For this method, we assumed that LMS signed a lease contract on the entire property, on the Market Rental Value, for a 3/6/9-year duration. This type of lease contract gives a fairly secured level for an investor and offer a good marketability of the property.
We have deducted from the total Rent of €258,895 pax, the non-recoverable charges of €5,696 per annum which have calculated as follows:

- 0.2% provision for the management fees (Pinel),
- An allowance of 2% of the gross rent for structural works / Article 606 of French Civil Code.

In term of yields:

- Capitalisation of the net rent at a yield of 6.00% until the expiry of lease;
- In reversion: capitalisation in perpetuity of the net rent at a yield of 6.00%.

We therefore arrive at a Net Market Value as at 31 December 2022, of **€3.740,000** net of purchaser costs (*hors droits*). This reflects:

- A net value of €939 per sq m overall
- A Net Initial Yield of 6.29%
- A Reversionary yield of 6.29%

4.3.4 DCF approach

We have compared the valuation using a DCF approach where we have taken into consideration the same assumptions than for our T&R approach. We have applied the following main assumptions:

- Start date: 1st January 2023,
- Cash Flow Period: 10-year,
- Discount rate: 6.50%,
- Exit Cap. Rate: 7.00%,
- Inflation and indexation

Cost Inflation	5,70%	3,30%	2,30%	1,90%	1,50%	1,70%
ILC	3,50%	2,50%	1,75%	1,50%	1,50%	1,50%
ICC	7,50%	5,00%	2,30%	1,60%	1,60%	1,60%
ILAT	4,00%	2,50%	2,00%	1,85%	1,60%	1,60%
Inflation	5,70%	3,30%	2,30%	1,90%	1,50%	1,70%

- Exit legal costs: 7.50%.
- Purchaser Costs: 7.50%

We therefore arrive at a Net Market Value as at 31 December 2022, of **€3.690,000** net of purchaser costs (*hors droits*). This reflects:

- A net value of €926 per sq m overall
- A Net Initial Yield of 6.39%
- A Reversionary yield of 6.39%

This approach supports our T&R calculation.

4.4 VALUATIONS

4.4.1 Fair Value

Having carefully considered The Property, as described in this report, we are of the opinion that the Fair Value of the freehold interest is (rounded):

€3,740,000,000 Excl.
(THREE MILLION SEVEN HUNDRED AND FORTY THOUSAND EUROS Exc.) ***Hors droits***

Taking into consideration the characteristics of the Property as well as the local and international real estate market, we are of the opinion that a suitable marketing period for the Property would be circa 9 months.

A printout of our valuation calculations is enclosed at **Appendix III**.

4.4.2 Estimated Reinstatement Costs

You have sought from us an indication of the current reinstatement cost of The Property in its present form. This indication of cost is provided below but, as stated in the RICS Appraisal and Valuation – Global Standards, it is "given solely as a guide, as a formal estimate for insurance purposes can only be given by a quantity surveyor or other person with sufficient current experience of replacement costs". We confirm that The Property has not been inspected by such a person, and therefore the cost indication below is provided without liability.

Indication of Reinstatement Costs

Use	Gross Internal Area	Building Reinstatement Cost (BRC)	Building Reinstatement Cost (BRC)
	sq m	EUR per sq m or % of CC	EUR total excl.VAT
Offices	**90**		
Construction Cost (CC)		**1 000**	90 000
Demolition and Site Clearance Costs		**10%**	9 000
Professionnal Fees		20%	19 800
Subtotal Estimated Reinstatement Cost	**90**	**1 320**	**118 800**
Industrial	**3 893**		
Construction Cost (CC)		**750**	2 919 750
Demolition and Site Clearance Costs		**10%**	291 975
Professionnal Fees		20%	642 345
Subtotal Estimated Reinstatement Cost	**3 893**	**990**	**3 854 070**
Total rounded Estimated Reinstatement Cost	**3 983**	**997**	**3 970 000**

General Assumptions & Conditions to Valuations

5.1 GENERAL ASSUMPTIONS

Unless otherwise stated in this report, our valuations have been carried out on the basis of the following General Assumptions. If any of them are subsequently found not to be valid, we may wish to review our valuations, as there may be an impact on them.

1.That the Freehold/Heritable/Leasehold or other interests are not subject to any unusual or especially onerous restrictions, encumbrances or outgoings contained in the Title. Should there be any mortgages or charges, we have assumed that the property would be sold free of them. We have not inspected the Title Deeds or Land Registry Certificates.

2.That we have been supplied with all information likely to have an effect on the value of the Property, and that the information supplied to us and summarised in this report is both complete and correct.

3.That the buildings were erected in accordance with planning permissions, and every building complies with all statutory or local authority requirements. All necessary consents and authorisations for the use of the Property and the processes carried out at the Property (in particular to be issued by public authorities, neighbours or other third parties) are in existence, will continue to subsist and are not subject to any onerous conditions.

4. That the property to be valued is not subject to any public encumbrances which could have an effect on value.

5.That the property is not adversely affected, nor is likely to become adversely affected, by any highway, town planning or other schemes or proposals, and that there are no matters adversely affecting value that might be revealed by a local search, replies to usual enquiries, or by any statutory notice (other than those points referred to above).

6. That the property to be valued is not under monumental protection.

7.That the buildings are structurally sound, and that there are no structural, latent or other material defects, including rot and inherently dangerous or unsuitable materials or techniques, whether in parts of the buildings we have inspected or not, that would cause us to make allowance by way of capital repair (other than those points referred to above). Our inspection of the property and this report do not constitute a building survey.

8. That the site is appropriate and has load bearing capacity suitable for the realized or anticipated form of development, that no abnormal ground conditions exist and no additional or unusual expenditure on e.g. foundations or drainage systems are required. The ground does not contain any archaeological remains. There are no underground mineral or other workings, noxious substances or any other matters that may cause additional costs or delay.

9.That the properties are connected, or capable of being connected without undue expense, to the public services of gas, electricity, water, telephones and sewerage.

10. That in the construction or alteration of the buildings no use was made of any deleterious or hazardous materials or techniques, such as high alumina cement, calcium chloride

additives, woodwool slabs used as permanent shuttering and the like (other than those points referred to above). We have not carried out any investigations into these matters.

11. That the properties have not suffered any land contamination in the past, nor is it likely to become so contaminated in the foreseeable future. We have not carried out any soil tests or made any other investigations in this respect, and we cannot assess the likelihood of any such contamination.

12. That the property does not suffer from any risk of flooding. We have not carried out any investigation into this matter.

13. That the property either complies with the relevant Disability Discrimination Acts and all other Acts relating to occupation, or if there is any such non-compliance, it is not of a substantive nature.

14. That the tenants are creditworthy and capable of meeting their obligations. There are no arrears of rent or breaches of covenants. It is assumed by Savills that lease agreements and any other agreements provided to Savills are valid, and no facts do exist which would entitle a party to terminate or cancel such agreements.

15. That there are no circumstances related to subsidies or grants which could have an effect on the value of the properties. It is assumed that there are no unusual restrictions with respect to the occupation of the buildings or the level of rents.

16. That all public taxes, charges and contributions, including without limitation contributions levied by public authorities with respect to the site development, have entirely been levied and paid as at the date of valuation. In particular it is assumed that no public infrastructure contributions or similar contributions can be levied in the future.

17. That the subject properties are covered by a valid adequate and appropriate insurance policy as regards the sum assured and the types of potential loss covered.

18. Oral statements by public officials, particularly involving factual information, cannot be regarded as legally binding. Savills assumes such oral statements to be correct; however, Savills is unable to accept any liability for the application of any such statements or information in the report.

5.2 GENERAL CONDITIONS

Our valuations have been carried out on the basis of the following general conditions:

1.We have made no allowance for any Capital Gains Tax or other taxation liability that might arise upon a sale of the property.
2.Our valuations are exclusive of VAT (if applicable).
3.No allowance has been made for any expenses of realisation.
4.Excluded from our valuations is any additional value attributable to goodwill, or to fixtures and fittings which are only of value in situ to the present occupier.

Appendix I - Terms of Engagement

8 November 2022

Camilla Walker
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DL: +44 (0) 207 409 8186
M: +44 (0) 7870 186 480

33 Margaret Street, London, W1G 0JD
savills.com

Headlam Group plc
Gorsey Lane
Coleshill
Birmingham
B46 1LW

(the **Addressee(s)**)

For the attention of John Fowler

Dear John,

PROPERTIES: BETTINHORST 4, 7207 BPZUTEPHEN, INDUSTRIAL AREA REVEELHORST III
ZI DE COMPANS, 3/5 RUE NORTON 77290, MITRY-MORY
ZA LES PLAINES QUEST, 26780 MALAVERNE

CONFIRMATION OF TERMS OF ENGAGEMENT FOR THE PROVISION OF VALUATION ADVICE

1. Thank you for your correspondence dated 7 November 2022. We are grateful to you for your kind instructions to advise and now write to confirm the terms upon which Savills (UK) Limited (**Savills, we** or **us**) will provide Headlam Group plc (**you**) with a valuation report (the **Valuation** or **Report**) in respect of the above property or properties (each being a **Property**).

2. Our Valuation will be undertaken on the terms set out in this letter, including its appendices.

3. Please sign and return a copy of this letter to us to confirm your acceptance of the terms set out herein. In particular, we draw your attention to the fact that when signing this letter you are confirming your agreement to the limitation of our liability set out at paragraphs 8 - 12 inclusive.

4. Please note we will be unable to formally issue our final Report to you, and you will be unable to rely upon the contents of our Report, until such time as we have received your signed copy of this letter.

5. To the extent that there is conflict or inconsistency between this confirmation of instruction letter and your correspondence referred to above, this confirmation of instruction letter will prevail.

CONFLICTS OF INTEREST

6. We confirm that Savills (UK) Limited does not have an involvement with the Property or any other parties and there are no other factors that could limit our ability to provide an impartial and independent valuation. Therefore, the valuers will report an objective valuation.

RICS RED BOOK

7. We shall prepare our Valuation in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2022 together, where applicable, with the UK National Supplement effective 14 January 2019, together the **"Red Book"**. Accordingly, we confirm that:

   (a) Identification and status of the Valuer

(i) The Valuation will be the responsibility of and the Report will be signed by Camilla Walker, RICS Registered Valuer (the **Valuer**). The Valuer will work with colleagues as appropriate, and the Report will be counter-signed by at least one other RICS Registered Valuer.

(ii) The Valuer has sufficient current knowledge of the particular market(s) and sufficiently developed skills and understanding to undertake the valuation competently.

We are acting as an "external valuer" as defined in the Red Book and within Appendix 1.

(b) Identification of the client and other intended users

The client is the addressee of this letter. We will address our Report to the Addressee.

(c) Identification of the asset or liability to be valued

(i) The interests to be valued are detailed below:

Property Address	Tenure	Use
BETTINHORST 4, 7207 BPZUTEPHEN, INDUSTRIAL AREA REVEELHORST III	Freehold	Industrial
ZI DE COMPANS, 3/5 RUE NORTON 77290, MITRY-MORY	Freehold	Industrial
ZA LES PLAINES QUEST, 26780 MALAVERNE	Freehold	Industrial

(ii) The interests will be valued subject to the current occupational agreements.

(iii) The interests to be valued are held for investment purposes.

(d) The valuation will be in Euro.

(e) Purpose of the valuation

The Valuation is required for year-end accounts purposes. It is important that the Report is not used out of context or for the purposes for which it was not intended. We shall have no responsibility or liability to any party in the event that the Report is used outside of the purposes for which it was intended, or outside of the restrictions on its use set out at sub-paragraph (l) below.

(f) Bases of value

The basis of our Valuation will be Fair Value (International Financial Reporting Standards definition), the definition of which is set out at **Appendix 1** (attached). We will also provide Indicative Reinstatement Cost Assessments.

(g) Valuation Date

The Valuation Date will be 31 December 2022. We stress the importance of the Valuation Date.

(h) Extent of investigation

(i) We will carry out an inspection of the Property and undertake investigations to the extent necessary to undertake the Valuation. We will not carry out a structural survey or test the services and nor will we inspect the woodwork and other parts of the structures which are covered, unexposed or inaccessible.

ESG and Sustainability

(ii) As directed by the Red Book, we will limit our ESG and Sustainability enquiries (and restrict our comments) to observations of facts which will impact on value.

To the extent that you require advice which falls outside this, we have a dedicated team within Savills Earth / Building and Project Consultancy, which may be able to assist you and we would be happy to make an introduction.

Japanese Knotweed

(iii) If Japanese Knotweed has been previously identified at the Property (or on neighbouring land) then we will require copies of any specialist reports, management plan or warrantees.

Identifying Japanese knotweed is problematic and cannot be guaranteed. This is partly because during the early stages of its annual life cycle some of the classic visual characteristics are not distinctive and during the winter months the plant sheds its leaves and suffers die back. It is also possible that Japanese knotweed has received a herbicide-based treatment which has removed all visible above ground signs but may not have killed the below ground rhizome (root) which, in turn, may lead to new growth and the spread of the plant in time.

Should our investigations reveal the existence of Japanese Knotweed at the Property which has caused visible material damage to a structure, or is likely to prevent use of, or restrict access to amenity space, we will recommend that a specialist report is obtained, which will delay the publication of our report. Alternatively, we will discuss with you whether it is appropriate to report on the basis of a Special Assumption that there is no Japanese Knotweed at the property (or on neighbouring land) pending receipt of a specialist report.

(i) Nature and source of information to be relied upon

(i) We will carry out our Valuation based on the information listed below:

Document/Item
Schedule of accommodation
Cost budgets
Certificate on title
Site plan / maps
Technical due diligence
Legal due diligence
Environmental due diligence

(ii) To the extent that you have provided us with information, you agree, unless it is otherwise agreed by us in writing, we can safely rely upon the accuracy, completeness and consistency of this information without further verification and that you will not hold us responsible in the event that any dispute regarding the Valuation arises from the accuracy of such information.

(iii) Floor areas:

We will not be measuring the Properties. It is agreed that we will rely on the floor areas provided to us by you and which we assume have been prepared in accordance with local measuring practice.

(iv) We will not be measuring any part of the Property which we are unable to access. In such cases we may estimate floor areas from plans, or by extrapolation. Such measurements should not be relied upon for any other purpose.

(v) We will not make formal searches with local planning authorities, but shall rely on the information provided informally by the local planning authority or its officers. We recommend you instruct lawyers to confirm the position in relation to planning and that the Report is reviewed in light of advice from your solicitors in this respect.

(vi) For the avoidance of doubt, we accept no liability for any inaccuracy or omission contained in information disclosed by you or any third party or from the Land Registry or any database to which we subscribe. We will highlight in our Report where we have relied on such information.

j) Assumptions and Special Assumptions

Unless otherwise agreed, our Valuation will be reported on the basis of the general assumptions attached at **Appendix 2**, and the additional assumptions at Appendix 3.

(k) Format of Report

We will adopt the relevant Savills (UK) Limited valuation report template, adapted, as necessary, to accommodate your instructions.

(l) Restrictions on use, distribution or publication

(i) Our Report shall be confidential to, and for the use only of, the Addressee(s) and no responsibility shall be accepted to any third party for the whole or any part of its contents.

(ii) Neither the whole nor any part of our Report or any reference to it may be included in any published document, circular or statement, nor published, reproduced, referred to or used in any way without our prior written approval (with such approval to be given or withheld at our absolute discretion).

(iii) Where any Addressee is a lender, in the event of a proposal to place the loan on the Property in a syndicate, you must notify us so that we can agree the extent of our responsibility to further named parties. If this is not done or we do not agree to be responsible to further named parties, we shall have no responsibility to any party other than the Addressee(s).

(iv) Draft reports, if provided, will be sent on the basis that they are provisional (i.e. subject to completion of our final report) and for your internal purposes only. They must not be published or disclosed and you will not be entitled to rely upon them for any purpose whatsoever. Savills neither owes nor accepts a duty of care to you in connection with any drafts and shall not be liable to you for any loss, damage, cost or expense of whatever nature caused by your use of or reliance on them. Should you choose to rely upon a draft you do so entirely at your own risk and you are responsible for carrying out your own independent investigations.

(m) Confirmation that the valuation will be undertaken in accordance with IVS

We confirm we will prepare our Valuation in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2022 together, and where applicable, with the UK National Supplement effective 14 January 2019, together the **"Red Book"**.

We also confirm that the valuers will assess the appropriateness of all significant inputs.

(n) The basis on which the fee will be calculated:

savills

(i) The agreed fee for the provision of the Valuation is EUR 12,500 plus VAT and is payable in Euro. This fee is inclusive of expenses.

(ii) Our agreed fee and any expenses, together with any VAT (at the prevailing rate) on such amounts, shall become due and payable by you to us within 30 days of us issuing you with a valid VAT invoice in respect of such amounts. In the event that our fee is not paid by the date for payment we reserve the right to charge default interest at a rate of 4% above the Barclays Bank base rate for payment.

(iii) In the event of our instructions being terminated at any time prior to completion of our work, a fee will become payable on a time basis (at our prevailing rates) for work carried out up to the date of termination, subject to a minimum of 50% of the agreed fee, together with all expenses incurred.

(iv) If we incur any expenditure on solicitors or other third parties in order to recover the fee due, such amounts will be payable by you.

(v) If we perform any additional services for you, we will agree an additional fee with you in respect of such services and such fee shall be payable in the manner set out above.

(vi) You acknowledge that you shall not be entitled to rely upon our Report until such time as our fees have been paid as detailed here.

(n) Savills Complaints Handling Procedure

A copy of our Client Complaints Handling Procedure can be made available to you on request.

(o) Monitoring under RICS conduct and disciplinary regulations

Savills (UK) Limited is regulated by RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for Firms and all other applicable mandatory professional practice requirements of RICS, which can be found at www.rics.org. As an RICS regulated firm we have committed to cooperating with RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Nicola McGinnis (nmcginnis@savills.com), Chief Financial Officer.

LIMITATIONS ON LIABILITY

8. Subject to paragraph 12 below, our aggregate liability to any one, or more, or all of the Addressees or any other party who otherwise becomes entitled to rely upon the Report under or in connection with this agreement and our Valuation, however that liability arises (including, without limitation, a liability arising by breach of contract, arising by tort, including, without limitation, the tort of negligence, or arising by breach of statutory duty) shall be limited to the lower of:

(a) 33% of the Value (as defined below) of the Property stated in our Report; and

(b) EUR 25,000,000

9. In paragraph 8, **Value** means:

(a) where more than one value is stated for the same Property on different bases, the highest valuation figure recorded in our Report; and

(b) in the case of valuations of portfolios, estates, shopping centres and other multi-unit properties within one Report, the aggregate of our valuations included in the one Report.

10. You acknowledge and agree that we shall not be liable under or in connection with this agreement and the provision of our Valuation in tort (including negligence), breach of contract, breach of statutory duty or otherwise due to, under and/or

arising out of or in connection with this agreement to the extent such loss or damage is consequential, indirect, special or punitive.

11. You acknowledge and agree that none of our employees, partners or consultants individually has a contract with you or owes you a duty of care or personal responsibility. You agree that you will not bring a claim against any such individuals personally in connection with our services.

12. Nothing in this agreement shall exclude or limit our liability for death or personal injury caused by our negligence or for any other liability that cannot be excluded by law.

INSURANCE

13. During the period that we are producing our Valuation and for a period of six years thereafter, we will maintain in force, with insurers or underwriters approved by the RICS, professional indemnity insurance in an amount not less than the amount of our liability cap, as calculated pursuant to clause 8 above and shall, on your request, produce confirmation of the same from our insurance broker.

RELIANCE

14. As stated above, we accept responsibility for our Report only to the Addressees and no third party may rely on our Report. We do not accept any responsibility to, and shall have no liability in respect of, any third parties unless otherwise agreed in writing even if that third party pays all or part of our fees, or is permitted to see a copy of our Valuation. In addition, the benefit of our Report is personal and neither you nor any other Addressee may assign the benefit of our Report to any third party without our prior written consent (with such consent to be given or withheld at our absolute discretion). You acknowledge that if we agree to extend reliance on our Report to any third party or to the benefit of our Report being assigned, we will require the relevant third party or assignee to enter into a reliance letter before such party is entitled to rely upon our Report. We will provide you with a copy of our reliance letter on request. If we agree to any such extension or assignment, we may charge you an additional fee.

15. The Addressee(s) and their assignees, who may be permitted to rely on our Report, do so subject to the terms of this engagement.

CONFIDENTIALITY

16. Neither party shall disclose any confidential information relating to the affairs, business, customers or clients of the disclosing party to any other party without the disclosing party's prior written consent except to those of the receiving party's employees, officers, representatives and/or advisors who need to know the information for the purposes of carrying out the receiving party's obligations under this agreement (save to the extent that the receiving party is compelled to disclose such information by law).

17. Our Report is confidential to and for the use only of the Addressees, but the Addressees may disclose the Report on a non-reliance and without liability basis to their directors, officers, employees and professional advisers provided the relevant Addressee procures any person to whom our Report is disclosed pursuant to this paragraph 17 keeps the Report confidential and does not disclose it to any other party.

DATA PROTECTION

18. We may use your personal information in our provision of services to you. Please see our Privacy Notice for details of how your personal information will be used. Our Privacy Notice can be found at the following web address: *http://www.savills.co.uk/footer/privacy-policy.aspx*

REINSTATEMENT COSTS

19. If you have instructed us to report on the reinstatement cost of the Property for insurance purposes, we will provide you with an approximate opinion of such cost only. You acknowledge and agree that the provision of our opinion of the reinstatement cost is provided to you strictly without liability and on a non-reliance basis. If you require a reinstatement

cost figure on which you may rely, please let us know and we will ask our building surveying colleagues to provide a fee estimate.

SUB-CONTRACTING

20. We may sub-contract the provision of any services to be performed by us pursuant to this agreement (including, without limitation, to other companies that are direct or indirect subsidiaries of Savills plc) provided that we will remain responsible to you for the provision of those services and the provision of our Report. We may request that you pay any sub-contractor directly for those of our fees which relate to work carried out by the sub-contractor. In these circumstances, the fees in question are to be paid by you directly to the sub-contractor and we will be entitled to assign to the sub-contractor any rights that we have in respect of those fees.

MONEY LAUNDERING

21. You shall promptly, upon request, provide us with any information reasonably required to enable us to comply with our obligations under the Money Laundering Regulations and our internal compliance policies relating to the same. For the avoidance of doubt, searches may also be conducted on your directors and "beneficial owners" as is required by the legislation. You agree that we may retain such information and documentation for these purposes and make searches of appropriate databases electronically. If such information is not provided within a reasonable time or you do not meet the requirements set out in our relevant internal policies, we may terminate this instruction immediately upon written notice to you.

22. The provision of our services is a business in the regulated sector under the Proceeds of Crime Act 2002 and, as such, we are required to comply with this legislation which includes provisions that may require us to make a money laundering disclosure in relation to information we obtain as part of our normal work. It is not our practice to inform you when such a disclosure is made or the reasons for it because of the restrictions imposed by the 'tipping off' provisions of the legislation.

HEALTH AND SAFETY

23. If we are undertaking physical inspections of the Property, you shall take reasonable steps to procure that the owner and/or occupier of the Property: (a) advises us of any hazards to which our staff may be exposed at the Property (b) provides us with any relevant health and safety policies and (c) arranges for any site visits to the Property to be hosted by a representative of the owner/occupier of the Property.

JURISDICTION

24. This agreement and any dispute arising from the Valuation is subject to English jurisdiction and law.

APPENDICES

25. Your attention is drawn to the attached appendices which form part of the agreement between us and on which our Valuation will be reported. By signing a copy of this letter you are also confirming your agreement to them.

Yours faithfully,

CMWalker

Camilla Walker
RICS Registered Valuer

For and on behalf of Savills (UK) Limited

Client Acceptance

I confirm Headlam Group plc's agreement to this letter and the attached appendices and, in particular, confirm that the limitation on liability set out in paragraph 8 above is acknowledged, considered reasonable and accepted:

Signed by Headlam Group plc, by its duly authorised signatory

Signature	
Name (in capitals)	PHILIP GORMLEY
Position	DIRECTOR OF GROUP FINANCE
Date	9/11/22

Appendix 1: Definitions and Bases of Valuation

Assumption

A supposition taken to be true. It involves facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, do not need to be verified by the valuer as part of the valuation process. Typically, an assumption is made where specific investigation by the valuer is not required in order to prove that something is true (RICS Valuation – Global Standards, 2022).

Depreciated Replacement Cost

The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation (RICS Valuation – Global Standards, 2022).

Existing Use Value

The estimated amount for which an asset or liability should exchange on the Valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the asset required by the business and disregarding potential alternative uses and any other characteristics of the asset that would cause its market value to differ from that needed to replace the remaining service potential at least cost (RICS Valuation – Global Standards 2017, UK national supplement).

Existing Use Value is to be used only for valuing property that is owner occupied by a business, or other entity, for inclusion in financial statements.

External Valuer

A valuer who, together with any associates, has no material links with the client, an agent acting on behalf of the client or the subject of the assignment. (RICS Valuation – Global Standards 2022). Unless otherwise stated, External Valuer does not refer to the role of an external valuer within the context of the Alternative Investment Fund Managers Directive 2011/61/EU and its implementing provisions in the United Kingdom unless agreed otherwise in writing.

Equitable Value

The estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties (IVS 104 – Bases of Value), (RICS Valuation – Global Standards 2022).

Fair Value

The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (RICS Valuation – Global Standards 2022).

Gross Development Value (GDV)

The aggregate market value of the proposed development, assessed on the assumption that the development is complete at the date of valuation in the market conditions prevailing at that date.

Investment Value (or Worth)

The value of an asset to a particular owner or prospective owner for individual investment or operational objectives (RICS Valuation – Global Standards 2022).

Market Rent

The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgably, prudently and without compulsion (RICS Valuation – Global Standards 2022).

Market Value

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgably, prudently and without compulsion (RICS Valuation – Global Standards 2022).

Market Value for Capital Gains Tax, Inheritance Tax, Stamp Duty Land Tax and the Annual Tax on Enveloped Dwellings

The price which the property might reasonably be expected to fetch if sold in the open market at that time, but that price must not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one and the same time (RICS Valuation - Global Standards 2017: UK national supplement).

Special Assumption

An assumption that either assumes facts that differ from the actual facts existing at the valuation date or that would not be made by a typical market participant in a transaction on the valuation date (RICS Valuation – Global Standards 2022).

Appendix 2: General assumptions and conditions applicable to all valuations

Unless otherwise agreed in writing and /or stated in our report, our Valuation will be carried out on the basis of the following general assumptions and conditions in relation to each Property that is the subject of our Report. If any of the following assumptions or conditions are not valid, this may be that it has a material impact on the figure(s) reported and in that event we reserve the right to revisit our calculations.

1. That the Property(ies) is/are not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and good title can be shown. Should there be any mortgages or charges, we have assumed that the Property(ies) would be sold free of them. We have not inspected the Title Deeds or Land Registry Certificate.

2. That we have been supplied with all information likely to have an effect on the value of the Property(ies), and that the information supplied to us and summarised in this Report is both complete and correct.

3. That the building(s) has/have been constructed and is/are used in accordance with all statutory and bye-law requirements, and that there are no breaches of planning control and any future construction or use will be lawful.

4. That the Property(ies) is not adversely affected, nor likely to become adversely affected, by any highway, town planning or other schemes or proposals, and that there are no matters adversely affecting value that might be revealed by a local search, replies to usual enquiries, or by any statutory notice (other than those points referred to above).

5. That the building(s) is/are structurally sound, and that there are no structural, latent or other material defects, including rot and inherently dangerous or unsuitable materials or techniques, whether in parts of the building(s) we have inspected or not, that would cause us to make allowance by way of capital repair (other than those points referred to above). Our inspection of the Property(ies) and our Report do not constitute a building survey or any warranty as to the state of repair or refurbishment of the Property(ies). Our Valuation is on the basis that a building survey would not reveal material defects or cause us to alter our Valuation materially.

6. That there is unrestricted access to the Property(ies) and that the site(s) is/are connected, or capable of being connected without undue expense, to the public services of gas, electricity, water, telephones and sewerage.

7. Sewers, mains services and roads giving access to the Property(ies) have been adopted, and any lease provides rights of access and egress over all communal estate roadways, pathways, corridors, stairways and the use of communal grounds, parking areas and other facilities.

8. That in the construction or alteration of the building(s) no use was made of any deleterious or hazardous materials or techniques, such as high alumina cement, calcium chloride additives, woodwool slabs used as permanent shuttering and the like (other than those points referred to above). We have not carried out any investigations into these matters.

9. That the Property(ies) has/have not suffered any land contamination in the past, nor is/are likely to become so contaminated in the foreseeable future. We have not carried out any soil tests or made any other investigations in this respect, and we cannot assess the likelihood of any such contamination.

10. That the Property(ies) is/are free from environmental hazards, including infestation from invasive plants.

11. That any tenant(s) is/are capable of meeting its/their obligations, and that there are no arrears of rent or undisclosed breaches of covenant.

12. In the case of a Property(ies) where we have been asked to value the site under the special assumption that the Property(ies) will be developed, there are no adverse site or soil conditions, that the Property(ies) is/are not adversely affected by the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 that the ground does not contain any

archaeological remains, nor that there is any other matter that would cause us to make any allowance for exceptional delay or site or construction costs in our Valuation.

13. We will not make any allowance for any Capital Gains Tax or other taxation liability that might arise upon a sale of the Property(ies).

14. Our Valuation will be exclusive of VAT (if applicable).

15. No allowance will be made for any expenses of realisation.

16. Excluded from our Valuation will be any additional value attributable to goodwill, or to fixtures and fittings which are only of value in situ to the present occupier.

17. When valuing two or more properties, or a portfolio, each property will be valued individually and no allowance will be made, either positive or negative, should it form part of a larger disposal. The total stated will be the aggregate of the individual Market Values.

18. In the case of a Property(ies) where there is a distressed loan we will not take account of any possible effect that the appointment of either an Administrative Receiver or a Law of Property Act Receiver might have on the perception of the Property(ies) in the market and its/their subsequent valuation, or the ability of such a Receiver to realise the value of the property(ies) in either of these scenarios.

19. No allowance will be been made for rights, obligations or liabilities arising under the Defective Premises Act 1972, and it will be assumed that all fixed plant and machinery and the installation thereof complies with the relevant UK and EU legislation, insofar that the latter is applicable.

20. Our Valuation will be based on market evidence which has come into our possession from numerous sources, including other agents and valuers and from time to time this information is provided verbally. Some comes from databases such as the Land Registry or computer databases to which Savills subscribes. In all cases, other than where we have had a direct involvement with the transactions being used as comparables in our Report, we are unable to warrant that the information on which we have relied is correct.

Appendix 3: Further General Assumptions applicable to residential valuations

The following general assumptions apply to residential property valuations and are in addition to the general assumptions at Appendix 2.

1. Where the Property comprises flats or maisonettes, unless instructed or otherwise aware to the contrary, we will assume that:

   (a) The costs of repairs and maintenance or the building and grounds are shared equitably between the flats and maisonettes.

   (b) There are suitable, enforceable covenants between all leaseholds, or through the landlord or the owner.

   (c) There are no onerous liabilities outstanding.

   (d) There are no substantial defects, or other matters requiring expenditure (in excess of the current amount or assumed amount of service charge payable on an annual basis), expected to result in charges to the leaseholder, or owner of the Property, during the next five years, equivalent to 10% or more of the reported Market Value.

2. Where the dwelling is leasehold and it is not possible to inspect the lease or details have not been provided, the following further assumptions will be made, unless instructed to the contrary:

   (a) The unexpired term of the lease is 85 years, and no action is being taken by any eligible party with a view to acquiring the freehold or to extending the lease term.

   (b) That there are no exceptionally onerous covenants upon the leaseholder.

   (c) The lease cannot be determined except on the grounds of a serious breach of covenant in the existing lease agreement.

   (d) If there are separate freeholders, head and/or other sub-head leaseholders, the terms and conditions of all the leases are in the same form and contain the same terms and conditions.

   (e) The lease terms are mutually enforceable against all parties concerned.

   (f) There are no breaches of covenants or disputes between the various interests concerned.

   (g) The leases of all the properties in the building/development are materially the same.

   (h) The ground rent stated or assumed is not subject to unreasonable review and is payable throughout the expired lease term.

   (i) In the case of blocks of flats or maisonettes of over six dwellings, the freeholder manages the Property directly or there is an appropriate management structure in place.

   (j) There is a dutyholder, as defined in the Control of Asbestos Regulations 2012, and there are in place an asbestos register and effective management plan, which does not require any immediate expenditure, pose a significant risk to health or breach of the Health and Safety Executive (HSE) regulations.

   (k) Where the Property forms part of a mixed residential or commercially used block or development, there will be no significant changes in the existing pattern of use.

(l) Where the Property forms part of a development containing separate blocks of dwellings, the lease terms of the Property apply only to the block. There will be no requirement to contribute towards costs relating to the other parts of the development, other than in respect of common roads, paths, communal grounds and services.

(m) Where the Property forms part of a larger development, the ownership of which has since been divided, all necessary rights and reservations have been reserved.

(n) There are no unusual restrictions on assignment or sub-letting of the Property for residential purposes.

(o) There are no outstanding claims or litigation concerning the lease of the Property or any others within the same development.

(p) Where the Property benefits from additional facilities within a development, the lease makes adequate provision for the lessee to continue to enjoy them with exceptional restriction, for the facilities to be maintained adequately, and that there are no charges over and above the service charge for such use and maintenance.

3. In respect of insurance the following assumptions will be made, unless instructed otherwise:

(a) The Property can be insured under all-risks cover for the current reinstatement cost and is available on normal terms.

(b) There are no outstanding claims or disputes.

(c) Where individuals in a block makes separate insurance arrangements, the leases make provision for mutual enforceability of insurance and repairing obligations and

(d) Any landlord responsible for insurance is required to rebuild the Property with the alterations that may be necessary to comply with current Building Regulations and planning requirements.

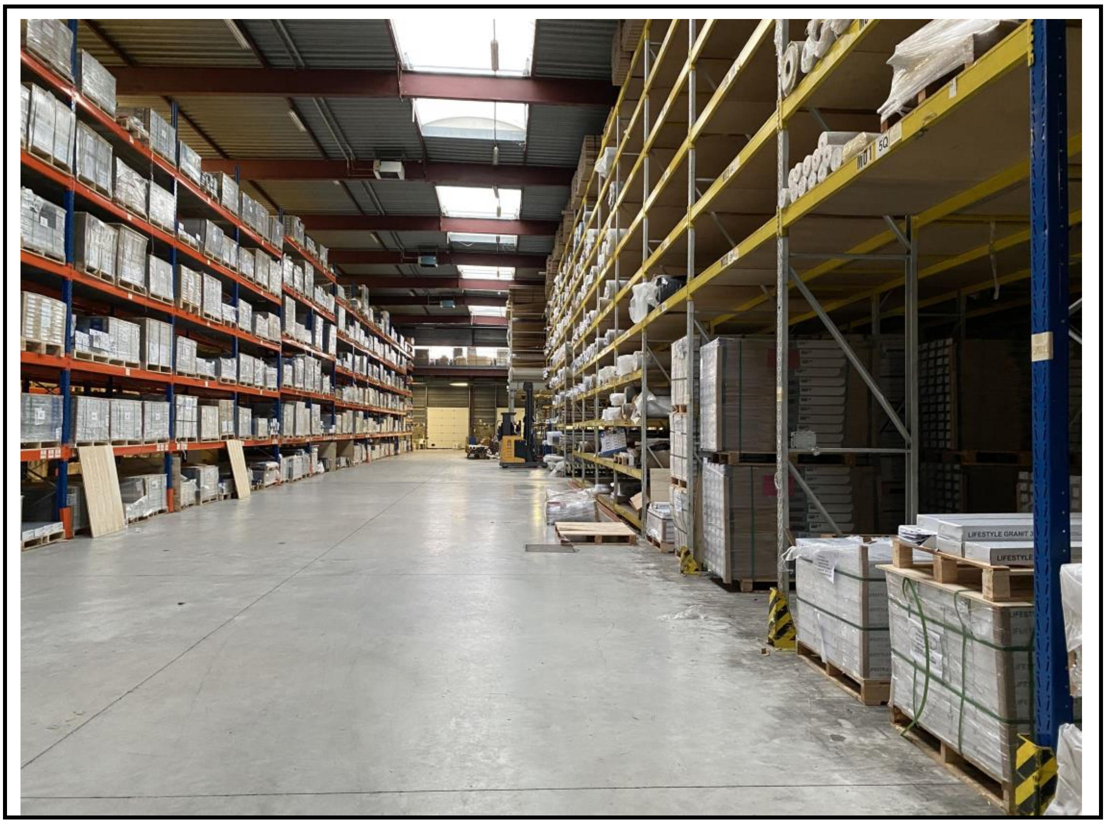
Appendix II - Photographs

Front façade

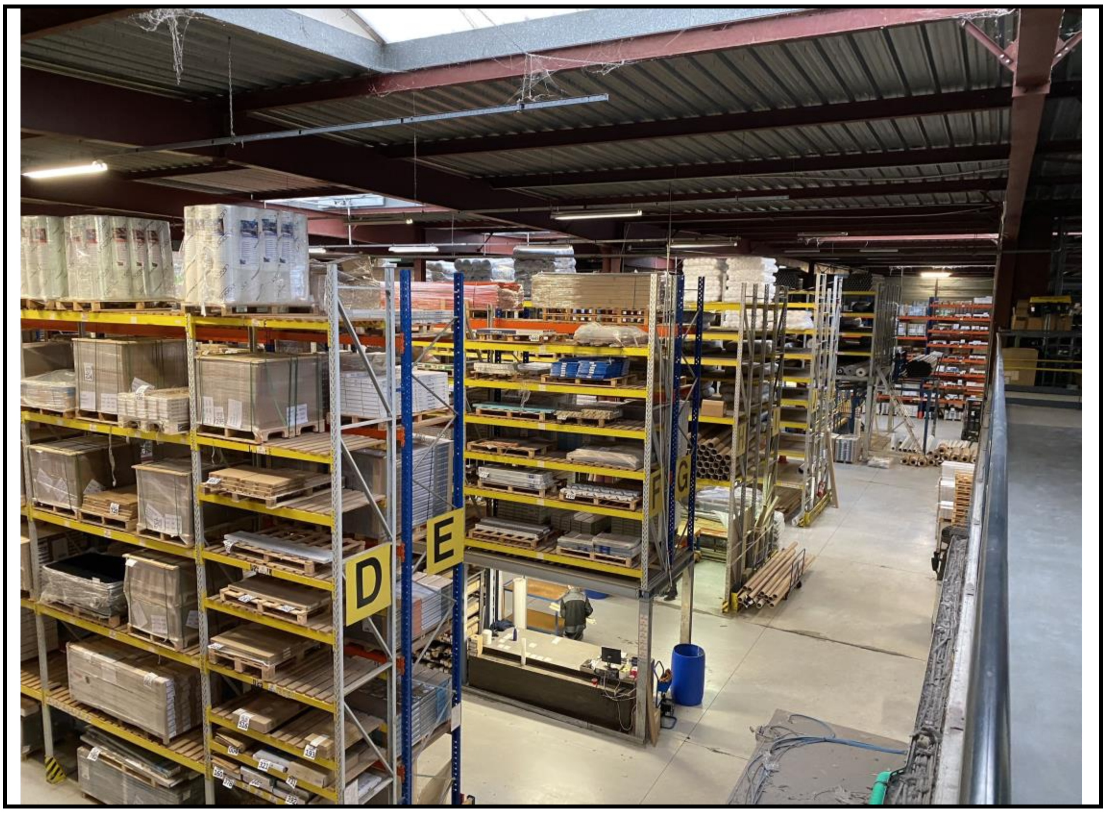
Back façade

Office space

Office space



Industrial space



Industrial space

Annexe III - Calculations

Property ID	**Mitry Mory**		**Determination of Market Value**
Property Address	**3 rue Issaac Newton**		
Postal Code	**77290**		
Municipality	**Mitry-Mory**		**Mitry-Mory**

savills

General Information

Date of Valuation	31/12/2022
Client	Headlam Group
Type of Valuation	Market Value
Type of Inspection	
Currency	EUR

Subject Property

General Property Information

Type of Property	Industrial
Year of Construction	1988
Year of Modernisation	
Land Area	8 865 sq m
Tenure	Freehold

Letting Situation as at Date of Valuation

Lettable Area	3 983 sq m
Vacancy on Area	-
Current Rental Income (EUR p.a.) [1]	258 895
Current Rental Level (EUR per sqm p.m.) [2]	65
WALT until next Break Option (years)	3,00
WALT until next Lease Expiry (years)	9,00
Current Rental Income with Fixed Expiry	100,0%

Market Value

Rounded Market Value in EUR	**3 740 000**
per sq m	939

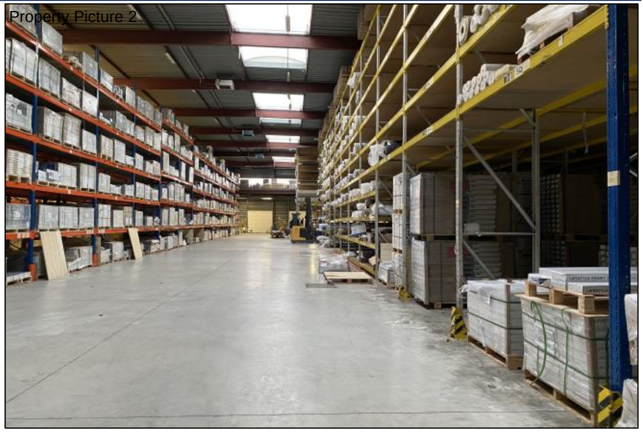
	Weighted Cap Rate of Term	Weighted Cap Rate of Reversion	Equivalent Yield
Internal Yields and Rates	6,00%	6,00%	6,00%

	At Current Rent	At Reversionary Rent
Net (Initial) Yield	6,29%	6,29%

Property Pictures

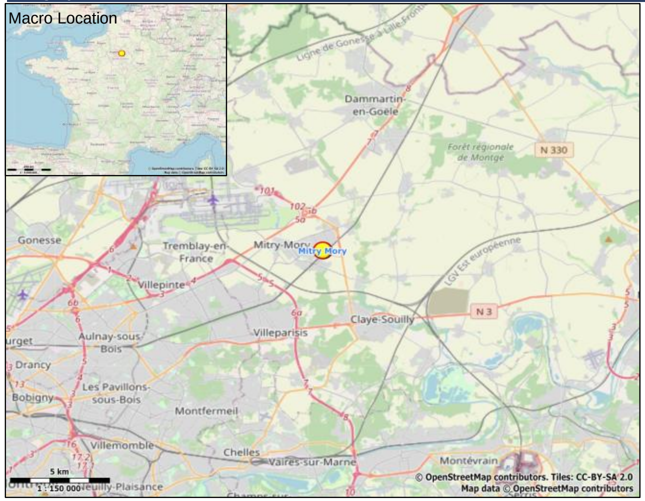
Property Picture 1

Property Picture 2

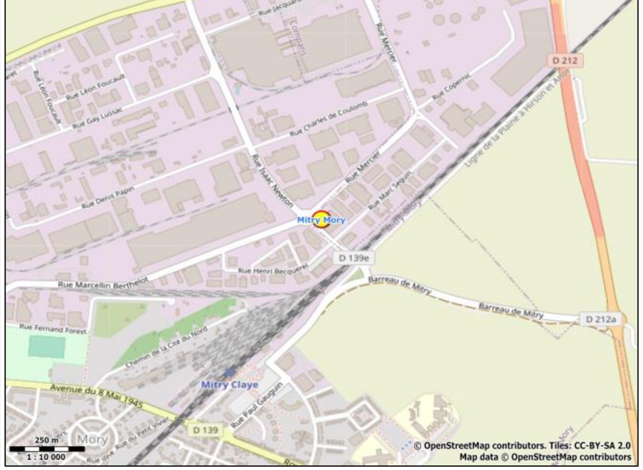


Geographical Position

Macro Location



Micro Location



[1] Excluding in place temporary rent reductions and rent free periods
[2] Excluding rental income generated by non-area units, e.g. parking lots, antennas, etc.

Property ID **Mitry Mory**
Property Address **3 rue Issaac Newton**

Postal Code **77290**
Municipality **Mitry-Mory**

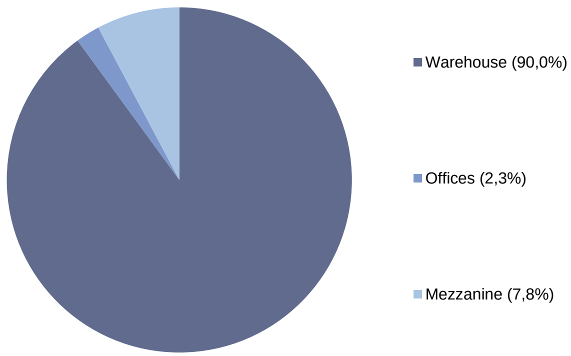
Determination of Market Value

Mitry-Mory

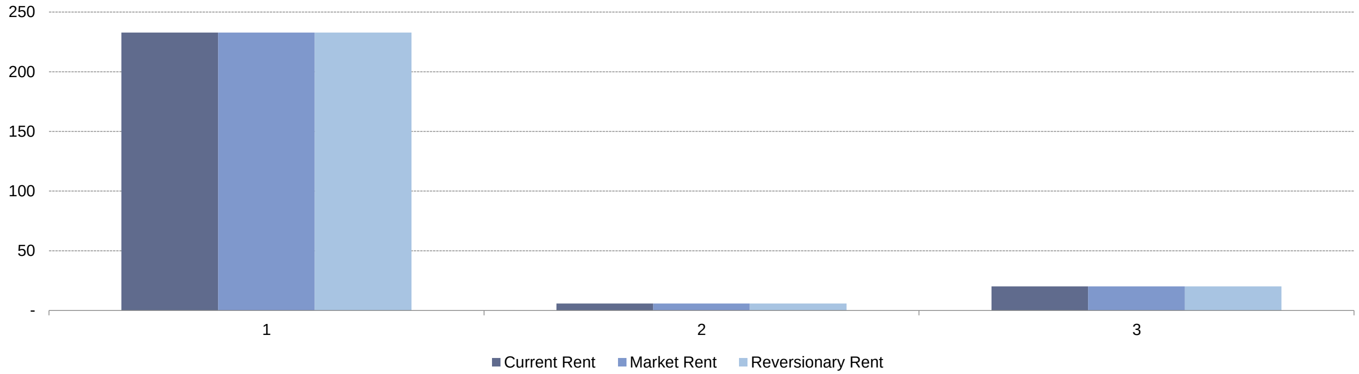
Rent Analysis

	General	Current								Market				Reversionary	
	Total Area / Units	Vacant Area / Units	Vacancy	Current Rent [1]	Current Rent [1]		Over- / Underrent of Currently Let Area / Units	WALT until next Break Option	WALT until next Lease Expiry	Structurally Vacant [2]	Structural Vacancy [2]	Market Rent	Market Rent	Reversionary Rent	Reversionary Rent
	sq m / units	sq m / units		EUR p.a.	EUR per sq m p.a.		% of Market Rent	years	years	sq m / units	Vacancy in %	EUR p.a.	EUR per sq m p.a.	EUR p.a.	EUR per sq m p.a.
Warehouse	3 583	-	-	232 895	65		-	3,00	9,00	-	-	232 895	65	232 895	65
Offices	90	-	-	5 850	65		-	3,00	9,00	-	-	5 850	65	5 850	65
Mezzanine	310	-	-	20 150	65		-	3,00	9,00	-	-	20 150	65	20 150	65
Lettable Area Subtotal	**3 983**	**-**	**-**	**258 895**	**65**		**-**	**3,00**	**9,00**	**-**	**-**	**258 895**	**65**	**258 895**	**65**
Lettable Units Subtotal	**-**	**-**	**-**	**-**						**-**	**-**	**-**		**-**	
Total				**258 895**			**-**	**3,00**	**9,00**			**258 895**		**258 895**	

Area by Type of Use



Rental Income (Thousand EUR p.a. as at Date of Valuation)



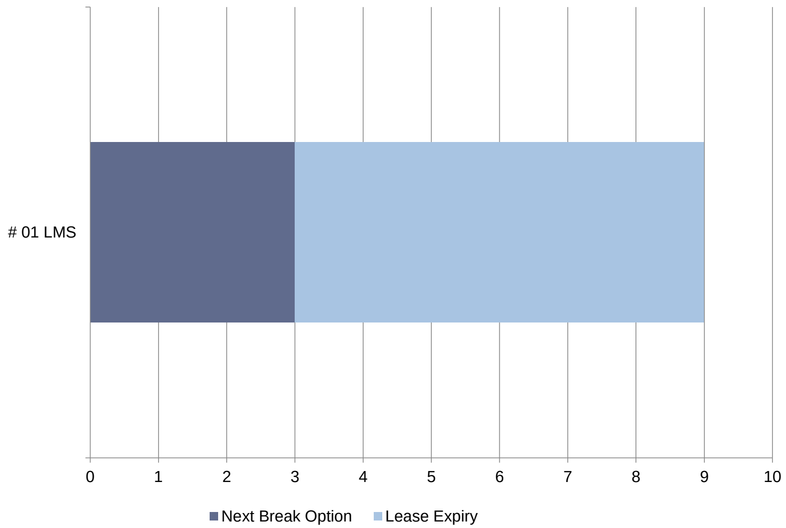
[1] Excluding in place temporary rent reductions and rent free periods
[2] Structural vacancy refers to non-lettable area / units and might also be applied after an existing lease
[3] Potential rent is the total of current rent generated by currently-let area / units plus the achievable market rent for currently-vacant and lettable area / units

Lease Analysis

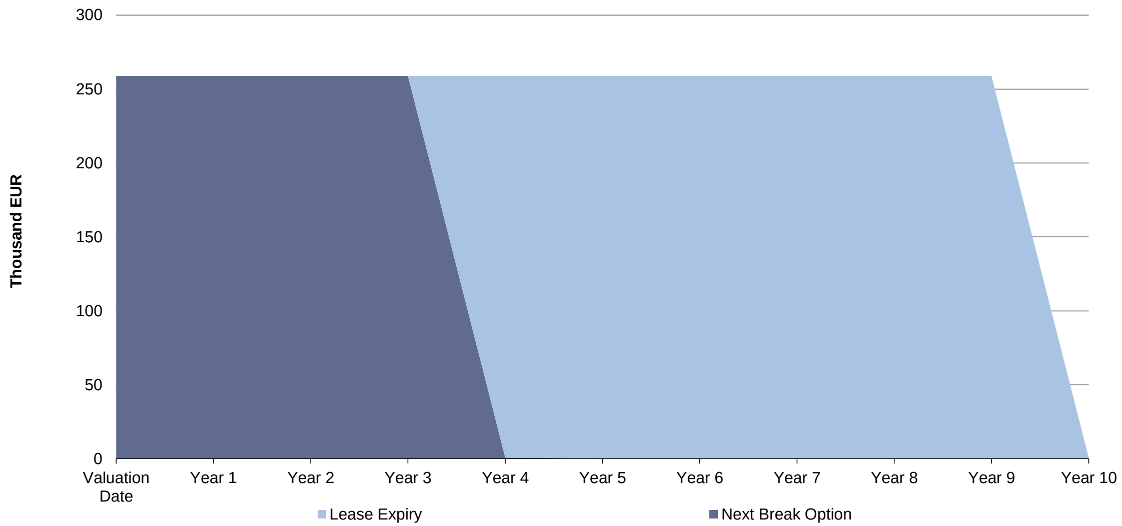
Top Tenants (including Future Leases)

	Area	Area share	Current Rent	Rent starting later than Valuation Date	Total Contracted Rent	Share of Contracted Rent	Contracted Rent	Over- / Underrent of Currently Let Area / Units	WALT until next Break Option	WALT until next Lease Expiry	Market Rent	Market Rent	Reversionary Rent	Reversionary Rent
	sq m		EUR p.a.	EUR p.a.	EUR p.a.		EUR per sq m p.a.	% of Market Rent	years	years	EUR p.a.	EUR per sq m p.a.	EUR p.a.	EUR per sq m p.a.
# 01 LMS	3 983	100,0%	258 895	-	258 895	100,0%	65	-	3,00	9,00	258 895	65	258 895	65

Lease Profile by Tenants



Lease Profile by Rental Income



Property ID	**Mitry Mory**
Property Address	**3 rue Issaac Newton**
Postal Code	**77290**
Municipality	**Mitry-Mory**

Determination of Market Value

Mitry-Mory

Property Valuation

Net Operating Income

	Gross Rental Income	Management Costs	606 Major Repairs	Land Tax	Office Tax	Insurance	Doubtful debtors	Other non-recs	Ground Rent	Net Rental Income	Vacancy Costs	Net Operating Income
As at valuation date (EUR p.a.)	258 895	-518	-5 178	-	-	-	-	-	-	253 199	-	253 199
	100,0%	-0,2%	-2,0%	-	-	-	-	-	-	97,8%	-	97,8%

											Structural Vacancy Costs	
Reversion (EUR p.a.)	258 895	-518	-5 178	-	-	-	-	-	-	253 199	-	253 199
	100,0%	-0,2%	-2,0%	-	-	-	-	-	-	97,8%	-	97,8%

Determination of Market Value

Present Value of Term		1 599 272
Present Value of Reletting		-73 339
Present Value of Reversion		2 497 904
Preliminary Gross Present Value		**4 023 837**
Present Value of Non-recurring Costs (e.g. Capex)		**-**
Gross Present Value		**4 023 837**
Purchase Costs	7,50%	-280 733
Net Present Value		**3 743 105**
Rounded Market Value in EUR		**3 740 000**
per sq m		939

Net Initial Yield	6,29%
Net Reversionary Yield	6,29%
Net Market Yield	6,29%
Weighted Cap Rate of Term	6,00%
Weighted Cap Rate of Reversion	6,00%
Equivalent Yield	6,00%

Property ID **Mitry Mory**
Property Address **3 rue Issaac Newton**

Postal Code **77290**
Municipality **Mitry-Mory**

Determination of Market Value - Rental Units

Mitry-Mory savills

Unit data / Term considerations

Tenant Name	Type of Use	Area / units	Lease status	Contracted rent	Contracted rent	Non-recoverable costs	Term NOI	Term duration	Term cap rate	Present value of rent reductions	**Present value of term**
		sq m / number		EUR p.a.	EUR per sq m p.a.	EUR p.a.	EUR p.a.	years		EUR	**EUR**
LMS	Warehouse	3 583,00	Let	232 895	65	-5 124	227 771	9,00	6,00%	-110 479	**1 438 662**
LMS	Offices	90,00	Let	5 850	65	-129	5 721	9,00	6,00%	-2 775	**36 137**
LMS	Mezzanine	310,00	Let	20 150	65	-443	19 707	9,00	6,00%	-9 559	**124 473**
Total				**258 895**		**-5 696**	**253 199**				**1 599 272**
Subtotal let				258 895		-5 696	253 199				**1 599 272**
Subtotal pre-let				-		-	-				**-**
Subtotal vacancy				-		-	-				**-**

Reletting considerations

Tenant Name	Reletting scenario	Void period	Void costs	Rent abatements	Refurbishment costs	Agency Commission	**Present value of reletting**
		months	EUR per sq m / unit p.a.	months	EUR per sq m / unit	% of reversionary rent	**EUR**
LMS	Rent renegotiation at lease expiry			6			**-65 973**
LMS	Rent renegotiation at lease expiry			6			**-1 657**
LMS	Rent renegotiation at lease expiry			6			**-5 708**
Total							**-73 339**
Subtotal let							**-73 339**
Subtotal pre-let							**-**
Subtotal vacancy							**-**

Reversion considerations

Tenant Name	Market rent	Market rent	Applied reversionary rent	Applied reversionary rent	Reversionary non-recoverable costs	Reversionary NOI	Reversion cap rate	**Present value of reversion**
	EUR p.a.	EUR per sq m / unit p.a.	EUR p.a.	EUR per sq m / unit p.a.	EUR p.a.	EUR p.a.		**EUR**
LMS	232 895	65	232 895	65	-5 124	227 771	6,00%	**2 247 048**
LMS	5 850	65	5 850	65	-129	5 721	6,00%	**56 443**
LMS	20 150	65	20 150	65	-443	19 707	6,00%	**194 414**
Total	**258 895**		**258 895**			**253 199**		**2 497 904**
Subtotal let	258 895		258 895			253 199		**2 497 904**
Subtotal pre-let	-		-			-		**-**
Subtotal vacancy	-		-			-		**-**

Valuation result

Tenant Name	**Preliminary present value**	Transaction Costs	**Preliminary net present value**	Preliminary net present value per sqm
	EUR		**EUR**	EUR per sq m
LMS	**3 619 736**	7,50%	**3 367 196**	940
LMS	**90 923**	7,50%	**84 579**	940
LMS	**313 178**	7,50%	**291 329**	940
Total	**4 023 837**	**7,50%**	**3 743 105**	
Subtotal let	**4 023 837**		**3 743 105**	
Subtotal pre-let	**-**		**-**	
Subtotal vacancy	**-**		**-**	

savills