

LIGHTHOUSE PROPERTIES p.l.c.
(Registered in Malta)
(Registration number: C 100848)
Share code: LTE
ISIN: MU0461N00015
LEI: 549300UG27SWRF0X2U62
 (“Lighthouse” or the “Company”)



PRE-CLOSE UPDATE

The board of directors of Lighthouse (the “**Board**”) wishes to provide shareholders with the following pre-close market update in anticipation of Lighthouse’s interim results for the 6-month period ending 30 June 2024.

ACQUISITIONS

During 1H2024, Lighthouse concluded the acquisition of two malls, Salera (50% share) and H2O. Lighthouse’s 50% share of Salera was acquired for EUR 87,25 million (inclusive of transaction costs), which represented a net initial yield of 7,7%. This acquisition closed on 31 January 2024. H2O was acquired for a consideration of EUR 121,6 million (including deferred capital expenditure and transaction costs), which represented a net initial yield of 7,5%. This acquisition closed on 3 April 2024, after a newly completed unit was handed over to Primark for tenant installation.

These acquisitions were funded by the disposal of Hammerson shares and have resulted in Lighthouse’s loan-to-value ratio increasing from 14,0% at FY2023 to 20,3% at 25 April 2024.

Lighthouse has entered into an exclusivity agreement to acquire a further mall in Iberia. This mall, being a dominant mall located in a large city with a strong economic underpin, fits well within Lighthouse’s strategy. Tenants include Primark, Inditex (Zara, Bershka, Pull&Bear and Stradivarius) and JD Sports. This acquisition will be funded by cash currently available from the recent disposal of Hammerson shares and is anticipated to close during 3Q2024.

LISTED INVESTMENTS

Since FY2023, Lighthouse has disposed of 463 million Hammerson shares at an average price of 27,23 GBP pence per share. Lighthouse’s holding in Hammerson has reduced from 16,3% at FY2023 to 7,0% at 25 June 2024.

OPERATIONAL PERFORMANCE

During the 4-month period ended April 2024, comparable sales across the Lighthouse portfolio increased by 3,0% with strong sales growth being achieved in Iberia. Vacancies have reduced from 3,3% at FY2023 to 3,2% at April 2024.

	Iberia	France	Slovenia	Total
Sales (YoY for 4 months ended April 2024)	5,9%	-4,0%	1,0%	3,0%
Footfall (YoY for 4 months ended April 2024)	0,7%	0,2%	0,9%	0,5%
Vacancies at April 2024	1,5%	7,5%	0,0%	3,2%

Iberia

Following the acquisitions that closed during the period, Iberia now represents 66% of Lighthouse's direct property investments.

The comparable sales for the 4-month period ended April 2024 grew by 5,9%, comfortably above the region's inflation rate during the same period (2,2% in Portugal and 3,3% in Spain).

The 1,5% vacancy of the Iberia portfolio is the result of the H2O acquisition. This mall was 3,5% vacant at acquisition. All other malls remain fully let.

At Forum Coimbra, a lease was concluded with Primark to extend their store from 2 275 m² to 4 134 m². These extension works are scheduled to commence during 4Q2024. Leases have been concluded with Rituals and The North Face, both of which opened for trading.

Alvaro Moreno, the leading men's clothing retailer in Spain, and the only Starbucks in the city of Almeria opened at Torrecárdenas during June 2024.

At Salera, commercial terms have been agreed with Popeyes and Normal. Perfumarte opened their store in June 2024. Zara closed its high-street store in the city with the Zara at Salera now being its only store in the region. As a result, this store's sales have since grown by 16,2% until May 2024.

At H2O, commercial terms have been agreed with Ale-Hop and Italian restaurant Grosso Napoletano.

France

The retail landscape in France has been negatively affected by political instability and slow economic growth during the period. This has impacted the comparable sales for the 4-month period ended April 2024, which declined by 4%. Despite the reduction in sales, letting activity is progressing well and net operating income is expected to grow by approximately 8% to 10% for FY2024 driven primarily by vacancies being filled. This portfolio is currently 7,5% vacant, excluding the 1 887 m² currently pending lease signature by international tenants.

At Rivetoile, JD Sports opened their flagship store during June 2024 and Jack&Jones opened during March 2024. The extension project commenced during March 2024 and is structured in three phases to minimise the impact on the mall. The last phase is scheduled to be completed by 3Q2025. This extension will increase the offering and improve the flow in the upper level of the mall.

Bershka opened their new concept store at Saint Sever during February 2024. This is the only Bershka store in the city of Rouen and has achieved sales ahead of forecast. Chaussea and Normal took beneficial occupation of their stores during June 2024 and are expected to open during August and September 2024, respectively. Leases have been concluded with a new Starbucks and an expanded Foot Locker store.

At Docks 76, Snipes opened their new store during March 2024. Terms have been agreed with Normal to open a store on the upper level opposite Action. The addition of both Action and Normal will improve the footfall in the second level of this mall. Terms have been agreed with Jack&Jones to open their first store in Rouen (opening expected in 1Q2025).

JD Sports took beneficial occupation of their new larger and relocated store at Docks Vauban. Leases have been concluded with Action for 1 280 m² of previously vacant space on the upper level of the mall and with Normal for 460 m² to take occupation of the store previously let to JD Sports. A lease agreement has been signed with health and beauty brand Rituals, which will open their store in 3Q2024.

Slovenia

Planet Koper's comparable sales for the 4-month period ended April 2024 grew by 1,0%. During the period, the mall was affected by substantial works and tenant relocations relating to the introduction of Decathlon, which opened their 2 359 m² store during May 2024. This store has increased the mall's critical mass and enhanced its regional appeal. Decathlon replaced Cropp and House. Jack&Jones also opened a new store during May 2024.

OUTLOOK

The Board expects to achieve distributions near the upper end of the range of its previous guidance provided in the FY2023 results of 2,40 to 2,50 EUR cents per share for FY2024.

Shareholders are advised that the financial information contained in this pre-close update has not been reviewed or reported on by the Company's auditors.

28 June 2024

JSE sponsor and corporate advisor

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