

ACQUISITION OF LOGISTICS DEVELOPMENT SITE IN PRIME SWEDISH LOGISTICS MARKET IN MALMÖ

Tritax EuroBox plc (“Tritax EuroBox” or the “Company”), which invests in high-quality, prime logistics real estate strategically located across continental Europe, has, in partnership with established Nordic developer MIGS, entered into a speculative development scheme to acquire 95,000 sqm of development land in Malmö.

The project is a brownfield redevelopment opportunity in a prime Swedish logistics market in the Fosie industrial area south of Malmö, where there is a shortfall of available development land. Demand from tenants and occupiers in this highly sought-after area is strong, given its location between Malmö’s two major ring roads that provide good links to the rest of Sweden and Denmark.

The site is being acquired from the current occupier, Atria Group, a leading Scandinavian food processing group. Atria Group will continue to occupy the existing site until no later early 2024. This will allow redevelopment of the site to commence, with completion targeted in early 2025.

This is Tritax EuroBox’s first development scheme and allows the Company to access future development profits, whilst enjoying an attractive income yield during the planning and permitting phases. The sustainable development will aim to offset carbon emissions during construction, with the completed building targeting a minimum certification of BREEAM Very Good.

Tritax were advised by Nordic operating partner NCAP, who will continue as asset managers.

Alina Iorgulescu, Tritax EuroBox, commented:

“We are delighted to be announcing our first development project, located in one of the most sought after logistics markets in the Nordics. This exemplifies our strategic aim in building up a portfolio of high quality, sustainable logistics assets in prime markets, through partnering with local development specialists such as MIGS, adopting a disciplined approach to development and allowing the Company to access development profits.

This is our first off-market deal with MIGS and we are looking forward to developing our relationship with them on future projects.

This is the fourth Swedish investment for Tritax EuroBox, bringing our total amount invested in the country to over SEK 1.4 billion. The powerful structural trends in the Swedish market find demand outstripping supply, providing us with long-term embedded value. We see significant potential in this site in southern Malmö, which is experiencing significant demand from occupiers, while available land remains highly constrained.”

Björn Hallin, partner at MIGS commented:

“We are excited about the opportunity here, since we see strong occupier demand for modern and cost-effective premises in good locations like this and continued investor interest for this segment.”