

Press Release

Aquila Capital Southern European Logistics fund (ACSEL) enters into exclusivity for two new assets to build on seed portfolio and expand into Spain

- **Portfolio already includes three logistics real estate assets across Portugal and Italy**
- **Two logistics assets in Spain with a combined net lettable area of 140,000 m² are under exclusivity**
- **With further acquisitions in the pipeline, most committed capital is expected to be deployed before the end of this year**

Hamburg, 19 June 2023 – Aquila Capital announces that the Aquila Capital Southern European Logistics S.A. SICAV-RAIF fund (ACSEL) has built a seed investment portfolio consisting of three energy efficient logistics real estate assets. Two of these assets are located in Portugal – Azambuja (net lettable area 111,620 m²) and Magellan (net lettable area 13,518 m²) – and one is located in Italy – Tortona (net lettable area 51,600 m²). In addition, the fund now has two further assets in Spain from its initial pipeline under exclusivity arrangements, furthering the consistent deployment of investors' capital.

This open-ended investment fund aims to generate stable returns through a diversified portfolio of newly built, sustainable and ESG compliant logistics properties in Southern European countries, which include Italy, Spain and Portugal. It invests in properties in strategic locations built and operated to high standards of energy efficiency and environmental considerations. These properties generate a solid rental income.

Selection criteria include the proximity of an asset to transportation hubs, to minimise carbon emissions related to transport. Other criteria include compliance with sustainable building standards, such as BREEAM or LEED certifications, and the installation of rooftop photovoltaic panels. As such, the fund directly contributes to the global energy transition.

The three assets in the fund's portfolio have a diversified tenant base, a weighted average unexpired lease term (WAULT) of 18 years and are fully let. The fund has secured a long-term bullet loan at favourable terms to finance its two Portuguese assets and, as a result,

has overall portfolio leverage of 30%. This is considerably below the fund's target leverage of 45%.

Following these three acquisitions, almost one third of the fund's committed capital of EUR 360 million has already been invested since the fund was launched in Q4 2021. Due to a substantial pipeline of potential investments, which includes both Aquila Group's own development projects and third party projects, fund management is planning further acquisitions and expects to deploy most of the fund's committed capital this year. The fund's target investment volume (GAV) is EUR 1.5 billion with a maximum debt ratio (LTV) of 50%.

As a result of these positive developments, investors are expected to be given the opportunity to invest further capital in the fund in the second half of 2023.

Till Schulz-Eickhorst, Managing Director & Head Fund Management Sustainable Infrastructure at Aquila Capital, comments: *"Spain, Italy and Portugal offer substantial catch-up potential in logistics real estate compared to Western Europe. These countries are showing significantly above-average growth rates in online trade, resulting in an immediate demand for space which can be used for logistics real estate. Our strong presence in all three markets means we have robust local competencies and can access local networks. This enables us to identify new projects and develop investment opportunities with high return potentials."*

Lars Meisinger, Head of Client Advisory International at Aquila Capital, says: *"Fostered by supply chain considerations and re-shoring initiatives, further developments in logistics properties have become vital to strengthening economic resilience. These fundamental conditions have already led to a huge increase in investor interest. With our Southern European Logistics Fund, we offer clients a differentiated solution for sustainable infrastructure investments supported by our strong local presence which is focused on some of the fastest growing markets in Europe."*

About Aquila Capital

Aquila Capital is part of Aquila Group, an investment and asset development company focused on generating and managing essential assets on behalf of its clients.

Currently, Aquila Capital manages EUR 14.7 billion on behalf of institutional investors worldwide. Our primary objective is to generate performance for our clients by managing the complexity of essential assets.

By investing in clean energy and sustainable infrastructure, Aquila Group contributes to the global energy transition and strengthens the world's infrastructure backbone. The company initiates, develops, and manages essential assets along their entire value chain and lifetime.

Today, the company manages wind energy, solar PV and hydropower assets of 13.9 GW capacity. Additionally, 1.9 million square metres of sustainable real estate and green logistics projects have been completed or are under development. Aquila Group also invests in energy efficiency, carbon forestry and data centres. Aquila Group has been carbon neutral since 2006 and aims to act carbon negative. Sustainability has always been part of our value system and is an integral part of our investment strategies, processes and management of our assets. Aquila Group has around 650 employees and 17 offices in 16 countries worldwide.

Further information: <https://www.aquila-capital.de/en/>

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