

1 June 2021

**Summit Properties Limited
(the "Company")**

Sale of German commercial portfolio for €1.0 billion

Summit Properties Limited, the German commercial real estate company, is pleased to announce a successful sale of a portion of its German portfolio with a value of €1 billion and updates as follows:

Germany

Successful disposition of German commercial portfolio

- The Company sold a part of its German commercial properties, owned by various indirect subsidiaries of the Company, to an international fund at a GAV of €1.0 billion by signing a share purchase agreement ("Transaction").
- The purchase price corresponds to the book value of the properties, which are generating annual rental income of €52 million.
- The closing of the Transaction is subject to merger control clearance and is expected to occur by 30 June 2021.

Company's German commercial portfolio post the transaction

- The Company's remaining German portfolio after completion of the Transaction (the "**Remaining Assets**") has a NMV of €600 million, including €100 million of assets that will be carved out from the Transaction and is currently under rented by 24% compared to ERV;
- It also has further substantial upside potential through 213,000 sqm of additional building rights.
- There's no net financial debt against the Remaining Assets.

USA

- The Company has recently started acquisitions of properties in the USA with a strong focus on residential properties for rent in New York City.
- The Company will also pursue opportunistic acquisitions of retail properties with attractive yields.
- Total acquisitions in the second quarter of 2021 together with pipeline of expected acquisitions to be signed in the coming weeks amount to ca. €250 million.

Pro Forma Group

- Following the disposal of subsidiaries including carve out of selected assets, and execution of the pipeline in the USA, Summit Properties will own a c. €850 million portfolio with a pro forma LTV of 26% excluding its net cash balances.
- Portfolio split will be 70% German commercial property with significant upside, 20% low-risk residential in New York City and 10% of high yielding retail properties acquired at very low capital values.

- The Company will continue to stick to its conservative LTV policy and has remaining firepower to grow the portfolio to €2 billion with a targeted mix of German properties and investments into the USA.

Zohar Levy, controlling shareholder and founder of Summit commented today: "Germany is our home market. We are extremely well positioned to take advantage of any opportunity in Germany given our strong liquidity following the Transaction, our professional management team and our existing portfolio which is virtually unlevered and which has substantial upside potential.

We have recently expanded to the USA and we intend to become a major player in the NYC rental residential market which we consider a very defensive and stable market".

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