



# ROLLING STOCK YARD

## PROPERTY TOUR

FOR PROFESSIONAL INVESTORS ONLY

13<sup>TH</sup> JULY 2023

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- Performance – The performance of the Company would be adversely affected by a downturn in the UK property market in terms of market value or a weakening of rental yields.
- Operational Performance – Both rental income and market value of the properties acquired by the Company will be affected by the operational performance of the properties or the related business being carried on in the property and the general financial performance of the tenants.
- Failure to Achieve Investment Objectives – The ability of the Company to achieve its investment objectives depends on the ability of the Investment Advisor to identify, select and arrange for the execution of investments which offer the potential for satisfactory returns. The underperformance of the Investment Advisor could have a material adverse affect on the Company's financial condition and operations.
- COVID-19 – The COVID 19 pandemic and associated government measures has had and is likely to continue to have a significant impact on the Company, and the ultimate impact is dependent on the duration and extent of the pandemic and is therefore not yet known.
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- Regulatory Compliance – The Company cannot guarantee that the Group will maintain continued compliance with all of the REIT conditions. If the Company fails to maintain its REIT status, its rental income and capital gains may be subject to UK taxation which could have a material impact on the financial condition of the Company.
- Borrowing – The Company intends to use borrowings to acquire further properties and those borrowings may not be available at the appropriate time or on suitable terms. If borrowings are not available on suitable terms or at all this will have a material adverse impact on the returns to Shareholders and in particular the level of dividends paid. Whilst the use of borrowings should enhance the NAV where the value of the Company's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling. In addition, in the event that the rental income of the Company's portfolio falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Company.
- Development & Maintenance – Any development or refurbishment works may involve significant costs and may be adversely affected by certain restrictions. This could cause the resulting revenues to be lower than budgeted, and may cause the asset to fail to perform in accordance with the Company's investment projections, consequently impacting on the financial condition of the Company.

# ROLLING STOCK YARD: OVERVIEW

Kings' Cross office development completed in 2020 and repositioned to life sciences



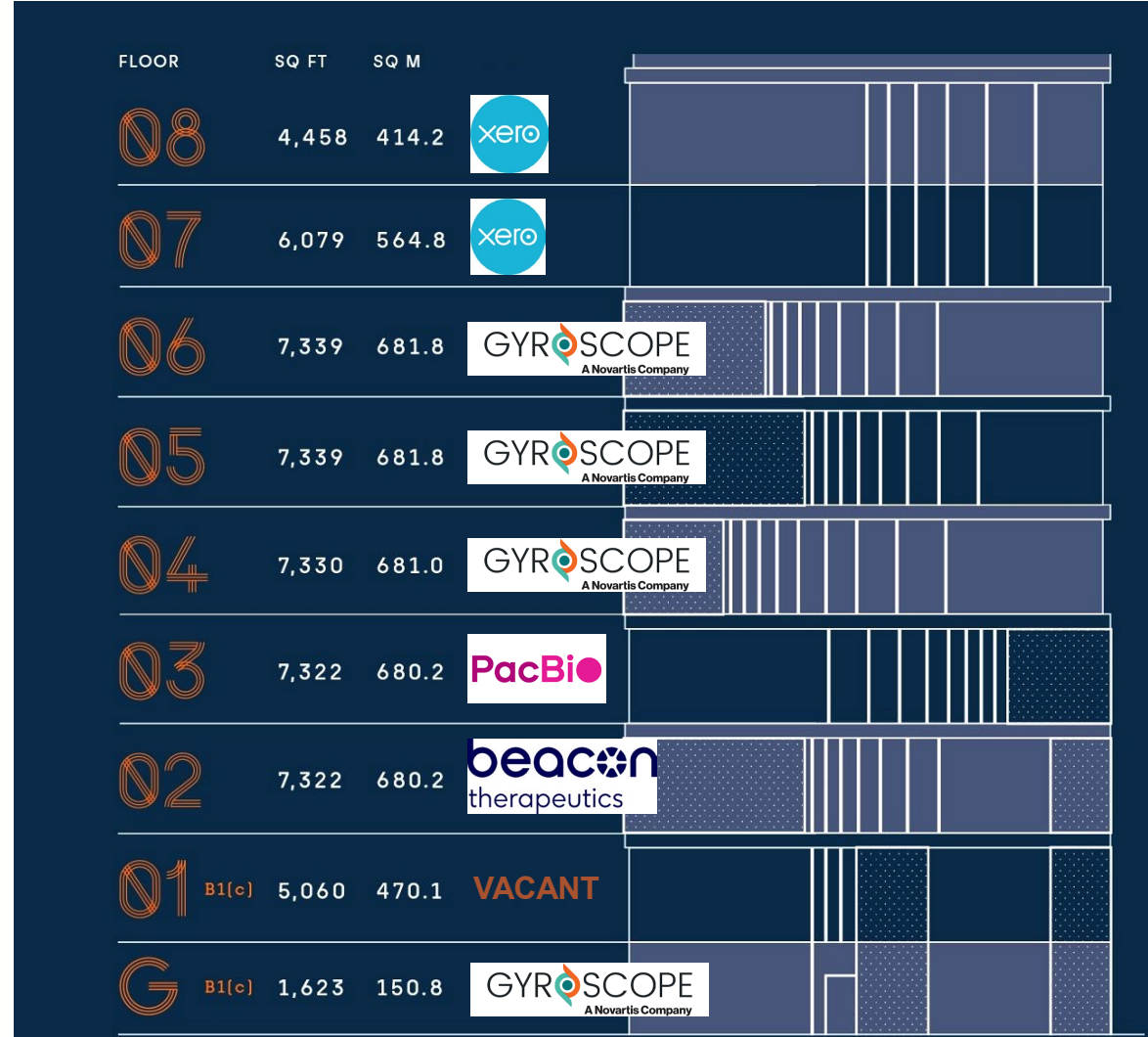
## Key Info

9 floors of wet & dry labs, write-up and office space

66.7% occupied at Dec-22, rising to 86.4% post y/e

£3.5m rent p.a. at Dec-22, equivalent to £65.5 psf

BREEAM 'Excellent' and A-22 EPC



# ROLLING STOCK YARD: LOCATION

Located north of Google / DeepMind HQ in St. Pancras' Knowledge Quarter



# ROLLING STOCK YARD: LIFE SCIENCE OCCUPIERS

Gyroscope Therapeutics (a Novartis company), PacBio, and Beacon Therapeutics all under the same roof



23,600 sq ft | £1.5m rent p.a. | 105 employees

- Founded by Syncona in 2016
- Acquired by Novartis in Dec-21 for \$1.5bn
- Focuses on clinical-stage gene therapy to treat eye diseases that cause blindness
- HQ'd in Rolling Stock Yard, but also has locations in Philadelphia and San Francisco
- Novartis, its parent company and guarantor, is a global healthcare company founded in 1996 and HQ'd in Switzerland
  - Ratings: A1 Moodys | AA- Fitch | AA- S&P



7,322 sq ft | £0.5m rent p.a. | 17 employees

- Founded in 2010 based on research done at Cornell University
- Leading provider of high-quality sequencing of genomes, transcriptomes and epigenomes
- Pacific Biosciences of California, Inc., its parent company and guarantor, is a global biotechnology company founded in 2004 and HQ'd in California (US)
- In Jan-20, the CMA blocked Illumina's anticipated \$1.2bn takeover of PacBio



7,322 sq ft | £0.8m rent p.a. | 80 employees

- Launched by Syncona in 2023
- Leading ophthalmic gene therapy company focuses on improving the vision of those with prevalent and rare retinal diseases
- Has raised £96m in its Series A financing
  - £75m have been invested by Syncona
  - Other investors include Oxford Science Enterprises (OSE)
- Syncona has 13 portfolio companies valued at £605m and with a capital pool of £650m

# ROLLING STOCK YARD: OUR LAB FIT OUT ON FLOORS 1 & 2

Lab fit out finished in Q1 2023; second floor pre-let at £110.0 per sq ft

**ERV: £65.0 psf**



**Capex: £155.3 psf**



**ERV: £110.0 psf**

- 1<sup>st</sup> & 2<sup>nd</sup> floors vacant at acquisition
- The office space ERV was £65.0 psf at Dec-22
- Plan was to repurpose it into fully fitted labs

- Refurb of 1<sup>st</sup> & 2<sup>nd</sup> floors to fully fitted labs
- PC completed in Q1 2023
- Total project cost of £1.9m (£155.3 psf)

- 1<sup>st</sup> floor speculatively fitted out
- 2<sup>nd</sup> floor pre-let achieved prior to start on site
  - Pre-let to a Syncona group company



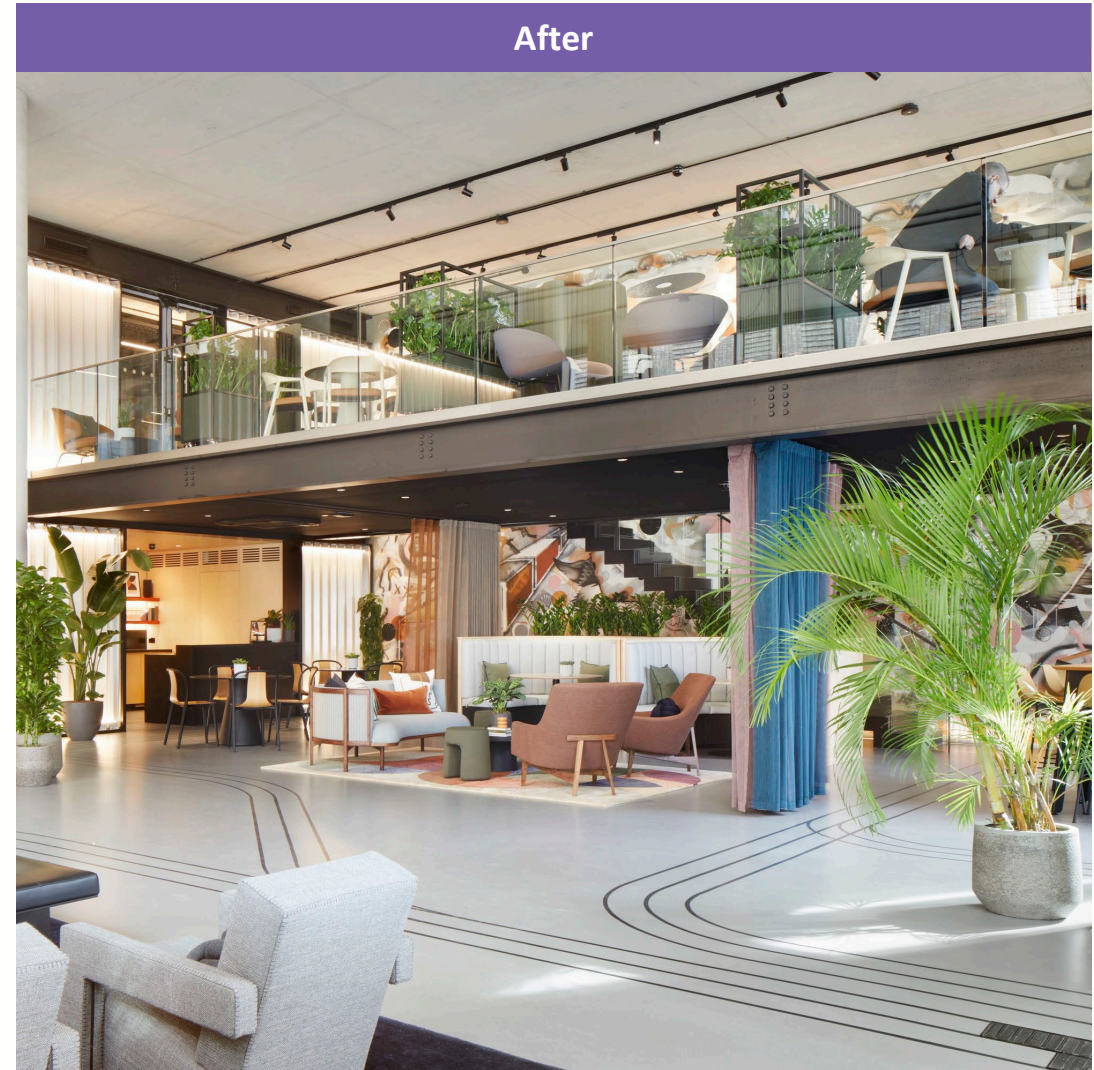
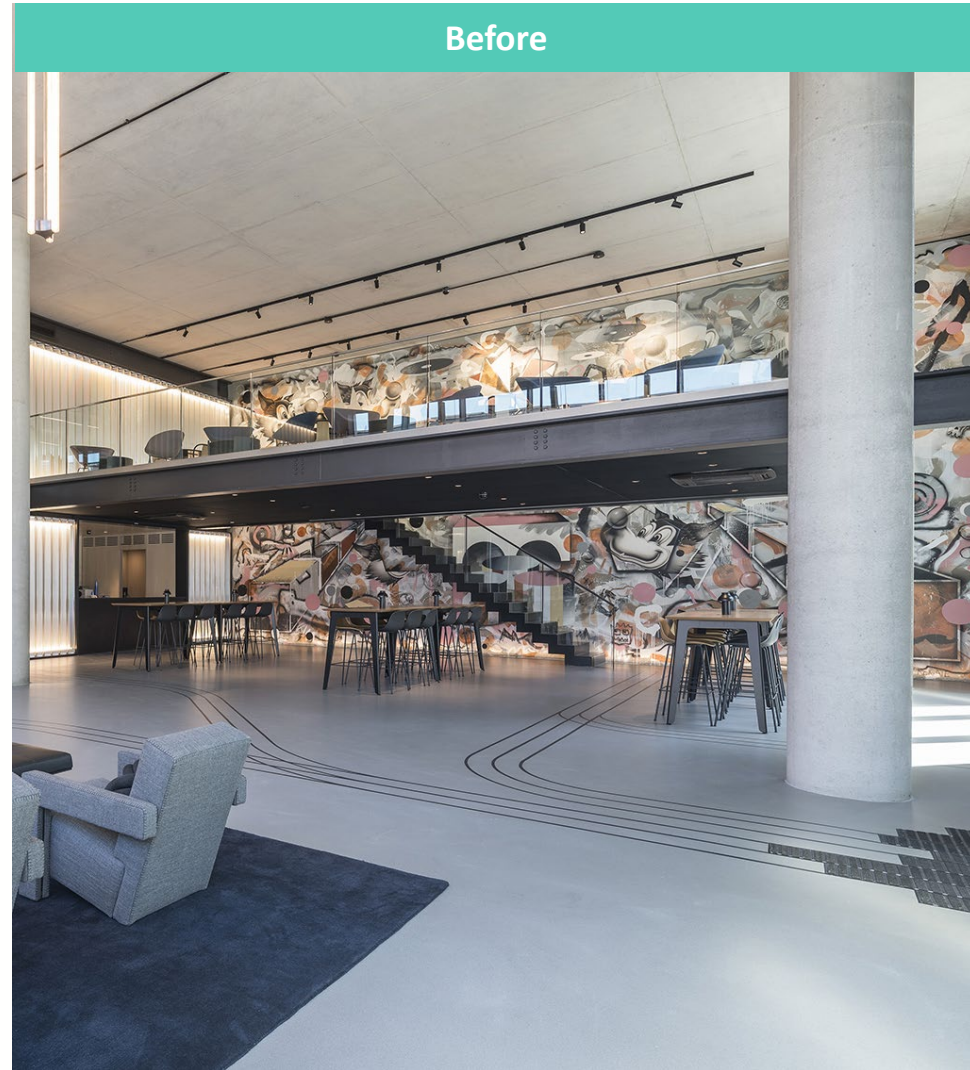
# ROLLING STOCK YARD: PACBIO'S FIT OUT ON FLOOR 3





# ROLLING STOCK YARD: THE CO-LAB

Reception refurbishment finished in Q1 2023 and created a state-of-the-art co-lab



# ROLLING STOCK YARD: SUSTAINABILITY

## Significant sustainability credentials and improvements achieved since ownership

KEY

Building

Co-lab

BREEAM 'Excellent'

A-22 EPC rating, highest achievable EPC rating

110 cycle spaces, 16 showers and 65 lockers

Sustainable materials

F&B improvements

Recycled furniture

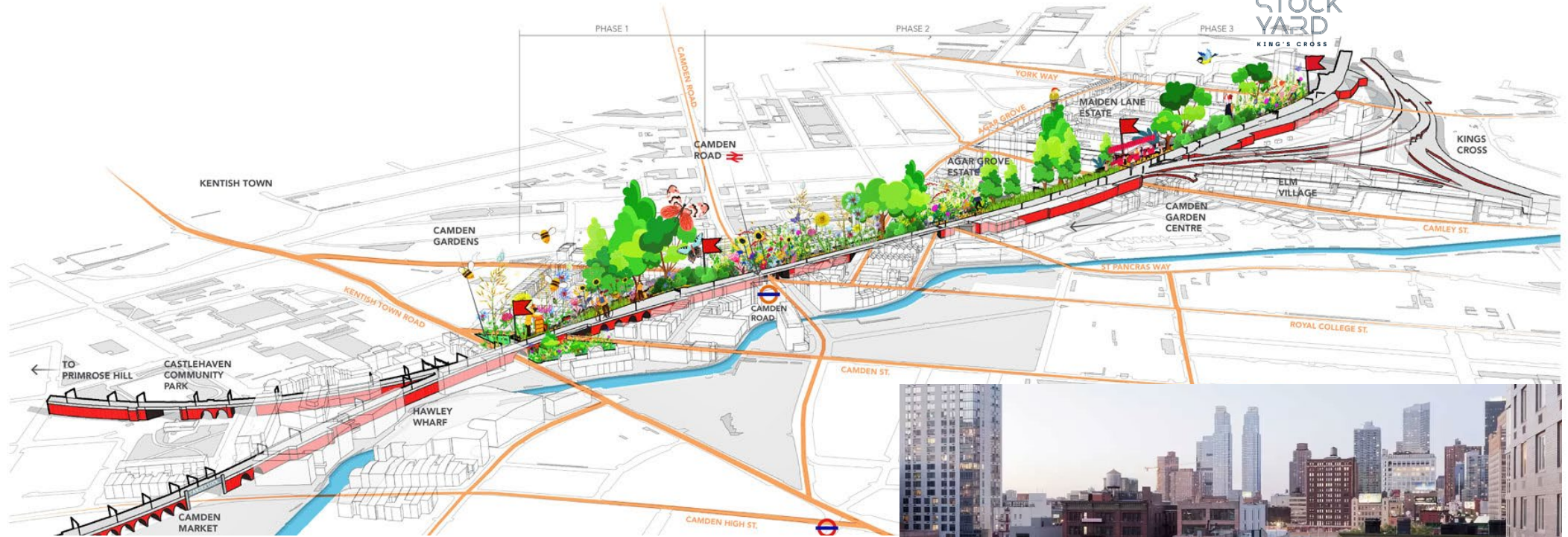
Improved people flow

Noise reduction

Visual enhancements

# ROLLING STOCK YARD: THE CAMDEN HIGHLINE

The new highline will link Camden Town to King's Cross by a 10-minute walk



# ROLLING STOCK YARD: KNOWLEDGE QUARTER EXPANSION

Both, 5 – 10 Brandon Road and 4 Brandon Road are being developed by Kadans Science Partner

## 4 Brandon Road

### Key Info

Acquired the site for £14m in 2022

5 storeys of flexible lab space with basement and roof plant

Planning submitted in June with no further timings scheduled

## 5 – 10 Brandon Road

### Key Info

114,000 sq ft mixed-use scheme

Will include high quality pilot plant, labs and offices

Construction expected to be completed in Q2 2024

BREAAAM 'Excellent' and 'GOLD' Wiredscore



# ROLLING STOCK YARD: KNOWLEDGE QUARTER EXPANSION

MSD announced in May that the Belgrove House site in The Knowledge Quarter has been selected for a £1bn life sciences investment by the US biopharmaceutical company

## Key Info

220,000 sq ft research facility expected to employ 800 people

Initial demolition phase to take place this year

Construction expected to start in 2023 and finish in late 2027

Will be built on a site opposite St Pancras station

The scheme will be the UK HQ of global healthcare giant MSD



