Fastpartner AB
Kingdom of Sweden, Real Estate

SCOPE BB Positive

Key metrics

			Scope estimates	
Scope credit ratios	**2022**	**2023**	**2024E**	**2025E**
Scope-adjusted EBITDA/interest cover	3.5x	1.8x	1.9x	2.5x
Scope-adjusted debt/EBITDA	13.2x	11.8x	11.0x	10.4x
Scope-adjusted loan/value ratio (LTV)	47%	49%	48%	47%

Rating rationale

The outlook revision to Positive is driven by a faster than expected decline in interest rates in Sweden, which is expected to improve Fastpartner's interest cover to over 2.2x in 2025. The company's tightened financial policy, with a fixed interest rate target of at least 30%, compared to almost no hedging before, and its tightened loan-to-value target of 45%, combined with a net debt/EBITDA target of <10x, bodes well for a recovery in credit metrics.

Fastpartner's business risk profile (assessed at BBB-) continues to benefit from its market position in the Swedish real estate market, with a strong standing in its core market of Stockholm, an above-average weighted average unexpired lease term (WAULT) of 4.5 years, and profitability around 70% as measured by the Scope-adjusted EBITDA margin.

Fastpartner's financial risk profile (assessed at BB) has experienced the pressure on credit metrics foreseen by us with interest cover declining to 1.8x at YE-2023 and remaining at such levels since. LTV has remained stable at around 49%, while Scope-adjusted debt/EBITDA has slightly reduced to 11.5x. We expect interest cover to recover to levels above 2.2x if interest rate cuts materialize as announced, accompanied with a higher share of hedged exposure as per company's tightened financial risk policy.

Liquidity remains adequate as the company can cover upcoming maturities with internal funds and external committed facilities, and we expect secured bank financing to be rolled over given the low secured LTV of 33%.

Outlook and rating-change drivers

The Positive Outlook reflects the reversal of pressure on the interest coverage ratio, as the company is still predominantly exposed to floating rate debt. Scope expects the interest coverage ratio, which has fallen to 1.8x in line with our expectations, to return to above 2.2x within the next 12 months as a result of the interest rate cuts already implemented and led by the Swedish central bank. Leverage, as measured by both loan-to-value and SaD/EBITDA, is expected to improve throughout the forecast period, based on Fastpartner's deleveraging strategy embedded in its financial policy, and could be further supported by capitalisation rate contraction as headline rates decline.

The **upside scenarios** for the ratings and Outlooks are (collectively):

1) Interest cover to improve above 2.2x on a sustained basis
2) Significantly increased level of interest rate hedging

The **downside scenarios** for the ratings and Outlooks are (individually)

1) Interest cover to remain at or below 2.2x on a sustained basis
2) Lack of significantly increased level of interest rate hedging

Rating history

Date	Rating action/monitoring review	Issuer rating & Outlook
30 Aug 2024	Affirmation and Outlook change	BB/Positive
7 Sep 2023	Downgrade and Outlook change	BB/Negative
7 Sep 2022	Affirmation	BBB-/Stable
3 Sep 2021	Affirmation	BBB-/Stable

Ratings & Outlook

Issuer	BB/Positive
Short-term debt	S-3
Senior unsecured debt	BB

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Related Methodologies and Related Research

General Corporate Rating Methodology; October 2023

European Real Estate Rating Methodology; March 2024

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Bloomberg: RESP SCOP

Rating and rating-change drivers

Positive rating drivers	Negative rating drivers
• Medium-sized commercial real estate company enjoying good access to capital markets with high visibility in the Swedish market thanks to 1.6m sq m lettable area under management • Moderate and stable profitability with the Scope-adjusted EBITDA margin around 70% supports internal financing capabilities • Moderate tenant diversification with Top 3/10 accounting for 9%/19% and good tenant industry diversification • Above-average WAULT in the Nordic market with 4.5 years	• Moderately geographic diversification with 77% of assets (fair value) located in Stockholm, somewhat mitigated by the economic power and liquidity the capital provides • High share of floating rate debt, resulting in previously high interest cover deteriorating close to bank debt covenants • Relatively short weighted average maturity profile, requiring constant refinancing efforts

Positive rating-change drivers	Negative rating-change drivers
• Interest cover to improve above 2.2x on a sustained basis • Significantly increased level of interest rate hedging	• Interest cover to remain at or below 2.2x on a sustained basis • Lack of significantly increased level of interest rate hedging

Corporate profile

Fastpartner is a large commercial real estate company in Sweden, with a geographic focus on greater Stockholm. The company owns and manages a diversified portfolio across asset classes comprising around 200 properties worth SEK 33.6bn. Fastpartner is listed on the Nasdaq Stockholm large cap market. Its largest shareholder, holding 72%, is company CEO Sven-Olof Johansson through his investment holding Compactor Fastigheter AB.

Financial overview

				Scope estimates		
Scope credit ratios	**2021**	**2022**	**2023**	**2024E**	**2025E**	**2026E**
Scope-adjusted EBITDA/interest cover	4.4x	3.5x	1.8x	1.9x	2.5x	2.8x
Scope-adjusted debt/EBITDA	12.9x	13.2x	11.8x	11.0x	10.4x	10.0x
Scope-adjusted LTV	43%	47%	49%	48%	47%	46%
Scope-adjusted EBITDA in SEK m						
EBITDA	1,259	1,341	1,509	1,589	1,647	1,680
Other items	0	0	0	0	0	0
Scope-adjusted EBITDA	**1,259**	**1,341**	**1,509**	**1,589**	**1,647**	**1,680**
Funds from operations in SEK m						
Scope-adjusted EBITDA	1,259	1,341	1,509	1,589	1,647	1,680
less: (net) cash interest paid	-287	-387	-846	-836	-659	-605
less: cash tax paid per cash flow statement	-149	-155	53	-201	-229	-250
Change in provisions	-3	2	0	0	0	0
Funds from operations (FFO)	**824**	**800**	**717**	**551**	**758**	**826**
Free operating cash flow in SEK m						
Funds from operations	824	800	717	551	758	826
Change in working capital	-299	-49	201	1	3	2
less: divestments	325	228	0	240	10	10
less: capital expenditure (net)	-777	-1,289	-500	-250	-250	-250
less: dividends preference shares	0	0	0	0	0	0
Free operating cash flow (FOCF)	**73**	**-310**	**418**	**542**	**521**	**588**
Net cash interest paid in SEK m						
Net cash interest per cash flow statement	287	387	846	836	659	605
Net cash interest paid	287	387	846	836	659	605
Scope-adjusted total assets in SEK m						
Total assets	37,922	38,124	36,027	36,177	36,416	36,672
Less: cash and cash equivalents	211	182	96	105	92	97
Scope-adjusted total assets	**37,711**	**37,937**	**35,926**	**36,068**	**36,319**	**36,569**
Scope-adjusted debt in SEK m						
Reported gross financial debt	16,446	17,913	17,850	17,574	17,292	16,962
less: subordinated (hybrid) debt	0	0	0	0	0	0
less: cash and cash equivalents	211	182	96	105	92	97
add: non-accessible cash	0	0	0	0	0	0
add: pension adjustment	0	0	0	0	0	0
add: operating lease obligations	0	0	0	0	0	0
Other items	0	0	0	0	0	0
Scope-adjusted debt	**16,235**	**17,731**	**17,754**	**17,469**	**17,200**	**16,865**

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Environmental, social and governance (ESG) profile[1]

Environment		Social		Governance	
Resource management (e.g. raw materials consumption, carbon emissions, fuel efficiency)		Labour management		Management and supervision (supervisory boards and key person risk)	
Efficiencies (e.g. in production)		Health and safety (e.g. staff and customers)		Clarity and transparency (clarity, quality and timeliness of financial disclosures, ability to communicate)	
Product innovation (e.g. transition costs, substitution of products and services, green buildings, clean technology, renewables)		Clients and supply chain (geographical/product diversification)		Corporate structure (complexity)	
Physical risks (e.g. business/asset vulnerability, diversification)		Regulatory and reputational risks		Stakeholder management (shareholder payouts and respect for creditor interests)	

Legend

Green leaf (ESG factor: credit positive)

Red leaf (ESG factor: credit negative)

Grey leaf (ESG factor: credit neutral)

High share of certified green buildings and 100% use of renewable energy boosts net rent ratio

Fastpartner adheres to the UN Sustainability Development Goals and has written 10 of the 17 goals into its business plan. Some 58% of its assets by property value are certified as environmentally friendly and sustainable. It aims to increase this ratio by at least 10% annually to reach 80% by 2025. The company reduced its greenhouse emissions by 61% between 2020-21 through carbon-offset district heating and a small addition of self-generated energy – this comes on top of switching to 100% renewable energy in 2020, with a vision to become 100% carbon neutral in 2030. The company exceeded its own goal of halving CO_2 emissions by 2025 compared to 2019 already in 2021 and aims to continue to decrease CO_2 emissions by over 15% per annum and continuously reduce energy consumption in the existing portfolio by more than 1% per annum. Fastpartner's effort in high-grading its portfolio is a requirement for some multinational tenants and a desirable feature for the remainder, which increases the appeal of its properties to existing and potential new clients and assures a continued high occupancy and related cash-flows also in a potentially softer economic environment and/or changing demand patterns. Fastpartner's social and environmental efforts not only make its portfolio more attractive to tenants but may also boost profitability through higher net rent ratios.

[1] These evaluations are not mutually exclusive or exhaustive as ESG factors may overlap and evolve over time. We only consider ESG factors that are credit-relevant, i.e. those that have a discernible, material impact on the rated entity's cash flow and, by extension, its credit quality.

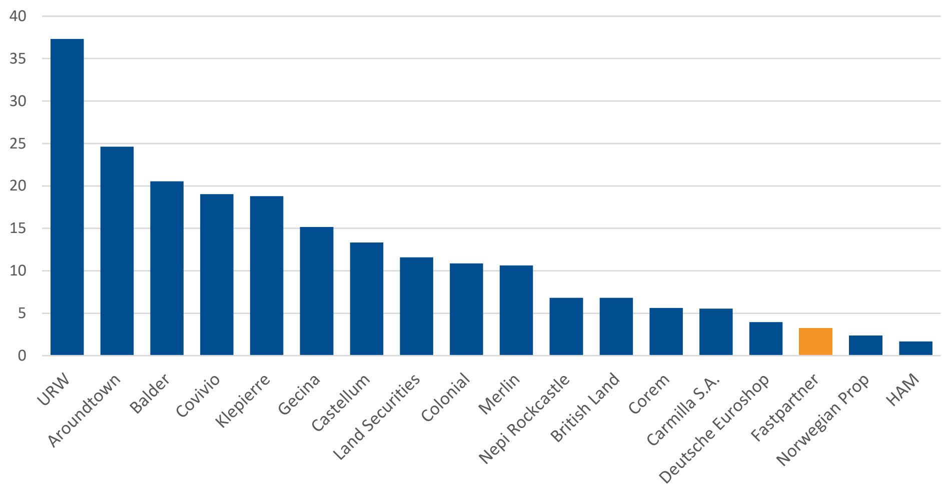
Business risk profile: BBB-

Industry risk profile: BB

Fastpartner's industry risk is modest given its exposure to the highly cyclical commercial real estate industry (its main segments comprise the development, leasing and management of office buildings).

Fastpartner is a medium-sized commercial real estate company based in Sweden with Scope-adjusted total assets of SEK 36.0bn (EUR 3.2bn). Its total lettable area amounts to 1,570,286 sqm, in addition to which the company also owns unutilised building rights for 126,000 sq m of residential space and 316,000 sq m of commercial buildings, some of which it plans to develop at a later stage. The latter might prove to be a more attractive option to grow than acquiring properties, but in the current market environment it is not an option the company pursues. The company's size translates into good diversification in terms of tenants and locations, which should enhance its resilience to cash flow volatility caused by economic cycles, industry developments, regulatory changes and the loss/default of single tenants. It also affords good access to capital markets, proven by the regular issuance of class A shares, class D shares, the issuance of unsecured bonds in Swedish markets (SEK 5.2bn outstanding), as well as a SEK 2bn commercial paper programme (SEK 85m outstanding) and secured bank loans with all the major Nordic banks (SEK 11.1bn).

Figure 1: European peers, assets under management in EUR bn



Sources: Peers, Fastpartner, Scope

Strongest foothold in Stockholm

Fastpartner's strongest foothold, with assets worth SEK 25.8bn, is in Stockholm, where it holds a top-three position by square metres. The company is mostly in the top five in the other markets in which it operates except for Gothenburg and Malmö, where its exposure is too small to qualify as being dominant. Having a high share in most of its markets, including Sweden's capital Stockholm, is positive. It often translates into higher visibility to potential tenants and offers more flexibility to accommodate the changing needs of existing tenants. Thus, high market shares increase tenant retention and lead to more stable occupancy and reduced capex needs linked to tenant fluctuation.

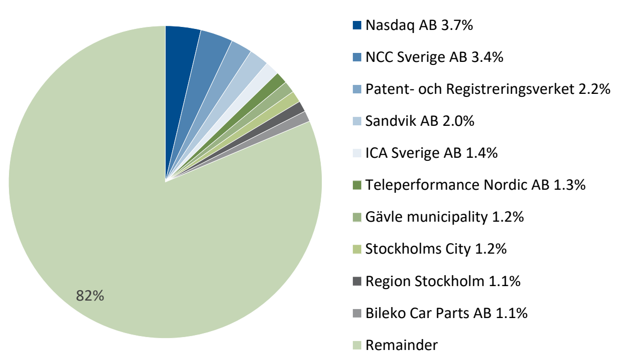
Long term, Fastpartner intends to grow within its current home territory, predominantly in Stockholm and the city of Norrköping. Given the current sentiment in the property market, we do not expect the company to acquire or grow in the short-to-medium term.

Fastpartner's geographical diversification is moderate, with activities spread across Sweden with a focus on Stockholm (77% of assets by fair value), allowing it to benefit from a broad range of tenants from regional to multinational, and keep tenants with relocation/resizing needs. However, Fastpartner's performance hinges on the macroeconomic development of Sweden, a mature and stable economy with a strong welfare/social system in place. The latter softens the economic burden in times of distress as could be seen during the Covid-19 crisis, with labour costs being partially borne by the state and subsidies provided for fixed costs such as rent, resulting in decreased rental losses for commercial real estate owners.

Moderate geographical diversification, with a strong Stockholm bias

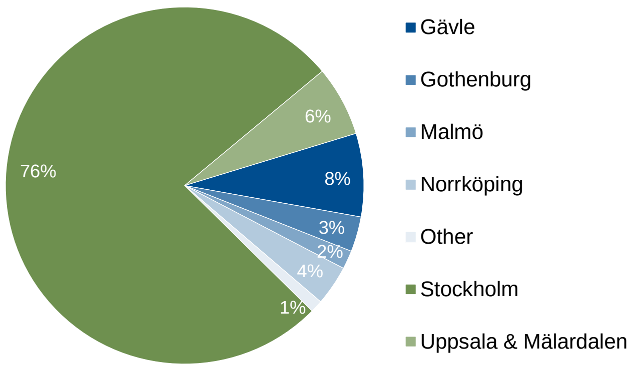
Fastpartner does not intend to broaden its exposure abroad. The company plans to focus on the markets it knows best and achieve further growth by acquiring properties and developing its building rights.

Figure 2: Tenant diversification by rental income



Sources: Fastpartner, Scope

Figure 3: Geographic diversification by value of assets



Sources: Fastpartner, Scope

Moderately diversified by property type with 46% offices and a growing logistics portfolio

Fastpartner's largest segment by rental value is offices, at 46%, followed by logistics and warehousing at 17% and shops/restaurants at 13%. Diversification into different asset classes enables the company to dampen short-term effects like those triggered by the pandemic. While the shops/restaurants segment has been adversely affected during the past two years, demand for the logistics segment has increased significantly. This increased demand has balanced out rental losses/bad debt impairments from shops/restaurants. In addition, Fastpartner's exposure to the healthcare and education segments and the residential segment acts as a low-risk, stabilising factor, segments we understand the company would like to expand in.

The feared increase in remote working with related decreased office demand post-Covid-19 has not happened in the Nordics, contrary to what can be observed in the USA. The Nordics were already quite habituated to a flexible home office environment which might explain the behaviour, and most people happily came back to the office to meet colleagues and collaborate while partly working remotely as before the pandemic.

Fastpartner's tenant diversification is moderate, with the top three tenants accounting for 9.2% of rental income and the top 10 tenants accounting for 18.6%. The largest tenant is Nasdaq AB, which provides 3.7% of rental income, followed by NCC Sverige AB with 3.4% and the Swedish Patent registration office with 2.2%. Overall tenant quality, based on historical rental loss statistics over the last five years, is assessed as investment grade. We therefore view the risk of a significant deterioration in cash flows due to single tenant defaults/delayed payments as marginal.

Tenant industry diversification benefits the rating, with the state/municipality as the largest single industry and no industry larger than 12% of rental income.

Asset quality benefits from 82% of portfolio in 'A' metropolitan areas

Fastpartner's portfolio is concentrated around larger cities in southern Sweden, with Stockholm as the dominant exposure. 82% of the portfolio, as measured by the fair value of its assets, is located in metropolitan regions with more than 1m inhabitants (Stockholm, Gothenburg, Malmö). These are classified as 'A' cities according to our methodology. The rest of the portfolio is divided among smaller cities, with 9% as 'B' locations and 9% as 'C' locations. The high share in large liquid markets results in good fungibility in times of financial distress, which would result in limited haircuts on its portfolio. This is, however, a remote scenario given Fastpartner's investment-grade financial risk profile.

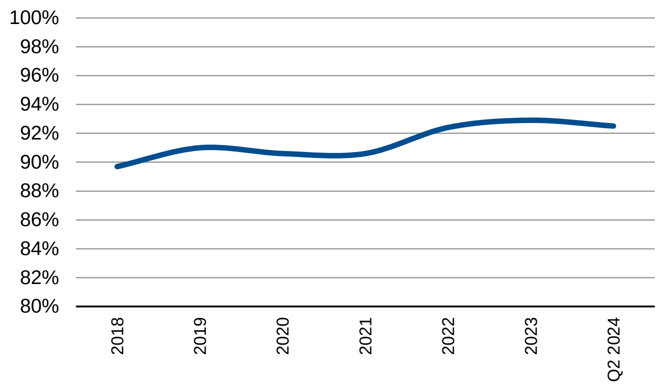
Occupancy of around 93%

Fastpartner's historical strategy was to acquire properties in near-city locations with good transportation links, but with below-par occupancy that allows them to develop the property and increase occupancy after a refurbishing process. This resulted in an average occupancy rate that has hovered around 90%, a level relatively low compared to traditional buy-and-hold competitors. However, over the last 24 months the company has focused on reducing vacancies in its existing portfolio rather than growth and has managed to increase occupancy to 92.6% (as at end-June 2024) and sees further upside from here. We view such increased occupancy positively, underlining the asset quality of its existing portfolio.

Above-average WAULT by Nordic standards benefits the rating

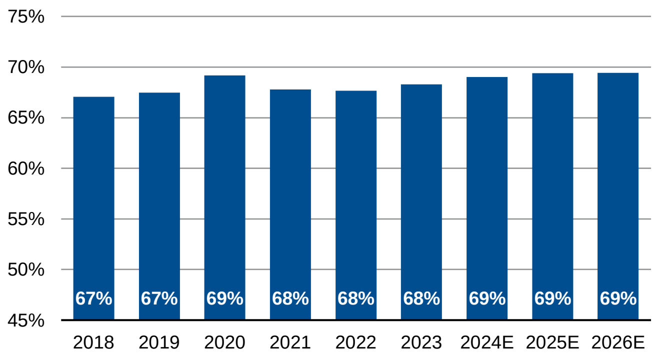
Fastpartner's WAULT of 4.5 years is average by European standards and exposes the company somewhat to ongoing re-letting risk. The company has managed to keep its lease terms stable over the last few years and is comfortable with the current level, which has been stable since 2017. Compared to Nordic peers' rather short WAULT of four years, Fastpartner is above average. With an average of 16% of rental contracts maturing yearly for 2024-27, we view reletting risk as manageable.

Figure 4: Economic occupancy



Sources: Fastpartner, Scope

Figure 5: Profitability (Scope-adjusted EBITDA margin)



Sources: Fastpartner, Scope estimates

Stable profitability in line with peers

Fastpartner's profitability as measured by its Scope-adjusted EBITDA margin is in the middle of its peer group. The margin is stable over time with very little volatility. We forecast a slight increase in 2024 and beyond to 68%-70%, with continued improvement driven by economies of scale and positive reletting contributions, rental cash flows are lifted up by CPI-links while utility bills are billed through.

Financial risk profile: BB

Fastpartner's debt protection has been historically strong at levels above 3.5x. Severe increases in the Swedish central bank rates during the second half of 2022 and 2023 in combination with management's view of being able to tolerate such interest rate increases without hedging the exposure has led interest cover to fall to 1.8x at year-end 2023 and kept flat since.

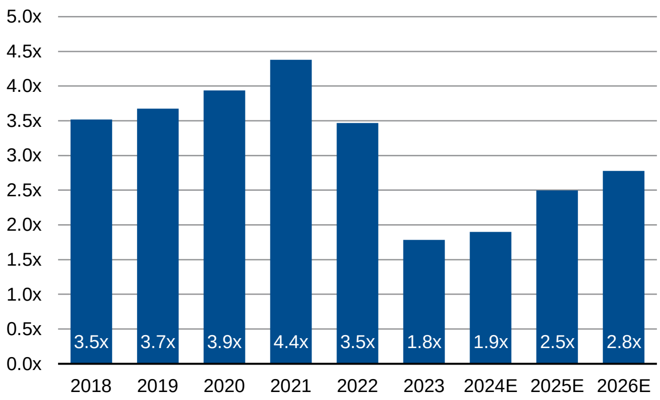
Interest cover to recover from the severe pressure experienced during 2023

The Swedish Riksbank (central bank) declared the interest rate peak (4%) last November (2023), with the first rate cut in May 2024 (3.75%) and again in August (3.5%). At the latest meeting, the central bank indicated that it expects to cut rates 2-3 more times during the remainder of 2024. Given Fastpartner's high sensitivity to floating rates (see hedging below, currently at 24%), the company's interest cover has suffered greatly and much more than peers on the way up the interest rate ladder - on the other hand, it is also the biggest beneficiary of the central bank's rate cut path. We expect interest cover to recover slightly to 1.9x by year-end 2024 following the cuts already announced, with a strong recovery expected in 2025 to 2.5x and 2.8x in 2026 if the announced rate cuts materialise.

Hedging ratio to improve, as guided by reformed financial policy

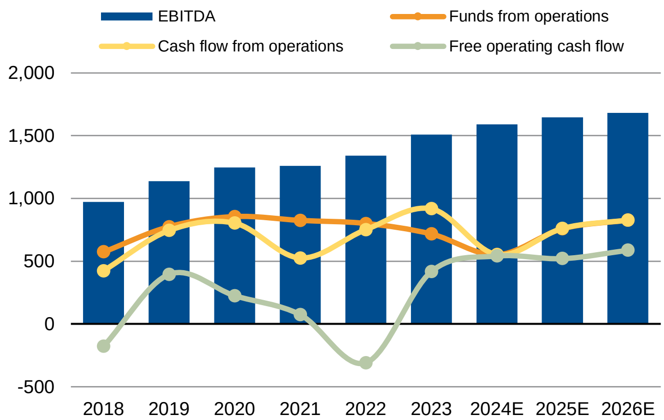
Fastpartner currently has a relatively low hedge ratio of 24% as of August 2024 (12% at last review). Management has historically been aware of this risk and viewed its strong cash flows as a buffer and interest rates at/above 4% as a short-lived exception. To address market participants' and our concerns, the company implemented a new financial policy in Q4 2023 to fix at least 30% of outstanding debt for > 3 years. Fastpartner's management expects to achieve this by the end of 2024 and sees the declining yield curve as an opportunity to do so at attractive rates.

Figure 6: Scope-adjusted EBITDA/interest cover



Sources: Fastpartner, Scope estimates

Figure 7: Cash flows (SEK m)



Sources: Fastpartner, Scope estimates

Fastpartner demonstrated continuously growing Scope-adjusted EBITDA from SEK 770m in 2015 to SEK 1,508m in 2023, an improvement in line with its growing asset base. Given indexed rental income, we expect further EBITDA growth to SEK 1.6bn this year and towards SEK 1.7bn in 2026. The company's funds from operations (FFO) has developed in tandem with EBITDA, reaching its highest value so far in 2020/2021 with SEK 855/823m and has thereafter been affected by a growing interest burden, but remained comfortably above SEK 500m and is expected to recover to the previous peak in 2026.

Maintenance capex covered by free operating cash flow

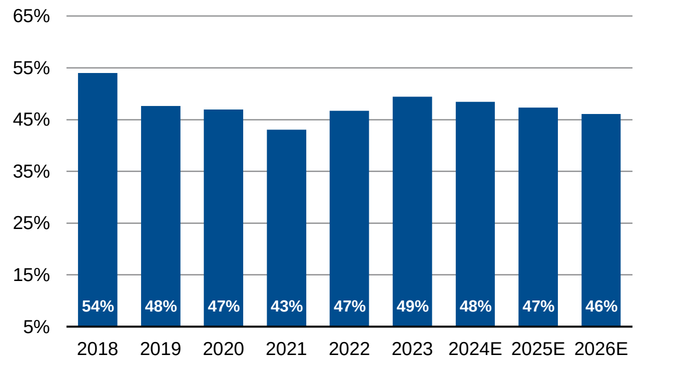
Scope-adjusted free operating cash flow (FOCF) - excluding discretionary capex - is impacted by the significant investments into Fastpartner's own portfolio which took the measure below zero in 2016 and 2018. In recent years and in the future, we do not expect any discretionary investments due to the challenging economic environment, while maintenance investments are comfortably covered by internal cash flows in the years 2024 to 2026.

The company has two different share classes with different voting rights, with the preference share class being redeemed in full in Q1 2022. Its target is to pay a long-term dividend of 33% of the profit generated by property management; on average, 42% was paid during the last five years. Management, which includes the main shareholder, has been open to cutting dividends if the situation requires such an action, and has executed on this during 2023, cutting dividends for 2022 by half.

Historical deleveraging trend with expected LTV of below 50% going forward

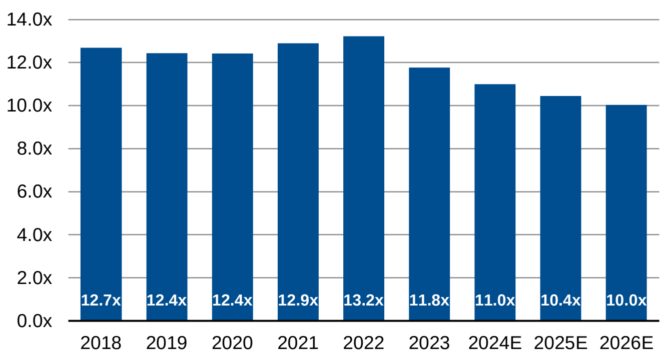
Fastpartner's leverage, as measured by its LTV, has fallen significantly from the high 50s to the low 50s and below (2019: 48%), thanks to fair value adjustments and occasional equity issuances. At YE 2023, LTV stood at 49% with the lates reading at Q2 2024 at the same level. The company's target LTV has been updated, along with other financial policy metrics, to below 48% in 2020 (from below 50%) and further tightened to below 45% in Q4 2023, as calculated by net debt to property values (46.9% by Fastpartner's calculation at YE2023). With an LTV of 49% at H1 2024 and market values expected to be flat, we expect the LTV to be relatively unchanged at 48% at year-end 2024. With no acquisitions planned in 2024 and 2025 and a continuation of the deleveraging, we expect LTV to be relatively stable with a downward trend.

Figure 8: Scope-adjusted loan/value ratio



Sources: Fastpartner, Scope estimates

Figure 9: Scope-adjusted debt/EBITDA



Sources: Fastpartner, Scope estimates

The Scope-adjusted debt/EBITDA ratio has remained at very stable levels of between 12-13x in the last few years. Given the deleveraging the company is doing currently, we have seen the ratio decline to 11.5x in Q2 2024 and foresee a further decline towards 10x over the next 2-3 years.

Adequate liquidity

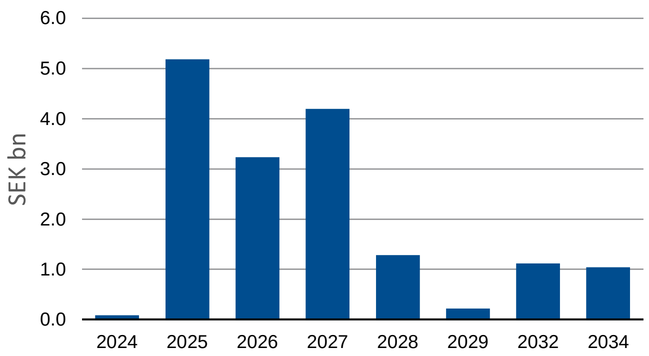
Fastpartner's liquidity is adequate given that sources (SEK 30m in cash and SEK 1.9bn in committed undrawn credit lines as at Q2 2024 as well as SEK 550m in free operating cash flow forecasted for the next 12 months) cover uses (SEK 2.2bn in short-term debt as at Q2 2024) by about 1.2x for the next 12 months until June 2025. Based on our calculations, all upcoming capital market maturities until June 2026 can be covered by available cash, committed credit lines and internal cash flow generation, while the secured bank debt in 2026 will need to be refinanced by banks and cannot be covered by currently available liquidity. We believe that liquidity is a manageable risk in the short-to-medium term as sufficient headroom is provided by: i) a reasonably low LTV of 33% on secured debt, providing ample headroom to increase debt on existing secured debt; and ii) the company's continued access to capital markets as demonstrated by commercial paper and its good banking relationships with a wide range of potential funding sources.

Fastpartner has realigned all interest coverage covenants in discussion with banks over the last 12 months to the same level of 1.5x, so the tightness observed at the last review - in a different interest rate environment - has eased.

Given the above, liquidity is judged to be adequate.

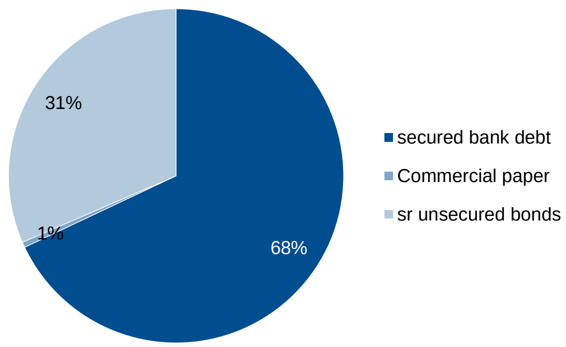
Balance in SEK m	2024E	2025E	2026E
Unrestricted cash (t-1)	96	105	92
Open committed credit lines (t-1)	1,845	1,845	1,845
FOCF	542	521	588
Short-term debt (t-1)	1,277	5,182	3,230
Coverage	**194%**	**48%**	**78%**

Figure 10: Maturity profile as at Q2 2024



Sources: Fastpartner, Scope

Figure 11: Debt split



Sources: Fastpartner, Scope

Long-term and short-term debt ratings

Senior unsecured debt rating: BB

Fastpartner currently has SEK 5.3bn of senior unsecured debt outstanding, which comprises SEK 85m in commercial paper and SEK 5.2bn in senior unsecured bonds (of which 100% was issued under its green framework). These senior unsecured obligations benefit from a property pool of SEK 8.3bn in truly unencumbered assets in addition to SEK 4.3bn in unencumbered parts of secured properties (with a difference of secured LTV up to 60%). Scope assesses the pool of unencumbered assets at SEK 12.5bn, which provides around 240% coverage by unsecured assets. Based on Scope's General Corporate Rating methodology and reasonable discounts on the company's asset base, Scope expects a superior recovery for senior unsecured debt. However, there are uncertainties around advance rates in the case of a hypothetical issuer default. Scope also highlights the high sensitivity of recovery expectations to advance rates and the volume of senior secured debt at the time of a hypothetical default, resulting in the affirmation of the senior unsecured debt rating at BB (in line with that of the issuer).

Short-term debt rating: S-3

The S-3 short-term debt rating is based on the BB/Positive issuer rating and supported by adequate liquidity, good banking relationships, and access to secured bank and commercial paper funding sources with regular issuances of various equity share classes and bonds.

Appendix: Peer comparison

	Fastpartner AB	Corem Property Group AB	Fastighets AB Balder	Merlin Properties SOCIMI S.A.	Inmobiliaria Colonial SOCIMI
	BB/Negative	BBB-/Negative	---/---*	---/---*	---/---*
Last reporting date	30 June 2024	30 Sept 2023	31 December 2023	31 December 2023	31 December 2023
Business risk profile					
Scope-adjusted total assets (EUR m)	3,100	6,400	21,000	11,622	13,310
Portfolio yield	6.7%	6.7%	4.6%	4.7%	2.7%
GLA (thousand sqm)	1,570	2,602	6,000	3,182	1,688
No. of residential units	na	na	45,300	n/a	na
Countries active in	1	3	7	2	2
Top 3 tenants (%)	9.2%	9.5%	8.1%	9.9%	10.2%
Top 10 tenants (%)	18.6%	16.8%	14.6%	21.3%	25.8%
Office (share NRI)	46%	49%	25%	54%	96%
Retail (share NRI)	12%	9%	9%	27%	3%
Residential (share NRI)	0%	na	49%	n/a	0%
Hotel (share NRI)	4%	na	na	n/a	na
Logistics (share NRI)	24%	25%	5%	13%	0%
Others (share NRI)	14%	16%	12%	n/a	1%
Property location	Mainly ‘A’	‘A’ and 'B'	‘A’ to ‘B’	‘A’ to ‘B’	A
EPRA occupancy rate (%)	93%	89%	96%	95%	96%
WAULT (years)	4.5	3.6	6.6	3.2	5.0
Tenant sales growth (%)	na	na	na	27.7%	na
Like-for-like rent growth (%)	na	na	na	7.3%	7.0%
Occupancy cost ratio (%)	na	na	na	n/a	na
Scope-adjusted EBITDA margin	69%	70%	66%	75%	77%
EPRA cost ratio (incl. vacancy)	na	na	na	26.7%	21.9%
EPRA cost ratio (excl. vacancy)	na	na	na	24.5%	20.1%
Financial risk profile					
Scope-adjusted EBITDA/interest cover	1.9x	2.0x	2.6x	3.3x	3.1x
Scope-adjusted loan/value ratio	49%	55%	52%	33%	38%
Scope-adjusted debt/EBITDA	11.5x	14.6x	15.8x	12x	18x
Weighted average cost of debt	5.1%	4.6%	2.9%	2.0%	1.7%
Unencumbered asset ratio	240%	na	>200%	>200%	>200%

* Subscription ratings available on ScopeOne

Sources: Public information, Scope

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