

Debt refinancing, condo sales and capital return

2025-11-28

RNS Number : 3463J

Phoenix Spree Deutschland Limited

28 November 2025

28 November 2025

Phoenix Spree Deutschland Limited

(the "Company" or "PSD")

Debt refinancing completed, condominium sales ahead of target and planned capital return

Phoenix Spree Deutschland Limited is pleased to announce the completion of a comprehensive refinancing of all the Company's debt facilities. This is a significant milestone that supports the Company's orderly wind-down and managed realisation strategy.

With refinancing complete and momentum in the condominium sales programme continuing, the Board intends to return capital to shareholders through a programme of compulsory pro rata redemptions of Ordinary Shares, starting in 2026.

Highlights

- Refinancing completed on 26 November 2025, materially improving financial and operational flexibility.
- New €255.0m, five-year, interest-only, term loan at 210 bps over 3-month Euribor.
- Restrictions on condominium sales and distributions to shareholders lifted, enabling increased volume of condominium sales and shareholder distributions alongside debt repayment.
- With year-to-date condominium notarisations currently at €30.2m, the Company has now exceeded its target of €30m for 2025.
- The Company intends to return capital to shareholders through a compulsory pro rata share redemption programme, starting in 2026.
- Further details of the first share redemption will be announced with the Annual Results on 23 April 2026.

Refinancing of all debt completed

The Company has completed a comprehensive refinancing of all its existing borrowings. Facilitated by Natixis Pfandbriefbank

AG, this refinancing has been executed ahead of the September 2026 maturity of PSD's previous debt facilities and provides a stable, flexible capital structure to support the Company's orderly wind-down and managed realisation strategy. The key terms of the new facility are:

- Sales flexibility: Removal of the previous cap on the number of properties that can be sold as condominiums at any one time.
- Distributions to shareholders permitted: Removal of the prior block on distributions, enabling distributions to shareholders while debt is being progressively repaid (i.e. returning capital to shareholders is no longer contingent on full debt repayment).
- Facility size and tenor: Single drawdown of €255.0m, interest-only, five-year term with early prepayment flexibility.
- Pricing: 210 bps over 3-month Euribor.
- Hedging: Interest on not less than 80% of the outstanding debt balance to be hedged. The Company intends to use the value of existing Natixis interest rate swaps to partially offset the cost of acquiring a new interest rate cap.
- Mandatory prepayments: 52% of net condominium sale proceeds (net of taxes and sales costs) to be applied to prepay the facility.

After repaying existing debt of Euro €233mm and facilitating new hedging, the Company plans to apply the balance of the facility to preparatory capital expenditure for condominium sales projects and maintenance of an appropriate liquidity buffer.

Condominium sales update

The Company has now exceeded its full-year 2025 condominium sales target of €30m. Average sales values per sqm remain above latest balance sheet carrying values, underscoring resilience in the condominium market.

- Sales momentum: Total year-to-date condominium notarisations of 107 units with an aggregate sales value of €30.2m.
- Pricing resilient: Average notarised price of €4,077 per sqm, representing an 11.9% premium to the average value of the entire Portfolio of properties on the Company's balance sheet as at 30 June 2025 and a 3.4% premium to the latest carry values of the buildings from which the units were sold.
- Vacant vs occupied mix: Vacant units continue to command materially higher prices, achieving an average sales price of €4,644 per sqm, a 21.1% premium to latest balance sheet carrying values compared to occupied units which achieved €3,845 per sqm, a 3.8% discount to latest balance sheet carrying values.
- Additional pipeline: A further 24 units with an aggregate value of €7.6m are currently reserved and pending notarisation.
- Sales targets: The Company remains confident of achieving 2026 notarisations in excess of €55m.

Table: Condominium notarisations and reservations (2025 to date)

Notarisation period / status	Units	Sales Value (€m)	Price per sqm (€)	Premium / discount to Portfolio carry value ^{1,2}	Premium / discount to asset carry value ^{1,3}
Vacant notarisations					

Notarised January	0	0	0	0	-
Notarised February	4	1.45	5,293	45.8%	23.2%
Notarised March	2	0.72	5,987	64.9%	32.1%
Notarised April	4	1.06	4,402	21.3%	20.6%
Notarised May	1	0.35	4,031	11.1%	25.1%
Notarised June	5	1.40	5,253	44.7%	20.9%
Notarised July	2	0.59	4,885	33.8%	8.3%
Notarised August	1	0.30	4,076	11.7%	25.0%
Notarised September	7	2.00	3,827	4.9%	12.9%
Notarised October	4	1.53	4,920	34.8%	29.8%
Notarised to 26 November	2	0.58	4,353	19.3%	23.4%
Total vacant notarisations	32	9.98	4,644	27.6%	21.1%

Occupied notarisations

Notarised January	4	0.82	2,987	-17.7%	-24.5%
Notarised February	4	1.08	4,055	11.7%	0.5%
Notarised March	9	2.36	3,476	-4.2%	-4.4%
Notarised April	7	1.81	3,840	5.8%	-11.7%
Notarised May	3	1.05	4,323	19.1%	-0.3%
Notarised June	8	2.48	3,626	-0.1%	-8.4%
Notarised July	6	1.84	3,772	3.4%	-1.4%
Notarised August	14	3.29	3,960	6.3%	1.3%
Notarised September	7	1.89	4,163	14.1%	2.6%
Notarised October	9	2.51	4,181	14.5%	0.1%
Notarised to 26 November	4	1.11	4,070	11.5%	1.5%
Total occupied notarisations	75	20.23	3,845	5.3%	-3.8%

Total notarisations (vacant and occupied)	107	30.20	4,077	11.9%	3.4%
Total outstanding reservations	24	7.60	4,324	18.5%	7.6%
Total reservations and notarisations	131	37.80	4,124	13.2%	4.3%

1. Carry value is determined using the most recent JLL valuation per sqm. For notarisations completed before June 30, 2025, the applicable valuation is from December 2024. For notarisations occurring after June 30, 2025, the carrying value will be based on the JLL valuation as of June 30, 2025.
2. The Portfolio carry value is the average valuation per sqm across all assets within the Company's Portfolio.
3. The asset carry value refers to the JLL valuation of the specific properties associated with units being notarised during the period.

Expansion of Condominium Sales Pool

Following the refinancing, the Company plans to move further legally-divided properties into the Condominium Sales Pool. After the necessary preparatory work, a tranche of 11 properties (341 units) is scheduled for addition in 2026, with scope for more properties to follow.

Sales Momentum

To handle the larger inventory, the broker panel has recently been increased from three to five. This broader distribution network, together with the new units transferred to the pool in H2 2025 and 2026, is expected to keep transaction volumes strong throughout the period.

Capital Expenditure

Capital expenditure for 2025, primarily allocated for condominium preparation, remains on track at approximately €15m, with materially lower spend expected in 2026.

Return of capital through share redemption programme

In line with the managed realisation strategy approved by shareholders on 12 March 2025 and supported by the enhanced flexibility from the refinancing, the Board intends to return capital to shareholders by means of a programme of compulsory pro rata redemptions of Ordinary Shares.

Subject to available cash, market conditions and covenant headroom, the Company intends to make regular distributions through pro rata redemptions as disposals complete.

In order to preserve consistency and comparability of accounting numbers, it is expected that all redemptions will be at the sterling equivalent of most recently published EPRA NTA per share (€3.49 as at 30 June 2025).

Further details on the expected size and terms of the first redemption, including the relevant percentage, pricing reference and timetable, will be announced alongside the Company's Full Year Results on 23 April 2026.

The Board remains committed to returning surplus cash in a timely and equitable manner while safeguarding value through disciplined execution of the wind-down, continued sales, tenant engagement and cost control.

Further information on how a compulsory pro rata redemption works is set out in the Appendix to this announcement.

Robert Hingley, Chair of Phoenix Spree Deutschland, commented:

"We have exceeded our 2025 condominium sales target ahead of schedule and at a premium to latest balance sheet carrying values. Our successful refinancing, together with strong progress in condominium sales, gives us confidence in delivering on our strategy of realising assets and returning capital to shareholders."

For further information please contact:

Phoenix Spree Deutschland Limited	+44 (0)20 3937 8760
Stuart Young	
Deutsche Bank AG (Corporate Broker)	+44 (0) 20 7260 1263
Hugh Jonathan	
Teneo (Financial PR)	+44 (0)20 7353 4200
Robert Yates, Elizabeth Snow	

APPENDIX

Share Redemptions

What is a "compulsory pro rata redemption?" The Company will redeem and cancel the same fixed percentage of shares held by every shareholder and pay cash for those cancelled shares. No action is required and all shareholders are treated equally.

Why is this good for shareholders? Shareholders receive payment by means of a capital repayment. As shares are redeemed pro rata to existing holdings, each shareholder's percentage holding remains unchanged.

When will I know the details? We will announce more information on the size, price and timetable of the first redemption alongside our Full Year Results in April 2026.

Do I need to do anything now? No.

Where will the cash come from? From ongoing condominium sales and available cash resources, supported by our new refinancing facility.

How will I get my money? If you hold shares electronically (CREST), proceeds will be paid through CREST. If you hold paper certificates, you will receive payment by cheque or bank transfer. The April 2026 announcement will confirm exact mechanics and timing.

Will everyone be treated the same? Yes.

What happens to my remaining shares? Your remaining shares continue to trade as normal.

What are the tax implications? Tax outcomes depend on individual circumstances and jurisdiction. Please seek independent professional advice.

Important Notices

This announcement contains inside information for the purposes of the UK Market Abuse Regulation. Upon publication, this information is considered to be in the public domain.

Notes to Editors

Phoenix Spree Deutschland Limited is a closed-ended investment company incorporated in Jersey and admitted to the premium segment of the Official List and to trading on the Main Market of the London Stock Exchange.

On 12 March 2025, shareholders approved a strategy for an orderly wind-down and managed realisation of the Company's Portfolio, with a view to returning cash to shareholders over time.

On 18 June 2025, shareholders approved the introduction of a compulsory share redemption mechanism to support delivery of this strategy.

ENDS

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact **rns@lseg.com** or visit **www.rns.com**.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our **Privacy Policy**.

END

UPDEAXFXAAPSFFA