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Harworth Group PLC
08 October 2024

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Harworth Group plc
("Harworth" or "the Group")

Harworth acquires 285,000 sq. ft. newly developed Grade A urban logistics scheme in South Yorkshire for £43.7 million

Harworth, a leading regenerator of land and property for sustainable development and investment, has completed the acquisition of Catalyst, a 285,000 sq. ft., Grade A, urban logistics estate in Rotherham, South Yorkshire. The £43.7 million purchase price reflects a net initial yield of 5.4%.

The asset, completed in 2023, is strategically located adjacent to the Group's flagship industrial development and major UK manufacturing hub, the Advanced Manufacturing Park ("AMP"). The acquisition delivers an extension to the AMP which now benefits from a highly prominent, extensive frontage on both sides of the Sheffield Parkway and its excellent arterial connectivity provides access to a vast labour pool.

Comprising of five units, the scheme is currently 90% let to a diverse range of occupiers, with a WAULT of 6.6 years to break and 10.1 years to expiry. Harworth is confident of securing a letting for the final 28,000 sq. ft, and when fully let the scheme will generate £2.5m of annualised rent. The acquisition provides an opportunity to implement tailored asset management initiatives and deliver additional value across the wider AMP, where Harworth continues to see strong demand from occupiers, and rents have recently exceeded £10 per sq. ft.

The acquisition is in line with Harworth's strategy to grow its Investment Portfolio to £0.9 billion by the end of 2029 and transition its core portfolio to 100% Grade A by 2027. Following this acquisition, alongside practical completion of a further 73,000 sq. ft. of Industrial & Logistics space at the AMP earlier this month, the Group's Investment Portfolio will total 2.8 million sq. ft., of which 45% is Grade A (30 June 2024: 37%).

Lynda Shillaw, Chief Executive of Harworth, commented: "This acquisition, the largest of an Industrial & Logistics investment asset in Harworth's history, aligns with our strategy to grow our high-quality Investment Portfolio. It also continues our track record of strategic site assembly, providing an opportunity to extend the AMP, further establishing it as one of the leading manufacturing and distribution centres in the region.

"Increased direct development and the retention of Grade A Industrial & Logistics assets across our major sites, supplemented by select, income producing acquisitions, is core to our strategy, whilst we will also look to recycle properties where value has been maximised through completed asset management initiatives."

For further information

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About Harworth

Listed on the equity shares (commercial companies) category of the Main Market of the London Stock Exchange and a constituent of the FTSE 250 index, Harworth Group plc (LSE: HWG) is a leading sustainable regenerator of land and property for development and investment which owns, develops and manages a portfolio of over 14,000 acres of land on around 100 sites located throughout the North of England and Midlands. The Group specialises in the regeneration of large, complex sites, in particular former industrial sites, into new Industrial & Logistics and Residential developments to create sustainable places where people want to live and work, supporting new homes, jobs and communities across the regions and delivering long-term value for all stakeholders. Visit www.harworthgroup.com for further information. LEI: 213800R8JSSGK2KPFG21.

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