**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION.**

**THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE, NOR AS TO THE TERMS ON WHICH ANY FIRM OFFER MIGHT BE MADE.**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.**

Date: 27 November 2023

For Immediate Release

**abrdn European Logistics Income plc**

**Strategic Review, Formal Sale Process and Commencement of Offer Period**

abrdn European Logistics Income plc (the **“Company”**) was launched in December 2017 with the investment objective of providing an attractive level of income and capital growth from investing in high quality mid-box and urban logistics real estate in Continental Europe. The Company's investment proposition at launch was largely centred on the premise that e-commerce penetration in Europe was significantly behind the UK, and that the forecast growth to follow would provide an attractive backdrop to an investment in high-quality European logistics real estate.

The Investment Manager has delivered on this strategy on behalf of the Company, utilising its local asset managers to establish a portfolio of 26 operational mid-box and urban logistics real estate assets, diversified across the Netherlands, France, Germany, Spain and Poland, valued at €659.75 million. The portfolio WAULT is 7.2 years to break and 8.6 years to expiry, with approximately two thirds of the current rental income subject to full uncapped indexation¹. The portfolio is highly modern, with 16 of the 26 assets constructed since 2018 and the Company was recently awarded a maximum five stars in the 2023 GRESB awards, achieving 89/100 points and first place in its peer group.

While the broader investment proposition remains cogent, the Board recognises that the Company, like many of its peers across the wider listed real estate sector, faces a number of challenges, at both a macro and company specific level. The Company’s annual target dividend of 5.64 cents (€) per share remains materially uncovered, and a reduction in this target level would be required to achieve a fully covered, sustainable dividend in the foreseeable future. With a market capitalisation of £234 million² and an IFRS Net Asset Value of €411.3 million³, the Company remains of a size which might deter some potential investors due to lower share liquidity and a higher relative cost base, despite the Company benefiting from a competitive investment management fee arrangement. In addition, the Company’s shares have continued to trade at a significant and persistent discount to net asset value per share, which the Board and Investment Manager believe does not reflect the long-term prospects of the portfolio.

In line with its constitutional terms as set out on launch in December 2017, the Company is required to propose a continuation vote at its next Annual General Meeting, expected to be held in June 2024. With that in mind, and cognisant of the feedback received from a number of shareholders in recent meetings, the Board believes that the current point in time represents an appropriate juncture at which to consider more fully the basis on which the Company might best proceed, having regard for the best interests of shareholders as a whole.

Accordingly, the Board today announces that it is undertaking a strategic review of the options available to the Company (the “**Strategic Review”**). The Board will consider all options available to the Company that offer maximum value for its shareholders including, but not limited to, undertaking some form of consolidation, combination, merger or comparable corporate action, selling the entire issued share capital of the Company (which would be conducted under the framework of a "formal sale process" in accordance with the City Code on Takeovers and Mergers (the “**Code**”)), and selling the Company's portfolio and returning monies to shareholders. There is no certainty that any changes will result from the Strategic Review and, for the avoidance of doubt, a continuation of the Company’s current investment strategy with a rebased target dividend level is a potential outcome of the Strategic Review.

**Tony Roper, Chairman, abrdn European Logistics Income plc, commented:** “The Board’s priority at all times is to act in the best interests of shareholders. Whilst we retain a strong conviction in the strategy, today’s proactive decision to launch a strategic review largely reflects the unprecedented macro backdrop that real estate companies are operating against and provides greater optionality to deliver shareholder value.”

The Board has appointed Investec Bank plc (“**Investec**”) as Financial Adviser to manage the Strategic Review and formal sale process. Investec is acting as Rule 3 adviser to the Company under the Code.

The Board will make further announcements in due course.

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*Formal Sale Process and Code considerations*

The Takeover Panel has agreed that any discussions in relation to an offer for the Company may be conducted within the context of a formal sale process under the Code (as referred to in Note 2 on Rule 2.6 of the Code), which will enable conversations with parties interested in making a proposal to take place on a confidential basis.

Accordingly, the Takeover Panel has granted a dispensation from the requirements of Rules 2.4(a), 2.4(b) and 2.6(a) of the Code such that any interested party participating in the formal sale process will not be required to be publicly identified as a result of this announcement and will not be subject to the 28 day deadline referred to in Rule 2.6(a) of the Code for so long as it is participating in the formal sale process. Following this announcement, the Company is now considered to be in an "offer period" as defined in the Code, and the dealing disclosure requirements of Rule 8 of the Code as summarised below will apply.

Parties interested in submitting an expression of interest or any other proposal relating to any strategic option for the Company should contact the Company’s Financial Adviser, Investec, using the contact details above. It is currently expected that any party interested in submitting any form of proposal for consideration in connection with the Strategic Review (including within the formal sale process) will, at the appropriate time, enter into a non-disclosure agreement and standstill arrangement with the Company on terms satisfactory to the Board and on the same terms, in all material respects, as other interested parties before being permitted to participate in the process. The Company then intends to provide such interested parties with certain information on its business, following which interested parties shall be invited to submit their proposals to Investec. The Company will update the market in due course regarding timings for the formal sale process.

The Board reserves the right to alter any aspect of the process as outlined above or to terminate the process at any time and, in such cases, will make an announcement as appropriate. The Board also reserves the right to reject any approach or terminate discussions with any interested party at any time.

Shareholders are advised that this announcement does not represent a firm intention by any party to make an offer under Rule 2.7 of the Code and there can be no certainty that any transaction may be concluded or any offers will be made or sale proposed as a result of the formal sale process, nor as to the terms on which any offer or other transaction may be made. The Company confirms that it is in discussions with a potential offeror at the date of this announcement.

*Other Notices*

Investec Bank plc, which is authorised in the United Kingdom by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for the Company and no one else in connection with the Strategic Review and shall not be responsible to anyone other than the Company for providing the protections afforded to clients of Investec, nor for providing advice in connection with the Strategic Review or any matter referred to herein. Neither Investec nor any of its affiliates (nor any of its or their respective directors, officers, employees, representatives or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Investec in connection with the Strategic Review, this announcement, any statement contained herein or otherwise.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise.

The release, publication or distribution of this announcement in jurisdictions outside the United Kingdom may be restricted by laws of the relevant jurisdictions and therefore persons into whose possession this announcement comes should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law or any such jurisdiction.

*Disclosure Requirements of the Code*

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the persons interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk,](http://www.thetakeoverpanel.org.uk/) including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

*Publication on a website*

In accordance with Rule 26.1 of the Code, a copy of this announcement will, subject to certain restrictions relating to persons resident in restricted jurisdictions, be available on the Company's website at https://www.eurologisticsincome.co.uk/ no later than 12 noon (London time) on the business day following the date of this announcement. Neither the content of any website referred to in this announcement nor the content of any website accessible from hyperlinks is incorporated into, or forms part of, this announcement.

*Rule 2.9 of the Code*

In accordance with Rule 2.9 of the Code, the Company confirms that as at the close of business on 24 November 2023 it has in issue 412,174,356 ordinary shares of one penny each in the capital of the Company. The International Securities Identification Number for the Company’s ordinary shares is GB00BD9PXH49. The Company holds no ordinary shares in treasury.

*MAR*

This announcement is released by the Company and the information contained within this announcement is deemed by the Company to constitute inside information for the purposes of Article 7 of the UK version of the EU Market Abuse Regulation (Regulation (EU) No.596/2014) which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended. Upon the publication of this announcement via a Regulatory Information Service, such information is now considered to be in the public domain.

*LEI Number*

The Company’s LEI Number is 213800I9IYIKKNRT3G50

¹ Portfolio statistics as at 30 September 2023

² Market capitalisation as at 24 November 2023

³ As at 30 September 2023