

**PRISTINE CAPITAL PLC  
(PRIS.L)**

**“VALUE CREATION  
THROUGH  
ACTIVE MANAGEMENT”**

**Investor Presentation  
October 2024**





# AGENDA

1. Introduction
2. Management Expertise
3. The Real Estate Market Opportunity
4. Gap in the Real Estate Sector
5. The Investment Opportunity





# INTRODUCTION

Pristine Capital Plc – formerly More Acquisitions Plc a cash shell

Listed on the Main Market of the London Stock Exchange (PRIS.L)

Raised £1.2M in March 2022

Previous management not successful in respect of a Reverse Takeover (RTO)

January 2024, Neil Sinclair, Stanley Davis and Andrew Perloff subscribed for £312,000 of new shares at £0.01 per share taking control of the Board

A number of discussions now underway for a suitable commercial Real Estate acquisition targets, either a commercial portfolio or private property company

Andrew Perloff & Neil Sinclair have since increased their holdings, so the new shareholders & Board now own 22.5% of the issued share capital

Share price trading at 0.50p – Market Capitalisation £0.8m

# THE TEAM EXPERTISE



# MANAGEMENT EXPERIENCE



**Neil Sinclair**

- **Chairman**
  - Listed 3 companies creating significant shareholder value
  - 50+ years of experience



**Stanley Davis**

- **NED**
  - Serial entrepreneur
  - Founded & sold main business for £100m



**Andrew Perloff**

- **Investor**
  - Founded Panther Securities plc in 1972
  - Increased NAV from 2p to 640p per share



# PROVEN SUCCESS CREATING SHAREHOLDER VALUE

## What we did at Palace Capital plc

- **Acquisitions** of company structures owning good quality properties
- Raised fresh **equity** to fund corporate transactions
- Significant **savings** on Stamp Duty
- £29m of inherent losses, resulting in **limited tax charge** from 2014-2019
- Created value through **proactive asset management**
- **Grew** income stream and capital value through **new lettings / lease re-gearing** & enhancement
- Added further value through **development & refurbishment**
- Delivered a progressive **dividend growth**
- Overall – Built a portfolio valued at **£280m**, having started with a market cap of **£108k**

# CASE STUDY



# HUDSON QUARTER, YORK

100,000 sq.ft office building known as Hudson House acquired as part of Quintain portfolio.

Valued at **£3.8m** on acquisition

80,000 sq. ft vacant costing Quintain c£600k per annum net

Positive cash flow within 12 months.

Planning consent secured in 2017 , for 127 apartments & 35,000 sq.ft offices

Revised value - **£17m** in September 2017.

£26m financing secured from Barclays Bank.

Outstanding success with 80 flats sold & 75% of offices let within one year of completion

Barclays bank repaid within 8 months of completion.





# BEFORE



# AFTER

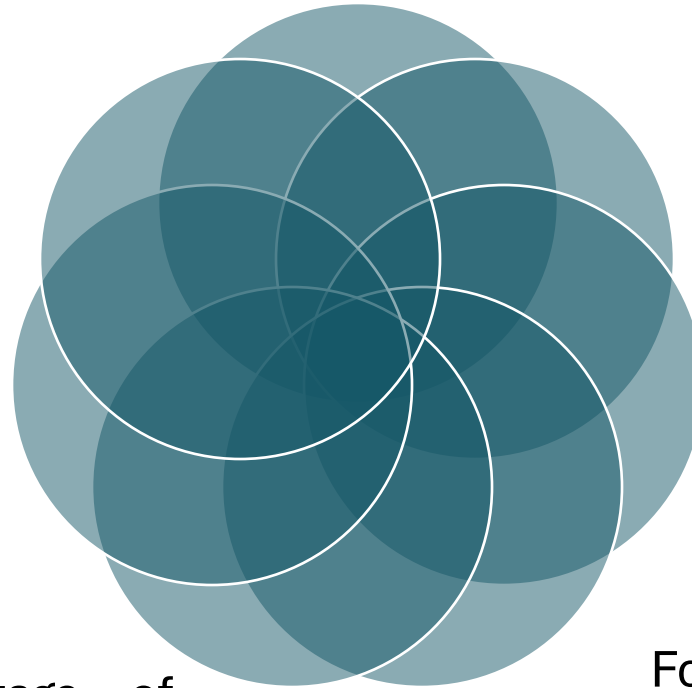




# **THE COMMERCIAL REAL ESTATE MARKET OPPORTUNITY**

# WHY NOW?

**Commercial Real-Estate market conditions mirror those seen in 2012**



Alternative funding sources increasingly available - including a significant family office, where vendors are willing to accept ordinary shares as part payment & remain a strategic & long-term investor

Golden opportunity for increased income and growth in NAV with appropriate asset management and the prospect of lower interest rates

Take advantage of potentially inherent tax losses & capital allowances

"Golden opportunity" to acquire overleveraged portfolios or distressed single assets

Increasing opportunity to take advantage of acquiring corporate portfolios, using shares

Focus on acquiring companies not properties allowing for huge savings in Stamp Duty

# REAL WORLD EXAMPLES

- 250,000 sq ft mainly office & retail complex, acquired by an institution in 2014, for **£81.75m** and on which they spent approximately another £20m
- **Sold in April 2024 for £52m to a Middle Eastern investor**

## Example 1 :

The London Assembly,  
Fulham Palace Road,  
Hammersmith



- Three office buildings, totalling 142,000 sq ft, acquired in 2014 for **£43.5m** by NatWest Pension Fund
- Marketed in October 2023 for £34m and **sold for £25.3m** with a yield of 13.7% to a family trust in May 2024

## Example 2:

Kings Pool, Peasholme  
Green, York



- Multi-let office building totalling 155,000 sq ft
- Acquired by Palm Capital for **£40.37m** in July 2017.
- Marketed for c£25m in April 2024
- **Under offer for c£8m**

## Example 3:

Abbey Gardens,  
Reading



# COMMERCIAL REAL ESTATE OUTLOOK

## Macro environment

- UK interest rates cycle
- UK economy expected to grow
- There is now political certainty
- Commercial property values stabilising
- Significant re-financing looming as market adjusts to higher for longer rates



## Real estate

- Commercial property values stabilising
- Re-financing debt is leading to significant ownership changes
- Selecting the right sectors and the right assets
- Some banks now foreclosing presenting opportunities



## Investors

- Focus on the right assets that can deliver income and capital growth
- Active management style to deliver reliable income & growth
- Focus on compounding dividend returns



# **GAP IN THE REAL ESTATE SECTOR**

# THE INVESTOR OPPORTUNITY IN THE REAL ESTATE SECTOR IS SMALL-MID CAP

**Small-mid cap real estate  
companies have grown  
significantly**

While some **larger-cap** property companies have a market cap today that is no larger than 25 years ago, some **small-mid caps** have grown very significantly:

- St Modwen PLC – sold in 2021 for 15x its market cap in 1998
- Workspace Group PLC – 1997: £40m then 2024: £1,253m
- Primary Health Properties PLC – 2004: £40m then 2024: £1,340m



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# CURRENT DEAL PIPELINE

## Transaction #1

- Mixed use commercial portfolio valued at £30m-£50m
- Owned by significant private family
- No debt and owners discussing taking a significant equity stake in Pristine Capital plc as part of the transaction

## Transaction #2

- Private property company whose assets were valued at c.£100m in 2023
- Bank debt of c.£60m
- Equity value of c.£40m
- To be classed as a “Corporate Transaction”, stamp duty would only be 0.5% of share value (c.£0.2m) not 5% (£5m), a saving of £4.8m.

## Transaction #3

- Private property company whose assets are worth c. £20m
- Too small for our initial transaction, but might suit 2<sup>nd</sup>/3<sup>rd</sup> or combined with other transactions
- Non-dilutive as we could leverage “Transaction #1” with £20m of debt to fund this transaction

# SUMMARY

Significant management expertise

Distressed Real Estate market presents opportunity to rapidly create a high income and high growth portfolio

Gap in the sector for a high-growth small-mid cap property investment play

Alternative funding available to listed entities through issue of ordinary shares to the vendors to rapidly move to scale

Senior management fully aligned with external shareholders

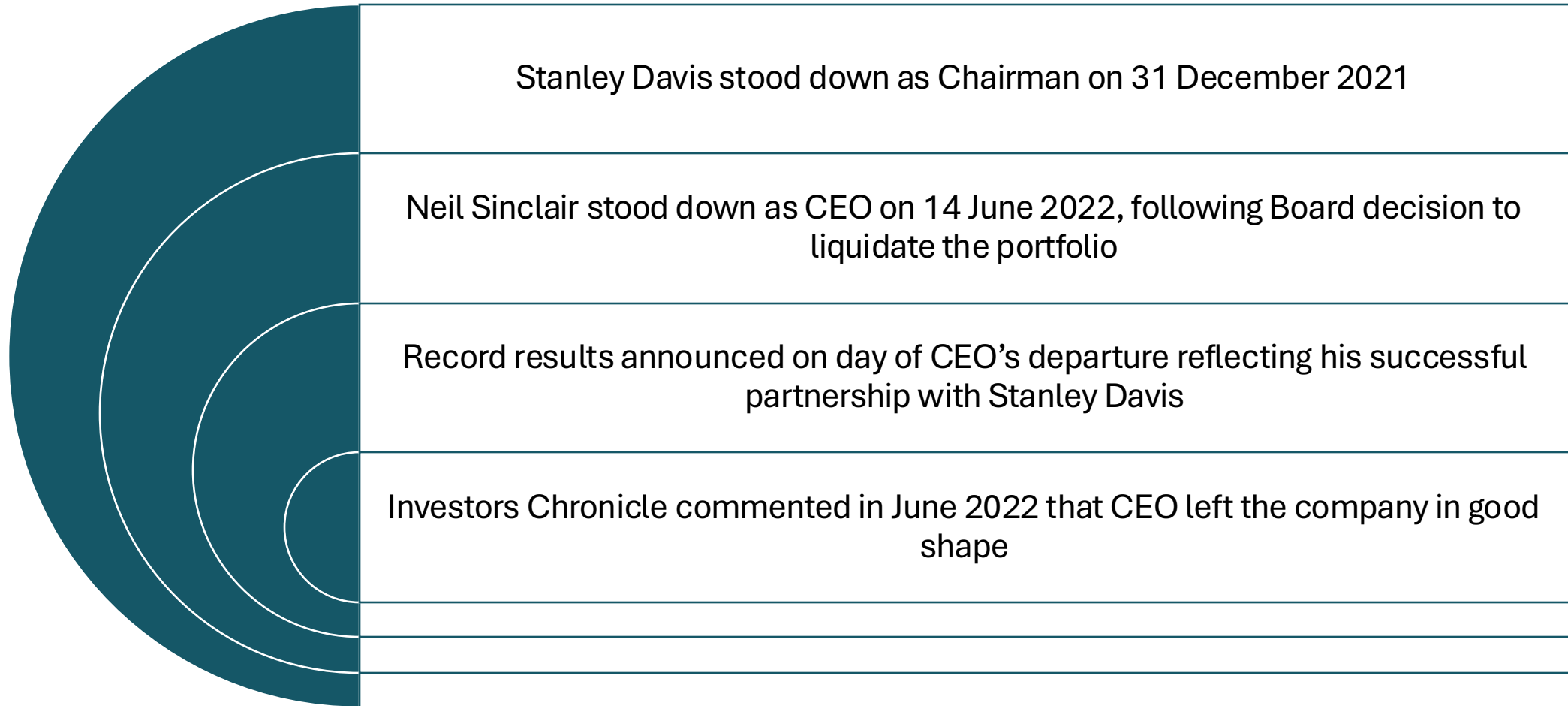
**Timely opportunity for significant out-performance as investor sentiment recovers on the London Stock Exchange in general and improving real estate sector valuations in particular**



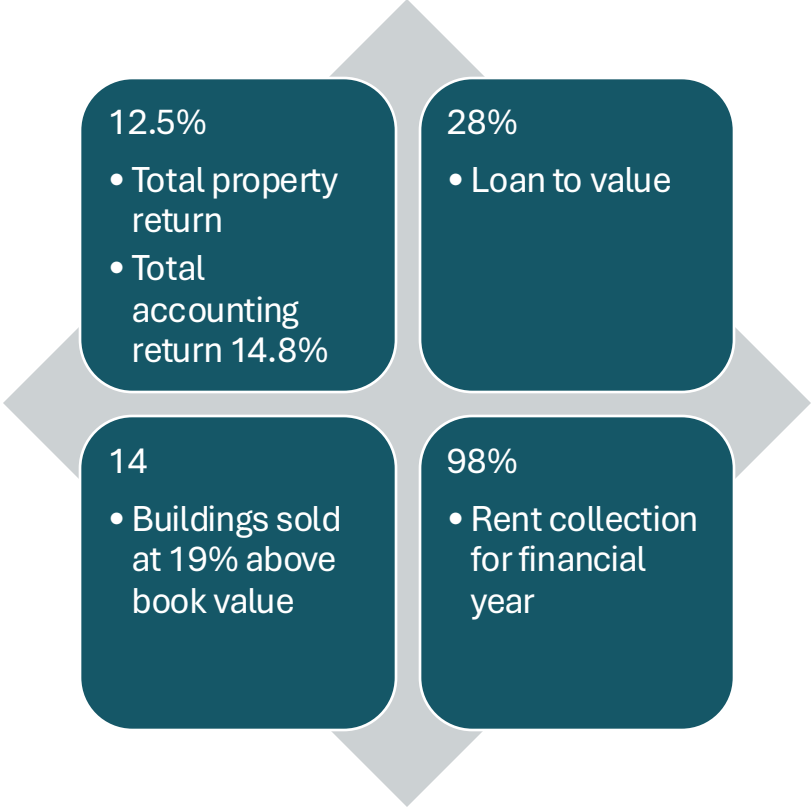
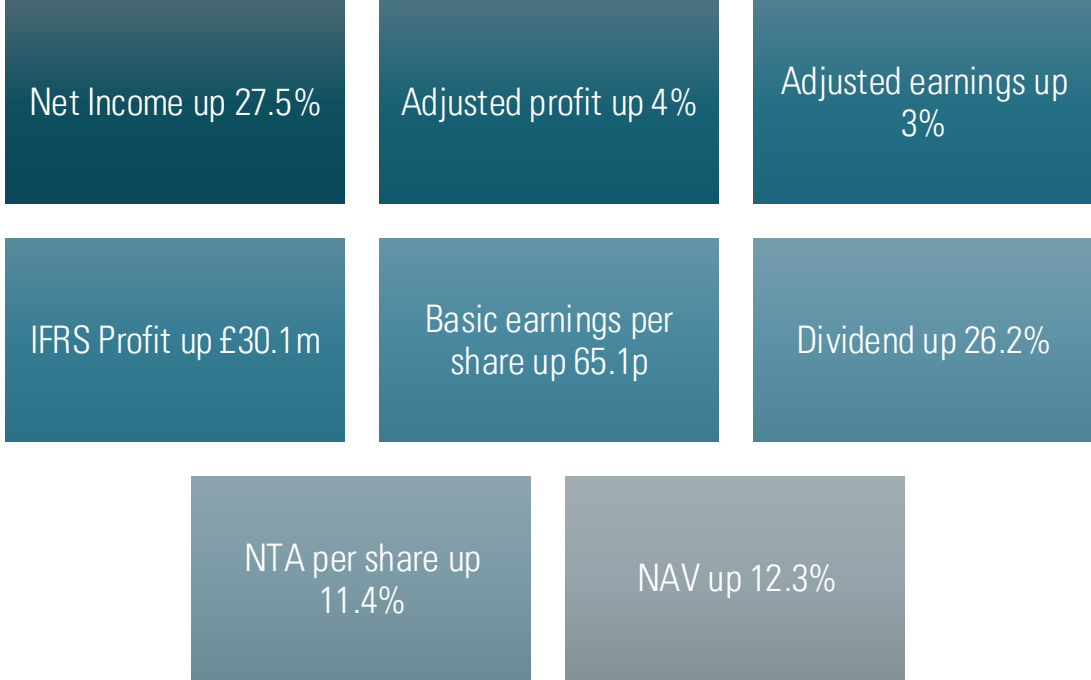


# APPENDIX

# SUCCESS AT PALACE CAPITAL



# SHAREHOLDER SUCCESS AT PALACE CAPITAL\*



\* Year Ended 31 March 2022

A photograph of The Shard skyscraper in London, viewed from a low angle, with the building rising above a layer of white clouds. The sky is a clear, bright blue. The image is positioned on the left side of the slide, partially overlapping a blue triangular graphic element.

# THANK YOU

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