



Legal & General and Bruntwood JV - Bruntwood SciTech, Post Record Profits

- Bruntwood SciTech post pre-tax profit of £114m (2021: £17.1m) – the most since its formation in 2018
- Net asset value increases 36% to £321.1m and total assets under management hits £858.44m (2021: £647.4m)
- £91m of capital investment including first move into Scotland and significant progress on key developments
- Completions of Enterprise Wharf and No.1 Birmingham Health Innovation Campus and construction kick off at Glasgow's Met Tower and Citylabs 4.0 to come in 2023

Annual trading update for the year ending September 30th, 2022

Bruntwood SciTech, the Legal & General and Bruntwood 50/50 joint venture specialist property platform focussed on the UK's life science and tech industries, has reported its best results to date.

Profits grew significantly in 2022 hitting £114m, up from £17.1m in 2021, following the completion and successful letting-up of several key assets and the growing recognition of life sciences as a distinct real estate asset class, all of which contributed to significant revaluation gains.

This included the first two phases of Circle Square, Manchester, that completed and are now fully let; an expansion and 100% letting of a building to existing customer and international molecular diagnostics group Yourgene Health at Manchester Science Park; and Alderley Park, the UK's largest life sciences campus and now a growing tech hub, which has become income generative following a sustained period of investment and redevelopment activity.

Net asset value grew by more than a third to £321.1m (2021: £235.3m) with the value of its portfolio also rising substantially, hitting £858.44m (2021: £647.4m). Both are owed to significant on-going investment activity and strengthening market sentiment towards science and technology focussed real estate assets.

Bruntwood SciTech made a record £91m of capital investment last year including major acquisitions, new development activity and improvements to its portfolio and support services.

It unveiled a £76.2m plan for the purchase and regeneration of Glasgow's famous Met Tower, to create a new tech and digital campus and marking Bruntwood SciTech's first footprint and future community in Scotland. Sustainability is at the heart of its redevelopment and will see as much of its existing fabric as possible retained, significantly reducing the embedded carbon impact of the works. It will also be net zero carbon in operation.

Elsewhere, Birmingham's first 'smart-enabled' building, Enterprise Wharf, topped out in the Spring while No.1 Birmingham Health Innovation Campus, the first building at the £210m scheme that shares its name, reached the same milestone in September.

The High Value Manufacturing Catapult selected Bruntwood SciTech's Innovation Birmingham campus for its new HQ and a secondary hub at Circle Square, while the former location continues to play a role in supporting the legacy of the Commonwealth Games by providing soft-landing space and support for innovative foreign direct investor companies, in partnership with the West Midlands Growth Company.

At Circle Square, the £87m, 264,000 sq ft development of No.3 Circle Square took a major step forward following planning approval, and a £20m investment into 86,000 sq ft of new high-specification biology and chemistry containment labs was launched at Alderley Park in September.

Also in Manchester, the £21m 91,000 sq ft development of Base finished, marking the completion of the second phase of Manchester Science Park's masterplan to grow the campus to 1m sq ft. The net zero operational tech hub will become home to high growth, Industry 4.0 tech businesses, including those working in low carbon, light manufacturing, computer and energy technology, gaming, and animation, and features a purpose built makerspace for customers to prototype their products.

Beyond property, Bruntwood SciTech increased its support for businesses operating in the innovation economy, adding two new partners to its Serendip corporate innovation challenge programme - BNP Paribas and SuperTech West Midlands, joining the LegalTech in Leeds initiative, launching a Female Founders Incubator, and investing in several companies directly, via funds such as the GMC Life Sciences Fund in partnership with Greater Manchester Combined Authority, Cheshire and Warrington LEP and Praetura Ventures, to bolster the region's flourishing life sciences sector, support innovation, create more skilled jobs, and help businesses to expand internationally.

“We recognised that 2021 was a tipping point for the business with our expansions and gaining real momentum with our development pipeline. We kept up the pace in 2022 and remain focussed on our goal of having a £2bn asset base within five years of formation.

“Innovation, science and technology are the future of the UK economy, especially in its regional cities. We are helping to invest into the capacity of these places to support, scale and sustain successful innovation-led businesses.

“This year will be just as exciting with completions of our two landmark schemes in Birmingham, the start of construction at Met Tower in Glasgow and the next phases of the masterplans at Citylabs, Manchester Science Park, and Circle Square, as well as the unveiling of the masterplans for ID Manchester and Melbourn Science Park. And, we will continue to place sustainability at the centre of our projects ensuring a long-term positive impact on the places and communities that we are operating within.

“We also remain in active discussions with potential partners in new cities as our geographic expansion continues. While we're mindful about the recessionary climate we enter in 2023 and we don't anticipate to repeat the boost in profits seen in 2022, our long-term approach, based on investing in the specialist infrastructure needed to support science and tech businesses, should see our assets fare better in any revaluation movements experienced across the wider real estate market.”

Kate Lawlor, CEO of Bruntwood SciTech

Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with over £1.4 trillion in total assets under management* of which a third is international. We also provide powerful asset origination capabilities. Together, these underpin our leading retirement and protection solutions: we are a leading international player in pension risk transfer, in UK and US life insurance, and in UK workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

** at 31 December 2021*

About Legal & General Capital (LGC)

Legal & General Capital (LGC) is Legal & General Group's alternative asset platform, creating assets for Legal & General Retirement and third-party clients in order to achieve improved risk-adjusted returns for our shareholders. LGC has built its capabilities in a range of alternative sectors, including in residential property; specialist commercial real estate; clean energy; alternative credit; and venture capital, which are all supported by long-term

structural growth drivers, meet a financing gap and respond to a scarcity of supply that is underpinned by enduring societal needs. Its purpose is to invest society's capital for society's benefit. Investing in the real economy and supporting the Group's focus on climate and inclusive capitalism, LGC's investments create jobs, change lives and contribute towards a net zero carbon future. Legal & General has invested over £29bn in levelling-up regional economies, including through major UK-wide regeneration schemes and has recently made a commitment to enable all its new homes to operate at net zero carbon emissions from 2030.

** at 31 December 2021*

Further information

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