Half Yearly Report

For the period ended 30 June 2026

2026

UK specialist REIT, offering exposure to the regional commercial property market, actively managed by an experienced asset manager.

Regional REIT

About us

Regional REIT is a UK specialist REIT, offering exposure to the regional commercial property market, actively managed by an experienced asset manager. It aims to deliver an attractive total return for its shareholders, with a strong focus on income supported by additional capital growth prospects.

Regional REIT's commercial property portfolio is comprised wholly of UK assets, located in regional centres outside of the M25 motorway. The portfolio is geographically diversified, with 106 properties, 1,017 units and 616 tenants as at 30 June 2026, with a valuation of £526.7m.

Regional REIT Limited ("Regional REIT" or the "Company") and its subsidiaries[1] (the "Group") is a United Kingdom ("UK") based London Stock Exchange listed real estate investment trust that launched in November 2015. It is managed by ESR Europe LSPIM Limited ("ESR LSPIM"), the Investment Adviser, and ESR Europe Investment Management Limited ("EIML").

For more information, visit the Group's website: **www.regionalreit.com**

UK specialist REIT, offering exposure to the regional commercial property market, actively managed by an experienced asset manager.

1 Regional REIT Limited is the parent company of a number of subsidiaries which together comprise a group within the definition of The Companies (Guernsey) Law 2008, as amended (the "Law") and the International Financial Reporting Standard ("IFRS") 10, 'Consolidated Financial Statements', as issued by the International Accounting Standards Board ("IASB") and as adopted by the UK. Unless otherwise stated, the text of this Half Year Report does not distinguish between the activities of the Company and those of its subsidiaries.

What is a REIT?

A real estate investment trust ("REIT") is a specialist tax-efficient investment vehicle built around real property assets, specifically property rental/letting activities.

REITs are quoted companies, or groups of companies, that own and manage property with the aim of generating a rental income and possible capital growth over the long term. The rental income, after costs, is paid to shareholders as a dividend distribution so that, over time, dividends will represent a significant proportion of the shareholders' total return. REITs are a well-established and globally recognised holding structure for property assets.

United Kingdom ("UK") REITs are exempt from UK corporation tax on profits and gains of their qualifying property rental business. However, in consequence, UK REITs are required to distribute a minimum of 90% of their qualifying profits to shareholders as dividends (known as property income distributions or "PIDs").

As shareholders receive higher pay-outs than they would if the REIT were subject to UK corporation tax on its property profits and gains, shareholders are thus required to pay tax on the PIDs. The effect, in general terms, is that taxation is moved from the REIT to the investor and the investor is then liable for taxation as if they owned the property directly.

Regional REIT and its subsidiaries are a UK REIT group under UK tax legislation, having elected to enter the REIT regime with effect from 7 November 2015. Remaining in the regime is subject to meeting various conditions imposed by legislation.

ISA, SSAS and SIPP Status

The Company's Shares should be eligible to be held in an Individual Savings Account ("ISA").

Subject to the rules of the Trustees of the relevant scheme, the Ordinary Shares should generally be eligible for inclusion in a small self-administered scheme ("SSAS") or self-invested personal pension ("SIPP") provided: (a) no member of the SSAS or SIPP (or person connected with such a member) occupies or uses any residential property held by the Group; and (b) the SSAS or SIPP, alone or together with one or more associated persons, does not directly or indirectly hold 10% or more of any of the Ordinary Shares, voting rights in the Company, rights to income of the Company, rights to amounts on a distribution of the Company or rights to assets on a winding up of the Company.

800 Aztec West, Bristol

Where space meets possibility

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Key Financials

Period Ended 30 June 2026

Portfolio Valuation
£526.7m
(31 December 2025: £555.2m)

IFRS NAV per Share
190.7p
(31 December 2025: 197.0p)

EPRA* NTA per Share**
188.7p
(31 December 2025: 194.4p)

Weighted Average Cost of Debt**
3.4%
(31 December 2025: 3.3%)

Dividend per Share
4.0p
(30 June 2025: 5.0p)

Weighted Average Debt Duration**
2.1 yrs
(31 December 2025: 2.6 yrs)

We continue to reposition the portfolio for Long Term Value

Group Borrowings
£243.8m
(30 June 2025: £310.0m; 31 December 2025: £266.2m)

Group borrowings continue to be reduced

Strategic Sales
£21.5m (Before costs)
(30 June 2025: £7.8m; 31 December 2025: £51.6m)

Focused upon reducing property costs, earnings accretion and reducing LTV well in advance of refinancing

Loan-to-value
38.5%
(30 June 2025: 43.2%; 31 December 2025: 40.4%)

Strong balance sheet progress with continued deleveraging

***The European Public Real Estate Association ("EPRA")**

The EPRA's mission is to promote, develop and represent the European public real estate sector. As an EPRA member, we fully support the EPRA Best Practices Recommendations. Specific EPRA metrics can be found in the Company's financial and operational highlights, with further disclosures and supporting calculations on pages 57 to 61.

* EPRA Performance Measures.
** Alternative Performance Measures.
Details are provided in the Glossary of Terms on Alternative Performance Measures from page 62 to 65 and the EPRA Performance Measures on pages 57 to 61.

Spaces that work for you

David Hunter
Chairman
7 September 2026

Chairman's Statement

Overview

Over the six-month period to 30 June 2026, the Group has made notable progress in advancing the Board's strategic objectives. The portfolio continues to be actively repositioned across the four segments of Core, Capex to Core, Value Add and Sales, with £21.5m (before costs) of disposals completed in the period contributing to a reduction in aggregate borrowings and a lower loan-to-value ratio. The ongoing tenant-focused capital expenditure programme continues to deliver vibrant and attractive spaces, supporting rental growth and attracting quality tenants.

This progress has been achieved against a challenging backdrop. Geopolitical uncertainty and UK political change have weighed on the wider economy, slowing the pace of commercial decision making and the investment market, which also has been felt across the regional office market.

The repositioning strategy continues to progress. Capital is being redeployed away from lower quality assets and those with a higher vacancy into buildings with stronger occupier appeal, supported by targeted capital expenditure and a disciplined disposal programme. Asset management initiatives are translating into improved letting activity and a more resilient income profile, including the June 2026 announcement of the £1.1m lettings of 146,262 sq ft of space across two buildings in Nottingham, with the tenant undertaking some £5m of improvement works.

Furthermore, the landlord's holding/void costs associated with these were approximately £700,000 per annum, thus demonstrating the material improvement in the asset's income profile off the back of this transaction. While valuation conditions across the regional office sector remain challenging, the underlying quality of the portfolio continues to improve as we dispose of lower-conviction assets.

Though the leasing market remains subdued and elevated void costs continue to weigh on income, leasing momentum has nonetheless been maintained, with further new lettings and renewals concluded since the period end. This reflects the effectiveness of the Group's active asset management and capital expenditure programme in attracting and retaining quality tenants.

As announced in December 2025, the simplified management arrangements agreed between the Board and the Investment Adviser came into force on 1 January 2026. Shareholders are now benefiting from these changes, with the management fee for 2026 calculated on the basis of 75% EPRA net tangible assets ("NTA") and 25% market capitalisation, moving to a 50% NTA and 50% market capitalisation basis from 1 January 2027, progressively aligning the Investment Adviser's remuneration more closely with shareholder returns.

While there is more to do, the Group enters the second half in a stronger position than it began the year. With more stable market conditions emerging, and supportive supply and demand dynamics in the regional office market, the Board expects the benefits of the repositioning strategy to become increasingly evident.

"Over the six-month period to 30 June 2026, the Group has made notable progress in advancing the Board's strategic objectives. The portfolio continues to be actively repositioned across the four segments of Core, Capex to Core, Value Add and Sales, with £21.5m of disposals completed in the period contributing to a reduction in aggregate borrowings and a lower loan-to-value ratio."

David Hunter
Chairman

Financial Resources

The Group's EPRA NTA decreased to £305.8m, or 188.7pps (IFRS NAV: £309.1m, or 190.7pps) as at 30 June 2026, down £9.4m from £315.2m, or 194.4pps (IFRS NAV: £319.3m, or 197.0pps) at 31 December 2025. The reduction was primarily due to a £7.1m downward revaluation of the investment property portfolio, equating to a like-for-like decrease of 1.3% (after adjusting for disposals and capital expenditure), which compares favourably with the MSCI Monthly Rest of UK Office Capital Growth Index of -1.5%, and a £2.1m loss on the disposal of investment properties. A cash balance of £40.8m was retained (2025: £37.7m), of which £39.0m was unrestricted (2025: £37.7m). Net Loan-to-Value (LTV) reduced to 38.5% (2025: 40.4%), while the weighted average cost of debt remained stable at 3.4% (2025: 3.3%). The Group's debt is fully fixed and hedged, mitigating interest rate volatility. During the period the Group repaid £22.4m of bank borrowings, reducing the loan principal to £243.8m (2025: £266.2m).

Sustainability

With the continued focus upon the sustainability initiatives, 87.0% of the portfolio has achieved an EPC rating of C or better, ahead of 84.5% reported at 31 December 2025. Solar panels have now been installed across 14 properties, generating 880,000 kW of capacity — equivalent to the annual electricity use of 660 homes — and saving 182.2 tonnes of CO^2e. Capital expenditure during the period has sustainability benefits embedded, keeping us well positioned to meet the new Minimum Energy Efficiency Standards target of EPC B ahead of the 2031 deadline.

Dividends

For the period under review, the Company declared fully covered total dividends of 4.0 pence per share ("pps") (six months to 30 June 2025: 5.0pps). Dividends declared were covered 1.1 times by EPRA earnings per share of 4.2p (six months to 30 June 2025: 1.0 times, on EPRA earnings per share of 5.2p).

The Board has approved a dividend of 2.0pps in respect of the period 1 April 2026 to 30 June 2026.

The level of future payment of dividends will be determined by the Board having regard to, among other factors, the financial position and performance of the Group at the relevant time, UK REIT requirements, the interests of shareholders and the long-term future of the Group.

Outlook

The structural supply and demand imbalance in the regional office sector continues to underpin rental growth, with occupiers increasingly prioritising well-located, high-quality space that supports efficient and sustainable working practices. This dynamic continues to support reversionary income capture across the portfolio and reinforces the rationale for the Group's continued investment in capital expenditure and active asset management.

Despite the geopolitical backdrop remaining uncertain, coupled with uncertainty over the UK Government's economic direction and priorities, and with the leasing market still subdued and void costs elevated, leasing momentum has been maintained with further lettings and renewals concluded since the period end. With more stable conditions emerging and supportive supply and demand dynamics in the regional office market, the Board is confident that the strategy is the correct course of action.

David Hunter
Chairman
7 September 2026


300 Bath Street, Glasgow

Stephen Inglis
CEO of ESR Europe LSPIM Ltd.
Investment Adviser

Investment Adviser's Report

The Group has continued to make further progress in the execution of its repositioning strategy in the first half of 2026. We completed £21.5m (before costs) of disposals which resulted in our LTV falling to 38.5%. Combined, these initiatives are strengthening our portfolio with the focus upon disposing of non-core properties with higher vacancy and void costs, and prioritising assets with stronger occupier appeal.

We are continuing to operate in a challenging market. Geopolitical uncertainty and the recent political changes in the UK have weighed on the broader economy and slowed the pace of commercial decision making. While transactions are still proceeding, they are taking longer and companies are being more cautious when it comes to making office moves. In this context, successfully executing our repositioning strategy, improving the overall quality of the portfolio to capitalise on the latent demand for quality regional office space, has never been more important.

Despite these challenging external conditions, Regional REIT once against delivered a resilient operational performance in the first half, securing 26 new market lettings providing £1.9m of rental income, marginally ahead of the £1.8m of letting breaks and expiries. This includes the landmark £1.1m letting of 146,262 sq ft space across two buildings in Nottingham, which not only represented a significant achievement in its own right, but also reduced our annualised void costs by £700,000.

This performance is testament to the effectiveness of the Group's active asset management strategy and capital expenditure programme.

Looking through the near-term uncertainty, the investment case for regional offices has never been clearer. With the development pipeline at historically low levels, there is a significant and increasing structural supply and demand imbalance for quality and sustainable Grade A office space in the regions, particularly assets conforming to EPC A and B. With the role of the office now firmly re-established, and more companies looking to take advantage both of the significant skills base and lower costs outside of London, we are already seeing rental growth across many UK cities. This trend is only expected to be reinforced through the Government's renewed focus on the devolution agenda. With its geographically diversified portfolio, quality assets, and established active asset management strategy, Regional REIT is well positioned to benefit from these trends.

Stephen Inglis
CEO of ESR Europe LSPIM Ltd.
Investment Adviser

"Regional REIT continued to make progress in the delivery of its strategy in the first half of the year."

£274.1 million

of dividends have been declared since inception

£526.7m million

Portfolio Valuation

Investment Adviser's Report

Investment Activity in the UK Commercial Property Market

In the first half of 2026, the UK economy continued to exhibit modest growth alongside mixed macroeconomic signals. Real GDP expanded by 0.6% in Q1 and 0.4% in Q2, with growth driven mainly by the services sector, while construction output rose only marginally and production was flat; on an annual basis, GDP was around 1.2% higher than the same quarter a year earlier. Inflation had eased through the first half of the year, with CPI falling to 2.6% in June from 2.8% in May, though it subsequently rose to 2.9% in July, above the Bank of England's 2.0% target; price pressures were expected to build further as the year progresses, with the Bank projecting rates approaching 3.25% by Q4, partly reflecting the impact of the Middle East conflict on energy costs. Employment conditions were broadly stable, with the employment rate holding at around 75% for people aged 16 to 64, largely unchanged on both the year and the quarter[1].

In the first half of 2026, regional office investment totalled £1.4 billion, up 38.3% on the £1.0 billion recorded in the same period of 2025, according to data from Lambert Smith Hampton (LSH)[2]. Investment in Q1 reached £0.8 billion, while Q2 2026 eased to £0.6 billion, though this remained 26.7% higher than Q2 2025, showing the improvement has been sustained rather than confined to an early year rebound. The rest of the UK offices led this growth, rising to £0.6 billion in Q1 2026 before settling back to £0.3 billion in Q2. The rest of South East offices (outside of London) contributed £0.2 billion in both quarters, while office parks remained a modest contributor throughout, with £0.04 billion transacted in Q1 and £0.1 billion in Q2. Of the £1.4 billion invested in H1 2026, the rest of the UK accounted for the majority at £0.9 billion (64.1%), with the rest of South East at £0.4 billion (26.5%) and office parks at £0.1 billion (9.4%). This marks a shift from H1 2025, when the mix was more balanced at 44.2%, 38.7% and 17.0% respectively. The rest of the UK's share has risen by 45.0% year on year, while the other two segments have shrunk in relative terms. This concentration was most pronounced in Q1 2026, when the rest of the UK made up 75.3% of regional investment, before normalising somewhat in Q2 to 50.1%. Overall, H1 2026 investment was stronger than last year, with the rest of the UK the main driver of growth.

Yields across the UK regional office market softened modestly in Q2 2026, with prime Big Six yields moving out 25 basis points to 6.75% (10-year income) and prime South East towns holding at 7.25%, reflecting sentiment following the Middle East conflict rather than firm transactional evidence. A wide gap persists between prime and secondary pricing, with next-tier regional markets averaging 8.47% and secondary regional offices at around 13.5%, close to record spreads. Out-of-town assets have repriced more severely than city-centre offices, with the yield gap between them reaching 327 basis points, the widest in 40 years. Against this backdrop, regional offices continue to look relatively well priced compared with sectors more exposed to higher-for-longer rates, such as West End offices (3.75%) and prime distribution (5.25%), offering a compelling entry point for investors.

Quarterly Regional Office Investment Volumes (£bn)

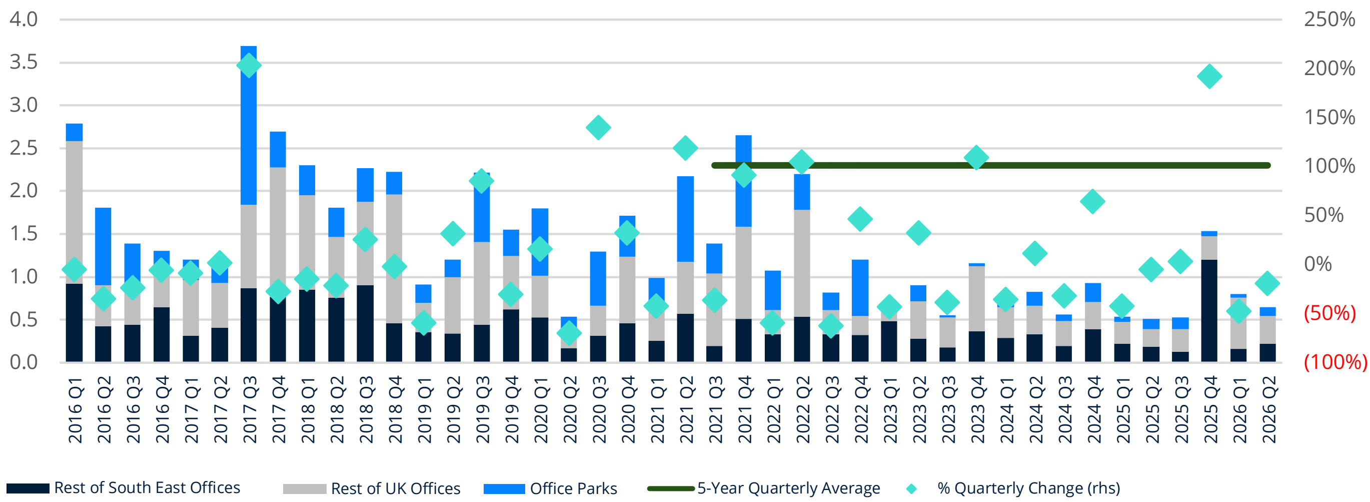


Figure 1: Lambert Smith Hampton Research (July 2026)

1 ONS, August 2026
2 Lambert Smith Hampton, UK Investment Transactions, Q2 2026

Occupational Demand in the UK Regional Office Market

There are several reasons for cautious optimism: occupier demand in the office market appears to have reached a more stable footing following the disruption of the pandemic. Earlier fears of widespread downsizing have not materialised to the extent anticipated, in part because more employers are now requiring staff to attend the office more regularly, which has reduced the pressure on businesses to cut back their space requirements. Although occupiers continue to navigate rising costs and broader economic uncertainty, take-up levels have held up reasonably well, with the primary driver of demand across most of the market remaining a preference for higher-quality space, greater flexibility and workplace improvements aimed at supporting productivity.

Avison Young estimates that take-up of office space across nine regional office markets[3] totalled 3.4 million sq. ft. in the first half of 2026, 10.0% below the level of take-up recorded during the same period in 2025, and 4.9% lower than the 5-year average. There was a fall in both city centre and out of town take-up in the first half of 2026 compared to the same period in 2025, down by 8.0% and 12.8%, respectively. Looking at quarterly performance, demand in Q1 2026 was subdued, with 1.4 million sq. ft. let during Q1, down 33.3% on the same quarter in 2025, with both city centre and out-of-town offices underperforming relative to trend. However, demand increased in Q2 2026 to 2.0 million sq. ft., 36.8% higher than Q1 2026 and 21.1% higher than the Q2 2025 take-up figure.

Occupational demand was driven by the public services, education and health sector, which accounted for the highest proportion of take-up at 22.1% in the first half of 2026. Following the public services, education and health sector, the professional sector and the technology, media and telecommunications sector accounted for the second and third largest proportion of take-up in the regional cities, accounting for 20.5% and 17.3% respectively. Research from Savills shows that the professional sector and the technology, media and telecommunications sector were also the most active sectors over the last five years[4].

According to data from CoStar, there was a decrease in availability for all regional office stock, with total supply falling by 2.4% in the first half of 2026 to 82.2 million sq. ft. However, the British Property Federation estimates that 81% of commercial buildings in major English cities are rated below EPC B, leaving a large share of stock at risk of obsolescence. While gradual improvements are being made year-on-year, ongoing policy uncertainty means that around 2.0 billion sq. ft. of commercial real estate in major cities remains below EPC B[5]. According to Savills, overall supply in the Big Six office markets remained 12.4% above the 10-year annual average at the end of June 2026, with the vacancy rate increasing to 10.7%[6]. However, with prime availability only accounting for 17.6% of total availability in the Big Six office markets, this suggests that a significant proportion of reported supply may not be readily lettable, reflecting ageing, non-compliant stock across substantial parts of these regional markets and limiting genuine options for occupiers.

In terms of development, Avison Young[7] estimates that approximately 2.5 million sq. ft. of office space is currently under construction in the Big Nine regional markets, with Manchester, Leeds and Birmingham accounting for 41.9%, 16.0% and 15.6%, respectively. Completed development for 2026 is forecast to fall 58.6% below 2025 numbers and 47.0% below trend. This constrained pipeline reflects ongoing viability challenges across regional markets, where construction costs remain similar to those in London and the South East, but achievable rents are lower, an issue of concern for policymakers aiming to support growth beyond the capital[8].

3 Nine regional office markets mentioned by Avison Young include: Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Leeds, Liverpool, Manchester & Newcastle
4 Savills: The Regional Office Market Overview, Q2 2026
5 British Property Federation, February 2026
6 Savills: The Regional Office Market Overview, Q2 2026
7 Avison Young, Big 9, Q2 2026. Nine regional office markets mentioned by Avison Young include: Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Leeds, Liverpool, Manchester & Newcastle
8 Peel Hunt, Estates Gazette, July 2026

Investment Adviser's Report

Regional Demand: Quarterly Take-Up

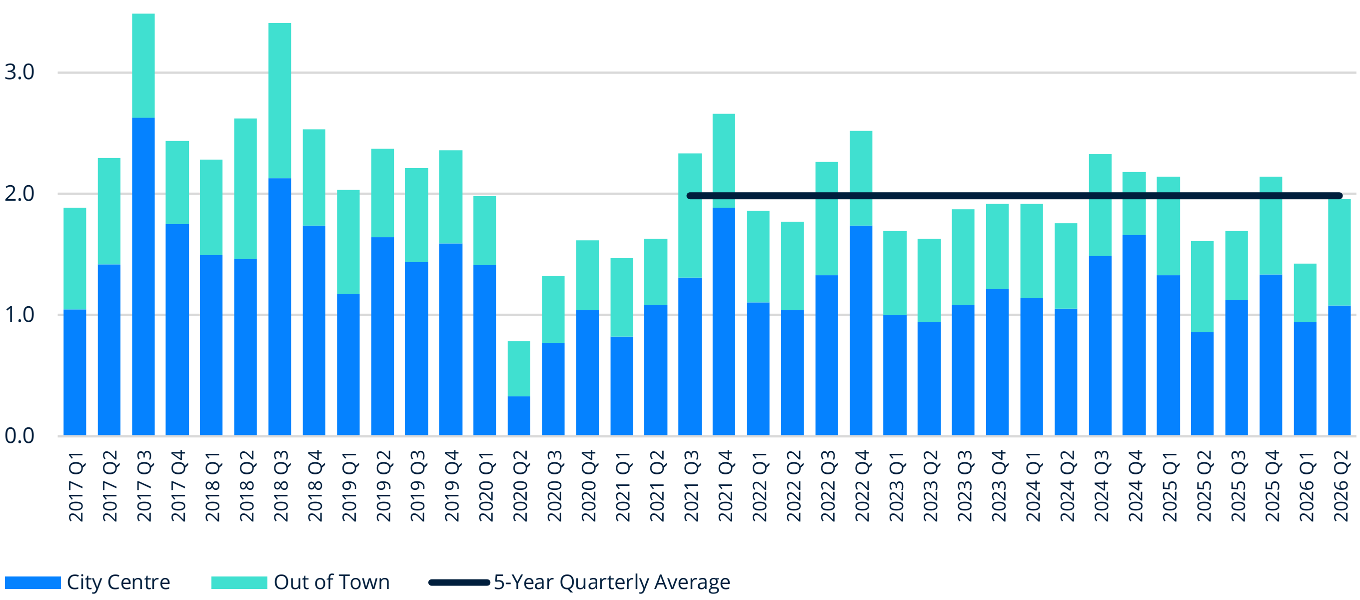


Figure 2: Avison Young (Q2 2026)

Regional Supply: Development Pipeline (Million Sq. Ft.)

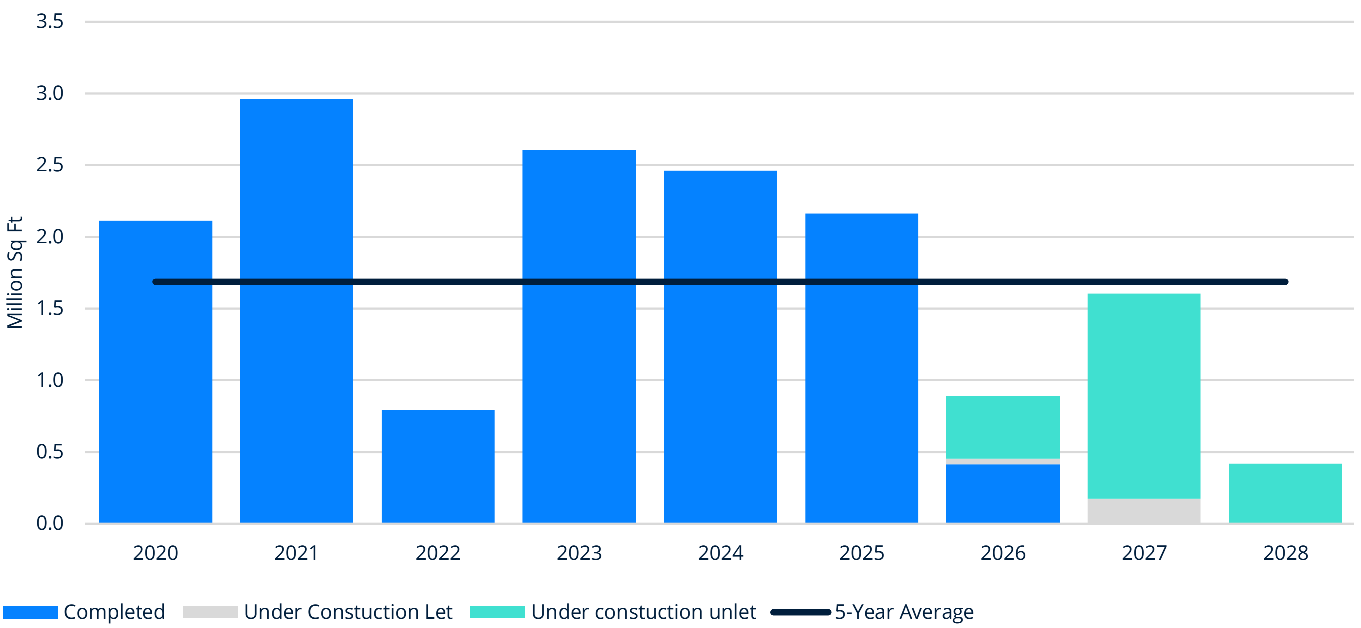


Figure 3: Avison Young (Q2 2026)

Rental Growth in the UK Regional Office Market

According to monthly data from MSCI, rental value growth for rest of UK offices outperformed in the 12 months ended June 2026 with annual growth of 4.7%. Conversely, central London offices experienced more modest growth of 3.6% over the same period[9]. MSCI data shows that rolling annual rental growth for rest of UK offices has consistently outperformed London in each of the last 12 months. Avison Young expects rental growth to continue across most markets during 2026 and 2027[10].

Demand for quality office space has put upward pressure on rents, with growth of 5.6% recorded across the Big Nine regional markets in the first half of 2026. According to research from Avison Young, average headline rents are now approximately £43 per sq. ft., with an average rent free incentive period of approximately 16 months. Rental growth can be attributed to a combination of increased office attendance and constrained supply.

Rental Value Growth (vs previous 12 months)

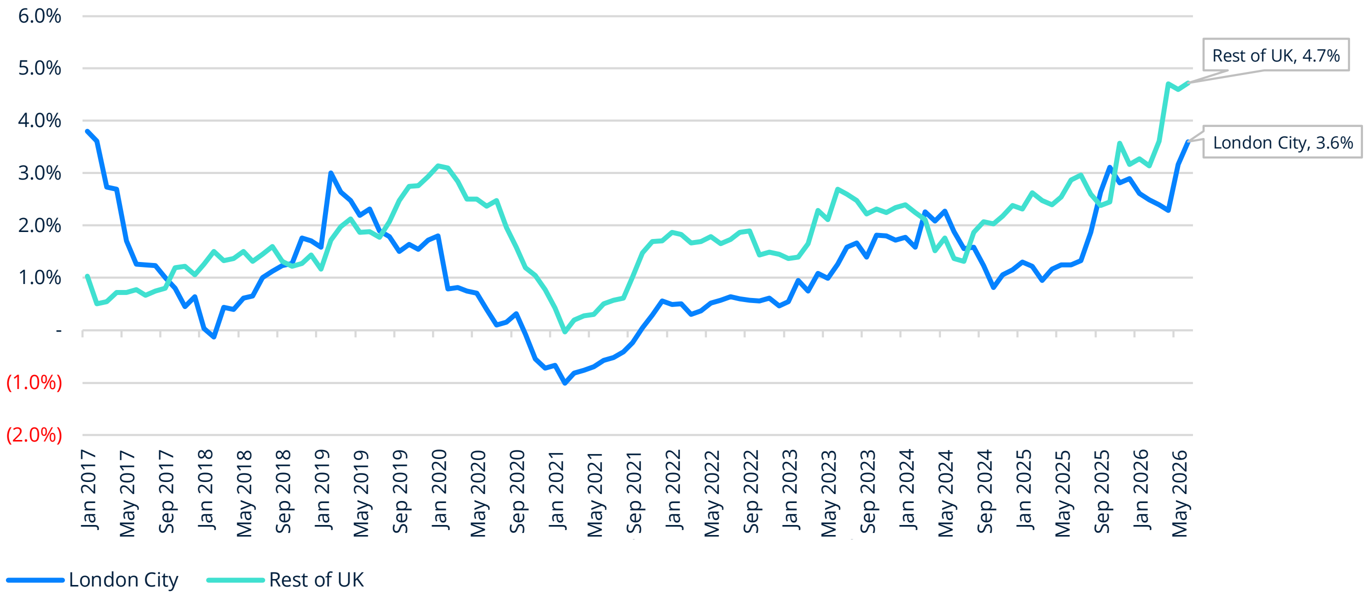


Figure 4: MSCI (July 2026)

The Investment Adviser views current supply and demand dynamics as creating an opportunity for repositioning secondary offices. Limited availability of prime space, combined with a shortfall in speculative development, creates scope to upgrade modern office buildings to prime specification, which may support stronger rental performance. With new-build pipelines constrained by development viability challenges, refurbished space may become a more significant source of prime supply, offering occupiers an alternative route to high-quality space without waiting on new-build delivery. Occupier demand for secondary regional offices may also be influenced by affordability considerations, following the Valuation Office Agency's Business Rates revaluation, effective from April 2026, which is expected to raise rateable values, and in turn liabilities, for some prime office space.

No targeted relief comparable to that available in parts of the retail and hospitality sectors currently applies to office properties. As a result, some cost-sensitive businesses may re-evaluate their space requirements and consider secondary regional locations, where lower rents and comparatively modest rateable values could offer better value within constrained operating budgets. This may be reinforced by broader occupier caution, with some businesses showing a preference for lease regears over relocations in order to limit capital costs associated with fit-out and dilapidations, particularly as headline rents in prime locations continue to rise. With regional growth also a stated focus of Government policy through a renewed devolution agenda, public sector demand may play a role in supporting office take-up, employment levels and investor sentiment across the UK's regional cities.

9 MSCI (February 2025), MSCI Portfolio Analysis Service
10 Avison Young, Big Nine Q4 2023, February 2024

Investment Adviser's Report

Property Portfolio

As at 30 June 2026, the Group's property portfolio was valued at £526.7m (30 June 2025: £608.3 m; 31 December 2025: £555.2 m), with rent roll of £48.4m (30 June 2025: £56.7m; 31 December 2025: £50.4m), and an EPRA occupancy of 74.3% (30 June 2025: 78.6%; 31 December 2025: 75.9%).

On a like-for-like basis, 30 June 2026 versus 31 December 2025, EPRA occupancy was 74.3% (31 December 2025: 76.4%).

There were 106 properties (30 June 2025: 123; 31 December 2025: 112) in the portfolio, with 1,017 units (30 June 2025: 1,248; 31 December 2025: 1,146) and 616 tenants (30 June 2025: 740; 31 December 2025: 659). If the portfolio was fully occupied at Colliers International Property Consultants Ltd.'s view of market rents, the rental income would be £72.6m per annum as at 30 June 2026 (30 June 2025: £82.9m; 31 December 2025: £77.0m).

As at 30 June 2026, the net initial yield on the portfolio was 5.7% (30 June 2025: 5.8%; 31 December 2025: 5.3%), the equivalent yield was 10.6% (30 June 2025: 10.5%; 31 December 2025: 10.5%) and the reversionary yield was 12.0% (30 June 2025: 11.8%; 31 December 2025: 12.0%).

Linford Wood, Milton Keynes

Property Portfolio by Sector as at 30 June 2026

Region	Properties	Valuation	% by valuation	Sq. ft.	Occupancy (EPRA)	WAULT to first break	Gross rental income	Average rent	ERV	Capital rate	Yield (%)		
		(£m)		(mil)	(%)	(yrs)	(£m)	(£psf)	(£m)	(£psf)	Net initial	Equivalent	Reversionary
Office	92	471.4	89.5	4.3	72.5	2.7	43.7	15.37	67.5	110.31	5.5	10.9	12.3
Industrial	4	25.3	4.8	0.4	97.3	3.2	1.8	5.14	2.3	60.33	6.5	8.0	8.0
Retail	9	20.4	3.9	0.2	93.5	2.8	1.8	9.99	2.1	99.13	7.2	8.5	9.0
Other	1	9.6	1.8	0.1	100.0	9.6	1.0	11.97	0.8	114.58	10.6	9.5	7.6
Total	**106**	**526.7**	**100.0**	**5.0**	**74.3**	**2.9**	**48.4**	**13.95**	**72.6**	**105.71**	**5.7**	**10.6**	**12.0**

Tables may not sum due to rounding

Property Portfolio by Region as at 30 June 2026

Region	Properties	Valuation	% by valuation	Sq. ft.	Occupancy (EPRA)	WAULT to first break	Gross rental income	Average rent	ERV	Capital rate	Yield (%)		
		(£m)		(mil)	(%)	(yrs)	(£m)	(£psf)	(£m)	(£psf)	Net initial	Equivalent	Reversionary
Scotland	23	89.3	17.0	0.9	74.8	3.2	8.6	13.79	13.6	95.13	5.2	11.0	12.4
South East	16	76.8	14.6	0.6	78.6	2.2	6.5	17.59	11.1	118.52	4.9	10.6	11.8
North East	16	91.0	17.3	0.7	74.4	3.0	7.8	14.53	11.0	127.94	6.3	10.2	10.1
Midlands	21	119.8	22.7	1.3	81.6	3.8	12.2	12.34	16.7	92.04	5.9	10.8	12.2
North West	12	56.3	10.7	0.5	63.7	1.6	5.4	14.59	8.2	102.51	6.3	10.7	12.0
South West	12	52.9	10.0	0.4	57.0	2.2	4.3	19.01	7.6	132.23	4.8	11.6	13.3
Wales	6	40.8	7.7	0.4	90.4	2.5	3.6	10.13	4.4	93.69	7.1	9.0	9.7
Total	**106**	**526.7**	**100.0**	**5.0**	**74.3**	**2.9**	**48.4**	**13.95**	**72.6**	**105.71**	**5.7**	**10.6**	**12.0**

Tables may not sum due to rounding

Top 15 Investments (market value) as at 30 June 2026

Property	Sector	Anchor tenants	Market value	% of portfolio	Lettable area	EPRA Occupancy	Annualised gross rent	% of gross rental income	WAULT to first break (years)
			(£m)		(Sq Ft)	(%)	(£m)		
300 Bath Street, Glasgow	Office	Securigroup Ltd, Glasgow Tay House Centre Ltd, University of Glasgow	19.1	3.6	152,478	56.3	1.3	2.7	2.4
Norfolk House, Smallbrook Queensway, Birmingham	Office	Global Banking School Ltd, Lakbhir Dhillon and Balbier Dhillon, HP Asia Ltd	17.7	3.4	118,530	81.9	1.6	3.4	5.8
Beeston Business Park, Nottingham	Office/ Industrial	Metropolitan Housing Trust Ltd, SMS Electronics Ltd, GTT-EMEA Ltd	15.7	3.0	86,952	50.6	0.6	1.3	7.1
1-4 Llansamlet Retail Park, Nantyffin Rd, Swansea	Retail	Wren Kitchens Ltd, Dreams Ltd, NCF Furnishings Ltd	14.7	2.8	74,425	100.0	1.2	2.5	3.2
Hampshire Corporate Park, Eastleigh	Office	Lloyd's Register EMEA, Complete Fertility Ltd, Silverstream Technologies (UK) Ltd, National Westminster Bank Plc	14.5	2.8	84,043	100.0	1.0	2.1	2.6
Manchester Green, Manchester	Office	Chiesi Ltd, Ingredion UK Ltd, Assetz SME Capital Ltd	13.0	2.5	107,760	85.3	1.6	3.4	1.1
Eagle Court, Coventry Road, Birmingham	Office	Virgin Media Ltd, Rexel UK Ltd, Brook Sports Ltd	13.0	2.5	132,691	72.9	1.1	2.3	1.8
Orbis 1, 2 & 3, Pride Park, Derby	Office	Firstsource Solutions UK Ltd, DHU Health Care C.I.C., Tentamus Pharma (UK) Ltd	12.3	2.3	121,884	100.0	1.8	3.8	3.4
Linford Wood Business Park, Milton Keynes	Office	IMServ Europe Ltd, Mears Ltd, Eddyfi UK Ltd	12.3	2.3	107,414	73.5	1.3	2.7	2.3
Lightyear - Glasgow Airport, Paisley	Office	Rolls-Royce Submarines Ltd, Heathrow Airport Ltd, Loganair Ltd	11.2	2.1	77,693	91.2	1.2	2.5	3.6
Ashby Park, Ashby De La Zouch	Office	Ceva Logistics Ltd, Ashfield Healthcare Ltd, Brush Electrical Machines Ltd	11.1	2.1	87,874	92.8	1.2	2.6	1.9
Buildings 2, Bear Brook Office Park, Aylesbury	Office	Utmost Life and Pensions Ltd, Musarubra UK Subsidiary 3 Ltd, Agria Pet Insurance Ltd	9.8	1.9	61,643	100.0	1.0	2.1	2.0
Capitol Park, Leeds	Office	Hermes Parcelnet Ltd, Harron Homes Ltd, BDW Trading Ltd	9.7	1.8	49,196	100.0	1.1	2.2	2.3
Origin 1 & 2, Crawley	Office	Menzies LLP, DMH Stallard LLP, Spirent Communications Plc	9.7	1.8	45,856	100.0	0.8	1.7	2.4
Kingscourt Leisure Complex, Dundee	Other	Odeon Cinemas Ltd, The Original Bowling Company Ltd	9.6	1.8	83,782	100.0	1.0	2.0	9.6
Total			**193.2**	**36.7**	**1,392,221**	**83.3**	**18.0**	**37.3**	**3.3**

Tables may not sum due to rounding

Top 15 Tenants (share of rental income) as at 30 June 2026

Tenant	Property	Sector	WAULT to first break (years)	Lettable area (Sq Ft)	Annualised gross rent (£m)	% of Gross rental income
Global Banking School Ltd	Norfolk House, Smallbrook Queensway, Birmingham	Education	6.4	73,628	1.4	2.9
Virgin Media Ltd	Eagle Court, Coventry Road, Birmingham Southgate Park, Peterborough	Information and communication	2.5	75,309	1.4	2.9
Glenair UK Ltd	One & Two Newstead Court, Nottingham	Manufacturing	10.0	146,262	1.1	2.2
EDF Energy Ltd	Endeavour House, Sunderland	Electricity, gas, steam and air conditioning supply	4.2	77,565	1.0	2.1
Firstsource Solutions UK Ltd	Orbis 1, 2 & 3, Pride Park, Derby	Administrative and support service activities	2.3	62,433	1.0	2.1
The Secretary of State for Housing, Communities and Local Government	1 Burgage Square, Merchant Square, Wakefield Bennett House, Stoke On Trent Waterside Business Park, Swansea	Public sector	3.0	96,654	1.0	2.0
Odeon Cinemas Ltd	Kingscourt Leisure Complex, Dundee	Information and communication	9.3	41,542	0.8	1.6
True Potential LLP	Newburn & Gateway House, Newcastle	Not specified	3.9	54,584	0.6	1.3
SpaMedica Ltd	1175 Century Way, Thorpe Park, Leeds Albert Edward House, Preston Fairfax House, Wolverhampton Southgate Park, Peterborough The Foundation Chester Business Park, Chester	Human health and social work activities	2.2	40,529	0.6	1.3
DHU Health Care C.I.C.	Orbis 1, 2 & 3, Pride Park, Derby	Human health and social work activities	4.8	42,301	0.6	1.2
Lloyd's Register EMEA	Hampshire House, Hampshire Corporate Park, Eastleigh	Registered Society	0.9	21,695	0.5	1.1
Chiesi Ltd	Manchester Green, Manchester	Wholesale and retail trade	0.5	28,752	0.5	1.0
Hermes Parcelnet Ltd	Capitol Park, Leeds	Transportation and storage	2.5	25,790	0.5	1.0
Pearson Education Ltd	The Lighthouse - Salford Quays, Manchester	Education	0.9	24,804	0.5	1.0
Homeserve Membership Ltd	1175 Century Way, Thorpe Park, Leeds Aspect House, Bennerley Road, Nottingham	Construction	0.9	29,468	0.5	1.0
Total			**4.1**	**841,316**	**11.9**	**24.6**

Tables may not sum due to rounding

Coach Works, Leeds

Realising opportunities

Property Portfolio Sector and Region Splits by Valuation and Income as at 30 June 2026

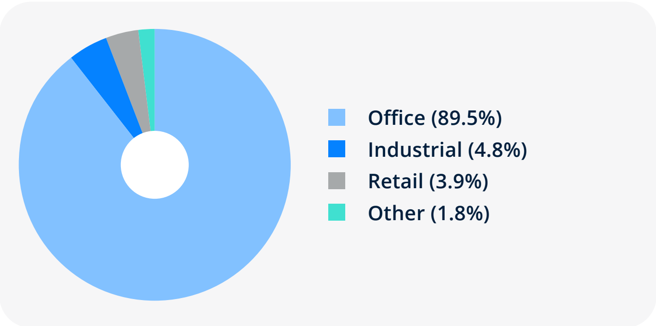
By Valuation

As at 30 June 2026, 89.5% (30 June 2025: 90.4%; 31 December 2025: 90.3%) of the portfolio by market value was offices and 4.8% (30 June 2025: 3.8%; 31 December 2025: 4.3%) was industrial. The balance was made up of retail, 3.9% (30 June 2025: 3.8%; 31 December 2025: 3.7%) and other, 1.8% (30 June 2025: 2.0%; 31 December 2025: 1.7%). By UK region, as at 30 June 2026, Scotland represented 17.0% (30 June 2025: 15.9%; 31 December 2025: 16.6%) of the portfolio and England 75.3% (30 June 2025: 77.5%; 31 December 2025: 76.1%); the balance of 7.7% (30 June 2025: 6.6%; 31 December 2025: 7.2%) was in Wales. In England, the largest regions were the Midlands, the North East and the South East.

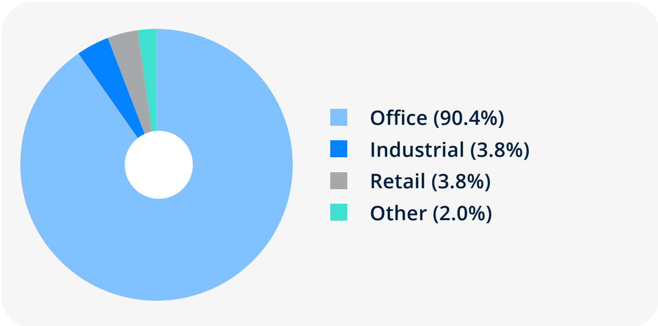
By Income

As at 30 June 2026, 90.4% (30 June 2025: 90.7%; 31 December 2025: 90.4%) of the portfolio by income was offices and 3.8% (30 June 2025: 3.1%; 31 December 2025: 3.9%), was industrial. The balance was made up of retail, 3.8% (30 June 2025: 4.2%; 31 December 2025: 3.8%), and other, 2.0% (30 June 2025: 2.0%; 31 December 2025: 1.9%). By UK region, as at 30 June 2026, Scotland represented 17.8% (30 June 2025: 15.6%; 31 December 2025: 15.7%) of the portfolio and England 74.9% (30 June 2025: 78.3%; 31 December 2025: 77.1%); the balance of 7.4% was in Wales (30 June 2025: 6.1%; 31 December 2025: 7.1%). In England, the largest regions were the Midlands, the North East and the South East.

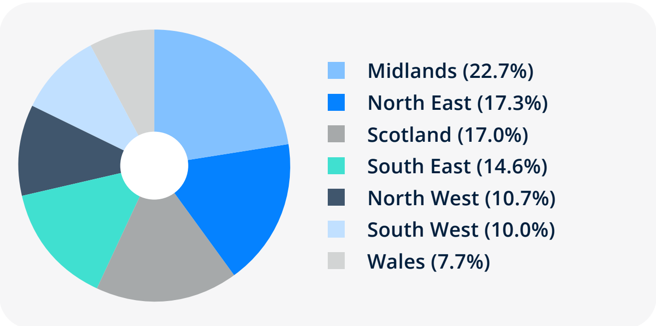
Sector Split by Valuation



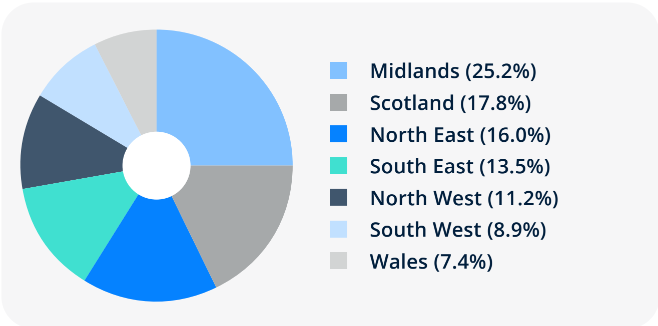
Sector Split by Income



Regional Split by Valuation



Regional Split by Income

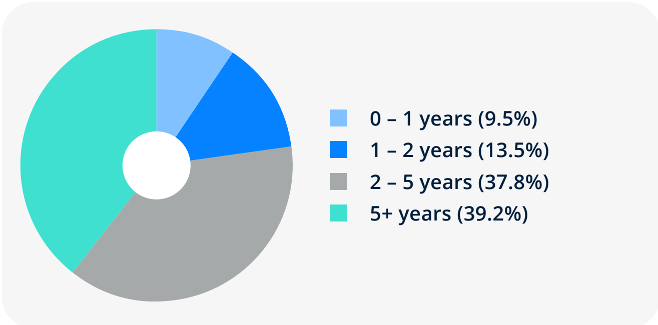


Lease Expiry Profile

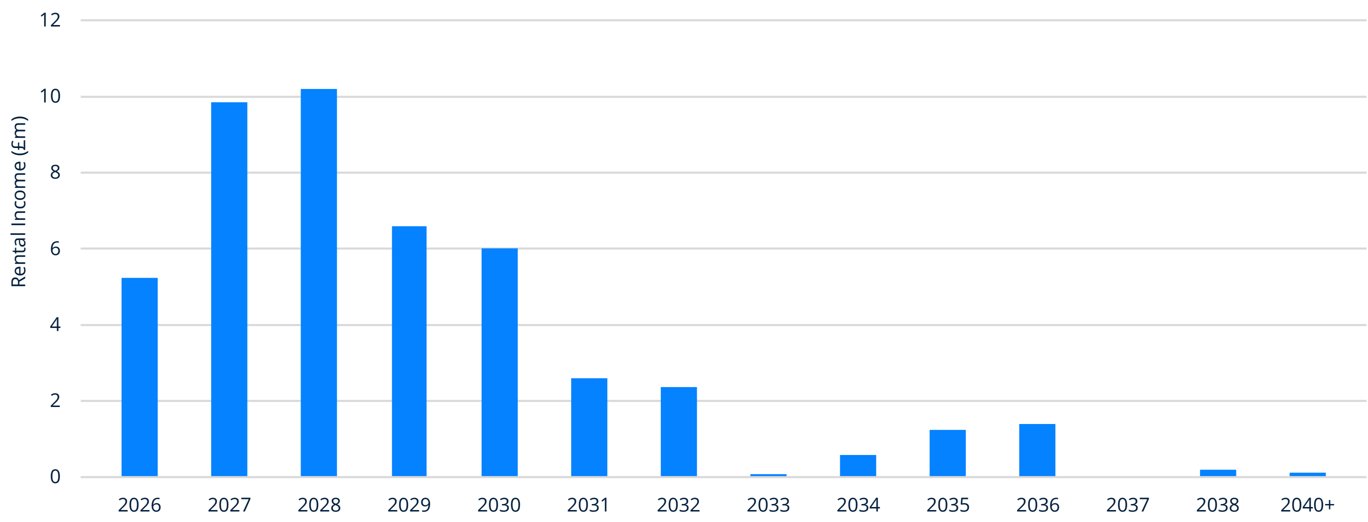
The WAULT on the portfolio is 4.8 years (30 June 2025: 4.4; 31 December 2025: 4.5); WAULT to first break is 2.9 years (30 June 2025: 2.8; 31 December 2025: 2.7). As at 30 June 2026, 9.5% (30 June 2025: 11.9%; 31 December 2025: 12.8%) of income was from leases, which will expire within one year, 13.5% (30 June 2025: 10.5%; 31 December 2025: 12.1%) between one and two years, 37.8% (30 June 2025: 40.7%; 31 December 2025: 37.5%) between two and five years and 39.2% (30 June 2025: 37.0%; 31 December 2025: 37.7%) after five years.

Charts may not sum due to rounding.

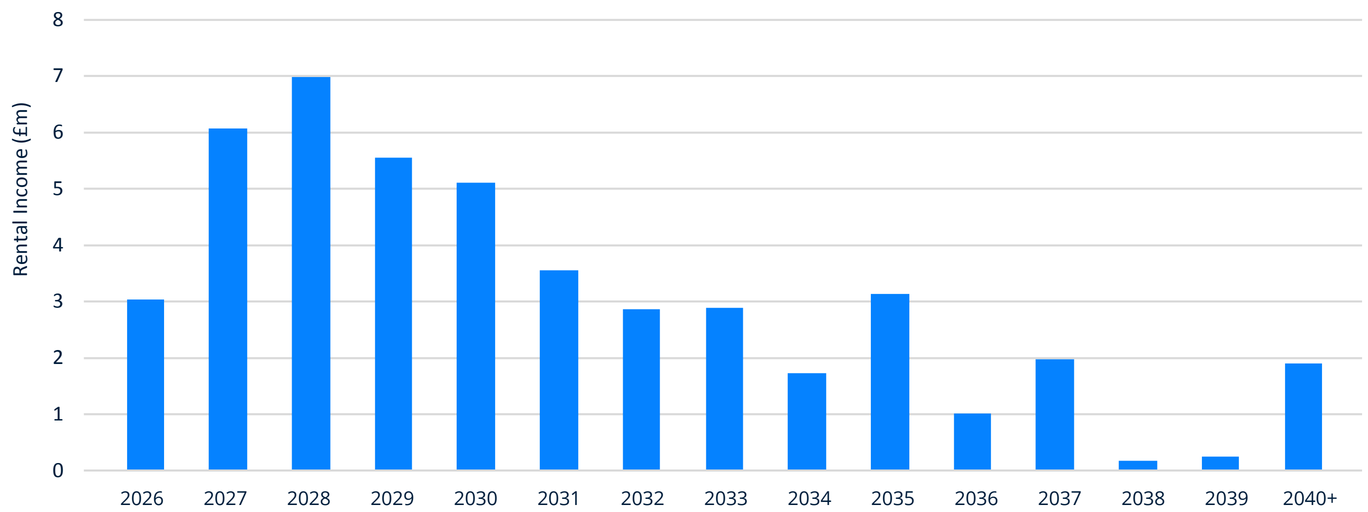
Lease Expiry Income Profile



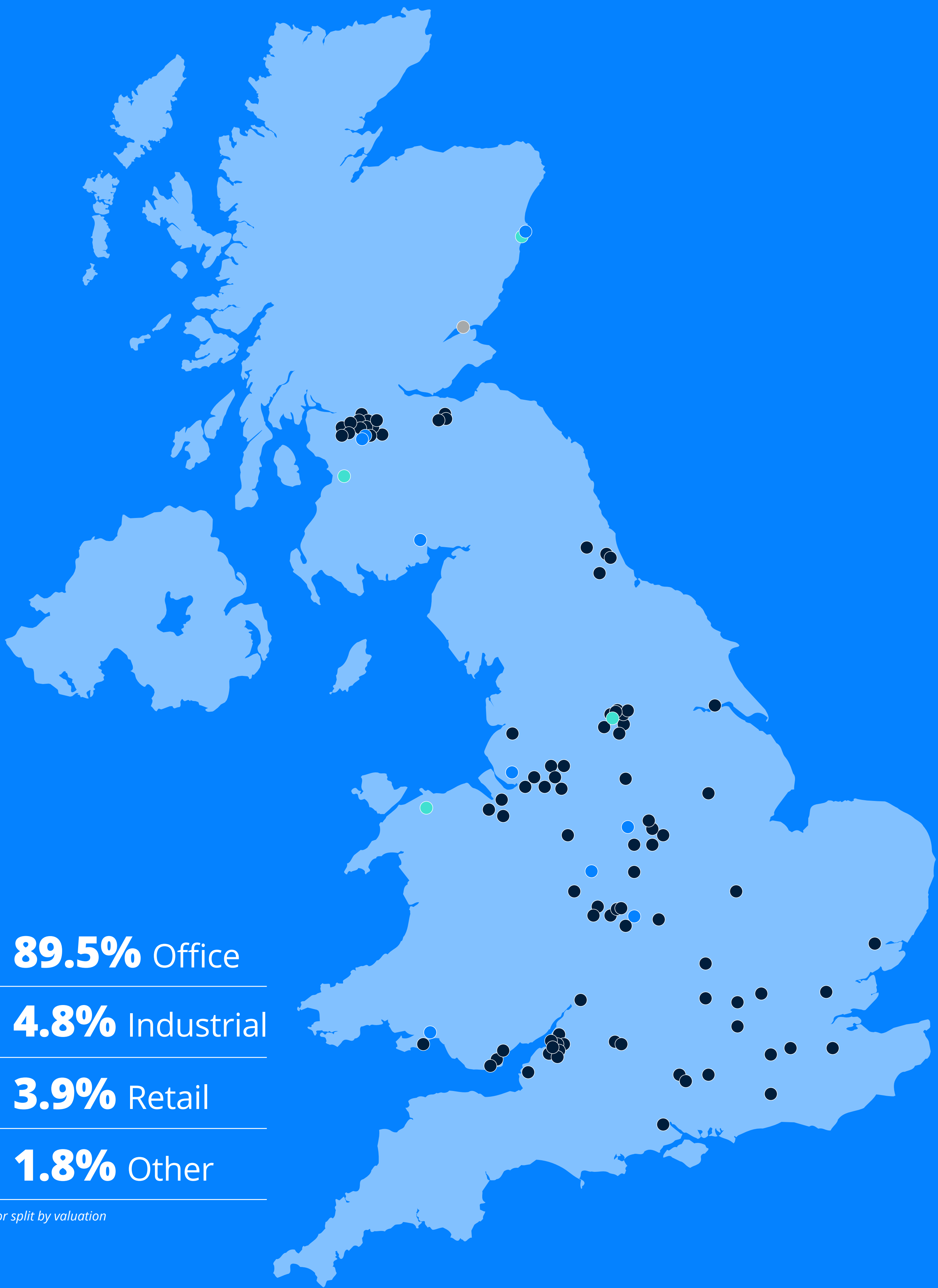
Lease expiry to first break income profile by year



Lease expiry income profile by year



Charts may not sum due to rounding



- **89.5%** Office
- **4.8%** Industrial
- **3.9%** Retail
- **1.8%** Other

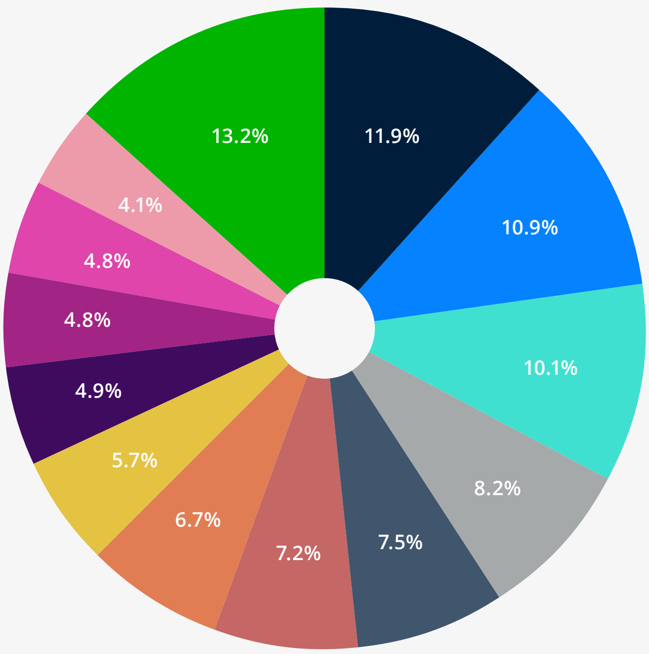
Sector split by valuation

Tenants by Standard Industrial Classification as at 30 June 2026

As at 30 June 2026, 11.9% of income was from tenants in the information and communication sector (30 June 2025: 11.1%; 31 December 2025: 12.3%), 10.9% from the administrative and support service activities sector (30 June 2025: 11.5%; 31 December 2025: 11.5%), 10.1% from the wholesale and retail trade sector (30 June 2025: 8.7%; 31 December 2025: 9.8%), 8.2% from the manufacturing sector (30 June 2025: 6.2%; 31 December 2025: 6.6%) and 7.5% from the professional, scientific and technical activities sector (30 June 2025: 11.2%; 31 December 2025: 7.5%). The remaining exposure is broadly spread.

No tenant represents more than 3.0% of the Group's rent roll as at 30 June 2026, the largest being 2.9% (30 June 2025: 3.0%; 31 December 2025: 2.8%).

Tenants by SIC Codes (% of gross rent)



SIC Code	% of Headline Rent
Information and communication	11.9%
Administrative and support service activities	10.9%
Wholesale and retail trade	10.1%
Manufacturing	8.2%
Professional, scientific and technical activities	7.5%
Education	7.2%
Human health and social work activities	6.7%
Financial and insurance activities	5.7%
Not specified	4.9%
Public Sector	4.8%
Construction	4.8%
Transportation and storage	4.1%
Other*	13.2%
Total	100.0%

Source: ESR Europe LSPIM Ltd
Charts may not sum due to rounding.

* Other - Accommodation and food service activities, Activities of extraterritorial organisations and bodies, Activities of households as employers, Agriculture, Forestry and Fishing, Arts, entertainment and recreation, Charity, Electricity, gas, steam and air conditioning supply, Financial and insurance, Jersey, Mining and Quarrying, Other service activities, Overseas company, Public administration and defence; compulsory social security, Real estate activities, Registered Society, Sole Trader, Water supply, sewerage, waste management and remediation activities

Financial Review

Financial Review

Net Asset Value

Between 1 January 2026 and 30 June 2026, the EPRA NTA* of the Group decreased to £305.8m (IFRS NAV: £309.1m) from £315.2m (IFRS NAV: £319.3m) as at 31 December 2025, equating to a decrease in the diluted EPRA NTA of 5.7pps to 188.7pps (IFRS: 190.7pps). This is after dividends paid in the period amounting to 4.5pps.

The investment property portfolio was valued at £526.7m (30 June 2025: £608.3m; 31 December 2025: £555.2m). The decrease of £28.5m since the December 2025 year-end is a reflection of a revaluation movement loss and adjustment for rent smoothing of £7.1m, £20.8m of net property disposals and £2.1m loss on the disposal of investment properties, offset by subsequent expenditure of £1.4m. Overall, on a like-for-like basis, the portfolio value decreased by 1.3% during the period, after adjusting for capital expenditure, acquisitions and disposals during the period.

The table below sets out the acquisitions, disposals and capital expenditure for the respective periods:

	Six months to 30 June 2026 (£million)	Six months to 30 June 2025 (£million)	Year ended 31 December 2025 (£million)
Acquisitions			
Net (after costs)	**0.0**	0.0	1.2
Gross (before costs)	**0.0**	0.0	1.1
Disposals			
Net (after costs)	**20.8**	7.3	48.4
Gross (before costs)	**21.5**	7.8	51.6
Capital Expenditure			
Net (after dilapidations)	**1.4**	6.0	11.8
Gross (before dilapidations)	**1.7**	6.0	11.8

The diluted EPRA NTA per share decreased to 188.7pps (31 December 2025: 194.4pps).
The EPRA NTA is reconciled in the table below:

	Six months to 30 Jun 2026 £m	Six months to 30 Jun 2026 Pence per Share**
Opening EPRA NTA (31 December 2025)	**315.2**	**194.4**
Net rental and property income	16.1	9.9
Administration and other expenses	(4.4)	(2.7)
Loss on the disposal of investment properties	(2.1)	(1.3)
Change in the fair value of investment properties	(6.8)	(4.2)
Change in value of right of use assets	(0.1)	(0.0)
EPRA NTA after operating profit	**317.9**	**196.1**
Net finance expense	(4.9)	(3.0)
Share of profit/(loss) of associate company	(0.0)	(0.0)
Realised gain on derivative financial instruments	0.1	0.1
EPRA NTA before dividends paid	**313.1**	**193.2**
Dividends paid	(7.3)	(4.5)
EPRA NTA (30 June 2026)	**305.8**	**188.7**

Tables may not sum due to rounding

* The Group has determined that EPRA net tangible assets (NTA) is the most relevant measure. Further detail on the new EPRA performance measure can be found in the full Annual Report.

** As at 31 December 2025 and 30 June 2026, there were 162,088,483 Ordinary Shares in issue.

Income Statement

Operating profit before gains and losses on property assets and other investments for the six months ended 30 June 2026 amounted to £11.7m (six months to 30 June 2025: £14.1m; year ended 31 December 2025: £30.3m). Loss after finance and before taxation was £2.8m (six months to 30 June 2025: loss of £7.9m; year ended 31 December 2025: loss of £16.4m). The six months to 30 June 2026 included a full rent roll for the portfolio of properties held as at 30 June 2026, plus the partial rent roll for properties disposed of during the period.

Rental and property income amounted to £26.5m, excluding recoverable service charge income and other similar items (six months to 30 June 2025: £29.8m; year ended 31 December 2025: £60.4m). The decrease was primarily the result of the decrease in the rent roll being held over the six months to 30 June 2026.

More than 80% of the rental income is collected within 30 days of the due date. A net bad debts charge of £0.1m was recognised in the period (six months to 30 June 2025: charge of £0.3m; year ended 31 December 2025: charge of £0.3m).

Non-recoverable property costs, excluding recoverable service charge income and other similar costs, amounted to £10.4m (six months to 30 June 2025: £10.5m; year ended 31 December 2025: £20.2m), and the rent roll decreased to £48.4m (six months to 30 June 2025: £56.7m; 31 December 2025: £50.4m).

Realised loss on the disposal of investment properties amounted to £2.1m (six months to 30 June 2025: loss of £0.6m; year ended 31 December 2025: loss of £3.2m). The disposal losses were from the aggregate disposal of six properties and six part-asset sales in the period, on which individual asset management plans had been completed. The change in the fair value of investment properties amounted to a loss of £6.8m (six months to 30 June 2025: loss of £12.1m; year ended 31 December 2025: loss of £26.6m). Net capital expenditure amounted to £1.4m (six months to 30 June 2025: £6.0m; year ended 31 December 2025: £11.8m). The change in value of right of use asset amounted to a charge of £0.1m (six months to 30 June 2025: charge of £0.1m; year ended 31 December 2025: charge of £0.1m).

Interest income amounted to £0.2m (six months to 30 June 2025: £0.6m; year ended 31 December 2025: £1.0m). Finance expenses amounted to £5.1m (six months to 30 June 2025: £6.2m; year ended 31 December 2025: £12.2m). The decrease is due to the repayment of £22.4m of bank borrowings in the period, building on prior-period debt repayments totalling £50.5m during 2025.

The EPRA cost ratio, including direct vacancy costs, was 56.1% (30 June 2025: 52.6%; 31 December 2025: 49.8%). The EPRA cost ratio, excluding direct vacancy costs, was 19.5% (30 June 2025: 19.4%; 31 December 2025: 18.4%). The ongoing charges for the six months ending 30 June 2026 were 9.5% (30 June 2025: 9.1%; 31 December 2025: 9.0%) and excluding direct vacancy costs 3.3% (30 June 2025: 3.4%; 31 December 2025: 3.3%).

Dividend

For the period from 1 January 2026 to 30 June 2026, the Company declared dividends totalling 4.0pps (six months to 30 June 2025: 5.0pps; year ended 31 December 2025: 10.0pps)*.

The Company will distribute a minimum 90% of the profit from the property rental business, which is in accordance with regulatory requirements, but will retain earnings where possible to support the business' accretive and essential capital expenditure programme. The Board believes this approach is firmly in shareholders' long-term interests of improving the quality of the portfolio, so to benefit from rental and capital uplift.

Debt Financing and Gearing

All the Group's borrowings comprise third-party bank debt, which is secured over properties owned by the Group and repayable over the next one to three years. Following last year's refinancing, the weighted average maturity of the bank debt is 2.1 years (30 June 2025: 2.4 years; 31 December 2025: 2.6 years).

The Group's borrowing facilities are with Scottish Widows Limited & Aviva Investors Real Estate Finance, Royal Bank of Scotland, Bank of Scotland and Santander UK, Scottish Widows Limited, and Santander UK. The total bank borrowing facilities at 30 June 2026 amounted to £243.8m (30 June 2025: £310.0m; 31 December 2025: £266.2m) (before unamortised debt issuance costs), with £nil available to be drawn.

At 30 June 2026, the Group's cash and cash equivalent balances amounted to £40.8m (30 June 2025: £47.1m; 31 December 2025: £37.7m), of which £39.0m (30 June 2025: £42.7m; 31 December 2025: £37.7m) was unrestricted cash.

The Group's net loan to value ("LTV") ratio stands at 38.5% (30 June 2025: 43.2%; 31 December 2025: 40.4%) before unamortised costs.

* As at 31 December 2025 and 30 June 2026, there were 162,088,483 Ordinary Shares in issue.

Debt Profile and LTV Ratios as at 30 June 2026

Lender	Facility amount £'000	Outstanding debt* £'000	Maturity date	Gross LTV** %	Annual interest rate %
Scottish Widows Ltd. & Aviva Investors Real Estate Finance	103,675	103,675	Dec-27	47.3	3.28 Fixed
Royal Bank of Scotland, Bank of Scotland & Santander UK	69,253	69,253	Dec-28	43.2	2.40 over 3mth £ SONIA
Scottish Widows Ltd.	28,615	28,615	Dec-28	44.9	3.37 Fixed
Santander UK	42,253	42,253	Jun-29	48.9	2.20 over 3mth £ SONIA
	243,796	**243,796**			

* Before unamortised debt issue costs
** Based on Colliers International Property Consultants Ltd.

Table may not sum due to rounding

The Investment Adviser continues to monitor the borrowing requirements of the Group. As at 30 June 2026, the Group has complied with borrowing covenants.

The net gearing ratio (net debt to Ordinary Shareholders' equity (diluted)) of the Group was 65.7% as at 30 June 2026 (30 June 2025: 78.3%; 31 December 2025: 70.3%).

Interest cover, excluding amortised costs, stands at 2.9 times (30 June 2025: 2.7 times; 31 December 2025: 3.0 times) and including amortised costs, stands at 2.3 times (30 June 2025: 2.3 times; 31 December 2025: 2.5 times).

Hedging

The Group applies an interest hedging strategy that is aligned to the property management strategy and aims to mitigate interest rate volatility on at least 90% of the debt exposure.

	Six months ended 30 June 2026 %	Six months ended 30 June 2025 %	Year ended 31 December 2025 %
Borrowings interest rate hedged	**100.4**	**100.0**	**101.0**
Thereof: Fixed	**54.3**	**52.9**	**56.6**
Thereof: Swap	**35.3**	**29.9**	**32.3**
Thereof: Cap	**10.8**	**17.2**	**12.1**
WACD[1]	**3.4**	**3.4**	**3.3**

1 WACD – Weighted Average Effective Interest Rate including the cost of hedging.

Table may not sum due to rounding

Tax

The Group entered the UK REIT regime on 7 November 2015 and all of the Group's UK property rental operations became exempt from UK corporation tax from that date. The exemption remains subject to the Group's continuing compliance with the UK REIT rules.

On 9 January 2018, the Company registered for VAT purposes in the United Kingdom.

During the six months to 30 June 2026, the Group recognised no tax charge (six months to 30 June 2025: nil; year ended 31 December 2025: credit of £14,083), in relation to entities that are not included in the REIT tax regime.

Principal Risks and Uncertainties

Effective risk management is a cornerstone for Regional REIT to delivering its strategy and integral to the achievement of its objective of delivering long term value through active asset management across the portfolio. The principal risks and uncertainties the Group faces are summarised below and described in detail on pages 58 to 70 of the 2025 Annual Report, which is available on the Group's website: www. regionalreit.com – Annual Report 2025.

The Audit Committee, which assists the Board with its responsibilities for managing risk, regularly reviews the risk appetite of the Company. Taking into consideration the latest information available, the Company is able to assess and respond quickly to new and emerging risks.

The UK real estate sector continues to navigate a complex macroeconomic environment. Global geopolitical uncertainty, including ongoing conflicts in Ukraine and the Middle East and evolving US trade policy, continues to affect supply chains and occupier confidence. Tightening sustainability and energy efficiency standards, together with the emerging potential influence of artificial intelligence on office-based demand, require active asset management and disciplined risk management across the portfolio.

A summary of the Group's principal risks and uncertainties for the first half of 2026 is provided here.

Market risk

The value of the Company's assets is dependent on the strength of leasing and capital markets. Adverse market conditions could result in lower dividend income and capital returns to Shareholders.

Major Market Disruption

Major geopolitical events or a further pandemic could impact rental income, property valuations, access to funding at competitive rates and the ability to maintain the dividend policy and adhere to the HMRC REIT regime requirements.

Funding risk

The Group may not be able to secure funding on acceptable terms, which could impinge upon investment opportunities and the ability to grow the Group. Bank reference rates may remain heightened or rise due to wider economic challenges. Breach of covenants within the Company's funding structure could lead to a cancellation of debt funding if the Company is unable to service the debt.

Tenant risk

Type and concentration of tenants could result in lower rental income. A higher concentration of lease term maturity and/or break options could result in a more volatile rental income. The evolution and adoption of artificial intelligence on office based working could impact demand for space.

Financial and Tax Change risk

Changes to UK financial legislation and the tax regime could result in lower earnings and/or potential loss of REIT status.

Operational risk

Business disruption could impinge on the normal operations of the Company. Physical damage to properties, health and safety non-compliance, or reliance on key third-party service providers could result in lower rental income or reputational damage.

Cyber Security

Information security and cyber threats, including cyber fraud, could result in data loss or negative regulatory, reputational, operational (including GDPR), or financial impacts.

Accounting, Legal and Regulatory risk

Changes to accounting, legal and/or regulatory requirements, including sanctions and Listing Rules, could affect current operating processes and the Board's ability to achieve investment objectives and provide favourable returns to Shareholders and/or potential loss of REIT status.

Environmental and Energy Efficiency Standards

Changes to environmental legislation and the Company's cost base could impact operations. An Energy Performance Rating of C and below may impact the Company's ability to sell or lease an asset.

Interim Management Report and Directors' Responsibility Statement

Interim Management Report

The important events that have occurred during the period under review, the principal risks and uncertainties and the key factors influencing the financial statements for the remaining six months of the year are set out in the Chairman's Statement and the Investment Adviser's Report.

The principal risks and uncertainties faced by the Group are substantially unchanged since the date of the Annual Report and Accounts for the year ended 31 December 2025 and are summarised on page 33.

The condensed consolidated financial statements for the period from 1 January 2026 to 30 June 2026 have not been audited or reviewed by auditors pursuant to the Financial Reporting Council guidance on Review of Interim Financial Information and do not constitute annual statutory accounts for the purposes of the Law.

Going Concern

The Directors have made an assessment of the Group's ability to continue as a going concern. This assessment included consideration of the Group's cash resources, borrowing facilities, rental income, acquisition and disposals of investment properties, elective and committed capital expenditure and dividend distributions. The Group ended the period under review with £40.8m of cash and cash equivalents, of which £39.0m was unrestricted cash. Borrowing facilities decreased from £266.2m at 31 December 2025 to £243.8m as at 30 June 2026, with an LTV of 38.5%, based upon the value of the Group's investment properties as at 30 June 2026.

Given the amount of unrestricted cash currently held by the Group and, with the next borrowing due to mature being the Scottish Widows Ltd and Aviva Investors Real Estate Finance £103.7m facility in December 2027, the Directors are satisfied that the Group and Company have adequate resources to continue in operational existence for a period of at least 12 months from the date that this Half-Yearly Report was approved.

This is underpinned by the robust rent collections and the level of committed capital expenditure in the forthcoming 12 months.

Responsibility Statement of the Directors in respect of the Half-Yearly Report

In accordance with Disclosure Guidance and Transparency Rule 4.2.10R we, the Directors of the Company (whose names are listed in full at the end of this report), confirm that to the best of their knowledge:

- the condensed set of consolidated financial statements has been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", as contained in UK-adopted International Accounting Standards, as required by Disclosure Guidance and Transparency Rule DTR 4.2.4R, and gives a true and fair view of the assets, liabilities, financial position and profit of the Group;

- this Half-Yearly Report includes a fair review, required under DTR 4.2.7R, of the important events that have occurred during the first six months of the financial year, their impact on the condensed set of consolidated financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- this Half-Yearly Report includes a fair review, required under DTR 4.2.8R, of related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position and or performance of the Group during that period; and any changes in the related party transaction described in the last Annual Report that could do so.

This Half-Yearly Report was approved and authorised for issue by the Board of Directors on 7 September 2026 and the above responsibility statement was signed on its behalf by:

David Hunter
Chairman
7 September 2026

Ashby Park, Ashby De La Zouch

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Condensed Consolidated Statement of Comprehensive Income for the Six Months Ended 30 June 2026

	Notes	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Continuing Operations				
Revenue				
Rental and property income	5	**34,269**	39,919	78,628
Property costs	6	**(18,163)**	(20,588)	(38,373)
Net rental and property income		**16,106**	19,331	40,255
Administrative and other expenses	7	**(4,442)**	(5,207)	(9,944)
Operating profit before gains and losses on property assets and other investments		**11,664**	14,124	30,311
Loss on disposal of investment properties	13	**(2,058)**	(578)	(3,172)
Change in fair value of investment properties	13	**(6,806)**	(12,144)	(26,612)
Change in fair value of right of use assets		**(69)**	(69)	(139)
Operating profit		**2,731**	1,333	388
Finance income	8	**226**	616	991
Finance expense	9	**(5,102)**	(6,240)	(12,215)
Share of losses of associate company		**(21)**	(8)	(24)
Net movement in fair value of derivative financial instruments	15	**(680)**	(3,569)	(5,506)
Loss before tax		**(2,846)**	(7,868)	(16,366)
Taxation	10	**-**	-	14
Total comprehensive loss for the period (attributable to owners of the parent Company)		**(2,846)**	(7,868)	(16,352)
Losses per Share - basic and diluted	11	**(1.8)p**	(4.9)p	(10.1)p

Total comprehensive loss arises from continuing operations.

The notes below are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Financial Position as at 30 June 2026

	Notes	30 June 2026 (unaudited) £'000	30 June 2025 (unaudited) £'000	31 December 2025 (audited) £'000
Assets				
Non-current assets				
Investment properties	13	**513,966**	593,487	542,191
Right of use assets		**10,641**	10,780	10,710
Investments in associates		**327**	268	348
Non-current receivables on tenant loan		**-**	48	-
Derivative financial instruments	15	**3,806**	7,911	3,145
		528,740	612,494	556,394
Current assets				
Derivative financial instruments		**298**	-	1,739
Trade and other receivables		**31,897**	41,054	40,717
Cash and cash equivalents		**40,783**	47,117	37,726
		72,978	88,171	80,182
Total assets		**601,718**	700,665	636,576
Liabilities				
Current liabilities				
Trade and other payables		**(27,357)**	(32,327)	(29,265)
Deferred income		**(13,038)**	(13,930)	(13,540)
Lease liabilities		**(435)**	-	(435)
Deferred tax liabilities		**-**	(741)	-
		(40,830)	(46,998)	(43,240)
Non-current liabilities				
Deferred tax liabilities		**(754)**	-	(754)
Bank and loan borrowings	14	**(240,028)**	(306,360)	(262,319)
Lease liabilities		**(10,960)**	(11,428)	(10,977)
		(251,742)	(317,788)	(274,050)
Total liabilities		**(292,572)**	(364,786)	(317,290)
Net assets		**309,146**	335,879	319,286
Equity				
Stated capital	16	**618,010**	618,016	618,010
Accumulated losses		**(308,864)**	(282,137)	(298,724)
Total equity attributable to owners of the parent company		**309,146**	335,879	319,286
Net asset value per Share - basic and diluted	17	**190.7p**	207.2p	197.0p

The notes below are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity for the Six Months Ended 30 June 2026

		Attributable to owners of the parent company		
	Notes	Stated capital £'000	Accumulated losses £'000	Total £'000
Balance at 1 January 2026		**618,010**	**(298,724)**	**319,286**
Total comprehensive loss		**-**	**(2,846)**	**(2,846)**
Dividends paid	12		**(7,294)**	**(7,294)**
Balance at 30 June 2026		**618,010**	**(308,864)**	**309,146**

For the six months ended 30 June 2025

		Attributable to owners of the parent company		
	Notes	Stated capital £'000	Accumulated losses £'000	Total £'000
Balance at 1 January 2025		618,266	(266,652)	351,614
Total comprehensive income		-	(7,868)	(7,868)
Dividends paid	12	-	(7,617)	(7,617)
Cost of shares issued in 2024		(250)	-	(250)
Balance at 30 June 2025		**618,016**	**(282,137)**	**335,879**

For the year ended 31 December 2025

		Attributable to owners of the parent company		
	Notes	Stated capital £'000	Accumulated losses £'000	Total £'000
Balance at 1 January 2025		618,266	(266,652)	351,614
Total comprehensive loss		-	(16,352)	(16,352)
Dividends paid	12	-	(15,720)	(15,720)
Cost of shares issued in 2024		(256)	-	(256)
Balance at 31 December 2025		**618,010**	**(298,724)**	**319,286**

The notes below are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Cash Flows for the Six Months Ended 30 June 2026

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Cash flows from operating activities			
Loss for the year before taxation	**(2,846)**	(7,868)	(16,366)
Change in fair value of investment properties	**6,806**	12,144	26,612
Change in fair value of financial derivative instruments	**680**	3,569	5,506
Share of losses of associate company	**21**	8	24
Loss on disposal of investment properties	**2,058**	578	3,172
Change in fair value of right of use assets	**69**	69	139
Finance income	**(226)**	(616)	(991)
Finance expense	**5,102**	6,240	12,215
Decrease/(increase) in trade and other receivables	**8,810**	(5,855)	(5,509)
(Decrease)/increase in trade and other payables	**(1,096)**	1,376	(1,772)
Decrease in deferred income	**(502)**	(434)	(824)
Cash generated from operations	**18,876**	**9,211**	**22,206**
Interest paid	**(4,083)**	(5,200)	(10,251)
Taxation received	**-**	(27)	51
Net cash flow generated from operating activities	**14,793**	**3,984**	**12,006**
Investing activities			
Investments in associates	**-**	-	(96)
Purchase of investment properties and subsequent expenditure	**(1,406)**	(6,020)	(12,942)
Sale of investment properties	**20,767**	7,268	48,425
Interest received	**234**	619	978
Net cash flow generated from investing activities	**19,595**	**1,867**	**36,365**
Financing activities			
Proceeds received on derivative financial instruments	**100**	128	1,218
Dividends paid	**(8,105)**	(7,139)	(15,152)
Share issue costs	**-**	(1,424)	(1,430)
Bank borrowings repaid	**(22,430)**	(6,718)	(50,508)
Bank borrowing cost paid	**(679)**	(83)	(1,057)
Lease repayments	**(217)**	(217)	(435)
Net cash flow used in financing activities	**(31,331)**	**(15,453)**	**(67,364)**
Net increase/(decrease) in cash and cash equivalents for the period	**3,057**	(9,602)	(18,993)
Cash and cash equivalents at the start of the period	**37,726**	56,719	56,719
Cash and cash equivalents at the end of the period	**40,783**	**47,117**	**37,726**

The notes below are an integral part of these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 June 2026

1. Corporate information

The condensed consolidated financial statements of the Group for the six months ended 30 June 2026 comprise the results of the Company and its subsidiaries (together constituting the "Group") and were approved by the Board and authorised for issue on 7 September 2026.

The Company is a company limited by shares incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended (the "Law"). The Company's Ordinary Shares are admitted to the Official List of the Financial Conduct Authority ("FCA") and traded on the London Stock Exchange ("LSE").

The Company was incorporated on 22 June 2015 and is registered with the Guernsey Financial Services Commission as a Registered Closed-Ended Collective Investment Scheme pursuant to The Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended, and the Registered Collective Investment Scheme Rules & Guidance 2021.

The Company did not begin trading until 6 November 2015 when its shares were admitted to trading on the LSE. The nature of the Group's operations and its principal activities are set out in the Chairman's Statement.

The registered office address is: Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH.

2. Basis of preparation

The condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared on a going concern basis in accordance with the Disclosure Guidance and Transparency Rules of the FCA and with IAS 34, Interim Financial Reporting, as contained in UK-adopted International Accounting Standards.

The condensed consolidated financial statements have been prepared on a historical cost basis, as modified for the Group's investment properties and certain financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The condensed consolidated interim financial information should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2025, which have been prepared in accordance with UK-adopted International Accounting Standards. The results presented in this report have not been audited or reviewed in accordance with International Standard on Review Engagements (UK) 2410.

2.1. Comparative period

The comparative financial information presented herein for the year ended 31 December 2025 do not constitute full statutory accounts within the meaning of the Law. The Group's Annual Report and Accounts for the year ended 31 December 2025 were delivered to the Guernsey Financial Services Commission. The Group's independent Auditor's report on those Accounts was unqualified and did not include reference to any matters to which the Auditor drew attention by way of emphasis without qualifying their report.

2.2. Functional and presentation currency

The consolidated financial information is presented in Pounds Sterling, which is also the functional currency of all Group companies, and all values are rounded to the nearest thousand (£'000s) pounds, except where otherwise indicated.

2.3. Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern. This assessment included consideration of the Group's cash resources, borrowing facilities, rental income, acquisition and disposals of investment properties, elective and committed capital expenditure and dividend distributions. The Group ended the period under review with £40.8m of cash and cash equivalents, of which £39.0m was unrestricted cash. Borrowing facilities decreased from £266.2m at 31 December 2025 to £243.8m as at 30 June 2026, with an LTV of 38.5%, based upon the value of the Group's investment properties as at 30 June 2026.

Given the amount of unrestricted cash currently held by the Group and, with the next borrowing due to mature being the Scottish Widows Ltd. and Aviva Investors Real Estate Finance £103.7m facility in December 2027, the Directors are satisfied that the Group and Company have adequate resources to continue in operational existence for a period of at least 12 months from the date that these Financial Statements were approved.

This is underpinned by the robust rent collections and the level of committed capital expenditure in the forthcoming 12 months.

3. Significant accounting judgements, estimates and assumptions

The preparation of the condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

3.1. Critical accounting estimates and assumptions

The principal estimates that may be material to the carrying amount of assets and liabilities are as follows:

3.1.1. Valuation of investment properties

The value of investment property, is determined by independent property valuation experts to be the estimated amount for which a property should exchange on the date of the valuation in an arm's length transaction, less the value of assets arising from rent smoothing. Properties have been valued on an individual basis. The valuation experts use recognised valuation techniques applying the principles of both IAS 40 Investment Property and IFRS 13 Fair Value Measurement.

The value of the properties has been assessed in accordance with the relevant parts of the current RICS Red Book. In particular, we have assessed the fair value as referred to in VPS4 item 7 of the RICS Red Book. Under these provisions, the term “Fair Value” means the definition adopted by the International Accounting Standards Board (“IASB”) in IFRS 13, namely “The price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date”. Factors reflected include current market conditions, annual rentals, lease lengths and location. The significant methods and assumptions used by the valuers in estimating the fair value of investment property are set out in note 13 on page 46.

The fair value of investment property is equal to the independent property valuer's valuation of £526.7m (31 December 2025: £555.2m) less the value of the assets arising from rent smoothing of £12.8m (31 December 2025: £13.0m). This is detailed in note 13 on page 46 and is in accordance with IAS 40 paragraph 50, recognising the prepayment cannot be recovered when the investment properties are sold.

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 June 2026

3.2. Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the condensed consolidated financial statements:

3.2.1. Operating lease contracts – the Group as lessor

The Group has acquired investment properties that are subject to commercial property leases with tenants. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and minimum lease payments, that it retains all of the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

3.2.2. Recognition of income

Service charges and other similar receipts are included in net rental and property income gross of the related costs as the Directors consider the Group acts as principal in this respect.

3.2.3 Consolidation of entities in which the Group holds less than 50%

Management considered that up until 9 November 2018, the Group had de facto control of View Castle Limited and its 27 subsidiaries (the "View Castle Sub Group") by virtue of the amended and restated Call Option Agreement dated 3 November 2015. Following a restructure of the View Castle Sub Group, the majority of properties held within the View Castle Sub Group were transferred into two new special purpose vehicles ("SPVs") with two additional properties to be transferred into these SPVs at a later date. A new call option was entered into dated 9 November 2018 with View Castle Limited and five of its subsidiaries (the "View Castle Group"). As per the previous amended and restated Call Option Agreement, under this new option the Group may acquire any of the properties held by the View Castle Group for a fixed nominal consideration. Despite having no equity holding, the Group is deemed to have control over the View Castle Group as the Option Agreement means that the Group is exposed to, and has rights to, variable returns from its involvement with the View Castle Group, through its power to control.

4. Summary of significant accounting policies

With the exception of new accounting standards listed below, the accounting policies adopted in this report are consistent with those applied in the Group's statutory accounts for the year ended 31 December 2025 and are expected to be consistently applied for the current year ending 31 December 2026. The changes to the condensed consolidated financial statements arising from accounting standards effective for the first time are noted below:

Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" (effective for periods beginning on or after 1 January 2026) refine the classification of financial assets and liabilities and introduce enhanced disclosure requirements.

Annual Improvements to IFRS Accounting Standards Volume 11 (effective for periods beginning on or after 1 January 2026) contains amendments to five standards, IFRS1 , IFRS 7, IFRS 9, IFRS 10 and IAS 7 as a result of the IASB's annual improvements project. The aim of which is to improve consistency across the standards.

None of the above have a material impact on the financial statement.

5. Rental and property income

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Rental income - freehold property	**21,012**	24,767	50,235
Rental income - long leasehold property	**5,526**	5,049	10,197
Recoverable service charge income and similar items	**7,731**	10,103	18,196
Total	**34,269**	**39,919**	**78,628**

6. Property costs

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Other property expenses and irrecoverable costs	**10,432**	10,485	20,177
Recoverable service charge expenditure and other similar costs	**7,731**	10,103	18,196
Total	**18,163**	**20,588**	**38,373**

Property costs represent direct operating expenses which arise on investment properties generating rental income.

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 June 2026

7. Administrative and other expenses

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Investment management fees[1]	**738**	1,053	1,947
Property management fees	**1,029**	1,094	2,257
Asset management fees	**738**	1,053	1,949
Directors' remuneration	**164**	157	309
Administrative fees	**338**	288	662
Legal and professional fees	**1,155**	1,095	2,205
Marketing and promotion	**37**	37	83
Other administrative costs	**107**	105	220
Allowance for doubtful debts	**129**	319	299
Bank charges	**7**	6	13
Total	**4,442**	**5,207**	**9,944**

8. Finance income

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Interest income	**226**	616	991
Total	**226**	**616**	**991**

9. Finance expense

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Interest payable on bank borrowings	**4,083**	5,201	10,251
Amortisation of loan arrangement fees	**818**	838	1,561
Lease interest	**201**	201	403
Total	**5,102**	**6,240**	**12,215**

1 As announced on 11 December 2025, the management fee calculation changed from 1 January 2026 to a blended basis of 75% EPRA Net Tangible Assets and 25% market capitalisation. Further information is available in the 2025 Annual Report.

10. Taxation

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Corporation tax charge	-	-	(27)
Increase in deferred tax creditor	-	-	13
Total	**-**	**-**	**(14)**

The Group elected to be treated as a UK REIT with effect from 7 November 2015. The UK REIT rules exempt the profits of the Group's UK property rental business from corporation tax. Gains on UK properties are also exempt from tax, provided that they are not held for trading or sold in the three years after completion of development. The Group is otherwise subject to UK corporation tax.

Income tax, corporation tax and deferred tax above arise on entities which form part of the Group's condensed consolidated accounts but do not form part of the REIT group.

Due to the Group's REIT status and its intention to continue meeting the conditions required to obtain approval in the foreseeable future, no provision has been made for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments held by entities within the REIT group. No deferred tax asset has been recognised in respect of losses carried forward due to unpredictability of future taxable profits.

As a REIT, Regional REIT Ltd is required to pay PIDs equal to at least 90% of the Group's exempted net income. To retain UK REIT status, there are a number of conditions to be met in respect of the principal company of the Group, the Group's qualifying activity and its balance of business. The Group continues to meet these conditions.

11. Earnings per Share

Earnings per share ("EPS") amounts are calculated by dividing profits for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period.

The calculation of basic and diluted earnings per share is based on the following:

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Calculation of earnings per share			
Net loss attributable to Ordinary Shareholders	(2,846)	(7,868)	(16,352)
Adjustments to remove:			
Change in value of investment properties	6,806	12,144	26,612
Change in value of right of use assets	69	69	139
Loss on disposal of investment properties	2,058	578	3,172
Change in fair value of interest rate derivatives and financial assets	680	3,569	5,506
Deferred tax credit	-	-	13
EPRA net profit attributable to Ordinary Shareholders	**6,767**	**8,492**	**19,090**
Weighted average number of Ordinary Shares	162,088,483	162,088,483	162,088,483
Losses per Share - basic and diluted	**(1.8)p**	**(4.9)p**	**(10.1)p**
EPRA earnings per Share - basic and diluted	**4.2p**	**5.2p**	**11.8p**

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 June 2026

12. Dividends

	Six months ended 30 June 2026 (unaudited) £'000	Six months ended 30 June 2025 (unaudited) £'000	Year ended 31 December 2025 (audited) £'000
Dividend of 2.50 (2025: 2.20) pence per Ordinary Share for the period 1 October – 31 December	**4,052**	3,565	3,565
Dividend of 2.00 (2025: 2.50) pence per Ordinary Share for the period 1 January – 31 March	**3,242**	4,052	4,052
Dividend of nil (2025: 2.50) pence per Ordinary Share for the period 1 April – 30 June	**-**	-	4,052
Dividend of nil (2025: 2.50) pence per Ordinary Share for the period 1 July – 30 September	**-**	-	4,052
Unpaid dividends held by Registrar	**-**	-	(1)
Total	**7,294**	**7,617**	**15,720**

On 19 February 2026, the Company announced a dividend of 2.50 pence per Share in respect of the period 1 October 2025 to 31 December 2025. The dividend was paid on 10 April 2026 to Shareholders on the register as at 27 February 2026.

On 19 May 2026, the Company announced a dividend of 2.0 pence per Share in respect of the period 1 January 2026 to 31 March 2026. The dividend will be paid on 10 July 2026 to Shareholders on the register as at 29 May 2026. The financial statements do not reflect this dividend.

13. Investment properties

In accordance with International Accounting Standard, IAS 40, 'Investment Property', investment property has been independently valued at fair value by Colliers International Property Consultants Ltd, a Chartered Surveyor who is an accredited independent valuer with recognised and relevant professional qualifications and with recent experience in the locations and categories of the investment properties being valued. The valuation has been prepared in accordance with the Red Book and incorporates the recommendations of the International Valuation Standards Committee which are consistent with the principles set out in IFRS 13.

Investment property valuations in comparative periods were carried out by Colliers.

The valuation is the ultimate responsibility of the Directors. Accordingly, the critical assumptions used in establishing the independent valuation are reviewed by the Board.

Group Movement in investment properties for the six months ended 30 June 2026 (unaudited)	Freehold Property £'000	Long Leasehold Property £'000	Total £'000
Valuation at 1 January 2026	429,936	125,294	555,230
Property additions - acquisitions			-
Property additions - subsequent expenditure	1,312	94	1,406
Property disposals	(20,771)	4	(20,767)
Loss on disposals of investment properties	(2,054)	(4)	(2,058)
Change in fair value during the period	(4,012)	(3,074)	(7,086)
Valuation at 30 June 2026(unaudited)	**404,411**	**122,314**	**526,725**
Less adjustment for rent smoothing assets	**(9,642)**	**(3,117)**	**(12,759)**
Fair Value at 30 June 2026 (unaudited)	**394,769**	**119,197**	**513,966**

Group Movement in investment properties for the six months ended 30 June 2026 (unaudited)	Freehold Property £'000	Long Leasehold Property £'000	Total £'000
Change in fair value during the period	(4,012)	(3,074)	(7,086)
Adjustment for rent smoothing assets at 30 June 2026	(9,642)	(3,117)	(12,759)
Adjustment for rent smoothing assets at 31 December 2025	9,780	3,259	13,039
Change in fair value of investment properties	**(3,874)**	**(2,932)**	**(6,806)**

Group Movement in investment properties for the six months ended 30 June 2025 (unaudited)	Freehold Property £'000	Long Leasehold Property £'000	Total £'000
Valuation at 1 January 2025	492,896	129,584	622,480
Property additions - acquisitions	-	-	-
Property additions - subsequent expenditure	5,627	392	6,019
Property disposals	(7,268)	-	(7,268)
Loss on disposals of investment properties	(578)	-	(578)
Change in fair value during the period	(9,531)	(2,792)	(12,323)
Valuation at 30 June 2025 (unaudited)	**481,146**	**127,184**	**608,330**
Less adjustment for rent smoothing assets	(11,267)	(3,576)	(14,843)
Fair Value at 30 June 2025 (unaudited)	**469,879**	**123,608**	**593,487**

Group Movement in investment properties for the year ended 31 December 2025 (audited)	Freehold Property £'000	Long Leasehold Property £'000	Total £'000
Valuation at 1 January 2025	492,896	129,584	622,480
Property additions - acquisitions	1,160	-	1,160
Property additions - subsequent expenditure	8,143	3,639	11,782
Property disposals	(48,193)	(232)	(48,425)
Loss on disposals of investment properties	(3,094)	(78)	(3,172)
Change in fair value during the period	(20,976)	(7,619)	(28,595)
Valuation at 31 December 2025 (audited)	**429,936**	**125,294**	**555,230**
Less adjustment for rent smoothing assets	(9,780)	(3,259)	(13,039)
Fair Value at 31 December 2025 (audited)	**420,156**	**122,035**	**542,191**

The total change in fair value during the period was a decrease of £6,806,000 (30 June 2025: £12,144,000; 31December 2025 £26,612,000).

The historic cost of the properties is £764,507,000 (30 June 2025: £830,501,000; 31December 2025 £773,287,000).

The net book value of properties disposed of during the period amounted to £22,825,000 (30 June 2025: £7,846,000 31 December 2025 £51,597,000).

Bank borrowings are secured by charges over investment properties held by certain asset-holding subsidiaries.

The banks also hold charges over the shares of certain subsidiaries and any intermediary holding companies of those subsidiaries. The independent valuers assessment of the value of investment properties secured at 30 June 2026 was £526,725,000 (30 June 2025: £608,330,000 31December 2025 £555,230,000).

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 June 2026

The following table provides the fair value measurement hierarchy for investment properties:

	Total £'000	Quoted active prices (level 1) £'000	Significant observable inputs (level 2) £'000	Significant unobservable inputs (level 3) £'000
30 June 2026	**513,966**	**-**	**-**	**513,966**
30 June 2025	593,487	-	-	593,487
31 December 2025	542,191	-	-	542,191

The hierarchy levels are defined in note 15 on page 54.

It has been determined that the entire investment properties portfolio should be classified under the level 3 category.

There have been no transfers between levels during the period.

The determination of the fair value of the investment properties held by each consolidated subsidiary requires the use of estimates such as future cash flows from investment properties, which take into consideration lettings, tenants' profiles, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property, and discount rates applicable to those assets. Future revenue streams comprise contracted rent (passing rent) and estimated rental value after the contract period. In calculating ERV, the potential impact of future lease incentives to be granted to secure new contracts is taken into consideration. All these estimates are based on local market conditions existing at the reporting date.

As at 30 June 2026, the estimated fair value of each property has been primarily derived by Colliers International Property Consultants Ltd using comparable recent market transactions on arm's length terms and assessed in accordance with the relevant parts of the RICS Red Book.

Techniques used for valuing investment properties

The following descriptions and definitions relate to valuation techniques and key significant inputs made in determining the fair values:

Valuation technique: market comparable method
Under the market comparable method (or market approach), a property fair value is estimated based on comparable transactions in the market.

Significant input: market rental
The rent at which space could be let in the market conditions prevailing at the date of valuation £16,200 - £3,448,400 per annum (30 June 2025 £16,200-£3,512,800 per annum; 31 December 2025: £16,200- £3,512,800 per annum).

Significant input: rental growth
The decrease in rent is based on contractual agreements: -2.75% (30 June 2025: 2.48% decrease; 31 December 2025: 13.79% decrease).There is a gross contracted rent reduction, as per normal operations it is a combination of property disposals, space under refurbishment and lease expiries.

Significant input: equivalent yield
The time-weighted average return that a property will produce including purchase costs. The equivalent yield generally sits between the net initial yield and reversionary yield. See table opposite.

Unobservable inputs
The significant unobservable inputs (level 3) are sensitive to the changes in the estimated future cash flows from investment properties such as increases and decreases in contract rents, operating expenses and capital expenditure, plus transactional activity in the real estate market.

Geographical and sector specific market evidence reviewed in the course of preparing the June 2026 valuation had an initial yield range of 4.8% to 29.0% (30 June 2025: 3.8% to 18.0%; 31 December 2025: 6.0% to 20.9%).

As set out within the significant accounting estimates and judgements above, the Group's property portfolio valuation is open to judgement and is inherently subjective by nature, and actual values can only be determined in a sales transaction.

Equivalent yield range by sector:

					Significant Unobservable Inputs
	Valuation	ERV	ERV	Equivalent Yield	Equivalent Yield
Sector	£'000	Range (£ per sq ft p.a)	Weighted Average (£ per sq ft)	Range %	Weighted Average %
As at June 2026					
Industrial	£25,300.00	£4.65 - £14.75	7.40	6.73% - 23.73%	8.81%
Retail	£20,425.00	£2.07 - £40.00	15.71	7.82% - 13.44%	8.51%
Other	£9,600.00	£5.00 - £13.50	9.28	9.64%	10.34%
Office by Region					
Office South East	£76,750.00	£5.00 - £29.01	19.26	8.58% - 32.55%	10.46%
Office South West	£52,900.00	£12.28 - £23.00	19.47	9.99% - 15.20%	11.98%
Office Midlands	£110,200.00	£3.01 - £35.04	15.18	7.50% - 13.13%	11.00%
Office North West	£55,300.00	£6.61 - £22.01	16.97	9.09% - 12.92%	10.98%
Office North East	£84,700.00	£8.29 - £33.36	17.60	8.35% - 13.12%	10.45%
Office Wales	£17,700.00	£10.01 - £14.50	12.05	8.91% - 11.00%	10.46%
Office Scotland	£73,850.00	£4.50 - £23.84	17.05	9.89% - 14.16%	9.65%
Total	**£526,725.00**				

The impact of changes to the significant unobservable inputs:

	30 June 2026 Impact in statement of comprehensive income £'000	30 June 2026 Impact in statement of financial position £'000	31 December 2025 Impact in statement of comprehensive income £'000	31 December 2025 Impact in statement of financial position £'000
Improvement in ERV by 5%	22,553	22,553	25,062	25,062
Worsening in ERV by 5%	(22,112)	(22,112)	(24,787)	(24,787)
Improvement in yield by 0.125%	7,178	7,178	8,061	8,061
Worsening in yield by 0.125%	(6,994)	(6,994)	(7,837)	(7,837)
Improvement in yield by 0.25%	14,567	14,567	16,287	16,287
Worsening in yield by 0.25%	(13,822)	(13,822)	(15,523)	(15,523)
Improvement in yield by 0.5%	29,778	29,778	33,456	33,456
Worsening in yield by 0.5%	(26,929)	(26,929)	(30,285)	(30,285)

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 June 2026

14. Bank and loan borrowings

Bank borrowings are secured by charges over individual investment properties held by certain asset-holding subsidiaries. The banks also hold charges over the shares of certain subsidiaries and any intermediary holding companies of those subsidiaries.

Any associated fees in arranging the bank borrowings unamortised as at the period end are offset against amounts drawn on the facilities as shown in the table below:

	30 June 2026 (unaudited) £'000	30 June 2025 (unaudited) £'000	31 December 2025 (audited) £'000
Bank borrowings drawn at start of the period	**266,226**	316,734	316,734
Bank borrowings drawn	**-**	-	-
Bank borrowings repaid	**(22,430)**	(6,718)	(50,508)
Bank borrowings drawn at end of the period	**243,796**	**310,016**	**266,226**
Less: unamortised costs at start of period	**(3,907)**	(4,411)	(4,411)
Less: loan issue costs incurred in the period	**(679)**	(83)	(1,057)
Add: loan issue costs amortised in the period	**818**	838	1,561
At end of period	**240,028**	**306,360**	**262,319**
Maturity of borrowings			
Repayable within 1 year	**-**	-	-
Repayable between 1 to 2 years	**103,675**	96,382	118,339
Repayable between 2 to 5 years	**140,121**	213,634	147,887
Repayable after more than 5 years	**-**	-	-
Unamortised loan issue costs	**(3,768)**	(3,656)	(3,907)
	240,028	**306,360**	**262,319**

The table below lists the Group's borrowings.

Lender	Facility £'000	Outstanding debt* £'000	Maturity date	Gross loan to value**	Annual interest rate	Amortisation
Scottish Widows Ltd & Aviva Investors Real Estate Finance	103,675	103,675	December 2027	47.30%	3.28% Fixed	None
Royal Bank of Scotland, Bank of Scotland & Santander UK	69,253	69,253	December 2028	43.20%	2.40% over 3 months £ SONIA	Mandatory Prepayment
Scottish Widows Ltd	28,615	28,615	December 2028	44.90%	3.37% Fixed	None
Santander UK	42,253	42,253	June 2029	48.90%	2.20% over 3 months £ SONIA	Mandatory Prepayment
Total bank borrowings	**243,796**	**243,796**				

The percentage of borrowings at variable rates of interest was 45.7% (30 June 2025: 47.1% ; 31 December 2025: 43.4%).

The weighted average term to maturity of the Group's debt at the period end was 2.1 years (30 June 2025: 2.4 years; 31 December 2025: 2.6 years).

The weighted average interest rate payable by the Group on its debt portfolio, excluding hedging, as at the period end was 4.6% per annum (30 June 2025: 4.9% per annum; 31 December 2025: 4.6% per annum).

The Group weighted average interest rate, including hedging activity at the period end, amounted to 3.4% per annum (30 June 2025: 3.4%; 31 December 2025: 3.3% per annum).

The Group has been in compliance with all of the financial covenants of the above facilities as applicable throughout the period covered by these condensed consolidated financial statements. Each facility has distinct covenants which generally include: historic interest cover, projected interest cover, loan-to-value cover and debt to rent cover. A breach of agreed covenant levels would typically result in an event of default of the respective facility, giving the lender the right, but not the obligation, to declare the loan immediately due and payable. Where a loan is repaid in these circumstances, early repayment fees will apply, which are generally based on percentage of the loan repaid or calculated with reference to the interest income foregone by the lenders as a result of the repayment.

As shown in note 15 on page 53, the Group uses a combination of interest rate swaps and fixed rate bearing loans to hedge against interest rate risks. The Group's exposure to interest rate volatility is minimal.

SONIA = Sterling Over Night Indexed Average

* Before unamortised debt issue costs

** Based upon Colliers International Property Consultants limited property valuation

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 June 2026

15. Derivative financial instruments

Interest rate caps and swaps are in place to mitigate the interest rate risk that arises as a result of entering into variable rate borrowings.

During the period the notional amount on derivative instruments was reduced with a cash amount realised of £101,000 (30 June 2025: £128,000; 31 December 2025: £1,218,000).

	30 June 2026 (unaudited) £'000	30 June 2025 (unaudited) £'000	31 December 2025 (audited) £'000
Fair value at start of period	**4,884**	11,608	11,608
Proceeds received from a reduction in notional amounts	**(100)**	(128)	(1,218)
Revaluation in period	**(680)**	(3,569)	(5,506)
Fair value at end of period	**4,104**	**7,911**	**4,884**

The calculation of fair value of interest rate caps and swaps is based on the following calculation: the notional amount multiplied by the difference between the swap rate and the current market rate and then multiplied by the number of years remaining on the contract and discounted.

The fair value of interest rate caps and swaps represents the net present value of the difference between the cash flows produced by the contracted rate and the current market rate over the life of the instrument.

The table below details the hedging and swap notional amounts and rates against the details of the Group's loan facilities.

Lender	Original facility £'000	Outstanding debt* £'000	Maturity date	Annual interest rate	Notional amount £'000	Rate
Scottish Widows Ltd & Aviva Investors Real Estate Finance	103,675	103,675	December 2027	3.28% Fixed	n/a	n/a
Royal Bank of Scotland, Bank of Scotland & Santander UK	69,253	69,253	December 2028	2.40% over 3 months £ SONIA	swap £51,420 cap £17,832	0.99% 0.99%
Scottish Widows Ltd	28,615	28,615	December 2028	3.37% Fixed	n/a	n/a
Santander UK	42,253	42,253	June 2029	2.20% over 3 months £ SONIA	swap £34,585 cap £8,529	1.39% 1.39%
Total bank borrowings	**243,796**	**243,796**				

SONIA = Sterling Over Night Indexed Average

As at 30 June 2026, the notional amounts of swap arrangements were £86.0m (30 June 2025: £92.7m; 31December 2025: £86.0m) and the cap notional arrangements amounted to £26.4m (30 June 2025: £53.5m; 31 December 2025: £32.3m).

The Group weighted average cost of debt was 3.4% (30 June 2025: 3.4%; 31 December 2025; 3.3%) inclusive of hedging costs.

The maximum exposure to credit risk at the reporting date is the fair value of the derivative liabilities.

It is the Group's target to hedge at least 90% of the total loan portfolio using fixed-rate facilities or interest rate derivatives. The hedging on all of the facilities matches the term. As at the period end date, the total proportion of hedged debt equated to 100.4% (30 June 2025: 100.0%; 31December 2025: 101.0%), as shown below.

	30 June 2026 (unaudited) £'000	30 June 2025 (unaudited) £'000	31 December 2025 (audited) £'000
Total bank borrowings	**243,796**	310,016	266,226
Notional value of interest rate caps and swaps	**112,366**	146,139	118,314
Value of fixed rate debts	**132,290**	163,877	150,664
	244,656	310,016	268,978
Proportion of hedged debt	**100.4%**	**100.0%**	**101.0%**

* Before unamortised debt issue costs

Notes to the Condensed Consolidated Financial Statements for the Six Months Ended 30 June 2026

Fair value hierarchy

The following table provides the fair value measurement hierarchy for interest rate derivatives. The different levels are defined as follows.

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the condensed consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period.

Date of valuation	Total £'000	Quoted active prices (level 1) £'000	Significant observable inputs (level 2) £'000	Significant unobservable inputs (level 3) £'000
30 June 2026	**4,104**	**-**	**4,104**	**-**
30 June 2025	7,911	-	7,911	-
31 December 2025	4,884	-	4,884	-

The fair values of these contracts are recorded in the Condensed Consolidated Statement of Financial Position and are determined by forming an expectation that interest rates will exceed strike rates and by discounting these future cash flows at the prevailing market rates as at the period end.

There have been no transfers between levels during the period.

The Group has not adopted hedge accounting.

16. Stated capital

Stated capital represents the consideration received by the Company for the issue of Ordinary Shares.

	30 June 2026 (unaudited) £'000	30 June 2025 (unaudited) £'000	31 December 2025 (audited) £'000
Issued and fully paid Shares of no par value			
At start and end of period	**618,010**	**618,266**	**618,266**
Shares issued	**-**	-	-
Share issue costs	**-**	(250)	(256)
At end of year	**618,010**	**618,016**	**618,010**
Number of Shares in issue			
At start and end of period	**162,088,483**	162,088,483	162,088,483
Shares issued	**-**	-	-
Share reduction	**-**	-	-
At end of the year	**162,088,483**	**162,088,483**	**162,088,483**

17. Net asset value per Share (NAV)

Basic NAV per share is calculated by dividing the net assets in the Condensed Consolidated Statement of Financial Position attributable to ordinary equity holders of the parent by the number of Ordinary Shares in issue at the end of the period.

EPRA net asset value is a key performance measure used in the real estate industry which highlights the fair value of net assets on an ongoing long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value of derivatives and deferred taxes on property valuation surpluses are therefore excluded.

Net asset values have been calculated as follows:

	30 June 2026 (unaudited) £'000	30 June 2025 (unaudited) £'000	31 December 2025 (audited) £'000
Net asset value per Condensed Consolidated Statement of Financial Position	**309,146**	**335,879**	**319,286**
Adjustments for calculating EPRA net tangible assets:			
Derivative financial instruments	**(4,104)**	(7,911)	(4,884)
Deferred tax liability	**755**	741	754
EPRA net tangible assets	**305,797**	**328,709**	**315,156**
Number of Ordinary Shares in issue	**162,088,483**	162,088,483	162,088,483
Net asset value per Share - basic and diluted	**190.7p**	**207.2p**	**197.0p**
EPRA Net Tangible Assets per Share - basic and diluted	**188.7p**	**202.8p**	**194.4p**

18. Segmental information

After a review of the information provided for management purposes, it was determined that the Group had one operating segment and therefore segmental information is not disclosed in these condensed consolidated financial statements.

19. Transactions with related parties

The Company's related party transactions are disclosed in its 2025 Annual Report. There have been no material changes in the related party transactions described in the last annual report.

20. Subsequent events

There are no subsequent events to report.

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EPRA Performance Measures

The Group is a member of the European Public Real Estate Association ("EPRA").

EPRA has developed and defined the following performance measures to give transparency, comparability and relevance of financial reporting across entities which may use different accounting standards. The Group is pleased to disclose the following measures which are calculated in accordance with EPRA guidance:

EPRA Performance Measure	Definition	EPRA Performance Measure	Period ended 30 June 2026	Year ended 31 December 2025
EPRA Earnings	Earnings from operational activities.	EPRA Earnings	**£6,767,000**	£19,090,000
		EPRA Earnings per Share (basic and diluted	**4.2p**	11.8p
The EPRA NAV set of metrics make adjustments to the NAV per the IFRS financial statements to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under different scenarios.				
EPRA Net Reinstatement Value	EPRA NAV metric which assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	EPRA Net Reinstatement Value	**£340,672,000**	£351,880,000
		EPRA Net Reinstatement Value per Share (diluted)	**210.2p**	217.1p
EPRA Net Tangible Assets	EPRA NAV metric which assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	EPRA Net Tangible Assets	**£305,796,000**	£315,156,000
		EPRA Net Tangible Assets per Share (diluted)	**188.7p**	194.4p
EPRA Net Disposal Value	EPRA NAV metric which represents the Shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	EPRA Net Disposal Value	**£311,347,000**	£322,544,000
		EPRA Net Disposal Value per Share (diluted)	**192.1p**	199.0p
EPRA Net Initial Yield (NIY)	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property with (estimated) purchasers' costs.	EPRA Net Initial Yield	**6.1%**	5.7%
EPRA 'Topped-up' NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and stepped rents).	EPRA 'Topped-up' Net Initial Yield	**6.8%**	6.3%
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacancy space divided by ERV of the whole portfolio.	EPRA Vacancy Rate	**25.7%**	24.1%
EPRA Costs Ratio	Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.	EPRA Costs Ratio	**56.1%**	49.8%
		EPRA Costs Ratio (excluding direct vacancy costs)	**19.5%**	18.4%
EPRA LTV	Debt divided by the market value of property	EPRA LTV	**41.4%**	42.8%

Notes to the Calculation of EPRA Performance Measures

1. EPRA earnings and Company Adjusted Earnings

For calculations, please refer to note 11 to the financial statements on page 45.

2. EPRA Net Reinstatement Value

	30 June 2026 (unaudited) £'000	31 December 2025 (unaudited) £'000
NAV per the financial statements	**309,146**	319,286
Fair value of derivative financial instruments	**(4,104)**	(4,884)
Purchaser costs	**34,875**	36,724
Deferred tax liability	**755**	754
EPRA Net Reinstatement Value	**340,672**	**351,880**
Dilutive number of Shares	**162,088,483**	162,088,483
EPRA Net Reinstatement Value per Share	**210.2p**	**217.1p**

Comparatives have been updated for purchaser costs.

3. EPRA Net Tangible Assets

	30 June 2026 (unaudited) £'000	31 December 2025 (unaudited) £'000
NAV per the financial statements	**309,146**	319,286
Fair value of derivative financial instruments	**(4,104)**	(4,884)
Deferred tax liability	**755**	754
EPRA Net Tangible Assets	**305,797**	**315,156**
Dilutive number of Shares	**162,088,483**	162,088,483
EPRA Net Tangible Assets per Share	**188.7p**	**194.4p**

4. EPRA Net Disposal Value

	30 June 2026 (unaudited) £'000	31 December 2025 (unaudited) £'000
NAV per the financial statements	**309,146**	319,286
Adjustment for the fair value of bank borrowings	**2,201**	3,258
EPRA Net Disposal Value	**311,347**	**322,544**
Dilutive number of Shares	**162,088,483**	162,088,483
EPRA Net Disposal Value per Share	**192.1p**	**199.0p**

Notes to the Calculation of EPRA Performance Measures

5. EPRA Net Initial Yield

Calculated as the value of investment properties divided by annualised net rents:

	Six months ended 30 June 2026 (unaudited) £'000	Year ended 31 December 2025 (unaudited) £'000
Investment properties	**526,725**	555,230
Purchaser costs	**34,876**	36,724
	561,601	**591,954**
Annualised cash passing rental income	**45,139**	46,414
Property outgoings	**(11,088)**	(12,905)
Annualised net rents	**35,051**	**33,509**
Add notional rent expiration of rent-free periods or other lease incentives	**4,002**	3,758
Topped-up net annualised rent	**38,054**	**37,267**
EPRA NIY	**6.1%**	**5.7%**
EPRA topped up NIY	**6.8%**	**6.3%**

6. EPRA Vacancy Rate

	Six months ended 30 June 2026 (unaudited) £'000	Year ended 31 December 2025 (unaudited) £'000
Estimated Market Rental Value (ERV) of vacant space	**16,843**	16,078
Estimated Market Rental Value (ERV) of whole portfolio	**65,580**	66,666
EPRA Vacancy Rate	**25.7%**	**24.1%**

7. EPRA Cost Ratios

	Six months ended 30 June 2026 (unaudited) £'000	Year ended 31 December 2025 (unaudited) £'000
Property costs	**18,163**	38,373
Less recoverable service charge income and other similar costs	**(7,731)**	(18,196)
Add administrative and other expenses	**4,442**	9,944
EPRA costs (including direct vacancy costs)	**14,874**	**30,121**
Direct vacancy costs	**(9,692)**	(19,011)
EPRA costs (excluding direct vacancy costs)	**5,182**	**11,110**
Gross rental income	**34,269**	78,628
Less recoverable service charge income and other similar items	**(7,731)**	(18,196)
Gross rental income less ground rents	**26,538**	**60,432**
EPRA Cost Ratio (including direct vacancy costs)	**56.1%**	**49.8%**
EPRA Cost Ratio (excluding direct vacancy costs)	**19.5%**	**18.4%**

The Group has not capitalised any overhead or operating expenses in the accounting years disclosed above.

8. EPRA LTV Calculation

	30 June 2026 (unaudited) £'000	31 December 2025 (unaudited) £'000
Borrowings from financial institutions	**243,796**	266,226
Net payables	**9,830**	7,866
Cash held by solicitors	**(267)**	(4,178)
Cash and cash equivalents	**(40,783)**	(37,726)
Net debt	**212,576**	**232,188**
Investment properties at fair value	**513,966**	542,191
Financial Assets - loans	**48**	144
Total property value	**514,014**	**542,335**
EPRA LTV	**41.4%**	**42.8%**

Property Related Capital Expenditure Analysis

	Six months ended 30 June 2026 (unaudited) £'000	Year ended 31 December 2025 (unaudited) £'000
Acquisitions	**-**	1,160
Development	**-**	-
Investment properties	**-**	
Incremental lettable space	**-**	-
Enhancing lettable space	**1,406**	11,782
Tenant incentives	**-**	-
Other material non-allocated types of expenditure	**-**	-
Capitalised interest	**-**	-
Total Capital Expenditure	**1,406**	**12,942**
Conversion from accrual to cash basis	**-**	-
Total Capital Expenditure on cash basis	**1,406**	**12,942**

Acquisitions – this represents the purchase cost of investment properties and associated incidental purchase expenses such as stamp duty land tax, legal fees, agents' fees, valuations and surveys.

Subsequent capital expenditure – this represents capital expenditure which has taken place post the initial acquisition of an investment property.

Alternative Performance Measures

Net LTV

	30 June 2026 (unaudited) £'000	31 December 2025 (unaudited) £'000
Borrowings from financial institutions	**243,796**	266,226
Cash and cash equivalents (adjusted for cash held with solicitors)	**(41,051)**	(41,904)
Net debt	**202,745**	**224,322**
Investment properties at valuation	**526,725**	**555,230**
Net LTV	**38.5%**	**40.4%**

Weighted Average Cost of Debt

	30 June 2026 (unaudited) £'000	31 December 2025 (unaudited) £'000
Annual interest charge	**8,204**	8,887
Bank borrowings	**243,796**	266,226
Weighted average cost of debt	**3.4%**	**3.3%**

Annualised EPRA Total Return

	30 June 2026 (unaudited) p	31 December 2025 (unaudited) p
Dividends paid to date	**287.6**	283.1
EPRA NTA	**188.7**	194.4
Total	**476.3**	**477.5**
Shareholders funds received at launch on 05/11/2015 (rebased for 2024 share issue and consolidation)	**457.9**	**457.9**
Total return	**4.1%**	**4.3%**
Compounded total return	**0.4%**	**0.4%**

Glossary of Terms

AIC – Association of Investment Companies. A trade body for closed-end investment companies (www.theaic.co.uk).

AIF – Alternative Investment Fund.

AIFMD – Alternative Investment Fund Managers Directive. Issued by the European Parliament in 2012 and 2013, the Directive requires the Company to appoint an Alternative Investment Fund Manager (AIFM). The Board of Directors of a closed-ended investment company nevertheless remains fully responsible for all aspects of the Company's strategy, operations and compliance with regulations.

AIFM – Alternative Investment Fund Manager. The entity which ensures the Company complies with the AIFMD. The Company's AIFM is ESR Europe Investment Management Limited.

Alternative Performance Measures (APMs) – APMs are key performance indicators used by the Board to assess the Company's performance.

Auditor – RSM UK Audit LLP.

Board – the Board of Directors of the Company.

Borrowings – aggregate amount of total drawn bank facilities and the retail eligible bond.

Break Option – a clause in a lease which provides the landlord or tenant with an ability to terminate the lease before its contractual expiry date.

CAPEX – capital expenditure relates to spend used by the organisation to maintain or upgrade physical assets.

CAPEX to Core – well located properties with potential to deliver rental growth and increased valuations.

Company – Regional REIT Limited (Company Number 60527).

Company Adjusted Earnings – a company specific earnings measure which adds back the performance fee charged in the accounts to EPRA Earnings.

Core Plus Property – growth and income properties with the ability to increase cash flows through asset management initiatives.

Core Property – stable income and value accretive properties with low risk.

Directors – the Directors of the Company whose names are set out on page 66.

EPC – Energy Performance Certificate.

EPRA – European Public Real Estate Association, a real estate industry body, which has issued Best Practice Recommendations to provide consistency and transparency in real estate financial reporting across Europe.

EPRA Cost Ratio – ratio of overheads and operating expenses against gross rental income. Net overheads and operating expenses relate to all administrative and operating expenses including the share of joint ventures' overheads and operating expenses, net of any service fees, recharges or other income specifically intended to cover overhead and property expenses.

EPRA Dividend Cover – EPRA earnings per Share divided by the dividend per Share.

EPRA Earnings – profit after taxation excluding investments and development property revaluations and gains/losses on disposals, changes in the fair value of financial instruments and associated close-out costs and their related taxation.

EPRA LTV – EPRA Loan-To-Value is calculated as debt (including net payables) divided by market value of property as defined in the EPRA Best Practice Guidelines

EPRA Net Asset Value (EPRA NAV) – IFRS assets excluding the mark-to-market on effective cash flow hedges and related debt instruments and deferred taxation revaluations.

EPRA Net Initial Yield (EPRA NIY) – annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property with (estimated) purchasers' costs.

EPRA Net Tangible Assets (EPRA NTA) – EPRA Net Asset Value Measure assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

EPRA Occupancy Like for Like – the like-for-like movement in EPRA Occupancy against the same period in the prior year, on properties owned throughout both comparable periods.

EPRA Occupancy Rate – occupancy expressed as a percentage being the ERV of let space divided by ERV of the whole portfolio. Occupancy Rate should only be calculated for all completed properties but excluding those properties which are under development.

EPRA "Topped Up" Net Initial Yield – this measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and stepped rents).

EPRA Total Return – the movement in EPRA NTA plus the dividend distributions paid during the period, expressed as a percentage of the EPRA NTA at the beginning of the period.

EPRA Triple NAV (EPRA NNNAV) – EPRA net assets adjusted to include deferred tax liabilities and the fair values of financial instruments and debt.

EPRA Vacancy Rate – occupancy expressed as a percentage being the ERV of vacant space divided by ERV of the whole portfolio. Vacancy Rate should only be calculated for all completed properties but excluding those properties which are under development.

Equivalent Yield – weighted average of the initial yield and reversionary yield, representing the return that a property will produce based on the occupancy data of the tenant leases.

ESG – Environmental, Social and Corporate Governance refers to the three central factors in measuring the sustainability and societal impact of an investment in a company or business.

Estimated Rental Value (ERV) or Market Rent (MR) – external valuers' opinion as to what the open market rental value of the property is on the valuation date and which could reasonably be expected to be the rent obtainable on a new letting of that property on the valuation date.

External Valuer – independent external valuer of a property. The Company's external valuer is Colliers International Property Consultants Ltd.

Fair Value Adjustment – accounting adjustment to change the book value of an asset or liability to its market value.

Green Lease – Lease incorporating sustainability obligations to improve environmental performance of buildings.

GRESB – the Global Real Estate Sustainability Benchmark. The assessment is the investor-driven global ESG benchmark and reporting framework for listed property companies, private property funds, developers and investors that invest directly in real estate.

Gross Asset Value – the aggregate value of the total assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time.

Gross Investment Property Assets – investment properties encompassing the entire property portfolio of freehold and leasehold assets.

Gross Loan-to-Value (LTV) Ratio – (Borrowings)/(Investment Properties Value), expressed as a percentage.

Gross Rental Income – see Rent Roll.

Group – Regional REIT Limited and its subsidiaries.

IAS – an international accounting standard established by the International Accounting Standards Board.

Investment Adviser – ESR Europe LSPIM Limited.

IPO – Initial Public Offering. The Company's admission to the London Stock Exchange was on 6 November 2015.

ISA – Individual Savings Account.

Law – The Companies (Guernsey) Law 2008, as amended.

Lease – legally binding contract between a landlord and a tenant which sets out the basis on which the tenant is permitted to occupy a property, including the lease length.

Lease Incentive – payment used to encourage a tenant to take on a new lease; for example, a landlord paying a tenant a sum of money to contribute to the cost of a tenant's fit-out of a property or by allowing a rent-free period.

Lease Re-gear – renegotiation of a lease during the term and often linked to another lease event; for example, a Break Option or Rent Review.

Lease Renewal – renegotiation of a lease with the existing tenant at its contractual expiry.

Lease Surrender – agreement whereby the landlord and tenant bring a lease to an end other than by contractual expiry or the exercise of a Break Option. This will frequently involve the negotiation of a surrender premium by one party to the other.

LOA (Letter of Authority) – Permission required under the UK Data Protection Act for a third party to access energy consumption data from suppliers, as governed by Ofgem rules.

Manager - being ESR Europe Investment Management Limited (AIFM) and ESR Europe LSPIM Limited (Investment Adviser).

Mark-to-Market (MTM) – difference between the book value of an asset or liability and its market value.

Net Asset Value (NAV) (or Shareholders' Funds) (Prior EPRA methodology) – the value of the investments and other assets of an investment company, plus cash and debtors, less borrowings and any other creditors. It represents the underlying value of an investment company at a point in time.

Net Debt – total cash and cash equivalents less short- and long-term debt.

Net Gearing – (Borrowings – cash and cash equivalents)/(Total Issued Shares + Retained Earnings).

Net Loan-to-Value (LTV) Ratio / Net Borrowings – (Borrowings (before debt issuance costs) – less cash)/(Investment Properties Value) expressed as percentage.

Occupancy Percentage – percentage of the total area of all properties and units currently let to tenants.

Ongoing Charges – a measure, expressed as a percentage of NAV, of the regular, recurring costs of running an investment company, which is calculated in line with AIC methodology.

Ordinary Resolution – a resolution passed by more than 50 per cent. majority in accordance with the Companies Law.

Over Rented – when the Contracted Rent is higher than the ERV.

Passing Rent – the rent that is payable at any particular time, allowing for lease incentives. This phrase is often used for Contracted Rent.

Property Income Distributions (PID) – profits from property related business distributed to Shareholders which are subject to tax in the hands of the Shareholders as property income. PIDs are normally paid net of withholding tax, currently at 20%, which the REIT pays to the tax authorities on behalf of the Shareholder. Certain types of Shareholder (i.e. pension funds) are tax exempt and receive PIDs without withholding tax. Property companies also pay out normal dividends, called non-PIDs, which are treated as not subject to withholding tax.

Property Manager – ESR Europe PM Limited.

Prospectus – the Company's prospectus issued on 27 June 2024.

REIT – a qualifying entity which has elected to be treated as Real Estate Investment Trust for tax purposes. In the UK such entities must be listed on a recognised stock exchange, must be predominately engaged in property investments activities and must meet certain ongoing qualifications as set out under section 705 E of the Finance Act 2013.

Rent Review – periodic review of rent during the term of a lease, as provided for within a lease agreement.

Rent Roll – is the contracted gross property rent receivable which becomes payable after tenant incentives in the letting have expired.

Reversion – expected increase in rent estimated by the Company's External Valuers, where the passing rent is below the ERV. The increases to rent arise on rent reviews and lettings.

Reversionary Yield – anticipated yield, excluding lease expiry, to which the Net Initial Yield will rise (or fall) once the rent reaches the Estimated Rental Value. ERV/ Investment Properties Value expressed as a percentage.

Shareholder – a holder of Shares in the Company.

Shares – ordinary Shares issued by the Company.

SIPP – self-invested personal pension.

SONIA – Sterling Overnight Index Average.

SSAS – small self–administered scheme.

TCFD – Task Force on Climate-Related Financial Disclosures created in 2015 by the Financial Stability Board to develop consistent climate-related financial risk disclosures for use by companies, banks, and investors in providing information to stakeholders.

Total Shareholder Return – the movement in the Share price, plus the dividend distributions received and reinvested in the period, expressed as percentage of the Share price at the beginning of the period.

Triple Net Initial Yield (NNNIY) – (Annualised current passing rent net of property related taxes, building insurance, and maintenance costs (the three "nets"))/ (Investment Properties Value).

UN SDG – the Sustainable Development Goals or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set up in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030.

Value add – alternative use properties with value potential greater than capex to core; significant potential for upside compared to current book values.

Void costs – Property costs incurred during vacancy and refurbishment, such as rates and utilities

Weighted Average Cost of Debt (WACD) – Group borrowings' interest costs and net derivative costs expected over the next 12 months, divided by the total Group debt expected to be in issue over the same 12-month period

Weighted Average Debt Duration (WADD) – is calculated by multiplying each tranche of Group debt by the remaining period to its maturity, with the sum of the results being divided by total Group debt in issue at the period end.

Weighted Average Debt to Maturity (WAD) – each tranche of Group debt is multiplied by the remaining period to its maturity and the result is divided by total Group debt in issue at the period end.

Weighted Average Effective Interest Rate – the Group's loan interest and hedging derivative costs per annum divided by total Group debt in issue at the period end.

Weighted Average Unexpired Lease Term (WAULT) – is the average lease term remaining to first break, or expiry, across the portfolio weighted by rental income (including rent-free).

Yield Compression – occurs when the net equivalent yield of a property decreases, measured in basis points.

Company Information

Directors

David Hunter (Chairman and Independent Non-Executive Director)

Massy Larizadeh (Senior Independent Non-Executive Director, Chair of the Nomination Committee and Management Engagement and Remuneration Committee)

Nicole Burstow (Non-Executive Director)

Frances Daley (Independent Non-Executive Director, Chair of the Audit Committee)

Stephen Inglis (Non-Executive Director)

Sarah Whitney (Independent Non-Executive Director)

Registered Office
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Company Secretary
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AIFM
ESR Europe Investment Management Limited
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Property Valuer
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Tax Adviser
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G2 5AS

Regional REIT Limited ISIN:
GG00BSY2LD72

SEDOL:
BSY2LD72

Legal Entity Identifier:
549300D8G4NKLRIKBX73

Company website
www.regionalreit.com

Forthcoming Events

October 2026
Dividend payment

November 2026
Q3 Trading update and Dividend declaration

February 2027
Q4 Dividend declaration

March 2027
2026 Preliminary results

May 2027
Q1 2027 Trading update and Dividend declaration

Note: all future dates are provisional and subject to change

Shareholder Information

Please phone: **0371 664 0300** for any questions about:

- changing your address or other details
- your Shares
- buying and selling Shares

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 09:00 and 17:30, Monday to Friday, excluding public holidays in England and Wales. For Shareholder enquiries, please email: **shareholderenquiries@cm.mpms.mufg.com**

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