



Investor Presentation – Half Year to 30 June 2022

Delivering a reliable high dividend



Introduction

- Overview and Portfolio
- Appendix



Stephen Inglis
Chief Executive Officer



Derek McDonald
Chief Operating Officer



Simon Marriott
Investment Director

H1 22 Summary – Shares Yielding 9.5%

Performance

Total Shareholder Return

- Since IPO* +18.2%
- Annualised +2.6%

Total Accounting Return

- Since IPO +44.4%
- Annualised +5.7%

Dividend

- Dividend 3.3p (Jun 21: 3.2p)

→ Targeting a FY 2022 6.6p dividend
→ Prospective yield c. 9.5%**

Earnings

- EPRA EPS 2.9p (Jun 21: 3.0p)

→ Robust earnings

Key Initiatives

- Maintaining income
- Driving yield
- Matching property exposure with growth regions

→ Very strong HY rent collection† 98.7% ‡

→ Average yields: 8.4% acquisitions Vs disposals 5.5%

EPRA NTA

- £500.5m; 97.1p (Dec 21: £501.4m; 97.2p)

→ Acquisition fees £3.5m (0.7p); unrecognised in the valuation

Portfolio

£918.2m (Dec 21: £906.1m)

- CAPEX £3.1m
- NIY 5.7%
- Like-for-like capital value growth +100bps

Highly geographically diversified

- 159 properties; offices 133
- 1,086 tenants; offices 1,004
- Regional offices located across the main UK conurbations

Debt and Cash

LTV

- 43.2% (Dec 21: 42.4%)

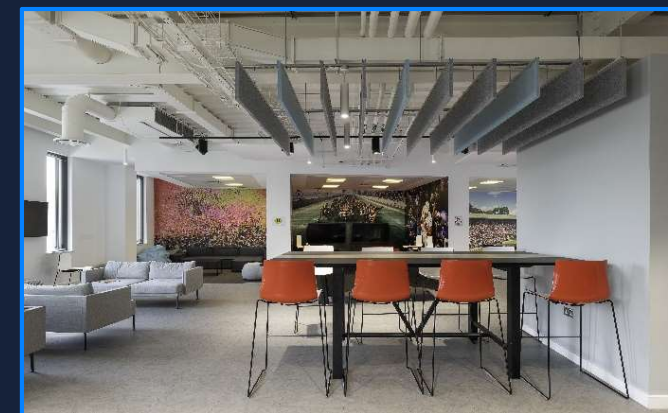
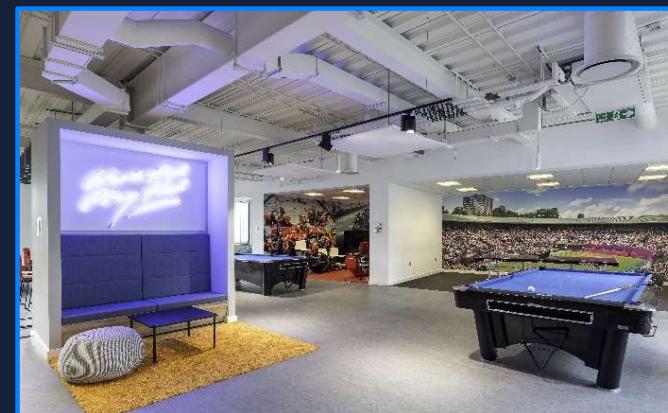
Cash

- £46.2m (Dec 21: £56.1m)

Debt

- 100% fixed, swapped or capped

→ Asset management plans progressing to bring back to long term target of 40% in the short term



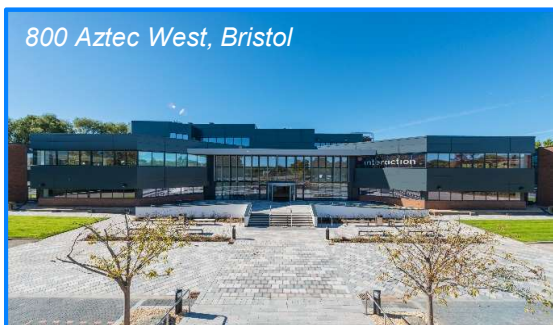
1 North Bank, Sheffield

Diversified portfolio – delivering income

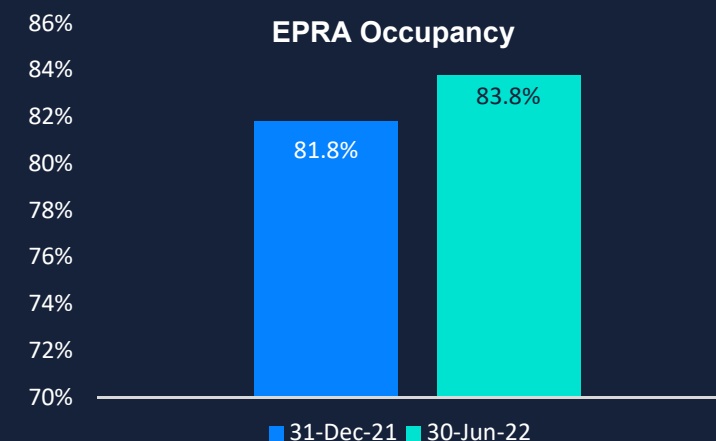
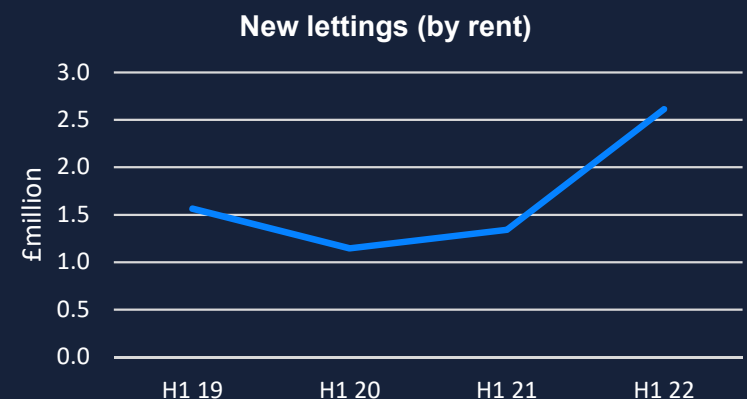
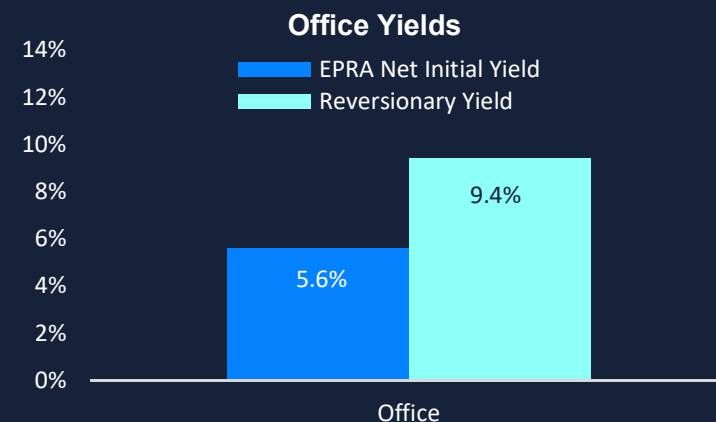
Proactive property asset management

- £74.7m of assets acquired (before costs) – NIY 8.4%
 - £71.4m of disposals (net of costs) – NIY 5.5%
 - EPRA Occupancy (by ERV) 83.8% (Dec 21: 81.8%); like-for-like 30 Jun 21 Vs 30 Jun 22 82.1%
 - 47 new lettings; £2.6m p.a. gross rent roll
 - Expiries H1 2022: 71.7% of units remain let (2021: 69.6%)
- Focus on regional properties outside M25
- Offices 92.0% (by value)
- 63.3% - Business Parks
 - 31.5% - Central Business Districts
 - 5.2% - Edge of town
- Industrial 3.1% (by value) (2021: 5.1%)

800 Aztec West, Bristol



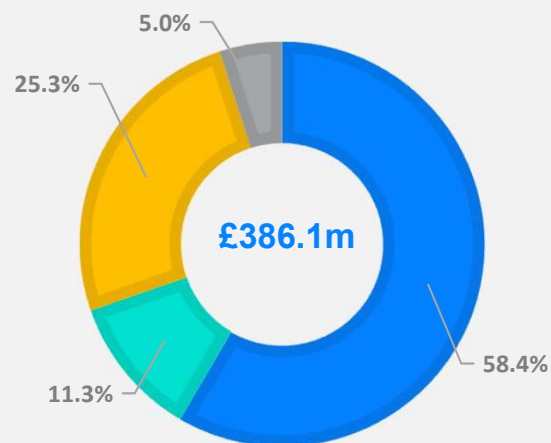
Orbis 1 & 2, Pride Park, Derby



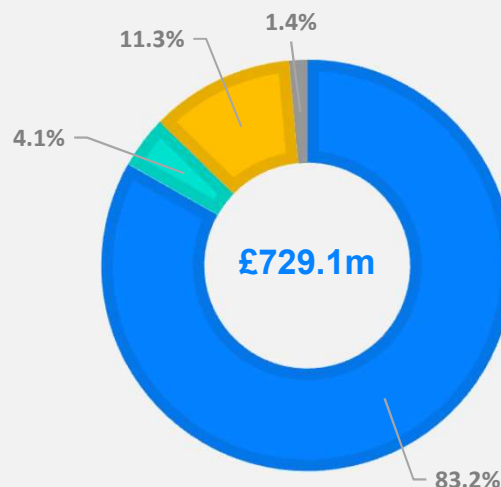
£918.2m Property Portfolio (H1 21 £729.1m)

IPO – November 2015

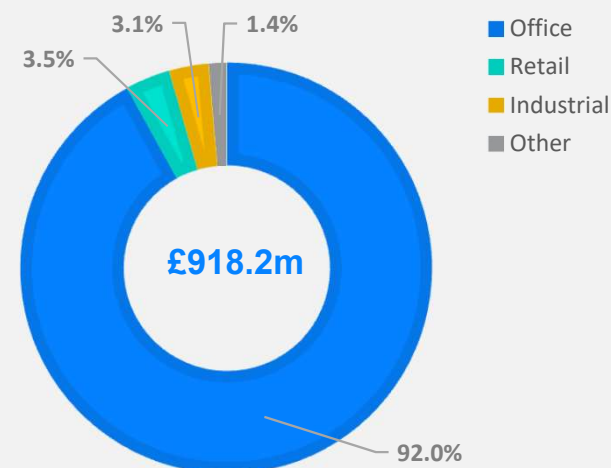
Sector Split (% by value)



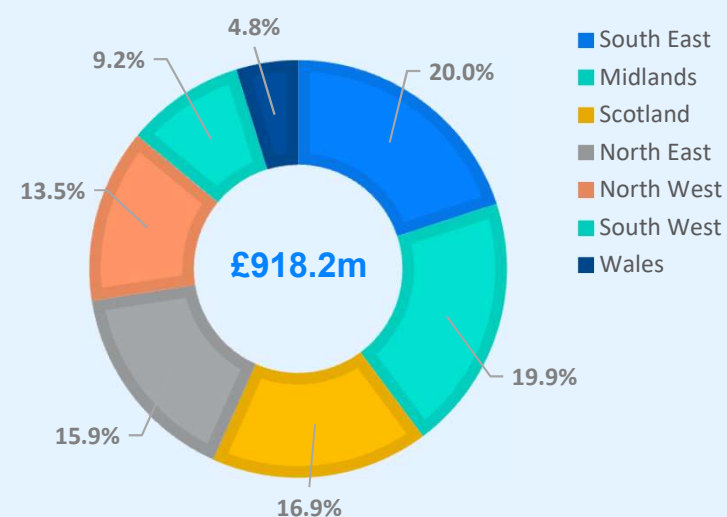
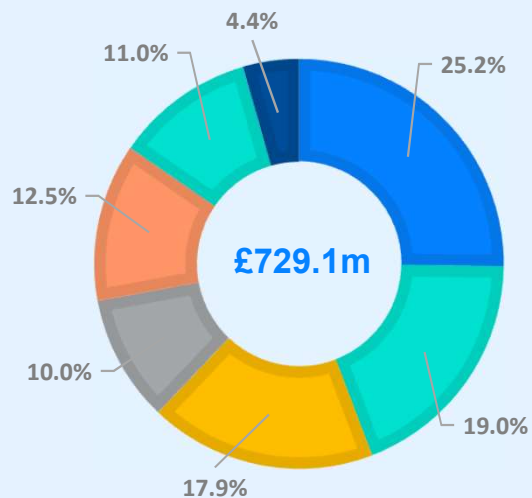
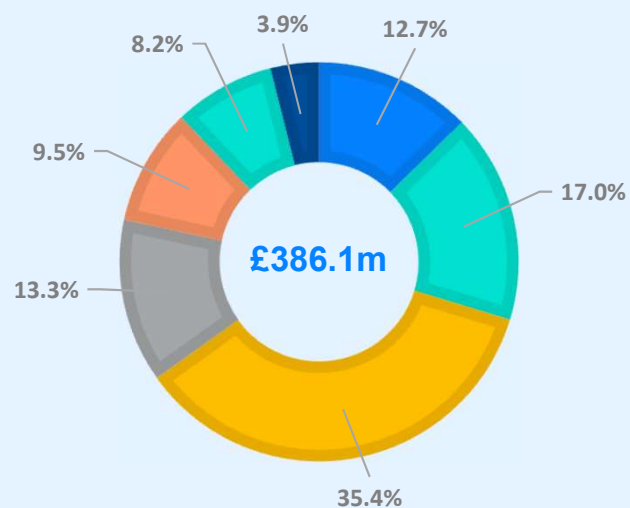
30 June 2021



30 June 2022



Regional Split (% by value)



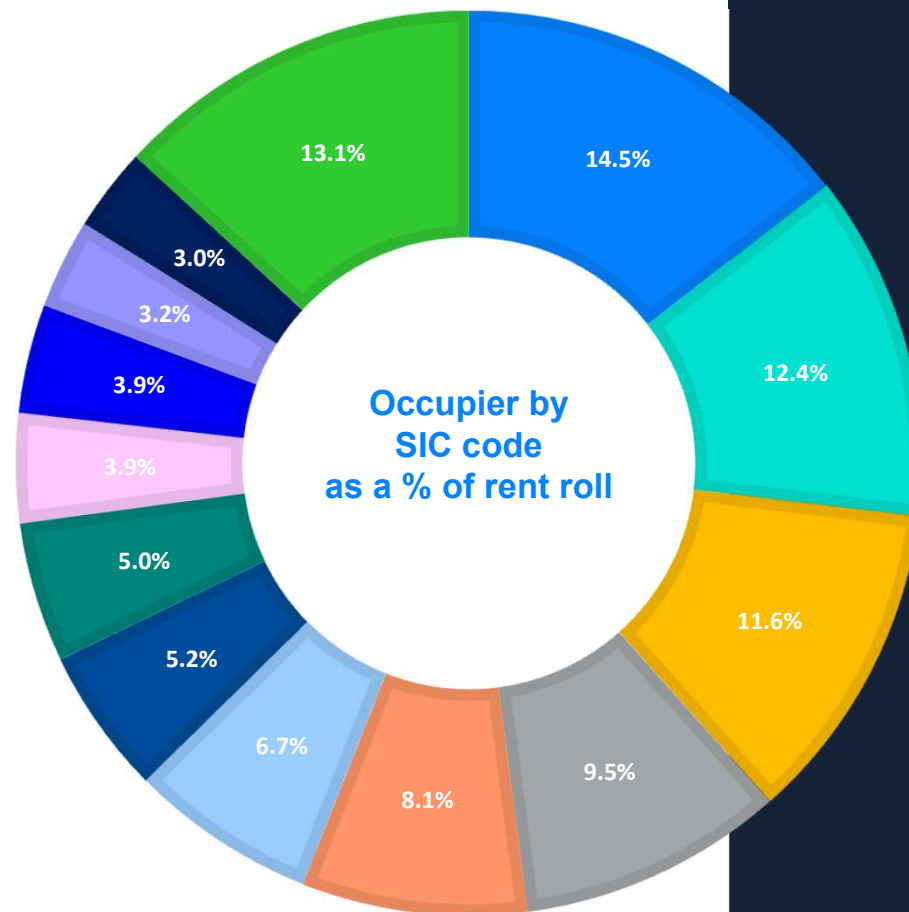
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Blue Chip Tenants



Increased de-risking through diversification – Occupier Base

- Diversified income - large tenant mix across £918.2m of assets
- Spread of assets – 159 properties
- 1,086 tenants across 1,517 units
- Broad spread of tenant businesses
- A broad geographic spread
- The largest occupier represents only 2.4% of rent roll
- Top 15 tenants represent 21.4% of the Group's gross rent roll
- Largest single property accounts for only 3.0% of portfolio by value



- Professional, scientific and technical activities
- Information and communication
- Administrative and support service activities
- Financial and insurance activities
- Wholesale and retail trade
- Public sector
- Electricity, gas, steam and air conditioning supply
- Manufacturing
- Human health and social work activities
- Construction
- Education
- Other service activities
- Other

Driving Value in Action – Squarestone Update

Portfolio at Acquisition

31 properties located entirely outside of the M25

- Acquisition price of £236.0m
- Capital value of £133.54/ sq. ft.
- Rental Income of £21.9m
- 208 tenants
- EPRA Occupancy (by ERV) 78.4%
- Net initial yield of 7.8%

Activity Post Acquisition

Disposal of two assets

- Newport Retail Park, Newport - £6.6m (21.1% above acquisition price)
- Mountbatten House, Basingstoke - £3.65m (21.7% above acquisition price)

Completed 18 new lettings

- Secured 18 new lettings across 37,160 sq. ft. of space
- New lettings provide a combined annual rent of £0.6m

Completed 38 lease renewals

- Secured 38 lease renewals across 47,799 sq. ft. of space
- Lease renewals provide a combined annual rent of £0.8m



Portfolio as at 30 June 2022

Rental Income
£18.4m

Capital Value
£146.20 per sq. ft.

EPRA Occupancy (by ERV)
80.7% (78.4% at acquisition)

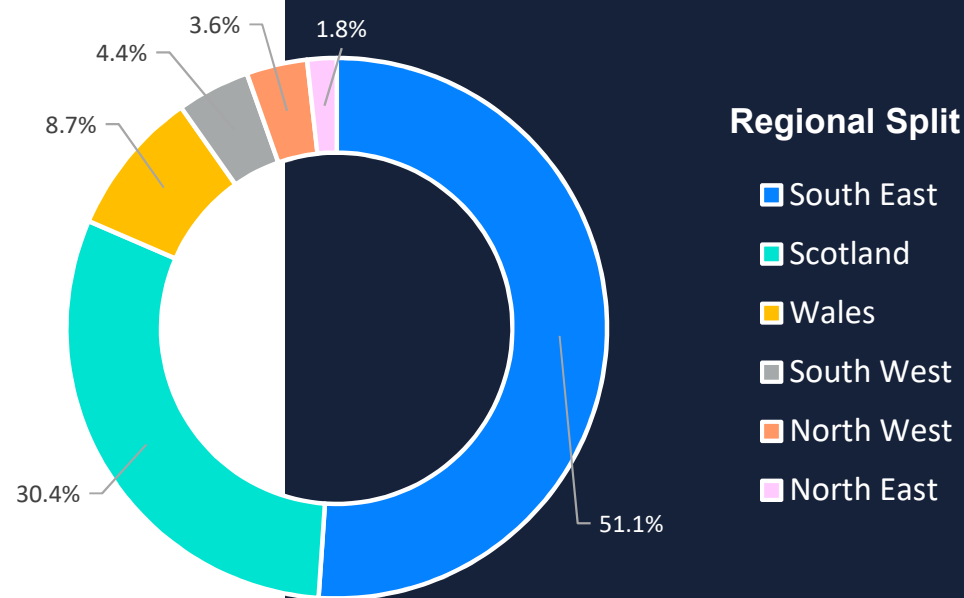
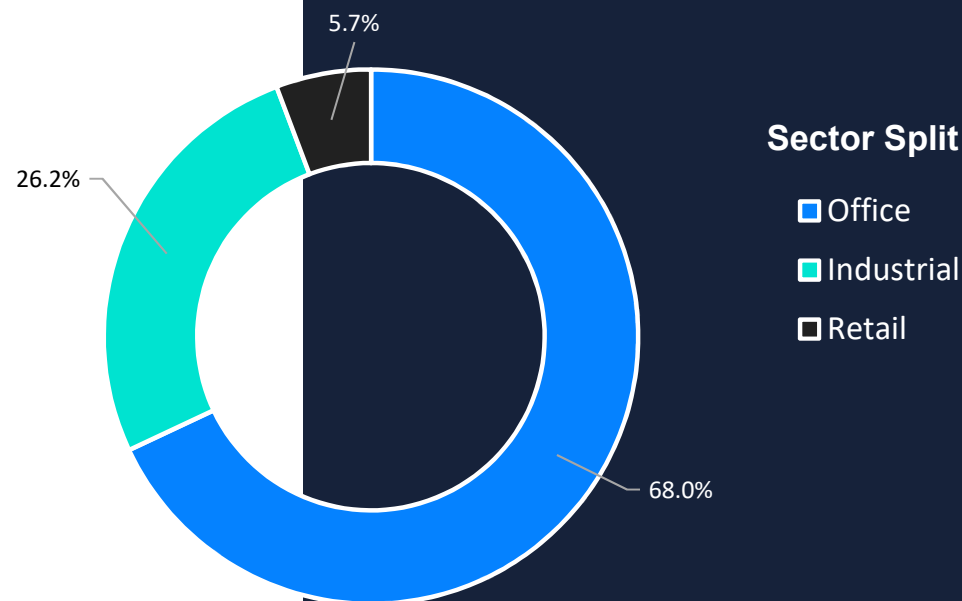
ERV
£24.0m



Disposals

Summary – Disposals during H1 2022

- Disposals totalled **£75.5m** (before costs) reflecting an uplift against valuation (Dec 21) of 0.9%
- Reflecting an **average net initial yield of 5.5% (6.4% excluding vacant assets)**.
- 15** assets and 1 part sales in total during H1 2022
- Disposals of non – core and assets at the end of their business plans. Majority sold for alternative use.



Howdens, Renfrew

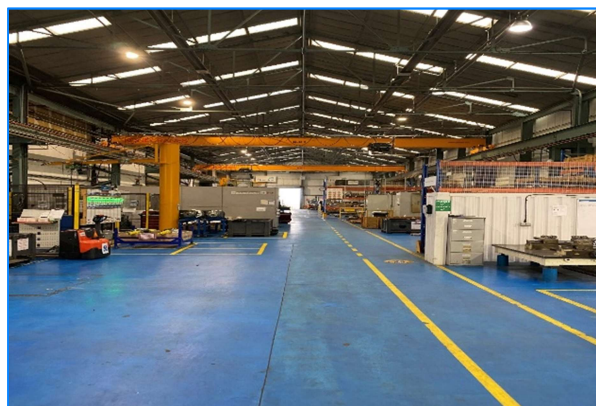
Acquired in November 2020 for £7.05m

The 204,414 sq. ft. industrial, warehouse is fully let to James Howden & Company Ltd

Over the period of ownership of this property, the asset manager completed an early regear on the tenant's 2025 lease expiry. The existing tenant extended the term by a further 10 years to 2031 at a rental income of £762,615 pa

The Howden site was sold in April 2022 for £13.0m.

After capital expenditure, this disposal reflects a 84.2% uplift from the acquisition price and is a 27.5% premium to the 31 June 2021 valuation, with a net initial yield of 6.0%.



Acquisition Price	£7.1m
Valuation Dec 21	£12.9m
Sale Price (before costs)	£13.0m
Net Initial Yield	6.0%
Uplift against acquisition price	84.2% (after capex)

Newport Retail Park, Newport

Acquired in August 2021 as part of a major portfolio of 31 assets from Squarestone LLP

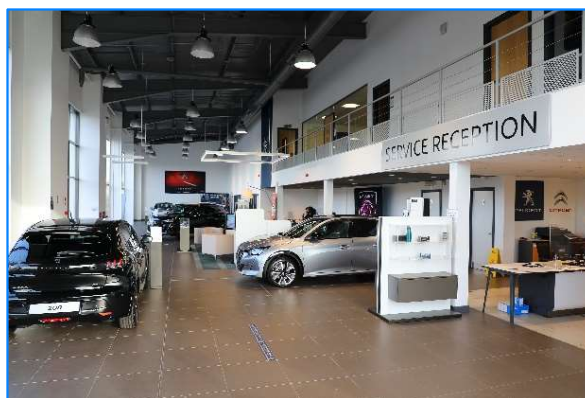
The 55,770 sq. ft. multi-let industrial, retail warehouse was purchased for £5.45m

Two fully let retail units that have separate customer and service access. The site is adjacent to a large range of national retailers

The property is let to Matalan Retail Ltd and Peugeot Motor Company plc at a combined gross rent of £0.5m (£9.37/ sq. ft.)

- Matalan have been in occupation since 2001 and are paying £8.78 psf.
- Peugeot have been in occupation since 2000 and are paying £11.00 psf.

Disposal of asset for £6.6m, representing a substantial uplift of 21.5% against the 31 December 2021 valuation.



Acquisition Price	£5.5m
Valuation Dec 21	£5.4m
Sale Price (before costs)	£6.6m
Net Initial Yield	7.4%
Uplift against acquisition price	21.1% (after capex)



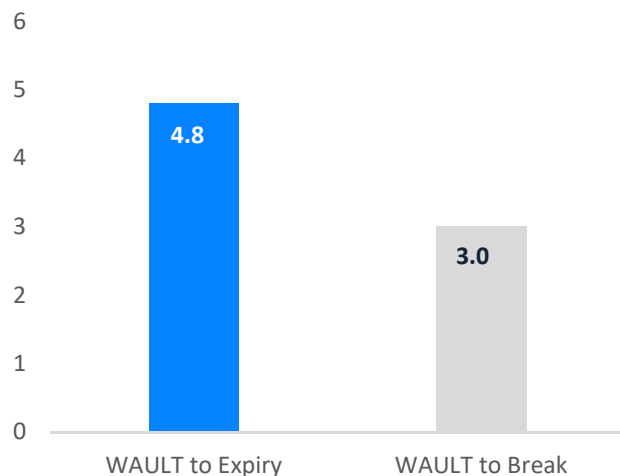
Acquisitions

Acquisition of £74.7m of Property Assets

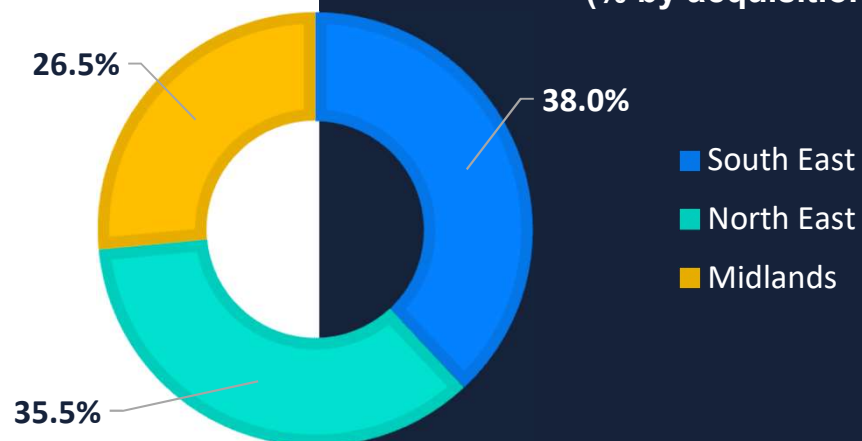
Summary

- Diversified income – 97 tenants across 6 office properties
- Geographic spread by rental income: South East (39.2%), North East (33.7%), Midlands (27.2%)
- EPRA occupancy (by ERV) of 98.6%
- Total floor area of 396,836 sq. ft.
- 8.4% net initial yield

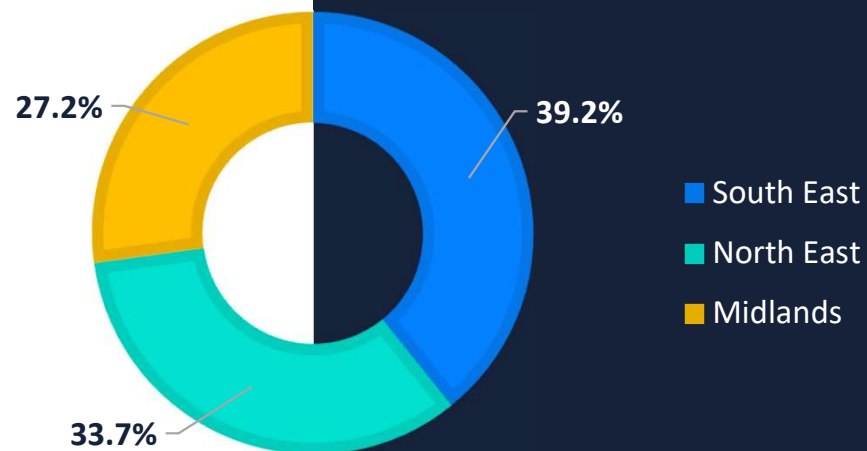
WAULTS



Regional Split (% by acquisition price)



Regional Split (% by contracted rent)



Orbis 1, 2 & 3, Pride Park, Derby

Acquisition of office property for £19.8m, reflecting a net initial yield of 8.6%

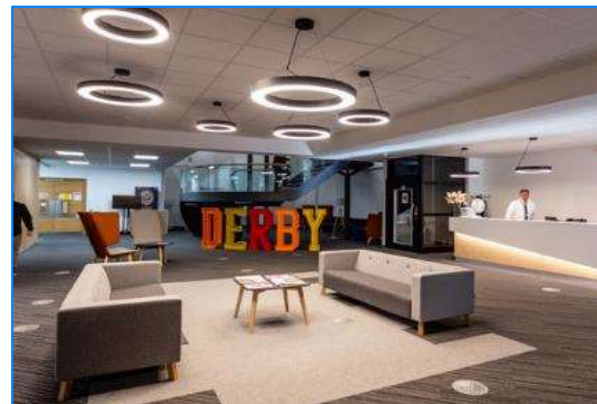
Purchased in May 2022, the property is located in the heart of Pride Park, which is a substantial 180 acre business park, and is Derby's premier business location. The site extends to 7.54 acres

The asset is situated within a 5 minute walk of Derby train station. Additionally, the property has a total of 526 car spaces, a ratio of 1: 232 sq. ft.

The three buildings have a combined net internal floor area of 121,883 sq. ft. – all of which have an EPC rating of B, therefore offering good ESG credentials

The tenants have shown commitment to the location through continued occupation, new leases and extensive fit outs.

- Orbis 1 is let to DHU who run the NHS 111 service for Derbyshire. The tenant has recently invested in updating the offices.
- Orbis 2 is let to First Source who operate a Sky call centre and have been in occupation for almost 10 years .The premises were 100% occupied during the Covid lockdown period.
- Orbis 3 is let to Tentamus Pharma UK a leading provider of GMP (Good Manufacturing Process) Analytics to the drug and food industry.



Acquisition Price	£19.8m
Rental Income (at acquisition)	£1.8m
Floor Area	121,883 sq. ft.
Net Initial Yield	8.6%
ERV	£1.8m

Portfolio Acquisition - Accretive 8.0% Yield

Three Yorkshire office assets were purchased for £26.5m in June 2022

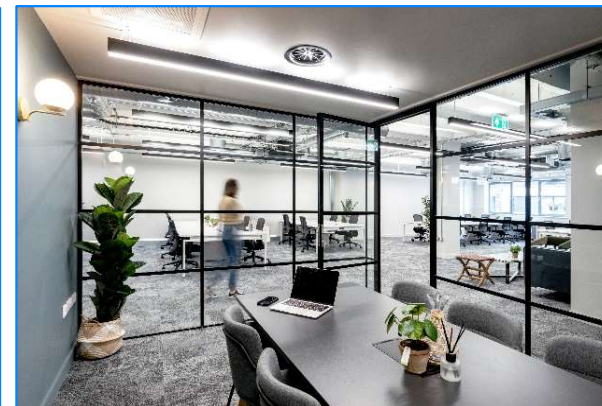
1 North Bank, Sheffield (totalling 58,893 sq. ft.)

- Five floors of recently refurbished Grade A office space; BREEAM 'Very Good'; EPC C with a clear plan to enhance the ratings further for minimal capital expenditure
- 98.4% occupancy (by ERV); major tenants include Social Work England and XLN Telecom Ltd
- Located to the north of the city centre, with excellent rail and road links and 70 car parking spaces
- Contracted rent of £0.8m (£14.09 \ sq. ft.); WAULT to first break of 2.0 years and 4.5 years to expiry



Thorpe Park, Leeds (totalling 31,101 sq. ft.)

- Two floors of recently fully refurbished office space; EPC A first floor and EPC B ground floor
- 100% occupancy (by ERV); major tenants include Homeserve Membership Ltd. and SpaMedica Ltd
- Excellent road links with 154 car parking spaces; Thorpe Park will soon be able to boast its own railway station
- Contracted rent of £0.7m (£21.21 \ sq. ft.); WAULT to first break of 3.9 years and 6.7 years to expiry



Albion Street, Leeds (totalling 34,196 sq. ft.)

- Six floors of recently fully refurbished well specified office space and retail on the ground floor; EPCs range from B to D with a clear plan to enhance the ratings further for minimal capital expenditure
- 99.0% occupancy (by ERV); major tenants include Specsavers, Akari Care Ltd., and The National Association of Citizens Advice Bureaux
- Located in Leeds city centre, with 14 car parking spaces, being rich in amenities and well served by transport connections
- Contracted rent of £0.8m (£22.55 \ sq. ft.); WAULT to first break of 1.2 years and 2.5 years to expiry

Acquisition Price

£26.5m

Rental Income

£2.3m

Floor Area

124,190 sq. ft.

Net Initial Yield

8.0%

ERV

£2.4m

Linford Wood Business Park, Milton Keynes

Acquisition of office property for £15.9m, reflecting a net initial yield of 8.9%

The acquisition price is underpinned by increasing residential and industrial land values

Purchased in May 2022, the property is a freehold 5-building business park comprising of 107,352 sq. ft. 1 single-let and 4 multi-let office buildings.

The Park benefits from extensive parking and close proximity to Central Milton Keynes (1.5miles). The site is 3 miles from junction 14 of the M1 motorway. Additionally, Linford Wood Business Park offers is in the middle of the Oxford/ Cambridge economic growth area. Milton Keynes is in the 'UK Growth Corridor' between Oxford and Cambridge, the UK Governments vision for maximising population growth, business expansion and economic output.

All buildings have an EPC rating of C.



Acquisition Price	£15.9m
Rental Income (at acquisition)	£1.5m
Floor Area	107,352 sq. ft.
Net Initial Yield	8.9%
ERV	£1.6m

Origin 1 & 2, Crawley

Acquisition of office property for £12.5m, reflecting a net initial yield of 8.4%

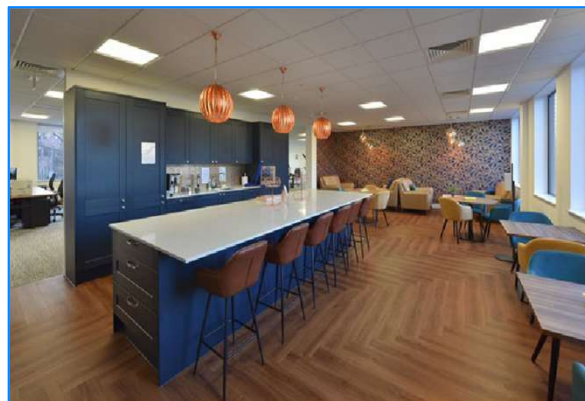
The freehold asset is prominently located on a corner site in Crawley Town Centre, a strong south east commercial centre close to London Gatwick Airport

The property is situated on the High Street within 750 metres of Crawley train station, benefitting from an extensive amenity offer at The Broadgate, on the High Street and at Crawley Leisure Park

These two self-contained offices produce £1.1m pa of rental income from seven separate tenants and total some 45,855 sq. ft. of accommodation





Origin 1 has an EPC rating of B having recently been re-assessed post refurbishments referred to below. Origin 2 has an EPC rating of C – the asset manager is confident that with capex assumed as part of the business plan (including the refurbishment of tenant space) this will also receive an EPC rating of B

The assets benefit from 214 car parking spaces, reflecting an excellent town centre car parking ratio of 1:219 sq. ft.



Acquisition Price	£12.5m
Rental Income (at acquisition)	£1.1m
Floor Area	45,855 sq. ft.
Net Initial Yield	8.4%
ERV	£1.3m

Debt Facilities – Defensive Debt Profile

	Lender	Original Facility £'000	Outstanding Debt* £'000	Maturity Date	Gross Loan to Value** %	Annual Interest Rate %		Swaps\Caps: Notional £'000	Swap Rates Blend %
	Royal Bank of Scotland, Bank of Scotland & Barclays	128,000	127,445	Aug-26	43.7	2.40	Over 3mth £ SONIA	73,000 55,000	0.97 0.97
	Scottish Widows Ltd. & Aviva Investors Real Estate Finance	165,000	165,000	Dec-27	45.8	3.28	Fixed	n/a	
	Scottish Widows Ltd	36,000	36,000	Dec-28	37.2	3.37	Fixed	n/a	
	Santander UK	65,870	64,444	Jun-29	39.5	2.20	Over 3mth £ SONIA	49,403 16,468	1.39 1.39
		394,870	392,889						
	Retail Eligible Bond	50,000	50,000	Aug-24	NA	4.50	Fixed		
		444,870	442,889						

**Weighted Average
Debt Duration
Weighted Average
Cost of Debt**

5.0 years (2021: 5.5 years)

3.50% (2021: 3.3%)

- The Group WACD will not exceed 3.50% given the swaps and caps in place.

* Before unamortised debt issue costs ** Based on Cushman and Wakefield property valuations

ESG – Focused on delivering sustainability

Environment

- On target to achieve EPC B rating by 2030
- EPC ratings progressing

Rating	30 December 2021	30 June 2022	Movement
A-B	9.9%	13.2%	+330bps
C	33.7%	33.8%	+10bps
D-E	50.4%	47.7%	(270)bps
Other	5.9%	5.2%	(70)bps

Table may not sum due to rounding.

- Indicative GRESB rating improved to 60 from 52
- CAPEX programme (H1 22 £3.1m) considers the choice of materials and equipment to mitigate impact and enhanced EPC rating
- All sites visited regularly with evident environmental issues or ideas reported to the board

Social

- Working with not-for-profit organisations
- Committed to making a positive difference in society with charitable donations; IM and AM match funding for good causes and encouraging staff to be active in their local communities
- LSPIM's dedication to supporting and empowering women through workplace culture has earned them a place on this year's UK's Best Workplaces™ for Women's list
- LSPIM certified as a 'Great Place to Work' (GPTW)
- Committed to promoting diversity in the workplace



Governance

- 71% of the Board are independent directors; 40% of the independent directors female
- 100% independent Audit, Management Engagement and Remuneration, and the Nomination Committee
- Committed to establishing and maintaining high standards of corporate governance in line with best practice (Fully AIC compliant)





Summary & Outlook

The future of the office – What we are seeing

- Majority of tenants back in the office
 - 98.6% of our office tenants (by rental income) have returned either on a full-time or hybrid basis
 - Only 13 out of 1,004 office tenants have not returned to date following Covid-19. Therefore, 98.7% of tenants (by number) are back in the office either on a full-time or hybrid basis
- Challenges
 - Uncertain economic outlook
 - Political change – new PM
 - Energy pricing – impacting commercial market
 - Cost of living crisis – severity and impact not yet known
- Supply continues to contract
 - Inflation and interest rates impacting cost of build
 - Funding availability likely to be constrained as lenders stress test balance sheets
 - Developers experiencing margin pressures resulting in reduced projects
 - Repurposing reducing supply
 - Planning will become tighter on new build projects given environmental impact and embodied carbon now a consideration
- Opportunities include, but are not limited to
 - Providing superior regional office products to meet the varied needs of our customers
 - Letting acquired vacancy
 - Acquiring the necessary repurposing plans resulting in increased value and ensuring asset optionality
 - Hybrid approach to leasing being rolled out to increase occupancy

“Is this the end for working from home?”

Daily Mail (30 August 2022)

“WFH Crowd return to the office and cut holidays as crisis looms”

Sunday Telegraph (28 August 2022)

“Shift from candidates holding all the cards to employers now having the leverage to ask candidates to come into the office — at least some of the time”

Manpower Survey* – The Times (13 September 2022)

“London office sales surge as remote working boom ends”

The Telegraph (29 August 2022)

“If you're just sitting in your pyjamas in your bedroom, is that the work life you want to live? Don't you want to be part of something?”

Financial Times (5 September 2022) quote from Diary of CEO podcast - Malcolm Gladwell writer

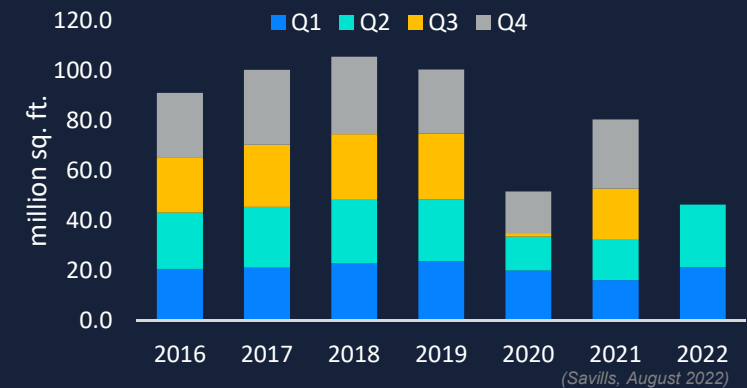
The future of the office – What we are seeing

- No substitute for in-person collaboration
 - Culture, community, creativity, value - add productivity
 - Collaborative working
 - Training
 - Talk of recession will draw people back to the office
- Hybrid working
 - Tailwind of the return to the office
 - Management question of the moment is, how to make hybrid work
 - ONS data shows that despite the rise in hybrid working as a result of Covid-19, the vast majority of people do not work from home, with only 14% of workers reporting that they worked exclusively from home – down from 26% in mid-January 2022.
- Comparisons
 - Europe – Take – up in European office market H1 22 is 11% above 5 year average (Savills research)
 - Manhattan leasing (new and renewals) in August 22 was 42% above the 5-year monthly average for the month and the highest level since December 19 (New York Post)
 - UK likely to follow – but current lag on letting market
 - Recent reports by The Daily Telegraph indicate that the cost of living crisis could push young workers back to the office this winter. Estimates show that nearly a quarter of under 35s are considering giving up WFH to avoid increased energy bills
 - It is estimated that those working from home will increase their daily gas use by 75% as they put the heating on for an extra ten hours a day during the winter months, while electricity use is predicted to rise by 25% as they prepare meals and cups of tea at home

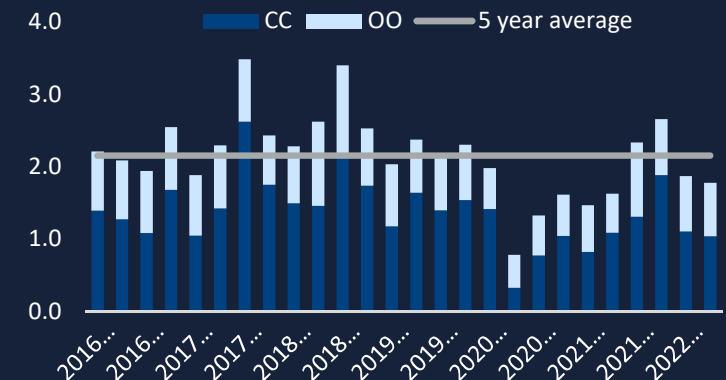
Worked from home only (not travelled to work)



European Office Market Take Up



Big 9 UK Office Market Take Up



Outlook – Positioned for long term income and value

Quarterly income stream to our shareholders

- Increased quarterly dividend 1.65p (1.60p)
- Continues to be one of the highest yielding REITS
- Committed to paying regular quarterly dividends to our shareholders

Underpinned by rent and long term capital growth

- Rent Collection strong
- Uplifts achieved with renewals rates - at ERV or higher often above passing rent
- Individual asset management plans include a substantial or complete underwrite for alternative use;
- Roadmap in place for letting up vacancy
- Recycling assets promptly into higher yielding properties with favourable asset management opportunities
- Currently tracking assets of >£280m which meet our criteria.

Strategy pivot to all office portfolio

A compelling de-risked asset backed proposition with a strong yield underpinned by long term capital value appreciation and by alternative uses





Appendix

- Portfolio Activity – Asset Management Initiatives (CAPEX)
- Financial Information
- Property Portfolio
- Performance
- Glossary



Asset Management Initiatives (CAPEX)

300 Bath Street, Glasgow

Acquired in 2013, 300 Bath Street is the largest single asset (by value) in the portfolio at £27.6m (3.0% of the portfolio)

Landmark Grade A office building in Glasgow City Centre offering column free floor plates up to 30,000 sq. ft.

At acquisition, the building was dominated by the occupation of Barclays who had a lease over several floors which provided a substantial ongoing net income position with an opportunity to redevelop/reposition the building at expiry

The first and second floors were comprehensively refurbished in 2016 with Regus, under their Spaces brand, taking the second floor shortly thereafter

As anticipated as part of the business plan for the asset, Barclays initiated their lease break options and vacated the property in November 2021 providing the opportunity to update and reposition the building to deliver contemporary Grade A specification space at a cost effective rent

The asset has been re-branded from “Tay House” to 300 Bath Street. Works have commenced on the comprehensive reconfiguration of the entrance to the building and refurbishment of the reception and common areas. The works will also include the provision of an amenity block providing updated wellness facilities including cycle storage, gym and showers. This paves the way for a fresh branding and marketing the available office space. The former-Barclays’ floors will be refurbished as part of the scope of works

Before



After



Acquisition Price	£25.0m
Valuation Jun 22	£27.6m
ERV (Jun 22)	£3.3m
Floor Area	156,853 sq. ft.
Gross Rent Roll	£1.2m

300 Bath Street, Glasgow

Works on the proposed refurbishment commenced in February 2022 and are forecast to complete in January 2023 (basement works in March 2023). The works will present an opportunity for comprehensive repositioning of the asset in a market with limited supply of high-quality large floor plates in an improving location. The proposals were key in securing the recent Fairhurst letting.

Summary Description of Works

- Relocation of entrance onto Bath Street elevation
- Introduction of new business lounge area for waiting guests and informal meetings
- New basement amenity to include gym area, showers and cycle racks
- Refurbishment of 4th Floor (East)

New Entrance

External Works

- Replacement of existing curtain walling to be replaced by new glazed entrance
- Installation of new automatic doors
- Installation of new canopy
- Existing glazed sections at current entrance to be replaced
- Water ingress at existing entrance to be investigated and remedied
- External brickwork to be painted

Internal Works

- Addition of new reception desk
- Accessible platform lift to be installed

30-34 Hounds Gate, Nottingham

Acquired in May 2016.

30/34 Hounds Gate comprises an attractive converted former Victorian mill with original frontage. The property has been extended at the rear under a part pitched and part flat roof with glazed curtain wall side elevations to provide large open plan floor plates.

The asset has already undergone extensive refurbishment works to 15,478 sq. ft. of office space (Cat A), reception and common areas and repositioned the building in the market. Practical completion of these works in February 2021. Total works costing £795,000 ex VAT.

Second phase of speculative refurbishment now underway on vacant 2nd and 3rd floors totalling 10,848 sq. ft. Works include provision of full renewal of all HVAC systems upgrading of lighting which will provide an EPC rating of B on completion. The works build on the successful refurbishment in 2021 of the ground and first floors which saw rents increase from £14.00/ sq. ft to £17.00/ sq. ft. Further tightening in the Nottingham letting market should enable further rental growth.

Before



After



Acquisition Price	£4.3m
Valuation Dec 21	£4.9m
ERV (Jun 22)	£0.6m
Floor Area	34,583 sq. ft.
Gross Rent Roll	£0.4m



Financial Information

Delivering on Strategy

Portfolio – Active management

	Dec 2021	Jun 2022	Change
Investment Property	£906.1m	£918.2m	+£12.1m
Acquisitions before costs	£236.0m	£74.7m	(£161.3m)
Acquisition Net Initial Yield	7.8%	8.4%	60bps
Disposals net of costs	£76.9m	£71.4m	(£5.5m)
Disposal Net Initial Yield	6.5%	5.5%	(100bps)
CAPEX	£6.8m	£3.1m	(£3.7m)

Portfolio diversification

Office	89.8%	92.0%	+220bps
Scotland*	19.0%	16.9%	(210bps)

Debt Proactive and defensive approach

Weighted Average Cost of Debt	3.3%	3.5%	+200bps
Weighted Average Duration	5.5yrs	5.0yrs	(0.5yr)
Fixed and hedged	101.3%	100.5%	(80bps)

Return Continued robust returns with a high yielding uninterrupted quarterly dividend

Total Accounting Return since IPO**	41.2%	44.4%	+320bps
Total EPRA Annual Accounting Return	5.8%	5.7%	(10bps)
Dividends declared H1	3.2	3.3p	+0.10p

* Long term exposure target to Scotland of 15% **IPO 06.11.2015 – NAV plus dividend

Financial – Statement of Comprehensive Income

	Half year end 2021 (£'000)	Half year end 2022 (£'000)	Change (£'000)
Rental and property income	36,335	45,211	8,876
Property costs	(10,966)	(16,267)	(5,301)
Net rental and property income	25,369	28,944	3,575
Administrative & other expenses	(5,477)	(5,568)	(91)
Operating profit (loss) before gains/(losses) on property assets/other investments	19,892	23,376	3,484
Gains/(loss) on the disposal of investment properties & right of use asset	587	(3,245)	(3,832)
Change in fair value of investment properties & of right of use asset	1,888	4,673	2,785
Operating profit/(loss)	22,367	24,804	2,437
Net finance income/expense, impairment of goodwill and net movement in fair value of derivative financial instruments	(4,354)	3,448	7,802
Profit/(loss) before tax	18,013	28,252	10,239
Taxation	-	-	-
Profit/(loss) after tax for the period (attributable to equity shareholders)	18,013	28,252	10,239
Earnings/(losses) per share - basic	4.2p	5.5p	1.3p
Earnings/(losses) per share - diluted	4.2p	5.5p	1.3p
EPRA earnings/(losses) per share - basic	3.0p	2.9p	(0.1p)
EPRA earnings/(losses) per share - diluted	3.0p	2.9p	(0.1p)

Financial – Statement of Financial Position

	Year-end Dec 2021 (£'000)	Half year-end Jun 2022 (£'000)	Change		Year-end Dec 2021 (£'000)	Half year-end Jun 2022 (£'000)	Change
Assets Non-current Assets				Liabilities Current liabilities			
Investment properties	906,149	918,200	12,051	Current liabilities	(58,422)	(60,430)	(2,008)
Right of use assets	16,482	12,402	(4,080)	Non-current liabilities			
Other non-current assets and derivative financial instruments	2,525	14,231	11,706	Bank and loan borrowings - non current	(433,070)	(436,605)	(3,535)
				Lease liabilities	(16,795)	(12,762)	4,033
Current assets				Total liabilities	(508,287)	(509,797)	(1,510)
Current assets	29,404	32,181	2,777	Net assets	502,401	513,375	10,974
Cash and cash equivalents	56,128	46,158	(9,970)				
Total assets	1,010,688	1,023,172	12,484	Share capital	513,762	513,762	-
				Retained earnings/accumulated (losses)	(11,361)	(387)	10,974
				Total equity	502,401	513,375	10,974
				Net assets per share – basic	97.4p	99.5p	2.1p
				Net assets per share – diluted	97.4p	99.5p	2.1p
				EPRA net tangible value per share – basic*	97.2p	97.1p	(0.1p)
				EPRA net tangible value assets per share – diluted*	97.2p	97.1p	(0.1p)

*EPRA Net Reinstatement Value(NRV): 30 June 2022 97.1p (31 December 2021: 97.2p); Net Disposal Value(NDV): 30 June 2022 101.9p (31 December 2021: 96.4p)

Cash Flow – Ample Liquidity

Cash bridge 30 June 2022 (£m)

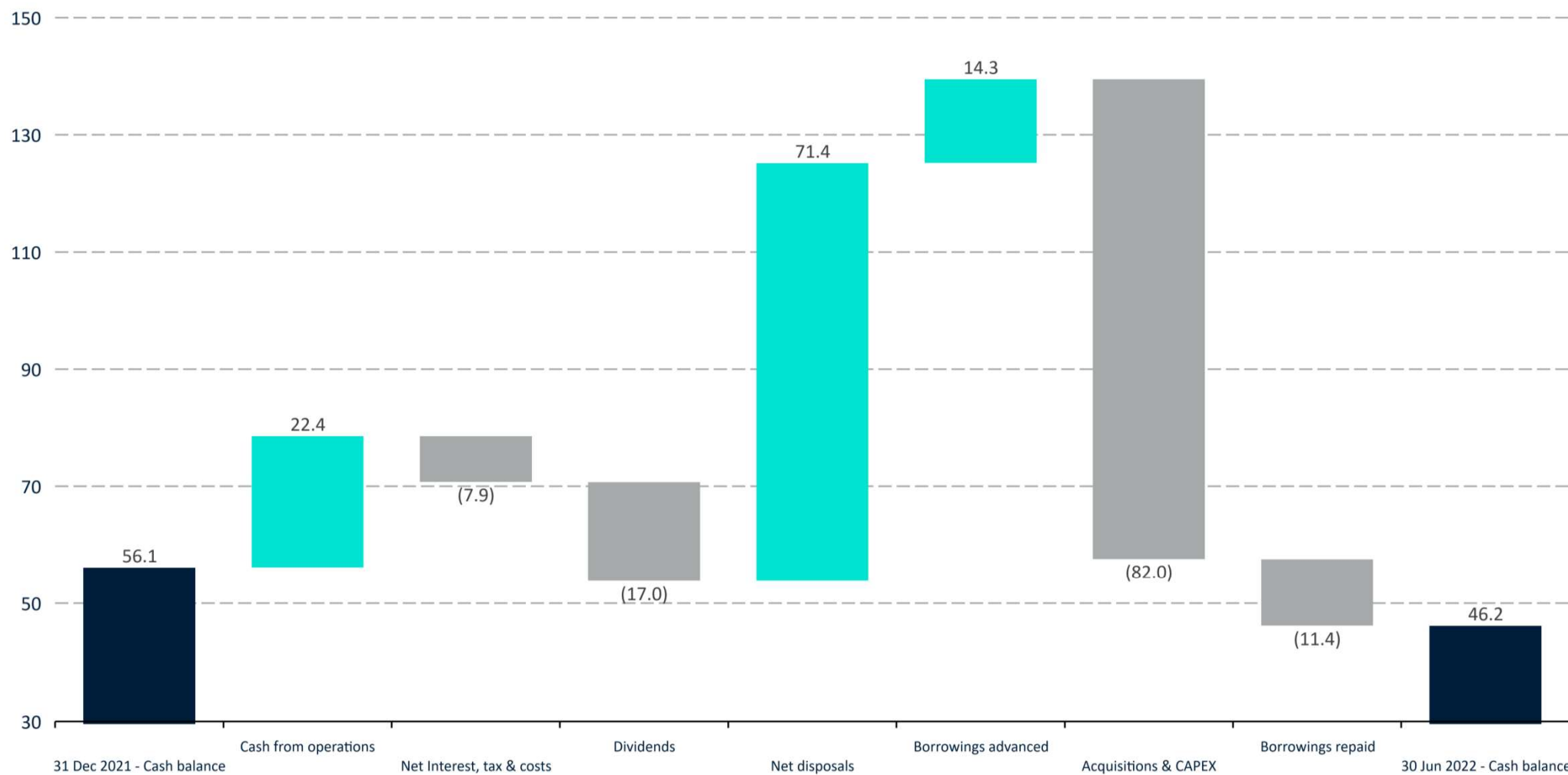


Table may not sum due to rounding.

Income and Costs

	Half year ending 30 June 2021	Half year ending 30 June 2022	Change*
Net rental and property income	£29.5m	£37.1m	+£7.6m
Operating profit before gains/losses on property assets/other investments	£19.9m	£23.4m	+£3.5m
IFRS EPS	4.2p	5.5p	+1.3p
EPRA EPS	3.0p	2.9p	(0.1p)
EPRA cost ratio (incl. direct vacancy costs)	32.6%	36.9%	+4.3%
EPRA cost ratio (excl. direct vacancy costs)	19.9%	16.5%	(3.4%)
Dividend declared for the period	3.2p	3.3p	+0.1p

*Rounded to whole numbers **Excluding service charge income and other similar items

- Rental income continues to remain robust. If the portfolio was fully occupied per Cushman & Wakefield's view of market rents the Rent roll at 30 Jun 2022 would be £94.1m pa. (30 June 2021: £75.1m; 31 December 2021: £94.6m)**.
- Profit before tax 30 Jun 2022 £28.3m (30 Jun 2021: £18.0m; 31 Dec 2021: £28.8m); including loss on the disposal of investment properties £3.3m (30 Jun 2021: gain £0.6m; 31 Dec 2021: gain £0.7m) and change in fair value of investment properties of 30 Jun 2022 £4.8m (30 Jun 2021: gain £2.0m; 31 Dec 2021: loss £8.3m).
- EPRA EPS – 30 Jun 2022 2.9p (30 Jun 2021: 3.0p; Dec 2021: 6.6p) paying a HY 2022 dividend 3.3p (HY 2021: 3.2p; FY 2021: 6.5p)

Financial Position Remains Strong, Flexible and Defensive

	Year ending 31 December 2021	Half year ending 30 June 2022	Change
Investment Property	£906.1m	£918.2m	+£12.1m
IFRS NAV	97.4p	99.5p	+2.1p
EPRA NTA*	97.2p	97.1p	(0.1p)
Borrowings (incl. retail eligible bond)	£439.9m	£442.9m	+£3.0m
Weighted average cost of debt (incl. hedging)	3.3%	3.5%	+0.2%
Net Loan-to-value	42.4%	43.2%	+0.8%
EPRA Occupancy	81.8%	83.8%	+2.0%
EPRA Occupancy like-for-like	84.4%	82.5%	(1.9%)
Rent roll like-for-like	£66.9m	£65.3m	(£1.6m)

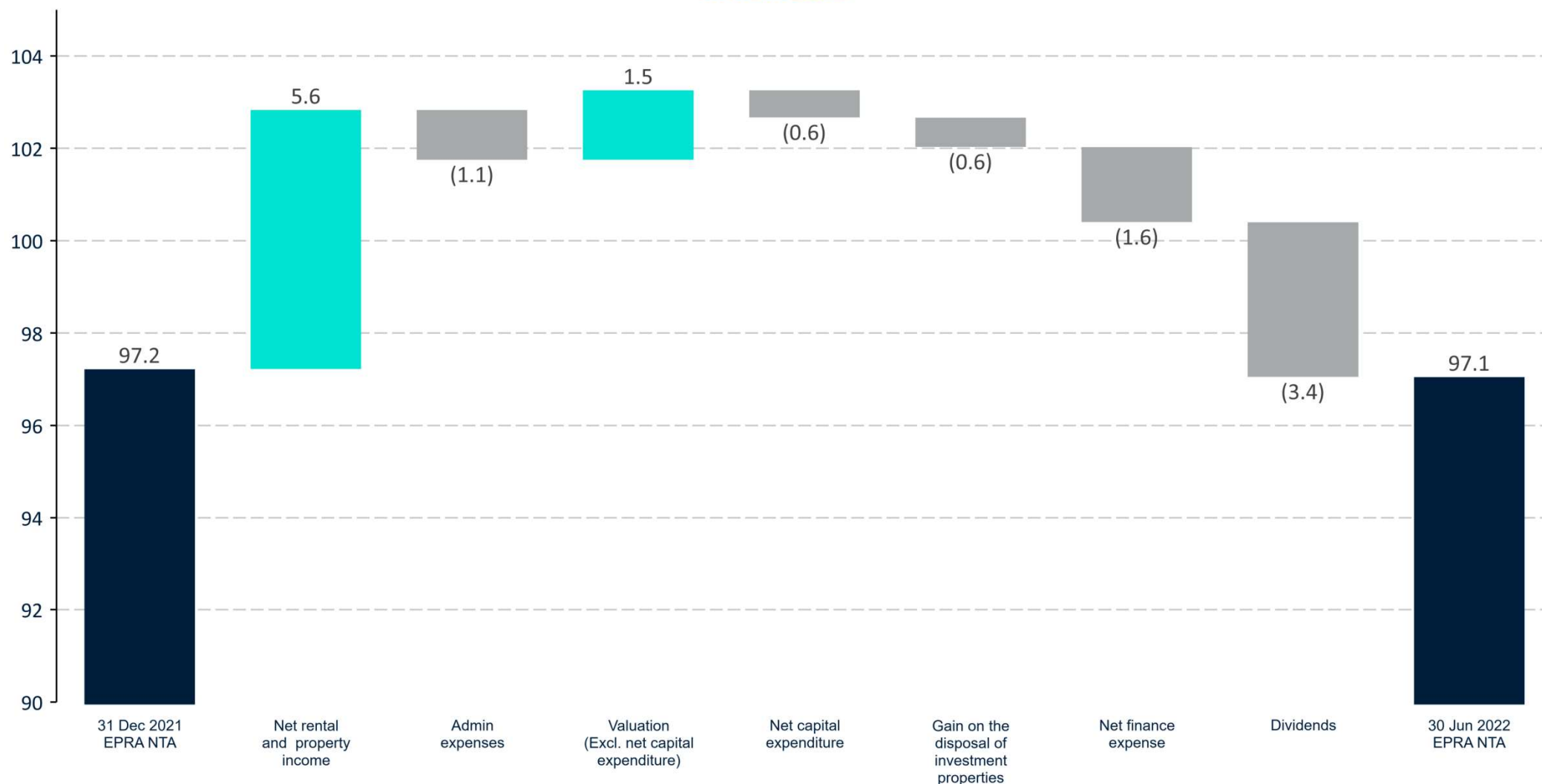
*EPRA Net Reinstatement Value(NRV): 30 June 2022 97.1p (31 December 2021: 97.2p); Net Disposal Value(NDV): 30 June 2022 101.9p (31 December 2021: 96.4p)

- Investment properties on a like-for-like valuation increase of 1.0%, adjusting for capital expenditure of £3.1m and disposals of £71.4m (after costs)
- Borrowings increased by a net £3.0m, due to the increase in the portfolio.
- EPRA Occupancy of 83.8%, with planned refurbishment programmes impacting ERV amounting to £5.7m
- Total accounting returns to shareholders since IPO of 44.4%, and annualised total accounting rate of return 5.7%; target 10%+ pa. FTSE EPRA NAREIT UK Index equivalent of -1.4% and -0.2%, respectively.

Positioned to Unlock Shareholder Value over the Long Term

- **EPRA NTA*: £500.5 (97.1p fully diluted)**
(31 Dec 21: £501.4m, 97.2p fully diluted)
- **IFRS: £513.5m (99.5p fully diluted)**
(31 Dec 21: £502.4m, 97.4p fully diluted)

EPRA Net Tangible Asset (pps) - Bridge
30 June 2022



*EPRA Net Reinstatement Value(NRV): 30 June 2022 97.1p (31 December 2021: 97.2p); Net Disposal Value(NDV): 30 June 2022 101.9p (31 December 2021: 96.4p)

Table may not sum due to rounding.



Property Portfolio

Overview – Specialised Platform and Geographically Diverse Portfolio

UK property locations
as at 30 June 2022



Portfolio details
as at 30 June 2022

Sector	Properties	Valuation (£m)	% by valuation	Capital Values (£psf)
Office	133	844.8	92.0	142.92
Industrial	4	28.5	3.1	67.99
Retail	19	32.4	3.5	96.15
Other	3	12.5	1.4	129.27
Total	159	918.2	100.0	135.75

Regional REIT – Specialised Office Platform

Specialised Expert Management Team

Asset Management Team

- Hugely experienced senior management team, managing assets over the past 30 years, including previous downturns
- 2008-12 increased income across the portfolio

- 76 Staff (fully recruited)*
- Proven operational platform
- Unique vertically integrated manager
- Granular property management
- Multiple touch points with our customers

Strategy – Office focus

De-risked through diversification

- Occupier
- Geography
- Business Sector
- WAULT

Large number of income streams

- Across the regions
- Across 159 properties post acquisition
- Across 1,086 tenants post acquisition

Disciplined Debt Management

Following principles:

- Long duration
- Flexibility
- Significant covenant headroom

Robust balance sheet focused on cash management

- Significant cash

Shareholder Commitment

Quarterly uninterrupted dividend

Regular high yielding distributions



*As at 8 September 2022

Diversified Income Stream

Portfolio details at 30 June 2022

Sector	Properties	Valuation (£m)	% by valuation	Sq. ft. (mil)	Occupancy (EPRA) (%)	WAULT to first break (yrs)	Gross rental income (£m)	Average rent (£psf)	ERV (£m)	Capital rate (£psf)	Yield (%)		
											Net initial	Equivalent	Reversionary
Office	133	844.8	92.0	5.9	83.3	2.6	65.9	14.28	87.7	142.92	5.6	8.6	9.4
Industrial	4	28.5	3.1	0.4	85.2	6.4	1.9	5.27	2.2	67.99	5.7	5.1	7.3
Retail	19	32.4	3.5	0.3	93.4	4.3	3.2	10.50	3.2	96.15	7.8	8.6	9.2
Other	3	12.5	1.4	0.1	92.7	12.5	1.0	12.66	0.9	129.27	6.1	8.3	6.7
Total	159	918.2	100.0	6.8	83.8	2.9	72.0	13.44	94.1	135.75	5.7	8.6	9.2

Region	Properties	Valuation (£m)	% by valuation	Sq. ft. (mil)	Occupancy (EPRA) (%)	WAULT to first break (yrs)	Gross rental income (£m)	Average rent (£psf)	ERV (£m)	Capital rate (£psf)	Yield (%)		
											Net initial	Equivalent	Reversionary
Scotland	39	155.2	16.9	1.3	83.3%	3.5	12.7	13.29	17.9	116.08	4.6	9.4	10.4
South East	30	183.3	20.0	1.1	77.2%	2.8	12.4	16.04	18.5	166.50	4.5	8.2	9.6
North East	24	145.7	15.9	1.1	87.8%	2.7	11.6	12.55	14.3	135.88	6.6	8.6	8.9
Midlands	27	182.3	19.9	1.4	83.7%	3.2	14.7	12.95	18.7	128.41	5.6	8.5	10.0
North West	19	123.6	13.5	0.9	80.0%	2.4	9.7	12.80	12.9	133.21	6.3	9.0	9.7
South West	14	84.3	9.2	0.5	92.6%	2.2	7.0	16.35	7.9	178.07	6.9	8.2	8.7
Wales	6	43.8	4.8	0.4	94.0%	3.9	3.8	10.07	4.0	101.18	7.3	7.9	8.5
Total	159	918.2	100.0	6.8	83.8%	2.9	72.0	13.44	94.1	135.75	5.7	8.6	9.2

Table may not sum due to rounding.

Top 15 Occupiers (Share of Rental Income)

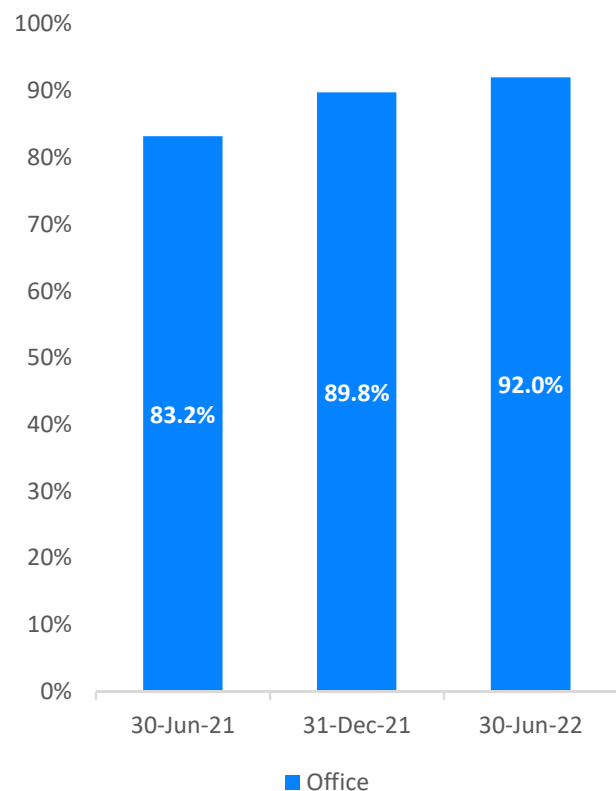
Tenant	Property	Sector	WAULT to first break (years)	Lettable area (Sq Ft)	Annualised gross rent (£m)	% of Gross rental income
Virgin Media Ltd	Eagle Court, Coventry Road, Birmingham Southgate Park, Peterborough	Information and communication	1.5	107,830	1.7	2.4
The Scottish Ministers	Calton House, Edinburgh, Edinburgh Lightyear - Glasgow Airport, Glasgow Quadrant House, Dundee Templeton On The Green, Glasgow	Public sector	1.6	114,364	1.5	2.1
TUI Northern Europe Ltd	Columbus House, Coventry	Professional, scientific and technical activities	1.5	53,253	1.4	1.9
NHS	Aspect House, Bennerley Road, Nottingham Capitol Park, Leeds Equinox North, Almondsbury, Bristol Park House, Bristol St James Court, Bristol, Bristol Wren House , Chelmsford	Public sector	2.0	97,486	1.2	1.6
Secretary of State for Communities & Local Government	1 Burgage Square, Merchant Square, Wakefield Albert Edward House, Preston Bennett House, Stoke-On-Trent Oakland House, Manchester Waterside Business Park, Swansea	Public sector	2.8	108,915	1.1	1.5
EDF Energy Ltd	Endeavour House, Sunderland	Electricity, gas, steam and air conditioning supply	1.2	77,565	1.0	1.4
First Source Solutions UK Ltd	Orbis 1, 2 & 3, Pride Park, Derby	Administrative and support service activities	4.8	62,433	1.0	1.4
E.ON UK Plc	Two Newstead Court, Nottingham	Electricity, gas, steam and air conditioning supply	2.8	99,142	0.9	1.3
John Menzies Plc	2 Lochside Avenue, Edinburgh	Professional, scientific and technical activities	1.1	43,780	0.9	1.2
NNB Generation Company (HPC) Ltd	800 Aztec West, Bristol	Electricity, gas, steam and air conditioning supply	1.7	41,743	0.9	1.2
SPD Development Co Ltd	Clearblue Innovation Centre, Bedford	Professional, scientific and technical activities	3.3	58,167	0.8	1.1
Hermes European Logistics Ltd	Capitol Park, Leeds	Transportation and storage	1.5	37,372	0.8	1.1
Aviva Central Services UK Ltd	Hampshire Corporate Park, Eastleigh	Other service activities	2.4	42,612	0.8	1.1
Odeon Cinemas Ltd	Kingscourt Leisure Complex, Dundee	Information and communication	13.3	41,542	0.7	1.0
Edvance SAS	800 Aztec West, Bristol	Electricity, gas, steam and air conditioning supply	2.1	31,549	0.7	0.9
Total			2.6	1,017,753	15.4	21.4

Top 15 Investments (Market Value)

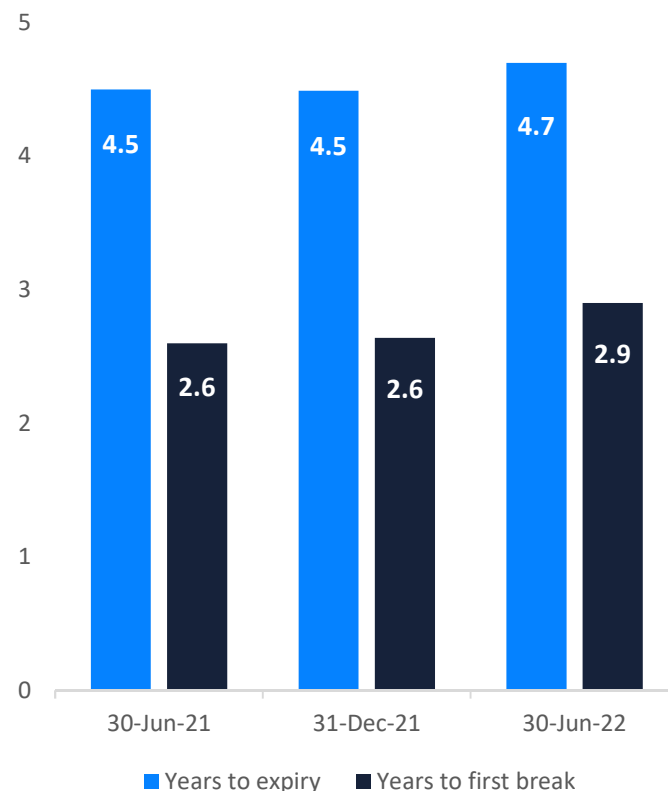
Property	Sector	Anchor tenants	Market value (£m)	% of portfolio	Lettable area (Sq Ft)	EPRA Occupancy (%)	Annualised gross rent (£m)	% of gross rental income	WAULT to first break (years)
300 Bath Street, Glasgow	Office	University of Glasgow, Glasgow Tay House Centre Ltd, Fairhurst Group LLP	27.6	3.0	156,853	99.9	1.2	1.7	3.3
Buildings 2 & 3, Bear Brook Office Park, Aylesbury	Office	Utmost Life and Pensions Ltd, Agria Pet Insurance Ltd	23.6	2.6	140,791	100.0	1.0	1.4	3.6
Eagle Court, Coventry Road, Birmingham	Office	Virgin Media Ltd, Rexel UK Ltd, Coleshill Retail Ltd	22.5	2.5	132,979	84.1	2.0	2.8	1.1
Orbis 1, 2 & 3, Pride Park, Derby	Office	First Source Solutions UK Ltd, DHU Health Care C.I.C., Tentamus Pharma (UK) Ltd	19.5	2.1	121,883	100.0	1.8	2.5	4.9
800 Aztec West, Bristol	Office	NNB Generation Company (HPC) Ltd, Edvance SAS	19.4	2.1	73,292	100.0	1.5	2.1	1.9
Manchester Green, Manchester	Office	Chiesi Ltd, Ingredion UK Ltd, Assetz SME Capital Ltd	19.3	2.1	107,201	75.9	1.3	1.8	2.9
Hampshire Corporate Park, Eastleigh	Office	Aviva Central Services UK Ltd, Lloyd's Register EMEA, National Westminster Bank Plc	19.2	2.1	85,243	99.8	1.4	1.9	3.3
Beeston Business Park, Nottingham	Office/ Industrial	Metropolitan Housing Trust Ltd, SMS Electronics Ltd, Worldwide Clinical Trials Ltd, Heart Internet Ltd	18.9	2.1	215,330	100.0	1.8	2.5	4.9
Capitol Park, Leeds	Office	Hermes European Logistics Ltd, NHS Shared Business Services Ltd, BDW Trading Ltd	18.7	2.0	98,340	100.0	1.5	2.1	1.4
Norfolk House, Smallbrook Queensway, Birmingham	Office	Accenture (UK) Ltd, HP Asia Ltd	17.0	1.9	114,982	40.3	0.5	0.7	3.1
Linford Wood Business Park, Milton Keynes	Office	IMServ Europe Ltd, Market Force Information (Europe) Ltd, Autotech Recruit Ltd	16.8	1.8	107,352	96.7	1.6	2.2	2.2
Portland Street, Manchester	Office	Darwin Loan Solutions Ltd, Mott MacDonald Ltd, NCG (Manchester) Ltd	15.6	1.7	55,787	96.5	1.0	1.4	2.2
Templeton On The Green, Glasgow	Office	The Scottish Ministers, The Scottish Sports Council, Noah Beers Ltd	14.2	1.5	142,512	91.5	1.3	1.7	4.3
One & Two Newstead Court, Nottingham	Office	E.ON UK Plc	13.7	1.5	146,262	68.8	0.9	1.3	2.8
Ashby Park, Ashby De La Zouch	Office	Ceva Logistics Ltd, Brush Electrical Machines Ltd, Citron Hygiene UK Ltd	13.2	1.4	91,034	88.9	0.8	1.0	5.2
Total			278.9	30.4	1,789,841	89.2	19.5	27.1	3.1

Geographically Diversified Office Led Portfolio Focused on the UK Regions

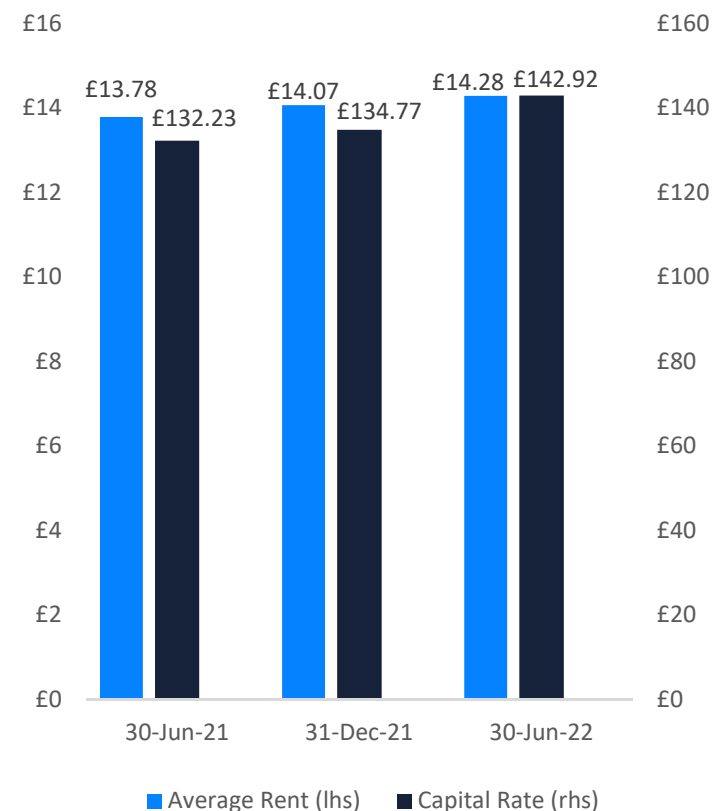
Gross office assets by value - %*



WAULT - years



Average Rent & Capital rate - £psf



Figures based on Cushman & Wakefield valuations

HY 2022 Portfolio Highlights

Major lettings and renewals successfully secured across the regions

300 Bath Street, Glasgow

The Firm of Fairhurst Consulting Structural and Civil Engineers has leased 10,262 sq. ft. for ten years with the option to break in 2027 at a rent of £209,652 pa (£20.43/ sq. ft.)

Eagle Court, Birmingham

Two new lettings that when combined provide a rental income of £155,670 pa.

- Brook Sports Ltd. has let 4,032 sq. ft. for 10 years with the option to break in 2027 at a rental income of £74,814 pa (£18.56/ sq. ft.).
- 4,492 sq. ft. of space has been let to Enerveo Ltd. for five years, with the option to break in 2025 at a rental income of £80,856 pa (£18.00/ sq. ft.).

31 Foleshill Road, Coventry

Halfords Ltd. renewed its lease for a further five years, to June 2027, at a rental income of £165,484 pa (£11.12/ sq. ft.) on 14,888 sq. ft. of space

1&2 Rivermead Court Buildings, Bristol

The remaining available space has been let to Edwards Ltd. The lease is for 10 years with a break option in 2026 at a rent of £261,870 pa (£14.11/ sq. ft.)

The Coach Works, Leeds

5,330 sq. ft. of space has been let to Abstract Tech Ltd for 6 years with the option to break in 2026 at a rent of £143,225 pa (£26.87/ sq. ft.)

2800 The Crescent, Solihull, Birmingham

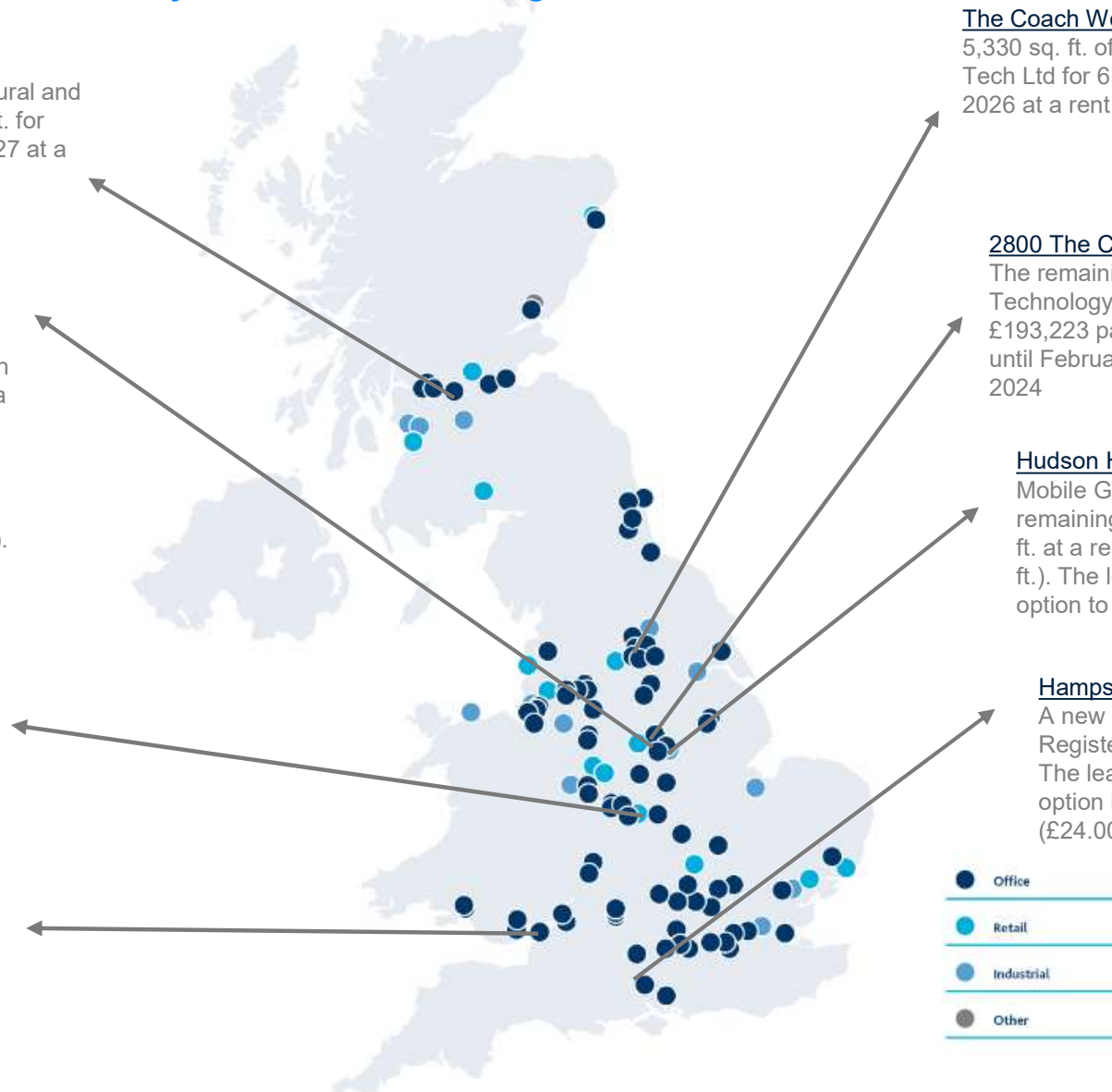
The remaining available space was let to Align Technology UK Ltd. (8,401 sq. ft.) at a rent of £193,223 pa (£23.00/sq. ft.) from March 2022 until February 2029, with the option to break in 2024

Hudson House, Derby

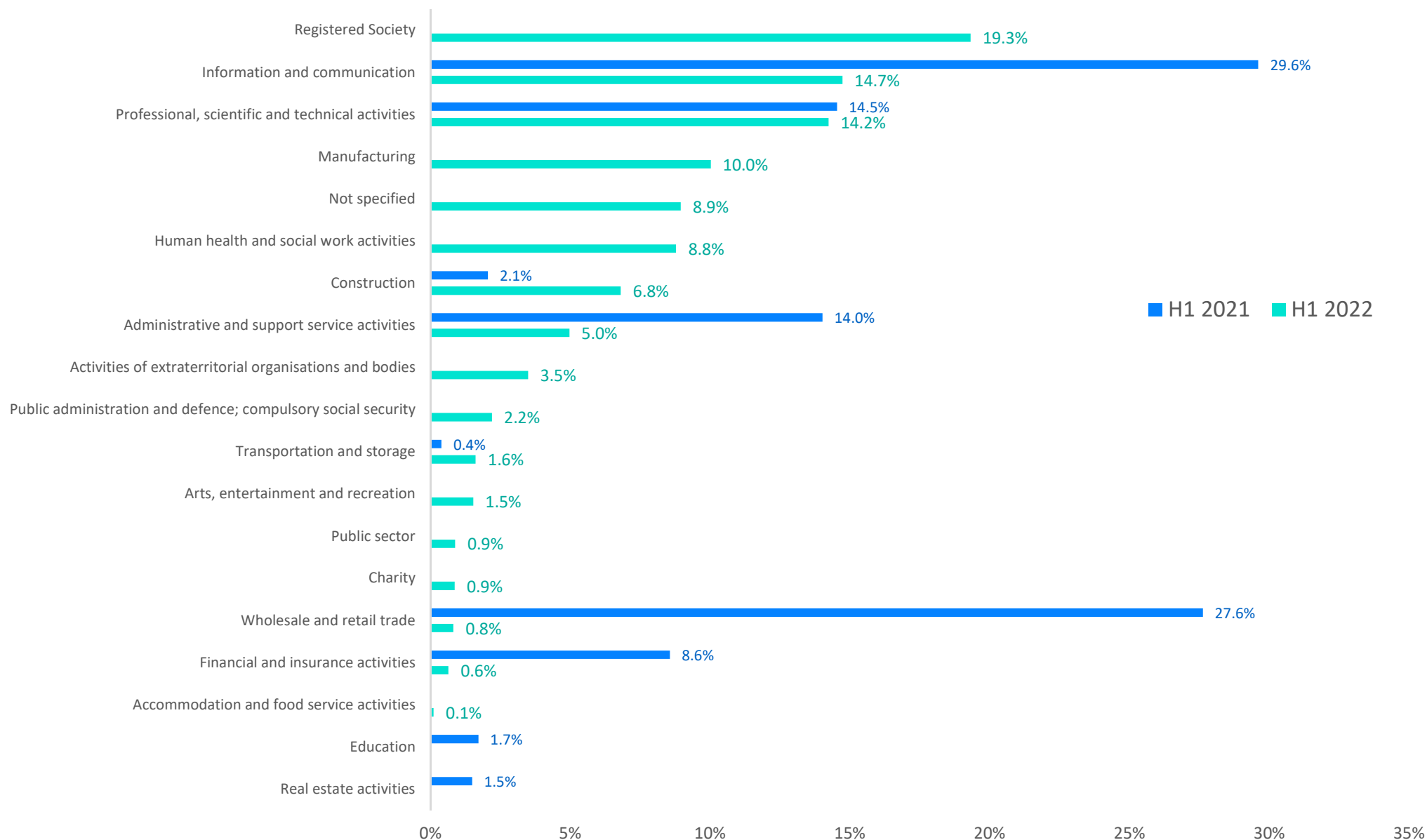
Mobile Gaming Studios Ltd. has let the remaining available space of 11,000 sq. ft. at a rent of £184,161 pa (£16.74/ sq. ft.). The lease is for ten years with the option to break in 2029

Hampshire House, Eastleigh

A new lease has been signed with Lloyd's Register EMEA for 21,025 sq. ft. of space. The lease is for 10 years with a break option in 2027 at a rent of £504,600 pa (£24.00/sq. ft.)

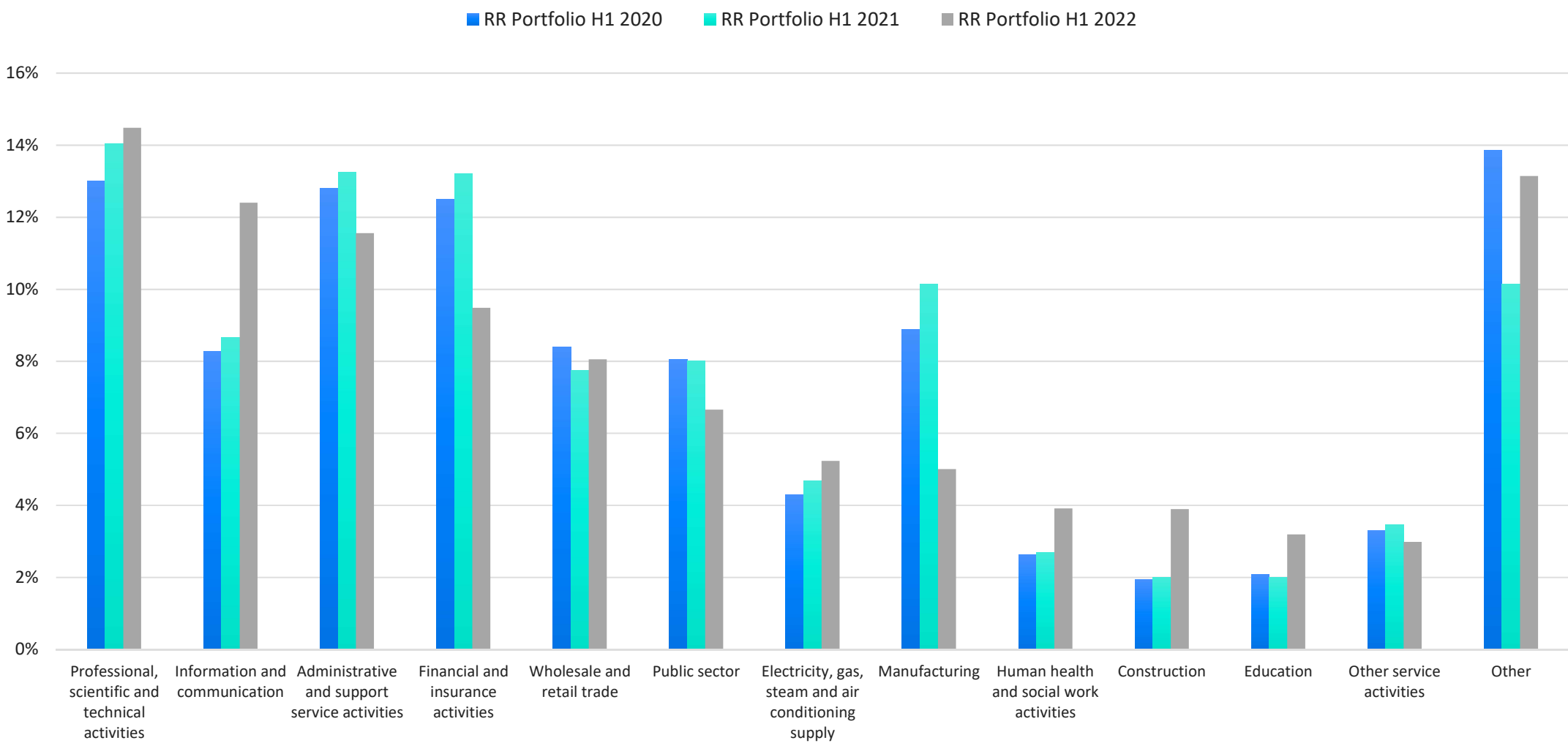


New Lettings by Industry Type (% of Gross Rent)



Diverse Customer Base

Tenant by SIC Code as at June 2020, June 2021 and June 2022 (% of gross rent)



Rent Collections – Trending back to Normality

Rent Collected vs invoiced (%)

	2020				2021				2022		Total
(%)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1†	Q2†	
Rent Paid	99.5	98.3	98.3	98.5	98.5	98.7	98.2	98.3	98.8	98.6	98.6

† Q1 2022 – 98.8% Actual rent collected; monthly rents 0.0%, deals agreed 0.0% as at 08.09.2022

† Q2 2022 – 98.2% Actual rent collected; monthly rents 0.3%, deals agreed 0.0% as at 08.09.2022

Investment Property Activity – Proactive Strategy

Investment properties bridge 30 June 2022 (£m)

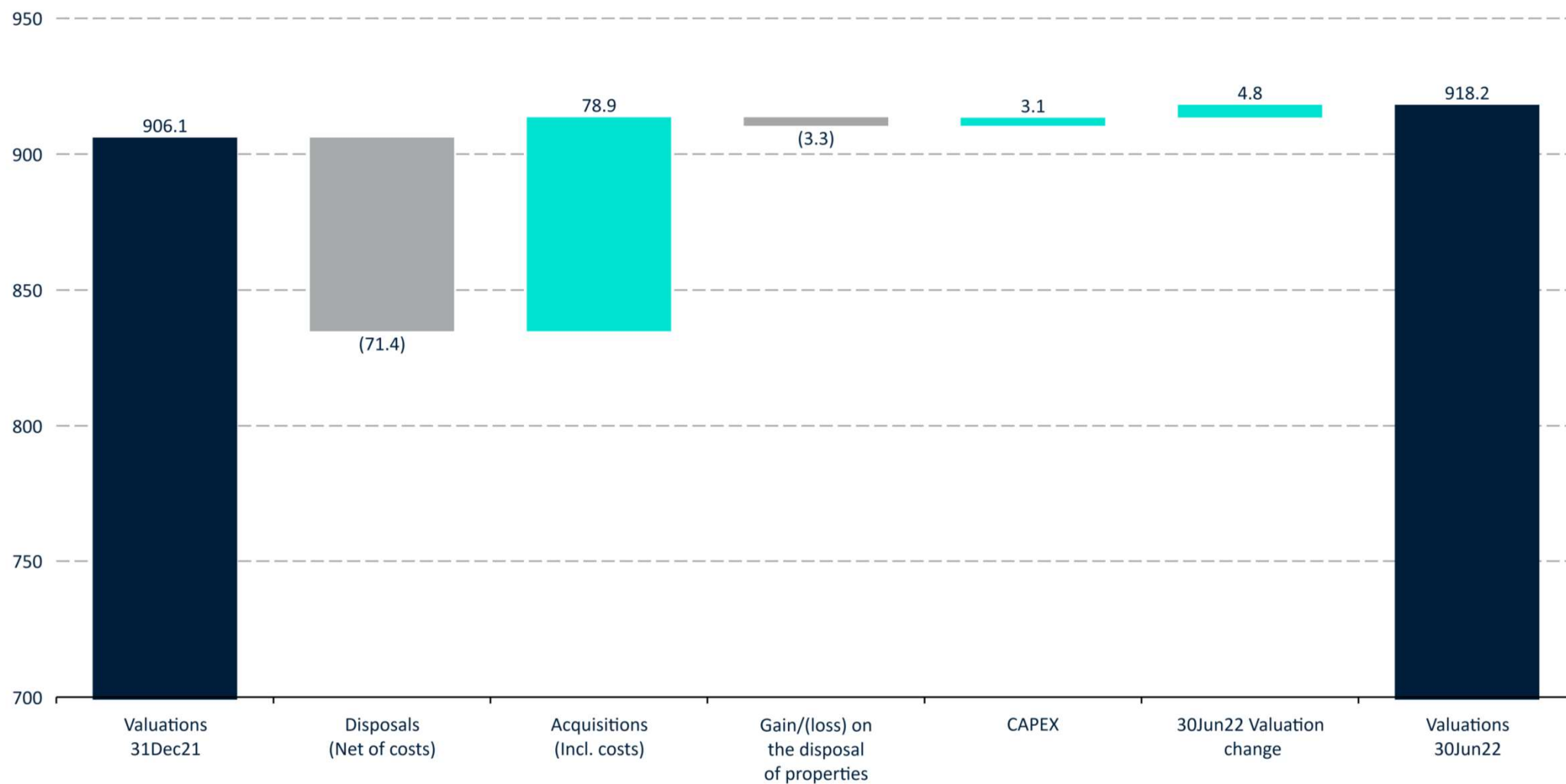


Table may not sum due to rounding.



Performance

Dividends and Performance



Source: Thomson Reuters 18 March 2022

Consensus Dividend Yield

	Consensus dividend yield (share price)	Consensus dividend yield (NAV)
Regional REIT Ltd	7.56%	6.68%
Real Estate Investors PLC	8.43%	5.66%
Newriver Reit PLC	7.13%	4.35%
AEW UK REIT PLC	6.78%	7.00%
UK Commercial Property REIT Ltd	6.64%	5.10%
Ediston Property Investment Company PLC	6.33%	5.57%
Palace Capital PLC	6.10%	3.79%
Custodian REIT PLC	5.53%	4.51%
Schroder Real Estate Investment Trust Ltd	5.52%	4.69%
abrdn Property Income Trust Ltd	4.94%	4.50%
CT Property Trust Ltd	4.63%	3.92%
Balanced Commercial Property Trust Ltd	4.06%	3.77%
Workspace Group PLC	3.90%	2.53%
Picton Property Income Ltd	3.77%	2.87%
Town Centre Securities PLC	3.55%	1.66%
Londonmetric Property PLC	3.54%	3.51%
Tritax Big Box Reit PLC	2.85%	2.89%
Derwent London PLC	2.51%	1.94%
Great Portland Estates PLC	1.86%	1.52%
Shaftesbury PLC	1.59%	1.37%

Source: Thomson Reuters 18 March 2022

Cost Focused

EPRA cost ratio incl. direct costs

Newriver REIT plc	41%
McKay Securities plc	38%
AEW UK REIT plc	34%
Regional REIT Ltd	31%
Warehouse REIT	27%
Picton Property Income Ltd	26%
Custodian REIT plc	23%
Urban Logistics REIT	22%
Ediston Property Investment Company plc	18%

Average(Excl. RGL) **29%**

EPRA cost ratio excl. direct costs

Newriver REIT plc	39%
McKay Securities plc	30%
Warehouse REIT	24%
Picton Property Income Ltd	20%
Custodian REIT plc	19%
Urban Logistics REIT	19%
AEW UK REIT plc	18%
Ediston Property Investment Company plc	18%
Regional REIT Ltd	17%

Average(Excl. RGL) **23%**

Glossary – 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.

EPRA Performance Measure	Definition	31 Dec 2021	30 Jun 2022
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.	£501,400,000 97.2p	£500,523,000 97.1p
EPRA Net Reinstatement Value (EPRA NRV)	EPRA Net Asset Value Measure assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	£501,400,000 97.2p	£500,523,000 97.1p
EPRA Net Disposal Value (EPRA NDV)	EPRA Net Asset Value Measure represents the shareholder's 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.	£497,312,000 96.4p	£525,518,000 101.9p

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