

**PICTON PROPERTY INCOME LIMITED**  
**(‘Picton’, the ‘Company’ or the ‘Group’)**  
**Half Year Results**

Picton announces its half year results for the period to 30 September 2025.

**Commenting on the results, Michael Morris, Chief Executive of Picton, said:**

“These are positive results delivering an improved total return relative to this time last year. Alongside our share buyback programme we have continued to make progress recycling capital from lower yielding assets to further support earnings growth. Our focus remains on creating shareholder value, reflected by our total shareholder return in excess of 12% over the period.

Recent asset management activity and our pipeline of leasing progress across all sectors is already starting to unlock our £10 million of reversion, relative to contracted rents. This is underpinned by our weighting to the industrial sector, where we continue to reset rents to higher levels, as well as the upgrading of our office portfolio to support occupier retention and ERV growth.”

**Improved profits with positive total return**

- Profit after tax of £15.1 million, or 2.9p per share (September 2024: £11.5 million or 2.1p per share)
- EPRA earnings of £10.5 million, or 2.0p per share (September 2024: £11.2 million or 2.1p per share)
- Net assets of £527.6 million, or 102p per share (March 2025: 100p per share)
- EPRA net disposal value of £550.6 million, or 106p per share (March 2025: 105p per share)
- Total return of 3.4% (September 2024: 2.2%)
- Dividends paid of £10.0 million (1.9p per share) with dividend cover of 106% supporting the 2.7% dividend increase, effective May 2025

**Ongoing focus on shareholder value**

- £12.5 million share buyback programme announced in September 2025, taking total buyback allocation to £30 million since January 2025
- 13.6 million shares purchased in the period at an average price of 77p per share, 25% below the September NAV of 102p per share
- Total shareholder return of 12.1% (September 2024: 17.4%)

**Proactive management of the portfolio delivering capital and rental growth**

- Total property return of 3.2%, outperforming the MSCI UK Quarterly Property Index of 2.7%
- Like-for-like portfolio valuation increase of 0.8%, or 0.6% after net capital expenditure
- Like-for-like increase in estimated rental value (‘ERV’) of 3.7%, with growth across all sectors driven by industrial assets
- More than 50 asset management transactions securing £6.1 million of contracted rent, 2.8% ahead of the March 2025 ERV
- Income upside potential of £10 million as at 30 September 2025: £5.3 million through re-leasing vacant space and £4.7 million from resetting rents to market levels at lease events

**Continued portfolio repositioning to reduce low yielding office exposure**

- Portfolio weighted towards industrial sector 68%, office 20% and retail and leisure 12%
- Disposal of largest office asset for £34.5 million at a 1% premium to March 2025 valuation
- Portfolio occupancy of 90%, with two thirds of the vacant space identified for or under refurbishment

**Upgraded portfolio to improve environmental performance, occupancy and value**

- £4.0 million invested into upgrading projects principally across eight assets

- Completion of decarbonisation projects at Milton Keynes and Chatham office assets, with work underway at Bristol and Manchester
- Continued focus on improving EPC ratings, with 86% now rated A-C (improved from 83% in March 2025)

#### **Conservative LTV and long-term fixed rate debt**

- Loan to value ratio ('LTV') of 22% (March 2025: 24%)
- Total borrowings of £209 million, with 100% at fixed rates and a weighted average interest rate of 3.7%
- £50 million undrawn revolving credit facility
- Weighted average debt maturity of 6.2 years

#### **Positive activity post period end**

- Share buybacks of £2.4 million since period end at a 22% discount to September NAV
- Transactions completed at industrial and office assets in Gloucester, Glasgow, Harlow and Radlett including:
  - Lettings totalling £0.9 million per annum, 5% ahead of March 2025 ERV
  - Lease renewals totalling £0.3 million per annum, 47% ahead of the previous rent and 11% ahead of the March 2025 ERV
- Terms agreed for £0.7 million per annum of lettings across all sectors, subject to contract
- £3.6 million received from two occupiers vacating industrial assets, comprising £2.3 million of dilapidations and £1.3 million of additional income. These represent the two largest reversionary opportunities within the portfolio with an estimated rental value more than 40% above the previous passing rent.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE UK MARKET ABUSE REGULATION

#### **For further information:**

##### **Picton**

Kathy Thompson, Company Secretary  
020 7011 9988, [kathy.thompson@picton.co.uk](mailto:kathy.thompson@picton.co.uk)

##### **Tavistock**

James Verstringhe  
020 7920 3150, [james.verstringhe@tavistock.co.uk](mailto:james.verstringhe@tavistock.co.uk)

#### **About Picton**

Established in 2005, Picton is listed on the main market of the London Stock Exchange and is a constituent of a number of EPRA indices including the FTSE EPRA Nareit Global Index.

Picton owns and actively manages a £695 million UK commercial property portfolio, invested across 46 assets and with around 300 occupiers (as at 30 September 2025).

Through an occupier focused, opportunity led approach, Picton aims to be the consistently best performing diversified UK REIT and has delivered upper quartile outperformance and a consistently higher income return than the MSCI UK Quarterly Property Index since launch.

With a portfolio strategically positioned to capture income and capital growth, currently weighted towards the industrial sector, Picton's agile business model provides flexibility to adapt to evolving market trends over the long-term.

Picton has a responsible approach to business and is committed to being net zero carbon by 2040.

For more information please visit: [www.picton.co.uk](http://www.picton.co.uk)

LEI: 213800RYE59K9CKR4497

## Property portfolio and performance

|                                                           | 30 Sept 2025 | 31 March 2025 |
|-----------------------------------------------------------|--------------|---------------|
| Property valuation                                        | £695m        | £723m         |
| Number of properties                                      | 46           | 47            |
| Net initial yield                                         | 5.2%         | 5.2%          |
| Reversionary yield                                        | 7.2%         | 6.8%          |
| Occupancy                                                 | 90%          | 94%           |
| Passing rent                                              | £40.1m       | £42.3m        |
| Passing rent – LfL*                                       | £40.1m       | £41.0m        |
| Contracted rent                                           | £45.7m       | £48.2m        |
| Contracted rent – LfL*                                    | £45.7m       | £46.9m        |
| ERV                                                       | £55.7m       | £55.6m        |
| ERV – LfL*                                                | £55.7m       | £53.7m        |
| Property total return**                                   | 3.2%         | 7.3%          |
| MSCI UK Quarterly Property Index benchmark total return** | 2.7%         | 6.3%          |

\* LfL denotes a like-for-like basis excluding the disposal in the period

\*\* Six months to September 2025 and 12 months to March 2025

## Financial overview

| Balance sheet                              | 30 Sept 2025                  | 31 March 2025                 |
|--------------------------------------------|-------------------------------|-------------------------------|
| Net asset value ('NAV')                    | £528m                         | £533m                         |
| EPRA net tangible assets ('NTA') per share | 102p                          | 100p                          |
| EPRA net disposal value ('NDV') per share  | 106p                          | 105p                          |
| Borrowings                                 | £209m                         | £210m                         |
| Loan to value ratio ('LTV')                | 22%                           | 24%                           |
| Income statement                           | Six months to<br>30 Sept 2025 | Six months to<br>30 Sept 2024 |
| Profit after tax                           | £15.1m                        | £11.5m                        |
| EPRA earnings                              | £10.5m                        | £11.2m                        |
| Earnings per share                         | 2.9p                          | 2.1p                          |
| EPRA earnings per share                    | 2.0p                          | 2.1p                          |

## Company returns and performance

|                          | Six months to<br>30 Sept 2025 | Six months to<br>30 Sept 2024 |
|--------------------------|-------------------------------|-------------------------------|
| Total return             | 3.4%                          | 2.2%                          |
| Total shareholder return | 12.1%                         | 17.4%                         |
| Total dividend per share | 1.9p                          | 1.85p                         |
| Dividend cover           | 106%                          | 111%                          |

## **BUSINESS OVERVIEW**

We have delivered positive financial results, announcing today a total return of 3.4% and total shareholder return of 12.1% over the six months to 30 September 2025. This was set against a backdrop of a resilient UK commercial property market, showing small but positive capital and rental growth, despite weak business confidence more generally.

Earlier this year we set out our priorities for the year ahead to create value for shareholders, including repositioning the portfolio to improve the income profile, continued investment to upgrade the portfolio, prudent use of debt and use of our share buyback programme. I am pleased to report progress across these key areas.

We have a well-structured portfolio and strong balance sheet. Our property portfolio has £10.0 million reversionary upside with the largest element coming from our industrial assets and improving occupancy in our office portfolio.

We continue to evolve the portfolio and are looking to improve the income profile to support earnings growth. This should help maintain our long-term upper quartile outperformance against the MSCI UK Quarterly Property Index, demonstrating the value of our diversified approach and focus on income and total return.

### **Financial performance**

We have delivered a total profit after tax of £15.1 million, which compares with £11.5 million during the first half of last year.

Our EPRA earnings were £10.5 million, reflecting EPRA earnings per share of 2.0p, which, although 2% lower than September 2024, principally reflects the timing of lease events across the portfolio and lower occupancy relative to 31 March 2025.

During the period, we increased our dividend by 2.7%, effective May 2025 and we delivered dividend cover of 106%.

This is further detailed in the Financial Review section.

### **Positive portfolio valuation and ERV growth**

During the period, in accordance with the RICS valuation guidelines on the rotation of valuers, we appointed a new independent valuer; Knight Frank LLP, who confirmed the property portfolio valuation was £695 million as at 30 September 2025.

The UK commercial property market has shown small, but nevertheless positive, capital value growth and our own portfolio has mirrored that with growth of 0.8% on a like-for-like basis, driven primarily by gains in the industrial and retail warehouse assets, or 0.6% after capital expenditure. ERV growth was 3.7%, driven by industrial assets, which will underpin future reversion.

During the period we sold our largest and lowest yielding, fully occupied office asset and we restructured a hotel lease, with seven years remaining, to a new 99-year lease in return for a payment of £2.4 million. These transactions were ahead of the March 2025 valuation but reduced the overall portfolio valuation on an absolute basis.

### **Further reduction in office exposure**

The portfolio is weighted 68% to the industrial, warehouse and logistics sector. We continue to reduce our office exposure, now standing at 20%, following the disposal of our largest office asset for £34.5 million. Our retail and leisure exposure, which is predominantly in retail warehouse assets, remains unchanged at 12%.

### **Asset management activity**

This is detailed within the Portfolio Review section, but in summary we completed more than 50 asset management transactions, securing £6.1 million of contracted rent, 2.8% above the March 2025 ERV.

These helped to drive rental value growth across the portfolio with lettings, lease renewals and rent review transactions achieving above independent rental value estimates.

We took the opportunity to surrender some leases early, ahead of known expiries, where we have received payment to take back space and better manage the reletting process. We have received £1.6 million, including £0.5 million in respect of dilapidations for leases with an annual contracted rent and ERV of £1.4 million per annum.

In light of the above, our occupancy reduced during the period and as at 30 September 2025 was 90%. More than two thirds of the vacant space is either under refurbishment or due to be refurbished, with nearly 50% of the space becoming available in the last six months. Of the vacant space, 81% is in the office sector, with 12% in industrial and 7% in retail and leisure.

## Capital structure

Our balance sheet remains strong with an LTV of 22% and with proceeds from a recent disposal available for reinvestment. We have a highly attractive debt position with all our drawn debt fixed at below market rates and with a weighted maturity of more than six years. Additionally, we have a £50 million undrawn revolving credit facility.

The value of our debt is reflected in our EPRA NDV being 106p per share, which is £23 million higher than our reported net assets.

Our repurchase of shares at a meaningful discount to net asset value has reduced overall net assets but enhanced our NAV per share as detailed below.

## Sustainable thinking

During the six-month period we have continued to make good progress towards our sustainability goals, with a focus on enhancing the environmental performance of our portfolio. Our long-standing approach has been to use lease events as an opportunity to invest in practical, energy efficient upgrades and on-site renewable solutions, while reducing our reliance on carbon-intensive fuels such as gas.

Our priority is to reduce Scope 1 emissions across the portfolio, with recently completed projects at office assets in Chatham and Milton Keynes delivering on these objectives.

During the period, our EPC ratings improved from 83% to 86% A-C by ERV.

We are also pleased to have improved our GRESB score, which increased to 82 points (2024: 81 points). In addition, we have maintained our EPRA Gold award for our 2025 Annual Report and our sustainability reporting.

## Equity capital markets

The listed real estate sector continues to trade at a meaningful discount to net asset value and the arbitrage that this presents is self-evident in the number of merger and take-private transactions announced this year.

We have taken advantage of this market dislocation and during the period we bought back and cancelled £10.5 million of shares, at a 25% discount to their net asset value as at September 2025.

Following the most recent office disposal in September, we announced a further £12.5 million continuation of the share buyback programme.

The team continues to be fully aligned with the interests of shareholders through our employee share schemes and during the period the Employee Benefit Trust acquired 1.2 million shares to hedge against outstanding awards.

## Outlook

We are encouraged by the leasing potential we have across all three sectors within our portfolio. As at 30 September 2025 there was reversionary potential of £10.0 million above the contracted rent, of which £5.3 million relates to vacant space and £4.7 million relates to resetting rents to market levels at lease events.

We are looking to redeploy some of the proceeds from our recent office disposal into higher yielding opportunities to improve EPRA earnings. We believe we can secure assets, significantly below their cost of construction and with attractive income and capital growth characteristics. We have identified a potential opportunity and are currently undertaking due diligence.

The recently announced break option exercised at our logistics asset in Rushden will provide the largest single opportunity to improve the income profile of our portfolio, with the ERV around 50% higher than the previous passing rent of £1.6 million. While there may be some disruption to EPRA EPS growth, depending on how quickly this can be re-leased, the break penalty will mitigate any short-term loss of income and the dilapidations receipt will enable us to upgrade the building.

While we remain committed to focusing on the things we can control, some factors are more widely felt. All eyes are on the UK Budget, due later this month, which feels to have overshadowed much of the year. A pro-business agenda is now what is needed. Against this backdrop, the Board and management are continuing to explore ways to continue to create further value for shareholders.

MARKET OVERVIEW

Economic backdrop

Global markets have been shaped by heightened geopolitical tensions, including conflicts in the Middle East and Europe and the introduction of new US trade tariffs. Domestically, the UK’s November 2024 Budget introduced higher taxes which dampened business sentiment, a trend which continues to influence business and consumer confidence ahead of this month’s Autumn Budget.

Despite this backdrop, the International Monetary Fund has recently upwardly revised its UK economic growth forecasts, signalling a more resilient outlook, particularly relative to other G7 economies.

UK CPI Inflation for the year to September 2025 was in line with August at 3.8%, which was lower than expected and prompted a decline in gilt yields; the ten-year yield now stands at around 4.5%, which is in line with the long-term average.

While the September inflation data does suggest a modest easing of price pressures, inflation remains persistently above target, contributing to the Bank of England’s cautious monetary policy stance. The Monetary Policy Committee has lowered the base rate from a 2024 peak of 5.25% to 4.0% as at November 2025.

Labour market indicators show employment, job vacancies and wage growth all easing. The unemployment rate rose to 5.0% in September, which is above pre-pandemic levels. Adjusted for inflation, average weekly earnings growth was 0.8% for regular pay and 1.0% for total pay between July and September 2025.

Consumer behaviour reflects this uncertain environment. Persistent inflation and the prospect of increased taxes have weighed on discretionary spending, leading to subdued retail sales growth. The British Retail Consortium reported a 1.5% year-on-year increase in retail sales for October, the weakest since May 2025. Meanwhile, the household savings ratio continues on an upward trend, indicating a more conservative approach to spending.

Looking ahead, the recent upgrade to GDP growth forecasts and September’s inflation figures offer grounds for cautious optimism. However, momentum will hinge on several factors; this month’s Budget and policy announcements, progress towards the inflation target, which would ease pressure on real incomes and business costs, and the pace of interest rate cuts.

UK property market

The MSCI UK Monthly Property Index showed a total return for All Property for the six months to September 2025 of 3.4%, with an income return of 2.7% and capital growth of 0.7%. This compares with capital growth of 1.7% for the six months to March 2025. The MSCI All Property net initial yield edged lower to 4.9% in September 2025, from 5.0% in March 2025.

As detailed below, positive capital growth was recorded primarily in industrial and retail sub-sectors for the six months to September 2025. Encouragingly, positive rental growth was recorded in most sub-sectors for the six months to September 2025. All Property rental value growth was 1.6% for the period, compared with 1.8% for the six months to March 2025.

Occupancy at an All Property level remained flat over the six months, with the MSCI UK Monthly Property Index recording an occupancy rate of 88% for September 2025.

The market performance for the six months to September 2025 for All Property and the three main sectors is shown below.

| Six months to September 2025   | All Property | Industrial | Office | Retail |
|--------------------------------|--------------|------------|--------|--------|
| Total return                   | 3.4%         | 3.8%       | 1.2%   | 4.3%   |
| Income return                  | 2.7%         | 2.3%       | 2.5%   | 3.4%   |
| Capital growth                 | 0.7%         | 1.5%       | -1.3%  | 0.9%   |
| Number of positive sub-sectors | 20           | 7          | 3      | 10     |
| Number of negative sub-sectors | 12           | 0          | 7      | 5      |
| ERV growth                     | 1.6%         | 1.9%       | 1.3%   | 1.4%   |
| Number of positive sub-sectors | 29           | 7          | 9      | 13     |
| Number of negative sub-sectors | 3            | 0          | 1      | 2      |

Source: MSCI UK Monthly Property Index

## PORTFOLIO REVIEW

### Valuation

During the period, in accordance with the RICS valuation guidelines on the rotation of valuers, we appointed Knight Frank LLP as our external valuer, effective June 2025. The like-for-like independent property valuation increased by £5.6 million to £694.8 million. The property portfolio has a net initial yield of 5.2% and a reversionary yield of 7.2%.

All sectors experienced positive like-for-like valuation movements, driven by the industrial sector. The valuations of the retail and office sectors were impacted by a lease restructure at a hotel in Carlisle for which a payment of £2.4 million was received, and an occupier vacating in Chatham for which a payment of £1.2 million was received.

Our largest office asset, Stanford Building, London WC2, was sold in September for £34.5 million, at a 1% premium to the March 2025 external valuation.

The portfolio investment programme continued over the period, with £4.0 million invested to upgrade assets, in particular at our Milton Keynes office property, which is now fully decarbonised with an A-rated EPC, and at a Gloucester industrial asset facilitating a lease extension to 2037.

The breakdown of valuation movements over the six months is shown below:

| Sector                    | Portfolio allocation | LfL* valuation change | Capital expenditure | Capital receipt | LfL* post capex / capital receipt |
|---------------------------|----------------------|-----------------------|---------------------|-----------------|-----------------------------------|
| <b>Industrial</b>         | <b>68%</b>           | <b>1.1%</b>           |                     |                 |                                   |
| South East                | 48%                  |                       | -£1.3m              | -               | 0.8%                              |
| Rest of UK                | 20%                  |                       |                     |                 |                                   |
| <b>Office</b>             | <b>20%</b>           | <b>0.3%</b>           | -£2.7m              | -               | -1.6%                             |
| London & South East       | 11%                  |                       |                     |                 |                                   |
| Rest of UK                | 9%                   |                       |                     |                 |                                   |
| <b>Retail and Leisure</b> | <b>12%</b>           | <b>0.1%</b>           | -                   | £2.4m           | 2.9%                              |
| Retail Warehouse          | 8%                   |                       |                     |                 |                                   |
| High Street – Rest of UK  | 2%                   |                       |                     |                 |                                   |
| Leisure                   | 2%                   |                       |                     |                 |                                   |
| <b>Total</b>              | <b>100%</b>          | <b>0.8%</b>           | <b>-£4.0m</b>       | <b>£2.4m</b>    | <b>0.6%</b>                       |

\* LfL denotes a like-for-like basis excluding the disposal in the period

## Portfolio summary

Our portfolio is concentrated in the industrial, warehouse and logistics sector and has £10.0 million of reversionary upside from the contracted rent. This comprises £5.3 million of current vacant space and £4.7 million which will be captured by resetting rents to market levels at lease events.

90% of the upside from resetting rents to market level comes from the industrial portfolio, where we continue to capture rental growth through new lettings, renewals and rent reviews. 81% of the vacant space is in the office portfolio, which we have been upgrading to meet occupier requirements and are seeing increased demand.

## Portfolio snapshot

|                     | 30 Sept 25 | 31 Mar 25 | Like-for-like* % change |
|---------------------|------------|-----------|-------------------------|
| Assets              | 46         | 47        |                         |
| Occupancy           | 90%        | 94%       |                         |
| Valuation           | £695m      | £723m     | 0.8%                    |
| Disposal proceeds   | £34.5m     | £51.0m    |                         |
| Acquisition         | £0m        | £0.5m     |                         |
| Capital expenditure | £4.0m      | £11.8m    |                         |
| Equivalent yield    | 6.8%       | 6.8%      |                         |
| Passing rent        | £40.1m     | £42.3m    | -2.1%                   |
| Contracted rent     | £45.7m     | £48.2m    | -2.5%                   |
| ERV                 | £55.7m     | £55.6m    | 3.7%                    |

\* LfL denotes a like-for-like basis excluding the disposal in the period

The contracted annual rent of the portfolio as at 30 September 2025 was £45.7 million and the portfolio's ERV was £55.7 million, a like-for-like increase of 3.7%, with all three sectors showing positive ERV growth as follows:

- Industrial: 5.1%
- Office: 2.6%
- Retail and Leisure: 0.7%

Rent collection remained strong with 98% received over the six months.

## Performance

We delivered a total property return of 3.2%, outperforming the MSCI UK Quarterly Property Index which recorded a total return of 2.7%. This outperformance was driven by both income return and capital growth.

Our portfolio income return was 2.6%, outperforming MSCI's income return of 2.3%. Capital growth was 0.6%, compared to MSCI at 0.4%.

## Portfolio activity

We continue to actively manage the portfolio, completing more than 50 asset management transactions over the period, 2.8% ahead of March 2025 ERV. This included:

- 15 lettings or agreements to lease, securing additional rent of £1.5 million, 3% ahead of the March 2025 ERV
- 21 lease renewals or regears, securing £3.2 million per annum, an uplift of £0.1 million, 4% ahead of the previous rent and 2% ahead of the March 2025 ERV
- Ten rent reviews, securing an uplift of £0.2 million per annum, 18% ahead of the previous rent and 5% ahead of the March 2025 ERV
- Three lease variations to remove occupier break options, securing £0.2 million per annum, 11% ahead of the March 2025 ERV
- Seven lease surrenders, one of which was back-to-back with the occupier; three have already been re-let with one under offer, and three are being refurbished prior to re-leasing



## Occupancy

Occupancy has decreased to 90% (31 March 2025: 94%), which compares to the MSCI UK Monthly Property Index of 88%, as at 30 September 2025. The space that became available over the period represents nearly 50% of the total vacancy and has an ERV of £2.5 million per annum, this includes:

- Space returned at offices in Farringdon on a lease break and in Bristol, where an occupier has moved to a larger suite
- An office lease surrendered at Chatham with a passing rent of £0.9 million in exchange for a payment of £1.2 million
- An industrial lease surrendered at Datapoint, London E16 with a passing rent of £0.1 million per annum in exchange for a payment of £0.3 million
- An industrial unit in Winnersh, where the ERV is £0.2 million, more than 60% ahead of the previous passing rent

The total ERV of vacant space is £5.3 million. The majority of our void is in the office sector, with an ERV of £4.3 million or 81% of the total vacant space. Offices have an occupancy rate of 75%, and the industrial and retail assets have occupancy rates of 98% and 95% respectively.

## Industrial

We continue to operate with good occupancy and are capturing rental growth within the industrial portfolio. Where space is being returned, we are achieving higher rents on re-leasing and we expect this to continue, although certain key lease events will impact occupancy in the short-term.

As at 30 September 2025 our industrial portfolio had reversionary income potential of £4.3 million, with a further £0.6 million of upside from leasing vacant space.

### Industrial snapshot

|                     | 30 Sept 25 | 31 Mar 25 | Like-for-like % change |
|---------------------|------------|-----------|------------------------|
| Assets              | 19         | 19        |                        |
| Occupancy           | 98%        | 99%       |                        |
| Valuation           | £468.3m    | £463.2m   | 1.1%                   |
| Acquisition         | -          | £0.5m     |                        |
| Capital expenditure | £1.3m      | £3.0m     |                        |
| Equivalent yield    | 5.8%       | 5.6 %     |                        |
| Passing rent        | £23.5m     | £22.6m    | 3.9%                   |
| Contracted rent     | £26.0m     | £25.7m    | 1.6%                   |
| ERV                 | £30.9m     | £29.5m    | 5.1%                   |

Our industrial assets increased in value by £5.1 million, or 1.1%, with 28 asset management transactions completed at 7.9% ahead of the March 2025 ERV. These included:

- Ten lettings and agreements for lease securing £0.8 million per annum, 9% ahead of March 2025 ERV
- 11 renewals and regears securing £1.8 million per annum, 29% ahead of the previous rent and 7% ahead of March 2025 ERV
- Five rent reviews securing an uplift of £0.1 million per annum, 32% ahead the previous rent and 9% ahead of March 2025 ERV
- Two break removals securing £0.1 million per annum, 8% ahead of the March 2025 ERV

Key leasing events during the period included:

- Harlow: we restructured the lease with the largest occupier for a ten-year extension at £1.0 million per annum, an increase of 25% on the previous passing rent with flexibility, subject to break penalty payments
- Radlett: we leased the only vacant unit at £0.2 million per annum, 14% ahead of the March 2025 ERV, renewed a lease at £0.3 million per annum, 64% ahead of the previous rent and settled two rent reviews for a combined £0.2 million per annum, 39% ahead of the previous rent
- London, Datapoint: we let a unit to an existing data centre occupier at £0.2 million per annum, 40% ahead of the previous rent. We also completed an active management surrender, receiving a payment of £0.2 million, and this unit is now being refurbished ahead of re-leasing

## Office

Office occupancy continues to be lower than other sectors, which is in part due to the timing of lease events and proactive surrenders, but also a slower leasing market, recognising wider macroeconomic factors.

Our office portfolio has vacant space with an ERV of £4.3 million and reversionary income potential of £0.7 million from resetting rents to market levels at lease events.

### Office snapshot:

|                     | 30 Sept 25 | 31 Mar 25 | Like-for-like* % change |
|---------------------|------------|-----------|-------------------------|
| Assets              | 13         | 14        |                         |
| Occupancy           | 75%        | 86%       |                         |
| Valuation           | £141.8m    | £175.3m   | 0.3%                    |
| Disposal proceeds   | £34.5m     | £51.0m    |                         |
| Capital expenditure | £2.7m      | £8.1m     |                         |
| Equivalent yield    | 9.1%       | 8.2%      |                         |
| Passing rent        | £11.4m     | £14.0m    | -10.7%                  |
| Contracted rent     | £12.3m     | £14.9m    | -9.6%                   |
| ERV                 | £17.3m     | £18.7m    | 2.6%                    |

\* LfL denotes a like-for-like basis excluding the disposal in the period

Our office assets increased in value by £0.4 million or 0.3% on a like-for-like basis with 11 asset management transactions completed securing £2.1 million per annum of income. These included:

- Three lettings or agreements for lease securing £0.6 million per annum, 8% below March 2025 ERV
- Five lease renewals and regears securing £1.0 million per annum, 7% ahead of the previous rent and 5% below March 2025 ERV
- Three rent reviews at £0.6 million per annum securing an uplift of £0.1 million per annum, 12% ahead of the previous rent and 1% ahead the March 2025 ERV

Our largest office asset, Stanford Building, London WC2, was sold during the period for £34.5 million, a 1% premium to the March 2025 valuation.

At 50 Farringdon Road, London EC1 we secured approval via permitted development rights to create an additional floor of residential accommodation above the existing offices.

Key leasing events during the period included:

- Bristol: we completed the letting of two fully-fitted suites at a record rental level for the building, securing £0.3 million per annum, in line with the March 2025 ERV, and retained an existing occupier at £0.2 million per annum, 21% below March 2025 ERV but with no capital expenditure or rental incentive
- Milton Keynes: we completed a lease renewal at £0.4 million per annum, 12% ahead of the previous rent and retained another occupier at £0.1 million per annum with a rent review due in 2026. The building M&E replacement works have been completed and the asset has an EPC A rating; refurbishment works are underway in two suites with good occupier interest

## Retail and Leisure

We are operating with high occupancy and starting to experience rental growth in the retail portfolio. However, income growth is still limited as new leases are reset from historically higher rental levels, but our retail portfolio now has a higher ERV than the contracted rent for the first time in a number of years.

The retail and leisure portfolio has reversionary potential of £0.2 million, with the vacant space of £0.4 million offset by £0.2 million of rents higher than ERV. This reflects the recent resetting of rents back to market levels and the removal of over-renting from some assets.

### Retail and leisure snapshot:

|                          | 30 Sept 25 | 31 Mar 25 | Like-for-like % change |
|--------------------------|------------|-----------|------------------------|
| Assets                   | 14         | 14        |                        |
| Occupancy                | 95%        | 94%       |                        |
| Valuation                | £84.7m     | £84.6m    | 0.1%                   |
| Capital expenditure      | -          | £0.7m     |                        |
| Capital premium received | £2.4m      | -         |                        |
| Equivalent yield         | 7.9%       | 7.9%      |                        |
| Passing rent             | £5.3m      | £5.7m     | -7.1%                  |
| Contracted rent          | £7.3m      | £7.6m     | -3.8%                  |
| ERV                      | £7.5m      | £7.4m     | 0.7%                   |

Our retail and leisure assets increased in value by £0.1 million or 0.1%, with ten active management transactions completed securing £0.7 million of income, 3.7% ahead of the March 2025 ERV. These included:

- Two lettings securing £0.2 million per annum, 20% ahead of the March 2025 ERV
- Five renewals and regears securing £0.4 million per annum, 5% below the March 2025 ERV
- Two rent reviews at £0.1 million per annum, 6% ahead of the March 2025 ERV
- One break removal securing £0.1 million, 23% ahead of the March 2025 ERV

At Carlisle, we restructured a hotel lease expiring in 2031, on to a new 99-year lease, receiving a premium of £2.4 million in lieu of a rent reduction and longer lease. We simultaneously let a small vacant retail unit to the hotel operator as part of the overall transaction.

Key leasing events during the period included:

- Leeds: we completed the surrender of a lease in exchange for a surrender payment and, simultaneously re-let the unit at £0.1 million per annum, 64% ahead of the previous rent and 27% ahead of the March 2025 ERV
- Preston: we let the sole vacant unit following a short void period and with no capital expenditure, at £0.1 million per annum, 7% ahead of the March 2025 ERV
- Bristol: we completed a lease renewal at £0.2 million per annum, which was in line with the March 2025 ERV but 46% below the previous rent, which was set in 2009

### Post period end activity

Transactions were completed at an industrial property in Gloucester, an office in Glasgow and industrial properties in Harlow and Radlett.

- Lettings totalling £0.9 million per annum, 5% ahead of March 2025 ERV
- Lease renewals totalling £0.3 million per annum, 47% ahead of the previous rent and 11% ahead of the March 2025 ERV

We have a pipeline of agreed lettings subject to contract, which will generate £0.7 million per annum of rental income, including offices in Colchester and St Albans, industrial in Luton and retail in Bristol.

Key ongoing initiatives which will unlock significant reversion include:

- Rushden: the occupier at our Rushden asset exercised a break option effective October 2025. The asset represented the largest single reversionary opportunity within the portfolio with an ERV more than 50% above the passing rent. In accordance with the lease terms, a payment of £2.5 million was received after the period end, comprising a £0.8 million break penalty and £1.7 million in dilapidations. The break penalty received will mitigate any short-term loss of income while the dilapidations will enable an upgrade of the building. Marketing of the unit has already commenced, and we have had some initial expressions of interest and viewings.

- Radlett: an occupier of a unit in Radlett vacated effective November 2025. We received a payment of £1.1 million covering a surrender premium and agreed dilapidations payment. The ERV is more than 20% above the previous passing rent of £1.0 million per annum. We have also received a positive pre-application response on a proposal to extend this unit.

### Top ten assets

The top ten assets as at 30 September 2025, ranked by capital value, represent 58% of the total portfolio valuation as shown below:

|    |                                                    | Sector     | Approx.<br>area (sq ft) | Appraised<br>value |
|----|----------------------------------------------------|------------|-------------------------|--------------------|
| 1  | Parkbury Industrial Estate, Radlett, Hertfordshire | Industrial | 337,900                 | >£100m             |
| 2  | River Way Industrial Estate, Harlow, Essex         | Industrial | 464,000                 | £50m-£100m         |
| 3  | Datapoint, Cody Road, London E16                   | Industrial | 55,100                  | £30m-£50m          |
| 4  | Lyon Business Park, London IG11                    | Industrial | 99,400                  | £30m-£50m          |
| 5  | Shipton Way, Rushden, Northamptonshire             | Industrial | 312,900                 | £20m-£30m          |
| 6  | 50 Farringdon Road, London EC1                     | Office     | 31,300                  | £20m-£30m          |
| 7  | Sundon Business Park, Luton, Bedfordshire          | Industrial | 127,800                 | £20m-£30m          |
| 8  | Tower Wharf, Cheese Lane, Bristol                  | Office     | 70,600                  | £20m-£30m          |
| 9  | Trent Road, Grantham, Lincolnshire                 | Industrial | 336,100                 | £20m-£30m          |
| 10 | The Business Centre, Wokingham, Berkshire          | Industrial | 96,400                  | £20m-£30m          |

A full portfolio listing is available on our website: [www.picton.co.uk](http://www.picton.co.uk)

### Top ten occupiers

The top ten occupiers, based as a percentage of annualised contracted rental income, after lease incentives, as at 30 September 2025, are summarised below:

|    | Occupier                       | %           |
|----|--------------------------------|-------------|
| 1  | Public sector                  | 4.3         |
| 2  | Whistl UK Limited              | 3.6         |
| 3  | The Random House Group Limited | 3.6         |
| 4  | B&Q Plc                        | 3.0         |
| 5  | Snorkel Europe Limited         | 2.6         |
| 6  | XMA Limited                    | 2.1         |
| 7  | Orlight Limited                | 1.8         |
| 8  | DHL Supply Chain Limited       | 1.7         |
| 9  | Blanco UK Limited              | 1.7         |
| 10 | 4 Aces Limited                 | 1.5         |
|    |                                | <b>25.9</b> |

## FINANCIAL REVIEW

### Income statement

Overall trading performance for the six months improved with modest positive valuation gains and a profit of £15.1 million, or 2.9p per share (September 2024: £11.5 million or 2.1p per share). EPRA earnings were £10.5 million, or 2.0p per share (September 2024: £11.2 million or 2.1p per share). EPRA earnings has been affected by lower net property income and interest income, which was in part offset, on a pence per share basis, by the share buyback programme.

We experienced positive like-for-like valuation movements across all sectors, with the industrial sector contributing the largest element. The unrealised revaluation gains, net of capital expenditure and lease incentives, were £5.6 million.

We disposed of Stanford Building, London WC2, our largest office asset, for gross proceeds of £34.5 million, 1% above the 31 March 2025 valuation. A loss on disposal of £1m is recognised due to sales costs and lease incentives. On completion of the sale, we simultaneously entered into a lease of the first floor which is now classified as a right of use asset, rather than owner occupied.

In addition, during the period we entered into a new 99-year lease with the hotel occupier in Carlisle, receiving a premium of £2.4 million as part of the transaction, in return for an extended lease term and rent reduction.

EPRA earnings were affected by lease events and reduced occupancy, predominantly in the office sector. These events are expected to impact in the short-term while being a key step to unlock reversion and income growth in the medium term. Net property income was £18.0 million (September 2024: £18.4 million) due to:

- Rental income decreased by £1.4 million due to a number of factors: disposals (£0.2 million), our Rushden occupier exercising its break option and the need to unwind lease incentives (£0.6 million), lower office occupancy and the retail and leisure assets reverting to market rents. Overall rental income, excluding disposals and Rushden, reduced by £0.6 million or around 3%
- Other income was £1.1 million mainly attributable to the surrender premium received at Chatham (£0.8 million). The surrender premium was equivalent to around 12 months of the occupier's rental income and offsets the reduced rental income
- Property operating costs increased by £0.3 million due to the occupier at Rushden exercising its break effective October 2025. This resulted in an one-off expense of £0.4 million as a result of a lease incentive being written off
- Property void costs reduced due to disposals of vacant property in the previous financial year

We remained focused on managing our cost base and sought to reduce costs through a review of valuation, auditor and other professional fees.

Our net financing costs increased by £0.3 million compared to the prior six-month period due to reduced interest income, as a result of lower interest rates and back-dated interest received from our managing agents in the prior period. Our interest expense is fixed, as 100% of the debt drawn is under our long-term fixed rate facilities.

We increased the dividend effective May 2025 and maintained dividend cover at 106% over the period (September 2024: 111%).

### Balance sheet

The Group's net asset value ('NAV') as at 30 September 2025 was £527.6 million or 102p per share, reflecting a 2% increase (March 2025: £533.4 million or 100p per share). While the NAV reduced due to the share buyback programme, with a total of £10.5 million utilised during the six-month period, the NAV on a pence per share basis increased by 2%. The total return was 3.4% (September 2024: 2.2%).

The valuation of the investment portfolio increased by £5.6 million to £694.8 million equivalent to 0.8% on a like-for-like basis, excluding Stanford Building, London WC2, which was sold in the period. This equates to 0.6% including net capital expenditure, being £4 million of capital expenditure incurred less the £2.4 million premium received on the lease regear at the hotel in Carlisle. No assets were held for sale as at 30 September 2025.

Our balance sheet remains strong with £53.6 million of cash as at 30 September 2025. The increase of £18.3 million during the period was primarily due to the disposal of Stanford Building, London WC2, (gross proceeds £34.5 million) less capital expenditure (£4.0 million) and share buybacks (£10.5 million). The remaining proceeds will be used for share buybacks, reinvestment into the portfolio and for new opportunities to support value and earnings growth.

Total borrowings reduced by £0.8 million in line with the quarterly amortisation under the Aviva loan facility. The LTV as at September 2025 was 22% (March 2025: 24%) with the reduction due to the disposal proceeds. The weighted average maturity of our borrowings is now 6.2 years and 100% of the drawn debt is fixed at a weighted average interest rate of 3.7% (March 2025: 3.7%).

The long-term loan facilities with Canada Life and Aviva are in place until 2031 and 2032 respectively.

Our £50 million revolving credit facility remains committed but undrawn and gives us operational flexibility and the potential for future investment opportunity.

During the period a new occupational lease was entered into in respect of the 1<sup>st</sup> floor Stanford Building, London WC2. The lease is for a ten-year term, with the option to break at the end of five years. The annual rent payable is £299,100 with half rent payable over the first 12 months. This has been recognised as a lease liability on the balance sheet at 30 September 2025.

EPRA net tangible assets were 102p per share, in line with the IFRS net asset value. However, the EPRA net disposal value, which included the £23 million fair value adjustment to our borrowings, was 106p per share.

Share buybacks continued over the period with a new £12.5 million programme being put in place in September 2025 following the disposal of Stanford Building, London WC2. We have committed to a total of £30 million in share buybacks since commencement in January 2025 with £11.9 million outstanding as at 30 September 2025. Over the six-month period 13,585,000 shares were purchased and cancelled at an average price of 77 pence per share. This equated to a 25% discount to the September 2025 NAV per share and was accretive to both earnings and NAV growth.

The Employee Benefit Trust ('EBT') purchased 1,200,000 shares during the period and holds 3,119,446 shares as at 30 September 2025. Shares are held by the EBT to hedge awards outstanding employee share schemes.

## **DIRECTORS' RESPONSIBILITIES**

### **STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES**

The Company's assets comprise direct investments in UK commercial property. Its principal risks are therefore related to the commercial property market in general and its investment properties. Other risks faced by the Company include economic, investment and strategic, regulatory, management and control, operational, financial and climate related risks.

These risks, and the way in which they are managed, are described in more detail under the heading 'Managing Risk' within the Strategic Report in the Company's Annual Report for the year ended 31 March 2025. The Company's principal risks and uncertainties have not changed materially since the date of that report.

### **STATEMENT OF GOING CONCERN**

The Directors have assessed whether the going concern basis remains appropriate for the preparation of the financial statements for the period ended 30 September 2025. In making their assessment the Directors have considered the principal and emerging risks relating to the Group and scenarios impacting the portfolio and the potential consequences on financial performance, asset values, investing and financing activities. More details regarding the Group's business activities, together with the factors affecting performance, investment activities and future developments are set out in the Portfolio Review.

Further information on the financial position of the Group, including its liquidity position and debt facilities, is set out in the Financial Review and in the condensed consolidated financial statements.

Under all of these scenarios the Group has sufficient cash resources to continue its operations, and remain within its loan covenants, for a period of at least 12 months from the date of these financial statements.

Based on their assessment and knowledge of the portfolio and market, the Directors have therefore continued to adopt the going concern basis in preparing the financial statements.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE INTERIM REPORT**

We confirm that to the best of our knowledge:

- a. the condensed set of consolidated financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';
- b. the Business Overview and Portfolio Review (together constituting the Interim Management Report) together with the Statement of Principal Risks and Uncertainties above include a fair review of the information required by the Disclosure Guidance and Transparency Rules ('DTR') 4.2.7R, being an indication of the important events that have occurred during the first six months of the financial year, a description of principal risks and uncertainties for the remaining six months of the year, and their impact on the condensed set of consolidated financial statements; and
- c. the Business Overview together with the condensed set of consolidated financial statements include a fair review of the information required by DTR 4.2.8R, being 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 or performance of the Company during that period, and any changes in the related party transactions described in the last Annual Report that could do so.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, and for the preparation and dissemination of financial statements. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

**Saira Johnston**

Director

11 November 2025

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025**

|                                                        |      | <b>6 months<br/>ended<br/>30 September<br/>2025<br/>unaudited<br/>Total<br/>£000</b> | <b>6 months<br/>ended<br/>30 September<br/>2024<br/>unaudited<br/>Total<br/>£000</b> | <b>Year ended<br/>31 March<br/>2025<br/>audited<br/>Total<br/>£000</b> |
|--------------------------------------------------------|------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------|
|                                                        | Note |                                                                                      |                                                                                      |                                                                        |
| <b>Income</b>                                          |      |                                                                                      |                                                                                      |                                                                        |
| Revenue from properties                                | 3    | 25,514                                                                               | 26,883                                                                               | 54,019                                                                 |
| Property expenses                                      | 4    | (7,500)                                                                              | (8,467)                                                                              | (16,343)                                                               |
| <b>Net property income</b>                             |      | <b>18,014</b>                                                                        | <b>18,416</b>                                                                        | <b>37,676</b>                                                          |
| <b>Expenses</b>                                        |      |                                                                                      |                                                                                      |                                                                        |
| Administrative expenses                                |      | (3,400)                                                                              | (3,469)                                                                              | (7,100)                                                                |
| <b>Total operating expenses</b>                        |      | <b>(3,400)</b>                                                                       | <b>(3,469)</b>                                                                       | <b>(7,100)</b>                                                         |
| <b>Operating profit before movement on investments</b> |      | <b>14,614</b>                                                                        | <b>14,947</b>                                                                        | <b>30,576</b>                                                          |
| <b>Investments</b>                                     |      |                                                                                      |                                                                                      |                                                                        |
| Revaluation of owner-occupied property                 | 10   | –                                                                                    | 88                                                                                   | 128                                                                    |
| Profit on disposal of property, plant & equipment      | 10   | 40                                                                                   | –                                                                                    | –                                                                      |
| (Loss)/profit on disposal of investment property       | 9    | (997)                                                                                | (33)                                                                                 | 1,496                                                                  |
| Investment property valuation movements                | 9    | 5,556                                                                                | 253                                                                                  | 12,859                                                                 |
| <b>Total profit on investments</b>                     |      | <b>4,599</b>                                                                         | <b>308</b>                                                                           | <b>14,483</b>                                                          |
| <b>Operating profit</b>                                |      | <b>19,213</b>                                                                        | <b>15,255</b>                                                                        | <b>45,059</b>                                                          |
| <b>Financing</b>                                       |      |                                                                                      |                                                                                      |                                                                        |
| Interest income                                        |      | 231                                                                                  | 594                                                                                  | 813                                                                    |
| Interest expense                                       |      | (4,301)                                                                              | (4,338)                                                                              | (8,549)                                                                |
| <b>Total finance costs</b>                             |      | <b>(4,070)</b>                                                                       | <b>(3,744)</b>                                                                       | <b>(7,736)</b>                                                         |
| <b>Profit before tax</b>                               |      | <b>15,143</b>                                                                        | <b>11,511</b>                                                                        | <b>37,323</b>                                                          |
| Tax                                                    |      | –                                                                                    | –                                                                                    | –                                                                      |
| <b>Profit after tax</b>                                |      | <b>15,143</b>                                                                        | <b>11,511</b>                                                                        | <b>37,323</b>                                                          |
| <b>Total comprehensive income for the period/year</b>  |      | <b>15,143</b>                                                                        | <b>11,511</b>                                                                        | <b>37,323</b>                                                          |
| <b>Earnings per share</b>                              |      |                                                                                      |                                                                                      |                                                                        |
| Basic                                                  | 7    | 2.9p                                                                                 | 2.1p                                                                                 | 6.9p                                                                   |
| Diluted                                                | 7    | 2.9p                                                                                 | 2.1p                                                                                 | 6.8p                                                                   |

Notes 1 to 17 form part of these condensed consolidated financial statements.

All of the profit and total comprehensive income for the period is attributable to the equity holders of the Company. There are no minority interests.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025**

|                                         | Note | Share<br>capital<br>£000 | Retained<br>earnings<br>£000 | Other<br>reserves<br>£000 | Total<br>£000  |
|-----------------------------------------|------|--------------------------|------------------------------|---------------------------|----------------|
| <b>Balance as at 31 March 2024</b>      |      | <b>164,400</b>           | <b>360,528</b>               | <b>(453)</b>              | <b>524,475</b> |
| Profit for the period                   |      | –                        | 11,511                       | –                         | 11,511         |
| Dividends paid                          | 6    | –                        | (10,089)                     | –                         | (10,089)       |
| Share-based awards                      |      | –                        | –                            | 400                       | 400            |
| Purchase of shares held in trust        |      | –                        | –                            | (1,519)                   | (1,519)        |
| <b>Balance as at 30 September 2024</b>  |      | <b>164,400</b>           | <b>361,950</b>               | <b>(1,572)</b>            | <b>524,778</b> |
| Profit for the period                   |      | –                        | 25,812                       | –                         | 25,812         |
| Dividends paid                          | 6    | –                        | (10,070)                     | –                         | (10,070)       |
| Share-based awards                      |      | –                        | –                            | 351                       | 351            |
| Purchase and cancellation of own shares | 13   | –                        | (7,493)                      | –                         | (7,493)        |
| <b>Balance as at 31 March 2025</b>      |      | <b>164,400</b>           | <b>370,199</b>               | <b>(1,221)</b>            | <b>533,378</b> |
| Profit for the period                   |      | –                        | 15,143                       | –                         | 15,143         |
| Dividends paid                          | 6    | –                        | (9,975)                      | –                         | (9,975)        |
| Share-based awards                      |      | –                        | –                            | 405                       | 405            |
| Purchase of shares held in trust        |      | –                        | –                            | (920)                     | (920)          |
| Purchase and cancellation of own shares | 13   | –                        | (10,462)                     | –                         | (10,462)       |
| <b>Balance as at 30 September 2025</b>  |      | <b>164,400</b>           | <b>364,905</b>               | <b>(1,736)</b>            | <b>527,569</b> |

Notes 1 to 17 form part of these condensed consolidated financial statements.

**CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2025**

|                                      |      | <b>30 September<br/>2025<br/>unaudited<br/>£000</b> | 30 September<br>2024<br>unaudited<br>£000 | 31 March<br>2025<br>audited<br>£000 |
|--------------------------------------|------|-----------------------------------------------------|-------------------------------------------|-------------------------------------|
|                                      | Note |                                                     |                                           |                                     |
| <b>Non-current assets</b>            |      |                                                     |                                           |                                     |
| Investment properties                | 9    | 676,300                                             | 679,004                                   | 700,694                             |
| Property, plant and equipment        | 10   | 1,234                                               | 3,519                                     | 3,504                               |
| Lease receivable                     |      | 1,048                                               | –                                         | –                                   |
| <b>Total non-current assets</b>      |      | <b>678,582</b>                                      | <b>682,523</b>                            | <b>704,198</b>                      |
| <b>Current assets</b>                |      |                                                     |                                           |                                     |
| Investment properties held for sale  | 9    | –                                                   | 20,497                                    | –                                   |
| Accounts receivable                  |      | 24,735                                              | 25,226                                    | 25,122                              |
| Cash and cash equivalents            |      | 53,586                                              | 28,223                                    | 35,320                              |
| <b>Total current assets</b>          |      | <b>78,321</b>                                       | <b>73,946</b>                             | <b>60,442</b>                       |
| <b>Total assets</b>                  |      | <b>756,903</b>                                      | <b>756,469</b>                            | <b>764,640</b>                      |
| <b>Current liabilities</b>           |      |                                                     |                                           |                                     |
| Accounts payable and accruals        |      | (18,273)                                            | (19,865)                                  | (20,048)                            |
| Loans and borrowings                 | 12   | (1,314)                                             | (1,279)                                   | (1,388)                             |
| Obligations under leases             | 11   | (196)                                               | (115)                                     | (115)                               |
| <b>Total current liabilities</b>     |      | <b>(19,783)</b>                                     | <b>(21,259)</b>                           | <b>(21,551)</b>                     |
| <b>Non-current liabilities</b>       |      |                                                     |                                           |                                     |
| Loans and borrowings                 | 12   | (205,947)                                           | (207,867)                                 | (207,153)                           |
| Obligations under leases             | 11   | (3,604)                                             | (2,565)                                   | (2,558)                             |
| <b>Total non-current liabilities</b> |      | <b>(209,551)</b>                                    | <b>(210,432)</b>                          | <b>(209,711)</b>                    |
| <b>Total liabilities</b>             |      | <b>(229,334)</b>                                    | <b>(231,691)</b>                          | <b>(231,262)</b>                    |
| <b>Net assets</b>                    |      | <b>527,569</b>                                      | <b>524,778</b>                            | <b>533,378</b>                      |
| <b>Equity</b>                        |      |                                                     |                                           |                                     |
| Share capital                        | 13   | 164,400                                             | 164,400                                   | 164,400                             |
| Retained earnings                    |      | 364,905                                             | 361,950                                   | 370,199                             |
| Other reserves                       |      | (1,736)                                             | (1,572)                                   | (1,221)                             |
| <b>Total equity</b>                  |      | <b>527,569</b>                                      | <b>524,778</b>                            | <b>533,378</b>                      |
| <b>Net asset value per share</b>     | 15   | 102p                                                | 96p                                       | 100p                                |

Notes 1 to 17 form part of these condensed consolidated financial statements.

These condensed consolidated financial statements were approved by the Board of Directors on 11 November 2025 and signed on its behalf by:

**Saira Johnston**  
Chief Financial Officer

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025**

|                                                        |      | <b>6 months<br/>ended<br/>30 September<br/>2025<br/>unaudited<br/>£000</b> | 6 months<br>ended<br>30 September<br>2024<br>unaudited<br>£000 | Year ended<br>31 March<br>2025<br>audited<br>£000 |
|--------------------------------------------------------|------|----------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------|
|                                                        | Note |                                                                            |                                                                |                                                   |
| <b>Operating activities</b>                            |      |                                                                            |                                                                |                                                   |
| Operating profit                                       |      | 19,213                                                                     | 15,255                                                         | 45,059                                            |
| Adjustments for non-cash items                         | 14   | (4,120)                                                                    | 160                                                            | (13,597)                                          |
| Interest received                                      |      | 298                                                                        | 1,006                                                          | 1,248                                             |
| Interest paid                                          |      | (4,109)                                                                    | (4,432)                                                        | (8,540)                                           |
| Decrease in accounts receivables                       |      | 319                                                                        | 963                                                            | 1,044                                             |
| Decrease in accounts payable and accruals              |      | (1,854)                                                                    | (516)                                                          | (291)                                             |
| <b>Cash inflows from operating activities</b>          |      | <b>9,747</b>                                                               | <b>12,436</b>                                                  | <b>24,923</b>                                     |
| <b>Investing activities</b>                            |      |                                                                            |                                                                |                                                   |
| Disposal of investment properties                      | 9    | 29,515                                                                     | 28,967                                                         | 50,031                                            |
| Purchase of investment properties                      | 9    | –                                                                          | –                                                              | (533)                                             |
| Capital expenditure on investment properties           | 9    | (3,959)                                                                    | (4,205)                                                        | (11,794)                                          |
| Lease premium received                                 |      | 2,350                                                                      | –                                                              | –                                                 |
| Disposal of property, plant & equipment                | 10   | 3,438                                                                      | –                                                              | –                                                 |
| Purchase of property, plant & equipment                | 10   | (1)                                                                        | –                                                              | (12)                                              |
| <b>Cash inflows from investing activities</b>          |      | <b>31,343</b>                                                              | <b>24,762</b>                                                  | <b>37,692</b>                                     |
| <b>Financing activities</b>                            |      |                                                                            |                                                                |                                                   |
| Borrowings repaid                                      |      | (773)                                                                      | (17,140)                                                       | (17,897)                                          |
| Financing costs                                        |      | (662)                                                                      | –                                                              | –                                                 |
| Purchase of shares held in trust                       |      | (920)                                                                      | (1,519)                                                        | (1,519)                                           |
| Purchase and cancellation of own shares                |      | (10,462)                                                                   | –                                                              | (7,493)                                           |
| Dividends paid                                         | 6    | (9,975)                                                                    | (10,089)                                                       | (20,159)                                          |
| Lease liability                                        |      | (32)                                                                       | –                                                              | –                                                 |
| <b>Cash outflows from financing activities</b>         |      | <b>(22,824)</b>                                                            | <b>(28,748)</b>                                                | <b>(47,068)</b>                                   |
| <b>Net increase in cash and cash equivalents</b>       |      | <b>18,266</b>                                                              | <b>8,450</b>                                                   | <b>15,547</b>                                     |
| Cash and cash equivalents at beginning of period/year  |      | 35,320                                                                     | 19,773                                                         | 19,773                                            |
| <b>Cash and cash equivalents at end of period/year</b> |      | <b>53,586</b>                                                              | <b>28,223</b>                                                  | <b>35,320</b>                                     |

Notes 1 to 17 form part of these condensed consolidated financial statements.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025**

**1. GENERAL INFORMATION**

Picton Property Income Limited (the 'Company' and together with its subsidiaries the 'Group') was established in Guernsey on 15 September 2005 and entered the UK REIT regime on 1 October 2018.

The financial statements are prepared for the period from 1 April to 30 September 2025, with unaudited comparatives for the period from 1 April to 30 September 2024. Comparatives are also provided from the audited financial statements for the year ended 31 March 2025.

**2. MATERIAL ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements of the Group as at and for the year ended 31 March 2025.

The accounting policies applied by the Group in these financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 March 2025.

The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the IASB. The Group's annual financial statements for the year ended 31 March 2025 refer to new Standards and Interpretations none of which has a material impact on these financial statements. There have been no significant changes to management judgements and estimates as disclosed in the last annual report and financial statements for the year ended 31 March 2025.

The Directors have assessed whether the going concern basis remains appropriate for the preparation of the financial statements. They have reviewed the Group's principal and emerging risks, existing loan facilities, access to funding and liquidity position and then considered different adverse scenarios impacting the portfolio and the potential consequences on financial performance, asset values, dividend policy, capital projects and loan covenants. Under all these scenarios the Group has sufficient resources to continue its operations, and remain within its loan covenants, for a period of at least 12 months from the date of these financial statements. Based on their assessment and knowledge of the portfolio and market, the Directors have therefore continued to adopt the going concern basis in preparing the financial statements.

**3. REVENUE FROM PROPERTIES**

|                                                  | <b>6 months<br/>ended<br/>30 September<br/>2025<br/>£000</b> | <b>6 months<br/>ended<br/>30 September<br/>2024<br/>£000</b> | <b>Year ended<br/>31 March<br/>2025<br/>£000</b> |
|--------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|
| Rents receivable (adjusted for lease incentives) | 20,475                                                       | 21,910                                                       | 43,531                                           |
| Surrender premiums                               | 1,133                                                        | —                                                            | 7                                                |
| Dilapidation receipts                            | 22                                                           | —                                                            | 368                                              |
| Other income                                     | —                                                            | 127                                                          | 286                                              |
|                                                  | <b>21,630</b>                                                | <b>22,037</b>                                                | <b>44,192</b>                                    |
| Service charge income                            | 3,884                                                        | 4,846                                                        | 9,827                                            |
|                                                  | <b>25,514</b>                                                | <b>26,883</b>                                                | <b>54,019</b>                                    |

Rents receivable includes lease incentives recognised of £0.1 million (30 September 2024: £0.3 million, 31 March 2025: £0.6 million).

**4. PROPERTY EXPENSES**

|                                  | <b>6 months<br/>ended<br/>30 September<br/>2025<br/>£000</b> | <b>6 months<br/>ended<br/>30 September<br/>2024<br/>£000</b> | <b>Year ended<br/>31 March<br/>2025<br/>£000</b> |
|----------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|
| Property operating costs         | 1,712                                                        | 1,387                                                        | 2,629                                            |
| Property void costs              | 1,904                                                        | 2,234                                                        | 3,887                                            |
|                                  | <b>3,616</b>                                                 | <b>3,621</b>                                                 | <b>6,516</b>                                     |
| Recoverable service charge costs | 3,884                                                        | 4,846                                                        | 9,827                                            |
|                                  | <b>7,500</b>                                                 | <b>8,467</b>                                                 | <b>16,343</b>                                    |

## 5. OPERATING SEGMENTS

The Board is charged with setting the Group's business model and strategy. The key measure of performance used by the Board to assess the Group's performance is the total return on the Group's net asset value. As the total return on the Group's net asset value is calculated based on the net asset value per share calculated under IFRS as shown at the foot of the Balance Sheet, assuming dividends are reinvested, the key performance measure is that prepared under IFRS. Therefore, no reconciliation is required between the measure of profit or loss used by the Board and that contained in the financial statements.

The Board has considered the requirements of IFRS 8 'Operating Segments'. The Board is of the opinion that the Group, through its subsidiary undertakings, operates in one reportable industry segment, namely real estate investment, and across one primary geographical area, namely the United Kingdom, and therefore no segmental reporting is required. The portfolio consists of 46 commercial properties, which are in the industrial, office, retail and leisure sectors.

## 6. DIVIDENDS

|                                                                      | 6 months<br>ended<br>30 September<br>2025<br>£000 | 6 months<br>ended<br>30 September<br>2024<br>£000 | Year ended<br>31 March<br>2025<br>£000 |
|----------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------|----------------------------------------|
| <b>Declared and paid:</b>                                            |                                                   |                                                   |                                        |
| Interim dividend for the period ended 31 March 2024: 0.925 pence     | –                                                 | 5,050                                             | 5,050                                  |
| Interim dividend for the period ended 30 June 2024: 0.925 pence      | –                                                 | 5,039                                             | 5,039                                  |
| Interim dividend for the period ended 30 September 2024: 0.925 pence | –                                                 | –                                                 | 5,038                                  |
| Interim dividend for the period ended 31 December 2024: 0.925 pence  | –                                                 | –                                                 | 5,032                                  |
| Interim dividend for the period ended 31 March 2025: 0.95 pence      | 5,019                                             | –                                                 | –                                      |
| Interim dividend for the period ended 30 June 2025: 0.95 pence       | 4,956                                             | –                                                 | –                                      |
|                                                                      | <b>9,975</b>                                      | <b>10,089</b>                                     | <b>20,159</b>                          |

The interim dividend of 0.95 pence per ordinary share in respect of the period ended 30 September 2025 has not been recognised as a liability as it was declared after the period end. A dividend of £4,911,000 will be paid on 28 November 2025.

## 7. EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the period, excluding the average number of shares held by the Employee Benefit Trust. The diluted number of shares also reflects the contingent shares to be issued under the Long-term Incentive Plan.

The following reflects the profit and share data used in the basic and diluted earnings per share calculation:

|                                                                                                   | 30 September<br>2025 | 30 September<br>2024 | 31 March<br>2025 |
|---------------------------------------------------------------------------------------------------|----------------------|----------------------|------------------|
| Net profit attributable to ordinary shareholders of the Company from continuing operations (£000) | 15,143               | 11,511               | 37,323           |
| Weighted average number of ordinary shares for basic earnings per share                           | 525,258,662          | 545,472,873          | 544,037,179      |
| Weighted average number of ordinary shares for diluted earnings per share                         | 526,895,423          | 544,645,651          | 545,502,180      |

## 8. FAIR VALUE MEASUREMENTS

The fair value measurement for the financial assets and financial liabilities are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's secured loan facilities, as disclosed in note 12, are included in Level 2.

Level 3: unobservable inputs for the asset or liability. The fair value of the Group's investment properties is included in Level 3.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer has occurred. There were no transfers between levels for the period ended 30 September 2025.

The fair value of all other financial assets and liabilities is not materially different from their carrying value in the financial statements.

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 March 2025.

## 9. INVESTMENT PROPERTIES

|                                                    | 6 months<br>ended<br>30 September<br>2025<br>£000 | 6 months<br>ended<br>30 September<br>2024<br>£000 | Year ended<br>31 March<br>2025<br>£000 |
|----------------------------------------------------|---------------------------------------------------|---------------------------------------------------|----------------------------------------|
| Fair value at start of period/year                 | 700,694                                           | 724,043                                           | 724,043                                |
| Capital expenditure on investment properties       | 3,959                                             | 4,205                                             | 11,794                                 |
| Acquisition                                        | —                                                 | —                                                 | 533                                    |
| Disposals                                          | (29,515)                                          | (28,967)                                          | (50,031)                               |
| Reclassification of investment property            | (3,397)                                           | —                                                 | —                                      |
| (Loss)/profit on disposal of investment property   | (997)                                             | (33)                                              | 1,496                                  |
| Unrealised movement on investment properties       | 5,556                                             | 253                                               | 12,859                                 |
| <b>Fair value at the end of the period/year</b>    | <b>676,300</b>                                    | <b>699,501</b>                                    | <b>700,694</b>                         |
| <b>Historic cost at the end of the period/year</b> | <b>624,001</b>                                    | <b>667,757</b>                                    | <b>647,863</b>                         |

The fair value of investment properties reconciles to the appraised value as follows:

|                                                                          | 30 September<br>2025<br>£000 | 30 September<br>2024<br>£000 | 31 March<br>2025<br>£000 |
|--------------------------------------------------------------------------|------------------------------|------------------------------|--------------------------|
| <b>Current</b>                                                           |                              |                              |                          |
| Appraised value of properties held for sale                              | —                            | 20,550                       | —                        |
| Lease incentives shown as debtors in respect of properties held for sale | —                            | (53)                         | —                        |
|                                                                          | —                            | 20,497                       | —                        |
| <b>Non-current</b>                                                       |                              |                              |                          |
| Appraised value                                                          | 693,711                      | 700,770                      | 723,145                  |
| Valuation of assets held under head leases                               | 2,035                        | 2,062                        | 2,074                    |
| Lease incentives held as debtors                                         | (19,446)                     | (20,390)                     | (21,087)                 |
| Owner-occupied property                                                  | —                            | (3,438)                      | (3,438)                  |
|                                                                          | 676,300                      | 679,004                      | 700,694                  |
| <b>Fair value at the end of the period/year</b>                          | <b>676,300</b>               | <b>699,501</b>               | <b>700,694</b>           |

In Carlisle, the hotel occupier entered into a new 99-year lease with a premium of £2.35 million being received as part of extending the lease term and a rent reduction. As the present value of lease payments amount to at least substantially all of the fair value of the underlying asset the lease has been treated as a finance lease in the financial statements. The present value of the remaining lease payments receivable under the lease are classified in the consolidated balance sheet under 'Lease receivable'.

The sale of Stanford Building, London WC2 completed in the period with net disposal proceeds of £32.9 million of which £29.5 million has been treated as a disposal of investment property and £3.4 million has been treated as a disposal of owner-occupied property (see note 10). A realised loss on disposal of investment property of £1.0 million has been realised in the statement of comprehensive income.

All of the Group's properties are Level 3 in the fair value hierarchy as they involve the use of significant inputs and there were no transfers between levels during the period. Level 3 inputs used in valuing the properties are those which are unobservable, as opposed to Level 1 (inputs from quoted prices) and Level 2 (observable inputs either directly, i.e. as prices, or indirectly, i.e. derived from prices).

The investment properties were valued by Knight Frank LLP, Chartered Surveyors, as at 30 September 2025 on the basis of fair value in accordance with the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the Red Book) current as at the valuation date.

As at 30 September 2024, two assets were held for sale; contracts had been exchanged to sell Longcross, Cardiff and Charlotte Terrace, London. Both of these sales completed prior to 31 March 2025.

The fair value of the Group's investment properties has been determined using an income capitalisation technique, whereby contracted and market rental values are capitalised with a market capitalisation rate. The resulting valuations are cross-checked against the equivalent yields and the fair market values per square foot derived from comparable market transactions on an arm's length basis.

Information on the significant unobservable inputs per sector of investment properties is disclosed as follows:

30 September 2025

31 March 2025

|                                      | Office              | Industrial         | Retail and<br>leisure | Office              | Industrial         | Retail and<br>leisure |
|--------------------------------------|---------------------|--------------------|-----------------------|---------------------|--------------------|-----------------------|
| Appraised value (£000)               | 141,800             | 468,325            | 83,586                | 175,305             | 463,220            | 84,620                |
| Area (sq ft, 000s)                   | 685                 | 3,255              | 699                   | 706                 | 3,227              | 692                   |
| <b>Range of unobservable inputs:</b> |                     |                    |                       |                     |                    |                       |
| <b>Gross ERV (sq ft per annum)</b>   |                     |                    |                       |                     |                    |                       |
| – range                              | £12.45 to<br>£66.76 | £3.14 to<br>£31.27 | £4.09 to<br>£28.86    | £12.45 to<br>£93.46 | £3.92 to<br>£29.96 | £3.35 to<br>£28.12    |
| – weighted average                   | £33.13              | £14.13             | £12.28                | £43.74              | £13.69             | £12.42                |
| <b>Net initial yield</b>             |                     |                    |                       |                     |                    |                       |
| – range                              | 3.43% to<br>12.16%  | 0.0% to<br>22.03%  | 0.0% to<br>13.49%     | 3.51% to<br>12.10%  | 2.89% to<br>8.21%  | 0.00% to<br>24.58%    |
| – weighted average                   | 6.83%               | 4.68%              | 5.78%                 | 6.96%               | 4.53%              | 6.15%                 |
| <b>Reversionary yield</b>            |                     |                    |                       |                     |                    |                       |
| – range                              | 6.69% to<br>13.33%  | 4.83% to<br>8.66%  | 6.75% to<br>16.86%    | 5.12% to<br>15.39%  | 4.76% to<br>9.17%  | 6.97% to<br>17.13%    |
| – weighted average                   | 10.34%              | 6.06%              | 8.22%                 | 9.37%               | 5.83%              | 8.16%                 |
| <b>True equivalent yield</b>         |                     |                    |                       |                     |                    |                       |
| – range                              | 5.92% to<br>12.23%  | 4.82% to<br>9.91%  | 6.45% to<br>11.11%    | 5.14% to<br>11.30%  | 4.78% to<br>8.39%  | 6.50% to<br>12.75%    |
| – weighted average                   | 9.08%               | 5.79%              | 7.85%                 | 8.20%               | 5.63%              | 7.91%                 |

An increase/decrease in ERV will increase/decrease valuations, while an increase/decrease in yield will decrease/increase valuations.

The Group's borrowings (note 12) are secured by a first ranking fixed charge over the majority of investment properties held.

## 10. PROPERTY, PLANT & EQUIPMENT

|                             | Right of use<br>asset<br>£000 | Owner<br>occupied<br>property<br>£000 | Plant and<br>equipment<br>£000 | Total<br>£000 |
|-----------------------------|-------------------------------|---------------------------------------|--------------------------------|---------------|
| At 1 April 2024             | –                             | 3,391                                 | 108                            | 3,499         |
| Additions                   | –                             | –                                     | –                              | –             |
| Depreciation                | –                             | (41)                                  | (27)                           | (68)          |
| Revaluation                 | –                             | 88                                    | –                              | 88            |
| At 30 September 2024        | –                             | 3,438                                 | 81                             | 3,519         |
| Additions                   | –                             | –                                     | 12                             | 12            |
| Depreciation                | –                             | (40)                                  | (27)                           | (67)          |
| Revaluation                 | –                             | 40                                    | –                              | 40            |
| At 31 March 2025            | –                             | 3,438                                 | 66                             | 3,504         |
| Additions                   | 1,201                         | –                                     | 1                              | 1,202         |
| Depreciation                | (5)                           | (40)                                  | (29)                           | (74)          |
| Disposals                   | –                             | (3,438)                               | –                              | (3,438)       |
| Profit on disposal          | –                             | 40                                    | –                              | 40            |
| <b>At 30 September 2025</b> | <b>1,196</b>                  | <b>–</b>                              | <b>38</b>                      | <b>1,234</b>  |

Property, plant & equipment included the fair value of the first floor Stanford Building, London WC2 which was classified as owner-occupied property as at 31 March 2025 and 30 September 2024. In September 2025 Stanford Building was sold with net sale proceeds in relation to the owner-occupied element of the building of £3,438,000. The Company simultaneously entered into a ten-year lease, with a five-year break option, of the first floor Stanford Building which has been classified as a right of use asset.

## 11. OBLIGATIONS UNDER LEASES

|                              | 30 September<br>2025<br>£000 | 30 September<br>2024<br>£000 | 31 March<br>2025<br>£000 |
|------------------------------|------------------------------|------------------------------|--------------------------|
| <b>Current</b>               |                              |                              |                          |
| Occupational lease liability | 80                           | –                            | –                        |
| Head lease liability         | 116                          | 115                          | 115                      |
|                              | 196                          | 115                          | 115                      |
| <b>Non-current</b>           |                              |                              |                          |
| Occupational lease liability | 1,053                        | –                            | –                        |
| Head lease liability         | 2,551                        | 2,565                        | 2,558                    |
|                              | 3,604                        | 2,565                        | 2,558                    |
|                              | 3,800                        | 2,680                        | 2,673                    |

The Group has entered into a number of head leases in relation to its investment properties. These leases are for fixed terms and subject to regular rent reviews. They contain no material provisions for contingent rents, renewal or purchase options nor any restrictions outside of the normal lease terms.

During the period a new occupational lease was entered into in respect of the first floor Stanford Building, London WC2. The lease is for a ten-year term, with the option to break at the end of five years. The annual rent payable is £299,100 with half rent payable over the first 12 months.

## 12. LOANS AND BORROWINGS

|                                   |              | 30 September<br>2025<br>£000 | 30 September<br>2024<br>£000 | 31 March<br>2025<br>£000 |
|-----------------------------------|--------------|------------------------------|------------------------------|--------------------------|
|                                   | Maturity     |                              |                              |                          |
| <b>Current</b>                    |              |                              |                              |                          |
| Aviva facility                    | –            | 1,598                        | 1,530                        | 1,564                    |
| Capitalised finance costs         | –            | (284)                        | (251)                        | (176)                    |
|                                   |              | 1,314                        | 1,279                        | 1,388                    |
| <b>Non-current</b>                |              |                              |                              |                          |
| Canada Life facility              | 24 July 2031 | 129,045                      | 129,045                      | 129,045                  |
| Aviva facility                    | 24 July 2032 | 78,220                       | 79,818                       | 79,027                   |
| Capitalised finance costs         | –            | (1,318)                      | (996)                        | (919)                    |
|                                   |              | 205,947                      | 207,867                      | 207,153                  |
| <b>Total loans and borrowings</b> |              | 207,261                      | 209,146                      | 208,541                  |

The Group has a loan with Canada Life Limited for £129.0 million which matures in July 2031. Interest is fixed at 3.25% over the life of the loan.

Additionally, the Group has a loan facility agreement with Aviva Commercial Finance Limited for £95.3 million, which was fully drawn on 24 July 2012. The loan matures in July 2032, with approximately one-third repayable over the life of the loan in accordance with a scheduled amortisation profile. Interest on the loan is fixed at 4.38% over the life of the loan.

The Group also has a £50 million revolving credit facility ('RCF') with National Westminster Bank Plc which matures in April 2028 and is currently undrawn. The RCF interest is 165-170 basis points over SONIA on drawn balances and has an undrawn commitment fee of 66 basis points.

The fair value of the secured loan facilities at 30 September 2025, estimated as the present value of future cash flows discounted at the market rate of interest at that date, was £185.8 million (30 September 2024: £187.4 million, 31 March 2025: £183.5 million). The fair value of the secured loan facilities is classified as Level 2 under the hierarchy of fair value measurements.

The weighted average interest rate on the Group's borrowings as at 30 September 2025 was 3.7% (30 September 2024: 3.7%, 31 March 2025: 3.7%).



### 13. SHARE CAPITAL AND OTHER RESERVES

The Company has 522,815,000 ordinary shares in issue of no par value (30 September 2024: 547,605,596, 31 March 2025: 536,400,000).

The balance on the Company's share premium account as at 30 September 2025 was £164,400,000 (30 September 2024: £164,400,000, 31 March 2025: £164,400,000).

|                                                 | 30 September<br>2025 | 30 September<br>2024 | 31 March<br>2025   |
|-------------------------------------------------|----------------------|----------------------|--------------------|
| Ordinary share capital                          | 536,400,000          | 547,605,596          | 547,605,596        |
| Shares cancelled in the period/year             | (13,585,000)         | –                    | (11,205,596)       |
| Number of shares held in Employee Benefit Trust | (3,119,446)          | (2,942,959)          | (2,942,959)        |
| <b>Number of ordinary shares</b>                | <b>519,695,554</b>   | <b>544,662,637</b>   | <b>533,457,041</b> |

The fair value of share awards made under the Long-term Incentive Plan and the Deferred Bonus Plan is recognised in other reserves.

Subject to the solvency test contained in the Companies (Guernsey) Law, 2008 being satisfied, ordinary shareholders are entitled to all dividends declared by the Company and to all of the Company's assets after repayment of its borrowings and ordinary creditors. The Trustee of the Company's Employee Benefit Trust has waived its right to receive dividends on the 3,119,446 shares it holds but continues to hold the right to vote. Ordinary shareholders have the right to vote at meetings of the Company. All ordinary shares carry equal voting rights. The Employee Benefit Trust acquired 1,200,000 shares in the period (30 September 2024: 2,100,000 shares, 31 March 2025: 2,100,000 shares) and 1,023,513 share awards were exercised in the period (30 September 2024: 799,481 shares, 31 March 2025: 799,481 shares).

The Directors have authority to buy back up to 14.99% of the Company's ordinary shares in issue, being 78,486,021 shares, subject to the annual renewal of the authority from shareholders. Any buyback of ordinary shares will be made subject to Guernsey law, and the making and timing of any buybacks will be at the absolute discretion of the Board. Over the period the Company bought back and cancelled 13,585,000 ordinary shares at a cost of £10.5 million (30 September 2024: nil, 31 March 2025: 11,205,596 shares for £7.5 million). The value of the shares cancelled of £10.5 million is deducted from Retained Earnings. At 30 September 2025 the remaining authority, following repurchases since authority from shareholders was granted on 30 July 2025, has now reduced to 77,711,816 ordinary shares.

### 14. ADJUSTMENT FOR NON-CASH MOVEMENTS IN THE CASH FLOW STATEMENT

|                                                   | 6 months<br>ended<br>30 September<br>2025<br>£000 | 6 months<br>ended<br>30 September<br>2024<br>£000 | Year ended<br>31 March<br>2025<br>£000 |
|---------------------------------------------------|---------------------------------------------------|---------------------------------------------------|----------------------------------------|
| Movement in investment property valuation         | (5,556)                                           | (253)                                             | (12,859)                               |
| Loss/(profit) on disposal of investment property  | 997                                               | 33                                                | (1,496)                                |
| Revaluation of owner-occupied property            | –                                                 | (88)                                              | (128)                                  |
| Profit on disposal of property, plant & equipment | (40)                                              | –                                                 | –                                      |
| Share-based provisions                            | 405                                               | 400                                               | 751                                    |
| Depreciation of tangible assets                   | 74                                                | 68                                                | 135                                    |
|                                                   | <b>(4,120)</b>                                    | <b>160</b>                                        | <b>(13,597)</b>                        |

### 15. NET ASSET VALUE

The net asset value per share calculation uses the number of shares in issue at the period end and excludes the actual number of shares held by the Employee Benefit Trust at the period end; see note 13.

At 30 September 2025, the Company had a net asset value per ordinary share of £1.02 (30 September 2024: £0.96, 31 March 2025: £1.00).

### 16. RELATED PARTY TRANSACTIONS

There have been no changes in the related party transactions described in the last annual report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

The Company has no controlling parties.

## **17. EVENTS AFTER THE BALANCE SHEET DATE**

A dividend of £4,911,000 (0.95 pence per share) was approved by the Board on 27 October 2025 and is payable on 28 November 2025.

The company purchased and cancelled 3,085,680 ordinary shares between 1 October 2025 and 11 November 2025 at a cost of £2,437,000.

**END**