29 January 2026

PICTON PROPERTY INCOME LIMITED
('Picton', the 'Company' or the 'Group')

Trading Update and Net Asset Value as at 31 December 2025

Picton announces a trading update, including its Net Asset Value ('NAV'), for the quarter ended 31 December 2025 during which the Company has delivered its sixth consecutive quarter of growth in NAV per share.

Financial highlights

- NAV/EPRA net tangible assets per share increased by 0.9% to 102.4 pence (September 2025: 101.5 pence)
- Total return for the quarter of 1.8% (September 2025: 1.5%)
- 7.8 million shares purchased and cancelled in the period for £6.0 million, a discount of 25% to the December 2025 NAV
- Weighted average interest rate on debt, fixed at 3.7% (September 2025: 3.7%), with weighted average maturity of 6.0 years
- Loan to value ratio (LTV) of 22.9% (September 2025: 22.4%)
- EPRA net disposal value of 106.2 pence reflecting fair value of debt (September 2025: 105.9 pence)

Operational highlights

- Like-for-like portfolio valuation increase of 0.6% (0.3% net of capital expenditure), to £699.1 million
- £2.5 million invested into the portfolio, including:
    - office upgrades in Milton Keynes and Chatham
    - acquisition of freehold (previously held long leasehold) industrial asset in Cardiff
- Completed eight lettings, securing an annual rent of £1.1 million, 5% above the March 2025 ERV
- Renewed six leases with a combined annual rent of £0.5 million, an increase of 47% on the previous passing rent
- Secured first occupier for refurbished office in Colchester, 49% ahead of the previous rent
- Secured £3.6 million from exiting occupiers at two key industrial assets where the ERV is over 40% higher than the previous passing rent
- Occupancy of 83% (September 2025: 90%), with change principally reflecting the above industrial transactions

Dividend

- Interim dividend of 0.95 pence per share declared for the period from 1 October 2025 to 31 December 2025 and to be paid on 27 February 2026 (1 July 2025 to 30 September 2025: 0.95 pence per share)
- Annualised dividend of 3.8 pence per share, reflecting a dividend yield of 4.6%, based on the share price at close of business on 27 January 2026
- Dividend cover for the quarter of 112%

Post quarter end activity

- Leasing pipeline (73% offices) - terms agreed subject to contract for annual rent of £1.6 million, 7% ahead of the March 2025 ERV

Francis Salway, Chair of Picton, commented:

"We have continued to deliver positive financial performance over the period, with a sixth consecutive quarter of growth in NAV per share. We have seen modest portfolio valuation growth and our share buyback programme has also been value accretive utilising proceeds from asset disposals in the prior period.

Our recently announced strategic review will explore all options available to continue to ensure we maximise value for shareholders."

Michael Morris, Chief Executive of Picton, commented:

"During the quarter we secured £1.1 million of lettings across all sectors including offices in Colchester and industrial assets in Gloucester and Harlow, which is encouraging. We have also taken back some industrial space, which we are upgrading ahead of re-leasing.

As a result, our portfolio has significant reversionary upside, which we are seeking to capture. We start 2026 with a current pipeline of £1.6 million of new lettings agreed subject to contract, across all sectors."

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

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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 £699 million UK commercial property portfolio, invested across 46 assets and with around 300 occupiers (as at 31 December 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 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.

Rule 29 of the Takeover Code (the 'Code')
Following the publication of the Company's Strategic Review and Commencement of Formal Sale Process on 13 January 2026, the Company is in an offer period for the purposes of the Code. The Unaudited NAV as at 31 December 2025 (the 31 December NAV) and the portfolio valuation of £699.1 million (the Portfolio Valuation) constitute asset valuations in accordance with Rule 29.1 of the Code. The Takeover Panel has confirmed that there is no requirement to publish a valuation report under Rule 29 in respect of the 31 December NAV or the Portfolio Valuation unless and until a firm offer is announced for the Company. Accordingly, in the event of a firm offer being announced for the Company, a valuation report in accordance with Rule 29 of the Code on the 31 December NAV or the Portfolio Valuation or any subsequent net asset value or portfolio valuation published by the Company prior to date of such offer will be published in due course and by no later than the publication of any offer document or scheme document in relation to such offer.

Rule 26.1 disclosure
In accordance with Rule 26.1 of the Code, a copy of this announcement will be available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at www.picton.co.uk by no later than 12 noon (London time) on the business day following the date of this announcement. Neither the content of any website referred to in this announcement nor the contents of any website accessible from hyperlinks is incorporated into or forms part of this announcement.

For more information please visit: **www.picton.co.uk**

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PICTON

NET ASSET VALUE

The NAV of Picton as at 31 December 2025 was £524.3 million, or 102.4 pence per share, reflecting a 0.9% increase in the NAV per share over the quarter and a total return of 1.8%.

The NAV attributable to the ordinary shares is calculated under IFRS and incorporates the independent market valuation as at 31 December 2025, including income for the quarter, but does not include a provision for the dividend this quarter, which will be paid in February 2026.

	31 Dec 2025 £million	**30 Sept 2025 £million**	**30 Jun 2025 £million**	**31 March 2025 £million**
Investment properties*	679.8	675.3	707.1	704.1
Other assets	24.9	27.3	24.9	24.1
Cash	48.1	53.6	27.1	35.3
Other liabilities	(20.0)	(19.7)	(19.5)	(20.5)
Borrowings	(208.5)	(208.9)	(209.3)	(209.6)
Net assets	**524.3**	**527.6**	**530.3**	**533.4**
Net Asset Value per share	**102.4p**	**101.5p**	**100.9p**	**100.0p**

*The investment property valuation is stated net of lease incentives and includes the value of the Carlisle Hotel which is treated as a finance lease.

The movement in NAV can be summarised as follows:

	Total £million	**Movement %**	**Per share pence**
NAV at 30 September 2025	527.6		101.5
Movement in property values	1.9	0.4	0.4
Net income after tax for the period	5.5	1.1	1.1
Dividends paid	(4.9)	(1.0)	(1.0)
Purchase and cancellation of own shares	(6.0)	0.4	0.4
Employee share awards	0.2	0.0	0.0
NAV at 31 December 2025	**524.3**	**0.9**	**102.4**

As at close of business on 31 December 2025, the Company’s share price of 74.1 pence reflected a 28% discount to the NAV of 102.4 pence per share.

DIVIDEND DECLARATION

A separate announcement has been released today declaring a dividend of 0.95 pence per share in respect of the period 1 October 2025 to 31 December 2025 (1 July 2025 to 30 September 2025: 0.95 pence).

Dividend cover for the quarter was 112%.

DEBT

Total borrowings as at 31 December 2025 reduced to £208.5 million, with all debt drawn under long-term, fixed-rate facilities.

The weighted average debt maturity profile is approximately 6.0 years and the weighted average interest rate is fixed at 3.7%. The net LTV ratio, calculated as total debt less cash, as a proportion of gross property value, is 22.9% (September 2025: 22.4%).

The £50 million revolving credit facility currently remains undrawn.

SHARE BUYBACK PROGRAMME

In September 2025, we announced a further extension of our share buyback programme, which initially commenced in January 2025. During the quarter, £6.0 million of shares were purchased and cancelled at an average price of 76 pence per share, equivalent to a discount of 25% against the December NAV. The share buyback programme ceased on 12 January 2026 until further notice as a result of the Strategic Review.

STRATEGIC REVIEW

On 13 January 2026, the Board announced that it was undertaking a Strategic Review to consider all options available to maximise value for shareholders. While scale and liquidity are not the sole determinants of performance or valuation, the Board is cognisant of the challenges facing the listed UK real estate sector and recognises that Picton's current size may no longer be optimal as a standalone listed entity.

Whilst the Company is in a strong financial and operational position, the Board believes it is important to be proactive and has initiated this process, which will take into account the views of shareholders and other key stakeholders.

Further details are available on the Company's website.

MARKET BACKGROUND

The MSCI UK Monthly Property Index showed a total return for All Property for the three months to December 2025 of 1.3%, comprising an income return of 1.3% and capital growth of -0.1%. The total return for the year was 6.7%. All Property rental growth was 0.9% for the three months to December 2025 (September 2025: 0.9%).

The All Property Net Initial Yield was 5.0% in December 2025, compared to 4.9% in September 2025.

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

In terms of capital growth, 86% of industrial segments, 10% of office segments and 67% of retail segments were positive. Within retail, positive capital growth was skewed towards retail warehouses and shopping centres.

In terms of rental growth, 100% of industrial segments, 90% of office segments and 82% of retail segments were positive. In the retail sector, all retail warehouse segments saw positive rental growth for the period.

Three months to December 2025	All Property	Industrial	Office	Retail
Total Return	1.3%	1.7%	-0.4%	2.0%
Income Return	1.3%	1.2%	1.2%	1.7%
Capital Growth	-0.1%	0.5%	-1.6%	0.3%
Number of segments with positive growth	19	6	1	12
Number of segments with negative growth	16	1	9	6
ERV Growth	0.9%	1.6%	1.3%	0.0%
Number of segments with positive growth	30	7	9	14
Number of segments with negative growth	4	0	1	3

(Source: MSCI UK Monthly Property Index)

PORTFOLIO UPDATE

Valuation

The independent property valuation increased by £4.4 million or 0.6% to £699.1 million. This increase was before capital expenditure of £2.5 million. The valuation movement after capital expenditure (including an acquisition as detailed below) was £1.8 million or 0.3%.

The property portfolio has a net initial yield of 4.9% and a reversionary yield of 7.4%.

The breakdown of valuation movements over the quarter are shown below:

Sector	Portfolio allocation	Like-for-like valuation change	Capital expenditure
Industrial	**67.2%**	**0.3%**	£0.6 million
South East	47.5%		
Rest of UK	19.7%		
Office	**20.6%**	**1.4%**	£1.6 million
London & South East	11.7%		
Rest of UK	8.9%		
Retail and Leisure	**12.2%**	**0.9%**	£0.3 million
Retail Warehouse	8.0%		
High Street – Rest of UK	2.5%		
Leisure	1.7%		
Total	**100%**	**0.6%**	**£2.5 million**

A breakdown of key activity by sector is detailed below:

Industrial

During the quarter we completed five lettings for a combined rental of £0.9 million per annum, 3% ahead of the March 2025 ERV. We also renewed three leases securing £0.3 million per annum, 53% ahead of the previous passing rent and 9% ahead of the March 2025 ERV.

In Harlow, we let a unit simultaneously with a lease surrender from an insolvent occupier at £0.6 million per annum, 4% ahead of the March 2025 ERV and 5% ahead of the previous passing rent. In Gloucester, we let the final vacant unit at £0.1 million per annum, 8% ahead of the March 2025 ERV. In Radlett we renewed a lease at £0.2 million per annum, 63% ahead of the previous passing rent and 9% ahead of the March 2025 ERV.

During the period we invested £0.6 million into our industrial assets, including the completion of a refurbishment at Gloucester which followed a lease regear agreed last year, retaining the largest occupier on the estate. This also includes the acquisition of the freehold of an industrial unit in Cardiff for £0.2 million, which was previously held under a long leasehold interest.

During the period we took back two distribution units which have impacted occupancy. In Rushden we received £2.5 million from the outgoing occupier, comprising £1.7 million in respect of dilapidations and a break penalty of £0.8 million. Whilst we have had initial encouraging occupier interest, the unit is currently undergoing refurbishment ahead of re-leasing. At Radlett we received £1.1 million, via a pre-agreed dilapidations settlement of £0.6 million and a surrender premium of £0.5 million. We have had initial positive engagement with the local planning authority and intend to submit a planning application next month to extend and reconfigure the unit. The reversionary potential of these two units is over 40% ahead of the previous total passing rent of £2.6 million per annum.

Industrial occupancy was 86%, wholly reflecting the above two transactions (September 2025: 98%).

Office

During the quarter we completed three lettings at £0.2 million per annum, 14% ahead of the March 2025 ERV. We also renewed two leases securing £0.1 million per annum, 37% ahead of the March 2025 ERV and 35% ahead of previous passing rent.

In Colchester, at the refurbished Building 200, we secured the first occupier at a rent 6% ahead of the March 2025 ERV and 49% ahead of the previous rental level for the building.

During the period we invested £1.6 million into our office assets, completing refurbishment works at Milton Keynes, commencing a common area upgrade at Chatham and progressed decarbonisation works at Bristol and Salford Quays.

Office occupancy was 73% (September 2025: 75%).

Retail and leisure

At Gloucester Retail Park we restructured a lease due to end in 2027 at £0.1 million per annum on a new 10 year term, 35% ahead of the current passing rent and 10% ahead of the March 2025 ERV.

Retail occupancy was 95% (September 2025: 95%).

Top ten assets	Sector	Location
Parkbury Industrial Estate, Radlett, Hertfordshire	Industrial	South East
River Way Industrial Estate, Harlow, Essex	Industrial	South East
Datapoint, Cody Road, London, E16	Industrial	London
Lyon Business Park, Barking, London	Industrial	Outer London
Shipton Way, Rushden, Northamptonshire	Industrial	East Midlands
50 Farringdon Road, London, EC1	Office	London
Sundon Business Park, Luton, Bedfordshire	Industrial	South East
Tower Wharf, Cheese Lane, Bristol	Office	South West
Trent Road, Grantham	Industrial	East Midlands
The Business Centre, Wokingham	Industrial	South East

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