



Occupier focused Opportunity led

Picton Property Income Limited
Shareholder Update – June 2025

Quarterly highlights

Corporate summary

£530m

Net assets

£414m

Market capitalisation*

£209m

Borrowings

4.8%

Dividend yield*

25%

Loan to value

Financial

- NAV/EPRA net tangible assets per share increased by 1.0% to 100.9 pence (31 March 2025: 100.0 pence)
- Total return for the quarter of 1.9% (31 March 2025: 2.4%)
- Total shareholder return for the quarter of 13.5% (31 March 2025: 13.5%)
- Share buyback programme continued with 9.1 million shares purchased and cancelled in the period for £6.9 million, a discount of 25% to the June 2025 NAV
- Weighted average interest rate on debt, fixed at 3.7% (31 March 2025: 3.7%), with weighted average maturity of 6.5 years
- Loan to value ratio (LTV) of 25.1% (31 March 2025: 24.1%)

Dividend

- Interim dividend of 0.95 pence per share declared for the period from 1 April 2025 to 30 June 2025 and to be paid on 29 August 2025 (1 January 2025 to 31 March 2025: 0.95 pence per share)
- Annualised dividend equivalent to 3.8 pence per share, delivering a dividend yield of 4.8%, based on the share price at close of business on 28 July 2025
- Dividend cover for the quarter of 116%

Share buyback programme

- In May we announced a further extension of our share buyback programme, which initially commenced in January 2025. During the quarter £6.9 million of shares were purchased and cancelled at an average price of 75 pence per share, equivalent to a discount of 25% against the June 2025 NAV
- Our annual share buyback authority was renewed at our AGM and as such we will continue to consider the use of share buybacks, as part of our capital allocation strategy in the coming year

Portfolio

- Like-for-like portfolio valuation increase of 0.4%
- £2.6 million capital investment into the portfolio, including assets in Milton Keynes and Gloucester
- Secured planning for additional storey of residential at 50 Farringdon Road, London EC1
- Completed three lettings securing an annual rent of £0.4 million, 11% above the March ERV
- Renewed eight leases with a combined annual rent of £1.2 million, an increase of 13% on the previous passing rent
- Lease restructure in Carlisle with a premium received of £2.4 million
- Lease surrender in Chatham with a premium received of £0.8 million
- Occupancy of 91% (March 2025: 94%)

* As at 28 July 2025



I am pleased to report both positive total return and positive total shareholder return over the period. Modest valuation growth across the portfolio, together with our share buyback programme, funded by proceeds from recent office disposals, has driven continuing NAV per share growth.

Francis Salway
Chair



We achieved letting success in the office sector following our upgrading programme, completed the refinancing of our revolving credit facility and undertook several key asset management transactions to de-risk income and create value. We remain focused on unlocking the reversionary potential within the portfolio, while reinvesting in our assets to enhance income and value.

Michael Morris
Chief Executive

Portfolio summary

47	£726m	4.9%	7.4%	91%
Number of assets	Property value	Net initial yield	Reversionary yield	Occupancy

Portfolio update

Valuation

During the quarter we appointed Knight Frank LLP as external valuer, effective June 2025.

The independent property valuation increased by £2.8 million to £726.0 million.

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

Industrial

During the quarter we completed five lease renewals and regears for a combined rental of £0.4 million per annum, 28% ahead of the previous passing rent and 3% ahead of March 2025 ERV. In Harlow, we agreed a lease extension with a top ten occupier that completed following the quarter end, at an annual rent of £1.0 million, 23% ahead of March 2025 ERV and 25% ahead of the previous passing rent.

We refurbished a unit in Warrington that is currently under offer and are progressing other asset improvement works relating to previously agreed lease extensions.

Industrial occupancy remains high at 98%.

Office

In Bristol, we leased space that was refurbished earlier in the year at an annual rent of £0.3 million, in line with the March 2025 ERV. We also extended an existing lease due to expire in December 2025 at an annual rent of £0.2 million, which was 3% below the previous passing rent. A suite was returned on the ground floor as an occupier expanded to another floor in the building, and this space will be refurbished ahead of re-leasing.

We leased the residential element at Stanford Building, London WC2 at an annual rent of £0.1 million, 16% ahead of the March 2025 ERV and secured a lease renewal of an office floor, 6% ahead of the previous passing rent and in line with the March 2025 ERV.

At 50 Farringdon Road, London EC1 we secured approval, via permitted development rights, to create an additional floor of residential accommodation above the offices. The consent allows for the creation of a new fourth storey, comprising 13 residential flats totalling approximately 8,200 sq ft, all with views across the London skyline towards St Paul's Cathedral. This was the first Class AB Permitted Development application approved by the London Borough of Islington, enabling residential accommodation to be built above existing commercial assets without the need for a full planning application. We have secured vacant possession of the upper floor to facilitate the development and are reviewing the strategy with advisers.

In Chatham, Kent we have surrendered a lease that was due to expire in January 2026, and received a premium of £0.8 million. The space will be upgraded ahead of re-leasing.

Office occupancy reduced to 78%, principally reflecting the above asset management activity.

Retail and leisure

In Leeds, we surrendered a lease due to expire in November 2026. A new letting was agreed with completion following the quarter end, at an annual rent of £0.1 million, 64% ahead of the previous passing rent and 27% ahead of the March 2025 ERV.

In Carlisle, we restructured a hotel lease which was due to expire in 2031 to a new 99-year lease. As part of the transaction we also leased a small retail unit and the annual rent has been reduced from £0.2 million to £0.1 million, but in return we received a premium of £2.4 million. The June 2025 valuation reduced by £1.2 million, relative to March 2025, to principally reflect the revised leasing arrangements.

Retail occupancy remained stable at 94%.

Market background

The MSCI UK Monthly Property Index showed a total return for All Property for the three months to June 2025 of 1.7%, comprising an income return of 1.4% and capital growth of 0.3%.

All Property rental growth was 0.7% for the three months to June 2025 (March 2025: 0.9%). On a rolling three-month basis, All Property rental growth has remained positive since February 2021.

The All Property Net Initial Yield was 5.2% in June 2025, compared to 5.3% in March 2025.

In terms of capital growth, 100% of industrial segments, 20% of office segments and 50% of retail segments experienced positive capital growth in the period. The two office segments that had positive capital growth were in central London. For the retail sector, there was no concentration of positive capital growth by property type or geography.

In terms of rental growth, 100% of industrial segments, 90% of office segments and 69% of retail segments were positive for the quarter ending June 2025.



Full details of the Company's June NAV
www.picton.co.uk/investors/shareholder-centre/nav-statements

Portfolio allocation



South East 45%

Rest of UK 19%



Rest of UK 9%

Central London 8%

South East 7%



Retail Warehouse 8%

High Street Rest of UK 2%

Leisure 2%

Key dates

Financial year end: 31 March

Half year: 30 September

Dividend payments:

February/May/August/November

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Top ten assets

<https://www.picton.co.uk/about-us/our-top-10-properties/>



Top ten occupiers

<https://www.picton.co.uk/about-us/our-top-10-occupiers/>



Annual reporting

<https://www.picton.co.uk/investors/annual-report-2025/>



Sustainability reporting

<https://www.picton.co.uk/sustainability/performance-and-reporting/>



Latest NAV

<https://www.picton.co.uk/investors/shareholder-centre/nav-statements/>

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