

# Creating sustainable value





**Michael Morris**  
**Chief Executive**

Michael has over 30 years of experience in the UK commercial property sector.

He has worked with the Group since launch in 2005 and is the Chief Executive. Within this role, he is responsible for the implementation of all aspects of the Company's strategy.

He is Chair of the Executive Committee and Chair of the Transaction and Finance Committee. He was appointed to the Picton Property Income Board on 1 October 2015.



**Saira Johnston**  
**Chief Financial Officer**

Saira is a Chartered Accountant with over 25 years of experience working in the real estate and financial services sector. She is a member of the Institute of Chartered Accounts in England and Wales.

Saira assumed responsibility for the financial strategy and reporting for the Group on 1 April 2024. Saira is also Chair of the Responsibility Committee and a member of the Transaction and Finance Committee.

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# Overview



# Picton at a glance

**We are a diversified UK REIT focused on income and value growth for the benefit of our shareholders**

- Long-term track record of outperformance through diversified investment approach across industrial (67%), office (21%) and Retail and Leisure (12%)
- Portfolio with income focus and significant reversionary potential
- Valuable long-term debt structure
- Fully aligned team and responsible approach to business

**Like-for-like ERV growth**

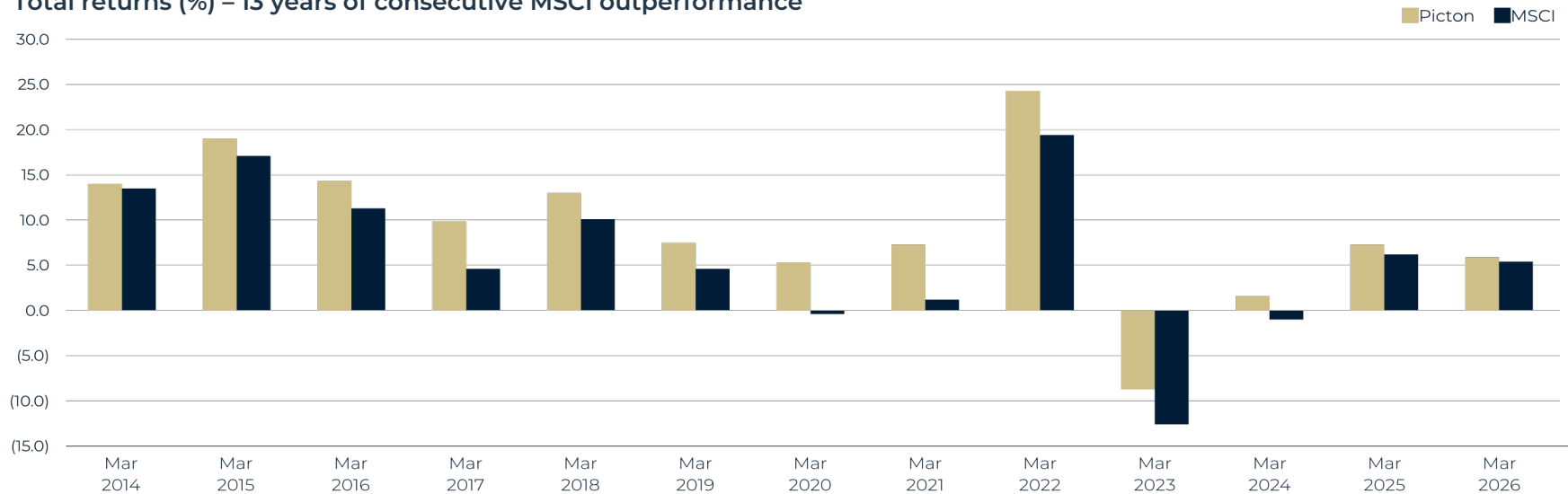
**4.8%**

**Total shareholder return**

**12.6%**

## Outperforming portfolio

**Total returns (%) – 13 years of consecutive MSCI outperformance**



## Robust financial performance

Positive total return of 6.1% and

£26m

Profit after tax

2% increase in net asset value per share

102p

NAV per share

## Focused on shareholder value

Maximised shareholder returns with buyback programme

£17m

Shares repurchased at average 25% discount to March 2026 NAV

Positive returns

12.6%

Total shareholder return

## Outperforming portfolio

Continuing portfolio ERV growth

4.8%

Like-for-like ERV growth

Improving the income profile through sale of highest value, low yielding office asset

21%

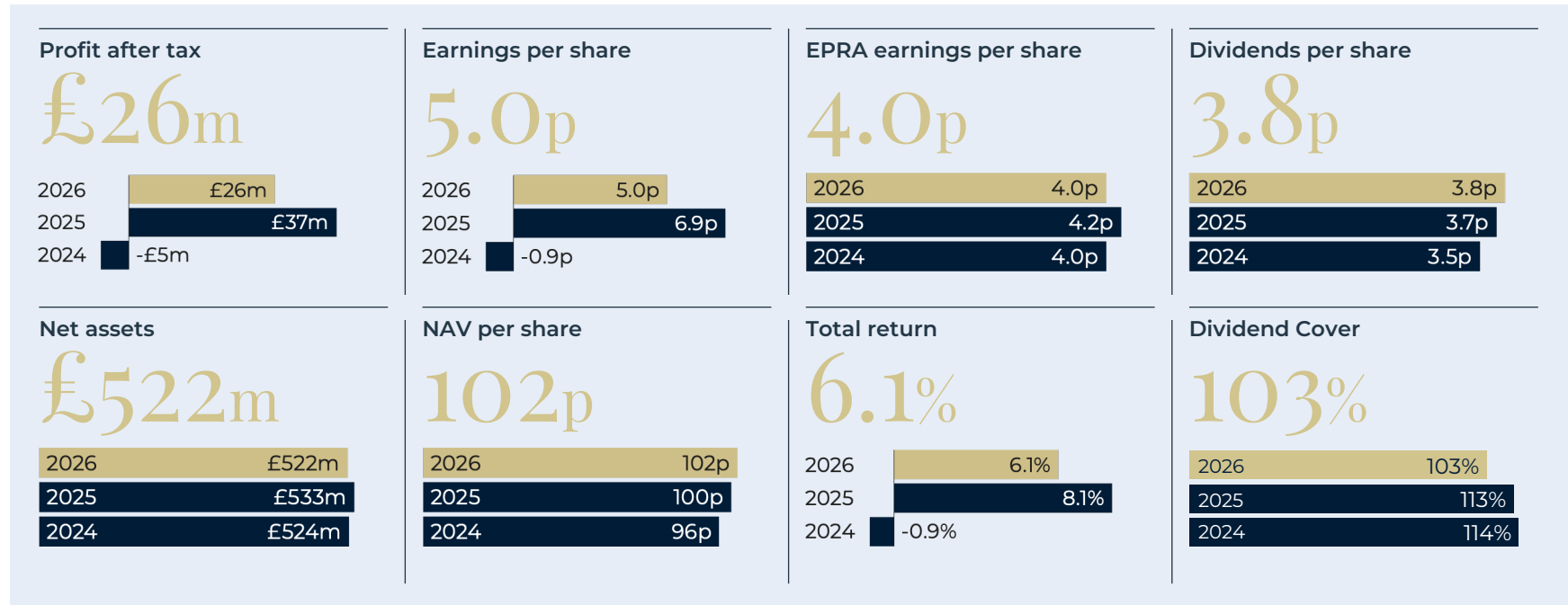
Office exposure

# Financial results

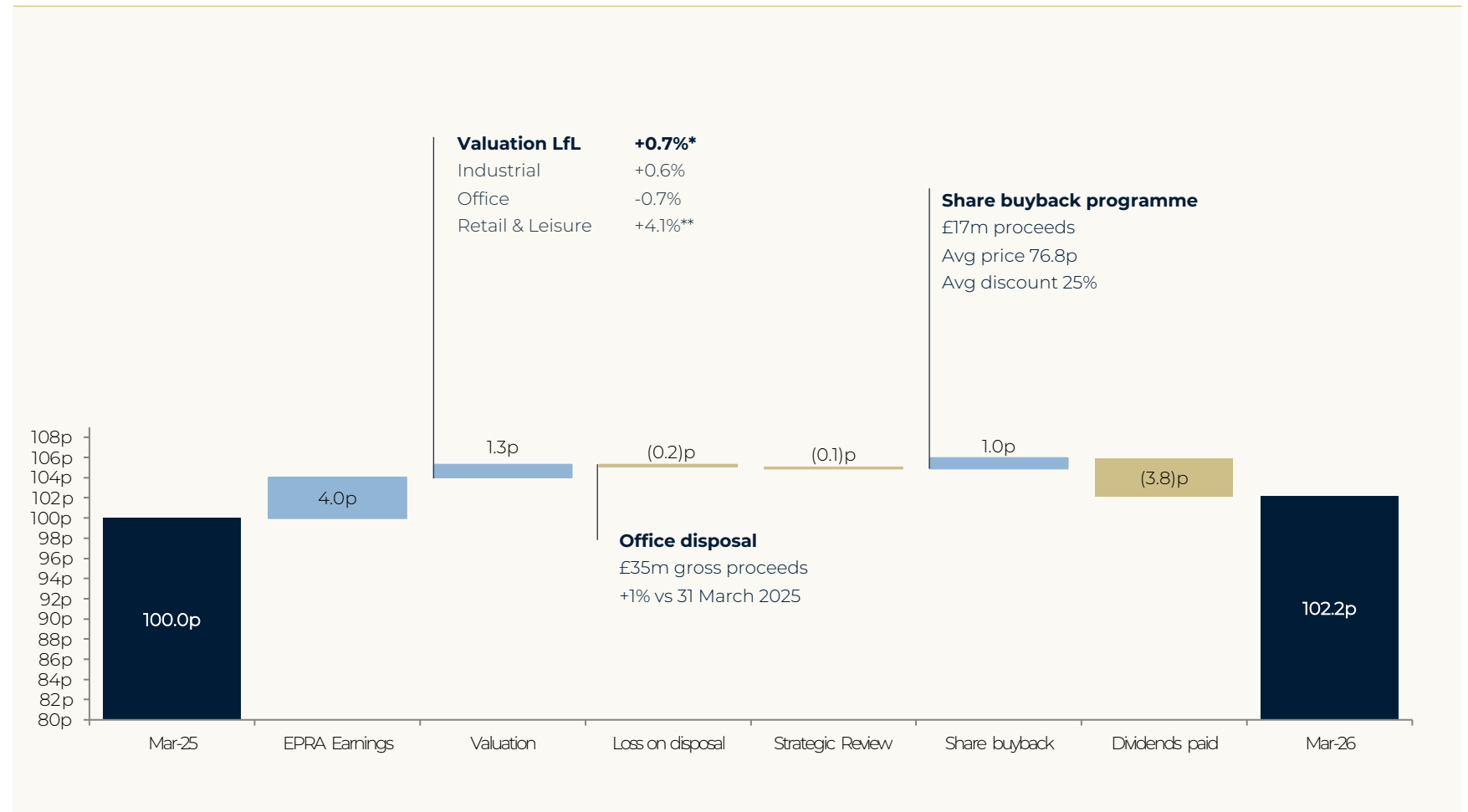


# Key financial highlights

Robust financial performance delivering positive total and shareholder returns



## Increase of 2% with moderate valuation increases and accretive share buybacks

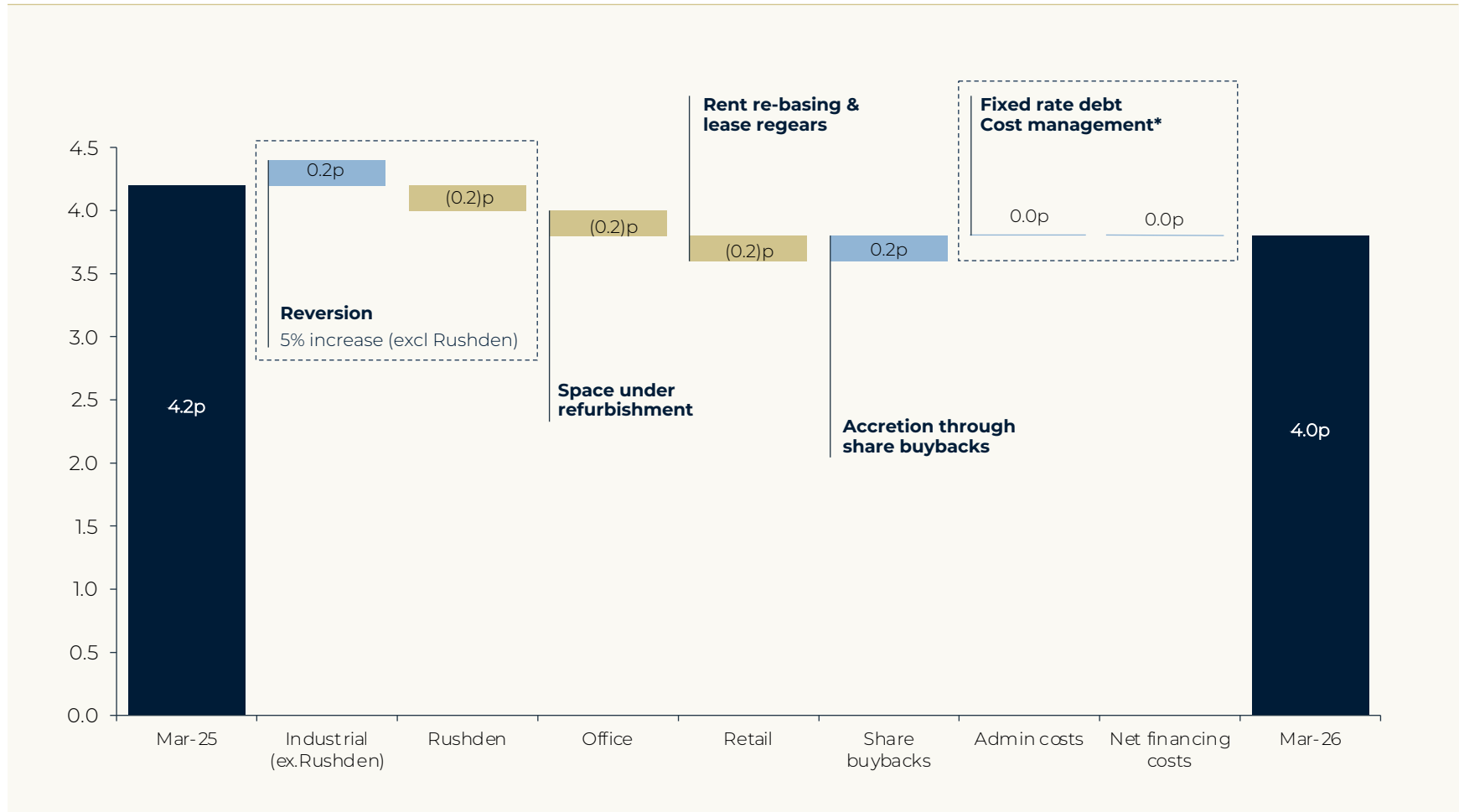


\*LfL denotes the like-for-like basis, excluding disposal and net of £8.8 million capital expenditure.

\*\*Includes capital receipt of £2.4 million on the Carlisle hotel lease re-gear. The lease was restructured for a premium in lieu of a rent reduction and longer lease term. This element of our Carlisle property has been reclassified from an investment property to a finance lease.

# EPRA earnings movement

## Accretion through share buybacks and stable cost base



## Strong balance sheet with significant value in long-term fixed debt structure

	Facility	31 Mar 26
<b>Canada Life</b>	Term loan Fixed: 3.25% Maturity: 2031	£129.0m
<b>Aviva</b>	Term loan Fixed: 4.38% Maturity: 2032 Amortising	£79.1m
<b>NatWest</b>	Revolving credit facility £50m undrawn Maturity: 2028 (+ 2 one-year extensions) Floating: SONIA plus 165bps/170bps	£0.0m
<b>TOTAL</b>		<b>£208.1m</b>

### EPRA Net Disposal Value (per share)

# 107p

Mar 2025 105p

Mar 2024 101p

Reflecting fair value of debt as at March 2026

### Loan to value

# 24%

Mar 2025 24%

Mar 2024 28%

### Weighted average interest rate

# 3.7%

Mar 2025 3.7%

Mar 2024 3.9%

### Debt maturity profile

# 5.7 years

Mar 2025 6.7

Mar 2024 7.2

## Reinvesting disposal proceeds into capital priorities

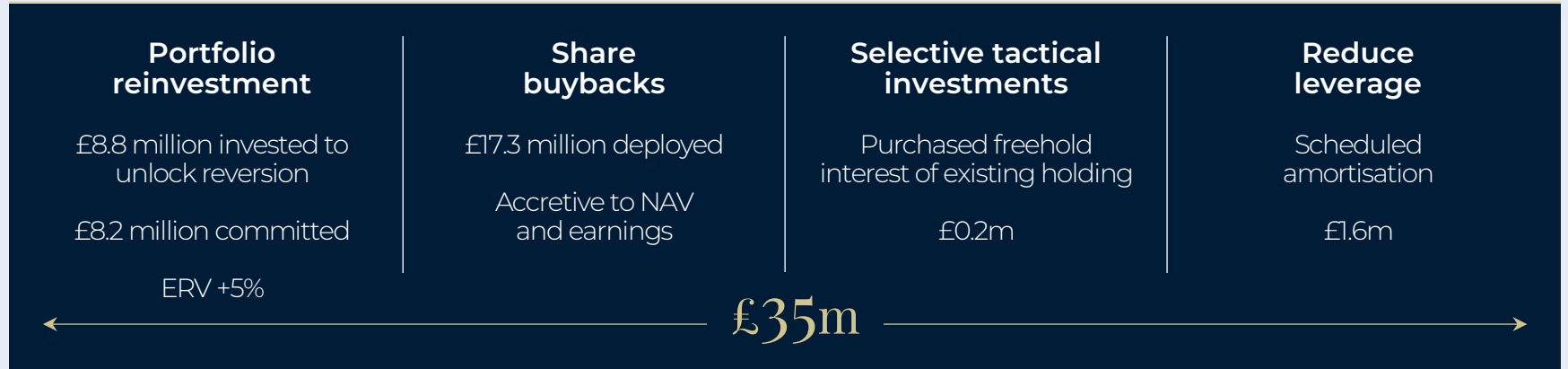


Illustration: Stanford Building, London

# Market update



## Early 2026 signs of improvement disrupted by Middle East conflict

Economic indicators were improving in the first two months of 2026

Middle East conflict (28 February) with initial shock to financial markets, surge in oil and gas prices

- Inflation now expected to be higher / not reach 2% target during the year
  - Renewed cost of living pressures
  - Bank of England likely to delay or reverse rate cuts
  - Higher mortgage rates and borrowing costs
- Impact on business and consumer confidence
- Could lead to longer term slower economic growth
- UK particularly exposed due to dependence on imported energy and oil

	Latest	31 Mar 26	27 Feb 26	31 Mar 25
Bank of England base rate	<b>3.75%</b>	3.75%	3.75%	4.5%
Five-year SONIA swap rate	<b>4.2%</b>	4.1%	3.5%	3.9%
Ten-year UK gilt yield	<b>4.9%</b>	4.9%	4.3%	4.7%
Annual CPI inflation	<b>2.8%</b>	3.3%	3.0%	2.6%

## Economic backdrop impacting pace and strength of recovery

- Overall income led performance, All Property capital value growth masks sector/sub-sector nuances
- Industrial sector still seeing highest rental growth, although down from earlier peaks
- Office capital values still declining, rental growth concentrated in prime locations/buildings
- Retail performance driven by income, with rental growth and capital values recovering

### MSCI Annual Total Returns March 2026

All Property	Industrial	Office	Retail
<b>6.0%</b>	<b>7.0%</b>	<b>1.4%</b>	<b>8.2%</b>

### MSCI Annual Capital Growth March 2026

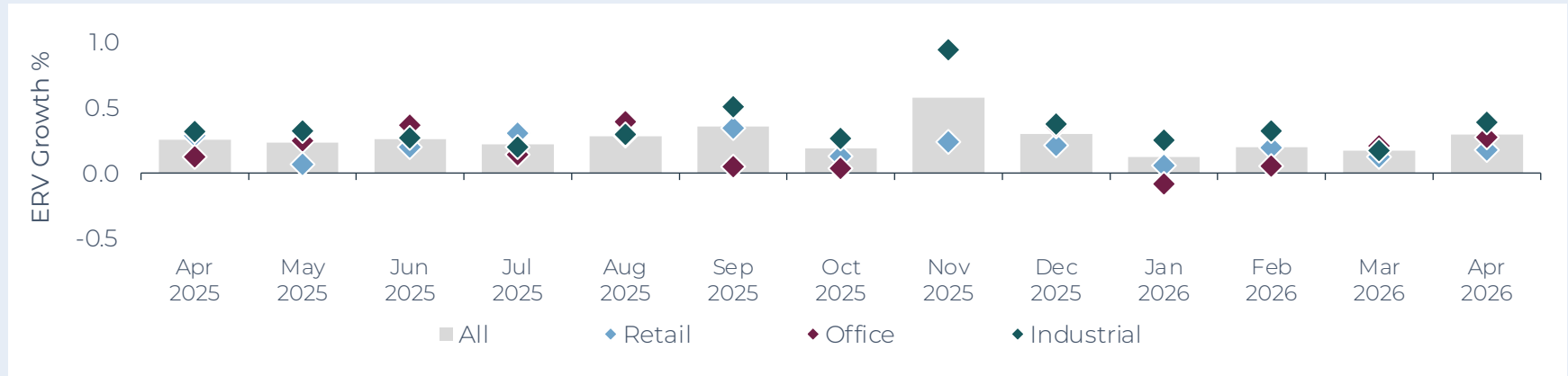
All Property	Industrial	Office	Retail
<b>0.6%</b>	<b>2.2%</b>	<b>-3.5%</b>	<b>1.4%</b>

### MSCI Annual Rental Value Growth March 2026

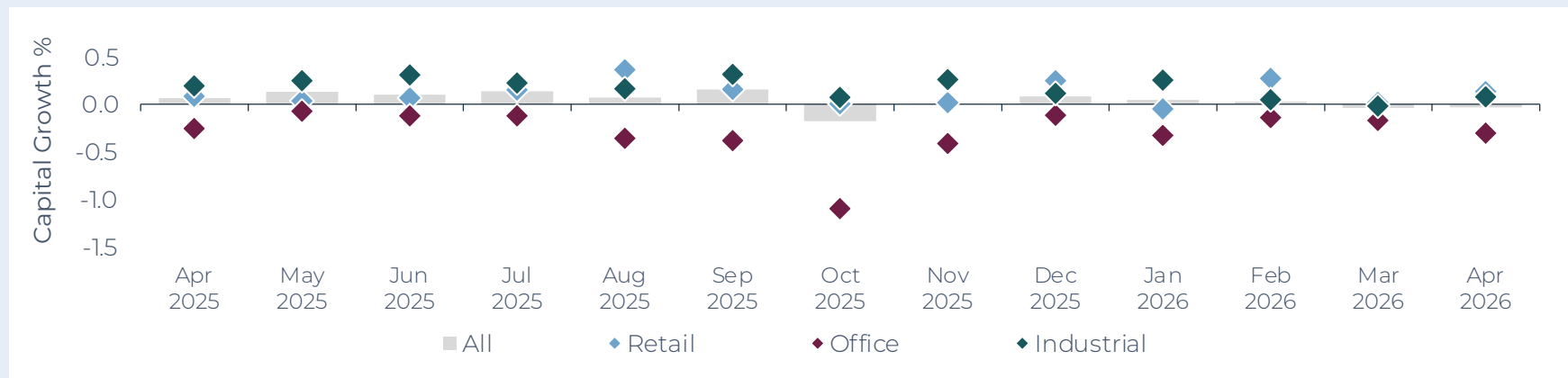
All Property	Industrial	Office	Retail
<b>3.2%</b>	<b>4.3%</b>	<b>2.9%</b>	<b>2.5%</b>

# MSCI monthly data

## MSCI monthly ERV growth - occupier markets remain resilient



## MSCI monthly capital growth – All Property values stabilised

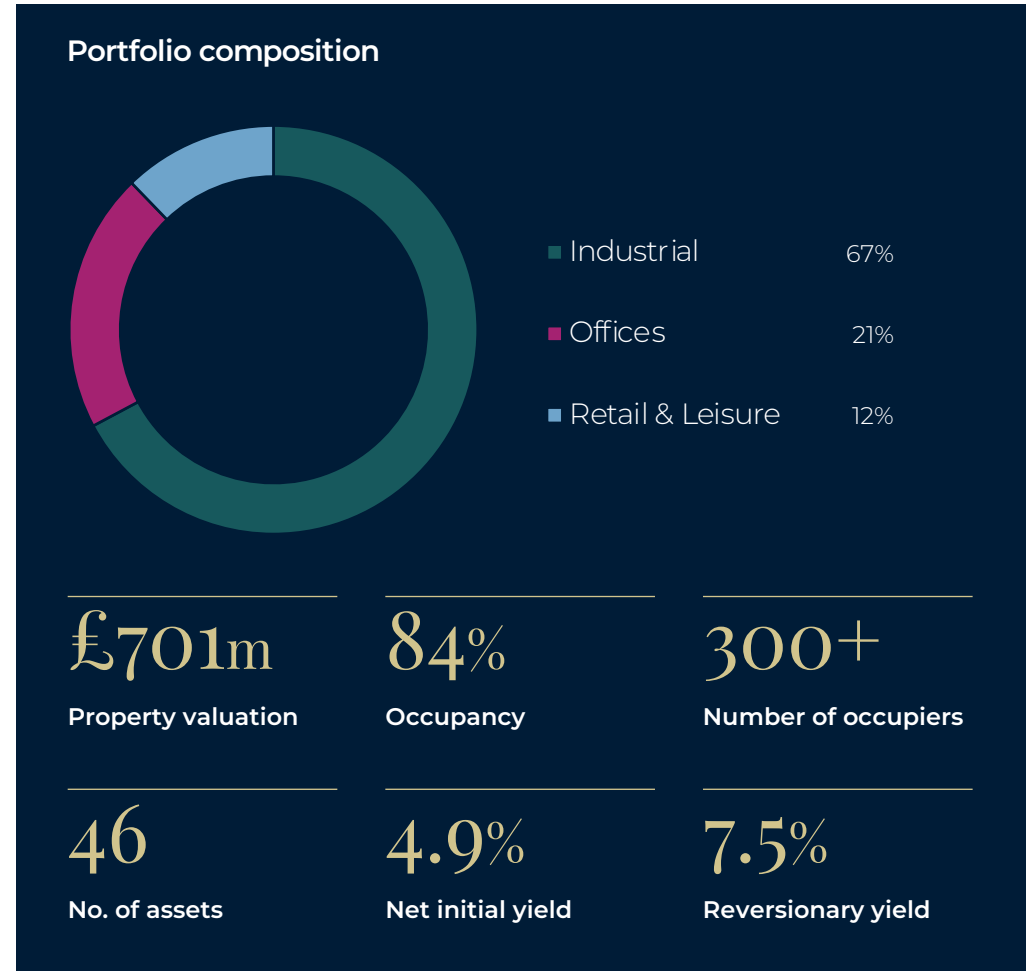
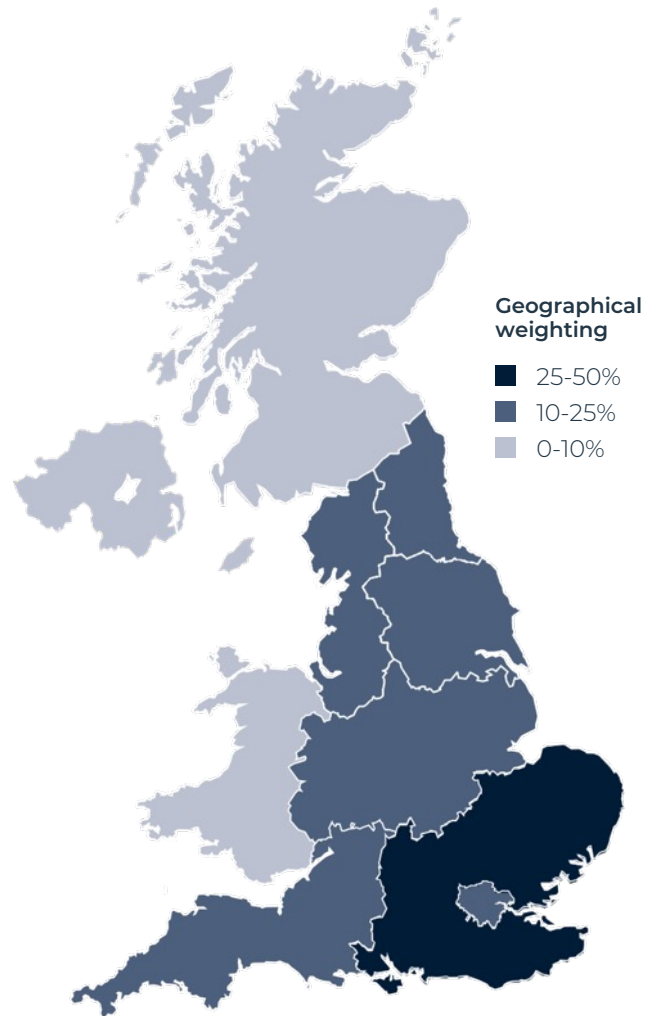




# Portfolio update

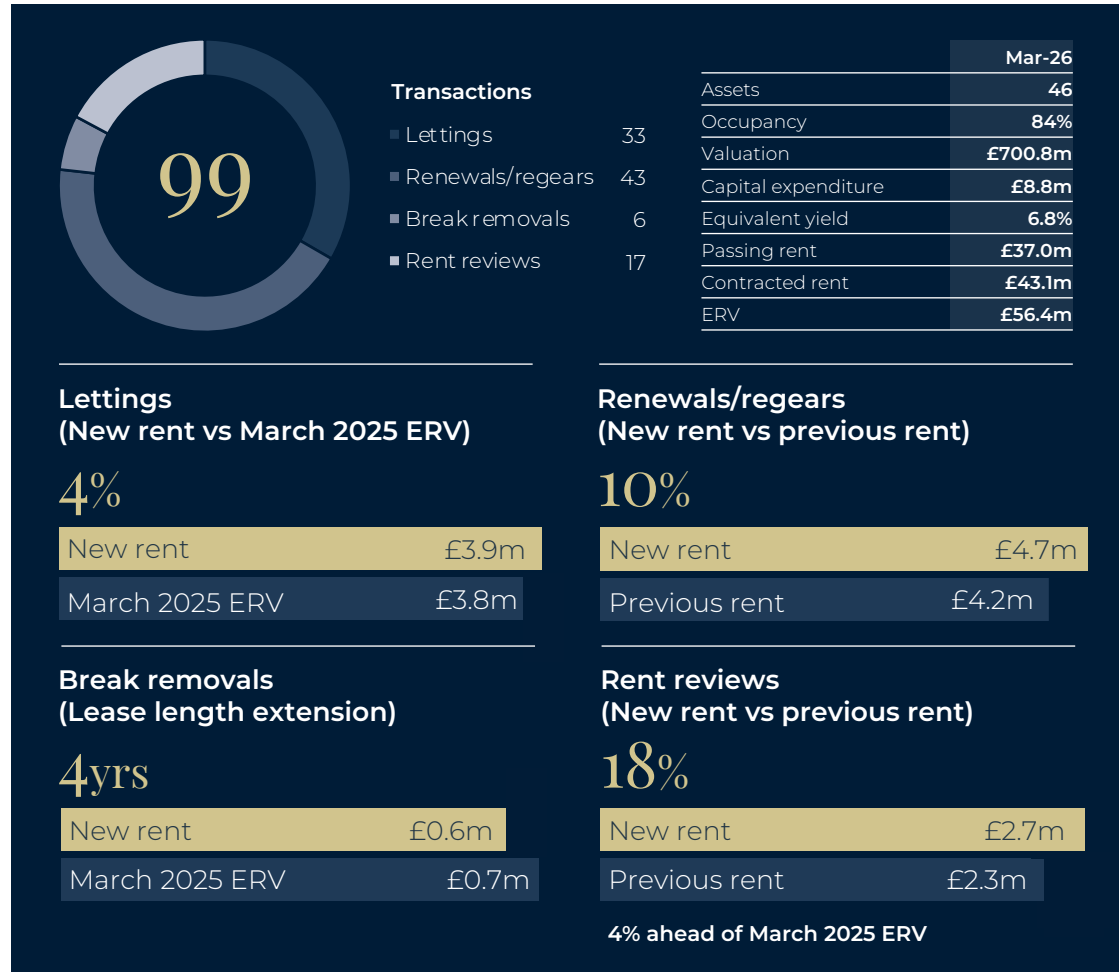
# Portfolio overview

Diversified portfolio, providing flexibility to adapt as market conditions dictate



# Portfolio activity – focused on growing income and creating value

Reducing low yielding office exposure, upgrading assets and improving rental values



**£8.8m**

Investment into the portfolio

**4.8%**

Like-for-like increase in ERV

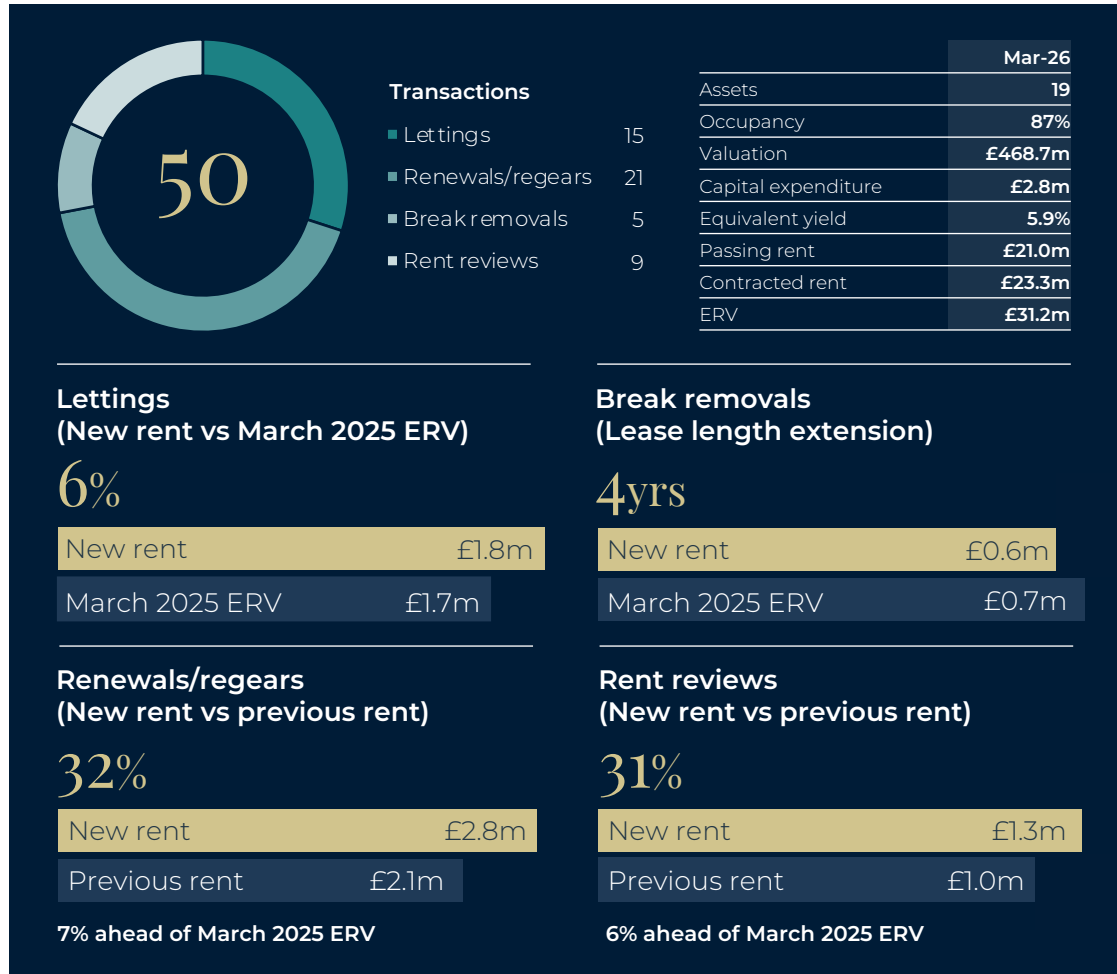
**5.9%**

Total property return

**5.2%**

Income return

## Strong ERV growth driven by asset management activity



# 1.2%

Like-for-like valuation increase

# 5.9%

ERV growth

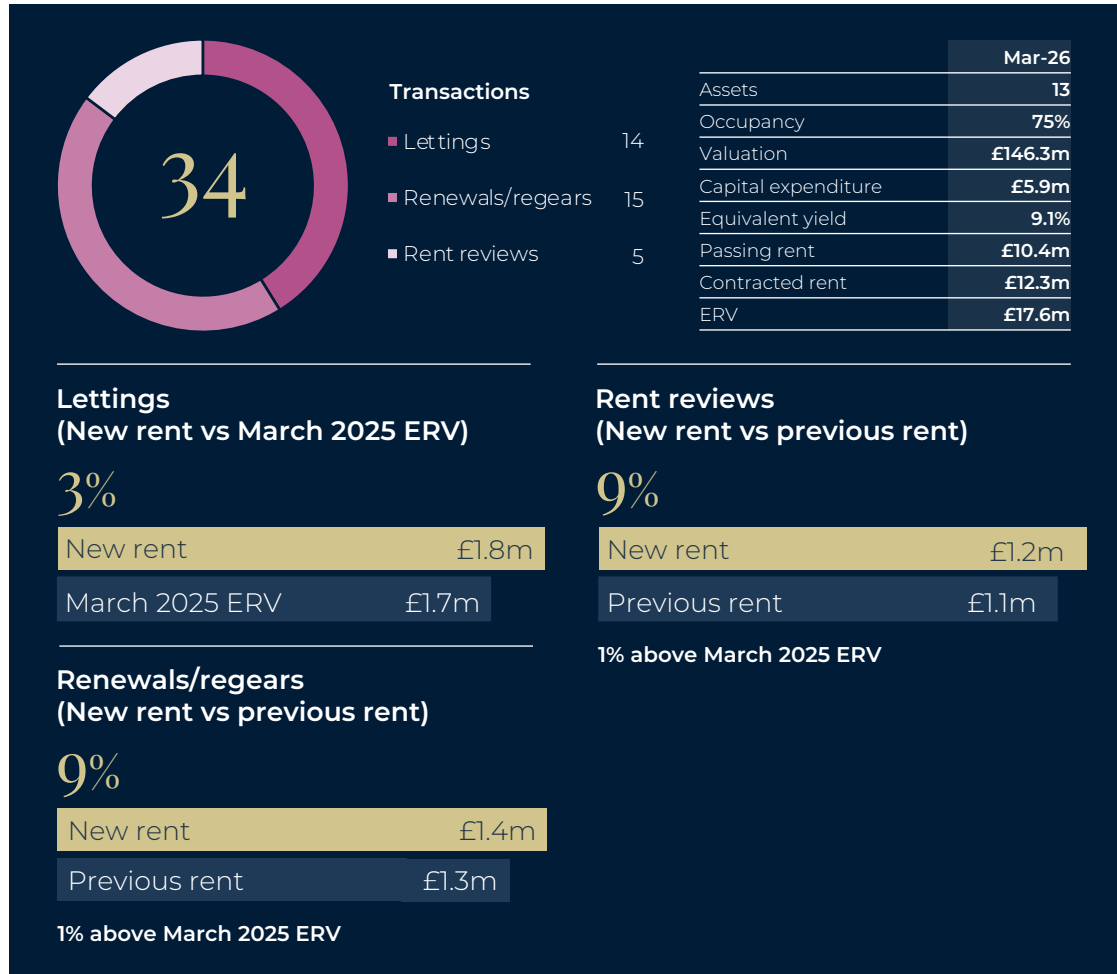
# £7.9m

Uplift – ERV vs contracted rent

# 89%

Of industrial void is at Rushden (60%) and Radlett (29%) and represent the largest income upside

## Asset upgrade programme delivering positive leasing progress with continued ERV growth



# £35m

Disposal of highest value, low yielding office asset

# 3.5%

Like-for-like valuation increase

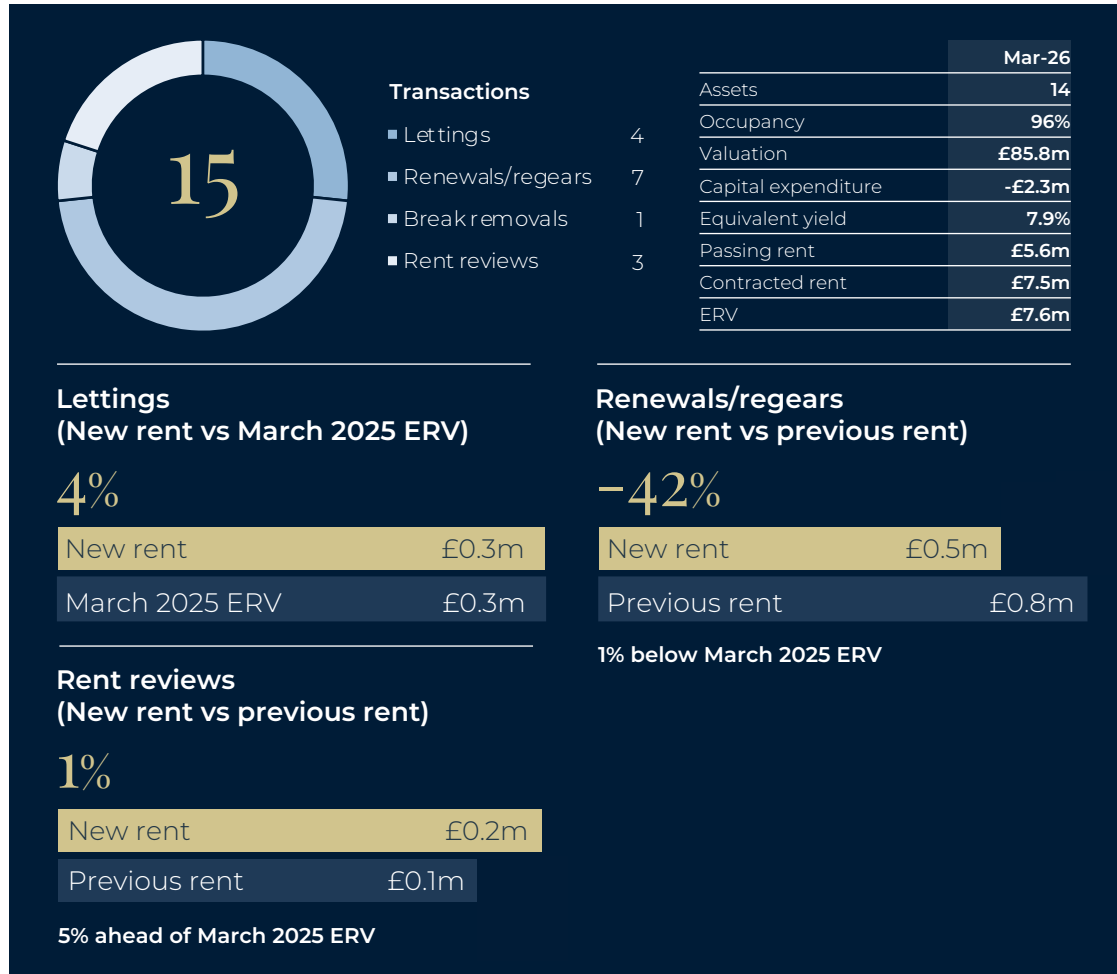
# 4.3%

ERV growth

# £5.3m

Uplift – ERV vs contracted rent

## High occupancy with value unlocked through lease restructurings



**1.4%**

Like-for-like valuation increase

**1.4%**

ERV growth

**£0.1m**

Uplift – ERV vs contracted rent

**96%**

High occupancy maintained

## Industrial



### Capturing rental upside

- Harlow: extended leases, new letting following occupier default
- London, E16: surrender, refurbishment and re-letting to data centre
- Radlett: letting, rent reviews and lease extensions
- Rushden: occupier exit, payment and refurbishment

**7%**

ERV growth across these assets

## Office



### Leasing success following asset upgrades

- Colchester: letting success and refurbishment post pre-letting
- Chatham: surrender and refurbishment
- Manchester: lease extension, letting, and asset upgrade
- Milton Keynes: letting and asset upgrade

**3%**

ERV growth across these assets

## Retail & Leisure



### Unlocking value through lease restructures

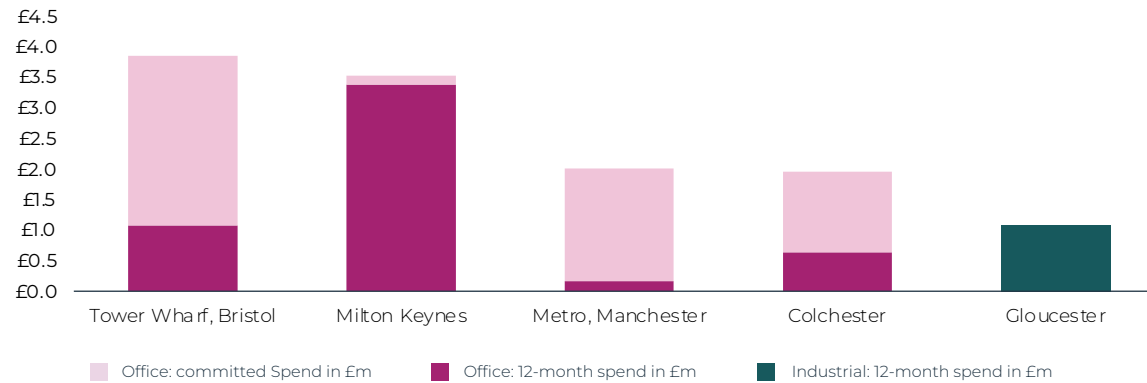
- Carlisle: lease extension and restructure with capital receipt
- Leeds: surrender and re-letting ahead of passing rent/ERV
- Bristol: lease renewal and re-letting above ERV but below previous rent

**5%**

ERV growth across these assets

## Upgrading assets to retain and attract occupiers

Five major capex projects



72%

Spent on five major projects totalling £6.3 million

10-15%

Indicative return on cost



- Continuing reinvestment programme
- £9 million invested during the year with a focus on offices
- Balancing income retention and letting prospects
- Driving ERV growth +5%
- Managing risk linking spend with lease events; clear evidence of leasing success and ERV growth
- Committed capex of £8 million instructed
- Further capex dependent on future lease events

Significant progress with 85% of office assets now fully or partially decarbonised

### Decarbonisation status



Current EPCs	
1. Bristol, Tower Wharf	B-C
2. Chatham, 30 & 50 Pembroke Court	A-C
3. Cheltenham, 109-117 High Street	B
4. Colchester, Colchester Business Park	A-D
5. Fleet, Sentinel House	A
6. Glasgow, Queens House	B
7. Glasgow, 180 West George Street	B
8. Leeds, Waterside House	C
9. London, 50 Farringdon Road	B
10. Manchester, Metro Building	B-D
11. Marlow, Atlas House	A
12. Milton Keynes, 40 Grafton Gate	A
13. St Albans, Trident House	B



Tower Wharf  
Bristol

**Project spend\***  
**£3.9m**

**Whole building – gas to electric**  
Fully fitted ground floor suite, nearing completion  
Expected EPC A



Metro  
Manchester

**Project spend\***  
**£2.0m**

**Whole building – gas to electric**  
Fully fitted office suite recently created  
Expected EPC B



Building 200  
Colchester

**Project spend\***  
**£2.0m**

**Refurbishment of west wing**  
Letting of three suites  
Final suite recently refurbished  
Expected EPC B



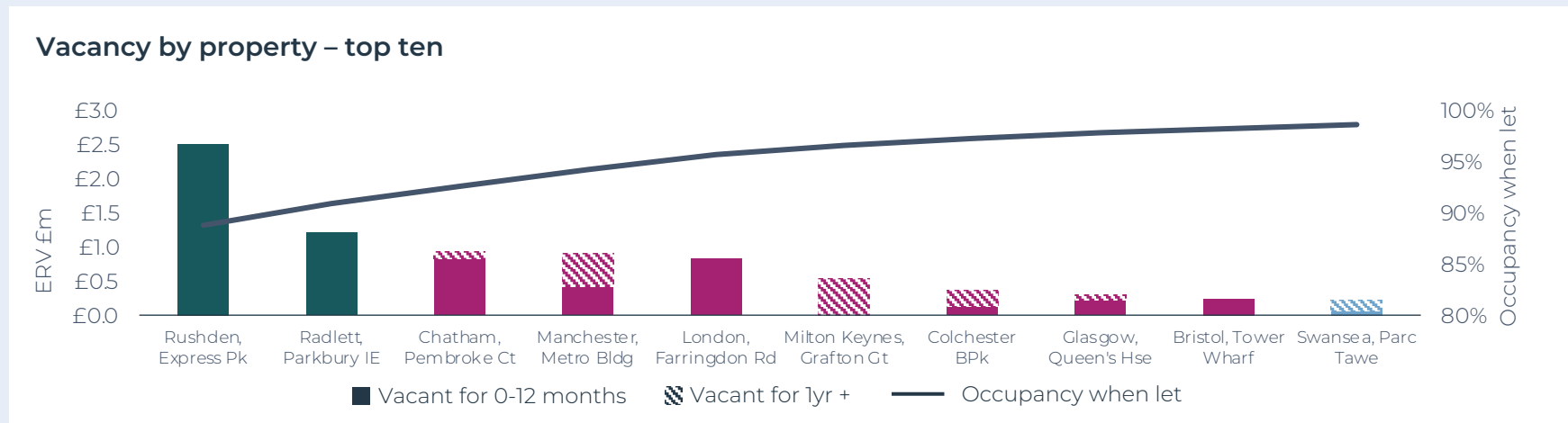
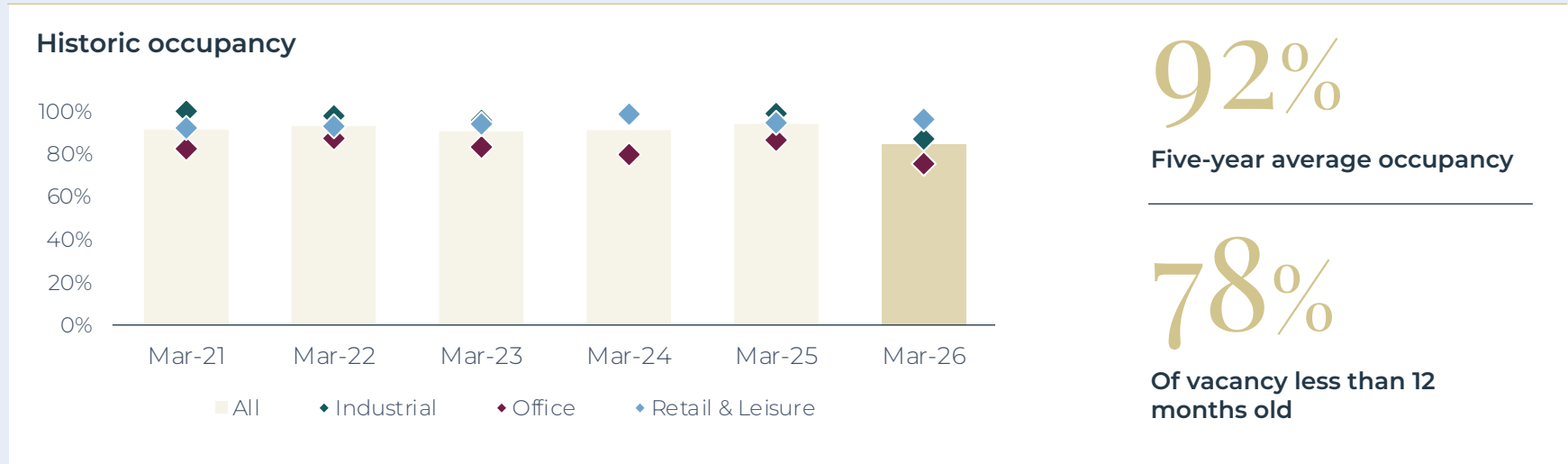
50 Pembroke Court  
Chatham

**Project spend\***  
**£0.4m**

**Infrastructure works**  
New reception and amenity space  
Refurbishment of office space and M&E sub-division  
Expected EPC A

# Occupancy and key voids

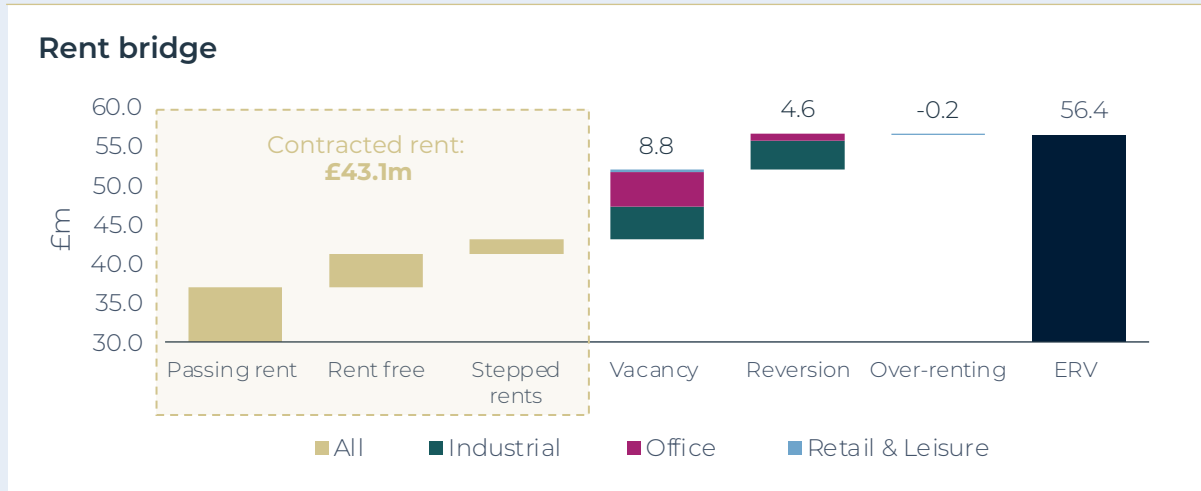
## Occupancy impacted by timing of key lease events



# Outlook & summary



## Significant upside through re-leasing vacant space and resetting rents to ERV

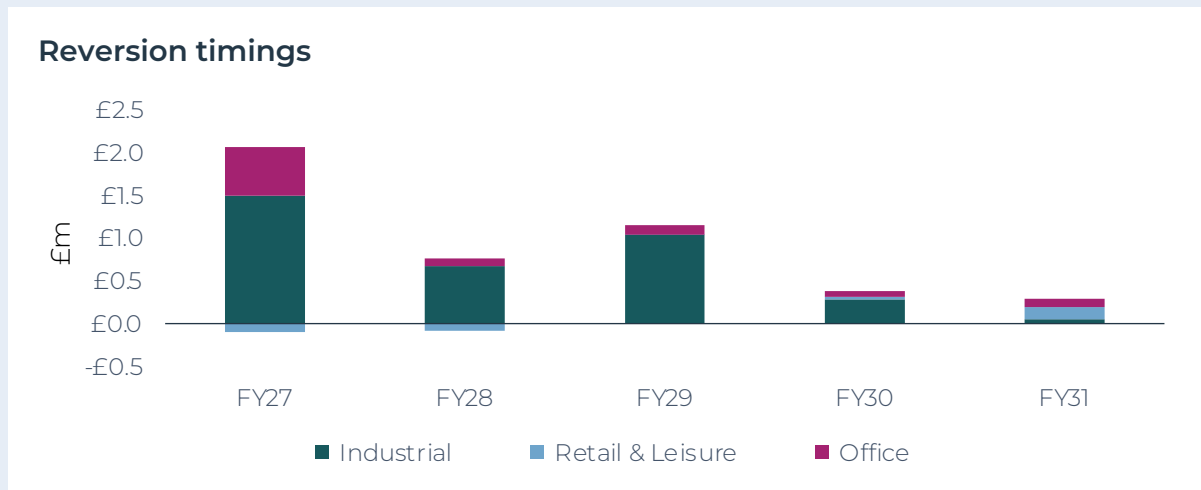


# 4.9%

Net initial yield

# 7.5%

Reversionary yield



# £8.8m

Vacancy with 42% in two industrial assets

# £4.4m

Reversion resetting to market rents

## Post period end we are pleased to report the following portfolio activity

- Positive leasing interest in vacant space across all sectors
  - Proposals made/negotiations ongoing on over £5 million\* of ERV
- Includes our second largest void where negotiations are underway to upsize an existing occupier – subject to landlord works/planning consent
- Lettings completed post period end in the office and industrial sectors with an ERV of £0.6 million, 2% ahead of the March 2026 ERV
- Completed disposal of residual Cardiff asset: £1.2 million, 30% ahead of the March 2026 valuation



Illustration: *Rushden*

## Continued focus on creating shareholder value



### Long-term track record of outperformance

Portfolio biased towards industrial warehouse, logistics sectors with asset management a key driver of performance.



### Portfolio with income focus and significant reversionary potential

£13 million of rental upside through lettings and resetting rents to market levels.



### Valuable long-term debt structure

Debt maturity profile of over five years with fixed rate debt and undrawn RCF.



### Strategic Review

Proposed offer announced on 12 May 2026. The Company is engaging with all stakeholders and due diligence is ongoing.



# Q&A



PICTON / Occupier focused,  
Opportunity led.

# Appendices

Through our occupier focused, opportunity led approach, we aim to be the consistently best performing diversified UK REIT creating value for our shareholders.

Our strategic priorities guide the direction of our business and are reviewed annually.

1

## Portfolio Performance

- 1** Manage sector and asset allocation to grow income and capital
- 2** Reduce exposure to lower yielding assets
- 3** Grow occupancy and income profile
- 4** Enhance asset quality and create space that meets evolving occupier expectations
- 5** Outperform the MSCI UK Quarterly Property Index

2

## Operational Excellence

- 1** Maintain disciplined approach to capital structure and use of disposal proceeds
- 2** Run an efficient and innovative operating platform
- 3** Adapt to market trends with an agile and flexible business model
- 4** Deliver earnings growth
- 5** Improve share price rating to facilitate future growth

3

## Acting Responsibly

- 1** Reduce our emissions to become net zero carbon by 2045
- 2** Actively engage with our occupiers, shareholders, communities and other stakeholders
- 3** Promote our company values, nurture a positive working culture, and alignment of the team
- 4** Ensure the long-term success of the business with strong governance and transparent reporting

# Our top 10 properties



**01/**  
Parkbury Industrial  
Estate, Radlett

Approx area (sq ft) / 337,900  
Capital value (£m) / >100  
Occupancy rate (%) / 82  
EPC rating / A-D



**02/**  
River Way Industrial  
Estate, Harlow

Approx area (sq ft) / 464,800  
Capital value (£m) / 75-100  
Occupancy rate (%) / 99  
EPC rating / A-D



**03/**  
Shipton Way,  
Rushden

Approx area (sq ft) / 312,900  
Capital value (£m) / 30-50  
Occupancy rate (%) / 0  
EPC rating / C



**04/**  
Datapoint, Cody Road,  
London E16

Approx area (sq ft) / 55,100  
Capital value (£m) / 30-50  
Occupancy rate (%) / 90  
EPC rating / B



**05/**  
Lyon Business Park,  
Barking

Approx area (sq ft) / 99,400  
Capital value (£m) / 20-30  
Occupancy rate (%) / 100  
EPC rating / B-D



**06/**  
50 Farringdon Road,  
London EC1

Approx area (sq ft) / 31,300  
Capital value (£m) / 20-30  
Occupancy rate (%) / 61  
EPC rating / B



**07/**  
Tower Wharf,  
Cheese Lane, Bristol

Approx area (sq ft) / 70,600  
Capital value (£m) / 20-30  
Occupancy rate (%) / 90  
EPC rating / B-C



**08/**  
Sundon Business Park,  
Luton

Approx area (sq ft) / 127,800  
Capital value (£m) / 20-30  
Occupancy rate (%) / 93  
EPC rating / A-D



**09/**  
Trent Road,  
Grantham

Approx area (sq ft) / 336,100  
Capital value (£m) / 20-30  
Occupancy rate (%) / 100  
EPC rating / C



**10/**  
The Business Centre,  
Wokingham

Approx area (sq ft) / 95,800  
Capital value (£m) / 20-30  
Occupancy rate (%) / 97  
EPC rating / B-D

## Annual Results



	March 2026 (£m)	March 2025 (£m)
Rental income	41.2	43.5
Other income	2.1	0.7
Property expenses	(7.5)	(6.5)
<b>NET PROPERTY INCOME</b>	<b>35.8</b>	<b>37.7</b>
Administrative expenses	(7.1)	(7.1)
Finance costs	(7.8)	(7.7)
<b>EPRA EARNINGS</b>	<b>20.9</b>	<b>22.9</b>
Strategic Review costs	(0.6)	-
Unrealised movement on property assets	6.6	12.8
Gains on disposal of property assets	(1.0)	1.5
Revaluation of owner-occupied property	-	0.1
<b>PROFIT/(LOSS)</b>	<b>25.9</b>	<b>37.3</b>
Dividends paid	19.7	20.2
Dividends paid per share (pence)	3.8	3.7

## Annual Results

	March 2026 (£m)	March 2025 (£m)
Property assets	682.1	700.7
Cash	43.3	35.3
Other assets	26.2	28.6
<b>TOTAL ASSETS</b>	<b>751.6</b>	<b>764.6</b>
Borrowings	(206.6)	(208.5)
Other liabilities	(23.0)	(22.7)
<b>NET ASSETS</b>	<b>522.0</b>	<b>533.4</b>
Net asset value per share (pence)	102	100

## Strong longstanding relationships and secured facilities with lenders

	Canada Life	Aviva	NatWest*
<b>Maturity</b>	2031	2032	April 2028 +(two year extension)
<b>Amount drawn</b>	£129.0m	£79.1m	£0
<b>Undrawn</b>	Fully drawn	Fully drawn	£50m
<b>Fixed/floating rate</b>	Fixed	Fixed	Floating
<b>Interest rate</b>	3.25%	4.38%	SONIA + 1.65-170bps
<b>Commitment fee</b>	N/A	N/A	0.66%
<b>Repayment</b>	Bullet 2031	Amortising with £67m on maturity	Redraw and repay over term

Environmental focus	Social impact	Governance
<p>Our environmental priorities are focused on managing climate risk, owning sustainable buildings and conserving and enhancing biodiversity at our assets.</p>	<p>Our social value priorities are focused on stakeholder engagement with an emphasis on the wellbeing of occupiers, employees and the wider community. We work with suppliers that are aligned with our values.</p>	<p>Strong governance ensures our clear and transparent reporting, ethical practices, regulatory compliance and alignment with our stakeholders' expectations.</p>
<p><b>Reduction in Scope 1 emissions</b></p> <p><b>21%</b> Rebaselined our net zero carbon pathway using SBTi guidance and set new near-term and net zero targets</p>	<p><b>Occupiers recommend us as a landlord</b></p> <p><b>93%</b> Rebaselined our net zero carbon pathway using SBTi guidance and set new near-term and net zero targets</p>	<p><b>EPRA award gold rating</b></p>  <p>Maintained EPRA Gold award for 2025 annual reporting and sustainability reporting</p>
<p><b>EPC rating A-C</b></p> <p><b>86%</b> Improved EPC ratings, with increased focus on achieving a higher proportion of A and B ratings in the portfolio <b>2025: 83%</b></p>	<p><b>Charitable donations to 13 charities</b></p> <p><b>£25k</b> Continued support for our key charity partnerships, in addition to our fundraising walk for The Royal Marsden Cancer Charity <b>2025: £26k</b></p>	<p><b>2025 GRESB rating</b></p>  <p>Improved our GRESB score to 82 and retained 3 green stars</p>
<p><b>EPC rating A-C</b></p> <p><b>35%</b> Continue to work on collecting Scope 3 data with final figures quoted later in the year in our Sustainability Data Performance Report <b>2025: 55%</b></p> <ul style="list-style-type: none"> <li>– Reduced the amount of waste emissions generated in landlord-controlled areas by 18%</li> <li>– Continued our biodiversity focused partnership with Youngwilders</li> <li>– Published our net zero strategy, Climate Change Policy, Waste Statement and updated Biodiversity Policy</li> </ul>	<p><b>EPC rating A-C</b></p> <p><b>6yrs</b> Aligned, nimble and experienced team with an open and inclusive culture <b>2025: 6yrs</b></p> <ul style="list-style-type: none"> <li>– Maintained our strong health and safety record with no reportable accidents, near misses or other health and safety incidents</li> <li>– Remained 99% compliant in all critical and secondary health and safety documents</li> <li>– Reviewed our charity partnerships in line with our Social Impact Policy</li> <li>– Team undertook 480 training hours</li> </ul>	<p><b>EPC rating A-C</b></p> <p><b>74</b> In addition to increased investor engagement, we attended the EPRA 2025 Corporate Access Event <b>2025: 66</b></p> <ul style="list-style-type: none"> <li>– Remained aligned with the Better Buildings Partnership</li> <li>– Continued to assure our environmental performance information in accordance with ISAE 3000</li> <li>– Reviewed all ESG policies and published four new strategies, statements and policies</li> </ul>

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If you require any further information please contact

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