

5 August 2024

REGIONAL REIT Limited
("Regional REIT", the "Group" or the "Company")
AGM Trading Update

Regional REIT Limited (LSE: RGL), the regional property specialist, announces the following trading update for the quarter from 1 April 2024 to 30 June 2024.

Summary of activity in the quarter to 30 June 2024

Lettings

Since 1 April 2024, the Group has made strong progress on lettings, exchanging on six notable leases to new tenants totalling 69,067 sq. ft., amounting to £0.7m per annum ("pa") of rental income when fully occupied, achieving an average rental uplift of 11.0% against December 2023 ERVs. A further seven leases have renewed amounting to 47,000 sq. ft. and £0.6m pa of rental income.

Sales

Three disposals (plus one part sale) were completed in the quarter to 30 June 2024 with sales proceeds amounting to £6.9 million (before costs), reflecting a net initial yield of 9.6%.

Stephen Inglis, CEO of London & Scottish Property Investment Management, Asset Manager commented:

"During the quarter we were pleased to achieve further progress in the Group's letting activity and disposal programme, with £0.7m of additional notable rental income from new leases and £6.9 million generated from recent disposals.

As announced on 18 July 2024, the successful capital raise of £110.5m ensures the repayment of the retail bond, facilitate the further reduction of the LTV to 40.6%, and will provide for accretive capital expenditure on assets for the long term."

Rental Updates

- **Ashby Park, Ashby De La Zouch** - Ashfield Healthcare Ltd. has let 18,942 sq. ft. of office space to July 2034, with an option to break in 2029, at a rental income of £350,427 pa (£18.50/ sq. ft.).
- **Central Park, New Lane, Leeds** - QBE Management Services (UK) Ltd renewed its existing leases to June 2025, at a combined rental income of £297,390 pa (£13.79/ sq. ft.) on 21,570 sq. ft. of space, and also renewed its car parking lease for an additional £10,000 pa.
- **1175 Century Way, Thorpe Park, Leeds** - Fonemedia Ltd has let 3,524 sq. ft. of office space to May 2029, with an option to break in 2027, at a rental income of £84,576 pa (£24.00 / sq. ft.).
- **1-6 Silver Court, Welwyn Garden City** - Telespazio UK Ltd has let 3,873 sq. ft. of office space to April 2027, with an option to break in 2025, at a rental income of £67,800 pa (£17.51/ sq. ft.).
- **84 Albion Street, Leeds** - Jugo Digital Ltd has let 1,304 sq. ft. of office space to April 2027, with an option to break in 2025, at a rental income of £66,000 pa (£50.61/ sq. ft.).
- **Cardiff Gate Business Park, Cardiff** - SMS Energy Services Ltd. renewed its lease to February 2025, at a rental income of £61,908 pa (£14.00/ sq. ft.) on 4,422 sq. ft. of space.
- **York House, Felixstowe** - Existing tenant Poundland Ltd has renewed existing lease of 7,593 sq. ft. of space at a rental income of £60,000 (£7.90/ sq. ft.). The lease is to April 2027.
- **Templeton On The Green, Glasgow** - National Society For The Prevention Of Cruelty To Children. renewed its lease to March 2025, at a rental income of £59,820 pa (£12.00/ sq. ft.) on 4,985 sq. ft. of space.
- **Oakland House, Manchester** - Secretary of State for Levelling Up, Housing & Communities renewed its lease to June 2029, with the option to break in 2027, at a rental income of £59,500 pa (£10.92/ sq. ft.) on 5,450 sq. ft. of space.

- **Eagle Court, Coventry Road, Birmingham** - Goldbeck Construction Ltd has let 2,863 sq. ft. of office space to May 2025, with an option to break in 2024, at a rental income of £51,534 pa (£18.00/sq. ft.).
- **Murdostoun House, Strathclyde Business Park, Bellshill** - ATPAC Ltd has let 3,229 sq. ft. of office space to June 2029, with an option to break in 2027, at a rental income of £41,982 pa (£13.00/sq. ft.).
- **Beaufort Office Park, Bristol** - St John Ambulance renewed its lease to May 2028, with the option to break in 2026, at a rental income of £49,170 pa (£16.50/sq. ft.) on 2,980 sq. ft. of space.

Subsequent Events summary post 30 June 2024

Since the quarter end, the Group has successfully completed a £110.5m capital raise ensuring the repayment of the £50m retail bond, enabling the reduction of bank facilities by £26.3m, and providing £28.4m for identified accretive capital expenditure projects.

Lettings

- **1175 Century Way, Thorpe Park, Leeds** - Greenbelt Group Ltd has let 2,670sq. ft. of office space to July 2029, at a rental income of £64,080 pa (£24.00 / sq. ft.).

Forthcoming Events

5 Aug 2024	Annual General Meeting
10 Sep 2024	Interim Results Announcement
13 Nov 2024	Q3 2024 Trading Update

Note: All dates are provisional and subject to change

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About Regional REIT

Regional REIT Limited ("Regional REIT" or the "Company") and its subsidiaries (the "Group") is a United Kingdom ("UK") based real estate investment trust that launched in November 2015. It is managed by London & Scottish Property Investment Management Limited, the Asset Manager, and ESR Europe Private Markets Limited, the Investment Adviser.

Regional REIT's commercial property portfolio is comprised wholly of income producing UK assets and comprises, predominantly of offices located in the regional centres outside of the M25 motorway. The portfolio is geographically diversified, with 132 properties, 827 tenants as at 21 June 2024, with a valuation of c.£647.8m.

Regional REIT pursues its investment objective by investing in, actively managing and disposing of regional core and core plus property assets. It aims to deliver an attractive total return to its Shareholders, targeting greater than 10% per annum, with a strong focus on income supported by additional capital growth prospects.

The Company's shares were admitted to the Official List of the UK's Financial Conduct Authority and to trading on the London Stock Exchange on 6 November 2015. For more information, please visit the Group's website at www.regionalreit.com.

Cautionary Statement

This document has been prepared solely to provide additional information to Shareholders to assess the Group's performance in relation to its operations and growth potential. The document should not be relied upon by any other party or for any other reason. Any forward looking statements made in this document are done so by the Directors in good faith based on the information available to them up to the time of their approval of this document. However, such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

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