RNS Number : 8054Y
Tritax Big Box REIT plc
28 February 2025

Results for the 12 months ended 31 December 2024

tritaxbigbox.co.uk

28 February 2025

Transformational year with significant strategic progress and excellent operational performance

Record rental reversion, attractive development pipeline and compelling data centre opportunities

Delivering highest total accounting return level since 2021

2024 key figures

	31 December 2024	31 December 2023	Change
Net rental income	£276.0m	£222.1m	24.3%
Operating profit[1]	£265.3m	£193.2m	37.3%
Adjusted earnings per share[2,6]	8.91p	7.75p	15.0%
Adjusted earnings per share (ex additional development management income) [3, 6]	8.05p	7.75p	3.9%
IFRS earnings per share	19.67p	3.72p	428.8%
Dividend per share	7.66p	7.30p	4.9%
Dividend pay-out ratio (ex additional development management income) [3, 6]	95%	94%	1.0pts
Total Accounting Return	9.0%	2.2%	6.8pts
EPRA cost ratio (excluding vacancy cost) [6]	12.6%	13.1%	-0.5pts
EPRA cost ratio (including vacancy cost) [6]	13.6%	13.1%	0.5pts
Contracted annual rent roll	£313.5m	£225.3m	39.1%
EPRA Net Tangible Assets per share[6]	185.56p	177.15p	4.7%
IFRS net asset value per share	184.12p	175.13p	5.1%
Portfolio value[4, 6]	£6.55bn	£5.03bn	30.2%
Loan to value (LTV)[6]	28.8%	31.6%	-2.8pts

Completion of £1.2bn strategic acquisition of UK Commercial Property REIT Limited (UKCM)

- High-quality urban logistics assets complement existing portfolio, broaden client offer and increase income and capital growth potential, with 39% rental reversion at acquisition.

- Quality of acquired logistics assets reflected in 3.9% ERV growth and a 5.8% uplift in asset values since June 2024.
- Cost savings support earnings growth and enhance balance sheet strength by lowering LTV.
- £181.2 million or 38% of non-strategic assets disposals exchanged or completed since acquisition at a premium to book value.

Rental income growth supporting Adjusted EPS growth, enhanced by DMA contribution

- 39.1% increase in contracted annual rent to £313.5 million (31 December 2023: £225.3 million) driven by UKCM acquisition, asset management and development activity.
- 15.0% increase in Adjusted EPS to 8.91 pence (2023: 7.75 pence) driven by net rental income growth and Development Management Agreement (DMA) income.
    - Adjusted EPS excluding additional DMA income grew 3.9% to 8.05p (2023: 7.75p).
- 12.6% EPRA cost ratio excluding vacancy costs (2023: 13.1%) reduction driven by UKCM synergies and efficient externally managed structure. 13.6% EPRA cost ratio including vacancy costs (2023: 13.1%), reflecting assumed vacancy from UKCM acquisition.

Future earnings growth supported by record logistics portfolio reversion

- 5.4% like-for-like Estimated Rental value (ERV) growth across logistics portfolio for the period (2023: 6.9%).
- Record 27.9% logistics portfolio reversion provides potential to capture £79.2 million of additional rent, of which 79% has the potential to be captured by 2027, supporting future earnings growth.
- Increase in total portfolio value to £6.55 billion (31 December 2023: £5.03 billion), following the acquisition of UKCM, with equivalent yield remaining broadly stable at 5.68% (31 December 2023: 5.60%).
- 2.8% portfolio capital value increase (2023: 0.8% reduction) driven by income growth and asset management, increasing to 3.7% when including the £67.8 million net gain on the UKCM acquisition.

Growing rental income through active management

- £11.6 million added to annual contracted rent through rent reviews and asset management initiatives:
    - Including 34.6% increase in aggregate across open market linked rent reviews settled in period.
    - 4.1% annualised rental growth across rent reviews settled in period (2023: 3.3%).
- 3.9% EPRA like-for-like rental growth reflects ongoing market rental growth and higher proportion of reviews (2023: 3.6%).

3.3% premium achieved on £306.2 million of disposals - 38% of non-strategic UKCM assets sold

- £181.2 million, representing 38% of UKCM non-strategic exchanged or sold:
    - 6.2% blended NIY, achieving a 2.8% premium to the market value at time of acquisition:
    - £86.8 million of which is scheduled to complete in Q1 2025.
    - Further approximate £177.4 million of UKCM related non-strategic assets currently under offer.
- £125.0 million of additional disposals from logistics portfolio at a 5.0% NIY, achieving a 4.1% premium to book values, £79.0 million of which completed in Q1 2025.
- £46.0 million acquisition of 479k sq ft East Midlands cold store let to Co-Op, with 7.3% reversionary yield.
- Post period end completed £74.3 million acquisition of 627k sq ft cold-store building in the North West let to Sainsburys at a 6.0% NIY, expected to achieve a running yield of 7% by 2028.

Developing best-in-class logistics assets to drive earnings growth

- £11.1 million of new contracted rent secured from development lettings, including 1.0 million sq ft pre-let to a global leader in e-commerce, representing one of the UK's largest pre-lets in 2024.
- 1.9 million sq ft of development starts in 2024, including 0.4 million sq ft which has been pre-sold under a DMA contract, and expected to deliver a 7% average yield on cost.
- Development starts for FY25 expected to be in line with FY24 levels and within our 2-3 million sq ft guidance.
    - DMA income expected to contribute £10 million to FY25 operating profit.
- Development yield on cost expected to be at the upper end of 6-8% guidance for 2025 starts.
- 21% reduction in weighted average embodied carbon from completed developments to 287 kg CO_2e per m^2 (2023: 365 kg CO_2e per m^2).

Strong balance sheet well positioned to support our strategy

- 28.8% LTV at 31 December 2024 (31 December 2023: 31.6%) and Net Debt/EBITDA[5] of 7.3x (31 December 2023: 8.2x).

- 3.05% weighted average cost of debt (31 December 2023: 2.93%), with 93.4% of drawn debt either fixed or hedged.
- Over £550 million of available liquidity as at 31 December 2024, 4.5 year average debt maturity and no refinancings prior to June 2026.
- Upgrade from Moody's of credit rating outlook to Baa1 (positive) from Baa1 (stable).

147 MW data centre opportunity and 1 GW pipeline announced post year end

- Phase 1 Manor Farm targeting 9.3% yield-on-cost and significant development profits.
- Expected to be one of the UK's largest data centres, targeting delivery of 107 MW Phase 1 data centre in H2 2027, with a possible second phase data centre of 40 MW.
- Accelerated power delivery via joint venture with a leading European renewable and low carbon energy power generator.
- Additional c.1 GW pipeline of UK opportunities identified.

Commenting on the results, Aubrey Adams, Chairman of Tritax Big Box REIT, said:

"This has been an exceptional year for the Company, marked by significant transformational change alongside strong operational performance. The acquisition of UKCM has complemented our portfolio with high-quality urban logistics assets offering substantial rental reversion potential. The quality and liquidity of UKCM's assets is further demonstrated by our ability to sell non-strategic assets above their December 2023 valuations, unlocking additional capital to fund future growth. Operationally, the Manager has captured significant rental income through proactive asset management and development activities, including securing one of the year's largest pre-lets.

"We enter 2025 well positioned with three powerful growth drivers in our business: capturing record rental reversion, advancing our highly attractive logistics development pipeline, and leveraging opportunities to develop data centres with the potential for exceptional returns."

Results presentation and Q&A

A Company presentation for analysts and investors will take place via a webcast with live Q&A at 8.00am (GMT) today and can be viewed at:

https://brrmedia.news/BBOX_FY_24

If you would like to ask a question verbally rather than through the webcast viewer, please join the presentation conference call:

UK: +44 (0) 33 0551 0200

USA: +1 786 697 3501

Password: *Tritax FY24*

Retail investor webcast and Q&A

The Company will also host a live interactive presentation aimed at retail investors on the *Engage Investor* platform, at 2:00pm (UK time) today. This can be accessed via:

https://engageinvestor.news/BBOX_IP25

Colin Godfrey (CEO) and Frankie Whitehead (CFO), who will host the event, welcome current shareholders and interested investors to join. Questions can be submitted prior to the webcast via the *Engage Investor* platform, or at any time during the live presentation.

Investors can sign up to *Engage Investor* at no cost and follow Tritax Big Box REIT plc from their personalised investor hub.

Notes

1. Operating profit before FV movements and other adjustments.
2. See Note 15 to the financial statements for reconciliation.
3. The anticipated run rate for Development Management Agreement (DMA) income is £3.0-5.0 million per annum over the medium term. We classify income above this as 'additional' development management income, which can be highly variable over time. We therefore present a calculation of Adjusted EPS that excludes additional development management income. £23.0 million of DMA income is included in the 8.91p Adjusted earnings per share in 2024. 2023: £nil included in 7.75p Adjusted earnings per share).
4. The Portfolio Value includes the Group's investment assets and development assets, land assets held at cost, the Group's share of joint venture assets and other property assets.
5. Calculated based on pro-forma EBITDA inclusive of full twelve months contribution of UKCM, adjusted for fair value of UKCM debt at acquisition.
6. An alternative performance measure. The Group uses a number of financial measures to assess and explain its performance, some of which are considered to be alternative performance measures as they are not defined under IFRS. For further details, see the Financial review and Notes to the EPRA and other key performance indicators section, as well as definitions in the Glossary.

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Notes:

Tritax Big Box REIT plc (ticker: BBOX) is the largest listed investor in high-quality logistics warehouse assets and controls the largest logistics-focused land platform in the UK. Tritax Big Box is committed to delivering attractive and sustainable returns for shareholders by investing in and actively managing existing built investments and land suitable for logistics development. The Company focuses on well-located, modern logistics assets, typically let to institutional-grade clients on long-term leases with upward-only rent reviews and geographic and client diversification throughout the UK.

The Company is a real estate investment trust to which Part 12 of the UK Corporation Tax Act 2010 applies, is listed on the Official List of the UK Financial Conduct Authority and is a constituent of the FTSE 250, FTSE EPRA/NAREIT and MSCI indices.

Further information on Tritax Big Box REIT is available at www.tritaxbigbox.co.uk

Chairman's statement

A transformational year with significant strategic progress and excellent operational performance

In 2024, we made significant progress across all our strategic priorities. The acquisition of UK Commercial Property REIT Limited (UKCM) expanded our client offering and strengthened our presence in key urban logistics markets. At the same time, we accelerated contracted rent growth through capturing portfolio rental reversion, active asset management and strong leasing activity within our development pipeline. We also successfully executed asset disposals at the top end of our guidance and ahead of book values, enabling us to recycle capital into accretive growth opportunities. We enter 2025 with an outstanding portfolio, exceptional clients, the UK's largest logistics development land platform and substantial opportunities for further growth, including the expansion into data centres.

Maximising value and income growth from the UKCM acquisition

Since we acquired UKCM in May 2024 we have completed the integration process and are firmly on track to realise the benefits we expected. UKCM added £1.2 billion of assets to our portfolio, including £740 million of logistics assets with strong income growth potential, including an embedded 39% reversion, which we have already begun to capture. The quality of the logistics assets within the portfolio was reflected in 3.9% ERV growth and a 5.8% uplift in asset values since June 2024. We have also made excellent progress in divesting, ahead of their market value at the time of the acquisition, nearly 40% of UKCM's non-strategic assets, with £94.4 million of disposals completed by the year end, a further £86.8 million exchanged post year end and a further approximate £177.4 million under offer. We are seeing encouraging levels of interest in the remaining non-strategic assets and are confident of divesting them within 24 months from the date of the acquisition as planned.

Multi-year and inherent opportunities to drive earnings and dividend growth

We operate in a highly attractive market, underpinned by strong structural drivers of occupier demand. Businesses are increasingly nearshoring to build shorter, more resilient supply chains; optimising efficiencies and economies of scale to protect margins; and leveraging automation to mitigate rising employment costs. The Board believes improving sustainability performance, as reflected in our very strong GRESB ratings, positively impacts the Company's performance, with our Clients preferring modern buildings that can both reduce costs and provide attractive and safe working environments for their employees.

At the same time, we have clear and significant opportunities to drive earnings and dividend growth from prospects inherent within our business, capitalising on our investment, asset management and development expertise.

There are three distinct elements embedded within our business that offer multi-year opportunities to drive earnings and dividend growth:

1. capture the record rental reversion in the investment portfolio and secure lettings for vacant space, which together have the potential to increase rental income by 27.9% or £79.2 million of which 79% has the potential to be captured by 2027;
2. construct additional best-in-class logistics assets from our development platform which can more than double our current rental income over the longer term and, for 2025, targets a yield on costs of towards the top end of our 6-8% range, and;
3. deliver data centre development opportunities, including our first at Manor Farm, Heathrow, which is expected to deliver exceptional returns for shareholders and a potential 8-10% yield on cost.

"Power first" approach delivering significant opportunities in data centres

Post our year end, we announced the acquisition of a site at Manor Farm, Heathrow. Subject to planning, this provides us with the opportunity to develop one of Europe's largest and highest-quality data centres, subject to planning permissions, which we believe will be attractive to the world's largest data centre operators. Crucially the Manager, having adopted a "power first" approach, has secured contracted and accelerated power delivery of 147 MW to the site using pre-existing grid connection agreements, 107 MW of which will be provided in H2 2027 and 40 MW in 2029. The anticipated yield on cost from Phase 1 is approximately 9.3%, complementing the returns within our in 2025. The anticipated yield on cost from Phase 1 is approximately [illegible]%, complementing the returns within our logistics development pipeline. Phase 2, leveraging the investment in Phase 1, has the potential for an even higher yield on cost.

Ongoing investment by the Manager in its capabilities

We have previously noted the Manager's strong track record of adding skills and experience to support our growth. In 2023 and 2024, it strengthened the asset management team to maximise performance of our urban logistics assets and deepen relationships with our expanded client base. Additionally, the Manager led the way in establishing a dedicated power infrastructure and data centre team, helping to future-proof our existing assets and development pipeline, while also unlocking new opportunities in the data centre market for us.

This is driven by the Manager's entrepreneurial culture and agile approach which supports the exploration of new ideas and opportunities by speculatively investing in specialist resource. This is a key advantage of our externally managed structure, with the Manager absorbing the cost of identifying and incubating new opportunities - such as data centres, where Tritax Big Box now holds a first right of refusal. While recognising these qualities, the Board continues to provide constructive challenge to the Manager to ensure the best interests of the Company's shareholders.

Performance and dividends

The quality of our investment portfolio and continued growth in income through our asset management and development programmes enabled us to deliver record headline earnings in 2024. Excluding additional DMA income in the year, Adjusted EPS was 3.9% higher at 8.05 pence, supporting a covered total dividend of 7.66 pence per share, up 4.9% on 2023.

Carefully managing the balance sheet and deploying our resources to implement our strategy remain a major focus. A reduced LTV of 28.8% benefitted from improving asset valuations and UKCM's lower gearing at the point of acquisition. We also continue to have significant headroom in our debt facilities, allowing us to be opportunistic in the market. Our development programme remains highly flexible, with limited financial commitments, so we can adapt quickly to any changes in market conditions.

Outlook – well positioned for growth with multiple opportunities to deploy capital accretively

Client engagement across both our standing portfolio and development schemes remains high. Clients are renewing on existing space and market take-up volumes are healthy, with the potential to increase in 2025. Corporates continue to evolve their supply chains in response to the ongoing supportive structural trends, albeit decision making is taking time.

New supply remains disciplined and speculative space under construction is at similar levels to 12-months ago. As was the case in 2024, speculative completions will be front loaded which will impact the quarter-by-quarter trajectory of vacancy. Overall, however, this gives us confidence in the scope for further rental growth, particularly in locations or building size bands where supply remains restricted.

Framed by these dynamics, our business has three clear multi-year growth drivers.

First, our portfolio is highly reversionary, with market rental growth in 2024 enhancing this opportunity further. The capture of this reversion over time helps drives net rental income and in turn earnings growth. With 20.9% of the portfolio subject to lease events in 2025, we expect to see a further increase in the rate of like for like rental growth translate into higher net rental income.

Our second growth driver is our targeted and client-led development activity, both speculative and build to suit, with the potential to add £306 million of rental income over time. Despite a tighter market for build to suit opportunities in 2024, we signed £11.1 million of pre-let agreements. We aim to keep our level of capex and development starts at a similar level to 2024. We expect to deliver an increase in development yield on cost, potentially towards the upper end of our 6-8% guidance, based upon the mix of schemes in the pipeline, stable construction costs and continuing attractive levels of market rental growth.

And finally, exciting opportunities in data centres have the potential to deliver exceptional returns for the Company. We look to progress Manor Farm over the course of 2025, with the securing of planning consent, the first major milestone.

2024 has been a transformational year with the successful integration of the UKCM portfolio, the asset management opportunities it creates and the disposal of associated non-core assets. Supported by our strong balance sheet we enter 2025 well positioned with three powerful growth drivers in our business: capturing record rental reversion, advancing our highly attractive logistics development pipeline, and leveraging opportunities to develop data centres.

Aubrey Adams
Chairman

Manager's report

Market review

Long-term structural drivers support our sector

Shifting consumer behaviour, evolving supply chains and a corporate drive for sustainability are underpinning demand for high-quality, mission critical, modern logistics real estate and data centre facilities.

Shifting consumer behaviour

Consumer demand for an ever faster and more convenient purchasing/returns experience is driving e-commerce and the omnichannel retail network evolution. This includes network consolidation and realignment, and a shift to larger, high-quality, modern buildings that help lower the cost to serve. Meanwhile, our increasingly digital world is driving greater demand for data centres to house burgeoning cloud and AI demand.

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Evolving supply chains

For occupiers navigating a fast-moving and often volatile market environment, resilience is now a priority, alongside optimising for efficiency, productivity and cost. This has translated into solutions such as holding higher stock volumes and a focus on supply chain visibility and technology adoption/automation.

Drive for sustainability

Building performance, clean energy and fleet transition are top of mind for many occupiers, as they look to enhance the sustainability of their operations and meet more stringent regulatory and stakeholder requirements. Meanwhile, the need to attract and retain skilled labour (in a tight employment market) has seen a focus on the provision of a better working environment, including onsite amenities.

Combined, these drivers mean that not only is location and access to skilled labour vital, but provision and resilience of power supply is increasingly in focus as energy needs increase.

Diverse demand continues to underpin market activity

Occupational demand remains healthy with 21.3 million sq ft of take up in 2024 (2023: 22.1 million sq ft)[1]. We continue to see high levels of engagement across both standing assets and new space resulting in strong renewal rates alongside continuing demand for new buildings.

Leading companies continue to invest for the future, driven by growing revenues and improving margins. Supply chains are a multi-year area of focus with the potential to contribute to both improved financial performance (lowering the cost to serve, facilitating new revenue streams etc) and enhanced business resilience. High quality logistics real estate that can support modern day, technology led supply chain requirements is therefore seen by many as core to future operations. This is leading to sustained and diverse demand from companies across all sectors.

2024 saw new space account for 61% of demand, of which newly developed speculative space contributed 39% (2023: 25%)[1]. This highlights the ongoing trend towards high-quality, technically capable buildings that support improved productivity and efficiency facilitated by increased use of automation and advancing technologies. The East Midlands, the UK's most important big box logistics market, remained the most active, accounting for 34% of take up across the UK[1]. 11.5 million sq ft was under offer at year end (2023: 11.1 million sq ft)[1] and our own occupier hub continues to see high levels of enquiries.

Manufacturers remained prominent, contributing 25% of demand in 2024[1], as they continue to build resilience, diversify their supplier base and improve supply chain visibility. Many still expect to hold more stock onshore, with 29% of manufacturers suggesting, in our occupier survey delivered in partnership with Savills, that they plan to do so over the next three years.

Retailers accounted for 28% of take up[1]; most were omni-channel businesses evolving their supply chains to meet shifting consumer needs. Online-only retailers returned to the market through the second half of the year, with our 1.0 million sq ft letting at Kettering accounting for the majority of 2024 take up. We expect to see further activity in 2025 from both online-only retailers and parcel carriers.

Third Party Logistics companies ("3PLs") were less active in the market than in the previous year but still accounted for 23% of demand in 2024[1], underpinned by several large lettings. Leading 3PLs were part of the shift towards higher quality, often newer, space that can facilitate operational shifts such as adopting more building level automation; consolidating into larger units; decarbonising supply chains; and providing a better working environment, including improved amenities to help attract and retain staff.

Reduced supply contributed to well-balanced market fundamentals

New supply of logistics space declined markedly year on year with 14.7 million sq ft of completions (2023: 30.3 million sq ft). Completions were heavily front-loaded with 9.5 million sq ft delivered in the first quarter[1].

Space under construction at Q4 2024, however, picked up year on year to 26.0 million sq ft (2023: 21.4 million sq ft)[1]. Importantly, the increase is almost entirely from an uptick in "build to suit" activity. The speculative pipeline stands at 12.8 million sq ft (2023: 12.3 million sq ft)[1]. Much of this is concentrated in a handful of geographic locations with a significant proportion scheduled to complete early in 2025.

Well-located supply is typically constrained by factors such as land availability, planning and power. This makes our strategically located land portfolio a particularly attractive attribute of the Company. It is held through capital efficient option agreements (which link our land purchase price to prevailing open market value, less a prescribed discount). This enables us to deliver on our 6-8% yield on cost development guidance.

Vacancy increased from 5.1% at Q4 2023 to 5.6% at Q4 2024 but was flat across the second half of the year[1]. Overall, market fundamentals remain well balanced but nuanced, as local market dynamics are diverse with significant differences at both a regional and sub-market level.

Strong rental growth in 2024

2024 has seen strong rental growth at both a headline and portfolio level. Prime headline logistics rents increased across all regions by between 25p and 50p (ex-Inner London where they held flat)[1]. Headline prime rents reported by CBRE reflect the top tier of rent for buildings of the highest quality and specifications in the best locations. MSCI ERV data, which better reflects portfolio-wide performance and a broader mix of buildings, shows UK distribution warehouse ERVs grew by 5.3% in 2024 (2023: 7.1%).

Logistics real estate capital market activity increasing

Big box logistics transaction activity totalled £3.1 billion in 2024, with a further £4.9 billion of multi-let and urban

Big box logistics transaction activity totalled [illegible] billion in 2024, with a further [illegible] billion of multi-let and urban deals[2]. Significant pools of global capital continue to look to access the market. Two of the largest deals completed late in the year were, for example, by new entrants to the UK logistics sector.

Prime market pricing for logistics buildings remains at 5.25%[1]. Deal activity has continued to evidence market pricing with a significant pool of prospective purchasers for high-quality, prime product.

Investor interest in the sector remains high with prospective purchasers underwriting further rental growth on top of repriced yields. As a result, logistics pricing continues to look attractive despite ongoing uncertainty in global capital markets. The composition of returns also continues to appeal to investors with ongoing rental growth underpinning the scope for further income growth. Moreover, many buildings continue to have reversionary potential given the healthy market rental growth that leases often fail to capture fully during their term.

Record level of data centre demand

London remains the largest data centre market in Europe with 1,141MW in operation across an estimated 135 data centres[3]. 2024 take up in London totalled 116MW which exceeded new supply (65MW) for the third consecutive year[1]. Strong demand and low availability have resulted in rental rates increasing. Providers are, however, having to develop data centres in areas further afield to meet growing demand given the severe land and power constraints that exist in London.

With the same planning designation as logistics buildings, data centres have become an additional source of demand, further constraining the supply of land for logistics real estate. Furthermore, in September 2024, UK data centres were designated as Critical National Infrastructure: strengthening industry resilience, regulatory support and reinforcing the UK as an attractive destination for data centre users.

A clear and consistent strategy that is delivering

Our strategy has three clear interlinked components that aim to deliver sustainable income and capital growth, robust performance through the economic cycle and an attractive and progressive dividend, while ensuring we meet our wider responsibilities and carefully manage risk.

The components of our strategy are:

1) High-quality assets attracting world-leading clients - delivering long-term, resilient and growing income.

2) Direct and active management - protecting, adding and realising value.

3) Insight driven development and innovation - creating value, future proofing and capturing occupier demand.

Sustainability is intrinsic to each of these elements and is a key enabler of business performance. Information on how we implemented the strategy during the period, including our sustainability initiatives, is set out in the following sections.

1) High-quality assets attracting world-leading clients

Our total portfolio comprises:

- The **investment portfolio:** These are logistics assets with a lease or agreement for lease in place. We believe our investment portfolio is the strongest in the UK in terms of asset quality, client financial covenant strength and lease length.
- The **development portfolio:** This comprises land, options over land and buildings under construction, generating best-in-class logistics assets for the investment portfolio (see *insight driven development and innovation* below).
- **Non-strategic assets:** These are modern, high-quality non-logistics assets acquired with UKCM, which we are divesting to provide funding for higher-returning logistics opportunities, particularly our logistics development programme.

Investment portfolio and non-strategic assets - key figures

	31 December 2024	31 December 2023	Change
Total portfolio value - investment portfolio (£bn)	5.77	5.03	14.7%
Total portfolio value - non-strategic assets (£bn) Tot	0.39	-	-
Number of investment assets - investment portfolio	102	78	30.8%
Number of investment assets - non-strategic assets	14	-	-
Gross lettable area - investment portfolio (million sq ft)	41.8	35.6	17.4%
Gross lettable area - non-strategic (million sq ft)	1.5	-	-
Portfolio estimated rental value - investment portfolio (£m)	362.9	277.0	31.0%
Portfolio estimated rental value - non-strategic assets (£m)	32.5	-	-
Number of clients - investment portfolio	128	61	109.8%
Number of clients - non-strategic assets	78	-	-

Portfolio vacancy - investment portfolio	5.8%	2.5%	3.3pts
Portfolio vacancy - non-strategic assets	4.3%	-	-
Total portfolio vacancy	5.7%	2.5%	3.2pts
WAULT - investment portfolio (years)	10.6	11.4	-0.8
WAULT - non-strategic assets (years)	7.3	-	-
	2024	**2023**	**Change**
Like-for-like ERV growth - investment portfolio	5.4%	6.9%	-1.5pts

Our priorities for 2024

We set the following priorities for 2024 in relation to the investment portfolio:

Priority	**Progress**
Evaluate the overall composition of the portfolio, identifying assets for potential disposals and to inform our asset management and investment activities.	We continued to optimise the portfolio, identifying further assets to divest so we can recycle the capital into higher-returning opportunities. The UKCM non-strategic assets were a particular focus, as we fully assessed each and determined which were ready for sale and which would benefit from asset management to maximise their value. See the *direct and active management* section for more information on our successful disposal programme in 2024.
Evaluate the balance between larger and smaller assets, with a view to selectively increasing our weighting to urban logistics.	While the portfolio remains focused on big boxes, we increased our weighting to urban logistics primarily through the UKCM acquisition. We also added further smaller units to the investment portfolio through development completions.
Continue to closely monitor client financial performance.	We continue to monitor our clients' performance as a standard part of our asset management process. See *direct and active management* for more information.

Resilient portfolio with embedded opportunities for value creation

The investment portfolio is split between:

- foundation assets, which provide attractive, lower-risk and resilient long-term income; and
- value add assets, which offer opportunities for capital or income growth through asset management.

Assets can move between these categories, as our asset management turns value add assets into foundation, or as foundation assets become value add, for example as a lease nears expiry.

At 31 December 2024, our total portfolio comprised:

Investment portfolio	**% of GAV**
Foundation assets	57.9%
Value-add assets	30.2%
Total investment portfolio	**88.1%**
Development portfolio	**5.8%**
Non-strategic assets	6.1%
Total portfolio	**100.0%**

At the year end, the total portfolio value was £6.55 billion (31 December 2023: £5.03 billion), with the increase primarily due to the addition of the UKCM assets. The total portfolio capital value increase was 2.8% higher, with asset values steadily improving, generated from further development gains, the benefits of our active asset management and 5.4% like-for-like ERV growth over the year. When including the net gain made on the acquisition of UKCM, the capital value increase is 3.7% over the year.

As discussed in the *direct and active management section*, at the date of this report we have exchanged or completed contracts to divest £181.2 million of non-strategic assets. Post completion of these disposals, the non-strategic assets will reduce to a pro-forma 4.0% of total GAV.

A broad and well-located client offering

While big boxes make up most of our investment portfolio, over recent years our investment strategy and development programme have increased the range of building sizes we can offer our clients. This allows us to meet our client needs for "first mile" mission critical logistics assets through to "last-mile" urban delivery units. UKCM has further broadened the portfolio, adding 4.2 million sq ft of logistics space, primarily in "last-mile" urban locations across 19 estates.

At the year end, the investment portfolio contained the following mix of building sizes:

Investment portfolio	Contracted rent 31 December 2024	Contracted rent 31 December 2023
<100k sq ft	11.0%	1.7%
100 - 250k sq ft	10.7%	9.7%
250 - 500k sq ft	28.9%	31.5%
>500k sq ft	49.4%	57.1%

The investment portfolio is well-diversified geographically, with a good balance of exposure to key logistics locations in the South East, the Midlands and the North of England:

Investment portfolio locations by market value	31 December 2024	31 December 2023
South East	35.9%	34.2%
South West	3.0%	2.7%
East Midlands	14.3%	13.7%
West Midlands	22.3%	21.0%
North East	16.0%	18.5%
North West	6.8%	8.5%
Scotland	1.7%	1.3%

Secure client base underpins income generation

The Group's diversified client base includes some of the world's most-important companies, with 64.5% being part of groups included in major stock market indices, such as the DAX 30, FTSE All Share, SBF 120, NYSE and S&P 500.

The number of logistics clients increased from 61 to 128 during the year, as the UKCM acquisition further diversified our client base. The occupiers of the acquired assets include major corporations, such as existing Group clients Ocado, Iron Mountain and GXO, as well as a range of smaller businesses. This offers us greater scope to engage with clients and meet their evolving needs through new developments or any vacancy that may arise over time.

The table below lists the Group's top ten clients across the investment portfolio:

Client	% of contracted annual rent	Client	% of contracted annual rent
Amazon	15.5%	B&Q	3.1%
Morrisons	4.4%	Argos	2.9%
Iron Mountain	4.4%	Ocado	2.7%
The Co-Operative Group	4.0%	Marks & Spencer	2.6%
Tesco	3.3%	Bosch	2.0%

Upward-only rent reviews provide attractive income growth

Most of our logistics leases benefit from upward-only rent reviews. Of total contracted rents for logistics assets:

- 15.1% are reviewed annually; and
- 83.3% are reviewed in five-yearly cycles, with the timings staggered so there are reviews taking place each year.

The table below shows the rent review types across the total investment portfolio at the year end:

Rent review type	% of rent roll at 31 December 2024	% of rent roll at 31 December 2023
Fixed uplifts	9.4%	8.7%
RPI/CPI linked	45.0%	49.0%
Open market	31.1%	29.9%
Hybrid (higher of inflation or open market)	12.9%	12.4%
No reviews[4]	1.6%	-

Logistics leases with inflation-linked reviews specify minimum and maximum rental growth, which average 1.6% and 3.6% respectively. In tandem with fixed rent reviews, this provides certainty on the minimum rental increases the portfolio will generate each year.

We supplement this through open market and hybrid rent reviews, which can capture uncapped market rental growth, and other forms of active management to increase rental income. Approximately 82.0% of contracted rent from the UKCM logistics assets is subject to either hybrid or open market review, which is another attractive feature of its portfolio. This has increased our weighting to these types of rent reviews to 44.1% across the portfolio.

Due to the balance of open market and inflation-linked rent reviews, and the growing rental reversion in the portfolio (see below), we remain positive about continuing to deliver attractive, long-term income growth from our investment assets. Information on rent reviews in the period can be found in the *direct and active management* section below.

Increasing ERVs and record rental reversion provide significant opportunity to grow rental income

At each valuation date, the valuer independently assesses the estimated rental value (ERV) of each asset in the investment portfolio. This is the rent the property would be expected to secure through an open-market letting at that date.

At 31 December 2024, the investment portfolio ERV was £362.9 million (31 December 2023: £277.0 million), which is £79.2 million or 27.9% (31 December 2023: 23.0%) above the contracted rent. The increase in the ERV reflects the addition of the UKCM logistics assets and the like-for-like ERV growth in the investment portfolio of 5.4% during the year. We have opportunities to capture this reversionary potential through open-market rent reviews, lease renewals, new leases or lease regears.

In addition to capturing reversion, we can grow income through filling vacancy in the investment portfolio, which stood at 5.8% at the year end (31 December 2023: 2.5%). The increase is part driven by the consolidation of the UKCM assets which has a naturally higher vacancy level and three speculatively developed buildings that reached practical completion in November / December 2024. As our business has evolved, including both a higher amount of shorter leased urban logistics and an element of speculative development, we expect to maintain a level of available to let buildings to capture demand in the market.

To assist in understanding our portfolio reversion, and the likely timing and quantum of its capture, we have provided additional disclosure in the tables below. These outline the split between review type and frequency over the next three years.

Vacancy and outstanding reviews

	Contracted rent (£m)	% of contracted rent	ERV (£m)
Vacancy	-	n/a	20.3
Outstanding reviews from prior periods[5]	6.7	2.4%	8.7
Total	**6.7**	**2.4%**	**29.0**

Rent reviews and expiries[6]

		2025			2026			2027		
Review type	**Frequency**	**Rent (£m)**	**% of contracted**	**ERV (£m)**	**Rent (£m)**	**% of contracted**	**ERV (£m)**	**Rent (£m)**	**% of contracted**	**ERV (£m)**
Indexation	Annual	32.5	10.4	38.4	32.5	10.4	38.4	32.5	10.4	38.4
	5-yearly	8.2	2.6	9.6	26.7	8.5	33.2	17.6	5.6	22.6
OMR / Hybrid	Annual	-	-	-	-	-	-	-	-	-
	5-yearly	9.7	3.1	12.6	24.2	7.7	32.3	17.7	5.6	20.9
Fixed	Annual	10.4	3.3	10.4	7.2	2.3	6.7	7	2.2	6.4
	5-yearly	-	-	-	8.5	2.7	9.2	6.5	2.1	8.5
Total rent reviews		**60.8**	**19.4**	**71.0**	**99.1**	**31.6**	**119.8**	**81.3**	**25.9**	**96.8**
Lease expiries		10.7	3.4	15.1	9.7	3.1	13.6	15.5	5.0	18.5
Total lease events in year		**71.5**	**22.8**	**86.1**	**108.8**	**34.7**	**133.4**	**96.8**	**30.9**	**115.3**

Long leases enhance income security

At the year end, the investment portfolio's WAULT was 10.6 years (2023: 11.4 years), with the foundation assets having a WAULT of 13.6 years (2023: 15.0 years).

Of total investment portfolio rents:

- 23.4% is generated by leases with 15 or more years to run; and
- 25.2% comes from leases expiring in the next five years, providing near-term opportunities to capture the growing reversion within the portfolio.

UKCM's logistics portfolio had a WAULT of 6.7 years on acquisition, creating opportunities to capture the reversionary potential of these assets over the coming years.

Full repairing and insuring ("triple net") leases result in high conversion of gross to net rental income

Most of our logistics asset leases are full repairing and insuring (FRI), equivalent to "triple net" leases in the United States. This means our clients are responsible for property maintenance during the lease term and for dilapidations at the end of the lease. This minimises our irrecoverable property costs, which resulted in 98.2% conversion of gross to net rental income for the year. Rotating the UKCM non-strategic assets into FRI leases on new logistics assets should deliver further direct property cost savings over the medium term, in addition to the immediate cost savings from the combination (see the *financial review* for more information).

Portfolio quality reinforced by strong sustainability characteristics

EPC ratings are a key benchmark for both investors and occupiers and we are continuing to work with our clients and consultants to improve the EPC ratings of our buildings where possible. We are also constructing all our new developments to a minimum standard of EPC A and BREEAM Excellent.

At 31 December 2024, 98% of the investment portfolio had an EPC rating of C or above (31 December 2023: 97%). The movement reflected our continued progress with improving EPC ratings through asset management, and the addition of the UKCM logistics assets. At the year end, all assets certified or expected to be certified by BREEAM (50%) had a rating of Very Good or above (31 December 2023: 51%).

Our priorities for 2025

In 2025, our priorities for the investment portfolio are to continue to:

- optimise our portfolio and recycle capital into higher-returning opportunities; and
- allocate capital to income-generating assets that meet our return criteria and enhance our portfolio, for example by further diversifying our assets geographically or broadening our client offer.

2) Direct and active management

	2024	2023	Change
Completed disposals (£m gross proceeds)[7]	140.4	327.0	-57.1%
Completed disposals (million sq ft)	0.6	3.0	-80.0%
Completed disposals (£m contracted rent)	7.6	14.1	-46.1%
Acquisitions (£m consideration)	1,262.9	108.0	-
Acquisitions (million sq ft)	6.4	0.5	-
Portfolio subject to rent review in year (%)	26.7	19.0	7.7pts
Proportion of portfolio reviewed (%)	24.4	22.5	1.9pts
Change in contracted rent from lease expiries / new lettings (£m)	-0.3	0.0	-
Contracted rent uplifts - reviews and lease events (£m)	11.9	4.9	142.9%
Contracted rent uplifts - reviews and lease events (%)	12.5	9.6	2.9pts
EPRA Like-For-Like Rental Growth (%)	3.9	3.6	0.3pts

Our priorities for 2024

We set the following priorities for 2024 in relation to active management:

Priority	Progress
Seek to dispose of £100-200 million of assets, subject to market conditions and opportunities within the investment market, in line with our ongoing approach to capital rotation.	The UKCM acquisition has provided us with non-strategic assets, which we are successfully divesting, with £181.2 million of disposals, representing 38% of non-strategic assets, exchanged or completed so far. We also continue to optimise our investment portfolio and recycle capital, with £125.0 million of logistics disposals. Total disposals were therefore £306.2 million.
Implement our asset management plans, with a particular focus on recently acquired urban logistics assets with significant reversionary potential.	We have made excellent progress with our asset management plans, including capturing rental reversion in our existing urban logistics assets and UKCM assets, through lease events and rent reviews. In total, our asset management activities added £11.6 million to contracted rents during the year.
Enhance our sustainability performance, including a programme to determine viable projects and costs for works to achieve net zero carbon.	We have continued to achieve market-leading sustainability performance. Our work in the year included commissioning a platform to enable us to analyse projects to improve EPC ratings and update asset by asset decarbonisation pathways. See *enhancing sustainability through integration, engagement and active management* for more information.

Realising value and recycling capital through disposals

Capital recycling is a key part of our business model. We have deliberately constructed the portfolio to ensure it contains highly attractive assets with good liquidity, enabling us to sell when we choose, reinvest the proceeds into higher-returning opportunities - such as our development pipeline - and thereby improve the quality and returns prospects for the overall portfolio.

We constantly review the portfolio, to identify assets where:

1) we have completed our asset management plans and maximised value;

2) the asset's investment characteristics no longer fit our desired portfolio profile; or

3) the asset's future performance may be below others in the portfolio or have more risk attached to it.

We identify assets for disposal by analysing the associated risk and return profile. Risk criteria we consider include age, location, covenant strength, geographic and client concentration, rental income profile, energy and carbon performance and the opportunity for rental growth. We analyse the potential return expectations based on our asset management plans, view of rental growth, capex requirements and any marketing void and tenant incentive, in addition to considering further sustainability performance enhancements.

We also look closely at the capital market conditions, to establish whether we are acting at the correct point in the market cycle. We continually profile the most active buyers to establish their desired income profile, coupled with their transactional experience and credibility, to ensure we engage with purchasers with high execution abilities.

When we completed the UKCM combination in May 2024, our plan was to divest the non-strategic assets within 24 months. We have made excellent progress since then, exchanging or completing contracts to dispose of seven assets for a total of £181.2 million to date (representing 38% of the non-strategic assets), with a further approximate £177.4 million under offer and high levels of interest in the balance of these assets. We therefore remain confident of being able to exit the position within our planned timeframe.

These disposals reflect a blended NIY of 6.2%, a 2.8% premium to the assets' 31 December 2023 book value.

While the UKCM non-strategic assets are the main focus of our disposal programme, we remain highly disciplined in reviewing the logistics investment portfolio and identifying assets for divestment, as well as being opportunistic when we receive attractive proposals. In 2024, we exchanged on the sale of a 755k sq ft asset at Doncaster (let to Next) and sold a 388k sq ft asset at Crewe (let to AO.com) for total consideration of £125.0 million. This represented a blended NIY of 5.0% and a 4.1% premium to their book value at 31 December 2023.

Overall, the disposal activity noted above, which totals £306.2 million of assets exchanged or completed, has been conducted at a blended 3.3% average premium to book values.

Acquiring investments with asset management potential and a broader client offering

We continue to look for investments that can generate accretive total returns, support our income growth and broaden our client offering. This forms part of our ongoing portfolio optimisation and complements our development activity by typically offering lower risk and more immediate income.

In January 2024, we completed the acquisition of a 479,000 sq ft cold store building in Castlewood, a key East Midlands location. The property is let to Co-Op on a lease with 7.7 years remaining on purchase and 2.7 years to the next rent review at which point the rent is reviewed to the equivalent of 2.5% per annum compounded for the previous five year term. The purchase price of £46.0 million equates to a NIY of 5.75% and a reversionary yield of 7.3%.

Post period, in January 2025, we acquired a 627k sq ft cold-store building in Haydock, a core North West location, for £74.3 million. The property is let to Sainsbury's as its principal North West hub. Under the lease there is c.13 years unexpired term with a tenant break in c.8 years. The rent is reviewed on an uncapped basis to RPI every five years. The purchase price reflects a 6.0% NIY which, based on current and expected RPI growth rates, should create a running yield of 7.0% in 2028.

Growing and lengthening income

Through our active management approach we are making good progress in leveraging the rental reversion opportunity, growing income by £11.6 million through 70 initiatives, such as lettings, lease re-gears and rent reviews.

In 2024, 26.7% (19.0% in 2023) of the investment portfolio was due for a rent review (excluding the UKCM logistics assets). We completed 33 reviews in the year, including three open-market or hybrid reviews that were outstanding from 2023, with the table below showing the strong rental uplifts from the open-market reviews concluded.

EPRA like-for-like rental growth in 2024 was 3.9% (2023: 3.6%).

2024 settled rent reviews and lease events

	Number	% of contracted rent	£m increase	Growth in passing rent
Index linked	14	18.1%	4.1	7.7%
Open market / hybrid	15	4.0%	4.1	34.6%
Fixed	4	2.3%	0.2	2.9%
Total rent reviews	**33**	**24.4%**	**8.4**	**11.7%**
Lease events (comprising lease renewals and extensions)	25	7.7%	3.5	15.1%
Total for all rent reviews and lease events	**58**	**32.1%**	**11.9**	**12.5%**

Significant lease events during the year included agreeing:

- A new 15-year agreement for lease with Greene King at the Stakehill asset formerly occupied by Tesco, where we achieved vacant possession upon lease expiry in December 2023. The agreement for lease was signed with a rental increase of 38.1% against the passing rent at the point Tesco vacated, resulting in a significant rise in the asset's valuation. Our refurbishment prior to the letting included a solar PV scheme, which helped increase the EPC from B to A+ and provides additional income to us through a power purchase agreement.
- A five-year lease extension at L'Oreal, Trafford Park, Manchester, at a new record rent for Trafford Park of £8.50 psf. The rental uplift was c.£400k pa or 22.1%.
- A reversionary lease renewal for a 15-year term with Next on the Doncaster asset, creating significant value add prior to the asset's disposal (see above).

Across our urban logistics assets we completed 32 lease events across new lettings, rent reviews and lease renewals. Significant uplifts through rent reviews and asset management were achieved at Ventura Park Radlett, Newton's Court Dartford, and Emerald Park Bristol delivering between 35% and 75% increases in rent. Our improvements to the multi-let estates include a pilot project at J6 Birmingham, to enhance signage, amenities such as food and beverage outlets, landscaping incorporating outside seating areas, and increased security provisions. We have identified the potential on some estates, such as Rugby and Kettering, to add multi-use games areas and running circuits.

We are particularly focused on capturing the reversionary potential of the logistics assets acquired from UKCM, having developed a comprehensive asset management plan as part of our due diligence, identifying short, medium and long-term initiatives and their potential impact on income and capital values. We have continued to refine our business plans for each asset and made good progress with implementing them. By the year end, we had completed 18 asset management initiatives, adding approximately £3.1 million to contracted rents of the acquired UKCM logistics assets.

Enhancing sustainability performance through integration, engagement and active management

By working in partnership with our clients on sustainability initiatives, we can increase rental income and capital values, while helping them to progress their own ESG targets. We have therefore integrated sustainability considerations throughout the investment lifecycle, as well as our management of the Group's supply chain and engagement with our clients.

Our overall objective is to achieve market-leading ESG performance, with a focus on practical action. Data is integral to maximising our effectiveness, ensuring we are tracking our performance and continuing to add value to our buildings through proactive asset management and innovation.

Our ESG strategy has four themes, as set out below. Our achievements in 2024 in relation to actively managing our portfolio included:

- **Sustainable buildings:** We have continued to refine our integration of ESG criteria into the investment process, including engaging with our advisers to understand how ESG factors are influencing transactions in the market. We utilised our updated ESG due diligence template to support the acquisition of UKCM and to integrate its assets into our ESG programme.

- **Climate and carbon:** We engaged Mace Consulting to build a bespoke interactive technology platform for us, which is allowing us to refine our net zero pathway into a timetabled and costed programme at both portfolio and asset levels. We have begun entering our asset-level plans and will be able to model and interrogate the impact of initiatives on the EPC rating and net zero carbon pathway for that asset, as well as the associated cost. We can then analyse the best point to begin works, such as a lease extension proposal or a potential void, integrate the initiatives into the business plan for the asset and use the information to support client negotiations and inform our portfolio management strategy and disposal decisions.

  The decarbonisation platform can also incorporate analysis of power resilience on an asset-by-asset basis. This will enable us to consider if assets may be constrained if clients require more power in future, for example due to increased use of electric vehicles or automation. The platform enables us to model the impact of adding solar generation capacity or the potential for additional supply via the Grid.

  In addition, we undertook a climate risk assessment of the entire expanded portfolio, to understand the impact of climate change to the real estate we own to enable us to identify risk and consider appropriate mitigation strategies. We disclosure further details relating to climate risk, including Task Force on Climate-Related Disclosures (TCFD), subsequently in our Annual Report.

- **Natural capital**: We continue to identify and implement biodiversity improvements across our standing assets, as well as generating wellbeing benefits through initiatives such as landscaping and exercise facilities at our urban logistics assets, as described above.

- **Social value:** We have put in place a new five-year social impact strategy for the Group, with a focus on improving educational outcomes and opportunities for young people. We are seeking to reach 250,000 young people over five years, by continuing to support the Schoolreaders charity and working with organisations such as the King's Trust and the charity Education and Employers. The strategy is overseen by the Tritax Social Impact Foundation, which was established in 2023 to be a centre of excellence and governance and to help us deliver and measure impact.

Our strong ESG performance continues to be reflected in the Group's external ratings. GRESB awarded us four Green Stars (out of a maximum of five) for the fourth consecutive year and an overall score of 85/100. Tritax Big Box Developments, the development arm of the Group, was awarded five Green Stars and scored 99/100, ranking it first in its peer group. It also achieved Global Sector Leader and Global Listed Sector Leader status in the Industrial category, and Regional Sector Leader and Regional Listed Sector Leader status in the Industrial and Europe categories. The Group retained its EPRA sBPR Gold Level certification, which recognises best practice in corporate ESG disclosures, and further improved its Sustainalytics score from 7.6 to 6.4 (Negligible Risk), as well as receiving the Region and Industry Top Rated badges.

Resourcing our asset management team for success

During 2024, the number of leases under management increased from around 90 to approximately 300. The Manager has continued its investment in its dedicated Big Box team, adding asset management expertise from other parts of the Manager, from UKCM's former manager and through direct recruitment. The asset management team has been further complemented with additional property management, development and ESG resource. The Manager's investment supports our hands-on approach to asset management, including building strong relationships with clients, understanding their supply chain and business plans, and identifying opportunities through regular engagement.

To ensure each client has a single point of contact for all the assets it occupies, we have split the asset management team by skillset, resulting in dedicated teams for single-let big boxes, urban logistics, newly developed assets and the remaining non-strategic assets. This also enables swifter execution of initiatives common to a type of asset, such as estate improvement works on our urban logistics parks, which can enable financial savings through efficiencies and economies of scale.

Continuing to digitalise our processes

In addition to the decarbonisation platform described above, we continue to invest in digitalisation to support our asset management programme. Initiatives in 2024 included:

- A new client engagement platform, to ensure our asset managers have easy access to key information on all our clients, are well informed ahead of meetings and asset inspections, and can shape bespoke asset management proposals. Information on the platform will include clients' financial accounts, supply chain information, ESG targets, and records of our client interactions.
- An app-based inspection report system, so our on-site intelligence gathering is quickly and efficiently shared with the wider team.
- Further developments to our asset business plan modelling system and enhanced reporting. The modelling system holds millions of data points incorporating legal, financial, development, specification, operational and ESG information. This enables our reporting to be more holistic and consider the portfolio-level impact of an individual asset initiative.

Monitoring client performance

We closely monitor all clients' financial performance and covenant strength each month. The analysis includes an INCANS score, which is driven by the clients' financial results, aged debt, late filings and other indicators. We also track performance over time, so we can work with clients to proactively address any potential issues. The new client engagement platform enables our team to instantly see the latest financial score for each client.

Priorities for 2025

Our asset management priorities for the year ahead are to:

- Continue to rotate out of non-strategic UKCM assets in line with our ambition to completely exit from this position within two years of the acquisition completion in May 2024.
- Continue to capture the significant rental reversion within the investment portfolio, with a focus on delivery of open market reviews scheduled in the year, and ensure we maximise the potential of the recently acquired UKCM assets.
- Continue to develop our client insights to identify further opportunities to create incremental value through our active and hands-on approach to management.

3) Insight driven development and innovation

	2024	2023	Change
Development completions (million sq ft)	1.7	2.2	-22.7%
Development completions let (million sq ft)	0.8	1.9	-57.9%
Development completions let (£m to passing rent)	7.4	13.6	-45.6%
Development starts (million sq ft)	1.9	1.7	11.8%
Of which DMA starts (million sq ft)[8]	*0.4*		
Development starts (£m ERV)	14.4	15.6	-7.7%
Development lettings (million sq ft)	1.0	0.9	11.1%
Development lettings (£m)	11.1	7.8	42.3%
Average yield on cost for development lettings (%)	7.1	6.7	0.4pts
Planning consents secured (million sq ft)	1.2	0.9	33.3%
Total planning consented land at the year end (million sq ft)	5.3	6.3	-15.9%

Our priorities for 2024

We set the following priorities for 2024 in relation to development:

Priority	Progress
Commence construction on approximately 2-3 million sq ft of new developments, subject to changes in the macroeconomic backdrop, in a range of building sizes and with an average targeted yield on cost of c.7.0%.	Given increased macroeconomic and political uncertainty in 2024, we began construction on 1.9 million sq ft of developments. This included a 0.4 million sq ft unit in Oxford we have pre-sold to Siemens Healthineers under a DMA contract, enabling accelerated delivery of the rest of the site by opening up the infrastructure and utilities.

Secure a blend of pre-lets and lettings of speculatively constructed assets.	Despite the aforementioned uncertainty, we continued to make excellent progress. 79% of 2024 starts were either pre-let or pre-sold by the year end, including one of the largest pre-lets across the market during 2024. We secured £11.3 million of contracted rent on 2024 development starts, with a further £3.2 million under offer.
Progress planning consents and ensure sufficient consented land is in a credible delivery state to support our long-term development activity, and aim to replenish land once developed.	We secured 1.2 million sq ft of new planning consents, with an additional 11.1 million sq ft awaiting determination. In aggregate, we have 5.3 million sq ft of land with planning.
Continue to develop our low-carbon baseline specification and work towards embodied and whole-life carbon performance targets.	Our low-carbon baseline specification is used on each project and we continue to update it to reflect the evolving market. We are also progressing towards our embodied carbon target and undertake whole-life performance analysis where we know who will occupy the asset being developed and how they will use it.

A carefully considered and low-risk approach to development

Development complements our investment portfolio by enhancing overall returns, as we target a yield on cost for new logistics assets of 6-8%, while carefully managing risk. We expect our 2025 development starts to achieve the top end of our 6-8% yield on cost range.

We control the UK's largest land portfolio for logistics development. It has the potential to deliver approximately 37.2 million sq ft of new space through developments, which could more than double our contracted rent roll. The pipeline is diversified geographically in prime locations and is highly flexible, enabling us to match our clients' requirements from urban or last mile assets to mega boxes. Once built and let these developments become investment assets for us.

We hold most of the land portfolio through long-dated options. These are capital efficient and reduce risk, as we typically only buy the land once we have received planning consent. This provides control over the quantum and timing of our purchases. The options include a typical 15-20% discount to prevailing land prices and additionally we can offset much of the site's planning and infrastructure costs against the purchase price. This means we typically secure an attractive development profit on drawdown and are insulated from the impact of changing land values over the longer term.

Another significant benefit of holding land under long-dated options is the flexibility it gives us to adjust our development activity upwards or downwards to match prevailing market conditions. This helps us to ensure the delivery of new space is optimised to drive performance.

Given the current position in the market cycle, we are seeing opportunities to acquire sites with planning consent already in place and vendors who are motivated to sell. We will consider these opportunities where they will support delivery of our development objectives and offer attractive returns.

Our Investment Policy limits land and development exposure to 15% of GAV, including a maximum exposure to speculative development of 5% of GAV. At the year end we remained well within these limits:

- land and development exposure was 5.8% of GAV; and
- speculative exposure (based on aggregated costs) was 3.4%.

Continued development progress in 2024

We continued to make excellent progress with the development programme in 2024. The level of construction starts, lettings and planning consents achieved are discussed under our 2024 objectives above.

In addition, we reached practical completion on 1.7 million sq ft of developments in the year, with the potential to add a total of £16.2 million to passing rent. Of this new space, approximately 47% was pre-let or let during construction and 53% was unlet at the year end. The unlet space comprised three speculatively developed assets which commenced construction in 2023 and reached practical completion in November and December 2024. The location is strong and we are seeing good levels of interest from potential occupiers.

A controlled level of speculative development is an important part of our development programme, as it enables us to meet the needs of clients with short-term requirements for new space. We take a very calculated and measured approach to speculative development and only proceed in locations where we have a clear indication of occupier demand. Since our acquisition of our development platform, we have let 69% of speculative space prior to completion. We allow for up to 12 months' void period when appraising speculative development opportunities.

We place a very high priority on health and safety, and in 2024, we implemented several new measures for assessment, reporting, and review. We continue to make health and safety performance a key consideration in selecting contractors for our construction projects.

The UK's largest land portfolio for logistics development

We categorise our development portfolio as follows, based on the timing of opportunities:

1. *Current Development Pipeline* - assets under construction, which are either pre-let, let during construction or speculative developments. The Group owns these sites.
2. *Near-term Development Pipeline* - sites with planning consent received or submitted, and where we aim to begin construction in the next three years. The Group will own some of these sites, with others held under option and either pending planning consent or where we have achieved outline planning but have yet to acquire the land.
3. *Future Development Pipeline* - longer-term land opportunities, which are principally held under option, and which are typically progressing through the planning process.

which are typically progressing through the planning process.

1) Current development pipeline - assets under construction

At 31 December 2024, the Group had the following assets in the current development pipeline. The total estimated cost to complete is £101.2 million and the assets have the potential to add £21.8 million to annual passing rents.

	Costs to completion					
	H1 2025 £m	H2 2025 £m	H1 2026 £m	Total £m	Total sq ft m	Contractual rent / ERV £m
Current speculative	24.0	0.5	0.3	24.8	0.7	5.7
Current pre-let	24.6	44.8	7.0	76.4	1.2	16.1
Total	**48.6**	**45.3**	**7.3**	**101.2**	**1.9**	**21.8**

2) Near-term development pipeline - construction expected to commence within the next 12 to 36 months

At the year end, the near-term development pipeline consisted of land capable of accommodating 5.7 million sq ft of logistics space and delivering £53.7 million of annual rent. Of this:

- 4.3 million sq ft relates to land with planning consent; and
- 0.3 million sq ft relates to sites where we have submitted a planning application.

As at 31 December 2024, the Group was awaiting decisions on planning applications totalling 11.1 million sq ft.

The table below presents the near-term development pipeline at the year end. Movements in the figures are driven by construction starting (which will move space to the current development pipeline), or changes in our view on the likely timing of starts, resulting in movements between the two categories below. The ERVs in the table are based on current market rents and therefore assume no further rental growth before the schemes become income producing.

	Total sq ft	Current book value £m	Estimated cost to completion *(Uncommitted)* £m	ERV £m
Potential starts in the next 12 months	1.9m	49.4	207.3	20.9
Potential starts in the following 24 months	3.8m	67.5	418.3	32.8
	5.7m	**116.9**	**625.6**	**53.7**

3) Future development pipeline

The future development pipeline is predominantly controlled under longer-term option agreements. Most option agreements contain an extension clause, allowing us to extend the option expiry date where necessary.

The future development pipeline has sites at various stages of the planning process, with multiple sites being currently promoted through local plans. We have continued to replenish the pipeline by securing options over new sites.

At 31 December 2024, the future development pipeline comprised 1,539 net acres with the potential to support up to 30.9 million sq ft of development and generate around £247.7 million of contracted rent, assuming no future market rental growth.

Development Management Agreements

While our development programme primarily creates assets for the investment portfolio, we occasionally work with a client to develop an asset for freehold sale to them, where this may help us to gain planning, open up a site and accelerate our profit capture.

We undertake these freehold sales through a Development Management Agreement (DMA), under which we manage the development of an asset in return for a fee and/or profit share. The Group does not own the site during construction or the completed investment and DMAs are therefore excluded from our asset portfolio. DMAs deliver a high-return, capital light but variable source of profit, which we can recycle into other development or investment activity.

Included with the DMA categorisation are pre-sales, where we sell land, or a project, prior to commencement of construction. In 2024, we pre-sold 0.4 million sq ft at Oxford and commenced construction of a unit for Siemens Healthineers. We also exchanged contracts with Greggs for a 0.3 million sq ft DMA which will commence construction in early 2025, following receipt of planning consent in November 2024.

The Group recorded £23.0 million of DMA income in 2024 (2023: £nil) and our guidance for 2025 is £10.0 million. The treatment and impact of DMA income is further discussed in the *financial review.*

Leveraging our expertise into power and data centres

Adopting a "power first" approach, Tritax Management has secured accelerated access to significant quantities of power in key locations around London. Shortly after the period end, we announced that we had acquired a site at Manor Farm, Heathrow along with a 50% stake in a joint venture with a European leader in renewable energy to develop a 147 MW data centre. This has the potential to deliver one of the UK's largest data centres in a prime London location and deliver exceptional returns for the Company's shareholders including a 9.3% yield on cost and a profit on cost of over 40%.

Critically, by undertaking a power first strategy, we can deliver the 107 MW Phase 1 at Manor Farm significantly quicker than by applying for power today. As such, subject to planning and securing a pre-let, Phase 1 could be completed and income producing as early as H2 2027. In addition, Tritax Big Box has secured a right of first refusal over future data centre opportunities identified by Tritax Management, including a potential 1GW of power pipeline.

Enhancing ESG through our development activities

ESG is a core element of our approach to development. Our progress in the year included:

- **Sustainable buildings:** We have introduced a low-carbon baseline development specification, which we use for each project and regularly update to reflect market evolution. We have also progressed our approach to delivering our embodied carbon target of 400kg CO_2e per m^2, including engaging with industry-leading suppliers to understand how key construction materials are transitioning to lower carbon emissions and beginning trials of different specifications of lower-carbon concrete. The embodied carbon target for each project is incorporated into the main building contract, with financial penalties for non-performance. The weighted average embodied carbon intensity performance for 2024 was 287[9] kg CO_2e per m^2. Our overall carbon performance assessment for each product includes analysis of the use of low-carbon and recycled materials. During 2024, the average recycled content of steel frames used in our development projects was 34%.

- **Natural capital:** New biodiversity net gain (BNG) regulations for developments came into force at the start of 2024. The regulations apply a mandatory 10% biodiversity uplift for new development projects, with developers having the option of providing biodiversity uplifts either onsite or offsite. BNG analysis already forms part of our development process for each site, and we are examining ways to effectively deliver this across the portfolio.

Our priorities for 2025

Our priorities for the year ahead for the development programme are to:

- commence construction on new developments consistent with our level of activity in 2024, subject to changes in the macroeconomic backdrop, with an average targeted yield on cost towards the upper end of our 6 - 8% guidance range;

- secure a blend of pre-lets and lettings of speculatively constructed assets;

- progress planning applications and ensure sufficient consented land is in a credible delivery state to support our long-term development activity; and

- aim to replenish land once developed, including considering acquiring land with existing planning consents.

Financial review

Our priorities for 2024

We set the following priorities for 2024 in relation to our financial performance and balance sheet:

Priority	Progress
Maintain the Group's strong balance sheet and liquidity, and keep the LTV within guidance of below 35%.	Our LTV reduced to 28.8% at the year end (31 December 2023: 31.6%), largely reflecting UKCMs low LTV of 14.2% on acquisition.
Target further growth in income and Adjusted earnings and therefore enhance the dividend on a sustainable basis.	We increased net rental income and adjusted earnings per share excluding additional DMA income by 24.3% and 3.9% respectively, supporting an 4.9% increase in the total dividend in respect of 2024.
Continue to monitor the inherent shorter-term risks brought by the macroeconomic environment, with a view to providing the business with financial flexibility around the financing of its strategy.	We monitored the financial markets during the year and concluded that our current debt facilities remained appropriate and that our asset disposal programme gave us sufficient flexibility to finance our strategy.

Overview

The combination with UKCM completed on 16 May 2024, resulting in an approximate 7.5-month impact to the Statement of Comprehensive Income and full consolidation of all assets and liabilities within the Statement of Financial Position.

The Group delivered strong financial performance in 2024. Net rental income increased by 24.3%, reflecting the contribution of UKCM, development completions and rent reviews, less the impact of asset disposals in the prior year. The Group also recognised £23.0 million of DMA income in the year (2023: £nil).

Adjusted EPS grew by 15.0% to 8.91 pence (2023: 7.75 pence), which was a record performance for the Group. This resulted from the income growth described above, noting the increase in shares in issue as a result of the UKCM combination (see below). Adjusted EPS excluding additional DMA income grew by 3.9% to 8.05 pence (2023: 7.75 pence) (see note 15 for the calculation).

The key constituents of Adjusted EPS growth in the year are shown in the table below:

	Pence
Adjusted EPS in 2023	7.75
Net revenue:	
- Investment asset rental growth	0.31
- Development completions	0.36
- Acquisitions	0.30
- UKCM acquisition[10]	0.45
- Disposals	(0.35)
Administrative expenses	(0.21)
Net finance costs	(0.82)
Other	0.08
DMA	0.18
Adjusted EPS in 2024 (exc. Add DMA)	**8.05**
Additional DMA	0.86
Adjusted EPS in 2024	**8.91**

The total dividend for the year is 7.66 pence per share (2023: 7.30 pence), an increase of 4.9% and in line with the Group's dividend policy.

The EPRA NTA per share at 31 December 2024 increased by 4.7% to 185.56 pence (31 December 2023: 177.15 pence), with growth driven by the £243.7 million change in fair value of investment properties.

The business remains soundly financed, as UKCM's comparatively low gearing and our portfolio valuation growth helped to reduce the Group's LTV to 28.8% (31 December 2023: 31.6%). We were pleased that Moody's Ratings upgraded the Company's credit rating outlook to Baa1 (positive) from Baa1 (stable) and reaffirmed its long-term corporate credit rating during the year.

Acquisition of UKCM

The all-share acquisition of UKCM was completed by a Scheme of Arrangement on 16 May 2024 through the issue of 576.9 million new shares, at a price of 166.9 pence per share. This reflected consideration paid of £962.9 million, at an exchange ratio of 0.444 new ordinary shares in the Company for every UKCM share held, based on an NTA for NTA approach. The fair value of the net assets acquired was £1,047.6 million, as set out below.

The difference between the total consideration paid of £962.9 million and the fair value of the net assets acquired of £1,030.7 million, net of acquisition costs, was a net gain on acquisition of £67.8 million. The transaction has been accounted for as an asset acquisition, resulting in these assets and liabilities initially being accounted for in the balance sheet at fair value.

The consideration paid in shares of the company has been allocated across the net assets acquired by fair valuing the debt acquired, fair valuing working capital acquired (given the short term nature of the amounts these values have been taken to represent cost), fair valuing cash acquired (being the principal amount) with the remaining consideration being allocated across the investment properties acquired (refer to note 17 and 26).

The property assets were subsequently revalued at 30 June 2024, in line with the Group's accounting policy, and the gain was therefore recognised within changes in fair value of investment property during the period. Please also see Note 37 to the financial statements.

Acquisition of UKCM

Assets and liabilities acquired	**£m**
Investment property fair value	1,216.9
Discount to cost on acquisition	(67.8)
Investment property recognised at cost	1,149.1
Cash	26.7
Third party debt	(169.6)
Other net assets	(26.4)
Acquisition costs	(16.9)
Consideration paid - shares	**962.9**

Presentation of financial information

The financial information is prepared under IFRS. The Group's subsidiaries are consolidated at 100% and its interests in joint ventures are equity accounted for.

The Board continues to see Adjusted EPS[1] as the most relevant measure when assessing dividend distributions. Adjusted EPS is based on EPRA's Best Practices Recommendations and, in addition, excludes items considered to be exceptional, not in the ordinary course of business or not supported by recurring cash flows.

Financial results

Net rental income

Net rental income grew by 24.3% to £276.0 million (2023: £222.1 million). Contracted annual rent at the year end was £313.5 million (31 December 2023: £225.3 million), with the movement reconciled below. The annual passing rent at the year end was £296.8 million (31 December 2023: £217.0 million). EPRA like-for-like rental growth was 3.9%.

Contracted annual rent

	£m
As at 31 December 2023	225.3
Development lettings	11.2
Rental reviews and asset management	15.4
Lease expiry	(3.8)
UKCM acquisition	70.3
Other asset acquisitions	2.8
Disposals	(7.7)
As at 31 December 2024	**313.5**

Other operating income - Development Management Agreement (DMA) income

As described in the *insight driven development and innovation* section, the Group earns DMA income from managing developments for third parties or pre-selling developments to owner-occupiers. This is an attractive and profitable activity as the third party typically funds the development, resulting in a high return on capital for us. We include DMA income within Adjusted earnings as it is supported by cash flows.

However, DMA income is more variable than property rental income and its timing can affect our earnings from period to period. In 2023, the Group recognised no DMA income due to a timing delay on a project. This project subsequently contributed to the £23.0 million of DMA income we recorded in 2024 and we currently expect DMA income of at least £10.0 million in 2025.

Over the medium-term, we expect the run rate for DMA income to be £3.0-5.0 million per year. To aid comparability across periods and to give us a recurring earnings figure to base our dividend on, we also calculate Adjusted earnings excluding DMA income above this run rate (see *profit and earnings* below). The additional DMA income is then available to be recycled into further opportunities across our development pipeline and/or other investment opportunities.

Administrative and other expenses

Administrative and other expenses, which include all the operational costs of running the Group, were £33.7 million (2023: £28.9 million). The Investment Management fee for the year was £24.6 million (2023: £22.0 million), reflecting the increased capital base following the UKCM acquisition.

The EPRA Cost Ratio (including vacancy cost) increased to 13.6% due to increased vacancy levels (2023: 13.1%). The EPRA Cost Ratio (excluding vacancy cost) reduced to 12.6% (2023: 13.1%).

We have delivered administrative cost synergies through the acquisition of UKCM, driven by a proportionately lower investment management fee and savings across other corporate overheads.

These savings contributed to 2024 earnings growth and we expect to generate further savings from operational and financial synergies in the medium term as we fully exit from the UKCM non-strategic assets and recycle capital into higher returning opportunities.

Operating profit

Operating profit before changes in fair value and other adjustments was £265.3 million (2023: £193.2 million).

Share-based payment charge and contingent consideration

Following the Group's acquisition of Tritax Big Box Developments ("TBBD" and formerly known as Tritax Symmetry) in 2019, senior members of the TBBD team became B and C shareholders in Tritax Big Box Developments Holdings Limited. The Group extinguished these shares in August 2023, and as a result no share-based payment or contingent consideration charges have been expensed in 2024 (2023: £2.9 million and £0.4 million respectively). In 2023, we recognised an early extinguishment charge in the Statement of Comprehensive Income of £21.1 million.

Financing costs

Net financing costs for the year were £63.5 million (2023: £44.9 million), excluding the loss in the fair value of interest rate derivatives of £5.3 million (2023: £11.2 million loss). The weighted average cost of debt at the year end was 3.05% (31 December 2023: 2.93%), with 93% of the Group's drawn debt being either fixed rate or covered by interest rate caps (see *hedging policy* below) (31 December 2023: 96%).

The movement in net financing costs reflects the higher average cost of debt and the increase in average drawn debt throughout the year to £1,921.9 million (2023: £1,629.2 million), which included the notional drawn amounts of the debt facilities acquired with UKCM totalling £200.0 million (see below). We capitalised £6.0 million of interest expense (2023: £4.6 million), reflecting the capital deployed into active development projects in the period.

The interest cover ratio, calculated as operating profit before changes in fair value and other adjustments divided by net finance expenses, was 4.4x[12] (2023: 4.3x). The net debt to EBITDA ratio was 7.3x[13] (31 December 2023: 8.2x).

Tax

Tax

The Group has continued to comply with its obligations as a UK REIT and is exempt from corporation tax on its property rental business.

A tax charge of £0.3 million arose in the year (2023: £0.6 million) on profits not in relation to property rental business.

Profit and earnings

Profit before tax was £445.8 million (2023: £70.6 million), with the increase primarily reflecting higher operating profit before changes in fair value and other adjustments, alongside stronger valuations for the Group's investment property. Basic EPS was 19.67 pence (2023: 3.72 pence). Basic EPRA EPS, which excludes the impact of property valuation movements but for FY23 included the one-off early extinguishment charge, was 8.93 pence (2023: 6.55 pence, restated).

Adjusted EPS [i] for the year was 8.91 pence (2023: 7.75 pence) with the supporting calculation located in note 15 to the accounts. The metric we see as closest to recurring earnings is Adjusted EPS excluding DMA income above the anticipated run-rate, which was 8.05 pence for 2024 (2023: 7.75 pence).

Dividends

We aim to deliver an attractive and progressive dividend. The Board's policy is for the first three quarterly dividends to each represent 25% of the previous full-year dividend, with the fourth-quarter dividend determining any progression. The aim is to achieve an overall pay-out ratio in excess of 90% of Adjusted earnings (excluding additional DMA).

The Board has declared the following interim dividends in respect of 2024:

Declared	Amount per share	In respect of three months to	Paid/to be paid
2 May 2024	1.825p	31 March 2024	7 June 2024
7 August 2024	1.825p	30 June 2024	6 September 2024
10 October 2024	1.825p	30 September 2024	27 November 2024
28 February 2025	2.185p	31 December 2024	28 March 2025
Total dividend for 2024	**7.660p**		

The total dividend of 7.66 pence was 4.9% up on the 7.30 pence paid in respect of 2023. The pay-out ratio was 95% of Adjusted EPS.

The cash cost of the dividends in relation to the year was £174.9 million (2023: £135.6 million), with the increase reflecting the new shares issued to acquire UKCM (see *equity issuance* below), which were eligible to receive all of the interim dividends paid in respect of this financial year.

Portfolio valuation

For assets that are leased, pre-leased or under construction, the Group has appointed CBRE and JLL to independently value a select group of assets. These assets are recognised in the Group Statement of Financial Position at fair value. Colliers independently values all owned and optioned land. Land options and any other property assets are recognised at cost, less amortisation or impairment charges under IFRS.

The share of joint ventures comprises 50% interests in two sites at Middlewich and Northampton, relating to land and land options. These two sites are equity accounted for and appear as a single line item in the Statement of Comprehensive Income and Statement of Financial Position.

The total portfolio value at 31 December 2024 was £6.55 billion (31 December 2023: £5.03 billion), including the Group's share of joint ventures:

	31 December 2024 £m	31 December 2023 £m
Investment properties	5,929.4	4,843.7
Other property assets	1.7	2.3
Land options (at cost)	148.8	157.4
Share of joint ventures	24.4	24.7
Financial assets	3.2	2.2
Assets held for sale	440.4	-
Portfolio value	**6,547.9**	**5,030.4**

The gain recognised on revaluation of the Group's investment properties was £243.7 million (2023: £38.1 million), which includes the gain recognised on acquisition of UKCM. The investment portfolio equivalent yield at the year end was 5.7% (31 December 2023: 5.6%). The growth in portfolio value over the year is due to the UKCM portfolio acquisition (contributing £1.2 billion at the time of purchase) and was supplemented by gains recognised from asset management along with further growth in ERVs, which were 5.4% higher over the year.

Capital expenditure

Capital expenditure into developments was £221.7 million in 2024 (2023: £191.3 million). The acquisition of the UKCM portfolio added £1,149.1 million and was funded via a share for share exchange. Excluding the UKCM portfolio, total capex was £285.3 million in the year, with its deployment focused on development. The Group acquired one standing asset for £47.7 million in 2024.

Embedded value within land options

Under IFRS, land options are recognised at cost and subject to impairment review. As at 31 December 2024, the Group's investment in land options totalled £148.8 million (31 December 2023: £157.4 million). We continue to progress strategic land through the planning process. During the year we transferred £21.9 million of land held under option to assets under construction.

As the land under option approaches the point of receiving planning consent, any associated risk should reduce and the fair value should increase. When calculating EPRA NTA, the Group therefore makes a fair value mark-to-market adjustment for land options. At the year end, the fair value of land options was £18.0 million greater than costs expended to date (31 December 2023: £26.5 million greater).

Net assets

The EPRA NTA per share at 31 December 2024 was 185.56 pence (31 December 2023: 177.15 pence). The table below reconciles the movement during the year:

	pence
As at 31 December 2023	177.15
Operating profit	8.16
Investment assets	4.78
Development assets	2.64
Land options	(0.34)
UKCM acquisition	0.35
Dividends paid	(7.05)
Other	(0.13)
As at 31 December 2024	**185.56**

The Total Accounting Return for 2024, which is the change in EPRA NTA plus dividends paid, was 9.0% (2023: 2.2%).

Debt capital

At 31 December 2024, the Group had the following borrowings:

Lender	**Maturity**	**Loan commitment**	**Notional amount drawn at 31 December 2024**	**Carrying value per balance sheet 31 December 2024**
		£m	**£m**	**£m**
Loan notes				
2.625% Bonds 2026	Dec 2026	250.0	250.0	249.8
2.86% Loan notes 2028	Feb 2028	250.0	250.0	250.0
2.98% Loan notes 2030	Feb 2030	150.0	150.0	150.0
3.125% Bonds 2031	Dec 2031	250.0	250.0	248.3
1.5% Green Bonds 2033	Nov 2033	250.0	250.0	247.4
Bank borrowings				
RCF (syndicate of seven banks)	Oct 2029	500.0	257.0	257.0
RCF (syndicate of six banks)	Jun 2026	300.0	99.0	99.0
Helaba	Jul 2028	50.9	50.9	50.9
PGIM Real Estate Finance	Mar 2027	90.0	90.0	90.0
Canada Life	Apr 2029	72.0	72.0	72.0
Barclays RCF	July 2026	75.0	0.0	0.0
Barclays term loan	July 2026	75.0	75.0	75.0
Barings Real Estate Advisers	Apr 2027	100.0	100.0	92.9
Barings Real Estate Advisers	Feb 2031	100.0	100.0	81.5
Total		**2,512.9**	**1,993.9**	**1,963.8**

There were no changes to the Group's existing banking arrangements during the year, other than exercising a one-year extension option on the £500.0 million RCF, which now expires in October 2029.

The Group acquired the following facilities through the UKCM transaction:

- a £150.0 million revolving credit facility with Barclays Bank, which was due to mature in January 2026 and carried a margin of 1.90% above SONIA;
- a £100.0 million term loan with Barings Real Estate Advisers, at a fixed interest rate of 3.03% per annum. The loan matures in April 2027 and was fully drawn at the year end; and

- a second £100.0 million term loan with Barings Real Estate Advisers, at a fixed rate of 2.72% per annum. The loan matures in February 2031 and was also fully drawn at 31 December 2024.

In July 2024, we refinanced the £150.0 million Barclays RCF via entry into a new £150.0 million two-year facility, split between a £75.0 million term loan and a £75.0 million RCF. The revised facility is provided on an unsecured basis, so all previous security was released, and the margin was reduced and brought into line with the Company's corporate RCF pricing. The facility has two separate one-year extension options available, which subject to lender consent, could extend the maturity of the facility to 2028.

We also amended the security pool for the loans with Barings. These are now secured on logistics assets that we intend to hold for the long term, allowing us to freely dispose of the non-strategic assets previously used as security.

Of the Group's drawn debt as at 31 December 2024, 80% was at fixed interest rates (2023: 80%). For the majority of its variable rate debt, the Group uses interest rate caps which run coterminous with the respective loan and protect the Group from significant increases in interest rates. As a result, the Group had either fixed or capped rates on 93% of its drawn debt at the year end (31 December 2023: 96%). The weighted average cost of borrowing at 31 December 2024 was 3.05% (31 December 2023: 2.93%).

Debt maturity

At the year end, the Group's debt had an average maturity of 4.5 years (31 December 2023: 5.2 years). Following the refinancing of the Barclays RCF in July 2024, the Group has no debt maturing prior to mid-2026.

Loan to value (LTV)

The Group has a conservative leverage policy. At the year end, the LTV was 28.8% (31 December 2023: 31.6%), with the reduction largely reflecting the benefit of UKCM's low LTV of 14.2% on acquisition.

Net debt and operating cash flow

Net debt at the year end was £1,883.3 million (31 December 2023: £1,590.3 million), comprising £1,963.9 million of gross debt less £80.6 million of cash (31 December 2023: £1,626.7 million gross debt, £36.4 million cash).

Net operating cash flow was £195.4 million for the year (2023: £185.4 million).

Equity issuance

In relation to the all-share combination with UKCM, the Company issued 576,939,134 new ordinary shares to UKCM's shareholders. These shares were admitted to trading on 17 May 2024. Following this, the Company had 2,480,677,459 ordinary shares in issue at 31 December 2024, an increase of 30.3% in the year.

Priorities for 2025

Our financial priorities for the year ahead are to:

- maintain the Group's strong balance sheet and liquidity, and keep the LTV below 35%;
- continue to rotate capital into higher-returning opportunities;
- deliver further growth in income, Adjusted earnings and dividends.

Guidance

We consolidate guidance provided throughout this report for the financial year 2025 into the table below:

Aspect	**Guidance**
Portfolio rental reversion capture	Potential opportunity to capture 79% by 2027
Logistics - FY25 development capex	£200-250 million
Logistics - FY25 Development yield on cost	Targeting 7-8% for FY 2025 logistics development starts
Data centre - FY25 development capex	Up to £100 million
Data centre - FY25 Development yield on cost	Targeting 9.3% for Manor Farm Phase 1
DMA income	£10.0 million in 2025. Expected run rate of £3.0-5.0 million per year thereafter, although we will guide accordingly
Disposals FY25	Targeting £350-450 million, with £166 million already exchanged / completed in FY25
LTV	Below 35%

Going concern

We continue to have a healthy liquidity position, with strong levels of rent collection, a favourable debt maturity profile and debt costs which are substantially fixed or hedged.

The Directors have reviewed our current and projected financial position over a five-year period, making reasonable assumptions about our future operational performance. Various forms of sensitivity analysis have been performed, in particular regarding the financial performance of our clients and expectations over lease renewals, along with assumptions over future liquidity and particularly around debt refinancing events. As at 31 December 2024, our property values would have to fall by more than 50% before our loan covenants are breached at the corporate level.

At the year end, we had £519.0 million of undrawn commitments under our senior debt facilities and £80.6 million of cash, of which £101.2 million (see note 35) was committed under various development and purchase contracts. The Group had also exchanged to dispose of a big box investment asset for £79.0 million at the year end date. Our loan to value ratio stood at 28.8%, with the debt portfolio having an average maturity term of approximately 4.5 years.

As at the date of approval of this report, we had substantial headroom within our financial loan covenants. Our financial covenants have been complied with for all loans throughout the period and up to the date of approval of these financial statements. As a result, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, which is considered to be to 28 February 2026.

Credit rating

The Group has a Baa1 (positive) long-term credit rating from Moody's Investor Services, which was upgraded from Baa1 (stable) during the financial year, reflecting the growing scale of the business along with strong credit ratios.

Alternative Investment Fund Manager (AIFM)

The Manager is authorised and regulated by the Financial Conduct Authority as a full-scope AIFM. The Manager is therefore authorised to provide services to the Group and the Group benefits from the rigorous reporting and ongoing compliance applicable to AIFMs in the UK.

As part of this regulatory process, Langham Hall UK Depositary LLP (Langham Hall) is responsible for cash monitoring, asset verification and oversight of the Company and the Manager. In performing its function, Langham Hall conducts a quarterly review during which it monitors and verifies all new acquisitions, share issues, loan facilities and other key events, together with shareholder distributions, the quarterly management accounts, bank reconciliations and the Company's general controls and processes. Langham Hall provides a written report of its findings to the Company and to the Manager, and to date it has not identified any issues. The Company therefore benefits from a continuous real-time audit check on its processes and controls.

Post balance sheet activity

In January 2025, the Company announced it had purchased a 74-acre site at Heathrow, London within the Slough Availability Zone, a key FLAP-D prime EMEA data centre location (the "Manor Farm site"), for £70.0 million.

Simultaneously, the Company acquired a 50% share in a joint venture with a leading European renewable and low carbon energy power generator. The JV enables accelerated power delivery to the Manor Farm site using pre-existing grid connection agreements.

In connection with these arrangements, the Company has entered into a development management agreement with Tritax Management pursuant to which Tritax Management has been appointed to provide development management and technical services, including pursuing planning, overseeing construction, pre-letting services, technical electricity expertise and overseeing the technical aspects of the Company's role in the JV and all power related elements.

In January 2025, the Company acquired a 627k sq ft asset in Haydock, a core North West location, for £74.3 million.

In January and February 2025, the Company sold or exchanged to sell £86.8 million of non-strategic assets and £79.0 million of logistics investment assets.

Key performance indicators

Our objective is to deliver attractive, low-risk returns to Shareholders, by executing the Group's Investment Policy and operational strategy. Set out below are the key performance indicators we use to track our progress. For a more detailed explanation of performance, please refer to the Manager's Report.

KPI	Relevance to strategy	Performance
1. Total accounting return (TAR)	TAR calculates the change in the EPRA net tangible assets (EPRA NTA) over the period plus dividends paid. It measures the ultimate outcome of our strategy, which is to deliver value to our shareholders through our portfolio and to deliver a secure and growing income stream.	9.0% for the year to 31 December 2024 (2023: 2.2%)
2. Dividend	The dividend reflects our ability to deliver a low-risk but growing income stream from our portfolio and is a key element of our TAR.	7.66p per share for year to 31 December 2024 (2023: 7.30p)
3. EPRA NTA per share[1]	The EPRA NTA reflects our ability to grow the portfolio and to add value to it throughout the lifecycle of our assets.	185.56p at 31 December 2024 (31 December 2023: 177.15p).
4. Loan to value ratio (LTV)	The LTV measures the prudence of our financing strategy, balancing the potential amplification of returns and portfolio diversification that come with using debt against the need to successfully manage risk.	28.8% at 31 December 2024 (31 December 2023: 31.6%).
5. Adjusted earnings per share	The Adjusted EPS reflects our ability to generate earnings from our portfolio, which ultimately underpins our dividend payments.	8.91p per share for the year to 31 December 2024 (2023: 7.75p) Excluding additional development management income, Adjusted EPS was 8.05p (2023: 7.75p). See note 1 within EPRA and other key performance indicators

		performance indicators.
6. Total Expense Ratio	This is a key measure of our operational performance. Keeping costs low supports our ambition to maximise returns for shareholders.	0.83% at 31 December 2024 (31 December 2023: 0.86%).
7. Weighted average unexpired lease term (WAULT)	The WAULT is a key measure of the quality of our portfolio. Long lease terms underpin the security of our income stream.	10.3 years at 31 December 2024 (31 December 2023: 11.4 years).
8. Global Real Estate Sustainability Benchmark (GRESB) score	The GRESB score reflects the sustainability of our assets and how well we are managing ESG risks and opportunities. Sustainable assets protect us against climate change and help our clients to operate efficiently.	85/100[2] and 4 Green Star rating for 2024 99/100 and 5 Green Star rating for developments for 2024 and the GRESB 2024 Regional Listed Sector Leader and Regional Sector Leader for Europe, and Global Listed Sector Leader and Global Sector Leader, all for the Industrial sector.

[1] EPRA NTA is calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We use these alternative metrics as they provide a transparent and consistent basis to enable comparison between European property companies.

[2] GRESB changed its scoring methodology in 2024 and the result is not directly comparable to previous years.

EPRA performance indicators

The table below shows additional performance measures, calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We provide these measures to aid comparison with other European real estate businesses.

For a full reconciliation of all EPRA performance indicators, please see Notes to the EPRA and other key performance indicators.

Measure and Definition	Purpose	Performance
1. EPRA Earnings (Diluted) See note 15	A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.	£202.3m / 8.93p per share (2023 restated: £123.3m / 6.55p per share) *see note 2 within EPRA and Other Key Performance Indicators.*
2. EPRA Net Tangible Assets See note 31	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	£4,603.2m / 185.56p per share as at 31 December 2024 (31 December 2023: £3,372.5m / 177.15p per share).
3. EPRA Net Reinstatement Value (NRV)	Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	£5,048.5m / 203.51p per share as at 31 December 2024 (31 December 2023: £3,715.9m / 195.19p per share).
4. EPRA Net Disposal Value (NDV)	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	£4,777.8m / 192.60p per share as at 31 December 2024 (31 December 2023: £3,501.9m / 183.95p per share).
5 EPRA Net Initial Yield (NIY)	This measure should make it easier for investors to judge for themselves how the valuations of two portfolios compare.	4.26% as at 31 December 2024 (31 December 2023: 4.15%).
6 EPRA 'Topped-Up' NIY	This measure should make it easier for investors to judge for themselves how the valuations of two portfolios compare.	4.61% as at 31 December 2024 (31 December 2023: 4.60%).
7. EPRA Vacancy	A "pure" (%) measure of investment property space that is vacant, based on ERV.	5.7% as at 31 December 2024 (31 December 2023: 2.5%).
8. EPRA Cost Ratio	A key measure to enable meaningful measurement of the changes in a company's operating costs.	13.6% including vacancy costs (2023: 13.1%). 12.6% excluding vacancy costs (2023: 13.1%)
9. EPRA LTV	A key shareholder-gearing metric to determine the percentage of debt comparing to the appraised value of the properties.	30.1% (31 December 2023: 33.3%).

Principal risks and uncertainties

Principal risks and uncertainties

The Board has overall responsibility for risk management and internal controls, with the Audit and Risk Committee reviewing the effectiveness of the risk management process on its behalf. We aim to operate in a low-risk environment, focusing on a single subsector of the UK real estate market to deliver attractive, growing and secure income for Shareholders, together with the opportunity for capital appreciation. The Board recognises that effective risk management is important to our success. Risk management ensures a defined approach to decision making that decreases uncertainty surrounding anticipated outcomes, balanced against the objective of creating value for Shareholders.

Approach to managing risk

Our risk management process is designed to identify, evaluate, manage and mitigate (rather than eliminate) the significant risks we face. The process can therefore only provide reasonable, and not absolute, assurance. As an investment company, we outsource key services to the Manager, the Administrator and other service providers, and rely on their systems and controls.

At least twice a year, the Board undertakes a formal risk review, with the assistance of the Audit and Risk Committee, to assess the effectiveness of our risk management and internal control systems. During these reviews, the Board has not identified or been advised of any failings or weaknesses which it has determined to be material.

Risk appetite

The Group's risk appetite is reviewed annually and approved by the Board in order to guide the business. The risk appetite defines tolerances and targets for our approach to risk, with our risk appetite likely to vary over time due to broader economic or property cycles. In addition, we have a specific Investment Policy, which we adhere to and for which the Board has overall responsibility. For example, we have a limit within our Investment Policy, which allows our exposure to land and unlet development to be up to 15% of gross asset value, of which up to 5% can be invested in speculative development.

Principal risks and uncertainties

Further details of our principal risks and uncertainties are set out below. They have the potential to materially affect our business. Some risks are currently unknown, while others that we currently regard as immaterial and have therefore not been included here, may turn out to be material in the future. The principal risks are the same as detailed in the 2023 Annual Report.

Emerging Risks

As well as the Principal risks, the Directors have identified a number of emerging risks which are considered as part of the formal risk review. On a biannual basis the Directors, along with the Manager, undertake a horizon scanning exercise to identify possible emerging risks. Emerging risks encompass those that are rapidly evolving, for which the probability or severity are not yet fully understood. As a result, any appropriate mitigations are also still evolving. However, these emerging risks are not considered to pose a material threat to the Company in the short term, although this could change depending on how these risks evolve over time. Senior members of the Manager are responsible for day-to-day matters and have a breadth of experience across all corporate areas; they consider emerging risks and any appropriate mitigation measures required. These emerging risks are then raised as part of the bi-annual risk assessment where it is considered whether these emerging risks have the potential to have a materially adverse effect on the Company.

Given the significance of the UKCM corporate transaction during the year, the Board did consider whether this transaction and the integration of the UKCM portfolio influenced the principal risks as set out below. In short, the Board did not perceive this transaction to present any additional principal risks to the business, but any impact on existing principal risks has been fully taken into account. The emerging risks that could impact the Company's performance cover a range of subjects which include, but are not restricted to, technological advancement/AI, cyber risk, supply chain disruption and ongoing macro-economic uncertainty.

The Board is conscious of recent geopolitical events such as the change in the UK government and subsequent budget changes, along with the ongoing conflict in the Middle East and between Russia and Ukraine. Added to these are the new US government with the threat of trade tariffs, a new relationship with China and security considerations for NATO which are all events that have the potential to cause uncertainty in a short space of time. The Board continue to monitor interest rates and the general financial markets closely given the direct impact on the business.

PROPERTY RISK

1. Client default - the risk around one or more of our clients defaulting

Net probability

High

Net Impact

Moderate - The default of one or more of our clients would immediately reduce revenue from the relevant asset(s). If the client cannot remedy the default, we have to evict the client or the client becomes insolvent, there may be a continuing reduction in revenues until we are able to find a suitable replacement client, which may affect our ability to pay dividends to Shareholders.

Mitigation

Our investment policy limits the exposure to any one client to 20% of gross assets or, where clients are members of the FTSE, up to 30% each for two such clients. This prevents significant exposure to a single client. To mitigate geographical shifts in client's focus, we invest in assets in a range of locations, with easy access to large ports and key motorway junctions. Before investing, we undertake thorough due diligence, particularly over the financial strength of the underlying covenant and any group financial covenants. We select assets with strong property fundamentals (good location, modern design, sound fabric), which should be attractive to other clients if the current client fails. We continually monitor and keep the strength of our client covenants under review. In addition, we focus on assets that are strategically important to the client's business. Our maximum exposure to any one client (calculated by contracted rental income) was 15.5% as at 31 December 2024.

2. Portfolio strategy and industry competition - the ability of the Company to execute on its strategy and deliver performance.

Net probability

Medium

Net impact
Slight - An adverse change in the performance of our property portfolio may lead to lower returns for Shareholders or a breach of our banking covenants. Market conditions may lead to a reduction in the revenues we earn from our property assets, which may affect our ability to pay dividends to Shareholders. A severe fall in values may result in a fall in our NAV as well as a need to sell assets to repay our loan commitments. In a high inflationary environment, certain caps within rent review clauses may prevent us from capturing the full benefit of higher inflation. Competitors in the sector may be better placed to secure property acquisitions, as they may have greater financial resources, thereby partly restricting the ability to grow our NAV, deliver value to shareholders, further diversify the portfolio and add additional liquidity to our shares. Stubborn interest rates have prevented resurgent investment confidence such that investment yields have held flat in 2024.

Mitigation
The Group is focused on a single sector of the commercial property market, the property portfolio is 94.3% let, with long unexpired weighted average lease terms and an institutional-grade client base. Occupier demand is structurally supported by a range of sectors. All our leases contain upward-only rent reviews, which are either fixed, RPI/CPI linked or at open market value. These factors help support our asset values and overall portfolio performance. We undertake ongoing reviews of asset performance along with a review over the balance of our portfolio, split between Foundation, Value Add and Land as well as considerations over covenant, location and building type. Our asset performance is regularly appraised and where we feel the assets are mature in terms of performance, they are ear-marked for potential disposal. Our development portfolio is executed in a low-risk manner utilising capital efficient option agreements and only deploying significant capital once we have secured a pre-let or where a depth of occupier demand supports the case for speculative development.

3. Performance of the sectors clients operate in

Net probability
Medium

Net impact
Moderate - Our focus on UK logistics means we directly rely on a number of sub-sectors to lease our assets and pay rent. Insolvencies and CVA's among these occupiers could affect our revenues and property valuations. Poor performance and low profitability could affect our ability to collect rental income and the overall level of demand for space. This could in turn impact future rental growth. A broad range of sectors to some degree diversifies risk.

Mitigation
The diversity of our institutional-grade client base means the impact of default of any one of our clients is low-moderate. In addition to our due diligence on clients before an acquisition or letting, we regularly review the performance of the sub-sectors, the position of our clients against their competitors and, in particular, the financial performance of our clients. We have also increasingly been diversifying our client exposure to various sub-sectors, for instance within the retail sector i.e. online, food, homeware, fashion, other. The breadth of client sector exposure has been enhanced following the UKCM transaction. The risk around traditional retail is mitigated by the increase in online retail sales and supply chain concerns which has driven occupational demand through Covid-19 and beyond. Our portfolio is modern and of a high-quality nature and therefore is attractive to those with an online presence.

4. Execution of development business plan - there may be a higher degree of risk within our development portfolio.

Net probability
Low

Net impact
Slight - Our development activities are likely to involve a higher degree of risk than is associated with standing assets. This could include general construction risks, delays in the development or the development not being completed, cost overruns or developer/contractor default. If any of the risks associated with our developments materialise, this could affect the value of these assets or result in a delay to lease commencement and therefore rental income. The occupational market remains stable and while UK vacancy rates have increased over 2024, they have stabilised at around 5.6% and rental growth remains healthy.

Mitigation
The Company has a significant development pipeline, it represents 5.8% of our gross assets as of 31 December 2024. Our development strategy is low risk, and we target only investing significant capital into a development project once planning has been obtained, a pre-let agreement has been secured or where a depth of occupier demand supports the case for speculative development. Our appetite for speculative development is low and we have a limit of 5% of GAV exposed to speculative developments within our Investment Policy. The risk of cost overruns is mitigated by our experienced development team which includes a thorough procurement and tender process on all contracts, including agreeing fixed priced contracts. We undertake thorough covenant analysis and ongoing reviews of our contractors and secure guarantees in relation to build contracts where possible.

FINANCIAL RISK
5. Debt financing - LTV, availability and cost of debt

Net probability
Medium

Net impact
Moderate - Without sufficient debt funding, we may be unable to pursue suitable investment/development opportunities in line with our investment objectives. If we cannot source debt funding at appropriate rates, either to increase the level of debt or re-finance existing debt, this may impair our ability to maintain our targeted dividend level and deliver attractive returns to shareholders. Interest rates on the majority of our debt facilities are fixed or subject to interest rate hedging providing protection against significant increases in interest rates. We do, however, have modest levels of exposure to variable rate debt. Our next loan expiry is mid-2026, the rate of which is lower than prevailing rates and this is likely to mean that any new debt entered into is more expensive that our average cost of borrowing.

Mitigation
The Group has diversified sources of long-term unsecured borrowings in the form of £500 million in Public Bonds, £400 million in Unsecured Private Loan Notes and £250 million in Green Bonds. We also have £950 million of bank finance available split across three revolving credit facilities and a term loan, and £412.9 million of secured debt across five separate facilities. This helps keep lending terms competitive. This access to multiple debt markets should enable the Group to raise future liquidity in a more efficient and effective manner via an unsecured platform whilst at competitive rates. The Board keeps liquidity and gearing levels under review, as well as monitoring the bank covenants and any associated headroom within covenant levels. The Group has undrawn headroom of over £500 million within our current debt commitments, at 31 December 2024. The Group aims, where reasonable to minimise the level of unhedged debt with Sonia exposure, by using hedging instruments with a view to keeping variable rate debt approximately 90%+ hedged.

CORPORATE RISK

6. We rely on the continuance of the Manager

Net probability
Medium

Net impact
Moderate- We continue to rely on the Manager's services and its reputation in the property market. As a result, the Company's performance will, to a large extent, be underpinned by the Manager's abilities in the property market and its ability to asset manage and develop the Company's property portfolio. Termination of the Investment Management Agreement would severely affect the Company's ability to effectively manage its operations and may have a negative impact on the share price of the Company.

Mitigation
Unless there is a default, either party may terminate the Investment Management Agreement by giving not less than 24 months' written notice. The Management Engagement Committee regularly reviews and monitors the Manager's performance. In addition, the Board meets regularly with the Manager, to ensure that a positive working relationship is maintained and from time to time with the Manager's ultimate parent abrdn. Following the acquisition of 60% of the Manager by abrdn, this enhances the resources available to the Manager. In May 2022, Shareholders approved the extension of the Agreement with a new 5 year term. A 24 month written notice cannot be served by either party, unless there is a default, prior to May 2025.

TAXATION RISK

7. UK REIT status - we are a UK REIT and have a tax-efficient corporate structure, which is advantageous for UK Shareholders. Any change to our tax status or in UK tax legislation could affect our ability to achieve our investment objectives and provide favourable returns to Shareholders.

Net probability
Low

Net impact
Moderate - If the Company fails to remain a REIT for UK tax purposes, our property profits and gains will be subject to UK corporation tax.

Mitigation
The Board is ultimately responsible for ensuring we adhere to the UK REIT regime. It monitors the REIT compliance reports provided by:

• the Manager on potential transactions;
• the Administrator on asset levels; and
• our Registrar and brokers on shareholdings.

The Board has also engaged third-party tax advisers and auditors to help monitor REIT compliance requirements.

None of the compliance tests are close to exceeding the relevant thresholds.

OTHER RISKS

8. Macro-economic uncertainty

Net probability
Low

Net impact
Moderate - a severe downturn in the economy could impact a number of the Group's clients, contractors, and service providers, which could mean a loss of rental income and disruption to operations. Following Covid-19, there has been severe pressure on supply chains which led to high levels of inflation and whilst inflation has moderated, interest rates have reduced more slowly and this has meant that occupier confidence has remained subdued, resulting in slower occupier decision making.

Mitigation
A severe economic downturn could be caused by geopolitical events, civil unrest, terrorism or a pandemic.
The Group mitigates the impact of macro-economic issues by investing in high-quality investment assets that operate in a sector that has strong structural drivers and a supply demand imbalance in favour of owners. The Group monitors its client's financial health regularly and where appropriate and possible, enters into long leases.
The Manager continues to monitor the business continuity plan of its suppliers to ensure the impact to the Group and its service providers is minimised.
The Manager continues to monitor the impact that the prevailing economic environment is having on the Group's clients in order to protect the Group's cash flow regarding rent collection, impact on dividends and banking covenants.
Covid-19 and supply chain concerns accelerated behavioural patterns such as online shopping, which have resulted in healthy levels of occupational demand. These factors are supportive of our business model.

9. Physical and transitional risks from climate change

Net probability
Medium

Net Impact
Slight - Environmental sustainability is a challenge that is currently affecting people and businesses. Changes in social attitudes, laws, regulations, taxation, and particularly client and investor preferences associated with this has the potential to cause significant reputational damage and financial impact on our business, should the Company not comply with laws and regulations, meet its ESG targets, or not meet stakeholder expectations in addressing these challenges. ESG requirements are likely to increase over time, including in relation to a transition to a low-carbon economy, and therefore the impact of a failure to comply has the potential to be even greater in the future, including through impacts on the value and liquidity of real estate assets.

Climate change has become increasingly relevant to real estate, particularly physical damage caused by wind, fire and flood. The Group's properties are generally modern and designed to withstand demanding weather but extreme events can exceed construction design parameters and damage from such events can impact on operational continuity for our clients.

TCFD risk management response is included in the Annual Report.

Mitigation
The Manager operates with a dedicated sustainability team as well as an ESG Committee who take operational responsibility for the Company's ESG matters. The Manager regularly reports to the Board, including monitoring against the Company's stated ESG targets and providing updates on future initiatives. ESG is embedded within our investment and development processes such that climate-related risks are assessed when purchasing assets and minimum standards of BREEAM Excellent, EPC A and net zero carbon in construction are targeted for development.

We also actively participate and engage in several Real Estate and Sustainability organisations (such as GRESB, the Better Buildings Partnership, the UK Green Building Council and the British Property Federation) to ensure we are aware of future initiatives and challenges. We measure and report annually on our key ESG metrics to demonstrate how we are managing our ESG risks.

In 2024, TBBR updated its physical and transition climate risk assessments to understand the potential impacts of climate change on standing assets, using scenario analysis. We continue to integrate the outcomes of the assessments into our investment processes, including pre-acquisition due diligence, design specifications, and asset management plans.

We are rated by ESG Rating Agencies that demonstrate our ability to manage ESG risks, for example:

- Our Sustainalytics rating remained as Negligible Risk in 2024 in reflection of our management processes, as well as being awarded the Global Top 50 Badge;.
- We were awarded 4 Green Stars by GRESB and the Global Sector Leader for Development
- We were awarded an EPRA sBPR Gold for sustainability reporting for the fourth consecutive year.
- We achieved a CDP B rating for the second year in a row.

The buildings we develop are designed for increased resilience against the impact of extreme weather.

In respect of risks resulting from climate change, all our properties are insured. Our leases are 'Full Repairing and Insuring' (triple net) and so in the event that a property is unoccupiable due to damage from extreme weather, rent remains payable under the terms of the lease; correspondingly our clients can insure against loss of trade resulting from such events.

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	**Year ended 31 December 2024 £m**	Year ended 31 December 2023 £m
Gross rental income	6	**281.1**	222.2
Service charge income	6	**13.1**	6.2
Service charge expense	7	**(15.6)**	(6.3)
Direct property expenses		**(2.6)**	-
Net rental income		**276.0**	222.1
Other operating income	8	**86.3**	-
Other operating costs	9	**(63.3)**	-
Other operating income		**23.0**	-
Administrative and other expenses	10	**(33.7)**	(28.9)
Operating profit before changes in fair value and other adjustments[1]		**265.3**	193.2
Changes in fair value of investment properties	17	**243.7**	(38.1)
Gain/(loss) on disposal of investment properties	17	**8.4**	(1.6)
Share of profit from joint ventures	19	**0.1**	0.4
Dividend income		**0.2**	-
Fair value movements in financial asset	27	**0.9**	(0.1)
Impairment of intangible and other property assets		**(4.0)**	(2.7)
Share-based payment charge	25	**-**	(2.9)
Changes in fair value of contingent consideration payable	25	**-**	(0.4)
Extinguishment of B and C share liabilities	25	**-**	(21.1)

Operating profit		**514.6**	126.7
Finance income	12	**8.4**	10.4
Finance expense	13	**(71.9)**	(55.3)
Changes in fair value of interest rate derivatives	27	**(5.3)**	(11.2)
Profit before taxation		**445.8**	70.6
Taxation	14	**(0.3)**	(0.6)
Profit and total comprehensive income		**445.5**	70.0
Earnings per share - basic and diluted	15	**19.67p**	3.72p

[1] Operating profit before changes in fair value of investment properties, gain/(loss) on disposal of investment properties, share of profit from joint ventures, dividend income, fair value movements in financial assets, impairment of intangible and other property assets and share-based payment charges.

GROUP STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Note	At 31 December 2024 £m	At 31 December 2023 £m
Non-current assets			
Investment property	17	**5,929.4**	4,843.6
Investment in land options	18	**148.8**	157.4
Investment in joint ventures	19	**24.4**	24.8
Other property assets		**1.7**	2.3
Intangible assets		**0.7**	1.1
Financial assets	27	**3.2**	2.3
Interest rate derivatives	27	**7.6**	11.1
Trade and other receivables	22	**3.9**	1.0
Total non-current assets		**6,119.7**	5,043.6
Current assets			
Trade and other receivables	22	**56.0**	22.0
Assets held for sale	20	**440.4**	-
Cash at bank	23	**80.6**	36.4
Tax asset	14	**2.0**	-
Total current assets		**579.0**	58.4
Total assets		**6,698.7**	5,102.0
Current liabilities			
Deferred rental income		**(59.5)**	(38.6)
Trade and other payables	24	**(112.5)**	(106.9)
Tax liabilities	14	**(1.9)**	(2.2)
Total current liabilities		**(173.9)**	(147.7)
Non-current liabilities			
Trade and other payables	24	**(3.9)**	(1.0)
Bank borrowings	26	**(811.7)**	(474.7)
Loan notes	26	**(1,141.8)**	(1,140.5)
Deferred consideration		**-**	(4.1)
Total non-current liabilities		**(1,957.4)**	(1,620.3)
Total liabilities		**(2,131.3)**	(1,768.0)
Total net assets		**4,567.4**	3,334.0
Equity			
Share capital	30	**24.8**	19.0
Share premium reserve	30	**49.2**	49.2
Capital reduction reserve	30	**1,289.0**	1,463.9
Merger reserve	30	**957.0**	-
Retained earnings	30	**2,247.4**	1,801.9
Total equity		**4,567.4**	3,334.0
Net asset value per share - basic and diluted	31	**184.12p**	175.13p
EPRA Net Tangible Asset per share - basic and diluted	31	**185.56p**	177.15p

These financial statements were approved by the Board of Directors on 27 February 2025 and signed on its behalf by:

Aubrey Adams, Chairman

GROUP STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Note	Share capital	Share premium	Merger reserve	Capital reduction reserve	Retained earnings	Total
		£m	£m	£m	£m	£m	£m
1 January 2024		**19.0**	**49.2**	**-**	**1,463.9**	**1,801.9**	**3,334.0**
Profit for the year and total comprehensive income		-	-	-	-	**445.5**	**445.5**
		19.0	**49.2**	**-**	**1,463.9**	**2,247.4**	**3,779.5**
Contributions and distributions:							
Share issue in relation to the UKCM acquisition	30	**5.8**	**-**	**957.0**	**-**	**-**	**962.8**
Dividends paid	16	**-**	**-**	**-**	**(174.9)**	**-**	**(174.9)**
31 December 2024		**24.8**	**49.2**	**957.0**	**1,289.0**	**2,247.4**	**4,567.4**

	Note	Share capital	Share premium	Merger reserve	Capital reduction reserve	Retained earnings	Total
		£m	£m	£m	£m	£m	£m
1 January 2023		18.7	764.3	-	835.1	1,731.9	3,350.0
Profit for the year and total comprehensive income		-	-	-	-	70.0	70.0
		18.7	764.3	-	835.1	1,801.9	3,420.0
Contributions and distributions:							
Shares issued in relation to extinguishment of share-based payment	30	0.3	49.3	-	-	-	49.6
Transfer between reserves		-	(764.4)	-	764.4	-	-
Share-based payments		-	-	-	-	4.5	4.5
Transfer of share-based payments to liabilities to reflect settlement		-	-	-	-	(4.5)	(4.5)
Dividends paid	16	-	-	-	(135.6)	-	(135.6)
31 December 2023		19.0	49.2	-	1,463.9	1,801.9	3,334.0

GROUP CASH FLOW STATEMENT

For the year ended 31 December 2024

	Note	Year ended 31 December 2024	Year ended 31 December 2023
		£m	£m
Cash flows from operating activities			
Profits for the period (attributable to the shareholders)		**445.5**	70.0
Tax charge		**0.3**	0.6
Changes in fair value of contingent consideration payable		**-**	0.4
Finance income	12	**(8.4)**	(10.4)
Finance expense	13	**71.9**	55.3

Changes in fair value of interest rate derivatives		**5.3**	11.2
Share-based payment charges		**-**	2.9
Extinguishment of B and C share liabilities		**-**	21.1
Impairment of intangible and other property assets		**4.0**	2.7
Amortisation of intangible property assets		**0.6**	-
Movement on valuation of financial asset		**(0.9)**	-
Share of profit from joint ventures		**(0.1)**	(0.4)
(Gain)/loss on disposal of investment properties		**(8.4)**	1.6
Changes in fair value of investment properties	17	**(243.7)**	38.1
Accretion of tenant lease incentive	6	**(21.4)**	(16.2)
(Increase)/decrease in trade and other receivables		**(33.4)**	3.5
Increase in deferred income		**12.7**	3.9
(Decrease)/increase in trade and other payables		**(26.0)**	0.6
Cash generated from operations		**198.0**	184.9
Taxation (charge)/credit		**(2.6)**	0.4
Net cash flow generated from operating activities		**195.4**	185.3
Investing activities			
Additions to investment properties		**(196.2)**	(308.9)
Additions to land options	18	**(16.9)**	(16.8)
Net working capital acquired on the acquisition of UKCM		**(8.1)**	-
Purchase of equity investment		**-**	(66.6)
Purchase of financial asset		**-**	(2.4)
Additions to joint ventures		**-**	(0.3)
Net proceeds from disposal of investment properties		**137.8**	326.8
Interest received	12	**0.7**	0.2
Dividends received from joint ventures		**0.4**	0.8
Net cash flow used in investing activities		**(82.3)**	(67.2)
Financing activities			
Proceeds from issue of ordinary share capital		**-**	49.6
Bank borrowings drawn	26	**340.0**	409.0
Bank and other borrowings repaid	26	**(178.0)**	(407.0)
Interest derivatives received	12	**7.0**	9.9
Loan arrangement fees paid		**(1.2)**	(5.1)
Bank interest paid		**(60.6)**	(47.9)
Interest cap premium paid		**(1.8)**	(2.4)
Dividends paid to equity holders		**(174.1)**	(135.3)
Net cash flow used from financing activities		**(68.7)**	(129.2)
Net increase/(decrease) in cash and cash equivalents for the year		**44.4**	(11.2)
Cash and cash equivalents at start of year	23	**36.2**	47.4
Cash and cash equivalents at end of year	23	**80.6**	36.2

NOTES TO THE CONSOLIDATED ACCOUNTS

1. Corporate information

The consolidated financial statements of the Group for the year ended 31 December 2024 comprise the results of Tritax Big Box REIT plc (the "Company") and its subsidiaries (together, the "Group") and were approved by the Board for issue on 27 February 2025. The Company is a public limited company incorporated and domiciled in England and Wales. The Company's Ordinary Shares are admitted to the official list of the UK Listing Authority, a division of the

Financial Conduct Authority, and traded on the London Stock Exchange. The registered address of the Company is disclosed in the Company information.

The nature of the Group's operations and its principal activities are set out in the Strategic Report.

Accounting policies

2. Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The comparative information disclosed relates to the year ended 31 December 2023.

The Group's financial statements have been prepared on a historical cost basis, other than as explained in the accounting policies below.

The consolidated financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest £0.1 million, except where otherwise indicated.

The Group has chosen to adopt European Public Real Estate Association ("EPRA") best practice guidelines for calculating key metrics such as net asset value and earnings per share (www.epra.com/finance/financial-reporting/guidelines).

2.1. Going concern

The Board has assessed the appropriateness of the going concern basis in preparing these financial statements. Any going concern assessment considers the Group's financial position, cash flows, liquidity and capital commitments including its continued access to its debt facilities and headroom under financial loan covenants.

The Directors have considered the cash flow forecasts for the Group for a period of at least twelve months from the date of approval of these consolidated financial statements. These forecasts include the Directors' assessment of plausible downside scenarios. The Directors have reviewed the current and projected financial position of the Group, making reasonable assumptions about its future trading performance. Various forms of sensitivity analysis have been performed having particular regard to the financial performance of its clients' track record of rental receipts, whilst taking into account any discussions held with the client surrounding their future rental obligations. The analysis also included sensitising the impact of portfolio valuation movements through market volatility, rent collection and client default. These scenarios all paid regard to the current economic environment.

The Group has a strong track record around rent collection with no history of significant levels of bad debt or arrears. Generally speaking, we have strong clients with robust balance sheets and strong cash flows. The Directors have also considered the arrears position in light of IFRS 9, expected credit loss model, see Note 22 for further details.

As at 31 December 2024, the Group had an aggregate £519.0 million of undrawn commitments under its senior debt facilities as well as £80.6m of cash held at bank, of which £101.2 million was committed under various development related contracts. In January and February 2025 the Group also acquired a logistical asset for £74.3 million and sold or exchanged to sell £86.8 million of non-strategic assets and £79.0 million of logistics investment assets.

At 31 December 2024 the Group's loan to value ratio stood at 28.8%, with the debt portfolio having an average maturity term of approximately 4.5 years. As at the date of approval of this report, the Group has substantial headroom within its financial loan covenants. As at 31 December 2024 property values would have to fall by more than 50% before loan covenants are breached.

The Group's financial covenants have been complied with for all loans throughout the period and up to the date of approval of these financial statements.

The Directors have assessed the ability of the Group and Company to continue as a going concern and are not aware of any material uncertainties that may cast significant doubt upon the ability of the Group and Company to continue as a going concern. Therefore the Directors are satisfied that the Group has the resources to continue in business until at least 28 February 2026.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

3.1. Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Other operating income

Other operating income is receivable from development management agreements ("DMA") in place with third parties. Development management income is recognised in the accounting period in which the services are rendered and a significant reversal is not expected in future periods.

Judgement is exercised in identifying performance obligations including the sale of land with planning consent, completing land and infrastructure works and managing the construction of an asset. The transaction price is allocated fairly between the different performance obligations (refer to notes 8 and 9). Certain performance obligations are recognised at a point in time (for example a land transaction) and others are recognised over time (such as services under a DMA) each contract outlines the scope, deliverables, milestones, and payment terms. Revenue is recognised based on the work completed to date using the percentage-of-completion method (input method), which is based on costs incurred relative to total expected costs.

Acquisitions of property through corporate vehicles

Some property transactions are large or complex and require management to make judgements when considering the appropriate accounting treatment. These include acquisitions of property through corporate vehicles, which could represent either asset acquisitions or business combinations under IFRS 3 (refer to note 4.9).

During the period the Group acquired the entire issued share capital of UK Commercial Property REIT ('UKCM'). UKCM was a real estate investment trust with its operations managed by abrdn Fund Managers Limited ('abrdn'). The management contract with abrdn made them responsible for the operations required to manage the properties owned by the UKCM. Simultaneously upon acquisition, the management contract between abrdn and UKCM was immediately cancelled as the operations of the Group were taken over by Tritax Management LLP who remain the Investment Manager to the enlarged Group.

As the Group did not acquire any of UKCM's critical processes which enabled them to create outputs, it was concluded that the transaction did not meet the definition of a business combination under IFRS 3, and therefore has been accounted for as an asset acquisition (refer to note 37).

Land options

Land options, and other non-financial assets, are initially capitalised at cost and considered for any impairment indication annually. The impairment review includes consideration of the resale value of the option, likelihood of achieving planning consent and current recoverable value as determined by an independent external valuer. In the calculation of the resale value or recoverable value of land options, several estimates are required which includes the expected size of the development, expected rental and capitalisation rates, estimated build costs, the time to complete the development and anticipated progress with achieving planning consent, as well as the associated risks of achieving the above.

3.2. Estimates

Fair valuation of investment property

The market value of investment property is determined by an independent property valuation expert (see note 17) to be the estimated amount for which a property should exchange on the date of the valuation in an arm's-length transaction. Properties have been valued on an individual basis. The valuation expert uses recognised valuation techniques and the principles of both IAS 40 and IFRS 13.

The valuations have been prepared in accordance with the RICS Valuation - Global Standards January 2022 (the "Red Book"). Factors reflected comprise current market conditions including Net Initial Yield applied, annual rents and estimated rental values, lease lengths, location and building specification which would include climate-related considerations. The Net Initial Yield, being the most significant estimate, is subject to changes depending on the market conditions which are assessed on a periodic basis. The significant methods and assumptions used by the valuers in estimating the fair value of investment property, together with the sensitivity analysis on the most subjective inputs, are set out in note 17.

4 Material accounting policies

4.1. Segmental information

The Directors are of the opinion that the Group is engaged in a single segment business, being the investment in UK logistics assets and land options with a view to developing logistics and holding these for investment purposes. The Directors consider that these properties have similar economic characteristics in nature and as a result they have been reported as a single reportable operating business. During the current year, the Group acquired non-logistics assets as part of the UKCM acquisition. These assets share similar economic characteristics to the existing portfolio and collectively they form an insignificant proportion of the Group's portfolio. In addition to this, the monitoring and strategic decision-making processes are no different from the existing logistics core portfolio. Therefore, the Directors consider there to be a single reportable segment.

4.2. Investment property and investment property under construction

Investment property comprises completed property that is held to earn rentals or for capital appreciation, or both. Property held under a lease is classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

The corresponding entry upon recognising lease incentives or fixed/minimum rental uplifts is made to investment property. For further details see accounting policy note 4.11.

Investment property is recognised once practical completion is achieved and is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and other costs incurred in order to bring the property to the condition necessary for it to be capable of operating. Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the Group Statement of Comprehensive Income in the year in which they arise under IAS 40 "Investment Property".

Long leaseholds are accounted for as investment property as they meet the criteria for right of use assets.

Investment properties under construction are financed by the Group through development contracts to build logistics assets, in the form of pre-let development and with an allowance of up to 5% of GAV in speculative development (with no pre-let secured). Investment properties under construction are initially measured at cost (including the transaction costs), which reflect the Group's investment in the assets. Subsequently, the assets are remeasured to fair value at each reporting date. The fair value of investment properties under construction is estimated as the fair value of the completed asset less any costs still payable in order to complete, which include an appropriate developer's margin.

Additions to properties include costs of a capital nature only. Expenditure is classified as capital when it results in identifiable future economic benefits, which are expected to accrue to the Group. Capitalised expenditure also includes finance costs incurred on qualifying assets under construction. All other property expenditure is expensed in the Group profit or loss as incurred.

Investment properties cease to be recognised when they have been disposed of or withdrawn permanently from use

Investment properties cease to be recognised when they have been disposed of or withdrawn permanently from use and no future economic benefit is expected from disposal. The difference between the net disposal proceeds and the carrying amount of the asset would result in either gains or losses at the retirement or disposal of investment property. Any gains or losses are recognised in the Group Statement of Comprehensive Income in the year of retirement or disposal.

4.3. Financial instruments

Fair value hierarchy

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period.

4.3.1. Financial assets

The Group classifies its financial assets into one of the categories discussed below. The Group's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises in the money derivatives and out of money derivatives where the time value offsets the negative intrinsic value. They are carried in the Group Statement of Financial Position at fair value with changes in fair value recognised in the Group Statement of Comprehensive Income in the finance income or expense line. It also comprises of non-controlling minority interest equity investments, the Group has voluntarily classified these assets to be held at fair value through profit and loss.

Amortised cost

These assets arise principally from the provision of goods and services to clients (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost, being the effective interest rate method, less provision for impairment.

Impairment provisions for current and non current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from tenant default (being the failure of a tenant to timely pay rent due) to determine the lifetime expected credit loss for the trade receivables. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Group Statement of Financial Position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

4.3.2. Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

The Group's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises out of the money derivatives where the time value does not offset the negative intrinsic value. They are carried in the Group Statement of Financial Position at fair value with changes in fair value recognised in the Group Statement of Comprehensive Income. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

Other financial liabilities

Other financial liabilities include the following items:

Bank borrowings and the Group's loan notes are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Group Statement of Financial Position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payment while the liability is outstanding.

Debt modification

Debt modifications are subject to a qualitative and quantitative test to determine if a substantial modification has occurred. The outcome of the tests will determine if the modification should be treated as a substantial modification under extinguishment accounting or an adjustment to the existing liability under modification accounting.

4.4. Joint arrangements

The Group is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Group classifies its interests in joint arrangements as either:

- joint ventures: where the Group has rights to only the net assets of the joint arrangement; or
- joint operations: where the Group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- the structure of the joint arrangement;
- the legal form of joint arrangements structured through a separate vehicle;
- the contractual terms of the joint arrangement agreement; and
- any other facts and circumstances (including any other contractual arrangements).

The Group does not have any joint operations.

Joint ventures are initially recognised in the Group Statement of Financial Position at cost. Subsequently joint ventures are accounted for using the equity method, where the Group's share of post-acquisition profits and losses and other comprehensive income is recognised in the Group Statement of Comprehensive Income.

Profits and losses arising on transactions between the Group and its joint ventures are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the joint venture's profits and losses resulting from these transactions is eliminated against the carrying value of the joint venture.

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Provision for impairment in value is made where there is objective evidence that the investment in a joint venture has been impaired.

4.5. Goodwill

Goodwill is capitalised as an intangible asset, with any impairment in carrying value being charged to the Group Statement of Comprehensive Income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the Group Statement of Comprehensive Income on the acquisition date as a gain on bargain purchase or negative goodwill.

4.6. Intangible assets

As a result of the acquisition of Tritax Big Box Developments, the DMA between the Company and Tritax Big Box Developments Management Limited is assessed as a favourable contract. It is recognised as an intangible asset on the Group Statement of Financial Position and is amortised over the original eight year term of the DMA. The favourable element of the DMA was assessed with reference to a reasonable mark-up that may be expected for these services if the agreement were set up at arm's-length, discounted over the eight-year period.

4.7. Land options

Land options are classified as non-financial assets as they are non-liquid assets with no active market and they cannot be readily converted into cash. The options are exercisable at a future date subject to receiving planning consent. They are initially carried at cost and are tested for impairment annually and whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, the higher of value in use and fair value less costs to sell, the option is written down accordingly as a charge to the Group Statement of Comprehensive Income. Once the options are exercised and the land is drawn down, they are transferred into investment property.

4.8. Impairment of assets

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets including intangible assets, investment in joint ventures and land options are subject to annual impairment tests, or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, the higher of value in use and fair value less costs to sell, the asset is impaired accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows, its cash-generating units ("CGUs"). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in Group Statement of Comprehensive Income. An impairment loss recognised for goodwill is not reversed.

4.9. Business combination

The Group acquires subsidiaries that own investment properties. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. Under the Definition of a Business (Amendments to IFRS 3 "Business Combinations"), to be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The optional "concentration test" is also applied; where substantially all of the fair value of gross assets acquired is concentrated in a single asset (or a group of similar assets), the assets acquired would not represent a business. Therefore the Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property.

Where an acquisition is considered to be a business combination the consolidated financial statements incorporate the results of business combinations using the acquisition method. In the Group Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. Any excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired is treated as goodwill. Where the fair value of identifiable assets, liabilities and contingent liabilities acquired exceeds the fair value of the purchase consideration, the difference is treated as gain on bargain purchase and credited to the Group Statement of Comprehensive Income. The results of acquired operations are included in the Group Statement of Comprehensive Income from the date on which control is obtained until the date on which control ceases.

Where such acquisitions are not judged to be the acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based upon their relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred tax arises.

Where amounts payable for the acquisition of a business are subject to a contingent consideration arrangement in which the payments are automatically forfeited if employment terminates, the amounts are treated as remuneration for post-combination services rather than consideration for the acquisition of a business.

4.10. Share-based payments

The Company entered into an agreement with the Tritax Big Box Development Shareholders where future amounts payable are based on the Adjusted NAV of Tritax Big Box Developments Limited and subject to certain provisions around continuing employment. 25% of the amounts payable are to be settled in cash with the remaining 75% settled in cash or shares at the discretion of the Company. Where the Company had a present obligation to settle the amounts in cash, either through its stated intention or past practice, the Company accounted for the amounts as cash settled share-based payments. The fair value of the cash settled obligation was recognised over the vesting period and presented as a liability in the Group Statement of Financial Position. The liability was remeasured at each reporting date with the charge to the profit or loss updated over the vesting period.

4.11. Property income

4.11.1. Rental income

Rental income arising from operating leases on investment property is accounted for on a straight line basis over the lease term and is included in gross rental income in the Group Statement of Comprehensive Income. A rental adjustment is recognised from the rent review date in relation to unsettled rent reviews, where the Directors are reasonably certain that the rental uplift will be agreed. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Rental income is invoiced, either monthly or quarterly in advance, and for all rental income that relates to a future period this is deferred and appears within current liabilities on the Group Statement of Financial Position.

For leases, which contain fixed or minimum uplifts, the rental income arising from such uplifts is recognised on a straight line basis over the lease term.

Tenant lease incentives are recognised as a reduction of gross rental income on a straight line basis over the term of the lease. The lease term is the non cancellable period of the lease together with any further term for which the tenant has the option to continue the lease where, at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option.

When the Group enters into a pre-let development agreement no rental income is recognised under the agreement for lease until practical completion has taken place, at which point rental income is recognised in the Group Statement of Comprehensive Income from the rent commencement date.

4.11.2. Other operating income

The other operating income is generated through the Group providing development management services to third parties. It is recognised on an accruals basis in the period in which the services have been rendered, performance obligations have been satisfied and a significant reversal is not expected in future periods.

4.12. Taxation

Taxation on the profit or loss for the period not exempt under UK REIT regulations comprises current and deferred tax. Current tax is expected tax payable on any profit not relating to the property rental business for the year, using tax rates enacted or substantively enacted at the year-end date, including any adjustment to tax payable in respect of previous years. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

5. New standards issued

5.1 New standard issued and effective from 1 January 2024

The following standard and amendment to existing standards has been applied in preparing the financial statements.

The following amendments are effective for the period beginning 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1.
- Lease Liability in a Sale and Leaseback - Amendments to IFRS 16.
- Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7.

There was no material effect from the adoption of the above-mentioned amendments to IFRS effective in the period. They have no significant impact to the Group as they are either not relevant to the Group's activities or require accounting which is already consistent with the Group's current accounting policies.

5.2. New standards issued but not yet effective

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 "Presentation and Disclosure in Financial Statements" and;
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures".

The Group is assessing the impact of IFRS 18, issued by the IASB in April 2024, which replaces IAS 1 and introduces major amendments to IFRS Standards, including IAS 8. While IFRS 18 does not affect recognition or measurement, it will significantly impact presentation and disclosure, including, but not limited to profit or loss categorization, aggregation/disaggregation, labelling, and management-defined performance measures. The Group does not expect to be eligible to apply IFRS 19.

There are no standards that are not yet effective that would be expected to have a material impact on the Group in the current or future reporting periods and on the foreseeable future transactions.

6. Total property income

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Rental income - freehold property	**225.5**	175.3
Rental income - long leasehold property	**33.8**	30.5
Spreading of tenant incentives and guaranteed rental uplifts	**21.4**	16.2
Other income	**0.4**	0.2
Gross rental income	**281.1**	222.2
Property insurance recoverable	**4.9**	4.5
Service charges recoverable	**8.2**	1.7
Total property insurance and service charge income	**13.1**	6.2
Total property income	**294.2**	228.4

There was one individual tenant representing more than 10% of gross rental income, constituting £37.3 million of rental income in 2024 (2023: £32.6 million).

7. Service charge expense

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Property insurance expense	**5.2**	4.6
Service charge expense	**10.4**	1.7
Total property expenses	**15.6**	6.3

8. Other operating income

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
DMA income	**67.4**	-
Sale of land	**18.9**	-
Total other operating income	**86.3**	-

9. Other operating costs

9. Other operating costs

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
DMA expense	**47.2**	-
Cost of land	**16.1**	-
Total other operating costs	**63.3**	-

10. Administrative and other expenses

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Investment management fees	**24.6**	22.0
Directors' remuneration (note 11)	**0.5**	0.5
Auditor's fees:		
Fees payable for the audit of the Company's annual accounts	**0.8**	0.4
Fees payable for the review of the Company's interim accounts	**0.1**	0.1
Fees payable for the audit of the Company's subsidiaries	**0.1**	0.1
Total Auditor's fee	**1.0**	0.6
Development management fees	**1.0**	1.0
Corporate administration fees	**0.8**	0.6
Regulatory fees	**0.2**	0.2
Legal and professional fees	**1.8**	1.6
Marketing and promotional fees	**1.6**	0.6
Other costs	**2.2**	1.8
Total administrative and other expenses	**33.7**	28.9

11. Directors' remuneration

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Directors' fees	**0.4**	0.4
Employer's National Insurance	**0.1**	0.1
Total directors' remuneration	**0.5**	0.5

12. Finance income

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Interest received on bank deposits	**0.7**	0.2
Interest received on swaps and other derivatives	**7.7**	10.2
Total finance income	**8.4**	10.4

13. Finance expense

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Interest payable on bank borrowings	**36.9**	23.7
Interest payable on loan notes	**29.8**	29.7
Commitment fees payable on bank borrowings	**2.7**	2.0
Unwinding of deferred consideration	**0.4**	0.1
Amortisation of loan arrangement fees	**4.3**	4.4
Unwinding of discount on fixed rate debt	**3.8**	-
	77.9	59.9

Borrowing costs capitalised against development properties[1]	**(6.0)**	(4.6)
Total finance expense	**71.9**	55.3

[1] The rate at which interest is capitalised is the Group's weighted average cost of debt, as detailed in note 26.

14. Taxation

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Tax charge	**0.3**	0.6

The UK corporation tax rate for the financial year is 25%. Accordingly, this rate has been applied in the measurement of the Group's tax liability at 31 December 2024.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Profit on ordinary activities before taxation	**445.8**	70.6
Theoretical tax at UK corporation tax rate of 25% (31 December 2023: 23.5%)	**111.5**	16.6
REIT exempt income	**(50.2)**	(37.3)
Non-taxable items	**(62.3)**	15.6
Residual losses	**1.3**	5.7
Total tax charge	**0.3**	0.6

Non taxable items include income and gains that are derived from the property rental business and are therefore exempt from UK corporation tax in accordance with Part 12 of CTA 2010.
REIT exempt income includes property rental income that is exempt from UK corporation tax in accordance with Part 12 of CTA 2010.

The current year tax asset of £2.0 million relates to tax over paid on anticipated non-property profits arising in the year. The prior year there was a current liability of £0.3 million.

A deferred tax liability is recognised for appropriation tax charges of £1.9 million (2023: £1.9 million) in relation to the business combination which occurred in 2019.

A deferred tax asset is not recognised for UK revenue losses or capital losses where their future utilisation is uncertain. At 31 December 2024, the total of such losses was £52.5 million (2023: £41.0 million) and the potential tax effect of these was £13.1 million (2023: £10.3 million)

15. Earnings per share

Earnings per share "EPS" are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period.

The calculation of basic and diluted earnings per share is based on the following:

For the year ended 31 December 2024	**Net profit attributable to Ordinary Shareholders £m**	**Weighted average number of Ordinary Shares[1] '000**	**Earnings per share pence**
EPS - basic and diluted	445.5	2,264,719	19.67p
Adjustments to remove:			
Changes in fair value of investment property	(243.7)		
Changes in fair value of interest rate derivatives	5.3		
Share of profit from joint ventures	(0.1)		
Gain on disposal of investment properties	(8.4)		
Amortisation of other property assets	0.6		
Changes in fair value of financial asset	(0.9)		
Impairment of intangible contract and other property assets	4.0		
EPRA EPS [1] - basic and diluted	**202.3**	**2,264,719**	**8.93p**
Adjustments to include:			
Fixed rental uplift adjustments	(8.9)		
Amortisation of loan arrangement fees and intangibles	4.1		
Unwinding of discount on fixed rate debt and deferred consideration	4.2		
Adjusted EPS [1] - basic and diluted	**201.7**	**2,264,719**	**8.91p**

1. Based on the weighted average number of Ordinary Shares in issue throughout the year.

For the year ended 31 December 2023 (Restated, due to change in EPRA guidance)	Net profit attributable to Ordinary Shareholders	Weighted average number of Ordinary Shares[1]	Earnings per share
	£m	'000	pence
EPS - basic and diluted	70.0	1,881,931	3.72p
Adjustments to remove:			
Changes in fair value of investment property	38.1		
Changes in fair value of interest rate derivatives	11.2		
Share of profit from joint ventures	(0.4)		
Loss on disposal of investment properties	1.6		
Share of profit from joint ventures	2.30		
Changes in fair value of financial asset	0.1		
Impairment of intangible contract and other property assets	0.4		
EPRA EPS [2] - basic and diluted (restated)	123.3	1,881,931	6.55p
Adjustments to include:			
Share-based payment charge	2.9		
Fair value movement in contingent consideration	0.4		
Extinguishment of B & C share liabilities[4]	21.1		
Fixed rental uplift adjustments	(6.2)		
Amortisation of loan arrangement fees and intangibles	4.4		
Adjusted EPS[2] - basic and diluted (restated)	145.9	1,881,931	7.75p

For the year ended 31 December 2023 (reported)	Net profit attributable to Ordinary Shareholders	Weighted average number of Ordinary Shares[1]	Earnings per share
	£m	'000	pence
EPS - basic and diluted	70.0	1,881,931	3.72p
Adjustments to remove:			
Changes in fair value of investment property	38.1		
Changes in fair value of interest rate derivatives	11.2		
Finance income received on interest rate derivatives[3]	(10.2)		
Share of profit from joint ventures	(0.4)		
Loss on disposal of investment properties	1.6		
Share of profit from joint ventures	2.30		
Changes in fair value of financial asset	0.1		
Impairment of intangible contract and other property assets	0.4		
EPRA EPS [2] - basic and diluted (reported)	113.1	1,881,931	6.01p
Adjustments to include:			
Share-based payment charge	2.9		
Fair value movement in contingent consideration	0.4		
Extinguishment of B & C share liabilities[4]	21.1		
Fixed rental uplift adjustments	(6.2)		
Amortisation of loan arrangement fees and intangibles	4.4		
Finance income received on interest rate derivatives[3]	10.2		
Adjusted EPS[2] - basic and diluted (reported)	145.9	1,881,931	7.75p

1. Based on the weighted average number of Ordinary Shares in issue throughout the year.

2. Based on the weighted average number of Ordinary Shares in issue throughout the year, plus potentially issuable dilutive shares.

3. In accordance with the EPRA guidance the finance income received on interest rate derivatives was taken out of EPRA Earnings and was added back into Adjusted Earnings as it gave a better reflection of the Group's net interest expense which was supported by cash flows. During 2024 this guidance has since change and it is no longer required to be excluded from the ERPA EPS and the prior year has been restated to reflect this change.

4. This is a one-off charge in the prior year relating to the B &C settlement (please refer to note 25 for further details).

Adjusted earnings is a performance measure used by the Board to assess the Group's dividend payments. The metric reduces EPRA earnings by other non-cash items credited or charged to the Group Statement of Comprehensive Income, such as fixed rental uplift adjustments and amortisation of loan arrangement fees.

Fixed rental uplift adjustments relate to adjustments to net rental income on leases with fixed or minimum uplifts embedded within their review profiles. The total minimum income recognised over the lease term is recognised on a straight-line basis and therefore not fully supported by cash flows during the early term of the lease, but this reverses towards the end of the lease.

Share-based payment charges related to the B and C Shareholders. Whilst impacting on earnings in the prior year, this value was considered capital in nature from the perspective it relates to a B&C Share equity holding in Tritax Big Box Developments Limited. It was therefore removed from Adjusted earnings.

16. Dividends paid

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Fourth interim dividend in respect of period ended 31 December 2023 at 2.050 pence per Ordinary Share (fourth interim for 31 December 2022 at 1.975 pence per Ordinary Share)	**39.0**	36.9
First interim dividend in respect of year ended 31 December 2024 at 1.825 pence per Ordinary Share (31 December 2023: 1.750 pence)	**45.3**	32.7
Second interim dividend in respect of year ended 31 December 2024 at 1.825 pence per Ordinary Share (31 December 2023: 1.750 pence)	**45.3**	32.7
Third interim dividend in respect of year ended 31 December 2024 at 1.825 pence per Ordinary Share (31 December 2023: 1.750 pence)	**45.3**	33.3
Total dividends paid	**174.9**	135.6
Total dividends paid for the year (pence per share)	**5.475**	5.250
Total dividends unpaid but declared for the year (pence per share)	**2.185**	2.050
Total dividends declared for the year (pence per share)	**7.660**	7.300

On 27 February 2025, the Company approved the fourth interim dividend for declaration in respect of the year ended 31 December 2024 of 2.185 pence per share payable on 28 March 2025. The total dividends declared for the year of 7.66 pence are all property income distribution ("PID").

17. Investment property

In accordance with IAS 40, investment property is stated at fair value as at 31 December 2024. The investment property has been independently valued by CBRE Limited ("CBRE"), Jones Lang LaSalle Limited ("JLL") and Colliers International Valuation UK LLP ("Colliers"), they are accredited independent valuers with recognised and relevant professional qualifications and with recent experience in the locations and categories of the investment properties being valued. CBRE and JLL value all investment property with leases attached or assets under construction. Colliers values all land holdings and land options. The valuations have been prepared in accordance with the RICS Valuation - Global Standards January 2022 (the "Red Book") and incorporate the recommendations of the International Valuation Standards and the RICS Valuation - Professional Standards UK January 2014 (revised April 2015) which are consistent with the principles set out in IFRS 13.

The valuers, in forming their opinion, make a series of assumptions, which are market related, such as Net Initial Yields and expected rental values, and are based on the valuer's professional judgement. The valuers have sufficient current local and national knowledge of the particular property markets involved and has the skills and understanding to undertake the valuations competently. There have been no changes to the assumptions made in the year as a result of a range of factors including the macro-economic environment, availability of debt finance and physical and transition risks relating to climate change.

The valuers of the Group's property portfolio have a working knowledge of the various ways that sustainability and environmental, social and governance factors can impact value and have considered these, and how market participants are reflecting these in their pricing, in arriving at their Opinion of Value and resulting valuations as at the date of the Statement of Financial Position. Currently, assets with the highest standards of ESG are commanding higher rental levels, have lower future capital expenditure requirements, and are transacting at lower yields.

The valuations are the ultimate responsibility of the Directors. Accordingly, the critical assumptions used in establishing the independent valuation are reviewed by the Board.

All corporate acquisitions during the year and prior year have been treated as asset purchases rather than business combinations because they are considered to be acquisitions of properties rather than businesses.

	Investment property freehold	**Investment property long leasehold**	**Investment property under construction**	**Total**
	£m	**£m**	**£m**	**£m**
As at 1 January 2024	**4,004.3**	**580.9**	**258.4**	**4,843.6**
Property additions [1]	**1,090.5**	**93.8**	**210.7**	**1,395.0**
Fixed rental uplift and tenant lease incentives[2]	**20.5**	**1.9**	**-**	**22.4**
Disposals	**(134.6)**	**-**	**(22.2)**	**(156.8)**
Transfer of completed property to investment property	**188.4**	**-**	**(188.4)**	**-**
Transfer from land options	**-**	**-**	**21.9**	**21.9**
Transfer to assets held for sale	**(326.1)**	**(34.0)**	**(80.3)**	**(440.4)**
Change in fair value during the year	**158.5**	**19.5**	**65.7**	**243.7**

As at 31 December 2024	**5,001.5**	**662.1**	**265.8**	**5,929.4**

	Investment property freehold	Investment property long leasehold	Investment property under construction	Total
	£m	£m	£m	£m
As at 1 January 2023	3,811.2	637.2	398.9	4,847.3
Property additions	109.1	0.1	195.8	305.0
Fixed rental uplift and tenant lease incentives[2]	20.3	0.7	-	21.0
Disposals	(256.2)	(52.2)	-	(308.4)
Transfer of completed property to investment property	357.2	-	(357.2)	-
Transfer from land options	-	-	16.8	16.8
Change in fair value during the year	(37.3)	(4.9)	4.1	(38.1)
As at 31 December 2023	4,004.3	580.9	258.4	4,843.6

[1] Acquisitions include UKCM assets at a valuation of £1,216.9 million less a price discount on acquisition of £67.8 million and other acquisitions of £245.9 million (refer to note 37).

[2] Included within the carrying value of Investment property is £114.0 million (31 December 2023: £91.6 million) in respect of accrued contracted rental uplift income. This balance arises as a result of the IFRS treatment of leases with fixed or minimum rental uplifts and rent free periods, which requires the recognition of rental income on a straight line basis over the lease term. The difference between this and cash receipts changes the carrying value of the property against which revaluations are measured.

	31 December 2024	31 December 2023
	£m	£m
Investment property at fair value per Group Statement of Financial Position	**5,929.4**	4,843.6
Assets held for sale	**440.4**	-
Total investment property valuation	**6,369.8**	4,843.6

The Group has other capital commitments which represent financial commitments made in respect of direct construction, asset management initiatives and development land. The Group had also completed on the purchase of an investment asset at year end (refer to note 35).

Fees payable under the DMA totalling £2.5 million (2023: £nil) have been capitalised in the year, being directly attributable to completed development projects during the year.

Fair value hierarchy

The Group considers that all of its investment properties fall within Level 3 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

The valuations have been prepared on the basis of market value ("MV"), which is defined in the RICS Valuation Standards, as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Market value as defined in the RICS Valuation Standards is the equivalent of fair value under IFRS.

The following descriptions and definitions relating to valuation techniques and key unobservable inputs made in determining fair values are as follows:

Valuation techniques

The yield methodology approach is used when valuing the Group's properties which uses market rental values capitalised with a market capitalisation rate. This is sense-checked against the market comparable method (or market comparable approach) where a property's fair value is estimated based on comparable transactions in the market.

For investment property under construction and the land held for development, the properties are valued using both the residual method approach and comparable method approach. Under the residual approach, the valuer initially assesses the investment value (using the above methodology for completed properties). Then, the total estimated costs to complete (including notional finance costs and developer's profit) are deducted from the value to take into account the hypothetical purchaser's management of the remaining development process and their perception of risk with regard to construction and the property market (such as the potential cost overruns and letting risks). Under the comparable approach, the value of the land is considered in the context of market transactions and what a hypothetical purchaser may pay for the land, typically on a per acre basis. It is common for the valuer to consider both approaches when formulating their opinion of value, where appropriate. Land values are sense-checked against the rate per acre derived from actual market transactions.

The key unobservable inputs made in determining fair values are as follows:

Unobservable input: estimated rental value ("ERV")

The rent per square foot at which space could be let in the market conditions prevailing at the date of valuation

The rent per square foot at which space could be let in the market conditions prevailing at the date of valuation.

Passing rents are dependent upon a number of variables in relation to the Group's property. These include: size, location, tenant covenant strength and terms of the lease.

Unobservable input: Net Initial Yield

The Net Initial Yield is defined as the initial gross income as a percentage of the market value (or purchase price as appropriate) plus standard costs of purchase.

31 December 2024

	Unobservable Inputs			
Industrials	**ERV range £ psf**	**ERV average £ psf**	**Net Initial Yield range%**	**Net Initial Yield average%**
South East	**6.25 - 19.00**	**11.52**	**3.99 - 5.94**	**4.51**
South West	**7.00 - 12.07**	**8.34**	**3.99 - 4.92**	**4.57**
East Midlands	**3.18 - 9.00**	**7.80**	**3.55 - 5.46**	**4.55**
West Midlands	**7.32 - 10.74**	**8.80**	**3.87 - 6.44**	**4.78**
North East	**4.90 - 8.00**	**6.42**	**4.39 - 5.74**	**4.93**
North West	**5.01 - 11.50**	**8.73**	**4.10 - 5.72**	**4.95**
Scotland	**5.03 - 7.15**	**6.14**	**5.50 - 7.53**	**6.10**

Non-strategic	**ERV range £ psf**	**ERV average £ psf**	**Net Initial Yield range%**	**Net Initial Yield average%**
Office	**22.31 - 39.19**	**30.13**	**6.72 - 12.85**	**8.86**
Retail	**16.59 - 30.88**	**23.69**	**5.69 - 7.40**	**6.51**
Alternative	**13.63 - 44.20**	**23.96**	**4.88 - 14.40**	**6.66**

31 December 2023

	Unobservable Inputs			
	ERV range £ psf	ERV average £ psf	Net Initial Yield range%	Net Initial Yield average%
South East	5.46 - 16.81	10.20	3.86 - 5.82	4.77
South West	6.50 - 6.50	6.50	4.75 - 4.75	4.75
East Midlands	6.39 - 11.25	7.88	3.75 - 5.82	4.72
West Midlands	6.82 - 9.96	8.10	3.27 - 6.00	4.54
Yorkshire and the Humber	6.20 - 8.00	6.99	4.32 - 6.00	4.96
North East	3.91 - 4.25	4.08	4.75 - 4.83	4.79
North West	5.00 - 11.25	7.95	4.23 - 5.75	4.90

Sensitivities of measurement of significant unobservable inputs

As set out within significant accounting estimates and judgements above, the Group's property portfolio valuation is open to judgements and is inherently subjective by nature.

As a result the following sensitivity analysis has been prepared:

	-5% in passing rent £m	+5% in passing rent £m	+0.25% Net Initial yield £m	-0.25% Net Initial Yield £m
(Decrease)/increase in the fair value of investment properties as at 31 December 2024	**(283.2)**	**283.2**	**(282.6)**	**313.9**
(Decrease)/increase in the fair value of investment properties as at 31 December 2023	(229.3)	229.3	(238.2)	265.9

The above includes data from the standing portfolio and does not include data from investment properties under construction. No reasonable change in unobservable inputs in relation to investment properties under construction would have a material impact on the carrying value of investment properties.

18. Investment in land options

	Year ended 31 December 2024	Year ended 31 December 2023

	£m	£m
Opening balance	**157.4**	157.4
Costs capitalised in the year	**16.9**	16.8
Transferred to investment property	**(21.9)**	(16.8)
Impairment	**(3.6)**	-
Closing balance	**148.8**	157.4

The average maturity date across land options held is approximately 7.4 years (2023: 8.0 years) term remaining.

Fees payable under the DMA totalling £2.2 million (2023: £5.9 million) have been capitalised in the year, being directly attributable to the ongoing development projects.

19. Investment in joint ventures

As at 31 December 2024 the Group has two joint ventures which have been equity accounted for.

The Group has the following joint ventures as at 31 December 2024:

	Principal activity	**Country of incorporation**	**Ownership**	**Joint venture partner**
HBB (J16) LLP	Property development	UK	50%	HB Midway Limited
Magnitude Land LLP	Property investment	UK	50%	Pochin Midpoint Limited

The registered office for the above joint ventures is: Unit B, Grange Park Court, Roman Way, Northampton, England NN4 5EA.

Net investment	**31 December 2024**		31 December 2023	
	Total 100%	**Group's share**	Total 100%	Group's share
	£m	**£m**	£m	£m
At beginning of year	**49.6**	**24.8**	54.4	27.2
Total comprehensive income	**0.2**	**0.1**	0.8	0.4
Impairment of JV asset	**(0.2)**	**(0.1)**	(4.6)	(2.3)
Capital repaid	**(0.8)**	**(0.4)**	(1.6)	(0.8)
Cash contributed	**-**	**-**	0.6	0.3
As at 31 December 2024	**48.8**	**24.4**	49.6	24.8

The joint ventures have a 31 December year end. The aggregate amounts recognised in the Group Statement of Financial Position and Statement of Comprehensive Income are as follows:

Comprehensive Income Statement

Year ended 31 December 2024	**31 December 2024**		31 December 2023	
	Total 100%	**Group's share**	Total 100%	Group's share
	£m	**£m**	£m	£m
Net income	**0.6**	**0.3**	0.8	0.4
Administrative expenses	**-**	**-**	-	-
Profit before taxation	**0.6**	**0.3**	0.8	0.4
Taxation	**-**	**-**	-	-
Total comprehensive Profit	**0.6**	**0.3**	0.8	0.4

Statement of Financial Position	**31 December 2024**		31 December 2023	
As at 31 December 2024	**Total 100%**	**Group's share**	Total 100%	Group's share
	£m	**£m**	£m	£m
Investment property	**5.4**	**2.7**	4.8	2.4
Options to acquire land	**43.2**	**21.6**	43.2	21.6
Non-current assets	**48.6**	**24.3**	48.0	24.0
Other receivables	**-**	**-**	-	-
Cash	**0.6**	**0.3**	1.9	1.0
Current assets	**0.6**	**0.3**	1.9	1.0
Trade and other payables	**(0.4)**	**(0.2)**	(0.3)	(0.2)
Current liabilities	**(0.4)**	**(0.2)**	(0.3)	(0.2)

Net assets	**48.8**	**24.4**	49.6	24.8

20. Assets held for sale

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Industrial	**79.0**	-
Land	**29.4**	-
Non-strategic	**332.0**	-
Assets held for sale	**440.4**	-

As shown above, assets held for sale relate to one industrial asset which completed on 11 February 2025, one piece of land which forms part of a DMA contract which completed on 6 January 2025 and 10 non-strategic assets acquired a part of the UKCM acquisition which management has committed to a plan to dispose of these assets, with disposal expected to occur within a 12 month period.

Please refer to note 17 details into the inputs and assumptions used in determining the fair value of these assets as at 31 December 2024.

21. Investments

The Group comprises a number of Special Purpose Vehicle (SPV) subsidiaries. All SPV subsidiaries that form these financial statements are noted within the Company financial statements in note 5.

22. Trade and other receivables

Non-current trade and other receivables	**Year ended 31 December 2024 £m**	Year ended 31 December 2023 £m
Cash in public institutions	**3.9**	1.0

The cash in public institutions is a deposit of £3.9 million paid by certain tenants to the Company, as part of their lease agreements.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Trade receivables	**26.5**	9.4
Prepayments, accrued income and other receivables	**29.5**	7.4
VAT	**-**	5.2
Total trade and other receivables	**56.0**	22.0

The carrying value of trade and other receivables classified at amortised cost approximates fair value. The increase in trade receivables in the period was due to an increase in receivables relating to DMA projects as well as the acquisition of UKCM.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced over the three year period prior to the year end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's clients. The expected credit loss provision as at 31 December 2024 was £0.6 million (31 December 2023: £0.3 million). No reasonably possible changes in the assumptions underpinning the expected credit loss provision would give rise to a material expected credit loss.

23. Cash held at bank

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Cash and cash equivalents	**80.6**	36.2
Restricted cash	**-**	0.2
Total cash held at bank	**80.6**	36.4

Restricted cash is cash where there is a legal restriction to specify its type of use, i.e. this may be where there is a joint arrangement with a tenant under an asset management initiative.

Cash and cash equivalents reported in the Consolidated Statement of Cash Flows totalled £80.6 million (2023: £36.2 million) as at the year end, which excludes long term restricted and ring-fenced cash deposits totalling £nil million (2023: £0.2 million). Total cash held at bank as reported in the Group Statement of Financial Position is £80.6 million (2023: £36.4 million).

24. Trade and other payables

Non-current trade and other payables	**Year ended 31 December 2024 £m**	Year ended 31 December 2023 £m
Other payables	**3.9**	1.0

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Trade and other payables	**72.5**	57.4
Bank loan interest payable	**12.1**	9.3
Deferred consideration	**4.3**	4.8
VAT	**5.2**	-
Accruals	**18.4**	35.4
Total trade and other payables	**112.5**	106.9

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

25. Amounts that were due to B and C Shareholders

Amounts that were due to B and C Shareholders comprised the fair value of the contingent consideration element of B and C Shares along with the fair value of the obligation under the cash settled share-based payment element of B and C Shares.

Amounts that were due to B and C Shareholders are detailed in the table below:

31 December 2023	Contingent consideration	Share-based payment	Extinguishment	Fair value
	£m	£m	£m	£m
Opening balance	25.6	16.6	-	42.2
Fair value movement recognised	0.4	-	-	0.4
Share-based payment charge	-	2.9	-	2.9
Extinguishment of B and C share liabilities	-	-	21.1	21.1
Settlement of liabilities	(26.0)	(19.5)	(21.1)	(66.6)
Closing balance	-	-	-	-

The Group considered that the amounts due to the B and C Shareholders fall within Level 3 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

26. Borrowings

The Group has a £300 million and £500 million sustainably linked unsecured revolving credit facility (RCF), providing significant operational flexibility. Both facilities are provided by a syndicate of large multi-national banks.

During the period, the Group acquired an undrawn RCF of £150 million through the acquisition of UKCM on 16 May 2024. This facility was extinguished on 24 July 2024, and the Group entered into a new £150 million RCF agreement on the same date. This RCF includes a fixed element of £75 million, drawn at inception, with the remaining £75 million being variable. The loan matures on 24 July 2026, although the facility benefits from two one year extension periods.

The Group also extended the term of the £500 million RCF by one year, from 12 October 2028 to 12 October 2029. This extension was not considered a substantial modification as there were no significant changes to the loan's terms and conditions.

As of 31 December 2024, 63% (December 2023: 61%) of the Group's drawn debt is fixed term, with 37% floating term (December 2023: 39%). Including interest rate hedging, the Group has fixed term or hedged facilities totalling 93.4% of drawn debt as of 31 December 2024 (December 2023: 96%).

The weighted average cost of debt was 3.05% as of 31 December 2024 (December 2023: 2.93%). On the same date, the Group had undrawn debt commitments of £519.0 million (31 December 2023: £531.0 million).

To remain compliant with its tightest financial covenants, the Group must maintain an interest cover above 1.5x, a loan-to-value ratio below 60%, and a gearing ratio below 150%. As at 31 December 2024, the Group had an interest cover of 4.4x, a loan-to-value ratio of 28.8%, and a gearing ratio of 42.8%. Consequently, the Group has adhered to all these covenants throughout the year and is also expected to comfortably meet these targets over the next twelve months.

A large part of the Group's borrowings are unsecured financing arrangements. Below is a summary of the drawn and undrawn bank borrowings for the period:

	Bank borrowings drawn £m	Bank borrowings undrawn £m	Total £m
As at 1 January 2024	**481.9**	**531.0**	**1,012.9**
Bank borrowings drawn in the year under existing facilities	**265.0**	**(265.0)**	**-**
Bank borrowings repaid in the year under existing facilities	**(178.0)**	**178.0**	**-**
Book value of UKCM borrowings	**200.0**	**-**	**200.0**
New bank borrowing facility	**75.0**	**75.0**	**150.0**
As at 31 December 2024	**843.9**	**519.0**	**1,362.9**

	Bank borrowings drawn £m	Bank borrowings undrawn £m	Total £m
As at 1 January 2023	479.9	483.0	962.9
Bank borrowings drawn in the year under existing facilities	215.0	(215.0)	-
Bank borrowings repaid in the year under existing facilities	(260.0)	260.0	-
Cancellation of bank borrowing facility	(147.0)	(303.0)	(450.0)
New bank borrowing facility	194.0	306.0	500.0
As at 31 December 2023	481.9	531.0	1,012.9

	31 December 2024 £m	31 December 2023 £m
Bank borrowings drawn: due in more than one year	**843.9**	481.9
Less: unamortised costs on bank borrowings	**(6.7)**	(7.2)
Fair value gain on UKCM borrowings on acquisition	**(25.5)**	-
Total net drawn bank borrowings	**811.7**	474.7

Bonds	**31 December 2024 £m**	31 December 2023 £m
2.625% Bonds 2026	**249.8**	249.7
3.125% Bonds 2031	**248.3**	248.0
2.860% USPP 2028	**250.0**	250.0
2.980% USPP 2030	**150.0**	150.0
1.500% Green Bonds 2033	**247.4**	247.1
Less: unamortised costs on loan notes	**(3.7)**	(4.3)
Total net bonds	**1,141.8**	1,140.5

The weighted average term to maturity of the Group's debt as at the year end is 4.5 years (31 December 2023: 5.2 years).

Maturity of borrowings

	31 December 2024 £m	31 December 2023 £m
Repayable between one and two years	**424.0**	-
Repayable between two and five years	**819.9**	909.9
Repayable in over five years	**750.0**	722.0
Total borrowings repayable	**1,993.9**	1,631.9

27. Financial instruments and fair values

27.1. Financial assets

	31 December 2024 £m	31 December 2023 £m
Non-current assets: financial asset	**3.2**	2.3

On 31 March 2023, the Group retained a 4% interest after the disposal of certain investment properties. The asset is valued using Level 2 observable inputs.

	31 December 2024 £m	31 December 2023 £m
Financial asset valuation brought forward	**2.3**	-
Additions	**-**	2.4
Changes in fair value of financial asset	**0.9**	(0.1)
Total finances assets	**3.2**	2.3

27.2. Interest rate derivatives

To manage the interest rate risk from variable rate loans, the Group has entered into several interest rate derivatives. These include interest rate caps and one interest rate swap, which fix or cap the rate to which compounded SONIA can rise. These derivatives match the initial term of the respective loans.

As of the year end, the weighted average capped rate, excluding any margin payable, was 2.59% (2023: 2.43%). This effectively caps the level to which SONIA can rise on £349.3 million (2023: £249.3 million) of notional hedged debt, limiting the impact of an interest rate rise on this amount. The interest rate derivatives ensure that 93.4% of the Group's drawn borrowings at the year end have a fixed or hedged interest rate. The Group's weighted average cost of debt at year end was 3.05% (2023: 2.93%). The total premium paid during the year to secure the interest rate caps was £1.8 million (2023: £2.4 million).

The Group aims to hedge at least 90% of its total drawn debt portfolio using interest rate derivatives or fixed-rate loan arrangements.

As of the year end, the total proportion of drawn debt either hedged via interest rate derivatives or subject to fixed-rate loan agreements was 93.4%, as shown below:

	31 December 2024 £m	31 December 2023 £m
Non-current assets: interest rate derivatives	**7.6**	11.1

The interest rate derivatives are valued by the relevant counterparty banks on a quarterly basis in accordance with IFRS 9. Any movement in the mark-to-market values of the derivatives are taken to the Group Statement of Comprehensive Income.

	31 December 2024 £m	31 December 2023 £m
Interest rate derivative valuation brought forward	**11.1**	19.9
Premium paid	**1.8**	2.4
Changes in fair value of interest rate derivatives	**(5.3)**	(11.2)
Total interest rate derivatives	**7.6**	11.1

	31 December 2024	31 December 2023

	Drawn £m	Drawn £m
Total borrowings drawn (note 26)	**1,993.9**	1,631.9
Notional value of effective interest rate derivatives and fixed-rate loans	**1,862.3**	1,561.4
Proportion of hedged debt	**93.4%**	95.7%

Fair value hierarchy

The fair value of Group's interest rate derivatives is recorded in the Group Statement of Financial Position and is determined by forming an expectation that interest rates will exceed strike rates and discounting these future cash flows at the prevailing market rates as at the year end. This valuation technique falls within Level 2 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the years, nor have there been any transfers between Level 2 and Level 3 during any of the years.

28. Financial risk management

Financial instruments

The Group's principal financial assets and liabilities are those that arise directly from its operations: trade and other receivables, trade and other payables and cash held at bank. The Group's other principal financial assets and liabilities are bank borrowings and interest rate derivatives. The main purpose of bank borrowings and derivatives is to finance the acquisition and development of the Group's investment property portfolio and hedge against the interest rate risk arising.

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the financial statements:

	Book value 31 December 2024 £m	**Fair value 31 December 2024 £m**	Book value 31 December 2023 £m	Fair value 31 December 2023 £m
Financial assets				
Interest rate derivatives	**7.6**	**7.6**	2.3	2.3
Trade and other receivables[1]	**26.5**	**26.5**	9.4	9.4
Cash held at bank	**80.6**	**80.6**	36.4	36.4
Financial liabilities				
Trade and other payables[2]	**107.3**	**107.3**	90.1	90.1
Borrowings	**1,989.4**	**1,797.0**	1,626.7	1,485.3

1. Excludes certain VAT, prepayments and other debtors.

2. Excludes tax and VAT liabilities.

Financial assets, interest rate derivatives are the only financial instruments measured at fair value through profit and loss. All other financial assets and all financial liabilities are measured at amortised cost. All financial instruments were designated in their current categories upon initial recognition.

The following table sets out the fair value of those financial liabilities measured at amortised cost where there is a difference between book value and fair value.

	Date of valuation	Total £m	Quoted prices in active markets (Level 1) £m	Significant observable inputs (Level 2) £m	Significant unobservable inputs (Level 3) £m
Borrowings	**31 December 2024**	**1,315.1**	**992.5**	**322.6**	-
Borrowings	31 December 2023	1,165.4	1,012.1	153.3	-

The Group has four fixed-rate loans totalling £362.0 million, provided by PGIM (£90.0 million), Canada Life (£72.0 million) and Barings (£200.0 million). The fair value is determined by discounting the delta between contractual and market cash flows at a weighted average cost of capital discount rate. Market cash flows were built using the 12-year UK Gilt of 4.74% with an implied margin of 1.99% for the 2027 loan and 1.90% for the 2031 loan. The loans are considered to be a Level 2 fair value measurement. For all other bank loans there is considered no other difference between fair value and carrying value.

The fair value of financial liabilities traded on active liquid markets, including the 2.625% Bonds 2026, 3.125% Bonds 2031, 1.5% Bonds 2033, 2.860% USPP 2028 and 2.980% USPP 2030, is determined with reference to the quoted market prices. These financial liabilities are considered to be a Level 1 fair value measure.

The fair value of the financial liabilities at Level 1 fair value measure were £992.5 million (2023: £1,012.1 million) and the financial liabilities at Level 2 fair value measure were £322.6 million (2023: £153.3 million).

Risk management

Risk management

The Group is exposed to market risk (including interest rate risk), credit risk and liquidity risk. The Board of Directors oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks that are summarised below.

Market risk

Market risk is the risk that the fair values of financial instruments will fluctuate because of changes in market prices. The financial instruments held by the Group that are affected by market risk are principally the Group's cash balances and bank borrowings along with a number of interest rate derivatives entered into to mitigate interest rate risk.

The Group monitors its interest rate exposure on a regular basis. A sensitivity analysis performed to ascertain the impact on the Group Statement of Comprehensive Income and net assets of a 100 basis point shift in interest rates would result in an increase of £4.8 million (2023: £3.2 million) or a decrease of £4.8 million (2023: £3.2 million).

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or client contract, leading to a financial loss. The Group is exposed to credit risks from both its leasing activities and financing activities, including deposits with banks and financial institutions. Credit risk is mitigated by tenants being required to pay rentals in advance under their lease obligations. The credit quality of the tenant is assessed based on an extensive credit rating scorecard at the time of entering into a lease agreement.

Outstanding trade receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset. We conduct ongoing covenant analysis of our clients and strengthened our team to support this work during the period. The analysis combines publicly available financial and trading information with our own observations and client conversations as well as the opinions of third-party professionals to form a view over the credit risk of counter-parties under our leases.

Trade receivables

Trade receivables, primarily tenant rentals, are presented in the Group Statement of Financial Position net of allowances for doubtful receivables and are monitored on a case by case basis. Credit risk is primarily managed by requiring tenants to pay rentals in advance and performing tests around strength of covenant prior to acquisition and on an ongoing annual basis.

Credit risk related to financial instruments and cash deposits

One of the principal credit risks of the Group arises with the banks and financial institutions. The Board of Directors believes that the credit risk on short term deposits and current account cash balances is limited because the counterparties are banks, who are committed lenders to the Group, with high credit ratings assigned by international credit rating agencies.

Liquidity risk

Liquidity risk arises from the Group's management of working capital, the finance charges, principal repayments on its borrowings and its commitments under development arrangements. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due, as the majority of the Group's assets are property investments and are therefore not readily realisable. The Group's objective is to ensure it has sufficient available funds for its operations and to fund its capital expenditure. This is achieved by continuous monitoring of forecast and actual cash flows by management, ensuring it has appropriate levels of cash and available drawings to meet liabilities as they fall due.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	< 1 Year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
	£m	£m	£m	£m	£m
31 December 2024					
Borrowings	**67.9**	**486.6**	**937.9**	**783.7**	**2,276.1**
Trade and other payables	**112.5**	**-**	**-**	**3.9**	**116.4**
	180.4	**486.6**	**937.9**	**787.6**	**2,392.5**
31 December 2023					
Borrowings	54.8	54.6	1,033.8	832.1	1,975.2

Trade and other payables	106.9	-	-	1.0	107.9
	161.7	54.6	1,033.8	833.1	2,083.1

Included within the contracted payments is £282.3 million (2023: £343.2 million) of loan interest payable up to the point of maturity across the facilities.

29. Capital management

The Board, with the assistance of the Investment Manager, monitors and reviews the Group's capital so as to promote the long term success of the business, facilitate expansion and to maintain sustainable returns for Shareholders. The Group considers proceeds from share issuances, bank borrowings and retained earnings as capital. The Group's policy on borrowings is as set out below:

The level of borrowing will be on a prudent basis for the asset class, and will seek to achieve a low cost of funds, while maintaining flexibility in the underlying security requirements, and the structure of both the portfolio and the REIT Group.

The Directors intend that the Group will maintain a conservative level of aggregate borrowings with a medium term target of 30% - 35% of the Group's gross assets.

The Group has complied with all covenants on its borrowings up to the date of this report (see note 26). All of the targets mentioned above sit comfortably within the Group's covenant levels, which include loan to value ("LTV"), interest cover ratio and loan to projected project cost ratio. The Group LTV at the year end was 28.8% (2023: 31.6%) and there is substantial headroom within existing covenants.

Debt is drawn at the asset and corporate level, subject to the assessment of the optimal financing structure for the Group and having consideration to key metrics including lender diversity, debt type and maturity profiles.

30. Equity reserves

Share capital

The share capital relates to amounts subscribed for share capital at its nominal value:

Issued and fully paid at 1 pence each	**31 December 2024 Number**	**31 December 2024 £m**	31 December 2023 Number	31 December 2023 £m
Balance at beginning of year - £0.01 Ordinary Shares	**1,903,738,325**	**19.0**	1,868,826,992	18.7
Extinguishment of share based payment	**-**	**-**	34,911,333	0.3
Share issued in relation to the acquisition of UKCM	**576,939,134**	**5.8**	-	-
Balance at end of year	**2,480,677,459**	**24.8**	1,903,738,325	19.0

On 17 May 2024, the Company issued 576.9 million Ordinary Shares at 166.9p per share (1p nominal value and a premium of 165.9p). These shares were issued as consideration for acquiring 100% of the issued share capital of UK Commercial Property REIT. Shareholders of UK Commercial Property REIT were entitled to receive 0.444 shares for each UK Commercial Property REIT share they held.

Share premium

The share premium relates to amounts subscribed for share capital in excess of its nominal value.

Merger Reserve

Movements in the current period relate to the shares issued in relation the UKCM merger as described above (refer to note 17).

Capital reduction reserve

In 2015, 2018 and 2023, the Company by way of Special Resolution cancelled the then value of its share premium account, by an Order of the High Court of Justice, Chancery Division. As a result of these cancellations, £422.6 million, £932.4 million and £764.4 million respectively were transferred from the share premium account into the capital reduction reserve account. The capital reduction reserve account is classed as a distributable reserve. Movements in the current year relate to dividends paid.

Retained earnings

Retained earnings relates to all net gains and losses not recognised elsewhere.

31. Net asset value ("NAV") per share

Basic NAV per share is calculated by dividing net assets in the Group Statement of Financial Position attributable to ordinary equity holders of the Parent by the number of Ordinary Shares outstanding at the end of the year. As there are dilutive instruments outstanding, both basic and diluted NAV per share are shown below.

	31 December 2024 £m	31 December 2023 £m
Net assets per Group Statement of Financial Position	**4,567.4**	3,334.0
EPRA NTA	**4,603.2**	3,372.5
Ordinary Shares:		
Issued share capital (number)	**2,480,677,459**	1,903,738,325
Net asset value per share	**184.12p**	175.13p

	31 December 2024			31 December 2023		
	EPRA NTA	**EPRA NRV**	**EPRA NDV**	EPRA NTA	EPRA NRV	EPRA NDV
	£m	**£m**	**£m**	£m	£m	£m
NAV attributable to shareholders	**4,567.4**	**4,567.4**	**4,567.4**	3,334.0	3,334.0	3,334.0
Revaluation of land options	**18.0**	**18.0**	**18.0**	26.5	26.5	26.5
Mark-to-market adjustments of derivatives	**18.5**	**18.5**	**-**	13.1	13.1	-
Intangibles	**(0.7)**	**-**	**-**	(1.1)	-	-
Fair value of debt	**-**	**-**	**192.4**	-	-	141.4
Real estate transfer tax[1]	**-**	**444.6**	**-**	-	342.3	-
NAV	**4,603.2**	**5,048.5**	**4,777.8**	3,372.5	3,715.9	3,501.9
NAV per share	**185.56p**	**203.51p**	**192.60p**	177.15p	195.19p	183.95p

1 EPRA NTA and EPRA NDV reflect IFRS values which are net of RETT (real estate transfer tax). RETT are added back when calculating EPRA NRV.

See notes to the EPRA NAV calculations for further details.

32. Operating leases

The future minimum lease payments under non cancellable operating leases receivable by the Group are as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years	Total
	£m	£m	£m	£m	£m	£m	£m
31 December 2024	**295.3**	**284.1**	**274.8**	**247.4**	**232.8**	**1,952.1**	**3,286.5**
31 December 2023	201.9	204.5	199.3	195.1	179.6	1,808.5	2,788.9

The majority of the Group's investment properties are leased to single tenants, some of which have guarantees attached, under the terms of a commercial property lease. Each has upward-only rent reviews that are linked to either RPI/CPI, open market or with fixed uplifts. The weighted average unexpired lease term is 10.3 years (2023: 11.4 years).

33. Transactions with related parties

For the year ended 31 December 2024, all Directors and some of the Members of the Manager are considered key management personnel. The terms and conditions of the Investment Management Agreement are described in the Management Engagement Committee Report. Details of the amount paid for services provided by Tritax Management LLP ("the Manager") are provided in note 11.

The total amount payable in the period relating to the Investment Management Agreement was £24.6 million (31 December 2023: £22.0 million), with the total amount outstanding at the period end was £6.6 million (31 December 2023: £5.6 million).

The Manager receives a net fee relating to asset management services provided to three properties which are 4% owned by the Group, amounting to £0.05 million for the period ended 31 December 2024 (31 December 2023: £0.05 million).

million).

The total expense recognised in the Group Statement of Comprehensive Income relating to share-based payments under the Investment Management Agreement was £5.0 million (2023: £4.5 million), of which £2.7 million (2023: £2.3 million) was outstanding at the year end.

Details of amounts paid to Directors for their services can be found within the Directors' Remuneration Report.

During the year the six Members of the Manager included Colin Godfrey, James Dunlop, Henry Franklin, Petrina Austin, Bjorn Hobart and Frankie Whitehead.

During the year the Directors who served during the year received the following dividends Aubrey Adams: £21,345 (2023: £17,340), Alastair Hughes: £5,157 (2023: £3,358), Richard Laing: £5,329 (2023: £3,613), Karen Whitworth £3,942 (2023: £2,218) Wu Gang £524 (2023: £188) and Elizabeth Brown £1,534 (2023: £1,255) . See note 11 and Directors' Remuneration Report for further details.

During the year the Members of the Manager received the following dividends: Colin Godfrey: £225,247 (2022: £196,830), James Dunlop: £220,554 (2023: £194.074), Henry Franklin: £163,645 (2023: £144,283), Petrina Austin: £29,564 (2023: £25,334), Bjorn Hobart: £33,672 (2023: £29,188) and Frankie Whitehead £17,174 (2023: £13,766).

In January 2025, the Company entered into a development management agreement with Tritax Management. For full details please see the Management Engagement Committee Report.

34. Reconciliation of liabilities to cash flows from financing activities

	Borrowings	**Derivative financial instruments**	**Loan notes**	**Total**
	£m	**£m**	**£m**	**£m**
Balance on 1 January 2024	**474.7**	**(11.1)**	**1,140.5**	**1,604.1**
Cash flows from financing activities:				
Bank borrowings advanced	**340.0**	**-**	**-**	**340.0**
Bank borrowings repaid	**(178.0)**	**-**	**-**	**(178.0)**
Interest rate cap premium paid	**-**	**(1.8)**	**-**	**(1.8)**
Loan arrangement fees paid	**(1.0)**	**-**	**(0.2)**	**(1.2)**
Non-cash movements:				
Book value of UKCM borrowings	**174.5**	**-**	**-**	**174.5**
Amortisation of loan arrangement fees	**1.4**	**-**	**1.5**	**2.9**
Fair value movement	**-**	**5.4**	**-**	**5.4**
Balance on 31 December 2024	**811.6**	**(7.5)**	**1,141.8**	**1,945.9**

In addition to the above cash flow movements in borrowings, interest was also paid of £60.6 million (2023: £47.9 million); this is included in the movement in accruals.

	Borrowings	Derivative financial instruments	Loan notes	Total
	£m	£m	£m	£m
Balance on 1 January 2023	474.8	(19.9)	1,139.1	1,594.0
Cash flows from financing activities:				
Bank borrowings advanced	409.0	-	-	409.0
Bank borrowings repaid	(407.0)	-	-	(407.0)
Interest rate cap premium paid	-	(2.4)	-	(2.4)
Loan arrangement fees paid	(5.1)	-	-	(5.1)
Non-cash movements:				
Change in creditors for loan arrangement fees payable	0.1	-	-	0.1
Amortisation of loan arrangement fees	2.9	-	1.4	4.3
Fair value movement	-	11.2	-	11.2
Balance on 31 December 2023	474.7	(11.1)	1,140.5	1,604.1

35. Capital commitments

The Group had capital commitments of £101.2 million in relation to its development activity, asset management initiatives and commitments under development land, outstanding as at 31 December 2024 (31 December 2023: £128.1 million). All commitments fall due within one year from the date of this report.

36. Subsequent events

In January 2025, the Company announced it had purchased a 74-acre site at Heathrow, London within the Slough Availability Zone, a key FLAP-D prime EMEA data centre location (the "Manor Farm site"), for £70.0 million.

Simultaneously, the Company acquired a 50% share in a joint venture with a leading European renewable and low carbon energy power generator. The JV enables accelerated power delivery to the Manor Farm site using pre-existing grid connection agreements.

In connection with these arrangements, the Company has entered into a development management agreement with Tritax Management pursuant to which Tritax Management has been appointed to provide development management and technical services, including pursuing planning, overseeing construction, pre-letting services, technical electricity expertise and overseeing the technical aspects of the Company's role in the JV and all power related elements.

Tritax Management is a related party of the Company pursuant to UKLR 11.5.3R. The development management fee and profit share payments outlined above to Tritax Management are deemed to be relevant related party transactions under UKLR 11.5.4R.

In January 2025, the Company acquired a 627k sq ft asset in Haydock, a core North West location, for £74.3 million.

In January and February 2025, the Company sold or exchanged to sell £86.8 million of non-strategic assets and £79.0 million of logistics investment assets.

There were no other significant events occurring after the reporting period, but before the financial statements were authorised for issue.

37. Asset acquisition

The Group acquired all the shares of UKCM in exchange for shares in the Group. The shares issued in consideration for the acquisition qualify for merger relief and as a result no share premium has been recognised and merger reserve has been established. The target operations were solely the ownership of investment properties complete with extant tenant operating leases along with related cash, leverage, other associated assets and working capital balances.

The consideration paid in shares of the company has been allocated across the net assets acquired by fair valuing the debt acquired, fair valuing working capital acquired (given the short term nature of the amounts these values have been taken to represent cost), fair valuing cash acquired (being the principal amount) with the remaining consideration being allocated across the investment properties acquired (refer to note 17 and 26).

	16 May 2024
Assets and liabilities acquired:	**£m**
Investment property fair value	1,216.9
Discount to cost on acquisition	(67.8)
Investment property recognised at cost	1,149.1
Cash	26.7
Third party debt	(169.6)
Other net assets	(26.4)
Acquisition costs	(16.9)
Consideration paid - shares	**962.9**

COMPANY STATEMENT OF FINANCIAL POSITION
As at 31 December 2024
Company Registration Number: 08215888

	Note	**At 31 December 2024 £m**	At 31 December 2023 £m
Fixed assets			
Investment in subsidiaries	5	**3,798.9**	2,166.9
Interest rate derivatives	10	**0.7**	1.0
Total fixed assets		**3,799.6**	2,167.9
Current assets			
Trade and other receivables	6	**1,278.3**	1,710.9
Cash held at bank	7	**7.6**	1.1
Total current assets		**1,285.9**	1,712.0
Total assets		**5,085.5**	3,879.9
Current liabilities			
Trade and other payables	8	**(23.9)**	(19.4)
Loans from Group companies		**(174.6)**	(87.4)
Total current liabilities		**(198.5)**	(106.8)
Non-current liabilities			
Bank borrowings	9	**(426.1)**	(263.1)
Loan notes	9	**(1,141.8)**	(1,140.5)
Total non-current liabilities		**(1,567.9)**	(1,403.6)
Total liabilities		**(1,766.4)**	(1,510.4)
Total net assets		**3,319.1**	2,369.5
Equity			
Share capital	11	**24.8**	19.0
Share premium reserve		**49.2**	49.1
Capital reduction reserve		**1,289.0**	1,463.9
Merger reserve		**957.0**	-
Retained earnings		**999.1**	837.5
Total equity		**3,319.1**	2,369.5

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The profit attributable to the Parent Company for the year ended 31 December 2024 amounted to £161.6 million (31 December 2023: £160.8 million).

These financial statements were approved by the Board of Directors on 27 February 2025 and signed on its behalf by:

Aubrey Adams
Chairman

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

		Undistributable reserves			**Distributable reserves**		
		Share capital	**Share premium**	**Merger reserve**	**Capital reduction reserve**	**Retained earnings**	**Total**
	Note	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
1 January 2024		**19.0**	**49.1**	**-**	**1,463.9**	**837.5**	**2,369.5**
Profit for the year and total comprehensive income		**-**	**-**	**-**	**-**	**161.6**	**161.6**
		19.0	**49.1**	**-**	**1,463.9**	**999.1**	**2,531.1**
Contributions and distributions							
Share issue for UKCM acquisition		**5.8**	**0.1**	**957.0**	**-**	**-**	**962.9**
Dividends paid	4	**-**	**-**	**-**	**(174.9)**	**-**	**(174.9)**
31 December 2024		**24.8**	**49.2**	**957.0**	**1,289.0**	**999.1**	**3,319.1**

		Undistributable reserves			**Distributable reserves**		
		Share capital	Share premium	Merger reserve	Capital reduction reserve	Retained earnings	Total
	Note	£m	£m	£m	£m	£m	£m
1 January 2023		18.7	764.3	-	835.1	676.7	2,294.8
Profit for the year and total comprehensive income		-	-	-	-	160.8	160.8
		18.7	764.3	-	835.1	837.5	2,455.6
Contributions and distributions							
Shares issued in relation extinguishment of B and C liabilities		0.3	49.2	-	-	-	49.5
Transfer between reserves		-	(764.4)	-	764.4	-	-
Share-based payments		-	-	-	-	4.5	4.5
Transfer of share-based payments to liabilities to reflect settlement		-	-	-	-	(4.5)	(4.5)
Dividends paid	4	-	-	-	(135.6)	-	(135.6)
31 December 2023		19.0	49.1	-	1,463.9	837.5	2,369.5

NOTES TO THE COMPANY ACCOUNTS

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). Assets are classified in accordance with the definitions of fixed and current assets in the Companies Act 2006.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by adopted IFRS;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of Tritax Big Box REIT plc.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Company's consolidated financial statements. These financial statements do not include certain disclosures in respect of:

- share-based payments;
- financial instruments;
- fair value measurement other than certain disclosures required as a result of recording financial instruments at fair value.

Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting

These financial statements have been presented as required by the Companies Act 2006 and have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and policies in the United Kingdom ("UK GAAP").

Currency

The Company financial statements are presented in Sterling which is also the Company's functional currency and all values are rounded to the nearest 0.1 million (£m), except where otherwise indicated.

Other income

Other income represents dividend income which has been declared by its subsidiaries and is recognised when it is received.

Dividends payable for Shareholders

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the Shareholders at an Annual General Meeting.

1.1 Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises in the money derivatives and out of money derivatives where the time value offsets the negative

intrinsic value. They are carried in the Company Statement of Financial Position at fair value with changes in fair value recognised in the profit or loss in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Company does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortised cost

These assets arise principally from the provision of goods and services to clients (such as trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost being the effective interest rate method, less provision for impairment.

Impairment provisions for current receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the

non payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected

loss arising from default to determine the lifetime expected credit loss for the trade receivables. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision

provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a

forward looking expected credit loss model. The methodology used to determine the amount of provision is based on

whether there has been a significant increase in credit risk since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Company Statement of Financial Position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Investments in subsidiaries

The investments in subsidiary companies are included in the Company's Statement of Financial Position at cost less provision for impairment.

Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future years. There were no significant accounting judgements, estimates or assumptions in preparing these financial statements.

2. Standards issued and effective from 1 January 2024

There was no material effect from the adoption of other amendments to IFRS effective in the year. They have no impact to the Company significantly as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

3. Taxation

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
UK corporation tax	**-**	-

The UK corporation tax rate for the financial year is 25%. Accordingly, this rate has been applied in the measurement of the Group's tax liability at 31 December 2024.

4. Dividends paid

For details of dividends paid by the Company during the year, refer to note 16 of the Group's financial statements.

5. Investment in subsidiaries

	31 December 2024 £m	31 December 2023 £m
As at 1 January	**2,166.9**	2,243.3
Increase in investments via share purchase	**979.9**	66.6
Debt for equity swap	**661.2**	-
Disposals	**(9.1)**	(143.0)
As at 31 December	**3,798.9**	2,166.9

The increase in investments were as a result of capitalisation of inter-company loans to fund the acquisitions made in the periods.

The company had the following undertakings as at 31 December 2024:

Entity name	**Principal activity**	**Country of Incorporation**	**Ownership %**
TBBR Holdings 1 Limited	Investment holding company	Jersey	100%*
TBBR Holdings 2 Limited	Investment holding company	Jersey	100%
Baljean Properties Limited	Property investment	Isle of Man	100%
Tritax Acquisition 2 Limited	Investment holding company	Jersey	100%
Tritax Acquisition 2 (SPV) Limited	Investment holding company	Jersey	100%
The Sherburn RDC Unit Trust	Property investment	Jersey	100%
G Avonmouth Unit Trust	Property Investment	Jersey	100%
Tritax Acquisition 4 Limited	Property investment	Jersey	100%
Tritax Acquisition 5 Limited	Property investment	Jersey	100%
Sonoma Ventures Limited	Property investment	BVI	100%

Sonoma Ventures Limited	Property investment	BVI	100%
Tritax REIT Acquisition 9 Limited	Investment holding company	UK[1]	100%*
Tritax Acquisition 10 Limited	Property investment	Jersey	100%
Tritax Acquisition 11 Limited	Property investment	Jersey	100%
Tritax Acquisition 12 Limited	Property investment	Jersey	100%
Tritax Acquisition 13 Limited	Property investment	Jersey	100%
Tritax Acquisition 14 Limited	Property investment	Jersey	100%
Tritax Worksop Limited	Property investment	BVI	100%
Tritax REIT Acquisition 16 Limited	Investment holding company	UK[1]	100%*
Tritax Acquisition 16 Limited	Property investment	Jersey	100%
Tritax Acquisition 17 Limited	Property investment	Jersey	100%
Tritax Acquisition 18 Limited	Property investment	Jersey	100%
Tritax Harlow Limited	Property investment	Guernsey	100%
Tritax Lymedale Limited	Property investment	Jersey	100%
Tritax Acquisition 21 Limited	Property investment	Jersey	100%
Tritax Acquisition 22 Limited	Property investment	Jersey	100%
Tritax Acquisition 23 Limited	Property investment	Jersey	100%
Tritax Acquisition 24 Limited	Property investment	Jersey	100%
Tritax Burton Upon Trent Limited	Property investment	BVI	100%
Tritax Acquisition 28 Limited	Property investment	Jersey	100%
Tritax Peterborough Limited	Property investment	Jersey	100%
Tritax Littlebrook 2 Limited	Property investment	Jersey	100%
Tritax Littlebrook 4 Limited	Property investment	Jersey	100%
Tritax Atherstone (UK) Limited	Property investment	UK[1]	100%
Tritax Stoke DC1&2 Limited	Investment holding company	Jersey	100%*
Tritax Stoke DC3 Limited	Investment holding company	Jersey	100%*
Tritax Holdings CL Debt Limited	Investment holding company	Jersey	100%*
Tritax Portbury Limited	Property investment	Jersey	100%
Tritax Newark Limited	Property investment	Jersey	100%
Tritax Carlisle Limited	Investment holding company	Jersey	100%*
Tritax Stoke Management Limited	Management company	UK[1]	100%
Tritax Holdings PGIM Debt Limited	Investment holding company	Jersey	100%*
Tritax Merlin 310 Trafford Park Limited	Property investment	Jersey	100%*
Tritax West Thurrock Limited	Property investment	Jersey	100%
Tritax Tamworth Limited	Property investment	Jersey	100%
Tritax Acquisition 35 Limited	Property investment	Jersey	100%
Tritax Acquisition 36 Limited	Property investment	Jersey	100%*
Tritax Acquisition 37 Limited	Property investment	Jersey	100%*
Tritax Acquisition 38 Limited	Property investment	Jersey	100%*
Tritax Acquisition 39 Limited	Property investment	Jersey	100%*
Tritax Acquisition 40 Limited	Property investment	Jersey	100%*
Tritax Acquisition 41 Limited	Property investment	Jersey	100%*
Tritax Littlebrook 1 Limited	Property investment	Jersey	100%
Tritax Littlebrook 3 Limited	Property investment	Jersey	100%
Tritax Atherstone Limited	Investment holding company	Jersey	100%*
Tritax Acquisition 42 Limited	Property investment	Jersey	100%*
Tritax Acquisition 43 Limited	Property investment	Jersey	100%*
Tritax Carlisle UK Limited	Investment holding company	UK[1]	100%
Tritax Edinburgh Way Harlow Limited	Property investment	Jersey	100%*
Tritax Acquisition 45 Limited	Property investment	Jersey	100%*
Tritax Acquisition 46 Limited	Property investment	Jersey	100%*
Tritax Acquisition 47 Limited	Property investment	Jersey	100%*
Tritax Acquisition 48 Limited	Property investment	Jersey	100%*
Tritax Acquisition 49 Limited	Property investment	Jersey	100%*
Tritax Littlebrook Management Limited	Property investment	UK[1]	100%*
TBBR Holdings 4 Limited	Investment holding company	Jersey	100%*
Tritax Acquisition 50 Limited	Property investment	Jersey	100%*
Tritax Acquisition Electric Avenue Limited	Property investment	Jersey	100%*
Tritax Acquisition 51 Limited	Property investment	Jersey	100%*
Tritax Powerbox (Chelmsford) Propco Ltd (formally known as TBBR Finance (Jersey) Limited)	Financing company	Jersey	100%*
Tritax PowerBox Member Co 1 Limited[#]	Investment holding company	UK[1]	100%*

Tritax PowerBox Member Co 2 Limited#	Investment holding company	UK[1]	100%*
UK Commercial Property REIT Limited#	Investment holding company	Guernsey	100%*
UK Commercial Property Estates Holdings Limited#	Property investment	Guernsey	100%
UK Commercial Property Finance Holdings Limited#	Property investment	Guernsey	100%
UK Commercial Property Estates Limited#	Investment holding company	Guernsey	100%
UK Commercial Property Holdings Limited#	Investment holding company	Guernsey	100%
St Georges Leicester Unit Trust#	Property investment	Jersey	100%
Junction 27 Retail Unit Trust#	Property investment	Jersey	100%
Rotunda Kingston Property Unit Trust#	Property investment	Jersey	100%
Tritax Big Box Development Holdings Ltd (formally known as Tritax Symmetry Holdings Limited)	Investment holding company	Jersey	100%*
Tritax Big Box Developments Holdco 1 Ltd (formally known as db Symmetry Group Ltd)	Investment holding company	UK²	100%
db Symmetry Ltd	Investment holding company	UK²	100%
Tritax Symmetry Power Ltd	Investment holding company	UK²	100%
Tritax Symmetry Power Biggleswade Ltd	Investment holding company	UK²	100%
Tritax Big Box Developments (BVI) Ltd (formally known as Tritax Symmetry (BVI) Ltd)	Investment holding company	British Virgin Islands	100%
Tritax Symmetry Holdings (Biggleswade) Co. Limited	Investment holding company	British Virgin Islands	100%
Tritax Symmetry Properties (Biggleswade) Co. Limited	Property investment	British Virgin Islands	100%
Tritax Symmetry Holdings (Blyth) Co. Limited	Investment holding company	British Virgin Islands	100%
Tritax Symmetry Properties (Blyth) Co. Limited	Property investment	British Virgin Islands	100%
Tritax Symmetry Holdings (Middlewich) Co. Limited	Investment holding company	British Virgin Islands	100%
Tritax Symmetry Properties (Middlewich) Co. Limited	Property investment	British Virgin Islands	100%
Tritax Symmetry Development (Blyth) UK Ltd	Property development	UK²	100%
Tritax Symmetry Development (Biggleswade) UK Ltd	Property development	UK²	100%
Tritax Park Ardley Ltd (formally known as Tritax Symmetry Ardley Ltd)	Property investment	Jersey	100%
Tritax Symmetry Bicester 2 Ltd	Property investment	Jersey	100%
Tritax Park Northampton West Ltd (formally known as Tritax Symmetry Northampton West Ltd)	Property investment	Jersey	100%
Tritax Symmetry Rugby South Ltd	Property investment	Jersey	100%
Tritax Park St Helens Ltd (formally known as Tritax Symmetry St Helens Ltd)	Property investment	Jersey	100%
Tritax Park Wigan Ltd (formally known as Tritax Symmetry Wigan Ltd)	Property investment	Jersey	100%
Tritax Park Oxford Ltd (formally known as Tritax Symmetry Oxford Ltd)	Property investment	Jersey	100%
Tritax Park Northampton Ltd (formally known as Tritax Symmetry Northampton Ltd)	Property investment	Jersey	100%
Tritax Symmetry Merseyside 1 Ltd	Property investment	Jersey	100%
Tritax Park South Elmsall Ltd (formally Tritax Symmetry South Elmsall Ltd)	Property investment	Jersey	100%
Tritax Symmetry (Goole) Ltd	Property investment	UK²	100%
Tritax Big Box Developments (Midlands) Ltd (formally Tritax Symmetry (Midlands) Ltd)	Investment holding company	UK²	100%
Tritax Symmetry (Aston Clinton) Ltd	Property investment	UK²	100%
Tritax Park Leicester South Ltd (formally Tritax Symmetry Leicester South Ltd)	Property investment	Jersey	100%
Tritax Park Gloucester Ltd (formally Tritax Symmetry Gloucester Ltd)	Property investment	Jersey	100%
Tritax Symmetry (Speke) Ltd	Property investment	UK²	100%
Tritax Symmetry (Barwell) Ltd	Property investment	UK²	100%

Tritax Symmetry (Rugby) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Hinckley) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Darlington) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Blyth) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Bicester Reid) Ltd	Property investment	UK[2]	100%
Tritax Park Wigan UK Ltd (formallyTritax Symmetry (Wigan) Ltd)	Property investment	UK[2]	100%
Tritax Symmetry (Land) LLP (formally Tritax Symmetry (Land) LLP)	Investment holding company	UK[2]	100%
Tritax Symmetry (Kettering) LLP	Property investment	UK[2]	100%
Tritax Symmetry (Lutterworth) LLP	Property investment	UK[2]	100%
Tritax Big Box Developments (Northampton) LLP (formally Tritax Symmetry (Northampton) LLP)	Investment holding company	UK[2]	100%
Symmetry Park Darlington Management Company Ltd	Management company	UK[2]	100%
Symmetry Park Aston Clinton Management Company Limited	Management company	UK[2]	100%
Tritax Symmetry Glasgow East Ltd	Property investment	Jersey	100%
Symmetry Park Biggleswade Management Company Limited	Management company	UK[2]	100%
Tritax Symmetry Biggleswade 2 Ltd	Property investment	Jersey	100%
Tritax Symmetry Biggleswade 3 Ltd	Property investment	Jersey	100%
Tritax Symmetry Middlewich 1 Ltd	Property investment	Jersey	100%
Tritax Symmetry Biggleswade 4 Ltd	Property investment	Jersey	100%
Tritax Symmetry Biggleswade Land Ltd	Property investment	UK[2]	100%
Symmetry Park Merseyside Management Company Limited	Management company	UK[2]	100%
Symmetry Park Kettering Management Company Limited	Management company	UK[2]	100%
Tritax Park Wigan Management Company Ltd (formally Symmetry Park Wigan Management Company Limited)	Management company	UK[2]	100%
Symmetry Park Rugby Management Company Limited	Management company	UK[2]	100%
Tritax Symmetry Merseyside Land Ltd	Property investment	UK[2]	100%
Tritax Park Rugby West Ltd (formally Tritax Symmetry West Ltd)	Property investment	Jersey	100%
Tritax Symmetry Darlington 2 Ltd	Property investment	Jersey	100%
Intermodal Logistics Park North Ltd (formally Tritax Symmetry SRFI North Ltd)	Property investment	Jersey	100%
Symmetry Park Biggleswade Management Company No 3 Ltd#	Management company	UK[2]	100%
Tritax Park Crewe Ltd#	Property investment	Jersey	100%
Tritax Symmetry Bicester 3 Ltd#	Property investment	Jersey	100%
Tritax Park Oxford Management Company Ltd #	Management company	UK[2]	100%
Tritax Symmetry Rugby South 2 Ltd#	Property investment	Jersey	100%

*These are direct subsidiaries of the Company.

#These are new investments of the Company in the year.

The registered addresses for subsidiaries across the Group are consistent based on their country of incorporation and are as follows:

Jersey entities: 26 New Street, St Helier, Jersey JE2 3RA

Guernsey entities:, Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 2JA

Isle of Man entities: 33 37 Athol Street, Douglas, Isle of Man IM1 1LB

British Virgin Islands entities: Jayla Place, Wickhams Cay 1, Road Town, Tortola, BVI VG1110

UK¹ entities: 72 Broadwick Street, London, W1F 9QZ

UK² entities: Unit B, Grange Park Court, Roman Way, Northampton, England NN4 5EA

The Company also has interests in the following joint arrangements as at 31 December 2024:

Entity name	Principal activity	Country of incorporation	Ownership %
Symmetry Park Doncaster Management Company Limited	Management company	UK²	50%
Symmetry Park Bicester Management Company Limited	Management company	UK²	33%

All of the companies registered offshore are managed onshore and are UK residents for UK corporation tax purposes, save for the Sherburn Unit Trust, G Avonmouth Trust, St Georges Leicester Unit Trust, Junction 27 Retail Unit Trust and Rotunda Kingston Property Unit Trust.

6. Trade and other receivables

	31 December 2024 £m	31 December 2023 £m
Amounts receivable from Group companies	**1,276.9**	1,709.7
Prepayments	**0.1**	0.1
Other receivables	**1.3**	1.1
Total trade and other receivables	**1,278.3**	1,710.9

All amounts that fall due for repayment within one year and are presented within current assets as required by the Companies Act. The loans to Group companies are repayable on demand with no fixed repayment date although it is noted that a significant proportion of the amounts may not be sought for repayment within one year depending on activity in the Group companies. Interest is charged between 0%-10% (2023: 0%-10%).

7. Cash held at bank

	31 December 2024 £m	31 December 2023 £m
Cash held at bank	**7.6**	1.1

8. Trade and other payables

	31 December 2024 £m	31 December 2023 £m
Trade and other payables	**14.9**	12.9
Accruals	**9.0**	6.5
Total trade and other payables	**23.9**	19.4

9. Borrowings

Bank borrowings drawn

	31 December 2024 £m	31 December 2023 £m
Bank borrowings drawn: due in more than one year	**431.0**	269.0
Less: unamortised costs on bank borrowings	**(4.9)**	(5.9)
Total bank borrowings drawn	**426.1**	263.1

Loan notes

Bonds	**31 December 2024 £m**	31 December 2023 £m
2.625% Bonds 2026	**249.8**	249.7
3.125% Bonds 2031	**248.3**	248.0
2.860% USPP 2028	**250.0**	250.0
2.980% USPP 2030	**150.0**	150.0
1.500% Green Bonds 2033	**247.4**	247.1
Less: unamortised costs on loan notes	**(3.7)**	(4.3)
Non-current liabilities: net borrowings	**1,141.8**	1,140.5

Maturity of loan notes	**31 December 2024 £m**	31 December 2023 £m

	£m	£m
Repayable between one and two years	-	-
Repayable between two and five years	**249.8**	249.7
Repayable in over five years	**895.7**	895.1
Total Borrowings	**1,145.5**	1,144.8

10. Interest rate derivatives

	31 December 2024 £m	31 December 2023 £m
Non-current assets: interest rate derivatives	**0.7**	1.0

The interest rate derivatives are valued by the relevant counterparty banks on a quarterly basis in accordance with IFRS 9. Any movement in the mark-to-market values of the derivatives are taken to the Group Statement of Comprehensive Income.

	31 December 2024 £m	31 December 2023 £m
Interest rate derivative valuation brought forward	**1.0**	-
Premium paid	**0.9**	1.2
Changes in fair value of interest rate derivatives	**(1.2)**	(0.2)
Total interest rate derivatives	**0.7**	1.0

An interest rate cap is used to mitigate the interest rate risk that arises as a result of entering into a variable rate linked loan to cap the rate to which SONIA can rise and is coterminous with the initial term of the loan.

The interest rate derivative is marked to market by the relevant counterparty banks on a quarterly basis in accordance with IFRS 9. Any movement in the mark to market values of the derivatives are taken to the Statement of Comprehensive Income.

11. Equity reserves

Refer to note 30 of the Group's financial statements.

12. Related party transactions

The Company has taken advantage of the exemption not to disclose transactions with other members of the Group as the Company's own financial statements are presented together with its consolidated financial statements.

For all other related party transactions make reference to note 33 of the Group's financial statements.

13. Directors' remuneration

Refer to note 11 of the Group's financial statements.

14. Subsequent events

Refer to note 36 of the Group's financial statements.

NOTES TO THE EPRA AND OTHER KEY PERFORMANCE INDICATORS (UNAUDITED)

Please note that the below measures may not be comparable with similarly titled measures presented by other companies and should not be viewed in isolation, but as supplementary information.

1. Adjusted earnings - income statement

The Adjusted earning reflects our ability to generate earnings from our portfolio, which ultimately underpins dividend payments.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Gross rental income	**281.1**	222.2
Service charge income	**13.1**	6.2
Service charge expense	**(15.6)**	(6.3)
Direct property expenses	**(2.6)**	-
Fixed rental uplift adjustments	**(8.9)**	(6.2)
Net rental income	**267.1**	215.9
Other operating income	**23.0**	-
Amortisation of other property assets	**0.6**	-
Dividend Income	**0.2**	-
Administrative expenses	**(33.7)**	(28.9)
Adjusted operating profit before interest and tax	**257.2**	187.0
Net finance costs	**(63.5)**	(44.9)
Amortisation of loan arrangement fees	**4.1**	

Unwinding of discount on fixed rate debt and deferred consideration	**4.2**	4.4
Adjusted earnings before tax	**202.0**	146.5
Tax on adjusted profit	**(0.3)**	(0.6)
Adjusted earnings after tax	**201.7**	145.9
Adjustment to remove additional DMA income	**(19.3)**	-
Adjusted earnings (exc. additional DMA income)	**182.4**	145.9
Weighted average number of Ordinary Shares	**2,264,719,368**	1,881,930,698
Adjusted earnings per share	**8.91p**	7.75p
Adjusted earnings per share (exc. additional DMA income)	**8.05p**	7.75p

2. EPRA Earnings per share

A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 (restated) £m	Year ended 31 December 2023 (reported) £m
Total comprehensive income (attributable to shareholders)	**445.5**	70.0	70.0
Adjustments to remove:			
Changes in fair value of investment properties	**(243.7)**	38.1	38.1
Changes in fair value of interest rate derivatives	**5.3**	11.2	11.2
Changes in fair value of financial asset	**(0.9)**	0.1	0.1
Share of profits from joint ventures	**(0.1)**	(0.4)	(0.4)
(Gain)/Loss on disposal of investment properties	**(8.4)**	1.6	1.6
Finance income received on interest rate derivatives[1]	**-**	-	(10.2)
Amortisation of other property assets	**0.6**	-	-
Impairment of intangible and other property assets	**4.0**	2.7	2.7
Profits to calculate EPRA Earnings per share	**202.3**	123.3	113.1
Weighted average number of Ordinary Shares	**2,264,719,368**	1,881,930,698	1,881,930,698
EPRA Earnings per share - basic and diluted	**8.93p**	6.55p	6.01p

[1] There is no longer a requirement for Interest on derivatives to be taken out of EPRA EPS, per the latest EPRA best practice guidance and there for this has been excluded in 2024.

3. EPRA NAV per share

A net asset value per share calculated in accordance with EPRA's methodology

31 December 2024

	Note	**EPRA NTA £m**	**EPRA NRV £m**	**EPRA NDV £m**
NAV attributable to shareholders		**4,567.4**	**4,567.4**	**4,567.4**

Revaluation of land options		**18.0**	**18.0**	**18.0**
Mark-to-market adjustments of derivatives		**18.5**	**18.5**	**-**
Intangibles		**(0.7)**	**-**	**-**
Fair value of debt		**-**	**-**	**192.4**
Real estate transfer tax[1]		**-**	**444.6**	**-**
At 31 December 2024	**31**	**4,603.2**	**5,048.5**	**4,777.8**
NAV per share		**185.56p**	**203.51p**	**192.60p**

31 December 2023

	Note	EPRA NTA	EPRA NRV	EPRA NDV
		£m	£m	£m
NAV attributable to shareholders		3,334.0	3,334.0	3,334.0
Revaluation of land options		26.5	26.5	26.5
Mark-to-market adjustments of derivatives		13.1	13.1	-
Intangibles		(1.1)	-	-
Fair value of debt		-	-	141.4
Real estate transfer tax[1]		-	342.3	-
At 31 December 2023	31	3,372.5	3,715.9	3,501.9
NAV per share		177.15p	195.19p	183.95p

1. EPRA NTA and EPRA NDV reflect IFRS values which are net of RETT. RETT are added back when calculating EPRA NRV.

4. EPRA Net Initial Yield ("NIY") and EPRA "Topped Up" NIY

A measure to make it easier for investors to judge for themselves how the valuations of two portfolios compare.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Investment property - wholly owned	**6,369.8**	4,843.7
Investment property - share of joint ventures	**4.4**	4.2
Less: development properties	**(321.1)**	(262.7)
Completed property portfolio	**6,053.1**	4,585.2
Allowance for estimated purchasers' costs	**408.6**	309.5
Gross up completed property portfolio valuation (B)	**6,461.7**	4,894.7
Annualised passing rental income	**313.5**	225.3
Less: contracted rental income in respect of development properties	**(16.7)**	(4.6)
Property outgoings	**(4.4)**	(0.2)
Less: contracted rent under rent-free period	**(17.3)**	(17.5)
Annualised net rents (A)	**275.1**	203.0
Contractual increases for fixed uplifts	**22.6**	22.1
Topped up annualised net rents (C)	**297.7**	225.1
EPRA Net Initial Yield (A/B)	**4.26%**	4.15%
EPRA Topped Up Net Initial Yield (C/B)	**4.61%**	4.60%

5. EPRA Vacancy rate

Estimated market rental value (ERV) of vacant space divided by the ERV of the whole portfolio.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Annualised estimated rental value of vacant premises	**21.5**	6.7
Portfolio estimated rental value[1]	**377.9**	268.2
EPRA Vacancy rate	**5.7%**	2.5%

1 Excludes land held for development.

6. EPRA Cost Ratio

A key measure to enable meaningful measurement of the changes in a company's operating costs.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Property operating costs	**4.4**	0.2
Administration expenses	**9.1**	6.9
Management fees	**24.6**	22.0
Total costs including vacant property costs (A)	**38.1**	29.1
Vacant property cost	**(2.8)**	(0.1)
Total costs excluding vacant property costs (B)	**35.3**	29.0
Gross rental income - per IFRS	**281.1**	222.2
Gross rental income (C)	**281.1**	222.2
Total EPRA cost ratio (including vacant property costs)	**13.6%**	13.1%
Total EPRA cost ratio (excluding vacant property costs)	**12.6%**	13.1%

7. EPRA like-for-like rental income

Like-for-like net rental growth compares the growth of the net rental income of the portfolio that has been consistently in operation, and not under development, during the two full preceding periods that are described.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m	Change £m	Change %
Like-for-like rental income	**192.0**	**185.0**		
Other rental income	**0.4**	0.2		
Like-for-like gross rental income	**192.4**	**185.2**	7.2	3.9%
Like-for-like irrecoverable property expenditure	(0.2)	(0.1)		
Like-for-like net rental income	**192.2**	**185.1**	7.1	3.8%
Reconciliation to Net rental income per Statement of Comprehensive Income:				
Development properties	**15.1**	4.9		
Properties sent back to development	**0.5**	4.7		
Properties acquired	**49.3**	1.6		
Properties disposed	**2.4**	9.6		
Spreading of tenant incentives and guaranteed uplifts	**21.4**	16.2		
Irrecoverable property expenditure	**(4.9)**	-		
Total per Statement of Comprehensive Income	**276.0**	**222.1**	53.9	24.3%

8. EPRA property-related capital expenditure

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Acquisition[1]	**1,184.3**	109.2
Development[2]	**243.6**	208.1
Transfers to Investment Property	**(21.9)**	(16.8)
Investment properties:		
Tenant incentives[3]	**22.4**	21.0
Capitalised interest	**6.0**	4.6
Total Capex	**1,434.4**	326.1
Assets acquired as part of UKCM through share for share consideration	**(1,149.1)**	-
Conversion from accrual to cash basis	**(50.5)**	(17.2)
Total Capex on a cash basis	**234.8**	308.9

1 See note 17

2 See note 17 and note 18

3 Fixed rental uplift and tenant lease incentives after adjusting for amortisation on rental uplift and tenant lease incentives.

9. Total Accounting Return ("TAR")

Net total return, being the percentage change in EPRA NTA over the relevant period plus dividends paid.

Net total return, being the percentage change in EPRA NTA over the relevant period plus dividends paid.

	Year ended 31 December 2024	Year ended 31 December 2023
Opening EPRANTA	**177.15p**	180.37p
Closing EPRANTA	**185.56p**	177.15p
Change in EPRANTA	**8.41p**	(3.22p)
Dividends paid	**7.53p**	7.23p
Total growth in EPRANTA plus dividends paid	**15.94p**	4.01p
Total return	**9.0%**	2.2%

10. Total Expense Ratio

The ratio of total administration and property operating costs expressed as a percentage of average net asset value throughout the period.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Total operating costs	**33.7**	28.9
Average net assets over the period	**4,059.0**	3,371.5
Total Expense Ratio	**0.83%**	0.86%

11. Loan to value ratio

The proportion of our gross asset value that is funded by net borrowings

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Gross debt drawn	**1,963.9**	1,626.7
Less: cash	**(80.6)**	(36.4)
Net debt	**1,883.3**	1,590.3
Gross property value	**6,548.6**	5,030.4
Loan to value ratio	**28.8%**	31.6%

12. EPRA loan to value ratio

The proportion of our gross asset value that is funded by net borrowings and working capital.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Gross debt drawn [1]	**1,993.9**	1,626.7
Working capital	**58.4**	87.1
Less: cash	**(80.6)**	(36.4)
Net debt	**1,971.7**	1,677.4
Gross property value	**6,548.6**	5,030.4
Loan to value ratio	**30.1%**	33.3%

The financial information contained in this results announcement has been prepared on the basis of the accounting policies set out in the statutory financial statements for the year ended 31 December 2024 which are consistent with policies those adopted in the year ended 31 December 2023. Whilst the financial information included in this announcement has been computed in accordance with UK adopted international accounting standards, this announcement does not itself contain sufficient disclosures to comply with IFRS. The financial information does not constitute the Group's statutory financial statements for the years ended 31 December 2024 or 31 December 2023, but is derived from those financial statements. Financial statements for the year ended 31 December 2023 have been delivered to the Registrar of Companies and those for the year ended 31 December 2024 will be delivered following the Company's Annual General Meeting. The auditors' reports on both the 31 December 2024 and 31 December 2023 financial statements were unqualified; did not draw attention to any matters by way of emphasis; and did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

Glossary of Terms

"Adjusted Earnings" Post-tax earnings attributable to shareholders, adjusted to include licence fees receivable on forward funded development assets, finance income on interest rate derivatives and adjusts for other earnings not supported by cash flows. "Adjusted Earnings per share" or "Adjusted EPS" on a per share basis.

"B and C Shares" The B and C Shares in Tritax Big Box Developments Holdings Limited that were issued to the Tritax Big Box Development Management shareholders.

"Big Box" A "Big Box" property or asset refers to a specific subsegment of the logistics sector of the real estate market, relating to very large logistics warehouses (each with typically over 500,000 sq ft of floor area) with the primary function of holding and distributing finished goods, either downstream in the supply chain or direct to consumers, and typically having the following characteristics: generally a modern constructed building with eaves height exceeding 12 metres; let on long leases with institutional-grade clients; with regular, upward-only rental reviews; having a prime geographical position to allow both efficient stocking (generally with close links to sea ports or rail freight hubs) and efficient downstream distribution; and increasingly with sophisticated automation systems or a highly bespoke fit out.

"Board" The Directors of the Company.

"BREEAM" The Building Research Establishment Environmental Assessment Method certification of an asset's environmental, social and economic sustainability performance, using globally recognised standards.

"Company" Tritax Big Box REIT plc (company number 08215888).

"Contracted annual rent roll" Annualised rent, adjusting for the inclusion of rent free period

"CPI" Consumer Price Index, a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care as calculated on a monthly basis by the Office of National Statistics.

"Current Development Pipeline" Assets that are in the course of construction or assets for which we have made a construction commitment.

"CVA" A company voluntary liquidation, a legally binding agreement between a business and its creditors which sets out a debt repayment plan and enables a viable business to avoid insolvency.

"db Symmetry" db Symmetry Group Ltd and db symmetry BVI Limited, together with their subsidiary undertakings and joint venture interests, which were acquired by the Group in February 2019.

"Directors" The Directors of the Company as of the date of this report being Aubrey Adams, Elizabeth Brown, Alastair Hughes, Richard Laing, Karen Whitworth, Wu Gang and Kirsty Wilman.

"Dividend pay-out ratio" Dividend per share divided by Adjusted Earnings per share.

"Development Management Agreement" or **"DMA"** An agreement between the Group and a developer setting out the terms in respect of the development of an asset. In particular, the development of the Tritax Big Box Developments Portfolio is the subject of a DMA between Tritax Big Box Developments Holdings and Tritax Big Box Developments ManCo.

"Development portfolio" or **"Development assets"** The Group's Development portfolio comprises its property assets which are not Investment assets, including land, options over land as well as any assets under construction on a speculative basis.

"EPC rating" A review of a property's energy efficiency.

"EPRA" European Public Real Estate Association.

"EPRA Earnings" Earnings from operational activities (which excludes the licence fees receivable on our Forward Funded Development assets).

"EPRA NAV" o r **"EPRA Net Asset Value"** The Basic Net Asset Value adjusted to meet EPRA Best Practices Recommendations Guidelines (2016) requirements by excluding the impact of any fair value adjustments to debt and related derivatives and other adjustments and reflecting the diluted number of Ordinary Shares in issue.

"EPRA Triple Net Asset Value (NNNAV)" EPRA NAV adjusted to include the fair values of financial instruments, debt and deferred taxes.

"EPRA Net Tangible Asset (NTA)" The Basic Net Asset Value adjusted to meet EPRA Best Practices Recommendations Guidelines (2019) requirements by excluding intangibles and the impact of any fair value adjustments to related derivatives. This includes the revaluation of land options.

"EPRA Net Reinstatement Value (NRV)" IFRS NAV adjusted to exclude the impact of any fair value adjustments to related derivatives. This includes the revaluation of land options and the Real estate transfer tax (RETT).

"EPRA Net Disposal Value (NDV)" IFRS NAV adjusted to include the fair values of debt and the revaluation of land options.

"EPRA Net Initial Yield (NIY)" Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchaser's costs.

"EPRA 'Topped-Up' NIY" This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives, such as discounted rent periods and step rents).

"EPRA Vacancy" Estimated market rental value (ERV) of vacant space divided by the ERV of the whole portfolio.

"EPRA Cost Ratio" Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.

"Estimated cost to completion" Costs still to be expended on a development or redevelopment to practical completion, including attributable interest.

"Estimated rental value" or **"ERV"** The estimated annual market rental value of lettable space as determined biannually by the Group's valuers. This will normally be different from the rent being paid.

"FCA" The United Kingdom Financial Conduct Authority (or any successor entity or entities).

"Forward Funded Development" Where the Company invests in an asset which is either ready for, or in the course of, construction, pre-let to an acceptable counterparty. In such circumstances, the Company seeks to negotiate the receipt of immediate income from the asset, such that the developer is paying the Company a return on its investment during the construction phase and prior to the client commencing rental payments under the terms of the lease. Expert developers are appointed to run the development process.

"Foundation asset" Foundation assets provide the core, low-risk income that underpins our business. They are usually let on long leases to clients with excellent covenant strength. These buildings are commonly new or modern and in prime locations, and the leases have regular upward only rent reviews, often either fixed or linked to Inflation Indices.

"FRI Lease" Full Repairing and Insuring Lease. During the lease term, the client is responsible for all repairs and decoration to the property, inside and out, and the building insurance premium is recoverable from the client.

"Future Development Pipeline" The Group's land portfolio for future development typically controlled under option agreements which do not form part of the Current or Near Term development pipelines.

"Gearing" Net borrowings divided by total shareholders' equity excluding intangible assets and deferred tax provision.

"GIA" Under the RICS Code of Measuring Practice (6th Edition) the Gross Internal Area (GIA) is the basis of measurement for valuation of industrial buildings (including ancillary offices) and warehouses. The area of a building measured to the internal face of the perimeter walls at each floor level (including the thickness of any internal walls). All references to building sizes in this document are to the GIA.

"GAV" The Group's gross asset value.

"Global Real Estate Sustainability Benchmark (GRESB) Assessment" GRESB assesses the ESG performance of real estate and infrastructure portfolios and assets worldwide, providing standardised and validated data to the capital markets.

"Gross rental income" Contracted rental income recognised in the period, in the income statement, including surrender premiums and interest receivable on finance leases. Lease incentives, initial costs and any contracted future rental increases are amortised on a straight-line basis over the lease term.

"Group" or **"REIT Group"** The Company and all of its subsidiary undertakings.

"Growth Covenant asset" Growth Covenant assets are fundamentally sound assets in good locations, let to clients we perceive to be undervalued at the point of purchase and who have the potential to improve their financial strength, such as young e-retailers or other companies with growth prospects. These assets offer value enhancement through yield compression.

"IMA" The Investment Management Agreement between the Manager and the Company.

"Investment portfolio" or **"Investment assets"** The Group's Investment Portfolio comprises let or pre-let (in the case of Forward Funded Developments) assets which are income generating, as well as any speculative development assets which have reached practical completion but remain unlet.

"Investment property" Completed land and buildings held for rental income return and/or capital appreciation.

"Land asset" Opportunities identified in land which the Manager believes will enable the Company to secure, typically, pre-let Forward Funded Developments in locations which might otherwise attract lower yields than the Company would want to pay, delivering enhanced returns but controlling risk.

"Listing Rules" The listing rules made by the Financial Conduct Authority under section 73A of FSMA.

"Loan Notes" The loan notes issued by the Company on 4 December 2018.

"Loan to Value (LTV)" The proportion of our gross asset value that is funded by net borrowings.

"London Stock Exchange" London Stock Exchange plc.

"Manager" Tritax Management LLP (partnership number 0C326500).

"Minimum Energy Efficiency Standards (MEES)" The legal standard for minimum energy efficiency which applies to rented commercial buildings as regulated by the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.

"Near-term Development Pipeline" Sites which have either received planning consent or sites where planning applications have been submitted prior to the year end.

"Net Initial Yield (NIY)" The annual rent from a property divided by the combined total of its acquisition price and expenses.

"Net rental income" Gross rental income less ground rents paid, net service charge expenses and property operating expenses.

"Net zero carbon" Highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset.

"Non-PID Dividend" A dividend received by a shareholder of the principal company that is not a PID.

"Ordinary Shares" Ordinary Shares of £0.01 each in the capital of the Company.

"Passing rent" The annual rental income currently receivable on a property as at the balance sheet date (which may be more or less than the ERV).. Excludes service charge income (which is netted off against service charge expenses).

"PID" or **"Property income distribution"** A dividend received by a shareholder of the principal company in respect of profits and gains of the Property Rental Business of the UK resident members of the REIT group or in respect of the profits or gains of a non-UK resident member of the REIT group insofar as they derive from their UK Property Rental Business.

"Portfolio" The overall portfolio of the Company including both the Investment and Development portfolios.

"Portfolio Value" The value of the Portfolio which, as well as the Group's standing assets, includes capital commitments on Forward Funded Developments, Land Assets held at cost, the Group's share of joint venture assets and other property assets.

"Pre-let" A lease signed with a client prior to commencement of a development.

"REIT" A qualifying entity which has elected to be treated as a Real Estate Investment Trust for tax purposes. In the UK, such entities must be listed on a recognised stock exchange, must be predominantly engaged in property investment activities and must meet certain ongoing qualifications.

"Rent roll" See **"Passing rent".**

"RPI" Retail price index, an inflationary indicator that measures the change in the cost of a fixed basket of retail goods as calculated on a monthly basis by the Office of National Statistics.

"SDLT" Stamp Duty Land Tax - the tax imposed by the UK Government on the purchase of land and properties with values over a certain threshold. "Shareholders" The holders of Ordinary Shares.

"SONIA" Sterling Overnight Index Average

"Speculative development" Where a development has commenced prior to a lease agreement being signed in relation to that development.

"sq ft" Square foot or square feet, as the context may require.

"Tritax Big Box Developments shareholders" The holders of B and C Shares in Tritax Big Box Developments.

"Tritax Big Box Developments ManCo" Tritax Big Box Developments Limited, a private limited company incorporated in England and Wales (registered number 11685402) which has an exclusive development management agreement with Tritax Big Box Developments to manage the development of the Tritax Big Box Developments Portfolio.

"Topped up net initial yield" Net initial yield adjusted to include notional rent in respect of let properties which are subject to a rent-free period at the valuation date thereby providing the Group with income during the rent-free period. This is in accordance with EPRA's Best Practices Recommendations.

"Total Expense Ratio" or **"TER"** The ratio of total administration and property operating costs expressed as a percentage of average net asset value throughout the period.

"Total Accounting Return" Net total return, being the percentage change in EPRA NTA over the relevant period plus dividends paid.

"Total Shareholder Return" A measure of the return based upon share price movement over the period and assuming reinvestment of dividends.

"Triple Net Lease" - A triple net lease (NNN lease) is a commercial lease agreement in which the tenant is responsible for paying property taxes, insurance, and maintenance costs in addition to rent and utilities. This type of lease shifts most property expenses from the landlord to the tenant.

"Tritax Big Box Developments" Tritax Big Box Development Holdings Limited, a limited company incorporated in Jersey (registered number 127784).

"Tritax Big Box Developments Portfolio" The portfolio of assets held through Tritax Big Box Developments following the acquisition of db Symmetry in February 2019, including land, options over land and a number of assets under development.

"True Equivalent Yield (TEY)" The internal rate of return from an Investment property, based on the value of the property assuming the current passing rent reverts to ERV on the basis of quarterly in advance rent receipts and assuming the property becomes fully occupied over time.

"UK AIFMD Rules" The laws, rules and regulations implementing AIFMD in the UK, including without limitation, the Alternative Investment Fund Managers Regulations 2013 and the Investment Funds sourcebook of the FCA.

"Value Add asset" These assets are typically let to clients with good covenants and offer the chance to grow the assets' capital value or rental income, through lease engineering or physical improvements to the property. We do this using our asset management capabilities and understanding of client requirements. These are usually highly re-lettable. It also includes assets developed on a speculative basis which have reached practical completion but remain unlet at the period end.

"WAULT" or **"Weighted Average Unexpired Lease Term"** The income for each property applied to the remaining certain term for an individual property or the lease and expressed as a portfolio average in years.

"Waystone" o r **"Waystone Asset Services"** A trading name of Waystone Administration Solutions (company number 2605568).

"Yield on cost" The expected gross yield based on the estimated current market rental value (ERV) of the developments when fully let or actual rental value for completed developments or those pre-let, as appropriate, divided by the estimated or actual total costs of the development.

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[1] Source: CBRE

[2] Source: DTRE, "Big Box Logistics Occupier and capital markets report", January 2025

[3] Source: Cushman & Wakefield, "EMEA Data Centre H2 2024 Update", February 2025

[4] This reflects shorter-dated leases, typically in smaller assets, where no rent review is undertaken with the lease period.

[5] Rent for overdue reviews is accrued and recognised within rental income at a level that is reasonably expected to be achieved on settlement.

[6]

[6] Includes both non-strategic and logistics assets

[7] £306.2 million when including transactions which had exchanged but not yet completed as at the date of publication.

[8] £23.0 million of associated development management income.

[9] The methodology underpinning the embodied carbon calculation was updated to include the building only, which aligns with the Pilot UK Net Zero Carbon Building Standard. We will review our embodied carbon target accordingly and in line with market best practice.

[10] Includes the dilution effect from the share issued in relation to the acquisition of UKCM.

[11] Excluding additional development management agreement income.

[12] Calculated taking out the effect of the unwinding of the fair value gain on UKCM borrowings on acquisition.

[13] Calculated on a pro-forma basis inclusive of a full 12 months contribution from UKCM, adding back the fair value gain recognised on the acquisition of UKCM.

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