

Home REIT plc

Half Year Report — For the Period Ended 28 February 2025

Overview

Home REIT plc (the “Company”) and together with its subsidiaries (the “Group”)

The board of non-executive directors of the Company (ticker: HOME) (the “Board” or the “Directors”) reports its interim results for the period from 1 September 2024 to 28 February 2025 (“HY25”).

The Company started HY25 with the investment objective of stabilising the Group's financial condition through initiatives to maximise income and capital returns by investing in a portfolio of UK residential real estate (the “Amended Investment Policy”). On 16 September 2024, shareholders approved the New Investment Policy. Under the New Investment Policy, the Company has the objective of realising all existing investments in the Group’s portfolio in an orderly manner, with a view to ultimately returning available cash to shareholders following the repayment of the Group’s borrowings. Full details of the New Investment Policy are on pages 15-16.

The Group, a real estate investment trust (“REIT”), is listed on the Official List of the Financial Conduct Authority (the “FCA”) and was admitted to trading on the premium segment of the main market of the London Stock Exchange (“LSE”) on 12 October 2020. As the Group did not publish its annual financial report for the year ended 31 August 2022 (“FY22”) within four months of the end of its financial year (as required by the Financial Conduct Authority’s Disclosure Guidance and Transparency Rule 4.1.3) the listing of the Company’s ordinary shares (each a “Share” and together, the “Shares”) was suspended on 3 January 2023. The FY22 accounts were published on 11 October 2024; the accounts for the year ended 31 August 2023 (“FY23”) were published on 14 January 2025; the accounts for the year ended 31 August 2024 (“FY24”) were published on 20 October 2025; and the accounts for the year ended 31 August 2025 (“FY25”) were published on 25 February 2026. As the Company has now published all outstanding financial information required under the UK Listing Rules, the Company will make an application to the FCA for the restoration of its listing and the recommencement of trading on the London Stock Exchange. A further update on the expected timetable will be made prior to the date of restoration.

A summary of key events from Regulatory News Services (“RNS”) announcements made since 1 September 2024 is included in Appendix 1. There is a Glossary of Defined Terms on pages 54 to 59.

Financial overview

- The Group owned 860 properties at 28 February 2025 (31 August 2024: 1,375) of which 385 properties were leased to 17 different registered charities, community interest companies and other regulated organisations and 475 properties were managed by third party property managers.
- An 8.2% decrease in net asset value (“NAV”) per Share to 22.25 pence as at 28 February 2025 (year to 31 August 2024: 11.6% decrease to 24.25 pence), resulting from the loss before tax.
- Loss before tax for the six months to 28 February 2025 of £15.8 million (six months to 29 February 2024: loss of £8.8 million, year to 31 August 2024: loss of £25.2 million).
- The Group repaid the outstanding borrowings of £93.8 million and all associated interest and the Deferred Fees totalling £9.0 million during the period.
- The Group held unrestricted cash balances totalling £13.0 million as at 28 February 2025 (31 August 2024: £6.2 million).
- No dividends were paid in respect of the six-month period to 28 February 2025 (year to 31 August 2024: £nil).
- The Group completed on the sale of 515 investment properties for gross sales proceeds of £96.1 million during the six-month period to 28 February 2025 (year to 31 August 2024: 1,098 properties for £147.9 million), decreasing the Group’s portfolio from 1,375 as at 31 August 2024 to 860 properties at 28 February 2025.
- The portfolio was independently valued at £168.2 million as at 28 February 2025 (31 August 2024: £265.4 million). The properties have been valued on an individual basis. No portfolio premium or discount has been applied.
- In addition to the sale of 515 properties, the remaining portfolio experienced an increase in their fair value of £1.4 million. The valuation represents 44.8% of the historical acquisition costs of £375.3 million (including purchase costs) (financial year to 31 August 2024: increase of £7.2 million, 44.7% of the historical acquisition costs of £593.6 million).
- During the six-month period ended 28 February 2025, the Group agreed surrender deals with 10 tenants covering 308 properties (year to 31 August 2024: 29 tenants covering 1,839 properties). On 64 of those properties, the primary lease was surrendered and the Group inherited a direct lease with the undertenant. New leases were agreed on a further 10 properties and a property manager was put into place on 234 properties.

Overview and key events

New Investment Manager and AIFM

Following approval by Shareholders of the Amended Investment Policy on 21 August 2023 the Board appointed AEW UK Investment Management LLP (“AEW”) as the Company’s Investment Manager and Alternative Investment Fund Manager (“AIFM”). The terms of their engagement are described in Note 18 to the Unaudited Condensed Consolidated Financial Statements. AEW replaced Alvarium Home REIT Advisors Limited (“AHRA”) as investment manager and Alvarium Fund Managers (UK) Limited (“Alvarium FM”) as AIFM.

Investment Policy

The Amended Investment Policy, effective from 21 August 2023, aimed to ensure the Group was able to continue to operate in the sector and preserve its longer-term social objective of helping to alleviate homelessness in the UK. The objective was to stabilise the Group’s financial condition through initiatives to maximise income and capital returns by investing in a portfolio of UK residential real estate and from other Social Use occupier groups. On 16 September 2024 this policy was amended as shareholders approved the New Investment Policy for the Managed Wind-Down of the Group which is described more fully on pages 15-16. Under the New Investment Policy, the Company has the objective of realising all existing investments in the Group’s portfolio in an orderly manner, with a view to ultimately returning available cash to shareholders, following the repayment of the Group’s borrowings.

Director Changes

On 14 January 2025, following the publication of the FY23 accounts, the Company announced Lynne Fennah, Marlene Wood, Peter Cardwell and Simon Moore stood down as Directors (and Ms. Wood as Audit Committee Chair, with Rod Day succeeding her on that day) with immediate effect. They will continue to assist the Company, when necessary, on historic legal and regulatory matters.

Disposals

From 1 September 2024 to 28 February 2025, the Group completed on the sale of 515 properties for gross sales proceeds of £96.1 million and in the comparative period of 2024, 394 properties completed with gross sales proceeds of £74.8 million. Properties sold since 31 August 2024 were presented in the Consolidated Statement of Financial Position as at 31 August 2024 at £98.4 million.

Debt

On 27 November 2024, the Group made its final payment on the loans to Scottish Widows and on 16 December 2024 the Group paid the outstanding Deferred Fees of £9.0 million and Scottish Widows released its charge over the Company’s assets.

Potential Litigation / FCA Investigation

A pre-action letter of claim was sent to the Company by Harcus Parker Limited (“Harcus Parker”) on behalf of certain shareholders of the Company in October 2023. On 5 March 2024, the Company announced that it intended to bring legal proceedings against those parties it considers are responsible for wrongdoing. It remains the Company’s intention to pursue those whom it considers may be liable for the losses it has suffered, subject to a commercial assessment of the cost-benefit analysis.

On 12 April 2024, the Company issued pre-action letters of claim to Alvarium FM and AITi RE Limited (“AITi RE”), as AHRA’s former principal under an Authorised Representative Agreement. On 29 May 2024, the Company issued a pre-action letter of claim to AHRA.

On 7 February 2024, the Company was notified by the FCA of its commencement of an investigation into the Company covering the period from 22 September 2020 to 3 January 2023.

Serious Fraud Office

As we announced on 14 January 2026, the Company understands that the Serious Fraud Office (“SFO”) made arrests and raided properties on that day related to people formerly associated with the Company. The Company continues to provide all assistance that is able to the SFO in pursuing its investigations.

Post period end events

Disposals

On 2 March 2026, the Group exchanged on the disposal of 706 properties, representing the majority of the Company's portfolio of assets, to Patron Capital for £123.0 million, which is expected to complete no later than 1 April 2026. In addition, from 1 March 2025 to 25 March 2026, the Group exchanged and completed on the sale of ten properties for gross sales proceeds of £1.1 million

Chairman's statement

Dear Shareholder

With the publication of this interim report for the period ended 28 February 2025, the Board believes it has achieved an important milestone in that its financial filings are now fully up to date. The Board is fully focused on delivering on all other aspects of the Managed Wind-Down so it can begin to return capital to Shareholders.

Financial Results

Loss

The loss before tax of the Group for the period to 28 February 2025 was £15.8 million (six months to 29 February 2024: loss of £8.8 million; year to 31 August 2024: loss of £25.2 million).

The significant items driving the loss include:

- realised losses on the disposal of investment properties of £5.8 million;
- net revenues of £7.9 million, being rental income of £12.0 million, net of the provision for expected credit losses of £3.6 million and the impairment of straight-line revenue debtor of £0.5 million;
- property operating expenses of £5.8 million;
- general and administrative expenses of £13.1 million of which £4.3 million related to AEW's fees and £3.1 million related to legal fees;
- finance costs of £0.4 million; offset by
- an increase in fair value of investment property of £1.4 million;

Net asset value

As a result of the loss described above, the NAV has decreased from £191.7 million as at 31 August 2024 to £175.9 million as at 28 February 2025. The NAV per Share has decreased to 22.25 pence as at 28 February 2025, a decrease of 8.2% from 24.25 pence as at 31 August 2024.

Corporate Governance

The Company is an externally managed REIT. The non-executive Board is responsible for leading and controlling the Group and has overall authority for the management and conduct of the Group's business, strategy and development. In order to fulfil these obligations, on 21 August 2023 the Board appointed AEW to act as the Company's Investment Manager and AIFM.

Amended Investment Policy and Stabilisation Period

The Amended Investment Policy, effective from 21 August 2023, aimed to ensure the Group was able to continue to operate in the sector and preserve its longer-term social objective of helping to alleviate homelessness in the UK. The objective was to stabilise the Group's financial condition through initiatives to maximise income and capital returns by investing in a portfolio of UK residential real estate.

Managed Wind-Down and New Investment Policy

On 5 February 2024, the Group announced that it had commenced a re-financing process to consider alternative finance options for the Company. On 17 June 2024, the Company announced that it had been unable to secure a re-financing of its existing debt facility on terms that it could recommend to shareholders, despite extensive and advanced discussions with a potential lender. The re-financing of the debt was a key component of the continued advancement of the stabilisation strategy discussed above and as adopted in August 2023. As the refinancing had not been possible, the Company also announced that it was considering a number of options both to re-pay the outstanding debt and provide an optimised resolution for shareholders, which could include a more extensive realisation strategy. The Board and AEW continued to engage with Scottish Widows which advised that its objective was for repayment of the loan balance in the short term and no later than 31 December 2024.

Subsequent to concluding that the re-financing was no longer viable, the Board conducted a full review of the stabilisation strategy and whilst it recognised that there was an opportunity to add value to the portfolio at a property level, it concluded that this strategy faced considerable challenges. These included a high fixed corporate cost base, required due to the REIT structure and as a result of the issues being dealt with by the Company, as well as the capital expenditure required to drive an increase in rental value. In addition, the Board was aware that the size of the vehicle following the repayment of debt would be considered too small by many investors when considering its future as a listed REIT.

As a result of these factors and having carefully considered the range of options available for the Company, the Board concluded that it was in the best interests of shareholders to propose a managed wind-down strategy for the Company pursuant to which the assets of the Group would be sold with the objective of optimising remaining shareholder value and repaying the Group's loan balance (the "Managed Wind-Down"). The implementation of the proposed Managed Wind-Down required a further change to the Company's investment policy. Accordingly, on 16 September 2024, shareholders approved the New Investment Policy, which is intended to allow the Company to realise all the assets in its property portfolio in an orderly manner with the view to repaying borrowings and making timely returns of capital to shareholders whilst aiming to optimise the value of the Group's assets.

Full details of the New Investment Policy are on pages 15 and 16.

Outlook and Approach to the Managed Wind-Down

After an extensive marketing campaign commenced in Q4 2024, a significant number of parties showed interest in the remaining property portfolio. Nonbinding offers were received for the full portfolio in February 2025. On 2 March 2026, the Group exchanged on the disposal of 706 properties (of the 850 remaining in the portfolio on the date) to Patron Capital for £123.0 million, which is expected to complete no later than 1 April 2026. The sales process on the majority of the remaining 144 assets is expected to conclude in the first half of 2026. The Group will not make any further real estate acquisitions and no further investment will be made unless such expenditure is necessary to protect or enhance an asset's net realisable value or in order to comply with statutory obligations.

FCA investigation

The Company was notified on 7 February 2024 that the FCA had commenced an investigation into the Company. The Company, the Directors and the previous Directors in office at IPO are cooperating fully with the FCA in its work.

Potential Litigation

I have set out below statements of fact, without waiver of legal privilege and although this provides a true and fair view of the state of the Group, I am unable to elaborate with further details as to do so may prejudice the Company's position in any potential proceedings.

Legal privilege includes confidential documents and communications between lawyers, clients, and/or third parties, which come into existence for the dominant purpose of being used in connection with actual or pending litigation or for the dominant purpose of seeking legal advice. Legal privilege creates an absolute right to protect and withhold inspection of such documents and communications.

A pre-action letter has been sent to the Company by Marcus Parker on behalf of certain current and past shareholders of the Company in October 2023. No legal proceedings have been issued at this stage. The letter alleged that the Company, along with certain other parties, provided information to investors which was false, untrue and/or misleading. The Company has issued a comprehensive response to Marcus Parker and correspondence is continuing between the parties. The Company intends vigorously to defend itself in respect of the threatened litigation and has denied the allegations made against it.

The Company intends, subject to a commercial assessment of the cost-benefit analysis, to bring legal proceedings against those parties whom it considers may be liable for losses it has suffered. To that end, the Company has itself issued pre-action letters of claim to Alvarium FM, AITi RE and AHRA.

Shortly before issuance of the pre-action letter of claim, the Company was made aware that AHRA had appointed joint liquidators for the purpose of winding up that company. Notwithstanding this event, it remains important that all means of potential financial recovery are fully considered and that any wrongdoing is thoroughly investigated, where it is financially viable to do so. The Company also issued pre-action letters of claim to Alvarium FM (its former AIFM) and AITi RE in April 2024. However, since the issue of those letters, both Alvarium FM and AITi RE have been placed into administration. As with the liquidation of AHRA, this potentially complicates the ability of the Company to achieve financial recovery from Alvarium FM and/or AITi RE. The Company is also assessing the viability of seeking recoveries directly from AHRA, Alvarium FM and AITi RE's insurers. The Company cannot comment any further at this stage, as to do so may prejudice the Company's position in any potential proceedings.

Return of capital to shareholders

As shareholders will be aware, the Company has faced the ongoing prospect of potential group litigation for some time. That prospect has not receded. Separately, but in addition, the January announcements of the Serious Fraud Office also serve to illustrate the complex and uncertain environment in which the Board is required to make decisions.

It remains the objective of the Board to ensure the Company can return available capital upon completion of the realisation strategy as soon as possible. However, we must remind shareholders that the ability to make distributions may be constrained by the circumstances facing the Company, including the uncertainties described above, which may result in returns of capital taking place over a longer period.

The Board continues to take professional advice on the options that would enable available capital to be returned to shareholders in a way that is transparent, cost effective and consistent with the Board's legal and fiduciary duties and obligations as directors of the Company.

We understand the uncertainty regarding the quantum and timing of the return of available capital may be a source of further disappointment to shareholders.

As we have previously disclosed, the Company also expects to retain capital to meet corporate costs and allow it to pursue legal action against those who may be liable for the losses it has suffered, subject to a commercial assessment of the cost-benefit analysis.

Directors

On 14 January 2025, following the publication of the FY23 accounts, the Company announced Lynne Fennah, Marlene Wood, Peter Cardwell and Simon Moore had stood down as Directors with immediate effect with Rod Day succeeding Marleen Wood as Audit Committee Chair. The departing directors will continue to assist the Company, when necessary, on historic legal and regulatory matters.

The remaining directors will continue to serve on the Audit Committee (Chair: Rod Day), the Management Engagement Committee (Chair: Peter Williams, Senior Independent Director) and the Nomination Committee (Chair: Michael O'Donnell, Chair of Home REIT).

Financing

The Group had two loans with Scottish Widows Limited ("Scottish Widows" or the "Lender"). After reporting loan covenant breaches in January 2023, the Lender agreed an initial waiver letter dated 29 January 2023 and issued new waiver letters prior to the expiry of each previous waiver period. In exchange for granting those waivers, certain financial penalties (the "Deferred Fees") were imposed by Scottish Widows on the daily balance of outstanding loans. On 27 November 2024, the Group made its final payment on the loans and on 16 December 2024 paid the Deferred Fees of £9.0 million.

Disposals

From 1 September 2024 to 28 February 2025, the Group completed on the sale of 515 properties for gross sales proceeds of £96,096,000. Together with the 1,098 properties which completed on or prior to 31 August 2024, 1,613 properties have completed for total gross proceeds of £244,012,000. Properties sold since 31 August 2024 were presented in the Consolidated Statement of Financial Position as at 31 August 2024 at £98,433,000.

Dividends

On 16 February 2023, the Board announced that except for any distributions that would be required to maintain REIT status, that it would cease to pay any dividends until further notice. There were no dividends declared in respect of the period ended 28 February 2025 (year to 31 August 2024: £nil).

Post-balance sheet matters

The post balance sheet events are detailed in Note 23 to the unaudited condensed consolidated financial statements and in the Management Report on page 14.

Extension of Investment Management Agreement

With the adoption of the New Investment Policy and to reflect the reduced size but increased complexity of the Company's property portfolio, the agreement between the Company and AEW required updated contract terms. On 22 August 2025, the Company and AEW agreed an amended Investment Management Agreement ("IMA") with immediate effect. The terms of the contract are summarised in Note 18. The revised IMA may be terminated on six months' written notice and occur no earlier than 21 August 2026.

SFO

As we announced on 14 January 2026, the Company understands that the SFO made arrests and raided properties on that day related to people formerly associated with the Company. The Company continues to provide all assistance that it is able to the SFO in pursuing its investigations.

Disposals

On 2 March 2026, the Group exchanged on the disposal of 706 properties, representing the majority of the Company's portfolio of assets, to Patron Capital for £123.0 million, which is expected to complete no later than 1 April 2026. In addition, from 1 March 2025 to 25 March 2026, the Group exchanged and completed on the sale of ten properties for gross sales proceeds of £1,087,000.

Michael O'Donnell

Chair

25 March 2026

Management report

Introduction

On 21 August 2023, the Board appointed AEW as Investment Manager and AIFM for the Group. The AIFM has ultimate responsibility for the management of the assets of the Group in accordance with the investment policy of the Group and the policies and directions of the Board. In its role as Investment Manager, AEW advise the Group in relation to the management, investment and re-investment of the assets of the Group.

Amended Investment Policy

The Amended Investment Policy, which was adopted on 21 August 2023, aimed to ensure the Company was able to continue to operate in the sector and preserve its longer-term social objective of helping to alleviate homelessness in the UK. Key components included:

- a Stabilisation Period was introduced, during which time, the Company would have the objective of stabilising the Group's financial condition through initiatives to maximise income and capital returns. The Stabilisation Period was for a period of 2 years from 21 August 2023 or such later date (not being later than one year) approved by the Board.
- the permitted uses of properties were diversified to include during the Stabilisation Period any form of residential use. Post stabilisation the Company would target predominantly homeless accommodation assets and assets with any Social Use; and
- a new leasing model was adopted which was better aligned to the needs of Local Authorities, Charities, Registered Providers and Housing Associations and the needs of the underlying occupants of the properties.

New Investment Policy – Managed Wind-Down

On 5 February 2024, the Group announced that it had commenced a re-financing process to consider alternative finance options for the Company. On 17 June 2024, the Company announced that it had been unable to secure a re-financing of its existing debt facility on terms that it could recommend to shareholders, despite extensive and advanced discussions with a potential lender. The re-financing of the debt was a key component of the continued advancement of the stabilisation strategy discussed under Amended Investment Policy. As the refinancing had not been possible, the Company also announced that it was considering a number of options both to repay the outstanding debt and provide an optimised resolution for shareholders, which could include a more extensive realisation strategy. The Board and AEW continued to engage with Scottish Widows which advised that its objective was for repayment of the loan balance in the short term and no later than 31 December 2024.

Subsequent to concluding that the re-financing was no longer viable, the Board conducted a full review of the stabilisation strategy and whilst it recognised that there was an opportunity to add value to the portfolio at a property level, it concluded that this strategy faced considerable challenges. These included a high fixed corporate cost base, required due to the REIT structure and as a result of the issues being dealt with by the Company at the time, and the requirement for capital expenditure to drive an increase in rental value and valuation of the portfolio. In addition, the Board was aware that the size of the vehicle following the repayment of debt would be considered too small by many investors when considering its future as a listed REIT.

As a result of these factors, and having carefully considered the range of options available for the Company, the Board concluded that it was in the best interests of shareholders to propose a managed wind-down strategy for the Company pursuant to which the assets of the Company would be sold with the objectives of optimising remaining shareholder value and repaying the Company's loan balance. The implementation of the proposed Managed Wind-Down required a change to the Company's investment policy. Accordingly, on 16 September 2024, shareholders approved the New Investment Policy, which is intended to allow the Company to realise all the assets in its property portfolio in an orderly manner with the view to repaying borrowings and making returns of capital to shareholders whilst aiming to optimise value for the Company's assets.

Investment Manager asset management initiatives

AEW has undertaken the following activity since its appointment:

Property disposals

Since 1 August 2023 the Group has undertaken a series of auction sales in order to repay bank debt and provide working capital. Through 28 February 2025, 1,613 properties have been sold at auction for total gross proceeds of £244.0 million all of which have completed. The proceeds from the sale of these properties represent an average of 38.7% of their purchase price and 98.8% of their August 2023 valuation.

Property valuation

The Group's portfolio has been independently valued by JLL in accordance with the RICS Valuation Professional Standards. As at 28 February 2025, the Group's portfolio had a market value of £168.2 million (31 August 2024 £265.4 million) representing 44.8% of the historical acquisition costs of £375.3 million including purchase costs (31 August 2024: 44.7% and £593.6 million, respectively). The reduction in the property valuation is principally the result of 515 property sales during the period.

In determining the fair value as at 28 February 2025, JLL has used a combination of valuation bases, adopting an investment valuation for 20.5% of the portfolio and MV-VP value for 79.5% of the portfolio by value (31 August 2024: investment value 11.4% and MV-VP 88.6%). The security of the unexpired term for these leases differs across the portfolio depending on the covenant strength of the tenant. For tenants with a weak covenant strength, or where the property condition was deemed to be poor or worse, JLL disregarded the leases and valued the properties on the basis of MV-VP. All properties under the control of property managers have been valued on the basis of MV-VP. In all cases, JLL has considered the rental value for the existing uses of the properties and Local Housing Allowance ("LHA") rates.

Where a valuation has been prepared on an investment basis, limitations on the duration of the income streams have been applied to account for the covenant strength of the tenants, and the above-market rent levels demanded under the in-place leases. JLL capped the unexpired lease term at 5 years due to the lack of confidence in most tenants being able to fulfil their lease obligations. For those properties which were let or sublet (in the case of a sublease, JLL disregarded the primary in-place lease) to a tenant with a strong covenant, JLL capitalised the lease / sublease passing rent for its remaining term of up to eight years. Where a property has a high passing rent in comparison to JLL's opinion of MV-VP, JLL capped the fair value at 113% to 154% of MV-VP.

The below table shows the breakdown of properties and value by valuation approach.

As at	28 February 2025		31 August 2024	
	Number of properties	Fair Value £ millions	Number of properties	Fair Value £ millions
Investment valuation approach	260	34.4	232	30.2
Market value – vacant possession approach	600	133.8	1,143	235.2
Total	860	168.2	1,375	265.4

As at 28 February 2025, 19 properties of the 860 were considered uninhabitable (31 August 2024: 24 of 1,375 properties). The annual contracted rent and fair value in respect of these properties as at 28 February 2025 was £0.1 million and £4.7 million respectively (31 August 2024: £0.6 million; £9.4 million). Subsequent to 28 February 2025, one property which was considered uninhabitable at 28 February 2025 was sold, which has completed.

Tenant covenant strength and liquidations

As at 28 February 2025, 385 of the Group's 860 properties were let to registered charities, housing associations and community interest companies (31 August 2024: 682 of 1,375 properties). Under the Original Investment Policy, the Group had intended to acquire assets let or pre-let to a wide range of tenants with robust financials and a proven long-term operating track record across a diverse range of homeless sub-sectors and locations. The headroom between core lease rent payable on the Group's properties and housing benefit was intended to cover the tenant's management charge and the cost of intensive housing management/buildings upkeep associated with the provision of accommodation to homeless people.

AEW has determined that the majority of the original tenants were poorly capitalised and lacked long-term operating track records and the benefit of local authority support. In some instances, for example single family homes, the rent burden under the original lease was unsustainable based on the location, lay-out, use and condition of the property.

AEW and the Board have determined that as at 28 February 2025, 6 of the 17 tenants (31 August 2024: 12 of 20 tenants) were of weak covenant strength representing 15.1% of properties and 32.4% of annual contracted rent as at that time (31 August 2024: 67.6% and 76.1%, respectively). One tenant was in liquidation as at 28 February 2025 (31 August 2024: three tenants) and a further tenant has entered into liquidation post period end, representing 4.5% of properties and 23.3% of annual contracted rent as at 28 February 2025 (31 August 2024: three further tenants).

During the period ended 28 February 2025, the Group agreed surrender deals with 10 tenants covering 308 properties. On 64 of those properties, the primary lease was surrendered, and Home REIT now has a direct lease with the under-tenant. New leases were agreed on a further 10 properties and a property manager was put into place on 234 properties. Three properties which were being managed by a property manager have subsequently been sold.

Rent collection

Rent collection during the six months to 28 February 2025 totalled £4.5 million (six months to 29 February 2024: £3.3 million; year to 31 August 2024: £6.3 million). Of the amount demanded under leases to non-occupant tenants of £5.3 million (six months to 29 February 2024: £22.2 million; year to 31 August 2024: £35.1 million), £2.6 million (six months to 29 February 2024: £2.5 million; year to 31 August 2024: £4.1 million) was collected. An additional £1.9 million (six months to 29 February 2024: £0.8 million; year to 31 August 2024: £2.2 million) was collected from properties managed under property management agreements. Arrears as at 28 February 2025 were £3.0 million, of which £0.2 million was provided for (31 August 2024: £51.6 million and £47.9 million respectively). The Group recognised an additional provision for expected credit losses of £3.6 million during the period ended 28 February 2025 (year to 31 August 2024: £29.1 million) and wrote off £51.2 million of tenant receivables during the period ended 28 February 2025 (year to 31 August 2024: £32.0 million).

Health & safety improvements

Given the characteristics of the portfolio and its tenant base (including a growing component of directly let property), the Investment Manager has, in close partnership with the Board, established a new health and safety framework designed to mitigate risks to life and drive compliance with statutory requirements.

General and administrative expenses

The broad categories of expenses are as follows:

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Legal fees	3,143	2,425	7,106
AEW Investment Manager fees	4,299	2,500	5,000
Professional fees	3,972	2,587	4,608
Fees paid to the Group's Independent Auditor	359	450	846
Valuation fees	78	120	300
Board and Directors' fee	257	120	362
Other administrative expenses	978	779	1,563
Total	13,086	8,981	19,785

- Legal fees were a result of: 1- activities supporting the response to allegations made in November 2022 and the associated corporate actions of £244,900, 2- the investigation of wrongdoing, the preparation of defensive action on behalf of the Company and the pursuit of those the Company considers responsible for the wrongdoing of £1,662,700, 3- forensic support for the legal advisers of £209,700, 4- legal expenses associated with the financings of £180,500, and 5- legal costs associated with tenant and property matters of £845,500;
- AEW's fees are split between a monthly fixed fee and fees associated with property sales and rent collections. The fees were high due to the significant property sales in the period. The fees are discussed more fully in Note 18 to the unaudited condensed consolidated financial statements;

- Professional fees were a result of the significant activities by advisors supporting the business after the Viceroy allegations including the engagement of Smith Square Partners and PanmureLiberum as well as incremental accounting, tax and PR support;
- Audit fees for the interim periods have been allocated as a portion of the total fee recognised for the full financial years ended 31 August 2025 and 2024;
- Valuation fees have been allocated as a portion of the total fee recognised for the years ended 31 August 2025 and 2024 and include an allocation of fees associated with a comprehensive inspection programme to support the valuation process which ran from August 2023 to May 2024.

Loss before tax

The loss before tax of the Group for the period to 28 February 2025 was £15.8 million (six months to 29 February 2024: loss of £8.8 million; year to 31 August 2024: loss of £25.2 million).

The significant items driving the loss include:

- realised losses on the disposal of investment properties of £5.8 million;
- net revenues of £7.9 million, being rental income of £12.0 million, net of the provision for expected credit losses of £3.6 million and the impairment of straight-line revenue debtor of £0.5 million;
- property operating expenses of £5.8 million;
- general and administrative expenses of £13.1 million of which £4.3 million related to investment management fees and £3.1 million related to legal fees;
- finance costs of £0.4 million; offset by
- an increase in fair value of investment property of £1.4 million;

Net asset value

The NAV per Share was 22.25 pence as at 28 February 2025, a decrease of 8.2% from the 24.25 pence as at 31 August 2024.

Post period end activity

Disposals

On 2 March 2026, the Group exchanged on the disposal of 706 properties, representing the majority of the Company's portfolio of assets, to Patron Capital for £123.0 million, which is expected to complete no later than 1 April 2026. In addition, from 1 March 2025 to 25 March 2026, the Group exchanged and completed on the sale of ten properties for gross sales proceeds of £1.1 million.

AEW UK Investment Management LLP

25 March 2026

Investment objective and policy

The Amended Investment Policy, which is summarised on page 12, was approved by Shareholders on 21 August 2023. The New Investment Policy was approved by shareholders on 16 September 2024. In accordance with the AIC Code, the current investment objective, which is effective from 16 September 2024, is detailed below.

Investment objective

The Company's investment objective is to realise all existing investments in the Company's portfolio in an orderly manner, with a view to ultimately returning available cash to shareholders, following the settlement of all amounts due to the Lender.

New Investment Policy

The Company will endeavour to realise all of the Company's investments in a manner that achieves a balance between maximising the value of its investments and making timely returns to shareholders.

The Board intends that the proceeds of any asset realisations will be used to settle all amounts outstanding to the Lender before any such proceeds are distributed to shareholders.

The Company will not make any further investments. Capital expenditure will be permitted where it is deemed necessary or desirable by the Investment Manager in connection with the Managed Wind-Down, primarily where such expenditure is necessary to protect or enhance an asset's realisable value, or in order to comply with health & safety or other statutory obligations.

Diversification of Risk

The net proceeds from asset realisations to date have been used to settle all amounts outstanding to the Lender. Future net proceeds will be returned to shareholders (net of provisions for the Company's costs, expenses and potential liabilities) in such manner as the Board considers appropriate and when it is able to do so.

Excess cash will be held in sterling only and placed on deposit and/or held as cash equivalent securities, other cash equivalents, cash funds or bank cash deposits, pending its return to shareholders.

Borrowing policy

The net proceeds from realisations have been used to settle all amounts outstanding to the Lender. The Company will not take on any new borrowings.

Any material change to the Company's investment policy set out above will require the approval of shareholders by way of an ordinary resolution at a general meeting and the approval of the Financial Conduct Authority. Non-material changes to the investment policy may be approved by the Board.

Approach to the Managed Wind-Down

It is expected that the Company, via AEW, will adopt a broad and managed approach to the disposal of assets, with a view to optimising value for shareholders. Sales will be structured and executed to achieve best value and to minimise disruption to the underlying occupiers of the properties.

A decision on the preferred method of disposal will be determined by a number of factors, including property condition, location, tenant type and lease terms.

During the Managed Wind-Down asset management initiatives will be focused on adding value to properties and preparing them for sale to maximise liquidity. In addition, given the Company's originally stated objective of providing accommodation for the homeless, the realisation process will be managed in a way to minimise impact and disruption to underlying, vulnerable occupiers.

Return of capital to shareholders

As shareholders will be aware, the Company has faced the ongoing prospect of potential group litigation for some time. That prospect has not receded. Separately, but in addition, the January announcements of the Serious Fraud Office also serve to illustrate the complex and uncertain environment in which the Board is required to make decisions.

It remains the objective of the Board to ensure the Company can return available capital upon completion of the realisation strategy as soon as possible. However, we must remind shareholders that the ability to make distributions may be constrained by the circumstances facing the Company, including the uncertainties described above, which may result in returns of capital taking place over a longer period.

The Board continues to take professional advice on the options that would enable available capital to be returned to shareholders in a way that is transparent, cost effective and consistent with the Board's legal and fiduciary duties and obligations as directors of the Company.

We understand the uncertainty regarding the quantum and timing of the return of available capital may be a source of further disappointment to shareholders.

As we have previously disclosed, the Company also expects to retain capital to meet corporate costs and allow it to pursue legal action against those who may be liable for the losses it has suffered, subject to a commercial assessment of the cost-benefit analysis.

Restoration of listing

As the Company has now published all outstanding financial information required under the UK Listing Rules, the Company will make an application to the FCA for the restoration of its listing and the recommencement of trading on the LSE. A further update on the expected timetable will be made prior to the date of restoration.

Key performance indicators

Set out below are the key performance indicators (“KPIs”) that are used to track the Group’s performance. 1 – Total Expense Ratio compares the annualised expense ratio of the Group for the period from 1 September 2024 to 28 February 2025 to the six-month period from 1 September 2023 to 29 February 2024. 2 – NAV per Share and 3 – Loan-to Value compares the KPI at 28 February 2025 to the KPI at 31 August 2024 because the comparison to the valuation of investment property as at 31 August 2024, being the most recent available valuation, is the most meaningful.

KPI and definition	Relevance to strategy	Performance		Results
		2025	2024	
1. Total expense ratio The percentage of total general and administrative expenses, including management fees and other administrative costs expressed as a percentage of NAV.	The total expense ratio is a key measure of the Group’s administrative performance and can be used to measure Group performance against peer companies.	10.1%	8.6%	The ratio for the six months period to 28 February 2025 grew as a result of higher legal and professional fees offset by lower valuation and audit fees.
2. NAV per Share The NAV attributable to shareholders divided by shares outstanding at the end of the period.	NAV per share provides shareholders with an indication of Group value.	22.25 pence	24.25 pence	The balance fell 8.2% from 31 August 2024 to 28 February 2025 as a result of the loss for the period.
3. Loan-to-Value Ratio of gross debt as a percentage of the valuation of investment property.	LTV measures the prudence of balancing higher shareholder returns and additional portfolio diversification against the additional risk of leverage.	0%	43.8%	Group LTV decreased resulting from proceeds from the sale of investment properties being used to pay off all outstanding borrowings.

Principal risks and uncertainties

The Board, through delegation to the Audit Committee, has undertaken a robust assessment and review of the principal risks facing the Company and the Group, together with an exercise to identify any new risks which may have arisen during the period, including those that would threaten its business model. These risks are formalised within the Group's risk matrix, which is regularly reviewed by the Audit Committee. As part of its risk management process, the Audit Committee seeks to identify emerging risks to ensure that they are effectively managed as they develop and are recorded in the risk matrix.

The principal risks and uncertainties which the Group faces under the New Investment Policy as approved by shareholders on 16 September 2024 (see pages 15-16 for a description of the policy), are set out below.

Risk	Mitigation
Investment Strategy (Managed Wind-Down)	
Ability to dispose of all assets maximising value for shareholders:	
<p>The Company's Managed Wind-Down investment objective is to maximise the proceeds from the sale of all assets in the most time and cost-efficient manner and, after repayment of loans and all liabilities, return the net proceeds to shareholders.</p>	<p>It is intended sales will be structured and executed to achieve best value. The mix of property and tenant types may require the Company to sell properties in smaller lot sizes if it cannot find a single buyer for a portfolio sale, which could impact price attained and the timing and cost of completing the sales.</p>
<p>The Company may not achieve its objective of maximising returns whilst realising assets in an orderly manner.</p>	<p>In the event that the sale of such a diverse portfolio is not feasible, the Company will consider other forms of property sales including via auction, private treaty and individual asset sales.</p>
<p>The impact of bringing assets to market as part of a public wind-down strategy and the time required to execute disposals may also have an impact on disposal proceeds. Assets may therefore be realised at values which represent a material discount to the most recently published independent valuations.</p>	<p>The Group has already met one of the key aspects of the investment objective, in that the Group has settled all amounts outstanding, including the loan facilities and the Deferred Fees.</p>
<p>Sales of the Group's assets may take longer than anticipated.</p>	<p>The realisation process will be carried out in a way intended to minimise impact and disruption to vulnerable occupiers.</p>
<p>The market for residential properties is uncertain due to evolving Government policies on renters' rights and general market conditions. Further the Company has a mix of properties, including single family homes, HMOs, and investment properties, as well as a mix of tenants including supported living and PRS.</p>	<p>The Board regularly reviews the progress of the portfolio sale and the operation of the properties during the marketing period. The Board seeks regular advice from the independent advisers on the sale (JLL, TT&G and Allsops), including formal updates from all advisors at Board meetings and informal ad-hoc updates more frequently.</p> <p>In the event that the portfolio sale does not complete as expected, AEW and the Board have prepared a contingency plan to dispose of those properties through alternative avenues.</p>

Risk	Mitigation
<p>Control of Operating Expenses</p> <p>The Group has significant operating costs including the costs of running a listed business and the costs of defending itself and taking action against those it considers responsible for the significant challenges the Company faces. The longer these workstreams continue the more that will need to be deducted from potential shareholder distributions. There is no certainty that the Group will recover meaningful sums from third parties.</p>	<p>The Board has forecast and will continue to assess current and future potential liabilities as it considers returning capital to shareholders.</p> <p>The Company intends to defend itself vigorously in respect of the threatened litigation and has denied the allegations made against it. The Board regularly engages with its advisors to consider the merits of the Company’s position and to weigh the cost/benefit of bringing legal proceedings against those it considers responsible for wrongdoing.</p> <p>AEW updates the cashflow forecast monthly for 13 weeks and 15 months, which is reviewed in detail at least monthly with the Board.</p>
<p>Cash available to be returned to Shareholders may be reduced:</p> <p>The distributions that shareholders receive will be subject to deductions for, among other things, direct disposal costs, tax, management fees, professional fees and running costs throughout the remaining life of the Group. These costs may reduce the sums available for distribution to shareholders in the future.</p>	<p>The Company has a high fixed corporate cost base, required due to the REIT structure and as a result of the issues being dealt with by the Company, as well as the capital expenditure required to ensure compliance with health and safety regulations. During the period the Board has achieved material reductions in the remuneration of the Investment Manager. Together with the Investment Manager the Board challenges and reviews invoices from service providers to ensure they are proportionate and fair. The Management Engagement Committee considers the costs and performance of key service providers to ensure that the Company is receiving good value for money. The Company’s cost burden in respect of its property portfolio is expected to reduce materially once the realisation strategy is complete.</p>
<p>Method and timing for returning capital:</p> <p>The Company’s ability to make distributions may be constrained whilst the Company faces potential group litigation and other contingent risks. The January actions of the Serious Fraud Office serve to illustrate the complex and uncertain environment in which the Board is required to make decisions. The method and timing for making distributions is therefore uncertain.</p>	<p>It remains the objective of the Board to ensure the Company can return available capital upon completion of the realisation strategy. However, the ability to make distributions may be constrained by the circumstances facing the Company. The Board continues to take professional advice on the options that would enable available capital to be returned to shareholders in a way that is transparent, cost effective and consistent with the Board’s legal and fiduciary duties and obligations as directors of the Company.</p>
<p>Property Leasing and Operations</p>	
<p>Direct letting of property</p> <p>As non-performing tenants are removed, a property manager is appointed to undertake the day-to-day tasks of operating the property, with occupiers contracting directly with a Group</p>	<p>The AEW Asset Management team meets monthly with each property manager to review monthly performance. Those meetings include a review of financial results, leasing and vacancy strategy, compliance reporting and significant repairs and maintenance. All requests for capital expenditures are pre-</p>

Risk	Mitigation
<p>company. The direct letting model increases risks to the Company including:</p> <ol style="list-style-type: none"> 1. Increased control over properties and therefore greater responsibility for health and safety and technical compliance. 2. Direct responsibility for property operating costs such as utilities, council taxes, insurance, repairs and maintenance. 3. For Supported Living properties, direct co-ordination with the Council to obtain approval for funding and provision of adequate support to occupants. For properties not in payment, collection of rents is unlikely. 4. For HMOs, increased compliance and licensing risks. 5. Responsibility to ensure properties are occupied and rents collected and debtors chased where appropriate. 	<p>approved and significant works are signed off by an independent third party prior to settling associated invoices.</p> <p>AEW Asset Management also meet weekly with each Property Manager to review and approve actions on urgent matters and progress on key initiatives, including obtaining approval for supported living properties to be in payment.</p>
<p>Intensive Housing Managers (IHM) and Property Cost:</p>	
<p>When the Group has taken control of a property at surrender, it has appointed third party specialists including IHMs and property managers, which has resulted in additional costs to the Group.</p>	<p>AEW has controls in place around expenditures made by the IHMs and property managers in accordance with contractual agreements. AEW monitors expenditure against expectations and provides regular reporting to the Board on properties subject to IHM and property management agreements.</p>
<p>In some instances, property managers formerly used by non-performing tenants may be appointed by the Company due to their knowledge of the underlying properties and existing relationships with occupiers in order to facilitate rental collection. AEW may not have had previous experience or relationships with these service providers and the quality of the service may be unknown.</p>	<p>Where possible, AEW negotiates contracts with IHMs and property managers on a flexible basis to provide stability and continuity of service that aligns with the flexibility required for sale of the properties under the Managed Wind-Down.</p>
<p>IHMs and property managers are heavily relied upon to provide accurate information and proactively resolve issues as they arise, including in relation to health and safety, compliance, licensing, property maintenance, crisis response, administration, financial reporting and cashflow forecasting.</p>	<p>AEW undertakes appointments in accordance with its supplier selection and monitoring procedures including undertaking due diligence on service providers.</p>
<p>Property Risk</p>	
<p>Properties may suffer physical damage resulting in losses (including loss of rent) which may not be fully compensated by insurance or at all.</p>	<p>The Group maintains a comprehensive portfolio insurance policy. Building Declared Values have been updated in line with recent formal Reinstatement Cost Assessments (where undertaken) for typically larger properties and for locations that are yet to be inspected, the declared values have been estimated.</p>

Risk	Mitigation
<p>Liquidity risk:</p> <p>The impact of bringing assets to market as part of a public wind-down strategy may also result in changes in rent collection levels and the re-tenanting process due to occupiers and tenants being uncertain over who their future landlord will be.</p> <p>The Company is incurring high corporate costs including significant legal, audit and professional fees, and director and officer insurance.</p> <p>The Group's investments are generally not immediately liquid.</p>	<p>The liquidity risk has diminished significantly now that the Group has repaid both loan facilities and the Deferred Fees to the Lender in December 2024.</p> <p>The directors have forecast expenditures over the next twelve months and are comfortable that the cash on hand plus proceeds from the sale of properties will be adequate to cover these expenses. Properties which are not included in the portfolio perimeter can be sold to raise additional cash in the event that cash is required if the portfolio sale is delayed.</p> <p>AEW has a procedure for the approval of significant capex and unbudgeted expenses.</p> <p>Surplus proceeds from remaining property sales will be placed on sterling only deposits and/or held as cash equivalent securities, other cash equivalents, cash funds or bank cash deposits, pending its return to shareholders.</p>
Real Estate sector	
<p>Property market – residential including Social Use and Supported Living:</p> <p>Performance will be subject to the condition and sentiment of property markets in the UK. A significant downturn in the underlying value of the Group's investment property would impact the return of funds to shareholders.</p> <p>Factors include inter alia general economic climate and market sentiment towards the property sub-markets in which the Company operates, excess supply or fall in demand for properties, interest rates and changes in laws or government regulations.</p>	<p>Since appointment, AEW has undertaken a comprehensive inspection programme via third parties to assess the quality of the assets. AEW's assessment of each property including suitability, capital expenditure requirements and income and capital return prospects takes into account factors such as property location, local demand and quality operating partners and tenants.</p> <p>AEW reports its strategy and progress in achieving objectives for the properties and re-tenanting to the Board on a regular basis.</p>
<p>Tenant default and liquidation:</p> <p>Failure by tenants to comply with their rental obligations and tenant liquidations affects the Group's ability to generate cash and negatively impacts asset valuation.</p> <p>As at 28 February 2025, 6 of the 17 direct tenants are of weak covenant strength representing 15.1% of properties and 32.4% of annual contracted rent at that time. One tenant had entered liquidation as at 28 February 2025 and a further tenant had entered into liquidation post period end, representing 4.5% of properties and 23.3% of annual contracted rent as at 28 February 2025.</p>	<p>AEW determined that the majority of the original tenants were poorly capitalised and lacked long term operating track records. For tenants considered non-performing or unsuitable, AEW negotiated surrenders of the leases to take back control of the underlying properties: to sell the associated property at auction; appoint a property manager to let directly as PRS or re-let to a housing provider for Supported Living; or manage vacancy, as appropriate. Material decisions in respect of lease surrenders and any write offs of arrears are approved by AEW's Investment Management Committee prior to approval by the Board.</p> <p>If a tenant is still performing, the leases will remain in place, although terms may be varied.</p> <p>AEW provides regular updates to the Board on its strategy.</p>
<p>Property Valuations:</p> <p>Property valuations are inherently subjective and uncertain and may not reflect actual sales prices realised by the Group.</p>	<p>The Board has appointed an experienced independent external valuer, JLL, with relevant and recent experience. JLL considers the quality and the suitability of the assets, the covenant strength of the tenant and the rental value for the existing use and LHA rates. JLL uses a combination of the investment approach and MV-VP.</p>

Risk	Mitigation
<p>Realisations will vary, and it is anticipated that there will be both positive and negative variances from sales prices to valuations during the Managed Wind-Down. The reasons for such a variance are considerations such as changes in the housing market, changes in condition or occupation of the property since valuation, method of marketing and sale (portfolio, auction, private treaty), tenant, rent payment, lease structure and information availability.</p>	<p>Where a valuation is prepared on an investment basis, limitations on the duration of the income streams are applied to account for the covenant strengths of the tenants, and the rent levels demanded under the leases. AEW and JLL use the sales evidence of recent auctions to support their estimates of MV-VP and this information is reviewed with the Board as part of the valuation sign off process.</p>
<p>Shares</p>	
<p>Restoration of trading of shares:</p>	
<p>The listing of the Shares was suspended on 3 January 2023 due to the Company not filing accounts within four months of year end.</p> <p>There is a risk that the Shares are permanently delisted from the London Stock Exchange.</p> <p>Once the Shares are relisted, there is the risk of a significant sale of Shares by investors may cause the market price of the Shares to fall.</p>	<p>As the Company has now published all outstanding financial information required under the UK Listing Rules, the Company will make an application to the FCA for the restoration of its listing and the recommencement of trading on the London Stock Exchange. A further update on the expected timetable will be made prior to the date of restoration.</p>
<p>Volatility of share price during the Managed Wind-Down:</p>	
<p>The Company may experience volatility in its share price, both as a function of volatility in its net asset value and a reduction in share liquidity as capital is returned to shareholders, which may result in a continued or possibly wider discount to net asset value.</p>	<p>The Board, AEW and Liberum have been actively engaging with shareholders including updates and shareholder presentations. The Company will continue to provide periodic updates during the Managed Wind-Down, however, the level of disclosure included will be reviewed throughout the process in order to protect the Company's commercial interests and allow disposals to be completed in a manner that preserves shareholder value.</p>
<p>Shareholders ability to continue to hold shares:</p>	
<p>If the Company ceases to maintain REIT status the Company's shares will also cease to be 'excluded securities' under the FCA's rules on non-mainstream pooled investments which may have an impact on the ability of certain investors to continue holding the Company's shares.</p>	<p>AEW and the Company's specialist tax adviser monitor compliance with the REIT regime and liaise regularly with HMRC.</p> <p>The Company will make appropriate announcements in the event of the Company ceasing to maintain its REIT status.</p>
<p>Engagements with third party service providers</p>	
<p>Reliance on the performance of the Investment Manager and Other Key Service Providers:</p>	
<p>The Company has no full-time employees and is reliant upon the performance of AEW and other third party service providers. Failure by AEW and/or any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a</p>	<p>AEW's performance is closely monitored by the Board with regular review including key staff and general resourcing.</p> <p>Performance of the key service providers is monitored by the Board through its Management Engagement Committee ("MEC"). The MEC performs a formal annual review of the ongoing performance of AEW and other key service providers and makes</p>

Risk	Mitigation
<p>materially detrimental impact on the operation of the Company.</p> <p>The future ability of the Company to successfully pursue its investment objective and investment policy may, among other things, depend on the ability of AEW to retain its existing staff and/or to recruit individuals of similar experience and calibre.</p>	<p>recommendations to the Board about their continuing appointment.</p> <p>The Board undertakes a rigorous selection process for any new key service provider appointments.</p>
<p>Replacement of key service providers could disrupt the business, causing potential issues and delays in reporting.</p>	<p>The MEC and the Board will continue to monitor the performance of key service providers and determine whether continued engagement remains appropriate.</p>
<p>Business interruption:</p>	
<p>Cyber-attacks on AEW's and/or other service providers' IT systems could lead to disruption, reputational damage, regulatory (including GDPR) or financial loss to the Company.</p>	<p>The Company's key service providers have business continuity plans in place. AEW and other service providers' staff are capable of working remotely for an extended time period. AEW's and other service providers' IT systems are protected by anti-virus software and firewalls that are updated regularly.</p>
<p>Taxation</p>	
<p>Compliance with REIT rules:</p>	
<p>Failure to comply with the REIT rules and other regulations may have a negative impact on the Company.</p> <p>The Board expects that the Company will continue to fulfil the relevant conditions to qualify for UK REIT status in the short term. However, the requirements for maintaining REIT status are complex.</p> <p>As the Managed Wind-Down progresses, the Company cannot guarantee that it will maintain continued compliance with REIT requirements, particularly in its latter stages when the portfolio has been fully realised. The basis of taxation of any shareholder's shareholding in the Company may differ or change materially if the Company fails or ceases to maintain its REIT status.</p>	<p>AEW and the Company's specialist tax adviser monitor compliance with the REIT regime and liaise regularly with HMRC.</p>
<p>Potential Limitations on Methods of Returning Capital to Shareholders</p>	
<p>The Company's status as a REIT may restrict the Company's distribution opportunities to Substantial Shareholders.</p>	<p>AEW will monitor the position and provide regular updates to the Board.</p>
<p>Governance, regulatory compliance and litigation</p>	

Risk	Mitigation
<p>FCA Regulations and Investigation:</p> <p>Failure to comply with FCA regulations and adverse findings from pending investigations may have a material adverse impact on the Company's profitability (because of possible fines), the NAV and the price of the Shares.</p>	<p>The Board seeks regular advice from its advisers and the Board has confirmed that it will co-operate fully with the FCA investigation.</p>
<p>Risk of potential litigation from shareholders against the Group or a group action:</p> <p>As a result of the potential shareholder group litigation against the Company and the Company's Directors who were in office at IPO, the Company will continue to incur significant legal expenses and the ability of the Company to make distributions to shareholders may be constrained, in whole or in part.</p>	<p>The Company intends to defend itself vigorously in respect of the threatened litigation and has denied the allegations made against it. The Board regularly engages with its advisers on potential exposure to litigation.</p>
<p>Board – replacement, experience and succession:</p> <p>All of the Board members who were in office at IPO stood down on 14 January 2025 following publication of the 2023 financial results.</p> <p>The remaining Directors were appointed during 2024 and may lack historical knowledge of issues encountered by the Group.</p>	<p>Since January 2024, the Company has appointed a new Independent Non-Executive Chair, a Senior Independent Non-Executive Director (now MEC chair) and another Non-Executive Director who is now the Audit Committee Chair.</p> <p>In assembling the new Chair and Directors, careful consideration has been given to the appropriate skills, experience, knowledge, culture, capacity and independence of the incoming Board members.</p> <p>The retiring Directors will continue to assist the Company, when necessary, on historic legal and regulatory matters.</p> <p>The Board, through its Nomination Committee, will review its composition on a regular basis and will develop a succession plan at the appropriate time.</p>
<p>Health and Safety ("H&S") risk:</p> <p>The Group and the Board have responsibility for certain H&S matters, including oversight over HMO planning permission and licensing. Failure to have appropriate H&S procedures and processes may result in regulatory fines and reputational risk.</p>	<p>H&S is a priority agenda item for Board meetings. The Board has received a summary of its responsibilities under various scenarios given the change in leasing model which now includes direct leasing to occupiers.</p> <p>AEW has an established a H&S Committee and reports regularly on H&S matters to the Board. AEW also notifies tenants regularly of their responsibilities and communicates any non-compliance issues identified requesting evidence of remediation.</p> <p>Property managers are obligated to provide regular reporting on H&S compliance. AEW undertake spot checks of compliance.</p>

Directors' responsibility statement

The Directors confirm that to the best of their knowledge this condensed set of financial statements has been prepared in accordance with IAS 34 as contained in UK adopted international accounting standards and that the operating and financial review comprising this report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority namely:

- an indication of important events that have occurred during the Period and their impact on the condensed financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial period; and
- disclosure of any material related party transactions in the Period are included in Note 18 to the financial statements.

A list of the Directors is shown at the rear of the Interim Report.

For and on behalf of the Board

Michael O'Donnell

Chair

25 March 2026

Financial Statements

Unaudited Condensed Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

	Note	For the half-year ended 28 February 2025 £'000	For the half-year ended 29 February 2024 £'000	Audited For the year ended 31 August 2024 £'000
Income				
Rental income	4	11,656	24,519	41,390
Other income	4	296	24	279
Impairment of rent straight-lining	4	(451)	(2,719)	(3,700)
Net rental income		11,501	21,824	37,969
Operating expenses				
Property operating expenses	5	(5,817)	(2,323)	(6,786)
General and administrative expenses	5	(13,086)	(8,981)	(19,785)
Provision for expected credit losses of trade receivables	11	(3,585)	(18,489)	(29,109)
Total expenses		(22,488)	(29,793)	(55,680)
Change in fair value of investment property	9	1,364	3,534	7,223
Realised loss on disposal of investment properties	6	(5,837)	(2,083)	(10,752)
Operating loss for the year		(15,460)	(6,518)	(21,240)
Loss on remeasurement of bank borrowings	10	-	-	(369)
Finance income		24	-	-
Finance costs	7	(398)	(2,234)	(3,557)
Loss before taxation		(15,834)	(8,752)	(25,166)
Taxation	8	-	-	-
Loss and total comprehensive loss for the year attributable to shareholders		(15,834)	(8,752)	(25,166)
Loss per Share – basic and diluted (pence per Share)*	21	(2.00)	(1.11)	(3.18)

All Items In the above statement derive from discontinued operations.

The notes on pages 30 to 46 form part of these financial statements.

Financial Statements

Unaudited Condensed Consolidated Financial Statements - continued

Consolidated Statement of Financial Position

	Note	As at 28 February 2025 £'000	Audited As at 31 August 2024 £'000
Non-current assets			
Investment property	9	167,392	236,325
Total non-current assets		167,392	236,325
Current assets			
Investment property held for sale	9	852	29,107
Trade and other receivables	11	2,796	3,792
Restricted cash	12	391	15,688
Cash and cash equivalents	12	13,024	6,182
Total current assets		17,063	54,769
Total assets		184,455	291,094
Current liabilities			
Bank borrowings	10	-	91,038
Trade and other payables	13	8,587	8,354
Total current liabilities		8,587	99,392
Total liabilities		8,587	99,392
Net assets		175,868	191,702
Capital and reserves			
Share capital	14	7,906	7,906
Share premium	15	595,733	595,733
Special distributable reserve	16	190,130	190,130
Accumulated losses		(617,901)	(602,067)
Total capital and reserves attributable to equity holders of the company		175,868	191,702
Net asset value per share (pps)	22	22.25p	24.25p

The notes on pages 30 to 46 form part of these financial statements.

The unaudited condensed consolidated financial statements of Home REIT plc were approved and authorised for issue by the Board of Directors on 25 March 2026 and signed on its behalf by:

Michael O'Donnell

Chair

Company number 12822709

Financial Statements

Unaudited Condensed Consolidated Financial Statements – continued

Consolidated Statement of Changes in Shareholders' Equity

	Share capital	Share premium	Special distributable reserve	Accumulated losses	Total equity attributable to owners of the company
	£'000	£'000	£'000	£'000	£'000
For the half-year ended 28 February 2025					
Opening balance at 1 September 2024	7,906	595,733	190,130	(602,067)	191,702
Loss and total comprehensive loss for the period attributable to shareholders	-	-	-	(15,834)	(15,834)
Balance at 28 February 2025	7,906	595,733	190,130	(617,901)	175,868
For the year ended 31 August 2024					
Opening balance at 1 September 2023	7,906	595,733	190,130	(576,901)	216,868
Loss and total comprehensive loss for the period attributable to shareholders	-	-	-	(8,752)	(8,752)
Balance at 29 February 2024	7,906	595,733	190,130	(585,653)	208,116
Loss and total comprehensive loss for the period attributable to shareholders	-	-	-	(16,414)	(16,414)
Balance at 31 August 2024	7,906	595,733	190,130	(602,067)	191,702

The notes on pages 30 to 46 form part of these financial statements.

Financial Statements

Unaudited Condensed Consolidated Financial Statements - continued

Consolidated Statement of Cash Flows

	Note	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024
		£'000	£'000
Cash flows from operating activities			
Loss for the year		(15,834)	(8,752)
Change in the fair value of investment property	9	(1,364)	(3,534)
Realised loss on disposal of investment properties	6	5,837	2,083
Finance income		(24)	-
Finance costs	7	398	2,234
Operating result before working capital changes		(10,987)	(7,969)
Increase in trade and other receivables	11	(1,957)	(739)
Increase/(decrease) in trade and other payables	13	354	(1,745)
Net cash flows used in operating activities		(12,590)	(10,453)
Cash flows from investing activities			
Interest received		24	-
Net cash received on disposal of investment properties	6	22,466	16,461
Retentions released to the Group by solicitors	12	119	1,774
Net cash generated by investing activities		22,609	18,235
Cash flows (used in)/generated from financing activities			
Principal payments from unrestricted cash	19	(4,541)	-
Loan arrangement fee paid	19	-	(142)
Cash released from/(transferred to) restricted cash account		1,364	(1,090)
Net cash used in financing activities		(3,177)	(1,232)
Net increase in cash and cash equivalents		6,842	6,550
Cash and cash equivalents at beginning of the year		6,182	814
Cash and cash equivalents at end of the period	12	13,024	7,364

The notes on pages 30 to 46 form part of these financial statements.

1. General information

Home REIT plc (the "Company") is a closed-ended investment company, incorporated in England and Wales on 19 August 2020 and is registered as a public company limited by shares under the Companies Act 2006 with registered number 12822709. The Company is structured as an externally managed company with a board of non-executive Directors (the "Board" or the "Directors"). The Company commenced operations on 12 October 2020 when its shares commenced trading on the London Stock Exchange. The Group (the "Group") consists of the Company and its subsidiaries. The Company filed its Annual Report & Accounts, including the Consolidated Financial Statements, for the year ended 31 August 2022 on 11 October 2024. Since the Company did not comply with the rules under DTR 4 to publish its 2022 annual financial report within four months of its year-end, trading in its shares was suspended on 3 January 2023. Additionally, the Company did not meet the requirement to file the half-yearly accounts for 28 February 2023 by 31 May 2023 (these were made available on the Company's website on 4 April 2025), the 2023 Annual Report and Accounts by 31 December 2023 (these were made available on the Company's website on 14 January 2025), the half-yearly accounts for 29 February 2024 by 31 May 2024 (these were made available on 18 November 2025), the 2024 Annual Report and Accounts by 31 December 2024 (these were made available on the Company's website on 20 October 2025), the 2025 Annual Report and Accounts by 31 December 2025 (these were made available on the Company's website on 25 February 2026) or these half-yearly accounts for the period to 28 February 2025 by 31 May 2025. The suspension of the Company's shares cannot be lifted until all of its financial statement filings are brought up to date and the Company satisfies any other requirements of the Financial Conduct Authority ("FCA").

On 21 August 2023, the Company appointed AEW UK Investment Management LLP ('AEW') as Investment Manager and Alternative Investment Fund Manager ("AIFM").

These interim condensed unaudited financial statements have been prepared in accordance with IAS 34, Interim Financial Statements, as adopted by the UK and should be read in conjunction with the Company's financial statements for the year ended 31 August 2024. These condensed unaudited financial statements do not include all information required for a complete set of financial statements prepared in accordance with International Accounting Standards as adopted by the UK. However, selected explanatory notes have been included to explain events and transactions that are significant in understanding changes in the Group's financial position and performance since the financial statements for the period ended 31 August 2024.

The financial information contained in this Interim Report and Financial Statements for the six months ended 28 February 2025 and the comparative information for the year ended 31 August 2024 do not constitute statutory accounts as defined in sections 435(1) and (2) of the Companies Act 2006. Statutory accounts for the year ended 31 August 2024 have been delivered to the Register of Companies. Because the Group was unable to furnish all of the supporting documentation required by the Auditor to support the rental revenue recognised on those properties managed by property managers, the Auditor qualified their opinion with respect to these revenues.

Due to the delays in the publication of its FY22 accounts and the impact on subsequent period accounts, the Directors decided to publish the audited accounts for the year ended 31 August 2025 ("FY25") as soon as they were available and in advance of publishing these unaudited HY25 accounts. Because the FY25 accounts together with BDO's report was made available to investors on 25 February 2026, the Directors considered it unnecessary for the Group to incur the additional fees associated with a review of the HY25 accounts by BDO. Accordingly, BDO LLP did not perform a review of the financial information as contained in this report.

The Company was formed to carry on business as a REIT with an investment objective to deliver income and capital growth over the medium-term for shareholders through the acquisition of high-quality homeless accommodation across the UK let on long-term leases.

1. General information – continued

Going Concern

The Directors, at the time of approving the financial statements, are required to consider whether they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and whether it is appropriate to prepare the financial statements on a going concern basis.

On 16 September 2024 shareholders approved the New Investment Policy for a Managed Wind-Down of the Group's and the Company's operations. Part of that strategy was to sell enough properties through auctions to repay all amounts outstanding to Scottish Widows Limited ("Scottish Widows" or the "Lender"). On 27 November 2024, the Group repaid the loans and in December 2024, the Group paid the Deferred Fees of £9.0 million and Scottish Widows released its charge over the Group's and the Company's assets.

On 2 March 2026, the Group exchanged on the disposal of 706 properties (of the 850 remaining in the portfolio on that date) to Patron Capital for £123.0 million, which is expected to complete no later than 1 April 2026. The sales process on the majority of the remaining 144 assets is expected to conclude in the first half of 2026. The Group will not make any further real estate acquisitions and no further investment will be made unless such expenditure is necessary to protect or enhance an asset's net realisable value or in order to comply with statutory obligations.

Cashflow projections for the Group have been prepared by AEW and agreed with the Board of Home REIT plc which consider:

1. Disposal of the remaining properties as described above,
2. Modest capital expenditure has been forecast through the sale period in order to ensure certain buildings are made safe for sale. Such works are under way and are required to comply with statutory obligations,
3. Revenue will continue to be collected on tenanted properties held by the Group up to the dates of sale,
4. Settlement of all amounts outstanding related to properties managed by third parties once both parties agree that invoices reflect the Group's correct liability period, and
5. Corporate expenses for those services required to maintain current operations through the wind-down of the Group.

As of the date of these financial statements, the Group has approximately £5.9 million of free cash. The Directors have forecast expenditures over the next twelve months and are satisfied that the cash on hand plus proceeds from the sale of properties will be adequate to cover those expenses. Properties which are not included in the sale portfolio perimeter can be sold to raise additional cash in the event that cash is required before the portfolio sale is completed.

In October 2023, the Company received a pre-action letter of claim which asserts that the Company provided information to investors which was false, untrue and/or misleading and as a result investors suffered losses. The Directors are not currently able to conclude whether or when a formal claim may be issued and if a claim is issued, what the quantum of such claim may be. Further, on 7 February 2024, the Company was notified by the FCA of its commencement of an investigation into the Company, covering the period from 22 September 2020 to 3 January 2023. The Company and the Directors are cooperating with the FCA in its investigation. However, the Directors are not able to assess or quantify what, if any, action may be taken. No allowance has been made in the cash flow projections for potential settlement of either the pre-action letter of claim or the FCA matter.

As a result of the threatened litigation, the FCA investigation and the Company's Directors' expectation for an orderly wind-down of its operations, the Directors consider it appropriate to adopt a basis of accounting other than as a going concern in preparing the financial statements. No material adjustments to accounting policies or the valuation basis have arisen as a result of ceasing to apply the going concern basis.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are consistent with those applied within the Company's Consolidated Financial Statements for the year ended 31 August 2024 ("Consolidated Financial Statements"). The condensed consolidated financial statements for the period ended 28 February 2025 have been prepared on a historical cost basis, as modified for the Group's investment properties which are carried at fair value with changes presented in the statement of comprehensive income. The condensed consolidated financial statements are presented in Sterling, which is the Group's presentation and functional currency, and values are rounded to the nearest thousand pounds, except where indicated otherwise.

3. Significant accounting judgements and estimates

The preparation of financial statements in conformity with IFRS requires the Directors to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements. Adjustments to accounting estimates are recognised in the period in which the estimates are revised. The estimates and associated assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined in Note 3 to the 2024 Consolidated Financial Statements.

4. Rental income

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Amounts invoiced in accordance with lease agreements	6,737	22,211	35,185
Income from properties under management agreements	4,642	1,832	5,748
Effect of straight-lining rent	451	2,719	3,700
Rent not recognised because properties were uninhabitable	(174)	(2,243)	(3,243)
Rental income	11,656	24,519	41,390
Other income	296	24	279
Impairment of rent straight-lining	(451)	(2,719)	(3,700)
Net rental income	11,501	21,824	37,969

Rental income includes amounts receivable in respect of tenant leases for those properties deemed habitable and is measured at the fair value of the consideration received or receivable. All properties subject to lease are based in the UK.

In certain cases, the Group acquired properties which were not considered habitable at the acquisition date but which were subject to an operating lease. If a property is deemed uninhabitable, the Group does not recognise any rental revenue until required improvements are completed. Any cash received from the tenant while the property is judged to be uninhabitable is applied as a reduction in the debtor established at acquisition or the property carrying value, as appropriate. During the period ended 28 February 2025 and the year ended 31 August 2024, no properties were improved to a state which the Group consider habitable. During the period ended 28 February 2025, the Group sold 25 (year ended 31 August 2024: 154) properties which were not considered habitable, such that there were 19 uninhabitable properties at 28 February 2025 (31 August 2024: 44 properties).

The Group assesses impairment of individual lease related assets, such as lease incentives and straight-line rent receivables, at the tenant level. Impairment charges of £451,000 were recognised during the period to 28 February 2025 (period to 29 February 2024: £2,719,000 and year to 31 August 2024: £3,700,000).

5. Operating expenses

Property operating expenses

The Group began incurring property operating expenses directly as AEW negotiated lease surrenders with non-performing tenants and inserted property managers to manage each property until stabilised or sold. In some cases, property managers were appointed only for a short period to manage the property between the surrender date and the closing of the sale. In the remaining cases, a property manager has been in place since the surrender date. The number of properties under management by third parties has varied significantly since 1 September 2023. Expenses payable directly by the Group are:

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Operating expenses relating to properties under management agreements:			
Maintenance and compliance	2,486	759	2,301
Management fees	1,443	363	1,342
Utilities	897	116	788
Council tax	635	92	562
Other fees	41	7	166
Sub total	5,502	1,337	5,159
Irrecoverable property insurance	280	176	624
Property consultancy fees	-	568	568
Other property expenses	35	242	435
Total	5,817	2,323	6,786

The Group has primary responsibility for property operating costs including council taxes, utilities, repairs and maintenance and property management fees where properties are managed by property managers or an IHM. Some costs, such as council taxes and utilities, may be paid directly by tenants, unless they are the responsibility of the Group in the case of vacant properties and those with inclusive leases (which include supported living properties). The Group deducts the portion of the payments from LAs that relates to support services from management fees as these are specific to the agreement between the IHM and the LA and therefore are not recognised as revenue. In the period to 28 February 2025, this totalled £202,000 (2024: £nil). The Group auctions properties on a vacant possession basis because it provides greater value and is therefore responsible for all expenses between the lease surrender date and the date on which the sale is completed.

General and administrative expenses

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Legal fees	3,143	2,425	7,106
AEW investment management and AIFM fees (Note 18)	4,299	2,500	5,000
Professional fees	3,972	2,587	4,608
Fees paid to the Group's Independent Auditor	359	450	846
Valuation fees	78	120	300
Board and Directors' fees	257	120	362
Other administrative expenses	978	779	1,563
Total	13,086	8,981	19,785

Valuation fees have been allocated as a portion of the total fee recognised for the year ended 31 August 2025 and 2024.

5. Operating expenses – continued

General and administrative expenses - continued

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Fees payable to the company's auditor for the audit of the company's annual accounts	323	414	772
Other fees payable to the company's auditor:			
Audit of the accounts of subsidiaries	36	36	72
Fee payable for data preservation	-	-	2
Included in general and administrative expenses	359	450	846

Fees payable to the Company's auditor have been allocated as a portion of the total fee recognised for the years ended 31 August 2025 and 2024.

6. Realised loss and cash flows related to disposal of investment properties

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Net proceeds from disposals of investment property during the year	92,596	71,673	140,621
Fair value at beginning of the year	(98,433)	(73,756)	(151,373)
Realised loss on disposal of investment properties	(5,837)	(2,083)	(10,752)

During the six months ended 28 February 2025, the Group completed on the sale of 515 properties for gross proceeds of £96,096,000 (year ended 31 August 2024: 1,098 properties for £147,915,000 and six-month period ended 29 February 2024: 394 properties for £74,753,000).

Under the borrowing agreements discussed more fully in Note 10, the proceeds from property sales were fully under the control of the Lender and the Lender's agent. As agreed in various waiver letters between the Borrowers, Guarantors, Lender and Agent, all of the proceeds from the sale of properties were usually allocated 93% to the Agent controlled proceeds accounts and 7% to the Group to cover the cost of property sales and other general expenses. The amount allocated to the proceeds account was then allocated monthly in the following order: first, to repay the Lender for the allocated loan amounts related to each sold property, second, to the Lender to cover any unpaid interest or other amounts due and then last in accordance with an allocation as agreed in the periodic waiver letters. Because the portion of the net proceeds sent directly to the Agent controlled proceeds accounts were never under Group control, we have excluded the gross proceeds from property sales and the principal payments on the loans from the Consolidated Statement of Cash Flows. During the six-month periods ended 28 February 2025, 29 February 2024, and the year ended 31 August 2024, those cash flows were:

6. Realised loss and cash flows related to disposal of investment properties – continued

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Gross proceeds from property sales	96,096	74,753	147,915
Amount allocated to cover the cost of property sales	6,582	5,446	10,653
Amount allocated to the Lender controlled proceeds accounts	75,562	69,307	134,309
Amounts received in unrestricted accounts	13,952	-	-
Amount held by solicitors as at 31 August	-	-	2,953
	96,096	74,753	147,915
Proceeds allocated to cover the cost of property sales	6,582	5,446	10,653
Cost of property sales	(3,498)	(3,080)	(7,294)
Net proceeds distributed to unrestricted account	3,084	2,366	3,359
Proceeds allocated to the Lender controlled proceeds account	75,562	69,307	134,309
Amount used to repay principal, interest and Deferred Fees on outstanding loans	(86,497)	(52,710)	(100,665)
Receipt of monies from solicitor	2,953	-	-
Proceeds held in disposal account as at 31 August	13,412	(2,502)	(13,412)
Remaining proceeds distributed to unrestricted account	5,430	14,095	20,232
Total proceeds distributed to unrestricted account	22,466	16,461	23,591

As at 28 February 2025 proceeds of £nil (29 February 2024: £nil and; 31 August 2024 £2,953,000) related to completed sales had been received by the Group's solicitor but not yet received in a Group controlled account are included in other receivables.

7. Finance costs

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Loan interest	398	2,234	3,557
Total finance costs	398	2,234	3,557

Financing costs have been recognised for the period ended 28 February 2025 and 29 February 2024 and the year ended 31 August 2024 by multiplying the original effective interest rate against the carrying cost of the third-party loans as remeasured on 31 August 2023. As presented in Note 10, the benefit of break gains received and Deferred Fees imposed by and paid to the Lender have been recognised as amortisation against the previously recognised gain to the extent that they were considered in the revised estimated cash flows. The loans and the Deferred Fees were fully repaid in November and December 2024, respectively.

8. Taxation

The Group is a real estate investment trust (“REIT”) and as a result the profit and gains arising from the Group’s property rental business are exempt from UK corporation tax provided it meets certain conditions as set out in the UK REIT regulations. Profits arising from any residual activities (e.g. trading activities and interest income), after the utilisation of any available residual tax losses, are subject to corporation tax at the main rate of 25%.

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Current tax	-	-	-
Origination and reversal of temporary differences	-	-	-
Total deferred tax	-	-	-
Tax charge	-	-	-

The Company did not make any distributions in the six months to 28 February 2025 (year to 31 August 2024: £nil).

Reconciliation of the total tax charge

The reconciliation of loss before tax multiplied by the standard rate of corporation tax to the total tax charge in the statement of comprehensive income is as follows:

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Loss before tax	(15,834)	(8,752)	(25,166)
Tax at the standard rate of UK corporation tax	3,959	2,188	6,291
Effect of:			
Revaluation of investment properties	341	884	1,806
Losses not taxed for which no benefit can be recognised	(4,300)	(3,072)	(8,097)
Tax charge	-	-	-

UK REIT exempt income includes property rental income that is exempt from UK Corporation Tax in accordance with Part 12 of the Corporation Tax Act 2010.

9. Investment property

	As at 28 February 2025	As at 31 August 2024
	£'000	£'000
Freehold investment property at the beginning of the period/year	265,432	412,720
Property disposals in the period/year	(98,433)	(151,373)
Retentions received during the period/year	(119)	(3,138)
Increase in fair value of investment property	1,364	7,223
Fair value at the end of the period/year	168,244	265,432
Investment property:		
Investment property – non-current	167,392	236,325
Investment property held for sale - current	852	29,107
Total investment property	168,244	265,432

9. Investment property – continued

During the period ended 28 February 2025, the Group sold 515 properties for total gross proceeds of £96,096,000 (the period to 29 February 2024: 394 properties for gross proceeds of £74,753,000 and the year ended 31 August 2024: 1,098 properties for gross proceeds of £147,915,000).

The Group recognises investment properties at fair value at each balance sheet date in accordance with IFRS 13 which recognises a variety of fair value inputs depending upon the nature of the investment. The valuations have been prepared in accordance with the RICS Valuation – Global Standards July 2022 (the “Red Book”) and incorporate the recommendations of the International Valuation Standards and the UK National Supplement which are consistent with the principles set out in IFRS 13. Specifically, IFRS 13 defines the fair value hierarchy as follows:

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.

Property valuations are inherently subjective and are made by the valuer based on assumptions which may not be accurate. Accordingly, the valuation of investment property is classified as Level 3.

The investment properties have been valued by Jones Lang LaSalle Limited (“JLL”), an accredited independent external valuer with relevant and recent experience of valuing residential properties of the type in which the Group invests. Fair value is the estimated amount for which a property would exchange on the date of the valuation in an arm’s-length transaction and has been estimated using a combination of the investment approach and Market Value with a special assumption of Vacant Possession (“MV-VP”). The investment approach involves applying a yield to the future income stream net of estimated voids and rent-free periods and then a reversion to MV-VP, which future cash flows are discounted back to the balance sheet date. The yield and estimated rental values are observed based on the valuers’ judgment of comparable property and leasing transactions in the market. The primary factors which have been considered in assessing which valuation technique to use is the covenant strength of the tenant including their payment history and the property’s condition. The other significant factors which are considered under both techniques include the property’s type, its location and market conditions. The Group assessed the current condition of each property through a formal inspection programme (inspections occurred from August 2023 to May 2024), whereby Vibrant Energy Solutions Ltd (“Vibrant”) was engaged to perform an internal inspection of most properties and issue a condition report. If properties were inspected by another party for another purpose during that period, those properties have been excluded from the Vibrant inspection process and instead the valuer has made use of the report of the alternative provider. The condition of the properties as assessed in the inspection programme has been assumed to be the condition of the properties as at 28 February 2025 and 31 August 2024 for purposes of the valuations.

To arrive at opinions of fair value, JLL divided the assets into four categories and estimated rental value and yield for each:

- Individual properties (suitable for occupation by a single family)
- Houses of Multiple Occupation (properties with individual bedrooms but common kitchen and other facilities (“HMO”)),
- Residential Investments (properties with individual flats for occupation), and
- Development properties (properties which are considered derelict or which require substantial re-development)

As discussed in Note 4, not all leases were deemed to have commenced (for the purposes of recognising revenue) as some of the associated properties were deemed to be uninhabitable. The security of the unexpired term for these leases differs across the portfolio depending on the covenant strength of the tenant. For tenants with a weak covenant strength or where a property was deemed uninhabitable or not fit for-purpose, JLL disregarded the leases and valued the properties on the basis of MV-VP. All properties under the control of property managers have been valued on the basis of MV-VP. Where a property was deemed to be in a reasonable condition, capable of beneficial occupation, and let to a tenant who was likely to meet its rent demands in the short-term, JLL adopted the investment approach. For those tenants, JLL capped the unexpired lease term at five years, even where the actual unexpired lease term was for a longer period. This was due to a lack of confidence in those tenants being able to fulfil their lease obligations beyond five years. For those properties which were let or sublet to a tenant with a strong covenant, JLL considered the in-place lease (or ignored the primary in-place lease and instead capitalised the sublease) passing rent for its remaining term of up to seven years. Where a property has a high passing rent in comparison to JLL’s opinion of MV-VP, JLL capped the Fair Value at between 113% and 154% of MV-VP, depending on the tenant for both the February 2025 and August 2024 valuations.

9. Investment property – continued

The fair value of investment property at 28 February 2025 and 31 August 2024 is split between valuation techniques:

	28 February 2025		31 August 2024	
	Number of assets	Value £'000	Number of assets	Value £'000
Investment Valuation Approach	260	34,454	232	30,216
Market Value - Vacant Possession Approach	600	133,790	1,143	235,216
	860	168,244	1,375	265,432

At 28 February 2025, 29 properties were valued using the investment method valuation technique, having previously been valued using MV-VP (31 August 2024: nil). JLL considered this appropriate as the properties were let to tenants under new leases. For the period ended 28 February 2025, one property was valued using MV-VP having previously been valued on the investment method (2024: 37). JLL considered the change appropriate for a property specific reason (2025) or after re-evaluating the credit strength of the underlying tenant (2024).

The following unobservable inputs were used in the valuations (figures exclude those properties valued using MV-VP):

Passing rent and yield range	Passing rent pa £'000	Passing rent pa range £'000	Valuation £'000	Valuation yield range %
28 February 2025	4,284	5 - 181	34,454	7.3 – 15.8
31 August 2024	3,726	6 - 181	30,216	7.0 - 25.0

Sensitivities of measurement of significant unobservable inputs:

As noted above, the Group's property portfolio valuation is inherently subjective by nature. Because 600 of 860 properties (69.8% of properties) are valued using the MV-VP approach at 28 February 2025 (1,143 of 1,375 properties and 83.1% at 31 August 2024), and those valued under the investment approach are capped at 154% of MV-VP, changes in passing rents and initial yields do not impact the fair value as much as general price movements in the property market. The table below shows the sensitivities of measurement of the Groups' investment property to those inputs, excluding those properties valued using MV-VP:

Sensitivities	-5% in passing rent	+5% in passing rent	-100 bps in net initial yield	+100 bps in net initial yield
28 February 2025	(400,000)	300,000	600,000	(700,000)
31 August 2024	(300,000)	300,000	500,000	(500,000)

For the valuation as at 28 February 2025, a 5% increase / decrease in MV-VP (for all properties) would increase / decrease the overall value of investment property by approximately £8,000,000 (31 August 2024: £13,000,000).

10. Financial instruments

The Group's borrowings were comprised of two fixed term loan facilities, one for £120 million and the other for £130 million. Both facilities were with Scottish Widows. The £120 million facility had an all-in rate of 2.07% per annum for the duration of the loan term and was due for repayment in December 2032. The £130 million facility had an all-in rate of 2.53% for the duration of the loan and was due for repayment in December 2036. Both loans were secured by investment property and other assets held by the Group. As a result of the property sales discussed above and application of lockbox amounts against the loan balance, the £120,000,000 loan was fully repaid on 25 September 2024, the £130,000,000 loan was fully repaid on 27 November 2024 and the Deferred Fees were paid on 16 December 2024.

The Company and its subsidiaries were party to agreements with (amongst others) Scottish Widows including (in the case of certain subsidiaries of the Company) facility agreements and (in the case of the Company and all of its subsidiaries) guarantees. Various breaches occurred under those agreements. Since an initial waiver letter dated 30 January 2023 waiving certain breaches was received, new waiver letters were issued prior to the expiry of each previous waiver period. The waiver letters related to various matters including financial covenants, an adverse change in the position of the Company and its subsidiaries, a failure to deliver audited accounts and other information, the suspension of the shares of the Company on the London Stock Exchange and the tax status of the Company.

On 19 June 2023, Scottish Widows imposed a Deferred Fee of 0.5% of the aggregate amounts outstanding on the two loans at each of 31 August 2023 and 30 November 2023, payable on the full and final settlement of the loans. On 4 December 2023, Scottish Widows imposed a further Deferred Fee effective from 30 November 2023 being the equivalent of 5% per annum on the aggregate amounts outstanding on the two loans as computed on a daily basis. On 2 July 2024, Scottish Widows increased the Deferred Fee from 5% to 7% with effect from 1 July 2024 until the final repayment of the loans.

The agreements provide that if the Borrowers repay outstanding principal early, the Borrower pays or benefits from a Break Gain. The Break Gain is the net amount between the make whole amount on the margin of the loan (Spens Costs) and the synthetic interest rate break value which is the difference between the current swap rate and the fixed rate embedded in the loan.

On 31 August 2023, as part of the periodic waiver update and in response to a request by the Lender, the Directors agreed to focus on repayment of both loans as soon as possible with a target repayment date no later than 30 June 2024. While not a technical amendment to the loans, the change in the estimated timing and amount of cash payments required the Group to recalculate the carrying value of the loans using new estimated cash flows and discounted using the original effective interest rate. The change in value resulted in a gain of £14,537,000 which was recorded in the Consolidated Statement of Comprehensive Income in the year ended 31 August 2023. Meeting the initial target repayment date of 30 June 2024 required the Group to refinance the existing facilities. In June 2024, the Group announced that it could not achieve a refinancing on terms that it could recommend to shareholders and agreed with Scottish Widows to sell additional properties in order to repay the loans by 31 December 2024. After re-considering the updates to the original assumptions for interest payable, Break Gains and Deferred Fees, the Company recorded a net loss of £369,000 in the Consolidated Statement of Comprehensive Income in the year ended 31 August 2024. There was no further gain or loss recorded in the period ended 28 February 2025. The Group specifically considered the expected forecasted payments, Break Gains and the Deferred Fees in the revised cash flow estimates which would reduce the balance of the loan at the determination date to zero, discounted at the original effective interest rate.

The reconciliation of the principal owing to the Lender to the carrying value is:

	Half-year ended 28 February 2025	Year ended 31 August 2024
	£'000	£'000
Principal owing to Lender at end of the period/year	-	93,822
Carrying value adjustments	-	(2,784)
Carrying value at end of the period/year	-	91,038

10. Financial instruments – continued

Carrying Value Adjustments

	Half-year ended 28 February 2025	Year ended 31 August 2024
	£'000	£'000
Beginning balance	(2,784)	(20,500)
Recognition of fair value gain	-	369
Reclassification of prior year deferred fee accrual	-	1,100
Amortisation of fair value gain	2,784	16,247
Ending balance	-	(2,784)

Amortisation of the Remeasurement Gain

	Half-year ended 28 February 2025	Year ended 31 August 2024
	£'000	£'000
Break gains used to repay bank borrowings	11,768	16,632
Payment of Deferred fees	(8,984)	-
Adjustments to carrying value	-	(385)
	2,784	16,247

Fair Value

The Group utilises the income method to value its bank borrowings for disclosure purposes. The income approach estimates the fair value of a debt instrument by estimating the difference between contractual and market debt service payments discounted at an equity yield reflective of the risks inherent in the loan. The income method is considered Level 3 under the fair value hierarchy. The Group estimated the market replacement rate to be 5.89% as at 31 August 2024 for Home Holdings 1 and 6.19% for Home Holdings 2. If the estimated equity yield were to increase or decrease by 1%, the resulting change in fair value would have been a decrease / increase in the fair value adjustment of £74,000.

Bank borrowings	Carrying value £'000	Fair value £'000
28 February 2025	-	-
31 August 2024	91,038	93,551

11. Trade and other receivables

	As at 28 February 2025	As at 31 August 2024
	£'000	£'000
Tenant receivables in accordance with lease agreements	1,781	50,479
Rent not recognised because properties were uninhabitable	(174)	(3,243)
Tenant receivables	1,607	47,236
Receivable from solicitors for property sales completed	-	2,953
Receivable from property managers	683	1,222
Other receivables	358	160
Prepaid expenses	384	78
Tenant receivables and other financial assets	3,032	51,649
Provision for doubtful debts	(236)	(47,857)
Trade and other receivables	2,796	3,792

All trade and other receivable amounts are due within one year. The carrying value of trade and other receivables classified at amortised cost approximates fair value.

During the period ended 28 February 2025, the Group agreed surrender deals with 10 tenants on 308 properties (year ended 31 August 2024: 23 tenants on 1,839 properties). The tenants had outstanding debtors from underlying occupants at the date of surrender, which in some cases were transferred to the Group as a condition of the surrender. Because the records associated with the pre-control debtors were not fully verifiable and the debtors generally not collectible, the Board has not established these amounts as debtors. Any subsequent collection of these debtors is recognised when received.

The Directors analysed the expected credit losses and concluded that collection of debtors of £236,000 was doubtful and provided for such amounts as at 28 February 2025 (31 August 2024: £47,857,000).

Because the Group judged 6 of its 17 tenants as having a poor financial covenant and non-performing due to low or no cash received for rents, outstanding debtors as at 28 February 2025 were provided for in full. In addition, certain legacy debtors related to tenants otherwise current on their payments have also been provided in full. Any recoveries made of tenant receivables after 1 March 2025 will be recognised when received. For properties managed by a property manager, any arrears from underlying occupants were fully provided for unless received within a 30-day period after the end of the financial year.

During the year ended 31 August 2024, the Group agreed to write-off debtors as a condition to surrender deals that were agreed with non-performing tenants. In addition, during the period ended 28 February 2025, the Company considered the prospects of recovering any further cash from its current or past non-performing tenants and judged that it had no reasonable prospect of doing so for certain debtors. These write-offs related to debtor balances that had been previously fully provided for and were written off in HY25, even though the Group may continue to pursue the collection of some of these balances. Movements in the provision for expected credit loss for the six-month period ended 28 February 2025 and the year ended 31 August 2024 were as follows:

Impairment of trade receivables

	Half-year ended 28 February 2025	Year ended 31 August 2024
	£'000	£'000
Opening provision for impairment of trade receivables	47,857	50,747
Increase during the period/year	3,585	29,109
Receivables written-off during the period/year as uncollectable	(51,206)	(31,999)
Provision at the end of the period/year	236	47,857

12. Cash reserves

	As at 28 February 2025	As at 31 August 2024
	£'000	£'000
Retentions held by solicitors	391	510
Required interest amount classified as restricted	-	1,766
Cash held in disposal account	-	13,412
Restricted cash held by third parties	391	15,688
Cash and cash equivalents	13,024	6,182
Total cash reserves	13,415	21,870

A condition in the waiver letter agreed on 19 June 2023 allowed the Lender to hold back an amount of up to nine months of interest in the Lender-controlled rent accounts ("Required Interest Amount") to be released fully at the Lender's discretion. Cash held in the Disposal Account was controlled by the Lender and these amounts and the Required Interest Amount were used to repay the loans and Deferred Fees during the period.

In the period to 28 February 2025, there were no retentions released to Vendors (year ended 31 August 2024: £689,000) and £119,000 were released to the Group (year ended 31 August 2024: £3,138,000). There were no insurance retentions released to the Group during the period to 28 February 2025 (year to 31 August 2024: £279,000). As the insurance retentions were not initially established as an asset, the Group recorded a gain in that amount when the funds were received which has been presented in other income in the Consolidated Statement of Comprehensive Income.

13. Trade and other payables

	As at 28 February 2025	As at 31 August 2024
	£'000	£'000
Trade creditors	6,173	2,137
Accrued expenses	2,023	5,707
Retentions payable	391	510
Total trade creditors and accrued expenses	8,587	8,354

All trade and other payables are due within one year. The Directors consider that the carrying amount of trade and other payables approximates fair value.

Retentions payable are amounts due to Vendors when they complete property improvements which were agreed in the original SPA. See Note 12 for more information on retentions.

14. Share Capital

	As at 28 February 2025	As at 31 August 2024
	Number	Number
Balance at the beginning and end of the period/year	790,570,465	790,570,465

Share capital is the number of the Company's shares in issue.

15. Share premium account

	As at 28 February 2025	As at 31 August 2024
	£'000	£'000
Balance at the beginning and end of the period/year	595,733	595,733

The share premium relates to amounts subscribed for share capital in excess of nominal value less associated issue costs of the subscriptions.

16. Special distributable reserve

	As at 28 February 2025	As at 31 August 2024
	£'000	£'000
Balance at beginning and end of period/year	190,130	190,130

The special distributable represents the cancelled share premium (from the initial share issuance) less dividends paid from this reserve. This is a distributable reserve.

17. Dividends

The Company did not declare or pay a dividend in the period to 28 February 2025 or the year to 31 August 2024. On 16 February 2023, the Board announced that except for any distributions that would be required to maintain REIT status, that it has ceased paying any further dividends until further notice.

18. Related party transactions

Investment Manager

On 21 August 2023, AEW was appointed as Alternative Fund Manager (“AIFM”) and Investment Manager. The AIFM acts as investment manager with responsibility for the management of the Group’s assets in accordance with the investment policy of the Group and the policies and directions of the Board and is regulated in the conduct of investment business by the FCA.

Phase 1 of its engagement continued for two years from the date of appointment. During Phase 1, AEW is paid the following annual fee:

1. A fixed fee of £3,000,000 from increased at each successive anniversary by the lower of CPI, RPI and 5%;
2. A variable fee for disposal of investments of £422 per bed, as defined; and
3. A variable fee of 10% of rent collected by the Company from its investments.

The maximum amount payable in any year under this agreement is £5,000,000 (which is increased in year 2 to the extent that total fees in year 1 fall below £5,000,000). During the period ended 28 February 2025 and the year ended 31 August 2024, the Group incurred fees under the agreement with AEW of £4,299,000 and £5,000,000. As at 28 February 2025, £1,156,000 of these fees were unpaid (31 August 2024: £1,085,000).

Following the Initial Period, AEW was entitled to an investment management fee equal to 0.75% of NAV per annum, subject to a minimum fee of £3.0 million per annum (rising with inflation). On 22 August 2025, the Company and AEW agreed a revised fee structure with immediate effect, summarised as follows:

- A fee of £167,000 per month to expire three months after the date on which the Company holds fewer than 10 properties.
- Thereafter, £120,000 per month for a period of three months.
- Thereafter, £42,000 per month until termination of the revised IMA.

Subject to an annual cap of £1 million, an additional 10% of gross rent collected from assets owned by the Company and 10% of rent arrears collected, including those recovered through liquidations.

The revised IMA may be terminated on six months' written notice and occur no earlier than 21 August 2026. The revised IMA includes other immaterial amendments.

18. Related party transactions – continued

Directors

The Directors are entitled to receive a fee from the Group at such rate as may be determined in accordance with the Articles of Association. Michael O'Donnell is paid a base fee of £100,000 and an additional variable fee of £100,000, which is adjusted based on his actual workload. This additional variable fee was £100,000 from inception until 31 December 2025 and decreased to an additional £75,000 from 1 January 2025 and to an additional £50,000 from 1 July 2025 and increased to an additional £100,000 with effect from 1 October 2025. Peter Williams is paid a base fee of £60,000 and an additional fee of £10,000 in his role as Senior Independent Director. Rod Day is paid a base fee of £60,000 and an additional fee of £10,000 in his role as Audit Committee Chair. Legacy directors were paid a base fee of £36,000 with an additional fee of £5,000 for the Chair of the Audit Committee and an additional fee of £15,000 for the Chair. During the period to 28 February 2025, Directors' fees of £226,000 (year to 31 August 2024: £330,000) were paid, of which none was unpaid at 28 February 2025 (31 August 2024: £nil). With the publication of the 2023 Annual Report and Accounts on 14 January 2025, Peter Cardwell, Lynne Fennah, Simon Moore and Marlene Wood stepped down from the Board.

19. Reconciliation of liabilities to cash flows from financing activities:

	As at 28 February 2025		As at 31 August 2024	
	Principal Borrowing	Carrying Value of Borrowings (£'000)	Principal Borrowing	Carrying Value of Borrowings (£'000)
Balance at beginning of period/year	93,822	91,038	220,000	199,500
Cash flows (used in)/generated from financing activities				
Principal payments from unrestricted cash	(4,541)	(4,541)	-	-
Loan arrangement fees paid	-	-	-	(142)
Non-cash movements				
Principal payments from restricted cash	(77,513)	(77,513)	(109,546)	(109,546)
Set-up and unwinding of debt fair value adjustment	-	2,784	-	16,781
Reclassification of Deferred Fee accrual	-	-	-	1,100
Break gains used to repay bank borrowings	(11,768)	(11,768)	(16,632)	(16,632)
Loan arrangement fees accrual movement	-	-	-	(23)
Balance at end of the period/year	-	-	93,822	91,038

Interest payments of £398,000 were made from restricted cash accounts during the period.

20. Contingent liabilities

Harcus Parker Limited, a law firm specialising in claimant group actions, is soliciting investors on a fully contingent basis ('no win, no fee') to join together in bringing claims against the following parties:

- the Company;
- the directors who were in office at the time when the Company's shares were suspended (the "Director Defendants");
- AHRA;
- Alvarium FM; and
- ALTi RE Limited, the former principal of AHRA by way of an Appointed Representative Agreement.

As of the date of this document, there has been no claim issued by Harcus Parker. Harcus Parker has sent a pre-action letter of claim (enclosing draft particulars of claim) to the Company and Director Defendants (along with the other defendant parties listed above) on behalf of a number of shareholders in the Company, which alleges that the Company and the Director Defendants provided information to investors which was false, untrue and/or misleading and as a result investors suffered losses. The Board is not currently able to conclude whether or when a formal claim may be issued and, if a claim is issued, what the quantum of such a claim may be. The Board has stated publicly that both the Company and Director Defendants intend vigorously to defend the threatened claims. The Company and Directors have sent a lengthy and detailed letter of response to Harcus Parker.

On 5 March 2024, the Company announced that it intends to bring legal proceedings against those it considers are responsible for wrongdoing. It remains the Company's intention to pursue those whom it considers may be liable for the losses it has suffered, subject to a reasonable cost-benefit analysis. To that end, the Company sent pre-action letters of claim to Alvarium FM and ALTi RE on 12 April 2024, and AHRA on 29 May 2024. Both Alvarium FM and ALTi RE have been placed into administration and AHRA is in liquidation, which potentially complicates the ability of the Company to achieve financial recovery from these entities directly. The Company is also assessing the viability of seeking recoveries directly from AHRA, Alvarium FM and ALTi RE's insurers.

On 7 February 2024, the Company was notified by the FCA of its commencement of an investigation into the Company, covering the period from 22 September 2020 to 3 January 2023. The directors are not able to assess or quantify what if any actions may be taken.

21. Loss per share

Loss per share is calculated by dividing loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares in issue for the periods ended 28 February 2025 and 29 February 2024, and the year ended 31 August 2024. Amounts shown below are both basic and diluted measures as there were no dilutive instruments in issue throughout the periods.

	For the half-year ended 28 February 2025	For the half-year ended 29 February 2024	For the year ended 31 August 2024
	£'000	£'000	£'000
Loss (£'000)	(15,834)	(8,752)	(25,166)
Weighted average number of Shares in issue during the period / year ('000)	790,570	790,570	790,570
Loss per share (pence)	(2.00)	(1.11)	(3.18)

22. Net asset value per share

Net asset value per share is calculated by dividing the consolidated net assets attributable to ordinary equity holders of the Company by the number of ordinary shares outstanding at the reporting date. Amounts shown below are both basic and diluted measures as there were no dilutive instruments in issue throughout the current or comparative periods.

	As at 28 February 2025	As at 31 August 2024
NAV (£'000)	175,868	191,702
Number of Shares ('000)	790,570	790,570
NAV per Share	22.25p	24.25p

23. Post balance sheet events

Disposals

On 2 March 2026, the Group exchanged on the disposal of 706 properties, representing the majority of the Company's portfolio of assets, to Patron Capital for £123.0 million which is expected to complete no later than 1 April 2026. In addition, from 1 March 2025 to 25 March 2026, the Group exchanged and completed on the sale of ten properties for gross sales proceeds of £1,087,000.

Restricted cash

Of the retentions held by solicitors at 28 February 2025, £278,000 has been released to the Company (including £27,000 of insurance retentions) and £113,000 has been released to the Vendor or the Crown, as appropriate. There are no further retentions held by solicitors as at 25 March 2026.

24. Controlling parties

There is no ultimate controlling party of the Group.

Additional Information

Appendix 1 – Regulatory News Services Announcements 1 September 2023 to 25 March 2026

Date	Title	Key
05-Sep-24	Monthly Update Repayment of £12.2m of debt.	F
16-Sep-24	Result of General Meeting Shareholders approved the ordinary resolution for the Managed Wind-Down strategy.	SN, INV
30-Sep-24	Property Sales Exchanged on the sale of 200 properties for gross proceeds of £36.9m.	PROP
11-Oct-24	2022 Annual Report and Accounts The 2022 results reflect a substantial loss and decrease in NAV for the period. NAV per share reduced by 57.5% to 43.76 pence (2021 restated: 103.03 pence) Loss before tax of £474.8m (restated 2021: £16.1m profit before tax).	RES
14-Oct-24	Monthly Update Repayment of £21.8m of debt.	F
23-Oct-24	Property Sales and Debt Repayment Update Exchanged on the sale of 152 properties for the gross proceeds of £26.8 million.	PROP
8-Nov-24	Notice of General Meeting The Company has published a Notice of General Meeting to be held at the offices of Panmure Liberum, Level 12 Ropemaker Place, 25 Ropemaker Street, London EC2Y 9LY on 5 December 2024 at 10:00am.	SN
18-Nov-24	Change in Registered Office Registered office will be 4th Floor, 140A Aldersgate Street, London, EC1A 4HY with effect from 18 November 2024.	SN
28-Nov-24	Repayment Debt Following completion of property sales in November, the Group made a final repayment of debt in the amount of £28.6 million.	F
4-Dec-24	Response to announcement from Southey Capital Ltd. The Company acknowledged the announcement of Southey Capital Ltd. concerning a tender offer for the Company's Shares at 4 pence per Share.	RTP
5-Dec-24	Result of General Meeting Shareholders voted against the approval of the 2022 Annual Report and Accounts and in favour of the Directors' Remuneration Report.	SN
24-Dec-24	Debt Repayment, Tenant and Accounts Update The Company announced that all Deferred Fees had been paid and remaining properties released as collateral by the Lender and that it had agreed a surrender on 171 properties with LTG Vision. The Company also announced that it would file this 2023 Annual Report and Accounts in January 2025.	F, T, RES
14-Jan-25	2023 Annual Report and Accounts Released The 2023 results reflect a substantial loss and decrease in NAV for the period. NAV per share reduced by 37.3% to 27.43 pence (2022: 43.76 pence). Loss before tax of £118.2m (2022: Loss before tax of £474.8 million). Peter Cardwell, Lynne Fennah, Simon Moore and Marlene Wood stood down as directors.	RES, D
27-Jan-25	Notice of Annual General Meeting The Company has published a Notice of General Meeting to be held at the offices of FTI Consulting at 200 Aldersgate Street, London, EC1A 4HD on 20 February 2025.	SN

Date	Title	Key
20-Feb-25	Trading Update	RES, T
20-Feb-25	Result of General Meeting Shareholders voted to approve the 2023 Annual Report and Accounts and the Director's Remuneration Policy and in favour of the Directors' Remuneration Report. In addition, the existing directors were re-elected, BDO was re-appointed as auditor to the Company, the Company be authorised to purchase its own shares, including through tender offers, that the share premium account of the Company be cancelled and that a General Meeting of the Company can be called on not less than 14 clear days' notice.	SN
4-April-25	The Company released its interim results for the period to 28 February 2023.	RES
29-May-25	Trading update, February 2025 valuation The Company announced that, subject to review by the auditors, the valuation of its portfolio of 860 properties was £169.0 million at 28 February 2025.	RES
15-July-25	Response to Recent Announcement The Board acknowledged the recent announcement that AITi Re Limited and Alvarium Fund Managers Limited have entered administration.	L
22-Aug-25	Revision to Investment Management Agreement The Company announced revised terms of its investment management agreement with AEW.	IA
1-Sept-25	Trading Statement The Company announced an update on the portfolio sale.	RES
20-Oct-25	2024 Annual Report and Accounts Released The 2024 results reflect a loss and decrease in NAV for the year. NAV per share reduced by 11.6% to 24.25 pence (2023: 27.43 pence). Loss before tax was £25.2 million (2023: £118.2 million).	RES
31-Oct-25	Trading update, August 2025 valuation The Company announced that, subject to review by the auditors, the valuation of its portfolio of 860 properties was £155.7 million as at 31 August 2025.	RES
13-Nov-25	Response to press speculation The Board noted the recent press speculation concerning the Company's portfolio sale process and confirmed that the Company had entered into an exclusivity agreement with Patron Capital in respect of the disposal of the majority of the Company's portfolio of assets.	PROP
18-Nov-25	Trading Statement The Company released its interim results for the period to 29 February 2024	RES
14-Jan-26	Response to SFO Investigation The Company was made aware of reports of the SFO's arrests and raids with certain individuals formally associated with the Company.	RES
30-Jan-26	Notice of Annual General Meeting The Company has published a Notice of General meeting to be held at the offices of FTI Consulting at 200 Aldersgate Street, London, EC1A 4HD on 27 February 2026.	SN
25-Feb-26	2025 Annual Report and Accounts Released The 2025 results reflect a loss and decrease in NAV for the year. NAV per share reduced by 16.0% to 20.38 pence (2024: 24.25 pence). Loss before tax was £30.6 million (2024: £25.2 million).	RES
27-Feb-26	Result of General Meeting Shareholders voted to approve the 2024 Annual Report and Accounts and the Director's Remuneration Policy and in favour of the Directors' Remuneration Report. In addition, the existing directors were re-elected, BDO was re-appointed as auditor to the Company, the Company be authorised to purchase its own shares, including through tender offers, and that a General Meeting of the Company can be called on not less than 14 clear days' notice.	SN

Date	Title	Key
2-Mar-26	<p data-bbox="323 293 491 313">Trading Statement</p> <p data-bbox="323 324 1193 405">The Company announced that it had exchanged on the disposal of 706 properties, representing the majority of the Company's portfolio of assets, to Patron Capital for £123.0 million</p>	PROP

Key:

D	Directors
F	Financing Update
IA	Investment Adviser/ AIFM / Investment Manager
INV	Investment Policy
L	Potential Litigation/FCA Investigation
PROP	Property – Acquisition, Disposal, Valuation
RES	Results and trading updates
RTP	Response to Third Party Reports
SN	Shareholder Notice – Annual General Meeting. General Meeting
T	Tenant Update

Appendix 2

Governance and Internal Control

Overview of the Company

The Company is an externally managed real estate investment trust that has no employees (except Lynne Fennah since 15 January 2025, who advises the Board on historical matters on a part-time basis), only non-executive directors. The non-executive Board is responsible for leading and controlling the Group and has overall authority for the management and conduct of the Company's business, strategy and development. In order to fulfil these obligations, the Board appointed AEW as the Investment Manager and AIFM to provide investment management services.

The Directors have contractually delegated the management of the investment portfolio, the registration services, administration services and other services to third party service providers and reliance is therefore placed on the internal controls of those service providers. Although the Company's executive management function is outsourced, it remains the responsibility of the Board to:

- i. assess whether the outsourced functions are being performed adequately;
- ii. ensure that the Company has adequate resources; and
- iii. establish procedures to monitor the performance of third parties performing the outsourced functions. The Board ensures that there are clear financial reporting lines and accountability, with segregation of duties.

Corporate Governance

The Board is ultimately responsible for reviewing the effectiveness of the Company's overall internal control arrangements and processes. The Board is responsible for the ongoing process for identifying, carrying out a robust assessment of, and managing and mitigating the principal risks faced by the Company.

The principal documentation for the Governance and Internal Control is the Financial Position and Prospects Procedures ("FPPP") memorandum. The FPPP details procedures for the Directors to make proper judgements on an ongoing basis as to the financial position and prospects of the Company.

The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Company's investment objectives. Such systems can only provide reasonable, not absolute, assurance against material misstatement or loss.

The internal financial control systems aim to ensure the maintenance of proper accounting records, the reliability of the financial information upon which business decisions are taken, reports are published and the assets of the Company are safeguarded.

The key procedures include review of management accounts, monitoring of performance of the Company and AEW at quarterly Board meetings, segregation of the administrative function from investment management, maintenance of appropriate insurance and adherence to physical and computer security procedures.

The Board meets at a minimum quarterly and more often if required. Currently the Board holds monthly review meetings with AEW. Quarterly (and currently monthly) review meetings follow standing agendas with other matters considered appropriate from time to time.

Board Responsibility

The Board has adopted a formal schedule of matters reserved for decision by the Board, a copy of which is available on the Company's website. These matters include:

- i. responsibility for the determination of the Company's investment objective and policy including any investment restrictions (subject to any necessary shareholder approvals);
- ii. overall responsibility for the Group's activities, including the review of investment activity, gearing, performance and supervision of AEW and other key service providers;
- iii. approval of Annual and Half-Yearly Reports and Financial Statements and accounting policies, prospectuses, circulars and other shareholder communications;
- iv. raising new capital and approval of financing facilities;
- v. approval of the Company's dividend policy and approval of dividends;
- vi. approval of the NAV of the Group;
- vii. Board appointments and removals;
- viii. appointment and removal of the Investment Manager, AIFM, Investment Adviser, Auditor and the Company's other key service providers;
- ix. approval of material contracts entered into, varied or terminated by the Company;

- X. corporate governance, risk management framework and internal control; and
- Xi. compliance with tax and other regulations.

Acquisitions are no longer permitted under the New Investment Policy.

Internal Control Assessment Process

Reviews of internal controls are undertaken regularly in the context of the Company's overall investment objective. The Board has categorised risk management controls under the following key headings: investment strategy; property leasing and operations; real estate sector; risks relating to Shares; engagements with third party service providers; taxation; accounting, operational and financial reporting; governance and regulatory compliance; and emerging risks including climate risk. In arriving at its judgement of what risks the Company faces, the Board has considered the Company's operations in light of the following factors:

- i. the nature and extent of risks which it regards as acceptable for the Group to bear within its overall business objective;
- ii. the threat of such risks becoming reality;
- iii. the Company's ability to reduce the incidence and impact of risk on its performance; and
- iv. the cost to the Company and benefits related to the review of risk and associated controls of the Company.

A risk matrix is in place against which the risks identified and the controls to mitigate those risks can be monitored. The risks are assessed on the basis of the likelihood of them happening, the impact on the business if they were to occur and the effectiveness of the controls in place to mitigate them. This risk register is reviewed at least every six months.

Internal Audit Consideration

The Board keeps the need for an internal audit function under periodic review. All key service providers report at least annually regarding their internal controls including provision of their ISAE 3402, or equivalent reports. The Board has considered the cost-benefit of engaging independent review of key service providers and concluded the existing system of monitoring and reporting by third-party service providers remains appropriate.

Review of Governance and Internal Control

The Board has considered its risk management framework, internal control systems, procedures and processes. The FPPP was updated in October 2023 with minor amendments to reflect the appointment of the new Investment Manager and AIFM and the Amended Investment Policy, further amendments were made in September 2024 including details of the finalised accounting policies, new Board members and update of the risk register for the New Investment Policy.

The Board and the Audit Committee, has undertaken a robust assessment and review of the emerging and principal risks facing the Company and the Group, together with a review of any new risks which may have arisen, including those that would threaten its business model, future performance, solvency or liquidity. The risk register has and continues to be regularly updated (most recently in August 2025) with respect to the focus on key aspects of the Managed Wind-Down after the repayment of the Group's borrowings and associated fees.

Investment Manager

The Investment Manager is appointed to act as AIFM of the Company with responsibility to manage the assets of the Company initially in accordance with the Amended Investment Policy of the Company and subject to the overall policies and directions of the Board. From 16 September 2024, the New Investment Policy applies.

AEW's key responsibilities include the following:

- i. providing AIFM management functions including portfolio management and risk management services;
- ii. managing the investment and re-investment of the assets of the Group on a discretionary basis in accordance with the Amended Investment Policy/New Investment Policy and investment restrictions and with a view to achieving the investment objective of the Company;
- iii. managing the borrowings and gearing in accordance with policies and guidelines and managing working capital and liquidity within the Group's investment portfolio;
- iv. monitoring the performance of the administrator, the valuer and the depositary;
- v. seeking and evaluating potential investments by the Group, including carrying out financial evaluation and due diligence and providing written evaluations of the financial, structural and legal issues relevant to the potential investments;
- vi. performing due diligence on approved investments;
- vii. monitoring and analysing the performance of the Group's investments; and
- viii. performing credit analysis prior to making an investment and performing ongoing tenant credit analysis (including checking that rent has been received and following up with tenants on unpaid amounts).

AEW reports key matters at the quarterly Board meetings including but not limited to:

- Financial position of the Group.
- Performance of the Group.
- Acquisition and disposal of investments.
- Investment restrictions and compliance.
- Debt leverage and covenant analysis.
- Tenant and asset updates including relevant information on occupancy, property condition, capex requirements, rent collections, credit analysis, and financial viability.
- Property managers and key third-party appointments.
- Report on properties under separate management agreements.
- Current 13-week and 15-month cashflow forecasts.
- Investment Manager resourcing and third-party providers.
- Health & Safety – material matters.
- Any other material matters that should be brought to the Board's attention.

The Investment Manager has an established track record of successfully investing in UK real estate, founded on a robust and disciplined investment and asset management process. AEW operates a multi-layered governance framework with challenge at every level. The underlying principle of the process is to ensure that client objectives are optimised in a controlled and risk managed environment.

As a subsidiary of one of the world's largest banking groups, AEW has rigorous policies and processes in place to ensure compliance with all relevant regulations and legislation. AEW participates in the wider group's Enterprise Compliance and Risk Programme operated by Natixis Investment Managers ("Natixis IM"), which provides a comprehensive compliance and risk management framework and governance structure based on the three lines of defence model. The principle of the three lines of defence relies on a multi-tiered approach:

- First line of defence: risk management controls are integrated into the operating processes formalised in clearly defined policies and procedures. Teams are also required to participate in relevant trainings and escalate any potential risk-related issues or incidents to the second line of defence.
- Second line of defence: appropriate review and challenge of first line activities. This includes control carried out by the compliance department through the permanent control programme. The Compliance Officer and the Risk Manager both have additional dual reporting lines into the local CEO and AEW Group counterparts and into the respective Natixis IM Chief Compliance Officer or Chief Risk Officer. Third line of defence: Internal audit undertaken with independent Natixis IM's compliance department and audit inspections undertaken by Natixis and the Groupe BPCE's audit functions.

Glossary

Administrator

Apex Fund and Corporate Services (UK) Limited. The Administrator is responsible for calculating the Net Asset Value of the Ordinary Shares in consultation with the AIFM and the Investment Adviser or Investment Manager as relevant and reporting this to the Board

AEW

AEW UK Investment Management LLP – Investment Manager and AIFM from 21 August 2023

AGM

Annual General Meeting

Aggregators

The various property vendors that entered into a settlement agreement dated 8 December 2022

AHRA

Alvarium Home REIT Advisors Limited now in liquidation – Investment Adviser until 30 June 2023

AIC

Association of Investment Companies. This is the trade body for closed-ended investment companies (www.theaic.co.uk)

AIC Code

The AIC Code of Corporate Governance, as published in February 2019. A framework of best practice guidance for investment companies

AIFM

Alternative Investment Fund Manager. The entity that provides portfolio management and risk management services to the Company and which ensures the Company complies with the AIFMD. The Company's AIFM was Alvarium Fund Managers (UK) Limited until 21 August 2023 when AEW UK Investment Management LLP succeeded it

AIFMD

Alternative Investment Fund Managers Directive

AITi RE Limited

AHRA's former principal by virtue of an appointed representative agreement

A&M

Alvarez & Marsal Disputes and Investigations LLP consulting firm instructed by Board in January 2023 to conduct an investigation into allegations of wrongdoing, including matters raised in the Viceroy Research Report

Alvarium FM

Alvarium Fund Managers (UK) Limited, the AIFM until 21 August 2023

Alvarium Securities

Alvarium Securities Limited (now called Ellora Partners Limited) provided corporate broking services to the Group until 8 February 2023

Amended Investment Policy

Investment policy approved by shareholders on 21 August 2023 including a Stabilisation Period

Articles

The articles of association of the Company

Assured Shorthold Tenancies ("AST")

A type of residential tenancy in England and Wales. The most common form of arrangement that involves a private landlord or housing association

BDO

BDO LLP is the Group's independent auditor

Big Help

Comprises Big Help Homes CIC, Big Help Project, CG Community Council, Dovecot & Princess Drive Community Association, N-Trust Homes CIC, Select Social Housing

Broker

A third party that provides corporate finance advisory services to the Company, including research and fundraise support (including roadshow, marketing and book-building services). Alvarium Securities Limited acted as sole Broker from 21 September 2020 until Jefferies International Limited was appointed as Joint Broker from 29 October 2022. Alvarium Securities Limited resigned on 8 February 2023. The agreement with Jefferies International Limited was terminated on 1 February 2023. Liberum Capital Limited (now Panmure Liberum Limited) was appointed as Capital Markets Advisor on 5 July 2023 and will act as Broker from the date on which the Company's ordinary shares are re-admitted to trading on the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange

Capital Markets Adviser

Panmure Liberum Limited (previously Liberum Capital Limited) was appointed as Capital Markets Adviser on 5 July 2023 and will act as Broker from the date on which the Company's ordinary shares are re-admitted to trading on the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange

CIC

A Community Interest Company. A limited company, with special additional features, created for the use of people who want to conduct a business or other activity for community benefit, and not purely for private advantage

Company

Home REIT plc

Company Secretary

Apex Fund and Corporate Services (UK) Limited

Company website

www.homereituk.com

Completion

The point at which ownership of the property is legally transferred by dating the transfer deed

Consolidated Financial Statements

The Group accounts which include the Company and the subsidiaries included in Note 25 to the Consolidated Financial Statements

Covenant strength

The strength of a tenant's financial status and its ability to perform the covenants in the lease

Creditors Voluntary Liquidation (CVL)

A Creditors' Voluntary Liquidation is a formal liquidation process which brings about the end of an insolvent company. Liquidation involves the winding up of a company's affairs, resulting in the sale of its assets and dissolution. Companies may alternatively enter into administration which focuses on rescuing the company from insolvency by restructuring its operations and finances

Deferred Fees

The Deferred Fee imposed by Scottish Widows computed as: i) 0.5% of the aggregate amounts outstanding on the two loans at each of 31 August 2023 and 30 November 2023, and ii) a fee from 30 November 2023 computed as the equivalent of 5.0% per annum on the aggregate amounts outstanding on the two loans as computed on a daily basis, which from 1 July 2024 increased from 5% to 7%. The Deferred Fees were paid in full in December 2024

Depositary

Apex Depositary (UK) Limited appointed to provide cash monitoring, safekeeping and asset verification and oversight functions as prescribed by the AIFMD

Directors Defendents

The Directors who were in place from inception to 3 January 2023

Dividend per share

The total dividend paid and proposed in respect of a period divided by the number of ordinary shares eligible for the dividend on the record date

EPC

Energy Performance Certificate

EPRA

European Public Real Estate Association, the industry body representing listed companies in the real estate sector

ERV

Estimated Rental Value

ESG

Environmental, Social and Governance

Exempt Accommodation

Supported housing where the landlord is a not-for-profit organisation and provides care, support and supervision to the claimant

Exempt Rents

Rents in relation to Exempt Accommodation

Exchange

The point on a property transaction at which the contract to sell is exchanged and dated and becomes legally binding

Fair Value

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

Fair value movement

An accounting adjustment to change the book value of an asset or liability to its fair value

FCA

The Financial Conduct Authority

FRI lease

A lease which imposes full repairing and insuring obligations on the tenant, relieving the landlord from all liability for the cost of insurance and repairs

FPPP

Financial Position and Prospects Procedures memorandum

FY22

Year ended 31 August 2022

FY23

Year ended 31 August 2023

FY24

Year ended 31 August 2024

Gross Asset Value

The aggregate value of the total assets of the Company as determined in accordance with IFRS

Group

Home REIT plc and its subsidiaries

Groupe BPCE

The ultimate owner of AEW. Groupe BPCE is the second-largest banking group in France. Groupe BPCE operates in the retail banking and insurance fields in France via its two major networks, Banque Populaire and Caisse d'Épargne, along with Banque Palatine. It also pursues its activities worldwide with the asset & wealth management services provided by Natixis Investment Managers (Natixis IM) and the wholesale banking expertise of Natixis Corporate & Investment Banking

Harcus Parker

Harcus Parker Limited a law firm specialising in claimant group actions, soliciting investors on a fully contingent basis ('no win no fee') to join together in bringing claims against the Company and other parties

House of Multiple Occupation ("HMO")

Rental property where at least three tenants live, forming more than one household sharing common facilities, such as kitchens and bathrooms

IAA

Investment Advisory Agreement between the Company, Alvarium FM and AHRA dated 22 September 2020

IFRS

UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs")

Independent valuer

An independent external valuer of a property. The Company's external valuer was Knight Frank for the periods ended 28 February 2022 and prior. JLL was appointed on the 18 July 2023 to retrospectively value properties as at 31 August 2022 and subsequent periods

Investment Adviser

Alvarium Home REIT Advisors Limited (“AHRA”) the appointed investment adviser until 30 June 2023

Investment Manager

AEW UK Investment Management LLP (“AEW”), the appointed Investment Manager and AIFM from 21 August 2023

IMA

Investment Management Agreement between the Company and Alvarium FM dated 22 September 2020 or Investment Management Agreement between the Company and AEW dated 22 May 2023

IPO

The admission to trading on the London Stock Exchange’s Main Market of the share capital of the Company and listing of Ordinary Shares to the premium segment of the Official List of the FCA, on 12 October 2020

JLL

Jones Lang LaSalle Limited, the Group’s Independent Valuer appointed on 18 July 2023 to value properties retrospectively as at 31 August 2022 and subsequent periods

Knight Frank

Knight Frank LLP the Group’s independent valuer as at 28 February 2022 and previous periods

KPIs

Key performance indicators

Lease incentives/inducements

Incentives offered to tenants to enter into a lease. Typically this will be an initial rent-free period, or a cash contribution to fit-out. Under accounting rules, the value of the lease incentive is amortised through the Statement of Comprehensive Income on a straight-line basis until the lease expiry

Lender

Scottish Widows Limited (“Scottish Widows”)

Liberum

Liberum Capital Limited (now Panmure Liberum Capital Limited) appointed on 5 July 2023 as capital markets adviser and will act as the corporate broker to the Company on commencement of re-listing on the Company’s shares

Listing Rules

The listing rules of the FCA made under the Financial Services and Markets Act 2000 as amended from time to time

Loan to value (“LTV”)

The outstanding value of bank borrowings as a percentage of the fair value of investment property as stated in the independent valuation

Local Housing Allowance (“LHA”)

Rates used to calculate housing benefit for tenants renting from private landlords

Managed Wind-Down

The Company being managed with the intention of realising all the assets in its property portfolio in an orderly manner and with a view to repaying borrowings and making timely returns of capital to shareholders whilst aiming to optimise value for the Company’s assets

Market capitalisation

The mid-market price for an ordinary share of the Company multiplied by the number of ordinary shares in issue

MEC

Management Engagement Committee

MV-VP

Market Value – Vacant Possession – refers to the value of an income-producing asset, assuming there is no tenant. It represents the value of the property without considering any lease or rental income

Natixis IM

Natixis Investment Manager, an international asset management group based in Paris, France, that is part of the Global Financial Services division of Groupe BPCE. Natixis IM is wholly owned by Natixis, a French investment banking and financial services firm. Natixis is wholly owned by BPCE, France’s second largest banking group

Net Asset Value (NAV)

Net Asset Value is the equity attributable to shareholders calculated under IFRS

NAV per share

Equity shareholder, funds divided by the number of Shares in issue. This measure allows a comparison with the Company's share price to determine whether the Company's shares are trading at a premium or discount to its NAV calculated under IFRS

NAV total return

The percentage change in NAV, assuming that dividends paid to shareholders are reinvested at NAV to purchase additional Shares. This is an alternative performance measure that the Company tracks, as it is a direct indicator of the value produced by the Company's operations

Net break gains/losses

Net break gains result from provisions of the loan facility agreements which, at each early repayment event, generate a synthetic interest rate swap breakage on the fixed rate (effective swap rate) element of the loans resulting in a break gain or loss, and a make whole on the margins of the loans (Spens Cost)

New Investment Policy

Investment policy approved by shareholders on 16 September 2024 in respect of the Managed Wind-Down of the Group

Noble Tree

Noble Tree Foundation Limited

Original Investment Policy

Investment policy in place at IPO until 21 August 2023

Non-PID

Non-Property Income Distribution. The dividend received by a shareholder of the Company arising from any source other than profits and gains of the Tax Exempt Business of the Company

PID

Property Income Distribution. A dividend received by a shareholder of the Company in respect of profits and gains of the tax exempt business of the Company

Property Adviser

AEW UK Investment Management LLP during the period 22 May 2023 to 21 August 2023

Practical completion

The point at which a building project is complete, except for minor defects that can be put right without undue interference or disturbance to the tenant

Property Income

Net property income and net gains on the disposal of property which are exempted from corporation tax as long as at least 90% net property income is distributed to shareholders within 12 months of the end of the financial year

PRS

Private Rented Sector – housing classification whereby properties are owned by landlords (individuals or companies), and leased out to occupiers

Registrar

MUFG Corporate Markets (UK) Limited, has responsibility for maintaining the register of shareholders, receiving transfers of Shares for certification and registration and receiving and registering shareholders' dividend payments together with related services

REIT

A Real Estate Investment Trust. A company which complies with Part 12 of the Corporation Tax Act 2010

Subject to the relevant UK REIT criteria being met continually, the profits from the property business of a REIT, arising from both income and capital gains, are exempt from corporation tax

RNS

Regulatory News Service, the service provider used by the Group to distribute regulatory news and announcements

Sale and Purchase Agreements ("SPAs")

A binding legal contract between two parties that obligates a transaction to occur between a buyer and seller

Seller's Works

Obligation for the vendors to complete certain works on properties acquired, to ensure that the property was fit for purpose within a specified period, as defined in the SPAs

Shares

Ordinary Shares of £0.01 each in the capital of the Company. Ordinary Shares are the main type of equity capital issued by conventional Investment Companies. Shareholders are entitled to their share of both income, in the form of dividends paid by the Company, and any capital growth

Share price

The value of a share at a point in time as quoted on a stock exchange. The Company's Shares were quoted on the Main Market of the London Stock Exchange until they were suspended on 3 January 2023

Social Use

Real estate used to house vulnerable individuals, including but not limited to those affected by any of the following circumstances: homelessness, ex-service men and women, individuals fleeing domestic abuse, vulnerable women, people leaving prison, asylum seekers and refugees, foster care leavers, substance misuse, care leavers, mental illness, disability, specialist supported living and general needs social housing

SRI

Socially Responsible Investment

Stabilisation Period

The period per the Amended Investment Policy, beginning on 21 August 2023 and ending on 21 August 2025, or such later date (not being later than 21 August 2026) approved by the Board, during which the Company will have the objective of stabilising the Group's financial condition through initiatives to maximise income and capital returns by investing in a portfolio of UK residential real estate

Supported Living

Housing where support and/or care services are provided to help people to live as independently as possible.

SWLD

Seller's Works Longstop Date

The Good Economy

The Good Economy Partnership Limited, a social impact assessor and adviser appointed by the Company

Total shareholder return

The growth in value of a shareholding over a specified period, assuming dividends are reinvested to purchase additional units of stock

UK Code

The UK Code of Corporate Governance being the code issued by the Financial Reporting Council which sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders. All companies with a premium listing of equity shares in the UK are required under the Listing Rules to report on how they have applied the Code in their annual report and accounts

Valuer

An independent external valuer of a property. The Company's external valuer was Knight Frank LLP for the period ended 31 August 2021 and Jones Lang LaSalle Limited for the year ended 31 August 2022 and subsequent periods

Vibrant

Vibrant Energy Matters Limited, appointed by the Group in August 2023 to undertake a property inspection programme

Viceroy Research

Viceroy Research LLP

Viceroy Research Report

Viceroy Research report dated 23 November 2022

Company Information

Company number: 12822709

Country of incorporation: England and Wales

Directors, Management and Advisers

Non-Executive Directors

Michael O'Donnell (Chair)
Peter Williams
Roderick ("Rod") Day

Registered office

4th Floor
140 Aldersgate Street
London
EC1A 4HY

Investment Manager & AIFM

AEW UK Investment Management LLP
8 Bishopsgate
London
EC2N 4BQ

Company Secretary and Administrator

Apex Fund and Corporate Services (UK) Limited
4th Floor
140 Aldersgate Street
London
EC1A 4HY

Capital Markets Adviser

Panmure Liberum Limited
Ropemaker Place, Level 12
25 Ropemaker Street
London
EC2Y 9LY

Communications adviser

FTI Consulting
200 Aldersgate
London
EC1A 4HD

Depository

Apex Depository (UK) Limited
4th Floor
140 Aldersgate Street
London
EC1A 4HY

Registrar

MUFG Corporate Markets (UK) Limited
Central Square
29 Wellington Street
Leeds
LS1 4DL

Independent valuer

Jones Lang LaSalle Limited
30 Warwick Street
London
W1B 5NH

Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Legal advisers

Gowling WLG (UK) LLP
4 More London Riverside
London
SE1 2AU