

KCR Residential REIT plc
("KCR" or the "Company")

Interim Results

KCR Residential REIT plc, the residential REIT group, is pleased to announce its unaudited consolidated results for the six months to 31 December 2025.

The half year to 31 December 2025 has seen continued growth in core rental income driven primarily by improved performance from the Deanery Court property and incremental rental increases across the portfolio as a whole. Overall, the operating environment has remained challenging with sustained higher interest rates and continuing cost of living pressure. Ongoing inflationary pressure has continued to make cost reductions within the business difficult to achieve, however costs continue to be tightly controlled. Outcomes from cost saving measures implemented during the half year are expected to result in a reduction in administrative expenses and cost of sales in the second half of the year.

The Group's primary short-term focus is to optimise the performance from the existing assets whilst controlling costs to achieve a cash neutral position.

Progress continues to be made to transition the business. The strategy, as outlined in last year's Annual Report, remains unchanged, to:

- improve the rental revenue from the existing properties;
- progressively upgrade the overall portfolio quality;
- explore the development opportunity within the portfolio; and
- focus on controlling and reducing costs where possible.

Lease expiries and tenant churn continue to be actively managed to optimise rentals achieved. We expect to continue to achieve revenue growth over the balance of the financial year, driven by a combination of incremental rental growth and continued ongoing improved performance from both the Coleherne Road and Deanery Court properties.

Pleasingly, improved operational performance mostly offset the impact of higher finance costs and inflationary cost pressure in the business. Whilst the impact of higher finance costs in particular has made the aim of achieving a cash neutral position more challenging, good progress continues to be made in achieving this outcome.

Operational highlights

- revenue for the half year increased 15% to £1,092k (31 December 2024: £950k), reflecting continued improved operational performance at Deanery Court together with incremental rental increases across the portfolio as a whole;
 - Deanery Court achieved average occupancy of 86% for the half year – a strong improvement from 66% in the prior year. Occupancy across the balance of the portfolio remained strong over the half year with occupancy (of flats available) >97%. Rental increases continued to be achieved at renewals / re-letting; and
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- positive operating cash flow increased with net cash from operations of £218k (31 December 2024: £32k). This is the Group's strongest outcome to date and reflects outcomes from the focussed delivery of the business plan over the last five years. After allowing for financing charges, net cash used in operating activities reduced by 31% to £180k (31 December 2024: £261k). Whilst the business remains cash negative, cash burn is continuing to be reduced within the business and progress towards achieving a cash neutral outcome continues to be made.

The ongoing focus on improving operational performance and controlling costs continues to reduce Group cash burn. Further improvements in operational performance over the next 12 months are expected.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

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CHAIRMAN'S STATEMENT

KCR Residential REIT Plc ("KCR" or the "Company") and its subsidiaries (together the "Group") operate in the private rented residential investment market. The Company acquires properties that are rented to private tenants and also owns and operates a freehold portfolio of retirement living accommodation where most of the properties have been sold on long leases.

The half year to 31 December 2025 has seen continued growth in core rental income driven primarily by improved performance from the Deanery Court property and incremental rental increases across the portfolio as a whole. Overall, the operating environment has remained challenging with sustained higher interest rates and continuing cost of living pressure. Ongoing inflationary pressure has continued to make cost reductions within the business difficult to achieve, however costs continue to be tightly controlled.

Outcomes from cost saving measures implemented during the half year are expected to result in a reduction in administrative expenses and cost of sales in the second half of the year.

The transition of Coleherne Road to a minimum tenancy period of six months was successfully completed during the period, which is also expected to deliver a more consistent income profile and reduced operating costs for this property over the balance of this financial year.

More favourable outcomes for energy and internet costs will also flow through over the balance of calendar year 2026 as existing contracts expire.

Improved operational performance was offset by increased finance costs reflecting the higher costs incurred following the expiry of the Hodge Bank fixed rate facilities in early 2025.

Fundamentals for UK residential property remain sound, notwithstanding the ongoing higher interest rate environment. The Group continues to look for acquisitions on a disciplined basis, however tightness in debt markets, more restrictive terms and conditions and higher debt costs continue to make it challenging to support both the investment and capital raising that would be required to support a substantive transaction.

Refurbishment works on two of the flats at Heathside commenced during the December quarter. Works are now fully complete and these flats are in the process of being let.

The Group's primary short-term focus is to optimise the performance from the existing assets whilst controlling costs to achieve a cash neutral position.

Progress continues to be made to transition the business. The strategy, as outlined in last year's Annual Report, remains unchanged, to:

- improve the rental revenue from the existing properties;
 - progressively upgrade the overall portfolio quality;
 - explore the development opportunity within the portfolio; and
 - focus on controlling and reducing costs where possible.
 - Lease expiries and tenant churn continue to be actively managed to optimise rentals achieved. We expect to continue to achieve revenue growth over the balance of the financial year, driven by a combination of incremental rental growth and continued ongoing improved performance from both the Coleherne Road and Deanery Court properties.
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 - Inflationary pressure continues to result in ongoing cost pressure and we remain actively focussed on managing the cost base to limit the impact of cost increases on the business. Implementation of a number of measures to reduce costs during the half year are expected to result in reductions to both cost of sales and administrative expenses being achieved over the balance of the financial year.
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- Pleasingly, improved operational performance mostly offset the impact of higher finance costs and inflationary cost pressure in the business. Whilst the impact of higher finance costs in particular has made the aim of achieving a cash neutral position more challenging, good progress continues to be made in achieving this outcome.

DIRECTORS' REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

We are pleased to report on the progress of the Group in the six-month period to 31 December 2025.

Growth in core rental revenue for the half year was £141k (17%) driven by improved operational performance at Deanery Court together with incremental rental increases across the portfolio as a whole.

Momentum is expected to be maintained through the balance of the financial year with the impact of cost saving measures implemented during the half year also expected to positively impact costs within the business.

Active management of lease expiries to optimise core rental increases is ongoing.

Deanery Court is expected to be a key driver of revenue growth over the balance of the financial year with the conversion to the Cristal Apartments operating model reaching maturity. Following the successful transition of Coleherne Road to a minimum tenancy period of six months during the half year, this asset is expected to reach a stabilised mature state during this financial year.

Ongoing focus on optimising performance across the portfolio together with cost control is expected to result in further reductions in the cash burn within the business being achieved.

Operational highlights

- revenue for the half year increased 15% to £1,092k (2024: £950k), reflecting continued improved operational performance at Deanery Court together with incremental rental increases across the portfolio as a whole;
 - Deanery Court achieved average occupancy of 86% for the half year – a strong improvement from 66% in the prior year. Occupancy across the balance of the portfolio remained strong over the half year with occupancy (of flats available) >97%. Rental increases continued to be achieved at renewals / re-letting; and
 - positive operating cash flow increased with net cash from operations of £218k (2024: £32k). This is the Group's strongest outcome to date and reflects outcomes from the focussed delivery of the business plan over the last five years. After allowing for financing charges, net cash used in operating activities reduced by 31% to £180k (2024: £261k). Whilst the business remains cash negative, cash burn is continuing to be reduced within the business and progress towards achieving a cash neutral outcome continues to be made.
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The ongoing focus on improving operational performance and controlling costs continues to reduce Group cash burn. Further improvements in operational performance over the next 12 months are expected.

Property Portfolio

Property transactions during the half year

No acquisitions were made during the half year.

Refurbishment works on two of the legacy un-refurbished flats at Heathside commenced during the December quarter. Works are now complete and these flats are in the process of being let on an assured shorthold tenancy ("AST") basis.

Eleven flats are now owned within Heathside which is assisting in delivering rental growth for the portfolio.

We continue to look for additional opportunities to make follow on acquisitions of flats within Heathside.

As outlined above, tightness in debt markets, tighter terms and conditions and higher debt costs make it challenging to support both the investment and capital raising that would be required to support any substantive acquisitions.

Existing Portfolio

KCR continues to focus on improving performance from its existing portfolio. The investment over recent years in improving the quality of the portfolio has continued to deliver revenue growth and we reasonably expect to continue to drive further growth from the existing assets over the course of the current financial year.

In conjunction with incremental revenue growth, a number of measures to reduce operating costs have been implemented during the half year with outcomes expected to be reflected over the next 12 months. Substantive savings for energy and internet costs have been locked in and will reflect as existing contracts expire.

Implementation of a minimum six-month tenancy term at the Coleherne Road property is expected to reduce volatility in occupancy levels across the portfolio and also result in lower operating costs being incurred for this property.

As outlined above, Deanery Court is expected to be a key driver of revenue growth over the balance of this financial year.

We are awaiting an outcome on the planning submission made for the Ladbroke Grove properties. Once planning outcome is known we will formalise our strategy for this asset.

As we have outlined previously, the tired condition of this property is resulting in increasing repairs and maintenance expenditure which is expected to continue, pending a more holistic refurbishment works programme. Repositioning of the rental product on offer by materially enhancing the quality and presentation of the flats is considered to have potential to drive a material uplift in achievable rentals and capital values.

KCR has two operating lines, clearly identifiable by brand, property quality and letting strategy.

1. Cristal Apartments. Residential apartments, finished to a high modern specification, fully furnished and let on a Walk in Walk Out (WIWO) basis (utilities subject to fair usage caps, internet, furniture and TV licence included) for a frictionless and flexible letting experience. Rental contracts offer flexible terms; and
2. Osprey Retirement Living. 4* retirement living property rented on flexible letting packages customised to suit tenant needs. All rentals are on assured shorthold tenancies for a minimum period of six months.

1. Cristal Apartments (WIWO letting strategy)

The Coleherne Road and Deanery Court properties are both branded and operated under the Cristal Apartments brand. Both have delivered substantially improved performance following the repositioning of the rental product offered and conversion to the WIWO operating model.

Coleherne Road – this property comprises ten studio and one-bedroom flats. The property has been repositioned to a materially higher standard and a full refurbishment programme has been completed. Post completion of refurbishment works property was initially operated with a mix of short let and traditional AST tenancies. During the half year the transition to a minimum tenancy period of six-months, solely on an AST basis was completed. There has been strong market acceptance of this product on a WIWO basis and we believe that the reduced operational costs associated with a minimum tenancy period of six-months will result in an improved net contribution from this asset.

Ladbroke Grove – this portfolio comprises 16 studio, one and two bedroom flats in three buildings which are 100% occupied. The flats are being lightly refurbished as tenants vacate and then re-let in the private rental market. The overall tired condition of the property is reflected in ongoing repairs and maintenance expenditure. As outlined above, we are waiting on an outcome for the planning submission made last year. Once the planning outcome is known we will finalise the strategy for this property

Deanery Court (Southampton) – this property comprises 27 two-bedroom residential apartments and has been converted to the Cristal Apartments operating model and we expect this asset will be a key driver of growth over the 2026 financial year.

2. Osprey retirement living (4* retirement apartments)

The Osprey portfolio consists of 153 flats and 13 houses let on long leases in six locations, together with an estate consisting of 30 freehold cottages in Marlborough where Osprey delivers estate management and sales services.

The key asset in the portfolio is the freehold block at Heathside, Golders Green comprising 37 one and two bedroom apartments with 11 of the apartments owned by the Group and 26 held on a long leasehold basis. The strategy to selectively acquire long leasehold apartments within the block, refurbish them to a high standard and let them on an assured tenancy basis has been successful and has delivered strong rental returns for the Group.

Financial Performance

The half year to 31 December 2025 reflects improved operational performance at Deanery Court and rental growth across the balance of the portfolio.

Gross margin improved during the half year as outcomes from cost reduction measures started to be reflected. Non-recurring expenditure of approximately £55k incurred during the half year together with underlying inflationary pressure on costs across the Group continues to place upward pressure on administrative costs. A number of measures have been implemented during the half year to reduce costs across the Group which will be reflected over the next 12 months. We expect a net reduction in costs to be achieved over calendar year 2026 (after allowing for continued upwards pressure on costs across the Group).

- Revenue for the half year increased 15% to £1,092k (2024: £950k)
- Gross profit as a percentage of revenue increased to 77% (2024: 76.10%) reflecting the initial outcomes of the implementation of cost reduction initiatives (mainly reduced energy and internet costs as contracts expire and roll to more favourable rates). In absolute terms overall gross profit increased by 16% to £841k (2024: £723k).
- An operating profit before separately disclosed items of £76k (2024: £798k). Prior year included non-cash positive revaluation movements of £785k.
- Operating profit £12k (2024: £714k) after refurbishment costs of £64k (2024: £84k).
- Loss for the period was £377k (2024: £433k profit) and loss per share was 0.91p (2024: 1.04p profit per share).

The value of KCR's property portfolio was up on the comparative period at £26.5m (2024: £26.2m), reflecting the impact of revaluation movements. The Group's current assets increased to £0.92m (2024: £0.86m) with an increase in trade and other receivables largely offsetting a reduction in cash used to fund operating losses and support ongoing refurbishment work programmes. Secured bank borrowings increased to £14.6m against the prior half year (2024: £13.9m) reflecting the increased funding taken out during the June 2025 half year and December 2025 half year.

Total assets increased to £27.5m (2024: £27.14m). Net assets per share decreased to 29.45p (2024: 30.61p).

The Group continues to be cash flow negative, however it is continuing to work towards achieving a cash neutral position by improving operating performance from the existing portfolio. Costs continue to be actively managed as we work towards building a stable platform that can be scaled up. Solid progress continued to be made during the half year in reducing the cash burn within the business. At 31 December 2025, the Group had cash balances totalling £0.43m (2024: £0.47m).

Throughout the period, the Company remained a REIT and has complied with REIT rules.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (unaudited)

	Notes	Six months ended 31 December 2025 £	Six months ended 31 December 2024 £	Year ended 30 June 2025 (audited) £
Revenue	2	1,092,414	950,103	1,885,144
Cost of sales		(251,230)	(227,253)	(419,046)
Gross profit		841,184	722,850	1,466,098
Administrative expenses		(765,566)	(710,331)	(1,361,262)
Fair value through profit and loss – revaluation of investment properties		-	785,000	1,162,000
Operating profit before separately disclosed items		75,618	797,519	1,266,836
Separately disclosed items				
Costs associated with refinancing		-	-	(73,694)
Costs associated with refurbishment of investment properties	3	(63,594)	(83,990)	(203,129)
Operating profit		12,024	713,529	990,013
Finance costs		(396,989)	(293,182)	(683,567)
Finance income		7,687	12,249	21,195
(Loss)/profit before taxation		(377,278)	432,596	327,641
Taxation		-	-	-
(Loss)/profit for the period/year		(377,278)	432,596	327,641
Total comprehensive (expense)/income for the period/year		(377,278)	432,596	327,641

(Loss)/profit per share expressed in pence per share	4			
Basic		(0.91)	1.04	0.79
Diluted		(0.91)	1.04	0.79

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025 (unaudited)

	Notes	31 December 2025 £	31 December 2024 £	30 June 2025 (audited) £
Non-current assets				
Property, plant and equipment		53,115	129,490	91,303
Investment properties	5	26,528,300	26,151,300	26,528,300
		26,581,415	26,280,790	26,619,603
Current assets				
Trade and other receivables		491,128	383,282	516,924
Cash and cash equivalents		427,498	472,652	174,312
		918,626	855,934	691,236
Total assets		27,500,041	27,136,724	27,310,839
Equity				
Shareholders' equity				
Share capital	6	4,166,963	4,166,963	4,166,963
Share premium		14,941,898	14,941,898	14,941,898
Capital redemption reserve		344,424	344,424	344,424
Retained earnings		(7,179,796)	(6,697,563)	(6,802,518)
Total equity		12,273,489	12,755,722	12,650,767
Non-current liabilities				
Interest bearing loans and borrowings		14,561,215	13,904,324	14,135,965
Current liabilities				
Trade and other payables		665,337	476,678	524,107
		665,337	476,678	524,107
Total liabilities		15,226,552	14,381,002	14,660,072
Total equity and liabilities		27,500,041	27,136,724	27,310,839
Net asset value per share (pence)		29.45	30.61	30.36

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (unaudited)

	Share capital	Share premium	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£	£
Balance at 1 July 2024	4,166,963	14,941,898	344,424	(7,130,159)	12,323,126
Changes in equity					
Total comprehensive income	-	-	-	432,596	432,596
Balance at 31 December 2024	4,166,963	14,941,898	344,424	(6,697,563)	12,755,722
Changes in equity					
Total comprehensive expense	-	-	-	(104,955)	(104,955)
Balance at 30 June 2025	4,166,963	14,941,898	344,424	(6,802,518)	12,650,767
Changes in equity					
Total comprehensive expense	-	-	-	(377,278)	(377,278)
Balance at 31 December 2025	4,166,963	14,941,898	344,424	(7,179,796)	12,273,489

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (unaudited)

	Six months ended 31 December 2025	Six months ended 31 December 2024	Year ended 30 June 2025 (audited)
	£	£	£
Cash flows from operating activities			
(Loss)/profit for the period/year from continuing operations	(377,278)	432,596	327,641

Adjustments for

Depreciation charges	38,187	38,187	76,373
Revaluation of investment properties	-	(785,000)	(1,162,000)
Finance costs	396,989	293,182	683,567
Finance income	(7,687)	(12,249)	(21,195)
Decrease/(increase) in trade and other receivables	25,797	72,263	(61,378)
Increase/(decrease) in trade and other payables	141,230	(6,989)	40,440
Cash from / (used in) operations	217,238	31,990	(116,552)
Interest paid	(396,989)	(293,182)	(683,567)
Net cash used in operating activities	(179,751)	(261,192)	(800,119)

Cash flows from investing activities

Purchase of investment properties (including capital expenditure on current properties)	-	(210,000)	(210,000)
Interest received	7,687	12,249	21,195
Net cash from/(used in) investing activities	7,687	(197,751)	(188,805)

Cash flows from financing activities

Loan repayments in period/year	-	-	(7,618,359)
Proceeds from new loans in period/year	425,250	-	7,850,000
Net cash generated from financing activities	425,250	-	231,641

Increase/(decrease) in cash and cash equivalents	253,186	(458,943)	(757,283)
Cash and cash equivalents at beginning of period/year	174,312	931,595	931,595
Cash and cash equivalents at end of period/year	427,498	472,652	174,312

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (unaudited)****1. Basis of preparation**

The Company is registered in England and Wales. The consolidated interim financial statements for the six months ended 31 December 2025 comprise those of the Company and subsidiaries. The Group is primarily involved in UK property ownership and letting.

Statement of compliance

This consolidated interim financial report has been prepared in accordance with the recognition and measurement principles of UK adopted International Accounting Standards. AIM-quoted companies are not required to comply with IAS 34 Interim Financial Reporting and the Group has taken advantage of this exemption. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial performance and position of the Group since the last annual consolidated financial statements for the year ended 30 June 2025. This consolidated interim financial report does not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards. The consolidated interim financial statements are unaudited and do not constitute statutory accounts as defined in section 434(3) of the Companies Act 2006.

A copy of the audited annual report for the year ended 30 June 2025 has been delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified and did not contain statements under s498(2) or s498(3) of the Companies Act 2006.

This consolidated interim financial report was approved by the Board of Directors on 16 March 2026.

Significant accounting policies

The accounting policies applied by the Group in this consolidated interim financial report are the same as those applied by the Group in its consolidated financial statements for the year ended 30 June 2025.

Basis of consolidation

The consolidated interim financial statements include the financial statements of the Company and its subsidiary undertakings. The subsidiaries included within the consolidated interim financial statements, from their effective date of acquisition, are K&C (Newbury) Limited, K&C (Coleherne) Limited, K&C (Osprey) Limited, KCR (Kite) Limited and KCR (Southampton) Limited.

Going Concern

The Directors have adopted the going-concern basis in preparing the consolidated interim financial statements.

The Directors have concluded that it remains appropriate to prepare these consolidated interim financial statements on a going concern basis.

2. Operating segments

The Group is involved in UK property ownership and letting and is considered to operate in a single geographical and business segment.

Revenue analysed by class of business:

	Six months ended 31 December 2025 £	Six months ended 31 December 2024 £	Year ended 30 June 2025 (audited) £
Rental income	976,550	835,764	1,646,669
Management fees	60,489	57,517	120,868
Resale commission	18,140	32,100	77,140
Ground rents	10,175	10,175	12,725
Leasehold extension income	25,000	9,462	19,662
Other income	2,060	5,085	8,080
	1,092,414	950,103	1,885,144

3. Operating profit

The operating profit is stated after charging:

	Six months ended 31 December 2025 £	Six months ended 31 December 2024 £	Year ended 30 June 2025 (audited) £
Costs of refurbishment of investment properties	63,594	83,990	203,129

Costs associated with refinancing	-	-	73,694
Depreciation of property, plant and equipment	38,187	38,187	76,373
Directors' remuneration	72,500	66,500	194,000

During the six months ended 31 December 2025, the Group incurred costs of £63,594 (£83,990 – December 2024) (£203,129 – June 2025) relating to major refurbishment of properties at Coleherne Road, London, Ladbroke Grove, London and Heathside, London.

In the year ended June 2025 the Group obtained new financing from Al Rayan Bank, in order to repay the loans held with Hodge Bank. The Group incurred costs associated with the refinancing of £73,694.

During the six-month period, the Company paid Naylor Partners, a business owned by Russell Naylor, fees of £24,000 (December 2024 - £24,000).

The directors are considered to be key management personnel.

4. Basic and diluted (loss)/profit per share

Basic

The calculation of loss per share for the six months to 31 December 2025 is based on the loss for the period attributable to ordinary shareholders of £377,278 divided by the weighted average number of ordinary shares in issue.

The weighted average number of shares used for the six months ended 31 December 2025 was 41,669,631 (June 2025 – 41,669,631) (December 2024 – 41,669,631).

Diluted

The calculation of loss per share for the six months to 31 December 2025 is based on the loss for the period attributable to ordinary shareholders of £377,278 divided by the weighted average number of ordinary shares in issue, adjusted for dilutive share options. As no share options existed in the 6 months ended 31 December 2025, there is no dilution to the profit per share.

The weighted average number of shares used for the six months ended 31 December 2025 was 41,669,631 (June 2025 – 41,669,631) (December 2024 – 41,669,631).

5. Investment properties

	Six months ended 31 December 2025 £	Six months ended 31 December 2024 £	Year ended 30 June 2025 (audited) £
At start of period/year	26,528,300	25,156,300	25,156,300
Additions	-	210,000	210,000
Revaluations	-	785,000	1,162,000
	26,528,300	26,151,300	26,528,300

Investment properties were valued by professionally qualified independent external valuers at the date of acquisition and were recorded at the values that were attributed to the properties at acquisition date. The investment properties were independently valued in March 2025, June 2025, July 2025 and September 2025. All material properties were subject to full or desktop valuations. The properties were valued by the Directors as at 31 December 2025 with reference to independent valuations completed in March 2025, June 2025, July 2025 and September 2025. A number of low value properties (less than 8% of the total investment property value) within the Osprey portfolio were valued by the Directors with reference to independent valuations completed in August 2023 and the market commentary contained within the independent external valuations performed in March 2025, June 2025, July 2025 and September 2025.

5. Investment properties – continued

Fair value is based on current prices in an active market for similar properties in the same location and condition. The current price is the estimated amount for which a property could be exchanged between a willing buyer and willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Valuations are based on a market approach which provides an indicative value by comparing the property with other similar properties for which price information is available. Comparisons have been adjusted to reflect differences in age, size, condition, location and any other relevant factors.

The fair value for investment properties has been categorised as a Level 3 inputs under IFRS 13.

The valuation technique used in measuring the fair value, as well as the significant inputs and significant unobservable inputs are summarised in the following table:

Fair Value Hierarchy	Valuation Technique	Significant Inputs Used	Significant Unobservable Inputs
Level 3	Income capitalisation and or capital value on a per square foot basis	Adopted gross yield Adopted rate per square foot	4.00% - 7.87% £265 - £1,464

6. Share capital

			31 December 2025	31 December 2024	30 June 2025 (audited)
Allotted, issued and fully paid:					
Number:	Class:	Nominal value:	£	£	£
41,669,631	Ordinary	£0.10	4,166,963	4,166,963	4,166,963
			4,166,963	4,166,963	4,166,963

At 1 July 2025, the Company had 41,669,631 Ordinary shares of £0.10 each in issue. The Ordinary shares carry no rights to fixed income.

7. Related Party Transactions

Details of remuneration and fees paid to directors are disclosed at note 3 of these consolidated interim financial statements.

8. Post Balance Sheet Events

There are no post balance sheet events to disclose.