

17 April 2025

**KCR Residential REIT plc**

**("KCR" or the "Company")**

**Debt Refinancing**

KCR Residential REIT plc, the residential REIT group, is pleased to announce that it has successfully completed the refinancing of the Hodge Bank facilities.

Following a competitive process, on 17 April 2025 two wholly owned subsidiaries of the Company, being KCR (Kite) Limited and K&C (Coleherne) Limited entered into a new five year, Sharia law compliant facility of £7.85m with Al Rayan Bank Plc (the "Lender") ("Facility"). The Facility has the equivalent of a fixed interest rate of 6.10% per annum and is secured against all of the assets of each of KCR (Kite) Limited and K&C (Coleherne) Limited including the Ladbroke Grove and Coleherne Road properties on a cross collateralised basis. The principle is repayable at the end of the five year term with only the interest equivalent payments being made monthly throughout the term.

The new funding has been utilised to refinance the Hodge Bank facilities and provide additional capital to support ongoing Group activities.

As outlined in the half year report, the Hodge Bank fixed rate facilities expired earlier this year and the current market rates are substantially higher than the legacy 3.50% fixed interest rate that was previously in place.

As indicated in the half year report, funding costs associated with the increase in interest rate will be around £200,000 per annum higher than under the previous fixed rate (but materially lower than the variable rate that the facilities rolled into following expiry of the fixed rate period).

The impact of ongoing cost pressure and increased finance costs will continue to keep the business cash constrained and make achieving a cash neutral position more challenging.

The Group is continuing to focus on improving the operational performance of the existing assets whilst controlling costs.

The information contained within this announcement is deemed by the company to constitute Inside Information as stipulated under the Market Abuse Regulation (E.U.) No. 596/2014, as it forms part of U.K. domestic law under the European Union (Withdrawal) Act 2018, as amended. Upon the publication of this announcement via a regulatory information service, this information is considered to be in the public domain.

The Directors of the Company are responsible for the content of this announcement.

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### **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.