



**150**

properties



**1,038**

tenants



**£752.2m**

value of portfolio



**£69.8m**

rent roll



**51.9%**

LTV



**2.85pps**

HY 2023

**High dividend distribution UK REIT, offering exposure to the regional office commercial property market with active management by an experienced Asset Manager**

## Overview

Regional REIT's commercial property portfolio comprises mainly of offices (92.0% of the portfolio by value, 30 June 2023) located in the regional centres of the UK outside of the M25 motorway.

Regional REIT is externally managed by London & Scottish Property Investment Management (LSPIM), the Asset Manager, and Toscafund Asset Management LLP, the Investment Manager.

The Group targets an attractive total annual return of 10%+ to shareholders, with a strong focus on income.

## Financial Metrics (period to 30 June 2023)

- Net Rental and property income £26.0m
- EPRA NTA £344.7m (66.9pps)
- Gross Debt £431.7m
- Average cost of debt 3.5% (fully hedged)
- Acquisitions £0.0m (before costs); disposals of £14.1m (net costs)
- Dividend for HY 2023 2.85pps (HY 2022: 3.3pps)

## Operational Management

- WAULTS (first break) and EPRA occupancy: 4.8 years (3.0 years); 82.5%
- Valuation yields: net initial 6.1%; equivalent 9.5%; reversionary 10.4%
- Offices 92.0% (by value); retail 3.5%. England and Wales 83.6%
- Largest property 2.8% of portfolio; largest tenant £1.8m rent

## Business Model



Listing (ticker)	LSE Main Market (RGL)
Date of Listing	6 November 2015
Shares in issue	515.7m
Broker	Peel Hunt; Panmure Gordon
Financial PR	Buchanan Communications
Incorporated	Guernsey
Website	www.regionalreit.com
ISIN	GG00BYV2ZQ34
SEDOL	BYV2ZQ3

## Reasons To Invest

### Demand and supply dynamics

#### Increased Demand

- Increasing UK employment correlates with increased demand for physical space
- Return to the office continues at a pace; 99% of Company tenants back in the office in some format

#### Reduction of Supply

- Repurposing of offices has seen total regional offices supply continue to reduce
- Development appetite constrained due to lending restrictions, labour scarcity, raw materials impacted by inflationary pressure

### Proven experience through challenging periods

- Quarterly dividend maintained
- Rent collection averaged 99% for 2020 – 2022
- Experienced senior management team
- Proven operational platform 70+ staff

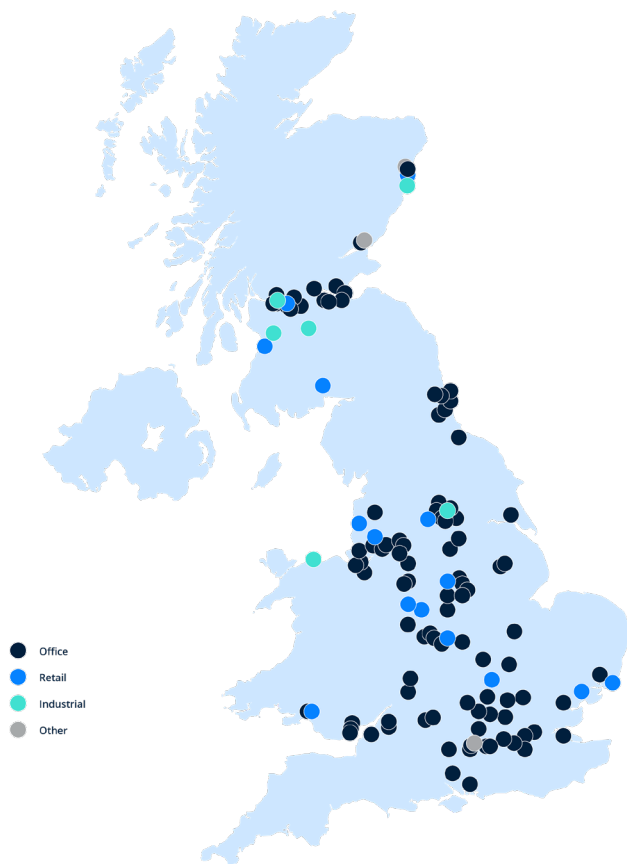
### Diversification

- Tenant standard industrial classification diversity
- Geographical
- Property type, configuration, lease length flexibility offering

## Key Contact

**Adam Dickinson**, [adickinson@toscafund.com](mailto:adickinson@toscafund.com)

## Portfolio Locations (30 June 2023)



## Top 15 Assets (30 June 2023)

Top 15 Properties	Market Value (£m)
300 Bath Street, Glasgow	21.4
Eagle Court, Birmingham	20.2
Hampshire Corporate Park, Eastleigh	19.8
Beeston Business Park, Nottingham	17.2
800 Aztec West, Bristol	16.5
Manchester Green, Manchester	16.5
Orbis 1, 2 & 3, Pride Park, Derby	16.2
NorfolkHouse, Smallbrook Queensway, Birmingham	15.3
Linford Wood, Business Park, Milton Keynes	15.2
Capitol Park, Leeds	13.4
Portland Street, Manchester	12.9
Oakland House, Manchester	12.9
Templeton on The Green, Glasgow	12.0
Origin 1 & 2, Crawley	11.7
Buildings 2, Bear Brook Office Park, Aylesbury	11.3
<b>TOTAL</b>	<b>232.4</b>

Table may not sum due to roundings.

## Our Board

<b>Kevin McGrath</b>	Chairman
<b>Frances Daley</b>	Independent Non-Executive Director, Audit Committee Chairman
<b>Massy Larizadeh</b>	Independent Non-Executive Director, Management Engagement and Remuneration, Committee Chairman, Nomination Committee Chairman
<b>Dan Taylor</b>	Senior Independent Non-Executive Director
<b>Stephen Inglis</b>	Non-Executive Director, Chief Executive Officer, LSPIM (Asset Manager)



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