REI
Real Estate Investors Plc

Real Estate Investors Plc

Results for the year ended 31 December 2024

Investor and Analyst Presentation

REAL ESTATE INVESTORS PLC
COMPANY OVERVIEW

REI Portfolio Today

- Gross property assets of **£124.6 million**
- **Internally managed** portfolio
- **100+ years** of combined Board experience
- Board alignment – **12.6%** shareholding

Diversified Portfolio

- **Multi-sector diversification**, no material reliance on any sector, asset or occupier
- **132** occupiers & **36** assets
- **Resilient** subsectors of convenience, government and out of town offices

Active Asset Management

- **Break up** opportunities within assets to satisfy strong private investor demand
- **Value creation** rent reviews, lease renewals, lettings, change of use
- **Disposals** at/above book value maximising returns

Multi-banked

- Banked across **3 lenders**
- **Net LTV of 26.4%** providing certainty and security
- Bank **covenant compliant**
- Ongoing **Debt repayment** programme

Attractive Returns

- **Uninterrupted and Fully Covered** dividend policy
- Dividend paid **quarterly**
- **£53.9 million** declared/paid to shareholders since commencement of dividend policy in 2012

Orderly Sale of Assets

- Persistent discount between share price and NAV
- In 2024 embarked on a 3-year **orderly sale** of portfolio assets to maximise value
- Receipts of disposals will be used to **pay down debt** and **return cash to shareholders**

HIGHLY EXPERIENCED BOARD
ALIGNED WITH SHAREHOLDERS

REI
Real Estate Investors Plc

Non-Executive

William Wyatt
Non-Executive Chairman

- Joined REI Board in 2010, appointed Chairman in 2021
- **0.18% shareholder in REI**
- Joined Caledonia in 1997 from Close Brothers Group Plc. He was appointed a director in 2005 and served as Chief Executive from 2010 until becoming non-executive in 2022
- Non-executive Director of Cobehold, and Chair of The Rank Foundation

Peter London
Non-Executive Director

- Joined REI Board in 2014
- **0.15% shareholder in REI**
- Consultant for a leading firm of Independent Financial Advisers
- Peter has a lifetime of experience in providing IFA services to HNW individuals and sold his IFA company to a Swiss Bank in 2007
- Non-Executive Chairman of a number of property related companies

Ian Stringer
Non-Executive Director

- Joined REI Board in 2021
- **0.06% shareholder in REI**
- Chartered Surveyor with over 40 years' experience
- Previous Regional Managing Director for GVA, serving over 22 years on the Board
- Current Principal of Avison Young following its acquisition of Bilfinger GVA

Executive

Paul Bassi CBE
Chief Executive Officer

- Joined REI Board in 2006
- **9.75% shareholder in REI**
- Non-executive Chairman of Bond Wolfe
- Non-executive Chairman of Likewise Plc (listed)
- Former Non-executive Chairman of CP Bigwood
- Former Regional Chairman & Strategy Advisor to Coutts Bank (West Midlands)
- Awarded a CBE in 2010 for services to business and the community

Marcus Daly FCA
Finance Director

- Joined REI Board in 2006
- **2.48% shareholder in REI**
- Chartered Accountant with over 30 years' experience in advising on strategic matters and corporate planning, particularly in the property sector
- Former non-executive director of CP Bigwood Chartered Surveyors
- Former non-executive Chairman of the Tipton & Coseley Building Society

WITH EFFECT FROM 1 JANUARY 2024 - EXECUTIVE SALARIES & NON-EXECUTIVE FEES REDUCED BY ONE THIRD / REDUCTION IN LTIP AWARDS OF C.£1.2 MILLION & INTRODUCTION OF NEW 'SHORTER TERM INCENTIVE PLAN' TO BETTER ALIGN EXECUTIVE MANAGEMENT TO DISPOSAL STRATEGY

A RESILIENT RECORD
THROUGHOUT CHALLENGING TIMES

REI
Real Estate Investors Plc

SINCE 2012 TOTAL DIVIDENDS DECLARED/PAID TO SHAREHOLDERS = £53.9 MILLION

3-YEAR DISPOSAL STRATEGY ANNOUNCED IN JANUARY 2024

Financial Crisis **General Election** **Scottish Referendum** **EU Referendum** **BREXIT** **COVID** **Ukraine War** **Cost of living crisis**

Year	
2006	PB & MD join taking a 29% stake PB (CEO) MD (FD) Adopted 'Midland' focus
2010	Gross assets of **£56.5m**
2011	Gross assets of **£71.2m**
2012	Gross assets of **£77.4m**
2014	Gross assets of **£104.4m**
2015	Gross assets of **£157.5m**
2019	Gross assets of **£228.9m**
2020	'Covid Impact' Gross assets of **£201.3m**
2021	Gross assets of **£190.8m** (£17.55m of disposals during 2021)
2022	Gross assets of **£175.4m** (£20.9m disposals in 2022)
2023	Gross assets of **£145.5m** (£17.97m disposals in 2023)
2024	Gross assets of **£124.6m** (£18.9m disposals in 2024)

FY 2024
OPERATIONAL HIGHLIGHTS

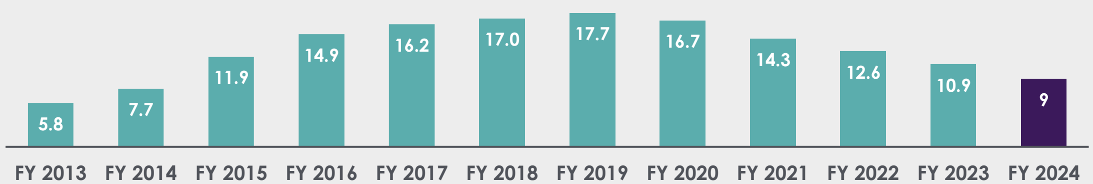
REI
Real Estate Investors Plc

- Strong overall rent collection for 2024 of **99.94%**
- Contracted rental income**: £9.0 million p.a.**
  (FY 2023: £10.9 million p.a.) due to disposals
- Gross property assets: **£124.6 million** (FY 2023: £145.5 million)
- Net LTV reduced to **26.4%** (FY 2023: 32.4%) despite valuation decline
- On a like for like basis the portfolio valuation has reduced by **4.93%** to **£122.2 million,** (FY 2023: **£128.5 million**)
- **£9 million** like-for-like rental income due to portfolio asset management, despite loss of income associated with sales
- Completed **£18.9 million** of disposals, an aggregate uplift (pre- costs) of **6.95%** above December 2023 year-end valuations
- Active asset management with **47** lease events during the period
- Occupancy: **82.04%** (FY 2023: 83.03%)
- Improved WAULT of **5.76 years** to break / **6.99 years** to expiry (FY 2023: 5.24 years / 6.01 years)

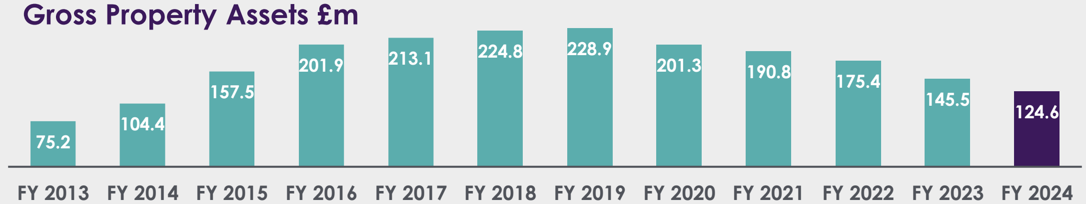
Post period activity:

- Additional completed and contracted sales of **£1.6 million** in 2025
- Healthy pipeline of sales in legals (includes the sale of Kingston House which is agreed and dependent on planning permission, which was granted by the local authority on 13 March 2025)
- Further **£1 million** debt repaid, reducing total debt to **£38.2 million**

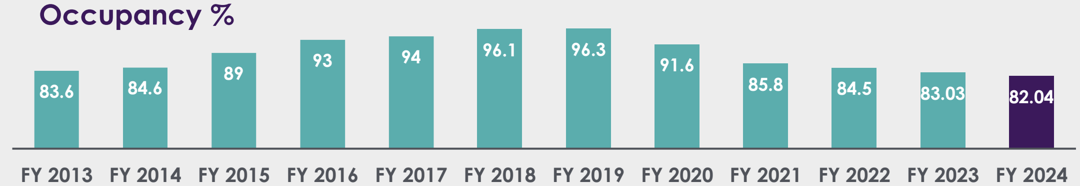
Contracted Rental Income £m



Gross Property Assets £m



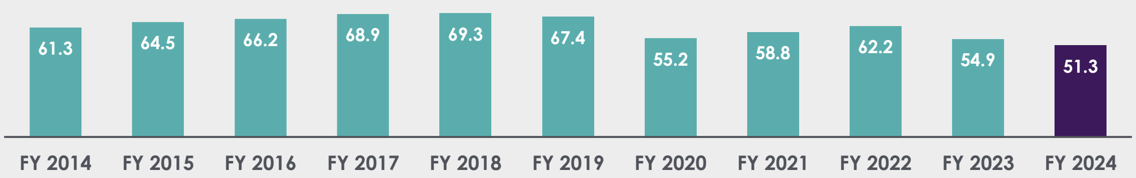
Occupancy %



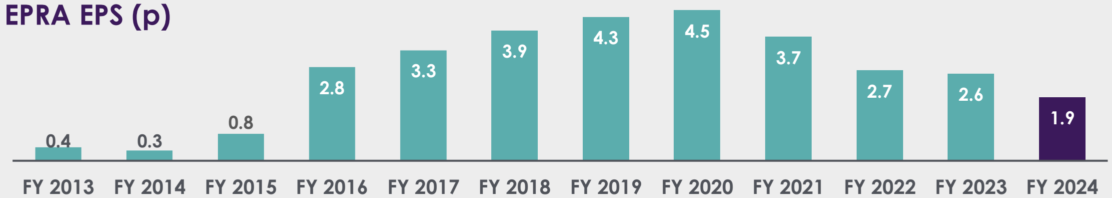
FY 2024
FINANCIAL HIGHLIGHTS

- EPRA NTA per share of **51.3p** (FY 2023: 54.9p)
- EPRA EPS of **1.9p** (FY 2023: 2.6p)
- Final dividend per share of **0.4p** (Final Q4 2023: 0.625p) paid as an **Ordinary Dividend**, representing a total **fully covered** dividend for 2024 of **1.9p** per share (FY 2023: 2.5p)
- Underlying profit before tax* of **£3.4 million** (FY 2023: £4.5 million)
- Administrative costs/ overhead expenses reduced by **£300,000** to £2.3 million (FY 2023: £2.6 million). The overall reduction in overheads of £600,000 (mainly due to the reduction in executive salaries of £300,000) was offset by a provision of £300,000 for STIP costs (FY 2023: £Nil), which was introduced during the year, although payment is deferred until completion as per STIP rules

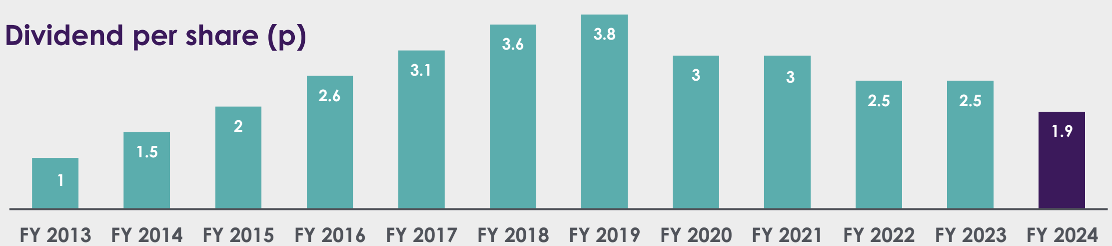
EPRA NTA per share (p)



EPRA EPS (p)



Dividend per share (p)



- Underlying profit before tax excludes profit/loss on revaluation, sale of properties and interest rate swaps

FY 2024 FINANCIALS
ROBUST UNDERLYING PROFITS

REI
Real Estate Investors Plc

- Revenue of **£10.8 million** (FY 2023: £11.5 million) reduction due to sales
- Underlying profit before tax* of **£3.4 million** (FY 2023: £4.5 million)
- Loss before tax of **£2.4 million** (FY 2023: £9.4 million loss) including:
  - **£6.3 million** deficit on property revaluations (FY 2023: £13.2 million deficit) – non-cash item
  - a surplus of **£631,000** on the sale of investment properties (FY 2023: £182,000 loss)
  - a provision for the STIP of **£300,000** (FY 2023: £Nil)
  - a gain in the market value of our interest rate hedging instrument of **£282,000** (FY 2022: £499,000 loss) (non-cash item)

Income Statement	**FY 2024 £m**	**FY 2023 £m**
Revenue	**10.8**	11.5
Cost of sales	**(2.2)**	(2.2)
Admin expenses	**(2.3)**	(2.6)
Property revaluation and sales	**(5.8)**	(13.4)
EBIT	**0.5**	(6.7)
Underlying profit before tax*	**3.4**	4.5
Loss on ordinary activities before tax	**(2.4)**	(9.4)
EPRA EPS	**1.9p**	2.6p
DPS	**1.9p**	2.5p

* Underlying profit before tax excludes profit/loss on revaluation, sale of properties and interest rate swaps

FY 2024 FINANCIALS
STRONG BALANCE SHEET

Gross property assets

£124.6m

Net assets

£89.5m

EPRA NTA per share

51.3p

Net LTV

26.4%

Net Debt

£32.3m

Balance Sheet	FY 2024 £m	FY 2023 £m
Property	**124.6**	145.5
Cash	**6.9**	8.0
Debt	**(39.2)**	(54.4)
Other	**(2.8)**	(3.5)
Net assets	**89.5**	95.6
Adjustments	**0.2**	0.4
EPRA NTA	**89.7**	96.0
EPRA NTA per share	**51.3p**	54.9p
Net Debt	**32.3**	46.4
LTV (net of cash)	**26.4%**	32.4%

FY 2024 FINANCIALS
SIMPLIFIED DEBT POSITION

- Total debt of **£39.2 million** (FY 2023: £54.4 million)
- **£15.2 million** of debt repaid with disposal proceeds in 2024
- Cost of debt **6.5%** (FY 2023: 3.7%) & **25% of debt was fixed**
- Net LTV **26.4%** (FY 2023: 32.4%) & Interest cover of **2.0x** (FY 2023: 2.9x)
- Multi-banked across **3** lenders – all **covenants** continue to be met
- **£6.9 million** cash at bank as at 31 December 2024
- Gain in market value of Hedge facility of **£282,000** (FY 2023: deficit of £499,000) (non-cash item)

Post period activity:

- Further **£1 million** debt repaid using disposal proceeds, reducing total debt to **£38.2 million**
- **In March 2025**, the Group extended the £12.6 million facility with Lloyds Banking Group Plc for a further 12 months to 29 May 2026 and the £24 million facility with National Westminster Bank Plc for a further 12 months to 1 June 2026
- It is the Group's intention to **prioritise the repayment of debt** from property sales proceeds, as reflected by the short-term nature of the facilities

Debt Profile

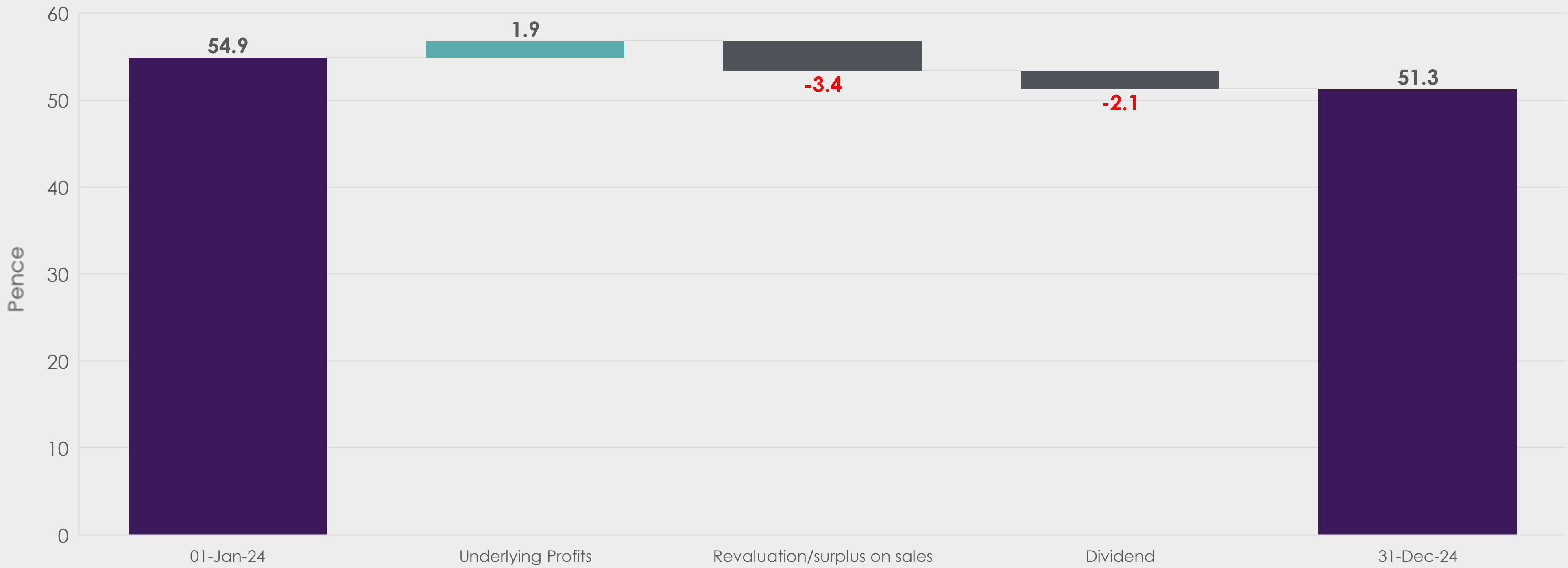
Lender	Debt Facility (£m)	Debt Maturity	Amount Fixed (£m)
National Westminster Bank	24	June 2026	0
Lloyds Banking Group	12.6	May 2026	10
Barclays	2.6	June 2025	0

Debt Repayment

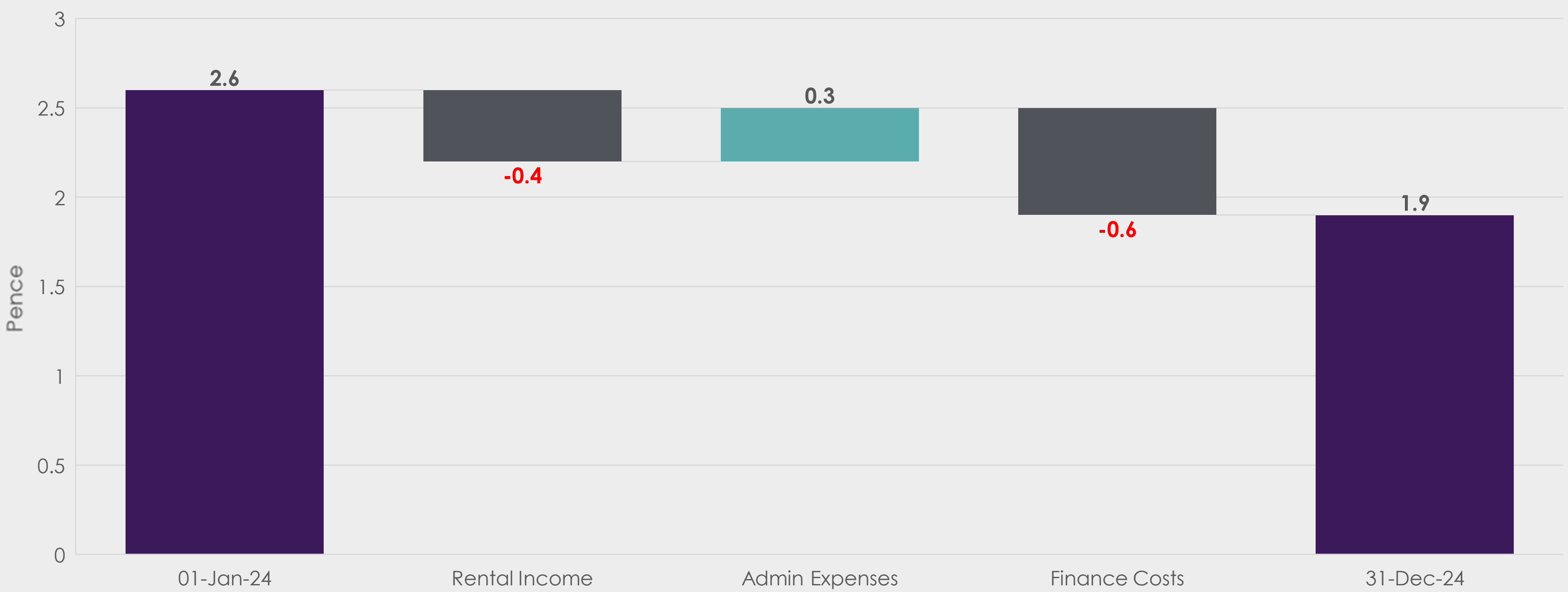
	FY21	FY22	FY23	FY24	Total
Sales	£17.6m	£20.9m	£18.m	£18.9m	£75.4m
Debt Repaid	£11.9m	£18m	£17.1m	£15.2m	£62.2m
Total Debt	£89.5m	£71.5m	£54.4m	£39.2m	£39.2m

MOVEMENT IN
EPRA NTA PER SHARE (P)

REI
Real Estate Investors Plc



MOVEMENT IN EPRA EARNINGS PER SHARE (P)



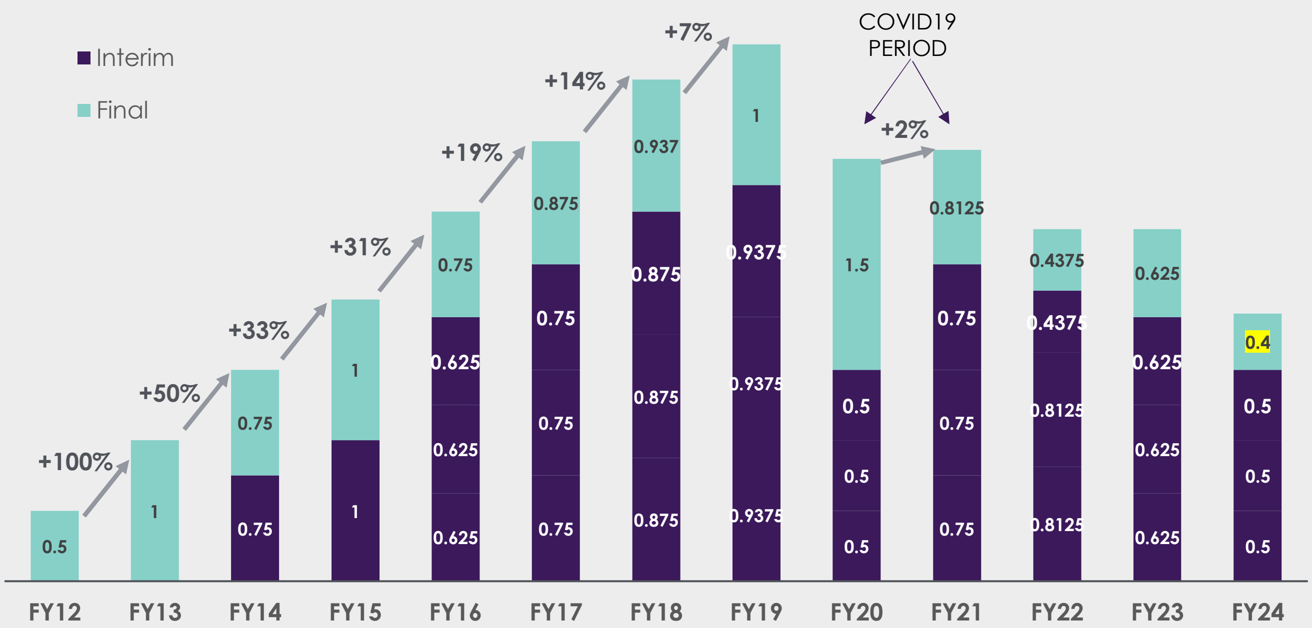
UNINTERRUPTED DIVIDEND
DELIVERING CONSISTENT RETURNS

REI
Real Estate Investors Plc

- ✓ **Uninterrupted** dividend payments despite disposals
- ✓ **£53.9 million** total dividends declared/paid since 2012
- ✓ Final Q4 dividend for 2024 of **0.4p** per share (Q4 2023: 0.625p), representing a total **fully covered** dividend for 2024 of **1.9p** per share (FY 2023: 2.5p)
- ✓ Dividend paid quarterly
- ✓ Dividend is **fully covered** by EPRA earnings
- ✓ Management are committed to a **fully covered dividend policy** subject to the pace of the disposal programme

Dividend	Total	Announcement	Payment
Q1 2024	0.5p	June 2024	July 2024
Q2 2024	0.5p	September 2024	October 2024
Q3 2024	0.5p	December 2024	January 2025
Q4 2024	0.4p	March 2025	30 April 2025

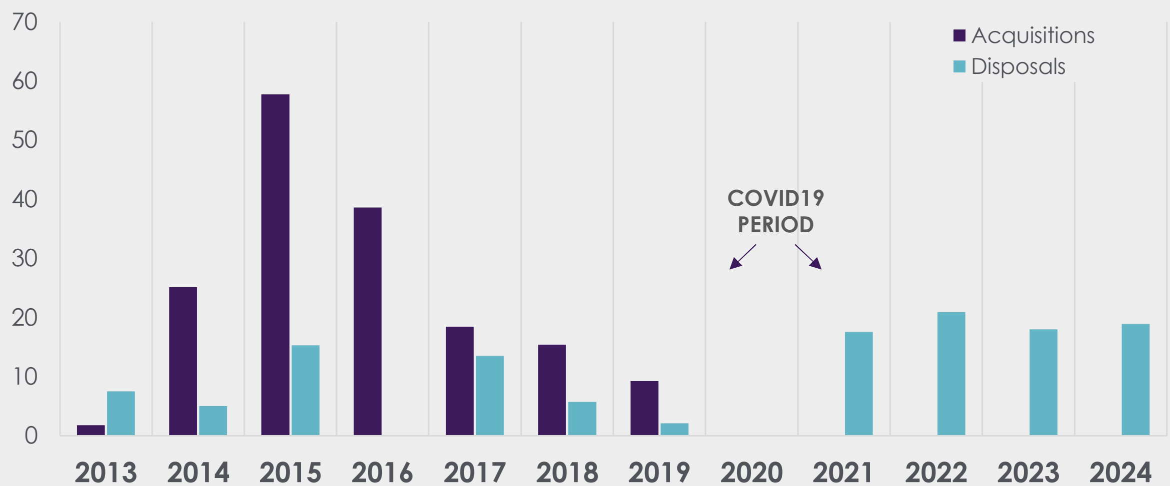
Shareholder Distribution Year on Year



A YEAR OF SALES
AT A PREMIUM TO BOOK VALUE

REI
Real Estate Investors Plc

Acquisitions & Disposals



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contracted Rental Income £m	£5.8	£7.7	£11.9	£14.9	£16.2	£17.0	£17.7	£16.7	£14.3	£12.6	£10.9	£9.0
Gross Property Assets £m	£75.2	£104.4	£157.5	£201.9	£213.1	£224.8	£228.9	£201.3	£190.8	£175.4	£145.5	£124.6

- Completed disposals totalling **£18.9 million in 2024** at an aggregate uplift of **6.95%** (pre-costs) above book value)
- 20 unit/asset disposals in 2024 - **average lot size of £945,000** given break up of units
- Further completed and contracted sales of **£1.6 million** in 2025
- **Additional Pipeline** of sales in legals to include the sale of Kingston House
- Further sales identified to **satisfy investor demand** and **pay down debt**

MARKET CONDITIONS & SENTIMENT
SIGNS OF STABILITY AHEAD

REI
Real Estate Investors Plc

Summary of 2024

- Continued widespread economic uncertainty and political unrest
- Interest rates trajectory uncertainty & elevated inflation levels
- Subdued market with low levels of investment transactions
- Negative market impact on Q4 following Autumn budget
- Inactive corporate and institutional funds
- Softening yields across the market directly impacted our valuations - declined by 4.93% on a like for like basis
- Active asset management, portfolio diversity & access to private investor market mitigated some valuation decline for REI stock

2025 and Beyond

- Anticipated gradually reducing interest rates
- Lower finance costs/long term rates
- Improving investor confidence
- Yield compression and stabilisation
- Occupier demand improving and rising rental values
- Potential of institutional investors returning to the market in H2 2025
- Opportunities for disposal of REI's larger, institutional grade assets and acceleration of REIs sale and debt repayment strategy
- Corporate buyers return to market with lower cost of debt

"We expect capital values to grow by 4.3% in 2025, led by Retail Warehouses (5.8%). Offices will see a return to growth (4.1%) following a decline in capital values of over 30% since the pandemic."
Colliers Real Estate Investment Forecast Q1 2025

PRIVATE INVESTOR & OWNER OCCUPIER
PORTFOLIO BREAK UP VALUE

REI
Real Estate Investors Plc

Summary of 2024:

- Orderly sale & debt repayment strategy announced in January 2024
- Sales of **£18.9 million**
- **20 units/assets** sold in 2024 with an average lot size of **£945,000**
- **6.95%** (pre-costs) above 2023 year-end book values
- **£15.2 million** debt repaid using proceeds
- Post year end sales of **£1.6 million** and debt repayment of **£1 million**
- Additional pipeline of assets for sale in legals

"Sub £5m deals dominated the market accounting for approx. 70% of transactions in 2024"

Colliers Regional Offices Snapshot Feb 2025

LARGER LOT SIZES
PLANNED SALES IN 2025 & 2026

REI
Real Estate Investors Plc

We have a number of properties in the portfolio which are ready for sale, all of which have undergone successful business plans and improvements.

Due to the current subdued marketplace our normal buyer pool for assets of £2 million+ remains inactive (such as property companies, REITs, UK funds, private pension funds, high net worth individuals, overseas and private equity buyers).

As a result, some assets are being held for income until we see an opportunity to sell. Examples include:

Avon House, Bromsgrove (Single let office building)
We recently re-negotiated the occupational lease with the tenant for a further 11.5 years with no breaks and let to AFH Financial Group Limited, with a passing rent of £396,077 p.a. and with the potential to grow the rent further.

Jasper Retail Park, Tunstall (Multi-let retail warehouse park)
New letting to McDonalds Restaurants on a 20-year lease. The retail park is now fully let and produces an overall rent of £750,900 pa.

Boundary House, Wythall (Single let office building)
We recently concluded an outstanding rent review which reflects a 22% increase in annual rent. The covenant strength is strong and would normally appeal to most institutional investors. The property is let to Grafton Group Plc, at a passing rent of £316,500 p.a.

Virginia House, Worcester (Single let student building)
After a comprehensive refurbishment including a change of use from offices to student accommodation, this property is now fully let to Virginia House Limited, a student accommodation provider with over 120 years remaining unexpired, at a passing rent of £145,000 p.a.

LARGER LOT SIZES
PLANNED SALES IN 2025 & 2026

REI
Real Estate Investors Plc

Further examples include:

Peat House (Single let office building)
Following recent letting activity the building is now fully occupied and is let on attractive terms to covenants including Innes England, Bellrock Fund Management, The Association of School and College Leaders and Fairfield School of Business, at a rent of £556,000 pa.

Maypole Retail Park, Derby (Multi-let mixed use retail & hotel site)
Following recent letting activity and when the Works under the Agreement for Lease with InHealth Complete and the Lease Completes - the asset will be fully occupied and let on long average unexpired lease terms to strong tenant covenants including Travelodge, InHealth Limited, Ladbrokes, Subway and Poundstretcher, at a rent of £402,000 pa.

Sandwell Valley School, 150 Birmingham Road, Birmingham (School)
Occupied on an over-riding lease to a strong tenant covenant, backed by Local Authority for use as a school. The property produces £100,000 pa, on an over-riding lease until Sept 2041.

Birch House, Oldbury (Single let office building)
A recent agreement to provide a newly refurbished office to DHU Health Care, backed by the NHS as a call centre. The property produces £625,607 pa on a new 10-year lease.

Venture Court, Wolverhampton (multi-let office building)
We acquired this property with voids and short unexpired lease terms. All outstanding asset management initiatives have now concluded, and the property is 100% occupied, producing a rent of £245,500 pa.

Westgate House, Warwick (mixed use multi-occupied building)
Strong 2025 asset management projects with a healthy pipeline leading into H2 with an ERV of £621,745 p.a.






ACTIVE ASSET MANAGEMENT
REDUCING VOIDS AND MAXIMISING VALUE

REI
Real Estate Investors Plc

Despite the business primarily focussing on sales, 2024 was a successful year for the asset management team, completing 47 lease events and securing £1.1 million in new letting income. This activity resulted in improved WAULT of 5.76 years to break and 6.99 years to expiry (FY 2023: 5.24 years and 6.01 years). Occupancy levels however reduced to 82.04% from 83.03% at December 2023, largely driven by intentional decisions to secure vacant possession on some assets such as Kingston House, West Bromwich to allow sales to complete.

Key asset management initiatives undertaken during the year (and to the date of this announcement) include:

Kingston House, West Bromwich
Vacant possession was secured to facilitate the sale of this 43,000 sq ft office asset for residential conversion at £2.7 million. The sale of this asset has been agreed and is dependent on planning permission which was granted by the local authority on 13 March 2025. The sale is set to complete in Q2 2025 and will materially reduce holding costs.

Birch House, Oldbury
Following the complete refurbishment of Birch House, DHU took occupation of the entire 35,749 sq ft building, at a contracted rent of £625,608 p.a.

Peat House, Leicester
Fairfield School of Business took a new lease on the 4th floor at £145,120 p.a. The letting, that was in line with the ERV, represented just under 25% of the building, which is now fully let, producing a total rent of £556,052 p.a.

Topaz Business Park, Bromsgrove
Following the news that Costa was opening a drive-thru at the site, a number of lettings totalling £76,774 p.a. were completed. Further lettings in H1 2025 will see this asset fully let. The Costa unit has since been sold for £1.6 million.

Jasper Retail Park, Tunstall
McDonalds signed a new 20-year lease at £55,000 p.a. This was a positive letting and has enhanced the offer at the scheme, leading to increased footfall for the other tenants.

Market Shopping Centre, Crewe
Following lengthy discussions, British Heart Foundation signed a 10-year lease at £57,500 p.a., taking just under 11,000 sq ft at the scheme.

Post Year End Activity and Sentiment
There are currently £230,110 p.a. of pipeline lettings that will improve our occupancy and contracted rental income levels and will reduce void costs across the portfolio.

MAXIMISING OCCUPANCY & INCOME

REI
Real Estate Investors Plc

BREAKDOWN OF CONTRACTED RENTAL INCOME CHANGE

Contracted rental income at 31 Dec 2023 - **£10.9 million p.a.**

Contracted rental income at 31 Dec 2024 – **£9.0 million p.a.**

Breakdown of rental change since 31 December 2023:

Rent lost to sales:	- £1,272,596 p.a.
Rent lost to tenants vacating:	- £1,275,642 p.a.
Rent lost to lease renewals/other:	- £11,446 p.a.
Other	-£287,503 p.a.
Total rental loss in 2024:	**- £2,847,187 p.a**
New income to portfolio in 2024:	**£933,084 p.a**
Overall rent lost in 2024:	**- £1,914,103 p.a**

UNLOCKING VOID POTENTIAL

Of the 17.96% vacancy (at 31 December 2024) within the portfolio, almost half of this (8.63%) can be attributed to spaces at 4 properties (Crewe Shopping Centre, Kingston House, Birch House and West Plaza).

The void space at West Plaza is in legals to Vine Hotels & a floor at Westgate House in Warwick is also in legals. A sale has been agreed on Kingston House at £2.7 million dependent on planning permission which was granted by the local authority on 13 March 2025, with completion expected by the end of Q2 2025, which will materially reduce portfolio holding costs.

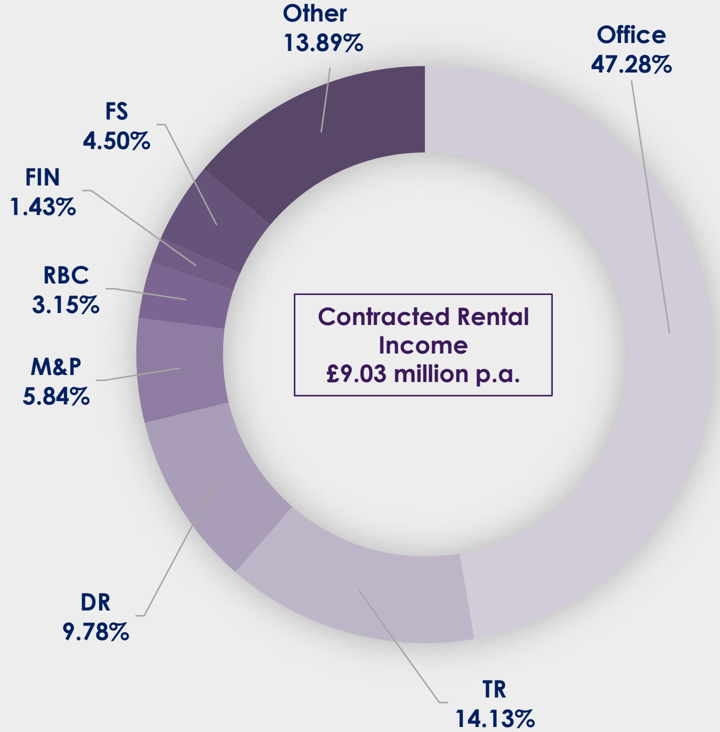
We also have further active sales or asset management initiatives to increase occupancy rates and reduce void and holding costs.

Rent Collection

Overall 2024 rent collection remained resilient at **99.94%**

DIVERSE AND ATTRACTIVE PORTFOLIO
BALANCED RISK

REI
Real Estate Investors Plc



Sector	Income by Sector (£)	Income by Sector (%)
Office	4,266,720	47.28
Traditional Retail	1,275,436	14.13
Discount Retail - Poundland/B&M etc	882,500	9.78
Medical and Pharmaceutical - Boots/Holland & Barrett etc	526,749	5.84
Restaurant/Bar/Coffee - Costa Coffee etc	284,286	3.15
Financial/Licences/Agency - Bank of Scotland etc	129,500	1.43
Food Stores - Co-op, Iceland etc	406,544	4.50
Other - Hotels (Vine Hotels etc), Leisure (Luxury Leisure), Car parks, AST	1,253,803	13.89
Total	**9,025,538**	**100.00**

86.37% of our office investments are 'non- Birmingham City centre core'

30.52% of our portfolio is neighbourhood, convenience and essential

TOP 10 TENANTS BY INCOME
DIVERSITY IS KEY

REI
Real Estate Investors Plc

Rank	Tenant	Rent £'000	%	Sector	Property
1	DHU Healthcare	625	6.93	Office	Birchfield House, Oldbury
2	MATALAN	450	4.99	Discount Retail	Jasper, Tunstall
3	AFH wealth management	396	4.39	Office	Avon House, Bromsgrove
4	GOV.UK	324	3.59	Office	Molineux House, Wolverhampton & Titan House, Telford
5	Grafton Group plc	317	3.51	Office	Boundary House, Wythall
6	VINE HOTELS	300	3.32	Hotel	West Plaza, West Bromwich
7	The Midcounties Co-operative	282	3.12	Retail	Kingswinford, Dudley
8	HOLLAND & BARRETT	230	2.55	Retail	Gateway House, Birmingham
9	Travelodge	222	2.46	Hotel	Maypole, Birmingham
10	SIPS EDUCATION	199	2.20	Office	Guardian House, West Bromwich
		3,345	**37.06**		

99.94%
Overall Rent Collection for 2024

£9.0 million p.a.
Contracted Rental Income as at 31 Dec 2024

36
Assets across the portfolio

132
Occupiers across portfolio

*Data is as at 31 December 2024

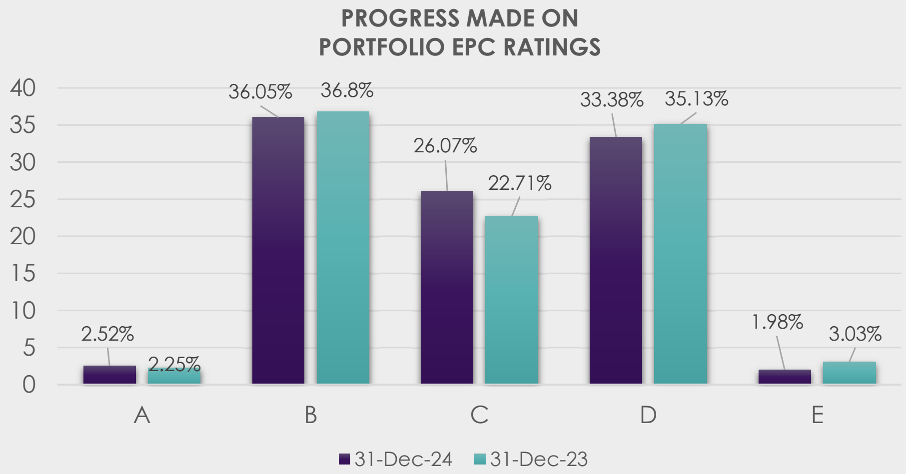
ESG & THE REI PORTFOLIO

REI
Real Estate Investors Plc

Energy Performance Certification

In accordance with government guidelines, REI has undertaken a programme to ensure our assets meet the UK statutory regulations and timeframes for EPCs. None of the portfolio is below a grade 'E' (in line with April 2023 regulations) and we will continue to upgrade assets when required to meet 2027 regulations.

An overview of the asset EPC ratings across the portfolio is noted below:



Portfolio Carbon Emissions Monitoring & Reporting

Whilst managements' primary focus is asset management, the sale of assets and debt repayment in line with the stated strategy, the business continues to recognise the importance of incorporating ESG into the working practices at REI. The ESG Committee, formed in 2021, continues to implement the ESG framework for the business.

The reduction of the portfolio's carbon footprint remains a priority for the business. Working with Systemslink, we can confirm an 18.24% reduction in carbon emissions for electricity and gas (for landlord-controlled areas only) between 1 January 2023 and 31 December 2024. This reduction is in part due to our tenants being more aware and conscientious, proactive initiatives such as LED lamp replacement and boiler upgrades and, the fact that we have sought vacant possession on some assets in readiness for sale. Going forward, as energy contracts expire, they are being replaced with 100% green-only electricity contracts where possible.

Carbon Emissions	1 Jan 2023 – 31 Dec 2023	1 Jan 2024 – 31 Dec 2024
Scope 1	475 MTCO2e*	367 MTCO2e*
Scope 2	753 MTCO2e*	637 MTCO2e*
Total Scope 1 & Scope 2	1,228 MTCO2e*	1,004 MTCO2e*

*applies to 0.9 million sq ft of the portfolio that is classed as landlord-controlled areas

What does ESG look like in 2025 for REI?

- Continued ESG committee meeting & assessment of framework and legislation
- Portfolio EPC programme of works to ensure compliance
- Continuing to collect and report carbon emissions data
- Company wellness programme
- Ongoing EV charging & solar panel programme

FY25 OUTLOOK
ORDERLY SALES STRATEGY ON TRACK

REI
Real Estate Investors Plc

Disposals Programme – Continue disposals programme to the strong private investor/owner-occupier markets. Accelerate larger asset sales in anticipation of institutional/corporate buyers returning to the market in H2 2025

Debt Repayment – Prioritise the total repayment of Company's debt using disposal proceeds, strengthening the balance sheet and supporting growth in NTA

Asset Management – Intensively manage remaining portfolio, taking advantage of the strength of the occupier market to secure lettings, with a view to reducing portfolio vacancy levels and void costs, maximising rental income and capital values and maintaining rent collection levels

Quarterly Dividend – Maintain attractive shareholder returns via our quarterly dividend payments, subject to the pace of disposal programme

Flexibility & Optionality – Consider a corporate transaction to sell whole portfolio on terms aligned with shareholder interests or a share buyback following debt repayment

Management Alignment – STIP & revised remuneration policies introduced from 1 January 2024 to better align management with company strategy (see appendices)

ESG – Continue to act responsibly, operating an efficient portfolio, monitoring and targeting carbon reduction, whilst meeting EPC regulations

APPENDICES

DISPOSAL STRATEGY ALIGNMENT
STIP AND REMUNERATION CHANGES

REI
Real Estate Investors Plc

Shorter Term Incentive Plan ("STIP")

To support the Disposal Strategy and the return of capital to shareholders, the Company implemented a new Shorter Term Incentive Plan ("STIP") in 2024. The STIP replaced the existing Long Term Incentive Plan ("LTIP"), and will help to retain Paul Bassi, Chief Executive Officer and Marcus Daly, Finance Director (the "Executives"), and the wider management team and incentivise them to achieve an orderly and timely disposal of the Company's assets to maximise the capital return to shareholders. The STIP has been implemented to compensate the Executives for the retrospective reduction in awards and cancellation of future awards under the LTIP.

1. Under the STIP, the participants receive a proportion of a notional cash pool (the "Pool") which was created from the excess ("Gain") of Total Shareholder Return ("TSR") over the market value of the Company as at 31 December 2023.
2. TSR is cash per Ordinary Share returned to shareholders, excluding ordinary dividends.
3. To ensure the timely disposal of assets, the Gain attributable to the Pool will be reduced over time.
4. If the Company's sell down strategy had been completed in 2024 then the Pool would have been calculated as 10% of the Gain. If the strategy is completed in 2025 the Pool reduces to 7.5% and if by 2026, the Pool reduces to 5%.
5. Of the Pool, a minimum figure of £410k is ringfenced for the management team (excluding the Executives) equivalent to a bonus of 100% salary.
6. The STIP will pay out as soon as reasonably practicable after the earliest of (1) the sale of all the assets, (2) a takeover of the Company or (3) when the Remuneration Committee determine that a sufficient proportion of the assets have been sold and that the STIP has achieved its original purpose.

Revised Remuneration Policy (Effective 1 January 2024)

In addition, the Company's Remuneration Committee has approved changes to the Executives' remuneration to align the policy with the wider Company strategy.

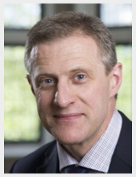
1. **Basic salary:** Executive salaries were reduced by one third. New salaries – Paul Bassi, CEO reduced to £367k (previously £550k) and Marcus Daly, CFO reduced to £229k (previously £344k) amounting to a cost saving of approximately £330k (including National Insurance contributions). In addition, Non-Executive Directors' fees were reduced by one third
2. **Annual discretionary bonus:** The Executives' bonus was reduced from up to a maximum of 100% of basic salary to a maximum of 50% of the new reduced basic salary
3. **Executives' service contracts:** If contracts are to be paid up following a corporate transaction or equivalent, then compensation under the Executives' service contracts reverts to old salary levels
4. **LTIP Awards:** The Executives' entitlement to awards under the Company's existing LTIP scheme have been amended as follows:
   - Unvested awards granted re: FY2020 – to be reduced by one third
   - Unvested awards granted re: FY2021 – to be reduced by two thirds
   - Unvested awards granted re: FY2022 – to be cancelled
   - No further awards under the LTIP going forward
   - The approximate value in the reduction in the awards equates to approximately 4 million Ordinary Shares, which at a share price of 30p equates to £1.2 million
5. **Shorter Term Incentive Plan ("STIP"):** To compensate the Executives (albeit not to the same extent) for the retrospective reduction in LTIPs in relation to FY2020 and FY2021, the cancelling of awards relating to FY2022 and no further issuing of awards under the LTIP in relation to FY2023 or going forward, the Executives will be entitled to participate in the STIP.

OPERATIONAL TEAM

REI
Real Estate Investors Plc

Anna Durnford
Director, Investor Relations

- Joined REI in 2007
- Provides executive assistance to the Board & oversees investor relations and operations within the business
- Over 20 years experience within the legal, financial, accountancy and property sectors
- Previously worked for Ernst & Young & Independent HNW IFA



Ian Clark
BSc (Hons) MRICS
Director, Asset Manager

- Joined REI in 2011
- Responsible for the coordinating portfolio asset management strategy across the portfolio
- Qualified chartered surveyor with over 25 years experience in the property market
- Previously worked for GVA and Argent Estates Limited as Asset Manager where he was responsible for the asset management of the 1.5 million sq ft Brindleyplace Estate

Andrew Osborne
BSc (Hons)
Investment Manager

- Joined REI in 2014
- Responsible for coordinating investment strategy, specialising in investment acquisition and disposals of commercial properties
- He began his career as an Investment surveyor at CBRE and is a previous Senior Asset Manager at Square Metre Properties, on behalf of Goldman Sachs and Property Fund Manager at Canada Life and Regional Director of Highcross in Birmingham

Jack Sears
BSc (Hons) MRICS
Asset Management

- Joined REI in 2016
- Responsible for the management of portfolio assets, liaising with agents
- Qualified Chartered Surveyor with over a decade of experience in the property market
- Previously worked at Bilfinger GVA and BNP Paribas Real Estate as a property manager, assisting corporate clients with the management of their residual properties

Donna Mooney
Receptionist/Administrator

- Joined REI in 2016
- Provides Front of House support and administrative support to the Executive team and operations function
- Donna has had a long and varied career as a Personal Assistant most recently supporting members of the UK&I Leadership team within Corporate Finance and Tax at Ernst & Young LLP