

Alternative Income REIT PLC

Half-year Financial Report

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3 March 2026

Alternative Income REIT plc

(the "Company" or the "Group")

INTERIM REPORT AND FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2025 (the "Period")

NAV increased 1.0% over the Period

For the Period: Share price total return of +2.7% and unaudited NAV total return of +3.8%

On track to deliver target annual dividend of no less than 5.6 pence per share^A ("pps") for the financial year ending 30 June 2026

Resilient portfolio, well placed to continue to provide secure, index-linked income with the potential for capital growth

The Board of Directors of Alternative Income REIT plc (ticker: AIRE), the owner of a diversified portfolio of UK commercial property assets predominantly let on long leases with index-linked rent reviews, is pleased to announce its interim report and financial statements for the half year ended 31 December 2025 (the "Period").

Simon Bennett, Non-Executive Chair of Alternative Income REIT plc, comments:

"The Company is on track to deliver an annual dividend target of no less than 5.6 pence per share^A ("pps") for the year ending 30 June 2026 (year ended 30 June 2025: 6.2 pps), which is expected to be fully covered subject to the continued collection of rent from the Group's property portfolio as it falls due. The resetting of the dividend target this year, which is lower than the previous year, is entirely due to increase in financing costs of the new long-term debt facilities.

On a like-for-like basis, contracted annualised rent grew by 0.7% in the Period, predominantly because of the index-linked rent reviews in Salford, Brough and Solihull. 92.1% of the leases within the portfolio are index-linked, with 38.0% of contracted rental income being reviewed annually.

Following the sale of the Group's petrol filling station in Crawley ("Crawley") in October 2025, at 31 December 2025, the Group owned 19 properties valued at £103.5 million (30 June 2025: 20 properties: £107.4 million).

At 31 December 2025, the Group's unaudited Net Asset Value was £68.0 million, or 84.48 pps (30 June 2025: £67.3 million, or 83.64 pps), representing a 1.0% increase over the Period. When combined with the two interim dividends paid in the Period of 2.95 pps, this produced an unaudited NAV total return for the Period of 3.84%.

On 20 October 2025 the Group completed new long-term debt facilities with HSBC UK Bank plc (the 'New HSBC Bank Facilities') of £41 million, when the previous senior loan matured. The New HSBC Bank Facilities consist of a term loan of £31 million and a £10 million revolving credit facility, both on floating rates for a fixed term of five years with an option to extend by two years if mutually acceptable.

The Board remain confident that the Company is well-positioned for the future, with a portfolio that continues to deliver secure, index-linked income and which has the potential for capital growth as the property market recovers."

Financial Highlights

At 31 December 2025 (the "Period End")

	31 December 2025 (unaudited)	30 June 2025 (audited)	Change
Net Asset Value ('NAV')	£68.0 million	£67.3 million	1.0%
NAV per share	84.48p	83.64p	1.0%
Share price per share	73.60p	74.00p	-0.5%
Share price discount to NAV ^[B]	12.9%	11.5%	1.4%
Investment property fair value (based on external valuation) ^[C]	£103.5 million ^C	£107.4 million ^C	-3.6%
Loan to gross asset value ('GAV') ^{B [D]}	34.3%	36.9%	
Loan facility ^D	£36.6 million	£41.0 million	

For the half year ended 31 December 2025

	2025 (unaudited)	2024 (unaudited)	Change
EPRA earnings per share ('EPS') ^B	3.23p	3.28p	-1.5%
Adjusted EPS ^B	3.32p	3.26p	1.8%
Dividends per share	2.80p	3.10p	-9.7%
Dividend cover ^B	118.6%	105.2%	13.4%
Dividend yield (annualised) ^B	7.6%	8.8%	
Operating profit (including gain on sale of investment property but excluding fair value changes)	£3.8 million	£3.3 million	15.0%
Profit before tax	£3.1 million	£3.4 million	-8.8%
EPS per share	3.79p	4.22p	-10.2%
Share price total return ^B	2.66%	11.78%	
NAV total return ^B	3.84%	5.21%	

Annualised gross passing rent	£7.9 million	£7.8 million	1.3%
Ongoing charges (annualised) ^B	1.59%	1.48%	+11bps

Financial Highlights Overview

- The NAV increase of 1.0% to 84.48pps was primarily due to the £0.4 million increase in the fair value of the investment properties, which in turn reflected an increase in the wider UK real estate sector fuelled by interest rate cuts and lower inflation.
- Dividends declared of 1.4pps, reflect the Board's target annual dividend of at least 5.6pps ^A (2024: 6.2pps) which is expected to be fully covered. Dividends for the Period were covered 118.6% (2024: 105.2%) by earnings.
- The dividend yield ^B of 7.6% has decreased when compared to the prior Period, reflecting the dividend reduction as set out above.
- The Company's share price of 73.6p at the Period end reflects the widening of the Company's share price discount to NAV to 12.9%, although the share price has increased and the discount narrowed substantially since then.
- EPS of 3.8pps for the Period represents a decrease from the previous financial year which is entirely due to increase in financing costs of the Group's new long-term debt facilities.
- The Group secured new long-term facilities with HSBC UK Bank plc of £41 million, consisting of a term loan of £31 million and a £10 million revolving credit facility ('RCF'). Both the term loan and RCF are on floating rates for a fixed term of five years with an option to extend by two years if mutually acceptable. Further details of the new facilities are contained in both the Chairman's Statement and Note 13 to the Condensed Consolidated Financial Statements.
- Loan to GAV of 34.3% and interest cover ratio ('ICR') of 317.75% gives significant headroom on the lender's loan to value covenant of 60% and interest cover covenant of 160%, based on the loan's current interest rate of 5.63%. The outstanding loan amount at 31 December 2025 was £36.6m, following the receipt of the sale proceeds from Crawley in October 2025 which reduced the RCF by £4.4 million.

Operational Highlights

At the Group's Period End of 31 December 2025:

- The Group's property portfolio had a fair value of £103.5 million across 19 properties (30 June 2025: £107.4 million across 20 properties).
- The disposal of the Group's petrol filling station for £4.5 million.
- EPRA Net Initial Yield^B ('NIY') stood at 7.2% (30 June 2025: 7.1%).
- 92.1% of the Group's contracted income is index-linked to the Retail Price Index or the Consumer Price Index; 38.0% is reviewed annually.
- The weighted average unexpired lease term ('WAULT') at the Period End was 15.4 years to the earlier of break and expiry (30 June 2025: 15.6 years) and 17.1 years to expiry (30 June 2025: 17.2 years).

Income and expense during the Period

- Rent recognised during the Period was £4.1 million (half year to 31 December 2024: £3.9 million). The number of tenants at the half year was 22 (31 December 2024: 23).
- 100% of the rent due during the Period ending 31 December 2025 has been collected.
- The portfolio had annualised gross passing rent of £7.9 million across 19 properties (31 December 2024: £7.8 million across 20 properties).

Post balance sheet highlights

- On 4 February 2026, the Board declared an interim dividend of 1.40 pps in respect of the quarter ended 31 December 2025. This was paid on 27 February 2026 to shareholders on the register at 13 February 2026 with an ex-dividend date of 12 February 2026.
- In the next six-month period to 30 June 2026, 22% of the Group's income will be reviewed (four annual index-linked rent reviews; one periodic index-linked rent reviews (3 years since the previous review); and one lease expiries).

ENQUIRIES

Alternative Income REIT PLC

Simon Bennett - Chair

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Further information on Alternative Income REIT plc is available at www.alternativeincomereit.com^[E]

NOTES

Alternative Income REIT PLC aims to generate a sustainable, secure and attractive income return for shareholders from a diversified portfolio of UK property investments, with a particular focus on alternative and specialist real estate sectors. The majority of the assets in the Group's portfolio are let on long leases which contain index linked rent review provisions.

The Company's asset manager is Martley Capital Real Estate Investment Management Limited ("Martley Capital"). Martley Capital is a full-service real estate investment management platform whose activities cover real estate investing, lending, asset management and fund management. It has circa 40 employees across five offices in the UK and Europe. The team manages assets with a value of circa £1 billion across 30 mandates (at 31 December 2025).

Chairman's Statement

Overview

I am pleased to present the unaudited half-yearly report of Alternative Income REIT plc (the "Company" or the "Group") together with its subsidiaries for the half year ended 31 December 2025.

During the period under review, the Company's portfolio increased in value with the Group's net asset value rising by £0.7 million to £68.0 million (30 June 2025: £67.3 million), an increase on a par with both the benchmark property indices and the Company's peer group.

92.1% of the Group's portfolio benefits from index-linked rent reviews, 38.0% on an annual basis based on contracted rent. The Group has a strong balance sheet, modest overheads and competitive borrowing costs and is thus well placed to continue to deliver attractive and secure income to our shareholders. The biggest risk factor for the Group remains tenant default, although in recent years the Group has an excellent record of rent collection.

Portfolio Performance

The fair value of the Group's property portfolio amounted to £103.5 million across 19 properties (30 June 2025: £107.4 million across 20 properties), the decrease reflecting the sale of the Group's petrol filling station in Crawley. At the Period end, the portfolio had a net initial yield of 7.1% (30 June 2025: 7.1%), and a WAULT to the first break of 15.4 years (30 June 2025: 15.6 years) and a WAULT to expiry of 17.1 years (30 June 2025: 17.2 years).

Property Transactions

In October 2025, the sale of the Group's petrol filling station for £4.5 million (gross of disposal costs), was completed.

Dividends and Earnings

The Company declared interim dividends totalling 2.80 pps in respect of the half year ended 31 December 2025 (half year ended 31 December 2024: 3.10 pps). Dividends declared for the Period are in line with the Board's target annual dividend of no less than 5.6 pps^A, which is expected to be fully covered.

As set out in Note 8 to the Condensed Consolidated Financial Statements, these dividends were covered by both the Group's EPRA Earnings^B of 3.23 pps (31 December 2024: 3.28 pps), and by the Group's Adjusted EPS^B (representing cash) of 3.32 pps (31 December 2024: 3.26 pps). All dividends were paid as Property Income Distributions.

Financing

The Group refinanced its long-term loan facility on 20 October 2025 with HSBC UK Bank Plc. The new HSBC Bank Facilities consist of a term loan of £31 million and a £10 million revolving credit facility ('RCF'), both on floating rates for a fixed term of five years with an option to extend by two years if mutually acceptable.

At 31 December 2025, the Group had partially utilised its £41 million facility with HSBC, with the term loan of £31 million fully drawn and a drawn down RCF of £5.6 million, following the use of the proceeds from the disposal of Crawley to reduce the RCF by £4.4 million. Total borrowings at 31 December 2025 were £36.6 million (31 December 2024: £41.0 million).

Both the HSBC loan and RCF have a margin of 1.7% per annum plus SONIA (sterling overnight index average rate). This represents an improvement in terms on the previous debt facilities, but total finance costs will increase as a result of the higher prevailing base interest rates. The loan and the RCF are aggregated for the purposes of the aggregate debt's financial covenants and, being based on a Loan to Value covenant which is not to exceed 60% and an Interest Cover Ratio to be greater than 160%, an improvement in terms.

Discount

The discount of the Company's share price to NAV at 31 December 2025 increased to 12.9%. Since that date the share price has increased and the discount has narrowed substantially. The Board monitored the discount level throughout the Period and has the requisite authority from shareholders to both issue and buy back shares.

Future Growth and Outlook

The Board remains confident that the Company is well-positioned for the future, with a resilient portfolio well-placed to continue to provide secure, index-linked income with the potential for capital growth.

The Board has set an annual dividend target of no less than 5.6 pps^A for the year ending 30 June 2026 (year ended 30 June 2025: 6.2 pps), which is expected to be fully covered, subject to the continued collection of rent from the Group's property portfolio as it falls due. During the six months until the end of the current financial year, approximately 22.3% of the Group's income will be subject to rent reviews or lease expiries, 16.4% as annual index-linked rent reviews, 5.1% as a periodic index-linked rent review (3 years since the previous review) and 0.8% lease expiry of storage land in St Helens.

I would like to thank our shareholders, my fellow Directors, the Investment Adviser and our other advisers and service providers for the professional support and guidance they have provided to the Group during the Period.

Simon Bennett
Chairman
2 March 2026

Key Performance Indicators ('KPIs')

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE
<p>Adjusted EPS</p> <p>Adjusted EPS from core operational activities, as adjusted for non-cash items. A key measure of a company's underlying operating results from its property rental business and an indication of the extent to which current dividend payments are supported by earnings. See Note 8 to the financial statements.</p>	<p>This reflects the Group's ability to generate earnings from the portfolio which underpins dividends.</p>	<p>3.32 pps</p> <p>For the half year ended 31 December 2025 (30 June 2025: 6.72pps and 31 December 2024: 3.26 pps)</p>
<p>Dividend per share</p> <p>Dividends declared in relation to the period are in line with the stated dividend target as set out in the Prospectus at IPO.</p>	<p>The Group seeks to deliver a sustainable income stream from its portfolio, which it distributes as dividends.</p>	<p>2.80 pps</p> <p>For the year ended 30 June 2025 (30 June 2025: 6.20pps and 31 December 2024: 3.10 pps)</p>
<p>Net Asset Value ('NAV') per share</p> <p>NAV is the value of an entity's assets minus the value of its liabilities.</p>	<p>Provides stakeholders with the most relevant information on the fair value of the assets and liabilities of the Group.</p>	<p>£68.01 million/ 84.48 pps</p> <p>At 31 December 2025 (30 June 2025: £67.33 million/ 83.64pps and 31 December 2024: £65.96 million/ 81.94 pps)</p>
<p>Leverage (Loan-to-GAV)</p> <p>The proportion of the Group's assets that is funded by borrowings.</p>	<p>The Group utilises borrowings to enhance returns over the medium term. Borrowings will not exceed 40% of GAV (measured at drawdown).</p>	<p>34.28%</p> <p>At 31 December 2025 (30 June 2025: 36.88% and 31 December 2024: 37.36%)</p>
<p>Net Initial Yield ('NIY')</p> <p>Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with purchasers' costs estimated by the Group's External Valuers.</p>	<p>The NIY is an indicator of the ability of the Group to meet its target dividend after adjusting for the impacts of leverage and deducting operating costs.</p>	<p>7.14%</p> <p>At 31 December 2025 (30 June 2025: 7.07% and 31 December 2024: 6.85%)</p>
<p>Weighted Average Unexpired Lease Term ('WAULT') to break and expiry</p>		<p>15.4 years to break and 17.1 years to expiry</p>

The average lease term remaining to expiry across the portfolio, weighted by contracted rent.	The WAULT is a key measure of the quality of the portfolio. Long leases underpin the security of our future income.	At 31 December 2025 (30 June 2025: 15.6 years to break and 17.2 years to expiry and 31 December 2024: 16.1 years to break and 17.7 years to expiry)
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EPRA Performance Measures

Detailed below is a summary table showing EPRA performance measures (which are all alternative performance measures) of the Group.

MEASURE AND DEFINITION	PURPOSE	PERFORMANCE
<p>EPRA Net Tangible Assets¹</p> <p>The EPRA NTA deducts the break cost of bank borrowings from the EPRA NAV.</p>	<p>A measure that assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. The Group has UK REIT status and as such no deferred tax is required to be recognised in the accounts.</p>	<p>£68.01 million/ 84.48 pps</p> <p>EPRA NTA for the half year ended 31 December 2025 (30 June 2025: £67.33 million/ 83.64pps and 31 December 2024: £65.96 million/ 81.94 pps)</p>
<p>EPRA Net Reinstatement Value¹</p> <p>The EPRA NRV adds back the purchasers' costs deducted from the EPRA NAV and deducts the break cost of bank borrowings.</p>	<p>A measure that highlights the value of net assets on a long-term basis.</p>	<p>£74.73 million/ 92.84 pps</p> <p>EPRA NRV for the half year ended 31 December 2025 (30 June 2025: £74.31 million/ 92.30pps and 31 December 2024: £72.87 million/ 90.52 pps)</p>
<p>EPRA Net Disposal Value¹</p> <p>The EPRA NDV deducts the break cost of bank borrowings from the EPRA NAV.</p>	<p>A measure that shows the shareholder value if assets and liabilities are not held until maturity.</p>	<p>£68.01 million/ 84.48 pps</p> <p>EPRA NDV for the half year ended 31 December 2025 (30 June 2025: £67.33 million/ 83.64pps and 31 December 2024: £65.96 million/ 81.94 pps)</p>
<p>EPRA LTV²</p> <p>Debt (net of cash balances) divided by the market value of properties (including net receivables).</p>	<p>A key (shareholder-gearing) metric to determine the percentage of debt comparing to the appraised value of the properties.</p>	<p>32.62%</p> <p>EPRA LTV for the half year ended 31 December 2025 (30 June 2025: 34.82% and 31 December 2024: 35.41%)</p>
<p>EPRA Earnings/EPS¹</p> <p>Earnings from operational activities.</p>	<p>A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.</p>	<p>£2.60 million/ 3.23 pps</p> <p>EPRA earnings for the half year ended 31 December 2025 (30 June 2025: £5.29 million/ 6.57pps and 31 December 2024: £2.64 million/ 3.28 pps)</p>

<p>EPRA NIY² - unaudited</p> <p>Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.</p>	<p>A comparable measure for portfolio valuations. This measure should make it easier for investors to judge themselves, how the valuation of two portfolios compare.</p>	<p>7.15%</p> <p>At 31 December 2025 (30 June 2025: 7.07% and 31 December 2024: 6.85%)</p>
<p>EPRA 'Topped-up' NIY² - unaudited</p> <p>This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).</p>	<p>A comparable measure for portfolio valuations. This measure should make it easier for investors to judge themselves, how the valuation of two portfolios compare.</p>	<p>7.15%</p> <p>At 31 December 2025 (30 June 2025: 7.25% and 31 December 2024: 7.23%)</p>
<p>EPRA Vacancy² - unaudited</p> <p>Estimated Rental Value ('ERV') of vacant space divided by ERV of the whole portfolio.</p>	<p>A 'pure' percentage measure of investment property space that is vacant, based on ERV.</p>	<p>0.00%</p> <p>EPRA vacancy as at 31 December 2025 (30 June 2025: 0.00% and 31 December 2024: 0.00%)</p>
<p>EPRA Cost Ratio² - unaudited</p> <p>Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.</p>	<p>A key measure to enable meaningful measurement of the changes in a company's operating costs.</p>	<p>14.59%</p> <p>EPRA Cost Ratio as at 31 December 2025. (30 June 2025: 15.14% and 31 December 2024: 15.04%)</p>

¹ The reconciliation of this APM is set out in Note 8 of the Notes to the Consolidated Financial Statements.

² The reconciliation of this APM is set out in the EPRA Performance Measures Calculations section following the Notes to the Consolidated Financial Statements.

Investment Adviser's Report

Market Outlook

UK Economic Outlook

The UK economy posted weak growth in H2 2025, with real GDP growing 0.1% in Q3 and Q4, indicating a soft expansion rather than stagnation^A. UK performance continued to lag peers, with Q4 2025 UK GDP being 5.2% above Q4 2019 as compared to 6.8% for the Eurozone and 14.5% for the US, and quarter-on-quarter growth of 0.1% as compared to 0.3% in the Eurozone and 1.1% in the US^B. The Bank of England's November 2025 Monetary Policy Report projected medium-term growth of circa 1.5%, it flagged near-term softness (roughly flat Q4), and thus implied 2025 would be below its February 2025 guidance which had suggested a stronger year than 2024^C.

UK unemployment rose further in H2 2025, reaching 5.1% in the three months to November 2025, its highest level since 2021, reflecting a weakening labour market after earlier resilience^D. As a result, annual wage growth eased through the second half of the year, signalling reduced inflationary pressure heading into 2026^E. Businesses

continued to express concern that increasing employment costs - particularly higher National Insurance contributions - will constrain hiring and place upward pressure on prices. The British Chambers of Commerce subsequently revised its 2026 unemployment forecast upwards, citing weaker demand, elevated costs, and rising youth unemployment^F.

Inflationary pressures remained during the second half of 2025, with the Consumer Prices Index (CPI) rising to 3.4% year-on-year in December 2025, above the 2% target^G. Service-sector inflation continued to be a key driver of overall price growth, with CPI services inflation at 4.5% in December 2025, reflecting persistent cost pressures in labour-intensive industries. Looking ahead, the Office for Budget Responsibility are projecting that CPI inflation will ease to around 2.1% in 2026^H.

The Bank of England continued its easing policy in 2025, with the base rate - held at 4% in early November 2025 - reducing in December to 3.75%, marking the fourth reduction in 2025 as inflation cooled and economic momentum weakened. Financial markets expect the Bank to continue its gradual easing cycle in 2026, with analysts anticipating further rate cuts as the labour-market softens further and inflation trends downward^I. Major institutions, including BlackRock, forecast that the Bank Rate could fall toward 3.5% by mid-2026, aligning with money-market pricing that signals an expected decline to between 3.25% and 3.5% by late 2026^J.

Economic sentiment remained fragile in late 2025. In the two weeks to 14 December 2025, the ONS Business Insights and Conditions Survey reported that 16.2% of firms expected their performance to decline over the next 12 months (versus 18.3% expecting an improvement), underscoring a deterioration from early-year readings^K. Consumer confidence showed only marginal improvement into year-end, with Growth from Knowledge's overall Index rising to -17 in December 2025 from -19 in November but remaining deeply negative and below long-run norms^L.

The UK economy enters 2026 with weak underlying momentum, having posted only minimal growth and continuing to lag key international peers, though reduced inflation and improving financial conditions offer some tentative support. A softening labour market, marked by rising unemployment and slowing wage growth, points to further slack ahead, yet moderating cost pressures may help stabilise real incomes. Inflation remains elevated, but forecasts indicate a steady easing toward target over the coming year. The Bank of England is expected to continue loosening policy, with markets and major institutions anticipating further rate cuts through 2026 to help underpin demand. Overall, economic sentiment remains subdued, but conditions for a gradual recovery are beginning to improve.

Sources:^A ONS (2026), GDP estimates;^B House of Commons Library (2026), GDP international comparisons: Key Economic Indicators;^C Bank of England (2025), Monetary Policy Report - November 2025;^D ONS (2025), UK Labour Market Statistics;^E ONS (2025), Average weekly earnings in Great Britain: November 2025;^F British Chambers of Commerce, Economic Forecast (December 2025);^G ONS (2025), Consumer Price Inflation, UK: November 2025;^HHouse of Commons Library (2025), Inflation: Key Economic Indicators;^I Morningstar (2026), Will the Bank of England Cut Interest Rates in 2026?;^J HomeOwners Alliance (2026), Will the Bank of England Cut Interest Rates Again on 5 February 2026?;^K UK Parliament (2025), Business and consumer confidence: Economic indicators;^L Trading Economics (2026), United Kingdom - Consumer Confidence.

UK Real Estate Outlook

Following a muted summer period, H2 2025 closed with a powerful resurgence in activity as Q4 2025 delivered a decisive shift in momentum. Earlier volumes were constrained by a lack of major deals, but Q4 investment surged to a record £21.6 billion, up 145% on Q3 2025 and underpinned by an exceptional rebound in large scale transactions^A. Alongside the completion of major pipeline deals in Q3 2025 such as Tritax's £1.0 billion Project Centurion acquisition, the £340 million Can of Ham sale, and the £628.9 million PRS REIT disposal, Q4 was dominated by landmark activity in the living sector, including Welltower's £5.2 billion purchase of the Barchester Healthcare portfolio and its separate £1.2 billion acquisition of HC-One^B. With 20 transactions exceeding £200 million in the final three months of 2025, all major sectors recording volumes above their five-year averages, improved financial conditions and renewed investor confidence helped deliver a markedly stronger finish to the second half of 2025 and set a positive foundation heading into 2026.

Across the half year, monetary and market conditions shifted from cautious to favourable. The Bank of England's base rate cuts, combined with the easing of CPI inflation, have supported an improvement in relative pricing for real estate. Credit availability strengthened throughout, with lenders reporting seven consecutive quarters of improvement, underpinning refinancing and selective new origination^C. On pricing, despite no movement to the MSCI All-Property equivalent yield in the first six months of the year, a 68% increase in transaction volume in the final six months pushed yields in by 10 bps^D. Capital values continued their positive trajectory, delivering total growth of 1.4% in 2025. Even so, forecasters tempered 2025 expectations over the course of the year: Colliers revised total returns from 9.8% (Q2) to 7.4% (Q3) and then 6.7% at year end - citing higher-for-longer debt costs and a 17-year-low spread between property gilts^E. Looking ahead, the rate cut and softer inflation set the stage for wider spreads and renewed capital value growth in 2026, with total returns trending back toward 8% - 8.5%^F.

Sector wise, the UK real estate investment landscape over the half year was driven by living, which strengthened from a Q3 rebound (£3.8bn; +38% q/q; 10% above trend) to a record £10.6bn in Q4, supported by unprecedented healthcare and single family rental transactions that lifted the sector well above its long-term average. Industrial sector activity remained resilient, with Q3 2025 volumes outside London being more than double Q2 2025 levels and 22% above trend, before accelerating further in Q4 to £3.7bn. This is circa 45% above the five-year average which was underpinned by major portfolio trades including Tritax's £1.0bn Project Centurion acquisition. MSCI data show the sector continuing to lead performance into late 2025, with capital values rising 2.97% for the year and ERV growth of 0.37% in December alone, the strongest among all major segments. Looking ahead, retail is expected to outperform in 2026, with shopping centres and retail warehouses forecast to deliver c.10.1% and 8.9% total returns respectively, supported by tightening prime vacancy, limited new development and sustained rental growth potential. year was driven family rental transactions that lifted the sector well above its long-term average. year average

After a strong first six months the FTSE EPRA Nareit UK delivered 11.1% total return in 2025^G. Returns softened into Q3 as higher bond yields pressured equity pricing, leaving year-to-date gains around mid-date gains around mid-single digits by September and underscoring rate sensitivity rather than asset-single digits by September and underscoring rate sensitivity rather than asset-level- weakness. Even so, valuations remained deeply discounted, with UK REITs trading at 27-30% below NAV - a level that, historically, has preceded stronger forward returns as financing conditions stabilise^H. Long- term guidance is also supportive: J.P. Morgan's Guide to the Markets (UK) indicates core real assets can deliver high-single--single digit annualised returns over the coming decade, providing a constructive backdrop for patient digit annualised returns over the coming decade, providing a constructive backdrop for patient -capital^I. At the stock level, AIRE finished 31 December 2025 at 73.6pps (roughly flat over H2), reflecting income resilience but lingering rate sensitivity, with prices rebuilding into January. Early signs of improved credit availability towards the year-end added support to the case for listed real estate.

UK real estate closed the half year on a markedly stronger footing as Q4 2025 activity surged to record levels, supported by easing inflation, a December rate cut, and improved credit conditions. Living and industrial sectors led the rebound, delivering above trend volumes and the strongest capital value performance, while retail's 2026 outlook improved with shopping centres and retail warehouses expected to outperform. Although 2025 return forecasts were revised lower amid higher borrowing costs, stabilising MSCI pricing indicators, historically wide REIT discounts, and widening yield spreads underpin a more constructive outlook. Overall, the market enters 2026 with firmer momentum and total returns expected to normalise toward high single digits, supported by resilient sector fundamentals and long-term structural demand drivers.

*Sources: ^ALSH Research (2026), UKIT Q4 25, ^BLSH Research (2026), UKIT Q3 25, ^CBank of England (2025), Credit Conditions Survey, Q4 2025, ^DMSCI (2025), MSCI UK Monthly Data - December 2025, ^EColliers (2025), REIF Q4 2025, ^FCBRE (2026), UK Real Estate Market Outlook 2026, ^GFTSE (2025), FTSE EPRA Nareit UK Index, ^HGravis Capital (2025), UK REITs: does the resurgence still have legs?, ^IJP Morgan 2025, Guide to the Markets UK Q1 2026.

Portfolio Activity

The following transactions were undertaken during the Period:

In October 2025, the Company completed the sale of Crawley for £4.5 million (gross of disposal costs). This property represented 4.0% of the Group's portfolio capital valuation at 30 September 2025. The disposal represented a net initial yield of 5.7%

The following asset management initiatives were undertaken during the Period:

- Rent Reviews: A total of three rent reviews took place (excluding Crawley) during the Period with a combined uplift of £56,272 with an average increase in contracted rent of 3.5%. The portfolio showed an increase of 0.7% on a like-for-like basis.
- A further rent review for the care home in Bristol was completed at £509,453 per annum reflecting an increase of 3.8% during the period between the half year and the date of this report.
- Negotiations are in progress in respect of lease regears and renewals with many tenants including Meridian Steel, B&M, Pets at Home and BGEN. The Company remains supportive of its occupiers to work together to improve the environmental sustainability of the portfolio.

NAV Movements

	Half year ended 31 December 2025		Half year ended 31 December 2024		Year ended 30 June 2025	
	Pence per share	£ million	Pence per share	£ million	Pence per share	£ million
NAV at beginning of period/ year	83.64	67.33	80.90	65.12	80.90	65.12
Change in fair value of investment property	0.17	0.14	0.94	0.76	2.45	1.97
Income earned for the period/year	5.61	4.52	5.23	4.21	10.64	8.57
Gain on sale of property	0.38	0.31	-	-	-	-
Finance costs for the period/year	(1.16)	(0.93)	(0.88)	(0.71)	(1.78)	(1.44)
Other expenses for the period/year	(1.21)	(0.98)	(1.07)	(0.86)	(2.29)	(1.84)
Dividends paid during the period/year	(2.95)	(2.38)	(3.18)	(2.56)	(6.28)	(5.05)
NAV at the end of the period/year	84.48	68.01	81.94	65.96	83.64	67.33

Valuation

At 31 December 2025, the Group owned 19 assets valued at £103.5 million (30 June 2025: 20 assets, £107.4 million) following the sale of Crawley for £4.5 million in October 2025.

Ann

Sector	Number of Properties	Valuation (£m)	Market Value (%)	Occupancy by ERV (%)	WAULT to break (years)
Industrial	4	26.7	25.8	100.0	22.2
Healthcare	3	17.2	16.6	100.0	23.0
Automotive & Petroleum	2	11.8	11.4	100.0	11.4
Hotel	2	12.1	11.6	100.0	11.5
Residential	1	10.9	10.5	100.0	15.6
Leisure	3	10.5	10.2	100.0	8.0
Retail Warehouse	1	5.6	5.4	100.0	3.3
Power Station	1	4.5	4.4	100.0	6.2
Education	2	4.2	4.1	100.0	15.5
Total/Average	19	103.5	100.0	100.0	15.4

Summary by Geographical Area at 31 December 2025

Ann

Geographical Area	Number of Properties	Valuation (£m)	Market Value (%)	Occupancy by ERV (%)	WAULT to break (years)
West Midlands	4	27.4	26.5	100.0	9.2
The North West & Merseyside	2	22.7	21.9	100.0	32.9
Rest of South East	4	17.5	16.9	100.0	7.9
South West	2	12.1	11.7	100.0	20.5
London	3	10.5	10.1	100.0	8.0
Eastern	2	7.0	6.8	100.0	8.6
Yorkshire and the Humber	2	6.3	6.1	100.0	16.2
Total/Average	19	103.5	100.0	100.0	15.4

Top Ten Occupiers at 31 December 2025

Tenant	Property	Annualised gross passing rent (£'000)	% of Portfolio Total Annualised gross passing rental
Mears Group Plc	Bramall Court, Salford	838	10.6%
Prime Life Ltd	Prime Life Care Home, Brough & Solihull	808	10.3%
Meridian Steel Ltd	Grazebrook Industrial Estate, Dudley & Sheffield	799	10.2%
Motorpoint Ltd	Motorpoint, Birmingham	568	7.2%
Virgin Active Health Clubs Ltd	Virgin Active, London	521	6.6%
Premier Inn Hotels Ltd	Premier Inn, Camberley	504	6.4%
Handsale Ltd	Silver Trees, Bristol	491	6.2%
Travelodge Hotels Ltd	Duke House, Swindon	403	5.1%
B&M Bargains	Droitwich Spa Retail Park, Droitwich	364	4.6%
Biffa Waste Services Ltd	Pocket Nook Industrial Estate, St Helens	353	4.5%

Top Ten Total		5,649	71.7%
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Lease Expiry Portfolio at 31 December 2025 - to the earlier of break or lease expiry

Year	Expiring passing rent pa (£'000)	Cumulative (£'000)
2026	64	64
2027	944	1,008
2028	420	1,428
2029	364	1,792
2030	-	1,792
2031	-	1,792
2032	1,150	2,942
2033	358	3,300
2034	521	3,821
2035	-	3,821
2036	-	3,821
2037	849	4,670
2038	-	4,670
2039	175	4,845
2040	-	4,845
2041+	3,038	7,883

Interim Management Report and Directors' Responsibility Statement

Interim Management Report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal risks and uncertainties for the remaining half year of the financial year are set out in the Chairman's Statement and the Investment Adviser's Report above.

The principal risks and uncertainties of the Company are set out in the Annual Report and Financial Statements for the year ended 30 June 2025 (the '2025 Annual Report') on pages 24 to 28 and in Note 17. In the period being reported, the Group successfully refinanced its debt, thus removing this risk, however, the Group now has exposure to interest rate risk given the new debt is all floating rate debt as opposed to the previous debt which was all fixed rate debt. The principal risks of the Group have been updated to reflect this change.

Risks faced by the Company include, but are not limited to, tenant default, portfolio concentration, property defects, the rate of inflation, the property market, property valuation, illiquid investments, environment, breach of borrowing covenants, inability to refinance the current loan facility which has been mitigated through the refinancing with the new HSBC Bank Facilities, failure of service providers, dependence on the Investment Adviser, ability to meet objectives, Group REIT status, political and macroeconomic events, disclosure risk, and regulatory change (including in relation to climate change). The Board takes account of emerging risks, including climate change, as part of its risk management assessment.

The Board is of the opinion that these updated principal risks are equally applicable to the remaining six months of the Group's financial year, as they were to the six months being reported on.

Related Party Transactions

There have been no changes to the related parties shown in Note 19 of the 2025 Annual Report that could have a material effect on the financial position or performance of the Company or Group. Amounts payable to the Investment Adviser in the six months being reported are shown in the unaudited Condensed Consolidated Statement of Comprehensive Income.

Going Concern

This report has been prepared on a going concern basis. Note 2 sets out the Board's considerations in coming to this conclusion.

Directors' Responsibility Statement

The Directors confirm that to the best of our knowledge:

- the condensed consolidated set of financial statements has been prepared in accordance with the UK-adopted IAS 34 'Interim Financial Reporting';
- the interim management report includes a fair review of the information required by:
 - a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated of financial statements; and a description of the principal risks and uncertainties for the remaining half of the year; and
 - b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the 2025 Annual Report that could do so.

As at the date of this report the Directors of the Company are Simon Bennett, Stephanie Eastment and Adam Smith all of whom are non-executive Directors.

For and on behalf of the Board

Simon Bennett

Chairman

2 March 2026

Condensed Consolidated Statement of Comprehensive Income

For the half year ended 31 December 2025

		Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
	Notes			
Income				
Rental and other income	3	4,516	4,210	8,570
Property operating expense	4	(446)	(354)	(781)
Net rental and other income		4,070	3,856	7,789
Other operating expenses	4	(546)	(512)	(1,066)
Operating profit before fair value change and gain on sale		3,524	3,344	6,723
Change in fair value of investment properties	10	141	759	1,970
Gain on disposal of investment property	10	313	-	-

Operating profit		3,978	4,103	8,693
Finance expenses	6	(925)	(705)	(1,435)
Profit before tax		3,053	3,398	7,258
Taxation	7	-	-	-
Profit and total comprehensive income attributable to shareholders		3,053	3,398	7,258
Earnings per share (basic and diluted)	8	3.79p	4.22p	9.02p
EPRA EPS (basic and diluted)	8	3.23p	3.28p	6.57p
Adjusted EPS (basic and diluted)	8	3.32p	3.26p	6.72p

All items in the above statement are derived from continuing operations.

The accompanying Notes 1 to 18 form an integral part of these Condensed Consolidated Financial Statements.

Condensed Consolidated Statement of Financial Position

For the half year ended 31 December 2025

	Notes	As at 31 December 2025 (unaudited) £'000	As at 31 December 2024 (unaudited) £'000	As at 30 June 2025 (audited) £'000
Assets				
Non-current Assets				
Investment properties	10	99,918	102,566	103,777
Current Assets				
Trade and other receivables	11	4,454	4,277	4,236
Cash and cash equivalents		2,352	2,913	3,148
Total current assets		6,806	7,190	7,384
Total Assets		106,724	109,756	111,161
Liabilities				
Current Liabilities				
Trade and other payables	12	(3,025)	(2,913)	(2,878)
Interest bearing loans and borrowings	13	-	(40,880)	(40,956)
Total current liabilities		(3,025)	(43,793)	(43,834)
Non-current Liabilities				
Interest bearing loans and borrowings	13	(35,694)	-	-
Total Liabilities		(38,719)	(43,793)	(43,834)

Net Assets		68,005	65,963	67,327
Equity				
Share capital	17	805	805	805
Capital reserve		63,004	67,875	65,379
Retained earnings		4,196	(2,717)	1,143
Total capital and reserves attributable to equity holders of the Company		68,005	65,963	67,327
Net Asset Value per share (basic and diluted)				
	8	84.48p	81.94p	83.64p
EPRA Net Tangible Asset per share (basic and diluted)	8	84.48p	81.94p	83.64p

The accompanying Notes 1 to 18 form part of these Condensed Consolidated Financial Statements.

The Condensed Consolidated Financial Statements were approved by the Board of Directors on 2 March 2026 and were signed on its behalf by:

Simon Bennett
Chairman

Company number: 10727886

Condensed Consolidated Statement of Changes in Equity

For the half year ended 31 December 2025

	Notes	Share capital £'000	Capital reserve £'000	Retained earnings £'000	Total equity £'000
For the half year ended 31 December 2025 (unaudited)					
Balance at 30 June 2025		805	65,379	1,143	67,327
Total comprehensive income attributable to shareholders		-	-	3,053	3,053
Dividends paid	9	-	(2,375)	-	(2,375)
Balance at 31 December 2025		805	63,004	4,196	68,005
For the half year ended 31 December 2024 (unaudited)					
Balance at 30 June 2024		805	70,431	(6,115)	65,121
Total comprehensive income attributable to shareholders		-	-	3,398	3,398
Dividends paid	9	-	(2,556)	-	(2,556)
Balance at 31 December 2024		805	67,875	(2,717)	65,963

**For the year ended
30 June 2025 (audited)**

Balance at 30 June 2024		805	70,431	(6,115)	65,121
Total comprehensive income attributable to shareholders		-	-	7,258	7,258
Dividends paid	9	-	(5,052)	-	(5,052)
Balance at 30 June 2025		805	65,379	1,143	67,327

The accompanying Notes 1 to 18 form an integral part of these Condensed Consolidated Financial Statements.

Condensed Consolidated Statement of Cash Flows

For the half year ended 31 December 2025

		Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
Cash flows from operating activities				
Profit before tax		3,053	3,398	7,258
Adjustment for:				
Finance expenses	6	925	705	1,435
Gain on disposal of investment property	10	(313)	-	-
Change in fair value of investment properties	10	(141)	(759)	(1,970)
Operating results before working capital changes		3,524	3,344	6,723
Change in working capital				
(Increase)/decrease in trade and other receivables		(218)	2,187	2,228
Increase/(decrease) in trade and other payables		147	23	(12)
Net cash generated from operating activities		3,453	5,554	8,939
Cash flows from investing activities				
Purchase of investment property	10	-	(2,724)	(2,724)
Net proceeds from disposal of investment property	10	4,464	-	-
Net cash generated from/(used in) investing activities		4,464	(2,724)	(2,724)
Cash flows from financing activities				
Debt repaid		(41,000)	-	-
Initial debt drawdown		41,000	-	-

Repayment of RCF		(4,416)	-	-
Finance costs paid		(994)	(653)	(1,307)
Refinance costs paid		(928)	-	-
Dividends paid	9	(2,375)	(2,556)	(5,052)
Net cash used in financing activities		(8,713)	(3,209)	(6,359)
Net decrease in cash and cash equivalents		(796)	(379)	(144)
Cash and cash equivalents at beginning of period/year		3,148	3,292	3,292
Cash and cash equivalents at end of period/ year		2,352	2,913	3,148

The accompanying Notes 1 to 18 form an integral part of these Condensed Consolidated Financial Statements.

Notes to the Condensed Consolidated Financial Statements

For the half year ended 31 December 2025

1. Corporate Information

Alternative Income REIT plc (the "Company") is a public limited company and a closed ended Real Estate Investment Trust ("REIT") incorporated on 18 April 2017 and domiciled in the UK and registered in England and Wales. The registered office of the Company is located at The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF.

The Company's Ordinary Shares were listed on the Official List of the FCA and were admitted to trading on the Main Market of the London Stock Exchange on 6 June 2017.

2. Accounting policies

2.1 Basis of preparation

These condensed consolidated financial statements for the half year ended 31 December 2025 have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting'. These do not include all the information required for annual financial statements, and should be read in conjunction with the Group's last annual consolidated financial statements for the year ended 30 June 2025 (the "2025 Annual Financial Report").

These condensed consolidated financial statements have been prepared under the historical cost convention, except for investment properties that have been measured at fair value. The condensed consolidated financial statements are presented in Sterling, which is the Group's presentational and functional currency, and all values are rounded to the nearest thousand pounds, except where otherwise shown.

The financial information in this report does not constitute statutory accounts within the meaning of section 434-436 of the Companies Act 2006 and has not been audited nor reviewed by the Company's auditor. The financial information for the year ended 30 June 2025 has been extracted from the published accounts that have been delivered to the Registrar of Companies, and the report of the auditor was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

Basis of consolidation

The condensed consolidated financial statements incorporate the financial statements of the Company and its subsidiaries (the 'Group'). Subsidiaries are the entities controlled by the Company, being Alternative Income Limited and Alternative Income REIT Holdco Limited.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Accounting policies of the subsidiaries are consistent with the policies adopted by the Company.

New standards, amendments and interpretations

Standards effective from 1 July 2025

Certain new accounting standards and interpretations have been published that are not mandatory for annual periods beginning after 1 July 2025 and early application is permitted; however, the Group has not early adopted the new or amended standards in preparing these condensed consolidated financial statements:

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (effective 1 January 2026)
- Annual Improvements to IFRS Accounting Standards - Amendments to (effective 1 January 2026):
 - IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
 - IFRS 9 Financial Instruments;
 - IFRS 10 Consolidated Financial Statements; and
 - IAS 7 Statement of Cash flows
- Presentation and Disclosure in Financial Statements - IFRS 18 (effective 1 January 2027)
- Subsidiaries without Public Accountability: Disclosures - IFRS 19 (effective 1 January 2027)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) (effective date to be determined)

With the exception of IFRS 18, the rest of the new standards and amendments listed above are not expected to significantly affect the current or future periods.

2.2 Significant accounting judgements and estimates

The condensed consolidated financial statements have been prepared on the basis of the accounting policies, significant judgements, estimates and key assumptions as set out in the notes to the 2025 Annual Financial Report, and are expected to be applied consistently for the year ending 30 June 2026.

No changes have been made to the Group's accounting policies as a result of the amendments and interpretations which became effective in the period as they do not have a material impact on the Group.

Segmental information

Each property held by the Group is reported to the chief operating decision maker. In the case of the Group, the chief operating decision maker is considered to be the Board of Directors. The review process for segmental information includes the monitoring of key performance indicators applicable across all properties. These key performance indicators include Net Asset Value, Earnings per Share and valuation of properties. All asset cost and rental allocations are also reported by property. The internal financial reports received by the Directors cover the Group and all its properties and do not differ from amounts reported in the financial statements. The Directors have considered that each property has similar economic characteristics and have therefore aggregated the portfolio into one reportable segment under the provisions of IFRS 8.

2.3 Going concern

The condensed consolidated financial statements have been prepared on a going concern basis.

The robust financial position of the Group, its net asset and current asset positions, its cash flows, liquidity position

and borrowing facilities are described in the financial statements and the accompanying notes.

The Investment Adviser on behalf of the Board has projected the Group's cash flows for the period up to 31 March 2027, challenging and sensitising inputs and assumptions to ensure that the cash forecast reflects a realistic outcome given the uncertainties associated with the current economic environment. A longer-term projection covering the period to 30 June 2029 had also been carried out to ascertain the impact of the refinancing and future leasing assumptions on the Group's cash flow. The scenarios applied were designed to be severe but plausible, and to take account of the availability of mitigating actions that could be taken to avoid or reduce the impact or probability of the underlying risks.

On 20 October 2025 the Group refinanced its long-term debt facilities with HSBC UK Bank plc, when the Canada Life £41 million loan matured. The new debt facilities consist of a term loan of £31 million and a £10 million revolving credit facility ('RCF'), both on floating rates for a fixed term of five years with an option to extend by two years if mutually acceptable.

The Group has reported full compliance with its loan covenants to date. Based on cash flow projections, the Directors expect the Group to continue to remain compliant. The headroom of the loan to value covenant is significant and any reduction in property values that would cause a breach would be significantly more than any reduction currently envisaged.

Based on the above, the Board believes that the Group has the ability and adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of the financial statements.

3. Rental and other income

	Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
Gross rental income	4,076	3,869	7,916
Spreading of minimum contracted future rent-indexation	101	114	220
Spreading of tenant incentives - rent free periods	(51)	(47)	(214)
Gross rental income (adjusted)	4,126	3,936	7,922
Service charges and direct recharges (see Note 4)	390	274	648
Total rental and other income	4,516	4,210	8,570

All rental, service charges and direct recharges and other income are derived from the United Kingdom.

4. Operating expenses

	Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
Property operating expenses	58	80	133
Service charges and direct recharges (Note 3)	390	274	648
Provision for impairment of trade receivables	(2)	-	-
Property operating expenses	446	354	781
Investment adviser's fee	180	180	360
Auditor's remuneration	51	47	104

Operating costs	252	226	484
Directors' remuneration (Note 5)	63	59	118
Other operating expenses	546	512	1,066
Total operating expenses	992	866	1,847
Total operating expenses (excluding service charges and direct recharges)	602	592	1,199

	Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
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Audit

Statutory audit of Annual Report and Accounts	45	41	84
Statutory audit of Subsidiary Accounts	6	6	13
Statutory audit of Annual Report and Accounts (additional fee on data migration)	-	-	7
Total fees due to auditor	51	47	104

Moore Kingston Smith LLP has not provided any non-audit services to the Group.

5. Directors' remuneration

	Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
Directors' fees	55	53	105
Tax and social security	8	6	13
Total directors' remuneration	63	59	118

The Group had no employees during the period/year.

6. Finance Expenses

	Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
Interest payable on fixed rate debt	397	653	1,307
Interest payable on term loan	354	-	-
Interest payable on RCF	92	-	-
Amortisation of finance costs (Note 13)	82	52	128

Total	925	705	1,435
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7. Taxation

	Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
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Tax charge comprises:

Analysis of tax charge in the period/ year

Profit before tax	3,053	3,398	7,258
Theoretical tax charge/(refund) at UK corporation average tax rate of 25% (31 December 2025 and 30 June 2025: 25%)	763	849	1,815
Effects of tax-exempt items under REIT regime	(763)	(849)	(1,815)
Total	-	-	-

The Group maintained its REIT status and as such, no deferred tax asset or liability has been recognised in the current period/year.

Factors that may affect future tax charges

Due to the Group's status as a REIT and the intention to continue meeting the conditions required to retain approval as a REIT in the foreseeable future, the Group has not provided deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

8. Earnings per share (EPS) and Net Asset Value (NAV) per share

	Half year ended 31 December 2025 (unaudited)	Half year ended 31 December 2024 (unaudited)	Year ended 30 June 2025 (audited)
Earnings per share*			
Total comprehensive income (£'000)	3,053	3,398	7,258
Weighted average number of shares (number)	80,500,000	80,500,000	80,500,000
Earnings per share (basic and diluted)	3.79p	4.22p	9.02p
EPRA EPS (£'000):			
Total comprehensive income	3,053	3,398	7,258
Adjustment to total comprehensive income:			
Change in fair value of investment properties	(141)	(759)	(1,970)
Gain on disposal of investment property	(313)	-	-
EPRA earnings (basic and diluted)	2,599	2,639	5,288
EPRA EPS (basic and diluted)	3.23p	3.28p	6.57p

Adjusted EPS:

EPRA earnings (basic and diluted) (£'000) - as above	2,599	2,639	5,288
Adjustments:			
Rental income recognised in respect of guaranteed			

fixed rental uplifts (£'000)	(61)	(113)	(220)
Rental income recognised in respect of rent free periods (£'000) (Note 3)	51	47	214
Amortisation of finance costs (£'000) (Note 6)	82	52	128
Provision/(reversal of provision) for impairment of trade receivables (Note 4)	(2)	-	-
Adjusted earnings (basic and diluted) (£'000)	2,669	2,625	5,410
Adjusted EPS (basic and diluted)**	3.32p	3.26p	6.72p

*Adjusted EPS is a measure used by the Board to assess the level of the Group's dividend payments. This metric adjusts EPRA earnings for non-cash items in arriving at an adjusted EPS as supported by cash flows.

**Earnings per share are calculated by dividing profit for the period/year attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period/year.

	Half year ended 31 December 2025 (unaudited)	Half year ended 31 December 2024 (unaudited)	Year ended 30 June 2025 (audited)
NAV per share:			
Net assets (£'000)	68,005	65,963	67,327
Ordinary Shares (Number)	80,500,000	80,500,000	80,500,000
NAV per share	84.48p	81.94p	83.64p

EPRA Net Reinvestment Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV)

	EPRA NRV	EPRA NTA and EPRA NDV
At 31 December 2025		
Net assets value (£'000)	68,005	68,005
Purchasers' cost (£'000)	6,728	-
	74,733	68,005
Ordinary Shares (Number)	80,500,000	80,500,000
Per share measure	92.84p	84.48p

	EPRA NRV	EPRA NTA and EPRA NDV
At 31 December 2024		
Net assets value (£'000)	65,963	65,963
Purchasers' cost (£'000)	6,903	-
	72,866	65,963
Ordinary Shares (Number)	80,500,000	80,500,000
Per share measure	90.52p	81.94p

	EPRA NRV	EPRA NTA and EPRA NDV
At 30 June 2025		
Net assets value (£'000)	67,327	67,327
Purchasers' cost (£'000)	6,978	-
	74,305	67,327

Ordinary Shares (Number)	80,500,000	80,500,000
Per share measure	92.30p	83.64p

9. Dividends

All dividends were paid as Property Income Distributions.

	Quarter Ended	Dividend Rate	Half year ended 31 December 2025 (unaudited)	Half year ended 31 December 2024 (unaudited)	Year ended 30 June 2025 (audited)
			£'000	£'000	£'000
Dividends in respect of year ended 30 June 2024					
4 th dividend	30-Jun-24	1.625p	-	1,308	1,308
Dividends in respect of year ended 30 June 2025					
1 st dividend	30-Sep-24	1.550p	-	1,248	1,248
2 nd dividend	31-Dec-24	1.550p	-	-	1,248
3 rd dividend	31 Mar-25	1.550p	-	-	1,248
4 th dividend	30-Jun-25	1.550p	1,248	-	-
Dividends in respect of year ending 30 June 2026					
1 st dividend	30-Sep-25	1.400p	1,127	-	-
Total dividends paid			2,375	2,556	5,052
4 th dividend for quarter ended	30-Jun-24	1.625p	-	(1,308)	(1,308)
2 nd dividend for quarter ended	31-Dec-24	1.550p	-	1,248	-
4 th dividend for quarter ended	30-Jun-25	1.550p	(1,248)	-	1,248
2 nd dividend for quarter ended	31-Dec-25	1.400p	1,127	-	-
Total dividends payable in respect of the period/year			2,254	2,496	4,992
Total dividends payable in respect of the period/year			2.80p	3.10p	6.20p

Dividends declared after the period/year end are not included in the Condensed Consolidated Financial Statements as a liability.

On 4 February 2026, the Board declared an interim dividend of 1.40pps in respect of the quarter ended 31 December 2025. This was paid on 27 February 2026 to shareholders on the register at 13 February 2026 with an ex-dividend date of 12 February 2026.

10. Investment properties

Half year ended 31 December	Half year ended 31 December	Year ended 30 June
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	Freehold Investment Properties £'000	Leasehold Investment Properties £'000	2025 (unaudited) Total £'000	2024 (unaudited) Total £'000	2025 (audited) Total £'000
UK Investment properties					
At the beginning of the period/year	75,250	32,100	107,350	102,650	102,650
(Disposals)/acquisitions during the period/year	(4,000)	-	(4,000)	2,724	2,724
Change in fair value of investment properties	200	(50)	150	826	1,976
Valuation provided by Knight Frank LLP	71,450	32,050	103,500	106,200	107,350
Adjustment to fair value for minimum rent indexation of lease income (Note 11)			(3,582)	(3,634)	(3,573)
Total investment properties			99,918	102,556	103,777

Change in fair value of investment properties

Change in fair value before adjustments for lease incentives and lease obligations	150	826	1,976
Movement in lease obligations	-	-	-
Adjustment to spreading of contracted future rent indexation and tenant incentives	(9)	(67)	(6)
	141	759	1,970

Investment property transactions

The property known as Crawley was sold in October 2025 for £4.5 million as shown in the reconciliation below of the gain recognised on disposal through the Condensed Consolidated Statement of Comprehensive Income; the gain on disposal includes changes in fair value of the investment property and minimum rent indexation spreading recognised in previous periods.

	Half year ended 31 December 2025 (unaudited) £'000	Half year ended 31 December 2024 (unaudited) £'000	Year ended 30 June 2025 (audited) £'000
Gross proceeds on disposal	4,500	-	-
Selling costs	(36)	-	-
Net proceeds on disposal	4,464	-	-
Book value	(4,000)	-	-
Minimum rent indexation spreading recognised in previous periods	(151)	-	-
Gain on disposal of investment property	313	-	-

On 2 December 2024, the Group completed the acquisition of Tring for a total cost of £2.7 million, including acquisition costs.

Valuation of investment properties

Valuation of investment property is performed by Knight Frank LLP, an accredited external valuer with recognised and relevant professional qualifications and recent experience of the location and category of the investment property being valued. The valuation of the Group's investment property at fair value is determined by the external valuer on the basis of

market value in accordance with the internationally accepted RICS Valuation - Professional Standards (incorporating the International Valuation Standards).

The determination of the fair value of investment property requires the use of estimates such as future cash flows from assets (such as lettings, tenants' profiles, future revenue streams, capital values of fixtures and fittings, plant and machinery, any environmental matters and the overall repair and condition of the property) and yield applicable to those cash flows.

Fair value measurement hierarchy

IFRS13 'Fair Value Measurement' specifies the fair value hierarchy and as explained in Note 2.6 of the Company's 2025 Audited Financial Statements, the Directors have classified the Company's property portfolio as Level 3. This reflects the fact that inputs to the valuation are not based on observable market data.

11. Trade and other receivables

	31 December 2025 (unaudited) £'000	31 December 2024 (unaudited) £'000	30 June 2025 (audited) £'000
Receivables			
Trade debtors	507	316	290
Less: Provision for impairment of trade debtors	-	(2)	(2)
Other debtors	219	192	192
	726	506	480
Spreading of minimum contracted future rent indexation	3,426	3,319	3,426
Spreading of tenant incentives - rent free periods	156	315	147
	3,582	3,634	3,573
Tenant deposit asset (Note 12)	118	118	118
Other prepayments	28	19	65
	146	137	183
Total trade and other receivables	4,454	4,277	4,236

The aged debtor analysis of receivables which are past due but not impaired is as follows:

	31 December 2025 (unaudited) £'000	31 December 2024 (unaudited) £'000	30 June 2025 (audited) £'000
Less than three months due	725	487	476
Between three and six months due	1	19	4
Total	726	506	480

12. Trade and other payables

	31 December 2025 (unaudited) £'000	31 December 2024 (unaudited) £'000	30 June 2025 (audited) £'000
Deferred income	1,707	1,673	1,654
Trade creditors	349	420	55
Accruals	380	390	439

Tenant deposit liability (Note 11)	118	118	118
Debt interest payable (Note 13)	441	256	256
Other creditors	30	56	356
Total trade and other payables	3,025	2,913	2,878

13. Interest bearing loans and borrowings

	31 December 2025	31 December 2024	30 June 2025
	(unaudited)	(unaudited)	(audited)
	£'000	£'000	£'000
Facility drawn at the beginning of the period/ year	41,000	41,000	41,000
Repayment of Canada Life loan facility	(41,000)	-	-
HSBC term loan	31,000	-	-
HSBC RCF drawdown	10,000	-	-
Total loan drawn	41,000	-	-
Repayment of HSBC RCF	(4,416)	-	-
Total loan outstanding	36,584	41,000	41,000
Unamortised loan costs brought forward	(44)	(172)	(172)
Refinancing costs	(928)	-	-
Amortisation of refinancing costs	82	52	128
At end of period/ year	35,694	40,880	40,956
Repayable within 1 year	-	41,000	41,000
Repayable between 1 and 2 years	-	-	-
Repayable between 2 and 5 years	36,584	-	-
Total at end of the period/year	36,584	41,000	41,000

As at 31 December 2025, the Group had utilised £36.58 million of its loan facilities with HSBC UK Bank Plc (30 June 2025: £41.0 million, 31 December 2024: £41.0 million). The loans outstanding comprise a term loan of £31.0 million plus £5.6 million of RCF. The total RCF which is available is £10.0 million of which £4.4 million was repaid following the sale of Crawley. The debt is repayable on 20 October 2030. The loan facilities with HSBC UK Bank Plc were geared at a loan to Gross Asset Value ('GAV') of 34.3% (31 December 2024: 37.4%, 30 June 2025: 36.9%). The interest payable on the Canada Life loan to 20 October 2025 was at a fixed rate of 3.19% and the interest rate on the HSBC facilities was an average of 5.63% (margin of 1.7% plus SONIA in the period 20 October to 31 December 2025). Interest expense incurred during the period amounted to £0.84m (30 June 2025: £1.31m, 31 December 2024: £0.65m), £0.44m of which is outstanding (30 June 2025: £0.26m, 31 December 2024: £0.26m).

	31 December 2025	31 December 2024	30 June 2025
	(unaudited)	(unaudited)	(audited)
	£'000	£'000	£'000
Reconciliation to cash flows from financing activities			
At beginning of the period/ year	40,956	40,828	40,828
Cash changes			
Repayment of Canada Life loan facility	(41,000)	-	-
HSBC term loan	31,000	-	-
HSBC RCF drawdown	10,000	-	-
Repayment of HSBC RCF	(4,416)	-	-
Refinancing costs	(928)	-	-

Total cash changes	(5,344)	-	-
Non-cash changes			
Amortisation of debt costs in the period/year	82	52	128
Total at end of the period/ year	35,694	40,880	40,956

14. Lease obligations

There were no legal obligations at 31 December 2025 (31 December 2024: nil and 30 June 2025: nil).

15. Commitments

15.1. Operating lease commitments - as lessor

The Group has 19 commercial properties with 34 units in its investment property portfolio as set out above. These non-cancellable leases have a remaining term of between 3 months and 110 years, excluding ground leases.

Future minimum rentals receivable under non-cancellable operating leases as at 31 December 2025 are as follows:

	31 December 2025 (unaudited) £'000	31 December 2024 (unaudited) £'000	30 June 2025 (audited) £'000
Within one year	6,951	7,432	8,878
After one year, but not more than two years	6,163	6,355	6,182
After two years, but not more than three years	5,974	5,989	5,938
After three years, but not more than four years	6,030	5,795	6,017
After four years, but not more than five years	6,185	5,848	6,060
After five years, but not more than ten years	24,355	26,597	26,703
After ten years, but not more than fifteen years	19,596	20,010	20,668
More than fifteen years	45,173	46,008	44,326
Total	120,427	124,034	124,772

There were no material contingent rents recognised as income for all period presented.

15.2. Capital commitments

There were no capital commitments at 31 December 2025 (31 December 2024: none and 30 June 2025: none).

15.3. Financial commitments

There were no commitments at 31 December 2025 (31 December 2024: nil and 30 June 2025: nil).

16. Investments in subsidiaries

The Company has two wholly owned subsidiaries as disclosed below:

Name and company number	Country of registration and incorporation	Date of incorporation	Principal activity	Ordinary Shares of £1 held
Alternative Income REIT Holdco Limited (Company number 11052186)	England and Wales	7 November 2017	Real Estate Company	73,158,502

Alternative Income Limited (Company number 10754641)	England and Wales	4 May 2017	Real Estate Company	73,158,501
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Alternative Income REIT plc at 31 December 2025 owns 100% controlling stake of Alternative Income REIT Holdco Limited.

Alternative Income REIT Holdco Limited holds 100% of Alternative Income Limited.

Both Alternative Income REIT Holdco Limited and Alternative Income Limited are registered at The Scalpel, 18th Floor, 52 Lime Street, London, United Kingdom, EC3M 7AF.

17. Issued share capital

Ordinary Shares issued and fully paid of 80,500,000 shares at a nominal value of £0.01 per share. This remains unchanged for all period presented.

18. Transactions with related parties and the Investment Adviser

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Directors

Directors of the Group are considered to be related parties. Directors' remuneration is disclosed in Note 5.

Investment Adviser

Martley Capital Real Estate Investment Management Ltd

As reported in the Company's 2025 Annual Report, the Group's investment adviser was changed on 15 March 2024 from M7 Real Estate Limited ('M7') to Martley Capital Real Estate Investment Management Ltd ('Martley Capital'). The appointment of Martley Capital was by way of a deed of novation of the Group's Interim Investment Advisory agreement dated 14 March 2020 (as amended with Deed of Variation dated 21 February 2021) with minor changes thereto but leaving the parties on substantially the same terms and at an unchanged fee.

The annual management fee is calculated at a rate equivalent of 0.50% per annum of NAV (subject to a minimum fee of £90,000 per quarter), payable quarterly in advance. During the six months ended 31 December 2025, the Group incurred £180,000 (year ended 30 June 2025: £360,000; and 6 months to 31 December 2024: £180,000) in respect of investment adviser's fees. No amounts were outstanding at 31 December 2025, 30 June 2025 and 31 December 2024.

With effect from 1 January 2026 the terms of the management fee have been altered so that the Investment Adviser shall be entitled to receive an amount equal to £400,000 per annum. This fee is subject an annual increase from 1 January each year in line with the percentage change in the Retail Prices Index (RPI) published by the UK Office for National Statistics subject to a minimum annual increase of 3% and a maximum annual increase of 5%.

EPRA Performance Measures (unaudited)

	At 31		
	December	At 31 December	At 30 June
	2025	2024	2025
	£'000	£'000	£'000
EPRA Yield calculations			

Investment properties wholly owned:

- by Company		1,725	1,875	1,825
- by Alternative Income Limited		101,775	104,325	105,525
Total - Note 10		103,500	106,200	107,350
Allowance for estimated purchasers' costs		6,728	6,903	6,978
Gross completed property portfolio valuation	B	110,228	113,103	114,328
Annualised gross passing rent		7,884	7,749	8,084
Annualised property outgoings		(5)	(5)	(5)
Annualised net rents	A	7,879	7,744	8,079
Add: notional rent expiration of rent-free periods or other lease incentives		-	431	212
Topped-up net annualised rent	C	7,879	8,175	8,291

EPRA NIY	A/B	7.15%	6.85%	7.07%
EPRA "topped-up" NIY	C/B	7.15%	7.23%	7.25%

		Half year ended 31 December 2025 £'000	Half year ended 31 December 2024 £'000	Year ended 30 June 2025 £'000
EPRA Cost Ratios				
Include:				
EPRA Costs (including direct vacancy costs)				
- Note 4	A	602	592	1,199
Direct vacancy costs		-	-	-
EPRA Costs (excluding direct vacancy costs)	B	602	592	1,199
Gross rental income - Note 3	C	4,126	3,936	7,922

EPRA Cost Ratio (including direct vacancy costs)	A/C	14.59%	15.04%	15.14%
EPRA Cost Ratio (excluding direct vacancy costs)	B/C	14.59%	15.04%	15.14%

		Half year ended 31 December 2025 £'000	Half year ended 31 December 2024 £'000	Year ended 30 June 2025 £'000
EPRA Vacancy rate				
Annualised potential rental value of vacant premises	A	-	-	-
Annualised potential rental value for the completed property portfolio	B	7,330	7,295	7,337

EPRA Vacancy rate	A/B	0%	0%	0%
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The Group has not incurred any direct vacancy costs in both the current or prior periods.

		Half year ended 31 December 2025 £'000	Half year ended 31 December 2024 £'000	Year ended 30 June 2025 £'000
EPRA LTV				
Gross debt drawn		36,584	41,000	41,000
Less: Cash and cash equivalents		(2,352)	(2,913)	(3,148)
Net debt	A	34,232	38,087	37,852
Investment property at fair value (Note 10)		103,500	106,200	107,350

Trade and other receivables (Note 11)		4,454	4,277	4,236
Less: Trade and other payables (Note 12)		(3,025)	(2,913)	(2,878)
Total Property Value	B	104,929	107,564	108,708

EPRA LTV	A/B	32.62%	35.41%	34.82%
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Alternative Performance Measures (APMs)

APMs are numerical measures of the Group's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Group's applicable financial framework is IFRS. The Directors assess the Group's performance against a range of criteria which are reviewed as particularly relevant for a closed-end REIT.

Discount

The discount is the amount by which the share price is lower than the net asset value per share, expressed as a percentage of the net asset value per share.

		31 December		
		2025	31 December 2024	30 June 2025
NAV per Ordinary share (Note 8)	A	84.48	81.94	83.64p
Share price	B	73.60	70.60	74.00p
Discount	(A-B)/A	12.88%	13.84%	11.52%

Dividend Cover

The ratio of Group's Adjusted EPS divided by the Group's dividends payable for the relevant period/ year.

		31 December		
		2025	31 December 2024	30 June 2025
Adjusted EPS (Note 8)	A	3.32p	3.26p	6.72p
Dividend per share (Note 9)	B	2.80p	3.10p	6.20p
Dividend cover	A/B	118.57%	105.16%	108.37%

Dividend Yield

The ratio of the Company's annual target dividends per share divided by the Company's share price at the period/ year end.

		31 December 2025	31 December 2024	30 June 2025
Annual dividend target*/payable	A	5.60p	6.20p	6.20p
Share price	B	73.60p	70.60p	74.00p
Dividend yield	A/B	7.61%	8.78%	8.38%

*The Board had set a target dividend for the year ended 30 June 2026 of no less than 5.60 pps. As explained in the 2025 Annual Report's Chairman's Statement on page 7, the resetting of this target was due to the increase in financing costs on the new facilities paid for the period.

Loan to GAV

Loan to GAV measures the value of loans and borrowings utilised (excluding amounts held as restricted cash and before adjustments for issue costs) expressed as a percentage of the Group's property portfolio (as provided by the valuer) and the fair value of other assets.

		31 December		
		2025	31 December 2024	30 June 2025

Borrowings (£'000)	A	36,584	41,000	41,000
Total assets (£'000)	B	106,724	109,756	111,161
Loan to GAV	A/B	34.28%	37.36%	36.88%

Ongoing Charges

The ongoing charges ratio is the total for all operating costs expected to be regularly incurred expressed as a percentage of the average quarterly NAVs of the Group for the financial period/year. Note that the ratio for 31 December is based on actual ongoing charges to 31 December and forecast ongoing charges to the following June (shown as annualised in the below calculation).

		31 December 2025	31 December 2024	30 June 2025
Other operating expenses for the half year / year (£'000)	A	533	512	1,066
Ongoing charges- annualised where required (£'000)	B	1,066 [†]	970 [†]	1,038 [†]
Average net assets (£'000)	C	67,144	65,542	66,139
Ongoing charges ratio	B/C	1.59%	1.48%	1.57%

[†] Non-recurring legal and professional costs have been excluded in the annualised amount for the period/year presented.

Share Price and Net Asset Value (NAV) Total Return

Share price and NAV total returns show how the NAV and share price has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. Share price and NAV total returns are monitored against FTSE EPRA Nareit UK and FTSE Small Cap, respectively.

		Share price	NAV
Opening at 30 June 2025	A	74.00p	83.64p
Closing at 31 December 2025	B	73.60p	84.48p
Return	C=(B/A)-1	-0.54%	1.01%
Dividend reinvestment *	D	3.20%	2.83%
Total shareholder return	C+D	2.66%	3.84%
Opening at 30 June 2024	A	66.00p	80.90p
Closing at 31 December 2024	B	70.60p	81.94p
Return	C=(B/A)-1	6.97%	1.29%
Dividend reinvestment *	D	4.81%	3.92%
Total shareholder return	C+D	11.78%	5.21%
Opening at 30 June 2024	A	66.00p	80.90p
Closing at 30 June 2025	B	74.00p	83.64p
Return	C=(B/A)-1	12.12%	3.38%
Dividend reinvestment*	D	9.51%	7.76%
Total shareholder return	C+D	21.63%	11.14%

* Share price total return involves reinvesting the net dividend in the share price of the Company on the date on which that dividend goes ex-dividend. NAV total return involves investing the net dividend in the NAV of the Company with debt at fair value on the date on which that dividend goes ex-dividend.

Company Information

Share Register Enquiries

The register for the Ordinary Shares is maintained by Computershare Investor Services PLC. In the event of queries regarding your holding, please contact the Registrar on 0370 707 1874 or email: web.queries@computershare.co.uk.

Changes of name and/or address must be notified in writing to the Registrar, at the address shown below. You can check your shareholding and find practical help on transferring shares or updating your details at www.investorcentre.co.uk. Shareholders eligible to receive dividend payments gross of tax may also download declaration forms from that website.

Share Information

Ordinary £0.01 shares	80,500,000
SEDOL Number	BDVK708
ISIN Number	GB00BDVK7088
Ticker/TIDM	AIRE

Share Prices

The Company's Ordinary Shares are traded on the Main Market of the London Stock Exchange.

Frequency of NAV publication

The Group's NAV is released to the London Stock Exchange on a quarterly basis and is published on the Company's website www.alternativeincomereit.com.

Annual and Interim Reports

Copies of the Annual and Half-Yearly Reports are available from the Group's website.

Financial Calendar

30 June	Year end
September	Announcement of annual results
November	Annual General Meeting
31 December	Half-yearly period end

Quarterly dividends are paid in November, February, May and August for each financial year.

Glossary

**Alternative Investment Fund
Manager or AIFM or Investment
Manager** Langham Hall Fund Management LLP.

Company Alternative Income REIT PLC.

Contracted rent The annualised rent adjusting for the inclusion of rent subject to rent-free

	periods.
Earnings Per Share ('EPS')	Profit for the period attributable to equity shareholders divided by the weighted average number of Ordinary Shares in issue during the period.
EPRA	European Public Real Estate Association, the industry body representing listed companies in the real estate sector.
Estimated Rental Value ('ERV')	The external valuer's opinion as to the open market rent which, on the date of the valuation, could reasonably be expected to be obtained on a new letting or rent review of a property.
External Valuer	An independent external valuer of a property. The Group's External Valuer is Knight Frank LLP.
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.
Gross Asset Value ('GAV')	The aggregate value of the total assets of the Group as determined in accordance with IFRS.
Gross Passing Rental Income	The gross passing rent is the rent roll at the reporting date, taking account of any in-place rent free incentives or step rents on a straight-line basis over the following 12-month period.
IASB	International Accounting Standards Board.
ICR	Interest cover ratio is the passing rental income for the period less non-recoverable costs, divided by the interest costs for the relevant period.
IFRS	International financial reporting standards. On 31 December 2020 EU-adopted IFRS was brought into UK law and became UK-adopted international accounting standards, with future changes to IFRS being subject to endorsement by the UK Endorsement Board.
Investment Adviser or Martley Capital	Martley Capital Real Estate Investment Management Limited.
IPO	The admission to trading on the London Stock Exchange's Main Market of the share capital of the Company and admission of Ordinary Shares to the premium listing segment (now the Closed-ended investment funds category) of the Official List on 6 June 2017.
Lease incentives	Incentives offered to occupiers 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 Consolidated Statement of Comprehensive Income on a straight-line basis until the lease expiry.
Loan to Value ('LTV')	The value of loans and borrowings utilised (excluding amounts held as restricted cash and before adjustments for issue costs) expressed as a percentage of the combined valuation of the property portfolio (as provided by the valuer) and the fair value of other investments.

Net Asset Value ('NAV')	Net Asset Value is the equity attributable to shareholders calculated under IFRS.
Net Asset Value per share	Equity shareholders' funds divided by the number of Ordinary Shares in issue.
Net equivalent yield	Calculated by the Group's External Valuers, net equivalent yield is the internal rate of return from an investment property, based on the gross outlays for the purchase of a property (including purchase costs), reflecting reversions to current market rent and items as voids and non-recoverable expenditure but ignoring future changes in capital value. The calculation assumes rent is received annually in arrears.
Net Initial Yield ('NIY')	The initial net rental income from a property at the date of purchase, expressed as a percentage of the gross purchase price including the costs of purchase. Initial yield does not include cost of purchase.
Net rental income	Rental income receivable in the period after payment of ground rents and net property outgoings.
Ordinary Shares	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.
REIT	A Real Estate Investment Trust. A company which complies with Part 12 of the Corporation Tax Act 2010. Subject to the continuing relevant UK REIT criteria being met, the profits from the property business of a REIT, arising from both income and capital gains, are exempt from corporation tax.
Reversion	Increase in rent estimated by the Company's External Valuers, where the passing rent is below the ERV.
Share price	The value of a share at a point in time as quoted on a stock exchange. The Company's Ordinary Shares are quoted on the Main Market of the London Stock Exchange.
Weighted Average Unexpired Lease Term ('WAULT')	The average lease term remaining for first break, or expiry, across the portfolio weighted by contracted rental income (including rent-frees).

Shareholder Information

Directors

Simon Bennett (independent non-executive chairman)
Stephanie Eastment (independent non-executive director)
Adam Smith (non-executive director)

Property Manager

Mason Owen and Partners Limited
7th Floor
20 Chapel Street
Liverpool
L3 9AG

Registered Office

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London
EC3M 7AF

Valuer

Knight Frank LLP
55 Baker Street
London
W1U 8AN

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Company Secretary

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Registrar

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AIFM

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Auditor

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Investment Adviser and Administrator

Martley Capital Real Estate Investment Management Ltd
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[A] This is a target only and not a profit forecast. There can be no assurance that the target will be met and it should not be taken as an indicator of the Company's expected or actual results.

[B] Considered to be an Alternative Performance Measure. Further details can be found at the end of this section and full calculations are set out following the financial statements.

[C] On a like-for-like basis, the fair value of the properties increased by £150,000 or 0.1% during the Period.

[D] The loan facility at 31 December 2025 is a term loan of £31.0 million and a Revolving Credit Facility of £10.0 million of which £5.6 million was drawn at 31 December 2025 (31 December 2024: £41 million with Canada Life Investments matured on 20 October 2025). At 31 December 2025, the total loan drawn was £36.6 million (31 December 2024: £41.0 million).

[E] Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website or any other website, is incorporated into, or forms part of, this announcement nor, unless previously published on a Regulatory Information Service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, securities in the Company.



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