

Alternative Income REIT PLC

NAV, Dividend Declaration & Portfolio Valuation

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(the "Company" or "Group" or "AIRE")

NET ASSET VALUE, DIVIDEND DECLARATION AND PORTFOLIO VALUATION UPDATE TO 31 March 2026

Declares an interim dividend of 1.40 pence per share ("pps") for the quarter ended 31 March 2026

The Group remains on track for its annual dividend target of no less than 5.6pps for the year ending 30 June 2026†

Dividend was fully covered for the quarter

Unaudited NAV total return for the quarter of +1.5%

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, provides a trading and business update and declares an interim dividend for the quarter ended 31 March 2026.

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

The Board is pleased to declare its third interim dividend for the year ending 30 June 2026 of 1.40pps for the quarter ended 31 March 2026, and the Group remains on track for its target annual dividend of not less than 5.6pps for the year. The quarterly dividend was fully covered and the annual dividend target remains subject to the continued timely collection of rent across the portfolio and interest rate movements remaining within current market expectations.

As at 31 March 2026, the Group's unaudited Net Asset Value (NAV) was £67.9 million, or 84.4pps, representing a very small decrease of 0.1% from the previous quarter. Including the 1.40pps dividend paid during the period, this equates to an unaudited NAV total return of +1.5% for the quarter.

The Group's portfolio was valued at £103.45 million, with a marginal decrease in property values of £50,000 or 0.05% during the quarter. The portfolio continues to demonstrate resilience, remaining fully let, with 100% rent collection and 92.1% of leases being subject to index-linked rent reviews.

On 21 April 2026, the AIRE Board announced the termination of discussions with AEW UK REIT plc, in respect of their proposal for an all-share offer. The Board considered this to be regrettable, given the previously agreed indicative heads of terms and the complimentary nature of both companies and the two property portfolios. However, the Board remains confident in AIRE's ability as a standalone entity, to generate secure and predictable income returns, whilst maintaining capital value through investment in UK properties, in alternative and specialist sectors and with the benefit of its new debt facilities from HSBC, it is well placed for the future.

Overview of Key Financials

| | At 31 March 2026 (unaudited) | At 31 December 2025 (unaudited) | Change |
|-------------------------|------------------------------------|---------------------------------------|--------|
| Net Asset Value ("NAV") | £67.9 million | £68.0 million | -0.1% |
| NAV per share | 84.4p | 84.5p | -0.1% |

| | | | |
|---|----------------|----------------|-------|
| Share price | 70.3p | 73.6p | -4.5% |
| Share price discount to NAV | 16.7% | 12.9% | +3.8% |
| Investment property fair value (based on external valuation) | £103.5 million | £103.5 million | - |
| Loan to gross asset value ("GAV") ^{A,B} | 34.3% | 34.3% | - |
| Loan facility ^B | £36.6 million | £36.6 million | - |

| | Quarter ended 31 March 2026 (unaudited) | Quarter ended 31 December 2025 (unaudited) | Change |
|--|---|--|--------|
| EPRA earnings per share ^A | 1.4p | 1.5p | -6.6% |
| Adjusted earnings per share ^A | 1.4p | 1.5p | -6.6% |
| Dividend cover ^{A,D} | 100.7% | 106.4% | -5.7% |
| Total dividends per share | 1.40p | 1.40p | - |
| Dividend yield (annualised) ^{A,C} | 8.0% | 7.6% | +0.4% |
| Earnings per share | 1.3p | 1.9p | -31.6% |
| Share price total return ^A | -2.6% | +5.6% | - |
| NAV total return ^A | +1.5% | +2.3% | - |
| Annualised passing rent | £7.9 million | £7.9 million | - |
| Ongoing charges ^A (annualised) | 1.5% | 1.6% | -0.1% |

^A Considered to be an Alternative Performance Measure.

^B The loan facility with HSBC UK Bank plc at 31 March 2026 comprising a term loan of £31.0 million and a revolving credit facility of £10 million of which £5.6 million was drawn down. At 31 March 2026, the weighted average interest cost was 5.44% (31 December 2025: 5.13%).

^C Dividend yield is based on the dividend target of 5.6 pence per share, divided by the share price at the end of the quarter.

^D Dividend cover is the ratio to measure the Group's ability to pay its dividend and is calculated as adjusted earnings per share divided by dividend per share.

Dividend Declaration, Earnings Per Share and Dividend Cover

The Board is pleased to declare its third interim dividend of 1.4pps for the quarter ended 31 March 2026, in line with the Company's dividend target of 5.6pps for the year ending 30 June 2026. This interim dividend will be distributed as Property Income Distribution ("PID") and will be paid on 29 May 2026 to shareholders on the register on 15 May 2026. The ex-dividend date will be 14 May 2026.

The Adjusted EPS was 1.4pps for the quarter (31 December 2025: 1.5pps) and the interim dividend was fully covered.

Property Portfolio

At 31 March 2026, the Group owned 19 properties (31 December 2025: 19 properties) valued at £103.45 million (31 December 2025: £103.5 million). In the quarter ended 31 March 2026 the portfolio experienced an extremely small valuation decrease of 0.05% (£50,000) attributable to its Southampton property. The Group's portfolio continues to ride the storm of recent market fluctuations, benefiting from being fully let, with 100% collection of rent due and 92.1% of leases being subject to index-linked rent reviews and with 38.2% of the contracted rental income reviewed annually.

At 31 March 2026, the Net Initial Yield on the Group's portfolio was 7.2% (31 December 2025: 7.1%). The weighted average unexpired lease term at 31 March 2026 was 15.1 years to the earlier of break and expiry (31 December 2025: 15.4 years) and 16.8 years to expiry (31 December 2025: 17.1 years).

During the quarter, the Group's contracted annualised rent increased by 0.2% (31 December 2025: 0.3%), primarily driven by the annual index-linked rent review of the Group's property in Bristol. Active portfolio management continues to focus on re-gearing leases, removing tenant breaks and extending lease lengths. For the forthcoming quarter to 30 June 2026, 16.0% of the Group's income is subject to rent review, comprising four annual index-linked reviews at St Helens, Dudley and Sheffield, and one five-yearly review at Swindon.

Net Asset Value, Share Price and Share Price Discount to NAV

At 31 March 2026, the Group's unaudited NAV was £67.9 million, 84.4pps (31 December 2025: £68.0 million, 84.5pps), representing a very small decrease in the quarter.

When combined with the 1.40pps dividend paid in the quarter, this produces an unaudited NAV total return for the quarter of +1.5% (31 December 2025: +2.3%).

Over the quarter, the Company's share price decreased by 4.5% to 70.3pps, reflecting an increase in the discount from 12.9% to 16.7%. The Company's discount has consistently remained one of the lowest in REIT sector, reflecting the Company's quality portfolio and dividend track record.

The table below sets out the movement in NAV during the quarter.

| | Pence per share | £ million |
|--|-----------------|-------------|
| NAV at 31 December 2025 | 84.5 | 68.0 |
| Valuation movement in property portfolio | -0.1 | -0.1 |
| Income earned for the period | +2.5 | +2.0 |
| Expenses for the period | -0.4 | -0.4 |
| Net finance costs for the period | -0.7 | -0.5 |
| Interim dividend paid during the quarter | -1.4 | -1.1 |
| NAV at 31 March 2026 | 84.4 | 67.9 |

The NAV attributable to the ordinary shares has been calculated under International Financial Reporting Standards as adopted by the United Kingdom and incorporates both the Group's property portfolio individually valued on a 'Red Book' basis at 31 March 2026 and net income for the quarter but does not include a provision for the interim dividend declared today (see above).

The income earned for the period includes an accrual for the minimum contractual uplifts contained in the index-linked leases. In the event that inflation is greater than these minimum contractual uplifts, the actual income will be greater than the income currently accrued.

Rent Collection

Rent collection remains resilient with 100% collection of rent due for the quarter ended 31 March 2026. 90.3% of the portfolio's contracted rent is payable quarterly in advance. The remainder is payable monthly in advance.

Financing

The Group successfully refinanced its £41m loan facility in Q3 2025. Its new HSBC Bank facilities consist of a term loan of £31 million and a £10 million revolving credit facility ("RCF"). The Group therefore has flexibility to draw down the RCF as and when required, unlike the previous term loan. At 31 March 2026, the Group had fully drawn down the term loan of £31 million and drawn down £5.6 million of the RCF (31 December 2026: same). Both the term loan and the RCF are on floating rates for a fixed term of five years with an option to extend by two years if mutually acceptable.

† This is a target and not a formal dividend forecast or a profit forecast

ENQUIRIES

Alternative Income REIT PLC

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Further information on Alternative Income REIT PLC is available at www.alternativeincomereit.com ¹.

¹ 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.

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 over 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 March 2026).

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