Residential Secure Income plc

Interim Report 2025

Gresham House
Specialist investment

Overview

Residential Secure Income plc (ReSI or the Company) (LSE: RESI) is a real estate investment trust (REIT) focused, whilst it implements its managed wind-down strategy, on delivering secure, inflation-linked returns in its two preferred sub-sectors in UK residential housing; independent retirement rentals; and shared ownership. Both subsectors are underpinned by an aging demographic and untapped, strong demand for affordable homes respectively.

ReSI's subsidiary, ReSI Housing Limited (ReSI Housing), is registered as a for-profit Registered Provider of social housing and so provides a unique proposition to its housing developer partners, being a long-term private sector landlord within the social housing regulatory environment. As a Registered Provider, ReSI Housing can acquire affordable housing subject to s106 planning restrictions and housing funded by government grant.

ReSI Property Management Limited, trading under My Future Living, a subsidiary of ReSI, launched in 2021 with a vision of providing good quality apartments to rent in age exclusive developments.

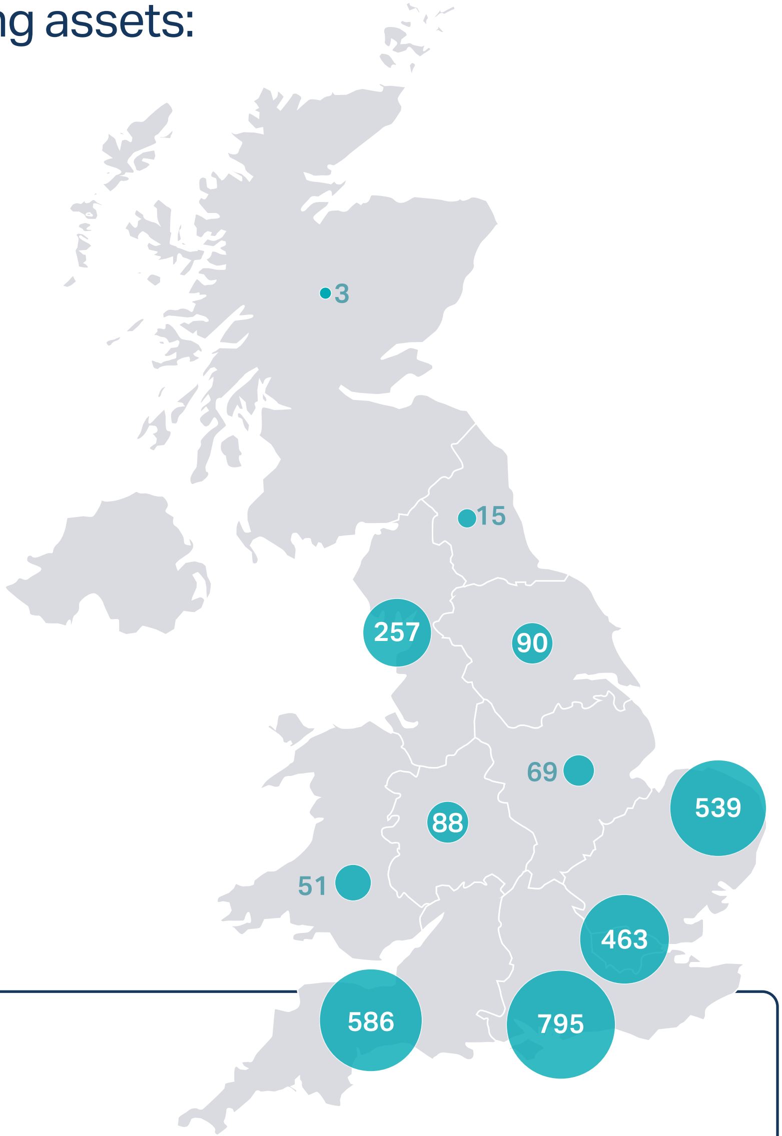
On 6 December 2024, shareholders voted for and accepted a new investment objective which seeks to realise all the existing assets in the Company's portfolio in an orderly manner. The Company will pursue this new investment objective by effecting an orderly realisation of its assets while seeking to balance maximising returns for shareholders against timing of disposals whilst ensuring the interests of residents are protected. Capital expenditure will be permitted where it is deemed necessary or desirable in connection to the realisation, primarily where such expenditure is necessary to protect or enhance an asset's realisable value, to comply with statutory or regulatory obligations, to protect other stakeholders, to comply with the terms of any funding arrangement or to facilitate orderly disposals.

Contents

01 Strategic Report

Portfolio snapshot

Delivery of secure, inflation-linked income through a high-quality portfolio UK living assets:



2,956

Homes

30 September 2024: 2,975*

£295mn

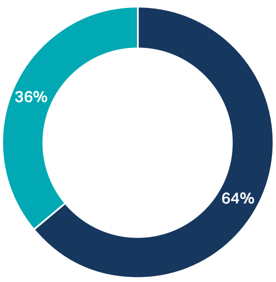
Value of Portfolio

30 September 2024: £326mn*
See note 12 on page 38

918

Unique UK property locations

30 September 2024: 921*



Portfolio split by valuation

- **£189.0mn** Independent retirement rentals
- **£105.5mn** Shared ownership

Portfolio Highlights

£16.7mn

Annualised net rental income

Year to 30 September 2024: £16.2mn*
See note 10 Supplementary Financial Information on page 52

5.7%

Annualised net rental yield**

30 September 2024: 5.2%*
See note 10 Supplementary Financial Information on page 52

2,651

Counterparties

30 September 2024: 2,660*

* Excludes Local Authority portfolio which was fully divested on 10 January 2025

** Alternative performance measure

ReSI portfolio

Residential Secure Income plc (ReSI) has diversified, secure, inflation-linked income streams from residential sub-sectors with strong supply and demand imbalances and supportive property fundamentals.

	 **Independent retirement living housing (£189mn GAV/2,210 Homes/64% of portfolio)**	 **Shared ownership housing (£105mn GAV/746 Homes/36% of portfolio)**
Driver	Booming and increasingly lonely older population	Huge untapped demand for affordable homeownership
Summary	Let to elderly residents with affordable rents and assured tenancies Provides fit-for-purpose homes for retired people, allowing them to maintain their independence without care provision	Homebuyers acquire a share in a residential property and rent the remainder Helps house buyers acquire homes they would otherwise be unable to buy Capital grant funding from government drives a c.30% living-cost discount compared to market level rents
Rent growth	Increase with RPI each year, generally capped at 6%	Increase contractually by RPI+ 0.5% each year
Secure income	Secure rental income paid from pensions and welfare	Subsidised, below-market rents Homebuyer equity stake
ReSI's origination advantages	Scale: UK's largest private independent retirement rentals business Specialist in-house 30-person team with over 20-year track record	ReSI Housing – for-profit Registered Provider of Social Housing
Average vacant possession value	c.£110,000 per home	c.£330,000 per home[6]
Net yield[1]	6.4%	4.3%[4]
Average debt coupon	3.5%	1.1% with principal increasing with RPI + 0.5% (with a 0.5% floor and 5.5% cap)
Levered yield	9.2%	9.5%[4,5]
Average customer stay/length of lease[2]	6 years	247 years
Like-for-like rental reviews[3]	4.2%	3.3% applied on 1 April 2025
March 2025 occupancy	98%	100%
Rent collection	100%	100%

1. Based on annualised Net Operating Income over fair value as at 31 March 25 as measured by an independent third party valuer

2. Assuming no staircasing

3. Represents the rent growth for homes that were occupied and eligible for a rent review during the six months ended March 2024. Including all homes that were occupied during H1 2024, shared ownership rents increased on 1 April 2025, after the half-year ended March 2025

4. Based on 1 April 2025 rents

5. Debt/Equity split is as per IFRS balance sheet, with properties held at fair value at March 2025 as measured by an independent third party valuer, and debt at fair value

6. Shared ownership vacant possession value includes both the value of ReSI's 64% average equity position, and the 38% owned by the residents

Financial highlights

as at 31 March 2025

Income

Adjusted Earnings Per Share*

2.8p +14.7%

Adjusted Earnings Per Share 31 March 2024: 2.4p
See note 11 on page 37

IFRS Earnings Per Share

(3.5)p

31 March 2024: (5.6)p
See note 11 on page 37

Like-for-like rent growth*

4.0%**

31 March 2024: 6.5%

Dividend per share – paid

2.06p

Six months March 2024: 2.06p

Dividend coverage*

134%

31 March 2024: 117%
See note 11 on page 37

Total Return (on Opening NTA)*

-8.7%

Six months March 2024: -3.2%
See Supplementary information note 11 on page 53

Recurring profit before change in fair value and property disposals*

£5.1mn +14.7%

31 March 2024: £4.5mn
See note 11 on page 37

Total IFRS Return (on Opening NAV)

-4.3%

31 March 2024: -6.2%
See Supplementary information note 12 on page 53

* Alternative performance measure

** Includes 1 April Shared Ownership rent reviews

Capital

IFRS Net Asset Value per share

76.0p -6.8%

30 September 2024: 81.6p
See note 24 on page 47

Value of Investment Property

£295mn

30 September 2024: £326mn
See note 12 on page 38

Fund Manager Shareholding

3.1% (5.7mn shares)+

Of the total number of shares held by the Fund Manager, Persons discharged with managerial responsibilities and directors of the Fund Manager, and directors of ReSI plc as at the date of this report (30 September 2024: 3.0% or 5.6mn shares)

Loan to Value Ratio (LTV)

50%

30 September 2024: 52%
See Supplementary information note 13 on page 54

Weighted Average Remaining Life of Debt

21 years

30 September 2024: 20 years

EPRA Net Tangible Asset Value (NTA) per share*

66.0p -11.5%

30 September 2024: 74.6p
See Supplementary information note 2 on page 49

Chairman's Statement

Introduction

ReSI continues to operate in a dynamic and evolving economic landscape. As the broader market environment became increasingly challenging for listed investment trusts, the Company, along with many of our peers, continued to grapple with trading at a deep discount to NAV. This persistent discount occurred despite our efforts to engage with the market and expand our shareholder base. Given these market conditions, it was not possible to grow the business through further capital raises, or other corporate actions, meaning that ReSI was not able to achieve the scale required to provide sufficient liquidity for our investors, or offer true operational efficiencies from a management perspective. The lack of liquidity also made it harder to attract buyers for ReSI shares, meaning that the share price did not, in our view, reflect the underlying performance of the Company and its portfolio, which benefits from secure long-term inflation linkage.

In contemplation of ReSI's inability to grow to an economically efficient size and having engaged with our shareholders and advisers to consider the optimal route forward to realise shareholder value, the Board concluded that a proactive approach, executing a managed wind-down and portfolio realisation strategy, which prioritises maximisation of proceeds from portfolio sales whilst ensuring the interests of residents are protected, and a subsequent return of capital to shareholders is the appropriate course of action and in the best interests of the Company's shareholders.

Our shareholders approved this new investment objective, via a general meeting on 6 December 2024, which seeks to realise all the existing assets in the Company's portfolio in an orderly manner. The Company will pursue its investment objective by effecting an orderly realisation of its assets while seeking to balance maximising returns for shareholders against timing of disposals whilst ensuring the interests of residents are protected. Capital expenditure will be permitted where it is deemed necessary or desirable in connection to the realisation, primarily where such expenditure is necessary to protect or enhance an asset's realisable value.

During H1-25, tangible progress has been made on the realisation, with ReSI completing the sale of Wesley House, fully divesting the Local Authority portfolio, following exchange of contracts in September 2024. The sale completed for a net consideration of c.£15 million, marginally more than the £14.8 million valuation reported in the prior year interim results as at 31 March 2024.

Rob Whiteman CBE
Chairman

The retirement and shared ownership portfolios, remain supported by attractive scale and long-term investment fundamentals providing a compelling relative value opportunity even in the current elevated rates environment. Jones Lang Lasalle, our sales agent and the Investment Manager are seeing continued appetite, from several differing sources of capital, as we advance the realisation of the ReSI Plc portfolio.

H1-25 Review

The first half of FY 2025 has seen ReSI continue to deliver strong operational performance, with high levels of rent collection, occupancy and rent growth. This has been furthered through vigilance on ReSI's operating costs and repayment of drawn floating rate debt which, aided by the reduction in fund management fees agreed with Gresham House, has enabled ReSI to grow Adjusted Earnings by 15% and comfortably cover our rebased dividend by 134%.

ReSI's performance is underpinned by the enormous demand for fair priced and high-quality affordable housing, and ReSI continues to be mindful of its role as custodian, balancing returns in a way which is sustainable for residents and equitable for shareholders. During the period, we have seen strong income growth broadly in line with inflation making us comfortable passing through inflation linked rent increases and delivering 4.0% like-for-like rental growth.

Interim results for the six months ended March 2025, demonstrate the Board's and Investment Manager's continued focus on driving operational performance. Top line earnings growth has been achieved through 4% like-for-like rent reviews and has been complemented by vigilance on operational expenditure, execution of the retirement asset management programme and reduced finance costs, following the full divestment of the local authority portfolio. This has culminated in the repayment of drawn floating rate debt, adjusted earnings growth of 15% and dividend coverage of 134%.

Elevated long term gilt yields have caused a 4.8% like for like decline in property valuations, leading to a 12% decline in EPRA NTA, to 66.0p. EPRA NTA excludes realisation costs and any debt break gain. The maximum realisable NAV stands at 70.2p on 31 March 2025 – this is the hypothetical value that would be distributable to shareholders if properties were sold at their book value and debt was broken on 31 March 2025.

ReSI's retirement and shared ownership portfolios, operate in two structurally supported sub asset classes of UK property, and remain rooted in relative value, scale and long-term fundamentals. As a result, despite a challenging macro environment, Jones Lang Lasalle, our sales agent, and the Investment Manager are seeing continued appetite from a range of potential purchasers for one or both of ReSI's portfolios.

On behalf of the board, I would like thank Ben Fry, who having advanced the wind down, is stepping down as lead fund manager of ReSI, having been involved since our IPO, upon completion of his secondment on 31 July 2025. We are pleased both Mike Adams and Sandeep Patel continue day to day management of ReSI PLC and execution of the wind-down, with the support from the wider Gresham House team.

ReSI's investment valuation continues to be impacted by further increases in long term gilt yields,, declining 4.8% despite strong rental growth, taking EPRA NTA to 66.0p per share down from 74.6p at 30 September 2024, and IFRS NAV to 76.0p, down from 81.6p. Both EPRA NTA and IFRS NAV disregard sales costs attributable to the realisation of the portfolio and the break gain on the Scottish Widows debt. Taking these into account, at the prevailing portfolio valuations and swap rates, at the balance sheet date the maximum realisable NAV stands at 70.2p.

Key Personnel Changes

With strong progress made on the realisation of both of ReSI's portfolios, Ben Fry will be stepping down as lead Fund Manager of ReSI PLC upon completion of his secondment on 31 July 2025. On behalf of the board, I would like to thank Ben for his hard work and contribution having been involved since our IPO in 2017. We are pleased both Mike Adams and Sandeep Patel continue day to day management of ReSI PLC and execution of the wind-down, with the support from the wider Gresham House team. We anticipate that this change will have limited impact on the continued operation of the trust and progress on our key objectives.

Outlook

The Board and Investment Manager, remain focussed on delivery of two primary objectives. Firstly, robust operational performance through top line rent growth and in retirement, sustained record occupancy, rent collection and execution of accretive capital recycling, while maintaining cost discipline to drive further earnings growth through the realisation period.

Secondly, to progress the orderly realisation of the ReSI portfolio. We aim to optimise value from the portfolio with the objective of concluding the disposals efficiently and responsibly, maximising proceeds for our shareholders and ensuring the interest of our residents are protected throughout.

Rob Whiteman
Chairman
Residential Secure Income plc

17 June 2025

KPI measures

Income returns

ReSI's key performance indicators (KPIs) are aligned to our business strategy. These measures are used by the Board and senior management to actively monitor business performance.

	Adjusted earnings* (£mn)		Net rental income (£mn)		Like-for-like rental reviews (%)		EPRA cost ratio (%)*		Loss before tax (£mn)	
	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025
	4.5	5.1	8.9	8.9	6.5%	4.0%	35%	36%	(10.4)	(6.4)
KPI definition	Adjusted earnings, excluding valuation movements on investment assets and debt, and other adjustments, that are one-off in nature, which do not form part of the ongoing revenue or costs of the business.		Net rental income after deducting property operating expenses including ground rent paid.		Like-for-like average growth on rent reviews across the portfolio.		Administrative and operating costs (including costs of direct vacancy) divided by gross rental income.		Loss before tax is a statutory IFRS measure as presented in the Group's Consolidated Statement of Comprehensive Income.	
Comment	H1 2025 earnings growth via top line inflation linked rent growth, lower operating and finance costs		£0.6 reduction due to sale of Local Authority assets offset by increase of 7.7% delivered during the period as a result of inflation linked rent increases and reduced void weeks.		4.0% like-for-like rental reviews growth achieved for properties that were eligible for rent increases during the six months ended March 2025, adjusted for shared ownership rent increases which occurred on 1 April 2025.		H1 2025 cost ratio increased as a EPRA costs increased further than gross rental income due to sale of Local Authority assets.		Decreased loss before tax driven by reduced property valuation loss reflecting ongoing market repricing following the increase in interest rates, albeit at a lower rate than previously.	
Notes	See note 11 to the financial statements on page 37.		See note 5 to the financial statements on page 33.		See Glossary on page 57 for definition and calculation basis.		See note 6 Supplementary Financial Information on page 34.		See Consolidated Statement of Comprehensive Income on page 27.	

* Alternative performance measures

Capital returns

The following KPIs focus on ReSI's strategic priority to increase overall income returns and improve the resilience and efficiency of the business model which will support increasing dividend distributions.

EPRA NTA per share* (pence)		IFRS NAV per share (pence)		Total Return on NTA (%)*		Loan to Value (LTV) (%)		Weighted Average Remaining Life of Debt (Years)	
FY 2024	H1 2025	FY 2024	H1 2025	H1 2024	H1 2025	FY 2024	H1 2025	FY 2024	H1 2025
74.6	66.0	81.6	76.0	(3.2)	(8.7)	52%	50%	20	21

	EPRA NTA per share* (pence)	IFRS NAV per share (pence)	Total Return on NTA (%)*	Loan to Value (LTV) (%)	Weighted Average Remaining Life of Debt (Years)
KPI definition	EPRA NTA (Net Tangible Assets) is the market value of property assets, after deducting deferred tax on trading assets, and excluding intangible assets and derivatives.	IFRS NAV (Net Asset Value) per share at the balance sheet date.	Return on NTA is total return for the year, prior to payment of dividends (excluding movements in valuation of debt and derivatives), expressed as a percentage of opening NTA.	Ratio of net debt to the total assets less finance lease and cash on a consolidated Group basis.	Average remaining term to loan maturity.
Comment	11.5% reduction in the six months to 31 March 2025 driven by decline in property valuations and debt valuation movement. Recurring Earnings of 2.8p covered 134% of dividends in the year.	Returns of minus 4.3p per share in the six-month period reflecting property valuation decline and debt valuation movement.	Returns of minus 8.7% in H1 2025 reflecting property valuation decline.	Decrease in LTV reflecting repayment of floating rate debt and decrease in the mark to market valuation of the USS debt.	21 years remaining life of debt reflecting the long-term nature of ReSI's fixed and inflation-linked debt secured on the retirement and shared ownership portfolios.
Notes	See note 2 Supplementary Financial Information for reconciliation from IFRS to EPRA performance measures.	See Consolidated Statement of Financial Position.	See note 11 Supplementary Financial Information for calculation.	See note 13 Supplementary Financial Information for calculation.	See note 17 for information on the Group's Borrowings.

Fund Manager's Report

Introduction

ReSI is the custodian of homes for 2,956 households and continues to balance returns with affordability for our residents. During the period we have seen strong income growth broadly in line with inflation, with average wage growth of 3% over the past six months[1] and the state pension increasing by 4.1% in April 2025. This environment made us comfortable passing through inflation linked rent increases in full, comprising an average like-for like increase of 3.3% in shared ownership and 4.2% in retirement.

These rent increases have led ReSI to deliver like-for-like rent growth of 4.0% whilst maintaining retirement occupancy at 97%, during the H1-25 period, and with our shared ownership portfolio fully occupied. Rent collection continues to exceed 99%, underpinned by direct leases with a highly diversified resident base comprising 2,651 counterparties paying affordable rents and shared ownership equity stakes averaging 36%.

While there are strong and compelling tailwinds supporting ReSI's portfolio and earnings, as demonstrated by the robust operational performance in H1-2025, in recognition of the persistent share price discount to net asset value, limiting ReSI's ability to grow to an economically efficient size, limited share trading liquidity and after a review of strategic options, we worked in conjunction with Board and agreed an orderly realisation of assets is in the best interests of our shareholders and residents.

As the underlying dynamics for the broader UK Living sector remain positive, particularly in the sub-sectors where the company is focused where long-term demographic and economic drivers support demand, we believe that the underlying portfolios remain a compelling investment opportunity given the increasing focus by institutional investors on the UK living sector.

1. Average weekly earnings in Great Britain – Office for National Statistics (ons.gov.uk) – Average of 6 month data releases to Feb 2025

Ben Fry

Fund Manager, ReSI PLC

During the period, the Investment Manager has continued to ensure robust operational performance through top line rent growth and in retirement, sustained record occupancy, rent collection and execution of accretive capital recycling while maintaining cost discipline to drive further earnings growth through the realisation period. The Fund Manager and ReSI continue to explore asset management initiatives to enhance ReSI's portfolios.

Since the managed winddown was approved in December 2024 JLL have been appointed and commenced marketing the portfolio. ReSI is currently engaged in meaningful dialogue with several potential purchasers, following receipt of initial expressions of interest and/or non-binding proposals covering ReSI's portfolio of assets. The Fund Manager will ensure that announcements are made in accordance with disclosure obligations and as would benefit investors.

Key Personnel Changes

In November 2025, Gresham House and Thriving Investments announced a new partnership to create a dedicated shared ownership and affordable housing fund management platform in the UK. Under this arrangement, I transferred to Thriving investments. During the transition, I continue to serve as lead fund manager for ReSI plc, to oversee the managed wind-down, under secondment to Gresham House for a term of nine months ending 31 July 2025. With the wind-down and key asset management initiatives advanced, I am stepping down as lead fund manager of ReSI PLC at the completion of the secondment period.

The progress made to date on the orderly realisation of the ReSI portfolio and the continuation of an established senior executive team, allows me to step down at the end of my secondment on 31 July 2025.This means there should be limited impact on the day-to-day operation of ReSI and will ultimately leave a team well placed to maximise value from the portfolio whilst balancing the joint objectives of concluding the disposals efficiently and responsibly, maximising proceeds for our shareholders all whilst ensuring the interests of residents are protected.

I would like to thank Shareholders and the ReSI Board for their support since IPO. I am immensely proud of the retirement and shared ownership portfolios, ReSI has assembled and innovative financing packages which provide much needed high-quality homes for two underserved demographic segments while providing inflation linked income to shareholders.

Statement of Comprehensive Income

	31 March 2025 (£'000)	31 March 2024 (£'000)	Variance
Net rental income	**9,430**	9,391	0.4%
First tranche sales profits	**–**	44	–
Net Finance Costs	**(2,949)**	(3,444)	(14%)
Fund management fees	**(608)**	(800)	(24%)
Overheads	**(748)**	(725)	3%
Adjusted Earnings	**5,125**	4,466	15%
Adjusted EPS	**2.8**	2.4	15%
Dividend Coverage	**134%**	117%	15%
Profit on Disposals	**200**	168	19%
Property Valuation movements	**(15,517)**	(7,288)	113%
Debt Valuation movements	**4,015**	(7,752)	(152%)
One-offs	**(254)**	(12)	2,117%
IFRS Loss	**(6,431)**	(10,417)	(38%)
IFRS EPS	**(3.5)**	(5.6)	(38%)

Strong Operational Performance continues to drive earnings growth

Gross rental income increased by 5%, excluding the local authority portfolio, which was fully divested two tranches in April 2024 and January 2025. This was complemented by continued focus on managing our cost base and by higher occupancy which has ensured this strong gross rental growth has converted into net rental income growth of 8% (excluding the impact of the local authority portfolio).

Finance costs have reduced 14% versus H1 2025, through repayment of the floating rate Santander revolving credit facility which completed with full repayment of the £15m drawn balance in January 2025 following disposal of the remaining local authority asset. Management fees reduced 24%, largely as result of the rebasing of the management fee to the average of net asset value and market capitalisation effective from 1 January 2024, therefore being the basis of measurement for the full two quarters of H1 2025 relative to one quarter in H1 2024. Overheads increased by 3% as a result of higher audit fees.

One-offs in the period, totalling £0.3mn, represent the realisation costs which became payable on completion of the general meeting in December 2024, during which shareholders voted for and accepted a new investment objective which seeks to realise all the company's existing assets.

"

During H1-25 ReSI has delivered strong like-for-like rental growth of 4.0% whilst achieving record occupancy and with rent collection stable at almost 100%, reflecting our focus on individual resident contractual relationships. This flowed through to a 15% increase in adjusted earnings and 134% dividend coverage. Despite higher gilt yields continuing to impact our valuations, the fundamentals underpinning ReSI's portfolios continue to remain strong and provide substantial opportunity to drive strong operating performance.

The progress made to date on the orderly realisation of the ReSI portfolio and the continuation of an established senior executive team, allows me to step down at the end of my secondment on 31 July 2025.

This means there will be limited impact on the day-to-day operation of ReSI and will ultimately leave a team well placed to maximise value from the portfolio whilst balancing the joint objectives of concluding the disposals efficiently and responsibly, maximising proceeds for our shareholders all whilst ensuring the interests of residents are protected.

Finally, I would like to thank Shareholders and the ReSI Board for their support since IPO. I am immensely proud of the high-quality retirement and shared ownership portfolios ReSI has assembled while providing inflation linked income to shareholders.

Strong dividend coverage

The run rate full year dividend of 4.12p per share, was comfortably covered 134% during the period. After removing the impact of the local authority portfolio and floating rate debt, coverage stands at 126%. This gives us comfort that the dividend has been set appropriately, whilst in tandem allowing continued investment in the portfolio in order to maximise the value of the portfolio as we execute the realisation of the portfolio.

Valuations continue to be impacted by increased gilt yields

Savills Advisory Services Limited (Savills) are appointed to value the Company's property investments, in accordance with the Regulated Investment Company requirements, on a quarterly basis.

RESI's investment valuations continue to be impacted by the impact of further increases in long-term gilt yields with our investment portfolio valuation yield rising to 5.7% from 5.3% in September 2024 (both figures exclude the local authority portfolio). Our retirement portfolio and shared ownership valuation yield widened by c.27 bps and c.33 bps to 6.4% and 4.3% respectively. This shift in valuation yields was partially negated via the rental growth of 4.0% on 2,824 properties (97% of portfolio). This reduced ReSI's property valuation by £15.5mn during the period – a 4.8% decrease on a like-for-like fair value basis to a total of £294.5mn as of 31 March 2025.

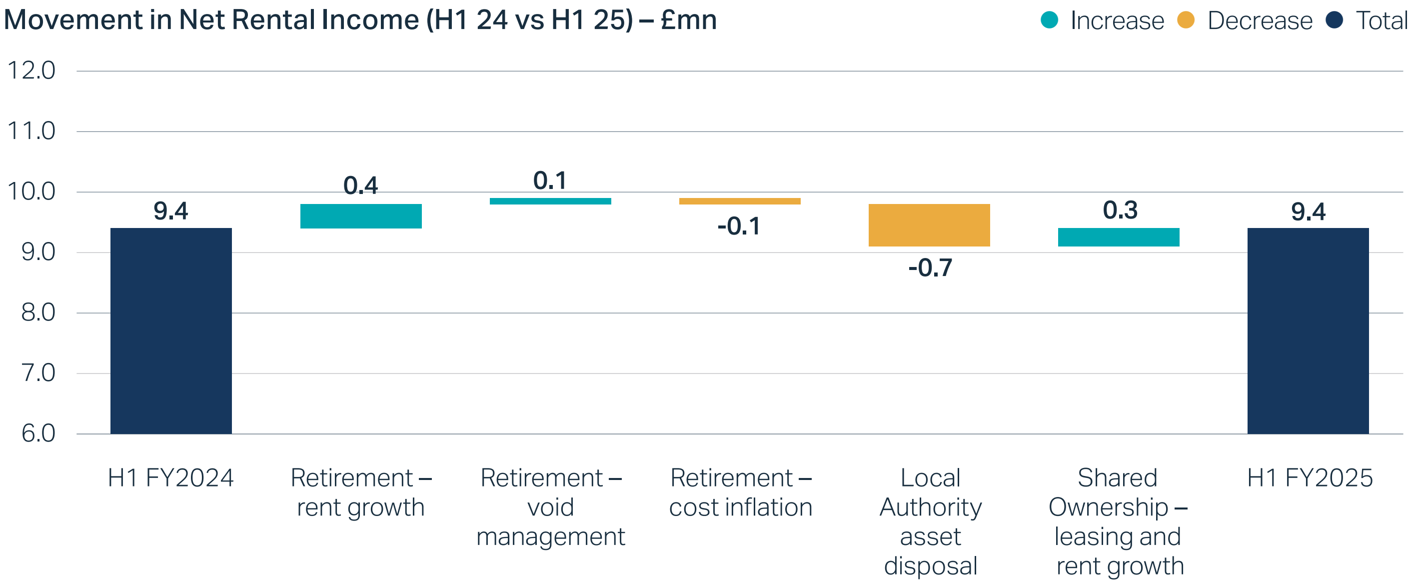
Despite of the valuation decline, due to the repayment of the drawn floating rate debt the LTV of the Company reduced to 50% (from 52% in FY 2024), in line with the Company's target.

Operational performance

Net rental income before ground rents (NRI) has grown modestly at 0.4% year-over-year to £9.4mn, driven by the following underlying factors:

- Retirement rent growth of 7.1% to £6.2mn, with strong like-for-like rent growth of 4.2% supplemented by higher average occupancy and lower voids
- Shared ownership rent growth of 9.1% from £2.6mn to £2.9mn due to:
  - £0.2mn from 8.3% like for like rental increases effective 1 April 2024
  - £0.1mn from full occupancy of the shared ownership portfolio
- Local authority rent decrease of 67% from £0.9m to £0.3m following the disposal of the portfolio in two tranches (April 2024 and Jan 2025)

Movement in Net Rental Income (H1 24 vs H1 25) – £mn



1. Top-line retirement growth flowing through with void management offsetting cost increase:

Income growth delivered: £0.4mn/7%/0.2 pence per share[1]

Retirement rental revenue grew 4.7% year-over-year to £11.5mn through a combination of 4.2% like-for-like rent growth and higher average occupancy, which averaged 97% for the six months ending 31 March 25 (31 March 24: 96%).

Top line revenue growth was partially offset by 2.0% year-over-year increase in operating expenses to £5.3mn, which was primarily driven by a 3.0% increase (c.£0.1mn) in repairs and maintenance costs on properties where tenants vacated intra year.

Notwithstanding increased repairs and maintenance costs, strong top line growth outpaced cost increases enabling net rental income to grow by 7.1% to £6.2mn.

1. H1 2025 versus H1 2024

We have made good progress on the asset management initiatives announced at FY 2023 year end, which are driving further income growth and cost savings including:

- Re-tendering of repairs and maintenance contracts
- replacing baths with showers which improves re-let times on average by two weeks, and delivers our target 8% minimum return on cash;
- improved re-letting times ensuring occupancy was maintained at the 97% for the period despite the winter months generally seeing increased turnover, and allowing a focus on rent growth of 4.2%;
- portfolio rationalisation with 20% of the portfolio identified for disposal and reinvestment in core areas, and the first 40 properties (c.2% of portfolio) have either been sold or are in legals, with the gross sales price achieved at an aggregate 21% premium to book value. The acquisition of 14 properties are currently advancing to completion, in core areas, and are forecast to deliver an 8% yield on cost once let and will help drive the operational efficiency of the portfolio.

2. Strong rent growth in shared ownership:

Income growth delivered: £0.3mn/9.6%/0.1 pence per share[1]

Shared ownership rents increase annually on 1 April generally with RPI + 0.5% and grew by 8.3% like-for-like compared to the same period.

From 1 April 2025, shared ownership rents have increased by an average of 3.3%. We have chosen to pass on the full contractual rent increases. This decision has been taken in view of (a) strong earnings growth (b) easing of energy prices and (c) our shared owners being relatively insulated vs. non shared ownership homeowners against increased mortgage costs.

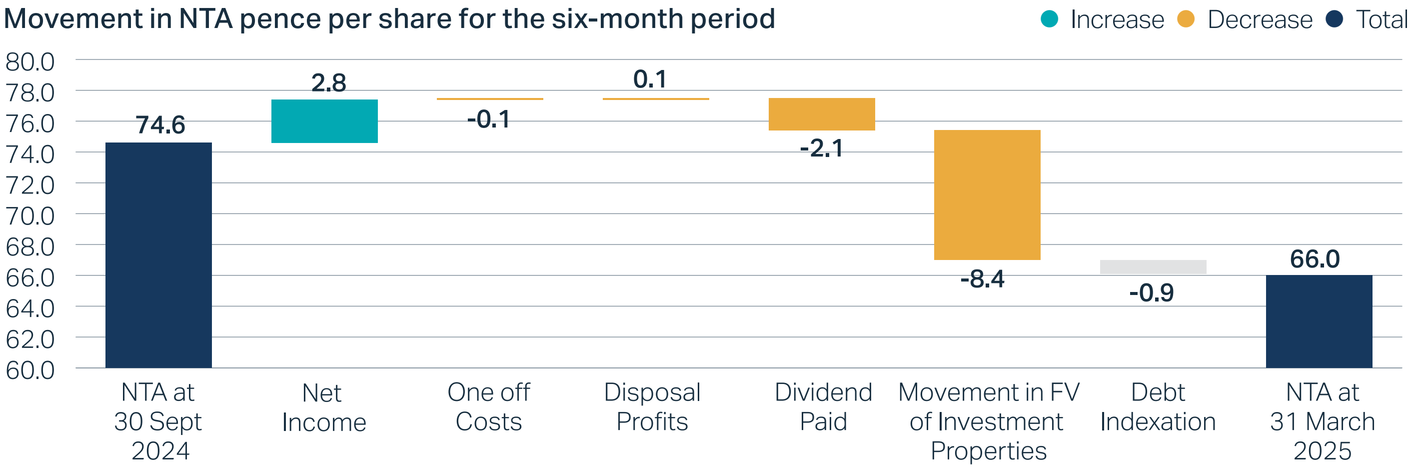
Financial review – Total Return Bridge

ReSI delivered an EPRA NTA total return of -6.5p per share (-8.7%) for the half year, which comprised of:

- 2.8p of Adjusted earnings (see note 11 – adjusted earnings per share), with recurring income of £5.1mn and one-off profit on disposals of £0.1; less
- 8.4p impact of the 4.8% like-for-like decrease in investment property values as assessed by Savills to £295mn as at 31 March 2025. This valuation decrease was driven by a c.30 bps increase in the weighted average valuation yield since September 2024, despite net rental income growth of 4%; and
- 0.9p impact of USS debt indexation (£1.6mn), reflecting the index linked nature of the debt which follows the increase in shared ownership rent reviews up to a cap of 5.5%.
- 0.1p one off costs recognised to date in relation to realisation costs

The movement in the NTA position during the half year, from 74.6p to 66.0p per share, is after total dividend payments of 2.1p per share (£3.8mn), which were covered 134% by Adjusted Earnings.

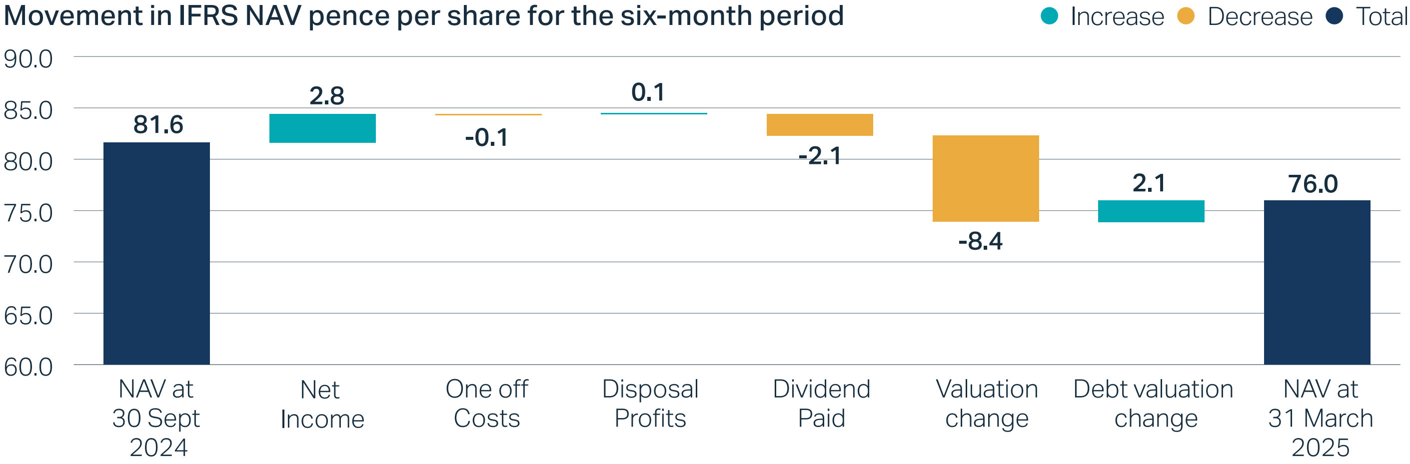
Movement in NTA pence per share for the six-month period



A total IFRS return of -3.5p per share (-4.2%) was delivered for the half year. The difference to EPRA NTA returns, results from the value and treatment applied to debt. Under IFRS, USS debt is held at fair value of £67.9mn, whereas, under EPRA USS debt is recognised at amortised cost of £86.4mn. The £18.5mn delta, is equal to 9.7p per share, which is deducted from EPRA NTA. The mark to market value of this debt increased in the period by £4.0mn (2.2p) due to the 0.6% decrease in market borrowing costs. IFRS NAV decreased by 5.6p after dividends paid.

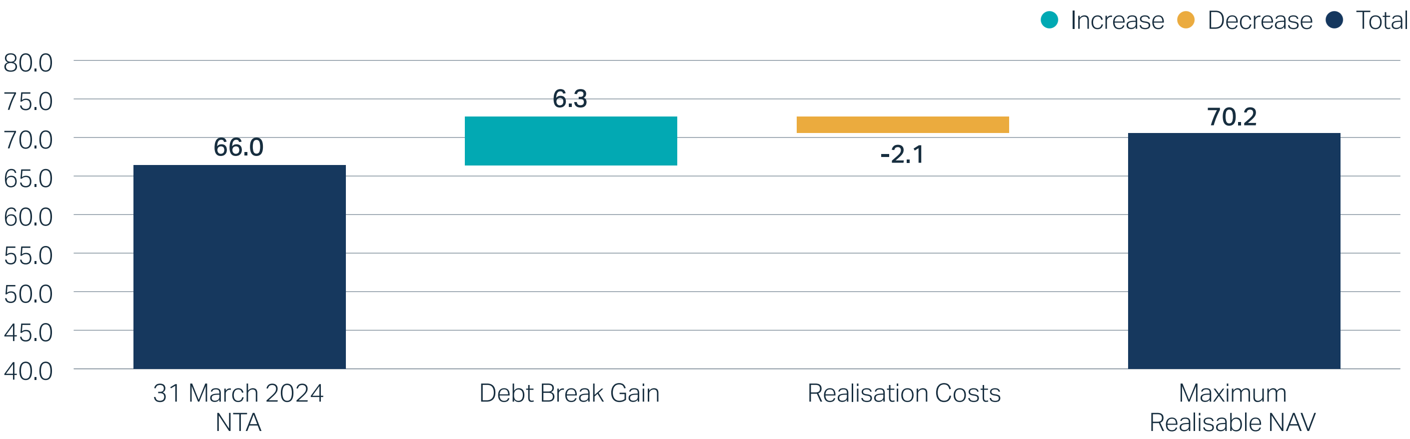
1. H1 2025 vs H1 2024

Movement in IFRS NAV pence per share for the six-month period



Maximum Net Realisable NAV

IFRS NAV and EPRA NTA, do not consider the break gain on the Scottish Widows debt or the fully loaded realisation costs. EPRA NTA adjusted for realisation costs and debt breaks, thereby representing a maximum realisable net asset value, at prevailing gross asset value and break gain on debt at balance sheet date, is £130.0mn or 70.2p.



Balance Sheet

	31 March 2025 (£'000)	30 September 2024 (£'000)	Variance
Total Investments*	**–**	310,599	–
Assets held for sale	**294,541**	15,085	*1,853%*
Cash and cash equivalents	**11,327**	11,091	*2%*
Borrowings amortised cost	**(177,589)**	(193,004)	*-8%*
Other	**(6,026)**	(5,615)	*-7%*
EPRA Net Tangible Assets	**122,253**	138,156	*-12%*
EPRA NTA per share (pence)	**66.0**	74.6	*-12%*
EPRA Net Disposal Value (NDV)	**166,188**	172,243	*-4%*
EPRA NDV per share (pence)	**89.8**	93.0	*-3%*
IFRS NAV	**140,756**	151,001	*-7%*
IFRS NAV per share (pence)	**76.0**	81.3	*-7%*
Book Value of Debt	**159,086**	179,740	*-11%*

* Excluding finance lease asset

Total investments and assets held for sale, in aggregate, declined by £31.1mn (10.6%) reflecting a £14.9mn (4.8%) like-for-like decline caused by a c.30 bps increase in the weighted average valuation yield. The remaining £16.2mn reduction was predominately driven by the local authority disposal and sale of retirement properties.

Total borrowings (amortised cost) reduced by 8% to £177.6mn in the six months ending 31 March 2025 predominantly due to the repayment of the £15mn drawn floating rate debt.

The EPRA NTA and IFRS NAV measures exclude the reversionary surplus in our portfolio which stands at £103mn. This represents the difference between the market value of our assets used in our balance sheet and the value we could realise if they became vacant. Overall, our portfolio is valued at a 35% discount, on average, to its reversionary value.

Financing and capital structure

At the reporting date of 31 March 25, ReSI has c.£178mn (notional value) of debt in place, of which all is either long-term fixed rate or inflation linked.

LTV has decreased by 2% from 52% to 50%, over the last six months, in line with of our target of 50% leverage and is attributable to the repayment of floating rate debt in January, and the fair value on the USS debt . Our reversionary loan-to-value is 45% when considering the £398mn vacant possession value of the portfolio.

	H1 2025	FY 2024
Total debt – book value	£159mn	£180mn
LTV (target 50%)	50%	52%
Leverage on reversion value	38%	43%
Weighted average fixed-debt coupon (57% of ReSI's debt)	3.5%	3.5%
Weighted average inflation-linked debt coupon (43% of ReSI's debt)	1.1%[1]	1.1%
Weighted average maturity	21 years	20 years

1. 1.1% average blended coupon over the remaining loan term, with principal increasing with RPI + 0.5% (with a 0.5% floor and 5.5% cap).

The inflation linked USS debt is secured via a first charge of the shared ownership portfolio with a fair and book value of £67.9mn and an indexed or amortised cost of £86.4mns as at 31 March 2025. The USS debt carries a fixed coupon of 1.1% with the principal balance linked to the retail price index inflation, with a 5.5% cap and 0.5% floor. The Scottish Widows debt is secured via first charge over the retirement portfolio and has an amortised cost and book value of £91mn as at March-25. The Scottish Widows debt has a fixed all-in rate of 3.5%.

In addition to the long-term structural debt, at the period end, ReSI had an undrawn £15mn revolving credit facility with Santander maturing on 30 June 2025. To ensure continued access to working capital, ReSI has entered into a new £10mn revolving credit facility, with Shawbrook Bank Limited, maturing in December 2027 (with a six-month term-out option). The Shawbrook facility carries a 4.20% margin over SONIA. The revolving credit facility will be utilised, during the wind-down period, to bridge funding of strategic acquisitions in the retirement portfolio, which will be repaid via sale of non-core retirement units, and for any capital expenditure in the portfolio which enhance the capital value of both portfolios. The facility can be cancelled with no break cost.

As with most secured long dated borrowing facilities, the USS and Scottish Widows facilities contain prepayment and change of control clauses. Resi have held initial conversations with both lenders who have expressed they will consider authorising the debt to be transferred to a purchaser and will provide firmer guidance once first round non-binding offers have been received. In the event the debt is broken, the USS debt will be repaid at the higher of the indexed value and a discounted cash flow of the remaining interest and principal payments with the discount rate being the yield on a similar duration index linked gilt. As at March-25, the break cost for the USS debt was the indexed value of £86.4mn.

The Scottish Widows debt, if broken, will be calculated in reference to prevailing SWAP rate. As at March-25, the Scottish Widows debt would result in a £11.7mn break gain as at March-25. This and the impact of the realisation costs have been reported in the maximum realisable NAV, described earlier in the Fund Manager's report.

Loan Covenants

Covenant	Loan Covenants by Portfolio[2]		
	Shared Ownership/USS	Retirement/ Scottish Widows	Total Portfolio/ Santander
31 March 2025 debt balance[3]	£68mn	£93mn	£0mn
LTV - Threshold	N/A	<58%	<55%
LTV - Fund Value	N/A	49%	N/A
Value - Headroom (%)	N/A	15%	N/A
Value - Headroom (£)	N/A	£29m	N/A
ICR/DSCR - Threshold	>0.95x	>2.0x	>1.5x
ICR/DSCR - Reported	1.2x	3.5x	N/A
NOI - Headroom	25%	43%	N/A
SONIA Interest Rate - Breach Threshold[4]	Fixed-rate coupon	Fixed-rate coupon	N/A

2. Based on 31 March 2025 fund valuations. The covenants presented do not represent a comprehensive set of debt covenants. This is not a performance forecast and there can be no guarantee that ReSI will continue to meet its debt covenants in the future.
3. As at 31 March 2025. USS debt balance shown at fair value, reflecting the impact of recurring quarterly indexation and movements in gilt yields and credit spreads.
4. Interest rate breach threshold based on last-twelve-month net rental income.

The disposal of local authority portfolio and subsequent repayment of the drawn Santander facility meant that, as at 31 March-25, group LTV covenant pressure was removed.

The Santander facility has since been refinanced with Shawbrook Bank, with a new £10mn facility. The Shawbrook facility has group loan to value and interest cover covenants.

ReSI's other LTV covenants and ICR covenants still have ample headroom and ReSI's USS debt on its shared ownership portfolio is fully amortising and so does not have a loan-to-value debt covenant

ReSI currently has £10mn of remaining liquidity available via its working capital facility as well as £3.7mn of unrestricted cash.

Summary and outlook:

The investment thesis ReSI set at IPO is as relevant today as it was in 2017. The shortage of fit-for-purpose homes for independent living through retirement and the lack of affordable homeownership routes for young families and key workers remain strong underlying fundamentals. The strategic investments made by the Group, since IPO, in high-impact, and high-growth sectors of the UK real estate market with stable long term cash flows become particularly significant.

During H1-25 ReSI has delivered strong like-for-like rental growth of 4.0% whilst achieving record occupancy and with rent collection stable at almost 100% reflecting our focus on individual resident contractual relationships. This flowed through to a 15% increase in adjusted earnings and 134% dividend coverage.

Despite higher gilt yields continuing to impact our valuations the fundamentals underpinning ReSI's portfolios continue to remain strong and provide substantial opportunity to drive strong operating performance. Mike and Sandeep will continue with day-to-day responsibility of ReSI and will optimise value from the portfolio with the objective of concluding the disposals efficiently and responsibly, maximising proceeds for our shareholders whilst ensuring the interests of residents are protected.

As always, we are very grateful for the support of our shareholders during this period of transition.

Ben Fry
Fund Manager, ReSI

17 June 2025

Environmental, Social and Governance

The Board and the Fund Manager believe that sustainable investment involves the integration of Environmental, Social and Governance (ESG) factors within the investment process and that these factors should be considered alongside financial and strategic issues during assessment and at all stages of the investment process.

The Board and Fund Manager recognise their responsibility to manage and conduct business in a socially responsible way and many of the Company's investors, residents and other counterparties have the same values. Good governance and social responsibility require that the Company seeks to implement a collaborative approach to understanding and improving environmental and social performance. The Fund Manager is responsible for engagement on ESG matters and dedicates a significant amount of time and resource to focusing on the ESG characteristics of the properties in which it invests. Such ESG factors, which were traditionally not part of financial analysis, are incorporated and prioritised as part of the investment and due diligence process through the ESG decision tool, which has been developed by Gresham House's dedicated Sustainable Investment Team. Ongoing monitoring of ESG related risks is carried out through investment reviews.

The Fund Manager also gives appropriate consideration to corporate governance and the representation of shareholder interests. This is applied both as a positive consideration, and also to exclude certain investments where the Fund Manager does not believe the interests of shareholders will be prioritised.

Gresham House has a clear commitment to sustainable investment as part of its business mission, exemplified by being awarded the Green Economy Mark from the London Stock Exchange and being a signatory to the UK Stewardship Code.

Based on its Sustainable Investment Framework, Gresham House has developed a range of policies and processes for all asset classes which the Fund Manager uses to integrate sustainability into its investment approach. More details can be found in the Housing Sustainable Investment Policy here.

Housing Sustainable Investment Framework

At Gresham House, we break down the key environmental and social factors of our investment strategy into six themes, which form the Housing Sustainable Investment Framework. This framework is used to structure analysis, monitoring and reporting of ESG issues and opportunities within the lifecycle of our investments, with measurable objectives and KPIs have been identified for each theme.

	Target outcome	Measure of success
Additionality	Increase the supply of UK affordable housing	▪ # of new homes delivered
Affordability	Construct new, high-quality housing affordable to low and average workers	▪ % of affordable homes ▪ Affordability metrics – house price and ongoing costs
Customer service	Achieve best-in-class customer service	▪ Customer survey results ▪ Staircasing/moving home
Resident experience	Ensuring delivery of high quality, safe homes	▪ # of homes with access to outdoor and working space ▪ Walkscore
Environmental benefits	Ensure new builds are energy-efficient and manage environmental footprint	▪ % of homes with renewable generation on site ▪ % EPC A+, A and B
Community regeneration	Investments that regenerate a particular site/area	▪ % of housing in areas of need as defined by local authority

Principal Risks and Uncertainties

The Board recognises the importance of risk management in achieving ReSI's strategic aims.

The principal risk and uncertainties for the Group continue to be those outlined on pages 41 to 45 of the Annual Report for the year ended 30 September 2024 and the Board expects those to remain valid for the remainder of the financial year.

An assessment of any changes to the risks in the six months ending 31 March 2025 are listed below:

Risk	Risk mitigation	Party responsible	Party responsible for monitoring	Change in risk since 2024+ Annual Report
Sale of assets – value & timing				
The Company's assets may not be realised at their carrying value or in a timely fashion, due to a range of factors including macroeconomic considerations, the nature of the investments, changes in economic, fiscal, or political policy, operational mismanagement, structure of contracts, unexpected market conditions, quality of competing portfolios or quality of counterparties	▪ The Fund Manager and the Company's advisers and sales agents are closely monitoring market conditions and will adjust the timing and strategy of the asset sales as considered necessary to balance maximising returns for shareholders and the timeframe for disposal. ▪ The Board will have regular meetings with advisers and the Fund Manager to oversee progress. ▪ Efforts will be made in the individual sales processes to engage with multiple potential buyers to enhance competitive tension and secure favourable prices.	Fund Manager	Board	Increased

02 Governance

Directors' Responsibilities in respect of the Interim Accounts

Each of the directors, whose names are listed on page 59, confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the United Kingdom; and
- the Strategy and Performance overview on pages 8 to 11, the Fund Manager's Report and Key Performance Measures on pages 10 to 19, Environmental, Social and Governance page 20, Principal Risks and Uncertainties on page 21 and the Related Party Disclosure on page 47 (note 27) include a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 of the Disclosure and Transparency rules of the United Kingdom's Financial Conduct Authority namely:

  (a) an indication of important events that have occurred during the first six months since 1 October 2024 and their impact on the condensed financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

  (b) disclosure of any material related party transactions in the period are included in note 26 to the condensed consolidated financial statements.

The Interim Report has been reviewed by the Company's auditor and was approved by the Board of Directors on 17 June 2025.

For and on behalf of the Board

Rob Whiteman
Chairman

17 June 2025

Independent Review Report to Residential Secure Income plc

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2025 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2025 which comprises the Condensed consol-idated statement of comprehensive income, the Condensed consolidated statement of financial position, the Condensed consolidated statement of cash flows, the Condensed consolidated statement of chang-es in equity and the Condensed notes to the financial statements.

Basis for conclusion

We conducted our review in accordance with the International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("IS-RE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of per-sons responsible for financial and accounting matters, and applying analytical and other review proce-dures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not ex-press an audit opinion.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting.

Emphasis of matter – condensed set of financial statement prepared on basis other than going concern

We draw attention to note 2(a) to the financial statements which explains that at the General Meeting on 6 December 2024, the Directors proposed an orderly wind-down of the Company and shareholders have voted in favour of this proposal. Therefore, the Directors do not consider it appropriate to adopt the going concern basis of accounting in preparing the condensed set of financial statements. Accordingly, the condensed set of financial statements have been prepared on a basis other than going concern, as described in Note 2(a). The condensed set of financial statements do not include any adjustments as a result of preparing them on a basis other than going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the Group's abil-ity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit pro-cedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure Guidance and Transparency Rules of the United King-dom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

DocuSigned by:
Richard Levy
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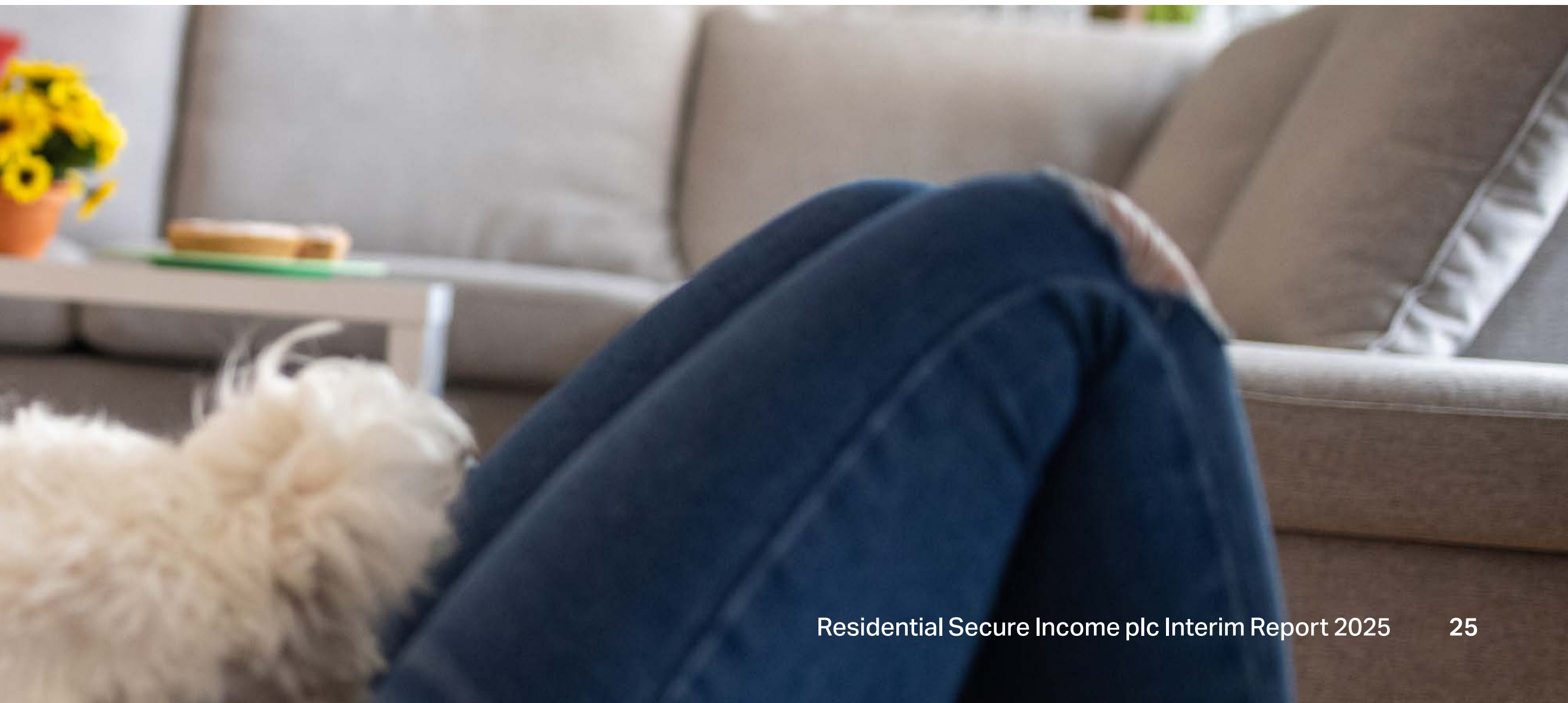
BDO LLP

Chartered Accountants

London, UK

17 June 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



03 Financials

Condensed Consolidated Statement of Comprehensive Income

For the period 1 October 2024 to 31 March 2025

	Note	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000
Income	5	**14,961**	15,474
Cost of sales	5	**(5,531)**	(6,039)
Net income		**9,430**	9,435
Administrative and other expenses	6	**(1,601)**	(1,514)
Operating profit before property disposals and change in fair value		**7,829**	7,921
Profit on disposal of investment properties		**200**	168
Change in fair value of investment properties	9	**(15,517)**	(7,288)
Change in fair value of borrowings	9	**4,015**	(7,752)
One-off finance costs	8	**(40)**	(23)
Operating loss before finance costs		**(3,513)**	(6,974)
Finance income	8	**131**	142
Finance costs	8	**(3,049)**	(3,585)
Loss for the period before taxation		**(6,431)**	(10,417)
Taxation	10	**–**	–
Loss for the period after taxation		**(6,431)**	(10,417)
Other comprehensive loss:		**–**	–
Total comprehensive loss for the period attributable to the shareholders of the Company		**(6,431)**	(10,417)
Loss per share – basic and diluted - pence	11	**(3.5)**	(5.6)

All of the activities of the Group are classified as discontinued operations.

The notes on pages 31 to 48 form part of these financial statements.

Condensed Consolidated Statement of Financial Position

As at 31 March 2025

	Note	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Non-current assets			
Investment properties	12	–	339,346
Total non-current assets		–	339,346
Current assets			
Trade and other receivables	14	3,779	3,801
Cash and cash equivalents	15	11,327	11,091
		15,106	14,892
Assets held for sale	13	323,599	15,085
Total current assets		338,705	29,977
Total assets		338,705	369,323
Current liabilities			
Trade and other payables	16	8,845	8,980
Borrowings	17	2,923	17,892
Lease liabilities	23	934	921
Total current liabilities		12,702	27,793
Non-current liabilities			
Borrowings	17	156,163	161,848
Recycled Capital Grant Fund		960	855
Lease liabilities	23	28,124	27,826
Total non-current liabilities		185,247	190,529
Total liabilities		197,949	218,322
Net assets		140,756	151,001
Equity			
Share capital	18	1,941	1,941
Share premium	19	14,605	14,605
Treasury shares reserve	20	(8,301)	(8,299)
Retained earnings	21	132,511	142,754
Total interests		140,756	151,001
Total equity		140,756	151,001
Net asset value per share – basic and diluted (pence)	24	76.0	81.6

The condensed consolidated financial statements were approved by the Board of Directors on and signed on its behalf by:

Rob Whiteman
Chairman

17 June 2025

The notes on pages 31 to 48 form part of these financial statements.

Condensed Consolidated Statement of Cash Flows

For the period 1 October 2024 to 31 March 2025

	Note	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000
Cash flows from operating activities			
Loss for the period		**(6,431)**	(10,417)
Adjustments for items that are not operating in nature:			
Changes in fair value of investment properties	9	**15,517**	7,288
Movement in rent smoothing adjustments	5	**(648)**	(620)
(Profit)/loss in fair value of borrowings	9	**(4,015)**	7,752
Profit on disposal of investment properties		**(200)**	(168)
Shares issued in lieu of management fees		**152**	186
Finance income	8	**(131)**	(142)
Finance costs	8	**3,049**	3,585
Debt set up costs	8	**40**	23
Operating result before working capital changes		**7,333**	7,487
Changes in working capital			
Decrease/(increase) in trade and other receivables		**22**	(87)
Decrease in inventories		**–**	506
Increase/(decrease) in trade and other payables		**199**	(72)
Net cash flow generated from operating activities		**7,554**	7,834
Cash flow from investing activities			
Purchase of investment properties	12	**(552)**	(463)
Disposal of properties held for sale		**14,987**	–
Disposal of investment properties		**2,039**	1,313
Interest received	8	**131**	142
Net cash flow generated from investing activities		**16,605**	992
Cash flow from financing activities			
Purchase of own shares	20	**(152)**	(188)
Bank loans repaid		**(16,727)**	(1,684)
Finance costs		**(3,232)**	(3,084)
Dividend paid	21	**(3,812)**	(3,814)
Net cash flow used in financing activities		**(23,923)**	(8,770)
Net increase in cash and cash equivalents		**236**	56
Cash and cash equivalents at the beginning of the period	15	**11,091**	8,805
Cash and cash equivalents at the end of the period	15	**11,327**	8,861

The notes on pages 31 to 48 form part of these financial statements.

Condensed Consolidated Statement of Changes in Equity

For the period 1 October 2024 to 31 March 2025

	Share capital £'000	Share premium £'000	Treasury shares reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 30 September 2023	1,941	14,605	(8,295)	160,428	**168,679**
Loss for the period	–	–	–	(10,417)	**(10,417)**
Other comprehensive loss	–	–	–	–	**–**
Total comprehensive loss	–	–	–	(10,417)	**(10,417)**
Contributions by and distributions to shareholders					
Issue of management shares	–	–	186	(186)	**–**
Share based payment charge	–	–	–	186	**186**
Purchase of own shares	–	–	(188)	–	**(188)**
Dividends paid	–	–	–	(3,814))	**(3,814)**
Balance at 31 March 2024	1,941	14,605	(8,297)	146,197	**154,446**
Profit for the period	–	–	–	369	**369**
Other comprehensive income	–	–	–	–	**–**
Total comprehensive income	–	–	–	369	**369**
Contributions by and distributions to shareholders					
Issue of management shares	–	–	156	(156)	**–**
Share based payment charge	–	–	–	156	**156**
Purchase of own shares	–	–	(158)	–	**(158)**
Dividends paid	–	–	–	(3,812)	**(3,812)**
Balance at 30 September 2024	1,941	14,605	(8,299)	142,754	**151,001**
Loss for the period	–	–	–	(6,431)	**(6,431)**
Other comprehensive loss	–	–	–	–	**–**
Total comprehensive loss	–	–	–	(6,431)	**(6,431)**
Contributions by and distributions to shareholders					
Issue of management shares	–	–	150	(150)	**–**
Share based payment charge	–	–	–	150	**150**
Purchase of own shares	–	–	(152)	–	**(152)**
Dividends paid	–	–	–	(3,812)	**(3,812)**
Balance at 31 March 2025	1,941	14,605	(8,301)	132,511	**140,756**

The notes on pages 31 to 48 form part of these financial statements.

Condensed Notes to the Financial Statements

For the period 1 October 2024 to 31 March 2025

1. General information

Residential Secure Income plc (ReSI or the Company) was incorporated in England and Wales under the Companies Act 2006 as a public company limited by shares on 21 March 2017. The Company's registration number is 10683026. The registered office of the Company is located at The Pavilions, Bridgwater Road, Bristol, England, BS13 8FD.

The Company achieved admission to the premium listing segment of the main market of the London Stock Exchange on 12 July 2017.

The Company and its subsidiaries (the "Group") invests in residential asset classes that comprise the stock of registered UK social housing providers, Housing Associations and Local Authorities.

The financial information set out in this report covers the six months to 31 March 2025 and includes the results and net assets of the Company and its subsidiaries. The comparatives presented for the Statement of Comprehensive Income and Statement of Cash Flows are for the six months to 31 March 2025. The comparatives presented for the Statement of Financial Position are as at 30 September 2025.

This consolidated interim financial information has not been audited by the Company's auditor.

2. Basis of preparation

These condensed financial statements for the period ended 31 March 2025 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the United Kingdom. The interim report should be read in conjunction with the annual Financial Statements for the year ended 30 September 2024, which were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and in accordance with UK adopted international financial reporting standards.

The condensed financial statements have been prepared on a historical cost basis, except for investment properties, and certain bank borrowings which have been measured at fair value.

The condensed financial statements have been rounded to the nearest thousand and are presented in Sterling (£), except when otherwise indicated.

The condensed financial statements for the period are unaudited and do not constitute statutory accounts for the purposes of the Companies Act 2006. The annual report and financial statements for the year ended 30 September 2024 have been filed at Companies House. The independent auditor's report on the annual report and financial statements for the year ended 30 September 2024 was unqualified, and did not contain a statement under sections 498 (2) or 498 (3) of the Companies Act 2006. The financial statements for year ended 30 September 2024 contained an emphasis of matter, in relation to the financial statements being prepared on a basis other than going concern as a result of the Directors proposal for an orderly wind-down of the Company and shareholders voting in favour of the proposal.

a) Going concern

At the General Meeting on 6 December 2024, the Directors proposed an orderly wind-down of the Company as the best course of action and shareholders voted in favour of this proposal. Therefore, the Directors do not consider it appropriate to adopt the going concern basis of accounting. Accordingly, the financial statements have been prepared on a basis other than going concern. Except for as disclosed in the following paragraphs, no further adjustments were made in the financial statements as a result of them being prepared on a basis other than going concern.

The Company aims to achieve its Investment Objective by conducting an orderly realisation of the Group's assets, seeking to balance prompt cash returns to shareholders with value maximisation, while maintaining an income return as long as the Group owns assets generating sufficient income.

Following the implementation of the managed wind-down and the new investment policy, the Company will cease to make any new real estate acquisitions, except in limited circumstances where it is considered ancillary to an existing portfolio investment, where such acquisition is considered to protect or enhance an existing asset's realisable value, where such acquisition is required by the terms of any existing contractual obligations or funding arrangement, or where it is considered to facilitate orderly disposals of a larger portfolio.

The Company has appointed third party advisors and agents to ensure these transactions are executed proficiently and yield the best possible outcomes for shareholders. Considering these events, the Company meets the criteria for an asset held for sale under IFRS 5. This conclusion has been reached based on the following IFRS 5 criteria:

- The board is committed to a plan to sell both the retirement and shared ownership portfolios entirely
- Both portfolios are available for immediate sale
- An active programme to locate a buyer has been initiated and advancing
- The sale is highly probable to complete within 12 months of the classification as held for sale
- Actions related to the sale plan indicate a low likelihood of significant changes or cancellation

To date, Jones Lang Lasalle have been engaged and are running a disposal process to sell the retirement and shared ownership portfolios within the next 12 months.

As a result, the investments held at fair value through profit or loss were transferred from non-current to current as assets held for sale in the financial statements.

Financial models have been prepared for the going concern and viability period which consider liquidity at the start of the period and key financial assumptions at the Company level as well as at the level of the subsidiaries of ReSI plc. These financial assumptions include expected cash generated and distributed by the portfolio companies available to be distributed to the Company. They also include inflows and outflows in relation to the external debt and interest payments expected within the subsidiaries, disposal of assets.

The Directors are satisfied that the Group and the Company have sufficient resources to meet all their financial and operating obligations for the foreseeable future, and for at least 12 months from the date of signing these financial statements. They are also able to meet their liabilities as they fall due in the event that the Group enters into a managed wind-down process.

While the timing of the wind-down is uncertain, it is anticipated it will conclude prior to the contractual maturity of the USS facility, which is secured via a first charge over the shared ownership portfolio, and the Scottish Widows facility, which is secured via a first charge over the retirement portfolio. Both debt facilities may therefore be prepaid earlier with accompanying prepayment costs (or gains), which might render the prepayment amount different to the value of the debt instruments on the consolidated balance sheet. Optional prepayment of the USS facility is contractually due at the higher of the discounted cash flow of the remaining interest and principal repayments due and the indexed value of the debt at the date of prepayment. Optional prepayment of the Scottish Widows facility would contractually require payment of an amount calculated in reference to the net present value of the remaining principal and interest payments based on prevailing swap market rates (with the possibility of a break cost or break gain) and an amount in respect of lost margin.

As a result of uncertainty over the timing of realisation of asset, the Directors' expectation for an orderly winddown of the Company's operations, and shareholders' approval of the new investment objective, the Directors consider it appropriate to adopt a basis of accounting other than as a going concern in preparing the financial statements. No material adjustments to accounting policies or the valuation basis have arisen as a result of ceasing to apply the going concern basis.

b) Changes to accounting standards and interpretations

Amendments to standards adopted during the year

The IASB and IFRIC have issued or revised a number of standards. None of these amendments have led to any material changes in the Group's accounting policies or disclosures during the year.

Standards in issue but not yet effective

Amendments to IAS 1 on Classification of liabilities as Current or Non-Current are effective for the financial years commencing on or after 1 January 2025 and are to be applied retrospectively. It is not expected that the amendments will have an impact on the presentation and classification of liabilities in the Group Statement of Financial Position based on rights that are in existence at the end of the reporting period.

Certain amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 October 2024 and whilst the Directors are considering these, initial indications are that these changes will have no material impact on the Group's financial statements.

3. Material accounting policies

The material accounting policies applied in the preparation of the financial statements are consistent with those applied in the Group's statutory accounts for the year ended 30 September 2024 and are expected to be consistently applied for the year ending 30 September 2025. The policies have been consistently applied throughout the period.

4. Significant accounting judgements and estimates

There have been no new or material revision to the nature and amount of judgements reported in the Annual Report 2024, other than changes to certain assumptions applied in the valuation of properties and USS debt.

5. Income less cost of sales

	Net property income £'000	First tranche sales £'000	Unaudited 6 months to 31 March 2025 Total £'000	Unaudited 6 months to 31 March 2024 Total £'000
Gross rental income	14,961	–	14,961	14,874
First tranche property sales	–	–	–	600
Total income	14,961	–	14,961	15,474
Service charge expenses	(3,050)	–	(3,050)	(3,150)
Property operating expenses	(2,465)	–	(2,465)	(2,308)
Impairment of receivables	(16)	–	(16)	(25)
First tranche cost of sales	–	–	–	(556)
Total cost of sales	(5,531)	–	(5,531)	(6,039)
Net rental income/gross profit before ground rents	9,430	–	9,430	9,435
Ground rents disclosed as finance lease interest	(519)	–	(519)	(511)
Net rental income/gross profit after ground rents disclosed as finance lease interest	8,911	–	8,911	8,924

'Rent smoothing adjustments' represent the recognition of lease incentives and contractual fixed annual rent increases on a straight-line basis over the term of the underlying leases.

Included within rental income is a £648,000 (H1 2024: £620,000) rent smoothing adjustment that arises as a result of IFRS 16 'Leases' which require rental income in respect of leases with rents increasing by a fixed percentage be accounted for on a straight-line basis over the lease term. During the period this resulted in an increase in rental income, with an offsetting entry being recognised in profit or loss as an adjustment to the investment property revaluation.

Gross rental income includes service charges collected from tenants, included in rent collected but not separately invoiced, of £3,050,000 during the period (H1 2024: £3,017,000). Service charge expenses, as reflected in the cost of sales, also includes amounts paid in respect of properties which were vacant during the period of £2,000 (H1 2024: £133,000).

The Net Income after ground rents disclosed as finance lease interest are presented to provide what the Board believes is a more appropriate assessment of the Group's net property income. Ground rent costs are an inherent cost of holding certain leasehold properties and are taken into consideration by Savills when valuing the Group's properties.

6. Administration and other expenses

	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000
Fund management fee (note 26)	608	800
General administration expenses	748	724
Non-recurring costs	3	(18)
Aborted fundraising costs	–	8
Wind-down expenses – one off	240	–
Group disposal process costs	2	–
	1,601	1,514

Wind-down expenses of £240,000 (31 March 2024: £nil) relates to broker and sales agents' fees incurred in relation to managed wind-down and orderly realisation of the portfolio.

7. Directors' fees and expenses

The Group has no employees in the current period. The Directors, who are the key management personnel of the Company, are appointed under letters of appointment for services. Directors' remuneration, all of which are fees for services provided, was as follows:

	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000
Fees	60	81
Taxes	8	10
	68	91
Fees paid to directors of subsidiaries	33	25
	101	116

The Chairman is entitled to receive a fee linked to the Net Asset Value of the Group as follows:

Net asset value	Annual fee
Up to £100,000,000	£40,000
£100,000,000 and £200,000,000	£50,000
£200,000,000 to £350,000,000	£60,000
Thereafter	£70,000

Each of the Directors, save the Chairman, is entitled to receive a fee linked to the Net Asset Value of the Group as follows:

Net asset value	Annual fee
Up to £100,000,000	£30,000
£100,000,000 and £200,000,000	£35,000
Thereafter	£40,000

None of the Directors received any advances or credits from any Group entity during the period (2024: Nil).

8. Net finance costs

	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000
Finance income		
Interest income	**131**	142
	131	142
Finance expense		
Interest payable on borrowings	**(2,405)**	(2,908)
Amortisation of loan costs	**(89)**	(124)
Debt programme costs	**(36)**	(42)
Lease interest	**(519)**	(511)
	(3,049)	(3,585)
Net finance costs	**(2,918)**	(3,443)
One-off shared ownership facility costs	**–**	–
One-off finance costs	**(40)**	(23)
One-off finance costs	**(40)**	(23)

The Group's interest income during the period relates to cash held on deposit with banks and to cash invested in a money market fund, which is invested in short-term AAA rated Sterling instruments.

Ground rents paid in respect of leasehold properties have been recognised as a finance cost in accordance with IFRS 16 "Leases".

Debt one off fees incurred in the six months ended 31 March 2025 relate to the costs of both the Santander and Scottish Widows Limited facilities.

9. Change in fair value

	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000
Loss on fair value of investment properties	**(14,869)**	(6,668)
Adjustments for lease incentive assets and rent smoothing		
Start of the period	**4,598**	3,262
End of the period	**(5,246)**	(3,882)
	(15,517)	(7,288)
Gain/(loss) on fair value of borrowings held at fair value through profit or loss (note 17)	**4,015**	(7,752)
	(11,502)	(15,040)

Gain/(loss) on fair value of borrowings held at fair value through profit or loss arises from debt raised against the shared ownership portfolio, which the Group has elected to fair value through profit or loss, in order to address an accounting mismatch as the value of the loan is linked to the shared ownership investment portfolio. An election has been made to value this debt at fair value through profit or loss, therefore all fees associated with this debt are expensed in entirety as they occur.

10. Taxation

	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000
Current tax	–	–
Deferred tax	–	–
	–	–

The tax charge for the period varies from the standard rate of corporation tax in the UK applied to the loss before tax. The differences are explained below:

	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000
Loss before tax	**(6,431)**	(10,417)
Tax at the UK corporation tax rate of 25% (2024: 25%)	**(1,608)**	(2,604)
Tax effect of:		
UK tax not payable due to REIT exemption	**(1,919)**	(20)
Investment property revaluation not taxable	**3,199**	1,822
Expenses that are not deductible in taxable profit	**(380)**	710
Unutilised residual current year tax losses	**708**	92
Tax charge for the period	**–**	–

As a UK REIT the Group is exempt from corporation tax on the profits and gains from its property rental business provided it meets certain conditions set out in the UK REIT regulations.

11. Earnings per share

EPRA Earnings per share	Unaudited 6 months to 31 March 2025 £'000	Restated Unaudited 6 months to 31 March 2024 £'000
Loss per IFRS income statement	**(6,431)**	(10,417)
Changes in value of investment properties	**15,517**	7,288
Profits on disposal of investment properties	**(200)**	(168)
Profits on sales of trading properties	**–**	(44)
Changes in fair value of financial instruments and associated close-out costs	**(4,015)**	7,752
Deduction of non-recurring costs	**3**	(12)
Add back debt set up costs	**9**	23
Add back sales and wind-down costs	**242**	–
EPRA earnings	**5,125**	4,422
Profits on sales of trading properties	**–**	44
Adjusted earnings	**5,125**	4,466
Weighted average number of ordinary shares (thousands)	**185,163**	185,163
IFRS earnings per share (pence)		
– 2025 (pence)	**(3.5)**	
– 2024 (pence)		(5.6)
EPRA earnings per share (pence)		
– 2025 (pence)	**2.8**	
– 2024 (pence)		2.4
Adjusted earnings per share (pence)		
– 2025 (pence)	**2.8**	
– 2024 (pence)		2.4

Basic earnings per share ('EPS') is calculated as profit attributable to Ordinary Shareholders of the Company divided by the weighted average number of shares in issue throughout the relevant period.

EPRA earnings per share ('EPS') is calculated as EPRA earnings attributable to Ordinary Shareholders of the Company divided by the weighted average number of shares in issue throughout the relevant period.

In September 2024, the European Public Real Estate Association's guidance for the calculation of EPRA Earning were updated to include exceptional non-recurring charges, effective from 1 October 2024 onwards. The comparative has been restated to reflect the charge to guidance. The change in guidance has resulted in an increase to EPRA earnings of £11,000 in the prior period.

The Adjusted Earnings are presented to provide what the Board believes is a more appropriate assessment of the operational income accruing to the Group's activities. Hence, the Group adjusts earnings for income and costs which are not of a recurrent nature, or which may be more of a capital nature.

Dividend coverage for the half year ended 31 March 2025 is 134% based on an adjusted earnings figure of £5.1mn and dividends paid over the half year of £3.8mn.

12. Investment properties

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
At beginning of period	**339,346**	376,727
Property acquisitions at cost	**81**	61
Capital expenditure	**471**	906
Property disposals	**(1,741)**	(8,862)
Transfer to inventory	**–**	(90)
Movement in head lease gross up	**311**	(2,842)
Change in fair value during the period	**(14,869)**	(11,469)
Transfer to assets held for sale	**(323,599)**	(15,085)
At end of period	**–**	339,346
Valuation provided by Savills	**294,541**	310,599
Adjustment to valuation – finance lease asset	**29,058**	28,747
Total investment properties	**323,599**	339,346
Transferred to asset held for sale (see note 13)	**(323,599)**	(15,085)

The table below shows the total value of the Group's investment properties as at 31 March 2025. Consistent with the valuation provided by Savills, the adjustment to fair value in respect of finance lease assets for ground rents receivable has been excluded to show the value of the asset net of all payments to be made (including ground rent payments).

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Total investment properties and asset held for sale	**323,599**	354,431
Adjustment to fair value – finance lease asset	**(29,058)**	(28,747)
Total investment properties	**294,541**	325,684

Included within the carrying value of investment properties and assets held for sale at 31 March 2025 is £5,237,000 (30 September 2024: £4,589,000) in respect of the smoothing of fixed contractual rent uplifts as described in note 5. The difference between rents on a straight-line basis and rents receivable is included within the carrying value of the investment properties but does not increase that carrying value over the fair value.

The historical cost of investment properties at 31 March 2025 was £308,309,000 (30 September 2024: £331,643,000).

In accordance with "IAS 40: Investment Property", the Group's investment properties have been independently valued at fair value by Savills (UK) Limited ("Savills"), an accredited external valuer with recognised and relevant professional qualifications.

The carrying values of investment property as at 31 March 2025 agree to the valuations reported by external valuers, except that the valuations have been:

Increased by the amount of finance lease liabilities recognised in respect of investment properties held under leases £29,058,000 (30 September 2024: £28,747,000), representing the present value of ground rents payable for the properties held by the Group under leasehold – further information is provided in note 23. This is because the independent valuations are shown net of all payments expected to be made. However, for financial reporting purposes in accordance with IAS 40, "Investment Property", the carrying value of the investment properties includes the present value of the minimum lease payments in relation to these leases. The related lease liabilities are presented separately on the Statement of Financial Position.

The Group's investment objective was to provide shareholders with an attractive level of income, together with the potential for capital growth, from acquiring portfolios of homes across residential asset classes that comprise the stock of statutory registered providers, and intended to hold its investment property portfolio over the long term, taking advantage of upward-only inflation-linked leases. On 6 December 2024, shareholders voted for a Managed Realisation and Winddown together with associated amendments to Company's Investment Policy. Effective from this date, the Company will be managed with the intention of realising all the existing assets in its portfolio in an orderly manner and with a view to making timely returns of capital to shareholders while aiming to obtain the best achievable value for the Company's assets at the time of their realisations.

The Group has pledged all of its investment properties to secure loan facilities granted to the Group (see note 17).

13. Assets held for sale

As at 31 March 2025, management intended to dispose of all Group assets and were marketing these properties for sale. The fair value of these property as at 31 March 2025 was £323,599,000 (30 September 2024 £15,085,000).

The properties have been classified as held for sale and presented separately in the Statement of Financial Position under IFRS 5: Non-current Assets Held for Sale. All assets held for sale fall within 'Level 3' as defined by IFRS. There have been no transfers within the fair value hierarchy during the period.

14. Trade and other receivables

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Trade debtors	**1,099**	954
Prepayments	**2,598**	2,755
Other debtors	**79**	92
VAT Recoverable	**3**	–
	3,779	3,801

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a 12-month expected loss provision for rent receivables. To measure expected credit losses on a collective basis, rent receivables are grouped based on similar credit risk and aging.

The carrying value of trade and other receivables approximate its fair value at the Statement of Financial Position date.

15. Cash and cash equivalents

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Cash at bank	**5,598**	5,411
Cash held as investment deposit	**2**	2
	5,600	5,413
Restricted cash	**5,727**	5,678
	11,327	11,091

Included within cash at the period end was an amount totalling £5,727,000 (£5,678,000 at 30 September 2024) held in separate bank accounts which the Group considers restricted cash. This relates to cash that is subject to restrictions with a third party where the terms of the account do not prevent the Group from accessing the cash. This is typically where the Group has agreed to deposit cash with a bank as part of a joint arrangement with a tenant under a lease agreement, or to provide additional security to a lender over loan facilities, or under an asset management initiative.

£1,488,000 (£1,473,000 at 30 September 2024) was held by the managing agent of the retirement portfolio in respect of tenancy rental deposits.

£3,863,000 (£3,838,000 at 30 September 2024) was held by US Bank in respect of funds required as a debt service reserve for the shared ownership debt. £376,000 (£398,000 at 30 September 2024) was held in respect of a service charge reserve fund.

Cash held as investment deposit relates to cash invested in a money market fund, which is invested in short-term AAA rated Sterling Investments. As the fund has a short maturity period, the investment has a high liquidity. The fund has £18.5bn AUM, hence the Group's investment deposit represents an immaterial proportion of the fund.

16. Trade and other payables

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Trade payables	**5,041**	4,562
Accruals	**1,948**	2,559
VAT payable	**–**	4
Deferred income	**–**	19
Other creditors	**1,856**	1,836
	8,845	8,980

17. Borrowings

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Loans	**160,930**	181,674
Unamortised borrowing costs	**(1,844)**	(1,934)
	159,086	179,740
Current liability	**2,923**	17,892
Non-current liability	**156,163**	161,848
	159,086	179,740
The loans are repayable as follows:		
Within one year	**2,923**	17,892
Between one and two years	**2,907**	2,915
Between three and five years	**8,639**	8,658
Between six and ten years	**14,189**	14,212
Between eleven and twenty years*	**103,877**	104,383
Over twenty years	**26,551**	31,680
	159,086	179,740

* £77.6mn of this is due at the maturity date of the loan in 2043.

Movements in borrowings are analysed as follows:

	Fair value through profit or loss £'000	Held at amortised cost £'000	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
At 30 September 2024	73,355	106,384	**179,739**	181,747
Amortisation of loan costs	–	89	**89**	218
Fair value movement	(4,015)	–	**(4,015)**	6,814
Repayment of borrowings	(1,395)	(15,332)	**(16,727)**	(9,039)
Period ended 31 March 2025	67,945	91,141	**159,086**	179,740

The table below lists the Group's borrowings:

	Original Facility		Outstanding Debt			
Lender	H1 2025 £'000	FY 2024 £'000	H1 2025 £'000	FY 2024 £'000	Maturity date	Annual Interest Rate %
Held at amortised cost						
Scottish Widows Ltd	**97,000**	97,000	**91,141**	91,423	Jun-43	3.5 Fixed (Avg)
Santander UK PLC	**3,000**	15,000	**–**	14,962	Jun-25	2.25 over SONIA
	100,000	112,000	**91,141**	106,385		
Held at fair value through profit or loss						
Universities Superannuation Scheme	**77,500**	77,500	**67,945**	73,355	May-65	1.2 (Avg)*
	77,500	77,500	**67,945**	73,355		
Total borrowings	**177,500**	189,500	**159,086**	179,740		

*The principal will increase at a rate of RPI+0.5% annually, on a quarterly basis; RPI is capped between 0% and 5% on a pro-rated basis.

Borrowing held at amortised cost

The £91.1mn Scottish Widows facility is secured by a first charge over retirement properties with a fair value of £188.6mn.

The revolving capital facility with Santander UK plc has a £3mn limit at a margin of 2.25%. There is a commitment fee of 2.25% on 35% of the undrawn balance of the facility. As at 31 March 2025, the facility was undrawn. The facility bears interest at SONIA plus 2.25%.

Borrowing held at fair value through profit or loss

The Group has elected to fair value through profit or loss the Universities Superannuation Scheme ("USS") borrowings. This is considered a more appropriate basis of recognition than amortised cost given the inflation-linked nature of the debt, which has been negotiated to inflate in line with the RPI linked rent in ReSI's shared ownership leases. The notional outstanding debt at 31 March 2025 was £73.9mn (30 September 2024: £74.5mn) with an amortised cost of £86.4mn (30 September 2024: £85.9mn).

The USS borrowings have been fair valued by calculating the present value of future cash flows, using the gilt curve and a credit spread reflecting the high credit strength of the borrower at the date of valuation. The credit spread used for the valuation as at 31 March 2025 was 1.15% (30 September 2024: 1.25%).

In accordance with IFRS 13, the Group's borrowings held at fair value have been assigned a valuation level in the fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The Group's borrowings held at fair value as at 31 March 2025 are categorised as Level 2.

Everything else being equal, there is a negative relationship between the credit spread and the borrowings valuation, such that an increase in the credit spread (and therefore the future interest payable) will reduce the valuation of a borrowing liability and vice versa. A 10-basis point increase in the credit spread would result in a reduction of the liability by £0.86mn.

The USS facility is secured by a first charge over shared ownership properties with a fair value £105.3mn, cash of £0.8mn, and restricted cash balances of £3.9mn.

18. Share capital account

	Number of Ordinary 1p shares	£'000
At 30 September 2024 and 31 March 2025	**194,149,261**	1,941

The share capital account relates to amounts subscribed for share capital.

Rights, preferences and restrictions on shares

All Ordinary Shares carry equal rights, and no privileges are attached to any shares in the Company. All the shares are freely transferable, except as otherwise provided by law. The holders of Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Treasury shares do not hold any voting rights.

19. Share premium account

	£'000
At 30 September 2024 and 31 March 2025	**14,605**

The share premium account relates to amounts subscribed for share capital in excess of nominal value.

20. Treasury shares reserve

	£'000
At 31 March 2024	(8,297)
Purchase of own shares	(81)
Transferred as part of Fund Management fee	79
At 30 September 2024	(8,299)
Purchase of own shares	(152)
Transferred as part of Fund Management fee	150
At 31 March 2025	**(8,301)**

The treasury shares reserve relates to the value of shares purchased by the Company in excess of nominal value.

During the period ended 31 March 2025, the Company purchased 253,677 of its own 1p ordinary shares at a total gross cost of £152,425 (£150,631 cost of shares and £1,794 associated costs).

As at 31 March 2025, 8,985,980 (30 September 2024: 8,985,980) 1p Ordinary Shares are held by the Company.

21. Retained earnings

	£'000
At 31 March 2024	146,197
Profit for the period	369
Share based payment charge	156
Issue of management shares	(156)
Dividends	(3,812)
At 30 September 2024	142,754
Loss for the period	(6,431)
Share based payment charge	150
Issue of management shares	(150)
Dividends	(3,812)
At 31 March 2025	**132,511**

Retained earnings incorporate all gains and losses and transactions with shareholders (e.g. dividends) not recognised elsewhere.

22. Dividends

	Unaudited 6 months to 31 March 2025 £'000	Unaudited 6 months to 31 March 2024 £'000	Unaudited 6 months to 30 September 2024 £'000
Amounts recognised as distributions to shareholders in the period to 31 March 2025:			
4th interim dividend for the year ended 30 September 2024 of 1.03p per share (2024: 1.03p)	**1,907**	1,907	
1st interim dividend for the year ended 30 September 2025 of 1.03p per share (2024: 1.03p)	**1,905**	1,907	
	3,812	3,814	
Categorisation of dividends for UK tax purposes:			
Amounts recognised as distributions to shareholders in the period:			
Property Income Distribution (PID)	**3,812**	3,814	
Non-PID	**–**	–	
	3,812	3,814	
Amounts not recognised as distributions to shareholders in the period:			
2nd interim dividend for the year ended 30 September 2024 of 1.03p per share (2023: 1.03p)			1,907
3rd interim dividend for the year ended 30 September 2024 of 1.03p per share (2023: 1.03p)			1,907
			3,814

On 22 January 2025, the Company declared its fourth interim dividend of 1.03 pence per share for the period 1 July 2024 to 30 September 2024.

On 7 February 2025, the Company declared its first interim dividend of 1.03 pence per share for the period 1 October 2024 to 31 December 2024.

The Company intends to continue to pay dividends to shareholders on a quarterly basis in accordance with the REIT regime.

Dividends are not payable in respect of its Treasury shares held.

23. Lease arrangements

The Group as lessee

The Group holds 2,177 properties (30 September 2024: 2,191) under leasehold with an average unexpired lease term of 154 years (30 September 2024: 153 years). The Group did not have any short-term leases or leases for low value assets accounted for under IFRS 16 paragraph 6, nor any sale and leaseback transactions.

At 31 March 2025, the Group had outstanding commitments for future minimum lease payments under non-cancellable leases, which fall due as follows:

As at 31 March 2025	Less than one year £'000	Two to five years £'000	Six to ten years £'000	Ten to twenty years £'000	More than twenty years £'000	Total £'000
Minimum lease payments	934	3,696	4,620	9,240	103,146	121,636
Interest	–	(270)	(400)	(1,398)	(90,510)	(92,578)
Present value at 31 March 2025	934	3,426	4,220	7,842	12,636	29,058

As at 30 September 2024	Less than one year £'000	Two to five years £'000	Six to ten years £'000	Ten to twenty years £'000	More than twenty years £'000	Total £'000
Minimum lease payments	921	3,649	4,550	9,089	107,385	125,594
Interest	–	(266)	(394)	(1,375)	(94,812)	(96,847)
Present value at 30 September 2024	921	3,383	4,156	7,714	12,573	28,747

The interest expense in respect of lease liabilities for the period was £519,000 (31 March 2024: £511,000).

The total cash outflow in respect of leases was £519,000 (31 March 2024: £511,000).

The majority of restrictions imposed are the covenants in place limiting tenancies to people of retirement age.

The Group as lessor

The Group leases some of its investment properties under operating leases. At the balance sheet date, the Group had contracted with tenants for the following future aggregate minimum rentals receivable under non-cancellable operating leases:

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Receivable within 1 year	**7,203**	8,346
Receivable between 1-2 years	**4,846**	4,894
Receivable between 2-3 years	**4,846**	4,758
Receivable between 3-4 years	**4,847**	4,758
Receivable between 4-5 years	**4,847**	4,758
Receivable between 5-10 years	**24,233**	23,713
Receivable between 10-20 years	**48,466**	47,388
Receivable after 20 years	**472,889**	462,127
	572,177	560,742

The Group's shared ownership properties are let to Shared Owners on leases with initial lease terms of between 130 to 999 years.

The majority of leases are assured tenancy or assured shorthold tenancy agreements. The table above shows the minimum lease payments receivable under the assumption that all tenants terminate their leases at the earliest opportunity. However, assured tenancies are long-term agreements providing lifetime security of tenure to residents.

The leases in the licensed retirement homes portfolio are indefinite and would only be terminated in the event that the leaseholders of the relevant retirement development vote to no longer have a resident house manager living at their development.

The table below shows our expected lease receivables, excluding future rent reviews, from existing leases based on historical turnover rates consistent with our assumptions for valuing the properties:

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Receivable within 1 year	**28,769**	29,849
Receivable between 1-2 years	**24,596**	24,627
Receivable between 2-3 years	**21,215**	21,143
Receivable between 3-4 years	**18,471**	18,422
Receivable between 4-5 years	**16,238**	16,207
Receivable between 5-10 years	**59,633**	59,513
Receivable between 10-20 years	**74,466**	74,106
Receivable after 20 years	**489,091**	479,113
	732,479	722,980

24. Net asset value per share

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
Net assets	**140,756**	151,001
	140,756	151,001
Ordinary shares in issue at period end (excluding shares held in treasury)	**185,163**	185,163
Basic NAV per share (pence)	**76.0**	81.6

The net asset value ('NAV') per share is calculated as the net assets of the Group attributable to shareholders divided by the number of Ordinary Shares in issue at the period end.

EPRA Net Tangible Assets (NTA) and EPRA Net Reinstatement Value (NRV) per share

	Unaudited 31 March 2025 £'000	Audited 30 September 2024 £'000
IFRS NAV per the financial statements	**140,756**	151,001
Revaluation of trading properties	**–**	–
Change in fair value of financial instruments	**(18,503)**	(12,845)
Real estate transfer tax	**–**	–
EPRA NTA	**122,253**	138,156
Fully diluted number of shares (thousands)	**185,163**	185,163
EPRA NTA per share (pence)	**66.0**	74.6

The EPRA Net Tangible Assets ('EPRA NTA') per share calculated as the EPRA NTA of the Group attributable to shareholders divided by the number of Ordinary Shares in issue at the period end.

In accordance with the EPRA Best Practice Recommendations, EPRA NTA reflects the amortised cost of the debt rather than its fair value.

25. Contingent liabilities and commitments

ReSI's shared ownership portfolio has been supported by £15mn government grant funding. In some circumstances, typically when a Shared Owner staircases, ReSI will be required to recycle the grant into the purchase of new properties within three years or to repay it to the grant providing body. On disposal/staircasing of a grant funded property, the Group initially recognises a liability in the Recycled Capital Grant fund. If the disposal receipts are not subsequently recycled, the grant will be repaid. The balance at 31 March 2025 was £960,000 (30 September 2024: £855,000).

There are no provisions for fines and settlements specified for ESG (Environmental, Social or Governance) or any other issues.

26. Related party disclosure

As defined by IAS 24 Related Party Disclosures, 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.

For the period ended 31 March 2025, the Directors of the Group are considered to be the key management personnel. Details of amounts paid to Directors for their services can be found within note 7, Directors' fees and expenses.

Gresham House Asset Management Limited ("GHAM") acts as alternative investment fund manager (the Fund Manager), pursuant to the Fund Management Agreement. The Fund Manager is authorised and regulated by the Financial Conduct Authority (FCA) as a 'full scope' UK alternative investment fund manager for the purposes of the UK AIFM Regime.

The Fund Manager has responsibility for the day-to-day management of the Company's assets in accordance with the Investment policy subject to the control and directions of the Board. The Fund Management Agreement is terminable on not less than three months' written notice.

The Fund Manager is entitled to an annual management fee (the "Fund Manager Fee") under the Fund Management Agreement as follows:

a) on that part of the Net Asset Value up to and including £250mn, an amount equal to 1% p.a. of such part of the average of ReSI plc market capitalisation and Net Asset Value;

b) on that part of the Net Asset Value over £250mn and including £500mn, an amount equal to 0.9% p.a. of such part of the average of ReSI plc market capitalisation and Net Asset Value;

c) on that part of the Net Asset Value over £500mn and up to and including £1,000mn, an amount equal to 0.8% p.a. of such part of the average of ReSI plc market capitalisation and Net Asset Value; or

d) on that part of the Net Asset Value over £1,000mn, an amount equal to 0.7% p.a. of such part of the average of ReSI plc market capitalisation and Net Asset Value;

The Fund Management Fee is paid quarterly in advance. 75% of the total Fund Management Fee is payable in cash and 25% of the total Fund Management Fee (net of any applicable tax) is payable in the form of Ordinary Shares rather than cash.

In addition to the above Fund Manager Fee, the Fund Manager shall be entitled to an incentivisation fee payable by the Company in connection with the managed realisation and wind-down of the Company, consisting of: (i) a disposal base fee, being a fee of £700,000 (plus VAT, if applicable), payable in two equal instalments of £350,000, on completion of the sale of each of the shared ownership portfolio and the retirement living portfolio; and (ii) a conditional disposal fee, being a maximum fee of £500,000 (plus VAT, if applicable), first accruing once aggregate net disposal proceeds received from 1 January 2025 after repayment or transfer of outstanding debt and any taxes payable by the Company but excluding any transaction costs and excluding the benefit of any actual or potential debt break gains not reflected in the Company's EPRA Net Tangible Asset as at 30 September 2024 ("**Benchmark EPRA NTA**") are equivalent to not less than 90 per cent. of the Benchmark EPRA NTA and moving on a straight-line basis from 90 per cent. to 100 per cent. of the Benchmark EPRA NTA, which shall be payable on liquidation of the Company. For the avoidance of doubt, the sum of this base Fee and this conditional disposal fee shall not exceed £1,200,000 (plus VAT, if applicable).

For the period ended 31 March 2025, the Company incurred £608,000 (period ended 31 March 2024: £800,000) in respect of Fund Management Fees of which £2,036,000 was outstanding as at 31 March 2025 (31 March 2024: £616,711). The above fee was split between cash and equity as per the Fund Management Agreement with the cash equating to £456,000 (31 March 2024: £600,000) and the equity fee of £152,000 (31 March 2024: £200,000) being paid as 253,667 Ordinary Shares (31 March 2024: 309,372) at an average price of £0.60 per share (31 March 2024: £0.65 per share).

During the period the Directors and the Fund Manager received dividends from the Company of £10,487 (31 March 2024: £10,487) and £64,828 (31 March 2024: £53,369) respectively.

ReSI Property Management Limited (RPML) is a wholly owned subsidiary of Gresham House Holdings Limited and provides property management services to the Group on a cost pass through basis with no profit margin. During the period, RPML charged fees of £1,056,000 (31 March 2024: £1,079,00) in respect of property management services.

27. Post balance sheet events

Since the balance sheet date there has been 6 full staircasing events in the shared ownership portfolio, and further three retirement unit sale as part of portfolio rationalisation process.

On 12 June the Group entered into a new £10mn revolving credit facility with Shawbrook Bank Limited, maturing in December 2027. The Group cancelled its revolving credit facility with Santander.

There have been no significant events that require disclosure to, or adjustment in the financial statements as at 31 March 2025.

Supplementary Financial Information

For the period 1 October 2024 to 31 March 2025

1. EPRA Earnings recurring from core operational activities

	H1 2025 £'000	Restated H1 2024 £'000
Loss per IFRS income statement	(6,431)	(10,417)
Changes in value of investment properties	15,517	7,288
Profits or losses on disposal of investment properties	(200)	(168)
Profits or losses on sales of trading properties incl. impairment charges in respect of trading properties	–	(44)
Changes in fair value of financial instruments and associated close-out costs	(4,015)	7,752
Exclude one off costs	254	11
EPRA Earnings	5,125	4,422
Basic number of shares	185,163	185,163
EPRA Earnings per share (EPS) (pence)	2.8	2.4

Adjusted Earnings per share

	H1 2025 £'000	H1 2024 £'000
Company specific adjustments:		
Include shared ownership first tranche sales	–	44
Company specific Adjusted Earnings	5,125	4,466
Company specific Adjusted Earnings per share (pence)	2.8	2.4

2. EPRA Net Tangible Assets (NTA)

	H1 2025 £'000	2024 £'000
IFRS NAV per the financial statements	140,756	151,001
Revaluation of trading properties	–	–
Fair value of financial instruments	(18,503)	(12,845)
Real estate transfer tax	–	–
EPRA NTA	122,253	138,156
Fully diluted number of shares	185,163	185,163
EPRA NTA per share (pence)	66.0	74.6

The Group has debt which it elected to carry at fair value through profit or loss. In accordance with the EPRA Best Practice Recommendations, EPRA NTA should reflect the amortised cost of the debt rather than its fair value. In the current period, an adjustment has been made for £18.5mn which represents the difference between fair value and what amortised cost would have been had the Group carried the debt at amortised cost.

The fair value of financial instruments removes the effect of mark-to-market adjustments, arising from the movement in gilt yields and credit spreads, to include the value of debt at amortised cost which will be crystallised through holding debt in normal circumstances.

3. EPRA Net Reinstatement Value (NRV)

	H1 2025 £'000	2024 £'000
IFRS NAV per the financial statements	**140,756**	151,001
Revaluation of trading properties	**–**	–
Revaluation of financial instruments	**(18,503)**	(12,845)
EPRA NRV	**122,253**	138,156
Fully diluted number of shares	**185,163**	185,163
EPRA NRV per share (pence)	**66.0**	74.6

The Group has debt which it elected to carry at fair value through profit or loss. In accordance with the EPRA Best Practice Recommendations, EPRA NRV should reflect the amortised cost of the debt rather than its fair value. In the current period, an adjustment has been made for £18.5mn which represents the difference between fair value and what amortised cost would have been had the Group carried the debt at amortised cost.

The fair value of financial instruments removes the effect of mark-to-market adjustments, arising from the movement in gilt yields and credit spreads, to include the value of debt at amortised cost which will be crystallised through holding debt in normal circumstances.

4. EPRA Net Disposable Value (NDV)

	H1 2025 £'000	2024 £'000
IFRS NAV per the financial statements	**140,756**	151,001
Revaluation of trading properties	**–**	–
Fair value of financial instruments	**25,432**	21,242
Real estate transfer tax	**–**	–
EPRA NRV	**166,188**	172,243
Fully diluted number of shares	**185,163**	185,163
EPRA NRV per share (pence)	**89.8**	93.0

5. EPRA Net Initial Yield (NIY) and EPRA "Topped Up" NIY

	H1 2025 £'000	2024 £'000
Investment property – wholly owned	**–**	310,599
Trading property	**–**	–
Assets held for sale	**294,541**	15,085
Completed property portfolio	**294,541**	325,684
Allowance for estimated purchasers' costs estimated as 6% of property portfolio	**17,672**	19,541
Gross up completed property portfolio valuation	**312,213**	345,225
Annualised cash passing rental income	**27,725**	28,505
Property outgoings	**(11,062)**	(10,942)
Annualised net rents	**16,663**	17,563
Add: notional rent expiration of rent-free periods or other lease incentives	**–**	–
Topped-up net annualised rent	**16,663**	17,563
EPRA NIY	**5.3%**	5.1%
EPRA Topped up NIY	**5.3%**	5.1%

6. EPRA Vacancy Rate

	H1 2025 £'000	2024 £'000
Estimated Rental Value of vacant space	**883**	784
Estimated rental value of the whole portfolio	**29,131**	29,883
EPRA Vacancy Rate	**3.0%**	2.6%

7. EPRA Cost Ratios

	H1 2025 £'000	H1 2024 £'000
Administrative/operating expense line per IFRS income statement	**1,601**	1,514
Net service charge costs/fees	**3,049**	3,150
Management fees less actual/estimated profit element	**1,132**	1,162
Other property operating expenses	**1,348**	1,171
Service charge costs recovered through rents but not separately invoiced	**(2,979)**	(3,017)
EPRA Costs (including direct vacancy costs)	**4,151**	3,980
Direct vacancy costs	**(138)**	(158)
EPRA Costs (excluding direct vacancy costs)	**4,013**	3,822
Gross Rental Income less ground rents – per IFRS	**14,441**	14,363
Less: service fee and service charge costs components of Gross Rental Income	**(2,979)**	(3,017)
Gross Rental Income	**11,462**	11,346
EPRA Cost Ratio (including direct vacancy costs)	**36%**	35%
EPRA Cost Ratio (excluding direct vacancy costs)	**35%**	34%

Gross rental income includes service charges collected from tenants, included in rent collected but not separately invoiced, of £3,050,000 during the period (H1 2024: £3,017,000). Service charge expenses, as reflected in the cost of sales, also includes amounts paid in respect of properties which were vacant during the period of £2,000 (H1 2024: £133,000).

Management fees less actual/estimated profit element is made up of property management fees paid during the period.

8. EPRA LTV

	H1 2025 £'000	2024 £'000
Borrowings	**159,086**	179,739
Net payables	**6,025**	6,035
Less cash	**(11,327)**	(11,091)
Net debt	**153,784**	174,683
Investment properties at fair value	**–**	310,599
Assets held for sale	**294,541**	15,085
Total property value	**294,541**	325,684
EPRA LTV	**52%**	54%

9. AIC Ongoing Ratio

Total expenses ratio	H1 2025 £'000	2024 £'000
Management fee	**608**	1,411
Fund operating expenses*	**403**	806
	1,011	2,217
Annualised total expenses	**2,022**	2,217
Average Net Asset Valuation**	**145,879**	159,840
Annualised total expenses ratio	**1.4%**	1.4%

* Fund operating expenses has been revised to only include the direct costs at the fund level and not subsidiary level. No adjustment was made in the prior year.

** The average Net Asset Valuation is calculated as the average of the opening and closing NAV for the financial year.

10. Net rental yield

The net yield on the Group's historical cost of investment property represents the unlevered rental income return on the Group's capital deployed into acquisition of investment properties.

	H1 2025 £'mn	2024 £'mn
Annualised net rental income at balance sheet date	**16.7**	16.2
Fair value of investment properties	**294.5**	310.6
Net yield	**5.7%**	5.2%

Net rental yield in 2024 excludes Local Authority portfolio which was measured as assets held for sale and is not included in investment properties in H1 2025.

11. Total Return on NTA

A performance measure which represents the total return for the year, excluding movements in valuation of debt and derivatives, expressed as a percentage of opening NTA.

	H1 2025 £'mn	H1 2024 £'mn
Operating profit before property disposals and change in fair value	**7.8**	7.9
Valuation movement of investment properties	**(15.3)**	(7.1)
Finance costs	**(3.0)**	(3.5)
Debt Indexation*	**(1.6)**	(2.0)
Revaluation of trading properties	**–**	(0.1)
Property return	**(12.1)**	(4.8)
IFRS NAV at beginning of the prior year	**151.0**	168.7
Revaluation of trading properties	**–**	0.1
Fair value of financial instruments	**(12.8)**	(17.3)
Real estate transfer tax	**–**	–
Opening EPRA NTA	**138.2**	151.5
Movement in share capital	**–**	–
Decrease in the year	**(15.9)**	(8.6)
Closing EPRA NTA	**122.3**	142.9
Total return on opening NTA (%)	**(8.7)%**	(3.2)%

* The Group elected to carry this debt at fair value through profit or loss. In accordance with the EPRA Best Practice Recommendations, EPRA NTA should reflect the amortised cost of the debt rather than its fair value. In the current period, an adjustment has been made for £1.6mn which represents the difference between fair value and what amortised cost would have been had the Group carried the debt at amortised cost.

12. Total Return on IFRS NAV

A performance measure which represents the total IFRS return for the year as a percentage of opening IFRS NAV.

	H1 2025 £mn	H1 2024 £mn
Net loss	**(6.4)**	(10.4)
Share issuance costs		–
Total Return	**(6.4)**	(10.4)
Net Asset Value at the beginning of the year	**151.0**	168.7
Total IFRS return on opening NAV (%)	**(4.3)%**	(6.2)%

13. Loan to Value Ratio

The LTV leverage ratio has been presented to enable a comparison of the Group's borrowings as a proportion of Gross Assets as at 31 March 2024 to its medium target LTV leverage ratio of 0.50.

	H1 2025	2024
	£'000	£'000
Borrowings excluding lease liability	**159,086**	179,739
Available cash	**(9,463)**	(7,031)
Net debt excluding lease liability and cash increase in year	**149,623**	172,708
Total assets less finance lease gross up and cash	**298,320**	329,485
Loan to Value ("LTV") leverage ratio	**0.50**	0.52


BRADLEY ROAD
22 Bradley Road

04

Other Information

Glossary

Administrator	The Company's administrator from time to time, the current such administrator being MGR Weston Kay LLP.
AIC	Association of Investment Companies.
Alternative Investment Fund or "AIF"	An investment vehicle under the UK AIFM Regime.
Annual General Meeting or "AGM"	A meeting held once a year which shareholders can attend and where they can vote on resolutions to be put forward at the meeting and ask directors questions about the company in which they are invested.
Articles or Articles of Association	Means the articles of association of the Company.
Company Secretary	The Company's company secretary from time to time, the current such company secretary being Computershare Company Secretarial Services Limited.
Discount	The amount, expressed as a percentage, by which the share price is less than the net asset value per share.
Depositary	Certain AIFs must appoint depositaries under the requirements of AIFMD. A depositary's duties include, *inter alia*, safekeeping of assets, oversight and cash monitoring. The Company's current depositary is Thompson Taraz Depositary Limited.
Dividend	Income receivable from an investment in shares.
DSCR	Debt service cover ratio
Ex-dividend date	The date from which you are not entitled to receive a dividend which has been declared and is due to be paid to shareholders.
Financial Conduct Authority or "FCA"	The independent body that regulates the financial services industry in the UK.
Fund Manager	Gresham House Asset Management Limited, a subsidiary of Gresham House Limited, a company incorporated in England and Wales with company number 09447087in its capacity as Fund Manager to the Company.
Gearing	A way to magnify income and capital returns, but which can also magnify losses. A bank loan is a common method of gearing.
Housing Association	Means a regulated independent society, body of trustees or company established for the purpose of providing social housing.
HMRC	HM Revenue & Customs
ICR	Interest cover ratio
Investment company	A company formed to invest in a diversified portfolio of assets.
Like-for-like rental review	The change in gross rental income in a period for homes that were occupied and eligible for a rent review during the period under review. Applies to changes in gross rents on a comparable basis and excludes the impact of acquisitions, disposals and resident turnover.
Liquidity	The extent to which investments can be sold at short notice.

Loan to Value (LTV) Ratio	Ratio of total debt outstanding, excluding the finance lease liability, against the total assets excluding the adjustment for finance lease gross up.
Net assets	Means the net asset value of the Company as a whole on the relevant date calculated in accordance with the Company's normal accounting policies.
Net asset value (NAV) per Ordinary Share	Means the net asset value of the Company on the relevant date calculated in accordance with the Company's normal accounting policies divided by the total number of Ordinary Shares then in issue.
NOI	Net operating income
Non PID dividend	Means a dividend paid by the Company that is not a PID.
Ongoing charges	A measure, expressed as a percentage of average net assets, of the regular, recurring annual costs of running an investment company.
Ordinary Shares	The Company's Ordinary Shares of 1p each.
PID	Means a distribution referred to in section 548(1) or 548(3) of the CTA 2010, being a dividend or distribution paid by the Company in respect of profits or gains of the Property Rental Business of the Group (other than gains arising to non-UK resident Group companies) arising at a time when the Group is a REIT insofar as they derive from the Group's Property Rental Business.
Portfolio	A collection of different investments held in order to deliver returns to shareholders and to spread risk.
Premium	The amount, expressed as a percentage, by which the share price is more than the net asset value per share.
Property Rental Business	Means a Property Rental Business fulfilling the conditions in section 529 of the CTA 2010.
REIT	Real estate investment trust.
Rental growth	The change in gross rental income in a period as a result of rent increases, tenant renewals or a change in tenants. Applies to changes in gross rents on a comparable basis and excludes the impact of acquisitions, disposals and changes resulting from refurbishments.
Reversionary Surplus	The increase in valuation if the portfolio is valued on a vacant possession basis compared to the IFRS fair value.
RPI	The Retail Price Index (RPI) is a measure of inflation, which in turn is the rate at which prices for goods and services are rising.
Share buyback	A purchase of a company's own shares. Shares can either be bought back for cancellation or held in treasury.
Share price	The price of a share as determined by a relevant stock market.
Shared Owner	Means the part owner of a shared ownership home that occupies such shared ownership home in return for the payment of rent to the co-owner.
Total return	A measure of performance that takes into account both income and capital returns.
Treasury shares	A company's own shares which are available to be sold by a company to raise funds.
UK AIFM Regime	Together, The Alternative Investment Fund Managers Regulations 2013 (as amended by The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019) and the Investment Funds Sourcebook forming part of the FCA Handbook, in each case as amended from time to time.

Company Information

Directors

Robert Whiteman
(Non-executive Chairman)

Robert Gray
(Senior Independent Director)

Elaine Bailey
(Non-executive Director)

Registered Office

The Pavilions
Bridgwater Road
Bristol BS13 8FD

Company Information

Company Registration Number: 10683026
Incorporated in the United Kingdom

Fund Manager

Gresham House Asset Management Limited
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Corporate Broker

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Legal

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London EC2N 4AG

Tax Adviser

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London EC2V 7BG

Depositary

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Administrator

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Company Secretary

Computershare Company Secretarial Services Limited
The Pavilions
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Bristol BS17 8AE

Registrar

Computershare Investor Services PLC
The Pavilions
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Bristol BS13 8AE

Auditors

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Public Relations Adviser

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Valuers

Savills (UK) Limited
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Sales Agent

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30 Warwick Street
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Gresham House
Specialist investment