

SOHO ○○○
SOCIAL HOUSING REIT

SOCIAL HOUSING REIT PLC
ANNUAL REPORT & ACCOUNTS
31 DECEMBER 2025

SECURE FUTURES
SECURE INCOME





WHO WE ARE

Social Housing REIT plc ("SOHO") invests in social housing properties in the UK, focusing on homes in the Specialised Supported Housing sector which have been adapted or purpose built for people with mental and/or physical care and support needs.

We believe our residents deserve a home in a community setting that offers greater independence than traditional institutional accommodation whilst meeting their specialist care needs.

We are one of the leading, and the only publicly quoted, Specialised Supported Housing companies in the UK, helping provide a secure future for people in need across the country whilst ensuring that our shareholders have an attractive, long-term income source.

WHAT WE DO

We seek to offer vulnerable people across the UK tenancies in properties which are appropriate for their specific care and support requirements. These needs often result from mental health problems, learning disabilities, or physical and sensory impairment.

Our accommodation differentiates itself by serving as a home within a community; this compares with the care facilities that have historically been the mainstay for vulnerable people whose care needs are similar to our residents. We provide value for money to local and central government budgets by offering housing that is more suitable and cost-effective than institutional alternatives.

Our portfolio of high quality, safe and appropriately adapted properties is leased to Approved Providers, who receive payments from central or local government to provide homes for our residents. Through these leases, we offer our shareholders sustainable long-term income that is correlated with inflation.



KEY HIGHLIGHTS

£606.3mPortfolio valuation
(December 2024: £626.4 million)**£43.7m**Contracted rental income
(December 2024: £42.6 million)**492**Portfolio properties
(December 2024: 494)**6.82%**EPRA net initial yield (NIY)
(December 2024: 6.44%)**5.622p**Dividend per ordinary share
(December 2024: 5.460 pence)**3,412**Portfolio units
(December 2024: 3,424)**1.17x**Adjusted Dividend Cover
(December 2024: 0.99x)**6.37p**EPRA Earning per Share
(December 2024: 5.08p)**94.23p**EPRA NTA Per ordinary share
(December 2024: 99.05 pence)

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THE YEAR IN BRIEF

Since Atrato Partners Limited's ("Atrato") appointment as Investment Manager in January 2025, Atrato has been progressing solutions to key legacy challenges, including lease assignments to stronger counterparties and continuing the implementation of new risk-sharing structures with housing associations to improve long-term alignment.

Atrato has also been pursuing solutions to better secure the rental income derived from its properties, in conjunction with its legal advisers and after discussion with the Regulator of Social Housing. This is intended to provide better visibility and certainty on rental income collection in order to restore confidence in SOHO and the wider SSH sector.

3 FEBRUARY

The Company noted that My Space Housing Solutions ("My Space") had filed proposals for a Company Voluntary Agreement ("CVA"). The Company had 34 properties let to My Space, which had not paid rent since June 2024.

20 MAY

Declared an interim dividend of 1.4055 pence per Ordinary Share for the period from 1 January to 31 March 2025.

Announced a 3.0% increase on the 5.46 pence target dividend per share paid for 2024 to 5.622 pence per share for the year to 31 December 2025, the first increase in the dividend target since 2022.

Announced the change from a quarterly to a bi-annual valuation of the Company's portfolio, bringing the Company in line with the wider listed UK Real Estate sector. This change would result in a reduction of ongoing costs, in line with the Investment Manager's approach to driving further efficiency savings.

10 MARCH

Announced that the CVA proposal of My Space was approved by a credit vote on 7 March 2025, with lease arrangements varied to a pass-through basis with historic rental arrears written off. Atrato successfully negotiated an option agreement with My Space ahead of the CVA process, enabling SOHO to transfer all My Space leases within a 12-month period following the completion of the CVA challenge period.

20 MARCH

Declared an interim dividend of 1.365 pence per Ordinary Share for the period from 1 October to 31 December 2024, resulting in an aggregate total dividend of 5.46 pence per Ordinary Share for the year ended 31 December 2024.

24 MARCH

The Company announced its full results for the year ended 31 December 2024.

27 JUNE

Fitch Ratings reaffirmed the Company's existing Investment Grade, long-term Issuer Default Rating of "A-" and a senior secured rating of "A" for the Group's existing loan notes.

In August 2025, the Group completed its construction of a purpose-built, forward-funding project with Golden Lane Housing, a charity that is one of the leading Approved Providers in the Specialised Supported Housing ("SSH") sector. The project delivered 12 purpose-built, specially-adapted apartments for residents in response to identified local demand.

The portfolio-wide EPC Upgrade Programme was commenced during the year which will bring all homes to a compliant energy efficiency score ahead of an expected 2030 deadline. Continued investment in energy-efficiency improvements that enhance both environmental and financial resilience, is the Company believes, the right thing to do for both residents and shareholders alike.

3 JULY

Announced the appointment of Deutsche Numis as the Company's sole corporate broker and financial adviser with immediate effect.

9 SEPTEMBER

Declared an interim dividend of 1.4055 pence per Ordinary Share for the period from 1 April to 30 June 2025.

10 SEPTEMBER

Hosted a site visit and tour of the newly developed Brooke House, Chorley, hosting members of the developer (HP Villages), Care Provider (Glenelg Support) and Approved Provider (Golden Lane Housing) as well as investors and research analysts.

10 SEPTEMBER

Announced its interim results for the six months ended 30 June 2025.

POST YEAR END EVENTS

PROPERTY SALES

3 non-performing properties sales have completed at time of announcement.

23 FEBRUARY 2026

Following regulatory engagement, two properties were successfully assigned from Pivotal to IHL.

18 MARCH 2026

20 properties previously assigned from Parasol to Portus (formerly Westmoreland) achieved stabilisation and reverted to fully-repairing and insuring lease terms.

20 MARCH 2026

The Company declared an interim dividend of 1.4055 pence per Ordinary Share for the period from 1 October to 31 December 2025, resulting in an aggregate total dividend of 5.622 pence per Ordinary Share for the full year ended 31 December 2025 in line with the target.

6 NOVEMBER

Announced the appointments of Jos Short (joining 1 March 2026) and Fionnuala Hogan (joining 10 November 2025) as Independent Non-Executive Directors.

It was also confirmed that Chris Phillips and Peter Coward will step down at the 2026 AGM, with Jos succeeding Chris as Board and Nomination Committee Chair and Fionnuala succeeding Peter as Audit Committee Chair.

27 NOVEMBER

Declared an interim dividend of 1.4055 pence per Ordinary Share for the period from 1 July to 30 September 2025.



CHAIR'S STATEMENT

It is a privilege to present my final Chair's statement for the Social Housing REIT plc. As I conclude my nine years as Chair, I am pleased to report that I leave SOHO in a strong financial position and well positioned for future growth having completed the appointment of Atrato as Investment Manager in January 2025 and changed the Company's financial advisers.

Our Specialised Supported Housing ("SSH") portfolio is a key facilitator of independence for those vulnerable adults who call our properties home. Across our extensive portfolio, registered providers of social housing ("Approved Providers") manage our properties and collect rent paid for residents by housing benefit, funded by central Government. This model continues to underpin the Company's focus on secure, inflation-aligned income streams, offering independent living.

In a listed real estate market where scale and liquidity are increasingly important to institutional investors, the Board remains clear that relevance and investability require both income security and credible growth ambitions.

The value of asset-backed residential strategies offering attractive long-term income is increasingly recognised. The Company continues to engage actively with shareholders to reinforce understanding of the SSH sector's underlying fundamentals. These fundamentals are shared by other adjacent living sector strategies, with demographic drivers and funding reforms reshaping occupational demand and financial outcomes. The Company is well positioned to be a beneficiary of this dynamic.

The Board has been encouraged to see the improvement in the Company's share price and the corresponding improvement in the discount to Net Asset Value ("NAV").

Macroeconomic Backdrop

Several macroeconomic indicators improved during the year, although geopolitical uncertainty continued to weigh upon markets and economic growth. Earlier concerns that interest rates would remain elevated placed pressure on property valuations. Whilst inflation declined meaningfully during 2025, allowing for a 100 basis point reduction in the UK base rate to 3.75% during the year, more recent geopolitical events could see a short to medium-term inflation pick up. We remain optimistic that, over the longer term, lower inflation will support a more stable interest rate environment, which should be supportive of income-producing real estate, particularly strategies with inflation-linked cashflows such as SSH.

The Company continues to benefit from attractive long-term debt. All borrowings are fixed rate, with a weighted unexpired average term of 7.6 years and a weighted average fixed rate of 2.74%. This conservative financing structure supports income resilience and underpins the Company's ambition to pursue disciplined growth.

Sector Tailwinds

Positive policy reforms introduced by the Labour Government in 2025, including the £39 billion Affordable Homes Programme and the introduction of a ten-year CPI plus 1% rent settlement, provide long-term favourable tailwinds for the sector. Despite this, the UK continues to face a structural supply shortage in supported housing. Demand for SSH remains strong, driven by demographic trends and policy preference for community-based living.

The persistent supply/demand imbalance, combined with the appeal of inflation-linked rental uplifts, has underpinned our portfolio performance over the past 12 months and provides a strong platform for sustainable income growth over time.

Operational Performance

Across the portfolio, excluding the Portus and My Space matters noted below, rent collection remained strong with 100% collected during the year. In total, the Company has 389 leases with a total annualised contracted rental income of £43.7 million as at 31 December 2025, an increase of £1.1 million over the year, resulting from contractual inflation-linked rental uplifts, with all leases subject to annual index-linked reviews.

The homes within the portfolio continue to be well maintained – over 440 asset inspections having been completed to ensure they remain safe and compliant. They are also well utilised, with occupancy rising to 87% following the sale of non-core assets identified by the Investment Manager. For context, it is worth noting that sustainable occupancy in the SSH sector is generally accepted to be around 80%. Our current levels comfortably exceed this threshold. The Investment Manager continues to undertake property-by-property reviews of occupancy with its lessees to ensure long-term sustainability and income visibility.

The Investment Manager inherited a portfolio with two Approved Provider challenges which were disrupting rent collection. Since its appointment in early 2025, they have driven rapid progress toward resolving both issues, with solutions now well advanced.

The Investment Manager has substantially completed the stabilisation of properties transferred from Parasol to Portus and advanced the lease assignments from My Space to Inclusion and from Pivotal to IHL. These actions are on track to strengthen rent collection and asset value, undertaken throughout with careful prioritisation of vulnerable residents' needs.

In parallel, Atrato is working to mitigate longer term counterparty risk; a pilot is now being established to improve rent recovery resilience, with plans for a wider rollout upon successful completion.

Portfolio Optimisation

The Investment Manager has completed the assessment of each property against five key characteristics of a successful SSH scheme: suitable properties, appropriate adaptations, identified demand, sustainable rents, and reputable partners. Through its initial portfolio-wide property review, a small number of assets were identified as unsuitable or below required standards. These assets are being disposed of, with sales already progressing at or around book value. The remaining portfolio is well positioned to provide long-term homes for residents and durable income for shareholders.

I am pleased to report that our most recent forward-funded scheme in Chorley reached practical completion during the year and is nearing full occupation. Looking ahead, the Board expects the Company to move from stabilisation towards a measured phase of earnings-led growth, focused on scale, liquidity and sustainable dividend progression.

Alongside social impact benefits, Atrato continues to enhance the environmental credentials of the portfolio. The portfolio-wide EPC Upgrade Programme has commenced, and compliance with anticipated legislative standards improved from 71% to 77% during the year. We expect to achieve full compliance by 2028, ahead of the anticipated 2030 deadline.

The newly introduced Sustainability Report, which accompanies this Annual Report and this year's Social Impact Report, exemplifies the Investment Manager's evolving focus on the wider societal and environmental impacts of our investment decisions and the role the Company plays in delivering efficient homes that work for residents and the environment.

2026 Outlook

The Board is confident that improved rent collection, inflation-linked income growth and disciplined capital allocation will support further narrowing of the NAV discount. Growth will be pursued only where it reinforces income quality and strengthens long-term dividend cover.

The dividend target was increased in 2025 to 5.622 pence per share and remains well covered at 1.17 times. Completion of the Portus and the My Space assignments is expected to support further dividend growth in 2026.

As I conclude my tenure as Chair, I thank shareholders, advisers and my fellow Directors for their continued support. I am confident that Jos Short, as Chair-elect, supported by Fionnuala Hogan as Audit Chair, who replaces Peter Coward who has also completed nine years of tenure, will guide the Company admirably through its next phase.

With a strengthened platform, an inflation-aligned income profile, and a clear ambition to build scale responsibly within the listed market, I believe that SOHO is positioned to deliver secure and growing dividends for shareholders over the long term.



Chris Phillips
Chair

25 March 2026

“

I AM PLEASED TO REPORT THAT I LEAVE THE COMPANY IN A STRONG FINANCIAL POSITION AND WELL-POSITIONED FOR FUTURE GROWTH.”





KEY PERFORMANCE INDICATORS

We set out below our key performance indicators for the Company.

KPI and Definition	Performance (as at 31 December 2025)
1. IFRS & EPRA NTA Per Share	
The value of our assets (based on an independent valuation) less the book value of our liabilities, attributable to Shareholders and calculated in accordance with EPRA guidelines. Further information is set out in Note 3 of the Unaudited Performance Measures.	94.23 pence per share (31 December 2024: 99.05p)
2. Total Accounting Return	
Total accounting return is measured by reference to the growth in the Group's share price over a period, plus dividends declared for that period.	0.8% for the year (31 December 2024: -8.1%) The total accounting return since IPO is 39.1%
3. Adjusted EPS	
EPRA earnings adjusted for company specific items to reflect the underlying profitability of the business, calculated on the weighted average number of shares in issue during the year.	6.53 pence per share for the year (31 December 2024: 5.40p)
4. Adjusted Dividend Cover	
Dividends paid or declared in respect of the year ended 31 December 2025 totalled 5.622 pence, with dividend cover based on adjusted earnings.	The dividend was 1.17x covered for the year (31 December 2024: 0.99x)
5. Net Loan to Value ("LTV")	
Net LTV is calculated as net borrowings (being total borrowings less cash and cash equivalents) divided by the gross carrying value of investment properties and other relevant property assets.	39.5% (31 December 2024: 37.7%)
6. Rent Collection	
Rent collection is one of the Group's principal measures of performance, measured against total contracted rent due. Material rent arrears during the year mainly attributable to two Approved Providers, My Space Housing Solutions and Portus Supported Housing Limited.	91.5% for the year (31 December 2024: 87.6%)
7. Ongoing Charges Ratio	
A measure of all operating costs incurred, calculated as a percentage of average net assets in that year.	1.51% (31 December 2024: 1.64%)
8. EPRA Cost Ratio	
Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.	18.68% (31 December 2024: 29.89%)
9. Exposure to Largest Approved Provider	
The percentage of the Group's gross assets that are leased to the single largest Approved Provider.	33.4% (31 December 2024: 30.9%)

Adjusted earnings is a performance measure used by the Board to assess the Group's financial performance and dividend payments. The metric adjusts EPRA earnings for non-cash items such as the amortisation of finance costs and the movement in lease incentive debtor. Adjusted earnings is considered a better reflection of the measure over which the Board assesses the Group's trading performance and dividend cover.

Adjusted EPS reflects the adjusted earnings defined above attributable to each share.

The Group uses alternative performance measures including the European Public Real Estate (“EPRA”) Best Practice Recommendations (“BPR”) to supplement its IFRS measures as the Board considers that these measures give users of the financial statements the best understanding of the underlying performance of the Group’s property portfolio. The EPRA measures are widely recognised and used by public real estate companies and investors and seek to improve transparency, comparability and relevance of published results in the sector.

The EPRA cost ratio does not exclude the impact of non-operational or exceptional items.

Reconciliations between EPRA measures and the IFRS financial statements can be found in the unaudited performance measures section on pages 131 to 135.





EPRA PERFORMANCE MEASURES

The table below shows additional performance measures, calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association ("EPRA"). We provide these measures to aid comparison with other European real estate businesses.

For a full reconciliation of all EPRA performance indicators, please see the Notes to EPRA measures within the supplementary section of the financial statements.

Measure and Definition	Performance (as at 31 December 2025)
------------------------	--------------------------------------

1. EPRA EPS

A measure of EPS designed by EPRA to present underlying earnings from core operating activities.

6.37 pence per share for the year
(31 December 2024: 5.08p)

2. EPRA Net Reinstatement Value ("NRV") Per Share

An EPRA NAV per share metric which assumes that entities never sell assets and aims to represent the value required to re-build the entity.

103.56 pence per share
(31 December 2024: 108.86p)

3. EPRA Net Tangible Assets ("NTA") Per Share

An EPRA NAV per share metric which assumes entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

94.23 pence per share
(31 December 2024: 99.05p)

4. EPRA Net Disposal Value ("NDV") Per Share

An EPRA NAV per share metric which represents the Shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

106.62 pence per share
(31 December 2024: 113.95p)

5. EPRA Net Initial Yield ("NIY")

Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.

6.82%
(31 December 2024: 6.44%)

6. EPRA "Topped-Up" Net Initial Yield

This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

6.82%
(31 December 2024: 6.45%)

7. EPRA Vacancy Rate

Estimated Market Rental Value ("ERV") of vacant space divided by ERV of the whole portfolio.

1.54%
(31 December 2024: 0.32%)

8. EPRA Cost Ratio

Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.

18.68%
(31 December 2024: 29.89%)

9. EPRA LTV

Net debt divided by total property portfolio and other eligible assets.

39.08%
(31 December 2024: 37.66%)

10. EPRA Like-For-Like Rental Growth

Changes in net rental income for those properties held for the duration of both the current and comparative reporting period.

Rental increase of 2.21% for the year
(31 December 2024: 4.16%)

11. EPRA Capital Expenditure

Amounts spent on the purchase and development of investment properties (including any capitalised transaction costs).

£2.2 million for the year
(31 December 2024: £2.2 million)



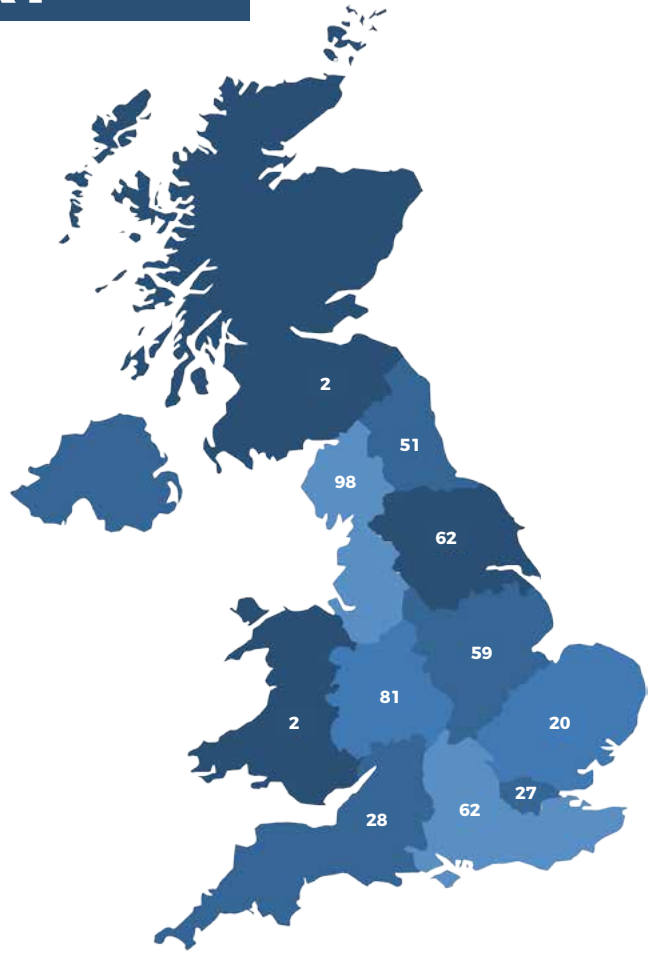
PORTFOLIO SUMMARY

Property Portfolio

As at 31 December 2025, the portfolio comprised 492 properties offering homes for 3,412 individuals which are geographically diversified across the UK. The table below shows the portfolio split by region.

Region	Properties	% of funds invested*
North West	98	19.5
West Midlands	81	16.1
Yorkshire	62	14.2
East Midlands	59	12.0
North East	51	9.9
South East	62	9.5
London	27	8.6
South West	28	4.6
East	20	4.1
Scotland	2	1.0
Wales	2	0.5
Total	492	100

* Calculated excluding acquisition costs



Top 10 Lessees	Number of Properties	Annual Rent Roll £m	% Rent Roll	% 2025 Rent Collection	% Resident Occupancy
Inclusion	124	£12.91	29.6%	100%	89%
Portus ¹	79	£6.18	14.1%	100% ²	83%
Hilldale	30	£3.68	8.4%	100%	89%
Falcon	60	£3.61	8.3%	100%	88%
My Space	34	£3.51	8.0%	100% ³	53%
Chrysalis	27	£2.39	5.5%	100%	90%
Auckland	30	£2.01	4.6%	100%	91%
Blue Square	12	£1.67	3.8%	100%	88%
Care Housing Association	11	£1.62	3.7%	100%	97%
Highstone	21	£1.53	3.5%	100%	93%
	428	£39.11	89.5%		

- 1 Portus Supported Housing was created from the merger of Bespoke Supportive Tenancies (BeST) and Westmoreland Supported Housing.
- 2 Following the assignment of leases away from Parasol, Portus have moved to a pass-through lease basis during the stabilisation phase. Up to 31 December, this has reflected improved rent collection of an aggregate 81.6% against the pre-assignment contracted rent level (H1 2025: 75.4%).
- 3 My Space leases, until they are assigned, were varied by their CVA to a pass-through basis.

HIGHLIGHTS

389

LEASES

(December 2024: 391)

27

APPROVED PROVIDERS¹

(December 2024: 28)

100%

RENTAL UPLIFTS²

(December 2024: 100%)

100%

FIXED PRICE, RATED DEBT³

(December 2024: 100%)

39.5%

NET LTV⁴

(December 2024: 37.7%)

0.8%

TOTAL ACCOUNTING RETURN⁵

(December 2024: (8.1)%)

18.68%

EPRA COST RATIO⁶

(December 2024: 29.89%)

0.76p

IFRS EARNINGS PER SHARE⁷

(December 2024: (9.25) pence per share)

22.4 years

WAULT⁸

(December 2024: 23.4 years)

- As at 31 December 2025, the Group had leases with 27 Approved Providers following the merger of Westmoreland Supported Housing Limited into Bespoke Supportive Tenancies Ltd, now named Portus Supported Housing Limited.
- Rental uplifts are 100% linked to either CPI or RPI, or prevailing government policy if lower (14% of leases are capped at 4%, with one additional lease capped at 5%).
- At 31 December 2025, the weighted average cost of debt was 2.74% which is entirely fixed, and the weighted average term to maturity was 7.6 years. The debt has an investment grade 'A' Fitch rating.
- Net LTV is calculated as balance sheet borrowings less cash and cash equivalents divided by investment property value.
- The total accounting return including dividends to 31 December 2025 was 0.8% and is based on the prior year's NAV (NTA). Total accounting return since IPO (2017) including dividends to 31 December 2025 was 39.1% (December 2024: 38.3%) and is based on the NAV (NTA) immediately following the Company's IPO.
- The EPRA cost ratio is a ratio of total administrative and operating costs expressed as a percentage of gross rental income.
- IFRS earnings per share for the year ended 31 December 2025 was 0.76 pence.
- The weighted average unexpired lease term ("WAULT") as at 31 December 2025 includes put/call options and reversionary leases.



BOAT HOUSE



FUND MANAGER'S REPORT

Introduction

This report marks our first anniversary as Investment Manager for Social Housing REIT plc ("SOHO"). Over the past year, we have made considerable progress in remediating not only the existing portfolio, but also confidence in the asset class.

Specialised Supported Housing ("SSH") remains a vital component of the UK residential market, providing specifically adapted homes for vulnerable adult residents and enabling independent living with support. This long-term housing solution delivers improved wellbeing outcomes for residents and material savings to the public purse, representing an invaluable win-win in an era of constrained public finances.

Demonstrating Sector Value and Restoring Investor Confidence

Despite our confidence in both the sector and SOHO's portfolio, the well-publicised failures of other, different social housing models have affected shareholder and public sector confidence in SSH. It is therefore essential that we demonstrate SOHO's continued ability to deliver secure, inflation-aligned income for shareholders, whilst also playing an active role in restoring confidence in the sector as a viable private sector asset class.

We are pleased to see momentum returning, reflected in the SOHO share price and the narrowing of the discount to NAV during the year. Improved investor sentiment has been supported by continued progress in portfolio optimisation. This includes enhanced asset standards, clearer counterparty expectations, the replacement of underperforming lessees, and the disposal of noncore assets. SOHO's increasingly refined portfolio demonstrates the benefits of proactively managed SSH assets and we remain focused on evidencing those outcomes.

Portfolio Optimisation

At its core, SSH is simply operational residential real estate. This requires the right property in the right location, with the correct adaptations. Given those factors, occupancy will be high and rents sustainable. Leveraging our experienced operational team and sector expertise, we are working to strengthen lessee relationships, enhance property quality, and improve both resident and financial outcomes.

Our primary focus since appointment has centred on two workstreams. First, completing the assignments from Parasol Homes ("Parasol") to Portus and implementing solutions in respect of My Space Housing Solutions ("My Space").

Second, acting decisively on the outcomes of our comprehensive portfolio review. Both workstreams have progressed materially and once completed, will result in improved occupancy, enhanced rent collection, and strengthened income visibility.

Lease Assignments

Parasol to Portus

In the second half of 2024, the Parasol leases were assigned to Portus.

Post-assignment, all 38 properties moved to an initial stabilisation period, where the Company receives rent on an agreed pass-through basis. Portus has now assessed maintenance costs and sustainable rental levels. We are pleased to confirm that 20 properties have reverted back to long-term fully repairing and insuring ("FRI") leases at the top end of the previously indicated target range (75-85%) of the previously contracted rents.

The remaining properties assigned to Portus are expected to revert to FRI terms during 2026.

My Space

The principal portfolio challenge relates to the My Space portfolio of 34 properties. My Space ceased paying rent in June 2024 due to financial difficulties. In March 2025, My Space entered into a Company Voluntary Arrangement ("CVA"). Prior to the CVA vote, we secured an option agreement on behalf of the Company permitting assignment of SOHO's properties within 12 months of the challenge period.

Whilst rent collection has recommenced under a pass-through arrangement, we concluded that assignment of these properties to stronger approved providers was in shareholders' best interests.

A two-part solution is being implemented:

- Notice has been served to assign eight well-occupied properties to Inclusion. This is due to complete imminently and will move from pass-through to long-term FRI leases following stabilisation. Since the option was agreed, 86% of the contracted rent was collected in these properties.
- Of the remaining My Space properties, those which are vacant will be sold once deeds of surrender are agreed. Those which have been assessed as unsuitable or economically unviable, will temporarily be assigned to Granville Community Homes to facilitate the transfer of residents to more appropriate accommodation, after which vacant possession will be secured and the properties will be sold.

Throughout this process, all vulnerable residents will be fully supported to ensure their housing needs remain met and that any transfers are handled sensitively with the residents and their representatives.

This structured approach is consistent with our earnings-led strategy and focus on strengthening income quality.

Asset Disposals

Following our appointment in early 2025, we conducted a full portfolio review to identify property and operational issues. This comprehensive review identified selected properties which we deemed unsuitable or economically unviable. These properties were largely contained within the portfolio leased to My Space (referred to above). However, they also included four properties leased to Portus (three within the portfolio leased to Portus and one to BeST), and individual properties leased to Blue Square and Falcon.

In respect of vacant properties, two were immediately sold to a Local Authority. For the remainder, lease surrenders are, or will be, agreed and sales achieved via auction. Three sales have already completed, with a further ten sales agreed via auction, post-year end.

For the other partially occupied properties, we have been working with the respective Approved Providers to achieve vacant possession. Any residents will be moved to alternative suitable properties in conjunction with the relevant stakeholders, before the leases are surrendered. They will then be similarly sold via auction over the coming months.

Auction sales achieved to date have been at or around book value.

Disposal proceeds will be redeployed into accretive opportunities consistent with our focus on strengthening income and improving portfolio quality whilst maintaining a disciplined capital allocation approach.

Asset Management

Assignments and disposals have been a key focus of our portfolio optimisation, however we remain focused on ensuring our properties are well managed and maintained, benefiting our residents both now and into the future.

During 2025, 442 inspections were completed across our portfolio of 492 assets. These inspections collect valuable information about the condition and operation of our homes. They also complement the health and safety and other mandatory regulatory information we receive from our Approved Provider lessees. They guide our engagement with the lessees and ensure that both standards and contractual obligations are met.

“
**WE ARE MAKING
STRIDES IN
REPOSITIONING THE
ASSET CLASS, CREATING
A ROBUST FOUNDATION
FOR FUTURE GROWTH.”**

442

INSPECTIONS
COMPLETED

18.68%

EPRA COST RATIO





FUND MANAGER'S REPORT

We have commenced the roll out of the EPC Upgrade Programme, which will ensure that all properties have an Energy Performance Certificate ("EPC") rating of C or above in advance of the expected legislative deadline of 2030. Whilst the portfolio was already materially more efficient (average EPC 'C') than the wider housing market (average EPC 'D'), the Company is committed to being a sector leader when it comes to reducing emissions.

By 2028, the Programme will deliver both compliant EPC ratings and reductions in occupational energy consumption. Already, at the end of 2025, 77% of the Company's properties now benefit from an EPC of C or better, improving 6% over the year and overall energy consumed across the portfolio is declining - benefiting the environment and reducing the costs incurred by residents.

Our Sustainability Report, which accompanies this Annual Report, contains further detail on our progress, certifications and ambitions as we work to future-proof our homes, make them more comfortable for residents, and achieve our Net Zero targets.

Proactive Asset Management

The immediacy of our actions in assigning underperforming counterparties and exiting unsuitable properties reflects our proactive approach. Whilst doing so, we will continue to operate with transparency, ensuring shareholders are informed of our actions and intentions.

We also continue to evolve our asset management processes iteratively, leveraging operational data and sector expertise to mitigate risk proactively. By doing so, we seek to avoid tenant issues such as those experienced with Parasol and My Space. Where they do arise, we will deliver solutions in a more expeditious manner than has been achieved historically, seeking to avoid future material credit losses.

With the right properties, assignments to new Approved Provider lessees can be facilitated, leaving residents, income and value unaffected. Our assignment from Pivotal to Independent Housing (IHL) of two properties in Cornwall (undertaken in 2025 and completing early in 2026) typifies this principle and our proactive approach.

When Pivotal received an Enforcement Notice from the Regulator of Social Housing during the year, we moved quickly to identify an alternative lessee, engaged with the Local Authority and care providers, effecting the assignment with no impact to residents. Rental income continued to be paid by

Housing Benefit in respect of the two properties and care provision to the residents was unaffected.

Central to this process was strong engagement with counterparties, leveraging our networks (including facilitating the introduction of a new care provider to one of the schemes) to implement a solution. The process completed in early 2026. We look forward to working with IHL going forwards on the two schemes, which are well-occupied and well-supported by the Local Authority.

Enhanced Lessee Monitoring

We maintain rigorous oversight of our Approved Providers through financial monitoring, KPI tracking, regular meetings, and property inspections. By working proactively with our lessees, we seek to minimise the occurrence of operational risks. Where challenges arise, we work collaboratively to remedy any issues swiftly. If required, we will not hesitate to assign leases to more appropriate approved providers or find alternative solutions for properties.

It is important to reiterate that whilst the SSH sector has often historically been described as one which offers government-backed income, the reality of the sector and its lease counterparts is more nuanced.

Robust contractual arrangements in the form of long-term fully repairing and insuring ("FRI") leases are in place. However, although the Company's lessees are highly specialist organisations which deliver social good to society's most vulnerable people, they are not institutional grade covenants.

As noted earlier, it is key to understand that SSH comprises operational residential properties and relies on two key elements:

- A) The property fundamentals of location, structural quality and functionality with an appropriate rent basis; and
- B) The operational efficacy of the lessees.

The Group's lessees are instrumental in delivering day-to-day operational performance. The properties are typically specialised or adapted to house people often with a variety of complex needs. The lessees' staff are trained individuals who are passionate about improving people's lives. The properties require both intensive housing management and to be kept to a high standard, requiring specific levels of adaption to ensure that residents' homes are comfortable and safe.

These requirements are far beyond what one would expect to see in the Private Rental Sector which makes the lessees' expertise vital.

Valuation

Market pricing certainty continues to be hampered by limited transactional activity across the SSH sector. After a 20bps softening of the portfolio Net Initial Yield ("NIY") in the first half of 2025, which saw the portfolio yield move from 6.22% to 6.42% at 30 June 2025, there were no further movements during the second half of the year. At 31 December 2025, the portfolio NIY therefore remained at 6.42%, reflecting an EPRA NIY of 6.82%.

Reflecting this outward shift in investment yields over the year, the portfolio value as at 31 December 2025 was £606.3 million compared to £626.4 million at 31 December 2024, representing a decline of 3.2% over the period, driven in large part by a reduction in the valuation attributed to properties being considered for sale.

All of SOHO's leases are reviewed annually, with the majority of inflation-linked uplifts occurring in April, based on the prior September reference rate in line with the wider social housing sector. For April 2026, this reference rate will be 3.8%.

Income Security Enhancement

We continue to explore structuring options to strengthen the security of rental income from our occupied homes. While legislative change would be required for us to receive rental income directly, we are, together with one of our Approved Providers, segregating rental cashflows for a number of properties into a dedicated account from which SOHO is the sole payee. This approach, supported by legal advice, has been discussed with the Regulator of Social Housing, and the Approved Provider will be seeking the Regulator's views once implemented.

Subject to the Regulator's acceptance and confirmation that the change has no adverse impact on the Approved Provider's financial viability, we plan to replicate this structure across the wider portfolio.

Over the medium term, we will continue to advocate for reform of the sector's financial model to provide clearer visibility and greater control over rental income. We believe that achieving a more direct link to government sourced cashflows could materially lower the risk profile of SSH, reduce the cost of capital, and attract new investment to support the delivery of more homes at lower rents.

We will continue to keep shareholders updated as this work progresses.

Outlook

As we look ahead to 2026, we remain confident in SOHO's trajectory. Our near-term priorities are:

- **Portfolio optimisation: sales, assignments and asset enhancements.** We are nearing completion of the Parasol to Portus stabilisation and have commenced a solution for the My Space portfolio, including assignments to stronger counterparties and sales of non-core assets. These initiatives will lead to improved occupancy, rental levels, rent collection and will be supportive to asset value of assets held. Concurrently, we will continue to enhance the energy efficiency of our homes, ensuring they are suitable for our residents now and into the future.
- **Restoring confidence with continued transparency.** We remain strong and vocal advocates for the sector and the benefits it can deliver for residents, shareholders and the public purse and will continue working to restore investor confidence in the SSH model. Restoring confidence in the ability of SSH to deliver long-term inflation-aligned income whilst delivering positive social impact, should support a further narrowing of the share price discount to NAV.
- **Strategic growth: diversification and accretive investment.** Our work to optimise our extensive, established SSH portfolio will provide a strong foundation for responsible growth, increasing scale and diversification for shareholders and delivering secure and growing dividends over the long term.

We look forward to building on the positive momentum achieved during the year as SOHO progresses into its next phase.

Adrian D'Enrico
Fund Manager, Atrato Living

25 March 2026



STRATEGY AND GROWTH

Following a period of operational stabilisation and financial repair, the Company can now enter the next phase of its development from a position of strength. Investors in the UK REIT sector value scale and liquidity and, as a result, companies fulfilling those criteria are seen as more attractive investment propositions. Increasing scale and liquidity, together with strict capital discipline, are at the forefront of SOHO's future strategic plans. Over the medium term, we are working with the Board to consider options to retain the Company's core strategy of delivering sustainable income and capital growth, whilst evaluating the ability to capitalise on accretive opportunities to scale the Company.

The UK housing and care landscape continues to evolve and it is key to the long-term success of the Company that its strategy evolves to reflect this. Demographic change and funding reform are reshaping demand across the living sector and the Company is well positioned to be a beneficiary of this dynamic. SSH will always remain a cornerstone of the Company. However, we believe there is an accretive and logical growth opportunity within the wider UK living sector in appropriate, affordable and fit-for-purpose accommodation and the Company's future strategy could evolve to capitalise on this broader opportunity, whilst retaining a firm anchor in secure, inflation-aligned income.

Any material changes to the Company's strategy would be subject to the necessary regulatory and shareholder approvals.

Earnings Growth-Led Diversification

SOHO's investment approach will always be centred around earnings growth, focused on the sustainability and security of underlying cashflows. Its core objective remains clear: to deliver secure, inflation-aligned sustainable income which supports a progressive dividend policy. Through sustained, proven performance, we believe that, as Investment Manager, we can achieve a re-rating of SSH, reduce the Company's cost of capital and deliver attractive returns to shareholders. But SOHO could further reduce its cost of capital by achieving greater scale, increasing relevance, enhancing liquidity and significantly broadening its potential investor base.

Broadening the scope of its investment policy could afford SOHO the flexibility to pursue accretive growth opportunities across the broader living sector. This would enable it to invest into adjacent UK living

sectors, which share common characteristics with the existing portfolio – being structurally-supported by population demographics, housing demand pressures and affordability needs. Investments in adjacent sectors would, of course, have to offer income characteristics that are accretive and meet the Company's sustainable income and inflation-aligned requirements. Each new target sector would similarly need to offer stable income streams, be resilient across economic cycles and comprise assets that fit within Atrato's operational expertise, to ensure they are acquired well and managed efficiently. A revised investment policy, if adopted, would allow the Company to deliver growth while maintaining its attractive income profile.

Responsibility and Long-Term Relevance

An expanded, strategic approach for the Company could combine sectors that address essential housing needs and reflect long-term demographic trends, favouring community-based independent living. While social outcomes would not be expected to be codified within the investment policy, they would be able to be clearly evidenced. Measurable indicators, for example average resident tenure, would be essential to provide insight into occupational stability and resident satisfaction, reinforcing the Company's role as a responsible long-term investor.



“THE COMPANY CAN NOW ENTER THE NEXT PHASE OF ITS DEVELOPMENT FROM A POSITION OF STRENGTH.”



Looking ahead, we believe the Company is well positioned for the next phase of its corporate strategy. With strengthened financials offering a strong foundation, by adopting a new, broader investment policy the Company would be able to stay committed to remaining as a listed company whilst becoming more investable to a broader universe of REIT investors.

As we look ahead, we will work with the Board to consider a future strategy that continues to deliver growth via secure, inflation-aligned income across

compatible living sectors. We, along with the Board, are committed to maintaining a progressive dividend policy and to building a robust and resilient platform for shareholders.

Michael Carey
Managing Director, Atrato Living

THORNE HOUSE





CHIEF FINANCIAL OFFICER'S REPORT

I am pleased to present the financial results for the year ended 31 December 2025.

Financial Results

	31 December 2025 £'000s	31 December 2024 £'000s
Net rental income	40.0	35.8
Administrative expenses ¹	(7.2)	(7.4)
Net finance expenses ²	(7.1)	(7.2)
Adjusted earnings	25.7	21.2

Net Rental Income

In the year, the portfolio generated net rental income of £40.0 million (31 December 2024: £35.8 million), representing an increase of £4.2 million or 11.7% compared to the prior year. This increase was driven by the impact of increases from our inflation-linked leases, combined with improved collection in respect of the My Space and Portus³ properties.

All of the Group's contracted income is generated from leases which benefit from annual uplifts linked to inflation. The majority of these uplifts are based on CPI inflation (88% of rental income), with the

“THE DIVIDEND IS WELL COVERED AT 1.17X WITH ADJUSTED EARNINGS UP 21% OVER THE YEAR.”



remainder being linked to CPI +1% (4%), RPI (4%) or RPI +1 (4%). In 2025, the Company's weighted average annual rental uplift was 2.2% (2024: 4.3%). The majority of the portfolio (61% weighted by income) have annual rent reviews which occur in April. The April 2026 rent reviews are predicated on the prevailing inflation rate six months prior: the September 2025 reference CPI figure used as the basis to determine the uplift will be 3.8%, and RPI will be 4.5%.

In total, the Company has 389 leases (31 December 2024: 391) with a total annualised contracted rental income of £43.7 million as at 31 December 2025 (31 December 2024: £42.6 million). Over the past 12 months, the Company has collected 91.5% of this contracted rental income. As set out below, the shortfall relates to the difference in rent collected in respect of My Space and Portus where leases have been varied to a pass-through basis (whereby the Company is only paid the net rent collected by the Approved Provider) and the write-off of expected credit losses in relation to My Space and Pivotal.

	At 31 December 2025 £m	At 31 December 2024 £m
Annualised contracted rental income	43.7	42.6
Shortfall due to pass-through mechanism ⁴	(3.0)	(2.5)
Expected Credit Losses	(0.7)	(3.3)
Movement in Lease Incentive Debtor	0.0	(1.0)
Net rental income	40.0	35.8

Administrative and other expenses and EPRA cost ratio

Administrative and other expenses, which comprise all operational costs of running the business, including irrecoverable property costs, decreased by £4.1 million to £7.6 million (2024: £11.7 million). This reduction was driven primarily by the change in the Investment Management fee basis from NAV to market capitalisation, aligning the Investment Manager more closely with shareholders. Included within these totals are the negative pass-through rent balances of £0.7 million (2024: £nil), which reflect instances where expenses exceed rental income received on properties and legacy costs related to the Parasol to Portus transfers (£0.25 million).

	31 December 2025	31 December 2024
EPRA cost ratio including direct vacancy costs	18.7%	29.9%
EPRA cost ratio excluding direct vacancy costs	18.0%	29.8%

Adjusted earnings

The Directors consider adjusted earnings a key measure of the Company's underlying operating performance and a reference through which the Board measures dividend cover.

Adjusted earnings therefore exclude one-off items which are non-recurring in nature and non-cash items such as the amortisation of finance costs and the movement in lease incentive debtors.

Adjusted earnings for the year ended 31 December 2025 were £25.7 million (31 December 2024: £21.2 million). On a per share basis, adjusted earnings increased by 1.13 pence to 6.53 pence for the year to 31 December 2025 an increase of 21.0% (31 December 2024: 5.40 pence).

A full reconciliation between IFRS and Adjusted earnings can be found in note 35 of the Financial Statements.

Dividends

Declared	Pence per Share	In respect of financial year ended	Paid
20 March 2025	1.3650	31 December 2024	11 April 2025
20 May 2025	1.4055	31 December 2025	27 June 2025
9 September 2025	1.4055	31 December 2025	3 October 2025
27 November 2025	1.4055	31 December 2025	19 December 2025

The dividend was 1.17x (2024: 0.99x) covered on an adjusted basis for the year. This measure is based upon adjusted earnings relative to dividends paid in the 12-month period.

Post-period end, the Company declared an interim dividend in respect of the financial year ended 31 December 2025 of 1.4055 pence per Ordinary share (the 'Fourth Quarterly Dividend'). The Fourth Quarterly Dividend was declared on 20 March 2026 and will be a Property Income Distribution ("PID") to shareholders on the register as at 7 April 2026.

The Company has now declared four quarterly dividends totalling 5.622 pence per share in respect of the financial year ended 31 December 2025.

EPRA net tangible assets and IFRS net assets

	31 December 2025 £m	31 December 2024 £m
Investment Property	602.8	624.7
Assets Held for Sale	2.0	-
Bank and other borrowings	(261.7)	(261.4)
Cash	25.4	27.5
Other net assets/(liabilities)	2.3	(1.1)
IFRS net asset value & EPRA net tangible assets	370.8	389.7

As set out above, the EPRA Net Tangible Assets ("EPRA NTA") per share at 31 December 2025 was 94.23 pence per share, the same as the IFRS NAV per share, compared to 99.05 pence per share as at 31 December 2024. The decrease was principally a result of a reduction in the value of the investment properties.

Debt Financing

With volatility in UK interest rates over recent years, the Group's debt continues to be a valuable asset. All £263.5 million of the Group's debt is fixed-rate, with a weighted average coupon of 2.74%. It is also predominantly long term, with a weighted average maturity of 7.6 years. The earliest debt maturity will occur in mid-2028, providing strong protection from currently elevated, albeit falling, interest rates. Whilst the debt is recorded at historic cost, it has a mark to market value of £48.7 million, which is not reflected in the net asset value. Further information on the Group's debt facilities is set out in Note 19 of the financial statements.

In June 2025, Fitch Ratings re-affirmed the Group's existing long-term Issuer Default Rating of 'A-' and senior secured ratings of 'A' in respect of both debt facilities. Fitch published its first rating on the Company in August 2021 with the same Investment Grade distinctions.

The Group continues to monitor its banking covenants and maintains adequate headroom on its Interest Cover Ratio ("ICR") and Asset Cover Ratio ("ACR") covenants across both debt facilities. Further information on the Group's covenant headroom is set out in Note 2.1 of the financial statements.

Natalie Markham

CFO, Social Housing REIT

1 Net of movement on Lease incentive debtor and one-off termination fees.

2 Excludes amortisation of finance costs.

3 Formerly Westmoreland. Portus resulted from the merger of Westmoreland Supported Housing and Bespoke Supportive Tenancies (BeST) on 1 December 2025.

4 For 2024 this includes a Parasol to Portus rent-free impact.



GOING CONCERN AND VIABILITY

Going Concern

The Strategic Report and financial statements have set out the current financial position of the Group and Company. The Board has regularly reviewed the position of the Group and its ability to continue as a going concern in Board meetings throughout the year.

The Directors have reviewed the Group's forecast which shows the expected annualised rental income exceeds the expected operating and financing costs of the Group. 91.5% of rental income due and payable for the year ended 31 December 2025 has been collected. Rent arrears are predominantly attributable to two Approved Providers, My Space Housing Solutions and Portus Supported Housing (Formerly Westmoreland) both of whom have leases on a passthrough basis which materially reduces the rent received when compared to the contracted rent.

The Directors believe that the Group is still well placed to manage its financing and other business risks and that the Group will remain viable, continuing to operate and meet its liabilities as they fall due. During the year, Fitch Ratings Limited assigned the Company an investment Long-Term Issuer Default Rating of 'A-' with a stable outlook.

The Directors have performed an assessment of the ability of the Group to continue as a going concern, for a period of at least 12 months from the date of signing these financial statements. The Directors have considered the expected obligations of the Group during this period and are confident that all will be met.

The Directors have also considered the financing provided to the Group. Norland Estates Limited and TP REIT Propco 2 Limited have bank facilities with MetLife and Metlife and Barings respectively.

The loans secured by Norland Estates Limited and TP REIT Propco 2 Limited are subject to asset cover ratio covenants and interest cover ratio covenants which can be found in the table on the right. The Directors have also considered reverse stress testing and the circumstances that would lead to a covenant breach. Given the level of headroom, the Directors are of the view that the risk of scenarios materialising that would lead to a breach of the covenants is remote.

	Norland Estates Limited	TP REIT Propco 2 Limited
Asset Cover Ratio (ACR)		
ACR Covenant	x2.00	x1.67
ACR 31 December 2025	x2.39	x1.96
Blended Net initial yield	7.03%	6.40%
Headroom (yield movement)	128bps	104bps
Interest Cover Ratio (ICR)		
ICR Covenant	1.75x	1.75x
ICR 31 December 2025	4.89x	4.82x
Headroom (rental income movement)	64%	61%

Under the downside model the forecasts have been stressed to show the effect of some Care Providers ceasing to pay their voids liability, and as a result this causes Approved Providers to default under some of the Group leases. The assumptions of rent paid by two Approved Providers have been sensitised, and for an additional 5% non-rent collection provision has been made for all other Approved Providers. Under the downside model the Group will be able to settle its liabilities for a period of at least 12 months from the date of signing these financial statements. As a result of the above, the Directors are of the opinion that the going concern basis adopted in the preparation of the financial statements is appropriate.

The Group has no short term refinancing risk given the 7.6 year weighted average maturity of its debt facilities with MetLife and Barings, the first of which expires in June 2028, and which are fully fixed at an all-in weighted average rate of 2.74%.

Based on the forecasts prepared and the intentions of the Company, the Directors consider that the Group will be able to settle its liabilities for a period of at least 12 months from the date of signing these financial statements and therefore have prepared these financial statements on the going concern basis.

Viability Statement

In accordance with Principle 21 of the AIC Code, the Board has assessed the prospects of the Group over a period longer than 12 months required by the relevant 'Going Concern' provisions. The Board has considered the nature of the Group's assets and liabilities, and associated cash flows, and has determined that five years, up to 31 December 2030, is the maximum timescale over which the performance of the Group can be forecast with a material degree of accuracy and therefore is the appropriate period over which to consider the viability.

In determining this timescale, the Board has considered the following:

- The length of the service level agreements between Approved Providers and care providers.
- The future growth of its investment portfolio of properties is achieved through long-term, inflation linked, fully repairing and insuring leases.
- The Group's property portfolio has a WAULT of 22.4 years to expiry, representing a long-term income stream for the period under consideration.
- The Group's Loan Notes have a weighted average term of 7.6 years.

In assessing the Company's viability, the Board has carried out a robust assessment of the emerging risks and principal risks facing the Group, including those that would threaten its business model, future performance, solvency, liquidity and dividend cover for a five-year period.

The Directors' assessment has been made with reference to the principal risks and uncertainties and emerging risks summarised on pages 27 to 31 and how they could impact the prospects of the Group and Company both individually and in aggregate. The following risks in particular have been addressed in the assessment:

1. Approved Provider default (taking into account that two of the Group's lessees have built up arrears since 2022)
2. Non-payment of voids cover by Care Providers.

The business model was subject to a sensitivity analysis, which involved flexing a number of key assumptions underlying the forecasts. The sensitivities performed were designed to provide the Directors with an understanding of the Group's performance in the event of a severe but plausible downturn scenario, taking full account of mitigating actions that could be taken to avoid or reduce the impact or occurrence of the underlying risks outlined below:

- Rental income: It is assumed that some care providers do not meet their void payment obligations, and this causes Approved Providers to default under some of the Group's leases; and rental receipts from two Approved Providers are lower than the previously contracted rent levels. An additional 5% non-rent collection was included for other Approved Providers.
- Property valuations: It is assumed that where there are void units Approved Providers will default on their leases, and those units will be valued significantly below their vacant possession value. We believe this represents a severe reduction in value.
- Inflation: No inflation uplift on rental income but costs increase in line with inflation.

The outcome in the downturn scenario on the Group's covenant testing is that there are no breaches, and the Group can maintain a covenant headroom on existing facilities.

In the downturn scenario mitigating actions to reduce variable costs would be required to enable the Group to meet its future liabilities.

The remaining principal risks and uncertainties, whilst having an impact on the Group's business, are not considered by the Directors to have a reasonable likelihood of impacting the Group's viability over the five-year period.

Based on the results of this analysis, the Directors have a reasonable expectation that the Group and Company will be able to continue in operation and meet its liabilities as they fall due during the period up to 31 December 2030.



STRATEGY AND BUSINESS MODEL

The Board is responsible for the Company's Investment Objective and Investment Policy, which is kept under constant review, and has overall responsibility for ensuring the Group's activities are in line with this overall strategy.

Atrato, the Company's new investment manager, undertook a thorough review of the properties, lessees and relevant metrics as part of its onboarding of the portfolio. Whilst the overarching strategy of the Company is unchanged, the approach being implemented by Atrato is one of transparency, proactive asset management and a renewed focus on property fundamentals. The social housing team at Atrato comprises individuals with deep sector experience, knowledge and connections. We believe Atrato is well placed to deliver on the Company's Investment Objective, optimising the Company for success.

Investment Objective

The Group's Investment Objective is to provide shareholders with stable, long-term, inflation-linked income from a portfolio of social housing assets in the United Kingdom with a focus on Specialised Supported Housing assets. The portfolio comprises investments in operating assets and the forward funding of pre-let development assets. The Group seeks to optimise the mix of these assets to enable it to pay a covered dividend increasing in line with inflation and so generate an attractive risk-adjusted total return.

Investment Policy¹

To achieve its Investment Objective, the Group invests in a diversified portfolio of freehold or long leasehold social housing assets in the UK. Supported Housing assets account for at least 80% of the Group's gross asset value. The Group acquires portfolios of social housing assets and single social housing assets, either directly or via SPVs. Each asset is subject to a lease or occupancy agreement with an Approved Provider. The rent payable thereunder is, or is expected to be, subject to adjustment in line with inflation (generally CPI) or central housing benefit policy. Title to the assets remains with the Group under the terms of the relevant lease. The Group is not primarily responsible for any management or maintenance obligations under the

terms of the lease or occupancy agreement, which typically are serviced by the Approved Provider lessee, save that the Group may take responsibility for funding the cost of planned maintenance. The Group is not responsible for the provision of care to residents of Supported Housing assets.

The social housing assets are sourced in the market by the Investment Manager. In asset selection, consideration is given to the alignment of an asset to supporting the impact objective sought.

The Group intends to hold its portfolio over the long term, benefiting from generally long-term upward only leases which are, or are expected to be, linked to inflation or central housing benefit policy. The Group may sell investments should an opportunity arise that would enhance the value of the Group as a whole.

The Group may forward fund the development of new social housing assets when the Investment Manager believes that to do so would enhance returns for shareholders and/or secure an asset for the Group's portfolio at an attractive yield. Forward funding will only be provided in circumstances in which:

- (a) there is an agreement to lease the relevant property upon completion in place with an Approved Provider;
- (b) planning permission has been granted in respect of the site; and
- (c) the Group receives a return on its investment (at least equivalent to the projected income return for the completed asset) during the construction phase and before the start of the lease.

For the avoidance of doubt, the Group will not acquire land for speculative development of social housing assets. In addition, the Group may engage third party contractors to renovate or customise existing social housing assets as necessary.

Gearing

The Group uses gearing to enhance equity returns.

The Directors will employ a level of borrowing that they consider prudent for the asset class and will seek to achieve a low cost of funds while maintaining flexibility in the underlying security requirements and the structure of both the Company's portfolio and the Group.

¹ Approved by Shareholders on 10 February 2025.

The Directors intend that the Group will target a level of aggregate borrowings over the medium-term equal to approximately 40% of the Group's gross asset value. The aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown, of 50% of the Group's gross asset value.

Debt will typically be secured at the asset level, whether over a particular property or a holding entity for a particular property (or series of properties), without recourse to the Group and having consideration for key metrics including lender diversity, cost of debt, debt type and maturity profiles.

Use of Derivatives

The Group may use derivatives for efficient portfolio management. In particular, the Group may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred in accordance with the Investment Policy as part of the Group's portfolio management. The Group will not enter into derivative transactions for speculative purposes.

Investment Restrictions

The following investment restrictions apply:

- the Group will only invest in social housing assets located in the United Kingdom;
- the Group will only invest in social housing assets where the counterparty to the lease or occupancy agreement is an Approved Provider. Notwithstanding that, the Group may acquire a portfolio consisting predominantly of social housing assets where a small minority of such assets are leased to third parties who are not Approved Providers. The acquisition of such a portfolio will remain within the Investment Policy provided that at least 90% (by value) of the assets are leased to Approved Providers and, in aggregate, all such assets within the Group's total portfolio represent less than 5% of the Group's gross asset value at the time of acquisition;
- at least 80% of the Group's gross asset value will be invested in Supported Housing assets;
- the maximum exposure to any one asset (which, for the avoidance of doubt, will include houses and/or apartment blocks located on a contiguous basis) will not exceed 20% of the Group's gross asset value;

- the maximum exposure to any one Approved Provider will not exceed 35% of the Group's gross asset value, however the maximum aggregate exposure to the top two Approved Providers will not exceed 55%;
- the Group may forward fund social housing units in circumstances where there is an agreement to lease in place and where the Group receives a coupon (or equivalent reduction in the purchase price) on its investment (generally slightly above or equal to the projected income return for the completed asset) during the construction phase and before entry into the lease. Forward funding equity commitments will be restricted to an aggregate value of not more than 20% of the Group's net asset value, calculated at the time of entering into any new forward funding arrangement;
- the Group will not invest in other alternative investment funds or closed-ended investment companies (which, for the avoidance of doubt, does not prohibit the acquisition of SPVs which own individual, or portfolios of, social housing assets);
- the Group will not set itself up as an Approved Provider; and
- the Group will not engage in short selling.

The investment limits detailed above apply at the time of the acquisition of the relevant asset in the portfolio. The Group will not be required to dispose of any investment or to rebalance its portfolio as a result of a change in the respective valuations of its assets or a merger of Approved Providers.





STRATEGY AND BUSINESS MODEL

Investment Strategy

The Group specialises in investing in UK social housing, with a focus on Specialised Supported Housing. The strategy is underpinned by strong local authority demand for more social housing, which is reflected in the focus on acquiring recently developed and refurbished properties across the United Kingdom. The assets within the portfolio have typically been developed for pre-identified residents and in response to demand specified by local authorities or NHS commissioners. The existing portfolio comprises investments made into properties already subject to a fully repairing and insuring lease with specialist Approved Providers in receipt of direct payment from local government (usually Registered Providers regulated by the Regulator of Social Housing), as well as forward funding of pre-let developments. The portfolio will not include any direct development or speculative development investments. Following the amendments to the Company's investment policy in May 2022, the Group can accommodate more flexible lease structures. This flexibility may include leases with shorter terms and, in certain cases, the Group may selectively take on the cost of funding planned maintenance on some properties.

In addition, we are continuing to progress the roll out of our risk-sharing clause in the Group's existing Registered Provider leases. The aim of this clause is to protect Registered Providers if factors beyond their control, such as a change in government policy in relation to Specialised Supported Housing rents, reduce the amount of rent they are able to generate from a property or properties that they lease from the Group. In some such circumstances the clause allows for the Registered Provider to agree a new rent level which is reflective of the revised circumstances. Should the new rent level not be acceptable to the Group, the Group has the ability to re-assign or terminate the lease.

Business Model

The Group owns and manages social housing properties that are leased to Approved Providers, being experienced housing managers (typically Registered Providers, which are often referred to as housing associations). The vast majority of the portfolio is made up of Specialised Supported Housing homes which are residential properties that have been adapted or built such that care and support can easily be provided to vulnerable residents who may have mental health issues, learning difficulties, physical disabilities or a combination of diagnosis. Whilst we have acquired operational properties, we focus on acquiring recently developed or adapted properties in order to help local authorities meet increasing demand for suitable accommodation for vulnerable residents. Local authorities are responsible for housing these residents and for the provision of all care and support services that are required.

The Specialised Supported Housing properties owned by the Group are leased to Approved Providers which are usually not-for-profit organisations focused on developing, tenancing and maintaining housing assets in the public and private sometimes, selectively, sectors. Approved Providers are approved and regulated by the Government with the majority through the Regulator of Social Housing (or in some instances, where the Group contracts with care providers and charitable entities, the Care Quality Commission and the Charity Commission, respectively). All of the Group's existing leases are linked to inflation, are long term and are fully repairing and insuring – meaning that the obligations for management, repair and maintenance of the property rest with the Approved Provider.

The Group may take responsibility for funding the cost of planned maintenance and improvements to the property in order to improve the property's energy efficiency and performance. Typically, the Government funds both the rent of the individuals housed in Specialised Supported Housing and the maintenance costs associated with managing the property. In addition, because of the vulnerable nature of the residents, the rent and maintenance costs are typically paid directly by the local authority to the Approved Provider. The rent paid by the Local Authority to the Approved Provider on behalf of the residents is then paid to the Group via the lease. Ultimate funding for the rent typically comes from the Department for Work and Pensions in the form of Housing Benefits.

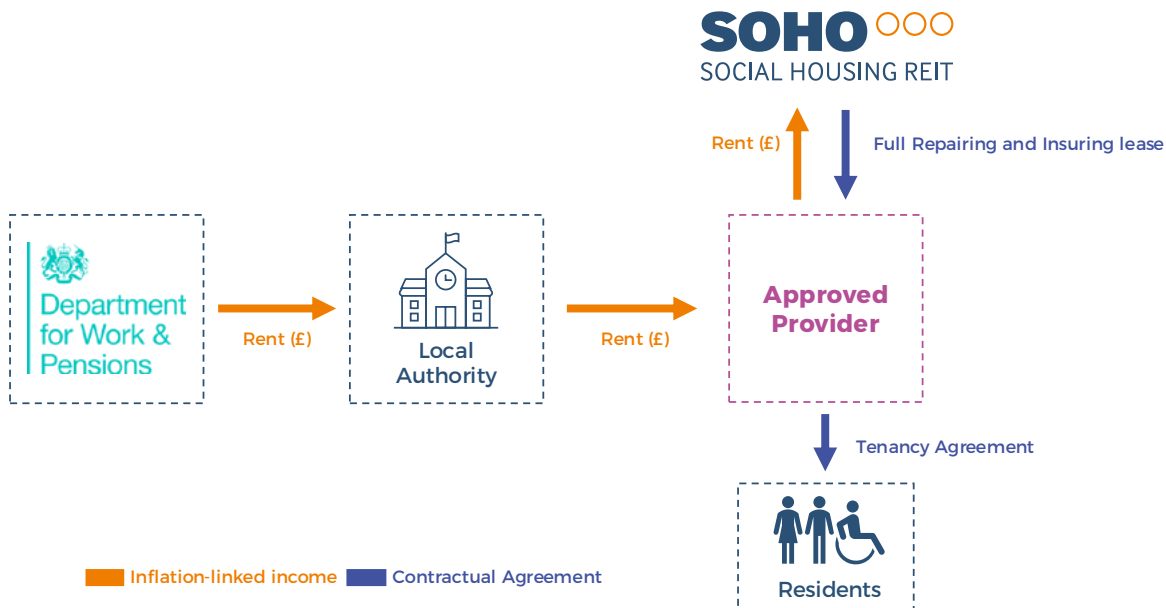
The majority of residents housed in Specialised Supported Housing properties require support and/or care. Care and support provision sits outside of the Group, being provided to the residents by a separate care provider regulated by the Care Quality Commission. The agreement for the provision of care for the residents is between the Local Authority and the care provider. The care provider is paid directly by the Local Authority with funding ultimately coming from the Department of Health and Social Care. The Group has no direct financial or legal relationship with the care provider and the Group never has any responsibility for the provision of care to the residents in the properties the Group owns. The care provider will often be responsible for nominating residents into the properties and, as a result, will normally provide some voids cover to the Approved Provider should they not be able to fill the asset (i.e. if occupancy is not 100%, it is often the care provider rather than the Approved Provider that will cover the cost of the rent due on void units). Under the terms of the lease, the Group is owed full rent regardless of underlying occupancy, but monitors occupancy levels and the payment of voids cover by care providers, to ensure that Approved Providers are appropriately protected.

Assets that the Investment Manager sources for the Group to maintain an investment pipeline have been recently developed and are either specifically designed new build properties or renovated existing houses or apartment blocks that have been adapted for Specialised Supported Housing. The benefit of buying recently developed or adapted stock is that it has been planned in response to Local Authority demand and is designed to meet the specific requirements of the residents. In addition, it enables the Group to work with a number of high-quality developers on pipelines of deals rather than being reliant on acquiring portfolios of already-built assets on the open market. This has two advantages: firstly, it enables the Group to source the majority of its deals off-market through trusted developer partners and, secondly, it ensures the Group has greater certainty over its pipeline with visibility over the long-term deal flow.

As well as acquiring recently developed properties, the Group can provide forward funding to developers of new Specialised Supported Housing properties. Being able to provide forward funding gives the Group a competitive advantage over other purchasers as it enables the Group to offer developers a single funding

partner for both construction and the acquisition of the completed property. This is often more appealing to developers than having to work with two separate funders during the build of a new property as it reduces practical and relationship complexity. As well as strengthening developer relationships, forward funding enables the Group to have a greater portion of new build properties in its portfolio which typically attract higher valuations, are modern and have been custom-built to meet the needs of the residents they house, helping to achieve higher occupancy levels. The Group benefits from the Investment Manager's significant experience forward funding residential properties and other social infrastructure assets. The Group will only provide forward funding when the property has been pre-let to an Approved Provider and other protections, such as fixed-priced build contracts and deferred developer profits, have been put in place to mitigate construction risk.

Since the Company's IPO, the Group has built a diversified, nationwide portfolio of assets leased to a variety of Approved Providers, serviced by over 100 care providers.





RISK MANAGEMENT

The Board recognises that effective risk management is key to the Group's success and that a proactive approach is critical to ensuring the sustainable growth and resilience of the Group.

By way of background, the Group focuses on a single sub-sector of the UK real estate market with the aim of delivering an attractive, growing and secure income for shareholders. The Company has a specific investment policy, as outlined on pages 22 and 23, which is adhered to and for which the Board has overall responsibility. In February 2025, the Company received shareholder approval to amend its investment policy, which will now allow for a maximum exposure of 35% to any one Approved Provider, where it was previously restricted to 30%.

The increase provides the Company with greater flexibility in capital deployment while maintaining prudent diversification, and the Board continues to monitor concentration levels closely as part of its ongoing risk oversight.

Following the appointment of Atrato as the Company's new investment manager effective from 1 January 2025, a comprehensive review of the current risk framework was undertaken.

In the Group's 2025 Interim Report, it was reported that the principal risks and uncertainties remained unchanged during the period. Following the comprehensive review undertaken by the Investment Manager, two existing principal risks were re-classified as non-material and two risks that were previously deemed non-material were elevated to principal risks. More information on the changes can be found in the Principal Risks and Uncertainties table on pages 27 to 31.

As an externally managed investment company, the Company outsources key services to the Investment Manager and other service providers

and relies on their systems and controls. The Board undertakes a formal review of the risks identified by the Investment Manager, with the assistance of the audit committee, twice a year to assess and challenge the effectiveness of the Company's risk management and internal control systems. The Board, supported by the Audit Committee, reviews control reports from key service providers and considers any internal control observations raised by the external auditor as part of its assessment. A description of the key internal controls of the Group can be found on page 51.

The Investment Manager has responsibility for identifying potential risks at an early stage, escalating risks or changes to risk, and relevant considerations and implementing appropriate mitigations which are recorded in the Group's risk register. Where relevant the financial model is stress tested to assess the potential impact of certain risks against the likelihood of occurrence. The Board regularly reviews the risk register to ensure gradings and mitigating actions remain appropriate.

The Group's risk management process is designed to identify, evaluate and mitigate (rather than eliminate) the significant and emerging risks the Group faces and continues to evolve to reflect changes in the Group's business and operating environment. The process provides reasonable, though not absolute, assurance and supports a disciplined approach to risk-informed decision-making aligned with the objective of long-term value creation for shareholders.

During the year, the Board has not identified or been advised of any failings or weaknesses in the Group's risk management and internal control systems.

Principal Risks heat map

The Board considers the principal risks to be those shown in the chart below. The principal risks are categorised by their 12 month outlook.



↑ Risks with a negative outlook over the next year

- 4 Volatile Trading Market
- 5 Inflationary Pressures
- 9 Poor or Inadequate Housing Management

↔ Risks with a stable outlook over the next year

- 2 Non-payment of Voids by Care Providers
- 6 Regulatory Changes Impacting the Sector
- 8 Property Valuation Volatility
- 10 Debt Covenant Breaches
- 11 Health and Safety Non-compliance

↓ Risks with a positive outlook over the next year

- 1 Approved Provider Default
- 3 Potential Impact of Climate Change
- 7 Non-compliance with Regulatory Standards

N New Principal Risk

Principal Risks and Uncertainties

The table below sets out what we, the Board, believe to be the principal risks and uncertainties facing the Group. The table does not cover all of the risks that the Group may face. Additional risks and uncertainties not presently known to management or deemed to be less material at the date of this report may also have an adverse effect on the Group.

Having conducted a full review of the Group's existing risk register, the Investment Manager has assessed that the previous non-material risk of "Inflationary Pressures" should be captured within the Group's Principal Risks.

↓ Risk Category: Credit Approved Provider Default

Risk Description

The default of one or more of the Group's Approved Provider lessees could impact the rental income received from the relevant assets. If the Approved Provider cannot remedy the default, the Group may have to forfeit, assign or regear the relevant lease. This could lead to a temporary or sustained reduction in rental income.

Mitigating Actions

Under the terms of the Group's Investment Policy and restrictions, no more than 35% of the Group's Gross Asset Value may be exposed to one lessee, with no two lessees representing more than 55% of exposure. This restriction is in place to mitigate against the risk of significant rent loss in the event of an Approved Provider default.

When a lessee defaults or when the Group believes it likely that a lessee would default on its lease obligations, the Group will look to move the impacted properties to another Approved Provider. The intention is to ensure both ongoing provision of services to residents, and, as much as possible, to preserve the income stream associated with the relevant properties.

The Group is currently looking to restructure the agreements it has with Approved Providers to improve the security of the income it receives from them, subject to agreement with the relevant Approved Provider and the consideration of the Regulator of Social Housing.



RISK MANAGEMENT

Risk Category: Credit Non-payment of Voids by Care Providers.

Risk Description	Mitigating Actions
<p>The Group has leases with Approved Providers under which they are responsible for paying rent irrespective of resident occupancy of the underlying property.</p> <p>The Approved Provider will usually mitigate this risk by entering into a Service Level Agreement ("SLA") with a Care Provider under which the Care Provider agrees to cover the rent in relation to any voids in the property (the Approved Provider being unable to claim Housing Benefit for void units).</p> <p>If a Care Provider enters financial difficulty and is unable to meet the terms of the SLA (specifically paying the contracted voids cover to an Approved Provider), this could have a negative impact on the financial performance of the Approved Provider, impinging its ability to pay the Group its rent. This risk is compounded if there is low occupancy or persistent voids in a property.</p>	<p>Whilst the Group does not have a contractual relationship with Care Providers, it monitors and engages with them to ensure, as far as reasonably possible, that they are financially viable and operationally robust. Should a Care Provider experience a deterioration in financial performance, the Group works with a wide range of alternative Care Providers who would be invited to step in to provide care services and maintain void cover arrangements.</p> <p>Resident occupancy is also closely monitored by the Group, who proactively engages with Approved Providers and Care Providers to optimise occupancy throughout the portfolio.</p>

Risk Category: ESG Potential Impact of Climate Change.

Risk Description	Mitigating Actions
<p>Changing weather patterns under projected climate change scenarios could physically damage the properties owned by the Group, reducing their value and impacting their operational viability.</p> <p>New regulatory standards (e.g. minimum EPC standards) could require capital expenditure works to improve efficiency or result in a reduction in the economic utility of properties and their valuations if not undertaken.</p> <p>The impact of the most prominent climate-related risks to the portfolio is assessed in detail in the Group's Task Force on Climate-related Financial Disclosures ("TCFD") reporting.</p>	<p>The Investment Manager's sustainability team has been working with the operations team to assess the risk that climate change poses to the Group's properties and ensuring that protections (or plans to implement protections) are put in place for any properties that are deemed to be at high risk of material adverse impacts resulting from climate change.</p> <p>The key transition risks to the portfolio have been identified and qualitatively assessed. Physical risks to the portfolio have been assessed using analytical software and the outputs of this analysis are demonstrated in the Group's TCFD reporting.</p> <p>The Group believes that its reporting on climate change meets regulatory requirements and is reviewed on an ongoing basis to ensure continued compliance, in conjunction with the Sustainability Committee.</p> <p>The Group is actively working to upgrade the portfolio so that all properties meet the current legislative target (for England and Wales) of having an EPC rating of C or above from 2030.</p>

Risk Category: Economic Volatile Trading Market.

Risk Description	Mitigating Actions
<p>A volatile trading market for the Group's shares could inhibit its growth. Shareholders may also not be able to realise their shares at a price above or the same as they paid for the shares or at all. The Company's shares have continued to be traded at a discount to Net Tangible Assets ("NTA"), which is limiting the ability to raise additional capital and thereby grow the fund.</p>	<p>The Investment Manager and the Board review share performance on an ongoing basis. Normal share market pricing management may be utilised by the Board, including share buybacks, enhanced reporting and investor engagement, within the regulated framework.</p>

  **Risk Category: Economic**
Inflationary Pressures.

Risk Description

Inflation-linked rent reviews greater than those supported by the current Rent Settlement could impact the ability of Approved Providers to pay rent due under the leases of properties owned by the Group, since they would not be matched by increases submitted to Housing Benefit.

Mitigating Actions

The Group's portfolio benefits from annual inflation-linked leases with Approved Providers who claim Housing Benefit which is similarly inflation-linked (the current rent settlement from 2026 to 2036 permits increases of CPI + 1% annually). There is therefore alignment between the Group's contractual rental income and underlying Housing Benefit claims.

To mitigate the risk of any future misalignment between contractual rent due and Housing Benefit claims, the Group has rolled out a risk-sharing clause that will link rental increases to the lower of CPI or prevailing government policy in relation to SSH rent increases.

 **Risk Category: Legal, Tax & Regulatory**
Regulatory Changes Impacting the Sector.

Risk Description

Risk of changes to the social housing regulatory regime and changes to government policy in relation to social housing and Housing Benefit policy.

Mitigating Actions

It is important that the Group works with its Approved Provider lessees to ensure that they engage with the Regulator and respond proactively to any changes in regulation or policy. It is also important that the Group understands what, if any, impact it will have on their organisation and the properties leased to them.

The Group frequently engages directly with the Regulator of Social Housing ("RSH") to gain insight into any proposed regulatory changes reasonably expected to be implemented. The social housing regulatory regime, in which most of the Group's lessees operate, provides a high degree of accountability and transparency.

The Group has rolled out a risk sharing clause with 66% of its Approved Providers to re-balance the apportionment of risk between the parties, including mitigating changes in central government policy relating to Specialised Supported Housing ("SSH").

 **Risk Category: Legal, Tax & Regulatory**
Non-compliance with Regulatory Standards.

Risk Description

Should an Approved Provider lessee of the Group be deemed non-compliant by the RSH, in particular in relation to financial viability, depending on the further actions of the RSH it is possible that there may be a negative impact on the market value of the relevant leased properties.

Depending on the exposure of the Group to such an Approved Provider(s), this in turn may have a material adverse effect on the Group's NTA unless the matter is resolved through an improvement in the relevant Approved Provider's rating or the transfer of leases to an alternative Approved Provider.

Mitigating Actions

The Investment Manager has established relationships with the Approved Providers with whom it works. The Approved Providers keep the Investment Manager informed of developments surrounding regulatory notices and interactions with the RSH.

Where Approved Providers have been deemed non-compliant, the Group seeks to work with them to help address issues identified by the RSH. The Group has leases in place with 10 Registered Providers that have been deemed non-compliant by the Regulator and is working with them in the manner set out above.



RISK MANAGEMENT

Risk Category: Economic Property Valuation Volatility.

Risk Description

Property valuations are inherently subjective and uncertain, particularly when market liquidity and transactional evidence is low. Market conditions, which may impact the creditworthiness of Approved Provider lessees, may adversely affect valuations.

The Group portfolio is valued on a Market Value (investment) basis, which takes into account the expected rental income to be received under the leases in the future. This valuation methodology provides a significantly higher valuation than the vacant possession value of a property. In the event of an unremedied default of an Approved Provider lessee, the value of those assets in the portfolio may be negatively affected.

Any changes could affect the Group's NTA and the share price of the Group.

Mitigating Actions

All of the Group's property assets are independently valued on a quarterly basis by a third-party valuer (currently Jones Lang LaSalle, a specialist property valuation firm), who are provided with regular updates on portfolio activity by the Investment Manager. The valuer inspects a proportion of the portfolio annually to ensure that desktop based valuations are appropriate.

The Investment Manager and Audit Committee meet with the external valuers to discuss the basis of their valuations and their quality control processes.

Default risk of Approved Providers is mitigated in accordance with the "Approved Provider default" principal risk explanation provided above.

In order to protect against loss in value, the Investment Manager's operational team seeks routinely to visit each property in the portfolio, and works closely with the Group's lessees to ensure, to the extent reasonably possible, their ongoing financial strength viability and that governance procedures remain robust through the duration of the relevant lease.

Risk Category: Service Provider Poor or Inadequate Housing Management.

Risk Description

Approved Providers and care providers may face a number of operational challenges (e.g. rising costs and labour shortages) heightening the risk of poor or inadequate housing management of the Group's properties.

Poor property management services being provided to the individuals in the Group's properties could undermine the benefits of SSH and cause reputational damage to the Group which could negatively impact the Group's performance and/or the price of the Company's shares. Individual cases of poor housing management at a property or Approved Provider portfolio level may also reduce the referral demand for those properties, impacting the ability of Approved Provider to pay rent to the Group.

Mitigating Actions

The Investment Manager undertakes proactive property inspections to review the physical condition of the Group's properties, ensure lessee compliance with lease obligations and to observe the quality of services being provided to the Group's residents. In addition, there is frequent engagement with the Group's Approved Providers and Care Providers, along with quarterly operational and compliance surveys, to collect data on the performance of the Group's lessees and properties.

A key part of the Investment Manager's due diligence pre-acquisition is to ensure that - whilst the Group has no contractual relationship with them and not responsible for the care they provide - the Care Provider attached to a project is capable to deliver the quality of care provided and financially robust to meet its void obligations.

Most Care Providers are regulated by the Care Quality Commission ("CQC"), offering an additional layer of regulation and oversight. The Investment Manager operations team monitor the Care Providers on an ongoing basis. The team engage with Care Provider staff when carrying out property inspections, hold regular calls with Care Providers to which the Group has the largest exposure, monitor CQC ratings for those Care Providers relevant to the Group and track these ratings using an internal CQC register that the team updates on an ongoing basis.

⬅ Risk Category: Financial Performance

Debt Covenant Breaches.

Risk Description

The borrowings the Group currently has and which the Group uses in the future may contain loan to value and interest covenants ratios, alongside sustainability targets. If property valuations and rental income significantly decrease, such covenants could be breached. The impact of such an event could result in an increase in borrowing costs, a requirement for additional cash or property collateral, payment of a fee to the lender, a sale of an asset or assets and/or the forfeiture of an asset(s) to a lender.

Any of the above could result in a material decrease to the Group's NTA.

Mitigating Actions

The Investment Manager monitors relevant debt covenants on an ongoing basis. In the unlikely event that an event of default occurs under these covenants, the Group has a remedy period during which it can potentially cure the covenant breach by either injecting cash collateral or utilising unencumbered property assets in order to restore covenant compliance.

⬅ Risk Category: Legal, Tax & Regulatory

Health and Safety Non-compliance.

Risk Description

Any non-compliance with Health and Safety ("H&S") standards by an Approved Provider(s) of the Group could lead to H&S issues for the individuals living in the properties owned by the Group. This could have serious moral, reputational and financial implications for the Group.

Mitigating Actions

The contractual responsibility for making sure that the property is compliant sits with the Approved Provider and not the Group. However, to mitigate the risk of non-compliance, the Investment Manager's operations team assess Health and Safety compliance by conducting property visits, issuing bi-annual compliance surveys sent to all Approved Providers and by engaging regularly with the senior teams at each Approved Provider. Compliance of the Group's properties is also tracked on the internal REIT Risk Register, managed by the Investment Manager's operations team.



BELFLOWER WAY



STAKEHOLDER ENGAGEMENT

This section describes how the Board engages with its key stakeholders, how it considers their interests and the outcome of engagement when making its decisions, the likely consequences of any decision in the long term, and how the Board further ensures that it maintains a reputation for high standards of business conduct. The Group is committed to continual stakeholder engagement and implements a cycle of constant engagement at all stages of the Group's investment lifecycle.

Section 172(1) Statement

STAKEHOLDER	WHY IS IT IMPORTANT TO ENGAGE?	HOW HAVE THE INVESTMENT MANAGER/DIRECTORS ENGAGED?
<p>Shareholders</p>	<p>Investment from our shareholders plays an important role, providing capital to ensure we can deliver additional housing into the Specialised Supported Housing sector.</p> <p>Through the investment of private capital into an under-funded sector, we can achieve a positive social impact whilst ensuring our shareholders receive a long-term inflation-linked return.</p>	<p>The way in which we engage with our shareholders is set out on page 49 in our Corporate Governance Report.</p>
<p>Residents</p>	<p>Our strategy is centred on leasing Specialised Supported Housing to Approved Provider lessees to house vulnerable adults. We remain focused on providing homes which offer the vulnerable adult residents greater independence than institutional accommodation.</p>	<p>The Investment Manager monitors resident welfare through engagement with Approved Providers to assess the quality of the service they are delivering to residents. The Investment Manager receives quarterly reports from Approved Providers to ensure compliance with health and safety standards. This information is considered in the context of qualitative information from discussions with Care Providers operating in each Approved Providers' properties, market intelligence and feedback from the Investment Manager's inspections. The Investment Manager does not generally engage with residents directly. Instead, day-to-day engagement is done by care providers and, to a lesser extent, Approved Providers.</p>
<p>Investment Manager</p>	<p>The Investment Manager is responsible for executing the Investment Objective within the Investment Policy of the Company.</p>	<p>The Board maintains regular and open dialogue with the Investment Manager at Board meetings, supplemented by regular contact on operational and investment matters outside of meetings.</p>

WHAT WERE THE KEY TOPICS OF ENGAGEMENT?	WHAT WAS THE FEEDBACK OBTAINED AND THE OUTCOME OF THE ENGAGEMENT?
<p>Financial and operational performance.</p> <p>Share price discount to NAV and potential rectification action.</p> <p>The share price, potential share buybacks and potential sales from the portfolio.</p> <p>The regulatory environment of the Specialised Supported Housing sector.</p> <p>Environmental, social and governance considerations.</p> <p>Understanding the underlying concerns of shareholders that resulted in votes against resolutions 3, 4, 5 and 13, at the Company's 2025 Annual General Meeting.</p> <p>The Company's key service provider appointments, including the Investment Manager and broker arrangements.</p>	<p>The Board and the Investment Manager continue to evaluate the benefits of deploying available capital or pursuing share buybacks in the context of shareholder feedback, market conditions and the Company's ambition for growth.</p> <p>The Board and Investment Manager consider shareholder concerns when speaking to the Regulator of Social Housing and agreed to keep shareholders updated of any developments. We understand the importance of, and are committed to, working with Approved Providers to address the concerns of the Regulator.</p> <p>The Investment Manager has enhanced environmental, social and governance considerations within its investment process, and within its own business in discussion with the Board's Sustainability and Impact Committee. Refer to Sustainability Report for more information.</p> <p>During FY25, the Board consulted with a number of the Company's shareholders in accordance with Provision 5.2.4 of the AIC Code of Corporate Governance in relation to the resolutions regarding Director re-elections at the 2025 AGM. As disclosed within the Interim results to 30 June 2025, the feedback from the shareholder consultation has informed the Board's subsequent actions and adjustments were made to the Company's governance and strategic approach.</p> <p>Atrato was appointed as the Company's new Investment Manager from 1 January 2025.</p>
<p>We provide oversight of resident welfare by reviewing the Investment Manager's due diligence on new acquisitions or developments prior to occupation. We then monitor information provided by the Investment Manager on our Approved Provider lessees' compliance with health and safety standards to ensure that residents are looked after by the Group's counterparties; we request updates on any health and safety issues every quarter.</p>	<p>Resident issues raised as a result of engagement through care providers are addressed with the relevant Approved Provider.</p> <p>Any compliance issues are remedied with any associated works undertaken.</p> <p>The Group's investment decisions are informed by the long-term needs of the Approved Provider lessees and their residents.</p> <p>The Group has commenced a portfolio-wide EPC Upgrade Programme, which will deliver more efficient homes for our Approved Providers to house vulnerable adults safely and efficiently ahead of the anticipated regulatory deadline.</p>
<p>In addition to all matters related to the execution of the Company's Investment Objective, the Board engages with the Investment Manager on developments in the market and updates from the Regulator of Social Housing.</p> <p>The Board appointed a new Investment Manager, Atrato, from 1 January 2025.</p>	<p>The Investment Manager produces quarterly reports for the Board, detailing various governance and operational matters at the Board's request. Capital allocation is also considered with regard to the views of the Board.</p> <p>The Board closely monitored the transition process to the new Investment Manager, Atrato, to ensure that it was effective and minimised disruption to the Group's stakeholders.</p> <p>The collaboration between the Board, the former investment manager and Atrato ensured that the welfare of the residents of the Group's properties was prioritised, operational performance was preserved and that progress continued with corporate initiatives whilst the transfer was affected.</p>



STAKEHOLDER ENGAGEMENT

STAKEHOLDER	WHY IS IT IMPORTANT TO ENGAGE?	HOW HAVE THE INVESTMENT MANAGER/DIRECTORS ENGAGED?
<p>Approved Providers</p>	<p>Our relationship with Approved Providers is integral to ensuring rent is paid to the Group and that properties are managed appropriately.</p> <p>The Group's leases with Approved Providers are on fully repairing and insuring terms – meaning that Approved Providers are responsible for management, repair and maintenance, in addition to tenating the properties and claiming rents on behalf of the residents via Housing Benefit from the relevant local authority.</p>	<p>The Investment Manager looks to maintain strong relationships with Approved Providers, having formal meetings with senior management at least every six months as well as engaging more frequently on an ad-hoc basis on a variety of matters. Periodic operational surveys and biannual compliance surveys are provided to the Investment Manager.</p>
<p>Care Providers</p>	<p>Our Approved Providers house residents who receive care and support from care providers. It is important to ensure that these vulnerable residents receive the best possible care. In addition, the care providers often cover the rental cost of void units so we engage with care providers to ensure our Approved Providers are able to pay our rent in the event of persistent empty units.</p> <p>Therefore, whilst the Company has no contractual relationship with the care providers operating in the portfolio, they play an essential role in the occupancy levels of our properties and strong engagement with the Group ensures the best possible outcomes for our Approved Provider lessees and their residents.</p>	<p>The Investment Manager meets periodically with the largest ten care providers, who supporting approximately half of residents across the portfolio, as part of its due diligence processes. In addition, the Investment Manager regularly meets and engages with care provider representatives when inspecting the Group's portfolio, when reviewing quarterly data and on an ad-hoc basis when matters arise.</p>
<p>Local authorities</p>	<p>Local Authorities are responsible for identifying appropriate housing and care for the individuals who live in the Group's properties.</p> <p>New acquisitions are assessed to ensure that they meet the expectations of the relevant Local Authority in order to ensure that schemes are supported and that referrals are made as efficiently and considerately as possible.</p>	<p>When looking at a new acquisition, the Investment Manager engages with, or receives feedback from, various departments within Local Authorities including Commissioners and Housing Benefit officers. The Investment Manager will look to engage with a Local Authority in relation to an existing scheme if required (for example, if a new care provider is needed).</p>
<p>The Regulator</p>	<p>The Regulator of Social Housing ("RSH") regulates Registered Providers of social housing to ensure providers are financially viable, properly governed and are delivering on consumer standards. It is important to ensure that, as much as possible, the Group reflects observations made by the RSH in its investment structures and its engagement with its lessees.</p>	<p>The Investment Manager has periodic contact with the RSH to understand the key concerns and priorities for the Specialised Supported Housing Sector.</p>
<p>Lenders</p>	<p>The Group's investments in social housing assets are partly funded by debt. Prudent debt financing is required to achieve the Group's return targets.</p> <p>All secured debt is long-term and it is important for the Group and the Investment Manager to form a good relationship with our debt provider partners and provide them with all information and commentary required.</p>	<p>The Investment Manager engages with its lenders mainly via the reporting of financial and information covenants under the existing loan agreements on a quarterly basis.</p> <p>In addition, there are regular ad-hoc engagements in relation to general topics relating to the social housing sector as well as specific topics arising from the financial and operational performance of the Group's activities and future opportunities, and any other general matters affecting the relationship between the Group and the lenders.</p>

WHAT WERE THE KEY TOPICS OF ENGAGEMENT?	WHAT WAS THE FEEDBACK OBTAINED AND THE OUTCOME OF THE ENGAGEMENT?
<p>The Investment Manager discussed a number of topics with Approved Providers including that properties are managed in accordance with their leases; financial reporting and governance; and specific property-related issues such as occupancy, health and safety issues, rent levels, management accounts and governance.</p> <p>During the year, the Investment Manager had significant engagement with a number of Approved Providers in relation to lease assignments.</p>	<p>Refer to the Investment Manager's Report on pages 12 to 15.</p> <p>Further detail on the progress of the stabilisation following the assignment of leases from Parasol to Portus (formerly Westmoreland), the ongoing assignment away from My Space and the successfully completed assignment from Pivotal to IHL is set out on pages 12 to 15.</p>
<p>The Investment Manager engages with care providers on the performance of the Approved Provider lessees including health and safety compliance, property management by Approved Providers, their financial and operational capacity for new schemes, occupancy levels and financial performance.</p>	<p>The Investment Manager will not consider deals where care providers do not meet the care or governance standards expected or where care providers are unable to demonstrate the financial strength to meet their obligations under a service level agreement.</p> <p>Following engagement, scopes of work have been updated with input from care providers to ensure future properties acquired or developed meet the specific care needs of residents.</p> <p>Whilst done at the relevant Local Authorities' discretion, care providers have been changed where expectations around the standard of care were not met or where engagement identified care providers in financial difficulties.</p>
<p>The aim of engagement with Local Authorities is, as much as possible, to ensure that the properties acquired by the Group are consistent with the requirements of the relevant Local Authority.</p> <p>Where necessary, Local Authorities will be engaged with directly post-acquisition of a property to access ongoing demand levels and to determine any changes in commissioning strategy.</p>	<p>The Investment Manager will listen to feedback from local authorities and, where possible, will work with Approved Providers to improve and upgrade properties to ensure that they meet ongoing commissioning requirements.</p> <p>The Group completed the pilot phase of its building efficiency upgrade programme across 11 properties. Refer to the Investment Manager's Report on pages 13 and 14 for more detail.</p>
<p>Discussions with the RSH are focused on ensuring the market evolves in line with its observations, and Registered Providers can best focus on addressing the RSH's observations.</p>	<p>The Investment Manager continues to work with the Boards of its lessees to understand how best we can help them meet the standards of the RSH. Refer to the Investment Manager's Report on pages 12 to 15 for more detail.</p>
<p>The Group engaged on the following topics: financial and information covenant reporting and active asset management activities undertaken by the Group e.g. any other asset management activity that requires lenders' consent.</p>	<p>The Group is fully compliant with its debt covenants.</p> <p>The Investment Manager's pro-active engagement with the Group's lenders is welcomed by them and, to date, no concerns in relation to the performance of its loans have been raised by the lenders.</p> <p>The Board continues to monitor compliance with debt covenants and keeps liquidity under constant review to make certain the Group has sufficient headroom in its debt facilities.</p> <p>In June 2025, Fitch Ratings Limited reaffirmed the Group's existing Investment Grade, long-term Issuer Default Rating (IDR) of 'A-' and a senior secured rating of 'A' for the Group's existing loan notes.</p>



STAKEHOLDER ENGAGEMENT

Principal Decisions

Principal decisions have been defined as those that have a material impact on the Group and its key stakeholders. In taking these decisions, the Directors considered their duties under section 172 of the Act.

My Space Housing Solutions

During the year, the Board announced that that an option agreement had been agreed with My Space Housing Solutions ahead of the approval of its company voluntary arrangement ("CVA") proposal. The option arrangement allowed the Company to transfer all My Space leases within a 12-month period following completion of the CVA challenge period.

Asset Disposals

The Board decided to sell two non-performing properties at Oxford Grove to North Devon Council in line with book value.

Change to Valuation Frequency

In May 2025 the Board announced the change from a quarterly to bi-annual valuation of the Company's portfolio, bringing the Company in line with the wider listed UK Real Estate sector. The Board believes this change is in the best interests of its shareholders as results in a reduction of ongoing costs to drive further efficiency savings.

Increased Annual Target Dividend

In May 2025, the Board increased the annual target dividend for the year ended 31 December 2025 to 5.622 pence per Ordinary share representing a 3.0% increase on the annual dividend paid in the previous financial year.

The decision, which the Board believes was in the best interests of the Company's shareholders, was driven by the successful progress made, at that time, on the transfer of the 38 properties from Parasol to Westmoreland; the cost reductions achieved following the appointment of Atrato Partners Limited; and the improvements in the Company's earnings.

Appointment of New Non-Executive Directors

As part of the ongoing succession planning, during the year, the Company undertook a formal recruitment process led by the Nomination Committee, with the support of an independent search consultancy, for the appointment of new Board members. This process actively encouraged a diverse pool of candidates who could contribute specific skills and experience identified by the Board. The Board were pleased to announce the appointment of Bryan Sherriff as an Independent Non-Executive Director with effect from 1 January 2025, Fionnuala Hogan with effect from 10 November 2025 and Jos Short with effect from 1 March 2026.

It was also announced that, as part of the Succession Plan for the Board, Ian Reeves would step down from his role as an Independent Non-Executive Director at the 2025 Annual General Meeting following an orderly handover.

BOARD APPROVAL OF THE STRATEGIC REPORT

The Strategic Report has been approved by the Board of Directors and signed on its behalf by:



Chris Phillips

Chair

25 March 2026





CHAIR'S LETTER



WE REMAIN FOCUSED ON PROVIDING GOOD HOMES TO PEOPLE WITH CARE AND SUPPORT NEEDS THROUGHOUT THE UK.”

Dear Shareholder,

I am pleased to introduce the Corporate Governance Report for the year ended 31 December 2025. The Board recognises that a strong governance framework contributes to the development and implementation of our strategy. It ensures that we, as the Board, are provided with the right support, to ensure that we can effectively oversee progress in the delivery of our strategy and challenge the Investment Manager where appropriate.

Stakeholder Engagement

The Board's engagement with the Group's key stakeholders has been of primary focus during the period. Our investors are a vital consideration for Board decisions.

At our quarterly Board meetings, stakeholder views are considered through Board reports and updates provided by the Investment Manager, particularly their engagement and ongoing relationship with the Approved Providers. The Investment Manager assures us that it maintains regular dialogue to encourage Approved Providers to continually improve their operations.

A full overview of our engagement with all stakeholders is set out in more detail on pages 32 to 36. We will continue to engage openly with all our stakeholders to understand their views on governance and performance.

Independent Review of Investment Management Arrangements

Following an independent review of the investment management arrangements for the Company, the Board appointed Atrato Partners Limited ('Atrato'), as the Company's investment manager with effect from 1 January 2025, succeeding Triple Point Investment Management LLP.

Board & Governance Changes

The succession plan for the Board has continued to be a key focus for the Nomination Committee.

In January and November 2025, we welcomed Bryan Sherriff and Fionnuala Hogan, respectively, as Non-Executive Directors, following a succession process led by the Nomination Committee, facilitated by an independent search consultancy, Tyzack Partners. Neither the Directors nor the Company are connected to Tyzack Partners. These appointments have further ensured that the Board is equipped to carry out its duties effectively and both Bryan and Fionnuala bring a wealth of property investment, development and management experience across commercial and residential sectors.

As announced in December 2024, Peter and I will be stepping down at the 2026 AGM. As part of the succession plan, the Board announced the appointment of Jos Short as a Non-Executive Director with effect from 1 March 2026. Jos will succeed me as Chair when I step down at the Company's 2026 AGM and Fionnuala will succeed Peter as Audit Chair.

Annual General Meeting

We are planning to hold our AGM in May 2026, and I look forward to the opportunity this provides to meet with shareholders in person. The detailed arrangements will be communicated in our Notice of AGM.

Compliance Statement

Throughout the year ended 31 December 2025, the Board has considered the Principles and Provisions of the AIC Code of Corporate Governance (August 2024) ('2024 AIC Code'). The 2024 AIC Code addresses the Principles and Provisions set out in

the UK Corporate Governance Code (January 2024) (the 'UK Code'), as well as setting out additional Provisions on issues that are of specific relevance to Social Housing REIT plc.

The Board considers that reporting against the Principles and Provisions of the 2024 AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders.

The Company has complied in full with the Principles of the 2024 AIC Code. The 2024 AIC Code is available on the AIC website (www.theaic.co.uk).



Chris Phillips
Chair
25 March 2026





BOARD OF DIRECTORS



CHRIS PHILLIPS
Chair

Appointed
17 July 2017

Committee memberships
Management Engagement Committee
Nomination Committee (Chair)

Principal external appointments
Shetland Space Centre Limited (Director)

Skills and experience
Chris has extensive experience of real estate and listed companies. He was Managing Director of PB Securities, the UK subsidiary of Prudential Bache, for three years, before joining Lombard Odier as the Managing Director of its London broking business. He then joined Colliers International and after heading its residential consultancy business, became the first Managing Director of Colliers Capital UK Limited (Colliers commercial real estate property fund). Having served on the board of Places for People for 14 years, ten of them as Chair, Chris stood down from the role in January 2021.



TRACEY FLETCHER-RAY
Senior Independent Director

Appointed
1 November 2018

Committee memberships
Audit Committee
Management Engagement Committee (Chair)
Sustainability & Impact Committee
Nomination Committee

Principal external appointments
Witherslack Group (CEO)

Skills and experience
Tracey has considerable expertise as an executive and non-executive director in the care and support sectors. Tracey was previously a non-executive director of L&Q Group, one of the UK's largest housing associations and developers, and was managing director of Caring Homes, a leading provider of care homes for the elderly. She is currently a Director of Witherslack Group, a leading provider of specialist education and care for young people with special educational needs.

Tracey spent nearly two years as managing director Care Sector at Berendsen PLC, where she was responsible for developing the company's healthcare business, strategy and growth. She also spent eight years at Bupa UK, holding Managing Director roles in the care home business, which involved contracting with and providing services on behalf of local authorities and the NHS, and in Bupa Health Clinics.



PETER COWARD
Non-executive Director

Appointed
17 July 2017

Committee memberships
Audit Committee (Chair)
Management Engagement Committee

Principal external appointments
True Potential Wealth Management LLP (Member)
ChanceryGate Limited (Director)
Matfen Hall Ltd (Director)
The Heat Vault Company Ltd (Director)

Skills and experience
Peter is a chartered accountant with international commercial and corporate finance experience. He has over 25 years' experience as a Senior Tax Partner at PricewaterhouseCoopers specialising in property. Peter has worked with a wide range of firms, developing a thorough knowledge and understanding of tax regimes worldwide, as well as organisational and project structuring to optimise tax positions.



CECILY DAVIS
Non-executive Director

Appointed
23 May 2023

Committee memberships
Sustainability & Impact Committee
Nomination Committee

Principal external appointments
Fieldfisher LLP (Partner)
3M Homes Ltd (Director)
Southwark Charities (Trustee)

Skills and experience
Cecily has significant legal, construction and infrastructure experience gained from 30 years as a construction and projects lawyer. Cecily is currently an Engineering, Procurement and Construction Partner at Fieldfisher and Co-Head of Fieldfisher's Africa Group. She was formerly a Partner at DLA Piper until 2014 and Shadbolt & Co until 2005. Cecily has extensive knowledge of the residential and affordable housing sectors, having acted as non-executive director of both L&Q Group and Places for People. She is a board member of 3M Homes Ltd and a Trustee of Southwark Charities, which provides almshouses to local residents.

Cecily is a registered solicitor with the Solicitors Regulation Authority, and holds a degree in construction law and arbitration from King's College London and a Master's degree in commercial law from the University of Exeter.



BRYAN SHERRIFF
Non-executive Director

Appointed
1 January 2025

Committee memberships
Audit Committee
Sustainability & Impact
Committee (Chair)

Principal external appointments
ColdSpring (Managing Director)
Places for People Scotland
(Director)
George Heriot's Trust (Governor)
Senior Director, Real Estate for
Lote Global Investments.

Skills and experience
Bryan has over 30 years' experience in property investment, development and management across the UK, operating within both the commercial and residential sectors. Bryan is currently managing director of ColdSpring, which provides consultancy services to institutional investors and private client family offices. He is also a governor of George Heriot's Trust and a non-executive director of Hillcrest Places for People Scotland.

Prior to his current roles, Bryan has held a number of development, investment and asset management senior positions and latterly Head of Asset Management at Stockland UK. In 2015, Bryan established Drum Income Plus REIT plc and was a key executive of its investment manager until November 2021. Bryan is a Chartered Surveyor and is a Fellow of the Royal Institution of Chartered Surveyors (FRICS).



FIONNUALA HOGAN
Non-executive Director

Appointed
10 November 2025

Committee memberships
Audit Committee
Management Engagement
Committee

Principal external appointments
Tall Stories Theatre Company
Limited (Chair Designate)

Skills and experience
Fionnuala is a non-executive director with deep expertise in governance, real estate and corporate finance. She is an independent strategic advisor to proptech capital venture firm GroundBreak Ventures Inc. and a trusted advisor to scaling startups and innovation-focused organisations. She previously served as a non-executive director of UK Commercial Property REIT Limited and has held board and committee roles across private, public and not-for-profit sectors.

With over 30 years' experience in financial reporting, risk management, M&A and financing, she led the digital infrastructure and early-stage investment platform at the Noé Group and founded RELab, a global ecosystem linking technology with the built environment. Earlier roles include Joint Head, Global Restructuring, Deutsche Pfandbriefbank and Managing Director, Origination, Hypo Real Estate Bank. She is a Fellow of the Institute of Chartered Accountants in Ireland.



JOS SHORT
Non-executive Director

Appointed
1 March 2026

Committee memberships
-

Principal external appointments
Heylo Housing Group Limited
(Chair)
Annington Homes (Deputy
Chair)

Skills and experience
Jos Short is a distinguished real estate executive with over two decades of experience in European property investment, private equity and fund management.

Jos was previously Chief Executive of Pricoa Property Private Equity, the UK and European subsidiary of Prudential Corporation US, serving on the boards of Big Yellow Storage and Great Portland Estates. He also founded Internos Global Investors, who worked with major mandates including managing Local Shopping REIT, prior to its divestment. Internos Global Investors was sold to Principal of the USA in late 2017. Jos formed a new firm in 2023, IREMIS, which is a specialist pan-European hotel management fund.

CHANGES TO THE BOARD

- Bryan Sherriff joined the Board as an Independent Non-Executive Director with effect from 1 January 2025.
- Ian Reeves stepped down from the Board with effect from the conclusion of the 2025 AGM held on 19 May 2025.
- Fionnuala Hogan joined the Board as Non-Executive Director with effect from 10 November 2025.
- Jos Short has been appointed to the Board as a Non-Executive Director with effect from 1 March 2026.
- Chris Phillips and Peter Coward will step down from the Board at the conclusion of the Company's 2026 Annual General Meeting. Jos Short will succeed Chris as Chair and Fionnuala will succeed Peter as Audit Chair.



INVESTMENT MANAGEMENT TEAM



BEN GREEN
Principal

Appointed
November 2016

Ben is a principal at Atrato and is responsible for leading the development and execution of the firm's long-term strategy. Ben is a member of the Atrato Group Leadership Team and a member of the firm's Investment Committee.

Relevant skills and experience

- Over 25 years' experience structuring and executing real estate and infrastructure transactions
- Completed more than £3.5 billion of sale and leaseback transactions, with major occupiers, including Tesco, Barclays and the BBC
- Qualified Lawyer

Career highlights

- Co-founded Atrato and co-led the IPO of Supermarket Income REIT
- Managing Director and Head of European Structured Finance, Goldman Sachs



STEVE WINDSOR
Principal

Appointed
November 2016

Steve is a principal at Atrato and is responsible for leading the development and execution of the firm's long-term strategy. Steve is a member of the Atrato Group Leadership Team and a member of the firm's Investment Committee.

Relevant skills and experience

- Over 20 years' experience specialising in finance and risk management
- Expertise in capital markets, risk management and financing
- Experienced in senior management and leadership roles
- Highly experienced in strategic advisory work for major corporates

Career Highlights

- Co-founded Atrato and co-led the IPO of Supermarket Income REIT
- Partner and Head of EMEA Debt Capital Markets and Risk Solutions, Goldman Sachs
- Held various roles across both Trading and Banking divisions at Goldman Sachs from 2000
- Member of Goldman Sachs Investment Banking Risk Committee
- Advised numerous FTSE 100 firms on managing risk and financing their business



NATALIE MARKHAM
Chief Financial Officer

Appointed
November 2017

Natalie is responsible for the management of the finance function for Atrato Group, including the social housing investment funds. Natalie is a member of the Atrato Group Leadership Team and a member of the firm's Investment Committee.

Relevant skills and experience

- Over 25 years' experience in finance, specialising in real estate investment funds
- Experienced in senior management positions and financial management roles within real estate
- Fellow of the Institute of Chartered Accountants

Career Highlights

- European CFO, Macquarie Global Property Advisors, member of MGPA European Management Team and Director of the MGPA European advisory business
- Manager, RSM Robson Rhodes, audit and assurance



ADRIAN D'ENRICO
Fund Manager

Appointed
October 2024

Adrian is responsible for managing Social Housing REIT for the Group.

Relevant skills and experience

- 15 years' experience in real estate fund management
- Over £2 billion transacted across commercial, alternative and social real estate
- Deep expertise in affordable housing, social real estate and supported housing
- Experience across fund management, investment, development and strategy

Career highlights

- Fund Manager, Funding Affordable Homes at Edmond de Rothschild
- Head of Social Real Estate, Alpha Real Capital
- Fund Manager, Henley FM
- Fund Manager, AXA IM Alts
- Research and strategy roles at AXA IM Alts and Savills IM



MICHAEL CAREY
Managing Director

Appointed
May 2022

Michael is responsible for managing the investment strategy of the Atrato Living business.

Relevant skills and experience

- Oversaw Atrato's takeover of the Investment Manager contract for Social Housing REIT plc
- 16 years' experience in real estate investment
- Co-founder of two social housing focused investment platforms
- Expertise spanning acquisition, development and portfolio management
- Experience across both institutional and entrepreneurial investment structures

Career highlights

- Co-founder, Social Income
- Co-founder, Iken Group
- Investment roles at Henley Investment Management and Artisan Real Estate



ISABELLE SMITH
Head of ESG

Appointed
August 2023

Isabelle is responsible for managing Atrato's ESG function and delivering SOHO's sustainability strategy.

Relevant skills and experience

- Specialist in ESG strategy, climate risk and sustainability advisory
- Experience advising corporates on ESG integration through EY's sustainability practice
- Postgraduate specialisation in environmental law and policy

Career highlights

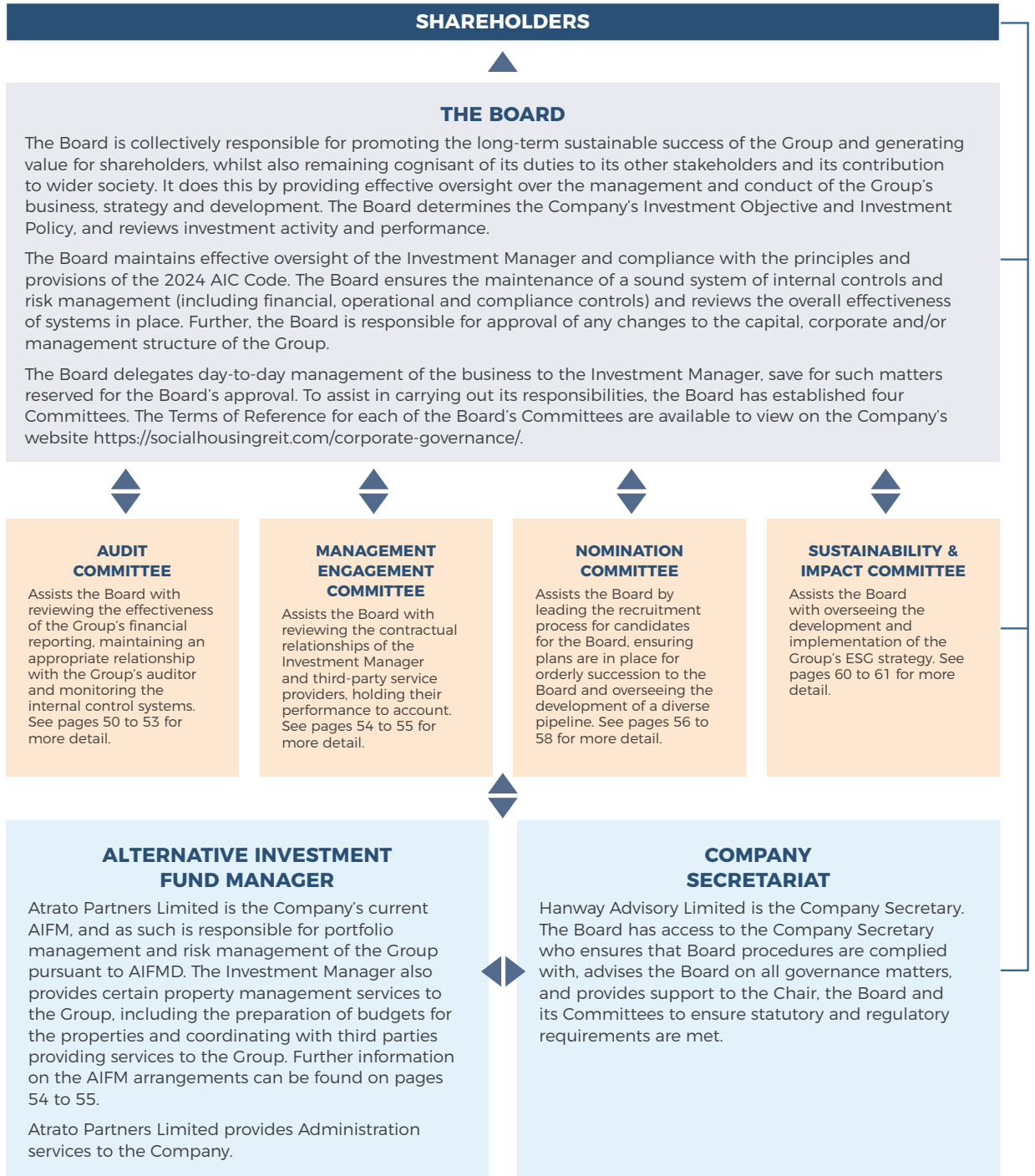
- Manager, Climate Change & Sustainability Services, EY
- Global Association of Risk Professionals (GARP) Sustainability and Climate Risk certification and CFA Certificate in ESG Investing



CORPORATE GOVERNANCE

Governance Framework

Our Governance Framework demonstrates how we operate, representing the key governance arrangements through which the Board and its Committees can implement the highest standards of challenge and oversight. It is not an exhaustive list of every organisation or service provider that the Group has engaged with on governance matters.



KEY MATTERS RESERVED FOR THE BOARD

Board membership and powers including the appointment and removal of Board members.

Establishing the overall control framework, London Stock Exchange related matters, including the approval of communications to the London Stock Exchange, and communications with shareholders, other than announcements of a routine nature.

Key commercial matters, including review of all investments and divestments, and any significant changes in lease terms.

The appointment, termination, and regular assessment of the performance of the principal advisers, including the AIFM, Administrator, Tax Advisers, Legal Advisers, Financial Adviser, Company Secretary, Broker, Registrar, PR Adviser and Auditor.

The approval of the budget and financial models.

The approval of annual and half yearly financial reports, to 31 December and 30 June respectively, dividends, accounting policies and significant changes in accounting practices.

The approval of the net asset value calculation prepared by the Administrator on a quarterly basis at 31 March, 30 June, 30 September and 31 December each year.

The review of the adequacy of corporate governance procedures.

The review of significant estimates and judgements of the Group.

The review of the risk register and the effectiveness of internal controls.

Approval of changes to the Group's capital structure, dividend policy, treasury policy, borrowing facilities and any banking relationships, hedging strategy, cash management, the Group's business strategy, acquisitions and disposals and capital expenditure.

Approval of any related party transactions subject to further regulatory requirements.

Oversight of the Group's operations ensuring compliance with statutory and regulatory obligations.



THE BIRCHES



CORPORATE GOVERNANCE

Board Meetings

The Board meets formally at least on a quarterly basis with additional meetings as they may decide are required from time to time. During 2025, the Board held four scheduled meetings and six additional Board meetings.

The Chair sets the agenda for the meetings and ensures, in conjunction with the Company Secretary, prior to each meeting, that the Directors receive accurate, clear and timely information to help them to discharge their duties. For this purpose, the Board receives periodic reports from the Investment Manager detailing the performance of the Group. The meetings focus on a review of portfolio performance and associated matters such as pipeline, gearing, asset management, occupancy, marketing/investor relations, peer group comparisons, regulatory matters, environmental and social matters and the impact of macroeconomic issues.

Board Membership and Meeting Attendance

During the year four quarterly Board meetings and six ad-hoc meetings were held. Individual Directors' attendance during the year to 31 December 2025 is set out below:

Director	Board Meetings Attended/ Requiring Attendance	General Meetings Attended/ Requiring Attendance
Chris Phillips (Chair)	9/10	1/1
Ian Reeves CBE*	2/2	1/1
Peter Coward	9/10	1/1
Cecily Davis	7/10	1/1
Tracey Fletcher-Ray	8/10	1/1
Fionnuala Hogan**	1/1	N/A
Bryan Sherriff	10/10	1/1
Jos Short***	N/A	N/A

* Ian Reeves stepped down from the Board on 19 May 2025

** Fionnuala Hogan was appointed to the Board with effect from 10 November 2025

*** Jos Short was appointed to the Board with effect from 1 March 2026

Composition

The Group has an independent non-executive Chair and five independent non-executive Directors, including a Senior Independent Director, all of whom are considered independent on and since their appointment. All Directors are independent of the Investment Manager.

Chris Phillips is the Chair of the Board. The Chair leads the Board and is responsible for the Board's overall effectiveness in directing the Group. The Chair, in conjunction with the Company Secretary, ensures that accurate, timely and clear information is circulated to the Directors, and sufficient time is given in meetings to review all agenda items thoroughly. The Chair also ensures that any issues arising during Board meetings are followed up on in a timely manner. He promotes a culture of openness and constructive debate to ensure the effective contribution of all Directors, facilitating a co-operative environment between the Investment Manager and the Directors. The Chair encourages Directors to critically examine information and reports, constructively challenge the Investment Manager and, where appropriate, to hold third-party service providers to account.

The Chair has established mechanisms to facilitate effective communication between shareholders and the Board, thereby ensuring that their views, issues and concerns are considered as part of the decision-making process.

Tracey Fletcher-Ray is the Senior Independent Director. If required, the Senior Independent Director serves as a sounding board and intermediary for the other Directors and shareholders. In addition to the Chair, the Senior Independent Director engages with shareholders or Directors if they have any issues or concerns, or if there are any unresolved matters that shareholders or other Directors believe should be brought to her attention.

The responsibilities of the Chair and Senior Independent Director are available on the Company's website.

The Directors bring a wealth of skills, experience and objective perspective to the Board, having held senior positions across various sectors in industry and commerce. The Board Committees allow the Directors to focus in greater detail and depth on key matters such as strategy, governance, internal controls and risk management.

Time Commitment

Non-executive Directors are expected to devote sufficient time to carry out their duties effectively. The expectation regarding time commitment is set out in the Directors' letters of appointment. Directors are required to disclose any potential external role and ensure it is approved by the Board prior to the acceptance of any such appointment. During the

year ended 31 December 2025, the Board was satisfied that all Directors were and remain able to commit sufficient time to discharge their responsibilities effectively having given due consideration to their other commitments.

During the year, taking into consideration the time commitment required and nature of their role with the Group, no Board member accepted any external appointments that were considered significant.

The Directors' other principal commitments are listed on pages 40 to 41.

Board Committees

The Board has established a Management Engagement Committee, an Audit Committee, a Nomination Committee and a Sustainability & Impact Committee. Given that the Company has no executive Directors or other employees, the Board does not consider it necessary to establish a separate remuneration committee. The functions and activities of each of the Committees are described in their respective reports.

Key Decisions of the Board in 2025

During the year, matters considered by the Board included:

- the Group's longer-term strategy in terms of current initiatives and opportunities for growth both within and outside of the existing portfolio;
- analysis of the Group's current and future lease terms;
- the appointment of Jos Short and Fionnuala Hogan to the Board as independent Non-Executive Directors, following a recommendation from the Nomination Committee;
- the appointment of Deutsche Numis as the Company's sole corporate broker and financial adviser;
- a decision to increase the target dividend to 5.622 pence per share for the year ended 31 December 2025;
- the Investment Manager's recommendation to conclude the stabilisation of 20 properties assigned from Parasol to Portus, the Investment Manager's action to secure an option agreement and commence the assignment of properties away from My Space, the assignment of two properties from Pivotal to IHL and the recommendation to commence the sale of a number of non-core properties;
- the change of valuation frequency of the Group's portfolio, from quarterly to bi-annually;
- the valuation methodology of the Group's portfolio;
- the risks and related mitigations of the Group's lease counterparties;
- monitoring of the pass-through rents received from two of the Group's Approved Providers;
- the standards of Approved Providers that had received a non-compliant rating by the Regulator of Social Housing and updates on regulatory developments within the social housing sector;
- the declaration of the Company's interim dividends;
- the Group's due diligence processes including over property inspections;
- the risk profile of the Group and its counterparties;
- the budget for general, administrative and marketing expenses;
- the Group's compliance with the REIT regime;
- the Group's financial public relations and communication strategy;
- the key performance indicators by which the Group measures success;
- the review of quarterly management accounts;
- the half yearly broker report regarding the Company's share price rating, performance and trading and NAV performance;
- analyses of the Company's shareholder register;
- the recommendations of its Nomination Committee with respect to Board diversity, succession planning and the current balance of skills, experience and knowledge;
- the recommendations of its Sustainability & Impact Committee; and
- the quarterly reviews of corporate governance compliance, Group subsidiary activity and depositary reports.



CORPORATE GOVERNANCE

Performance Evaluation

The Directors recognise that the evaluation process is a significant opportunity to review the practices and performance of the Board, its Committees, and the individual Directors and to implement actions to improve the Board's effectiveness and contribute to the Group's success.

For the year ended 31 December 2025, the Board conducted a performance evaluation by completing a questionnaire to appraise and gather useful learnings on the functioning of the Board, its Committees and the individual Directors.

The results of the questionnaire demonstrated that there was consensus that the performance and functioning of the Board remained effective. The Board considered that each of the Directors worked well together and that it demonstrated an appropriate mix of knowledge and skills to effectively discharge its duties.

As set out below, the Board has made good progress on the recommendations arising from the internal Board evaluation carried out for the year ended 31 December 2024:

Challenges	Recommendations of next steps	Actions taken to address challenges
Service Providers	The Board is encouraged to complete a comprehensive review of its service providers, to provide feedback to service providers to ensure high quality service for an appropriate cost.	During the year, the Board conducted a comprehensive and robust review of all its service providers, resulting in the implementation of several changes to enhance operational effectiveness and service delivery.
Professional Development	Due to the upcoming change of directors, as members of the Board reach the end of their nine-year tenure, it is recommended that there be enhanced focus on training and development to continuously improve knowledge, skills and sector knowledge.	The Board maintains a strong foundation of skills and expertise, and while no additional training has been undertaken to date, in recognition of the importance of ongoing professional development, the Board will continue to review its training needs to ensure the maintenance and further enhancement of its effectiveness and sector knowledge.
Flow of Information	Following the change of the Investment Manager, the Board is encouraged to complete a review of the timing of information flow to ensure that there is sufficient time on key matters for discussion and scrutiny.	Board packs are received a week in advance to ensure the Directors have sufficient time to review the packs.

A full performance evaluation of the Board, its Committees and the individual Directors will continue to be conducted annually. The Chair will annually consider an externally facilitated Board evaluation.

Conflicts of Interest

The Group has a conflicts of interest policy that has been approved by the Board and sets out the approach to be adopted and procedures to be followed where a Director, or such other persons to whom the Board has determined the policy applies, has an interest which conflicts, or potentially may conflict, with the interests of the Group. Under the policy and the Company's Articles of Association, the Board may authorise potential matters of conflict that may arise, subject to imposing limits or conditions it deems appropriate when granting such authorisation.

The Group reserves the right to withhold information relating to, or relevant to, a conflict matter from the Director concerned. Additionally, the Group may exclude the Director from receiving information, participating in discussions or taking part in Board decisions that concern the conflict matter, or in any situation where the Chair considers that it would be inappropriate for such Director to participate or receive such information.

Procedures have been established to monitor actual and potential conflicts of interest on a regular basis, including the requirement that any conflict is disclosed at each Board Meeting, and the Board is satisfied that these procedures are working effectively.

The Investment Manager maintains conflicts of interest policies to avoid and manage any conflicts of interest that may arise between themselves and the Group. The Investment Manager has established a clear and robust framework to ensure that any conflicts of interest are appropriately governed that includes:

- potential conflicts where the Investment Manager is a party to the transaction;
- the Investment Manager's obligation to, as far as reasonably practical, exclusively offer all new investment opportunities to the Group; and
- other conflict matters regarding the value, quality or other terms relating to the acquisition or disposal of assets from or to the Group or provision of debt funding by the Investment Manager to the Group.

Professional Development

The Directors received a comprehensive induction programme on joining the Board that covered the Group's investment activities, the role and responsibilities of a Director and guidance on corporate governance and applicable regulatory and legislative landscape. The Directors' training and development are identified as part of the Board evaluation process and addressed on a case by case basis. Each Director is fully aware that they should take responsibility for their own individual development needs and take the necessary steps to ensure they are wholly informed of regulatory and business developments.

During the year, the Directors received periodic guidance on technical, regulatory and compliance changes at quarterly Board meetings, and on an ad-hoc basis where necessary.

Shareholder Engagement

The Group encourages active interest and contribution from both its shareholders and responds promptly to all queries received by the Group. The Board recognises the importance of maintaining strong relationships with shareholders and the Directors place a great deal of importance on understanding shareholder sentiment.

The Investment Manager and the Group's Financial Adviser regularly meet to discuss, amongst other things, the views of the Company's shareholders. The Group's Corporate Broker speaks to shareholders regularly and ensures shareholder views are clearly communicated to the Board. The Board takes responsibility for, and has a direct involvement in, the content of communications regarding major corporate matters.

The Board encourages shareholders to attend and vote on the resolutions at the Annual General Meeting, and to ask the Board any questions that they may have.

The Chair makes himself available, as necessary, to speak to shareholders. In addition, the Chairs of the Board's Committees make themselves available, as necessary, on significant matters related to their areas of responsibility when required.

The Board is committed to providing investors with regular announcements on events affecting the Group. The Group publishes quarterly factsheets that are available to download, along with all other investor documentation, from the Group's website www.socialhousingreit.com.

During the year, the Group regularly engaged with shareholders.



AUDIT COMMITTEE REPORT



Audit Committee Members	Audit Committee Meetings Attended/ Requiring Attendance
Peter Coward (Chair)	4/4
Ian Reeves CBE*	1/2
Tracey Fletcher-Ray	4/4
Bryan Sherriff	4/4
Fionnuala Hogan**	1/1

* Ian Reeves stepped down as a Director with effect from 19 May 2025.

** Fionnuala Hogan was appointed as a Director with effect from 10 November 2025.

Responsibilities

The Audit Committee has the primary responsibility of reviewing the financial statements and the accounting principles and practices underlying them, liaising with the external auditors and reviewing the effectiveness of the Group's internal controls.

The main role of the Audit Committee is to:

- provide formal and transparent arrangements for considering how to apply the financial reporting and internal control principles set out in the 2024 AIC Code and to maintain an appropriate relationship with the external auditors;
- where requested, provide advice to the Board on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- monitor the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance and reviewing significant financial reporting judgements contained in them;
- review the Group's internal financial controls and the Group's internal control and risk management systems;
- consider and report on the long-term viability of the business and assess the appropriateness of applying the going concern assumption;
- make recommendations to the Board to put to the shareholders for their approval in general meetings in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- liaise with the Group's Tax Adviser in relation to ensuring continuing compliance with the REIT regime;
- liaise with the Group's external Valuer in relation to the valuation of the Group's portfolio and the process undertaken in determining the valuation;
- develop and implement a policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and make recommendations as to the steps to be taken; and
- report to the Board on how it has discharged its responsibilities.

The Audit Committee's Terms of Reference can be found on the Group's website at www.socialhousingreit.com/corporate-governance/.

Committee Membership

The Audit Committee is chaired by Peter Coward and currently comprises four members. In accordance with the AIC Code, the Chair of the Board is not a member of the Audit Committee.

The Board is satisfied that at least one member of the Audit Committee has recent and relevant financial experience. Peter Coward is a qualified Chartered Accountant and was, until the end of June 2016, a Senior Tax Partner at PricewaterhouseCoopers LLP specialising in property. The Board is also satisfied that the Committee, collectively, has competence relevant to the sector in which the Group operates.

As announced in December 2024, the nine year tenure of Peter Coward ends in 2026 and he will be stepping down as a Board member at the conclusion of the 2026 AGM. As part of the succession plan, the Board announced the appointment of Fionnuala Hogan with effect from 10 November 2025. Fionnuala will be succeeding Peter as Audit Chair, on conclusion of the 2026 AGM.

Activities

The Audit Committee meets at least three times a year to consider the annual report, interim report, any other formal financial performance announcements, and any other matters as specified under the Committee's Terms of Reference. The Committee regularly reports to the Board on how it discharged its responsibilities. During the year, the Audit Committee discussed and considered the external audit performance, objectivity and independence, the external auditor re-appointment, accounting policies and alternative accounting treatments, significant accounting judgements and estimates, and the risk register.

Performance Evaluation

Refer to the Corporate Governance section on page 48 for further details on the performance evaluation.

Internal Control and Risk Management

The Group has an ongoing process in place for identifying, evaluating and managing the principal and emerging risks faced by the Group.

During the year, the Board carried out a robust assessment of the Group's emerging and principal risks, which was further reviewed by the Audit Committee, and satisfied itself that the procedures

for identifying the information needed to monitor and manage these risks were robust. The Group has in place the following key internal controls:

- a risk register identifying risks and controls to mitigate their potential impact and/or likelihood and this is maintained by the Investment Manager subject to the supervision and oversight of the Committee;
- a procedure to ensure that the Group can continue to operate as a REIT;
- internal control reports of the Investment Manager, Administrator and Depositary, which are reviewed by the Board;
- forecasts and management accounts prepared by the Investment Manager and Administrator, which allow the Board to assess performance; and
- there is an agreed and defined Investment Policy, specified levels of authority and exposure limits in relation to investments, leverage and payments.

The Board also receives a quarterly depositary report. INDOS Financial Limited are responsible for cash monitoring, asset verification and oversight of the Group and the Investment Manager in performing its function under AIFMD. The Depositary reports its findings on a quarterly basis during which it monitors and verifies all new acquisitions, share issues, loan facilities, shareholder distributions and other key events. In addition, on an ongoing basis, the Depositary tests the quarterly management accounts, bank reconciliations and performs a quarterly review of the Group when discharging its duties.

Taking into account the review of the reports provided and its knowledge of the business, the Audit Committee has reviewed and approved any statements included in the annual report concerning internal controls and risk management and has determined that the effectiveness of the internal controls was satisfactory. The principal risks and uncertainties identified from the risk register and a description of the Group's risk management procedures can be found on pages 26 to 31.



AUDIT COMMITTEE REPORT

Significant Issues Considered by the Audit Committee

The Audit Committee considered the key accounting judgements underlying the preparation of the financial statements, focusing specifically on:

Viability and Going Concern

The Board is required to consider and report on the longer-term viability of the business as well as assess the appropriateness of applying the going concern assumption.

The Audit Committee has taken account of the solvency and liquidity position of the Group from the financial statements and the forecasted Group cash flow information provided by the Investment Manager and as a result considers that it is appropriate to adopt the going concern basis of preparation of the financial statements.

The Audit Committee has also considered the longer-term solvency and liquidity forecasts provided by the Investment Manager, including refinancing requirements, compliance with debt covenants and UK REIT rules and as a result has a reasonable expectation that the Group will be able to continue in business over the five-year period of its assessment.

Valuation of Property Portfolio

The valuation of the Group's property portfolio is fundamental to the Group's statement of financial position and reported results.

The valuations of the properties at the end of the financial period were performed by Jones Lang LaSalle ("JLL"), whom the Audit Committee considers to have sufficient local and national knowledge of social housing and Supported Housing and the skills and knowledge to undertake the valuations competently. The Audit Committee met with JLL to discuss the valuation methodology of the Group's portfolio.

The Audit Committee considered the underlying assumptions of IFRS valuation basis and portfolio valuation and gains comfort from the valuer's methodology and other supporting market information. The Audit Committee has considered the subjectivity of the property valuations which could affect the NAV and share price of the Group, and these were discussed with the Investment Manager and the external auditor.

Revenue Recognition

The Group's revenue solely comprises rental income from investment properties, and therefore, it is integral that the underlying assumptions for determining rental income are appropriate. Rental income is recognised on a straight-line basis over the lease term, thereby relying on the Investment Manager's determination of the lease term based on whether they are reasonably certain the option to extend the lease term will be exercised. The Audit Committee gained comfort from these assumptions by reviewing the external auditor's analysis including a review of the lease documentation, investigation of differences to actual revenue recognised in the year compared to expectations, and how they challenged any significant assumptions made by the Investment Manager.

Internal Audit

The Board has considered the appropriateness of establishing an internal audit function and, having regard to the structure and nature of the Group's activities, has concluded that the function is unnecessary. The Audit Committee will review on an annual basis the need for this function and make appropriate recommendations to the Board.

External Auditor, Audit Fees and Non-Audit Services

An important responsibility of the Audit Committee each year is to monitor the performance, objectivity and independence of the Group's external auditor, currently BDO LLP ("BDO"). In evaluating BDO's performance, the Audit Committee examine the effectiveness of the audit process, independence and objectivity of the auditor, taking into consideration the length of tenure of the external auditor, the non-audit services undertaken during the year and relevant UK professional and regulatory requirements, and the quality of delivery of its services.

BDO were appointed as the external auditor of the Group on 18 July 2017, and a formal external audit tender process was undertaken in 2019. BDO were recommended by the Audit Committee for re-appointment at the 2025 AGM and the resolution was duly passed. We transitioned our lead BDO partner for the 2022 audit following completion of the previous audit partner's five-year term. In accordance with the Financial Reporting Council's guidance, the audit will be put out to tender within ten years of the initial appointment. Additionally, the audit partner must be rotated every five years and is therefore next eligible for rotation following the conclusion of the 2026 audit.

The auditor attends the majority of the Audit Committee meetings and I, as Audit Committee Chair, have a number of meetings with the lead audit partner as required. The auditor works with the Investment Manager and discusses their findings and recommendations with the Audit Committee.

In line with the recommendations set out in the FRC's Audit Committees and the External Audit: Minimum Standard and the requirements of the FRC's Ethical Standards for Auditors the Group has developed and implemented a non-audit services policy. The policy sets out, relative to the statutory audit fee, the services that the auditor is permitted to provide and the maximum fee that may be charged for non-audit services.

In accordance with the policy, and to ensure that independence and objectivity are satisfactorily safeguarded, approval from the Audit Committee Chair must be obtained before the external auditor is engaged to provide any permitted non-audit services where the fee exceeds £5,000. For non-audit services with a fee in excess of £10,000, approval must be sought from the full Audit Committee.

BDO are prohibited from providing services to the Group that would be considered to jeopardise their independence, such as tax services, bookkeeping and preparation of accounting records, financial systems design and implementation, valuation services, internal audit outsourcing and services linked to the financing, capital structure and asset allocation. The Group's non-audit services policy is reviewed annually by the Audit Committee to ensure it continues to be in line with best practice.

The Committee annually reviews the level of non-audit fees to ensure that the provision of non-audit services does not impair the auditor's independence or objectivity, taking into account the relevant regulations. The policy stipulates that the total fees paid to the auditor for non-audit services shall not exceed 70% of the average statutory audit fees paid by the Group to the auditor over the preceding three consecutive financial years.

The total audit fee in relation to the 31 December 2025 year end audit of the Group and subsidiaries was £347,000 net of VAT (2024: £314,000). The total non-audit fees for the year ended 31 December 2025 were £45,500 net of VAT in relation to the interim review (2024: £42,500). The ratio of non-audit services fees to audit fees in the year was 13% (2024: 14%).



Peter Coward
Audit Committee Chair

25 March 2026



MANAGEMENT ENGAGEMENT COMMITTEE REPORT



Management Engagement Committee Members	Management Engagement Committee Meetings Attended/ Requiring Attendance
Tracey Fletcher-Ray (Chair)	1/1
Chris Phillips	1/1
Peter Coward	1/1

Responsibilities

The principal duty of the Management Engagement Committee is to review and make recommendations on any proposed amendment to the Investment Management Agreement and keep under review the performance of the Investment Manager. The Management Engagement Committee regularly reviews the composition of the key executives performing the services on behalf of the Investment Manager and monitor and evaluate the performance of other key service providers to the Group.

The Management Engagement Committee reviews its terms of reference at least annually and any changes are approved by the Board. The terms of reference can be found on the Group's website at www.socialhousingreit.com/corporate-governance/.

Committee Membership

The Management Engagement Committee is chaired by Tracey Fletcher-Ray and comprises of three members. The Management Engagement Committee meets at least once a year and more often when required.

Activities

During the year, the Management Engagement Committee conducted a comprehensive review of the key agreements with its service providers, a detailed review of the performance, composition, personnel and fees of the Investment Manager, and a review of the Group's other corporate advisers and key service providers. The discussion included an assessment of performance and suitability of the services provided, and a review of the termination period of each agreement.

The Management Engagement Committee considered the terms of the Investment Management Agreement to ensure it continued to accurately reflect the commercial arrangements agreed between the Company and the Investment Manager and was satisfied that this was the case.

Performance Evaluation

Refer to the Corporate Governance section on page 48 for further details on the performance evaluation.

Administration Arrangements

On 18 September 2025, Atrato Partners Limited took over the role of Administrator to the Group, replacing JTC (UK) Limited.

Management Arrangements

The Company operates as an externally managed alternative investment fund for the purposes of AIFMD.

The Company's AIFM and Investment Manager is Atrato Partners Limited ("Atrato"), who were appointed with effect from 1 January 2025, following the independent review of investment management arrangements. Prior to this Triple Point Investment Management LLP ("Triple Point") were the Company's AIFM and Investment Manager. The AIFM agreement with Triple Point was terminated with effect from 6 January 2025. Details regarding the early termination fee agreed between the Company and Triple Point can be found in Note 8 and were reported in the prior year annual report.

Financial Year Ended 31 December 2025

AIFM Agreement with Atrato

For the performance of the risk management function, which was set out within the AIFM Agreement and excluded the portfolio management aspect of the role, Atrato received an annual fee which equated to 3.5 basis points on net assets of up to £300 million, and 3.0 basis points for net assets above £300 million.

The annual fee paid under the AIFM Agreement with Atrato for the year ended 31 December 2025 was nil (2024: £233,000). No performance fee was payable to Atrato.

In its role as AIFM, the Investment Manager is responsible for portfolio management and risk management of the Group pursuant to AIFMD. The AIFM is licensed and regulated by the Financial Conduct Authority. Under the AIFM Agreement, Atrato is entitled to receive a management fee, which is payable by the Company on a quarterly basis and is based on a percentage of the Company's market capitalisation at the end of each quarter (the '**Management Fee**'). The Management Fee is calculated using the following fee thresholds and rates:

Market capitalisation threshold	Relevant fee rate (per annum)	Relevant fee rate (per quarter)
Up to and including £150m	1.25 per cent.	0.3125 per cent.
Above £150m and up to and including £300m	1.00 per cent.	0.25 per cent.
Above £300m	0.70 per cent.	0.175 per cent.

The annual fee paid to Atrato under the Investment Management Agreement for the year ended 31 December 2025 was £3.27 million (2024: Triple Point £4.65 million excluding the termination fee).

Atrato, or any connected person nominated, has undertaken to invest in and hold an amount of shares in the Company equal to 25% of the Management Fee (after making an allowance for tax payable by Atrato). Atrato have agreed, subject to certain exceptions, not to dispose of such shares for a period of 12 months from the date of their acquisition.

In the event that Atrato arranges and effects the sale of any properties at the direction of the Company, and the Company elects to return such value to shareholders, Atrato shall be entitled to a fee equal to 0.5% of the gross sale price of the relevant properties.

The AIFM Agreement may be terminated by the Company or Atrato on 12 months' written notice at any time. The AIFM Agreement may be terminated immediately by either party in certain circumstances including, if any resolution is passed or order is made for the winding-up of the other party or the other party has committed a material breach of the terms of the AIFM Agreement.

Atrato are also entitled to be reimbursed for all disbursements, fees and costs payable to third parties properly incurred by them on behalf of the Group pursuant to provision of the services under the Investment Management Agreement. There were no performance, acquisition, exit or property management fees.

Continuing Appointment of the Investment Manager

The Management Engagement Committee has reviewed the continuing appointment of the Investment Manager and, based on the Group's strong investment performance, deep sector expertise and counterparty relationships, the Committee is satisfied that their appointment continues to be in the best interests of shareholders as a whole.



Tracey Fletcher-Ray

Management Engagement Committee Chair

25 March 2026

NOMINATION COMMITTEE REPORT



Nomination Committee Members	Nomination Committee Meetings Attended/ Requiring Attendance
Chris Phillips (Chair)	1/2
Tracey Fletcher-Ray*	2/2
Cecily Davis	2/2
Former Members	
Ian Reeves CBE**	N/A
Bryan Sherriff***	N/A

* Tracey Fletcher-Ray was appointed to the Nomination Committee with effect from 26 February 2025.

** Ian Reeves stepped down as a member of the Nomination Committee with effect from 26 February 2025.

*** Bryan Sherriff was appointed to the Board and the Nomination Committee with effect from 1 January 2025 but stepped down as a member of the Nomination Committee with effect from 26 February 2025.

Responsibilities

The Nomination Committee's main function is to lead the process for appointments, ensuring plans are in place for orderly succession to the Board, overseeing the development of a diverse pipeline for succession and any other matters as specified under the Committee's Terms of Reference. This includes ensuring that any appointments and succession plans are based on merit and objective criteria, and, within this context, promoting diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

The Nomination Committee's Terms of Reference can be found on the Group's website at www.socialhousingreit.com/corporate-governance/.

Committee Membership

The Nomination Committee is chaired by Chris Phillips and comprises of three members.

Activities

The Committee met twice during the year ended 31 December 2025 to review the balance of skills and experience, the size and structure of the Board, and succession planning.

The Committee led the recruitment process for two new Non-Executive Directors, working with an independent external search consultant. The Committee identified and nominated Fionnuala Hogan and Jos Short as Non-Executive Directors, for the approval of the Board. This is discussed in further detail below.

The Committee also reviewed the time and significant commitments of the Board and satisfied itself that the Directors were able to commit sufficient time to discharge their responsibilities effectively having given due consideration of external appointments.

Succession Planning and Recruitment

A key focus of the Nomination Committee during the year was the continued implementation of the long-term succession plan for the Board. Once a decision is made to recruit an additional Director, under its Terms of Reference, the Nomination Committee has the responsibility of identifying and leading that process on behalf of the Board. A formal role description is created, which is based upon requirements identified from a review of the current balance of experience and skills, as well as having due regard to the benefits of diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

The Committee is then responsible for engaging with an independent external search consultant in order to facilitate the search, if this is considered necessary. In accordance with the Group's Diversity Policy, the Committee must engage with an external search consultant that can commit to undertaking an open and transparent process that includes potential candidates from different social and ethnic backgrounds.

During the year, the Committee engaged executive search consultant, Tyzack Partners Limited (“Tyzack”) to support in its recruitment process for the year ended 31 December 2025. Tyzack provided a longlist of candidates which was reviewed by the Committee to create a shortlist. Interviews then took place with short-listed candidates and the Committee. Following this process, the Nomination Committee recommended Fionnuala Hogan and Jos Short to the Board for appointment as Non-executive Directors and the Board approved these appointments. Neither the Directors nor the Group are connected with Tyzack.

In line with the Succession Plan for the Board, Chris Phillips and Peter Coward are due to step down from the Board at the Annual General Meeting in 2026. Jos Short will then succeed Chris as non-executive Chair and Fionnuala will succeed Peter as Audit Chair.

Performance Evaluation

Refer to the Corporate Governance section on page 48 for further details on the performance evaluation.

Re-election of Directors

The Board considers that the performance of each Director continues to be effective and demonstrates the commitment required to continue in their present roles, and that each Director’s contribution continues to be important to the Company’s long-term sustainable success. This consideration is based on, amongst other things, the business skills and industry experience of each of the Directors (refer to the biographical details of each Director on pages 40 to 41), as well as their knowledge and understanding of the Company’s business model.

The Board has also considered the other contributions which individual Directors may make to the work of the Board, with a view to ensuring that:

- (i) the Board maintains a diverse balance of skills, knowledge, backgrounds and capabilities leading to effective decision-making;
- (ii) each Director is able to commit the appropriate time necessary to fulfilling their roles; and
- (iii) each Director provides constructive challenge, strategic guidance, offers specialist advice and holds third-party service providers to account.

All Directors submit themselves for election or re-election on an annual basis. In accordance with the succession plan for the Board, Ian Reeves will be stepping down from the Board at the 2025 Annual General Meeting and therefore will not be standing for re-election. All other Directors in office as at the date of this report are to be proposed for election or re-election at the 2025 Annual General Meeting.

Tenure Policy

The Board considers that the length of time each Director, including the Chair, serves on the Board should not be limited and has not set a finite tenure policy. Continuity, self-examination and ability to do the job are the relevant criteria on which the Board assesses a director’s independence. Length of service of current Directors and future succession planning will be reviewed each year as part of the Board evaluation process.

Diversity and Inclusion Policy

The Board has established and maintains a formal written diversity policy.

The Board’s objective is to maintain effective decision-making, including the impact of succession planning. The Board recognises the benefits of all types of diversity and supports the recommendations of the Hampton-Alexander Review and the Parker Review. All Board appointments will be made on merit, and promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths, ensuring that such appointment will develop and enhance the operation of the Board to best serve the Group’s strategy.

The Board recognises the importance of diversity in the boardroom which introduces different perspectives to the Board debate and considers it to be in the interests of the Group and its shareholders to take into consideration diversity criteria when appointing a new individual to the Board. In line with the Company’s succession plan, when undertaking the appointment of a new Director, the Nomination Committee will instruct an external search consultancy to undertake an open and transparent process that includes potential candidates from different social and ethnic backgrounds.

Members of the Board should collectively possess a diverse range of skills, expertise, industry knowledge and business. The Board will continue to monitor diversity, taking such steps as it considers appropriate to maintain its position as a meritocratic and diverse business.



NOMINATION COMMITTEE REPORT

FCA UK Listing Rule Diversity Targets

In accordance with the UK Listing Rules of the FCA, the Group is required to report on whether the following targets on board diversity have been met, as at 31 December 2025:

- a) at least 40% of individuals on the Board are women;
- b) at least one of the senior Board positions (defined by the FCA as either the SID, CEO or CFO) is held by a woman; and
- c) at least one individual on its Board is from a minority ethnic background.

The following table sets out the gender and ethnic diversity of the Board as at 31 December 2025 in accordance with the FCA's UK Listing Rules. These diversity disclosures have been approved by all the Directors:

Gender Diversity	Number of Board members	Percentage of the Board	Number of senior positions on the Board*
Men	3	50	1
Women	3	50	1
Not specified/prefer not to say	-	-	-
Ethnic Diversity			
White British or other White (including minority white groups)	5	83.33	2
Mixed/Multiple Ethnic Groups	-	-	-
Asian/Asian British	-	-	-
Black/African/Caribbean/Black British	1	16.67	-

* Senior positions include Chair and Senior Independent Director.

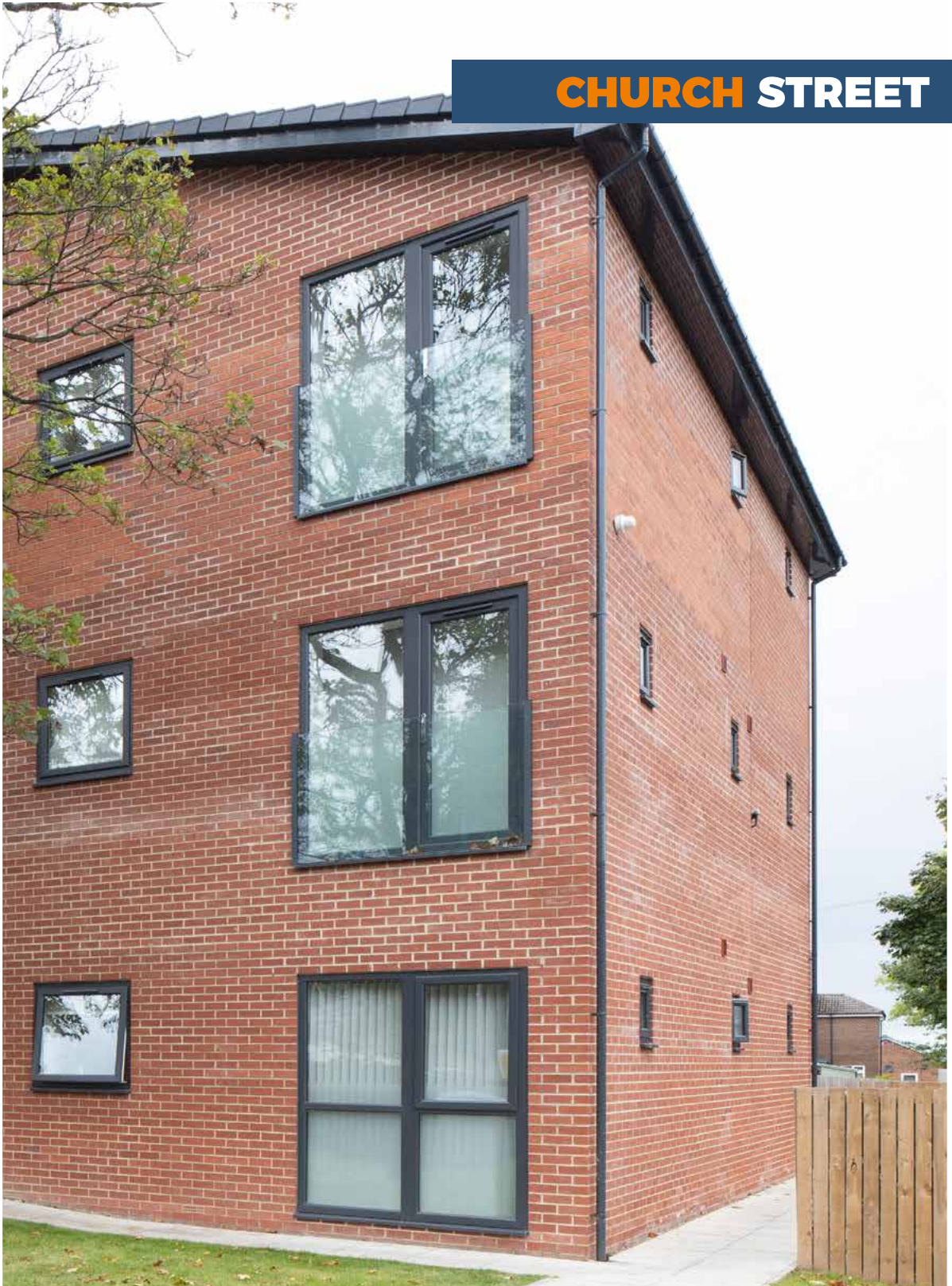
As at 31 December 2025 and the date of this report, the Board had met all the FCA's targets with respect to diversity and in accordance with the Diversity Policy adopted by the Board, remains committed to pursuing the benefits of a diverse Board.

As an externally managed investment company with solely independent, Non-executive Directors, the Group does not have a Chief Executive or a Chief Financial Officer and has no employees. Accordingly, no disclosures regarding executive management positions have been included.

Chris Phillips
Nomination Committee Chair

25 March 2026

CHURCH STREET





SUSTAINABILITY & IMPACT COMMITTEE REPORT



Sustainability & Impact Committee Members	Sustainability & Impact Committee Meetings Attended/ Requiring Attendance
Bryan Sherriff (Chair)	3/3
Tracey Fletcher-Ray	3/3
Cecily Davis	3/3
Ian Reeves*	1/1

* Ian Reeves stepped down as a Chair of the Committee with effect from 19 May 2025.

Responsibilities

The Sustainability & Impact Committee's main function is to oversee the development and implementation of the Company's ESG strategy, and the resultant impact on the social value that the Company provides to the UK housing market. The ESG strategy forms a key component of our wider strategic initiatives and is central to delivering sustainable value for our shareholders and providing good homes to people with care and support needs throughout the UK.

Our commitment to transparency can be seen through our sustainability-related targets and ongoing disclosure of our performance.

The Sustainability & Impact Committee's Terms of Reference can be found on the Group's website at www.socialhousingreit.com/corporate-governance/

Committee Membership

Bryan Sherriff was appointed as chair of the Sustainability & Impact Committee and following the retirement of Ian Reeves at the Company's 2025 AGM. The Committee currently comprises of three members.

Activities

The Committee met three times during the year ended 31 December 2025, to oversee the refresh of the Company's Sustainability Strategy and materiality assessment process, monitor progress made in respect of the EPC Upgrade Programme project and understand learnings from that project, and to oversee progress made with regards to the Company's net zero target.

During the year, the Committee also considered whether the Company's Sustainability Report for the year ended 31 December 2025 should be a separate

report and discussed the Company's participation in external sustainability assessments.

EPC Upgrade Programme

The UK Government has confirmed its ambition to have all rented properties achieving a minimum EPC rating of 'C' by 2030.

Following a successful pilot in FY24, the Company has been actively working on rolling out its EPC Upgrade Programme to improve EPC ratings across the portfolio so that all properties have a rating of C or better by 2030. In FY25, 34 properties were upgraded through the EPC upgrade programme, the first step of the programme which will run over the next three years with a budget of £2.5 million from the Company's contribution, the remaining costs being funded by public funding.

Under the programme, properties are being upgraded systematically, with works prioritised based on the following rationale:

- prioritising properties with a greater percentage of public funding available to minimise the cost to the Company;
- prioritising the lowest EPC-rated properties to deliver the most improvement;
- prioritising empty properties to minimise disruption to residents; and
- considering lessee engagement to encourage support for the programme.

The EPC Upgrade Programme is expected to run through to 2028, improving the thermal efficiency and environmental credentials of the Company's homes, meeting legislative targets and enhancing value for shareholders, whilst benefiting both the environment and residents.

Net Zero Target

During FY25, the Company completed a review of its emissions reduction target to evaluate the target baseline, scope and coverage. The Company found that given the enhancements made to its emissions data and calculation processes within its first full GHG Inventory published in the FY24 Annual Report, the FY24 full year baseline is both a more accurate and complete baseline for an emissions reduction target.

A workstream was subsequently established to enhance the Company's emissions reduction ambitions by developing targets in line with the Science Based Target initiative's ("SBTi") Building Guidance (near-term and building Net Zero target) and Corporate Guidance (other Scope 3 emissions):

Near-term target

- SOHO commits to reduce in-use operational GHG emissions of owned and leased buildings 48.5% per m² by 2030 from a 2024 base year.

Net-zero targets

- SOHO commits to reduce in-use operational GHG emissions of owned and leased buildings 98.3% per m² by 2050 from a 2024 base year.
- SOHO commits to reduce other Scope 3 emissions 90% by 2050 from a 2024 base year.

The Company submitted these refreshed emissions reductions targets (both near term and Net Zero) to SBTi for validation in November 2025, reflecting the Company's commitment to reducing its value chain

emissions in line with 1.5°C. The Company's targets were validated and approved by SBTi post-year end in February 2026.

Further information on the Company's targets and decarbonisation pathway can be found in the Sustainability Report on pages 81 to 82.

Performance Evaluation

Refer to the Corporate Governance section on page 48 for further details on the performance evaluation.

Key areas of Focus for 2026

Looking ahead to 2026, the Sustainability & Impact Committee will:

- continue to oversee the development and embedding of the ESG strategy with regular reviews of sustainability targets and performance against sustainability-related objectives;
- oversee the ongoing commitment to reduce portfolio emissions; and
- consider the implementation of a portfolio-wide EPC Update Programme, following the successful completion of the eco-retrofit pilot project.



Bryan Sherriff
Sustainability & Impact Committee Chair

25 March 2026

FAIR OAK ROAD





DIRECTORS' REMUNERATION REPORT

Annual Statement

Dear Shareholder,

I am pleased to present the Directors' Remuneration Report on behalf of the Board for the year ended 31 December 2025. It is set out in two sections in line with legislative reporting regulations:

Directors' Remuneration Policy (on pages 63 to 64) – This sets out our Remuneration Policy for Directors of the Company that has been in place since 16 May 2024, following approval by shareholders.

Annual Report on Directors' Remuneration (on pages 65 to 67) – This sets out how the Directors were paid for the year ended 31 December 2025. There will be an advisory shareholder vote on this section of the report at our 2026 AGM.

Prior to our IPO in August 2017, the Group introduced a remuneration framework to ensure that remuneration was aligned with best market practice whilst attracting and securing the right non-executive Directors to deliver our investment objectives.

The scale and structure of the Directors' remuneration was determined by the Company in consultation with the Group's Financial Adviser, having been benchmarked against companies of a similar size in the sector and having regard to the time commitment and expected contribution to the role.

The Group does not have any executive Directors or employees, and, as a result, operates a simple and transparent remuneration policy with no variable element, that reflects the non-executive Directors' duties, responsibilities and time commitment.

Discretion Exercised under the Directors' Remuneration Policy

At the date of this report, no discretion is intended to be exercised under the Directors' Remuneration Policy.

We value engagement with our shareholders and appreciate the constructive feedback we receive and we look forward to your support at the forthcoming AGM.

Chris Phillips
Chair

25 March 2026

DIRECTORS' REMUNERATION POLICY

Approval of Remuneration Policy

Our Directors' Remuneration Policy was last approved by shareholders at the Annual General Meeting of the Group held on 19 May 2025 and became effective from the conclusion of that meeting. In accordance with section 439A of the Companies Act 2006, the policy will remain in effect until it is next presented to shareholders for renewal of that approval, which must occur at intervals of not more than three years. Should the Remuneration Policy be varied prior to that time, shareholder approval for the revised Remuneration Policy will be sought.

The policy applies to the Company's non-executive Directors.

Remuneration Policy Overview

The Group's objective is to have a simple and transparent remuneration structure, aligned with the Group's strategy. The Group aims to provide remuneration packages with no variable element, designed to retain non-executive Directors with the skills and experience necessary to maximise shareholder value over the long term. The remuneration packages for the recruitment of non-executive Directors will be determined with reference to the remuneration packages offered by comparable businesses.

Policy Table

The Directors are entitled only to the fees as set out in the table below from the date of their appointment. No element of Directors' remuneration is subject to performance factors.

Component	Operation	Link to strategy
Annual Fee	<p>Each Director receives a basic fee which is paid on a monthly basis.</p> <p>The total aggregate fees that can be paid to the Directors in any given financial year are calculated in accordance with the Company's Articles of Association.</p>	<p>The level of the annual fee has been set to attract and retain high calibre Directors with the skills and experience necessary for the role.</p> <p>The fee has been benchmarked against companies of a similar size in the sector, having regard to the time commitment and expected contribution to the role.</p>
Additional Fees	<p>The Directors are each entitled to an additional fee of £7,500 payable on the production of any prospectus by the Group.</p> <p>A Director who performs services, which in the opinion of the Board, are outside the scope of the ordinary duties of a non-executive director, may also be paid such extra remuneration or may receive such other benefits as the Board may determine.</p>	<p>The additional fee in connection with the production of every prospectus has been included in recognition of the additional time commitment and contribution required in the preparation of a prospectus by the Company.</p> <p>The additional fee for services outside the scope of ordinary duties provides flexibility for a Director to be awarded additional remuneration as compensation, when considered appropriate, to ensure the effective functioning of, or to further the Company's aims.</p>
Other benefits	<p>Article 18.5 of the Company's Articles of Association permits for any Director to be repaid expenses incurred in attending or returning from meetings of the Board, Board Committee meetings or shareholder meetings or otherwise in connection with the performance of their duties as Directors of the Company.</p> <p>The Board has the power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.</p>	<p>In line with market practice, the Company will reimburse the Directors for expenses to ensure that they are able to carry out their duties effectively.</p> <p>The Directors do not currently receive any additional benefits; however the Board has included the power to offer the additional benefits as specified to create flexibility in the approach to retain or attract high calibre Board members.</p>



DIRECTORS' REMUNERATION POLICY

Service Contracts

The Directors are engaged under letters of appointment and do not have service contracts with the Company.

Directors' Term of Office

Under the terms of the Directors' letters of appointment, each directorship is for an initial period of 12 months and thereafter terminable on three months' written notice by either the Director or the Company. In accordance with the 2024 AIC Code, all Directors are subject to annual re-election by shareholders at each AGM and, accordingly, with the exception of Chris Phillips and Peter Coward, shall be submitting themselves for re-election at the Company's 2026 AGM.

Policy on Payment for Loss of Office

The Directors are entitled to payment of the fees as specified above, notwithstanding termination of their appointment, for the initial period of 12 months from the date of their appointment. Thereafter, there is no compensation payable upon termination of office as a Director of the Company.

Consideration of Shareholder Views

The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors' remuneration, the Company will seek the reasons for any such vote and will detail any resulting actions in the Directors' Remuneration Report.



ANNUAL REPORT ON DIRECTORS' REMUNERATION

Consideration of Remuneration Matters

The Board does not consider it necessary to establish a separate remuneration committee as it has no executive Directors. The Board as a whole considers the remuneration of the Directors.

Single Total Figure (Audited Table)

	Non-Executive Directors ¹					Former Non-Executive Directors ⁶
	Chris Phillips	Peter Coward	Cecily Davis ⁵	Tracey Fletcher-Ray	Fionnuala Hogan	Ian Reeves CBE
Annual fee for the year ended December 2025 and expected fees the year ended December 2026 ²	£75,000	£50,000	£50,000	£50,000	£50,000	N/A
Additional Fee ³	-	-	-	-	-	-
Other taxable benefits ⁴	-	-	-	-	-	-
Total 2025	£75,000	£50,000	£50,000	£50,000	£7,051	£19,169
2024-2025 % Annual Change	0%	0%	0%	0%	N/A	(61.7%)
Total 2024	£75,000	£50,000	£50,000	£50,000		£50,000
2023-2024 % Annual Change	0%	0%	64%	0%		0%
Total 2023	£75,000	£50,000	£30,513	£50,000		£50,000
2022-2023 % Annual Change	0%	0%	N/A	0%		0%
Total 2022	£75,000	£50,000	-	£50,000		£50,000
2021-2022 % Annual Change	0%	0%	N/A	0%		0%
Total 2021	£75,000	£50,000	-	£50,000		£50,000

1 Fionnuala Hogan was appointed with effect from 10 November 2025.

2 The Directors are paid a fixed annual fee. The fees do not have any variable or performance related elements; however, the Directors are entitled to an additional fee of £7,500 in connection with the production of every prospectus prepared with a fundraising by the Group. Refer to the Directors' Fees section below.

3 The Directors received no additional fees for the year ended 31 December 2025.

4 The Company does not provide a pension, retirement or similar benefits.

5 % change in fee is in relation to additional fees for the prospectus in 2020 at £7,500 per Director.

6 Ian Reeves resigned from the Board with effect from 19 May 2025.

Directors' Fees

The Directors are each paid an annual fee of £50,000 other than the Chair who is entitled to receive an annual fee of £75,000. In addition to the annual fee, each Director is entitled to an additional fee of £7,500 in connection with the production of every prospectus prepared with a fundraising by the Group in recognition of the additional time contribution and commitment required. No Director received this additional fee during the year ended 31 December 2025. Any Director who performs services, which in the opinion of the Board are outside the scope of the ordinary duties of a non-executive director, may also be paid such extra remuneration or may receive such other benefits as the Board may determine. The additional fees are treated as a cost of issue not included as an expense through the Statement of Comprehensive Income. Directors are further entitled to recover all reasonable expenses properly incurred in connection with performing their duties as a Director.

Directors' expenses for the year ended 31 December 2025

No other remuneration was paid or payable during the year to any Director.



ANNUAL REPORT ON DIRECTORS' REMUNERATION

Statement of Directors' Shareholding and Share Interests (Audited Table)

Outlined are details of the Directors' shareholdings as at 31 December 2025.

The Directors are not required to hold any shares of the Company by way of qualification. A Director who is not a shareholder of the Company shall nevertheless be entitled to attend and speak at shareholders' meetings.

Director*	Number of shares held as at 31 December 2024	Number of shares held as at 31 December 2025	Percentage of issued share capital as at 31 December 2025
Peter Coward	80,076*	80,076*	0.02%
Cecily Davis	0	0	0.00%
Tracey Fletcher-Ray	37,735	37,735	0.01%
Fionnuala Hogan	N/A**	0	0.00%
Chris Phillips	54,854***	54,854***	0.01%
Ian Reeves CBE	0	N/A****	0.00%
Bryan Sherriff	N/A*****	0	0.00%

* 55,076 Ordinary Shares were subscribed through Peter Coward's self-invested personal pension.

** Fionnuala Hogan was appointed on 10 November 2025.

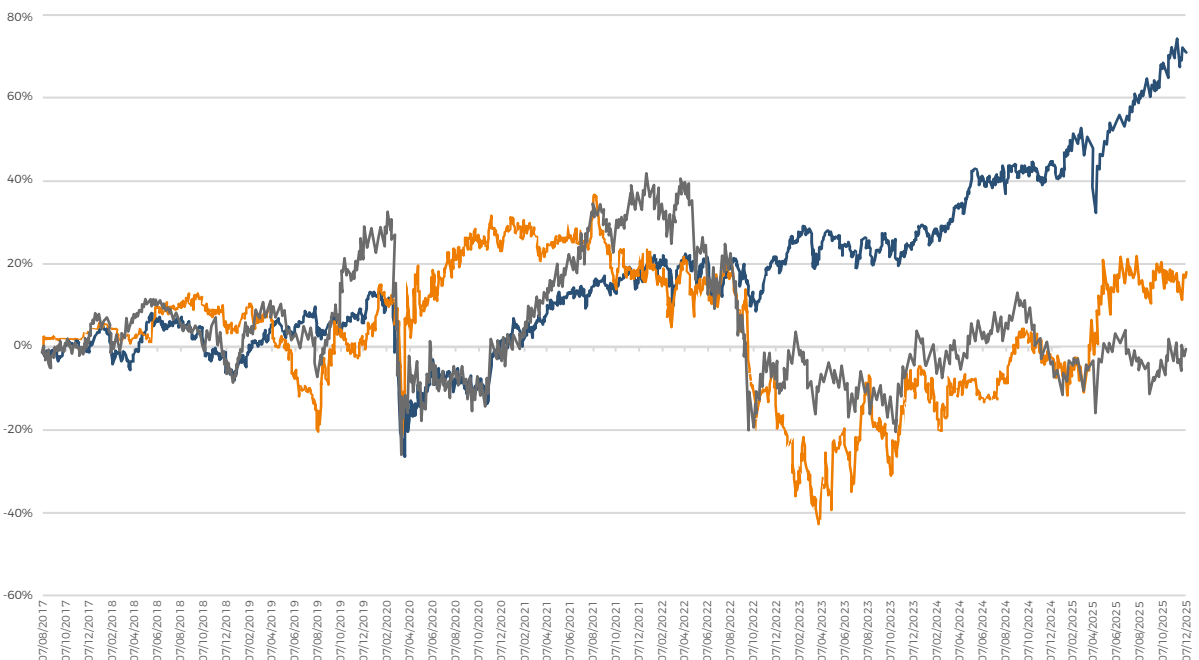
*** 25,000 Ordinary Shares were subscribed through Chris Phillips' self-invested personal pension with the balance subscribed by Centaurea Investments Limited.

**** Ian Reeves resigned from the Board on 19 May 2025.

***** Bryan Sherriff was appointed on 1 January 2025.

Total Shareholder Return

The graph below illustrates the total shareholder return of the Company's Ordinary Shares over the period relative to a return on a hypothetical holding over the same period in the FTSE All-Share Index and the FTSE EPRA/NAREIT UK Index. These indices have been chosen as they are considered to be the most appropriate benchmarks against which to assess the relative performance of the Company as the FTSE All Share represents companies of a similar capital size, and the constituents of the FTSE EPRA/NAREIT UK Index are UK based real estate companies.



Relative Importance of Spend on Pay

The table below shows the total spend on remuneration compared to the distributions to shareholders by way of dividends, share buybacks and the management fees incurred by the Company. As the Group has no employees, the total spend on remuneration comprises solely of the Directors' fees.

Director*	2025	2024
Directors' fees	£301,218	£275,000
Dividends paid	£21,961,422	£21,483,270
Share buybacks	–	–
Management fee	£3,265,305	£7,814,425*

* This figure includes both management fees and termination fees. Please see Note 8 for further information.

Consideration of Shareholder Views

During the year, the Company did not receive any communications from shareholders specifically regarding Directors' pay.

At the Annual General Meeting held on 19 May 2025, a resolution to approve the Directors' Remuneration Report was put to shareholders and passed by way of a poll. The results of the voting were as follows:

	Voting for	%	Voting against	%	Total Votes validly cast	Votes withheld
Remuneration Report	171,420,363	99.71	507,106	0.29	171,927,469	164,180

In accordance with s439 of the Companies Act 2006, companies are required to seek shareholder approval of the annual remuneration paid to directors every year and to formally approve the directors' remuneration policy on an annual or three yearly basis. Shareholders approved the Directors' Remuneration Policy at the AGM held on 30 July 2024. As the Board has agreed to propose this resolution on a three yearly basis, the next proposal will be put to shareholders at the 2027 AGM.

On behalf of the Board:



Chris Phillips
Chair

25 March 2026



DIRECTORS' REPORT

The Directors are pleased to present the annual report, including the Group's and Company's audited financial statements as at, and for the year ended 31 December 2025.

The information that fulfils the requirements of the Corporate Governance statement in accordance with rule 7.2 of the DTR can be found in this Directors' report and in the Governance section on pages 38 to 71 all of which is incorporated into this Directors' report by reference.

Principal Activity

The Company is a closed-ended investment company and a Real Estate Investment Trust, incorporated in England and Wales on 12 June 2017. The Group invests in properties in accordance with the Investment Policy and Investment Objective.

Directors

The names of the current serving Directors are set out in the Board of Directors section on pages 40 to 41, together with their biographical details and principal external appointments.

The Articles govern the appointment and replacement of Directors.

AIFM and Investment Manager

A summary of the principal contents of the AIFM agreement is set out in the Management Engagement Committee report on pages 54 to 55.

Following an independent review of the investment management arrangements, with effect from 1 January 2025, Atrato Partners Limited was appointed as the Company's AIFM and Investment Manager in place of Triple Point Investment Management LLP, whose engagement was terminated with effect from 6 January 2025.

Financial Results and Dividends

The financial results for the year can be found in the Group Statement of Comprehensive Income which can be found on page 93. In line with the target for the financial year, the Company declared the following interim dividends in respect of the year to 31 December 2025, amounting to 5.622 pence per share.

Relevant period	Dividend per share (p)	Ex dividend date	Record date	Payment date
1 January to 31 March 2025	1.4055	29 May 2025	30 May 2025	27 June 2025
1 April to 30 June 2025	1.4055	18 September 2025	19 September 2024	3 October 2025
1 July to 30 September 2025	1.4055	4 December 2025	5 December 2025	19 December 2025
1 October to 31 December 2025	1.4055	2 April 2026	7 April 2026	21 April 2026

All dividends were paid as Property Income Distributions.

Powers of the Directors

The powers given to the Directors are contained within the current articles of association of the Company (the 'Articles'), which are subject to relevant legislation and, in certain circumstances (including in relation to the issuing or buying back by the Company of its shares), are subject to the authority being given to the Directors by shareholders in general meetings.

The Articles govern the appointment and replacement of Directors.

Directors' Indemnity

The Group has indemnified the Directors against certain liabilities which may be incurred in the course of their duties. This indemnity remains in force as at the date of this report and will also indemnify any new directors that join the Board. The Company maintains directors' and officers' liability insurance which gives appropriate cover for legal action brought against the Directors.

Financial Risk Management

The information relating to the Group's financial risk management and policies can be found in Note 32 of the financial statements.

Post-Balance Sheet Events

Important events that have occurred since the end of the financial year can be found in Note 33 of the financial statements.

Amendment to the Articles

The Articles may only be amended with shareholders' approval in accordance with relevant legislation.

Share Capital

The Company was admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange on 8 August 2017 and migrated to trading on the Main Market on 27 March 2018.

As at 31 December 2025, the Company had 393,916,490 Ordinary Shares in issue, 450,000 of which were held in treasury, as can be found in Note 23 of the financial statements. The shares held in treasury do not carry any voting rights and therefore the total number of voting rights in the Company is 393,466,490. There are no restrictions on voting rights of securities in the Company.

There are no restrictions on the transfer of securities in the Company other than certain restrictions which may be impaired by law, for example, the Market Abuse Regulations, and the Group's Share Dealing Code.

The Company is not aware of any agreements between holders of securities that may result in restrictions on transferring securities in the Company. There are no securities of the Company carrying special rights with regards to the control of the Company in issue.

As a REIT, the Company's Ordinary Shares will be 'excluded securities' under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Ordinary Shares will not be subject to the FCA's restriction on the promotion of non-mainstream pooled investments.

Purchase of own Ordinary Shares

At the Company's Annual General Meeting on 19 May 2025, the Company was granted authority to make market purchases up to a maximum of 39,346,649 Ordinary Shares.

As at the date of this report, 450,000 Ordinary Shares were purchased during 2019 in the market and held in treasury and 9,322,512 Ordinary Shares were purchased during 2023 in the market and cancelled. A resolution to provide the Company with the authority to purchase shares, in accordance with the Notice of AGM, will be put to the shareholders at the Annual General Meeting. The Company is requesting the authority to make market purchases up to a maximum of 58,980,626 Ordinary Shares (approximately 14.99% of the Company's issued ordinary share capital excluding shares held in treasury). This is in line with other UK REITs.

Change of Control

Under the Group's financing facilities, any change of control at the borrower or immediate parent company level may trigger a repayment of the outstanding amounts to the lending banks. In certain facilities, the change of control provisions also include a change of control at the ultimate parent company level.

The Directors do not receive compensation for loss of office occurring due to a change of control.

Greenhouse Gas Emissions, Energy Consumption and Energy Efficiency

The Board is cognisant of the impact of the Group's operations on emissions. The Group voluntarily discloses a full GHG inventory (covering all relevant scopes and categories of emissions) within the sustainability report, further information on page 81.

In relation to the Streamlined Energy and Carbon Reporting (SECR), implemented by The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, for the year ended 31 December 2025 the Group is considered to be a low energy user, (<40,000kWh) and therefore falls below the threshold to produce an energy and carbon report.



DIRECTORS' REPORT

Major Shareholdings

In accordance with DTR 5, the Company was advised of the following significant direct and indirect interests in the issued ordinary share capital of the Company as at 31 December 2025 and the date of this report.

Shareholder	Interests in Ordinary Shares	% holding disclosed
East Riding of Yorkshire Pension Fund	31,704,797	8.06%
Nottinghamshire County Council Pension Fund	22,653,720	5.76%
TR Property Investment Trust plc	13,873,822	3.53%
West Yorkshire Pension Fund	13,850,000	3.52%

Information provided to the Company pursuant to DTR 5 is available via the Regulatory News section on the Group's website.

Contracts of Significance

There are no contracts of significance of the Company or a subsidiary in which a Director is or was materially interested or to which a controlling shareholder was a party.

Disclosure of Information to the Auditors

So far as the Directors are aware, there is no relevant audit information of which the auditor is unaware.

The Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Related Party Transactions

Related Party transactions during the year ended 31 December 2025 can be found in Note 30 of the financial statements.

Research and Development

No expenditure on research and development was made during the year (2024: Nil).

Donations and Contributions

No political or charitable donations were made during the year (2024: Nil).

Branches outside the UK

There are no branches of the business located outside the UK.

Annual General Meeting

At the 2025 Annual General Meeting, the resolutions to reappoint Chris Phillips, Tracey Fletcher-Ray and Peter Coward as Directors of the Company, as well as the resolution to dis-apply pre-emption rights up to a further 5% in connection with an acquisition or specified capital investment received more than 20 per cent. of votes against them.

In accordance with Provision 5.2.4 of the AIC Code of Corporate Governance, the Board initiated a formal consultation process to understand the concerns raised by shareholders. Deutsche Numis, the Company's corporate broker, was instructed by the Board to lead a shareholder consultation. This included contacting a significant proportion of the shareholder register and conducting a detailed outreach exercise to gather feedback. The key themes arising from this consultation were the need for Board rotation, in the ordinary course of business, to introduce fresh perspectives; and enhanced communication and disclosure to shareholders. These insights were carefully considered by the Board and informed subsequent actions and adjustments to the Company's governance and strategic approach.

As part of the Board's Succession Plan, at the time of the 2025 AGM, Bryan Sherriff had already been appointed as an Independent Non-Executive Director with effect from 1 January 2025 and Ian Reeves had stepped down from his role as an Independent Non-Executive Director at the 2025 AGM.

Additionally, following a formal recruitment process led by the Nomination Committee, with the support of an independent search consultancy, on 6 November 2025, the Company announced the appointment of Fionnuala Hogan and Jos Short as independent Non-Executive Directors with effect from 10 November 2025 and 1 March 2026 respectively.

It was also announced that both Chris Phillips and Peter Coward would be stepping down as Chair and Audit Committee Chair at the 2026 AGM, respectively. Following those resignations, Jos will succeed Chris as Chair of the Board and Nomination Committee and Fionnuala will succeed Peter as Chair of the Audit Committee.

These Board change align with the intention of the Succession Plan which was to ensure a gradual refresh of the Board and an orderly handover period.

Information Included in the Strategic Report

The information that fulfils the reporting requirements relating to the following matters can be found on the pages identified.

Subject matter	Page reference
Likely future developments	4 to 5
Business relationships	138

On behalf of the Board:



Chris Phillips
Chair

25 March 2026

RATHMELL





DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the annual report and the financial statements in accordance with UK adopted international accounting standards and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with UK adopted international accounting standards and have elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss for the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- for the Company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business; and
- prepare a Directors' report, a strategic report and Directors' remuneration report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

Website Publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Directors' Responsibilities Pursuant to DTR4

The Directors confirm to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position of the Group and the Company and profit and loss of the Group.
- The Annual Report includes a fair review of the development and performance of the business and the financial position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

Approval

This Directors' responsibilities statement was approved by the Board of Directors and signed on its behalf by:

Chris Phillips
Chair

25 March 2026

MESSAGE FROM THE SUSTAINABILITY & IMPACT COMMITTEE CHAIR

Delivering on our Refreshed Sustainability Strategy

Dear Shareholders,

I am pleased to present Social Housing REIT's Task Force on Climate-related Financial Disclosures ("TCFD") aligned climate-related disclosures for 2025. This year, reflecting the renewed focus on sustainability and impact, our FY25 Sustainability Report is a standalone document which accompanies this Annual Report. In it, we provide an overview of the Company's sustainability performance and progress over the last year and highlight examples of the impact being delivered every day across the portfolio.

Following the appointment of Atrato Partners Limited ("Atrato") as the new Investment Manager for SOHO, the Company's sustainability activities and strategy were formally reviewed. This resulted in a stakeholder engagement focused materiality assessment, undertaken to identify the most material issues to the Company. Our new Sustainability Strategy reflects the outcomes of this materiality assessment and has three key pillars: Thriving People, Sustainable Homes and Engaged Governance.

We remain committed to delivering positive outcomes for vulnerable adults with care and support needs and this informs our social sustainability pillar: Thriving People. Our separate annual Impact Report, prepared by The Good Economy, details our progress against our impact measurement and management ("IMM") framework, which is integrated into our Sustainability Strategy.

Following the review of the Company's emissions reduction targets, the Company has developed refreshed targets in line with the Science Based Target initiative ("SBTi") Building Guidance and Corporate Guidance. These targets, covering 2030 (near-term) and 2050 (net zero) horizons, were submitted to the SBTi for validation and approval in November 2025 and were approved post-year end in February 2026. This milestone is complemented by the successful continued roll-out of our EPC Upgrade Programme, which is already delivering real-world impacts under of our Sustainable Homes strategy pillar.

We have again partnered with energy data provider Perse, to obtain actual consumption data from our properties, enabling us to improve the completeness and accuracy of our GHG Inventory, which is disclosed in the appendix of this report. Our enhanced Task Force on Climate-related Financial Disclosures ("TCFD") report, which incorporates location risk data from MunichRe, is included within our FY25 Annual Report and Accounts. To further improve the transparency of our sustainability performance, the Company also made its first submission to the Global Real Estate Sustainability Benchmark ("GRESB") and has committed to ongoing annual GRESB reporting.

We are delighted to note that our sustainability efforts have been recognised by the European Public Real Estate Association ("EPRA"), with an EPRA Sustainability Best Practices Recommendations ("sBPR") Most Improved Award and Gold Award received in September 2025 for our inaugural EPRA sBPR reporting. We have set the target to maintain our Gold Award year-on-year and our FY25 EPRA sBPR disclosures are also included in the appendix of this report.

The progress we have achieved, and which is detailed within the standalone FY Sustainability Report, highlights our commitment to investing responsibly for long-term value creation. Looking forward, we are excited to make further progress against our sustainability strategy in FY26, building on the significant milestones we have reached to date.



Bryan Sherriff
Chair of Sustainability and Impact Committee

25 March 2026



SUSTAINABILITY STRATEGY

Our Sustainability Strategy is structured by three key pillars; each aligned to the UN Sustainable Development Goals (“SDGs”) most material to the Company.

ESG Pillar	 PILLAR 1 Thriving People	 PILLAR 2 Sustainable Homes	 PILLAR 3 Engaged Governance
Aim	Putting resident welfare first and delivering on our impact objectives to create long-lasting positive social outcomes	Taking actions to improve the quality and sustainability of our homes and create a more energy efficient, climate-resilient portfolio	Making responsible choices, managing risks and partnering with stakeholders to create long-term stakeholder value
Aligned UN SDGs			
Impact Goal	Increase the provision of Specialised Supported Housing, delivering positive outcomes for vulnerable adults and value for money for the public sector		
Impact Objectives	Deliver socially needed accommodation	Fund & manage sustainable developments	Enable the provision of quality services
KEY METRICS	<ul style="list-style-type: none"> Number of homes and potential residents Occupancy rate % of homes defined as 'new' to the SSH sector 	<ul style="list-style-type: none"> % homes EPC C or above Number of EPCs improved via EPC Upgrade Programme % assets climate risk screened 	<ul style="list-style-type: none"> Number of inspections per 100 properties % of lessees met with annually Resident satisfaction (tenant satisfaction measures)
Outcomes	Improved resident wellbeing	Net Zero by 2050	Sector growth and maturity
Transparent Reporting			 <small>TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES</small>
			 <small>DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</small>  <small>EUROPEAN PUBLIC REAL ESTATE ASSOCIATION</small>

Sustainability Report

The Company is committed to reporting its sustainability performance, methodology and data every year in a comprehensive and transparent way.

The Company is pleased to have prepared its **first standalone Sustainability Report** which details the Company's performance against our Sustainability Strategy and contains our sustainability disclosures aligned with best practice frameworks including EPRA's Sustainability Best Practices Recommendations (“sBPR”).

➤ [See here for SOHO's FY25 Sustainability Report](#)



Taskforce On Climate-Related Financial Disclosures (“TCFD”) Report

The TCFD recommendations provide a framework for organisations to more effectively take account of and disclose climate-related risks and opportunities. The TCFD Report for the Company, included below, contains voluntary climate-related financial disclosures for the reporting period 1 January 2025 – 31 December 2025 in relation to governance, strategy, risk management and metrics and targets.¹ It addresses all four core elements and 11 TCFD Recommended Disclosures as detailed in “Recommendations of the Task Force on Climate-Related Financial Disclosures”.²

Recommendation	Recommended Disclosures	Page number
Governance Disclose the organisation’s governance around climate-related risks and opportunities.	a. Describe the Board’s oversight of climate-related risks and opportunities.	76
	b. Describe management’s role in assessing and managing climate-related risks and opportunities.	76
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	77
	b. Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning.	78
	c. Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	79
Risk Management Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation’s processes for identifying and assessing climate-related risks.	80
	b. Describe the organisation’s processes for managing climate-related risks.	80
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.	80
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	80
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (“GHG”) emissions and the related risks.	81
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	82

¹ The Company is not in scope of the UK’s Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 or the FCA listing rules TCFD reporting requirements (ESG 2.1) as yet, but the Company has decided to produce this TCFD report ahead of FCA expectations to demonstrate its support for the disclosures.

² Task Force on Climate-related Financial Disclosures, “Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures” (June 2017).



SUSTAINABILITY STRATEGY

Governance

Describe the Board's oversight of climate-related risks and opportunities.

The Board is responsible for setting the Company's sustainability strategy and overseeing the Company's approach to climate-related risks and opportunities affecting its business.

The Board established its 'Sustainability & Impact Committee' in May 2023, ensuring that sustainability issues, including climate change, are discussed in sufficient detail and given appropriate focus. The Sustainability & Impact Committee, chaired by Bryan Sherriff, meets not less than once a year (and more frequently as required) and has responsibility for overseeing the delivery of the Company's Sustainability Strategy, including identification and management of climate-related risks. The Board is primarily informed of climate-related risks and opportunities by the Investment Manager through the meetings of the Sustainability & Impact Committee.

Climate-related risks are assessed as part of the standard due diligence process when acquiring or funding the development of new properties. Identified climate risks are presented in the materials provided to the Investment Committee and, where relevant, will be discussed during committee meetings to assess the potential impact of these risks on the property and/or development and to determine (a) the time frame over which they might materialise and (b) the potential impacts they may have both operationally and in terms of asset value.

The Board is committed to enhancing the Company's understanding of climate risks and opportunities and, as part of this, has approved budget allocation for ongoing climate-related activities for the next reporting year. This facilitates forward planning and preparation of sustainability priorities for the next reporting year.

Describe management's role in assessing and managing climate-related risks and opportunities.

The Investment Manager is responsible for the day-to-day delivery of the sustainability strategy as approved by the Board on behalf of the Company, including the assessment, management and reporting of climate-related risks and opportunities.

At the Investment Manager level, assessment and management of climate-related risks and opportunities is shared across the Social Housing Team and the wider business of the Investment Manager.

The Investment Manager has a dedicated Head of Sustainability who is responsible for the operational delivery of climate-related risks and opportunities measures within the Investment Manager's operations and leads the provision of climate risk advice to the Company. The Head of Sustainability chairs an internal ESG Working Group, whose members include representatives from fund management, asset management and property and data management.

Climate risk and TCFD is a standing agenda item for this Working Group, to ensure appropriate oversight, discussion and review of climate-related issues, as well as to facilitate and enhance understanding of climate impacts across the social housing team.

The Working Group is responsible for oversight, monitoring and management of the Company's sustainability risks and opportunities including those related to climate change. This includes the review, monitoring and management of climate-related risks relevant to current and future assets in the portfolio. The Working Group aims to meet at least fortnightly to discuss ESG issues impacting the Company, and climate risk is a standing agenda item as part of these meetings. Other members of the social housing team, are invited on an ad-hoc basis to meetings with climate-related agenda items. Meeting minutes are circulated to the full Working Group following every meeting. The Working Group also has responsibility for overseeing relevant climate-related targets and the preparation of the Company's climate-related reporting and co-ordination of third-party service providers who provide input into this, including overseeing preparation of the Company's GHG inventory.

During the reporting period, the Investment Manager's Head of Sustainability delivered training to the social housing team on the topic GHG accounting fundamentals, in order to support the management of GHG related issues in the Company's activities.

Strategy

Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.

Investing in real assets exposes the Company to both physical and transition risks associated with climate change. The Company's properties may require additional work to bolster their resiliency against increasingly extreme weather events or require efficiency upgrades to meet evolving regulation on minimum efficiency standards, as the Government seeks to mitigate emissions from the building sector, one of the largest sources of emissions in the UK.

The following climate-related risk categories related to the transition to lower-carbon economy categories were considered as part of the Company's broader assessment of material sustainability risks and opportunities:

- Policy and legal
- Technology
- Market
- Reputation

From this review, the following material climate-related risks and opportunities were identified:

1. Energy Management Risk
2. Energy Management Opportunity
3. Product Design and Lifecycle Management Risk
4. Physical Impacts of Climate Change Risk

See Table 1 on page 78 for a description of these risks and their potential impact.

The Company has utilised Munich RE's Location Risk Intelligence software platform ("Munich RE platform"), to analyse and assess the physical impact risks to its property resulting from natural hazards and climate change. The Munich RE platform combines historical event data with future climate projections (under different climate scenarios) to assess current and future risks. The Company's entire address list was inputted into the Munich RE platform to assess the portfolio's exposure to acute and chronic natural hazards and climate risk.

Climate hazards assessed by the Munich RE platform

Tropical Cyclone	Heat Stress Index	Precipitation Stress Index	Permafrost Extent
River Flood (Defended)	Heat-Humidity Stress Index	Drought Stress Index	Water Scarcity
Storm Surge (Defended)	Cold Stress Index	Sea Level Rise	Fire Weather Stress Index
Subsidence			

The following selection of acute and chronic climate-related physical risks were chosen for further analysis using the Munich RE platform:

1. Acute Climate Hazards
 - Storm surge
 - River flood risk
2. Chronic Climate Hazards
 - Sea level rise
 - Water scarcity

The results of this analysis, including details of the climate scenarios and time horizons applied, are disclosed on page 79.



SUSTAINABILITY STRATEGY

Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.

A high-level summary of the potential impact of material climate-related risks and opportunities on the Company's businesses, strategy and financial planning is provided in the table below:

Table 1: Material climate-related risks and opportunities

Material Topic	Risk/ Opp	Description	Magnitude	Likelihood	Potential Financial Impacts
Energy Management and GHG emissions*	Risk	Risk arising from the ongoing energy transition and evolving regulatory landscape increasing expectations around housing energy efficiency, coupled with the potential introduction of legislation mandating minimum energy performance standards. SOHO may also need to adapt to future energy related regulation as the UK progresses toward net zero by 2050.	4	4	23% of the portfolio currently holds an EPC rating of D or below. Although these ratings are not presently a significant determinant of occupier demand, they are gaining prominence among investors and valuers. The EPC Upgrade Programme is intended to mitigate this risk. While expenditure will be phased over the next five years, the likelihood of failing to meet minimum EPC standards may increase during this time.
	Opp	Opportunity to partner with stakeholders and leverage experience to improve energy efficiency, and install on-site renewable infrastructure, reducing energy bills for tenants and increasing comfort for residents, while also ensuring the portfolio retains its long-term value and liquidity.	4	2	The EPC Upgrade Programme offers potential benefits such as increasing asset values and improving tenant affordability by enhancing building energy performance. This is considered a medium-term opportunity, coinciding with the expected implementation of minimum EPC rating standards, when non-compliant properties may be subject to a 'brown' discount.
Product Design and Lifecycle Management	Risk	Risk that forward-funded developments or purchased buildings are not built with circularity principles such as resource efficiency, durability and recyclable materials and/or do not meet regulatory requirements or market expectations.	3	3	As the Company does not currently engage in significant development activity these risks relate to existing buildings where they are not fit for purpose. See above for discussion on the Company's strategy for dealing with minimum EPC rating risks. Further unmatched costs may also arise at lease expiry.
Physical Impacts of Climate Change*	Risk	Risk that properties within SOHO's portfolio will face increasing exposure to climate related physical impacts. More frequent and severe climate events could place pressure on existing infrastructure and heighten operational and tenant related risks over time. In extreme cases, physical damage could limit residents' ability to remain in their homes. These risks are particularly significant given the vulnerability of many of the Group's residents.	2	3	Although the risk magnitude could be high for individual properties, the dispersed nature of SOHO's portfolio means the overall risk to the Company is considered low. Any financial impacts from damage – which could reduce revenue or impair the value of certain properties – would be mitigated by insurance coverage. However, the increasing likelihood of such risks may lead to higher insurance costs in future.

* The period over which each risk first becomes material is defined as: Short-term: 0-2 years; Medium-term: 2-5 years; and Long-term: over 5 years. These time scales are aligned to the Company's overall risk management framework, considering the nature of the Company's assets and liabilities. GHG Emissions and the Physical Impacts of Climate Change were not specifically determined as having any material near-term risks and opportunities, through the Company's materiality assessment. However, it was deemed appropriate to continue reporting on these issues with a long-term risk and opportunity perspective and due to their importance from a broader sector focus and sustainability reporting best practice.

See the Company's standalone Sustainability Report for further details on the Company's broader list of material sustainability topics.

Over the next reporting period the Company plans to review its risk mitigation opportunities with the aim to improve the Company's resiliency to these identified risks moving forward.

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The Company has performed a quantitative scenario analysis assessment using the Munich RE platform. The aim of this assessment was to understand the impact of relevant climate risks to the Company's portfolio under different climate scenarios and timeframes.

The available scenarios in Munich RE's platform are:

Scenario	Description
SSP1-2.6 Sustainability	In this most optimistic scenario, all countries (with the strong supporting the weak) move gradually but consistently towards a more sustainable economic system. Inequality within and between countries is reduced and consumption is orientated towards lower material growth and lower resource and energy consumption. This moderate scenario leads to an expected warming at the end of the 21st century of around 1.0-2.4°C relative to the pre-industrial period (1850-1900). The SSP1-2.6 scenario is comparable to the RCP2.6 scenario.
SSP2-4.5 Middle of the road	In this scenario, global and national institutions work towards sustainable development but make slow progress. Development and income growth proceed unevenly, with some countries making relatively good progress while others fall short of expectations. The environment experiences degradation but the overall intensity of resource and energy use declines. This scenario would be expected to lead to a warming by the end of the 21st century of between 2.1 and 3.5°C relative to the pre-industrial period (1850-1900). The SSP2-4.5 scenario is comparable to the RCP4.5 scenario.
SSP3-7.0 Regional rivalry	Under this scenario a resurgence in nationalism, concerns about competitiveness and security, and regional conflicts push countries to increasingly focus on domestic or, at most, regional issues. Achievement of national and regional food, energy, and security goals are prioritised above international cooperation to tackle shared goals. Economic development remains material-intensive and environmental degradation worsens. Under this scenario warming by the end of the 21st century is expected to be between 2.8 and 4.6°C. The SSP3-7.0 scenario is comparable to the RCP7.0 scenario.
SSP5-8.5 Fossil-fuelled development	In this scenario faith is placed in competitive markets and innovation. Fossil fuels are increasingly exploited and social and economic development drives the adaptation of resources and energy intensive lifestyles around the world. Local environmental problems like air pollution are managed, but high greenhouse gas releases drive excessive global warming and related increases in natural catastrophe exposure. Under this scenario warming by the end of the 21st century is expected to be between 3.3 and 5.7°C. The SSP5-8.5 scenario is comparable to the RCP8.5 scenario.

The findings from the Munich RE platform assessment showed the Company's assets have a current low overall vulnerability to natural hazards and physical climate risks, specifically:

- 98% of properties have a current **very low risk** from river flooding.
- 97% of properties have a current **very low risk** from storm surge.
- 90% of properties have a current **very low or low risk** from water scarcity.
- Note: sea level rise risk is only modelled from 2030 onwards.

These risks were also assessed using the Munich RE platform under the different climate scenarios offered on the platform and across both **2030 and 2050 time horizons**.



SUSTAINABILITY STRATEGY

The Company has chosen to disclose the **SSP5 8.5 scenario** results below, as a robust stress test of the portfolio's potential exposure to severe climate conditions:

- **River flooding:** The percentage of properties at very low risk changed from 98% to 88% in 2030, remaining at 88% at 2050.
- **Storm surge:** The percentage of properties at very low risk did not change at 2030 or 2050.
- **Water Scarcity:** The percentage of properties at very low to low risk did not change at 2030 or 2050.
- **Sea level:** 100% of properties are at very low risk from sea level rise at 2030, changing to 99% at 2050.

Over the next reporting cycle, the Company plans to further validate the outputs from the Munich RE platform, including specific review into the assets identified from this assessment as having an above 'low' or 'very low' risk exposure to various climate-related risks. Through this ongoing work, where necessary, the Company will determine appropriate strategic responses to validate asset-level risk, for example, the development of site-specific risk management plans or engagement of further environmental surveys.

Risk Management

Describe the organisation's processes for identifying and assessing climate-related risks.

Describe the organisation's processes for managing climate-related risks.

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

The Company's approach to risk assessment is as set out in the Our Principal Risks and Uncertainties Section on pages 27 to 31.

The Investment Manager has overall responsibility for the Company's risk management and internal controls, with the Audit and Risk Committee reviewing the effectiveness of the Board's risk management processes on its behalf. The

Sustainability & Impact Committee is responsible under the delegated authority of the Board for the monitoring of climate-related risks which are incorporated into the risk management process.

The Sustainability & Impact Committee considers both physical and transition climate-related risks, including existing and emerging regulatory requirements related to climate change.

The method used to evaluate the importance of each climate risk that the Company is exposed to is aligned to the Company's general risk management structure. It involves a matrix with a 5-point rating system for both the likelihood and magnitude of each risk.

- Likelihood: low, moderate, high; and
- Magnitude: low, moderate, high.

The alignment to the Company's general risk management structure allows for the climate-related risks to be incorporated into broader risk management and mitigation procedures. These risks are included in the risk register of the strategy, which is reviewed regularly with the Board of the Company. The risk register is approved by the Board and evaluated and approved by the Risk Committee.

Metrics and Targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

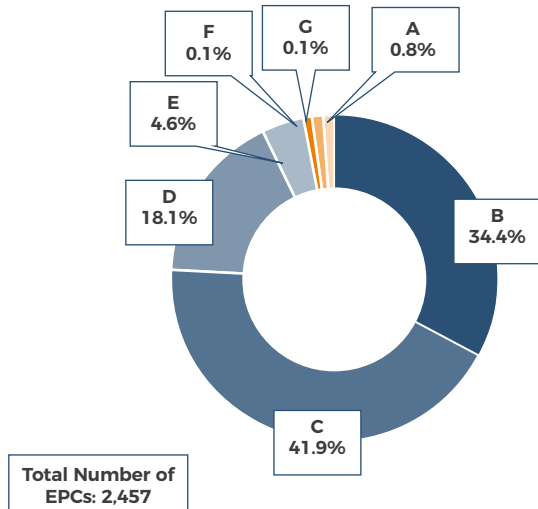
The Company recognises the need for continuous improvement of data collection and monitoring to accurately assess climate risks and opportunities in line with its strategy and risk management process.

The Company measures and monitors the following key climate-related metrics:

- 1) **EPC ratings:** see breakdown below;
- 2) **Energy consumption:** see details of energy consumption data provider below; and
- 3) **GHG Emissions:** see GHG Inventory below on page 81.

EPC Ratings

The EPC ratings of each property are monitored on an ongoing basis. Currently, 77% of the properties within the portfolio are rated at C or above. The chart below shows the EPC breakdown of properties as at 31 December 2025.



Energy Consumption Data

The Company has engaged the data provider, Perse, to enable access to actual energy consumption through direct APIs to every property's meter. This data is utilised in the preparation of the Company's GHG Inventory.

The energy consumption data from Perse not only improves the completeness and accuracy of the Company's GHG Inventory but also supported the emissions reductions modelling used to identify available decarbonisation levers for SOHO's emissions reductions targets.

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

GHG Inventory

The Company engaged external consultants, Anthesis, to prepare its GHG Inventory for FY25 in line with the GHG Protocol methodology. The Company does not have any Scope 1 and 2 emissions but has reported all relevant categories of Scope 3 emissions.³

The Company's GHG Inventory is disclosed below in Table A (see Appendix for further details of the GHG Inventory methodology).

SOHO FY25 GHG Emissions Inventory

Emissions	FY23	FY24	FY24 restated ⁴	FY25
	Location-based	Location-based	Market-based	Market-based
Scope 1 and 2⁵	N/A	N/A	N/A	N/A
1. Purchased Goods and Services (PG&S)	Not measured in FY23	1,216	1,216	967
2. Capital Goods	N/A	N/A	0	770
6. Business Travel	Not measured in FY23	3	3	3
13. Downstream Leased Assets (DLA)⁶	4,763	6,044	5,878	6,133
Scope 3 Total	4,763 ⁷	7,263	8,789	7,874

In FY25, the largest source of emissions for the Company was again Scope 3 DLA at 78% of FY25 emissions, followed by PG&S at 12% and Capital Goods at 10%. The Company's FY25 GHG Inventory indicates an overall slight increase in GHG emissions (location-based) on prior year, largely attributable to the development of the Chorley site.

³ The Company is an externally managed business and does not have any employees or office space. Sub-scope categories may not equal the Scope totals due to rounding.

⁴ FY24 figure restatement due to availability of actual data on renewable electricity purchased across SOHO's portfolio (also utilised in FY25).

⁵ Scope 1 and 2 emissions are not applicable for the Company as it is an externally managed business and does not have any employees or office space.

⁶ FERA emissions associated with tenant activities under Scope 3 DLA are not included in the figures reported.

⁷ FY23 emissions data incorporated over 90% of the Company's electricity and gas meters with the remaining portfolio meters unable to be matched within the reporting period and excluded. The emission data calculated in FY23 used property gas and electricity consumption only, and therefore was not a complete Scope 3 figure. From FY24 onwards, all applicable categories of Scope 3 emissions have been calculated and reported and any gaps in actual data have been filled with either Perse or Anthesis estimated data.



SUSTAINABILITY STRATEGY

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Climate-related Targets

During FY25, the Investment Manager completed a review of the Company's emissions reduction target to evaluate the target baseline, scope and coverage. The Investment Manager found that given the enhancements made to the Company's emissions data and calculation processes within the Company's first full GHG Inventory published in the FY24 Annual Report, the FY24 full year baseline is a more accurate and complete baseline for determining an emissions reduction target.

A workstream was subsequently established to enhance the Company's emissions reduction ambitions by developing targets in line with the Science Based Target initiative's ("SBTi") Building Guidance (near-term and building Net Zero target) and Corporate Guidance (other Scope 3 emissions):

Net-zero

- SOHO commits to achieve net-zero greenhouse gas emissions across the value chain by 2050.

Near-term

- SOHO commits to reduce Scope 3 in-use operational GHG emissions of owned and leased buildings, covering downstream leased assets, 48.5% per m² (equivalent to a 48.3% absolute reduction) by 2030 from a 2024 base year.⁸

Long-term

- SOHO commits to reduce Scope 3 in-use operational GHG emissions of owned and leased buildings, covering downstream leased assets, 98.3% per m² by 2040 from a 2024 base year. SOHO also commits to reduce absolute Scope 3 GHG emissions from purchased goods and services 90.0% by 2050 from a 2024 base year.

The Company submitted refreshed emissions reductions targets (both near term and Net Zero) to SBTi for validation in November 2025, reflecting its commitment to reducing its value chain emissions in line with 1.5°C. The Company's near term and Net Zero targets were approved by the SBTi post-year end, in February 2026.

EPC Upgrade Programme

The Company and its Investment Manager intend to asset manage the portfolio to ensure all properties have an EPC rating of C or above by 2030 to ensure compliance with current legislative targets. For further details on the Company's EPC Upgrade Programme see page 16 of the Sustainability and Impact Committee Report.

⁸ SOHO does not own or financially control any fossil fuel equipment in its buildings portfolio.

Appendix: GHG Inventory Methodology

Emissions were calculated using the Anthesis 'Route Zero' software tool, in alignment with the GHG Protocol.

Scope	Category	Methodology	Emission Factors Source
3	1. Purchased Goods & Services	The Environmentally Extended Input Output (EEIO) method, which estimates emissions from expenditure, was used to calculate the emissions from this category. The SOHO team provided spend for the reporting year split by supplier. The suppliers were mapped against the DEFRA Input/Output (IO) categories, which are based on SIC codes and have an associated emission factor. The DEFRA IO emission factors were multiplied by the spend to calculate the emissions. Exclusions include service charge costs and costs that are recharged to tenant in full.	DEFRA EEIO factors
3	2. Capital Goods	The Environmentally Extended Input Output (EEIO) method, which estimates emissions from expenditure, was used to calculate the emissions from this category. The SOHO team provided spend for the reporting year split by supplier. The suppliers were mapped against the DEFRA Input/Output (IO) categories, which are based on SIC codes and have an associated emission factor. The DEFRA IO emission factors were multiplied by the spend to calculate the emissions. Exclusions include service charge costs and costs that are recharged to tenant in full.	DEFRA EEIO factors
3	6. Business Travel	This includes the upstream well-to-tank emissions of business travel activities.	UK Government GHG Conversion Factors for Company Reporting, DESNZ
3	13. Downstream leased assets	<p>Where actual fuel and electricity consumption data was provided, this was used. For any gap filling and estimations, methodology notes are included below:</p> <p>Electricity estimates:</p> <p>Electricity consumption is estimated using actual data from sites with recorded usage. First, electricity consumption and floor area data are collected from sites with available records. This helps calculate electricity intensity, which serves as a benchmark.</p> <p>The benchmark intensity is calculated by dividing electricity consumption by floor area (kWh/m²).</p> <p>This value represents typical electricity usage per square metre.</p> <p>For sites without actual data, the benchmark intensity is multiplied by their floor area to estimate electricity consumption.</p> <p>Natural Gas estimates:</p> <p>Natural gas consumption is estimated using actual data from sites with recorded usage. Natural gas consumption and floor area data are collected from sites with available records. This helps calculate electricity intensity, which serves as a benchmark.</p> <p>The benchmark intensity is calculated by dividing natural gas consumption by floor area (kWh/m²).</p> <p>This value represents typical electricity usage per square metre.</p> <p>For sites without actual data, the benchmark intensity is multiplied by their floor area to estimate natural gas consumption.</p> <p>Waste estimates:</p> <p>Waste consumption is estimated using UK Government data on household waste, number of UK households and average floor area of dwellings. This data was used to create a benchmark, estimating average tonnes of waste per m². This benchmark was multiplied by property floor area, estimating total waste per lessee.</p> <p>Water estimates:</p> <p>Water consumption is estimated using GRESB benchmarks. The benchmarks consider cubic metres of water per metre squared of floor area (m³/m²). The benchmarks were multiplied by property floor area, to estimate total water usage per lessee.</p>	UK Government GHG Conversion Factors for Company Reporting, DESNZ



INDEPENDENT AUDITOR'S REPORT

to the members of Social Housing REIT plc

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Social Housing REIT plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025, which comprise the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Company Statement of Financial Position, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the Audit Committee, we were appointed by the Directors on 18 July 2017 to audit the financial statements for the year ended 31 December 2017 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is nine years, covering the years ended 31 December 2017 to 31 December 2025. We remain independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- Using our knowledge of the Group and its market sector together with the current economic environment to assess the Directors' identification of the inherent risks to the Group's business and how these might impact the Group's ability to remain a going concern for the going concern period, being the period to 31 March 2027, which is at least 12 months from when the financial statements are authorised for issue;
- Obtaining an understanding of the Directors' process for assessing going concern including an understanding of the key assumptions used;

- We have reviewed the forecasts that support the Directors' going concern assessment and:
 - Assessed the Group's forecast cash flows with reference to budgeted and historic performance and challenging Management's forecast assumptions in comparison to the current performance of the Group;
 - Agreed the inputs into the forecasts to supporting documentation for reasonableness based on contractual agreements, where available;
 - Agreed the Group's available borrowing facilities and the related covenants to supporting financing documentation and calculations;
- Analysing the sensitivities applied by the Directors' stress testing calculations and challenging the assumptions made using our knowledge of the business and of the current economic climate, to assess the reasonableness of the downside scenarios selected;
- Obtaining covenant calculations and forecast calculations to test for any potential future covenant breaches;
- Considering the covenant compliance headroom for sensitivity to both future changes in property valuations and the Group's future financial performance;
- Considering Board minutes, and evidence obtained through the audit and challenged the Directors on the identification of any contradictory information in the forecasts and the resultant impact to the going concern assessment; and
- Reviewing the disclosures in the financial statements relating to going concern to check that the disclosure is consistent with the circumstances.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Key audit matters		2025	2024
	Valuation of investment properties	✓	✓
Materiality	Group financial statements as a whole £6.4 million (2024: £6.6 million) based on 1% (2024: 1%) of total assets.		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the Group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the Group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.



INDEPENDENT AUDITOR'S REPORT

Components in scope

The Group operates solely in the United Kingdom in one segment, investment property, structured through a number of subsidiaries. The Group is a single component as it invests only in UK social housing properties with a single finance team and a common IT system and internal control framework and as such the audit approach included undertaking audit work on the key risks of material misstatements identified for the Group across the subsidiary entities.

The Group audit engagement team performed full scope audits in order to issue the Group and Company audit opinion, including undertaking all of the audit work on the risks of material misstatement identified in the key audit matters section below. As a result of our audit approach, we achieved coverage of 100% of rental income and 100% of investment property valuations.

Procedures performed at the component level

The Group consisted of one component. We performed procedures to respond to Group risks of material misstatement for the entire Group that included the Company and its subsidiaries, as a single component. Procedures were performed on the entire financial information of the component. The Group engagement team has performed all procedures directly, and has not involved component auditors in the Group audit.

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting and commonality of controls and similarity of the Group's activities and business lines. We therefore designed and performed procedures centrally.

The Group operates a centralised IT function that supports IT processes for certain components. This IT function is subject to specified risk-focused audit procedures, predominantly the testing of the relevant IT general controls and IT application controls.

Changes from the prior year

The Group audit scope remained consistent with the prior year. There were no changes in the Group's structure or control environment that required revisions to the components in scope or the nature or extent of audit procedures performed.

Climate change

Our work on the assessment of potential impacts on climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of the Investment Manager and the Group's independent property valuer to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and
- Review of the minutes of Board, Audit Committee meetings and Sustainability & Impact Committee and other papers related to climate change and performing a risk assessment as to how the impact of the Group's risk assessment as set out in the TCFD Disclosure section and the Sustainability & Impact Committee Report may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in Management's going concern assessment and viability assessment.

We also assessed the consistency of Management's disclosures included as 'Statutory Other Information' within the Strategic Report with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks and related commitments.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Valuation of investment properties

Refer to notes 3.1 and 4.1 in relation to significant estimates and accounting policies.

Refer to note 13 in relation to investment properties.

The Group's investment property portfolio is made up of standing assets that are existing properties currently let. They are valued using the income capitalisation method in accordance with RICS methodology and IFRS 13 Fair Value Measurement.

The valuation of investment property requires significant judgement and estimates by the Directors, with the assistance of independent external valuer appointed by the Investment Manager, and is therefore considered a significant risk due to the subjective nature of certain assumptions inherent in each valuation.

Any input inaccuracies or unreasonable bases used in the valuation judgements (such as in respect of estimated rental value and yield profile applied) could result in a material misstatement of the Group's financial statements.

There is also a risk of fraud in relation to the valuation of the property portfolio where the Directors may influence the significant judgements and estimates in respect of property valuations in order to achieve property valuation and other performance targets.

The valuation of investment properties was therefore considered to be a key audit matter.

How the scope of our audit addressed the key audit matter

Experience of valuer and relevance of their work

- We obtained the valuation report prepared by the independent external valuer and with the assistance of BDO in-house RICS qualified valuation experts, we discussed the basis of the valuations with them, read the valuation report and confirmed that all valuations had been prepared in accordance with applicable valuation guidelines and the requirements of the applicable accounting standards and were therefore appropriate for determining the carrying value in the Group's financial statements.
- We assessed the external valuer's qualifications and independence.
- We obtained a copy of the instructions provided to the independent external valuer and reviewed for any limitations in scope or for evidence of Management bias.

Data provided to the valuer

- We validated the underlying data provided to the independent external valuer by the Investment Manager. This data included inputs such as current rent and lease term, which we agreed to the executed lease agreements as part of our audit work.

Assumptions and estimates used by the valuer

- With assistance from BDO in-house RICS qualified valuation experts, we developed yield expectations on each property using available independent industry data, reports and comparable transactions in the market around the period end. They also attended the audit meetings with the independent external valuer engaged by the Group to assist us in assessing whether explanations provided were appropriate and in line with market knowledge.
- We compared the key valuation assumptions with our independently formed expectations (by reference to market data based on the specifics of each property and the tenant).
- We discussed the assumptions used and the valuation movement in the period with both the Investment Manager and the independent external valuer. Where the valuation was outside of our expected range we challenged the independent external valuer on specific assumptions and reasoning for the yields applied and corroborated their explanations where relevant, including agreeing to third party documentation, if differences were not trivial. Further, we challenged the appropriateness of the yields applied to the valuations with the independent external valuer and where possible obtained evidence of comparable market transactions through independent sources.

Related disclosures in the financial statements

- We reviewed the appropriateness of the Group's disclosures within the financial statements in relation to the valuation methodology, key valuation assumptions and valuation sensitivity analysis.

Key observations

- Based on our work we consider assumptions adopted by the Directors in the valuation of the Group's investment properties were reasonable and the methodology applied was appropriate.



INDEPENDENT AUDITOR'S REPORT

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Company financial statements	
	2025 £m	2024 £m	2025 £m	2024 £m
Materiality	6.40	6.60	3.70	4.00
Basis for determining materiality	1% of total assets			
Rationale for the benchmark applied	We determined that total assets would be the most appropriate basis for determining overall materiality as we consider it to be the principal consideration for the users of the financial statements in assessing the financial performance of the Group and the Company.			
Performance materiality	4.80	4.95	2.78	3.00
Basis for determining performance materiality	Performance materiality is set at an amount to reduce to an appropriate low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality. On the basis of our risk assessment, together with our assessment of the Group's and Company's overall control environment, our judgement was that performance materiality should be 75% (2024: 75%) of materiality.			
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including our assessment of the Group's and Company's overall control environment and the expected total value of known and likely misstatements and the level of transactions in the year.			

Specific materiality

We also determined that for other account balances and classes of transactions that impact the calculation of European Public Real Estate Association ("EPRA") earnings a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users. We consider EPRA earnings to be a key performance measure of the Group. EPRA earnings excludes the impact of the net surplus on revaluation of investment properties. As a result, we determined materiality for these items to be £1,250,000 (2024: £1,000,000), based on 5% of EPRA earnings (2024: 5% of EPRA earnings). We further applied a performance materiality level of 75% (2024: 75%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £320,000 (2024: £330,000) and for those items impacting the calculation of EPRA earnings £62,500 (2024: £50,000). We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the document entitled Annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT

Corporate governance statement

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability	<ul style="list-style-type: none"> The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 20 to 21; and The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 21.
Other Code provisions	<ul style="list-style-type: none"> Directors' statement on fair, balanced and understandable set out on page 72; Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 26 to 31; The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 51; and The section describing the work of the audit committee set out on page 50.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. <p>In the light of the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.</p>
Directors' remuneration	<p>In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.</p>
Matters on which we are required to report by exception	<p>We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:</p> <ul style="list-style-type: none"> adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or the Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or certain disclosures of Directors' remuneration specified by law are not made; or we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Company's ability 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 the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with the Investment Manager, the Audit Committee and those charged with governance; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations,

we considered the significant laws and regulations to be the applicable accounting framework, the Companies Act 2006, UK tax legislation (including the REIT regime requirements) and the UK Listing Rules, and we considered the extent to which non-compliance might have a material effect on the Group financial statements.

Our procedures in response to the above included:

- In order to address the risk of non-compliance with the REIT regime, considering a report from the Group's external adviser, detailing the actions that the Group has undertaken to ensure compliance. This paper was reviewed and the assumptions were challenged, with the assistance of our own internal tax expert;
- Review of correspondence with regulatory authorities for any instances of non-compliance with laws and regulations;
- Review of legal expenditure accounts to understand the nature of expenditures incurred;
- Agreeing the financial statement disclosures to underlying supporting documentation where relevant; and
- Review of Board and Committee meeting minutes and enquiries with the Investment Manager and the Directors for any known or suspected instances of non-compliance with laws and regulations.



INDEPENDENT AUDITOR'S REPORT

Irregularities including fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with the Investment Manager, the Audit Committee and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be valuation of investment properties and management override of controls.

Our procedures in response to the above included:

- Addressing the risk of management override of controls by testing journal entries which met a defined risk criteria and a sample of journal entries from the residual population processed during the year, agreeing to supporting documentation and evaluating whether there was evidence of bias by Management or the Directors that represented a risk of material misstatement due to fraud; and
- Our responses to the valuation of investment properties risk are set out in the key audit matters section above.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, who were deemed to have the appropriate competence and capabilities, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Charles Ellis (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

25 March 2026

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

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Income			
Rental income	5	40,743	39,072
Expected credit loss	5	(743)	(3,329)
Insurance charge income	5	656	713
Insurance charge expense	5	(656)	(713)
Other income	5	30	106
Total income		40,030	35,849
Expenses			
Directors' remuneration	6	(340)	(307)
General and administrative expenses	9	(4,006)	(3,556)
Management fees	8	(3,265)	(7,814)
Total expenses		(7,611)	(11,677)
Loss from fair value adjustment on investment properties	13	(22,053)	(53,030)
Operating profit/(loss)		10,366	(28,858)
Finance income		297	148
Finance costs	11	(7,670)	(7,679)
Profit/(loss) for the year before tax		2,993	(36,389)
Taxation	12	-	-
Profit/(loss) and total comprehensive income for the year		2,993	(36,389)
IFRS earnings/(loss) per share - basic and diluted	35	0.76p	(9.25)p

The accompanying notes on pages 97 to 122 form an integral part of these Group Financial Statements.



GROUP STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	31 December 2025 £'000	31 December 2024 £'000
Assets			
Non-current assets			
Investment properties	13	602,813	624,695
Trade and other receivables	14	3,038	3,306
Total non-current assets		605,851	628,001
Current assets			
Assets held for sale		1,947	-
Trade and other receivables	15	3,562	3,315
Cash, cash equivalents and restricted cash	16	25,414	27,492
Total current assets		30,923	30,807
Total assets		636,774	658,808
Liabilities			
Current liabilities			
Trade and other payables	17	2,748	6,095
Total current liabilities		2,748	6,095
Non-current liabilities			
Other payables	18	1,532	1,528
Bank and other borrowings	19	261,718	261,441
Total non-current liabilities		263,250	262,969
Total liabilities		265,998	269,064
Total net assets		370,776	389,744
Equity			
Share capital	21	3,940	3,940
Share premium reserve	22	203,753	203,753
Treasury shares reserve	23	(378)	(378)
Capital redemption reserve	24	93	93
Capital reduction reserve	24	155,359	155,359
Retained earnings	25	8,009	26,977
Total equity		370,776	389,744
IFRS net asset value per share - basic and diluted	36	94.23p	99.05p

The Group Financial Statements were approved and authorised for issue by the Board on 25 March 2026 and signed on its behalf by:

Chris Phillips
Chair

25 March 2026

The accompanying notes on pages 97 to 122 form an integral part of these Group Financial Statements.

GROUP STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Year ended		Share capital	Share premium reserve	Treasury shares reserve	Capital redemption reserve	Capital reduction reserve	Retained earnings	Total equity
31 December 2025	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2025		3,940	203,753	(378)	93	155,359	26,977	389,744
Profit and total comprehensive income for the year		-	-	-	-	-	2,993	2,993
Transactions with owners								
Dividends paid	26	-	-	-	-	-	(21,961)	(21,961)
Balance at 31 December 2025		3,940	203,753	(378)	93	155,359	8,009	370,776
Year ended		Share capital	Share premium reserve	Treasury shares reserve	Capital redemption reserve	Capital reduction reserve	Retained earnings	Total equity
31 December 2024	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2024		3,940	203,753	(378)	93	155,359	84,850	447,617
Loss and total comprehensive income for the year		-	-	-	-	-	(36,389)	(36,389)
Transactions with owners								
Dividends paid	26	-	-	-	-	-	(21,484)	(21,484)
Balance at 31 December 2024		3,940	203,753	(378)	93	155,359	26,977	389,744

The accompanying notes on pages 97 to 122 form an integral part of these Group Financial Statements.



GROUP STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
	Note	
Cash flows from operating activities		
Profit/(loss) before tax	2,993	(36,389)
Adjustments for:		
Expected credit loss	743	3,329
Loss from fair value adjustment on investment properties	22,053	53,030
Finance income	(297)	(148)
Finance costs	7,670	7,679
Operating results before working capital changes	33,162	27,501
Increase in trade and other receivables	(986)	(1,853)
(Decrease)/increase in trade and other payables	(3,241)	3,421
Net cash generated from operating activities	28,935	29,069
Cash flows from investing activities		
Capital expenditure on investment properties	(2,306)	(2,271)
Proceeds from sale of assets	350	-
Restricted cash movement	166	(155)
Interest received	253	103
Net cash used in investing activities	(1,537)	(2,323)
Cash flows from financing activities		
Interest paid	(7,349)	(7,348)
Loan arrangement fees paid	19	(29)
Dividends paid	26	(21,484)
Net cash used in financing activities	(29,310)	(28,861)
Net decrease in cash and cash equivalents	(1,912)	(2,115)
Cash and cash equivalents at the beginning of the year	23,289	25,404
Cash and cash equivalents at the end of the year	16	21,377

The accompanying notes on pages 97 to 122 form an integral part of these Group Financial Statements.

NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. Corporate Information

Social Housing REIT plc (the "Company") is a Real Estate Investment Trust ("REIT") incorporated in England and Wales under the Companies Act 2006 as a public company limited by shares on 12 June 2017. The address of the registered office is The Scalpel 18th Floor, 52 Lime Street, United Kingdom, EC3M 7AF. The Company is registered as an investment company under section 833 of the Companies Act 2006 and is domiciled in the United Kingdom.

The principal activity of the Company and its subsidiaries (the "Group") is to provide shareholders with an attractive level of income, together with the potential for capital growth from investing in a portfolio of social homes.

2. Basis of Preparation

The financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. All accounting policies have been applied consistently.

The Group's Financial Statements have been prepared on a historical cost basis, as modified for the Group's investment properties, which have been measured at fair value. Gains or losses arising from changes in fair values are included in profit or loss.

The preparation of financial statements in compliance with UK-adopted International Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing these financial statements and their effect are disclosed in note 3.

Several new and amended accounting standards and interpretations have been issued by the IASB but are not yet effective for the year ended 31 December 2025. The most significant of these is IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 and is effective for accounting periods beginning on or after 1 January 2027. Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

2.1. Going Concern

The Group benefits from a secure income stream from long leases which are not overly reliant on any one tenant and present a well-diversified risk. The Directors have reviewed the Group's forecast which shows the expected annualised rental income exceeds the expected operating and financing costs of the Group. 91.5% of rental income due and payable for the year ended 31 December 2025 has been collected, rent arrears are predominantly attributable to two Approved Providers, My Space Housing Solutions and Portus Supported Housing Limited (formerly Westmoreland Supported Housing Ltd).

The Directors believe that the Group is still well placed to manage its financing and other business risks and that the Group will remain viable, continuing to operate and meet its liabilities as they fall due.

The Directors have performed an assessment of the ability of the Group to continue as a going concern, for the period up to 30 June 2027. The Directors have considered the expected obligations of the Group during this period and are confident that all will be met.

The Directors have also considered the financing provided to the Group. Norland Estates Limited and TP REIT Propco 2 Limited have bank facilities with MetLife and MetLife and Barings respectively.

The loans secured by Norland Estates Limited and TP REIT Propco 2 Limited are subject to asset cover ratio covenants and interest cover ratio covenants which can be found in the table below. The Directors have also considered reverse stress testing and the circumstances that would lead to a covenant breach. Given the level of headroom, the Directors are of the view that the risk of scenarios materialising that would lead to a breach of the covenants is remote. The Group has adhered to all these covenants throughout the year and is also expected to comfortably meet these covenants over the next 12 months.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. Basis of Preparation continued

2.1. Going Concern continued

	Norland Estates Limited	TP REIT Propco 2 Limited
Asset Cover (ACR)		
Asset Cover Ratio Covenant	x2.00	x1.67
Asset Cover Ratio 31 December 2025	x2.39	x1.96
Blended Net initial yield	7.03%	6.40%
Headroom (yield movement)	128bps	104bps
Interest Cover (ICR)		
Interest Cover Ratio Covenant	1.75x	1.75x
Interest Cover Ratio 31 December 2025	4.89x	4.82x
Headroom (rental income movement)	64%	61%

Under the downside model the forecasts have been stressed to show the effect of some lessees ceasing to pay their voids liability, and as a result this causes Approved Providers to default under some of the Group leases. The assumptions for the amount of rent paid by two Approved Providers have been sensitised. Under the downside model the Group will be able to settle its liabilities for the period to 30 June 2027. As a result of the above, the Directors are of the opinion that the going concern basis adopted in the preparation of the financial statements is appropriate.

The Group has no short or medium-term refinancing risk given the 7.6-year weighted average maturity of its long-term debt facilities with MetLife and Barings, the first of which expires in June 2028, and which are fully fixed at an all-in weighted average rate of 2.74%.

Having reviewed and considered the forecasts prepared, the Directors consider that the Group has adequate resources in place and will be able to settle its liabilities for a period of at least 12 months from the date of signing these financial statements and have therefore adopted the going concern basis of accounting in preparing these financial statements.

2.2. Currency

The Group financial information is presented in Sterling which is also the Group's functional currency.

3. Significant Accounting Judgements, Estimates and Assumptions

In the application of the Group's accounting policies, which are described in note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions that have a significant risk of causing a material adjustment to the carrying amounts of related assets and liabilities within the next financial year are outlined below:

Estimates:

3.1. Investment properties

The Group uses the valuation carried out by its independent valuers as the fair value of its property portfolio. The valuation is based upon assumptions including future rental income and the appropriate discount rate. The valuers also refer to market evidence of transaction prices for similar properties. Further information is provided in note 13.

The Group's properties have been independently valued by Jones Lang LaSalle Limited ("JLL" or the "Valuer") in accordance with the definitions published by the Royal Institute of Chartered Surveyors' ("RICS") Valuation – Global Standards (commonly known as the "Red Book"). JLL is one of the most recognised professional firms within social housing valuation and has sufficient current local and national knowledge of both social housing in general and Specialist Supported Housing and has the skills and understanding to undertake the valuations competently.

With respect to the Group's Financial Statements, investment properties are valued at their fair value at each Statement of Financial Position date in accordance with IFRS 13 which recognises a variety of fair value inputs depending upon the nature of the investment. Given the bespoke nature of each of the Group's investments, all of the Group's investment properties are included in Level 3 with the inputs included in note 13.

3. Significant Accounting Judgements, Estimates and Assumptions continued

3.1. Investment properties continued

Level 1 – Unadjusted, quoted prices for identical assets and liabilities in active (typically quoted) markets;

Level 2 – Quoted prices for similar assets and liabilities in active markets; and

Level 3 – External inputs are “unobservable”. Value is the Director’s best estimate, based on advice from relevant knowledgeable experts, use of recognised valuation techniques and a determination of which assumptions should be applied in valuing such assets and with particular focus on the specific attributes of the investments themselves.

3.2. Expected Credit Losses (ECL)

The Group recognised an additional ECL provision of £743,000 in the current year (2024: £3,329,000). The prior year provision was subsequently fully written off after My Space entered into a CVA during March 2025 resulting in a total ECL provision of nil as at 31 December 2025 (31 December 2024: £8,021,000). A default probability for each of the Approved Providers, representing the estimated percentage likelihood of them paying outstanding rent due at year end, was determined based on their latest known financial position and any repayment plans that had been agreed or discussed. For each provider the estimated probability percentage of receiving unpaid rent has been multiplied by the rental and recharge arrears as at the statement of financial position date. The figure has been aggregated to arrive at the ECL provision.

Judgements:

3.3. Leases incentive debtor

The lease incentive debtor recognised from rent smoothing adjustments are not considered to be financial assets as the amounts are not yet contractually due, although the credit risk is considered in the determination of the fair value of the related property. As such, the requirements of IFRS 9 (including the expected credit loss method) are not applied to these balances. The credit risk associated with each tenant is considered in the determination of the fair value of the related property. In the current year, the expense recognised in respect of such rent smoothing amounted to £108,000 (2024: £1,018,000 income, before the impact of the £1,984,000 written off in respect of the Parasol leases which were reassigned during 2024) which is primarily driven by the lower number of properties in current rent-free periods compared with the prior year.

4. Summary of Material Accounting Policies

4.1. Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost, being the fair value of the consideration given, including expenditure that is directly attributable to the acquisition of the investment property. The Group recognises asset acquisitions on legal completion. After initial recognition, investment property is stated at its fair value at the Statement of Financial Position date. Gains and losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise in the Statement of Comprehensive Income. Subsequent expenditure is capitalised only when it is probable that future economic benefits are associated with the expenditure.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected to be obtained from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recorded in profit or loss in the period in which the property is derecognised.

Significant accounting judgements, estimates and assumptions made for the valuation of investment properties are discussed in note 3.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. Summary of Material Accounting Policies continued

4.2. Leases

Lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group has determined that it retains all the significant risks and rewards of ownership of the properties it has acquired to date and accounts for the contracts as operating leases.

Properties leased out under operating leases are included in investment properties in the Statement of Financial Position. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant leases. Tenant lease incentives are not subject to expected credit loss provision under IFRS 9 as the Group does not have unconditional right to collect cash flows relating to these assets but do impact the carrying amounts of the related investment properties as at the statement of financial position date. Therefore, a lease incentive debtor is recognised based on the smoothing of rent-free periods granted such that the rental income from operating leases is recognised on a straight-line basis over the lease term.

Lessee

As a lessee the Group recognises a right-of-use asset within investment properties and a lease liability for all leases, which is included within other payables (notes 17 and 18). The lease liabilities are measured at the present value of the remaining lease payments, discounted using an appropriate discount rate at inception of the lease or on initial recognition. The discount rate applied by the Group is the incremental borrowing rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

As leasehold properties meet the definition of investment property, the right-of-use assets are presented within investment properties (note 13), and after initial recognition are subsequently measured at fair value.

Sub-leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the underlying property asset to the lessee. Sub-leases of leasehold properties are classified with reference to the right-of-use asset arising from the head lease. All other leases are classified as operating leases.

4.3. Rent and other receivables

Rent and other receivables are amounts due in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets.

Rent receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost, less provision for impairment.

Impairment provisions for current and non-current rent receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the rent receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the rent receivables. Rent receivables are reported net of the ECL provision and the movement in the provision is recognised in the Group statement of comprehensive income. On confirmation that the rent receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for all other receivables are recognised based on a forward-looking expected credit loss model using the general approach. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12 month expected credit losses along with gross interest income are recognised. For those which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

4. Summary of Material Accounting Policies continued

4.3. Rent and other receivables continued

Under pass-through arrangements, rental income is collected by an Approved Provider ("AP") on behalf of the Group. The AP deducts agreed management fees and property-related costs and remits the remaining balance to the Group. The Group recognises rental income as the amount received from the RP, being the RP gross rental income less the costs deducted under the arrangement.

When My Space entered into a Company Voluntary Arrangement (CVA), all outstanding receivable balances had already been fully provided for within the expected credit loss (ECL) provision as at February 2025, with the exception of a small balance arising due to timing differences. Accordingly, all amounts, including this residual balance, were written off against the existing provision, resulting in the customer debtor balance and any outstanding arrears being reduced to nil.

4.4. Bank and other borrowings

Bank borrowings and the Group's loan notes are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensure that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Group Statement of Financial Position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payment while the liability is outstanding.

4.5. Taxation

Taxation on the element of the profit or loss for the period that is not exempt under UK REIT regulations would be comprised of current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised as direct movement in equity, in which case it is recognised as a direct movement in equity. Current tax is the expected tax payable on any non-REIT taxable income for the period, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous periods.

4.6. Dividends payable to shareholders

Dividends are recognised when they become legally payable. Interim dividends are recognised when paid. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting.

4.7. Rental income

Rental income from investment property is recognised on a straight-line basis over the term of ongoing leases and is shown gross of any UK income tax. Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease and are not subjected to an expected credit loss provision under IFRS 9. These are recognised within trade and other receivables on the Statement of Financial Position.

Lease modifications are accounted for as a new lease from the effective date of modification. On entering into a lease modification any initial direct costs associated with the original lease are derecognised through profit or loss in the year.

Rent reviews are recognised from the date when such reviews have been agreed and finalised with tenants. For rent reviews with rental uplifts linked to the inflation index, the rental increases are recognised as income in the period to which they relate, as they are deemed to be variable lease payments intended to compensate for inflationary cost increases.

When the Group enters into a forward funded transaction, the future tenant signs an agreement for lease. No rental income is recognised under the agreement for lease, but once the practical completion has taken place the formal lease is signed at which point rental income commences to be recognised in the Statement of Comprehensive Income.

Under IFRS 15, the Group's revenue from contracts with customers includes insurance charge income which is recognised over the period the respective services are provided.

4.8. Finance income and finance costs

Finance income is recognised as interest accrues on cash balances held by the Group. Finance costs consist of interest and other costs that the Group incurs in connection with bank and other borrowings. These costs are expensed in the period in which they occur. Borrowing costs are capitalised, net of interest received on cash drawn down yet to be expended when they are directly attributable to the acquisition, contribution or production of an asset that necessarily takes a substantial period of time to get ready for its intended use.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. Summary of Material Accounting Policies continued

4.9. Investment management fees

Investment management fees are recognised in the Statement of Comprehensive Income on an accrual basis.

4.10. Treasury shares

Consideration paid or received for the purchase or sale of treasury shares is recognised directly in equity. The cost of treasury shares held is presented as a separate reserve (the "treasury share reserve"). Any excess of the consideration received on the sale of treasury shares over the weighted average cost of the shares sold is credited to share premium.

5. Rental and other Income

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Rental income - freehold assets	38,498	36,709
Rental income - leasehold assets	2,245	2,363
	40,743	39,072
Expected credit loss	(743)	(3,329)
Insurance charge income	656	713
Insurance charge expense	(656)	(713)
Other income	30	106
	40,030	35,849

The lease agreements between the Group and the Approved Providers are fully repairing and insuring leases. The Approved Providers are responsible for the settlement of all present and future rates, taxes, costs and other impositions payable in respect of the properties. As a result, no direct property expenses were incurred.

All rental income arose within the United Kingdom.

The expected loss rates are based on the Group's credit losses which started to occur during the year ended 31 December 2022 for the first time since IPO expected loss rates are then adjusted for current and forward-looking information affecting the Group's tenants. The expected credit loss for the current year relates mostly to one tenant (2024: one tenant). Following the filing of the CVA in March 2025, no further expected credit loss has been recognised as the rent becomes variable in nature.

The movement in the expected credit loss provision during the year has been set out below:

An Approved Provider (AP) is a housing association, Local Authority or other regulated organisation in receipt of direct payment from local government including a care provider.

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Opening expected credit loss provision	(8,021)	(6,666)
Increase in provision for My Space Housing	(705)	(3,329)
Increase in provision for all other APs	(38)	-
Write off of Parasol debtor	-	1,974
Write off of My Space Housing debtor on CVA	8,726	-
Write off of other AP's debtor	38	-
Closing expected credit loss provision	-	(8,021)

6. Directors' Remuneration

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Directors' fees	301	275
Employer's National Insurance Contributions	39	32
	340	307

The Directors are remunerated for their services at such rate as the Directors shall from time to time determine. The Chairman receives a director's fee of £75,000 per annum (2024: £75,000), and the other Directors of the Board receive a fee of £50,000 per annum (2024: £50,000). The Directors are also entitled to an additional fee of £7,500 in connection with the production of every prospectus by the Company. No additional fees were paid during 2025 or 2024. A summary of the Directors' emoluments, including the disclosures required by the Companies Act 2006, is set out in the Directors' Remuneration Report within the Corporate Governance Report. None of the Directors received any advances or credits from any Group entity during the year.

7. Particulars of Employees

The Group and Company had no employees during the year other than the Directors (2024: none).

8. Management Fees

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Management fees	3,265	4,651
Termination fees	-	3,163
	3,265	7,814

On 1 January 2025 Atrato Partners Limited ("Atrato") was appointed as the Investment Manager of the Company.

The management fee is calculated quarterly, in arrears, as a percentage of the Company's average market capitalisation at the end of each quarter. The Management Fee will be calculated using the following fee thresholds and rates:

Market capitalisation threshold	Relevant fee rate (per annum)
Up to and including £150 million	1.25% (equivalent to 0.3125% per quarter)
Above £150 million, up to and including £300 million	1.00% (equivalent to 0.25% per quarter)
Above £300 million	0.70% (equivalent to 0.175% per quarter)

The management fee relating to 2024 was paid while the fund was managed by Triple Point Investment Management LLP (TPIM), the previous Investment Manager, and was calculated quarterly in arrears based upon a percentage of the last published Net Asset Value of the Group (not taking into account uncommitted cash balances after deducting borrowings) as at 31 March, 30 June, 30 September and 31 December in each year on the following basis with effect from Admission:

- on that part of the Net Asset Value up to and including £250 million, an amount equal to 1.0% of such part of the Net Asset Value;
- on that part of the Net Asset Value over £250 million and up to and including £500 million, an amount equal to 0.9% of such part of the Net Asset Value;
- on that part of the Net Asset Value over £500 million and up to and including £1 billion, an amount equal to 0.8% of such part of the Net Asset Value; and
- on that part of the Net Asset Value over £1 billion, an amount equal to 0.7% of such part of the Net Asset Value.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

8. Management Fees continued

Management fees of £3,265,000 (2024: £4,651,000 chargeable by TPIM) were chargeable by Atrato during the year. At the year-end £835,972 was due to Atrato (2024: £1,151,000 was due to TPIM), the amount was settled in early January 2026.

The terms of both the Investment Management Agreement and the AIFM Agreement between the Company and TPIM provided for a termination period of 12 months. An agreement was reached to terminate both the contracts with effect from 31 December 2024 and to pay early termination fees. These fees totalled £3,343,000 (£3,163,000 in respect of Investment Management and £180,000 in respect of the AIFM) and was structured in two tranches. This was in addition to the regular quarterly fees.

The AIFM termination fee of nil (2024: £180,000) is included within General and Administrative expenses as set out in note 9.

9. General and Administrative Expenses

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Property costs	1,391	148
Legal and professional fees	1,076	1,356
Audit fees	472	429
Marketing costs	437	471
Administration and secretarial fees	413	319
Other administrative expenses	177	149
Lease transfer costs	40	271
AIFM fees	-	233
AIFM termination fees	-	180
	4,006	3,556

On 1 October 2019 Hanway Advisory Limited were appointed to provide Administration and Company Secretarial Services to the Group. On 23 September 2025, Hanway Advisory Limited ceased to act as administrator and was replaced by Atrato. Administration and company secretarial fees of £413,000 (2024: £319,000) were incurred during the year, comprising fees payable to Hanway Advisory Limited for both Administration and company secretarial fees up to 23 September 2025. After this date Atrato replaced Hanway as the Administrator, while Hanway Advisory Limited, continued to provide company secretarial services.

The audit fees in the table above are inclusive of VAT, and differ to the fees in note 10 which are reported net of VAT.

On 30 June 2020, TPIM was appointed as the Group's Alternative Investment Fund Manager ("AIFM") to perform certain functions for the Group. As described in note 8, following the change in investment manager and the appointment of Atrato as the Group's new investment manager, TPIM ceased to act as AIFM. Accordingly, no AIFM fees were incurred in the current year.

10. Audit Fees

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Group audit fees - current year	309	280
Subsidiary audit fees	38	34
	347	314

Non-audit fees paid to BDO LLP amounted to £45,500 (2024: £42,500) for the half-year interim review.

The audit fee for all subsidiaries have been borne by the Company (see note 31).

11. Finance Costs

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Interest payable on bank borrowings	7,217	7,217
Amortisation of loan arrangement fees	277	287
Lender valuation fees	121	121
Head lease interest expense	44	44
Bank charges	11	10
	7,670	7,679
Total finance cost for financial liabilities not measured at fair value through profit or loss	7,659	7,669

Under the terms of the debt facilities the lenders require an annual independent valuation to be undertaken at the Company's expense. The cost of these valuations is set out above.

12. Taxation

As a UK REIT, the Group is exempt from corporation tax on the profits and gains from its property investment business, provided it meets certain conditions as set out in the UK REIT regulations. For the year ended 31 December 2025, the Group did not have any non-qualifying profits and accordingly there is no tax charge in the period. If there were any non-qualifying profits and gains, these would be subject to corporation tax. It is assumed that the Group will continue to be a group UK REIT for the foreseeable future, such that deferred tax has not been recognised on temporary differences relating to the property rental business.

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Current tax		
Corporation tax charge for the year	-	-
Total current income tax charge in the profit or loss	-	-

The tax charge for the year is less than the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below.

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Profit/(loss) for the year before tax	2,993	(36,389)
Tax at UK corporation tax standard rate of 25%	748	(9,098)
Change in value of investment properties	5,447	13,258
Disposal of investment property	66	-
Exempt REIT income	(6,704)	(5,194)
Amounts not deductible for tax purposes	27	35
Unutilised residual current year tax losses	416	999
	-	-

UK REIT exempt income includes property rental income that is exempt from UK Corporation Tax in accordance with Part 12 of CTA 2010.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

13. Investment Property

	Operational assets £'000
As at 1 January 2025	624,695
Acquisitions and additions*	2,200
Fair value adjustment***	(21,789)
Disposals	(350)
Transferred to Assets Held for Sale**	(1,947)
Movement in head lease ground rent liability	4
As at 31 December 2025	602,813
As at 1 January 2024	675,497
Acquisitions and additions*	2,221
Fair value adjustment	(53,027)
Movement in head lease ground rent liability	4
As at 31 December 2024	624,695

* Additions in the table above differs to the total capital expenditure amount in the Group statement of cash flows due to retentions no longer payable which were credited to Investment Property additions.

** 3 assets with fair value of £1,947,000 were reclassified to assets held for sale during the year ended 31 December 2025.

*** The difference between the loss from fair value adjustment on investment properties presented in the Statement of Comprehensive Income and Statement of Cash Flows compared to note 13 is £264,000. This relates to the lease incentive balances associated with 36 Oxford Grove and 38 Oxford Grove, which were sold during the period.

Reconciliation to the Group Statement of Comprehensive Income ("SOCl");

	31 December 2025 £'000	31 December 2024 £'000
Fair value adjustment in note 13	(21,789)	(53,027)
Loss from fair value adjustments on assets held for sale	-	(3)
Loss on disposal of investment properties	(264)	-
Loss from fair value adjustments in SOCl	(22,053)	(53,030)

The £264,000 loss on disposal of investment properties relates to the write-off of a lease incentive debtor associated with properties disposed of during the year.

Reconciliation to independent valuation:

	31 December 2025 £'000	31 December 2024 £'000
Investment property valuation	606,275	626,351
Fair value adjustment - headlease ground rent	1,472	1,468
Fair value adjustment - lease incentive debtor	(2,987)	(3,124)
Transferred to Assets Held for Sale	(1,947)	-
	602,813	624,695

The carrying value of leasehold properties at 31 December 2025 was £34,342,000 (2024: £35,934,000).

13. Investment Property *continued*

In accordance with "IAS 40: Investment Property", the Group's investment properties have been independently valued at fair value by Jones Lang LaSalle Limited ("JLL"), an accredited external valuer with recognised and relevant professional qualifications. The independent valuers provide their fair value of the Group's investment property portfolio on a semi annual basis.

JLL were appointed as external valuers by the Board on 11 December 2017. JLL has provided valuations services to the Group. The proportion of the total fees payable by the Company to JLL's total fee income is minimal. Additionally, JLL has a rotation policy in place whereby the signatories on the valuations rotate after five years.

% Key Statistic

The metrics below are in relation to the total investment property portfolio held as at 31 December 2025.

Portfolio metrics	31 December 2025	31 December 2024
Capital Deployed (£'000)*	577,402	576,804
Number of Properties	492	494
Number of Tenancies***	389	391
Number of Registered Providers***	27	28
Number of Local Authorities***	151	148
Number of Care Providers***	115	109
Valuation Net Initial Yield (NIY)**	6.42%	6.22%

* calculated excluding acquisition costs.

** calculated using IAS 40 valuations (excluding forward funding acquisitions).

*** calculated excluding forward funding acquisitions.

Region	31 December 2025		31 December 2024	
	*Cost £'000	% of funds invested	*Cost £'000	% of funds invested
North West	112,689	19.5	111,206	19.3
West Midlands	93,221	16.1	93,006	16.1
Yorkshire	81,839	14.2	87,103	15.1
East Midlands	69,323	12.0	63,979	11.1
North East	56,913	9.9	56,653	9.8
South East	54,889	9.5	54,366	9.4
London	49,717	8.6	49,626	8.6
South West	26,548	4.6	28,099	4.9
East	23,703	4.1	24,206	4.2
Scotland	5,900	1.0	5,900	1.0
Wales	2,660	0.5	2,660	0.5
Total	577,402	100.00	576,804	100.0

* excluding acquisition costs



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

13. Investment Property continued

Fair value hierarchy

	Date of valuation	Total £'000	Quoted prices in active markets (Level 1) £'000	Significant observable inputs (Level 2) £'000	Significant unobservable inputs (Level 3) £'000
Assets measured at fair value:					
Investment properties	31 December 2025	602,813	-	-	602,813
Investment properties	31 December 2024	624,695	-	-	624,695

There have been no transfers between Level 1 and Level 2 during the year, nor have there been any transfers between Level 2 and Level 3 during the year.

The valuations have been prepared in accordance with the RICS Valuation – Global Standards (commonly known as the “Red Book”) by JLL, one of the leading professional firms engaged in the social housing sector.

As noted previously, all of the Group’s investment properties are reported as Level 3 in accordance with IFRS 13 where external inputs are “unobservable” and value is the Directors’ best estimate, based upon advice from relevant knowledgeable experts.

In this instance, the determination of the fair value of an investment property requires an examination of the specific merits of each property that are in turn considered pertinent to the valuation.

These include i) the regulated social housing sector and demand for the facilities offered by each Specialised Supported Housing property owned by the Group; ii) the particular structure of the Group’s transactions where lessees at their own expense, meet the majority of the refurbishment costs of each property and certain purchase costs; iii) detailed financial analysis with discount rates supporting the carrying value of each property; iv) underlying rents for each property being subject to independent benchmarking and adjustment where the Group considers them too high (resulting in a price reduction for the purchase or withdrawal from the transaction); and v) a full repairing and insuring lease with annual indexation based on CPI or CPI+1% and effectively 25 years outstanding, in most cases with a Registered Provider itself regulated by the Regulator of Social Housing.

Descriptions and definitions relating to valuation techniques and key unobservable inputs made in determining fair values are as follows:

Valuation techniques: Discounted cash flows

The discounted cash flow model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate and lease incentive costs such as rent-free periods. The expected net cash flows are then discounted using risk-adjusted discount rates.

There are three main unobservable inputs that determine the fair value of the Group’s investment property:

1. the rate of inflation as measured by CPI; it should be noted that all leases benefit from either CPI or RPI indexation;
2. the passing rent or estimated rental value (“ERV”) as applicable based on market conditions prevailing at the valuation date; and
3. the discount rate applied to the rental flows.

Key factors in determining the discount rates to assess the level of uncertainty applied include: the performance of the regulated social housing sector and demand for each Specialised Supported Housing property owned by the Group; costs of acquisition and refurbishment of each property; the anticipated future underlying cash flows for each property; benchmarking of each underlying rent for each property (passing rent); and the fact that all of the Group’s properties have the benefit of full repairing and insuring leases entered into by a Housing Association.

A decrease in passing rent or ERV would decrease the fair value. A decrease in discount rate would increase the fair value. The fair value measurement is based on the above items highest and best use, which does not differ from their actual use. The valuer also considers the resulting net initial yield for each property for appropriateness.

13. Investment Property continued

Sensitivities of measurement of significant unobservable inputs

As set out within the significant accounting estimates and judgements in note 3, the Group's property portfolio valuation is open to judgements and is inherently subjective by nature.

As a result, the following sensitivity analysis has been prepared:

Average discount rate, rental values and range:

	2025	2024
Range of discount rates	6.3%-10.7%	6.4%-10.4%
Average discount rate	7.7%	7.6%
Range of Rental values (passing rents or ERV as relevant) of Group's Investment Properties	£0.008m – £0.56m	£0.007m – £0.55m
Average of Rental values (passing rents or ERV as relevant) of Group's Investment Properties	£0.1m	£0.1m
CPI/RPI increase over the term of the relevant leases	2.0%/2.5%	2.0%/2.5%

The tables below analyse the sensitivity on the fair value of investment properties for changes in discount rates and inflation rates. As a result of the indexation within the leases the inflation sensitivity captures the impact of changes to rental values.

	-1.0% change in Discount Rate £'000	+1.0% change in Discount Rate £'000	+0.5% change in CPI £'000	-0.5% change in CPI £'000	+3% change in ERV £'000	-3% change in ERV £'000
Changes in the IFRS fair value of investment properties						
As at 31 December 2025	64,308	(54,751)	33,264	(30,968)	17,922	(17,392)
	-0.5% change in Discount Rate £'000	+0.5% change in Discount Rate £'000	+0.5% change in CPI £'000	-0.5% change in CPI £'000	+0.5% change in ERV £'000	-0.5% change in ERV £'000
Changes in the IFRS fair value of investment properties						
As at 31 December 2024	70,645	(59,690)	36,318	(33,639)	18,653	(18,106)

The valuations have not been influenced by climate related factors due to there being little measurable impact on inputs at present.

Valuations have weakened generally, reflecting:

1. achieved market pricing for transactions which have occurred or are reasonably expected to occur for opportunities currently being marketed.
2. A softening of valuation assumptions relating to properties with challenging lessee situations within the portfolio, reflecting updated expectations on rent collection and longer-term achievable rent levels.
3. Adjustment of expectations regarding a number of assets, moving towards vacant possession value.



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For the year ended 31 December 2025

14. Trade and other Receivables (non-current)

	31 December 2025 £'000	31 December 2024 £'000
Lease incentive debtor	2,743	3,156
Other receivables	295	150
	3,038	3,306

The Directors consider that the carrying value of trade and other receivables approximate their fair value. All amounts are due to be received in more than one year from the reporting date.

15. Trade and other Receivables (current)

	31 December 2025 £'000	31 December 2024 £'000
Rent receivable	2,837	2,667
Lease incentive debtor	244	202
Prepayments	175	164
Other receivables	306	282
	3,562	3,315

The Directors consider that the carrying value of trade and other receivables approximate their fair value. All amounts are due to be received within one year from the reporting date.

The Group applies the general approach to providing for expected credit losses under IFRS 9 for rent and other receivables. Where the credit loss relates to revenue already recognised in the Statement of Comprehensive Income, the expected credit loss allowance is recognised in the Statement of Comprehensive Income. Expected credit losses totalling £743,000 (31 December 2024: £3,329,000) were charged to the Statement of Comprehensive Income in the period. The expected credit loss in the period relates mostly to the unpaid rent from My Space up to the date of the CVA.

16. Cash, Cash Equivalents and Restricted Cash

	31 December 2025 £'000	31 December 2024 £'000
Cash at bank	13,356	23,289
Restricted cash	4,037	4,203
Cash Held by Lawyers	21	-
Liquidity Funds	8,000	-
	25,414	27,492

Restricted cash represents monies held in escrow in relation to the transfer of leases to be used for future costs. Liquidity funds consist of surplus cash deposited with Treasury Spring in multiple accounts, all of which have maturities of up to one month. This arrangement was implemented to achieve improved interest returns on available cash.

A prior year adjustment has been made to reclassify the Debt Service Reserve Accounts ("DSRA") from "Cash at bank" to "Restricted cash". This reclassification reflects the fact that the DSRA balances are not available for general operational use. The adjustment has no impact on total cash balances previously reported, nor on the Statement of Comprehensive Income, but results in a revised presentation within the note to more appropriately reflect the nature of these funds.

	31 December 2025 £'000	31 December 2024 £'000
Total Cash, cash equivalents and restricted cash	25,414	27,492
Restricted cash	(4,037)	(4,203)
Cash reported on Group Statement of Cash Flows	21,377	23,289

17. Trade and Other Payables

Current liabilities

	31 December 2025 £'000	31 December 2024 £'000
Trade payables	1,179	139
Accruals	986	5,522
Head lease ground rent (note 27)	40	40
Other creditors	543	394
	2,748	6,095

The Other Creditors balance consists of retentions due on completion of outstanding works and outstanding accrued acquisition costs. The Directors consider that the carrying value of trade and other payables approximate their fair value. All amounts are due for payment within one year from the reporting date.

18. Other Payables

Non-current liabilities

	31 December 2025 £'000	31 December 2024 £'000
Head lease ground rent (note 27)	1,432	1,428
Rent deposit	100	100
	1,532	1,528

19. Bank and other Borrowings

Non-current liabilities

	31 December 2025 £'000	31 December 2024 £'000
Bank and other borrowings drawn at year end	263,500	263,500
Unamortised costs at beginning of the year	(2,059)	(2,317)
Less: loan issue costs incurred	-	(29)
Add: loan issue costs amortised	277	287
Unamortised costs at end of the year	(1,782)	(2,059)
Balance at year end	261,718	261,441

At 31 December 2025 there were undrawn bank facilities of £NIL (2024: £NIL).

As at 31 December 2025, the Group's borrowings comprised two debt facilities:

- a long dated, fixed rate, interest only financing arrangement in the form of a private placement of loan notes in an amount of £68,500,000 with MetLife Investment Management (and affiliated funds); and
- £195,000,000 long dated, fixed rate, interest only sustainability-linked loan notes through a private placement with MetLife Investment Management clients and Barings.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

19. Bank and other Borrowings continued

Loan Notes

The Loan Notes of £68,500,000 are secured against a portfolio of Specialised Supported Housing assets throughout the UK, worth approximately £163,823,000 (2024: £170,468,000). The details of the notes are set out in the table below. At 31 December 2025, the Loan Notes have been independently valued at £61,713,000 which has been used to calculate the Group's EPRA Net Disposal Value in note 2 of the Unaudited Performance Measures. The fair value is determined by comparing the discounted future cash flows using the contracted yields with the reference gilts plus the margin implied. The reference gilts used were the Treasury 3.760% 2028 Gilt (Tranche A) and Treasury 4.020% 2033 Gilt (Tranche B), with an implied margin that is unchanged since the date of fixing.

Loan Note	Principal	Term	Repayment date	All in rate	Independent Valuation
Tranche A	£41.5 million	10 years	30 June 2028	2.924%	£39.0 million
Tranche B	£27.0 million	15 years	30 June 2033	3.215%	£22.7 million
Blended Tranche A & B	£68.5 million	12 years		3.039%	£61.7 million

In August 2021, the Group put in place Loan Notes of £195,000,000 which enabled the Group to refinance the full £130,000,000 previously drawn under its £160,000,000 RCF with Lloyds and NatWest. The Loan Notes are secured against a portfolio of Specialised Supported Housing assets throughout the UK, worth approximately £382,576,000 (2024: £392,206,000). The details of these notes is set out in the table below. At 31 December 2025, the Loan Notes have been independently valued at £151,279,000 which has been used to calculate the Group's EPRA Net Disposal Value in note 2 of the Unaudited Performance Measures. The fair value is determined by comparing the discounted future cash flows using the contracted yields with the reference gilts plus the margin implied. The reference gilts used were the Treasury 3.900% 2031 Gilt (Tranche A) and Treasury 4.460% 2036 Gilt (Tranche B), with an implied margin that is unchanged since the date of fixing.

Loan Note	Principal	Term	Repayment date	All in rate	Independent Valuation
Tranche A	£77.5 million	10 years	26 August 2031	2.403%	£65.3 million
Tranche B	£117.5 million	15 years	26 August 2036	2.786%	£86.0 million
Blended Tranche A & B	£195.0 million	13 years		2.634%	£151.3 million

The Group's loan to value at the year-end was 41.4% (2024: 40.0%).

The loans are considered a Level 2 fair value measurement.

The Group has met all compliance with its financial covenants on the above loans throughout the year.

Effect of covenants

All of the Group's non-current loans and borrowings contain covenants, which, if not met, would result in the borrowings becoming repayable on demand. These borrowings are otherwise repayable more than 12 months after the end of the reporting period. As at 31 December 2025, the Group complied with all the covenants that were required to be met on or before 31 December 2025. The covenants that are required to be complied with after the current reporting date do not affect the classification of the related borrowings as current or non-current at the statement of financial position date. Therefore, all these borrowings remain classified as non-current liabilities.

20. Notes Supporting Statement of Cash Flows

Reconciliation of liabilities to cash flows from financing activities:

	Bank borrowings £'000 (note 19)	Head lease £'000 (note 17,18)	Total £'000
At 1 January 2025	261,441	1,468	262,909
Cashflows:			
Loan arrangement fees paid	-	-	-
Non-cash flows:			
- Amortisation of principal on head lease liabilities	-	(40)	(40)
- Amortisation of loan arrangement fees	277	-	277
- Accrued interest on head lease liabilities	-	44	44
At 31 December 2025	261,718	1,472	263,190

	Bank borrowings £'000 (note 19)	Head lease £'000 (note 17,18)	Total £'000
At 1 January 2024	261,183	1,464	262,647
Cashflows:			
Loan arrangement fees paid	(29)	-	(29)
Non-cash flows:			
- Amortisation of principal on head lease liabilities	-	(40)	(40)
- Amortisation of loan arrangement fees	287	-	287
- Accrued interest on head lease liabilities	-	44	44
At 31 December 2024	261,441	1,468	262,909

21. Share Capital

	Issued and fully paid Number	Issued and fully paid £'000
At 1 January 2025	393,916,490	3,940
At 31 December 2025	393,916,490	3,940
	Issued and fully paid Number	Issued and fully paid £'000
At 1 January 2024	393,916,490	3,940
At 31 December 2024	393,916,490	3,940

The Company achieved admission to the specialist fund segment of the main market of the London Stock Exchange on 8 August 2017, raising £200,000,000. As a result of the IPO, at 8 August 2017, 200,000,000 shares at one pence each were issued and fully paid. The Company was admitted to the premium segment of the Official List of the Financial Conduct Authority and migrated to trading on the premium segment of the Main Market on 27 March 2018.

Since then, there were three public offers up to 21 October 2020 with a further 193,916,490 Ordinary Shares of one pence each being issued and fully paid.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

21. Share Capital continued

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 regards to the Company's residual assets.

The table above includes 450,000 treasury shares (note 23). Treasury shares do not hold any voting rights.

22. Share Premium Reserve

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

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	203,753	203,753
Balance at end of year	203,753	203,753

23. Treasury Shares Reserve

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	(378)	(378)
Balance at end of year	(378)	(378)

The treasury shares reserve relates to the value of shares purchased by the Company in excess of nominal value. No treasury shares were purchased during the current or prior year. As at 31 December 2025 and 31 December 2024, 450,000 1p Ordinary Shares were held by the Company.

24. Capital Reduction Reserve

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	155,359	155,359
Balance at end of year	155,359	155,359

The capital reduction reserve is a distributable reserve that was created on the cancellation of share premium.

Capital Redemption Reserve

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	93	93
Balance at end of year	93	93

The Capital Redemption Reserve is the nominal value of the shares cancelled from the share buybacks.

25. Retained Earnings

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	26,977	84,850
Total comprehensive income for the year	2,993	(36,389)
Dividends paid	(21,961)	(21,484)
Balance at end of year	8,009	26,977

26. Dividends

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
1.3650p for the 3 months to 31 December 2023 paid on 28 March 2024	-	5,371
1.3650p for the 3 months to 31 March 2024 paid on 28 June 2024	-	5,371
1.3650p for the 3 months to 30 June 2024 paid on 4 October 2024	-	5,371
1.3650p for the 3 months to 30 September 2024 paid on 13 December 2024	-	5,371
1.3650p for the 3 months to 31 December 2024 paid on 11 April 2025	5,371	-
1.4055p for the 3 months to 31 March 2025 paid on 27 June 2025	5,530	-
1.4055p for the 3 months to 30 June 2025 paid on 3 October 2025	5,530	-
1.4055p for the 3 months to 30 September 2025 paid on 19 December 2025	5,530	-
	21,961	21,484

On 20 March 2026, the Company declared an interim dividend of 1.4055 pence per Ordinary share for the period 1 October 2025 to 31 December 2025. The total dividend of £5,530,172 will be paid on or around 21 April 2026 to Ordinary shareholders on the register on 7 April 2026.

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

Dividends are not payable in respect of the Treasury shares held by the Company.

27. Leases

A. Leases as lessee

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date:

	< 1 year £'000	1-2 years £'000	2-3 years £'000	3-4 years £'000	4-5 years £'000	> 5 years £'000	Total £'000
Lease payables							
31 December 2025	40	40	40	40	40	7,117	7,317
31 December 2024	40	40	40	40	40	7,158	7,358
					31 December 2025 £'000	31 December 2024 £'000	
Current liabilities (note 17)					40	40	
Non-current liabilities (note 18)					1,432	1,428	
Balance at end of year					1,472	1,468	

The above is in respect of properties held by the Group under leasehold. There are 23 properties (2024: 23) held under leasehold with lease terms which range from 125 years to 999 years. The Group's leasing arrangements with lessors are headlease arrangements on land and buildings that have been sub-let under the Group's normal leasing arrangements (see above) to tenants. The Group carries its interest in these headlease arrangements as long leasehold investment property (note 13).



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

27. Leases continued

B. Leases as lessor

The Group leases out its investment properties (see note 13).

The undiscounted future minimum lease payments receivable by the Group under non-cancellable operating leases are as follows:

	< 1 year £'000	1-2 years £'000	2-3 years £'000	3-4 years £'000	4-5 years £'000	> 5 years £'000	Total £'000
Lease receivables							
31 December 2025	43,667	43,667	43,667	43,667	43,667	436,373	654,708
31 December 2024	42,689	42,689	42,689	42,689	42,689	469,767	683,212

Leases are direct-let agreements with Registered Providers for a term of at least 15 years and usually between 20 to 25 years with rental uplifts linked to CPI or RPI. All leases are full repairing and insuring (FRI) leases, the tenants are therefore obliged to repair, maintain and renew the properties back to the original conditions.

The following table gives details of the percentage of annual rental income per Registered Provider with 10% or more than 10% share in any year presented. The increase in Portus' share reflects the merger of Best and Westmoreland during the year, with the combined entity now reported under the Portus name. As a result, rental income previously attributed to two separate providers is now consolidated, creating the apparent step-change in Portus' proportion of annual rental income.

Registered Provider	31 December 2025 % of total annual rent	31 December 2024 % of total annual rent
Inclusion Housing CIC	30	30
Portus Supported Housing Limited	14	N/A*

* Portus Supported Housing Limited was formed in 2025 following the merger of Westmoreland Supported Housing Ltd and Bespoke Supportive Tenancies Ltd.

Other disclosures about leases are provided in notes 5, 13, 15, 17, 18 and 32.

28. Controlling Parties

As at 31 December 2025 there is no ultimate controlling party of the Company.

29. Segmental Information

IFRS 8 Operating Segments requires operating segments to be identified based on internal financial reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker (which in the Group's case is delegated to the Delegated Investment Adviser Atrato for the year covered by these financial statements).

The internal financial reports received by Atrato contain financial information at a Group level as a whole and there are no reconciling items between the results contained in these reports and the amounts reported in the financial statements.

The Group's property portfolio comprised 492 Social Housing properties as of 31 December 2025 (2024: 494) in England, Wales and Scotland. The Directors consider that these properties represent a coherent and diversified portfolio with similar economic characteristics and, as a result, these individual properties have been aggregated into a single operating segment. In the view of the Directors there is accordingly one reportable segment under the provisions of IFRS 8. All the Group's properties are engaged in a single segment business with all revenue, assets and liabilities arising in the UK, therefore, no geographical segmental analysis is required by IFRS 8.

30. Related Party Disclosure

Directors

Directors are remunerated for their services at such rate as the Directors shall from time to time determine. The Chairman receives a director's fee of £75,000 per annum (2024: £75,000), and the other directors of the Board receive a fee of £50,000 per annum (2024: £50,000). The Directors are also entitled to an additional fee of £7,500 in connection with the production of every prospectus by the Company (including the Issue). No additional fee was received by the Directors in the current year as no prospectus was produced.

The Directors had the following beneficial interests in the issued ordinary share capital of the Company as of 31 December 2024 and at the date of this report:

Director	31 December 2025	31 December 2024
Peter Coward	80,076	80,076
Christopher Phillips	54,854	54,854
Tracey Fletcher-Ray	37,735	37,735

No shares were held by Ian Reeves, Cecily Davis, Bryan Sherriff and Fionnuala Hogan as of 31 December 2025 (31 December 2024: nil) or the date of resignation as applicable.

Investment Manager

With effect from 1 January 2025 Atrato Partners Limited has been appointed as the Company's Investment Manager.

31. Consolidated Entities

The Group consists of a parent Company, Social Housing REIT plc, incorporated in the UK and a number of subsidiaries held directly by the Company, which operate and are incorporated in the UK. The principal place of business of each subsidiary is the same as their place of incorporation.

The Group owns 100% of the equity shares of all subsidiaries listed below and has the power to appoint and remove the majority of the Board of those subsidiaries. The relevant activities of the below subsidiaries are determined by the Board based on simple majority votes. Therefore, the Directors of the Company concluded that the Company has control over all these entities and all these entities have been consolidated within these financial statements. The principal activity of all the subsidiaries relates to property investment.

The subsidiaries listed below were held as at 31 December 2025:

Name of Entity	Registered Office	Country of Incorporation	Ownership %
TP REIT Super Holdco Limited*	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Holdco 1 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Holdco 2 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Holdco 3 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Holdco 4 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Holdco 5 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Propco 2 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Propco 3 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Propco 4 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
TP REIT Propco 5 Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%
Norland Estates Limited	The Scalpel 18th Floor, 52 Lime Street, London, EC3M 7AF	UK	100%

* indicates entity is a direct subsidiary of Social Housing REIT plc.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

32. Financial Risk Management

The Group is exposed to market risk, interest rate risk, credit risk and liquidity risk in the current and future periods. The Board oversees the management of these risks. The Board's policies for managing each of these risks are summarised below.

32.1. Market risk

The Group's activities will expose it primarily to the market risks associated with changes in property values.

Risk relating to investment in property

Investment in property is subject to varying degrees of risk. Some factors that affect the value of the investment in property include:

- changes in the general economic climate;
- competition for available properties;
- obsolescence; and
- Government regulations, including planning, environmental and tax laws.

Variations in the above factors can affect the valuation of assets held by the Group and as a result can influence the financial performance of the Group.

The factors mentioned above have not had a material impact on the valuations of the investment properties as at 31 December 2025, and are not expected to in the immediate future, but will continue to be monitored closely.

There was no impact on the valuations in the year ended 31 December 2025 from climate change factors, given that there is little measurable impact on inputs at present.

32.2. Interest rate risk

The Group's debt at 31 December 2025 does not have any exposure to interest rate risk.

32.3. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from both its leasing activities and financing activities, including deposits with banks and other institutions as detailed in notes 16 and 19.

Credit risk related to financial instruments and cash deposits

One of the principal credit risks the Group faces arises with the funds it holds with banks and other institutions. At 31 December 2025 the Group has £25,414,000 in current accounts held at banks, see note 16. The Board believes that the credit risk on short-term deposits and current account cash balances is limited because the counterparties are banks and institutions with high credit ratings.

In June 2025, we were pleased that Fitch Ratings re-affirmed the Group's existing long-term Issuer Default Rating of 'A-' and senior secured ratings of 'A' in respect of both debt facilities, see note 19.

All financial assets are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets disclosed in notes 14, 15 and 16.

Credit risk related to leasing activities

In respect of property investments, in the event of a default by a tenant, the Group will suffer a rental shortfall and additional costs concerning re-letting the property to another Social Housing Registered Provider. Credit risk is primarily managed by testing the strength of covenant of a tenant prior to acquisition and on an ongoing basis. The Investment Manager also monitors the rent collection in order to anticipate and minimise the impact of defaults by occupational tenants. Outstanding rent receivables are regularly monitored, the balance of outstanding rent relating to 31 December 2025 was nil as at 28 February 2026, after a provision for the expected credit loss.

The Group has leases in place with ten Registered Providers that have been deemed non-compliant by the Regulator of Social Housing ('RSH') as at 31 December 2025 (2024: 10). We continue to conduct ongoing due diligence on all Registered Providers and all rents payable under these leases have been paid. We continue to monitor and maintain a dialogue with the Registered Providers as they work with advisers and the RSH to implement a financial and governance improvement action plan in order to address the RSH's concerns. The Board believes that the credit risk associated with the non-compliant rating is limited.

32. Financial Risk Management continued

32.3. Credit risk continued

Rent receivable and insurance debtor are the Group's only financial assets that is subjected to the expected credit loss model. While the Group has other financial assets that are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

32.4. Liquidity risk

The Group manages its liquidity and funding risks by considering cash flow forecasts and ensuring sufficient cash balances are held within the Group to meet future needs. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of financing through appropriate and adequate credit lines, and the ability of customers to settle obligations within normal terms of credit. The Group ensures, through forecasting of capital requirements, that adequate cash is available to fund the Group's operating activities on a weekly basis. Upcoming cash requirements are compared to existing cash reserves available, followed by discussions around optimal cash management opportunities in order to best manage liquidity risk.

The following table details the Group's liquidity analysis:

31 December 2025	< 3 months £'000	3-12 Months £'000	1-5 years £'000	> 5 years £'000	Total £'000
Headleases (note 27)	10	30	160	7,117	7,317
Trade and other payables (note 17)	2,708	-	-	-	2,708
Bank and other borrowings (note 19)					
- Fixed interest rate	-	-	41,500	222,000	263,500
Interest payable on bank and other borrowings:					
- Fixed interest rate	1,804	5,413	25,836	21,905	54,958
Total	4,522	5,443	67,496	251,022	328,483

32.5. Financial instruments

The Group's principal financial assets and liabilities, which are all held at amortised cost, are those that arise directly from its operation: trade and other receivables, trade and other payables, headleases, borrowings and cash, cash equivalents and restricted cash.

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are included in the financial statements:

	Book value 31 December 2025 £'000	Fair value 31 December 2025 £'000	Book value 31 December 2024 £'000	Fair value 31 December 2024 £'000
Financial liabilities:				
Bank and other borrowings	261,718	212,992	261,441	202,836



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

33. Post Balance Sheet Events

Dividend

On 20 March 2026, the Company declared an interim dividend of 1.4055 pence per Ordinary share for the period 1 October 2025 to 31 December 2025. The total dividend of £5,530,172 will be paid on or around 21 April 2026 to Ordinary shareholders on the register on 7 April 2026.

Property Sales

3 non-performing properties sales have completed at time of announcement, being those assets held for sale at 31 December 2025. The properties were sold for £1,770,000.

Assignment of Leases to Independent Housing Ltd

Following regulatory engagement, two properties were successfully assigned from Pivotal to Independent Housing Ltd.

Westmoreland FRI Lease Reversion

20 properties previously assigned from Parasol to Portus (formerly Westmoreland) achieved stabilisation and reverted to fully-repairing and insuring lease terms.

34. Capital Commitments

The Group does not have capital commitments in both the prior year and the current year.

35. Earnings Per Share

Earnings per share ("EPS") amounts are calculated by dividing profit for the year attributable to ordinary shareholders of the Company by the weighted average number of Ordinary Shares in issue during the period. As there are no dilutive instruments outstanding, both basic and diluted earnings per share are the same.

The calculation of basic and diluted earnings per share is based on the following:

	Year ended 31 December 2025	Year ended 31 December 2024
Calculation of Earnings per share		
Net profit/(loss) attributable to Ordinary Shareholders (£'000)	2,993	(36,389)
Weighted average number of Ordinary Shares (excluding treasury shares)	393,466,490	393,466,490
IFRS Earnings/(loss) per share - basic and diluted	0.76	(9.25)
Calculation of EPRA Earnings per share		
Net profit/(loss) attributable to Ordinary Shareholders (£'000)	2,993	(36,389)
Loss from fair value adjustment on investment properties (£'000)	22,053	53,030
Termination fees (£'000)	-	3,343
EPRA earnings (£'000)	25,046	19,984
Non-cash adjustments to include:		
Amortisation of loan arrangement fees (£'000)	277	287
Movement in Lease Incentive Debtor (£'000)	372	965
Adjusted earnings (£'000)	25,695	21,236
Weighted average number of Ordinary Shares (excluding treasury shares)	393,466,490	393,466,490
EPRA earnings per share - basic and diluted	6.37p	5.08p
Adjusted earnings per share - basic and diluted	6.53p	5.40p

EPRA released revised Best Practice Reporting guidelines during September 2024 which are effective for reporting periods beginning on or after 1 October 2024. The revised guidelines permit adjustments in respect of non-operating or exceptional items within EPRA earnings as they are unusual in nature and very unlikely to reoccur in the foreseeable future. The termination payments of £3,343,000 in respect of the change in Investment manager in 2024 are considered to be exceptional items and have been added back in arriving at EPRA earnings.

Adjusted earnings is a performance measure used by the Board to assess the Group's dividend payments. The metric adjusts EPRA earnings for non-cash items, including amortisation of ongoing loan arrangement fees and the movement in the lease incentive debtor. In the current year, an amount of £263,000 (2024: £1,984,000 in respect of a lease incentive debtor relating to Parasol when the leases were transferred to Westmoreland), was written off in respect of a lease incentive debtor relating to two properties that were sold in Q1 2025. The Board sees these adjustments as a reflection of actual cashflows which are supportive of dividend payments. The Board compares adjusted earnings to the available distributable reserves when considering the level of dividend to pay.



NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. Net Asset Value Per Share

Basic Net Asset Value ("NAV") per share is calculated by dividing net assets in the Group Statement of Financial Position attributable to Ordinary Shareholders of the Company by the number of Ordinary Shares outstanding at the end of the period. Although there are no dilutive instruments outstanding, both basic and diluted NAV per share are disclosed below.

Net asset values have been calculated as follows:

	31 December 2025	31 December 2024
Net assets at the end of the year (£'000)	370,776	389,744
Shares in issue at end of the year (excluding treasury shares)	393,446,490	393,466,490
Dilutive shares in issue	-	-
IFRS NAV per share - basic and dilutive	94.23p	99.05p

37. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to minimise the cost of capital.

The Group considers proceeds from share issuance, bank and other borrowings and retained earnings as capital.

Any surplus cash balances are invested in cash equivalents, near cash instruments and money market instruments, in order to maximise returns pending re-investment or distributions.

The level of borrowing will be on a prudent basis for the asset class and will seek to achieve a low cost of funds, whilst maintaining the flexibility in the underlying security requirements and the structure of both the investment property portfolio and the Group.

The Directors currently intend that the Group should target a level of aggregate borrowings over the medium term equal to approximately 40% of the Group's Gross Asset Value. The aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown, of 50% of the Gross Asset Value.

The initial fixed rate facility with MetLife requires an asset cover ratio of x2.00 and an interest cover ratio of x1.75. At 31 December 2025, the Group was fully compliant with both covenants with an asset cover ratio of x2.39 (2024: x2.49) and an interest cover ratio of x4.89 (2024: x4.78).

The subsequent facility with MetLife and Barings requires an asset cover ratio of x1.67 and an interest cover ratio of x1.75. At 31 December 2025, the Group was fully compliant with both covenants with an asset cover ratio of x1.96 (2024: x2.01) and an interest cover ratio of x4.82 (2024: x4.28).

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Assets			
Non-current assets			
Investment in subsidiaries	4	358,968	379,703
Total non-current assets		358,968	379,703
Current assets			
Trade and other receivables	5	1,649	6,829
Cash, cash equivalents and restricted cash	6	12,132	13,988
Total current assets		13,781	20,817
Total assets		372,749	400,520
Liabilities			
Current liabilities			
Trade and other payables	7	1,973	10,776
Total current liabilities		1,973	10,776
Total liabilities		1,973	10,776
Total net assets		370,776	389,744
Equity			
Share capital	8	3,940	3,940
Share premium reserve	9	203,753	203,753
Treasury shares reserve	10	(378)	(378)
Capital reduction reserve	11	155,359	155,359
Capital redemption reserve	11	93	93
Retained earnings	13	8,009	26,977
Total equity		370,776	389,744
IFRS net asset value per share - basic and diluted	14	94.23p	99.05p

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit of the Company for the year was £2,993,000 (2024: Loss of £36,389,000).

The Company Financial Statements were approved and authorised for issue by the Board on 25 March 2026 and signed on its behalf by:



Chris Phillips
Chair
25 March 2026

The accompanying notes on pages 125 to 130 form an integral part of these Company Financial Statements.



COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Note	Share capital £'000	Share premium reserve £'000	Treasury shares reserve £'000	Capital redemption reserve £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2025	3,940	203,753	(378)	93	155,359	26,977	389,744
Total comprehensive income for the year	-	-	-	-	-	2,993	2,993
Transactions with owners							
Dividends paid	12	-	-	-	-	(21,961)	(21,961)
Balance at 31 December 2025	3,940	203,753	(378)	93	155,359	8,009	370,776
Note	Share capital £'000	Share premium reserve £'000	Treasury shares reserve £'000	Capital redemption reserve £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2024	3,940	203,753	(378)	93	155,359	84,850	447,617
Total comprehensive income for the year	-	-	-	-	-	(36,389)	(36,389)
Transactions with owners							
Dividends paid	12	-	-	-	-	(21,484)	(21,484)
Balance at 31 December 2024	3,940	203,753	(378)	93	155,359	26,977	389,744

The accompanying notes on pages 125 to 130 form an integral part of these Company Financial Statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with the Companies Act 2006.

1.1. Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the Group.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the Group Financial Statements. These financial statements do not include certain disclosures in respect of:

- financial instruments; and
- fair value measurement other than certain disclosures required as a result of recording financial instruments at fair value.

The material accounting policy information applied in the preparation of the financial statements are set out below.

2. Summary of Material Accounting Policies

2.1. Currency

The Company financial information is presented in Sterling which is also the Company's functional currency.

2.2. Investment in subsidiaries

Investment in subsidiaries is included in the Company's Statement of Financial Position at cost less provision for impairment. Investments are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, the asset is written down accordingly. Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. Where assets have been transferred within the Group, a capital reduction in the originating company is performed, and a dividend is declared to Social Housing REIT plc. This results in an impairment to investments in subsidiaries.

2.3. Trade and other receivables

Trade and other receivables are amounts due in the ordinary course of business. If collection is expected in one year or less from the end of the reporting period, they are classified as current assets.

Rent receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost, less provision for impairment.

Impairment provisions for amounts due from subsidiaries are recognised based on a forward-looking expected credit loss model using the general approach. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12 month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

2.4. Dividend payable to shareholders

Dividends to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved. Interim dividends are recognised when paid. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting.



NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2025

2.5. Investment management fees

Investment management fees are recognised in the profit or loss on an accrual basis.

2.6. Treasury shares

Consideration paid or received for the purchase or sale of treasury shares is recognised directly in equity. The cost of treasury shares held is presented as a separate reserve (the "treasury share reserve"). Any excess of the consideration received on the sale of treasury shares over the weighted average cost of the shares sold is credited to retained earnings.

3. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's Financial Statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The estimate and associated assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

Investments

Investments held as non-current assets are stated at cost less any provision for impairment. The Directors assess the recoverability of investments made and economic benefit of the investments based on market conditions, economic forecasts and cash flow estimates.

4. Investment in Subsidiaries

	31 December 2025 £000	31 December 2024 £000
Balance at beginning of year	379,703	432,498
Impairment charge for the year	(28,224)	(53,644)
Additions	7,489	849
Balance at end of year	358,968	379,703

Investment in subsidiaries are included in the Company's Statement of Financial Position at cost less provision for impairment.

An impairment of £28,224,000 (2024: £53,644,000) has been recognised in the current year following the reduction in the valuations of the underlying investment properties. Following these valuation reductions the net assets of certain subsidiaries no longer support the carrying value of the investments in line with the recoverable amount, which was also considered to be its value in use. The underlying assumptions are detailed in note 13 to the Group financial statements. There has also been a material increase in amounts due from subsidiaries during the year, these amounts are expected to be settled in full post period end.

Given that the underlying investments are supported by a valuation of the properties, the Company has considered the recoverable amount by reference to the net asset value of the Group. If the average discount rate in the valuation of the Group's investment properties were 1% lower/higher, the carrying value would be £64,308,000 higher/£54,751,000 lower respectively.

A list of the Company's subsidiary undertakings as at 31 December 2025 is included in note 31 of the Group Financial Statements.

5. Trade and other Receivables

	31 December 2025 £000	31 December 2024 £000
Amounts due from subsidiaries	1,492	6,696
Prepayments	143	133
Other receivables	14	-
	1,649	6,829

The directors consider that the carrying value of trade and other receivables approximate their fair value. All amounts are due to be received within one year from the reporting date.

The Company applies the general approach to providing for expected credit losses under IFRS 9 for amounts due from subsidiaries. The expected credit loss in the current year and prior year are immaterial.

6. Cash, Cash Equivalents and Restricted Cash

	31 December 2025 £000	31 December 2024 £000
Restricted cash	427	593
Cash at bank	3,684	13,391
Cash Held by Lawyers	21	4
Liquidity Funds	8,000	-
	12,132	13,988

Restricted cash represents monies held in escrow in relation to the transfer of leases to be used for future costs. Liquidity funds represent surplus cash deposited with Treasury Spring across multiple accounts with varying maturities. This arrangement was implemented to achieve improved interest returns on available cash.

7. Trade and Other Payables

Current Liabilities

	31 December 2025 £000	31 December 2024 £000
Trade payables	1,179	139
Accruals	764	5,518
Amounts owed to subsidiaries	10	5,099
Other creditors	20	20
	1,973	10,776

The directors consider that the carrying value of trade and other payables approximate their fair value. All amounts are due for payment within one year from the reporting date. The £1,179,000 of trade payables includes £836,000 owed to Atrato in relation to Q4's management fee, this was settled in early January 2026.



NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2025

8. Share Capital

	Issued and fully paid Number	Issued and fully paid £'000
At 1 January 2025	393,916,490	3,940
At 31 December 2025	393,916,490	3,940
	Issued and fully paid Number	Issued and fully paid £'000
At 1 January 2024	393,916,490	3,940
At 31 December 2024	393,916,490	3,940

The Company was admitted to the premium segment of the Official List of the Financial Conduct Authority and migrated to trading on the premium segment of the Main Market on 27 March 2018. Further details are provided in note 21 of the Group Financial Statements.

9. Share Premium Reserve

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

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	203,753	203,753
Balance at end of year	203,753	203,753

10. Treasury Shares Reserve

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	(378)	(378)
Balance at end of year	(378)	(378)

The treasury shares reserve relates to the value of shares purchased by the Company in excess of nominal value. No treasury shares were purchased during the current or prior year. As at 31 December 2025, 450,000 1p Ordinary Shares are held by the Company (31 December 2024: 450,000 1p Ordinary Shares).

11. Capital Reduction Reserve

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	155,359	155,359
Balance at end of year	155,359	155,359

The capital reduction reserve relates to the distributable reserve established on cancellation of the share premium reserve.

Capital Redemption Reserve

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	93	93
Balance at end of year	93	93

The Capital Redemption Reserve is the nominal value of the shares cancelled from the share buybacks.

12. Dividends

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
1.3650p for the 3 months to 31 December 2023 paid on 28 March 2024	-	5,371
1.3650p for the 3 months to 31 March 2024 paid on 28 June 2024	-	5,371
1.3650p for the 3 months to 30 June 2024 paid on 4 October 2024	-	5,371
1.3650p for the 3 months to 30 September 2024 paid on 13 December 2024	-	5,371
1.3650p for the 3 months to 31 December 2024 paid on 11 April 2025	5,371	-
1.4055p for the 3 months to 31 March 2025 paid on 27 June 2025	5,530	-
1.4055p for the 3 months to 30 June 2025 paid on 3 October 2025	5,530	-
1.4055p for the 3 months to 30 September 2025 paid on 19 December 2025	5,530	-
	21,961	21,484

On 20 March 2026, the Company declared an interim dividend of 1.4055 pence per Ordinary share for the period 1 October 2025 to 31 December 2025. The total dividend of £5,530,172 will be paid on or around 21 April 2026 to Ordinary shareholders on the register on 7 April 2026.

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

Dividends are not payable in respect of the treasury shares held by the Company.

13. Retained Earnings

	31 December 2025 £'000	31 December 2024 £'000
Balance at beginning of year	26,977	84,850
Total comprehensive income for the year	2,993	(36,389)
Dividends paid	(21,961)	(21,484)
Balance at end of year	8,009	26,977

14. Net Asset Value Per Share

Net Asset Value per share is calculated by dividing net assets in the Company Statement of Financial Position attributable to ordinary equity holders of the Company by the number of Ordinary Shares outstanding at the end of the year. Although there are no dilutive instruments outstanding, both basic and diluted NAV per share are disclosed below.

Net asset values have been calculated as follows:

	31 December 2025	31 December 2024
Net assets at the end of the year (£'000)	370,776	389,744
Shares in issue at end of the year (excluding treasury shares)	393,466,490	393,466,490
Dilutive shares in issue	-	-
NAV per share - basic and dilutive	94.23p	99.05p

15. Related Party Transactions

The Company has taken advantage of the exemption not to disclose transactions with other members of the Group as the Company Financial Statements are presented together with the Group Financial Statements.

Note 30 of the Notes to the Group Financial Statements includes details of other related party transactions undertaken by the Company and its subsidiaries.



NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2025

16. Post Balance Sheet Events

Dividend

On 20 March 2026, the Company declared an interim dividend of 1.4055 pence per Ordinary share for the period 1 October 2025 to 31 December 2025. The total dividend of £5,530,172 will be paid on or around 21 April 2026 to Ordinary shareholders on the register on 7 April 2026.

UNAUDITED PERFORMANCE MEASURES

For the year ended 31 December 2025

1. EPRA Net Reinstatement Value

	31 December 2025	31 December 2024
IFRS NAV/EPRA NAV (£'000)	370,776	389,744
Include:		
Real Estate Transfer Tax* (£'000)	36,700	38,594
EPRA Net Reinstatement Value (£'000)	407,476	428,338
Fully diluted number of shares	393,466,490	393,466,490
PRA Net Reinstatement value per share	103.56p	108.86p

* Purchasers' costs

2. EPRA Net Disposal Value

	31 December 2025	31 December 2024
IFRS NAV/EPRA NAV (£'000)	370,776	389,744
Include:		
Fair value of debt* (£'000)	48,726	58,605
EPRA Net Disposal Value (£'000)	419,502	448,349
Fully diluted number of shares	393,466,490	393,466,490
EPRA Net Disposal Value**	106.62p	113.95p

* Difference between interest-bearing loans and borrowings included in Group Statement of Financial Position at amortised cost, and the fair value of interest-bearing loans and borrowings.

** Equal to the EPRA NNAV disclosed in previous reporting periods.

3. EPRA Net Tangible Assets

	31 December 2025	31 December 2024
IFRS NAV/EPRA NAV (£'000)	370,776	389,744
EPRA Net Tangible Assets (£'000)	370,776	389,744
Fully diluted number of shares	393,466,490	393,466,490
EPRA Net Tangible Assets*	94.23p	99.05p

* Equal to IFRS NAV and previous EPRA NAV metric as none of the EPRA Net Tangible Asset adjustments are applicable as at 31 December 2025 or 31 December 2024.



UNAUDITED PERFORMANCE MEASURES

For the year ended 31 December 2025

4. EPRA net initial yield (NIY) and EPRA “topped up” NIY

	31 December 2025 £'000	31 December 2024 £'000
Investment properties – wholly-owned (excluding head lease ground rents)	603,288	623,227
Less: development properties	-	-
Completed property portfolio	603,288	623,227
Allowance for estimated purchasers' costs	36,700	38,594
Gross up completed property portfolio valuation	639,988	661,821
Annualised passing rental income	43,657	42,606
Property outgoings	-	-
Annualised net rents	43,657	42,606
Contractual increases for lease incentives	10	83
Topped up annualised net rents	43,667	42,689
EPRA NIY	6.82%	6.44%
EPRA Topped Up NIY	6.82%	6.45%

5. Ongoing Charges Ratio

	31 December 2025 £'000	31 December 2024 £'000
Annualised ongoing charges	5,757	6,885
Average undiluted net assets	380,260	418,681
Ongoing charges	1.51%	1.64%

6. EPRA Vacancy Rate

	31 December 2025 £'000	31 December 2024 £'000
Estimated Market Rental Value (ERV) of vacant spaces	673	138
Estimated Market Rental Value (ERV) of whole portfolio	43,805	42,826
EPRA Vacancy Rate	1.54%	0.32%

The EPRA vacancy rate is calculated as the ERV of the unrented, lettable space as a proportion of the total rental value of the Investment Property portfolio. This is expected to continue to be a highly immaterial percentage.

As at 31 December 2025, the portfolio comprised four vacant properties, representing a combined ERV of £673k (31 December 2024: one vacant property at ERV: £138k).

7. EPRA Cost Ratio

	31 December 2025 £'000	31 December 2024 £'000
Administration expenses per IFRS	4,347	3,863
Service charge income	-	-
Service charge costs	-	-
Net Service charge costs	-	-
Management fees	3,265	7,814
Total costs (including direct vacant property costs) (A)	7,612	11,677
Vacant property costs	(276)	(33)
Total costs (excluding direct vacant property costs) (B)	7,336	11,644
Gross rental income per IFRS	40,743	39,072
Less: service charge components of gross rental income	-	-
Gross rental income (C)	40,743	39,072
EPRA Cost ratio (inc. direct vacant property costs) (A/C)	18.68%	29.89%
EPRA Cost ratio (exc. direct vacant property costs) (B/C)	18.00%	29.81%

8. EPRA Like-For-Like Rental Growth

Sector	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000	Like-for-Like rental growth %
	UK	43,492	42,553

The like-for-like rental growth is based on the changes in rental income for those properties which have been held for the duration of both the current and comparative reporting period. Properties acquired, disposed of or under development during either period are excluded. This represents a portfolio valuation, as assessed by the valuer of £606.3 million (31 December 2024: £626.4 million).



UNAUDITED PERFORMANCE MEASURES

For the year ended 31 December 2025

9. EPRA LTV

	31 December 2025 £'000	31 December 2024 £'000
Group Net Debt		
Borrowings from financial institutions	263,250	262,969
Net payables	-	-
Less: Cash and cash equivalents	(25,414)	(27,492)
Group Net Debt Total (A)	237,836	235,477
Group Property Value		
Investment properties at fair value	602,814	624,695
Assets held for sale	1,947	-
Intangibles	-	-
Net receivables	3,852	526
Financial assets	-	-
Total Group Property Value (B)	608,613	625,221
Group LTV (A/B)	39.08%	37.66%
Share of Joint Ventures Debt		
Bond loans	-	-
Net payables	-	-
JV Net Debt Total (A)	-	-
Group Property Value		
Owner-occupied property	-	-
Investment properties at fair value	-	-
Total JV Property Value (B)	-	-
JV LTV (A/B)	0.00%	0.00%
Combined Net Debt (A)	237,836	235,477
Combined Property Value (B)	608,613	625,221
Combined LTV (A/B)	39.08%	37.66%

10. EPRA Property Related Capital Expenditure

Group	Year ended	Year ended
	31 December 2025	31 December 2024
	£'000	£'000
Acquisitions	-	-
Development	1,531	1,499
Investment Properties	669	722
Group Total CapEx	2,200	2,221
Joint Venture		
Acquisitions	-	-
Development	-	-
Investment Properties	-	-
Joint Venture CapEx	-	-
Total CapEx	2,200	2,221

Acquisitions relate to purchase of investment properties in the year end and includes capitalised acquisition costs. Development relates to capitalised costs in relation to development expenditure on the property portfolio.



GLOSSARY AND DEFINITIONS

“AIC Code”	AIC Code of Corporate Governance produced by the Association of Investment Companies.
“AIC Guide”	AIC Corporate Governance Guide for Investment Companies produced by the Association of Investment Companies.
“AIFM”	the alternative investment fund manager of the Company being Atrato Partners Limited.
“AIFMD”	the EU Alternative Investment Fund Managers Directive 2011/61/EU.
“Approved Provider”	a housing association, Local Authority or other regulated organisation in receipt of direct payment from local government including a care provider.
“Basic NAV”	the value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time to time.
“Board”	the Directors of the Company from time to time.
“Company”	Social Housing REIT plc (company number 10814022).
“DTR”	the Disclosure Guidance and Transparency Rules sourcebook containing the Disclosure Guidance, Transparency Rules, corporate governance rules and the rules relating to primary information providers.
“EPRA”	the European Public Real Estate Association.
“GAV”	the gross assets of the Company in accordance with applicable accounting rules from time to time.
“Group”	the Company and any subsidiary undertakings from time to time.
“Investment Manager”	Atrato Partners Limited (company number 10533101).
“IPO”	the admission by the Company of 200 million Ordinary Shares to trading on the Specialist Fund Segment of the Main Market, which were the subject of the Company’s initial public offering on 8 August 2017.
“NAV”	the net assets of the Company in accordance with applicable accounting rules from time to time.
“NIY”	net initial yield, being the annual rent generated under a lease in respect of a property divided by the combined total of that property’s acquisition price and acquisition costs.
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company.
“Registered Provider”	a housing association or Local Authority.
“Regulator of Social Housing”	the Regulator of Social Housing is an executive non-departmental public body, sponsored by the Department for Levelling Up, Housing and Communities responsible for promoting a viable, efficient and well-governed social housing sector.

“REIT”	means a qualifying real estate investment trust in accordance with the UK REIT Regime introduced by the UK Finance Act 2006 and subsequently re-written into Part 12 of the Corporation Tax Act 2010.
“Supported Housing”	accommodation that is suitable, or adapted, for residents with special needs, which may (but does not necessarily): (a) include some form of personal care provided by a supported housing care provider; and/or (b) that enable those tenants to live independently in the community.
“Specialised Supported Housing”	accommodation which is designed, structurally altered, refurbished or designated for occupation by, and made available to, residents who require specialised services or support in order to enable them to live, or to adjust to living, independently within the community.
“Total Return”	the percentage increase in net asset value plus dividends paid since IPO.
“WALVT”	the weighted average unexpired lease term certain across the portfolio, weighted by contracted rental income. We have included all parts of the term certain, including additional leases which are triggered by landlords’ put options, but not those triggered by lessees’ call options unless the options were mutual.



SHAREHOLDER INFORMATION

Non-Executive Directors

Chris Phillips
Peter Coward
Tracey Fletcher-Ray
Cecily Davis
Bryan Sherriff
Fionnuala Hogan
Jos Short (appointed 1 March 2026)

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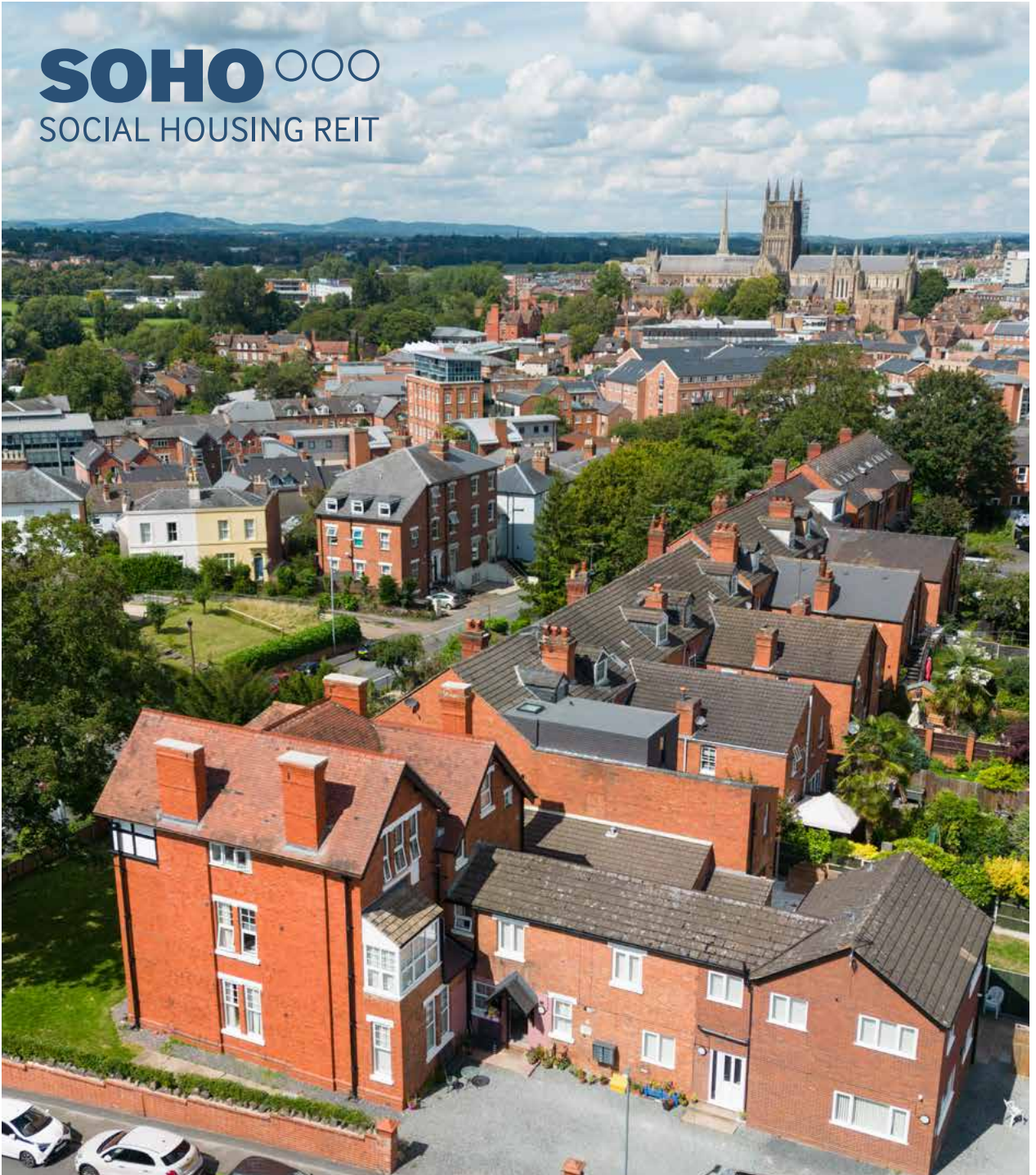
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