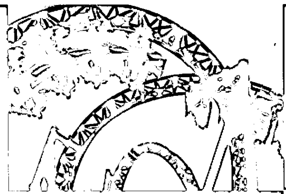
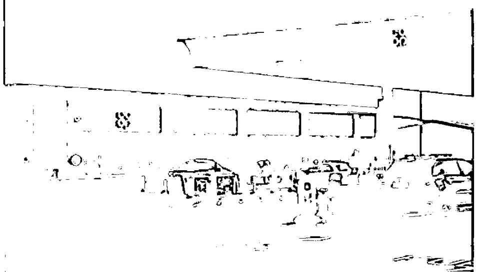
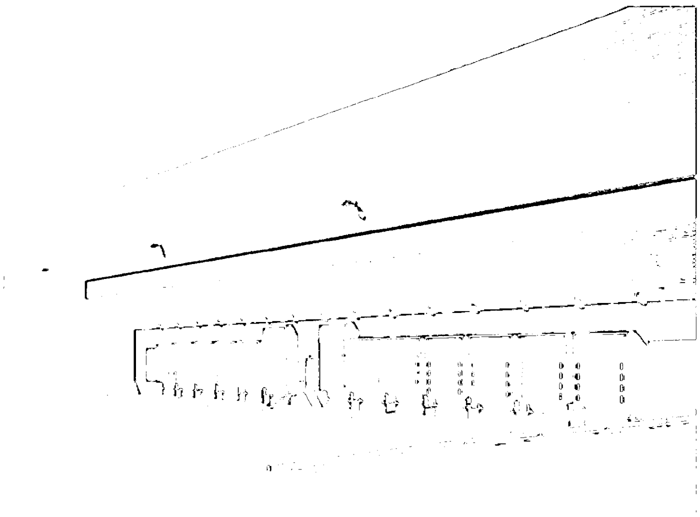


Reliable, repetitive growing income

LondonMetric Property Plc
Annual Report and Accounts 2025





LONDONMETRIC
PROPERTY PLC

In this report

LondonMetric is a real estate company that owns £6.2 billion of structurally supported assets. It is the UK's leading Triple Net Lease REIT with contracted rent of £340 million per annum.

Our aim is to build on our position as the UK's leading Triple Net Lease REIT. By investing in mission critical and key real estate assets that benefit from structural drivers, we will deliver reliable, repetitive and growing income over the long term.

Learn more about our business at
londonmetric.com

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Delivering our aim

Investing in Quality

We focus on mission-critical and key real estate assets that have enduring occupier appeal and we are constantly evolving the portfolio to ensure our assets remain fit for the future.

Harnessing Structural Drivers

By owning properties that are aligned to long term structural trends, we ensure that our assets remain relevant in an ever changing world and can deliver attractive rental growth.

Delivering Sustainable Returns

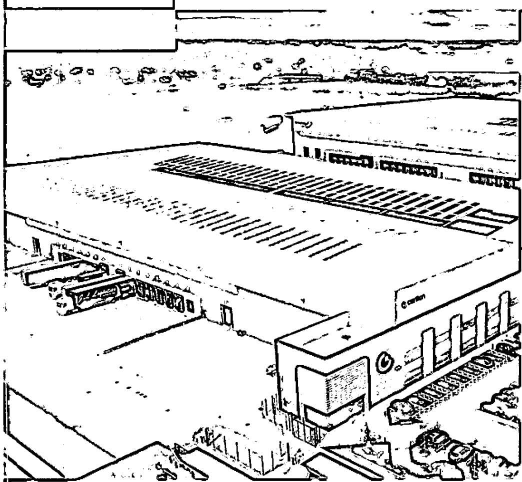
This allows us to generate reliable, repetitive, and growing income to pay a progressive dividend and reinforces our position as the UK's leading Triple Net Lease REIT.

A year in review

Over the past year, we have worked hard to integrate the LXi acquisition, recycle our portfolio to ensure it is aligned to winning assets and unlock the portfolio's potential. We have been leveraging our greater scale to deliver synergies whilst preserving our strong culture and values.

A year in review

Unlocking the portfolio's potential



The LXi acquisition in 2024 doubled our portfolio size and introduced new growth sectors. As part of the transaction, we identified the need to sell a number of non core assets and reinvest the proceeds into better income growth assets.

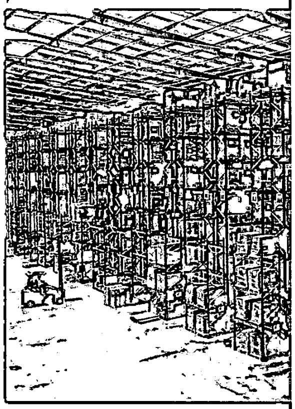
In the year, we sold £342 million across 72 assets, including offices, training centres, pubs, gyms, garden centres, care homes and large food stores. We reinvested these sales into 32 new investments totalling £343 million, with logistics representing 87% of acquisitions.

Our active portfolio asset management approach also secured £15 million of additional income, with particularly strong rental growth on our logistics assets.

Investment activity in the year

£685 million

> "The last year has been an intensive period for investment activity. We have successfully disposed of non core assets whilst redeploying the proceeds into higher quality and income growth assets focused on logistics.
>
> Hugh Chivers
> Logistics investments



A year in review

Delivering synergies from scale

Our much increased size following the LXi acquisition has driven economies of scale and opportunities, and we are benefitting from significant synergies.

LXi doubled our portfolio to £6 billion but our headcount has only increased by a third. This has helped to materially reduce our EPRA cost ratio from 11.6% to 7.8% and significantly increase EPRA earnings per share.

Our size is giving us access to larger opportunities, and we have a scalable platform to easily add further large investments. We are also benefitting from efficiencies in the capital markets with improved liquidity in our shares and better access to debt, helped further by our BBB+ investment grade credit rating in the year.

EPRA cost ratio

7.8%

Credit rating

BBB+

A year in review

Embracing our values

Built around our core beliefs

Our team remains central to our success and we pride ourselves on making LondonMetric a desirable place to work with a strong culture and core values.

Collaboration, integrity, hard work, openness and mutual respect are important values that are embraced by the team.

We strive to make every individual feel valued, empowered and incentivised so that they can contribute meaningfully to our collective objectives and share in our success.

We have built up a loyal and talented team of 48 with a diverse range of experiences, expertise, stakeholder contacts and backgrounds. As the Company has grown, retaining our core values and the existing culture has been vitally important.

The results of our most recent annual employee survey reflected a high level of employee satisfaction and support for the Company. The survey revealed that 96% of employees enjoy working at LondonMetric and that 96% of employees agree there is a strong culture of teamwork and collaboration.

48
employees

96%
enjoy working for LondonMetric

"We have successfully attracted and retained a loyal and talented team, integrating a number of new employees in the year. Maintaining the right culture is very important to us, and the latest employee survey demonstrated high employee satisfaction."

Martin McGann
Chief Financial Officer

96%
agree there is a strong culture of teamwork and collaboration

94%
feel they make a valuable contribution to the success of the organisation

An overview, purpose and strategy

Chair's statement

Another exceptional year delivering outstanding results

Alistair Elliott
Chair

> We are delivering on our aim to further consolidate our position as the UK's leading Triple Net Lease REIT.

It has been another exceptional year for LondonMetric having successfully integrated the LXi and CTPT acquisitions, completed over 100 investment transactions and 340 occupier initiatives, advanced additional M&A opportunities and debt refinancings, and strengthened the team.

Our activity is delivering on our aim to further consolidate our position as the UK's leading Triple Net Lease REIT. Our income metrics remain sector leading as we strengthen and grow the portfolio's rental income and extract efficiencies and the wider potential from our scalable platform. We continue to reshape the portfolio to ensure that it is aligned to mission critical real estate in structural supported sectors with attractive income growth prospects.

Our financial results for the year to 31 March 2025 were outstanding and reflect the first full year for the enlarged group. Net rental income was up 123% to £390.6 million, whilst our EPRA earnings per share increased by 21% to 13.1p, a 236% increase from the 3.9p at the time of our formation in 2013 (an 11% compounded annual growth rate). This has allowed us to increase our dividend per share for the tenth year, up 18% on 2024 to 12.0p and 109% covered by EPRA earnings per share.

We expect dividend growth to continue and are guiding to a 5.3% increase in our first quarterly dividend for FY26 to 3.0p.

Over the year, our portfolio's valuation increased by £106 million, reflecting our strong income performance which has enabled us to deliver an attractive total property return of 8.3%, a 200bps outperformance of MSCI All Property. EPRA NTA per share increased by 3.9% over the year which helped to generate a total accounting return of 9.7%.

We have continued to strengthen and build flexibility into our debt structure. During the year we achieved a BBB+ credit rating which, together with our greater scale, is opening up wider sources of capital. We have put in place new debt facilities, extended existing debt facilities and added further hedging at attractive rates. Our debt metrics are in great shape with a debt maturity of five years, an average cost of debt of 4.0%, significant undrawn facilities and a conservative LTV at 33%.

Looking ahead, our exceptional team is working tirelessly to build an even stronger business that can continue to deliver earnings and dividend growth over the long term.

In the near term, we are hopeful of successfully concluding the acquisitions of Urban Logistics REIT and Highcroft Investments which would add £1.2 billion of assets and material benefits to all shareholders. Over the longer term, I am in no doubt that our enlarged scale and highly efficient business model will continue to offer up a wide variety of further opportunities for growth, both internally and externally through further M&A.

I am very grateful to Andrew Livingston for the valuable contribution he has made as he retires from the Board after nine years. Kitty Patmore takes on the role of our designated workplace Non Executive Director. Whilst remaining on the Board, Robert Fowlds hands the Remuneration Committee Chair position to Suzy Neubert following a five year term.

Finally, having seen at first hand the enormous commitment that has been made, I would like to thank all of our team and the Board for their hard work and dedication over the past year. I remain genuinely excited by the prospects for the Company.

Performance highlights 2025

IFRS reported profit (for equity shareholders)

£347.9m ↑ £229.2m

2025	347.9
2024	118.7
2023	-506.3
2022	734.5

IFRS net assets

£4,123.9m ↑ 3.9%

2025	4,123.9
2024	3,969.5
2023	1,995.2
2022	2,569.8

Loan to value ratio

32.7% ↓ 50bps

2025	32.7
2024	33.2
2023	32.8
2022	28.8

EPRA EPS

13.1p ↑ 20.7%

2025	13.1
2024	10.9
2023	10.3
2022	10.0

EPRA net tangible assets per share

199.2p ↑ 3.9%

2025	199.2
2024	191.7
2023	198.9
2022	261.1

Cost of debt

4.0% ↑ 10bps

2025	4.0
2024	3.9
2023	3.4
2022	2.6

Dividend per share

12.0p ↑ 17.6%

2025	12.0
2024	10.2
2023	9.5
2022	9.25

Total property return

8.3% ↑ 360bps

2025	8.3
2024	4.7
2023	-12.0
2022	28.2

Average debt maturity

4.7 yrs ↓ 0.7yrs

2025	4.7
2024	5.4
2023	6.0
2022	6.5

EPRA cost ratio

7.8% ↓ 380bps

2025	7.8
2024	11.6
2023	11.7
2022	12.5

WAULT

18.5 yrs ↓ 0.9yrs

2025	18.5
2024	19.4
2023	11.9
2022	11.9

Alternative performance measures

The Group financial statements are prepared in accordance with IFRS. Alternative performance measures are financial measures not specified under IFRS but are used by management as they highlight the underlying performance of the Group's property rental business and are based on the EPRA Best Practice Recommendations ('BPR') reporting framework. These alternative performance measures enhance the comparability of financial information across public real estate companies and are widely adopted.

The alternative performance metrics and financial results reflected in the Strategic report and on this page reflect the EPRA BPR reporting framework. Further details, definitions and reconciliations between EPRA measures and the IFRS financial statements can be found in note 8 to the financial statements, Supplementary notes i to vii and xviii and in the Glossary.

An overview, purpose and strategy

At a glance

A portfolio aligned to structurally supported real estate

LondonMetric is the UK's leading Triple Net Lease REIT with a portfolio aligned to structurally supported sectors of logistics, convenience, entertainment & leisure and healthcare.

Asset value
£6.2bn
↑ 2.5%
2024: £6.0bn / 2023: £3.0bn

Assets
537
↓ 6.1%
2024: 572 / 2023: 281

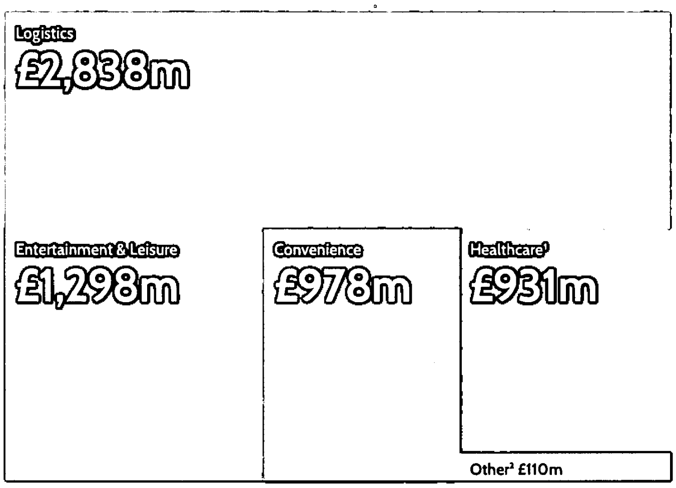
Occupancy
98.1%
↓ 130bps
2024: 99.4% / 2023: 99.1%

WAULT
18.5 yrs
↓ 0.9yrs
2024: 19.4yrs / 2023: 11.9yrs

Sq ft
25.3m
↓ 1.9%
2024: 25.8m / 2023: 16.5m

Employees
48
↑ 2%
2024: 47 / 2023: 35

Our portfolio



Total portfolio value
£6,155m

	% (by value)
Logistics	46.1%
Entertainment & Leisure	21.1%
Convenience	15.9%
Healthcare[1]	15.1%
Other[2]	1.8%

1 Includes education assets
2 Comprises offices, a retail park, a life science asset & residential assets

Top 10 occupiers
(represent 38% of our rent)

1	Ramsay Health Care	11.3%
2	Merlin Entertainments	9.4%
3	Travelodge	6.3%
4	Primark	1.8%
5	Great Bear	1.8%
6	Tesco	1.8%
7	Amazon	1.5%
8	Argos	1.4%
9	Q-Park	1.4%
10	THG	1.4%

(as at 31 March 2025)

An overview, purpose and strategy

Investment case

Winning sectors

Our success is predicated on aligning the portfolio to the macro trends of digitalisation, time as a valuable commodity, essentials and experience.

Macro trends shape our capital allocation decisions to the right thematics

The portfolio is aligned to evolving consumer behaviour

Logistics exposure

46%

Our strongest conviction sector

Strongest assets

We prioritise owning quality assets that are 'mission critical' assets as occupiers stay longer, invest more money in the building and pay higher rents.

Mission critical and key operating real estate with high occupier contentment

Right rented, fit for purpose & let to best in class operators

Occupancy

98%

£12.30 psf average rent[1]

Exceptional income

We appreciate the true benefit of income compounding over the longer term, focusing on the quantity, quality and timing of when cash will be returned.

Reliable and secure income let on long leases to financially strong occupiers

Single let with operating expenses falling to the occupier (100% full repair and insuring leases)

WAULT

18.5 years

17.4 years to first break

Income growth

Our assets need to deliver attractive income growth that is sustainable. Where future growth is less assured, we will look to recycle capital.

Strong income growth characteristics underpin our well covered and progressive dividend

Guaranteed rental growth with contractual uplifts on 77% of our rent and 18% reversion on logistics

2025 dividend

+18%

12.0 pence per share

Efficient & scalable platform

Our business is highly efficient and our scalable platform allows us to add further significant investments without adding material costs.

Low operational cost and high gross to net income ratio of 99%

Experienced team of 48 employees with strong shareholder alignment

EPRA cost ratio

7.8%

Peer average: 25%[2]

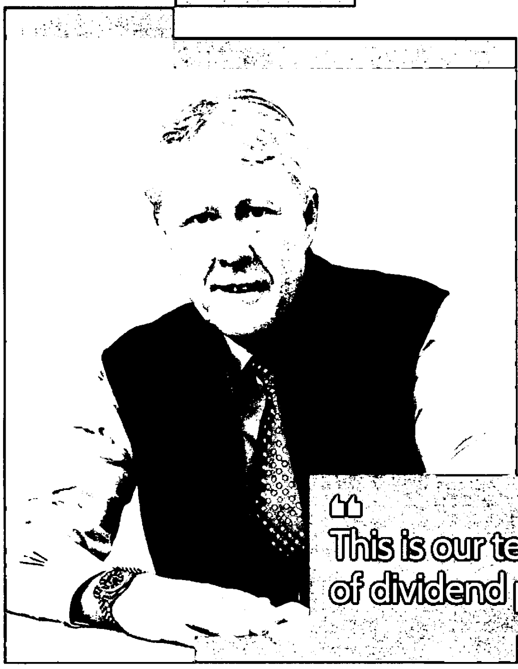
1 Rent on investment portfolio, excludes theme parks and car parks
2 Peer group: FTSE UK real estate sector

An overview, purpose and strategy

Chief Executive Q&A

A conversation with Andrew Jones

Chief Executive



Q How would you describe LondonMetric?

A LondonMetric is a high conviction triple net lease ('NNN') real estate investment trust ('REIT') invested in the strongest property sectors with the lowest cost of operations.

It is a highly efficient model that delivers reliable, repetitive and growing income returns and allows us to pass our collected rent onto our shareholders by way of a well covered, progressive and quarterly dividend payment.

Dividend progression in the year

+18%

"This is our tenth year of dividend progression.

Q What is your approach and key focus?

A We focus on owning mission critical and key operating assets in the strongest sectors benefitting from macro tailwinds and evolving consumer behaviour.

We buy smart, using our strong occupier relationships to give us a competitive edge in asset selection to ensure income longevity and growth, alongside value accretion. Our simple but highly effective approach has created an all weather portfolio that can navigate short term macro volatility.

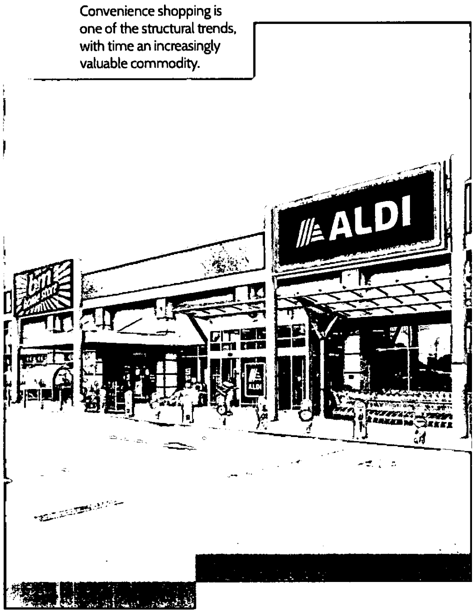
This underpins our dividend growth, which has increased this year by 18%, representing our tenth year of progression and putting us well on the path to dividend aristocracy.

Our M&S forward funded logistics development exchanged in the year for £74m. We worked with M&S and the developer to execute an excellent deal.

An overview, purpose and strategy

Chief Executive Q&A continued

Convenience shopping is one of the structural trends, with time an increasingly valuable commodity.



EPRA cost ratio

7.8%

LFL income growth in year

4.2%

We are aligned to the winning real estate sectors.

Q What is your investment thesis?

A Our investment thesis is predicated on aligning the portfolio to the macro trends of digitalisation, time as a valuable commodity and experiences. Consequently, we have pivoted our investments to the winning real estate sectors of logistics, convenience shopping, entertainment and leisure.

We look to acquire quality assets in structurally supported sectors at reasonable prices, with conservative leverage to amplify returns, and then we aim to hold them for a long time. This is referred to as the three Cs – collect income, allow it to compound and watch the yields on cost compress.

Q Has your M&A activity delivered as expected?

A Our transformational LXi deal in March 2024 has materially increased our scale and continues to deliver significant operational and financial benefits.

We have successfully integrated the portfolio and the people and, alongside the acquisition of CTPT in 2023, we have achieved significant annual cost savings, improved our debt optionality and seen much increased liquidity in our shares.

The benefits of these deals, our focused capital allocation and our incredible team has strengthened our portfolio, income growth prospects and sector leading cost metrics.

Our team has successfully integrated the LXi and CTPT acquisitions, driving significant synergies.

An overview, purpose and strategy

Chief Executive Q&A continued

Q How are you ensuring the portfolio remains fit for purpose?

A Our focus on NNN income compounding and strong shareholder alignment is ensuring that we remain disciplined, rational and active, continually improving our portfolio, financing and net operating income.

Over the year, we exchanged on £342 million of sales at above prevailing book value. These were excellent sales and largely comprised non core LXi and CTPT assets.

We reinvested the sales proceeds into higher quality assets with better income reliability and growth trajectory, acquiring £343 million of mainly logistics warehousing.

We will continue to monetise assets where future returns are less certain and reinvest into quality investment opportunities with growth, including external M&A deals and opportunities focused on urban logistics.

> We have continued to transact on quality investment opportunities.

Q What's happening in the world of Real Estate?

A Sentiment in real estate continues to be adversely affected by elevated swap and ten year gilt rates, with recent macro events adding further to uncertainty.

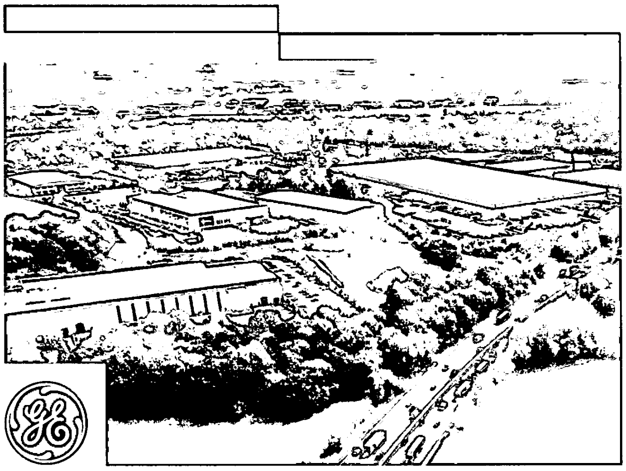
However, this is throwing up opportunities for well capitalised businesses – after all, market uncertainty can be the friend of investors looking for long term value.

Polarisation between the winning and the losing sectors remains and we do not expect this to change for some time. The winning sectors of 'sheds, beds & breads' continue to see good investor demand and transparent pricing, whilst the losing sectors continue to see muted growth and structural headwinds. For offices and shopping centres, occupancy, amenity and environmental costs will continue to weigh on net income and valuations.

Q How are you positioned for the next year?

A Recent activity is expected to see us materially increase our logistics weighting to 55%, in particular growing exposure to our key conviction sector of urban logistics, maintain a well positioned balance sheet and strong equity rating, and consolidate our FTSE 100 status.

We will continue to capture strong income growth and, with further external growth and consolidation likely, we expect to further enhance our position as the leading UK NNN lease REIT.



Acquisitions and disposals

£0.7bn

£78m logistics portfolio acquired

In the year, we acquired a portfolio of logistics assets for £78m, which included a warehouse let to GE in Stafford for a further 11 years (shown in the bottom left of the picture). The unit is well located, modern and has development potential with a low site density of 22% across the 12-acre site.

For further detail see page 30

An overview, purpose and strategy

Chief Executive's review

Our approach focuses on delivering strong income-led total returns to shareholders through four strategic pillars.

	Our strategy and priorities	Future priorities
	Own Invest in real estate aligned to structural trends	• Continue to sell down non core assets • Complete and integrate new M&A opportunities • Leverage scale to drive new investments • Increase logistics exposure to over 50% of portfolio
	Manage Disciplined, low cost and responsible management of our assets	• Continue to drive earnings growth through initiatives • Improve the granularity and diversification of income • Improve sustainability of our assets to help deliver on our Net Zero target
	Collaborate Leverage our expertise to benefit from strong relationships	• Further integrate team with our core values • Adopting a partner of choice mindset, collaborating with all stakeholders
	Generate A focus on reliable, repetitive and growing income	• Minimise gross to net income leakage • Bringing our actions together to deliver dependable NNN cash flows underpinning highly attractive total returns and a progressive dividend

Generate income

As the UK's leading NNN REIT we aim to deliver reliable, repetitive and growing income

We continue to believe that income and income growth are the defining characteristics of long term investment returns. We appreciate the true benefit of income compounding over the longer term, focusing on the quantity, quality and timing of when cash will be returned. Compounding is not intuitive and is often misunderstood and under appreciated. For us, it is as easy as ABC – always be compounding.

The introduction of the REIT regime into the UK in 2007 was a pivotal moment that allowed the real estate sector an unbelievable advantage to compound income. Whilst others failed to pivot their strategies, we have embraced the REIT structure, fully understanding and appreciating the outstanding outcomes that it can produce.

NNN income REITs that invest in quality assets in the strongest sectors and with high occupier contentment can deliver reliable income and growth, and are well placed to deliver long term compounded returns. This model has been highly successful in the US and is a scalable, low cost proposition that does not require great activity, people or risky decision making. We believe that this is the right way to invest: low cost, high quality, reliably and efficiently delivered.

Our portfolio has an annual net contracted rent of £340 million and very strong income metrics with a WAULT of 18.5 years, occupancy at 98% and a gross to net income ratio of 99% which reflects our minimal property costs. With 77% of income subject to contractual rental uplifts and 40% subject to annual reviews, this is providing certainty of income growth, with like for like income growth delivered of 4.2% across the portfolio over the year.

WAULT

18.5 years

An overview, purpose and strategy

Chief Executive's review continued

Own desirable real estate

Our strategy is to own quality assets in winning sectors underpinned by strong income

Our job is to allocate capital into sectors where it will be treated best by supporting existing trends and looking for new ones. There is no substitute for being aware, alert and always prepared to pivot.

We are thematic investors who invest in structurally supported sectors benefitting from strong consumer tailwinds with high occupier contentment. After all, when you choose real estate where the wind is at your back, you are more likely to be a price setter than a price taker.

We also prioritise 'mission critical' assets as occupiers tend to stay longer, invest more and pay higher rents. This approach has served us well and improved our returns. Management's share ownership culture ensures that we pursue quality returns over long periods, acknowledging that time is the friend of a wonderful portfolio, and so we are happy to get rich slowly.

Our model is focused on long term compounding, rather than simply growing assets under management. This tempers our acquisition activity, limits speculative development exposure and frames our disposal decisions. Buying lowly rated assets cheaply is not our strategy, as these assets tend to over distribute, diluting equity value and creating unnecessary risk, stress and taking up valuable thinking time.

We will exit weaker assets which have shorter leases, weakened credits and capital expenditure requirements that are likely to grow faster than net rents. Similarly, we have never seen the attraction of managing time and capital intensive assets such as offices or shopping centres, where tenants are addicted to incentives, depreciation is speeding up and occupiers are always demanding better amenities, paid for by the owners.

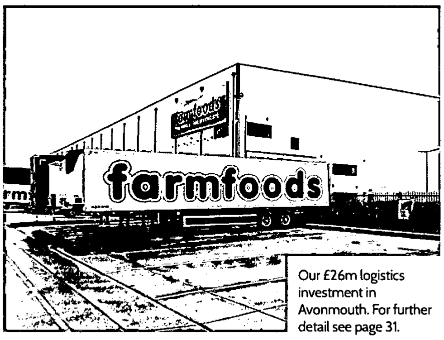
Our investment activity focuses on increasing our logistics exposure

We stated our ambition to increase our logistics weighting and, over the year, it increased from 43% to over 46% following £297 million of logistics acquisitions. Market uncertainty and elevated debt costs created a number of opportunities at a time where the field of competitors is quieter. Opportunities arose from various sellers including pension funds exiting direct real estate, motivated vendors facing refinancing challenges, investment funds subject to investor redemptions and occupiers looking to raise money through sale & leasebacks.

We also continued to review a number of M&A opportunities focused on urban logistics with our takeovers of Urban Logistics REIT Plc and Highcroft Investments Plc expected to increase our logistics weighting to approximately 55%.

The logistics sector continues to be attractive with the sector's structural tailwinds remaining strong from continued online sales growth, investment in more efficient and resilient supply chains and increased warehouse automation. Take up of logistics warehousing over the last year was in line with the prior year at around 20 million sq ft. Whilst the UK logistics vacancy rate has increased to 6%, the first quarter of 2025 has seen speculative supply fall, take up increase by 16% and lettings under offer increase by 11%.

We continue to believe that urban logistics remains the most attractive sub-sector and has the greatest demand/supply tension and consequently income growth potential. Supply continues to reduce as assets are converted into higher value land uses. Highly granular occupier demand is further benefitting from an ongoing need for occupiers to evolve operationally by locating closer to the end customer, minimise delivery times, increase accuracy of delivery and satisfy consumer demands for instant gratification.



Our £26m logistics investment in Avonmouth. For further detail see page 31.

Uplift on urban logistics rent reviews (open market)

+48%

Our logistics assets delivered a strong total property return of 7.1% in the year and saw further ERV growth of 4%, with urban again the strongest sub-sector. Logistics rent reviews were settled at 19% above previous passing rents on a five yearly equivalent basis with urban logistics open market reviews seeing a 48% uplift. Our logistics portfolio remains highly reversionary and this is expected to provide superior future returns.

An overview, purpose and strategy

Chief Executive's review continued

Own desirable real estate continued

We are successfully transacting on our non core sales strategy

Our investments into logistics have been funded by the sale of 72 non core and mature assets in the year totalling £342 million and transacted at above prevailing book values.

As with most portfolio acquisitions, you will never love all assets and our primary focus has been the sell down of non core LXi and CTPT assets, which totalled £214 million. We will always look to deal from the bottom of the deck and exit weak sectors and poorer quality assets as quickly as possible. After all, when you own secondary assets time can quite often destroy wealth.

The sales mainly comprised two oversized Asda food stores, a number of secondary offices and training centres, a large retail park, pubs, garden centres, gyms and hotels.

We also sold eight urban logistics assets at very low yields of 4.6%, which is below our marginal cost of debt, and where we felt income growth was less certain.

We continue to see good liquidity for our assets with £63 million sold post year end. Undoubtedly there will be some non core assets from our current M&A activity which we will look to quickly exit and recycle the proceeds.

For further information on our disposals see page 32

Our long income assets are benefitting from structural tailwinds

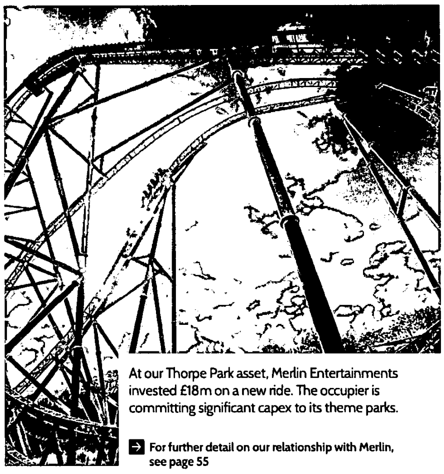
Our long income portfolio represents 52% of our assets and provides incredible income let to strong operators, with inflation protection and attractive income compounding qualities which form the bedrock of our dividend. It is 99% occupied, offers a topped up NIY of 5.5%, a WAULT of 23 years and contractual rental uplifts on 90% of income.

The real estate is aligned to structurally supported sectors of convenience, entertainment & leisure and healthcare. These sectors are benefitting from changes in consumer behaviour and demographics as the population pivots expenditure towards convenience, experiences and better healthcare.

Strong demand/supply dynamics in these sectors and attractive replacement metrics ensure that these assets are mission critical operating assets for our occupiers. In the year, our long income assets delivered a TPR of 8.6%.

It is crucial in real estate that income compounding from contractual uplifts does not of itself create an over renting position. This is why our long income assets are let at rents that are in line with market rents and/or are let to occupiers that can pass on higher rents to their customers, thereby maintaining a healthy earnings to rent cover.

For further information on our convenience, entertainment & leisure and healthcare sectors see pages 20 and 29



At our Thorpe Park asset, Merlin Entertainments invested £18m on a new ride. The occupier is committing significant capex to its theme parks.

For further detail on our relationship with Merlin, see page 55

Total property return for long income assets

+8.6%

“

Our long income assets are mission critical operating assets for our occupiers.

An overview, purpose and strategy

Chief Executive's review continued

Manage & enhance responsibly

We continue to grow our income and improve our asset quality

We continue to see high occupier contentment and demand across our portfolio. During the year, occupier initiatives added £15.3 million per annum of rent and delivered like for like income growth of 4.2%.

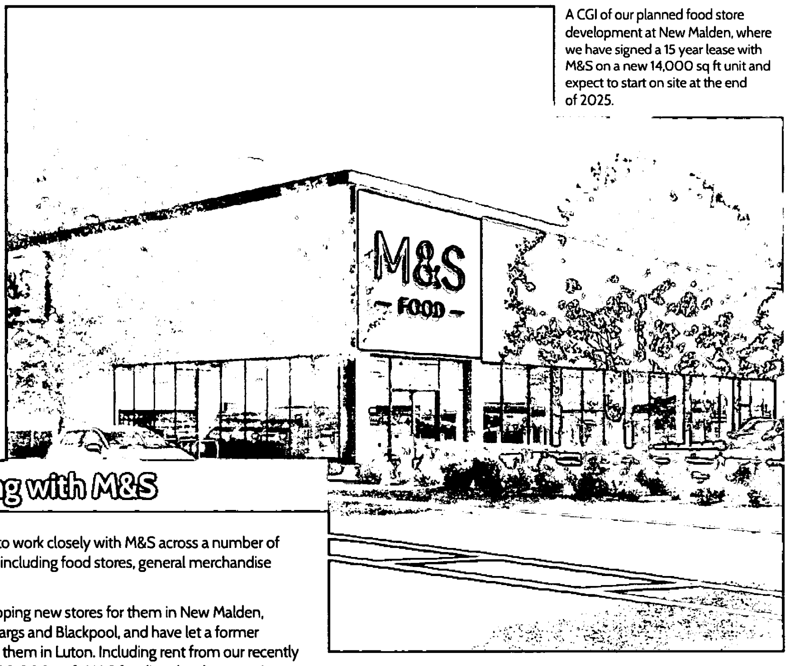
Lettings and regears added £5.9 million of rent and were signed on average lease lengths of 19 years, with urban logistics assets contributing £4.0 million of uplift and seeing income on regears increasing by 43%. Rent reviews added £9.4 million, representing a 17% uplift on a five yearly equivalent basis with urban logistics delivering a 24% uplift.

Looking forward, we will benefit from collecting additional income from our highly reversionary logistics assets as well as the guaranteed uplifts on our long income assets with an additional £27 million of rental uplift expected over the next two years from the existing portfolio.

Our strong occupier relationships have seen us secure new pre-lets and de-risk our development activity. In the year, we completed development of a new 36,000 sq ft logistics warehouse for Ferrari Pistons, further drive-thru/to pods and funded the development of a new hotel for Merlin.

We continue to embed sustainability across our activities, driven by our own aspirations as well as those of our stakeholders. We see ourselves as strong stewards of underinvested or poorer quality assets where we can use our expertise to materially improve buildings.

Over the year, the portfolio's EPC A-C rating increased from 85% to 92% and five solar PV projects added 3.6MWp with a further 2.6MWp of near term projects. We completed our Net Zero Pathway and continue to work with our occupiers to help them meet their Net Zero objectives.



A CGI of our planned food store development at New Malden, where we have signed a 15 year lease with M&S on a new 14,000 sq ft unit and expect to start on site at the end of 2025.

Working with M&S

We continue to work closely with M&S across a number of opportunities including food stores, general merchandise and logistics.

We are developing new stores for them in New Malden, Weymouth, Largs and Blackpool, and have let a former Homebase to them in Luton. Including rent from our recently announced 390,000 sq ft M&S funding development in Avonmouth, these deals account for £7 million of rent per annum which would make M&S our fourth largest occupier, representing c.2.3% of our total annual rent.

For further detail on Weymouth see page 35

Rental income

+£7m

on recent M&S deals

M&S rental income

2.3%

as a proportion of our total rent after recent M&S deals

An overview, purpose and strategy

Chief Executive's review continued

Expertise and relationships

We continue to benefit from our strong team and its relationships

Our team's economic alignment to the Company's success ensures an ownership culture and a strong conviction to make the right property and financial decisions. We work with all stakeholders to deliver longer term benefits to our investors, occupiers, people, local communities, contractors, suppliers and advisors.

Our occupier survey in March 2025 again showed high contentment with an average score of 8.7 out of 10.0 for whether our occupiers would recommend LondonMetric as a landlord. This was particularly pleasing given that this was the first year that LXi occupiers were included.

We also received a high score in our latest employee survey with 96% of employees saying that they enjoy working for the Company, which is slightly higher than last year. The team has worked incredibly hard over the year, has embraced our 'work from work' culture and I am very grateful for their efforts.

As a larger and growing business, we recognise the importance of investing in our people and have continued to strengthen our team with several new hires including the appointment of Darren Richards, who joined in January, as Chief Investment Officer. My appreciation also extends to these new colleagues who have integrated into the team seamlessly.

Landlord recommendation score

8.7/10.0

Staff enjoy working at LondonMetric

96%

> The team has worked incredibly hard over the year, has embraced our 'work from work' culture and I am very grateful for their efforts.

Outlook

Our NNN income model is delivering strong income and elevated levels of rental growth through a low cost and efficient platform. We believe that this is the right way to invest.

Scale and efficiency is essential in today's environment, and we have every reason to be optimistic about our relentless expansion. Our M&A activity continues to improve liquidity in our shares, expand access to quality investment opportunities and enhance or exploit economies in terms of overheads and debt optionality. Our EPRA cost ratio is the lowest in the sector and we have a clear path to further progress our earnings per share and covered dividend.

However, we are not in this position by accident, and it is the result of over ten years of building the right portfolio, financial prudence, taking the hard decisions over easy ones and a strong team. Unlike some of our peers, our decisions have always been heavily influenced by macro trends, evolving consumer behaviour and demand/supply dynamics. After all, no matter how great the intelligence or how hard the work, the macro will always out run the micro.

Therefore, to ensure that our portfolio remains fit for the future, we will constantly refine its quality and income streams by trimming our exposure to certain sub-sectors, ex-growth assets and individual credits. The logistics market remains our strongest conviction for income growth and so we continue to reinvest into this market.

As owners we are fully aligned with shareholders and remain focused on our mission, disciplined and ruthlessly efficient in how we operate our business and allocate capital.

We have now completed ten years of dividend progression and are on the path towards dividend aristocracy. After all, income compounding is the eighth Wonder of the World – the secret ingredient and the rocket fuel that creates wealth.

An overview, purpose and strategy

Our markets

Macro trends

Geopolitical & economic

The global economy is shaped by geopolitical events, global trade tensions, elevated inflation and shifting expectations for future interest rates. This is impacting business and consumer confidence and economic growth prospects which is creating an uncertain investment backdrop.

Fall in UK interest rates since peak

-100bps

Real Estate borrowing costs

Sentiment in real estate continues to be driven by five year swap rates which remain elevated. Whilst real estate investment activity has increased significantly, we do not expect liquidity to return until swap rates fall nearer to 300bps, which would allow an all in cost of debt of c.5%.

Five year UK swap rates

375bps

Macro events continue to dictate the investment backdrop

The global economic outlook has changed significantly over recent months and continues to set the scene for the investment market.

The US president's 'Liberation Day' tariffs have created significant volatility in the global bond and equity markets as investors have looked to assess the longer term impact of deglobalisation and increased protectionism. How this plays out is too difficult to predict, particularly with ongoing uncertainty from elevated inflation and geopolitical events, but lower growth is an inevitable outcome and a widespread global economic slowdown is being assumed by the markets.

For the UK, there are material risks to economic growth and a range of potential outcomes for inflation. The impact of recent rises in utility prices, national insurance costs, national living wage and above trend wage growth continues to add to inflation pressures that have persisted for several years. However, there is also potential for a disinflationary impact from tariffs from factors such as weaker commodity prices, lower input costs and a stronger currency.

For the UK consumer, what particularly matters is the impact of all this on future interest and mortgage rates. After hitting an inflexion point during the year and having been cut four times since, a further decline in interest rates is widely expected which could provide some cheer to the UK consumer; the same can't be said for the US consumer.

Liquidity and sentiment in real estate is improving

Interest rates remain the yardstick against which most investments are measured. Consequently, sentiment in the real estate sector continues to be largely driven by the outlook for five year swap rates and ten year gilts.

Unsurprisingly, after a recalibration of valuations over the last few years and with five year swap rates now nearer 375bps compared to over 400bps a year ago, sentiment has improved and valuations have moved upwards across most real estate sectors.

> "Sentiment in the real estate sector continues to be largely driven by the outlook for five year swap rates and ten year gilts.

Total UK real estate investment activity was over £50 billion in 2024, a 23% increase on 2023. This increased level of activity has continued into the first quarter of 2025 with £15 billion of transactions, reflecting a 75% increase year on year. There has been healthy activity across the 'winning' sectors, as well as growing popularity for warehouse assets; both distribution and retail.

There have also been signs of activity in the London office and shopping centre markets, albeit at prices materially below previous valuations which reflects motivated vendors, falling rental values, growing capex requirements and expanded yields. However, the 'traditional' sectors accounted for only 46% of all investment activity in 2024, which is the lowest on record, and a number of high profile office and shopping centre transactions have been pulled as bids received did not meet sellers' inflated expectations.

We continue to see significant capital sit patiently on the sidelines awaiting greater macroeconomic and geopolitical clarity. With current swap rates continuing to rule out many debt funded buyers, we are seeing the greatest liquidity for smaller lots sizes. Our view remains that normal liquidity won't return until five year swap rates fall closer to 300bps to derive an all in cost of debt of c.5%, a level that allows most debt led real estate transactions to work; we're a lot closer but still not close enough.

We have also seen further sector consolidation and managed liquidation of externally managed small cap REITs where poor structures, lack of scale, limited alignment of interest and legacy investment strategies have manifested in material discount ratings. The days of easy money for externally managed small cap REITs with little in the way of shareholder alignment have long disappeared and the list of such companies is reducing by the day.

An overview, purpose and strategy

Our markets continued

Structural trends

Technology disrupting

Technology continues to reshape consumer behaviour in how we work, shop and live with profound impacts on real estate. Adoption of online shopping continues its upward trajectory and there are clear winners out of the shift, as space required to store, move and manufacture goods is increasingly important.

UK online retail sales growth expected in 2025

+4.5%

Value & quality

The cost of living crisis has pushed the consumer to economise, which is benefitting discount/essential retailers and businesses aligned to staycations. Leisure activities that cater for experiences have been highly resilient, whilst private hospitals are benefitting from demands for better healthcare.

Growth in Lidl UK revenue in 2024

+17%

Demographics and urbanisation

The UK population is projected to increase by 7% from 2022 to 2032 and see a rise in ageing population. This is providing structural tailwinds for sectors that service retirees, including healthcare, as well as increasing the need for housing and efficient urban infrastructure, particularly urban logistics warehousing.

Growth in people of pensionable age (2022 to 2032)

+14%

Polarisation across real estate will continue

Technological disruption continues to affect the way we communicate, travel, work and shop with profound and permanent consequences for both winning and losing real estate sectors.

Structural tailwinds are providing strong support for logistics, convenience and hospitality related real estate. Student accommodation and build-to-rent have similarly benefitted from positive tailwinds but these are highly operational sectors that do not fit our NNN strategy. Data centres also offer exciting growth prospects aligned to the need for a growing digital infrastructure but remain a complex sector with availability of power a major constraint.

For the troubled office and retail sectors, prospects for some micro sub-sectors have improved, however significant headwinds persist. In the office market, outside of the very best locations, the headwinds are fierce with strong parallels to the shopping centre sector ten years ago. New technology, increasing obsolescence, new sustainability requirements and changing workers' preferences, are disrupting demand for all but the very best office space in the strongest markets. It's a case of returns being destroyed by vacancy, obsolescence, tenant incentives and expanding yields.

Whilst many office owners will confidently talk about increasing occupier demand and headline rental growth, the cost of achieving it, and expanding valuation yields make these less profitable in reality than the perception. The financial returns are therefore extremely marginal with investors increasingly wary of future income growth to justify yields. After all, how many office landlords talk positively about their accretive rent review settlements.

Operational retail property continues to suffer as the consumer pivots further towards an omni-channel and convenience shopping model. The shift online has resulted in massive value erosion across many parts of physical retail, where there is still too much space and not enough occupiers. This is less pronounced in some of the strongest locations but, even here, passing rents are very often still higher than true ERVs once the incentives required to maintain occupancy are stripped out.

> Structural tailwinds are providing strong support for logistics, convenience, private healthcare, hospitality and experiences.

The adoption of omni-channel models is, however, helping retail parks which are seeing strong occupancy, reduced supply and stronger pricing equilibrium. This is particularly the case around the better geographies, where space is being lost to other higher value alternatives like residential and even warehousing. They exhibit NNN income characteristics, enjoy attractive demand/supply metrics and asset management initiatives can add income to enhance total returns.

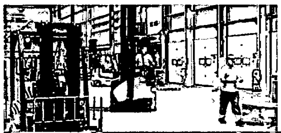
The convenience grocery sector is seeing particularly strong growth, where stores retain their important role in essential spending due to low online penetration for food. However, performances remain polarised as larger format supermarkets continue to fight strong competition from the smaller, right rented, fit for purpose convenience and discount stores.

An overview, purpose and strategy

Our markets continued

Our preferred sectors

Our key focus is to ensure we own desirable assets with enduring occupier appeal.



Logistics

The logistics sector continues to be attractive with the sector's structural tailwinds remaining strong from continued online sales growth, investment in more efficient and resilient supply chains and increased warehouse automation.

Take up of logistics warehousing over the last year was in line with the prior year at around 20 million sq ft. Whilst logistics vacancy rate has increased to 6%, the first quarter of 2025 has seen speculative supply fall, take up increase by 16% and lettings under offer increase by 11%.

We continue to believe that urban logistics remains the most attractive sub-sector and has the greatest demand/supply tension with the strongest rental growth.

Prime logistics rental growth in 2024

+7% p.a.

Convenience

Convenience is an area where we are looking to grow our exposure. The store network remains integral to retailers, and our convenience assets are well located, stand-alone or cluster properties that are fit for purpose, right sized and right rented.

These assets are let on long NNN leases to grocers, discounters, home and DIY operators with resilient business models that are less exposed to the migration of shopping online and offer essential goods and omni-channel optionality in a convenient format.

Roadside convenience has been an area of focus for us, particularly drive-thrus, with a growing need to service customers requiring electric vehicle charging. We now own a substantial number of drive-thrus, let to national names like Costa, Burger King, McDonalds and Starbucks.

Aldi UK investment programme in 2025

+£650m

Healthcare

Healthcare is underpinned by strong demand drivers from an ageing and growing population as well as improvements in technology, and the real estate investment market in healthcare has been particularly active over the last year.

UK private hospitals are particularly well placed and are increasingly taking on NHS patients as a result of the growing NHS waiting lists where seven million people are awaiting treatment.

Unsurprisingly, they are seeing good demand from patients treated through private medical insurance as well as self-pay as they seek better and faster care. There has been strong growth in insured patient volumes across the independent healthcare provider sector.

Ramsay Health Care, our largest occupier, continues to report strong growth in its UK business, particularly from NHS admissions.

Private funded inpatient care since 2020

+10%

Entertainment & leisure

Entertainment & leisure continues to benefit from the trend towards experiences and growing preference for staycations.

We have continued to improve our hotel portfolio with the sell down of smaller and weaker performing Travelodge hotels, and targeting the selective acquisitions of well located and strongly performing Premier Inn hotels.

Our theme park investments are benefitting from favourable trends and are proving to be non-cyclical performers as consumers prioritise experiences over things and an unwillingness to cut back on discretionary spend in this area. Theme parks also have significant barriers to entry in the UK with large investment required to maintain visitor appeal which adds to their defensive characteristics.

Spend on UK tourism day visits in 2024

£55bn (+5% yoy)

Creating value

Business model

As the UK's leading Triple Net Lease REIT our low operating costs and portfolio alignment to structurally supported sectors generates dependable long term income growth.

Our key stakeholders are critical to our success

Our people
We depend on a talented, motivated and diverse team with strong expertise

Our occupiers
We adopt a partner of choice mindset to provide mutually beneficial outcomes

Our local communities
Engaging with local communities, councils and businesses is important to us

Our investors
We value good relationships with investors, debt providers and JV partners

Our contractors & advisors
We depend on a diverse group of key suppliers including professional advisors and contractors

Our strategy drives our income growth and value creation

Own
Own desirable real estate

We focus on structurally supported real estate sectors of logistics convenience, healthcare, entertainment & leisure and assets that are fit for purpose and that can deliver sustainable and growing income returns.

Manage
Efficiently manage our assets

We constantly look to improve the quality and desirability of our assets. We work closely with our occupiers to deliver real estate solutions that will help their businesses thrive and that provide us with greater income growth certainty.

Collaborate
Build strong relationships

We have a highly talented and motivated team and promote a culture of empowerment, inclusion and collaboration. It is our team's skills and their relationships with both occupiers and our wider stakeholders that make us a partner of choice.

Generate
Deliver reliable, repetitive and growing income

Income is central to our investment approach. Our ultimate priority is to pass on income generated from our assets to our shareholders in the form of a well covered and progressive dividend.

Generating value and long term returns

Dividend growth in year, our tenth consecutive year of progression
+18%

Total accounting return
+10%

Like for like income growth
+4.2%

Creating value

Key performance indicators

We continue to track eight key performance indicators ('KPIs') to monitor the performance of the business. The KPIs are also used to determine how Executive Directors and senior management are evaluated and remunerated.

Own | Manage | Collaborate | Generate

Read more about our strategy on page 21

Objective	Deliver long term shareholder returns	Maximise long term total accounting return	Maximise property portfolio returns	Deliver sustainable growth in EPRA earnings
KPI	**Total shareholder return in the year (%)** 2025 -4.0 2024 22.1 2023 -33.1	**Total accounting return (%)** 2025 9.7 2024 1.3 2023 -20.2	**Total property return (%)** 2025 8.3 2024 4.7 2023 -12.0	**EPRA earnings per share (p)** 2025 13.1 2024 10.9 2023 10.3
Performance	Total Shareholder Return ('TSR'), being the share price movement together with the dividend, delivered -4.0% growth in the year compared to the FTSE 350 Real Estate Super Sector index movement of -6.3%. Since our merger in 2013 TSR has increased by 210%, over five times that of the FTSE 350 Real Estate Super Sector index movement of 39%.	Total Accounting Return ('TAR') of EPRA net tangible assets per share movement together with dividend paid in the year. 12 month TAR delivered a return of 9.7%. The full calculation can be found in Supplementary note viii.	Unlevered Total Property Return ('TPR'), including capital and income return, of the portfolio as calculated by MSCI. 12 months TPR delivered a return of 8.3% compared to the MSCI All Property benchmark of 6.3%.	EPRA earnings per share from operational activities have grown by 20.7% over the last 12 months to 13.1p. Since our merger in 2013, EPRA earnings per share has grown by 236% from 3.9p to 13.1p.
Remuneration	Under the Remuneration Policy 37.5% of LTIP awards are subject to TSR growth compared with the FTSE 350 Real Estate Super Sector excluding agencies and operators. All of the TSR component of the 2021 LTIP award vested in the year and 98.4%the TSR component of the 2022 LTIP award is expected to vest. The three year TSR for the 2022 LTIP was -19.5% compared to the FTSE 350 Real Estate Super Sector excluding agencies and operators of -30.0%.	Under the Remuneration Policy, 37.5% of LTIP awards are subject to TAR growth compared with the FTSE 350 Real Estate Super Sector excluding agencies and operators. The TAR component of the 2021 LTIP award vested in full in the year and 68.4% of the TAR component of the 2022 LTIP award is expected to vest in June 2025. The three year TAR for the 2022 LTIP was -7.9% compared to the FTSE 350 Real Estate Sector excluding agencies and operators of -11.8%.	30% of this year's annual bonus award is subject to TPR outperforming the MSCI benchmark. This year, TPR outperformed the benchmark delivering a full bonus payout. The three year All Property TPR delivered a return of -0.02% compared to the MSCI All Property benchmark of -2.74%.	30% of this year's bonus award is subject to an EPRA EPS growth target. This year EPRA EPS outperformed its growth target securing a full bonus payout. 25% of LTIP awards vest after three years subject to an EPRA EPS growth target. 61% of the 2021 LTIP award vested in the year and the EPRA EPS component of the 2022 LTIP award is expected to vest in full.
2025/26 ambition	Three year TSR performance to be in the upper quartile of the FTSE 350 Real Estate Super Sector, excluding agencies and operators.	Three year total accounting return to be in the upper quartile of FTSE 350 Real Estate Super Sector, excluding agencies and operators.	One year TPR outperformance against MSCI benchmark.	Deliver and sustain EPRA earnings per share growth and dividend progression.

Creating value

Key performance indicators continued

Risk management
The achievement of our eight KPIs is influenced by the identification and management of risks which might otherwise prevent the attainment of our strategic priorities.
The relationship between our principal risks, strategic priorities and KPIs is reviewed in the Risk management section.

Read more in Risk management and internal controls page 72

Remuneration
The table on page 128 shows how our KPIs are reflected in and therefore aligned to remuneration and incentive arrangements.

Read more in Remuneration Committee report page 123

Objective	Drive like for like income growth	Maintain a higher than market benchmark WAULT	Maintain strong occupier contentment	EPC rating
KPI	**Like for like income growth (%)** 2025 — 4.2 2024 — 5.5 2023 — 5.0	**WAULT (years)** 2025 — 18.5 2024 — 19.4 2023 — 11.9	**EPRA vacancy (%)** 2025 — 1.9 2024 — 0.6 2023 — 0.9	**EPC rating (%)** 2025 — 92 2024 — 85 2023 — 90
Performance	The movement in the contracted rental income on properties owned through the period increased by 4.2%. Additional income of £15.3 million was generated from asset management activity following lettings, regears and rent reviews.	Weighted average unexpired lease term across the investment portfolio of 18.5 years as at 31 March 2025.	Occupancy rate of investment portfolio at 31 March 2025 was 98.1%, increasing our vacancy to 1.9%.	The proportion of our portfolio with an EPC rating of A to C. As at 31 March 2025 this was 92%.
Remuneration	Under the 2023 Remuneration Policy, 30% of this year's annual bonus is subject to Strategic objectives. One of these objectives this year was like for like income greater than CPIH plus 0.5% as set out on page 136. Like for like income was 4.2% and this target was achieved in full.	Income longevity supports the growth in EPRA earnings and a progressive dividend. EPRA earnings is a key remuneration target as set out on page 22.	Under the 2023 Remuneration Policy, 30% of this year's annual bonus is subject to Strategic objectives. One of these objectives this year was occupancy of greater than 97.5% with a stretch target of 98.5% as set out on page 136. Occupancy was 98.1% and this target was substantially achieved.	Under the 2023 Remuneration Policy, 10% of the annual bonus is subject to ESG objectives. The target for the year was an EPC rating A to C of between 85% to 90% of the portfolio as set out on page 136. The proportion of the portfolio with an EPC rating of A to C was 92% and this target was achieved in full.
2025/26 ambition	Deliver like for like income growth.	Maintain high weighted average unexpired lease term targeting >ten years.	Maintain high occupancy across the investment portfolio.	Maintain a high proportion of the portfolio with an EPC rating of A to C.

A review of our performance

Property review

Enhancing our income metrics

Portfolio highlights

WAULT

18 years

Net contracted rent p.a.

£340m

Investment highlights

Acquired in year

£343m

Disposed in year*

£342m

"Our investments have focused on non core disposals and recycling into structurally supported assets with stronger income growth prospects."

Valentine Beresford
Investment Director and Joint Head of Investment

"Our activity has again delivered strong like for like rental growth and enhanced our income metrics and growth prospects."

Mark Stirling
Asset Director

A review of our performance

Property review continued

Own

Portfolio overview

Total portfolio value

£6.2bn

Our portfolio is aligned to structurally supported assets

After doubling the size of the portfolio in 2024 to £6.0 billion, the portfolio value increased over the year to £6.2 billion. Our investment activity has, however, changed the weightings of our portfolio as we sold out of non core assets and reinvested the proceeds into higher growth assets, particularly in urban logistics, our strongest conviction call.

As a result, our logistics weighting increased from 43% to 46% of the portfolio, whilst our long income weighting, which comprises the convenience, entertainment & leisure and healthcare sectors, fell from 54% to 52%. The portfolio is primarily focused on London and the Southeast (37% by value) and the Midlands (23%). The rest of England accounts for 34%, whilst Scotland and Wales account for just 4%. The remaining 2% relates to our theme park in Germany.

Portfolio weighting by value

1. Logistics	46.1%
2. Entertainment & leisure	21.1%
3. Convenience	15.9%
4. Healthcare (including education)	15.1%
5. Other (a retail park, offices and a life science asset)	1.8%

WAULT

18.5 years

Our portfolio's income metrics remain very strong

The income security of the portfolio remains very strong with a WAULT of 18.5 years (17.4 years to first break) and only 5% of income expiring within the next three years.

Occupancy remained high at 98% and our gross to net income ratio of 99% continues to reflect the portfolio's strong retention rate, very low property costs and minimal operational requirements.

Net contracted rent increased over the year from £339.7 million to £340.4 million benefitting from strong rental growth across the portfolio but offset by a reduction in income from divestment activity.

77% of total rent has guaranteed contractual rent reviews (40% of rent is reviewed annually):

- 53% of rent is index linked: with 28% RPI linked, 16% CPI+ linked and 9% CPI or CPIH linked; and
- 24% of rent is subject to fixed uplifts, with a weighted average uplift of 2.6% per annum.

The remaining 23% of income is linked to open market rent reviews.

Index linked rent reviews are subject to a range of collars and caps which are typically between 1% to 4% over a five year period such that:

- For RPI reviews, at 22% inflation over a five year period (equivalent to 4% per annum), 94% of inflation is captured; and
- For CPI reviews, at 16% inflation over a five year period (equivalent to 3% per annum), 99% of inflation is captured.

Contractual rent reviews

on 77% of income

RPI linked	28%
CPI linked	25%
Fixed uplifts	24%
Market reviews	23%

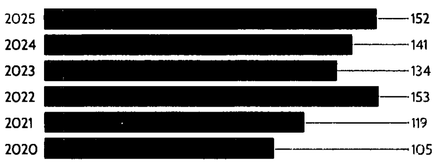
The portfolio delivered a strong TPR of 8.3%

The portfolio delivered a total property return of 8.3% over the year. This represented a 200bps outperformance of the MSCI All Property UK Index.

ERV growth was 3%, and the portfolio delivered a 1.7% property valuation increase despite 17bps of yield expansion. The portfolio's EPRA topped up net initial yield is 5.1% and its equivalent yield is 6.3%.

Over the last six years, the Company has delivered a total property return of 52%, which is a compound annual growth rate of 7%.

Cumulative property return over six years (Rebased, 2019 = 100)



A review of our performance

Property review continued

Own continued

Logistics sector

Logistics portfolio value

£2.8bn

Our logistics assets are spread across urban, regional and mega sub-sectors and valued at £2,838 million, with a WAULT of 11.7 years and occupancy of 97.1%.

Urban logistics has been our strongest conviction call for many years and, reflecting our investment activity in the year, our urban portfolio grew from £1,563 million to £1,796 million.

These assets are spread across 163 locations and account for 63% of our overall logistics weighting. Demonstrating our focus on strong geographies, 83% of our urban logistics is located in London, the South East and the Midlands.

Our regional logistics portfolio also grew over the year to £727 million, with several regional warehouses acquired.

As at 31 March 2025	Urban	Regional	Mega
Value[1]	£1,796m	£727m	£315m
WAULT	10 years	14 years	15 years
Average rent (psf)	£9.50	£7.00	£6.50
ERV (psf)	£11.00	£8.40	£8.40
ERV growth	4.7%	2.5%	2.6%
Topped up NIY	4.7%	4.6%	4.6%
Contractual uplifts	47%	74%	100%
Total property return	7.6%	6.3%	6.4%

1 Including developments

Reversion on logistics portfolio

+18%

Logistics continues to deliver attractive rental growth which, together with material embedded reversion within our portfolio, is delivering strong income growth.

Average ERVs on our logistics portfolio are 18% higher than average passing rents, with urban logistics assets at 16% and our regional and mega assets at 25%.

The higher reversion on regional and mega assets reflects their greater exposure to index linked or fixed reviews as well as their longer leases, which limits our ability to capture the market rental growth seen over recent years.

Current passing rent and ERV for our logistics assets

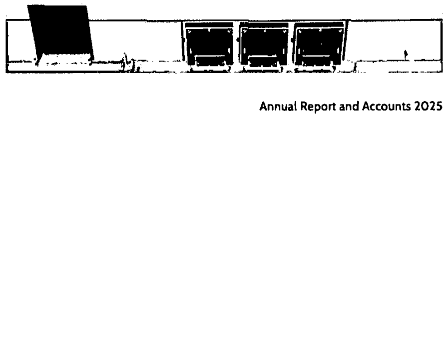
Total property return on logistics

+7.1%

Our logistics assets are valued at a topped up NIY of 4.6% and an equivalent yield of 5.8%. Over the year, they delivered a total property return of 7.1%.

Our logistics portfolio saw a valuation uplift of 1.7%, reflecting continued market rental growth as well as strong logistics leasing and rent review activity, which added £9.0 million of rent and delivered like for like income growth of 4.7%. Our logistics assets saw an outward yield shift of 5bps over the year.

ERV growth was 3.8% and urban logistics was again strongest at 4.7%, with regional and mega achieving 2.5% and 2.6% respectively.

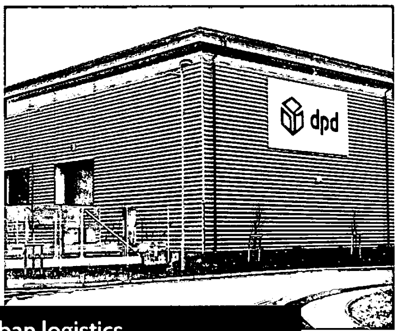


Our warehouse at Ashford where Naked Foods signed a 15 year lease at a rent 27% higher than previously passing. See page 34 for further detail on logistics asset management.

A review of our performance

Property review continued

Own continued



Urban logistics

Smaller logistics warehouses strategically located in or close to dense areas of population to allow occupiers to minimise delivery times, increase accuracy of delivery and satisfy consumer demands for instant gratification.

Our urban logistics exposure has grown from £0.2 billion in 2017 to £1.8 billion today reflecting substantial investment in this sub-sector.

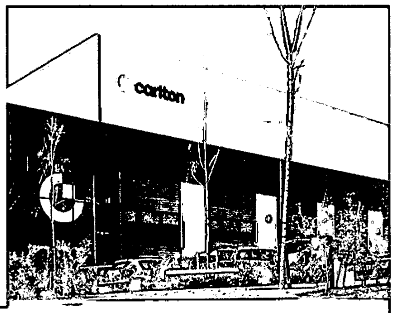
There are 163 assets, with 83% located in the Midlands, London and the South East.

Value

£1,796m

Total property return over six years

+118%



Regional logistics

Regional logistics warehouses are mainly mid size units serving as regional hubs and creating the connecting link in any modern supply chain.

Our regional logistics exposure has grown from £0.3 billion in 2017 to £0.7 billion today.

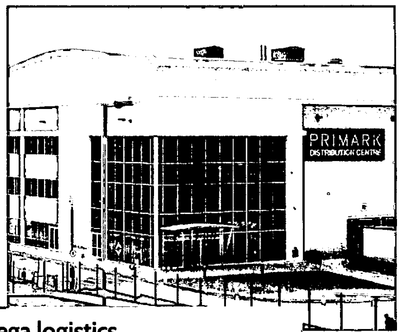
There are 24 assets, with 58% located in the Midlands, London and the South East.

Value

£727m

Total property return over six years

+109%



Mega logistics

Mega distribution warehouses are large scale modern distribution units, typically greater than 500,000 sq ft and located close to major arterial routes.

Our exposure to mega logistics has fallen from £0.5 billion in 2017 to £0.3 billion today following the disposal of several warehouses, with the sale proceeds recycled into higher growth urban logistics.

There are three assets, with 70% located in the Midlands, London and the South East.

Value

£315m

Total property return over six years

+89%

A review of our performance

Property review continued

Own continued

Long income sector

Long income portfolio value

£3.2bn

Our long income assets are let on long leases to strong operators, have low operational requirements and are in structurally supported sectors that are benefitting from the changes in the way people live and shop. They are spread across the convenience, entertainment & leisure and healthcare sectors.

As at year end, the value of our long income assets was broadly unchanged at £3,207 million, representing 52% of our portfolio. These assets are 99% occupied, let with a WAULT of 23 years and generate an attractive topped up NIY of 5.5% with 90% of income subject to contractual rental uplifts and an equivalent yield of 6.7%.

As at 31 March 2025	Entertainment & leisure	Convenience	Healthcare (& education)
Value[1]	£1,298m	£978m	£931m
Contracted rent	£81m	£58m	£51m
WAULT	36 years	12 years	14 years
Topped up NIY	5.8%	5.6%	5.1%
Contractual uplifts	98%	70%	100%
Total property return	8.8%	8.1%	9.9%

1 Including developments

Non core long income sales

£209m

During the year, we sold £209 million of long income assets, of which £151 million were former LXi or CTPT properties. These included large foodstores, a number of health and education assets, pubs, garden centres and Travelodge hotels.

£46 million of the sale proceeds were reinvested into several convenience properties, as well as a Premier Inn hotel.

We expect to continue our sell down of non core long income assets, whilst selectively growing our convenience exposure further.

For further details on disposals see page 32

Total property return on long income

+8.6%

Long income generated a total property return over the year of 8.6%. It delivered an ERV growth of 2% and a valuation increase over the year of 2%. Convenience assets saw the strongest ERV growth at 5.4%.

Like for like income growth on long income was 3.1% over the year.

Premier Inn

Our £14.8 million acquisition in the year of a 193 bedroom hotel let to Premier Inn for ten years, acquired at a 6.6% NIY and with further asset management potential. The acquisition increases our Premier Inn exposure to eight hotels.

A review of our performance

Property review continued

Own continued

Entertainment & leisure

21% of portfolio

Theme parks – 47% of sub-sector

Four assets at Thorpe Park, Alton Towers, Warwick Castle and Heide Park (in Germany). These assets are let with a WAULT of 52 years to Merlin Entertainments, with a mixture of annual CPI+0.5% rent reviews and annual fixed rent reviews of 3.3% per annum.

Hotels – 32% of sub-sector

76 budget hotels, of which 66 are let to Travelodge with a WAULT of 25 years, mainly on five yearly CPI+0.5%/RPI linked reviews. They are located nationwide and focused on roadside locations.

Other – 21% of sub-sector

Consists mainly of 23 pubs, five cinemas, three garden centres and the AO Manchester Arena, which is mostly let to SMG Europe for a further 20 years.

Convenience

16% of portfolio

Foodstores – 43% of sub-sector

46 assets let at an average rent of £18.00 psf with key occupiers including M&S, Waitrose, Co-op, Costco, Tesco and Aldi. These are predominantly smaller format grocery with an average area of c.30,000 sq ft.

NNN retail – 28% of sub-sector

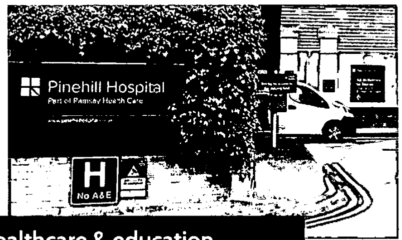
30 assets, primarily single or cluster assets let to discount, essential, electrical and home retail occupiers such as B&M, Currys, DFS, Dunelm, Home Bargains, Pets at Home and The Range at an average rent of £19.50 psf. These assets typically benefit from high alternative use values.

Roadside – 14% of sub-sector

69 assets, primarily convenience stores with attached petrol filling stations, drive-thru coffee outlets and automated car washes. Key occupiers include Co-op, IMO, BP, McDonalds, MFG and Starbucks.

Other – 15% of sub-sector

23 trade/DIY stores and autocentres (key occupiers include Halfords, Kwik Fit, Topps Tiles and Wickes) and ten car parks let to Q-Park with a WAULT of 26 years.



Healthcare & education

15% of portfolio

Hospitals – 85% of sub-sector

12 private hospitals make up this sub-sector, of which 11 are let to Ramsay Health Care with a WAULT of 12 years and annual fixed rent reviews of 2.75%. The two largest hospitals are in Sawbridgeworth and Chelmsford.

Ramsay is one of the leading independent healthcare providers in England, providing a comprehensive range of clinical specialities to private and self-insured patients, as well as patients referred by the NHS. Ramsay has seen strong growth in both private and NHS volumes.

Care homes – 8% of sub-sector

Seven assets with key occupiers comprising Bupa and Priory with a WAULT of 19 years.

Education – 7% of sub-sector

Comprises a number of children's nurseries and adventure centres, and one student accommodation asset.

A review of our performance

Property review continued

Acquisitions in year

Value	Logistics accounted for
£343m	87%

Acquisitions in the year totalled £343.1 million, representing a NIY of 6.0% and a reversionary yield of 6.8%. They were spread across 32 assets and had a WAULT of 14 years with 56% of income benefitting from contractual rental uplifts.

Logistics investments totalled £297.2 million, the majority of which were urban logistics, where 23 units were acquired for £188.9 million, with the remaining £108.3 million comprising three regional warehouses. Other acquisition comprised £45.9 million of convenience and hotel assets.

Availability of quality acquisition opportunities have been limited in our sectors of choice, but through our deep relationships we found attractively priced assets with strong income growth prospects.

Sale and leasebacks through our occupier relationships represented 19% of acquisitions, whilst purchases from developers represented 27% and the remaining 54% was sourced from property and pension funds.

Acquisitions by sector

1. Logistics	87%
2. Convenience	9%
3. Entertainment & leisure (one hotel acquired)	4%

Key acquisitions

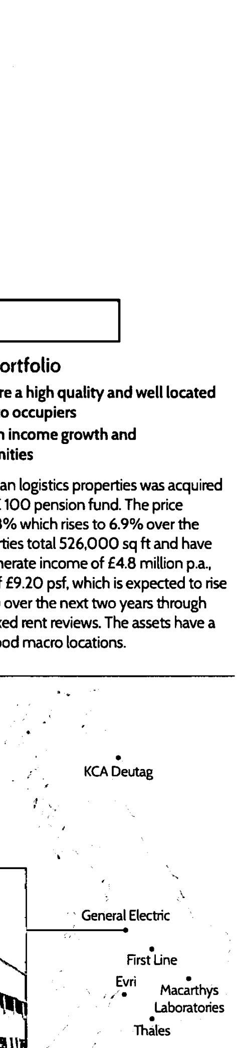
£78m urban logistics portfolio

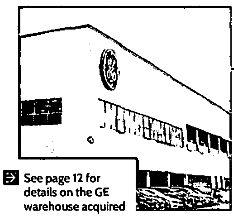
- **Rare opportunity to acquire a high quality and well located portfolio, mission critical to occupiers**
- **Attractive mix of near term income growth and value-enhancing opportunities**

A portfolio of six single let urban logistics properties was acquired for £78.0 million from a FTSE 100 pension fund. The price reflected a blended NIY of 5.8% which rises to 6.9% over the next two years. The six properties total 526,000 sq ft and have a WAULT of 11 years. They generate income of £4.8 million p.a., equating to an average rent of £9.20 psf, which is expected to rise to £5.8 million p.a. (£11.10 psf) over the next two years through open market and inflation linked rent reviews. The assets have a low capital value and are in good macro locations.

Locations & occupiers

- Aberdeen
- Banbury
- Bristol
- Romford
- Stafford
- Southampton





See page 12 for details on the GE warehouse acquired

£74m new M&S regional warehouse

- **High quality forward funded development let on a very long lease to one of the UK's strongest retailers**
- **Further extends our relationship with M&S and will add another exceptional building to LondonMetric's portfolio**

A long-let M&S logistics warehouse was acquired for £74.0 million, reflecting a NIY of 5.65% and a reversionary yield of 6.6%. The 390,000 sq ft regional warehouse is pre-let to M&S on a 20-year lease with five yearly rent reviews linked to CPI. The highly specified warehouse will be a key facility for M&S's food distribution business and incorporates chilled, ambient and frozen product. The BREEAM Excellent building located in Avonmouth is expected to complete in summer 2026 with LondonMetric receiving a funding coupon of 5.5% during the development.

A review of our performance

Property review continued

Acquisitions in year continued

Logistics
26 assets acquired for £297 million

- A 526,000 sq ft urban logistics portfolio, acquired for £78.0 million;
- A 390,000 sq ft M&S regional logistics warehouse in Avonmouth, acquired for £74.0 million;
- A 182,000 sq ft regional warehouse in Avonmouth let to Farmfoods, acquired through a sale and leaseback for £26.4 million;
- A 211,000 sq ft logistics park in Wednesbury acquired from a pension fund for £25.0 million with a low site density of 21% and immediate asset management opportunities through open market reviews;
- 127,000 sq ft urban warehouse in Derby, Huntingdon, Farnham, Colchester and Leeds acquired for £20.6 million through sale and leasebacks with Travis Perkins;
- A 95,000 sq ft urban warehouse in Milton Keynes let to Ingram Content Group, acquired for £18.6 million;
- 58,000 sq ft of urban warehousing in York and Reading, acquired for £12.2 million;
- A 106,000 sq ft urban warehouse in Cardiff let to Booker, acquired for £8.8 million;
- A 150,000 sq ft regional warehouse in Chepstow, acquired for £7.9 million;
- 45,000 sq ft of urban warehousing in Bolton and Derby let to MKM, acquired for £6.5 million;
- A 37,000 sq ft industrial unit in Aberdeen let to Helix Well Ops, acquired for £5.6 million;
- 41,000 sq ft of urban warehousing let to Travis Perkins in Sheffield and Trowbridge, acquired for £5.3 million;
- 23,000 sq ft of urban warehousing in Lymington let to Travis Perkins, Tool Station and Halfords, acquired for £4.9 million; and
- A 18,000 sq ft urban warehouse in Swindon let to Jewson, acquired for £3.5 million.

Farmfoods, Avonmouth acquisition

A 182,000 sq ft regional warehouse in Avonmouth was acquired through a sale and leaseback with Farmfoods for £26.4 million, reflecting a NIY of 5.8% which is expected to grow to 6.7% over five years.

The warehouse is let for 20 years at a rent of £1.6 million per annum with five yearly rent reviews to the higher of OMV or CPI+1, compounded annually. It is temperature controlled with frozen, chilled and ambient chambers and has an EPC 'A' rating.

Entertainment & leisure
One asset acquired for £15 million

- A 193-bedroom hotel in West Thurrock let to Premier Inn for a further ten years, acquired for £14.8 million.

Convenience
Five assets acquired for £31 million

- A 54,000 sq ft NNN retail asset in Andover let to Wickes and KFC, acquired for £12.2 million;
- A 32,000 sq ft NNN retail asset in Basildon let to Pets at Home, Farmfoods, KFC and McDonald's, acquired for £10.0 million;
- A new 22,000 sq ft M&S foodstore in Blackpool, pre-let on a 15 year lease, and acquired at a cost of £6.8 million; and
- Two drive-thrus let to Burger King, acquired for £2.2 million.

Post year end acquisitions
One asset acquired for £5 million

- A convenience development funding in Eastbourne pre-let to Greggs and Starbucks, acquired for £4.8 million.

A review of our performance

Property review continued

Disposals in year

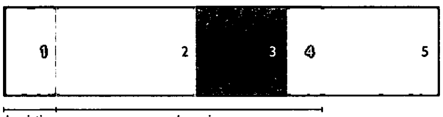
Value sold **£342m** | Number of sales **72**

Disposals in the year totalled £341.9 million, representing a NIY of 6.9%. Across 72 assets, they had an average transaction size of c.£5 million and a WAULT of 15 years. Sales were transacted at 1% above the prevailing book value.

Sales largely comprised two large Asda stores as well as other convenience assets, eight offices, a large retail park, a number of health and education assets, pubs, garden centres, gyms and Travelodge hotels. In the year, we also sold eight urban logistics assets at a NIY of 4.6% and where we felt income growth was less certain.

£214 million of sales related to assets that had been previously acquired through the LXi and CTPT transactions and which did not fit our investment strategy. On these two portfolios, we have so far achieved sales prices that are 1.6% ahead of acquisition value.

Disposals by sector



1. Logistics	12%
2. Convenience	32%
3. Healthcare	21%
4. Entertainment & Leisure	8%
5. Other (retail parks, offices and a life science)	27%

Key disposals

£37m Coventry retail park

- **Sale of our last significant retail park, owned since 2010**
- **Delivered attractive returns with very high occupancy rates**

A 138,000 sq ft retail park in Coventry was sold for £37.3 million reflecting a core NIY of 5.5% and a topped up NIY of 6.0%.

The park was highly operational and let to 13 occupiers including Currys, Aldi, B&M and Dunelm at an average rent of £17.50 psf and with a WAULT of six years.

LondonMetric acquired the asset in 2010 for £18 million and has extensively asset managed the park, delivering a profit on cost of 37%.

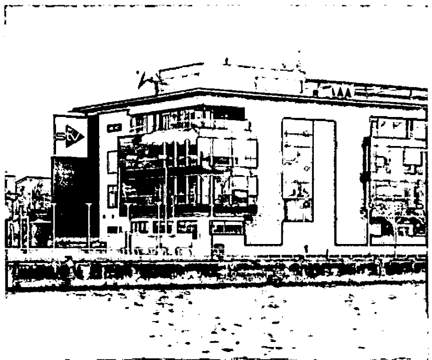
£43m of Scottish offices

- **Three offices sold, inherited from CTPT and LXi**
- **Exit from non core sectors and geographies**

The office sales comprised:

- 85,000 sq ft in Dundee let to BT on a 17.5 year lease with CPI linked rent reviews;
- 60,000 sq ft in Glasgow let to STV Plc for a further 17 years with fixed rent reviews of 1.5% pa; and
- 42,000 sq ft in Edinburgh, let to HSBC for a further ten years, following a regear by LondonMetric.

The sales were 5% ahead of acquisition value.



A review of our performance

Property review continued

Disposals in year continued

Entertainment & Leisure
16 assets sold for £28 million

- Nine pubs, sold for a total consideration of £10.5 million;
- One leisure asset in Hamilton, sold for £9.0 million;
- Four Travelodge hotels in Perth, Carlisle, Stonehouse and Preston as well as land on a Travelodge site in Nuneaton, sold for £5.2 million; and
- A garden centre in Huddersfield, sold for £3.1 million.

Logistics
Eight assets sold for £40 million

- A 47,000 sq ft unit in Southampton, sold for £8.6 million;
- A 26,000 sq ft unit in Croydon, sold for £8.1 million;
- A 13,000 sq ft in Park Royal, sold for £7.1 million;
- A 39,000 sq ft unit in Aston, sold for £6.5 million;
- A 35,000 sq ft unit in Aberdeen, sold for £3.1 million;
- A 28,000 sq ft unit in Leicester, sold for £2.5 million;
- An 18,000 sq ft unit in Doncaster, sold for £2.5 million; and
- A 34,000 sq ft unit in Stockwell, sold for £1.4 million.

Convenience
15 assets sold for £108 million

- Two large format Asda foodstores in Scotland and Halesowen, sold for £38.5 million;
- A 51,000 sq ft NNN retail asset in Weymouth which LondonMetric developed, sold for £14.3 million;
- A 34,000 sq ft roadside asset in York let to Vertu, sold for £10.5 million;
- A 41,000 sq ft trade/DIY asset in Ipswich, sold for £10.2 million;
- A 34,000 sq ft NNN retail asset in Basildon let to Lok'nStore, sold for £10.0 million;
- Two Cazoo roadside assets in Edinburgh and Cardiff, sold for £6.4 million;
- A 34,000 sq ft NNN retail asset in Totton, sold for £4.7 million (value at share);
- A 23,000 sq ft Lidl foodstore in Portsmouth, sold for £4.6 million;
- An 11,000 sq ft roadside site in Birstall, sold for £4.1 million;
- A 34,000 sq ft NNN retail asset in Stourbridge let to B&M, sold for £2.8 million;
- A 1,400 sq ft NNN retail asset in Kingston, sold for £1.2 million;
- A Boots retail unit, sold for £0.6 million; and
- Land in Bradford, sold for £0.1 million.

Healthcare & Education
23 assets sold for £74 million

- A 169,000 sq ft Compass training centre in Milton Keynes, sold for £23.7 million;
- A health and education asset in Fulham, sold for £21.8 million;
- An 82,000 sq ft Compass training & conference centre in Yarnfield, sold for £17.4 million; and
- 20 assets across the care home/assisted living sector, sold for a total of £10.8 million.

Other
Ten assets sold for £93 million

- Eight offices in England and Scotland, sold for £54.1 million;
- A 138,000 sq ft retail park in Coventry, sold for £37.3 million; and
- Land at Mucklow Office Park, sold for £1.3 million.

Post year end disposals
£63 million of assets sold

- A multi-let logistics asset in Crawley, sold for £21.4 million;
- A multi-storey car park in Yorkshire let to Q-Park, sold for £16.3 million:
- A logistics asset let to Ocado in Walthamstow, sold for £15.6 million;
- A Wickes store, sold for £5.5 million; and
- Several pubs, sold for £4.3 million.

A review of our performance

Property review continued

Manage and collaborate

Our occupier activity in the year

Income added	Number of initiatives
+£15.3m	340

Asset management continues to generate attractive income growth as we work in partnership with our occupiers.

During the year, we undertook 340 occupier initiatives adding £15.3 million per annum of rent and delivering like for like income growth of 4.2%. Over the next two years, we expect further income growth of £27 million from our asset management activity.

Lettings and regears

68 lettings were signed in the year with a WAULT of 19 years, adding £5.9 million of rent per annum.

Logistics lettings added £4.4 million and were signed with a WAULT of ten years. Urban logistics added £4.0 million and included:

- 18 regears, adding £1.5 million of rent at 43% above previous passing rent. The largest regears were in Colnbrook, Crawley, Dudley, Greenford, Havant, Newhaven and Tyseley;
- 59,000 sq ft letting in Wednesbury, adding £0.5 million;
- 36,000 sq ft letting to Ferraris Piston Service in Cardiff of a newly developed warehouse, adding £0.4 million;
- 54,000 sq ft letting in Luton, adding £0.4 million (83% uplift);
- 38,000 sq ft in Basildon, adding £0.2 million (74% uplift);
- 14,000 sq ft in Dulwich, adding £0.2 million;
- 31,000 sq ft in Eastleigh, adding £0.1 million (30% uplift); and
- 34,000 sq ft letting in Ashford, adding £0.1 million (27% uplift).

Two regional logistics regears added £0.4 million. At Crick, five years term certain was added and rent increased by 26%. At Bognor Regis, a break was removed adding five years term certain, and the occupier undertook material environmental improvements.

Long income and other lettings added £1.5 million of rent with a WAULT of 29 years (13 years excluding Warwick Castle), including:

- M&S convenience lettings in Weymouth and Blackpool of two foodstores currently in development, adding £1.4 million of rent;
- A regear at Warwick Castle, adding £0.8 million of rent, where we funded a new 60-bedroom hotel and there is 52 years remaining on the lease;
- Lettings at Old Kent Road to Tapi, Burger King and Starbucks, adding £0.4 million;
- A letting to Sainsbury's of a convenience store in Bromsgrove replacing Homebase and adding £0.1 million of rent;
- Three EV charging lettings, adding £0.1 million of rent; and
- Lettings to British Garden Centres of three former LXi assets let to Dobbies where the rent has fallen by £1.4 million.

At the year end, 0.7 million sq ft was vacant with an ERV of £7.1 million. Subsequently, we have let or are under offer on 0.1 million sq ft and a further 0.3 million sq ft has been sold or is under offer to sell, with the remainder recently refurbished or under refurbishment. This activity would take our portfolio occupancy to 99%.

Post year end, we have also signed two further lettings with M&S. These include a new foodstore in New Malden and the regear of an existing store in Luton, which add a further £0.8 million of rent. The New Malden store is subject to planning and development is expected to start at the end of this year.

For details on environmental improvements see page 52

Rent reviews

We settled 272 rent reviews in the year, adding £9.4 million per annum of rent at an average of 17% above previous passing on a five yearly equivalent basis with open market reviews 40% higher.

Logistics rent reviews were settled across 50 assets adding £4.6 million per annum of income at 19% above previous passing rent, on a five yearly equivalent basis. These reviews comprised:

- 38 urban reviews settled at 24% above passing rent on a five yearly equivalent basis with open market urban reviews delivering a 48% uplift;
- Nine regional RPI linked reviews, predominantly annual reviews, settled at 18% above previous passing on a five yearly equivalent basis; and
- Three contractual mega reviews settled at 12% above previous passing rent on a five yearly equivalent basis.

Long income rent reviews were settled across 221 units, adding £4.8 million per annum of income at 16% above previous passing rent, on a five yearly equivalent basis.

All but seven of the reviews were inflation linked or fixed uplifts and the deals comprised:

- 45 entertainment & leisure rent reviews, adding £2.0 million, of which £1.0 million related to theme parks;
- 90 convenience rent reviews, adding £0.8 million; and
- 86 healthcare & education rent reviews, adding £2.0 million, of which £1.0 million related to annual fixed reviews on our Ramsay Hospitals.

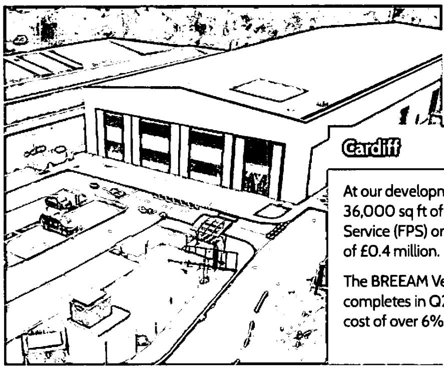
A review of our performance

Property review continued

Manage and collaborate continued

Asset management in action

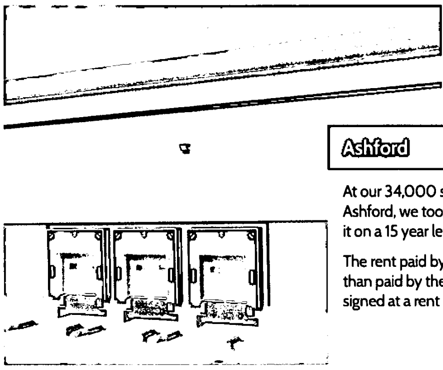
Logistics



Cardiff

At our development site in Cardiff, we pre-let 36,000 sq ft of urban logistics to Ferraris Piston Service (FPS) on a 15 year lease at an annual rent of £0.4 million.

The BREEAM Very Good development completes in Q2 2025 and delivers a yield on cost of over 6%.

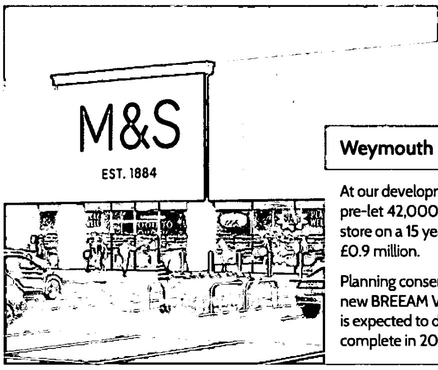


Ashford

At our 34,000 sq ft urban logistics warehouse in Ashford, we took back the warehouse and re-let it on a 15 year lease to Naked Foods.

The rent paid by the new occupier is 27% higher than paid by the previous occupier and was signed at a rent 9% above ERV.

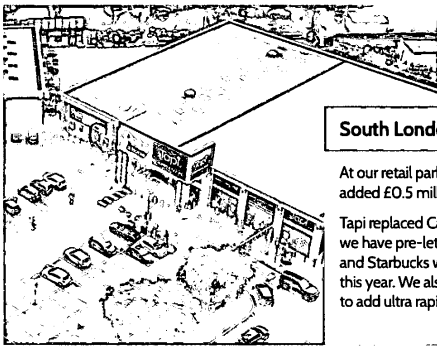
Convenience



Weymouth

At our development site in Weymouth, we pre-let 42,000 sq ft to M&S for a new full line store on a 15 year lease at an annual rent of £0.9 million.

Planning consent has been obtained for the new BREEAM Very Good development which is expected to deliver a yield on cost of 8% and complete in 2026.



South London

At our retail park on Old Kent Road, lettings added £0.5 million of annual income.

Tapi replaced Carpetright at an existing unit and we have pre-let two new units to Burger King and Starbucks which we expect to develop later this year. We also signed a letting with Instavolt to add ultra rapid EV chargers.

A review of our performance

Property review continued

Manage and collaborate continued

Number of occupiers	Occupier satisfaction score
c.350	8.7/10

Strong and diversified income with high satisfaction

Our investment and asset management actions over a number of years have increased the resilience of our portfolio by aligning our income to structurally supported sectors and assets with strong occupational and investment demand.

The LXi merger in 2024 increased our income diversification through the addition of new sectors where we believe there are strong structural tailwinds.

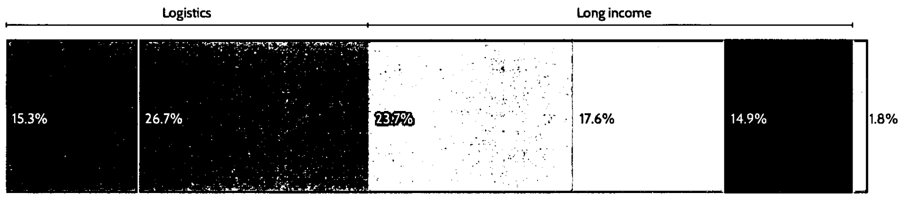
Income concentration from our top occupiers increased from the LXi merger, with Ramsay Health Care, Merlin Entertainments and Travelodge representing our three largest occupiers and accounting for 27% of net contracted rent. Whilst these are strong credits with robust business models occupying key operating assets and investing materially in their estate, we expect to reduce our exposure to these occupiers over time.

Engagement with all of LXi's top occupiers continues to be very positive and we are developing these relationships further through our activity. Our latest occupier survey in March 2025 again demonstrated strong contentment and this year's survey was the first time we included LXi's occupiers. 214 occupiers were contacted representing 94% of our rent, and we received 79 responses representing 57% of our rent.

We scored an average of 8.7 out of 10.0 for whether occupiers would recommend us as a landlord (2024: 9.0). In terms of satisfaction with our properties, we scored 8.6 (2024: 8.5).

Read more in the social section on page 54

Occupier base by type of occupier
(% of income)



Mega & regional
- Primark
- Great Bear
- Movianto
- Next
- Argos
- THG

Urban
- Amazon
- Tesco
- Reynolds
- General Electric
- Booker
- Bombardier

Entertainment & leisure
- Merlin
- Travelodge
- Premier Inn
- Odeon
- SMG
- The Brewery

Convenience
- M&S
- Co-op
- Waitrose
- Aldi
- B&M
- Sainsbury's

Healthcare
- Ramsay Health Care
- Nightingale Hospital
- Bupa
- Priory

Other

Top ten occupiers (% of income)

Ramsay Health Care	11.1%
Merlin Entertainments	9.3%
Travelodge	6.3%
M&S[1]	2.3%
Primark	1.8%
Great Bear	1.8%
Tesco	1.8%
Amazon	1.4%
Argos	1.4%
THG	1.4%
Total	38.6%

1 Includes post year end activity with M&S

Ramsay Health Care

Ramsay Health Care provides quality healthcare globally with 12 million admissions and patient visits per annum in over 500 locations. Ramsay is listed on the Australian Stock Exchange valued at £4 billion. In the UK, Ramsay has 34 acute hospitals caring for approximately 200,000 patients per annum and employing 7,500 people. UK revenues in the last financial year were 14% higher at £1.2 billion, driven by a strong increase in NHS admissions and private pay patients.

Merlin Entertainments

Merlin Entertainments is a global leader in branded entertainment destinations with 62 million guests per annum. It operates 140 attractions in over 20 countries, including Alton Towers, Thorpe Park and Warwick Castle which are owned by LondonMetric.

Merlin recorded global revenues of £2.1 billion in 2023 and is owned by the Lego family, Blackstone, Wellcome Trust and Canada Pension Plan Investment Board.

A review of our performance

Property review continued

Manage and collaborate continued

ESG

We continue to improve our ESG focus and sustainability credentials

We recognise the importance of a comprehensive ESG strategy which minimises the environmental impact of our assets, maximises energy efficiency and improves climate resilience.

As part of our drive to upgrade our assets, we continue to invest in high quality buildings and focus on working with our occupiers to progress energy efficiency and clean energy initiatives, mainly from solar PV, LED lighting upgrades, roof improvements and degasification. We also see ourselves as strong stewards of poorer quality assets with the necessary expertise and appetite to improve buildings.

Our alignment to NNN income assets means our Scope 1 and 2 emissions are de minimis and the energy intensity of our portfolio is materially reduced, with relatively straightforward interventions able to significantly improve energy ratings and reducing carbon emissions. This is reflected in our portfolio's EPC rating improvements over recent years and our minimal defensive capex for environmental upgrades, with expenditure typically achieving higher rents and/or paid for through lease incentive arrangements or by the occupier.

We continue to focus on improving our external ESG benchmarks scoring. Our GRESB score remained above the peer average at 73, resulting in a two-star rating. Our MSCI rating was 'A' and our ISS score remained at 'C-'. We also maintained our Gold Award for EPRA sBPR, continued to be included in the FTSE4Good Index and, in our second submission to CDP, we scored C+, which was a material improvement on the prior year.

On our debt facilities, we updated our sustainability-linked targets in the year, building on previous commitments on minimum solar installations and EPC improvements. A further commitment was added to ensure our leasing activity promoted energy efficiency improvements.

Our Net Zero Pathway

We are committed to aligning with the UK Government's Net Zero target by 2050. In order to implement environmental initiatives and ultimately achieve Net Zero Carbon on our buildings, we remain reliant on our occupiers sharing similar environmental ambitions to us due to our full repair and insuring ('FRI')/NNN lease structures and long lease lengths.

The acquisition of LXi materially changed our portfolio and increased our reliance on occupiers' environmental ambitions further. Over the year, we reviewed the LXi portfolio and engaged with key occupiers to understand the ESG implications of the acquisition and its impact on our Net Zero ambition.

Over the year, we conducted an in-depth science based portfolio carbon analysis. Using 2023 energy data from occupiers, we calculated our portfolio emissions baseline and categorised our properties into unique archetypes and typologies. This allowed us to model interventions needed to reach Net Zero, in line with the CRREM methodology.

Consequently, we have published our portfolio's decarbonisation pathway on our website and are targeting Net Zero by 2050. In the short term, we have set a target to achieve Net Zero for Scope 1 and 2 emissions where we have direct control by 2027.

As part of our work, we have modelled a series of short, medium, and long term carbon reduction interventions, ranging from tenant engagement to fabric improvements. These interventions, together with grid decarbonisation, should allow us to achieve a 51% reduction in emissions by 2030 and full electrification of heating systems by 2040. The pathway models carbon reductions of 97% across our portfolio by 2050 against CRREM targets, with any residual emissions to be offset via a verified carbon programme.

Our analysis included a review of key occupiers' net zero targets. The majority of our occupiers have comprehensive commitments to improving the sustainability of the properties that they lease from us.

Key progress in the year

EPCs – After a deterioration in our EPC score in the prior year as a result of the LXi acquisition, our EPC ratings materially improved over the year with 'A-C' ratings rising from 85% to 92% and 'A-B' rating improving from 49% to 58%. Our EPC scores were helped in the year by various improvement initiatives, new EPC assessments on 185 units across 4.5 million sq ft (including enhanced energy assessments) and our investment activity, which saw us sell out of poorer rated assets and acquire predominantly EPC 'A-B' rated assets.

Asset management and improvements – We have mandated that a minimum 'B' EPC rating needs to be achievable on all new leases, regears and refurbishments. We undertook a number of refurbishments in the year which have materially improved our assets including at Eastleigh and Bicester where EPC ratings were improved from 'C' to 'A' and 'A+' respectively.

Occupier energy data – As part of measuring our occupiers' emissions at our buildings (Scope 3 emissions), which represent most of our overall emissions, we increased occupier energy data coverage from 72% last year to 80%. Our dedicated ESG platform that we put in place in the previous year has helped us to access a greater amount of data automatically and provide better analysis. The data from this platform helped to inform our Net Zero Pathway.

Climate resilience and risk – we updated our portfolio climate risk analysis to include the LXi portfolio. Our physical climate risk analysis assessed our portfolio's current and future vulnerability to extreme climate hazards affecting the UK climate, with residual risks for each property and region. Over the next year, we will undertake more in-depth reviews of specific assets to develop action plans where necessary.

Solar PV – We continue to engage with occupiers on solar installations, adding five PV systems in the year, totalling 3.6MWp.

Read more about ESG from page 47

A review of our performance

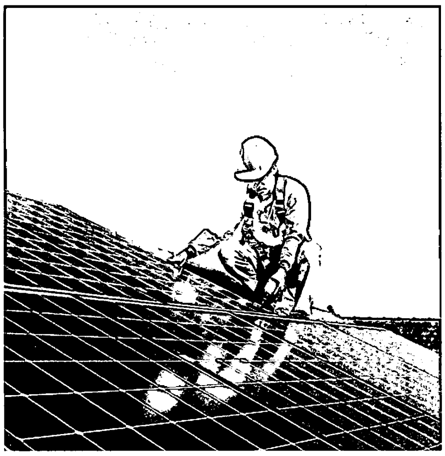
Property review continued

Manage and collaborate continued

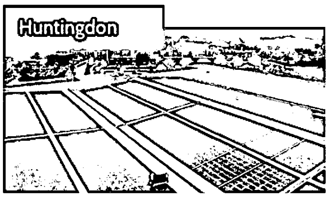
ESG in action

Solar PV installations

A total of 3.6MWp capacity of solar was added to our portfolio in the year. These comprised warehouses in Huntingdon (1.9MWp), Biggin Hill (1.2MWp), Grange Park in Northampton (0.2MWp), Bicester (0.2MWp) and Eastleigh (0.1MWp) which have increased total installed capacity from 4.5MWp last year to 8.1MWp.



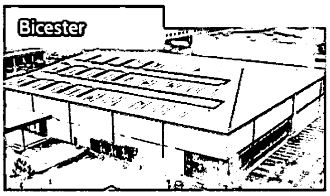
Huntingdon



1.9MWp of solar has been installed on a warehouse let to AM Fresh that LondonMetric funded the development of in 2022.

The system will provide AM Fresh with c.28% of its annual energy needs and is expected to save c.500 tonnes of CO_2 emissions p.a.

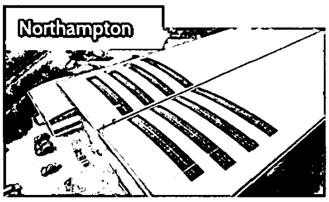
Bicester



0.2MWp of solar has been installed on a warehouse which LondonMetric refurbished in the year.

The system is expected to save 28 tonnes of CO_2 emissions p.a. equivalent to 1,293 trees or enough electricity to power 54 houses.

Northampton



0.2MWp of solar has been installed on a warehouse let to My First Years.

The system will provide the occupier with an expected 35% reduction in its annual energy needs.

Future projects

Further potential additional solar from near term initiatives

2.6MWp

Solar PV installations provide our occupiers with the benefit of lower energy costs while meeting their own ESG and net zero ambitions through using renewable energy.

A review of our performance

Financial review

Exceptional income with longevity

> Our strong financial results reflect the full benefit of our merger activity, the strength of our portfolio and our focus on income growth and cost control.

Martin McGann
Chief Financial Officer

Our focus this year has been on integration following last year's transformational corporate acquisitions, which have positioned us as the UK's leading Triple Net Lease REIT and led to a FTSE 100 listing in June.

Our increased scale has also helped us secure an investment grade Fitch credit rating of BBB+, providing debt optionality for future funding and better access to capital markets.

Significant progress has been made on the sale of weaker and non core assets acquired through the LXi and CTPT corporate acquisitions despite the continuing challenging market conditions. Proceeds have been reinvested into higher quality assets in stronger sectors, predominantly logistics, where income growth prospects are greater. In order to facilitate the sale of charged assets in the year we successfully completed a number of asset substitutions across four secured debt facilities. This has allowed the Group to retain in full well priced debt taken on through corporate acquisitions.

Our strong financial results reflect the full benefit of our merger activity, the strength of our portfolio and our focus on income growth and cost control. EPRA earnings have grown to £268.0 million and by 20.7% on a per share basis to 13.1p, which has allowed us to increase our dividend by 17.6% to our target of 12.0p per share whilst maintaining EPRA earnings cover of 109% and cash cover of 107% as set out in Supplementary note xx.

Driving this increase was a 122.8% increase in net rental income, strong rent collection rates and exceptionally low operating costs. We have benefitted from significant cost savings through operational synergies allowing us to report a sector leading EPRA cost ratio of 7.8%.

IFRS net assets also increased in the year by £154.4 million or 3.9% to £4,123.9 million. EPRA net tangible assets ('NTA') per share increased in line by 3.9% to 199.2p, up from 191.7p last year. This increase was largely due to a portfolio valuation gain of £106.0 million or 5.2p per share.

Our balance sheet remains robust and our financial position has been strengthened and diversified by three new five year revolving credit facilities totalling £525 million with new lenders ahead of our first material debt maturity of c.£350 million this autumn relating to secured loans acquired as part of the LXi transaction. Two of these facilities, totalling £350 million were agreed post period end. Each facility has two, one year extension options and reflects improved pricing which partly reflects our recent credit rating.

During the year, we extended the maturity by one year on £975 million of our existing revolving credit facilities to support our debt maturity, which was 4.7 years at the year end, despite the passing of a year (2024: 5.4 years).

Other debt metrics are strong, with an average cost of 4.0% (2024: 3.9%) and loan to value of 32.7% (2024: 33.2%). Undrawn debt facilities and cash of £912.3 million at the year end, which increase to £1.3 billion including debt facilities agreed post year end, support our transactional activity whilst maintaining ample headroom under banking covenants.

We acquired £339 million of current and forward starting derivatives in the year and extended protection on a further £150 million. At the year end, our drawn debt was fully hedged by fixed rate loans and interest rate derivatives and we continue to be very well protected against adverse movements in interest rates. We will look to retain optionality going forward and continue to monitor market conditions for windows of opportunity to lock into longer term financing options at an attractive cost.

A review of our performance

Financial review continued

Highlights

EPRA earnings	EPRA EPS per share
£268.0m	13.1p
↑ 120.4%	↑ 20.7%

Dividend per share	EPRA NTA per share
12.0p	199.2p
↑ 17.6%	↑ 3.9%

Presentation of financial information

The Group financial information is prepared in accordance with IFRS, where the Group's share of its joint venture ('JV') is shown as a single line item on the income statement and balance sheet and its subsidiaries including any non-controlling interest ('NCI') are fully consolidated.

The Group uses alternative performance measures based on the European Public Real Estate Association ('EPRA') Best Practice Recommendations ('BPR') to supplement IFRS, in line with best practice in our sector, as they highlight the underlying performance of the Group's property rental business and enhance the transparency and comparability of financial information across public real estate companies.

EPRA earnings and EPRA net tangible assets are key business metrics adopted in this review and throughout this report and exclude items including fair value movements on property, derivatives and other financial instruments, profits and losses on disposal of properties, net gains on business combinations and acquisition costs, all of which may fluctuate considerably from year to year. EPRA earnings is the key support to the level of dividend payments.

The supplementary notes include other EPRA metrics and a proportionally consolidated EPRA income statement and balance sheet. Further details, definitions and reconciliations between EPRA measures and the IFRS financial statements can be found in note 8 to the financial statements, Supplementary notes i to vii and xviii, and in the Glossary.

Income statement

Group EPRA earnings are summarised in the table below.

For the year to 31 March	2025 £m	2024 £m
Gross rental income	395.5	177.0
Property costs	(4.9)	(1.7)
Net rental income	390.6	175.3
Management fees	1.2	1.1
Net income	391.8	176.4
Administrative costs	(27.1)	(19.7)
Net finance costs[1]	(97.1)	(37.4)
Share of joint venture and non-controlling interest[2]	1.9	2.3
Tax[3]	(1.5)	–
EPRA earnings	268.0	121.6

1 Group net finance costs reflect net borrowing costs of £124.5 million (2024: £45.9 million) (note 5b) and finance income of £23.7 million (2024: £8.5 million) (note 5a) less the impact of inflation volatility relating to the income strip of £3.7 million in the current year

2 Reflects EPRA earnings for MIPP of £3.2 million reduced by the NCI share of EPRA earnings of £1.3 million as shown in supplementary note ii

3 UK and German current taxes as reflected in note 6 to the financial statements. Deferred tax on our German asset of £0.7 million is also included in IFRS reported profit

> EPRA earnings have grown to £268.0 million and by 20.7% on a per share basis to 13.1p.
>
> **Martin McGann**
> Chief Financial Officer

A review of our performance

Financial review continued

Net rental income

Sustained growth in net rental income underpins our key strategic aim as the UK's leading NNN lease REIT to deliver income and dividend progression for our shareholders over the long term, and we are pleased to report a 122.8% increase in the year, primarily due to the impact of corporate acquisitions, the largest of which LXi completed in March 2024. The detailed movements in net rental income are set out in the table below.

	£m	£m
Net rental income in the year to 31 March 2024		175.3
Additional rent from existing properties and developments		3.3
Movement in surrender premium income		2.7
Additional rent from acquisitions[1]	222.9	
Rent lost through disposals	(7.0)	
Additional rent from net acquisitions		215.9
Movement in provisions		(3.4)
Movement in property costs		(3.2)
Net rental income in the year to 31 March 2025		390.6

1 Includes additional rent from LXi of £207.5 million, CTPT of £5.9 million and from other acquisitions of £9.5 million

Despite the increase in property costs and rent provisions associated with an enlarged portfolio, our cost leakage ratio remains low at 1.2% (2024: 1.0%).

Prior to our merger, LXi entered into an income strip arrangement. The proceeds LXi received on two theme parks were matched with a corresponding financial liability and a 30% pay away of rent. The gross rental income receivable from the tenant is reflected in the income statement within revenue and the 30% pay away is reflected under IFRS as interest payable on other financial liabilities and included within finance costs. The total balance sheet liability of £231.0 million at the year end is set out in detail in note 14a(ii). The corresponding gross up is reflected within investment properties in the balance sheet as the external valuation of the assets is based on the net cash flows after deducting income strip payments.

Rent collection

Our rent collection rates continue to be very strong, reflecting the quality of our covenants and our focus on credit control. We have collected 99.5% of rent due in the year and trade receivables of £1.4 million that were overdue and considered at risk at the year end have been provided for in full.

Administrative costs and EPRA cost ratio

Administrative costs have increased by 37.6% to £27.1 million (2024: £19.7 million) due to the increased headcount and higher remuneration costs, reflecting significant changes to roles and responsibilities of certain employees following our acquisition of LXi, along with increased advisors fees of the enlarged group, some of which are not expected to recur.

Our sector leading EPRA cost ratio of 7.8% reflects merger synergies and a continued focus on cost control. The ratio reflects total operating costs as a percentage of gross rental income. The full calculation is shown in Supplementary note iv.

	31 March 2025 %	31 March 2024 %
EPRA cost ratio including direct vacancy costs	7.8	11.6
EPRA cost ratio excluding direct vacancy costs	7.5	11.1

Net finance costs

Our net finance costs have increased to £97.1 million this year (2024: £37.4 million) primarily as a result of the additional debt acquired through the LXi acquisition at the end of last year which was at a higher average borrowing rate of 5.2%. Whilst the £700 million refinancing that we completed in March 2024 was on more favourable terms than the secured LXi facilities being replaced, our average debt cost last year was 0.7% lower than in the current year.

The £59.7 million increase in net finance costs in the year reflects increased interest charges net of derivative receipts of £43.1 million, higher commitment fees, utilisation fees and amortisation of £4.7 million, increased interest charged on lease liabilities of £10.5 million and the unwinding of debt fair value discounts on acquisition of £3.9 million, offset by increases in interest receivable and capitalised interest of £2.5 million. Further detail is provided in note 5 to the financial statements.

Increase in net rental income	Cost leakage ratio
122.8%	1.2%
Rent collected in the year	EPRA cost ratio
99.5%	7.8%

Taxation

As the Group is a UK REIT, any income and capital gains from our qualifying property rental business is exempt from UK corporation tax. Any UK income that does not qualify as property income within the REIT regulations is subject to UK tax in the normal way. We acquired one German asset as part of the LXi merger which is subject to German corporate income tax, and deferred tax is provided on property revaluation gains. The tax charge of £2.2 million in the year relates primarily to German corporate and deferred taxes and the UK corporation tax charge attributable to the Group's non-controlling interest in LMP Retail Warehouse JV Holdings Limited.

The Group's tax strategy is compliance oriented; to account for tax on an accurate and timely basis and meet all REIT compliance and reporting obligations. We seek to minimise the level of tax risk and to structure our affairs based on sound commercial principles. We strive to maintain an open dialogue with HMRC with a view to identifying and solving issues as they arise. We continue to monitor and comfortably comply with the REIT balance of business tests and distribute as a Property Income Distribution ('PID') 90% of REIT relevant earnings to ensure our REIT status is maintained. The Group has already paid a large part of its expected PID for the year to 31 March 2025.

A review of our performance

Financial review continued

IFRS reported profit

A reconciliation between EPRA earnings and the IFRS reported profit is given in note 8(a) to the financial statements and supplementary note ii on a proportionately consolidated basis and is summarised in the table below.

For the year to 31 March	2025 £m	2024 £m
EPRA earnings	**268.0**	121.6
Revaluation of property	**106.0**	(7.5)
Fair value of derivatives	**(11.1)**	(3.9)
Loss on disposals	**(13.0)**	(7.4)
Gain on acquisition	**–**	49.4
Acquisition costs	**–**	(29.8)
Other movements[1]	**(2.0)**	(3.7)
IFRS reported profit	**347.9**	118.7

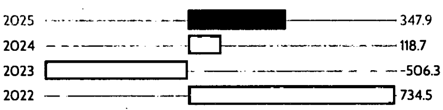
1 Includes revaluation of investments, JV and NCI (£2.4 million), impact of inflation volatility relating to the income strip (-£3.7 million) and deferred tax (-£0.7 million) in the year to 31 March 2025

The Group's reported profit for the year was £347.9 million (2024: £118.7 million), representing a 193% increase. As well as the increase in EPRA earnings of £146.4 million, the movement reflects a positive revaluation movement of £118.6 million and adverse movements in derivatives, disposals and other movements of £35.8 million.

IFRS reported profit (for equity shareholders)

£347.9m

↑ £229.2m



Balance sheet

EPRA net tangible assets ('NTA') continues to be a key performance measure that includes both income and capital returns but excludes the fair valuation of derivatives that are reported in IFRS net assets. A reconciliation between IFRS net assets and EPRA NTA is detailed in the table below and in note 8(c) to the financial statements. The EPRA proportionally consolidated balance sheet is shown in Supplementary note iii.

As at	31 March 2025 £m	31 March 2024 £m
Investment properties	**6,383.9**	6,232.2
Assets held for sale	**10.4**	8.5
Trading properties	**1.1**	1.1
Group investment property	**6,395.4**	6,241.8
Gross debt	**(2,073.2)**	(2,087.4)
Cash	**81.2**	111.9
Share of joint venture and non-controlling interest[1]	**42.2**	41.2
Other net liabilities	**(374.6)**	(398.6)
EPRA NTA	**4,071.0**	3,908.9
Derivatives	**23.7**	32.6
Deferred tax	**(0.5)**	–
IFRS equity shareholders' funds	**4,094.2**	3,941.5
Share of non-controlling interest	**29.7**	28.0
IFRS net assets	**4,123.9**	3,969.5

1 Reflects share of net assets of MIPP of £71.9 million (2024: £69.2 million) reduced by the NCI share of net assets of £29.7 million (2024: £28 million) as shown in Supplementary note iii

"

Our balance sheet remains robust and our financial position has been strengthened and diversified.

Martin McGann
Chief Financial Officer

A review of our performance

Financial review continued

IFRS reported net assets have increased by £154.4 million or 3.9% in the year to £4.1 billion. Similarly, EPRA NTA has increased by £162.1 million or 3.9% on a per share basis to 199.2p. The movement is reflected in the table below.

	EPRA NTA £m	EPRA NTA per share p
At 1 April 2024	3,908.9	191.7
EPRA earnings	268.0	13.1
Dividend paid[1]	(181.4)	(8.9)
Property revaluation	106.0	5.2
Other movements[2]	(30.5)	(1.9)
At 31 March 2025	4,071.0	199.2

1 Dividend charge of £203.7 million less scrip saving of £22.3 million. Dividend per share is based on the weighted average number of shares in the year

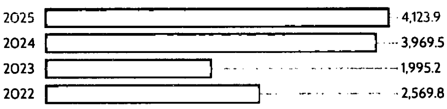
2 Other movements include loss on sales (-£13.0 million), share based awards (-£13.4 million), impact of inflation volatility relating to the income strip (-£3.7 million), cost of derivatives purchased (-£2.2 million), revaluation of JV and NCI (£1.5 million) and other movements (£0.3 million)

EPRA earnings in the year covered dividends paid, increasing EPRA NTA per share by 4.2p and the revaluation gain added a further 5.2p per share.

The movement in EPRA NTA per share, together with the dividend paid in the period, results in a total accounting return of 9.7%. The full calculation can be found in supplementary note viii.

IFRS net assets

£4,123.9m 3.9%



Dividend

A sustainable, progressive and covered dividend remains a key priority for the Board which shapes our strategy. The dividend for the year of 12.0p per share is 109% covered by EPRA earnings and 107% covered on a cash basis as set out in supplementary note xx. We have continued to declare quarterly dividends and offer shareholders a scrip alternative to cash payments.

In the year to 31 March 2025, the Company paid the third and fourth quarterly dividends for the year to 31 March 2024 and the first two quarterly dividends for the year to 31 March 2025, at a total cost of £203.7 million or 11.1p per share as reflected in note 7 to the financial statements.

The Company issued 11.6 million ordinary shares under the terms of the Scrip Dividend Scheme, which reduced the cash dividend payment by £22.3 million to £181.4 million. The first two quarterly payments for the current year of 5.7p per share were paid as Property Income Distributions ('PIDs') in the year. The third quarterly dividend of 3.0p per share was paid as a PID in April 2025 and the Company has approved a fourth quarterly payment of 3.3p per share to be paid in July 2025, of which 1.5p will be a PID. The total dividend payable for 2025 of 12.0p represents an increase of 17.6% over the previous year.

The Board took the following into account when considering its dividend payments:

- Its REIT obligations to distribute 90% of property rental business profits;
- Its desire to pay a sustainable, covered and progressive return to shareholders;
- Its EPRA earnings for 2025; and
- The outlook for 2026.

At the year end, the Company had distributable reserves of £1,100.0 million (2024: £1,164.9 million), providing substantial cover for the dividend payable for the year. When required and at least six monthly, the Company receives dividends from its subsidiaries which increase its distributable reserves.

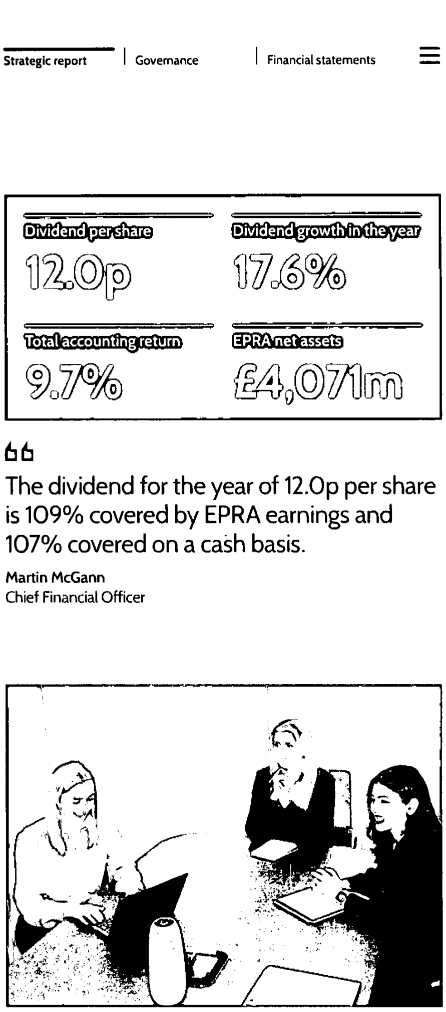
Dividend per share
12.0p

Dividend growth in the year
17.6%

Total accounting return
9.7%

EPRA net assets
£4,071m

> The dividend for the year of 12.0p per share is 109% covered by EPRA earnings and 107% covered on a cash basis.
>
> **Martin McGann**
> Chief Financial Officer



A review of our performance

Financial review continued

Portfolio valuation

Our property portfolio valuation including the share of joint ventures and excluding the non-controlling interest increased in the year to £6.2 billion as set out in the table below.

As at	31 March 2025 £m	31 March 2024 £m
Group property portfolio valuation	**6,123.5**	5,972.7
Share of joint venture	**69.9**	67.1
Share of non-controlling interest	**(38.1)**	(36.4)
Total property portfolio valuation	6,155.3	6,003.4

The Group acquired property assets for £284.7 million and spent £91.7 million on developments and other capital expenditure. We generated net proceeds of £322.5 million which reduced the book value of property by £335.5 million (including the cost of lease incentives written off for the Group of £11.8 million).

At 31 March 2025, we had exchanged to sell two assets for £10.6 million (book value £10.4 million) and acquire one asset for £14.7 million, and these transactions will be accounted for on completion next year. A full reconciliation between transactions exchanged and completed in the period is set out in Supplementary note xix.

Portfolio valuation split

A breakdown of the total property portfolio valuation by sector is reflected in the table below.

As at	31 March 2025 £m	31 March 2025 %	31 March 2024 £m	31 March 2024 %
Mega distribution	**315.1**	**5.1**	310.2	5.2
Regional distribution	**726.8**	**11.8**	689.7	11.5
Urban logistics	**1,796.0**	**29.2**	1,563.2	26.0
Logistics	**2,837.9**	**46.1**	2,563.1	42.7
Convenience	**977.7**	**15.9**	1,012.1	16.8
Entertainment & leisure	**1,297.8**	**21.1**	1,271.3	21.2
Healthcare	**931.1**	**15.1**	960.2	16.0
Long income	**3,206.6**	**52.1**	3,243.6	54.0
Other	**110.8**	**1.8**	196.7	3.3
Property portfolio value	6,155.3	100.0	6,003.4	100.0
Income strip gross up[1]	**231.0**		221.5	
Head lease assets	**40.9**		47.6	
Total portfolio value	6,427.2		6,272.5	

1 Represents the gross up of the investment property balance associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022, as reflected in note 14a(ii)

Portfolio valuation movement

As at	31 March 2025 £m	31 March 2024 £m
Group opening valuation	**5,972.7**	2,958.7
Acquisitions[1]	**284.7**	3,157.9
Developments[2]	**22.8**	43.9
Capital expenditure[3]	**68.9**	22.5
Disposals[4]	**(323.7)**	(203.6)
Revaluation	**101.0**	(7.5)
Foreign currency	**(2.9)**	0.8
Group closing property portfolio valuation	6,123.5	5,972.7
Income strip gross up	**231.0**	221.5
Head lease assets	**40.9**	47.6
Group investment property[5]	6,395.4	6,241.8
Share of joint venture	**69.9**	67.1
Share of non-controlling interest	**(38.1)**	(36.4)
Total portfolio value	6,427.2	6,272.5

1 Group acquisitions include purchase costs and represent completed investment properties as shown in note 9 to the financial statements
2 Group developments include acquisitions, capital expenditure and lease incentive movements on properties under development as reflected in note 9
3 Group capital expenditure and lease incentive movements on completed properties as reflected in note 9 to the financial statements
4 Group disposals as reflected in notes 9a and 9b to the financial statements
5 Includes the value of assets held for sale and trading properties

Portfolio value
£6.2bn

Transactions in the year
£685m

Logistics
46.1%

Long income
52.1%

A review of our performance

Financial review continued

Financing

The key performance indicators used to monitor the Group's debt and liquidity position are shown in the table below.

As at	31 March 2025 £m	31 March 2024 £m
Gross debt	2,073.2	2,087.4
Cash	81.2	111.9
Net debt	1,992.0	1,975.5
Net debt/EBITDA	6.4	8.5
Loan to value[1]	32.7%	33.2%
Cost of debt[2]	4.0%	3.9%
Interest cover[3] (times)	4.2	4.5
Undrawn facilities	831.1	680.8
Average debt maturity	4.7 years	5.4 years
Hedging[4]	100%	100%

1 LTV includes the impact of sales and acquisitions that have exchanged and excludes the fair value of debt as reflected in Supplementary note xviii
2 Cost of debt is based on gross debt and including amortised costs but excluding commitment fees
3 Net income divided by net interest payable as defined by the Group's private placement and RCF funding arrangements
4 Based on the notional amount of existing hedges and total debt drawn

Loan to value
32.7%

Undrawn facilities
£831.1m

Cost of debt
4.0%

Hedging
100%

Financing activity in the year

Our financial position was strengthened and diversified in the year by a new £175 million revolving credit facility with SMBC that has two, one year extension options. This facility allows us to draw up to €50 million to hedge currency movements on our German asset and a margin grid that allows us to benefit from our credit rating, which led to a 25bps margin reduction in March. Our BBB+ investment grade credit rating also provides greater optionality around future funding sources.

In the second half of the year, we extended the maturity by one year on £975 million revolving credit facilities enhancing our debt maturity, and post period end, entered into another two revolving credit facilities for £350 million with new lenders. Each facility mirrors the SMBC facility in terms of pricing and duration. We have c.£350 million of former LXi debt that matures this autumn and now have ample coverage for its repayment within our new and undrawn facilities.

In order to facilitate the sale of charged assets in the year, we successfully completed a number of asset substitutions across four secured debt facilities. This has allowed the Group to retain in full well priced debt taken on through corporate acquisitions.

During the year we updated our sustainability-linked KPIs and targets on £1,375 million of revolving credit facilities following the corporate acquisitions. The targets focus on improvements in our EPC ratings, new renewable energy and low carbon heating installations and improvements to sustainability credentials of assets following leasing activity.

Hedging

The Group's policy continues to be to limit exposure to interest rate volatility by entering into hedging and fixed rate arrangements. We acquired £339 million of current and forward starting derivatives in the year and extended protection on a further £150 million, at an average rate of 2.9% and cost of £2.2 million, to extend our hedging and mitigate against future interest rate movements. At the year end, our drawn debt was fully hedged by fixed rate loans and interest rate derivatives and our floating rate debt drawn is fully hedged until April 2027.

We received £20.6 million (2024: £6.7 million) from interest rate derivatives in place during the year and continue to monitor our hedging profile in light of interest rate projections.

Financial loan covenants

The Group has comfortably complied throughout the year with the financial covenants contained in its debt funding arrangements and has substantial levels of headroom within these. Covenant compliance is regularly stress tested for changes in capital values and income. The Group's unsecured facilities and private placement loan notes, which together account for 61% of debt drawn at the year end, contain gearing and interest cover financial covenants.

At 31 March 2025, the Group's gearing ratio as defined within these funding arrangements was 57% which is significantly lower than the maximum limit of 125%, and its interest cover ratio was 4.2 times, comfortably higher than the minimum level of 1.5 times. Property values would have to fall by 34% to breach the banking gearing threshold, which would equate to an LTV ratio of 53%, and rents would have to fall by 60% or interest costs rise by 159% before the banking interest covenant is breached.

Financial position at 31 March 2025

We have continued to strengthen and build flexibility into our debt structure. At 31 March 2025, we had total debt facilities of £2.9 billion, undrawn debt facilities and cash of £912.3 million and ample headroom under banking covenants. We are in a strong financial position, with diversified sources of funding and significant optionality to execute transactions as opportunities arise. Our loan to value has fallen to 32.7% (2024: 33.2%) after taking account of acquisitions and sales that have exchanged and will complete next year. Our other debt metrics remain robust, with debt maturity at the period end of 4.7 years (2024: 5.4 years) and an average cost of debt of 4.0% (2024: 3.9%).

A review of our performance

Financial review continued

Cash flow

During the year, the Group's cash balances decreased by £30.7 million as reflected in the table below.

For the year to 31 March	2025 £m	2024 £m
Net cash from operations before changes in working capital	**322.1**	113.0
Working capital movements and tax paid	**(5.2)**	10.1
Net cash from operating activities	**316.9**	123.1
Net cash (used in)/from investing activities	**(7.9)**	206.1
Net cash used in financing activities	**(339.7)**	(249.9)
Net (decrease)/increase in cash and cash equivalents	**(30.7)**	79.3

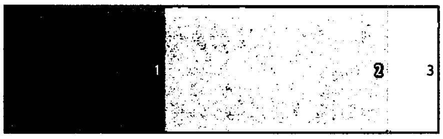
The net cash inflow from operations of £322.1 million incorporates operational cash flows of our corporate acquisitions last year.

The Group spent £337.2 million acquiring and developing property in the year and £19.3 million on other investments. It received £322.7 million from property disposals, £3.4 million from joint ventures and £22.5 million in interest.

Cash outflows from financing activities reflect dividend payments and distributions of £182.4 million, financing costs of £121.9 million, share purchases and awards of £18.7 million and net loan repayments of £16.7 million. Further detail is provided in the consolidated cash flow statement.

Average debt maturity
(based on debt drawn)

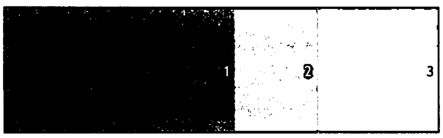
4.7 years



1. Debt expiring within 0-2 years	37%
2. Debt expiring within 3-10 years	51%
3. Debt expiring 10+ years	12%

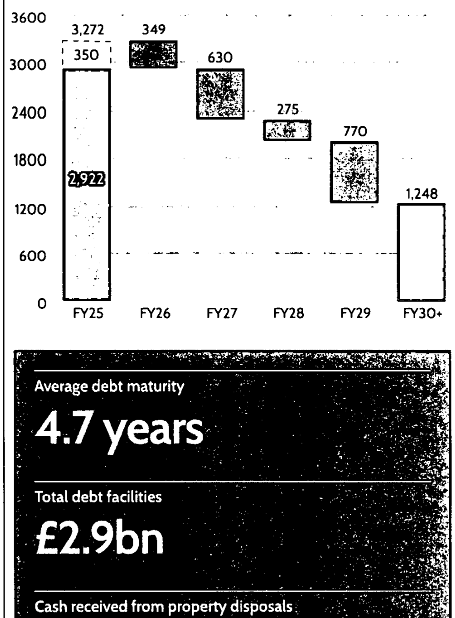
Total facilities

£2.9bn



1. Unsecured revolving credit facilities	53%
2. Private placement	19%
3. Secured facilities	28%

Debt facility expiry profile (£m)



Average debt maturity

4.7 years

Total debt facilities

£2.9bn

Cash received from property disposals

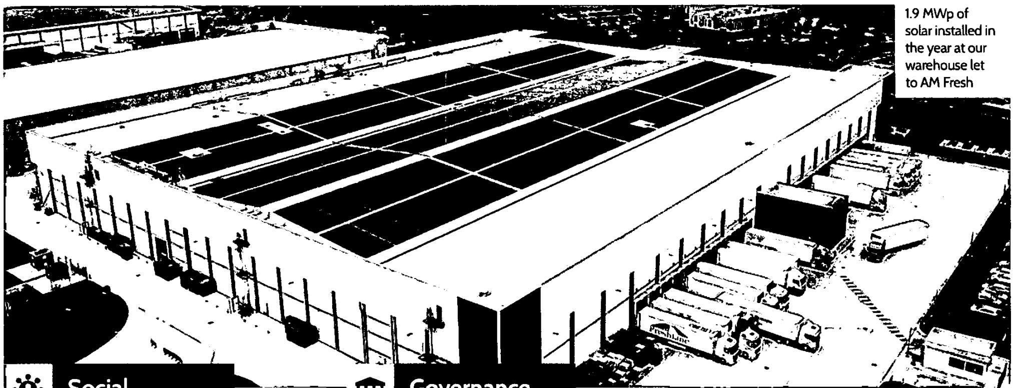
£322.7m

Our sustainability performance

Responsible Business and ESG review

Our Responsible Business

The Company recognises the need to consider and address all environmental, social and governance matters relevant to its business.



1.9 MWp of solar installed in the year at our warehouse let to AM Fresh

Environmental

Through our activities we look to minimise the environmental impact of our business, maximise opportunities to improve the efficiency of our assets and improve the resilience of our assets to climate change and the impact of transitioning to a low carbon economy.

- Reducing portfolio's carbon intensity and embodied carbon from our activities
- Addressing climate change through our net zero target
- Helping cities to develop sustainable infrastructure

SDGs

Social

Our actions consider the long term interests of all our stakeholders including those of our employees, suppliers, customers and local communities as well as ensuring that we maintain a high standard of business conduct.

- Collaborating with our occupiers
- Enhancing and supporting local communities and wellbeing of stakeholders
- Promoting good working conditions and equality for all

SDGs

Governance

The Board is committed to upholding high standards of corporate governance. It ensures that appropriate health and safety procedures and supply chains are in place.

"LondonMetric supports the UN's 17 Sustainable Development Goals ('SDGs'). The goals shown on the left represent those that we feel are the most relevant to our business."

Martin McGann
Chief Financial Officer

Percentage of the portfolio EPC 'A'-'C'

92%

Landlord recommendation score

8.7/10

Solar capacity added in the year

3.6MWp

Our sustainability performance

Responsible Business and ESG review continued

Our Strategy

As well as meeting legislation, environmental improvements translate into real asset value enhancement as occupiers value these improvements more highly than before, and differentiate between assets based on environmental attributes. On a national scale, there is a critical need to ensure businesses minimise their environmental impact to meet overarching climate targets.

Our Responsible Business framework guides us in mitigating climate-related risks, identifying and progressing environmental and stakeholder related opportunities as well as ensuring a high standard of corporate governance. Responsible Business is embedded across all of our corporate, investment, asset management and development activities. We implement both 'top down' analysis and 'bottom up' asset specific risk and opportunity assessment.

Since the acquisition of the LXi portfolio, we have reviewed and updated our overall ESG strategy, framework, and objectives. They are now aligned to our enlarged portfolio and latest industry standards. Our strategy is underpinned by our Net Zero Pathway ('Pathway'), which models our overall transition strategy to reach Net Zero emissions across our property portfolio by 2050.

ESG Governance

Our Responsible Business and Environmental Policy sets out our approach, with ESG targets reviewed and set every year. Progress against those targets is monitored at Working Group meetings held monthly and attended by key business representatives and a Executive Director, representing the Board. ESG performance is reported to the Board with the Audit Committee responsible for overseeing ESG progress. Executive Directors and relevant employees are set individual ESG targets and remuneration is linked to achieving those targets.

The delivery of the ESG targets and implementation of the strategy sits with the Responsible Business Working Group and the property team, who receive regular ESG training.

We regularly engage with our key stakeholders and have strengthened our industry engagement through our Better Building Partnership (BBP) membership.

Summary of progress and performance

We made good progress against our corporate ESG targets in the year. Further detail on our progress is set out on the following pages and on page 49 in respect of environmental metrics and targets. Full detail will be set out in our separate Responsible Business Report, which will be made available on our website by the end of June 2025.

In the year, we completed our Pathway for our portfolio, which includes our occupiers' emissions. The science-based Pathway is aligned to latest industry standards and models interventions needed to allow our portfolio to reach net zero, and we aim to do so by 2050. Delivering on our net zero targets requires a collaborative approach with our occupiers, as the full repairing and insuring ('FRI') nature of our portfolio means interventions typically require occupier buy-in.

This year, we also conducted a complete analysis of our enlarged portfolio's current and future climate risk. The assessment reviewed the risk profile of each asset class across different regions, highlighting key vulnerabilities and impacts. Likewise, our updated portfolio flood analysis uses the latest available data to assess the overall risk of internal flooding. A more detailed phase of the analysis is currently underway, which considers asset specific resilience and existing defences, and is expected to decrease the number of properties flagged as Higher risk in earlier stages.

See our Task Force on Climate-related Financial Disclosures statement on pages 62 to 71 for further details.

Sustainability linked financing

£1,375 million of our debt financing, representing 47% of all our financing, is sustainability linked and structured in accordance with the Loan Market Association's Sustainability Linked Loan Principles. Sustainability performance targets are set and aligned to LondonMetric's corporate ESG targets focused on:

- Improvements in our EPC ratings;
- Adding renewable energy or low carbon heating installations; and
- Demonstrating that, where minimum EPC standards are not already achieved, lease events result in improvements to the assets' sustainability credentials or that an action plan is in place.

During the year, all targets for the sustainability linked loans were achieved. We receive a margin improvement of up to 2bps on our sustainability linked debt costs, which is allocated to additional spend on LondonMetric's charitable causes.

Benchmarking our performance

We maintained good ratings in external benchmarks, outperforming our peer group in most instances. We achieved a score of 73 in the 2024 GRESB Real Estate Assessment, achieving 2 Star rating and maintaining our Green Star. We retained our inclusion in the FTSE4Good Index, scoring 3.5 out of 5.0 in the latest assessment, compared to 2.9 for the peer group and achieved 'A' in our MSCI rating, above the sector average. In EPRA's last review, we maintained our Gold Award in the Sustainability assessment. In the latest ISS review, we maintained our 'C-' score, which exceeds the peer group average. In addition, we scored 'C' in the latest CDP submissions, a considerable improvement from our first submission in the previous year.

Our sustainability performance

Responsible Business and ESG review continued

Environmental

Overview

We understand the importance of addressing climate change and the significant impact that reducing real estate emissions can have on the UK's 2050 Net Zero target. LondonMetric recognises that it can have a material impact by reducing its emissions, supporting its occupiers in reducing their emissions, and helping them meet their net zero ambitions.

In 2025, we finalised our Net Zero Pathway ('Pathway') and set our target to reach net zero across our portfolio by 2050, including tenant emissions. In setting our scope, we have aligned with the Better Building Partnership Net Zero Carbon Pathway Framework for real estate owners, focusing on material emissions from our portfolio and where we have the ability to exert influence.

Corporate emissions have been excluded from our net zero assessment. As a business with fewer than 50 employees, our emissions relating to corporate activity, such as purchasing goods and services and employee commuting, are minimal compared to our occupier emissions. We will continue to monitor all of our emission sources and reassess materiality should our corporate activities expand.

Given that developments only account for 7%[1] of our total carbon emissions, we have not focused on setting a net zero target for development activity. However, we will aim to establish a baseline and formalise a target for our embodied carbon emissions by 2027, aligned with industry standards. Although we don't have a target, we do seek to build to high environmental standards in line with the industry best practice. In the year, we completed five new developments, with three being legacy LXi developments. All achieved minimum EPC A and we have undertaken embodied carbon assessments on two of our developments.

1 Percentage of emissions has been modelled using 2023 data. Embodied carbon emissions have been estimated for three assets using UKGBC Net Zero Standard figures

Our Net Zero roadmap

- **2025**: Carbon Neutrality; Track embodied carbon impacts
- **2027**: Net Zero for Scope 1 and 2 emissions; Establish baseline and target for embodied carbon emissions
- **2030**: 51% estimated reduction in carbon emissions against baseline
- **2040**: Electrification of heating systems on 100% of the units
- **2050**: Fully Net Zero

Scope 1&2
(our operations)

This accounts for emissions directly controlled by LondonMetric and includes gas used for heating and electricity consumption. For our portfolio, this primarily relates to external car park lighting, and heating provided to tenants. A small amount of emissions from energy use at our head office have also been accounted for under Scope 1 and 2.

We aim to achieve net zero in our Scope 1 and 2 emissions by 2027, through implementing energy efficiency upgrades and replacing fossil fuel heating. In the meantime, we aim to achieve carbon neutrality by sourcing renewable energy, with the remainder of emissions being offset by our own solar generation and through verified carbon credits. Further details will be available in our Responsible Business Report.

Direct emissions as a percentage of total emissions

0.2%[1]

See page 53 for mandatory carbon reporting for Scope 1 & 2 emissions

Scope 3
(occupier emissions)

This accounts for indirect emissions from our activities. The most material source of Scope 3 emissions relates to our occupiers' energy use in our properties.

By 2050, our portfolio will be net zero. To get there, we are projected to achieve 51% reduction in our emissions by 2030, in line with grid decarbonisation, and aim to remove fossil fuel heating from 100% of our assets by 2040. Tackling emissions from this source requires engagement with our occupiers, as they have full control of our properties which makes it more difficult to intervene.

Indirect emissions as a percentage of total emissions

92.8%[1]

See londonmetric.com/sustainability for detailed summary of our Net Zero Pathway

Our sustainability performance

Responsible Business and ESG review continued

Environmental continued

Our Net Zero Pathway assessment and approach

Over the year, we conducted an in-depth science based portfolio carbon analysis. The asset by asset assessment built on the existing pathway published by LXi and used 2023 energy data to calculate our portfolio's emissions baseline and categorise our properties into unique archetypes and typologies. This allowed us to model interventions needed to reach net zero, in line with the CRREM methodology.

Under our Pathway, LondonMetric aims to reach full net zero across its portfolio by 2050, including tenant emissions. In the short term, we strive to achieve Net Zero for Scope 1 and 2 emissions where we have direct control by 2027. Our carbon intensity from this assessment was 39.4kgCO_2e/sq m.

The interventions were split across short, medium, and long term carbon reduction interventions, ranging from tenant engagement to fabric improvements. These interventions will allow us to achieve a 50% reduction in emissions by 2030 and full electrification of heating systems by 2040. The Pathway models carbon reductions of 97% across our portfolio against CRREM targets. A 2% emission reduction gap remains by 2050, which can be addressed through carbon offset schemes.

Our analysis included a review of key occupiers' net zero targets. The majority have firm commitments to reaching net zero in their activities, including assets they lease from us, gives us confidence that we can reach our net zero targets.

Reduction in overall carbon emissions by 2050

97%

(expected)

Aim to remove fossil fuel heating from entire portfolio by

2040

Establish baseline

Using 2023 as a baseline, the energy consumption data for each asset was reviewed to ensure data accuracy, and emissions were allocated based on control (landlord or tenant). Existing portfolio attributes, such as solar PV, were factored in.

The analysis identified the top-emitting assets, with Industrial and Logistics ('I&L') manufacturing and theme parks being among the most energy intensive assets.

Archetype analysis

Archetypes were defined for each asset class based on use of the building. Due to diverse tenant activities, some archetypes, such as I&L, are further divided into sub-categories. Units were further categorised into typologies, based on building age and EPC.

This categorisation formed the basis of the archetype decarbonisation, ensuring only relevant interventions were modelled.

Tenant maturity

A tenant maturity matrix tool was developed to assess key occupiers' readiness to achieve net zero. The list included top tenants by rent roll and higher-emitting tenants.

The analysis showed that 17 out of the 20 occupiers have firm Scope 1 and 2 targets, targeting significant reductions between 2035 and 2050. This will inform our tenant engagement to implement interventions.

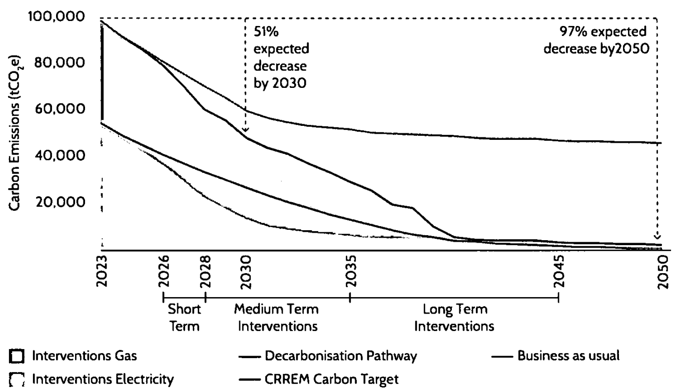
Future actions

The analysis was the foundation for determining LondonMetric's net zero targets. The next step is to agree on interim milestones to monitor progress against.

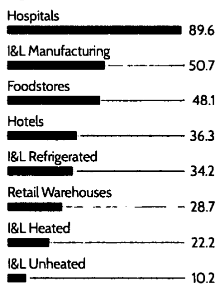
Asset level assessments will be undertaken for complex assets.

We will continue to review relevant policies and industry standards to ensure alignment and update the baseline analysis to reflect material portfolio changes.

Decarbonisation Pathway – Absolute Emissions



Archetype Carbon Intensity[1] (kgCO_2e/sq m)



1 Archetypes displayed reflect those with the greatest portfolio weighting. Theme parks are excluded due to energy use being spread across large outdoor areas, limiting intensity comparability

Our sustainability performance

Responsible Business and ESG review continued

Environmental continued

Improving energy efficiency and progressing to Net Zero

The decarbonisation interventions modelled against our Pathway were reviewed to ensure they were relevant to each of the asset classes. Sixteen interventions were selected and staggered into short, medium and long term time frames.

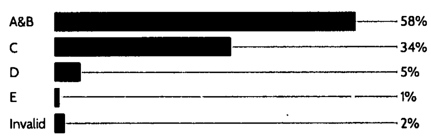
Short term initiatives have lower costs and are easier to implement. Medium term intervention require a greater level of expenditure but involve minimal business disruptions. Long term initiatives such as fabric improvement and degasification require considerable expenditure and can lead to business disruptions. As part of the collaborative nature of our Pathway, we foresee that the longer term initiatives will primarily be undertaken by our occupiers, as part of their own life cycle of improvements, or as part of our normal lease incentive arrangements.

EPC rating of portfolio

We are committed to following regulatory standards and ensuring our properties meet the Minimum Energy Efficiency Standard (MEES) Regulations. The current proposed regulations set a target of a minimum 'B' rating by 2030.

Although the standards are yet to be legislated, as at year end, 58% of our assets are rated 'B' or above, an increase from 49% last year. Our portfolio 'A'-C' rating has also risen to 92%, up from 85% last year.

We continue to develop action plans for all assets rated below 'B', and in cases, include potential disposal activity.



Improve fabric

Fabric improvements relate to upgrades to asset insulation in walls and the roof to minimise heat loss during the winter and reduce heat gain in the summer, replacement of single glazing with double glazing, and improvements to airtightness in temperature-controlled assets.

This long term intervention is more capital intensive and often requires significant building modifications, which in return achieve substantial energy reductions and long term decarbonisation. Extensive fabric improvements are dependent on timing of lease events, occupier refurbishment cycles and are typically driven by our occupiers.

30%

targeted energy reduction from fabric upgrades in I&L Heated assets

Install solar PV

Installing solar PV takes advantage of available roof areas (especially those of large warehouses and industrial buildings) to reduce an asset's overall carbon emissions. While this intervention does not directly improve efficiency, it allows the shift away from fossil fuels to renewable energy.

LondonMetric already works with occupiers to facilitate the installation of rooftop solar PV where feasible. Over the next year, we will explore a portfolio wide approach. For larger assets with extensive car parks, such as theme parks and hospitals, larger solar canopies on top of car parks have also started to be explored.

Over the year, we have installed 3.6MWp of solar capacity, and have an additional 2.6MWp in the pipeline.

17%

targeted asset level roof coverage by solar PV for eligible assets

Replace fossil fuel

Across our assets, gas boilers are typically used for heating and hot water. Replacing boilers with air-source heat pumps will reduce carbon emissions and use energy more efficiently. For hot water, replacing these with point-of-use electric heaters that remain on standby will reduce energy losses compared to traditional gas boilers.

Depending on the archetype, heating degasification can reduce energy use by up to 45%.

Over the year, we have undertaken several degasification projects across our properties, and continue to actively encourage our occupiers to replace fossil fuel equipment where feasible.

31%

targeted energy reduction from replacing fossil fuel in Retail Warehouse assets

Behavioural change

Occupier engagement will be key to ensure the modelled interventions are undertaken.

For short term initiatives, these represent low-disruption measures that can be implemented quickly, with immediate results. These will include improving building management systems to ensure efficient use during low occupancy times, adjusting temperature set points to lower air conditioning unit heating and cooling targets, and optimising HVAC to ensure equipment runs smoothly.

Ongoing engagement is also required to ensure alignment in medium and long term interventions. Over the year, we have engaged with two of our largest occupiers, Merlin Entertainment and Travelodge, to understand their own decarbonisation strategies.

17/20

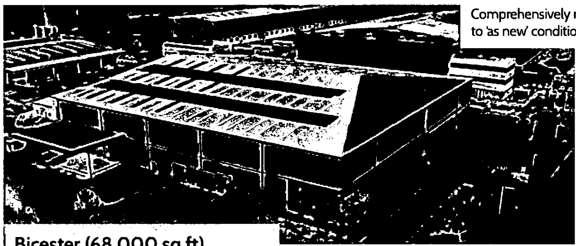
key occupiers have firm net zero commitments

Our sustainability performance

Responsible Business and ESG review continued

Environmental continued

Energy efficient improvements in action



Comprehensively refurbished to 'as new' condition

Bicester (68,000 sq ft)

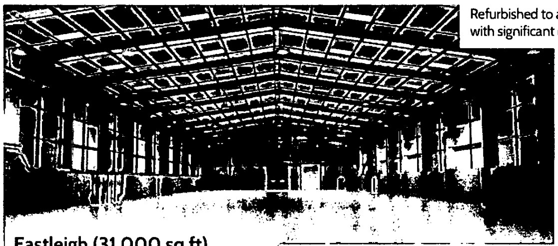
At Bicester, the warehouse was comprehensively refurbished, with the roof replaced, roof lights added and solar PV installed. We also upgraded the internal lighting and systems, replaced gas with a 47kWp electrical heating system and installed three EV charging points. The works have increased the EPC rating to 'A+' from 'C' and the 160kWp solar PV system is expected to save 28tCO_2e p.a.

The refurbishment also incorporated biodiversity initiatives, such as a bee house, an eco-friendly bug hotel and new wild flower planting. The unit is being actively marketed for letting.

EPC

'A+'

Up from 'C'



Refurbished to a high standard, with significant rental uplift

Eastleigh (31,000 sq ft)

At Eastleigh, we undertook similar roof and lighting upgrades, installed solar PV and two EV charging points and replaced gas with a 32kWp electrical heating and cooling system. The improvements increased the asset's EPC rating to 'A' from 'C' and the 63kWp solar PV system is expected to meet c.43% of the occupier's energy requirement and save 12tCO_2e p.a.

The warehouse has been let at a rent 30% higher than was paid by the previous occupier, and we have also seen the occupier at an adjacent unit implement similar improvements as a result of our actions.

EPC

'A'

Up from 'C'

Key considerations

- Gas replaced with electric heating
- Roof mounted, solar PV system
- Grid supply suitable for occupier
- Roof upgraded & incorporated roof lights
- LED lighting upgrades & energy saving system
- EV charging
- A — EPC A minimum achieved

Our sustainability performance

Responsible Business and ESG review continued

Environmental continued

Mandatory carbon reporting

Energy consumption

+2%

Over the year on a like for like basis

Landlord derived energy consumption increased by 2% to 248 MWh on assets owned during both 2023 and 2024. While like for like consumption increased marginally in 2024, we have significantly reduced overall consumption in recent years, with most improvement already implemented.

Absolute energy consumption increased by 37%, to 1,357MWh due to the LXi acquisition, which included sites where LondonMetric procures energy for tenant use.

Greenhouse gas (GHG) emissions

+2%

Over the year on a like for like basis (location-based)

Emissions increased by 2% on assets that were owned during both the 2023 and 2024 periods, for Scope 1 and 2.

Absolute emissions have increased overall to 269tCO_2e from 199 tCO_2e. The 35% increase is due to the acquisition of the LXi portfolio, which includes a significant gas supply at one of the assets. Over 94% of our electricity supply was from renewable energy sources.

SECR GHG emissions in metric tonnes		
Emissions sources:	Calendar Year 2024	Calendar Year 2023
Scope 1 emissions – combustion of fuels[1]	77	20
Scope 2 emissions – electricity consumption (location-based)	193	179
Scope 2 emissions – electricity consumption (market-based)	15	9
Total emissions (location-based) tCO_2e	269	199
Total emissions (market-based) tCO_2e	91	29
Total energy consumption (kWh)	**1,357,006**	988,254
Operational control floor area sq m	**576,883**	220,624
Carbon intensity (kgCO_2e/sq m) – location-based	**0.45**	0.54
Carbon intensity (kgCO_2e/sq m) – market-based	**0.13**	0.13

1 Emissions from refrigerants use have not been included

Data qualifying notes

This is the Company's fifth year of disclosure under the Streamlined Energy and Carbon Reporting regulations. An operational control consolidation approach has been adopted. All environmental consumption and carbon data is reported in calendar years.

This statement has been prepared in accordance with the requirements of the GHG Protocol Corporate Accounting and Reporting Standard, the GHG Protocol Value Chain (Scope 3) Standard, and ISO 14064-1:2006. Our data quality is reviewed and improved every year, so previous year's figures are updated if more data becomes available.

A third party assesses our carbon emissions and methodology each year to confirm accuracy and transparency. Our Scope 1 and 2 emissions are externally assured, in line with AA1000AS. We provide the full findings annually in our Responsible Business Report.

Within Scope 1 emissions, refrigerant-related emissions for the period were de minimis. Scope 2 dual reporting is undertaken, disclosing emission figures using both location-based and market-based methods.

For the 'location-based' method, standard emissions factors from the UK Government Emissions Conversion Factors for Greenhouse Gas Company Reporting 2024 were used.

For the 'market-based' method, the Company's contractual instruments for the purchase of certified renewable electricity were accounted for.

For the remainder of electricity which is not REGO backed, the UK's residual mix factor was used to calculate the associated emissions.

A detailed GHG emissions inventory, including Scope 3 emissions relating to our tenant activities, will be included in our Responsible Business Report.

Our sustainability performance

Responsible Business and ESG review continued

Social

Building and nurturing relationships with our stakeholders is integral to our business model and the way we work.

Occupiers

C.350

Diverse range of customers across many growth sectors

People

48

Highly talented and incentivised team

Contractors

£92m

Spent on developments and other capex in the year

Investors

C.340

Investors and brokers seen in the year

Communities

72

Charity initiatives supported in the year

Our sustainability performance

Responsible Business and ESG review continued

Social continued

Working with Merlin Entertainments

One of our largest occupiers

Merlin Entertainments is one of our largest occupiers representing 9% of our rent.

Our Merlin assets comprise Alton Towers, Thorpe Park, Warwick Castle and Heide Park in Germany and they are let on very long term leases averaging 52 years.

A global leader in branded entertainment destinations

Visitors every year	Countries
62m	>20
Visitor attractions	**Annual revenue**
140	£2.1bn

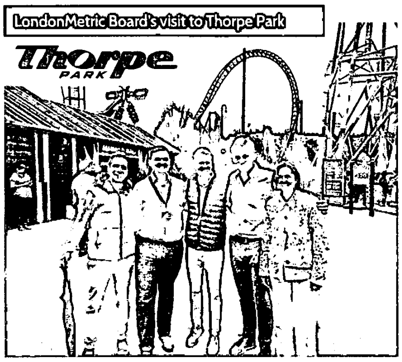
Majority owned by the Lego family with other investors including Blackstone, Wellcome Trust and CPPIB

Building our relationship following LXi merger

Our relationship with Merlin began in March 2024, when we acquired LXi REIT.

As one of our most important occupiers, we have undertaken significant engagement with Merlin over the year and we have built a strong relationship with them to ensure a true partner of choice approach.

LondonMetric Board's visit to Thorpe Park



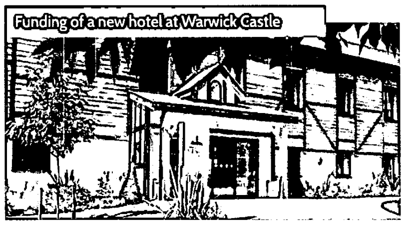
Six Board members and five LondonMetric employees attended a site visit to Thorpe Park in September 2024 to meet Merlin Entertainments and the team responsible for Thorpe Park.

The purpose of the visit was for the Board to gain a better understanding of Merlin's business and its plans at one of LondonMetric's key assets. A presentation was given by Merlin to LondonMetric on Thorpe Park and Merlin's wider operations with a Q&A offering the LondonMetric team a chance to ask questions.

Afterwards, there was a tour around the theme park and three of LondonMetric's team (including two Non Executive Directors) experienced its latest ride, Hyperia, which opened in May 2024, reaches speeds of up to 80 miles an hour and is the UK's tallest rollercoaster at 236 feet.

At the site visit, Merlin re-enforced the structural drivers towards hospitality and the consumer's desire to prioritise memories and days out. Merlin continues to invest in its assets with a proactive capital investment plan as well as upgrades to the amenity to draw a broader catchment and demographic.

Funding of a new hotel at Warwick Castle



In the year we funded a new medieval themed hotel for Merlin. The 60-bed hotel cost £16 million and we regeared the lease with Merlin.

Sustainability engagement

Monthly sustainability meetings are held with Merlin. At Thorpe Park, in line with Merlin's 2030 ambition of reaching carbon neutrality for Scope 1 & 2, degasification initiatives added air source heat pumps and electric point-of-use water heaters and 0.5MWp of solar was also recently added. At Warwick Castle, an embodied carbon assessment was undertaken on the new hotel which was certified BREEAM Very Good.

Survey score and charity

Merlin scored us 8 out of 10 in our occupier survey. As part of the survey, we donated money to a charity nominated by each occupier that responded. Merlin nominated their Magic Wand charity and we have further engaged with the charity since to provide more meaningful charity support.

Survey score

8/10

Merlin's Magic Wand Children's Charity

Our sustainability performance

Responsible Business and ESG review continued

Social continued

Occupiers

Why they are important to us

- Drivers of income and capital growth
- Lie at the heart of our business purpose

What is important to them

- Fit for purpose real estate
- Lease terms that suit their business model
- Well designed and sustainable buildings
- Approachable and trustworthy landlord

How we engage with our occupiers

- Annual occupier surveys
- Leasing and regear activity
- Regular site visits and inspections
- Energy saving discussions
- Wider property needs discussions

Strong customer focus

We recognise that when our occupiers' businesses thrive, our business also thrives. We treat our occupiers as customers and put them at the centre of our decision making.

Our occupier-led approach provides us with market knowledge to better understand future trends and make informed decisions. Our customer satisfaction scores, high occupancy rate and rent collection demonstrate the strength of these relationships.

Extending existing relationships and developing new contacts continue to be a key focus for us.

Develop trusted relationships

Our customer-focused approach reflects our differentiated proposition where we:

- Are approachable and actively engage with our occupiers;
- Strive to listen, fully understand occupier requirements and create solutions that are mutually beneficial; and
- Make quick decisions, act swiftly and deliver on our promises.

Board Engagement

The Board is provided with detailed analysis of occupier transactional activity on a regular basis. In addition:

- Executive Directors feed back results to the Board of occupiers' financial performance and rent collection on a regular basis, along with wider occupier intelligence and updates;
- Results of the annual occupier survey are presented to Audit Committee each year; and
- Site visits provide an opportunity for the Board to engage with customers.

“ We are focused on owning assets that have enduring occupier appeal. Collaboration with our occupiers is vitally important to ensure ongoing occupier contentment.

Mark Stirling
Asset Director, LondonMetric

Occupier survey (March 2025)

Recommend LondonMetric as a landlord	Satisfaction with our properties
8.7/10	**8.6/10**
Average	Average

In March 2025, we undertook our fifth annual occupier survey. 214 occupiers were surveyed, representing 94% of rent. Responses were received from 79 occupiers representing 57% of rent.

Questions were asked about occupiers' satisfaction with our properties and their locations, how satisfied they were with LondonMetric and whether they would recommend us as a landlord. We also asked specific environmental questions.

We scored an average of 8.7 out of 10 for whether our occupiers would recommend us as a landlord (2024: 9.0) and 8.6 out of 10 for how satisfied they were with our properties (2024: 8.5).

This was the first year that we surveyed LXi occupiers and, as with previous surveys, we will address the results of the survey and feedback through our ongoing occupier engagement.

Encouragingly, occupier sentiment remained upbeat, with 33% saying that they are looking to increase their UK property footprint. A further 64% said that they expect their footprint to stay the same, whilst those looking to reduce space was only 3%.

“ LondonMetric is extremely approachable and importantly are available for any form of tenant initiative.

Feedback from Great Bear as part of the occupier survey

Our sustainability performance

Responsible Business and ESG review continued

Social continued

People

Why they are important to us

- Build relationships with our occupiers and the property industry
- Allow us to execute on investment, asset management and development strategies
- Responsibility for their wellbeing

What is important to them

- Flexibility and wellbeing
- Progression and career development
- Reward and recognition
- Fairness and equality

How we engage with our people

- Annual employee surveys and offsite employee sessions
- Annual appraisals
- Encourage training, including on ESG matters
- Committee meetings
- Regular business updates

Overview, culture and approach

The Company is highly focused with eight Non Executive Director and 48 employees (2024: 47). Since formation of LondonMetric in 2013, employee numbers have fallen despite our asset value increasing six fold, and this reflects improved efficiencies and the portfolio's lower operational requirements.

We have successfully attracted and retained a talented and loyal team, which is reflected in our low annual voluntary staff turnover rate of 6% since 2013. Working in the office is seen as critical to our business with five days in the office mandated and embraced. Our approach to our team is based on:

- A culture of empowerment, inclusion, openness and teamwork, with a flat management structure and clear responsibilities and decision making processes;
- Fair and performance based remuneration aligned to personal and company targets, with inclusion of employees in LTIPs; and
- A small team, allowing a flexible and individual approach.

We promote diversity across knowledge, experience, gender, age and ethnicity with a published diversity and inclusion policy, and we support the Real Estate Balance group.

Board engagement

The Board regularly engage with its employees through:

- Regular communication from the Chief Executive;
- Various Company Committee meetings;
- Site visits for the Board facilitated and attended by key staff; and
- Events arranged by the workforce Non Executive Director.

Our designated workforce Non Executive Director is Andrew Livingston. Each year, he hosts an informal off site session for some employees, with the Remuneration Committee Chair also in attendance. The meeting allows employees to speak freely, ask about board level discussions and share their working experiences. Topics discussed this year included ideas to enhance integration following M&A, retain the existing culture, further improve internal communication and promote personal development. Non attributable feedback was relayed to the Board.

Employee survey

Staff survey engagement level	Staff enjoy working for LondonMetric
100%	96%

In February 2025, we undertook our eighth annual employee survey to track staff satisfaction. This year included 13 new team members, including former LXi employees.

37 questions were asked, focusing on the Company, the working environment and the individual. Responses were received from 100% of staff. Overall, feedback from the survey was very positive and 96% of employees said that they enjoy working at LondonMetric.

Employees remain highly supportive of the Company and working environment. The highest scores were received for the following questions:

- 96% enjoy coming to the office;
- 96% enjoy working for LondonMetric;
- 96% feel that there is a strong culture of teamwork and collaboration; and
- 94% feel that they make a valuable contribution to the success of the organisation.

See page 99 for detail on our purpose, values and culture

"We have successfully attracted and retained a loyal and talented team, integrating a number of new employees in the year.

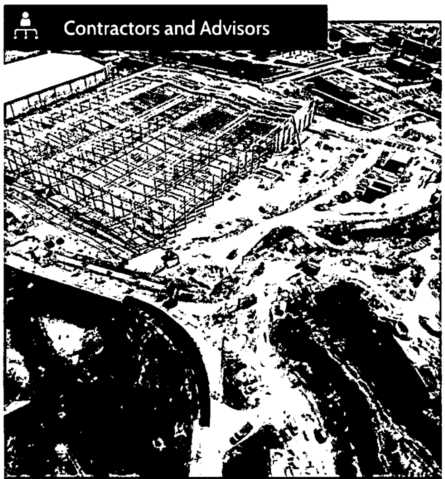
Martin McGann
Chief Financial Officer

Our sustainability performance

Responsible Business and ESG review continued

Social continued

Contractors and Advisors



Why they are important to us

Being a small team we are dependent on a diverse group of key suppliers including professional advisors and contractors

What is important to them

- Fair payment terms and prompt settlement
- Good, effective and collaborative working relationship
- Long term partnerships

How we engage with our contractors & suppliers

- Regular project meetings
- Annual reviews and audits on projects
- Regular meetings with property and managing agents
- Sharing of learning between different suppliers

Overview

We rely on the support of a diverse group of contractors, suppliers and advisors. Our relationships are highly important to allow us to deliver on our developments and refurbishments, manage our properties, acquire and dispose of properties and access capital markets.

Our Responsible Procurement Policy

We have a responsible procurement policy which outlines our approach to implementing supply chain and procurement standards on developments and our existing estate through our contractors and suppliers. It focuses on areas such as labour, human rights, health and safety, resource, pollution risk and community.

Contractors

Our contractor relationships are highly important in allowing us to deliver on our developments and refurbishments. In conjunction with our external project managers, our development team ensures that we select high quality and robust contractors with a proven track record. We regularly review the financial robustness of our contractors and work closely with them throughout projects.

Our development team monitors progress and tracks all elements of our projects including sub-contracted works. We stay in close contact with our contractors and arrange regular visits and detailed reviews and checks of their systems and processes.

Our Responsible Development Requirements checklist is used on all projects and sets minimum requirements for contractors. Compliance with this checklist is mandatory for all projects and sets minimum standards that our contractors must meet. The checklist covers environmental, responsible supply chain and H&S standards. We also specify compliance by contractors with the Considerate Constructors Scheme on most of our projects where we deem it appropriate.

At project meetings, we challenge all of our contractors to consider the environment, biodiversity, local community involvement and local sourcing.

Average payment

12 days

to pay suppliers

Compliance

100%

with our Responsible Development Requirements checklist

Managing Agents

Managing Agents are an important part of the supply chain on our assets where there are multiple occupiers in place.

We select a few highly competent companies to deliver our managing agent services. Whilst our spend on these services is relatively small, we continue to monitor their compliance against our Managing Agents' policies and ensure that their sub-contractors are properly appointed and compliant with our standards, including responsible supply chain/anti-slavery and human trafficking.

Over recent years, we have undertaken a number of reviews of material sub-contractors employed by our key Managing Agents with a specific focus on sustainability, community, legislation and employment.

Board Engagement

- The Board and its Committees receive regular presentations and reports from its advisors;
- The Board continues to advocate the Prompt Payment Code and promote responsible development standards; and
- The Board visits sites with the development and asset management teams.

"We value contractors that we can trust and develop long term partnerships with."

Nick Heath
Head of Development

Our sustainability performance

Responsible Business and ESG review continued

Social continued

Investors

Why they are important to us

- Continued investment and support
- Feedback and direction
- Maintaining a flexible and attractive debt structure

What is important to them

- Financial performance and progression
- Scale and liquidity
- Structurally supported assets with income growth
- Well covered and growing dividend
- Clear strategy, execution and reporting
- ESG fully considered

How we engage with our investors

- Investor roadshows & conferences
- Results presentations to analysts
- Annual General Meeting
- Non Executive Director attendance at investor meetings
- Debt refinancing activity
- Site visits

Equity Investors

We value our good relationships with our shareholders. Understanding their views continues to be a top priority and is vital to the Company's strategic direction. The Company's principal representatives continue to be the Chief Executive and Chief Financial Officer who, along with the Head of Investor Relations and Sustainability, hold meetings throughout the year and particularly following results announcements.

Over the year, we met with 344 equity investors and brokers through one-to-one and group meetings. Unsurprisingly, interest to meet the Company remained high given continued market uncertainty, our FTSE 100 status and our M&A activity.

A breakdown of meetings by type of investor is shown in the chart opposite. The Company continues to place great importance on and engage with its private wealth shareholders, who represented 30% of investors met in the year. We also saw a significant increase in interest from US investors and this has been reflected in our share register with the US now accounting for 22% of our register.

We continue to enjoy strong research analyst coverage and interaction with the 13 brokers that cover our Company and we expect to see further broker coverage going forward given our increased scale and liquidity.

Our investor relations framework

The framework is set around our half yearly results, and at other times in response to ad hoc requests and where we undertake UK regional and overseas roadshows and investor conferences. Meetings and roadshows keep investors informed of the Company's performance and plans and allows them to ask questions.

Specific topics discussed during the year included implementation of strategy, financial and operational performance, the property market, the strength of our occupiers, our M&A transactions, non core sales and investment opportunities, our debt structure and ESG.

Shareholders are kept informed through results statements and other regulatory announcements. These are published on our website, affording all shareholders full access to material information.

Equity investors met

344

Debt facilities arranged

£525m

Equity investors (by type)

1. Sector specialists	41%
2. Private wealth	30%
3. Generalists	27%
4. Brokers	2%

Investor site visit to Bedford

In September 2024, we hosted an equity and debt investor visit at our Bedford Link Logistics Park for 13 investors. LondonMetric's Heads of Investor Relations and Development took the investors around one of the larger warehouses at the park, let to Leidos.

Debt investors and joint ventures

We continue to enjoy good relationships across the debt capital markets and continue to broaden our base of debt providers particularly as we look to benefit from our new credit rating.
In addition, we continue to enjoy strong relationships with our joint venture partners. Further information on our financing activity in the year is set out on page 45, including details on our sustainability-linked debt arrangements and also refinancing activity.

Board Engagement

- Investor feedback is provided regularly to the Board by the Chief Executive and quarterly reports;
- Chair and Senior Independent Director participated in half yearly roadshow meetings, attending 12 investor meetings; and
- The full Board attended the Annual General Meeting in July 2024.

Our sustainability performance

Responsible Business and ESG review continued

Social continued

Communities

Why they are important to us

- Considering communities local to our activities is an important part of our Responsible Business approach to doing business and delivering our strategy

What is important to them

- Environmental and social impact of our activities
- Employment opportunities
- Investment into local infrastructure

How we engage with our communities

- Supporting local charities
- Encouraging local sourcing on projects
- Planning consultations
- Resident updates on projects
- Engagement with local authorities
- Supporting local occupier initiatives

Overview

We recognise the importance of supporting our local communities and engaging with all local stakeholders. Our published Community Policy outlines our approach and we aim to maximise the local benefits of our activities through:

- Investing in local infrastructure through regeneration and creation of fit for purpose buildings;
- Creating jobs during development and refurbishment, typically using local contractors and employment;
- Bringing in occupiers who create significant employment;
- Partnering with local authorities and councils;
- Engaging with local residents and communities, particularly during and post developments to ensure that they are fully involved; and
- Ongoing involvement in areas local to our properties by funding local events and facilities and engaging with schools.

Our Charity and Communities Working Group implements charity giving and co-ordinates community involvement. In the year, we aimed to allocate £180k for charitable giving across three key areas:

1. Specific causes identified at a corporate level;
2. Charitable causes identified by employees with all employees able to nominate charities of their choice or allocate funds to match their own charitable activity; and
3. Occupier or asset related giving, supporting causes in conjunction with occupiers or near our local assets and developments.

In 2025, we spent £159,000 on charitable initiatives. Under our banking arrangements £72,000 was added to our charity budget as a result LondonMetric hitting its banking related ESG targets.

Board engagement

- Participation in charitable events organised by LondonMetric
- Receive updates on charitable work
- Understanding of development related community matters through project updates

Our Charitable giving in the year

Initiatives	Activity
72	£159k

Corporate-led

£70,000 was contributed to corporate-led initiatives, supporting a number of charities including NSPCC, Air Ambulance, CiaO, Re N-Gage and the property industry charity, LandAid. We also continued our support of new charity relationships, including a £25k donation to Youth Beyond Borders ('YBB') which runs inclusive programmes for young people in inner cities including an iconic trail running race in the Alps (see picture opposite).

Employee-led

£48,000 was contributed to employee-led initiatives across a wide range of charities. This included supporting employee personal charity initiatives such as cycling to Amsterdam and supporting children's football clubs.

Our annual Steptober challenge raised money for the My Name'5 Doddie Foundation, with 2,462 miles covered by the team over one week. Some of the team also participated in a LondonMetric Movember challenge to raise awareness and funds for men's health – specifically for Prostate Cancer UK, mental health and suicide prevention.

In June 2025, a companywide challenge day has been organised to raise money for three charities.

Occupier & asset-led

£41,000 was contributed to initiatives related to our assets and occupiers. We have donated to foodbanks close to many of our assets as well as helping a charity supported by one of our tenants which provides vital supplies to Ukraine.

Our sustainability performance

Responsible Business and ESG review continued

Governance

The board is committed to upholding high standards of corporate governance and Responsible Business is an important part of ensuring that we deliver on those high standards.

Overview

Martin McGann, Chief Financial Officer, represents the Board at Responsible Business Working Group meetings and his remuneration is linked to the Company achieving certain Responsible Business related objectives.

The Company's overall Responsible Business policy is available on its website along with other related documents including:

- The Responsible Business Working Group's terms of reference;
- Responsible Business targets;
- Full Responsible Business reports;
- Our approach to health and safety;
- Compliance and anti-corruption procedures;
- Responsible Procurement Policy;
- Community Policy; and
- Modern Slavery Act Statement.

The Company confirms that no human rights concerns have arisen within its direct operations or supply chains and that it has not incurred any fines, penalties or settlements in relation to corruption. The Company continually reviews and updates all of these documents as required.

Read more about Governance from page 90

Health & Safety

The Board is responsible for ensuring that there are appropriate health and safety procedures. Mark Stirling, Asset Director, is responsible for implementing procedures and reporting back to the Board. RP&P Management Ltd ('RP&P') acts as our Corporate Health and Safety Advisor.

Risk assessments under a specific duty or regulation are carried out and necessary actions are implemented as required. Health and safety training is carried out for employees and additional training is considered on a case by case basis.

Our policy is regularly reviewed and, as well as ensuring that our employees are offered a safe and healthy working environment, it addresses two key areas of:

I. Construction – Procedures and processes have been developed to ensure we comply with current legislation with a Project Manager, Principal Designer and Principal Contractor appointed on all projects to oversee, manage and monitor health and safety.

II. Managed properties – The majority of our assets are let on full repairing and insuring leases. For single occupier assets, the occupier is responsible for managing health and safety matters at the property and the wider estate. Where there are multiple occupiers, we appoint a Managing Agent to manage health and safety, ensuring assessments are completed and regularly reported back to us.

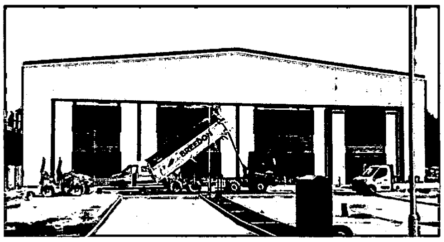
In the year, quarterly health & safety meeting were held, yearly construction projects were audited on two sites, and our health and safety policy was renewed to align with current legislation.

There were zero reportable incidents on projects and a zero accident rate for LondonMetric employees.

Contractor Requirements

We have implemented robust processes to ensure that our contractors uphold our high standards and minimise the environmental impact from developments. All of our contractors adhere to our Responsible Development Requirements checklist, which sets minimum requirements on developments, including:

- Health & Safety and Considerate Constructors;
- Scheme compliance;
- BREEAM Very Good or better standard (where appropriate) and environmental impact monitoring; and
- Promoting local employment opportunities and fair remuneration for workers.



Annual contractor review of Hinton Construction

Each year we undertake a detailed review of systems and processes at one of our contractors, looking in particular at compliance with our standards, local sourcing, modern slavery and minimum wage.

We recently reviewed Hinton, a Midlands based contractor with whom we have a longstanding relationship. They recently completed a drive-thru development in Bedford and worked on a logistics warehouse development in Cardiff (as pictured above).

The review demonstrated that they have robust policies in place and it is clear that it shares the same core values as LondonMetric. The contractor maintains strong relationships with its clients and its key supply chain, with senior management having a very active role in all business activities.

Our sustainability performance

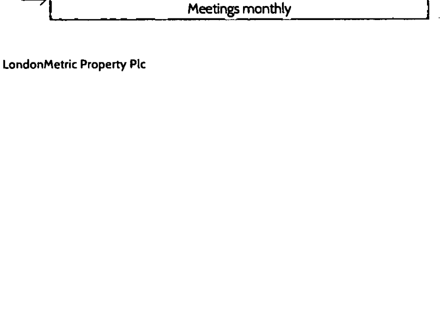
TCFD Recommendation and Alignment

LondonMetric has complied with the requirements of UKLR 6.6.6.(8) by including its Task force on Climate-Related Financial Disclosures ('TCFD') Statement below.

Our statement is consistent with the four overarching disclosures, and we have complied with all the eleven TCFD specific disclosure requirements, except for Strategy B and C, where we are focused on strengthening the financial quantification aspects of our disclosure, and Metrics & Targets B, where we are working towards further improving the measurement and coverage of Scope 3 emissions generated by our tenants.

Our key progress in the year related to an updated climate risk assessment, transition risk assessment and development of a net zero strategy, with all three work streams incorporating the LXi portfolio following the merger in March 2024. All climate-related financial disclosures can be found below, following the structure of the four TCFD pillars. For instances where the disclosure may not fully align with recommendations, we provide a clear rationale for any deviations and outline the steps we plan to take to address these gaps in future reporting, demonstrating our commitment to transparent and comprehensive climate-related reporting.

Figure 1: LondonMetric Climate-Related Risk Governance Structure and meeting frequency



1. Governance

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

The Board, assisted by Audit Committee, provides oversight of the Company's Environmental, Social, and Governance ('ESG') matters and has overall responsibility for the risk management framework, which integrates climate-related risks and opportunities. The Senior Leadership Team ('SLT') and the Company's Responsible Business Working Group ('Working Group') are responsible for identifying and managing risks and opportunities related to climate-related issues, including implementing measures to address those risks and opportunities.

Our governance structure regarding climate risks and opportunities is summarised in Figure 1. For a description of the roles and responsibilities of the Board and its sub-committees, see pages 106 to 108 of the Governance section of the Annual Report.

Process and frequency of information transfer and consideration of climate-related issues

The Board considers climate-related risks at a strategic level during Board meetings, ensuring that new and emerging risks, including those that are climate-related, are identified and appropriate action is taken to remove or reduce their likelihood and impact.

The Audit Committee reviews the Company risk register (in which climate-related risks are included) annually and provides assurance to the Board on the robustness of the systems in place for the identification, assessment, and mitigation of the principal risks. The Audit Committee is informed by the Working Group, which provides feedback on climate-related issues, facilitates proactive climate-related risk management and is a sub-committee of the Finance Committee.

The Board receives climate-related information on the Company in the following ways:

1. Audit Committee updates delivered by the Audit Committee on an annual basis;
2. Board papers written by the SLT and delivered quarterly;
3. ESG papers written by the Working Group at least annually; and
4. Regular ad-hoc updates on specific matters, including investments, developments and disposals over a certain value threshold, where environmental and climate-related risks are addressed.

Climate-related issues are considered by the Board and the Audit Committee when reviewing and guiding strategy, risk management, budgeting, performance and spending. Board members are expected to identify and develop their own individual training needs, skills and knowledge and ensure they are adequately informed about the Group's strategy, business and responsibilities. This is encouraged through relevant seminars and conferences and by offering training and guidance at the expense of the Company. Access to the Deloitte Academy is also provided by the Company, which includes briefings on sustainability and climate. The Board is considered well-equipped to make climate-related decisions based on their individual training.

Progress against targets

The Audit Committee is responsible for monitoring and overseeing progress against climate-related objectives and targets, escalating matters to the Board as necessary. The Committee considers the Company's ESG performance against the KPIs shown in the Metrics and Targets section of this report (see Table 4). Additionally, in achievement of the Company's strategy and overall corporate objectives, Executive Directors are entitled to a bonus each year, with 10% of their bonus related to achieving specified ESG objectives, which are aligned with delivering the Company's ESG KPIs. ESG objectives for the Directors relevant to the year are set out on page 136 of the Annual Report and include climate-related targets such as, improving EPC ratings and occupier energy monitoring.

Our sustainability performance

TCFD Recommendation and Alignment continued

1. Governance

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

Climate risk considerations are integrated within management roles in the investment decision making process, ensuring that the potential financial impacts of climate-related factors are thoroughly evaluated. At the acquisition stage, each asset undergoes a thorough assessment through detailed due diligence reports that specifically evaluate climate risk. These reports include an analysis of potential vulnerabilities, such as exposure to extreme weather events, flooding, and energy efficiency. The findings from these assessments and any identified risks are carefully reviewed and considered. This proactive approach ensures that the potential impacts on asset value are understood and managed from the outset.

The SLT and the Working Group are responsible for managing and monitoring climate-related risks and report directly to the Audit Committee. This collaboration is led by the Head of Investor Relations and Sustainability and the Chief Financial Officer, who are members of the SLT and the Working Group and are ultimately responsible for implementing Responsible Business matters. The Audit Committee informs the board on a quarterly basis of relevant climate risk and opportunities, along with progress against ESG metrics and targets. The Working Group supports the SLT in identifying wider climate-related risks by reporting on and escalating potential risks. It also ensures the business is properly considering opportunities, with interaction at least on a weekly basis.

LondonMetric is a member of the Better Building Partnership ('BBP') and actively participate in BPP's activities, including working groups, research projects, and knowledge sharing, therefore demonstrating commitment to sustainability. We additionally work with consultants at an asset level to identify sustainability risks and upgrade opportunities and employ the services of ESG consultants at the corporate level to assist in overall ESG strategy, analysis and implementation.

2. Strategy

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

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

Over the last year, we carried out an updated physical and transition climate risk analysis for the whole portfolio, assisted by WSP and CBRE Limited. Across both assessments, we have aligned metrics where appropriate, such as with the vulnerability, likelihood and impact score of risks. Further details can be found within the Risk Management section on page 68. Due to the nature in which physical risks develop slowly over a long period of time, the time horizons for these are much longer than transition risks, which have a greater likelihood of impacting our business strategy over a 2-5 year period, thus requiring closer reviews to align with capex planning to manage risk.

Time Horizon	Transition Risk	Physical Risk
Short Term	2025 – 2027 (2020s)	2021 – 2030 (2030s)
Medium Term	2028 – 2037 (2030s)	2031 – 2070 (2050s)
Long Term	2038+ (2040s)	2071 – 2100 (2080s)

Identifying climate risks and opportunities

As part of the recent climate risk assessment, potential climate risks and opportunities were modelled. Climate scenario analysis was utilised to model our climate-related risks in two likely scenarios based on the Intergovernmental Panel on Climate Change ('IPCC') Representative Concentration Pathways (Pathways) (IPCC RCPs). The assessment tested a range of realistic emissions outcomes at the portfolio level, under (i) the RCP4.5 (stabilised emissions) and (ii) RCP8.5 (high emissions) climate scenarios up until 2100. The scenarios were chosen due to their wide used use in climate analysis and in the absence of an established industry standard. Both scenarios, allow us to understand the projections of future climate conditions to determine the highest material climate risks and opportunities to our business and how they change over our time horizons. Utilising these results we were able to support future financial planning decisions such as asset capex plans and disposal strategies. A detailed description of how we have identified and scored climate risks and opportunities is provided within Risk Management.

It was identified that transition risks and opportunities are more prominent in the near term under a RCP4.5 scenario, while physical risks materialise in the largest severity over the longer term under the high emission RCP8.5 scenario. Those risks with the highest residual risk (after mitigation) are outlined in Tables 1 and 2 , where Very Low Risk is below 5, Low Risk is between 5-9, Medium Risk 10-14, High Risk 15-19 and Very High Risk 20-25. Residual risks are mapped across the time horizons to determine how these risks evolve over time, and are outlined in Table 1 & 2 at the point in time where they first presented as a material risk. Where a residual risks remains Very Low risk over all time horizons it is not shown but will still be monitored internally to ensure there are no changes in rating. Table 1 and 2 outline both the financial impacts of each risk and the existing management strategy in place, which, when considered, creates a residual risk score. The risks are categorised and prioritised in a manner consistent with the wider business risk. High quality properties are more likely to be impacted by transition risks as tenants are more likely to demand aspects such as technological innovation and efficient buildings.

Our sustainability performance

TCFD Recommendation and Alignment continued

Table 1: Climate-related material transition risks with mitigation and financial impact under RCP 4.5 scenario

Risk Horizon	Transition Risk	Financial Impact	Inherent Risk Score	Management/Mitigation	Residual Risk Score
Short term 2025–2027 (2020s)	**R1: Customer behaviour/market demand** We are seeing a shift in customer behaviour across premium assets and via high profile tenants demanding high performing efficient properties. As the market evolves, tenant preferences for properties with better sustainability features will increase.	Inability to align with these preferences may lead to higher vacancy rates and reduced rental income. Consequently, improving sustainable features to meet occupier demands can increase operational costs.	Medium (14)	We have an active asset management plan, a comprehensive due diligence process and a strategy to dispose of underperforming assets. As part of asset management, we set minimum ESG requirements on leasing activity. We have an adaptive business model that is aligned to tenants' own net zero ambitions, limiting the possibility of diminished asset value from poor alignment to market demand. We expect the residual risk to begin as a low risk in the short term before turning into a medium risk as the inherent risk rises under the same time frame.	Low (8)
Medium term 2028–2037 (2030s)	**R2: Environmental legislation – policy and legal requirements** Legislation is expected to become stricter as the UK government adheres to its climate objectives in line with the Paris Agreement. Non-compliance with evolving ESG reporting standards could lead to legal and financial penalties, operational issues, reduced competitiveness, and business reputational damage.	Increasing costs to meet specific regulations fall on the landlord. Asset values may fall, and assets become less liquid with a 'brown discount' priced in.	Medium (14)	We have a robust strategy to manage existing legislation requirements, such as MEES legislation and the potential 2030 implementation of EPC 'B' rating, for which we have an internal target. We utilise existing membership of bodies such as the BBP to access valued research, working groups and knowledge shares within the sustainability space. Our due diligence process factors in the cost of upgrading properties to ensure the portfolio is compliant with all necessary policies and minimises the risk of asset de-valuing. We expect this risk to remain a low risk over medium and long term horizons.	Low (6)
	R3: Embodied carbon Increased demand for holistic carbon assessments throughout a building's life cycle is leading to increased embodied carbon reporting for new developments. Sustainability framework bodies are increasingly including embodied carbon metrics within their reporting.	Failing to align with embodied carbon targets within net zero goals could impact investor perception and affect future availability of capital for further redevelopment and developments.	Medium (12)	Development activity is only a very small proportion of our overall business. However, we have enhanced the sustainability features of our developments by building to high standards and minimising upfront embodied carbon, enforced by our BREEAM and minimum EPC target for developments. Over the coming year we will set a target to achieve net zero for new developments in line with industry standards. We continue to consider carbon pricing in relation to new developments and redevelopments. We expect this risk to remain a low risk over medium and long term horizons due to our limited exposure to developments.	Low (7)
	R4: Technological and operational innovation demand Demand for buildings with new efficient technology is becoming increasingly common to improve efficiency, reduce costs, and improve wellbeing. This is particularly evident across premium assets, where we are looking to attract and retain high-profile tenants. Integrating these new technologies can be complex and needs tenant collaboration.	Installing specialist and new technological systems could increase capital expenditure. However, not meeting changing technological demands could reduce the desirability of our assets and reduce rental revenue and asset valuations.	Medium (14)	We continue to work with occupiers to maintain and improve asset performance. We seek to build upon our target of installing solar PV projects with a continued phased roll out of solar installations as part of our net zero target of 2050. Our updated Net Zero Pathway will inform a refurbishment strategy of assets. These refurbishments support in limiting any negative impact the associated risk could have on asset value. We expect this risk to remain a low risk over a medium time horizon with the potential of becoming a medium risk in the long term.	Low (6)
	R5: Carbon tax/fuel source transition Tenants are increasingly looking for alternative fuel sources to reduce operational costs and meet their net zero objectives. As governance bodies and sustainability frameworks set more stringent requirements on fuel sources, so a lack of compliance could result in additional costs, including from a carbon tax.	Inability to keep up with the decarbonisation requirements of the portfolio will lead to increased operational costs of assets and potentially higher refurbishment costs. This could jeopardise occupier satisfaction and lead to reduced rental income and letting opportunities.	Medium (14)	We engage with tenants to encourage the switch to alternative fuel sources. Availability of grid capacity can limit ability to switch and we have an increased focus on ensuring that assets have sufficient grid supplies and/or on site renewables for future needs of occupiers. We try to work with occupiers to ensure they undertake upgrade works, particularly as part of normal leasing incentives. We expect this risk to remain a medium risk over medium and long term horizons.	Medium (10)

Our sustainability performance

TCFD Recommendation and Alignment continued

Physical risks were assessed across both sectors and geographies of assets. Within Table 2 below, we have highlighted where asset geographies or types are at greater risk. Due to the long term nature of physical risks, we only consider physical risk material if they are considered High or above within a short time frame (2030s) or are a Very High risk within any timeframe. The analysis focuses on risks which would result in a direct financial impact to LondonMetric; the majority of our leases are Full Repair & Insurance leases, meaning interventions such as HVAC replacement and their associated costs fall under tenant responsibility.

See pages 49 to 51 for a summary of our Net Zero Pathway and how we will collaborate with tenants to address some of those risks. Within this statement, we have only disclosed where we believe an inherent material risk to LondonMetric exists. A specific portfolio-level flood risk analysis was also undertaken in the year. The assessment followed a phased approach, initially using automated ratings, followed by a more in-depth evaluation of the risk of internal flooding. The latest National Flood Risk Assessment (Nafra) was used for the assessment, which provides higher resolution and access to current and future flood risk. The analysis is based on the title area, which includes external areas and land.

The initial phases of the assessment show that 6.5% of our portfolio title area is at High risk of surface water flooding. Surface water flooding risk has increased materially across the UK, reflected in a government publication that shows three times as many properties in the UK are now at high risk of surface flooding, compared to previous published data (Gov.uk). When considering rivers and sea flooding, only 2.3% of the portfolio title area is at High risk. A second and more detailed phase of the analysis is planned for specific assets, which is expected to decrease the number of properties flagged as higher risk in earlier stages.

Table 2: Climate-related material physical risks with mitigation and financial impact under RCP 8.5 scenario

Risk Horizon	Physical Risk	Financial Impact	Inherent Risk Rating	Management/Mitigation	Residual Risk Score
Long term	R6: Heavy and increased winter precipitation Heavy rainfall or rainfall over a prolonged period may lead to more regular surface water flooding events.	Assets with inefficient infrastructure may be exposed to structural damage, damp and mould due to higher rainfall, which would lower the asset value or rental income.	High (18)	Risk assessments are completed at acquisition phase to determine the risk of surface water flooding on potential assets. We have also completed a flood risk assessment which outlines that 6.5% of the portfolio is determined to have a "High" risk of surface water flooding. The risk assessments support us in determining where asset value could be impacted and where to focus efforts to minimise the risk of surface water flooding from higher precipitation levels. This risk profile initially presents as High short term risk for assets situated in the North of the UK, but over time it broadens to further regions.	Medium (11)
	R7: Drought, subsidence and water stress Temperature shifts can alter conditions that can impact the surrounding environment of assets that can have onset impacts on the structure and function of properties.	Assets with poor foundations and structures may need further capital investment to handle conditions, which might affect profitability and asset valuations.	High (19)	Prior to acquisition, necessary due diligence is completed on properties to determine the risk. For assets vulnerable to this risk, the recommendation measures include appropriate structural assessments and integrity of the surrounding area and actioning any measures if required. This risk is only relevant to the South of UK in the medium term, but as we progress to the long term it becomes a High risk in nearly half of the regions. As its importance grows over time, it will become essential to focus on limiting its impact on asset value. Hotels, Health and Entertainment archetypes are the most impacted sectors.	Medium (10)
	R8: Heat Stress and higher temperatures Rising mean temperatures and extreme temperature highs put pressure on people and infrastructure.	Assets with poor cooling systems that are at higher risk of heat stress may suffer from higher vacancy and the need for greater capital investment, which might lower profitability and asset valuations.	High (19)	We regularly complete occupier surveys to assess the satisfaction with our properties and act accordingly to feedback received. Through promoting the installation of energy-saving electric heating and cooling systems, we indirectly support occupiers in minimising risks from heat stress. This collaborative effort seeks to maintain a strong relationship with our occupiers and ensure our asset value does not diminish due to external physical risks. We have noted this risk as an important long term risk as it presents High across multiple regions and asset types, with assets within the South East of the UK progressing to Very High over the long term.	Medium (14)

Our sustainability performance

TCFD Recommendation and Alignment continued

Climate-related opportunities

While the transition to a low carbon economy presents significant risk, it also creates significant opportunities, allowing us to gain a capital advantage through a focus on climate change mitigation and adaptation solutions. The assessment carried out by CBRE Limited concluded that transition opportunities are more prominent in the near term under the stabilised emission RCP4.5 scenario. The table below summarises the identified climate-related opportunities that are material. Each opportunity is described, along with an assessment of potential financial impact.

The opportunity risk matrix works in reverse to the transition and physical risk matrix, with the higher score resulting in the greatest opportunity. The preparedness factor percentage is multiplied against the inherent score to determine the residual opportunity rating.

Opportunities are distributed evenly across geographies, while the logistics sector, which represents the largest weighting of the portfolio, presents the greatest opportunities of all our sectors.

Table 3: Climate-related material opportunities with mitigation and financial impact under RCP 4.5 scenario

Risk Horizon	Opportunity Risk	Financial Impact	Inherent Opportunity Rating	Existing strategy	Residual Opportunity Rating
Medium term	O1: Green energy transition There is increasing demand for green energy solutions, especially with the recent rises in wholesale energy prices. As our occupiers shift to electrifying assets, landlords can earn revenue by supporting this transition. Increased efficiency and occupier wellbeing help improve occupier satisfaction, thus helping rental opportunities.	The broad array of benefits achieved from these initiatives can lower the occupational cost but also allow us to demand additional rent for the use of green energy, which can generate more attractive yields. Valuations should also be improved.	High (19)	We have already undertaken numerous solar PV projects across the portfolio; in the year, 5 solar PV projects were completed. Aside from PV we have a heavy focus on degasifying assets and incorporating more sustainable technology such as heat pumps. Given a high percentage of the portfolio uses gas, this presents a great opportunity to continue developing over the coming years. The larger weighting of industrial assets within the portfolio with large roof spaces also presents a great opportunity for solar projects to be rolled out.	Medium (12)
	O2: Asset upgrade and development The climate transition will present market opportunities to acquire and improve poor-performing assets. Detailed due diligence needs to be carried out and assessed to determine whether improvements can be made in line with our ambitions and goals. This gives rise to upgrade potentials that can improve the valuation of the asset.	Through this process, we can acquire discounted-priced assets and benefit from the long term value appreciation caused by the improvements.	Medium (12)	We have been strong stewards in developing underinvested assets and improving the building's appearance and operation. This process allows us to acquire poorly functioning assets and make material changes that enhance the operation and value.	Low (7)
	O3: Increased efficiency By focusing on changing standards, demand and improving the infrastructure of developing buildings, we can improve the operational efficiency of assets, thus increasing opportunities for higher rent.	The main benefit of this initiative will be the reduced cost of the assets' operations, but also other benefits, such as improved resilience to climate change. These assets are seen as more appealing and reputable, giving further opportunity to charge a premium rent.	Medium (12)	Following an assessment of our portfolio and the interventions required to decarbonise our assets, LondonMetric has a net zero target year of 2050 with interventions spanning across this period. As assessed in our Net Zero Pathway, we have a structured outline of what measures can be implemented (e.g. lighting and equipment upgrades, asset degasification and installation of solar PV) to achieve our target and thus improve the efficiency of our portfolio.	Medium (10)

Our sustainability performance

TCFD Recommendation and Alignment continued

Integration of climate-related issues in financial planning and risk prioritisation

A key aspect of our asset management strategy is sustainability performance improvement. Our focus is on resilience to climate change through maintenance, energy efficiency upgrades and the provision of renewable energy, mitigating both physical and transition risks. During our investment process, and on an ongoing basis, we assess flood risk along with building fabric and energy efficiency to understand the climate and carbon related risks and costs involved in mitigation. Following up on our updated flood risk assessment with a more detailed asset-level assessment for higher risk assets is a priority to ensure we maximise our understanding of any residual asset risks.

With regards to MEES legislation compliance: we are currently in the process of estimating the cost of bringing all our assets to an EPC rating of 'B', as the unique asset classes in our portfolio require a tailored approach. However, we do not expect MEES compliance to have a material business impact as the upgrade costs would, in most instances, be paid for by the occupier as part of their building upgrades or built into normal tenant lease incentive arrangements.

Following a material change to our portfolio from the acquisition of the LXi portfolio, we have completed a Net Zero Pathway ('Pathway') assessment in 2025. We are targeting net zero by 2050, across landlord and occupiers emissions. In the short term, we have set a target to achieve net zero for Scope 1 and 2 emissions where we have direct control by 2027. These targets are planned to be achieved through various short, medium, and long term interventions. Key interventions include lighting upgrades, equipment upgrades, heating degasification, and specialist equipment upgrades. The financial cost of these interventions will need to be assessed further as we conduct asset-level net zero audits and reviews. Over the next year, we will finalise interim targets to form the basis of our performance assessment against the baseline. Further details of the Pathway can be found on pages 49 to 51.

As part of our strategy, we are collaborating with occupiers to mitigate their exposure to climate-risks, through measures such as adoption of green lease agreements and encouragement to improve the green credentials of buildings they lease from us, particularly on lease events. We also conduct a regular occupier survey to understand the interventions our occupiers are making to strive towards net zero. Whilst development is only a small part of our activities, we are focusing on enhancing our developments' sustainability by building to high standards and minimising upfront embodied carbon.

Across the year we have also focused efforts into refurbishment projects to support the shift to a low carbon economy. Key initiatives included gas removal, new roofs, VRF system replacements and lighting projects. We have also continued to see solar PV projects added to our properties and have a material pipeline of solar PV opportunities. These actions help future proof our buildings and allow us to take advantage of opportunities from the shift to a low carbon economy by improving occupier contentment, rental values and the value of our assets.

2. Strategy

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

Organisation resilience

This year we completed a thorough assessment of our organisational resilience by assessing our preparedness and mitigation measures against various transitional and physical risks; these risks were assessed against an RCP 4.5 and RCP 8.5 scenario to determine our resilience against multiple situational changes. We have concluded that we are in a strong place of organisational resilience, but several key actions were recommended. Those recommendations alongside additional actions have been identified in Tables 1 & 2.

The findings of the reports stated that we are well-positioned to mitigate climate-related risks. Key findings identified were:

- Our Pathway and approach to asset improvement are well-developed and contribute to mitigating less severe climate-related risks. However, some asset vulnerabilities, particularly relating to physical risks such as heat stress and storms, are not currently considered in the approach for developing assets. Physical risks, however, are more detrimental to the portfolio in the long term, so we still have the opportunity to plan and implement an appropriate strategy to minimise these risks.
- By ensuring that identified gaps in the TCFD gap analysis undertaken in the year by CBRE Limited are addressed, we can ensure robust governance structures, policies and procedures are in place to manage climate-related risks.

Our revised net zero strategy implementation will help mitigate against several climate risks. Although the whole portfolio is set to make significant progress in decarbonising, particular archetypes within the portfolio will need a more concerted effort. Industrial & Logistics, Hotels and Hospitals are the largest contributors to the portfolio's energy use intensity and thus will require a greater degree of focus.

Our investment strategy needs to remain agile in response to shifting market conditions to ensure climate resilience. Our shift out of multi-let retail parks and offices into Industrial & Logistics assets and other long let assets with lower energy requirements means that the relative carbon footprint of our buildings is significantly lower today.

Furthermore, our significant investment and disposal activity over recent years along with our ongoing upgrade work to buildings has upscaled the environmental quality of our portfolio. Where we have acquired assets over recent years, principally in urban logistics, our approach has ensured that asset improvement is embedded in our business case and/or there is a high intrinsic value of the land which makes highly sustainable redevelopment or repurposing commercially attractive.

Currently proposed MEES regulation changes suggest that commercial properties would require an EPC rating of 'B' or better by 2030 (with some exemptions). As a result, we continue to review our portfolio of assets to understand which are at risk of not meeting the proposed regulation. Over the last 12 months alone, we have reassessed the EPCs on 4.5 million sq ft of assets and we continue to ensure that all assets have a plan and that a minimum EPC of 'B' is achievable on new lettings and regears. Our portfolio 'A-B' rating has increased to 58% up from 49% in the previous year. It is the responsibility of Working Group to remain informed about changing regulation and share this with the Board, to ensure that assets remain compliant.

Our sustainability performance

TCFD Recommendation and Alignment continued

3. Risk Management

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

The overall risk management process is centred around the SLT, whose members are closely involved in day-to-day matters and have a breadth of operational experience. They support the process of identifying all emerging risks and consider climate-related risks that have the potential to adversely impact the business and stakeholders. These climate-related risks are then evaluated and monitored along with the other risk categories through the SLT and Working Group meetings. Any significant emerging risks are raised and discussed at Audit Committee and Board level.

Climate-related risks come under the 'Responsible Business and Sustainability' corporate risk, which has been identified as a principal risk. Principal risks refer to those risks with the potential to cause material harm to operations and stakeholders and could affect our ability to execute on strategic priorities or exceed the Board's risk appetite.

Following the merger with LXi, we assessed the risk impact of the material shift in our portfolio composition. Our core strategy of triple net lease model, with full repair and insurance leases, limits our ability to influence change, and the merger added leases that are also materially longer in length, presenting increased challenges in that there is less scope for near term direct intervention by us to improve assets and reduce Scope 3 emissions. Instead, we rely more on our occupiers' environmental ambitions and willingness to work with us. However, we do not believe this to have materially increased our risk profile as our larger occupiers are high quality tenants with strong net zero objectives and we are actively engaging with them. Our Pathway demonstrated that of the 20 analysed occupiers, 17 had a firm commitment to address their Scope 1 and 2 emissions (LondonMetric's Scope 3 emissions).

The physical and transition risk assessment this year have enabled us to gain a detailed understanding of our main risks. Identified physical risks were assigned a Climate Risk Rating based on a combination of likelihood, asset sensitivity, vulnerability and impact.

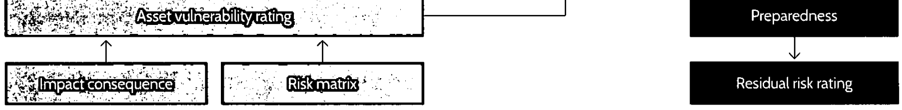
Likelihood establishes a score for an asset's exposure to a hazard.

Asset sensitivity seeks to assign a score that shows how susceptible an asset class is to a specific climate hazard and trend when they occur.

Asset vulnerability scores were calculated by multiplying the asset sensitivity and likelihood scores (on scale of 1-5), such that the minimum overall score is 1 and the maximum is 25. This vulnerability score looks at the overall susceptibility of assets to each hazard. The resulting asset vulnerability rating was then compared against the impact to determine a final risk rating for each asset type. See Figure 2 for a summary of the process. The assessment results were mapped on a risk matrix to determine risk scores for various impacts, time periods, and climate scenarios. Where a geographic location and/or asset type causes a significant variance to the risk, this has been highlighted within the results analysis in the Strategy section.

An assessment of transition risks was carried out to qualitatively assess key risks that could influence the business, as well as to assess their potential impacts and explore possible strategies for mitigation. Transition risks were identified using academic articles and peer reviews to validate and provide justification for why the noted risks were significant and current. To align analysis between the physical risk assessment and transitional risk assessment, a complimentary methodology was adopted to assess transitional risk as outlined in Figure 2. Due to the shorter time horizon of Transition Risks, it was determined that geographic location and asset type had a limited impact on the overall risk rating.

Figure 2: Assessment methodology for Physical (light blue), Transition climate risk (green) and assessment & combined approach (dark blue)



Our sustainability performance

TCFD Recommendation and Alignment continued

3. Risk Management

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

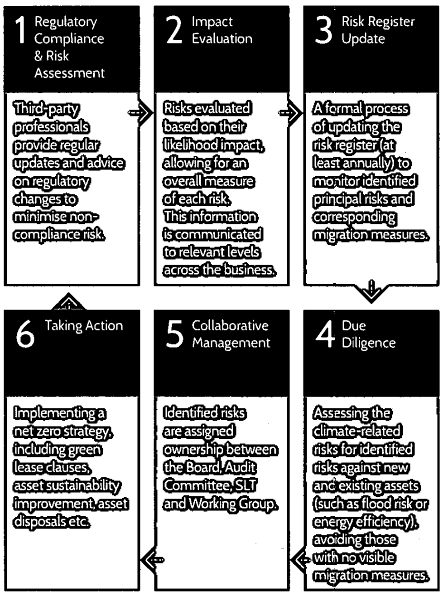
We took the results of both assessments and assigned a preparedness score to determine our overall Residual risk from each transition and physical risk to our business. The Preparedness score accounts for the mitigation measures we have already put in place to limit the overall detriment of risks on our business function. Utilising the same risk matrix, we have determined whether each Residual risk is classified on a scale between 0 and 25 and given it the corresponding risk rating of Very Low to Very High as detailed on page 63. A Residual risk of Medium or more can be seen as having a potential significant financial impact requiring closer management and mitigation. We have only reported on risks which are deemed material to our business. In the case of opportunities, a similar process has been following with a 'Preparedness score' being factored in to generate an overall opportunity potential score for the entity.

We assess regulatory risk on an ongoing basis, an example of this is exposure to the more stringent MEES requirements. This is regularly monitored and assessed at an asset level by reviewing EPCs for new acquisitions, renewing expiring EPCs and instructing EPC improvement plans for assets who do not meet the requirements. Both exercises have helped to identify robust risk management recommendations.

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

Our process for managing climate-related risks is set out in Figure 3. Climate-related risks are reviewed and evaluated annually and factored into business planning for the coming year.

Figure 3: Climate-Relate Risk Management Process



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

The identification, assessment and management of our climate-related risks is embedded into the Company's overall risk management process. This is centred around the SLT, whose members are closely involved in day-to-day matters and have a breadth of operational experience.

The inclusion of physical and transition climate risks into our risk register reflects the integration of these risks into our overall risk management strategy, where both climate and non-climate-related risks are tracked, as outlined in the Governance and Risk Management sections.

Our sustainability performance

TCFD Recommendation and Alignment continued

4. Metrics & Targets

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

The following metrics are considered material and relevant:

- Energy consumption and carbon emissions reduction (Scope 1,2) as well as the percentage of our occupiers' utility data obtained (Scope 3).
- Proportion of Landlord supply that is sourced from green energy tariffs.
- Percentage of portfolio with MEES complaint EPCs rating and, to a lesser extent, BREEAM in construction building certification coverage (including on new developments).
- On site renewables capacity and low carbon heating added each year.
- Percentage of asset management initiatives which result in sustainability improvement to the asset each year.
- Percentage of portfolio at high risk of fluvial and surface water flooding.

These metrics had been the most appropriate to the business, but following the completion of our Pathway, we will review these targets to align with our overall net zero strategy, including the incorporation of short term decarbonisation targets. We do not have an internal carbon price; however, carbon price is a consideration for all new developments and redevelopment opportunities.

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

Scope 1, 2 and 3 emissions

Page 53 of the Annual report shows our Scope 1 and 2 emissions for 2024, and our Scope 3 emissions will be reported in our Responsible Business Report. Figures for 2023 are also included to allow for trend analysis.

GHG emissions are intensity based and are reported as tCO_2e/sq m. We have calculated and reported our emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064-1:2006. The methodology for calculating Scope 1 and 2 is included on page 53 of the Annual report.

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

Table 4 provides an overview of targets across relevant metrics listed under section (a), covers KPIs to measure performance and includes a 2025/26 roadmap narrative, where applicable.

The targets shown are absolute, with an annual achievement date, and metrics are reported on the percentage of the portfolio area unless otherwise stated.

We continue to review targets and KPIs to ensure relevance to our ESG strategy and our portfolio. In the year, we have revised the targets to better align with our enlarged portfolio following the LXi acquisition and the Pathway outputs. We will further review these targets as we set short term targets to track our performance against our baseline figures from the Pathway.

Our sustainability performance

TCFD Recommendation and Alignment continued

Table 4: Targets and Metrics

Target and associated risk & opportunity	KPIs	FY 2024/25	FY 2023/24	Trend analysis, comment
1. Minimise landlord energy R1, R4, O1, O2, O3	Achieve carbon neutrality for calendar year 2024	Achieved	n/a	Carbon neutrality achieved for Scope 1 and 2. This target will be updated following the completion of the net-zero assessment, with net zero in Scope 1 and 2 now targeted for 2027. 2026: Review of intervention opportunities for landlord supplies.
2. Renewable/Green Supply R1, R4, R5, O1, O2, O3	100% renewable energy for landlord electricity supplies	94%	97%	Landlord supplies in renewable energy tariffs have reduced overall due to acquisitions during the year, which will be moved to REGO-backed supplies in the near term. 2026: Continue working with agents to ensure renewable energy contracts across landlord supplies.
3. Upgrade portfolio's green credentials R1, R2, R3, R4, R5, O1, O2, O3	Increase % of portfolio with EPC 'A-B' rating	58%	49%	Target updated from 'A-C' to 'A-B' to better reflect the proposed government MEES. EPC improvement achieved through refurbishment and investment activity. 2026: Asset plans are being developed in line with net zero ambitions including for units below EPC 'B'.
	Lease events to actively implement or plan for asset management actions which lead to improvements in assets' green credentials, such as EPC improvement or reduction in energy use or emissions	40%	n/a	Target updated to go beyond just inclusion of green leases, only applicable to relevant lease events[1]. 2026: Continue quarterly portfolio review meeting with asset managers, aiming for 75% in 2026.
4. Occupier energy reduction R1, R2, R4, O2, O3	Increase occupier energy data collection	80%	72%	Occupier data coverage increased due to ongoing tenant engagement and automated data collection. 2026: Continue to drive occupier engagement and further increase collection.
	Target the addition of a minimum 3 Solar PV installs p.a. to the portfolio, and a further 3 additional installs of either solar PV or low carbon heat systems	5 Solar 2 Low carbon heating	3 Solar Projects	Overall solar capacity has increased, with 3.6MWp completed in the year. All five solar projects were over 35kWp. On the low carbon heating installs, all were above 25kW. 2026: Continue quarterly portfolio review meeting with asset managers to target installs.
5. Small developments R1, R2, R3, R4, R5, R6, R7, R8, O1, O2, O3	Demonstrate at least one of the following sustainability indicators are considered: a) Energy efficiency (min EPC 'B' rating); b) Renewables & EV charging c) Climate change and biodiversity d) Low carbon materials, e) minimise waste; and f) Local community	Achieved	Achieved	All our developments included consideration on key sustainability indicators, with our small development achieving EPC 'A'[2]. 2026: Continue engaging with contractors to apply minimum requirements and considerations for new developments.
6. Large developments R1, R2, R3, R4, R5, R6, R7, R8, O1, O2, O3	Achieve BREEAM Very Good	n/a	n/a	No large developments were completed in the reporting year[2].
	Track embodied carbon	n/a	n/a	2026/27: We will set a target to tackle embodied carbon emissions from our developments by 2027.
7. Climate resilience R1, R2, R3, R4, R5, R6, R7, R8, O1, O2, O3	Reduce residual risk % of assets considered high risk of flood risk[3]	2.3% Fluvial 6.5% Surface water	n/a	Target updated to also monitor surface water risk. Figures represent worst case scenario outputs and further analysis will decrease percentage of portfolio deemed High Risk. 2026: Complete second phase of flood analysis, and deploy of action plans for high-risk assets and detailed assessment of new acquisitions.

1 Relevant lease events apply to new lettings or lease renewals for units that do not currently meet MEES requirement
2 Developments completed in the year from the LXi acquisition have been excluded, as LondonMetric did not influence requirements and considerations
3 Reported as a % of title area, which includes external areas

A review of our risk

Risk management and internal controls

Martin McGann
Chief Financial Officer

"Our risk management framework facilitates informed decision making and is integral to our management practices, aligning with our strategic goals and responsibilities toward stakeholders.

Framework and responsibility

The Board

- Assume overall responsibility for risk management and internal controls
- Assess and monitor going concern and long term viability
- Establish strategic objectives while considering associated risks
- Determine suitable levels of risk appetite
- Set delegated authority limits

Audit Committee

- Monitor risk management, internal controls and viability
- Evaluate key processes and controls over principal risks
- Inform the Board on the effectiveness of risk management and control processes

Senior Leadership Team

- Identify, assess and quantify risk
- Implement risk mitigation processes and monitor their effectiveness
- Ensure risk awareness is integrated throughout the organisation

Managing risk

Our risk management framework ensures that risks are managed in line with our risk appetite.

The Board

Our Board determines the risk levels it is prepared to take in pursuing its strategic goals and is ultimately responsible for the Company's risk management and internal controls framework.

At each meeting the Chief Executive initiates discussions on risk providing the stimulus for debate through a market overview that includes relevant economic themes, other external factors, evolving trends within UK real estate and the general risk environment. Feedback from industry representatives and stakeholders, including investors, is shared with input from the Chief Financial Officer as required. Capital structure, asset and other Company specific risks are also covered at meetings with the Board using a high level dashboard to monitor material issues, track new and emerging risks and further promote regular risk discussion.

Risk areas are also highlighted in detailed papers for the Board's consideration and where such papers are circulated outside of regular meetings, Directors can discuss proposals with senior management before approval and Board ratification. Pertinent discussions between individual Directors outside of scheduled meetings are also brought to the Board's attention.

The macro environment continues to dominate with the UK's economic challenges aggravated by rapidly evolving US government policy and increasing geopolitical tensions. This year's Board discussions have included the potential impact on tenants of heightened geopolitical, supply chain and tariff uncertainty, rising business costs and other threats.

In addition, the Board more broadly discussed risks relating to staff retention, persistent high debt costs, market liquidity, corporate opportunities, non core asset sales, debt strategy, vacancies and asset management initiatives.

A review of our risk

Risk management and internal controls continued

The Audit Committee

The Audit Committee plays a crucial role in oversight and assurance. It examines the risk management framework to ensure that there is an effective system in place for identifying, assessing, and mitigating the principal risks faced by the Group. These are the significant risks that could impact our strategic goals, future performance, viability and reputation.

The Committee reviews the comprehensive risk register and management's assessment of internal controls annually and evaluates their effectiveness. It also undertakes thematic reviews into significant or areas of growing risk and reports its findings to the Board.

Read more on the Audit Committee's activities, conclusions and recommendations during the year on page 75.

The Senior Leadership Team

Our Senior Leadership Team which consists of departmental heads with a varied range of skills and experience is responsible for overseeing key operational and financial aspects important to the management of the business. This includes ongoing risk identification and the design, implementation and maintenance of internal controls based on risks identified. Short reporting lines ensure that key messages and decisions are communicated throughout the workforce, embedding risk awareness within the organisation and integrating it into all activities.

Risk register

Our risk register is reviewed and updated at least annually by the Company Secretary with assistance from Senior Leadership Team members.

The register identifies risks and scores them based on their significance and probability, reflecting their potential impact on the business before mitigation. Safeguards are also rated from strong to weak. These ratings are then combined to create a colour-coded residual risk rating. Actions are considered to reduce risks further and each risk is assigned an owner. The register includes details of safeguards, risk owners and timeframes for action points. This register is supplemented by the high level dashboard used by the Board at each meeting.

Internal control systems

An important aspect of the risk management framework is an effective system of internal controls. The following are the primary components of the Group's internal control framework.

- A schedule of matters reserved for the Board's attention
- A documented appraisal and approval process for developments and significant capital expenditure
- A thorough and reliable system for financial planning, forecasting and reporting
- Weekly cash flow forecasts that are reviewed by Senior Leadership Team members
- An integrated financial and property management system
- An organisational structure with clearly defined roles, responsibilities and authority limits to facilitate effective and efficient decision making
- Close involvement of Senior Leadership Team members in daily operations and decisions, ensuring supervision and monitoring
- Disciplined meetings of the management committees below the Board
- Maintenance of a risk register and summary dashboard tracking movements in principal and emerging risks and mitigation strategies
- A formal whistleblowing policy and annual performance reviews to enable staff to voice concerns

The Senior Leadership Team oversees a detailed system of processes and internal controls covering all aspects of the business. These processes and controls are continuously evaluated and periodically updated, typically in response to changes in the Company's IT systems or management practices.

BDO LLP have been engaged to assist in documenting process flows and internal controls in preparation for compliance with Provision 29 of the 2024 Code which requires a Board declaration on the effectiveness of material controls by 31 March 2027.

“

We regularly assess various factors and new risks to set our risk appetite dynamically.

Determining appropriate risk appetite levels

Our risk management framework assures the Board that inherent business risks are being effectively identified and mitigated as much as possible. This reduces the occurrence of undesirable outcomes and ensures that controllable risks remain within acceptable appetite levels. Risk appetite denotes the degree and nature of risk that the Board is willing to accept or tolerate in pursuit of its strategic objectives.

The Board evaluates and discusses a wide range of factors, including emerging risks, to determine the extent to which it is prepared to accept some level of risk or adjust its existing risk appetite while delivering on its strategic priorities. It strives to maintain a low risk appetite overall, balancing commercial considerations within acceptable boundaries to safeguard stakeholder interests.

Pages 78 to 87 include details of the Board's risk appetite pertinent to each principal risk identified.

A review of our risk

Risk management and internal controls continued

Identifying emerging risks

The Senior Leadership Team is supported by ESG specialists and three sub-committees: Investment, Asset Management and Finance, that meet regularly with informal meetings held at other times. Members' active participation in daily operations and all significant business discussions helps to facilitate the early identification, analysis and monitoring of emerging risks. These are potential threats that are not yet fully understood or recognised but which have the potential to cause significant harm or disruption in the future. These risks may originate from new technologies, changing socio-economic conditions, environmental factors, or other developments that introduce uncertainty into various aspects of society or business. Examples include cyber security threats, climate change impact, geopolitical instability, foreign policies, war, emerging diseases, technological disruptions and shifts in consumer behaviour.

At the property level, our close occupier relationships and partnerships help us to understand our tenant needs, contentment, challenges and emerging trends. They can identify off market opportunities too. Management also maintains strong relationships with banks, industry representatives, analysts, shareholders and other stakeholders to discuss relevant issues.

These connections help us identify emerging risks and build consensus on various real estate and economic topics. They also highlight knowledge gaps that require further research, reports, or briefings to better understand challenges.

Significant emerging risks are discussed at Board level.

> We actively identify critical risks and create action plans for their mitigation.

LXi risk assessment update

A key focus for the Board this year has been to oversee the work undertaken to integrate LXi into the wider business following its acquisition last March and to ensure that all key risks were fully addressed as part of this process.

The acquisition initially raised the overall Company risk profile and the Board's appetite in relation to certain principal risks. This was partly connected to its timing close to our year end and LXi's externally managed business model, particularly its heavy reliance on third party service providers.

These risks were covered by careful management of the year end reporting process which included LXi staff relocating to LondonMetric's office in early April and the subsequent staged migration of the accounting functions previously undertaken externally onto our in-house platforms. This workstream reduced the risk of inaccuracies and delays in financial reporting and completed before the half year. New hires were also made to ensure that the enlarged Group is sufficiently resourced, and the Company's forecast model was enhanced to reflect the increased requirements and complexity of the Group.

Significant progress has also been made in the year on sales of lower growth and non core LXi assets with proceeds primarily reinvested into logistics to support what the Board considers more optimal sector weightings and to ensure that the portfolio remains fit for the future.

The acquisition of LXi also imported a material amount of shorter dated and secured debt onto the Company's balance sheet. Part of this was unwound immediately through a new £700 million unsecured facility to replace £625 million of secured debt on more favourable terms. A further £350 million of former LXi secured debt matures this autumn. Unsecured revolving credit facilities totalling £525 million have been completed to cover these maturities and additional investment. The Company has also recently obtained an investment grade credit rating which will provide further optionality around future funding sources.

Looking ahead

Market sentiment in the real estate sector continues to be adversely affected by elevated and volatile five year swap and ten year gilt rates, compounded by recent geopolitical and macro events which have increased uncertainty.

These factors have dampened the positive outlook from the start of the year, with many investors adopting a 'wait and see' approach while they take time to consider the impact of these events. This environment can however create opportunities for long term investors with well capitalised businesses such as ours, with a well positioned balance sheet and strong equity rating.

We consider ourselves to be an active consolidator in the UK listed real estate market with a management team that has deep experience in both executing such transactions and integrating the businesses and portfolios acquired as last year's acquisitions of CTPT and LXi demonstrate.

We are currently progressing a recommended all-share acquisition of Highcroft Investments Plc that is expected to complete on 21 May 2025 and more recently have agreed the terms of a recommended cash and share offer to acquire Urban Logistics REIT Plc. These proposed acquisitions support our triple net strategy and would create an enlarged portfolio of £7.4 billion aligned to winning macro thematics and increase our logistics weighting to 55% to help drive earnings accretion in the next two years. Our competitive position for pursuing opportunities of scale and competing with large investors on substantial transactions would also be enhanced and a consolidation of our FTSE 100 status would provide enhanced access to capital and further increase share liquidity.

We continue to assess similar potential opportunities while also continuing to successfully transact on our non core sales strategy.

A review of our risk

Risk management and internal controls continued

Audit Committee's review of the effectiveness of risk management and internal controls

The Audit Committee is integral to our oversight and assurance processes. It aids the Board in verifying that a comprehensive assessment has been conducted regarding the principal and emerging risks faced by the Group, including those that could compromise its strategic goals. The Committee achieves this by performing detailed reviews and appraisals to ensure the effectiveness of the systems established for risk identification, assessment and mitigation.

Throughout the year and through to April 2025, the Audit Committee conducted various risk, internal control and thematic reviews on behalf of the Board. These reviews took into consideration the Company's transformative merger with LXi last March, its integration into the wider Group and the ongoing challenging economic, market and geopolitical conditions.

The Committee's prior year recommendations from a similar process have all been addressed.

Based on its review and assessment, the Committee identified no significant weaknesses in the Group's risk and internal control framework or its operation. These findings were reported to the Board.

Outcome

Based on boardroom debate and the Audit Committee's review and assessment of the effectiveness of the systems established for risk identification, analysis and mitigation, the Board considers that a robust appraisal of the principal and emerging risks facing the Group, including those that would jeopardise its strategic priorities, was carried out during the year.

Risks considered	What was considered and outcome
Compliance with Provision 29 of the 2024 Code (the Internal Controls declaration)	Progress on pathway to compliance with Provision 29 of the 2024 Code. Members received an overview from the Chief Financial Officer and reviewed the proposed approach prepared by BDO LLP who have been appointed to assist in documenting the Company's internal control processes. They were happy with the proposals and current progress. **(1) The Committee to be kept updated on progress and recommendations.** **(2) Although no fundamental improvements are anticipated, members agreed with management that BDO LLP's recommendations should be Company specific and user friendly to be of value.**
The Company's detailed risk register	Review of the register last updated in March 2025. Members were satisfied that all principal risks were in line with expectations. Each risk has an appropriate weighting, identifiable safeguards to mitigate its occurrence and potential impact and an allocated risk owner. Details on assurance and action points are recorded with appropriate timeframes provided. **No recommendations were made.**
Internal controls evaluation report	Review of management's assessment of the existence and effectiveness of key internal controls. Based on their review and consideration, members were satisfied that no significant weaknesses have been identified in the Group's internal control structure and systems appear effective. **No recommendations were made.**
Report on the Company's IT and cyber security system	Review of how cyber risk is managed, initiatives undertaken and those planned in the coming year. Members were satisfied that the risk posed continues to be actively and pragmatically monitored and managed. They were reassured by the further enhancements made to the IT infrastructure to improve security and resilience and by the results of the independent systems testing undertaken. **No recommendations were made.**
Portfolio credit analysis report	Review of initial credit analysis and ongoing monitoring processes. Changes to processes including expansion of emissions benchmarking data. Key information on top tenants and an update on 'watch list' tenants. Members were satisfied management have appropriate processes in place and remain vigilant to the risk posed by the current economic environment. **No recommendations were made.**
ESG focused meeting (open to all Directors)	Legislation and the current landscape, the Company's ESG framework and key objectives including its Net Zero Pathway, initiatives being undertaken and progress against key targets, climate resilience and flood risk analysis, engagement with stakeholders and external benchmarking. Members were satisfied ESG remains a key focus for management and a substantial amount of work is being undertaken. **Follow up commentary requested on further outputs from key analysis undertaken, but not finalised at time of meeting.**

A review of our risk

Risk management and internal controls continued

Risk categories

Our principal risks are identified and reported on in pages 78 to 87. They remain consistent with last year.

We consider risk under the three main categories but recognise that these are often interlinked. The Committee's prior year recommendations have all been addressed.

Corporate

Relating to the entire Group.

Risk considerations:

- Culture
- Strategy
- The market
- Political
- Economic
- Employees
- Responsible Business practices
- Wider stakeholders
- Security
- Systems
- Regulation

Property

Focusing on our core business.

Risk considerations:

- Portfolio composition
- Investments
- Divestments
- Asset management
- Developments
- Valuation
- Occupiers

Financing

Focusing on business funding.

Risk considerations:

- Capital markets
- Investors
- Joint ventures
- Debt
- Cash management

At a glance – Key actions to reduce increased risk from LXi acquisition

Corporate – What we did:

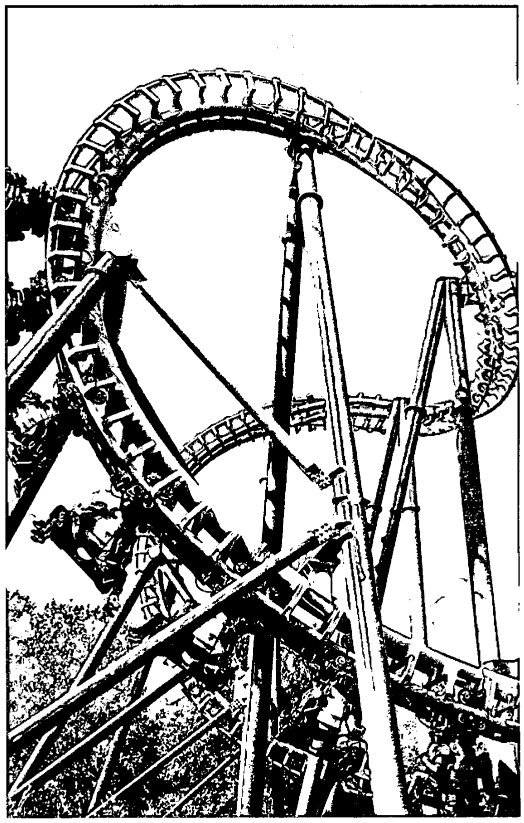
- Integrated LXi property portfolio and staff.
- Recruited additional staff to manage larger portfolio.
- Brought key outsourced LXi functions in-house for greater efficiency and control.
- Enhanced forecast model to reflect the increased requirements and complexity of the enlarged Group.

Property – What we did:

- Forged relationships with tenants in new property sectors acquired.
- Prioritised sale of non core LXi assets, recycling into higher growth logistics.
- Analysed enlarged portfolio to progress Net Zero Pathway and targets.

Financing – What we did:

- Secured debt asset substitutions to facilitate sale of non core LXi assets.
- Signed £525 million of new unsecured facilities ahead of £350 million of upcoming secured maturities.
- Obtained credit rating to provide greater optionality around future funding sources.



A review of our risk

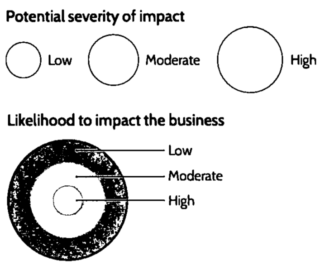
A review of our principal risks

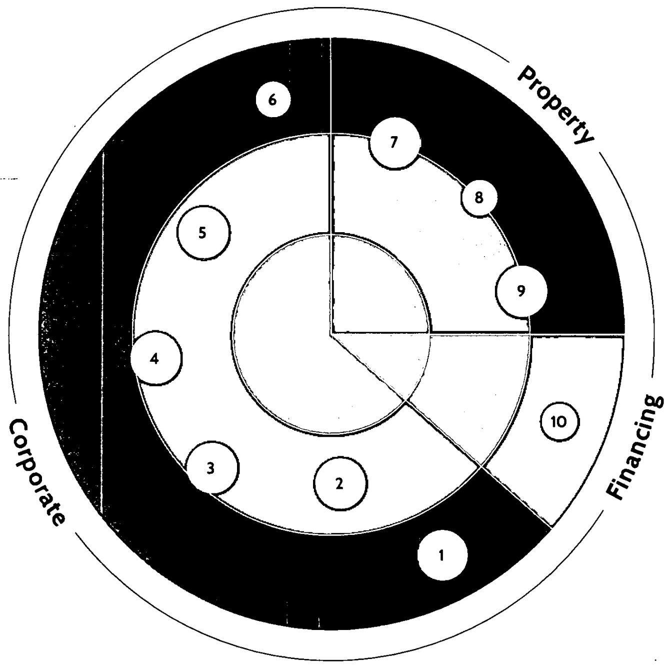
Current view of residual risk

Residual risks are assessed by their likelihood and potential impact on the business after mitigation measures are applied.

The chart opposite illustrates our current view of the residual risk on the principal risks identified on pages 78 to 87.

1	Strategy and its execution
2	Major event
3	People
4	Systems, processes and financial management
5	Responsible business and sustainability
6	Regulatory framework
7	Investment risk
8	Valuation risk
9	Transaction and tenant risk
10	Capital and finance risk





A review of our risk

A review of our principal risks continued

Corporate risks

1. Strategy and its execution

Risk

Our asset selection or chosen sectors may not always align with the current economic climate, market cycle or occupier needs. External factors or ineffective implementation of strategy may prevent us from achieving our goals.

Impact

Our financial performance and growth objectives may be negatively impacted.

Impact on strategy

Own | Manage | Collaborate | Generate

Read more about our strategy on page 21

Mitigation

- Our income-led approach and focus on macro trends guide our capital allocation. We favour structurally supported sectors with assets that are benefitting from evolving consumer behaviour.
- Our strategy and objectives are regularly assessed and adjusted in response to evolving trends, market conditions and emerging opportunities or threats, including potentially disruptive technologies.
- We leverage connections, research and deep occupier relationships to gather intelligence to help guide strategy supported by a flat organisational structure that allows us to quickly identify market changes, emerging risks and monitor operations.
- Our portfolio is continually analysed and adjusted to take into consideration sector weightings, tenant and geographical concentrations, perceived threats and market changes, asset management opportunities and other factors.
- Our highly experienced Senior Leadership Team oversees the key operational and financial aspects important to the management of the business. Significant share ownership within the Team ensures strong alignment with shareholders on all major decisions.
- We maintain transactional controls and regularly update the Board on significant activity.

Commentary

Current year

Last year's merger activity substantially increased our scale and is delivering significant benefits that include materially higher earnings and cost synergies to drive dividend progression. EPRA earnings have increased by 20.7% to 13.1p per share and a sector leading low EPRA cost ratio of 7.8% reflects our efficient internalised management structure focused on cost control alongside rental growth. This has allowed us to increase our dividend to 12.0p per share up 17.6% on last year.

Our total return model focusing on NNN income compounding with strong shareholder alignment ensures that we remain disciplined, rational and active, looking to continually improve our portfolio, financing and net operating income. This year's investment activity has prioritised sales of non core and underperforming assets, primarily from the LXi and CTPT pool with sales of £342 million. Reinvestment of £343 million has mainly been into logistics where we believe the rental growth prospects are higher and where our ambition, particularly in urban, remains undiminished.

Last June we entered the FTSE 100 index. We continue to uphold a strong equity rating with enhanced liquidity in our shares.

Year ahead

We aim to maintain strong income growth and leverage external opportunities to strengthen our position as the UK's top NNN lease REIT.

Selling non core former LXi assets will remain a priority, with patience exercised if market liquidity is weak.

Appetite

Low. We succeed by owning quality assets in key sectors with reliable, growing income that is crucial to long term investment and the delivery of superior total returns. Our focus on macro trends in real estate has guided our success and continues to shape our strategy.

Change in the year

Decreased risk

Decrease results from the integration of corporate acquisitions made last year and significant progress on the sale of mainly inherited non core and underperforming assets.

Read more in:
Chief Executive's review page 13
Property review page 24

A review of our risk

A review of our principal risks continued

Corporate risks continued

2. Major event

Risk

Unexpected events on a national, regional or global scale like financial crises, pandemics, conflicts, terrorism, political or economic issues can cause market downturns, sector instability or major business disruption.

Impact

We may lose our competitive advantage and financial performance may suffer.

Impact on strategy

Own Generate

Read more about our strategy on page 21

Mitigation

- We focus on the controllable aspects of our business by applying disciplined portfolio management. This includes maintaining a broad tenant base, low vacancy and a well located portfolio of predominantly UK assets in structurally supported sectors.
- Strong occupier relationships provide market intelligence and help us to better understand our tenants' businesses and needs. This helps us to identify emerging trends and risks and enables us to provide desirable assets with enduring occupier appeal that allow us to grow income and protect intrinsic asset value.
- We regularly review our debt strategy and nurture relationships with new and existing debt and equity providers. We have predominantly flexible funding arrangements from a diverse lender pool with significant covenant headroom, a low LTV and an investment grade credit rating.
- Our development exposure is low in the current economic climate. We have no speculative developments.
- Our property portfolio is safeguarded with appropriate insurance cover.

Commentary

Current year

Our diversified portfolio targets winning sectors, prioritising assets that are business critical or key to the operations of occupiers and those with high entry barriers. It continues to boast strong income metrics, including a sector leading 18.5 year WAULT, 98.1% occupancy and minimal cost leakage of 1.2%. Contractual rental uplifts cover 77% of income, with 40% subject to annual reviews, resulting in a 17% uplift on reviews this year. These metrics together with high quality occupier covenants across our portfolio help to insulate us from shorter term macro volatility.

Our increased scale and recent investment grade credit rating provide greater access to capital and debt optionality to help us maintain a strong balance sheet. Since our last Annual Report we have welcomed three new lenders providing £525 million in unsecured five year revolving credit facilities ahead of £350 million of maturities this autumn.

Year ahead

US government policy continues to rapidly evolve leading to a high degree of global uncertainty including on the durability and size of global tariffs coupled with rising political rhetoric and escalating tensions between the US and China. This is aggravating pre-existing economic challenges, driving market sentiment and extreme turbulence in equity and bond markets. The consequences for UK real estate are currently unknown.

Appetite

Such events are beyond the Board's control. The Board's primary focus remains on sustaining a strong portfolio and financing strategy to mitigate potential impacts as effectively as possible. The Board closely monitors the effects of such events when they arise and adjusts operations as necessary.

Change in the year

Increased risk

Increase led by factors including fears of a hugely damaging global trade war and the ongoing conflicts in Ukraine and the Middle East, together with heightening tension elsewhere in addition to increasing levels of potentially dangerous disinformation.

Read more in:
Chief Executive's review page 13
Property review page 24
Financial review page 39

A review of our risk

A review of our principal risks continued

Corporate risks continued

3. People

Risk

Our business relies heavily on a relatively small team of highly motivated individuals whose skills and experience are crucial to the success of the Company. Attracting, motivating and retaining high calibre individuals particularly in senior roles is essential to lead the business and plan and execute strategy effectively.

Impact

We may lose our competitive advantage and financial performance may suffer.

Impact on strategy

Own Manage Collaborate Generate

Read more about our strategy on page 21

Mitigation

- We conduct annual staff satisfaction surveys to assess employee contentment.
- Our designated workforce Non Executive Director hosts annual round table meetings with a cross section of staff to hear their views and any concerns, with feedback provided to the Board.
- We offer competitive remuneration packages with most staff participating in the LTIP which incentivises long term performance, creates an ownership culture and a sense of togetherness aiding staff retention and providing stability within the wider team. Staff turnover levels are low.
- The Senior Leadership Team promotes talent development below the Board.
- Annual staff appraisals provide a forum to discuss targets, progress, prospects and training needs which can also be raised directly with line managers at other times.
- External specialist support is contracted as required.

Commentary

Current year

This risk increased last year driven by the proximity of our merger with LXi to the year end and the significant increase in workload created by the doubling of the Company's size and LXi's less familiar asset classes. This was partly addressed by carefully managing the year end reporting process and the integration overall particularly when and how to successfully migrate LXI's accounting functions away from a third party service provider.

To aid their integration LXi staff were relocated to our main office within four weeks of the transaction completing with training and additional appraisals undertaken to support and settle them into their new teams and roles. Social events were also held to encourage team bonding.

The Group's talent pipeline has also been strengthened this year through the recruitment of new finance and property staff where the need for additional support was identified. This recruitment included the appointment of Darren Richards to the newly created role of Chief Investment Officer. Darren was also welcomed onto the Senior Leadership Team.

Our staff survey responses continue to be very positive with 96% of respondents stating that they feel that there is a strong culture of collaboration and teamwork at LondonMetric and that they are highly confident in senior management's decisions. These findings are consistent with feedback received by our designated workforce Non Executive Director following his informal off site session with employees.

Year ahead

Resourcing will be kept under review and we will continue to implement systems improvements which will streamline certain processes and enhance efficiency further.

Appetite

Low. The Board believes that it is vitally important that the business has the appropriate level of leadership, experience and expertise to deliver on its objectives and to identify and adapt to change.

The Board also believes that it is key for the Company to maintain its culture of empowerment, inclusion, openness and teamwork as the business grows since these have aided staff motivation and retention, enabling the Company to flourish.

Change in the year

Decreased risk

Decrease led by the successful integration of LXi and additional recruitment throughout the year.

Read more in:
Responsible Business and ESG review: People page 57
How we monitor culture page 100
Remuneration Committee report page 123

A review of our risk

A review of our principal risks continued

Corporate risks continued

4. Systems, processes and financial management

Risk

Our cyber security and the integrity of our property database and financial systems and the accuracy and timeliness of financial information which support strategy may be poor.

Impact

Decisions may be made on inaccurate data and published information may be misstated or delayed.

Cyber threats may give rise to significant financial losses and reputational harm and be detrimental to business continuity.

Impact on strategy

Own Manage Generate

Read more about our strategy on page 21

Mitigation

- We have a strong controls culture and maintain appropriate segregation of duties and controls over financial systems. We also maintain appropriate data capture procedures to ensure the accuracy of our property database.
- Management accounts are produced quarterly, reviewed by senior managers then shared with the Board. Forecast variances are investigated and reported.
- Our cost management protocols guarantee that expenditure is legitimate, duly authorised and thoroughly monitored.
- Comprehensive due diligence is conducted on corporate acquisitions to identify differences in accounting policies, processes, controls and the timing of financial information. On completion, additional controls and oversight processes are implemented before integration as deemed appropriate.
- Our business continuity plan is tested and we seek to ensure the integrity of our IT systems and cyber security through third party penetration testing and staff training.

Commentary

Current year

As an externally managed REIT, LXi relied on third party providers for all functions including the provision of accounting services. Surrendering day-to-day control of accounting processes can lead to inaccuracies and delays in financial reporting, as well as difficulties in information sharing and issue resolution due to lack of direct access to accounting systems.

To avoid potential issues, senior finance team members met LXi's administrator to agree amendments to ongoing procedures and reporting for the merger and the year end to streamline it to the extent possible to minimise delays given the proximity of the transaction to our year end. The finance team then coordinated processes for the year end consolidation and audit of the enlarged Group and subsequently opted to bringing those functions undertaken by LXi's administrator in-house as soon as practicable. This, including testing, completed well ahead of the half year.

The Company's forecast model has been enhanced, with external specialist support, to reflect the increased requirements and complexity of the enlarged Group. Various systems improvements have also been made throughout the year to streamline processes and management of the financial reporting for the enlarged Group.

Year ahead

The billing and rent collection function currently provided by third party service providers on LXi assets will be brought in-house this year.

Management will also progress the pathway for compliance with the expanded Provision 29 of the 2024 Code. Support is being provided by BDO LLP who have been appointed to assist in documenting the Company's internal control processes over principal risks where they are currently undocumented.

Appetite

Low. The Board seeks to ensure that management continually strives to monitor and improve processes, including those relating to cyber security, so that they remain fit for purpose.

The rising use of AI, however, is fuelling an increasing and ever-evolving risk to all businesses in terms of the frequency, sophistication and intensity of cyber threats.

Change in the year

Decreased risk

Decrease led by the successful integration of LXi including its accounting function and the enhancement of the Group's forecasting model.

Read more in this report on page 74

A review of our risk

A review of our principal risks continued

Corporate risks continued

5. Responsible Business and sustainability

Risk

Failure to adhere to responsible business practices and effectively manage climate risk.

Impact

Non-compliance can harm our reputation and relationships with key stakeholders. It may also adversely impact occupiers' usage and satisfaction with our buildings and asset liquidity, shareholder returns and limit access to debt and capital markets.

Impact on strategy

Own Manage Collaborate Generate

Read more about our strategy on page 21

Mitigation

- Aided by expert consultants, we track changes in law, stakeholder views and best practices on sustainability, environmental issues and social impact to inform our strategy.
- Responsibility for specific obligations sits with Senior Leadership Team members and our Responsible Business Working group meets regularly and reports to the Audit Committee.
- Sustainability targets are set, monitored, and reported. EPC benchmarks comply with Minimum Energy Efficiency Standards ('MEES') to maintain asset quality and desirability, avoiding higher voids, reduced income and liquidity issues.
- We assess environmental and climate change risks for our assets, commission studies and reports and provide staff training.
- High engagement levels with occupiers and shareholders seek to identify their priorities and needs.
- We collaborate with tenants to enhance the resilience of our assets and their business models in response to climate change risks. We also consider our impact on local communities.
- Contractors are required to conform to our responsible development requirements.

Commentary

Current year

Last year's merger activity reduced the Group's EPC A-C rating to 85% of the portfolio and caused us to pause on developing our Net Zero Pathway while we assessed the implications of the shift in our portfolio makeup. Good progress has been made this year on analysing the enlarged portfolio with Audit Committee consensus that the Net Zero Pathway targets which are now proposed are suitable for the business.

Good progress has also been made on our 2025 targets which have largely been achieved, including an increase in our EPC A-C rating to 92%. Our GRESB score fell slightly from 76 to 73, although we still outperform our peer group and, due to significant changes to scoring methodology, GRESB advise against direct comparisons being made against prior year performance ratings.

We continue to have a good level of occupier engagement which has translated into a significant number of ongoing and completed green initiatives. Green clauses are now widely being adopted on new leases and regears.

Our occupier survey landlord recommendation score was again high at 8.7/10.0 this year reflective of 57% of the enlarged portfolio by rent. Our employee satisfaction score was also high with 96% of employees stating they enjoy working for LondonMetric.

Year ahead

Agree medium term Net Zero Pathway KPIs, implement and monitor Pathway. Complete flood and climate risk analysis. Continue to improve EPC ratings on poorer performing assets and drive green initiatives with occupiers.

Appetite

Low. The Board has a low tolerance for non-compliance with risks that adversely impact reputation, stakeholder sentiment and asset liquidity.

Change in the year

— No significant change

Significant progress made on establishing interim milestones and Net Zero Pathway targets and updating flood and climate risk analysis. Ongoing delivery against targets still required to mitigate risk.

Read more in:
Responsible Business and ESG review page 47
TCFD Recommendation and Alignment page 62

Our full Responsible Business report can be found at **www.londonmetric.com**

A review of our risk

A review of our principal risks continued

Corporate risks continued

6. Regulatory framework

Risk

Failure to meet legal or regulatory requirements.

Impact

There may be reputational damage, increased costs, fines, penalties or sanctions. Access to debt and capital markets could also be reduced.

Impact on strategy

Own | Collaborate | Generate

Read more about our strategy on page 21

Mitigation

- We continually monitor regulatory changes that affect our business, with the assistance of specialist support providers and evaluate the impact of legislative changes on our strategic plans.
- Responsibility for particular obligations has been assigned to individual members of the Senior Leadership Team.
- Staff are provided with regular training on various pertinent matters including health and safety, cyber awareness, anti-money laundering, market abuse, whistleblowing, conduct and ethics.
- Our health and safety handbook is regularly updated and audits are conducted on developments to monitor compliance.
- Our procurement and supply chain policy sets standards for areas such as labour, human rights, pollution risk and community.

Commentary

Current year

While the regulatory environment continues to evolve, no significant new regulatory changes have impacted the business this year.

Following completion of our merger, management became aware of weaknesses in the LXi regulatory control framework in relation to tax and subsidiary statutory account filings. These issues have since been resolved and LondonMetric's pre-existing controls would have prevented their occurrence.

Year ahead

We expect no significant change in this risk over the coming year.

We acknowledge the 2024 Code's mandate for a Board declaration on the effectiveness of material controls over principal risks by 31 March 2027.

BDO LLP have been engaged to assist management in documenting the Company's internal control procedures. In the absence of an internal audit function BDO LLP will also test several key process flows to provide third party assurance to the Board as to the effectiveness of the material controls over those processes.

Progress and any recommendations from this process will be fed back to the Audit Committee who will report to the Board.

Appetite

Low. The Board has no appetite where non-compliance risks injury or damage to its broad range of stakeholders, assets and reputation.

Change in the year

No significant change

There has been no significant change in perceived risk

Read more in Audit Committee report page 117

A review of our risk

A review of our principal risks continued

Property risks

7. Investment risk

Risk

We may be unable to source rationally priced investment opportunities.

Impact

Our ability to implement strategy and deploy capital into value and earnings accretive investments is at risk.

Impact on strategy

Own Manage Collaborate Generate

Read more about our strategy on page 21

Mitigation

- Our property team leverages extensive experience and strong relationships to identify market insights and opportunities.
- Our Senior Leadership Team led Investment Committee meets regularly. Short reporting lines and Team members' active participation in daily operations lead to effective management and quick decision making.
- Management has a proven track record of executing transactions, making good sector choices and growing income even through periods of uncertainty and market volatility.
- We are a principal consolidator in the UK listed real estate market with a management team that has deep experience and proven success in both executing corporate transactions and integrating the acquired businesses.
- We have a resilient capital structure and significant undrawn headroom under our debt facilities. Our increased scale, FTSE 100 listing and investment grade credit rating provide better access to capital and debt.
- We have contractual rental uplifts over 77% of income and can afford to be patient, rational investors strongly aligned with shareholders through our significant executive share ownership.

Commentary

Current year

The market continues to be influenced by broader economic conditions and sticky debt costs which have suppressed liquidity particularly for larger direct property transactions for much of the year. There have been pockets of improved sentiment throughout the period, and we have progressed well in repositioning our portfolio towards our preferred sector weightings, finding reasonable liquidity in smaller lot sizes. We have transacted on £685 million of assets and increased our logistics exposure to 46% up from 43% despite the current market conditions where accretive capital deployment remains particularly difficult in our chosen sectors.

Year ahead

We are active supporters of further consolidation across the listed sector to improve scale, liquidity and unlock cost efficiencies for accelerated earnings progression as evidenced by our recent engagement with Highcroft Investments Plc and Urban Logistics REIT Plc. These proposed acquisitions support our triple net strategy and would create an enlarged portfolio of £7.4 billion aligned to winning macro thematics, consolidating our FTSE 100 status and increasing our logistics weighting to 55%. We continue to assess similar potential opportunities.

In the direct market opportunities within the winning sectors currently remain muted with limited supply of quality assets not helped by geopolitical uncertainty and volatility in the bond market.

We will continue to prioritise the sale of non core former LXi assets.

Appetite

Low. The Board continues to focus on having the right people and funding in place to seize opportunities.

Change in the year

— No significant change

We continue to expect increased scale, liquidity and our track record to confer a competitive advantage when pursuing possible transactions including superior access to larger investment opportunities.

Read more in:
Chief Executive's review page 13
Property review page 24

A review of our risk

A review of our principal risks continued

Property risks continued

8. Valuation risk

Risk

Investments may fall in value.

Impact

Pressure on net asset value may have negative implications for the Group and potentially loan to value debt covenants.

Impact on strategy

Own

Read more about our strategy on page 21

Mitigation

- Our focus remains on sustainable income and lettings to high quality tenants within a diverse portfolio of well located assets. Fit for purpose, modern long-let assets, low vacancy and strong tenant covenants provide resilience and reduce the negative impact of a market downturn.
- Our portfolio is predominantly aligned to structurally supported sectors with negligible exposure to legacy sectors and none to stranded assets.
- We constantly look to improve the quality and desirability of our assets. We work closely with our occupiers to deliver real estate solutions that will help their businesses thrive and that provide us with greater and longer income certainty.
- We continually monitor trends and the property cycle with investment decisions made strategically in anticipation of changing conditions. We are not afraid to pivot.
- Asset performance is regularly reviewed and benchmarked on an asset by asset basis.
- Tenant covenants and trading performance are monitored.

Commentary

Current year

Our primary focus during the year has been to sell down assets that we consider to be non core. We successfully sold 72 assets totalling £342 million at 1% above prevailing book value. £214 million related to assets previously acquired through the LXi and CTPT transactions which did not fit our investment strategy. We were delighted with these sales given the poorer quality of some of the real estate and the uncertainty over its liquidity.

We continue to see good liquidity for our assets with an average lot size of only £5 million during the 2025 year and post year end sales of £63 million.

Proceeds of sale have been redeployed into higher quality assets with better income reliability and growth trajectory which helps to mitigate valuation risk. We have grown our logistics exposure by £297.2 million representing 87% of total spend as the sector continues to benefit from continued online sales growth, investment in more efficient and resilient supply chains and increased warehouse automation. £188.9 million of this was into urban which remains the most attractive sub-sector with the greatest demand/supply tension and income growth potential. Urban supply continues to reduce as assets are converted into higher land uses. 63% of our overall logistics exposure is in urban with a total value of £1.8 billion and in strong geographies with 60% located in London and the South East and 23% in the Midlands.

Year ahead

The more positive market sentiment witnessed at the start of 2025 has weakened due to elevated levels of uncertainty resulting mainly from the impact of US trade policy with significantly larger than anticipated global tariffs and the economic impact of higher employment costs announced in the UK budget. Despite this, yields remain relatively stable presently with investors adopting a 'wait and see' approach while they take time to consider the impact of the above.

Appetite

The Board aims to keep valuation risk to a minimum through its asset selection and accretive asset management initiatives. Property valuations are however inherently subjective and there is no certainty that values will be realised. Valuations are particularly sensitive to changes in interest rates.

Change in the year

— **No significant change**

Prime yields within structurally supported real estate sectors have stabilised over the past two years. Elevated debt costs and other economic factors however continued to impact market liquidity and pricing discovery for larger lot sizes.

Read more in:
Chief Executive's review page 13
Property review page 24

A review of our risk

A review of our principal risks continued

Property risks continued

9. Transaction and tenant risk

Risk

Acquisitions and asset management initiatives may be inconsistent with strategy, or our due diligence may be flawed. Tenants may default or fail.

Impact

This may negatively impact our financial performance, hinder the attainment of our growth objectives and put pressure on debt covenants.

Impact on strategy

Own Manage Collaborate Generate

Read more about our strategy on page 21

Mitigation

- Thorough due diligence is undertaken on all investments with input from reputable external experts.
- New initiatives undergo cost benefit analysis prior to implementation.
- Tenant concentration, covenant strength and trading performance is considered for all investment and leasing transactions and regularly reviewed thereafter.
- We maintain close relationships with our tenants to understand their businesses and rent collection is monitored closely to identify potential issues.
- We have a diversified tenant base and limited exposure to occupiers in bespoke properties outside of the healthcare and theme park assets acquired through last year's merger where the tenant covenants are extremely strong.
- Our experienced asset management team collaborates with tenants to offer them real estate solutions that meet their business goals. This proactive management approach helps to reduce vacancy risk.

Commentary

Current year

During the year, 340 occupier initiatives added £15.3 million per annum of rent and like for like income growth of 4.2%. Lettings and regears added £5.9 million on average lease lengths of 19 years. Rent reviews delivered £9.4 million of additional rent, representing a 17% uplift on a five yearly equivalent basis.

The average ERVs on our logistics portfolio are 18% higher than average passing rents with urban at 16% and our regional and mega assets at 25%. Over the next two years, our pipeline of rent reviews alone is expected to add a further £27 million of annualised contracted rent as we capture inbuilt reversions.

Our long income assets which represent 52% of our portfolio generate an attractive topped up NIY of 5.5% with 90% of income subject to contractual uplifts and an equivalent yield of 6.7%.

Operationally, the Company continues to perform strongly with virtually full occupancy and rent recovery of 99.5% in the year.

Year ahead

We anticipate no significant change in this risk over the next 12 months due to the granularity of our income, our focus on business critical or key assets for our tenants and the covenant strength of our largest tenants. We recognise however that the current challenging economic backdrop with high levels of uncertainty, the risk of further cost increases and supply chain disruption are likely to increase tenant default risk more generally. We will continue to monitor the effects of market conditions on our tenants' businesses.

Appetite

Low. The Board has no appetite for risk arising out of poor due diligence or implementation of investment and asset management activities.

A degree of tenant covenant risk and lower unexpired lease terms are accepted on assets where there is high occupational demand, redevelopment potential or alternative site use.

Change in the year

— **No significant change**

Our portfolio has remained broadly consistent with last year in terms of the largest tenants, occupancy levels and rent recovery.

Read more in:
Chief Executive's review page 13
Property review page 24

A review of our risk

A review of our principal risks continued

Financing risks

10. Capital and finance risk

Risk

The Company may have insufficient liquid funds and available credit. Exposure to rising interest rates may be excessive.

Impact

Implementation of our property strategy may be at risk. Financial performance may be negatively impacted.

Impact on strategy

Own | Manage | Collaborate | Generate

Read more about our strategy on page 21

Mitigation

- We maintain a disciplined investment approach with competition for capital. Assets are considered for sale where we consider their future growth prospects to be muted.
- The availability of debt and the terms on which it is available are considered as part of our long term strategy and relationships are nurtured with a diversified range of lenders.
- Cash flow forecasts are closely monitored by Senior Leadership Team members.
- We maintain a modest level of gearing and monitor covenant headroom.
- Our facilities incorporate appropriate covenant headroom and cure rights. Our unsecured arrangements offer flexibility.
- Where secured loans inherited through our merger activity cover multiple assets, we evaluate the impact of asset disposals and collaborate with lenders on substitutions.
- Derivatives are used to fix or cap exposure to rising rates as deemed prudent.

Commentary

Current year

In order to facilitate the sale of charged assets in the year we successfully completed a number of asset substitutions across four secured debt facilities. This has allowed the Group to retain in full well priced debt taken on through corporate acquisitions.

This year, we have welcomed three new unsecured lenders signing three five year revolving credit facilities totalling £525 million, each with two, one year extension options, ahead of our first material secured debt maturity of £350 million this autumn. The facilities reflect improved pricing on a year ago partly as a result of our recent investment grade rating.

Cash and undrawn headroom under our facilities at the year end together with those that completed afterwards is significant at £1.3 billion. Covenant headroom is also significant with LTV of 32.7% at the year end and interest cover of 4.2 times.

All drawn debt is fully hedged or carries a fixed rate coupon. Additional hedging including £339 million of current and forward starting derivatives and extended protection on a further £150 million at an average rate of 2.9% was acquired during the year.

Year ahead

We will look to retain optionality and continue to monitor market conditions for windows of opportunity to lock into longer term financing options at an attractive cost.

Appetite

Low. The Board has no appetite for imprudently low levels of available headroom in its cash and credit lines and very limited appetite for unhedged floating rate debt in the current interest rate environment.

Change in the year

Decreased risk

We are in a secure financial position with diversified sources of funding. Our increased scale and FTSE 100 listing alongside our recent assignation as an investment grade issuer provide better access to capital and greater optionality around future funding sources.

Read more in:
Financial review page 39
Going concern and viability page 88

A review of our risk

Going concern and viability

The Directors have reviewed the Group's prospects and principal risks to assess short term and long term viability. The process for conducting this assessment is summarised in the Risk management and internal controls section of this report on page 72.

Based on the results of this assessment, they believe that the Group has adequate resources to meet its liabilities as they fall due over the three year period to 31 March 2028 and will be able to continue in operation.

Time period of assessment

Consistent with previous years and in accordance with the 2018 UK Corporate Governance Code, the Board has assessed the prospects of the Group over the following time horizons:

- Short term – a period of 12 months from the date of this report as required by the 'Going Concern' provision; and
- Longer term – a period of three years to 31 March 2028 as required by the 'Viability Statement' provision.

Short term assessment

The Directors' short term going concern assessment, as required under provision 30 of the Code, considered the key models and metrics which the Senior Leadership Team use to measure and monitor liquidity. These are reviewed at their monthly meeting and at other times as required. Key metrics and information considered include the following:

- The current financial position of the Group;
- The short term cash flow forecast, which is undertaken on a weekly basis;
- Rent collection rates, which are circulated and reviewed on a weekly basis;
- The repayment profile of the Group's debt facilities;
- The hedging profile and forecast interest and swap rates; and
- The availability of cash and undrawn facilities.

The following key financial metrics, which are set out in the Financial review on page 45 supported their assessment:

As at 31 March	2025
Loan to value	32.7%
Cost of debt	4.0%
Interest cover (times)	4.2
Undrawn facilities	£831.1m
Cash	£81.2m
Average debt maturity	4.7 years
Hedging	100%
Rent collection in the year	99.5%
Occupancy	98.1%

During the year, the Group agreed three new five year revolving credit facilities totalling £525 million with new lenders.

Each facility has two, one year extension options and reflects improved pricing, which partly reflects our recent investment grade Fitch credit rating of BBB+ which increases optionality around future funding sources. Two of these facilities totalling £350 million were entered into post year end and increase available cash and undrawn facilities to £1.3 billion.

The Directors considered the c.£350 million of debt due to mature in the autumn relating to the secured loans acquired as part of the LXi transaction and £400 million revolving credit facilities which mature next year and concluded that the Group has sufficient undrawn facilities and cash resources available and ample headroom under banking covenants ahead of the maturities.

In addition, as at 31 March 2025, the Group's gearing ratio as defined within its unsecured facilities and private placement loan notes, which together account for 61% of debt drawn, was 57% (maximum 125%) and interest cover was 4.2 times (minimum 1.5 times).

Going Concern Statement

On the basis of this review, together with available market information and the Directors' experience and knowledge of the portfolio, they have a reasonable expectation that the Company and the Group can meet its liabilities as they fall due and has adequate resources to continue in operational existence for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements for the year to 31 March 2025.

Longer term assessment

The Board reviews the viability assessment period and has determined that the three year period to 31 March 2028 remains appropriate for assessing the Group's viability, as in previous years, for the following reasons:

- The Group's financial business plan and detailed budgets cover a rolling three year period;
- It is a reasonable approximation of the time it takes from obtaining planning permission for a development project to practical completion of the property; and
- Three years is considered to be the optimum balance between long term property investment and the difficulty in accurately forecasting ahead given the cyclical nature of property investment.

Assessment of viability

The Board conducted this review taking account of the Group's business strategy, principal and emerging risks, financial position and outlook as discussed throughout the Strategic review.

The Group's three year business model is used to consider future prospects on a quarterly basis and to stress test assumptions and consider the likely impact of changes in the principal risks, including:

- Macroeconomic conditions and changes impacting rental income, property values and finance costs;
- The occupier market and changes impacting occupancy levels;
- The availability of funds and interest rates; and
- The real estate market conditions impacting investment, divestment and development opportunities.

A review of our risk

Going concern and viability continued

Our transformational M&A activity last year positioned us as the UK's leading Triple Net Lease REIT, doubling the size of the portfolio and diversifying into a broader range of operating segments.
Our strategy, which is reviewed by the Board at each meeting and in-depth at one extended meeting each year, continues to be to invest in mission critical assets and deliver reliable, repetitive and growing income and dividends over the long term.

This strategy underpins the business plan and three year financial forecasting model which incorporates transactions under offer, committed developments and reinvestment plans. It is an integrated model that projects future earnings, cash flows and net assets and considers capital commitments, dividend cover, loan covenants and REIT compliance metrics.

The Senior Leadership Team provide key strategic input to the financial forecasts covering investment, divestment and development plans which consider their impact on earnings and liquidity. Forecasts are reviewed against actual performance and reported quarterly to the Board.

The forecast model was enhanced at the start of the financial year with external specialist support to reflect the increased requirements and complexity of the enlarged Group following last year's merger activity.

The business plan was stress tested to ensure it remained resilient to adverse movements in its principal risks including changes to macroeconomic conditions that were considered severe but realistic scenarios, both on an individual and collective basis.

The scenarios considered the likely impact on the Group's longer term profitability and liquidity and were consistent with previous years as set out below:

- A 2% increase in interest rates;
- A 5% tenant default rate reducing rent by the equivalent amount; and
- A 5% decline in property valuations.

The modelling indicated that under all scenarios the Group would still be able to execute its strategic plan and had sufficient reserves to continue in operation and remain compliant with its debt covenants. In addition, reverse stress testing was undertaken to determine the circumstances under which financial covenants would be breached and considered the following scenarios:

- The amount by which property values would need to fall before the gearing covenant was breached;
- The amount by which rent would need to fall before the interest cover covenant was breached; and
- The amount by which interest costs would need to rise before the interest cover covenant was breached.

Under the Group's unsecured and private placement debt facilities, that together account for 61% of the Group's borrowing, the reverse stress testing indicated the following:

- Property values would need to fall by 34% before the banking gearing threshold was reached and this would equate to a loan to value ratio of 53%; and
- Rental income would need to fall by 60% or interest payable rise by 159% to breach the interest cover covenant.

In conjunction with the modelling undertaken, the Board is mindful of the following points when assessing the Group's longer term prospects:

- Income certainty, with 77% of the Group's rental income benefitting from contractual uplifts;
- Income diversity, with 38% of rent due from our top ten occupiers;
- Strong rent collection, with 99.5% of rent due in the year collected;
- Strong relationships with debt providers, evidenced by the new £525 million revolving credit facilities agreed which also diversified the pool of lenders;
- Substantial liquidity, with undrawn debt facilities and cash of £831.1 million at the year end, mitigating refinancing risk;
- Fully hedged drawn debt as at 31 March 2025;
- The Group's proven track record of executing transactions, including sizeable corporate acquisitions and successful subsequent integration, making good sector choices and growing income even in uncertain, volatile and challenging times; and
- The Group's ability to be flexible and react to changes in the macroeconomic and property markets, including the ability to transact through M&A opportunities.

This testing, combined with the Group's strong financial position and mitigation actions available including deferring non committed capital expenditure and selling assets, supports the Group's ability to weather unexpected and adverse economic and property market conditions over the longer term viability period.

Viability Statement

Based on the results of their assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three year viability period to 31 March 2028.

Governance

A solid framework

Our governance framework underpins the way we manage the business and supports the successful delivery of our strategy. It encompasses the systems, processes, and practices that guide our decision making, ensuring that we operate with integrity, accountability, and transparency.

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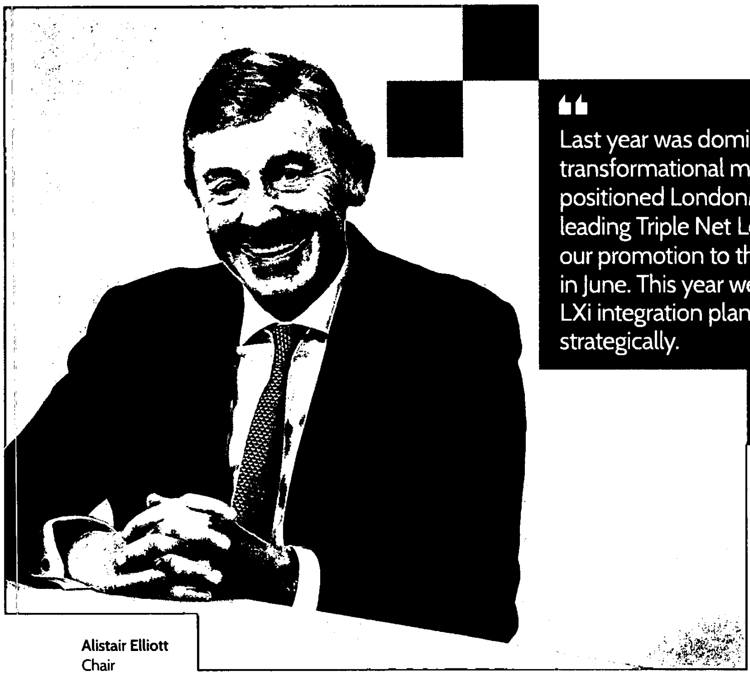
"This year we have executed our LXi integration plan, operationally and strategically."

Alistair Elliott
Chair

Chair's introduction

An intense year of activity



Alistair Elliott
Chair

> "Last year was dominated by our transformational merger activity which positioned LondonMetric as the UK's leading Triple Net Lease REIT and led to our promotion to the FTSE 100 index in June. This year we have executed our LXi integration plan, operationally and strategically.

As Chair of the Board, I am delighted to introduce the Governance section of this year's Annual Report for what has been an intense 12 month period of activity.

Our proven ability to execute and subsequently successfully integrate sizeable transactions is credit to the efforts and strength of the whole team who work to protect the interests of shareholders and execute our business strategy.

A key focus for the Board this year has been to oversee the work undertaken to integrate LXi into the business following its transformational acquisition last March and to ensure that all key risks were fully addressed as part of this process.

At the start of April, LXi colleagues joined their LondonMetric counterparts and were provided with training and support to help them successfully settle into their new roles and teams as the results of our recent employee satisfaction survey demonstrate with 96% of staff enjoying working at LondonMetric and 91% feeling proud to work for the organisation. New hires were also made during the year to ensure that the enlarged Group was sufficiently resourced and has the right experience to drive the business forward.

As a Board which maintains a strong controls culture within an internalised management structure, we deemed it important to migrate LXi's data and processes onto the Company's platforms and away from a third party service provider as soon as practical following completion of the merger to reduce costs, the risk of inaccuracies and delays in financial reporting. I am pleased to report that this workstream completed successfully well before the half year.
The Company's forecast model was also enhanced at the start of the financial year, with external specialist support, to reflect the increased requirements and complexity of the enlarged Group.

Chair's introduction continued

We made no secret when acquiring CTPT and LXi last year that we didn't like the entirety of their portfolios. This year we have made significant progress on the sales of weaker ex-growth and non core assets to ensure that we remain aligned to the winning sectors and the best assets with £685 million of investment activity. This is despite the continuing challenging market conditions and where accretive capital deployment remains particularly difficult within our chosen sectors. Reinvestment has been into sectors and assets where we see better growth opportunities and security of income. Urban logistics remains the Board's main conviction call.

The sale of LXi assets held in secured loan facilities required asset substitutions over the year in two tranches as management and the Board refined their thoughts on which assets to sell taking into account market conditions. To maintain our strong balance sheet, the Board also approved entry into three new five year revolving credit facilities totalling £525 million with new lenders ahead of our first material debt maturity of £350 million this autumn relating to secured loans acquired as part of the LXi transaction. Each facility has two, one year extension options and reflect improved pricing on a year ago. The new facilities and their pricing partly reflect our recent investment grade Fitch credit rating of BBB+ which increases optionality around future funding sources. We will continue to monitor market conditions for windows of opportunity to lock into longer term financing options at an attractive cost.

The business is stronger with ongoing positive benefits resulting from last year's mergers and better positioned after 12 months of intense activity. Our financial results for the year to 31 March 2025 again reflect the strength of the portfolio, the efficiency with which it is run and our focus on income growth and cost control, with a 20.7% increase in EPRA earnings to 13.1p per share and the delivery of operational efficiencies to drive a sector leading EPRA cost ratio of 7.8%. This has allowed us to progress our dividend again to 12.0p per share, an increase of 17.6% over last year.

Board composition

Last March we were delighted to welcome Nick Leslau and Sandy Gumm to the Board as Non Executive Directors to bring continuity to LXi shareholders and a wealth of property and financial experience to the business. I am pleased to report that both have settled in well with each demonstrating a high level of engagement and challenge and their appointments have been viewed very positively by their fellow Board members.

No Board or Committee changes were made during the current year following the above appointments, however we will be sadly saying farewell to Andrew Livingston in May when he steps down from the Board on reaching his ninth anniversary. On behalf of the Board, I would like to thank Andrew for his valuable contribution over that term.

Read more in Nomination Committee report page 109

Board evaluation

In accordance with our three year cycle, I conducted an internal evaluation of the Board, its principal committees and individual Directors for the year ended 31 March 2025. This review confirmed that the Board, its Committees and Directors continue to operate effectively.

Read more in Nomination Committee report page 109

Stakeholder engagement

Shareholder engagement is led by the Executive Directors and we are proud of the comprehensive programme they maintain.

We have continued with our workforce engagement activities including assessing the results of the annual employee survey and the designated workforce NED's staff meeting.

Our fifth annual occupier survey was conducted in March 2025 and the results continued to show positive occupier sentiment, with a landlord recommendation score of 8.7/10. Further survey results are set out on page 56.

Read more in Responsible Business and ESG review page 47

> "The business is stronger with ongoing benefits from last year's mergers and better positioned after 12 months of intense activity.

Looking ahead

We are responsible to our shareholders, employees and stakeholders for ensuring the long term success of the Company. Over the coming year we will continue to focus on the resilience of the business in what is a period of heightened economic and geopolitical uncertainty and the potential impact that may have on the UK property market. We believe our strong balance sheet and portfolio will allow us to navigate the challenges and make the right decisions.

On 9 May 2025, we were pleased to announce that we have reached agreement with the board of Urban Logistics REIT on the terms of a recommended cash and share offer pursuant to which we will acquire the entire issued and to be issued ordinary share capital of that company. Urban Logistics REIT has a highly complementary logistics platform, and we believe the combined Group will benefit from further increased scale, granularity of income and synergies to drive superior earnings growth which underpins our progressive dividend policy.

On behalf of the Board, I would like to take this opportunity to thank the whole team for all their hard work and dedication over the year and in adapting and supporting the successful integration of the businesses acquired last year. I would also like to thank my fellow Board members for their support and insightful contributions during the year.

We are pleased to announce that our Annual General Meeting will take place on 9 July 2025. We hope that you will be able to attend the meeting and support the proposed resolutions, as we your fellow shareholders, intend to do.

The notice of the meeting is detailed on pages 195 to 201 of this Annual Report.

Alistair Elliott
Chair
20 May 2025

Governance overview

This report sets out the Company's governance policies and practices and explains how the Board and its Committees discharge their duties, apply the principles and comply with the provisions of the UK Corporate Governance Code.

Board leadership and Company purpose 95

Provides an overview of how the Board leads, its activities in the year and how it has considered its stakeholders and S172 responsibilities.

- Board of Directors 95
- Senior Leadership Team 97
- Our purpose, values and culture 99
- How we monitor culture 100
- Board activities in the year 102
- Companies Act 2006 Section 172 Statement 103
- Stakeholders 104
- Board meetings and attendance during the year 105

Division of responsibilities 106

Sets out the roles of Board members and framework for Board Committees.

- Governance framework 106
- Leadership roles and responsibilities 107

Composition, succession and evaluation 109

Sets out the practices in place which ensure the Board and its Committees have the appropriate balance of skills to govern the business and operate effectively.

- Nomination Committee report 109
- Board composition and succession planning 110
- Board appointments, induction and training 112
- Board diversity and inclusion 112
- Board performance evaluation 114

Audit, risk and internal control 117

Sets out how we monitor the integrity of the financial statements and oversee risk management and internal control.

- Audit Committee report 117
- Financial reporting and significant matters 119
- Risk management and internal control 120
- External audit and regulatory compliance 120

Remuneration 123

Sets out Directors' remuneration arrangements, implementation and alignment with strategy and the wider workforce.

- Remuneration Committee report 123
- Directors' remuneration at a glance 126
- Directors' Remuneration Policy 127
- Annual Report on Remuneration 131
- Implementation of Policy next year 132

A balanced and committed Board

Board independence at 31 March 2025	Female representation at 31 March 2025	Board meeting attendance during the year
67%	40%	100%

Board focus

Consideration	Outcome	
Board succession and independence Internal performance evaluation	**Board changes:**	
	Andrew Livingston to step down	May 2025
	Kitty Patmore to become workforce NED	May 2025
	Suzy Neubert appointed to the Nomination Committee	May 2025
	Suzy Neubert to become Remuneration Committee chair	July 2025
LXi integration and focus on disposal of non core assets	Disposals approved **£342m**	Teams and systems successfully integrated by **July 2024**
Strengthened debt structure	Fitch Credit Rating **BBB+**	New revolving credit facilities **£525m**
Earnings and dividend progression	Dividend **12.0p** 17.6% increase	EPRA Earnings **13.1p** 20.7% increase

Governance overview continued

Statement of compliance with the UK Corporate Governance Code 2018

The Board has considered the Company's compliance with the provisions of the UK Corporate Governance Code (the 'Code') published by the Financial Reporting Council in July 2018, publicly available at www.frc.org.uk.

The Board considers that, throughout the year, it has applied the principles and complied with the provisions set out in the Code in all respects.

UK Corporate Governance Code 2024 (2024 Code)

The Board has considered the 2024 Code, which will largely apply for financial years starting on or after 1 April 2025, and has reviewed practices and procedures as required to ensure compliance.

Statement on Board Diversity

The Board has considered UK Listing Rule 6.6.6R (9) relating to Board diversity as at 31 March 2025 and considers that the Company has met all three targets as set out below.

Provision	
9(a)(i)	At least 40% of the individuals on the Board of Directors are women.
9(a)(ii)	At least one of the senior positions of Chair, Chief Executive, Senior Independent Director or Chief Financial Officer on the Board of Directors is held by a woman.
9(a)(iii)	At least one Board member is from an ethnic minority background.

Other Governance Statements

Statements	Position
Going Concern and Viability	The Going Concern Statement is made on page 88. The Viability Statement is made on page 89.
Principal risks and uncertainties	The principal risks and uncertainties are set out from page 77 and the Board's statement is on page 75.
Fair, balanced and understandable	The fair, balanced and understandable statement is made on page 146.
Section 172 statement	The Section 172 statement is on pages 103 to 104 and provides cross-references to the required detail set out throughout this Annual Report.

"

The Board is made up of a group of talented individuals with wide ranging commercial experience from a range of industries and sectors.

Board leadership and Company purpose

Board of Directors

Strong leadership

The Board is made up of a group of talented individuals with wide ranging commercial experience from a range of industries and sectors.

Balance of Directors
As at 31 March 2025

Male 1 2 3 60%

Female 4 40%

☐ Chair ☐ Executive Directors ■ Non Executive Directors

	Scheduled meetings	Number of members	Attendance
Board	6	10	100%
Nomination Committee	2	4	100%
Audit Committee	6	4	100%
Remuneration Committee	5	4	100%

Committee Membership

A Audit N Nomination R Remuneration

Alistair Elliott

N

Independent Director
Appointed: 26 May 2022

Board and Nomination Committee Chair: 11 July 2023

Alistair was appointed to the Board in May 2022. He was previously at Knight Frank where he worked for almost 40 years latterly as senior partner and chair of the Knight Frank Group Executive Board, where he drove the group's global strategy. Alistair has also previously been vice chair and trustee of LandAid, a member of the BPF Policy Committee and the real estate representative of the Professional and Business Services Council, chair of the Office Agents Society and chair of the Property Advisors Forum.

Other appointments: Member of the Prince's Council for the Duchy of Cornwall, member of the Council for the Duchy of Lancaster, non executive Chair to the board of Grosvenor Great Britain and Ireland.

Martin McGann

Chief Financial Officer
Appointed: 13 January 2010

Martin joined London & Stamford Property Plc in September 2008. From 2002 to 2005 he worked for Pillar Property Plc, latterly as finance director. Between 2005 and 2008, Martin was a director of Kandahar Real Estate. Martin is a qualified chartered accountant having trained and qualified with Deloitte.

Other appointments: None.

Andrew Jones

Chief Executive
Appointed: 25 January 2013

Andrew was a co-founder and chief executive of Metric Property Investments plc from its inception in March 2010 until its merger with London & Stamford Property Plc in January 2013. On completion of the merger, Andrew became Chief Executive of LondonMetric. Andrew was previously executive director and head of retail at The British Land Company Plc. Andrew joined The British Land Company Plc in 2005 following the acquisition of Pillar Property Plc where he served on the main board.

Other appointments: Non executive director of InstaVolt Limited.

Suzy Neubert

A R

Senior Independent Director
Appointed: 29 March 2023

Senior Independent Director: 29 September 2023

Suzy was appointed to the Board in March 2023. Suzy has extensive capital markets and financial services experience as both executive and non executive director. Her executive director roles have included managing director of equities at Merrill Lynch followed by 14 years as global head of sales & marketing at J O Hambro Capital Management. Suzy previously held the position of senior independent director of Witan Investment Trust Plc, before retiring in May 2023.

Other appointments: Non executive director of Jupiter Fund Management plc, LV=, Howden Joinery Group Plc and Trustee of The King's Trust.

Board leadership and Company purpose

Board of Directors continued

Suzanne Avery
Independent Director
Appointed: 22 March 2018

A N R

Suzanne was appointed to the Board in March 2018. She has over 25 years' experience in corporate banking, holding various managing director roles at RBS, including managing director of Real Estate Finance Group & Sustainability, where she was responsible for REITs, Funds and London based private property companies as well as for the RBS corporate bank sustainability strategy. She is a co-founder of Real Estate Balance and was previously a trustee of LandAid.

Other appointments: Chair of the Church Commissioners property group, senior advisor to Centrus Advisors and deputy chair of Real Estate Balance.

Robert Fowlds
Independent Director
Appointed: 31 January 2019

A N R

Remuneration Committee Chair: 22 July 2020

Robert was appointed to the Board in January 2019. He has over 40 years' experience in real estate and is a chartered surveyor. He was head of real estate investment banking at J.P. Morgan Cazenove until 2015 and, prior to joining J.P. Morgan Cazenove in 2006, an equity analyst at Merrill Lynch and Dresdner Kleinwort Benson. He was also a non executive director of UK Commercial Property REIT Limited, until August 2021.

Other appointments: Member of the supervisory board of Klepierre S.A. and non executive director of Helical plc.

Katerina Patmore (Kitty)
Independent Director
Appointed: 28 January 2021

A

Audit Committee Chair: 24 May 2023

Kitty was appointed to the Board in January 2021. She is chief financial officer of Harworth Group plc and has almost 20 years of finance, banking and real estate lending experience drawn from roles at Harwood, DRC Capital and Barclays Bank PLC.

Other appointments: Chief financial officer of Harworth Group plc

Andrew Livingston
Independent Director
Appointed: 31 May 2016

N R

Andrew was appointed to the Board in May 2016. Andrew has been the chief executive of Howden Joinery Group Plc since April 2018. He was the commercial and e-commerce director of Screwfix from 2009 to 2013 and then chief executive from 2013 to 2018. Before joining Screwfix, Andrew was commercial director at Wyevale Garden Centres between 2006 and 2008 and then chief operating officer between 2008 and 2009. Andrew has worked previously in senior roles at Marks & Spencer and B&Q.

Other appointments: Chief executive of Howden Joinery Group Plc and director of Vedoneire Limited.

Nicholas Leslau (Nick)
Non Independent Director
Appointed: 5 March 2024

Nick was appointed to the Board in March 2024. He was chair and majority shareholder of Prestbury Investment Partners Limited, the investment advisor to the Secure Income REIT plc group of companies ('SIR') prior to SIR's merger with LXi REIT Plc ('LXi') in 2022. Nick is a Chartered Surveyor and chair of the Prestbury group of companies. He was chief executive of Burford Holdings Plc for approximately ten years up to 1997 and group chair and chief executive of Prestbury Group Plc from 1998. Nick has sat on many quoted and unquoted company boards including, most recently, Max Property Group Plc, SIR and LXi.

Other appointments: Member of the Bank of England Property Forum. Director of various private companies including the Prestbury group of companies.

Sandra Gumm (Sandy)
Independent Director
Appointed: 27 March 2024

Sandy was appointed to the Board in March 2024. She is a qualified chartered accountant with over 30 years of commercial real estate and finance experience. Prior to the merger of SIR and LXi in 2022, Sandy was the chief operating officer of Prestbury Investment Partners Limited. From 1984, Sandy worked for KPMG for nine years in Sydney and London before becoming group financial controller of Burford Holdings Plc in 1995. She was finance director at the time that Prestbury Group Plc was established in 1997 and in 2007 became chief operating officer of Prestbury. Sandy has sat on many quoted and unquoted company boards including, most recently, SIR and LXi.

Other appointments: Director of various private companies including the Prestbury group of companies and Wellcome Genome Campus Holdings Ltd.

Committee Membership

A Audit N Nomination R Remuneration

Board leadership and Company purpose

Senior Leadership Team

Committee Membership

A Asset Management Committee I Investment Committee F Finance Committee

The Board delegates the execution of the Company's strategy and day-to-day running of the business to the Senior Leadership Team which operates under the direction and leadership of the Chief Executive.

The team comprises departmental heads from all key business functions with a diverse range of skills and experience. Members meet regularly to discuss the key operational and financial aspects integral to the management of the business including the evolution of strategy, risk, financial and operating targets and performance, investment opportunities, allocation of capital and employee matters.

Regular meetings facilitate talent development below Board level and promote the culture and values of the business, as key messages and decisions are fed down from departmental heads to the wider workforce.

There are informal meetings at other times and due to the size of the organisation, the Executive Directors and Senior Leadership Team members are involved in all significant business discussions and decisions.

The Senior Leadership Team is supported by three sub-committees, each focusing on different areas of the business: the Investment, Asset Management and Finance Committees, which meet regularly.

Darren Richards joined the team as Chief Investment Officer in January 2025.

Andrew Jones
Chief Executive
A I

Read Andrew's full biography on page 95

Martin McGann
Chief Financial Officer
F

Read Martin's full biography on page 95

Valentine Beresford
Investment Director and Joint Head of Investment
Joined: 25 January 2013
I

Skills and experience: Valentine was co-founder and Investment Director of Metric Property Investments plc from its inception in March 2010 until its merger with London & Stamford Property Plc in January 2013. Prior to setting up Metric, Valentine was on the Executive Committee of The British Land Company Plc and was responsible for all their European retail developments and investments. Valentine joined British Land in July 2005, following the acquisition of Pillar Property Plc, where he also served on the Board as Investment Director.

Mark Stirling
Asset Director
Joined: 25 January 2013
A

Skills and experience: Mark was co-founder and Asset Management Director of Metric Property Investments plc from its inception in March 2010 until its merger with London & Stamford Property Plc in January 2013. Prior to the setting up of Metric, Mark was on the Executive Committee of The British Land Company Plc and as Asset Management Director was responsible for the planning, development and asset management of the retail portfolio. Mark joined British Land in July 2005 following the acquisition of Pillar Property Plc where he was Managing Director of Pillar Retail Parks Limited from 2002 until 2005.

Andrew Smith
Strategy Director
Joined: 6 May 2014
A I

Skills and experience: Andrew joined LondonMetric in May 2014 from The British Land Company plc where he worked for nine years. Previously Andrew worked for Pillar Property Plc. At British Land he was a senior member of the retail team and Head of Investment Portfolio Management. Since joining LondonMetric, Andrew has been responsible for the development of the Company's strategy as well as portfolio management.

Darren Richards
Chief Investment Officer
Joined: 6 January 2025
I

Skills and experience: Darren joined LondonMetric in January 2025 from The British Land Company plc where he was Head of Real Estate and a member of the Executive Committee. He had previously held other positions at British Land including Head of Investment after joining in 2005 following its acquisition of Pillar Property Plc. Prior to its acquisition he was responsible for UK investment at Pillar.

Board leadership and Company purpose

Senior Leadership Team continued

Committee Membership

A Asset Management Committee   I Investment Committee   F Finance Committee

Gareth Price
F

Head of Investor Relations and Sustainability

Joined: 5 January 2015

Skills and experience: Gareth joined LondonMetric in 2015 having previously worked in corporate broking at Cantor Fitzgerald and Oriel Securities. He supports the Executive Directors at shareholder roadshows and events and also heads the Responsible Business and Sustainability team.

Jadzia Duzniak
F

Company Secretary

Joined: 23 April 2007

Skills and experience: Jadzia joined London & Stamford Property Plc in 2007 prior to its IPO and became Company Secretary on merger with Metric Property Investments plc in 2013. Jadzia qualified as a Chartered Accountant with PwC. Her role extends to corporate finance, banking arrangements and transactions.

Will Evers
I

Joint Head of Investment

Joined: 25 January 2013

Skills and experience: Will joined Metric Property Investments Plc from inception in 2010 having previously worked at LaSalle Investment Management and Bear Stearns. Will's primary focus is to source and execute long income investment opportunities whilst having responsibility for the portfolio management and performance of the long income and retail portfolio.

Ritesh Patel
F I

Head of Corporate Finance

Joined: 21 November 2011

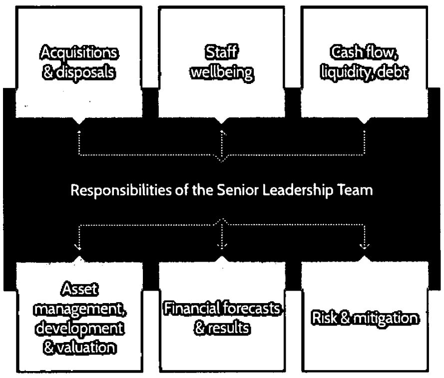
Skills and experience: Ritesh is a Chartered Accountant and joined London & Stamford in 2011 having previously qualified with BDO LLP. Ritesh is an integral part of the banking and corporate finance team and is also responsible for the corporate forecasting model.

Jackie Jessop
F

Head of Finance

Joined: 1 March 2006

Skills and experience: Jackie joined London & Stamford Property Plc as Financial Controller on its inception in 2006 having worked previously for Pillar Property Plc as Financial Controller. She became Head of Finance at LondonMetric in 2013. Jackie is a qualified Chartered Accountant, having qualified with PwC, and is responsible for all aspects of financial management and reporting.



Board leadership and Company purpose

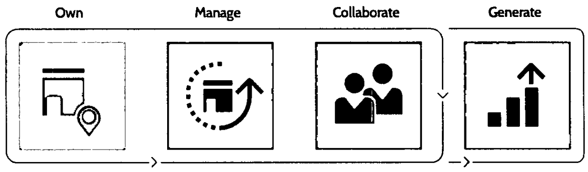
Our purpose, values and culture

We are a small and highly motivated team with strong real estate and financial expertise. We operate with honesty and respect, listening and engaging with stakeholders and acting with integrity to achieve our goals. We value open communication, a collaborative spirit and a positive attitude, doing the right thing for the long term through empowerment, inclusion, openness and teamwork.

Our culture embodies our values and influences how employees work and interact with each other and stakeholders. It promotes appropriate behaviours, which are important for long term success.

Our Board and Senior Leadership Team recognise that the culture within the Company is not a set of rules but desired behaviours that are set from the top and demonstrated by the way in which they conduct themselves. Last year, Independent Audit commended the Chair for fostering a collaborative atmosphere where members could speak freely and contribute to discussions without dominance.

Our purpose and aim Read more on page 1	What we do and why	Our aim is to build on our position as the UK's leading Triple Net Lease REIT by investing in mission critical and key real estate assets and deliver reliable, repetitive and growing income over the long term. Our purpose sets out to stakeholders what we do and why and underpins our approach and long term direction and guides our decision making.
Our strategy Read more on pages 13 and 21	How we achieve this through our strategic priorities	Guides how we achieve our purpose through four strategic priorities of owning desirable real estate, efficiently managing our assets, collaborating with stakeholders and generating reliable, repetitive and growing income and a progressive dividend.



Our values	What we believe in	Articulate what we believe in and drive desired behaviour. Our values are embedded into our everyday practices by the close involvement of the Executive Directors and Senior Leadership Team members, who lead by example and demonstrate the behaviour that underpins our culture, which can be broadly defined as:

		Empowerment	Inclusion	Openness	Teamwork
Our behaviours and culture	The way we work	Trusting our employees to take responsibility and make decisions	Promoting diversity throughout the organisation and equality of progression and reward	Working together in an environment characterised by openness, trust and fairness	Operating with honesty, integrity and respect for the people we work and interact with

Board leadership and Company purpose

How we monitor culture

The Board leads by example and its behaviour permeates throughout the organisation through the close interaction of the Executive Directors and Senior Leadership Team members in day-to-day activities.

Our small team allows for easier monitoring of culture and values. The Chair and Non Executive Directors frequently visit the office and stay informed about transactions through regular dialogue with staff.

We recognise the incredible value of collaborating and working together in person, especially for employees who are at the beginning of their career or at the transactional end of our business. We firmly believe that we are better together in an office environment that facilitates better sharing of ideas.

It is crucial for the Board to address any instances where it is concerned that policy, practices or behaviour are not in line with the Company purpose, values or strategy. In such cases, the Board would seek assurance from the Senior Leadership Team that it has taken corrective action. There were no concerns raised in this regard in the year.

Our team remains central to our success and we pride ourselves on making the Company a desirable place to work with a strong culture and core values. As we have grown, retaining the existing culture has been vitally important. Employee survey results this year were our strongest ever, with 96% of employees enjoying working for the Company and 96% believing there is a strong culture of teamwork.

Ways in which the Board manages and monitors culture

- Board engagement with employees through:
  - the annual designated workforce NED meeting;
  - attendance and presentations at Board and Committee meetings and on site visits;
  - Senior Leadership Team members attendance at Board lunches;
  - induction sessions for new Board members; and
  - regular interaction in the office;
- Annual one-to-one staff appraisals undertaken by the Executive Directors and Senior Leadership Team members provide the opportunity to discuss career progression, training, wellbeing and to reflect on and reinforce desired behaviours, as well as providing a forum for staff to raise issues and concerns;
- CEO and CFO business and strategy updates following half yearly results provide an opportunity for staff to ask questions;
- Feedback from the Executive Directors and designated workforce NED following staff surveys and meetings, highlighting what we do well and possible improvements, which this year included retaining the existing culture and further enhancements to internal communication systems;
- Feedback from other stakeholder engagement, including shareholders and our annual occupier survey, help the Board assess how our behaviours are embedded into the way we do business. This year, six Board members visited Thorpe Park alongside five other senior employees and received a presentation from one of our key occupiers, Merlin Entertainments;
- Oversight of the LXi integration and wellbeing of staff; and
- Monitoring of the staff turnover rates, whistleblowing and health and safety incidents.

Board leadership and Company purpose

How we monitor culture continued

The Board continues to monitor the culture of the Company through a variety of ways including consideration of the key indicators set out below.

Low staff turnover rate

6%

Average staff turnover since 2013

Employee LTIP participation

67%

In 2025

Whistleblowing incidents

None

Reported in the year

Strong occupier contentment

8.7/10

Landlord recommendation score in 2025 occupier survey, first year including LXi occupiers

Results of the annual employee survey

100%

Employee responses received

96%

Of employees enjoy working at LondonMetric

96%

Of employees believe there is a strong culture of teamwork and collaboration

96%

Of employees enjoy coming into the office

Diversity

40%

Female representation on the Board

48%

Female representation across the Company

Board leadership and Company purpose

Board activities in the year

The Board attended six scheduled meetings during the year to discharge its duties and regularly received briefing papers to consider significant transactions.

Members of the Senior Leadership Team attend each meeting and other staff are invited to join meetings and present topical updates. An overview of matters considered, decisions made and subsequent outcomes is provided in the table below.

Own | Manage | Collaborate | Generate

Read more about our strategy on page 21

Strategy and operations	Governance, leadership and regulatory	Finance and risk	People and stakeholders
• CEO led strategy debates at each meeting, including the impact of the LXi merger, focus on NNN leases, market liquidity, corporate opportunities and debt strategy • Extended strategy discussion including receipt of briefing paper and presentation from Strategy Director at the meeting • Approved a progressive 12.0p dividend for the year, a 17.6% uplift on the previous year	• Considered Provision 10 of the Code and the independence of Andrew Livingston given his tenure is approaching nine years • Decision made that Andrew would retire from the Board in May 2025 • New appointments – Kitty Patmore to become workforce NED. Suzy Neubert to be appointed to the Nomination Committee and to become Chair of the Remuneration Committee	• Considered a proposal by the CFO to pursue a Credit Rating to increase optionality on future financing. Investment grade Fitch credit rating of BBB+ achieved in March 2025 • Considered debt maturity and future refinancing • Approved further hedging of £339 million and three new RCFs of £525 million in total, two of which completed after the year end • Board reporting improved to include further analysis on maturity and hedging profiles	• Considered investor feedback from the Executive Directors following the LXi merger • Met 344 equity investors and brokers through one to one and group meetings in the year. Chair and SID accompanied the Executive Directors to 12 meetings
• Received updates on portfolio weightings, non core sales and the level of synergies achieved from last year's merger activity • Considered disposals of non core assets, portfolio mix and acquisitions, approving any over £20 million • Received updates on the level of vacancies, material asset management initiatives and rent collection rates	• Considered Provision 10 of the Code and the independence of Sandy Gumm due to cross directorships, a shareholding and links with Nick Leslau • Concluded that she has demonstrated an absence of bias in her contributions to the Board and her shareholding is less than 0.1% • Deemed independent and included within the 67% independence disclosure	• Considered the 2024 Corporate Governance Code and Provision 29 on the effectiveness of internal controls • Appointed BDO LLP to assist management and set out a pathway for compliance • Audit Committee received a paper from the CFO on the work undertaken and proposal to review and test the assurance framework over the next two years	• Considered the integration of LXi staff and the resourcing of teams following the merger. Executive Directors held regular one-to-one sessions with former LXi staff, organised team events and approved new hires • Received regular feedback on the migration of LXi's data and processes in-house onto the Company's platforms and away from a third party service provider from July 2024
• Board papers received include a comprehensive market commentary from the CEO • Discussed the impact on property investment and financing • Considered and debated the macro environment and rising geopolitical tensions, including their potential impact on the UK real estate sector and tenants	• Led the internal performance evaluation of the Board and its Committees • Considered the results and followed up last year's recommendations • Concluded Board continued to operate effectively and noted suggestions for improvement	• Considered the interim and annual property valuations and half year and full year results • Attended meetings with the independent valuers and Deloitte to challenge and scrutinise the outcomes • Approved the half year and full year results announcements and Annual Report	• Monitored culture by considering the results of the annual staff survey and report from the designated workforce NED following his staff meeting • Considered good survey results. Low staff turnover indicates a contented and motivated workforce • NED visits to property assets including Thorpe Park in the year, alongside management and key tenant meetings

Timeline of key events

June →	June →	July →	November →	December →	January
Full year results 2024	Investor roadshow	AGM	Half year results 2025	Investor roadshow	Chief Investment Officer appointed

Board leadership and Company purpose

Companies Act 2006 Section 172 Statement

The Board of Directors can confirm that during the year ended 31 March 2025 they have, both individually and collectively, acted in a way that they consider in good faith would be most likely to promote the long term success of the Company for the benefit of its members as a whole, having regard to the matters set out in S172(1)(a) to (f) of the Companies Act 2006.

We set out in the table below how we have considered each of the requirements of S172 with references to further reading.

S172 matter	Board consideration	Further reading
1(a) The likely consequences of decisions in the long term	The Board sets the Company's purpose, which is to build on our position as the UK's leading Triple Net Lease REIT by investing in mission critical and key assets that benefit from structural drivers and allow us to deliver reliable, repetitive and progressive income over the long term. The Board oversees management's execution of strategy to deliver this and reviews progress against targets and financial forecasts, which are prepared for a three year rolling period. As a REIT we hold assets for long term income generation and maintain a covered dividend. Although strategy is discussed at all meetings, one meeting each year is dedicated to an extended longer term strategy discussion with a presentation from the Strategy Director. We seek to improve and enhance existing assets so they remain fit for purpose, incorporate new technologies and meet high environmental standards.	Delivering our aim page 1 CEO Q&A and review pages 10 to 17
1(b) The interests of employees	Our small team of 48 employees is crucial to executing our strategy. We foster a culture of empowerment, inclusion, openness, and teamwork to keep them motivated and engaged. 96% of employees surveyed in February 2025 enjoyed working for LondonMetric. Following the LXi merger, we have integrated teams and systems and welcomed new colleagues through social events.	People and 2025 staff survey page 57 Our purpose, values and culture page 99 How we monitor culture pages 100 to 101
1(c) Fostering the Company's relationships with suppliers, customers and others	Our occupiers are at the heart of our core purpose and, being a small team, we are reliant on our suppliers and advisors to help deliver our plans. Our proactive engagement allows us to build strong relationships and we listen and try to provide workable solutions. We treat our suppliers fairly ensuring prompt settlement of their invoices. At 31 March 2025, the average settlement period was 12 days. Our latest occupier survey was undertaken in March 2025 and we received responses from 79 occupiers representing 57% of rent.	Occupiers page 56
1(d) The impact of the Company's operations on the community and the environment	In April, the Audit Committee received an ESG update which focused on Net Zero Pathway initiatives being undertaken and progress against targets, climate resilience and flood risk analysis, stakeholder engagement and external benchmarking. The Responsible Business Working Group is headed by the Chief Financial Officer, meets monthly and has approved charitable giving of £159,000 this year, including £48,000 for employee specific donations. Our ESG key performance indicator measures the proportion of the portfolio with an EPC rating of A to C. At 31 March 2025, this was 92%, up from 85% on a like for like basis last year.	Communities page 60 TCFD from page 62 ESG key performance indicator page 23
1(e) The Company's reputation and maintaining high standards of business conduct	Our values set the standards of conduct and desired behaviours of staff and we lead by example from the top. Companywide training on anti-money laundering, market abuse, whistleblowing, conduct and ethics was provided to all staff in the year to ensure these matters are taken into consideration when making decisions. We are proud to be a FTSE4Good business.	Our purpose, values and culture page 99 FTSE4Good page 48
1(f) The need to act fairly as between members of the Company	The Board, through the Executive Directors, maintains open and constructive communication with shareholders. This year, they had 344 meetings and presentations after annual and half year results.	Investors page 59

Board leadership and Company purpose

Stakeholders

Who are our stakeholders?

Our key stakeholders are our people, our occupiers, our investors, our contractors and advisors, and our communities.

We believe that in order to generate value and long term sustainable returns we need to understand the views and take account of what is important to our key stakeholders, through building and nurturing the strong relationships we have with them. We do this through regular proactive engagement which we use to inform and shape our decisions and actions. We aim to treat all stakeholders fairly and are guided by the long term interest of the Company, acknowledging that it is not always possible to produce positive outcomes for all stakeholders with competing priorities.

Read more on our stakeholders from page 54

How do we engage with our stakeholders?

Engagement with stakeholders is both at Board level, principally with employees and shareholders, and through dedicated senior managers who keep the Board fully apprised of material issues through regular reports and briefing papers. Methods of engagement include one-to-one meetings and roadshows both face to face and through virtual platforms, regular liaison, formal employee appraisals and occupier and employee surveys.

How have stakeholders and feedback from engagement influenced Board decisions this year?

All significant Board decisions proposed must demonstrate that the impact on stakeholders has been duly considered. Board and Committee minutes record the consideration of stakeholders in the decision making process where relevant, and an explanation of Directors' duties under S172 is provided on induction for all newly appointed Directors.

Some examples of how the Board has considered and responded to stakeholder needs this year are set out opposite.

1. Governance

The Nomination Committee considered the Company's regulatory compliance with Provision 10 of the Code and the independence of two Board members this year.

Andrew Livingston's tenure is approaching nine years and Sandy Gumm has cross directorships with Nick Leslau, who is not considered independent due to his sizable shareholding in the Company.

To uphold best practice and maintain the highest standards of business conduct, the Board agreed that Andrew Livingston would retire in May 2025 and be replaced as designated workforce NED by Kitty Patmore. The reduced size and composition of the Board was also considered and deemed appropriate and no further Board appointments were considered necessary.

The contribution made by Sandy Gumm to boardroom debate was considered by Directors to be free of bias and independent in all respects.

Read more in the Nomination Committee report on page 109

2. Post merger focus – reinvestment, integration and synergies

Our transformational LXi merger in March 2024 materially increased our scale, promoted us to the FTSE 100 index and has delivered material earnings growth this year.

We have focused on our long term Triple Net Lease REIT model and have disposed non core and weaker assets acquired through the merger, reinvesting the proceeds into higher quality assets in stronger sectors, predominantly logistics, with better opportunities for income growth.

A key focus for the Board has been to oversee the work undertaken to integrate LXi into the business and address key risks. At the start of the financial year, LXi staff joined their LondonMetric colleagues and were provided with training and support to help them successfully settle into their new roles and teams. They benefitted from collaborating in an office environment and regular social events brought teams together in an informal setting.

To support our strong controls culture, we felt that it was important to swiftly migrate LXi's data and systems onto our operational and accounting platforms and away from a third party service provider to reduce costs, the risk of inaccuracies and delays in financial reporting. This exercise was successfully completed by July 2024.

Read more about the year in review from page 2

3. Credit rating and debt optionality

Our acquisition of LXi imported shorter dated secured debt onto our balance sheet. Additional flexible unsecured revolving credit facilities of £525 million have been completed since our last Annual Report to de-risk and meet upcoming maturities and an investment grade credit rating has been obtained to create full optionality around future funding sources.

4. Focus on strategy

Our M&A activity last year has propelled the business forward, delivering significant earnings growth and an elevated position as the UK's leading Triple Net Lease REIT.

Against a macro environment of high interest rates impacting property yields and global uncertainty impacting equity prices, the Strategy Director presented to the Board at an extended strategy discussion in September, and set out the Group's near and longer term ambitions including:

- Owning the right assets and avoiding the losers
- Acting responsibly and ensuring we are a desirable employer
- Cautiously embracing technology and AI
- Maintain a progressive and covered dividend

Opportunities and challenges were discussed and included market liquidity, improving yields, an inflationary environment, development fundings and long income assets.

5. Board site visit to Thorpe Park

In September, six Board members and five senior employees attended a site visit to Thorpe Park to meet senior team members of Merlin Entertainments, one of our largest occupiers representing 9.4% of our net contracted rent roll. The Board received a presentation by Merlin and benefitted from a Q&A session through which they gained a better understanding of Merlin's business and its future plans.

Read more in the case study on page 55

Board leadership and Company purpose

Board meetings and attendance during the year

Current member	Appointed to board	Independent	Board	Audit Committee[1]	Nomination Committee[1]	Remuneration Committee[1]
Alistair Elliott (Chair)	26/5/2022	n/a	6 (6)		Chair 2 (2)	
Andrew Jones	25/1/2013	N	6 (6)			
Martin McGann	13/1/2010	N	6 (6)			
Suzanne Avery	22/3/2018	Y	6 (6)	6 (6)	2 (2)	5 (5)
Robert Fowlds	31/1/2019	Y	6 (6)	6 (6)	2 (2)	Chair 5 (5)
Sandy Gumm	27/3/2024	Y	6 (6)			
Nick Leslau	5/3/2024	N	6 (6)			
Andrew Livingston	31/5/2016	Y	6 (6)		2 (2)	5 (5)
Suzy Neubert (SID)	29/3/2023	Y	6 (6)	6 (6)		5 (5)
Kitty Patmore	28/1/2021	Y	6 (6)	Chair 6 (6)		

1 Bracketed numbers indicate the number of meetings the member was eligible to attend

The Board holds regular meetings based on the financial calendar with additional ad hoc meetings as required to address transactional, routine or administrative matters.

The Company Secretary maintains a rolling agenda for the Board and its Committees in consultation with the Chair of each. She ensures that agenda items address the schedule of matters reserved for the Board, compliance with the Code and other regulatory requirements.

Directors are required to attend all Board and Committee meetings on which they serve and to dedicate adequate time to the Company's affairs to ensure they fulfil their responsibilities. If a Director cannot attend a meeting they are still provided with advance meeting papers and their apologies are sent to the Board together with any comments that they may have on the material provided.

Board and Committee meeting minutes are circulated after each meeting and they are included in the next Board or Committee pack. Detailed action points are also prepared and progress reviewed at the next meeting.

Senior Leadership Team members participate in Board and Committee meetings as required. This year most attended one or more Board or Committee meetings to provide updates and discuss operational topics including on transactions, tenant and market intelligence, strategy, financial results, LXi systems migration, ESG, cyber security and AI. Additionally, certain Team members also attend periodic Board lunches/dinners where strategy is discussed enabling fresh ideas and wider perspectives to be brought into discussions.

These interactions allow Non Executive Directors to gain a deeper understanding of the business and a more nuanced view of how it is operating, including its culture.

Building rapport with senior managers helps Non Executives to challenge them more constructively and a better understanding of issues, team dynamics and culture allows them to make better informed decisions. It also enables potential future leaders to be identified and assessments made on whether the Company has enough capable talent ready to step up if needed.

Promoting long term success

The Board collectively bears the responsibility for ensuring the long term success of the business. Given that real estate is inherently cyclical over extended periods, the Board adopts a longer term perspective in its decision making process. Examples of this approach include:

- The Group's financial budgets span a rolling three year period;
- The risk register and dashboard consider both short and longer term risks;
- Papers seeking Board approval for acquisitions assume a minimum five year hold period with expected performance over that period. For disposals, they note performance over the hold period with the rationale for a sale ahead of this;
- The Board discusses the Group's longer term strategy at each meeting and in-depth at off site lunches and dinners. Through these discussions the Board and senior management reviews the appropriateness of its business model; and
- In addition to our strategy and priorities on page 13, we consider our longer term future priorities and focus.

Our resilience during periods of market volatility and higher interest rates, evidenced by our EPRA earnings and dividend progression, illustrates the robustness of our business model and our clear strategic focus which enable us to generate long term sustainable value for our shareholders and other stakeholders.

Looking ahead, our decisions will remain heavily influenced by the macro environment, consumer behaviour and demand/supply dynamics as we continue to improve the quality and resilience of our assets and income stream.

Division of responsibilities

Governance framework

Board

The Board provides leadership and direction to the business, establishes and fosters the culture, values and ethics within the organisation and oversees management's execution of strategy with appropriate challenge and support.

The work of the Board both complements and supports the work of the Senior Leadership Team.

The Board is made up of a group of talented individuals with wide ranging commercial experience from a range of industries and sectors including property, finance, banking, capital markets, risk management, sustainability and retail. Through this diversity, experience and deep understanding of the business, its culture and its stakeholders, the Board delivers sustainable value as set out in the Strategic report.

Read more on pages 95 to 96

Board Committees

The Board has three Committees of Non Executive Directors to which it has delegated a number of its responsibilities. The Committees ensure a strong governance framework for decision making and each operates within defined terms of reference which are reviewed annually. The Chair of each Committee provides a verbal update on the matters discussed at each meeting to the Board.

Audit Committee

The Audit Committee has oversight of the Group's financial reporting, risk and internal control processes, monitors the integrity of the financial statements and maintains an effective relationship with the Group's external auditor.

- Oversees financial reporting process
- Scrutinises significant judgements made by management
- Monitors effectiveness of risk management systems, internal control and viability
- Evaluates the external audit process
- Oversees regulatory compliance

Read more on pages 117 to 122

Remuneration Committee

Responsible for determining and implementing a fair reward structure to incentivise Executive Directors to deliver the Group's strategic objectives whilst maintaining stability in the management of its long term business.

- Determines and implements Remuneration Policy
- Sets remuneration packages and incentives for Executive Directors and certain members of the Senior Leadership Team
- Approves annual bonus and LTIP targets and outcomes
- Has oversight of workforce remuneration arrangements and alignment

Read more on pages 123 to 142

Nomination Committee

Responsible for ensuring that the Board and its Committees have the right balance of skills, knowledge and experience, having due regard to succession planning and diversity.

- Recommends appointments
- Board composition and succession
- Considers skills and diversity
- Leads the performance evaluation of the Board and its Committees

Read more on pages 109 to 116

Management Committees

Senior Leadership Team

The Board delegates the execution of the Company's strategy and day-to-day running of the business to the Senior Leadership Team which operates under the direction and leadership of the Chief Executive. It is supported by three sub-committees, focusing on different areas of the business.

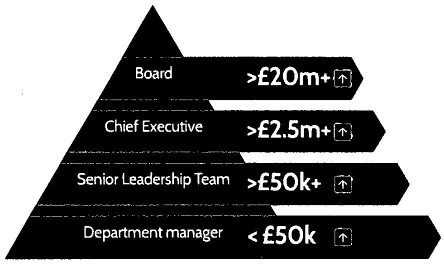
- Implementation of strategy
- Sets budgets and monitors operational and financial performance
- Day-to-day management of the business
- Manage, appraise and develop staff
- Employee remuneration and wellbeing
- Manages allocation of capital
- Identifies and assesses business risks and implements mitigation strategies
- Responsible Business and ESG workstreams

Read more on pages 97 to 98

How we make decisions

To maintain control over key decisions and ensure there is a clear separation of responsibilities between the Board's oversight and managing the business, certain matters are reserved for the Board's attention and approval. These include approving strategy, budgets, financial reports, capital allocation, and dividend policy. Additionally, decision making for investment and asset management activities, including capital expenditure, is delegated based on value thresholds as below.

Delegated authority limits



Information flow

The Company Secretary ensures Directors receive clear and timely information to fulfil their responsibilities. Reports and briefing papers are sent well in advance of each Board and Committee meeting to promote informed discussions and decisions. These documents cover market, property, financial, risk and governance updates and agenda-specific items. Specific briefing papers were provided this year on the internal performance review, succession planning, strategy, debt and hedging, cyber security, portfolio credit strength, AI and ESG.

Directors also receive transactional papers for review and approval between meetings, with ratifications at the next Board meeting. Senior management is available to answer questions and discuss proposed matters with Non Executive Directors as needed.

Division of responsibilities

Leadership roles and responsibilities

Role	Responsibilities
Chair Alistair Elliott	• Leads the Board and ensures it operates effectively • Sets Board culture, style and tone of discussions to promote boardroom debate and openness • Promotes Company purpose, values and ethics • Builds relationships between Executive and Non Executive Directors • Monitors progress against strategy and performance of the Chief Executive • As Chair of the Nomination Committee ensures succession plans are in place
Chief Executive (CEO) Andrew Jones	• Manages dialogue and communication with shareholders and key stakeholders and provides feedback to the Board • Develops and recommends strategy to the Board and is responsible for its implementation • Day-to-day management of the business operations and personnel assisted by Senior Leadership Team members
Chief Financial Officer (CFO) Martin McGann	• Supports the Chief Executive in developing and implementing strategy and alignment to financial objectives • Stewardship of financial resources, the ESG agenda, risk management and internal controls
Non Executive Directors Suzanne Avery Alistair Elliott Robert Fowlds Sandy Gumm Nick Leslau Andrew Livingston Suzy Neubert Kitty Patmore	• Support and constructively challenge the Executive Directors in determining and implementing strategy • Bring independent judgement and scrutiny to decisions and recommendations from the Executive Directors and approve decisions reserved for the Board as a whole • Contribute a broad range of skills and experience • Monitor the delivery of agreed strategy within the risk and control framework set by the Board • Review the integrity of financial information and risk management systems
Senior Independent Director (SID) Suzy Neubert	• Acts as a sounding board for the Chair and trusted intermediary for the other Directors • Available as a communication channel for shareholders if other means are not appropriate • Leads the performance evaluation of the Chair
Designated Workforce NED Andrew Livingston	• Liaises with employees and attends key employee and business events • Monitors the results of staff surveys and reports to the Board • Reviews messages received through the whistleblowing system
Company Secretary Jadzia Duzniak	• Advises the Board and is responsible to the Chair on corporate governance matters • Ensures a good flow of information to the Board, its Committees and senior management • Promotes compliance with statutory and regulatory requirements and Board procedures • Provides guidance and support to Directors, individually and collectively

Division of responsibilities

Leadership roles and responsibilities continued

Division of responsibilities

The Chief Executive and Chair have distinct roles vital to the Company's management and governance.

The Chief Executive leads the management team, directing strategy, setting goals and overseeing daily operations to achieve strategic objectives. He reports to the Board and represents the Company to stakeholders.

The Chair leads the Board, sets its agenda and fosters boardroom debate. He regularly communicates with individual Directors outside of Board meetings to stay informed of their perspectives and any emerging issues. The Chair engages with Non Executive Directors through calls, lunches, dinners and meetings, both individually and as a group, to discuss business matters and evaluate performance, often in an informal setting.

The Chair has also engaged with investors this year by attending ten meetings alongside the Executive Directors.

Non Executive Directors

The Non Executive Directors provide an independent perspective to the boardroom as they are not involved in the daily operations of the Company. This allows them to offer impartial oversight and evaluate the decisions made by the Executive Directors. They monitor the implementation of the Company's agreed strategy, offering insights based on their varied backgrounds and commercial experience, which helps the Board make informed strategic decisions. They are also responsible for assessing and monitoring the Company's risk profile, identifying potential risks to the business and ensuring that appropriate risk management strategies are in place.

Throughout the year, the Company met the Code's requirement that at least half of the Board, excluding the Chair, consist of independent Directors. This balance ensures that no individual or small group dominates the Board's decision making.

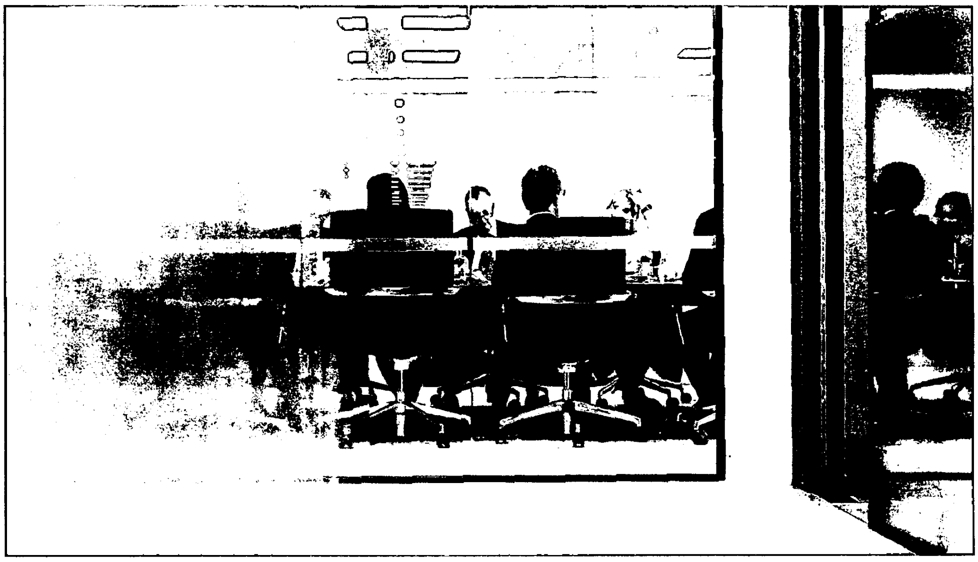
Each of the Non Executive Directors, except Nick Leslau, is considered independent. Nick has been deemed non independent due to the size of his shareholding in the Company.

The Senior Independent Director ('SID') acts as a sounding board for the Chair and serves as an intermediary between other Directors and shareholders as needed. They are available to meet with shareholders upon request to address concerns or resolve queries if other communication channels fail. Although no such requests were received from shareholders during the year, Suzy attended two investor meetings which allowed her to reassure the Board that the feedback provided by the Executive Directors was representative of these meetings and noted the support of the shareholders.

In her capacity as SID, Suzy held a meeting with the Non Executive Directors and separately met with the Executive Directors to evaluate the performance of the Chair.

Non Executive Directors are encouraged to communicate directly and openly with the Executive Directors and Senior Leadership Team members between scheduled Board meetings to enhance their understanding, build relationships, provide expertise, and contribute to the implementation of strategy. This ad hoc communication is supplemented by property visits, providing further opportunities to engage with employees and other stakeholders.

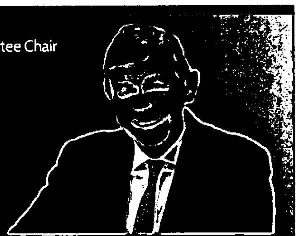
This year, the Non Executive Directors visited Thorpe Park alongside senior management as set out on page 55. This provided insight into the strong relationship management has with Merlin Entertainments, one of our key occupiers, and their business plans.



Composition, succession and evaluation

Nomination Committee report

Alistair Elliott
Nomination Committee Chair



“I am pleased to present an overview of the Committee's work over the year.

Highlights this year

- Considered Provision 10 of the Code and the independence of Andrew Livingston in light of his length of service and Sandy Gumm on account of her cross-directorships and shareholding held through a co-owned vehicle with Nick Leslau
- Considered the appointment of a replacement designated workforce Non Executive Director and proposed the appointment of Kitty Patmore to that role
- Considered and recommended the appointment of Suzy Neubert to the Nomination Committee and to the role of Remuneration Committee chair to lead next year's policy review
- Reviewed the results of the annual Board and Committee evaluation and appraised the performance and contribution of Directors

Key responsibilities

Board composition and succession planning

- Regularly assess the skills and composition of the Board and its Committees to identify any gaps in experience or expertise
- Develop and maintain a succession plan for the Board and key senior managers, including identifying and mentoring future leaders

Read more on page 110

Director appointments

- Lead the process for new Board and Committee appointments in a transparent and objective manner to ensure each has the necessary mix of skills and experience to steer the Company effectively
- Evaluate the skills, qualifications, experience and independence of potential candidates to ensure they meet the Company's needs and regulatory requirements

Read more on page 112

Promote diversity and inclusion

- Foster the Company's diversity policy at Board level to ensure that it reflects a broad range of perspectives and experiences to enhance decision making and corporate governance
- Consider the Company's approach to diversity and ensure it complies with relevant codes and guidelines

Read more on pages 112 to 113

Director induction and ongoing training

- Oversee the induction of new Directors ensuring they receive the necessary orientation and training to fulfil their roles effectively and to ensure a smooth transition
- Identify and support training needs to help Directors stay informed on industry trends, regulatory changes and governance best practices

Read more on page 112

Evaluating Board and Director performance

- Oversee annual assessments to determine whether the Board and its Committees are functioning effectively
- Assess the time commitment required from Non Executive Directors, consider whether as Directors they are fulfilling their duties and consider their annual re-election

Read more on pages 114 to 116

Corporate governance

- Ensure the Company complies with relevant corporate governance codes which set out standards for roles and board composition
- Ensure sufficient Directors are independent to maintain objectivity and prevent conflicts of interest

Read more on page 113

Membership and attendance

The number of Committee members and their attendance during the year was as follows:

Member	Date appointed	Tenure (years)[1]	Meetings attended[2]
Alistair Elliott (Chair)	11/7/2023	2	2 (2)
Andrew Livingston	19/9/2018	7	2 (2)
Suzanne Avery	31/1/2019	6	2 (2)
Robert Fowlds	28/1/2021	4	2 (2)

1 Tenure is measured from date of appointment to the Committee and as at 31 March 2025, rounded to the nearest whole year

2 Bracketed numbers indicate the number of meetings the member was eligible to attend

Composition, succession and evaluation

Nomination Committee report continued

Dear Shareholder,

As your Chair, I am pleased to present the Nomination Committee report for the year to 31 March 2025.

Role of the Committee

This Committee is comprised of independent Non Executive Directors. We act in accordance with the Committee's terms of reference which are reviewed annually and can be found on our website at www.londonmetric.com.

Our role is to ensure that the Board and its Committees continue to have the right balance of skills, experience and knowledge to carry out their duties and to provide strong and effective leadership to drive the future success of this Company.

We lead the succession planning process to ensure that it is properly planned and managed to maintain stability in the leadership team and mitigate against business disruption.

Key activity during the year

Board composition and succession planning

Last year, much of our time was spent on evaluating the implications of our transformative merger activity on Board composition and we welcomed Nick Leslau and Sandy Gumm as Non Executive Directors. These appointments brought continuity for LXi shareholders and a wealth of property and finance experience to the Board, which together with other Board and Committee changes, created a balanced Board with the complementary experience, skills and knowledge necessary to drive the enlarged Group forward.

This year, mindful of Provision 10 of the Code relating to deemed independence, the Committee considered Andrew Livingston's length of service which reaches nine years in May and sadly Andrew has agreed to resign with effect from 20 May 2025. I would like to take this opportunity to express my sincere thanks for his valuable contribution to the Company over the last nine years.

The Committee also considered Sandy's independence in the context of her cross-directorships and links with Nick Leslau. Members continue to deem her to be independent, a sentiment endorsed by the Board. In the Directors' experience Sandy has demonstrated an absence of bias in her contributions, challenges and decisions throughout the year. Her shareholding in the Company also remains below 0.1% at 908,441 ordinary shares although 556,801 of these are held indirectly through a co-owned corporate vehicle where Nick Leslau is the majority shareholder.

In light of Andrew Livingston's upcoming resignation, the Committee considered and nominated Kitty Patmore to the role of designated workforce Non Executive Director. Andrew invited Kitty to his final informal meeting and discussion with staff as part of his handover for this role. Members also considered the vacancy left on this Committee by Andrew's departure and recommended that Suzy Neubert join the Nomination Committee. The Board endorsed both recommendations which are effective from Andrew's departure.

Earlier this year, Robert Fowlds expressed his desire to retire as Remuneration Committee Chair having served in that position for almost five years. Members considered that Suzy Neubert's complimentary remuneration committee experience gained here and at other organisations would make her the natural successor to Robert and recommended her for the role. Suzy has served on our Remuneration Committee since September 2023, and she has recent relevant experience of a policy review process gained at Howden Joinery Group Plc. Suzy will take on this role on 9 July 2025 ahead of work commencing on our next policy review.

After due consideration of the overall size of the Board, remaining Directors effectiveness and the ratio of independent to non independent Directors, the Committee decided not to replace Andrew Livingston. We believe that the Board retains the necessary mix of skills, experience and diversity to successfully steer the Company towards its long term objectives notwithstanding his departure. We also remain fully compliant with the Code's requirement that the majority of the Board should comprise of independent directors. Nick Leslau continues to be deemed non independent due to the size of his shareholding in the Company.

> This Committee is responsible for assessing the composition of the Board and its Committees and for identifying any gaps in skills, experience, knowledge, or diversity.
>
> We work to ensure that the Board is well-rounded and equipped to effectively oversee the Company's activities and that Directors provide strong and effective leadership to drive the future success of the business.

Finally, the Committee reviewed a paper prepared by the Executive Directors which addresses the Company's contingency proposals for unforeseen absences and broadly outlines their thoughts on longer term succession for key positions. No further immediate retirements are proposed. It was agreed that structured discussions on executive succession would be held more regularly in line with Independent Audit's recommendations last year.

Composition, succession and evaluation

Nomination Committee report continued

Evaluation

The Board and Committee performance evaluation which was undertaken internally this year is described on pages 114 to 115.

The Committee reviewed the results of the annual evaluation particularly those areas that relate to the composition of the Board, succession planning and the interaction between Committees and the Board. No concerns were raised on the above or the Committee's own performance.

The overall findings of the review continue to be extremely positive, and we and the Board concluded based on the review that the Board and its Committees continue to operate effectively. As Chair of the Board and this Committee, I would like to thank my fellow Board members and participating Senior Leadership Team members for their honest and valuable input into this exercise and their continued hard work and support.

In addition, I, as Chair, have through a combination of regular calls, meetings, lunches and dinners engaged with Non Executive Directors, individually and collectively, to discuss a wide range of business matters including succession plans, Board appointments and strategy as well as to assess performance, including their own, often in an informal setting.

Time commitment

The Committee also considered the time required from Non Executive Directors and assessed whether each was spending enough time to fulfil their duties.

Before taking on any additional external commitments, Directors must seek the prior agreement of the Board to ensure possible conflicts of interest are identified and to confirm that they will continue to have sufficient time available to devote to the Company and fulfil their duties.

In May 2024, Suzy Neubert was appointed as a non executive director of Howden Joinery Group Plc after an independent search process run on behalf of that company. In November 2024, Sandy Gumm accepted an appointment to the board of a private company that is building a life science campus. Both received the consent of the LondonMetric Board prior to taking up their roles.

Executive Directors are required to devote almost all their working time to their executive role at LondonMetric although certain external appointments are permitted. Andrew Jones currently remains a non executive director of Instavolt Limited.

Election and re-election of Directors

Following the above evaluation and appraisal process, the Committee concluded that each of the Directors seeking re-election continues to make an effective and valuable contribution to the Board and has the necessary skills, knowledge, experience and time to enable them to discharge their duties properly in the coming year. All the Directors except Andrew Livingston will offer themselves for re-election at the forthcoming AGM on 9 July 2025 and I encourage shareholders to support us and vote in favour of these resolutions.

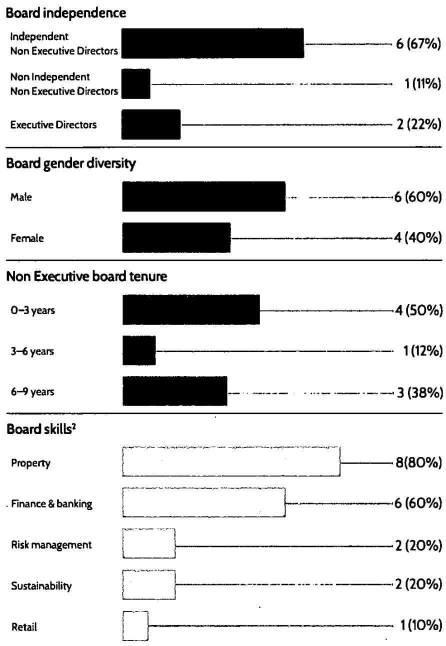
Looking forward

Looking forward, our work on succession planning and developing talent will continue to be a key area of focus. The Committee will also ensure the implementation of key recommendations arising out of the Board performance evaluation.

A Balanced Board

The composition of the Board and its three Committees as at 31 March 2025 is detailed in the table on page 105. Directors' biographies are reflected on pages 95 to 96 and Board diversity is summarised on page 113.

A Balanced Board[1]



1 All charts are based on Board composition as at 31 March 2025
2 Some Directors are represented in more than one category in terms of their experience

Composition, succession and evaluation

Nomination Committee report continued

Executive succession planning and talent development

The Committee oversees talent development within the organisation, recognising the need to nurture and provide opportunities to high performing middle managers to enable them to develop and grow into more senior roles. This includes considering how managers are developed and motivated and whether new hires are required to broaden the talent pool.

The Group's talent pipeline has been strengthened this year through the recruitment of new finance and property staff including Darren Richards who was appointed to the newly created role of Chief Investment Officer and welcomed onto the Senior Leadership Team.

Regular contact with Board members is encouraged, to provide all Directors with good visibility on potential successors including through presentations, property tours and on an ad hoc basis to discuss specific issues. Non Executive Directors regularly visit the office and keep abreast of transactions, financing and other corporate activity through discussions with staff.

Succession planning below Board level sits with the Senior Leadership Team which includes the Executive Directors, to ensure suitable future leaders are recruited and retained and there are contingency plans for unforeseen absences.

Annual staff appraisals provide a forum to discuss targets, progress, future prospects and training needs which can also be raised directly with line managers at other times.

The Company also continues to support a female employee through an apprenticeship programme to study for her Masters in Real Estate Management and the Real Estate Balance initiative of developing a female talent pipeline.

Board induction

A comprehensive induction programme is provided to all new Directors to help them develop an understanding of the business including its strategy, portfolio, governance framework, stakeholders, finances, risks and controls.

For Nick and Sandy, the reverse due diligence exercise undertaken in the second half of last year by the LXi board on LondonMetric and the merger process itself, including numerous meetings with the Executives and Senior Leadership Team members, provided much of the information ordinarily provided.

This was supplemented this year with the following:

- Meetings with the Chief Financial Officer, Company Secretary and other Senior Leadership Team members to discuss:
  - integration proposals and progress on incorporating LXi into the business;
  - the investment portfolio, asset selection, capital allocation and strategy;
  - financial forecasting and reporting processes;
  - banking and hedging strategy;
  - risks and internal controls;
  - regulatory matters;
  - shareholder engagement; and
  - ESG targets and ambitions.
- Provision of past Board and Committee papers, the Risk Register and Internal Controls Questionnaire, Board and Committee minutes and finance reports.
- Guidance and information on annual Board timetables, governance processes, S172 responsibilities and regulatory procedures including share dealing.

Board training

As Chair, I am responsible for the oversight of the training needs of individual Directors. Directors are however expected to identify and develop their own training needs, skills and knowledge and ensure that they are adequately informed on the Group's strategy, business and responsibilities. They are encouraged to attend relevant seminars and conferences and receive technical update material from advisors. Training and guidance is offered at the Company's expense and the Deloitte Academy is also available to all Directors.

During the year, Directors were provided with briefings prepared by senior management and external advisors on various matters including regulatory and accounting updates, Code compliance, debt and hedging, cyber security, AI, tenant covenants and ESG.

Diversity and inclusion

We recognise the importance of diversity in its broadest sense and its benefits to the organisation, in terms of skills, experience, differing perspectives and fresh ideas, which ultimately leads to better decision making. We strive to operate in a working environment of equal opportunity and promote a culture of openness, respect and inclusion.

The Board sets the tone on diversity and gives consideration to achieving a diverse working environment by applying the principles of the Company's Diversity and Inclusion Policy, which can be found on our website, when considering new appointments.

The Company has complied with UK Listing Rule 6.6.6R (9) relating to Board diversity targets throughout the year as summarised on page 113.

We acknowledge that our diversity ambitions are, to a large extent, determined by the quality of recruitment and we actively engage with recruiters to promote a diverse candidate selection, appointing only firms who have signed up to the Voluntary Code of Conduct for Executive Search firms. We realise however that the diversity of recruitment will be subject to the availability of suitable candidates and vacancies within the business.

Composition, succession and evaluation

Nomination Committee report continued

All appointments to the Board and throughout the Company are based on merit, suitability for the role and alignment with our values, as an appointment on any other basis would not be in the best interests of shareholders or the Company. We are proud of our low level of staff turnover which signifies a loyal and content workforce but recognise that this also constrains the pace of change.

We continue to support the Real Estate Balance group, whose objective is to improve gender diversity by promoting and supporting the development of a female talent pipeline and are mindful of the Listing Rule requirements and the Disclosure Guidance and Transparency Rules on Board diversity, that apply.

Our Senior Leadership Team manages the day-to-day running of the business and comprises departmental heads from all key business functions with a diverse range of skills and experience. We will continue to work towards compliance with the FTSE Women Leader's target of 40% female representation in leadership teams, defined as the Senior Leadership Team and their direct reports, but acknowledge that this is likely to remain a challenge, as increasing the size of the leadership team is not considered an effective solution and there are no known natural succession changes presently anticipated.

Our ambition is to increase gender diversity throughout the Senior Leadership Team when suitable vacancies arise and appropriate candidates can be found. In the wider organisation, 48% of all employees are female and the culture of the organisation promotes inclusion and equal opportunity.

Further information on the Company's commitment to promoting diversity and inclusion is included in the Responsible Business and ESG review from page 47.

The tables opposite are presented to meet UK Listing Rule 6.6.6R(10) and reflect the gender and ethnic diversity of the Board, Senior Leadership Team and across the Company at 31 March 2025. Data is collected on a self-identifying basis via a questionnaire which asks individuals to identify their gender and ethnicity based on the categories set out in the tables.

Gender representation as at 31 March 2025

	Number of Board members	% of the Board	Number of senior positions[1]	Number of Senior Leadership Team members[2]	% of Senior Leadership Team
Men	6	60%	3	7	78%
Women	4	40%	1	2	22%
Non-binary	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

	Female		Male	
Senior Leadership Team and direct reports[3]	8	32%	17	68%
Group	23	48%	25	52%

Ethnic representation as at 31 March 2025

Ethnic representation	Number of Board members	% of the Board	Number of senior positions[1]	Number of Senior Leadership Team members[2]	% of Senior Leadership Team
White British or other White	9	90%	3	8	89%
Mixed/Multiple ethnic	1	10%	1	–	–
Asian/Asian British	–	–	–	1	11%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/ prefer not to say	–	–	–	–	–

1 Senior Board positions include the Chair, Chief Executive, Chief Financial Officer or Senior Independent Director
2 The Senior Leadership Team, as set out on pages 97 to 98 is considered to be the Company's executive management as defined by the Listing Rules and senior management as defined by the Code
3 The Senior Leadership Team's direct reports are the next layer of management below senior management

Other Group diversity

Age (years)

20-30	10	21%
31-40	8	17%
41-50	12	25%
51+	18	37%
Total	48	100%

Length of service (years)

0–5	21	44%
6–10	6	13%
11–15	15	31%
16+	6	12%
Total	48	100%

Composition, succession and evaluation

Nomination Committee report continued

2025 Performance evaluation

The objective of our annual evaluation is to comprehensively review all aspects of the Board's effectiveness and that of its Committees including composition, dynamics and the quality of information received to enable us to monitor and improve effectiveness.

In line with our three year cycle, this year's evaluation was performed internally following last year's external facilitated review led by Independent Audit. The process was undertaken by means of a questionnaire completed by all Directors and those members of the Senior Leadership Team who have most interaction with the Board as a whole. Results were collated and summarised by the Company Secretary before being reviewed by me. Recommendations and progress against key areas for development identified last year were also included in the detailed report which was then considered by the Board as a whole.

The results of the review were again extremely positive with no significant areas of concern identified. Key strengths were noted as strong leadership of the Board, a balanced composition in terms of relevant skills, open and transparent dialogue during well chaired discussions, robust challenge, effective Committees, well presented briefing papers and good support from Senior Leadership Team members. Senior management were also praised for assessing and dealing with the LXi merger risk well and for integrating the property portfolio and systems so quickly and effectively.

The Board welcomed the key recommendations for continued development to its practices and procedures which are listed here and on page 115.

Year 1 (2024)	Independent externally facilitated review
Year 2 (2025)	Internal review to monitor progress against year 1 and any new issues raised
Year 3 (2026)	Internal review to focus on progress against year 2 and any new issues raised ahead of an external evaluation

The key findings from the 2025 performance evaluation review

Area	Key findings
Objectives, strategy and remit	• There is a clear, dynamic strategy and set of objectives and an excellent level of alignment between NEDs and the Executives regarding the strategic direction of the Company and its execution • Downside risks of changes in strategy are highlighted and NEDs can discuss strategy with the CEO between meetings when required • The overall balance between strategy, tactics and delivery at Board meetings is good
Performance measurement	• The Board takes collective responsibility for performance through an ownership culture which pervades and is performance focused • Management reporting to the Board is regular, timely, comprehensive yet succinct making it easy to review and digest
Relationships with shareholders	• The Company's relationship with its shareholders continues to be a key focus for the Executive Directors and investor sentiment towards the Company is supportive as demonstrated through the LXi merger
Risk management	• Board members are risk aware with risk management considered at Board meetings including emerging risks and uncertainties and Directors are confident that risk is considered in decision making processes • The process for identifying and reporting principal risks is sound, suitable and relevant to the business. The level of detail received and the range of mitigating measures adopted is appropriate and properly implemented • The Board is kept updated on ESG trends, strategy and progress against targets
Board function and Directors	• The Board is cohesive and each Director looks to have an effective and successful relationship with other Board members • The Board's culture and approach is prudent and conservative and Directors are aware of their regulatory responsibilities • Engagement levels are high with open and transparent discussion and debate on pertinent matters at meetings • The attendance of senior management at meetings is helpful and welcomed

Composition, succession and evaluation

Nomination Committee report continued

The key findings from the 2025 performance evaluation review continued

Area	Key findings
Board constitution and succession	• The Board is strong and well balanced with a complimentary range of expertise and breadth and depth of experience to allow it to effectively face current and future challenges • Nick Leslau and Sandy Gumm have settled in well, their appointments are viewed positively and they provide a high level of engagement and challenge contributing to a well-functioning Board • Management are considered to be exceptionally well connected, respected and trusted and well positioned to get early warning signs and see opportunities in the market. They are accessible and responsive in their dealings with the Board and NEDs have confidence in them
Board Committees	• Committees have the right balance of skills and are diligently and extremely well chaired and supported by external advisors, the Executive Directors and wider management team • The Board and its Committees operate effectively with good transparency between them
The Chair	• The Chair is very strong and a good cultural fit who has settled into his role making an excellent transition from the previous Chair • The Chair provides management support together with appropriate challenge receiving praise for his energy, diligence, and constructive leadership • He encourages Directors to share their views and have a thorough and open debate before major decisions are made and he manages time effectively

Key suggestions

- The overall quality of the Company's external reporting is considered very good but the Group's capital management strategy could receive more profile in public communications for the benefit of external parties
- Investor feedback and sentiment is provided during meetings mainly by the CEO but Non Executive Directors would also welcome more feedback from the Chair and SID on roadshow meetings attended by them
- Non Executive Directors may benefit from more site visits
- Senior management are trusted to make the right decisions on transactions and their delegated authority level could be increased from £10 million to £20 million given the Company's scale to provide management with greater flexibility
- The Company has a solid risk mitigation base but there is work to be done to review, document and test the assurance framework over principal risks in the coming year to ensure that new regulatory requirements can be satisfied when they come into effect

Composition, succession and evaluation

Nomination Committee report continued

The key findings from the 2024 performance evaluation review and progress made after review

Key areas for development		Recommendations	Progress in 2025
Develop a structured approach to overseeing the integration	The Board was praised for its thorough discussions on the LXi transaction with NEDs playing to their strengths and contributing well between meetings. On sealing the deal, the main priority was successful integration	• Agree a structured integration plan covering the various workstreams • Establish the level of detail and frequency of the reporting to the Board to enable NEDs to track progress and provide opportunity to challenge and support	• Completed, with all data, processes and systems migrated onto the Company's platforms by July 2024
Review the assurance framework	To date the Company has managed without a risk management or internal audit function having reviewed this approach in the past but deemed it unnecessary. A strong assurance framework is increasingly important as the business grows in size and complexity	• The Audit Committee Chair could oversee a thorough review to satisfy the Board that it is able to gain sufficient assurance around the rigour of controls • Consider maintaining the current status quo, hiring an in-house risk manager or entering into an outsourced arrangement	• Workstream commenced • External firm appointed to assist with reviewing, documenting and testing the assurance framework over principal risks
Plan well ahead for succession	Ensure the Company continues to be well led when the Chief Executive or other key executives depart, although not expected in the foreseeable future	• Hold regular more structured discussions on Executive succession • Ensure there are contingency plans in place for any unexpected departures or absences and secondly, longer term succession plans as and when the time comes	• Paper provided to the Nomination Committee to document contingency proposals for unforeseen absences and outline thoughts on longer term succession. Reported to Board
Forward looking strategic topics	Any Board has conflicting demands and needs to use its time carefully. LondonMetric has relatively short, productive and efficiently run meetings and a small number of important topics would merit more coverage	• Consider devoting more time to topics such as sustainability, emerging technology, purpose and culture • Make more time for discussion on strategic intent i.e. 'What next?' in terms of where future growth will come from	• AI paper and presentation from the Strategy Director provided to the Board • Extended strategy discussion at September Board meeting

Independent advice

All Directors and Committees have access at all times to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures are followed and that governance regulations are complied with and high standards maintained. The Directors may, in the furtherance of their duties, take independent professional advice at the expense of the Company. None of the Directors sought such advice during the year. Audit and Remuneration Committees chairs communicate regularly and independently with relevant staff and external advisors including the Company's auditor, our property valuers and remuneration advisors.

Conflicts of interest

Directors are required and have a duty to notify the Company of any potential conflicts of interest they may have. Any conflicts are recorded and reviewed at each Board meeting. There have been no conflicts of interest noted this year.

Alistair Elliott
Chair of the Nomination Committee
20 May 2025

Audit, risk and internal control

Audit Committee report

Kitty Patmore
Audit Committee Chair

A key focus for the Committee this year has been to monitor the work undertaken to migrate LXi's data and processes onto the Company's platforms and to oversee the integration of staff.

Highlights this year

- Monitored the post-merger integration of LXi's data, systems, processes and teams and ensured that the enlarged group was sufficiently resourced
- Considered the 2024 Code's requirement to include a Board declaration on the effectiveness of material controls by 31 March 2027. Received a report from BDO LLP outlining a pathway for compliance over the coming year and monitoring progress
- Dedicated one meeting to ESG matters and received a presentation and update from the Head of Investor Relations and Sustainability on the Company's ambitions and Net Zero Pathway
- Received an update on Cyber Security and portfolio credit analysis

Key responsibilities

Oversight of financial reporting

- Monitor the integrity of the financial reporting process
- Scrutinise the integrity of the Company's annual and interim financial statements
- Consider whether the Company has adopted suitable accounting policies and made appropriate estimates and judgements
- Review the methods used to account for significant or unusual transactions where different approaches are possible

Read more on page 119

Risk management and internal control

- Approve the risk management framework
- Ensure that a robust system is in place for identifying, assessing, and mitigating the principal risks faced by the Group, including emerging risks
- Review the system of internal controls and consider their effectiveness
- Consider the requirement for an internal audit function

Read more on page 120

Oversight of external audit

- Select, appoint and oversee the work of the external auditor
- Evaluate the auditor's independence, objectivity, performance and fees
- Monitor the ratio and level of audit to non audit fees payable to the external auditor
- Review the scope of the audit and compliance with relevant auditing standards
- Review the policy for the approval of non audit fees payable to the external auditor

Read more on page 120

Regulatory compliance

- Monitor compliance with applicable laws and regulations
- Review the Viability Statement and going concern basis of preparation
- Consider whether the Annual Report is 'fair, balanced and understandable'
- Oversight of ESG activities and reporting

Read more on pages 121 to 122

Whistleblowing and ethical standards

- Review the Company's whistleblowing, anti-corruption and anti-bribery procedures

Read more on page 122

Membership and attendance

The number of Committee members and their attendance during the year was as follows:

Member	Date appointed	Tenure (years)[1]	Meetings attended[2]
Kitty Patmore (Chair)	28/1/2021	4	6 (6)
Suzanne Avery	22/3/2018	7	6 (6)
Robert Fowlds	31/3/2019	6	6 (6)
Suzy Neubert	24/5/2023	2	6 (6)

1 Tenure is measured from date of appointment to the Committee and as at 31 March 2025, rounded to the nearest whole year
2 Bracketed numbers indicate the number of meetings the member was eligible to attend

Audit, risk and internal control

Audit Committee report continued

Dear Shareholder,

I am delighted to present my report as Chair of the Committee for the year to 31 March 2025 which sets out the key areas of focus and work we have undertaken this year.

Following the completion of the Company's acquisition of LXi in March 2024, a key focus for the Committee this year has been to monitor the work undertaken to migrate LXi's data and processes, to oversee the integration of LXi staff into the finance and property teams and to ensure the enlarged group is sufficiently resourced.

LXi's data and processes were migrated onto the Company's platforms and away from a third party service provider in the first half of the year, with the assistance of the Group's specialist IT consultants. This reduced costs, the risk of inaccuracies and delays in financial reporting. LXi staff moved to the Curzon Street office at the start of the financial year and were provided with training and support to help them settle into their new roles and teams.

Our annual in-depth review of the Group's risk register and internal control procedures continues to be the focus of our planning meeting in March, to support the Board in ensuring its risk management framework is suitably robust and relevant. This year, we also received a report from BDO LLP to consider the Company's pathway to compliance with Provision 29 of the 2024 Code which will require a declaration to be made by the Board on the effectiveness of material controls by 31 March 2027. BDO LLP have been engaged to support management with the identification and documentation of business process areas and material controls. A roadmap has been developed and progress against this roadmap will be monitored by the Committee at each meeting.

We have continued to oversee the external audit process and have met independently with both the external auditor and valuers to discuss significant transactions and challenge and scrutinise areas of judgement including the property valuations. The Committee is mindful of the new RICS requirement for the mandatory periodic rotation of UK valuers which will come into effect in 2026. A strategy to ensure compliance with these rules has been agreed with management and a mapping exercise is underway to identify assets that may require a rotation of valuers in future reporting periods. This will continue to be monitored by the Committee next year.

The Committee also considered the Group's Going Concern assessment and Viability Statement, noting the debt maturities in 2025 and 2026 and agreed new facilities.

Composition

There were no changes to the Committee during the year which comprised of four independent Non Executive Directors.

The Board is satisfied that current members bring recent and relevant financial experience as required by the Code and considers that the Committee as a whole has the appropriate commercial and industry specific knowledge and competence to enable it to discharge its duties, through the positions members currently or have previously held, including property, finance, banking, capital markets, risk management and sustainability.

Biographies of the Committee members which set out the relevant skills, knowledge and sector experience they bring can be found on pages 95 to 96.

Meetings

The Committee met six times during the year and followed an annual programme, which is agreed at the start of the year and aligned to the Company's financial reporting timetable. As usual, the Group's external auditor, independent property valuers, Chief Financial Officer and Head of Finance attended meetings by invitation.

The May and November meetings are scheduled to precede the approval and issue of the full and half year financial reports and separate meetings were held with the Company's property valuers to challenge the valuation process and review their independence.

At the March meeting, the Committee considered the year end audit plan and reviewed risk management and internal control processes. This year there was focus on the risks associated with the economic outlook, increasing geopolitical uncertainty, market liquidity and investment opportunities. In addition, the Chief Financial Officer and Head of Finance provided specific updates on the proposed approach and progress on compliance with Provision 29 of the 2024 Code, cyber security enhancements and tenant covenants.

This year's dedicated ESG meeting took place in April to allow for a full review of the activity to year end. A key area of focus for this meeting was to review the outcomes of the Net Zero Pathway report and to agree the long term decarbonisation targets for the business. The methodology, scope, and outputs of the Net Zero Pathway were reviewed, and the targets were deemed a reasonable starting point for the business. We also reviewed the Company's overall ESG strategy, other initiatives being undertaken, progress against targets, updates from the physical climate risk and flood analysis and the new Sustainability Linked Loan targets and progress towards achieving them.

The meeting was attended by the Responsible Business Working Group members led by the Chief Financial Officer, including the Head of Investor Relations and Sustainability, Head of Development and an ESG associate. An external Net Zero specialist from Savills (UK) Limited was also in attendance. We were satisfied that ESG is firmly embedded into all business operations and remains a key focus for management.

We welcome the attendance of other members of the Senior Leadership Team and professional advisors to our meetings as it focuses discussion and debate on specialist and topical issues and allows the Committee to meet the pool of emerging talent below Board.

As Chair of the Committee, I report to the Board any matters considered and conclusions reached after each meeting. In addition to formal Committee meetings, I have regular contact with the Chief Financial Officer and Head of Finance to discuss and understand key matters in advance of meetings, facilitating informed and constructive debate.

Committee effectiveness

During the year, the Board led by the Nomination Committee carried out an internally facilitated evaluation of its performance and that of its Committees. This concluded that the Audit Committee continues to operate effectively and provides the appropriate level of independent challenge and is very well supported by the Chief Financial Officer, his team and the external auditor.

Audit, risk and internal control

Audit Committee report continued

Our work in 2025

Throughout the year, the Committee acted in accordance with its terms of reference, which were last reviewed and updated in March 2025 and can be found at www.londonmetric.com. The work undertaken this year is set out in the table opposite and has included the consideration, review and approval where required of each of the items noted.

Financial reporting

One of our principal responsibilities is to monitor the integrity of the financial information published in the interim and annual financial statements and the overall tone, messaging and clarity of reporting.

In conducting its review, the Committee considers:

- The extent to which suitable accounting policies and practices have been adopted, consistently applied and disclosed;
- Significant matters by virtue of their size, complexity, level of judgement and potential impact on the financial statements; and
- Compliance with relevant accounting standards and other regulatory reporting requirements including the Code.

Developments in accounting regulations and best practice are monitored and, where appropriate, reflected in the financial statements. The Committee and finance team are kept informed of developments in accounting and corporate governance through technical briefing material and webinars as well as an annual technical update presentation led by Deloitte, which this year included a discussion on the FRC Thematic and Annual Review and consideration of the presentation and disclosure requirements of IFRS 18.

Management confirmed that they were not aware of any material misstatements and the auditor confirmed they had not found any material misstatements in the course of their work, as reported in their independent report from page 148.

Role	Responsibilities
Financial reporting	• Interim and full year results announcements and the Annual Report • Accounting treatment of significant transactions and areas of judgement • The valuation process, the half yearly property valuations and the independence of the Group's valuers • Processes undertaken to ensure that the financial statements are 'fair, balanced and understandable'
Risk management and internal control	• The Group's risk register, principal and emerging risks • Cyber security risk, processes and enhancements, including staff training • Execution of the integration plan following the merger with LXi • The adequacy and effectiveness of the Group's internal controls • The appropriateness of the going concern assumption • The Viability Statement and longer term forecast • The need for an internal audit function • Preparation for the new 2024 Code material controls declaration
External audit	• Scope of the external audit plan • The independence and objectivity of the external auditor • Performance of the external auditor and effectiveness of the audit process • Auditor's fee for the year • Non audit services and ratio of fees
Regulatory compliance	• Committee's composition, performance, terms of reference and constitution • Section 172 statement • TCFD statement, ESG ambitions and progress • Tax strategy and REIT status

"

One of our principal responsibilities is to monitor the integrity of the financial information published in the interim and annual financial statements.

Kitty Patmore
Audit Committee Chair

Audit, risk and internal control

Audit Committee report continued

Significant accounting matter – Property valuations

Reporting issue

The property valuation is a critical part of the Group's reported performance. It continues to be the most significant matter for consideration, being a key determinant of the Group's profitability, net asset value, total property return and a variable element of remuneration. It remains a principal recurring risk for the Group as reported in the Risk management and internal controls section on page 85.

Property valuations are a key area of focus for the external auditor and are inherently subjective. They are based on assumptions and judgements made by external valuers and are underpinned by transactional market evidence, which may not prove to be accurate. In an uncertain market, this empirical data may be less relevant and valuations may become more subjective.

The Group has property assets of £6.2 billion as reflected in the Financial review and as detailed in Supplementary note ix.

The Committee's role

All investment properties are externally valued each half year by independent valuers, CBRE Limited, Savills (UK) Limited and Knight Frank LLP.

The Committee met twice during the year with the property valuers, as part of the interim and year end reporting process, to scrutinise and challenge the integrity of the valuation process, methodologies and results.

The Committee reviewed the key assumptions including rental growth, market yields, capital expenditure and void costs and considered the supporting market evidence used to benchmark assets and were content with the assumptions applied.
The Committee challenged assumptions and considered the impact of any changes to values. Valuations requiring a greater level of judgement were debated, including property under development, post period end sales and valuation movements that were not broadly in line with benchmarks. Issues raised with management were considered to ensure that the valuers remained independent and objective throughout the process and had not been subjected to undue influence.

As part of their audit work, Deloitte use their own in-house property valuation expert to assess and independently challenge the valuation approach, assumptions and judgements. They meet separately with the valuers and report their findings and conclusions to the Committee.

Conclusion

The Committee confirmed to the Board that it was satisfied that the external property valuation included within the financial statements had been carried out appropriately, independently and in accordance with industry valuation standards.

Risk management and internal control

The Board understands the importance of the Company's risk management framework and internal control processes in managing business risks and delivering strategy. Risk awareness is integral to decision making, supported by robust procedures for identifying and managing risks.

Detailed information, including the Audit Committee's work, can be found in the Risk management and internal controls section starting on page 72. The Committee has continued to assist the Board by reviewing the risk register and internal control questionnaire prepared by the Senior Leadership Team. Additionally, it received a cyber security update outlining improvements and future focus areas, as well as a review of tenant covenants and details of review and monitoring processes.

BDO LLP has been appointed to support management with their work on the assurance framework and internal controls in preparation for Provision 29 of the 2024 Code which will require a declaration to be made by the Board on the effectiveness of material controls by 31 March 2027. BDO LLP will support management with the identification and documentation of business process areas and material controls. A roadmap has been developed and progress against this roadmap will be monitored by the Committee at each meeting.

Internal audit

The Group does not have a dedicated internal audit function. Given the organisation's size, simple structure, and the close involvement of the Senior Leadership Team, the Committee has deemed to date an internal audit function unnecessary.

The Committee considers the requirement for an internal audit function on an annual basis and is mindful that a strong assurance framework continues to be increasingly important given the increased size of the Group. The Committee is mindful also of the new Code regulations which will require greater evidence of the controls and how they work. When considered necessary, external advisors are engaged to carry out reviews to supplement existing arrangements and provide further assurance.

This has included testing of IT systems and security including penetration and social engineering testing and enhancing the Group's forecasting model. The Committee agreed that external assurance should be sought for any complex, specialist or high risk issues.

External audit

The Committee maintains a constructive working relationship with the external auditor Deloitte, led by Rachel Argyle. UK regulations require rotating the lead partner every five years, a formal tender every ten years, and changing the auditor every 20 years. Rachel Argyle will step down following the 2027 year end, and Deloitte will step down as auditor following the 2033 year end.

The Company has followed the Competition and Markets Authority Order 2014 regarding non audit services this year.

Audit, risk and internal control

Audit Committee report continued

Oversight

One of the key responsibilities of the Audit Committee was to assess the effectiveness and quality of the external audit process, making enquiries consistent with, and having regard to, the FRC's "Audit Committees and the External Audit: Minimum Standard".

The effectiveness of the audit process is dependent on appropriate audit risk identification at the start of the audit cycle. As in previous years, Deloitte presented their audit plan to the Committee in March. This highlighted the key audit risk areas consistent with previous years as property valuations and management override of controls. The level of audit materiality was also discussed and agreed.

Deloitte shared their audit findings with the Committee before the interim and full year results. The Committee examined and challenged the work undertaken, focusing on key assumptions and audit risks. The Committee also met privately with the auditor without management present.

Effectiveness

The Committee assessed the effectiveness of the external audit process by its review of the following:

- Audit plan and deliverables;
- Independence and objectivity; and
- Fees and reappointment.

In making its assessment, the Committee considered the expertise and consistency of the audit partner and team as well as the quality and timeliness of the audit deliverables. It reviewed the extent to which the audit plan was met, the level of independent challenge and scrutiny applied to the audit and the depth of understanding of key matters and accounting judgements.

It also considered the interaction with and views of management, which included feedback received following the audit clearance meeting held between management and the audit team.

Independence

The Committee recognises the importance of auditor objectivity and independence and understands that this could be compromised by the provision of non audit services. The Company's policy on non audit services stipulates that they are assessed on a case by case basis by the Executive Directors who observe the following guidelines:

- Pre approval of fees by the Executive Directors up to a limit of £100,000 or referral to the Audit Committee for review and approval;
- Proposed arrangements to maintain auditor independence;
- Confirmation from the auditor that they are acting independently; and
- Certain services are prohibited from being undertaken by the external auditor including bookkeeping, preparing financial statements, design and implementation of financial information systems, taxation, valuation, remuneration and legal services.

Taxation services are provided by PwC and Grant Thornton and remuneration advice is also provided by PwC. Corporate due diligence work and the audit of certain subsidiary companies is undertaken by BDO LLP.

Remuneration

Year to 31 March	2025 £000	2024 £000	2023 £000
Audit fees	620	626	252
Review of interim results	95	50	42
Total	715	676	294
Ratio of non audit fees (including interim review) to audit fees	15%	8%	17%

Deloitte confirmed their independence to the Audit Committee, ensuring that internal safeguards preserve the objectivity of the engagement partner and audit staff. They have procedures to prevent non audit work from compromising their auditor role. The three year average ratio of non audit fees to audit fees is low at 12%, affirming Deloitte's independence.

After its review, the Audit Committee concluded that this year's audit was appropriately planned, executed and of a high quality. Deloitte provided the necessary professional challenge and remained objective and independent throughout.

Regulatory compliance

Section 172 duties

At the request of the Board, the Audit Committee considered the Board and Directors' duties under Section 172 of the Companies Act 2006 to act in the way it considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. The Committee received a paper from the Chief Financial Officer setting out the considerations and specific examples of how the Board had considered and responded to stakeholder needs in the year.

The Board's Section 172 statement is on pages 103 to 104 and engagement with stakeholders is set out in the Responsible Business and ESG review on pages 54 to 60.

Going concern and viability

Although the statements on going concern and viability are a matter for the whole Board, the Audit Committee reviewed the appropriateness of preparing the financial statements on a going concern basis and the analysis prepared to support the Board's longer term Viability Statement required by the Code.

Its assessment included a review of the principal risks and risk appetite, the chosen period of assessment, the current financial position, headroom under loan covenants, available undrawn facilities, investment commitments and the stress testing of financial forecasts undertaken. The stress testing considered the impact of changes in macroeconomic conditions on the Company, its suppliers, tenants and the wider property market. The scenario testing assessed the likely impact of an increase in interest rates, a reduction in rental income and a decline in property values as set out on page 89.

Following its review, the Committee was satisfied that the going concern basis of preparation remained appropriate and recommended the Viability Statement be approved by the Board.

Audit, risk and internal control

Audit Committee report continued

The Board's statements on Going Concern and Viability are set out on pages 88 to 89.

Whistleblowing procedures, anti-corruption and anti-bribery

The Company is committed to operating with honesty and professionalism, upholding integrity and respect for others. We maintain a zero-tolerance policy towards inappropriate behaviour or malpractice. Employees are encouraged to report any observed wrongdoings and are provided with the Company's whistleblowing policy and anti-corruption procedures upon joining, along with regular conduct and ethics training. The Board is responsible for reviewing and monitoring whistleblowing activities, and the Committee reports any incidents that are brought to its attention to the Board. During the review period, there were no whistleblowing incidents to report.

Climate-related disclosures

The Committee has considered how climate risk has been identified and assessed by the Company and whether the Task Force on Climate-Related Financial Disclosures' ('TCFD') recommendations are being met. Members took comfort from the robust climate-related risk management process in place. This was supported by the positive benchmarking and assistance provided by a third-party specialist, to ensure disclosure in line with good industry practice and enhanced reporting practices year on year.

The Company's TCFD disclosure is found on pages 62 to 71 in the Responsible Business and ESG review and showcases the Company's commitment to transparent and comprehensive climate-related reporting. The statement includes early preparation for the transition from TCFD to International Financial Reporting Standards ('IFRS') S2 Climate-related Disclosures, with key additional requirements already being addressed. Focus areas identified for next year include strengthening the financial quantification aspects of disclosure (Strategy B and Strategy C) and improving the measurement and coverage of Scope 3 emissions generated by tenants (Metrics & Targets B). Since the merger with LXi, a high level climate risk assessment has been conducted for the enlarged portfolio, which has helped refine climate risks and opportunities for the business. The updated Net Zero Pathway has also helped inform the overall transition plan for the portfolio.

Fair, balanced and understandable

At the request of the Board, the Audit Committee considered whether this Annual Report was a fair, balanced and understandable assessment of the Group's position and prospects.

In reaching its decision, the Committee conducted a comprehensive review of the Annual Report's content and tone and assessed the preparation process adopted by management, which included the following steps:

- Establishing a team of experienced senior managers from finance, investor relations and property, with clear responsibilities for preparing and reviewing relevant sections of the report;
- Attending a corporate governance and accounting update presented by the external auditor in February 2025;
- Regularly liaising during the drafting stages to ensure consistency in tone and message, balanced content and appropriate linking of various sections;
- Obtaining early input from Executive Directors regarding the overall message and tone of the report;
- Involving Executive Directors closely throughout the process, with extensive review of drafting;
- Conducting a verification exercise to ensure factual accuracy and consistency throughout the report; and
- The Audit Committee's review before presentation to the Board for approval.

In carrying out its review, the Committee considered the following criteria:

Fair

- Does it provide shareholders with information to assess the Group's position and performance, business model and strategy?
- Does it include relevant and necessary transactions and balances?
- Does it include the required regulatory disclosures?
- Is it honest, reporting both successes and opportunities alongside challenges to the business?

Balanced

- Does it present the complete story and are key messages appropriately reflected?
- Is it consistent throughout with sufficient linkage?
- Is there an appropriate mix of statutory and alternative performance measures?
- Are alternative performance measures explained and reconciled to the financial statements?

Understandable

- Is it written in straightforward language without unnecessary repetition?
- Does it use diagrams, charts, tables and case studies to break up lengthy narratives?
- Is there a clear contents page to aid navigation and sufficient signposting?

The Committee concluded that the Annual Report was fair, balanced and understandable, allowing the Board to make its statement on page 146.

Looking ahead

Next year, the Committee will focus on the following key matters alongside its regular schedule to support and provide assurance to the Board:

- Continue to monitor progress against the roadmap to compliance with Provision 29 on the 2024 Code;
- Oversee the revised Net Zero Pathway, setting of appropriate KPIs and interim targets; and
- Review management's assessment of the new RICS mandatory periodic rotation of valuers ahead of its implementation in 2026.

Kitty Patmore
Chair of the Audit Committee
20 May 2025

Remuneration

Remuneration Committee report

Robert Fowlds
Remuneration Committee Chair

Our remuneration framework continues to be strongly aligned with the Company's purpose, strategy and performance as well as the interests of our shareholders.

Highlights this year

- Implemented the changes set out in the 2024 Remuneration Committee report to the remuneration packages for the Executive Directors and other senior employees within the Committee's remit, in the context of the material change in size and complexity of the business following the LXi acquisition and the significant increase in the scope of responsibilities for certain roles
- Considered employees' views on executive pay through attendance by the Remuneration Committee Chair at workforce Non Executive Director's annual staff meeting
- Approved the variable elements of the annual bonus and LTIP performance against targets set
- Approved the extension of the Board Chair's letter of appointment for 12 months

Key responsibilities

The Committee's role is to operate a fair and transparent reward structure that motivates and incentivises the Executive Directors to deliver the Group's strategic goals, reward exceptional performance and retain high calibre individuals for the long term.

Remuneration Policy

- Set and review the Remuneration Policy for Directors and ensure it is aligned to the Company's purpose and values and the delivery of its strategy
- Set the remuneration of the Executive Directors and certain members of the Senior Leadership Team and oversee workforce remuneration arrangements

Read more on pages 127 to 130

Remuneration packages and payouts

- Determine and review individual remuneration packages
- Approve salaries, bonuses and LTIP awards

Read more in the Annual Report on Remuneration from page 131

Variable incentives

- Determine and review the Long Term Incentive Plan ('LTIP') and Annual Bonus Plan arrangements
- Approve targets and outcomes

Read more in the Annual Report on Remuneration from page 131

Governance

- Maintain open communication with shareholders on remuneration decisions and policies
- Feedback to the Board on remuneration matters
- Review and approve the annual Remuneration Committee report

Membership and attendance

The number of Committee members and their attendance during the year was as follows:

Member	Date appointed	Tenure (years)[1]	Meetings attended[2]
Robert Fowlds (Chair)	31/1/2019	6	5 (5)
Suzanne Avery	19/9/2018	7	5 (5)
Andrew Livingston	28/1/2021	4	5 (5)
Suzy Neubert	29/9/2023	2	5 (5)

1 Tenure is measured from date of appointment to the Committee and as at 31 March 2025, rounded to the nearest whole year
2 Bracketed numbers indicate the number of meetings the member was eligible to attend

This report is structured as follows:

- Committee Chair's introduction, which summarises the work, key decisions taken and outcomes (pages 124 to 125);
- Directors' Remuneration Policy ('Policy') overview and illustrations (pages 127 to 130); and
- Annual Report on Remuneration which describes how the Remuneration Policy has been applied for the year ending 31 March 2025 and how we intend to implement the Policy for the year to 31 March 2026 (pages 131 to 142).

Remuneration

Chair's introduction

I am pleased to present the Remuneration Committee's report on Directors' remuneration for the year to 31 March 2025.

This will be my last report to you, as I will be stepping down from the Committee after the AGM on 9 July 2025 ahead of work commencing on our next policy review for 2026. Suzy Neubert will be replacing me as Committee Chair, having served as a member since September 2023. It has been a pleasure leading the Committee for the past five years and I will continue to serve as a Non Executive Director of the Board.

Remuneration aligned to purpose and strategy

Our remuneration framework continues to be strongly aligned with the Company's purpose, strategy and performance as well as the interests of our shareholders as reflected in the chart on page 128.

Delivery of these strategic objectives is measured using key performance metrics that are embedded within the variable elements of remuneration, being EPRA Earnings per Share ('EPS'), Total Property Return ('TPR'), Total Accounting Return ('TAR') and Total Shareholder Return ('TSR'). Strategic and ESG based metrics were introduced to the annual bonus as part of the Policy approved in late 2023.

Shareholder support in respect of the 2024 AGM

During 2024, I engaged with the Company's largest shareholders representing nearly 60% of the issued share capital as well as the proxy voting agencies in relation to the repositioning of the salaries of both the Chief Executive and Chief Financial Officer to £800,000 and £525,000 per annum respectively. As a reminder, the increases were made on the basis that the completion of the all share merger with LXi resulted in a significant increase in scope of responsibilities for the Executive Directors, a significant broadening of property sub-sector exposure and a significant increase in size and complexity. The vast majority of shareholders and investor bodies understood the rationale and were supportive of the proposals and I, along with the Committee, were delighted to see over 93% of shareholders who voted supported our Directors' Remuneration report at the 2024 AGM. The Committee would like to thank all shareholders who provided valuable feedback during the engagement process.

Performance during the year

2024 was a transformational year, dominated by significant M&A activity. 2025 has in turn been defined by our progress on integrating the LXi business both strategically and operationally. The LXi acquisition doubled the size and value of our property portfolio and positioned us as the UK's leading Triple Net Lease REIT. We were promoted to the FTSE 100 index and, having also acquired LXi's investment advisor, increased our workforce and strengthened the team.

As part of our integration work, we made significant operational efficiencies, allowing us to report a sector leading EPRA cost ratio of 7.8% at the year end. Other achievements in the year included £685 million of investment activity principally led by selling some of the most challenged LXi assets including the Assisted Living portfolio and securing a BBB+ corporate credit rating which reduced existing margins and has given optionality on future debt refinancing.

Our financial results are once again very strong, despite a backdrop of uncertain economic conditions and a challenging real estate market. EPRA earnings per share increased by 20.7% to 13.1p, supporting a 17.6% increase in our dividend for the year, to 12.0p per share. EPRA NTA per share has increased by 3.9% to 199.2p per share, due largely to the portfolio valuation gain of 5.2p per share. This exceptional performance is testament to the significant increase in scope and responsibilities of the Executive Directors over the past year, and ongoing positive benefits resulting from the transaction.

The business is stronger and better positioned as a result of an intense 12 months of activity following the transformational acquisition. Given the organisation's strong financial and operational performance, the Committee considers it entirely appropriate to reward the Executive Directors with the variable elements of this year's annual bonus and LTIP in line with the formulaic outcomes as detailed below.

Salary increases

The Committee approved a 2.5% increase to Executive Director salaries to apply from 1 June 2025, which is below the average increase awarded to the workforce of 6.5%.

Annual bonus

As noted in last year's Remuneration Committee report, the metrics determined for the annual bonus for the year to 31 March 2025 were based on Growth in EPRA EPS (30% weighting), Growth in Total Property Return TPR (30% weighting), Strategic objectives (30% weighting) and ESG objectives (10%). The maximum opportunity remained at 165% of salary for the Chief Executive and 140% of salary for the Chief Financial Officer. Given the transformational change to the shape of the Company over the last 12 months, and the evolution of its strategy to create the UK's leading Triple Net REIT, the Remuneration Committee has kept all bonus targets under constant review to ensure that they are appropriately defined and represent fair measures of the success of the business and drive outperformance.

Accordingly, the Remuneration Committee determined to measure EPS performance on both a quantitative (50%) and qualitative (50%) basis during 2025. EPRA EPS performance was strong and increased by 20.7% to 13.1p, which was greater than the financial target set. Significant progress was made on the four qualitative factors set including; progress of non core disposals, evolution of the portfolio toward preferred choices, increased exposure to market rent reviews and the effective integration of LXi. The Committee deemed that given the strong progress had been made against the qualitative pillars of EPS, and in combination with the above target quantitative outcome, this element would be met in full.

In line with best practice, TPR has been measured on a multi year basis (over one and three years) based on the relative outperformance against the MSCI all property benchmark to 31 March 2025. The Committee is satisfied that this approach measures and rewards the longer term investing principles inherent in the real estate sector. Relative outperformance was above the maximum target and therefore the TPR element paid out in full.

Remuneration

Chair's introduction continued

In line with last year, a significant proportion of the strategic and ESG elements of the annual bonus were determined based on quantifiable targets set with respect to three key pillars of business strategy. For the strategic element, these included logistics exposure, gross to net income leakage, like for like income growth, occupancy rate, balance sheet strength and EPRA cost ratio. In relation to the ESG element, objectives set included GRESB score, EPC ratings, employee and occupier satisfaction and data collection.

The Committee assessed that the Executive Directors achieved their Strategic and ESG target, which paid out at 93% and 100% of maximum respectively. Overall, the Committee determined annual bonuses for the Executive Directors to be at 97.8% of their respective maximum levels. Full details of all the objectives, targets and their assessment is set out on pages 135 to 136.

LTIP vesting

Vesting of the LTIP awards granted to Executive Directors in 2022 is dependent on Company performance over the three years to 31 March 2025. Performance is measured by reference to TAR and TSR relative to the FTSE 350 Super Sector Real Estate index excluding agencies and operators (37.5% weighting each) and EPRA EPS growth (25% weighting).

Reflecting on the Company's move into a new phase of M&A activity, the Committee reviewed the operation of the TAR metric during the year to ensure it continues to provide a fair and robust measure of the Company's relative performance. The Committee discussed and approved an adjustment to the way in which TAR is defined for the purpose of determining the incentive outcomes, to reflect the amortisation of significant and exceptional one-off costs borne as a result of the M&A strategy. This approach will apply to future awards under the current Policy. The Committee felt that with this adjustment, TAR will be reflective of the true business performance matching the costs of M&A activity with the benefits derived from it. Based on this approach, vesting is 68.4% of the maximum for this element.

Whilst actual TSR growth over the period was negative at -19.5%, the Company was positioned highly against peers illustrating the strong performance of the management team against a backdrop of a very difficult economic environment. As explained in the approved Directors' Remuneration Policy, the inclusion of a positive TSR underpin on the vesting of the TSR element can lead to perverse outcomes; as is the case this year, and is not aligned with typical market practice. Therefore, the Committee did not deem it appropriate to unfairly penalise management for delivering strong relative TSR in the current uncertain and volatile market. In addition, recognising that over 99% of shareholders who voted supported the removal of the positive underpin for future awards as part of the 2023 Policy, the Committee felt that it was appropriate to adjust the performance target to waive the positive TSR underpin in respect of the 2022 LTIP award. Therefore, vesting is 98.4% of the maximum for this element.

As set out in the Annual Bonus section above, the EPRA EPS outcome for the year of 13.1p was significantly above the 12.3p maximum target and therefore this element will vest in full.

Taking into account the performance under the EPRA EPS growth, relative TSR and TAR conditions, 87.5% of the 2022 LTIP will vest in June 2025 subject to a two year post-vesting holding period. 21 other employees will benefit from the vesting of this award, and the Committee retains the objective of widening share ownership below the Executive level.

LTIP awards

The Group's LTIP arrangements seek to align executive pay with the delivery of long term growth in shareholder value. This year 1,228,579 share awards were granted to the Executive Directors and 755,477 LTIP awards vested. The Directors disposed of 356,143 shares to settle tax liabilities and retained the remaining 399,334 shares which increased their holding in the Company. The performance conditions attached to the awards were set out on page 148 of the 2024 annual report and accounts.

Looking forward

The Committee will continue to work closely with shareholders and voting agencies to ensure that the Company's remuneration arrangements reflect best practice in corporate governance and adequately incentivise and retain management who underpin the Company's success and shareholders' best interests.

Conclusion

The Company has had a strong year, defined by our progress on integrating the LXi business both strategically and operationally, together with the recycling of assets and strengthening the Group's finances. The Committee believes that the remuneration outcomes are entirely appropriate and reflective of the strong business performance this year.

I look forward to your support at our forthcoming AGM and welcome feedback from shareholders. I will be available at the AGM should you have any questions and can be contacted through the Company Secretary at other times at info@londonmetric.com.

Finally, I would like to personally thank employees for their achievements and commitment to the Company this year and my fellow Committee members for their valuable input, dedication and support.

Robert Fowlds
Chair of the Remuneration Committee
20 May 2025

Remuneration Committee assessment

The Committee is satisfied that the amount payable under the variable incentive plans is a fair reflection of the underlying performance of the business. As such, no discretion was exercised by the Committee in relation to the formulaic outcomes.
In making this assessment, the Committee took account of the following factors:

- The Company achieved a strong set of financial results, allowing the Board to propose an increase to the dividend for the year to 31 March 2025 of 17.6%
- Maintained strong portfolio composition of logistics and long income assets, which represents 98% of the portfolio
- Maintained the quality of the portfolio and tenant mix with a WAULT of 18.5 years and occupancy of 98.1%
- Maintained high EPC ratings, with 92% of assets rated A to C
- GRESB score of 73, ahead of peers
- All employees received an annual bonus and 33 employees will benefit from the 2025 LTIP award

The Committee is satisfied that the Remuneration Policy operated as intended in the year to 31 March 2025.

Remuneration

Directors' remuneration at a glance

Earnings for the financial year

Remuneration for Executive Directors	Salary £000	Benefits £000	Pension £000	Bonus £000	LTIP[3] £000	Total 2025[2] £000	Total 2024 £000	Illustrative change in value of shares owned and outstanding share awards[1] £000
Andrew Jones	774	27	77	1,290	902	**3,070**	2,739	793
Martin McGann	509	29	51	718	468	**1,775**	1,557	430

1 Based on an illustrative swing in share price of 10p. For reference, the highest closing share price during the year was 210.2p and the lowest closing price was 172.5p. The number of shares and share awards was calculated based on the year end total
2 Full details of Directors' remuneration for the year can be found in the table on page 136
3 2022 LTIP awards expected to vest in June 2025

Annual bonus plan – targets and outcome

Performance measure	Payout target 25%	Payout target 100%	Actual	% awarded
EPRA EPS	10.9p	13.1p	13.1p	**100%**
TPR (3 year All Property)	-2.7%	-2.2%	0.0%	**100%**
TPR (1 year All Property)	6.3%	7.6%	8.3%	**100%**

Combining these outcomes with the strategic and ESG objectives gives the following payouts[1]:	£000	% of maximum
Andrew Jones	1,290	**97.8**
Martin McGann	718	**97.8**

1 Full details of the strategic and ESG objectives and the Committee's assessment of their achievement is set out on page 136

2022 LTIPs vesting – targets and outcomes

Performance measure	Payout target 25%	Payout target 100%	Actual	% awarded
TSR	-30.0%	-19.2%	-19.5%	**98.4%**
TAR	-11.8%	-4.9%	-7.9%	**68.4%**
EPRA EPS	11.9p	12.3p	13.1p	**100%**

The estimated number of shares vesting are as follows:	Number	% of maximum
Andrew Jones	493,508	**87.5**
Martin McGann	255,740	**87.5**

The level of LTIP vesting in 2025 demonstrates the successful performance of the Company over the three year performance period with strong absolute earnings growth and a resulting comparative return performance in excess of many of the Company's direct competitors.

LTIPs granted in the year

	Basis of award (% of salary)	Date of grant	Share awards number	Face value per share	Face value of award £000
Andrew Jones	200%	13 June 2024	797,051	200.7p	1,600
Martin McGann	165%	13 June 2024	431,528	200.7p	866

Remuneration

Directors' Remuneration Policy

The Remuneration Policy ('Policy') for the Group was approved by shareholders at a General Meeting on 18 December 2023 by 99.37% of shareholders who voted, representing 78% of the issued share capital of the Company, for a period of three years.

This section is an extract from the full Policy which can be found on our website at www.londonmetric.com. In addition, the core elements of the Policy can be found in the Implementation of Policy section on pages 132 to 133.

Overview of our Policy

The Group's Remuneration Policy is designed to align executive pay and incentives with the Company's goals and encourage and reward exceptional overall and individual performance. As well as motivating, remuneration plays a key role in retaining highly regarded individuals and needs to be competitive.

The principles which underpin the Remuneration Policy ensure that Executive Directors' remuneration:

- Is aligned to the business strategy and achievement of business goals;
- Is aligned with the interests of shareholders by encouraging high levels of share ownership;
- Attracts, motivates and retains high calibre individuals;
- Is competitive in relation to other comparable real estate companies;
- Is set in the context of pay and employment conditions of other employees; and
- Rewards superior performance through the variable elements of remuneration that are linked to performance.

Alignment of Policy with the 2018 Corporate Governance Code

Under the headings prescribed under provision 40 of the 2018 Code, the following table shows the alignment between the Policy and Code.

Provision 40 element	How the Remuneration Policy aligns
Clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.	Performance measures and targets under the LTIP are disclosed before grant and performance targets for the annual bonus are disclosed retrospectively. Both the annual bonus and LTIP measures are based on core elements of the strategy and therefore there is a clear link to all stakeholders between their delivery and Executive Director reward.
Simplicity – remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	The Remuneration Policy is designed with simplicity in mind and its operation aligns with that of the majority of FTSE 350 companies and is therefore easy to understand.
Risk – remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target based incentive plans, are identified and mitigated.	The selection of performance measures and targets ensures that incentives will only pay out where strategic goals have been met. The mix of relative and absolute performance measures help to balance the effect of external market factors (whether positive or negative). The Remuneration Policy contains strict minimum shareholding requirements as well as a post cessation of employment shareholding requirement which ensures that the wealth of Executive Directors is linked to the long term stability and growth of the share price which discourages short term excessive risk taking which could negatively impact on long term value. The Policy contains sufficient flexibility to adjust payments through malus and clawback and an overriding discretion on the part of the Committee to depart from formulaic outcomes if it appears that the criteria on which the award was based does not reflect the underlying performance of the Company.
Predictability – the range of possible values of rewards to individual Directors and any other limits or discretions should be identified and explained at the time of approving the Policy.	The Remuneration Policy sets out clearly the range of values, limits and discretions in respect of the remuneration of management.
Proportionality – the link between individual awards, the delivery of strategy and the long term performance of the company should be clear. Outcomes should not reward poor performance.	The remuneration package is weighted in favour of variable pay. This, combined with the Committee's approach to target setting including the use of relative performance measures, means that total remuneration will be reduced in the event of poor performance. Payouts at maximum will only be available for delivery of the strategy and strong underlying performance.
Alignment to culture – incentive schemes should drive behaviour consistent with Company purpose, values and strategy.	The overall structure of the Remuneration Policy including the incentive schemes is consistent with the principles of the Policy which encourage share ownership. Furthermore, the elements of the Executive Director remuneration package are cascaded further down the organisation, as is the culture of share ownership.

Remuneration

Directors' Remuneration Policy continued

Non Executive Directors' fees

The fees for Non Executive Directors and the Chair are broadly set at a competitive level against the comparator group and increases take account of any change in responsibility. The aggregate fee for Non Executive Directors and the Chair will not exceed £1 million.

The base fee for Non Executive Directors has been increased in line with the Executive Directors by 2.5% to £58,425 from 1 June 2025. The Chair's new letter of appointment set his fees for the period to 31 March 2026.

Chair	£285,000
Base Non Executive Director fee	£58,425
Senior Independent Director additional fee	£10,000
Additional fee for Audit/Remuneration Committee Chair	£10,000
Additional fee for Audit/Remuneration Committee membership	£5,000

Other directorships

Executive Directors are permitted to accept external, non executive appointments with the prior approval of the Board where such appointments are not considered to have an adverse impact on their role within the Group. Fees earned may be retained by the Director. Andrew Jones was a non executive director of InstaVolt Limited throughout the year to 31 March 2025 and earned fees of £40,000.

Strategy link to Remuneration Policy

The Committee's remuneration decisions are steered by the achievement of the Group's strategic objectives and so it is critical that the incentive arrangements operated by the Company are directly linked to the achievement of these strategic priorities and overall corporate objectives. It is the Committee's belief that the incentive elements of the Policy align with these objectives.

The following table demonstrates how the Company's key performance indicators ('KPIs') are aligned to its variable incentive arrangements of the annual bonus and LTIP.

	Link to remuneration		
Key performance indicators	Annual bonus	LTIP	Link to strategy
Total shareholder return		37.5%	
Total accounting return		37.5%	
EPRA earnings per share	30%	25%	
Total property return	30%		
Strategic objectives	30%		
ESG objectives	10%		

Read more about our strategy on page 21

Own
Invest in real estate aligned to structural trends

Manage
Disciplined, low cost and responsible management of our assets

Collaborate
Leverage our expertise to benefit from strong relationships

Generate
A focus on reliable, repetitive and growing income

Remuneration

Directors' Remuneration Policy continued

Illustration of application of Remuneration Policy

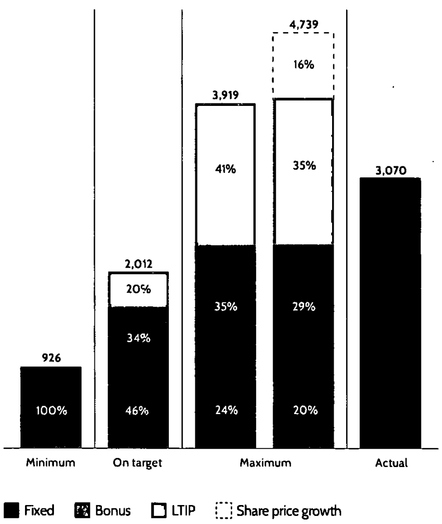
The charts below show the application of the Policy and provide an indication of the potential remuneration for each element of remuneration for each of the two current Executive Directors under various scenarios.

The elements of remuneration have been categorised into three components: (i) Fixed; (ii) Annual bonus (including deferred bonus); and (iii) LTIP. The assumptions used in determining the remuneration illustrations are set out in the table to the right.

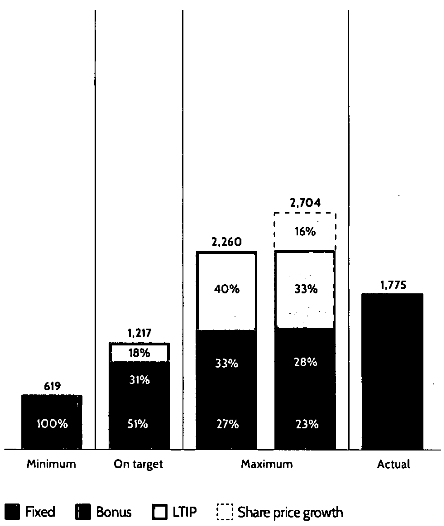
For comparison, we have also shown the actual single figure for the year to 31 March 2025.

Scenario	Fixed	Annual Bonus (including Deferred Bonus)	LTIP
Minimum	• Base salary: Expected salary earned over the financial year to 31 March 2026 • Pension: 10% of base salary • Benefits: In line with those paid in year ending 31 March 2025	Nil	Nil
Target		50% of maximum (in line with target payout)	25% vesting (in line with threshold vesting)
Maximum		100% of maximum	100% vesting
Maximum with LTIP share price growth of 50% over three years		100% of maximum	100% vesting with 50% share price growth

Andrew Jones



Martin McGann



Remuneration

Directors' Remuneration Policy continued

Chief Executive

Salary increase from June 2025

2.5%

Bonus movement in 2025

26%

Of salary held in Company shares

1316%

Pension contribution in line with workforce

10%

Wider workforce[1]

Average salary increase from June 2025

6.5%

Average bonus increase in 2025

10%

Of employees received a bonus in 2025

100%

Of employees participate in the LTIP in 2025

67%

1 Excludes Executive Directors

Employee considerations

The Company applies the same principles to the remuneration of all employees as it applies to the Executive Directors, namely that:

- The remuneration is competitive in relation to other comparable real estate companies;
- The incentive elements reward superior performance through the variable elements of remuneration that are linked to the same performance targets as for the Executive Directors and which are aligned to the business strategy; and
- The remuneration encourages employees to become shareholders.

The Committee considers employee views carefully and Andrew Livingston is the designated workforce Non Executive Director responsible for gathering employee views, ensuring that key points raised by employees are discussed at Committee and Board meetings and feeding back to employees how their views have been considered in the decision making process. As in previous years, the Remuneration Committee Chair attended the annual meeting of the designated workforce NED and employees and welcomed and responded to any questions on the principles of executive pay.

Andrew fed back the results of the latest employee survey to the Committee and Board, which all staff completed. The survey results were strong with 96% of employees enjoying working for the Company. Further details are provided on page 57.

Pay comparison between Directors and other employees

The table illustrates the cascade of pay structures throughout the business for the Chief Executive, Chief Financial Officer and the Senior Leadership Team. The Committee believes this demonstrates a fair and transparent progression of remuneration throughout the Company which is in line with one of its core pay principles that variable performance based pay increases with seniority.

The following differences exist between the Company's Policy for the remuneration of Executive Directors and its approach to the payment of employees generally:

- All employees are eligible for a performance based annual bonus. A lower level of maximum annual bonus opportunity applies to employees when compared to the Executive Directors.
- Executive Directors participate in the LTIP. Currently 31 other employees are invited to participate in the LTIP at the Remuneration Committee's discretion.

In general, these differences arise from the development of remuneration arrangements that are market competitive for the various levels of seniority.

The Remuneration Committee is comfortable that the remuneration of the Executive Directors is appropriate taking account of internal and external measures.

	Participation/Annual Bonus Entitlement		
Element of pay	Chief Executive	Chief Financial Officer	Senior Leadership Team
LTIP award	200% of salary	165% of salary	57% to 150% of salary
Annual bonus	161% of salary	137% of salary	53% to 137% of salary
Pension	10% of salary	10% of salary	10% of salary

Remuneration

Annual Report on Remuneration

In this section, we set out the Annual Report on Remuneration for the year ending 31 March 2025 which provides details of how the Remuneration Policy was applied and how we intend to apply the Policy for the year ending 31 March 2026.

The Annual Report on Remuneration including the Chair's introduction, is subject to an advisory vote at the forthcoming AGM on 9 July 2025.

The report complies with the 2018 UK Corporate Governance Code, Listing Rules and The Large and Medium Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The areas of the report which are subject to audit have been highlighted.

The role of the Remuneration Committee

The Committee determines Executive Directors' remuneration in accordance with the approved Policy and its terms of reference, which are reviewed annually by the Board and are available on the Company's website at www.londonmetric.com.

The Board recognises that it is ultimately accountable for executive remuneration but has delegated this responsibility to the Committee. All Committee members are Non Executive Directors of the Company, which is an important prerequisite to ensure Executive Directors' pay is set by Board members who have no personal financial interest in the Company other than as potential shareholders.

The Committee meets regularly without the Executive Directors being present and is independently advised by PwC, a signatory to the Remuneration Consultants' Code of Conduct and which has no connection with the Group other than in the provision of advice on executive and employee remuneration matters, corporate due diligence and taxation advice.

PwC were appointed in 2017 by the Remuneration Committee following a competitive tender process. Total fees paid to PwC in respect of remuneration advice to the Committee were £111,350 calculated on both hourly and fixed fee bases. The Committee is satisfied that the advice provided by PwC is objective and independent.

No Executive Director is involved in the determination of his own remuneration and fees for Non Executive Directors are determined by the Board as a whole.

The Company Secretary acts as secretary to the Committee and the Chief Executive and Chief Financial Officer attend meetings by invitation but are not present when their own pay is being discussed. The Chair of the Committee reports to the Board on proceedings and outcomes following each Committee meeting.

Meetings and activities

The Committee met on five occasions during the year. The main activities of the Committee during the year were as follows:

Annual bonus and LTIP	Set challenging EPS targets for the 2024 LTIP awards granted and annual bonus for the year to 31 March 2025
	Approved Executive Directors' share awards under the LTIP following the announcement of the Company's results for the year ended 31 March 2024
	Assessed the performance of Executive Directors against targets set at the beginning of the year and reviewed annual bonuses for the year to 31 March 2025
Salary	Reviewed annual salary increases effective from 1 June 2025
Governance	External evaluation of its own performance and review of its terms of reference
	Reviewed and approved the Remuneration Committee report
	Reviewed and approved the CEO pay ratio
	Received a regulatory update from PwC

Remuneration

Implementation of Policy next year

Summary of Policy	Implementation in the year to 31 March 2026
Annual bonus Annual bonus performance targets are set by the Committee at the start of the financial year linked to the Group's long term strategy. The performance targets are calibrated by the Committee considering the Company's business plan, strategic and operational objectives and market conditions. At least 60% of the bonus will be subject to key property and financial metrics and a further 15% subject to other quantifiable metrics. The payout for on target performance is 50% of the maximum and the payout for threshold performance is 25% of the maximum. Executive Directors who have met their minimum shareholding requirement have the option to receive the annual bonus paid in cash. For those who are yet to meet the minimum shareholding requirement, up to 100%, and at least 50%, of the annual bonus will be paid in deferred shares vesting over three years.	The maximum bonus opportunity is 165% of salary for the Chief Executive and 140% of salary for the Chief Financial Officer. The performance conditions and their weightings for the annual bonus are as follows: (see table below) The Committee believes that the annual bonus targets for the coming year are commercially sensitive and accordingly these are not disclosed. These will be reported and disclosed retrospectively next year in order for shareholders to assess the basis for any payouts.

Performance measure	Weighting	Description of targets
Growth in EPRA EPS	30%	Growth in Company's EPRA EPS against a range of challenging targets
Growth in total property return ('TPR')	30%	Growth in Company's TPR against the relevant MSCI All Property indices on an annual and multi year basis; Full payout if growth is equal to 1.2 times the relevant index; 25% payout if growth is equal to the relevant index; Straight line interpolation between limits
Strategic objectives	30%	Measures management's performance against the strategic imperatives set annually by the Board. Many will be financial in nature such that at least 75% of the overall annual bonus will be subject to quantifiable metrics
ESG objectives	10%	Measures management's performance against targets aligned with delivering the Company's ESG strategy

Summary of Policy	Implementation in the year to 31 March 2026
Base salary An Executive Director's basic salary is set on appointment and reviewed annually with changes normally taking effect from 1 June or when there is a change in position or responsibility. When determining an appropriate level of salary, the Committee considers multiple factors including pay increases to other employees, remuneration within comparable real estate companies, changes in scope, role and responsibilities and the general performance of the Company and individual.	The Committee has approved salary increases for the Executive Directors of 2.5% which is below the workforce average of 6.5%. (see table below)

Executive Director	Base salary from 1 June 2025	Base salary from 1 June 2024
Andrew Jones	£820,000	£800,000
Martin McGann	£538,125	£525,000

Summary of Policy	Implementation in the year to 31 March 2026
Pension The maximum pension contribution rate is 10% of salary for Executive Directors, aligned to the wider workforce. Where there is any increase to the pension contribution rate received by the wider workforce, the Executive Directors will be entitled to receive the same contribution level at the discretion of the Remuneration Committee.	Executive Directors will receive the 10% salary contribution. The contribution is payable as a monthly contribution to the Executive Director's individual personal pension plan or taken as a cash equivalent. Salary sacrifice arrangements can apply.
Benefits The Committee recognises the need to maintain suitable flexibility in the benefits provided to ensure it is able to support the objective of attracting and retaining personnel in order to deliver the Group strategy.	In line with the Policy, each Executive Director receives: • Car allowance • Private medical insurance • Life insurance • Permanent health insurance

Remuneration

Implementation of Policy next year continued

Summary of Policy	Implementation in the year to 31 March 2026
Long Term Incentive Plan Annual awards of up to 200% of salary for the Chief Executive and 165% of salary for the other Executive Directors. Awards will normally vest at the end of a three year period subject to: • The Executive Director's continued employment at the date of vesting; and • Satisfaction of the performance conditions. Vested awards will be subject to a further two year holding period during which Executive Directors cannot dispose of shares other than for tax purposes. The Committee may award dividend equivalents on awards that vest.	The Committee has determined that LTIP awards for 2025 will be 200% of salary for the Chief Executive and 165% of salary for the Chief Financial Officer. (see table below) TSR and TAR are relative measures against the FTSE 350 Real Estate Sector excluding agencies and operators ('the Index'). TAR will be measured in line with the methodology set out in the Remuneration Committee Chair's statement on page 125.
Shareholding requirement Executive Directors are encouraged to build up and hold a shareholding equivalent to a percentage of base salary. Executive Directors will be required to retain at least 50% of the post tax amount of vested shares from incentive plans until this requirement is met and maintained. There is a post cessation shareholding requirement for the Executive Directors, who must retain shares equivalent in value to the minimum of 200% of salary and their actual shareholding on cessation for two years post cessation of employment.	The shareholding requirement is: • Chief Executive and other existing Executive Directors – 700% of salary • Newly appointed Executive Directors – 400% of salary
Malus and clawback Malus may apply to any cash bonus up to the date of payment and any deferred bonus or LTIP award during their respective vesting periods. Clawback may apply to any cash bonus for up to two years following the payment of the bonus and may apply to LTIP awards for up to two years following vesting. Malus/clawback may result in the value of awards being reduced to nil.	The circumstances in which malus and clawback could apply are: • Material misstatement • Calculation error in incentives • Fraud or gross misconduct • Reputational damage • Corporate failure
Non Executive Director fees Non Executive Directors are paid an annual fee and additional fees for the Chair of Committees and for the Senior Independent Director. The Company retains the flexibility to pay fees for the membership of Committees. The Chair does not receive any additional fees for membership of Committees.	Fees are reviewed annually based on equivalent roles in the comparator group used to review salaries paid to the Executive Directors. Non Executive Directors and the Chair do not participate in any variable remuneration arrangements or other benefits arrangements. Please see page 128 for details of fees for the year ending 31 March 2026.

Performance measure	Weighting	Threshold (25% vesting)	Maximum[1] (100% vesting)
Total shareholder return ('TSR')	37.5%	Equal to index	Equal to upper quartile ranked company
Total accounting return ('TAR')	37.5%	Equal to index	Equal to upper quartile ranked company
EPRA EPS growth	25%	CPIH over three years	CPIH plus 2% over three years

1 Straight line interpolation between threshold and maximum

Remuneration

Directors' remuneration in 2025

Single total figure of remuneration for each Director (audited)

Director	Salary and fees		Benefits[1]		Pension[2]		Total Fixed		Annual bonus[3]		LTIP[4]		Total Variable		Total	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Executive																
Andrew Jones	**774**	638	**27**	26	**77**	64	**878**	728	**1,290**	1,020	**902**	991	**2,192**	2,011	**3,070**	2,739
Martin McGann	**509**	427	**29**	28	**51**	43	**589**	498	**718**	579	**468**	480	**1,186**	1,059	**1,775**	1,557
Non Executive																
Alistair Elliott	**242**	159	**–**	–	**–**	–	**242**	159	**–**	–	**–**	–	**–**	–	**242**	159
Suzanne Avery	**67**	64	**–**	–	**–**	–	**67**	64	**–**	–	**–**	–	**–**	–	**67**	64
Robert Fowlds	**77**	77	**–**	–	**–**	–	**77**	77	**–**	–	**–**	–	**–**	–	**77**	77
Sandy Gumm	**57**	–	**–**	–	**–**	–	**57**	–	**–**	–	**–**	–	**–**	–	**57**	–
Nick Leslau	**57**	4	**–**	–	**–**	–	**57**	4	**–**	–	**–**	–	**–**	–	**57**	4
Andrew Livingston	**62**	59	**–**	–	**–**	–	**62**	59	**–**	–	**–**	–	**–**	–	**62**	59
Suzy Neubert	**76**	64	**–**	–	**–**	–	**76**	64	**–**	–	**–**	–	**–**	–	**76**	64
Kitty Patmore	**72**	68	**–**	–	**–**	–	**72**	68	**–**	–	**–**	–	**–**	–	**72**	68

1 Taxable benefits include the provision of a car allowance for Executive Directors and private medical insurance
2 Pension contribution is 10.0% of salary and may be taken partly or entirely in cash. No Executive Directors participate in a defined benefit pension arrangement
3 Annual bonus payable in respect of the financial year ending 31 March 2025 paid fully in cash as minimum shareholding requirements met
4 2022 LTIP awards expected to vest in June 2025 for the performance period to 31 March 2025. The value of the award has been calculated by multiplying the estimated number of shares that will vest, including the dividend equivalent, by the average share price for the three months to 31 March 2025 (182.8p). No discretion was applied in determining the estimated vesting of the award as a result of changes in share price or other factors. The change in share price between grant and 31 March 2025 reduces the value of the award by £313,000 for Andrew Jones and £162,000 for Martin McGann as reflected in the table on page 138. The estimated figures disclosed in the previous Annual Report for the 2021 LTIP awards vesting in 2024 have been restated to reflect final vesting figures and the share price on the date of vesting. The estimated share price used last year was 189.1p and the actual share price on vesting was 194.7p. The differences in value were £43,000 for Andrew Jones and £21,000 for Martin McGann

The Committee continues to believe that it is important to take a holistic view of the Executive Directors' total wealth when considering the single figure of remuneration. The Executive Directors have very large shareholdings in the Company and are exposed to relatively small changes in the share price significantly affecting their overall wealth. In the Committee's opinion, the impact of share price movements on the total wealth of the Director is more important than the single figure. The significant shareholding encourages Directors to take a long term view of the sustainable performance of the Company, which is critical in a cyclical business. The Directors' significant exposure to share price movements remains a key facet of the Company's Remuneration Policy.

Remuneration

Directors' remuneration in 2025 continued

Annual bonus outcome for the year ended 31 March 2025

The Remuneration Committee's assessment of the performance outcome for each element of the annual bonus for the year to 31 March 2025 is set out in the table below. Bonus awards are based 60% on the Company's key property and financial metrics and 40% on metrics relating to the Company's strategic and ESG objectives, with over 75% of the overall bonus determined by quantifiable metrics. The maximum opportunity remained at 165% of salary for Andrew Jones and 140% of salary for Martin McGann.

	Financial objectives – EPS (out of 30%)	Financial objectives – TPR (out of 30%)	Strategic objectives (out of 30%)	ESG objectives (out of 10%)	Bonus % of maximum	Bonus % of salary	Total bonus £000
Andrew Jones	30.0%	30.0%	27.8%	10.0%	97.8%	161%	1,290
Martin McGann	30.0%	30.0%	27.8%	10.0%	97.8%	137%	718

Performance targets

Given the transformational change to the shape of the Company over the last 12 months, and the evolution of its strategy to create the UK's leading Triple Net REIT, the Remuneration Committee has kept all bonus targets under constant review to ensure that they are appropriately defined and represent fair measures of the success of the business and drive outperformance. On this basis, adjustments were made to some of the targets as noted below.

Group financial targets

The financial performance element measures EPRA EPS and TPR relative to the MSCI all property benchmark.

Recognising the difficulty in purely setting financial targets that would represent outperformance, the Remuneration Committee determined at the start of the year to measure EPS performance on both a quantitative (50%) and qualitative (50%) basis during 2025. EPRA EPS performance was strong during the year increasing by 20.7% to 13.1p which was in excess of the maximum financial target of 13.07p. The Committee deemed that given strong progress had been made against the qualitative pillars of EPS, as set out below, and in combination with the above target quantitative outcome, the EPS element would be met in full.

Qualitative pillars of EPRA EPS

- Progress of non core disposals: £342 million of disposals have been delivered during the year. This includes more challenged assets including offices, pubs and assisted living;
- Evolution of the portfolio toward preferred choices: reinvestment has been predominately into the logistics sector at £297 million representing 87% of acquisitions. The remaining investment has been into our preferred sectors of NNN retail and convenience;
- Increased exposure to market rent reviews: market rent reviews have increased to 23% of the portfolio (2024: 21%); and
- Effective integration of LXi: The LXi integration has been successfully concluded. Systems, processes and people are fully integrated. Debt substitution work has also been completed giving management the ability to sell identified non core assets.

In line with best practice, TPR has been measured on a multi year basis (over one and three years) to reflect performance against the All Property index. The reweighted index measures have not been used this year as the LXi merger significantly changed the portfolio mix and added two new asset categories, hospitals and theme parks, for which there is no reliable industry benchmark and therefore reweighting was not considered appropriate. The Committee is satisfied that this approach measures and rewards the longer term investing principles inherent in the real estate sector. Relative performance was above the maximum target as set out in the table below and on this basis, the TPR element paid out 100% of maximum.

Remuneration

Directors' remuneration in 2025 continued

Performance measure	Weighting	Basis of calculation	Range (0%)	Range (25%)	Range (100%)	Actual performance	% awarded
EPRA EPS	30%	Growth in EPRA EPS	<10.9p	10.9p	13.1p	**13.1p**	**100%**
Total property return ('TPR')	30%	Growth in TPR against MSCI index	Below MSCI index	Equal to MSCI index	Equal to 1.2 times MSCI index	**See below**	**100%**
		3 year All Property	< -2.7%	-2.7%	-2.2%	**0.0%**	**100%**
		1 year All Property	< 6.3%	6.3%	7.6%	**8.3%**	**100%**

Strategic and ESG targets

As per last year, Executive Directors' bonus awards were measured against strategic (30% weighting of overall bonus) and ESG (10% weighting) performance metrics respectively. The objectives selected by the Committee were aligned to the Company's strategic priorities in the year and these are set out below along with the Committee's assessment of their achievement and outcome.

2024/25 Priority	Strategic objective	Outcome & assessment	Award
Own desirable assets in structurally supported sectors with low running costs	Increase logistics exposure following the transformational LXi merger	Logistics exposure has increased from 42.7% last year to 46.1%. The Committee deemed this to be a meaningful increase relative to logistic peers and alongside sales of non core assets and consider this objective to have been fully achieved.	Fully met
	Maintain low cost leakage	This has remained low at 1.2% (2024: 1.0%).	Substantially met
Be a partner of choice to support long, strong and growing income	Like for like income growth to be greater than CPIH +0.5%	Like for like income growth is 4.2% as reflected in the Property review.	Fully met
	Occupancy rate to be greater than 97.5% with stretch of 98.5%	Occupancy rate is 98.1% as noted in Supplementary note vi.	Substantially met
Generate income-led TSR, supported by a strong balance sheet and good governance	Maintain a fortress balance sheet with conservative LTV	Conservative LTV maintained of 32.7% (2024: 33.2%) alongside the disposal of higher yielding non core asset sales including the Assisted Living portfolio. Strengthened financial position through £525 million of new facilities with new lenders and a BBB+ Fitch credit rating. Maintained 100% hedging.	Fully met
	EPRA cost ratio to be at or below 8%	EPRA cost ratio is 7.8% as noted in Supplementary note iv.	Fully met

2024/25 Priority	ESG objective	Outcome & assessment	Award
Own desirable assets in structurally supported sectors with low running costs	EPC A-C between 85% to 90%	• EPC A-C of 92% achieved as reflected in the Responsible business and ESG review on page 47.	Fully met
	Install renewable energy sources adding more than 0.8MWp	• 3.6 MWp of installed capacity over five solar PV projects as reflected in the Responsible business and ESG review on page 47.	Fully met
Retain high levels of employee and occupier satisfaction	Occupier satisfaction greater than 75%	• Occupier landlord satisfaction score of 8.7 out of 10 in 2025.	Fully met
	Employee satisfaction greater than 80%	• Staff survey results remain positive with 96% of staff enjoying working for the Company.	Fully met
Good governance	Maintain GRESB score on a like for like basis	• GRESB have changed their scoring methodology and advise against making direct comparisons with previous scores. Our score of 73 is above the peer group and on a like for like basis the target has been fully achieved.	Fully met
	Occupier data collection to be between 72% and 77%	• Latest collection result is 80% and the target has been achieved in full.	Fully met

Remuneration

Directors' remuneration in 2025 continued

Deferred Bonus Plan

The Remuneration Policy allows the Directors to opt out of bonus deferral if the minimum shareholding requirement is met. At the date of this report, both Executive Directors' shareholding materially exceeds the minimum requirement and therefore no annual bonus earned in the year to 31 March 2025 will be deferred into shares.

Long Term Incentive Plan – awards granted

Awards granted in the year to 31 March 2025 as nil cost options are summarised in the table below.

Director	Basis of award (% of salary)	Date of grant	Share awards number	Face value per share	Face value of award £000	Face value of award at threshold (25%) vesting £000
Andrew Jones	200%	13 June 2024	797,051	200.7p	1,600[1]	400
Martin McGann	165%	13 June 2024	431,528	200.7p	866[1]	217

The face value is based on a weighted average price per share, being the average share price over the five business days immediately preceding the date of the award. Awards will vest after three years subject to continued service and the achievement of performance conditions over the three year period to 31 March 2027 as set out below.

Performance condition	Vesting level
Total Shareholder Return ('TSR') measured against FTSE 350 Real Estate Super Sector excluding agencies and operators (37.5% of award)[1]	
TSR less than index over 3 years	0%
TSR equals index over 3 years	25%
TSR between index and upper quartile ranked company in the index	Pro rata on a straight line basis between 25% and 100%
TSR equal to or better than the upper quartile ranked company in the index	100%
Total Accounting Return ('TAR') measured against FTSE 350 Real Estate Super Sector excluding agencies and operators (37.5% of award)[2]	
TAR less than index over 3 years	0%
TAR equals index over 3 years	25%
TAR between index and upper quartile ranked company in the index	Pro rata on a straight line basis between 25% and 100%
TAR equal to or better than the upper quartile ranked company in the index	100%
EPRA EPS growth against a base target plus CPIH (25% of award)	
Less than base plus CPIH plus 0% over 3 years	0%
Base plus CPIH plus 0% over 3 years	25%
Base plus CPIH plus between 0% and 4.5% over 3 years	Pro rata on a straight line basis between 25% and 100%
Base plus CPIH plus 4.5% or better over 3 years	100%

1 The Committee will retain the discretion, at vesting, to determine whether the absolute level of TSR return has been acceptable, and to adjust for this if appropriate
2 TAR will be measured in line with the methodology set out in the Remuneration Committee Chair's statement on page 125

The adjusted EPRA EPS base target for the three year performance periods commencing 1 April 2024 has been set at 10.89p. The Group's three year financial forecast was taken into account when setting these targets along with consideration of strategic goals and priorities, proposed investment and development plans, gearing levels and previous years' results. Targets are considered challenging yet achievable in order to adequately incentivise management and are in line with the Company's strategic aim of delivering long term growth for shareholders.

Remuneration

Directors' remuneration in 2025 continued

Long Term Incentive Plan – awards vesting

2022 LTIP awards expected to vest in relation to the three year performance period ending 31 March 2025 are summarised below.

			Range				
Performance measure	Weighting	Basis of calculation	(0%)	(25%)[2]	(100%)[2]	Actual performance	% awarded
Total shareholder return ('TSR')	37.5%	TSR against FTSE 350 Real Estate Index[1]	<-30.0%	-30.0% (index)	-19.2% (upper quartile ranked company)	**-19.5%**	**98.4%**
Total accounting return ('TAR')	37.5%	TAR against FTSE 350 Real Estate Index[1]	<-11.8%	-11.8% (index)	-4.9% (upper quartile ranked company)	**-7.9%**	**68.4%**
EPRA EPS	25%	Growth in EPRA EPS against a challenging base target	<11.9p	11.9p	12.3p	**13.1p**	**100%**

1 TSR and TAR are relative measures against the FTSE 350 Real Estate Sector excluding agencies and operators ('the Index'). These metrics have been measured in line with the methodology set out in the Remuneration Committee Chair's statement on page 125
2 Straight line interpolation between threshold and maximum

Overall, the Committee determined the 2022 LTIP vesting to be at 87.5% of maximum. No discretion has been exercised as the Committee determined vesting is in line with underlying corporate performance.

Director	Maximum number of shares[2]	LTIP % of maximum	Estimated number of shares vesting	Face value at grant £000	Share price depreciation £000	Total estimated value of award vesting[1] £000
Andrew Jones	564,009	87.5%	493,508	1,079	(313)	**902**
Martin McGann	292,275	87.5%	255,740	559	(162)	**468**

1 The estimated value is based on the average share price for the three months to 31 March 2025 of 182.8p
2 Includes dividend equivalent shares to 31 March 2025

Outstanding LTIP awards held by the Executive Directors are set out in the table below.

			Number of shares under award[1]						
Director	Date of grant	Face value of grant	At 1 April 2024	Granted in year	Notional dividend shares in year	Vested in year	Lapsed in year	At 31 March 2025	Performance period
Andrew Jones	4.6.2021	234.7p	555,723	–	8,374	(508,815)	(55,282)	–	1.4.2021 to 31.3.2024
	6.6.2022	257.4	530,279	–	33,730	–	–	**564,009**	1.4.2022 to 31.3.2025
	2.6.2023	176.2	731,115	–	46,505	–	–	**777,620**	1.4.2023 to 31.3.2026
	13.6.2024	200.7p	–	797,051	50,700	–	–	**847,751**	1.4.2024 to 31.3.2027
Martin McGann	4.6.2021	234.7p	269,401	–	4,059	(246,662)	(26,798)	–	1.4.2021 to 31.3.2024
	6.6.2022	257.4	274,795	–	17,480	–	–	**292,275**	1.4.2022 to 31.3.2025
	2.6.2023	176.2	385,946	–	24,549	–	–	**410,495**	1.4.2023 to 31.3.2026
	13.6.2024	200.7p	–	431,528	27,448	–	–	**458,976**	1.4.2024 to 31.3.2027

1 Awards granted as nil cost options

Remuneration

Directors' remuneration in 2025 continued

Directors' shareholdings and share interests (audited)

The beneficial interests in the ordinary shares of the Company held by the Directors and their families who were in office during the year are set out in the table below.

In April 2025, Suzy Neubert acquired 501 shares in the Company taking her total holding to 39,505 shares and Martin McGann acquired 480 shares beneficially taking his holding to 3,134,686 shares. There were no other movements in Directors' shareholdings between 31 March 2025 and the date of this report.

The shareholding guidelines recommend Executive Directors build up a shareholding in the Company at least equal to seven times salary. All Executive Directors complied with this requirement at 31 March 2025 and as at the date of this report. No Director had any interest or contract with the Company or any subsidiary undertaking during the year.

In 2017, the Executive Directors entered into individual personal loan arrangements with Coutts & Co and granted pledges over ordinary shares in the Company as security in connection with the loans. The loans were used to repay debt secured against various residential investment properties held personally. The number of shares pledged by each of the Directors is reflected in the table below.

	Overall interest 31 March 2025 Ordinary shares of 10p each	Overall interest 31 March 2024 Ordinary shares of 10p each	LTIP shares in the form of a nil cost option subject to performance conditions	Deferred bonus shares not subject to performance conditions	Total interests as at 31 March 2025	Share ownership as % of salary[1]	Shareholding guideline met	Number of shares pledged as at 31 March 2025
Executive Directors								
Andrew Jones	**5,742,363**	5,473,411	2,189,380	–	**7,931,743**	1316%	Yes	**3,446,072**
Martin McGann	**3,134,206**	3,501,114	1,161,746	–	**4,295,952**	1095%	Yes	**2,341,585**
Non Executive Directors								
Alistair Elliott	**90,000**	90,000						
Suzanne Avery	**27,050**	27,050						
Robert Fowlds	**136,780**	136,780						
Sandy Gumm[2]	**351,640**	51,096,868						
Nick Leslau[3]	**26,408,755**	52,788,124						
Andrew Livingston	**106,830**	106,830						
Suzy Neubert	**39,004**	36,868						
Kitty Patmore	**15,000**	15,000						

1 Based on the Company's share price at 31 March 2025 of 183.4p and the beneficial interests of the Director
2 Sandy Gumm also holds an indirect minority interest in Prestbury Investment Holdings Limited which gives her an interest in 556,801 of the 24,365,860 ordinary shares held by that company
3 Nick Leslau holds 2,042,895 ordinary shares through Yoginvest Ltd (in respect of which Nick Leslau is the sole shareholder) and 24,365,860 ordinary shares through Prestbury Investment Holdings Limited (in respect of which Nick Leslau holds a controlling indirect interest)

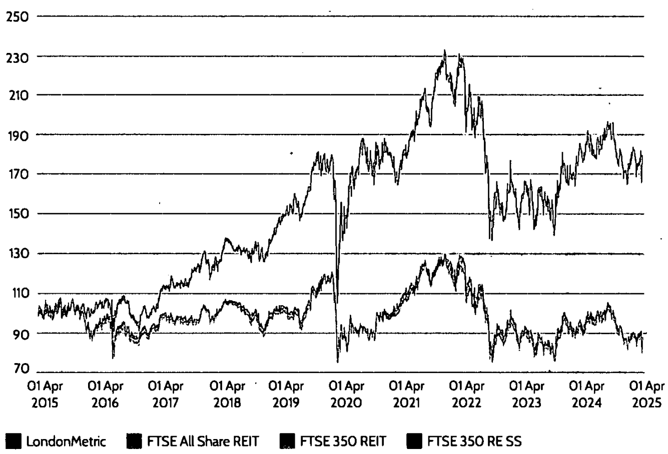
Remuneration

Directors' remuneration in 2025 continued

Performance graph

The graph below shows the Group's total shareholder return ('TSR') for the period to 31 March 2025, compared to the FTSE All Share REIT Index, the FTSE 350 Real Estate Index and the FTSE 350 Real Estate Super Sector Index. These have been chosen by the Committee as in previous years as they are considered the most appropriate and relevant benchmarks against which to assess the performance of the Company.

Total shareholder return measures share price growth with dividends deemed to be reinvested on the ex-dividend date.



Chief Executive's remuneration table

The table below details the remuneration of the Chief Executive, Andrew Jones, for the ten year period to 31 March 2025.

Year to 31 March	Total remuneration £000	Annual bonus (as a % of the maximum payout)	LTIP vesting (as a % of the maximum opportunity)
2025	3,070	97.8	87.5
2024	2,739	96.2	90.2
2023	2,372	79	84.7
2022	2,881	90	95.8
2021	2,998	97	100
2020	2,925	97.5	88
2019	2,703	90	84
2018	2,392	79	94
2017	2,506	89	100
2016	2,792	77	100

Remuneration

Directors' remuneration in 2025 continued

Annual percentage change in remuneration of Directors and employees

The percentage change in Director remuneration from the previous year compared to the average percentage change in remuneration for all other employees is as follows:

			2025 % change			2024 % change			2023 % change			2022 % change			2021 % change
	Salary and fees	Taxable benefits	Annual bonus	Salary and fees	Taxable benefits	Annual bonus	Salary and fees	Taxable benefits	Annual bonus	Salary and fees	Taxable benefits	Annual bonus	Salary and fees[1]	Taxable benefits	Annual bonus
Andrew Jones	21.3%	3.8%	26.5%	4.8%	–	27.7%	7.8%	–	-5.7%	3.4%	–	-3.3%	0.4%	–	-0.2%
Martin McGann	19.2%	3.6%	24.0%	4.9%	–	31.1%	7.7%	-3.4%	-7.9%	3.5%	–	-3.4%	0.6%	3.6%	2.5%
Alistair Elliott[3]	52.2%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Suzanne Avery	4.7%	n/a	n/a	3.2%	n/a	n/a	3.3%	n/a	n/a	–	n/a	n/a	1.7%	n/a	n/a
Robert Fowlds	–	n/a	n/a	–	n/a	n/a	2.7%	n/a	n/a	5.6%	n/a	n/a	10.9%	n/a	n/a
Sandy Gumm	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nick Leslau	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Andrew Livingston	5.1%	n/a	n/a	3.5%	n/a	n/a	3.6%	n/a	n/a	–	n/a	n/a	1.9%	n/a	n/a
Suzy Neubert	18.8%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kitty Patmore	5.9%	n/a	n/a	19.3%	n/a	n/a	3.6%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other employees[2]	6.5%	1.9%	10.0%	9.8%	-9.0%	31.1%	8.4%	-4.2%	-5.1%	4.2%	3.0%	-0.9%	–%	-5.0%	10.0%

1 Excludes Directors' and other staff salary waiver in 2021
2 Excluding Directors
3 Alistair Elliott was appointed Chair of the Board on 11 July 2023

CEO pay ratio

Whilst the Company has fewer than 250 employees and therefore is not required to disclose a ratio, the Committee felt that it was appropriate to disclose the CEO to all-employee pay ratio, recognising that the Company's investors expect to see such disclosure.

				Pay ratio
Year	Method of calculation	25th percentile	50th percentile	75th percentile
2025	A	38:1	24:1	8:1
2024	A	38:1	22:1	8:1
2023	A	33:1	19:1	7:1
2022	A	43:1	22:1	8:1
2021	A	34:1	13:1	7:1
2020	A	42:1	16:1	8:1

The Company chose to adopt the Option A methodology, as at 31 March 2025, when calculating the ratio as it deemed it the most appropriate approach and had sufficient data to be able to carry out this method. This method was used to calculate all figures in the table to the left. The Chief Executive's single figure of remuneration used for the calculation ratio is as detailed on page 134. The same methodology was used to calculate all-employee pay for the purposes of the ratios, which were calculated based on amounts receivable up to the end of the relevant financial year for all employees excluding the CEO and the Non Executive Directors. No elements of pay have been omitted and no assumptions have been made.

The Committee is comfortable that the median pay ratio is consistent with pay and progression policies for employees.

Remuneration

Directors' remuneration in 2025 continued

Service contracts

The service contracts for the Executive Directors were reviewed and revised following the merger in 2013 of London & Stamford and Metric Property. Service contracts are terminable by either party with notice of 12 months. The Committee considers this appropriate for all existing and newly appointed Directors.

The Non Executive Directors do not have service contracts but are appointed under letters of appointment. Each Non Executive is subject to an initial three year term followed by annual re-election at the Company's AGM.

Payments to past Directors and for loss of office

Valentine Beresford and Mark Stirling stepped down from the Board on 11 July 2019 but remained employees of the Company and thus in accordance with the Policy and relevant share plan rules are entitled to vesting of existing share awards in line with their original schedules. There have been no payments for loss of office or to past Directors in the year.

Relative importance of spend on pay

The table below shows the expenditure and percentage change in spend on employee remuneration compared to other key financial indicators.

	2025 £m	2024 £m	% change
Employee costs[1]	17.3	12.9	34.1%
Dividends[2]	203.7	100.2	103.3%

1 Figures taken from note 4 Administrative costs on page 163 and are stated before any amounts capitalised and exclude share scheme costs
2 Figures taken from note 7 Dividends on page 165

Statement of voting at AGM

At the AGM on 22 July 2024, the Annual Report on Remuneration was approved with votes from shareholders representing 74% of the issued share capital of the Company. The Directors' Remuneration Policy was approved at a General Meeting of the Company on 18 December 2023 with votes from shareholders representing 78% of the issued share capital at the time. The details of these outcomes are below.

	2024 Annual Report on Remuneration		2023 Directors' Remuneration Policy	
	Votes cast	%	Votes cast	%
For	1,416,423,148	93.31	844,279,993	99.37
Against	101,474,902	6.69	5,321,974	0.63
Withheld	1,126,052		98,680	
Total	1,519,024,102		849,700,647	

Robert Fowlds
Chair of the Remuneration Committee
20 May 2025

Report of the Directors

I am delighted to present the Report of the Directors on behalf of the Board, together with the audited financial statements for the year ended 31 March 2025.

Annual General Meeting ('AGM')

The AGM of the Company will be held on 9 July 2025 at 10 am at The Connaught, Carlos Place, Mayfair, London, W1K 2AL. The Notice of AGM on pages 195 to 201 sets out the proposed resolutions and voting details.

The Board believes the resolutions support the Company's success and are in the best interests of its shareholders.

The Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings, which amount in aggregate to 36.1 million shares representing approximately 1.75% of the existing issued ordinary share capital of the Company as at 19 May 2025.

Additional information which is incorporated into this report by reference, including information required in accordance with the Companies Act 2006 and UK Listing Rule 6.6.1R can be found on the following pages:

Information	Relevant section	Page
Review of business and future developments	Strategic report	Page 1
Section 172 Statement	Governance – Section 172 Statement	Page 103
Principal risks	Strategic report – Risk management and internal control	Page 77
Greenhouse gas emissions	Strategic report – Responsible Business and ESG review	Page 53
Internal financial control	Governance – Audit Committee report	Page 120
	Strategic report – Risk management and internal control	Page 73
Diversity and inclusion	Governance – Nomination Committee report	Page 112
Monitoring culture	Governance	Page 100
Viability Statement	Strategic report – Risk management and internal control	Page 89
Financial instruments	Financial statements – note 14	Page 173
Directors' details	Governance – biographies	Page 95
Financial risk management policies	Financial statements – note 14	Page 171
Directors' interests	Governance – Remuneration Committee report	Page 139
Interest capitalised	Financial statements – note 5	Page 164
Long term incentive schemes	Governance – Remuneration Committee report	Page 137
Related party transactions	Financial statements – note 20	Page 178
Stakeholder engagement	Strategic report – Responsible Business and ESG review	Page 54
Post balance sheet events	Financial statements – note 21	Page 178

Corporate governance arrangements

We have applied the principles of good governance contained in the UK Corporate Governance Code 2018 (the 'Code') throughout the year under review and have complied with all of the provisions of the Code. Our compliance statement is set out on page 94.

Further details on how we have applied the Code can be found in the Governance section on pages 90 to 142 and should be read as part of this report.

Company status and branches

LondonMetric Property Plc is a Real Estate Investment Trust ('REIT') and the holding company of the Group, which has no branches. It is listed on the London Stock Exchange with ordinary shares in the company being admitted to the Equity Shares (Commercial Companies) category of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities with a premium listing.

Principal activities and business review

The principal activity of the Group continues to be property investment and development, both directly and through joint venture arrangements.

The purpose of the Annual Report is to provide information to the members of the Company which is a fair, balanced and understandable assessment of the Group's performance, business model and strategy. A detailed review of the Group's business and performance during the year, its principal risks and uncertainties, its business model, strategy and its approach to Responsible Business and ESG is contained in the Strategic report on pages 47 to 61 and should be read as part of this report.

The Annual Report contains certain forward looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve risk and uncertainty because they relate to future events and circumstances which can cause results and developments to differ from those anticipated. The forward looking statements reflect knowledge and information available at the date of preparation of this Annual Report. Nothing in this Annual Report should be construed as a profit forecast.

Report of the Directors continued

Results and dividends

The Group reported a profit for the year attributable to equity shareholders of £347.9 million (2024: £118.7 million). The first two quarterly dividends for 2025 totalling 5.7p per share were paid in the year as Property Income Distributions ('PIDs').

The third quarterly dividend of 3.0p was paid following the year end on 11 April 2025 as a PID. The Directors have approved a fourth quarterly dividend of 3.3p per share payable on 9 July 2025 to shareholders on the register at the close of business on 30 May 2025, of which 1.5p will be paid as a PID.

The total dividend charge for the year to 31 March 2025 was 12.0p per share, an increase of 17.6% over the previous year. Of this, 10.2p was payable as a PID as required by REIT legislation, after deduction of withholding tax at the basic rate of income tax. The balance of 1.8p was payable as an ordinary dividend which is not subject to withholding tax.

Investment properties

A valuation of the Group's investment properties at 31 March 2025 was undertaken by CBRE Limited, Savills (UK) Limited and Knight Frank LLP. The fair value of investment property, including the Group's share of joint venture property, was £6,427.2 million at 31 March 2025 (2024: £6,272.5 million), which included an income strip gross up of £231.0 million (2024: £221.5 million) and right of use assets of £40.9 million (2024: £47.6 million) that were not subject to an external valuation as reflected in note 9 to the financial statements.

Share capital

As at 31 March 2025, there were 2,048,108,416 ordinary shares of 10p in issue, each carrying one vote and all fully paid. The Company issued 11,588,769 new ordinary shares under the terms of its Scrip Dividend Scheme. Post year end, the Company issued a further 7,141,579 ordinary shares in relation to the third quarterly dividend scrip alternative.

There is only one class of share in issue and there are no restrictions on the size of a holding or on the transfer of shares. None of the shares carry any special rights of control over the Company.

There were no persons with significant direct or indirect holdings in the Company other than those listed as substantial shareholders below.

The rules governing appointments, replacement and powers of Directors are contained in the Company's Articles of Association, the Companies Act 2006 and the UK Corporate Governance Code. These include powers to authorise the issue and buy back of shares by the Company. The Company's Articles can be amended by Special Resolution in accordance with Companies Act 2006.

Purchase of own shares

The Company was granted authority at the Annual General Meeting in 2024 to purchase its own shares up to an aggregate nominal value of 10% of the issued nominal capital. That authority expires at this year's AGM and a resolution will be proposed for its renewal. No ordinary shares were purchased under this authority during the year.

Shares held in the Employee Benefit Trust

As at 31 March 2025, the Trustees of the LondonMetric Long Term Incentive Plan held 10,472,482 shares in the Company in trust to satisfy awards under the Company's Long Term Incentive and Deferred Bonus Plans.

The Trustees have waived their right to receive dividends on shares held in the Company.

Substantial shareholders

The Directors have been notified that the following shareholders have a disclosable interest of 3% or more in the ordinary shares of the Company at the date of this report:

Shareholder	Number of shares	%
BlackRock Inc	179,699,608	8.76
Norges Bank	123,419,468	6.01
The Vanguard Group Inc	104,517,088	5.09
Rathbones	92,419,158	4.50
Ameriprise	81,324,612	3.96
Artemis	62,625,806	3.05
State Street	62,371,453	3.03

Directors

The present membership of the Board and biographical details of Directors are set out on pages 95 to 96.

The interests of the Directors and their connected persons in the shares of the Company are set out in the Remuneration Committee report on page 139.

In accordance with the UK Corporate Governance Code and in line with previous years, all of the Directors will offer themselves for election and re-election by the shareholders at the forthcoming AGM on 9 July 2025. Details of Directors' service contracts can be found in the Remuneration Committee report on page 142.

The powers of Directors are described in their Terms of Reference, which are available on request.

Directors' and Officers' liability insurance

The Company has arranged Directors' and Officers' liability insurance cover in respect of legal action against its Directors, which is reviewed and renewed annually and remains in force at the date of this report.

Stakeholders

The Group's long term success is dependent on its relationships with key stakeholders.

In the Responsible Business and ESG review from page 54, we outline the ways in which we have engaged with our key stakeholders, any issues raised and how they have influenced the Board's decision making, which is also reported in its S172 statement on pages 103 to 104.

Employees

At 31 March 2025, the Group had 48 employees including the Executive Directors.

The Company promotes employee involvement and consultation and invests time in ensuring staff are informed of the Group's transactions, activities and performance through internal email communication of corporate announcements and periodic updates by the Chief Executive. In addition, the Group's interim and annual results are presented to all staff by the Executive Directors.

Report of the Directors continued

The Board recognises the importance of attracting, developing and retaining the right people.

The Company operates a non discriminatory employment policy which provides equal opportunities for all employees irrespective of gender, race, colour, disability, sexual orientation, religious beliefs and marital status.

A significant number of employees are eligible to participate in the annual bonus and LTIP arrangements, helping to develop an interest in the Group's performance and align rewards with Directors' incentive arrangements. 33 employees will participate in the 2025 LTIP award.

The Company provides retirement benefits for its employees and Executive Directors.

Andrew Livingston is the designated workforce Non Executive Director and acts as a liaison between the Board and employees and a channel through which staff can share their views and raise concerns. Kitty Patmore will succeed Andrew as the designated workforce Non Executive Director following his departure in May 2025.

Further details of how we engage with employees can be found in the Governance report on page 100 and the Responsible Business and ESG review on page 57.

The environment

Details of our approach to Responsible Business and its aims and activities can be found on the Company's website www.londonmetric.com, where a full version of the Responsible Business report can be downloaded.

An overview of our Responsible Business activity can be found on pages 47 to 61 of this report.

The Group recognises the importance of minimising the adverse impact of its operations on the environment and the management of energy consumption and waste recycling.

The Group strives to maximise opportunities to improve the resilience of assets to climate change and the impact of transitioning to a low carbon economy, as set out in the Responsible Business and ESG review.

Greenhouse gas reporting

In accordance with Schedule 7 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008, information regarding the Company's greenhouse gas emissions can be found on page 53.

Suppliers

The Group aims to settle supplier accounts in accordance with their individual terms of business.

The number of creditor days outstanding for the Group at 31 March 2025 was 12 days (2024: 14 days).

Charitable and political contributions

This year we have supported 72 charitable causes and have made donations of £159,000 (2024: £153,000) as set out in the Responsible Business and ESG review on page 60.

No political donations were made during the year (2024: £nil).

Provisions on change of control

Under the Group's credit facilities, the lending banks may require repayment of the outstanding amounts on any change of control.

The Group's Long Term Incentive Plan and Deferred Share Bonus Plan contain provisions relating to the vesting of awards in the event of a change of control of the Company.

There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs specifically because of a takeover bid, except for the provisions within the Company's share schemes as noted above.

Disclosure of information to auditor

So far as the Directors who held office at the date of approval of this Directors' report are aware, there is no relevant audit information of which the auditor is unaware and each Director has taken all steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Deloitte is willing to be reappointed as the external auditor to the Company and Group. Their reappointment has been considered by the Audit Committee and recommended to the Board. A resolution will be proposed at the AGM on 9 July 2025.

By order of the Board

Martin McGann
Chief Financial Officer
20 May 2025

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with 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 in conformity with the requirements of the Companies Act 2006. The financial statements also comply with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board. The Directors have elected to prepare the Company financial statements in accordance with Financial Reporting Standard 101 ('FRS 101') 'Reduced Disclosure Framework'. Under Company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Company 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;
- State whether applicable FRS 101 'Reduced Disclosure Framework' has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the Company's ability to continue as a going concern.

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 to 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 the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- The Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- The Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

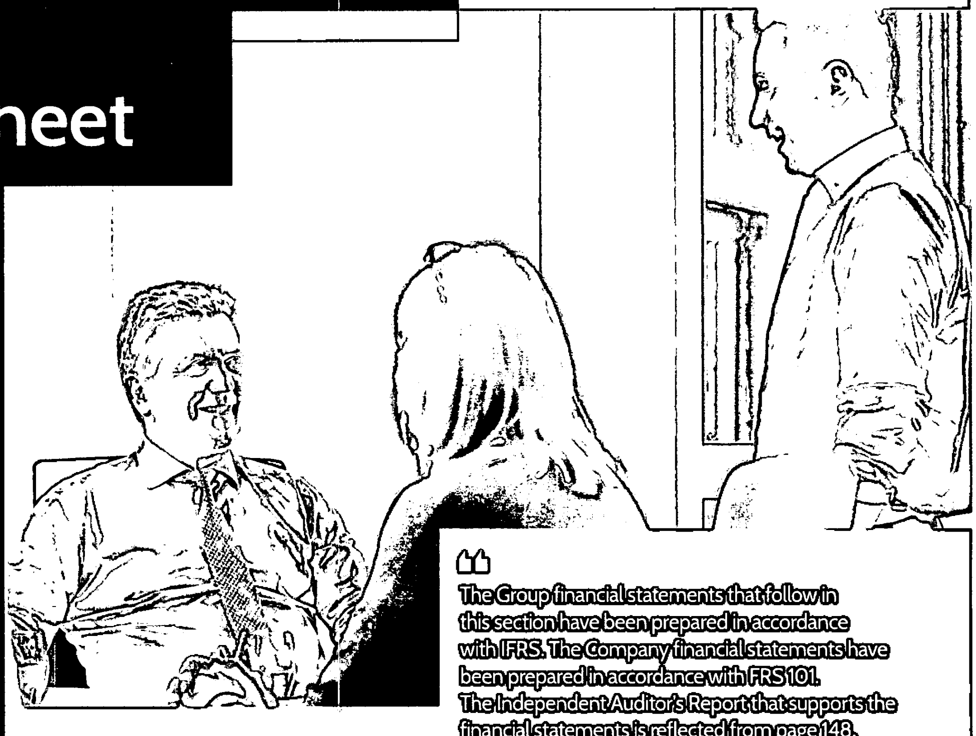
By order of the Board

Andrew Jones
Chief Executive
20 May 2025

Martin McGann
Chief Financial Officer
20 May 2025

Financial statements

A robust balance sheet



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"The Group financial statements that follow in this section have been prepared in accordance with IFRS. The Company financial statements have been prepared in accordance with FRS 101. The Independent Auditor's Report that supports the financial statements is reflected from page 148."

Martin McGann
Chief Financial Officer

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDONMETRIC PROPERTY PLC

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of LondonMetric Property Plc (the 'Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Company's affairs as at 31 March 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB);
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Group income statement;
- the Group statement of comprehensive income;
- the Group and Company balance sheets;
- the Group and Company statements of changes in equity;
- the Group cash flow statement;
- the significant accounting policies in note 1 for the Group and i for the Company; and
- the related notes 2 to 21 for the Group and ii to xi for the Company.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law, United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the IASB. 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. 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 are 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 Financial Reporting Council's (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. We confirm that we have not provided any non audit services prohibited by the FRC's Ethical Standard to the Group or the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year was: • Valuation of investment property. Within this report, key audit matters are identified as follows: + Newly identified ↑ Increased level of risk — Similar level of risk ↓ Decreased level of risk
Materiality	The materiality that we used for the Group financial statements was £82.5m which was determined on the basis of 2% of net assets as of 31 March 2025. For the testing of balances which impact EPRA earnings we used a lower materiality of £13.4m, which was based on 5% of EPRA earnings for the year ended 31 March 2025.
Scoping	Our audit scope covers 100% of net assets, revenue and profit before tax.
Significant changes in our approach	There has been a change in our scoping approach since the prior year whereby we no longer assess the LXi component (acquired in FY24) as a separately audited component, as it is now fully integrated into the wider Group. In the previous year, we identified a key audit matter relating to the acquisition of LXi REIT plc, as the transaction was completed during the course of 2024, this is no longer identified as a key audit matter.

Independent Auditor's Report continued

4. 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 Company's ability to continue to adopt the going concern basis of accounting included:

- Assessing the Group's cash flow forecasts based on actual cash flow performance for the year ended 31 March 2025;
- Testing arithmetical accuracy of the underlying cash flow forecasts;
- Assessing each of the key assumptions made as part of management's forecast to evaluate whether they are consistent with our understanding of the external factors and market trends;
- Agreeing the level of committed, undrawn facilities to signed facility agreements;
- Recalculating the headroom on liquidity within the forecasts based on the cash flow forecasts and the undrawn committed facilities;
- Assessing the likelihood of a successful refinancing for debt instruments expected to require refinancing within the going concern assessment periods;
- Recalculating covenant ratios on the year end position to evaluate compliance;
- Assessing the stress test scenarios, the reverse stress test run by the Directors including the linkage of these scenarios to the Group's principal risks and impact on covenants; and
- Evaluating the appropriateness of the going concern disclosures in the financial statements.

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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Group 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.

5. 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. These matters included 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.

5.1 Valuation of investment property

Key audit matter description	The Group holds an investment property portfolio which is valued at £6,383.9 million as at 31 March 2025 (2024: £6,232.2 million). The increase in the investment property portfolio is mainly related to asset acquisitions and the revaluation gain for the year less asset disposals. The Group uses professionally qualified external valuers to fair value the Group's portfolio at six monthly intervals. The valuers are engaged by the Directors and performed their work in accordance with the Royal Institution of Chartered Surveyors ('RICS') Valuation – Professional Standards. The significant assumptions within the valuation of investment property are considered to be future lease income and yields. The valuation exercise also relies on the integrity of the underlying lease information provided to the valuers by management. Therefore, we have determined the ability of management to manipulate the information provided to the valuers, of which the valuer's methodology is heavily dependent on, as a potential area for fraud. Further detail is provided on pages 160 and 167.
How the scope of our audit responded to the key audit matter	We performed the following procedures: Obtained an understanding and tested the relevant controls over the valuation process, including management's review of the information provided to valuers; Assessed management's process for reviewing and assessing the work of the external valuers; Assessed the competence, capabilities and objectivity of the external valuers and read their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations on their work; Obtained the external valuation reports and, with the involvement of our real estate specialists, assessed the valuation process, performance of the portfolio and significant assumptions, including future lease income and yields; Assessed the valuation methodology used and considered any departures from the RICS guidance as well as testing the integrity of the model which is used by the external valuer; Met with the external valuers of the portfolio to discuss the results of their work and, for a sample of properties of audit interest, we challenged the yield assumptions and valuation by benchmarking it to market evidence; For a sample of the information provided to the external valuer, assessed the accuracy and completeness by agreeing the tenant lease schedule, which is the key information source to underlying lease agreements; and Evaluated the appropriateness of the disclosures provided in the financial statements relating to the valuation of investment property.
Key observations	We consider the fair valuation of the Group's property portfolio to be appropriate. We did not find any material issues with the completeness and accuracy of the information shared by management with the external valuers.

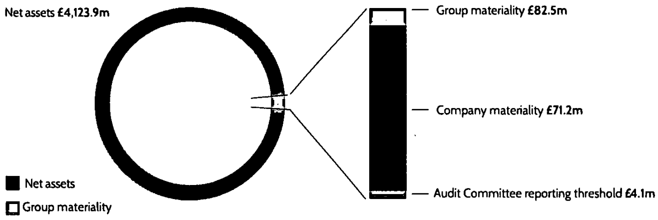
Independent Auditor's Report continued

6. Our application of materiality

6.1. Materiality
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

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

	Group financial statements	Company financial statements
Materiality	£82.5 million (2024: £79.4 million) We consider EPRA earnings as a critical performance measure for the Group and therefore we have applied a lower threshold of £13.4 million (2024: £6.0 million) for testing of all balances that impact EPRA earnings.	£ 71.2 million (2024: £71.7 million)
Basis for determining materiality	Materiality for the Group is based on 2% of net assets (2024: 2% of net assets). For the lower level of materiality, the basis used is 5% of EPRA earnings (2024: 5% of EPRA earnings).	Materiality for the Company is based on 2% of net assets (2024: 2% of net assets).
Rationale for the benchmark applied	As an investment property group, the focus of management is to generate long term capital value from the investment property portfolio and, therefore, we consider net assets to be the most appropriate basis for materiality.	As an investment holding company, the focus of management is to generate long term capital value from the Group's underlying assets and, therefore, we consider net assets to be the most appropriate basis for materiality.



6.2. Performance materiality
We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Company financial statements
Performance materiality	70% (2024: 70%) of Group materiality	70% (2024: 70%) of Company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: a) Our past experience of the audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods; and b) Our risk assessment, including our assessment of the Group's overall control environment.	

6.3. Error reporting threshold
We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £4.1 million (2024: £4.0 million), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Independent Auditor's Report continued

7. An overview of the scope of our audit

7.1. Identification and scoping of components
Our Group audit was scoped by obtaining an understanding of the Group and its environment, including group-wide controls, and assessing the risks of material misstatement at the Group level.

Our audit of the entire financial information has been performed on 100% of the Group's net assets, revenue and profit before tax (2024: 100%).

The audit work in response to the risks of material misstatement was performed directly by the Group engagement team. Our audit also included testing of the consolidation process. The Group operates across the UK and therefore is audited directly by the Group audit team in London.

There has been a change in our scoping approach since the prior year whereby we no longer assess the LXI component (acquired in FY24) as a separately audited component, as the LXi operations have now been fully integrated into the wider Group. The Group was audited as a single component. For the audit of the Company only, a materiality of £71.2 million (2024: £71.1 million) was used.

7.2. Our consideration of the control environment
We involved IT specialists to assess the relevant controls over key IT systems. Working with our IT specialists, we identified and obtained an understanding of the relevant risks arising from each relevant IT system. We obtained an understanding of the IT environment as part of these risk assessment procedures.

We have obtained an understanding of the relevant controls such as those relating to the financial reporting, revenue and valuation of investment property business cycles. We have performed testing over the operating effectiveness of the investment property cycle; however we do not take a controls reliance approach and adopt a fully substantive approach. The Directors' overview of the control environment is discussed on pages 72 to 73 of the annual report.

7.3. Our consideration of climate-related risks
In planning our audit, we have considered the potential impact of environmental, social and governance ("ESG") related risks, including climate change.

We have made enquiries of management to understand the processes in place to assess the potential impact of climate change on the business and the financial statements. management considers there to be a principal risk in respect of sustainability and, in particular, the management of climate risk where non-compliance could lead to reputational damage. In mitigation, management aim to comply with sustainability targets and future Minimum Energy Efficiency Standards ('MEES'). The principal risk identified is consistent with that identified through our own risk assessment process.

We have read the Annual Report to consider whether the ESG disclosures, including climate change, are materially consistent with the financial statements and our knowledge obtained in the audit. In addition, we have reviewed the TCFD disclosures included within pages 62 to 71 of the Annual Report. We have also evaluated the appropriateness of disclosures included in the financial statements in note 1 (d) (iv).

Management has concluded there to be no material impact arising from climate change on the judgements and estimate made in the financial statements as noted on page 159.

8. Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The Directors are responsible for the other information contained within the Annual Report.

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 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.

9. 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.

10. 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

11. Extent to which the audit was considered 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.

Independent Auditor's Report continued

11.1. Identifying and assessing potential risks related to irregularities
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for Directors' remuneration, bonus levels and performance targets;
- the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error that was approved by the Board;
- results of our enquiries of management, the Directors and the Audit Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, financial instrument valuation, IT and real estate specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the valuation of investment property. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules, as well as relevant provisions of tax legislation, including REIT rules.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty (most notably health and safety regulations).

11.2. Audit response to risks identified
As a result of performing the above, we identified the valuation of investment property as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit Committee and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- 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.

In light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Directors' report.

13. Corporate Governance Statement

The 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 Group'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 and our knowledge obtained during the audit:

- the Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 88;
- the Directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 88;
- the Directors' statement on fair, balanced and understandable set out on page 146;
- the Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 75;
- the section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out from page 72; and
- the section describing the work of the Audit Committee set out from page 117.

Independent Auditor's Report continued

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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 are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration
Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of Directors' remuneration have not been made or the part of the Directors' Remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure
Following the recommendation of the Audit Committee, we were appointed on 19 September 2013 by the Directors of LondonMetric Property Plc to audit the financial statements for the year ending 31 March 2014 and subsequent financial periods. Following a competitive tender process, we were reappointed as auditor of the Company for the period ending 31 March 2024 and subsequent financial periods.

The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 12 years, covering the years ending 31 March 2014 to 31 March 2025.

15.2. Consistency of the audit report with the additional report to the Audit Committee
Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

16. 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.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This Auditor's Report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Rachel Argyle,
(Senior statutory auditor)
For and on behalf of Deloitte LLP

Statutory Auditor
London, United Kingdom
20 May 2025

Group income statement
For the year ended 31 March

	Note	2025 £m	2024 £m
Revenue	3	396.7	178.1
Cost of sales		(4.9)	(1.7)
Net income		391.8	176.4
Administrative costs	4a	(27.1)	(19.7)
Net gain on business combinations	15c	–	49.4
Acquisition costs	15c	–	(29.8)
Profit/(loss) on revaluation of investment properties		106.0	(7.5)
Profit on revaluation of investments		0.9	–
Loss on sale of investment properties		(13.0)	(7.4)
Share of profits/(losses) of joint ventures	10	6.1	(0.1)
Operating profit		464.7	161.3
Finance income	5a	23.7	8.5
Finance costs	5b	(135.6)	(49.8)
Profit before tax		352.8	120.0
Taxation	6	(2.2)	(0.1)
Profit for the year		350.6	119.9
Attributable to:			
Equity shareholders		347.9	118.7
Non-controlling interest	20b	2.7	1.2
Earnings per share			
Basic	8b	17.1p	10.6p
Diluted	8b	17.0p	10.6p

Group statement of comprehensive income
For the year ended 31 March

	2025 £m	2024 £m
Profit for the year	350.6	119.9
Foreign exchange translation (loss)/gain	(0.4)	0.5
Other comprehensive (expense)/income for the year	(0.4)	0.5
Total comprehensive income for the year	350.2	120.4
Attributable to:		
Equity shareholders	347.5	119.2
Non-controlling interest	2.7	1.2

All amounts relate to continuing activities. The notes on pages 158 to 178 form part of these financial statements.

Group balance sheet

As at 31 March

	Note	2025 £m	2024 £m
Non current assets			
Investment properties	9a	6,383.9	6,232.2
Investment in equity accounted joint ventures	10	71.9	69.2
Other investments and tangible assets		21.7	1.7
Derivative financial instruments	14c	23.7	32.6
		6,501.2	6,335.7
Current assets			
Assets held for sale	9b	10.4	8.5
Trading properties		1.1	1.1
Trade and other receivables	11	13.7	21.4
Cash and cash equivalents	12	81.2	111.9
		106.4	142.9
Total assets		6,607.6	6,478.6
Current liabilities			
Trade and other payables	13	142.5	155.8
Bank borrowings	14a(i)	347.7	43.5
Other financial liabilities	14a(ii)	9.0	8.6
Lease liabilities	16	0.7	1.1
		499.9	209.0
Non current liabilities			
Bank borrowings	14a(i)	1,710.9	2,030.6
Other financial liabilities	14a(ii)	222.0	212.9
Lease liabilities	16	40.8	47.0
Deferred tax	6	10.1	9.6
		1,983.8	2,300.1
Total liabilities		2,483.7	2,509.1
Net assets		4,123.9	3,969.5

	Note	2025 £m	2024 £m
Equity			
Called up share capital	17,18	204.8	203.7
Share premium	17,18	425.9	404.7
Capital redemption reserve	18	9.6	9.6
Other reserve	18	2,317.7	2,332.4
Retained earnings	18	1,136.2	991.1
Equity shareholders' funds		4,094.2	3,941.5
Non-controlling interest	20b	29.7	28.0
Total equity		4,123.9	3,969.5
IFRS net asset value per share	8c	202.4p	195.2p

The financial statements were approved and authorised for issue by the Board of Directors on 20 May 2025 and were signed on its behalf by:

Martin McGann
Chief Financial Officer

Martin McGann

Registered in England and Wales, No 7124797

The notes on pages 158 to 178 form part of these financial statements.

Group statement of changes in equity
For the year ended 31 March

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserves[1] £m	Retained earnings £m	Equity shareholders' funds £m	Non-controlling interest £m	Total equity £m
At 1 April 2024		203.7	404.7	9.6	2,332.4	991.1	3,941.5	28.0	3,969.5
Profit for the year		–	–	–	–	347.9	347.9	2.7	350.6
Other comprehensive expense in the year		–	–	–	(0.4)	–	(0.4)	–	(0.4)
Total comprehensive (expense)/income for the year		–	–	–	(0.4)	347.9	347.5	2.7	350.2
Purchase of shares held in Employee Benefit Trust		–	–	–	(18.2)	–	(18.2)	–	(18.2)
Vesting of shares held in Employee Benefit Trust		–	–	–	3.9	(4.4)	(0.5)	–	(0.5)
Distribution to non-controlling interest	20b	–	–	–	–	–	–	(1.0)	(1.0)
Share based awards		–	–	–	–	5.3	5.3	–	5.3
Dividends	7	1.1	21.2	–	–	(203.7)	(181.4)	–	(181.4)
At 31 March 2025		204.8	425.9	9.6	2,317.7	1,136.2	4,094.2	29.7	4,123.9

1 Other reserves include merger relief reserve, Employee Benefit Trust shares and a foreign currency exchange reserve as set out in note 18

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserves £m	Retained earnings £m	Equity shareholders' funds £m	Non-controlling interest £m	Total equity £m
At 1 April 2023		98.3	395.5	9.6	490.3	973.6	1,967.3	27.9	1,995.2
Profit for the year		–	–	–	–	118.7	118.7	1.2	119.9
Other comprehensive income for the year		–	–	–	0.5	–	0.5	–	0.5
Total comprehensive income for the year		–	–	–	0.5	118.7	119.2	1.2	120.4
Share issue on acquisitions	17,18	104.9	–	–	1,840.1	–	1,945.0	–	1,945.0
Purchase of shares held in Employee Benefit Trust		–	–	–	(2.5)	–	(2.5)	–	(2.5)
Vesting of shares held in Employee Benefit Trust		–	–	–	4.0	(4.5)	(0.5)	–	(0.5)
Distribution to non-controlling interest	20b	–	–	–	–	–	–	(1.1)	(1.1)
Share based awards		–	–	–	–	3.5	3.5	–	3.5
Dividends	7	0.5	9.2	–	–	(100.2)	(90.5)	–	(90.5)
At 31 March 2024		203.7	404.7	9.6	2,332.4	991.1	3,941.5	28.0	3,969.5

The notes on pages 158 to 178 form part of these financial statements.

Group cash flow statement

For the year ended 31 March

	Note	2025 £m	2024 £m
Cash flows from operating activities			
Profit before tax		352.8	120.0
Adjustments for non cash items:			
(Profit)/loss on revaluation of investment properties		(106.0)	7.5
Profit on revaluation of investments		(0.9)	–
Loss on sale of investment properties		13.0	7.4
Share of post tax (profit)/loss of joint ventures		(6.1)	0.1
Movement in lease incentives		(47.9)	(17.4)
Share based payment		5.3	3.5
Net gain on business combinations		–	(49.4)
Net finance costs		111.9	41.3
Cash flows from operations before changes in working capital		322.1	113.0
Change in trade and other receivables		7.9	(4.1)
Change in trade and other payables		(12.5)	14.8
Cash flows from operations		317.5	123.7
Tax paid		(0.6)	(0.6)
Cash flows from operating activities		316.9	123.1
Investing activities			
Net cash acquired from the acquisition of CTPT		–	26.0
Net cash acquired from the acquisition of LXi		–	47.3
Purchase of investment and development properties		(296.1)	(57.4)
Capital expenditure on investment properties		(32.9)	(5.8)
Purchase of investments and tangible assets		(19.3)	(0.5)
Lease incentives paid		(8.2)	(1.7)
Sale of investment properties		322.7	198.3
Investment in joint ventures		–	(10.5)
Distributions from joint ventures		3.4	2.7
Interest received		22.5	7.7
Net cash (used in)/from investing activities		(7.9)	206.1

	Note	2025 £m	2024 £m
Financing activities			
Dividends paid		(181.4)	(90.5)
Distribution to non-controlling interest	20b	(1.0)	(1.1)
Purchase of shares held in Employee Benefit Trust		(18.2)	(2.5)
Vesting of shares held in Employee Benefit Trust		(0.5)	(0.5)
New borrowings and amounts drawn down	19	406.8	669.2
Repayment of loan facilities	19	(423.5)	(769.2)
Purchase of derivative financial instruments		(2.2)	–
Financial arrangement fees and break costs		(10.9)	(10.6)
Lease liabilities and other financial liabilities paid		(10.1)	(1.1)
Interest paid		(98.7)	(43.6)
Net cash used in financing activities		(339.7)	(249.9)
Net (decrease)/increase in cash and cash equivalents	19	(30.7)	79.3
Opening cash and cash equivalents		111.9	32.6
Closing cash and cash equivalents		81.2	111.9

The notes on pages 158 to 178 form part of these financial statements.

Notes forming part of the Group financial statements

1 Significant accounting policies

a) General information
LondonMetric Property Plc is a company incorporated in the United Kingdom under the Companies Act and is registered in England. The address of the registered office is given on page 202. The principal activities of the Company and its subsidiaries ('the Group') and the nature of the Group's operations are set out in the Strategic report on pages 1 to 89.

b) Statement of compliance
The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and with International Financial Reporting Standards ('IFRS') as issued by the IASB.

c) Going concern
The Board has continued to pay particular attention to the appropriateness of the going concern basis in preparing these financial statements and its detailed assessment is on page 88. Having performed a detailed assessment, the Directors consider the going concern assumption for the Group to be appropriate.

The assessment considers the principal risks and uncertainties facing the Group's activities, future development and performance, as discussed in detail on pages 72 to 87 of the Strategic report.

A key consideration is the Group's financial position, cash flows and liquidity, including its access to debt facilities and headroom under financial loan covenants, which is discussed in detail in the Financial review from page 39.

d) Basis of preparation
The financial statements are prepared on a going concern basis, as explained above.

The functional currency of the Company and the presentational currency of the Group is sterling. The functional currency of all subsidiaries except for the Group's German operations is sterling. Euro denominated results of the German operations have been converted to sterling initially at the applicable exchange rate ruling on the transaction date.

Foreign exchange gains and losses from settling transactions are reflected in the income statement, and from retranslating assets and liabilities held in foreign currencies in other comprehensive income. Assets and liabilities are retranslated at the period end rate and income and expenses are retranslated at the average rate.

The principal exchange rate used to translate foreign currency denominated assets and liabilities at the period end and the net income for the period was £1= €1.19.

The financial statements are prepared on the historical cost basis except that investment and development properties and derivative financial instruments are stated at fair value.

The accounting policies have been applied consistently in all material respects except for the adoption of new and revised standards as noted below.

i) Significant accounting estimates and judgements
The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future periods, the change is recognised over those periods.

The accounting policies subject to significant judgements and estimates are considered by the Audit Committee on page 120 and are as follows:

Significant areas of estimation uncertainty
Property valuations
The valuation of the property portfolio is a critical part of the Group's performance. The Group carries the property portfolio at fair value in the balance sheet and engages professionally qualified external valuers to undertake six monthly valuations.

The determination of the fair value of each property requires, to the extent applicable, the use of estimates and assumptions in relation to factors such as estimated rental value and current market rental yields. In addition, to the extent possible, the valuers make reference to market evidence of transaction prices for similar properties.

The fair value of a development property is determined by using the 'residual method', which deducts all estimated costs necessary to complete the development, together with an allowance for development risk, profit and purchasers' costs, from the fair valuation of the completed property.

Note 9(c) to the financial statements includes further information on the valuation techniques, sensitivities and inputs used to determine the fair value of the property portfolio.

Significant areas of judgement
Significant transactions
Some property transactions are large or complex and require management to make judgements when considering the appropriate accounting treatment.

These include acquisitions of property through corporate vehicles, which could represent either asset acquisitions or business combinations under IFRS 3.

Other complexities include conditionality inherent in transactions and other unusual terms and conditions. There is a risk that an inappropriate approach could lead to a misstatement in the financial statements.

ii) Adoption of new and revised standards
Standards and interpretations effective in the current period
During the year, the following new and revised standards and interpretations have been adopted and have not had a material impact on the amounts reported in these financial statements.

Notes forming part of the Group financial statements continued

1 Significant accounting policies continued

Name	Description
Amendments to IFRS 16	Lease liability in a sale and leaseback
Amendments to IAS 7 and IFRS 7	Supplier finance arrangements
Amendments to IAS 1	Non current liabilities with covenants and classification of liabilities
Amendments to IFRS S1	General requirements for disclosure of sustainability related financial information
Amendments to IFRS S2	Climate-related disclosures

iii) Standards and interpretations in issue not yet adopted
The IASB and the International Financial Reporting Interpretations Committee have issued the following standards and interpretations, as at the date of this report, that are mandatory for later accounting periods and which have not been adopted early. The Directors do not expect that the adoption of the standards listed below will have a material impact on the financial statements of the Group in future periods, except in respect of IFRS 18 as noted below.

Name	Description
Amendments to IAS 21	Lack of exchangeability
IFRS 18	Presentation and disclosures in financial statements
IFRS 19	Subsidiaries without public accountability: disclosures

IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures in the notes to the financial statements; and
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The Directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods.

iv) Consideration of climate change
In preparing the consolidated financial statements, the Directors have considered the impact of climate change, particularly in the context of risk identified in the TCFD disclosures on pages 62 to 71. There has been no material impact identified on the financial reporting judgments and estimates. In particular, the Directors have considered the impact of climate change in respect of the following areas:

- Going Concern and the Viability Statement;
- Impact on the carrying value and useful economic lives of property and other tangible assets; and
- Preparation of budgets and cash flow forecasts.

Given no material risks have been identified as per the assessment outlined in the TCFD report, no climate change related impact was identified. The Directors are, however, aware of the changing nature of risks associated with climate change and will regularly assess these risks against judgements and estimates made in the preparation of the Group's financial statements.

e) Basis of consolidation
i) Subsidiaries
The consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are those entities controlled by the Group. Control is assumed when the Group:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

In the consolidated balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair value at the acquisition date.

The results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

ii) Joint ventures
Joint arrangements are those entities over whose activities the Group has joint control. The Group's joint venture is a type of joint arrangement in which the partners have rights to the net assets.

Joint ventures are accounted for under the equity method, whereby the consolidated balance sheet incorporates the Group's share of the net assets of its joint ventures and the consolidated income statement incorporates the Group's share of joint venture profits after tax.

The Group's joint ventures adopt the accounting policies of the Group for inclusion in the Group financial statements.

Joint venture management fees are recognised as income in the accounting period in which the service is rendered.

iii) Non-controlling interest
The Group's non-controlling interest ('NCI') represents a 31% shareholding in LMP Retail Warehouse JV Holdings Limited, which owns a portfolio of retail assets.

The Group consolidates the results and net assets of its subsidiary in these financial statements and reflects the non-controlling interests' share within equity in the consolidated balance sheet and allocates to the non-controlling interest their share of profit or loss for the period within the consolidated income statement.

iv) Alternative performance measures
Our portfolio is a combination of properties that are wholly owned by the Group and part owned through joint venture arrangements or where a third party holds a non-controlling interest. Management reviews the performance of the Group's proportionate share of assets and returns, and considers the presentation of information on this basis helpful to stakeholders as it aggregates the results of all the Group's property interests which under IFRS are required to be presented across a number of line items in the financial statements. The Group uses alternative performance measures based on the European Public Real Estate Association ('EPRA') Best Practice Recommendations ('BPR') to

Notes forming part of the Group financial statements continued

1 Significant accounting policies continued

supplement IFRS, in line with best practice in our sector, as they highlight the underlying performance of the Group's property rental business and enhance the transparency and comparability of financial information across public real estate companies. These measures are alternative performance measures as they are not defined under IFRS. The supplementary notes include other EPRA metrics and a proportionally consolidated EPRA income statement and balance sheet. Further details, definitions and reconciliations between EPRA measures and the IFRS financial statements can be found in note 8 to the financial statements, Supplementary notes i to vii and xviii, and in the Glossary.

v) Business combinations
Where properties are acquired through corporate acquisitions and there are no significant assets or liabilities other than property, the acquisition is treated as an asset acquisition.

Where a business acquisition reflects an integrated set of activities and assets capable of being conducted and managed for the purpose of providing goods or services to customers, the acquisition accounting method is used.

The cost of the acquisition is measured at the aggregate of the fair values of assets and liabilities acquired and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition costs are recognised in the income statement as incurred.

Any excess of the purchase price of business combinations over the fair value of the assets, liabilities and contingent liabilities acquired is recognised as goodwill. This is recognised as an asset and is reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement.

Any deficit of the purchase price of business combinations over the fair value of the assets, liabilities and contingent liabilities acquired is recognised as a gain on acquisition in the income statement.

f) Property portfolio
i) Investment properties
Investment properties are properties owned or leased by the Group which are held for long term rental income and for capital appreciation. Investment property includes property that is being constructed, developed or redeveloped for future use as an investment property. Investment property is initially recognised at cost, including related transaction costs. It is subsequently carried at each published balance sheet date at fair value on an open market basis as determined by professionally qualified independent external valuers. Changes in fair value are included in the income statement.

Where a property held for investment is appropriated to development property, it is transferred at fair value. A property ceases to be treated as a development property on practical completion. In accordance with IAS 40 Investment Properties, no depreciation is provided in respect of investment properties.

Investment property is recognised as an asset when:

- It is probable that the future economic benefits that are associated with the investment property will flow to the Group; and
- The cost of the investment property can be measured reliably.

All costs directly associated with the purchase and construction of a development property are capitalised. Capital expenditure that is directly attributable to the redevelopment or refurbishment of investment property, up to the point of it being completed for its intended use, is included in the carrying value of the property.

ii) Assets held for sale
An asset is classified as held for sale if its carrying amount is expected to be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, the asset is available for sale in its present condition and management are committed to the sale and expect it to complete within one year from the date of classification.

Assets classified as held for sale are measured at the lower of carrying amount and the fair value less costs to sell.

iii) Tenant leases
Leases – the Group as a lessor
Rent receivable is recognised in the income statement on a straight line basis over the term of the lease. When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts.

All leases where the Group is a lessor are classified as operating leases.

Leases – the Group as lessee
Where the Group is a lessee, a right of use asset and lease liability are recognised at the outset of the lease. The lease liability is initially measured at the present value of the lease payments based on the Group's expectations of the likelihood of the lease term.

The lease liability is subsequently adjusted to reflect an imputed finance charge, payments made to the lessor and any lease modifications.

The right of use asset is initially measured at cost, which comprises the amount of the lease liability, direct costs incurred, less any lease incentives received by the Group.

The Group has two categories of right of use assets: those in respect of head leases related to a number of leasehold properties and an occupational lease for its head office. All right of use assets are classified as investment properties and added to the carrying value of leasehold investment properties. The right of use asset in respect of the Group's head office lease is subsequently depreciated over the length of the lease.

iv) Net rental income
Rental income from investment property leased out under an operating lease is recognised in the profit or loss on a straight line basis over the lease term.

Contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the periods in which they are earned. The uplift from rent reviews is recognised when such reviews have been agreed with tenants.

Surrender premiums receivable are recognised on completion of the surrender.

Where a rent free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the earlier of the first break option or the lease termination date.

Lease incentives and costs associated with entering into tenant leases are amortised over the period from the date of lease commencement to the earlier of the first break option or the lease termination date.

For leases which contain fixed or minimum uplifts, the rental income arising from such uplifts is recognised on a straight line basis to the earlier of the first break option or the lease termination date.

Property operating expenses are expensed as incurred and any property operating expenditure not recovered from tenants through service charges is charged to the income statement.

Notes forming part of the Group financial statements continued

1 Significant accounting policies continued

v) Profit and loss on sale of investment properties
Profits and losses on sales of investment properties are recognised at the date of legal completion rather than exchange of contracts and calculated by reference to the carrying value at the previous year end valuation date, adjusted for subsequent capital expenditure.

g) Financial assets and financial liabilities
Financial assets and financial liabilities are recognised in the balance sheet when the Group becomes a party to the contractual terms of the instrument.

Financial instruments under IFRS 9
i) Trade and other receivables
Trade receivables are initially recognised at their transaction price and subsequently measured at amortised cost as the Group's business model is to collect the contractual cash flows due from tenants. An impairment provision is created based on lifetime expected credit losses, which reflect the Group's historical credit loss experience and an assessment of current and forecast economic conditions at the reporting date.

ii) Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less, measured at amortised cost. When the Group is the principal in an underlying transaction and has the right to the cash inflows and/or the obligation to settle a liability and directs another entity, acting as its agent, to receive and make payments on its behalf, the Group accounts for the transaction in the cash flow statement by reporting the underlying cash flows as operating, investing or financing according to their nature.

iii) Trade and other payables
Trade payables and other payables are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method.

iv) Borrowings
Borrowings are recognised initially at fair value less attributable transaction costs. Subsequently, borrowings are measured at amortised cost with any difference between the proceeds and redemption value being recognised in the income statement over the term of the borrowing using the effective interest method.

v) Derivative financial instruments
The Group uses derivative financial instruments to hedge its exposure to interest rate risks. Derivative financial instruments are recognised initially at fair value and subsequently remeasured at each period end, with changes in fair value being recognised in the income statement.

The Group does not apply hedge accounting under IFRS 9.

vi) Income strip
As part of the merger with LXi, the Group acquired a financial liability associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022. The structure comprised selling the freehold of the properties to a UK institutional investor, with 999 year leases granted back to LXi pursuant to which was the obligation to pay rental income equivalent to 30% of the annual rental income received from the tenant. LXi has the ability to acquire the freehold back in 2087 for £1. The financial obligations in relation to this transaction were fair valued on acquisition using the prevailing market interest rate. Thereafter, the liability is measured at amortised cost.

h) Finance costs and income
Net finance costs include interest payable on borrowings, net of interest capitalised and finance costs amortised.

Interest is capitalised if it is directly attributable to the acquisition, construction or redevelopment of development properties from the start of the development work until practical completion of the property. Capitalised interest is calculated with reference to the actual interest rate payable on specific borrowings for the purposes of development or, for that part of the borrowings financed out of general funds, with reference to the Group's cost of borrowings.

Finance income includes interest receivable on funds invested at the effective rate and notional interest receivable on forward funded developments at the contractual rate.

Finance costs and income are presented in the cash flow statement within financing and investing activities, respectively.

i) Tax
Tax is included in profit or loss except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, together with any adjustment in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

As the Group is a UK REIT there is no provision for deferred tax arising on the revaluation of UK properties or other temporary differences. The Group must comply with the UK REIT regulation to benefit from the favourable tax regime.

As a result of the merger with LXi, the Group acquired one German property and is now subject to German corporate income tax on those operations. A deferred tax liability was recognised on acquisition and has been restated for the revaluation and currency movement in the period.

j) Share based payments
The fair value of equity-settled share based payments to employees is determined at the date of grant and is expensed on a straight line basis over the vesting period based on the Group's estimate of shares that will eventually vest.

k) Shares held in Trust
The cost of the Company's shares held by the Employee Benefit Trust is deducted from equity in the Group balance sheet. Any shares held by the Trust are not included in the calculation of earnings or net tangible assets per share.

l) Dividends
Dividends on equity shares are recognised when they become legally payable. In the case of interim dividends, this is when paid. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting.

Notes forming part of the Group financial statements continued

2 Segmental information

As at 31 March

Property value	2025 £m	2024 £m
Logistics	2,837.9	2,563.1
Long income	3,159.7	3,199.4
Other[1]	125.9	210.2
	6,123.5	5,972.7
Income strip gross up	231.0	221.5
Head lease assets	40.9	47.6
	6,395.4	6,241.8

1 Includes trading property of £1.1 million (2024: £1.1 million) and assets held for sale of £10.4 million (2024: £8.5 million)

For the year to 31 March

Gross rental income	2025 £m	2024 £m
Logistics	143.3	115.2
Long income	241.4	53.6
Other	10.8	8.2
	395.5	177.0

For the year to 31 March

Net rental income	2025 £m	2024 £m
Logistics	141.3	114.1
Long income	239.1	53.6
Other	10.2	7.6
	390.6	175.3

An operating segment is a distinguishable component of the Group that engages in business activities, earns revenue and incurs expenses, whose results are reviewed by the Group's Chief Operating Decision Makers ('CODMs') and for which discrete financial information is available.

Gross rental income represents the Group's revenues from its tenants and net rental income is the principal profit measure used to determine the performance of each sector. Total assets and liabilities are not monitored by segment. However, property assets are reviewed on an ongoing basis. The Group operates predominantly in the United Kingdom and no geographical split is provided in information reported to the Board.

Included within the logistics operating segment are the sub-categories of urban logistics, regional distribution and mega distribution and within the long income operating segment are the sub-categories of convenience, entertainment and leisure and healthcare. However the sub-category results are not separately reviewed by the CODMs as they are not considered separate operating segments. Instead the CODMs review the logistics and long income sectors as a whole as their own operating segments.

The income strip gross up and head lease assets are not considered separate operating segments and are included in this note for reconciliation purposes only.

This year, we have reflected development assets within each operating segment instead of as a separate category, for both the current and prior year.

3 Revenue

For the year to 31 March	2025 £m	2024 £m
Gross rental income	395.5	177.0
Property management fees and other income	1.2	1.1
Revenue	396.7	178.1

For the year to 31 March	2025 £m	2024 £m
Gross rental income	395.5	177.0
Cost of sales – property operating expenses	(4.9)	(1.7)
Net rental income	390.6	175.3

Two tenants each individually contributed more than 10% of gross rental income in the current year. The net contracted rental income of the Group's top ten occupiers, which is reflected net of income strip and head lease payments, is shown in Supplementary note xvii.

Notes forming part of the Group financial statements continued

4 Administrative costs

a) Total administrative costs

For the year to 31 March	2025 £m	2024 £m
Staff costs	20.7	14.9
Auditor's remuneration	0.7	0.7
Depreciation	0.6	0.7
Other administrative costs	5.1	3.4
	27.1	19.7

b) Staff costs

For the year to 31 March	2025 £m	2024 £m
Employee costs, including those of Directors, comprise the following:		
Wages and salaries	15.7	11.7
Less staff costs capitalised in respect of development projects	(1.9)	(1.5)
	13.8	10.2
Social security costs	1.2	0.9
Pension costs	0.4	0.3
Share based payment	5.3	3.5
	20.7	14.9

The long term share incentive plan ('LTIP') allows Executive Directors and eligible employees to receive an award of shares, held in trust, dependent on performance conditions based on the earnings per share, total shareholder return and total accounting return of the Group over a three year vesting period. The Group expenses the estimated number of shares likely to vest over the three year period based on the market price at the date of grant. In the current year the charge was £5.3 million (2024: £3.5 million). The cost of acquiring the shares expected to vest under the LTIP of £18.2 million has been charged to reserves this year (2024: £2.5 million).

Directors' emoluments are reflected in the table below. Directors received a salary supplement in lieu of pension contributions for the current and previous year. Details of the Directors' remuneration awards under the LTIP are given in the Remuneration Committee report on pages 137 to 138.

For the year to 31 March	2025 £m	2024 £m
Remuneration for management services	4.0	3.3
Entitlement to pension scheme contributions	0.1	0.1
	4.1	3.4

The emoluments and benefits of the key management personnel of the Company, which comprise the Directors and certain members of the Senior Leadership Team, are set out in aggregate in the table below.

For the year to 31 March	2025 £m	2024 £m
Short term employee benefits	11.6	9.5
Share based payments	4.1	3.1
	15.7	12.6

No disclosures have been made in accordance with IFRS 2 for share based payments to employees other than those in the Remuneration Committee report from page 123 on the basis of materiality.

c) Staff numbers

The average number of employees including Executive Directors during the year was:

	2025 Number	2024 Number
Property and administration	47	35

d) Auditor's remuneration

For the year to 31 March	2025 £000	2024 £000
Audit services:		
Audit of the Group and Company financial statements	572.0	580.0
Audit of the Company's subsidiaries	48.0	46.0
Other fees:		
Audit related assurance services	95.0	50.0
Total fees for audit and other services	715.0	676.0

In addition to the above audit fees, £24,700 (2024: £23,500) was due to the Group's auditor in respect of the audit of its joint venture.

Notes forming part of the Group financial statements continued

5 Finance income and costs

a) Finance income

For the year to 31 March	2025 £m	2024 £m
Interest received on bank deposits	1.9	1.0
Interest receivable from interest rate derivatives	20.6	6.7
Interest receivable from forward funded developments	1.2	0.8
Total finance income	23.7	8.5

b) Finance costs

For the year to 31 March	2025 £m	2024 £m
Interest payable on bank loans	98.5	41.5
Unwinding of discount on fixed rate debt acquired	4.6	0.7
Amortisation of loan issue costs	4.3	2.0
Interest on lease and other liabilities	15.2	1.0
Commitment fees and other finance costs	5.3	2.9
Total borrowing costs	127.9	48.1
Less amounts capitalised on developments	(3.4)	(2.2)
Net borrowing costs	124.5	45.9
Fair value loss on derivative financial instruments	11.1	3.9
Total finance costs	135.6	49.8

Net finance costs deducted from EPRA earnings as disclosed in Supplementary note ii exclude the fair value loss on derivatives of £11.1 million (2024: £3.9 million) and the impact of the inflation volatility relating to the income strip in the current year of £3.7 million.

6 Taxation

For the year to 31 March	2025 £m	2024 £m
Current tax		
UK corporation tax	0.9	(0.1)
German corporate income tax	0.6	0.1
Deferred tax		
Deferred tax on German asset	0.7	0.1
Total tax charge	2.2	0.1

As the Group is a UK REIT, any profits and gains arising from its property rental business are exempt from UK corporation tax and there is no provision for deferred tax arising on the revaluation of properties.

The UK corporation tax charge relates to tax arising on income attributable to the Group's non-controlling interest and other residual tax. Following the merger with LXi, the Group has one German property and is subject to German corporate income tax at an effective rate of 15.825%, which resulted in a tax charge of £0.6 million in the year (2024: £0.1 million). An associated deferred tax liability was recognised on acquisition and the revaluation movement of £0.7 million has been reflected in the year along with a favourable currency movement of £0.2 million, resulting in a deferred tax liability of £10.1 million at the year end (2024: £9.6 million).

The reconciliation of the total tax charge in the year to the tax assessed on profits at the standard rate of corporation tax in the UK is set out below.

For the year to 31 March	2025 £m	2024 £m
Profit before tax	352.8	120.0
Tax charge at the standard rate of corporation tax in the UK of 25% (2024: 25%)	88.2	30.0
Effects of:		
Items not taxable	(20.7)	(0.2)
Share of post tax profits of joint ventures	(1.5)	–
REIT exemption on income and gains	(63.5)	(29.4)
Other	(0.3)	(0.3)
Tax charge on profit	2.2	0.1

Notes forming part of the Group financial statements continued

7 Dividends

For the year to 31 March			2025 £m	2024 £m
Ordinary dividends paid				
2023	Third quarterly interim dividend	2.3p per share	–	22.5
2023	Fourth quarterly interim dividend	2.6p per share	–	25.5
2024	First quarterly interim dividend	2.4p per share	–	26.1
2024	Second quarterly interim dividend	2.4p per share	–	26.1
2024	Third quarterly interim dividend	2.4p per share	26.2	–
2024	Fourth quarterly interim dividend	3.0p per share	61.1	–
2025	First quarterly interim dividend	2.85p per share	58.1	–
2025	Second quarterly interim dividend	2.85p per share	58.3	–
			203.7	100.2
Ordinary dividend payable				
2025	Third quarterly interim dividend	3.0p per share	61.2	
2025	Fourth quarterly interim dividend	3.3p per share	67.5	

The Company paid its third quarterly interim dividend in respect of the financial year to 31 March 2025 of 3.0p per share, wholly as a Property Income Distribution ('PID'), on 11 April 2025 to ordinary shareholders on the register at the close of business on 7 March 2025.

The fourth quarterly interim dividend for 2025 of 3.3p per share, of which 1.5p is payable as a PID, will be payable on 9 July 2025 to shareholders on the register at the close of business on 30 May 2025. A scrip dividend alternative will be offered to shareholders as it was for the first three quarterly dividend payments. Neither dividend has been included as a liability in these accounts. Both dividends will be recognised as an appropriation of retained earnings in the year to 31 March 2026.

During the year, the Company issued 11.6 million ordinary shares under the terms of the Scrip Dividend Scheme, which reduced the cash dividend payment by £22.3 million to £181.4 million.

8 Earnings and net assets per share

Adjusted earnings and net assets per share are calculated in accordance with the Best Practice Recommendations ('BPR') of the European Public Real Estate Association ('EPRA'). The EPRA earnings measure highlights the underlying performance of the property rental business.

The basic earnings per share calculation uses the weighted average number of ordinary shares during the year and excludes the average number of shares held by the Employee Benefit Trust for the year. The IFRS basic net asset value per share calculation uses the number of shares in issue at the year end and excludes the actual number of shares held by the Employee Benefit Trust at the year end. The fully diluted calculations assume that new shares are issued in connection with the expected vesting of the Group's long term incentive plan.

Further EPRA performance measures are reflected in the Supplementary notes on pages 185 to 191.

a) EPRA earnings

EPRA earnings for the Group and its share of joint ventures is summarised in the Financial review and on a proportionally consolidated basis in Supplementary note ii.

The reconciliation of EPRA earnings to IFRS reported profit is set out in the table below and in supplementary note ii on a proportionally consolidated basis.

For the year to 31 March	2025 £m	2024 £m
EPRA earnings	268.0	121.6
Revaluation of property and investments	106.9	(7.5)
Fair value of derivatives	(11.1)	(3.9)
Loss on disposal	(13.0)	(7.4)
Impact of inflation volatility relating to the income strip	(3.7)	–
Gain on acquisition	–	49.4
Acquisition costs	–	(29.8)
Deferred tax	(0.7)	(0.1)
JV and NCI share of revaluation of property	1.5	(3.6)
IFRS reported profit	**347.9**	**118.7**

b) Earnings per ordinary share attributable to equity shareholders

For the year to 31 March	2025 £m	2024 £m
Basic and diluted earnings	347.9	118.7
EPRA adjustments above	(79.9)	2.9
EPRA earnings	268.0	121.6

Notes forming part of the Group financial statements continued

8 Earnings and net assets per share continued

For the year to 31 March	2025 Number of shares (millions)	2024 Number of shares (millions)
Weighted ordinary share capital	2,044.2	1,119.5
Shares held in the Employee Benefit Trust	(4.5)	(2.5)
Weighted average number of ordinary shares – basic	2,039.7	1,117.0
Employee share schemes	6.2	4.7
Weighted average number of ordinary shares – fully diluted	2,045.9	1,121.7
Earnings per share		
Basic	17.1p	10.6p
Diluted	17.0p	10.6p
EPRA earnings per share		
Basic	13.1p	10.9p
Diluted	13.1p	10.8p

c) Net assets per share attributable to equity shareholders
The EPRA best practice recommendations for financial disclosures by public real estate companies include three measures of net asset value: EPRA net tangible assets ('NTA'), EPRA net reinstatement value ('NRV') and EPRA net disposal value ('NDV').

EPRA NTA is considered to be the most relevant measure for the Group. All three measures are calculated on a diluted basis, which assumes that new shares are issued in connection with the expected vesting of the Group's long term incentive plan.

As at 31 March 2025	EPRA net tangible assets £m	EPRA net disposal value £m	EPRA net reinstatement value £m
Equity shareholders' funds	4,094.2	4,094.2	4,094.2
Deferred tax on fair value gains of investment property	0.5	–	10.1
Fair value of Group derivatives	(23.7)	–	(23.7)
Mark to market of fixed rate debt	–	87.6	–
Purchasers' costs[1]	–	–	418.6
EPRA net asset value	4,071.0	4,181.8	4,499.2

1 Estimated from the portfolio's external valuation which is stated net of purchasers' costs of 6.8%

As at 31 March 2024	EPRA net tangible assets £m	EPRA net disposal value £m	EPRA net reinstatement value £m
Equity shareholders' funds	3,941.5	3,941.5	3,941.5
Deferred tax on fair value gains of investment property	9.6	–	9.6
Fair value of Group derivatives	(32.6)	–	(32.6)
Gain on business combinations as a result of deferred tax	(9.6)	–	(9.6)
Mark to market of fixed rate debt	–	86.0	–
Purchasers' costs	–	–	408.2
EPRA net asset value	3,908.9	4,027.5	4,317.1

As at 31 March	2025 Number of shares (millions)	2024 Number of shares (millions)
Ordinary share capital	2,048.1	2,036.5
Shares held in Employee Benefit Trust	(10.5)	(2.6)
Number of ordinary shares – basic	2,037.6	2,033.9
Employee share schemes	6.4	4.8
Number of ordinary shares – fully diluted	2,044.0	2,038.7

IFRS net asset value per share	202.4p	195.2p
EPRA net tangible assets per share	199.2p	191.7p
EPRA net disposal value per share	204.6p	197.5p
EPRA net reinstatement value per share	220.1p	211.8p

Notes forming part of the Group financial statements continued

9 Investment properties

a) Investment properties

As at 31 March	Completed £m	Under development £m	2025 Total £m	Completed £m	Under development £m	2024 Total £m
Opening balance	6,146.4	38.2	6,184.6	2,905.2	32.6	2,937.8
Acquisitions	284.7	10.8	295.5	3,379.4	39.8	3,419.2
Capital expenditure	24.7	11.9	36.6	5.9	4.1	10.0
Disposals	(293.8)	(21.4)	(315.2)	(183.8)	–	(183.8)
Property transfers[1]	17.0	(27.4)	(10.4)	28.7	(37.2)	(8.5)
Revaluation movement	97.8	3.2	101.0	(6.4)	(1.1)	(7.5)
Foreign currency	(2.9)	–	(2.9)	0.8	–	0.8
Movement in income strip gross up	9.5	–	9.5	–	–	–
Movement in tenant incentives and rent free uplifts	44.2	0.1	44.3	16.6	–	16.6
Property portfolio	6,327.6	15.4	6,343.0	6,146.4	38.2	6,184.6
Head lease assets	40.9	–	40.9	47.6	–	47.6
	6,368.5	15.4	6,383.9	6,194.0	38.2	6,232.2

1 Properties totalling £10.4 million (2024: £8.5 million) have been transferred to current assets and separately disclosed as assets held for sale as reflected in note 9b

Investment properties are stated at fair value as at 31 March 2025 based on external valuations performed by professionally qualified and independent valuers CBRE Limited ('CBRE'), Savills (UK) Limited ('Savills') and Knight Frank LLP ('Knight Frank'). The valuations have been prepared in accordance with the RICS Valuation – Global Standards 2025 on the basis of fair value as set out in note 1. There has been no change in the valuation technique in the year. The total fees earned by each valuer from the Company represent less than 5% of their total UK revenues. CBRE, Savills and Knight Frank have continuously been the signatory of valuations for the Company since October 2007, September 2010 and March 2024 respectively. A reconciliation of the total portfolio valuation to the valuers' reports is provided below:

As at 31 March	Note	2025 £m	2024 £m
Property portfolio valuation	9a	6,343.0	6,184.6
Assets held for sale	9b	10.4	8.5
Less income strip gross up		(231.0)	(221.5)
Portfolio valuation from external valuation reports		6,122.4	5,971.6

As part of the LXi merger, the Group acquired a financial liability associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022 as set out in note 14a(ii). The income strip balance included within investment properties represents the gross up of the asset values as the external valuation is based on net cash flows after deducting income strip payments.

The movement in the year of £9.5 million comprises an adjustment of £4.5 million to the liability and corresponding asset to incorporate an inflation assumption into future cash flows and a gross up of £5.0 million which is included in the income statement within the movement in revaluation of investment properties.

Completed properties include buildings that are occupied or are available for occupation. Properties under development include land under development and investment property under construction. Internal staff costs of the development team of £1.9 million (2024: £1.5 million) have been capitalised in the year, being directly attributable to the development projects in progress.

Long term leasehold values included within investment properties amount to £1,169.8 million (2024: £1,144.5 million). Over half relates to theme park assets which are let on 999 year leases. All other properties are freehold. The historical cost of all of the Group's investment properties at 31 March 2025 was £5,484.0 million (2024: £5,469.3 million).

Included within the investment property valuation is £156.9 million (2024: £112.6 million) in respect of unamortised lease incentives and rent free periods. The movement in the year reflects lease incentives paid of £8.2 million (2024: £1.7 million) and rent free and amortisation movements of £47.9 million (2024: £17.4 million), offset by incentives written off on disposal of £11.8 million (2024: £2.5 million).

Capital commitments have been entered into amounting to £107.2 million (2024: £27.5 million) which have not been provided for in the financial statements.

b) Assets held for sale

As at 31 March	2025 £m	2024 £m
Opening balance	8.5	19.8
Disposals	(8.5)	(19.8)
Property transfers	10.4	8.5
Closing balance	10.4	8.5

The valuation of freehold and leasehold property held for sale at 31 March 2025 was £10.4 million (2024: £8.5 million), representing logistics and long income assets which are expected to complete within the next six months.

Notes forming part of the Group financial statements continued

9 Investment properties continued

c) Valuation technique and quantitative information

Asset type	Segmental split (note 2) £m	Under development £m	Trading assets £m	Fair value 2025[1] £m	Valuation technique	ERV Weighted average (£ per sq ft)	ERV Range (£ per sq ft)	Net initial yield Weighted average %	Net initial yield Range %	Reversionary yield Weighted average %	Reversionary yield Range %
Logistics	2,837.9	(6.2)	–	2,831.7	Yield capitalisation	9.82	2.50–37.10	4.7	2.0–12.4	5.7	4.0–11.6
Long income	3,159.7	(9.2)	–	3,150.5	Yield capitalisation	20.97	3.50–191.60	5.5	1.3–13.4	4.2	3.0–30.1
Other	125.9	–	(1.1)	124.8	Yield capitalisation	16.84	5.70–60.80	4.8	4.1–11.5	7.0	4.6–11.5
Development	–	15.4	–	15.4	Residual	26.40	22.50–55.60	5.7	5.5–5.7	5.8	5.7–6.7

Asset type	Segmental split (note 2) £m	Under development £m	Trading assets £m	Fair value 2024[1] £m	Valuation technique	ERV Weighted average (£ per sq ft)	ERV Range (£ per sq ft)	Net initial yield Weighted average %	Net initial yield Range %	Reversionary yield Weighted average %	Reversionary yield Range %
Logistics	2,563.1	(6.0)	–	2,557.1	Yield capitalisation	9.54	2.50–35.70	4.6	2.0–11.1	5.7	4.0–11.9
Long income	3,199.4	(16.9)	–	3,182.5	Yield capitalisation	22.97	3.50–191.60	5.8	3.3–51.9	5.6	3.0–45.2
Other	210.2	(15.3)	(1.1)	193.8	Yield capitalisation	12.15	5.70–60.80	5.9	3.8–19.1	7.5	4.7–24.6
Development	–	38.2	–	38.2	Residual	21.62	17.80–47.60	5.2	5.2–7.5	7.1	5.3–9.1

1 As reflected in notes 2 and 9 and including assets held for sale of £10.4 million (2024: £8.5 million) but excluding trading properties classified as development of £1.1 million (2024: £1.1 million)

All of the Group's properties are categorised as Level 3 in the fair value hierarchy as defined by IFRS 13 fair value measurement. There have been no transfers of properties between Levels 1, 2 and 3 during the year ended 31 March 2025. The fair value at 31 March 2025 represents the highest and best use of the properties. When considering the highest and best use, the valuers will look at existing and potential uses which are viable.

i) Technique
The valuation techniques described below are consistent with IFRS 13 and use significant 'unobservable' inputs such as Expected Rental Value ('ERV') and yield. There have been no changes in valuation techniques since the prior year.

Yield capitalisation – for commercial investment properties, market rental values are capitalised with a market capitalisation rate. The resulting valuations are cross-checked against the net initial yields and the fair market values per square foot derived from recent market transactions.

Residual – for certain investment properties under development, the fair value of the property is calculated by estimating the fair value of the completed property using the yield capitalisation technique less estimated costs to completion and a risk premium which includes but is not limited to construction and letting risk.

ii) Sensitivity
A 5% increase or decrease in ERV would increase or decrease the fair value of the Group's investment properties by £115.4 million or £114.3 million respectively.

An increase or decrease of 25bps to the equivalent yield would decrease or increase the fair value of the Group's investment properties by £264.4 million or £289.9 million respectively. An increase or decrease of 50bps to the equivalent yield would decrease or increase the fair value of the Group's investment properties by £507.6 million or £607.3 million respectively.

There are interrelationships between the valuation inputs and they are primarily determined by market conditions. The effect of an increase in more than one input could be to magnify the impact on the valuation. However, the impact on the valuation could be offset by the interrelationship of two inputs moving in opposite directions, for example an increase in rent may be offset by a decrease in occupancy, resulting in no net impact on the valuation.

iii) Process
The valuation reports produced by CBRE, Savills and Knight Frank are based on:

- Information provided by the Group, such as current rents, lease terms, capital expenditure and comparable sales information, which is derived from the Group's financial and property management systems and is subject to the Group's overall control environment
- Assumptions applied by the valuers such as ERVs and yields which are based on market observation and their professional judgement

Notes forming part of the Group financial statements continued

10 Investment in joint ventures

At 31 March 2025, the following principal property interest, being a jointly controlled entity, has been equity accounted for in these financial statements:

	Country of incorporation or registration[1]	Property sectors	Group share
Metric Income Plus Partnership ('MIPP')	England	Long income	50.0%

1 The registered address is One Curzon Street, London, W1J 5HB

The principal activity is property investment into long income assets in the UK, which complements the Group's operations and contributes to the achievement of its strategy.

At 31 March 2025, the freehold and leasehold investment properties were externally valued by CBRE. The movement in the carrying value of joint venture interests in the year is summarised as follows:

As at 31 March	2025 £m	2024 £m
Opening balance	69.2	61.5
Investment in the year	–	10.5
Share of profit/(loss) for the year	6.1	(0.1)
Distributions received	(3.4)	(2.7)
	71.9	69.2

The Group's share of the profit/(loss) after tax and net assets of its joint ventures is as follows:

Summarised income statement	Total 2025 £m	Group share 2025 £m	Total 2024 £m	Group share 2024 £m
Gross rental income	7.8	3.9	8.5	4.3
Property costs	(0.4)	(0.2)	(0.1)	(0.1)
Net rental income	7.4	3.7	8.4	4.2
Administrative costs	–	–	(0.1)	–
Management fees	(1.1)	(0.6)	(1.1)	(0.6)
Revaluation gain/(loss)	5.8	2.9	(7.5)	(3.7)
Net finance income	0.1	0.1	–	–
Profit/(loss) after tax	12.2	6.1	(0.3)	(0.1)
Group share of profit/(loss) after tax	6.1		(0.1)	
EPRA adjustments:				
Revaluation (gain)/loss	(5.8)	(2.9)	7.5	3.7
EPRA earnings	6.4	3.2	7.2	3.6
Group share of EPRA earnings	3.2		3.6	
Summarised balance sheet				
Investment properties	139.8	69.9	134.1	67.1
Other current assets	0.5	0.2	0.2	0.1
Cash	5.5	2.8	6.1	3.0
Current liabilities	(2.1)	(1.0)	(2.0)	(1.0)
Net assets	143.7	71.9	138.4	69.2
Group share of net assets	71.9		69.2	

Notes forming part of the Group financial statements continued

11 Trade and other receivables

As at 31 March	2025 £m	2024 £m
Trade receivables	3.6	10.9
Prepayments and accrued income	4.6	3.9
Other receivables	5.5	6.6
	13.7	21.4

All amounts fall due for payment in less than one year. Trade receivables comprise rental income which is due on contractual payment days with no credit period.

At 31 March 2025, trade receivables of £1.4 million were overdue and considered at risk and have been provided for in full (2024: £0.4 million). In addition, an impairment provision based on the IFRS expected credit loss model of £4.9 million (2024: £1.4 million) and a provision against tenant incentives of £1.4 million (2024: £0.1 million) have been recognised.

12 Cash and cash equivalents

Cash and cash equivalents include £39.4 million (2024: £59.5 million) retained in restricted accounts which are not readily available to the Group for day-to-day commercial purposes.

13 Trade and other payables

As at 31 March	2025 £m	2024 £m
Trade payables	3.7	5.7
Amounts payable on property acquisitions and disposals	1.8	13.5
Rent received in advance	63.1	72.5
Accrued interest	4.7	4.9
Tax liabilities	16.9	19.0
Other payables	31.5	21.9
Other accruals and deferred income	20.8	18.3
	142.5	155.8

The Group has financial risk management policies in place to ensure that all payables are settled within the required credit timeframe.

14 Borrowings and financial instruments

a) Borrowings

i) Secured and unsecured loans

As at 31 March	2025 £m	2024 £m
Secured bank loans	799.3	798.2
Unsecured bank loans	1,273.9	1,289.2
	2,073.2	2,087.4
Unamortised finance costs	(14.6)	(13.3)
	2,058.6	2,074.1

Of the total borrowings of £2,058.6 million, £347.7 million are repayable within one year (2024: £43.5 million) and are reflected separately in the balance sheet.

As at 31 March 2025	Total debt facility £m	Floating rate debt drawn £m	Fixed rate debt drawn £m	Unamortised fair value adjustments £m	Total debt £m	Weighted average maturity (years)
Secured bank loans:						
Scottish Widows fixed rate debt (Mucklow)	60.0	–	60.0	1.5	61.5	6.7
Canada Life fixed rate debt (CTPT)	90.0	–	90.0	(1.7)	88.3	1.6
L & G fixed rate debt (LXi)	62.5	–	62.5	(0.2)	62.3	0.4
AIG fixed rate debt (LXi)	286.2	–	286.2	(0.8)	285.4	0.5
Scottish Widows fixed rate debt (LXi)	170.0	–	170.0	(14.9)	155.1	8.7
Canada Life fixed rate debt (LXi)	148.0	–	148.0	(1.3)	146.7	14.1
Unsecured bank loans:						
Revolving credit facility 2021	225.0	145.0	–	–	145.0	1.1
Wells Fargo revolving credit facility	175.0	55.0	–	–	55.0	1.1
Revolving credit facility 2022	275.0	135.0	–	–	135.0	2.6
Revolving credit facility 2024	560.0	152.1	–	–	152.1	3.8
SMBC revolving credit facility 2025	175.0	91.8	–	–	91.8	4.7
Term loan 2024	140.0	140.0	–	–	140.0	1.8
Private placement 2016 (syndicate)	25.0	–	25.0	–	25.0	3.5
Private placement 2018 (syndicate)	150.0	–	150.0	–	150.0	5.8
Private placement 2021 (syndicate)	380.0	–	380.0	–	380.0	7.2
	2,921.7	718.9	1,371.7	(17.4)	2,073.2	4.7

Notes forming part of the Group financial statements continued

14 Borrowings and financial instruments continued

As at 31 March 2024	Total debt facility £m	Floating rate debt drawn £m	Fixed rate debt drawn £m	Unamortised fair value adjustments £m	Total debt £m	Weighted average maturity (years)
Secured bank loans:						
Scottish Widows fixed rate debt (Mucklow)	60.0	–	60.0	1.8	61.8	7.7
Canada Life fixed rate debt (CTPT)	90.0	–	90.0	(2.7)	87.3	2.6
L & G fixed rate debt (LXi)	62.8	–	62.8	(0.6)	62.2	1.4
AIG fixed rate debt (LXi)	289.3	–	289.3	(2.3)	287.0	1.5
Scottish Widows fixed rate debt (LXi)	170.0	–	170.0	(16.7)	153.3	9.7
Canada Life fixed rate debt (LXi)	148.0	–	148.0	(1.4)	146.6	15.1
Unsecured bank loans:						
Revolving credit facility 2021 (syndicate)	225.0	90.0	–	–	90.0	2.1
Wells Fargo revolving credit facility	175.0	55.0	–	–	55.0	2.1
Revolving credit facility 2022 (syndicate)	275.0	100.0	–	–	100.0	2.6
Revolving credit facility 2024 (syndicate)	560.0	309.2	–	–	309.2	3.8
Term loan 2024 (syndicate)	140.0	140.0	–	–	140.0	1.8
Private placement 2016 (syndicate)	65.0	–	65.0	–	65.0	2.0
Private placement 2018 (syndicate)	150.0	–	150.0	–	150.0	6.8
Private placement 2021 (syndicate)	380.0	–	380.0	–	380.0	8.2
	2,790.1	694.2	1,415.1	(21.9)	2,087.4	5.4

Certain bank loans at 31 March 2025 are secured by fixed charges over Group investment properties with a carrying value of £2,191.9 million (2024: £1,953.9 million). During the year, the Group repaid borrowings of £40.0 million relating to the 2016 Private Placement.

ii) Other financial liability

As part of the merger with LXi, the Group acquired a financial liability associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022. The structure comprised selling the freehold of the properties to a UK institutional investor, with 999 year leases granted back to LXi pursuant to which was the obligation to pay rental income equivalent to 30% of the annual rental income received from the tenant. LXi has the ability to acquire the freehold back in 2087 for £1. The financial obligations in relation to this transaction were fair valued on acquisition using the prevailing market interest rate at £221.4 million. At 31 March 2025 the total liability was £231.0 million based on amortised cost, with £9.0 million being due in less than one year. For disclosure purposes, the fair value of the liability at 31 March 2025 was assessed by independent experts Chatham Financial to be £211.9 million. The corresponding gross up is reflected within investment properties in the balance sheet as the external valuation of the assets is based on net cash flows after deducting income strip payments. The gross rental income receivable from the tenant is reflected in the income statement within revenue and the 30% pay away is reflected within finance costs.

b) Financial risk management

Financial risk factors

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's financial risk management objectives are to minimise the effect of risks it is exposed to through its operations and the use of debt financing. The principal financial risks to the Group and the policies it has in place to manage these risks are summarised below.

i) Credit risk

Credit risk is the risk of financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's principal financial assets are cash balances and deposits and trade and other receivables. The Group's credit risk is primarily attributable to its cash deposits and trade receivables.

The Group mitigates financial loss from tenant defaults by dealing with only creditworthy tenants. Trade receivables are presented at amortised cost less a provision for specific overdue debts. A loss allowance for expected credit losses is also provided for in the accounts and is low relative to the scale of the balance sheet at £4.9 million (2024: £1.4 million) as reflected in note 11, and therefore the credit risk of trade receivables is considered to be low. Cash is held in a diverse mix of institutions with investment grade credit ratings. The credit ratings of the banks are monitored and changes are made where necessary to manage risk.

The credit risk on liquid funds and derivative financial instruments is limited due to the Group's policy of monitoring counterparty exposures with a maximum exposure equal to the carrying amount of these instruments. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

ii) Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group actively maintains a mixture of long term and short term committed facilities that are designed to ensure that the Group has sufficient available funds for operations. The Group's funding sources are diversified across a range of banks and institutions. Weekly cash flow forecasts are prepared for the Senior Leadership Team to ensure sufficient resources of cash and undrawn debt facilities are in place to meet liabilities as they fall due.

Notes forming part of the Group financial statements continued

14 Borrowings and financial instruments continued

At 31 March 2025, the Group had cash reserves of £81.2 million (2024: £111.9 million), of which £39.4 million was retained in restricted accounts, and available and undrawn bank loan facilities of £831.1 million (2024: £680.8 million).

The following table shows the contractual maturity profile of the Group's bank loans, interest payments on bank loans, other financial liabilities and derivative financial instruments on an undiscounted cash flow basis and assuming settlement on the earliest repayment date. Other liabilities as disclosed in note 14c(i) include trade payables and accrued interest and are repayable within one year. The contractual maturity profile of lease liabilities disclosed in the balance sheet is reflected in note 16.

As at 31 March 2025	Less than one month £m	One to three months £m	Three months to one year £m	One to two years £m	Two to five years £m	More than five years £m	Total £m
Bank loans	8.9	16.2	411.7	494.0	758.8	804.4	2,494.0
Other financial liabilities	0.7	1.5	6.8	9.2	29.0	1,324.6	1,371.8
Derivative financial instruments	(1.4)	(2.8)	(12.6)	(9.6)	(4.9)	(5.5)	(36.8)
	8.2	14.9	405.9	493.6	782.9	2,123.5	3,829.0

As at 31 March 2024	Less than one month £m	One to three months £m	Three months to one year £m	One to two years £m	Two to five years £m	More than five years £m	Total £m
Bank loans	9.3	17.1	118.6	578.4	987.7	879.2	2,590.3
Other financial liabilities	0.7	1.4	6.5	8.7	26.8	719.5	763.6
Derivative financial instruments	(1.8)	(3.7)	(16.4)	(20.7)	(7.0)	–	(49.6)
	8.2	14.8	108.7	566.4	1,007.5	1,598.7	3,304.3

iii) Market risk – interest rate risk

The Group is exposed to interest rate risk from the use of debt financing at a variable rate. It is the risk that future cash flows of a financial instrument will fluctuate because of changes in interest rates.

The Group uses interest rate derivatives and fixed rates to manage its interest rate exposure and hedge future interest rate risk for the term of the loan. Although the Board accepts that this policy neither protects the Group entirely from the risk of paying rates in excess of current market rates nor eliminates fully the cash flow risk associated with interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

At 31 March 2025, all of the Group's debt drawn was hedged, through fixed coupon debt arrangements and interest rate swaps, swaptions and caps. The average interest rate payable by the Group on all bank borrowings at 31 March 2025 including the cost of amortising finance arrangement fees, was 4.0% (2024: 3.9%). A 1% increase or decrease in interest rates during the year would have increased or decreased the Group's annual profit before tax by £1.3 million.

iv) Capital risk management

The Group's objectives when maintaining capital are to safeguard the entity's ability to continue as a going concern so that it can provide returns to shareholders and as such it seeks to maintain an appropriate mix of debt and equity. The capital structure of the Group consists of debt, which includes long term borrowings and undrawn debt facilities, and equity comprising issued capital, reserves and retained earnings. The Group balances its overall capital structure through the payment of dividends and new share issues as well as the issue of new debt or the redemption of existing debt.

The Group seeks to maintain an efficient capital structure with a balance of debt and equity as shown in the table below.

As at 31 March	2025 £m	2024 £m
Net debt	2,230.9	2,204.1
Shareholders' equity	4,094.2	3,941.5
	6,325.1	6,145.6

v) Foreign currency exchange risk

The Group prepares its financial statements in sterling. However, the Group is subject to foreign currency exchange risk as it has assets and liabilities denominated in euros. A 10% increase or decrease in closing sterling rates against the euro would decrease or increase net assets by £1.5 million (2024: increase or decrease by £3.9 million).

Notes forming part of the Group financial statements continued

14 Borrowings and financial instruments continued

c) Financial instruments

i) Categories of financial instruments

	Measured at amortised cost		Measured at fair value	
As at 31 March	2025 £m	2024 £m	2025 £m	2024 £m
Non current assets				
Derivative financial instruments (see 14c (iii))	–	–	23.7	32.6
Current assets				
Cash and cash equivalents (note 12)	81.2	111.9	–	–
Trade receivables (note 11)	3.6	10.9	–	–
Other receivables (note 11)	5.5	6.6	–	–
	90.3	129.4	23.7	32.6
Non current liabilities				
Borrowings (note 14a (i))	1,710.9	2,030.6	–	–
Other financial liabilities (note 14a (ii))	222.0	212.9	–	–
Lease liabilities (note 16)	40.8	47.0	–	–
Current liabilities				
Borrowings (note 14a (i))	347.7	43.5	–	–
Other financial liabilities (note 14a (ii))	9.0	8.6	–	–
Lease liabilities (note 16)	0.7	1.1	–	–
Contingent consideration (note 15b)	–	–	1.4	1.5
Trade payables (note 13)	3.7	5.7	–	–
Accrued interest (note 13)	4.7	4.9	–	–
	2,339.5	2,354.3	1.4	1.5

ii) Fair values

To the extent financial assets and liabilities are not carried at fair value in the consolidated balance sheet, the Directors are of the opinion that book value approximates to fair value at 31 March 2025 with the exception of the Group's fixed rate debt. The adjustment required to measure the fixed rate debt at fair value is provided in note 8c. This is measured by Chatham Financial using the equity method which discounts the difference between the remaining contractual and market debt service payments at an equity discount rate and represents Level 2 in the hierarchy table.

iii) Derivative financial instruments

Details of the fair value of the Company and Group's derivative financial instruments that were in place at 31 March 2025 are provided below:

As at 31 March	Average rate		Notional amount		Fair value	
Interest rate swaps – expiry	2025 %	2024 %	2025 £m	2024 £m	2025 £m	2024 £m
One to two years	2.4	–	97.1	–	(0.5)	–
Two to five years	3.1	3.1	725.0	375.0	15.5	10.8
	3.0	3.1	822.1	375.0	15.0	10.8

As at 31 March	Average rate		Notional amount		Fair value	
Interest rate caps– expiry	2025 %	2024 %	2025 £m	2024 £m	2025 £m	2024 £m
Less than one year	–	2.5	–	60.0	–	1.1
One to two years	2.0	–	441.8	–	8.7	–
Two to five years	–	2.5	–	550.0	–	20.7
	2.0	2.5	441.8	610.0	8.7	21.8
Total fair value					23.7	32.6

All derivative financial instruments are interest rate derivatives and are carried at fair value following a valuation by Chatham Financial. In accordance with accounting standards, fair value is estimated by calculating the present value of future cash flows, using appropriate market discount rates. For all derivative financial instruments this equates to a Level 2 fair value measurement as defined by IFRS 13 Fair Value Measurement. The valuation therefore does not reflect the cost or gain to the Group of cancelling its interest rate protection at the balance sheet date, which is generally a marginally higher cost (or smaller gain) than a market valuation.

Notes forming part of the Group financial statements continued

15 Business combinations

a) Acquisition of LXi Limited (formerly LXi REIT plc)
On 5 March 2024, the Company acquired the entire issued share capital of LXi Limited (formerly LXi REIT plc), a closed-ended investment company listed on the premium listing segment of the Official List. The acquisition was implemented by way of a Scheme of Arrangement under Part 26 of the Companies Act which became effective on 5 March 2024 and constituted a reverse takeover pursuant to the Listing Rules due to its size. LXi shares were delisted and trading ceased the following morning. The merger brought together two real estate companies, with assets aligned to structurally supported sectors with high barriers to entry and income security, creating the UK's leading Triple Net Lease REIT.

The all share acquisition was effected through the issue of 943 million new ordinary shares at 185.8p per share, representing the closing share price on 5 March 2024 and totalling £1,752.0 million as consideration paid.
The exchange ratio of 0.55 LondonMetric shares for every LXi ordinary share held, was based on an adjusted net tangible assets ('NTA') to adjusted NTA approach, taking into account the fair value of debt and derivatives, potential liabilities in respect of German taxation and the acquisition of LXi's investments advisor as reflected in note 15b.

The fair value of the identifiable net assets acquired was £1,828.9 million as reflected in the table opposite.
The difference between the consideration paid and the fair value of net assets acquired represents a price discount of £76.9 million, which was recognised in the Group income statement last year as a gain on business combination.

The price discount was largely a result of the fair value adjustments incorporated into the exchange ratio, as well as the Company's share price on acquisition of 185.8p trading at a discount to its 30 September 2023 net asset value upon which the deal was based of 199.6p per share. Acquisition related costs of £28.5 million were recognised separately in the income statement.

Acquisition of LXi Limited (formerly LXi REIT plc)

	Book value as at 5 March 2024 £m	Fair value of fixed rate debt £m	Fair value of financial instruments £m	Fair value of tax liabilities £m	Fair value of prepaid finance costs £m	Other fair value adjustments £m	Fair value as at 5 March 2024 £m
Investment properties	3,135.5	–	(33.5)	–	–	–	3,102.0
Right of use assets	39.0	–	–	–	–	2.2	41.2
Property, plant and equipment	0.1	–	–	–	–	–	0.1
Derivative financial instruments	25.4	–	–	–	–	–	25.4
Trade and other receivables	10.3	–	–	–	–	(0.7)	9.6
Cash and cash equivalents	73.2	–	–	–	–	–	73.2
Total assets	**3,283.5**	**–**	**(33.5)**	**–**	**–**	**1.5**	**3,251.5**
Trade and other payables	(48.1)	–	–	–	–	–	(48.1)
Borrowings	(1,104.3)	21.2	–	–	–	–	(1,083.1)
Prepaid finance costs	22.9	–	–	–	(22.9)	–	–
Other financial liabilities	(254.9)	–	33.5	–	–	–	(221.4)
Lease liabilities	(39.0)	–	–	–	–	(2.2)	(41.2)
Current tax liabilities	(23.5)	–	–	4.3	–	–	(19.2)
Deferred tax liabilities	–	–	–	(9.6)	–	–	(9.6)
Total liabilities	**(1,446.9)**	**21.2**	**33.5**	**(5.3)**	**(22.9)**	**(2.2)**	**(1,422.6)**
Fair value of net assets acquired	**1,836.6**	**21.2**	**–**	**(5.3)**	**(22.9)**	**(0.7)**	**1,828.9**
Fair value of consideration paid							**1,752.0**
Gain on business combination							**76.9**

Notes forming part of the Group financial statements continued

15 Business combinations continued

b) Acquisition of LXi REIT Advisors Limited

On 6 March 2024, alongside the acquisition noted in 15a above, we completed the acquisition of the LXi group's investment advisor for a total consideration of £26.8 million which included £1.5 million of contingent consideration at fair value. The contingent consideration is payable over four years and is based on growth in the LondonMetric share price, capped at £1 million per annum or £4 million in aggregate.

The fair value of net liabilities acquired was £0.7 million and the resulting goodwill generated on acquisition of £27.5 million was fully impaired to the income statement and offset against the gain on business combination noted in 15a above. Additional transaction costs of £1.3 million were recognised separately within the income statement last year.

c) Summary of LXi acquisition disclosures

	LXi Limited (formerly LXi REIT plc) £m	LXi REIT Advisors Ltd £m	Total £m
Fair value of net assets/(liabilities) acquired	1,828.9	(0.7)	1,828.2
Fair value of consideration paid:			
Shares	1,752.0	–	1,752.0
Cash	–	26.8	26.8
Total consideration paid	1,752.0	26.8	1,778.8
Gain/(loss) on business combination	76.9	(27.5)	49.4
Acquisition costs	28.5	1.3	29.8

The cost of the LXi acquisition reflected in the Group cash flow statement last year of £47.3 million reflected the cash acquired of £73.2 million (as reflected in note 15a) less cash consideration paid of £25.9 million. This reflected the total cash consideration noted above of £26.8 million less contingent consideration payable of £1.5 million and included acquisition costs of £0.6 million charged to reserves.

There has been no change in the overall fair value of LXi Limited assets or LXi REIT Advisors Limited liabilities acquired in the year to 31 March 2025 and therefore no change in the resulting gain or loss on the business combinations.

16 Leases

The Group's minimum lease rentals receivable under non cancellable leases, excluding joint ventures, are as follows:

As at 31 March	2025 £m	2024 £m
Less than one year	346.1	332.3
Between one and five years	1,354.3	1,287.7
Between six and ten years	1,562.8	1,529.2
Between 11 and 15 years	1,184.6	1,287.9
Between 16 and 20 years	790.0	877.7
Over 20 years	2,155.2	2,270.3
	7,393.0	7,585.1

In accordance with IFRS 16, the Group has recognised a right of use asset for its head office lease and other head lease obligations. The Group's minimum lease payments are due as follows:

As at 31 March	Undiscounted minimum lease payments £m	Interest £m	Present value of minimum lease payments 2025 £m	Present value of minimum lease payments 2024 £m
Less than one year	2.4	(1.7)	0.7	1.1
Between one and two years	2.4	(1.7)	0.7	0.8
Between two and five years	6.2	(4.9)	1.3	2.3
Over five years	168.3	(129.5)	38.8	43.9
	179.3	(137.8)	41.5	48.1

Notes forming part of the Group financial statements continued

17 Share capital

As at 31 March	2025 Number	2025 £m	2024 Number	2024 £m
Issued, called up and fully paid				
Ordinary shares of 10p each	2,048,108,416	204.8	2,036,519,647	203.7

The movement in the share capital and share premium of the Company during the current and previous year is summarised below.

Share capital issued, called up and fully paid	Ordinary shares Number	Ordinary shares £m	Share premium £m
At 31 March 2023	982,646,261	98.3	395.5
Issued on acquisition	1,048,579,674	104.9	–
Issued under scrip share scheme	5,293,712	0.5	9.2
At 31 March 2024	2,036,519,647	203.7	404.7
Issued under scrip share scheme	11,588,769	1.1	21.2
At 31 March 2025	2,048,108,416	204.8	425.9

The Company issued 11.6 million ordinary shares under the terms of its Scrip Dividend Scheme during the year. Post year end in April, the Company issued a further 7.1 million ordinary shares under the terms of its Scrip Dividend Scheme.

The movement in the shares held by the Employee Benefit Trust in the current and previous year is summarised in the table below.

Shares held by the Employee Benefit Trust	Ordinary shares Number	Ordinary shares £m
At 31 March 2023	2,942,592	0.3
Shares issued under employee share schemes	(1,791,027)	(0.2)
Shares acquired by the Employee Benefit Trust	1,437,642	0.2
At 31 March 2024	2,589,207	0.3
Shares issued under employee share schemes	(1,968,850)	(0.2)
Shares acquired by the Employee Benefit Trust	9,852,125	0.9
At 31 March 2025	10,472,482	1.0

In June 2024, 1,968,850 ordinary shares in the Company that were granted to certain Directors and employees under the Company's Long Term Incentive Plan in 2021 vested. The average share price on vesting was 194.7p.

As at 31 March 2025, the Company's Employee Benefit Trust held 10,472,482 shares in the Company to satisfy awards under the Company's Long Term Incentive Plan.

18 Reserves

The Group statement of changes in equity is shown on page 156. The nature and purpose of each reserve within equity is described below:

Share capital	The nominal value of shares issued.
Share premium	The premium paid for new ordinary shares issued above the nominal value.
Capital redemption reserve	Amounts transferred from share capital on redemption of issued ordinary shares.
Other reserve	A reserve relating to the application of merger relief in the acquisition of LondonMetric Management Limited, Metric Property Investments Plc, A&J Mucklow Group Plc, CT Property Trust Limited and LXi REIT plc by the Company, the cost of shares held in trust to provide for the Company's future obligations under share award schemes and a foreign currency exchange reserve. A breakdown of other reserves is provided for the Group below and for the Company on page 184.
Retained earnings	The cumulative profits and losses after the payment of dividends.

Other reserves

As at 31 March	Merger relief reserve £m	Employee Benefit Trust shares £m	Foreign currency exchange reserve £m	2025 Total other reserves £m	Merger relief reserve £m	Employee Benefit Trust shares £m	Foreign currency exchange reserve £m	2024 Total other reserves £m
Opening balance	2,337.5	(5.6)	0.5	2,332.4	497.4	(7.1)	–	490.3
Share issue on acquisitions	–	–	–	–	1,840.1	–	–	1,840.1
Foreign currency exchange	–	–	(0.4)	(0.4)	–	–	0.5	0.5
Employee share schemes:								
Purchase of shares	–	(18.2)	–	(18.2)	–	(2.5)	–	(2.5)
Vesting of shares	–	3.9	–	3.9	–	4.0	–	4.0
Closing balance	2,337.5	(19.9)	0.1	2,317.7	2,337.5	(5.6)	0.5	2,332.4

Notes forming part of the Group financial statements continued

19 Analysis of movement in net debt

	1 April 2024 £m	Financing cash flows £m	Other cash flows £m	Non cash movements Debt issue costs and foreign exchange £m	Fair value movements £m	Interest charge and unwinding of discount £m	31 March 2025 £m
Bank loans	2,087.4	(16.7)	–	(2.1)	–	4.6	2,073.2
Derivative financial instruments	(32.6)	(2.2)	–	–	11.1	–	(23.7)
Unamortised finance costs	(13.3)	(5.6)	–	4.3	–	–	(14.6)
Other finance costs	–	(5.3)	–	5.3	–	–	–
Interest payable	4.9	(98.7)	–	–	–	98.5	4.7
Other financial liabilities	221.5	(8.5)	–	–	4.5	13.5	231.0
Lease liabilities	48.1	(1.6)	–	–	(6.7)	1.7	41.5
Total liabilities from financing activities	2,316.0	(138.6)	–	7.5	8.9	118.3	2,312.1
Cash and cash equivalents	(111.9)	–	30.7	–	–	–	(81.2)
Net debt	2,204.1	(138.6)	30.7	7.5	8.9	118.3	2,230.9

	1 April 2023 £m	Financing cash flows £m	Other cash flows £m	Non cash movements Acquisition of subsidiaries £m	Debt issue costs and foreign exchange £m	Fair value movements £m	Interest charge and unwinding of discount £m	31 March 2024 £m
Bank loans	1,017.0	(100.0)	–	1,169.7	–	–	0.7	2,087.4
Derivative financial instruments	(11.1)	–	–	(25.4)	–	3.9	–	(32.6)
Unamortised finance costs	(7.2)	(7.7)	–	(0.4)	2.0	–	–	(13.3)
Other finance costs	–	(2.9)	–	–	2.9	–	–	–
Interest payable	1.5	(43.6)	–	5.2	0.3	–	41.5	4.9
Other financial liabilities	–	(0.6)	–	221.4	–	–	0.7	221.5
Lease liabilities	7.1	(0.5)	–	41.2	–	–	0.3	48.1
Total liabilities from financing activities	1,007.3	(155.3)	–	1,411.7	5.2	3.9	43.2	2,316.0
Cash and cash equivalents	(32.6)	–	(79.3)	–	–	–	–	(111.9)
Net debt	974.7	(155.3)	(79.3)	1,411.7	5.2	3.9	43.2	2,204.1

Notes forming part of the Group financial statements continued

20 Related party transactions

a) Joint arrangements
Management fees and distributions receivable from the Group's joint arrangements during the year were as follows:

		Management fees		Distributions	
For the year to 31 March	Group interest	2025 £m	2024 £m	2025 £m	2024 £m
Metric Income Plus Partnership	50%	1.1	1.1	3.4	2.7

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

b) Non-controlling interest
The Group's non-controlling interest ('NCI') represents a 31% shareholding in LMP Retail Warehouse JV Holdings Limited, which owns a portfolio of retail assets.

The Group's interest in LMP Retail Warehouse JV Holdings Limited is 69%, requiring it to consolidate the results and net assets of its subsidiary in these financial statements and reflect the non-controlling share as a deduction in the consolidated income statement and consolidated balance sheet. At the year end, LMP Retail Warehouse JV Holdings Limited owed £28.8 million to the Company, which has been eliminated on consolidation.

As at the year end, the NCI's share of profits and net assets was £2.7 million (2024: £1.2 million) and £29.7 million (2024: £28 million) respectively. Distributions to the NCI in the year totalled £1.0 million (2024: £1.1 million).

21 Post balance sheet events

Post period end we have exchanged or completed asset acquisitions and sales for £14.7 million and £65.0 million respectively, of which £2.0 million sales had exchanged in the year.

On 27 March 2025, we announced that we had reached agreement with Highcroft Investments Plc on the terms of an all share offer to acquire the entire issued share capital for approximately £43.8 million, by way of a court sanctioned scheme of arrangement. The acquisition was approved by c.97% of shareholders who voted on 15 May 2025.

On 9 May 2025, we were pleased to announce that we had reached agreement with the board of Urban Logistics REIT on the terms of a recommended cash and share offer pursuant to which we will acquire the entire issued share capital of the company for approximately £698.9 million. Urban Logistics REIT has a highly complementary logistics platform, and we believe the combined Group will benefit from further increased scale, granularity of income and synergies to drive superior earnings growth which underpins our progressive dividend policy.

Post period end, we completed two debt facilities for £350 million.

Company balance sheet
As at 31 March

Non current assets	Note	2025 £m	2024 £m
Investment in subsidiaries and joint ventures	iii	3,604.9	3,717.5
Investment properties	iv	1.9	2.9
Amounts due from subsidiary undertakings	v	28.8	28.8
Other investments and tangible assets		21.4	1.4
Derivative financial instruments		23.7	32.6
		3,680.7	3,783.2
Current assets			
Other receivables	v	1,250.7	1,117.2
Cash at bank		37.5	36.4
		1,288.2	1,153.6
Total assets		4,968.9	4,936.8
Current liabilities			
Trade and other payables	vi	142.3	39.7
Borrowings	vii	–	36.1
Non current liabilities			
Borrowings	vii	1,262.2	1,240.7
Lease liabilities	viii	2.0	3.1
		1,264.2	1,243.8
Total liabilities		1,406.5	1,319.6
Net assets		3,562.4	3,617.2
Equity			
Called up share capital		204.8	203.7
Share premium		425.9	404.7
Capital redemption reserve		9.6	9.6
Other reserve	x	1,822.1	1,834.3
Retained earnings		1,100.0	1,164.9
Equity shareholders' funds		3,562.4	3,617.2

As permitted by Section 408 Companies Act 2006, the income statement of the Company is not presented as part of these financial statements. The reported profit of the Company was £137.9 million (2024: loss of £4.5 million).

The financial statements were approved and authorised for issue by the Board of Directors on 20 May 2025 and were signed on its behalf by:

Martin McGann

Martin McGann
Chief Financial Officer
Registered in England and Wales, No 7124797

Company statement of changes in equity
For the year ended 31 March

	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserves £m	Retained earnings £m	Total £m
At 1 April 2024	**203.7**	**404.7**	**9.6**	**1,834.3**	**1,164.9**	**3,617.2**
Profit for the year	–	–	–	–	137.9	137.9
Other comprehensive income for the year	–	–	–	2.1	–	2.1
Total comprehensive income for the year	–	–	–	2.1	137.9	140.0
Purchase of shares held in Employee Benefit Trust	–	–	–	(18.2)	–	(18.2)
Vesting of shares held in Employee Benefit Trust	–	–	–	3.9	(4.4)	(0.5)
Share based awards	–	–	–	–	5.3	5.3
Dividends	1.1	21.2	–	–	(203.7)	(181.4)
At 31 March 2025	**204.8**	**425.9**	**9.6**	**1,822.1**	**1,100.0**	**3,562.4**

	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserves £m	Retained earnings £m	Total £m
At 1 April 2023	98.3	395.5	9.6	(7.1)	1,270.6	1,766.9
Loss for the year	–	–	–	–	(4.5)	(4.5)
Other comprehensive expense for the year	–	–	–	(0.2)	–	(0.2)
Total comprehensive expense for the year	–	–	–	(0.2)	(4.5)	(4.7)
Share issue on acquisition	104.9	–	–	1,840.1	–	1,945.0
Purchase of shares held in Employee Benefit Trust	–	–	–	(2.5)	–	(2.5)
Vesting of shares held in Employee Benefit Trust	–	–	–	4.0	(4.5)	(0.5)
Share based awards	–	–	–	–	3.5	3.5
Dividends	0.5	9.2	–	–	(100.2)	(90.5)
At 31 March 2024	203.7	404.7	9.6	1,834.3	1,164.9	3,617.2

The notes on pages 180 to 184 form part of these financial statements.

Notes forming part of the Company financial statements

For the year ended 31 March 2025

i Accounting policies

Accounting convention
The separate financial statements of the Company are presented as required by the Companies Act 2006. They have been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, fair value measurement, impairment, standards in issue and not yet effective and certain related party transactions. The key source of estimation uncertainty relevant to the Company relates to the impairment of investment in subsidiaries. The determination of the recoverable amount of the subsidiaries is underpinned by the valuation of the underlying properties owned by each subsidiary. In determining this recoverable amount, the use of estimates and assumptions is required which are consistent with the key sources of estimation uncertainty disclosed in note 1 and 9 for the Group. The accounting policies relevant to the Company are the same as those set out in the accounting policies for the Group, except as noted below.

Subsidiary undertakings and joint ventures
Investments in subsidiary undertakings and joint ventures are stated at cost less any provision for impairment.

Amounts due from subsidiary undertakings
Amounts owed by subsidiaries are unsecured, have no fixed date of repayment and are repayable on demand. Amounts due from subsidiary undertakings included within current assets are expected to be repaid within one year and are measured for impairment in accordance with IFRS 9. Amounts due from subsidiary undertakings included within non current assets are repayable within two to three years and are also measured for impairment in accordance with IFRS 9.

ii Profit attributable to members of the parent undertaking

All employees within the Group are employed by the Company. Details of employee numbers and staff costs can be found in note 4 to the Group accounts. Audit fees in relation to the Company only were £277,000 (2024: £270,000).

iii Fixed asset investments

	Subsidiary cost £m	Subsidiary impairment £m	Joint venture cost £m	Joint venture impairment £m	Total undertakings £m
At 1 April 2024	4,331.6	(614.2)	16.7	(16.6)	3,717.5
Impairment of investment	–	(112.5)	–	(0.1)	(112.6)
At 31 March 2025	**4,331.6**	**(726.7)**	**16.7**	**(16.7)**	**3,604.9**

The carrying value of the Company's investments was impaired by £112.6 million following an impairment review to assess the recoverable amount based on the net assets of the subsidiary companies and joint venture investments. The resulting impairment loss was due to property sales and dividend payments.

The recoverable amount of investments in subsidiary undertakings and joint ventures has been determined based on their fair value less cost of disposal. The Directors believe that this approximates to their net assets due to the investment property that they hold being valued using the valuation techniques and the key assumptions disclosed in note 9 Investment property to the Group financial statements.

The Company is incorporated in England and is the ultimate holding company of the Group with the subsidiary undertakings and joint venture investments detailed in the tables on pages 181 to 183.

Except where disclosed, the Group owns the entire share capital of each undertaking comprising of ordinary shares. All subsidiaries are consolidated in the Group's consolidated financial statements.

Notes forming part of the Company financial statements continued

iii Fixed asset investments continued

Audit exemption taken for subsidiaries

Certain UK subsidiaries are exempt from the requirement of the Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A of that Act.

Subsidiaries for which Section 479A Companies Act 2006 exemption taken	Country of incorporation or registration	Companies House registered number	Nature of business
A & J Mucklow & Co Limited[1]	England	00384508	Property trading
A & J Mucklow (Halesowen) Limited[1]	England	04848576	Property investment
A & J Mucklow (Nominees) Limited[1,3]	England	01232337	Administrative company
A & J Mucklow (Properties) Limited[1]	England	00758764	Property investment
A & J Mucklow Group Limited	England	00717658	Intermediate holding company
Alco 1 Limited[1,3]	England	10975411	Property investment
Axcess 10 Management Company Limited[1]	England	03195337	Property management
Charcoal Midco 2 Limited[1]	England	05934849	Intermediate holding company
FPI Co 223 Limited[1,3]	England	11098263	Property investment
LondonMetric Bognor Regis Limited	England	09409081	Property investment
LondonMetric Crawley Limited	England	10120420	Property investment
LondonMetric Derby Limited	England	08568072	Property investment
LondonMetric Development Limited	England	13481500	Property investment
LondonMetric Distribution Limited	England	09269541	Property investment
LondonMetric Droitwich Limited	England	11245371	Property investment
LondonMetric DT Limited	England	14124064	Property investment
LondonMetric Hospitality Limited (formerly LondonMetric OKR Limited)	England	14250176	Property investment
LondonMetric Leisure Limited	England	11357686	Property investment
LondonMetric Logistics Limited	England	10882805	Property investment
LondonMetric Milton Keynes Limited	England	13033223	Property investment
LondonMetric Retail Distribution I Limited	England	08524540	Property investment
LondonMetric Retail Distribution II Limited	England	08644584	Property investment
LondonMetric Retail Limited	England	09062484	Property investment
LondonMetric Saturn Limited	England	08336260	Property investment
LondonMetric Swindon Limited	England	08989820	Property investment
LondonMetric Unitholder 2 Limited	England	13743626	Intermediate holding company
LondonMetric Urban Limited	England	13249056	Property investment
LSI (Investments) Limited	England	03539331	Property investment
LXi Cornbow Limited[1]	England	04229308	Property investment
LXi Cowdenbeath Limited[1]	England	11549590	Property investment
LXi Finco Limited[1]	England	14078874	Intermediate holding company
LXi Finco 2 Limited[1]	England	14645267	Intermediate holding company
LXi Limited	England	10535081	Property investment
LXi Holdco 1 Limited[1]	England	14645196	Intermediate holding company
LXi Holdco 2 Limited[1]	England	14645226	Intermediate holding company
LXi Pacific Limited[1,3]	England	13483928	Property investment
LXi Property Holdings 2 Limited[1]	England	10702790	Property investment
LXi Property Holdings 4 Limited[1]	England	11722559	Property investment
LXi Property Holdings 4A Limited[1]	England	12107631	Property investment
LXi Property Holdings 5 Limited[1]	England	13919357	Property investment
LXi Property Holdings 5A Limited[1]	England	13940934	Property investment
LXi Property Holdings 6 Limited[1]	England	14279870	Property investment
LXi REIT Advisors Limited	England	10537567	Management company
LXi SIR Holdco Limited[1]	England	06064259	Intermediate holding company
MCL Omega PropCo Limited	England	12133819	Property investment
Metric LP Income Plus Limited[1]	England	07780077	Intermediate holding company
Metric Property Coventry Limited	England	07347027	Property investment
Metric Property Investments Limited	England	07172804	Intermediate holding company
SIR ATH Limited[1]	England	06127445	Property investment
SIR ATP Limited[1]	England	06127443	Property investment
SIR Duchy Limited[1]	England	06181995	Property investment
SIR Fitzwilliam Limited[1]	England	06182061	Property investment
SIR Fulwood Limited[1]	England	06181972	Property investment
SIR Healthcare 1 Limited[1]	England	09736611	Intermediate holding company
SIR Hospital Holdings Limited[1]	England	05863307	Intermediate holding company
SIR Hospitals Propco Limited[1]	England	04707153	Intermediate holding company
SIR Hotels 1 Limited[1,3]	England	10236666	Intermediate holding company
SIR Hotels 2 Limited[1,3]	England	11206064	Intermediate holding company

Notes forming part of the Company financial statements continued

iii Fixed asset investments continued

Subsidiaries for which Section 479A Companies Act 2006 exemption taken	Country of incorporation or registration	Companies House registered number	Nature of business
SIR HP Limited[1]	England	06273038	Property investment
SIR Lisson Limited[1]	England	05956505	Property investment
SIR Maple 2 Limited[1]	England	11206104	Property investment
SIR Maple 3 Limited[1]	England	11206142	Property investment
SIR Maple 4 Limited[1]	England	11206129	Property investment
SIR Maple Holdco Limited[1]	England	11211060	Intermediate holding company
SIR Midlands Limited[1]	England	06182040	Property investment
SIR Oaklands Limited[1]	England	06181969	Property investment
SIR Oaks Limited[1]	England	06181967	Property investment
SIR Pinehill Limited[1]	England	06181975	Property investment
SIR Rivers Limited[1]	England	06182038	Property investment
SIR Springfield Limited[1]	England	06182035	Property investment
SIR Theme Park Subholdco Limited[1]	England	05947888	Intermediate holding company
SIR Theme Parks Limited[1]	England	06129606	Intermediate holding company
SIR TP Limited[1]	England	06127481	Property investment
SIR Umbrella Limited[1]	England	09736612	Intermediate holding company
SIR WC Limited[1]	England	06127452	Property investment
SIR Woodland Limited[1]	England	06182008	Property investment
SIR Yorkshire Limited[1]	England	06181984	Property investment
SM Plymouth Hotel Limited[1]	England	05521374	Property investment

Subsidiaries for which Section 479A Companies Act 2006 exemption not taken	Country of incorporation or registration	Nature of business
A & J Mucklow (Investments) Limited[1]	England	Property investment
LXi Finco 1 Limited[1]	England	Intermediate holding company
LXi Property Holdings 1 Limited[1]	England	Property investment
LXi Property Holdings 3 Limited[1]	England	Property investment
Penbrick Limited[1]	England	Property investment
SIR Healthcare 2 Limited[1]	England	Intermediate holding company
Metric GP Income Plus Limited[1,5]	England	Intermediate holding company
Metric Income Plus Limited Partnership[1,5]	England	Property investment
Metric Income Plus Nominees Limited[1,5]	England	Administrative company
LMP Steel LP[1,2]	England	Property investment
LMP Steel GP LLP[2]	England	Limited partner
A & J Mucklow (Birmingham) Limited[1,2]	England	Dormant
A & J Mucklow (Callowbrook Estate) Limited[1,2]	England	Dormant
A & J Mucklow (Estates) Limited[1,2]	England	Dormant
A & J Mucklow (Ettingshall Estate) Limited[1,2]	England	Dormant
A & J Mucklow (Lancashire) Limited[1,2]	England	Dormant
A & J Mucklow (Wollescote Estate) Limited[1,2]	England	Dormant
A and J Mucklow (Lands) Limited[1,2]	England	Dormant
Barr's Industrial Limited[1,2]	England	Dormant
Belfont Homes (Birmingham) Limited[1,2]	England	Dormant
Goresbrook Property Limited[2]	England	Dormant
LSI Developments Limited[2]	England	Dormant
Metric Property Finance 1 Limited[2]	England	Dormant
Metric Property Finance 2 Limited[2]	England	Dormant
Thomas Rivers Limited[1,2]	England	Dormant
IPT Property Holdings Limited[1,2]	Guernsey	Property investment
IRP Holdings Limited[1,2]	Guernsey	Property investment
L&S Highbury Limited[2]	Guernsey	Property investment
LMP Bell Farm Limited[2]	Guernsey	Property investment

Notes forming part of the Company financial statements continued

iii Fixed asset investments continued

Subsidiaries for which Section 479A Companies Act 2006 exemption not taken	Country of Incorporation or registration	Nature of business
LMP Bude Limited[2]	Guernsey	Intermediate holding company
LMP Dagenham Limited[2]	Guernsey	Property investment
LMP Green Park Cinemas Limited[2]	Guernsey	Property investment
LMP Omega II Limited[2]	Guernsey	Property investment
LMP Retail Warehouse JV Holdings Limited[2,4]	Guernsey	Property investment
LMP Thrapston Limited[2]	Guernsey	Property investment
LondonMetric Management Limited[2]	Guernsey	Management company
LXi Spirit Limited[1,2]	Isle of Man	Property investment
Grove Property Unit Trust 6[1,2]	Jersey	Property investment
Grove Property Unit Trust 7[1,2]	Jersey	Property investment
Grove Property Unit Trust 12[1,2]	Jersey	Property investment
Grove Property Unit Trust 13[1,2]	Jersey	Property investment
Grove Property Unit Trust 14[1,2]	Jersey	Property investment
Grove Property Unit Trust 15[1,2]	Jersey	Property investment
Grove Property Unit Trust 16[1,2]	Jersey	Property investment
LMP Burton & Evesham Limited[2]	Jersey	Property investment
LMP Steel Property Unit Trust[2]	Jersey	Intermediate holding entity
MIF 1 Unit Trust[1,2]	Jersey	Property investment
SIR Hotels Jersey 2 Limited[1,2]	Jersey	Property investment
SIR Maple 1 Limited[1,2]	Jersey	Intermediate holding company
SIR Unitholder 1 Limited[1,2]	Jersey	Intermediate holding company
SIR Unitholder 2 Limited[1,2]	Jersey	Intermediate holding company
SIR Unitholder 3 Limited[1,2]	Jersey	Intermediate holding company
SIR Unitholder 4 Limited[1,2]	Jersey	Intermediate holding company
SIR Unitholder 5 Limited[1,2]	Jersey	Intermediate holding company
Welling Property Limited[1,2]	Jersey	Property investment

1 Undertakings held indirectly by the Company
2 Exempt from the requirement to file audited accounts
3 In the process of being liquidated
4 The Company owns 100% of the voting rights and 100% of the A ordinary shares representing 69.14% of the beneficial interest in the share capital
5 The Company owns a 50% beneficial interest

The registered address for companies incorporated in England is One Curzon Street, London, W1J 5HB.

The registered address for companies incorporated in Guernsey is Regency Court, Glategny Esplanade, St Peter Port, Guernsey, GY1 3AP.

The registered address for the Isle of Man incorporated company is First Names House, Victoria Road, Douglas, IM2 4DF.

The registered address for LMP Burton & Evesham Limited is 4th Floor, St Paul's Gate, 22-24 New Street, St Helier, Jersey, JE1 4TR. For LMP Steel Property Unit Trust it is 3rd Floor, Gaspé House, 66-72 The Esplanade, St Helier, Jersey, JE1 2LH and for all other Jersey entities it is 26 New Street, St Helier, Jersey, JE2 3RA.

All the Guernsey and Jersey companies listed above are tax resident in the UK. The Jersey trusts are tax resident in Jersey. The tax residence of LXi Spirit Limited is the Isle of Man.

iv Investment property

At 31 March 2025, investment properties included £1.9 million (2024: £2.9 million) for the head lease right of use asset in accordance with IFRS 16.

v Other receivables

As at 31 March	2025 £m	2024 £m
Prepayments and accrued income	0.6	0.5
Amounts due from subsidiary undertakings	1,278.9	1,145.5
	1,279.5	1,146.0

vi Trade and other payables

As at 31 March	2025 £m	2024 £m
Trade payables	0.4	1.6
Other accruals and deferred income	11.2	18.2
Other payables	6.6	2.6
Amounts due to subsidiary undertakings	124.1	17.3
	142.3	39.7

Notes forming part of the Company financial statements continued

vii Borrowings and financial instruments

Borrowings

As at 31 March	2025 £m	2024 £m
Unsecured bank loans	1,273.9	1,289.2
Unamortised finance costs	(11.7)	(12.4)
	1,262.2	1,276.8

The following table shows the contractual maturity profile of the Company's financial liabilities assuming settlement on the earliest repayment date.

As at 31 March	Bank loans £m	Finance costs £m	Interest receivable £m	2025 £m	2024 £m
Less than one year	–	(3.8)	(0.9)	(4.7)	35.3
One to two years	340.0	(2.9)	–	337.1	136.2
Two to five years	638.9	(4.5)	–	634.4	760.2
More than five years	295.0	(0.5)	–	294.5	344.3
	1,273.9	(11.7)	(0.9)	1,261.3	1,276.0

Derivative financial instruments

The Company is exposed to market risk through interest rate fluctuations. It is the Company's policy that a reasonable portion of external bank borrowings are at a fixed interest rate in order to manage this risk.

The Company uses interest rate derivatives and fixed rates to manage its interest rate exposure and hedge future interest rate risk for the term of the bank loan. Although the Board accepts that this policy neither protects the Company entirely from the risk of paying rates in excess of current market rates nor eliminates fully the cash flow risk associated with interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

At 31 March 2025, all of the Company's debt drawn was hedged, through fixed coupon debt arrangements and interest rate swaps and caps.

In accordance with accounting standards, fair value is estimated by calculating the present value of future cash flows, using appropriate market discount rates. For all derivative financial instruments this equates to a Level 2 fair value measurement as defined by IFRS 13 Fair Value Measurement. The valuation therefore does not reflect the cost or gain to the Company of cancelling its interest rate protection at the balance sheet date, which is generally a marginally higher cost (or smaller gain) than a market valuation.

Further information on financial risk management policies and practices can be found in note 14 to the Group financial statements.

viii Leases

In accordance with IFRS 16, the Group has recognised a right of use asset for its head office lease obligations. The Group's minimum lease payments are due as follows:

As at 31 March	Undiscounted minimum lease payments £m	Interest £m	Present value of minimum lease payments 2025 £m	Present value of minimum lease payments 2024 £m
Less than one year	0.6	(0.1)	0.5	0.7
Between one and five years	1.6	(0.1)	1.5	2.4
	2.2	(0.2)	2.0	3.1

ix Related party transactions

Related party transactions for the Company are as noted for the Group in note 20 to the Group financial statements.

x Reserves

The Company statement of changes in equity is shown on page 179. The nature and purpose of each reserve within equity is described in note 18 to the Group financial statements.

	Merger relief reserve £m	Employee Benefit Trust shares £m	Foreign currency exchange reserve £m	2025 Total other reserves £m	Merger relief reserve £m	Employee Benefit Trust shares £m	Foreign currency exchange reserve £m	2024 Total other reserves £m
Opening balance	1,840.1	(5.6)	(0.2)	1,834.3	–	(7.1)	–	(7.1)
Share issue on acquisition	–	–	–	–	1,840.1	–	–	1,840.1
Foreign currency exchange	–	–	2.1	2.1	–	–	(0.2)	(0.2)
Employee share schemes:								
Purchase of shares	–	(18.2)	–	(18.2)	–	(2.5)	–	(2.5)
Vesting of shares	–	3.9	–	3.9	–	4.0	–	4.0
Closing balance	1,840.1	(19.9)	1.9	1,822.1	1,840.1	(5.6)	(0.2)	1,834.3

xi Share capital and share premium

The movement in the share capital and share premium of the Company during the year is reflected in note 17 to the Group accounts on page 176.

Supplementary information
(not audited)

i EPRA summary table

	2025	2024
EPRA earnings per share	13.1p	10.9p
EPRA net tangible assets per share	199.2p	191.7p
EPRA net disposal value per share	204.6p	197.5p
EPRA net reinstatement value per share	220.1p	211.8p
EPRA vacancy rate	1.9%	0.6%
EPRA cost ratio (including vacant property costs)	7.8%	11.6%
EPRA cost ratio (excluding vacant property costs)	7.5%	11.1%
EPRA loan to value	34.7%	35.4%
EPRA net initial yield	5.0%	5.2%
EPRA 'topped up' net initial yield	5.1%	5.3%

The definition of these measures can be found in the Glossary from page 192.

ii EPRA proportionally consolidated income statement

For the year to 31 March	100% owned £m	JV £m	NCI £m	Total 2025 £m	100% owned £m	JV £m	NCI £m	Total 2024 £m
Gross rental income	395.5	3.9	(2.4)	397.0	177.0	4.3	(2.4)	178.9
Property costs	(4.9)	(0.2)	0.1	(5.0)	(1.7)	(0.1)	–	(1.8)
Net rental income	390.6	3.7	(2.3)	392.0	175.3	4.2	(2.4)	177.1
Management fees and other income	1.2	(0.6)	0.1	0.7	1.1	(0.6)	0.1	0.6
Administrative costs	(27.1)	–	–	(27.1)	(19.7)	–	–	(19.7)
Net finance (costs)/income[1]	(97.1)	0.1	0.5	(96.5)	(37.4)	–	0.6	(36.8)
Tax	(1.5)	–	0.4	(1.1)	–	–	0.4	0.4
EPRA earnings	266.1	3.2	(1.3)	268.0	119.3	3.6	(1.3)	121.6

1 Group net finance costs reflect net borrowing costs of £124.5 million (2024: £45.9 million) (note 5b) and finance income of £23.7 million (2024: £8.5 million) (note 5a) less the impact of inflation volatility relating to the income strip of £3.7 million in the current year

Supplementary information continued
(not audited)

ii EPRA proportionally consolidated income statement continued
The reconciliation of EPRA earnings to IFRS profit is set out below.

For the year to 31 March	100% owned £m	JV £m	NCI £m	Total 2025 £m	100% owned £m	JV £m	NCI £m	Total 2024 £m
EPRA earnings	266.1	3.2	(1.3)	268.0	119.3	3.6	(1.3)	121.6
Revaluation of property	106.0	2.9	(1.4)	107.5	(7.5)	(3.7)	0.1	(11.1)
Revaluation of investments	0.9	–	–	0.9	–	–	–	–
Fair value of derivatives	(11.1)	–	–	(11.1)	(3.9)	–	–	(3.9)
Loss on disposal	(13.0)	–	–	(13.0)	(7.4)	–	–	(7.4)
Impact of inflation volatility relating to the income strip	(3.7)	–	–	(3.7)	–	–	–	–
Gain on acquisition	–	–	–	–	49.4	–	–	49.4
Acquisition costs	–	–	–	–	(29.8)	–	–	(29.8)
Deferred tax	(0.7)	–	–	(0.7)	(0.1)	–	–	(0.1)
IFRS reported profit/(loss)	344.5	6.1	(2.7)	347.9	120.0	(0.1)	(1.2)	118.7

iii EPRA proportionally consolidated balance sheet

As at 31 March	100% owned £m	JV £m	NCI £m	Total 2025 £m	100% owned £m	JV £m	NCI £m	Total 2024 £m
Investment property	6,383.9	69.9	(38.1)	6,415.7	6,232.2	67.1	(36.4)	6,262.9
Assets held for sale	10.4	–	–	10.4	8.5	–	–	8.5
Trading property	1.1	–	–	1.1	1.1	–	–	1.1
	6,395.4	69.9	(38.1)	6,427.2	6,241.8	67.1	(36.4)	6,272.5
Gross debt	(2,073.2)	–	–	(2,073.2)	(2,087.4)	–	–	(2,087.4)
Cash	81.2	2.8	(0.8)	83.2	111.9	3.0	(0.8)	114.1
Other net liabilities	(374.6)	(0.8)	9.2	(366.2)	(398.6)	(0.9)	9.2	(390.3)
EPRA net tangible assets	4,028.8	71.9	(29.7)	4,071.0	3,867.7	69.2	(28.0)	3,908.9
Derivatives	23.7	–	–	23.7	32.6	–	–	32.6
Deferred tax movement	(0.5)	–	–	(0.5)	–	–	–	–
IFRS equity shareholders' funds	4,052.0	71.9	(29.7)	4,094.2	3,900.3	69.2	(28.0)	3,941.5
IFRS net assets	4,052.0	71.9	–	4,123.9	3,900.3	69.2	–	3,969.5
Loan to value	32.7%	–	–	32.7%	33.2%	–	–	33.2%
Cost of debt	4.0%	–	–	4.0%	3.9%	–	–	3.9%
Undrawn facilities	831.1	–	–	831.1	680.8	–	–	680.8

Supplementary information continued
(not audited)

iv EPRA cost ratio

For the year to 31 March	2025 £m	2024 £m
Property operating expenses	4.9	1.7
Administrative costs	27.1	19.7
Share of joint venture and NCI property costs, administrative costs and management fees	0.6	0.6
Less:		
Property management fees and other income	(1.2)	(1.1)
Ground rents	(1.3)	(0.1)
Total costs including vacant property costs (A)	30.1	20.8
Group vacant property costs	(1.1)	(1.0)
Total costs excluding vacant property costs (B)	29.0	19.8
Gross rental income	395.5	177.0
Share of joint venture gross rental income	3.9	4.3
Share of NCI gross rental income	(2.4)	(2.4)
	397.0	178.9
Less:		
Ground rents	(11.7)	(0.1)
Total gross rental income (C)	385.3	178.8
Total EPRA cost ratio (including vacant property costs) (A)/(C)	7.8%	11.6%
Total EPRA cost ratio (excluding vacant property costs) (B)/(C)	7.5%	11.1%

v EPRA net initial yield and 'topped up' net initial yield

As at 31 March	2025 £m	2024 £m
Investment property – wholly owned[1]	6,122.4	5,971.6
Investment property – share of joint ventures	69.9	67.1
Trading property	1.1	1.1
Less development properties	(16.5)	(39.3)
Less non-controlling interest	(38.1)	(36.4)
Completed property portfolio	6,138.8	5,964.1
Allowance for:		
Estimated purchasers' costs	417.4	405.6
Estimated costs to complete	25.3	13.7
EPRA property portfolio valuation (A)	6,581.5	6,383.4
Annualised passing rental income	326.8	329.2
Share of joint ventures	4.0	4.3
Less development properties	–	(3.4)
Annualised net rents (B)	330.8	330.1
Contractual rental increase across the portfolio	4.1	9.0
'Topped up' net annualised rent (C)	334.9	339.1
EPRA net initial yield (B/A)	5.0%	5.2%
EPRA 'topped up' net initial yield (C/A)	5.1%	5.3%

1 Wholly owned investment property includes assets held for sale of £10.4 million (2024: £8.5 million)

vi EPRA vacancy rate

As at 31 March	2025 £m	2024 £m
Annualised estimated rental value of vacant premises	7.1	2.2
Portfolio estimated rental value[1]	368.9	362.7
EPRA vacancy rate	1.9%	0.6%

1 Excludes development properties

Supplementary information continued
(not audited)

vii EPRA capital expenditure analysis

As at 31 March	100% owned[5] £m	JV £m	NCI £m	Total 2025 £m	100% owned[5] £m	JV £m	NCI £m	Total 2024 £m
Opening valuation	6,241.8	67.1	(36.4)	6,272.5	2,965.8	70.8	(35.7)	3,000.9
Acquisitions[1]	284.7	–	–	284.7	3,157.9	–	–	3,157.9
Developments[2,4]	20.5	–	–	20.5	41.7	–	–	41.7
Investment properties								
– incremental lettable space[3]	13.6	–	–	13.6	1.9	–	(0.2)	1.7
– no incremental lettable space[3]	10.0	0.2	(0.2)	10.0	4.0	–	(0.3)	3.7
– tenant incentives	44.2	(0.3)	(0.1)	43.8	16.6	–	(0.3)	16.3
Capitalised interest[4]	3.4	–	–	3.4	2.2	–	–	2.2
Total EPRA capex	376.4	(0.1)	(0.3)	376.0	3,224.3	–	(0.8)	3,223.5
Disposals[6]	(323.7)	–	–	(323.7)	(203.6)	–	–	(203.6)
Revaluation	101.0	2.9	(1.4)	102.5	(7.5)	(3.7)	0.1	(11.1)
Foreign currency	(2.9)	–	–	(2.9)	0.8	–	–	0.8
Income strip gross up	9.5	–	–	9.5	221.5	–	–	221.5
ROU asset	(6.7)	–	–	(6.7)	40.5	–	–	40.5
Closing valuation	6,395.4	69.9	(38.1)	6,427.2	6,241.8	67.1	(36.4)	6,272.5

1 Group acquisitions in the year include completed investment properties as reflected in note 9 to the financial statements
2 Group developments include acquisitions, capital expenditure and lease incentive movements on properties under development as reflected in note 9 after excluding capitalised interest noted in footnote 4 below
3 Group capital expenditure on completed properties, as reflected in note 9 to the financial statements after excluding capitalised interest noted in footnote 4 below
4 Capitalised interest on investment properties of £1.1 million (2024: £nil million) and development properties of £2.3 million (2024: £2.2 million)
5 Including trading property of £1.1 million (2024: £1.1 million) and assets held for sale of £10.4 million (2024: £8.5 million)
6 Group disposals include assets held for sale

Supplementary information continued
(not audited)

viii Total accounting return

For the year to 31 March	2025 pence per share	2024 pence per share
EPRA net tangible assets per share		
– at end of year	199.2	191.7
– at start of year	191.7	198.9
Increase/(decrease) in the year	7.5	(7.2)
Dividend paid	11.1	9.7
Total increase	18.6	2.5
Total accounting return	9.7%	1.3%

ix Portfolio split and valuation

As at 31 March	100% owned £m	JV £m	NCI £m	2025 £m	2025 %	2024 £m	2024 %
Mega distribution	315.1	–	–	315.1	5.1	310.2	5.2
Regional distribution	726.8	–	–	726.8	11.8	689.7	11.5
Urban logistics	1,796.0	–	–	1,796.0	29.2	1,563.2	26.0
Logistics	2,837.9	–	–	2,837.9	46.1	2,563.1	42.7
Convenience	930.8	69.9	(23.0)	977.7	15.9	1,012.1	16.8
Entertainment & leisure	1,297.8	–	–	1,297.8	21.1	1,271.3	21.2
Healthcare	931.1	–	–	931.1	15.1	960.2	16.0
Long income	3,159.7	69.9	(23.0)	3,206.6	52.1	3,243.6	54.0
Other	125.9	–	(15.1)	110.8	1.8	196.7	3.3
Total portfolio	6,123.5	69.9	(38.1)	6,155.3	100	6,003.4	100.0
Income strip gross up[1]	231.0	–	–	231.0		221.5	
Head lease assets	40.9	–	–	40.9		47.6	
	6,395.4	69.9	(38.1)	6,427.2		6,272.5	

1 Represents the gross up of assets associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022, as reflected in note 14a(ii)

x Investment portfolio yields

As at 31 March	2025 EPRA NIY %	2025 EPRA topped up NIY %	2025 Equivalent yield %	2024 EPRA NIY %	2024 EPRA topped up NIY %	2024 Equivalent yield %
Logistics	4.6	4.6	5.8	4.5	4.7	5.7
Long income	5.5	5.5	6.7	5.7	5.8	6.6
Other	4.9	4.9	6.9	5.8	6.0	7.3
Investment portfolio	5.0	5.1	6.3	5.2	5.3	6.3

xi Investment portfolio – Key statistics

As at 31 March 2025	Area '000 sq ft	WAULT to expiry years	WAULT to first break years	Occupancy %	Average rent £ per sq ft
Logistics	17,731	11.7	10.9	97.1	8.3
Long income	7,036	23.4	22.0	99.1	22.1
Other	538	18.2	17.9	96.9	11.3
Investment portfolio	25,305	18.5	17.4	98.1	12.3

Due to having minimal internal areas, car parks and theme parks have been excluded.

xii Total property returns

For the year to 31 March	All property 2025 %	All property 2024 %
Capital return	2.5	(0.3)
Income return	5.7	5.0
Total return	8.3	4.7

Supplementary information continued
(not audited)

xiii Net contracted rental income[1]

As at 31 March	2025 £m	2024 £m
Logistics	142.7	126.4
Long income	189.5	198.4
Other	6.0	11.5
Investment portfolio	338.2	336.3
Development	2.2	3.4
Total portfolio	340.4	339.7

1 Contracted rent net of income strip and head lease payments

xiv Rent subject to expiry

As at 31 March 2025	Within 3 years %	Within 5 years %	Within 10 years %	Within 15 years %	Within 20 years %	Within 25 years %
Logistics	8.0	15.9	44.5	69.8	91.2	96.3
Long income	2.8	5.7	12.5	43.2	57.8	66.7
Other	4.8	4.8	21.1	44.4	44.4	92.1
Investment portfolio	5.0	9.3	25.8	54.2	71.3	79.3

xv Contracted rent subject to inflationary or fixed uplifts

As at 31 March	2025 £m	2025 %	2024 £m	2024 %
Logistics	85.4	59.6	81.2	64.0
Long income	179.4	90.1	188.0	90.4
Other	4.2	70.0	5.5	47.8
Investment portfolio	269.0	77.2	274.7	79.3

xvi Top ten assets (by value)

As at 31 March 2025	Area '000 sq ft	Net contracted rent £m	Occupancy %	WAULT to expiry years	WAULT to first break years
Ramsay Rivers Hospital	193	9.9	100	12.1	12.1
Alton Towers Park	n/a	9.5	100	52.3	52.3
Thorpe Park	n/a	7.1	100	52.3	52.3
Bedford Link, Bedford	715	5.8	100	16.4	14.7
Primark, Islip	1,062	6.1	100	15.5	15.5
Great Bear, Dagenham	454	4.8	100	18.5	18.5
Ramsay Springfield Hospital	85	5.7	100	12.1	12.1
Argos, Bedford	658	4.8	100	9.0	9.0
Heide Park	n/a	5.6	100	52.4	52.4
THG, Warrington	686	4.7	100	19.7	19.7

xvii Top ten occupiers

As at 31 March 2025	Net contracted rental income £m	Net contracted rental income %
Ramsay Health Care	38.4	11.3
Merlin Entertainments	32.0	9.4
Travelodge	21.6	6.3
Primark	6.1	1.8
Great Bear	6.1	1.8
Tesco	6.1	1.8
Amazon	5.0	1.5
Argos	5.0	1.4
Q-Park	4.7	1.4
THG	4.7	1.4
Total	129.7	38.1

Supplementary information continued
(not audited)

xviii Loan to value

As at 31 March	100% owned £m	JV £m	NCI £m	2025 £m	2024 £m
Gross debt	2,073.2	–	–	2,073.2	2,087.4
Less: Fair value adjustments	17.4	–	–	17.4	21.9
Less: Cash balances	(81.2)	(2.8)	0.8	(83.2)	(114.1)
Net debt	2,009.4	(2.8)	0.8	2,007.4	1,995.2
Acquisitions exchanged in the year	14.7	–	–	14.7	2.3
Disposals exchanged in the year	(10.6)	–	–	(10.6)	(9.3)
Adjusted net debt (A)	2,013.5	(2.8)	0.8	2,011.5	1,988.2
Exclude:					
Acquisitions exchanged in the year	(14.7)	–	–	(14.7)	(2.3)
Disposals exchanged in the year	10.6	–	–	10.6	9.3
Include:					
Net payables	128.8	0.8	(0.3)	129.3	135.0
EPRA net debt (B)	2,138.2	(2.0)	0.5	2,136.7	2,130.2
Investment properties at fair value	6,112.0	69.9	(38.1)	6,143.8	5,993.8
Properties held for sale	10.4	–	–	10.4	8.5
Trading properties	1.1	–	–	1.1	1.1
Total property portfolio	6,123.5	69.9	(38.1)	6,155.3	6,003.4
Acquisitions exchanged in the year	14.7	–	–	14.7	2.3
Disposals exchanged in the year	(10.4)	–	–	(10.4)	(8.5)
Adjusted property portfolio (C)	6,127.8	69.9	(38.1)	6,159.6	5,997.2
Exclude:					
Acquisitions exchanged in the year	(14.7)	–	–	(14.7)	(2.3)
Disposals exchanged in the year	10.4	–	–	10.4	8.5
Include:					
Financial assets	8.9	–	–	8.9	8.9
EPRA property portfolio (D)	6,132.4	69.9	(38.1)	6,164.2	6,012.3
Loan to value (A)/(C)				32.7%	33.2%
EPRA Loan to value (B)/(D)				34.7%	35.4%

xix Acquisitions and disposals

As at 31 March	100% owned £m	JV £m	NCI £m	2025 £m	2024 £m
Acquisition costs					
Completed in the year	284.7	–	–	284.7	3,157.9
CTPT price discount on acquisition	–	–	–	–	23.3
Exchanged in the previous year	(2.3)	–	–	(2.3)	–
Exchanged but not completed in the year	14.7	–	–	14.7	–
Forward funded investments classified as developments	58.6	–	–	58.6	27.2
Transaction costs and other	(12.6)	–	–	(12.6)	(6.7)
Exchanged in the year	343.1	–	–	343.1	3,201.7
Disposal proceeds					
Completed in the year	322.5	–	–	322.5	198.7
Exchanged in the previous year	(9.3)	–	–	(9.3)	(19.6)
Exchanged but not completed in the year	10.6	4.7	–	15.3	9.3
Transaction costs and other	13.4	–	–	13.4	(3.5)
Exchanged in the year	337.2	4.7	–	341.9	184.9

xx Cash earnings cover

For the year to 31 March	Note	2025 £m
EPRA earnings	8	268.0
Rent free and amortisation adjustments	9	(47.9)
Capitalised costs[1]	4,5	(5.3)
Share based payment	4	5.3
Unwinding of discount on fixed rate debt acquired	5	4.6
Amortisation of loan issue costs	5	4.3
Movement rent provisions	11	5.8
Other		0.4
Cash earnings	A	235.2
Dividend charge for the year net of scrip saving	B	220.7
Cash earnings cover	A/B	107%

1 Capitalised interest of £3.4 million (note 5) and staff costs of £1.9 million (note 4) on developments

Glossary

Better Building Partnership (BBP)
The BBP is a collaboration of leading property owners who are working together to improve the sustainability of commercial buildings. It aims to enable market transformation through sustainability leadership and collaboration, improve professional understanding through knowledge sharing and develop a common approach with members, stimulating the property industry to deliver buildings that perform better.

Building Research Establishment Environmental Assessment Methodology ('BREEAM')
A set of assessment methods and tools designed to help construction professionals understand and mitigate the environmental impacts of the developments they design and build.

Carbon Neutral
Companies, processes, and buildings become carbon neutral when they calculate their carbon emissions and compensate for what they have produced via carbon offsetting projects.

Capital Return
The valuation movement on the property portfolio adjusted for capital expenditure and expressed as a percentage of the capital employed over the period.

Chief Operating Decision Makers ('CODMs')
The Executive Directors, Senior Leadership Team members and other senior managers.

CO_2e
The universal unit of measurement to indicate the global warming potential ('GWP') of each of the six greenhouse gases, expressed in terms of the GWP of one unit of carbon dioxide. It is used to evaluate releasing (or avoiding releasing) different greenhouse gases on a common basis. This quantity is quoted in units of kilogram or tonnes of carbon dioxide equivalent ($kgCO_2e$ and tCO_2e).

Code
The UK Corporate Governance Code published by the Financial Reporting Council in July 2018, publicly available at www.frc.org.uk which sets out principles of good corporate governance for listed companies. In January 2024, the Financial Reporting Council published a revised UK Corporate Governance Code (the '2024 Code'). The 2024 Code will apply to financial years beginning on or after 1 January 2025, other than provision 29 which will apply to financial years beginning on or after 1 January 2026.

Contracted Rent
The annualised rent excluding rent free periods.

Cost of Debt
Weighted average interest rate payable.

CRREM Modelling
The Carbon Risk Real Estate Monitor ('CRREM') tool models an asset performance to determine the year it will become 'stranded'. Stranding is the point in time when the asset will not meet future energy efficiency standards and whose energy upgrade will not be financially viable.

CT Property Trust Limited ('CTPT')
CT Property Trust Limited (now LMP Bude Limited). Incorporated in Guernsey with registration number 41870.

Debt Maturity
Weighted average period to expiry of debt drawn.

Distribution
The term is used synonymously with 'Logistics' and means the organisation and implementation of operations to manage the flow of physical items from origin to the point of consumption by the end user.

Embodied Carbon
Embodied carbon refers to the emissions associated with materials and construction processes throughout the whole life cycle of a building or infrastructure. It is typically associated with any processes, materials, or products used to construct, maintain, repair, refurbish, and repurpose a building. LondonMetric's Development-related emissions account only for upfront embodied carbon, which refers to the emissions up to practical completion before the building begins to be used by an occupier.

Energy Performance Certificate ('EPC')
Required certificate whenever a property is built, sold or rented. An EPC gives a property an energy efficiency rating from A (most efficient) to G (least efficient) and is valid for ten years. An EPC contains information about a property's energy use and typical energy costs, and recommendations about how to reduce energy use and save money.

EPRA Cost Ratio
Administrative and operating costs (including and excluding costs of direct vacancy) as a percentage of gross rental income.

EPRA Earnings per share ('EPS')
Underlying earnings from the Group's property rental business divided by the weighted average number of shares in issue over the period.

EPRA Loan to Value ('LTV')
Net debt and net current payables if applicable, divided by the total property portfolio value including net current receivables if applicable and financial assets due from the NCI.

EPRA NAV per share
Balance sheet net assets excluding fair value of derivatives, divided by the number of shares in issue at the balance sheet date.

EPRA Net Disposal Value per share
Represents the shareholders' value under a disposal scenario, where assets are sold and/or liabilities are not held to maturity. Therefore, this measure includes an adjustment to mark to market the Group's fixed rate debt.

EPRA Net Reinstatement Value per share
This reflects the value of net assets required to rebuild the entity, assuming that entities never sell assets. Assets and liabilities, such as fair value movements on financial derivatives that are not expected to crystallise in normal circumstances, are excluded. Investment property purchasers' costs are included.

EPRA Net Tangible Asset Value per share
This reflects the value of net assets on a long term, ongoing basis assuming entities buy and sell assets. Assets and liabilities, such as fair value movements on financial derivatives that are not expected to crystallise in normal circumstances, are excluded.

EPRA Net Initial Yield
Annualised rental income based on cash rents passing at the balance sheet date, less non recoverable property operating expenses, expressed as a percentage of the market value of the property, after inclusion of estimated purchaser's costs.

EPRA Topped Up Net Initial Yield
EPRA net initial yield adjusted for expiration of rent free periods or other lease incentives such as discounted rent periods and stepped rents.

EPRA Vacancy
The Estimated Rental Value ('ERV') of immediately available vacant space as a percentage of the total ERV of the Investment Portfolio.

Glossary continued

Equivalent Yield
The weighted average income return expressed as a percentage of the market value of the property, after inclusion of estimated purchaser's costs.

Estimated Rental Value ('ERV')
The external valuers' opinion of the open market rent which, on the date of valuation, could reasonably be expected to be obtained on a new letting or rent review of a property.

European Public Real Estate Association ('EPRA')
EPRA is the industry body for European Real Estate Investment Trusts ('REITs').

European Single Electronic Format ('ESEF')
ESEF is the electronic reporting format required from 1 January 2021 to facilitate access, analysis and comparison of annual financial reports.

Financial Conduct Authority ('FCA')
The Financial Conduct Authority is a regulatory body, operating independently of the UK Government, which regulates financial firms providing services to consumers and maintains the integrity of the financial markets in the UK.

GHG
Greenhouse gases ('GHG') are gases that contribute directly to climate change by trapping heat in the earth's atmosphere.

Green Lease
A green lease is a standard form lease with additional clauses that provide for the management and improvement of a building's environmental performance by both owner and occupier(s). For LondonMetric, this includes clauses around data sharing, EPC rating preservation, smart metering, and yielding up.

GRESB
Global Real Estate Sustainability Benchmark.

Gross Rental Income
Rental income for the period from let properties reported under IFRS, after accounting for lease incentives and rent free periods. Gross rental income will include, where relevant, turnover based rent, surrender premiums and car parking income.

Group
LondonMetric Property Plc and its subsidiaries.

IFRS
The International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the UK.

IFRS Net Assets
The Group's equity shareholders' funds at the period end including the net assets attributable to the non-controlling interest.

IFRS Net Assets per share
IFRS net assets divided by the number of shares in issue at the balance sheet date.

IFRS Reported Profit
The Group's equity shareholders' profit for the period excluding the profit for the period attributable to the non-controlling interest.

Income Return
Net rental income expressed as a percentage of capital employed over the period.

Income Strip
Through the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022, the Group has an obligation to pay rental income equivalent to 30% of the annual rental income received from the tenant and the ability to acquire the freehold back in 2087 for £1.

Investment Portfolio
The Group's property portfolio excluding development, land holdings and residential properties.

Investment Property Databank ('IPD')
IPD is a wholly owned subsidiary of MSCI producing an independent benchmark of property returns and the Group's portfolio returns.

IPCC
The Intergovernmental Panel on Climate Change ('IPCC') is the United Nations body for assessing the science related to climate change.
They developed the Representative Concentration Pathways ('RCPs'), which describe four different 21st-century pathways of greenhouse gas ('GHG') emissions and atmospheric concentrations, air pollutant emissions and land use.

Like for Like Income Growth ('LFL')
The movement in contracted rental income on properties owned through the period under review, excluding properties held for development and residential.

Listing Rules
The listing rules of the FCA made under the Financial Services and Markets Act 2000 as amended from time to time.

Loan to Value ('LTV')
Net debt expressed as a percentage of the total property portfolio value at the period end, adjusted for deferred completions on sales and acquisitions that exchanged in the period.

Logistics
The term is used synonymously with 'Distribution' and means the organisation and implementation of operations to manage the flow of physical items from origin to the point of consumption by the end user.

Low carbon heating
Low carbon heating refers to systems that reduce the reliance on fossil fuels and their associated carbon emissions to heat properties. These include but are not limited to heat pumps, electric boilers, biomass boilers, micro-CHP systems, solar water heating, and other hybrid systems.

LXi Acquisition/Merger
The acquisition of the entire issued share capital of LXi REIT plc implemented by way of a Scheme of Arrangement under Part 26 of the Companies Act 2006 and deemed a reverse takeover and Class 1 transaction pursuant to the Listing Rules.

LXi REIT plc ('LXi')
LXi REIT plc (now LXi Limited). Incorporated in the UK with company number 10535081.

MEES
The Minimum Energy Efficiency Standards ('MEES') Regulations establish a minimum level of energy efficiency for rented property in England and Wales. From April 2023, they require private rented properties to have a minimum Energy Performance Certificate ('EPC') rating of E unless they have registered a valid exemption. This is set to rise to EPC 'B' by 2030.

Glossary continued

Net Debt
The Group's secured and unsecured loans net of cash balances at the period end.

Net Rental Income
Gross rental income receivable after deduction for ground rents and other net property outgoings including void costs and net service charge expenses.

Net Zero
Companies, processes, and buildings become Net Zero Carbon when they reduce their absolute emissions to a minimum, with only a small amount, if any, being offset.

NNN
NNN, or Triple Net Lease, is a type of lease agreement commonly used in commercial real estate. In a NNN lease, the tenant is responsible for paying key expenses in addition to the base rent.

NNN REIT
Also known as Triple Net Lease Real Estate Investment Trust, is a type of real estate investment trust ('REIT') that specialises in properties leased to tenants under triple net leases. In a triple net lease, the tenant agrees to pay all ongoing operating expenses associated with the property, in addition to rent and utilities.

Occupancy Rate
The ERV of the let units as a percentage of the total ERV of the Investment Portfolio.

Operational Control Consolidated Approach
Under the operational control approach, a company accounts for 100% of emissions from operations over which it or one of its subsidiaries has operational control. It does not account for GHG emissions from operations in which it owns an interest but has no control.

Operational Emissions
Also known as corporate emissions, are emissions associated with operations owned or controlled by a company or that are a consequence of its operations. For LondonMetric, this currently includes Scope 1 and 2 emissions.

Passing Rent
The gross rent payable by tenants under operating leases, less any ground rent payable under head leases and the income strip.

Property Income Distribution ('PID')
Dividends from profits of the Group's tax-exempt property rental business under the REIT regulations. The PID dividend is paid after deducting withholding tax at the basic rate.

Real Estate Investment Trust ('REIT')
A listed property company which qualifies for and has elected into a tax regime which is exempt from corporation tax on profits from property rental income and UK capital gains on the sale of investment properties.

REGOs
Renewable Energy Guarantees of Origin Certificates ('REGOs') demonstrate that electricity has been generated from renewable sources.

Scope 1
Direct GHG emissions from the combustion of fuel in equipment that is owned or controlled by the Company, largely resulting from the use of natural gas, refrigerants, and vehicle fuel. For LondonMetric, this includes landlord-procured gas usage at our operational assets, including void units.

Scope 2
Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the Company. For LondonMetric, this includes electricity usage at our head office and landlord-procured energy at our operational assets, including void units.

Scope 3
Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of a company's activities, including both upstream and downstream emissions. For LondonMetric, this relates to emissions from our occupiers' operations and our developments.

Task Force on Climate-Related Financial Disclosures ('TCFD')
Created in 2015 to develop a framework for consistent climate-related financial risk disclosure.

Total Accounting Return ('TAR')
The movement in EPRA Net Tangible Assets per share plus the dividend paid during the period expressed as a percentage of the EPRA net tangible assets per share at the beginning of the period.

Total Property Return ('TPR')
Unlevered weighted capital and income return of the property portfolio as calculated by MSCI.

Total Shareholder Return ('TSR')
The movement in the ordinary share price as quoted on the London Stock Exchange plus dividends per share assuming that dividends are reinvested at the time of being paid.

Triple Net Lease
Triple Net Lease, or NNN, is a type of lease agreement commonly used in commercial real estate. In a NNN lease, the tenant is responsible for paying key expenses in addition to the base rent.

Triple Net Lease REIT
Also known as NNN REIT, is a type of real estate investment trust ('REIT') that specialises in properties leased to tenants under triple net leases. In a triple net lease, the tenant agrees to pay all ongoing operating expenses associated with the property, in addition to rent and utilities.

Weighted Average Interest Rate
The total loan interest and derivative costs per annum (including the amortisation of finance costs) divided by the total debt in issue at the period end.

Weighted Average Unexpired Lease Term ('WAULT')
Average unexpired lease term across the investment portfolio weighted by Contracted Rent.

Notice of Annual General Meeting

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, or other financial advisor authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your ordinary shares, please send this document, together with the accompanying documents, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

Notice is hereby given that the Annual General Meeting of the members of LondonMetric Property Plc (Registered number 7124797) will be held at The Connaught, Carlos Place, Mayfair, London W1K 2AL on 9 July 2025 at 10.00 am.

Resolutions 1 to 15 (inclusive) will be proposed as ordinary resolutions and resolutions 16 to 19 (inclusive) will be proposed as special resolutions. Voting on all resolutions will be by way of poll.

1. That the Annual Report and Accounts for the year ended 31 March 2025 be received.
2. That the Annual Report on Remuneration in the form set out in the Annual Report and Accounts for the year ended 31 March 2025 be approved.
3. That Deloitte LLP be reappointed as auditor of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
4. That the Directors be authorised to determine the remuneration of the auditor.
5. That Andrew Jones be re-elected as a Director.
6. That Martin McGann be re-elected as a Director.
7. That Alistair Elliott be re-elected as a Director.
8. That Suzanne Avery be re-elected as a Director.
9. That Robert Fowlds be re-elected as a Director.
10. That Katerina Patmore be re-elected as a Director.
11. That Suzy Neubert be re-elected as a Director.
12. That Nicholas Leslau be re-elected as a Director.
13. That Sandra Gumm be re-elected as a Director.
14. That the Directors be and they are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the '2006 Act'), in substitution for all existing authorities:

    a. to exercise all the powers of the Company to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (together 'Relevant Securities'):

    i. in the event that the Company's proposed acquisition of the entire issued, and to be issued, share capital of Highcroft Investments plc ("Highcroft") (the "Highcroft Acquisition") has taken place in accordance with its terms, but the Company's proposed acquisition of the entire issued, and to be issued, share capital of Urban Logistics REIT plc ("Urban Logistics") (the "Urban Logistics Acquisition") has not taken place in accordance with its terms, up to a maximum aggregate nominal amount of £68,622,212; or

    ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, up to a maximum aggregate nominal amount of £76,332,777; or

    iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisit on has taken place in accordance with its terms, up to a maximum aggregate nominal amount of £67,823,250; or

    iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, up to a maximum aggregate nominal amount of £77,131,739,

    such amount to be reduced by the nominal amount of any equity securities (within the meaning of Section 560 of the 2006 Act) allotted under paragraph 14b below in excess of the applicable amount set out in paragraph 14a above; and

    b. to exercise all the powers of the Company to allot equity securities (within the meaning of Section 560 of the 2006 Act):

    i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, up to a maximum aggregate nominal amount of £137,244,423; or

    ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, up to a maximum aggregate nominal amount of £152,665,553; or

    iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, up to a maximum aggregate nominal amount of £135,646,500; or

    iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, up to a maximum aggregate nominal amount of £154,263,477,

    such amount to be reduced by any Relevant Securities allotted or granted under paragraph 14a above, provided that this authority may only be used in connection with a rights issue in favour of holders of ordinary shares and other persons entitled to participate therein where the equity securities respectively attributable to the interests of all those persons at such record date as the Directors may determine are proportionate (as nearly as may be) to the respective numbers of equity securities held by them or are otherwise allotted in accordance with the rights attaching to such equity securities subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal difficulties under the laws of any territory or the requirements of a regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter whatsoever,

    provided that the authorities in paragraphs 14a and 14b shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (or, if earlier, on the date which is 15 months after the date of this Annual General Meeting), except that the Company may before such expiry make an offer or agreement which would or might require Relevant Securities or equity securities as the case may be to be allotted (and treasury shares to be sold) after such expiry and the Directors may allot Relevant Securities or equity securities (and sell treasury shares) in pursuance of any such offer or agreement as if the authority in question had not expired.
15. That, subject to the passing of resolution 14, the Directors be and are hereby generally and unconditionally authorised:

    a. to offer holders of ordinary shares, the right to elect to receive ordinary shares in the capital of the Company, credited as fully paid instead of cash, in respect of the whole (or some part, to be determined by the Directors) of dividends declared or paid during the period starting on the date of this Annual General Meeting and ending on the earlier of 8 July 2028 and the beginning of the third annual general meeting of the Company following the date of this Annual General Meeting upon such terms as the Directors may determine; and

    b. to do all acts and things required or permitted to be done in accordance with Article 145 of the Company's Articles of Association (as varied and amended from time to time) in connection therewith, including to capitalise, out of any sum which is part of the Company's

Notice of Annual General Meeting continued

reserves (including any share premium account, capital redemption reserve or other undistributable reserves) or profit or loss account as the Directors may determine, such amount as may be necessary.

16. That, if resolution 14 is passed, the Directors be and are empowered, in accordance with Sections 570 and 573 of the 2006 Act, to allot equity securities (as defined in Section 560(1) of the 2006 Act) for cash pursuant to the authority conferred by resolution 14 and/or by way of a sale of treasury shares as if Section 561(1) of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to:

   a. the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities made to (but in the case of the authority conferred by paragraph 14b of resolution 14 above, by way of a rights issue only):

   i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and/or

   ii. to holders of other equity securities as required by the rights of those securities,

   or, if the Directors otherwise consider necessary, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

   b. the allotment of equity securities or sale of treasury shares (otherwise than under paragraph 16a above):

   i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, up to a maximum aggregate nominal amount of £20,794,610; or

   ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, up to a maximum aggregate nominal amount of £23,131,144; or

   iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, up to a maximum aggregate nominal amount of £20,552,500; or

   iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, up to a maximum aggregate nominal amount of £23,373,254,

   provided that this power shall expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on the date which is 15 months after the date of this Annual General Meeting) but prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

17. That, if resolution 14 is passed, the Directors be and are empowered, in accordance with Sections 570 and 573 of the 2006 Act, in addition to any authority granted under resolution 16 to allot equity securities (as defined in Section 560(1) of the 2006 Act) for cash pursuant to the authority conferred by resolution 14 and/or by way of a sale of treasury shares as if Section 561(1) of the 2006 Act did not apply to any such allotment or sale, such power to be:

   a. limited to the allotment of equity securities or sale of treasury shares:

   i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, up to a maximum aggregate nominal amount of £20,794,610; or

   ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, up to a maximum aggregate nominal amount of £23,131,144; or

   iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, up to a maximum aggregate nominal amount of £20,552,500; or

   iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, up to a maximum aggregate nominal amount of £23,373,254; and

   b. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

   provided that this power shall expire at the end of the next Annual General Meeting of the Company (or, if earlier, on the date which is 15 months after the date of this Annual General Meeting) but, in each case, prior to its expiry the Company may make offers, and enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority in question had not expired.

18. That the Company be and is hereby generally and unconditionally authorised, in accordance with Section 701 of the 2006 Act, to make market purchases (within the meaning of Section 693(4) of the 2006 Act) of ordinary shares of 10p each in the capital of the Company ('ordinary shares') on such terms and in such manner as the Directors may from time to time determine provided that:

   a. the maximum aggregate number of ordinary shares authorised to be purchased is:

   i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, 207,946,096; or

   ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, 231,311,445; or

   iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, 205,525,000; or

   iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, 233,732,541,

   b. the minimum price which may be paid for an ordinary share is 10p being the nominal amount thereof (exclusive of expenses payable by the Company);

   c. the maximum price which may be paid for an ordinary share (exclusive of expenses payable by the Company) cannot be more than the higher of:

      (i) 105% of the average market value of an ordinary share as derived from the London Stock Exchange's Daily Official List for the five business days prior to the day on which the ordinary share is contracted to be purchased; and

      (ii) the value of an ordinary share calculated on the basis of the higher of: (A) the last independent trade of; or (B) the highest current independent bid for, any number of ordinary shares on the trading venue where the market purchase by the Company will be carried out; and

Notice of Annual General Meeting continued

d. this authority shall expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on the date which is 15 months after the date of this Annual General Meeting) except that the Company may before such expiry make a contract to purchase its own shares which will or may be completed or executed wholly or partly after such expiry and the Company may purchase its ordinary shares pursuant to such contract as if this authority had not expired.

19. That the Company is authorised to call any general meeting of the Company other than the Annual General Meeting by notice of at least 14 clear days during the period beginning on the date of the passing of this resolution and ending on the conclusion of the next Annual General Meeting of the Company.

By order of the Board

Jadzia Duzniak
Company Secretary
20 May 2025

Notes to the Notice of the Annual General Meeting:

(i) Shareholders entitled to attend and vote at the meeting may appoint one or more proxies (who need not be shareholders) to attend, speak and vote on their behalf, provided that each proxy is appointed to exercise the rights attaching to the different shares held by him or her.

(ii) Your proxy could be the Chair, another Director of the Company or another person who has agreed to attend and represent you. Your proxy will vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chair (or another person) as your proxy are set out in the notes to the proxy form.

(iii) Any person to whom this Notice is sent who is a person nominated under Section 146 of the 2006 Act to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right, or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of rights of shareholders in relation to the appointment of proxies in paragraph (i) above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

(iv) To have the right to attend and vote at the meeting you must hold ordinary shares in the Company and your name must be entered on the share register of the Company in accordance with note (vi) below.

(v) You will not have received a hard copy proxy form for the Annual General Meeting in the post. Shareholders can instead vote electronically via the Investor Centre, a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app (which is called "Investor Centre - MUFG") is available to download on both the Apple App Store and Google Play.

Alternatively, you may access the Investor Centre via a web browser at: https://uk.investorcentre.mpms.mufg.com/.

You will require your email address and password in order to log in and vote. If you have forgotten your password, you can request a reminder via the platform. If you have not previously registered to use the Investor Centre, you will require your investor code (IVC) which can be found on your share certificate/dividend notification or is available by emailing the Company's registrars, MUFG Corporate Markets on shareholderenquiries@cm.mpms.mufg.com or by calling on 0371 664 0300.

You may request a hard copy proxy form directly from the Registrars, MUFG Corporate Markets by emailing shareholderenquiries@cm.mpms.mufg.com or by post at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds, LS1 4DL. To be valid, any hard copy proxy form must be received by post or (during normal business hours only) by hand at the Company's registrars, MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds, LS1 4DL by no later than 10.00 am on 7 July 2025 (or, in the event of an adjournment, not less than two business days before the stated time of the adjourned meeting).

To be valid, Forms of Proxy (and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) must be completed and signed and received by MUFG Corporate Markets at PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL as soon as possible but, in any event, so as to arrive no later than 10.00 am on 7 July 2025 (or, in the event of an adjournment, not less than two business days before the stated time of the adjourned meeting).

Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact MUFG Corporate Markets at PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions.

Completion and return of a proxy form will not preclude members from attending and voting at the meeting should they wish to do so. Unless otherwise indicated on the Form of Proxy, CREST or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.

Notice of Annual General Meeting continued

If you need help with voting online, or require a paper proxy form, please contact our Registrar, MUFG Corporate Markets by email at: shareholderenquiries@cm.mpms.mufg.com, or you may call MUFG Corporate Markets on 0371 664 0300 if calling from the UK, or +44 (0) 371 664 0300 if calling from outside of the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate; lines are open 9.00am to 5.30pm, Monday to Friday excluding public holidays in England and Wales.

(vi) The time by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting is close of business on 7 July 2025. If the meeting is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is close of business on the day that is two business days before the date fixed for the adjourned meeting. Changes to entries on the register of members after such times shall be disregarded in determining the rights of any person to attend or vote at the meeting.

(vii) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

(viii) In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number RA10) by 10.00 am on 7 July 2025 (or, in the event of an adjournment, not less than two business days before the stated time of the adjourned meeting).

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

(ix) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

(x) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International does not make available special procedures in CREST for any particular messages.

Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(xi) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

(xii) You may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

(xiii) As at 19 May 2025 (being the closest practical business day before the publication of this Notice), the Company's issued share capital consisted of 2,055,249,995 ordinary shares carrying one vote each.

(xiv) Members satisfying the thresholds in Section 527 of the 2006 Act can require the Company to publish a statement on its website setting out any matter relating to:

a. the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the meeting; or

b. any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting, that the members propose to raise at the meeting.

The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditor no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its website.

(xv) Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:

a. to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;

b. the answer has already been given on a website in the form of an answer to a question; or

c. it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

(xvi) A copy of this Notice, and other information required by Section 311A of the 2006 Act, can be found at www.londonmetric.com.

(xvii) The following documents are available for inspection at the registered office of the Company during normal business hours on each weekday (public holidays excluded) from the date of this Notice until the conclusion of the Annual General Meeting and at the place of the Annual General Meeting for 15 minutes prior to and during the meeting:

a. copies of the Executive Directors' service contracts with the Company;

b. copies of letters of appointment of Non Executive Directors; and

c. a copy of the Articles of Association of the Company.

Should a shareholder wish to inspect any of these documents please submit a request to info@londonmetric.com.

(xviii) In the case of joint registered holders, the signature of one holder on a proxy card will be accepted and the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which names stand on the register of members of the Company in respect of the relevant joint holding.

(xix) Voting on all resolutions at the Annual General Meeting will be by way of poll. The Company believes that this is the best way of representing the view of as many shareholders as possible in the voting process.

Notice of Annual General Meeting continued

(xx) This Notice (including these notes) reflects the intention of the Board with respect to the AGM given the law in force, and relevant guidance, as at the latest practicable date before the publication of this Notice.

Shareholders should check our website to ensure they have the most up to date information available regarding the AGM.

Explanatory notes:

The information below is an explanation of the business to be considered at the Annual General Meeting.

Resolution 1 – To receive the Annual Report and Accounts

The Chair will present the Annual Report and Accounts for the year ended 31 March 2025 to the meeting. Resolution 1 is to receive the Report of the Directors, the financial statements and the Independent Auditor's report on the financial statements and on the auditable part of the Annual Report on Remuneration for the financial year ended 31 March 2025.

Resolution 2 – Annual Report on Remuneration

Resolution 2 is an ordinary resolution to approve the Annual Report on Remuneration relating to the implementation of the Company's existing Remuneration Policy which was last approved at a general meeting of the Company in December 2023. Section 439 of the 2006 Act requires UK incorporated listed companies to put their Annual Report on Remuneration to an advisory shareholder vote. As the vote is advisory it does not affect the actual remuneration paid to any individual Director. The Annual Report on Remuneration is set out in full in the Annual Report and Accounts.

Resolutions 3 and 4 – Reappointment of auditors

Resolution 3 relates to the reappointment of Deloitte LLP as the Company's auditor to hold office until the next Annual General Meeting of the Company and Resolution 4 authorises the Directors to set their remuneration.

Resolutions 5 to 13 – Re-election and election of Directors

Resolutions 5 to 13 deal with re-election and election of the Directors (as applicable). Biographies of each of the Directors seeking re-election and election can be found on pages 95 and 96 of the Annual Report and Accounts. The Board has confirmed, following a performance review, that all Directors standing for re-election or election continue to perform effectively and demonstrate commitment to their role.

Proposed Highcroft Acquisition

On 27 March 2025, the Company announced that it had reached agreement on the terms of a recommended offer pursuant to which the Company will acquire the entire issued, and to be issued, share capital of Highcroft. On 24 April 2025, Highcroft published and sent to shareholders a scheme circular in connection with the Highcroft Acquisition. On 15 May 2025, the shareholders of Highcroft duly passed the resolutions required to approve and implement the Highcroft Acquisition. If the Highcroft Acquisition becomes effective, the consideration to be paid to the shareholders of Highcroft will be satisfied by way of an issue of new ordinary shares in the Company. Accordingly, if the Highcroft Acquisition becomes effective, the Company will issue on or around 22 May 2025 approximately 24,210,964 new ordinary shares and the total issued share capital of the Company will be increased to approximately 2,079,460,959. Resolutions 14, 16, 17 and 18 are proposed in a manner which accommodates whether or not the Highcroft Acquisition is sanctioned and otherwise becomes effective.

Proposed Urban Logistics Acquisition

On 9 May 2025, the Company announced that it had reached agreement on the terms of a recommended offer pursuant to which the Company will acquire the entire issued, and to be issued, share capital of Urban Logistics. If the Urban Acquisition becomes effective, the consideration to be paid to the shareholders of Urban Logistics will be satisfied by way of an issue of new ordinary shares in the Company. Accordingly, if the Urban Logistics Acquisition becomes effective, the Company will issue in late June or early July 2025 approximately 257,864,451 new ordinary shares and the total issued share capital of the Company will be increased, in the event the Highcroft Acquisition has also completed, to approximately 2,337,325,410, and in the event the Highcroft Acquisition has not completed, to approximately 2,313,114,446. Resolutions 14, 16, 17 and 18 are proposed in a manner which accommodates whether or not the Urban Logistics Acquisition is approved, sanctioned and otherwise becomes effective.

Resolution 14 – Allotment of share capital

At the last Annual General Meeting of the Company the Directors were given authority to allot ordinary shares in the capital of the Company. This authority expires at the conclusion of the Annual General Meeting (or, if earlier, on the date which is 15 months after the date of the Annual General Meeting).

Your Board considers it appropriate that a similar authority be granted to allot ordinary shares in the capital of the Company up to a maximum nominal amount of:

i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, £68,622,212; or

ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, £76,332,777; or

iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, £67,823,250; or

iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, 77,131,739,

(in each case, representing approximately one third of the Company's issued ordinary share capital as at 19 May 2025 or (subject to completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be, having occurred) following completion of the Highcroft Acquisition and/ or the Urban Logistics Acquisition, as the case may be) during the period up to the conclusion of the next Annual General Meeting of the Company. Such authority is sought in paragraph 14a of Resolution 14.

In accordance with the guidelines issued by the Investment Association, paragraph 14b of Resolution 14 will allow Directors to allot, including the shares referred to in paragraph 14a of Resolution 14, shares in the Company in connection with a pre-emptive offer by way of a rights issue to shareholders up to a maximum nominal amount of:

i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, £137,244,423; or

ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, £152,665,553; or

iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, £135,646,500; or

iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, £154,263,477,

(in each case, representing approximately two thirds of the issued ordinary share capital of the Company as at 19 May 2025 or (subject to completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be, having occurred) following completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be).

Your Board considers it appropriate to seek this additional allotment authority at the Annual General Meeting in order to take advantage of the flexibility

Notice of Annual General Meeting continued

it offers. However, the Board has no present intention of exercising either authority (except in relation to the Company's scrip dividend scheme and its share schemes). If they do exercise the authority, the Directors intend to follow best practice as regards its use, as recommended by the Investment Association.

As at the date of this Notice the Company does not hold any ordinary shares in the capital of the Company in treasury.

Resolution 15 – Authority to offer scrip dividend

Under the Articles of Association of the Company, the Board may, with the prior authority of an ordinary resolution of the Company, offer holders of any particular class of shares who have elected to receive them paid up ordinary shares instead of cash in respect of all or part of a dividend or dividends specified by the ordinary resolution. Under a scrip dividend programme, shareholders who elect to do so will be able to receive ordinary shares in the Company in lieu of future cash dividends. This resolution renews the Directors' authority to offer a scrip dividend alternative in respect of any dividend (whether interim or final and including Property Income Distributions) declared and paid during the period starting on the date of the Annual General Meeting and ending on the earlier of the close of business on 8 July 2028 and the beginning of the third annual general meeting of the Company following 9 July 2025 for which the Directors decide to offer a scrip dividend alternative.

In line with investor protection guidelines, shareholders are asked to renew this authority every three years. Shareholders who join the scheme will be able to increase their shareholding in the Company without incurring dealing costs or stamp duty. The scheme also gives the Company greater flexibility in managing its capital resources by retaining cash within the business. The full terms and conditions of the scrip dividend scheme are set out in the Scrip Circular, which can be found on the Company's website at https://www.londonmetric.com/investors/shareholder-information-and-governance and should be reviewed alongside this Notice.

Resolutions 16 and 17 – General and additional authority to disapply pre-emption rights

At the last Annual General Meeting of the Company the Directors were also given authority to allot equity securities for cash without first being required to offer such shares to existing shareholders. This authority expires at the conclusion of the Annual General Meeting (or, if earlier, on the date which is 15 months after the date of last year's Annual General Meeting).

The passing of Resolutions 16 and 17 would allow the Directors to allot equity securities (or sell any shares which the Company may purchase and hold in treasury) without first offering them to existing holders in proportion to their existing holdings.

The authority set out in Resolution 16 is limited to: (a) allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares; or (b) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of:

i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, £20,794,610; or

ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, £23,131,144; or

iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, £20,552,500; or

iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, £23,373,254,

(in each case, representing approximately 10% of the issued ordinary share capital of the Company as at 19 May 2025 or (subject to completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be, having occurred) following completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be).

The authority set out in Resolution 17 is limited to allotments or sales of up to an aggregate nominal amount of:

i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, £20,794,610; or

ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, £23,131,144; or

iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, £20,552,500; or

iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, £23,373,254,

in addition to the authority set out in Resolution 16 which is to be used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice (the 'Statement of Principles').

In each case, the aggregate nominal amount representing approximately an additional 10% of the issued ordinary share capital of the Company as at 19 May 2025 or (subject to completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be, having occurred) following completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be.

The Statement of Principles state that, in addition to the standard annual disapplication of pre-emption rights which permits companies to issue for cash on a non-pre-emptive basis equity securities representing no more than 10% of the Company's issued ordinary share capital, the Pre-Emption Group is supportive of extending the general disapplication power by an amount equal to 10% of a company's issued ordinary share capital for certain purposes. In accordance with the provisions of the Statement of Principles, the Company confirms its intention that the additional power sought by the Company pursuant to this resolution (equal to 10% of the issued ordinary share capital of the Company) can be used in connection with one or more acquisitions or specified capital investments, which are announced contemporaneously with the relevant issue. The Pre-Emption Group recommends that this additional 10% authority be sought in a separate resolution, which is the approach the Company has taken.

Resolution 18 – Authority to purchase own shares

Resolution 18 gives the Company authority to buy back its own ordinary shares in the market as permitted by the 2006 Act. The authority limits the number of shares that could be purchased to a maximum of:

i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, 207,946,096 shares; or

ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, 231,311,445 shares; or

iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, 205,525,000 shares; or

Notice of Annual General Meeting continued

iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, 233,732,541 shares,

(representing approximately 10% of the Company's issued ordinary share capital as at 19 May 2025 or (subject to completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be, having occurred) following completion of the Highcroft Acquisition and/or the Urban Logistics Acquisition, as the case may be) and sets minimum and maximum prices. This authority will expire at the conclusion of the next Annual General Meeting of the Company.

The Directors have no present intention of exercising the authority to purchase the Company's ordinary shares but will keep the matter under review, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The authority will be exercised only after consideration by the Directors of the effect on net asset value and if the Directors believe that to do so would be in the interests of shareholders generally. Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange.

Listed companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares.

If Resolution 18 is passed at the Annual General Meeting, it is the Company's current intention to hold in treasury the majority of the shares it may purchase pursuant to the authority granted to it. However, in order to respond properly to the Company's capital requirements and prevailing market conditions, the Directors will need to reassess at the time of any and each actual purchase whether to hold the shares in treasury or cancel them, provided it is permitted to do so. The Company may hold a maximum of up to 10% of its issued share capital in treasury in accordance with guidelines issued by the Investment Association.

As at 19 May 2025 (the latest practicable date before publication of this Notice), there were share awards over 9,494,923 ordinary shares in the capital of the Company representing approximately:

i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, 0.46% of the Company's issued ordinary share capital; or

ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, 0.41% of the Company's issued ordinary share capital; or

iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, 0.46% of the Company's issued ordinary share capital; or

iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, 0.41% of the Company's issued ordinary share capital.

If the authority to purchase the Company's ordinary shares was exercised in full, these awards would represent approximately:

i. in the event that the Highcroft Acquisition has taken place in accordance with its terms, but the Urban Logistics Acquisition has not taken place in accordance with its terms, 0.51% of the Company's issued ordinary share capital; or

ii. in the event that the Urban Logistics Acquisition has taken place in accordance with its terms, but the Highcroft Acquisition has not taken place in accordance with its terms, 0.46% of the Company's issued ordinary share capital; or

iii. in the event that neither the Highcroft Acquisition nor the Urban Logistics Acquisition has taken place in accordance with its terms, 0.51% of the Company's issued ordinary share capital; or

iv. in the event that each of the Highcroft Acquisition and the Urban Logistics Acquisition has taken place in accordance with its terms, 0.45% of the Company's issued ordinary share capital.

Resolution 19 – Notice period for general meetings

It is proposed in Resolution 19 that shareholders should approve the continued ability of the Company to hold general meetings other than the Annual General Meeting on 14 clear days' notice.

This resolution is required under Section 307A of the 2006 Act. Under that section, a traded company which wishes to be able to call general meetings (other than an Annual General Meeting) on 14 clear days' notice must obtain shareholders' approval. Resolution 19 seeks such approval.

The resolution is valid up to the next Annual General Meeting of the Company and needs to be renewed annually. The Company will also need to meet the requirements for voting by electronic means under Section 307A of the 2006 Act before it can call a general meeting on 14 days' notice.

The shorter notice period would not be used as a matter of routine for general meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

Financial calendar

Announcement of results	20 May 2025
Annual General Meeting	9 July 2025

Shareholder information

Advisors to the Company

Financial Advisors and Brokers

Peel Hunt LLP
7th Floor
100 Liverpool Street
London EC2M 2AT

JP Morgan Securities Limited
25 Bank Street
Canary Wharf
London E14 5JP

Barclays Bank Plc
1 Churchill Place
London E14 5HP

Auditor

Deloitte LLP
1 New Street Square
London EC4A 3BZ

Property Valuers

CBRE Limited
Henrietta House
Henrietta Place
London W1G 0NB

Savills (UK) Limited
33 Margaret Street
London W1G 0JD

Knight Frank LLP
55 Baker Street
London W1U 8AN

Tax & Remuneration Advisors

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London WC2N 6RH

Solicitors to the Company

CMS Cameron McKenna Nabarro Olswang LLP
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Cannon Street
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Registrar

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The Registry
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29 Wellington Street
Leeds LS1 4DL

Secretary and Registered Address

Jadzia Duzniak
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London W1J 5HB

www.londonmetric.com

REIT status and taxation

As a UK REIT, the Group is exempt from corporation tax on rental income and UK property gains. Dividend payments to shareholders are split between Property Income Distributions ('PIDs') and non PIDs.

For most shareholders, PIDs will be paid after deducting withholding tax at the basic rate. However, certain categories of shareholder are entitled to receive PIDs without withholding tax, principally UK resident companies, UK public bodies, UK pension funds and managers of ISAs, PEPs and Child Trust Funds. There is a form on the Company's website for shareholders to certify that they qualify to receive PIDs without withholding tax.

Payment of dividends

Shareholders who would like their dividends paid direct to a bank or building society account should notify MUFG Corporate Markets. Tax vouchers will continue to be sent to the shareholder's registered address.

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Radley Yeldar – www.ry.com

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