16 April 2025
LEI: 213800RG7JNX7K8F7525

Life Science REIT plc

("Life Science REIT", the "Company" or, together with its subsidiaries, the "Group")

Results for the 12 months ended 31 December 2024

Claire Boyle, Chair of Life Science REIT plc, commented: "As announced on 14 March 2025, the Board is currently undertaking a strategic review to consider the future of the Company and to explore all options available to maximise value for shareholders (the "Strategic Review").

The background to this decision was set out in that announcement and reflects the significant headwinds the Company has faced since IPO, including higher inflation and elevated interest rates, which have driven a fundamental slowdown in leasing activity and negatively impacted investor sentiment. Coupled with the Company's size and low levels of liquidity, these factors have resulted in the Company's share price trading at a significant discount to net asset value for a prolonged period of time.

The Board is confident that the Company's assets, which are focused on the "Golden Triangle" research and development hubs of Oxford, Cambridge and London's Knowledge Quarter, will prove attractive to a number of parties. Given the uncertainty inherent in the possible outcomes of the Strategic Review, these results have been prepared on a going concern basis with material uncertainty.

In addition, in recent weeks, the Board has successfully reached an agreement with Ironstone Asset Management ("Ironstone"), the Company's Investment Adviser on a revision of the Investment Advisory Agreement, which will deliver cost savings of c. £1.0 million per annum based on the December 2024 net asset value.

In the meantime, the team remains sharply focused on capturing upside from the portfolio; £1.5 million of contracted rent has been captured since the interim results in September 2024, a further £1.1 million is in solicitors' hands, and occupier engagement is encouraging."

STRATEGIC REVIEW

Strategic Review underway

- Commenced 14 March 2025 to explore all strategic options available to maximise value for shareholders, including a possible sale or managed wind down of the Company

FINANCIAL HIGHLIGHTS

Development and leasing progress supporting rental growth, but slower than expected

- Contracted rent for the investment portfolio increased to £15.3 million (31 December 2023: £14.0 million), with a further £0.6 million from developments, taking total contracted rent to £15.9 million
- Adjusted earnings of £5.9 million (31 December 2023: £6.7 million), impacted by higher financing costs
- Adjusted EPS of 1.7 pence per share (31 December 2023: 1.9 pence per share)
- Future dividends suspended pending the outcome of the Strategic Review

Valuations stabilising in the second half with yield expansion reducing

- Portfolio value £385.2 million (31 December 2023: £382.3 million), a £2.9 million increase on an absolute basis
    - H224 like-for-like decline of 0.3% compared to a 3.8% decline in H124

- Like-for-like valuation down 4.0% driven by 30bps outward movement in the net equivalent yield ("NEY") to 5.6%, more pronounced in H1, partially offset by like-for-like ERV growth of 8.6%
  - Laboratory space down 3.7%, with ERV growth strong at 13.7%;
  - Space defined as offices down 5.3%
- EPRA net tangible asset per share of 74.4 pence (31 December 2023: 79.9 pence per share); reflecting the portfolio revaluation loss (£17.4 million) and dividend payments (£7.0 million), partially offset by positive adjusted earnings

Balance sheet:

- Loan to value at 30.4% (31 December 2023: 24.7%), with the increase driven by development progress in the year and corresponding debt drawn
- Debt fully hedged at 4.5% interest payable to March 2025 and 5.5% until September 2025

OPERATIONAL HIGHLIGHTS

Leasing activity improved, but transactions taking longer to conclude than expected:

- Five new leases commenced in 2024, adding £1.9 million to total contracted rent
- Occupancy increased to 84.4% (31 December 2023: 79.0%); like-for-like occupancy increased to 83.6% (31 December 2023: 79.0%)
- Since the interim results in September 2024, £1.5 million of new rent has been captured, compared to the target set of £3.2 million, with a further £1.1 million in solicitors' hands
- Current contracted rent increased to £16.5 million, including breaks exercised at Rolling Stock Yard of £0.7 million
- Cambourne repurposing project completed, delivering 8,800 sq ft of fully fitted space
- 57,000 sq ft completed at Oxford Technology Park (fully let to Fortescue Zero Ltd); formal practical completion of Buildings 6 – 9 comprising 183,000 sq ft delayed to Q2 2025, but unit 6A is effectively complete and fully let

Embedded opportunities to drive future rents through development, repurposing and capturing reversion

- Target portfolio ERV of £27.9 million, representing an uplift on the December 2024 total portfolio contracted rent of £12.0 million, comprising:
  - Embedded reversion of 23.2% on let space, equating to £3.6 million additional rent;
  - £3.5 million to come from completed developments and repurposing activities;
  - £3.1 million ERV from development assets, completing Q2 2025;
  - £1.8 million ERV from development land

Commitment to developing sustainable buildings:

- 100% of properties EPC A-C rated (31 December 2023: 87%)
- Received EPRA sBPR gold for 2023 sustainability reporting and rated A by MSCI

FINANCIAL HIGHLIGHTS[1]

	Year ended 31 December 2024	Year ended 31 December 2023
Gross property income	£16.3m	£15.5m
IFRS profit/(loss) before tax	£(14.0)m	£(21.9)m
IFRS earnings/(loss) per share	(4.0)p	(6.2)p
EPRA earnings per share	1.7p	1.7p
Adjusted earnings per share	1.7p	1.9p
Dividends per share[2]	1.0p	2.0p
	As at 31 December 2024	**As at 31 December 2023**
Portfolio valuation	£385.2m	£382.3m
IFRS net asset value	£262.8m	£283.7m
IFRS net asset value per share	75.1p	81.1p
EPRA net tangible assets	£260.4m	£279.7m
EPRA net tangible assets per share	74.4p	79.9p
Loan to value ratio	30.4%	24.7%
Total accounting return	(4.4)%	(6.8)%

OPERATIONAL HIGHLIGHTS – INVESTMENT ASSETS

	As at 31 December 2024	As at 31 December 2023
Contracted rent roll	£15.3m	£14.0m
Estimated rental value	£22.4m	£19.6m
Occupancy	84.4%	79.0%
WAULT to expiry	5.3 years	5.8 years
WAULT to first break	3.1 years	3.8 years
Net equivalent yield	5.6%	5.3%

1. The Group presents EPRA Best Practices Recommendations as Alternative Performance Measures ("APMs") to assist stakeholders in assessing performance alongside the Group's statutory results reported under IFRS. APMs are among the key performance indicators used by the Board to assess the Group's performance and are used by research analysts covering the Group. EPRA Best Practices Recommendations have been disclosed to facilitate comparison with the Group's peers through consistent reporting of key real estate specific performance measures. However, these are not intended as a substitute for IFRS measures. Please see the unaudited supplementary notes for further details on APMs.
2. This is the total of dividends paid and declared in respect of the year to 31 December 2024. Dividends paid during 2024 totalled 2.0 pence per share, comprising the 1.0 pence per share second interim dividend for 2023 and the 1.0 pence per share interim dividend for 2024. Dividends paid in 2023 totalled 2.0 pence per share.

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Notes to editors

Life Science REIT plc is a specialist property business focused on the UK's growing life science sector. The Company's portfolio of assets is located across the "Golden Triangle" of research and development hubs in Oxford, Cambridge and London's Knowledge Quarter.

Life Science REIT trades on the Main Market of the London Stock Exchange under the ticker LABS.

Chair's Statement

A Strategic Review of the Company is underway

On 14 March 2025, the Company announced that it was undertaking a Strategic Review to consider the future of the Company and to explore all options available to maximise value for shareholders.

The background to that decision includes the significant headwinds the Company has faced since IPO, including higher inflation and elevated interest rates, as well as the Company's size and low levels of liquidity, which have resulted in the share price trading at a significant discount to net asset value for a prolonged period of time.

The outcome of the Strategic Review may include a potential sale of the whole business or a managed wind down of the Company. This has led to a material uncertainty casting significant doubt over the Group's ability to continue as a going concern for the next 12 months, which is explained in detail in the going concern and viability statement below.

Introduction and market context

As announced on 14 March 2025, the Board is currently undertaking a strategic review to consider the future of the Company and to explore all options available to maximise value for shareholders (the "Strategic Review").

The background to this decision was set out in that announcement and reflects the significant headwinds the Company has faced since IPO, including higher inflation and elevated interest rates, which have driven a fundamental slowdown in leasing and negatively impacted investor sentiment. Coupled with the Company's size and low levels of liquidity, these factors resulted in the Company's share price trading at a significant discount to net asset value for a prolonged period of time.

The Board has confidence that the Company's assets, which are focused on the "Golden Triangle" research and development hubs of Oxford, Cambridge and London's Knowledge Quarter, will prove attractive to a number of parties.

In addition, in recent weeks, the Board has successfully reached agreement with Ironstone, the Company's Investment Adviser on a revision of the Investment Advisory Agreement, which will deliver cost savings of c. £1.0 million per annum, based on December 2024 NAV.

Life sciences leasing market

2024 was a challenging year for leasing across the Golden Triangle, with life sciences take up of 460,000 sq ft, just over half the amount of 2023. The uptick in confidence which followed the general election proved short-lived and sentiment weakened post the budget. However, the Government has demonstrated its support for the sector, with planned investment into the Oxford and Cambridge region, including a new rail link, and the funding environment has strengthened.

In 2024, £3.7 billion was raised for UK biotech funding, making it the strongest year since the 2021 peak. £2.2 billion was raised through VC funding and a further £1.5 billion was raised through follow on financings, suggesting a preference for well established, lower risk ventures. Inevitably it takes time for the impact of a successful fund raise to filter through to real estate decision making, but by the end of 2024, 300,000 sq ft of space was under offer to life sciences companies.

Strategy and operations

Our priorities over the year were to progress our leasing programme, deliver life science space and maintain a sound financial position.

After a challenging first half, our markets were more stable in the second half of the year and occupier interest has remained at encouraging levels since the year end. However, leasing transactions typically take longer to conclude in the life sciences space, where fit outs can be more complicated, and occupiers tend to be emerging businesses with less property and legal expertise. Coupled with heightened macro uncertainty towards the end of the year, our leasing activity has therefore fallen short of our target of £3.2 million of contracted rent to be added between September 2024 and March 2025. We have however delivered a further £1.5 million of contracted rent in that time period, and we have a further £1.1 million in solicitors' hands.

Over the course of the financial year, £1.9 million of new leases commenced across the portfolio, bringing total contracted rent for all assets to £15.9 million compared to £15.1 million at the end of 2023. Post year end activity has further increased contracted rent to £16.5 million, including breaks exercised at Rolling Stock Yard, one lease expiry and reversion captured. This compares to a target estimated rental value for the portfolio of £27.9 million when fully developed and let, underpinning our conviction in the value our portfolio can deliver over time.

Our strategy of creating dedicated life science space has made progress with the repurposing project at Cambourne Park, covering 8,800 sq ft, reaching practical completion in the year. However, delays to the delivery of the next phase of power at Oxford Technology Park ("OTP") meant we were unable to formally complete Unit 6B at Building 6 and Buildings 7, 8 and 9 by the year end, although power has now been connected to site and practical completion of all Buildings is expected in Q225.

We have maintained a flexible approach with respect to Buildings 10 and 11 and are working with the developer to agree a final design and programme.

Financial performance

The total value of the portfolio stood at £385.2 million as at 31 December 2024, up marginally on an absolute basis, but with the investment portfolio down 4.0% on a like-for-like basis, driven by 30 basis points of yield expansion, partially offset by like-for-like ERV growth of 8.6%. However, we are encouraged that the rate of decline has continued to slow, to just 0.3% in the second half, from 3.8% in the first half.

The Group reported a 4.3% increase in net rental income to £14.4 million during the period, driven by new leases commencing in the year, with some rent lost through an asset sold last year. Total costs were lower, driven by a reduction in the Investment Adviser's fee, however, net finance costs were higher in the year resulting in adjusted earnings of £5.9 million, below the prior year (2023: £6.7 million).

As a result of the delays to leasing activity, and the expectation that further lease incentives, including rent free periods, will be required to secure further leases, and the associated impact on cash flow, the Company has decided to suspend any future dividends until the Strategic Review has been completed. Total dividends declared for the 2024 year are therefore 1.0 pence per share.

Environmental, social and governance

Last year we set out our commitment to be net zero in scope 1 and 2 carbon emissions by 2040 and in scope 3 emissions by 2045. This year, we have made good progress on initiatives which will support that. These include our renewable energy project at OTP, where we are working with a supplier to own and operate photovoltaic panels across the park. All our space is now EPC A to C rated and our developments are all tracking BREEAM Excellent certifications.

Our progress has been reflected in our MSCI ESG ratings performance, which has improved from a B to an A, an increase of three ratings, as well as achieving a gold award in the EPRA Sustainability Best Practice Ratings, up from a Silver in the prior year.

Conclusion

We have assembled a highly attractive portfolio, with excellent locations in the Golden Triangle and embedded opportunities to develop and repurpose our space over time. Our assets are focused on a market which is structurally well supported in terms of long-term demand drivers and constrained supply. However, an unfavourable macro environment, combined with the Company's size and low levels of liquidity have proved challenging to our business model.

Through the Strategic Review process, the Board will be evaluating a range of options to maximise value for shareholders. These may include a potential sale or managed wind down of the Company. The Strategic Review is ongoing and the Board will provide further updates to the market as appropriate.

Claire Boyle | Chair
15 April 2025

Objectives and strategy

Our activities over the year have been focused on our broader purpose of creating space for science. We have three key strategic priorities we have progressed, but more broadly, our activities cover four areas:

- Investment,
- Asset Management,
- Financing
- and Sustainability

Our strategic priorities

1. Creating life science space

We create space for life sciences businesses through development of new space or repurposing of existing office space.

- 57,000 sq ft of new developments completed at OTP in 2024
- Further 183,000 sq ft of development space due to complete at OTP in Q2 2025
- 8,800 sq ft repurposed at Cambourne Park into four fully fitted laboratories
- Further potential repurposing options at Cambourne Park

2. Further leasing progress

Despite a challenging leasing market, particularly in the first half of 2024, our leasing activity has increased occupancy to 84.4% from 79.0%.

Many of the transactions underway in 2024 completed early in 2025:

- 94,700 sq ft let at OTP in 2024 with a further 5,600 sq ft post year end
- 17,200 sq ft let at Cambourne Park, post year end
- 5,100 sq ft let at Rolling Stock Yard, post year end

3. Financing

Maintaining a sound financial position supports our ability to deliver on our strategy.

- At 30.4%, our LTV is at the lower end of the range we consider acceptable, of 30.0%-40.0%
- All debt fully hedged against SONIA
- Dividend rebased to provide the financial flexibility to progress strategy
- Post year end, dividends have been suspended pending the outcome of the Strategic Review

Key performance indicators

Operational KPIs

Occupancy (%)	Like-for-like rental income movement (%)	Like-for-like valuation movement (%)	Like-for-like energy intensity (%)
2024: 84.4% **2023: 79.0%** **2022: 82.0%**	**2024: 5.7%** **2023: 2.4%** **2022: 1.2%**	**2024: (4.0)%** **2023: (7.1)%** **2022: (1.8)%**	**2024: (15)%** **2023: 15.0%** **2022: N/A**
Description Total open market rental value of the units leased divided by total open market rental value, excluding development property and land, and equivalent to one minus the EPRA vacancy rate.	**Description** The change in contracted rent of properties owned throughout the period under review, as a percentage of the contracted rent at the start of the period, excluding acquisitions, disposals, development property and land.	**Description** The change in the valuation of properties owned throughout the period under review, expressed as a percentage of the valuation at the start of the period, and net of capital expenditure.	**Description** The like-for-like change in landlord procured and generated energy intensity, measured in MWh/m^2.
Relevance to our strategy Shows our ability to retain occupiers at renewal and to let vacant space, balanced with the need for vacancy to carry out asset management initiatives.	**Relevance to our strategy** Shows our ability to identify and acquire attractive properties and grow rents over time.	**Relevance to our strategy** A high-quality portfolio and an active asset management programme will help improve asset values and provide future resilience.	**Relevance to our strategy** Our decarbonisation targets were set in 2023 with the Group committing to being net zero in scope 1 & 2 by 2040 and in scope 3 by 2045. This measure helps monitor progress.
Performance The change in occupancy reflects the net impact of new leases in the year and the practical completion of new space at OTP. On a like-for-like basis, occupancy has increased 4.6 percentage points to 83.6% at the year end.	**Performance** At 31 December 2024, like-for-like rental income had increased by 5.7% compared to the prior year. The letting to Infleqtion at OTP slightly offset by ProCam downsizing at Cambourne drove this increase.	**Performance** The portfolio valuation decreased by 4.0% on a like-for-like basis, driven primarily by an outward yield shift of 30 basis points during 2024, with laboratory space proving more resilient at a 3.7% decline. The second half of 2024 stabilised, with only a 0.3% like-for-like decline.	**Performance** The significant improvement in energy intensity was driven by an improvement in the operational efficiency at Herbrand Street, which accounted for 87% of the total LFL reduction. This follows close engagement with the occupier.

Financial KPIs

Total cost ratio (%)

2024: 40.8%
2023: 44.2%
2022: 58.9%

Description
EPRA cost ratio including direct vacancy costs but excluding one-off costs. The EPRA cost ratio is the sum of property expenses and administration expenses, as a percentage of gross rental income.

Relevance to our strategy
Shows our ability to effectively manage our cost base, which in turn supports dividend payments and shareholder returns.

Performance
The increase in net rental income was the key driver for the reduction in the total cost ratio of 3.4%. This will continue to reduce as we complete and let new space at OTP and repurpose space at our other assets to labs.

EPRA NTA per share (p)

2024: 74.4p
2023: 79.9p
2022: 90.p

Description
This net asset value measure includes adjustments for the fair values of certain financial derivatives and assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability.

Relevance to our strategy
Reflects our ability to add value by acquiring well and through asset management, which in turn increases our resilience during market downturns.

Performance
The decline was primarily the result of dividends paid and the loss on revaluation of the portfolio, partially offset by positive earnings in the year.

Loan to value ratio (%)

2024: 30.4%
2023: 24.7%
2022: 16.8%

Description
Gross debt less cash, short-term deposits, divided by the aggregate value of properties and investments.

Relevance to our strategy
Shows our ability to balance the additional portfolio diversification and returns that come from using debt, with the need to manage risk through prudent financing.

Performance
The LTV remains at a prudent level of 30.4%, at the lower of our 30%-40% target range. The increase in the year was driven by the ongoing development at OTP and other asset management initiatives including repurposing space to labs at Cambourne.

Total accounting return (%)

2024: (4.4)%
2023: (6.8)%
2022: (9.1)%

Description
The movement in EPRA NTA over a period plus dividends paid in the period, expressed as a percentage of the EPRA NTA at the start of the period.

Relevance to our strategy
Shows our ability to construct a portfolio that delivers a secure and growing return to shareholders. Our target is in excess of 10.0% per annum, through a combination of dividends and growth in NAV.

Performance
We paid dividends of 2.0 pence per share and delivered adjusted earnings of £5.9 million (2023: £6.7 million). Despite this, a decline in NAV driven by revaluation losses in both the current year and prior year has resulted in negative total accounting returns. There is however a 2.4% improvement year on year.

Investment Adviser's report

Implementing the investment strategy

Leasing performance

In line with the wider market, leasing activity was slower in the first half of the year, with uncertainty ahead of the general election causing occupiers to postpone decisions where possible. Activity began to pick up in the second half and whilst confidence has been impacted by the budget, demand has been stable for the remainder of the period, albeit deals are taking longer to conclude.

During the year to 31 December 2024, four new leases commenced, comprising:

- Two leases covering 57,016 sq ft to Fortescue Zero Limited ("Fortescue") at Building 5 at Oxford Technology Park ("OTP"), which will generate £1.1 million of contracted rent
- A 7,497 sq ft lease to Infleqtion in the IQ at OTP for £0.3 million
- A 30,156 sq ft lease to Oxford Ionics Limited in unit 6A of Building 6 at OTP for £0.6 million; this unit has completed but the building is categorised as a development until full completion

In addition, a new lease was agreed with Pro Cam UK Limited ("Pro Cam"), who downsized from its 7,400 sq ft unit in Cambourne Building 2020 to a 4,300 sq ft unit in Building 2030 at an increased rent of £25.0 per sq ft (up 8.2% from their previous rent of £23.1 per sq ft). The new lease has a five year term with an increase in rent to £30.0 per sq ft in year four.

The contracted rent roll for the investment assets at the year end therefore increased by £1.3 million or 9.3% to £15.3 million (31 December 2023: £14.0 million) with a further £0.6 million let on development assets.

Since the year end, the following leases have completed:

- CFDX Limited ("CFDX") have taken 5,100 sq ft of fully fitted space at Rolling Stock Yard ("RSY") for £110.0 per sq ft on an eight year lease with a four year break. This lease completed in February 2025.
- 42 Technology Limited ("42T") signed a 10 year lease, also in February 2025, for 17,200 sq ft at Building 1020 in Cambourne paying a rent of £25.5 per sq ft.

In addition, an agreement for lease with Oxford Expression Technologies Limited ("OET") for 5,600 sq ft of fully fitted space, was signed at the IQ at OTP. The ten year lease, at £46.5 per sq ft sets a new record for the park.

Post year end one regear and one lease extension have also completed, extending the Group average lease length:

- Carl Zeiss at Cambourne agreed a new lease on expiry of their current lease in 2028, adding a further five years to the term with the rent subject to review in 2028.

Post year end leasing activity, including breaks exercised at Rolling Stock Yard, one lease expiry and reversion captured brings total current rent to £16.5 million.

	Investment property or development property and land	Total portfolio 31 December 2024 £m
Contracted rent	**Investment**	**15.3**
Contracted rent	Development	0.6
Contracted rent – total portfolio		**15.9**
Inbuilt reversion in current leases	Investment	3.6
Letting vacant space at Oxford Technology Park, Cambourne and Rolling Stock Yard	Investment	3.5
Letting developments currently on-site (Unit 6B and Buildings 7 to 9 at OTP)	Development	3.1
Letting future developments (Buildings 10 and 11 at OTP)	Development	1.8
Target estimated rental value		**27.9**

Potential for strong income growth

The target total portfolio ERV was £27.9 million at 31 December 2024 (31 December 2023: £26.2 million), split £22.4 million investment assets ERV (31 December 2023: £19.6 million) and £5.5 million development assets (31 December 2023: £6.6 million). The investment assets ERV is £7.1 million above the contracted rent of £15.3 million, with £3.5 million of the difference resulting from vacant space at the year end and £3.6 million reflecting the reversionary potential of the portfolio. The let area in the investment assets portfolio has a reversionary percentage of 23.2% and like-for-like ERV growth during 2024 was 8.6%.

At the time of the interim results in September 2024, the Investment Adviser estimated that a further £3.2 million of contracted rent would be secured over the six months to March 2025 and a total of £8.1 million to September 2025. As at the date of this report, an additional £1.5 million of contracted rent has been added to the rent roll, £1.1 million is currently in solicitors' hands offset by a £0.7 million reduction due to an occupier exercising their break and one lease expiry post year end.

The Group's occupiers
As we successfully implement the asset management strategy, the proportion of the Group's assets leased to life science occupiers continues to grow, with 54.3% of the Group's contracted rent attributed to life science occupiers as at 31 December 2024 (31 December 2023: 53.5%).

During the year, two new life science occupiers took occupation at our assets amounting to 37,700 sq ft, and £0.9 million of additional contracted rent. These new occupiers included:

- **Oxford Ionics**, which is a high-performance quantum computing company, which has taken space in Building 6 at OTP.
- **Infleqtion**, another quantum technology company that uses atomic physics to build quantum computers and integrate them across networks. Infleqtion has taken space in the IQ at OTP.

In addition to the above, the three largest life science occupiers by contracted rent at the year end were:

- **Beacon Therapeutics**, a clinical-stage company owned by Novartis, developing gene therapies to treat diseases of the eye that cause vision loss and blindness who occupy three floors in Rolling Stock Yard;
- **Fortescue**, a technology and engineering services provider delivering innovative solutions to a range of sectors including green energy, medical engineering and automotive, based at OTP; and
- **Carl Zeiss**, a leading technology enterprise, operating in the optics and optoelectronics industries; the UK headquarters for its life science businesses of microscopy, medical technology and consumer optics are in Building 1030 at Cambourne.

Under the Group's investment policy, no occupier should account for more than 30.0% of the higher of gross contracted rents or the valuer's ERV of the portfolio, including developments under forward-funding agreements. We remain within this limit, with the largest occupier accounting for 26.2% of gross contracted rents and 22.9% of the ERV at the year end. As we continue to develop and lease OTP, the rent roll will further diversify and reduce the proportion of total rents coming from individual occupiers.

Occupier	Asset[1]	Occupier type[2]	Annual contracted rent (£m)	% of total
Thought Machine Group Ltd	HS	Other	4.0	26.2%
Gyroscope Therapeutics Ltd	RSY	LS	1.5	10.0%
Fortescue Zero Ltd	OTP	LS	1.1	6.9%
Carl Zeiss Ltd	CP	LS	1.0	6.2%
Beacon Therapeutics Ltd	RSY	LS	0.8	5.3%
Xero (UK) Ltd	RSY	Other	0.7	4.7%
Cambridge Cambourne Centre Ltd (Regus)	CP	Other	0.7	4.5%
MTK Wireless Ltd	CP	LS	0.7	4.4%
Premier Inn Ltd	OTP	Other	0.7	4.3%
Native Antigen Company Ltd (LGC)	OTP	LS	0.5	3.5%
Subtotal – top ten			**11.7**	**76.0%**
Remaining			3.6	24.0%
Total[3]			**15.3**	**100.0%**

[1] HS – Herbrand Street; RSY – Rolling Stock Yard; CP – Cambourne Park Science and Technology Campus; OTP – Oxford Technology Park.

[2] LS - Life Science occupier; Other – hotel and offices.

[3] Investment portfolio only. In addition, £0.6 million of contracted rent has been agreed within development assets.

The portfolio

Well-located assets offering laboratory and office space
The portfolio is in strong locations within the Golden Triangle and primarily comprises office and laboratory space. See below for the split of assets by location and type as at 31 December 2024.

Asset location by valuation

- London 39.3%
- Oxford 38.0%
- Cambridge 22.7%

Life science exposure by contracted rent[1]

- Life science 56.0%
- Non-life science 44.0%

Life science occupier area by floor type[2]

- Office 53.9%
- Labs 46.1%

[1] Includes £0.6 million of contracted rent within development assets; life science occupiers make up 54.3% of investment portfolio.

[2] 51.6% of portfolio area (including vacant space) currently let to life science occupiers.

During the year there were no changes to the Group's portfolio, which comprised the following assets at 31 December 2024:

	Valuation				WAULT		Contracted rent				
Asset	**£m**	**£ per sq ft**	**Area sq ft**	**Occupancy %**	**to break years**	**to expiry years**	**£m p.a.**	**£ PSF**	**NIY %**	**NEY %**	**NRY %**
OTP – Investments	89.9	378	237,900	70.8	7.2	10.4	3.4	19.3	3.6	5.4	5.5
Rolling Stock Yard	83.1	1,542	53,900	90.0	1.4	5.6	3.5	72.3	4.0	5.3	6.3
Cambourne	80.1	348	230,400	76.5	1.3	3.9	4.1	22.3	4.8	6.2	6.9
7-11 Herbrand Street	68.2	994	68,600	100.0	–	1.8	4.0	58.5	5.5	5.4	7.0
The Merrifield Centre	7.4	589	12,600	100.0	2.0	7.0	0.3	23.1	3.7	5.4	6.0
Investment assets	**328.7**	**545**	**603,400**	**84.4**	**3.1**	**5.3**	**15.3**	**31.3**	**4.4**	**5.6**	**6.4**
OTP – Developments[1]	56.5	209	270,500[1]	–	–	–	–	–	–	–	–
Development assets	**56.5**	**209**	**270,500**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**385.2**	**441**	**873,900**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

[1] Full build-out area.

OTP development assets comprise buildings under construction and the remaining development land. The 270,500 sq ft shown in the table above is the expected area of these assets once practically complete. At the year end, this related to the remaining development land at OTP plus Buildings 6 to 9, which are due to practically complete during H225. Unit 6A in Building 6 has reached practical completion but is categorised as a development pending full completion of the building.

Occupancy at the year end increased by 5.4 percentage points to 84.4% (31 December 2023: 79.0%). This increase was driven primarily by lettings in the year at OTP. On a like-for-like basis, occupancy increased by 4.6 percentage points to 83.6%.

The WAULT to expiry reduced by 0.5 years to 5.3 years (31 December 2023: 5.8 years), reflecting the natural reduction in remaining lease lengths over time and the net effect of new leases in the year.

Valuation performance

The portfolio was independently valued by CBRE as at 31 December 2024, in accordance with the internationally accepted RICS Valuation – Professional Standards (the "Red Book").

The table below analyses the movement in valuation during the year:

	Investment assets £m	**Development assets £m**	**Total £m**
Portfolio valuation at 31 December 2023	314.9	67.4	382.3
Capital expenditure	5.3	13.0	18.3
Finance costs capitalised	0.1	2.0	2.1
Movement in rent incentives	(0.3)	0.2	(0.1)
Fair value losses on investment properties	(12.5)	(4.9)	(17.4)
Transfer from development to investment	21.2	(21.2)	–
Portfolio valuation at 31 December 2024	**328.7**	**56.5**	**385.2**

The portfolio valuation at the year end increased on an absolute basis by £2.9 million to £385.2 million. The value of the investment portfolio increased, driven primarily by the transfers of development assets at OTP (Building 5), which reached practical completion during the year, partially offset by outwards yield shift. This transfer resulted in a corresponding reduction in the absolute value of the development assets. Capital expenditure of £18.3 million primarily related to the development at OTP and repurposing of space to labs at Cambourne. As a result of this expenditure, £2.1 million of finance costs have been capitalised. Combined, all of these factors resulted in a fair value loss of £17.4 million in 2024.

The table below analyses the key drivers of the valuation movement during 2024 compared to 2023 in further detail:

		2024	2023	FY 2024 LFL %	H124 LFL %	H224 LFL %
Investment assets						
Valuation	£m	328.7	314.9	(4.0)%	(3.8)%	(0.3)%
ERV	£m	22.4	19.6	8.6%	8.2%	0.4%
NEY	%	5.6	5.3	30bps	33bps	3bps
Development assets						
Valuation	£m	56.5	67.4	n/a	n/a	n/a
Total portfolio valuation	**£m**	**385.2**	**382.3**	**(4.0)%**	**(3.8)%**	**(0.3)%**

£12.6 million of the £17.4 million fair value loss in the year is attributable to the like-for-like portfolio, resulting in a 4.0% like-for-like reduction in value for the year, but weighted towards the first half, when the like-for-like reduction was 3.8% compared to 0.3% in the second half. This performance reflects a stabilisation in yields, which expanded by 33bps in the first half, but just 3 bps in the second half. Yield expansion was partially offset by strong ERV growth of 8.6% for the year. These dynamics continue to be reflective of the broader macro environment, with interest rates remaining higher than expected over the year, resulting in further yield expansion, notably on offices.

Space defined as laboratories for valuation purposes continued to be more resilient, posting a like-for-like valuation decline of 3.7%, driven by a 27 basis points outward NEY shift which was partially offset by ERV growth of 13.7%. At the year end, this space represented 39.8% of the like-for-like portfolio. Space defined as offices saw a valuation fall of 5.3% on a like-for-like basis and reflected an outward NEY shift of 40 basis points.

On the remaining assets, the £4.8 million fair value loss reflected an inward NEY shift of eight basis points following Building 5's completion and letting to Fortescue Zero in the year, offset by development spend in the year. Based upon 31 December 2024 valuations, there is up to a 70 basis points yield variance in the vacant development space versus completed and let space. This represents significant valuation upside to come once the vacant space is let, assuming constant yields.

Implementing the asset management strategy

Cambourne Park Science and Technology Campus ("Cambourne")

The Group acquired Cambourne in 2021, with the intention of repositioning it as a dedicated life science and technology hub. A key step in this evolution is the repurposing of vacant ground floor office space in Building 2020 into four fully fitted laboratories of around 2,200 sq ft each. The project reached practical completion in the year and the space is now targeting rents of £50.0 per sq ft, which compares to c. £25.0 per sq ft for typical office space on the park. This smaller, fully fitted option is particularly attractive to early-stage life science occupiers because it enables them to spread the cost of fitting out space over time through higher rents and avoids an upfront capital cost early in their life cycle. However, the units can also be combined to appeal to larger companies. The project improves the environmental credentials of the buildings, including transitioning from gas to electric power and is helping to drive an increase in the rental tone across the park.

Post year end, we announced the letting of 17,200 sq ft of vacant office space at Building 1020 to 42T, a product development and innovation consultancy which delivers specialist technical solutions in healthcare & life sciences, industrial and consumer sectors. We also announced a five year lease extension to Carl Zeiss, our largest occupier on the park with 43,300 sq ft in Building 1030. Carl Zeiss has recommitted until 2033 at the same rent, with a rent review in 2028, and will be carrying out a number of sustainability improvements to the building, including replacing gas boilers and installing photovoltaic panels. This programme reflects its ambitious net zero commitments.

Occupancy at Cambourne was 76.5% at year end (31 December 2023: 77.5%) and increased to 83.3% following post year end leasing transactions.

Oxford Technology Park

OTP is 20-acre science and technology park strategically located in the Golden Triangle, close to Oxford University and adjacent to Begbroke Science Park and Oxford Airport. On acquisition in 2022, three of the planned buildings were complete. Since then, 126,700 sq ft has been delivered; the Innovation Quarter ("IQ") completed in 2023 and Building 5 reached practical completion at the start of 2024. Unit 6A in Building 6 has also reached practical completion but is categorised as a development pending full completion of the whole building. Unit 6B and Buildings 7 to 9 were expected to complete in FY 2024 but connection to the local power grid was outstanding and these buildings are now due to complete in Q2 2025.

The current rent roll of OTP is £4.0 million, including development lettings. OTP has substantial scope to grow the Group's rental income in the near term. The ERV of unlet space in the completed buildings and those due to complete imminently (Buildings 6 to 9) is £4.6 million. Letting this space would therefore increase the rent roll at OTP to £8.6 million. The existing leases at OTP also have inbuilt reversion of £0.4 million.

Based on current designs, Buildings 10 and 11 have an ERV of a further £1.8 million. We have maintained a flexible approach with respect to Buildings 10 and 11 and are working with the developer to agree a final design and programme. The existing planning consent is for two buildings of c. 43,500 sq ft each, but the plots would also suit several smaller buildings or a single larger building.

As noted above, we signed two new leases to Fortescue Zero in February 2024, at an annual rent of £1.1 million or £20.1 per sq ft. The term is ten years, with a break clause on half the space in year five and a rent review at the end of the fifth year. The occupier has fitted out the building as offices and R&D space.

Occupancy at OTP investment assets was 70.8% at year end (31 December 2023: 50.0%) with a further £0.6 million let in development assets. Since the year end we signed an agreement for lease with OET who are taking 5,600 sq ft of fully fitted space at £46.5 per sq ft.

Following strong demand for more amenities on site from existing and potential occupiers, the Nexus cafe plus additional meeting space is due to complete at the end of Q2 2025.

Rolling Stock Yard
RSY, located in London's Knowledge Quarter, offers office and fully fitted laboratory space. Occupancy was 90.0% at the year end (31 December 2023: 87.3%) following increases in ERV during the year. The letting of the remaining vacant space on the first floor has completed since the year end. The 5,100 sq ft space was let to CFDX for £110.0 per sq ft adding £0.6 million to contracted rent, in line with ERV. The lease is for eight years with an occupier's break at year four. For more on this new life science occupier see leasing performance above. This letting would have taken the occupancy of the building to 100.0%, however Xero (UK) Limited, who currently occupies the seventh and eighth floors, has recently exercised its break and vacated the scheme on 1 April 2025. We are in the process of marketing this space to new occupiers.

7-11 Herbrand Street
Herbrand Street is an iconic Grade II listed building, in London's Knowledge Quarter, fully let to Thought Machine. The lease runs until Q4 2026 and we are actively engaged with the occupier ahead of this expiry to discuss options.

The Merrifield Centre
The Merrifield Centre is a fully let building just outside of Cambridge. Astellas Engineered Small Molecules UK Limited, the occupier, has shown its commitment to the asset by investing significant amounts in the building and we have a well-established routine of occupier engagement. The lease expires in December 2031, with a break in December 2026.

Resourcing for the Investment Adviser to support the Group's growth
As Investment Adviser, it is vital that we have the resources, knowledge and skills to implement the Group's strategy. We have strengthened our leasing and asset management team during the year with two new appointments, helping to drive leasing activity. See leasing section above for further details.

Financial review

Financial performance
The Group's financial results are summarised below.

	2024 £m	**2023 £m**
Gross property income	**16.3**	15.5
Property operating expenses	**(1.9)**	(1.7)
Net rental income	**14.4**	13.8
Adjusted administration costs	**(4.8)**	(5.2)
Adjusted operating profit	**9.6**	8.6
Adjusted net finance costs	**(3.7)**	(2.0)
Tax	**—**	0.1
Adjusted earnings	**5.9**	6.7
Exceptional finance costs	**—**	(1.5)
Fair value losses on derivatives and deferred premium	**(2.5)**	(3.8)
Fair value losses on investment properties	**(17.4)**	(22.8)
Loss on disposal of investment properties	**—**	(0.3)
IFRS loss after tax	**(14.0)**	(21.7)

Total gross property income in the year increased 5.2% to £16.3 million (2023: £15.5 million), reflecting the new leases that commenced in the year and a full 12 months of income from leases agreed in 2023, partially offset by rent lost on Lumen House, which the Group sold in November 2023, and the expiry of a rental guarantee at Rolling Stock Yard during the first half of 2023. The quality of the Group's occupier base is reflected in rent collection of 99.8% in respect of the year.

Property operating expenses are primarily void costs on vacant units and totalled £1.9 million (2023: £1.7 million), resulting in net rental income of £14.4 million (2023: £13.8 million). On a like-for-like basis, net rental income decreased by 3.8%, driven primarily by the write back of historical bad debts at Cambourne that had been written off in prior years and were subsequently collected in 2023 (note 4).

Administration costs of £4.8 million (2023: £5.2 million) include the Investment Adviser's fee of £3.0 million (2023: £3.4 million), as well as other costs of £1.8 million (2023: £1.8 million), including audit and valuation fees, the Directors' fees and other corporate expenses.

The above results in a total cost ratio for the year (including direct vacancy costs) of 40.8% (2023: 44.2%). Higher rental income was the key contributor to the reduction versus 2023. We expect the ratio to further reduce as we continue to lease up the buildings at OTP and realise the rental growth potential elsewhere in the portfolio.

Adjusted net finance costs for the year were £3.7 million (2023: £2.0 million), comprising loan interest, expenses and arrangement fees of £9.8 million, partially offset by capitalised finance costs of £2.1 million and adjusted finance income of £4.0 million.

As a REIT, the Group is not subject to corporation tax on its property rental business. The estimated tax charge on its residual business was £nil (2023: £0.1 million). Adjusted earnings for the year totalled £5.9 million (2023: £6.7 million).

In 2023, the Group incurred exceptional one-off finance costs of £1.5 million, with £0.7 million relating to the write-off of unamortised arrangement fees on the Group's debt facility, which was refinanced in June 2023, and an early repayment fee of £0.8 million on the Fairfield facility. There were no exceptional finance costs in the year to 31 December 2024.

Fair value losses on derivatives and deferred premiums were £2.5 million (2023: £3.8 million loss), relating to the Group's interest rate caps.

The unrealised loss on revaluation of investment properties was £17.4 million (2023: £22.8 million loss). See the valuation section above for more information.

The IFRS loss after tax for the year was £14.0 million (2023: £21.7 million loss). This resulted in IFRS loss per share of 4.0 pence (2023: 6.2 pence loss) and adjusted earnings per share ("EPS") of 1.7 pence (2023: 1.9 pence).

Dividends

The Company paid two dividends during 2024:

- In May 2024, the Company paid the second interim dividend of 1.0 pence per share in respect of the year to 31 December 2023.
- In October 2024, the Company paid the first interim dividend of 1.0 pence per share in respect of the year to 31 December 2024.

At 31 December 2024, the Group had distributable reserves of £326.9 million (31 December 2023: £328.0 million), with the majority being in the Company. Following the Board's announcement of a strategic review on 14 March 2025, all future dividends have been suspended until the Strategic Review has been concluded.

Net asset value

IFRS NAV was 75.1 pence per share at the year end (31 December 2023: 81.1 pence per share). The EPRA NTA at the year end was 74.4 pence per share (31 December 2023: 79.9 pence per share). The reduction in the EPRA NTA per share was primarily the result of dividends paid and the revaluation loss, partially offset by positive adjusted earnings. For further details on the revaluation decline in the year see the valuation section above.

Debt financing

The Group has a £100.0 million term loan and a £50.0 million RCF, both of which run to June 2026, with two one-year extension options. The Group also has a £35.0 million accordion facility option available on the RCF. The facilities are secured on all of the Group's assets, with £40.0 million of the term loan defined as a Green loan in accordance with the LMA Green Loan Principles.

The debt facility carries a cost of SONIA plus a 2.50% margin. The SONIA reference rate has been capped at 2.00% per annum until March 2025. During the year, the Group was slightly over hedged against SONIA. As a result, in September 2024 the over hedged element of the existing caps were closed out and the cap period extended for a further six months to September 2025, capping SONIA at 3.00%. The net cost of this transaction was £0.3 million. In addition, in December 2024 a further 2.00% cap was put in place for the quarter ending December 2025 at a net cost of £0.8 million the payment of which has been deferred to the cap period. As a result, the Group was hedged 100% for the next 12 months at the year end.

At 31 December 2024, £122.7 million of debt was drawn (31 December 2023: £108.7 million), with the £100.0 million term loan fully drawn and £22.7 million drawn against the £50.0 million RCF. The Group also had cash and cash equivalents of £5.6 million (31 December 2023: £14.3 million), giving a net borrowings position of £117.1 million (31 December 2023: £94.4 million). LTV was therefore 30.4% at the year end (31 December 2023: 24.7%).

At the year end there was £27.3 million undrawn on the RCF, of which £15.5 million is available to be drawn as at the reporting date with the balance subject to future asset valuations. Including cash of £5.6 million this provided liquidity of £32.9 million, covering committed costs to complete at OTP of £27.4 million and uncommitted costs of £5.5 million. In addition, the Group also has a £35.0 million accordion facility which can potentially be used for future capital expenditure projects. The facility will be drawn as required to meet funding requirements whilst minimising interest costs.

Compliance with the investment policy

The Group's investment policy is set out in full in the Annual Report. The key elements of the policy are summarised below. We complied with the policy throughout the year:

Policy element	Compliance in the period
Invest in a diversified portfolio of properties across the UK which are typically leased or intended to be leased to occupiers operating in, or providing a benefit to, the life science sector ("life science properties").	Yes. All the properties are in the Golden Triangle and are either leased or intended to be leased to life science organisations.
Examples of the assets the Group can acquire: wet and dry laboratories, offices, incubators and co-working space, manufacturing and testing facilities, and data centres.	Yes. All the Group's life science assets are a mix of laboratory and office space.
The Group can acquire individual buildings, a group of buildings across a single science park or the entirety of a science park. This may include purchasing or developing buildings that are leased or intended to be leased to occupiers providing ancillary services to employees of companies operating in, or providing a benefit to, the life science sector.	Yes. The Group owns both individual assets and a science park.
The Group will typically invest in income-producing assets, consistent with providing capital growth and growing income.	Yes. All the assets are income producing (other than the development at OTP) and offer potential for capital growth and rising income through asset management.
Any asset management or development opportunities will minimise any development risk, typically through forward funding or similar arrangements.	Yes. We are forward funding the development programme at OTP and have a fixed-price contract for each building with the developer.
The maximum exposure to developments or land without a forward funding arrangement is 15% of gross asset value ("GAV").	Yes. There are no developments or land without a forward-funding arrangement.
No individual building will represent more than 25% of GAV from 31 December 2023.	Yes. No individual building exceeds the threshold.
The Group targets a portfolio with no one occupier accounting for more than 20% (but subject to a maximum of 30%) of the higher of either (i) gross contracted rents or (ii) the valuer's ERV of the Group's portfolio including developments under forward-funding agreements, as calculated at the time of investing or leasing.	One occupier exceeds 20% of contracted rent but remains below the 30% threshold. This percentage is expected to fall as OTP continues to be developed and leased up.
The aggregate maximum exposure to assets under development, including forward fundings, will not exceed 30% of GAV from 31 December 2023.	Yes. 14.7% of assets are currently in development.
No more than 10% of GAV will be invested in properties that are not life science properties.	Yes, more than 90% of assets are currently classified as life science properties.
The Group will not invest more than 10% of GAV in other alternative investment funds or closed-ended investment companies.	Yes. The Company has no investments of this type.

Alternative Investment Fund Manager ("AIFM")
G10 Capital Limited ("G10") is the Company's AIFM, for the purposes of the UK AIFM Regime, with Ironstone providing advisory services to both G10 and the Company.

Investment Adviser
Ironstone Asset Management Limited is the Investment Adviser to the Company and the AIFM.

Ironstone Asset Management Limited | Investment Adviser
15 April 2025

Principal risks and uncertainties

We take a thorough and proportionate approach to managing risk. We consider our compliance requirements and the protection of our occupiers and other stakeholders as key priorities when assessing our risk appetite. Our robust risk, governance and control environment is designed to ensure we have a clear understanding of business risks and opportunities, and our management and mitigation strategies.

Overall risk culture
Our financial and operational performance and reputation are subject to several risks and uncertainties. These risks could, either separately or in combination, have a material impact on our performance, occupiers, third-party service providers, the environment and shareholder returns.

The Board, supported by its advisers, is responsible for identifying, understanding, considering and acting on the Group's current and emerging risks. Our business culture is designed to enable decisions to be made within agreed parameters and recognised accountabilities, to support the delivery of our objectives.

Responsibilities
The Board has overall responsibility for managing risk, identifying principal risks that may affect the Group's objectives and determining the nature and extent of risk exposure that the business is willing to take in pursuit of its strategy. The Audit and Risk Committee, on behalf of the Board, oversees the Group's framework for risk management.

Our framework for risk management is approved by the Board. It sets out how we identify, evaluate and report on our current and emerging risks, and incorporates the assessment of the controls and mitigation strategies we have in place for each documented risk. We apply a consistent evaluation framework to the assessment of risks, providing a clear basis for considering threats and opportunities across our activities.

Our approach
The Investment Adviser regularly reviews and updates the corporate risk register, which is reported to each Audit and Risk Committee meeting, highlighting any emerging risks and any changes to existing risks; the controls in place; and our exposure to that risk. The Audit and Risk Committee reviews the risk register, with particular focus on the principal risks and any emerging risks and provides updates to the Board.

The Audit and Risk Committee also monitors our risk management processes and approves relevant disclosures. It is responsible for monitoring financial reporting and external audit plans and outputs, as well as providing assurance to the Board in relation to financial, operational and compliance controls, all of which are designed to manage our exposure to risk.

The Board has approved the delegated authority matrix and key policies, which ensure that responsibility for making key decisions such as asset acquisitions and disposals is clearly defined and understood. The authority matrix ensures that significant decisions are taken at the appropriate level, taking into account the size and complexity of the transaction, and its significance to our plans.

Risk appetite and awareness
Risk awareness exists through our decision-making processes and is embedded in our systems, policies, leadership, governance and behaviours. We primarily have an outsourced model and are reliant on service providers, particularly the Investment Adviser, to make decisions within the Board's approved parameters. These parameters are summarised by our risk appetite, which is incorporated within the risk framework.

Risk appetite
Our risk appetite was reassessed during the year, as part of the annual review of the risk framework and remains unchanged. We have no appetite for risks relating to compliance with regulatory and environmental requirements, or the safety and welfare our occupiers, those working on our behalf, and the wider community in which we work.
Our appetite for risks relating to climate change is low, and we are, through the Sustainability Committee, working to identify and mitigate physical and transitional risks to the portfolio and the Group.

We will accept a reasonable level of risk in relation to business activities focused on enhancing revenues, portfolio values and increasing financial returns for investors. We seek to balance our risk position through:

- a strong focus on compliance, with our expectations of service providers incorporated within contract documents, and monitored through performance reviews by the Management Engagement Committee;
- the acquisition and management of a balanced asset portfolio, being selective in our acquisition decisions, and following a clear investment appraisal process;
- a focus on mitigating climate-related risks and opportunities through our portfolio acquisition decisions, refurbishment and repurposing approach, and our work with and support to occupiers; and
- generating profit and funds through the effective asset management of our portfolio.

Environmental, Social and Governance ("ESG") risk
We consider the active management of ESG related risk to be a key element of our business operations. We have invested resource in understanding these risks, in particular climate-related risk, and how we can best mitigate these.

ESG and climate-related risks are included within the corporate risk register, and we have a separate climate-related risk register, covering both physical and transitional risks. This is reviewed by the Investment Adviser and reported to the Sustainability Committee.

There is a biannual formal review of the risks in the climate related risk register, to consider whether there are any risks rated high that should be escalated to the corporate risk register. For more details on these risks, see TCFD section in the Annual Report.

Emerging risks
A key element of our approach to the management of risk is the regular identification and consideration of potential emerging risks for the Group. These emerging risk reviews are carried out regularly with the Investment Adviser, and it is part of the regular risk report to the Audit and Risk Committee.

During the year, two new risks were added to the register:

- the potential for a significant legal challenge initiated by the Group – relating to the ongoing development of OTP. We have raised concerns with the developer in relation to the time frame for completion of the buildings and are working with them to resolve the situation.
- general electrical capacity limitations – this is not specifically a Group issue, being the lack of available capacity in the network given the move towards electrical power as a cleaner energy source. However, whilst this does not impact the Group's current business plan, there is a potential for this risk to impact it in the longer term. The Investment Adviser has undertaken an analysis of the power requirements of existing and potential occupiers during the year which demonstrate this is not an issue for the Group. Therefore, whilst this has been added to the risk register and will be regularly monitored, we do not consider it is one of the Group's principal risks.

We acknowledge the current macroeconomic environment around globalised trade and tariffs, but do not believe this has a material impact on the Group and has therefore not been included as an emerging risk at this stage.

Principal risks
The Board confirms that it has performed a robust assessment of the Group's principal and emerging risks and considered both the short and longer-term impacts. The Investment Adviser and the Audit and Risk Committee regularly review the corporate risk register in detail.

The Board considers its overarching risk to be that investment objectives and performance against them become unattractive to investors, leading to a prolonged widening share price discount to net asset value, constraining the Group's ability grow by raising funds on the public markets.

The Board has identified its principal risks based on this overarching risk, and these are summarised here, along with the current risk management strategy, the assessment of exposure to each risk, and any change in assessment since our last report.

Changes in risk, emerging risk
Other than the risk relating to legal challenge, there are no additional principal risks, and we have not removed any risks previously considered to be principal. Where the evaluation of the risk has changed, an explanation has been provided in the detailed section below.

Business risks

1 Poor returns on the portfolio

Change	No change Whilst we have seen increasing interest from potential occupiers and a generally more active market in the second half of the year, at this stage we consider it prudent to maintain the medium evaluation of this risk.
Risk	Achieving the targeted level of return on our property portfolio over time is fundamental to the success of the business. The risk of a reduced return on the portfolio could be caused by a number of factors, including: • reduced property valuations; • reduced rent levels; • an inappropriate balance of property types within the portfolio; • cost of capital increases, particularly as interest rates rise; • higher than anticipated void rates, and bad debts; and • increasing new tenancy costs (e.g. shorter leases or significant works to attract occupiers). In addition, external macroeconomic challenges may reduce investment in the life sciences sector, subsequently reducing property values and rent incomes, and in the medium to longer term this could also impact on the number of potential occupiers looking for property.

Mitigation	Portfolio risk mitigation is based around: • Asset value – a robust acquisition and investment process, including detailed financial modelling. Our investment protocol reflects our delegated authority matrix, ensuring that decisions are made at the right level, with particularly significant decisions referred to the Board. We aim to have a balance between space developed with or by occupiers, and the development of sites in advance of occupation, particularly with specialist facilities such as laboratory space. This enables us to meet specific occupier requirements, and also to attract potential occupiers who are looking for reduced fit-out cost and time, which helps to drive rents. • Occupier quality – our occupier approval process is designed to ensure we fully understand occupier requirements, delivering appropriate space for them. It also includes evaluation of potential occupiers, to ensure that they are aligned with the Group's strategic priorities and have a business model and financial plans which cover all property costs. • Property management – the property managers work closely with the Investment Adviser's asset management team, and together they provide regular performance reviews and reports to the Board. Rent collection performance is also monitored by Waystone, who are responsible for rent collection accounting and maintenance of the debtor ledger.

2 Significant legal challenge

Change	New This risk was added to the risk register during the year, as the development completions at OTP continue to be delayed.
Risk	We entered into a development agreement as part of the acquisition and construction of OTP. Our acquisition decision making relied in part on information provided to us by the developer, particularly regarding timing of construction and expected completion dates. Due to ongoing completion delays, commencing legal challenge is an option available to the Group. However we are working with the developer to resolve this situation and avoid pursuing this route.
Mitigation	We have engaged legal and technical expert advice, and are in formal discussions with the developer in relation to the plan forward.

3 Inability to identify or secure assets/sites for acquisition

Change	No change
Risk	There is a risk that we may lose investment opportunities to competitors. This could be driven by aggressive competitors, the overall level of competition in the market, insufficient suitable available assets in the market, or acquisition prices that would make it difficult for us to generate sufficient returns.
Mitigation	Our Investment Adviser has an experienced management team and is supported by external property management specialists, who have extensive expertise and contacts across the life sciences market and are able to source a range of acquisition opportunities. However, our focus this year and next is on the management of our existing assets, including progressing development and potential repurposing to attract occupiers to our space and drive the best value from our current portfolio.

4 Poor performance of the Investment Adviser or other significant third-party provider

Change	No change
Risk	We operate an outsourced model and depend on the performance of our third-party service providers, particularly the Investment Adviser, AIFM, Property Manager and Fund Administrator. Poor service delivery from any of these key providers could result in poor decisions, reduced portfolio returns or regulatory compliance failures, and could ultimately have a financial impact on investors.

	We rely on receiving high-quality and accurate information from our service providers, and inaccurate or incomplete information could damage our finances, properties, occupiers and reputation. In particular, inaccurate information could increase our revenue risk, as we depend on third parties to invoice, collect, bank and record revenues.
Mitigation	Our governance framework is designed to ensure that the Board is involved with decisions that are material to the success of the Group. There is an approved delegated authority matrix, including the matters reserved for the Board. Our service providers are recognised experts in their fields, and we have contracts in place, with clear terms of service and our expectations clarified. The principal third-party providers oversee and review our activities, with the AIFM reviewing and approving key transactions proposed by the Investment Adviser, and the Investment Adviser monitoring the performance of the property managers. Financial reports and information are prepared by Waystone and checked by the Investment Adviser’s Finance team, prior to reporting to the Board. Our Board members are experienced individuals, appointed for their knowledge and their business and commercial acumen. In addition to their performance reviews and variance analysis as part of the normal quarterly Board meetings, they formally review the performance of key third-party service providers through the Management Engagement Committee. The valuation of the portfolio is a key risk area for the Group. The valuation is undertaken by an independent valuer, which provides independent assurance for the Board on the accuracy of key metrics reported by the Investment Adviser

5 Inappropriate acquisition, or breach of investment strategy

Change	No change
Risk	Acquiring assets or taking on occupiers which are not in line with our investment policy and objectives could have a detrimental effect on our portfolio values, finances or reputation, and could also increase risk for occupiers, particularly in multi-tenanted properties.
Mitigation	Our investment policy is supported by processes designed to ensure that acquisitions meet our requirements, and any capital expenditure will deliver enhanced returns. We have a strong acquisition protocol approved by the Board, which includes robust due diligence processes and assessment against clear investment criteria, including portfolio mix, property type and quality, legal issues, environmental requirements, sector and quality of occupier. Acquisition and investment approvals follow our delegated authority matrix, with particularly material decisions reserved for the Board. All acquisitions and disposals are also approved by the AIFM. The Investment Adviser and the Property Manager provide us with expert knowledge of the properties and geographical locations which are best suited to the life science market, ensuring that our property portfolio is best suited to the needs of our target occupiers. Our procedures also require a full assessment of potential occupiers, ensuring that they are linked to the life science sector and are of suitable financial stability and strength for the lease concerned.

Financial risks

6 Interest rate changes

Change	No change
Risk	Interest rate rises present a number of different potential risks to the Group. They may impact on our ability to utilise funding to execute the strategy; may have an impact on the overall value of the portfolio, as the cost of lending impacts on asset valuations; potential occupiers may decide to delay expansion plans, and current occupiers may have reduced willingness or ability to pay rents.
Mitigation	The potential for interest rate rises is not a risk within our control, and we therefore focus on managing and mitigating the consequences. We have a financing strategy agreed with the

	Investment Adviser. We are in the second year of a three year financing arrangement, which also has options for extension. This provides sufficient headroom to complete our current planned developments and refurbishments. We have also hedged the SONIA rate risk with interest rate caps, targeting 100% hedging at all times. We also manage our cash flows carefully, along with the timing of debt drawdowns for significant outlays.

7 Breach of loan covenants or borrowing policy

Change	Increase Development completion delays and slower than anticipated leasing have impacted on cashflows which may impact future compliance with facility covenants.
Risk	We set out our expected and maximum LTV ratios in the prospectus, and separately have LTV and interest cover ratios within our financing facility. Breach of any of these ratios, or the terms and conditions of the funding facility, could have a serious impact on the delivery of our objectives, through cash shortages or damage to our reputation.
Mitigation	The Investment Adviser is responsible for monitoring operations, financial transactions and performance, and reviews the financial position continuously to ensure that neither the LTV ratio nor any specific requirements of our financing facility are breached. The Investment Adviser applies comprehensive financial models to plan cash flows and funding requirements. Cash availability is built into the investment decision-making process and capital expenditure planning. The cash position is reconciled monthly to the bank statements by Waystone, and by the Investment Adviser's Finance team on an ad hoc and quarterly basis to the accounting records produced by Waystone. We are working with the developer on a revised plan and completion timetable for OTP which will enable the asset management team to focus leasing activities accordingly. Ensuring that assets are revenue generating as soon as possible will reduce future cash flow and covenant compliance risk.

8 Unable to attract investment, equity or debt funding

Change	Increase The prolonged discount at which our shares trade relative to net assets and the delay in both development completions and leasing progress has restricted our ability to source both equity and debt funding.
Risk	There is a risk that we may be unable to raise funding, either through equity from new investors/increased investment from existing shareholders or via debt funding. This would affect our ability to grow and deliver on agreed strategic objectives.
Mitigation	We have an experienced Investment Adviser, with excellent market knowledge. The Investment Adviser Finance Director maintains relationships with current and potential funding partners, and any significant funding agreements are reviewed and approved by the Board, in line with our delegated authority matrix. Following the refinancing, the banks remain supportive of our strategy, providing we continue to operate within the covenants of our facility. Whilst the discount at which our shares currently trade to net assets make raising equity challenging, we maintain an active programme of shareholder engagement and provide regular market updates on our strategic progress to strengthen our relationship with investors and potential investors.

Compliance risks

9 Loss of REIT status

Change	No change

Risk	Failing to comply with the REIT framework could put our status as a REIT at risk, resulting in a potentially significant impact on our shareholders.
Mitigation	We have a documented governance framework, with clearly allocated responsibilities set out in the matters reserved for the Board, the delegated authority matrix, and in our contracts with the Investment Adviser and other key service providers. We obtain advice as needed from the AIFM, our brokers and external legal support in relation to governance compliance, FCA and listing rules. Our position against the key requirements of the REIT legislation is reviewed by the Investment Adviser each month, by Waystone quarterly, and is reported to the Board. Cash and earnings cover for dividends is monitored through the comprehensive cash flow forecasting process.

Climate-related risks

10 Impact of climate change

Change	No change
Risk	The potential impact of climate change is one of our principal risks, and we are investing time and resource to better understand and reduce our impact on the environment and minimise the impact of climate change on our portfolio. We have a separate climate risk register to help us identify, consider and mitigate both physical and transitional risks in more detail. Key risks documented in that register include: • change in occupiers’ requirements, as they seek more sustainable property options; and • the complexities and cost of compliance with increasing legislation and reporting requirements, and the impact of changes to business practices going forward.
Mitigation	The global impact of climate change is already noticeable, and we recognise our responsibility to develop a portfolio and business/operational practices which reduce our environmental impact, impact and minimise the impact of climate change on our portfolio whilst enabling us to deliver results for our investors. Further details are included in the Sustainability and TCFD sections of the Annual Report, but a summary of the actions we have taken and planned are: • new developments to be BREEAM ‘Excellent’ or ‘Very Good’ rated; • environmental assessment of all potential acquisitions, as part of the acquisition process; • EPC reports are part of our standard process for acquisitions; • capital expenditure planning includes consideration of climate-related risk, with appropriate building standards being applied, such as energy efficient lighting and heating; • external specialists in place to assist us with delivery of our sustainability roadmap and route to net zero; • a Sustainability Committee which considers climate related risks and opportunities, and approves our mitigation strategy and plans, and • a standard quarterly Board report pack which includes ESG and climate-related risk information, to ensure that Board members are fully informed.

Going Concern and viability statement

Going concern

The Board monitors the Group’s ability to continue as a going concern. Specifically, at quarterly Board meetings, the Board reviews summaries of the Group’s liquidity position and compliance with loan covenants, as well as forecast financial performance and cash flows. Throughout the period, the Board met frequently, in conjunction with the Investment Adviser, to review cash resources and the progress of the development and repurposing of the investment property portfolio.

The Group ended the year with £5.6 million of unrestricted cash and £27.3 million of headroom available under its debt facilities, of which £15.5 million is available to draw as at the reporting date with the balance subject to future asset valuations and capital commitments. These valuations are due to increase as the development of OTP continues and completes. There is limited risk that a fall in bank valuations would result in a liquidity issue in the base and sensitised cases, however further asset disposals would mitigate this risk. The Group is operating within its covenants and a sensitivity analysis has been performed to identify the decrease in valuations and rental income that would result in a breach of the LTV, or interest cover covenants. For the HSBC and Bank of Ireland facility, current bank valuations would need to fall by 28.9% or rents by 26.1%, as at the 2024 year end covenant test date, before these covenants would be breached. As at 15 April 2025, 100% of rents invoiced in December 2024 in relation to the quarter to 24 March 2025 were received.

The Board has looked at its forecast cash flow for at least the next 12 months and under the base case scenario, as expected, it can meet its covenants and liquidity requirements within the current facility headroom. The Directors have reviewed a number of scenarios which included plausible downside sensitivities in relation to rental cash collection, making no acquisitions or discretionary capital expenditure, and minimum dividend distributions under the REIT rules. The sensitivity analysis also includes, for example, considering the timing of cash flows on committed capital expenditure at OTP and assumptions over the commencement and speed of completion of the work, which impacts the timing of cash outflows being payable, which is currently not certain.

In combination with this, the Directors note the debt facilities are due for maturity in June 2026, and will consider the prospects of any refinancing necessary, and any resultant liquidity constraints, as part of the strategic review where individual and collective asset sales are under consideration. The facility may be refinanced in full, in part at a reduced amount, or repaid in full depending on the outcome of the strategic review which will conclude before the refinancing date. The capital expenditure relating to the development of OTP is the largest contributor to using up headroom in the facility across the going concern period, and whilst the timing of this is not certain as noted above, the Group has currently forecast that headroom will remain available up to the refinancing date, based on the Directors’ best estimate of the build schedule as of the date of approving the Financial Statements. Should it not, there are mitigating actions management can take to generate additional liquidity if necessary which, whilst not entirely within the Board’s control as there is a reliance on the market, includes disposing of one or more of the assets as part of the strategic review considerations.

The Board announced a strategic review on 14 March 2025 to consider the future of the Group and to explore all strategic options available to maximise value for shareholders, which may include a potential sale or a managed wind down. The Board acknowledges the challenges and significant headwinds that the Group has faced since IPO, in common with the wider REIT sector, including higher inflation and elevated interest rates which have driven a fundamental slowdown in leasing activity and negatively impacted investor sentiment. These factors, coupled with the Group's size and low levels of liquidity have led to an under performance of the share price, which has, as a result, traded at a significant discount to net asset value for a prolonged period of time.

This announcement leads to uncertainty over the ownership, size and scale of the total asset portfolio and the debt facility that may be needed at the June 2026 refinancing date. Under the base case, the Directors have a reasonable expectation that the Group and the Company would have adequate resources to continue in business for a period of at least 12 months from the date of approval of the Annual Report and Financial Statements, given facility headroom and liquidity remain available. However, the strategic review announcement in particular leads the Directors to believe that there exists a material uncertainty that may cast significant doubt over the Group’s ability to continue to be in operation for at least the next 12 months, even at the base case.

Assessment of viability

In accordance with the AIC Code of Corporate Governance, the Directors would ordinarily have assessed the Group’s prospects over a period greater than the 12 months considered by the going concern provision. However, following the strategic review announcement, this results in a level of uncertainty for the long-term future of the business. The Directors have therefore deemed the viability period to be aligned with the going concern period of 12 months from the date of this report.

The principal risks detailed on pages 50 to 58 summarise the matters that could prevent the Group from delivering its strategy. The Board seeks to ensure that risks are kept to a minimum at all times and, where appropriate, the potential impact of such risks is modelled within its viability assessment. The Group’s investment portfolio acquired to date delivers the intended investment strategy of a diversified portfolio located within the Golden Triangle of Oxford, Cambridge and London located near major universities, hospitals and public and commercial organisations, where there is a shortage of high-quality real estate space to support expanding life science businesses. This is expected to lead to low vacancy rates and further rental and capital growth.

The Directors’ assessment takes into account forecast cash flows, debt availability, forecast covenant compliance, dividend cover and REIT compliance. The model is then stress tested for severe but plausible scenarios, individually and in aggregate, along with consideration of potential mitigating factors. The key sensitivities applied to the model are a downturn in economic outlook and restricted availability of finance, specifically:

- increased occupier turnover;
- increased void costs;

• increased interest rates; and

• reduced disposal proceeds.

Taking into account mitigating actions, the results of the sensitivity analysis and stress testing demonstrated that the Group would have sufficient liquidity to meet its ongoing liabilities as they fall due, maintain compliance with banking covenants and maintain compliance with the REIT regime over the period of the assessment.

Furthermore, the Board, in conjunction with the Audit and Risk Committee, carried out a robust assessment of the principal risks and uncertainties facing the Group, including those that would threaten its business model, strategy, future performance, solvency or liquidity over the 12 month period being assessed. The risk review process provided the Board with assurance that the mitigations and management systems are operating as intended. The Board believes that the Group is well positioned to manage its principal risks and uncertainties and the economic and political environment.

The Board's expectation is further supported by regular briefings provided by the Investment Adviser. These briefings consider market conditions, opportunities, changes in the regulatory landscape and the current economic and political risks and uncertainties. These risks, and other potential risks which may arise, continue to be closely monitored by the Board.

Viability statement

The period over which the Directors consider it is feasible and appropriate to report on the Group's viability has been aligned with the 12 month going concern period following the strategic review announcement on 14 March 2025.

The Directors confirm that, taking account of the Group's current position and the principal risks set out in the strategic report, they have a reasonable expectation that the Group and the Company would have adequate resources to continue in business for a period of at least 12 months from the date of approval of the Annual Report and Financial Statements. However, the strategic review announcement in particular leads the Directors to believe that there exists a material uncertainty that may cast significant doubt over the Group's ability to continue to be in operation for at least the next 12 months.

On behalf of the Board

Claire Boyle | Chair

15 April 2025

NON-STATUTORY ACCOUNTS

The financial information set out below does not constitute the Company's statutory accounts for the year ended 31 December 2024 but is derived from those accounts. Statutory accounts for the year ended 31 December 2024 will be delivered to the Registrar of Companies in due course. The Auditor has reviewed those accounts; their report was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006. The auditor did draw attention to the material uncertainty related to going concern as set out in the going concern and viability statement above. The text of the Auditor's report can be found in the Company's full Annual Report and Financial Statements.

Statement of directors' responsibilities

In respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report and United Kingdom adopted Financial Statements in accordance with applicable UK law and in compliance with the requirements of the Companies Act 2006. 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 United Kingdom adopted international accounting standards and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Directors have chosen to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

Under company law, the Directors must not approve the financial statements unless they are satisfied that they present fairly the financial position, financial performance and cash flows of the Group for that year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance;
- state that the Group has complied with IFRS, subject to any material departures disclosed and explained in the financial statements;
- state whether the Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") subject to any material departures disclosed and explained in the Company financial statements; and
- make judgements and estimates that are reasonable and prudent.

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 Group and enable it to ensure that the financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation.

They are also responsible for safeguarding the assets of the Group and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities. Under applicable law and regulations, the Directors are also responsible for preparing a strategic report, Directors' report, Directors' remuneration report and corporate governance statement that comply with that law and those regulations, and for ensuring that the Annual Report includes information, where applicable, for the Disclosure Guidance and Transparency Rules of the FCA.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and, accordingly, the Auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the UK covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

We confirm that, to the best of our knowledge:

- the financial statements, prepared in accordance with IFRS, and in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the Company (and Group as a whole); and
- this Annual Report includes a fair review of the development and performance of the business and the position of the Company (and Group as a whole), together with a description of the principal risks and uncertainties that it faces.

The Directors consider that 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 position and performance, business model and strategy.

For and on behalf of the Board

Claire Boyle | Chair

15 April 2025

Consolidated statement of profit or loss and other comprehensive income
for the year ended 31 December 2024

Continuing operations	Notes	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Gross property income	3	**16,355**	15,481
Service charge income	3	**3,953**	4,461
Revenue		**20,308**	19,942
Recoverable service charges	4	**(3,953)**	(4,461)
Property operating expenses	4	**(1,931)**	(1,656)
Gross profit		**14,424**	13,825
Administration expenses	4	**(4,838)**	(5,249)
Operating gains before losses on investment properties		**9,586**	8,576
Fair value losses on investment properties	13	**(17,376)**	(22,848)
Loss on disposal of investment properties	13	**–**	(317)
Operating loss		**(7,790)**	(14,589)
Finance income	7	**4,203**	3,807
Finance expenses	8	**(10,390)**	(11,070)
Loss before tax		**(13,977)**	(21,852)
Taxation	9	**–**	146
Loss after tax for the period and total comprehensive loss attributable to equity holders		**(13,977)**	(21,706)
Loss per share (basic and diluted) (pence)	12	**(4.0)**	(6.2)

All items in the above statement derive from continuing operations. No operations were discontinued during the period.

There is no other comprehensive income and as such a separate statement is not present. The loss after tax is therefore also the total comprehensive loss.

Consolidated statement of financial position as at 31 December 2024

	Notes	31 December 2024 £'000	31 December 2023 £'000
Assets			
Non-current assets			
Investment property	13	**385,220**	382,300
Interest rate derivatives	16	**–**	3,998
Trade and other receivables	14	**3,826**	3,409
		389,046	389,707
Current assets			
Trade and other receivables	14	**4,196**	6,656
Cash and cash equivalents	15	**5,567**	14,341
Interest rate derivatives	16	**2,378**	–
		12,141	20,997
Total assets		**401,187**	410,704
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	17	**(122,238)**	(107,918)
Other payables and accrued expenses	18	**(3,826)**	(4,604)
		(126,064)	(112,522)
Current liabilities			
Interest-bearing loans and borrowings	17	**–**	–
Other payables and accrued expenses	18	**(12,355)**	(14,437)
		(12,355)	(14,437)
Total liabilities		**(138,419)**	(126,959)
Net assets		**262,768**	283,745
Equity			
Share capital	19	**3,500**	3,500
Capital reduction reserve		**314,823**	321,823
Retained earnings	20	**(55,555)**	(41,578)
Total equity		**262,768**	283,745
Number of shares in issue (thousands)		**350,000**	350,000
Net asset value per share (basic and diluted) (pence)	21	**75.1**	81.1

These Financial Statements were approved by the Board of Directors of Life Science REIT plc on 15 April 2025 and signed on its behalf by:

Claire Boyle

Company number: 13532483

Consolidated statement of changes in equity for the year ended 31 December 2024

	Notes	Share capital £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2024		**3,500**	**321,823**	**(41,578)**	**283,745**
Loss for the year and total comprehensive loss		**–**	**–**	**(13,977)**	**(13,977)**
Dividends paid	11	**–**	**(7,000)**	**–**	**(7,000)**
Balance at 31 December 2024		**3,500**	**314,823**	**(55,555)**	**262,768**

	Notes	Share capital £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2023		3,500	335,823	(19,872)	319,451
Loss for the year and total comprehensive loss		–	–	(21,706)	(21,706)
Dividends paid	11	–	(14,000)	–	(14,000)
Balance at 31 December 2023		3,500	321,823	(41,578)	283,745

Consolidated statement of cash flows as at 31 December 2024

	Notes	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Cash flows from operating activities			
Operating loss		**(7,790)**	(14,589)
Adjustments to reconcile profit for the year to net cash flows:			
Changes in fair value of investment properties	13	**17,376**	22,848
Adjustment for non-cash items		**–**	317
Operating cash flows before movements in working capital		**9,586**	8,576
Decrease/(increase) in other receivables and prepayments		**3,911**	(5,177)
(Decrease)/increase in other payables and accrued expenses		**(576)**	4,216
Net cash flow generated from operating activities		**12,921**	7,615
Cash flows from investing activities			
Acquisition of investment properties		**(1,127)**	1,653
Capital expenditure		**(19,280)**	(24,034)
Disposal of investments		**–**	7,516
Interest received		**4,057**	3,222
Net cash used in investing activities		**(16,350)**	(11,643)
Cash flows from financing activities			
Bank loans drawn down	17	**14,000**	142,520
Bank loans repaid	17	**–**	(145,304)
Loan interest and other finance expenses paid		**(12,345)**	(9,473)
Loan issue costs paid		**–**	(980)
Dividends paid in the year		**(7,000)**	(14,000)
Net cash flow used in financing activities		**(5,345)**	(27,237)
Net decrease in cash and cash equivalents		**(8,774)**	(31,265)
Cash and cash equivalents at start of the year		**14,341**	45,606
Cash and cash equivalents at end of the year	15	**5,567**	14,341

Notes to the consolidated financial statements
for the year ended 31 December 2024

1. General information

Life Science REIT plc (the "Company") is a closed-ended Real Estate Investment Trust ("REIT") incorporated in England and Wales on 27 July 2021. The Company began trading on 19 November 2021 and its shares are admitted to trading on the Premium Listing Segment of the Main Market of the London Stock Exchange. The registered office of the Company is located at Central Square, 29 Wellington Street, Leeds, England, LS1 4DL.

The Group's consolidated Financial Statements for the year ended 31 December 2024 comprise the results of the Company and its subsidiaries (together constituting the "Group") and were approved by the Board and authorised for issue on 15 April 2025. The nature of the Group's operations and its principal activities are set out in the strategic report of the Annual Report.

2. Basis of preparation

These Financial Statements are prepared in accordance with United Kingdom adopted International Financial Reporting Standards and in conformity with the requirements of the Companies Act 2006. The Financial Statements have been prepared under the historical cost convention, except for the revaluation of investment properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The audited Financial Statements are presented in Pound Sterling and all values are rounded to the nearest thousand pounds (£'000), except when otherwise indicated.

2.1 Going concern

The Board monitors the Group's ability to continue as a going concern. Specifically, at quarterly Board meetings, the Board reviews summaries of the Group's liquidity position and compliance with loan covenants, as well as forecast financial performance and cash flows. Throughout the period, the Board met frequently, in conjunction with the Investment Adviser, to review cash resources and the progress of the development and repurposing of the investment property portfolio.

The Group ended the year with £5.6 million of unrestricted cash and £27.3 million of headroom available under its debt facilities, of which £15.5 million is available to draw as at the reporting date with the balance subject to future asset valuations. These valuations are due to increase as the development of OTP continues and completes. There is limited risk that a fall in bank valuations would result in a liquidity issue in the base and sensitised cases, however further asset disposals would mitigate this risk. The Group is operating within its covenants and a sensitivity analysis has been performed to identify the decrease in valuations and rental income that would result in a breach of the LTV, or interest cover covenants. For the HSBC and Bank of Ireland facility, current bank valuations would need to fall by 28.9% or rents by 26.1%, as at the 2024 year end covenant test date, before these covenants would be breached. As at 15 April 2025, 100% of rents invoiced in December 2024 in relation to the quarter to 24 March 2025 were received.

The Board has looked at its forecast cash flow for at least the next 12 months and under the base case scenario, as expected, it can meet its covenants and liquidity requirements within the current facility headroom. The Directors have reviewed a number of scenarios which included plausible downside sensitivities in relation to rental cash collection, making no acquisitions or discretionary capital expenditure, and minimum dividend distributions under the REIT rules. The sensitivity analysis also includes, for example, considering the timing of cash flows on committed capital expenditure at OTP and assumptions over the commencement and speed of completion of the work, which impacts the timing of cash outflows being payable, which is currently not certain.

In combination with this, the Directors note the debt facilities are due for maturity in June 2026, and will consider the prospects of any refinancing necessary, and any resultant liquidity constraints, as part of the strategic review where individual and collective asset sales are under consideration. The facility may be refinanced in full, in part at a reduced amount, or repaid in full depending on the outcome of the strategic review which will conclude before the refinancing date. The capital expenditure relating to the development of OTP is the largest contributor to using up headroom in the facility across the going concern period, and whilst the timing of this is not certain as noted above, the Group has currently forecast that headroom will remain available up to the refinancing date, based on the Directors' best estimate of the build schedule as of the date of approving the Financial Statements. Should it not, there are mitigating actions management can take to generate additional liquidity if necessary which, whilst not entirely within the Board's control as there is a reliance on the market, includes disposing of one or more of the assets as part of the strategic review considerations.

The Board announced a strategic review on 14 March 2025 to consider the future of the Group and to explore all strategic options available to maximise value for shareholders, which may include a potential sale or a managed wind down. The Board acknowledges the challenges and significant headwinds that the Group has faced since IPO, in common with the wider REIT sector, including higher inflation and elevated interest rates which have driven a fundamental slowdown in leasing activity and negatively impacted investor sentiment. These factors, coupled with the Group's size and low levels of liquidity have led to an under performance of the share price, which has, as a result, traded at a significant discount to net asset value for a prolonged period of time.

This announcement leads to uncertainty over the ownership, size and scale of the total asset portfolio and the debt facility that may be needed at the June 2026 refinancing date. Under the base case, the Directors have a reasonable expectation that the Group and the Company would have adequate resources to continue in business for a period of at least 12 months from the date of approval of the Annual Report and Financial Statements, given facility headroom and liquidity remain available. However, the strategic review announcement in particular leads the Directors to believe that there exists a material uncertainty that may cast significant doubt over the Group's ability to continue to be in operation for at least the next 12 months, even at the base case, from the date of approval of the Annual Report and Financial Statements.

2.2 New standards and interpretations effective in the current period

The following amendments to existing standards, which are required for the Group's accounting period beginning on 1 January 2024, have been considered and applied:

- Amendments to IAS 1 Presentation of Financial Statements clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period and not expectations of, or actual events after, the reporting date. The amendments also give clarification to the definition of settlement of a liability.
- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

There were no material effects from the adoption of the above-mentioned amendments to IFRS effective in the period. They have no significant impact on the Group as they are either not relevant to the Group's activities or require accounting that is already consistent with the Group's current accounting policies.

2.3 New and revised accounting standards not yet effective
There are a number of new standards and amendments to existing standards, which have been published and are mandatory for the Group's accounting periods beginning on, or after, 1 January 2025. The Group is not adopting these standards early. The following are the most relevant to the Group:

- Amendments to IAS 21 Lack of Exchangeability to assist entities in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not.
- IFRS 18 Presentation and Disclosures in Financial Statements. This is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures. This reduces disclosure requirements that an eligible subsidiary entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments provide clarity on the date of recognition and derecognition of certain financial instruments and amends/updates the disclosure required for some financial instruments.

The Directors have yet to assess the full outcome of these new standards, amendments and interpretations; however, with the exception of IFRS 18, these other new standards, amendments and interpretations are not expected to have a significant impact on the Group's financial statements.

2.4 Significant accounting judgements and estimates
The preparation of these Financial Statements, in accordance with IFRS, requires the Directors of the Company to make judgements, estimates and assumptions that affect the reported amounts recognised in the Financial Statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future.

Judgements
In the course of preparing the Financial Statements, the Investment Adviser has made the following judgements in the process of applying the Group's accounting policies that have had a significant effect on the amounts recognised in the Financial Statements.

Business combinations
The Group acquires subsidiaries that own investment properties. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. Management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. Where such acquisitions are not judged to be the acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based upon their relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred tax arises.

No corporate acquisitions were made during the year and, therefore, no business combinations were considered in this financial year.

Estimates
In the process of applying the Group's accounting policies, the Investment Adviser has made the following estimates, which have the most significant risk of material change to the carrying value of assets recognised in the consolidated Financial Statements:

Valuation of property
The valuations of the Group's investment property are at fair value as determined by the external valuer on the basis of market value in accordance with the internationally accepted RICS Valuation – Professional Standards January 2022 (incorporating the International Valuation Standards) and in accordance with IFRS 13. The key estimates made by the valuer are the ERV and equivalent yields of each investment property.

On-site developments are valued by applying the 'residual method' of valuation, which is the investment method described above with a deduction for all costs necessary to complete the development, with a further allowance for remaining risk and developers' profit. Properties and land held for future development are valued using the highest and best use method, by adopting the residual method allowing for all associated risks, the investment method or a value per acre methodology.

See notes 13 and 22 for further details.

2.5 Summary of material accounting policies
The principal accounting policies applied in the preparation of these Financial Statements are stated in the notes to the Financial Statements.

a) Basis of consolidation
The Company does not meet the definition of an investment entity and, therefore, does not qualify for the consolidation exemption under IFRS 10. The consolidated Financial Statements comprise the Financial Statements of the Company and its subsidiaries as at 31 December 2024. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtained control, and will continue to be consolidated until the date that such control ceases. An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In preparing these Financial Statements, intra-group balances, transactions and unrealised gains or losses have been eliminated in full. All non-dormant subsidiaries have the same year end as the Company. Uniform accounting policies are adopted in the Financial Statements for like transactions and events in similar circumstances.

b) Functional and presentation currency
The overall objective of the Group is to generate returns in Pound Sterling and the Group's performance is evaluated in Pound Sterling. Therefore, the Directors consider Pound Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have therefore adopted it as the functional and presentation currency.

All values are rounded to the nearest thousand pounds (£'000), except when otherwise stated.

c) Segmental reporting
The Directors are of the opinion that the Group is engaged in a single segment of business, being the investment and management of premises relating to the life science sector.

d) Derivative financial instruments
Derivative financial instruments, comprising interest rate derivatives for mitigating interest rate risks, are initially recognised at fair value and are subsequently measured at fair value, being the estimated amount that the Group would receive or pay to terminate the agreement at the period end date, taking into account current interest rate expectations and the current credit rating of the Group and its counterparties. Premiums payable under such arrangements are initially capitalised into the statement of financial position.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole. Changes in fair value of interest rate derivatives are recognised within finance expenses in profit or loss in the period in which they occur.

e) Exceptional costs
Items are classified as exceptional by virtue of their size, nature or incidence, where their inclusion would otherwise distort the underlying recurring earnings of the Group. Examples include, but are not limited to, business transformation costs, early redemption costs of financial instruments and tax charges specific to disposals. Exceptional costs are excluded from the Group's adjusted earnings.

3. Revenue

	Year ended 31 December 2024 £'000	**Year ended 31 December 2023 £'000**
Rental income	**15,652**	14,584
Other income	**506**	521
Insurance recharged	**164**	143
Rental income straight-line adjustment	**33**	233
Gross property income	**16,355**	15,481
Service charge income	**3,953**	4,461
Total	**20,308**	19,942

Accounting policy
Rental and other income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term, and is included in gross property income in the Group consolidated statement of profit or loss and other comprehensive income. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Rental and other income is invoiced in advance and for all rental and other income that relates to a future period, this is deferred and appears with current liabilities on the Group statement of financial position.

For leases that contain fixed or minimum uplifts, the rental income arising from such uplifts is recognised on a straight-line basis over the lease term.

Occupier lease incentives are recognised as an adjustment of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the occupier has the option to continue the lease, where at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option.

Amounts received from occupiers to terminate leases or to compensate for dilapidations are recognised in the Group consolidated statement of profit or loss and other comprehensive income when the right to receive them arises.

Service charge income is recognised when the related recoverable expenses are incurred. The Group acts as the principal in service charge transactions, as it directly controls the delivery of the services at the point at which they are provided to the occupier.

4. Property operating and administration expenses

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Recoverable service charges	**3,953**	4,461
Service charge void costs	**665**	1,120
Premises expenses	**662**	591
Rates	**378**	457
Insurance expense	**198**	153
Bad debt charge/(write back)	**28**	(665)
Property operating expenses	**1,931**	1,656
Investment Adviser fees	**2,979**	3,389
Other administration expenses	**1,473**	1,500
Directors' remuneration (see note 5)	**201**	200
Audit fees (see note 6)	**185**	172
Cost associated with moving to Main Market	**–**	(12)
Administration expenses	**4,838**	5,249
Total	**10,722**	11,366

Accounting policy

All property operating expenses and administration expenses are charged to the consolidated statement of profit or loss and other comprehensive income and are accounted for on an accruals basis.

Property expenses are costs incurred by the Group that are not directly recoverable from an occupier, as well as professional fees relating to the letting of our estates.

Further information on the calculation of the Investment Adviser fees is set out in note 27.

5. Directors' remuneration

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Claire Boyle	**55**	55
Richard Howell	**45**	45
Sally Ann Forsyth	**40**	40
Michael Taylor	**40**	40
Employers' National Insurance contributions	**21**	20
Total	**201**	200

A summary of the Directors' emoluments, including the disclosures required by the Companies Act 2006, is set out in the Directors' remuneration report of the Annual Report. The Group had no employees in the year.

6. Auditor's remuneration

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Audit fee	**185**	172
Total	**185**	172

The Group reviews the scope and nature of all proposed non-audit services before engagement, to ensure that the independence and objectivity of the Auditor are safeguarded. Audit fees are comprised of the following items:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Audit of Group Annual Report and Financial Statements[1]	**185**	172
Total	**185**	172

1. Split as audit fees of £182,250 (2023: £172,000) plus recharged disbursements of £2,511 (2023: £nil).

The Auditor has not undertaken any non-audit services during the year (2023: £nil). The Audit and Risk Committee has considered the independence and objectivity of the Auditor and has conducted a review of services, which the Auditor has provided during the year under review. The Audit and Risk Committee receives an annual assurance from the Auditor that its independence is not compromised.

7. Finance income

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Interest receivable from interest rate derivatives	**3,858**	3,019
Change in fair value of deferred consideration on interest rate derivatives	**195**	152
Income from cash and short-term deposits	**150**	636
Total	**4,203**	3,807

Accounting policy
Interest income is recognised on an effective interest rate basis and is shown within the Group consolidated statement of profit or loss and other comprehensive income as finance income.

8. Finance expenses

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Loan interest	**9,221**	8,209
Change in fair value of interest rate derivatives	**2,649**	3,936
Loan arrangement fees amortised	**320**	458
Loan expenses	**286**	261
Break fees	**–**	751
Loan arrangement fees written off	**–**	716
Gross interest costs	**12,476**	14,331
Capitalisation of finance costs	**(2,086)**	(3,261)
Total	**10,390**	11,070

Accounting policy
Any finance costs that are separately identifiable and directly attributable to an asset, which takes a period of time to complete, are amortised as part of the cost of the asset. All other finance costs are expensed in the period in which they occur. Finance costs consist of interest and other costs that an entity incurs in connection with bank and other borrowings. Finance costs have been capitalised in the period in accordance with the accounting policy detailed in note 17.

9. Taxation

Corporation tax has arisen as follows:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Corporation tax on residual income	–	(146)
Total	–	(146)

Reconciliation of tax charge to profit before tax:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Loss before tax	**(13,977)**	(21,852)
Corporation tax at 25.0% (2023: 23.5%)	**(3,494)**	(5,135)
Change in value of investment properties	**4,344**	5,369
Change in value of interest rate derivatives	**613**	(888)
Adjustment for disallowable costs	–	(3)
Tax-exempt property rental business	**(1,463)**	657
Current year tax charge	–	–
Prior year accrual reversal	–	(146)
Total	–	(146)

Accounting policy

Corporation tax is recognised in the consolidated statement of comprehensive income except where in certain circumstances corporation tax may be recognised in other comprehensive income.

As a REIT, the Group is exempt from corporation tax on the profits and gains from its property rental business, provided it continues to meet certain conditions as per the REIT regulations.

Non-qualifying profits and gains of the Group continue to be subject to corporation tax. Therefore, current tax is the expected tax payable on the non-qualifying taxable income for the period, if applicable, using tax rates enacted, or substantively enacted, at the balance sheet date.

10. Operating leases

Operating lease commitments – as lessor

The Group has entered into commercial property leases on its investment property portfolio. These non-cancellable leases have a remaining term of up to 20 years (31 December 2023: 21 years).

Future minimum rentals receivable under non-cancellable operating leases as at 31 December 2024 are as follows:

	As at 31 December 2024	As at 31 December 2023
Within one year	**15,384**	15,008
Between one and five years	**38,974**	44,625
More than five years	**31,133**	31,771
Total	**85,491**	91,404

11. Dividends

For the year ended 31 December 2024	Pence per share	£'000
Second interim dividend for year ended 31 December 2023, paid on 13 May 2024	**1.0**	**3,500**
First interim dividend for year ended 31 December 2024, paid on 31 October 2024	**1.0**	**3,500**
Total	**2.0**	**7,000**
Paid as:		
Property income distribution	**–**	**–**
Non-property income distribution	**2.0**	**7,000**
Total	**2.0**	**7,000**

For the year ended 31 December 2023	Pence per share	£'000
Second interim dividend for year ended 31 December 2022, paid on 15 May 2023	3.0	10,500
First interim dividend for year ended 31 December 2023, paid on 31 October 2023	1.0	3,500
Total	4.0	14,000
Paid as:		
Property income distribution	–	–
Non-property income distribution	4.0	14,000
Total	4.0	14,000

Accounting policy

Dividends due to the Company's shareholders are recognised when they become payable.

12. Earnings per share ("EPS")

Basic EPS is calculated by dividing profit for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares during the year. As there are no dilutive instruments in issue, basic and diluted EPS are identical.

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
IFRS earnings	**(13,977)**	(21,706)
EPRA earnings adjustments:		
Fair value losses on investment properties	**17,376**	22,848
Realised losses on disposal of investment properties	**–**	317
Exceptional finance costs greater than one year	**–**	716
Changes in fair value of interest rate derivatives	**2,649**	3,936
Changes in fair value of deferred consideration payable on interest rate derivatives	**(195)**	(152)
EPRA earnings	**5,853**	5,959
Group-specific earnings adjustments:		
Exceptional finance costs less than one year	**–**	751
Cost associated with moving to Main Market	**–**	(12)
Adjusted earnings	**5,853**	6,698

	Year ended 31 December 2024 Pence	Year ended 31 December 2023 Pence
Basic IFRS EPS	**(4.0)**	(6.2)
Diluted IFRS EPS	**(4.0)**	(6.2)
EPRA EPS	**1.7**	1.7
Adjusted EPS	**1.7**	1.9

	Year ended 31 December 2024 Number of shares	Year ended 31 December 2023 Number of shares
Weighted average number of shares in issue (thousands)	**350,000**	350,000

13. Investment property

	Completed investment property £'000	Development property and land £'000	Total investment property £'000
Investment property valuation brought forward as at 1 January 2024	**314,858**	**67,442**	**382,300**
Acquisitions[1]	**(218)**	**–**	**(218)**
Disposals in the year	**–**	**–**	**–**
Capital expenditure	**5,493**	**13,048**	**18,541**
Finance costs capitalised	**61**	**2,025**	**2,086**
Fair value losses on investment property	**(12,511)**	**(4,865)**	**(17,376)**
Movement in rent incentives and amortisation	**(256)**	**143**	**(113)**
Transfer from development to investment[3]	**21,246**	**(21,246)**	**–**
Fair value at 31 December 2024	**328,673**	**56,547**	**385,220**

	Completed investment property £'000	Development property and land £'000	Total investment property £'000
Investment property valuation brought forward as at 1 January 2023	309,969	77,581	387,550
Acquisitions[1]	(759)	(21)	(780)
Disposals in the year[2]	(7,833)	–	(7,833)
Capital expenditure	2,410	20,373	22,783
Finance costs capitalised	–	3,261	3,261
Fair value losses on investment property	(18,182)	(4,666)	(22,848)
Movement in rent incentives and amortisation	167	–	167
Transfer from development to investment[3]	29,086	(29,086)	–
Fair value at 31 December 2023	314,858	67,442	382,300

1 During 2024, there were no acquisitions of new assets. The movement reflected relates to the finalisation of acquisition balances from prior years.

2 During the year ended 31 December 2023, Lumen House was disposed of for gross consideration of £7.7 million, £7.5 million net of transaction fees. After writing off the disposal value in the year of £7.8 million, a loss of £0.3 million was recognised in the consolidated statement of profit or loss and other comprehensive income.

3 Following practical completion of Building 5 at OTP during the year ended 31 December 2024, the property became income-producing, resulting in a transfer from development property and land to completed investment property. During the year ended 31 December 2023, practical completion of the IQ (Buildings 4A and 4B) at Oxford Technology Park occurred, resulting in a transfer of those buildings from development property and land to completed investment property.

Accounting policy

Investment property comprises property held to earn rental income or for capital appreciation, or both. Investment property is recognised upon legal completion of the contract, where costs are reliably measured and future economic benefits that are associated with the property flow to the entity. Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes and professional fees to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Development property and land is where the whole or a material part of an estate is identified as having potential for development. Assets are classified as such until development is completed, and they have the potential to be fully income generating. Development property and land is measured at fair value if the fair value is considered to be reliably determinable. Where the fair value cannot be determined reliably, but where it is expected that the fair value of the property will be reliably determined when construction is completed, the property is measured at cost less any impairment until the fair value becomes reliably determinable or construction is completed, whichever is earlier. It is the Group's policy not to capitalise overheads or operating expenses and no such costs were capitalised in either the year ended 31 December 2024 or the year ended 31 December 2023; however £2.1 million (2023: £3.3 million) of finance costs have been capitalised in the year to 31 December 2024. Refer to note 17 for more details.

Subsequent to initial recognition, investment property is stated at fair value (see note 22). Gains or losses arising from changes in the fair values are included in the consolidated statement of profit or loss and other comprehensive income in the period in which they arise under IAS 40 Investment Property.

Investment properties cease to be recognised when they have been disposed of, or withdrawn permanently from use, and no future economic benefit is expected. Gains or losses on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset.

Movements in rent incentives are presented within the total portfolio valuation.

14. Trade and other receivables

	31 December 2024 £'000	31 December 2023 £'000
Rent and insurance receivable	**2,333**	2,065
Prepayments and other receivables	**964**	2,230
Interest receivable	**714**	763
Occupier deposits	**180**	173
Amounts due from property manager	**5**	991
VAT receivable	**–**	434
Current trade and other receivables	**4,196**	6,656
Occupier deposits	**3,826**	3,409
Non-current trade and other receivables	**3,826**	3,409
Total trade and other receivables	**8,022**	10,065

Accounting policy
Rent and other receivables are recognised at their original invoiced value and become due based on the terms of the underlying lease or at the date of invoice.

The Group carries out an assessment of expected credit losses at each period end, using the IFRS 9 simplified approach, where a lifetime expected loss allowance is recognised over the expected life of the financial instrument. Adjustments are recognised in the income statement as an impairment gain or loss. The rent and insurance receivable represents gross receivables of £2.4 million (31 December 2023: £2.1 million) and a provision for doubtful debts of £0.1 million (31 December 2023: £nil). Collections for the year are 99.8% and all historic arrears have been collected, thus no further expected credit loss provision analysis is deemed necessary.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full. The Group writes off trade receivables when there is no reasonable expectation of recovery.

15. Cash and cash equivalents

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Cash	**3,567**	4,341
Cash equivalents	**2,000**	10,000
Total	**5,567**	14,341

Cash equivalents includes £2.0 million (2023: £10.0 million) of cash held by various banks on short-term deposits.

Accounting policy
Cash and cash equivalents comprise cash at bank and short-term deposits with banks and other financial institutions, with an initial maturity of three months or less.

16. Interest rate derivatives

	31 December 2024 £'000	31 December 2023 £'000
At the start of the year	**3,998**	4,303
Additional premiums paid and accrued	**1,351**	3,631
Changes in fair value of interest rate derivatives	**(2,649)**	(3,936)
Termination of caps	**(322)**	–
Balance at the end of the year	**2,378**	3,998
Current	**2,378**	–
Non-current	**–**	3,998
Balance at the end of the year	**2,378**	3,998

To mitigate the interest rate risk that arises as a result of entering into variable rate linked loans, the Group enters into interest rate derivatives.

A number of forward starting interest rate caps were entered into as at 26 June 2023 for a total deferred premium of £3.6 million to align with the expected debt draw down of the debt facility. This caps SONIA at a strike rate of 2.00% with a termination date of March 2025 (aligned with the cap entered into in 2022). During 2024, two further interest rate caps were entered into:

- In September 2024, for a premium of £0.6 million, a six-month hedge was entered into capping SONIA at a strike rate of 3.00% from 1 April 2025 to 30 September 2025. At the same time, the notional of the forward starting caps terminating in March 2025 was reduced in line with updated debt draw down assumptions resulting in a termination value of £0.3 million as above.
- In December 2024, for a deferred premium of £0.8 million, a three-month hedge was entered into capping SONIA at a strike rate of 2.00% from 1 October 2025 to 31 December 2025.

Accounting policy

Interest rate derivatives are initially recognised at fair value and are subsequently measured at fair value, being the estimated amount that the Group would receive or pay to terminate the agreement at the year end date, taking into account current interest rate expectations and the current credit rating of the Group and its counterparties. Premiums payable under such arrangements are initially capitalised into the statement of financial position.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole. Changes in fair value of interest rate derivatives are recognised within finance expenses in profit or loss in the period in which they occur.

17. Interest-bearing loans and borrowings

Non-current	31 December 2024 £'000	31 December 2023 £'000
At the beginning of the year	**108,726**	75,000
Drawn in the year	**14,000**	142,520
Repaid in the year	**–**	(108,794)
Interest-bearing loans and borrowings	**122,726**	108,726
Unamortised fees at the beginning of the year	**(808)**	(912)
Loan arrangement fees paid in the year	**–**	(980)
Unamortised fees written off	**–**	716
Amortisation charge for the year	**320**	368
Unamortised loan arrangement fees	**(488)**	(808)
Loan balance less unamortised loan arrangement fees	**122,238**	107,918

Current	31 December 2024 £'000	31 December 2023 £'000
At the beginning of the year	**–**	35,833
Repaid in the year	**–**	(36,510)
Interest and commitment fees incurred in the year	**–**	677
Interest-bearing loans and borrowings	**–**	–
Unamortised fees at the beginning of the year	**–**	(90)
Amortisation charge for the year	**–**	90
Unamortised loan arrangement fees	**–**	–
Loan balance less unamortised loan arrangement fees	**–**	–

The Company has a debt facility with HSBC and Bank of Ireland ("BOI") split 60% and 40%, respectively (the "debt facility"). The debt facility comprises a £100.0 million term loan and £50.0 million revolving credit facility ("RCF") with an expiry date of 23 June 2026. It has an interest rate in respect of drawn amounts of 250 basis points over SONIA and is secured on all of the assets of the Group, including Oxford Technology Park ("OTP"). The debt facility borrowers are Ironstone Life Science Holdings Limited and Oxford Technology Park Holdings Limited, both direct subsidiaries of the Company. The £100.0 million term loan was fully drawn during 2024. The RCF is being drawn to fund the OTP development and other refurbishment projects, with £22.7 million drawn at the year ended 31 December 2024 (31 December 2023: £8.7 million) and a remaining £27.3 million available to utilise (31 December 2023: £41.3 million). The Group also has a £35.0 million accordion facility available on the RCF, which has not been utilised as at 31 December 2024.

The debt facility includes LTV and interest cover covenants. The Group is in full compliance with all loan covenants as at 31 December 2024. The facility also includes a ratchet clause that reduces the margin to 2.35% if the gross LTV decreases to 30%, based on the lenders' annual valuation of the portfolio.

The Group has also defined £40.0 million of the term loan as a Green Loan in accordance with the LMA Green Loan Principles. This is secured on Rolling Stock Yard and completed OTP buildings, which are rated either BREEAM Excellent or EPC A.

Accounting policy
Loans and borrowings are initially recognised at the proceeds received net of directly attributable transaction costs. Loans and borrowings are subsequently measured at amortised cost. Interest on the HSBC and BOI facility is charged to the consolidated statement of profit or loss and other comprehensive income at the effective interest rate and shown within finance costs. The effective interest rate is calculated as the daily SONIA rate plus the facility margin. Transaction costs are amortised over the term of the loan.

Where a property is being developed or undergoing major refurbishment, finance costs associated with direct expenditure on the property are capitalised. Capitalisation commences when the activities to develop the property start and continues until the property is substantially ready for its intended use, normally practical completion.

Capitalised finance costs are calculated at the Group's weighted average interest rate.

18. Other payables and accrued expenses

	31 December 2024 £'000	31 December 2023 £'000
Deferred income	**4,222**	3,686
Capital expenses payable	**1,943**	4,046
Deferred consideration on interest rate caps	**1,922**	2,636
Loan interest payable	**1,809**	1,823
Administration and other expenses payable	**1,101**	1,753
Accounts payable	**761**	–
Property operating expenses payable	**389**	320
Occupier deposits payable to occupier	**180**	173
VAT payable	**28**	–
Current other payables and accrued expenses	**12,355**	14,437
Occupier deposits payable to occupier	**3,826**	3,409
Deferred consideration on interest rate caps	**–**	1,195
Non-current other payables and accrued expenses	**3,826**	4,604
Total other payables and accrued expenses	**16,181**	19,041

Accounting policy
Other payables and accrued expenses are initially recognised at fair value and subsequently held at amortised cost.

Deferred income is rental income invoiced to the occupier but relates to future accounting periods. The income is deferred and is unwound to revenue on a straight-line basis over the period in which it is earned.

19. Share capital
Share capital is the nominal amount of the Company's ordinary shares in issue.

	31 December 2024		31 December 2023	
Ordinary shares of £0.01 each	**Number**	**£'000**	**Number**	**£'000**
Authorised, issued and fully paid:				
Shares issued	**350,000,000**	**3,500**	350,000,000	3,500
Balance at the end of the year	**350,000,000**	**3,500**	350,000,000	3,500

The share capital comprises one class of ordinary shares. At general meetings of the Company, ordinary shareholders are entitled to one vote on a show of hands and on a poll for every share held. There are no restrictions on the size of a shareholding or the transfer of shares, except for the UK REIT restrictions.

Accounting policy
Share capital is the nominal amount of the Company's ordinary shares in issue.

20. Retained earnings
Retained earnings comprise the following cumulative amounts:

	31 December 2024 £'000	31 December 2023 £'000
Total unrealised loss on investment properties	**(63,500)**	(46,124)
Total unrealised loss on interest rate derivatives and deferred consideration	**(4,083)**	(1,629)
Total realised gains	**12,028**	6,175
Retained earnings	**(55,555)**	(41,578)

Accounting policy

Retained earnings represent the profits of the Group less dividends paid from revenue profits to date. Unrealised gains/(losses) on the revaluation of investment properties, interest rate derivatives and deferred consideration contained within this reserve are not distributable until any gains crystallise on the sale of the investment property and interest rate caps.

As at 31 December 2024, the Company had distributable reserves available of £326.9 million (2023: £328.0 million).

21. Net asset value per share
Basic NAV per share amounts are calculated by dividing net assets attributable to ordinary equity holders of the Company in the statement of financial position by the number of ordinary shares outstanding at the end of the year. As there are no dilutive instruments in issue, basic and diluted NAV per share are identical.

EPRA net tangible assets ("EPRA NTA") is calculated using property values in line with IFRS, where values are net of real estate transfer tax ("RETT") and other purchasers' costs. EPRA NTA is considered to be the most relevant measure for the Group's operating activities.

	31 December 2024 £'000	31 December 2023 £'000
IFRS net assets attributable to ordinary shareholders	**262,768**	283,745
IFRS net assets for calculation of NAV	**262,768**	283,745
Adjustment to net assets:		
Fair value of interest rate derivatives	**(2,378)**	(3,998)
EPRA NTA	**260,390**	279,747

	31 December 2024 Pence	31 December 2023 Pence
IFRS basic and diluted NAV per share (pence)	**75.1**	81.1
EPRA NTA per share (pence)	**74.4**	79.9

	31 December 2024 Number of shares	31 December 2023 Number of shares
Number of shares in issue (thousands)	**350,000**	350,000

22. Fair value
IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values.

The fair value of cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

Interest-bearing loans and borrowings are disclosed at amortised cost. The carrying values of the loans and borrowings approximate their fair value due to the contractual terms and conditions of the loan. The HSBC and BOI debt facility has an interest rate of 250 basis points over SONIA in respect of drawn amounts.

The fair value of the interest rate contracts is recorded in the statement of financial position and is revalued quarterly by an independent valuations specialist, Chatham Financial.

Six-monthly valuations of investment property are performed by CBRE, accredited external valuers with recognised and relevant professional qualifications and recent experience of the location and category of the investment property being valued, on a variable fee basis. However, the valuations are the ultimate responsibility of the Director who appraises these every six months.

The valuation of the Group's investment property at fair value is determined by the external valuer on the basis of market value in accordance with the internationally accepted RICS Valuation – Professional Standards January 2022 (incorporating the International Valuation Standards).

Completed investment properties are valued by adopting the 'income capitalisation' method of valuation. This approach involves applying capitalisation yields to current and future rental streams, net of income voids arising from vacancies or rent-free periods and associated running costs. These capitalisation yields and future rental values are based on comparable property and leasing transactions in the market using the valuer's professional judgement and market observations. Other factors taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions.

On-site developments are valued by applying the 'residual method' of valuation, which is the investment method described above with a deduction for all costs necessary to complete the development, with a further allowance for remaining risk and developers' profit. Properties and land held for future development are valued using the highest and best use method, by adopting the residual method allowing for all associated risks, the investment method or a value per acre methodology.

The following table shows an analysis of the fair values of investment properties recognised in the statement of financial position by level of the fair value hierarchy[1]:

	31 December 2024			
Assets and liabilities measured at fair value	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Investment properties	**–**	**–**	**385,220**	**385,220**
Interest rate derivatives	**–**	**2,378**	**–**	**2,378**
Deferred consideration on interest rate caps	**–**	**(1,922)**	**–**	**(1,922)**
Total	**–**	**456**	**385,220**	**385,676**

	31 December 2023			
Assets and liabilities measured at fair value	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Investment properties	–	–	382,300	382,300
Interest rate derivatives	–	3,998	–	3,998
Deferred consideration on interest rate caps	–	(3,831)	–	(3,831)
Total	–	167	382,300	382,467

[1] Explanation of the fair value hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – use of a model with inputs (other than quoted prices included in Level 1) that are directly or indirectly observable market data; and
- Level 3 – use of a model with inputs that are not based on observable market data.

There have been no transfers between Level 1 and Level 2 during either year, nor have there been any transfers in or out of Level 3.

Sensitivity analysis to significant changes in unobservable inputs within the valuation of investment properties
The following table analyses:

- the fair value measurements at the end of the reporting year;
- a description of the valuation techniques applied;
- the inputs used in the fair value measurement, including the ranges of rent charged to different units within the same building; and
- for Level 3 fair value measurements, quantitative information about significant unobservable inputs used in the fair value measurement.

31 December 2024	Fair value £'000	Valuation technique	Key unobservable inputs	Range
Completed investment property[1]	**£328,673**	**Income capitalisation**	**ERV**	**£15.4–£110.0 per sq ft**
			Equivalent yield	**5.05%–7.25%**
Development property	**£50,972**	**Income capitalisation/ residual method**	**ERV**	**£20.0 per sq ft**
			Equivalent yield	**5.05%–5.75%**
Development land	**£5,575**	**Comparable method/ residual method**	**Sales rate per sq ft**	**£63.7 per sq ft**
Total	**£385,220**			

31 December 2023	Fair value £'000	Valuation technique	Key unobservable inputs	Range
Completed investment property	£314,858	Income capitalisation	ERV	£16.0–£115.0 per sq ft
			Equivalent yield	4.75%–7.25%
Development property	£58,930	Income capitalisation/ residual method	ERV	£20.0 per sq ft
			Equivalent yield	5.25%–5.70%
Development land	£8,512	Comparable method/ residual method	Sales rate per sq ft	£102.4 per sq ft
Total	£382,300			

[1] ERV range excludes one unit which has an ERV of £nil.

Significant increases/decreases in the ERV (per sq ft per annum) and rental growth per annum in isolation would result in a significantly higher/lower fair value measurement. Significant increases/decreases in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower/higher fair value measurement.

Generally, a change in the assumption made for the ERV (per sq ft per annum) is accompanied by:

- a similar change in the rent growth per annum and discount rate (and exit yield); and
- an opposite change in the long-term vacancy rate.

The table below sets out a sensitivity analysis for each of the key sources of estimation uncertainty with the resulting increase/(decrease) in the fair value of completed investment property:

As at 31 December 2024

Completed investment property	Increase in sensitivity £'000	Decrease in sensitivity £'000
Change in ERV of 10%	**32,867**	**(32,867)**
Change in net equivalent yields of 50 basis points	**(31,077)**	**37,251**

Development property	Increase in sensitivity £'000	Decrease in sensitivity £'000
Change in ERV of 10%	**5,097**	**(5,097)**
Change in net equivalent yields of 50 basis points	**(5,042)**	**6,032**

Development land	Increase in sensitivity £'000	Decrease in sensitivity £'000
Change in sales rate per sq ft of 10%	**558**	**(558)**

As at 31 December 2023

Completed investment property	Increase in sensitivity £'000	Decrease in sensitivity £'000
Change in ERV of 10%	31,486	(31,486)
Change in net equivalent yields of 50 basis points	(29,733)	35,987

Development property	Increase in sensitivity £'000	Decrease in sensitivity £'000
Change in ERV of 10%	5,893	(5,893)
Change in net equivalent yields of 50 basis points	(6,829)	8,190

Development land	Increase in sensitivity £'000	Decrease in sensitivity £'000
Change in sales rate per sq ft of 10%	851	(851)

Gains and losses recorded in profit or loss for recurring fair value measurements categorised within Level 3 of the fair value hierarchy amount to a loss of £17.4 million (31 December 2023: loss of £22.8 million) and are presented in the consolidated statement of profit or loss and other comprehensive income in line item 'fair value gains/(losses) on investment properties'.

All gains and losses recorded in the consolidated statement of profit or loss and other comprehensive income for recurring fair value measurements categorised within Level 3 of the fair value hierarchy, are attributable to changes in unrealised gains or losses relating to investment property held at the end of the reporting year.

The carrying amount of the Group's other assets and liabilities is considered to be the same as their fair value.

23. Financial risk management objectives and policies

The Group has trade and other receivables, trade and other payables, and cash and short-term deposits that arise directly from its operations.

The Group is exposed to market risk, interest rate risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that future values of investments in property and related investments will fluctuate due to changes in market prices. The total exposure in the consolidated statement of financial position at the year ended 31 December 2024 is £385.2 million (31 December 2023: £382.3 million) and to manage this risk, the Group diversifies its portfolio across a number of assets. The Group's investment policy is to invest in UK-located life science assets. The Group will invest and manage its portfolio with an objective of spreading risk and, in doing so, will maintain the following investment restrictions:

- No individual building will represent more than 25% of gross asset value.
- The Company will target a portfolio with no one occupier accounting for more than 20% (but subject to a maximum of 30%) of the higher of either (i) gross contracted rents or (ii) the valuer's ERV of the Company's portfolio, including developments under forward-funding agreements, as calculated at the time of investing or leasing.
- The aggregate maximum exposure to assets under development, including forward fundings, will not exceed 30% of gross asset value. Within this limit, the maximum exposure to developments, as measured by the expected gross development cost, which are not under forward-funded arrangements, will not exceed 15% of gross asset value at the commencement of the relevant development.
- No more than 10% of gross asset value will be invested in properties that are not life science properties.

Credit risk
Credit risk is the risk that a counterparty or occupier will cause a financial loss to the Group by failing to meet a commitment it has entered into with the Group.

All cash deposits are placed with approved counterparties, all of whom have a credit rating of AA- or above. In respect of property investments, in the event of a default by an occupier, the Group will suffer a shortfall and additional costs concerning reletting of the property. The Investment Adviser monitors the occupier arrears in order to anticipate and minimise the impact of defaults by occupational occupiers. For further details on the Group's expected credit loss policy, see note 14.

The following table analyses the Group's maximum exposure to credit risk:

	31 December 2024 £'000	31 December 2023 £'000
Cash and cash equivalents	**5,567**	14,341
Trade and other receivables[1]	**3,118**	5,300
Total	**8,685**	19,641

[1] Excludes prepayments, occupier deposits and VAT receivable.

Interest rate risk
Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates to its variable rate bank loans. To mitigate the interest rate risk that arises as a result of entering into variable rate linked loans, the Group has entered into interest rate derivatives. As at 31 December 2024, there were four interest rate derivatives in place:

- In August 2022, additional protection was secured against potential future interest rate rises through capping the SONIA rate at 2.00% until 31 March 2025 on the £75.0 million HSBC term loan at a premium of £2.3 million. This remained in place following the refinancing with HSBC and BOI in June 2023, which resulted in an increase in the term loan to £100.0 million and reduction in the RCF facility to £50.0 million.
- Following the refinancing with HSBC and BOI, in June 2023, a number of forward starting interest rate caps were entered into for a total deferred premium of £3.6 million to align with the expected debt draw down of the RCF and hedge the remaining £25.0 million term loan. This caps SONIA at a strike rate of 2.00% with a termination date of 31 March 2025.
- In September 2024, for a premium of £0.6 million, a six-month hedge was entered into, capping SONIA at a strike rate of 3.00% from 1 April 2025 to 30 September 2025.
- In December 2024, for a deferred premium of £0.8 million, a three-month hedge was entered into, capping SONIA at a strike rate of 2.00% from 1 October 2025 to 31 December 2025.

Changes in interest rates may have an impact on consolidated earnings over the longer term. The table below provides indicative sensitivity data.

	2024		2023	
Effect on profit before tax	**Increase in interest rates by 1% £'000**	**Decrease in interest rates by 1% £'000**	**Increase in interest rates by 1% £'000**	**Decrease in interest rates by 1% £'000**
(Decrease)/increase	**(119)**	**118**	(1,475)	1,446

Foreign exchange rate risk
Management has considered the risks but has not deemed them material for the business, as the Group's exposure to foreign exchange rate risk as at 31 December 2024 and 31 December 2023 was minimal.

Liquidity risk
Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Group could be required to pay its liabilities earlier than expected. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments that are carried in the financial statements:

	2024			2023		
	Fair value hierarchy	Carrying value £'000	Fair value £'000	Fair value	Carrying value £'000	Fair value £'000
Held at amortised cost						
Cash and cash equivalents	**n/a**	**5,567**	**5,567**	n/a	14,341	14,341
Trade and other receivables[1]	**n/a**	**7,124**	**7,124**	n/a	9,316	9,316
Other payables and accrued expenses[2]	**n/a**	**(11,959)**	**(11,959)**	n/a	(15,355)	(15,355)
Interest-bearing loans and borrowings	**n/a**	**(122,238)**	**(122,238)**	n/a	(107,918)	(107,918)
Held at fair value						
Interest rate derivatives	**n/a**	**2,378**	**2,378**	n/a	3,998	3,998

[1] Excludes prepayments.

[2] Excludes deferred income.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Year ended 31 December 2024	Less than three months £'000	Three to 12 months £'000	One to two years £'000	Two to five years £'000	More than five years £'000	Total £'000
Other payables and accrued expenses[1]	**6,844**	**1,653**	**1,934**	**516**	**1,376**	**12,323**
Interest-bearing loans and borrowings	**1,438**	**4,931**	**125,504**	**–**	**–**	**131,873**
Total	**8,282**	**6,584**	**127,438**	**516**	**1,376**	**144,196**

Company	Less than three months	Three to 12 months	One to two years	Two to five years	More than five years	Total
Other payables and accrued expenses[1]	7,976	2,775	1,318	2,355	1,054	15,478
Interest-bearing loans and borrowings	1,336	4,036	5,357	110,017	–	120,746
Total	9,312	6,811	6,675	112,372	1,054	136,224

[1] Excludes deferred income and fair value adjustment on the deferred consideration payable on cap premiums.

24. Subsidiaries

Company	Country of incorporation and operation	Country of Registration Number	Number and class of share held by the Group	Group holding
Ironstone Life Science Holdings Limited[2]	UK	13390321	1,000 ordinary shares	100%
Ironstone Life Science Cambourne Two Limited[1, 2]	UK	13779806	1 ordinary share	100%
Ironstone Life Science Cambourne Limited[1, 2]	UK	13763082	1 ordinary share	100%
Ironstone Life Science RSY Limited[1, 2]	UK	13763039	1 ordinary share	100%
Ironstone Life Science Merrifield Limited[1, 2]	UK	13763037	1 ordinary share	100%
Merrifield Centre Limited[1, 2, 4]	UK	11118349	21,786,493 ordinary shares	100%
Ironstone Life Science Herbrand Limited[1, 2]	UK	14044299	1 ordinary share	100%
Herbrand Properties Limited[1, 3]	BVI	1908435	6,000 ordinary shares	100%
Oxford Technology Park Holdings Limited[2]	UK	12434159	92 ordinary shares	100%
Oxford Technology Park Limited[1, 2]	UK	08483449	100 ordinary shares	100%
Oxford Technology Park Investments Limited[1, 2]	UK	12442240	1 ordinary share	100%

[1] Indirect subsidiaries.

[2] Registered office: Radius House, 51 Clarendon Road, Watford, WD17 1HP.

[3] Registered office: Nerine Chambers, P.O. Box 905, Road Town, Tortola, 1110, British Virgin Islands.

[4] Merrifield Centre Limited was liquidated on 21 January 2025.

A list of all related undertakings included within these consolidated Financial Statements is noted above. The principal activity of all the subsidiaries relates to property investment.

The Group consists of a parent company, Life Science REIT plc, incorporated in England and Wales, and a number of subsidiaries held directly by Life Science REIT plc, which operate and are incorporated in the UK, Jersey and the British Virgin Islands.

The Group owns 100% equity shares of all subsidiaries listed above and has the power to appoint and remove the majority of the Board of Directors of those subsidiaries. The relevant activities of the above subsidiaries are determined by the Board of Directors based on the purpose of each company.

Therefore, the Directors concluded that the Group has control over all these entities and all these entities have been consolidated within the consolidated Financial Statements.

The subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A of the Act. The Company has provided a guarantee under section 479C of the Companies Act 2006 in respect of the financial year ended 31 December 2024 for a number of its subsidiary companies. The guarantee is over all outstanding liabilities to which the subsidiary companies are subject to at 31 December 2024 until they are satisfied in full.

Accounting policy

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

Where such acquisitions are not judged to be an acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity, based on their relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred taxation arises. Otherwise, acquisitions are accounted for as business combinations.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree.

For each business combination, the acquirer measures the non-controlling interest in the acquiree at fair value of the proportionate share of the acquiree's identifiable net assets. Acquisition costs (except for costs of issue of debt or equity) are expensed in accordance with IFRS 3 Business Combinations.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Contingent consideration is deemed to be equity or a liability in accordance with IAS 32. If the contingent consideration is classified as equity, it is not remeasured, and its subsequent settlement shall be accounted for within equity. If the contingent consideration is classified as a liability, subsequent changes to the fair value are recognised either in profit or loss or as a change to other comprehensive income.

25. Capital management

The Group's capital is represented by share capital, reserves and borrowings.

The primary objective of the Group's capital management is to ensure that it remains within its quantitative banking covenants and maintains a strong credit rating. The Group's capital policies are as follows:

- The Group will keep sufficient cash for working capital purposes with excess cash, should there be any, deposited at the best interest rate available whilst maintaining flexibility to fund the Group's investment programme.
- Borrowings will be managed in accordance with the loan agreements and covenants will be tested quarterly and reported to the Directors. Additionally, quarterly lender reporting will be undertaken in line with the loan agreement.
- New borrowings are subject to Director approval. Such borrowings will support the Group's investment programme, but will be subject to a maximum 55% LTV. The intention is to maintain borrowings at an LTV of between 30% and 40%.

The Group is subject to banking covenants in regard to its debt facility and these include a prescribed methodology for interest cover and market value covenants. The Group has complied with all covenants on its borrowings up to the date of this report. All of the targets mentioned above sit comfortably within the Group's covenant levels, which include LTV and forward and backward looking interest cover ratios. The Group LTV at the year end was 30.4% (31 December 2023: 24.7%) and there is substantial headroom within existing covenants.

26. Capital commitments

At 31 December 2024, the Group had contracted capital expenditure of £27.4 million (31 December 2023: £39.9 million).

27. Related party transactions

Directors

The Directors (all Non-Executive Directors) of the Company and its subsidiaries are considered to be the key management personnel of the Group. Directors' remuneration for the year totalled £200,880 (year ended 31 December 2023: £200,304) at 31 December 2024, including £20,880 of employers' National Insurance contributions (year ended 31 December 2023: £20,304); a balance of £nil (year ended 31 December 2023: £nil) was outstanding relating to employer NI. Further information is given in note 5 and in the Directors' remuneration report of the Annual Report.

Investment Adviser

The Company is party to an Investment Advisory Agreement with the AIFM and the Investment Adviser, pursuant to which the Investment Adviser has been appointed to provide investment advisory services relating to the respective assets on a day-to-day basis in accordance with their respective investment objectives and policies, subject to the overall supervision and direction by the AIFM and the Board of Directors.

For its services to the Company, the Investment Adviser is entitled to a fee payable quarterly in arrears calculated at the rate of one quarter of 1.1% per quarter on that part of the NAV up to, and including, £500 million; one quarter of 0.9% per quarter on that part of the NAV in excess of £500 million and up to £1 billion; and one quarter of 0.75% per quarter on NAV in excess of £1 billion.

Following the strategic review announcement on 14 March 2025, the Board and Investment Adviser have agreed to revisions to the fee, effective from the quarter commencing 1 April 2025. The Investment Advisory fee will move from being calculated on net asset value to the lower of net asset value and the average market capitalisation for the quarter, subject to a floor of no lower than 70.0% of net asset value. In addition the rate applied to the initial fee threshold of £500 million has been lowered to 1.0%. Refer to the Directors' report in the Annual Report for further information.

During the year, the Group incurred £2,978,777 (2023: £3,388,548) in respect of investment advisory fees. As at 31 December 2024, £726,625 (2023: £787,521) was outstanding.

28. Reconciliation of changes in liabilities to cash flows generated from financing activities

	Interest-bearing loans and borrowings current £'000	**Interest-bearing loans and borrowings non-current £'000**	**Total £'000**
Balance as at 1 January 2024	**–**	**107,918**	**107,918**
Changes from financing cash flows:			
Bank loans drawn down	**–**	**14,000**	**14,000**
Bank loans repaid	**–**	**–**	**–**
Loan arrangement fees paid in the year	**–**	**–**	**–**
Total changes from financing cash flows	**–**	**14,000**	**14,000**
Additional interest and commitment fees capitalised	**–**	**–**	**–**
Unamortised fees written off	**–**	**–**	**–**
Amortisation charge for the year	**–**	**320**	**320**
Balance as at 31 December 2024	**–**	**122,238**	**122,238**

	Interest-bearing loans and borrowings current £'000	**Interest-bearing loans and borrowings non-current £'000**	**Total £'000**
Balance as at 1 January 2023	35,743	74,088	109,831
Changes from financing cash flows:			
Bank loans drawn down	–	142,520	142,520
Bank loans repaid	(36,510)	(108,794)	(145,304)
Loan arrangement fees paid in the year	–	(980)	(980)
Total changes from financing cash flows	(36,510)	32,746	(3,764)
Additional interest and commitment fees capitalised	677	–	677
Unamortised fees written off	–	716	716
Amortisation charge for the year	90	368	458
Balance as at 31 December 2023	–	107,918	107,918

29. Ultimate controlling party

It is the view of the Directors that there is no ultimate controlling party.

30. Post balance sheet events

On 14 March 2025, the Board announced the commencement of a strategic review whereby it is considering the future of the Group and exploring all strategic options available to maximise value for shareholders.

Company statement of financial position
As at 31 December 2024

	Notes	31 December 2024 £'000	31 December 2023 £'000
Assets			
Non-current assets			
Investment in subsidiary companies	33	**73,769**	73,767
Trade and other receivables	35	**239,377**	240,336
		313,146	314,103
Current assets			
Cash and cash equivalents	34	**2,065**	10,051
Trade and other receivables	35	**322**	1,338
		2,387	11,389
Total assets		**315,533**	325,492
Liabilities			
Current liabilities			
Other payables and accrued expenses	36	**(1,448)**	(3,151)
Total liabilities		**(1,448)**	(3,151)
Net assets		**314,085**	322,341
Equity			
Share capital	19	**3,500**	3,500
Capital reduction reserve		**314,823**	321,823
Retained earnings		**(4,238)**	(2,982)
Total equity		**314,085**	322,341
Number of shares in issue (thousands)		**350,000**	350,000
Net asset value per share (basic and diluted) (pence)		**89.7**	92.1

The Company reported a loss for the year ended 31 December 2024 of £1,256,000 (year ended 31 December 2023: £20,667,000 profit).

These Financial Statements were approved by the Board of Directors of Life Science REIT plc on 15 April 2025 and signed on its behalf by:

Claire Boyle
Company number: 13532483

Company statement of changes in equity
For the year ended 31 December 2024

	Share capital £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2024	**3,500**	**321,823**	**(2,982)**	**322,341**
Loss for the year and total comprehensive loss	**–**	**–**	**(1,256)**	**(1,256)**
Dividends paid	**–**	**(7,000)**	**–**	**(7,000)**
Balance at 31 December 2024	**3,500**	**314,823**	**(4,238)**	**314,085**

	Share capital £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2023	3,500	335,823	(23,649)	315,674
Profit for the year and total comprehensive profit	–	–	20,667	20,667
Dividends paid	–	(14,000)	–	(14,000)
Balance at 31 December 2023	3,500	321,823	(2,982)	322,341

31. General information

Life Science REIT plc is a closed-ended REIT incorporated in England and Wales on 27 July 2021. The Company began trading on 19 November 2021 and its shares are admitted to trading on the Premium Listing Segment of the Main Market of the London Stock Exchange. The registered office of the Company is located at Central Square, 29 Wellington Street, Leeds, England, LS1 4DL.

32. Basis of preparation

These Financial Statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in conformity with the requirements of the Companies Act 2006. The Financial Statements have been prepared under the historical cost convention. The audited Financial Statements are presented in Pound Sterling and all values are rounded to the nearest thousand pounds (£'000), except when otherwise indicated.

In preparing these Financial Statements, the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these Financial Statements do not include:

- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of Life Science REIT plc.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Company's consolidated Financial Statements. These Financial Statements do not include certain disclosures in respect of:

- share-based payments;
- financial instruments; and
- fair value measurement.

The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its own statement of comprehensive income.

The Financial Statements of the Company follow the accounting policies laid out.

The key source of estimation uncertainty relates to the Company's investment in Group companies and is stated in the Company's separate financial statements at cost less impairment losses, if any. Impairment losses are determined with reference to the investment's fair value less estimated selling costs. Fair value is derived from the subsidiaries', and their subsidiaries', net assets at the balance sheet date. Investment properties held by the subsidiary companies are supported by independent valuation. Judgements and assumptions associated with the property values of the investments held by the subsidiary companies are detailed in the Group financial statements.

33. Investment in subsidiary companies

	31 December 2024 £'000	31 December 2023 £'000
Investment in subsidiary companies		
Balance at the beginning of the year	**73,767**	65,138
Increase in investments	**2**	–
Cost of investment	**–**	(12,682)
Provision for impairment	**–**	21,311
Total	**73,769**	73,767

	31 December 2024 £'000	31 December 2023 £'000
Investment in subsidiary companies		
Ironstone Life Science Holdings Limited	**1**	1
Oxford Technology Park Holdings Limited	**73,768**	73,766
	73,769	73,767

Following a review comparing cost of investments to the underlying net assets of subsidiary companies, an impairment provision has been made of £nil (2023: £21.3 million reversal of 2022 provision).

Movement of £2,000 in the year relates to the reallocation of a prior period cost allocation. In the prior year, negative costs associated with the acquisition of new subsidiary companies of £12,682,000 resulted from the reallocation of a prior period tax charge within the subsidiary company.

For an impairment review to be considered the value of the underlying assets would need to fall by 74%.

Accounting policy
Investments in subsidiary companies are included in the statement of financial position at cost less impairment. For a list of subsidiary companies, see note 24.

34. Cash and cash equivalents

	31 December 2024 £'000	31 December 2023 £'000
Cash equivalents	**2,000**	10,000
Cash	**65**	51
Total	**2,065**	10,051

Accounting policy
Cash equivalents include cash at bank and short-term deposits with banks and other financial institutions, with an initial maturity of three months or less.

35. Trade and other receivables
A. Receivables: non-current assets

	31 December 2024 £'000	31 December 2023 £'000
Amounts due from subsidiary companies	**239,377**	240,336
Total	**239,377**	240,336

Loans due from subsidiary companies are unsecured, interest free and repayable on demand. These loans are not expected to be recovered within 12 months and, are therefore, classified as non-current assets.

B. Receivables current assets

	31 December 2024 £'000	31 December 2023 £'000
Prepayments and other receivables	**322**	1,338
Total	**322**	1,338

36. Other payables and accrued expenses

	31 December 2024 £'000	31 December 2023 £'000
Administration expenses payable and accrued	**1,056**	1,345
Capital expenses payable	**325**	1,647
Accounts payable	**67**	–
Other expenses payable	**–**	159
Total	**1,448**	3,151

UNAUDITED SUPPLEMENTARY NOTES NOT PART OF THE CONSOLIDATED FINANCIAL INFORMATION
for the year ended 31 December 2024

The Group is a member of the European Public Real Estate Association ("EPRA") and was awarded an EPRA gold award for compliance with EPRA Best Practice Recommendations ("BPR") for the 2023 Annual Report and Financial Statements. EPRA has developed and defined the following performance measures to give transparency, comparability and relevance of financial reporting across entities that may use different accounting standards. The following measures are calculated in accordance with EPRA guidance. These are not intended as a substitute for IFRS measures.

Table 1: EPRA performance measures summary

	Notes	Year to 31 December 2024	Year to 31 December 2023
EPRA earnings (£'000)	Table 2	**5,853**	5,959
EPRA EPS (pence)	Table 2	**1.7**	1.7
EPRA cost ratio (including direct vacancy cost)	Table 6	**40.8%**	44.1%
EPRA cost ratio (excluding direct vacancy cost)	Table 6	**34.1%**	33.7%

	Notes	31 December 2024	31 December 2023
EPRA NDV per share (pence)	Table 3	**75.1**	81.1
EPRA NRV per share (pence)	Table 3	**81.7**	87.2
EPRA NTA per share (pence)	Table 3	**74.4**	79.9
EPRA NIY	Table 4	**3.9%**	3.6%
EPRA 'topped-up' net initial yield	Table 4	**4.1%**	3.7%
EPRA vacancy rate	Table 5	**15.6%**	21.0%
EPRA loan to value	Table 10	**32.5%**	27.0%

Table 2: EPRA income statement

	Notes	Year to 31 December 2024	Year to 31 December 2023
Revenue	3	**20,308**	19,942
Less: insurance recharged	3	**(164)**	(143)
Less: service charge income	3	**(3,953)**	(4,461)
Rental income (A)		**16,191**	15,338
Property operating expenses (including recoverable service charges)	4	**(5,884)**	(6,117)
Add: insurance recharged	3	**164**	143
Add: service charge income	4	**3,953**	4,461
Gross profit (B)		**14,424**	13,825
Administration expenses	4	**(4,838)**	(5,249)
Operating profit before interest and tax		**9,586**	8,576
Finance income	7	**4,203**	3,807
Finance expenses	8	**(10,390)**	(11,070)
Less change in fair value of interest rate derivatives and deferred consideration	7,8	**2,454**	3,784
Less costs of early refinancing with greater than 12 months to expiry	8	**–**	716
Adjusted profit before tax		**5,853**	5,813
Taxation	9	**–**	146
EPRA earnings		**5,853**	5,959
Company-specific adjustments:			
EPRA earnings		**5,853**	5,959
Cost associated with moving to Main Market	4	**–**	(12)
Cost of early refinancing with less than 12 months to expiry	8	**–**	751
Adjusted earnings		**5,853**	6,698
Weighted average number of shares in issue (thousands)	19	**350,000**	350,000
EPRA EPS (pence)	12	**1.7**	1.7
Adjusted EPS (pence)	12	**1.7**	1.9
Gross to net rental income ratio (B/A)		**89.1%**	90.1%

Adjusted earnings represents earnings from operational activities. It is a key measure of the Group's underlying operational results and an indication of the extent to which dividend payments are supported by earnings.

Table 3: EPRA balance sheet and net asset value performance measures

EPRA net disposal value ("NDV"), EPRA net reinstatement value ("NRV") and EPRA net tangible assets ("NTA"). A reconciliation of the three new EPRA NAV metrics from IFRS NAV is shown in the table below. Total accounting return will now be calculated based on EPRA NTA.

As at 31 December 2024	Notes	EPRA NDV £'000	EPRA NRV £'000	EPRA NTA £'000
Total properties[1]	13	**385,220**	**385,220**	**385,220**
Net borrowings[2]	15,17	**(117,159)**	**(117,159)**	**(117,159)**
Other net liabilities		**(5,293)**	**(5,293)**	**(5,293)**
IFRS NAV	21	**262,768**	**262,768**	**262,768**
Include: real estate transfer tax[3]		**–**	**25,529**	**–**
Exclude: fair value of interest rate derivatives	16	**–**	**(2,378)**	**(2,378)**
NAV used in per share calculations		**262,768**	**285,919**	**260,390**
Number of shares in issue (thousands)	19	**350,000**	**350,000**	**350,000**
NAV per share (pence)	21	**75.1**	**81.7**	**74.4**

As at 31 December 2023	Notes	EPRA NDV £'000	EPRA NRV £'000	EPRA NTA £'000
Total properties[1]	13	382,300	382,300	382,300
Net borrowings[2]	15,17	(94,385)	(94,385)	(94,385)
Other net liabilities		(4,170)	(4,170)	(4,170)
IFRS NAV	21	283,745	283,745	283,745
Include: real estate transfer tax[3]		–	25,357	–
Exclude: fair value of interest rate derivatives	16	–	(3,998)	(3,998)
NAV used in per share calculations		283,745	305,104	279,747
Number of shares in issue (thousands)	19	350,000	350,000	350,000
NAV per share (pence)	21	81.1	87.2	79.9

1 Professional valuation of investment property.

2 Comprising interest-bearing loans and borrowings (excluding unamortised loan arrangement fees) of £122.7 million net of cash of £5.6 million (31 December 2023: £108.7 million net of cash of £14.3 million).

3 EPRA NTA and EPRA NDV reflect IFRS values that are net of real estate transfer tax. Real estate transfer tax is added back when calculating EPRA NRV.

EPRA NDV details the full extent of liabilities and resulting shareholder value if Company assets are sold and/or if liabilities are not held until maturity. Deferred tax and financial instruments are calculated as to the full extent of their liability, including tax exposure not reflected in the statement of financial position, net of any resulting tax.

EPRA NTA assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability.

EPRA NRV highlights the value of net assets on a long-term basis and reflects what would be needed to recreate the Company through the investment markets based on its current capital and financing structure. Assets and liabilities that are not expected to crystallise in normal circumstances, such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses, are excluded. Costs such as real estate transfer taxes are included.

Table 4: EPRA net initial yield

	Notes	31 December 2024 £'000	31 December 2023 £'000
Total properties per external valuers' report	13	**385,220**	382,300
Less development property and land	13	**(56,547)**	(67,442)
Net valuation of completed properties		**328,673**	314,858
Add estimated purchasers' costs[1]		**21,925**	20,884
Gross valuation of completed properties, including estimated purchasers' costs (A)		**350,598**	335,742
Gross passing rents[2] (annualised)		**14,894**	13,663
Less irrecoverable property costs[2]		**(1,077)**	(1,586)
Net annualised rents (B)		**13,817**	12,077
Add notional rent on expiry of rent-free periods or other lease incentives[3]		**530**	342
'Topped-up' net annualised rents (C)		**14,347**	12,419
EPRA NIY (B/A)		**3.9%**	3.6%
EPRA 'topped-up' net initial yield (C/A)		**4.1%**	3.7%

1 Estimated purchasers' costs estimated at 6.7% (31 December 2023: 6.6%).

2 Gross passing rents and irrecoverable property costs assessed as at the balance sheet date for completed investment properties excluding development property and land.

3 Adjustment for unexpired lease incentives, such as rent-free periods, discounted rent periods and step rents. The adjustment includes the annualised cash rent that will apply at the expiry of the lease incentive. Rent-frees expire over a weighted average period of 4 months (31 December 2023: 7 months).

EPRA NIY represents annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs. It is a comparable measure for portfolio valuations designed to make it easier for investors to judge themselves how the valuation of portfolio X compares with portfolio Y.

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

NIY, as stated in the Investment Adviser's report, calculates net initial yield on topped-up annualised rents, but does not deduct non-recoverable property costs.

Table 5: EPRA vacancy rate

	31 December 2024 £'000	31 December 2023 £'000
Annualised ERV of vacant premises (D)	**3,488**	4,113
Annualised ERV for the investment portfolio (E)	**22,383**	19,556
EPRA vacancy rate (D/E)	**15.6%**	21.0%

EPRA vacancy rate represents ERV of vacant space divided by ERV of the completed investment portfolio, excluding development property and land. It is a pure measure of investment property space that is vacant, based on ERV.

Table 6: Total cost ratio/EPRA cost ratio

	Notes	Year to 31 December 2024 £'000	Year to 31 December 2023 £'000
Property operating expenses (excluding service charge expenses)	4	**1,266**	536
Service charge expenses	4	**4,618**	5,581
Add back: service charge income	3	**(3,953)**	(4,461)
Add back: insurance recharged	3	**(164)**	(143)
Net property operating expenses		**1,767**	1,513
Administration expenses	4	**4,838**	5,249
Deduct: costs associated with move to Main Market	4	**–**	12
Total cost including direct vacancy cost (F)		**6,605**	6,774
Direct vacancy cost	3,4	**(1,077)**	(1,587)
Total cost excluding direct vacancy cost (G)		**5,528**	5,187
Rental income[1]	3	**16,191**	15,338
Gross rental income (H)	3	**16,191**	15,338
Less direct vacancy cost		**(1,077)**	(1,587)
Net rental income		**15,114**	13,751
Total cost ratio including direct vacancy cost (F/H)		**40.8%**	44.2%
Total cost ratio excluding direct vacancy cost (G/H)		**34.1%**	33.8%

[1] Includes rental income, rental income straight-line adjustment and other income as per note 3.

	Notes	Year to 31 December 2024 £'000	Year to 31 December 2023 £'000
Total cost including direct vacancy cost (F)		**6,605**	6,774
Add back: costs associated with move to Main Market	4	**–**	(12)
EPRA total cost (I)		**6,605**	6,762
Direct vacancy cost		**(1,077)**	(1,587)
EPRA total cost excluding direct vacancy cost (J)		**5,528**	5,175
EPRA cost ratio including direct vacancy cost (I/H)		**40.8%**	44.1%
EPRA cost ratio excluding direct vacancy cost (J/H)		**34.1%**	33.7%

EPRA cost ratios represent administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income. They are a key measure to enable meaningful measurement of the changes in the Group's operating costs.

It is the Group's policy not to capitalise overheads or operating expenses and no such costs were capitalised in the year ended 31 December 2024 or the year ended 31 December 2023.

Table 7: Lease data

As at 31 December 2024	Year 1 £'000	Year 2 £'000	Years 3–5 £'000	Year 5+ £'000	Total £'000
Passing rent of leases expiring in:	**825**	**4,722**	**2,277**	**7,070**	**14,894**
ERV of leases expiring in:	**896**	**6,191**	**2,571**	**9,237**	**18,895**
Passing rent subject to review in:	**2,596**	**8,115**	**4,183**	**–**	**14,894**
ERV subject to review in:	**2,843**	**10,750**	**5,302**	**–**	**18,895**

As at 31 December 2023	Year 1 £'000	Year 2 £'000	Years 3–5 £'000	Year 5+ £'000	Total £'000
Passing rent of leases expiring in:	139	857	6,999	5,668	13,663
ERV of leases expiring in:	139	933	7,811	6,559	15,442
Passing rent subject to review in:	139	2,628	10,896	–	13,663
ERV subject to review in:	139	2,773	12,408	122	15,442

WAULT to expiry is 5.3 years (31 December 2023: 5.8 years) and to break is 3.1 years (31 December 2023: 3.8 years).

Table 8: Capital expenditure

	Notes	Year to 31 December 2024 £'000	Year to 31 December 2023 £'000
Acquisitions[1]	13	**(218)**	(780)
Development spend[2]	13	**13,048**	20,373
Movement in rent incentives and amortisation	13	**(113)**	167
Completed investment properties:[3]			
No incremental lettable space – like-for-like portfolio	13	**5,493**	2,410
No incremental lettable space – other		**–**	–
Total capital expenditure		**18,210**	22,170
Conversion from accruals to cash basis		**2,197**	211
Total capital expenditure on a cash basis		**20,407**	22,381

1 During 2024 and 2023 there were no acquisitions of new assets, the balances reflected relate to the finalisation of prior year balances.

2 Expenditure on development property and land.

3 Expenditure on completed investment properties.

Table 9: Like-for-like net rental income[1]

	Notes	Year to 31 December 2024 £'000	Year to 31 December 2023 £'000	% Change
Like-for-like net rental income		**12,669**	13,168	(3.8)%
Development lettings		**1,755**	290	
Properties disposed in current and prior year		**–**	367	
Properties acquired in current and prior year		**–**	–	
Net rental income	3,4	**14,424**	13,825	

1 This table has been updated to reflect net rental income, taking into account property operating expenses, which is more representative of the investment portfolio's performance.

Table 10: Loan to value ("LTV") and EPRA LTV

Gross debt less cash, short-term deposits and liquid investments, divided by the aggregate value of properties and investments. The Group has also opted to present the EPRA LTV, which is defined as net borrowings divided by total property market value.

	Notes	31 December 2024 £'000	31 December 2023 £'000
Interest-bearing loans and borrowings[1]	17	**122,726**	108,726
Cash	15	**(5,567)**	(14,341)
Net borrowings (A)		**117,159**	94,385
Investment property at fair value (B)	13	**385,220**	382,300
LTV (A/B)		**30.4%**	24.7%

EPRA LTV

	Notes	31 December 2024 £'000	31 December 2023 £'000
Interest-bearing loans and borrowings[1]	17	**122,726**	108,726
Net payables[2]		**8,159**	8,976
Cash	15	**(5,567)**	(14,341)
Net borrowings (A)		**125,318**	103,361
Investment properties at fair value	13	**385,220**	382,300
Total property value (B)		**385,220**	382,300
EPRA LTV (A/B)		**32.5%**	27.0%

1 Excludes unamortised loan arrangement fees asset of £0.5 million (31 December 2023: £0.8 million) (see note 17).

2 Net payables includes trade and other receivables, other payables and accrued expenses. See notes 14 and 18 for a full breakdown.

Table 11: Total accounting return

The movement in EPRA NTA over a period plus dividends paid in the period, expressed as a percentage of the EPRA NTA at the start of the period.

	Notes	Year ended 31 December 2024 Pence per share	Year ended 31 December 2023 Pence per share
Opening EPRA NTA (A)	21	**79.9**	90.0
Movement (B)		**(5.5)**	(10.1)
Closing EPRA NTA	21	**74.4**	79.9
Dividend per share (C)	11	**2.0**	4.0
Total accounting return (B+C)/A		**(4.4)%**	(6.8)%

Table 12: Interest cover

Adjusted operating profit before gains on investment properties, interest and tax, divided by the underlying net interest expense.

	Notes	Year to 31 December 2024 £'000	Year to 31 December 2023 £'000
Adjusted operating profit before gains on investment properties (A)[1]		**9,586**	8,564
Finance expenses	8	**10,390**	11,070
Add back: capitalised finance costs	8	**2,086**	3,261
Less: exceptional finance costs	8	**–**	(1,467)
Less: finance income	7	**(4,203)**	(3,807)
Add back: change in fair value of interest rate derivatives and deferred consideration	7,8	**(2,454)**	(3,784)
Loan interest (B)		**5,819**	5,273
Interest cover (A/B)		**164.7%**	162.4%

[1] Prior year adjusted for move to Main Market costs £(12,000).

Table 13: Ongoing charges ratio

Ongoing charges ratio represents the costs of running the REIT as a percentage of NAV as prescribed by the Association of Investment Companies.

	Notes	Year to 31 December 2024 £'000	Year to 31 December 2023 £'000
Administration expenses	4	**4,838**	5,249
Less: cost associated with moving to Main Market	4	**–**	12
Annualised ongoing charges (A)		**4,838**	5,261
Opening NAV as at start of year		**283,745**	319,451
NAV as at 30 June		**267,230**	314,270
Closing NAV as at 31 December		**262,768**	283,745
Average undiluted NAV during the year (B)		**271,248**	305,822
Ongoing charges ratio (A/B)		**1.8%**	1.7%

Property portfolio as at 31 December 2024

Property	Town	Postcode	Area (sq ft)
Oxford Technology Park[1]	Oxford	OX5 1GN	508,400
Cambourne Park, Science & Technology Campus	Cambridge	CB23 6DW	230,400
7-11 Herbrand Street	London	WC1N 1EX	68,600
Rolling Stock Yard	London	N7 9AS	53,900
The Merrifield Centre	Cambridge	CB1 3LQ	12,600

[1] Full build-out area. Area practically complete, as at 31 December 2024, was 237,900 (31 December 2023: 173,400 sq ft).

Shareholder information
The Company was incorporated on 27 July 2021. This Annual Report and Financial Statements covers the period from 1 January 2024 to 31 December 2024.

The Company's ordinary shares were admitted to trading on AIM on 19 November 2021 following IPO, and the Group's operations, therefore, commenced on this date. Following the Company's migration to the Premium Listing Segment of the Main Market of the London Stock Exchange ("LSE"), its shares were cancelled from AIM on 1 December 2022 and admitted to trading on the Main Market of the LSE.

Capital structure
The Company's share capital consists of ordinary shares of £0.01 each. At shareholder meetings, members present in person, or by proxy, have one vote on a show of hands and, on a poll, have one vote for each ordinary share held. Shareholders are entitled to receive such dividends as the Directors resolve to pay out of the assets attributable to ordinary shares. Holders of ordinary shares are entitled to participate in the assets of the Company attributable to the ordinary shares in a winding up of the Company. The ordinary shares are not redeemable. As at the date of this report, there were 350,000,000 ordinary shares in issue, none of which are held in treasury.

Investment objective
The Company's investment objective is to provide shareholders with an attractive level of total return. The focus will be capital growth, whilst also providing a growing level of income by investing primarily in a diversified portfolio of UK properties that are leased, or intended to be leased, to occupiers operating in the life science sector.

Investment policy
The Company seeks to achieve its investment objective by investing in a diversified portfolio of properties across the UK, which are typically leased, or intended to be leased, to occupiers operating in, or providing a benefit to, the life science sector ("life science properties"). Life science is the branch of sciences concerned with all processes affecting living organisms. This encompasses servicing and the study of the breadth of life systems, and the structure and behaviour of living things.

Companies operating in the life science sector include, but are not limited to, those involved in the innovation, development and/or production of assets directly, or indirectly, for human health purposes. These assets include compounds, products and devices derived and designed for application in numerous fields.

The Company does not limit itself in relation to the types of properties it acquires or develops, but examples may include wet and dry laboratories, offices, incubators and co-working space, manufacturing and testing facilities, and data centres. The Company retains flexibility to acquire individual buildings, a group of buildings across a single science park or the entirety of a science park.

This may include purchasing or developing buildings that are leased, or intended to be leased, to occupiers providing ancillary services to employees of companies operating in, or providing a benefit to, the life science sector.

The Company typically invests in income-producing assets. The Company focuses on investing where it believes that the underlying property is consistent with the overarching objective of providing shareholders with capital growth, whilst also providing a growing level of income. Investment decisions are based on analysis and due diligence, including, but not limited to, location, occupier profile and demand, rental growth prospects, lease terms and/or asset management/enhancement opportunities.

The Company may acquire properties either directly or through corporate structures (whether onshore or offshore) and also through joint venture or other shared ownership or co-investment arrangements. In circumstances where the Company does not hold a controlling interest in the relevant investment, the Company will seek, through contractual and other arrangements to, inter alia, ensure that each investment is operated and managed in a manner that is consistent with the Company's investment policy.

Any asset management or development opportunities that the Company pursues are conducted in such a way as to minimise any development risk, typically through the use of forward funding or similar arrangements. Asset management opportunities may include, but are not limited to, refurbishing or extending existing assets, or where the Company may seek to maximise or change alternative use values of existing operational assets. The Company may, from time to time, invest in development opportunities without a forward-funding arrangement, including pre-developed land or land where planning permission may be required, subject to a restriction that maximum exposure to these developments will not exceed 15% of gross asset value.

It is anticipated that properties will be held for the long term. However, the Company may undertake opportunistic disposals of properties considered to be in the best interests of shareholders.

The Company invests in, and actively manages, its assets with the objective of reducing and diversifying risk and, in doing so, maintains the following investment restrictions:

- No individual building will represent more than 35% of gross asset value, reducing to 25% of gross asset value by 31 December 2023.
- The Company targets a portfolio with no one occupier accounting for more than 20% (but subject to a maximum of 30%) of the higher of either (i) gross contracted rents or (ii) the valuer's ERV of the Company's portfolio including developments under forward-funding agreements, as calculated at the time of investing or leasing.
- The aggregate maximum exposure to assets under development, including forward fundings, will not exceed 50% of gross asset value, reducing to 30% of gross asset value by 31 December 2023. Within this limit, the maximum exposure to developments, as measured by the expected gross development cost, which are not under forward-funded arrangements, will not exceed 15% of gross asset value at the commencement of the relevant development.

- No more than 10% of gross asset value will be invested in properties that are not life science properties.

In addition, the Company will not invest more than 10% of gross asset value in other alternative investment funds or closed-ended investment companies.

Compliance with the above restrictions is calculated immediately following investment and non-compliance resulting from changes in the price or value of assets following investment is not considered as a breach of the investment restriction.

The Company defines: (i) "gross asset value" as "the value of the assets of the Company and its subsidiaries from time to time, determined in accordance with the accounting policies adopted by the Company"; (ii) "gross contracted rents" as "the total rent receivable on a property plus rent contracted from expiry of rent-free periods and uplifts agreed under the leases contracted on the Company's portfolio of properties"; and (iii) "ERV" as "the estimated annual open market rental value of lettable space".

Gearing
The level of gearing will be on a prudent basis for the asset class, and will seek to achieve a low cost of funds, whilst maintaining flexibility in the underlying security requirements and the structure of the Company. It is envisaged that an LTV ratio of between 30% and 40% would be the optimal capital structure for the Company over the longer term. However, in order to finance value-enhancing opportunities, the Company may temporarily incur additional gearing, subject to a maximum LTV ratio of 55%, at the time of an arrangement.

Debt is secured at asset level and, potentially, at Company or special purpose vehicle level, depending on the optimal structure for the Company and having consideration to key metrics, including lender diversity, debt type and maturity profiles.

Use of derivatives
The Company may utilise derivatives for efficient portfolio management only. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred in accordance with the gearing limits as part of the Company's portfolio management.

Cash management policy
The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds ("cash and cash equivalents").

There is no restriction on the amount of cash and cash equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant cash and cash equivalents position.

REIT status
The Company intends to continue conducting its affairs so as to enable it to remain qualified as the principal company of a REIT group for the purpose of Part 12 of the Corporation Tax Act 2010 (and the regulations made thereunder).

Changes to, and breach of, the investment policy
Any material change to the Company's investment policy set out above will require the prior approval of shareholders by way of an ordinary resolution at a general meeting.

In the event of a breach of the investment guidelines and the investment restrictions set out above, the AIFM shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

Share dealing and share prices
Shares can be traded through your usual stockbroker. The Company's shares are admitted to trading on the LSE.

Share register enquiries
The register for the ordinary shares is maintained by MUFG Corporate Markets (UK) Limited. In the event of queries regarding your holding, please contact the Registrar on 0371 664 0300. You can also email **infosharedeal@cm.mpms.mufg.com**. Changes of address and mandate details can be made over the telephone, but all other changes to the register must be notified in writing to the Registrar: MUFG Corporate Markets (UK) Limited, Central Square, 29 Wellington Street, Leeds LS1 4DL.

Electronic communications from the Company
Shareholders have the opportunity to be notified by email when the Company's Annual Report, Half-yearly Report and other formal communications are available on the Company's website, instead of receiving printed copies by post. This has environmental benefits in the reduction of paper, printing, energy and water usage, as well as reducing costs to the Company. If you have not already elected to receive electronic communications from the Company and wish to do so, please contact the Registrar using the details shown on the inner back cover. Please have your investor code to hand.

Share capital and net asset value information

Ordinary 1p shares	350,000,000
SEDOL Number	BP5X4Q2
ISIN	GB00BP5X4Q29

Sources of further information

Copies of the Company's Annual and Half-yearly Reports are available from the Company Secretary, who can be contacted at **labs_cosec@cm.mpms.mufg.com** and, together with stock exchange announcements and further information on the Company, are also available on the Company's website, **lifesciencereit.co.uk**.

Financial calendar

16 April 2025
Announcement of final results

3 June 2025
Annual General Meeting

30 June 2025
Half-year end

September 2025
Announcement of half-yearly results

31 December 2025
Year end

Glossary

Adjusted earnings per share ("Adjusted EPS")
EPRA EPS adjusted to exclude one-off costs, divided by the weighted average number of shares in issue during the period

AGM
Annual General Meeting

AIC
The Association of Investment Companies

AIFM
Alternative Investment Fund Manager

AIM
A market operated by the London Stock Exchange

Association of Investment Companies
The Company is a member of the AIC

BREEAM
Building research establishment environmental assessment method

BREEAM Interim Excellent
Interim BREEAM certifications indicate the performance of the building at the design stage of assessment

Carbon neutrality
Purchasing carbon reduction credits equivalent to emissions released without the need for emission reductions to have taken place

Company
Life Science REIT plc

Contracted rent
Gross annual rental income currently receivable on a property plus rent contracted from expiry of rent-free periods and uplifts agreed at the balance sheet date less any ground rents payable under head leases

Development property and land
Whole or a material part of an estate identified as having potential for development. Such assets are classified as development property and land until development is completed and they have the potential to be fully income generating

EPC
Energy performance certificate

EPRA
The European Public Real Estate Association, the industry body for European REITs

EPRA cost ratio
The sum of property and administration expenses as a percentage of gross rental income calculated both including and excluding direct vacancy cost

EPRA earnings
IFRS profit after tax excluding movements relating to changes in fair value of investment properties, gains/losses on property disposals, changes in fair value of financial instruments and the related tax effects

EPRA earnings per share ("EPRA EPS")
A measure of EPS on EPRA earnings designed to present underlying earnings from core operating activities based on the weighted average number of shares in issue during the period

EPRA guidelines
The EPRA Best Practices Recommendations Guidelines September 2024

EPRA NAV/EPRA NDV/EPRA NRV/EPRA NTA per share
The EPRA net asset value measures figures divided by the number of shares outstanding at the balance sheet date

EPRA net disposal value ("EPRA NDV")
The net asset value measure detailing the full extent of liabilities and resulting shareholder value if company assets are sold and/or if liabilities are not held until maturity. Deferred tax and financial instruments are calculated as to the full extent of their value or liability, net of any resulting tax

EPRA net initial yield ("EPRA NIY")
The annualised passing rent generated by the portfolio, less estimated non-recoverable property operating expenses, expressed as a percentage of the portfolio valuation (adding notional purchasers' costs), excluding development property and land

EPRA net reinstatement value ("EPRA NRV")
The net asset value measure to highlight the value of net assets on a long-term basis and reflect what would be needed to recreate the Company through the investment markets based on its current capital and financing structure. Assets and liabilities that are not

expected to crystallise in normal circumstances, such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses, are excluded. Costs such as real estate transfer taxes are included

EPRA net tangible assets ("EPRA NTA")
An EPRA net asset value measure with adjustments made for the fair values of certain financial derivatives and assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability

EPRA sBPR
European public real estate association sustainable best practice recommendations

EPRA 'topped-up' net initial yield
The annualised passing rent generated by the portfolio, topped up for contracted uplifts, less estimated non-recoverable property operating expenses, expressed as a percentage of the portfolio valuation (adding notional purchasers' costs), excluding development property and land

EPRA vacancy rate
Total open market rental value of vacant units divided by total open market rental value of the portfolio, excluding development property and land

EPS
Earnings per share

Equivalent yield
The weighted average rental income return expressed as a percentage of the investment property valuation, plus purchasers' costs, excluding development property and land

ERV
The estimated annual open market rental value of lettable space as assessed by the external valuer

EU taxonomy
A classification system that aims to provide a clear definition of what should be considered as 'sustainable' economic activity

FCA
Financial Conduct Authority

Fitwel
A real estate certification that measures a building against seven health impact categories

FRI
A full repairing and insuring lease, known as a FRI lease, is a commercial lease which gives the occupier sole responsibility for the maintenance, repair, and insurance of the asset for the duration of their lease.

GAV
Gross asset value

Group
Life Science REIT plc and its subsidiaries

IASB
International Accounting Standards Board

IFRS
International Financial Reporting Standards

IFRS earnings per share ("EPS")
IFRS earnings after tax for the year divided by the weighted average number of shares in issue during the period

IFRS NAV per share
IFRS net asset value divided by the number of shares outstanding at the balance sheet date

Interest cover
Adjusted operating profit before gains on investment properties, interest and tax divided by the underlying net interest expense

Investment property
Completed buildings, excluding development property and land, also referred to as investment assets

Like-for-like rental income movement
The increase/decrease in contracted rent of properties owned throughout the period under review, expressed as a percentage of the contracted rent at the start of the period, excluding acquisitions, disposals, development property and land

Like-for-like net rental income movement
The increase/decrease in net rental income of properties owned throughout the period under review, expressed as a percentage of the net rental income at the start of the period, excluding acquisitions, disposals, development property and land

Like-for-like valuation movement
The increase/decrease in the valuation of properties owned throughout the period under review, expressed as a percentage of the valuation at the start of the period, net of capital expenditure

Loan to value ratio ("LTV")
Gross debt less cash, short-term deposits and liquid investments, divided by the aggregate value of properties and investments

Main Market
The premium segment of the London Stock Exchange's Main Market

NAV
Net asset value

Net equivalent yield ("NEY")
The weighted average rental income return expressed as a percentage of the investment property valuation, plus purchasers' costs, excluding development property and land

Net initial yield ("NIY")
Contracted rent at the balance sheet date, expressed as a percentage of the investment property valuation, plus purchasers' costs, excluding development property and land

Net rental income
Gross annual rental income receivable after deduction of ground rents and other net property outgoings, including void costs and net service charge expenses

Net reversionary yield ("NRY")
The anticipated yield to which the net initial yield will rise (or fall) once the rent reaches the ERV

Net zero carbon
The overall balance between emitting and absorbing carbon in the atmosphere

Occupancy
Total open market rental value of the units leased divided by total open market rental value, excluding development property and land, equivalent to one minus the EPRA vacancy rate

Ongoing charges ratio
Ongoing charges ratio represents the costs of running the Group as a percentage of IFRS NAV as prescribed by the Association of Investment Companies

Passing rent
Gross annual rental income currently receivable on a property as at the balance sheet date less any ground rents payable under head leases

Property income distribution ("PID")
Profits distributed to shareholders that are subject to tax in the hands of the shareholders as property income. PIDs are usually paid net of withholding tax (except for certain types of tax-exempt shareholders). REITs also pay out normal dividends called non-PIDs

RCF
Revolving credit facility

Real Estate Investment Trust ("REIT")
A listed property company that qualifies for, and has elected into, a tax regime that is exempt from corporation tax on profits from property rental income and UK capital gains on the sale of investment properties

Scope 1 and 2 emissions
GHGs released directly and indirectly from the Group e.g. company offices, company vehicles and energy purchased by the Group

Scope 3 emissions
All other GHGs released indirectly by the Group, upstream and downstream of the Group's business

SONIA
Sterling Overnight Index Average

Task Force on Climate-related Financial Disclosures ("TCFD")
An organisation established with the goal of developing a set of voluntary climate-related financial risk disclosures to be adopted by companies to inform investors and the public about the risks they face relating to climate change

Total accounting return
The movement in EPRA NTA over a period plus dividends paid in the period, expressed as a percentage of the EPRA NTA at the start of the period

Total cost ratio
EPRA cost ratio, excluding one-off costs calculated both including and excluding vacant property costs

UK AIFM Regime

The Alternative Investment Fund Managers Regulations 2013 (as amended by The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019) and the Investment Funds Sourcebook forming part of the FCA Handbook

Weighted average unexpired lease term (“WAULT”)
Average unexpired lease term to first break or expiry weighted by contracted rent across the portfolio, excluding development property and land