

Continued NAV Progression

WHO WE ARE

Ediston Property Investment Company is a UK-listed Real Estate Investment Trust (REIT) investing in commercial property throughout the UK. It has a strong track record of, and continued focus on, improving value through intensive asset management. Our approach is to add value at all stages of the investment process through the expertise and skill-set of the team at our investment manager, Ediston.

We can invest in all the principal commercial property sectors, but without regard to a traditional property market relative return benchmark. However, we do not diversify for diversification's sake. There is no constraint in the prospectus limiting the maximum weighting in any of the principal property sectors. Instead, we always focus on asset performance.

WHAT WE DO

Our investment objective is to provide shareholders with an attractive level of income together with the prospect of income and capital growth.

FOCUSSED REGIONAL APPROACH

The portfolio contains properties located throughout the regions of the UK. For the foreseeable future, the investment focus is on the retail warehouse sector, a sector in which our Investment Manager has experience as a developer, investor and asset manager.

In constructing the portfolio we have avoided the herd mentality of many investors and selected assets we believe are right for our strategy, without being forced into stiff pricing competition. The outcome is a well-located portfolio of quality assets which offer a robust income stream, but with opportunities to enhance and improve it.

KEY FINANCIAL FACTS AT 30 JUNE 2022

Portfolio value

£242.5m

EPRA NAV per share

98.35p

Market capitalisation

£158.5m

Share price

75.0p

EPRA vacancy rate

6.4%

Annual dividend per share

5.00p

Annualised dividend yield

6.7%

NAV total return*

19.0%

WAULT

4.6 years

Gearing (debt to total assets)

34.5%

* 12 months to 30 June 2022

ediston-reit.com

Investment Manager: Ediston Properties Limited

Launch date: 28 October 2014

SEDOL: BNGMZB6

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DISCLAIMER

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In April, the Company sold its leisure asset at the Lanyard, Hartlepool for a price of £2.6 million, which was 16.4% above the 31 December 2021 valuation. Prior to the sale, we had completed a lease extension with the tenant, Mecca Bingo Limited, which extended the unexpired lease term by seven years.

As announced on 5 July 2022, the Company sold its leisure unit at Southwater Square, Telford, its final non-retail warehouse property, for £5.0 million, a 67% premium to the 31 March 2022 valuation. The impact of the sale is included in this NAV.

Post period end, at Coatbridge, Glasgow, we completed an Agreement for Lease (AFL) with existing tenant B&Q, to secure them on the park for a further 10-years. B&Q had a lease expiry in December this year. As part of the transaction, B&Q will downsize from 102,000 sq. ft. to 79,960 sq. ft. Aldi, has signed an AFL for a 20,000 sq. ft. unit which will be created in the space vacated by B&Q. Planning permission has been obtained for the change to food use. On completion of the landlord works, Aldi will enter into a 20-year lease without break, subject to five-yearly rent reviews linked to RPI. This transaction has not been reflected in the NAV as at 30 June 2022.

This transaction follows the construction of two drive-thru pods in 2020, which are let to Burger King and Costa Coffee and will complete the transition of the park from a single-let DIY asset to a multi-let retail park with both food and coffee operators.

We are progressing other new acquisitions, lettings and lease restructures across the portfolio, which will further improve the Company's income stream. These will be reported on when completed.

CASH AND DEBT

At the date of this announcement, the Company has approximately £50.7 million of cash available for investment and operational purposes. The Company also has £31.0 million of cash held in its debt facility, which is subject to the lender's LTV requirements being met for it to be released for investment purposes. These figures include the Hartlepool and Telford sale proceeds.

At the date of the June valuation, the average loan-to-value across the Company's two debt facilities was 33.1%. The Company is fully compliant with all debt covenants and has significant headroom against income and asset value covenants.

SUMMARY & OUTLOOK

The Company has seen a fifth consecutive quarter of NAV growth, driven by the continued valuation improvement of the retail warehouse portfolio, and the sale above valuation of the Telford leisure asset.

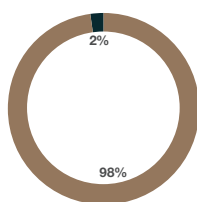
Whilst the cost-of-living crisis and inflationary pressures may create headwinds for the retail sector in the short-term, the Investment Manager and Board do not consider this will change the positive fundamentals of the sector. It is expected to continue to be the most resilient and flexible part of the retail market, which can adapt to the changing needs of tenants and the integration of their omnichannel strategies.

According to the IPF Consensus Forecast, published in May 2022, the retail warehouse sector is forecast to be the top performing sub-sector, on a total return basis, over the period 2022 to 2026.

We are continuing to pursue opportunities in both the investment and occupational markets that are expected to benefit the Company on both a capital and income basis.

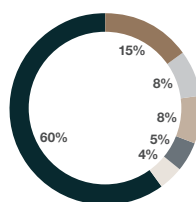
Sector exposure at 30 June 2022

- Retail warehouse
- Leisure



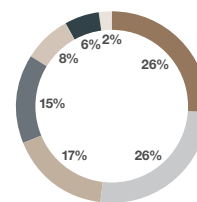
Tenant exposure at 30 June 2022

- B&Q Ltd
- B&M Retail Ltd
- Marks & Spencer plc
- Boots UK Ltd
- Pets at Home Limited
- Tenants <3.8%



Location exposure at 30 June 2022

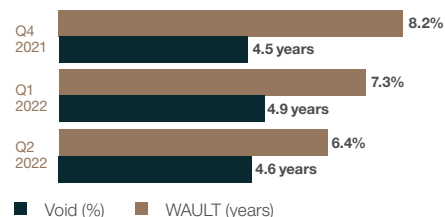
- Scotland
- Wales
- North West
- Yorkshire
- North East
- East Midlands
- West Midlands



PROPERTY PORTFOLIO AS AT 30 JUNE 2022

Location	Name	Sub-sector	Market Value Range (£m)	Tenure
Widnes	Widnes Shopping Park	Retail Warehouse	40-45	Leasehold
Prestatyn	Prestatyn Shopping Park	Retail Warehouse	25-30	Freehold
Stirling	Springkerse Retail Park	Retail Warehouse	25-30	Heritable
Hull	Kingston Retail Park	Retail Warehouse	20-25	Freehold
Rhyl	Clwyd Retail Park	Retail Warehouse	15-20	Freehold
Sunderland	Pallion Retail Park	Retail Warehouse	15-20	Freehold
Wrexham	Plas Coch Retail Park	Retail Warehouse	15-20	Freehold
Coatbridge	B&Q	Retail Warehouse	15-20	Heritable
Haddington	Haddington Retail Park	Retail Warehouse	15-20	Heritable
Daventry	Abbey Retail Park	Retail Warehouse	10-15	Leasehold
Barnsley	Barnsley East Retail Park	Retail Warehouse	10-15	Freehold
Telford	Mecca Bingo	Leisure	0-5	Freehold

EPRA Vacancy rate and weighted average unexpired lease term (WAULT)



Lease expiries illustrating revenue impact on portfolio at 30 June 2022

