Key Information Document

Purpose

This document provides you with key information about this investment product (the "**Product"**). It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this Product and to help you compare it with other products.

Product

Name:	Regional REIT Limited (the "**Company**")	**Published:**	15/09/2025
Manufacturer:	ESR Europe Investment Management Ltd (the "**Manufacturer"**)	**ISIN:**	GG00BSY2LD72
Regulator:	Financial Conduct Authority	**LEI:**	5493000D8G4NKLRIKBX73
Contact Details:	www.regionalreit.com +44 (0) 0203 831 9776		

What is this product?

Type: The Product is a non-UCITS registered closed-ended investment fund and is listed on the London Stock Exchange.

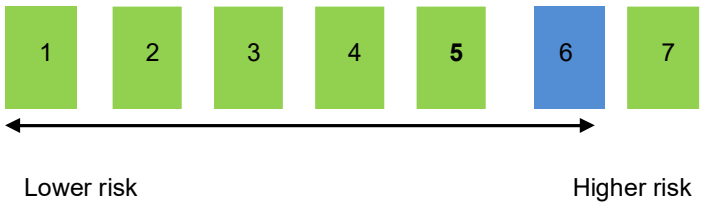
Objectives: To achieve long term growth by investing in, managing and disposing of predominantly office properties, which are located in the regional centres of the United Kingdom outside the M25. In addition, the Product may acquire, manage and dispose of debt portfolios whose receivables are secured principally against real property that conform to the Product's investment policy.

Intended retail investor: Investment in the Product is primarily intended for institutional and sophisticated or knowledgeable retail investors, and/or all types of private investors acting on the advice of their stockbroker or financial advisor and who understand (and are capable of evaluating) the risks of an investment in the Product and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from an investment in the Product.

Insurance benefits and costs: The Product is not designed to create particular insurance benefits and has no particular insurance costs.

What are the risks and what could I get in return?

Risk Indicator:



The summary risk indicator is a guide to the level of risk of the Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the market or because the Company is unable to make distributions. The Company has classified this Product as 6 out 7, which is the second-highest risk class. This rates the potential losses from future performance at a high level, and poor market conditions are very likely to impact the Company's ability to make distributions. This Product does not include any protection from future market performance so you could lose some or all of your investment.

The Product is a closed-ended investment fund. An investor may transfer all or any of his or her shares in any manner which is permitted under the articles of incorporation of the Product or in any other manner which is approved by the board. The shares are traded on the London Stock Exchange. The following are some of the other risks materially relevant to the Product which are not taken into account in the summary risk indicator:

- There can be no certainty that the Product will be able to acquire properties on acceptable terms or at all.
- The Product does not include any protection from future market performance, so you could lose all or some of your investment.

You should refer to the latest published Prospectus for the Product for further information on relevant risk factors.

Performance Information

The main factors that will affect the performance of the Product are the general economic conditions for the office property real estate market in the United Kingdom, trading conditions specific to the Group's property investment locations that could impact on capital values and rental yields, and investor sentiment towards the Company and the broader UK listed REIT market. Factors that are likely to affect the performance of the Company's shares are the ability to collect rents, the execution of asset management plans, and the ability to access funding on competitive terms. More information can be found in the Company's latest Interim and Annual Reports.

To examine evidence for the longer-term performance characteristics of the Product, the Company backfilled its total return index with the FTSE EPRA Nareit UK REITs Total Return Index, and then further backfilled with the UK-DS Residential REIT Total Return Index. This gives a representative performance proxy[1] (the "**proxy**") with a history dating back to 1 June 1999.

The volatility of the Company's share price is likely to vary in line with prevailing investment market conditions. The average volatility observed over a rolling five-year period for the Product was 34.7% per annum, however, in August of 2023, the volatility temporarily rose to 68.0% per annum.

What could affect my return positively?
Specific factors that could affect returns positively would be an increase in the market valuations of properties within the portfolio; the scope for rental increases; the ability of the Board to effectively manage the property portfolio and make promising acquisitions; and an improvement in investor sentiment towards the Company. Returns could also be positively affected by the successful management of debt refinancing. The Company has a net loan-to-value ratio of 43.2% so falling interest rates are likely to improve the valuation of the Company. General factors that affect positive returns for the Product would be an extended period of UK economic growth and fiscal stability. An increase in demand for the UK office sector is likely to benefit returns as over 90% of the property portfolio's exposure is to UK office space.

In terms of quantitative evidence, the most favourable one-year shareholder total return experienced by the Company was 58.9%. Over the longer period available from the proxy's history, the proxy experienced a favourable five-year rolling shareholder total return of 28.4% per annum.

What could affect my return negatively?
Specific factors that affect returns negatively would be a decrease in demand in the UK office property real estate market, a decrease in occupancy levels across the property portfolio which is likely to lower rental income, a series of poor investment decisions which could lower capital returns to shareholders, and poor management of tenancy lease terms resulting in volatile rental income. A general factor that is likely to affect returns negatively would be a period of recession and economic uncertainty. Rising interest rates will increase the cost of debt which will likely lower valuations. In addition, a sharp decrease in property valuations could impact on the Company's financing terms and limit growth opportunities.

In terms of quantitative evidence, the most unfavourable one-year shareholder total return for the Company was -70.2%. Over the longer period available from the proxy's history, the most unfavourable five-year shareholder total return was -26.3% per annum respectively.

What could happen under severely adverse market conditions?
The Company has experienced adverse market conditions since Covid 19 resulting in a shareholder loss of 82.2% between February 2020 and March 2024. Since March 2024 the Company has recovered 58.7% to 12th September 2025. Under severely adverse market conditions, the value of the Product may fall by similar amounts relative to the scale of a market crash. During such periods of stress, there is a risk that the capital value of an investment in the Company's shares could reduce significantly, potentially down to zero.

What happens if the Manufacturer is unable to pay out?

The Product is intended to be perpetual, however, you can buy or sell your shares in the market through your broker. The Company is not required to make any payment to you in respect of your investment. If the Company was to be liquidated, you would be entitled to receive a distribution equal to your share of the Company's assets, after payment of all of its creditors. There is no compensation or guarantee scheme in place that applies to the Company and, if you invest in the Company, you should be prepared to assume the risk that you could lose all of your investment.

[1] The proxy is formed from the Total Return Index of: (i) Regional REIT from 06 November 2015 to 12 September 2025, (ii) FTSE EPRA Nareit UK REITs index from 18 January 2007 to 10 November 2015, and (iii) UK-DS Residential REIT index from 1 June 1999 to 17 January 2007.

What are the costs?

Costs over Time

The Reduction in Yield (RIY) shows what impact the total costs you pay, expressed as an annualised percentage amount, will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The cumulative total costs of the Product are shown here in cash terms for three different holding periods up to the holding period of 5 years. The figures assume you invest £10,000. The costs take into account one-off ongoing and incidental costs.

Table 1: Costs over time

The person selling you or advising you about the Product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

We have assumed:

- You would get back the amount that you invested (0 % annual return).

Investment (£10,000)	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	**£709**	**£2,417**	**£4,305**
Reduction in Yield (RIY) per year	**7.09 %**	**7.55%**	**7.55%**

This illustrates how costs reduce your return each year over the holding period.

Composition of Costs

Table 2: Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of 1 year. The meaning of the different cost categories.

One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment. (This is the most you could pay and could pay less). The impact of costs already included in the price (this is the most you will pay and you could pay less).
	Exit costs	0.00%	The impact of costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the Product.
	Other ongoing costs	7.09%	The impact of the costs taken by the fund each year for managing your investments. Please note that this figure includes: management fees of 0.55%, other operating costs of 2.55% and finance costs of 3.99%.
Incidental costs	Performance fees	0.00%	The impact of the performance fee. We take these from your investment if the Product outperforms its benchmark.
	Carried Interests	0.00%	The impact of carried interests.

How long should I hold it and can I take money out early?

The Product has no particular recommended holding period, as the shares are traded daily on the London Stock Exchange. Investors should consult their professional advisors.

How can I complain?

If you have any complaints you should contact the compliance officer of the Manufacturer, at +44 (0)207 845 6100 or email investor@regionalreit.com.

Other relevant information

The main documents relating to the Product are available at www.regionalreit.com.