



abrdn UK Real Estate Trust

Interim Long Report (unaudited)
For the six months ended 30 June 2024

abrdn.com

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Report of the Manager

abrdn UK Real Estate Trust (the "trust") is an authorised unit trust in umbrella form and authorised by the Financial Conduct Authority with effect from 6 March 2014. Its FCA Product Reference Number is 607206. The trust is also an Alternative Investment Fund ("AIF") for the purposes of the FCA handbook.

The trust is intended to enable companies and other investors who are not eligible or able to invest directly into the abrdn UK Real Estate Funds ICVC to do so indirectly through its sub-fund. The trust has one sub-fund, abrdn UK Real Estate Feeder Fund (the "fund"), therefore no disclosure of cross-holdings is required.

Appointments

Authorised Fund Manager and Alternative Investment Fund Manager

abrdn Fund Managers Limited

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CM99 2WJ

Investment Adviser

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EH2 2LL

Trustee

Citibank UK Limited
Citigroup Centre
Canada Square
Canary Wharf
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Registrar

SS&C Financial Services Europe Limited
SS&C House
St Nicholas Lane
Basildon
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SS16 5FS

Independent Auditor

KPMG LLP
15 Canada Square
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E14 5GL

Report of the Manager

Continued

Valuation Advisers

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Henrietta House
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55 Baker Street
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Workman LLP
101 Victoria Street
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BS1 6PU

Report of the Manager

Continued

Keeping you informed

You can keep up to date with the performance of your investments by visiting our website abrdn.com. Alternatively, if you would rather speak to us, please call 0345 113 6966 (+44 (0) 1268 445 488 if outwith the UK) between 8:30am and 5:30pm Monday to Friday.

Developments and prospectus updates since 31 December 2023

- On 27 February 2024, Martin Kwiatkowski was appointed as a director of abrdn Fund Managers Limited;
- On 15 March 2024, Fraser Tulloch was appointed as a director of abrdn Fund Managers Limited;
- The list of funds managed by the Manager was updated, where appropriate;
- Performance and dilution figures were refreshed, where appropriate;
- The list of sub-custodians was refreshed, where appropriate;
- The list of eligible markets was refreshed, where appropriate;
- The list of sub-investment advisors to the funds was refreshed, where appropriate;
- The risk disclosures in relation to the funds were refreshed, where appropriate.

Assessment of Value

In 2017 the Financial Conduct Authority (FCA) published the final Asset Management Market Study. This introduced (among other reforms) new governance rules with the aim of enhancing duty of care and ensuring the industry acts in investors' best interests. The rules were outlined in the FCA policy statement PS18/8 and came into effect from 30 September 2019. As a result, abrdn Fund Managers Limited is required to perform a detailed assessment on whether our funds are "providing value to investors". The resulting findings will be published on a composite basis throughout the year, and can be found on the 'Literature' pages of our website.

Climate-related Financial Disclosures

The recommendations by the Taskforce for Climate-related Financial Disclosures (TCFD) – initiated by the Financial Stability Board in 2015 and adopted in 2017 – provide organisations with a consistent framework for disclosing financial impacts of climate-related risks and opportunities. The disclosure in line with TCFD recommendations enables external stakeholders to gain a better understanding of the climate-related risks and opportunities (including how they are managed) that are likely to impact the organisation's future financial position as reflected in its income statement, cash flow statement, and balance sheet. The TCFD has developed 11 recommendations which are structured around four thematic areas, notably governance, strategy, risk management and metrics and target. In Policy Statement 21/24 the Financial Conduct Authority (FCA) have created a regulatory framework for asset managers, life insurers and FCA-regulated pension providers to make climate-related disclosures consistent with the recommendations of the TCFD. As a result of the disclosure requirements abrdn UK Real Estate Trust is required to perform a detailed annual assessment, determining financial impacts of climate-related risks and opportunities. The resulting findings are published at **Fund literature | abrdn**.

Manager's Statement

In accordance with the requirements of the COLL Rules as issued and amended by the Financial Conduct Authority, we hereby certify the report on behalf of abrdn Fund Managers Limited.



Aron Mitchell
Director
27 August 2024



Adam Shanks
Director
27 August 2024

Investment Report

Market background

We are seeing initial signs of stabilisation across UK real estate. Declines in capital values across the more favoured segments have slowed substantially over recent quarters. We expect pressure on these segments to subside further following reductions in the Bank of England base rate. Out-of-favour segments are expected to see additional declines in capital values, especially as transactions pick-up throughout the year.

According to the MSCI Monthly Index, all property capital value growth sat at 0.2% over Q2, offsetting a poor Q1 to record -0.6% over H1. Retail saw the strongest capital growth out of all sectors at 0.8% over the half year, almost entirely driven by the retail warehouse segment. The industrial sector recorded an improvement in capital values of 0.5% over H1 with rest of UK industrial exhibiting stronger capital growth than south east industrial over the period. The office sector continued to exhibit the greatest decline in capital values at -4.4% over the period with rest of UK offices reporting the largest capital falls.

All property income returns remained relatively constant at 0.5% per month. As a result, total return for Q2 2024 improved to 1.7% from 0.6% in Q1 2024, whilst on an annual basis total returns increased to 1.0%.

As investors await a more supportive macroeconomic environment, the investment market remains lukewarm. Total transactions over the first half of 2024 were down around 7% year-on-year to £24 billion, according to Real Capital Analytics. Around 23% of deals were in the residential sector. It remains a favourite among investors, looking for strong rental value growth potential and favourable supply dynamics. Around 18% went to hotels, as North American investors were active on several large portfolios, mainly around London. Unsurprisingly, secondary offices remain less popular with investors, given high capital-expenditure requirements for assets struggling with low occupancy. Outside of prime assets, lenders are still hesitant towards the sector, as valuations are correcting.

Performance

The abrdn UK Real Estate Fund returned -0.59%* over the period, compared with a total return of -0.57% from the IA UK Direct Property peer group.**

The fund underperformed the MSCI UK Daily Traded APUTs and PAIFs Quarterly Property Index (direct property benchmark) for Q1 2024 recording a total return of -0.44% against a benchmark of -0.29%. The fund underperformed this benchmark over the 3 year period (-0.62%) and was broadly in line over the 5 year period (-0.06%). MSCI benchmark information for Q2 2024 has not yet been released.

Discrete annual returns (%):

	1 Year to 30/06/2024 (%)	1 Year to 30/06/2023 (%)	1 Year to 30/06/2022 (%)	1 Year to 30/06/2021 (%)	1 Year to 30/06/2020 (%)
Retail Acc	-5.03	-14.74	14.36	4.28	-6.36
Institutional Acc	-4.66	-14.32	14.69	4.71	-5.96
Platform 1 Acc	-4.69	-14.39	14.70	4.62	-6.00
Platform 1 Inc	-5.49	-14.34	15.03	4.67	-6.00
IA UK Direct property (sector average)**	-1.05	-11.60	11.86	2.58	-3.03

Annualised returns (%) - to 30/06/2024

	3 Months (%)	6 Months (%)	1 Year (%)	3 Years (%pa)	5 Years (%pa)
Retail Acc	-0.19	-0.86	-5.03	-2.53	-1.99
Institutional Acc	0.00	-0.55	-4.66	-2.15	-1.60
Platform 1 Acc	-0.04	-0.59	-4.69	-2.19	-1.65
Platform 1 Inc	-0.25	-1.21	-5.49	-2.35	-1.73
IA UK Direct property (sector average)**	0.65	-0.57	-1.05	-0.85	-0.63

* Platform 1 Acc Share Class

** The peer group includes both master and feeder funds in the IA UK Direct Property Sector.

Investment Report

Continued

Investment activity

The fund progressed the sale of six transactions during the reporting period with The Old Dairy, South Ruislip (£34.5m); 55 Princess St, Manchester (£15m); East Gate Quarter, Llanelli (£9m); Trilogy, Segensworth Industrial Park, Fareham (£21.9m) Building 7600, Rugby (£17.5m) and Voyager, Manchester Airport (£11.5m), all completing during the first half of the year.

Focussing on income, a number of successful asset management initiatives completed during the period, including the following examples:

In the office sector, at 55 Princess Street, Manchester, a new lease to We Build Recruitment completed, providing a 2 year term at an initial rent of £45,180 per annum (£30 per sq ft). At New Clarendon House, Edinburgh, an agreement to lease with Buro Happold concluded, setting a 10 year term at an initial rent of £42 per sq ft (c. £268,338 per annum) with completion subject to PC of the building refurbishment, which is anticipated early Q3 2024.

In the industrial sector, a rent review completed with TCL Manufacturing at Ferry Lane, Rainham, securing a revised rent of £609,000 per annum (an uplift of 85%). The fund let three units at Axis Park, Peterborough, where AEBI Schmidt has taken two units and Taipec the third. Each unit is let at an initial rent of £69,790 per annum and a term of 10 years.

At Avant Garde, Shoreditch, a renewal with Tempo Pilates completed providing an additional term of 15 years and an initial rent of £41,500 per annum alongside a rent review with Sainsbury's, generating a reviewed rent of £171,522 per annum. Finally, at Blighs Meadow, Sevenoaks, the fund secured a new letting to Café Nero at an initial rent of £65,000 per annum and a term of 10 years.

Outlook

UK real estate seems to be pointing in a much more positive direction than this time last year. More economic and political certainty has filtered into the market, resulting in slowing declines in capital values. We have seen investors hold back over the first half of 2024. This is expected to shift into a more positive light as the rate-cutting cycle takes hold and as real estate returns look more attractive on a risk-adjusted basis.

From a risk perspective, a change in the UK's government doesn't seem to have much of an impact on investor intentions. The living sector may be under more scrutiny, given potential policy changes, but the probability of any radical shifts from Labour is low. A greater level of uncertainty comes from the BoE's actions on rates. A cumulative reduction of 75 basis points is expected over the second half of 2024, though worries surrounding services inflation and wage growth persist.

Still, given our current assumptions, we expect UK real estate to perform well over the forecast period, although bifurcation within sectors will remain a factor. We expect the industrial and living sectors to outperform all property, particularly over the next year. In a notable shift over recent months, offices are now projected to stay in positive territory, owing to strong rental growth. In fact, rental growth will remain a central growth story across real estate sectors, especially given the low levels of construction projected over the forecast period. Although construction prices have moderated from their peaks, restrictive financing costs will make development difficult in the near term.

Certain lenders are acknowledging the upside potential here, as we are seeing increased activity by UK clearing banks for all asset classes outside of offices. As the rate-cutting cycle bites, margins are expected to become more competitive among non-bank lenders. This should provide a much-needed boost to liquidity.

2nd August 2024

abrdn UK Real Estate Feeder Fund

For the six months ended 30 June 2024

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing all or substantially all of its capital in the abrdn UK Real Estate Fund. To the extent the fund is not fully invested it will hold its remaining assets in money-market instruments including cash.

The returns of this fund are not expected to be materially different than the returns of abrdn UK Real Estate Fund.

The objective of the abrdn UK Real Estate Fund is to generate income and some growth over the long term (5 years or more) by investing in UK commercial property. It is intended that the fund will be a PAIF at all times and, as such, its investment objective is to carry on property investment business and to manage cash raised for investment in the property investment business.

Performance Target of abrdn UK Real Estate Fund: To exceed the return of the IA UK Direct Property Sector Average (after charges) over rolling three year periods. The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD of the abrdn UK Real Estate Fund believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the sector.

Investment Policy

Portfolio Securities

- The fund will invest at least 70% in a diversified portfolio of UK freehold and leasehold commercial property selected from across the retail, office, industrial and other sectors.
- The fund may also invest indirectly in commercial property through investment vehicles such as quoted and unquoted property companies or funds (including those managed by abrdn).
- The fund may also invest in short term government bonds such as gilts, money-market instruments and cash.

Management Process

- The management team use market research and their discretion (active management) to identify investments that are expected to benefit from changes in property prices and property improvements. They will maintain a diverse asset mix at sector level.
- In seeking to achieve the Performance Target, the MSCI UK Daily Traded APUTs and PAIFs in the UK Quarterly Universe Property Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. Due to the fund's risk constraints, the intention is that the fund's performance profile will not deviate significantly from that of the MSCI UK Daily Traded APUTs and PAIFs in the UK Quarterly Universe Property Index over the longer term.

Please note: Selling property can be a lengthy process so investors in the fund should be aware that, in certain circumstances, they may not be able to sell their investment when they want to.

Derivatives and Techniques

- The fund is not expected to invest in derivatives directly however the abrdn UK Real Estate Fund may use derivatives as set out below.
- Where derivatives are used, this would typically be to maintain allocations following a significant inflow into the fund.

abrdn UK Real Estate Feeder Fund

Continued

Risk Profile

Investors should be aware of the following risk factors:

- **Property Liquidity Risk** – Property is less liquid than other asset classes. Selling property can be a lengthy process so investors in the fund should be aware that they may not be able to sell their investment when they want to.
- **Property Transaction Charges** – Property transaction charges are higher than those which apply in other asset classes. Investors should be aware that a high volume of transactions would have a material impact on fund returns.
- **Property Valuation Risk** – Property valuation is subjective and based on the judgment of an independent valuer, it is therefore a matter of the valuer's opinion rather than fact.
- **Single Swinging Price Risk** – The fund employs a single swinging pricing methodology to protect against the dilution impact of transaction costs. Due to the high transaction charges associated with the fund's assets, a change in the pricing basis will result in a significant movement in the fund's published price.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment. Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative Tables

Retail accumulation	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	88,139	98,701	142,917	174,274
Closing number of units	61,810,141	68,685,669	96,626,650	105,217,207
Closing net asset value per unit (pence)	142.60	143.70	147.91	165.63
Change in net asset value per unit	(0.77%)	(2.85%)	(10.70%)	10.43%
Operating charges	1.30%	1.30%	1.30%	1.33%
Property expenses	0.43%	0.46%	0.37%	0.51%
Retail income^A	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	131,315	135,865	155,496	192,269
Closing number of units	187,078,339	187,805,489	200,204,543	213,648,863
Closing net asset value per unit (pence)	70.19	72.34	77.67	89.99
Change in net asset value per unit	(2.97%)	(6.86%)	(13.69%)	-
Operating charges	1.30%	1.30%	1.30%	1.33%
Property expenses	0.43%	0.46%	0.37%	0.51%
Institutional accumulation	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	205,018	256,974	366,219	510,967
Closing number of units	161,679,352	201,452,029	279,969,747	350,168,356
Closing net asset value per unit (pence)	126.81	127.56	130.81	145.92
Change in net asset value per unit	(0.59%)	(2.48%)	(10.35%)	10.84%
Operating charges	0.83%	0.83%	0.83%	0.86%
Property expenses	0.43%	0.46%	0.37%	0.51%
Institutional income^B	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	21,573	25,035	38,320	80,397
Closing number of units	25,602,532	28,895,057	41,387,670	75,288,601
Closing net asset value per unit (pence)	84.26	86.64	92.59	106.79
Change in net asset value per unit	(2.75%)	(6.43%)	(13.30%)	-
Operating charges	0.83%	0.83%	0.83%	0.86%
Property expenses	0.43%	0.46%	0.37%	0.51%
ZC accumulation	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	15,380	16,844	20,290	13,789
Closing number of units	28,916,937	31,579,769	37,316,465	22,870,833
Closing net asset value per unit (pence)	53.19	53.34	54.37	60.29
Change in net asset value per unit	(0.28%)	(1.89%)	(9.82%)	11.50%
Operating charges	0.08%	0.08%	0.08%	0.11%
Property expenses	0.43%	0.46%	0.37%	0.51%

Comparative Tables

Continued

ZA income^c	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	3	3	3	3
Closing number of units	6,134	6,134	6,134	6,134
Closing net asset value per unit (pence)	40.86	41.84	44.34	50.73
Change in net asset value per unit	(2.34%)	(5.64%)	(12.60%)	-
Operating charges	0.08%	0.08%	0.08%	0.03%
Property expenses	0.43%	0.46%	0.37%	0.51%
ZB accumulation	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	113,545	120,833	139,138	167,503
Closing number of units	212,389,298	225,446,879	254,833,428	276,858,513
Closing net asset value per unit (pence)	53.46	53.60	54.60	60.50
Change in net asset value per unit	(0.26%)	(1.83%)	(9.75%)	11.58%
Operating charges	-	-	-	0.03%
Property expenses	0.43%	0.46%	0.37%	0.51%
Platform 1 accumulation	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	13,315	18,675	24,908	35,822
Closing number of units	26,394,444	36,795,673	47,843,313	61,652,425
Closing net asset value per unit (pence)	50.45	50.75	52.06	58.10
Change in net asset value per unit	(0.59%)	(2.52%)	(10.40%)	10.79%
Operating charges	0.88%	0.88%	0.88%	0.91%
Property expenses	0.43%	0.46%	0.37%	0.51%
Platform 1 income^d	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	2,814	3,523	5,102	7,597
Closing number of units	7,408,145	9,018,736	12,215,542	15,763,374
Closing net asset value per unit (pence)	37.98	39.06	41.76	48.20
Change in net asset value per unit	(2.76%)	(6.47%)	(13.36%)	-
Operating charges	0.88%	0.88%	0.88%	0.91%
Property expenses	0.43%	0.46%	0.37%	0.51%
Institutional S accumulation	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	727	856	1,589	3,608
Closing number of units	1,400,294	1,638,431	2,970,969	6,053,181
Closing net asset value per unit (pence)	51.95	52.23	53.50	59.60
Change in net asset value per unit	(0.54%)	(2.37%)	(10.23%)	10.97%
Operating charges	0.68%	0.68%	0.68%	0.71%
Property expenses	0.43%	0.46%	0.37%	0.51%

Comparative Tables

Continued

Institutional S income^E	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	469	21,417	32,489	99,947
Closing number of units	1,166,694	51,680,842	73,490,233	196,542,697
Closing net asset value per unit (pence)	40.23	41.44	44.21	50.85
Change in net asset value per unit	(2.92%)	(6.27%)	(13.06%)	-
Operating charges	0.68%	0.68%	0.68%	0.71%
Property expenses	0.43%	0.46%	0.37%	0.51%
J accumulation^F	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	3,166	3,813	5,260	10,703
Closing number of units	2,776,303	3,325,489	4,475,763	8,169,750
Closing net asset value per unit (pence)	114.03	114.67	117.52	131.01
Change in net asset value per unit	(0.56%)	(2.43%)	(10.30%)	-
Operating charges	0.75%	0.75%	0.75%	0.78%
Property expenses	0.43%	0.46%	0.37%	0.51%
J income^G	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	343	452	9,827	21,537
Closing number of units	431,034	553,793	11,265,942	21,429,030
Closing net asset value per unit (pence)	79.46	81.67	87.23	100.50
Change in net asset value per unit	(2.71%)	(6.37%)	(13.20%)	-
Operating charges	0.75%	0.75%	0.75%	0.78%
Property expenses	0.43%	0.46%	0.37%	0.51%
Z accumulation^H	30 June 2024	31 December 2023	31 December 2022	31 December 2021
Closing net asset value (£'000)	194	265	271	1,014
Closing number of units	159,463	217,040	217,040	733,256
Closing net asset value per unit (pence)	121.90	122.30	124.67	138.25
Change in net asset value per unit	(0.33%)	(1.90%)	(9.82%)	-
Operating charges	0.08%	0.08%	0.08%	0.11%
Property expenses	0.43%	0.46%	0.37%	0.51%

The closing net asset value (£'000) divided by the closing number of units may not calculate to the closing net asset value per unit (pence) due to rounding differences. The published closing net asset value per unit (pence) is based on unrounded values and represents the actual price.

The change in the net asset value per unit is the change from the beginning of the period to the close of the period.

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the unit class.

^A Retail income unit class was launched on 27 September 2021.

^B Institutional income unit class was launched on 27 September 2021.

^C ZA income unit class was launched on 27 September 2021.

^D Platform 1 income unit class was launched on 27 September 2021.

^E Institutional S income unit class was launched on 27 September 2021.

^F J accumulation unit class was launched on 26 November 2021.

^G J income unit class was launched on 26 November 2021.

^H Z accumulation unit class was launched on 26 November 2021.

Portfolio Statement

As at 30 June 2024

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (100.44%)		596,949	100.16
483,624,325	abrdn UK Real Estate Fund Feeder Accumulation+	596,949	100.16
Total investment assets		596,949	100.16
Net other liabilities		(948)	(0.16)
Total Net Assets		596,001	100.00

The investment is in a regulated collective investment scheme within the meaning of the FCA rules.
The percentage figures in brackets show the comparative holding as at 31 December 2023.

+ Managed by subsidiaries of abrdn plc.

Financial Statements

Statement of Total Return

For the six months ended 30 June 2024

	30 June 2024		30 June 2023	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(16,126)		1,096
Revenue	16,568		22,263	
Expenses	(2,622)		(3,676)	
Interest payable and similar charges	(1)		(3)	
Net revenue before taxation	13,945		18,584	
Taxation	(2,578)		(4,636)	
Net revenue after taxation		11,367		13,948
Total return before distributions		(4,759)		15,044
Distributions		(13,987)		(17,627)
Change in net assets attributable to unitholders from investment activities		(18,746)		(2,583)

Statement of Change in Net Assets Attributable to Unitholders

For the six months ended 30 June 2024

	30 June 2024		30 June 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		703,256		941,829
Amounts receivable on the issue of units	2,068		16,482	
Amounts payable on the cancellation of units	(102,068)		(132,820)	
		(100,000)		(116,338)
Dilution adjustment		1,282		1,375
Change in net assets attributable to unitholders from investment activities (see above)		(18,746)		(2,583)
Retained distribution on accumulation units		10,195		12,998
Unclaimed distributions		14		-
Closing net assets attributable to unitholders		596,001		837,281

Comparative information is provided for the statement of change in net assets attributable to unitholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Financial Statements

Continued

Balance Sheet

As at 30 June 2024

	30 June 2024		31 December 2023	
	£'000	£'000	£'000	£'000
Assets:				
Fixed assets:				
Investment assets		596,949		706,375
Current assets:				
Debtors	1,182		1,023	
Cash and bank balances	44		-	
		1,226		1,023
Total assets		598,175		707,398
Liabilities:				
Bank overdrafts	-		(737)	
Creditors	(1,550)		(2,727)	
Distribution payable	(624)		(678)	
		(2,174)		(4,142)
Total liabilities		(2,174)		(4,142)
Net assets attributable to unitholders		596,001		703,256

Notes to the Financial Statements

Accounting Policies

For the six months ended 30 June 2024. For underlying accounting policies on the Master Fund please refer to the annual report for the abrdn UK Real Estate Fund.

Basis of Accounting

The financial statements have been prepared on a going concern basis in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

Distribution Policy

The net revenue from the fund's investments accumulates daily, proportionately to the net asset value of the assets attributable to each unit class, over each accounting period. If revenue exceeds expenses during the period, the net revenue of the fund is available for distribution (or reinvestment) at unit class level to the unitholders in accordance with the OEIC Regulations. If expenses exceed revenue during the period, the net revenue shortfall may be funded from capital.

The fund makes dividend distributions.

Equalisation

Equalisation appears within the fund's reports as part of the distribution. This represents the net revenue in the fund's unit price attached to the issue and cancellation of units. It will form part of any distributions at the period end attributable to unitholders.

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit)

First interim dividend distribution

Group 1 – units purchased prior to 1 January 2024

Group 2 – units purchased between 1 January 2024 and 31 January 2024

	Revenue	Equalisation	Distribution paid 29/02/24	Distribution paid 28/02/23
Retail accumulation				
Group 1	0.5599	-	0.5599	0.5053
Group 2	0.3440	0.2159	0.5599	0.5053
Retail income				
Group 1	0.2814	-	0.2814	0.2664
Group 2	0.2436	0.0378	0.2814	0.2664
Institutional accumulation				
Group 1	0.4875	-	0.4875	0.4377
Group 2	0.3121	0.1754	0.4875	0.4377
Institutional income				
Group 1	0.3304	-	0.3304	0.3103
Group 2	0.1970	0.1334	0.3304	0.3103
ZC accumulation				
Group 1	0.1969	-	0.1969	0.1750
Group 2	0.1969	-	0.1969	0.1750
ZA income				
Group 1	0.1537	-	0.1537	0.1418
Group 2	0.1537	-	0.1537	0.1418
ZB accumulation				
Group 1	0.1970	-	0.1970	0.1751
Group 2	0.1970	-	0.1970	0.1751
Platform 1 accumulation				
Group 1	0.1942	-	0.1942	0.1747
Group 2	0.1137	0.0805	0.1942	0.1747
Platform 1 income				
Group 1	0.1492	-	0.1492	0.1404
Group 2	0.1080	0.0412	0.1492	0.1404
Institutional S accumulation				
Group 1	0.1982	-	0.1982	0.1778
Group 2	0.1352	0.0630	0.1982	0.1778
Institutional S income				
Group 1	0.1608	-	0.1608	0.1470
Group 2	0.1119	0.0489	0.1608	0.1470

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

	Revenue	Equalisation	Distribution paid 29/02/24	Distribution paid 28/02/23
J accumulation				
Group 1	0.4364	-	0.4364	0.3918
Group 2	0.3863	0.0501	0.4364	0.3918
J income				
Group 1	0.3103	-	0.3103	0.2911
Group 2	0.2543	0.0560	0.3103	0.2911
Z accumulation				
Group 1	0.4513	-	0.4513	0.4013
Group 2	0.4513	-	0.4513	0.4013

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

Second interim dividend distribution

Group 1 – units purchased prior to 1 February 2024

Group 2 – units purchased between 1 February 2024 and 29 February 2024

	Revenue	Equalisation	Distribution paid 28/03/24	Distribution paid 31/03/23
Retail accumulation				
Group 1	0.4938	–	0.4938	0.5050
Group 2	0.1289	0.3649	0.4938	0.5050
Retail income				
Group 1	0.2490	–	0.2490	0.2646
Group 2	0.0657	0.1833	0.2490	0.2646
Institutional accumulation				
Group 1	0.4280	–	0.4280	0.4371
Group 2	0.1484	0.2796	0.4280	0.4371
Institutional income				
Group 1	0.2907	–	0.2907	0.3087
Group 2	0.0830	0.2077	0.2907	0.3087
ZC accumulation				
Group 1	0.1741	–	0.1741	0.1755
Group 2	0.1741	–	0.1741	0.1755
ZA income				
Group 1	0.1361	–	0.1361	0.1418
Group 2	0.1361	–	0.1361	0.1418
ZB accumulation				
Group 1	0.1742	–	0.1742	0.1756
Group 2	0.1742	–	0.1742	0.1756
Platform 1 accumulation				
Group 1	0.1709	–	0.1709	0.1742
Group 2	0.0955	0.0754	0.1709	0.1742
Platform 1 income				
Group 1	0.1318	–	0.1318	0.1395
Group 2	0.0462	0.0856	0.1318	0.1395
Institutional S accumulation				
Group 1	0.1751	–	0.1751	0.1773
Group 2	0.1162	0.0589	0.1751	0.1773
Institutional S income				
Group 1	0.0343	–	0.0343	0.1465
Group 2	–	0.0343	0.0343	0.1465

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

	Revenue	Equalisation	Distribution paid 28/03/24	Distribution paid 31/03/23
J accumulation				
Group 1	0.3846	-	0.3846	0.3913
Group 2	0.3185	0.0661	0.3846	0.3913
J income				
Group 1	0.2720	-	0.2720	0.2898
Group 2	0.1939	0.0781	0.2720	0.2898
Z accumulation				
Group 1	0.3741	-	0.3741	0.4026
Group 2	0.3741	-	0.3741	0.4026

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

Third interim dividend distribution

Group 1 – units purchased prior to 1 March 2024

Group 2 – units purchased between 1 March 2024 and 31 March 2024

	Revenue	Equalisation	Distribution paid 30/04/24	Distribution paid 28/04/23
Retail accumulation				
Group 1	0.5656	-	0.5656	0.5255
Group 2	0.2893	0.2763	0.5656	0.5255
Retail income				
Group 1	0.2826	-	0.2826	0.2738
Group 2	0.2478	0.0348	0.2826	0.2738
Institutional accumulation				
Group 1	0.4911	-	0.4911	0.4542
Group 2	0.3172	0.1739	0.4911	0.4542
Institutional income				
Group 1	0.3316	-	0.3316	0.3197
Group 2	0.1606	0.1710	0.3316	0.3197
ZC accumulation				
Group 1	0.1994	-	0.1994	0.1820
Group 2	0.1994	-	0.1994	0.1820
ZA income				
Group 1	0.1543	-	0.1543	0.1460
Group 2	0.1543	-	0.1543	0.1460
ZB accumulation				
Group 1	0.1996	-	0.1996	0.1820
Group 2	0.1996	-	0.1996	0.1820
Platform 1 accumulation				
Group 1	0.1956	-	0.1956	0.1812
Group 2	0.0963	0.0993	0.1956	0.1812
Platform 1 income				
Group 1	0.1496	-	0.1496	0.1446
Group 2	0.0575	0.0921	0.1496	0.1446
Institutional S accumulation				
Group 1	0.2001	-	0.2001	0.1847
Group 2	0.0568	0.1433	0.2001	0.1847
Institutional S income				
Group 1	0.1382	-	0.1382	0.1512
Group 2	0.1263	0.0119	0.1382	0.1512

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

	Revenue	Equalisation	Distribution paid 30/04/24	Distribution paid 28/04/23
J accumulation				
Group 1	0.4381	-	0.4381	0.4066
Group 2	0.4381	-	0.4381	0.4066
J income				
Group 1	0.3099	-	0.3099	0.2996
Group 2	0.3099	-	0.3099	0.2996
Z accumulation				
Group 1	0.4570	-	0.4570	0.4173
Group 2	0.4570	-	0.4570	0.4173

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

Fourth interim dividend distribution

Group 1 – units purchased prior to 1 April 2024

Group 2 – units purchased between 1 April 2024 and 30 April 2024

	Revenue	Equalisation	Distribution paid 31/05/24	Distribution paid 31/05/23
Retail accumulation				
Group 1	0.5242	-	0.5242	0.5571
Group 2	0.2746	0.2496	0.5242	0.5571
Retail income				
Group 1	0.2611	-	0.2611	0.2880
Group 2	0.1011	0.1600	0.2611	0.2880
Institutional accumulation				
Group 1	0.4558	-	0.4558	0.4787
Group 2	0.2332	0.2226	0.4558	0.4787
Institutional income				
Group 1	0.3061	-	0.3061	0.3359
Group 2	0.1631	0.1430	0.3061	0.3359
ZC accumulation				
Group 1	0.1836	-	0.1836	0.1924
Group 2	0.1836	-	0.1836	0.1924
ZA income				
Group 1	0.1428	-	0.1428	0.1537
Group 2	0.1428	-	0.1428	0.1537
ZB accumulation				
Group 1	0.1847	-	0.1847	0.1925
Group 2	0.1847	-	0.1847	0.1925
Platform 1 accumulation				
Group 1	0.1811	-	0.1811	0.1910
Group 2	0.1048	0.0763	0.1811	0.1910
Platform 1 income				
Group 1	0.1379	-	0.1379	0.1517
Group 2	0.0720	0.0659	0.1379	0.1517
Institutional S accumulation				
Group 1	0.1854	-	0.1854	0.1945
Group 2	0.0939	0.0915	0.1854	0.1945
Institutional S income				
Group 1	0.1452	-	0.1452	0.1591
Group 2	0.1097	0.0355	0.1452	0.1591

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

	Revenue	Equalisation	Distribution paid 31/05/24	Distribution paid 31/05/23
J accumulation				
Group 1	0.4092	-	0.4092	0.4285
Group 2	0.0330	0.3762	0.4092	0.4285
J income				
Group 1	0.2871	-	0.2871	0.4454
Group 2	0.2871	-	0.2871	0.4454
Z accumulation				
Group 1	0.4230	-	0.4230	0.4412
Group 2	0.4230	-	0.4230	0.4412

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

Fifth interim dividend distribution

Group 1 – units purchased prior to 1 May 2024

Group 2 – units purchased between 1 May 2024 and 31 May 2024

	Revenue	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Retail accumulation				
Group 1	0.5021	-	0.5021	0.4778
Group 2	0.2582	0.2439	0.5021	0.4778
Retail income				
Group 1	0.2490	-	0.2490	0.2472
Group 2	0.2379	0.0111	0.2490	0.2472
Institutional accumulation				
Group 1	0.4360	-	0.4360	0.4142
Group 2	0.2556	0.1804	0.4360	0.4142
Institutional income				
Group 1	0.2919	-	0.2919	0.2872
Group 2	0.2020	0.0899	0.2919	0.2872
ZC accumulation				
Group 1	0.1756	-	0.1756	0.1645
Group 2	0.1756	-	0.1756	0.1645
ZA income				
Group 1	0.1364	-	0.1364	0.1313
Group 2	0.1364	-	0.1364	0.1313
ZB accumulation				
Group 1	0.1761	-	0.1761	0.1646
Group 2	0.1761	-	0.1761	0.1646
Platform 1 accumulation				
Group 1	0.1735	-	0.1735	0.1650
Group 2	0.1033	0.0702	0.1735	0.1650
Platform 1 income				
Group 1	0.1317	-	0.1317	0.1299
Group 2	0.0505	0.0812	0.1317	0.1299
Institutional S accumulation				
Group 1	0.1772	-	0.1772	0.1681
Group 2	0.1394	0.0378	0.1772	0.1681
Institutional S income				
Group 1	0.1381	-	0.1381	0.1364
Group 2	0.0949	0.0432	0.1381	0.1364

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

	Revenue	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
J accumulation				
Group 1	0.3902	-	0.3902	0.3703
Group 2	0.3902	-	0.3902	0.3703
J income				
Group 1	0.2740	-	0.2740	0.2738
Group 2	0.2740	-	0.2740	0.2738
Z accumulation				
Group 1	0.4034	-	0.4034	0.3773
Group 2	0.4034	-	0.4034	0.3773

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

Sixth interim dividend distribution

Group 1 – units purchased prior to 1 June 2024

Group 2 – units purchased between 1 June 2024 and 30 June 2024

	Revenue	Equalisation	Distribution paid 31/07/24	Distribution paid 31/07/23
Retail accumulation				
Group 1	0.5678	-	0.5678	0.4215
Group 2	0.3545	0.2133	0.5678	0.4215
Retail income				
Group 1	0.2807	-	0.2807	0.2172
Group 2	0.2280	0.0527	0.2807	0.2172
Institutional accumulation				
Group 1	0.4940	-	0.4940	0.3626
Group 2	0.2008	0.2932	0.4940	0.3626
Institutional income				
Group 1	0.3302	-	0.3302	0.2530
Group 2	0.2184	0.1118	0.3302	0.2530
ZC accumulation				
Group 1	0.2010	-	0.2010	0.1441
Group 2	0.2010	-	0.2010	0.1441
ZA income				
Group 1	0.1545	-	0.1545	0.1152
Group 2	0.1545	-	0.1545	0.1152
ZB accumulation				
Group 1	0.2013	-	0.2013	0.1441
Group 2	0.2013	-	0.2013	0.1441
Platform 1 accumulation				
Group 1	0.1971	-	0.1971	0.1448
Group 2	0.1079	0.0892	0.1971	0.1448
Platform 1 income				
Group 1	0.1492	-	0.1492	0.1144
Group 2	0.0529	0.0963	0.1492	0.1144
Institutional S accumulation				
Group 1	0.2015	-	0.2015	0.1472
Group 2	0.1377	0.0638	0.2015	0.1472
Institutional S income				
Group 1	0.1566	-	0.1566	0.1206
Group 2	0.1372	0.0194	0.1566	0.1206

Distribution Tables

For the six months ended 30 June 2024 (in pence per unit) continued

	Revenue	Equalisation	Distribution paid 31/07/24	Distribution paid 31/07/23
J accumulation				
Group 1	0.4434	–	0.4434	0.3249
Group 2	0.2890	0.1544	0.4434	0.3249
J income				
Group 1	0.3100	–	0.3100	0.2371
Group 2	0.3100	–	0.3100	0.2371
Z accumulation				
Group 1	0.4608	–	0.4608	0.3303
Group 2	0.4608	–	0.4608	0.3303

Equalisation

This applies only to units purchased during the distribution period (group 2 units). It is the average amount of revenue included in the purchase price of group 2 units and is refunded to the holders of these units as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Further Information

abrdn UK Real Estate Trust was incorporated on 6 March 2014, under the FCA Regulations. The fund is an authorised unit trust in umbrella form, the fund is also an Alternative Investment Fund ("AIF") for the purposes of the FCA handbook.

Consumers' rights and protections, including any derived from EU legislation, are unaffected by the result of the UK leaving the European Union and has now been incorporated into UK legislation.

Documentation and Prices

Copies of the current Prospectus and Key Investor Information Documents (KIIDs) for the abrdn UK Real Estate Trust, daily prices, together with the latest Annual (and if issued later the Interim) Report and Accounts for any fund, are available to download at **abrdn.com**. A paper copy of the Report and Accounts is available on request from the Manager.

Notices/Correspondence

Please send any notices to abrdn Fund Managers Limited, PO Box 12233, Chelmsford, CM99 2EE. Any notice to the Manager will only be effective when actually received by the Manager. All notices will be sent to the investor at the address set out in the Application form or the latest address which the investor has notified to the Manager, and will be deemed to have been received three days after posting.

Events detailed in these terms and conditions will be carried out on the dates specified, unless the dates are a non-business day, when they will be carried out on the next business day.

Complaints and Compensation

If you need to complain about any aspect of our service, you should write to the Complaints Team, abrdn, PO Box 12233, Chelmsford, CM99 2EE, who will initiate our formal complaints procedure. If you prefer, you may call the Complaints Team on 0345 113 6966 or email **complaints@abrdn.com** in the first instance. Alternatively if you have a complaint about the Company or fund you can contact the Trustee directly. A leaflet detailing our complaints procedure is available on request.

We will endeavour to respond to your complaint as soon as possible and will notify you of our outcome within 8 weeks. If the complaint is not resolved by us to your satisfaction then you may have the right to take your complaint to the Financial Ombudsman Service (FOS).

To contact the FOS Service you should write to The Financial Ombudsman Service, Exchange Tower, London, E14 9SR, email **complaint.info@financial-ombudsman.org.uk** or telephone 0800 023 4567 (free for landlines and mobiles) or 0300 123 9123 (calls cost no more than calls to 01 and 02 numbers) or +44 20 7964 0500 (available from outside the UK – calls will be charged).

We are covered by the Financial Services Compensation Scheme, which means if we become insolvent, you may be entitled to compensation. The level of compensation will depend on the type of business and the circumstances of your claim. Investments are covered up to £85,000 for claims against firms that fail on or after 1 April 2019. Details are available from the FSCS Helpline on 0800 678 1100 or 020 7741 4100 and on the FSCS website: **www.fscs.org.uk**.

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