Capital markets event

30 September 2021

Our Purpose

To acquire, manage and develop retail assets across the UK that provide essential goods and services and support the development of thriving communities

OUR OBJECTIVES

NEW RIVER

To own and manage the most resilient retail portfolio in the UK

Focused on three core sectors:

- RETAIL PARKS
- CORE SHOPPING CENTRES
- REGENERATION

To deliver stable income and capital growth

Supported by:

- A BEST IN CLASS OPERATING PLATFORM
- A ROBUST BALANCE SHEET
- AN EXPERIENCED & CONFIDENT EXECUTIVE TEAM

TARGETING 10% TOTAL ACCOUNTING RETURN

TODAY'S SPEAKERS

NEW RIVER

Allan Lockhart
CEO

Emma Mackenzie
Head of Asset Management & ESG

Justin Thomas
Development Director

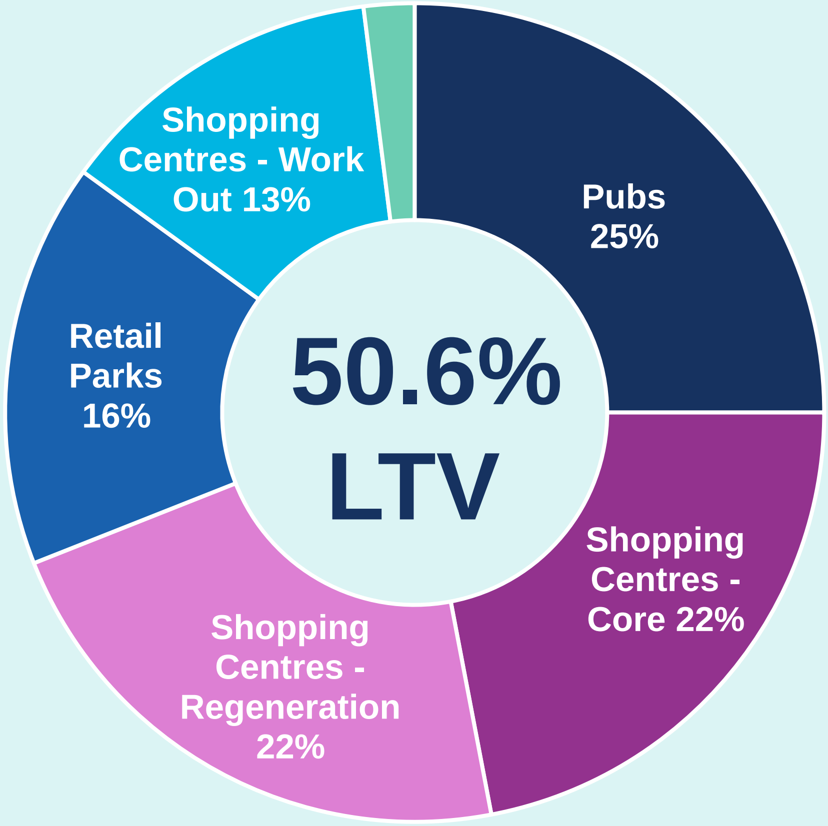
Will Hobman
CFO

NEW RIVER

Progress since full year

NOW FOCUSED ON RESILIENT RETAIL
With LTV In Target Range

March 21
Segmentation

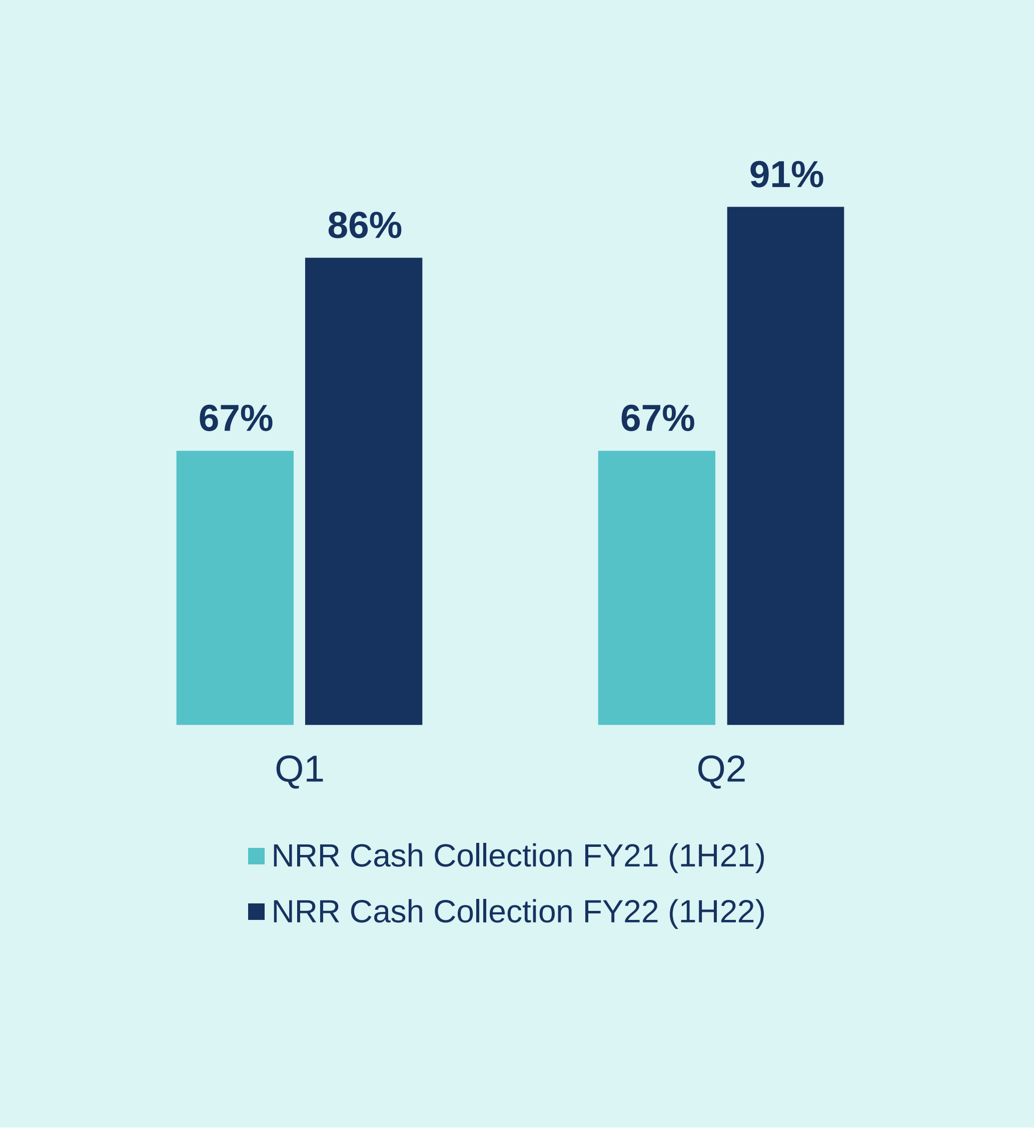


September 21 pro forma
Segmentation

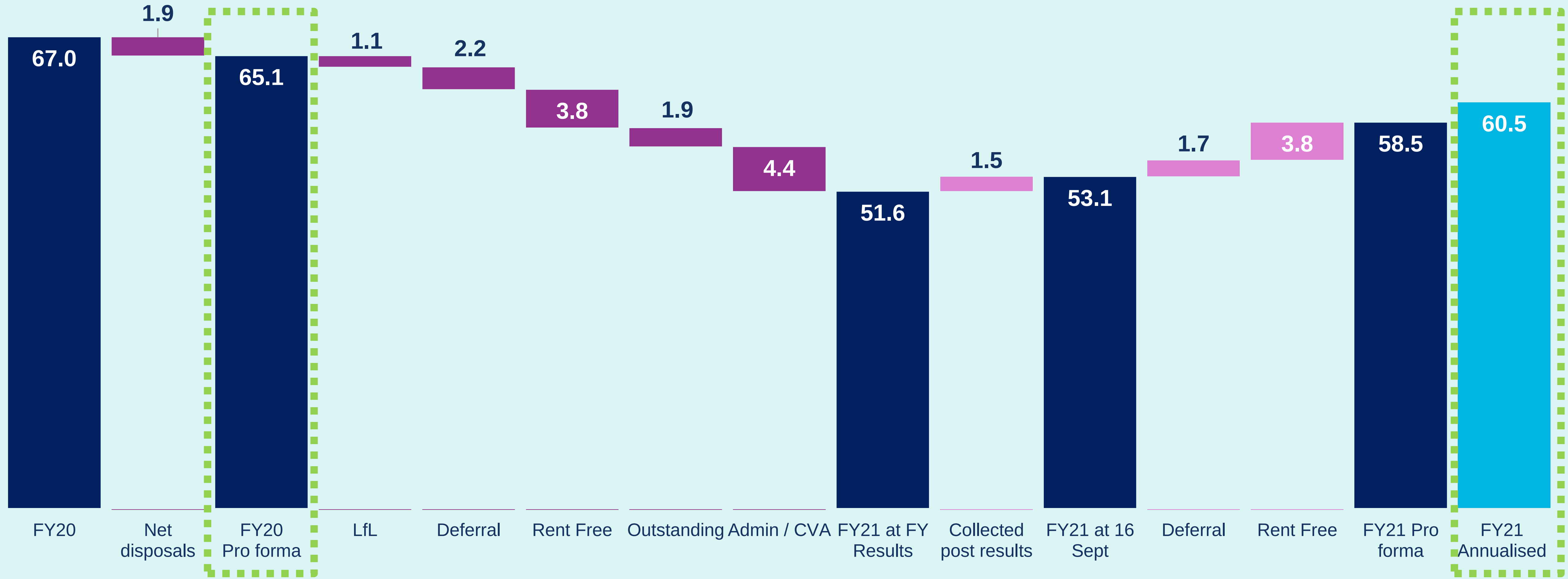
* Based on Mar 21 values adjusted for sale of Hawthorn

STRONG OPERATIONAL PERFORMANCE
With An Improving Market Backdrop

- **Rent collection returning to pre-COVID levels**
  - FY21 rent collection rate increasing, prior year provisions being released
  - H1 22 rent collection rate significantly ahead of FY21 +21%
  - £2m Business interruption insurance received; balance due in H2
- **Improving leasing momentum;** recent transactions ahead of ERV
- **Occupancy remains high at 97%**
- **Further progress on disposals;** £93m of sales completed, exchanged or under offer (vs. £73m in July update)



RESILIENT RENTAL INCOME…



FY21 annualised includes approximately 50% of the outstanding balance as at 16th Sept of £1.3m to be collected as well as two thirds of the Admin / CVA balance to be recovered through completed and ongoing re letting negotiations. This is slightly netted off by the full year impact of FY21 disposals of £1.6m.

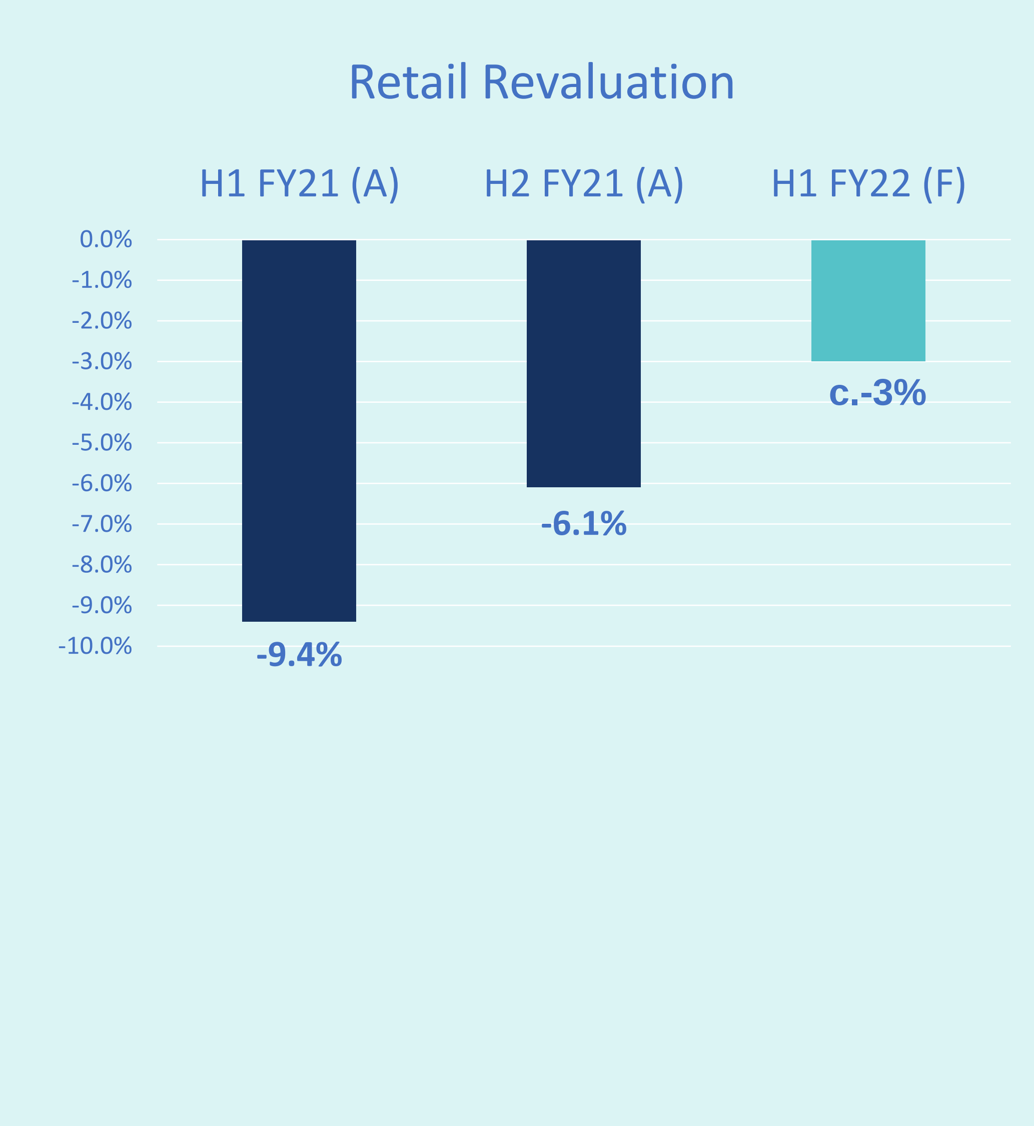
…AND STABILISING VALUATIONS

NEW RIVER

- **Equivalent yields stabilising for shopping centres and retail parks displaying yield compression**

- **Increasing liquidity** across shopping centres and retail parks:
  - Shopping Centre transactions concentrated at the smaller end of the market
  - Retail Park liquidity increasing rapidly

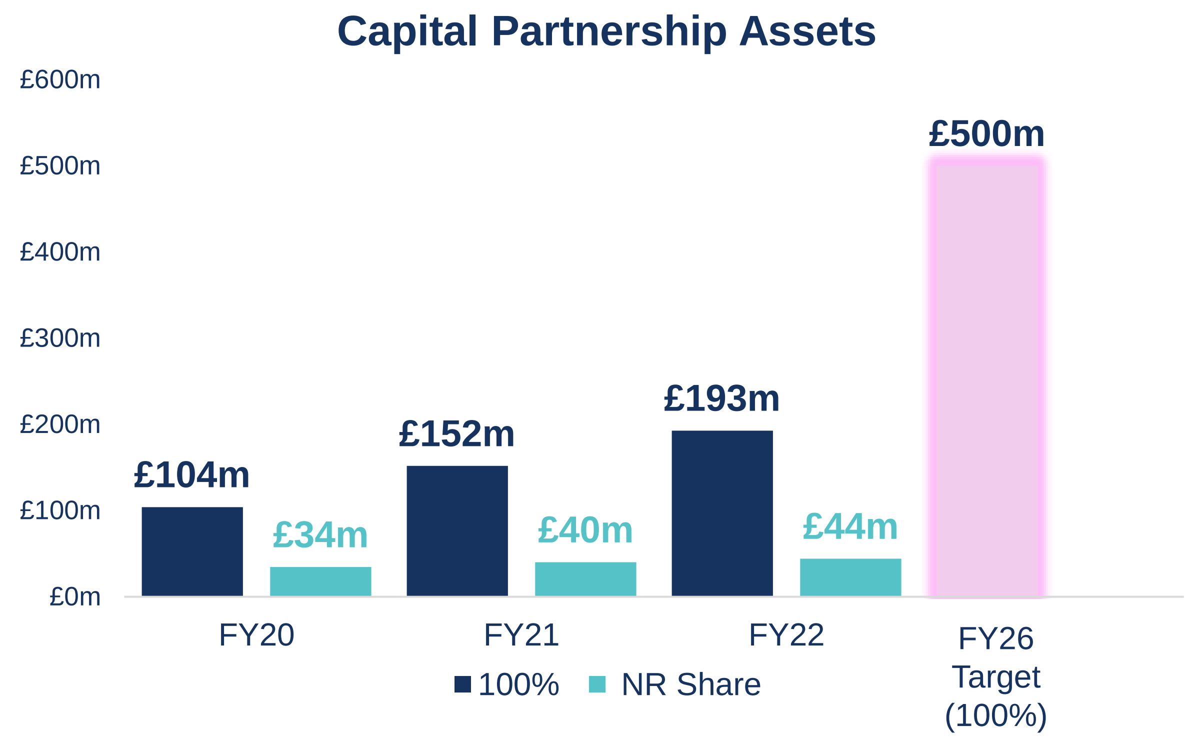
- Indicative H1 portfolio valuations show:
  - **Core Shopping Centres** - close to stable
  - **Regen Shopping Centres** - close to stable
  - **Retail Parks** - accelerated capital growth
  - **Work Out Shopping Centres** – declined (disposal strategy well underway)



CAPITAL PARTNERSHIPS REMAIN IMPORTANT TO US

NEW RIVER

- Enhance returns
- Provide capital and risk diversification
- Provide greater insight into wider capital markets



"PIMCO and NewRiver REIT have a longstanding and trusted partnership with an established track record as we seek to generate value from market dislocations. We value NewRiver's ability to identify opportunities and add value through hands-on asset management. We look forward to further strengthening the partnership through new acquisition and value-add opportunities."

(PIMCO portfolio management)

Resilient retail is where we are focusing

CONSUMER SPENDING & SENTIMENT IMPROVING

NEW RIVER

- **Retail spending increasing;** sales volumes in August 2021 5% higher than in February 2020 (pre-COVID)
- **Online retail growth is normalising;** proportion of retail sales made online has dropped by 10% since peak-pandemic level of 36.5% reached in February 2021
- **Physical retail remains dominant channel;** especially grocery (85% of sales store based)
- **Shift in category spend**; house & home, durable goods and grocery as pandemic winners
- **Click & Collect sales** forecast to increase by 46% to £9.8bn by 2024
- **Continued importance of the physical store networks**; as effective fulfilment centres and for non-food returns

next HOME HOMEBASE wren KITCHENS b&m Sainsbury's halfords

RECENT CONSUMER BEHAVIOURAL TRENDS SURVEY
Validating Our Portfolio Positioning…

NEW RIVER

- **4,000 consumers surveyed** to understand what they look for in retail, value and how they see the future
- Survey identified **key consumer post-pandemic trends**, including:

Workplace ↑	Increase in flexible working, declining use of 'traditional' offices diverting spend away from city centres to residential areas
Rise of localism ↑	Increased community/local focus
Health security ↑	Popularity of open air layouts and larger stores
Gen Z – a dominant cohort ↑	More environmentally aware, changing transport use and shifting brand preferences
On/offline dynamic ↑	Importance of omni channel strategies including Click & Collect

… AND SUPPORTING OUR FUTURE RETAIL STRATEGY

NEW RIVER

Key highlights	What it means for NewRiver
51% **Working from home** 2 days/week or more	• Increased WFH and ‘localism’ support the shift of spend towards our community focused retail assets
45% **Consider carbon footprint** in shopping decisions	• Our assets are well served by public transport • Average travel time significantly lower than national average
46% Want to see **more independent retailers** in local area	• Underlying affordability and range of unit sizes attract a broad spectrum of independent retailers
F&B, Leisure & Medical are most popular additions to local retail	• Over 90% of our assets have F&B outlets • 83% increase in number of gyms in portfolio over last 5 years • Delivered first on-site medical centre; further opportunities being pursued

COMPREHENSIVE STRATEGIC REVIEW COVERING ALL ASPECTS OF RETAIL PROPERTY

NEW RIVER

- Our portfolio proved resilient throughout the pandemic.
- Economic and behavioural trends changing – influencing retail supply/demand at a national and local level

- **Strategic review undertaken which**:
  - Critically appraised current portfolio based on existing and emerging trends;
  - Provided a risk profile for each NewRiver asset as well as the majority of retail assets across the UK; and
  - Informed on hold/sell decisions and identify opportunities to invest in resilient assets

WE IDENTIFIED KEY CRITERIA OF RESILIENT RETAIL

NEW RIVER

Across our portfolio we recognise specific criteria which underpin “resilient” retail assets

LOCATION	CONVENIENCE	RETAIL SUPPLY	ONLINE COMPATIBLE	OCCUPIERS
Strong demographic profile	Easy access, customer friendly	Favourable demand vs supply retail balance	Fulfils role in omnichannel supply chains	Occupier mix aligned with demand
AFFORDABLE RENTS	**ESG**	**ASSET MANAGEMENT**	**OPTIONALITY**	**LIQUIDITY**
Low occupational costs	Contributes to ESG commitments	Low intensity, low risk asset management	Underlying alternative use	Low capital value and wide buyer pool

…CREATING A PROPRIETARY SCORECARD FOR ALL RETAIL ASSETS…

NEW RIVER

SCORECARD

ASSET BY ASSET ASSESSMENT

TARGETED CAPITAL INVESTMENT

TARGETED CAPITAL RECYCLING

STABLE INCOME, CAPITAL GROWTH, 10% TOTAL ACCOUNTING RETURN

…TO SEGMENT RETAIL ASSETS BASED ON 4 KEY CHARACTERISTICS

NEW RIVER

- We have assessed our current and future portfolio …
- …and it allows us to assess **any UK retail asset** to support our capital redeployment activity

RESILIENT

Fit for purpose and affordable retail with strong local economic and consumer fundamentals

STABLE

Fit for purpose retail which may require some intervention over the longer term

REPOSITION

Displays some resilient characteristics but will require intervention, likely through alternative use

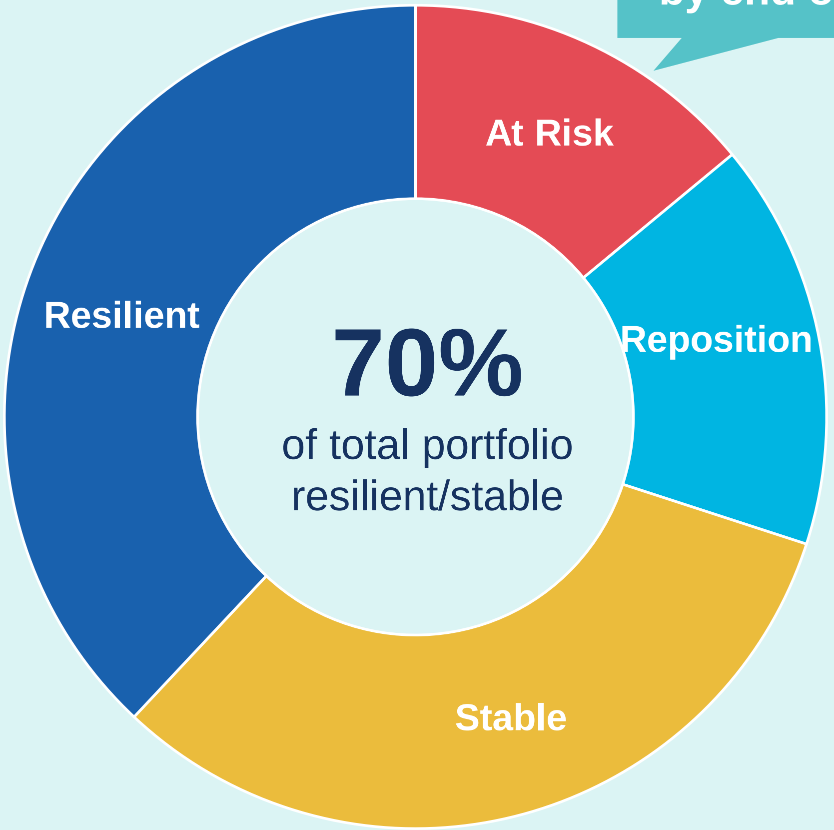
AT RISK

Oversupplied retail with limited alternative use and/or weaker economic, consumer growth outlook

TODAY AND TOMORROW'S SCORECARD ASSESSMENT….

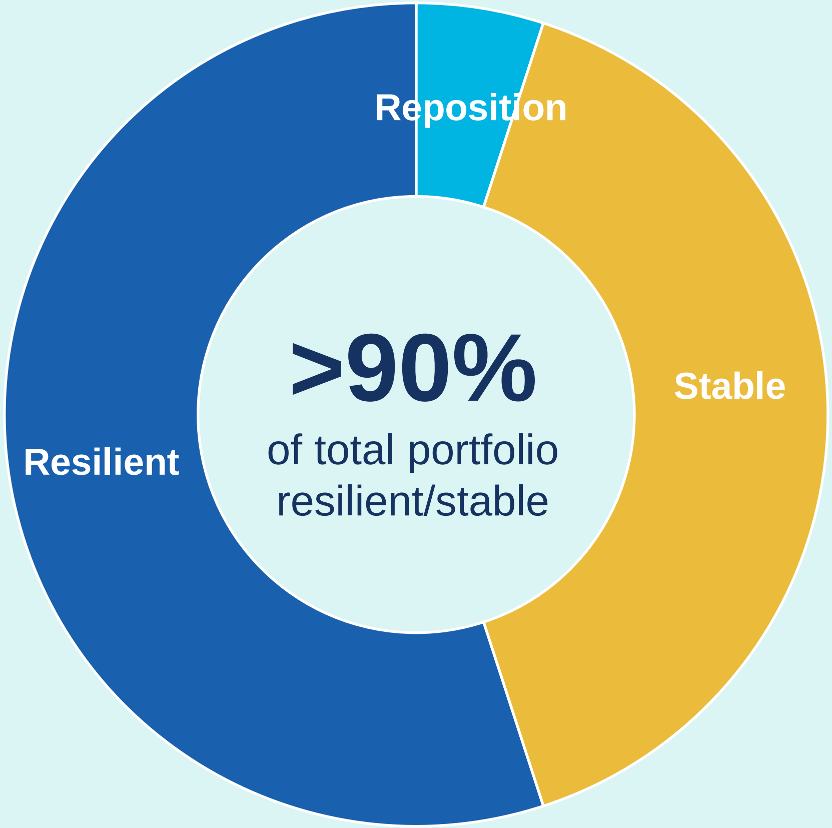
Today
Scorecard category

To be fully exited by end of FY23



- Disposals
- Redeployment
- Regeneration

Medium term
Scorecard category



....AND PORTFOLIO SEGMENTATION

Today*
Segmentation

Medium term
Segmentation

* Based on Mar 21 values adjusted for sale of Hawthorn

Reshaping our portfolio to enhance resilience

THREE STRATEGIC PILLARS
Supported By A High-quality Operating Platform

NEW RIVER

Disposals

- Prioritise sale of assets which:
  - are now mature and we have extracted value;
  - do not meet our forward looking returns targets; or
  - display elevated risk profile

Redeployment

- Redeploy capital into resilient retail, predominantly Retail Parks and Core Shopping Centres
- Option to acquire independently or via capital partnerships
- Ongoing scorecard assessment of UK-wide retail assets to identify potential acquisition targets

Regeneration

- Supports reinvigoration of towns and communities
- Tackles oversupply of retail by delivering sustainable alternative use schemes, often resi-led
- Delivers capital and potentially income growth

Operating platform

- Experienced asset managers with strong occupier relationships and knowledge of the market
- Increasing investment into catchment insights
- Improved data and research capability

DISCIPLINED DISPOSAL PROGRAMME

- Disposals identified on analysis of **5 year forward looking returns and projected risk profile of assets**
- Disposals enable us to redeploy capital into assets which:
  - **Enhance short and long term portfolio returns;** and
  - **Ensure we maintain a resilient retail core**
- Disposal programme over the next 5 years totals over **£290m**
- **Work Out portfolio fully exited by FY23**

CLEAR REDEPLOYMENT TARGETS
Based On Research, Data And Market Experience

ESG

SCORECARD

ASSET BY ASSET ASSESSMENT

TARGETED CAPITAL INVESTMENT

Redeployment Targets	Size of market	TARGET IRR %
RESILIENT	300 assets	8-10%
+ REPOSITION	70 assets	15-20%

Option to acquire on balance sheet or via JV

Resilient retail in action

Resilient retail

Retail parks

RETAIL PARK PORTFOLIO
Key Characteristics

	Retail Parks (FY21*)
Valuation	£157m
Portfolio Weighting **FY21 pro forma**	21%
Number of Assets	19
Average Lot Size (100% Share)	£15.8m
Vacancy Rate	2.4%
Retention Rate	91.9%
Net Initial Yield	7.3%
Equivalent Yield	7.7%

CONVENIENCE

- Customer friendly
- Easy transport access and free parking
- Larger stores provide health security
- Large retailer mix

ONLINE COMPATIBLE

- Click & Collect, home delivery and returns space
- Free, surface level car parks
- Defensive retail category mix – discount, food etc

ASSET MANAGEMENT

- Low services charges
- Lower asset management cost

ESG

- Environmentally friendly with ESG income stream potential e.g. charging stations in car parks

OPTIONALITY

- Large car parks
- Potential residential use
- Location supports logistics and self-storage facilities

LIQUIDITY

Consistently high deal volumes
Wide potential buyer pool

*Includes Gateshead which was disposed of in August 2021

WATERFRONT RETAIL PARK, BARRY

NEW RIVER

OCCUPIERS

- Broad range of goods and services; Discount, DIY, Home and plenty of F&B provision which has increased dwell time
- Recent letting to B&M has introduced a garden centre, increasing footfall

ONLINE COMPATIBLE

- Argos make excellent use of large, free car park for C&C offers
- Halfords have fitting bay in car park which can be booked online
- Pets at Home have adopted C&C for all smaller sized store purchases

- **7 units**
- **72,000 sq ft**
- **411 parking spaces**

ASSET MANAGEMENT

- Following Poundstretcher CVA quickly re-let to B&M at passing rent
- Lease extensions agreed with Halfords and Argos at terms ahead of ERV

CONVENIENCE

- Dominant retail park in Barry
- Walking distance of town centre and 20 minute train into Cardiff Central
- Anchored by 72k sq ft Morrisons food store

OPTIONALITY

- Creation of two new drive thru units for Burger King and Costa - pre-let before development commenced
- Diverse range of product services across the park to increase dwell time and spend

AFFORDABLE RENTS

- Rent to sales ratio of 4.5% (affordable rent to sales ratio 9.1%)
- 19% service charge reduction since 2015
- 8.5% reduction in Rateable Value since 2015

Resilient retail –
Core Shopping Centres

CORE SHOPPING CENTRE PORTFOLIO
Key Characteristics

	Shopping Centres - Core (FY21*)
Valuation	£210m
Portfolio Weighting **FY21 pro forma**	30%
Number of Assets	13
Average Lot Size (100% Share)	£16.1m
Vacancy Rate	3.4%
Retention Rate	89.3%
Net Initial Yield	9.5%
Equivalent Yield	9.3%

- **Core Shopping Centres** - Assets with a high retention rate, local catchment areas, low vacancy rate and affordable rents with low rent to sales ratios
- We select, manage and develop these assets with reference to our “resilient retail” criteria:

LOCATION

CONVENIENCE

RETAIL SUPPLY

ONLINE COMPATIBLE

OCCUPIERS

AFFORDABLE RENTS

ESG

ASSET MANAGEMENT

OPTIONALITY

LIQUIDITY

*Excludes The Moor, Sheffield which was acquired in April 2021

CORE SHOPPING CENTRE PORTFOLIO
Case Studies: Variety Of Size, Location & Occupiers

NEW RIVER

Case studies: Total value of £81m, NIY of 10% (40% of Core Shopping Centre portfolio)

FAREHAM - SMALL, OPEN AIR

Size: 97,900 sq ft
Occupancy: 100%
Average rent psf: £8.70
Gross/net: 98%
Nationals/independents: 50/50
Anchors:

Waitrose

NEWTON MEARNS - MEDIUM, COVERED

Size: 201,500 sq ft
Occupancy: 98%
Average rent psf: £11.60
Gross/net: 95%
Nationals/independents: 74/26
Anchors:

ASDA M&S SIMPLY FOOD

NEWTOWNABBEY - LARGE, COVERED

Size: 317,500 sq ft
Occupancy: 98%
Average rent psf: £17.80
Gross/net: 95%
Nationals/independents: 84/16
Anchors:

next PRIMARK DUNNES STORES

LOCKS HEATH SHOPPING VILLAGE, FAREHAM

NEW RIVER

LOCKS HEATH SHOPPING VILLAGE, FAREHAM

OCCUPIERS

- Anchored by Waitrose
- Healthy balance of goods & services
- Weekly market
- No CVA/Administration impact

LOCATION

- Densely populated area of Hampshire
- High population growth
- 43k catchment in 10 minute drivetime and limited competition

ESG

- EV charging points fitted to support our decarbonisation plans
- "Connecting our community with nature" projects partnering with local schools

CONVENIENCE

- Short walking distance from local housing
- 500 space free car park
- 1.3 visits per week

OPTIONALITY

- Development opportunity on surplus land

AFFORDABLE RENTS

- 5.7% rent to sales ratio (7.4% affordable rent to sales ratio)
- 100% retention rate[1]

1 Based on last 12 months

THE AVENUE, NEWTON MEARNS

THE AVENUE, NEWTON MEARNS

LOCATION

- Affluent Glasgow suburb
- 80k catchment in 10 minute drivetime
- Population growth outstrips national average

AFFORDABLE RENTS

- 6.7% rent to sales ratio (7.7% affordable rent to sales ratio)

ESG

- Community Fund providing financial support to local clubs, charities & community groups

CONVENIENCE

- 950 space free car park
- Short walking distance from local housing

ONLINE COMPATIBLE

- Click & Collect optimised; 50% of retailers now offer
- 600 M&S average daily C&C orders

ASSET MANAGEMENT

- 28% reduction in service charge
- Stable NOI and high retention rate
- Increased provision of F&B; artisan retailer opportunities

OPTIONALITY

- Potential part sale of land for development of 36 dwellings and planning for a gym

ABBEY CENTRE, NEWTOWNABBEY

ABBEY CENTRE, NEWTOWNABBEY

NEW RIVER

LOCATION

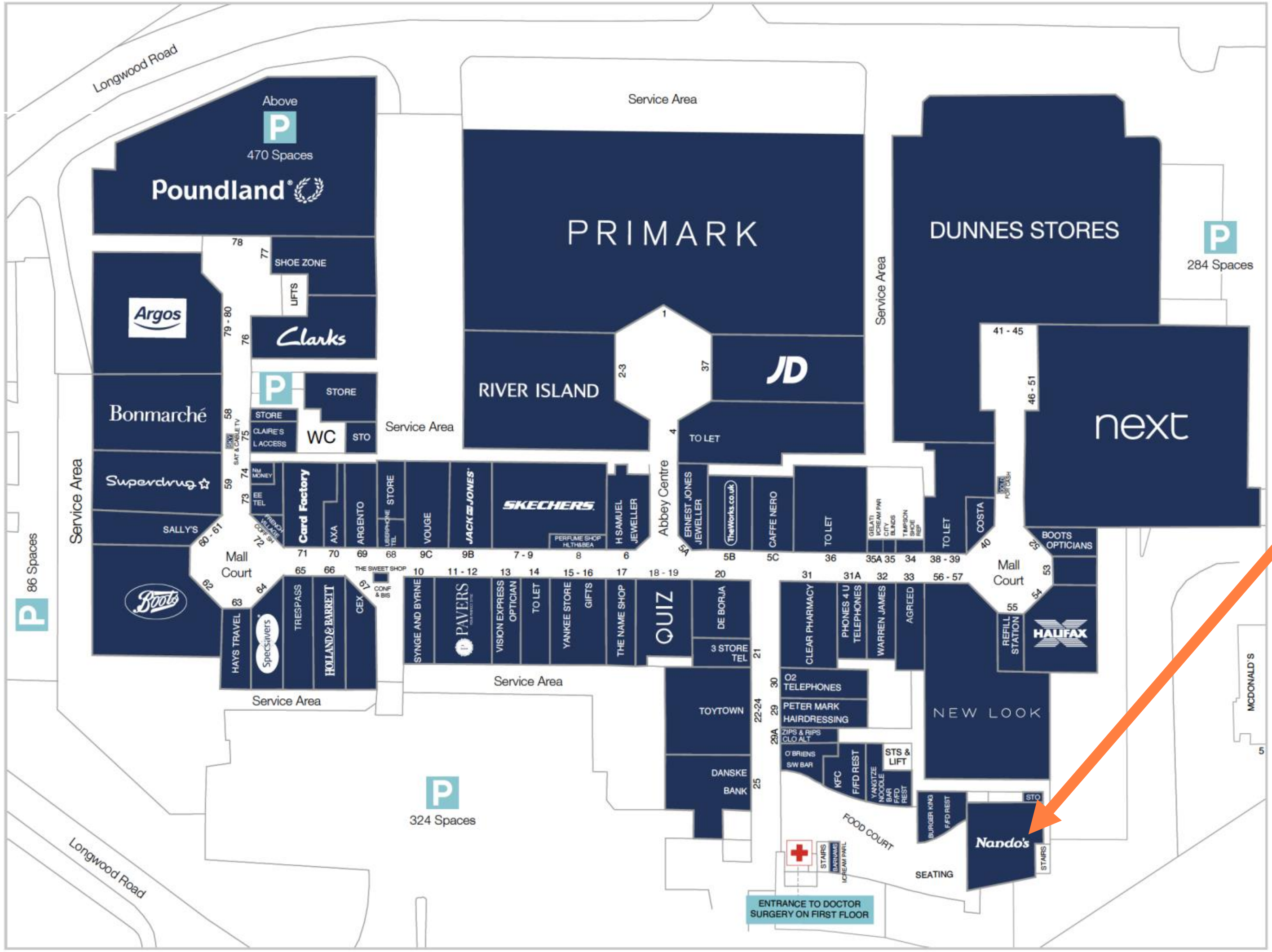
- 6 miles from Belfast city centre
- Centre of retail hub close to Tesco and M&S Food

OCCUPIERS

- Fashion focused, anchored by successful brands
- Essential services include GP surgery and opticians

AFFORDABLE RENTS

- 6.2% rent to sales ratio (9.1% affordable rent to sales ratio)
- 98% retention rate[1]



ONLINE COMPATIBLE

- 83% offer Click & Collect

ASSET MANAGEMENT

- Early upsize of anchors Next, Dunnes and Primark
- Solutions quickly found for recent CVAs & Administrations
- Food court refurbished:
  - 16% increase in turnover lease income
  - £0.5m added to capital value

60k digital followers

1 Based on last 12 months

Residential-Led Regeneration

REGENERATION

- Reasons for engaging in "Regeneration"
  - Existing strategic ownerships
  - Historic under investment in town centres
  - Surplus retail space
  - Supportive Public Sector & active relationships with Local Authorities
  - Strong residential demand
  - Attractive returns available

REGENERATION

- NewRiver is ideally placed to capitalise on “Regeneration”
  - Highly experienced internal development team
  - Ability to retain income during early project stages
  - Community facing asset management
  - Ability to pursue ‘capital-light’ masterplanning
  - Range of options for project delivery

Projects nearing completion

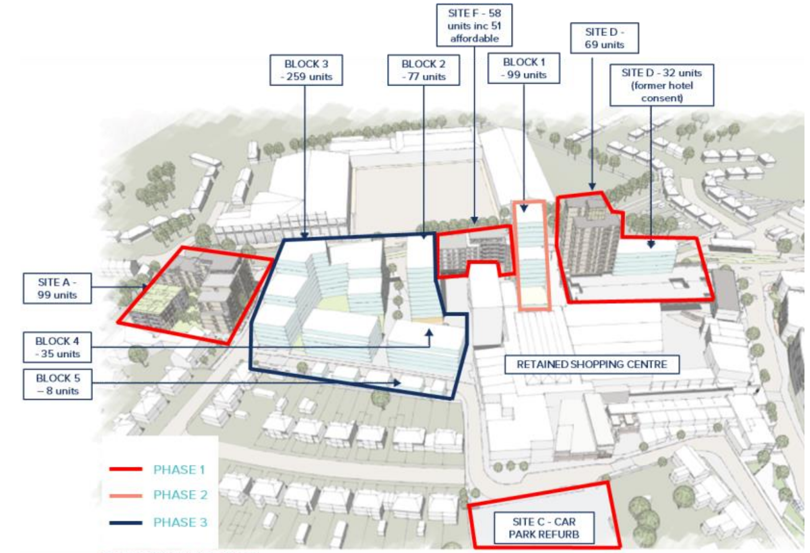
Case studies:

- Blenheim Shopping Centre, Penge
- Templars Square, Cowley, Oxford

BLENHEIM SHOPPING CENTRE, PENGE

- Acquired in 2015
- Purchase price £6.9m
- Centre occupies a strategic zone within Penge
- Existing centre comprises 34,200 sq ft plus a 216 space car park in a site area of 1.7 acres
- Initial Pre-Application Consultation undertaken with Bromley Council in 2018
- Acquired the Freehold from Bromley Council in June 2021 for £850k
- Potential for 290 residential units
- Development Costs to date: £1.7m
- Project IRR on completion: 11%

TEMPLARS SQUARE, COWLEY



MASTERPLAN SITE PLAN

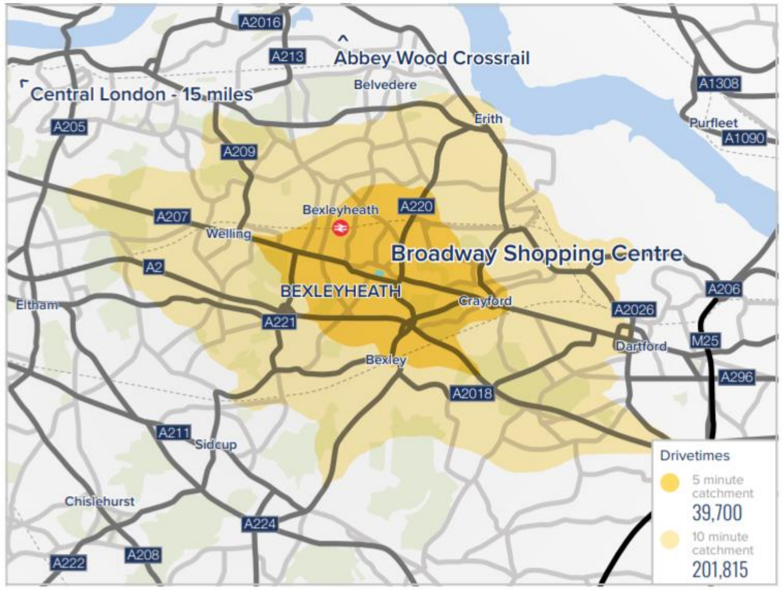
- Acquired in 2012
- Purchase price £24.6m
- Key retailing destination in Cowley, providing 292,700 sq ft of retail space across an 8 acre site
- Regeneration planning started in 2015, with the acquisition of an adjoining pub, which allowed the entire frontage to be redesigned (picture below), regenerating 1/3km of the town centre without detracting from the shopping centre
- Planning approved (subject to S106) in 2017 for 226 residential units and 71 bed hotel
- Further site masterplanning has demonstrated potential for an additional development phase comprising up to 500 extra residential units
- Development Costs to date: £1.3m
- Sale agreement now in progress
- Project IRR forecast on exit: 12%

Projects in early stages

Case studies:

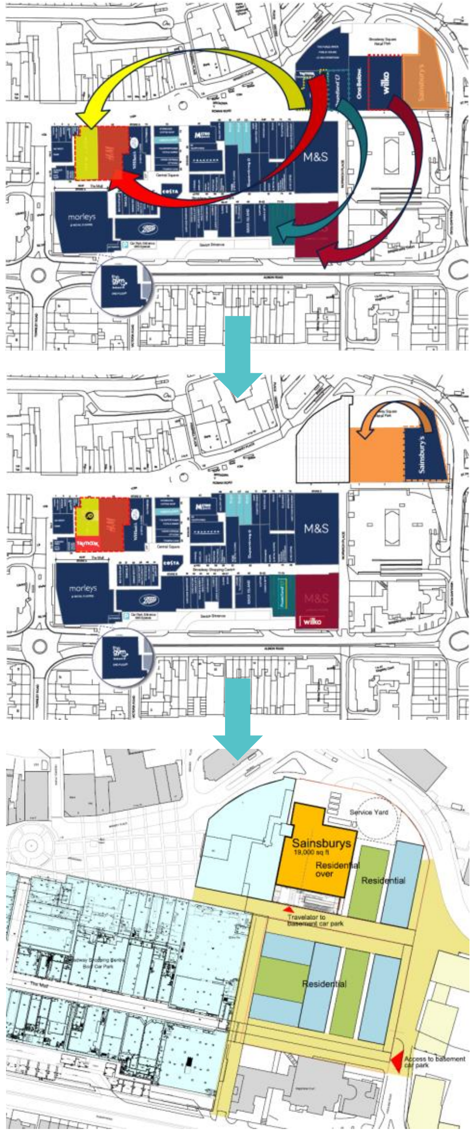
- **The Broadway Centre, Bexleyheath**
- **Grays Shopping Centre**

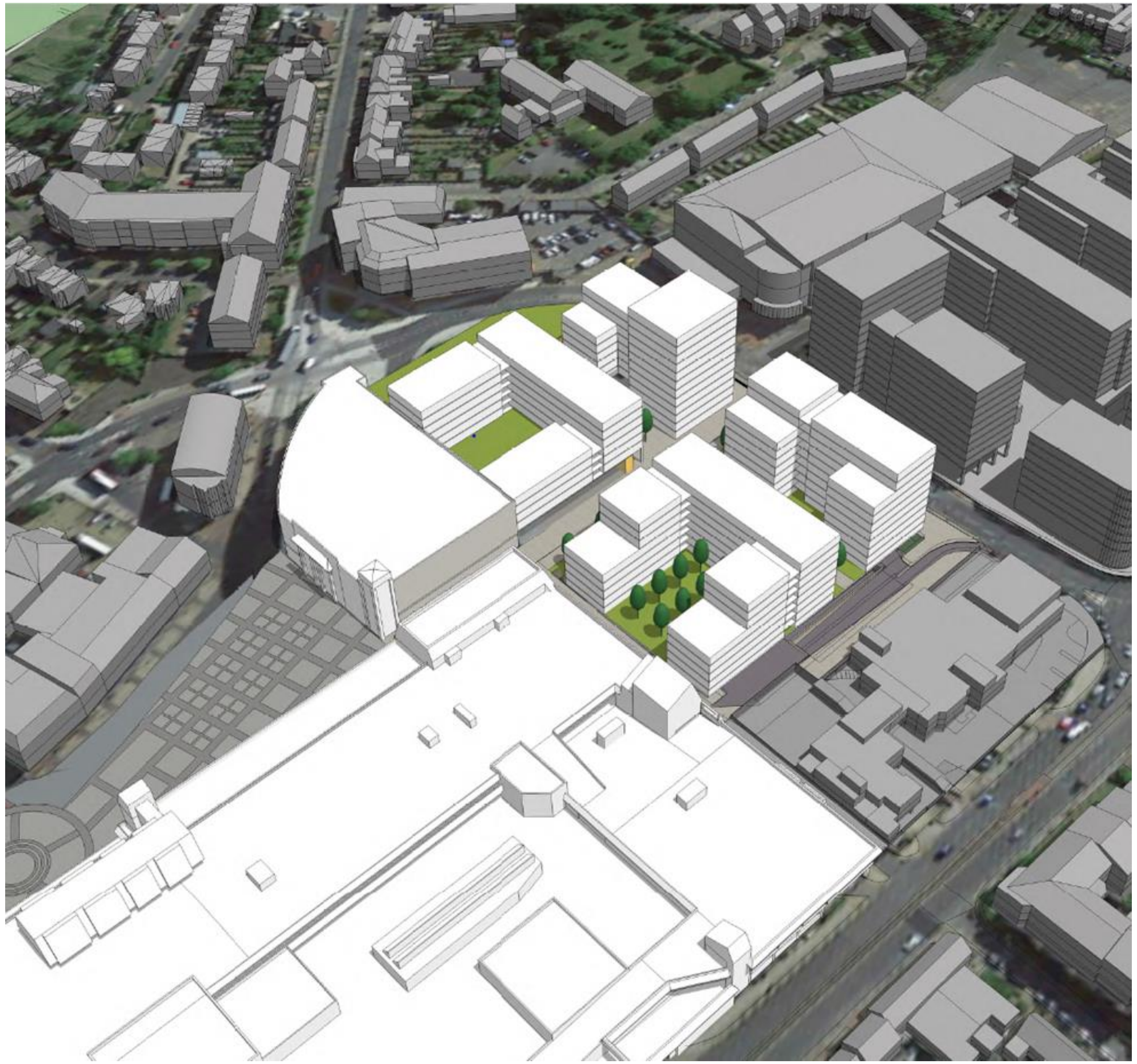
BROADWAY SQUARE RETAIL PARK, BEXLEYHEATH



- Acquired in 2016
- Purchase price £120.3m
- The Shopping Centre and Retail Park comprise 519,700 sq ft of commercial/retail space across an 11 acre site in the centre of Bexleyheath, 12 miles from central London
- Bexleyheath is the primary commercial and civic centre in the Borough, and Bexley Council have identified a requirement for an additional 1500 new homes in the town centre
- Council very supportive of residential led regeneration of the town centre
- Retail Park and surface car park shown with blue outline

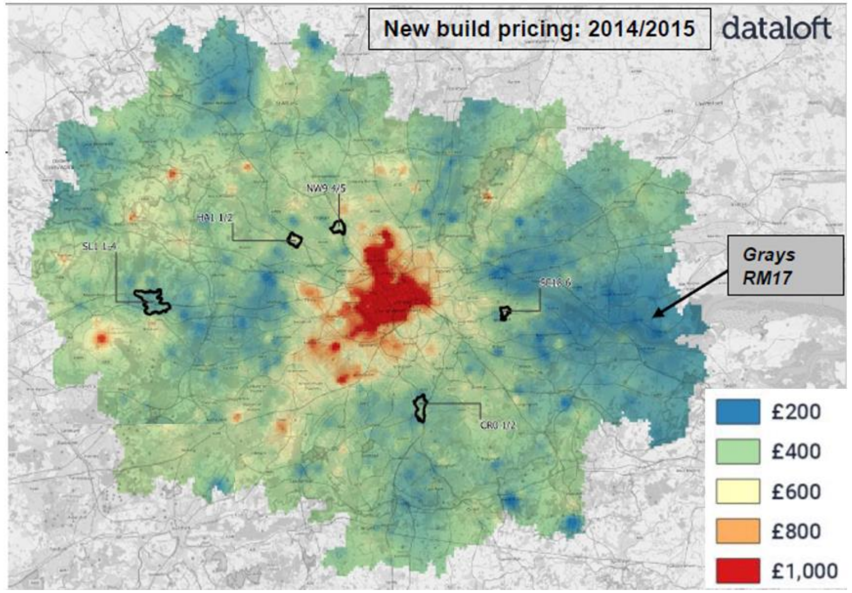
BROADWAY CENTRE, BEXLEYHEATH

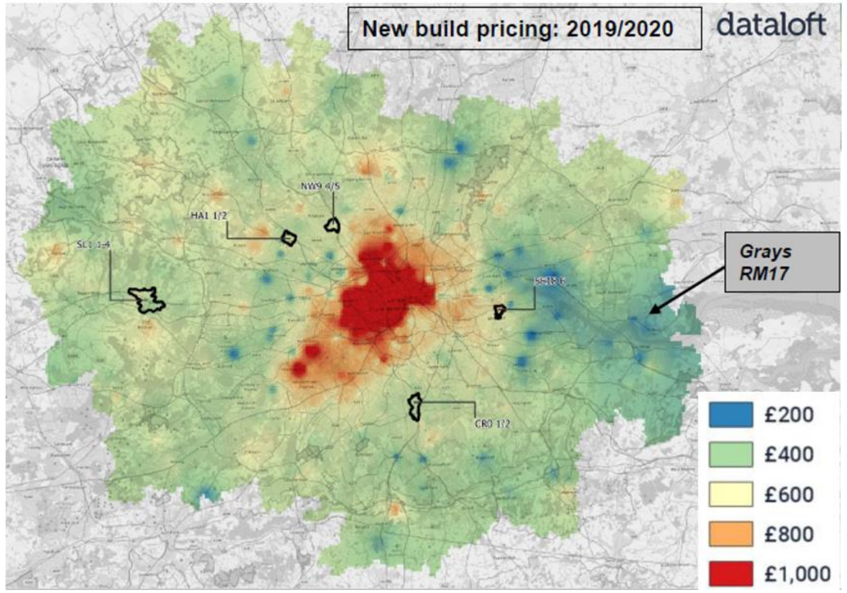




- Latest designs show 600 residential units on the Broadway Square Retail Park and car park
- Anticipated date for submission of an outline planning application is end of 2022, then enter into a 50:50 JV with outline planning consent
- NRR have already received strong interest in potential JV from major housebuilders
- Development costs to planning: £750,000 (Est)
- Project Completion forecast: 2026
- Project Profit at JV Completion: circa £36m
- NRR Profit share at JV Completion: circa £18m
- Forecast IRR on completion of 20+%

GRAYS SHOPPING CENTRE, THURROCK





- Acquired in 2018
- Purchase price £22.1m
- Located at the heart of Grays, comprising 177,300 sq ft of retail space. 23 miles east of central London, only 35 minutes by train to Fenchurch Street
- Thurrock Council Regeneration Framework 2017 identified the centre as a ‘Key Building’ to the town centre regeneration
- Community engagement confirms support for a reduction in retail area, increased site permeability and public open spaces
- Maps of residential values across Greater London for 2015 and 2020 show Grays and surrounding area lagging behind the rest of London, presenting an opportunity for growth potential through regeneration

GRAYS SHOPPING CENTRE, THURROCK

- Latest designs show 890 residential units and 73,000 sq ft commercial space
- Planning pre-app discussions demonstrate council support for the dense residential led regeneration scheme
- Outline planning application due in mid 2022
- Discussions ongoing with potential delivery partners for a 50:50 JV once outline planning consent achieved
- Development Costs to date: £240,000
- Development costs to planning: £709,000
- Project Completion forecast: FY2026
- Project Profit at Completion: circa £30m
- NRR net Profit at Completion: circa £15m
- Forecast IRR on completion of 20+%

REGENERATION SET TO DELIVER CAPITAL GROWTH

Proposed new Town Square, Grays

Resilient financials

Will Hobman:
Chief Financial Officer

MARCH 2021 BALANCE SHEET: PROFORMA FOR PUB DISPOSAL & DEBT REDUCTION

NEW RIVER

Proportionally Consolidated £m	March 2021	Less:	Pub disposal	RCF repayment	Term loan cancellation	Pro forma
Properties at valuation	974.2		(248.2)			726.0
Other Assets	117.2		(6.4)			110.8
Cash	154.3		204.1	(170.0)	(165.0)	23.4
Drawn borrowings	(647.6)		-	170.0	165.0	(312.6)
Other Liabilities	(137.7)		17.3			(120.4)
IFRS net assets	**460.4**		**(33.2)**	**-**	**-**	**427.2**
EPRA NTA per share	**151p**		**(11)p**			**140p**
LTV	**50.6%**		**(10.8)%**			**39.8%**
Undrawn RCF	**45**		**-**	**170**	**-**	**215**

Pub disposal

- Reduced LTV by 10.8% to bring proforma LTV within LTV policy (<50%) and guidance (<40%)
- Sale of pub business vs valuation of individual pubs in balance sheet reduced NAV per share by 11 pence

Debt reduction

- Improved balance sheet efficiency by reducing drawn borrowings by £335 million including cancellation of £165 million term loan
- Maintained significant liquidity with an undrawn RCF of £215 million
- **NRR balance sheet remains unsecured**

CONSERVATIVE FINANCIAL POLICIES

NEW RIVER

Financial Policies	Policy	FY21 Reported	FY21 Proforma	Improvement vs FY21?
LTV	Guidance <40% Policy <50%	51%	39.8%	✓
Balance sheet gearing	<100%	104%	64%	✓
Net debt: EBITDA	<10x	14.6x	7.6x	✓
Interest cover	>2.0x	2.3x	3.5x	✓
Dividend cover	>100%	127%	127%[1]	=

1. FY21 proforma cover same as FY21 reported given cover is dictated by dividend policy which is set at 80% of UFFO i.e. c. 125% cover

- Conservative financial policies form a key component of financial risk management strategy
- Impact of Covid on portfolio valuation and EBITDA in FY21 meant that we were not compliant with LTV, gearing and net debt: EBITDA policies in FY21, although still comfortably within covenants
- Proforma for pub disposal and subsequent debt reduction, NRR compliant with all financial policies
- New dividend policy will ensure dividend is sustainable and remains fully covered going forward

NEW DIVIDEND POLICY: SUSTAINABLE, FLEXIBLE AND FULLY COVERED

NEW RIVER

POLICY AIM

- Sustainable, flexible and fully covered
- Factors in underlying trading conditions and allows appropriate capital and operational decisions

QUANTUM

- 80% of Underlying Funds From Operations to be paid out as dividends
- In September paid dividend for FY21 of 3.0 pence per share on this basis

FREQUENCY IN FY22 AND BEYOND

- Paid twice per annum
- Declared within half and full year results

REIT COMPLIANCE

- Topped up at the full year to ensure REIT compliance if required
- So blended rate could be moderately higher than 80% headline

MARCH 2021 UFFO: PROFORMA FOR PUB DISPOSAL & DEBT REDUCTION

NEW RIVER

Proportionally consolidated £m	FY21 Reported	Less:	Pub disposal	Debt reduction	FY21 Pro Forma
Net property income	48.2		(1.0)		47.2
Administrative expenses	(21.5)		9.5		(12.0)
Other income	7.2		(4.5)		2.7
Net finance costs	(23.7)		-	7.0	(16.7)
Taxation	1.3		(1.3)		-
UFFO	**11.5**		**2.7**	**7.0**	**21.2**
UFFO Per share (p)	**3.8**				**6.9**

Guidance for FY22 and beyond

- FY21 Retail NPI reflects a full year of Covid impact
- A proportion of £15.2m of Covid impact experienced in FY21 expected to be recovered in FY22
- Further key drivers of NPI growth will be successful execution of strategies; disposals, redeployment, regeneration, capital partnerships

- Target of 15% annualised cost reduction by end of FY23

- In FY22 income disruption insurance monies expected to be received relating to impact of Covid on pub and retail operations in FY21; £2m already received

- NRR had £653m of drawn debt throughout FY21 and total facilities of £698m
- RCF fully repaid in H1 FY22 (£170m drawn throughout FY21)
- £165m term loan fully repaid and cancelled
- All of this means NRR now has £318m of drawn debt and total facilities of £533m with an expected annualised reduction in debt costs of £7m per annum

DELIVERING TARGET RETURNS

REBUILDING UFFO

Net property income recovery:

£15m of retail income disruption in FY21 due to Covid

Admin cost savings:

15% of FY21 cost of £12m by end FY23

Net finance cost savings:

£7m PA already unlocked

VALUATIONS STABILISING

FUTURE DRIVERS OF GROWTH

Disposal & redeployment

Regeneration

Capital partnerships

TARGET TOTAL ACCOUNTING RETURN OF 10% PA

SHAPE OF TARGET RETURNS

	March 2021 Pro forma		Target Range
Retail Net property income	£47.2m		£60-70m
Retail Admin expenses	£(12.0)m		£(10.0-10.5)m
Finance costs	£(16.7)m		£(16.0-17.0)m
Retail Portfolio valuation	(15.2)%		+1-2% PA

CAPITAL ALLOCATION: RETURN FOCUSED STRATEGY

COMPLETED DISPOSALS

+

LTV <40%

SURPLUS CAPITAL

INVEST INTO EXISTING PORTFOLIO

- REGENERATION
- ACCRETIVE AM PROJECTS

INVEST INTO DIRECT MARKET

- ON BALANCE SHEET
- IN CAPITAL PARTNERSHIP

SHARE BUYBACK

- AUTHORITY TO BUY UP TO 10% OF SHARES

Summary

- Financial position materially improved since March
- Unsecured balance sheet with access to substantial undrawn liquidity
- Dividend resumed and delivering cost efficiencies to support UFFO recovery

CONCLUSION

CONCLUSION

Resilient retail delivering attractive returns
Looking to the future with confidence

- **Objective to own the most resilient retail portfolio in the UK**
  - **With a clear strategy to deliver growth**
  - **Supported by a best in class operating platform**
  - **Underpinned by a robust balance sheet**
  - **With a confident and experienced management team**

Targeting a 10% total accounting return

Q&A

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