



HELICAL

# HALF YEAR RESULTS TO 30 SEPTEMBER 2021

23 NOVEMBER 2021



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55 Bartholomew, EC1



# RESULTS HIGHLIGHTS

GERALD KAYE



Kaleidoscope, EC1



# RESULTS HIGHLIGHTS

PROFIT BEFORE TAX

**£31.0m**

(2020: Loss of £12.7m)

EPRA NTA PER SHARE

**551p +3.4%**

(31 March 2021: 533p)

PORTFOLIO NET  
VALUATION/SALE GAIN

**£29.8m**

(2020: Loss of £4.5m)

INTERIM DIVIDEND PER  
SHARE

**2.90p +7.4%**

(2020: 2.70p)

NET RENTAL INCOME

**£14.1m**

(2020: £11.9m)

EPRA EARNINGS PER  
SHARE

**0.9p**

(2020: Loss of 1.0p)

EPRA TOTAL  
ACCOUNTING RETURN

**5.1%**

(2020: -2.5%)

SEE-THROUGH LOAN TO  
VALUE

**25.2%**

(31 March 2021: 22.6%)

The Tower, The Bower, EC1



# FUTURE OF THE OFFICE

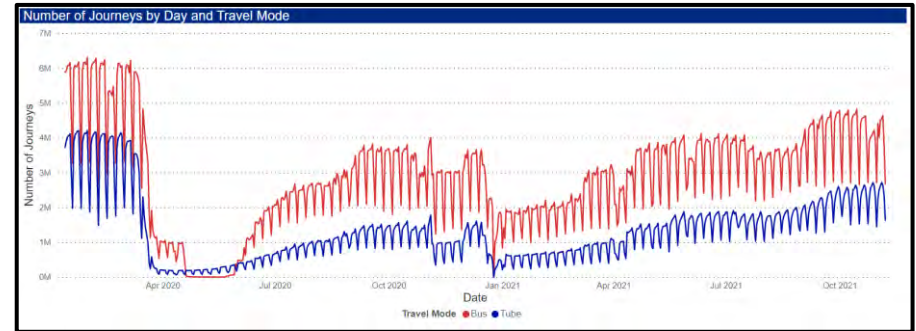
“If you still own brown buildings when the music stops you will be on an expensive journey”

(GRESB Conference Oct 2021)

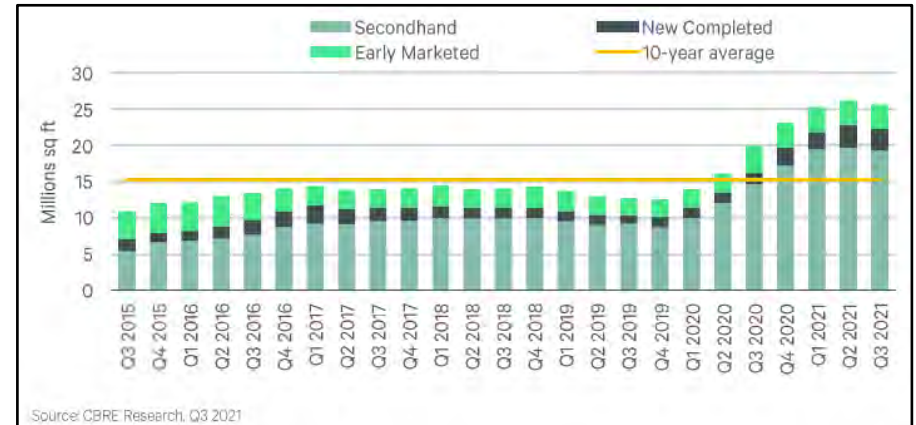
- Letting market has emerged from Covid induced hibernation
- Flight to quality clear. Bifurcation between the best, green buildings, and the rest, ‘brown’ buildings
- Four trends are driving the market
  - Sustainability
  - Wellness
  - Technology
  - Enhanced amenities
- Investment demand will follow tenant choices
- Downward repricing of ‘brown’ assets to reflect major capex required for improvement to green
- Knight Frank report a premium of 12.3% for BREEAM ‘Outstanding’ buildings and 4.7% for ‘Excellent’
- Even if offices are not fully utilised five days a week they must still provide for peak occupancy

# MARKET COMMENT

- Activity returning to Central London. TfL estimate business journeys circa 75% of pre Covid level
- Central London Q3 take up rising - up 58% on Q2 at 2.7m sq ft. 12% below 10 year quarterly average\*
- Q3 under offer up 42% to 3.9m sq ft - 22% above 10 year average of 3.2m sq ft\*
- Vacancy rate of 9.0% in Q3 - 25m sq ft in total, of which 20m sq ft is second hand, double the 10m sq ft pre Covid average and of which is 75% tenant controlled
- 50% of total take up is of new or refurbished space
- Vacancy rate of new and early marketed in line with average
- 3.8m sq ft completed in 2021 to end Q3. 1.9m sq ft due to complete in Q4 - 50% let or under offer\*
- 10.2m sq ft under construction due to complete 2022 - 2025. 30% already let or under offer\*
- Average 10 year annual London take up 12m sq ft\*
- Year to date investment £6.2bn. Strong Q4 anticipated. 2020: £7.5bn, 2019: £11.3bn\*



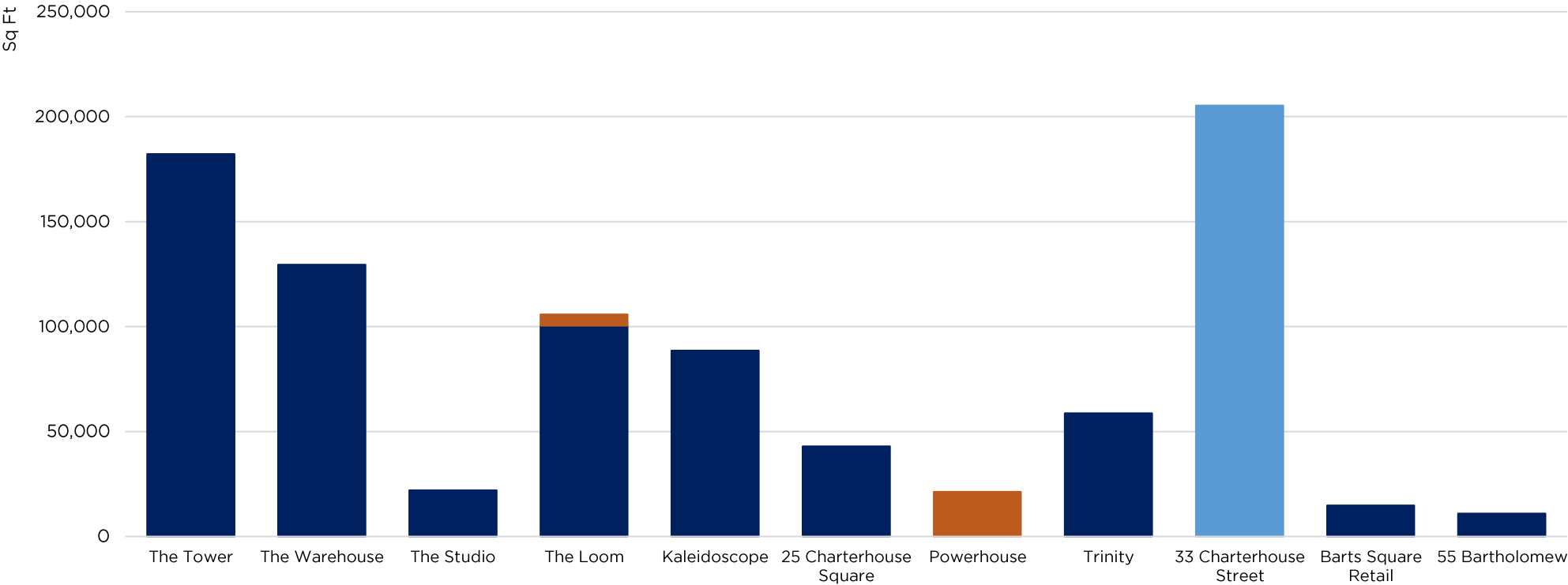
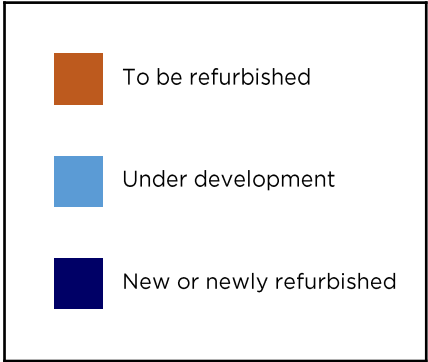
Central London Availability



\*Source CBRE

# DRIVING VALUE – EXISTING PORTFOLIO

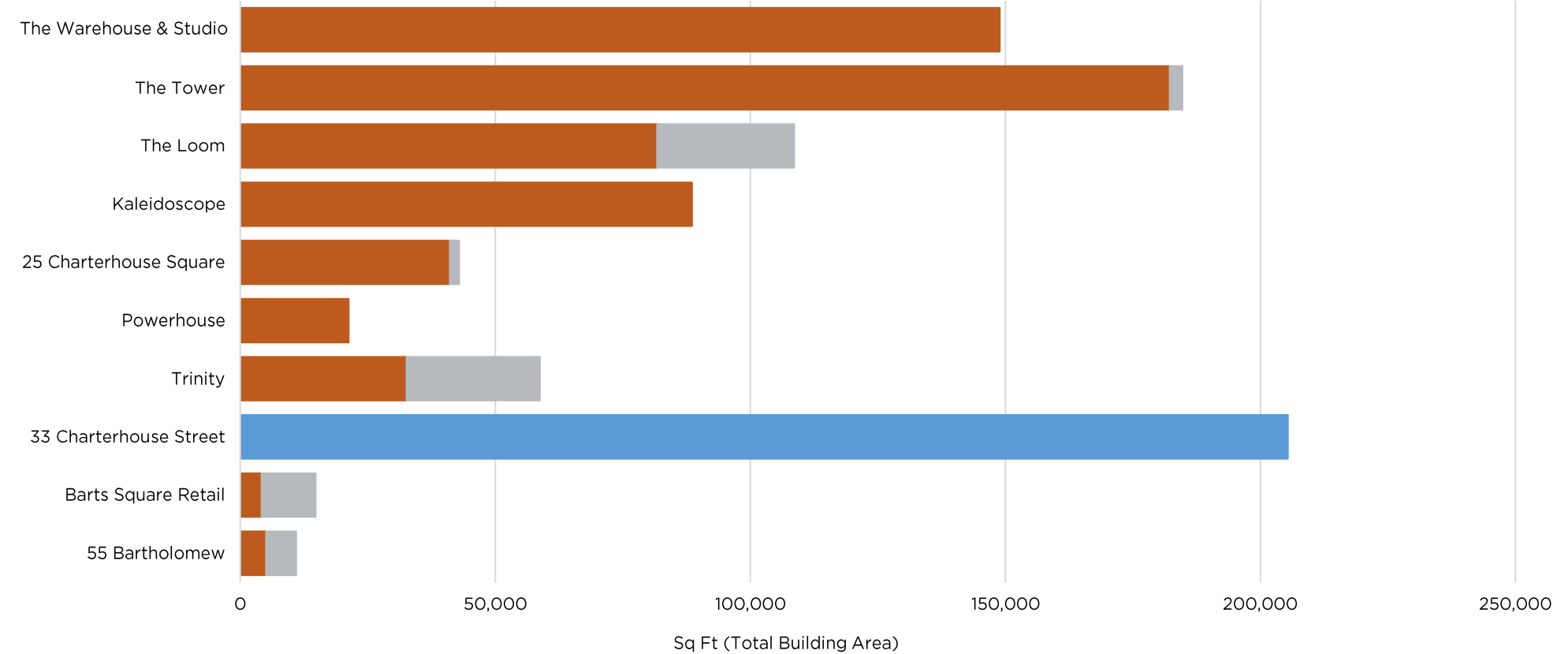
- 96% of the office units have either been recently developed or refurbished
- All core Helical buildings EPC rated ‘A’ or ‘B’
- Multi-let portfolio – maximise asset management
- Building management to the highest standard
- Buildings held as new – maintained in top condition



# DRIVING VALUE - LETTINGS

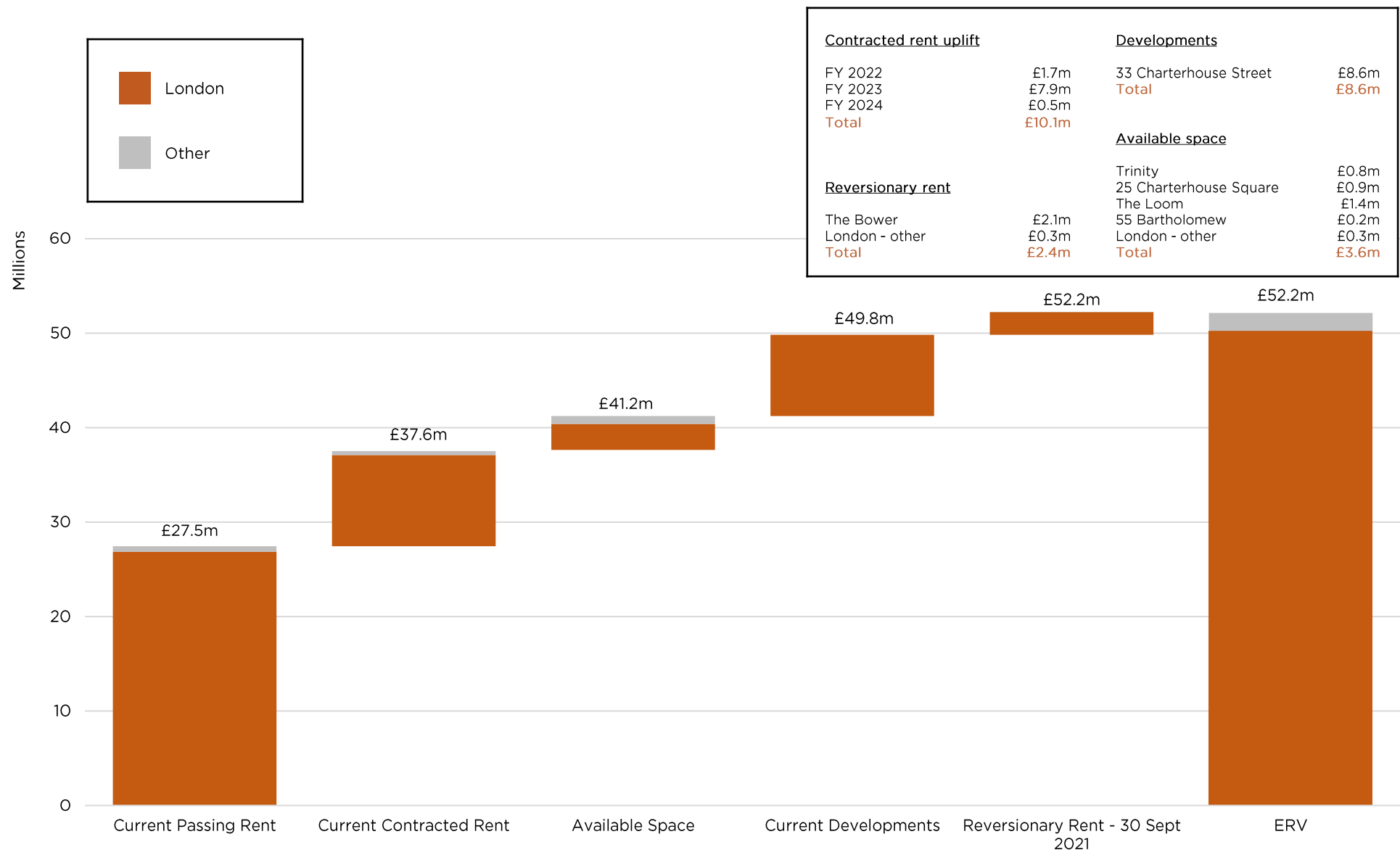
- Prime rents rising
- 18,319 sq ft in 3 units let in the period
- A further 9,268 sq ft let across two units at 25 Charterhouse Square since 30 September 2021
- Portfolio vacancy of 11.2%

	Sq ft 000s
Total area let at 30.9.2021	606
Vacant	74
Under development	205





# DRIVING VALUE - EXISTING PORTFOLIO - CAPTURING THE REVERSION



# DRIVING VALUE – FUTURE UPSIDE

	STATUS	PERFORMANCE TO DATE	FUTURE POTENTIAL
The Bower, EC1	<ul style="list-style-type: none"> <li>100% of office accommodation let</li> <li>Rent reviews continue at the Warehouse (average 21% uplift achieved to date)</li> </ul>	<ul style="list-style-type: none"> <li>£131.0m valuation gain</li> <li>£23.7m development profit</li> </ul>	<ul style="list-style-type: none"> <li>£23.8m ERV vs £21.6m contracted rents</li> <li>Potential surplus of £20m+</li> </ul>
33 Charterhouse Street, EC1	<ul style="list-style-type: none"> <li>Purchased in 50:50 joint venture with AshbyCapital in May 2019</li> <li>Completion expected September 2022</li> </ul>	<ul style="list-style-type: none"> <li>£20.2m valuation gain (our share)</li> </ul>	<ul style="list-style-type: none"> <li>Potential surplus of £25m+ (our share)</li> </ul>
Kaleidoscope, EC1	<ul style="list-style-type: none"> <li>Completed December 2019</li> </ul>	<ul style="list-style-type: none"> <li>£46.4m valuation gain</li> </ul>	<ul style="list-style-type: none"> <li>Potential surplus of £15m</li> </ul>
25 Charterhouse Square, EC1	<ul style="list-style-type: none"> <li>First floor and one ground floor unit have been let since 30 September 2021</li> </ul>	<ul style="list-style-type: none"> <li>£15.5m valuation gain</li> </ul>	<ul style="list-style-type: none"> <li>£3.4m ERV vs £2.4m contracted rents</li> <li>Potential surplus of £6m</li> </ul>
The Loom, E1	<ul style="list-style-type: none"> <li>Completed</li> </ul>	<ul style="list-style-type: none"> <li>£41.1m valuation gain</li> </ul>	<ul style="list-style-type: none"> <li>£5.6m ERV vs £4.1m contracted rents</li> <li>Potential surplus of £6m+</li> </ul>
Barts Square – Residential and Retail, EC1	<ul style="list-style-type: none"> <li>Phase 1 – Completed Q4 2018</li> <li>Phase 2 – Completed Q4 2019 to Q2 2020</li> </ul>	<ul style="list-style-type: none"> <li>Phase 1 – sold 143 apartments, 1 unit remaining</li> <li>Phase 2 – sold 74 apartments (inc. 56 West Smithfield), 18 units remaining</li> <li>Retail – 3 out of 8 units let</li> </ul>	<ul style="list-style-type: none"> <li>Potential profits of £2m (our share)</li> </ul>
Barts Square – Offices, EC1	<ul style="list-style-type: none"> <li>55 Bartholomew – Completed in Q4 2019</li> </ul>	<ul style="list-style-type: none"> <li>£1.6m valuation gain (our share)</li> </ul>	<ul style="list-style-type: none"> <li>Potential surplus of £1m (our share)</li> </ul>
Trinity, Manchester	<ul style="list-style-type: none"> <li>Completed</li> </ul>	<ul style="list-style-type: none"> <li>£3.7m valuation gain</li> </ul>	<ul style="list-style-type: none"> <li>Potential surplus of £5m</li> </ul>
			<ul style="list-style-type: none"> <li><b>Total £80m+</b></li> </ul>

# IMPACT OF MARKET MOVEMENTS ON OUR VALUES

	Total see-through percentage change in portfolio value %	Total see-through change in portfolio value £m
Equivalent Yield	4.8	
- 50 bps	14.0	135.7
- 25 bps	6.6	64.1
+ 25 bps	(5.9)	(57.3)
+ 50 bps	(11.3)	(109.3)
ERV	£69.60 psf	
+5.00%	4.9	47.4
+2.50%	2.4	23.6
-2.50%	-2.5	(23.8)
-5.00%	-4.9	(47.7)



Kaleidoscope, EC1



## STRATEGY TO GROW

- London remains a World City
- Demand for offices continues
- A green premium for best new sustainable buildings and a 'brown' discount for poorer quality buildings
- Development – ground up or refurbishment – will generate extra returns
- Helical existing portfolio new and sustainable
- Ambition to double Net Assets in five years
- New opportunities where best-in-class product can be created, incorporating sustainability, wellness, technology and enhanced amenities



Barts Square, EC1



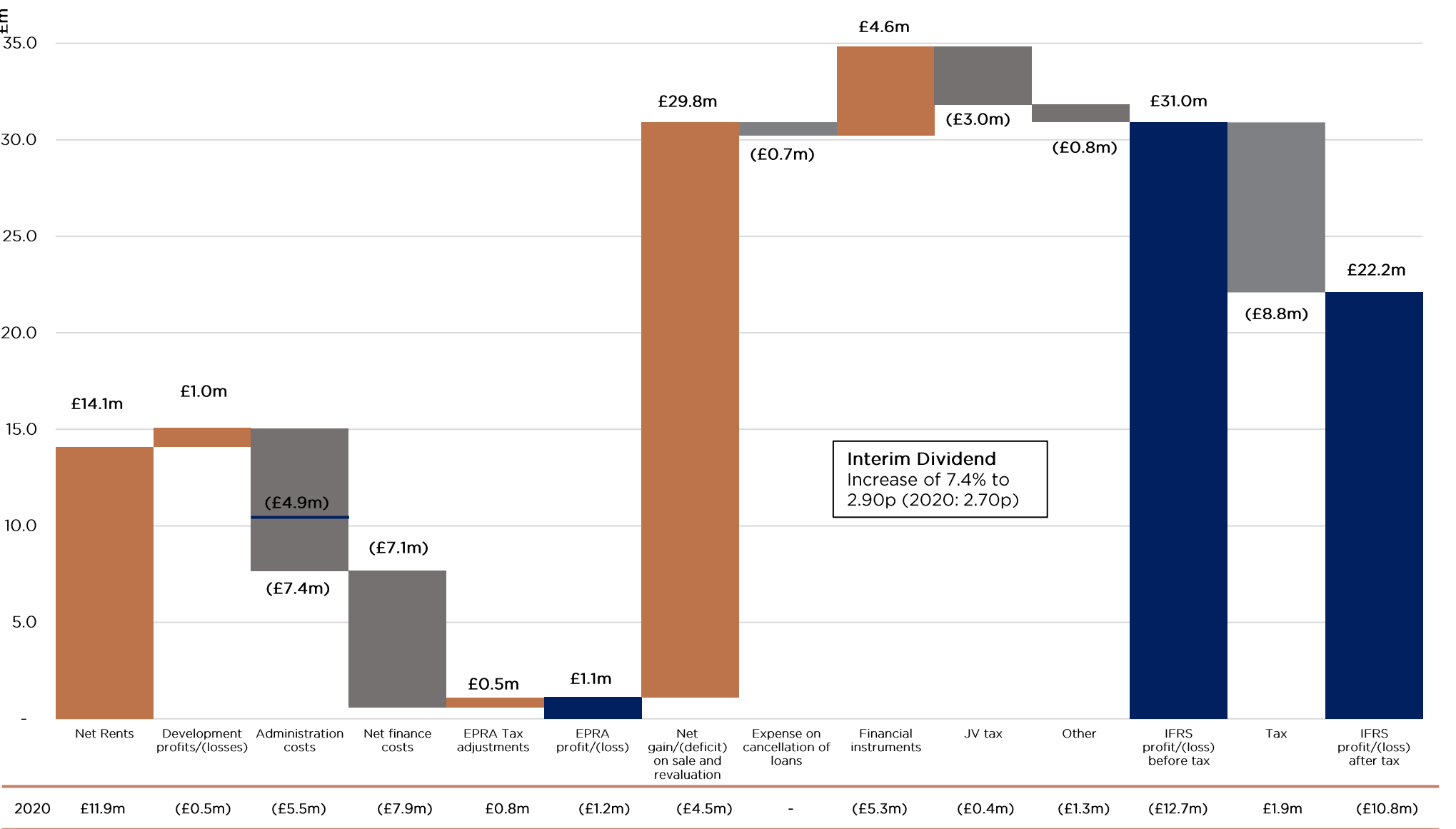
# FINANCIALS

TIM MURPHY



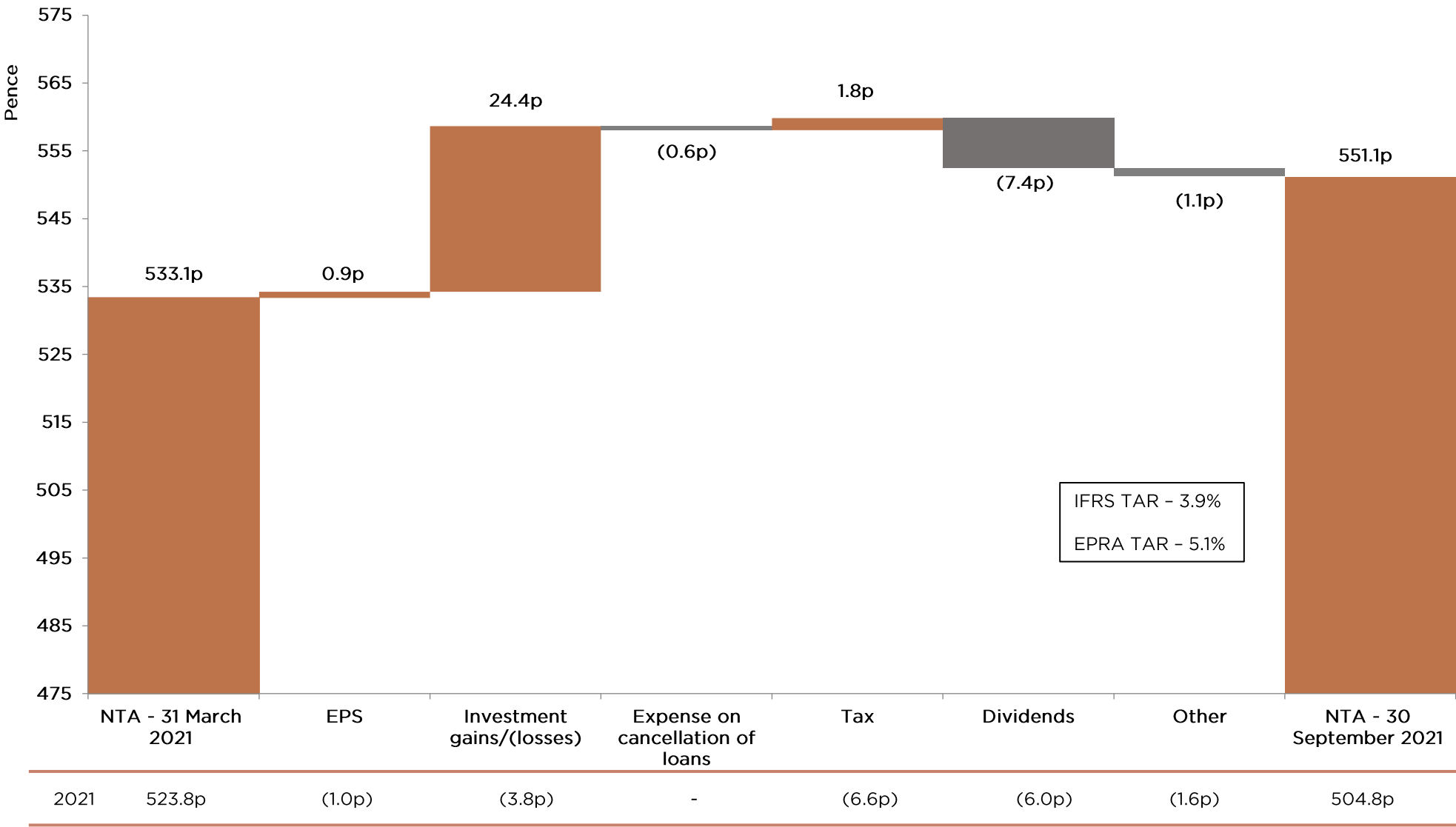
View from 33 Charterhouse Street, EC1

# EPRA AND IFRS PROFIT





# EPRA NET TANGIBLE ASSETS PER SHARE – UP 3.4%



# DEBT SUMMARY

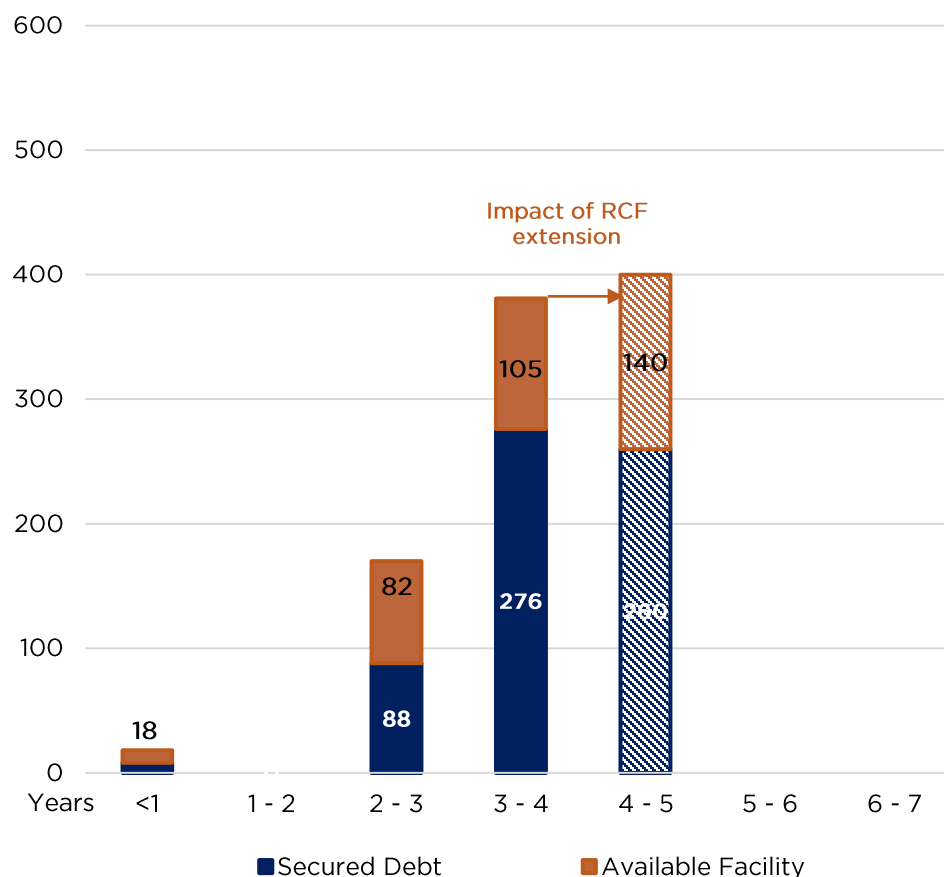
	September 2021	March 2021
Total facilities	£569.0m	£622.7m
Utilised facilities	£371.8m	£362.2m
Unutilised facilities	£197.2m	£260.5m
Cash balances	£139.3m	£162.2m
Uncharged properties	£28.5m	£28.1m
Average interest rate	3.6%	3.5%
Marginal interest rate on RCF	1.6%	1.5%
Proportion of drawn down facilities at fixed rate or hedged	100%	97.1%
Average maturity of borrowings*	4.3 yrs	4.6 yrs
LTV Ratio	25.2%	22.6%

\* Fully utilised and extended

- Kaleidoscope refinanced into our £400m RCF and £50m development facility repaid and cancelled
- The one-year extension option on the RCF was exercised during the period, with the remaining one-year extension expected to be exercised in July 2022

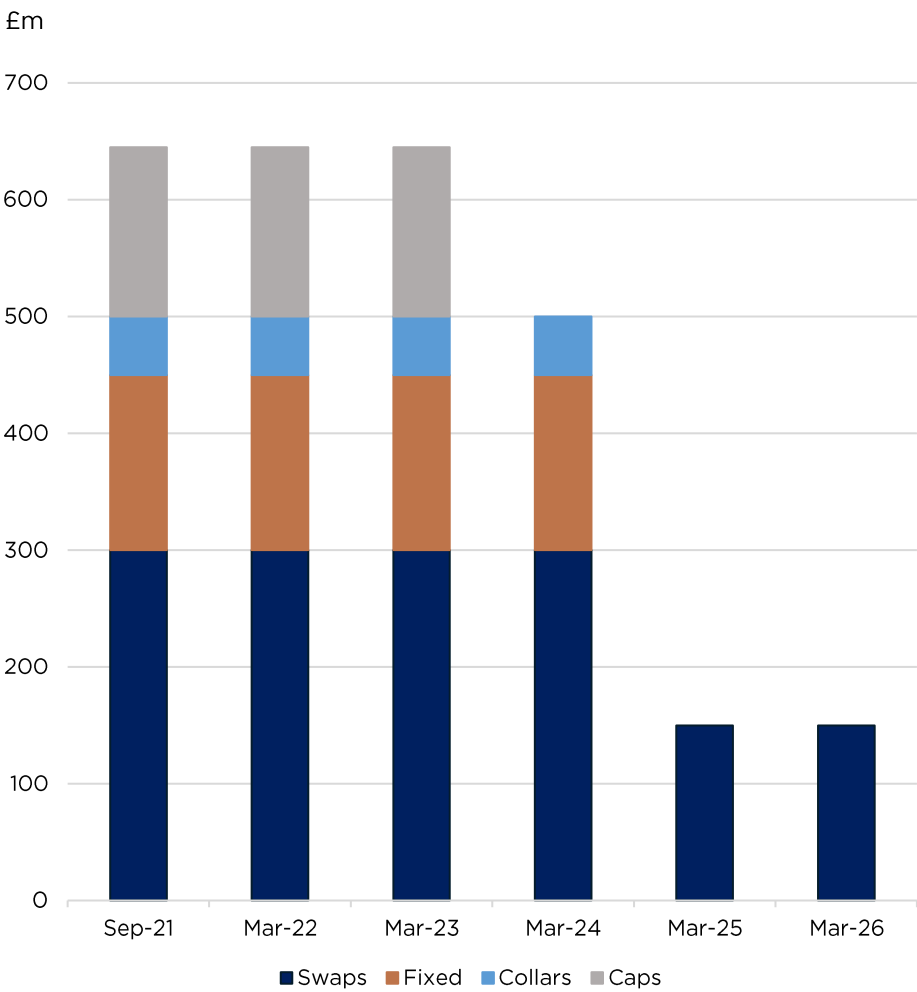
At 30 September 2021:

£m



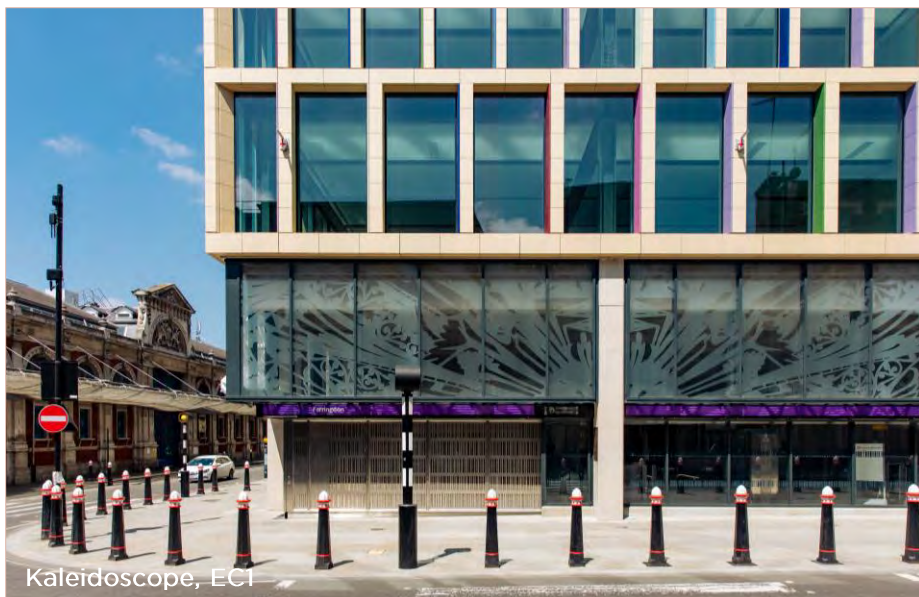
# INTEREST RATE HEDGING

	Amount	Maturity	Interest Rate
Fixed Rate Debt	£80.25m	Dec 24	3.45%
	£69.90m	Jul 24	4.95%
<b>Total Fixed Rate</b>	<b>£150.15m</b>	<b>Sept 24</b>	
Interest Rate Swaps	£50.00m	Apr 24	3.03%
	£50.00m	Aug 24	2.48%
	£50.00m	Aug 24	2.45%
	£50.00m	Jun 26	3.37%
	£50.00m	Jul 26	2.45%
	£50.00m	Jul 26	2.40%
<b>Total Swaps</b>	<b>£300.00m</b>	<b>Jun 25</b>	<b>2.69%</b>
Interest Rate Collar			
Cap	£50.00m	Apr 24	1.75%
Floor	£50.00m	Apr 24	0.83%
<b>Collar</b>	<b>£50.00m</b>	<b>Apr 24</b>	
<b>Interest Rate Caps</b>	<b>£145.00m</b>	<b>Jul 23</b>	<b>1.75%</b>





# SUMMARY OF FINANCIAL POSITION



## NET ASSET VALUE

**£622.6m**

(31 March 2021: £608.2m)

## NET DEBT

**£227.1m**

(31 March 2021: £193.9m)

## LOAN TO VALUE

**25.2%**

(31 March 2021: 22.6%)

## NAV GEARING

**36.5%**

(31 March 2021: 31.9%)

## CASH AND UNDRAWN FACILITIES

**£336.5m**

(31 March 2021: £423.0m)

## WEIGHTED AVERAGE COST OF DEBT

**3.6%**

(31 March 2021: 3.5%)

## MARGINAL INTEREST RATE ON RCF

**1.6%**

(31 March 2021: £1.5%)

## HEDGED DEBT

**100%**

(31 March 2021: 97.1%)



# SUSTAINABILITY AND PORTFOLIO HIGHLIGHTS

MATTHEW BONNING-SNOOK






Barts Square, EC1



# SUSTAINABILITY BENCHMARKS



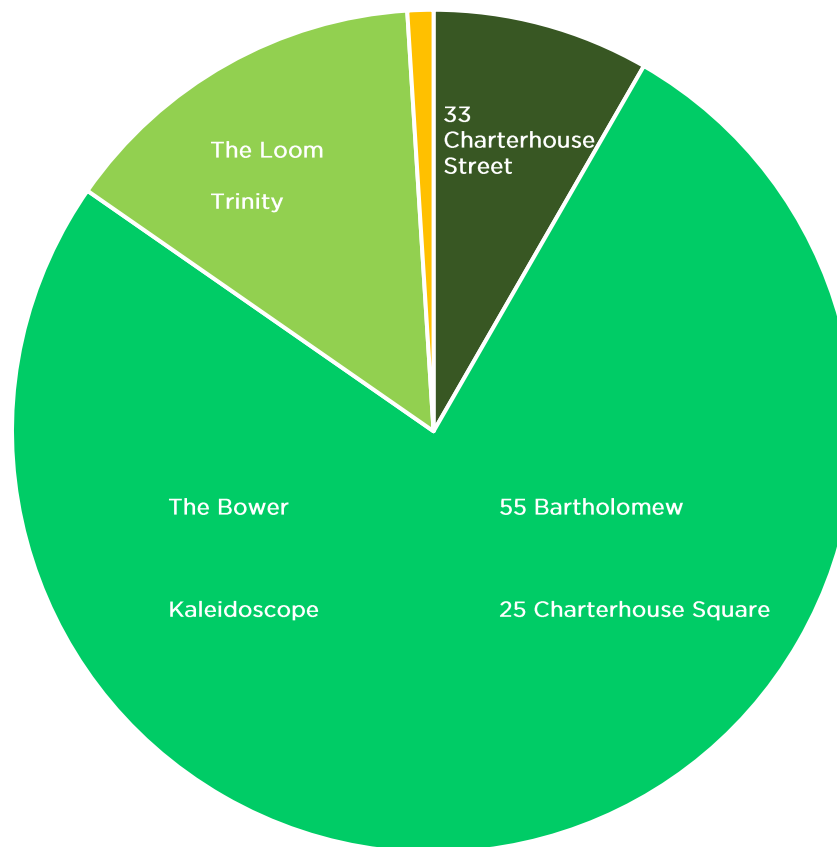
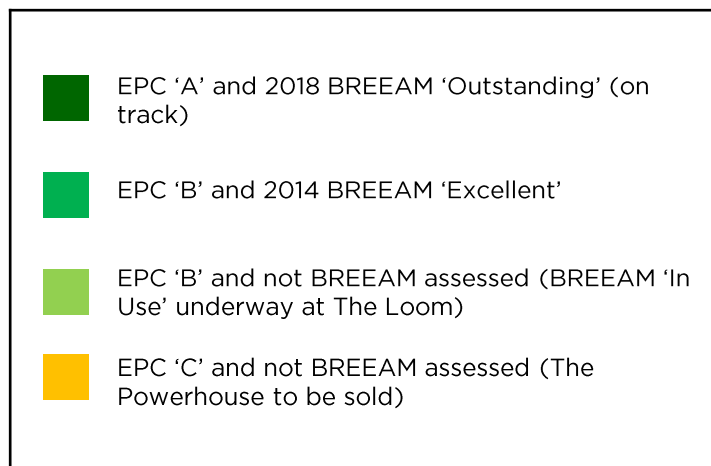
- a “Carbon Neutral” Company

		30 September 2021		31 March 2021	
GRESB		85/100	4*	76/100	3*
MSCI ESG		AAA	(awaiting 2021/22 score – Mar 2022)	AAA	
CDP		B	(awaiting 2021/22 score – Dec 2021)	B	
EPRA Sustainability Best Practice		Gold		Silver	
FTSE4Good	 FTSE4Good	3.9/5	96 <sup>th</sup> Percentile	3.9/5	95 <sup>th</sup> Percentile



# PORTFOLIO ENERGY PERFORMANCE & BREEAM CERTIFICATION BY VALUE

- 99% EPC A or B by value
- 85% BREEAM 'Outstanding' or 'Excellent' by value



# SUSTAINABILITY - STRATEGY



- **Built for the Future** – launched in June 2020 – sets out Helical’s long term vision and a series of short and medium term targets as the business transitions to a low carbon business
- **Designing for Net Zero** – launched in April 2021 – a guide to aid Helical’s professional teams as they collaborate on new development schemes and aim to meet the projects’ specific carbon goals. It incorporates the following initiatives
  - A Carbon Champion – key member of the project team
  - Ten Step Guide to ensure that carbon is considered at every stage of the development process
  - Carbon Implementation Plan (CIP) – sets out the vision/strategy and monitors the carbon journey through design, delivery and operation
- **Pathway to Net Zero** – work is underway with a view to publishing our pathway document before 31 March 2022

# ASSET MANAGEMENT INITIATIVES (1)

## THE BOWER, EC1

The Tower 171,432 sq ft (17 floors)

The Warehouse 122,858 sq ft (9 floors)

The Studio 18,283 sq ft (4 floors)

- 9,572 sq ft available (Tower – 12<sup>th</sup> floor – Infosys break)
- 2,524 sq ft restaurant unit (previously Enoteca) under offer
- 17<sup>th</sup> floor let to Verkada Ltd (formerly Finabl floor) at £85 psf
- Rent reviews settled with Farfetch and CBS (The Warehouse)
  - Farfetch – 21.5% uplift - 2.3% above March ERV
  - CBS – 12.0% uplift - 1.7% above March ERV
- Rent reviews – VMware and Allegis outstanding

## 25 CHARTERHOUSE SQUARE, EC1

42,921 sq ft (6 floors)



- Tenant break exercised on 11,148 sq ft (Ground & 1<sup>st</sup> Floor)
- Since period end 9,268 sq ft let to Entain Marketing (Part Ground & 1<sup>st</sup> Floor)
- 1,880 sq ft available



# ASSET MANAGEMENT INITIATIVES (2)

## THE LOOM, EC1

108,612 sq ft (8 floors)

- Three tenants (14,258 sq ft) have extended their leases at a combined 2.6% uplift to contracted rent
- 26,949 sq ft available across 10 units
- 75% let at present



## 55 BARTHOLOMEW, EC1

10,976 sq ft (6 floors)

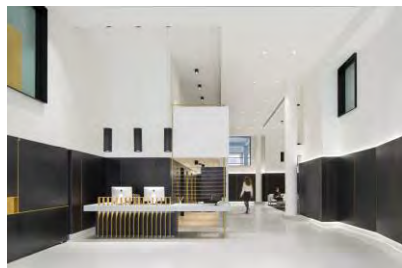
- 5,968 sq ft available (LG, 1<sup>st</sup>-3<sup>rd</sup> floors)
- 4<sup>th</sup> floor of 1,404 sq ft let to Push Gaming (fitted and managed)



## TRINITY, MANCHESTER

58,760 sq ft (9 floors)

- 26,190 sq ft available (Mezz, 1<sup>st</sup>, 2<sup>nd</sup> & 6<sup>th</sup> floors)
- 7<sup>th</sup> floor let – AEW Architects at £34 psf



## BARTS SQUARE RESIDENTIAL, EC1

236 Apartments

- 6 sold in period
- Further 3 sold post 30 September
- 19 remaining
- Average sales price £1,718 psf in Phase 2

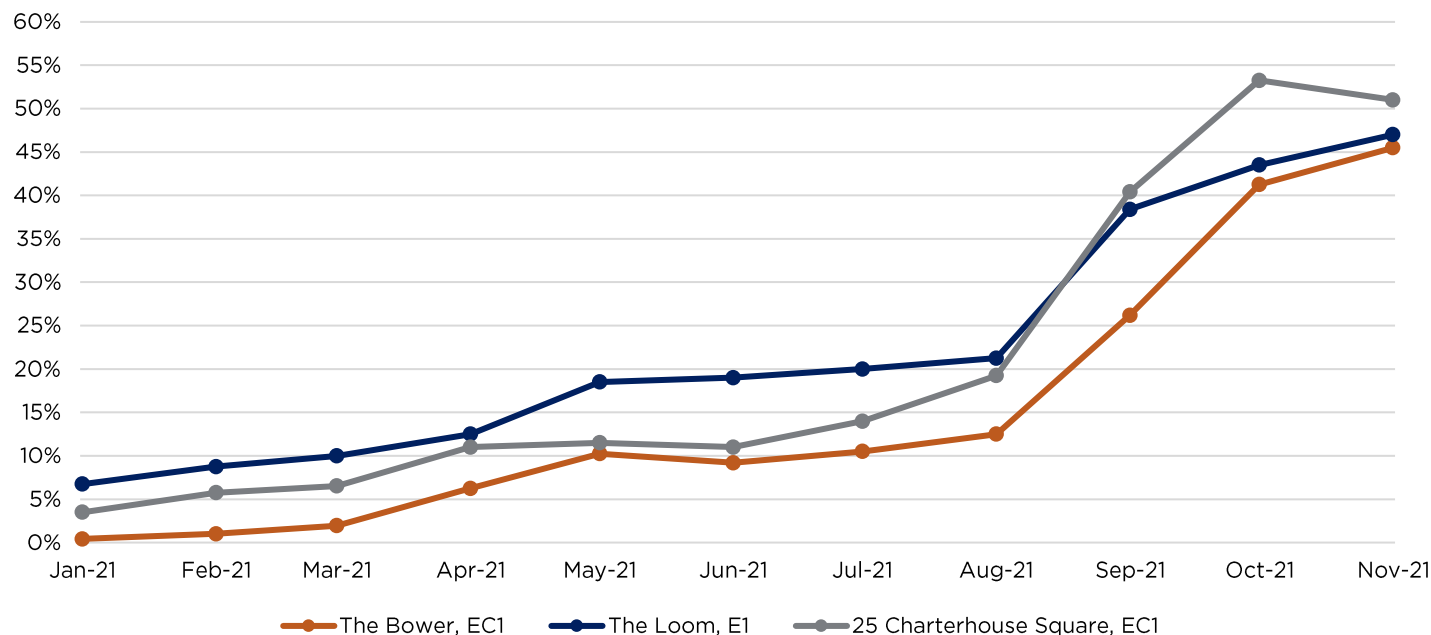




# RENT COLLECTION & OCCUPIER RETURN

Office Occupiers (period to date)			
% of Total Rent Demanded	Rent Collected	Under Discussion	Concession Granted
96.7%	94.3%	3.2%	2.5%
Food & Beverage Occupiers (period to date)			
% of Total Rent Demanded	Rent Collected	Under Discussion	Concession Granted
3.3%	83.1%	5.1%	11.8%

Occupier Headcount



## OCCUPIER RETURN

*"It is a great office and environment. Staff enjoy meeting each other here and bringing customers. It is very modern, a great location. The overall feel is that people genuinely love visiting the office and are excited to be part of it."*

**Clevertouch, 55 Bartholomew, EC1**

*"The team are content with the office space – primarily because of its reliability thus far but also because of the high quality. Our continued return to the office vs WFH is testament to that. Visitors also frequently comment on the premium finish and design of the office."*

**Shadowfall, 55 Bartholomew, EC1**

*"We opened up our offices again to our employees on 29th October and we thought the management of the estate throughout the duration of Stripe's Office closure was excellent. A clear and cautious response was taken and necessary safety measures put in place and communicated to us along with a PDF we could reference and share internally."*

**Stripe Payments, The Bower, EC1**

*"It's been very reassuring to see all the measures the Loom has put in place, the extra cleaning has been noticed and appreciated and the courtesy and level of service provided by staff has been nothing short of wonderful."*

**Fairtrade Foundation, The Loom, EC1**

*"It is so good to be back in The Loom and working together again as a physical team. We're all enjoying feeling more collaborative and having in person meetings. The cheery greeting at the front desk every morning also really helps."*

**Forster Communications, The Loom, E1**

## 33 CHARTERHOUSE STREET, EC1

- Major development site acquired in a 50:50 joint venture with AshbyCapital in May 2019
- Prominent corner site opposite future Museum of London and adjacent to Farringdon Station
- 205,369 sq ft of offices over ground plus ten floors and ground floor retail
- Achieved UK's first BREEAM 2018 New Construction 'Outstanding' rating for design phase
- Currently week 66 of 110 on site, the structure has topped out and cladding is installed to 6<sup>th</sup> floor
- Completion anticipated September 2022
- 'Green' development facility signed with Allianz in July 2020
- 150 year lease from the City of London at 6.35% ground rent now granted
- Completed gross development value in excess of £325m (£163m our share)

	£m (Our Share)
Capital expenditure to date	73.8
Capital expenditure to come	31.1
Total capital costs	104.9
Development facility	69.9
ERV	8.6
NOTE: Capital expenditure includes site acquisition and excludes capitalised interest costs, sales and letting fees and assumed void costs	



# PORTFOLIO - SUMMARY

## New lettings

	Area Sq ft	Contracted rent (Helical's share) £	Rent psf £	Change to 31 March 2021 ERV %
The Tower, The Bower, EC1	11,327	962,965	85.02	-0.2%
55 Bartholomew, EC1	1,404	82,062	N/A*	N/A*
Trinity, Manchester	5,588	193,492	34.63	1.8%
<b>Total to 30 September 2021</b>	<b>18,319</b>	<b>1,238,519</b>	<b>68.37</b>	<b>0.1%</b>
25 Charterhouse Square, EC1	9,268	714,846	77.13	0.5%
<b>Total to date</b>	<b>27,587</b>	<b>1,953,365</b>	<b>71.47</b>	<b>0.3%</b>

\* Managed basis

- Lease extensions
  - 14,258 sq ft to 3 tenants
  - 2.6% uplift in contracted rent
- Rent reviews settled
  - 2 rent reviews at average 18% uplift
  - 2 rent reviews ongoing





# MILESTONES

## 2021/2022 MILESTONES

	ACHIEVED	REMAINING
LET VACANT SPACE	18,319 SQ FT LET ACROSS 3 UNITS  FURTHER 9,268 SQ FT LET SINCE 30 SEPT AT 25 CHARTERHOUSE SQUARE	LET REMAINING VACANT SPACE INCLUDING:  26,190 SQ FT AT TRINITY; 26,949 SQ FT AT THE LOOM; AND 5,968 SQ FT AT 55 BARTHOLOMEW
SELL RESIDENTIAL AT BARTS SQUARE	9 SOLD SINCE 1 APRIL 2021	19 REMAINING
MAINTAIN RENT ROLL	93.9% RENT COLLECTION TO DATE FOR MARCH 2021 TO SEPTEMBER 2021 QUARTERS, 2.8% STILL EXPECTED TO BE COLLECTED	99% RENT COLLECTION EXPECTED FOR SEPTEMBER QUARTER
ASSET RECYCLING		ONGOING AS APPROPRIATE
FURTHER ACQUISITIONS		ACQUIRE NEW OPPORTUNITIES

## SUMMARY

Highly experienced platform to

- Maximise potential of existing new Grade A EPC rated 'A' or 'B' and BREEAM 'Outstanding' or 'Excellent' portfolio
- Acquire new opportunities to redevelop or refurbish to create best in class buildings required by occupiers seeking the most sustainable space in their journey to net zero carbon



33 Charterhouse Street, EC1





## Q & A

The Tower, The Bower, EC1



A modern office interior featuring a round white table with four grey upholstered chairs with wooden legs. In the background, there is a kitchen area with a sink and a brick wall. Large digital screens display abstract blue and pink patterns. The ceiling has exposed ductwork and modern lighting fixtures. The floor is made of light-colored wood.

# APPENDICES

55 Bartholomew, EC1



# APPENDICES

ONE

INVESTING WITH HELICAL

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PORTFOLIO

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THREE

FURTHER FINANCIAL  
ANALYSIS

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SIX



Barts Square, EC1

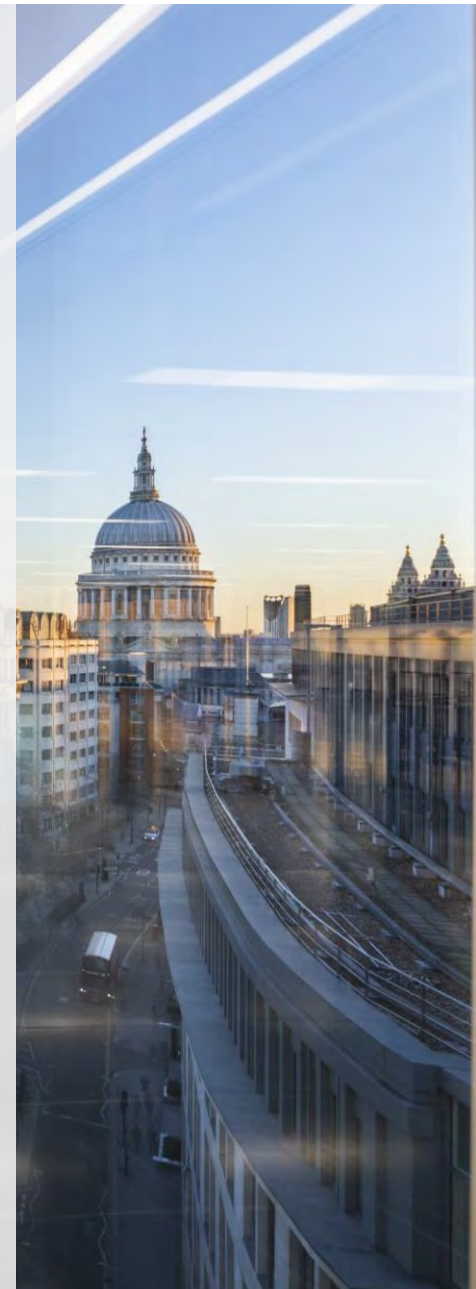


# INVESTING WITH HELICAL

We create buildings for today's occupiers who demand more inspiring and flexible space, market leading amenities, high quality management and with sustainability and wellness at their core.

Applying this philosophy, we seek to maximise Shareholder returns through delivering income growth from creative asset management and capital gains from our development activity.

1	<b>SUSTAINABLE BUSINESS MODEL</b> Sustainability is at the core of all activities at Helical. We recognise the impact the buildings we develop have on the environment and are focused on reducing our carbon footprint throughout the property's lifecycle.
2	<b>FOCUSED PORTFOLIO</b> The Group has built a high quality portfolio, focused in London's tech belt, which has excellent transport links and is culturally rich. The buildings are occupied by a diverse range of tenants, but with a clear focus on the fast growing creative sectors.
3	<b>A CUSTOMER FOCUSED APPROACH</b> Helical develops buildings which appeal to occupiers looking for design led, sustainable and amenity rich workplaces, and that support talent attraction and retention. Whether the properties are built from the ground up, or are rejuvenated existing assets, they aim to be the best-in-class, respecting the culture of the area. Once complete and let, Helical applies the same philosophy of excellence to its ongoing asset management, ensuring the occupiers receive the best service.
4	<b>MARKET KNOWLEDGE AND RELATIONSHIPS</b> With 35 years experience as a property company, through multiple property cycles, Helical has developed a comprehensive knowledge of the market and built an extensive network from which it can source new development opportunities and access to capital.
5	<b>ROBUST FINANCIAL POSITION</b> The Group uses gearing on a tactical basis, increasing it to accentuate returns in a rising market, or reducing debt to prepare for more challenging times whilst retaining firepower to take advantage of opportunities that arise.
6	<b>STRONG TRACK RECORD</b> Each of the Executive Directors has over 26 years of experience at Helical, and supported by a dynamic and collaborative team, have developed award-winning buildings that appeal to the most demanding of occupiers.





# BARTS SQUARE, EC1

## PHASE 1 – RESIDENTIAL/RETAIL

- 144 apartments and 3,194 sq ft retail
- 143 apartments sold/exchanged, 1 apartment remains available
- Restaurants – let to Stem + Glory and Halfcup
- Winner of Good Neighbour Award at the prestigious 2021 Housing Design Awards



## PHASE 2 – RESIDENTIAL/RETAIL

- 92 apartments and 11,577 sq ft retail/restaurants
- 73 apartments sold, plus the freehold of 56 West Smithfield, 18 apartments remain available
- Six retail units, one let to BEERS Gallery and five available to let



## 55 BARTHOLOMEW

- Major refurbishment of a Victorian warehouse to provide 10,976 sq ft of offices. Completion achieved in Q4 2019
- Arranged over lower ground, ground and four upper floors, including a new top floor and roof terrace
- Ground floor let to Clevertouch, 4<sup>th</sup> floor let to Push Gaming and 5<sup>th</sup> floor let to Shadowfall
- Now 46% let
- BREEAM 'Excellent'



# THE WAREHOUSE AND THE STUDIO, THE BOWER, EC1

- 141,141 sq ft offices and 10,298 sq ft restaurants
- Two further rent reviews have now completed in The Warehouse and The Studio with a 18% average uplift achieved
- Office tenants:
  - CBS
  - Stripe
  - Farfetch
  - Allegis
  - VMware
  - Dentsu
- BREEAM 'Excellent' and Wiredscore Platinum



## KEY RENTAL STATISTICS

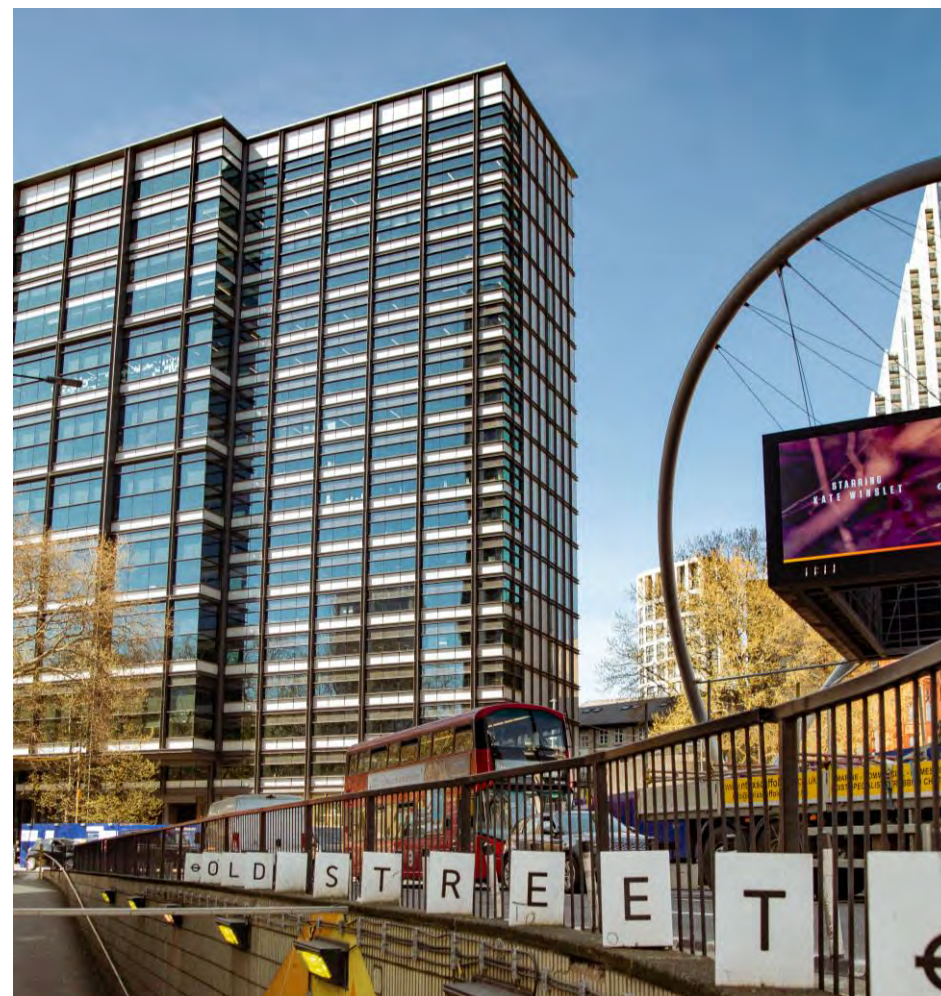
	£m
Passing rent	8.3
Contracted rent	8.3
ERV	10.7



# THE TOWER, THE BOWER, EC1

- 171,432 sq ft offices:
 

Verkada	11,327 sq ft	17 floor
Incubeta	11,306 sq ft	16 floor
Snowflake	9,568 sq ft	14 floor
OpenPayd	10,046 sq ft	13 floor
Infosys	30,907 sq ft	10-11, 15 floor
Farfetch	29,671 sq ft	7-9 floor
WeWork	59,035 sq ft	1-6 floor
- 12<sup>th</sup> floor of 9,572 sq ft currently available
- 10,761 sq ft retail let to Serata Hall & Wagamama
- BREEAM 'Excellent' and Wiredscore Platinum
- RIBA London Awards 2019



## KEY RENTAL STATISTICS

	£m
Passing rent	12.2
Contracted rent	13.3
ERV	13.1



## 25 CHARTERHOUSE SQUARE, EC1

- 42,921 sq ft over ground plus six floors
- The recently refurbished 1<sup>st</sup> floor and one of the two ground floor units have been let to Entain Marketing at £77.13 psf
- One ground floor unit remains available either for office or retail use
- 155 year leasehold interest with 10% ground rent
- BREEAM 'Excellent' and Wiredscore Gold



KEY RENTAL STATISTICS		£m
Passing rent		2.4
Contracted rent		2.4
ERV		3.4

# THE LOOM, E1

- 108,612 sq ft listed office former Victorian wool warehouse
- 75% let at present
- 26,949 sq ft available across 10 units
- Achieving rents of £55.00 psf
- 95% of all units have now been extensively refurbished
- RIBA London and National Award, AJ Retrofit Award and Brick Awards



## KEY RENTAL STATISTICS

	£m
Passing rent	3.3
Contracted rent	4.1
ERV	5.6

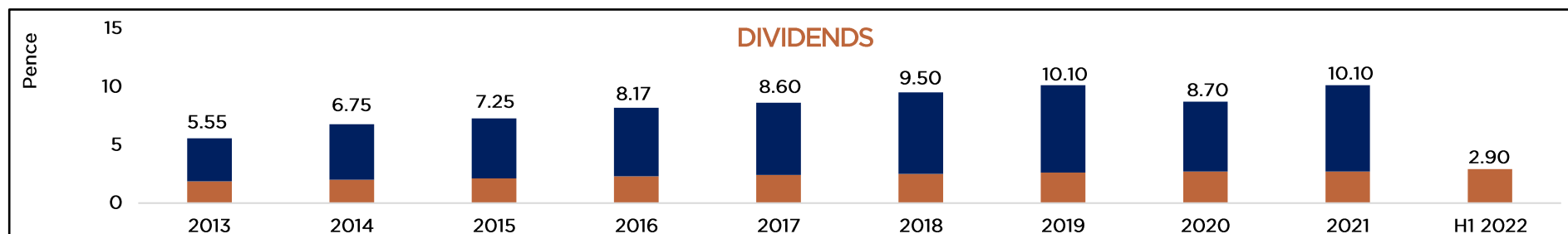
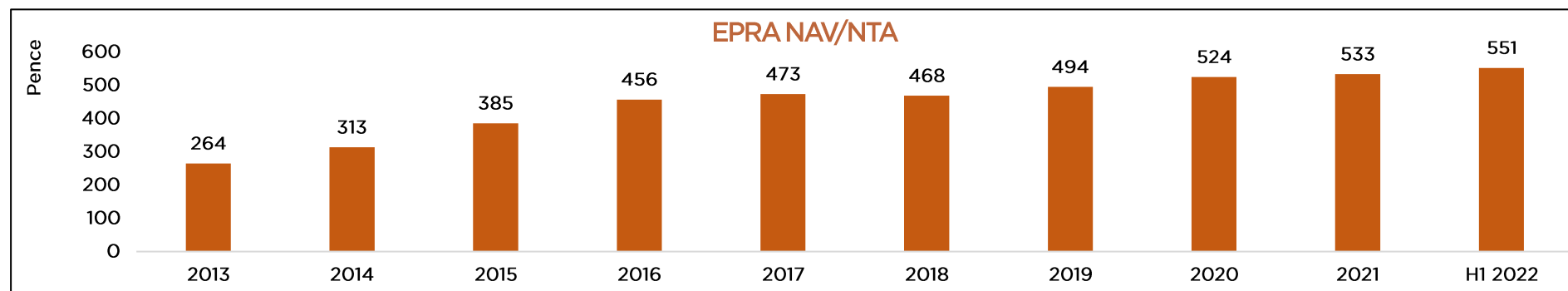
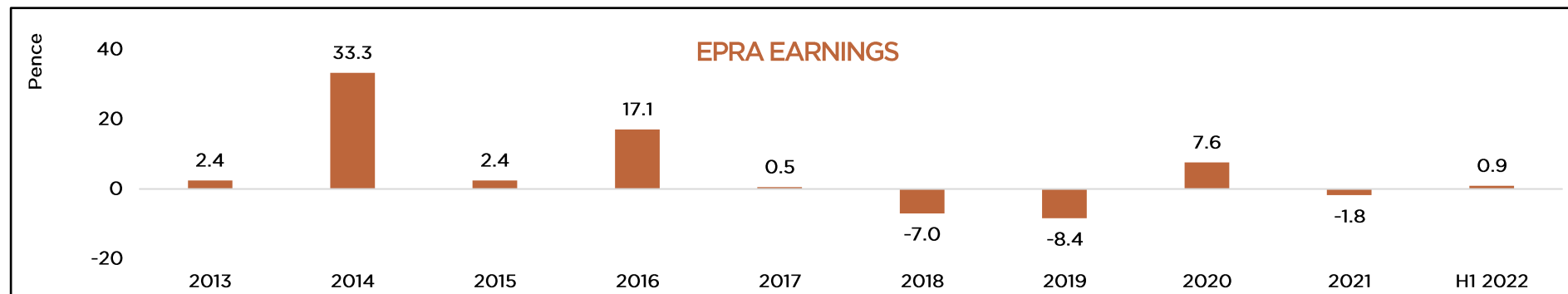
# EPRA PERFORMANCE MEASURES

	At 30 September 2021	At 31 March 2021
EPRA net tangible assets	£683.2m	£658.7m
EPRA net reinstatement value per share	578p	560p
EPRA net tangible assets per share	551p	533p
EPRA net disposal value per share	496p	485p
EPRA NAV per share	530p	514p
EPRA net initial yield	3.2%	3.2%
EPRA 'topped up' net initial yield	4.4%	4.5%
EPRA vacancy rate	8.2%	7.9%

	Half Year to 30 September 2021	Half Year to 30 September 2020
EPRA earnings/(loss)	£1.1m	(£1.2m)
EPRA earnings/(loss) per share	0.9p	(1.0p)



# EPRA EARNINGS, EPRA NAV/NTA AND DIVIDENDS



Final (p)	3.70	4.75	5.15	5.87	6.20	7.00	7.50	6.00	7.40	
Interim (p)	1.85	2.00	2.10	2.30	2.40	2.50	2.60	2.70	2.70	2.90

# FINANCIAL HIGHLIGHTS

## SEE-THROUGH INCOME STATEMENT

September 2021

September 2020

Total property return

- Net rental income	£14.1m	£11.9m
- Development property profits/(losses)	£1.0m	(£0.5m)
- Gain/(loss) on revaluation of investment properties	£29.9m	(£4.0m)
- Loss on sale of investment properties	(£0.1m)	(£0.5m)
	£44.9m	£6.9m

IFRS Total Accounting Return	3.9%	(2.0%)
Total Accounting Return on EPRA net tangible assets	5.1%	(2.5%)
IFRS profits/(losses) before tax	£31.0m	(£12.7m)
EPRA earnings/(loss)	£1.1m	(£1.2m)
EPRA earnings/(loss) per share	0.9p	(1.0p)
Interim dividend per share	2.90p	+7.4% 2.70p

## SEE-THROUGH BALANCE SHEET

September 2021

March 2021

Portfolio value	£901.9m	£857.0m
IFRS net asset value	£622.6m	£608.2m
EPRA net tangible asset value per share	551p	+3.4% 533p
See-through net borrowings	£227.1m	£193.9m
See-through loan to value ratio	25.2%	22.6%
See-through net gearing	36.5%	31.9%

Note: All figures include share of joint ventures

# SEE-THROUGH BALANCE SHEET

	30 SEPTEMBER 2021				31 MARCH 2021	
	Group £m	Joint Ventures £m	Total £m	NAV per share p	Total £m	NAV per share p
Investment properties	781.4	107.5	888.9		839.4	
Land and development stock (fair value)	0.7	12.3	13.0		17.6	
Property portfolio	782.1	119.8	901.9		857.0	
Net debt			(227.1)		(193.9)	
Other net liabilities			(52.2)		(54.9)	
			622.6		608.2	
Fair value of financial instruments			2.9		7.4	
Fair value of land and developments surplus			0.6		0.6	
Deferred shares			(0.3)		(0.3)	
Deferred tax			23.0		10.8	
Real estate transfer tax			34.4		32.0	
EPRA net tangible asset value			683.2	551	658.7	533
Deferred tax			7.9		7.6	
Real estate transfer tax			(34.4)		(32.0)	
EPRA net asset value			656.7	530	634.3	514



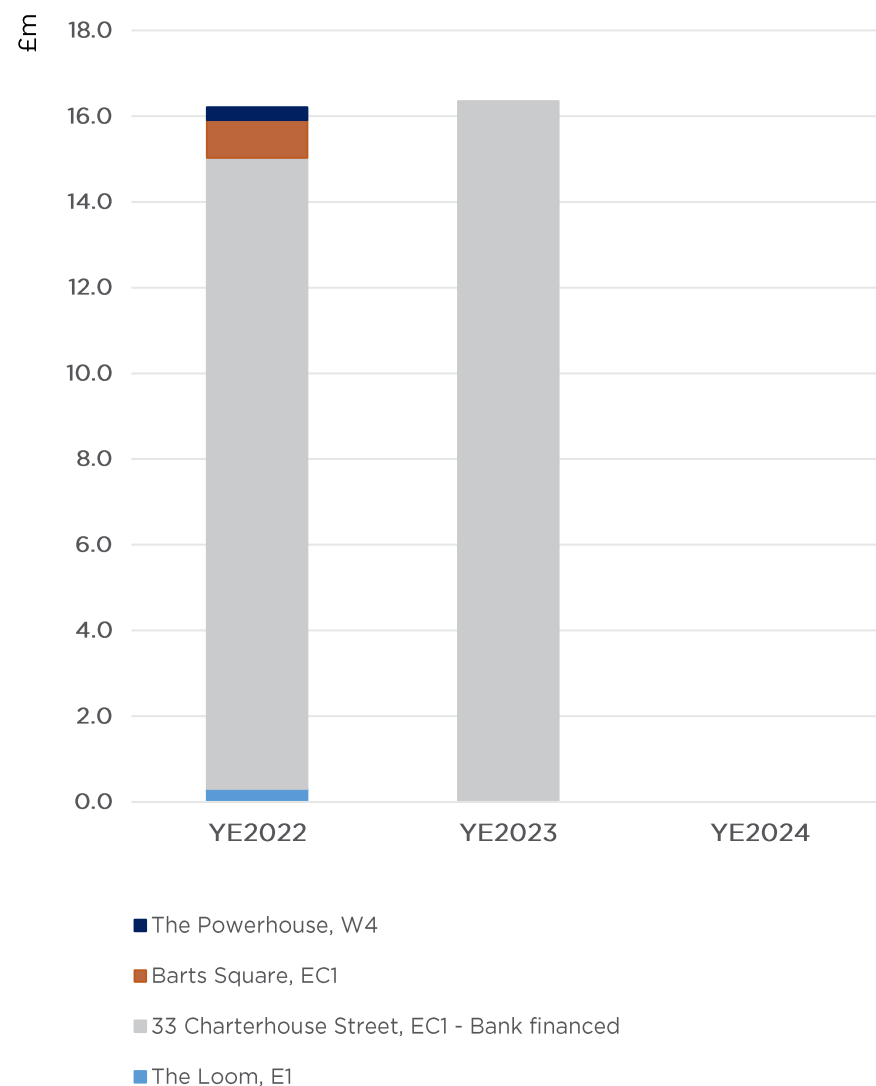
# SEE-THROUGH INCOME STATEMENT

	30 SEPTEMBER 2021			30 SEPTEMBER 2020
	Group £m	Joint Ventures £m	Total £m	Total £m
Net rental income	14.0	0.1	14.1	11.9
Development property profit/(loss)	1.0	-	1.0	(0.5)
	15.0	0.1	15.1	11.4
Administration expenditure	(7.2)	(0.2)	(7.4)	(5.5)
Net finance costs	(7.5)	(0.3)	(7.8)	(7.9)
Change in fair value of debt instruments	4.6	-	4.6	(5.3)
Other net expense	(0.1)	-	(0.1)	(0.9)
	4.8	(0.4)	4.4	(8.2)
Gain/(loss) on sale and revaluation of investment portfolio	19.9	9.9	29.8	(4.5)
Profit/(loss) before tax	24.7	9.5	34.2	(12.7)
Tax			(12.0)	2.0
Profit/(loss) after tax			22.2	(10.7)
EPRA earnings/(loss) per share			0.9p	(1.0p)

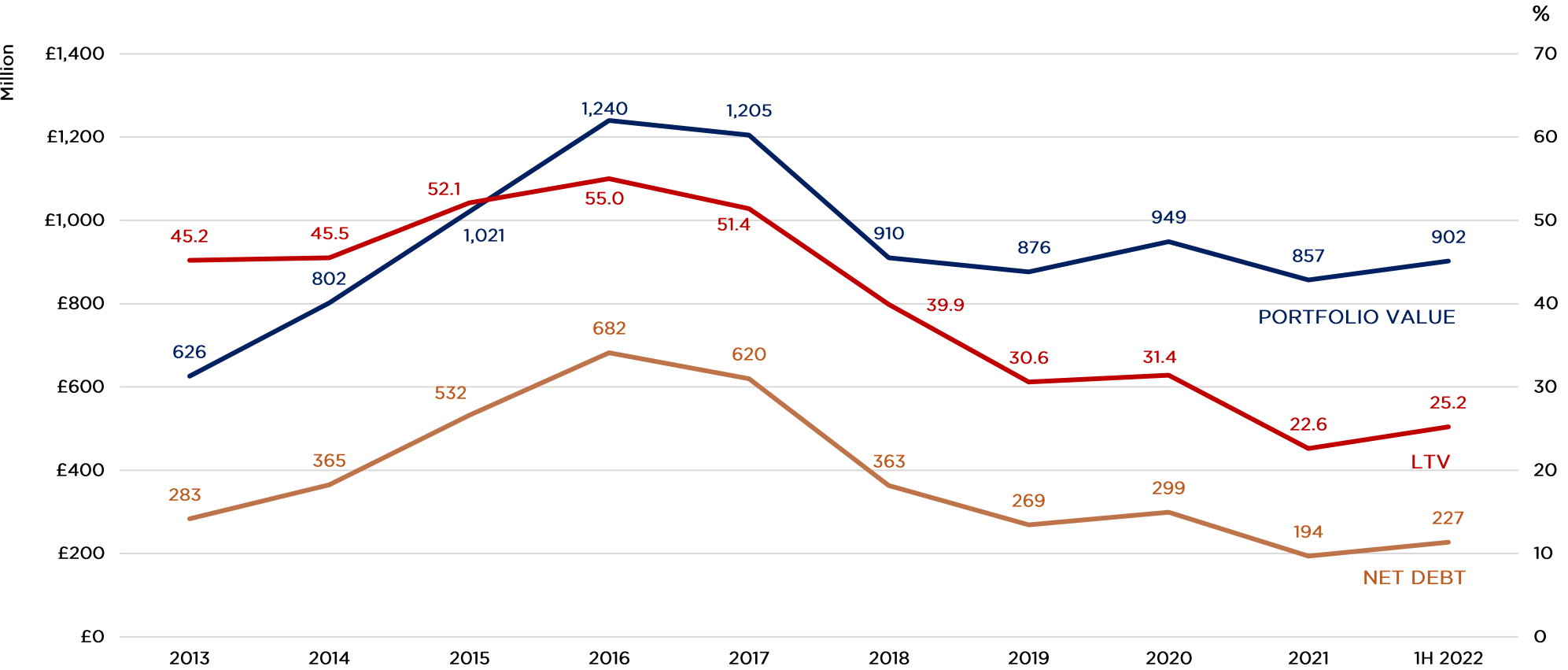
# NET CASH FLOW MOVEMENTS

	September 2021 £m	March 2021 £m
Cash (used by)/generated from operations	(3.1)	4.0
Capex	(9.8)	(16.3)
Joint ventures	3.4	2.9
Net disposal (costs)/proceeds	(0.1)	113.2
Reduction in net borrowing	(0.4)	(12.7)
Other cash flow movements	(0.6)	(0.8)
Dividends paid	(9.0)	(10.5)
Net (decrease)/increase in cash	(19.6)	79.8
Cash at start of period	154.4	74.6
<b>Cash at end of period</b>	<b>134.8</b>	<b>154.4</b>

## FORECAST CAPITAL EXPENDITURE



# LOAN TO VALUE AND GEARING



Shareholders' Funds (£m)	254	341	404	481	517	534	567	598	608	623
Gearing (%)	111.7	107.2	131.5	141.8	119.9	68.0	47.3	49.9	31.9	36.5



# IMPACT OF FORECAST CAPITAL EXPENDITURE AND CAPITAL RECEIPTS

	30 September 2021	Forecast Capex to 31 March 2023	Contracted Sales to 31 March 2023	Pro forma <sup>1</sup> 31 March 2023
Portfolio fair value	£901.9m	£32.4m	(£1.5m)	£932.8m
Net debt	£227.1m	£32.4m	(£1.5m)	£258.0m
Pro forma Loan to Value	25.2%	2.6%	(0.1%)	27.7%

Forecast Capital Expenditure	Capex Budget <sup>2</sup> £m	Remaining Spend <sup>2</sup> £m
<b>Investment Portfolio</b>		
33 Charterhouse Street, EC1	65.9	30.9
The Loom, E1	0.3	0.3
The Powerhouse, W4	0.3	0.3
<b>Residential Development</b>		
Barts Square, EC1	114.2	0.9

<sup>1</sup> Excludes the impact of potential valuation movements

<sup>2</sup> Helical share

# PORTFOLIO METRICS (1)

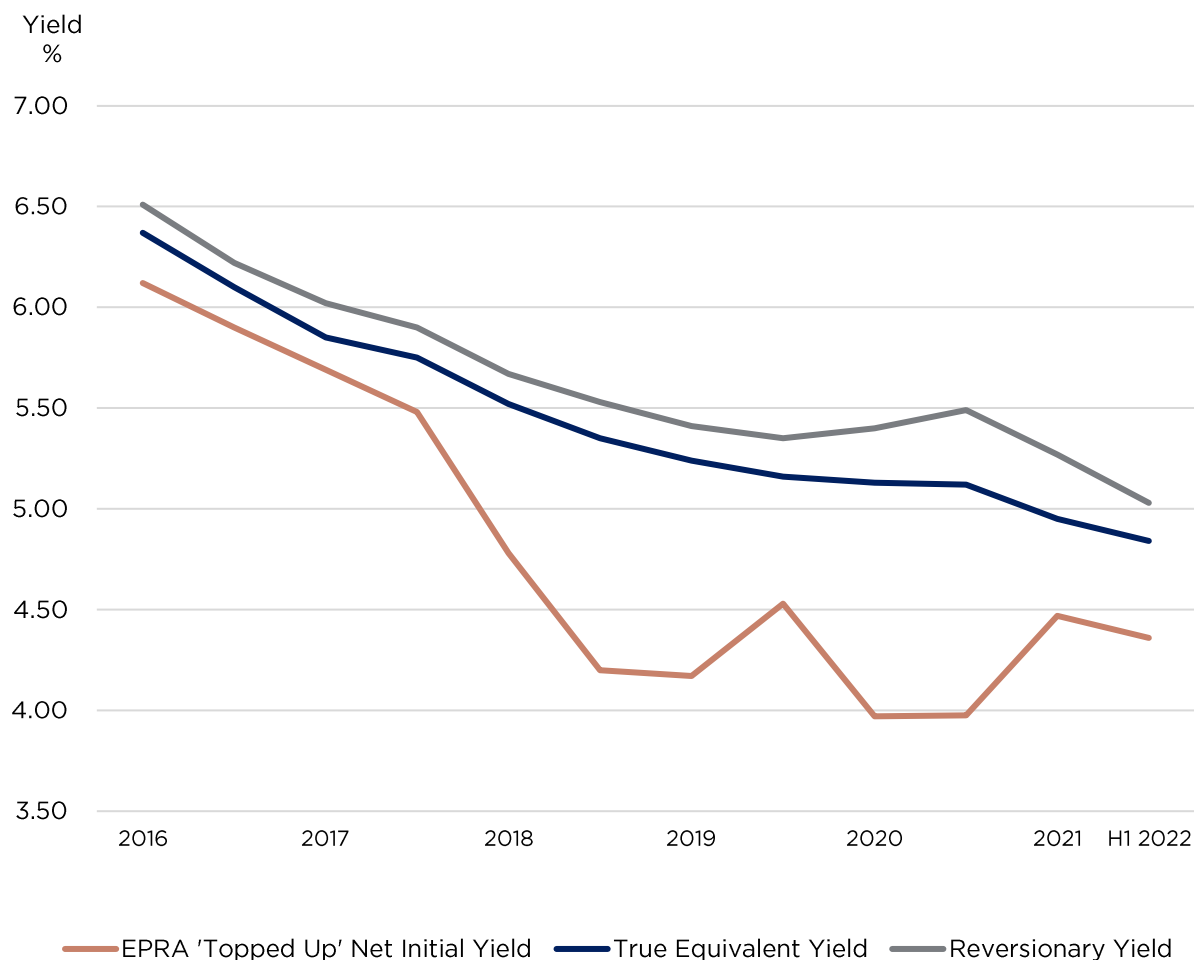
Investment Portfolio	Fair Value £m	%	Capital Value psf £	Vacancy Rate %	September 2021 WAULT Years	Valuation Change %
London Offices:						
- Completed, let and available to let	767.1	86.3	1,260	8.0	6.6	3.1
- Being redeveloped	94.0	10.6	915	n/a	n/a	11.6
<b>Total London</b>	<b>861.1</b>	<b>96.9</b>	<b>1,174</b>	<b>8.0</b>	<b>6.6</b>	<b>4.0</b>
Manchester Offices:						
- Completed, let and available to let	27.7	3.1	471	44.6	6.9	1.2
<b>Total Manchester</b>	<b>27.7</b>	<b>3.1</b>	<b>471</b>	<b>44.6</b>	<b>6.9</b>	<b>1.2</b>
Other	0.1	0.0	-	-	-	0.0
<b>Total</b>	<b>888.9</b>	<b>100.0</b>	<b>1,128</b>	<b>11.2</b>	<b>6.6</b>	<b>3.9</b>

## PORTFOLIO METRICS (2)

Investment Portfolio	Passing Rent £m	Contracted Rent £m	ERV £m	Change in ERV LfL %	EPRA 'Topped Up' NIY %	True Equivalent Yield %	Reversionary Yield %
London Offices:							
- Completed, let and available to let	26.9	36.5	41.7	0.2	4.4	4.9	4.9
- Being redeveloped	0.0	0.0	8.6	0.0	n/a	4.6	5.3
<b>Total London</b>	<b>26.9</b>	<b>36.5</b>	<b>50.3</b>	<b>0.2</b>	<b>4.4</b>	<b>4.8</b>	<b>5.0</b>
Manchester Offices:							
- Completed, let and available to let	0.6	1.0	1.8	0.0	3.3	5.7	5.9
<b>Total Manchester</b>	<b>0.6</b>	<b>1.0</b>	<b>1.8</b>	<b>0.0</b>	<b>3.3</b>	<b>5.7</b>	<b>5.9</b>
<b>Other</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Total</b>	<b>27.5</b>	<b>37.6</b>	<b>52.2</b>	<b>0.1</b>	<b>4.4</b>	<b>4.8</b>	<b>5.0</b>



## PORTFOLIO METRICS (3)



### EPRA 'Topped Up' Net Initial Yield

	London	Total
2016	5.01	6.12
2017	4.70	5.69
2018	4.51	4.78
2019	4.17	4.17
2020	3.89	3.97
2021	4.55	4.47
1H 2022	4.40	4.36

### True Equivalent Yield

	London	Total
2016	5.62	6.37
2017	5.27	5.85
2018	5.30	5.52
2019	5.09	5.24
2020	5.00	5.13
2021	4.93	4.95
1H 2022	4.82	4.84

### Reversionary Yield

	London	Total
2016	5.83	6.51
2017	5.46	6.02
2018	5.40	5.67
2019	5.26	5.41
2020	5.28	5.40
2021	5.25	5.27
1H 2022	5.00	5.03

# RENTAL COLLECTION

- The Group has maintained high rent collection figures throughout the Covid-19 pandemic
- Rent collection for the September quarter is currently at 94.5% and is expected to reach 99% once payment plans are agreed and settled
- Rent collection for the year to date is 93.9% and is anticipated to exceed 96% once ongoing discussions are concluded
- Year end March 2021 rent collection sits at 94.1% with a further 1.1% still under discussion and expected to be recovered once the moratorium ends

	All tenants		
	Rent collected	Under discussion	Concession granted
March 2020	97.0%	0.6%	2.4%
June 2020	94.6%	0.5%	4.9%
September 2020	93.3%	1.5%	5.2%
December 2020	91.4%	1.7%	6.9%
<b>March 2021 Y/E</b>	<b>94.1%</b>	<b>1.1%</b>	<b>4.8%</b>
March 2021	91.9%	3.4%	4.7%
June 2021	95.4%	1.9%	2.7%
September 2021	94.5%	4.6%	0.9%
<b>March 2022 Y/E to date</b>	<b>93.9%</b>	<b>2.8%</b>	<b>3.3%</b>

	Office tenants		
	Rent collected	Under discussion	Concession granted
March 2020	98.8%	0.6%	0.6%
June 2020	97.8%	0.6%	1.6%
September 2020	95.0%	1.6%	3.4%
December 2020	93.5%	1.8%	4.7%
<b>March 2021 Y/E</b>	<b>96.3%</b>	<b>1.2%</b>	<b>2.5%</b>
March 2021	92.8%	3.4%	3.8%
June 2021	95.3%	2.0%	2.7%
September 2021	94.9%	4.2%	0.9%
<b>March 2022 Y/E to date</b>	<b>94.3%</b>	<b>3.2%</b>	<b>2.5%</b>

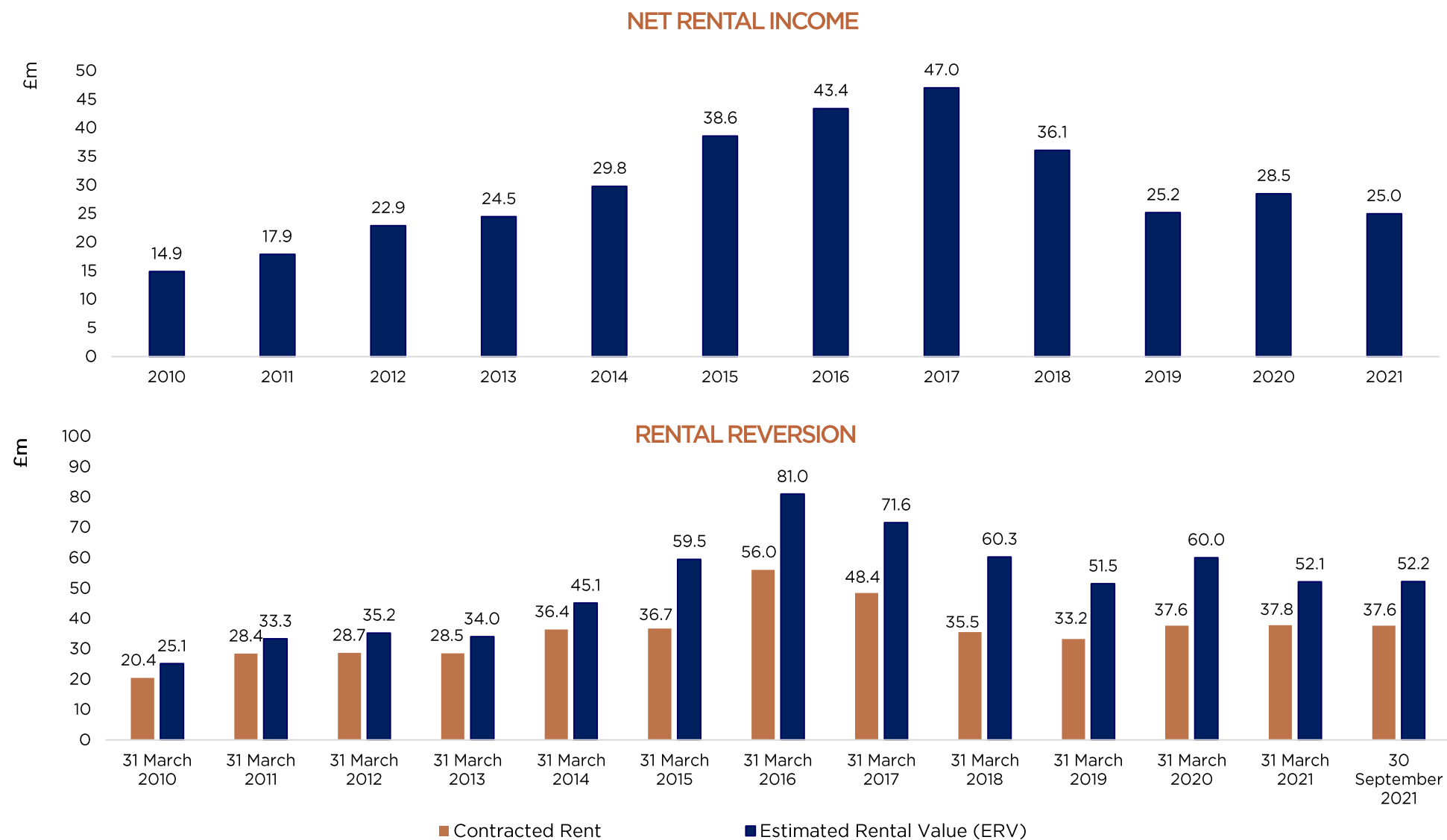
# LEASE EXPIRIES OR TENANT BREAK OPTIONS

	Half Year to 2022	Year to 2023	Year to 2024	Year to 2025	Year to 2026	After 2026
Rent Roll (%)	4.9	12.8	12.0	3.3	1.0	66.0
Number of Leases	14	17	13	5	4	36
Average Rent per Lease (£)	130,427	282,514	345,794	248,270	97,478	684,580





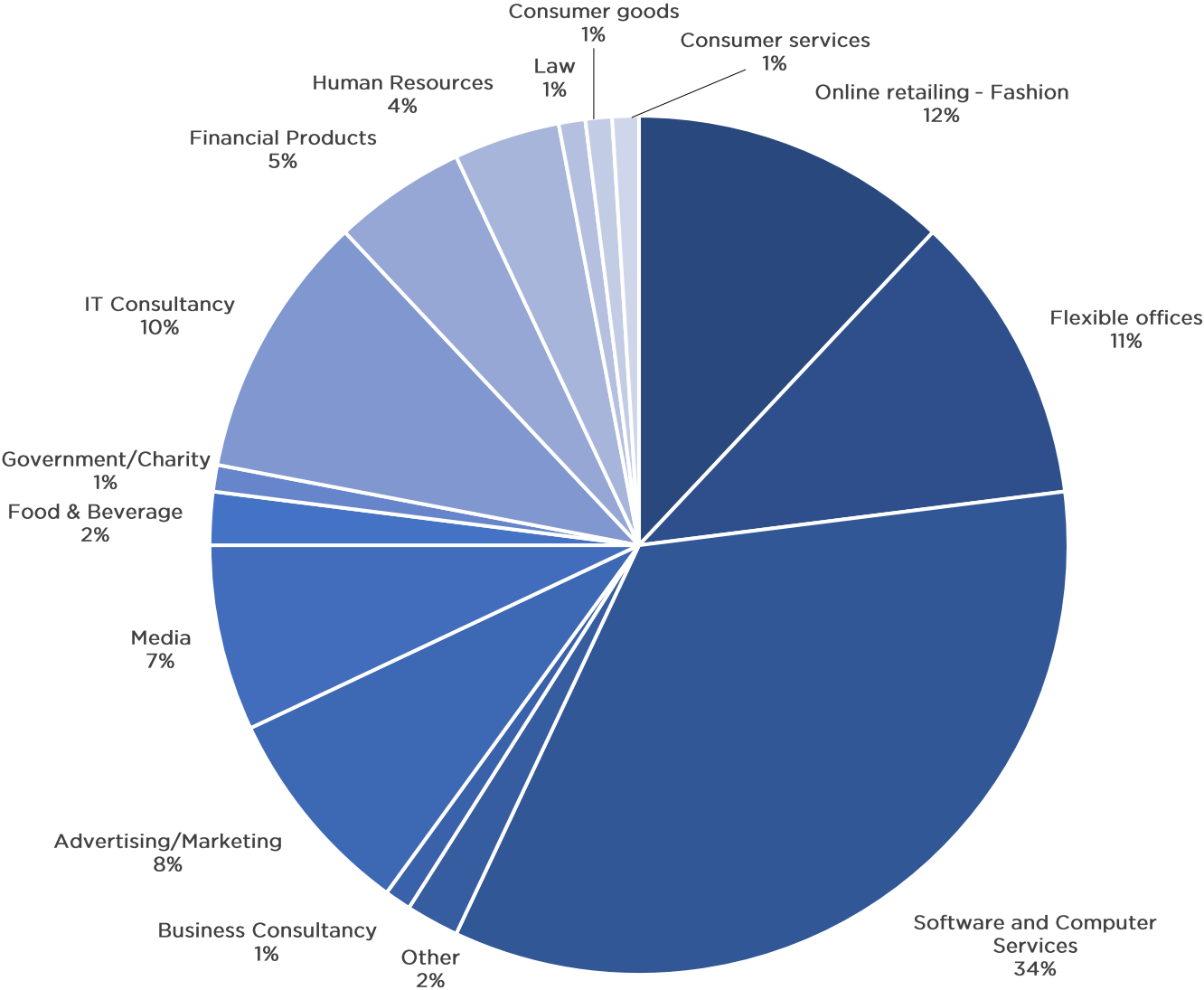
# RENTAL INCOME AND RENTAL REVERSION



# INVESTMENT PORTFOLIO KEY STATISTICS

	See-through Total Portfolio Contracted Rent £m
Rent lost at break/expiry – Covid related	(0.6)
Rent lost at break/expiry – Non-covid related	(1.0)
Rent reviews and uplifts on lease renewals	0.2
New lettings - London	1.0
New lettings - Manchester	0.2
<b>Total decrease in the period from asset management matters</b>	<b>(0.2)</b>
<b>Total contracted rental change from sales and purchases</b>	<b>0.0</b>
<b>Net decrease in contracted rents in the period</b>	<b>(0.2)</b>

# TENANT MAKE-UP





# TOP 15 TENANTS

Rank	Tenant	Tenant Industry	Contracted Rent £m	Rent Roll %
1	TikTok	Technology	7.6	20.3
2	Farfetch	Online retail	3.9	10.5
3	WeWork	Flexible offices	3.8	10.2
4	Infosys	Technology	3.2	8.5
5	VMware	Technology	2.0	5.3
6	Anomaly	Marketing	1.4	3.7
7	Denstu	Media	1.1	2.8
8	CBS	Media	1.0	2.8
9	Allegis	Recruitment	1.0	2.7
10	Stripe	FinTech	1.0	2.6
11	Verkada	Technology	1.0	2.6
12	Incubeta	Marketing	0.9	2.5
13	Openpayd	FinTech	0.9	2.3
14	Snowflake	Technology	0.8	2.1
15	Hey Habito	FinTech	0.5	1.4
TOTAL			30.1	80.3

# PROPERTY PORTFOLIO

London Portfolio – Investment Properties	Description	Area sq ft (NIA excluding storage)	Total vacancy rate at 30 September 2021 %	Total vacancy rate at 31 March 2021 %
Completed, let and available to let				
The Warehouse and Studio, The Bower EC1	Multi-let office building	151,439	0.0	0.0
The Tower, The Bower EC1	Multi-let office building	182,193	0.0	0.0
The Loom, E1	Multi-let office building	108,612	24.8	14.8
Kaleidoscope, EC1	Single-let office building	88,581	0.0	0.0
25 Charterhouse Square, EC1	Multi-let office building	42,921	26.0	26.0
55 Bartholomew, EC1	Multi-let office building	10,976	54.4	67.2
The Powerhouse, W4	Single-let recording studios/office building	21,268	0.0	0.0
		605,990	8.0	5.8

## Being redeveloped

33 Charterhouse Street, EC1	Office development	205,369	n/a	n/a
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London Portfolio – Development Properties	Description	Total apartments	Unsold apartments at 30 September 2021	Unsold apartments at 31 March 2021
Barts Square	Residential units and 8 retail units	236	22	28

Manchester	Description	Area sq ft (NIA excluding storage)	Total vacancy rate at 30 September 2021 %	Total vacancy rate at 31 March 2021 %
Trinity	Multi-let office building	58,760	44.6	54.1

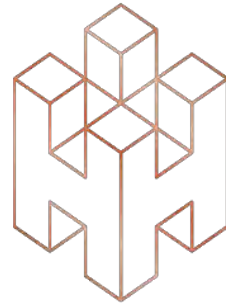
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