

CONVENIENCE & COMMUNITY

Half Year Results Presentation
Six months to 30 September 2020

26 November 2020





Rebuilding revenues through
rent collection and reopenings



Resilient operational
performance



Disposal programme
ahead of target



Completed disposals



Even stronger cash and liquidity
position than in March 2020



Improved liquidity position



Intention to reinstate
dividend for the Full Year

HY21 OPERATIONAL HIGHLIGHTS

Rent collection (Retail portfolio)

Q1 FY21: 92%

rent collected or alternative payments agreed

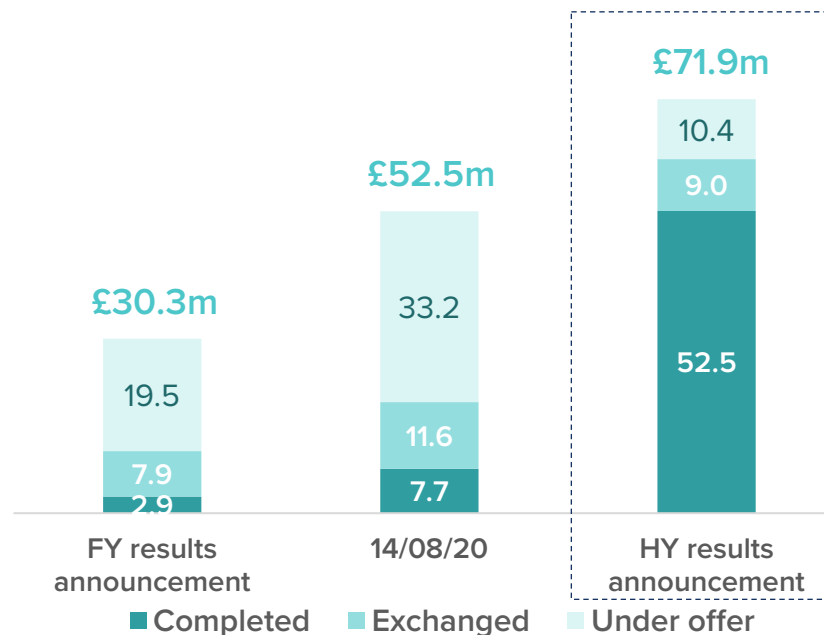
Q2 FY21: 94%

rent collected or alternative payments agreed

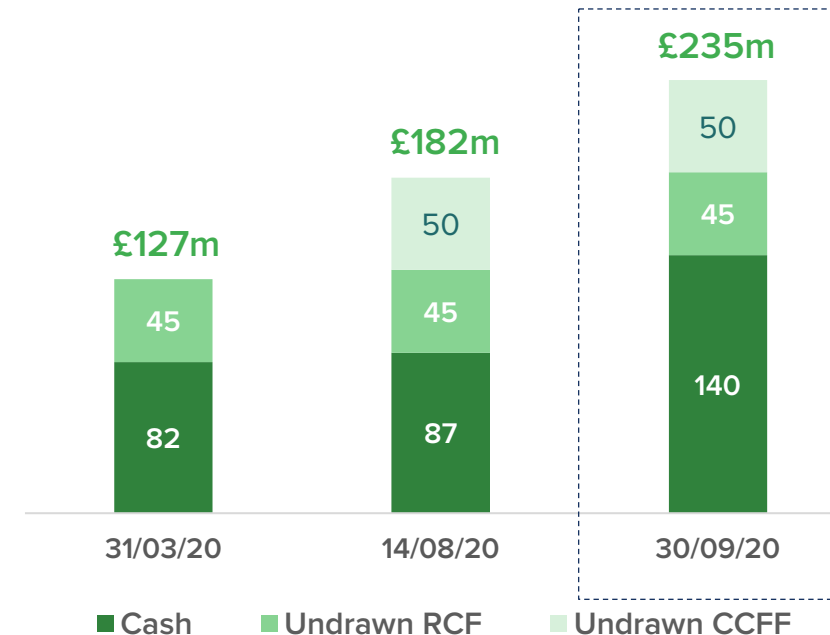
Q3 FY21: 86%

rent collected or alternative payments agreed

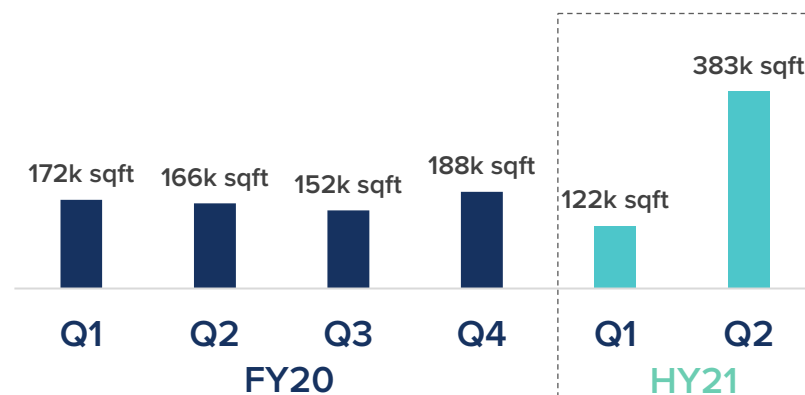
FY21 Disposal progress



Cash and Liquidity position



Leasing activity



Iceland



wren
KITCHENS

H MEBASE x2

Hawthorn

92%

Leased & Tenanted
Like-for-like vs PY
performance since
reopening on 4
July 2020

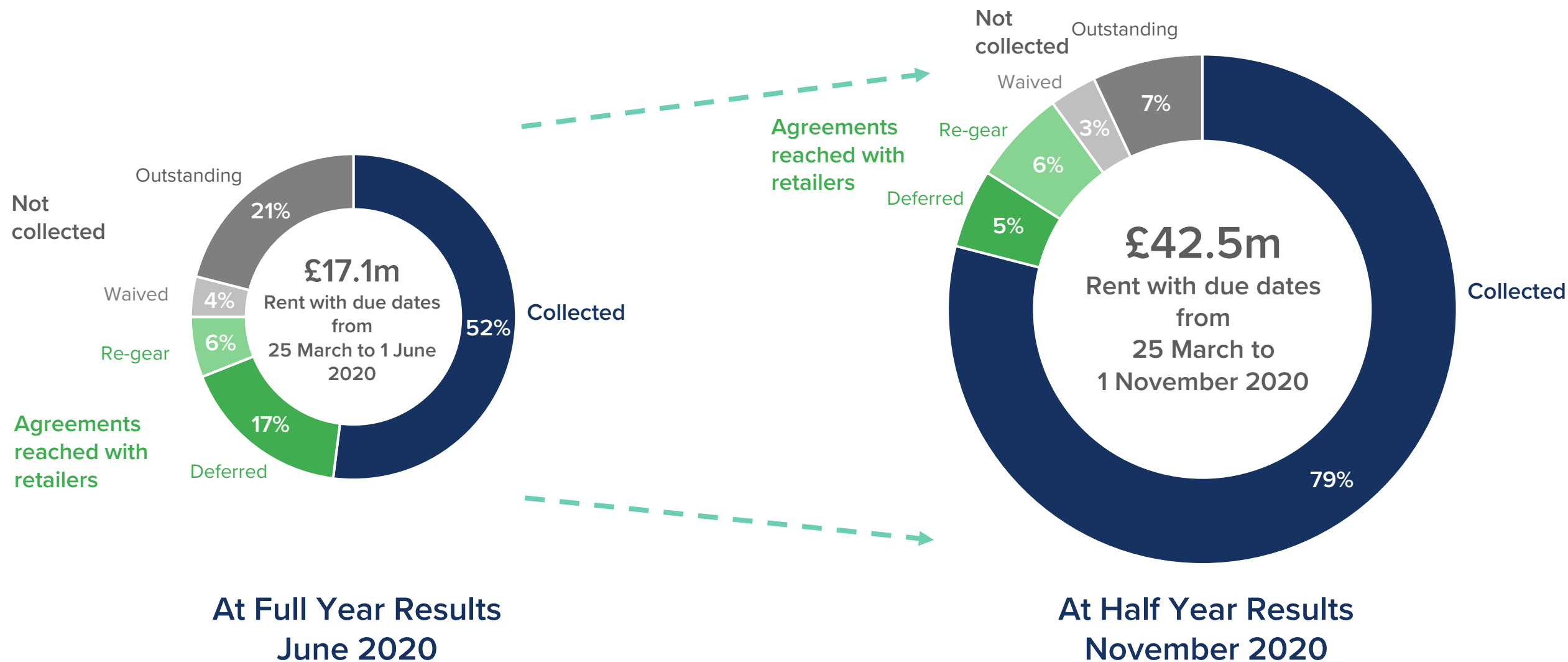
84%

Operator Managed
Like-for-like vs PY
performance since
reopening on 4
July 2020

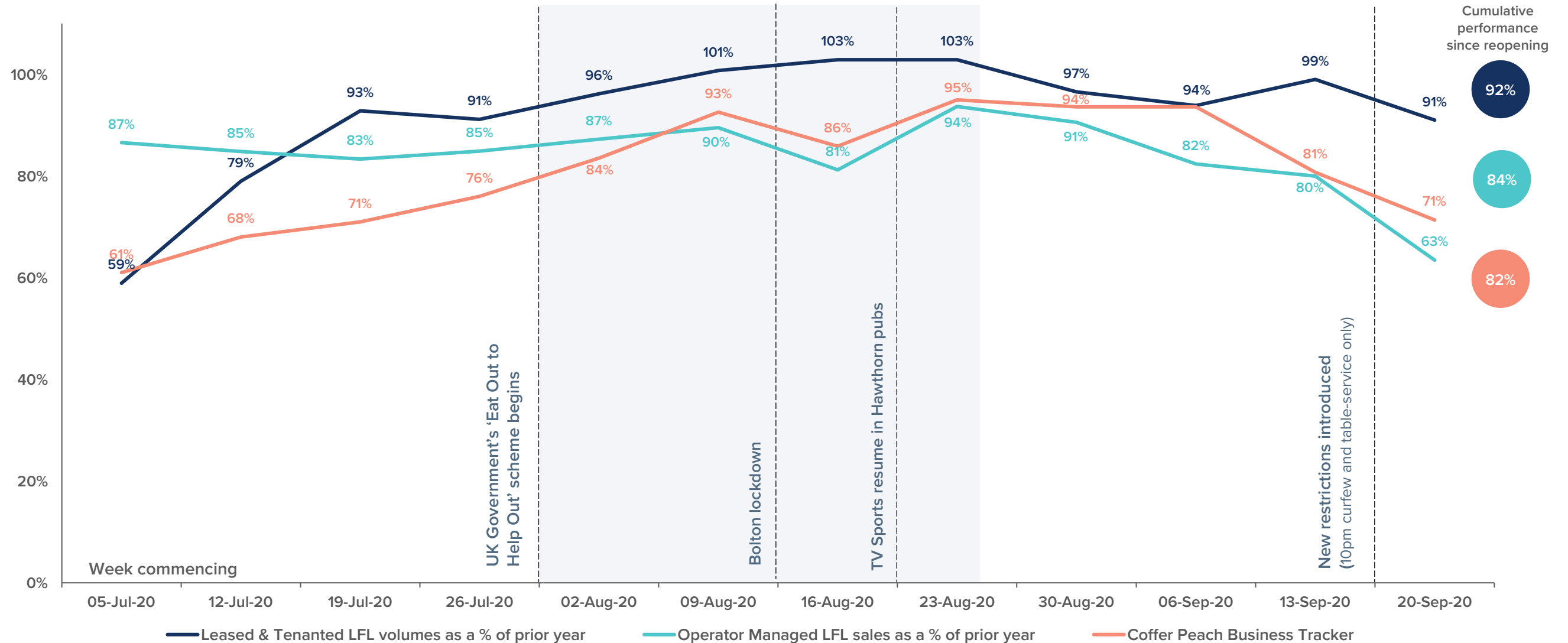
£1.9m

EBITDA for month
of Sep 2020
(Only 10% below
prior year)

90% of retail rent due to 1 November has either been collected or moved to an alternative payment



HAWTHORN COMMUNITY PUB PORTFOLIO: STRONG RECOVERY SINCE REOPENING



Note: Coffer Peach Business Tracker data refers to its 'Wet-led pubs' segment and uses weeks commencing on a Saturday, whereas Hawthorn data uses weeks commencing on a Sunday. The week with the closest overlap have therefore been used as a comparator.

Underlying Funds From Operations

£9.3m

(HY20: £26.4m)

UFFO ps

3.0p

(HY20: 8.6p)

EPRA NTA ps

171p

(March 2020: 201p)
Driven by -8.2% like-for-like
decline in valuations

Available liquidity

£235m

(March 2020: £177m)

LTV

48.1%

(March 2020: 47.1%)

Disposals

£50.2m

NIY: 6.7%
-6% discount to book value

Retail occupancy

96.2%

(March 2020: 94.8%)

Average rent

£11.85 psf

(March 2020: £12.66)

Leasing deals

505k sq ft

Long term deals -5.7% vs
prev. passing

Pub L&T LFL volumes

-8%

Since reopening,
outperforming wider market
down -18%



Disposal programme

Targeting £80 million to £100 million of disposals in FY21
 Prioritising LTV improvement in the use of proceeds
 Completed £50 million of disposals in H1, reducing LTV by 220 bps
 Disposals completed at a net initial yield of 6.7%



Capital Partnerships

Leveraging our platform to work with private and public investors
 Annualised asset management fee income now £1.2 million
 Following Sprucefield disposal, BRAVO JV has made acquisitions totalling £143.7 million (NewRiver share: £38.5 million)
 Ongoing discussions with potential regeneration partners



Growth from pubs

Extracting value and recycling capital from pub portfolio through asset management, development and selective disposals
 Pubs closed for Q1, but still delivered positive EBITDA contribution in H1
 Targeted investment and disposals have continued to ensure the estate is in the best possible position as current restrictions are eased





Finance Review

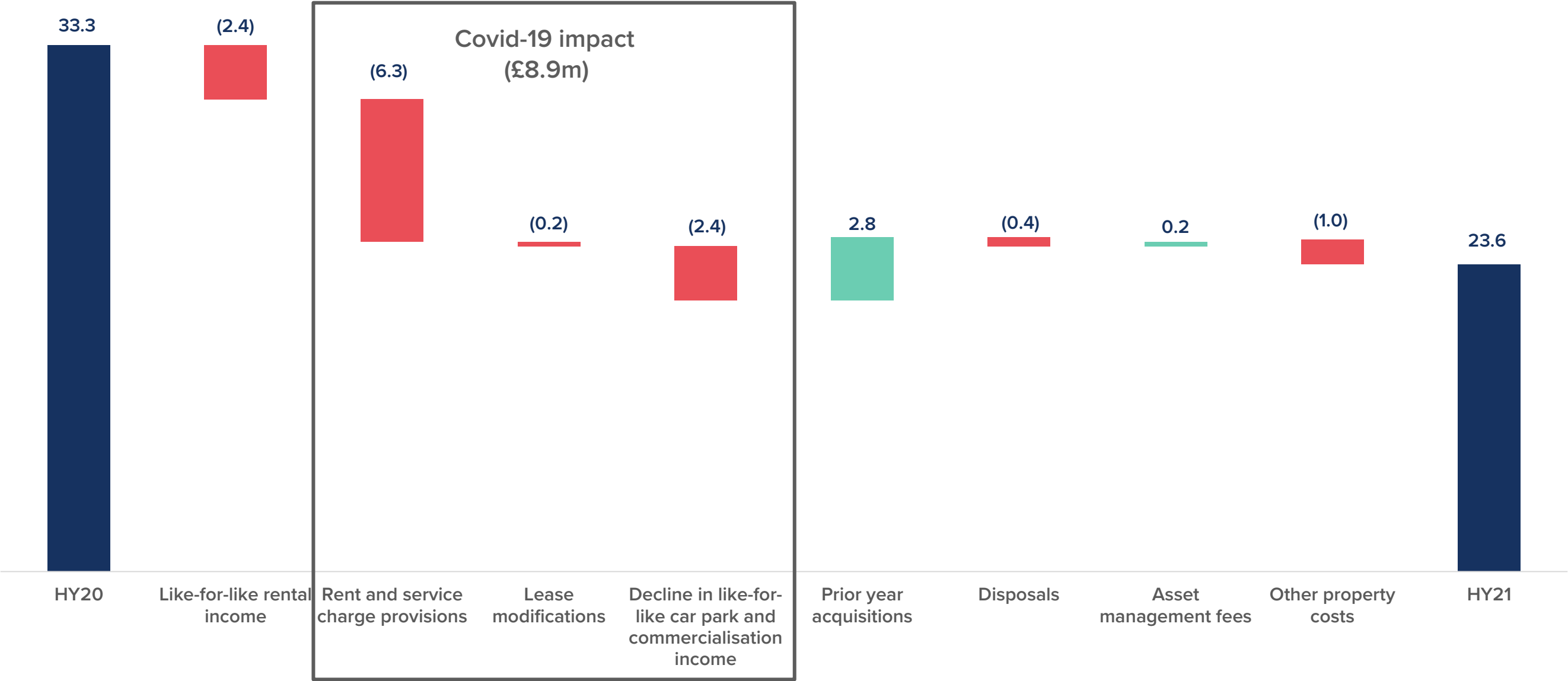
Mark Davies: Chief Financial Officer

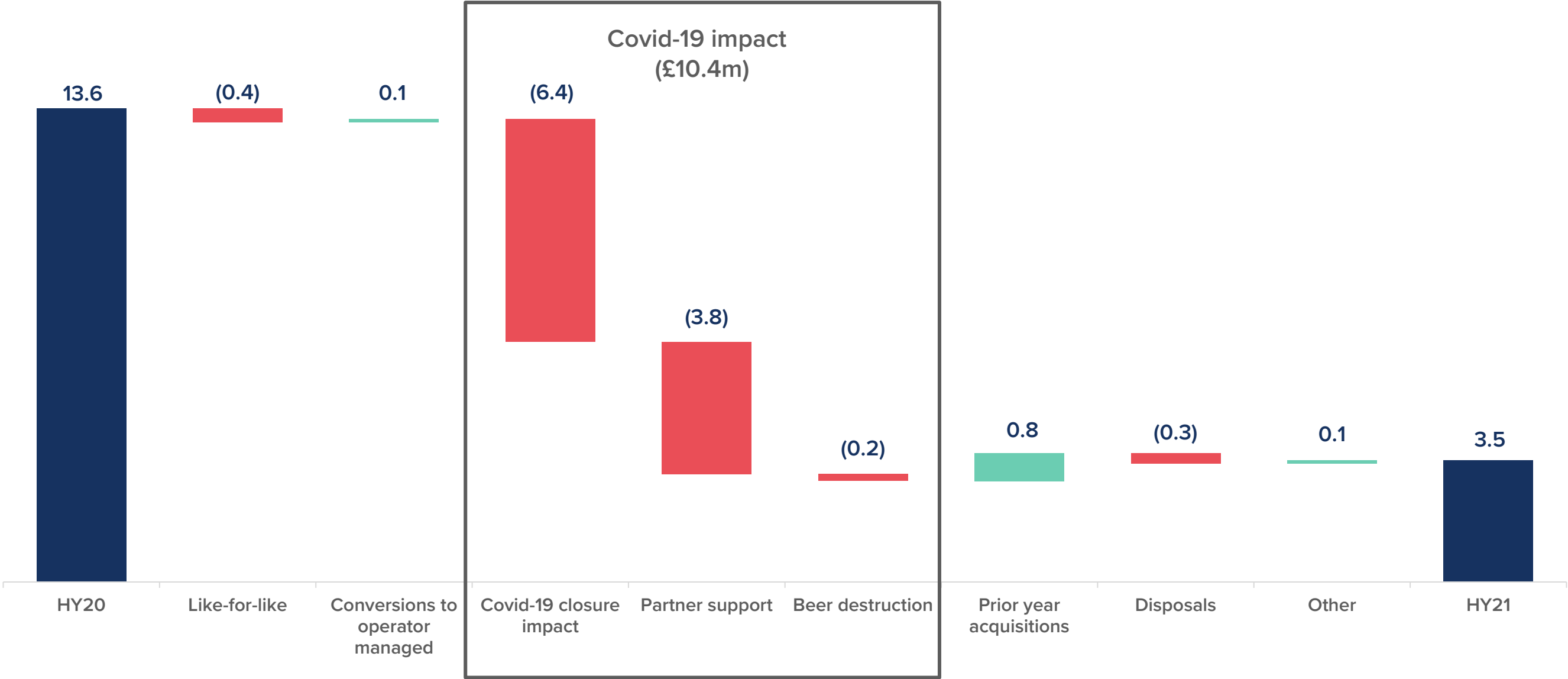


- Underlying Funds From Operations (“UFFO”) was £9.3 million, compared to £26.4 million in the first half of FY20, largely due to a significant reduction in gross revenue as a result of Covid-19 disruption (i.e. lower retail rent collections and pub closures in Q1)
- Administrative expenses have increased due to investment made into our Hawthorn operating platform in support of acquisitions made in FY20
- Other income relates to insurance proceeds, dilapidations and £0.8 million of government grants relating to our operator managed pubs
- Increase in net finance costs due predominantly to strategic decision to draw additional RCF to hold as cash due to Covid-19
- No ordinary dividend paid in the first half, compared to 10.8 pence in the first half of the prior year

Proportionally consolidated	HY21	HY20
	£m	£m
Revenue	58.2	71.2
Property operating expenses	(31.1)	(24.3)
Net property income	27.1	46.9
Administrative expenses	(10.8)	(9.7)
Other income	4.3	-
Net finance costs	(12.3)	(10.8)
Taxation	1.0	-
Underlying Funds From Operations	9.3	26.4
Underlying FFO per share	3.0p	8.6p
Ordinary dividend per share	-	10.8p
Ordinary dividend cover ¹	-	80%
Weighted average # shares	306m	306m

1. Calculated with reference to Underlying Funds From Operations.

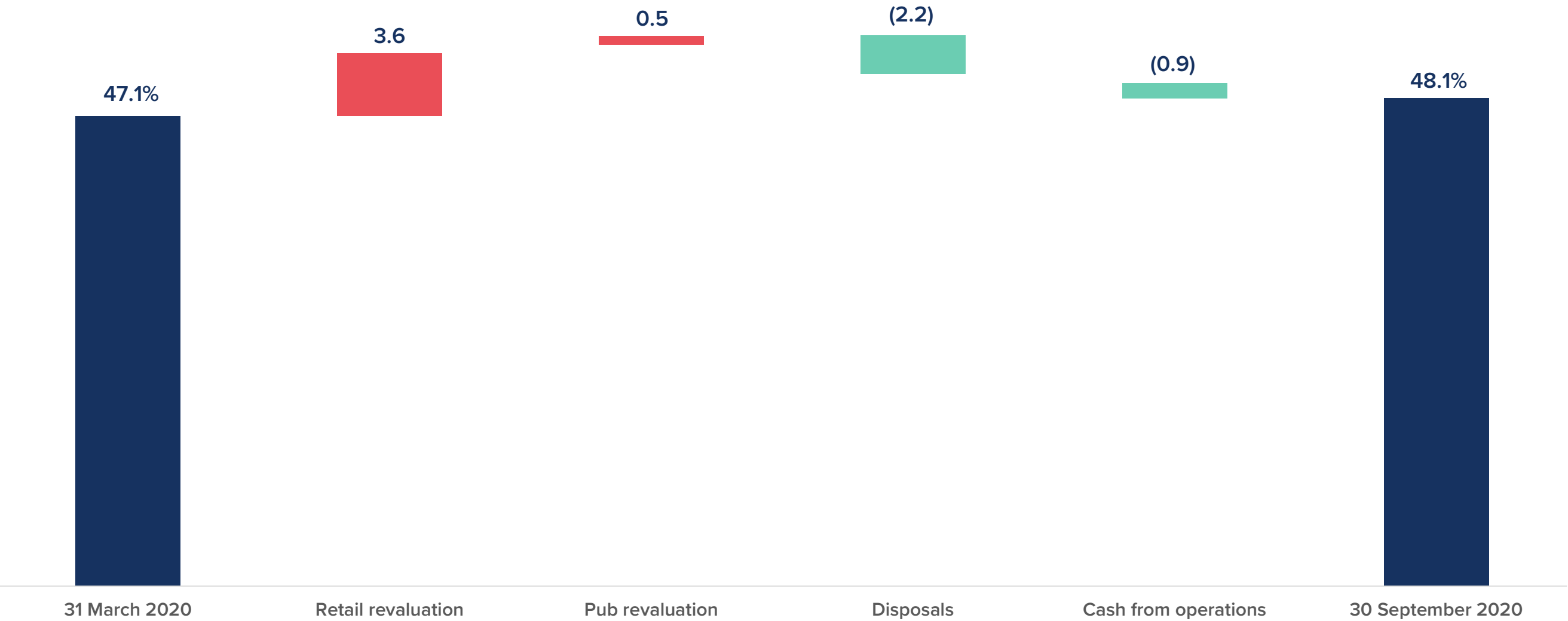




- Our balance sheet is fully unsecured and all our assets are unencumbered
- Being unsecured has been a key strength during the COVID-19 pandemic
- Investment property was £1.06bn at 30 September 2020 (March 2019: £1.20bn); decrease from March due to 8.2% valuation decline and £50 million of disposals
- EPRA NTA per share of 171 pence, compared to 201 pence per share at 31 March 2020, all of the reduction related to portfolio valuation decline
- Modest increase in LTV to 48.1% from 47.1% at 31 March 2020; significant covenant headroom remains

STRONG BALANCE SHEET

Proportionally Consolidated	September 2020 £m	March 2020 £m
Properties at valuation	1,057.9	1,197.1
Other Assets	119.6	118.0
Cash	139.5	82.1
Borrowings	(648.2)	(645.7)
Other Liabilities	(150.6)	(140.9)
IFRS net assets	518.2	610.6
EPRA NTA per share	171p	201p
LTV	48.1%	47.1%



- Significant headroom still remains across our unsecured bank facilities and corporate bond
- On track with disposal programme; completed £50m in H1 and target to complete a further £30m to £50m of disposals in FY21
- During the period, Fitch Ratings affirmed NewRiver's Long-Term IDR at 'BBB' with a Stable Outlook and senior unsecured rating at 'BBB+'.

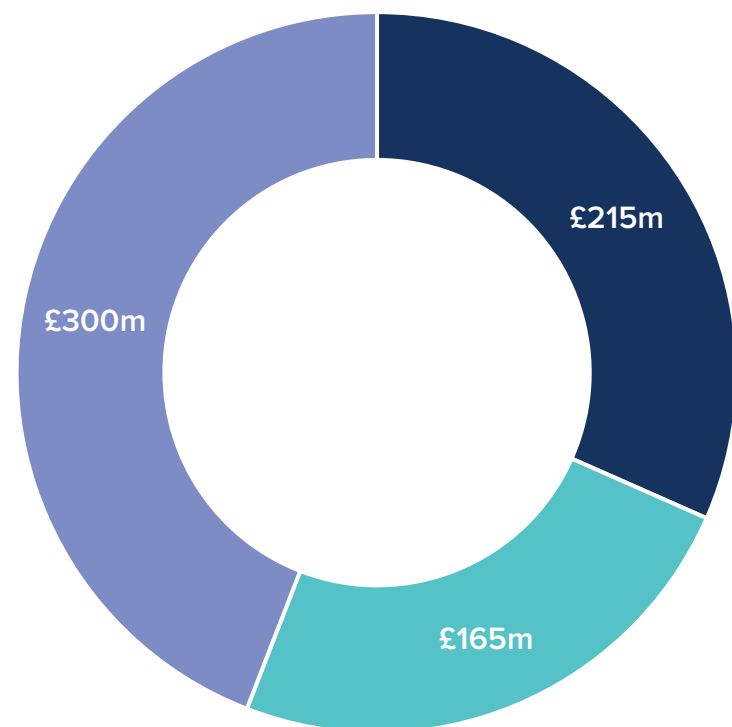
	Facility	Drawn	Maturity ¹	Covenants	
	£m	£m		LTV	Interest Cover
RCF	215	170	3.8 yrs	<60%	>1.75x
Term Loan	165	165	3.8 yrs	<60%	>1.75x
Bond	300	300	7.4 yrs	<65%	>1.5x
NRR Reported	680	635	5.4 yrs	48%	3.5x

Sensitivity analysis – as at 30 September 2020

- **LTV Covenant:** Would require a c.20% reduction in portfolio valuation
- **ICR Covenant:** Would require a c.50% reduction in net property income

1. Assuming one-year extension options are bank approved

- No refinancing events required until 2023



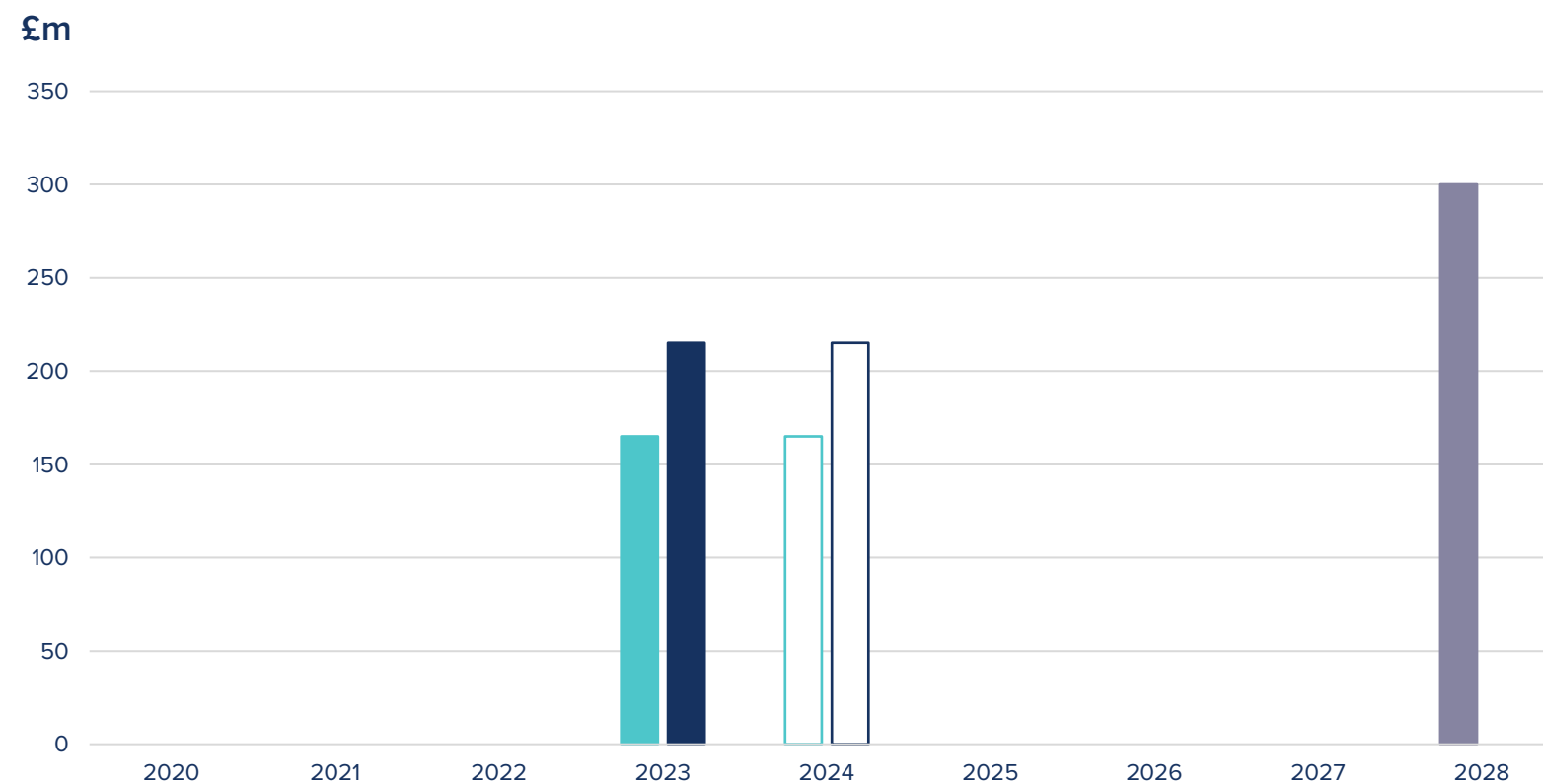
Unsecured bond

Unsecured term loan

Unsecured RCF

Unsecured term loan (with extension option)

Unsecured RCF (with extension option)



Portfolio Review – Hawthorn Community Pubs



Protecting our P&L and balance sheet



Access to UK Government support



Rent collection during lockdown close to 40%



Capex / Opex reduced



Concessions secured from key suppliers



14 pub/c-store disposals during lockdown generating £5.0m



Supporting tenants and partners



Access to UK Government support

Almost all our pubs were eligible for grant funding



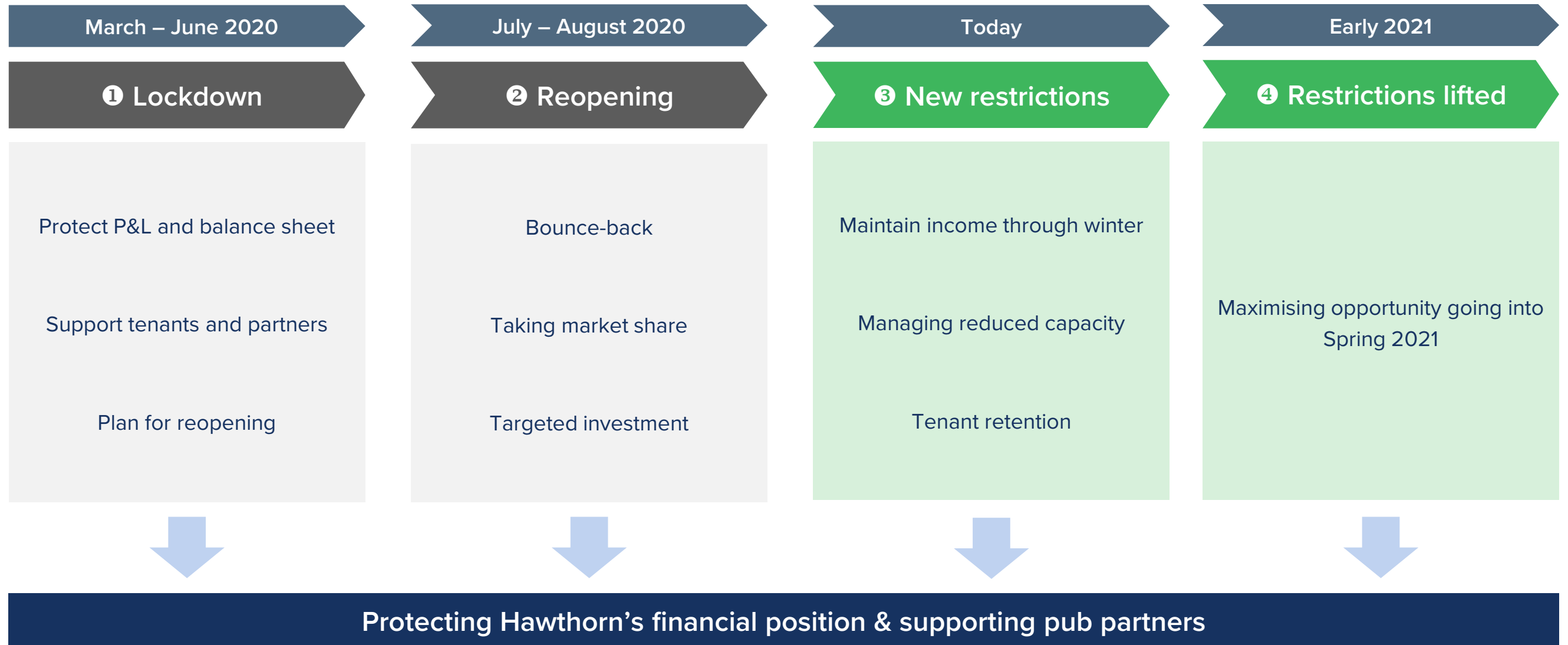
86% of our pubs were invested in during lockdown



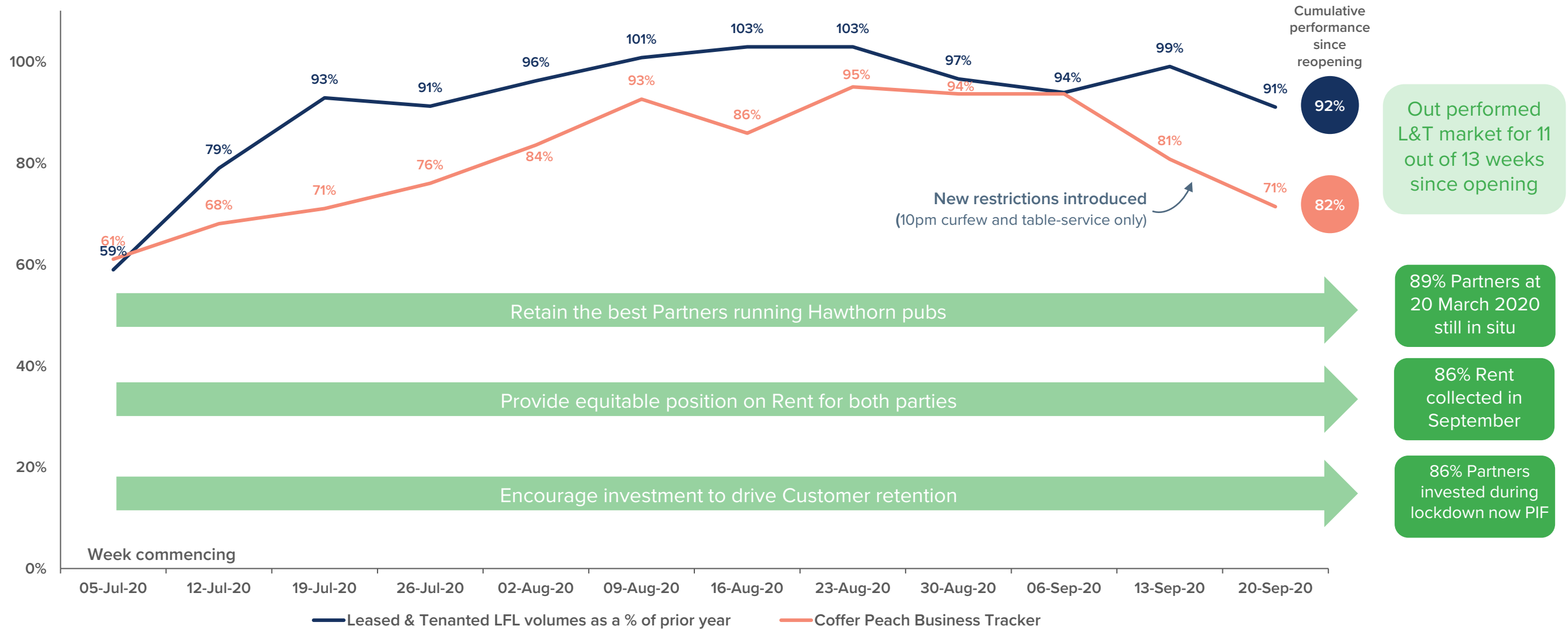
97% of tenants were either satisfied or very satisfied with Hawthorn's help during lockdown



Hawthorn was cashflow positive during lockdown

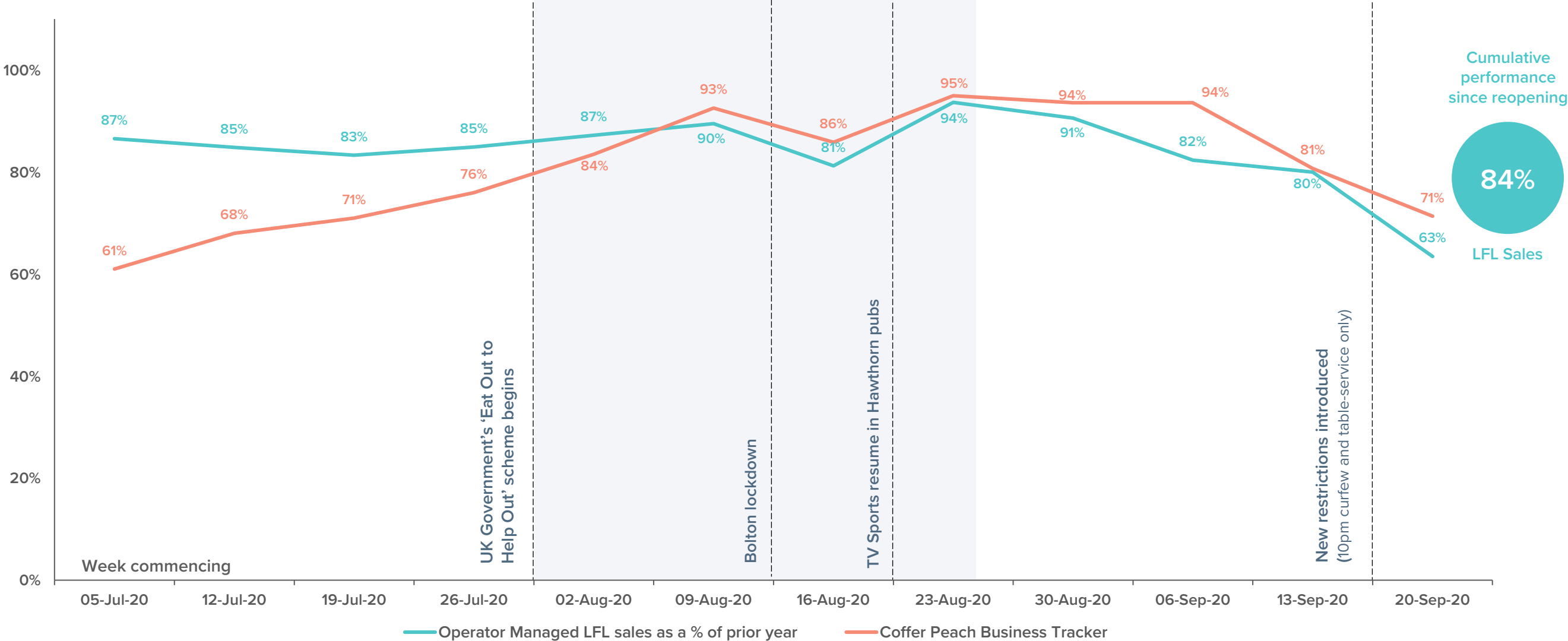


LEASED & TENANTED PERFORMANCE SINCE REOPENING



Note: Coffer Peach Business Tracker data refers to its 'Wet-led pubs' segment and uses weeks commencing on a Saturday, whereas Hawthorn data uses weeks commencing on a Sunday. The week with the closest overlap have therefore been used as a comparator.

OPERATOR MANAGED
PERFORMANCE SINCE REOPENING



Note: Coffey Peach Business Tracker data refers to its 'Wet-led pubs' segment and uses weeks commencing on a Saturday, whereas Hawthorn data uses weeks commencing on a Sunday. The week with the closest overlap have therefore been used as a comparator.

MISSION: TO BE THE NUMBER 1 COMMUNITY PUB COMPANY IN THE UK



Community and suburban locations

Benefiting from the new normal of people working from home and staying local



High income, asset-backed portfolio

97% of sites are freehold



Income growth

Like-for-like EBITDA per pub +5.9% pre-Covid



Scalable business model

Synergies can be delivered and management have a strong track-record of accretive acquisitions



Strong alternative use potential

Surplus land can be developed into convenience stores, residential or other commercial uses



Great relationships with pub partners and operators

Generating trust and goodwill



Best-in-class operating platform and highly-experienced management team



Strong balance sheet and capital structure

















Portfolio Review - Retail

Allan Lockhart: Chief Executive

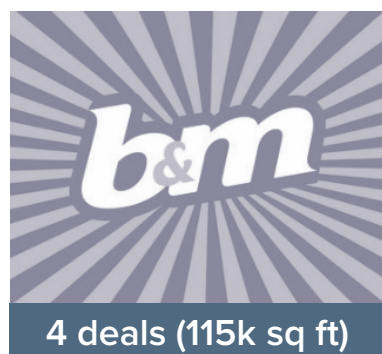


- 1,800 leases with >850 occupiers
- Focused on occupiers providing essential goods and services, providing some insulation from COVID-19 impact
- Deliberately limited exposure to structurally-challenged sub-sectors such as casual dining, department stores and mid-market fashion
- Top 10 retailers account for just 16% of total rental income, top 100 account for <50%
- Policy that no occupier >5% of total rent (B&M currently 2.5%)
- Affordable average retail rent of £11.85 per sq ft

DIVERSIFIED INCOME STREAMS: FOCUSED ON ESSENTIAL GOODS AND SERVICES

	Retailer	% NRR total rental income	Number of stores
1		2.5%	15
2		1.8%	20
3		1.8%	16
4		1.7%	8
5		1.6%	16
6		1.5%	4
7		1.4%	8
8	M&S	1.3%	4
9		1.2%	14
10		1.2%	3
Subtotal		16.0%	
11-25	e.g.  	11.1%	
26-100	e.g.   	18.7%	
		45.8%	

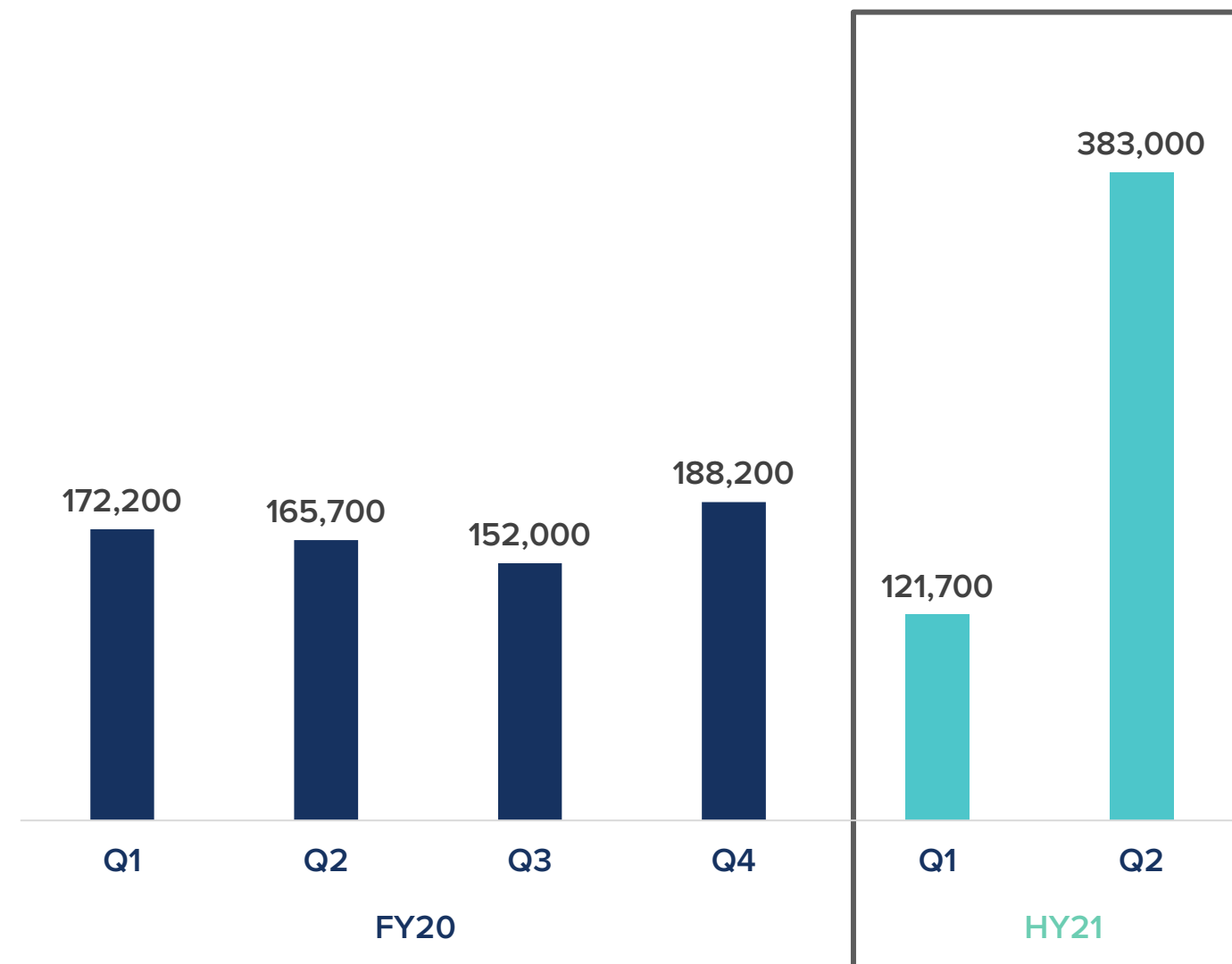
- Completed 504,700 sq ft of new lettings and renewals across retail portfolio in HY21, securing £3.1 million of annualised rent
- On average, long-term deals were signed 5.7% behind previous passing rent and 2.7% behind March 2020 ERV
- Long-term deals had an average lease length of 8.0 years
- High volume of leasing activity means Retail occupancy increased to 96.2% (31 March 2020: 94.8%)



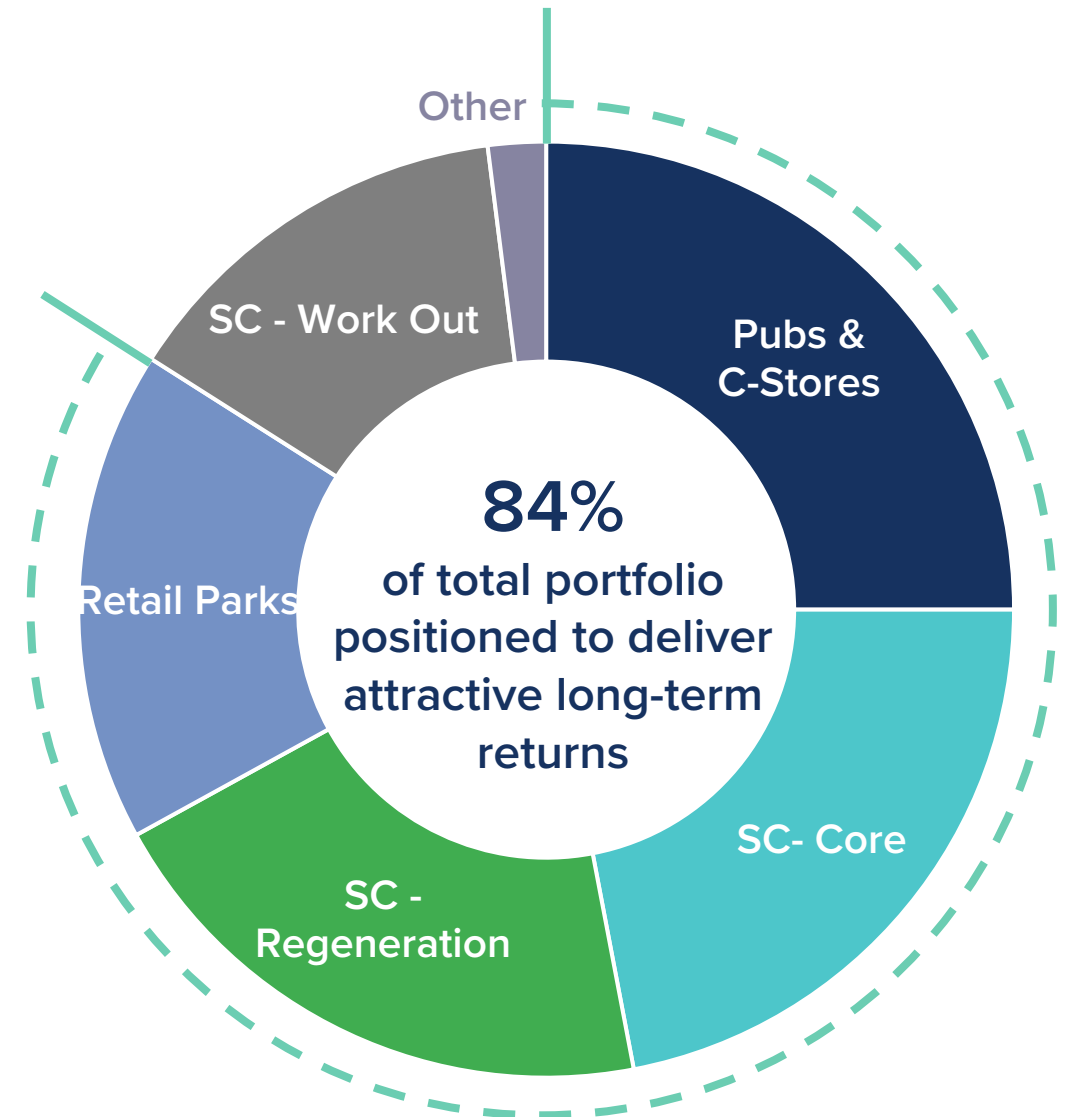
Iceland



Elevated leasing activity in HY21 (sq ft)



- Undertaken a detailed review of our shopping centre portfolio to identify key traits of successful assets and which centres will deliver attractive long-term returns, either as shopping centres or regeneration opportunities
- Shopping centres now split into 3 segments
 - Core - Assets with a high retention rate, local catchment areas, low vacancy rate and affordable rents with low rent to sales ratios
 - Regeneration - Assets which have significant and viable alternative use strategies often with planning consented or pending
 - Work Out - Assets with higher vacancy rates due to over supply issues in the town, lower retention levels, high gross to net ratios and a higher exposure to value fashion



Sector	Description	% of NRR portfolio	Strategy
Community pubs	Wet-led community pubs in suburban locations. Delivering EBTIDA and valuation growth pre-COVID-19	25%	Operational initiatives and small-scale development (e.g. c-stores) initiatives to enhance income and valuations
Core Shopping Centres	Located in areas with good supply/demand dynamics for retail space, resulting in sustainable income and valuations	22%	Asset management and small-scale development (e.g. combining units) initiatives to enhance income and valuations
Regeneration Shopping Centres	Centres with opportunities to deliver larger scale residential-led regeneration schemes	20%	Unlock value from regeneration opportunities through capital partnerships or selling with the benefit of planning
Retail Parks	Conveniently located food & grocery-anchored retail parks, offering free car parking and optimised for click & collect	17%	Asset management and small-scale development (e.g. drive thru pods) initiatives to enhance income and valuations
Work Out Shopping Centres	Located in areas with an oversupply of retail space, leading to downward pressure on rents and valuations	14%	Asset management initiatives to reposition centres and move them into the Core Shopping Centres segment, and selective disposals
Other	Standalone high street units, non-income generating development sites and other miscellaneous assets	2%	Asset management initiatives to protect income and selective disposals

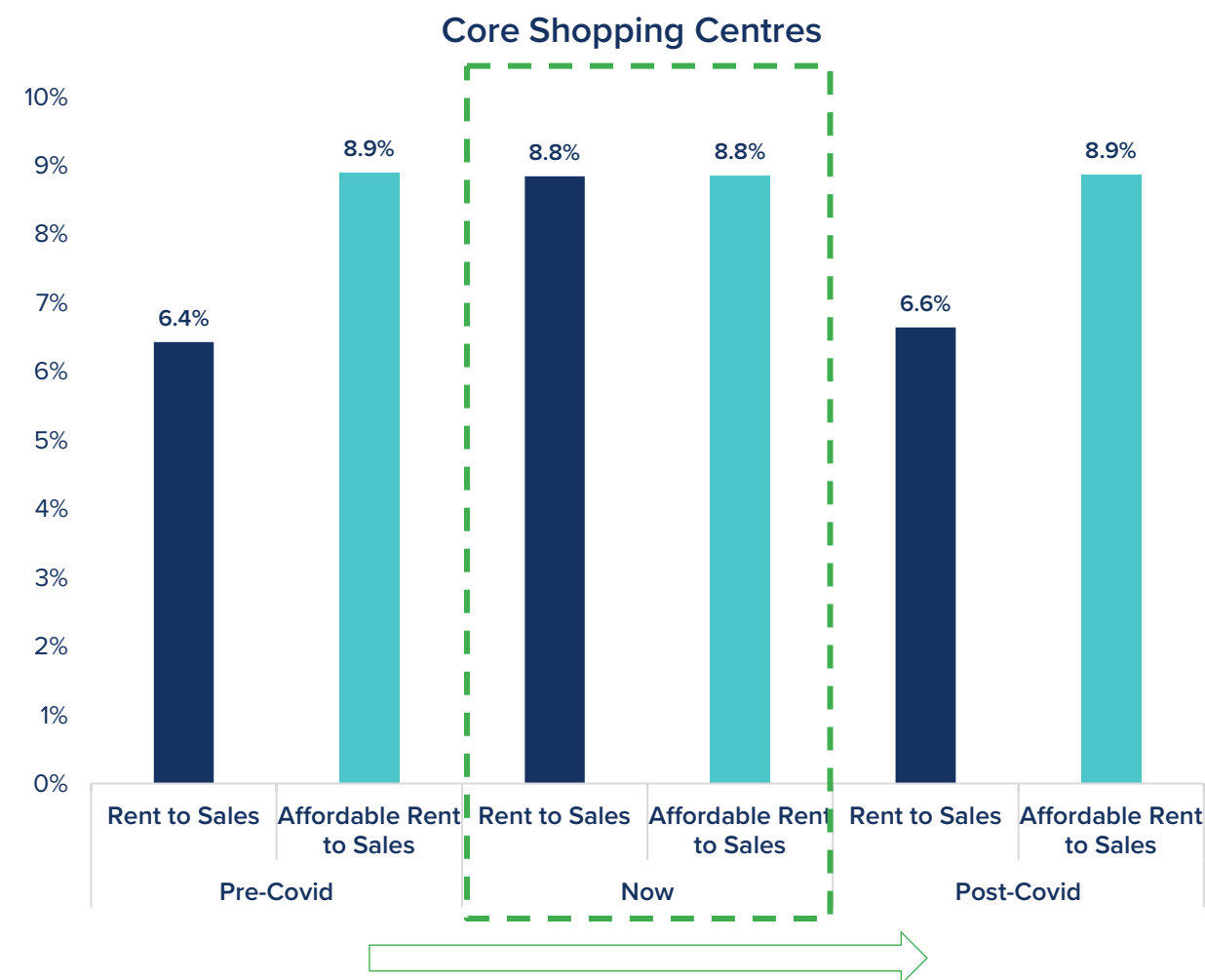
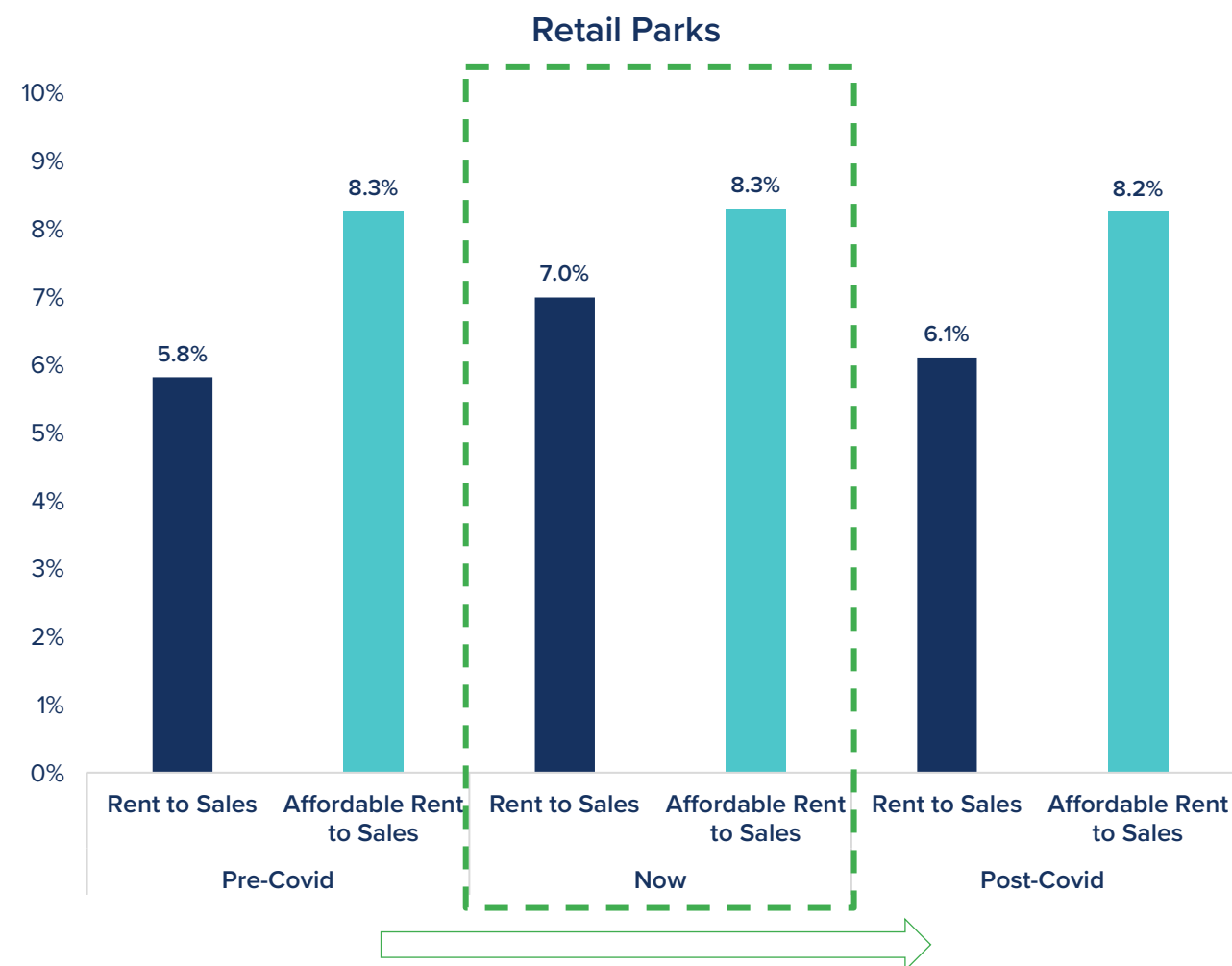
	Pubs	Shopping Centres - Core	Shopping Centres - Regen	Retail Parks	Shopping Centres - Work Out	Other
Valuation	£262m	£229m	£217m	£178m	£151m	£21m
Portfolio Weighting	25%	22%	20%	17%	14%	2%
Number of Assets	700	13	5	24	15	9
Average Lot Size (100% Share)	£0.4m	£17.6m	£36.1m	£13.3m	£9.7m	£2.2m
Alternative Use Value (+ vs valuation)	-	£229m (0%)	£350m (+61%)	£131m (-27%)	£47m (-69%)	£28m (+33%)
Vacancy Rate	2.0%	1.7%	3.6%	4.0%	5.2%	14.3%
Retention Rate	-	93.2%	93.3%	89.9%	80.6%	-
Net Initial Yield	11.7%	9.0%	6.0%	7.1%	8.7%	8.8%
Equivalent Yield	11.7%	8.8%	6.5%	7.6%	12.0%	7.7%
H1 FY21 Valuation Movement	-4.5%	-10.4%	-6.9%	-4.8%	-15.1%	-16.4%

30 September 2020	Valuation NRR share	Weighting NRR share	Valuation surplus/(deficit)	Topped-up NIY	NEY	LFL NEY movement	LFL ERV movement
	£m	%	%	%	%	bps	%
<i>Shopping Centres – Core</i>	229	22	(10.4)	9.0	8.8	31	(6.8)
<i>Shopping Centres – Regen</i>	217	20	(6.9)	6.0	6.5	7	(6.1)
<i>Shopping Centres – Work Out</i>	151	14	(15.1)	8.7	12.0	88	(3.8)
Shopping centres	597	56	(10.4)	7.9	8.8	31	(5.5)
Retail parks	178	17	(4.8)	7.1	7.6	25	(1.4)
High street & misc.	21	2	(16.4)	8.8	7.7	26	(9.4)
Pubs & c-stores	262	25	(4.5)	11.7	11.7	-	-
Total	1,058	100	(8.2)	8.7	9.3	27	(4.8)

Portfolio outperformed the MSCI-IPD Index for Total return and Income return:

- Total return: -5.7%, with +20 bps outperformance
- Income return: +3.3%, with +70 bps outperformance
- Capital growth: -8.7%, with -40 bps underperformance

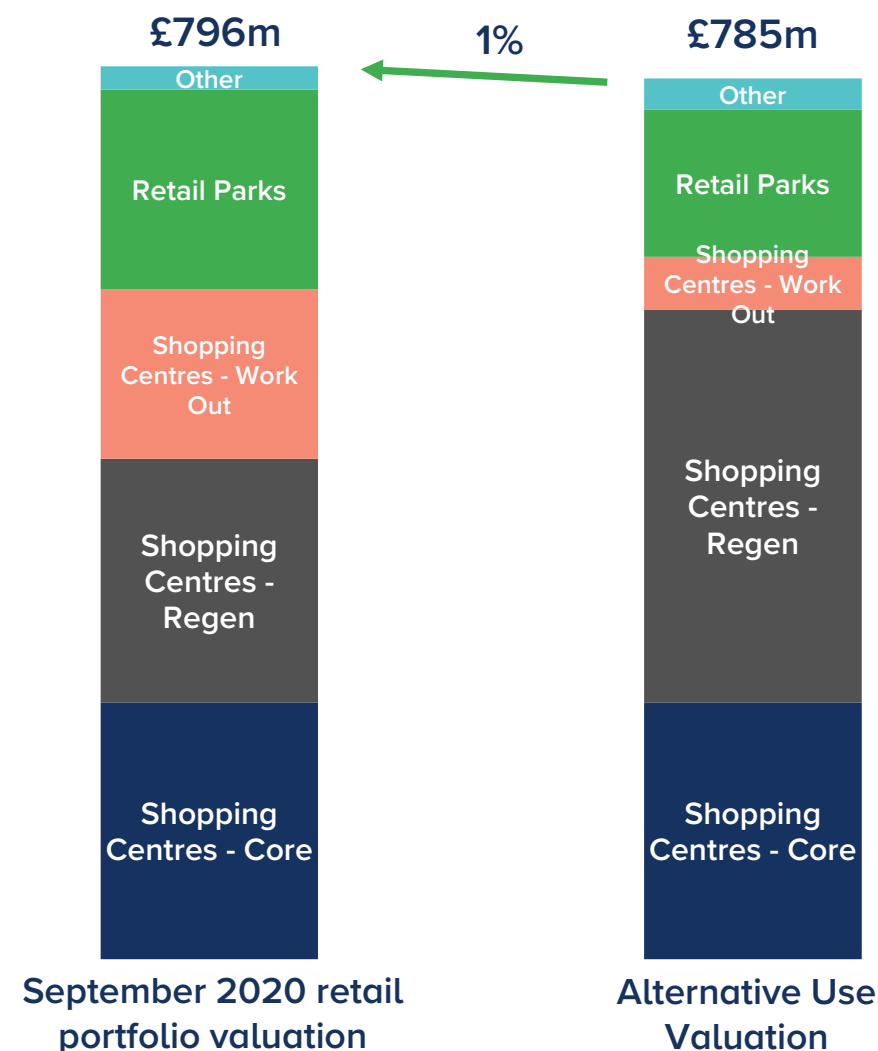
- NewRiver has always offered affordable rents to retailers, and therefore low Rent to Sales ratios of c.6%
- Headroom from Rent to Sales ratio to Affordable Rent to Sales ratio maintained even during COVID-19



*Calculated by CWM, third party retail specialist

- 3rd party valuers have now written NRR portfolio down to a level that is underpinned by NRR Alternative Use Value ('AUV')
- AUV assessment is undertaken by NRR and assumes vacant possession, existing buildings are demolished and revised massing is achieved
- Alternative use predominantly relates to residential led mixed use schemes
- Overall, Shopping Centre AUV is ahead of 3rd party valuation by 5%
- Regeneration centres show significant AUV uplift, and Core show an underpin and Work Out centres AUV is significantly below 3rd party valuation
- Retail Parks not underpinned by AUV, but are performing well and expected to continue to do so in the future due to increasing importance of Click & Collect and other underlying characteristics (e.g supermarket / discounter anchors)

Retail valuations underpinned by alternative uses¹



1. Alternative use valuation calculated internally by NewRiver

Supporting the vital work of the Trussell Trust, our corporate charity partner:



Collection points
across centres



Staff
volunteering
programme



Use of assets for
storage and
recruitment



Corporate
donations



Board 30% and
ExCo 10% salary
waiver



APRIL 2020 - SEPTEMBER 2020

1.2 MILLION

**EMERGENCY FOOD PARCELS
WERE GIVEN TO PEOPLE IN
CRISIS BY TRUSSELL TRUST
FOOD BANKS**



EPRA sBPR Bronze Award

Our first EPRA sBPR Award, reflecting
disclosure enhancements



GRESB Score of 60

Above peer and benchmark averages for
Social & Governance aspects



CDP Submission

First submission to benchmark, the leading
carbon disclosure



UN SDGs

Identified specific SDGs and established
measurable targets

- Strong and improving cash and liquidity position
- Retail portfolio resilient due to strong relationships with retailers, low average rents and essential nature of spend
- Community pub portfolio well positioned to bounce back as restrictions are eased
- Excellent progress made towards disposal target for FY21, and committed to a further £30 million to £50 million in H2
- Opportunities to continue growth through capital partnerships, leveraging market-leading platform

Appendices



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Allan Lockhart – Chief Executive, NewRiver

- Co-founded NewRiver in 2009 as Property Director. Appointed CEO effective 1 May 2018
- Started his career with Strutt & Parker in 1988 advising major property companies and institutions on retail investment and development
- In 2002, Allan was appointed as Retail Director of Halladale plc and was responsible for the acquisition and management of over 20 shopping centres and several profitable retail developments
- Responsible for NewRiver's property strategy including acquisitions, disposals, asset management and risk-controlled development



Mark Davies – Chief Financial Officer, NewRiver and Chief Executive, Hawthorn

- Joined NewRiver as CFO at its inception in 2009. Assumed operational responsibility for the pub portfolio from 1 May 2018 and appointed Chief Executive of Hawthorn effective 1 October 2019
- Mark is a Chartered Accountant and started his property finance career with Grant Thornton before joining PKF (now BDO LLP) as a partner and Head of Real Estate
- Prior to joining NewRiver as Finance Director in 2009, Mark was CFO of Exemplar Properties and Finance Director of Omega Land, a £500m property JV with Morgan Stanley
- Responsible for the capitalisation of the NewRiver balance sheet, including the raising of >£800m of equity and the move to an unencumbered balance sheet



	HY21	FY20	HY20	FY19	HY19	FY18	FY17
Annualised rent roll	£109.7m	£117.9m	£113.2m	£114.6m	£112.3m	£100.1m	£96.5m
Underlying FFO ('UFFO')	£9.3m	£52.1m	£26.4m	£55.1m	£25.6m	£55.5m	£47.1m
Underlying FFO ('UFFO') per share	3.0p	17.0p	8.6p	18.1p	8.4p	19.5p	20.1p
Ordinary dividend per share	-	16.2p	10.8p	21.6p	10.8p	21.0p	20.0p
Total dividend per share	-	16.2p	10.8p	21.6p	10.8p	21.0p	23.0p
Total dividend cover (based on UFFO)	-	105%	80%	84%	78%	93%	101%
EPRA Net tangible asset (NTA) per share ³	171p	201p	244p	261p	283p	292p	292p
Total accounting return	-14.9%	-14.7%	-2.4%	-3.3%	+0.6%	+8.1%	+5.7%
Portfolio (NRR share)	£1,058m	£1,197m	£1,255m	£1,288m	£1,374m	£1,239m	£1,131m
Net debt	£508.7m	£563.6m	£482.5m	£475.1m	£486.2m	£344.7m	£417.9m
LTV	48.1%	47%	38%	37%	35%	28%	37%
Cost of debt ¹	3.3%	3.4%	3.2%	3.2%	3.2%	3.1%	3.5%
Interest cover ratio	3.5x	4.8x	5.1x	5.1x	6.8x	4.7x	4.5x
Debt maturity ²	5.4 years	5.9 years	6.4 years	6.9 years	7.4 years	7.9 years	2.5 years
Retail occupancy	96.2%	94.8%	95.6%	95.2%	96.2%	96.5%	97%
Like-for-like retail net property income	-9.0%	-6.0%	-3.5%	-2.0%	-0.5%	+0.9%	+1.2%
Average retail rent per sq ft	£11.85	£12.66	£12.49	£12.52	£12.48	£12.36	£12.45

1. Assumes revolving credit facility is fully drawn

2. Assumes extension periods are exercised and approved

3. EPRA NTA has replaced EPRA NAV for the current period of reporting and its comparative. All remaining historical disclosures remain at their EPRA NAV value.

Leveraging out platform / disciplined balance sheet

We leverage the scale and expertise of our platform, underpinned by a conservative and unencumbered balance sheet, to drive further returns. This includes using our platform to manage assets owned by third parties or which we own through joint ventures with third parties.

Profitable capital recycling

We regularly assess potential upside opportunities in disposing of assets and recycling capital into new opportunities, and we have a track record of doing this profitably. These disposals are typically of mature assets where our estimates of forward looking returns are below target levels, assets where we believe the risk profile has changed, or assets sold to special purchasers.



Disciplined Stock Selection

We target high yielding assets with low risk characteristics in our key sectors of community shopping centres, conveniently-located retail parks and community pubs. We acquire these assets either directly or through joint ventures. Our significant market experience and in-depth analysis enable us to price risk appropriately and buy assets at the right prices.

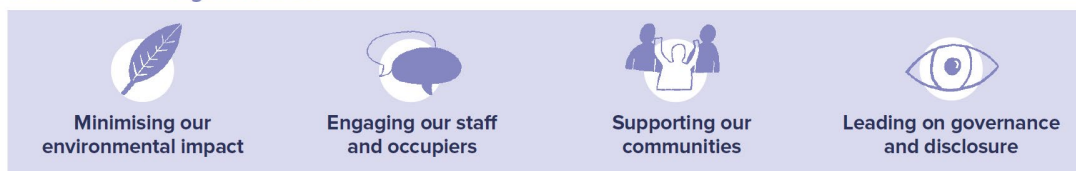
Active asset management

We enhance and protect income returns through our asset management initiatives, which range from the deployment of targeted capex to improve asset environments to measures to reduce occupational costs for occupiers. We draw on our in-house expertise, a deep understanding of our market and strong relationships with our occupiers to achieve this.

Risk-controlled development

We create income and capital growth through our risk-controlled development pipeline. Our in-house development team works with stakeholders to obtain valuable planning consents, which we can develop ourselves or sell to crystallise a profit. Our risk controlled approach means that we will not commit to developments without securing significant pre-lets or pre-sales.

Our ESG objectives



33 Shopping Centres

Disposals in HY21:

- No disposals

24 Retail Parks

Disposals in HY21:

- Darnall, Sheffield
- 90% interest in Sprucefield Retail Park, Lisburn

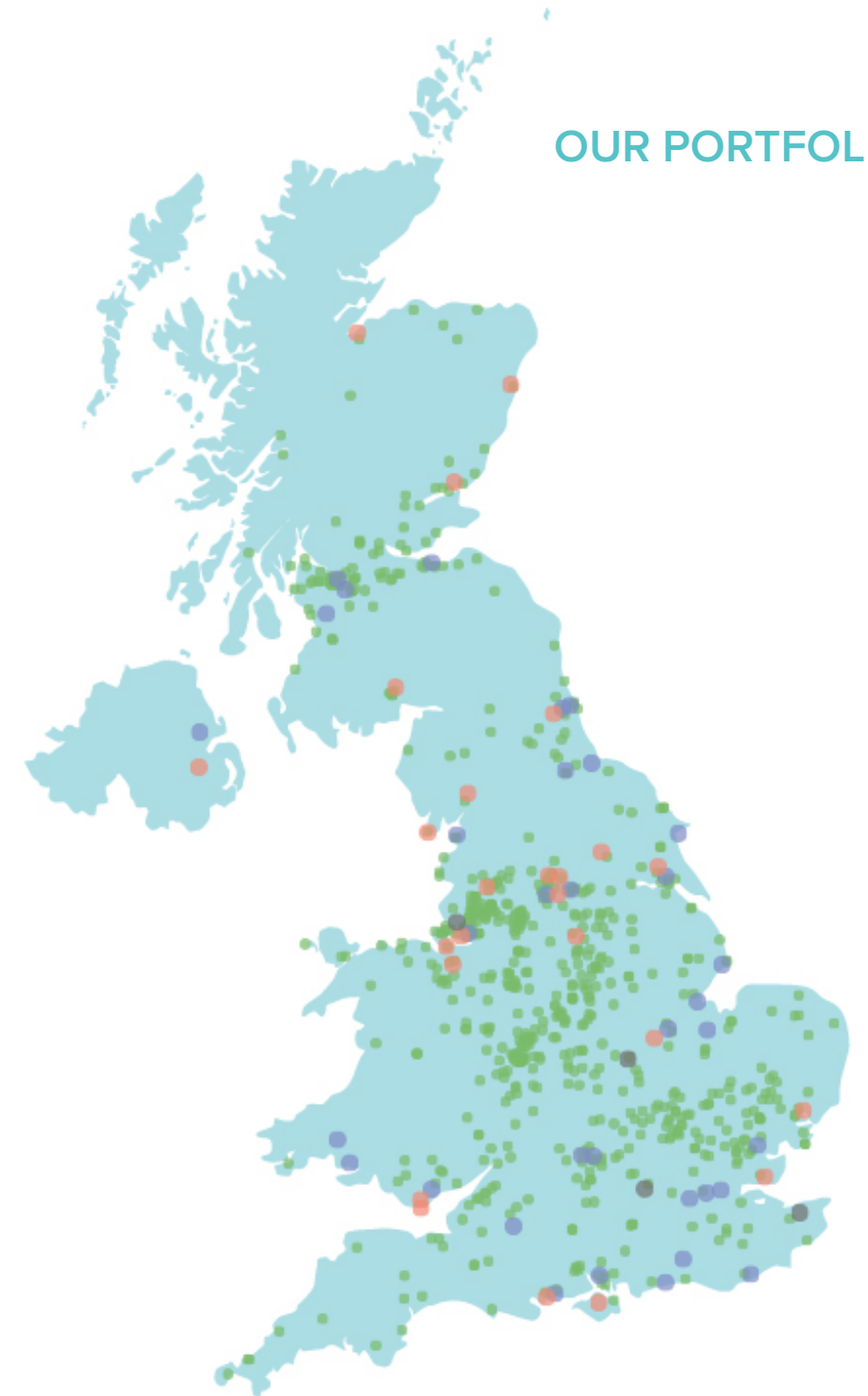
700 pubs

Disposals in HY21:

- 20 pub and land disposals
- 1 c-store disposal

4 Asset Management Mandates

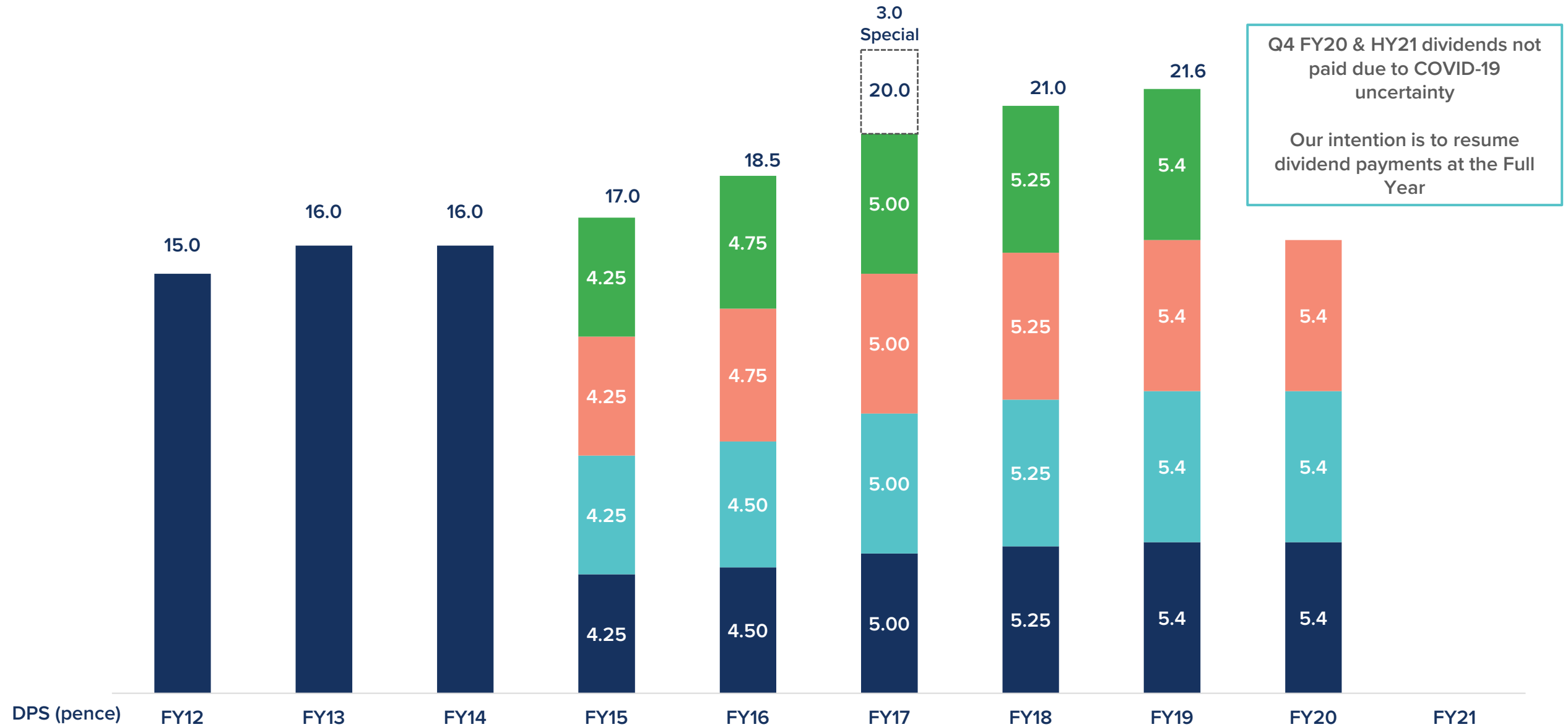
OUR PORTFOLIO



Name	Floor area ‘000 sq ft	Gross rent (NR Share)	Occupancy	Key occupiers
Broadway Shopping Centre & Broadway Square Retail Park, Bexleyheath	531,000	£10.3m	96%	Sainsbury’s, M&S, Boots Wilko
Abbey Centre, Newtownabbey	320,000	£5.6m	98%	Primark, Poundland, Next
Templars Square Shopping Centre, Cowley, Oxford	264,000	£3.2m	94%	Wilko, Co-op, Iceland, Poundland
Priory Meadow Shopping Centre, Hastings	286,000	£4.9m	100%	Primark, M&S, Poundland, Boots
Hillstreet Shopping Centre, Middlesbrough	240,000	£3.5m	99%	Primark, Superdrug, Home Bargains
Cornmill Shopping Centre, Darlington	245,000	£3.3m	100%	Primark, Next, JD Sports, Waterstones
Grays Shopping Centre, Grays	228,000	£2.0m	98%	Poundland, Wilko, Iceland
The Avenue, Newton Mearns	199,000	£2.5m	99%	Asda, M&S Simply Food, Boots, Superdrug
Capitol Shopping Centre, Cardiff	170,000	£2.2m	90%	Boots, Tesco, The Gym
Kittybrewster Retail Park, Aberdeen	154,000	£1.8m	100%	DFS, B&M, TK Maxx

Aggregate value of top 10 assets: £405 million (NRR share), 38% of total portfolio

DIVIDEND TRACK RECORD



Accounting basis £m	6 months to 30 September 2020			Annualised as at 30 September 2020		
	Group	JVs & Funds	Total	Group	JVs & Funds	Total
Shopping Centres	24.7	0.3	25.0	49.3	0.6	49.9
Retail Parks	7.0	1.7	8.7	12.1	3.6	15.7
High Street	0.8	-	0.8	1.4	-	1.4
Pubs & Convenience Stores	16.8	-	16.8	33.6	-	33.6
Development	0.8	-	0.8	1.7	-	1.7
	50.1	2.0	52.1	98.1	4.2	102.3
Service charge income	6.2	-	6.2			
Amortisation of letting and legal	(0.9)	-	(0.9)			
Surrender premium & Commissions	0.1	0.2	0.3			
Asset management fees	0.5	-	0.5			
Gross rental income	56.0	2.2	58.2			

Accounting basis £m	6 months to 30 September 2020			Annualised as at 30 September 2020		
	Group	JVs & Funds	Total	Group	JVs & Funds	Total
Shopping Centres	14.4	0.1	14.5	28.7	0.2	28.9
Retail Parks	6.1	1.4	7.5	10.3	3.2	13.5
High Street	0.5	-	0.5	1.0	-	1.0
Pubs & Convenience Stores	3.5	-	3.5	7.0	-	7.0
Development	(0.1)	-	(0.1)	(0.1)	-	(0.1)
Net rental income	24.4	1.5	25.9	46.9	3.4	50.3
Surrender premia & Commissions	0.1	0.2	0.3			
Asset management fees	0.5	-	0.5			
IFRS 16	1.5	-	1.5			
IFRS 9	(1.0)	(0.1)	(1.1)			
Net property income	25.5	1.6	27.1			

	Passing rent of leases expiring £m	ERV of leases expiring £m	Passing rent subject to review £m	ERV of leases subject to review £m
FY21	3.4	4.8	1.8	2.0
FY22	6.1	7.1	3.7	4.2
FY23-24	15.3	17.9	8.7	9.9
Total	24.8	29.8	14.2	16.1

RECONCILIATION OF IFRS LOSS AFTER TAXATION TO UFFO

	HY21 £m	HY20 £m
Loss after taxation	(92.3)	(21.3)
Adjustments		
Revaluation of investment properties	92.9	40.4
Revaluation of joint ventures' investment properties	1.8	2.1
Revaluation of derivatives	1.2	2.3
Loss on disposal of investment properties	2.1	0.8
Loss on disposal of subsidiary	2.2	-
Deferred tax	0.1	0.4
Acquisition costs	0.1	-
EPRA earnings	8.1	24.7
Depreciation of properties	0.3	0.5
Forward looking element of IFRS9	0.6	-
Abortive fees	0.3	-
Share-based payment charge	-	1.2
Underlying Funds From Operations	9.3	26.4

ADJUSTED FUNDS FROM OPERATIONS (AFFO)

	HY21 £m	Restated HY20 £m
Gross rental income (GRI)	52.1	63.3
UFFO before void costs for repairs	9.7	26.9
Net contribution to R&M through service charge attributable to vacant units (A)	(0.4)	(0.5)
Underlying Funds From Operations (UFFO)	9.3	26.4
Essential capital expenditure undertaken outside service charge (B)	(0.5)	(0.6)
Total maintenance capex incurred by NewRiver (A + B)	(0.9)	(1.1)
Other adjustments (Rent free, Tenant incentives, L&L & Depreciation)	(0.1)	(0.8)
Adjusted Funds From Operations (AFFO)	8.3	24.5
Maintenance capex as percentage of UFFO	10.2%	4.2%
Maintenance capex as percentage of GRI	1.8%	1.7%
Maintenance capex as a percentage of GAV	0.1%	0.1%

Analysis of capital expenditure	HY21 £m	Restated HY20 £m	Criteria	Capitalised	Recoverable from tenants
Essential	0.5	0.6	Works required to maintain physical environment in state of good repair	✓	⊘
Asset management	3.8	7.6	Works planned, committed and undertaken linked to a future income stream	✓	⊘
Development capex	1.0	0.8	Capital expenditure linked to properties disclosed in the risk-controlled development pipeline	✓	⊘
Total	5.3	9.0			

Financial Policies		Proportionally consolidated	
		30 Sept 2020	31 March 2020
Net debt		£508.7m	£563.6m
Principal value of gross debt		£654.4m	£652.4m
Weighted average cost of drawn debt ¹		3.3%	3.4%
Weighted average debt maturity of drawn debt ^{1,2}		5.4 yrs	5.9 yrs
LTV	Guidance <40% Policy <50%	48%	47%
		HY21	HY20
Net debt: EBITDA ³	<10x	9.0x	6.4x
Interest cover	>2.0x	3.5x	3.8x
Dividend cover ⁴	>100%	N/a	105%
		Group	
		30 Sept 2020	31 March 2020
Balance sheet gearing	<100%	95%	90%

1. Cost of debt assuming £215 million revolving credit facility is fully drawn
2. Average debt maturity assuming 1-year extension options are bank approved
3. EBITDA on a 12 month look back basis
4. Calculated with reference to UFFO

Financial Policies	Policy	Reported
LTV	Guidance <40% Policy < 50%	48%
Balance sheet gearing	<100%	95%
Net debt: EBITDA	<10x	9.0x
Interest Cover	>2.0x	3.5x
Dividend Cover ¹	>100%	N/a

Additional Guidelines	Guideline	Reported
Single tenant concentration	<5%	2.5% (B&M)
Development expenditure	<10% of GAV	<1%
Risk-controlled development	>70% pre-let or pre-sold on committed	100%
Pub weighting ²	<30% of GAV	25%

1. Calculated with reference to UFFO

2. Excluding c-stores

	30 Sept 2020	31 March 2020
	£m	£m
Borrowings	629.1	628.6
Cash and cash equivalents	(137.8)	(80.8)
Net debt	491.3	547.8
Equity attributable to equity holders of the parent	518.2	610.6
Net debt to equity ratio ('Balance sheet gearing')	95%	90%
Share of joint ventures' and associates' borrowings	19.1	17.1
Share of joint ventures' and associates' cash and cash equivalents	(1.7)	(1.3)
Group's share of net debt	508.7	563.6
Carrying value of investment property and public houses	961.5	1,102.3
Carrying value of managed houses	54.2	55.0
Share of joint ventures' and associates carrying value of investment properties	42.2	39.8
Group's share of carrying value of investment properties	1,057.9	1,197.1
Net debt to property value ratio ('Loan to value')	48.1%	47.1%

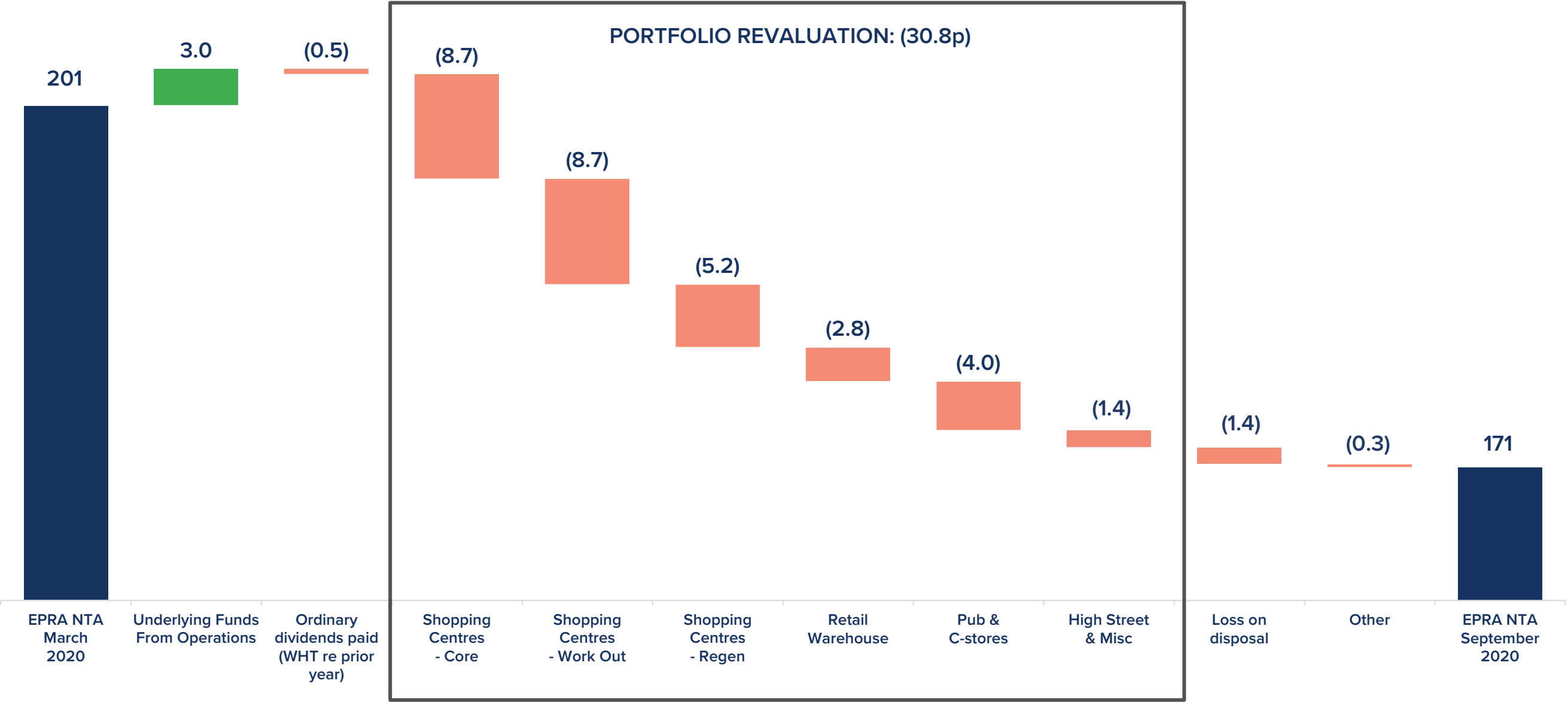
Number of shares (m)	30 Sept 2020	31 March 2020
Weighted average – basic ¹	306.4	305.9
Weighted average – diluted ²	306.5	306.2
Period end – basic ³	306.5	306.2
Period end – diluted ⁴	306.7	306.5

(1) For the purposes of Basic EPS, FFO and EPRA

(2) For the purposes of Diluted EPS and EPRA

(3) For the purposes of Basic Net Assets per share and EPRA NTA per share

(4) For the purposes of Diluted Net Assets per share and EPRA NTA per share

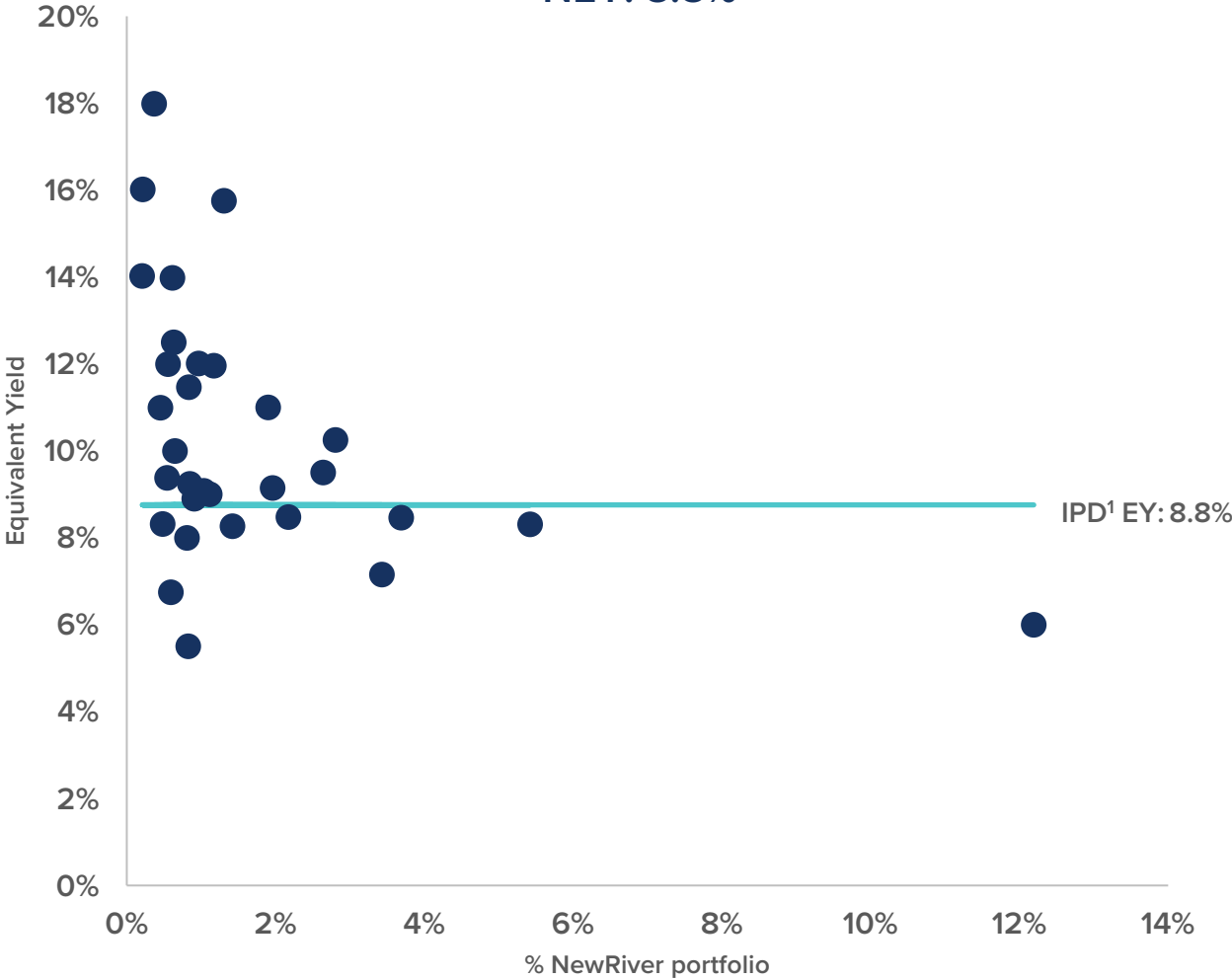


VALUATION ANALYSIS FOR SHOPPING CENTRES AND RETAIL PARKS: HIGH CASH YIELD, LOW AVERAGE LOT SIZE

NewRiver Shopping Centres

Average lot size: £18.2m

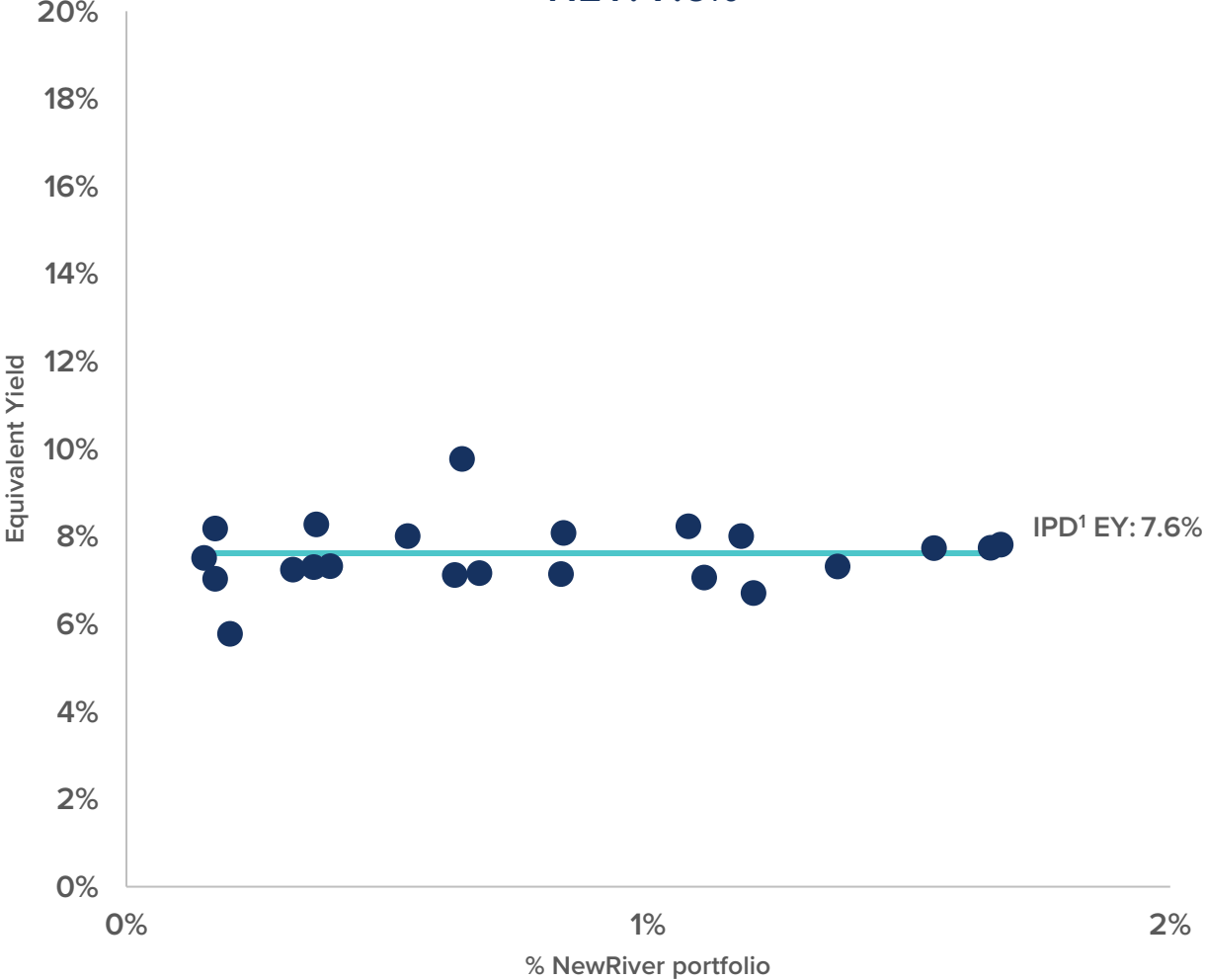
NEY: 8.8%



NewRiver Retail Parks

Average lot size: £13.3m

NEY: 7.6%



1. MSCI-IPD Quarterly Index, September 2020

- Valuation based on total site ownership rather than current building / massing
- Redevelopment assumes approximately 60% site coverage, with massing appropriate to site location, and no affordable housing or planning obligations, due to substantial brownfield regeneration
- Residential, industrial, office, hotel, miscellaneous/storage all reviewed, with use selected according to viability
- Assumes vacant possession (i.e. shopping centre not viable) and that planning has been achieved
- Demolition costs of redevelopment works are estimated at £10 per sq ft, capped at £3m
- Costs allowance for external works assumed at 10% of construction cost, with an additional 5% contingency
- Construction costs are based on Building Cost Information Service ('BCIS') All-In Tender Price Index
- Residual Land Value is based on 15% profit on cost for redevelopment
- Residential sales prices use Land Registry price indices
- No allowance made for public sector assistance/grant funding programs, abnormal development costs or local absorption rates
- Maximum construction period of 36 months and maximum sales period of 48 months
- Commercial rents and land values based on average letting values and comparable evidence (EG Property Link)

- CWM was commissioned by NewRiver in November 2020 to conduct an assessment of sales generated and affordability of rents for every tenant trading in 34 retail assets
- For each scheme, CWM assessed unit-by-unit turnover and sales densities, and calculated Affordable Rent to Sales ratios given its experience working for a wide range of retail occupiers, combined with information released in publicly available company accounts
- CWM's Affordable Rents were compared to actual rents paid to assess the overall affordability of each unit from a tenant perspective
- CWM's analysis includes 2019 turnover forecasts and affordability (pre-pandemic sales) but also includes forecasts for 2020, and post-COVID 19 forecasts for 2022. Its 2022 forecasts are made under the assumption that the short-term impacts of the pandemic have passed, such as enforced store closures and social distancing, but accounts for CWM's view on the long-term impacts that the virus will have on the retail industry, including increased home working, and a consequent shift to more localised shopping habits
- CWM has not provided sales forecasts for the following units: (i) non-retail uses; (ii) units that are vacant/currently not trading; (iii) units on which no rent paid, or NewRiver's ownership does not cover the tenant's entire trading area; and (iv) select use categories, such as financial services
- The sales forecasting utilises a range of sources: (i) turnover data provided by NewRiver for select units; (ii) actual store performance from previous projects CWM has undertaken on behalf of brands, performance of the brand in comparable retail centres in which they trade, or trading levels of similar brands in comparable retail centres; and (iii) an understanding of typical trading performance of retailers and product categories, adjusted to account for local catchment demographics and market size, sizing of the specific unit they occupy, and area of pitch within the asset
- All turnover forecasts are exclusive of VAT

RISK-CONTROLLED DEVELOPMENT PIPELINE: CONSOLIDATED

	Shopping Centre	Retail Warehouse	Health & Social Care	Hotel	C-stores	Residential	Total	Retail & Leisure Pre-let	Residential Pre-sold
	sq ft	sq ft	sq ft	sq ft	sq ft	sq ft	sq ft	%	%
Completed in period / Under construction	-	3,600	-	37,900	3,600	8,100	53,200	100	0
Planning granted	279,000	12,000	-	63,100	10,700	550,300	915,100	53	29
In planning	-	19,000	-	-	3,500	25,400	47,900	100	0
Pre-planning	-	77,300	54,200	-	3,500	1,056,900	1,191,900	41	0
Near-term pipeline	279,000	111,900	54,200	101,000	21,300	1,649,700	2,208,100		
Early feasibility stages	-	-	-	50,000	-	378,000	428,000		
Total	279,000	111,900	54,200	151,000	21,300	2,018,700	2,636,100		
<i>Additional residential potential</i>	-	-	-	-	-	451,200			
<i>Basingstoke Leisure Park</i>	700,000	-	-	-	-	-			

- Earlier in the year, we submitted a revised planning application for the mixed-use regeneration of Burgess Hill town centre to Mid Sussex District Council.
- Working closely with local stakeholders, we adjusted the design of the scheme to increase its residential provision, from 142 units to 172, and reduce space designated for retail, reflecting the changing nature of the retail market and needs of town centres.
- The revised scheme will include a 16-lane bowling alley, a 10-screen multiplex cinema, and an 85-bed hotel with a new public café bar.
- In addition, the development will provide a significantly improved public realm which would provide functional space for managed outdoor events.
- COVID-19 has had an impact on planning committee schedules but we understand that the scheme remains a priority for Council to bring to committee over the summer.

RISK-CONTROLLED DEVELOPMENT PIPELINE: PLANNING GRANTED – BURGESS HILL



- Acquired Templars Square Shopping Centre in Cowley, Oxford for £24.6m in December 2012
- In July 2017, Oxford City Council approved plans for our major 236,000 sq ft mixed-use development to regenerate Templars Square Shopping Centre
- The scheme will include 226 new residential apartments, a 71-bed hotel, two new restaurant units, a modernised car park and major improvements to the public realm. The hotel and leisure element of the scheme is 82% pre-let
- We are about to complete the Section 106 and Section 278 Agreements at the site and are now identifying a delivery partner to advance the technical design and deliver the scheme
- We are also exploring additional phases of development to unlock further mixed-use potential from the asset

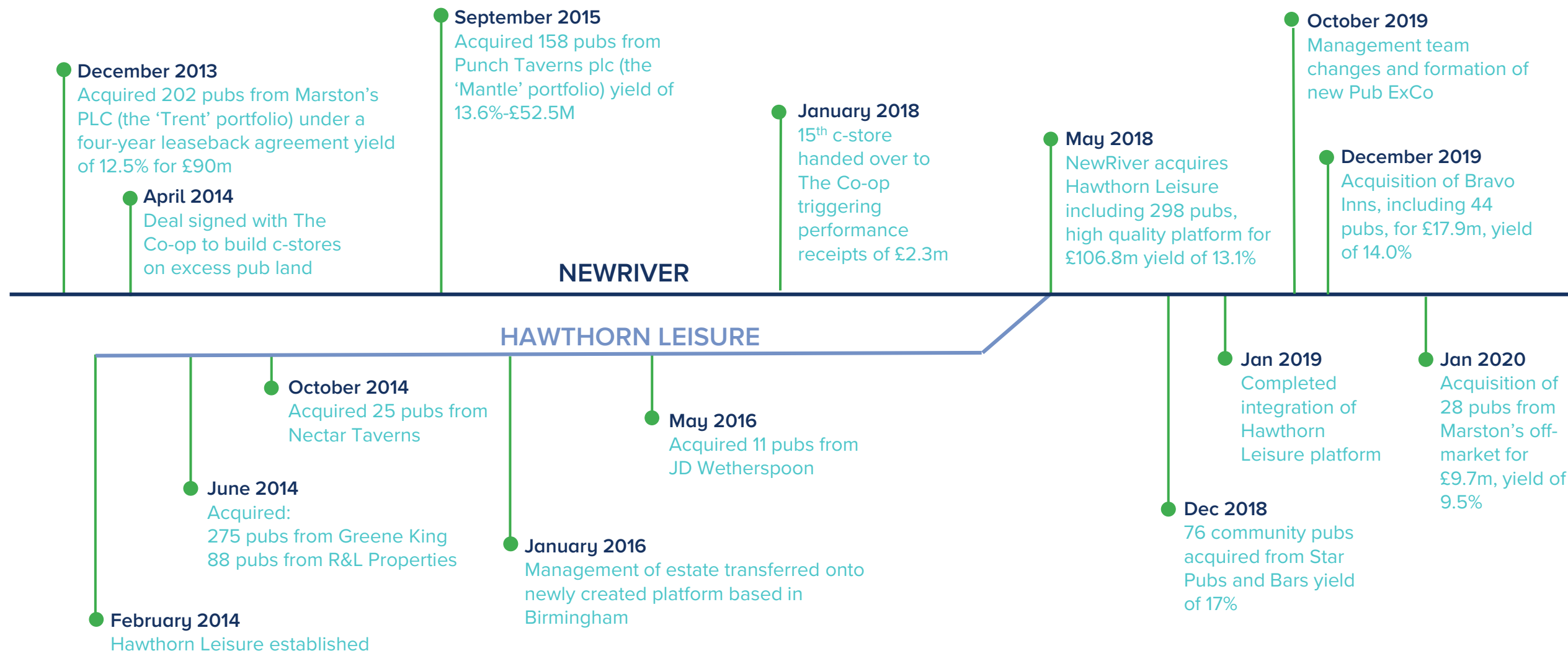
RISK-CONTROLLED DEVELOPMENT PIPELINE: PLANNING GRANTED – COWLEY, OXFORD



- We acquired Grays Shopping Centre in June 2018, as we recognised a significant value-creating opportunity for redevelopment at the site, which is located just 35 minutes from Central London by train.
- We are currently working closely with Thurrock Council to bring forward a redevelopment plan that would reduce and repurpose existing retail floorspace, increase public open areas and facilitate an improved pedestrian flow through Grays town centre, as well as providing over 800 new homes.
- In February 2020, we held a Community Planning Weekend at the site, attended by hundreds of local residents and businesses who shared thoughts for the vision of a regenerated town centre.
- The community input was collated and produced into a feedback report and conceptual layout which was presented to the public in the town theatre. The feedback vision document was then adapted to comprise a pre-application presentation which was submitted to Thurrock Council in May 2020. The outcome of the pre-app discussions will evolve the vision document further, which will then be presented back to the community prior to a formal planning application being prepared.

RISK-CONTROLLED DEVELOPMENT PIPELINE: PRE-PLANNING – GRAYS





	Leased & Tenanted	Operator Managed	Fully Managed
Number of NRR pubs	<ul style="list-style-type: none"> 565 	<ul style="list-style-type: none"> 131 	<ul style="list-style-type: none"> 4
Property Interest	<ul style="list-style-type: none"> Occupational lease with Tenant 	<ul style="list-style-type: none"> No landlord and tenant relationship established 	<ul style="list-style-type: none"> No landlord and tenant relationship established
Employees and pub management	<ul style="list-style-type: none"> Tenant is self-employed and employs all pub employees Tenant incurs all operating costs of running the pub 	<ul style="list-style-type: none"> Operator employs all pub employees NRR incurs all operating costs of running the pub, except for payroll which is borne by the Operator 	<ul style="list-style-type: none"> NRR fully manages the pub and directly employs all pub employees NRR incurs all operating costs of running the pub
Supply arrangements	<ul style="list-style-type: none"> Tied Tenants are required to purchase drinks from NRR and lease machines from NRR approved suppliers 	<ul style="list-style-type: none"> NRR sells all products for sale to the Operator NRR retains ownership of products until sale to a customer 	<ul style="list-style-type: none"> NRR supplies all drinks and food for sale at the pub. NRR retains ownership of products until sale to a customer
Components of NRR income	<ul style="list-style-type: none"> NRR receives: <ol style="list-style-type: none"> Rental income Margin between wholesale and sale price of drinks (if tied) A share of machine profits 	<ul style="list-style-type: none"> NRR receives gross turnover generated by pub on a daily basis. NRR then pays a management fee to Operator (on average c.20% of net revenue) 	<ul style="list-style-type: none"> NRR retains all turnover generated by the pub business

- 565 NRR pubs are leased & tenanted
- Occupational lease in place with tenant, typically live above pub
- Tenant is self-employed and employs all pub employees
- Tenant incurs all operating costs of running the pub
- Tied tenants are required to purchase drinks from NRR and lease machines from NRR approved suppliers
- NRR receives rental income, a margin between wholesale price and sale price and, a share of machine profits

Example tenant P&L		£'000		Example NRR P&L		£'000
Wet income (Beer, wine, spirits)		280		Wet income to NRR		140
Wet cost of sales		(140)	→	Wet cost of sales (from brewer)		(90)
Net food income		40		Net wet income		50
Total operating income		180				
Machine income		15		Machine income (NRR share)		7
Machine income – share to NRR		(7)	→			
Gross Profit		188		Rental income		25
Rent		(25)	→			
Direct operating costs		(110)		Outlet EBITDA		82
Publican site profit		53				
Notional benefit of free accommodation above pub		12				

- 131 NRR pubs are operator managed
- NRR incurs all operating costs of running the pub, except for staff costs which are borne by the Operator
- NRR supplies all products for sale to the Operator
- NRR retains ownership of products until sale to a customer
- NRR receives gross turnover generated by pub on a daily basis. NRR then pays a management fee to Operator (on average c.20% of net revenue)

Example NRR P&L	£'000
Wet income (Beer, wine, spirits)	477
Wet cost of sales	(180)
Net food income	-
Total operating income	297
Machine income	20
Gross Profit	317
Management fee	(70)
Direct operating & maintenance costs	(117)
Outlet EBITDA	130

Example operator P&L	£'000
Management fee from NRR	70
Staff costs	(29)
Operator profit	41



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