

2020 FULL YEAR RESULTS

9 March 2021

C&R

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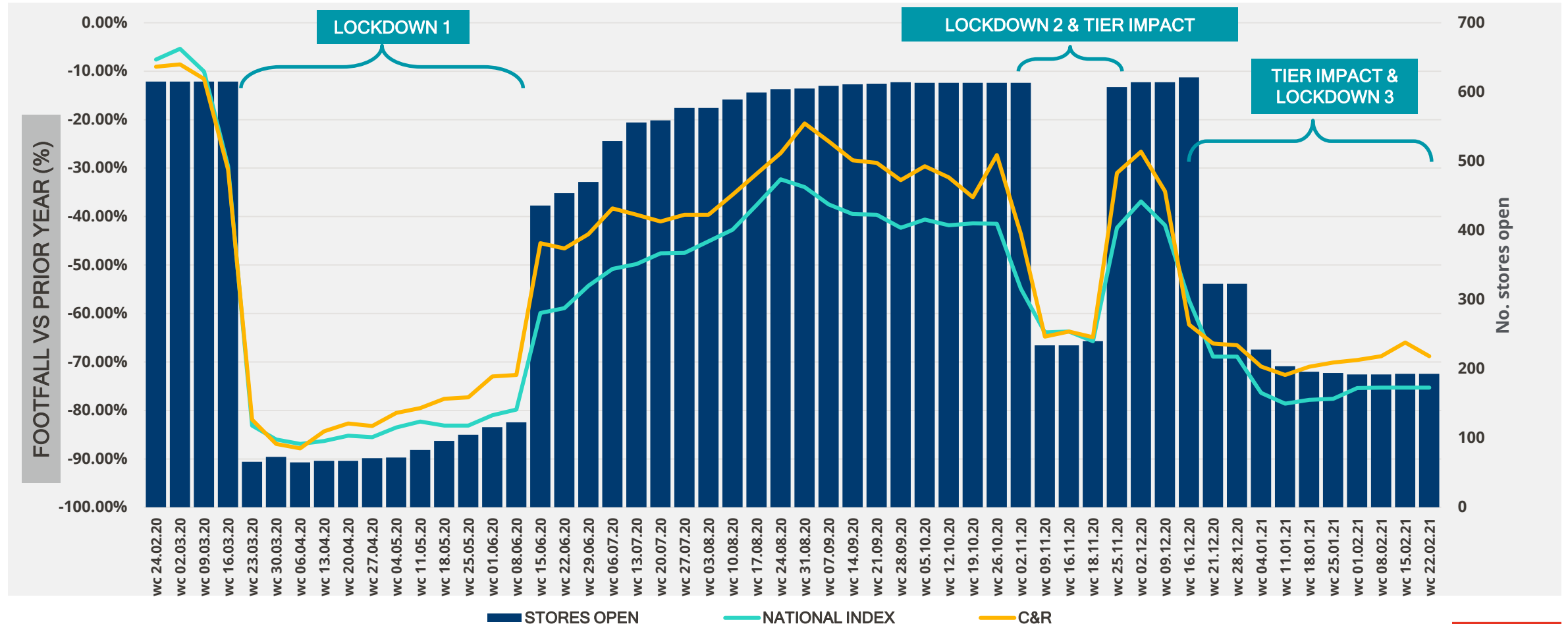
RESULTS AND MARKET OVERVIEW

Lawrence Hutchings
Chief Executive

RESULTS

NAVIGATING THE IMPACT OF COVID-19 RESTRICTIONS

- 3 national lockdowns and changing regional tier restrictions significantly impacted trading and footfall from March 2020
- All centres remained open throughout 2020 supporting our essential retailers and our communities



DELIVERING DURING COVID-19

Community Centre strategy provides a sound platform for navigating these unprecedented times

92.1%

Resilient
occupancy

80%

FY 2020 rent has
been collected

63

Leases signed at
premium to ERV
and passing rent

£1.4m

Cost Savings
by reducing
service charge

30%

Our stores
remain open

- Our strategic shift to focus on providing non-discretionary goods and services ensured that all centres remained open throughout 2020
- 98% of units were back up and trading in mid-December 2020 before tier restrictions required the re-closure of non-essential retail
- 80% of rent has so far been collected for FY2020
- Footfall significantly impacted but portfolio outperformed the national index by 3.7% and recovered quickly when restrictions eased
- Rent collection for the first quarter of 2021 is currently 60%
- Occupancy has remained resilient at 92.1% (December 2019: 97.2%)
- 63 new lettings and renewals completed during the year (2019: 66)



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2020 FINANCIAL RESULTS

Stuart Wetherly
Group Finance Director

FINANCIAL RESULTS

Covid-19 has had a pervasive impact on financial results

	2020	2019	DIFFERENCE
PROFITABILITY			
Net Rental Income	£34.1m	£49.3m	-£15.2m (-30.8%)
Adjusted Profit ¹	£10.3m	£27.4m	-£17.1m (-62.4%)
Adjusted Earnings per share ²	9.5p	36.7p	-27.2p (-74.1%)
Proposed Final Dividend per share ²	-	21p	-21p (-100%)
NET ASSET VALUE			
Portfolio valuation	£527.0m	£727.1m	-£200.1m (-27.5)%
EPRA NTA	£176.7m	£378.6m	-£201.9m (-53.3)%
NAV per share ²	150p	361p	-211p (-58.4%)
EPRA NTA per share ²	158p	364p	-206p (-56.6%)
GROUP DEBT			
Net debt to property value	65%	46%	+19 pps
Average maturity	4.4 years	5.4 years	-1 year
Cost of debt	3.41%	3.26%	-15 bbs

GROUP ADJUSTED PROFIT

Impacted by COVID-19 trading restrictions and rent collection

	2020	2019	DIFFERENCE
PROFITABILITY			
Net Rental Income	£34.1m	£49.3m	−£15.2m
Interest	£(17.5)m	£(18.9)m	£1.4m
Snozone	£(1.9)m	£1.5m	−£3.4m
Investment income	£0.1m	£0.2m	−£0.1m
Net Group costs	£(4.7)m	£(4.7)m	-
Tax credit	£0.2m	-	£0.2m
Group Adjusted Profit	£10.3m	£27.4m	−£17.1m

- NRI significantly impacted by COVID-19:
 - Car Park and ancillary income
 - Bad debt
 - CVAs and administrations
- Other NRI impacts
 - Surrender premium received
 - Impact of IFRS 16 leasing standard (offsetting reduction in Interest payable)
- Snozone - closed for c. 6 months of the year under Government guidelines

80% RENT COLLECTION

Business wide focus on rent collection delivering progress

	RENT COLLECTED 12M TO 30 DECEMBER 2020		RENT COLLECTED 3M TO 31 MARCH 2021	
	£m		£m	
Rent collected	50.5	80.6%	7.1	59.7%
Concessions provided	1.7	2.7%	0.1	1.2%
Written off	1.6	2.5%	-	-
Outstanding	8.9	14.2%	4.7	39.1%
TOTAL BILLED	62.7	100%	11.9	100%

- Rent collection 80% for FY20 – this breaks down 95% for Q1 2020 and 75% for the 9m to December 2020
- Working constructively with retailers to reach amicable resolutions and provide support to those who need it the most
- Bad debt charge for the year £7.3m (2019 - £1.7m)
- Rent collection for Q1 2021 currently running at 60% with deals already agreed that will add a further 10%

RETAILER RESTRUCTURING

Continued headwinds from department store and fashion restructurings

£m	NRI IMPACT ON 2020
	TOTAL
Reduction in rent/impact of empty rates	3.0
Write off of Tenant Incentives	1.4
TOTAL	4.4

- Activity continued to focus on the Department Store and Fashion categories where we have been actively reducing our exposure
- In total 39 units across our portfolio were impacted by CVAs or Administrations in 2020. 34 remain in occupation or have been re-let

DEBENHAMS

- We have three Debenhams units which are at risk of becoming vacant in the short term
- Annual empty rates and service charge cost c £2.1 million
- We have agreed terms on two units and have an offer on the other

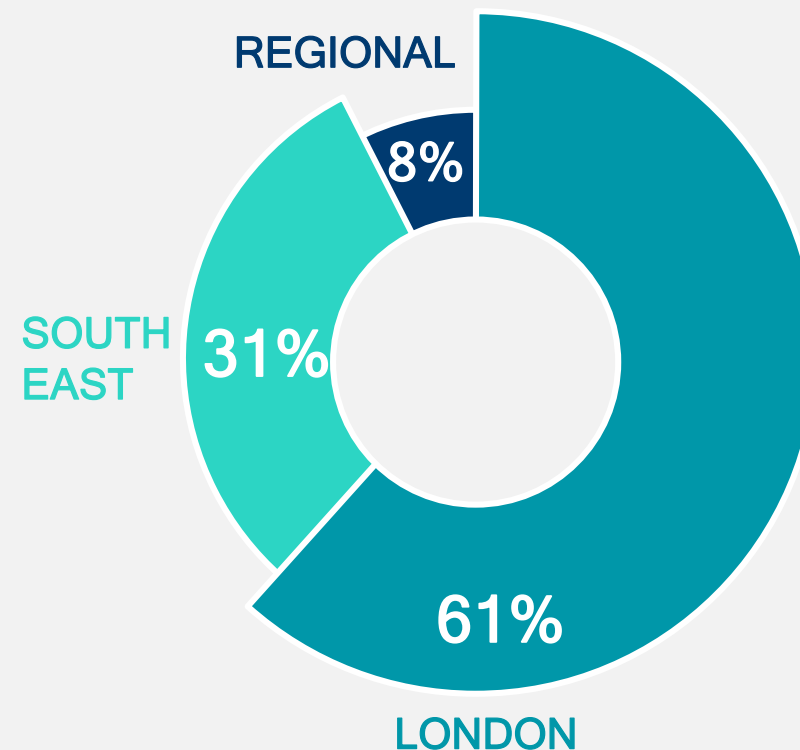
VALUATIONS

London assets continue to outperform, mitigating worst of investment market headwinds

	30 Dec 2020			30 Dec 2019			VARIANCE (%)
	£m	NIY (%)	NEY (%)	£m	NIY (%)	NEY (%)	
Ilford	60.0	5.30	7.49	77.4	6.06	6.86	-22.5
Walthamstow	106.6	5.17	6.15	126.0	5.28	5.33	-15.4
Wood Green	158.0	6.71	6.43	211.5	5.48	5.66	-25.3
Hemel Hempstead	23.3	10.00	12.69	34.7	8.50	10.38	-32.9
Luton	92.5	9.8	9.50	148.7	8.00	8.17	-37.8
Maidstone	46.0	10.67	10.75	61.9	8.38	9.69	-25.7
Blackburn	40.6	13.17	12.23	66.9	10.24	10.15	-39.3
Portfolio	527.0	7.88	8.26	727.1	6.95	7.62	-27.5

- Valuation declines of retail assets across industry accelerated in 2020 as COVID factors exacerbated structural trends
- Continued disconnect of London and regional asset values
 - London -21.8% v Rest of Portfolio -35.2% across 2020
- Alternate/mixed use options underpin London valuations

REGIONAL WEIGHTING OF PORTFOLIO



GROUP DEBT

Focus on maintaining cash flexibility in light of ongoing uncertainties

	DEBT £m	CASH £m	NET DEBT £m	PROPERTY VALUE LESS DEBT £m	LTV	NET LTV	LTV COVENANT	COVENANT WAIVERS/ DEFERRALS	STATUS
The Mall - Blackburn, Maidstone, Walthamstow, Wood Green	265.0	(10.3)	254.7	86.2	75%	73%	70%	✓	All covenants waived for Q1 2021, detailed discussions ongoing for longer term waiver
Hemel Hempstead	26.9	(0.9)	26.0	-3.6	115%	112%	60%	✓	All covenant tests deferred for Q1 2021, being reviewed on quarter by quarter basis
Ilford	39.0	(1.8)	37.2	21.0	65%	62%	70%	✓	Income covenants waived until Q3 2021, outline agreement for 12 month + covenant relaxation as part of commitment to fund major asset management initiatives
Luton	96.5	(9.0)	87.5	-4.0	104%	95%	70%	✓	All income covenant tests waived for Q1 2021, being reviewed on a quarter by quarter basis
Central	-	(60.3)	(60.3)	n/a	-	-	n/a		Unrestricted central cash
TOTAL	427.4	(82.3)	345.1	99.6	81%	65%	n/a		

- Central cash of £60.3m is equivalent to approximately one year's gross revenue
- All debt is held within ring-fenced SPV structures with no cross-default provisions or recourse to Group
- Continuing to work closely with our lenders to agree the most appropriate way forward on a facility by facility basis

COMMUNITY CENTRE STRATEGY PROVIDING RESILIENCE

Operational resilience underpinned by cash resources and stakeholder support

WAIVERS
OBTAINED ON
ALL FACILITIES

£60.3m

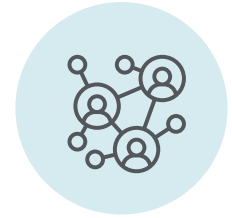
AVAILABLE
CENTRAL CASH

92.1%

OCCUPANCY

80%

2020 RENT
COLLECTION



Support from key stakeholders



Strong cash reserves



Resilient operating performance

BUSINESS UPDATE

Lawrence Hutchings
Chief Executive

DIFFERENTIATED PLATFORM POSITIONS US WELL FOR LONG TERM

We have no doubt that physical retail remains relevant for essential, value and service based retail

Community centre strategy continues to increase our relevance and operational performance

01

Integrated, multi-disciplinary platform delivering sector leading results

02

Significant progress on key initiatives provides confidence over medium to long term

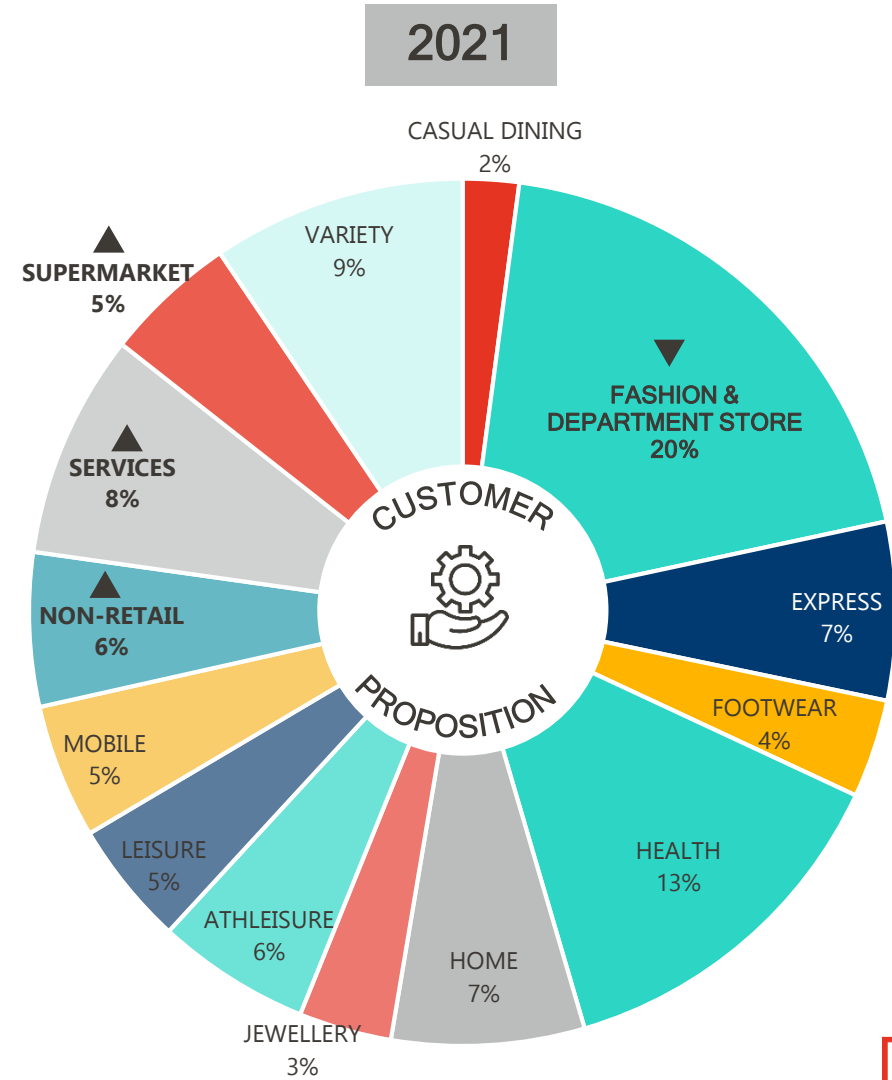
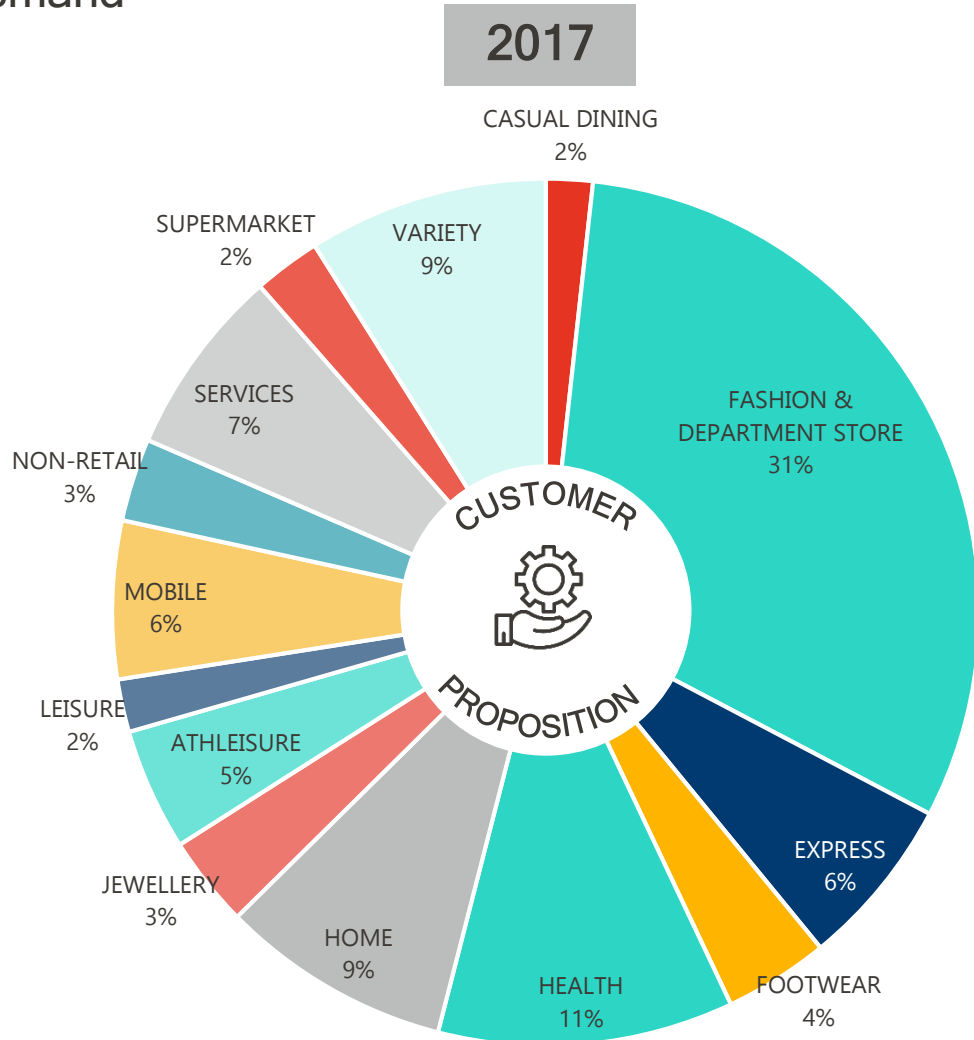
03

Placing our teams and communities at the centre of everything we do

04

COMMUNITY CENTRE MERCHANDISING PROGRESSION

Remerchandising has continued to reposition the portfolio towards categories with strong and resilient leasing demand



MERCHANDISE MIX MATTERS

Best in class national, local and independent retailers, aligned to the needs of our communities

57% GROCERY ANCHORED










- Our centres appeal to retailers requiring physical presence
 - Where the economics of online are challenged
 - Proximate and relevant
 - Value orientated
 - Community focal points
 - Highly tailored

45% OF INCOME DERIVED FROM ESSENTIAL RETAILERS

- Further growth in essential and value retailing identified and under negotiation

DIVERSIFIED INCOME STREAMS

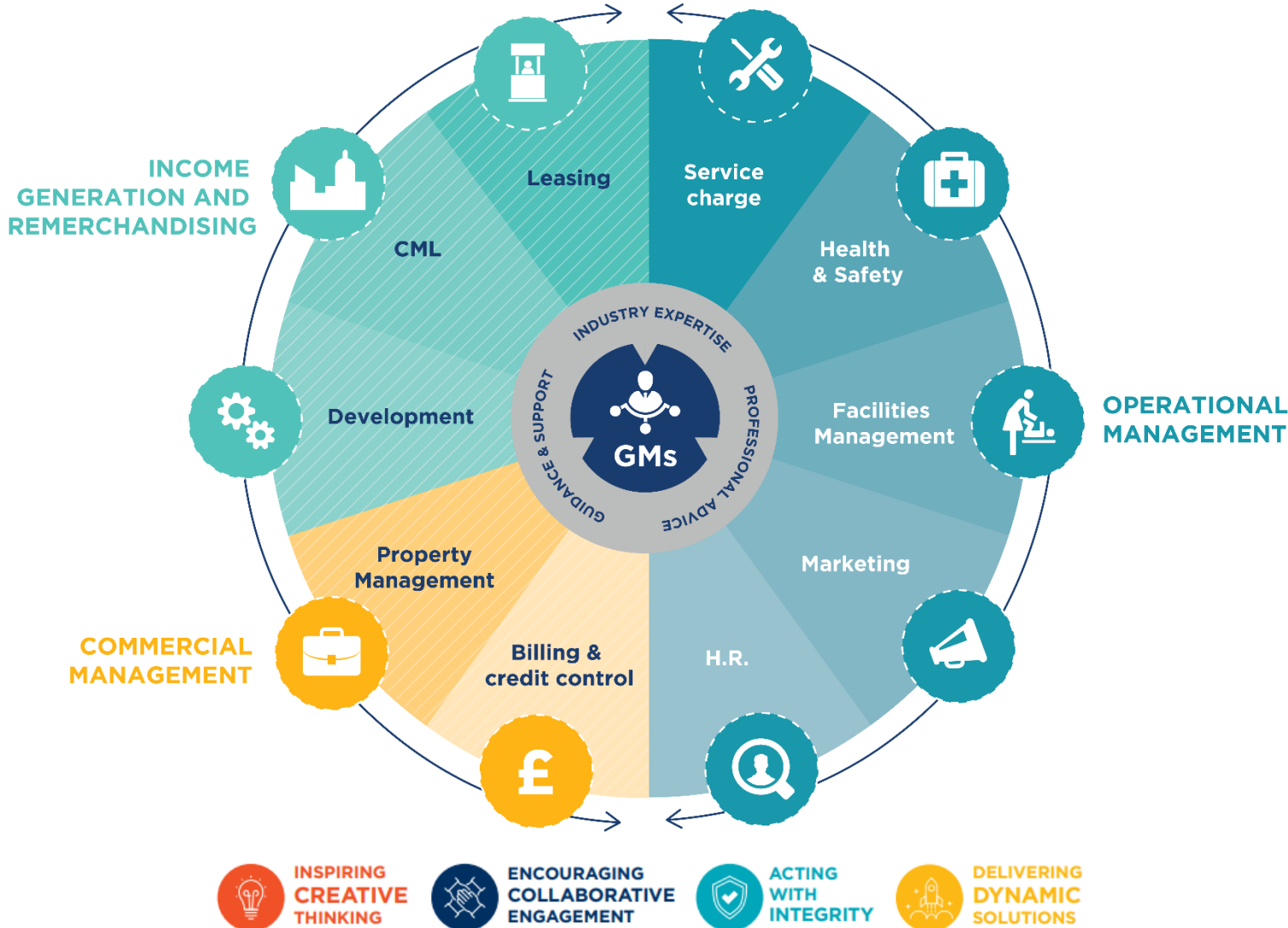
- Our mixed-use community hubs provide a diverse number of different income streams
- Balance between national and local retailers and service providers creates further diversity of income

TOP 10 OCCUPIERS BY CONTRACTED RENT	% OF RENT	STORES
  	4.06%	18
	3.92%	5
PRIMARK®	3.46%	3
	3.26%	4
	3.09%	7
	2.78%	5
	2.71%	4
Maidstone Borough Council	2.47%	n/a
	2.34%	5
Blackburn Council	2.20%	n/a
TOTAL	30.29%	51

As at December 2020.

OUR INTEGRATED MANAGEMENT PLATFORM

Continued investment into our highly regarded platform drives operational insight and performance



- Differentiated platform
- Decentralised and increased autonomy at centre level
- Rebalanced organisation
- Increased agility
- Invested in technology to increase efficiencies and drive income

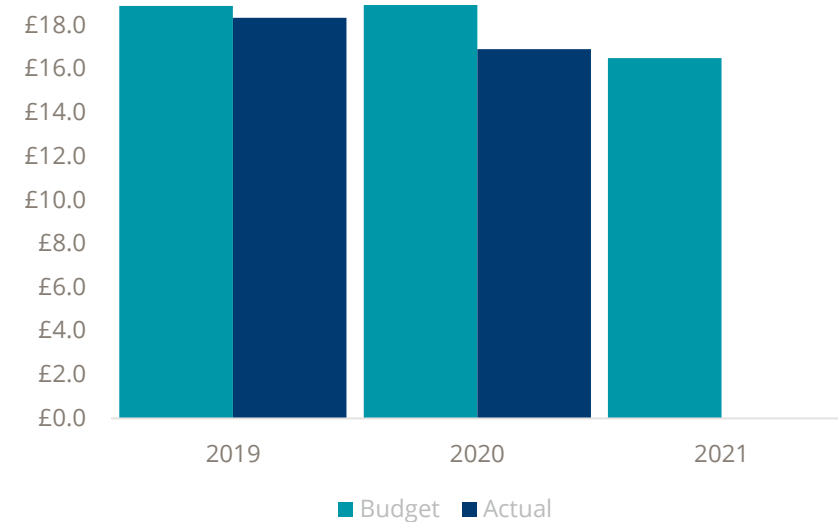
RETAILER SUPPORT

Supporting our smaller and independent retailers whilst meeting our own obligations

- Supported retailers forced to close and ensured our essential retailers were equally prepared for ongoing trading in a challenging environment
- Supported retailers to reopen as restrictions eased
- Fully deployed security, cleaning and management teams. Enhanced deep cleaning, installed sanitation stations and actively managed capacity
- Worked closely with local authorities, police, EHOs and community groups to ensure a unified approach to operating safely in line with changing Government guidelines
- Reduced service charge costs during the first lockdown months of April and May by an average of 32% across the portfolio
- Rent concessions granted to support over 80 retailers, totalling £1.4m before VAT
- 2021 service charge reduced by an average of 13% across the portfolio, equating to approximately £2.5m



SERVICE CHARGE



LEASING MOMENTUM MAINTAINED

- Occupancy remains robust at 92.1%
- Strong pipeline in place for 2021 when leasing momentum rebounds following the end of 'Lockdown 3'
- Strategy aligned with retailer demand

2020 PERFORMANCE		
New lettings	40	£1.2m
Renewals settled	23	£1.3m
Total	63	£2.5m
Comparison to previous rent ¹		+22.1%
Comparison to ERV ¹		+5.6%
Weighted average lease length to expiry		6.38 years
Weighted average lease length to break		4.76 years

- 63 new lettings and renewals completed in the period at combined average premium to ERV and previous passing rent (vs. 66 in 2019)
- Strong progress made in securing a number of key deals across the portfolio

LEASING PIPELINE		
NEW LETTINGS	NO.	HEADLINE RENT
Signed	5	£0.1m
Lawyers Instructed	33	£2.2m
HoTs Agreed	2	£0.2m
In negotiation	17	£0.9m
Total	57	£3.4m
LEASE RENEWAL	NO.	HEADLINE RENT
Signed	1	£0.01m
Lawyers Instructed	9	£0.1m
In negotiation	13	£0.5m
Total	23	£0.6m

- Significant traction in Commercial Mall Income (CML) with focus on smaller independent retailers, seeing year-on-year increase in lettings

FOCUSED ON CATEGORIES AND FORMATS WITH LEASING DEMAND

Community centres well placed to capitalise on growth in independent retailers and essential retail formats



INDEPENDENT START-UP RETAILERS

- Smaller kiosks and online stores
- Pop-up stores



RE-USE OF EXISTING FITTED STORES

- Lower barriers to entry
- Existing retailer migration to community centres



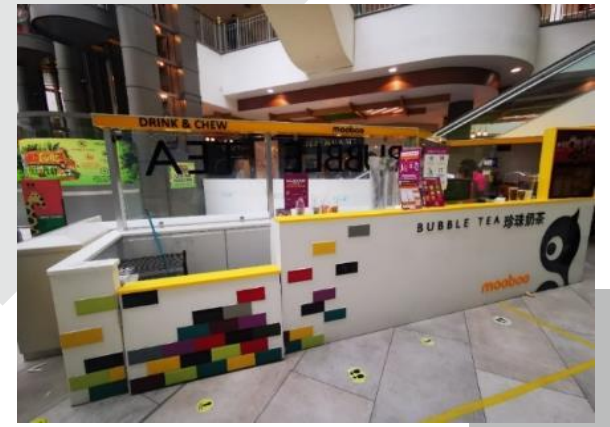
CONTINUED ROLL OUT OF COMMUNITY

- Grocery
- Medical
- Gyms
- Pharmacy
- Migration from out of town

COMMERCIAL INCOME

Increased focus on smaller independent entrepreneurs providing new sources of income and maximising revenue

- Increased investment into the commercial team with more transactions completed on a principal to principal basis
- Continued focus on the quality of the CML tenants and proposition. 2020 has produced a new standard of tenants and kiosks being implemented across the portfolio
- Strong growth achieved pre-COVID-19 and CML is one of the first areas we are experiencing income recovery driven by the London assets
- Platform increasingly recognised as a leader in the sector



CONTINUED DELIVERY OF KEY COMMUNITY USES

Strong progress despite a slowing of leasing momentum due to lockdowns



MATALAN, MAIDSTONE

- Former BHS unit
- Despite the impacts of Covid-19 new store opened in September 2020
- Only new Matalan store open in 2020



JOB CENTRE, WALTHAMSTOW

- Leased two units occupied by temporary operators equating to 8,000 sq ft opening Q2 2021
- 5 year lease with the Department for Work and Pensions
- Additional opportunities identified in other centres



PURE GYM, MAIDSTONE

- Former BHS unit
- Continued with fit out during lockdown and ready to open once restrictions are lifted

INCREASING OUR GROCERY EXPOSURE

Complementing our retail offer with grocery anchor

LIDL, LUTON

- Former M&S unit
- Handover in May 2021 for an opening in August 2021
- In parallel, further development plans in place to open units to allow for site lines into the fresh food market and grocery
- Identifying fresh food operators to locate in common areas outside Lidl
- Extended seating areas into the mall, making better profitable use of the current mall circulation
- Advanced discussions with Lidl for further sites in portfolio



THE EXCHANGE, ILFORD

EXCHANGE

Transformational letting initiatives that will enhance the schemes trading, driving income and capital growth

MEDICAL CENTRE

- Creating a modern healthcare facility of circa 20,000 sq ft
- Delivering secure long-term indexed income
- Transforming underutilised area of the centre with low footfall and an oversupply of retail space by providing a key community use
- Terms agreed include a 25 year lease
- Expected delivery date late in 2022 or early 2023
- Generation of broader halo leasing for additional community propositions such as pharmacy, beauty, health & well being
- Further expansion of Primary Care Facilities under active discussion in two centres



PARTNERSHIP WITH REEF TECHNOLOGY

Transforming underutilised space within our centres

- Partnership with REEF to invest in a new car park management providing new opportunities to drive income and efficiency and transform underutilised space
- First shopping centre deal in the UK and will be rolled out in Luton, Walthamstow and the Kingfisher Centre in Redditch
- REEF will leverage our neighbourhood hubs to provide a range of innovative tech-enabled goods and services to the surrounding areas including:
 - Dark Kitchens
 - Last mile logistics
 - E-bike and e-scooter rental stations
 - Electric vehicle charging stations
 - Digitalised car park management
 - Self-storage

REEF



WALTHAMSTOW RESIDENTIAL PROJECT

Conditional Agreement for Lease exchanged with Long Harbour and planning consent granted January 2021

- Conditional agreement for lease exchanged with Long Harbour in December 2020
- Long Harbour will deliver 495 residential units as a build to rent proposition
- Resolution to grant planning consent granted in January 2021, subject to referral and sign-off from the GLA, anticipated March 2021
- Current programme envisages a start on site in Autumn 2021, triggering land payment of c. £20m (c. £1m ahead of the YE valuations)
- Significant progress made in finalising the overall scheme design and subsequent phases incorporating:
 - 47,000 sq ft of commercial space
 - 43 residential units
 - New station entrance for the Victoria Line Underground station



SNOZONE

Focus on growing and developing the Snozone Brand as a leader in indoor snow sports

2020 REVIEW

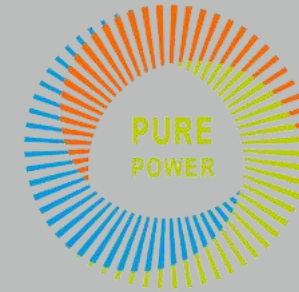
- Strong start to 2020 with revenue growth for the first two months of the year
- COVID-19 impacted trade from end of February 2020 and all venues closed from 20 March 2020
- Reopened August to November with reduced capacity and a reduction of activities available
- Awarded Disability Confident Employer accreditation for 2021
- Received certification that electricity supply is 100% renewable

MADRID ACQUISITION

- Took over the operations of the indoor ski slope at Xanadu leisure destination in Madrid on 9 February 2021
- Spain's only indoor snow centres. World class facility – 40% larger than existing Snozone UK snow centres

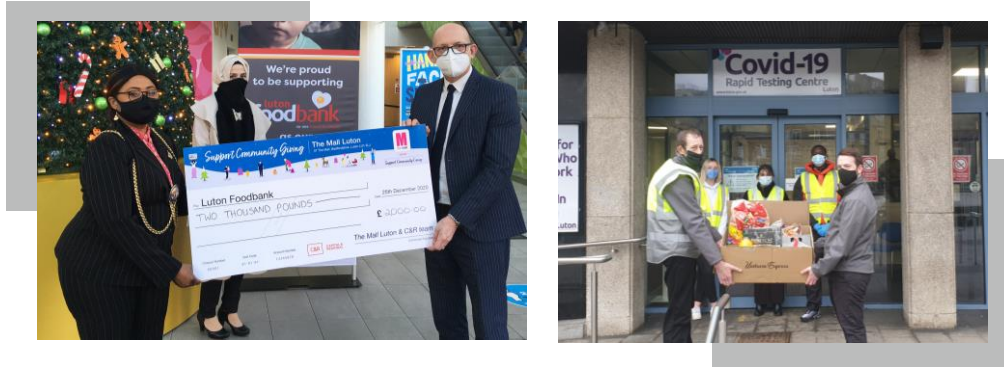


WE'RE BEING
SUPPLIED WITH
WIND HYDRO SOLAR
ZERO CARBON ELECTRICITY
100% NATURAL RENEWABLE



SUPPORTING OUR LOCAL COMMUNITIES & EMPLOYEES

Continuing our support of our communities, local initiatives, and our employees during lockdown and recovery



80

Charities supported

1758

Voluntary hours donated to supporting the local community

78

Community groups supported

£83k

Raised for 'C&R Cares'

23

Community events hosted

£53k

Community funding sponsorship



It's all about you!

- All About You Committee launched to ensure employees feel connected, engaged and supported while working remotely
- Arranged regular virtual social events including coffee mornings, quizzes and 'happy hours'
- Online Mental Health Training courses launched covering, Mental Health Awareness/Self-care, Managing Anxiety and Stress, Spotting the Signs of Depression and How to Manage it, and Mindfulness

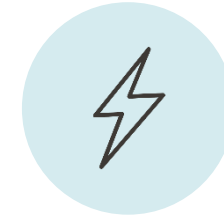
OUR ESG COMMITMENT

Advancing our responsible business and initiating work on a broader ESG strategy

- In 2020 we completed a review of our ESG strategy and will use the outcomes and recommendations to inform the development of a new overarching integrated ESG strategy this year
- In 2020, we signed up for the Better Building Partnership (BBP) Net Zero Carbon Pathway Framework and commit to achieving net zero by 2040



Natural gas consumption
-8% vs 2019



Electricity consumption
-24% vs 2019

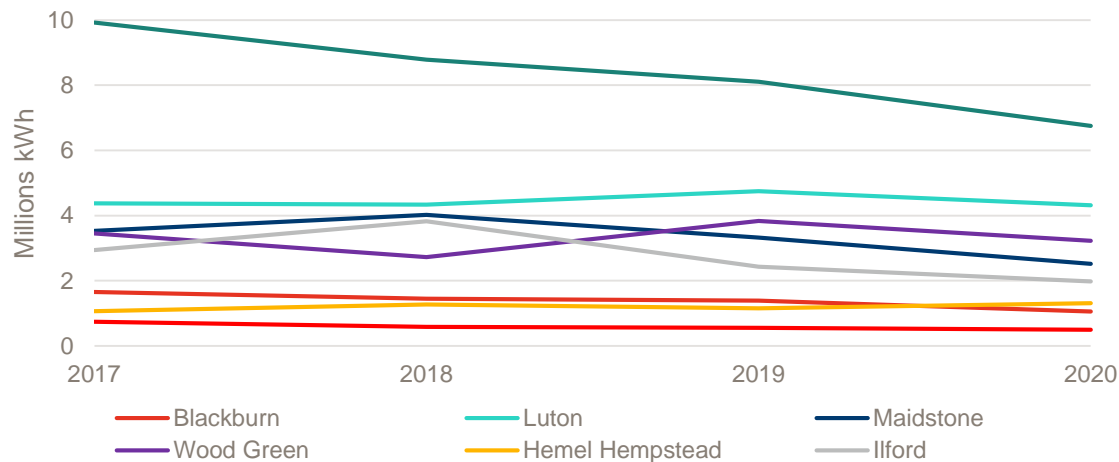


Total energy consumption
-20% vs 2019



Total emissions
-26% vs 2019

ELECTRICITY INTENSITY 2017 - 2020



DIFFERENTIATED PLATFORM POSITIONS US WELL FOR LONG TERM

We have no doubt that physical retail remains relevant for essential, value and service based retail

Community centre strategy continues to increase our relevance and operational performance

01

Integrated, multi-disciplinary platform delivering sector leading results

02

Significant progress on key initiatives provides confidence over medium to long term

03

Placing our teams and communities at the centre of everything we do

04



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APPENDIX

APPENDIX

THE RIGHT STRATEGY

Passionate creation of vibrant spaces and exceptional guest and customer experience



DEFINE

Community Shopping Centres

Our assets anchor their catchment, serving the non-discretionary and value orientated needs of their local communities.

- Family focus
- Grocery and fresh food
- Food & beverage
- Leisure and entertainment
- Health and beauty
- Mixed use (residential, hotel, office)
- Services
- Transport connectivity

01

Proven differentiated strategy - scale enables agility and responsiveness



POSITION

Assets and Retail Mix

Operations & Marketing

- Attract customers
- Drive footfall
- Retailer performance

Leasing

- Remerchandise
- Adapt and innovate retail footprint
- Income generation and growth

Investment

- Add density
- Mixed use
- Maximise value

02

Rigorous management focus - operational expertise and efficiency



FOCUS

Management Team

To accelerate decision making and delivery we focus on:

- Agile management
- Data driven
- Decentralised structure

03

Prominent community locations - town centre in boroughs with growth projected



ENHANCE

Stakeholder Value

We operate and invest with our key stakeholders in mind:

- Community
- Environment
- Our People
- The Marketplace
- Income return focus

04

Focus on technology, people and systems - enhanced data, greater insights, agile decision making and improved efficiency

REPURPOSING AND REPOSITIONING

Considerable progress made to reposition and align our centres with community needs with 60+ projects delivered



2017

- Travelodge, Wood Green
- Amenities refresh, Ilford
- Soft play, Ilford
- Babyfresh, Maidstone

2018

- Family Zone, Ilford
- Fareham House refurbishment, Hemel Hempstead
- Management Suite refurbishment, Hemel Hempstead
- Amenities refresh, Wood Green
- Amenities and family room refurbishment, Ilford and Hemel Hempstead
- Soft play, Wood Green, Luton, Blackburn

2019

- Centre ambience upgrade, Hemel Hempstead
- Family Zone, Hemel Hempstead
- Tinies Creche, Hemel Hempstead
- Pure Gym, Hemel Hempstead
- Tesco refurbishment, Luton
- Arndale House, Luton

2020

- Healthcare Centre concept, Ilford
- Food and Beverage concept, Walthamstow
- Lidl and Market concept, Luton
- Matalan, Maidstone
- Pure Gym, Maidstone
- Public realm kiosks, Ilford



ADJUSTED PROFIT TO IFRS PROFIT

AMOUNTS IN £M	30 DECEMBER 2020	30 DECEMBER 2019
Adjusted Profit	10.3	27.4
Property revaluation	(208.3)	(138.6)
Profit /(Loss) on disposals	0.4	(0.5)
Impairment	-	(1.4)
Loss on financial instruments	(5.0)	(5.0)
Other items	(0.8)	(0.7)
Loss for the period	(203.4)	(121.0)

ASSET INFORMATION

As at 30 December 2020

NUMBER OF PROPERTIES	7
Properties at valuation	£527.0m
Initial yield	7.9%
Equivalent yield	8.6%
Reversion	6.4%
Weighted average lease length to break	4.8 years
Weighted average lease length to expiry	6.4 years
Contracted rent	£53.1m
Passing rent	£51.7m
ERV	£55.0m
Occupancy	92.1%

ASSET OVERVIEW

Our 7 shopping centres

PROPERTY	DESCRIPTION	PRINCIPAL OCCUPIERS	SIZE (SQ FT)	NUMBER OF LETTABLE UNITS	CAR PARK SPACES
The Mall, Blackburn	Leasehold partially covered shopping centre on three floors	Primark, H&M, Next, Wilko, Pure Gym	600,000	109	1,286
The Marlowes, Hemel Hempstead	Freehold covered scheme on one principal trading level	Wilko, New Look, Sports Direct, River Island	350,000	110	1,175
The Exchange, Ilford	Predominantly freehold scheme over three trading levels	Debenhams, Next, H&M, TK Maxx, M&S	300,000	79	1,031
The Mall, Luton	Leasehold covered shopping centre on two floors with over 65,000 sq ft of offices	Debenhams, Primark, H&M, TK Maxx, Wilko, Luton BC (offices)	900,000	165	1,526
The Mall, Maidstone	Freehold covered shopping centre on three floors with over 40,000 sq ft of offices	Boots, New Look, Wilko, Next, Iceland, Maidstone BC (offices)	500,000	110	1,050
The Mall, Walthamstow	Leasehold covered shopping centre on two floors	TK Maxx, Sports Direct, Lidl, Asda, Boots, The Gym	280,000	67	670
The Mall, Wood Green	Freehold, partially open shopping centre, on two floors	Primark, Wilko, H&M, Boots, TK Maxx, Travelodge	617,000	111	1,500



Forward Looking Statement

This document contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking in nature and are subject to risks and uncertainties.

Actual future results may differ materially from those expressed in or implied by these statements. Many of these risks and uncertainties relate to factors that are beyond the Group's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of government regulators and other risk factors such as the Group's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Group operates or in economic or technological trends or conditions, including inflation and consumer confidence, on a global, regional or national basis.

Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this document.

The Group does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document. Information contained in this document relating to the Group should not be relied upon as a guide to future performance.