1 August 2024

Capital & Regional plc
(“Capital & Regional” or “C&R” or “the Company” or “the Group”)

Half Year Results to 30 June 2024

Capital & Regional (LSE: CAL), the UK convenience and community focused shopping centre REIT announces its half year results to 30 June 2024.

Highlights for the period

- 17.1% increase in Net Rental Income to £13.7 million ("NRI")
- 0.8% increase in like-for-like valuations
- 48 new lettings and renewals, compared to 42 in the 6 months to June 2023, at a combined average premium of 8.8% to previous rent[2] and 14.1% to ERV[2]
- 17.1% increase in Adjusted Profit[1] to £8.2 million
- 3.6% increase in proposed interim dividend of 2.85p per share

Lawrence Hutchings, Chief Executive, comments:

"We have delivered another positive set of results during the first half of 2024, with our proven community strategy continuing to support our progress. Against what at times has been a challenging economic backdrop our team has been able to capitalise on the continued strong levels of demand from retailers for space within our centres, particularly those in London. This is reflected in the strong leasing momentum we have maintained.

“Over the six months to the end of June not only did we complete more lettings and renewals than over the same period last year, we also achieved these at both a higher average rent per lease and average premium to the previous rent. The rapid re-leasing of all three of our former Wilko units to B&M in the first few months of 2024 is one of the most notable examples of the demand for space in our centres from retailers that need to be at the heart of local communities, which is further evidenced by the strong start we have made to the second half of the year. We also continue to make significant progress on our repositioning masterplan in Ilford where we have agreed terms on two major leases encompassing 44,000 sq ft of floorspace, generating approximately £0.5 million of additional income. The expanded and relocated TK Maxx is trading well and our NHS community healthcare centre is now open on the upper level.

“We have seen a further period of stable valuations and successfully integrated Gyle shopping centre into our portfolio where the initiatives we have undertaken since acquisition last September have already led to a 5% increase in value.

“Notwithstanding the previously announced and ongoing corporate activity, Capital & Regional remains well placed to continue to deliver on its successful community strategy to drive income growth and value in support of progressive shareholder dividends.”

Operational metrics remain robust demonstrating the continued appeal of C&R's community centres

- 48 new lettings and renewals (June 2023: 42), at a combined average premium of 8.8% to previous rent[2] and 14.1% to ERV[2].
- Occupancy improved to 93.9% (December 2023: 93.4%) due to re-letting the three former Wilko units in our portfolio to B&M.
- 21.1 million shopper visits in the first half of 2024.
- Rent collection 99.2% for the first half of 2024, improving from 98.4% at the 2023 Interim results.

Occupier led demand driving rental and earnings growth

- 17.1% increase in Net Rental Income ("NRI") to £13.7 million (June 2023: £11.7 million) reflecting impact of the Gyle acquisition which has been successfully integrated into the portfolio with a 21% increase in statutory revenue to £34.5 million (June 2023: £28.5 million). A further £1.0 million of contracted rent is due to convert to passing rent in the next 12 months as occupiers' rent-free periods end.
- 19% growth in Snozone's EBITDA[1] to £1.9 million (June 2023: £1.6 million) reflecting revenue growth at both the UK and Madrid operations.
- 17.1% increase in Adjusted Profit[1] to £8.2 million (June 2023: £7.0 million).
- IFRS Profit for the period of £4.5 million (June 2023: £6.1 million).
- Net £3.1 million invested during the period including completion of the new NHS community healthcare centre in Ilford that opened in May 2024 and remerchandising of the former WH Smith in Wood Green, creating new units for Pure Gym, Wendy's and Wingstop that have opened in recent weeks.
- The first phase of the Walthamstow residential development undertaken by Long Harbour, creating 495 Build to Rent apartments in two residential towers and providing a new captive audience of shoppers for our Walthamstow centre, is entering its final stages with the development due to complete in early 2025.
- 0.8% increase in like-for-like valuations over 2023 to £374.9 million (December 2023: £372.8 million). 5% growth in the valuation of the Gyle to £42 million since acquisition in September 2023 for £40 million.
- Net Asset Value ("NAV") increased to £203.9 million (December 2023: £202.0 million).
- NAV per share and EPRA NTA per share at 88p and 85p respectively (December 2023: 90p and 88p, respectively) due to the increased number of shares in issue following the June 2024 scrip dividend.

Long term secure debt position

- Long debt maturity profile of 3.6 years with low average cost of debt of 4.25% (December 2023: 4.1 years and 4.25%). Approximately 80% hedged for the next two and a half years.
- Group Net Loan to Value has reduced to 43% from 44% as at 30 December 2023.
- Ilford loan extended to September 2025 with further conditional options to extend term to end of 2027.

Further progress in delivering energy efficiency driving forward our net zero carbon pathways

- 83% reduction in Scope 1 natural gas, and 20% in Scope 2 electricity consumption since 2019 within our shopping centres.
- EPC rating of Snozone Milton Keynes improved from a 'C' to 'B'.
- 100% renewable and Renewable Energy Guarantees of Origin certified electricity at all shopping centres and Snozone venues.

Continued strong performance supporting further increase in dividend

- 3.6% increase in proposed interim dividend of 2.85p per share (June 2023: 2.75p per share).

	6 months to June 2024	6 months to June 2023	Year to Dec 2023
Revenue	**£34.5m**	£28.5m[5]	£59.0m
Net Rental Income	**£13.7m**	£11.7m	£23.9m
Adjusted Profit[1]	**£8.2m**	£7.0m	£12.7m
Adjusted Earnings per share (diluted)[1]	**3.6p**	4.1p	6.6p
IFRS Profit for the period	**£4.5m**	£6.1m	£3.7m
Basic earnings per share (diluted)	**2.0p**	3.5p	1.9p
Total dividend per share[3]	**2.85p**	2.75p	5.70p
Net Asset Value	**£203.9m**	£183.2m	£202.0m
Net Asset Value (NAV) per share	**88p**	106p	90p
EPRA NTA per share	**85p**	102p	88p
Group net debt[4]	**£162.6m**	£138.5m	£162.7m
Net debt to property value	**43%**	42%	44%

Notes

[1] Adjusted Profit, Adjusted Earnings per share, Net Rental Income, Net Debt and the Snozone EBITDA metric are as defined in the Glossary. Adjusted Profit incorporates profits from operating activities and excludes revaluation of properties and financial instruments, gains or losses on disposal, and other non-operational items. A reconciliation to the equivalent EPRA and statutory measures is provided in Note 6 to the condensed financial statements.

[2] For lettings and renewals (excluding development deals and CVA variations) with a term of 1 year or longer which do not include turnover rent.

[3] Includes dividends declared post period end but related to the period in question.

[4] Weighted average, debt maturity assumes exercise of extension options.

[5] 2023 comparative figure has been restated for a prior year adjustment to service charge income and expenditure recognised in the period. There is no change to Profit.

Possible offers for Capital & Regional plc

On 23 May 2024, the Board of Capital & Regional plc confirmed that its majority shareholder Growthpoint Properties Limited had received a preliminary expression of interest from NewRiver REIT plc ("NewRiver") in relation to a possible offer in cash and shares for the entire issued, and to be issued, share capital of Capital & Regional.

On 19 July 2024, Praxis Group Limited ("Praxis") announced it is in the early stages of considering whether or not to make a cash offer for the entire issued and to be issued share capital of Capital & Regional. The Company confirmed that it received an expression of interest from Praxis with a request to receive access to diligence information pursuant to Rule 21.3 of the City Code on Takeovers and Mergers (the "Code") on 5 July 2024. Capital & Regional is complying fully with its obligations under Rule 21.3 of the Code in providing access to due diligence information in order to enable Praxis to evaluate a possible offer for the Company.

In accordance with Rule 2.6(a) of the Code, NewRiver and Praxis are required, by no later than 5:00 p.m. on 15 August 2024 and 16 August 2024 respectively, to either announce a firm intention to make an offer for Capital & Regional in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies.

In accordance with Rule 2.6(c) of the Code, the deadlines may be extended further at the request of the Board of Capital & Regional and with the consent of the Takeover Panel. There can be no certainty that any firm offer will be made for the Company, nor as to the terms on which any offer will be made.

Use of Alternative Performance Measures (APMs)

Throughout the results statement we use a range of financial and non-financial measures to assess our performance. A number of the financial measures, including Net Rental Income, Adjusted Profit, Adjusted Earnings per share, Net Debt and the industry best practice EPRA (European Public Real Estate Association) performance measures are not defined under IFRS, so they are termed APMs. APMs are not considered superior to the relevant IFRS measures, rather Management use them alongside IFRS measures to monitor the Group's financial performance because they help illustrate the trading performance and position of the Group. All APMs are defined in the Glossary and further detail on their use is provided within the Financial Review.

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Notes to editors:

About Capital & Regional

Capital & Regional is a UK focused retail property REIT specialising in shopping centres that dominate their catchment, serving the non-discretionary and value orientated needs of the local communities. It has a track record of delivering value enhancing retail and leisure asset management opportunities across a portfolio of tailored in-town community shopping centres.

Using its expert property and asset management platform, Capital & Regional owns and manages shopping centres in Edinburgh, Hemel Hempstead, Ilford, Maidstone, Walthamstow and Wood Green.

Capital & Regional is listed on the main market of the London Stock Exchange (LSE) and has a secondary listing on the Johannesburg Stock Exchange (JSE).

For further information see www.capreg.com.

South African secondary listing

At 30 June 2024, 8,801,339 of the Company's total 232,996,247 shares were held on the South African register representing 3.78% of the total issued share capital. Java Capital acts as JSE Sponsor for the Group.

Forward looking statements

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.

Operating review

New lettings, renewals and rent reviews

We made further strong leasing progress in the first half of the year, completing 48 new lettings and renewals at an average premium to previous rent of 8.8%[1] and securing £2.2 million of annual rent. This compares to 42 new lettings and renewals for a combined annual rent of £1.5 million for the same period last year meaning that both the absolute number of leases signed and the annualised rental amount per lease were higher this year.

In February 2024, we completed a portfolio deal with B&M which resulted in them taking all three of the units vacated as a result of the Wilko administration, mitigating the occupational impact from the loss of a top 10 retailer and largely replicating the rent. The stores opened for trading in May 2024.

We have also completed new lettings at Maidstone and Hemel Hempstead with Bodycare and are in final stages of letting a further unit in Ilford. Renewals agreed during the period include Deichmann and The Perfume Shop at Ilford, Choice at Walthamstow and JD Sports at Wood Green.

	6 months to June 2024	6 months to June 2023
New Lettings		
Number of new lettings	25	21
Rent from new lettings (£m)	£1.2m	£0.6m
Renewals settled		
Renewals settled	23	21
Total resulting annual rent (£m)	£1.0m	£0.9m
Combined new lettings and renewals		
Comparison to previous rent[1]	+8.8%	+5.7%
Comparison to ERV at December 2023[1]	+14.1%	+13.7%

[1] For lettings and renewals (excluding development deals and CVA variations) with a term of 1 year or longer which do not include turnover rent element.

Since 30 June 2024 we have agreed terms on four key letting deals that are in advanced legals and will represent approximately £0.8 million of annualised rent in aggregate.

Rental income and occupancy

	30 June 2024	30 December 2023	30 June 2023
Occupancy (%)	**93.9%**	93.4%	94.5%
Contracted rent (£m)	**38.2**	37.0	31.6
Passing rent (£m)	**37.0**	35.6	30.7

Occupancy has improved by 50 basis points since 30 December 2023. This reflects the net impact of the B&M lettings, partially offset by the administration of the Body Shop, which impacted three units at Gyle, Hemel Hempstead and Ilford as well as the Department for Work and Pensions vacating the job centre at Walthamstow.

Since 30 June 2024, as noted above, we have agreed terms on four key letting deals. Completing these transactions alongside the other deals agreed post 30 June 2024 will see occupancy recover to a similar level to 30 June 2023.

We note recent press speculation in respect of Cineworld and the potential for it to undertake some form of insolvency action. We have exposure to one unit at Wood Green with annual rent of £0.6 million.

Contracted and passing rent have both increased from December 2023 by £1.2 million (3.2%) and £1.4 million (3.9%) respectively. The key drivers of this are the B&M lettings and the opening of the new NHS community healthcare centre in Ilford. Contracted rent excludes approximately £0.6 million of rent where deals have exchanged but completion remains subject to planning or other conditions. A further £1.0 million of contracted rent is due to convert to passing rent in the next 12 months as occupiers' rent-free periods end.

Operational performance

In total there were 21.1 million shopper visits across the portfolio in the first half of 2024, 4.6% below 2023 on a like for like basis. Footfall has been impacted at those schemes with former Wilko units which were closed for most of the period until B&M opened for trade in May 2024. Ilford has been similarly impacted as while Wilko was not within our tenancy one of their former units sits adjacent with an entrance to our scheme.

Car park usage is in line with 2023 (+0.1%). This combined with greater optimisation of tariffs and an increase in contract parking, has delivered income in the period of £3.2 million, an uplift of 21.6%.

Rent collection

Rent collection for the first six months of the year is currently 99.2% as detailed in the table below:

	Rent collection 6m to 30 June 2024	
	£m	
Rent collected	19.8	99.2%
Outstanding	0.2	0.8%
Total billed	20.0	100%

Amounts include VAT.

Capital expenditure

In total a net £3.1 million was invested in the first six months of the year, this was primarily across the following projects and is expected to produce a yield on cost in line with the Company's target of 8% to 9%:

Ilford

- £1.5 million for completion of the new 20,000 sq ft NHS community healthcare facility that opened in the first half of 2024.
- £0.8 million to create a new retail area by the entrance opposite the Elizabeth Line that was converted from the former TK Maxx unit, vacated when they moved into a new larger unit on the middle floor in November 2023.

Wood Green

- £0.9 million on remerchandising of the former WH Smith store where the new units we have created for Pure Gym, Wendy's and Wingstop have opened in recent weeks.

The spend in the period is net of a £1.3 million receipt from the head lease holder on Walthamstow in respect of previous capital expenditure projects. We anticipate capital expenditure in the second half of the year to be at a similar level.

The major projects undertaken have the additional benefit of helping to improve the ESG credentials of the relevant centres by replacing aged infrastructure and enabling the reduction or elimination of the use of gas.

Walthamstow residential

Construction work is entering its final stage on the first phase of the residential development at Walthamstow. This will see Long Harbour create 495 Build to Rent apartments in two residential towers adding further to the centre's local customer base once it opens in 2025. The Group completed the sale of land for residential development to Long Harbour for £21.6 million in 2022. The planning consent covers a residential-led, mixed use development, incorporating a new Victoria Line tube station entrance and public space including a new park.

We have two further phases of development which comprise approximately 50,000 sq ft of retail and 43 apartments which are part of the same planning consent as phase 1. We have commenced discussions about how we procure this project with a potential partner for the residential component similar to the structure we achieved in the first phase. In addition, we are underway on discussions with potential anchor retailers including supermarket operators for the retail component.

Shopping Centre ESG

We have developed a robust pathway aligned with the BBP Climate Commitment and the UK Green Building Council's (UKGBC) definition of net zero. Our commitment covers embodied carbon associated with refurbishments and fit-outs and operational carbon from landlord and occupier energy consumption, along with measured emission sources. We continue to make progress on driving forward our net zero carbon pathways aligned with industry best practice and guidelines which represents a significant milestone in our decarbonisation journey. Through the successful implementation of our net zero interventions, we have improved the EPC rating of a further centre from a 'D' to a 'C'.

Having established our net zero governance along with the roll-out of employee training, we will continue to prioritise energy efficiencies on the ground across all aspects of our operations and evolve crucial tools such as our data accuracy and net zero standards. To further inform our net zero pathway we are in the final stages of securing BREEAM certification across all centres. We have made significant strides towards our environmental targets increasing our energy efficiency, reducing Scope 1 natural gas consumption by 83% and Scope 2 electricity consumption by 20%, against 2019. All the shopping centres electricity is 100% renewable and Renewable Energy Guarantees of Origin certified.

We are committed to developing and operating a shopping centre portfolio that not only minimises potential adverse climate change impacts but also actively fosters positive contributions to the communities and the natural environment we interact with. To support this, we have established our Climate Adaptation Plan as we recognise the importance of embedding climate resilience across all interfaces in our business model, from our governance and risk management strategy to key decision-making moments in our investment value chain.

Our Community Wheels of Support continue to play a critical role in encouraging engagement and helping our shopping centre teams to prioritise areas of impact. As community hubs we know our support is crucial, particularly with the cost-of-living crisis. We are very proud of our efforts in this space and to date we have partnered with over 100 charities, hosted 125 events, and spent more than 400 hours engaging with local community groups.

We continue to implement our Social Impact Measurement and Management Framework to further support our ESG strategy and monitor our progress. The Framework focuses on social impact goals and strategies to identify the various ways in which the business impacts people so this can inform our Impact Management Plan.

Snozone

Snozone has had another strong six months, producing record levels of revenue and profitability. EBITDA[1] increased 18.8% to £1.9 million (June 2023: £1.6 million) reflecting growth from both the UK and Madrid operations.

Revenue and EBITDA for the UK operations at £6.0 million and £1.4 million for the first half of 2024, were both 7% higher than 2023. This revenue growth has helped offset inflationary pressures on labour costs and specifically energy costs, where the unit cost has doubled since Snozone UK exited a three-year fixed tariff in September 2023.

Snozone Madrid's revenue of £2.3 million was 13% higher than 2023 driving a 24% increase in Madrid EBITDA to £0.5 million (June 2023: £0.4 million). These metrics reflect the actions undertaken to significantly improve profitability since acquisition of the operations in February 2021. These include broadening the range of lesson programmes, introducing a new booking platform and sales team KPI's and rolling out a Disability Snow School, to bring this destination in line with the UK equivalents that Snozone has operated since 2015.

Snozone's IFRS profit for the period was £1.6 million (June 2023: £0.6 million).

During the period Snozone Madrid was awarded the Trip Advisor Travelers Choice Award for the first time. Snozone Madrid's approval rating has improved from 56% at the point of acquisition to 83% currently. The UK venues also received this award for the sixth year running.

Snozone ESG

All of Snozone's electricity is 100% renewable, traceable and has no element of biomass.

The UK venues source electricity from the Hornsea North Sea wind farm, 90 miles from the Snozone Yorkshire venue. In Madrid approximately 70% of the venue's power is sourced from a mixture of bought-in solar, wind and nuclear energy with the remainder supplied by 1,600 of our own solar panels on the roof of the facility, which were purchased in 2022 as part of Snozone's decarbonisation capital investment programme as well as offsetting the rising costs of electricity.

Snozone's pathway to net zero strategy is underpinned by a cyclical four-year plan for capital investment into new plant and machinery. Ten units of blast coolers have been replaced at the Milton Keynes venue saving 214,000 kWh per year.

In addition, improved insulation at both UK venues, installation of two voltage optimisers and a de-lamping project combined with Madrid's solar panels investment have seen reductions in water, electricity and gas consumption of 19%, 13% and 20% respectively versus the 2019 pre-Covid base year. The EPC rating of Milton Keynes was improved during the year from a 'C' to a 'B', bringing it in line with the Yorkshire and Madrid operations.

Snozone is the only European operator to operate its own Disability Snow School, which we have now extended to Madrid. In 2024 we delivered 1,314 disability lessons, a 28% increase on 2023 and were nominated for an award in the National Learning Disabilities & Autism awards. Snozone's supply chain only consists of companies who have signed up to the Modern Slavery Act and the Anti-bribery and Corruption Act.

[1] Snozone EBITDA is defined in the use of Alternative Performance Measures section below.

FINANCIAL REVIEW

	Six months to June 2024	Six months to June 2023	Year to Dec 2023
Profitability			
Statutory Revenue [1]	**£34.5m**	£28.5m	£59.0m
Net Rental Income (NRI)	**£13.7m**	£11.7m	£23.9m
Adjusted Profit [2]	**£8.2m**	£7.0m	£12.7m
Adjusted Earnings per share (diluted) [2]	**3.6p**	4.1p	6.6p
IFRS Profit for the period	**£4.5m**	£6.1m	£3.7m
Basic earnings per share (diluted)	**2.0p**	3.5p	1.9p
EPRA cost ratio (excluding vacancy costs) [2]	**36.5%**	36.7%	39.1%
Net Administrative Expenses to Gross Rent	**20.8%**	21.7%	23.5%
Investment Returns			
Net Asset Value	**£203.9m**	£183.2m	£202.0m
Net Asset Value (NAV) per share	**88p**	106p	90p
EPRA NTA per share [2]	**85p**	102p	88p
Dividend per share [3]	**2.85p**	2.75p	2.95p
Financing			
Group net debt	**£162.6m**	£138.5m	£162.7m
Group net debt to property value	**43%**	42%	44%
EPRA LTV	**46%**	45%	45%
Weighted average maturity of Group debt [4]	**3.6 years**	4.0 years	4.1 years
Weighted average cost of Group debt	**4.25%**	3.61%	4.25%

[1] 2023 comparative figures have been restated for a prior year adjustment to service charge income and expenditure recognised in the period. There is no change to Profit.

[2] Adjusted Profit is as defined in the Glossary. A reconciliation to the statutory result is provided further below. EPRA figures and a reconciliation to EPRA EPS are shown in Note 6 to the condensed Financial Statements. The calculation of EPRA cost ratio is provided in the EPRA performance measures section.

[3] Represents dividends declared post period end but related to the period in question.

[4] Assuming exercise of all extension options.

Use of Alternative Performance Measures (APMs)

Throughout the results statement we use a range of financial and non-financial measures to assess our performance. The significant measures are as follows:

Alternative performance measure used	**Rationale**
Adjusted Profit	Adjusted Profit is used as it is considered by management to provide the best indication of trading profits and hence the ability of the business to fund dividend payments. Adjusted Profit excludes revaluation of properties, profit or loss on disposal of properties or investments, gains or losses on financial instruments, charges in respect of non-cash long-term incentive awards and non-operational one-off items. Adjusted Profit includes EBITDA from Snozone (see definition further below). This was a change implemented in 2021 arising from the adoption of IFRS 16 and the signing of new lease agreements on Snozone's two UK sites. We considered that the combination of these two factors meant that Snozone's statutory profit no longer alone provides a full reflection of Snozone's trading performance and hence introduced this additional Alternative Performance Measure. The key differences between Adjusted Profit and EPRA earnings, an industry standard comparable measure, relates to the exclusion of non-cash charges in respect of share-based payments and adjustments in respect of Snozone as detailed above. Adjusted Earnings per share is Adjusted Profit divided by the weighted average number of shares in issue during the year excluding own shares held. A reconciliation of Adjusted Profit to the equivalent EPRA and statutory measures is provided in Note 6 to the condensed financial statements.
Like-for-like amounts	Like-for-like amounts are presented as they measure operating performance adjusted to remove the impact of properties that were only owned for part of the relevant periods. For the purposes of comparison of capital values, this will also include assets owned at the previous period end but not necessarily throughout the prior period. In the current year like-for-like comparisons have been used to adjust for the impact of the Gyle acquisition in September 2023.
Net Debt	Net debt is borrowings, excluding unamortised issue costs, less cash at bank. Cash excludes cash held on behalf of third parties (e.g. in respect of service charges or rent deposits).
Net debt to property value	Net debt to property value is debt less cash and cash equivalents divided by the property value.
Net Rent or Net Rental Income (NRI)	Net Rental Income is rental income from properties, less provisions for expected credit losses, property and management costs. It is a standard industry measure. A reconciliation to statutory turnover is provided in Note 3 to the condensed financial statements.
Snozone EBITDA	Snozone EBITDA is based on net profit. It excludes Depreciation, Amortisation, (notional) Interest, Tax and non-operational one-off items. It includes rent expense, based on contractual payments adjusted for rent free periods. This provides a measure of Snozone trading performance which removes the profiling impact of IFRS 16 that would otherwise see a significantly higher charge in early years of a lease and significantly lower net charge in later years. A reconciliation to the IFRS net profit is included within Note 3 to the condensed financial statements.

Profitability

Components of Adjusted Profit and reconciliation to IFRS Profit

Amounts in £m	**Six months to June 2024**	Six months to June 2023	Year to December 2023
Net Rental Income	**13.7**	11.7	23.9
Interest payable	**(4.6)**	(3.7)	(7.4)
Snozone (indoor ski operation) EBITDA	**1.9**	1.6	2.3
External management fees	**0.7**	1.2	1.9
Central operating costs (including central interest)	**(3.1)**	(3.1)	(6.6)
Variable overhead	**(0.4)**	(0.7)	(1.4)
Adjusted Profit [1]	**8.2**	7.0	12.7
Adjusted Earnings per share (pence) [1]	**3.6p**	4.1p	6.8p
Reconciliation of Adjusted Profit to statutory result			
Adjusted Profit	**8.2**	7.0	12.7
Property revaluation	**(1.5)**	(0.3)	(8.1)
Loss on disposal/transaction costs	**(0.4)**	(0.6)	(0.3)
Snozone depreciation and amortisation	**(1.1)**	(1.0)	(2.2)
Snozone notional interest (net of rent expense in EBITDA)	**0.8**	0.3	0.8
Loss on financial instruments	**(0.6)**	(0.3)	(2.0)
Corporation Tax (charge)/credit	**(0.6)**	1.2	3.6
Long Term incentives (non-cash)	**(0.3)**	(0.4)	(0.8)
Other items	**-**	0.2	-
Profit for the period	**4.5**	6.1	3.7

[1] EPRA figures and a reconciliation to EPRA EPS are shown in Note 6 to the condensed Financial Statements.

17.1% increase in Adjusted Profit to £8.2 million (30 June 2023: £7.0 million)[1]

Net Rental Income (NRI) increased to £13.7 million (30 June 2023 - £11.7 million) reflecting the impact of the Gyle acquisition in September 2023. Adjusting for this, and a one-off catch up of prior year turnover income received in 2022, NRI reduced by 3.5% on a like-for-like basis. This reflects the former Wilko units being vacant for most of the period until B&M opened in May 2024 and increases to void costs as a result of wage and energy inflation.

Interest payable has increased from the prior year reflecting £0.6 million of interest on the Gyle £16 million loan facility and a higher rate on the Group's £39 million Ilford facility as the previous interest rate swap expired in March 2024.

Snozone EBITDA at £1.9 million (30 June 2023 - £1.6 million) has increased, as noted, benefiting from revenue growth at both its UK and Madrid operations.

External Management Fees of £0.7 million reflect Property Management fees charged to the service charge within the Group's property portfolio. The decrease from the prior year reflects fees charged on external properties (Luton and Redditch), arrangements which ceased during 2023.

Central operating costs (including central interest) at £3.1 million have remained in line with the prior year (30 June 2023 - £3.1 million). *Variable overheads* £0.4 million (30 June 2023 - £0.7 million) have reduced, reflecting executive retention awards which were paid in September 2023. We anticipate the combination of further cost savings and the benefit of additional income from capital expenditure projects and improving occupancy to drive over time further improvements in our EPRA cost ratio, which has reduced to 36.5% from 39.1% for the year ending December 2023.

Adjusted earnings per share for the period were 3.6 pence on a diluted basis (30 June 2023: 4.1 pence) the reduction reflects the larger number of shares in issue as a result of the equity raise in September 2023 to part fund the Gyle acquisition and the scrip dividend shares issued in respect of the interim and final 2023 dividends.

IFRS profit for the period – 30 June 2024: £4.5 million (30 June 2023: £6.1 million)

Aside from the Adjusted Profit of £8.2 million the other items impacting the result in the period were:

- Property revaluation loss of £1.5 million (June 2023 – loss of £0.3 million) representing the difference between the net Capex invested of £3.1 million, valuation increases and movement on tenant incentives and IFRS adjustments.
- £0.4 million of transaction costs related to ongoing corporate activity. In the prior period there was £0.6 million of transaction costs in respect of the proposed acquisition of The Gyle and a small true up of profit on disposal in respect of the Group's sale of Blackburn in 2022.
- £(0.3) million of adjustments relating to Snozone reconciling between the EBITDA measure used for Adjusted Profit and IFRS Profit for the year (June 2023 - £(0.7) million). As noted above, we used EBITDA as this removes the profiling element of IFRS 16 and therefore provides a measure of Snozone's trading performance excluding this.
- A loss of £0.6 million on financial instruments being the movement from the revaluation of the Ilford and Gyle interest rate caps (June 2023 – loss of £0.3 million).
- £0.6 million deferred tax charge (June 2023 - £1.2 million credit).
- £0.3 million relating to share based payments being the non-cash element of the Group Combined Incentive Plan for executives and LTIP retention awards for staff members (June 2023 - £0.4 million).

The profit for the period has resulted in NAV of £203.9 million and EPRA Net Tangible Assets of £202.4 million, improvements of 0.9% and 0.6% compared to the December 2023 amounts of £202.0 million and £201.2 million, respectively. Basic NAV per share and EPRA NTA per share were 88p and 85p respectively (December 2023: 90p and 88p respectively). The reduction reflects the higher number of shares in issue as a result of new Scrip shares issued in June 2024.

Property portfolio valuation

The valuation of the portfolio at 30 June 2024 was £374.9 million, representing an increase in headline valuation of £2.1 million or 0.6% from December 2023. The Net Initial Yields and Net Equivalent Yields for the portfolio remained broadly constant on a like for like basis, 7.61% and 8.81% respectively for 30 June 2024 compared to 7.80% and 8.79% respectively as at December 2023. We have seen a 5% increase in the value of Gyle from the £40 million acquisition price driven by leasing activity since we took ownership in September 2023.

Property at independent valuation	**30 June 2024**			30 December 2023		
	£m	NIY %	NEY %	£m	NIY %	NEY %
Maidstone	31.3	10.83%	11.65%	31.5	11.90%	11.66%
Walthamstow	77.0	5.94%	7.01%	77.7	6.84%	7.00%
Wood Green	152.5	7.64%	7.33%	149.5	7.13%	7.28%
Hemel Hempstead	9.8	7.90%	17.36%	9.2	9.57%	17.40%
Ilford	62.3	5.69%	7.97%	63.3	5.65%	7.90%
Gyle, Edinburgh	42.0	11.22%	10.15%	41.6	11.92%	10.13%
Total	**374.9**	**7.61%**	**8.81%**	**372.8**	**7.80%**	**8.79%**

Financing

The Group's debt position as at 30 June 2024 is summarised in the table below:

30 June 2024	Debt[1] £m	Cash[2] £m	Net debt £m	Loan to value[3] %	Net loan to value[3] %	Current interest rate %	Fixed %	Duration to loan expiry[4] Years	Duration with extensions[4] Years
The Mall	**140.0**	(9.0)	**131.0**	54%	50%	3.45%	100	2.6	3.6
Gyle, Edinburgh	**16.0**	(2.0)	**14.0**	38%	33%	6.50%	100	4.2	4.2
Hemel Hempstead	**4.0**	(0.4)	**3.6**	41%	37%	11.06%	-	1.0	3.0
Ilford	**39.0**	(3.7)	**35.3**	63%	57%	5.50%	100	1.2	3.5
Central Cash	**-**	(21.3)	**(21.3)**	-	-	-	-	-	-
Total	**199.0**	(36.4)	**162.6**	53%	43%	4.25%	97.8	2.4	3.6

[1] Excluding unamortised issue costs.
[2] Excluding cash beneficially owned by tenants.
[3] Debt and net debt divided by investment property at valuation.

The Group's Net Debt to Property Value ratio has reduced marginally during the period from 44% to 43% reflecting small increases in both property valuation and cash. The weighted average cost of interest has remained at 4.25% of which 98% is fixed until September 2025 and 78% until at least January 2027.

The Group's debt facilities comprise:

The Mall

The Mall facility consists of a single £140 million fixed rate loan at 3.45%, held with TIAA. The loan matures in January 2027 but has a one-year conditional extension option.

Hemel Hempstead

The Group has a £4 million facility with BC Invest, a subsidiary of the Group's strategic residential partner, Far East Consortium. The debt matures in July 2025 with options to extend for a further one or two years and is at a margin of 5.95% over SONIA. It is secured on the Marlowes Centre on a non-recourse basis.

Ilford

The Group has a £39 million facility secured on the Ilford Exchange shopping centre with Dekabank Deutsche Girozentrale. The loan was due to mature in March 2024 but has been extended until September 2025 and we have agreed two further conditional extension options to extend maturity to the end of December 2026 and 2027, respectively. The extension of maturity has led to the loan being reclassified to non-current, having been a current liability at December 2023. The margin on the loan is 300 basis points. The Group has an interest rate cap that hedges the maximum all in cost at 5.50% until the September 2025 maturity.

Gyle, Edinburgh

To part fund the acquisition of Gyle in Edinburgh the Group drew a new debt facility of £16 million in September 2023, arranged by Morgan Stanley. The loan matures in September 2028. The loan is at a margin of 275 basis points. The total all in cost of debt has been hedged at a maximum of 6.50% for the duration of the loan via an interest rate cap.

Going Concern

Under the UK Corporate Governance Code the Board needs to report whether the business is a going concern. In making its assessment of Going Concern, the Group has considered the general risk environment and the specific risks that relate to the Group and its sector. This has incorporated considering the current macro-economic inflationary pressures as well as the continuing structural trends within the retail industry.

At 30 June 2024, the Group had total cash at bank on balance sheet of £36.4 million. Of which £20.8 million was held centrally outside of secured loan arrangements. This provides a significant cash contingency to cover any reasonable disruption to operations in both the base and downside scenarios that have been modelled for at least the period of the next 18 months that is considered for going concern purposes.

In respect of the £140 million Mall debt, the Group is currently compliant with all covenant tests on the facility. On the Ilford £39 million facility, as well as extending the loan maturity to September 2025 and agreeing further loan extension options out to December 2027 the Group agreed various improvements to covenant terms that run until the new maturity and beyond if the extension options are triggered. On Hemel Hempstead the Group has a waiver of all covenants on the £4 million loan facility until maturity in July 2025 and an option to extend maturity by one or two years. The Group signed a £16 million loan facility in September 2023 to part finance the acquisition of Gyle in Edinburgh.

All of the Group's asset backed loan facilities are ring-fenced within their own SPV structures with no recourse to Capital & Regional plc and no cross-default provisions.

In making its assessment of Going Concern, the Group has run updated forecasts on both a base case and downside basis. In the latter, the Group has sensitised rent collection to 90%, reduced car park and ancillary income by 10% and removed any contribution from Snozone to reflect how a significant downturn in expected trading could impact cashflows. The Group has also considered a 15% reduction in property valuations both from the Group's 30 June 2024 valuations and valuations undertaken by the Group's respective lenders.

The combination of the cash maintained on the Group's balance sheet and actions available within Management's control provides sufficient contingency to cover all of the various downside sensitivities modelled in combination to the most adverse end of the scenarios modelled. At the most adverse end the Group would need to take some additional measures to preserve cash involving some combination of reducing or deferring Capital Expenditure and/or reducing dividend payments or utilising a Scrip option.

In coming to its Going Concern conclusion, the Group has also considered, but not relied upon, other options available to generate or conserve additional cash, to reduce debt levels and to fund value accretive capital expenditure and letting initiatives. These include but are not limited to the potential disposal of assets either in whole or part and the potential raising of additional funds.

Having due regard to all of the above matters and after making appropriate enquiries, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Therefore, the Board continues to adopt the Going Concern basis in preparing the financial statements.

Dividend

The Directors recommend an interim dividend of 2.85 pence per share (June 2023: 2.75 pence per share). The dividend will be paid entirely as a Property Income Distribution (PID). We do not anticipate offering a scrip dividend option for this dividend payment. Across the full financial year, the Group expects to pay a dividend of at least 90% of the Group's EPRA profits, in line with its dividend policy.

The key dates proposed in relation to the payment of the dividend are:

• Confirmation of ZAR equivalent dividend	Tuesday, 27 August 2024
• Last day to trade on Johannesburg Stock Exchange (JSE)	Tuesday, 3 September 2024
• Shares trade ex-dividend on the JSE	Wednesday, 4 September 2024
• Shares trade ex-dividend on the LSE	Thursday, 5 September 2024
• Record date for LSE and JSE	Friday, 6 September 2024
• Dividend payment date	Friday, 27 September 2024

South African shareholders are advised that the dividend will be regarded as a foreign dividend. Further details relating to Withholding Tax for shareholders on the South African register will be provided within the announcement detailing the currency conversion rate on Tuesday, 27 August 2024. Share certificates on the South African register may not be dematerialised or rematerialised between 4 September 2024 and 6 September 2024, both dates inclusive. Transfers between the UK and South African registers may not take place between 27 August 2024 and 6 September 2024, both dates inclusive.

Principal risks and uncertainties

There are a number of risks and uncertainties which could have a significant impact on future performance and could cause actual results to differ materially from expected or historical results. The Group carries out a regular review of the major risks it faces and monitors the controls that have been put in place to mitigate them.

A detailed explanation of the principal risks and uncertainties was included on pages 52 to 57 of the Group's 2023 Annual Report. A further review was carried out for the 30 June 2024 half year taking into consideration the next six months to 30 December 2024. The review concluded that while some risks, including property investment market risks, people risks, business disruption from a major incident and customer and changing consumer trend risks had changed, the ultimate nature of them had not and therefore the principal risks to the Group remain those disclosed in the 2023 Annual Report. These have been summarised below.

- *Property investment market risks* - Weak economic conditions and poor sentiment in commercial real estate markets allied to higher risk free rates may lead to low investor demand and further declines in valuation. Small changes in property market yields can have a significant effect on property valuation and the impact of leverage could magnify the effect on the Group's net assets.

- *Impact of the economic environment* - A prolonged downturn in tenant demand driven by structural changes in retail and/or macro-economic factors, such as the current inflationary pressures, could put further pressure on rent levels. Tenant failures and reduced tenant demand could adversely affect rental income revenues, lease incentive costs, void costs, available cash and the value of properties owned by the Group.

- *Treasury risk* - Inability to fund the business or to refinance existing debt on economic terms may result in the inability to meet financial obligations when due and put a limitation on financial and operational flexibility. Cost of financing could be prohibitive in the future. Breach of any loan covenants could cause default on debt and possible accelerated maturity. Unremedied breaches can trigger demand for immediate repayment of loans.

- *Climate related -* The Group's failure to act on environmental issues could lead to reputational damage, deterioration in customer and community relationships, or limit investment opportunities. Climate-related risks extend to the global supply chain and business disruption from extreme weather events. Failure to comply with regulations could result in financial exposure. The Group maintains a Climate-related risk matrix which consolidates the results of the top 10 identified risks from the RCP4.5 and RCP8.5 scenarios outlined in the climate risk assessment report and are in line with TCFD recommendations.

- *Tax and regulatory risks* – Exposure to non-compliance with the REIT regime and changes in tax legislation or the interpretation of tax legislation or previous transactions could result in tax related liabilities and other losses arising. Exposure to changes in existing or forthcoming property related or corporate regulation could result in financial penalties or loss of business or credibility.

- *People* - The Group's business is partially dependent on the skills of a small number of key individuals. Loss of key individuals or an inability to attract new employees with the appropriate expertise could reduce the effectiveness with which the Group conducts its business.

- *Development risk* – There is a risk that where capital expenditure and development projects are undertaken, that delays and other issues may lead to increased cost and reputational damage. There is also the risk that planned realisation of value is not achieved, for example if the property cannot subsequently be sold for the anticipated amount or if tenants are not contracted on sufficiently attractive terms. Competing schemes may reduce footfall and reduce tenant demand for space and the levels of rents which can be achieved

- *Business disruption from a major incident* – The threat of a major incident, including the COVID-19 pandemic, impacting one or more of the Group's assets. There is a risk of financial losses if unable to trade or impacts upon shopper footfall and reputational and financial damage if business has or is perceived to have acted negligently

- *Responsible business risk* - Failure to act on environmental and social issues could lead to reputational damage, deterioration in relationships with customers and communities and limit investment opportunities. Failure to comply with regulations could result in financial exposure. Health and safety incidents could result in reputational damage, financial liability for the Group and potentially criminal liability for the directors.

- *Customers and changing consumer trends* – Changes in consumer shopping habits towards online purchasing and delivery and the increase of CVAs by retailers and other retailer restructurings may adversely impact footfall in shopping centres and potentially reduce tenant demand for space and the levels of rents which can be achieved.

- *IT & Cyber Security* – The risk of IT failures or malicious attacks causing reputational or financial damage to the business through loss of business time and opportunities or potential fines or regulatory penalties.

- *Health & Safety* - The Group could face criminal charges, financial loss and reputational damage if it or individuals in management positions were found to have failed processes or been negligent in their actions.

The risks noted above do not comprise all those potentially faced by the Group and are not intended to be presented in any order of priority. Additional risks and uncertainties currently unknown to the Group, or which the Group currently deems immaterial, may also have an adverse effect on the financial condition or business of the Group in the future. These issues are kept under constant review to allow the Group to react in an appropriate and timely manner to help mitigate the impact of such risks.

Responsibility statement

The directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with UK adopted IAS 34 "Interim Financial Reporting";
- the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related party transactions and changes therein).

By order of the Board

Lawrence Hutchings
Chief Executive
31 July 2024

Stuart Wetherly
Group Finance Director
31 July 2024

INDEPENDENT REVIEW REPORT TO CAPITAL & REGIONAL PLC

Conclusion

We have been engaged by Capital & Regional plc ("the Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprise the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated balance sheet, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows, and related notes (the "Interim financial information").

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, , 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 (Revised), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with UK adopted IFRS. The condensed set of financial statements included in this half-yearly financial report have been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410 (Revised), however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of review report

This report is made solely to the Company in accordance with ISRE (UK) 2410 (Revised) issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Sanjay Ranchhoojee (Senior Statutory Auditor)
For and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey,
London, United Kingdom
EC4M 7AU
Date: 31 July 2024

Condensed consolidated income statement

For the six months to 30 June 2024

	Note	**Unaudited Six months to 30 June 2024**	Unaudited Six months to 30 June 2023 (restated)[1]	Audited Year to 30 December 2023
		£m	£m	£m
Continuing operations				
Revenue	3b, 4	**34.5**	28.5	59.0
Reversal of expected credit loss		**0.3**	-	0.1
Cost of sales		**(18.5)**	(14.2)	(31.5)
Gross profit		**16.3**	14.3	27.6
Administrative costs		**(4.9)**	(4.8)	(9.9)
Loss on revaluation of investment properties	3a, 7a	**(1.5)**	(0.3)	(8.1)
Other gains and losses		**-**	(0.5)	(0.1)
Profit on ordinary activities before financing		**9.9**	8.7	9.5
Finance income		**0.4**	0.3	0.5
Finance costs		**(5.2)**	(4.1)	(9.9)
Profit before tax		**5.1**	4.9	0.1
Tax (charge)/credit	5	**(0.6)**	1.2	3.6
Profit for the period		**4.5**	6.1	3.7
All results derive from continuing operations				
Basic earnings per share	6	**2.0p**	3.6p	2.0p
Diluted earnings per share	6	**2.0p**	3.5p	1.9p
EPRA earnings per share				
EPRA basic earnings per share	6	**3.4p**	4.2p	5.6p
EPRA diluted earnings per share	6	**3.3p**	4.1p	5.5p

Condensed consolidated statement of comprehensive income

For the six months to 30 June 2024

	Unaudited six months to 30 June 2024	Unaudited six months to 30 June 2023	Audited Year to 30 December 2023
	£m	£m	£m
Profit for the period	**4.5**	6.1	3.7
Other comprehensive income	**-**	-	-
Total comprehensive income for the period	**4.5**	6.1	3.7

The results for the current and preceding periods are fully attributable to equity shareholders.

The EPRA alternative performance measures used throughout this report are industry best practice performance measures established by the European Public Real Estate Association (EPRA). They are defined in the Glossary to the Financial Statements. EPRA Earnings and EPRA EPS are shown in Note 6 to these condensed financial statements. EPRA net reinstatement value (NRV), net tangible assets (NTA) and net disposal value (NDV) are shown in Note 16 to these condensed financial statements. We consider EPRA NTA to be the most relevant measure for our business.

[1] Comparative figures for the period to 30 June 2023 have been restated for an adjustment to service charge income and expenditure recognised in the period. There is no impact on Profit as explained in note 2.

Condensed consolidated balance sheet

At 30 June 2024

	Note	**Unaudited 30 June 2024 £m**	Audited 30 December 2023 £m
Non-current assets			
Investment properties	7	**371.5**	369.6
Plant and equipment	8	**3.6**	3.5
Right of use assets	9	**18.9**	20.1
Receivables and other assets	10	**9.1**	7.8
Deferred tax		**3.0**	3.6
Total non-current assets		**406.1**	404.6
Current assets			
Receivables and other assets	10	**11.4**	16.5
Cash and cash equivalents	11	**40.3**	38.2
Total current assets		**51.7**	54.7
Total assets		**457.8**	459.3
Current liabilities			
Trade and other payables	12	**(27.7)**	(30.2)
Lease liabilities	13	**(3.1)**	(3.1)
Bank loans	14	**-**	(42.7)
Total current liabilities		**(30.8)**	(76.0)
Net current assets/(liabilities)		**20.9**	(21.3)
Non-current liabilities			
Bank loans	14	**(197.9)**	(155.0)
Other payables		**(0.2)**	(0.3)
Lease liabilities	13	**(25.0)**	(26.0)
Total non-current liabilities		**(223.1)**	(181.3)
Total liabilities		**(253.9)**	(257.3)
Net assets		**203.9**	202.0
Equity			
Share capital		**23.3**	22.5
Share premium		**27.6**	24.6
Merger reserve		**60.3**	60.3
Own shares reserve		**(0.2)**	(0.2)
Retained earnings		**92.9**	94.8
Equity shareholders' funds		**203.9**	202.0
Basic net assets per share	16	87.5p	89.8p
EPRA net reinstatement value per share	16	85.2p	87.9p
EPRA net tangible assets per share	16	85.2p	87.9p
EPRA net disposal value per share	16	91.1p	93.5p

Condensed consolidated statement of changes in equity

For the six months to 30 June 2024

	Share Capital	Share Premium[1]	Merger reserve[2]	Own shares reserve[3]	Retained Earnings	Total Equity
	£m	£m	£m	£m	£m	£m
Balance at 30 December 2022 (Audited)	**16.9**	**1.7**	**60.3**	**-**	**100.2**	**179.1**
Profit for the period	-	-	-	-	**6.1**	**6.1**
Other comprehensive result for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	6.1	6.1
Credit to equity for equity-settled share-based payments	-	-	-	-	0.3	0.3
Dividends paid, including scrip	-	-	-	-	(4.7)	(4.7)
Shares issued, net of costs	0.5	1.9	-	-	-	2.4
Balance at 30 June 2023 (unaudited)	**17.4**	**3.6**	**60.3**	**-**	**101.9**	**183.2**
Loss for the period	-	-	-	-	(2.4)	(2.4)
Other comprehensive result for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	**(2.4)**	**(2.4)**
Credit to equity for equity-settled share-based payments	-	-	-	-	0.4	0.4
Dividends paid, including scrip	-	-	-	-	(4.7)	(4.7)
Shares issued, net of costs	5.1	21.0	-	-	-	26.1
Other movements	-	-	-	(0.2)	(0.4)	(0.6)
Balance at 30 December 2023	**22.5**	**24.6**	**60.3**	**(0.2)**	**94.8**	**202.0**
Profit for the period	-	-	-	-	**4.5**	**4.5**
Other comprehensive result for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	4.5	4.5
Credit to equity for equity-settled share-based payments	-	-	-	-	0.2	0.2
Dividends paid, including scrip	-	-	-	-	(6.6)	(6.6)
Shares issued, net of costs	0.8	3.0	-	-	-	3.8
Balance at 30 June 2024 (unaudited)	**23.3**	**27.6**	**60.3**	**(0.2)**	**92.9**	**203.9**

Notes:

1 These reserves are not distributable.

2 The merger reserve of £60.3 million arose on the Group's capital raising in 2009 which was structured so as to allow the Company to claim merger relief under section 612 of the Companies Act 2006 on the issue of ordinary shares. The merger reserve is available for distribution to shareholders.

3 Own shares relate to shares purchased out of distributable profits and therefore reduce reserves available for distribution.

Condensed consolidated cash flow statement

For the six months to 30 June 2024

	Note	**Unaudited Six months to 30 June 2024 £m**	Unaudited Six months to 30 June 2023 £m	Audited Year to 30 December 2023 £m
Operating activities				
Net cash from operations	15	**11.6**	10.0	20.1
Interest paid		**(4.0)**	(3.3)	(6.6)
Interest received		**0.4**	0.3	0.5
Cash flows from operating activities		**8.0**	7.0	14.0
Investing activities				
Purchase of plant and equipment		**(0.5)**	(0.6)	(2.0)
Acquisition costs relating to investment properties		**-**	-	(43.0)
Capital expenditure on investment properties		**(2.4)**	(11.1)	(18.7)
Cash flows from investing activities		**(2.9)**	(11.7)	(63.7)
Financing activities				
Dividends paid (net of scrip) including withholding tax		**(1.4)**	(1.4)	(5.2)
Bank loans drawn down		**-**	-	16.0
Loan arrangement costs		**(0.1)**	-	(0.6)
Derivatives purchased		**(1.3)**	-	(1.3)
Issue of ordinary shares		**-**	-	25.0
Costs of share issue		**-**	-	(1.1)
Fixed payment under head leases		**(0.2)**	(0.3)	(0.4)
Cash flows from financing activities		**(3.0)**	(1.7)	32.4
Net increase/(decrease) in cash and cash equivalents		**2.1**	(6.4)	(17.3)
Cash and cash equivalents at the beginning of the period		**38.2**	55.5	55.5
Cash and cash equivalents at the end of the period		**40.3**	49.1	38.2

Notes to the condensed financial statements

For the six months to 30 June 2024

1 General information

The comparative information included for the year ended 30 December 2023 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor has reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The Group’s financial performance is not materially impacted by seasonal fluctuations.

2 Accounting policies

Basis of preparation
The annual financial statements of Capital & Regional plc are prepared in accordance with IFRS as adopted by the United Kingdom. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the United Kingdom. The financial statements are prepared in GBP being the functional currency of the Group.

The condensed consolidated interim financial information has been prepared on the basis of the accounting policies, significant judgements, key assumptions and estimates as set out in the notes to the Group’s annual financial statements for the year ended 30 December 2023. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected earnings in the period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for share-based payments that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 inputs are unobservable inputs for the asset or liability.

The Half-Year Report was approved by the Board on 31 July 2024.

Prior period restatement
A prior period adjustment has been made in respect of the service charge income and expenditure recognised to 30 June 2023, the impact of which is a £2.2 million reduction in Revenue and a corresponding £2.2 million reduction in Cost of Sales. The impact on Profit and Net Asset Value is £nil.

Key judgements and sources of estimation uncertainty
The preparation of financial statements requires the Directors to make estimates that may affect the reported amounts of assets and liabilities, income and expenses. The key sources of estimation uncertainty are as reported in the annual audited financial statements for the year ended 30 December 2023. With the exception of those below, there are no key judgements impacting the financial statements.

Property valuation
The valuation of the Group’s property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future rental revenues from that particular property. As a result, the valuations the Group places on its property portfolio are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate. We are now in a phase of the valuation cycle where there is persistent negative sentiment and low transactional evidence as such greater judgement has been applied.

The investment property valuation contains a number of assumptions upon which the valuation of the Group’s properties as at 30 June 2024 was based. The assumptions on which the property valuation reports have been based include, but are not limited to, matters such as the tenure and tenancy details for the properties, the condition of the properties, prevailing market yields and comparable market transactions. These assumptions are market standard and accord with the Royal Institution of Chartered Surveyors (RICS) Valuation – Professional Standards UK 2014 (revised January 2022).

If the assumptions upon which the valuation was based prove to be inaccurate, this may have an impact on the value of the Group’s investment properties, which could in turn have an effect on the Group’s financial position and results. Estimated rental values and equivalent yields are considered key assumptions. Note 7c provides sensitivity analysis estimating the impact that changes in the estimated rental values or equivalent yields would have on the Group’s property valuations. Valuations are discussed further in note 7.

Deferred tax
Deferred tax liabilities are generally provided for in full and deferred tax assets are recognised to the extent that it is judged probable that future taxable profit will arise against which the temporary differences will be utilised. In particular, the Company has exercised judgement in respect of the deferred tax asset held on the Statement of Financial Position. Based on the Company’s forecasts, it is considered probable that this will be utilised over a reasonable timeframe.

2 Accounting policies (continued)

Increase in credit risk
When measuring expected credit loss the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information. Probability of default constitutes a key input in measuring expected credit losses (ECL). Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. Receivables are discussed in note 10.

Going concern
Under the UK Corporate Governance Code the Board needs to report whether the business is a going concern. In making its assessment of Going Concern, the Group has considered the general risk environment and the specific risks that relate to the Group and its sector.

At 30 June 2024, the Group had total cash at bank on balance sheet of £36.4 million, of which £20.8 million was held centrally outside of secured loan arrangements. This provides a significant cash contingency to cover any reasonable disruption to operations in both the base and downside scenarios that have been modelled for at least the period of the next 18 months that is considered for going concern purposes.

In respect of the £140 million Mall debt the Group is currently compliant with all covenant tests on the facility. On the Ilford £39 million facility, as well as extending the loan maturity to September 2025 and agreeing further loan extension options out to December 2027 the Group have agreed various improvements to covenant terms that run until the new maturity and beyond if the extension options are triggered. On Hemel Hempstead the Group has a waiver of all covenants on the £4 million loan facility until maturity in July 2025. The Group also has also an option to extend maturity by one or two years. The Group signed a £16 million loan facility in September 2023 to part finance the acquisition of Gyle in Edinburgh.

All of the Group's asset backed loan facilities are ring-fenced within their own SPV structures with no recourse to Capital & Regional plc and no cross-default provisions.

In making its assessment of Going Concern, the Group has run updated forecasts on both a base case and downside basis. In the latter, the Group has sensitised rent collection to 90%, reduced car park and ancillary income by 10% and removed any contribution from Snozone to reflect how a significant downturn in expected trading could impact cashflows. The Group has also considered a 15% reduction in property valuations both from the Group's 30 June 2024 valuations and valuations undertaken by the Group's respective lenders.

The combination of the cash maintained on the Group's balance sheet and actions available within management's control provides sufficient contingency to cover all of the various downside sensitivities modelled in combination to the most adverse end of the scenarios modelled. At the most adverse end the Group would need to take some additional measures to preserve cash involving some combination of reducing or deferring Capital Expenditure and/or reducing dividend payments or utilising a Scrip option.

In coming to its Going Concern conclusion, the Group has also considered, but not relied upon, other options available to generate or conserve additional cash, to reduce debt levels and to fund value accretive capital expenditure and letting initiatives. These include but are not limited to the potential disposal of assets either in whole or part and the potential raising of additional funds.

Having due regard to all of the above matters and after making appropriate enquiries, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Therefore, the Board continues to adopt the Going Concern basis in preparing the financial statements.

New and revised standards issued and are effective
The adoption of the following standards, amendments, and interpretations in the current year has not had a material impact upon the Groups results.

Amendments to IFRS 17 Insurance Contracts
Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from single transaction
International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12
Amendments to IAS 1 – Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements: Disclosure of Accounting Policies

New and revised standards issued but not yet effective
At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

Amendment to IFRS 16 – Leases: Lease liability in a sale and leaseback
Amendment to IAS 1 – Classification of Liabilities as Current or Non-Current
Amendments to IAS 7 – Statement of cash flows and IFRS 7 Financial Instruments: Disclosures: Supplier finance Agreement
Amendments to IAS 21 – The effects of changes in foreign exchange rates lack of exchangeability
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Classification and Measurement of Financial Instruments
IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 19 Subsidiaries without Public Accountability: Disclosures

None of these standards are anticipated to have a material impact upon the Group's results.

3 Operating segments

3a Operating segment performance

The Group's operating segments are Shopping Centres, Snozone and Group/Central. Shopping Centres includes the results of the Group's centres at Ilford, Hemel Hempstead, and those centres within The Mall loan facility, namely Maidstone, Walthamstow and Wood Green. It also includes the results of Gyle shopping centre in Edinburgh from the date of acquisition on 6 September 2023.

Group/Central includes management fee income, Group overheads incurred by Capital & Regional plc, Capital & Regional Property Management and other subsidiaries and the interest expense on the Group's central borrowing facility.

The Shopping Centres segments derive their revenue from the rental of investment properties. The Snozone and Group/ Central segments derive their revenue from the operation of indoor ski slopes and the management of property funds or schemes respectively. The split of revenue between these classifications satisfies the requirement of IFRS 8 to report revenues from different products and services. Depreciation and charges in respect of share-based payments represent the only significant non-cash expenses.

		Shopping Centres	Snozone	Group/ Central	**Total**
Six months to 30 June 2024 (Unaudited)	Note	£m	£m	£m	**£m**
Rental income from external sources	3b	20.1	-	-	**20.1**
Property and void costs[1]		(6.4)	-	-	**(6.4)**
Net rental income		**13.7**	**-**	**-**	**13.7**
Net interest expense		(4.6)	-	0.4	**(4.2)**
Snozone income/Management fees[2]	3b	-	8.3	0.7	**9.0**
Snozone/Management expenses		-	(6.4)	(3.3)	**(9.7)**
Depreciation		-	-	(0.2)	**(0.2)**
Variable overhead		-	-	(0.4)	**(0.4)**
Adjusted Profit/(loss)		**9.1**	**1.9**	**(2.8)**	**8.2**
Revaluation of properties		(1.5)	-	-	**(1.5)**
Snozone depreciation and amortisation		-	(1.1)	-	**(1.1)**
Notional interest (net of rent expense within EBITDA)		-	0.8	-	**0.8**
Loss on financial instruments		(0.6)	-	-	**(0.6)**
Long-term incentives		-	-	(0.3)	**(0.3)**
Tax (charge)/credit		-	-	(0.6)	**(0.6)**
Other items		-	-	(0.4)	**(0.4)**
Profit/(loss)		7.0	1.6	(4.1)	**4.5**
Total assets	3b	406.9	24.2	26.7	**457.8**
Total liabilities	3b	(224.1)	(25.8)	(4.0)	**(253.9)**
Net assets/(liabilities)		182.8	(1.6)	22.7	**203.9**

[1] Includes expected credit loss.
[2] Asset management fees of £1.2 million charged from the Group's Capital & Regional Property Management entity to the Group's Shopping Centres have been excluded from the table above.

3 Operating segments (continued)

3a Operating segment performance

Six months to 30 June 2023 (Unaudited)	Note	Shopping Centres £m	Snozone £m	Group/ Central £m	**Total £m**
Rental income from external sources	3b	16.6	-	-	**16.6**
Property and void costs[1]		(4.9)	-	-	**(4.9)**
Net rental income		**11.7**	**-**	**-**	**11.7**
Net interest expense		(3.7)	-	0.2	**(3.5)**
Snozone income/Management fees[2]	3b	-	7.7	1.2	**8.9**
Snozone/Management expenses		-	(6.1)	(3.2)	**(9.3)**
Depreciation		-	-	(0.1)	**(0.1)**
Variable overhead		-	-	(0.7)	**(0.7)**
Adjusted Profit/(loss)		**8.0**	**1.6**	**(2.6)**	**7.0**
Revaluation of properties		(0.3)	-	-	**(0.3)**
Loss on disposal/transaction costs		(0.6)	-	-	**(0.6)**
Snozone depreciation and amortisation		-	(1.0)	-	**(1.0)**
Notional interest (net of rent expense within EBITDA)		-	0.3	-	**0.3**
Gain on financial instruments		(0.3)	-	-	**(0.3)**
Long-term incentives		-	-	(0.4)	**(0.4)**
Tax (charge)/credit		-	(0.3)	1.5	**1.2**
Other items		0.2	-	-	**0.2**
Profit/(loss)		7.0	0.6	(1.5)	**6.1**
Total assets	3b	369.6	26.0	28.9	**424.5**
Total liabilities	3b	(210.1)	(27.6)	(3.6)	**(241.3)**
Net assets/(liabilities)		159.5	(1.6)	25.3	**183.2**

[1] Includes expected credit loss.
[2] Asset management fees of £1.1 million charged from the Group's Capital & Regional Property Management entity to the Group's Shopping Centres have been excluded from the table above.

3 Operating segments (continued)

3a Operating segments

Year to 30 December 2023	Note	Shopping Centres £m	Snozone £m	Group/ Central £m	**Total £m**
Rental income from external sources	3b	34.7	-	-	**34.7**
Property and void costs[1]		(10.8)	-	-	**(10.8)**
Net rental income		23.9	-	-	**23.9**
Interest income				0.5	**0.5**
Interest expense		(7.9)	-	-	**(7.9)**
Snozone income/Management fees[2]	3b	-	14.9	1.9	**16.8**
Management expenses		-	(12.6)	(6.3)	**(18.9)**
Depreciation		-	-	(0.3)	**(0.3)**
Variable overhead		-	-	(1.4)	**(1.4)**
Adjusted Profit/(loss)		16.0	2.3	(5.6)	**12.7**
Revaluation of properties		(8.1)	-	-	**(8.1)**
Loss on disposal/transaction costs		(0.3)	-	-	**(0.3)**
Snozone depreciation and amortisation		-	(2.2)	-	**(2.2)**
Notional interest (net of rent expense within EBITDA)		-	0.8	-	**0.8**
Loss on financial instruments		(2.0)	-	-	**(2.0)**
Long-term incentives		-	-	(0.8)	**(0.8)**
Tax credit		-	(0.3)	3.9	**3.6**
Profit/(loss)		5.6	0.6	(2.5)	**3.7**
Total assets	3b	408.5	26.0	24.8	**459.3**
Total liabilities	3b	(225.2)	(28.8)	(3.3)	**(257.3)**
Net assets/(liabilities)		183.3	(2.8)	21.5	**202.0**

[1] Includes expected credit loss.
[2] Asset management fees of £2.3 million charged from the Group's Capital & Regional Property Management entity to wholly owned assets have been excluded from the table above as they are eliminated within the Group consolidation.

3b Reconciliations of reportable revenue, assets and liabilities

Revenue	Note	**Unaudited Six months to 30 June 2024 £m**	Unaudited Six months to 30 June 2023 (restated)[1] £m	Audited Year to 30 December 2023 £m
Rental income from external sources including associates	3a	**20.1**	16.6	34.7
Other revenue		**-**	-	0.1
Service charge income		**5.8**	3.3	8.2
Management fees	3a	**0.7**	1.3	1.9
Snozone income	3a	**8.3**	7.7	14.9
Revenue for reportable segments		**34.9**	28.9	59.8
Elimination of inter-segment revenue		**(0.4)**	(0.4)	(0.8)
Revenue and other income per consolidated income statement		**34.5**	28.5	59.0

Revenue by country			
UK	**32.2**	26.4	55.0
Spain	**2.3**	2.1	4.0
Revenue and other income per consolidated income statement	**34.5**	28.5	59.0

[1] Comparative figures for the period to 30 June 2023 have been restated for an adjustment to service charge income and expenditure recognised in the period. There is no impact on Profit.

3 Operating segments (continued)

3b Reconciliations of reportable revenue, assets and liabilities (continued)

Assets	**Unaudited Six months 30 June 2024 £m**	Unaudited Six months to 30 June 2023 £m	Audited Year to 30 December 2023 £m
Shopping Centres	**406.9**	369.6	408.5
Snozone	**24.2**	26.0	26.0
Group/Central	**26.7**	28.9	24.8
Total assets of reportable segments and Group assets	**457.8**	424.5	459.3
Liabilities			
Shopping Centres	**(224.1)**	(210.1)	(225.2)
Snozone	**(25.8)**	(27.6)	(28.8)
Group/Central	**(4.0)**	(3.6)	(3.3)
Total liabilities of reportable segments and Group liabilities	**(253.9)**	(241.3)	(257.3)
Net assets by country			
UK	**202.7**	182.0	200.4
Spain	**1.2**	1.2	1.6
Group net assets	**203.9**	183.2	202.0

4 Revenue

Statutory	**Unaudited Six months to 30 June 2024 £m**	Unaudited Six months to 30 June 2023 (restated)[1] £m	Audited Year to 30 December 2023 £m
Gross rental income	**16.0**	13.1	27.2
Car park and other ancillary income	**4.1**	3.5	7.5
Rental income from external sources	**20.1**	16.6	34.7
Service charge income	**5.8**	3.3	8.2
External management fees	**0.3**	0.9	1.1
Snozone income	**8.3**	7.7	14.9
Other income	**-**	-	0.1
Revenue and other income per consolidated income statement	**34.5**	28.5	59.0

[1] Comparative figures for the period to 30 June 2023 have been restated for an adjustment to service charge income and expenditure recognised in the period. There is no impact on Profit.

5 Tax

Tax (charge)/credit	**Unaudited Six months to 30 June 2024 £m**	Unaudited Six months to 30 June 2023 £m	Audited Year to 30 December 2023 £m
UK corporation tax	**-**	-	-
Adjustments in respect of prior years	**-**	1.1	1.0
Total current tax credit	**-**	1.1	1.0
Deferred tax	**(0.6)**	0.1	2.6
Total tax (charge)/credit	**(0.6)**	1.2	3.6

5 Tax (continued)

Tax credit/(charge) reconciliation	**Unaudited Six months to 30 June 2024 £m**	Unaudited Six months to 30 June 2023 £m	Audited Year to 30 December 2023 £m
Profit before tax on continuing operations	**5.1**	4.9	0.1
Expected tax charge at 25% (30 June 2023 22% and 30 December 2023: 23.52%)	**(1.3)**	(0.9)	-
REIT exempt income and gains	**0.9**	0.7	(0.2)
Non-allowable expenses and non-taxable items	**(0.2)**	(0.3)	(1.3)
Excess tax losses	**-**	0.5	0.7
Prior year adjustments	**-**	1.1	1.0
Movement in deferred taxes	**-**	0.1	3.4
Total tax (charge)/credit – continuing operations	**(0.6)**	1.2	3.6

On 10 June 2021 Finance Act 2021 received Royal Assent and enacted provisions maintaining the main corporation tax rate at 19% for the year commencing 1 April 2022 and increasing the rate to 25% for the year commencing 1 April 2023.

Consequently the UK corporation tax rate at which deferred tax is booked in the Financial Statements is 25% (June 2023: 22%).

The Group has recognised a deferred tax asset of £3 million (30 December 2023: £3.6 million). The group has recognised deferred tax assets for the non-REIT profit entities in respect of head lease payments and capital allowances and certain residual tax losses carried forward to the extent that future matching taxable profits are expected to arise.

No deferred tax asset has been recognised in respect of temporary differences arising from investments or investments in associates in the current or prior years as it is not certain that a deduction will be available when the asset crystallises.

The Group has £17.2 million (30 December 2023: £20 million) of unused revenue tax losses, all of which are in the UK. A deferred tax asset has been recognised in respect of £6.3 million of these losses (30 December 2023: £9.1 million) where the Group considers it is sufficiently certain taxable profits will arise to utilise the losses. A deferred tax asset has not been recognised on the remaining £10.9 million of those losses due to restrictions on the utilisation of these losses. The Group also has unused capital losses of £24.2 million (30 December 2023: £24.2 million) that are available for offset against future gains. No deferred tax has been recognised in respect of these losses owing to the unpredictability of future capital gains and other reasons which may restrict the utilisation of the losses. The unused revenue and capital losses do not have an expiry date.

The Group converted to a group REIT on 31 December 2014. Therefore, the Group does not pay UK corporation tax on the profits and gains from qualifying rental business in the UK provided it meets certain conditions. Non-qualifying profits and gains of the Group continue to be subject to corporation tax as normal. In order to retain group REIT status certain ongoing criteria must be maintained. The main criteria are as follows:

- at the start of each accounting year, the value of the assets of the property rental business plus cash must be at least 75% of the total value of the Group's assets;
- at least 75% of the Group's total profits must arise from the property rental business; and
- at least 90% of the Group's UK property rental profits as calculated under tax rules must be distributed.

The Directors intend that the Group should continue as a group REIT for the foreseeable future, with the result that deferred tax is no longer recognised on temporary differences relating to the property rental business.

6 Earnings per share

The European Public Real Estate Association ("EPRA") has issued recommendations for the calculation of earnings per share information as shown in the following table:

		Six months to 30 June 2024 (unaudited)			Six months to 30 June 2023 (unaudited)			Year to 30 December 2023 (audited)		
	Note	**Profit**	**EPRA**	**Adjusted Profit**	Profit	EPRA	Adjusted Profit	Profit	EPRA	Adjusted Profit
Profit (£m)										
Profit for the period		**4.5**	**4.5**	**4.5**	6.1	6.1	6.1	3.7	3.7	3.7
Revaluation (loss)/gain on investment properties (net of tax)	3a	**-**	**1.5**	**1.5**	-	0.3	0.3	-	8.1	8.1
Loss on disposal (net of tax)	3a	**-**	**-**	**-**	-	0.6	0.6	-	0.3	0.3
Changes in fair value of financial instruments	3a	**-**	**0.6**	**0.6**	-	0.3	0.3	-	2.0	2.0
Share-based payments	3a	**-**	**-**	**0.3**	-	-	0.4	-	-	0.8
Tax		**-**	**0.6**	**0.6**	-	-	(1.2)	-	(3.6)	(3.6)
Other items[1]		**-**	**0.4**	**0.7**	-	(0.2)	0.5	-	-	1.4
Profit		**4.5**	**7.6**	**8.2**	6.1	7.1	7.0	3.7	10.5	12.7
Earnings per share[2]		**2.0p**	**3.4p**	**3.6p**	3.6p	4.2p	4.2p	2.0p	5.6p	6.8p
Diluted earnings per share[2]		**2.0p**	**3.3p**	**3.6p**	3.5p	4.2p	4.1p	1.9p	5.5p	6.6p

[1] Other Items includes the adjustments for Leisure EBITDA.
[2] EPRA and Adjusted Profit earnings per share are non-GAAP measures.

Weighted average number of shares (m)	**Six months to 30 June 2024 (Unaudited)**	Six months to 30 June 2023 (Unaudited)	Year to 30 December 2023 (Audited)
Ordinary shares in issue	**226.2**	169.9	188.1
Own shares held	**(0.4)**	-	(0.4)
Basic	**225.8**	169.9	187.7
Dilutive contingently issuable shares and share options	**4.6**	4.3	3.9
Diluted	**230.4**	174.2	191.6

At the end of the period, the Group had nil (30 December 2023: nil) additional share options and contingently issuable shares granted under share-based payment schemes that could potentially dilute basic earnings per share in the future but which have not been included in the calculation because they are not dilutive or the performance conditions for vesting were not met based on the position at 30 June 2024.

Headline earnings per share

Headline earnings per share has been calculated and presented as required by the Johannesburg Stock Exchange Listings Requirements.

	Six months to 30 June 2024 (Unaudited)		Six months to 30 June 2023 (Unaudited)		Year to 30 December 2023 (Audited)	
	Basic	**Diluted**	Basic	Diluted	Basic	Diluted
Profit/(Loss) (£m)						
Profit for the period	**4.5**	**4.5**	6.1	6.1	3.7	3.7
Revaluation of investment properties (net of tax)	**1.5**	**1.5**	0.3	0.3	8.1	8.1
Loss/(profit) on disposal of investment properties (net of tax)	**-**	**-**	0.6	0.6	0.3	0.3
Other items [1]	**0.4**	**0.4**	(0.2)	(0.2)	-	-
Headline earnings	**6.4**	**6.4**	6.8	6.8	12.1	12.1
Weighted average number of shares (m)						
Ordinary shares in issue	**226.2**	**226.2**	169.9	169.9	188.1	188.1
Own shares held	**(0.4)**	**(0.4)**	-	-	(0.4)	(0.4)
Dilutive contingently issuable shares and share options	**-**	**4.6**	-	4.3	-	3.9
	225.8	**230.4**	169.9	174.2	187.7	191.6
Headline Earnings per share	**2.8p**	**2.8p**	4.1p	4.0p	6.4p	6.3p

7 Investment properties

7a Shopping Centres

	Freehold investment properties £m	Leasehold investment properties £m	**Total property assets £m**
Valuation			
At 30 December 2023 (Audited)	288.7	80.9	**369.6**
Capital expenditure/(contribution)	3.7	(0.6)	**3.1**
Valuation deficit[1]	(1.2)	-	**(1.2)**
At 30 June 2024 (Unaudited)	**291.2**	**80.3**	**371.5**

[1] £(1.5) million per Income statement (30 June 2023: £(0.3) million) and Note 3a includes letting fee amortisation adjustment of £(0.3) million (30 June 2023: £nil).

7b Property assets summary

	Unaudited 30 June 2024 £m	Audited 30 December 2023 £m
Investment properties at fair value - Shopping Centres	**374.9**	372.8
Head leases treated as finance leases on investment properties	**5.4**	5.4
Unamortised tenant incentives on investment properties	**(8.8)**	(8.6)
IFRS Property Value	**371.5**	369.6

7c Valuations

External valuations were carried out on all of the property assets detailed in the table above. The valuations at 30 June 2024 were carried out by independent qualified professional valuers from CBRE Limited in accordance with RICS standards. These valuers are not connected with the Group and their fees are charged on a fixed basis that is not dependent on the outcome of the valuations.

Real estate valuations are complex and derived from data that is not widely publicly available and involves a degree of judgement. For these reasons, the valuations are classified as Level 3 in the fair value hierarchy as defined by IFRS 13. The valuations are sensitive to changes in rent profile and yields. There were no transfers between levels in the year.

The following table illustrates the impact of changes in key unobservable inputs (in isolation) on the fair value of the Group's properties:

	Impact on valuations of 5% change in estimated rental value		Impact on valuations of 25bps change in equivalent yield		Impact on valuations of 50bps change in equivalent yield	
	Increase £m	Decrease £m	Increase £m	Decrease £m	Increase £m	Decrease £m
	15.2	(15.1)	(12.1)	12.6	(23.3)	26.2

	Impact on valuations of 100bps change in equivalent yield	
	Increase £m	Decrease £m
	(43.9)	56.6

8 Plant and equipment

	Leasehold improvements £m	**Fixtures and fittings £m**	**Computer equipment £m**	**Total £m**
Cost				
At 31 December 2023	0.3	7.0	0.9	8.2
Additions	-	0.5	-	0.5
At 30 June 2024	**0.3**	**7.5**	**0.9**	**8.7**
Accumulated Depreciation				
At 31 December 2023	-	(3.9)	(0.8)	(4.7)
Charge for the period	(0.1)	(0.3)	-	(0.4)
At 30 June 2024	**(0.1)**	**(4.2)**	**(0.8)**	**(5.1)**
Carrying amount				
At 30 June 2024	**0.2**	**3.3**	**0.1**	**3.6**
At 30 December 2023	0.3	3.1	0.1	3.5

9 Leases

Right of use Assets	Buildings £m
Cost	
At 30 December 2023 (Audited)	24.7
Additions	-
At 30 June 2024 (Unaudited)	**24.7**
Accumulated depreciation	
At 30 December 2023 (Audited)	(4.6)
Charge for the year	(1.2)
At 30 June 2024 (Unaudited)	**(5.8)**
Carrying value	
At 30 June 2024 (Unaudited)	**18.9**
At 30 December 2023 (Audited)	20.1

Lease commitments relate to the leasing of the Group's registered office and the leases of the Snozone business on its Castleford, Madrid and Milton Keynes sites.

10 Receivables and other assets

	Unaudited 30 June 2024 £m	Audited 30 December 2023 £m
Amounts falling due after one year:		
Financial assets		
Interest rate caps	**1.5**	0.5
Non current financial assets	**1.5**	0.5
Non-financial assets		
Unamortised tenant incentives	**3.0**	2.7
Unamortised rent-free periods	**4.6**	4.6
Non current non-financial assets	**7.6**	7.3
	9.1	7.8
Amounts falling due within one year:		
Financial assets		
Trade receivables (net of allowances)	**3.7**	4.3
Interest rate swaps	**-**	0.3
Other receivables	**0.1**	3.8
Accrued income	**1.9**	1.9
Current financial assets	**5.7**	10.3
Non-financial assets		
Prepayments	**4.4**	4.9
Unamortised tenant incentives	**0.5**	0.5
Unamortised rent-free periods	**0.8**	0.8
Current non-financial assets	**5.7**	6.2
	11.4	16.5

Credit losses are calculated at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The group writes off a trade receivable when there is information indicating that there is no realistic prospect of recovery. Changes in expected credit loss allowance arise from increase or decrease in calculated expected credit loss, as well as amounts written off. The group does not recognise revenue where collectability is not reasonably expected. In the case of rental income this relates to tenants who are insolvent and closed.

11 Cash and cash equivalents

	Unaudited 30 June 2024 £m	Audited 30 December 2023 £m
Cash at bank	**36.4**	36.3
Restricted security disposals held in rent accounts	**1.2**	1.0
Other restricted balances	**2.7**	0.9
Total cash and cash equivalents	**40.3**	38.2

Cash at bank and in hand include amounts subject to a charge against various borrowings and may therefore not be immediately available for general use by the Group. Of the cash at bank and in hand £20.8 million was immediately available free of any restrictions or conditions or held on short term deposit at the period end date (30 December 2023 - £17.8 million). The remaining balances are subject to meeting conditions or having passed through relevant waterfall calculations within relevant loan facilities. All of the above amounts at 30 June 2024 were held in Sterling other than £0.1 million which was held in Euros and £0.5 million in South African Rand (30 December 2023: £0.4 million in Euros and £0.7m in South African Rand).

12 Trade and other payables

	30 June 2024 £m	30 December 2023 £m
Amounts falling due after one year:		
Financial liabilities		
Share-based NI accrual	**0.2**	0.3
Non-derivative financial liabilities	**0.2**	0.3
Amounts falling due within one year:		
Financial liabilities		
Trade payables	**2.3**	5.0
Accruals	**8.2**	8.0
Other creditors	**12.7**	12.1
Non-derivative financial liabilities	**23.2**	25.1
Non-financial liabilities		
Deferred income	**3.9**	4.8
Other taxation and social security	**0.6**	0.3
	27.7	30.2

13 Leases

The Group as lessee
At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable leases related to land and buildings, which fall due as set out below. These leases relate to its office premises and the Snozone business' Basingstoke, Castleford, Milton Keynes and Madrid sites, as well as leasehold investment property.

	30 June 2024 £m	30 December 2023 £m
Lease payments		
Within one year	**(3.1)**	(3.1)
Between one and five years	**(9.3)**	(11.6)
After five years	**(125.4)**	(125.2)
	(137.8)	(139.9)

Lease payments are denominated in Sterling and have an average remaining lease length of 48 years (30 December 2023: 48 years). Excluding head leases, rentals are fixed for an average of 1 year (30 December 2023: 1 year). The Group's leasehold investment property is variable based on a percentage of performance, with a minimum payment per year of £0.4 million (2023: £0.4 million).

The lease liabilities based on the present value of payments and associated right of use assets recognised in the consolidated balance sheet are set out below.

	30 June 2024 £m	30 December 2023 £m
Right of use assets	**18.9**	20.1
Current lease liability	**(3.1)**	(3.1)
Non-current lease liability	**(25.0)**	(26.0)

14 Borrowings

The Group's borrowings are arranged to ensure an appropriate maturity profile and to maintain short-term liquidity. There were no defaults or other breaches of financial covenants that were not waived under any of the Group borrowings during the current year or the preceding year.

Borrowings at amortised cost	**Unaudited 30 June 2024 £m**	Audited 30 December 2023 £m
Secured		
Fixed and swapped bank loans	**179.0**	179.0
Variable rate loan	**20.0**	20.0
Total borrowings before costs	**199.0**	199.0
Unamortised issue costs	**(1.1)**	(1.3)
Total borrowings after costs	**197.9**	197.7
Analysis of total borrowings after costs		
Current	**-**	42.7
Non-current	**197.9**	155.0
Total borrowings after costs	**197.9**	197.7

The fair value of total borrowings before costs as at 30 June 2024 was £186.5 million (30 December 2023: £187.1 million). At 30 June 2024 the Group had no undrawn committed facilities. All loans are maintained in separate ring-fenced Special Purpose Vehicle (SPV) structures secured against the property interests and other assets within each SPV. There is no recourse to other Group companies outside of the respective SPV and no cross-default provisions.

On 8 March 2024 the Group signed an extension to its £39 million facility on the Ilford Exchange shopping centre with Dekabank Deutsche Girozentrale. The agreement extends maturity to September 2025 and provides two further conditional extension options to further extend maturity to the end of December 2026 and 2027, respectively. On commencement of the new extended term the margin is 300 basis points. The Group has acquired an interest rate cap to hedge the maximum all in cost at 5.50% until the current maturity of September 2025. The facility was shown as current at 30 December 2023.

The Hemel Hempstead Marlowes shopping centre facility was shown as current on 30 December 2023 given there was a technical breach of a covenant as at that date driven by the administration of Wilko. The technical breach was subsequently waived, and consequently the facility is shown as non-current at 30 June 2024.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value. All of the assets listed were classified as Level 2, as defined in note 2 to these condensed financial statements. There were no transfers between Levels in the year.

	Unaudited 30 June 2024 £m	Audited 30 December 2023 £m
Interest rate caps	**1.5**	0.5
Interest rate swaps	**-**	0.3
	1.5	0.8

Interest rate caps and swaps are initially recognised at fair value at the date the contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The fair value of forward foreign exchange contracts is calculated by reference to spot and forward exchange rates at the balance sheet date. The fair value of interest rate caps and swaps are calculated by reference to appropriate forecasts of yield curves between the balance sheet date and the maturity of the instrument. Changes in fair value are included as finance income or finance costs in the income statement. Derivative financial instruments are classified as non-current when they have a maturity of more than twelve months and are not intended to be settled within one year. As the group does not apply hedge accounting, the provisions of IFRS 9 do not apply.

15 Notes to the cash flow statement

	Unaudited Six months to 30 June 2024 £m	Unaudited Six months to 30 June 2023 £m	Audited Year to 30 December 2023 £m
Profit for the period	**4.5**	6.1	3.7
Adjusted for:			
Income tax charge/(credit)	**0.6**	(1.2)	(3.6)
Finance income	**(0.4)**	(0.3)	(0.5)
Finance expense	**5.2**	4.1	9.9
Finance lease costs (head leases)	**-**	-	(0.4)
Loss on revaluation of properties	**1.5**	0.3	8.1
Depreciation of other fixed assets	**0.4**	0.1	0.7
Snozone interest and amortisation	**1.7**	-	3.0
Other gains and losses	**-**	0.5	0.1
Decrease/(increase) in receivables	**3.6**	2.5	(0.9)
Decrease in payables	**(5.7)**	(2.5)	(0.7)
Non-cash movement relating to share-based payments	**0.2**	0.4	0.7
Net cash from operations	**11.6**	10.0	20.1

16 Net assets per share

	30 June 2024 (Unaudited)				**30 December 2023 (Audited)**			
	Basic NAV £m	**EPRA NRV £m**	**EPRA NTA £m**	**EPRA NDV £m**	**EPRA NRV £m**	**Basic NAV £m**	**EPRA NTA £m**	**EPRA NDV £m**
IFRS Equity attributable to shareholders	**203.9**	**203.9**	**203.9**	**203.9**	202.0	202.0	202.0	202.0
Exclude fair value of financial instruments	-	(1.5)	(1.5)	-	-	(0.8)	(0.8)	-
Include fair value of fixed interest rate debt	-	-	-	12.5	-	-	-	11.9
Net asset value	**203.9**	**202.4**	**202.4**	**216.4**	202.0	201.2	201.2	213.9
Number of shares	233.0	-	-	-	224.9	-	-	-
Fully diluted number of shares	-	237.6	237.6	237.6	-	228.8	228.8	228.8
Net asset value per share (pence)	**87.5**	**85.2**	**85.2**	**91.1**	89.8	87.9	87.9	93.5

Net assets per share is a non-GAAP measure.

The number of ordinary shares issued and fully paid at 30 June 2024 was 232,996,247 (30 December 2023: 224,906,731). There have been no changes to the number of shares from 30 June 2024 to the date of this announcement.

17 Related party transactions

There have been no material changes to, or material transactions with, related parties as described in note 29 of the annual audited financial statements for the year ended 30 December 2023.

18 Dividends

	Unaudited Six months to 30 June 2023 £m	Unaudited Six months to 30 June 2023 £m	Audited Year to 30 December 2023 £m
Amounts recognised as distributions to equity holders in the period	**6.6**	4.7	9.5
Proposed interim dividend of 2.85p per share for year ended 30 December 2024	**6.6**	-	-

The dividends shown above are gross of any take-up of Scrip offer.

Glossary of terms

Adjusted Profit is the total of Contribution from Shopping Centres, Snozone EBITDA and property management fees less central costs (including interest but excluding non-cash charges in respect of long-term incentive awards) after tax. Adjusted Profit excludes revaluation of properties, profit or loss on disposal of properties or investments, gains or losses on financial instruments and exceptional one-off items. Results from Discontinued Operations are included up until the point of disposal or reclassification as held for sale.

Adjusted Earnings per share is Adjusted Profit divided by the weighted average number of shares in issue during the year excluding own shares held.

C&R is Capital & Regional plc, also referred to as the Group or the Company.

CRPM is Capital & Regional Property Management Limited, a subsidiary of Capital & Regional plc, which earns management and performance fees from the Mall assets and certain associates and joint ventures of the Group.

Contracted rent is passing rent and the first rent reserved under a lease or unconditional agreement for lease but which is not yet payable by a tenant.

Contribution is net rent less net interest, including unhedged foreign exchange movements.

Capital return is the change in market value during the year for properties held at the balance sheet date, after taking account of capital expenditure calculated on a time weighted basis.

Debt is borrowings, excluding unamortised issue costs.

EPRA earnings per share (EPS) is the profit / (loss) after tax excluding gains on asset disposals and revaluations, movements in the fair value of financial instruments, intangible asset movements and the capital allowance effects of IAS 12 "Income Taxes" where applicable, less tax arising on these items, divided by the weighted average number of shares in issue during the year excluding own shares held.

EPRA LTV is the ratio of debt to the Market value of properties as defined by the European Real Estate Association.

EPRA net disposal value (NDV) represents net asset value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

EPRA net reinstatement value (NRV) is net asset value adjusted to reflect the value required to rebuild the entity and assuming that entities never sell assets. Assets and liabilities, such as fair value movements on financial derivatives are not expected to crystallise in normal circumstances and deferred taxes on property valuation surpluses are excluded.

EPRA net tangible assets (NTA) is a proportionally consolidated measure, representing the IFRS net assets excluding the mark-to-market on derivatives and related debt adjustments, the mark-to-market on the convertible bonds, the carrying value of intangibles as well as deferred taxation on property and derivative valuations.

Estimated rental value (ERV) is the Group's external valuers' opinion as to the open market rent which, on the date of valuation, could reasonably be expected to be obtained on a new letting or rent review of a unit or property.

ERV growth is the total growth in ERV on properties owned throughout the year including growth due to development.

Gearing is the Group's debt as a percentage of net assets. See through gearing includes the Group's share of non-recourse debt in associates and joint ventures.

Interest cover is the ratio of Adjusted Profit (before interest, tax, depreciation and amortisation) to the interest charge (excluding amortisation of finance costs and notional interest on head leases).

Like-for-like figures, unless otherwise stated, exclude the impact of property purchases and sales on year to year comparatives.

Snozone EBITDA or EBITDA is an alternative performance measure for the Snozone business. It excludes Depreciation, Amortisation, (notional) Interest, Tax and non-operational one-off items. It includes rent expense, based on contractual payments adjusted for rent free periods. This provides a measure of Snozone trading performance which removes the profiling impact of IFRS 16 that would otherwise see a significantly higher charge in early years of a lease and significantly lower net charge in later years.

Loan to value (LTV) is the ratio of debt excluding fair value adjustments for debt and derivatives, to the Market value of properties.

Market value is an opinion of the best price at which the sale of an interest in a property would complete unconditionally for cash consideration on the date of valuation as determined by the Group's external or internal valuers. In accordance with usual practice, the valuers report valuations net, after the deduction of the prospective purchaser's costs, including stamp duty, agent and legal fees.

Net Administrative Expenses to Gross Rent is the ratio of Administrative Expenses net of external fee income to Gross Rental income including the Group's share of Joint Ventures and Associates

Net assets per share (NAV per share) are shareholders' funds divided by the number of shares held by shareholders at the year end, excluding own shares held.

Net initial yield (NIY) is the annualised current rent, net of revenue costs, topped-up for contractual uplifts, expressed as a percentage of the capital valuation, after adding notional purchaser's costs.

Net debt to property value is debt less cash and cash equivalents divided by the property value.

Net interest is the Group's share, on a see-through basis, of the interest payable less interest receivable of the Group and its associates and joint ventures.

Net rent or **Net rental income (NRI)** Net Rental Income is rental income from properties, less provisions for expected credit losses, property and management costs. It is a standard industry measure.

Nominal equivalent yield (NEY) is a weighted average of the net initial yield and reversionary yield and represents the return a property will produce based upon the timing of the income received, assuming rent is received annually in arrears on gross values including the prospective purchaser's costs.

Occupancy cost ratio is the proportion of a retailer's sales compared with the total cost of occupation being: rent, business rates, service charge and insurance. Retailer sales are based on estimates by third party consultants which are periodically updated and indexed using relevant data from the C&R Trade Index.

Occupancy rate is the ERV of occupied properties expressed as a percentage of the total ERV of the portfolio, excluding development voids.

Passing rent is gross rent currently payable by tenants including car park profit but excluding income from non-trading administrations and any assumed uplift from outstanding rent reviews.

Rent to sales ratio is Contracted rent excluding car park income, ancillary income and anchor stores expressed as a percentage of net sales.

REIT – Real Estate Investment Trust.

Return on equity is the total return, including revaluation gains and losses, divided by opening equity plus time weighted additions to and reductions in share capital, excluding share options exercised.

Reversionary percentage is the percentage by which the ERV exceeds the passing rent.

Reversionary yield is the anticipated yield to which the net initial yield will rise once the rent reaches the ERV.

Temporary lettings are those lettings for one year or less.

Total property return incorporates net rental income and capital return expressed as a percentage of the capital value employed (opening market value plus capital expenditure) calculated on a time weighted basis.

Total return is the Group's total recognised income or expense for the year as set out in the consolidated statement of comprehensive income expressed as a percentage of opening equity shareholders' funds.

Total shareholder return (TSR) is a performance measure of the Group's share price over time. It is calculated as the share price movement from the beginning of the year to the end of the year plus dividends paid, divided by share price at the beginning of the year.

Variable overhead includes discretionary bonuses and the costs of awards to Directors and employees made under the 2018 LTIP and other share schemes which are spread over the performance period.

EPRA performance measures (Not subject to review opinion)

	30 June 2024	30 June 2023	30 December 2023
EPRA earnings (£m)	**7.6**	7.1	10.5
EPRA earnings per share (diluted)	**3.3p**	4.1p	5.6p
EPRA reinstatement value (£m)	**202.4**	181.7	201.2
EPRA net reinstatement value per share	**85p**	102p	88p
EPRA net tangible assets (£m)	**202.4**	181.7	201.2
EPRA net tangible assets per share	**85p**	102p	88p
EPRA net disposal value (£m)	**216.4**	205.8	213.9
EPRA net disposal value per share	**91p**	116p	94p
EPRA LTV (£m)	**45.9%**	44.6%	45.4%

EPRA Cost ratios

	30 June 2024 £m	30 June 2023 £m	30 December 2023 £m
Cost of sales (adjusted for IFRS head lease differential)	**18.4**	16.1	31.1
Administrative costs	**4.5**	4.8	9.7
Service charge income	**(5.8)**	(5.5)	(8.2)
Management fees	**(0.2)**	(0.9)	(1.2)
Less Snozone (indoor ski operation) costs	**(6.7)**	(6.8)	(14.0)
Less inclusive lease costs recovered through rent	**(1.8)**	(1.1)	(2.3)
EPRA costs (including direct vacancy costs)	**8.4**	6.6	15.1
Direct vacancy costs	**(1.8)**	(1.1)	(2.7)
EPRA costs (excluding direct vacancy costs)	**6.6**	5.5	12.4
Gross rental income	**20.1**	16.6	34.7
Less ground rent costs	**(0.2)**	(0.5)	(0.7)
Less inclusive lease costs recovered through rent	**(1.8)**	(1.1)	(2.3)
Gross rental income	**18.1**	15.0	31.7
EPRA cost ratio (including direct vacancy costs)	**46.4%**	44.0%	47.6%
EPRA cost ratio (excluding vacancy costs)	**36.5%**	36.7%	39.1%

EPRA net initial yield and EPRA topped-up net initial yield	**30 June 2024 £m**	30 December 2023 £m
Investment property	**374.9**	372.8
Completed property portfolio	**374.9**	372.8
Allowance for capital costs	**14.0**	14.8
Allowance for estimated purchasers' costs	**25.3**	22.5
Grossed up completed property portfolio valuation	**414.2**	410.1
Annualised cash passing rental income	**37.0**	35.6
Property outgoings	**(2.5)**	(3.1)
Annualised net rents	**34.5**	32.5
Add: notional rent expiration of rent free periods or other lease incentives	**1.2**	0.5
Topped up annualised rent	**35.7**	33.0
EPRA net initial yield	**8.3%**	7.9%
EPRA topped-up net initial yield	**8.6%**	8.0%

Asset portfolio information – excluding properties held for sale
(Not subject to review opinion)

At 30 June 2024

Physical data	
Number of properties	**6**
Number of lettable units	**632**
Lettable space (sq ft – million)	**2,461**
Valuation data	
Properties at independent valuation (£m)	**374.9**
Adjustments for head leases and tenant incentives (£m)	**(3.4)**
Properties as shown in the financial statements (£m)	**371.5**
Initial yield (%)	**7.61%**
Equivalent yield (%)	**8.81%**
Reversion (%)	**8.1%**
Lease length (years)	
Weighted average lease length to break (years)	**2.9**
Weighted average lease length to expiry (years)	**4.7**
Passing rent (£m) of leases expiring in:	
Six months to 30 December 2024	**3.4**
Year to 30 December 2025	**3.6**
Three years to 30 December 2028	**9.4**
ERV (£m) of leases expiring in:	
Six months to 30 December 2024	**4.0**
Year to 30 December 2025	**1.8**
Three years to 30 December 2028	**3.1**
Passing rent (£m) subject to review in:	
Six months to 30 December 2024	**1.5**
Year to 30 December 2025	**0.6**
Three years to 30 December 2028	**2.8**
ERV (£m) of passing rent subject to review in:	
Six months to 30 December 2024	**1.5**
Year to 30 December 2025	**0.5**
Three years to 30 December 2028	**3.4**
Rental Data	
Contracted rent at period end (£m)	**38.2**
Passing rent at period end (£m)	**37.0**
ERV at period end (£m per annum)	**40.0**
Occupancy rate (%)	**93.9%**