NewRiver REIT PLC

Unaudited results for the six months ended 30 September 2022

24 November 2022

Continued operational momentum and balance sheet strength maintained

Allan Lockhart, Chief Executive commented: "We had a good first half with our operational and financial metrics driven by another period of strong leasing performance, consistently high occupancy and excellent cash generation.

As a result, Underlying Funds From Operations from our retail portfolio increased by 77% to £13.6 million delivering UFFO per share of 4.4 pence. In-line with our dividend policy, we have declared a fully covered interim dividend of 3.5 pence per share.

Our portfolio positioning focused on essential goods and services is a key strength of our business as is our unsecured balance sheet with LTV lower at 33.8%, interest cover improved to 3.9x, no refinancing requirement until 2028, interest costs fixed at 3.5%, £95 million of cash and further available liquidity of £125 million.

As we look to the second half, cost inflation remains significant for our consumers and occupiers but, by staying laser focused on our well positioned portfolio, a best in class asset management platform as evidenced by our new operational management appointment and a robust balance sheet, we are genuinely well positioned for these challenging times and in the medium term we remain confident of achieving our objective of a premium total accounting return."

Underlying financials improving

- Retail Underlying Funds From Operations increased to £13.6m in HY23 from £12.8m in H2 FY22 and £7.7m in HY22
- Interim dividend of 3.5p per share, 125% covered by UFFO per share of 4.4 pence; increase of 6.1% vs last dividend declared (Final FY22 dividend 3.3p per share)
- Retail Net Property Income up 2.0% to £25.7m (HY22: £25.2m); up 12% on an underlying basis excluding disposals
- Retail portfolio valued at £643m (31 March 2022: £649m); Portfolio delivered +3.0% Total Return in HY23 vs MSCI All Retail Benchmark +0.4%
- Retail IFRS profit after tax of £4.1m (HY22: loss of -£16.6m)
- EPRA NTA per share down 1.5% to 132p from 134p in March 2022 due to -1.3% portfolio valuation decline, but increased from 131p in September 2021
- HY23 Total Accounting Return of +1.0%; +6.4% Total Accounting Return for 12 months ended 30 September 2022

Strength of financial position maintained

- LTV of 33.8% at 30 September 2022, reduced from 34.1% at 31 March 2022; headroom to <40% guidance maintained
- Significant cash and available liquidity of £220.1m, including £95.1m of cash
- Continued improvement in interest cover which now stands at 3.9x (HY22: 2.7x), due to debt reduction completed during FY22 and continued improvement in underlying retail operations; Net debt: EBITDA of 5.1x (HY22: 6.9x)
- Fully unsecured balance sheet with portfolio NIY of 7.9% vs fixed cost of debt of 3.5%, one of the highest spreads in the real estate sector
- No maturity on drawn debt until 2028 and no exposure to interest rate rises on drawn debt

Continued operational momentum and further progress on ESG objectives

- Rent collection for HY23 of 97% - significantly ahead of 90% last year - and now back up to pre-COVID levels
- 493,200 sq ft of new lettings and renewals completed across the portfolio; long-term transactions at average 3.0% premium to ERV and ahead of previous passing rent
- High, stable retail occupancy of 96.3% (31 March 2022: 95.6%)
- Tenant affordability analysis indicates only £0.6m of rent exposure on 2023 lease events. The tenant risk of failure analysis projects a probability of failure in the next 24 months of 0.9% equating to an impact on portfolio value of just 0.6%
- Aligned with NewRiver's strategic aim to use its specialist retail platform to enhance earnings in a capital light way, appointed by a leading real estate investor to manage a retail portfolio including 16 retail parks and one shopping centre in the UK for a term of three years in return for a fee calculated with reference to the rental income of the portfolio
- Uplift in 2022 GRESB score from 68 to 70 and achieved Gold Level compliance with EPRA Sustainability Best Practice Recommendations
- Ranked number one by GRESB in the Management Module out of 901 participants across Europe

Results summary

Performance	**Note**	**HY23 Unaudited**		**HY22 Unaudited**
Retail Underlying Funds From Operations ('UFFO')	(1) (2)	£13.6m		£7.7m
Retail UFFO per share	(1) (2)	4.4p		2.5p
Retail Net Property Income		£25.7m		£25.2m
UFFO	(2)	£13.6m		£15.5m
UFFO per share	(2)	4.4p		5.1p
Ordinary dividend		3.5p		4.1p
Ordinary dividend cover	(3)	125%		125%
IFRS Profit/ (Loss) after taxation		£4.1m		£(49.9)m
IFRS Basic EPS		1.3p		(16.3)p
Interest cover	(4)	3.9x		2.7x
Total Accounting Return	(5)	+1.0%		-11.3%
GRESB Score	(6)	70		68

Balance Sheet	**Note**	**Sep 2022**	**March 2022**	**Sep 2021**
IFRS Net Assets		£409.5m	£414.1m	£402.1m
EPRA NTA per share	(7)	132p	134p	131p
Balance Sheet (proportionally consolidated)	(8)	**Sep 2022**	**March 2022**	**Sep 2021**
Properties at valuation		£643.2m	£649.4m	£702.3m
Net debt		£217.1m	£221.5m	£276.4m
Principal value of gross debt	(9)	£316.0m	£314.0m	£318.1m
Cash		£95.1m	£88.2m	£37.3m
Net debt: EBITDA		5.1x	4.6x	6.9x
Weighted average cost of debt – drawn only	(10)	3.5%	3.4%	3.4%
Weighted average debt maturity – drawn only	(10)	5.2 years	5.7 years	6.2 years
Loan to value	(11)	33.8%	34.1%	39.4%

(1) Retail UFFO is UFFO from continuing operations and excludes contribution from Hawthorn in HY22 prior to its disposal on 20 August 2021, see Note 11 to the Financial Statements
(2) Underlying Funds From Operations ('UFFO') is a Company measure of operational profits, which includes other income and excludes one off or non-cash adjustments, such as portfolio valuation movements, profits or losses on the disposal of investment properties, fair value movements on derivatives and share-based payment expense as set out in Note 11 to the Financial Statements and in the Finance Review. UFFO, which includes the contribution from Hawthorn in the prior period up to its disposal on 20 August 2021, is used by the Company as the basis for ordinary dividend policy and cover
(3) Ordinary dividend cover is calculated with reference to UFFO
(4) Interest cover is tested at corporate level and is calculated by comparing actual net property income received versus cash interest payable on a 12 month look-back basis
(5) Total Accounting Return is the EPRA NTA per share movement during the period, plus dividends paid in the period, divided by EPRA NTA per share at the start of the period
(6) GRESB is the leading sustainability benchmark for the global real estate sector, and its annual assessment scores participating companies out of 100
(7) EPRA Net Tangible Assets ('NTA') is based on IFRS net assets excluding the mark to market on derivatives and debt instruments, deferred taxation on revaluations, goodwill, and diluting for the effect of those shares potentially issuable under employee share schemes, see Note 11 to the Financial Statements
(8) Proportionally consolidated means Group and share of JVs & associates
(9) Principal value of gross debt being £300.0 million of Group and £16.0 million share of JVs & associates (March 2022: £300.0 million of Group and £14.0 million share of JVs & associates, September 2021: £300.0 million of Group and £18.1 million share of JVs & associates)
(10) Weighted average cost of debt and weighted average debt maturity on drawn debt only (including share of JV & associate drawn debt)
(11) Is the ratio of gross debt less cash, short-term deposits and liquid investments to the aggregate value of properties and investments

For further information
NewRiver REIT plc +44 (0)20 3328 5800
Allan Lockhart (Chief Executive)
Will Hobman (Chief Financial Officer)
Lucy Mitchell (Communications & Investor Relations)

FGS Global +44 (0)20 7251 3801
Gordon Simpson
James Thompson

This announcement contains inside information as defined in Article 7 of the EU Market Abuse Regulation No 596/2014 and has been announced in accordance with the Company's obligations under Article 17 of that Regulation. This announcement has been authorised for release by the Board of Directors.

Results presentation

The results presentation will be held at 10.30am today, 24 November 2022, at DL/78, 78 Charlotte Street, London, W1T 4QS.

A live audio webcast of the presentation will be available at: https://secure.emincote.com/client/newriver/HY23

A recording of this webcast will be available on the same link after the presentation, and on the Company's website (www.nrr.co.uk) later in the day.

Forward-looking statements

The information in this announcement may include forward-looking statements, which are based on current projections about future events. These forward-looking statements reflect the directors' beliefs and expectations and are subject to risks, uncertainties and assumptions about NewRiver REIT plc (the 'Company'), including, amongst other things, the development of its business, trends in its operating environment, returns on investment and future capital expenditure and acquisitions, that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements.

None of the future projections, expectations, estimates or prospects in this announcement should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the document. As a result, you are cautioned not to place reliance on such forward-looking statements as a prediction of actual results or otherwise. The information and opinions contained in this announcement are provided as at the date of this document and are subject to change without notice. No one undertakes to update publicly or revise any such forward looking statements. No statement in this document is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company.

Chief Executive's Review

Overview

We started FY23 in a good position financially and through a laser focus on execution, we have delivered a resilient set of operating and financial results. For some time now, we have consistently expressed our confidence in our portfolio positioning which is predominately focused on essential goods and services. Maintaining our high occupancy, delivering another period of good leasing performance and ensuring a normalisation of rent collection is evidence that we own the right assets that are in demand from retailers for whom a physical store is vital.

It is through the resilience of our portfolio and the quality of our asset management platform that underlying profits, as measured by Retail Underlying Funds From Operations (UFFO), increased to £13.6 million which compares to £7.7 million in the first half of the prior year. We are making excellent progress in recovering from income disruption during the COVID-19 period with rent collection rates having now recovered back to pre-COVID-19 levels.

The quality of our platform is endorsed in the recent announcement post period end that we have been appointed by a leading real estate investor to manage a retail portfolio including 16 retail parks and one shopping centre. Partnerships like this are a clear validation of our strong operating platform and likely to be an important and capital light component of our business mix in the coming years.

At our full year results, we said that in the near-term we would seek to maintain headroom to our LTV guidance given the macro-economic uncertainty. Given rising gilt rates and recent disruption in the capital markets, that has been the right call. We view our unsecured balance sheet with no refinancing and no exposure to rising interest rates until March 2028, as well as the gap we have between our portfolio net initial yield of 7.9% and cost of borrowing of 3.5%, as key strengths. We are one of the few listed real estate companies in this position.

Whilst the occupational markets held up well in the first half, liquidity in the capital markets was impacted in August and September as a result of the UK political and economic situation which has temporarily slowed progress on our Work Out disposals. That said, our half year valuations were broadly stable at -1.3% with the majority of the decline contained within our Regeneration portfolio predominantly driven by higher construction cost inflation. As a result, our Net Tangible Assets ('NTA') per share at the half year were 132 pence, a modest decrease from 134 pence at FY22.

There can be no doubt that the economic outlook has deteriorated since our FY22 results, but this is not the first time our business has faced challenging times and our management team have proven that we are well equipped to navigate them. As such, through the scenario testing that we have undertaken, we are confident of mitigating the near-term financial impact of elevated inflation and rising interest rates supported by our resilient portfolio and strong financial position. Equally, we are confident that we have the right strategy to deliver in the medium term our strategic objective of a consistent 10% total accounting return.

Financial Performance & Dividend

Our retail UFFO increased by 77% in HY23 to £13.6 million versus £7.7 million in the prior period. This performance has been driven by an increase in our Net Property Income up 12% adjusted for disposals, a reduction in Admin and Finance Expenses and the settlement of our insurance claim for loss of income in our car parks as a result of the COVID-19 lockdowns of £1.4 million. In line with our dividend policy, we have declared an interim dividend of 3.5 pence per share which is 125% covered by UFFO and is a 6.1% increase on our last dividend declared of 3.3 pence per share.

As a result of an improving UFFO and a tight control on capital expenditure, our cash position increased in the first half to £95.1 million from £88.2 million in March 2022. One of the benefits of rising interest rates, is that we are now receiving a return on our excess cash which with no increase in our financing costs has a direct impact on profitability.

Our portfolio valuation was broadly stable with a decline of just -1.3% with 81% of that decline within our regeneration portfolio reflecting higher construction costs, assumed higher rates of finance and a pullback in the forward funding markets. That said, our Core Shopping Centre portfolio and our Retail Park portfolio recorded another period of valuation stability and within our Work Out portfolio the decline was a modest -2.5%. Our portfolio delivered a total return of 3% in the first half which represents a significant 260bps outperformance to the MSCI All Retail Benchmark.

Our balance sheet is in great shape with a LTV at the half year of 33.8% which is one of the lowest LTV rates we have reported over the last five years and significantly lower than our peak LTV position of 50.6% in March 2021. Balance sheet gearing is less than 50%, net debt to EBITDA is only 5.1x and interest cover has increased to 3.9x. These strong financial

metrics place us in an excellent position to both manage our way through the deteriorating macro-economic environment and to capitalise on future growth opportunities at the appropriate time.

Operational Performance

Operationally, we had good performance in the first half both in terms of leasing volume and pricing. Rent collection, car park and commercialisation cashflows all improved during the period with rent collection in particular now back to pre-COVID-19 collection rates.

Reflective of our portfolio positioning focused predominately on essential goods and services, our occupancy increased during the period to 96.3% from 95.6% in March 2022. Occupancy has remained consistently high even during the period that was impacted by COVID-19. What is also reassuring is that our retention rate on lease expiries or tenant lease break was 88% for the period, an increase from FY19 with a retention rate of 84%. The reason we benefit from a high retention rate is that our occupiers trade profitably. Moreover, our retailers are set to benefit from the Government's recently announced reduction in business rates for which we estimate the reduction in new rateable values for our occupiers to be 19%, further supporting the sustainability of our future rental cashflows.

For our portfolio as a whole, we completed 493,200 sq ft of lease renewals and lettings in the first half, with long term transactions achieved on terms on average 3.0% ahead of valuation ERV and 2.9% ahead of previous passing rent. In fact, we have achieved positive leasing rents versus valuation ERVs in eight of the last ten quarters which is a testament to the quality of our asset management platform.

From April 2020 through to September 2022, we have undertaken long term leasing transactions that secured £13.0m of annual rent, equating to a -0.2% Compound Annual Growth Rate (CAGR) over the weighted average lease expiry for the previous leases of 9.8 years. Given the extent of disruption within the retail sector over the last five years from the significant growth in online retailing and COVID-19 impact, our leasing performance over the last two and a half years demonstrates the underlying resilience in our rental cash flows.

Our Core portfolio which represents 85% of our total portfolio by value is focused on three areas: Retail Parks, Core Shopping Centres and Regeneration Shopping Centres.

Retail Parks which represent 27% of our total portfolio by value have performed well during the half, where we are seeing strong demand for space and this is reflected in a high occupancy of 97% (FY22: 97%). Equally, our retention rate across our retail park portfolio is always consistently high, with the most recent period being 100%. Leasing performance during the period delivered rents 2.4% above valuation ERVs. Our retail park portfolio delivered modest income and ERV growth resulting in a valuation surplus of 0.5% during the period and as a result, we significantly outperformed the MSCI Retail Warehouse Benchmark by 190bps on a total return basis.

Our Core Shopping Centres which in many ways are important assets of community value, represent 34% of our total portfolio. During the year our Core Shopping Centres delivered positive leasing performance, with long-term deals transacted at 4.3% above valuation ERVs and ended the half year with an occupancy level of 98% (FY22: 97%). Our Core Shopping Centres delivered capital growth for the second consecutive financial reporting period with 0.2% in the first half of FY23 and a total return outperformance of 570bps relative to the MSCI Shopping Centre Benchmark.

Regeneration assets represent 24% of our total portfolio, a reduction from the previous year due to the successful sale of two Regeneration assets in Penge and Cowley. Our Regeneration portfolio valuations declined by -4.2% as a result of rising construction cost inflation, assumed higher rates of finance and a pullback residential in the forward funding market. Nevertheless, we made good progress advancing our projects through the planning, preconstruction and pre-sale/funding stages. The majority of our Regeneration projects are focused on the delivery of residential units and notwithstanding UK house prices are likely to be impacted next year, Savills forecast a 6.2% increase in UK house prices for the period 2023-2027 and 18.3% increase in residential rents over the same period.

Our Work Out portfolio represents 14% of our total portfolio and we are seeking to exit this either through disposals or completing turnaround strategies supported by targeted investment. We experienced a modest valuation decline of -2.5% following significant write downs in recent years. Notwithstanding the valuation decline, our Work Out portfolio outperformed on a total return basis versus the MSCI Shopping Centre Benchmark by 340bps. Although the recent disruption in the capital markets has slowed our progress on work out disposals, we are currently on track to complete turnaround strategies on two of our work out assets by the end of FY23. Together with anticipated disposals and turnaround strategies, we estimate that our work out portfolio will represent only 8% of our total portfolio by value by the end of FY23 reducing to 0% during FY24.

Capital Partnerships are an important component of our business where we see great capital light growth potential as evidenced by our recent appointment to manage a large retail portfolio comprising 16 retail parks and one shopping centre on behalf of a leading real estate investor. Back in 2019, when we initiated our capital partnership with BRAVO, a fund managed by the Pacific Investment Management Company, we said that we expect our capital partnership activities to generate between £3 million to £5 million of recurring asset management fee income within five years. Through the expansion of the BRAVO partnership, the retention of the mandate that we have with Canterbury City Council for one shopping centre and one leisure park, and our new recently announced appointment means that we are now close to achieving that objective and ahead of our five year target.

Capital Allocation

Capital Allocation in the first half has been focused on investing in our portfolio. Total spend in the first half was £2.3 million the majority of which was within our retail parks supporting lettings to Food Warehouse and the new store that we provided for Aldi at our Retail Park in Dewsbury.

Our capital allocation decisions are focused on delivering attractive risk adjusted returns and a good example of that is the investment we made in one of our core shopping centres in Hastings where through modest investment, we converted a former New Look store to provide space for the Department of Work and Pensions at ground floor and first floor space for The Gym. This resulted in a 155% increase in Net Operating Income.

With a strong balance sheet and cash position, we are well placed to capitalise on opportunities that present themselves from the current market disruption and help deliver earnings and NTA growth.

ESG

We and the real estate industry have a critical role to play in protecting the long-term sustainability of our planet and we are proud to have continued to make progress and are on track to achieve with our ESG objectives which are embedded within our business.

The quality of the management and governance of corporates will be a critical factor to ensure a reduction in carbon emissions to align with a 1.5 degree future and in that regard we were recently ranked number one by GRESB in the Management Model out of 901 participants across Europe.

This year, we also participated in GRESB's Development Benchmark, receiving a score of 90/100. This outstanding score led us to rank in first place overall in the peer group of European Hotel Developers for our delivery of a Premier Inn hotel in Romford, achieving Global Sector Leader status. Once again, we retained full marks in GRESB's assessment for Social and Governance and our overall rating improved.

We were equally pleased to have retained our EPRA Gold Award for best practice in sustainability reporting which means that EPRA recognises the excellence in the transparency and comparability of our environmental, social and governance disclosures contained within our annual report and accounts.

Reducing carbon emissions for retail real estate is very much dependent upon our occupiers' commitment to their pathway to net zero given that they are responsible for circa 90% of the carbon emissions from our portfolio. What is pleasing is that already 57% of our lettable floorspace is occupied by retailers who have set emission reduction targets, with approximately 70% being via the BRC Climate Commitment to reduce carbon emissions to net zero by 2040.

Market Backdrop & Outlook

Geopolitical tensions, elevated market volatility and the fastest pace of monetary tightening by the Bank of England in decades are meaningful economic headwinds contributing to an unusually uncertain environment. In their recent report the OBR stated that the UK economy is now in a recession that they expect to last a year and will result in a 2% fall in GDP and an increase in the unemployment rate.

Therefore the outlook for consumers and retailers suggests that 2023 will be a challenging year and for retail real estate owners the key to minimising the impact from this challenging operating environment will depend upon portfolio positioning and underlying rental affordability. In this regard, the scenario testing that we have undertaken on our rental affordability and probability of tenant failure indicates that we are well positioned and are unlikely to suffer any material income disruption. Furthermore we believe that having one of the highest yield spreads with the risk free rate should mean that our valuations should be more insulated.

We said at our full year results that in the near-term it is in our shareholders' interest to maintain headroom to our LTV guidance given the increasingly uncertain macro-economic outlook and we still believe that is the correct position to continue with as we move into the second half of FY23. That said, we believe there will be attractive opportunities which will arise in the market and with the capital resources we have at hand we are well positioned to take advantage of them and stay within our LTV guidance.

With a portfolio predominately focused on essential goods and services, a flexible and strong balance sheet and our market leading asset management platform, we remain confident of our ability to manage the financial impact of a more challenging economic outlook. We are confident that we have the right strategy to deliver our medium-term strategic objective of a consistent 10% total accounting return.

Allan Lockhart
Chief Executive Officer

Portfolio Review

Highlights

Robust and consistent operational metrics with strong occupancy, rent collection and leasing, demonstrating the underlying resilience of our portfolio.

Portfolio Metrics as at 30 September 2022

- Occupancy: 96.3%
- Retention rate: 87.6%
- Rent collection: 97%
- Leasing volumes increased 29%
- Long-term leasing terms 3% ahead of Valuer's ERV
- Significantly outperformed MSCI All Retail Index
- Operating partner agreement signed with leading real estate investor

Overview: Continued resilience across our retail portfolio

Our retail portfolio, focused predominately on essential goods and services, continues to deliver resilient operational metrics. Net property income adjusted for disposals increased by 12% as at 30 September supported by an excellent leasing performance, an increase in occupancy to 96.3% (FY22: 95.6%) and a normalisation in rent collection.

We continue to see excellent occupational demand across the portfolio for both new lettings and renewals, especially in our Retail Parks, again demonstrating that we own the right assets in the right locations that are in demand from occupiers for whom a physical store is vital.

Our asset team have been active during the period, as we completed just over 493,200 sq ft of leasing transactions, a 29% uplift on the same period in FY22, securing £4.2 million of annualised income, a 64% increase on the same period in FY22. The rents achieved for those long-term lettings was 3% ahead of valuation ERV. Since the start of COVID-19 in March 2020, leasing transactions have exceeded valuation ERVs in eight of the last ten quarters. Weighted Average Lease Expiry (WALE) for both new lettings and renewals for the period was 8.9 years across the portfolio.

We saw active demand from Grocery, Discount, Health & Beauty, Home & DIY and Value Fashion operators. In terms of where that space was leased, over 71% of our long-term leasing transactions were in our Core Shopping Centre and Retail Park portfolios.

Car parks and commercialisation are performing well, continuing to return to pre-pandemic levels with car parking and commercialisation income now back up to 80% of pre-COVID levels and representing an improvement of 28% on the six months ended September 2021. Our portfolio agreement with APCOA which we announced last year continues to grow, which including both income and cost savings, has the potential to unlock up to £0.7 million of annualised revenue in FY23 including a further potential 125+ EV charging points being rolled out across up to 12 sites.

We have been making good progress across our three regeneration assets which are predominantly focused on reducing surplus retail and delivering new residential units to these locations within commuting distance of London.

Our Capital Partnerships continue to grow, including a new asset management agreement with a leading real estate investor to manage 16 retail parks and one shopping centre to the portfolio. Within our existing mandates, we have progressed plans for a mixed-use development at The Moor Sheffield, part of our capital partnership with BRAVO, and further extended our partnership with Canterbury City Council to be appointed as development manager for the redevelopment of part of Whitefriars Shopping Centre which we asset manage for them.

Valuation: Continued stability and outperformance notwithstanding wider market volatility

As at 30 September 2022, our portfolio was valued at £643.2 million (31 March 2022: £649.4 million) reflecting a broadly stable valuation of -1.3%, outperforming the MSCI All Retail benchmark of -2.2% by 90bps. Including income, the portfolio delivered a Total Return of 3.0%, 260 bps higher than the MSCI benchmark.

Our Core Shopping Centres and Retail Parks, which represent 61% of the portfolio, delivered capital growth of 0.2% and 0.5% respectively. Our Regeneration portfolio saw 4.2% valuation decline, reflective of external influences out of our control including construction cost inflation and assumed higher finance costs.

NewRiver Portfolio: A breakdown of the key valuation movements by asset type is provided below:

As at 30 September 2022		Portfolio Weighting	Capital Growth H1	Topped-up NIY	NEY	LFL ERV Movement
	(£m)	(%)	(%)	(%)	(%)	(%)
Shopping Centres: Core	221.7	34%	0.2%	9.5%	9.3%	-0.4%
Retail Parks	170.3	27%	0.5%	6.6%	6.6%	0.4%
Shopping Centres: Regeneration	156.1	24%	-4.2%	5.7%	6.2%	2.2%
Shopping Centres: Work Out	87.6	14%	-2.5%	10.6%	15.3%	-2.4%
Other	7.5	1%	-5.7%	4.2%	8.3%	-4.5%
Total	643.2	100%	-1.3%	7.9%	8.7%	-0.4%

The portfolio is now valued off an equivalent yield of 8.7%, 280bps higher than the MSCI All Retail benchmark of 5.9% and representing significant headroom above the 10 year Government Gilt rate. Conversely, given the minimal yield gap over Gilts for the Industrial and Office sectors, the investment market has started to see property yields expand in recent months as Gilt rates have risen. Whilst not immune to these headwinds, the Shopping Centre market, having seen 43.5% valuation decline in the past 3 years and 240bps yield expansion, should be less impacted by increasing Government borrowing rates.

As the table below shows, our portfolio outperformed the MSCI All Retail, Shopping Centre and Retail Warehouse benchmarks on an Income, Capital and Total Return basis during the period. Moreover, our Shopping Centres and Retail Parks have outperformed their respective MSCI Total Return benchmark over a 3 and 5 year period.

Six months to 30 September 2022	Total Return	Income Return	Capital Growth
NRR portfolio	3.0%	4.3%	-1.3%
MSCI All Retail Benchmark	0.4%	2.6%	-2.2%
Relative performance	+2.6%	+1.7%	+0.9%

Total Return: Six months to 30 September 2022	Shopping Centres	Retail Warehouses
NRR portfolio	2.7%	4.0%
MSCI Benchmark	0.0%	2.1%
Relative Performance	+2.7%	+1.9%

NewRiver Portfolio: Current Segmentation

	Core Shopping Centres	Retail Parks	Regeneration	Work-out
Portfolio Weighting	34%	27%	24%	14%

Core Shopping Centres
- Occupancy: 97.6%
- Retention rate: 98.4%
- Rent collection: 96.5%
- Affordable average rent: £13.27 per sq ft
- Leasing volume:128,200 sq ft
- Leasing activity 4.3% ahead of valuers ERV
- Total Return of 5.7%, outperforming MSCI Shopping Centres by 570 basis points

Our Core Shopping Centres represent 34% of our portfolio, comprising 14 Core Shopping Centres with a collective occupancy rate of 97.6%. These are community assets located in the heart of their town centre providing essential goods and services to local people. Given the current economic uncertainty, these assets continue to play an important role providing essential goods and services to their local communities.

We have completed 128,200 sq ft of leasing transactions across our core shopping centres with terms on average 4.3% ahead of valuer's latest ERV, some key highlights include:

- A new 12,000 sq ft unit for The Gym at Priory Meadow shopping centre in Hastings which is open 24 hours a day, is helping contribute to enhanced footfall and supplementary spend at the centre. The Gym took occupancy of the upper floors of a former New Look store and a new co-working office was also provided for the Department for Work and Pensions at ground floor, with both lettings in part facilitated through the recent Government Towns Fund grant.

- At The Abbey Centre in Newtownabbey in Northern Ireland we have delivered a programme of successful leasing transactions further enhancing this high performing community shopping centre. We completed upsizes for Superdrug, Specsavers and River Island, with a new store for Pandora and lease renewal for New Look as part of a wider portfolio deal of 12 units.

- At Locks Heath Shopping Village in Fareham we secured planning consent for infrastructure and highways works which will facilitate the development of up to 65 residential units on our two designated development sites adjacent to the retail provision, which will create much needed new homes in this affluent borough and additional footfall for our Waitrose anchored shopping centre. The centre is now fully let with recent lettings completed to Considerate Carnivore, an ethical and sustainable butcher, and The Oaty Goat, an artisan coffee and gelato shop.

- JD Sports have signed an Agreement-for-Lease to upsize their existing unit at The Hildred's shopping centre in Skegness to take full advantage of the significant demand at the centre. The rent payable by JD Sports has increased 29%.

As well as good leasing demand across our core shopping centres during the first six months, we have made progress on some key asset management and repositioning strategies with a particular highlight being the submission of a planning application in Market Deeping to provide a new 20,000 sq ft discount food store.

Retail Parks
- Occupancy: 97.0%
- Retention rate:100%
- Rent collection: 98.4%
- Affordable average rent: £12.26 per sq ft
- Leasing volume: 89,200 sq ft
- Leasing activity 2.4% ahead of valuers ERV
- Total Return of 4.0%, outperforming MSCI Retail Warehouses by 190 basis points

Retail Parks represent 27% of our total portfolio delivering robust operating metrics across our 15 conveniently located assets. Occupancy sits at 97% and we have had strong occupational demand leasing demand for our retail parks,

demonstrating the attraction of these assets in terms of location, rental affordability, catchment, click and collect hubs and in turn, retailer profitability.

- In August 2022 we secured planning consent at two of our retail parks for the change of use to provide two new stores, in Telford Road Retail Park in Inverness and South Lakeland Retail Park in Kendal. Food Warehouse are taking the 12,000 sq ft former PC World unit in Inverness on a 10-year lease, at a rent of £14.50 per sq ft, and we are under offer for the unit in Kendal.

- At our fully-let retail park in Dewsbury, The Rishworth Retail Park, we were delighted to open a brand new 19,500 sq ft store for Aldi in September 2022 following the completion of extension works to the former Next store. Aldi took a 20 year lease at an annual rent of £298,980 per annum and have reported strong trading from the store. The park is now fully let with Aldi joining an already strong line up of retailers including a new Shoezone store together with Iceland, Halfords and Pets at Home.

- In Eastham, we continued our successful partnership with the Co-op in their convenience store expansion programme, delivering a modern new 5,300 sq ft store which features self-service checkouts and a hot food to go section too. Co-op took a 15 year lease at a rent of £70,000 per annum. Kutchenhaus also took a new 10 year lease for a new store and together these lettings bring the park to 100% occupancy.

Regeneration
- Occupancy: 97.9%
- Retention rate: 99.3%
- Rent collection: 99.4%
- Affordable average rent: £12.84 per sq ft
- Leasing volume: 68,000 sq ft
- Leasing activity -10.3% vs valuers ERV
- Total Return of -1.5%, underperforming MSCI Shopping Centres by 150 basis points

We have three regeneration assets, representing 24% of the total portfolio value.

- Burgess Hill: At our regeneration site in Burgess Hill, within the Gatwick triangle, where we have planning consent for a mixed use development including residential units, a food store, hotel and expansion of the car park, we have agreed terms with a food operator and agreed the hotel pre-let with Travelodge. We are progressing plans to sell part of the asset where we have detailed planning consent for 172 residential units and the subsequent capital receipt will partially fund the wider retail and leisure elements.

- Grays: Our shopping centre presents a significant opportunity for a high-density residential-led redevelopment, which is located just 35 minutes from central London by train. We completed the Design Review Panel programme during the period and have been continuing our stakeholder engagement with the local authority and local community groups as we advance our planning application which we intend to submit in early 2023. Our proposals will create up to 900 new homes, reduce the excess retail provision and improve the public realm and interconnectivity of the town as a whole. In the intervening period, we are progressing vacant possession to ensure lease flexibility whilst protecting rental cashflows.

- Bexleyheath: We are making progress with our strategic masterplan of Broadway Square Shopping Centre in Bexleyheath and during the period we have commissioned a series of research reports to guide our overall strategy and to enable the first phase which would provide 350 new homes. The existing centre continues to trade well and during the period we completed 10 leasing events, including 7 renewals and 3 new lettings including Krispy Kreme, Laser Clinic and HMV which has been fitted with their new concept store design.

Work Out
- Occupancy: 93.9%
- Retention rate: 66.1%
- Rent collection: 95.1%
- Affordable average rent: £9.00 per sq ft
- Leasing volume: 181,400 sq ft
- Leasing activity 2.6%% ahead of valuers ERV
- Total Return of 3.4%, outperforming MSCI Shopping Centres by 340 basis points

Our work-out portfolio represents 14% of our portfolio and comprises assets which we intend to dispose of or complete turnaround strategies for. We are currently on track to complete turnaround strategies on four of these assets by the end of FY23 at which point we will transition these assets into our Core Shopping Centre portfolio. Occupancy for these assets remains high and indeed over the past 10 quarters, since the start of the pandemic, our Work-Out portfolio has delivered new lettings and renewals 9.8% ahead of valuer's ERV. Including planned disposals and turnaround strategies, we estimate that our Work Out portfolio will account for 8% of our total portfolio by the end of FY23 reducing to 0% during FY24.

- In Wallsend, we are in the final stages of the turnaround strategy for this community shopping centre just outside Newcastle including the opening of a new medical centre built on surplus car park space.

- In Wisbech, we are making good progress in the turnaround strategy for Horsefair Shopping Centre where we are in advanced discussions with a number of leading food operators to take a 25,000 sq ft store alongside a public realm upgrade and re-configuration of surplus car parking. We submitted a pre-planning application for the food store in September 2022 and have received positive feedback from the Council.

- And finally, our turnaround strategy for our shopping centre The Capitol in Cardiff is advancing well to reposition the asset to include experiential leisure and retail. The current market disruption has actually allowed us to unlock two further exciting and accretive new leasing opportunities for this turnaround asset which we are progressing. This is in conjunction with the Council's major upgrade to the surrounding area to improve navigation, infrastructure and public realm which is underway and due to complete in the summer 2023.

Capital Partnerships

Part of our strategy is to grow our Capital Partnerships to allow us to leverage our market leading asset management platform and enhance our returns through asset management income as well as potential financial promotes.

Post period end, we were appointed by a leading real estate investor to asset manage a retail portfolio comprising 16 retail parks and one shopping centre for a term of three years, a strong endorsement of our market leading asset management platform. These assets reflect the occupier base within our own portfolio allowing our asset team to draw upon their relationships and intel as well as providing further leverage and economies of scale across the portfolio. Retail parks are a sub-sector that we know very well and we are delighted to take this mandate forward, making significant progress in our stated objective to grow our capital partnerships to deliver between of £3 million - £5 million per annum of fees over the medium term.

Within our existing Capital Partnership, we have made further progress during the period at The Moor in Sheffield, a 28 acre income producing estate in one of the UK's top 10 cities, which we acquired for £41.0 million (NewRiver share: £4.1 million) in April 2021 through our BRAVO partnership. We have been advancing a re-brand strategy and upgrade to public realm and are working toward a planning consent for a significant mixed-use development opportunity to deliver circa 250 Build To Rent units.

In Canterbury we now asset manage two assets for Canterbury City Council, Whitefriars Shopping Centre and The Riverside Leisure Scheme. We have delivered a series of new accretive asset management initiatives. The two major highlights have been the further extension of our mandate to be appointed as Development Manager for the Council's redevelopment works of Whitefriars, including the relocation of the Council's own offices into the centre at first floor together with other reconfiguration works. This appointment will generate £240,000 of fees. We have also delivered a variety of new lettings at the centre including the relocation of HMV which facilitated a new store for the high-quality furniture and home accessories retailer, Cotswold, as well new stores for eatery Chopstix and jewellery operator, Pandora. The second highlight is at the new Riverside scheme where the new Curzon cinema opened in August 2022, with further new lettings for a number of leisure and food & beverage operators completing including Sekkoya, Heavenly deserts and Riverside Cowgirl.

Scenario Testing Analysis

The resilience of NewRiver's rental cashflows is underpinned by affordable rents and low occupational costs. Given the downward pressure on retailer margins as a result of material increases in retailer's cost and revenue pressures which are set to continue in the short to medium term, we have assessed the continuing rental affordability over the next 3 years.

We have worked with JDM Retail, an independent retail consultant, to model a P&L for each occupier within our portfolio with forecast turnover and cost assumptions, including costs of goods, staffing, utilities and future savings from the business rates revaluation. Assuming the desired net margin of the occupier is maintained, the output is the total affordable occupational cost ratio (AOCR) on a unit-by-unit basis. This has been completed on a base, downside and upside case with each scenario given a probability weighting, and we have primarily weighted on the base and downside for the analysis.

Based on our current rents, the modelling implies that the portfolio is trading at an affordable level with significant headroom of +2.0% over the AOCR of 11.3% therefore suggesting occupiers could afford increased rents. However, our assumptions are that future retailer costs peak in 2023, coming to a head with the cost of living crisis having an impact on lower consumer spending. As expected, maintaining the retailer's existing net margin, the affordability level falls -1.2% below the current

OCR in 2023 but returns in 2024 with headroom rebuilding beyond the 2022 level in 2025 to +2.4% aided by continued cost stabilisation, business rate reductions and some modest sales growth.

Occupational Cost Ratio Affordability 2022-2025

	2022	2023	2024	2025	Average 2023-25
NewRiver portfolio OCR	9.3%	8.5%	8.5%	8.3%	8.5%
AOCR	11.3%	7.4%	8.5%	10.7%	8.9%
Affordability Gap	+2.0%	(1.2%)	+0.0%	+2.4%	+0.4%

Focusing on 2023 lease events when retailers' margins will be most under pressure, the worst case outcome shows a net rent exposure of only -£0.6 million. This is a result of the affordability criteria at that point in time, although the Core Shopping Centre portfolio continues to show headroom. For these tenants which have a lease renewal in 2023, the medium term affordability remains positive with the average AOCR between 2023-2025, taking into account all the future cost increases, is still +1.7% above the 2023 OCR at 9.5%.

Occupational Cost Ratio Affordability on 2023 lease events

	2023 OCR	2023 AOCR	Affordability Gap	Rent Exposure	Average AOCR (2023-25)	Gap vs Average AOCR
Retail Parks	8.5%	7.9%	(0.6%)	(£0.2m)	9.4%	+0.9%
Core	9.7%	10.9%	+1.2%	£1.1m	12.1%	+2.4%
Regen	13.1%	12.8%	(0.3%)	(£0.0m)	14.2%	+1.1%
Workout	9.2%	8.6%	(0.6%)	(£0.4m)	10.4%	+1.2%
Total	9.5%	9.8%	+0.3%	£0.4m	11.2%	+1.7%

To assess the risk associated with the future cashflows, we have worked with Income Analytics (part owned by MSCI and Savills) to quantify the probability and impact of tenant failure. Income Analytics has developed a set of proprietary risk metrics which are forward looking and provide a projected % probability of retailer failure rate. The output, which is weighted by rent, shows an average projected cumulative probability of failure in the next 24 months of only 0.9%. Using a loss given default probability framework, the potential portfolio value impact is just -0.6%. Even over 5 years the projected probability of failure is just 2.1%.

ESG

Our role as real estate owners is critical to the long-term protection of our planet and we are proud to have continued to make excellent progress and are on track to achieve our ESG objectives which are integrated to both our corporate and asset level strategies.

Achieving net-zero within the retail sector very much relies upon mutual action by real estate owners and occupiers. The energy our occupiers consume in our assets accounts for almost 90% of our total GHG emissions as a business. These are emissions over which we have limited control, but we continue to develop our engagement activities to support alignment between our climate ambitions, and those of our occupiers. We are pleased to have found that 57% of our

lettable floorspace is occupied by retailers that have already set emissions reduction targets, with approximately 70% of this space being occupied by BRC Climate Action Roadmap signatories; a consortium seeking to bring the UK retail industry's carbon emissions to net-zero by 2040.

The quality of the management and governance of corporates will be a critical factor to achieving our all-important 1.5 degree future, and in that regard, we were delighted to have recently been ranked number one by GRESB in the Management Module out of 901 participants across Europe.

This year, we also participated in GRESB's Development Benchmark, receiving a score of 90/100. This outstanding score led us to rank first place overall in the peer group of European Hotel Developers for our delivery of a Premier Inn hotel in Romford, achieving Global Sector Leader status. Once again, we retained full marks in GRESB's assessment for Social and Governance, and our overall rating improved.

We also commissioned an independent TCFD alignment assessment by GRESB, to understand how our approach and the progress we are making to embed and report on the TCFD's recommendations compares with our peers. We are pleased to have been awarded an "A" rating in this assessment, and are encouraged that we are taking a best practice approach to this important issue. Our standalone TCFD report is now available on the dedicated section of our new website.

We were equally pleased to have retained our EPRA Gold Award for our sustainability reporting, in recognition of continued excellence in the quality, transparency and comparability of the environmental, social and governance disclosures contained within our annual report and accounts. Despite having also achieved this accolade last year, we made further improvements to our disclosures, to include our first gender pay gap disclosure, employee racial diversity and employee contract types, as well as narrative on Board oversight of our code of conduct, due diligence of partner organisations, and the anti-corruption measures we adopt.

During the current challenging economic climate and with the increasing cost of living and energy crisis, the work of our corporate charitable partner, the Trussell Trust has never been more important, for as well as food parcels they provide financial advice, tailored support and critical care in the community. We were delighted to therefore raise over £66,000 from our Race Against Hunger which saw 30 NewRiver team members each run 10km. This brings our total monetary contribution to the critical work that The Trussell Trust undertakes to a total of £445,000 since our partnership began in 2019, together with the collection of 10.5 tonnes of food from across our portfolio foodbanks.

Within our portfolio, our teams have been implementing innovative sustainability projects to divert food waste from landfill and convert it to compost. In Boscombe, the team from Grounded Community collect food waste including used ground coffee granules from 12 locations to go through a rocket composter. Since the scheme began in the spring of 2022, 4.4 tonnes of food waste has been diverted away from incineration or landfill to create 2.7 tonnes of high-quality compost for use in local community food growing projects. At our centre in Skegness, a biodiversity project called "Our Happy Place" was awarded first prize in the Building Biodiversity competition of The National History Museum.

Stakeholder engagement is key to the success of our ESG programme, and to driving continuous improvements in our management of climate-related issues. All NewRiver personnel and centre management teams have received dedicated sustainability training during H1, ensuring that our strategy is practiced by individuals across all functions of our business to collectively deliver positive impact.

Finance review

We have started the new financial year well, maintaining the strength of the financial position we established through our decisive actions during FY22 and continuing the positive momentum that has built over the last 18 months across our retail operations.

The strength of our financial position extends beyond LTV, which has reduced further to 33.8%, and encompasses other measures including interest cover, which has continued to improve and now stands at 3.9x, driven by the debt reduction we completed during FY22 and the continued improvement in our underlying retail operations. Moreover, because our cost of drawn debt is fixed at 3.5% until March 2028, interest cover is protected from the volatility in the broader credit markets and with retail income recovering post-COVID we are well positioned looking forward. Our cash and liquidity holdings have again increased, now standing at £220.1 million, and Net debt to EBITDA remains a strength for NewRiver, at 5.1x.

Underlying Funds From Operations ('UFFO') of £13.6 million, now retail only following the disposal of the Hawthorn pub business in August 2021, compare to £7.7 million from retail operations in the first half of FY22 and £12.8 million in the second half of FY22. Our dividend policy is linked directly to UFFO, which means that as UFFO increases, so too does our dividend. During the period we paid a final dividend relating to the second half of FY22 of 3.3 pence per share, and the Board is pleased to declare a fully covered dividend of 3.5 pence per share relating to the first half of the new financial year, reflecting 80% of first half UFFO, payable in January 2023. IFRS profit after tax for HY23 was £4.1 million, improved from the loss of £49.9 million reported in the first half of the prior year, which reflected the one-off impact of the loss on disposal of the Hawthorn pub business.

Our portfolio was valued on a proportionally consolidated basis at £643.2 million at 30 September 2022, compared to £649.4 million at 31 March 2022, due to a modest decline in portfolio valuation of 1.3%. EPRA Net Tangible Assets per share were 132 pence at 30 September 2022 (31 March 2022: 134 pence) and IFRS net assets were £409.5 million (31 March 2022: £414.1 million), both measures reducing slightly during the first half due to the modest decline in portfolio valuation noted above, but encouragingly both remain ahead of their positions in September 2021, at 131 pence per share and £402.1 million respectively. We delivered a modest but positive Total Accounting Return of +1.0% during the half, compared to -11.3% in the first half of the prior year. Over the last 12 months, we have delivered a +6.4% total accounting return.

Key performance measures

The Group financial statements are prepared under IFRS, where the Group's interests in joint ventures are shown as a single line item on the income statement and balance sheet. Management reviews the performance of the business principally on a proportionally consolidated basis which includes the Group's share of joint ventures on a line-by-line basis. The Group's financial key performance indicators are presented on this basis.

In addition to information contained in the Group financial statements, Alternative Performance Measures ('APMs'), being financial measures that are not specified under IFRS, are also used by management to assess the Group's performance. These include a number of the financial statistics included on Page 2 of this document. These APMs include a number of European Public Real Estate Association ('EPRA') measures, prepared in accordance with the EPRA Best Practice Recommendations reporting framework, which are summarised in the 'Alternative Performance Measures' section at the end of this document. We report these measures because management considers them to improve the transparency and relevance of our published results as well as the comparability with other listed European real estate companies. Definitions for APMs are included in the glossary and the most directly comparable IFRS measure is also identified. The measures used in the review below are all APMs presented on a proportionally consolidated basis unless otherwise stated.

The APM on which management places most focus, reflecting the Company's commitment to driving income returns, is UFFO. UFFO measures the Company's operational profits, which includes other income and excludes one off or non-cash adjustments, such as portfolio valuation movements, profits or losses on the disposal of investment properties, fair value movements on derivatives and share-based payment expense. We consider this metric to be the most appropriate for measuring the underlying performance of the business as it is familiar to non-property investors, and better reflects the Company's generation of profits. It is for this reason that UFFO is used to measure dividend cover.

The relevant sections of this Finance Review contain supporting information, including reconciliations to the financial statements and IFRS measures. The 'Alternative Performance Measures' section also provides references to where reconciliations can be found between APMs and IFRS measures.

Underlying Funds From Operations
The following table reconciles IFRS profit / (loss) after taxation to UFFO, which is the Company's measure of underlying operational profits.

Reconciliation of profit / (loss) after taxation to UFFO

	30 September 2022			30 September 2021		
	Retail £m	Hawthorn £m	Total £m	Retail £m	Hawthorn[1] £m	Total £m
Profit / (loss) for the period after taxation	**4.1**	**-**	**4.1**	**(16.6)**	**(33.3)**	**(49.9)**
Adjustments						
Revaluation of property	10.3	-	10.3	24.6	-	24.6
Revaluation of joint ventures' and associates' investment properties	(1.9)	-	(1.9)	(2.4)	-	(2.4)
Loss on disposal of investment properties	0.6	-	0.6	2.8	(0.8)	2.0
Changes in fair value of financial instruments and associated close out costs	(0.6)	-	(0.6)	(0.6)	-	(0.6)
Loss on disposal of subsidiary	-	-	-	-	39.4	39.4
Deferred tax	-	-	-	-	1.9	1.9
EPRA earnings	**12.5**	**-**	**12.5**	**7.8**	**7.2**	**15.0**
Depreciation of property	-	-	-	-	0.4	0.4
Forward looking element of IFRS 9	-	-	-	(0.3)	-	(0.3)
Abortive fees	-	-	-	-	0.2	0.2
Head office relocation costs	0.5	-	0.5	-	-	-
Share-based payment charge	0.6	-	0.6	0.2	-	0.2
Underlying Funds From Operations	**13.6**	**-**	**13.6**	**7.7**	**7.8**	**15.5**

1. Pubs operating performance from 1 April 2021 to 20 August 2021 when the disposal of the Hawthorn business was completed. Disclosed as "discontinued operations" in the condensed consolidated statement of comprehensive income

Underlying Funds From Operations is represented on a proportionally consolidated basis in the following table. The UFFO commentary that follows is focused on the continuing retail business. The £7.8 million "Contribution from Hawthorn" in the prior period (discontinued operation) was analysed in detail in the HY22 and FY22 results materials.

UNDERLYING FUNDS FROM OPERATIONS	30 September 2022				30 September 2021
	Group £m	JVs & Associates £m	Adjustments[1] £m	Proportionally consolidated £m	Proportionally consolidated £m
Revenue	35.5	2.2	-	37.7	38.3
Property operating expenses	(11.8)	(0.2)	-	(12.0)	(13.1)
Net property income	**23.7**	**2.0**	**-**	**25.7**	**25.2**
Administrative expenses	(6.6)	-	1.1	(5.5)	(6.0)
Other income	1.4	-	-	1.4	-
Operating profit	**18.5**	**2.0**	**1.1**	**21.6**	**19.2**
Net finance costs	(7.5)	0.2	(0.6)	(7.9)	(11.4)
Taxation	-	(0.1)	-	(0.1)	(0.1)
Retail UFFO	**11.0**	**2.1**	**0.5**	**13.6**	**7.7**
Contribution from Hawthorn[2]				-	*7.8*
Underlying Funds From Operations				**13.6**	**15.5**
UFFO per share (pence)				**4.4**	**5.1**
Ordinary dividend per share (pence)				**3.5**	**4.1**
Ordinary dividend cover				**125%**	**125%**
Admin cost ratio[3]				14.7%	17.7%
Weighted average # shares (m)				309.0	306.6

1. Adjustments to Group and JV & Associates figures to remove non-cash and non-recurring items, principally share-based payment charge £(0.6) million, head office relocation costs £(0.5) million, revaluation of derivatives £0.6 million.
2. UFFO contribution from the Hawthorn business in HY22 prior to its disposal on 20 August 2021
3. Includes Hawthorn in HY22

Net property income

Analysis of retail net property income (£m)

Retail net property income for the six months ended 30 September 2021		**25.2**
Like-for-like rental income	0.6	
Rent and service charge provisions	1.0	
Car park and commercialisation income	1.1	
Retail NRI recovery		**2.7**
Net disposals		(2.2)
Retail net property income for the six months ended 30 September 2022		**25.7**

On a proportionally consolidated basis, retail net property income was £25.7 million for the six months ended 30 September 2022 compared to £25.2 million in the six months ended 30 September 2021. The principal reasons for the net £0.5 million increase were the recovery of £2.7 million of net property income disruption due to COVID-19, offset by our net disposal activity which reduced net property income by £2.2 million.

The "Retail NRI recovery" category refers to the recovery of income disruption experienced during the pandemic. During the six months ended 30 September 2022, a further £2.7 million of income disruption has been recovered.

Encouragingly, like-for-like rental income has increased by £0.6 million which is primarily due to new lettings and improved rental levels on space which had previously been taken by tenants who were in Administration or had been impacted by CVAs, including the receipt of turnover rent.

Rent and service charge provisions have shown an improvement of £1.0 million as we not only continue to collect historical rental arrears from tenants but we are now carrying a lower level of provisioning on current period arrears than in the prior year, with rent collection rates having now recovered back to pre-pandemic levels.

Car park and commercialisation income has also increased by £1.1 million, which means that it is now back up to 80% of pre-COVID levels and represents an improvement of 28% on the six months ended September 2021.

Net disposals completed during FY22 reduced net property income by £2.2 million. In total we completed £77.1 million of disposals during FY22, the majority of which were completed during the second half, with the largest being the disposal of Templars Square Shopping Centre, Cowley, which contributed £0.9 million of the reduction.

Administrative expenses

Administrative expenses were £5.5 million in the six months to 30 September 2022, a reduction of 8% compared to the £6.0 million incurred in the six months ended 30 September 2021. This reduction reflects the benefit of cost efficiencies unlocked across the business over the last 12 months following the extensive review of our cost base completed during the first half of last year. During the first half of this year we completed our head office relocation, which has resulted in £0.5 million of administrative cost savings per annum. Looking ahead, we have a target to continue to reduce our administrative expenses throughout the remainder of FY23 and into FY24.

Other income

Other income recognised during the 6 months ended 30 September 2022 of £1.4 million compared to £nil in the prior period. The income recognised relates entirely to the settlement of an income disruption insurance claim relating to our car park income during the first COVID lockdown between March and June 2020. A more modest claim relating to our commercialisation and turnover rent income during the same period remains ongoing and is not reflected in the results for the first half.

Net finance costs

Net finance costs were £7.9 million in the six months ended 30 September 2022, compared to £11.4 million in the six months ended 30 September 2021. Finance costs have decreased during the period principally due to the repayment of £170 million of RCF and the cancellation of £165 million of term loan and associated swaps during HY22 following the disposal of the Hawthorn pub business. These actions unlocked a finance cost saving of £7 million per annum versus the prior year, with £3.5 million of benefit in the second half of FY22, and the remaining £3.5 million of benefit in HY23.

Taxation

As a REIT we are exempt from UK corporation tax in respect of our qualifying UK property rental income and gains arising from direct and indirect disposals of exempt property assets. The majority of the Group's income is therefore tax free as a result of its REIT status, albeit this exemption does not extend to other sources of income such as interest or asset management fees.

Dividends

Under our dividend policy, we declare dividends equivalent to 80% of UFFO twice annually at the Company's half and full year results, calculated with reference to the most recently completed six-month period.

The Company is a member of the REIT regime whereby profits from its UK property rental business are tax exempt. The REIT regime only applies to certain property-related profits and has several criteria which have to be met, including that at least 90% of our profit from the property rental business must be paid as dividends. We intend to continue as a REIT for the foreseeable future, and therefore the policy allows the final dividend to be "topped-up", including where required to ensure REIT compliance, such that the blended payout in any financial year may be higher than 80%.

In-line with this policy, the Board has declared a fully covered dividend of 3.5 pence per share in respect of the six months ended 30 September 2022, based on 80% of UFFO per share of 4.4 pence. The dividend will be paid on 17 January 2023. The ex-dividend date will be 8 December 2022 with an associated record date of 9 December 2022. The dividend will be payable as a REIT Property Income Distribution (PID).

Balance sheet

EPRA net tangible assets ('EPRA NTA') include a number of adjustments to the IFRS reported net assets and both measures are presented below on a proportionally consolidated basis.

	As at 30 September 2022			As at 31 March 2022	As at 30 September 2021
	Group £m	JVs & Associates £m	Proportionally consolidated £m	Proportionally consolidated £m	Proportionally consolidated £m
Properties at valuation[1]	600.4	42.8	643.2	649.4	702.3
Right of use asset	75.8	-	75.8	75.7	80.6
Investment in JVs & associates	30.5	(30.5)	-	-	-
Other non-current assets	1.4	1.5	2.9	2.2	2.2
Cash	92.5	2.6	95.1	88.2	37.3
Other current assets	15.2	1.2	16.4	19.6	17.4
Total assets	815.8	17.6	833.4	835.1	839.8
Other current liabilities	(33.3)	(1.1)	(34.4)	(34.9)	(44.2)
Lease liability	(76.7)	-	(76.7)	(75.7)	(79.8)
Borrowings[2]	(296.3)	(15.9)	(312.2)	(309.7)	(313.7)
Other non-current liabilities	-	(0.6)	(0.6)	(0.7)	-
Total liabilities	(406.3)	(17.6)	(423.9)	(421.0)	(437.7)
IFRS net assets	**409.5**	**-**	**409.5**	**414.1**	**402.1**
EPRA adjustments:					
Deferred tax			0.6	0.6	-
Fair value financial instruments			(1.0)	(0.3)	-
EPRA NTA			**409.1**	**414.4**	**402.1**
EPRA NTA per share			**132p**	**134p**	**131p**
IFRS net assets per share			**132p**	**135p**	**131p**
LTV			**33.8%**	**34.1%**	**39.4%**

1. See Note 13 for a reconciliation between Properties at valuation and categorisation per Consolidated balance sheet
2. Principal value of gross debt, less unamortised fees

Net assets

As at 30 September 2022, IFRS net assets were £409.5 million, a slight reduction from the March 2022 position £414.1 million but ahead of the £402.1 million reported on 30 September 2021. The decrease was primarily due to the modest 1.3% reduction in portfolio valuation during the first half.

EPRA NTA is calculated by adjusting net assets to reflect the potential impact of dilutive ordinary shares, and to remove the fair value of any derivatives, deferred tax and goodwill held on the balance sheet. These adjustments are made with the aim of improving comparability with other European real estate companies. EPRA NTA decreased by 1% to £409.1 million, from £414.4 million at 31 March 2022. The decrease in EPRA NTA per share is, as above, due to the modest 1.3% like-for-like decrease in portfolio valuation.

Properties at valuation

Proportionally consolidated properties at valuation reduced slightly to £643.2 million at 30 September 2022, from £649.4 million at 31 March 2022 due to the modest 1.3% valuation decline noted above. Valuations in Core shopping centres and Retail parks have remained resilient with valuations increasing by 0.2% and 0.5% respectively. Regeneration shopping centre valuations reduced by 4.2%, reflecting higher construction costs, assumed higher rates of finance and a pullback in the forward funding markets. The Work Out shopping centres, which now account for 14% of the total portfolio and which we have targeted exiting through disposals and implementing turnaround strategies, reduced by 2.5% which, although still a decrease, represents an improving trend when compared to the 18.9% and 8.3% declines seen in H1 and H2 of FY22.

Debt & financing

	Proportionally consolidated		
	30 September 2022	31 March 2022	30 September 2021
Weighted average cost of debt – drawn only[1]	3.5%	3.4%	3.4%
Weighted average debt maturity – drawn only[1]	5.2 yrs	5.7 yrs	6.2 yrs
Weighted average debt maturity – total[2]	4.3 yrs	4.8 yrs	5.2 yrs

1. Weighted average cost of debt and weighted average debt maturity on drawn debt only
2. Weighted average debt maturity on total debt, including £125 million undrawn Revolving Credit Facility

Our weighted average cost of debt has remained stable, increasing by 0.1% from 3.4% at 31 March 2022 to 3.5% at 30 September 2022 due to a new secured bilateral facility on The Moor in Sheffield in April 2022 which is held in our capital partnership with BRAVO. On a drawn basis, weighted average debt maturity decreased from 5.7 to 5.2 years, tracking the tenor of our unsecured bond which matures in March 2028 and now constitutes a larger proportion of our debt structure following the debt restructuring completed during FY22.

Proportionally consolidated	30 September 2022	31 March 2022	30 September 2021	31 March 2021
	£m	£m	£m	£m
Cash	95.1	88.2	37.3	154.3
Principal value of gross debt	(316.0)	(314.0)	(318.1)	(653.1)
Net debt[1]	(217.1)	(221.5)	(276.4)	(493.3)
Drawn RCF	-	-	-	*(170.0)*
Total liquidity[2]	*220.1*	*213.2*	*162.3*	*199.3*
Gross debt (drawn) / repaid in period / year	*(2.0)*	*339.1*	*335.0*	*(0.7)*
Loan to Value	*33.8%*	*34.1%*	*39.4%*	*50.6%*

1. Including unamortised arrangement fees
2. Cash and undrawn RCF. September 2021 column reflects the bank facility amendment & restatement signed in October 2021

Financial policies

Our conservative financial policies form a key component of our financial risk management strategy. We have five financial policies in total, including LTV and interest cover which also appear as debt covenants on our unsecured bank facilities and our bond. For the six months ended 30 September 2022, we were in compliance with all of our five financial policies, with significant headroom.

	Financial policy	Proportionally consolidated		
		30 September 2022	31 March 2022	30 September 2021
Loan to value	Guidance <40% Policy <50%	33.8%	34.1%	39.4%
		Group		
		30 September 2022	31 March 2022	30 September 2021
Balance sheet gearing	<100%	49.8%	51.5%	65.0%
		Proportionally consolidated		
		HY23	FY22	HY22
Net debt: EBITDA	<10x	5.1x	4.6x	6.9x
Interest cover[1]	>2.0x	3.9x	3.5x	2.7x
Ordinary dividend cover[2]	>100%	125%	125%	125%

1. 12 month look-back calculation, consistent with debt covenant
2. Calculated with reference to UFFO

Our LTV remains within guidance and has reduced slightly from 34.1% at 31 March 2022 to 33.8% at 30 September 2022 principally due to an increase in UFFO net of dividend payments, offset slightly by a modest decrease in valuations in the period. At this level, LTV is within our guidance of less than 40%, which we believe means we are well placed given the increasingly uncertain macro-economic outlook. We have worked hard to achieve this strengthened position, and while we maintain our guidance, we will not rush to redeploy to the 40% level and instead we intend to retain some headroom to our guidance in the near-term along with excess cash in the bank which together give us maximum optionality.

Balance sheet gearing is now also comfortably within policy and has reduced again, ending the half at 49.8% compared with 51.5% in March 2022. Net debt: EBITDA is also comfortably within our stated policy, at 5.1x, increased slightly from

4.6x in March 2022 because FY22 EBITDA benefitted from Hawthorn income in the first half of the year prior to its disposal in August 2021.

Interest cover, increasingly viewed as the key financial measure given the current interest rate environment, has continued to improve from 2.7x in HY22 to 3.5x in FY22 to 3.9x in HY23 due to the actions we completed during FY22, being the disposals of the Hawthorn pub business and subsequent debt reduction, alongside the continued improvement in our underlying retail operations. Moreover, given the continued improvement in our cash and liquidity holdings, which now stand at £220 million, and the fact that our cost of drawn debt is fixed at 3.5% until March 2028, our interest cover is protected from the volatility in the broader credit markets and with retail income recovering post-COVID is well positioned looking forward.

The Board has declared a fully covered dividend of 3.5 pence in respect of the six months ended 30 September 2022, being 80% of the UFFO per share generated during the period of 4.4 pence in-line with our dividend policy which links dividends directly to UFFO and means that the dividend is fully covered, in-line with our financial policy.

Additional guidelines

Alongside our financial policies we have a number of additional guidelines used by management to analyse operational and financial risk, which we disclose in the following table:

	Guideline	**30 September 2022**
Single retailer concentration	<5% of gross income	2.9% (B&M)
Development expenditure	<10% of GAV	<1%
Risk-controlled development	>70% pre-let or pre-sold on committed	N/A, no developments on site

Conclusion

After our transformative actions during FY22, which fundamentally improved our financial position and future prospects, operational momentum has continued to build during the first six months, further strengthening our position, with LTV and EPRA NTA per share remaining stable and interest cover improving as we continue to rebuild into the future.

In this environment, we will remain focused on controlling what we can control and to that end we have made the decision to maintain headroom to our LTV guidance, so that we are positioned to withstand macroeconomic disruption and ultimately take advantage of opportunities as they present themselves in the future. In the meantime, we are exactly where we would want to be, with our finance costs fully fixed, no maturity on drawn debt until 2028 and significant cash and liquidity at our disposal.

There is no question that the macro-economic picture has worsened since we presented our full year results in June, but there is also no question that following the disposal of the pubs during FY22, the business carries a much lower level of operational risk and fixed cost than in the past. We have a clear focus as a business on resilient retail which provides essential non-discretionary goods and services to consumers across the UK. Looking into the medium term we are confident in our ability to deliver our target 10% total accounting return, underpinned by our resilient income.

Will Hobman
Chief Financial Officer

Notes to Editors

About NewRiver

NewRiver REIT plc ('NewRiver') is a leading Real Estate Investment Trust specialising in buying, managing and developing resilient retail assets throughout the UK.

Our £0.6 billion UK wide portfolio covers 8 million sq ft and comprises 28 community shopping centres and 15 conveniently located retail parks occupied by tenants predominately focused on essential goods and services. Our objective is to own and manage the most resilient retail portfolio in the UK, focused on retail parks, core shopping centres, and regeneration opportunities in order to deliver long term attractive recurring income returns and capital growth for our shareholders.

NewRiver has a Premium Listing on the Main Market of the London Stock Exchange (ticker: NRR). Visit www.nrr.co.uk for further information. LEI Number: 2138004GX1VAUMH66L31

Principal risks and uncertainties

Our approach to risk management

Risk is inherent in all businesses and effective risk management is a key element in the delivery of our strategy and operation of our business model. The COVID-19 pandemic, UK-specific political factors and other global developments have brought economic and social disruption and uncertainty over recent periods, however our culture and strong governance systems and risk mitigation have continued to support the business during this time.

Our small workforce encourages flexibility and collaboration across the business in all areas including risk. The accessibility and flexibility of the Board and senior staff is particularly pertinent when adapting to emerging and external risks such as a global pandemic and geopolitical unrest. This flexibility enables the business to adjust and respond to fast-changing situations and prove its resilience and adaptability.

The Board has ultimate responsibility for the risk management and internal controls of the Company and regularly evaluates our appetite for risk, ensuring our exposure to risk is managed effectively. The Audit Committee monitors the adequacy and effectiveness of the Company's risk management and internal controls and supports the Board in assessing the risk mitigation processes and procedures. The Executive Committee is closely involved with day-to-day risk management, ensuring that it is embedded within the Company's culture and values and that there is a delegation of accountability for each risk to senior management.

Risk appetite

There are multiple risks that could impact our ability to successfully execute our strategy. The Board generally has a low-risk appetite but recognises that the external environment in which it operates is inherently risky. Mitigating actions are therefore agreed for all risks that exceed the Group's risk appetite. Our experienced leadership team continuously works to mitigate the risks arising from the external environment.

The following significant factors are important in how the Board mitigates its business risks:

- Maintaining an unsecured balance sheet, with the Company benefitting from a more diversified debt structure and gaining access to a larger pool of capital to help achieve our strategic goals
- Our disciplined approach to stock selection with probability risk-adjusted returns
- Deploying capital in joint ventures, thereby diversifying risk
- A diverse tenant base in which there is no single tenant exposure of more than 3%
- Our experienced Board and senior management

Risk monitoring and assessment including emerging risks

The identification of risks is a continual process. This has been highlighted more so over the last couple of years with a global pandemic creating uncertainty across all sectors both economically and socially and other geopolitical events impacting supply chains and sentiment. The Company maintains a risk register in which a range of categories are considered. These risks are linked to the business model and strategic priorities of the Company.

The risk register assesses the impact and probability of each identified risk. By identifying all risks on a register and continuously updating this register principal risks can be identified as those that might threaten the Company's business model, future performance, solvency or liquidity and reputation. Their potential impact and probability will also be a factor in whether they are classed as principal. The risk register also records actions that can be taken to further mitigate the risk and each action is assigned to an individual or group. Mitigation factors and actions are assigned to all risks whether they are principal, non-principal or emerging. The continuous updating of this risk register assists in identifying emerging risks as they develop and ensures that their impact is continually assessed as they emerge and progress. All risks on the register are 'scored' in terms of impact and probability.

Principal risk areas are:

External risks	Operational risks
1. Macroeconomic	7. People
2. Political and regulatory	8. Financing
3. Catastrophic external event	9. Asset management
4a. Climate change strategy	10. Development
4b. Climate change impacts on our assets	11. Acquisition
5. Changes in technology and consumer habits and demographics	12. Disposal
6. Cyber Security	

Risk assessment during the period

The general risk environment in which the Company operates remained uncertain, albeit performance was positive in the period as retail operations continued to recover post COVID-19. Wider concerns around the deterioration of the UK retail market and continued political and economic uncertainty both in the UK and globally have remained or increased during the period with continuation of the war in Ukraine, rising interest rates and the cost of living crisis.

External Risks

Risk and impact	Monitoring and management	Change in risk assessment during the period
1. Macroeconomic Economic conditions in the UK and changes to fiscal and monetary policy may impact market activity, demand for investment assets, the operations of our occupiers or the spending habits of the UK population.	• The Board regularly assesses the Company's strategy in the context of the wider macroeconomic environment. This continued review of strategy focuses on positioning our portfolio for the evolving economic situation. • The Board and management team consider updates from external advisers, reviewing key indicators such as forecast GDP growth, employment rates, interest rates and Bank of England guidance and consumer confidence indices. • Our portfolio is focused on resilient market sub-sectors such as essential retailers. • Through regular stress testing of our portfolio we ensure our financial position is sufficiently resilient. • Closely monitoring rent collection and cash flow.	• Macroeconomic risk has remained the same during the period and is considered a **medium to high impact** risk with a **medium to high probability**. • Retail sales rebounded during the period, however more recently sentiment has been impacted by the cost of living crisis, energy cost rises, interest rate increases and inflation. • Overall valuations have slightly decreased in the period, however due to a fully covered dividend our debt covenant and finance policy headroom remains high. • Higher inflation could fuel wage growth and costs leading to interest rate increases above current forecasts. • The Bank of England is expecting inflation to remain elevated and the economy to slow. However the Bank of England expects inflation to fall back early next year and below its 2% target in the medium term.
2. Political and regulatory Changes in UK Government policy, the adverse effects of Brexit on our tenants, or the impact of political uncertainty on consumers' retail and leisure spend.	• The Board regularly considers political and regulatory developments and the impact they could have on the Company's strategy and operating environment. • External advisers, including legal advisers, provide updates on emerging regulatory changes to ensure the business is prepared and is compliant. • We regularly assess market research to gauge the impact of regulatory change on consumer habits. • We carry out stress testing on our portfolio in relation to regulatory changes which may impact our operations or financial position. • Where appropriate, we participate in industry and other representative bodies to contribute to policy and regulatory debate. Individual ExCo constituents are members of the BPF and the High Street Task Force.	• Political and regulatory risk has remained the same during the period and is considered a **medium to high impact** risk with a **medium to high probability**. • Political uncertainty surrounding COVID-19 has improved following the roll out of vaccinations and opening up of all restrictions. • There has been political uncertainty within the UK due to changes in leadership and loss in market confidence. • There still remain some uncertainties around the longer-term impacts of Brexit and also uncertainties relating to the possibility of Scottish Devolution. • The Coronavirus Act imposed a moratorium on landlords' ability to forfeit leases of commercial property for non-payment of rent in England and Wales and Northern Ireland. This moratorium expired on 31 March 2022. • There are further uncertainties around the Government review of the Landlord and Tenant Act 1954. • There are also uncertainties around the impact of the Levelling Up and Regeneration Bill. • The impact on the property market of the Register of Overseas Entities owning UK property is currently unclear.
3. Catastrophic external event An external event such as civil unrest, a civil emergency including a large-scale terrorist attack or pandemic, could severely disrupt global markets and	• The Board has developed a comprehensive crisis response plan which details actions to be taken at a head office and asset-level. • The Board regularly monitors the Home Office terrorism threat level and other security guidance. • The Board regularly monitors advice from the UK Government regarding pandemic responses and emergency procedures at our	• Catastrophic external event risk has remained the same in the period and is considered a **high impact** risk with a **medium to high probability**. • The impact of COVID-19 caused unprecedented economic and operational disruption and the continuing global developments create uncertainty. We however mitigate the impact of these factors through our portfolio positioning focusing on essential

cause damage and disruption to our assets.	assets are regularly tested and enhanced in-line with the latest UK Government guidance. • We have robust IT security systems which cover data security, disaster recovery and business continuity plans. • The business has comprehensive insurance in place to minimise the cost of damage and disruption to assets.	goods and services, our cash position and liquidity and our active approach to asset management. • The opening up of restrictions has been positive but it is likely that the cost of living crisis will impact UK households. Our operational performance during the period has however demonstrated the resilience of our portfolio. • The National Terrorism Threat Level is substantial and the full impact from the war in Ukraine is unclear.
4a. Climate change strategy A failure to implement appropriate climate risk management measures, comply with evolving regulations and meeting our ESG targets could impact the operation and value of our assets, leading to a risk of asset obsolescence, reputational damage and erosion of investor value.	• We have a comprehensive ESG programme which is regularly reviewed by the Board and Executive Committee. • One of the key objectives of the programme is to minimise our impact on the environment through reducing energy consumption, sourcing from renewable sources and increased recycling. • We have developed our Pathway to Net Zero Carbon and set new medium and long-term targets in line with the latest science-based targets. • ESG performance is independently reviewed by our external environmental consultants and is measured against applicable targets and benchmarks. • We continue to report in line with TCFD requirements.	• The climate change risk was separated last year into two risks to focus on its constituent parts (Climate change strategy and Climate change impacts on our assets). • Climate change risk remained the same during the period and is considered a **medium to high impact** risk with a **medium to high probability**. • ESG has risen up the agenda of many stakeholders and expectations of compliance with best practice have increased. • Regulatory requirements have also increased during the period, in addition to the scoring criteria for certain ESG benchmarks such as GRESB. • Our ESG Committee pre-empted these changes and our initiatives and disclosure continue to evolve in-line with best practice. • ESG is embedded into capital allocations and is considered for all future acquisitions.
4b. Climate change impacts on our assets Changes in the way consumers live, work, shop and use technology could have an adverse impact on demand for our assets.	• We regularly assess assets for environmental risk and ensure sufficient insurance is in place to minimise the impact of environmental incidents. • In conjunction with insurers flood risk assessments have been carried out at all of our assets and considered low.	• Climate change impacts on our assets risk remained the same during the period and is considered a **medium to high impact** risk with a **medium to low probability.** • Although exposure to extreme weather events is a near-term risk, other climate impacts such as heat stress and sea level rises are medium-term or long-term time horizons. Whilst their impact is high, their probability imminently is low. Climate impacts are embedded into capital allocation decisions and considered for all future acquisitions of both equipment installed at the assets and for the assets themselves.

5. Changes in technology and consumer habits and demographics Changes in the way consumers live, work, shop and use technology could have an adverse impact on demand for our assets.	• The Board and Executive Committee regularly assess our overall corporate strategy and acquisition, asset management and disposal decisions in the context of current and future consumer demand. Our strategy is designed to focus on resilient assets that take into account these future changes. • We closely assess the latest trends reported by CACI, our research provider, to ensure we are aligned with evolving consumer trends. • Our retail portfolio is focused on essential spending on goods and services which are resilient to the growth of online retail. • Our retail parks are ideally positioned to help retailers with their multi-channel retail strategies.	• Changes in technology and consumer habits risk has remained the same during the period and is considered a **low-medium impact** risk with a **high probability**. • Although the COVID-19 lockdown restrictions significantly increased home working and online shopping in recent years, we have seen evidence that this is unwinding during the period. • Our portfolio is focused on providing essential retail to local communities, which continues to mitigate the impact of online retail on our portfolio. • While COVID-19 may have accelerated the trend to online shopping this provides opportunities for our portfolio, particularly retail parks and local community shopping centres. • Our strategy is to reshape our portfolio to ensure over the longer term we have the most resilient retail portfolio in the UK.
6. Cyber security A cyber attack could result in the Group being unable to use its IT systems and/or losing data. This could delay reporting and divert management time. This risk could be increased due to many employees still working from home following the pandemic.	• There are limited IT servers on sites. • Multiple third-party supplier programmes are used which have their own security systems and are independently audited by Deloitte and ISO2000 accredited. • ExCo receives quarterly reporting on IT matters. • Security protocols are in place to ensure swift changes to data access following staff changes and authority limit access. • We have reviewed our IT systems and have enhanced a number of areas during the year. • Cyber insurance cover is in place. • We have recently carried out an external review of the Group's IT security and systems as part of our internal audit process.	• Cyber security has remained unchanged during the period and is considered a **medium to high impact risk** with a medium to **high probability**. Whilst global developments may increase cyber security risks we have carried out further enhancements and audits to our IT systems and procedures during the period. • This risk could also be increased due to employees working from home during the pandemic. Staff continue to work from home on a flexible basis.

Operational Risks

Risk and impact	Monitoring and management	Change in risk assessment during the period
7. People The inability to attract, retain and develop our people and ensure we have the right skills in place could prevent us from implementing our strategy.	• Attracting, retaining and developing talent is core to our HR strategy, which is regularly reviewed by the Board and Executive Committee. • We undertake an extensive Employee Engagement Survey once a year to gauge employee views on leadership, company culture, health and wellbeing, personal growth and benefits and recognition. This informs any changes to HR policy. • We regularly benchmark our pay and benefits against those of peers and the wider market. • Succession planning is in place for all key positions and is reviewed regularly by the Nomination Committee. • Longer notice periods are in place for key employees. • Our recruitment policies consider the needs of the business today and our aspirations for the future, whilst ensuring our unique corporate culture is maintained.	• People risk has remained the same during the period and is considered a **medium impact** risk with a **medium probability**. • It remains a challenging operating environment for the Company, which could present some issues in attracting and retaining talent. Inflation and the cost of living crisis will also put pressure on salary costs and demands. This impact is mitigated by an active employee engagement programme and the alignment of reward with both individual and Company-level performance. • We continue to focus on staff wellbeing and actively seek regular feedback from staff. • We also offer many forms of flexible working including job share, annualised hours, variation of hours and working from home. Since the pandemic we have implemented a policy enabling staff to work from home a number of days a week should they choose to do so.
8. Financing If gearing levels become higher than our risk appetite or lead to breaches in bank covenants this would impact our ability to implement our strategy. The business	• The Board regularly assesses Company financial performance and scenario testing, covering levels of gearing and headroom to financial covenants and assessments by external rating agencies. • The Company has a programme of active engagement with key lenders and shareholders.	• Financing risk has increased during the period and is considered a **medium impact** risk with a **medium probability**. • Although macroeconomic developments, particularly the increase in inflation have impacted financial markets, the strength of the Company's unsecured balance sheet means we have mitigated the risk of not being able to secure sufficient financing.

could also struggle to obtain funding or face increased interest rates as a result of macroeconomic factors.	• The Company has a wholly unsecured balance sheet, which mitigates the risk of a covenant breach caused by fluctuations in individual property valuations. • The Company has long-dated maturity on its debt, providing sufficient flexibility for refinancing. • Working capital and cashflow analysis and detailed forward assessments of cashflows are regularly reviewed by the Executive Committee. • Our credit rating is independently assessed by Fitch Ratings at least annually	• The Company also extended the maturity on its undrawn Revolving Credit Facility to August 2024 in the prior year. • There is no exposure to interest rate rises on drawn debt.
9. Asset management The performance of our assets may not meet with the expectations outlined in their business plans, impacting financial performance and the ability to implement our strategies.	• Asset-level business plans are regularly reviewed by the asset management team and the Executive Committee and detailed forecasts are updated frequently. • The Executive Committee reviews whole portfolio performance on a quarterly basis to identify any trends that require action. • Our asset managers are in contact with centre managers and occupiers on a daily basis to identify potential risks and improvement areas. • Revenue collection is reviewed regularly by the Executive Committee. • Retailer concentration risk is monitored, with a guideline that no retailer will account for more than 5% of gross income (currently largest retailer is B&M accounting for 2.9% of gross income)	• Asset management risk has increased during the period and is considered a **medium to high impact** risk with a **medium to high probability**. • The COVID-19 pandemic placed restrictions on the operations of our occupiers and impacted performance and rent collection at our assets. These have improved greatly and are now close to pre-pandemic levels. • Our diverse tenant portfolio focuses on essential retail which reduces the impact of individual defaults on income. • Although we have a low probability of default the cost of living crisis may impact the financial health of our occupiers. • Our operational performance continues to prove the resilience of our assets.
10. Development Delays, increased costs and other challenges could impact our ability to pursue our development pipeline and therefore our ability to profitably recycle development sites and achieve returns on development.	• We apply a risk-controlled development strategy through negotiating long-dated pre-lets for the majority of assets. • All development is risk-controlled and forms only small element of the portfolio by value. • Capital deployed is actively monitored by the Executive Committee, following detailed due diligence modelling and research. • An experienced development team monitors on-site development and cost controls. • On large scale developments where construction is more than 12 months we look to carry out the project in partnership and/or forward sell.	• Development risk has increased during the period and is considered a **medium impact** risk with a **medium probability**. • Although supply issues and increases in costs of building supplies will impact developments, as they remain a small part of portfolio the overall impact is relatively low. • A number of our regeneration assets were sold during FY22 which continues to decrease the proportion of assets focused on development which inherently reduces risk exposure.
11. Acquisition The performance of asset and corporate acquisitions might not meet with our expectations and assumptions, impacting our revenue and profitability.	• We carry out thorough due diligence on all new acquisitions, using data from external advisers and our own rigorous in-house modelling before committing to any transaction. Probability-weighted analysis takes account of these risks. • Acquisitions are subject to approval by the Board and Executive Committee, who are highly experienced in the retail sector. • We have the ability to acquire in joint ventures, thereby sharing risk.	• Acquisition risk has remained the same through the period and is considered **medium impact** risk with a **medium probability**. • The lack of supply and relative price of some assets may reduce opportunities for acquisition. • Having sold the Hawthorn pub business and completed planned retails disposals, we are now in the position to deploy capital in line with our returns-focussed approach to capital allocation and subject to our LTV guidance.
12. Disposal We may face difficulty in disposing of assets or realising their fair value, thereby impacting profitability and our ability to reduce debt levels or make further acquisitions.	• Our portfolio is focused on high-quality assets with low lot sizes, making them attractive to a wide pool of buyers. • Assets are valued every six months by external valuers, enabling informed disposal pricing decisions. • Disposals are subject to approval by the Board and Executive Committee, who are highly experienced in the retail sector. • Our portfolio is large and our average asset lot size is small, meaning that each asset represents only a small proportion of revenues and profits, thereby mitigating the impact of a sale not proceeding.	• Disposal risk has increased during the period and is considered a **medium impact** risk with a **medium probability**. • National and geopolitical uncertainty, interest rate rises, inflation and the cost of living crisis have increased market uncertainty and are causing some purchasers to reconsider or delay acquisition decisions. • We have an active and successful disposal programme where we have executed disposals over the last 12 months. The average lot size is lower than most in the market so tends to be more liquid.

Directors' Responsibility Statement

The Directors confirm that these condensed interim financial statements have been prepared with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 namely:

(a) An indication of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim set of financial statements; and
(b) Material related-party transactions in the first six months of the financial year and any material changes in the related-party transactions described in the last Annual Report.

On the behalf of the Board

Allan Lockhart	**Will Hobman**
Chief Executive	**Chief Financial Officer**

24 November 2022

Copies of this announcement are available on the Company's website at www.nrr.co.uk and can be requested from the Company's registered office at 89 Whitfield Street, London, W1T 4DE.

Independent review report to NewRiver REIT plc
Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed NewRiver REIT plc's condensed consolidated interim financial statements (the "interim financial statements") in the unaudited half year results of NewRiver REIT plc for the 6 month period ended 30 September 2022 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are 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 sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Balance Sheet as at 30 September 2022;
- the Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Cash Flow Statement for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the unaudited half year results of NewRiver REIT plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook 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, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council 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.

We have read the other information contained in the unaudited half year results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

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 for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors 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 this ISRE. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The unaudited half year results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the unaudited half year results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the unaudited half year results, including the interim financial statements, the directors are responsible for assessing the group'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 group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the unaudited half year results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
24 November 2022

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

Unaudited		Six months ended 30 September 2022			Six months ended 30 September 2021		
Continuing Operations	Notes	Operating and financing 2022 £m	Fair value adjustments 2022 £m	Total 2022 £m	Operating and financing 2021 £m	Fair value adjustments 2021 £m	Total 2021 £m
Revenue	4	**35.5**	**–**	**35.5**	36.0	–	36.0
Property operating expenses*	5	**(11.8)**	**–**	**(11.8)**	(12.4)	–	(12.4)
Net property income		**23.7**	**–**	**23.7**	23.6	–	23.6
Administrative expenses	6	**(6.6)**	**–**	**(6.6)**	(6.1)	–	(6.1)
Other income	7	**1.4**	**–**	**1.4**	–	–	–
Share of profit / (loss) from joint ventures	14	**1.9**	**1.5**	**3.4**	(1.2)	0.6	(0.6)
Share of profit from associates	15	**0.2**	**0.4**	**0.6**	0.4	1.8	2.2
Net property valuation movement		**–**	**(10.3)**	**(10.3)**	–	(24.6)	(24.6)
Loss on disposal of investment properties	9	**(0.6)**	**–**	**(0.6)**	(0.6)	–	(0.6)
Operating profit / (loss)		**20.0**	**(8.4)**	**11.6**	16.1	(22.2)	(6.1)
Finance income	10	**0.2**	**–**	**0.2**	1.2	–	1.2
Finance costs	10	**(7.7)**	**–**	**(7.7)**	(11.7)	–	(11.7)
Profit / (loss) for the year before taxation		**12.5**	**(8.4)**	**4.1**	5.6	(22.2)	(16.6)
Taxation		**–**	**–**	**–**	–	–	–
Profit / (loss) for the year after taxation from continuing operations		**12.5**	**(8.4)**	**4.1**	5.6	(22.2)	(16.6)
Loss for the year after taxation from discontinued operations	8	**–**	**–**	**–**	(31.4)	(1.9)	(33.3)
Profit / (loss) for the year		**12.5**	**(8.4)**	**4.1**	(25.8)	(24.1)	(49.9)
Total comprehensive profit / (loss) for the year		**12.5**	**(8.4)**	**4.1**	(25.8)	(24.1)	(49.9)
There are no items of other comprehensive income for the current or prior period.							
Earnings / (loss) per share – continuing operations							
Basic (pence)	11			**1.3**			(5.4)
Diluted (pence)	11			**1.3**			(5.4)
Loss per share – discontinued operations							
Basic (pence)	11			**–**			(10.9)
Diluted (pence)	11			**–**			(10.9)

*Included in property operating expenses is an expected credit loss reversal of £0.8 million (2021: £2.4 million reversal and a write off of £1.8 million) relating to debtors for continuing operations.

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 30 SEPTEMBER 2022

	Notes	**30 September 2022 £m *Unaudited***	31 March 2022 £m
Non-current assets			
Investment properties	13	**676.2**	684.6
Right of use assets		**1.0**	0.2
Investments in joint ventures	14	**24.5**	24.0
Investments in associates	15	**6.0**	7.9
Property, plant and equipment		**0.4**	0.7
Total non-current assets		**708.1**	717.4
Current assets			
Trade and other receivables	16	**15.2**	18.9
Cash and cash equivalents	20	**92.5**	82.8
Total current assets		**107.7**	101.7
Total assets		**815.8**	819.1
Equity and liabilities			
Current liabilities			
Trade and other payables	17	**33.3**	33.5
Lease liability		**0.7**	0.7
Total current liabilities		**34.0**	34.2
Non-current liabilities			
Lease liability		**76.0**	75.0
Borrowings	18	**296.3**	295.8
Total non-current liabilities		**372.3**	370.8
Net assets		**409.5**	414.1
Equity			
Share capital		**3.1**	3.1
Share premium		**1.9**	1.1
Merger reserve		**(2.3)**	(2.3)
Retained earnings and other reserves		**406.8**	412.2
Total equity		**409.5**	414.1
Net Asset Value per share (pence)			
Basic	11	**132p**	135p
Diluted	11	**132p**	134p
EPRA NTA	11	**132p**	134p

The interim financial statements were approved by the Board of Directors on 24 November 2022 and were signed on its behalf by:

Allan Lockhart — Chief Executive
Will Hobman — Chief Financial Officer

NewRiver REIT plc
Registered number: 10221027

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

Unaudited	**30 September 2022 £m**	30 September 2021 £m
Cash flows from operating activities		
Profit / (loss) for the period before taxation – continuing operations	**4.1**	(16.6)
Loss for the period before taxation – discontinued operations	**–**	(31.4)
Profit / (loss) for the period before taxation	**4.1**	(48.0)
Adjustments for:		
Loss / (profit) on disposal of investment property	**0.6**	(0.2)
Loss on disposal of Hawthorn	**–**	39.4
Net valuation movement	**10.3**	24.6
Net valuation movement in joint ventures	**(1.5)**	(0.6)
Net valuation movement in associates	**(0.4)**	(1.8)
Share of (profit) / loss from joint ventures	**(1.9)**	1.2
Share of profit from associates	**(0.2)**	(0.4)
Net interest expense	**7.5**	11.5
Revaluation of derivatives	**–**	(1.0)
Rent free lease incentives	**0.2**	(1.2)
Movement in expected credit loss	**(0.8)**	(2.1)
Amortisation of legal and letting fees	**0.1**	0.1
Depreciation and impairment on property plant and equipment	**0.6**	0.8
Share based-payment expense	**0.6**	0.2
Cash generated from operations before changes in working capital	**19.2**	22.5
Changes in working capital		
Decrease in trade and other receivables	**4.5**	8.1
(Decrease) / increase in payables and other financial liabilities	**(5.4)**	5.6
Cash generated from operations	**18.3**	36.2
Interest paid	**(1.5)**	(6.1)
Interest income	**0.2**	–
Dividends received from joint ventures	**2.9**	4.4
Dividends received from associates	**0.3**	–
Net cash generated from operating activities	**20.2**	34.5
Cash flows from investing activities		
Cash proceeds net of cash disposed and transaction costs from disposal of subsidiaries	**–**	201.1
Return of investment / (investment in associate)	**2.2**	(3.7)
Purchase of investment properties	**–**	(7.3)
Disposal of investment properties	**(0.6)**	11.1
Development and other capital expenditure	**(1.8)**	(5.7)
Purchase of plant and equipment	**(0.3)**	(3.0)
Net cash (used in) / generated from investing activities	**(0.5)**	192.5
Cash flows from financing activities		
Repayment of bank loans	**–**	(335.0)
Repayment of principal portion of lease liability	**(0.3)**	(0.2)
Dividends paid – ordinary	**(9.7)**	(7.7)
Net cash used in financing activities	**(10.0)**	(342.9)
Cash and cash equivalents at beginning of the year	**82.8**	150.5
Net increase / (decrease) in cash and cash equivalents	**9.7**	(115.9)
Cash and cash equivalents at 30 September	**92.5**	34.6

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

	Notes	Share capital £m	Share premium £m	Merger reserve £m	Retained earnings and other reserves £m	Total £m
As at 31 March 2022 (audited)		**3.1**	**1.1**	**(2.3)**	**412.2**	**414.1**
Profit for the year after taxation and total comprehensive income		**–**	**–**	**–**	**4.1**	**4.1**
Transactions with equity holders						
Share-based payments		**–**	**–**	**–**	**0.6**	**0.6**
Net proceeds from issue of new shares		**–**	**0.8**	**–**	**–**	**0.8**
Dividends paid	12	**–**	**–**	**–**	**(10.1)**	**(10.1)**
As at 30 September 2022 (unaudited)		**3.1**	**1.9**	**(2.3)**	**406.8**	**409.5**

	Notes	Share capital £m	Share premium £m	Merger reserve £m	Retained earnings and other reserves £m	Total £m
As at 31 March 2021 (audited)		3.1	227.4	(2.3)	232.2	460.4
Loss for the year after taxation						
- continuing operations		–	–	–	(16.6)	(16.6)
- discontinued operations		–	–	–	(33.3)	(33.3)
Loss for the year after taxation and total comprehensive loss		–	–	–	(49.9)	(49.9)
Transactions with equity holders						
Net proceeds from issue of new shares		–	0.5	–	–	0.5
Transfer from share premium		–	(227.4)	–	227.4	–
Share-based payments		–	–	–	0.2	0.2
Dividends paid	12	–	–	–	(9.1)	(9.1)
As at 30 September 2021 (unaudited)		3.1	0.5	(2.3)	400.8	402.1

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

General information
NewRiver REIT plc (the 'Company') and its subsidiaries (together the 'Group') is a property investment group specialising in commercial real estate in the UK. The Company is registered and domiciled in the UK and the registered office is 89 Whitfield Street, London, W1T 4DE.

The condensed consolidated interim financial statements ('interim financial statements') including the notes to the interim financial statements are unaudited and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the year ended 31 March 2022 included in this report was derived from the statutory accounts for the year ended 31 March 2022, a copy of which has been delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis of matter and did not contain a statement under sections 498 (2) or (3) of the Companies Act 2006.

These interim financial statements have been approved for issue by the Board of Directors on 24 November 2022.

Summary of significant accounting policies
The principal accounting policies applied in the preparation of these interim financial statements are set out below. These policies have been consistently applied to all periods presented.

Basis of preparation
These interim financial statements for the 6 month period ended 30 September 2022 have been prepared on the basis of the policies set out in the annual consolidated financial statements for the year ended 31 March 2022 and in accordance with UK adopted IAS 34 and the Disclosure guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority.

The interim financial statements need to be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2022 which were prepared in accordance with the requirements of the Companies Act 2006 and UK adopted international accounting standards.

The current period financial information presented in this document has been reviewed, not audited.

Going concern
The Group's going concern assessment considers the Group's principal risks, and is dependent on a number of factors, including cashflow and liquidity, continued access to borrowing facilities and the ability to continue to operate the Group's unsecured debt structure within its financial covenants. The Group's balance sheet is unsecured, which means that none of its debt is secured against any of its property assets. This type of financing affords significant operational flexibility, and consists of a £125 million (plus £50 million accordion, at lenders' consent) undrawn revolving credit facility ('RCF') and a £300 million unsecured corporate bond. The undrawn RCF matures in August 2024, and the bond in March 2028. The debt has financial covenants that the Group is required to comply with including an LTV covenant of less than 60% on the RCF (65% on the bond), and a 12 month historical interest cover ratio of more than 1.75x on the RCF (1.50x on the bond), with the RCF financing including cure provisions in the event of a breach.

The going concern assessment is based on a 18 month outlook from the date of the approval of these financial statements, using the Group's Board approved budget, flexed to create a reasonable worst case scenario, which includes the key assumptions listed below.

- Capital values to decline further to a blended valuation decline of 3.8% in FY23 and a blended valuation decline of 2% pa throughout the remainder of the forecast horizon, in contrast to the growth noted in H2 FY22 of +2.6% across the portfolio and the upward trend noted in the Core and Retail park assets since FY22;
- A 15% reduction in net income. This reflects a significant downside to rental agreements re-geared or re-negotiated throughout the pandemic given that 92% of rents relating to FY21 were cash collected at the time of reporting despite the multiple national lockdowns in place throughout the year; FY22 rent cash collection is 97%, whilst H1 FY23 rent cash collection is 97% at the time of reporting demonstrating continued high rent collection rates during the Covid recovery period;
- No disposal proceeds are assumed throughout the forecast period which have not yet completed at the time of reporting, despite the completion of £77 million of disposals during FY22, and £27 million of retail disposals currently under offer or exchanged and a further £17m in active discussions at the date of approval of these financial statements. Similarly, no assumption is made for the deployment any surplus capital available as at 30 September 2022 and the growth and returns that would generate.

Under this scenario, the Group is forecast to maintain sufficient cash and liquidity resources and remain compliant with its financial covenants over the going concern period. Further stress testing was performed on this scenario which demonstrated that the Group's drawn debt covenants could absorb a further valuation decline of 40% and a further 48% reduction in annual net rental income before breaching covenant levels. The Group maintains sufficient cash and liquidity reserves to continue in operation and pay its liabilities as they fall due throughout the going concern assessment period and as such the Directors conclude a going concern basis of preparation is appropriate.

Basis of consolidation

The interim financial statements incorporate the interim financial statements of the Company and its subsidiaries. The interim financial statements account for interests in joint ventures and associates using the equity method of accounting per IFRS 11. The Group's financial performance is not seasonal.

New accounting policies

There have been no new accounting policies adopted in the period.

New standards and amendments

The Group has adopted the following amendments for the first time in the 6 months ended 30 September 2022:
- Annual Improvements to IFRS Standards 2018–2020
- Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)
- Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

Adopting these amendments has not impacted amounts recognised in prior periods or are expected to have a material impact in future periods based on the Group's current strategy.

IFRS Interpretations Committee

The IFRS Interpretations Committee recently concluded its projects on Demand Deposits with Restrictions on Use arising from a Contract with a Third Party (IAS 7) and Lessor Forgiveness of Lease Payments (IFRS 9 and IFRS 16). No adjustment for these interpretations has been made in the results to 30 September 2022 with the impact of these interpretations currently being assessed ahead of the year ended 31 March 2023.

Standards and amendments issued but not yet effective

A number of new amendments relevant to the Group, have been issued but are not yet effective for the current accounting period. These were disclosed in the 31 March 2022 audited financial statements and there has been no significant update as at the date of this report. No material impact is expected upon the adoption of these standards and amendments.

2. Critical accounting judgements and estimates

The preparation of interim financial statements requires management to make estimates and judgements affecting the reported amounts of assets and liabilities, of revenues and expenses, and of gains and losses. The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below. Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors. There have been no changes since the year-end.

Significant judgements

REIT Status
NewRiver is a Real Estate Investment Trust (REIT) and does not pay tax on its property income or gains on property sales, provided that at least 90% of the Group's property income is distributed as a dividend to shareholders, which becomes taxable in their hands. In addition, the Group has to meet certain conditions such as ensuring the property rental business represents more than 75% of total profits and assets. Any potential or proposed changes to the REIT legislation are monitored and discussed with HMRC. It is the Directors' judgement that the Group continues to meet the REIT conditions.

Sources of significant estimation uncertainty

Investment property
The Group's investment properties are stated at fair value. The assumptions and estimates used to value the properties are detailed in note 13. Small changes in the key estimates, such as the estimated rental value, can have a significant impact on the valuation of the investment properties, and therefore a significant impact on the condensed consolidated balance sheet and key performance measures such as Net Tangible Assets per share.

Rents and ERVs have a direct relationship to valuation, while yield has an inverse relationship. Estimated costs of a development project will inversely affect the valuation of development properties. There are interrelationships between all these unobservable inputs as they are determined by market conditions. The existence of an increase in more than one unobservable input could be to magnify the impact on the valuation, see note 13 for sensitivity analysis.

The estimated fair value may differ from the price at which the Group's assets could be sold. Actual realisation of net assets could differ from the valuation used in these financial statements, and the difference could be significant.

3. Segmental reporting

The Group operates as one segment, the retail business. The retail investments comprise shopping centres, retail parks and high street stores. The performance and position of the retail business is set out in the condensed consolidated statement of comprehensive income and condensed consolidated balance sheet. All the Group's operations are in the UK and therefore no geographical segments have been identified.

4. Revenue

	Six Months ended	
	30 September 2022 £m	30 September 2021 £m
Property rental and related income*	**28.5**	27.9
Amortisation of tenant incentives and letting costs	**(0.7)**	(0.7)
Surrender premiums and commissions	**0.1**	0.3
Rental related income	**27.9**	27.5
Asset management fees	**0.7**	1.0
Service charge income	**6.9**	7.5
Revenue	**35.5**	36.0

*Included within property rental and related income is car park income of £2.7 million (2021: £2.2 million) which falls under the scope of IFRS 15. The remainder of the income is covered by IFRS 16.

Asset management fees and service charge income which represents the flow through costs of the day-to-day maintenance of shopping centres fall under the scope of IFRS 15.

5. Property operating expenses

	Six Months ended	
	30 September 2022 £m	30 September 2021 £m
Service charge expense	**9.7**	10.4
Rates on vacant units	**1.4**	1.0
Expected credit loss reversal	**(0.8)**	(0.6)
Other property operating expenses	**1.5**	1.6
Property operating expenses	**11.8**	12.4

6. Administrative expenses

	Six Months ended	
	30 September 2022 £m	30 September 2021 £m
Wages and salaries	**2.3**	2.8
Social security costs	**0.6**	0.4
Other pension costs	**0.1**	0.1
Staff costs	**3.0**	3.3
Depreciation	**0.1**	0.3
Share-based payments	**0.6**	0.2
Head office relocation costs*	**0.5**	–
Other administrative expenses	**2.4**	2.3
Administrative expenses	**6.6**	6.1

*Head office relocation costs mainly relate to an impairment charge relating to property, plant and equipment.

Net administrative expenses ratio is calculated as follows:

	Six Months ended	
	30 September 2022 £m	30 September 2021 £m
Administrative expenses	**6.6**	6.1
Adjust for:		
Asset management fees	**(0.7)**	(1.0)
Share of joint ventures' and associates administrative expenses	**–**	0.1
Head office relocation costs	**(0.5)**	–
Share based payments	**(0.6)**	(0.2)
Group's share of net administrative expenses - continuing	**4.8**	5.0
Group's share of net administrative expenses – discontinued	**–**	4.2
Group's share of net administrative expenses – Reported Group	**4.8**	9.2
Property rental and related income*	**29.3**	28.2
Share of joint ventures' and associates' property income	**2.0**	2.3
Other income – Covid-19 income disruption insurance	**1.4**	–
Property rental, other income and related income – continuing operations	**32.7**	30.5
Property rental, other income and related income – discontinued operations	**–**	21.4
Property rental, other income and related income – Reported Group	**32.7**	51.9
Net administrative expenses as a % of property income (including share of joint ventures and associates) – continuing operations	**14.7%**	16.4%
Net administrative expenses as a % of property income (including share of joint ventures and associates) – discontinued operations	**–**	19.6%
Net administrative expenses as a % of property income (including share of joint ventures and associates) – Reported Group	**14.7%**	17.7%

*This balance includes an expected credit reversal of £0.8 million (2021: £0.3 million), which excludes the £nil million reversal (2021: £0.3 million) forward looking element of the calculation and includes the expected credit loss held in joint ventures and associates of £nil million (2021: £0.1 million).

7. Other income

	Six Months ended	
	30 September 2022 £m	30 September 2021 £m
Insurance proceeds	**1.4**	–
Other income	**1.4**	–

The Group has recognised £1.4m for Covid-19 income disruption following agreement with the insurer.

8. Loss on disposal of subsidiary

Six months to 30 September 2022

There have been no disposals in the six months ended 30 September 2022.

Six months to 30 September 2021

Hawthorn

On 20 August 2021 NewRiver REIT plc ('NRR') completed the sale of the entire issued share capital of Hawthorn Leisure REIT Limited ('Hawthorn'), the entity that held, either directly or indirectly through its wholly-owned subsidiaries, NewRiver's entire community pub business to AT Brady Bidco Limited.

Subsidiaries disposed

- Hawthorn Leisure REIT Limited
- Hawthorn Leisure (Bravo Inns) Limited
- Bravo Inns Limited
- Bravo Inns II Limited
- Hawthorn Leisure Community Pubs Limited
- Hawthorn Leisure (Mantle) Limited
- Hawthorn Leisure Public Houses Limited
- Hawthorn Leisure Holdings Limited
- Hawthorn Leisure Limited
- Hawthorn Leisure Acquisitions Limited
- Hawthorn Leisure Honey Limited
- Hawthorn Leisure Management Limited
- Hawthorn Leisure Scotco Limited
- NewRiver Retail Holdings No 4 Limited
- NewRiver Retail Holdings No 7 Limited
- NewRiver Retail Property Unit Trust No 4

Results from 1 April 2021 to 20 August 2021

	£m
Revenue	18.1
Property operating expenses	(10.9)
Net property income	7.2
Other income	4.8
Administrative expenses	(4.8)
Loss on disposal of subsidiary	(39.4)
Other	0.8
Loss for the period before taxation	(31.4)
Deferred Tax	(1.9)
Loss for the period after taxation	(33.3)

Loss on disposal of subsidiary at 20 August 2021

	2021 £m
Gross disposal proceeds	224.0
Net assets disposed of:	
Investment property	(202.3)
Managed houses	(53.8)
Property, plant and equipment	(1.2)
Cash	(16.6)
Other net liabilities	19.9
Carrying value	(254.0)
Loss on disposal of subsidiary before transaction costs	(30.0)
Transaction costs	(9.4)
Loss on disposal of subsidiary	(39.4)

Cash flows from discontinued operations

	30 September 2021 £m
Cash flows from operating activities	13.8
Cash flows from investing activities	193.0
Total cash flows from discontinued operations	206.8

9. Loss on disposal of investment properties

	Six months ended	
	30 September 2022 £m	30 September 2021 £m
Gross disposal proceeds	**–**	5.7
Carrying value	**–**	(6.0)
Cost of disposal	**(0.6)**	(0.3)
Loss on disposal of investment properties	**(0.6)**	(0.6)

Cost of disposal in the current period relates to investment property sales in the prior period.

10. Finance income and finance costs

	Six months ended	
	30 September 2022 £m	30 September 2021 £m
Finance income		
Income from loans with joint ventures and associates	**(0.1)**	(0.2)
Interest income on cash and cash equivalents	**(0.1)**	–
Write off of derivatives	**–**	(1.0)
Finance expense		
Interest on borrowings	**6.4**	9.8
Finance cost on lease liabilities	**1.3**	1.4
Write off term loan unamortised fees	**–**	0.5
Net finance expense	**7.5**	10.5

11. Performance measures

A reconciliation of the performance measures to the nearest IFRS measure is included below:

	Six months ended 30 September 2022			Six months ended 30 September 2021		
	Continuing £m	**Discontinued £m**	**Total £m**	Continuing £m	Discontinued £m	Total £m
Profit / (Loss) for the year after taxation	**4.1**	**–**	**4.1**	(16.6)	(33.3)	(49.9)
Adjustments						
Net valuation movement	**10.3**	**–**	**10.3**	24.6	–	24.6
Loss / (profit) on disposal of investment properties	**0.6**	**–**	**0.6**	0.6	(0.8)	(0.2)
Loss on disposal of subsidiaries	**–**	**–**	**–**	–	39.4	39.4
Deferred Tax	**–**	**–**	**–**	–	1.9	1.9
Changes in fair value of financial instruments and associated close out costs	**–**	**–**	**–**	(0.5)	–	(0.5)
Group's share of joint ventures' and associates' adjustments						
Revaluation of investment properties	**(1.9)**	**–**	**(1.9)**	(2.4)	–	(2.4)
Revaluation of derivatives	**(0.6)**	**–**	**(0.6)**	(0.1)	–	(0.1)
Loss on disposal of investment properties	**–**	**–**	**–**	2.2	–	2.2
EPRA earnings	**12.5**	**–**	**12.5**	7.8	7.2	15.0
Share-based payment charge	**0.6**	**–**	**0.6**	0.2	–	0.2
Depreciation of property	**–**	**–**	**–**	–	0.4	0.4
Forward looking element of IFRS 9*	**–**	**–**	**–**	(0.3)	–	(0.3)
Abortive fees	**–**	**–**	**–**	–	0.2	0.2
Head office relocation costs	**0.5**	**–**	**0.5**	–	–	–
Underlying Funds From Operations (UFFO)	**13.6**	**–**	**13.6**	7.7	7.8	15.5

* Forward looking element of IFRS 9 relates to a provision against debtor balances in relation to invoices in advance for future rental income. These balances are not due in the current year and therefore no income has yet been recognised in relation to these debtors.

Number of shares

Number of shares	Six months ended 30 September 2022 No. M	2021 No. M
Weighted average number of ordinary shares for the purposes of Basic EPS, UFFO and EPRA	**309.0**	306.6
Effect of dilutive potential ordinary shares:		
Performance share plan	**1.0**	–
Deferred bonus shares	**0.4**	1.0
Weighted average number of ordinary shares for the purposes of Diluted EPS	**310.4**	307.6

	Six months ended 30 September 2022			Six months ended 30 September 2021		
	Continuing	**Discontinued**	**Total**	Continuing	Discontinued	Total
IFRS Basic EPS	**1.3**	**–**	**1.3**	(5.4)	(10.9)	(16.3)
IFRS Diluted EPS	**1.3**	**–**	**1.3**	(5.4)	(10.9)	(16.3)
EPRA EPS	**4.0**	**–**	**4.0**	2.5	2.4	4.9
UFFO EPS	**4.4**	**–**	**4.4**	2.5	2.6	5.1

The below table reconciles the differences between the calculation of basic and EPRA NTA.

EPRA NTA per share and basic NTA per share:

	30 September 2022			31 March 2022		
	£m	**Shares m**	**Pence per Share**	£m	Shares m	Pence per share
Net assets	**409.5**	**310.0**	**132p**	414.1	307.2	135p
Unexercised employee awards	**–**	**1.1**		–	1.8	
Diluted net assets	**409.5**	**311.1**	**132p**	414.1	309.0	134p
Deferred tax liability	**0.6**	**–**		0.6	–	
Fair value derivatives	**(1.0)**	**–**		(0.3)	–	
EPRA net tangible assets	**409.1**	**311.1**	**132p**	414.4	309.0	134p

12. Dividends

The dividends paid in the six months to 30 September are set out below:

Payment date	PID	Non-PID	Pence per share	£m
Six months to 30 September 2021				
Ordinary dividends				
3 September 2021	3.0	–	3.0	9.1
				9.1
Six months to 30 September 2022				
Ordinary dividends				
2 September 2022	**3.3**	**–**	**3.3**	**10.1**
				10.1

Property Income Distribution (PID) dividends

Profits distributed out of tax-exempt profits are PID dividends. PID dividends are paid after deduction of withholding tax (currently at 20%), which NewRiver pays directly to HMRC on behalf of the shareholder.

Non-PID dividends

Any non-PID element of dividends will be treated in exactly the same way as dividends from other UK, non-REIT companies.

13. Investment properties

	30 September 2022 £m	31 March 2022 £m
Fair value brought forward as at 1 April 2022 / 1 April 2021	**609.1**	851.9
Acquisitions	–	7.3
Capital expenditure	**1.8**	9.6
Lease incentives, letting and legal costs	**(0.3)**	1.3
Transfer from assets held for sale	–	25.5
Disposals	–	(72.9)
Disposal of subsidiaries	–	(202.3)
Net valuation movement	**(10.2)**	(11.3)
Fair value carried forward	**600.4**	609.1
Right of use assets (investment property)	**75.8**	75.5
Fair value carried forward	**676.2**	684.6

Capital expenditure of £1.8 million (March 2022: £9.6 million) is comprised of £1.4 million (March 2022: £5.0 million) of expenditure in the creation of incremental lettable space and £0.4 million (March 2022: £4.6 million) of expenditure on non-incremental lettable space.

The Group's investment properties have been valued at fair value on 30 September 2022 by independent valuers, Colliers International Valuation UK LLP and Knight Frank LLP, on the basis of fair value in accordance with the Current Practice Statements contained in The Royal Institution of Chartered Surveyors Valuation – Professional Standards, (the 'Red Book'). The valuations are performed by appropriately qualified valuers who have relevant and recent experience in the sector.

The Group is exposed to changes in the residual value of properties at the end of current lease agreements. The residual value risk born by the Group is mitigated by active management of its property portfolio with the objective of optimising tenant mix in order to:

- achieve the longest weighted average lease term possible;
- minimise vacancy rates across all properties; and
- minimise the turnover of tenants with high quality credit ratings.

The Group also grants lease incentives to encourage high quality tenants to remain in properties for longer lease terms. In the case of anchor tenants, this also attracts other tenants to the property thereby contributing to overall occupancy levels.

The fair value at 30 September 2022 / 31 March 2022 represents the highest and best use.

The properties are categorised as Level 3 in the IFRS 13 fair value hierarchy. There were no transfers of property between Levels 1, 2 and 3. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

Sensitivities of measurement of significant inputs

As set out within critical accounting estimates and judgements in note 2, the Group's property portfolio valuation is open to estimation uncertainty and is inherently subjective by nature. As a result, the sensitivity analysis below illustrates the impact of changes in key unobservable inputs on the fair value of the Group's properties.

We consider +/-10% for ERV and +/-100bps for NEY to capture the increased uncertainty in these key valuation assumptions and deem it to be a reasonably possible scenario.

The investments are a portfolio of retail assets in the UK. The valuation was determined using an income capitalisation method, which involves applying a yield to rental income streams. Inputs include yield, current rent and ERV. Development properties are valued using a residual method, which involves valuing the completed investment property using an investment method and deducting estimated costs to complete, then applying an appropriate discount rate.

The inputs to the valuation include:

- Rental value – total rental value per annum
- Equivalent yield – the net weighted average income return a property will produce based upon the timing of the income received
- Estimated development costs

There were no changes to valuation techniques during the year. Valuation reports are based on both information provided by the Group, e.g. current rents and lease terms which is derived from the Group's financial and property management systems and is subject to the Group's overall control environment, and assumptions applied by the valuers, e.g. ERVs and yields. These assumptions are based on market observation and the valuers' professional judgement, which includes a consideration of climate change and a range of other external factors.

30 September 2022: Sensitivity impact on valuations of a 10% change in estimated rental value and absolute yield of 100 bps.

		Impact on valuations of a 10% change in ERV		*Impact on valuations of 100 bps change in yield*	
	£m	***£m Increase 10%***	***£m Decrease 10%***	***£m Increase 1.0%***	***£m Decrease 1.0%***
Shopping Centres – Core	***216.5***	***19.7***	***(19.0)***	***(23.5)***	***29.1***
Shopping Centres – Regeneration	***156.1***	***14.0***	***(13.3)***	***(20.5)***	***28.3***
Shopping Centres – Work Out	***87.6***	***8.4***	***(8.2)***	***(7.5)***	***8.8***
Retail parks	***132.7***	***10.2***	***(10.0)***	***(15.6)***	***21.5***
High street and other	***7.5***	***0.9***	***(0.9)***	***(0.7)***	***0.8***
	600.4	***53.2***	***(51.4)***	***(67.8)***	***88.5***

31 March 2022: Sensitivity impact on valuations of a 10% change in estimated rental value and absolute yield of 100 bps.

		Impact on valuations of a 10% change in ERV		*Impact on valuations of 100 bps change in yield*	
	£m	*£m Increase 10%*	*£m Decrease 10%*	*£m Increase 1.0%*	*£m Decrease 1.0%*
Shopping Centres – Core	*216.2*	*19.9*	*(18.7)*	*(22.6)*	*28.5*
Shopping Centres – Regeneration	*162.6*	*14.3*	*(13.6)*	*(21.1)*	*29.2*
Shopping Centres – Work Out	*89.7*	*7.5*	*(7.4)*	*(7.2)*	*8.3*
Retail parks	*132.5*	*9.5*	*(11.2)*	*(15.7)*	*19.4*
High street and other	*8.1*	*0.7*	*(1.1)*	*(0.9)*	*0.7*
	609.1	*51.9*	*(52.0)*	*(67.5)*	*86.1*

Reconciliation to net valuation movement in consolidated statement of comprehensive income

	30 September 2022 £m	31 March 2022 £m
Net valuation movement in investment properties	**(10.2)**	(11.3)
Net valuation movement in right of use assets	**(0.1)**	(1.0)
Net valuation movement in consolidated statement of comprehensive income	**(10.3)**	(12.3)

Reconciliation to properties at valuation in the portfolio

	Note	**30 September 2022 £m**	31 March 2022 £m
Investment property	13	**600.4**	609.1
Properties held in joint ventures	14	**32.7**	30.6
Properties held in associates	15	**10.1**	9.7
Properties at valuation		**643.2**	649.4

14. Investments in joint ventures

As at 30 September 2022 the Group has two joint ventures (March 2022: two).

	30 September 2022 £m	31 March 2022 £m
Opening balance as at 1 April 2022 / 1 April 2021	**24.0**	25.6
Group's share of profit after taxation excluding valuation movement	**1.9**	1.1
Net valuation movement	**1.5**	2.9
Distributions and dividends	**(2.9)**	(5.6)
Investment in joint venture	**24.5**	24.0

Name	Country of incorporation	30 September 2022 % Holding	31 March 2022 % Holding
NewRiver Retail Investments LP (NRI LP)	Guernsey	**50**	50
NewRiver Retail (Napier) Limited (Napier)	UK	**50**	50

The Group is the appointed asset manager on behalf of these joint ventures and receives asset management fees, development management fees and performance-related bonuses.

NewRiver Retail Investments LP and NewRiver Retail (Napier) Limited have a 31 December year end. The aggregate amounts recognised in the interim balance sheet and interim statement of comprehensive income at 30 September are as follows:

	30 September 2022		31 March 2022	
Consolidated balance sheet	Total £m	Group's share £m	Total £m	Group's share £m
Non-current assets	**65.4**	**32.7**	61.2	30.6
Current assets	**5.8**	**2.9**	9.4	4.7
Current liabilities	**(1.2)**	**(0.6)**	(1.8)	(0.9)
Liabilities due in more than one year	**(26.9)**	**(13.5)**	(26.8)	(13.4)
Net assets	**43.1**	**21.5**	42.0	21.0
Loan to joint venture	**–**	**3.0**	–	3.0
Net assets adjusted for loan to joint venture	**43.1**	**24.5**	42.0	24.0

The table above provides summarised financial information for the joint ventures. The information disclosed reflects the amounts presented in the financial statements of the joint ventures. To arrive at the Group's share of these amounts under equity accounting, certain minor adjustments are required to be made.

	Six months ended 30 September 2022		Six months ended 30 September 2021	
Consolidated statement of comprehensive income	Total £m	Group's share £m	Total £m	Group's share £m
Revenue	**3.3**	**1.7**	3.0	1.5
Property operating expenses	**(0.2)**	**(0.1)**	(0.4)	(0.2)
Net property income	**3.1**	**1.6**	2.6	1.3
Administration expenses	**–**	**–**	(0.2)	(0.1)
Net finance costs	**0.6**	**0.3**	(0.5)	(0.2)
Group's share of joint ventures' profit before valuation movements	**3.7**	**1.9**	1.9	1.0
Net valuation movement	**3.0**	**1.5**	1.3	0.6
Profit / (loss) on disposal of investment property	**0.1**	**–**	(4.4)	(2.2)
Profit / (loss) after taxation	**6.8**	**3.4**	(1.2)	(0.6)
Add back net valuation movement	**(3.0)**	**(1.5)**	(1.3)	(0.6)
Group's share of joint ventures' profit / (loss) before valuation movements	**3.8**	**1.9**	(2.5)	(1.2)

The Group's share of contingent liabilities in the joint ventures is £nil (2021: £nil).

15. Investments in associates

The Group has one direct investment in an associate entity in which it has a 10% stake, Sealand S.à.r.l, which owns 100% of NewRiver Retail (Hamilton) Limited and NewRiver (Sprucefield) Limited at 30 September 2022.

	30 September 2022 £m	31 March 2022 £m
Opening balance as at 1 April 2022 / 1 April 2021	7.9	5.3
Additions to Investment in associates	–	4.0
Disposals from Investment in associates	–	(2.5)
Return of investment in associates*	(2.2)	–
Distributions and dividends	(0.3)	(2.0)
Group's share of profit after taxation excluding valuation movement	0.2	0.2
Net valuation movement	0.4	2.9
Investment in associates	6.0	7.9

*During the period, the Group received £2.2 million back from associates in the form of shareholder loan repayments and initial capital invested.

On 1 April 2021, Sealand S.à.r.l completed the acquisition of The Moor shopping centre in Sheffield, via NewRiver Retail (Hamilton) Limited, in which the Group holds an indirect 10% interest. The gross asset value at the date of the transaction was £41.0 million.

On 20 December 2021 the Group sold its interest in NewRiver Retail (Nelson) Limited.

Name	Country of incorporation	30 September 2022 % Holding	31 March 2022 % Holding
NewRiver Retail (Nelson) Limited (Nelson)	UK	–	–
NewRiver Retail (Hamilton) Limited (Hamilton)	UK	10	10
NewRiver (Sprucefield) Limited (Sprucefield)	UK	10	10

The Group is the appointed asset manager on behalf of Sealand S.à.r.l and receives asset management fees, development management fees and performance-related bonuses.

The aggregate amounts recognised in the consolidated balance sheet and consolidated statement of comprehensive income are as follows:

	30 September 2022		31 March 2022	
Consolidated balance sheet	Total £m	Group's share £m	Total £m	Group's share £m
Non-current assets	100.5	10.1	97.3	9.7
Current assets	9.2	0.9	14.7	1.5
Current liabilities	(16.6)	(1.7)	(17.5)	(1.8)
Liabilities due in more than one year	(65.0)	(6.5)	(62.7)	(6.3)
Net assets	28.1	2.8	31.8	3.1
Loans to associates	–	3.2	–	4.8
Net assets adjusted for loans to associates	28.1	6.0	31.8	7.9

	Six months ended 30 September 2022		Six months ended 30 September 2021	
Consolidated statement of comprehensive income	Total £m	Group's share £m	Total £m	Group's share £m
Revenue	4.8	0.5	8.1	0.8
Property operating expenses	(1.1)	(0.1)	(1.8)	(0.2)
Net property income	3.7	0.4	6.3	0.6
Administration expenses	(0.1)	–	(0.5)	–
Net finance costs	(0.9)	(0.1)	(2.1)	(0.1)
Group's share of associates' profit before valuation movements	2.7	0.3	3.7	0.5
Net valuation movement	4.0	0.4	18.0	1.8
Profit on disposal of investment property	0.3	–	–	–
Taxation	(0.7)	(0.1)	(0.7)	(0.1)
Profit after taxation	6.3	0.6	21.0	2.2
Add back net valuation movement	(4.0)	(0.4)	(18.0)	(1.8)
Group's share of associates' profit before valuation movements	2.3	0.2	3.0	0.4

16. Trade and other receivables

	30 September 2022 £m	31 March 2022 £m
Trade receivables	**1.6**	3.7
Restricted monetary asset	**5.1**	5.6
Service charge receivables*	**1.3**	1.7
Other receivables	**5.7**	6.2
Prepayments	**0.5**	0.7
Accrued income	**1.0**	1.0
	15.2	18.9

*Included in service charge receivables is £1.0 million of Value Added Taxation (31 March 2022: £1.4 million) and £0.3 million of service charge debtors (31 March 2022: £0.3 million).

Trade receivables are shown after deducting a loss allowance of £3.5m (31 March 2022: £5.2m). The provision for doubtful debts is calculated as an expected credit loss on trade receivables in accordance with IFRS 9. The credit to the consolidated statement of comprehensive income in relation to doubtful debts made against tenant debtors was £0.8 million (March 2022: £0.3 million). The Group has calculated the expected credit loss by applying a forward-looking outlook to historical default rates.

The Group monitors rent collection to anticipate and minimise the impact of default by tenants, which may be impacted by the ability of tenants to pay rent receivables. All outstanding rent receivables are regularly monitored. In order to measure the expected credit losses, trade receivables from tenants have been grouped on a basis on shared credit risk characteristics and an assumption around the tenants ability to pay their receivable, based on conversations held and our knowledge of their credit history. The expected loss rates are based on historical payment profiles of tenant debtors and corresponding historical credit losses. These historical loss rates are then adjusted to reflect the current economic environment.

	30 September 2022 £m	31 March 2022 £m
Opening loss allowance at 1 April	**5.2**	9.3
(Decrease) / Increase in loss allowance recognised in the consolidated statement of comprehensive income during the year	**(0.8)**	0.3
Disposal of subsidiary	**–**	(2.5)
Loss allowance write off	**(0.9)**	(1.9)
Closing loss allowance at 30 September / 31 March	**3.5**	5.2

The restricted monetary asset relates to cash balances which legally belong to the Group but which the Group cannot readily access. They do not meet the definition of cash and cash equivalents and consequently are presented separately from cash in the consolidated balance sheet.

17. Trade and other payables

	30 September 2022 £m	31 March 2022 £m
Trade payables	**1.2**	3.0
Service charge liabilities*	**8.2**	9.2
Other payables	**2.8**	3.5
Accruals	**12.7**	8.7
Value Added Taxation	**2.6**	3.4
Rent received in advance	**5.8**	5.7
	33.3	33.5

* Service charge liabilities includes accruals of £1.8 million (31 March 2022: £1.7 million), service charge creditors and other creditors of £4.4 million (31 March 2022: £5.3 million) and deferred income of £2.0 million (31 March 2022: £2.2 million).

18. Borrowings

Maturity of drawn bank borrowings:	30 September 2022 £m	31 March 2022 £m
After five years	**300.0**	300.0
Less unamortised fees / discount	**(3.7)**	(4.2)
	296.3	295.8

The fair value of the Group's corporate bond has been estimated on the basis of quoted market prices, representing Level 1 fair value measurement as defined by IFRS 13 Fair Value Measurement. At 30 September 2022 the fair value was £233.2 million (31 March 2022: £285.9 million).

Unsecured borrowings:	Maturity date	Facility £m	Facility drawn £m	Unamortised facility fees / discount £m	£m
Revolving credit facility	August 2024	**125.0**	**–**	**(0.8)**	**(0.8)**
Corporate bond	March 2028	**300.0**	**300.0**	**(2.9)**	**297.1**
		425.0	**300.0**	**(3.7)**	**296.3**

In the period the Group drew down £nil and repaid £nil of the revolving credit facility.

19. Share capital and reserves

Share capital

Ordinary shares	Number of shares issued m's	Price per share pence	Total m's	Held by EBT m's	Shares in issue m's
1 April 2021			309.0	2.7	306.3
Scrip dividends issued	0.5	0.82	309.5	2.7	306.8
Shares issued under employee share schemes	0.6	–	309.5	2.1	307.4
Scrip dividends issued	0.8	0.86	310.3	2.1	308.2
31 March 2022			**310.3**	**2.1**	**308.2**
Scrip dividends issued	1.0	0.86	**311.3**	**2.1**	**309.2**
Shares issued under employee share schemes	0.6	–	**311.3**	**1.5**	**309.8**
30 September 2022			**311.3**	**1.5**	**309.8**

Shares held in Employee Benefit Trust (EBT)

As part of the scheme of arrangement and group reorganisation, the Company established an EBT which is registered in Jersey. The EBT, at its discretion, may transfer shares held by it to directors and employees of the Company and its subsidiaries. The maximum number of ordinary shares that may be held by the EBT may not exceed 5% of the Company's issued share capital. It is intended that the EBT will not hold more ordinary shares than are required in order to satisfy share options granted under employee share incentive plans.

There are currently 1,534,423 ordinary shares held by EBT.

20. Financial instruments and risk management

The Group's activities expose it to a variety of financial risks in relation to the financial instruments it uses: market risk including cash flow interest rate risk, credit risk and liquidity risk. The financial risks relate to the following financial instruments: trade receivables, cash and cash equivalents, trade and other payables and borrowings.

Risk management parameters are established by the Board on a project-by-project basis. Reports are provided to the Board quarterly and also when authorised changes are required.

Financial instruments

	30 September 2022 £m	31 March 2022 £m
Financial assets		
Financial assets at amortised cost		
Trade and other receivables	**12.7**	15.9
Cash	**73.5**	82.8
Cash equivalents – treasury deposits	**19.0**	-
Cash and cash equivalents	**92.5**	82.8
Total financial assets and maximum exposure to credit risk	**105.2**	98.7
Financial liabilities		
At amortised cost		
Borrowings	**(296.3)**	(295.8)
Lease liabilities	**(76.7)**	(75.7)
Payables and accruals	**(22.9)**	(22.2)
	(395.9)	(393.7)
	(290.7)	(295.0)

21. Contingencies and commitments

The Group has no material contingent liabilities (31 March 2022: None). The Group was contractually committed to £0.7 million of capital expenditure to construct or develop investment property as at 30 September 2022 (31 March 2022: £1.3 million). The Group also committed to a 5 year lease which commenced on 1 April 2022 with rent per annum of £0.3 million.

Under the terms of the sale agreement to dispose of Hawthorn, the Group gave certain warranties, including tax, relating to Hawthorn. A breach of warranty will only give rise to a successful claim in damages if the buyer can show that the warranty was breached and that the effect of the breach is to reduce the value of Hawthorn at the date of disposal. Claims must be received in the case of a Tax Claim, within 6 years of Completion. No such claims have been received.

22. Related party transactions

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.
During the year the Company paid £0.7 million (30 September 2021: £1.5 million) in professional legal fees to CMS Cameron McKenna Nabarro Olswang LLP for property services at commercial market rates. Allan Lockhart, CEO of NewRiver, has a personal relationship with one of the Partners at CMS who along with other Partners provides these legal services.

The Group has loans with a joint venture of £3.0 million (31 March 2022: £3.0 million) and loans with associates of £3.2 million (31 March 2022: £4.8 million).

Management fees are charged to joint ventures and associates for asset management, investment advisory, project management and accounting services. Total fees charged were:

	30 September 2022 £m	30 September 2021 £m
NewRiver Retail (Nelson) Limited	–	0.1
NewRiver Retail (Napier) Limited	**0.1**	0.1
NewRiver Retail (Hamilton) Limited	**0.1**	0.1
NewRiver (Sprucefield) Limited	**0.1**	0.1

As at 30 September 2022, an amount of £0.2 million (30 September 2021: £0.2 million) was due to the Group relating to management fees.
During the period, the Group recognised £0.1 million of interest from joint ventures and associates (30 September 2021: £0.2 million) and as at 30 September 2022 the amount owing to the Group was £0.1 million (30 September 2021: £0.1 million).

23. Post balance sheet events

On 17 November 2022 the Group announced it has been appointed by a leading real estate investor to manage a retail portfolio including 16 retail parks and one shopping centre in the UK.

The appointment for a term of three years will include leasing and property management responsibilities in return for a fee calculated with reference to the rental income of the portfolio. NewRiver will not be required to commit any capital under this agreement.

There were no other significant events occurring after the reporting period, but before the financial statements were authorised for issue.

ALTERNATIVE PERFORMANCE MEASURES (APMs)

In addition to information contained in the condensed consolidated financial statements, Alternative Performance Measures ('APMs'), being financial measures which are not specified under IFRS, are also used by management to assess the Group's performance. These include a number of measures contained in the 'Financial Statistics' table at the beginning of this document. These APMs include a number of European Public Real Estate Association ('EPRA') measures, prepared in accordance with the EPRA Best Practice Recommendations reporting framework. We report these because management considers them to improve the transparency and relevance of our published results as well as the comparability with other listed European real estate companies.

The table below identifies the APMs used in this statement and provides the nearest IFRS measure where applicable, and where in this statement an explanation and reconciliation can be found.

APM	Nearest IFRS measure	Explanation and reconciliation
Underlying Funds From Operations ('UFFO') and UFFO per share	Profit / (loss) for the period after taxation	'Underlying Funds From Operations' section of the 'Finance Review'
EPRA Net Tangible Assets ('NTA') and EPRA NTA per share	Net Assets	'Balance sheet' section of the 'Finance Review'
Dividend cover	N/A	'Financial Policies' section of the 'Finance Review'
Admin cost ratio	N/A	Note 6 of the Financial Statements
Interest cover	N/A	Note 4 of the 'Financial Statistics' table
EPRA EPS	IFRS Basic EPS	Note 11 of the Financial Statements
EPRA NIY	N/A	'EPRA performance measures' section of this document
EPRA 'topped-up' NIY	N/A	'EPRA performance measures' section of this document
EPRA Vacancy Rate	N/A	'EPRA performance measures' section of this document
Total Accounting Return	N/A	Note 5 of the 'Financial Statistics' table
Weighted average cost of debt	N/A	'Debt & financing' section of the 'Finance Review'
Weighted average debt maturity	N/A	Note 10 of the 'Financial Statistics' table
Loan to Value	N/A	Note 11 of the 'Financial Statistics' table

EPRA PERFORMANCE MEASURES

The information in this section does not form part of the condensed consolidated primary statements of the Group or the notes thereto.

Introduction

Below we disclose financial performance measures in accordance with the European Public Real Estate Association ('EPRA') Best Practice Recommendations which are aimed at improving the transparency, consistency and relevance of reporting across European Real Estate companies.

This section sets out the rationale for each performance measure as well as how it is measured. A summary of the performance measures is included in the following tables

	HY23	HY22
EPRA Earnings Per Share (EPS)	**4.0p**	4.9p
EPRA Cost Ratio (including direct vacancy costs)	**35.6%**	55.2%
EPRA Cost Ratio (excluding direct vacancy costs)	**30.7%**	52.8%

	September 2022	March 2022
EPRA NRV per share	**147p**	148p
EPRA NTA per share	**132p**	134p
EPRA NDV per share	**153p**	139p
EPRA LTV	**37.3%**	37.2%
EPRA NIY	**7.6%**	7.5%
EPRA 'topped-up' NIY	**7.9%**	8.0%
EPRA Vacancy Rate	**3.8%**	4.4%

EPRA Earnings Per Share: 4.0p

Definition

Earnings from operational activities

Purpose

A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings

	HY23 (£m)	HY22 (£m)
Earnings per IFRS income statement	**4.1**	(49.9)
*Adjustments to calculate EPRA Earnings, **exclude**:*		
Changes in value of investment properties, development properties held for investment and other interests	**10.3**	24.6
Profits or losses on disposal of investment properties, development properties held for investment and other interests	**0.6**	39.2
Changes in fair value of financial instruments and associated close-out costs	–	(0.5)
Deferred tax in respect of EPRA adjustments	–	1.9
Adjustments to above in respect of joint ventures (unless already included under proportional consolidation)	**(2.5)**	(0.3)
EPRA Earnings	**12.5**	15.0
Basic number of shares	**309.0m**	306.6m
EPRA Earnings per Share (EPS)	**4.0p**	4.9p
EPRA Earnings – continuing operations	**12.5**	7.8
EPRA Earnings per Share (EPS) – continuing operations	**4.0p**	2.5p

Reconciliation of EPRA Earnings to Underlying Funds From Operations (UFFO)

	HY23 (£m)	HY22 (£m)
EPRA Earnings	**12.5**	15.0
Share-based payment charge	**0.6**	0.2
Depreciation on property	**–**	0.4
Forward-looking element of IFRS 9	**–**	(0.3)
Abortive costs	**–**	0.2
Head office relocation costs	**0.5**	–
Underlying Funds From Operations (UFFO)	**13.6**	15.5
Basic number of shares	**309.0m**	306.6m
UFFO per share	**4.4p**	5.1p
Underlying Funds From Operations (UFFO) – continuing operations	**13.6**	7.7
UFFO per share – continuing operations	**4.4p**	2.5p

EPRA NRV per share: 147p; EPRA NTA per share: 132p; EPRA NDV per share: 153p

Definition

Net Asset Value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.

Purpose

Makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy.

30 September 2022	**EPRA NRV (£m)**	**EPRA NTA (£m)**	**EPRA NDV (£m)**
IFRS Equity attributable to shareholders	**409.5**	**409.5**	**409.5**
Fair value of financial instruments	**(1.0)**	**(1.0)**	–
Deferred tax in relation to fair value gains of Investment Property/ PPE	**0.6**	**0.6**	–
Fair value of debt	–	–	**66.8**
Purchasers' costs	**49.6**	–	–
EPRA NRV / NTA / NDV	**458.7**	**409.1**	**476.3**
Fully diluted number of shares	**311.1m**	**311.1m**	**311.1m**
EPRA NRV / NTA / NDV per share	**147p**	**132p**	**153p**

31 March 2022	EPRA NRV (£m)	EPRA NTA (£m)	EPRA NDV (£m)
IFRS Equity attributable to shareholders	414.1	414.1	414.1
Fair value of financial instruments	(0.3)	(0.3)	–
Deferred tax in relation to fair value gains of Investment Property/ PPE	0.6	0.6	–
Fair value of debt	–	–	14.1
Purchasers' costs	43.8	–	–
EPRA NRV / NTA / NDV	458.2	414.4	428.2
Fully diluted number of shares	309.0m	309.0m	309.0m
EPRA NRV / NTA / NDV per share	148p	134p	139p

EPRA LTV per share: 37.3%

Definition

EPRA LTV is the ratio of gross debt, net payables less cash and cash equivalents to the aggregate value of properties. LTV is expressed on a proportionally condensed consolidated basis.

Purpose

EPRA LTV introduces a consistent and comparable metric for the real estate sector, with the aim to assess the gearing of the shareholder equity within a real estate investment company.

30 September 2022	Group (£m)	Share of Joint Ventures (£m)	Share of Associates (£m)	Total (£m)
Borrowings from financial institutions	–	**(12.0)**	**(4.0)**	**(16.0)**
Corporate bond	**(300.0)**	–	–	**(300.0)**
Net payables	**(18.1)**	**(0.3)**	**(0.3)**	**(18.7)**
Cash and cash equivalents	**92.5**	**1.9**	**0.7**	**95.1**
Net Debt (A)	**(225.6)**	**(10.4)**	**(3.6)**	**(239.6)**
Investment property at fair value	**600.4**	**32.7**	**10.1**	**643.2**
Total Property Value (B)	**600.4**	**32.7**	**10.1**	**643.2**
LTV (A/B)				**37.3%**

31 March 2022	Group (£m)	Share of Joint Ventures (£m)	Share of Associates (£m)	Total (£m)
Borrowings from financial institutions	–	(12.0)	(2.0)	(14.0)
Corporate bond	(300.0)	–	–	(300.0)
Net payables	(14.6)	(0.6)	(0.4)	(15.6)
Cash and cash equivalents	82.8	4.0	1.4	88.2
Net Debt (A)	(231.8)	(8.6)	(1.0)	(241.4)
Investment property at fair value	609.1	30.6	9.7	649.4
Total Property Value (B)	609.1	30.6	9.7	649.4
LTV (A/B)				37.2%

EPRA NIY: 7.6%, EPRA ‘topped-up’ NIY: 7.9%

Definition

The basic EPRA NIY calculates the annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers’ costs.
In respect of the ‘topped-up’ NIY, an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

Purpose

A comparable measure for portfolio valuations to assist investors in comparing portfolios.

		30 September 2022 £m	31 March 2022 £m
Properties at valuation – wholly owned		**600.4**	609.1
Properties at valuation – share of Joint Ventures & Associates		**42.8**	40.3
Less: Developments		**(18.4)**	(22.3)
Completed property portfolio		**624.8**	627.1
Allowance for estimated purchasers’ costs and capital expenditure		**46.6**	40.4
Grossed up completed property portfolio valuation	B	**671.4**	667.5
Annualised cash passing rental income		**64.0**	62.9
Property outgoings		**(13.0)**	(13.1)
Annualised net rents	A	**51.0**	49.8
Add: Notional rent expiration of rent free periods or other lease incentives		**2.3**	3.3
Topped-up net annualised rent	C	**53.3**	53.1
EPRA NIY	A/B	**7.6%**	7.5%
EPRA ‘topped-up’ NIY	C/B	**7.9%**	8.0%

EPRA Vacancy rate: 3.8%

Definition

Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio, excluding pub and development assets.

Purpose

A ‘pure’ (%) measure of investment property space that is vacant, based on ERV.

		30 September 2022 £m	31 March 2022 £m
Calculation of EPRA Vacancy Rate			
Estimated Rental Value of vacant retail space	A	**2.2**	2.6
Estimated rental value of the retail portfolio	B	**58.3**	58.6
EPRA Vacancy Rate	A/B	**3.8%**	4.4%

There are no underlying trends or one-offs affecting the vacancy rate with the improvement due to continued strong leasing performance as referenced in the portfolio review.

EPRA Cost Ratio (including direct vacancy costs): 35.6%,

EPRA Cost Ratio (excluding direct vacancy costs): 30.7%

Definition

Administrative & operating costs (including & excluding costs of direct vacancy) divided by gross rental income.

Purpose

A key measure to enable meaningful measurement of the changes in a company's operating costs.

		HY23 (£m)	HY22 (£m)
Administrative/operating expenses per IFRS		**8.3**	24.1
Net service charge costs/fees		**2.8**	2.9
Management fees less actual/estimated profit element		**(0.7)**	(1.0)
Share of Joint Ventures and associates expenses (net of other income)		**0.2**	0.5
Exclude (if part of the above):			
Ground rent costs		**0.4**	0.4
EPRA Costs (including direct vacancy costs)	A	**11.0**	26.9
Direct vacancy costs		**(1.5)**	(1.2)
EPRA Costs (excluding direct vacancy costs)	B	**9.5**	25.7
Gross Rental Income less ground rents – per IFRS		**28.9**	46.4
Add: share of Joint Ventures and associates (Gross Rental Income less ground rents)		**2.0**	2.3
Gross Rental Income	C	**30.9**	48.7
EPRA Cost Ratio (including direct vacancy costs)	A/C	**35.6%**	55.2%
EPRA Cost Ratio (excluding direct vacancy costs)	B/C	**30.7%**	52.8%
EPRA Cost Ratio (including direct vacancy costs) – continuing operations		**35.6%**	38.9%
EPRA Cost Ratio (excluding direct vacancy costs) – continuing operations		**30.7%**	35.3%

Reconciliation of EPRA Costs (including direct vacancy costs) to Net Administrative expenses per IFRS

		HY23 (£m)	HY22 (£m)
EPRA Costs (including direct vacancy costs)	A	**11.0**	26.9
Exclude			
Ground rent costs		**(0.4)**	(0.4)
Share of Joint Ventures and associates' property expenses (net of other income)		**(0.2)**	(0.4)
Net service charge costs/fees		**(2.8)**	(2.9)
Operating expenses (excluding service charge cost)		**(2.1)**	(13.3)
Tenant incentives (included within income)		**(0.1)**	(0.1)
Letting & legal costs (included within income)		**(0.6)**	(0.6)
Group's share of net administrative expenses as per note 6	D	**4.8**	9.2
EPRA Gross Rental Income	C	**30.9**	48.7
Ground rent costs		**(0.4)**	(0.4)
Expected credit reversal – (included in property expenses)		**0.8**	0.3
Other income		**1.4**	3.3
Gross Rental Income	E	**32.7**	51.9
Administrative cost ratio as per note 6	D/E	**14.7%**	17.7%
Administrative cost ratio as per note 6 – continuing operations		**14.7%**	16.4%

Glossary

Admin cost ratio: Is the Group's share of net administrative expenses (including its share of JV administrative expenses) divided by the Group's share of property income (including its share of JV property income).

Associates: is an entity in which the Group holds an interest and is significantly influenced by the Group.

Average debt maturity: Is measured in years when each tranche of gross debt is multiplied by the remaining period to its maturity and the result is divided by total gross debt in issue at the period end. Average debt maturity is expressed on a proportionally consolidated basis.

Balance sheet gearing: Is the balance sheet net debt divided by IFRS net assets.

BRAVO: Is BRAVO Strategies III LLC, with which NewRiver formed a capital partnership in May 2019 to acquire and manage a portfolio of retail assets in the UK.

Book value: Is the amount at which assets and liabilities are reported in the financial statements.

Cost of debt: Is the loan interest and derivative costs at the period end, divided by total debt in issue at the period end. Cost of debt is expressed on a proportionally consolidated basis.

CVA: is a Company Voluntary Arrangement, a legally binding agreement that allows a company to settle debts by paying only a proportion of the amount that it owes to creditors (such as contracted rent) or to come to some other arrangement with its creditors over the payment of its debts.

Dividend cover: Underlying Funds From Operations per share divided by dividend per share declared in the period.

EPRA: Is the European Public Real Estate Association.

EPRA earnings: Is the IFRS profit after taxation excluding investment property revaluations, fair value adjustments on derivatives, gains/losses on disposals and deferred tax.

EPRA earnings per share: Is EPRA earnings divided by the weighted average basic number of shares in issue during the period.

EPRA Net Tangible Assets (EPRA NTA): Are the balance sheet net assets excluding the mark to market on effective cash flow hedges and related debt adjustments, deferred taxation on revaluations, goodwill, and diluting for the effect of those shares potentially issuable under employee share schemes.

EPRA NTA per share: Is EPRA NTA divided by the diluted number of shares at the period end.

EPRA LTV: EPRA LTV is the ratio of gross debt, net payables less cash and cash equivalents to the aggregate value of properties. LTV is expressed on a proportionally consolidated basis.

ERV: Is Estimated Rental Value, the external valuers' opinion of 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 property.

ERV growth: Is the change in ERV over a period on our investment portfolio expressed as a percentage of the ERV at the start of the period. ERV growth is calculated monthly and compounded for the period subject to measurement, as calculated by MSCI Real Estate.

Estimated rental value (ERV): Is the 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 property.

Footfall: Is the annualised number of visitors entering our shopping centre assets.

GAV: Is Gross Asset Value, the total value of all real estate investments owned by the Company

Group: Is NewRiver REIT plc, the Company and its subsidiaries and its share of joint ventures and associates (accounted for on an equity basis).

Head lease: Is a lease under which the Group holds an investment property.

IFRS: UK-adopted International Accounting Standards

Income return: Is the income derived from a property as a percentage of the property value.

Interest cover: Interest cover is tested at corporate level and is calculated by comparing actual net property income received versus cash interest payable on a 12 month look-back basis.

Joint venture: Is an entity in which the Group holds an interest on a long-term basis and is jointly controlled by the Group and one or more ventures under a contractual arrangement whereby decisions on financial and operating policies essential to the operation, performance and financial position of the venture require each joint venture partner's consent.

Leasing events: Long-term and temporary new lettings, lease renewals and lease variations within investment and joint venture properties.

Like-for-like ERV growth: Is the change in ERV over a period on the standing investment properties expressed as a percentage of the ERV at the start of the period.

Like-for-like footfall: Is the movement in footfall against the same period in the prior period, on properties owned throughout both comparable periods, aggregated at 100% share.

Like-for-like net income: Is the change in net income on properties owned throughout the current and previous periods under review. This growth rate includes revenue recognition and lease accounting adjustments but excludes properties held for development in either period, properties with guaranteed rent reviews and asset management determinations.

Long-term leasing deals: Are leasing deals with a fixed term certain of at least one year.

Loan to Value (LTV): Is the ratio of gross debt less cash, short-term deposits and liquid investments to the aggregate value of properties and investments. LTV is expressed on a proportionally consolidated basis.

Mark to market: Is the difference between the book value of an asset or liability and its market value.

MSCI: MSCI Inc produces independent benchmarks of property returns and NewRiver portfolio returns.

Net equivalent yield (NEY): Is the net weighted average income return a property will produce based upon the timing of the income received. In accordance with usual practice, the equivalent yields (as determined by the external valuers) assume rent received annually in arrears and on values before deducting prospective purchaser's costs.

Net initial yield (NIY): Is the current annualised rent, net of costs, expressed as a percentage of capital value, after adding notional purchaser's costs.

Net rental income: Is the rental income receivable in the period after payment of net property outgoings. Net rental income will differ from annualised net rents and passing rent due to the effects of income from rent reviews, net property outgoings and accounting adjustments for fixed and minimum contracted rent reviews and lease incentives.

NewRiver share: Represents the Group's ownership on a proportionally consolidated basis.

Passing rent: Is the gross rent payable under lease terms.

Pre-let: A lease signed with an occupier prior to the completion of a development.

Pre-sale: A sale exchanged with a purchaser prior to completion of a development.

Property Income Distribution (PID): As a REIT the Group is obliged to distribute 90% of the tax-exempt profits. These dividends, which are referred to as PIDs, are subject to withholding tax at the basic rate of income tax. Certain classes of shareholders may qualify to receive the dividend gross. See our website (www.nrr.co.uk) for details. The Group can also make other normal (non-PID) dividend payments which are taxed in the usual way.

Real Estate Investment Trust (REIT): Is a listed property company which qualifies for and has elected into a tax regime, which exempts qualifying UK property rental income and gains on investment property disposals from corporation tax.

Rental value growth: Is the increase in the current rental value, as determined by the Company's valuers, over the 12-month period on a like-for-like basis.

Retail occupancy rate: Is the estimated rental value of let units expressed as a percentage of the total estimated rental value of the portfolio, excluding development properties.

Risk-controlled development pipeline: Is the combination of all development projects that the Company is currently pursuing or assessing for feasibility. Our risk-controlled approach means that we will not commit to a new development unless we have pre-let or pre-sold at least 70% by area.

Tenant (or lease) incentives: Are any incentives offered to occupiers to enter into a lease. Typically the incentive will be an initial rent-free period, or a cash contribution to fit-out or similar costs. Under accounting rules, the value of lease incentives given to tenants is amortised through the Income Statement on a straight-line basis to the lease expiry.

Total Accounting Return (TAR): Is the increase or decrease in EPRA NTA per share plus dividends paid in the period, expressed as a percentage of EPRA NTA per share at the beginning of the period.

Total Property Return (TPR): Is calculated as the change in capital value, less any capital expenditure incurred, plus net income, expressed as a percentage of capital employed over the period, as calculated by MSCI Real Estate (formerly IPD). Total property returns are calculated monthly and indexed to provide a return over the relevant period.

Topped-Up Net Initial Yield: Net initial yield adjusted to include notional rent in respect of let properties which are subject to a rent free period at the valuation date.

Underlying Funds From Operations (UFFO): is a measure of the Company's operational profits, which includes other income and excludes one off or non-cash adjustments, such as portfolio valuation movements, profits or losses on the disposal of investment properties, fair value movements on derivatives and share-based payment expense.

Weighted average lease expiry (WALE): Is the average lease term remaining to first tenant break, or expiry, across the portfolio weighted by rental income. This is also disclosed assuming all tenant break clauses are exercised at the earliest date, as stated. Excludes short-term licences and residential leases.

Yield on cost: Passing rents expressed as a percentage of the total development cost of a property.

Yield Shift: Is a movement (usually expressed in basis points) in the equivalent yield of a property asset.