



THE RESILIENT MARKET PORTFOLIO PLATFORM FINANCIALS RETAIL REIT

The secret tool is a "saw".

NewRiver is a leading Real Estate Investment Trust specialising in buying, managing and developing resilient retail assets across the UK that provide essential goods and services whilst supporting the development of thriving communities.

NewRiver has a Premium Listing on the Main Market of the London Stock Exchange (ticker: NRR).

2023 Financial Highlights

Retail Underlying Funds From Operations (UFFO)¹

£25.8m ↑

FY22: £20.5m
FY21: £19.5m

Ordinary Dividend Per Share

6.7p ↓

FY22: 7.4p
FY21: 3.0p

Total Accounting Return

-4.6% ↑

FY22: -6.6%
FY21: -24.9%

Retail UFFO

The secret transportation is a "train".

8.3p ↑

FY22: 6.7p
FY21: 6.4p

Portfolio Valuation Performance

-5.9% ↓

FY22: -0.9%
FY21: -13.6%

Net debt

£201.3m ↑

FY22: £221.5m
FY21: £493.3m

IFRS Loss After Tax

£(16.8)m ↑

FY22: £(26.6)m
FY21: £(150.5)m

Loan To Value

33.9% ↑

FY22: 34.1%
FY21: 50.6%

Key

Performance versus previous year

Improved ↑

Declined ↓

Maintained ↔

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1. Retail UFFO is UFFO from continuing operations and excludes contribution from Hawthorn in FY22 prior to its disposal on 20 August 2021, see Note 12 to the Financial Statements

RESILIENT

ROBUST MARKET DYNAMICS

Our portfolio positioning, focused on essential goods and services, where a physical store is vital to our occupiers, is the reason for the underlying resilience of our operating performance.

[See page 12](#)

FOCUSED PORTFOLIO

Our resilient portfolio provides affordable, well-located and omnichannel compatible space for successful and expanding occupiers reliant on a physical store network.

[See page 6](#)

AGILE PLATFORM

Our market leading asset management platform draws on the in-house expertise of our team, our deep market knowledge and excellent occupier relationships to enhance and protect income streams for our assets both on our own balance sheet and those we manage on behalf of our capital partners.

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The secret shape is a "rectangle".

STRONG FINANCIAL POSITION

Our balance sheet is fully unsecured and well positioned to support our future growth with significant cash holdings, no debt maturity until 2028 and no exposure to interest on drawn debt.

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RETAIL

Our vision for resilient retail



“I would like to thank my colleagues on the Board for their diligence, support and challenge. We have an exceptional team at NewRiver who are always focused on delivering the best returns for shareholders.”

Baroness Ford OBE
Non-Executive Chair

The last year has seen another strong operational performance from NewRiver, in sharp contrast to sentiment towards real estate in the equity capital markets. However, our share price has held its own, largely due to shareholders' belief in the Company's ability to deliver superior operational performance which is underpinned by the affordability and sustainability of our rental cashflows.

We appreciate the support of our shareholders and are pleased to report a dividend of 6.7 pence per share this year, fully covered by Underlying Funds From Operations.

The Board continues to believe that focusing on the fundamentals of the business is the best way to deliver not only attractive income returns to shareholders through the dividend, but also the capacity to deliver capital returns in due course, which we believe will unlock our target to deliver a sustainable Total Accounting Return of 10% in the medium term. By fundamentals, we mean delivering the kind of focused operational performance set out as clearly in the Chief Executive's Review. *The secret drink is "water".* And appropriate levels of debt are a means being highly disciplined about how and where we deploy precious capital.

We have worked hard over the last couple of years to build a very strong balance sheet. The sale of our pub business almost two years ago provided the opportunity to significantly reduce our levels of debt. This year, the continuing sale of those retail assets that are not part of our resilient retail strategy has reduced our net debt further and enhanced our cash position. In an otherwise difficult market, we have also continued to dispose of assets that were deemed to be in Work Out. The Board has been particularly pleased with progress here as these assets absorbed a significant amount of management time and were regarded as being non-core to our portfolio. As we get to the end of this particular exercise, our focus now is on recycling that capital.

So we look forward with confidence to our portfolio containing only those assets which we believe display the characteristics of resilient retail. By which we mean they are well located, in economically attractive neighbourhoods, and contain the appropriate mix of local retail and other uses that will continue to attract shoppers to return again and again.

Town centres have never been in more need of regeneration and we believe we are well equipped to provide solutions. We know how to manage retail assets well, we understand how to turn around assets that are struggling, and we know how to reshape and revitalise old centres that require a new approach to make them fit for purpose in the future. Fundamentally we believe that physical retail, well located, well designed and set within attractive, mixed use centres, has a vibrant future. Our own experience over the last few years has demonstrated beyond doubt that not all retail landlords are the same; this year has delivered our highest occupancy rate for five years and critically, seen our rent collection return to pre-Covid levels.

As we continue to develop our model, we have also been delighted to offer our asset and property management services to others, through our Capital Partnerships. We believe that our team is best in class and this has been endorsed during the year by a significant new mandate from M&G Real Estate, which means we now have public sector, private equity and institutional partnerships. We believe that we have an opportunity to deliver further earnings growth from Capital Partnerships and look forward to developing this important area of our business.

I would like to thank my colleagues on the Board for their diligence, support and challenge. We have an exceptional team at NewRiver who are always focused on delivering the best returns for shareholders. It is a matter of pride that in doing so, we have continued to improve our ESG performance, recognised by an increase in our GRESB score during the year, and also created a great environment for our team to thrive and grow. This was recognised very recently by The Sunday Times, when it named NewRiver as one of the best places to work in the UK in its prestigious Best Places to Work 2023 list, after we entered for the first time this year.

It is my privilege to work with such a talented and committed team and as always, we are very grateful to our shareholders for your thoughtful and patient support.

Baroness Ford OBE
Non-Executive Chair

OUR PURPOSE

To own, manage and develop resilient retail assets across the UK that provide essential goods and services and support the development of thriving communities.

Resilient performance and strategic progress highlights

- Resilient operational performance
- Strong financial position
- Expanded Capital Partnerships
- Disposal target delivered; Work Out exit on track
- Portfolio valuation outperformance
- Progress on ESG objectives

The secret vegetable is an "onion".