

## CAPITAL & REGIONAL PLC

(Incorporated in the United Kingdom)

(UK company number 01399411)

LSE share code: CAL JSE share code: CRP

LEI: 21380097W74N9OYF5Z25

ISIN: GB0001741544

("Capital & Regional" or "the Company" or the "Group")



**CAPITAL &  
REGIONAL**

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## UPDATE ON YEAR END RESULTS AND DIVIDEND DECLARATION

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### **Strong operational performance and continued positive leasing momentum underpin proposed dividend increase**

Capital & Regional, the convenience and community focused shopping centre REIT, provides an update on its results for the year ended 30 December 2023.

Lawrence Hutchings, Chief Executive, comments:

*"Our ongoing focus on delivering our proven community centre strategy and increasing our weighting to non-discretionary and needs-based retail and services categories has helped us deliver another positive year of progress. The acquisition of Gyle in Edinburgh also represented an important milestone in our goal of returning to growth and we are particularly encouraged by the fact that we have already created value in the centre through our leasing programme."*

*Consumers are increasingly focussed on value for money as well as prioritising spend on non-discretionary items. Our value-based retailers are responding by expanding their store footprints into the types of well-managed, high footfall centres offering affordable space in urban locations, that make up our portfolio. This trend is evidenced by the speed at which our team was able to rapidly re-lease all three of our Wilko units to B&M. It is also supporting our income growth and has underpinned the increase in dividend we have announced today."*

The Group was planning to release its results in early March 2024. However, the Group's new auditor, Mazars LLP, has requested additional time to complete its procedures in its first year as auditor. The outstanding work primarily relates to requests to perform additional audit procedures on the internal processes of some of the Group's outsourced service providers who have been working for the Group since at least early 2021. Consequently, the Group is unable to confirm a date for its full year preliminary results announcement but will provide a further update as soon as it is able to do so.

The Group provides an update on key metrics and trading performance as follows:

- 86 new lettings and renewals, compared to 80 in 2022, at a combined average premium of 6.8% to previous rent<sup>1</sup> and 16.6% to ERV<sup>1</sup>.
- Footfall increased 1.5% with 44.5 million shopper visits in 2023, representing 86.7% of the equivalent period for 2019.
- Occupancy steady at 93.4% (December 2022: 94.1%) with the marginal decline being due to Wilko's administration.
- All three units vacated following Wilko's administration in August 2023 have been relet post year end, with B&M signing a portfolio deal in February 2024 and due to open in April 2024, adding 140 basis points to occupancy.
- Rent collection of 99.0% for 2023 (December 2022: 97.6% at the time of Year End results).
- 2.6% increase in like-for-like valuations in 2023, with a 4.0% increase in Gyle since purchase, which was primarily as a result of the completion of six new lettings and renewals. 15.5% increase in portfolio valuation to £372.83 million (December 2022: £322.8 million) including the addition of Gyle.
- Adjusted Profit<sup>2</sup> is expected be approximately £12.7 million (December 2022: £10.3 million).

- Group Net Loan to Value (LTV) has increased to 43.6% (40.6% at 30 December 2022) as a result of investing a net £14.7 million of cash into capital expenditure during 2023 and part funding of the Gyle acquisition from central cash reserves.
- Average cost of £199 million debt is 3.71% (at 30 December 2023) which has a weighted average maturity profile of 4.1 years<sup>4</sup> and is approximately 80% hedged for the next three years. Ilford loan extension agreed to September 2025 with further conditional options to extend term to end of 2027.
- The Group anticipates EPRA NTA per share to be approximately 89p (December 2022: 103p) due to the increased number of shares in issue following the £25 million equity raise in September 2023 for the Gyle acquisition.
- 7.3% increase in proposed final dividend of 2.95p per share delivering a total dividend for the year of 5.70p per share (December 2022: 2.75p per share and 5.25p per share, respectively).

<sup>1</sup> For lettings and renewals (excluding development deals and CVA variations) with a term of 1 year or longer which do not include turnover rent, like-for like excludes Gyle.

<sup>2</sup> Adjusted Profit incorporates profits from operating activities and excludes revaluation of properties and financial instruments, gains or losses on disposal, and other non-operational items.

<sup>3</sup> Property at independent valuation

	30 December 2023			30 December 2022		
	£m	NIY %	NEY %	£m	NIY %	NEY %
Maidstone	31.5	11.90%	11.66%	32.65	11.28%	11.49%
Walthamstow	77.7	6.84%	7.00%	80.0	5.97%	7.00%
Wood Green	149.5	7.13%	7.28%	144.0	7.55%	7.38%
Hemel Hempstead	9.2	9.57%	17.40%	10.5	14.49%	17.49%
Ilford	63.3	5.65%	7.90%	55.6	5.04%	7.79%
Gyle, Edinburgh	41.6	11.92%	10.13%	-	-	-
<b>Total</b>	<b>372.8</b>	<b>7.80%</b>	<b>8.79%</b>	<b>322.75</b>	<b>7.23%</b>	<b>8.59%</b>
<b>Total like for like (excluding Gyle)</b>	<b>331.2</b>	<b>7.25%</b>	<b>8.55%</b>			

<sup>4</sup> Weighted average debt maturity assuming exercise of all extension options.

## Dividend declaration

The Directors recommend a final dividend of 2.95 pence per share. The dividend will be paid entirely as a Property Income Distribution (PID) and a Scrip dividend option will be offered. Subject to approval of shareholders at the Annual General Meeting (AGM) scheduled for 23 May 2024, the final dividend will be paid on Friday, 31 May 2024. The key dates are set out as below:

- |   |                          |
|---|--------------------------|
| • Confirmation of ZAR equivalent dividend and Scrip dividend pricing  | Thursday, 28 March 2024  |
| • Last day to trade on Johannesburg Stock Exchange (JSE)              | Tuesday, 9 April 2024    |
| • Shares trade <i>ex</i> -dividend on the JSE                         | Wednesday, 10 April 2024 |
| • Shares trade <i>ex</i> -dividend on the London Stock Exchange (LSE) | Thursday, 11 April 2024  |
| • Record date for LSE and JSE and last election for Scrip             | Friday, 12 April 2024    |
| • Annual General Meeting  | Thursday, 23 May 2024    |
| • Results of Scrip dividend announced by                              | Friday, 24 May 2024      |
| • Dividend payment date   | Friday, 31 May 2024      |

South African shareholders are advised that the final dividend will be regarded as a foreign dividend. Further details relating to Withholding Tax for shareholders on the South African register will be provided within the announcement detailing the currency conversion rate on Thursday, 28 March 2024. Share certificates on the South African register may not be dematerialised or rematerialised between 10 April 2024 and 12 April 2024, both dates inclusive. Transfers between the UK and South African registers may not take place between 28 March 2024 and 12 April 2024, both dates inclusive.

8 March 2024

***For further information:***

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JSE sponsor



**Notes to editors:**

**About Capital & Regional plc**

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

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

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

For further information, see [www.capreg.com](http://www.capreg.com).