

Canary Wharf Finance II plc

Issued June 2000/June 2001/February 2002/October 2002/May 2005/April 2007

Class A1 6.455% Fixed Rate First Mortgage Debentures due 2033

Class A3 5.952% Fixed Rate First Mortgage Debentures due 2037

Class A7 Floating Rate First Mortgage Debentures due 2037

Class B 6.800% Fixed Rate First Mortgage Debentures due 2033

Class B3 Floating Rate First Mortgage Debentures due 2037

Class C2 Floating Rate First Mortgage Debentures due 2037

Class D2 Floating Rate First Mortgage Debentures due 2037

QUARTERLY UPDATE

Canary Wharf Group updates information on the securitisation quarterly

The enclosed statistics are as at 31 December 2023

HIGHLIGHTS

Properties 87.19% let at 31 December 2023

Valuations as of 31 December 2023 were £2,069.4 m

LMCTV Ratio 49.4%

Briefing note**Release of 10 Cabot Square**

At the request of the Issuer and CW Lending II Limited (in its capacity as the Borrower under the Intercompany Loan Agreement) and on the basis that such transaction would bring about an economic result similar to any transaction carried out in accordance with clause 17.20(a)(ii) (Substitution, release and addition of new Mortgaged Property) of the Intercompany Loan Agreement, 10 Cabot Square, London, which used to be a Mortgaged Property in respect of the securitisation, (the "Released Property") was released and subsequently refinanced on 20 December 2023 and the Release Prepayment Amount out of such refinancing has been used to fund the Redemption (as defined below).

Partial Redemption of Class A1 Notes and Class A3 Notes

Pursuant to Condition 5 (Redemption, Purchase and Cancellation) of the Trust Deed, the Issuer has redeemed:

- (a) £71,500,000 in aggregate principal amount of the Class A1 Notes; and
- (b) £192,000,000 in aggregate principal amount of the Class A3 Notes,

on the Interest Payment Date falling on 22 January 2024 (the "Redemption Date") at a price equal to the Release Prepayment Amount and calculated in accordance with Condition 5(c) of the Trust Deed, together with all accrued interest to, but excluding, the Redemption Date (the "Redemption").

The Redemption was in addition to the Amortisation Amount required to be paid in respect of the Class A1 Notes and the Class A3 Notes on the Redemption Date. As required by Condition 5 (Redemption, Purchase and Cancellation) of the Trust Deed, confirmation has been obtained from the Rating Agencies that the current ratings assigned by them in respect of the Notes (as defined in the Trust Deed) will not be adversely affected by the Redemption.

Amortisation Amounts

As a result of the Redemption, the Amortisation Amounts of the Class A1 Notes payable on each Interest Payment Date falling after the Redemption Date up to 22 October 2033 will be reduced and the Amortisation Amounts of the Class A3 Notes payable on each Interest Payment Date falling after the Redemption Date up to 22 October 2037 will be reduced.

Capitalised terms not otherwise defined in this notice shall have the meanings given to them in the Seventh Restated Master Definitions Agreement entered into between, amongst others, the Issuer and the Trustee on 20 June 2014.

Recent activity regarding the mortgaged properties

- On 6 November 2023, International Hydropower Association Limited signed a 3-year lease in respect of a single 2,376 sq ft unit on level 6 in One Canada Square. The lease commenced 1 December 2023 with expiry on 30 November 2026.

- On 13 December 2023, Hypervolt signed a 5-year lease in respect of a single 2,249 sq ft unit on level 10 in One Canada Square. The lease commenced 13 December 2023 with expiry on 12 December 2028.

Rental Income

The rental income figures for the properties below are based on rents billed in Q4 2023.

Property Portfolio Summary

Address	Whole Building NIA	Area Securitised NIA	Area Let NIA ⁽¹⁾	Actual Quarterly Rental Income	Estimated Annualised after rent free ⁽³⁾	Market Value ⁽²⁾
33 Canada Square	562,745 sq ft	562,745 sq ft	562,745 sq ft	£5.1 m	£20.5 m	£235.0 m
One Canada Square	1,197,063 sq ft	1,197,063 sq ft	939,241 sq ft	£10.0 m	£59.4 m	£765.0 m
20 Bank Street	546,538 sq ft	546,538 sq ft	546,538 sq ft	£6.6 m	£26.2 m	£375.0 m
40 Bank Street	608,678 sq ft	608,678 sq ft	421,755 sq ft	£4.8 m	£32.8 m	£339.2 m
20 Cabot Sq/10 South Colonnade ⁽⁴⁾	555,779 sq ft	555,779 sq ft	555,779 sq ft	£5.9 m	£23.3 m	£355.2 m
Subtotal	3,470,803 sq ft	3,470,803 sq ft	3,026,058 sq ft	£32.4 m	£162.2 m	£2,069.4 m

(1) Area let at 31 December 2023.

(2) 31 December 2023 property valuations.

(3) Estimated annual rental income based on annualised rent at 31 December 2023 after expiry of rent-free periods and includes potential rental income on unlet space, where applicable, using market rate at £55/sq ft.

(4) The office rent on 20 Cabot Square is subject to annual RPI increases over the remaining term until the expiry of the leases in June 2032.

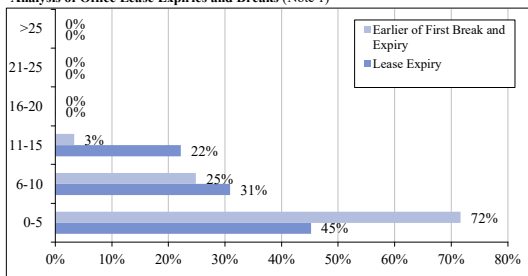
Occupancy

At 31 December 2023 the securitised property portfolio was 87.19% let.

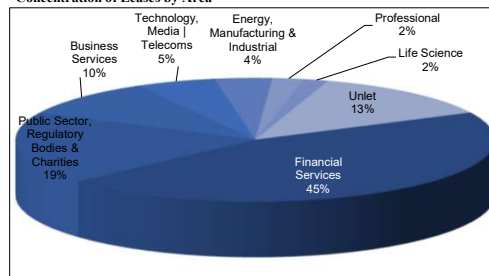
Rent Reviews

	Area	Passing Rent
Outstanding Rent Reviews	55,972 sq ft	£2,490,754

Analysis of Office Lease Expiries and Breaks (Note 1)



Concentration of Leases by Area



(1) The weighted average unexpired lease term of the securitised office portfolio (by sq ft) was 7.3 years. The weighted average lease term reflecting all break options was 4.7 years.

Major Tenants

33 Canada Square

Citigroup

One Canada Square

Moody's Investor Services
 Fisher Investments Europe Limited
 The Office Group
 Reach Plc
 University College London
 Brookfield Global Asset Management Limited
 MDU Services

20 Bank Street

Morgan Stanley UK Group

40 Bank Street

Citigroup
 Herbert Smith
 hVIVO

10 South Colonnade

The Secretary of State for Communities and Local Government

Financial Considerations

	Q4 2023 Actuals
Gross Rental	£32.4 m
Interest on collateral accounts and other releases	£0.1 m
Gross Rental	<u>£32.5 m</u>
B3 Defeasance	(£0.1 m)
C2 Defeasance	(£1.7 m)
Senior Expenses ⁽¹⁾	<u>(£0.8 m)</u>
	<u>£29.9 m</u>
Gross Debt	£1,055.4 m
Cash Reserves	<u>(£33.5 m)</u>
Net Debt	<u>£1,021.9 m</u>

Quarter 4 2023 Actuals

The Interest Cover and Debt Service Cover ratios have been calculated based on total interest costs, including payments to interest swap providers for the quarter.

Class	Amount post repayments ⁽²⁾	Interest ⁽³⁾	Principal ⁽⁴⁾	Reserve Release	Interest Cover Ratio ⁽⁵⁾	Debt Service Cover Ratio ⁽⁶⁾	LMCTV
AA	£507.4 m	(£11.5 m)	(£5.6 m)		2.77 x	1.76 x	22.9%
- A1	<u>£77.4 m</u>	(£2.5 m)	<u>(£5.6 m)</u>				
- A3	£208.0 m	(£6.0 m)					
- A7	£222.0 m	(£3.0 m)					
A+	£183.3 m	(£2.9 m)	(£1.7 m)		2.21 x	1.38 x	31.8%
- B	<u>£105.4 m</u>	(£1.8 m)	<u>(£1.7 m)</u>				
- B3	<u>£77.9 m</u>	(£1.1 m)					
BBB+	£239.7 m	(£3.7 m)			1.76 x	1.18 x	43.3%
- C2	<u>£239.7 m</u>	(£3.7 m)					
BBB	£125.0 m	(£2.2 m)			1.57 x	1.09 x	49.4%
- D2	<u>£125.0 m</u>	(£2.2 m)					
	£1,055.4 m	(£20.3 m)	(£7.3 m)				

Reserve	Opening Balance ⁽⁶⁾	Period Movement	Closing Balance ⁽⁶⁾
Void Costs Ledger	£0.0 m	£0.0 m	£0.0 m
Cash Ledger	£0.0 m	£0.0 m	£0.0 m
B3 Defeasance Ledger	£10.9 m	£0.1 m	£11.0 m
C2 Defeasance Ledger	<u>£20.5 m</u>	<u>£1.7 m</u>	<u>£22.2 m</u>
Subtotal Coverage Reserves	£31.4 m	£1.8 m	£33.2 m
Cash Collateral	£0.3 m	£0.0 m	£0.3 m
Total Reserves	<u>£31.7 m</u>	<u>£1.8 m</u>	<u>£33.5 m</u>

(1) Senior Expenses principally include the DS6 facility fees and the liquidity facility fee.

(2) Total outstanding debt at 22 January 2024 interest payment date after redemption of £71.5 m of Class A1 Notes and £192.0 m of Class A3 Notes on 22 January 2024.

(3) Interest paid on 22 January 2024 comprises bond interest of £21.0 m and receipts under interest rate swaps of £0.7 m.

(4) Amortisation paid on 22 January 2024.

(5) Opening balance is at 24 October 2023, closing balance is at 22 January 2024.

(6) Excluding rental income from 10 Cabot Square as the building was released from Securitisation on 20 December 2023.