CANARY WHARF GROUP INVESTMENT HOLDINGS PLC

Registered number: 05043352

UNAUDITED INTERIM REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024

CANARY WHARF GROUP INVESTMENT HOLDINGS PLC

CONTENTS

HIGHLIGHTS

Summary Performance

	Period ended 30 June 2024	Period ended 30 June 2023	Change %
Operating loss	**(£66.3m)**	(£340.6m)	(80.5%)
Underlying operating profit[(1)]	**£119.9m**	£145.7m	(17.7%)
Loss before tax	**(£110.8m)**	(£394.7m)	(71.9%)
Underlying profit before tax[(1)]	**£11.9m**	£37.1m	(67.9%)
Capital and other items loss before tax[(2)]	**(£122.7m)**	(£431.8m)	(71.6%)
Loss after tax	**(£111.7m)**	(£395.6m)	(71.8%)
Basic loss per share	**(3.0p)**	(53.4p)	(94.4%)

Balance Sheet	**30 June 2024 £m**	31 December 2023 £m	Change %
Carrying value of property portfolio[(3)]	**£6,803.6m**	£6,895.5m	(1.3%)
Fair value of property portfolio[(3)]	**£6,741.4m**	£6,833.3m	(1.3%)
Net assets	**£2,899.1m**	£3,006.4m	(3.6%)
Adjusted NAV per share[(4)]	**79p**	84p	(6.0%)
Unrestricted cash and available undrawn RCF[(5)]	**£258.5m**	£459.3m	
Net debt	**£3,847.3m**	£3,716.7m	
Look through LTV ratio[(6)]	**55.4%**	51.9%	
% of total debt at fixed interest rates or hedged interest	**93.6%**	94.1%	
Total debt secured, extended and refinanced	**£1,026.3m**	£429.3m	

Operational statistics	**30 June 2024**	31 December 2023
Office:		
– Occupancy (multi let[(7)] / total[(8)])	**79.5% / 88.5%**	81.1% / 91.1%
– Lettings sq ft	**5,000**	94,000
Retail & Hospitality:		
– Occupancy (retail malls)	**95.7%**	95.6%
– Lettings sq ft	**63,000**	172,000
Residential:		
– Occupancy[(9)]	**91.8%**	88.2%
– Average rental growth achieved[(10)]	**5.2%**	10.1%

Notes
For further information on the above, refer to the Strategic Report section. A list of defined terms is provided in Definitions.
1 The Group uses Alternative Performance Measures (APMs) which are not defined or specified within IFRS. The Directors use these measures in order to assess the underlying operational performance of the Group and allow greater comparability between years but do not consider them to be a substitute for IFRS measures. Underlying operating profit and underlying profit before tax excludes 'capital and other items'.
2 Capital and other items include movement on property revaluations, the fair value of hedging instruments, refinancing costs and gains and significant transactions one off in nature and quantum.
3 The fair value of the property portfolio is determined by independent external valuers. The IFRS carrying value of the property portfolio includes adjustments for tenant incentives, deferred negotiation costs and obligations under lease liabilities. See reconciliation of carrying value to fair value in Note 6.
4 Adjusted NAV is reconciled in Note 2.
5 £100.0m RCF available to the Group at 30 June 2024 and £130.0m available at 31 December 2023, of which £nil was drawn at either date.
6 The Look through LTV ratio compares the aggregate of the fair value of the property portfolio (£6,741.4m) and the fair value of JVs and investments (£103.4m) against net debt excluding derivatives (£3,789.3m). Refer to Note 14 for reconciliation of the Look through LTV.
7 Multi let buildings include One Canada Square, 40 Bank Street, 20 Water Street, 7 Westferry Circus, 25 Churchill Place and 1/5 Bank Street.
8 30 June 2024 and 31 December 2023 excludes 10 Cabot Square and 30 June 2024 excludes 15 Westferry Circus, both reserved for longer term developments.
9 Figures include PRS asset (Newfoundland), and affordable and intermediate assets (30 Harbord Square, 50 Harbord Square and 65 Harbord Square).
10 Figures only include PRS asset (Newfoundland).

STRATEGIC REPORT

This Strategic Report has been prepared in order to provide additional information on the Group's strategic direction.

The Strategic Report contains certain forward looking statements. These statements are made by the Board in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including economic and business risk factors, underlying any such forward looking information.

This Strategic Report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to the Company and its subsidiary undertakings when viewed as a whole.

A list of defined terms used throughout these financial statements is provided in Definitions.

Presentation of information

Information within the Strategic Report is presented excluding the Group's share of joint ventures unless stated.

Group Structure

Canary Wharf Group Investment Holdings plc's ('CWGIH') ultimate parent undertaking is Stork Holdco LP ('SHLP'). Within Stork Holdco LP there are 2 sub groups, Canary Wharf Group Residential Limited ('CWGRL') and Stork Holdings Limited ('SHL'). Within SHL there are 2 sub groups, Canary Wharf Group Investment Holdings plc ('CWGIH') and the Wood Wharf Phase 3 ('WWP3') Group. CWGRL contains One Park Drive and 10 Park Drive (2 Build to Sell residential properties), the Tribe hotel and the Braeburn joint venture (residential trading properties ('PFS') at Southbank) the results of which are not reflected in the results disclosed in these financial statements. The operating results of the Tribe hotel are included in the CWGRL Group and a lease payment is made to the CWGIH Group which owns the property asset.

Principal activities

The principal activity of the Group is the ownership, management and development of the Canary Wharf Estate (the 'Estate') in East London.

Estate overview

Canary Wharf is a 128 acre private Estate substantially owned by the Group. The Group develops, manages and owns interests in approximately 26.5 NIA m sq ft of mixed use space and over 1,400 Residential Build to Rent apartments including properties held in joint ventures.

The Group has created a vibrant mixed use neighbourhood with a thriving offering across office, residential, retail, leisure and hospitality. The Estate benefits from excellent transport links and infrastructure including direct connections to the Elizabeth line, Jubilee line, DLR and public bus services,16.5 acres of parks and 5km of water boardwalks. There are over 320 retailers across the Estate, including over 75 cafes, bars and restaurants, 7 grocery stores and 6 health clubs. The tenant mix has been boosted by a significant number of new openings which have attracted more visitors, office workers and residents.

The Group's operations as well as its property portfolio are located on the Estate. The property portfolio is split into 5 categories: office, retail, Build to Rent ('BTR') (including affordable and intermediate housing), PFS and development. A summary of the Estate's properties, including the properties owned by the Group is set out below.

STRATEGIC REPORT (Continued)

At 30 June 2024	Share %	Number of properties	NIA m sq ft
Total Estate	–	57	26.5
Wholly owned:			
– Office	100.0	12	6.9
– Retail & Hospitality	100.0	19	1.2
– BTR[1]	100.0	4	0.8
– PFS	100.0	1	0.1
Part Owned:			
– PRS: 8 Water Street and 10 George Street	50.0	2	0.4
– Office : 10 Upper Bank Street	10.0	1	1.0
No ownership or superior interest only[2]	–	18	8.7
Development[3]	–	–	7.4

Notes:
1 Figures include PRS asset (Newfoundland), and affordable and intermediate assets (30 Harbord Square, 50 Harbord Square and 65 Harbord Square).
2 Properties constructed by CWG but later disposed via disposal of freehold or overriding leasehold interest. The Group earns estate service charge income on these properties.
3 Comprises 0.7m sq ft NIA under construction, 5.4m sq ft NIA held for future development and 1.3m sq ft NIA relating to WWP3 which is held by an affiliated entity owned by SHL, the immediate parent company of CWGIH.

The Group generated rental income from its office, retail and BTR property interests and sales proceeds from its PFS property. Income is also generated from managing the Estate as well as managing properties the Group wholly owns, part owns and certain buildings where the Group does not hold an ownership interest.

Estate performance

The Group has continued to add new amenities and enhance existing facilities during the period. Virtually all retail and leisure on the Estate is wholly owned by the Group, which allows the implementation of a holistic and proactive asset management strategy. This provides a significant benefit as the Group is able to curate space and upgrade tenants with stronger and more relevant brands to enhance and strengthen the unique retail and leisure offer.

The Estate's residential community continues to grow with over 2,300 residential units built and an additional 2,000 residential units under construction (including WWP3). There are over 3,500 people living on the Estate and 150,000 people living within a one mile radius.

Alongside this, the Tribe hotel provides a hospitality offer directly on the Estate with 312 rooms. Trading continues to strengthen with average occupancy at 78.8% in the period, up from 73.3% in the same period last year.

Exceptional transportation links coupled with the expanding and vibrant offering across the Estate and expanding residential community has driven footfall to record levels, with over 35m visitors to the Estate in the six months to 30 June 2024, up nearly 8.0% from the same period in 2023 with a weekly average of 1.4m visitors.

In partnership with the Eden Project our plans to create a place for people to engage with the water, and biodiversity to thrive continue through the creation of a green spine running through the Estate. Middle Dock works continue and the first phase located directly opposite the Jubilee underground station includes four new interconnected pontoons, terraces and floating green spaces which are expected to complete in September 2024. The final phase comprises a new bridge across the dock from Bank Street to Mackenzie Walk. Bridge construction will commence in October 2024 and is expected to complete in Q2 2025. Surrounding these projects the activation of our water spaces continues with access for sports such as open water swimming (which took place for a third consecutive summer in 2024), kayaking and paddle boarding. In tandem, new restaurants, boardwalks, parks, and art spaces will complement the Estate's collection of more than 100 works of public art – the largest free to view collection in the UK.

STRATEGIC REPORT (Continued)

Office

	30 June 2024	31 December 2023
Number of properties	**12**	12
Total NIA (m sq ft)	**6.9**	6.9
Fair value(1)	**£4,270.0m**	£4,343.0m
Rental income(2)	**£113.8m**	£124.3m
Lettings achieved (including renewals)(2)		
– Number	**2**	10
– Sq ft	**5,000**	94,000
– Average headline rent (£/psf)	**£58.78**	£60.76
– Average lease term (to expiry)	**4.5 years**	9.0 years
Occupancy (multi let)(3)	**79.5%**	81.1%
Occupancy (total)(4)	**88.5%**	91.1%
WAULT (to expiry)(4)	**10.6 years**	11.1 years
WAULT (to break)(4)	**9.8 years**	8.9 years

Notes:
1 Fair value reflects total building, including non office elements.
2 For the period ended 30 June 2024 and 30 June 2023 respectively. Rental income for the year ended 31 December 2023 was £247.8m which excludes £307.4m in respect of the 10 Cabot Square transaction with Barclays.
3 Multi let buildings include One Canada Square, 40 Bank Street, 20 Water Street,7 Westferry Circus, 25 Churchill Place and 1/5 Bank Street.
4 30 June 2024 and 31 December 2023 excludes 10 Cabot Square and 30 June 2024 excludes 15 Westferry Circus, both reserved for longer term developments.

Despite inflation hitting the Bank of England target, interest rates continued to be held at a high of 5.25% during the period. This coupled with the uncertainty surrounding the UK general election timing, decision making by corporate occupiers for office space continued to be delayed. Take-up levels across Central London remained 37% and 18% below the long-term average, in Q1 and Q2 respectively. Demand continues to be polarised towards best in class with approximately 70% of take up classed as Grade A. Availability remains high in a historic context, however active demand is increasing and the development pipeline is constrained and around 40% pre-let. The Group is well positioned to benefit from this flight to quality, given the quality of our assets and our continued focus and ongoing commitment to placemaking, environmental sustainability, customer engagement, increasing amenities, improved transportation links and infrastructure. The ongoing success of the Group's MadeFor platform, delivering high quality, sustainable, ready to occupy office space, is testament to the Group's commitment to meet the demands of the next generation of occupiers. Across the portfolio the Group is able to service the needs of the broadest range of business sectors and sizes – from one desk to large multi floor leases.

The Group signed 2 office lettings including renewals in the period (5,000 sq ft), generating £0.3m of rent per annum for an average term to expiry of 4.5 years at an average headline rent of £58.78 (£54.77 NER to expiry, £54.88 NER to break) per sq ft. A further 4 lettings and renewals (37,000 sq ft) were under offer at 30 June 2024 with a potential to secure £2.1m of rent per annum, 3 of which were signed subsequent to period end. The Group are also in active discussions with prospective occupiers for in excess of 250,000 sq ft of new office lettings.

In March 2024, a subsidiary of the Group and Morgan Stanley UK Group ('Morgan Stanley') agreed modifications to lease arrangements at 20 Bank Street and 15 Westferry Circus. Morgan Stanley agreed to remove a break option effective in 2028 on its 547,000 sq ft EMEA headquarters at 20 Bank Street, with the lease now running to its 2038 expiry, securing their long term commitment to Canary Wharf. The agreement includes an investment to enhance the property's condition and sustainability performance. In a separate transaction, a surrender of 15 Westferry Circus was also agreed with Morgan Stanley.

Further progress has been made to grow the life science ecosystem on the Estate. Both hVIVO and AviadoBio have started their operations and occupation at 40 Bank Street and 20 Water Street respectively in March 2024. Kadans London Innovation Centre at 20 Water Street is now home to 12 fast growing life science companies, most notably Myricx Bio who in July 2024 closed £90m Series A funding and has chosen to relocate from King's Cross to Canary Wharf for their new lab facility. The One North Quay development is now underway with target delivery in Q4 2027, which will be the largest private purpose-built laboratory building in Europe.

Office occupancy has reduced slightly in the period due to leases expiring at One Canada Square.

WAULT (to break) has increased in the period from 8.9 years to 9.8 years, as a result of the Morgan Stanley lease amendment at 20 Bank Street.

STRATEGIC REPORT (Continued)

Retail & Hospitality

	30 June 2024	31 December 2023
Number of properties	**19**	19
Total NIA (m sq ft)	**1.2**	1.2
Fair value(1)	**£1,161.3m**	£1,161.0m
Rental income(2)	**£34.2m**	£34.6m
Lettings achieved (including renewals)(2)		
– Number	**32**	75
– Sq ft	**63,000**	172,000
– Average headline rent (£/psf)(3)	**£92.00**	£63.42
– Average lease term (to expiry)	**9.8 years**	10.5 years
Occupancy (retail malls)	**95.7%**	95.6%
WAULT (to expiry)	**8.8 years**	8.7 years
WAULT (to break)	**7.6 years**	7.7 years

Notes:
1 Fair value reflects total building, including storage elements.
2 For the period ended 30 June 2024 and 30 June 2023. Rental income for the year ended 31 December 2023 was £68.5m.
3 Excluding kiosk lettings and renewals, the average headline rent (£/psf) is £89.89 for 30 June 2024 (31 December 2023 – £59.59).

The retail & hospitality business continued to perform strongly in the period with 32 retail lettings including renewals exchanged in the period (63,000 sq ft). New lettings generated £2.1m of rent per annum and renewals secured £4.0m of rent per annum. A further 27 lettings including renewals (114,000 sq ft) were with solicitors at 30 June 2024, with a potential to secure £6.1m of rent per annum, 13 of which were signed subsequent to period end.

At 30 June 2024, occupancy across the retail malls was 95.7%, with units in solicitors at 30 June 2024 increasing this to 97.6%.

Lettings achieved in the period have continued to expand the Estate's vibrant amenities opening 23 new retail and leisure outlets to suit the needs of a growing number of office customers, residents, and visitors. Our café, bar and restaurant offering has grown from 38 pre COVID–19 to over 75, focusing on bringing more relevant offerings to the Estate with the likes of Badiani, Burger King, HeyTea and Watch House. Retailer interest has increased in the period and will be boosted by upcoming openings; Hovarda opening their second London site and Marceline a classical French style brasserie, both opening aboard a Wood Wharf floating water pavilion and Kricket opening their fourth site with their cocktail bar SOMA at Frobisher Passage.

New retailers including BYD, KIKO and Swarovski opened in the period and existing retailers Brewdog and Lululemon expanded their footprint with Lululemon relocating from Jubilee Place to Canada Place. Subsequent to period end we have exchanged with Next as a new flagship in Jubilee Place due to open in the second half of 2024. We have grown our health club offer in the period with both Third Space and Ultimate Performance opening additional sites on the Estate at Wood Wharf and Cabot Place respectively.

As the Estate evolves, repurposing space continues to be at the forefront and in July 2024. The Cube, a new immersive experience and competitive socialising concept based on the hit TV show opened on Wood Wharf, and subsequent to period end Padium have expanded their premium Padel club with a ninth court. These leisure openings continue to drive footfall from a wider catchment building on successful Fairgame and Capital Karts openings in 2022 and Flip Out in 2023.

3 tenants entered liquidation and 4 administrations occurred in the period, of which 2 of these units have been relet or are with solicitors at the period end.

Rent collection has been stable during the period at around 97.0% with negligible rent concessions granted.

STRATEGIC REPORT (Continued)

Build To Rent

	30 June 2024	31 December 2023
Number of properties[1]	**4**	4
Total NIA (m sq ft)[1]	**0.8**	0.8
Fair value[1][2]	**£597.6m**	£598.9m
Rental income[1][3]	**£14.6m**	£14.5m
Average rental growth achieved[4]	**5.2%**	10.1%
Retention rate achieved[4]	**68.4%**	59.4%
Occupancy[1]	**91.8%**	88.2%

Notes:
1 Figures include PRS asset (Newfoundland), and affordable and intermediate assets (30 Harbord Square, 50 Harbord Square and 65 Harbord Square).
2 Fair value reflects total building including retail units.
3 For the period ended 30 June 2024 and 31 December 2023 respectively. Rental income for the year ended 31 December 2023 was £28.2m.
4 Figures only include PRS asset (Newfoundland).

Despite subdued activity across the wider market, occupancy has grown in the period. We have continued to achieve strong retention at 68.4%, a higher figure than in previous years. Rental growth has softened to more sustainable levels in response to reduced activity and to support retention of occupiers willing to renew for longer periods with fixed increases.

Private For Sale

	30 June 2024	31 December 2023
Number of properties	**1**	1
Total NIA (m sq ft)	**0.1**	0.1
Units available for sale	**73**	78
Sales proceeds[1]	**£3.9m**	£3.3m

Notes:
1 For the period ended 30 June 2024 and 31 December 2023 respectively. No sales were made in the period to 30 June 2023 as the building at 8 Harbord Square completed in December 2023.

8 Harbord Square is a trading property comprising 82 loft style apartments. Sales on 5 apartments completed in the period generating £3.9m sales proceeds with a further 2 exchanged by the period end.

Properties under construction

The below table summarises the properties under construction owned by the CWGIH Group on the Estate:

	Expected completion	Residential units	NIA m sq ft
3 West Lane and 15 West Lane	Q4 2024	378	0.1
One Charter Street (joint venture)	2026	279	0.1
One North Quay (joint venture)	2027	–	0.5
		657	**0.7**

3 West Lane and 15 West Lane
378 serviced apartments across 2 new buildings to be operated by the Group's Vertus platform. Construction works during the period have continued in line with budget and programme, with the buildings now topped out and fit out works commenced. The development remains on target to complete by the end of 2024.

STRATEGIC REPORT (Continued)

One Charter Street (joint venture)
An aparthotel comprising 279 Locke branded serviced residential apartments, a rooftop restaurant, ground floor retail and amenity space. Construction works during the period have continued with all modular units now installed. The development was delayed following the administration of Caledonian Modular Limited in March 2022 and subsequently the administration of new lead modular contractor M-AR in November 2023. Significant rework has been identified as being required to achieve practical completion. The joint venture anticipates completing the project by Q1 2026.

One North Quay (joint venture)
The first phase of the North Quay development comprises a single building extending to 533,122 sq ft NIA across 23 floors. The Group secured planning permission in July 2023, piling began in June 2024, with the building due for completion in Q4 2027. In May 2024, the Group granted a 250 year lease in respect of the One North Quay plot to the One North Quay joint venture. Consideration of £7.3m was paid on grant of the lease and a loan from the joint venture of £16.2m was settled. An overage payment of up to £65.3m will be payable by the One North Quay joint venture within 30 months of practical completion of the building and is included in the ongoing valuation of the freehold.

Land

The below table summarises the Land owned by the CWGIH Group on the Estate based on existing and/or proposed consents:

	Residential units	NIA m sq ft
North Quay (excluding One North Quay)	1,264	2.1
Park Place	634	0.5
10 Bank Street	–	0.8
7 Brannan Street	912	0.2
Wood Wharf offices[1]	–	1.8
	2,810	**5.4**

Note:
1 Comprises 1 Brannan Street, 7 Charter Street, 8 Union Square and 4 Charter Street.

North Quay
Outline planning consent is in place for a c2.5 m sq ft NIA masterplan (including 0.5m for One North Quay noted above) with flexibility across a range of uses including office, residential, hotel or serviced apartments, co living space and retail.

Park Place
Detailed planning consent was achieved for a commercial office building. A new planning brief for Park Place and the adjacent 15 Westferry Circus has been prepared.

10 Bank Street
Basement works have been completed for a new 832,000 sq ft office building. There are currently no plans for delivery ahead of securing a significant pre let. In advance of securing a pre let occupier, the site has been repurposed to a park with padel courts.

7 Brannan Street
A 912 bed PBSA scheme has been designed. A planning application was submitted in February 2024, with consent targeted before the end of December 2024. The Group is considering delivery options for this development.

Wood Wharf offices
The outline planning consent for Wood Wharf allows for a further 1.8m sq ft of commercial office space across 4 buildings. Site enabling works have been undertaken with pre let opportunities being marketed. There are currently no plans for delivery ahead of securing a significant pre let. Potentials for alternative use are under consideration.

STRATEGIC REPORT (Continued)

Operating Results

The following review of the Group's operating results relates to the period ended 30 June 2024. The comparatives relate to the period ended 30 June 2023.

	30 June 2024	30 June 2023
Underlying profit before tax	**£11.9m**	£37.1m
Loss after tax	**(£111.7m)**	(£395.6m)
Basic loss per share	**(3.0)p**	(53.4)p

	30 June 2024	31 December 2023
Net assets	**£2,899.1m**	£3,006.4m
Fair value of property portfolio	**£6,741.4m**	£6,833.3m
Net assets per share	**78p**	80p
Adjusted NAV per share	**79p**	84p
Look through LTV ratio	**55.4%**	51.9%
Weighted average cost of debt	**5.4%**	5.3%

	Period ended 30 June 2024			Period ended 30 June 2023		
	Underlying £m	**Capital and other £m**	**Total £m**	Underlying £m	Capital and other £m	Total £m
Revenue	**247.7**	**27.5**	**275.2**	253.4	–	253.4
Cost of sales	**(101.0)**	**(2.9)**	**(103.9)**	(91.1)	–	(91.1)
Gross profit	**146.7**	**24.6**	**171.3**	162.3	–	162.3
Other income	**0.4**	**–**	**0.4**	6.3	–	6.3
Share of (loss)/profit of joint ventures and associates	**1.6**	**(10.7)**	**(9.1)**	1.0	(7.6)	(6.6)
Revaluation of other investments	**–**	**(5.8)**	**(5.8)**	–	(5.7)	(5.7)
Administrative expenses	**(28.8)**	**–**	**(28.8)**	(23.9)	–	(23.9)
Property revaluation movements	**–**	**(194.3)**	**(194.3)**	–	(473.0)	(473.0)
Operating (loss)/profit	**119.9**	**(186.2)**	**(66.3)**	145.7	(486.3)	(340.6)
Net financing costs:						
– financing income	**8.9**	**65.8**	**74.7**	4.3	56.8	61.1
– financing charges	**(116.9)**	**(2.3)**	**(119.2)**	(112.9)	(2.3)	(115.2)
	(108.0)	**63.5**	**(44.5)**	(108.6)	54.5	(54.1)
(Loss)/profit before tax	**11.9**	**(122.7)**	**(110.8)**	37.1	(431.8)	(394.7)
Tax			**(0.9)**			(0.9)
Loss after tax			**(111.7)**			(395.6)

Revenue is generated primarily by the rents and service charges earned by the Group from its property interests on the Estate, together with turnover recognised from construction and development management agreements. In March 2024, Morgan Stanley surrendered their lease of 15 Westferry Circus paying a surrender premia of £27.5m including £2.9m for dilapidations. Due to the quantum and one off nature of the transaction, this has been included within Capital and Other Items. Gross profit at 30 June 2024 was £171.3m, an increase of £9.0m compared to 30 June 2023.

STRATEGIC REPORT (Continued)

Underlying revenue at 30 June 2024 was £247.7m, compared with £253.4m at 30 June 2023. Office rental income decreased by £10.5m to £113.8m in the period, primarily as a result of lease changes agreed on 10 Cabot Square in December 2023, whereby Barclays vacated the asset for a premium of £310.0m. Level39 generated £2.2m income (30 June 2023 – £2.1m). Retail rental income decreased by £0.4m from £34.6m at 30 June 2023 to £34.2m at 30 June 2024, although there were 32 lettings achieved in the period, which will generate £6.1m of rent per annum, with occupancy at 95.7% at 30 June 2024. BTR rental income of £14.6m (30 June 2023 – £14.5m) was recognised from Newfoundland and the intermediate and affordable buildings, broadly in line with the prior period.

Service charge income increased from £58.1m for 30 June 2023 to £61.1m for 30 June 2024, and other tenant recoveries decreased from £14.1m for 30 June 2023 to £12.6m for 30 June 2024. Other tenant recoveries include energy services and the provision of tenant specific services other than the standard service charge. The Group also recognised £1.2m (30 June 2023 – £4.3m) from surrender premia and dilapidations, in addition to the £27.5m recognised in Capital and Other items from Morgan Stanley outlined above and recognised £6.3m (30 June 2023 – £3.5m) of fees on the provision of development, construction and asset management services. Following the completion of 8 Harbord Square in December 2023, sales completed on 5 units in 2024 generating £3.9m (30 June 2023 – £nil) of sales proceeds.

Cost of sales includes rents payable, property management costs, including repair costs and movements on provisions for certain lease commitments. Cost of sales also includes operating expenditure on the residential rental buildings, amortisation of negotiation costs, vacant space costs and expected credit loss charges.

Service charge costs increased from £62.4m for 30 June 2023 to £68.2m for 30 June 2024. Other direct property costs, which includes the cost for providing tenant services across all aspects of the estate including parking and energy services, decreased to £15.1m from £20.7m comparatively. Cost of sales for 30 June 2024 also included vacant space costs of £7.3m, which comprises business rates, insurance and utility voids, increasing from £1.5m in the prior period primarily from rates being incurred on 10 Cabot Square following this asset returning to the Group in December 2023 Amortisation of negotiation costs were £1.2m, and costs associated with the management fees of £3.9m for the period. An expected credit loss charge of £1.4m has been recognised predominantly due to seven retail tenants entering liquidation or administration. The Group incurred £3.9m of costs relating to the 5 unit sales at 8 Harbord Square.

The share of losses from joint ventures after interest was £9.1m at 30 June 2024 in comparison to a loss of £6.6m at 30 June 2023. The loss in 2024 was primarily attributable to the Group's 50.0% share of the revaluation deficit in One Charter Street joint venture of £13.2m and the Vertus joint ventures of £3.2m. This was partially offset by the share of profits of £6.1m in the Vertus joint ventures, comprising the BTR buildings at 10 George Street and 8 Water Street on Wood Wharf. The revaluation of investments deficit of £5.8m (30 June 2023 – £5.7m) relates to the Group's 10% share of the revaluation deficit on 10 Upper Bank Street.

Underlying administrative expenses for 30 June 2024 were £28.8m in comparison with £23.9m for 30 June 2023, an increase of £4.9m.

Other income of £0.4m was recorded to 30 June 2024 in comparison with £6.3m in the previous period. Other income for 30 June 2023 included one off contract settlements of £5.5m.

A net property revaluation deficit of £194.3m (Note 6) was recognised in the Consolidated Income Statement for the year compared with a deficit of £473.0m at 30 June 2023. The changes in the property portfolio valuation are explained in more detail in the Valuations section below.

Underlying net financing costs (Note 4) for 30 June 2024 were £108.0m compared to £108.6m for 30 June 2023. The Group's underlying interest payable was £132.2m for 30 June 2024, in comparison with £116.9m for 30 June 2023. The increase was primarily attributable to increasing financing costs on the 15/20 Water Street facility refinanced in the year, the new 3 and 15 West Lane construction facility as well as additional interest costs on the Group's unhedged facilities, being the Homes England loan and 8 Harbord Square loan. In addition, there was £15.9m (30 June 2023 – £7.1m) of hedge reserve recycling relating to the amortisation of cap fees over the life of caps taken out over certain debt facilities.

Underlying net financing costs are stated net of £15.3m of interest which has been capitalised and transferred to certain trading properties, properties under construction and land (30 June 2023 – £11.4m). This amount includes the finance charge relating to the Group's borrowings which are deemed to have been utilised in financing those properties with significant development activity. This includes £10.9m of specific interest which has been capitalised on the construction loan in respect of the development project at 3 and 15 West Lane, and the Homes England loan on the development of Wood Wharf.

Net financing income classified as 'capital and other' was £63.5m for 30 June 2024 (30 June 2023 – £54.5m income). The 2024 income included a £65.8m gain (30 June 2023 – £56.8m gain) on the movement in the fair value of derivative financial instruments and a £2.3m charge (30 June 2023 – £2.3m) for hedge reserve recycling.

Total losses before tax for 30 June 2024 were £110.8m, compared to £394.7m for 30 June 2023. The improvement was primarily driven by the significant reduction in property revaluation losses compared to the prior period.

STRATEGIC REPORT (Continued)

The tax charge for the period of £0.9m (30 June 2023 – £0.9m charge) comprised a corporation tax charge of £2.3m (30 June 2023 – £2.1m charge) and a deferred tax credit of £1.4m (30 June 2023 – £1.2m credit).

Loss per share

The basic and diluted loss per share (Note 2) for 30 June 2024 was 3.0p (30 June 2023 – 53.4p). There were no adjustments required in respect of dilutive instruments in any of the periods under review. In December 2023, the Group issued shares of £300.0m, increasing the issued shares from 740.4m to 3,740.4m.

Valuations

The fair value of the Group's properties compared to their carrying value is presented below. The difference between the fair value and carrying value relates to adjustments for the present value of future ground rents payable (see Note 6 for detailed reconciliation):

	30 June 2024				31 December 2023			
	Fair Value £m	**Share of total portfolio %**	**Weighted average initial yield %**	**Weighted average equivalent yield %**	Fair Value £m	Share of total portfolio %	Weighted average initial yield %	Weighted average equivalent yield %
Completed properties								
Office	**4,270.0**	**63.3**	**4.6**	**6.3**	4,343.0	63.6	4.4	6.2
Retail & Hospitality	**1,161.3**	**17.2**	**4.5**	**5.5**	1,161.0	17.0	4.5	5.4
Build to Rent	**597.6**	**8.9**	**4.2**	**4.2**	598.9	8.8	4.1	4.1
	6,028.9	**89.4**			6,102.9	89.4		
Properties under construction								
Wood Wharf Phase 2	**80.8**	**1.2**			61.6	0.9		
	80.8	**1.2**			61.6	0.9		
Land								
Wood Wharf Phase 3	**261.3**	**3.9**			260.1	3.8		
North Quay	**200.1**	**3.0**			237.5	3.5		
Park Place	**25.1**	**0.4**			25.0	0.3		
10 Bank Street	**87.8**	**1.3**			87.8	1.3		
	574.3	**8.6**			610.4	8.9		
Trading properties held for sale at cost								
8 Harbord Square	**57.4**	**0.8**			58.4	0.8		
	6,741.4	**100.0**			6,833.3	100.0		

The Group's overall property portfolio valuation was £6,741.4m at 30 June 2024, a reduction of £91.9m. Net of capital expenditure, accounting adjustments required for tenant incentives and deferred negotiations costs and the lease granted to the One North Quay joint venture over the One North Quay plot (further detail in Note 6), there was a valuation loss of £194.3m in the period.

The completed property portfolio decreased by £74.0m during the period to £6,028.9m, primarily relating to a £166.7m valuation loss offset by £83.3m of capital improvements. The valuation decline was driven primarily by the outward movement of yields reflecting the current negative economic sentiment, partially offset by strong operating performance and rents achieved by Retail and BTR properties.

Office properties have decreased £73.0m during the period to £4,270.0m. This is being driven by the outward movement of yields as noted above with the weighted average equivalent yield moving out by 10bps to 6.3% due to wider market conditions and shortening lease maturities and/or vacancy.

Retail properties have increased £0.3m during the period to £1,161.3m, due to growth in rents and ERV driven by increased footfall on the Estate offset by a 10bps movement on the weighted average equivalent yield.

STRATEGIC REPORT (Continued)

BTR properties have decreased £1.3m during the period to £597.6m, driven by a 10bps movement in weighted average equivalent yield and the removal of Multiple Dwelling Relief, offset by an increased occupancy of the portfolio and continued rental growth.

The £19.2m increase in properties under construction in the period to £80.8m is primarily attributable to £14.7m of capital improvements and £3.5m of capitalised interest.

Land has decreased by £36.1m to £574.3m largely driven by the Group granting the lease to the One North Quay joint venture over the One North Quay plot, with £23.5m being recognised for the deferred rent received.

Trading properties decreased by £1.0m to £57.4m due to there being £3.9m of disposals in the period in relation to the sale of 5 units. This has been offset by an increase in capitalised interest to £2.5m in the period.

Financing

	30 June 2024	31 December 2023
Securitised debt[(1)]	**£1,122.9m**	£1,484.6m
Green Bonds[(1)]	**£905.1m**	£904.4m
Other secured loans[(1)]	**£1,880.0m**	£1,841.5m
Construction loans[(1)]	**£303.3m**	£326.5m
Gross debt[(1)]	**£4,211.3m**	£4,557.0m
Net debt (see Note 14) [(1)]	**£3,847.3m**	£3,716.7m
Look through LTV	**55.4%**	51.9%
Secured debt as % of total debt	**78.2%**	79.4%
Weighted average maturity[(2)]	**5.1 years**	4.4 years
Weighted average cost of debt[(2)]	**5.4%**	5.3%
Fixed and capped debt	**93.6%**	94.1%

Note:
1 Inclusive of derivatives.
2 Exclusive of derivatives.

The Group's gross debt at 30 June 2024 of £4,211.3m has reduced by £345.7m compared to 31 December 2023. The position moved due to the net impact of £254.6m of drawdowns, primarily on new secured loans, offset by £543.7m debt and spens repayments in the period, and fair value gains on derivatives of £46.0m. The movement in gross debt is bridged in further detail in Note 14.

The Group's Senior Secured Green Notes holds a credit rating from Moody's of B1 and from Fitch of BB. These remain unchanged from the year end.

The Group signed £1,026.3m of new and refinanced debt during 2024, comprising:

- On 15 March 2024 the Group secured 2 new Green Loan facilities against 15/20 Water Street for a combined value of £132.2m. The facilities are a £118.5m investment term loan facility and a £13.7m fit out facility, both 5 year term with interest payable at 3.0% over SONIA. The Group has entered into four five year swaps in respect of this to fix the interest rate at 6.8%.
- On 23 April 2024, the Group secured a new two year £80.0m construction finance facility, with two 12 months extension options, secured on the serviced apartment buildings at 3 and 15 West Lane. Interest is payable on the facility at 2.95% over SONIA, with a margin step down at PC to 2.15%, with a requirement to hedge 50.0% of the facility.
- On 24 April 2024, the Group agreed an amendment and restatement to the senior and mezzanine facilities on 25 Churchill Place, extending the maturity of both facilities for 5 years to July 2030. The senior £281.1m loan has a margin of 1.7%-2.25% over SONIA and the mezzanine £58.1m loan has a margin of 4.90%-5.90%.
- On 28 June 2024, the Group agreed an amendment and restatement to the £399.4m facility secured on One Churchill Place, extending the maturity to July 2039. As part of this agreement, the Group also drew down an additional £75.5m secured on One Churchill Place and entered into one new swap to fix the rate on the additional £75.5m at 6.6442% to July 2039 and entered into another swap to fix the rate on the extension from July 2034 to July 2039 at 6.6442%.

The Group has access to considerable financial resources at 30 June 2024. The Group had cash totalling £364.0m, of which £158.5m was unrestricted and the Group had access to a revolving credit facility of £100.0m, which was undrawn at the period end.

The Group completed transactions after the period end, including refinancing and hedging transactions. These are detailed in Note 18.

STRATEGIC REPORT (Continued)

Key performance indicators

Net assets in the Group's Consolidated Balance Sheet were £2,899.1m at 30 June 2024 in comparison with £3,006.4m at 31 December 2023. The decrease in net assets over the period of £107.3m was primarily attributable to the loss after tax of £111.7m, which includes valuation losses on the Group's wholly owned property portfolio of £194.3m.

The Group's objective is to maximise NAV from managing the Group's property investments and development activities, although the Group is impacted by movements in the wider property market. The Board considers adjusted NAV per share attributable to members of the Company to be an indicator of the Group's performance. This measure serves to capture the Board's judgements concerning, inter alia, letting strategy, redevelopment and capital structure.

Adjusted NAV per share excludes deferred tax and derivatives.

The calculation of adjusted NAV per share is set out in the following table:

	30 June 2024 £m	31 December 2023 £m
Balance sheet net assets	**2,899.1**	3,006.4
Adjustment for:		
Deferred tax liabilities	**13.7**	15.1
Derivatives	**58.0**	107.3
Adjusted NAV	**2,970.8**	3,128.8
	Shares	Shares
Ordinary shares in issue at the period end	3,740,374,616	3,740,374,616
Adjusted NAV per share	**79p**	84p

Cash flow

The net cash outflow from operating activities for the period to 30 June 2024 was £62.7m in comparison with an inflow of £89.0m for period to 30 June 2023. The outflow for 2024 was stated after negative adjustments for working capital of £110.1m (30 June 2023 – £36.7m positive) and £1.0m tax paid (30 June 2023 - £8.1m receipts).

Cash flows from investing activities resulted in a net cash outflow of £97.4m for 2024 compared with £149.7m for 2023. The cash outflow for 2024 included £103.9m of development expenditure on the Group's property portfolio (30 June 2023 – £121.6m) and £6.1m investment in joint ventures and other investments (30 June 2023 – £27.3m). This was partially offset by £7.3m receipt for deferred rent on the One North Quay land plot lease to the North Quay joint venture (30 June 2023 – £nil), refer to Note 6 for further detail, and £6.9m receipt for the partial disposal of investment in the North Quay joint venture (30 June 2023 – £nil).

The net cash outflow from financing activities for 2024 was £316.2m, compared with £22.4m net cash inflow for 2023. The net cash outflow for 2024 included £316.0m repayment of securitisation debt, comprising a £304.0m partial repayment of the Group's A1 and A3 notes and £12.0m of amortisation payments (30 June 2023 – £14.7m). It also included £137.2m repayment of investment loan facilities (30 June 2023 – £11.7m) and £90.5m repayment of construction loan facilities (30 June 2023 – £317.1m). This was partially offset by £194.1m drawdowns on investment loan facilities (30 June 2023 – £309.4m) and £60.5m drawdown on construction loan facilities (30 June 2023 – £7.5m). The Group granted £11.2m in related party loans to WWP3 (30 June 2023 – £nil).

STRATEGIC REPORT (Continued)

GOING CONCERN

The Directors have adopted the going concern basis in preparing the unaudited interim financial statements and have concluded that there are no material uncertainties in relation to the Group going concern status. The going concern review period covers the period of 12 months from the date of approval of these interim financial statements.

At 30 June 2024, the Group was in a net current liability position of £719.1m and cash totalling £364.0m, of which £158.5m was unrestricted. In addition, £100.0m is available to be drawn under the Group's revolving credit facility which expires in September 2027. Included in current liabilities at the period end were borrowings of £982.0m comprising £947.9m of principal and £34.1m of accrued interest due for payment within 12 months of the balance sheet date. The principal amounts outstanding included £18.5m of securitised debt, £350.0m of unsecured Green Bonds and £579.4m of secured loans (£559.3m 1-5 Bank Street and £20.1m amortising amounts on 1 Churchill Place).

At the date of this report the £350.0m of Green Bonds are due for repayment within 12 months. On 28 August 2024, the Group secured the refinancing of the senior and mezzanine facilities on 1-5 Bank Street, extending the maturity of both facilities for 5 years to November 2029. The senior £353.3m loan has a margin of 1.7%-2.5% over SONIA and the mezzanine £113.7m has a margin of 5.25%-6.25% over SONIA. The caps on the original facilities remain in place until expiry in November 2024.

In making their assessment on the going concern basis of preparation the Directors have prepared cash flows forecasts for a Base Case and Downside Case. The Base Case is based on the Group's Q2 2024 liquidity forecast, as presented to the Board in July 2024, and includes the refinancing of certain facilities and asset disposals, including PFS sales, during the going concern period. Under the Base Case the Group is forecast to be cash positive throughout the going concern period. The Downside Case removes the refinancing of the £350.0m of Green Bonds, and cash inflows from uncommitted asset disposals. Under the Downside Case the Group would require further cash funding to continue as a going concern.

Given the £350.0m of Green Bonds are due for repayment within 12 months of the signing of the financial statements and the refinancing of this loans is not yet committed, together with the uncertainty over the timing and value to be realised from any potential asset disposals, including PFS sales, the Group's ultimate shareholders, Brookfield and QIA, have confirmed in writing that they intend to provide financial support to enable the Group to meet its liabilities if required for a period of at least 12 months from the date of approving these financial statements.

Having made the requisite enquiries and having considered the financial support from the Group's ultimate shareholders, the Directors have a reasonable expectation that the Group have adequate resources to continue their operations for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

For more information see Note 1.

DocuSigned by:

Justin Turner

F0E1CB7EFC9E4FA...

Justin Turner
Secretary

Canary Wharf Group Investment Holdings plc
Registered number: 05043352

28 August 2024

INDEPENDENT REVIEW REPORT TO CANARY WHARF GROUP INVESTMENT HOLDINGS PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprises the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, the Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and related notes 1 to 18.

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

Basis for Conclusion

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

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion 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 ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

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

Use of our report

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

Deloitte LLP

Deloitte LLP
Statutory Auditor
London, UK
28 August 2024

UNAUDITED CONSOLIDATED INCOME STATEMENT
for the period ended 30 June 2024

	Note	Period ended 30 June 2024 Underlying* £m	Period ended 30 June 2024 Capital and other £m	Period ended 30 June 2024 Total £m	Period ended 30 June 2023 Underlying* £m	Period ended 30 June 2023 Capital and other £m	Period ended 30 June 2023 Total £m
Revenue	3	**247.7**	**27.5**	**275.2**	253.4	–	253.4
Cost of sales	3	**(101.0)**	**(2.9)**	**(103.9)**	(91.1)	–	(91.1)
Gross profit	3	**146.7**	**24.6**	**171.3**	162.3	–	162.3
Other income		**0.4**	**–**	**0.4**	6.3	–	6.3
Share of (loss)/profit of joint ventures		**1.6**	**(10.7)**	**(9.1)**	1.0	(7.6)	(6.6)
Revaluation of other investments		**–**	**(5.8)**	**(5.8)**	–	(5.7)	(5.7)
Administrative expenses		**(28.8)**	**–**	**(28.8)**	(23.9)	–	(23.9)
Property revaluation movements	6	**–**	**(194.3)**	**(194.3)**	–	(473.0)	(473.0)
Operating (loss)/profit		**119.9**	**(186.2)**	**(66.3)**	145.7	(486.3)	(340.6)
Net financing costs:							
– financing income	4	**8.9**	**65.8**	**74.7**	4.3	56.8	61.1
– financing charges	4	**(116.9)**	**(2.3)**	**(119.2)**	(112.9)	(2.3)	(115.2)
		(108.0)	**63.5**	**(44.5)**	(108.6)	54.5	(54.1)
(Loss)/profit before tax		**11.9**	**(122.7)**	**(110.8)**	37.1	(431.8)	(394.7)
Tax	5			**(0.9)**			(0.9)
Loss after tax				**(111.7)**			(395.6)
Loss per share	2			**(3.0)p**			(53.4)p

*As defined in Note 2.

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2024

	Note	**Period ended 30 June 2024 £m**	Period ended 30 June 2023 £m
Loss after tax		**(111.7)**	(395.6)
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges:			
(Losses)/gains arising on effective hedges	13	**(19.8)**	1.5
Foreign exchange gains on hedged instruments	14	**6.0**	8.2
Hedge reserve recycling	4	**18.2**	9.4
Other comprehensive income for the period		**4.4**	19.1
Total comprehensive expense for the period		**(107.3)**	(376.5)

UNAUDITED CONSOLIDATED BALANCE SHEET
at 30 June 2024

	Note	**Unaudited 30 June 2024 £m**	Audited 31 December 2023 £m
Assets			
Non current assets			
Investment properties	6	**6,746.2**	6,837.1
Right of use asset		**1.4**	1.4
Plant and equipment		**9.5**	8.1
Investments in joint ventures		**91.4**	101.3
Other investments		**12.0**	17.8
Derivative financial instruments	13	**12.8**	8.9
Non current receivables	7	**72.5**	42.9
		6,945.8	7,017.5
Current assets			
Trading properties held for sale	6	**57.4**	58.4
Derivative financial instruments	13	**6.8**	19.1
Trade and other receivables	8	**173.0**	146.2
Cash and cash equivalents	9	**364.0**	840.3
		601.2	1,064.0
Total assets		**7,547.0**	8,081.5
Liabilities			
Current liabilities			
Current portion of long term borrowings	11	**(982.0)**	(1,053.9)
Current tax liabilities	5	**(12.2)**	(10.5)
Trade and other payables	10	**(326.1)**	(399.3)
		(1,320.3)	(1,463.7)
Non current liabilities			
Borrowings	12	**(3,171.3)**	(3,395.8)
Derivative financial instruments	13	**(77.6)**	(135.3)
Lease liabilities		**(63.6)**	(63.6)
Deferred tax liabilities		**(13.7)**	(15.1)
Provisions		**(1.4)**	(1.6)
		(3,327.6)	(3,611.4)
Total liabilities		**(4,647.9)**	(5,075.1)
Net assets		**2,899.1**	3,006.4
Equity			
Share capital		**374.0**	374.0
Hedging reserve		**(32.0)**	(36.4)
Other reserves		**1,257.1**	1,257.1
Retained earnings		**1,300.0**	1,411.7
Total equity attributable to members of the Company		**2,899.1**	3,006.4

Approved by the Board and authorised for issue on 28 August 2024 and signed on its behalf by:

DocuSigned by:

12ACAABA13844F7...

Shoaib Z Khan
Chief Executive Officer

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2024

	Note	Share capital £m	Hedging reserve £m	Share premium £m	Capital redemption reserve £m	Cancelled share reserve £m	Total other reserves £m	Retained earnings £m	Total £m
At 1 January 2023		**74.0**	**(26.5)**	**1,195.1**	**2.5**	**59.5**	**1,257.1**	**2,323.7**	**3,628.3**
Loss after tax		–	–	–	–	–	–	(395.6)	**(395.6)**
Net expense recognised		–	–	–	–	–	–	(395.6)	**(395.6)**
Cash flow hedges:									
Gains arising on effective hedges		–	1.5	–	–	–	–	–	**1.5**
Foreign exchange gains on hedged instruments		–	8.2	–	–	–	–	–	**8.2**
Hedge reserve recycling	4	–	9.4	–	–	–	–	–	**9.4**
Total comprehensive (expense)/income for the period		–	19.1	–	–	–	–	(395.6)	**(376.5)**
At 30 June 2023		**74.0**	**(7.4)**	**1,195.1**	**2.5**	**59.5**	**1,257.1**	**1,928.1**	**3,251.8**
Loss after tax		–	–	–	–	–	–	(516.4)	**(516.4)**
Net expense recognised		–	–	–	–	–	–	(516.4)	**(516.4)**
Cash flow hedges:									
Losses arising on effective hedges		–	(43.0)	–	–	–	–	–	**(43.0)**
Foreign exchange losses on hedged instruments		–	(2.5)	–	–	–	–	–	**(2.5)**
Hedge reserve recycling		–	16.5	–	–	–	–	–	**(16.5)**
Total comprehensive expense for the period		–	(29.0)	–	–	–	–	(516.4)	**(545.4)**
Issue of share capital		300.0	–	–	–	–	–	–	**300.0**
At 31 December 2023		**374.0**	**(36.4)**	**1,195.1**	**2.5**	**59.5**	**1,257.1**	**1,411.7**	**3,006.4**
Loss after tax		–	–	–	–	–	–	(111.7)	**(111.7)**
Net expense recognised		–	–	–	–	–	–	(111.7)	**(111.7)**
Cash flow hedges:									
Losses arising on effective hedges	13	–	(19.8)	–	–	–	–	–	**(19.8)**
Foreign exchange gains on hedged instruments	14	–	6.0	–	–	–	–	–	**6.0**
Hedge reserve recycling	4	–	18.2	–	–	–	–	–	**18.2**
Total comprehensive (expense)/income for the period		–	4.4	–	–	–	–	(111.7)	**(107.3)**
At 30 June 2024		**374.0**	**(32.0)**	**1,195.1**	**2.5**	**59.5**	**1,257.1**	**1,300.0**	**2,899.1**

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
for the period ended 30 June 2024

	Note	**Period ended 30 June 2024 £m**	^(Restated) Period ended 30 June 2023 £m
Cash from operations	15	**36.0**	179.7
Interest paid		**(104.6)**	(103.1)
Interest received		**6.9**	4.3
Income taxes (paid)/received	5	**(1.0)**	8.1
Net cash (outflow)/inflow from operating activities		**(62.7)**	89.0
Cash flows from investing activities			
Development expenditure		**(103.9)**	(121.6)
Deferred rent on leases	6	**7.3**	–
Receipts from investments		**0.8**	0.5
Purchase of plant and equipment		**(2.4)**	(1.3)
Investment in joint ventures and other investments		**(6.1)**	(27.3)
Disposal of investment in joint ventures and other investments		**6.9**	–
Net cash outflow from investing activities		**(97.4)**	(149.7)
Cash flows from financing activities			
Redemption of securitised debt	14	**(316.0)**	(14.7)
Draw down of secured loans	14	**194.1**	309.4
Repayment of secured loans	14	**(137.2)**	(11.7)
Draw down of construction loans	14	**60.5**	7.5
Repayment of construction loans	14	**(90.5)**	(317.1)
Payment of lease liabilities	4	**(3.0)**	(3.0)
Payments for derivative financial instruments	13	**(3.3)**	(6.4)
New loan fees		**(9.6)**	(3.3)
Loans received from related parties		**–**	61.7
Loans advanced to related parties	7	**(11.2)**	–
Net cash (outflow)/inflow from financing activities		**(316.2)**	22.4
Net movement in cash and cash equivalents		**(476.3)**	(38.3)
Cash and cash equivalents at start of period		**840.3**	350.7
Cash and cash equivalents at end of period	9	**364.0**	312.4

^Restated – In preparing the financial statements for the period ended 30 June 2024, the Directors have restated the unaudited consolidated statement of cash flows to reflect £8.9m of accrued interest on construction loans which was previously included as a cash inflow from drawdowns of construction loans and cash outflow in respect of interest paid. As such, cash inflows from drawdowns of construction loans and interest paid cash outflows have been reduced by £8.9m. The Directors do not consider this a material adjustment to the unaudited consolidated statement of cash flows but have elected to restate to ensure comparability between periods.

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The Unaudited Interim Accounts have been prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), including in accordance with IAS 34 Interim Financial Reporting, in conformity with the requirements of the Companies Act 2006.

In preparing the financial statements for the period ended 30 June 2024 the Directors have restated the unaudited consolidated statement of cash flows to reflect £8.9m of accrued interest on construction loans which was previously included as a cash inflow from drawdowns of construction loans and cash outflow in respect of interest paid. As such, cash inflows from drawdowns of construction loans and interest paid cash outflows have been reduced by £8.9m.

In addition, the Directors have made certain reclassifications to the comparative figures for the period ended 30 June 2023. For the year ended 31 December 2023 the Group reconsidered the classification of certain items on the income statement and are now showing certain items previously classified as other income within revenue. The prior year balances for the period ended 30 June 2023 have been represented to allow comparability which has resulted in £2.0m of external asset management fees and administrative services income being represented to the management fee line, and £2.1m of estate related income being represented to rent receivables from the other tenant recoveries line. BTR income of £14.5m was represented to the rent receivable line together with £2.1m income from Level39 which has been reclassified from other recoveries from tenants. BTR cost of sales of £3.5m has been represented in other direct property expenses. This had no impact on the prior period operating (loss)/profit and balance sheet. In addition, the Directors reconsidered the classification of hedge recycling relating to the amortisation of cap fees and has represented these from Capital and other to the underlying results in the Consolidated Income Statement. This has resulted in the underlying profit before tax for the period to 30 June 2023 reducing to £37.1m from £44.2m and the capital and underlying loss before tax reducing to £431.8m from £438.9m. There was no impact to the overall statutory loss for the period.

The financial information contained in this interim report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the year ended 31 December 2023 was derived from the statutory accounts for the year ended 31 December 2023, a copy of which has been delivered to the Registrar of Companies. The auditor's report on those 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 section 498 (2) or (3) of the Companies Act 2006.

At 30 June 2024, a number of standards, amendments to standards and interpretations have been issued by the IASB but are not effective for these financial statements.

The Directors anticipate that the adoption of these standards in future periods will not have a material impact on the financial statements of the Group.

Going concern

The Directors have adopted the going concern basis in preparing the unaudited interim financial statements and have concluded that there are no material uncertainties in relation to the Group going concern status. The going concern review period covers the period of 12 months from the date of approval of these financial statements.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report including detail relating to the finances of the Group, its liquidity position and borrowing facilities. Further details in relation to the Group's borrowing facilities are set out in Note 14. The Group has a robust risk management process and the Directors have reached their conclusion on going concern after considering the Group's principal risks.

The Group has an annual business plan process which entails production of a 5 year business plan which was approved in the December 2023 Board meeting. Progress against the plan is monitored on a quarterly basis as the year progresses and the plan is subject to review and updating should circumstances change. Accordingly, the going concern assessment for the interim financial statements has been made in reference to the Q2-24 liquidity forecasts presented to the Board in July 2024.

The Group enjoys the benefit of office leases with a weighted average unexpired lease term of 10.7 years, or 9.8 years assuming the exercise of all break options and at 30 June 2024, the occupancy level in the Group's office portfolio was 88.5% and retail portfolio was 95.7%.

At 30 June 2024, the Group had cash totalling £364.0m of which £158.5m was unrestricted. In addition, £100.0m is available to be drawn under the Group's revolving credit facility which expires in September 2027. At 30 June 2024, the average maturity of the Group's loans was 5.1 years.

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

In making their assessment on the going concern basis of preparation the Directors have prepared cash flows forecasts for a Base Case and Downside Case. The Base Case is based on the Group's liquidity forecast as presented to the Board in July 2024 and includes the refinancing of certain facilities and asset disposals, including PFS sales, during the going concern period. Under the Base Case, the Group is forecast to be cash positive throughout the going concern period. The Downside Case removes the refinancing of the £350.0m of unsecured Green Bonds, and cash inflows from uncommitted asset disposals. Under the Downside Case the Group would require further cash funding to continue as a going concern. Amounts due within the going concern period are detailed below.

At 30 June 2024, the Group was in a net current liability position of £719.1m. Included in current liabilities at the period end were borrowings of £982.0m comprising £947.9m of principal and £34.1m of accrued interest due for payment within 12 months of the balance sheet date. The principal amounts outstanding included £18.5m of securitised debt, £350.0m of Green Bonds and £579.4m of secured loans (£559.3m 1-5 Bank Street and £20.1m amortising amounts on 1 Churchill Place).

The Board is of the view that the £350.0m of Green Bonds loan, which expires within the going concern period, will either be refinanced or be able to be repaid within the going concern period. On 28 August 2024, the Group secured the refinancing of the senior and mezzanine facilities on 1-5 Bank Street, extending the maturity of both facilities for 5 years to November 2029. The senior £353.3m loan has a margin of 1.7%-2.5% over SONIA and the mezzanine £113.7m has a margin of 5.25%-6.25% over SONIA. The caps on the original facilities remain in place until expiry in November 2024.

At the date of this report, the Group is continuing to consider the disposal of certain assets although market conditions remain challenging, and the Directors will only approve disposals where appropriate value can be realised.

Given the £350.0m of Green Bonds are due for repayment within 12 months of the signing of the financial statements and the refinancing of this loans is not yet committed, together with the uncertainty over the timing and value to be realised from any potential asset disposals, including PFS sales, the Group's ultimate shareholders, Brookfield and QIA, have confirmed in writing that they intend to provide financial support to enable the Group to meet its liabilities if required for a period of at least 12 months from the date of approving these financial statements.

Having made the requisite enquiries and having considered the financial support from the Group's ultimate shareholders, the directors have a reasonable expectation that the Group have adequate resources to continue their operations for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

2. PERFORMANCE MEASURES, INCLUDING ADJUSTED PERFORMANCE MEASURES

Basic earnings and losses per share:

	Period ended 30 June 2024		Period ended 30 June 2023	
	Earnings £m	**Per share p**	Earnings £m	Per share p
Underlying profit before tax	**11.9**	**0.4**	37.1	5.0
Capital and other items	**(122.7)**	**(3.3)**	(431.8)	(58.3)
Tax	**(0.9)**	**(0.1)**	(0.9)	(0.1)
Loss after tax attributable to members of the Company	**(111.7)**	**(3.0)**	(395.6)	(53.4)

Earnings per share for 2024 has been calculated by reference to the loss attributable to equity shareholders of £111.7m for 30 June 2024 (30 June 2023 – loss of £395.6m) and the weighted average of Ordinary Shares for the period The Group held shares of 740,374,616 valued at 10p until the share issue on 27 December 2023, when 3,000,000,000 additional £0.10 shares were issued.

Underlying profit before tax excludes net revaluation movements on properties, fair value movements on financial instruments, refinancing gains and costs and one time transactions significant in value or nature.

As at 30 June 2024 a total of 3,740,374,616 Ordinary Shares (30 June 2023 – 740,374,616) were in issue of 10p each which were fully paid. On a like for like basis, the loss per share for 2023 would have been 10.6p.

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

Adjusted net assets per share:

	30 June 2024 £m	31 December 2023 £m
Balance sheet net assets	**2,899.1**	3,006.4
Adjustment for:		
Deferred tax liabilities	**13.7**	15.1
Derivatives	**58.0**	107.3
Adjusted NAV	**2,970.8**	3,128.8
Ordinary shares in issue	**3,740,374,616**	3,740,374,616
Net assets per share	**78p**	80p
Adjusted NAV per share	**79p**	84p

Adjusted NAV per share excludes fair value adjustments on derivatives and deferred tax in both years.

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

3. REVENUE

	Period ended 30 June 2024			Period ended 30 June 2023		
	Underlying £m	**Capital and other £m**	**Total £m**	Underlying £m	Capital and other £m	Total £m
Rent receivable	**162.0**	**–**	**162.0**	170.0	–	170.0
Spreading of tenant incentives and contracted rent increases	**0.6**	**–**	**0.6**	3.4	–	3.4
	162.6	**–**	**162.6**	173.4	–	173.4
Service charge income	**61.1**	**–**	**61.1**	58.1	–	58.1
Other recoveries from tenants	**12.6**	**–**	**12.6**	14.1	–	14.1
Termination of leases	**1.2**	**27.5**	**28.7**	4.3	–	4.3
Management fees*	**6.3**	**–**	**6.3**	3.5	–	3.5
Trading property sales proceeds	**3.9**	**–**	**3.9**	–	–	–
Revenue	**247.7**	**27.5**	**275.2**	253.4	–	253.4
Service charge expenses	**(68.2)**	**–**	**(68.2)**	(62.4)	–	(62.4)
Other direct property expenses	**(15.1)**	**–**	**(15.1)**	(20.7)	–	(20.7)
Costs associated with termination of leases	**–**	**(2.9)**	**(2.9)**	(3.0)	–	(3.0)
Costs associated with management fees	**(3.9)**	**–**	**(3.9)**	(1.2)	–	(1.2)
Amortisation of negotiation costs	**(1.2)**	**–**	**(1.2)**	(1.0)	–	(1.0)
Vacant space costs	**(7.3)**	**–**	**(7.3)**	(1.5)	–	(1.5)
Expected credit loss charge	**(1.4)**	**–**	**(1.4)**	(1.3)	–	(1.3)
Trading property cost of sales	**(3.9)**	**–**	**(3.9)**	–	–	–
Cost of sales	**(101.0)**	**(2.9)**	**(103.9)**	(91.1)	–	(91.1)
Gross profit	**146.7**	**24.6**	**171.3**	162.3	–	162.3

*Management fees include construction, development and other asset management fees.

Rent receivable included contingent rents of £2.3m (30 June 2023 – £1.9m).

On 27 March 2024, Morgan Stanley paid £27.5m to surrender the lease at 15 Westferry Circus and return the property to the Group. Owing to the quantum and one-off nature of the transaction, this has been included in the Capital and Other column of the Consolidated Income Statement, along with £2.9m of associated lease termination costs.

For the period ended 30 June 2023, BTR income of £14.5m has been represented to the rent receivable line together with £2.1m income from Level39 which has been reclassified from other recoveries from tenants. BTR cost of sales of £3.5m has been represented in other direct property expenses.

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

4. NET FINANCING COSTS

	Period ended 30 June 2024			Period ended 30 June 2023		
	Underlying £m	**Capital and other £m**	**Total £m**	Underlying £m	Capital and other £m	Total £m
Financing income						
Deposits, other loans and securities	**7.0**	**–**	**7.0**	2.1	–	2.1
Interest receivable from related parties	**1.9**	**–**	**1.9**	2.2	–	2.2
Valuation movements on fair value of derivatives	**–**	**65.8**	**65.8**	–	56.8	56.8
Total financing income	**8.9**	**65.8**	**74.7**	4.3	56.8	61.1
Financing charges						
Securitised debt	**(31.3)**	**–**	**(31.3)**	(39.3)	–	(39.3)
Green Bonds	**(15.2)**	**–**	**(15.2)**	(15.2)	–	(15.2)
Other secured loan interest	**(48.9)**	**–**	**(48.9)**	(41.3)	–	(41.3)
Construction loan interest	**(13.9)**	**–**	**(13.9)**	(15.2)	–	(15.2)
Other bank loans, overdrafts and other interest payable	**(4.0)**	**–**	**(4.0)**	(3.2)	–	(3.2)
Obligations under long term property lease	**(3.0)**	**–**	**(3.0)**	(3.0)	–	(3.0)
Hedging reserve recycling	**(15.9)**	**(2.3)**	**(18.2)**	(7.1)	(2.3)	(9.4)
	(132.2)	**(2.3)**	**(134.5)**	(124.3)	(2.3)	(126.6)
Interest capitalised to active developments						
– General interest	**4.4**	**–**	**4.4**	7.2	–	7.2
– Construction loan finance costs	**10.9**	**–**	**10.9**	4.2	–	4.2
	15.3	**–**	**15.3**	11.4	–	11.4
Total financing charges	**(116.9)**	**(2.3)**	**(119.2)**	(112.9)	(2.3)	(115.2)
Net financing (charges)/ income	**(108.0)**	**63.5**	**(44.5)**	(108.6)	54.5	(54.1)

Financing fees included in interest payable totalled £7.6m in 2024 (30 June 2023 – £5.7m). Financing fees include amortisation of deferred loan fees and other ongoing loan fees.

The Directors reconsidered the classification of hedge recycling relating to the amortisation of cap fees and has represented these within the underlying column. This has resulted in the underlying hedge reserve recycling for the period ended 30 June 2023 increasing to £7.1m (previously £nil) and the capital and other hedge reserve recycling decreasing to £2.3m (previously £9.4m). Underlying hedge reserve recycling relates to the amortisation of cap fees over the life of caps taken out over certain debt facilities. Capital and other hedge reserve recycling relates to the amortisation of the discontinued hedge reserve in relation to the securitised debt.

Capitalised general interest has been calculated by reference to the costs incurred by the Group on developing the properties where construction is taking place and is being funded by the Group's general cash resources and the weighted average cost of related debt at the period end of 5.4% (31 December 2023 – 5.3%).

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

5. TAX

	Period ended 30 June 2024 £m	Period ended 30 June 2023 £m
Tax credit/(charge)		
Current tax		
Current tax charge	(0.8)	(1.4)
Tax charge in respect of prior years	(1.5)	(0.7)
Total current tax	**(2.3)**	(2.1)
Deferred tax credit	**1.4**	1.2
Total deferred tax	**1.4**	1.2
Total tax credit/(charge)	**(0.9)**	(0.9)
Tax reconciliation		
Group loss on ordinary activities before tax	**(110.8)**	(394.7)
Tax on loss on ordinary activities at UK corporation tax rate of 25.0% (30 June 2023 – 23.5%)	**27.7**	92.9
Effects of:		
Change in tax rate	**–**	(0.1)
Adjustments in respect of prior years	**(1.4)**	0.7
Profits and losses non taxable under the REIT regime	**(28.4)**	(92.8)
Movement in tax losses not recognised as deferred tax assets	**–**	0.1
Expenses not deductible for tax purposes	**(0.2)**	0.1
Other differences	**2.3**	–
Total tax credit/(charge)	**(0.9)**	(0.9)

The Finance Act 2021 increased the corporation tax rate from 19.0% to 25.0% in April 2024. The standard rate of corporation tax payable by the Group for the period ended 30 June 2024 is 25.0% (30 June 2023 – 23.5%). Deferred tax is provided at a tax rate of 25.0%.

	Current tax (liability)/asset total £m
At 1 January 2023	13.4
Current tax charged to income	(3.6)
Recognition of provision for uncertain tax	(9.9)
Finance charge on uncertain tax provision	(2.6)
Received in period	(7.8)
At 1 January 2024	(10.5)
Current tax charged to income	(2.3)
Finance charge on uncertain tax provision	(0.4)
Paid in period	1.0
At 30 June 2024	**(12.2)**

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

Uncertain tax provision

HMRC has an ongoing enquiry into the deductibility of interest paid by the immediate parent undertaking SHL, that generated tax deductions of £105.0m, which was subsequently utilised against the Group's tax charge sheltering £21.2m of tax in prior periods. As various members of the CWGIH Group claimed group relief in respect of this, the uncertain tax provision is being recorded in CWGIH.

The Directors have assessed an appropriate tax provision of £9.9m and £3.0m of associated interest, which was recognised in 2023, using the expected value methodology permitted under IFRIC 23. A corresponding tax liability of £12.9m is recognised within current tax liabilities, increasing £0.4m from the year ended 31 December 2023 in respect of potential interest charges.

There is a significant amount of judgement in applying probability scenarios as outlined above. The range of outcomes is between £nil and £23.0m including interest.

6. INVESTMENT AND TRADING PROPERTIES

Investment and trading property assets at 30 June 2024 comprised:

	Completed properties £m	Properties under construction £m	Land £m	**Total investment properties £m**	Trading property held for sale at cost £m	**Property portfolio total £m**
Carrying value at 1 January 2024	**6,112.2**	**62.6**	**662.3**	**6,837.1**	**58.4**	**6,895.5**
Additions	83.3	14.7	6.7	**104.7**	0.4	**105.1**
Capitalised interest	–	3.5	9.3	**12.8**	2.5	**15.3**
Disposals	–	–	–	**–**	(3.9)	**(3.9)**
Deferred rent	–	–	(23.5)	**(23.5)**	–	**(23.5)**
Revaluation movement	(166.7)	1.0	(28.6)	**(194.3)**	–	**(194.3)**
Movements in tenant incentives and negotiation costs	9.4	–	–	**9.4**	–	**9.4**
Carrying value at 30 June 2024	**6,038.2**	**81.8**	**626.2**	**6,746.2**	**57.4**	**6,803.6**
Adjust for: – obligations under long term property lease	(9.3)	(1.0)	(51.9)	**(62.2)**	–	**(62.2)**
Fair value at 30 June 2024	**6,028.9**	**80.8**	**574.3**	**6,684.0**	**57.4**	**6,741.4**

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

The carrying value of the entire portfolio at 30 June 2024 comprises:

	Completed properties £m	Properties under construction £m	Land £m	**Total investment properties £m**	Trading property held for sale at cost £m	**Property portfolio total £m**
Wholly owned	6,038.2	81.8	626.2	**6,746.2**	57.4	**6,803.6**
Joint ventures (Group Share):						
– Vertus JVs	171.6	–	–	**171.6**	–	**171.6**
– One Charter Street	–	22.5	–	**22.5**	–	**22.5**
– One North Quay	–	9.8	–	**9.8**	–	**9.8**
Total property portfolio	**6,209.8**	**114.1**	**626.2**	**6,950.1**	**57.4**	**7,007.5**

Investment and trading property assets at 31 December 2023 comprised:

	Completed properties £m	Properties under construction £m	Land £m	**Total investment properties £m**	Trading property held for sale at cost £m	**Property portfolio total £m**
Carrying value at 1 January 2023	7,077.7	238.3	699.4	**8,015.4**	53.6	**8,069.0**
Additions	39.6	87.2	23.5	**150.3**	7.6	**157.9**
Capitalised interest	–	4.0	16.8	**20.8**	4.4	**25.2**
Disposals	–	(241.0)	–	**(241.0)**	(3.3)	**(244.3)**
Impairment	–	–	–	**–**	(3.9)	**(3.9)**
Revaluation movement	(1,006.2)	(25.9)	(77.4)	**(1,109.5)**	–	**(1,109.5)**
Movements in tenant incentives and negotiation costs	1.1	–	–	**1.1**	–	**1.1**
Carrying value at 31 December 2023	**6,112.2**	**62.6**	**662.3**	**6,837.1**	**58.4**	**6,895.5**
Adjust for:						
– obligations under long term property lease	(9.3)	(1.0)	(51.9)	**(62.2)**	–	**(62.2)**
Fair value at 31 December 2023	**6,102.9**	**61.6**	**610.4**	**6,774.9**	**58.4**	**6,833.3**

The carrying value of the entire portfolio at 31 December 2023 comprises:

	Completed properties £m	Properties under construction £m	Land £m	**Total investment properties £m**	Trading property held for sale at cost £m	**Property portfolio total £m**
Wholly owned	6,112.2	62.6	662.3	**6,837.1**	58.4	**6,895.5**
Joint ventures (Group share):						
– Vertus JVs	173.1	–	–	**173.1**	–	**173.1**
– One Charter Street	–	28.8	–	**28.8**	–	**28.8**
– One North Quay	–	–	–	–	–	–
Total property portfolio	**6,285.3**	**91.4**	**662.3**	**7,039.0**	**58.4**	**7,097.4**

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

Property classification

Completed properties are properties which have practically completed and are operational. They include completed properties that are undergoing redevelopment or refurbishment.

Properties under construction are ground up developments where construction has commenced but that have not yet reached practical completion or sufficient operational activity to be considered a completed property.

Land are developments where construction is not currently being undertaken.

Deferred rent

In May 2024, the Group granted a 250 year operating lease in respect of the One North Quay plot to the One North Quay joint venture. Consideration of £7.3m was paid on grant of the lease and a loan from the joint venture of £16.2m was settled, totalling £23.5m received in respect of deferred rent. An overage payment of up to £65.3m will be payable by the One North Quay joint venture within 30 months of practical completion of the building and is included in the ongoing valuation of the freehold. The £23.5m received will be spread over the lease term on a straight line basis.

Property valuation

The fair value of the Group's property portfolio, excluding joint ventures at 30 June 2024 was £6,741.4m (31 December 2023 – £6,833.3m).

The fair value of the Group's properties has been arrived at on the basis of valuations carried out by the external valuers CBRE and Savills at 30 June 2024. The valuations, which conform to RICS Valuation – Global Standards (incorporating the International Valuation Standards), were arrived at by reference to market evidence of transaction prices for similar properties.

The properties have been valued individually and not as part of a portfolio and no allowance has been made for expenses of realisation or for any tax which might arise other than in respect of purchaser's costs and in particular, full liability for UK stamp duty as applicable at the valuation date.

Fair value of the Group's properties at 30 June 2024 analysed by valuer:

	30 June 2024			31 December 2023		
	Group £m	**Joint ventures £m**	**Total £m**	Group £m	Joint ventures £m	Total £m
CBRE	**4,166.1**	**194.1**	**4,360.2**	4,214.8	201.9	4,416.7
Savills	**2,571.3**	**9.8**	**2,581.1**	2,614.5	–	2,614.5
Internal valuation	**4.0**	**-**	**4.0**	4.0	–	4.0
Total property portfolio	**6,741.4**	**203.9**	**6,945.3**	6,833.3	201.9	7,035.2

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

Tenant incentives and deferred negotiation costs

	Rent free periods £m	Other tenant incentives £m	**Total tenant incentives £m**	Deferred negotiation costs £m	**Total £m**
At 1 January 2023	154.6	138.0	**292.6**	15.3	**307.9**
Incentives granted	–	14.0	**14.0**	–	**14.0**
Recognition of rent during rent free periods	32.1	–	**32.1**	–	**32.1**
Amortisation	(19.0)	(24.7)	**(43.7)**	(2.7)	**(46.4)**
Deferred lease negotiation costs	–	–	**–**	1.4	**1.4**
At 1 January 2024	**167.7**	**127.3**	**295.0**	**14.0**	**309.0**
Incentives granted	–	8.5	**8.5**	–	**8.5**
Recognition of rent during rent free periods	15.3	–	**15.3**	–	**15.3**
Amortisation	(8.9)	(5.8)	**(14.7)**	(1.2)	**(15.9)**
Deferred lease negotiation costs	–	–	–	1.5	**1.5**
At 30 June 2024	**174.1**	**130.0**	**304.1**	**14.3**	**318.4**

Lease incentives include rent free periods and other incentives given to lessees on entering into lease arrangements. Negotiation costs comprises letting agent and other professional fees incurred in securing lettings.

Included within the amortisation value in 2023 is a one off £12.9m relating to the 10 Cabot Square transaction with Barclays.

7. NON CURRENT RECEIVABLES

	30 June 2024 £m	31 December 2023 £m
Amounts owed by WWP3	**56.1**	42.9
Prepayments	**16.4**	-
	72.5	42.9

The Group on lent £56.1m of the £194.6m HE infrastructure loan to the WWP3 Group, subsidiaries of the Group's immediate parent entity SHL, to part fund infrastructure costs on Wood Wharf. At 30 June 2024, £53.0m had been on lent, with an associated £3.1m of accumulated interest (31 December 2023 - £41.8m on lent, £1.1m associated interest). The external loan bears interest at 2.2% over the EC reference rate and is on lent to WWP3 at 0.1% margin. It is repayable on the earlier of the refinancing of the HE infrastructure loan or disposal of the buildings being developed by subsidiaries of WWP3.

Prepayments relate to costs incurred by the Group that are to be recovered from tenants through the estate service charge.

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

8. TRADE AND OTHER RECEIVABLES

	30 June 2024 £m	31 December 2023 £m
Trade receivables	**54.1**	41.7
VAT	**39.4**	27.6
Other receivables	**2.8**	3.2
Prepayments and accrued income	**40.2**	38.9
Amounts owed by JVs	**15.5**	4.1
Amounts owed by other members of the Stork Group	**21.0**	30.7
Total trade and other receivables	**173.0**	146.2
Amounts owed by JVs:		
Vertus JVs	**3.3**	0.4
One Charter Street	**12.2**	3.7
	15.5	4.1
Amounts owed by other members of the Stork Group:		
Parent companies	**–**	2.6
WWP3	**16.5**	24.5
Braeburn	**4.5**	3.6
	21.0	30.7

Trade receivables and other receivables more than 61 days past due at 30 June 2024 totalled £22.1m (31 December 2023 – £21.7m). An expected credit loss provision of £7.7m was recognised at the period end (31 December 2023 – £6.3m). The expected credit loss charge for the year was £1.4m (31 December 2023 – £0.6m). In calculating the provision, the Group has considered the expected credit loss using the simplified approach as specified in IFRS 9. The credit risk of each tenant is assessed on a case by case basis and income is recognised accordingly. The credit risk is mitigated by rent and service charge income being billed quarterly in advance.

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	30 June 2024 £m	31 December 2023 £m
Unrestricted cash	**158.5**	329.3
Collateral for borrowings	**180.0**	492.0
Third party cash[(1)]	**25.5**	19.0
	364.0	840.3

Notes
1 Third party cash relates to retail and office tenant deposits.

Cash and cash equivalents comprise cash held by the Group and cash equivalents with an original maturity of 3 months or less. The carrying amount of these assets approximates their fair value.

The balance of cash collateral for borrowings disclosed above includes primarily amounts that can be utilised for future Wood Wharf infrastructure spend, rental payments received from tenants which are released at the next IPD, and amounts held as collateral in accordance with the Group’s loan agreements.

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

10. TRADE AND OTHER PAYABLES

	30 June 2024 £m	31 December 2023 £m
Trade payables	**10.4**	17.3
Payroll taxes and social security costs	**3.0**	10.7
VAT	**19.5**	38.3
Other payables	**31.9**	33.1
Accruals	**118.0**	110.9
Deferred income	**110.8**	126.2
Amounts owed to JVs and other investments	**0.7**	13.5
Amounts owed to other members of the Stork Group	**31.8**	49.3
Total trade and other payables	**326.1**	399.3
Amounts owed to JVs and other investments:		
One North Quay	**0.3**	12.8
10 Upper Bank Street	**0.4**	0.7
	0.7	13.5
Amounts owed to other members of the Stork Group:		
SHL	**24.6**	42.3
CWGRL	**7.2**	7.0
	31.8	49.3

11. CURRENT PORTION OF LONG TERM BORROWINGS

	30 June 2024 £m	31 December 2023 £m
Accrued interest payable	**34.1**	40.4
Repayable within one year:		
– securitised debt	**18.5**	325.3
– other secured loans	**579.4**	600.8
– construction loans	**–**	87.4
– green bonds	**350.0**	–
Total current portion of long term borrowings	**982.0**	1,053.9

The terms of the Group's loan facilities are summarised in Note 14.

The Construction loans balance includes accrued interest of £nil (31 December 2023 – £5.3m).

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

12. BORROWINGS

Non current liability borrowings comprise:

	30 June 2024 £m	31 December 2023 £m
Securitised debt	**1,049.3**	1,060.4
Green Bonds	**549.2**	902.5
Other secured loans	**1,267.2**	1,195.0
Construction loans	**305.6**	237.9
Total non current portion of long term borrowings	**3,171.3**	3,395.8

The terms of the Group's loan facilities are summarised in Note 14.

13. DERIVATIVE FINANCIAL INSTRUMENTS

Hedge accounting
The Group uses interest rate swaps and caps to hedge exposure to the variability in cash flows on floating rate debt, including its bank facilities and floating rate bonds, caused by movements in market rates of interest. At 30 June 2024, the fair value of these derivatives resulted in the recognition of a liability of £77.6m (31 December 2023 – £135.3m), and an asset of £19.6m (31 December 2023 – £28.0m) of which £11.9m net asset (31 December 2023 – £28.1m net asset) was recognised in respect of cash flow hedges which qualify for hedge accounting.

	30 June 2024		31 December 2023	
	Assets £m	**Liabilities £m**	Assets £m	Liabilities £m
Securitised debt	**–**	**42.9**	–	83.5
Green Bonds	**–**	**1.5**	(3.6)	–
Other secured loans	**(17.3)**	**33.2**	(24.3)	51.8
Construction loans	**(2.3)**	**–**	(0.1)	–
	(19.6)	**77.6**	(28.0)	135.3
Due within one year	**(6.8)**	**–**	(19.1)	–
Due after more than one year	**(12.8)**	**77.6**	(8.9)	135.3
	(19.6)	**77.6**	(28.0)	135.3

The movements in derivatives comprise:

	Securitised debt £m	Green Bonds £m	Other secured loans £m	Construction loan £m	**Total £m**
At 1 January 2024	83.5	(3.6)	27.5	(0.1)	**107.3**
Payments for derivatives	–	–	(0.8)	(2.5)	**(3.3)**
Fair value movements to P/L	(40.6)	–	(25.2)	–	**(65.8)**
Fair value movements to OCI	–	5.1	14.4	0.3	**19.8**
At 30 June 2024	**42.9**	**1.5**	**15.9**	**(2.3)**	**58.0**
Derivative assets	–	–	(17.3)	(2.3)	**(19.6)**
Derivative liabilities	42.9	1.5	33.2	–	**77.6**
At 30 June 2024	**42.9**	**1.5**	**15.9**	**(2.3)**	**58.0**

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

The fair value of the derivatives are stated net of a credit value/debit value adjustment reflecting the credit worthiness of the parties to the derivatives, and, a funding valuation adjustment reflecting the funding costs of the derivatives. This served to reduce the net liability of the derivatives by £36.0m from £94.0m (31 December 2023 – £15.6m from £122.9m).

In the period ended 30 June 2024, £19.8m of fair value losses (31 December 2023 – £41.5m of losses) on interest rate hedges were taken to the hedging reserve. At 30 June 2024, these hedging instruments were entered into in connection with the Green Bonds, secured loans against One Churchill Place, 25 Churchill Place, 1-5 Bank Street, Newfoundland and the Wood Wharf buildings, and certain of the Group's construction facilities. At 31 December 2023, these hedging instruments were entered into in connection with the Green Bonds, secured loans against 25 Churchill Place, 1 Bank Street, Newfoundland and the Wood Wharf Affordable buildings, and certain of the Group's construction facilities.

14. NET DEBT

At 30 June 2024	Accrued interest £m	Borrowings £m	Derivatives £m	**Gross £m**
Securitised debt	12.2	1,067.8	42.9	**1,122.9**
Green Bonds	4.4	899.2	1.5	**905.1**
Other secured loans	17.5	1,846.6	15.9	**1,880.0**
Construction loans	–	305.6	(2.3)	**303.3**
Gross debt	**34.1**	**4,119.2**	**58.0**	**4,211.3**
Current	34.1	947.9	(6.8)	**975.2**
Non current	–	3,171.3	64.8	**3,236.1**
Gross debt	**34.1**	**4,119.2**	**58.0**	**4,211.3**
Cash and cash equivalents				**(364.0)**
Net debt				**3,847.3**

At 31 December 2023	Accrued interest £m	Borrowings £m	Derivatives £m	**Gross £m**
Securitised debt	15.4	1,385.7	83.5	**1,484.6**
Green Bonds	5.5	902.5	(3.6)	**904.4**
Secured loans	18.2	1,795.8	27.5	**1,841.5**
Construction loans	1.3	325.3	(0.1)	**326.5**
Gross debt	**40.4**	**4,409.3**	**107.3**	**4,557.0**
Current	40.4	1,013.5	(19.1)	**1,034.8**
Non current	–	3,395.8	126.4	**3,522.2**
Gross debt	**40.4**	**4,409.3**	**107.3**	**4,557.0**
Cash and cash equivalents				**(840.3)**
Net debt				**3,716.7**

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

The amounts at which borrowings are stated comprise:

	Securitised debt £m	Green Bonds £m	Other secured loans £m	Construction loans £m	**Total £m**
At 1 January 2024	1,484.6	904.4	1,841.5	326.5	**4,557.0**
Drawn down	–	–	194.1	60.5	**254.6**
Effective interest rate adjustment	(1.0)	1.7	(5.5)	(2.3)	**(7.1)**
Accrued net finance charges	(4.1)	(0.1)	(1.3)	11.3	**5.8**
Foreign exchange gain	–	(6.0)	–	–	**(6.0)**
Repaid in period	(275.5)	–	(137.2)	(90.5)	**(503.2)**
Debt modification payment	(40.5)	–	–	–	**(40.5)**
Payments for derivatives	–	–	(0.8)	(2.5)	**(3.3)**
Movements in fair value of derivatives	(40.6)	5.1	(10.8)	0.3	**(46.0)**
At 30 June 2024	**1,122.9**	**905.1**	**1,880.0**	**303.3**	**4,211.3**
Payable within one year or on demand	30.7	354.4	596.9	–	**982.0**
Payable in more than one year	1,049.3	549.2	1,267.2	305.6	**3,171.3**
Derivatives	42.9	1.5	15.9	(2.3)	**58.0**
At 30 June 2024	**1,122.9**	**905.1**	**1,880.0**	**303.3**	**4,211.3**

On 22 December 2023, the Group gave notice of a partial repayment of £71.5m A1 notes and £192.0m A3 notes of its securitisation. The debt modification (spens) payment of £40.5m and the repayments were executed on 22 January 2024.

Look through (LTV)

Look through LTV is the ratio of principal value of Gross debt less cash and cash equivalents and fair value of derivatives to the aggregate of properties:

	30 June 2024 £m	31 December 2023 £m
Group look through LTV	**55.4%**	51.9%
Gross debt	**4,211.3**	4,557.0
Less cash and cash equivalents	**(364.0)**	(840.3)
Less fair value of derivatives	**(58.0)**	(107.3)
Net debt for LTV calculation	**3,789.3**	3,609.4
Group property portfolio (Note 6)	**6.741.4**	6,833.3
Fair value of joint ventures and other investments	**103.4**	119.1
Total valuation for look through LTV	**6,844.8**	6,952.4

NOTES TO THE UNAUDITED INTERIM ACCOUNTS
for the period ended 30 June 2024 (Continued)

The principal terms of the Groups borrowings are:

Instrument	Commitment £m	Drawn £m	Interest rate	Hedged rate	Repayment
Securitised debt:					
Securitised debt – A1	74.5	74.5	6.4550%	–	By instalment to 2030
Securitised debt – A3	208.0	208.0	5.9520%	–	By instalment from 2032 to 2035
Securitised debt – A7	222.0	222.0	SONIA plus 0.5943%	5.3985%	In 2035
Securitised debt – B	103.7	103.7	6.8000%	–	By instalment to 2030
Securitised debt – B3	77.9	77.9	SONIA plus 0.8193%	5.5825%	In 2035
Securitised debt – C2	239.7	239.7	SONIA plus 1.4943%	6.2666%	In 2035
Securitised debt – D2	125.0	125.0	SONIA plus 2.2193%	7.0605%	In 2035
Green Bonds:					
Green Bonds	350.0	350.0	2.625%	–	April 2025
Green Bonds	€300.0	€300.0	1.750%	–	April 2026
Green Bonds	300.0	300.0	3.375%	–	April 2028
Other secured loans:					
1-5 Bank Street	481.3	481.3	SONIA plus 1.8193%	75% of the loan at 1.5%	November 2024
1-5 Bank Street	78.0	78.0	SONIA plus 5.3693%	1.5%	November 2024
25 Churchill Place	281.1	281.1	SONIA plus 1.8193%	2.0%	July 2030
25 Churchill Place	58.1	58.1	SONIA plus 5.0193%	–	July 2030
Newfoundland	309.4	309.4	SONIA plus 2.35%	4.000% to 3.7937%	March 2028
15 & 20 Water Street	132.2	118.5	SONIA plus 3.00%	3.8%	March 2029
Wood Wharf Affordable	59.3	59.3	SONIA plus 1.95%	2.0%	June 2029
One Churchill Place – Tranche 1	399.4	399.4	SONIA plus 0.20%	5.605%	By instalment to July 2039
One Churchill Place – Tranche 2	75.5	75.5	SONIA plus 1.56%	6.6378%	By instalment to July 2039
Construction loans:					
8 Harbord Square	41.1	32.9	SONIA plus 4.25%	–	July 2025
HE infrastructure	194.6	182.1	EC reference rate plus 2.2%	–	March 2028
3 and 15 West Lane	80.0	55.7	SONIA plus 2.95%	75.0% of the loan at 2.0%	April 2026
Revolving credit facility:					
Revolving credit facility	100.0	-	SONIA plus 1.6%	–	September 2027

Notes
1 The securitised debt is secured on 33 Canada Square, 40 Bank Street, One Canada Square, 20 Cabot Square and 20 Bank Street.
2 The Wood Wharf Affordable loan facility is secured on 30, 50, 65 and 75 Harbord Square.

The Green Bonds and the revolving credit facility are secured against the shares of the Company. The other borrowings of the Group are secured against designated property interests. The Group was not in default on any of its borrowings at 30 June. In connection with the Group's construction facilities, CWG or its subsidiaries have provided certain guarantees. These guarantees are market practice for construction facilities and will expire on completion of the relevant property and repayment of the facilities.

Transactions in the period

On 8 January 2024, the covenant waiver extension expired on the Group's 12 Bank Street facility and the commitment drawn and accrued interest, amounting to £19.5m, were repaid.

On 22 January 2024, the Group repaid £71.5m of the A1 notes and £192.0m of the A3 notes of the securitisation, together with a spens payment of £40.5m. The repayment released security over 10 Cabot Square.

On 7 March 2024, the 15/20 Water Street facility reached expiry and the Group fully repaid £84.8m of principal amount drawn and £0.8m of associated interest.

On 15 March 2024 the Group secured a new Green Loan facility secured on 15/20 Water Street for a value of £132.2m The facility comprises a £118.5m investment term loan facility and a £13.7m fit out facility. The facility has a 5 year term with interest payable at 3.0% over SONIA. There is a requirement to hedge 100.0% of the term loan with no requirement to hedge the fit out facility. The Group has entered into four five year swaps in respect of this to fix the interest rate at 6.8%. On 20 March 2023, £118.5m was drawn on the facility.

On 23 April 2024, the Group secured a new two year £80.0m construction finance facility, with two 12 months extension options, secured on the serviced apartment buildings at 3 and 15 West Lane. Interest is payable on the facility at 2.95% over SONIA, with a margin step down at PC to 2.15%, with a requirement to hedge 50.0% of the facility.

On 24 April 2024, the Group agreed an amendment and restatement to the senior and mezzanine facilities on 25 Churchill Place, extending the maturity of both facilities for 5 years to July 2030. The senior £281.1m loan has a margin of 1.7%-2.25% over SONIA and the mezzanine £58.1m loan has a margin of 4.90%-5.90%. The caps on the original facilities remained in place until expiry in July 2024, when two further caps were purchased. Further details of this are included in Note 18. On 2 May 2024, £100.2m of the senior facility was repaid in relation to this amendment and restatement.

On 27 June 2024, the Group agreed an amendment and restatement to the facility secured on One Churchill Place, extending the facility for 5 years to July 2039. Included within this was also an agreement for a second tranche of £75.5m secured on One Churchill Place, which was fully drawn on 28 June 2024. The second tranche has a margin of 1.56% over SONIA. The Group has entered into two additional swaps exchanging SONIA for a fixed rate of 6.6378%, one covering the second tranche, and one effective from July 2034 and covering the extension to the original facility.

Debt service

The weighted average interest rates paid on borrowings at the balance sheet dates were as follows:

	30 June 2024 %	31 December 2023 %
Securitisation	**6.1**	6.1
Green Bonds	**2.6**	2.6
Secured loans	**6.2**	5.7
Construction loan	**6.9**	6.5
Weighted average cost of debt	**5.4**	5.3

15. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of profit on ordinary activities before tax to cash generated from operations.

	Period ended 30 June 2024 £m	Period ended 30 June 2023 £m
Loss on ordinary activities before tax	**(110.8)**	(394.7)
Non cash movements		
Net valuation movements on properties	**194.3**	473.0
Share of profit of joint ventures and associate	**9.1**	6.6
Revaluation of investments	**5.8**	5.7
Spreading of tenant incentives, committed rent increases and letting fees	**(0.9)**	(2.5)
Depreciation	**1.0**	1.4
Cost of sales relating to sale of apartments	**3.9**	–
Net financing costs	**44.5**	54.1
	257.7	538.3
Changes to working capital and other cash movements		
(Increase)/decrease in receivables	**(43.3)**	15.9
(Decrease)/increase in payables	**(66.2)**	20.8
Expenditure on trading properties	**(0.4)**	–
Utilisation of and other movements in provisions	**(0.2)**	(0.1)
Income from investments	**(0.8)**	(0.5)
Cash generated from operations	**36.0**	179.7

16. CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

Commitments of the Group for future expenditure relating to committed developments (gross of presale proceeds and funding from construction facilities):

	30 June 2024 £m	31 December 2023 £m
Joint ventures	**48.8**	22.9
Other construction projects	**110.6**	83.9
	159.5	106.8

Of this commitment for future expenditure, £28.3m related to completed properties (31 December 2023 – £13.4m).

The commitments for future expenditure relate to the completion of construction works where construction was committed at 30 June 2024, including funding commitments to joint venture undertakings. Any costs accrued or provided for at 30 June 2024 have been excluded.

At 30 June 2024, certain members of the Group had given fixed and floating charges over substantially all of their assets as security for certain of the Group's borrowings as referred to in Note 14. In particular, various members of the Group had at 30 June 2024, given fixed first ranking charges over cash deposits totalling £180.0m (31 December 2023 – £492.0m).

In connection with the Group's construction facilities, CWG or its subsidiaries have provided certain guarantees, including in relation to cost overruns, completion of infrastructure works, satisfaction of s106 planning obligations and payment of interest. These guarantees are market practice for construction facilities and will expire on completion of the relevant property and repayment of the facilities.

17. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Stork Holdings Limited. At 30 June 2024, the smallest group into which the financial statements of the Company are consolidated are the Company's consolidated financial statements embodied herein. The largest group of which the group is a member, and for which annual consolidated financial statements are drawn up is Stork Holdco LP, an entity registered at 73 Front Street, Hamilton, HM12, Bermuda. Stork Holdco LP is controlled as to 50.0% by Brookfield and as to 50.0% by QIA.

In May 2024, the Group sold half of its investment in the North Quay joint venture to BPY Jersey NQ6 LP Limited, a subsidiary of Brookfield, reducing the Group's and the joint venture partner Kadans interest to 25% each respectively.

18. EVENTS AFTER THE BALANCE SHEET DATE

On 18 July 2024, the Group entered into two 2 year interest rate caps to fix SONIA at 2.75% on both the senior and mezzanine facilities secured on 25 Churchill Place. The caps have an effective date of 22 July 2024.

On 28 August 2024, the Group secured the refinancing of the senior and mezzanine facilities on 1-5 Bank Street, extending the maturity of both facilities for 5 years to November 2029. The senior £353.3m loan has a margin of 1.7%-2.5% over SONIA and the mezzanine £113.7m has a margin of 5.25%-6.25% over SONIA. The caps on the original facilities remain in place until expiry in November 2024.

DEFINITIONS

10 Upper Bank Street	Joint venture entity established to invest in 10 Upper Bank Street, Canary Wharf
Board	Board of directors of the Company
bps	Basis points
Braeburn	A joint venture investment of CWGRL
Brookfield	Brookfield Property Partners LP
BTR	Build to Rent including Private Residential Sector, affordable and intermediate
Canary Wharf Group	CWG and its subsidiaries
Company	Canary Wharf Group Investment Holdings plc
CRT	Canal and River Trust
CWG	Canary Wharf Group plc
CWGRL	Canary Wharf Group Residential Limited
EC	European Commission
ERV	Estimated Rental Value
Estate	The Canary Wharf Estate in the Docklands area of east London including Wood Wharf, Heron Quays West, Park Place and North Quay
FVTOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit and Loss
Group	The Company, its wholly owned subsidiaries and Canary Wharf Group
Gross Profit	Revenue less cost of sales
HE	Homes England (formerly Homes and Communities Agency)
HsO	HighSpeed Office Limited
IAS	International Accounting Standards
IFRIC 23	International Financial Reporting Interpretations Committee 23 Uncertainty over Income Tax Treatments
IFRS	International Financial Reporting Standards
IFRS 9	International Financial Reporting Standard 9 Financial Instruments
Level39	The Group's collaborative workspace offering
NAV	Net Asset Value
NER	Net Effective Rent
Net Debt	Total short term and long term debt less cash and cash equivalents
NIA (m sq ft)	Net Internal Area
OCI	Statement of other comprehensive income
Ordinary Shares	Ordinary shares of 10p each
PBSA	Purpose Build Student Accommodation
PFS	Private For Sale
PRS	Private Rental Sector
psf	Per square foot
QIA	Qatar Investment Authority
RCF	Revolving Credit Facility
REIT	Real Estate Investment Trust
SHL	Stork Holdings Limited
SHL Group	SHL and its subsidiaries
SLP	Separate Limited Partnership
Southbank Place	5.25 acre development site in Waterloo, London
SONIA	Sterling Overnight Interbank Average Rate
Spens	A provision in a security which allows a borrower to repay the principal amount earlier than the contractual repayment date on payment of a specified penalty
sq ft	Square foot/square feet
Stork	Stork Holdco LP, a Bermuda entity jointly owned by Brookfield and QIA
Stork Group	Stork and its subsidiaries
Underlying	Elements of the Income Statement defined in Note 1(x)
VAT	Value Added Tax
Vertus	Joint venture entities established with the ultimate parent undertakings to invest in 8 Water Street and 10 George Street at Wood Wharf
WAULT	Weighted Average Unexpired Lease Term
Wood Wharf	A site on the east side of the Estate with consent for 5.3m sq ft of development
Wood Wharf Offices	Comprises 1 Brannan Street, 7 Charter Street, 8 Union Square and 4 Charter Street.
Wood Wharf Phase 1	15 Water Street, 20 Water Street, 40–50 Harbord Square, 65 Harbord Square, 75 Harbord Square, 20 Brannan Street, 25–30 Harbord Square
Wood Wharf Phase 2	45 Charter Street, 10 Brannan Street, 7 Charter Street, 8 Union Square, 8 Harbord Square, 1 Bellevue Square
Wood Wharf Phase 3	40 Charter St, 50–60 Charter St, 70–80 Charter St, 13 Brannan Street
WWP3 Group	Wood Wharf Phase 3 Group