TRITAX BIG BOX

5 August 2021

TRITAX BIG BOX REIT PLC

Excellent first half performance – continued strategic progress – positive outlook reaffirmed

Tritax Big Box REIT plc (the Group) reports its results for the six months from 1 January to 30 June 2021.

	30 June 2021	30 June 2020	Change
Operating profit[1]	£84.1m	£70.6m	+19.1%
Adjusted earnings per share[2]	4.03p	3.26p	+23.6%
Dividend per share	3.20p	3.13p	+2.4%
Dividend pay-out ratio	79%	96%	
Dividend pay-out ratio (ex. additional development management income) [3]	87%	96%	
Total Accounting Return	12.5%	4.2%	+8.3 pts
IFRS earnings per share	21.96p	6.04p	+263.6%
EPRA cost ratio (including vacancy cost)	14.1%	14.1%	-
	30 June 2021	**31 Dec 2020**	
EPRA Net Tangible Assets per share	194.22p	175.61p	+10.6%
Portfolio value[4]	£4.89bn	£4.41bn	+10.9%
Contracted annual rent roll	£189.0m	£180.6m	+4.7%
Weighted average unexpired lease term (WAULT)	13.4 yrs	13.8 yrs	-0.4 yrs
Loan to value (LTV)	30.3%	30.0%	+0.3 pts
IFRS net asset value per share	188.57p	169.92p	+11.0%

Continued strong income and capital growth

- 23.6% increase in Adjusted EPS to 4.03p (H1 2020: 3.26p) driven by development completions, rental growth, and an increase in development management income. Excluding additional development management income greater than our anticipated run-rate, Adjusted EPS was 3.69p[3], an increase of 13.2%.
- 2.4% dividend growth with two interim dividends declared totalling 3.20p, a pay-out ratio of 87% when adjusting for additional development management income[3].
- Increase in Total Accounting Return to 12.5% (H1 2020: 4.2%) reflecting successful strategic delivery within a strong market.
- Sustainability strategy driving improving ESG ratings:
  - Sustainalytics improved from 14.6 to 9.0 (Negligible Risk), Management Score increased from 32.7 to 56.7 (Strong).
  - Inclusion in FTSE4Good, increasing score from 2.3/5 to 3.2/5.

Unprecedented demand for prime logistics space supported by long-term positive structural drivers

- Highest H1 take-up on record of 21 million sq ft with a further 16 million sq ft of space currently under offer, of which 48% is for space >500k sq ft.
- Limited development response relative to demand has led to record low 2% vacancy and strong rental growth across all regions.
- Positive outlook for logistics property has resulted in higher investor allocations into the sector, driving prime yields down further.

Strong growth in portfolio valuation reflecting high quality of assets and customers

- Development gains, asset management and strong market conditions contributed to a portfolio value of £4.89 billion (31 December 2020: £4.41 billion), including a capital valuation surplus of 7.3%, net of capex.
- 100% rent collection achieved for FY 2020, 99.5% of rent due for H1 2021 collected and all arrears expected to be received by the end of the year.
- WAULT of 13.4 years as at 30 June 2021 (31 December 2020: 13.8 years), underpinning long-term security of income, and 0% vacancy rate in the portfolio.

Accelerating levels of development activity delivering income growth at an attractive yield on cost

- Significant development activity, expected to accelerate in H2 2021, with the potential to add a further £19.1 million rent:
  - 0.7m sq ft of pre-lets practically completed adding £5.5 million to passing rent.
  - 1.0 million sq ft of development assets under offer, with potential to add £8.2 million of rent.
  - 0.6 million sq ft of speculative construction started, capable of delivering a further £4.4 million of rent.
  - 0.9 million sq ft of further speculative construction expected to start in H2 2021, potentially adding an additional £6.5 million of rent.
- £8.9 million of other operating income delivered through Development Management Agreements (DMA).
  - £21.6 million of DMA profit delivered to shareholders since acquisition of Tritax Symmetry.
- 2.4 million sq ft of further planning consent granted in the period – and maintaining 100% planning success to date.
- Near-term development pipeline of 10.4 million sq ft, of which 87.2% had planning consent at 30 June 2021.

- Targeting the delivery of 2-3 million sq ft of new space per year at 6-8% yield on cost.

Adding further value through active management

- £8.5 million increase in contracted rent roll, including a £3.8 million contribution from rent reviews across 24.6% of the portfolio, achieving an 8.6% increase in passing rent. Like-for-like ERV growth of 3.8% over the last 12 months, with a 6.5% portfolio rental reversion at the period end.
- Acquired a state-of-the-art, 0.9 million sq ft facility in South West England, for £90 million at an attractive net initial yield of 5.1%, securing long-term income and value creation opportunities.
- Progressing 18 MW of solar PV generation with customers enhancing environmental credentials and returns.

Colin Godfrey, CEO, Tritax Management Ltd, commented:

"We have delivered the strongest first half performance to date with a 12.5% total return. The valuation of our portfolio reflects investment demand for high quality assets. This is supported by attractive rental growth, resulting from an increasingly acute imbalance between significant and increasing demand and highly constrained supply, in a market with clear barriers to entry. With 100% planning consent success so far, and more sites capable of accepting lettings we are well placed to increase development activity in H2 2021 and beyond."

Aubrey Adams, Chairman of Tritax Big Box REIT plc, commented:

"We are benefitting from implementing a strategy that anticipated long-term and accelerating structural changes, particularly the growth in e-commerce. The strategic decision we took in 2019 to increase our development capabilities is paying off, providing us with a significant opportunity to capture unprecedented levels of demand and deliver attractive total returns to shareholders. This will provide new product to complement our high-quality investment portfolio and together with a strong balance sheet, we are well placed to take advantage of the very favourable market conditions."

The Group will hold a results webcast at 08:30 (BST) today for analysts and investors:

To join, please register using the following link:

https://us06web.zoom.us/webinar/register/WN_fPGnRnIoTy2SMkqFqLBv0w

A replay of the webcast will be available at **www.tritaxbigbox.co.uk/investors**

Notes

1. Operating profit before changes in fair value and other adjustments.

2. See Note 6 to the financial statements for reconciliation.

3. The anticipated run rate for development management income is £3.0 – 5.0 million per annum over the medium term. Adjusted EPS becomes 3.69p when excluding development management income above this anticipated run rate. £3.0 million of development management income is included in the 3.69p Adjusted earnings per share in H1 2021 (H1 2020 £3.0 million included in 3.26p Adjusted earnings per share).

4. The Portfolio Value includes the Group's standing assets as well as capital commitments on forward funded developments, land assets held at cost, the Group's share of joint venture assets and other property assets.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Tritax Group

Colin Godfrey (CEO, Fund Management)	Tel: +44 (0) 20 8051 5060
Frankie Whitehead (Finance Director)	bigboxir@tritax.co.uk
Ian Brown / Jo Blackshaw (Investor Relations)	

Maitland/AMO (Communications Adviser)

James Benjamin	Tel: +44 (0) 7747 113 930
	tritax-maitland@maitland.co.uk

The Company's LEI is: 213800L6X88MIYPVR714

NOTES:

Tritax Big Box REIT plc (ticker: BBOX) is the only listed vehicle dedicated to investing in very large logistics warehouse assets (Big Boxes) in the UK and is committed to delivering attractive and sustainable returns for Shareholders. Investing in and actively managing existing built investments, land suitable for Big Box development and developments predominantly delivered through pre-let forward funded basis, the Company focuses on large, well-located, modern and sustainable Big Box logistics assets, let to institutional-grade tenants on long-term leases (typically at least 12 years in length) with upward-only rent reviews and geographic and tenant diversification throughout the UK. The Company seeks to exploit the significant opportunity in this sub-sector of the UK logistics market owing to strong tenant demand and limited supply of Big Boxes.

The Company is a real estate investment trust to which Part 12 of the UK Corporation Tax Act 2010 applies (REIT), is listed on the premium segment of the Official List of the UK Financial Conduct Authority and is a constituent of the FTSE 250, FTSE EPRA/NAREIT and MSCI indices.

Further information on Tritax Big Box REIT is available at **www.tritaxbigbox.co.uk**

CHAIRMAN'S STATEMENT

I am delighted to report to you for the first time as Chairman, having taken on the role from Sir Richard Jewson upon his retirement in May 2021. I want to reiterate my thanks to Sir Richard for handing over an exceptional business which is extremely well positioned for the future.

Strong and consistent delivery

This was the strongest six months to date for the Group, reflecting the consistent delivery of our strategy, which is closely aligned to powerful long-term structural trends. We have continued to build our portfolio of high-quality assets and world-leading customers and added further value through active asset management that responsibly delivers positive business, social and environmental impacts. Our development programme is progressing to plan and has the potential to deliver significant upside for shareholders, while carefully managing the associated risks. We have also maintained momentum with our sustainability strategy, progressing initiatives that enhance our assets' environmental credentials and ensure they remain efficient, attractive and relevant over the long-term.

We delivered our strongest first half financial performance to date, with operating profit before changes in fair value and other adjustments of £84.1 million (H1 2020: £70.6 million) and we continued to tightly control costs, with an EPRA cost ratio for the period remaining at an attractive 14.1% (H1 2020: 14.1%). Adjusted earnings per share were 23.6% higher at 4.03 pence (H1 2020: 3.26 pence). The attractions of our market to an increasing range of investors, combined with rental growth, asset management and development activity, helped to drive further growth in the portfolio value, with a fair value gain of £314.3 million in the period. This contributed to a 10.6% increase in EPRA Net Tangible Assets to 194.22 pence per share at the period end (31 December 2020: 175.61 pence) and a Total Accounting Return for shareholders of 12.5% over six months.

The strength and quality of our occupier base was again reflected in our rent collection performance, with 100% of rent now collected for 2020. We have received 99.5% of the rent due in respect of the first half of 2021, with full collection expected by the end of 2021.

Positioned to succeed and deliver enhanced value in a highly attractive market

Despite a record year for take-up (lettings) of logistics space in 2020, there was approximately four years' worth of unsatisfied occupational demand at the beginning of 2021. Occupier demand has continued to strengthen, with record levels of take-up also recorded for the first half of 2021 despite evidence that take-up was constrained by low availability of suitable buildings to let. The entrenched barriers to delivering new space rapidly mean there is an acute and sustained shortage of both buildings available to let and sites that can deliver buildings quickly, contributing to competition for buildings and meaningful market rental growth.

Strong occupier demand has helped produce record levels of investment demand, putting downward pressure on already historically low prime yields. Despite these highly competitive market conditions, we will continue to seek opportunities to add to our portfolio, but only where we identify assets to acquire that clearly meet our investment criteria and will deliver sustainable long-term value. The logistics facility we purchased in Avonmouth reflects this approach.

Since IPO, we have deliberately constructed a portfolio with a balanced spread of rent review types, giving us upside potential from open market and hybrid rent reviews, complemented by the certainty of inflation-linked reviews, which provide protection should we head into a more inflationary environment. Some 37% of our rent roll is due for review this year and we have made good progress with capturing rental uplifts to date.

Our development programme is on track to meet our target of delivering 2-3 million sq ft of new space per year but with the risks inherent in the development process being carefully managed. Our logistics focused land portfolio, the largest in the UK, contains a range of sites at different stages of the planning process. The range of our sites enables us to be very responsive to occupier requirements, with speed of delivery increasingly important in the current competitive demand environment. We are seeing encouraging levels of occupier interest in our developments and currently have approximately 1.0 million sq ft of lettings in solicitors' hands, with further speculative buildings in progress. While we are seeing some cost inflation for key materials, we believe this is principally the result of one-off factors such as the short-term disruption to international supply chains due to Covid-19 and Brexit. The additional costs are also more than outweighed by rising rental tones and capital value appreciation and we continue to maintain our stated 6-8% yield on cost target for development.

The Manager is key to our ability to succeed and it continues to invest in its capabilities, with a number of senior hires in the first half of the year. These appointments give us even greater insight into the sector and our customers, providing us with an important advantage in the market. The Manager is also benefiting from its access to the resources of Aberdeen Standard Investments, following the investment it made into the Manager during the period.

Further progress with our sustainability agenda

Environmental, social and governance (ESG) matters are high on the Board's agenda and increasingly embedded in the way the Group operates, as we implement the sustainability strategy we launched last year. Notable achievements in the period included practical completion of our first net zero carbon in construction development. This building acted as a pilot for us to learn how to reduce the embedded carbon within our constructions and the findings from this will be applied to our future developments. We continue to engage responsibly with customers on environmental improvements that support their sustainability strategies and can enhance income for the Group, such as installing solar power generation. We also recognise the critical importance of climate change and are working to mitigate the risks and capitalise on opportunities, by supporting our customers' transition to net zero carbon operations. We are doing this by improving energy efficiency and investing in low-carbon energy generation. Our commitment to develop only net zero carbon buildings also reduces exposure to climate change risks, such as carbon taxes or extreme weather.

Biodiversity is an important part of our ESG strategy. We ensure that we create a positive biodiversity impact where we develop new logistics space, through a mix of onsite enhancements and offsite compensation. For our standing portfolio, we are working with our customers to install beehives and supporting pollinating meadows. This year we are working with The Conservation Volunteers to create two new Green Gyms ® in Worksop and Knottingly. These Green Gyms will be created over the summer and will enhance local biodiversity and create new green space for the community and the staff of our customers to enjoy.

The Group's sustainability performance is reflected in improving scores in external benchmarks, such as Sustainalytics, where our management score improved from 32.7 to a "Strong" score of 56.7, and our inclusion in the FTSE4Good index.

In addition to enhancing environmental performance through our approach to sustainability, we look to create social value for our customers and communities. We create significant socio-economic value in the communities that we invest in and, for example, the recently completed logistics facility for Co-op at Biggleswade has created 1,200 jobs in the area. At Littlebrook, our development is estimated to have created over £13 million of additional social value through local employment and procurement. We will also create a legacy by providing an additional £215,000 to support the local football club and employability programmes over the next five years to further support the economic and social development of the area.

Board and advisor changes

As noted, Sir Richard Jewson retired from the Board at the AGM on 5 May 2021, at which point I became Chairman and Alastair Hughes was appointed to my former role of Senior Independent Director. These appointments also resulted in changes to Board committee memberships.

On 28 May 2021, we announced that Susanne Given had decided to step down as a Non-Executive Director from 14 September 2021 following five years of service, to focus on her other commitments. We thank her for her valuable contribution and intend to announce an additional Non-Executive appointment in due course.

During the period, we appointed J.P. Morgan Cazenove to act as joint corporate broker to the Group. As the Group continues to grow J.P. Morgan Cazenove will provide further support to the Board and Manager complementing Jefferies which has been a key adviser since our IPO.

Dividends

We aim to deliver an attractive and progressive dividend to our shareholders by efficiently converting the rent we receive from our buildings into income for investors. Our policy is for the first three quarterly dividend payments to each represent 25% of the full year dividend of the previous financial year. We will then use the fourth quarter dividend to determine the level of any potential progression, with an aim to achieve an overall pay-out ratio in excess of 90% of full year Adjusted earnings. We base our dividend decision making upon the long-term and stable earning potential of the business. For this reason, we do not factor in the full effects of the more variable other operating income generated by our successful third-party Development Management Agreements (DMA), choosing to directly reinvest these proceeds back into the business to support future earnings growth over the long-term. This provides attractive payments to shareholders, as part of our total return, and gives us the financial flexibility to invest in the opportunities our strategy will continue to create.

We have therefore declared two quarterly dividends of 1.60 pence per share each, to give a total dividend for the period of 3.20 pence (H1 2020: 3.13 pence), reflecting 2.4% growth. The pay-out ratio for the period was 79% at a headline level and 87% when adjusting for the more variable other operating income profile received via DMAs.

Positive outlook

We are still in the early stages of a long-term growth cycle in the UK logistics real estate sector. The structural tailwinds driving occupier demand, notably the accelerating growth in e-commerce, remain firmly in place, contributing to the ongoing occupational demand-supply imbalance. As more of the sites within our development portfolio mature through the planning process, we increase our ability to capture these unprecedented levels of demand, particularly in a sub-sector which exhibits significant barriers to entry. Aligned to this, we expect to see further letting activity in the second half of this year. In conjunction with increasing development activity, we also expect to capture further rental growth in our investment portfolio, from the attractive combination of open market and inflation-linked rent reviews falling due over the remainder of this year and the next. To support our development and investment activity and maintain our portfolio strength, we will look to take advantage of the strong market conditions and continue to selectively dispose of assets that no longer meet our investment criteria.

The Group is well placed to thrive in these conditions. We believe we own the UK's best prime logistics portfolio, delivering resilient and growing income, while the upside potential of the development portfolio will further and sustainably enhance our capital growth, earnings and dividend potential over the medium to long-term. Through the Manager, we have the relevant expertise and capacity to secure the significant opportunities ahead. We therefore look forward to further progress in the second half of 2021 and beyond.

Aubrey Adams
Chairman

4 August 2021

MANAGER'S REPORT

This was another positive period for the Group. Consistent delivery of its strategy across the portfolio, asset management and development activities contributed to a strong financial performance, while market conditions continue to move in the Group's favour.

Market review

Long-term structural drivers further enhance the attractions of the sector

The Group's strategy is aligned with three long-term structural drivers, which underpin strong demand for logistics real estate in the UK. These drivers are:

1. Responding to the accelerating growth in e-commerce

Consumers want faster and more convenient ways to shop, leading to a rapid rise in e-commerce and an increasingly complex omnichannel supply chain network over recent years. Covid-19 has accelerated this trend, with online sales as a proportion of total retail sales standing at 27% in June 2021, up from 19% before the pandemic. While this is down from the peak level experienced during the pandemic, the overall impact has been to accelerate the migration of sales online and steepen the trajectory of online growth, with considerable scope for this trend to continue. At the height of the national lockdowns, online sales represented up to 36% of total retail sales. In addition to the transition online of traditional high street retail, new innovative business models are emerging moving broader retail activity, such as used car sales, online. Over recent years, every £1 billion of additional online sales has resulted in demand for new logistics property averaging nearly 900,000 sq ft. The Group's development pipeline is well-placed to allow us to support new and existing customers in fulfilling this increasing demand, while ensuring we meet our wider responsibilities to society and the environment.

2. The need to increase productivity, resilience and reduce costs

Larger scale logistics assets enable occupiers to consolidate smaller, disparate units into fewer larger properties, which can act as a regional or national distribution centre creating significant cost benefits. This offers economies of scale and allows occupiers to optimise their staff levels and stock management. Even prior to the pandemic, corporate profit margins were under pressure from cost and wage inflation. The economic fallout from Covid-19 has only intensified the pressure on profitability. To avoid passing higher costs to consumers or impacting margins, companies are looking to lower their unit costs by making their distribution activities as efficient as possible. To deliver these efficiencies, companies employ significant numbers of staff and increasingly utilise high levels of automation and technology to stock and retrieve products rapidly and efficiently. Such systems are vital to handling large volumes of omnichannel orders and returns, and are typically only found in larger, modern logistics buildings. Recent events, such as Covid-19, Brexit and the blocking of the Suez Canal have highlighted the risks to long supply chains, with customers now seeking to enhance their resilience by increasing onshore inventory levels and / or manufacturing closer to end markets which both increase demand for high-quality logistics space.

3. The drive to enhance sustainability performance

The imperative for our customers to enhance their ESG performance has increased significantly. Across their operations, our customers are seeking ways to reduce their environmental footprint to meet key targets. Modern large scale logistics assets can achieve the highest level of environmental performance with features such as enhanced insulation, LED lighting, and large roof space for solar PV. In addition, larger buildings lend themselves to providing greater facilities for the welfare of staff, such as gyms, canteens, and office space. As logistics increases in prominence in the UK, our customers increasingly demand these features to ensure they can attract and retain employees in an increasingly competitive labour market while simultaneously meeting their broader ESG obligations.

The current trading environment is extremely strong

High occupational demand continues following a record 2020

Occupiers seeking logistics space have been very active during the first half of 2021 as the accelerated structural trends described above resulted in companies continuing to invest in their supply chains. Take-up reached a new H1 record of 20.6 million sq ft for H1 2021, which follows a record annual take-up of 43 million sq ft in 2020 and compares to the average annual take-up of 23.2 million sq ft since 2006[1]. The trend of higher leasing activity is largely driven by online retailers and third party logistics providers taking more logistics space as they expand their online offerings and delivery capacity. These sectors accounted for nearly 70% of H1 2021 take-up[1]. This trend is reflected in the enquiries in our own development pipeline, with approximately two thirds of interest from online and third-party logistics providers.

Growing demand for larger buildings has been a feature of the UK logistics market in recent years with buildings over 500,000 sq ft representing nearly 50% of take-up pre-Covid, where occupiers primarily leased newly developed modern facilities[1]. Requirements for buildings over 500,000 sq ft were relatively stronger throughout the pandemic with 2020 take-up increasing 130%+ year-over-year versus an approximate 35% year-over-year increase for buildings smaller than 500,000 sq ft[1]. 2021 leasing activity to date points to buildings over 500,000 sq ft representing a lower proportion of overall total take-up, which we believe reflects a lack of readily developable consented land for build to suit purposes.

At the end of the period, total space under offer of nearly 16 million sq ft was broadly unchanged from what was under offer as of March 2021, despite record Q2 2021 take-up levels[1]. 48% of this space under offer is for logistics buildings over 500,000 sq ft[1].

Record low availability may dampen leasing activity

The level of available supply has tightened due to robust levels of take-up, and is down 32% since the start of the year to 14.7 million sq ft[1]. Excluding speculative buildings under construction as well as those under offer, ready-to-occupy buildings represent 9.4 million sq ft or a record low vacancy rate of 2%. Constrained supply has encouraged an increase in speculative development; although developer response has been modest relative to recent levels of take-up and the increase in speculative development has focused primarily on smaller and mid-sized buildings. This modest increase in speculative activity is in part due to longer lead times for construction materials caused by supply chain disruptions from the pandemic and recent price increases driven by higher logistics construction demand.

There remains strong demand for larger scale buildings and this is where the supply shortage is particularly acute, with only two existing buildings available to let and one speculative building that is currently under construction with a practical completion date of 2022. Two projects commenced during H1 2021, in line with the last two years. The only speculative building due to complete in 2021 was pre-let less than six months after the start of construction.

Construction of large logistics buildings will continue to be driven primarily by occupier-led build-to-suit opportunities in our view, given the inherent barriers to entry. For larger scale buildings key barriers exist to developing these sites quickly as the planning system remains slow moving, and extensive infrastructure works can be required before a building can be constructed.

Positive long-term rental growth prospects

Tension created by the shortage of modern logistics space across size bands and key regions in the UK, combined with persistent high levels of demand, is driving rental growth. Since the start of the pandemic, prime rents have increased to new highs across all UK regions. The West Midlands, Southeast and East Midlands recorded rental growth above 5% in Q2 against the prior year. Despite higher levels of speculative development completions in 2021, strong demand has kept availability low and will further support rental growth.

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[1] Source: CBRE

Investors are attracted to the long-term fundamentals for logistics real estate

Logistics is becoming one of the most sought-after sectors for real estate investment, with investors continuing to be attracted by structural consumer trends, the favourable occupational demand-supply imbalance, secure long-term income and increased sustainability performance offered by modern logistics buildings which suffer lower obsolescence than many other forms of commercial property.

Investment volumes reached £4.7 billion as of June 2021[2], setting a record H1 level and surpassing seven out of the ten preceding annual investment volumes. Capital allocations into logistics property now represent over 20% of all UK property investments in 2021 to date, up from 7% three years ago[1]. Demand for logistics real estate has increased materially across all investor types. Higher volumes transacted have primarily been driven by overseas investors as well as UK institutions, who are re-weighting their commercial property holdings by reducing exposure to traditional real estate sectors (e.g. retail and office) in favour of logistics.

This demand has put further pressure on prime yields, which are at historic lows. Distribution warehouse yields compressed by 25 basis points in H1 2021 and are now as low as 3.5% for prime assets on 15-year or more lease terms[3]. This reflects investors positive outlook for rental growth, the strong and attractive supply / demand dynamics in the industrial logistics sector, and the relatively low exposure investors have to the industrial asset class. In addition, the yield gap between prime logistics property and 10-year gilts remains attractive at around 290 basis points providing a solid underpin to current pricing levels.

Strategy

The Group's strategy is aligned with these positive long-term structural drivers and has three interlinked and reinforcing components, enabling it to deliver sustainable income and capital growth, while ensuring it meets its wider responsibilities and carefully manages risk:

1) High-quality assets attracting world-leading customers – delivering resilient and growing income.

2) Direct and active management – protecting, adding and realising both income and capital value.

3) Insight driven development and innovation – creating both attractive capital value and higher income returns.

Sustainability is embedded in all our activities

Sustainability forms an intrinsic part of each element of the Group's strategy. In summary, the Group's approach to sustainability encompasses:

- healthy and sustainable buildings – ensuring and demonstrating the sustainability of our assets;
- energy and carbon – achieving net zero carbon for all direct activities;
- nature and wellbeing – enhancing biodiversity and wellbeing on our land; and
- social value – creating a positive socio-economic impact through our investment.

More details of this sustainability strategy, along with our targets to 2023, can be found in the Group's 2020 Annual Report. Information on how we implemented this strategy in the period is set out in the following sections.

1) High-quality assets attracting world-leading customers

Since IPO in 2013, we have assembled an unrivalled portfolio of investment assets, let to some of the world's leading companies. Portfolio composition is driven by our strategic objective to own high-quality logistics assets capable of generating attractive, stable and long-term returns for shareholders. The characteristics that generate these returns include the quality of our customers, long lease lengths, desirable locations, attractive building size and format, ESG characteristics, asset modernity and income growth embedded in the leases.

Portfolio composition

[2] Distribution warehouse transactions greater than £5 million (source: PropertyData)
[3] Source: Savills

At the period end, the total portfolio value was £4.89 billion, an increase of 10.9% from 31 December 2020 reflecting the overall high quality of the assets we have acquired since IPO. The total portfolio comprises the Investment Portfolio, which provides long-term, stable and growing income, and the Development Portfolio. The majority of our development portfolio is held through capital efficient long-term land options, which offer the potential to create significant capital gains and attractive income growth through the development process; we aim to create investments in-house at a more attractive yield on cost than is available from acquiring completed investments in the market.

Investment portfolio: 90.3% of GAV	Development portfolio: 9.7% of GAV
Foundation 71.6%	Developments and land: 9.7%
Value Add 18.7%	

The Investment portfolio is formed of Foundation assets (71.6%), which provide long-term and high-quality income, and Value Add assets (18.7%), which can deliver greater growth through asset management or have customers with the potential to grow and strengthen in covenant quality. Overall, this composition is intended to deliver an attractive blended total return.

At 30 June 2021, the Investment Portfolio comprised 60 assets (31 December 2020: 59 assets), following the acquisition of an asset in Avonmouth described below.

A secure and resilient customer base

The Group has a diversified base of 42 different customers. As a proportion of the total contracted rent roll, 63% of the Group's customers are in defensive and resilient sectors, such as e-commerce and food retail, and 65% are companies with parent revenues of over 10 billion in their respective local currencies (primarily GBP, USD and EUR). We believe this line-up is the strongest of any quoted logistics real estate business in Europe.

The Group's top ten customers are shown below:

Customer	% of contracted annual rent	Customer	% of contracted annual rent
Amazon	17.0%	Ocado	4.0%
Morrisons	6.1%	Argos	3.7%
Tesco	5.2%	Marks & Spencer	3.6%
Howdens	4.6%	DSG	2.8%
Co-Op	4.4%	B&Q	2.8%

A long-term and reliable income stream

At the period end, the weighted average unexpired lease term (WAULT) of the Investment Portfolio was 13.4 years (31 December 2020: 13.8 years). Foundation assets had a WAULT of 15.4 years (31 December 2020: 15.8 years). Of total rents, 47% are generated by leases with 15 or more years to run and 18% from leases expiring within five years of the period end and which provide near-term asset management opportunities.

Embedded income growth and inflation protection

All our leases provide for upward-only rent reviews and we have assembled the Investment Portfolio so that the timing of these reviews is balanced, supporting our ability to deliver annual income growth and a progressive dividend. Some 37% of the portfolio rent roll is subject to review in 2021, with a further 27% due for review in 2022. Progress with rent reviews arising in the first half of 2021 is set out in the asset management section below.

The Investment Portfolio contains a variety of types of upward-only rent review, with 49% being RPI/CPI linked, 32% open market, 10% fixed and 9% hybrid. 12% are reviewed annually and 88% on a five-yearly basis. The portfolio therefore balances the certainty offered by fixed and inflation-linked leases with the ability to capture market growth from open market and hybrid reviews.

Approximately 48% of the rent roll has either a fixed or minimum increase at rent review. Across the leases, this will produce a minimum average increase of 1.7% per annum when a review arises.

Open market rent reviews, lease expiries or new leases give us the opportunity to capture the reversionary potential in the portfolio. Against a total contracted annual rent of £189.0 million, the independently assessed estimated rental value (ERV) for the Investment

Portfolio was £201.3 million at 30 June 2021, representing a 6.5% reversion (the level by which market rents are deemed to exceed the passing rent of the Group's properties).

The portfolio had a 0% vacancy rate at the period end (31 December 2020: 0%).

2) Direct and active management

Understanding and supporting customers

We perform most of our asset and property management activities in-house, which means we are responsible for every customer interaction. Being close to the Group's customers enables us to understand their businesses, maximising the potential to pursue opportunities to support them in their logistics needs. During the period, we have maintained regular contact with customers' key decision makers.

We also conduct ongoing covenant analysis of our customers, combining publicly available information with our own observations and customer conversations, as well as third-party opinions. This enables us to mitigate customer-related risks by adjusting the Group's exposure to stronger tenants and sectors, and identify opportunities to capture both capital and income growth. The Group's strong rent collection performance, including receiving amounts we had agreed to defer in 2020, demonstrates the quality of customers in the portfolio and the importance of our assets to them.

The third-party supply chain research we commissioned on certain customers continues to provide valuable insights that facilitate meaningful conversations with our customers on their existing warehouse portfolio and future business needs. The research provides a detailed picture of the customer's entire logistics network and our assets' positioning within it, enabling us to engage customers on how our development pipeline could support their future logistics networks, in addition to supporting our asset management proposals and decisions over whether to hold, sell or buy investments.

Acquiring assets with value creation potential

We continue to identify opportunities to purchase investments where we can add value through active asset management initiatives, apply our experience and expertise to identify mispricing and achieve advantageous pricing through our market contacts and reputation.

In April 2021, we acquired a 0.9 million sq ft facility in Avonmouth for £90 million. This is a key logistics area, with excellent transport links and rising demand due to strong growth expectations for the Port of Bristol where vacancy rates are low, providing an encouraging backdrop for sustained rental growth.

The acquisition adds Accolade Wines Limited as a new customer to the portfolio. Accolade is one of the world's largest wine companies and the leading producer and distributor in the UK and Australia. It has invested heavily in the building, which is Europe's largest wine production, warehouse and distribution centre.

On acquisition, there was 12.8 years remaining on the lease and an attractive reversionary rental position, with five-yearly rent reviews providing a minimum of CPI uplifts. Since purchase, we have engaged with the customer on opportunities to add further value and on ESG related initiatives.

The asset was acquired off-market at an attractive net initial yield of 5.1%, which offers excellent value considering the level of prime yields in the current market. We have already benefitted from significant value appreciation as at 30 June 2021.

Realising value and recycling capital through disposals

We constantly monitor and evaluate the Group's portfolio, to identify assets where:

1) we have completed our asset management plans and maximised value;

2) the asset's investment characteristics no longer fit within the required portfolio profile; or

3) the asset's future performance on a relative basis may be below others in the portfolio, potentially due to risks associated with the asset or the customer.

Our approach to portfolio optimisation considers a wide range of criteria, including the size, age and location of the asset. ESG factors are also fundamental to our modelling and decision-making, to ensure we maintain a portfolio of sustainable assets.

To deliver a consistent and predictable level of earnings, we look to manage the capital recycling process by balancing the quantum of disposals with new income producing acquisitions and developments identified in the investment pipeline. We also consider conditions in the investment market and the stage of the market cycle.

We did not dispose of any assets in the period. This reflected the current position of the investment pipeline and our view of market conditions in the first half of the year. We do, however, currently expect to make further disposals in H2 2021, in line with the strategic requirements of the development portfolio.

Growing and lengthening income

We continue to engage closely with customers on lease proposals, including extending leases and extensions to buildings, with nine such proposals under consideration at the period end. We agreed one lease extension in the first half, with Wincanton extending its lease on the asset at Harlow by two years to 6 February 2024, which included an 10.2% increase in rent from the original lease expiration date.

Rent reviews are a key feature of our asset management programme in 2021. In the first half there were 14 properties where rent reviews were settled, across 24.6% of the portfolio's annual contracted rent. The rent reviews added a cumulative £3.8 million of rent, achieving an 8.6% increase to the previous passing rental level, or a 2.2% increase on an annualised basis. A further breakdown of these reviews is provided in the table below:

Review type	Count	% of Contracted rent	% Absolute Growth	% Annualised Growth
Index-Linked	7	13.8%	7.2%	1.9%
Open Market / Hybrid	4	5.0%	10.8%	2.1%
Fixed	3	5.7%	9.9%	3.0%
Total	**14**	**24.6%**	**8.6%**	**2.2%**

A further eight rent reviews fall due in the second half of this year, with three being index linked, one hybrid, one fixed and three open market, noting that open market rent reviews are often settled some while after the rent review date. One open market remains unsettled from H1 2021.

Enhancing sustainability through asset management and collaboration with our stakeholders

Sustainability considerations are a key part of our interactions with our customers, and we include proposals to improve sustainability to each customer. These initiatives can provide additional income and long-term value for the Group, while helping to prolong the life of the asset, increase its marketability and reduce the risk of obsolescence. Such initiatives can also elevate the attractiveness of a new development on our sites and differentiate our offer from that of competitors. Customers can benefit from lower operating costs and the initiative's contribution to their corporate commitments, such as net zero carbon targets.

We are actively pursuing projects to add on-site solar PV energy generation, with nine customers. These projects are expected to generate 18,000 MWh of renewable energy, saving 4,197 tonnes of carbon a year. During the first half, we agreed a solar scheme with Brakes at Harlow, which will generate additional green revenue for the Group of c £70,000 per annum. This scheme is expected to generate 920 MWh of renewable energy and save 196 tonnes of carbon. A feature of our Phase 2 Littlebrook development is a 3.5 MW solar PV scheme, which will generate around 3,500 MWh of renewable energy each year. This complements the 890 MWh generated in the portfolio already, avoiding 207 tonnes of carbon being emitted into the atmosphere each year.

We have an objective to improve all Energy Performance Certificates (EPCs) to at least a C grade by 2023 and then a B grade by 2030. Currently, 92% of the portfolio is rated A-C grade. One asset remains an E grade, representing 1% of the portfolio. This has undergone an energy efficiency assessment, to identify the measures needed to bring it in line with our EPC objectives. The remaining 7% of the portfolio is rated an EPC D grade, representing four assets. These assets are targeted for solar PV installation, which will improve their EPCs and achieve our 2023 target.

Where possible, we continue to progress our plans to implement green leases by incorporating best practice green lease clauses in each new lease or lease variation, encouraging cooperation between the Group and its customers. Green leases have clauses that set out specific environmental requirements, for example that the tenant will provide ESG data, will operate sustainably, and that the landlord will meet all feasible requests for sustainability upgrades.

Other activities during the period included confirming two sites for Green Gyms, to enhance the local environment in conjunction with The Conservation Volunteers, and discussions with a customer to install beehives at its site. This is in addition to the beehives in

place at two facilities occupied by L'Oréal and Kellogg's at Trafford Park, Manchester, which support local biodiversity and our national ecosystem.

We have enhanced our three-year partnership with Schoolreaders, a childhood literacy charity that provides reading support for young children. During Covid-19, the need for literacy support has increased substantially, as the literacy gap has grown. Schoolreaders' services are therefore more in demand than ever. We are proud to have sponsored the campaign to support the charity's ability to reach children in need and raise more awareness about its services for supporting education and later life employability. The success of the campaign has enabled the charity to reach an additional 2,000+ children with weekly reading support to improve their literacy.

We are the lead sponsor of an all-female crew, The Mothership, who will participate in the Talisker Whisky Atlantic Challenge ocean rowing race leaving La Gomera in the Canary Islands in December 2021. The crew includes Jo Blackshaw, Investor Relations Director at Tritax, and we are pleased to be able to support working mothers in their bid to row the 3,000 miles across the Atlantic unaided as they raise money for valuable causes. The team embraces some core Tritax values and are united by their passion to empower women and children to discover new experiences and opportunities without limitation. We look forward to tracking the crew's progress.

3) Insight driven development and innovation

The development portfolio

The Group controls the UK's largest land portfolio for logistics property development, held either directly or using capital-efficient long-term option agreements. The land platform has schemes at various stages of the planning process and provides an ongoing source of new investments for our core investment portfolio, through an appropriate combination of pre-let and speculative developments. Having the ability to develop assets at a 6-8% target yield on cost will help the Group to deliver long-term sustainable value to shareholders. We estimate that the current development platform has the potential to grow the Group's annual contracted income to £447 million per annum over the long-term, assuming every scheme is built and held.

At the period end, the development portfolio made up 9.7% of the Group's Gross Asset Value. We categorise the development portfolio based on the timing of opportunities related to the planning process:

1) Current – assets that are under construction and/or are pre-let, having received planning consent.

2) Near-term – sites with planning consent either received or submitted.

3) Future – longer-term land opportunities, which are principally held under option.

1) Current development pipeline

Practical completions during the period

There were three pre-let developments in the current development pipeline at the start of the year, with two of these reaching practical completion in the period. They therefore became income producing and added £5.5 million to the annual passing rent roll.

- Co-Op, Biggleswade: a 661,000 sq ft regional distribution centre, which reached practical completion in February 2021. It has a BREEAM Very Good rating; and

- DPD, Bicester: this 60,000 sq ft distribution hub reached practical completion in April 2021 and is the Group's first net zero carbon in construction building. Through carbon lifecycle assessments and reduction initiatives, we were able to reduce the embedded carbon in this development. The remaining carbon will be offset through accredited schemes once the final carbon measurement has been completed.

1.0 million sq ft of development assets under offer:

We currently have approximately 1.0 million sq ft of development assets under offer, with the potential to add a further £8.2 million per annum to our contracted rent roll.

- At Littlebrook Phase 1, the 450,000 sq ft speculative development is being funded by our development partner. Under this innovative model, the developer assumes the associated construction and letting risk and the economics for the Group are unchanged. Practical completion is expected in August 2021 and the Company is currently under offer regarding a potential letting on this building.

- The Group is under offer regarding a potential letting of over 500,000 sq ft. This would be a new site within the portfolio and the Company is in an exclusive position on the site having submitted a planning application in July 2021. This site current resides within our near-term pipeline but will move to the current pipeline upon commencement of construction.

0.6 million sq ft of speculative construction in progress:

As part of our ongoing speculative development programme, we have commenced the construction of five buildings on a speculative basis across the schemes at Middlewich and Aston Clinton Phase 2, totalling 0.6 million sq ft, which gives us the opportunity to generate potential additional rental income of £4.4 million from their targeted completion dates in 2022. Following the commencement of this, one building has been let during the course of construction, on a 15 year lease (with a 10 year term certain), securing £0.8 million of rent.

The Group's Investment Policy limits land and development exposure to 15% of GAV (9.7% at 30 June 2021) and within this, total speculative development is limited to 5% of GAV (0.5% at 30 June 2021). Speculative development is focused on locations where market dynamics are strongest, land plot configuration limits alternative layouts and where the early commencement of construction assists in the promotion of the overall development project.

0.9 million sq ft of speculative construction anticipated to start in the near-term:

In addition to the 0.6 million sq ft of space currently under construction, the Group anticipates commencement on a further 0.9 million sq ft of speculative construction during H2 2021, which has the potential to add a further £6.5 million to annual contracted rent roll. As at the reporting date, these schemes were held within the "Near-term development pipeline" but, as construction starts will move to the "Current" development pipeline and as such do not feature in the table below. It is anticipated that this construction activity would span three sites: Biggleswade Phase 2, Merseyside and Bicester. The market is strong with significant pent-up demand and limited supply, and consequently we plan to undertake speculative development to take advantage of favourable conditions across these locations.

At the reporting date, the Group had the following assets in the current development pipeline. The total estimated cost to completion is £78.8 million.

	Estimated Costs					
	Total	**Period**			**Total sq ft**	**Contractual rent / ERV**
Pre-let / Let		H2 2021	H1 2022	H2 2022		
	£m	£m	£m	£m	m	£m
Amazon, Littlebrook	24.3	24.3	-	-	2.30	12.3
Ocado, Bicester	1.4	1.4	-	-	0.16	1.4
Aston Clinton, Pangea*	6.8	4.3	2.5	-	0.09	0.8
Unlet						
Phase 1, Littlebrook**	17.0	17.0	-	-	0.45	4.8
Aston Clinton, Unit 5	10.2	6.0	3.9	0.3	0.18	1.4
Aston Clinton, Unit 6	7.4	4.4	2.8	0.2	0.12	0.9
Middlewich 1A, Unit 1	8.9	6.5	2.4	-	0.15	1.0
Middlewich 1A, Unit 2	2.8	1.9	0.5	0.4	0.04	0.3
Total	**78.8**	**65.8**	**12.1**	**0.9**	**3.49**	**22.9**

**Let post period end*

***The Company is not subject to speculative financing risk for this asset. The development partner is financing the construction until the point of pre-let / letting.*

The development pre-let to Amazon at Littlebrook reached practical completion after the period end. It is a highly sustainable development, which will achieve BREEAM Excellent and EPC A ratings. The development is estimated to have created over £13 million of social value, primarily through its use of a local supply chain. With completion having been reached, the Group has begun its partnership with a local football club and an associated skills initiative, with funding of £215,000 over five years. The installation of the 3.5 MW solar PV scheme for the building was completed in the period. The site also enjoys a number of nature and wellbeing features, such as cycle paths, walking paths, an apiary to repopulate a locally endangered Dartford bee.

Cost inflation being mitigated where possible and offset by greater rental growth

The Group is seeing some build cost inflation for key raw materials. This is an issue for many developers across the UK, primarily reflecting supply chain disruption as a result of Covid-19 and Brexit. This may result in modest delays to developments but we believe the costs to the Group are more than offset by improving rental tone in the market and asset value appreciation and we remain confident in our guidance of delivering an attractive 6-8% yield on cost for our development programme.

2) Near-term development pipeline

The Group's near-term development pipeline comprises land on which we have either received planning consent or submitted planning applications, excluding assets in the current development pipeline which are under construction. Sites in the near-term development pipeline are likely to start development within one to three years. Obtaining planning consent is a key milestone in the value creation process, and to date we have a 100% track record of planning success.

2.4 million sq ft of further planning consent delivered

We continued to make good progress achieving planning consent maintaining our 100% success rate to date. During the period, we secured planning consent at Symmetry Park, Merseyside. This comprised a detailed consent for a 164,400 sq ft logistics facility and outline consent for a further 835,600 sq ft of storage and distribution space and offices. We also secured 1.44 million sq ft of planning consent at Wigan.

At the period end, the near-term pipeline consisted of 10.4 million sq ft. Of this, 9.1 million sq ft relates to land with planning consent and 1.3 million sq ft to sites where we have submitted a planning application.

Of the land with planning consent, the Group:

- owns 2.5 million sq ft directly;
- controls 6.6 million sq ft through long-term option agreements.

This consented land comprises nine development sites, all at various stages of site preparation.

Submitting further applications

The Group submitted planning applications on 0.9 million sq ft of space during the period, including the application for the 0.6 million sq ft pre-let currently under offer, where a decision is anticipated in December 2021, and a further application at Littlebrook for the development of 0.4 million sq ft across Phase 3 and part Phase 4.

The table below provides further analysis of the near-term development pipeline at the period end. This supports our expectation of delivering 2-3 million sq ft of new space per annum, through an appropriate combination of pre-let activity and speculative development:

	Total sq ft	**Current book value**	**Estimated cost to completion**	**ERV**	**Estimated gross yield on cost**
	m	**£m**	**£m**	**£m**	**%**
Land with consent	9.1	140.8	628.4	55.2	6-8%
Land with planning submitted	1.3	17.6	124.7	10.0	6-8%

	10.4	**158.4**	**753.0**	**65.1**	**6-8%**

3) Future development pipeline

The remainder of the Group's strategic land bank is predominantly controlled under longer term option agreements. Most option agreements also contain an extension clause, allowing the option expiry date to be extended, where necessary.

The future development pipeline has the potential to deliver approximately 28.4 million sq ft, at a target yield on cost of 6-8%.

Development Management Agreements (DMAs)

Under a DMA, Tritax Symmetry typically manages the delivery of an asset for a third-party funder, in return for a fee and/or profit share. The Group will not own the asset at any point and DMAs are therefore not included within the Group's asset portfolio. DMAs can provide the Group with an attractive source of additional income for shareholders with no capital requirements.

The Group has a DMA with British Airways Pension Fund on a site at Banbury. The unit pre-let to Warburtons at Banbury reached practical completion during the period and work commenced in the period on two speculative units totalling around 314,000 sq ft. The 198,750 sq ft unit was let during construction to Arrival, exchanging on 25 June 2021, and the remaining 144,800 sq ft unit is due for completion in Q3 2021 and is seeing strong interest from potential customers.

Income from DMAs varies over time and the Group recorded £8.9 million other operating income from DMAs in the period (H1 2020: £3.0 million).

Enhancing sustainability through development

We are committed to sustainable development. We have set minimum standards for construction, including a minimum of BREEAM Very Good, an EPC A and net zero carbon to the point of practical completion of the building construction.

Our newly completed development for DPD is our first to be constructed as part of our commitment to net zero carbon. We are finalising the carbon analysis from the construction to understand how much embedded carbon was reduced in the development and to confirm the final carbon balance to offset through a verified scheme.

With two developments reaching practical completion during the period, the proportion of A to C grade EPCs for the portfolio has increased from 89% to 92%. We have also further increased the proportion of the portfolio with Green Building certification, which is up to 51% from 43% at the start of the year.

Protecting biodiversity is an important part of our sustainability strategy. During the period, we completed a new biodiversity assessment at Middlewich, enabling us to compensate for the reduction in habitat that would otherwise have occurred. Enhancing wellbeing is also a key aim and we now integrate health and wellbeing considerations into our building designs, ensuring that new developments are 'WELL' Accreditation ready.

Investing in the Manager's Capabilities

During the period, the Manager continued to invest in its capabilities, so it can provide the highest standards of service to the Group as it grows. This has included further senior appointments, notably Phil Redding as Director of Investment Strategy. Phil brings a wealth of experience from a career in logistics real estate, most recently including 25 years at Segro where he became Chief Investment Officer, responsible for property-related activities of the FTSE 100 REIT. Other important appointments include Mark Fergusson as Head of Occupational Leasing. His background at third-party logistics operators gives him a deep understanding of customer requirements. His appointment further enhances our ability to secure letting activity from the development pipeline.

The Manager has invested in supporting its staff during the period as the pandemic continues. All staff have received health and wellbeing assessments to ensure their home working environment is effective. The Manager has also arranged a series of virtual social events, including virtual fundraising events for its charity partner, XLP. To ensure the Manager has insight into how engaged it employees are, it conducted its first staff satisfaction survey in March 2021. There was an overall engagement score of 74%, above the benchmark of 71%, with the results providing insight into how further improvement can be made.

The Group is also benefiting from the Manager becoming part of Aberdeen Standard Investments (ASI). This gives us access to a wide range of specialist resource. Examples include aligning our approach on climate change and collaborating on approaches to ESG data management, in addition to utilising central resource functions to increase efficiencies to the benefit of the Group's shareholders.

FINANCIAL REVIEW

The Group delivered a strong financial performance during the period, with further growth in net rental income, earnings and net tangible assets per share. This enabled the Group to increase its dividend in the period to 3.20 pence per share (June 2020: 3.13 pence), and generate an attractive Total Accounting Return of 12.5% for the six-month period (six months ending 30 June 2020: 4.2%).

This performance was underpinned by another very strong rent collection performance, with 99.5% of the rent due for H1 2021 having been collected. The outstanding amount relates to one rent deferral agreement with a customer, with full collection expected by the end of 2021. This follows 100% of the rent due for the whole of 2020 having now been received.

The Group remains soundly financed, with an LTV ratio of 30.3% at the period end and undrawn committed borrowing facilities of £404 million.

Presentation of financial information

The financial information is prepared under IFRS. The Group's subsidiaries are consolidated at 100% and its interests in joint ventures are equity accounted for.

The Board continues to see Adjusted EPS as the most relevant measure when assessing dividend distributions. Adjusted EPS is based on EPRA's Best Practices Recommendations and excludes items considered to be exceptional, not in the ordinary course of business or not supported by cash flows, and it includes the developer's licence fees that the Group receives on forward funded developments.

Financial results

Net rental income

Net rental income for the period was £87.4 million (H1 2020: £78.8 million), up £8.6 million or 10.9%. The net increase reflected:

- a full period of income from lettings secured in 2020;
- the DPD Bicester and Co-Op Biggleswade assets becoming income producing following practical completion in the period;
- net rental income from the asset acquired in Avonmouth;
- rental growth secured through rent reviews and our active asset management programme; less
- income foregone from the assets disposed of in the prior year.

The contracted annual rent roll as at 30 June 2021 was £189.0 million across 60 assets (31 December 2020: £180.6 million across 59 assets). Included in the contracted annual rent is £12.3 million in relation to pre-let assets in construction at the period end.

Administrative and other expenses

Administrative and other expenses, which includes all the operational costs of running the Group, totalled £12.2 million in the period (H1 2020: £11.2 million). Due to the growth in average NAV across the corresponding periods, the Investment Manager fee increased by £0.9 million to £ 9.7 million.

The Group has a low and transparent operating cost base, and the EPRA Cost Ratio (including vacancy cost) for the period has remained stable at 14.1% (H1 2020: 14.1%).

Operating profit

Operating profit before changes in fair value and other adjustments was £84.1 million (H1 2020: £70.6 million).

As noted in the discussion of the Group’s development programme above, the Group earns fees and/or profit share from managing developments for third parties. This other operating income is included within Adjusted earnings as it is supported by cash flows, although it is likely to be more variable than property rental income. The Group recognised £8.9 million of other operating income from these agreements in the first half (H1 2020: £3.0 million). This level of other income is considered in excess of the anticipated

run-rate expected over the medium term and therefore within the profit and earnings section below, we highlight its impact on earnings in the current period.

Share-based payment charge and contingent consideration

The structure of the Tritax Symmetry transaction led to senior members of the Symmetry team becoming B and C shareholders. Under IFRS, the structure of the Tritax Symmetry transaction has led to the B and C shareholders' value being split between:

i) contingent consideration, which is determined by certain provisions under the shareholder agreement between Tritax Symmetry HoldCo and the Tritax Symmetry Management Shareholders; and

ii) a share-based payment charge, which is the compensation the B and C shareholders will receive as a result of their economic right held to their share of future performance of the Tritax Symmetry Development Assets.

During the period, £1.5 million (H1 2020: £1.9 million) was charged to the Group Statement of Comprehensive Income in respect of share-based payment charges.

Financing costs

Net financing costs for the period were £20.0 million (H1 2020: £18.7 million), excluding the improvement in the fair value of interest rate derivatives of £0.8 million (H1 2020: £2.1 million reduction). The increase reflects the debt drawn down in the period to fund the development programme and the asset acquisition in Avonmouth, with the average debt drawn during the period being £1.4 billion (H1 2020: £1.2 billion). The average cost of debt was steady across the six months at 2.18% (31 December 2020: 2.17%).

Tax

The Group has continued to comply with its obligations as a UK REIT and is exempt from corporation tax on its property rental business.

The Group received an exceptional tax credit of £3.9 million in the period. On acquisition of Tritax Symmetry, a deferred tax provision was made for trading assets which were subsequently appropriated to investment property, and a tax liability arose which offset the deferred tax provision on acquisition. This tax charge was fully provided for within the Tritax Symmetry completion balance sheet and therefore the tax charge was not charged to the Group Statement of Comprehensive Income. Following the submission of tax computations for 2019, the Group has received a refund of £3.9 million for appropriation tax paid.

The other operating income received under DMA contracts has resulted in a tax charge of £2.3 million in the period. The underlying tax credit, being the net of the sums mentioned above, was therefore £1.6 million for the period (H1 2020: £nil).

Profit and earnings

Profit before tax for the period was £376.0 million (H1 2020: £103.2 million), an increase of 264.3%, a significant part of which relates to the increase in property revaluations as discussed below. This resulted in basic earnings per share (EPS) of 21.96 pence (H1 2020: 6.04 pence) and basic EPRA EPS of 3.61 pence (H1 2020: 2.94 pence).

Adjusted EPS for the period was 4.03 pence (H1 2020: 3.26 pence). The calculation of Adjusted EPS can be found in note 6. When removing the other income generated from development management agreements, which we consider to be in excess of the anticipated run-rate, the Adjusted EPS totals 3.69 pence.

Dividends

Since the beginning of the period, the Board has declared the following interim dividends:

- 6 May 2021: 1.60 pence per share, in relation to the period from 1 January to 31 March 2021, which was paid on 1 June 2021; and

- 28 July 2021: 1.60 pence per share, in relation to the period from 1 April to 30 June 2021, which will be paid on or around 23 August 2021 to shareholders on the register on 6 August 2021.

The total dividend for the period was therefore 3.2 pence per share, an increase of 2.4% on the 3.13 pence paid in respect of H1 2020. The pay-out ratio for the period was 87% of Adjusted EPS after adjusting for additional development management agreement income.

In line with our policy, the first three quarterly dividend payments of each year are to each equal 25% of the full year dividend of the previous financial year. The Group will then use the fourth quarter dividend to determine the level of any potential progression, with an aim to achieve a pay-out ratio in excess of 90% of Adjusted earnings.

Portfolio valuation

CBRE independently values the Group's Investment assets that are leased, pre-leased or have reached practical completion but remain vacant. These assets are recognised in the Group Statement of Financial Position at fair value. Colliers independently values all optioned land, owned land and assets under construction which are unlet. Land options and any other property assets are recognised at cost, less amortisation or impairment charges under IFRS. The share of joint ventures relates to 50% interests in two sites at Middlewich and Northampton, relating to land and land options. These two sites are equity accounted for and appear as a single line item in the Statement of Comprehensive Income and Statement of Financial Position.

The total portfolio value at 30 June 2021, including all remaining contractual commitments on forward funded developments and the Group's share of joint ventures, was £4.89 billion:

	30 June 2021 **£m**	**31 December 2020** **£m**
Investment properties	4,632.9	4,053.5
Other property assets	6.2	9.4
Land options (at cost)	195.3	228.1
Share of joint ventures	28.8	28.5
Remaining forward funded development commitments	24.3	87.7
Portfolio value	**4,887.5**	**4,407.2**

The gain recognised on revaluation of the Group's Investment properties was £314.3 million (H1 2020: £55.3 million). This equates to a portfolio valuation surplus of 7.3% across the Group’s investment and development assets, net of capital expenditure. The main drivers of this increase include:

- the strength of the market and market yield shift, with 14 bps of compression recognised across the period taking the Group’s portfolio NIY to 4.02%;
- the contribution from capitalising the rental growth received across the investment portfolio; and
- further performance received across the Group’s assets under construction as they near practical completion.

The Group acquired one asset in an off-market transaction during the period, for £90 million net of costs, reflecting a net initial yield of 5.1%.

Embedded value within land options

Under IFRS, land options are recognised at cost and subject to impairment review. As at 30 June 2021, the Group's investment in land options totalled £195.3 million (31 December 2020: £228.1 million).

As the land options approach the point of receiving planning consent, any associated risk should reduce and the fair value should increase. When calculating its EPRA NTA, the Group makes a fair value mark-to-market adjustment for land options. At the period end, the fair value of land options was £80.2 million greater (31 December 2020: £80.1 million greater) than costs expended.

Net assets

At 30 June 2021, the EPRA NTA per share was 194.22 pence (31 December 2020: 175.61 pence), an increase of 10.6%. The primary driver of this increase was the growth in value of the property portfolio, as described above.

The Total Accounting Return for the period, equating to the growth in EPRA NTA plus dividends paid, was 12.5% (H1 2020: 4.2%).

Debt capital

At 30 June 2021, the Group had the following borrowings:

Lender	Maturity	Loan commitment £m	Amount drawn at 30 June 2021 £m
Loan notes			
2.625% Bonds 2026	Dec 2026	250.0	249.4
2.86% Loan notes 2028	Feb 2028	250.0	250.0
2.98% Loan notes 2030	Feb 2030	150.0	150.0
3.125% Bonds 2031	Dec 2031	250.0	247.4
1.5% Green Bonds 2033	Nov 2033	250.0	246.3
Bank borrowings			
RCF (syndicate of seven banks)	Dec 2023/24	350.0	110.0
RCF (syndicate of six banks)	Jun 2024/26	200.0	36.0
Helaba	Jul 2025	50.9	50.9
PGIM Real Estate Finance	Mar 2027	90.0	90.0
Canada Life	Apr 2029	72.0	72.0
Total		**1,912.9**	**1,502.0**

There was one change to the Group's debt facilities during the period, with the maturity date of £190 million of the £200 million RCF extended by 12 months to June 2026.

Green finance

In November 2020, the Group launched its Green Finance Framework and issued £250 million of unsecured Green Bonds. During the period, we have been continuing to deploy and allocate the proceeds of this issue against the Group's green initiatives and look forward to issuing our Green Finance report during the second half of the year.

Interest rates and hedging

Of the Group's debt commitments, 68.6% is at fixed interest rates.

For its variable rate debt, the Group's hedging strategy is to use interest rate caps which run coterminous with the respective loan. These allow the Group to benefit from current historically low interest rates, while minimising the effect of a significant increase in interest rates in the future. Combined with the fixed rate debt, the Group's derivative instruments hedge 100.0% of its drawn debt as at the period end.

As a consequence of the fixed rate debt and hedging policy, the Group has a capped cost of debt of 2.50% (31 December 2020: 2.49%) at the period end. The all-in running cost of borrowing at 30 June 2021 was 2.18% (31 December 2020: 2.17%).

Debt maturity

At 30 June 2021, the Group's debt had an average maturity of 7.0 years (31 December 2020: 7.4 years).

Loan to value (LTV)

The Group has a conservative leverage policy, with a medium-term LTV target of 35% and a maximum of 40%. At the period end, the LTV was 30.3% (31 December 2020: 30.0%), providing the Group with further balance sheet capacity to pursue its strategy.

Net debt and operating cash flow

Net debt at the period end was £1,471.7 million (31 December 2020: £1,297.9 million).

Net operating cash flow plus licence fees received was £98.5 million for the half year (H1 2020: £56.3 million). Capital expenditure across the Group's Investment and Development portfolios was £196.7 million (H1 2020: £100.8 million).

Going concern

The Group continues to have a healthy liquidity position, with strong levels of rent collection, a favourable debt maturity profile and substantial headroom against its financial covenants.

The Directors have reviewed the Group's current and projected financial position, making reasonable assumptions about its future trading performance, including any potential longer-term effects of Covid-19. Various forms of sensitivity analysis have been performed, in particular regarding the financial performance of the Group's customers. As at 30 June 2021, the Group's property values would have to fall by approximately 45% and there would need to be a loss of income of approximately 40% before loan covenants are breached.

As at 30 June 2021, the Group had an aggregate of £404 million of undrawn commitments under its senior debt facilities, of which £55.6 million (see note 18) was committed under various pre-let development contracts.

The Group's loan to value ratio stood at 30.3%, with the debt portfolio having an average maturity term of approximately 7.0 years. Since the start of the pandemic, the Group has agreed an extension to the maturity of its £200 million revolving credit facility (see note 13) and issued Green Bonds totalling £250 million, indicating that additional liquidity is available at attractive rates. As at the date of approval of this report, the Group has substantial headroom within its financial loan covenants. The Group's financial covenants have been complied with for all loans throughout the period and up to the date of approval of these financial statements.

As a result, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, which is considered to be a period of at least 12 months from the date of approval of the financial statements.

Credit rating

The Group has a Baa1 long-term credit rating and stable outlook from Moody's, which was unchanged during the period.

Alternative Investment Fund Manager (AIFM)

The Manager is authorised and regulated by the Financial Conduct Authority as a full-scope AIFM. The Manager is therefore authorised to provide services to the Group and the Group benefits from the rigorous reporting and ongoing compliance applicable to AIFMs in the UK.

As part of this regulatory process, Langham Hall UK Depositary LLP (Langham Hall) is responsible for cash monitoring, asset verification and oversight of the Company and the Manager. In performing its function, Langham Hall conducts a quarterly review during which it monitors and verifies all new acquisitions, share issues, loan facilities and other key events, together with shareholder distributions, the quarterly management accounts, bank reconciliations and the Company's general controls and processes. Langham Hall provides a written report of its findings to the Company and to the Manager, and to date it has not identified any issues. The Company therefore benefits from a continuous real-time audit check on its processes and controls.

KEY PERFORMANCE INDICATORS

Our objective is to deliver attractive, low-risk returns to Shareholders, by executing the Group's Investment Policy and operational strategy. Set out below are the key performance indicators we use to track our progress. For a more detailed explanation of performance, please refer to the Manager's Report.

KPI	Relevance to strategy	Performance
1. Total accounting return (TAR)	TAR calculates the change in the EPRA Net Tangible Assets (EPRA NTA) over the period plus dividends paid. It measures the ultimate outcome of our strategy, which is to deliver value to our Shareholders through our portfolio and to deliver a secure and growing income stream.	12.5% for the period to 30 June 2021 (H1 2020: 4.2% and 31 December 2020: 19.9%).
2. Dividend	The dividend reflects our ability to deliver a low-risk but growing income stream from our portfolio and is a key element of our TR.	3.20p per share for the period to 30 June 2021 (H1 2020: 3.13p per share and 31 December 2020: 6.400p)
3. EPRA NTA per share[1]	The EPRA NTA reflects our ability to grow the portfolio and to add value to it throughout the lifecycle of our assets.	194.22p at 30 June 2021 (HY 2020: 154.85p and 31 December 2020: 175.61p).
4. Loan to value ratio (LTV)	The LTV measures the prudence of our financing strategy, balancing the potential amplification of returns and portfolio diversification that come with using debt against the need to successfully manage risk.	30.3% at 30 June 2021 (HY 2020: 31.8% and 31 December 2020: 30.0%).
5. Adjusted earnings per share	The Adjusted EPS reflects our ability to generate earnings from our portfolio, which ultimately underpins our dividend payments.	4.03p for the period to 30 June 2021 (H1 2020: 3.26p and 31 December 2020: 7.17p). See note 6.
6. Weighted average unexpired lease term (WAULT)	The WAULT is a key measure of the quality of our portfolio. Long lease terms underpin the security of our income stream.	13.4 years at 30 June 2021 (H1 2020: 14.1 years and 31 December 2020: 13.8 years).
7. GRESB[2] score	The GRESB score reflects the sustainability of our assets and how well we are managing ESG risks and opportunities. Sustainable assets protect us against climate change and help our customers operate efficiently.	72/100, 3 Green Star rating for 31 December 2020. (31 December 2019: 55/100, 1 star rating).

[1] EPRA NTA is calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We use these alternative metrics as they provide a transparent and consistent basis to enable comparison between European property companies.

[2] Global Real Estate Sustainability Benchmark (GRESB)

EPRA PERFORMANCE INDICATORS

The table below shows additional performance measures, calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We provide these measures to aid comparison with other European real estate businesses.

For a full reconciliation of all EPRA performance indicators, please see Notes to the EPRA and other key performance indicators.

Measure and Definition	Purpose	Performance
1. EPRA Earnings (Diluted) See note 6	A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.	£61.6m/3.58p per share (H1 2020: £50.0m/2.91p per share and 31 December 2020: £105.5m and 6.17p).
2. EPRA Net Tangible Assets See note 16	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	£3.3bn/194.22p per share as at 30 June 2021 (H1 2020: £2.6bn/154.85p per share and 31 December 2020: £3.0bn/175.61p per share).
3. EPRA Net Reinstatement Value (NRV)	Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	£3.7bn/213.92p per share as at 30 June 2021 (H1 2020: £2.9bn or 171.22p per share and 31 December 2020: £3.3bn/193.41p per share).
4. EPRA Net Disposal Value (NDV)	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	£3.2bn/188.71p per share as at 30 June 2021 (H1 2020: £2.5bn or 148.69p per share and 31 December 2020: £2.9bn/166.36p per share).
5 EPRA Net Initial Yield (NIY)	This measure should make it easier for investors to judge for themselves how the valuations of two portfolios compare.	4.06% as at 30 June 2021 (H1 2020: 4.32% and 31 December 2020: 4.18%).
6 EPRA 'Topped-Up' NIY	This measure should make it easier for investors to judge for themselves how the valuations of two portfolios compare.	4.17% as at 30 June 2021 (H1 2020: 4.60% and 31 December 2020: 4.38%).

7. EPRA Vacancy	A “pure” (%) measure of investment property space that is vacant, based on ERV.	0% as at 30 June 2021 (H1 2020: 2.0% and 31 December 2020: 0%).
8. EPRA Cost Ratio	A key measure to enable meaningful measurement of the changes in a company’s operating costs.	14.1% (H1 2020: 14.1% and 31 December 2020: 14.2%). Both the 2021 and 2020 ratios are the same, inclusive or exclusive of vacancy costs.

PRINCIPAL RISKS

The Audit & Risk Committee, which assists the Board with its responsibilities for managing risk, considers that whilst some risks may have increased and some risks reduced in the period, all principal risks and uncertainties presented on pages 45-50 of our 2020 Annual Report, dated 9 March 2021, remained valid during the period and we believe will continue to remain valid for the remainder of the year. These risks are summarised below. In addition, the Board has promoted the risk relating to environmental sustainability as a new principal risk in the period. The Board is also mindful of the increasing levels of inflation in recent months, which it will pay close regard to in the immediate term.

Property risks

- The default of one or more of our customers would reduce revenue and may affect our ability to pay dividends or meet our debt servicing covenants, while reducing our net asset value and increasing our LTV.
- An adverse change in the performance of our property portfolio may lead to lower returns to Shareholders or a breach of our banking covenants.
- Our ability to grow the Portfolio may be affected by competition for investment properties in the Big Box sector.
- Our property performance will depend on the performance of the UK retail sector and the continued growth of online retail.
- Development activities may involve more risk than is associated with standing assets. This could include general construction risks, delays in the development or the development not being completed, cost overruns or developer/contractor default and general financing risk. We are reliant on third-party developers to complete Forward Funded Developments and the Tritax Symmetry management team for the performance of the Tritax Symmetry portfolio.

Land risk

- The exposure to land or options over land may involve a higher degree of risk than that associated with existing and built investments or development activities.

Financial risks

- Our use of floating rate debt will expose the business to underlying interest rate movements.
- A lack of debt funding at appropriate rates may restrict our ability to grow and deliver attractive returns.
- We must be able to operate within our banking covenants and failure to do so could lead to default and our bank funding being recalled.

Corporate risk

- As an externally managed company, we rely on the Manager’s services and its reputation in the property market.

Taxation risk

- We are a UK REIT and have a tax-efficient corporate structure, with advantageous consequences for UK Shareholders. Any change to our tax status or in UK tax legislation could affect our ability to achieve our investment objectives and provide favourable returns to Shareholders.

Political risk

- The terms of the UK's future relationship with the EU are still being determined and the potential impact on the business remains difficult to predict at this stage.

Severe economic downturn risk

- The length and duration of the Covid-19 pandemic, including the UK government's response and the consequent impact on the UK and global economy remain uncertain. A prolonged pandemic and deep recession could negatively affect performance of the Company

Environmental sustainability

- Environmental sustainability is a challenge that everyone is facing. As part of this, the Company is extremely conscious of the ongoing risk from climate change in its business decision making. Changes in social attitudes, laws, regulations, taxation, and particularly customer preferences associated with climate change have the potential to impact negatively on the Company in the future. As a mitigant, the Manager has a dedicated sustainability team and an ESG Committee that takes operational responsibility for the Company's ESG matters. The Manager regularly reports to the Board, including monitoring against the Company's stated sustainability targets and providing updates on future initiatives. ESG is embedded within our investment and development processes such that climate related risks are looked at when purchasing assets and minimum standards of BREEAM Very Good and net zero carbon are targeted for development. We also actively participate and engage in several real estate and sustainability organisations (such as EPRA, Sustainalytics and the World Green Building Council) to ensure we are aware of future initiatives and challenges.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Services Authority, IAS 34 'Interim Financial Reporting',

- the interim management report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

Shareholder information is as disclosed on the Tritax Big Box REIT plc website.

For and on behalf of the Board

Aubrey Adams OBE (Chairman)

4 August 2021

INDEPENDENT REVIEW REPORT TO TRITAX BIG BOX REIT PLC

Introduction

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 2021 which comprises the Condensed Group Statement of Comprehensive Income, the Condensed Group Statement of Financial Position, the Condensed Group Statement of Changes in Equity, the Condensed Group Cash Flow Statement and related notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of and has been approved by 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.

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

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'', issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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 2021 is not prepared, in all material respects, in accordance with International Accounting Standard 34, as adopted by the UK, and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting its responsibilities in respect of half-yearly financial reporting in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP

Chartered Accountants

London, United Kingdom

4 August 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2021

	Note	**Six months ended 30 June 2021 (unaudited) £m**	Six months ended 30 June 2020 (unaudited) £m	Year ended 31 December 2020 (audited) £m
Gross rental income		**87.6**	78.9	161.6
Service charge income		**2.4**	2.3	4.6
Service charge expense		**(2.6)**	(2.4)	(4.7)
Net rental income		**87.4**	78.8	161.5
Gross operating income		**12.2**	13.1	28.3
Other operating costs		**(3.3)**	(10.1)	(19.7)
Other operating income		**8.9**	3.0	8.6
Administrative and other expenses		**(12.2)**	(11.2)	(22.6)
Operating profit before changes in fair value and other adjustments[1]		**84.1**	70.6	147.5
Changes in fair value of investment properties	8	**314.3**	55.3	351.1
Gain on disposal of investment properties		–	–	0.1
Share of loss from joint ventures		–	–	(0.1)
Impairment of intangible and other property assets		**(0.2)**	(0.2)	(0.4)
Share-based payment charge	14	**(1.5)**	(1.9)	(5.9)
Changes in fair value of contingent consideration payable	14	**(1.5)**	0.2	(2.9)
Operating profit		**395.2**	124.0	489.4
Finance expense	4	**(20.0)**	(18.7)	(37.6)
Changes in fair value of interest rate derivatives	10	**0.8**	(2.1)	(2.3)
Profit before taxation		**376.0**	103.2	449.5
Taxation	5	**1.6**	–	(0.1)
Profit and total comprehensive income		**377.6**	103.2	449.4
Earnings per share – basic	6	**21.96p**	6.04p	26.30p
Earnings per share – diluted	6	**21.91p**	5.99p	26.30p

1 Operating profit before changes in fair value of investment properties and contingent consideration, gain on bargain purchase, gain on disposal of investment properties, share of loss from joint ventures, impairment of intangible and other property assets and share-based payment charges.

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Note	**Six months ended 30 June 2021 (unaudited) £m**	Six months ended 30 June 2020 (unaudited) £m	Year ended 31 December 2020 (audited) £m
Non-current assets				
Intangible assets		**1.9**	2.2	**2.0**
Investment property	8	**4,632.9**	3,678.8	**4,053.5**
Investment in land options	9	**195.3**	232.0	**228.1**
Investment in joint ventures		**28.8**	30.4	**28.5**
Other property assets		**6.2**	13.9	**9.4**
Trade and other receivables	11	**2.0**	–	**2.0**
Interest rate derivatives	10	**0.4**	0.4	**0.1**
Total non-current assets		**4,867.5**	3,957.7	**4,323.6**
Current assets				
Rent and other receivables	11	**22.8**	27.2	**25.1**
Cash at bank	12	**30.3**	35.3	**57.8**
Total current assets		**53.1**	62.5	**82.9**
Total assets		**4,920.6**	4,020.2	**4,406.5**
Current liabilities				
Deferred rental income		**(33.9)**	(33.5)	**(36.1)**
Trade and other payables		**(112.1)**	(69.4)	**(69.3)**
Tax liabilities		**(4.2)**	(1.9)	**(1.9)**
Total current liabilities		**(150.2)**	(104.8)	**(107.3)**
Non-current liabilities				
Trade and other payables		**(2.0)**	–	**(2.0)**
Interest rate derivatives	10	**(0.7)**	(1.2)	**(1.1)**
Bank borrowings	13	**(352.9)**	(389.2)	**(206.7)**
Loan notes	13	**(1,137.0)**	(891.9)	**(1,136.4)**
Amounts due to B and C shareholders	14	**(34.7)**	(24.6)	**(31.7)**
Total non-current liabilities		**(1,527.3)**	(1,306.9)	**(1,377.9)**
Total liabilities		**(1,677.5)**	(1,411.7)	**(1,485.2)**
Total net assets		**3,243.1**	2,608.5	**2,921.3**
Equity				
Share capital	15	**17.2**	17.1	**17.2**
Share premium reserve	15	**467.7**	446.7	**466.5**
Capital reduction reserve	15	**1,021.9**	1,132.2	**1,078.9**
Retained earnings	15	**1,736.3**	1,012.5	**1,358.7**
Total equity		**3,243.1**	2,608.5	**2,921.3**
Net asset value per share – basic	16	**188.57p**	152.81p	**169.92p**
Net asset value per share – diluted	16	**188.57p**	152.81p	**169.92p**
EPRA net tangible asset per share – basic and diluted	16	**194.22p**	154.85p	**175.61p**

These financial statements were approved by the Board of Directors on 4 August 2021 and signed on its behalf by:

Aubrey Adams OBE (Chairman)

CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2021

Six months ended 30 June 2021 (unaudited)	Note	Share capital	Share premium	Capital reduction reserve	Retained earnings	Total £m
At 1 January 2021		**17.2**	**466.5**	**1,078.9**	**1,358.7**	**2,921.3**
Profit and total comprehensive income		**–**	–	–	**377.6**	**377.6**
		17.2	**466.5**	**1,078.9**	**1,736.3**	**3,298.9**
Contributions and distributions						
Shares issued in relation to equity consideration		**–**	**1.2**	**–**	**–**	**1.2**
Share-based payments		**–**	**–**	**–**	**1.3**	**1.3**
Transfer of share-based payments to liabilities to reflect		**–**	**–**	**–**	**(1.3)**	**(1.3)**
Dividends paid	7	**–**	**–**	**(57.0)**	**–**	**(57.0)**
At 30 June 2021		**17.2**	**467.7**	**1,021.9**	**1,736.3**	**3,243.1**

Six months ended 30 June 2020 (unaudited)	Note	Share capital	Share premium	Capital reduction reserve	Retained earnings	Total £m
1 January 2020		17.1	446.7	1,188.1	909.3	2,561.2
Profit and total comprehensive income		–	–	–	103.2	103.2
		17.1	446.7	1,188.1	1,012.5	2,664.4
Contributions and distributions						
Share-based payments		–	–	–	1.2	1.2
Transfer of share-based payments to liabilities to reflect		–	–	–	(1.2)	(1.2)
Dividends paid	7	–	–	(55.9)	–	(55.9)
At 30 June 2020		**17.1**	**446.7**	**1,132.2**	**1,012.5**	**2,608.5**

Year ended 31 December 2020 (audited)	Note	Share capital	Share premium	Capital reduction reserve	Retained earnings	Total £m
1 January 2020		17.1	446.7	1,188.1	909.3	2,561.2
Profit and total comprehensive income		–	–	–	449.4	449.4
		17.1	446.7	1,188.1	1,358.7	3,010.6
Contributions and distributions						
Shares issued in relation to equity consideration		0.1	19.9	–	–	20.0
Share issue costs		–	(0.1)	–	–	(0.1)
Share-based payments		–	–	–	2.4	2.4
Transfer of share-based payments to liabilities to reflect		–	–	–	(2.4)	(2.4)
Dividends paid	7	–	–	(109.2)	–	(109.2)
At 31 December 2020		17.2	466.5	1,078.9	1,358.7	2,921.3

CONDENSED GROUP CASH FLOW STATEMENT

For the six months ended 30 June 2021

	Note	**Six months ende1 30 June 2021 (unaudited) £m**	Six months ended 30 June 2020 (unaudited) £m	Year ended 31 December 2020 (audited) £m
Cash flows from operating activities				
Profits for the period (attributable to the shareholders)		**377.6**	103.2	**449.4**
Add: tax charge		**(1.6)**	–	**0.1**
Add: changes in fair value of contingent consideration payable		**1.5**	(0.2)	**2.9**
Add: finance expense		**20.0**	18.7	**37.6**
Add: changes in fair value of interest rate derivatives		**(0.8)**	2.1	**2.3**
Add: share-based payment charges		**1.5**	1.9	**5.9**
Add: impairment of intangible and other property assets		**0.2**	0.2	**0.4**
Add: amortisation of other property assets		**3.2**	–	**4.5**
Add: share of loss from joint ventures		**–**	–	**0.1**
Less: changes in fair value of investment properties		**(314.3)**	(55.3)	**(351.1)**
Less: gain on disposal of investment properties		**–**	–	**(0.1)**
Accretion of tenant lease incentive		**(3.5)**	(4.6)	**(9.3)**
(Increase)/decrease in rent and other receivables		**2.3**	(4.1)	**(4.0)**
(Decrease)/increase in deferred income		**(3.0)**	(1.9)	**0.7**
Increase/(decrease) in trade and other payables		**11.4**	10.6	**15.0**
Cash generated from operations		**94.5**	70.6	**154.4**
Taxation paid		**4.0**	(16.8)	**(16.8)**
Net cash flow generated from operating activities		**98.5**	53.8	**137.6**
Investing activities				
Additions to investment properties		**(191.6)**	(95.1)	**(279.0)**
Additions to land options		**(5.1)**	(5.7)	**(7.6)**
Additions to joint ventures		**(0.3)**	(0.3)	**(0.7)**
Net proceeds from disposal of investment properties		**–**	–	**132.3**
Licence fees received		**–**	2.5	**2.5**
Interest received		**–**	0.1	**0.1**
Dividends received from joint ventures		**–**	–	**2.2**
Net cash flow used in investing activities		**(197.0)**	(98.5)	**(150.2)**
Financing activities				
Proceeds from issue of Ordinary Share Capital		**1.3**	–	–
Bank borrowings drawn		**174.5**	132.5	**289.5**
Bank and other borrowings repaid		**(28.5)**	–	**(339.5)**
Amounts received on issue of loan notes		–	–	**246.2**
Loan arrangement fees paid		**(0.6)**	(0.3)	**(2.1)**
Bank interest paid		**(18.8)**	(17.3)	**(35.5)**
Dividends paid to equity holders		**(56.9)**	(56.3)	**(109.6)**
Net cash flow generated from financing activities		**71.0**	58.6	**49.0**
Net increase/(decrease) in cash and cash equivalents for the period		**(27.5)**	13.9	**36.4**
Cash and cash equivalents at start of period	12	**57.6**	21.2	**21.2**
Cash and cash equivalents at end of period	12	**30.1**	35.1	**57.6**

NOTES TO THE CONSOLIDATED ACCOUNTS

1. Basis of preparation

These condensed consolidated interim financial statements for the 6 months to 30 June 2021 have been prepared in accordance with IAS 34 'Interim financial reporting' and also in accordance with the measurement and recognition principles of UK adopted international accounting standards. They do not include all of the information required for full annual financial statements and should be read in conjunction with the 2020 Annual Report and Accounts, which were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

The condensed consolidated financial statements for the six months ended 30 June 2021 have been reviewed by the Company's Auditor, BDO LLP, in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity and were approved for issue on 4 August 2021. The condensed consolidated financial statements are unaudited and do not constitute statutory accounts for the purposes of the Companies Act 2006.

The comparative financial information presented herein for the year to 31 December 2020 does not constitute full statutory accounts within the meaning of Section 434 of the Companies Act 2006. The Group's Annual Report and accounts for the year to 31 December 2020 have been delivered to the Registrar of Companies. The Group's independent auditor's report on those accounts was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006.

1.1. Going concern

The Board has paid attention to the appropriateness of the going concern basis in preparing these financial statements. Any going concern assessment considers the Group's financial position, cash flows and liquidity, including its continued access to its debt facilities and its headroom under financial loan covenants.

The Directors have considered the cash flow forecasts for the Group for a period of at least twelve months from the date of approval of these condensed consolidated financial statements. These forecasts include the Directors' assessment of plausible downside scenarios. The Directors have reviewed the current and projected financial position of the Group, making reasonable assumptions about its future trading performance. Various forms of sensitivity analysis have been performed having a particular regard to the financial performance of its Customers, taking into account any discussions held with the Customer surrounding their rental obligations. The analysis also included sensitising the impact of portfolio valuation movements through market volatility, rent collection and customer default. These scenarios all paid regard to the current economic environment.

The impact on the Group in 2020 from Covid-19 was limited, although the Group commenced the period with a greater level of arrears than it would ordinarily expect with regards to rental income. The arrears are not significant in the context of the portfolio as a whole and during the period progress was made in the recovery of these arrears through payment plans in place for a small number of rent deferrals. The Group has since recovered 100% of all 2020 rent due. There have been no agreements to grant rent free periods or rent holidays across the whole portfolio. Full recovery of any outstanding rent arrears is expected by the end of 2021. The Directors have also considered the arrears position in light of IFRS 9, expected credit loss model, see Note 11 for further details.

As at 30 June 2021, the Group had an aggregate £404 million of undrawn commitments under its senior debt facilities, of which £59.8 million was committed under various development contracts.

At 30 June 2021 the Group's loan to value ratio stood at 30.3%, with the debt portfolio having an average maturity term of approximately 7.0 years. As at the date of approval of this report, the Group has substantial headroom within its financial loan covenants. As at 30 June 2021 property values would have to fall by approximately 45% and there would need to be a loss of income of approximately 40% before loan covenants are breached.

The Group's financial covenants have been complied with for all loans throughout the period and up to the date of approval of these financial statements.

The Directors are therefore satisfied that the Group is in a position to continue in operation for at least twelve months from the date of approval of these condensed consolidated financial statements and consider it appropriate to adopt the going concern basis of accounting in preparing them. There is no material uncertainty relating to going concern.

2. Significant accounting judgements, estimates and assumptions

The condensed consolidated financial statements have been prepared on the basis of the accounting policies, significant judgements, estimates and key assumptions as set out in the notes to the Group's annual financial statements for the year ended 31 December 2020. No changes have been made to the Group's accounting policies as a result of the amendments and interpretations which became effective in the period as they do not have a material impact on the Group. Full details can be found in the Group's annual financial statements for the year ended 31 December 2020, apart

from the below:

2.1 Judgements

Other operating income

Other operating income is receivable from development management agreements in place with third parties. Development management income is recognised in the accounting period in which the services are rendered and a significant reversal is not expected in future periods.

Judgement is exercised in identifying performance obligations including achieving a pre-let, managing the building of an asset and arranging for lease completion. Certain performance obligations are recognised at a point in time and others are recognised over time based on the actual service provided to the end of the reporting period as a proportion of the total services. A judgement is formed over the level of other operating income to be recognised in any accounting period, which also takes into account any associated costs under attached to the development management agreements.

2.2 Estimates

Fair valuation of Investment property

The market value of Investment property is determined by an independent property valuation expert (see note 8) to be the estimated amount for which a property should exchange on the date of the valuation in an arm's-length transaction. Properties have been valued on an individual basis. The valuation expert uses recognised valuation techniques and the principles of both IAS 40 and IFRS 13.

The valuations have been prepared in accordance with the RICS Valuation – Global Standards July 2017 ("the Red Book"). Factors reflected comprise current market conditions including net initial yield applied, annual rentals, lease lengths and location. The net initial yield, being the most significant estimate, is subject to changes depending on the market conditions which are assessed on a periodic basis. The significant methods and assumptions used by the valuers in estimating the fair value of Investment property, together with the sensitivity analysis on the most subjective inputs, are set out in note 8.

3. Summary of significant accounting policies

The accounting policies adopted in this report are consistent with those applied in the Group's consolidated financial statements for the year ended 31 December 2020 and are expected to be applied consistently during the year ending 31 December 2021.

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into the UK law and became UK-adopted international accounting standards, with future changes being subject to endorsement by the UK Endorsement Board. Tritax Big Box Plc transitioned to UK-adopted international accounting standards in its consolidated financial statements on 1 January 2021. There was no impact or changes in accounting policies from the transition.

3.1 New standard issued and effective from 1 January 2021

The following standard and amendment to existing standards is expected to be relevant to the Group and does not have a significant impact on the financial statements as the Group is expected to adopt SONIA with effect from 1 January 2022:

IFRS Phase 2 amendments for interest rate benchmark (IBOR) reform provide a practical expedient to account for changes in the basis for determining contractual cash flows of financial assets and financial liabilities as a result of IBOR reform. Under the practical expedient, entities will account for these changes by updating the effective interest rate without the recognition of an immediate gain or loss. This practical expedient applies only to such a change and only to the extent that it is necessary as a direct consequence of interest rate benchmark reform, and the new basis is economically equivalent to the previous basis.

3.2. New standards issued but not yet effective

Amendments to IAS 1 on Classification of liabilities as Current or Non-Current are effective for the financial years commencing on or after 1 January 2023 and are to be applied retrospectively. It is not expected that the amendments may have an impact on the presentation and classification of liabilities in the Group Statement of Financial Position based on rights that are in existence at the end of the reporting period.

There are other new standards and amendments to standards and interpretations which have been issued that are effective in future accounting periods, and which the Group has decided not to adopt early. None of these are expected to have a material impact on the condensed consolidated financial statements of the Group.

4. Finance expense

	Six months ended 30 June 2021 (unaudited) £m	Six months ended 30 June 2020 (unaudited) £m	Year ended 31 December 2020 (audited) £m
Interest payable on bank borrowings	**2.9**	3.8	7.6
Interest payable on loan notes	**14.8**	12.9	26.3
Commitment fees payable on bank borrowings	**1.0**	0.9	1.6
Swap interest payable	**0.2**	–	0.2
Amortisation of loan arrangement fees	**1.1**	1.1	1.9
	20.0	18.7	37.6

None of the interest payable on financial liabilities and amortisation of loan arrangement fees were capitalised in the current and preceding period.

5. Taxation

	Six months ended 30 June 2021 (unaudited) £m	Six months ended 30 June 2020 (unaudited) £m	Year ended 31 December 2020 (audited) £m
Current taxation	**2.3**	–	0.1
Deferred taxation	**(3.9)**	–	–
Total tax (credit)/charge	**(1.6)**	–	0.1

The UK corporation tax rate for the financial year is 19%. Accordingly, this rate has been applied in the measurement of the Group's tax liability at 30 June 2021.

Non-taxable items include income and gains that are derived from the property rental business and are therefore exempt from UK corporation tax in accordance with Part 12 of CTA 2010.

REIT exempt income includes property rental income that is exempt from UK corporation tax in accordance with Part 12 of CTA 2010.

The Group received an exceptional tax credit of £3.9 million in the period for deferred tax that was over-provided from the acquisition of Tritax Symmetry following the submission of tax computations for 2019.

6. Earnings per share

Earnings per share (EPS) are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period. As there are dilutive instruments outstanding, basic and diluted earnings per share are shown below.

In relation to the dilutive shares to be issued in respect of the B and C Shares, the Directors have indicated a current intention to settle these 100% in cash. The calculation of basic and diluted earnings per share is based on the following:

For the six months ended 30 June 2021 (unaudited)	**Net profit attributable to Ordinary Shareholders £m**	**Weighted average number of Ordinary Shares[1] '000**	**Earnings per share pence**
Basic EPS	**377.6**	**1,719,585**	**21.96**
Adjustment for dilutive shares:			
Changes in fair value of contingent consideration payable	**(0.4)**		
Dilutive shares in respect of B and C Shareholders[3]		**2,029**	
Diluted EPS[2]	**377.2**	**1,721,614**	**21.91**
Adjustments to remove:			
Changes in fair value of contingent consideration payable	**0.4**		
Changes in fair value of Investment property	**(314.3)**		
Changes in fair value of interest rate derivatives	**(0.8)**		
Amortisation of other property assets	**3.2**		

Impairment of intangible contract	0.2		
Deferred tax credit	(3.9)		
EPRA EPS	**62.0**	**1,719,585**	**3.61**
Add back: Changes in fair value of contingent consideration payable	(0.4)	2,029	
EPRA diluted EPS[2]	**61.6**	**1,721,614**	**3.58**
Adjustments to include:			
Changes in fair value of contingent consideration payable	0.4		
Licence fee receivable on Forward Funded Developments	6.1		
Fixed rental uplift adjustments	(2.5)		
Share-based payments charges	1.5		
Changes in fair value of contingent consideration payable	1.5		
Amortisation of loan arrangement fees and intangibles (see note 4)	0.8		
Adjusted EPS	**69.4**	**1,719,585**	**4.03**
Add back: Changes in fair value of contingent consideration payable	(0.4)	2,029	
Adjusted diluted EPS	**69.0**	**1,721,614**	**4.01**

1. Based on the weighted average number of Ordinary Shares in issue throughout the period.
2. Based on the weighted average number of Ordinary Shares in issue throughout the period, plus potentially issuable dilutive shares (see below).
3. Relates to dilutive shares in respect of contingent consideration. This being the 75% of the amounts due to the B and C Shareholders that could potentially be settled as equity. The share-based payments charges are dilutive at period end.

For the six months ended 30 June 2020 (unaudited)	Net profit attributable to Ordinary Shareholders £m	Weighted average number of Ordinary Shares[1] '000	Earnings per share pence
Basic EPS	**103.2**	**1,706,975**	**6.04**
Adjustment for dilutive shares:			
Changes in fair value of contingent consideration payable	(0.2)		
Dilutive shares in respect of B and C Shareholders[3]		12,724	
Diluted EPS[2]	**103.0**	**1,719,699**	**5.99**
Adjustments to remove:			
Changes in fair value of contingent consideration payable	0.2		
Changes in fair value of Investment property	(55.3)		
Changes in fair value of interest rate derivatives	2.1		
Gain on bargain purchase and impairment of intangible contract	0.2		
EPRA EPS	**50.2**	**1,706,975**	**2.94**
Add back: Changes in fair value of contingent consideration payable	(0.2)		
EPRA diluted EPS[2]	**50.0**	**1,719,699**	**2.91**
Adjustments to include:			
Licence fee receivable on Forward Funded Developments	5.2		
Fixed rental uplift adjustments	(2.6)		
Share-based payments charges	1.9		
Amortisation of loan arrangement fees and intangibles (see note 4)	1.1		
Adjusted EPS	**55.6**	**1,706,975**	**3.26**
Adjusted diluted EPS	**55.6**	**1,719,699**	**3.23**

1. Based on the weighted average number of Ordinary Shares in issue throughout the period.
2. Based on the weighted average number of Ordinary Shares in issue throughout the period, plus potentially issuable dilutive shares (see below).
3. Relates to dilutive shares in respect of contingent consideration. This being the 75% of the amounts due to the B and C Shareholders that could potentially be settled as equity. The share-based payments charges are dilutive at period end.

For the year ended 31 December 2020	Net profit attributable to Ordinary Shareholders £m	Weighted average number of Ordinary Shares[1] '000	Earnings per share pence
Basic EPS and diluted EPS[2]	**449.4**	**1,708,504**	**26.30**
Adjustments to remove:			
Changes in fair value of Investment property	**(351.1)**		
Changes in fair value of interest rate derivatives	**2.3**		
Gain on disposal of investment properties	**(0.1)**		
Amortisation of other property assets	**4.5**		
Share of loss from joint ventures	**0.1**		
Impairment of intangible contract	**0.4**		
EPRA EPS and EPRA diluted EPS[2]	**105.5**	**1,708,504**	**6.17**
Adjustments to include:			
Licence fee receivable on Forward Funded Developments	**12.9**		
Fixed rental uplift adjustments	**(6.4)**		
Share-based payments charges	**5.9**		
Changes in fair value of contingent consideration payable	**2.9**		
Amortisation of loan arrangement fees and intangibles (see note 11)	**1.8**		
Adjusted EPS and Adjusted diluted EPS	**122.6**	**1,708,504**	**7.17**

1. Based on the weighted average number of Ordinary Shares in issue throughout the period.
2. Based on the weighted average number of Ordinary Shares in issue throughout the period, plus potentially issuable dilutive shares (see below).
3. Relates to dilutive shares in respect of contingent consideration. This being the 75% of the amounts due to the B and C Shareholders that could potentially be settled as equity. The share-based payments charges are non-dilutive at year end.

Adjusted earnings is a performance measure used by the Board to assess the Group's financial performance and dividend payments. The metric adjusts EPRA earnings by other non-cash items credited or charged to the Group Statement of Comprehensive Income, such as fixed rental uplift adjustments and amortisation of loan arrangement fees. Licence fees received during the period are added to EPRA earnings on the basis noted below as the Board sees these cash flows as supportive of dividend payments. The Board compares the Adjusted earnings to the available distributable reserves when considering the level of dividend to pay.

The adjustment for licence fees receivable is calculated by reference to the proportion of the total period of completed construction during the period, multiplied by the total licence fee receivable on a given forward funded asset. Licence fees will convert into rental income once practical completion has occurred and therefore rental income will flow into EPRA and Adjusted earnings from this point.

Fixed rental uplift adjustments relate to adjustments to net rental income on leases with fixed or minimum uplifts embedded within their review profiles. The total minimum income recognised over the lease term is recognised on a straight-line basis and therefore not supported by cash flows during the early term of the lease, but this reverses towards the end of the lease.

Share-based payment charges relate to the B and C Shareholders. Whilst impacting on earnings, this value is considered capital in nature from the perspective it relates to an equity holding in Tritax Symmetry Limited. It is therefore removed from Adjusted earnings.

7. Dividends paid

	Six months ended 30 June 2021 (unaudited) £m	Six months ended 30 June 2020 (unaudited) £m	Year ended 31 December 2020 (audited) £m
Fourth interim dividend for the period ended 31 December 2019 – 1.7125 pence per Ordinary Share	**–**	29.2	29.2
First interim dividend for the period ended 31 December 2020 – 1.5625 pence per Ordinary Share	**–**	26.7	26.7
Second interim dividend for the period ended 31 December 2020 – 1.5625 pence per Ordinary Share	**–**	–	26.7
Third interim dividend for the period ended 31 December 2020 – 1.5625 pence per Ordinary Share	**–**	–	26.6
Fourth interim dividend for the period ended 31 December 2020 – 1.7125 pence per Ordinary Share	**29.5**	–	–
First interim dividend for the period ended 31 December 2021 – 1.6000 pence per Ordinary Share	**27.5**	–	–
Total dividends paid	**57.0**	55.9	109.2
Total dividends paid in respect of the period/year	**1.60p**	1.563p	4.69p
Total dividends unpaid but declared in respect of the	**1.60p**	1.563p	1.713p
Total dividends declared – per share	**3.20p**	3.13p	6.40p

On 28 July 2021, the Company will announce the declaration of the second interim dividend in respect of the year ended 31 December 2021 of 1.6000 pence per share payable in August 2021. In relation to the total dividends declared for the period of 3.20 pence, 3.20 pence is a property income distribution (PID).

8. Investment property

In accordance with IAS 40: Investment property, the Investment property has been independently valued at fair value by CBRE Limited ("CBRE") and Colliers International Valuation UK LLP ("Colliers"), both accredited independent valuers with recognised and relevant professional qualifications and with recent experience in the locations and categories of the investment properties being valued. CBRE value all Investment property with leases attached or assets that have reached practical completion.

Colliers value all land holdings and assets under construction with no pre-agreed letting. The valuations have been prepared in accordance with the RICS Valuation – Global Standards January 2020 ("the Red Book") and incorporate the recommendations of the International Valuation Standards which are consistent with the principles set out in IFRS 13.

The Valuer in forming its opinion make a series of assumptions, which are typically market related, such as net initial yields and expected rental values and are based on the Valuer's professional judgement. The Valuer has sufficient current local and national knowledge of the particular property markets involved and has the skills and understanding to undertake the valuations competently. There has been no changes to the assumptions made in the period as a result of Covid-19 or other factors.

The valuations are ultimately the responsibility of the Directors. Accordingly, the critical assumptions used in establishing the independent valuation are reviewed by the Board.

(unaudited)	Investment Property freehold £m	Investment property long leasehold £m	Investment property under construction £m	Total £m
As at 1 January 2021	**2,885.3**	**696.1**	**472.1**	**4,053.5**
Property additions[1]	**91.1**	**–**	**170.5**	**261.6**
Fixed rental uplift and tenant lease incentives[2]	**3.0**	**0.5**	**–**	**3.5**
Transfer of Investment property to Investment property under construction	**(33.2)**	**–**	**33.2**	**–**
Transfer of completed property to Investment property	**135.2**	**–**	**(135.2)**	**–**
Change in fair value during the period	**210.2**	**37.0**	**67.1**	**314.3**
As at 30 June 2021	**3,291.6**	**733.6**	**607.7**	**4,632.9**

(unaudited)	Investment Property freehold £m	Investment property long leasehold £m	Investment property under construction £m	Total £m
As at 1 January 2020	2,578.0	640.8	322.4	3,541.2
Property additions[1]	2.6	–	75.1	77.7
Fixed rental uplift and tenant lease incentives[2]	3.7	0.9	–	4.6
Transfer of completed property to Investment property	18.0	–	(18.0)	–
Change in fair value during the period	(6.1)	(3.5)	64.9	55.3
As at 30 June 2020	2,596.2	638.2	444.4	3,678.8

(audited)	Investment Property freehold £m	Investment property long leasehold £m	Investment property under construction £m	Total £m
As at 1 January 2020	2,578.0	640.8	322.4	3,541.2
Property additions[1]	73.1	0.1	210.6	283.8
Property disposed in the year	(131.9)	–	–	(131.9)
Fixed rental uplift and tenant lease incentives[2]	7.5	1.8	–	9.3
Transfer of completed property to Investment property	203.0	–	(203.0)	–
Change in fair value during the year	155.6	53.4	142.1	351.1
As at 31 December 2020	2,885.3	696.1	472.1	4,053.5

1. Licence fees deducted from the cost of Investment property under construction totalled £1.2 million in the period (31 December 2020: £14.2 million).
2. Included within the carrying value of Investment property is £ 55.7 million (31 December 2020: £52.3 million) in respect of accrued contracted rental uplift income. This balance arises as a result of the IFRS treatment of leases with fixed or minimum rental uplifts and rent-free periods, which requires the recognition of rental income on a straight-line basis over the lease term. The difference between this and cash receipts change the carrying value of the property against which revaluations are measured.

	30 June 2021 (unaudited) £m	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
Investment property at fair value per Group Statement of Financial Position	**4,632.9**	3,678.8	4,053.5
Capital commitments	**24.3**	222.0	87.7
Total Investment property valuation*	**4,657.2**	**3,900.8**	4,141.2

* Including costs to complete on forward funded development assets.

Capital commitments represent costs to bring the asset to completion under the developer's funding agreements which include the developer's margin. These commitments could also represent commitments made in respect of asset management initiatives and development land. These costs are not provided for in the Group Statement of Financial Position (refer to note 18).

Licence fees that have been billed but not received from the developer in relation to the property are included within rent and other receivables. The valuation assumes the property to be income generating and therefore includes this receivable in the value.

Fees payable under the DMA totalling £2.2 million (31 December 2020: £3.3 million) have been capitalised in the period being directly attributable to the ongoing development projects.

Valuation risk

There is risk to the fair value of real estate assets that are part of the portfolio of the Group, comprising variation in the yields that the market attributes to the real estate investments and the market income that may be earned.

Real estate investments can be impacted adversely by external factors such as the general economic climate, supply and demand dynamics in the market, competition for buildings and environmental factors which could lead to an increase in operating costs.

Besides asset specific characteristics, general market circumstances affect the value and income from investment properties such as the cost of regulatory requirements related to investment properties, interest rate levels, the availability of financing and ESG scores.

The Manager of the Group has implemented a portfolio strategy with the aim to mitigate the above stated real estate risk. By diversifying in regions, risk categories and tenants, it is expected to lower the risk profile of the portfolio.

Fair value hierarchy

The Group considers that all of its investment properties fall within Level 3 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

The valuations have been prepared on the basis of Market Value (MV), which is defined in the RICS Valuation Standards, as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

MV as defined in the RICS Valuation Standards is the equivalent of fair value under IFRS.

The following descriptions and definitions relating to valuation techniques and key unobservable inputs made in determining fair values are as follows:

The key unobservable inputs made in determining fair values are as follows:

Unobservable input: estimated rental value (ERV)

The rent per square foot at which space could be let in the market conditions prevailing at the date of valuation (range: £3.91 - £12.85 per annum, December 2020: £3.91 - £12.85 per annum and June 2020: £3.80 - £10.75 per annum).

Passing rents are dependent upon a number of variables in relation to the Group's property. These include: size, location, tenant covenant strength and terms of the lease.

Unobservable input: net initial yield

The net initial yield is defined as the initial gross income as a percentage of the market value (or purchase price as appropriate) plus standard costs of purchase (range: 3.25% – 6.59%, December 2020: 3.15%- 6.28% and June 2019: 3.67% - 6.25%).

Sensitivities of measurement of significant unobservable inputs

As set out within significant accounting estimates and judgements above, the Group's property portfolio valuation is open to judgements and is inherently subjective by nature.

As a result, the following sensitivity analysis has been prepared:

	-0.25% net initial yield £m	+0.25% net initial yield £m	-5.0% in passing rent £m	+5.0% in passing rent £m
(Decrease)/increase in the fair value of investment properties as at 30 June 2021 (unaudited)	**255.8**	**(227.6)**	**(206.7)**	**206.7**
(Decrease)/increase in the fair value of investment properties as at 30 June 2020 (unaudited)	228.0	(203.6)	(190.3)	190.3
(Decrease)/increase in the fair value of investment properties as at 31 December 2020 (audited)	255.5	(226.7)	(203.1)	203.1

9. Investment in land options

	Six months ended 30 June 2021 (unaudited) £m	Six months ended 30 June 2020 (unaudited) £m	Year ended 31 December 2020 (audited) £m
Opening balance	**228.1**	226.0	226.0
Acquisitions in the period	**–**	4.4	–
Costs capitalised in the period	**5.1**	1.6	9.1
Transferred to Investment property	**(37.9)**	–	(5.4)

Disposals	**–**	–	(1.6)
Closing balance	**195.3**	232.0	228.1

10. Interest rate derivatives

To mitigate the interest rate risk that arises as a result of entering into variable rate loans, the Group has entered into a number of interest rate derivatives. The fair value of Group's interest rate derivatives is recorded in the Group Statement of Financial Position and is determined by forming an expectation that interest rates will exceed strike rates and discounting these future cash flows at the prevailing market rates as at the year end. This valuation technique falls within Level 2 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the years, nor have there been any transfers between Level 2 and Level 3 during any of the years.

11. Trade and other receivables

Non-current trade and other receivables	**30 June 2021 (unaudited) £m**	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
Cash in public institutions	**2.0**	–	2.0

The cash in public institutions is a deposit of £2.0 million (June 2020: £nil and December 2020: £2.0 million) paid by certain tenants to the Company, as part of their lease agreements.

	30 June 2021 (unaudited) £m	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
Trade receivables	**3.7**	19.6	21.8
Prepayments, accrued income and other receivables	**13.7**	6.4	1.7
VAT	**5.4**	1.2	1.6
	22.8	27.2	25.1

The carrying value of trade and other receivables classified at amortised cost approximates fair value. Included within accrued income is other operating income recognised during the period which is receivable under development management agreements for £11.9 million (June 2020: £2.7 million and December 2020: £nil).

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's Customers. The expected credit loss provision for June 2021 was £0.2 million (June 2020: £0.2 million and December 2020: £0.2 million). The incurred loss provision in the current and prior year are immaterial. No reasonably possible changes in the assumptions underpinning the expected credit loss provision would give rise to a material expected credit loss.

12. Cash held at bank

	30 June 2020 (unaudited) £m	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
Cash and cash equivalents to agree with cash flow	**30.1**	35.1	57.6
Restricted cash	**0.2**	0.2	0.2
	30.3	35.3	57.8

Restricted cash is cash where there is a legal restriction to specify its type of use, i.e. this may be where there is a joint arrangement with a tenant under an asset management initiative.

13. Borrowings

The Group has a £200 million unsecured revolving credit facility (RCF) with a syndicate of relationship lenders comprising Banco Santander S.A. London Branch, Barclays Bank plc, BNP Paribas London Branch, HSBC UK Bank

plc, The Royal Bank of Scotland International Limited London Branch and Wells Fargo Bank N.A. London Branch. In June 2021, the termination date in respect of £190 million of the £200 million RCF was extended from 14 June 2025 to 14 June 2026.

The Group also has a second RCF of £350 million which provides the Group with a significant level of operational flexibility. The syndicate for the £350 million unsecured RCF comprises Barclays Bank plc, BNP Paribas London Branch, HSBC Bank plc, Sumitomo Mitsui Banking Corporation, The Royal Bank of Scotland plc, Santander UK plc and Wells Fargo Bank N.A. London Branch. The termination date of £300 million of the £350 million RCF is 10 December 2024, and the remaining £50 million is 10 December 2023.

As at 30 June 2021 and 31 December 2020, 69% of the Group's debt facility commitments are fixed term (June 2020: 64%), with 31% floating term (June 2020: 36%). When including interest rate hedging the Group has fixed term or hedged facilities totaling 100% of drawn debt for 30 June 2021, December 2020 and June 2020 (see note 10).

As at 30 June 2021, the weighted average running cost of debt was 2.18% (December 2020: 2.17% and June 2020: 2.43%) and the Group's average capped cost of debt was 2.50% as at 30 June 2021 (December 2020: 2.49% and June 2020: 2.68%. As at 30 June 2020, the Group had undrawn debt commitments of £404.0 million (and 31 December 2020: £550.0 million and 30 June 2020: £367.5 million).

The Group has been in compliance with all of the financial covenants of the Group's bank facilities as applicable throughout the period covered by these financial statements.

A large part of the Group's borrowings are unsecured financing arrangements. A summary of the drawn and undrawn bank borrowings in the period is shown below:

Bank borrowings drawn

	30 June 2021 (unaudited) £m	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
At the beginning of the period	**212.9**	262.9	262.9
Bank borrowings drawn in the period under existing facilities	**174.5**	132.5	289.5
Bank borrowings repaid in the period under existing facilities	**(28.5)**	–	(339.5)
Total bank borrowings drawn	**358.9**	395.4	212.9

Any associated fees in arranging the bank borrowings and loan notes that are unamortised as at the year end are offset against amounts drawn on the facilities as shown in the table below:

Bank borrowings drawn

	30 June 2021 (unaudited) £m	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
Bank borrowings drawn: due in more than one year	**358.9**	395.4	212.9
Less: unamortised costs on bank borrowings	**(6.0)**	(6.2)	(6.2)
	352.9	389.2	206.7

Loan notes

Bonds	**30 June 2021 (unaudited) £m**	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
2.625% Bonds 2026	**249.4**	249.3	249.3
3.125% Bonds 2031	**247.4**	247.2	247.3
2.860% USPP 2028	**250.0**	250.0	250.0
2.980% USPP 2030	**150.0**	150.0	150.0
1.500% Green Bonds 2033	**246.3**	–	246.2
Less: unamortised costs on loan notes	**(6.1)**	(4.6)	(6.4)
	1,137.0	891.9	1,136.4

The weighted average term to maturity of the Group's debt as at the period end is 7.0 years (June 2020: 7.1 years and December 2020: 7.4 years).

Maturity of borrowings

	30 June 2021 (unaudited) £m	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
Repayable between one and two years	**–**	–	–
Repayable between two and five years	**196.9**	182.5	50.9
Repayable in over five years	**1,305.1**	1,109.4	1,304.8
	1,502.0	1,291.9	1,355.7

Set out below is a comparison by class of the carrying amounts and the fair value of the Group's financial instruments that are carried in the financial statements:

	Book value 30 June 2021 (unaudited) £m	**Fair value 30 June 2021 (unaudited) £m**	Book value 30 June 2020 (unaudited) £m	Fair value 30 June 2020 (unaudited) £m	Book value 31 December 2020 (audited) £m	Fair value 31 December 2020 (audited) £m
Financial assets						
Interest rate derivatives	**0.4**	**0.4**	0.4	0.4	0.1	0.1
Trade and other receivables[1]	**3.7**	**3.7**	19.6	19.6	21.8	21.8
Cash held at bank	**30.3**	**30.3**	35.3	35.3	57.8	57.8
Financial liabilities						
Interest rate derivatives	**(0.7)**	**(0.7)**	(1.2)	(1.2)	(1.1)	(1.1)
Trade and other payables[2]	**(112.1)**	**(112.1)**	(69.3)	(69.3)	71.3	71.3
Amounts due to B and C shareholders	**(34.7)**	**(34.7)**	(24.6)	(24.6)	31.7	31.7
Borrowings	**1,502.0**	**1,579.7**	1,291.9	1,379.7	1,355.7	1,496.9

1. Excludes certain VAT, prepayments and other debtors.

2. Excludes tax and VAT liabilities.

Interest rate derivatives and amounts due to B and C shareholders are the only financial instruments measured at fair value through profit and loss. All other financial assets and all financial liabilities are measured at amortised cost. All financial instruments were designated in their current categories upon initial recognition.

The Group has two fixed rate loans totalling £162 million, provided by PGIM (£90 million) and Canada Life (£72 million). The fair value is determined by comparing the discounted future cash flows using the contracted yields with the reference gilts plus the margin implied. The reference gilts used were the Treasury 0.375% 2026 Gilt and Treasury 0.25% 2031 Gilt respectively, with an implied margin that is unchanged since the date of fixing. The loans are considered to be a Level 2 fair value measurement. For all other bank loans there is considered no other difference between fair value and carrying value.

The fair value of financial liabilities traded on active liquid markets, including the 2.625% Bonds 2026, 3.125% Bonds 2031, 1.5% Bonds 2033, 2.860% USPP 2028 and 2.980% USPP 2030, is determined with reference to the quoted market prices. These financial liabilities are considered to be a Level 1 fair value measure.

The fair value of the financial liabilities at Level 1 fair value measure were £1,214.3 million (Dec 2020: £1,271.7 million and June 2020: £971.1 million) and the financial liabilities at Level 2 fair value measure were £168.5 million (Dec 2020: £174.4 million and June 2020: £175.3 million).

14. Amounts due to B and C Shareholders

Amounts due to B and C Shareholders comprise the fair value of the contingent consideration element of B and C Shares along with the fair value of the obligation under the cash settled share-based payment element of B and C Shares.

Amounts due to B and C Shareholders are detailed in the table below:

30 June 2021 (unaudited)	**Contingent consideration**	**Share-based payment**	**Fair value £m**

	£m	£m	
Opening balance	**22.5**	**9.2**	**31.7**
Fair value movement recognised	**1.5**	**–**	**1.5**
Share-based payment charge	**–**	**1.5**	**1.5**
Closing balance	**24.0**	**10.7**	**34.7**

30 June 2020 (unaudited)	Contingent consideration £m	Share-based payment £m	Fair value £m
Contingent consideration recognised on acquisition	19.6	3.3	22.9
Fair value movement recognised	(0.2)	–	(0.2)
Share-based payment charge	–	1.9	1.9
Closing balance	19.4	5.2	24.6

31 December 2020 (audited)	Contingent consideration £m	Share-based payment £m	Fair value £m
Contingent consideration recognised on acquisition	19.6	3.3	22.9
Fair value movement recognised	2.9	–	2.9
Share-based payment charge	–	5.9	5.9
Closing balance	22.5	9.2	31.7

The Group considers that the amounts due to the B and C Shareholders fall within Level 3 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

1. Contingent consideration

The B and C Shares vest over a five-year period and require the Symmetry Management Shareholders to, amongst other things, remain in the employment of the Symmetry ManCo for the vesting period. The value of the amount due (subject to certain vesting conditions) is the lower of 60% of the Adjusted NAV of Tritax Symmetry at the relevant future point in time and the value of the B and C Shares at the original completion date. In accordance with IFRS 3 "Business Combinations" the unconditional amount due under Shareholders agreement is accounted for as contingent consideration.

The Adjusted NAV of Tritax Symmetry is the NAV of Tritax Symmetry at the reporting date, adjusted for various matters impacting on the fair value of those land options where planning permission has been obtained but the land has not been acquired along with the elimination of profits created from the Tritax Symmetry investment assets.

2. Share-based payment

In accordance with IFRS 3 "Business Combinations" the requirement to remain in continued employment in order to realise the full value of the B and C Shares has resulted in the excess value (over and above the amount recognised as contingent consideration) being accounted for as payments for post combination services which reflect the 13% economic right held to their share of future performance of the Tritax Symmetry Development assets over and above the completion NAV. The amount due to Symmetry Management Shareholders is based on the Adjusted NAV of Tritax Symmetry and is settled in cash to the value of 25% with the balance settled in either cash and/or shares in the Company, at the sole discretion of the Company.

The fair value of the B and C Shares has been calculated using a Monte Carlo simulation model, for the cash settled element of the liability. This approach has the benefits of being flexible, not reliant on a single case scenario and removes the inherent difficulties with determining discount rate to assign to a particular class of share as the risk would change every time the NAV moved. The change in volatility assumptions does not lead to a significant change in the resulting fair values of the B and C Shares because there are limited hurdles attached to them and it is assumed that all will be exercised at some point over the eight-year horizon. The key unobservable inputs for the Monte-Carlo simulation purposes are the net initial yield of completed developments, future costs of debt and the timing of the completion of the developments.

The Company has the legal option of settling the share-based payment either via cash or equity, with a minimum of

25% being settled in cash. The Directors have a current intention to maximise the cash element of the settlement as they believe this would minimise dilution to existing shareholders. The Directors will endeavour to settle all of the B and C Shares in cash, subject to sufficient funds being available to the Group at the time of settlement without adversely impacting the operations of the Group.

Amounts due to B and C Shareholders are shown as a liability at fair value in the Group Statement of Financial Position. The liability is fair valued at each reporting date with a corresponding charge recognised in the Group profit or loss over the vesting period. For the period ended 30 June 2021, £1.5 million (December 2020: £5.9 million and June 2019: £1.9 million) was charged in the Group profit or loss for the share-based payment.

15. Equity reserves

Share capital

The share capital relates to amounts subscribed for share capital at its nominal value. The Company had 1,719,883,762 shares of nominal value of 1 pence each in issue at the end of the period 30 June 2021 (30 June 2020: 1,706,974,948 shares and 31 December 2020: 1,719,141,878 shares).

Issued and fully paid at 1 pence each	**30 June 2021 (unaudited) £m**	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
Balance at beginning of period – £0.01 Ordinary Shares	**17.2**	17.1	17.1
Shares issued in relation to further Equity issuance	**–**	–	–
Shares issued in relation to the consideration for a corporate acquisition	**–**	–	0.1
Balance at end of period	**17.2**	17.1	17.2

Share premium

The share premium relates to amounts subscribed for share capital in excess of its nominal value.

Capital reduction reserve

The capital reduction reserve account is classed as a distributable reserve. Movements in the current period relate to dividends paid.

Retained earnings

Retained earnings relates to all net gains and losses not recognised elsewhere.

16. Net asset value (NAV) per share

Basic NAV per share is calculated by dividing net assets in the Group Statement of Financial Position attributable to ordinary equity holders of the Parent by the number of Ordinary Shares outstanding at the end of the period. As there are no dilutive instruments outstanding, both basic and diluted NAV per share are shown below.

	30 June 2021 (unaudited) £m	30 June 2020 (unaudited) £m	31 December 2020 (audited) £m
Net assets per Condensed Group Statement of Financial Position	**3,243.1**	2,608.5	2,921.3
EPRA NTA (see table below)	**3,340.3**	2,643.3	3,019.1
Ordinary Shares:			
Issued share capital (number)	**1,719,883,762**	1,706,974,948	1,719,141,878
Basic net asset value per share	**188.57p**	**152.81p**	**169.92p**
Dilutive shares in issue (number)	**1,719,883,762**	1,706,974,948	1,719,141,878
Diluted NAV per share	**188.57p**	**152.81p**	**169.92p**

The Group considered EPRA NTA to be the most relevant NAV measure for the Group and we are now reporting this as our primary NAV measure.

	30 June 2021 (unaudited)			30 June 2020 (unaudited)			31 December 2020 (audited)		
	EPRA NTA £m	**EPRA NRV £m**	**EPRA NDV £m**	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m
NAV attributable to shareholders	**3,243.1**	**3,243.1**	**3,243.1**	2,608.5	2,608.5	2,608.5	2,921.3	2,921.3	2,921.3
Revaluation of land options	**80.2**	**80.2**	**80.2**	17.5	17.5	17.5	80.1	80.1	80.1
Mark-to-market adjustments of	**18.9**	**18.9**	–	19.5	19.5	–	19.7	19.7	–
Intangibles	**(1.9)**	–	–	(2.2)	–	–	(2.0)	–	–
Fair value of debt	–	–	**(77.8)**	–	–	(87.9)	–	–	(141.3)
Real estate transfer tax[1]	–	**336.9**	–	–	277.2	–	–	304.0	–
NAV	**3,340.3**	**3,679.1**	**3,245.5**	2,643.3	2,922.7	2,538.1	3,019.1	3,325.1	2,860.1
NAV per share	**194.22p**	**213.92p**	**188.71p**	154.85p	171.22p	148.69p	175.61 p	193.41p	166.36p
Dilutive NAV per share	**194.22p**	**213.92p**	**188.71p**	154.85p	171.22p	148.69p	175.61 p	193.41p	166.36p

[1]EPRA NTA and EPRA NDV reflect IFRS values which are net of RETT (real estate transfer tax). RETT are added back when calculating EPRA NRV.

17. Transactions with related parties

For the half year 30 June 2021, all Directors and some of the Members of the Manager are considered key management personnel. The terms and conditions of the Investment Management Agreement are described in the Management Engagement Committee Report within the 2020 Annual Report.

The total amount outstanding at the period end relating to the Investment Management Agreement was £4.9 million (30 June 2020: £4.4 million and 31 December 2020: £4.5 million).

The amounts paid to Directors for their services for the period to 30 June 2020 was £0.2 million (30 June 3019: £0.2 million and 31 December 2020: £0.4 million).

The total expense recognised in the Group profit or loss relating to share-based payments under the Investment Management Agreement was £1.3 million (30 June 2020: £1.2 million and 31 December 2020: £2.4 million), of which £1.3 million (31 December 2020: £1.2 million) was outstanding at the period end.

On 1 February 2021, Alasdair Evans and Phil Redding were appointed as new Members of the Manager. They are also Members of SG Commercial. The other Members of the Manager who are considered as key management personnel are Colin Godfrey, James Dunlop, Henry Franklin, Petrina Austin, Bjorn Hobart and Frankie Whitehead, who are also Members of SG Commercial.

During the period the Directors who served during the period received the following dividends: Aubrey Adams: £6,625 (June 2020: £5,694 and December 2020: £11,944), Susanne Given: £nil (June 2020: £nil and December 2020: £nil), Alastair Hughes: £1,159 (June 2020: £1,146 and December 2020: £2,240), Richard Laing: £1,518 (June 2020: £1,501 and December 2020: £2,933) and Karen Whitworth: £530 (June 2020: £250, December 2020: £750).

During the period the Members of the Manager received the following dividends: Colin Godfrey: £75,162 (June 2020: £56,090 and December 2020: £119,353), James Dunlop: £73,097 (June 2020: £54,048 and December 2020: £115,362), Henry Franklin: £54,871 (June 2020: £40,524 and December 2020: £86,776), Petrina Austin: £9,002 (June 2020: £6,082 and December 2020: £13,338), Bjorn Hobart: £10,149 (June 2020: £6,740 and December 2020: £14,624) and Frankie Whitehead £3,905 (June 2020: £2,897 and December 2020: £6,097).

18. Capital commitments

The Group had capital commitments of £55.6 million in relation to its forward funded pre-let development assets, asset management initiatives and commitments under development land, outstanding as at 30 June 2021 (31 December 2020: £93.9 million). All commitments fall due within one year from the date of this report.

19. Subsequent events

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

NOTES TO THE EPRA AND OTHER KEY PERFORMANCE INDICATORS (UNAUDITED)

1. EPRA earnings per share

	Six months ended 30 June 2021 £m	Six months ended 30 June 2020 £m	Year ended 31 December 2020 £m
Total comprehensive income (attributable to shareholders)	**377.6**	103.2	449.4
Adjustments to remove:			
Changes in fair value of investment properties	**(314.3)**	(55.3)	(351.1)
Changes in fair value of interest rate derivatives	**(0.8)**	2.1	2.3
Share of loss from joint ventures	–	–	0.1
Gain on disposal of investment properties	–	–	(0.1)
Amortisation of other property assets	**3.2**	–	4.5
Impairment of intangible contract and other property assets	**0.2**	0.2	0.4
Deferred tax credit	**(3.9)**	–	–
Profits to calculate EPRA earnings per share	**62.0**	50.2	105.5
Add back: Changes in fair value of contingent consideration payable	**(0.4)**	(0.2)	–
Profits to calculate EPRA diluted earnings per share	**61.6**	50.0	105.5
Weighted average number of Ordinary Shares	**1,719,584,549**	1,706,974,948	1,708,504,125
EPRA earnings per share – basic	**3.61p**	2.94p	6.17p
Dilutive shares to be issued	**2,029,483**	12,724,214	–
EPRA earnings per share – diluted	**3.58p**	2.91p	6.17p

2. EPRA NAV per share

The Group considered EPRA Net Tangible Assets (NTA) to be the most relevant NAV measure for the Group. EPRA NTA excludes the intangible assets and the cumulative fair value adjustments for debt-related derivatives which are unlikely to be realised.

30 June 2021		Current measures			Previously reported measures	
		EPRA NTA	EPRA NRV	EPRA NDV	EPRA NAV	EPRA NNNAV
	Note	£m	£m	£m	£m	£m
NAV attributable to shareholders		**3,243.1**	**3,243.1**	**3,243.1**	**3,243.1**	**3,243.1**
Revaluation of land options		**80.2**	**80.2**	**80.2**	**–**	**–**
Mark-to-market adjustments of derivatives		**18.9**	**18.9**	–	**18.9**	**–**
Intangibles		**(1.9)**	–	–	**–**	**–**
Fair value of debt		–	–	**(77.8)**	**–**	**(77.8)**
Real estate transfer tax[1]		–	**336.9**	–	**–**	**–**
At 30 June 2021	**16**	**3,340.3**	**3,679.1**	**3,245.5**	**3,262.0**	**3,165.3**

NAV per share		**194.22p**	**213.92p**	**188.71p**	**189.67p**	**184.05p**
Dilutive NAV per share		**194.22p**	**213.92p**	**188.71p**	**189.67p**	**184.05p**

30 June 2020				Current measures		Previously reported measures
		EPRA NTA	EPRA NRV	EPRA NDV	EPRA NAV	EPRA NNNAV
	Note	£m	£m	£m	£m	£m
NAV attributable to shareholders		2,608.5	2,608.5	2,608.5	2,608.5	2,608.5
Revaluation of land options		17.5	17.5	17.5	–	–
Mark-to-market adjustments of derivatives		19.5	19.5	–	19.5	–
Intangibles		(2.2)	–	–	–	–
Fair value of debt		–	–	(87.9)	–	(87.9)
Real estate transfer tax[1]		–	277.2	–	–	–
At 30 June 2020	**16**	**2,643.3**	**2,922.7**	**2,538.1**	**2,628.0**	**2,520.6**
NAV per share		**154.85p**	**171.22p**	**148.69p**	**153.95p**	**147.66p**
Dilutive NAV per share		**154.85p**	**171.22p**	**148.69p**	**153.95p**	**147.66p**

31 December 2020				Current measures		Previously reported measures
		EPRA NTA	EPRA NRV	EPRA NDV	EPRA NAV	EPRA NNNAV
	Note	£m	£m	£m	£m	£m
NAV attributable to shareholders		2,921.3	2,921.3	2,921.3	2,921.3	2,921.3
Revaluation of land options		80.1	80.1	80.1	–	–
Mark-to-market adjustments of derivatives		19.7	19.7	–	19.7	–
Intangibles		(2.0)	–	–	–	–
Fair value of debt		–	–	(141.3)	–	(141.3)
Real estate transfer tax[1]		–	304.0	–	–	–
At 31 December 2020	**16**	**3,019.1**	**3,325.1**	**2,860.1**	**2,941.0**	**2,780.0**
NAV per share		**175.61p**	**193.41p**	**166.36p**	**171.07p**	**161.71p**
Dilutive NAV per share		**175.61p**	**193.41p**	**166.36p**	**171.07p**	**161.71p**

1. EPRA NTA and EPRA NDV reflect IFRS values which are net of RETT. RETT are added back when calculating EPRA NRV.

3. EPRA net initial yield (NIY) and EPRA "topped up" NIY

	Six months ended 30 June 2021 £m	Six months ended 30 June 2020 £m	Year ended 31 December 2020 £m
Investment property – wholly owned	**4,414.4**	3,801.4	4,026.9
Investment property – share of joint venture	**2.0**	4.3	2.0
Less: development properties	**(389.4)**	(571.3)	(480.7)
Completed property portfolio	**4,027.0**	3,234.4	3,548.2
Allowance for estimated purchasers' costs	**273.0**	219.3	240.6
Gross up completed property portfolio valuation (B)	**4,300.0**	3,453.7	3,788.8
Annualised passing rental income	**189.4**	179.8	180.2
Less: contracted rental income in respect of development properties	**(13.7)**	(26.2)	(19.1)
Property outgoings	**(0.1)**	(0.1)	(0.4)
Less: contracted rent under rent-free period	**(0.8)**	(4.2)	(2.5)
Annualised net rents (A)	**174.8**	149.3	158.2
Contractual increases for fixed uplifts	**4.8**	9.7	7.6
Topped up annualised net rents (C)	**179.6**	159.0	165.8
EPRA net initial yield (A/B)	**4.06%**	4.32%	**4.18%**
EPRA topped up net initial yield (C/B)	**4.17%**	4.60%	**4.38%**

4. EPRA vacancy rate

	Six months ended 30 June 2021 £m	Six months ended 30 June 2020 £m	Year ended 31 December 2020 £m
Annualised estimated rental value of vacant premises	**–**	3.3	–
Portfolio estimated rental value[1]	**187.7**	166.6	172.5
EPRA vacancy rate	**0%**	2.00%	0%

1 Excludes land held for development.

5. EPRA cost ratio

	Six months ended 30 June 2021 £m	Six months ended 30 June 2020 £m	Year ended 31 December 2020 £m
Property operating costs	**0.1**	0.1	0.2
Administration expenses	**12.2**	11.0	22.6
Service charge costs recovered through rents but not separately invoiced	–	–	0.2
Total costs including and excluding vacant property costs (A)/(B)	**12.3**	11.1	23.0
Vacant property cost	–	–	(0.2)
Total costs excluding vacant property costs (B)	**12.3**	11.1	22.8
Gross rental income – per IFRS	**87.6**	78.9	161.6
Less: Service charge cost components of gross rental income	–	–	–
Gross rental income (C)	**87.6**	78.9	161.6
Total EPRA cost ratio (including vacant property costs)	**14.1%**	14.1%	14.2%
Total EPRA cost ratio (excluding vacant property costs)	**14.1%**	14.1%	14.1%

6. Total Accounting Return (TAR)

	Six months ended 30 June 2021 £m	Six months ended 30 June 2020 £m	Year ended 31 December 2020 £m
Opening EPRA NTA	**175.61p**	151.79p	151.79p
Closing EPRA NTA	**194.22p**	154.85p	175.61p
Change in EPRA NTA	**18.61p**	3.06p	23.82p
Dividends paid	**3.31p**	3.28p	6.40p
Total growth in EPRA NTA plus dividends paid	**21.92p**	6.34p	30.22p
Total return	**12.48%**	4.18%	19.91%
One-off transactional costs	–	–	–
Total return excluding one-off transactional costs	**12.48%**	4.18%	19.91%

The financial information contained in this results announcement has been prepared in accordance with the measurement and recognition principles of UK adopted international accounting standards. Whilst the financial information included in this announcement has been computed in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, this announcement does not itself contain sufficient disclosures to comply with IFRS. The financial information does not constitute the Group's statutory financial statements for the years ended 31 December 2020 or 31 December 2019, but is derived from those financial statements. Financial statements for the year ended 31 December 2020 have been delivered to the Registrar of Companies and those for the year ended 31 December 2021 will be delivered following the Company's Annual General Meeting. The auditors' reports on both the 31 December 2020 and 31 December 2019 financial statements were unqualified; did not draw attention to any matters by way of emphasis; and did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

GLOSSARY OF TERMS

"Adjusted Earnings" Post-tax earnings attributable to shareholders, adjusted to include licence fees receivable on forward funded development assets and adjusts for other earnings not supported by cash flows. "Adjusted Earnings per share" or "Adjusted EPS" on a per share basis.

"B and C Shares" The B and C Shares in Tritax Symmetry issued to the Symmetry Management shareholders.

"Big Box" A "Big Box" property or asset refers to a specific subsegment of the logistics sector of the real estate market, relating to very large logistics warehouses (each with typically over 500,000 sq ft of floor area) with the primary function of holding and distributing finished goods, either downstream in the supply chain or direct to consumers, and typically having the following characteristics: generally a modern constructed building with eaves height exceeding 12 metres; let on long leases with institutional-grade tenants; with regular, upward-only rental reviews; having a prime geographical position to allow both efficient stocking (generally with close links to sea ports or rail freight hubs) and efficient downstream distribution; and increasingly with sophisticated automation systems or a highly bespoke fit out.

"Board" The Directors of the Company.

"BREEAM" The Building Research Establishment Environmental Assessment Method certification of an asset's environmental, social and economic sustainability performance, using globally recognised standards.

"Company" Tritax Big Box REIT plc (company number 08215888).

"CPI" Consumer Price Index, a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care as calculated on a monthly basis by the Office of National Statistics.

"Current development pipeline" Assets that are in the course of construction or assets for which we have made a construction commitment.

"CVA" A company voluntary liquidation, a legally binding agreement between a business and its creditors which sets out a debt repayment plan and enables a viable business to avoid insolvency.

"db Symmetry" db Symmetry Group Ltd and db symmetry BVI Limited, together with their subsidiary undertakings and joint venture interests, which were acquired by the Group in February 2019.

"Directors" The Directors of the Company as of the date of this report being Aubrey Adams, Susanne Given, Alastair Hughes, Richard Laing and Karen Whitworth.

"Development Management Agreement" or **"DMA"** An agreement between the Group and a developer setting out the terms in respect of the development of an asset. In particular, the development of the Symmetry Portfolio is the subject of a DMA between Tritax Symmetry and Symmetry ManCo.

"Development portfolio" or **"Development assets"** The Group's Development portfolio comprises its property assets which are not Investment assets, including land, options over land as well as any assets under construction on a speculative basis.

"EPC rating" A review of a property's energy efficiency.

"EPRA" European Public Real Estate Association.

"EPRA Earnings" Earnings from operational activities (which excludes the licence fees receivable on our Forward Funded Development assets).

"EPRA NAV" or **"EPRA Net Asset Value"** The Basic Net Asset Value adjusted to meet EPRA Best Practices Recommendations Guidelines (2016) requirements by excluding the impact of any fair value adjustments to debt and related derivatives and other adjustments and reflecting the diluted number of Ordinary Shares in issue.

"EPRA Triple Net Asset Value (NNNAV)" EPRA NAV adjusted to include the fair values of financial instruments, debt and deferred taxes.

"EPRA Net Tangible Asset (NTA)" The Basic Net Asset Value adjusted to meet EPRA Best Practices Recommendations Guidelines (2019) requirements by excluding intangibles and the impact of any fair value adjustments to related derivatives. This includes the revaluation of land options.

"EPRA Net Reinstatement Value (NRV)" IFRS NAV adjusted to exclude the impact of any fair value adjustments to related derivatives. This includes the revaluation of land options and the Real estate transfer tax (RETT).

"EPRA Net Disposal Value (NDV)" IFRS NAV adjusted to include the fair values of debt and the revaluation of land options.

"EPRA Net Initial Yield (NIY)" Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchaser's costs.

"EPRA 'Topped-Up' NIY" This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives, such as discounted rent periods and step rents).

"EPRA Vacancy" Estimated market rental value (ERV) of vacant space divided by the ERV of the whole portfolio.

"EPRA Cost Ratio" Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.

"Estimated cost to completion" Costs still to be expended on a development or redevelopment to practical completion, including attributable interest.

"Estimated rental value" or **"ERV"** The estimated annual market rental value of lettable space as determined biannually by the Group's valuers. This will normally be different from the rent being paid.

"FCA" The United Kingdom Financial Conduct Authority (or any successor entity or entities).

"Forward Funded Development" Where the Company invests in an asset which is either ready for, or in the course of, construction, pre-let to an acceptable counterparty. In such circumstances, the Company seeks to negotiate the receipt of immediate income from the asset, such that the developer is paying the Company a return on its investment during the construction phase and prior to the tenant commencing rental payments under the terms of the lease. Expert developers are appointed to run the development process.

"Foundation asset" Foundation assets provide the core, low-risk income that underpins our business. They are usually let on long leases to customers with excellent covenant strength. These buildings are commonly new or modern and in prime locations, and the leases have regular upward only rent reviews, often either fixed or linked to Inflation Indices.

"FRI Lease" Full Repairing and Insuring Lease. During the lease term, the tenant is responsible for all repairs and decoration to the property, inside and out, and the building insurance premium is recoverable from the tenant.

"Future development pipeline" The Group's land bank for future development typically controlled under option agreements which do not form part of the Current or Near Term development pipeline.

"Gearing" Net borrowings divided by total shareholders' equity excluding intangible assets and deferred tax provision.

"GIA" Under the RICS Code of Measuring Practice (6th Edition) the Gross Internal Area (GIA) is the basis of measurement for valuation of industrial buildings (including ancillary offices) and warehouses. The area of a building measured to the internal face of the perimeter walls at each floor level (including the thickness of any internal walls). All references to building sizes in this document are to the GIA.

"GAV" The Group's gross asset value.

"Global Real Estate Sustainability Benchmark (GRESB) Assessment" GRESB assesses the ESG performance of real estate and infrastructure portfolios and assets worldwide, providing standardised and validated data to the capital markets.

"Gross rental income" Contracted rental income recognised in the period, in the income statement, including surrender premiums and interest receivable on finance leases. Lease incentives, initial costs and any contracted future rental increases are amortised on a straight-line basis over the lease term.

"Group" or **"REIT Group"** The Company and all of its subsidiary undertakings.

"Growth Covenant asset" Growth Covenant assets are fundamentally sound assets in good locations, let to customers we perceive to be undervalued at the point of purchase and who have the potential to improve their financial strength, such as young e-retailers or other companies with growth prospects. These assets offer value enhancement through yield compression.

"IMA" The Investment Management Agreement between the Manager and the Company.

"Investment portfolio" or **"Investment assets"** The Group's Investment Portfolio comprises let or pre-let (in the case of Forward Funded Developments) assets which are income generating, as well as any speculative development assets which have reached practical completion but remain unlet.

"Investment property" Completed land and buildings held for rental income return and/or capital appreciation.

"Land asset" Opportunities identified in land which the Manager believes will enable the Company to secure, typically, pre-let Forward Funded Developments in locations which might otherwise attract lower yields than the Company would want to pay, delivering enhanced returns but controlling risk.

"LIBOR" London Interbank Offered Rate.

"Link" or **"Link Asset Services"** A trading name of Link Market Services Limited (company number 2605568).

"Listing Rules" The listing rules made by the Financial Conduct Authority under section 73A of FSMA.

"Loan Notes" The loan notes issued by the Company on 4 December 2018.

"Loan to Value (LTV)" The proportion of our gross asset value that is funded by net borrowings.

"London Stock Exchange" London Stock Exchange plc.

"Manager" Tritax Management LLP (partnership number 0C326500).

"Minimum Energy Efficiency Standards (MEES)" The legal standard for minimum energy efficiency which applies to rented commercial buildings as regulated by the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.

"Near-term development pipeline" Sites which have either received planning consent or sites where planning applications have been submitted prior to the year end.

"Net equivalent yield" The internal rate of return from an Investment property, based on the value of the property assuming the current passing rent reverts to ERV and assuming the property becomes fully occupied over time.

"Net initial yield" The annual rent from a property divided by the combined total of its acquisition price and expenses.

"Net rental income" Gross rental income less ground rents paid, net service charge expenses and property operating expenses.

"Net zero carbon" Highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset.

"Non-PID Dividend" A dividend received by a shareholder of the principal company that is not a PID.

"Ordinary Shares" Ordinary Shares of £0.01 each in the capital of the Company.

"Passing rent" The annual rental income currently receivable on a property as at the balance sheet date (which may be more or less than the ERV). Excludes rental income where a rent-free period is in operation. Excludes service charge income (which is netted off against service charge expenses).

"PID" or **"Property income distribution"** A dividend received by a shareholder of the principal company in respect of profits and gains of the Property Rental Business of the UK resident members of the REIT group or in respect of the profits or gains of a non-UK resident member of the REIT group insofar as they derive from their UK Property Rental Business.

"Portfolio" The overall portfolio of the Company including both the Investment and Development portfolios.

"Portfolio Value" The value of the Portfolio which, as well as the Group's standing assets, includes capital commitments on Forward Funded Developments, Land Assets held at cost, the Group's share of joint venture assets and other property assets.

"Pre-let" A lease signed with a customer prior to commencement of a development.

"REIT" A qualifying entity which has elected to be treated as a Real Estate Investment Trust for tax purposes. In the UK, such entities must be listed on a recognised stock exchange, must be predominantly engaged in property investment activities and must meet certain ongoing qualifications.

"Rent roll" See **"Passing rent".**

"RPI" Retail price index, an inflationary indicator that measures the change in the cost of a fixed basket of retail goods as calculated on a monthly basis by the Office of National Statistics.

"SDLT" Stamp Duty Land Tax – the tax imposed by the UK Government on the purchase of land and properties with values over a certain threshold. "Shareholders" The holders of Ordinary Shares.

"Speculative development" Where a development has commenced prior to a lease agreement being signed in relation to that development.

"sq ft" Square foot or square feet, as the context may require.

"Symmetry Management shareholders" The holders of B and C Shares in Tritax Symmetry.

"Symmetry ManCo" db Symmetry Management Limited, a private limited company incorporated in England and Wales (registered number 11685402) which has an exclusive development management agreement with Tritax Symmetry to manage the development of the Tritax Symmetry Portfolio.

"Topped up net initial yield" Net initial yield adjusted to include notional rent in respect of let properties which are subject to a rent-free period at the valuation date thereby providing the Group with income during the rent-free period. This is in accordance with EPRA's Best Practices Recommendations.

"Total Expense Ratio" or **"TER"** The ratio of total administration and property operating costs expressed as a percentage of average net asset value throughout the period.

"Total Accounting Return" Net total return, being the percentage change in EPRA NTA over the relevant period plus dividends paid.

"Total Shareholder Return" A measure of the return based upon share price movement over the period and assuming reinvestment of dividends.

"Tritax Symmetry" Tritax Symmetry Limited, a limited company incorporated in Jersey (registered number 127784).

"Tritax Symmetry Portfolio" The portfolio of assets held through Tritax Symmetry following the acquisition of db Symmetry in February 2019, including land, options over land and a number of assets under development.

"UK AIFMD Rules" The laws, rules and regulations implementing AIFMD in the UK, including without limitation, the Alternative Investment Fund Managers Regulations 2013 and the Investment Funds sourcebook of the FCA.

"Value Add asset" These assets are typically let to customers with good covenants and offer the chance to grow the assets' capital value or rental income, through lease engineering or physical improvements to the property. We do this using our asset management capabilities and understanding of customer requirements. These are usually highly re-lettable. It also includes assets developed on a speculative basis which have reached practical completion but remain unlet at the period end.

"WAULT" or **"Weighted Average Unexpired Lease Term"** The income for each property applied to the remaining life for an individual property or the lease and expressed as a portfolio average in years. In respect of Forward Funded Developments, the unexpired term from lease start date.

"Yield on cost" The expected gross yield based on the estimated current market rental value (ERV) of the developments when fully let or actual rental value for completed developments or those pre-let, as appropriate, divided by the estimated or actual total costs of the development.