HELICAL

HELICAL PLC
Annual Report and Accounts 2024

We create sustainable and inspiring workplaces which are technologically smart, rich in amenities and promote employee wellbeing.

Applying this philosophy we seek to maximise Shareholder returns through delivering income growth from creative asset management and capital gains from our development activity.

Strategic Report

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Highlights 2024

Financial highlights

3.5p

EPRA earnings per share[1]
2023: 9.4p

39.5%

See-through loan to value[1] increased to 39.5% (31 March 2023: 27.5%) with a pro-forma LTV[2], post year-end sales, of 28.7%.

£189.8m

IFRS loss of £189.8m (2023: £64.5m).

331p

EPRA net tangible asset value per share[1] down 32.9% to 331p (31 March 2023: 493p).

4.83p

Total dividend for the year (2023: 11.75p).

2.9%

See-through average cost of secured facilities[1] reduced to 2.9% (31 March 2023: 3.4%).

Earnings and dividends

- IFRS loss of £189.8m (2023: £64.5m).
- See-through Total Property Return[1] of -£162.7m (2023: -£51.4m):
  - Group's share[1] of net rental income decreased 23.8% to £25.5m (2023: £33.5m).
  - Net loss on sale and revaluation of investment properties of -£188.6m (2023: -£88.1m).
  - Development profits of £0.4m (2023: £3.2m).
- Total Property Return, as measured by MSCI, of -20.3%, compared to the MSCI Central London Offices Total Return Index of -5.7%.
- IFRS basic loss per share of 154.6p (2023: 52.6p).
- EPRA earnings per share[1] of 3.5p (2023: 9.4p).
- Final dividend proposed of 1.78p per share (2023: 8.70p).
- Total dividend for the year of 4.83p (2023: 11.75p).

Balance Sheet

- Net asset value down 34.1% to £401.1m (31 March 2023: £608.7m).
- Total Accounting Return[1] on IFRS net assets of -31.7% (2023: -9.4%).
- Total Accounting Return[1] on EPRA net tangible assets of -31.4% (2023: -12.1%).
- EPRA net tangible asset value per share[1] down 32.9% to 331p (31 March 2023: 493p).
- EPRA net disposal value per share[1] down 33.3% to 327p (31 March 2023: 490p).

Financing

- See-through loan to value[1] increased to 39.5% (31 March 2023: 27.5%) with a pro-forma LTV[2], post year-end sales, of 28.7%.
- See-through net borrowings[1] of £261.6m (31 March 2023: £231.4m), pro-forma £163.8m.
- Average maturity of the Group's share[1] of secured debt of 2.1 years (31 March 2023: 2.9 years).
- Change in fair value of derivative financial instruments charge of £5.6m (2023: credit of £12.8m).
- See-through average cost of secured facilities[1] reduced to 2.9% (31 March 2023: 3.4%).
- Group's share[1] of cash and undrawn bank facilities of £115.5m (31 March 2023: £244.2m).

1 See Glossary for definition of terms. The "see-through" performance measures are designed to give additional information about the Group's share of assets and liabilities, income and expenses in subsidiaries and joint ventures. The financial statements have been prepared in accordance with International Accounting Standards ("IAS") in conformity with the Companies Act 2006. In common with usual practice in our sector, alternative performance measures have also been provided to supplement IFRS, including measures which are based on the recommendations of the European Public Real Estate Association ("EPRA").

2 See Note 34.

Operational highlights

Good letting momentum with progress at our "best-in-class" assets

- During the year we completed 13 new lettings, comprising 136,660 sq ft (our share: 86,237 sq ft), delivering contracted rent of £11.7m per annum (our share: £7.1m), 1.1% above 31 March 2023 ERVs.
  - At The JJ Mack Building, EC1, we let 100,847 sq ft at a 1.8% premium to 31 March 2023 ERVs. Post year end, we let the ground floor office space to J Sainsbury and have placed the fourth floor, 10th floor and remaining ground floor retail unit under offer. On completion of these lettings 90% of the building will be let at an average office rent of £95, with just one floor remaining.
  - At The Bower, EC1, we forfeited the leases for six floors let to WeWork at The Tower, taking back control of the space. Since then we have re-let one floor back to them until June 2024 and have entered into a management agreement for infinitSpace to provide serviced offices on two floors. The remaining vacant fourth, fifth and sixth floors are being refurbished to be let on a Cat A+ basis.

Sales

- Shortly before the year end, we exchanged on the £43.5m sale of 25 Charterhouse Square, EC1, with completion of the sale in April 2024.
- As announced a few days ago, we entered into a joint venture arrangement for the redevelopment of 100 New Bridge Street, EC4, selling a 50% interest in the site for £55m structured on a preferred equity basis to a vehicle led by Orion Capital Managers. Simultaneous to the joint venture being signed, the parties entered into a development financing arrangement with NatWest and an institutional lender, and a building contract with Mace to deliver the scheme.

Portfolio valuation

- Primarily driven by the impact of the higher interest rate environment on market sentiment, there was an outward yield adjustment of 95bps in the year to 31 March 2024, increasing the true equivalent yield for the portfolio to 6.34% (31 March 2023: 5.39%) and reducing the investment portfolio valuation to £660.6m (31 March 2023: £839.5m).

Development pipeline

- With a joint venture partner secured, development finance in place and a construction contract signed, the 194,000 sq ft redevelopment of 100 New Bridge Street, EC4, our latest "best-in-class" scheme, has commenced and is expected to be completed by March 2026.
- Contracts were signed in July 2023, confirming Helical as Places for London's commercial office joint venture partner. The long-term partnership will see the delivery of new high quality and sustainable space predominantly above or adjacent to key transport hubs.
  - **10 King William Street, EC4 (formerly Bank OSD)** – An eight-storey office development on an island site, located above the recently opened Bank station entrance on Cannon Street, delivering 140,000 sq ft of office and retail space. This development is due to commence in Q4 2024 with completion due by December 2026.
  - **Southwark Over Station Development, SE1** – Located over Southwark tube station, the site benefits from planning for a 222,000 sq ft NIA office scheme. We are now having detailed pre-application discussions with Southwark Borough Council regarding an alternative purpose-built student accommodation scheme. We aim to submit a planning application during summer 2024, commence on site in July 2025 and complete in summer 2027.
  - **Paddington Over Station Development, W2** – Situated close to the Elizabeth Line station at Paddington, this 19-storey building will provide 235,000 sq ft of office space. The site will be acquired by the joint venture in January 2026 and the intention is to deliver the scheme in 2029.
- Terms have been agreed, and contracts will shortly be signed, with the long leasehold owner of the existing building at Brettenham House, WC2 for the wholesale refurbishment of the 120,000 sq ft office building with Helical acting as development manager and contributing towards construction costs. This transaction is an example of the "equity-light" model that we seek to pursue in the future, with ownership remaining with the long leaseholder and our equity contribution limited. Work has already commenced and we expect to deliver the completed scheme in Q1 2026.

Portfolio update

- IFRS investment property portfolio value of £472.5m (31 March 2023: £681.7m).
- 22.4% valuation decrease, on a like-for-like basis[1] (22.6% including sales and purchases), of our see-through investment portfolio, valued at £660.6m (31 March 2023: £839.5m).
- See-through portfolio WAULT[1] of 6.6 years (31 March 2023: 5.0 years).
- Contracted rents of £33.0m (31 March 2023: £39.0m), compared to an ERV[1] of £60.8m (31 March 2023: £60.4m). Following the sale of 25 Charterhouse Square, EC1, and 50% of 100 New Bridge Street, EC4 post year end, the ERV falls to £48.1m.
- Vacancy rate on completed assets decreased to 17.6% at 31 March 2024 (2023: 19.8%), primarily due to the lettings at The JJ Mack Building, EC1.

Sustainability highlights

- The JJ Mack Building, EC1 received its final BREEAM certificate, achieving an Outstanding with a score of 96.4%, making it the highest rated commercial building in the UK.
- Photovoltaic panels installed at The Bower, EC1 generating over 37,000 kWhs of energy once fully commissioned, for the exclusive use of our building.
- Retention of EPRA Sustainability BPR Gold rating and CDP B rating with a GRESB 4 Green Star status.

Richard Cotton
Chairman

A clear pathway to future growth

The results are reflective of the cyclical and structural headwinds affecting the real estate sector and, more particularly, London offices and which have adversely impacted our financial and share performance. Our portfolio of investment properties and development sites has been disproportionately impacted by the significant outward yield movement over the past 12 months, with vacancy negatively impacting valuations.

On a more positive note, I am, however, pleased to report that our strategy of focusing on "best-in-class" buildings is bearing fruit, as evidenced by the encouraging letting progress and record rents achieved at our latest and most sustainable property, The JJ Mack Building, EC1. This underpins our confidence in the prospects for our significant development pipeline and our future profitability.

Over recent months I have led a detailed and rigorous business review, where we have examined all of the potential strategies to generate Shareholder value. We have concluded that the nature of our business does not lend itself to the strategy currently being adopted by some of our peers, namely the return of capital to Shareholders funded through asset disposals. There are some important factors underlying this conclusion, particularly the complexities of our financing and capital commitments given the scale of our central London pipeline assets, compounded by the current market illiquidity for properties of over £100m, which is even more pronounced for London offices.

We have reached several important conclusions:

- We have an exciting pipeline of committed developments, which, due to the quality and location of the schemes, are well placed to attract premium rents and should achieve strong returns;
- Helical has a proven track record in delivering very high quality schemes, across a variety of asset classes, often in partnership. Going forwards, the intention is to increasingly adopt an "equity-light" model to take advantage of market opportunities with a disciplined approach to capital deployment;
- To optimise the value of our investment properties we need to complete our asset management plans, principally through leasing up vacancy, and be ready to realise value as and when liquidity returns to the investment market;
- We need to adjust our dividend payout given recurring earnings are insufficient to cover the historic level of dividend and development profits are inherently lumpy;
- We plan to make a significant reduction in our fixed overheads, and we have started to implement changes to reduce our running overheads by 25% by the end of March 2025;
- The Board has signed off on a detailed three-year plan and is very clear that, given current markets, the potential returns on a three-year view far exceed the potential returns from an alternative strategy to return capital to Shareholders in the short term; and
- The Board recognises the talent and potential in the wider Helical team and, to this end, we are consulting on the introduction of a new three-year management incentive plan that is designed to strengthen the alignment of the executive and senior management team with Shareholder returns.

The trajectory of investment yields is outside our control, but absent significant further outward movement, we are confident that through the implementation of the above strategy we can demonstrate value accretion. In due course, the investment market should return to more normal conditions. In the meantime, we have lots to be getting on with; letting vacancy in our existing portfolio and maximising the potential in our development pipeline, whilst maintaining a robust financial position, all at a lower operational cost, are the team's main priorities.

The Board is not complacent about the scale of the challenge facing us and other small listed property businesses, but we are very clear about the opportunity for Helical in a dislocated market. We are proud to work with a number of high quality partners, which is a strong endorsement of the Helical brand,and we will continue to nurture these relationships.

Leadership

Gerald Kaye has informed the Board that he will be handing over his executive duties and stepping down from the Board at the AGM in July. We are delighted that he has agreed to stay on in a consultancy role with specific responsibility for our joint ventures at 100 New Bridge Street, EC4 and our new West End scheme at Brettenham House, WC2. I am very pleased to announce that Gerald will be succeeded by Matthew Bonning-Snook as Chief Executive.

On behalf of the Board I would like to pay tribute to Gerald's outstanding contribution to Helical during his long tenure as, first, Development Director and, most recently, as Chief Executive. Since he succeeded Mike Slade in 2016 he has re-focused the business as a "best-in-class" developer in central London. Over this period he has had to contend with strong headwinds, from Brexit, Covid and latterly the sharp upward adjustment in interest rates. Throughout he has remained calm and focused, demonstrating a totally committed work ethic.

I am delighted that he has agreed to continue in an external consultancy role, maintaining the strong relationships with some of our key joint venture partners.

With Matthew having secured the joint venture with TfL, the cornerstone of our exciting development pipeline, and with an extensive track record of delivering profitable schemes over nearly three decades at Helical, he is the right choice to maximise the opportunities at Helical. We are clear about the challenges in front of us and I look forward to working closely with Matthew and the wider Helical team to implement our strategy.

> On behalf of the Board I would like to pay tribute to Gerald's outstanding contribution to Helical during his long tenure."

Non-Executive Directors

On behalf of my fellow Helical Directors, I want to thank Joe Lister who, after serving for almost six years on the Board, is stepping down at the 2024 Annual General Meeting ("AGM"), following his appointment as Chief Executive at FTSE 100 company, The Unite Group plc. Joe has made a significant contribution to our Board deliberations and we shall miss his wise counsel.

I would also like to welcome our two new Non-Executive Directors, Amanda Aldridge and Robert Fowlds. Amanda has strong credentials in financial reporting and will succeed Joe as Chair of the Audit and Risk Committee following the 2024 AGM. Robert strengthens the overall expertise of the Board with his extensive financial knowledge and background in real estate.

Richard Cotton
Chairman
22 May 2024

Gerald Kaye
Chief Executive

Creating "best-in-class" buildings at the forefront of sustainability

"Being selected by TfL as their joint venture partner for the Platinum Portfolio was a significant milestone, providing three schemes to our pipeline..."

Overview

During the year to 31 March 2024, we have seen a significant readjustment in the investment market as valuation yields have increased to reflect movements in 10-year gilts and five-year swap rates, the pricing on which real estate property yields are correlated.

At Helical, the portfolio has seen an outward yield adjustment of 95bps since 31 March 2023, offset by 1.1% ERV growth, with both valuations and earnings impacted by increased vacancy in the portfolio, particularly as the result of our forfeiture of the leases to WeWork at The Bower, EC1. This proactive step allowed us to regain control of the space, shortly before the tenant went into Chapter 11 in the US, and refurbishment work is well under way as we seek to re-let this high quality space.

At the same time, we continue to let space at our most recently completed new development, The JJ Mack Building, EC1. Despite an increase in the time taken to negotiate commercial terms and complete the legal processes, we have made good progress in the year in letting the space and at record rents for the Farringdon area, significantly in excess of the initial appraisal rental levels and above March 2023 ERVs. Today this "best-in-class" building is 71% let, increasing to 90% on completing the letting of the space currently under offer.

Tenant demand for the best newly developed or refurbished buildings, at the forefront of sustainability and with top quality amenities, continues to be strong, with rising rental values evidenced by our own experience and that of our peer group.

Against this backdrop, and since the year end, Helical has recycled capital from its portfolio, reduced year end leverage and cut its ongoing core administrative costs, targeting a 25% reduction by the end of this financial year. As a result, it is well placed to capitalise on any ongoing market dislocation and the structural trends impacting the office sector.

Our pipeline

The Group seeks to grow the business by realising surpluses from its recently developed investment assets, and reinvesting that recycled equity into new opportunities.

In the year to 31 March 2024, no new development schemes were started with the last completed scheme being The JJ Mack Building, EC1, which achieved practical completion in September 2022. Instead, Helical's focus has been on increasing its development pipeline of future schemes.

Being selected by TfL as their joint venture partner for the Platinum Portfolio was a significant milestone, providing three schemes to our pipeline with the potential for additional opportunities to be added to the joint venture in the future. This collaboration with TfL, rebranded as Places for London, is an endorsement of the Helical brand and recognises our track record of producing "best-in-class" developments across central London over many years. Since contracts were signed with Places for London, in July 2023, we have been working to maximise the opportunities at each of the three initial sites at 10 King William Street, EC4, previously referred to as the Bank Over Station Development ("OSD"), Southwark OSD, SE1 and Paddington OSD, W2. We are excited at the prospect of starting the first of these developments at 10 King William Street, EC4 later this year, with the subsequent schemes due to start in 2025 and 2026, with delivery in 2026, 2027 and 2029 respectively.

In addition, with a joint venture partner secured, development bank finance arranged and a main contractor signed, we are also excited to progress the redevelopment of 100 New Bridge Street, EC4, our 194,000 sq ft office and retail scheme.

Finally, as referred to in November, when we reported on our Half Year results, we have also secured a new "equity-light" scheme at Brettenham House, WC2. This scheme, a comprehensive refurbishment of a 120,000 sq ft office building adjacent to Waterloo Bridge, is an example of Helical providing its development expertise to a property owner looking to retain its investment but create, in joint venture where we contribute towards construction costs, a "best-in-class" investment asset. In return for our participation, Helical will receive development management fees plus a "waterfall" promote based on the outcome once let. Our business model envisages additional "equity-light" schemes being added to the development pipeline in the future.

Results for the year

The loss for the year to 31 March 2024 was £189.8m (2023: £64.5m) with a see-through Total Property Return of -£162.7m (2023: -£51.4m). See-through net rental income reduced by 23.8% to £25.5m (2023: £33.5m) while developments generated see-through profits of £0.4m (2023: £3.2m). The see-through net loss on sale and revaluation of the investment portfolio was £188.6m (2023: £88.1m).

Total see-through net finance costs reduced to £11.1m (2023: £12.0m), reflecting a lower level of debt offset by a full year of expensed interest on the debt in our joint ventures since practical completion of The JJ Mack Building, EC1 in September 2022. A fall in expected future interest rates led to a £5.6m charge (2023: credit of £12.8m) from the valuation of the Group's derivative financial instruments. Recurring see-through administrative costs were 8.7% lower at £9.4m (2023: £10.3m) before an accelerated depreciation charge of £0.7m (2023: £nil), with performance related awards, reflecting a purely notional charge for share awards, reduced to £1.2m (2023: £2.7m). National Insurance on these awards was £0.1m (2023: £0.3m).

Since 1 April 2022, Helical has been a REIT and the receipt of income which fell outside this regime in the prior year has resulted in a small tax charge of £0.2m (2023: £nil) for the year.

The IFRS basic loss per share was 154.6p (2023: 52.6p) and EPRA earnings per share were 3.5p (2023: 9.4p).

On a like-for-like basis, the investment portfolio fell in value by 22.4% (22.6% including purchases and gains on sales). The see-through total investment portfolio value reduced to £660.6m (31 March 2023: £839.5m), reflecting the revaluation loss for the year.

The total return of our property portfolio, as measured by MSCI, was -20.3% (2023: -5.6%), which underperformed the Central London Offices Total Return Index of -5.7%.

The completed investment portfolio was 82.4% let at 31 March 2024 and generated contracted rents of £33.0m, equating to an average of £65.70 psf. This increases to an ERV of £42.9m on the letting of the currently vacant space and capturing the reversion of the portfolio. The Group's contracted rent has a Weighted Average Unexpired Lease Term ("WAULT") of 6.6 years.

The Total Accounting Return ("TAR"), being the growth in the IFRS net asset value of the Group, plus dividends paid in the year, was -31.7% (2023: -9.4%). Based on EPRA net tangible assets, the TAR was -31.4% (2023: -12.1%). EPRA net tangible assets per share fell by 32.9% to 331p (31 March 2023: 493p), with EPRA net disposal value per share falling by 33.3% to 327p (31 March 2023: 490p).

Balance Sheet strength and liquidity

The Group has a significant level of liquidity with see-through cash and unutilised bank facilities of £115.5m (31 March 2023: £244.2m) to fund capital works on its portfolio and future acquisitions.

At 31 March 2024, the Group had £12.0m of cash deposits available to deploy without restrictions and a further £11.9m of rent in bank accounts available to service payments under loan agreements, cash held at managing agents and cash held in joint ventures. In addition, the Group held rental deposits from tenants of £7.8m. Furthermore, the Group had £83.8m of loan facilities available to draw on.

These year end balances have been supplemented by cash receipts of £97.8m, from the sale of 25 Charterhouse Square, EC1 and the sale of 50% of the site at 100 New Bridge Street, EC4, both completed since the year end.

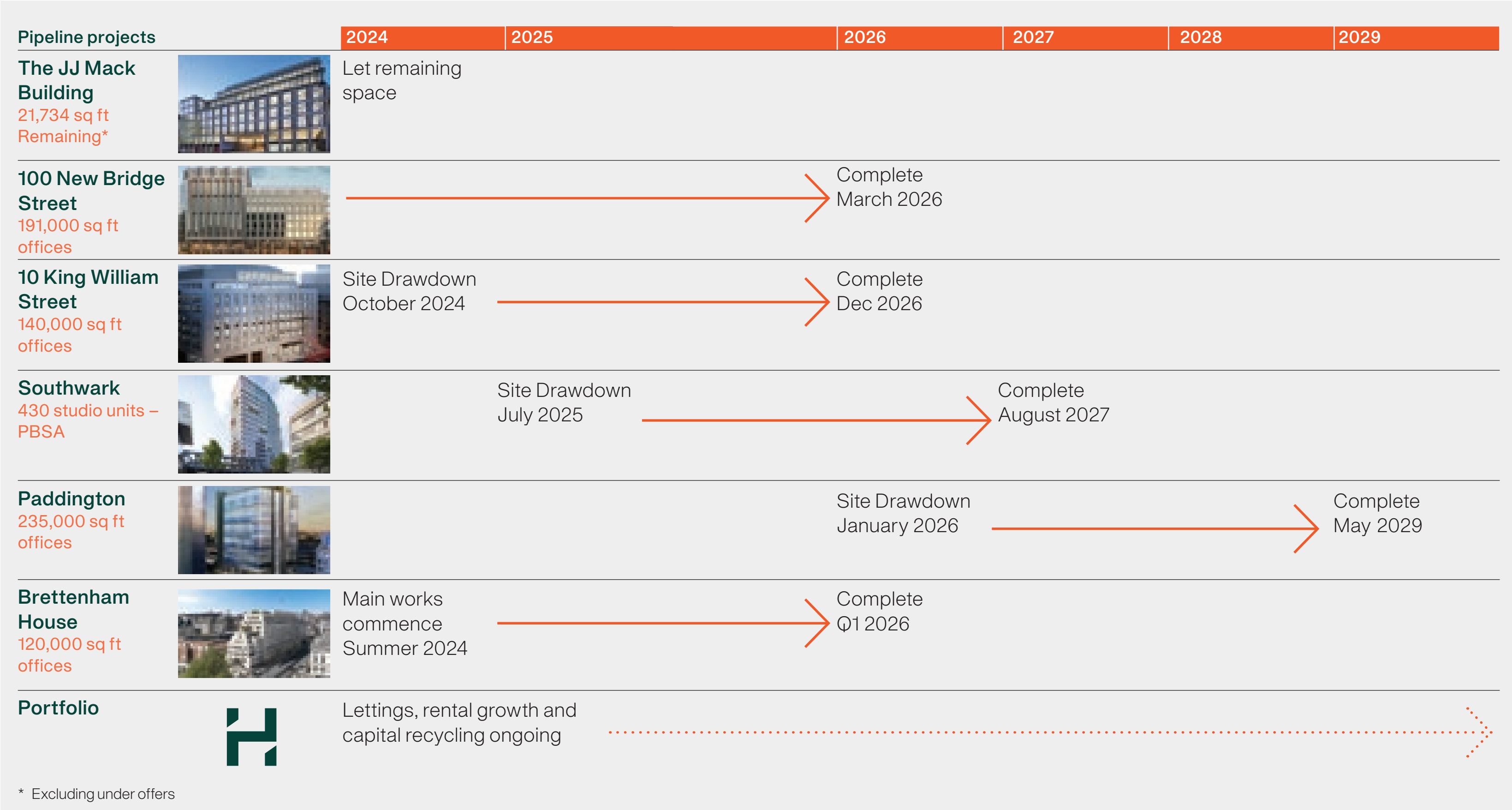
The see-through loan to value ratio ("LTV") increased to 39.5% at the Balance Sheet date (31 March 2023: 27.5%) and our see-through net gearing, the ratio of net borrowings to the net asset value of the Group, increased to 65.2% (31 March 2023: 38.0%) over the same period. However, post year end sales have reduced the pro-forma see-through LTV to 28.7% and the pro-forma see-through net gearing to 40.3%.

At the year end, the average debt maturity on secured loans, on a see-through basis, was 2.1 years (31 March 2023: 2.9 years). The average cost of debt, on a see-through basis, was 2.9% (31 March 2023: 3.4%).

Dividends

Helical is a capital growth stock, seeking to maximise value by successfully letting comprehensively refurbished and redeveloped property. Once stabilised, these assets are either retained for their long-term income and reversionary potential or sold to recycle equity into new schemes.

This recycling leads to fluctuations in our EPRA earnings per share, as the calculation of these earnings excludes capital profits generated from the sale and revaluation of assets. As such, both EPRA earnings and realised capital profits have been considered when determining the payment of dividends.



In the year to 31 March 2024, EPRA earnings per share fell by 63% from 9.4p last year to 3.5p this year. As there were no sales of assets during the year, no capital profits were realised.

Moving forward, and in line with our new strategy, we are adjusting our dividend policy to suit our expected trajectory. We will align our dividends to our EPRA earnings per share, rebasing to a lower level while we wait for our development pipeline to produce profits.

In light of the results for the year and the fall in EPRA earnings, the Board will be recommending to Shareholders a commensurate reduction in the final dividend to 1.78p (2023: 8.70p) per share, representing the minimum PID payment required under the REIT regime. This represents, if approved by Shareholders at the 2024 AGM, a total dividend for the year of 4.83p, down 59% on 2023.

This final dividend, if approved, will be paid out of distributable reserves generated from the Group's activities. Following its conversion to a UK REIT, dividends payable by Helical will comprise a Property Income Distribution ("PID") from the operations that fall under the REIT regime, and a dividend from those operations that fall outside the REIT regime. The PID, for the year to 31 March 2024, including the amount paid at the half year of 0.50p, will be 2.28p, with the balance of the total dividend, amounting to 2.55p, representing an ordinary dividend paid at the half year.

Sustainability

Sustainability remains at the heart of our business, both at a corporate and asset level.

We have made good progress in the year and continue to perform strongly against the targets we have set. In our managed portfolio, energy intensity across our like-for-like assets fell by 8% during the year to an average of 119 kWh/m^2 (2023: 129 kWh/m^2), keeping us on track for our 2030 net zero carbon target of 90 kWh/m^2.

For our development pipeline, we will be targeting an upfront embodied carbon of less than 600 $kgCO_2e/m^2$, focusing on efficient design, low carbon and recycled materials to meet this target.

We continue to perform well across the industry benchmarks in which we participate. For our sustainability reporting, we again received a Gold Award, for our reporting in accordance with EPRA's European Sustainability Best Practice Recommendations (sBPR). We were also pleased to maintain our CDP score of B, further demonstrating our commitment to best practice disclosure and enhanced climate change risk assessment. While we retained our Green Star status under the GRESB rating, the tougher criteria saw the overall rating fall from 5* to 4* despite our receiving the highest rating of our peer group for our standing investments of 87% (2023: 88%), with our developments delivering 92% (2023: 94%).

Looking forward, we have a substantial development pipeline, with our Places for London joint venture due to deliver three "best-in-class" schemes and our redevelopment of 100 New Bridge Street, EC4 delivering a further 191,000 sq ft of high quality, redeveloped office space and 3,500 sq ft of retail space. All these buildings will be targeting a minimum of BREEAM Outstanding, NABERS 5* and WELL Enabled Platinum, the recognisable hallmarks of "best-in-class" office buildings.

The opportunity

During the year, we have experienced the loss of rental income through tenant failure and further significant outward yield movement reducing the value of our investment portfolio by 22.4%. Market commentary suggests that this outward yield movement may be coming to an end with growing expectations of the first cut in the Bank of England's base rate coming this summer and five-year swaps and 10-year gilts rates, both currently c.4%, forecast to decline.

If this proves to be correct, and having taken the pain of reductions in value, Helical is well positioned to drive growth through the letting of the vacant space in its investment portfolio and the generation of substantial profits from its development pipeline. However, such optimism can be derailed by future geopolitical and domestic events outside of our control and Helical will seek to manage its Balance Sheet to ensure it has protection against the impact of these potential events.

Occupational demands continue to evolve in the office sector, with tenants using their premises to optimise the work experience for their employees. Amenity, connectivity, service and sustainability are encouraging businesses towards new buildings. At the same time, buildings that provide a poorer working environment are driving occupiers away. This bifurcation of the market is accelerating with rental growth continuing for the "best-in-class" and values falling for the rest. This will provide opportunities to acquire potential developments and major refurbishments at levels that allow for strong capital returns.

Our development pipeline is expected to provide surpluses for the foreseeable future. Scheduled to start in 2024 and be delivered from early 2026 onwards, this pipeline will be supplemented with additional "equity-light" opportunities as building owners seek specialists in development and refurbishment to partner with them to maximise the value of their assets. In addition, banks and other financial institutions with non-performing assets should provide additional opportunities for Helical to create value.

Our Balance Sheet is in good shape and maintaining financial discipline remains at the forefront of Helical's approach. Recycling equity and seeking third party financing to fund the pipeline of opportunities, as recently seen with 100 New Bridge Street, EC4, will allow the Company to grow the business while containing gearing to appropriate levels.

There remains a shortage of "best-in-class" newly refurbished or redeveloped office space in central London. With an experienced management team, a substantial development pipeline with optionality over timing and funding, and no legacy assets requiring investment to meet minimum sustainability standards, Helical is well positioned to capitalise on current cyclical opportunities.

Finally

I have been the Chief Executive of Helical since 2016 and a main Board Director since 1994, the year I joined the Company, delivering over 30 years of service to Helical, its employees and its Shareholders. It is time to "draw stumps" on my executive role having delivered over 60 projects of mainly offices but also retail, residential, logistics and student accommodation in that time. This includes over five million sq ft of offices, the vast majority of which are in London. I remain proud of each asset as I regularly pass them on my journeys through this great city of ours and for that reason I am pleased to be able to continue to work on landmark buildings in my new role on 100 New Bridge Street, EC4 and Brettenham House, WC2.

I have worked alongside Matthew for almost 30 years and believe he is the right person to succeed me as Chief Executive of Helical. I know that he is fully focused on realising profits from the Company's exceptional development pipeline and I look forward to continuing to make my contribution to the ongoing success of Helical.

Gerald Kaye
Chief Executive
22 May 2024

Matthew Bonning-Snook
Chief Executive Officer
Designate

Rental growth for "best-in-class"

> London still remains the preferred destination for overseas capital and we do expect to see a pickup in investment activity towards the second half of 2024."

Our market

The year has been defined by a dislocation between the occupational and investment markets, with the letting market for the new, best quality space proving resilient as we continue to see high levels of active requirements, leasing momentum and strong rental growth in the core sub-markets. In contrast, the investment market remains muted, with activity far below the long-term average.

Over the last year, there has been a material reduction in the annual rate of CPI inflation which fell to 2.3% in the later half of May 2024, compared to 10.1% in March 2023. This offers some relief and a sense of optimism that interest rates have peaked and will begin to fall in the coming year. The Bank of England policy rate has been flat at 5.25% since August 2023, however the effects of a higher interest rate environment, combined with the residual effects of elevated inflation levels, are still present and continue to weigh on sentiment in the investment market.

Investment market

Investment volumes remain subdued in the central London office market due to the challenging macroeconomic environment, geopolitical tensions and high borrowing costs, which remain elevated due to persistent core inflation. With a lack of quality assets being marketed, many investors are adopting a "wait and see" approach with regard to any near-term changes to the Bank's base rate.

Transaction activity reached just £7.1bn in 2023, down 57% on the long-term 10-year average, with sub £50m lot sizes accounting for 77% of this figure and just 17 transactions occurring in excess of £100m, compared to the five-year average of 35. This subdued activity continues to cause increased uncertainty over appropriate asset valuations as comparable evidence remains scarce. Whilst the smaller lot size purchases have been dominated by high net worth family offices, there are an increasing number of private equity and Asia-Pacific buyers returning to the market, focusing on core assets where pricing is now felt to be attractive.

London still remains the preferred destination for overseas capital and we do expect to see a pickup in investment activity towards the second half of 2024, particularly if we continue to see higher office occupancy and businesses placing increasing importance on their office as a tool to attract talent. However, the key trigger and largest shift in sentiment will most likely occur when there is clearer guidance regarding the direction of interest rates.

2.3%
Material reduction in annual CPI inflation

£7.1bn
Transaction activity in 2023

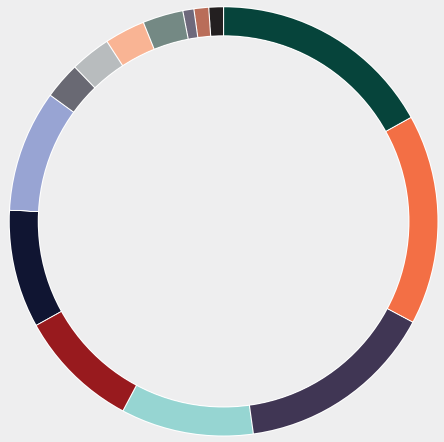
Occupational market

There is both strong demand and activity in the occupational market and JLL reported take-up for central London at 9.7m sq ft in 2023, with Q4 figures representing the highest levels since 2010. The City sub-market demonstrated the greatest level of resilience, achieving volumes 7% higher than the 10-year average. Whilst Q1 2024 take-up volumes were subdued, we continue to see strength of demand in the market as under offer numbers have continued to rise, to 18% above the long-term average. There is also significant breadth of occupier demand as business services continue to transact, while creative industries have come back to the market, accounting for 20% of Q1 take-up numbers.

Looking forward, Knight Frank reports active requirements at the end of Q1 2024 at 12.6m sq ft, up 50% compared to March 2023. These requirements are primarily focused on scarce new space where vacancy rates remain significantly below the overall vacancy figure, at 2% compared to 9.9% overall. For refurbishments, the vacancy rate sits around 4%; this comes as two thirds of leasing transactions are for new and refurbished space.

The high level of active requirements, combined with low vacancy rates for new space, continues to generate competition which is driving rents upwards. Knight Frank has reset its approach to prime rents to reflect this trend, with City Core, Midtown and Farringdon prime rents all increasing by £10 psf, taking them to £87.50, £80.00 and £90.00 psf respectively. This revision to prime rents represents a fundamental reset, offering a new "best-in-class" subset of prime, as a result of an improved outlook for occupier demand and a development pipeline that remains below average levels for new and refurbished buildings.

At our joint venture development, The JJ Mack Building, EC1, located in Farringdon, we have secured rents significantly above £100 psf, highlighting the strength of demand and a willingness to pay higher rents to secure the best space as employers are increasingly looking to incentivise their employees to adopt more office-based approaches to working.



Our tenant make-up

Software and Computer Services	17%
Financial Products	16%
Online retailing – Fashion	15%
Consumer goods	10%
Advertising/Marketing	9%
IT Consultancy	9%
Media	9%
Flexible offices	3%
Food & Beverage	3%
Human Resources	3%
Law	3%
Business Consultancy	1%
Consumer services	1%
Other	1%


CGI

12.6m sq ft

Active requirements at end of Q1 2024, up 50%

28m sq ft

Lease expiries before end of 2026

Development pipeline

Sustained construction cost inflation driven by supply chain disruption, tight labour markets and volatile energy costs has moderated recently and Arcadis published its "London Building Construction TPI" forecast, with the central case showing low inflation ranging from 1% to 2% over the course of 2024.

In 2023, development completions across central London reached 5m sq ft; up 5% on the long-term average. Completions were still below Savills' initial forecast of 7.5m sq ft at the beginning of the year, evidencing that delays have caused schemes to be pushed back. Looking ahead, the levels of planned supply are unlikely to be sufficient to meet the high levels of demand, with Knight Frank reporting 28m sq ft of lease expiries occurring before the end of 2026.

The development pipeline continues to be impacted by delivery barriers including elevated associated costs of development and planning timelines, causing investors to recalibrate appraisals. As a result, investors are increasingly considering alternative land uses to maximise site value, which is further suppressing the near-term supply of office schemes. A current example of this is our Southwark OSD, SE1 scheme where we are in the process of seeking planning consent to develop student accommodation, rather than the previously consented office scheme, as we believe this will generate the best value for our site. A demand-supply imbalance is likely to occur over the medium to longer term, with 2027 to 2030 likely to see the most dramatic levels of undersupply as planned completions remain low.

Constrained market supply and a high level of occupier demand will lead to increased competition, presenting an opportunity for developers and investors who are willing and able to deliver new, "best-in-class" schemes. However, to deliver sustainable returns, they will require higher economic rents to offset the increased associated costs of development and as a result, pre-letting activity might slow as investors hold out for rental growth tomorrow rather than security at day one. This is evidenced by Savills reporting a recent reduction in the overall quantity of the pipeline that is let prior to completion.

Conclusion

Our existing portfolio continues to attract new occupiers due to its "best-in-class" credentials, excellent tenant amenities and active asset management. Helical's proven track record, expertise and our recently signed joint venture with Places for London and "best-in-class" scheme at 100 New Bridge Street, EC4 will ensure we are well positioned to meet occupier demands through our extensive development pipeline across five schemes. Our planned schemes are located in exciting and vibrant sub-markets that look set to experience both a shortfall in supply and elevated tenant demand, resulting in strong rental growth prospects that look set to deliver us an attractive return profile.

We create sustainable and inspiring workplaces which are technologically smart, rich in amenities and promote employee wellbeing.

Applying this philosophy, we seek to maximise Shareholder returns through delivering income growth from creative asset management and capital gains from our development activity.

The Helical difference

01

Sustainable business model

Sustainability is at the core of all activities at Helical. We recognise the impact the buildings we develop have on the environment and are focused on reducing our carbon footprint throughout a property's lifecycle, achieving Net Zero by 2030.

See page 60

02

Best-in-class portfolio

Helical holds a portfolio of newly developed or recently refurbished high quality office assets with attractive amenities and excellent sustainability credentials. They are located in culturally rich sub-markets which benefit from excellent transport links, attracting a diverse range of clients.

See page 28

03

A customer focused approach

Helical creates buildings which appeal to occupiers looking for design led, sustainable and amenity rich workplaces, and that support talent attraction and retention. Whether the properties are built from the ground up, or are re-imagined existing assets, they aim to be best-in-class, respecting the history and culture of the area. Once complete and let, Helical applies the same philosophy of excellence to its ongoing asset management, ensuring the occupiers receive the very best service.

See page 16

04

Market knowledge and relationships

With over 35 years' experience as a property company, through multiple property cycles, Helical has developed a comprehensive knowledge of the market and built an extensive network from which it can source new development opportunities and access capital.

See page 10

05

Robust financial position

The Group uses gearing on a tactical basis, increasing it to accentuate returns in a rising market, or reducing debt to prepare for more challenging times whilst retaining firepower to take advantage of opportunities that arise.

See page 42

06

Strong track record

Each of the Executive Directors has over 29 years of experience at Helical. Acting with integrity and supported by a dynamic and collaborative team, they have developed award-winning buildings that appeal to the most demanding of occupiers.

See page 102

Our strategy

To create value for Shareholders and society in a sustainable way, delivering market leading returns by developing customer focused and design led properties, letting them to a diverse tenant base, and applying a proactive approach to asset management.

Why Helical?
We are a property development and investment business with a sustainability-led and stakeholder-focused value proposition.

Our Vision
To develop the most sustainable, technologically advanced, wellness promoting and amenity rich buildings.

Our Purpose
"We create sustainable and inspiring workplaces which are technologically smart, rich in amenities and promote employee wellbeing.

Applying this philosophy we seek to maximise Shareholder returns through delivering income growth from creative asset management and capital gains from our development activity."

Our Purpose forms the foundation of our strategy.

We have five pillars which support our strategy:

01 Growth

Maximise Shareholder returns by increasing the net asset value of the Group through capital gains and growing our rental income stream to cover dividends.

Strategic priorities
Deliver long-term sustainable growth.
Clear focus on Total Shareholder Return, delivering capital growth and income in a manner consistent with our Vision.
Purpose and Values embedded effectively in the operational policies and practices and culture of the Group.
Incentivise management to outperform the Group's competitors by setting challenging performance targets, against which rewards are measured.

2023/24 Achievements/value creation	
TOTAL SHAREHOLDER RETURN (3 YEAR)	-17.8%
EPRA NTA	331p
EPRA EARNINGS PER SHARE	3.5p

Associated information

Key performance indicators
- Total Shareholder Return
- Total Accounting Return
- EPRA Total Accounting Return
- EPRA Net Tangible Assets

Principal associated risks
- Poor management of stakeholder relations and non-compliance with prevailing legislation, regulation and best practice
- Geopolitical and economic
- The Group's strategy is inconsistent with the market
- Significant business disruption/external catastrophic event cyber-attacks to our business and our buildings
- Our people and relationships with business partners and reliance on external partners.

Relevant stakeholders
- Shareholders
- Employees
- Partners

02 Property

Manage a "best-in-class", balanced portfolio with a clear market focus, combining assets with significant development and asset management potential with a strong rental income stream.

Strategic priorities
A focus on London, delivering capital gains from development activity and income growth from asset management.
Locate sites where complexity presents opportunity to add significant value through innovative development and asset management.
Maximise value and income through attracting a diverse and financially robust portfolio of tenants.
Continue a culture that is committed to the highest standards in health and safety.
Improve the communities in which we are active and ensure sustainability underpins our approach.

2023/24 Achievements/value creation	
TOTAL PROPERTY RETURN (1 YEAR)	-20.3%
TOTAL PROPERTY RETURN (3 YEAR)	-5.9%

Associated information

Key performance indicators
- MSCI Property Index (1 Year)
- MSCI Property Index (3 Year)

Principal associated risks
- Property values decline/reduced tenant demand for space
- Risks arising from the Group's significant development projects
- Health and safety
- Significant business disruption/external catastrophic event/cyber-attacks to our business and buildings

Relevant stakeholders
- Occupiers (tenants/customers)
- Suppliers and contractors
- Local communities

03 Sustainability

Ensure that sustainability is at the heart of our business decisions creating a portfolio which is futureproofed for all our stakeholders.

Strategic priorities
Transition to a net zero carbon business.
Buy, use and reuse resources efficiently.
Bring social, economic and environmental benefits to the areas in which we operate.
Design and operate our buildings to support health and wellbeing.

2023/24 Achievements/value creation	
THE JJ MACK BUILDING, EC1, BREEAM OUTSTANDING SCORE	96.4%
COMPLETED BUILDINGS, BY VALUE, WITH AN EPC OF A OR B	99%

Associated information

Key performance indicators
- BREEAM and EPC ratings

Principal associated risks
- Climate change

Relevant stakeholders
- Occupiers (tenants/customers)
- Local communities
- Government and regulatory bodies

04 People

Attract and retain the best people encouraging their development and progression to ensure future succession is secured. Maintain our excellent reputation and network for property sector contacts, trusted partners and advisors.

Strategic priorities
Small and empowered core team supported by valued advisors to allow scalability.
Work with joint venture partners to increase project scale and to manage risk.
Clear plan for succession.
Strong relationships and a reputation which generates off-market opportunities.
A trusted team of external consultants to enable us to deliver quickly and to a very high standard.

2023/24 Achievements/value creation	
AVERAGE STAFF RETENTION	83.2%
AVERAGE LENGTH OF EMPLOYEE SERVICE	12.4 years

Associated information

Key performance indicators
- Average length of employee service
- Average staff turnover

Principal associated risks
- Our people and relationships with business partners and reliance on external parties
- Health and safety
- Poor management of stakeholder relations and non-compliance with prevailing legislation, regulation and best practice

Relevant stakeholders
- Employees
- Partners
- Suppliers and contractors

05 Financing

Operate a sustainable capital structure in which the core business costs are covered by income from the investment portfolio. Use gearing on a tactical basis throughout the cycle to accentuate returns.

Strategic priorities
Maintain an appropriate risk-adjusted LTV.
Use of joint venture structures to manage risk and maximise returns.
Strong banking relationships for quick access to finance at competitive pricing.
Build cash reserves to cope with market fluctuations and take advantage of opportunities as they arise.

2023/24 Achievements/value creation	
SEE-THROUGH AVERAGE COST OF SECURED FACILITIES	2.9%
PROFORMA LOAN TO VALUE	28.7%

Associated information

Principal associated risks
- Availability and cost of bank borrowing, cash resources and potential breach of loan covenants

Relevant stakeholders
- Shareholders
- Employees
- Partners

Goals for 2025

- Maintain effective channels of engagement with our stakeholders
- Reduce vacancy in the portfolio
- Progress our joint venture with TfL and commence the development of 10 King William Street, EC4
- Acquire new opportunities with a focus on joint venture and equity-light structures
- Progress development of 100 New Bridge Street, EC4
- Continue to be recognised as a leading supplier of best-in-class, sustainable office buildings in London
- Continue our journey to becoming a net zero business

Working in partnership

Helical plc has always highly valued the importance of relationships and the benefits of working in partnership. Our industry connections across the property agency community at all age levels are invaluable to us, ensuring that we have the best data and a deep understanding of market trends and activity.

We ourselves need to use this information to keep ahead of the curve, constantly innovating, critically examining our approach and above all being creative. To help do this we work with trusted partners and advisors, the very best people in their field. These relationships tend to be long standing where an understanding has been built up over many years delivering efficiencies in time and productivity and a level of support which only comes from a partnership which is truly valued by both parties.

Over the last three decades we have worked with over 45 different joint venture partners in delivering our development projects, each tailor made for the bespoke arrangements that the transaction required. These partners have often brought different things to the table, for example some are focused on financing a share of the equity in the joint venture, others bringing site opportunities needing our development expertise and some wanting to be the long-term owner of the end investment product or the occupier of the scheme. Our focus is to provide the development expertise having delivered over 10m sq ft of occupier space with a major focus on central London offices and mixed-use projects in an increasingly complex world in terms of planning, construction delivery and competing uses for London real estate with very specific and dynamic occupier requirements. We enjoy working with many partners on a repeat basis but equally enjoy the challenge and excitement of new partners and trying to help solve difficult issues.

> We enjoy working with many partners on a repeat basis but equally enjoy the challenge and excitement of new partners and trying to help solve difficult issues."

Our contacts and industry connections tend to be the source of most of our new projects, but we do occasionally work on more widely marketed partnership opportunities, as was the case on the Platinum Portfolio launched by TfL's wholly owned property company Places for London. As one of London's largest landowners with a desire to create well connected, sustainable, innovative best-in-class workplaces, we shared their aspirations. Having worked with TfL previously on the over station development above the new Elizabeth Line Station at Farringdon East, which was let in its entirety to the tech giant TikTok, we were eager to do more with them. The initial over station seed sites at Bank, Southwark and Paddington, which all benefited from planning permissions for new build schemes, were a very exciting starting point with the expectation that other sites would follow as these initial sites are developed. Being a genuine joint venture with shared long-term ambitions and positively aligned interests, we are delighted to now have a visible development pipeline which we can business plan for accordingly.

45

Over the last three decades we have worked with over 45 different joint venture partners

1 Bank

The scheme at Bank (10 King William Street, EC4) has consent for a new office building of c.142,000 sq ft over ground and seven upper floors over the new entrance to Bank tube station on Cannon Street. Offering floor plates of c.22,000 sq ft around a central core with light on all four sides, high quality amenity, a wellness lounge together with extensive terracing and very strong environmental credentials, it will offer the occupiers a best-in-class office at a time when supply is expected to be very limited. Completion is expected at the end of 2026.

2 Southwark

Above Southwark tube station on the Jubilee Line we are looking at an alternative use to the permitted office scheme introducing a c.430 studio unit purpose-built student accommodation development together with an adjacent affordable housing block. A planning application is due to be submitted in the summer with a view to delivering the project for the academic intake in August 2027.

3 Paddington

On the eastern side of Paddington Station alongside the canal and opposite the Brunel Building, we have planning consent for a new build 19 story office comprising 235,000 sq ft with exceptional views over West London. The site is to be drawn down by the joint venture in January 2026 and completion is expected in 2029. Being one of the few undeveloped sites in this sub-market we again expect the supply of new office space to be very limited.

We are actively pursuing discussions with Places for London on several other potential projects and there is a real belief that this will be another great example of a long and productive relationship which we rightly value so highly within our business.

Building value

Our Purpose forms the foundation of our strategy which, through the application of our business model, drives long-term, sustainable growth and value for all our stakeholders.

External opportunities and threats

Our market
The London office property market.

See page 10

Risks
Strategic, Operational, Financial and Reputational risks considered over short, medium and long-term timescales.

See page 48

Resources

The assets, skills and knowledge to create our competitive advantage:

Property
A high quality portfolio of investment buildings and development opportunities.

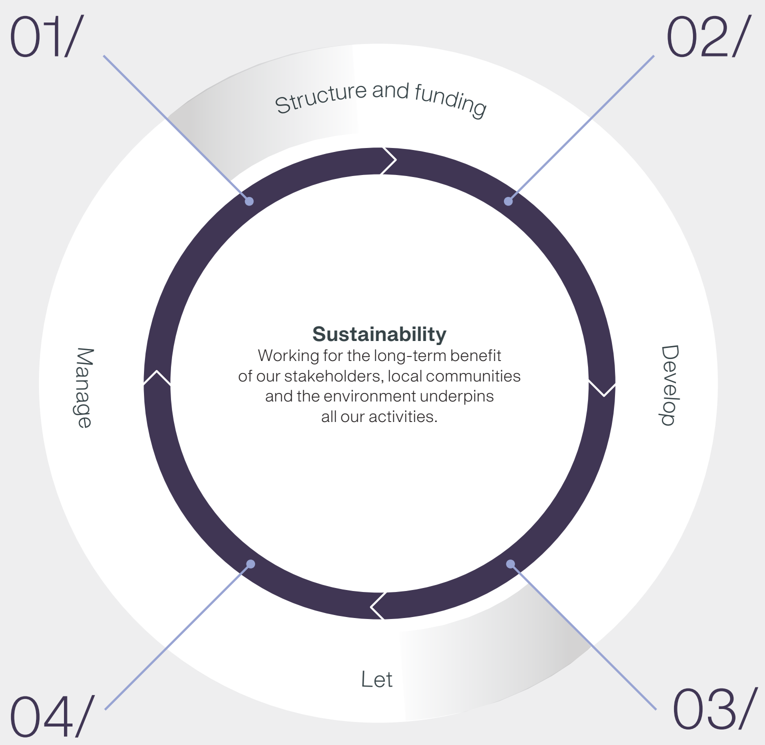
People and culture
A motivated, qualified and experienced team.

Market expertise
Comprehensive knowledge of the markets in which we operate, built through multiple property cycles.

Relationships and reputation
An extensive network of joint venture partners, advisors and industry contacts. A long-standing reputation for speed of execution and excellence in delivery.

Financing
A strong financial position with access to a variety of sources of funds, from Shareholder capital to external borrowings.

Business activities



01/ Structure and funding

Long term
Use our own capital combined with external debt where we see value in holding an asset for long-term income and capital growth.

Short/medium term
Identify a joint venture partner, limiting our capital commitment and risk exposure, whilst linking our return to performance.

02/ Develop

Actively manage our assets throughout their development, working with trusted suppliers and focusing on quality, efficiency and safety.

03/ Let

Look to let our properties on flexible terms to a diverse, financially robust tenant base.

04/ Manage

Through proactive asset management we drive the rental value forward whilst maximising occupancy.

Value creation

Enhanced value for reinvestment or realisation

Property

£472.5m
Investment property value

6.6 years
WAULT

96.4%
The JJ Mack Building, EC1 BREEAM Outstanding Score

People and culture

83.2%
Average staff retention

12.4 years
Average length of employee service

Market expertise

1
New "equity-light" deal secured in Brettenham House, WC2

Relationships and reputation

99.5%
Of all contracted rent collected

Financing

2.9%
See-through average cost of debt

28.7%
Pro-forma LTV

Strategic Report

Measuring our performance

We measure our performance against our strategic objectives, using several financial and non-financial Key Performance Indicators ("KPIs").

The KPIs have been selected as the most appropriate measures to assess our progress in achieving our strategy, successfully applying our business model and generating value for our Shareholders.

As discussed in the Chief Executive's statement, the financial measures for the year reflect a period of economic volatility with higher interest rates negatively impacting on investment yields.

TOTAL ACCOUNTING RETURN

-31.7%

2024	-31.7%
2023	-9.4%
2022	15.0%
2021	3.3%
2020	7.7%

Description
Total Accounting Return is the growth in the net asset value of the Group plus dividends paid in the reporting period, expressed as a percentage of the net asset value at the beginning of the period. The metric measures the growth in Shareholders' Funds each period and is expressed as an absolute measure.

Performance
The Group targets a Total Accounting Return of 5-10%.

The Total Accounting Return on IFRS net assets in the year to 31 March 2024 was -31.7% (2023: -9.4%).

Link to remuneration
Annual Bonus Scheme 2018
40% of the maximum bonus is payable based on the EPRA Total Accounting Return (growth in net asset value plus dividends).

Link to strategic pillar
- Growth

EPRA TOTAL ACCOUNTING RETURN

-31.4%

2024	-31.4%
2023	-12.1%
2022	10.2%
2021	4.5%
2020	9.3%

Description
Total Accounting Return on EPRA net tangible assets is the growth in the EPRA net tangible asset value of the Group plus dividends paid in the period, expressed as a percentage of the EPRA net tangible asset value at the beginning of the period.

Performance
The Group targets an EPRA Total Accounting Return of 5-10%.

The Total Accounting Return on EPRA net assets in the year to 31 March 2024 was -31.4% (2023: -12.1%).

Link to remuneration
Annual Bonus Scheme 2018
40% of the maximum bonus is payable based on the EPRA Total Accounting Return (growth in net asset value plus dividends).

Link to strategic pillar
- Growth

EPRA NET TANGIBLE ASSET VALUE PER SHARE

331p

2024	331p
2023	493p
2022	572p
2021	533p
2020	524p

Description
The Group's main objective is to maximise growth in net asset value per share, which we seek to achieve through increases in investment portfolio values and from retained earnings from other property related activity. EPRA net tangible asset value per share is the property industry's preferred measure of the proportion of net assets attributable to each share as it includes the fair value of net assets on an ongoing long-term basis. The adjustments to net asset value to arrive at this figure are shown in Note 35 to the financial statements.

Performance
The Group targets increasing its net assets, of which EPRA net tangible asset growth is a key component.

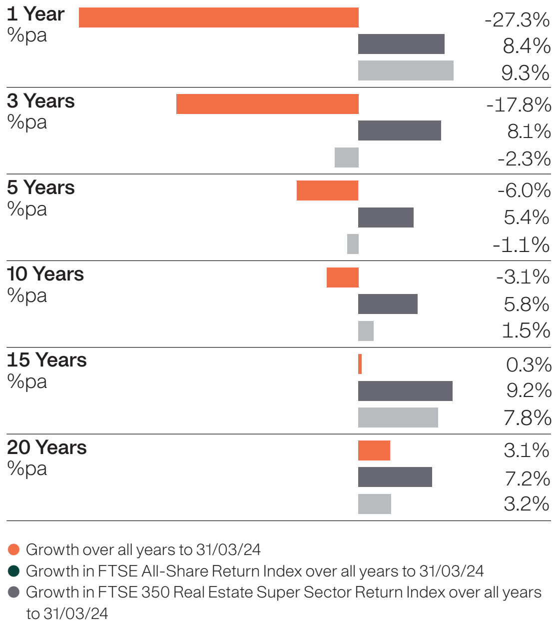
The EPRA net tangible asset value per share at 31 March 2024 decreased by 32.9% to 331p (31 March 2023: 493p).

Link to remuneration
Performance Share Plan 2014
40% of the maximum Performance Share Plan ("PSP") award is based on the compound growth in net asset value ("NAV") over three years.

Link to strategic pillar
- Growth

TOTAL SHAREHOLDER RETURN

-27.3%



Description
Total Shareholder Return is a measure of the return on investment for Shareholders. It combines share price appreciation and dividends paid to show the total return to Shareholders expressed as an annualised percentage.

Performance
The Group targets being in the upper quartile when compared to its peers.

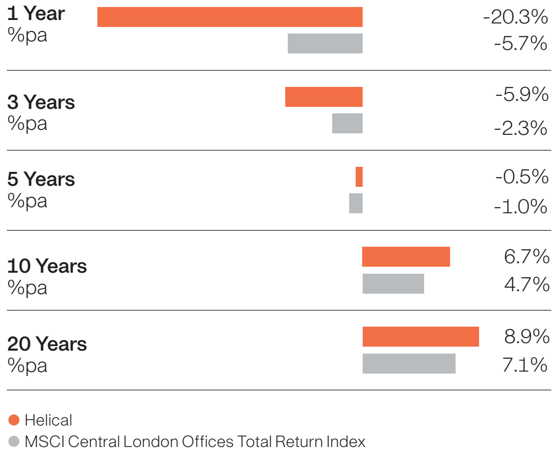
The Total Shareholder Return in the year to 31 March 2024 was -27.3% (2023: -24.8%).

Link to remuneration
Performance Share Plan 2014
40% of the maximum PSP award is based on the Group's TSR performance compared with its peers.

Link to strategic pillar
• Growth

MSCI PROPERTY INDEX

-20.3%



Source: MSCI

Description
MSCI produces several independent benchmarks of property returns that are regarded as the main industry indices.

Performance
MSCI has compared the ungeared performance of Helical's total property portfolio against that of portfolios within MSCI for over 20 years. Helical's ungeared performance for the year to 31 March 2024 was -20.3% (2023: -5.6%). This compares to the MSCI Central London Offices Total Return Index of -5.7% (2023: -8.6%) and the upper quartile return of -3.1% (2023: -5.4%).

Helical's share of the development portfolio (1% of gross property assets) is included in its performance, as measured by MSCI, at the lower of book cost or fair value.

Helical's portfolio has been impacted by higher interest rates and construction cost inflation, as well as vacancy within the portfolio and the failure of WeWork in particular.

Link to remuneration
Annual Bonus Scheme 2018
20% of the Annual Bonus Scheme 2018 performance criteria is based on the Group's performance compared to the MSCI Central London Offices Capital Index, with target performance being to match the index and outperformance exceeding it by 4.5%.

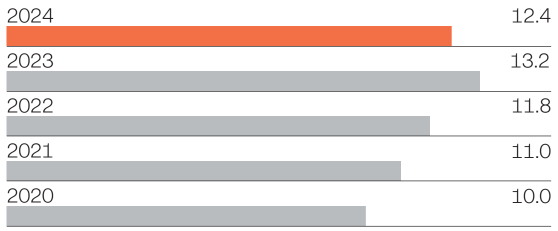
Performance Share Plan 2014
20% of the maximum PSP award is based on the Group's performance as compared with the performance of the MSCI Central London Offices Total Return Index over three years.

Link to strategic pillar
• Property

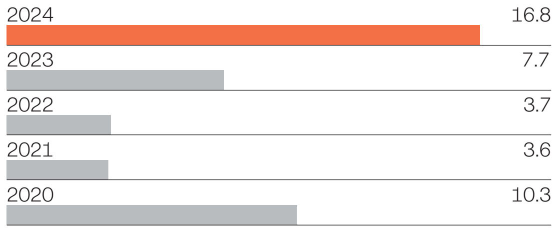
AVERAGE LENGTH OF EMPLOYEE SERVICE AND AVERAGE STAFF TURNOVER

12.4 yrs

Average length of service at 31 March – years



Staff turnover during the year to 31 March – %



Description
A high level of staff retention remains a key feature of Helical's business. The Group retains a highly skilled and experienced team with an increasing length of service.

The Group targets staff turnover to be less than 10% per annum.

Performance
The average length of service of the Group's employees at 31 March 2024 was 12.4 years and the average staff turnover during the year to 31 March 2024 was 16.8%.

Link to remuneration
Annual Bonus Scheme 2018
Deferred shares awarded under the Annual Bonus Scheme 2018 are required to be held for a period of three years.

Performance Share Plan 2014
These awards have a three-year vesting period and Executive Directors are required to hold them for a further two years after they vest.

Share Incentive Plan 2002
These awards are made to all staff and are required to be held for a period of three years.

Link to strategic pillar
• People

BREEAM AND EPC RATINGS

Building	BREEAM rating	EPC rating
Completed properties		
The JJ Mack Building, EC1	Outstanding (2018)	A
The Warehouse and Studio, EC1	Excellent (2014)	B
The Tower, EC1	Excellent (2014)	B
25 Charterhouse Square, EC1	Excellent (2014)	B
Development pipeline		
100 New Bridge Street, EC4	Outstanding (2018)[1]	A[1]

1 Targeted.

At The Loom, E1, it was not possible to obtain a BREEAM certification at the design or development stage, however, the building has achieved a BREEAM In Use rating of "Very Good", a high accolade given the listed status of the building.

Description
BREEAM is an environmental impact assessment methodology for commercial buildings. It sets out best practice standards for the environmental performance of buildings through their design, specification, construction and operational phases. Performance is measured across a series of ratings, "Pass", "Good", "Very Good", "Excellent" and "Outstanding".

The Group targets a BREEAM rating of "Excellent" or "Outstanding" on all major refurbishments or new developments.

Energy Performance Certificates ("EPC") provide ratings on a scale of A–G on a building's energy efficiency and are required when a building is constructed, sold or let.

Performance
At 31 March 2024, five of our seven (31 March 2023: five of our seven) office buildings had achieved, or were targeting, a BREEAM certification of "Excellent" or "Outstanding". These five buildings account for 89% of the portfolio by value.

All but one of our completed buildings (99% by portfolio value) have an EPC rating of A or B.

Link to remuneration
Annual Bonus Scheme 2018
10% of the maximum annual bonus is payable based on meeting ESG objectives.

Link to strategic pillar
• Sustainability

Strategic Report

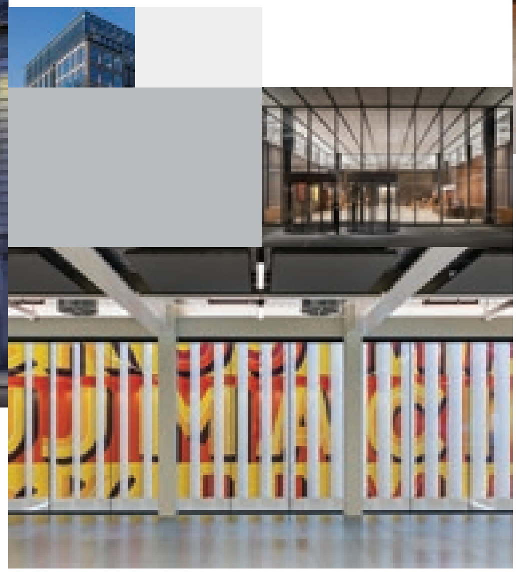
Our focused portfolio

Helical has a portfolio of income producing, multi-let offices which are extremely well located and offer sustainable and inspiring workplaces which are technologically smart, rich in amenities and promote employee wellbeing. We seek to maximise returns through delivering income growth from creative asset management and capital gains from our development activity.

West End

The City

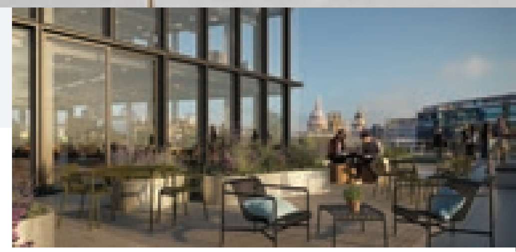
The JJ Mack Building comprises 206,085 sq ft and is held in a 50:50 joint venture with AshbyCapital. The JJ Mack Building, named after the market trader who occupied the site in the 1940s, is one of London's most sustainable new office buildings and has recently been recognised as BREEAM's highest rated new development under the 2018 guidance, with an Outstanding rating of 96.4%.



The JJ Mack Building, EC1

96.4%
BREEAM's highest rated new development

90%
let following completion of the under offer units



Prior to the start of the financial year, we let the sixth and seventh floors, comprising 37,880 sq ft, to Partners Group, a global private markets firm, for 15 years and they took occupation of their space in April 2024.

In November 2023, we let the ninth floor, comprising 13,408 sq ft, to Corio Generation, a subsidiary of Macquarie Group, for 10 years at a 2.3% premium to 31 March 2023 ERVs and they are now in occupation following completion of their fit-out works.

In December 2023, we let the first, second and third floors comprising 68,002 sq ft to J Sainsbury for 15 years, at a 1.3% premium to 31 March ERVs. The retailer will be relocating its existing London office to the new building over the next two years. In addition, J Sainsbury has signed an agreement for lease for two of the three ground floor retail units and additional office space on the ground floor, comprising 7,128 sq ft.

In March 2024, we let the eighth floor, comprising 15,484 sq ft, to Three Crowns LLP, a leading international arbitration law firm, for 15 years. The agreed rent was 3.1% above 31 March 2023 ERVs.

We are under offer on both the fourth and 10th floors, comprising 23,566 sq ft and 13,409 sq ft respectively, as well as the last remaining ground floor retail unit of 1,526 sq ft.

As a result of our strong letting progress, the building was 67% let as at 31 March 2024 and following the year end, a further 7,128 sq ft has been let, equating to the building being 71% let. Following completion of the units under offer, the building will be 90% let with just the fifth floor available.

SUSTAINABILITY RATINGS	
BREEAM	Outstanding
NABERS	5[1]
EPC	A

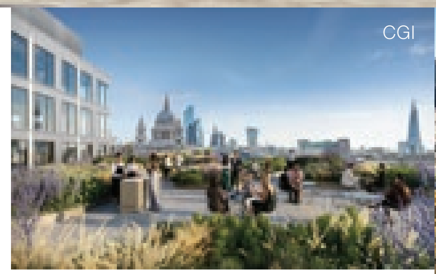
1 Targeted.

Acquired in March 2022

Originally developed in 1992, the building will be sustainably refurbished to deliver a best-in-class modern office

194,000 sq ft office building, with two new floors

100 New Bridge Street, EC4



Our "best-in-class" office development at 100 New Bridge Street is adjacent to City Thameslink and a short walk from Farringdon and Blackfriars stations. In the year, we have obtained planning permission for minor amendments to the scheme to enhance the ground floor amenity and improve the floorplate efficiency.

This carbon friendly, fully refurbished building will provide 194,000 sq ft of office and retail space across seven retained floors and three new floors once completed in Q1 2026. In addition, we will make considerable public realm improvements to provide extensive outdoor space that enhances the experience for both tenants and the local community.

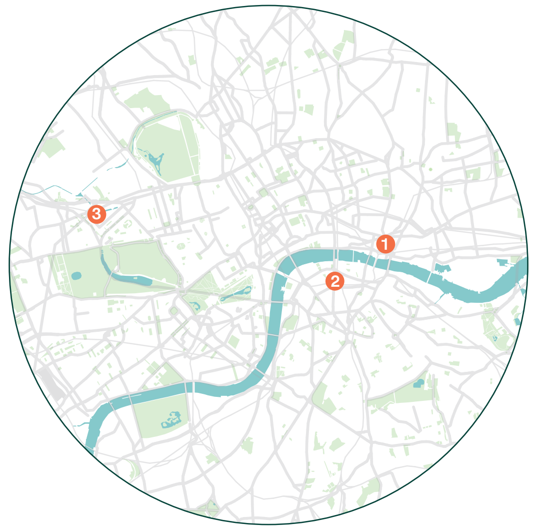
Post year end, we signed a joint venture agreement with Orion Capital Managers, selling a 50% investment in the site for £55m. Simultaneously, a £155m (our share: £77.5m) development finance facility was secured and Mace was appointed as the main contractor. We continue to progress towards our March 2026 targeted completion date.

SUSTAINABILITY RATINGS	
BREEAM	Outstanding[1]
NABERS	5[1]
EPC	A[1]

1 Targeted.

Contracts were signed in July 2023, confirming Helical as Places for London's commercial office joint venture partner. The long-term partnership will see the delivery of new high quality and sustainable space predominantly above or adjacent to key transport hubs. The joint venture consists of three initial development opportunities.

The Platinum Portfolio, London



1 10 King William Street, EC4
An eight-storey office development on an island site, located above the recently opened Bank station entrance on Cannon Street, delivering 140,000 sq ft of prime space. Since the formation of the joint venture, we have been progressing the enhancement of the scheme alongside Fletcher Priest Architects and the wider professional team. We submitted a non-material planning amendment application to introduce significant public realm improvements, making Abchurch Lane a shared space, a much improved cycle arrival experience and the inclusion of changing facilities and a wellness lounge at the mezzanine level. Initial enabling works are due to take place over the coming months in preparation for a formal start on site in October 2024. We aim to achieve practical completion of the scheme by December 2026.

2 Southwark OSD, SE1
The site is located above Southwark tube station and prior to the formation of the joint venture, planning was obtained for a 222,000 sq ft NIA office scheme. We have been conducting feasibility studies to determine the most appropriate and valuable use for the site and we are now having detailed pre-application discussions with Southwark Borough Council regarding a purpose-built student accommodation scheme. The proposed scheme comprises c.430 studio units, with the delivery of a separate on-site affordable housing component located in a new adjacent building. We aim to submit a planning application during summer 2024, with the ambition to commence on site upon acquisition in July 2025 and complete in summer 2027.

3 Paddington OSD, W2
Situated close to the Elizabeth Line station at Paddington, this 19-storey building will provide 235,000 sq ft of office space. In the year, we submitted a non-material planning amendment application to introduce terracing to each individual office floor. We continue to develop the design to enhance the scheme with a particular focus on the end of trip facilities and arrival experience. The site will be acquired by the joint venture in January 2026 and the intention is to deliver the scheme in 2029.

Brettenham House, WC2

We continue to provide development advice to the owner of Brettenham House, a 1930s heritage office building located on the Thames and adjacent to The Savoy and Somerset House, with formal arrangements to be concluded imminently. We have utilised our expertise in retrofit and refurbishments to assist with the design of a comprehensive refurbishment of the building and obtaining planning consent for extensive amenity which will significantly upgrade this asset. Construction is due to commence in summer 2024 upon finalising terms for our "equity-light" participation.

The Bower, EC1

SUSTAINABILITY RATINGS	
BREEAM	Excellent
EPC	B

The Bower is a prominent estate comprising 312,573 sq ft of innovative, high quality office space along with 21,059 sq ft of restaurant and retail space. The estate is located adjacent to the Old Street roundabout where significant remodelling works have taken place, providing extensive additional public realm to occupiers.

The Warehouse and The Studio
The Warehouse and The Studio comprise 141,141 sq ft of fully-let office space. In addition, there is a further 10,298 sq ft of retail space across the buildings with these units also being fully let following two lettings in the year to a restaurant operator and a hair and beauty studio.

The Tower
The Tower offers 171,432 sq ft of office space with a contemporary façade and innovatively designed interconnecting floors, along with 10,761 sq ft of retail space across two units, let to food and beverage operators Serata Hall and Wagamama.

In October, we took decisive action to forfeit the WeWork leases for six floors in The Tower following non-payment of rent.

Subsequently, we entered into a short-term lease with WeWork who re-occupied the building to 24 December 2023, with Helical having received a fee equivalent to the whole of the unpaid September quarter's rent and service charge due under the terms of the previous contractual arrangements. WeWork continue to operate on the third floor to June 2024 when the incumbent tenant vacates. In addition, we signed a management agreement with infinitSpace to provide serviced office space on the first and second floors at The Tower. This space has been well received by WeWork's historic subtenants and new tenants alike and provides valuable flexible space for the campus. As part of our active asset management approach, we are in the process of refurbishing the fourth, fifth and sixth floors. Once completed, the floors will be let on a CAT A+ basis.

We have let the 14th floor, comprising 9,568 sq ft, to existing tenant Incubeta who have relocated from the 16th floor. We let the 11,306 sq ft 16th floor to Verkada as expansion space. The company now has contiguous floors, having already occupied the 17th floor.

The Tower is 84% let, up from 62%, following the forfeiture of the original WeWork leases, with good interest being shown in the remaining space from existing and potential new tenants.

108,540 sq ft
Former Victorian wool warehouse

The Loom, E1

SUSTAINABILITY RATINGS	
EPC	B

This former Victorian wool warehouse offers 108,540 sq ft of office space and we continue with our active management approach to this asset and are seeking to reduce the vacancy through flexible lease offerings. During the year the vacancy rate increased from 28% to 35% although five new lettings, totalling 12,001 sq ft, were completed. Post year end, we have completed three lettings and have eight units under offer to four tenants which would reduce the vacancy rate to 26% once completed.

The Power House, W4

The Power House is a listed building, providing 21,268 sq ft of office and recording studio space, on Chiswick High Road and is fully let on a long lease to Metropolis Music Group. The asset is being actively marketed for sale.

SUSTAINABILITY RATINGS	
EPC	C

21,268 sq ft
ground floor unit
let to Metropolis

25 Charterhouse Square, EC1

25 Charterhouse Square comprises 42,921 sq ft of office space, overlooking the historic Charterhouse Square and adjacent to the Farringdon East Elizabeth Line station. During the year, we exchanged on the sale of the long leasehold interest to a real estate fund managed by global alternative investment manager Ares Management for £43.5m. We completed on the sale on 25 April 2024.

SUSTAINABILITY RATINGS	
EPC	B

Sales completed
of all 236 apartments

21,000 sq ft retail
Sold during the year

Winner
of Housing Design Award
and RIBA London Award

Barts Square, EC1

In the first half of the year, we completed the sale of the last residential unit thereby ending our involvement in the residential elements of the scheme. Subsequently, we completed the sale of the retail element of the scheme in Q4 2023, which was the final component of the development. Since 2014, the joint venture has built 235 apartments, three office buildings totalling 249,000 sq ft and 21,000 sq ft of retail across 10 units. Through outperformance, we increased our share of profit from our 33% equity participation to 44% and made a total profit of £41m with a 26% IRR.

Portfolio analytics

SEE-THROUGH TOTAL PORTFOLIO BY FAIR VALUE

	Investment £m	Investment %	Development £m	Development %	Total £m	Total %
London Offices						
- Completed properties	561.5	85.0	–	–	561.5	84.8
- Development pipeline	99.0	15.0	1.4	82.4	100.3	15.1
Total London	**660.5**	**100.0**	**1.4**	**82.4**	**661.8**	**99.9**
Other	0.1	0.0	0.3	17.6	0.5	0.1
Total	**660.6**	**100.0**	**1.7**	**100.0**	**662.3**	**100.0**

SEE-THROUGH LAND AND DEVELOPMENT PORTFOLIO

	Book value £m	Fair value £m	Surplus £m
Land and Developments	1.4	1.7	0.3
Total	**1.4**	**1.7**	**0.3**

CAPITAL EXPENDITURE

We have a committed and planned development and refurbishment programme.

Property	Capex budget (Helical share) £m	Proposed equity (Helical share) £m	Proposed debt* (Helical share) £m	Pre-redeveloped space sq ft	New space sq ft	Total completed space sq ft	Completion date
Investment – committed							
– 100 New Bridge Street, EC4	59.4	3.0	56.4	167,026	27,629	194,655	Q2 2024
– 10 King William Street, EC4	32.9	32.9	–	–	140,000	140,000	Q4 2024
– Southwark OSD, SE1	11.0	11.0	–	–	TBD	TBD	Q3 2025
– Paddington OSD, W2	30.2	30.2	–	–	235,000	235,000	Q1 2026
Investment – planned							
– 10 King William Street, EC4	62.0	9.8	52.2	–	140,000	140,000	Q4 2024
– Southwark OSD, SE1	61.8	21.8	40.0	–	TBD	TBD	Q3 2025
– Paddington OSD, W2	122.9	38.7	84.2	–	235,000	235,000	Q1 2026

* Assumes 55% LTC debt facility arranged for future schemes.

ASSET MANAGEMENT

Asset management is a critical component in driving Helical's performance. Through having well considered business plans and maximising the combined skills of our management team, we are able to create value in our assets.

Investment portfolio	Fair value weighting %	Passing rent £m	%	Contracted rent £m	%	ERV £m	%	ERV change like-for-like %
London Offices								
- Completed properties	85.0	23.6	100.0	33.0	100.0	42.9*	70.5	-0.7
- Development pipeline	15.0	–	0.0	–	–	17.8	29.3	5.6
Total London	**100.0**	**23.6**	**100.0**	**33.0**	**100.0**	**60.7**	**99.8**	**1.1**
Other	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.0
Total	**100.0**	**23.6**	**100.0**	**33.0**	**100.0**	**60.8**	**100.0**	**1.1**

* Includes 25 Charterhouse Square, EC1, which has been sold post year end.

	See-through total portfolio contracted rent £m
Rent lost at break/expiry	(5.7)
Lease expiry to allow redevelopment	(7.1)
New lettings	7.1
Net decrease in the year from asset management activities	**(5.7)**
Contracted rent reduced through disposals	(0.3)
Total contracted rental change from sales	**(0.3)**
Net decrease in contracted rents in the year	**(6.0)**

Investment portfolio

VALUATION MOVEMENTS

	Valuation change incl. sales and purchases %	Valuation change excl. sales and purchases %	Investment portfolio weighting 31 March 2024 %	Investment portfolio weighting 31 March 2023 %
London Offices				
– Completed properties	(19.8)	(19.6)	85.0	83.4
– Development pipeline	(35.3)	(35.3)	15.0	16.6
Total	**(22.6)**	**(22.4)**	**100.0**	**100.0**

PORTFOLIO YIELDS

	EPRA topped up NIY 31 March 2024 %	EPRA topped up NIY 31 March 2023 %	Reversionary yield 31 March 2024 %	Reversionary yield 31 March 2023 %	True equivalent yield 31 March 2024 %	True equivalent yield 31 March 2023 %
London Offices						
– Completed properties	5.1	4.1	6.9	5.7	6.5	5.6
– Development pipeline	n/a	3.6	6.1	5.1	5.7	4.9
Total	**5.1**	**4.0**	**6.6**	**5.5**	**6.3**	**5.4**

SEE-THROUGH CAPITAL VALUES, VACANCY RATES AND UNEXPIRED LEASE TERMS

	Capital value 31 March 2024 £ psf	Capital value 31 March 2023 £ psf	Vacancy rate 31 March 2024 %	Vacancy rate 31 March 2023 %	WAULT 31 March 2024 Years	WAULT 31 March 2023 Years
London Offices						
– Completed properties	982	1,166	17.6	19.8	6.6	5.8
– Development pipeline	508	835	100.0	2.6	0.0	0.7
Total	**880**	**1,104**	**37.6**	**16.1**	**6.6**	**5.0**

SEE-THROUGH LEASE EXPIRIES OR TENANT BREAK OPTIONS

	Year to 2025	Year to 2026	Year to 2027	Year to 2028	Year to 2029	2029 onward
% of rent roll	15.8	3.7	12.8	30.5	7.1	30.1
Number of leases	20	9	11	13	5	19
Average rent per lease (£)	260,030	134,922	384,495	772,366	466,332	521,731
Contracted rent (£)	5,200,606	1,214,299	4,229,447	10,040,764	2,331,658	9,912,882

TOP 15 TENANTS

We have a strong rental income stream and a diverse tenant base. The top 15 tenants account for 75.2% of the total rent roll.

Rank	Tenant	Tenant industry	Contracted rent £m	Rent roll %
1	Farfetch	Online retail	4.3	13.1
2	J Sainsbury	Retail	3.0	9.1
3	Brilliant Basics	Technology	2.4	7.2
4	VMware	Technology	2.2	6.6
5	Verkada	Technology	1.9	5.9
6	Partners Group	Financial services	1.9	5.7
7	Anomaly	Marketing	1.5	4.5
8	Viacom	Technology	1.2	3.5
9	Allegis	Media	1.1	3.3
10	Dentsu	Marketing	1.1	3.2
11	Stripe	Financial services	1.0	2.9
12	Openpayd	Financial services	0.9	2.7
13	WeWork	Flexible offices	0.9	2.6
14	Three Crowns	Legal services	0.8	2.5
15	Incubeta	Marketing	0.8	2.4
Total			**25.0**	**75.2**

LETTING ACTIVITY – NEW LEASES

	Area sq ft	Contracted rent (Helical's share) £	Rent (excl Plug and Play and managed lettings) £ psf	Increase to 31 March 2023 ERV (excl Plug and Play and managed lettings) %	Average lease term to expiry Years
Investment Properties					
Completed – offices					
– The Tower, EC1	20,874	1,760,000	85.00	0.1	10.0
– The Loom, E1	12,001	657,000	48.56	-11.7	3.2
– The JJ Mack Building, EC1	96,894	4,495,000	92.79	1.8	13.3
Offices Total	**129,769**	**6,912,000**	**89.59**	**1.2**	**11.5**
Completed – retail					
– The Warehouse, EC1	2,938	130,000	44.25	-4.4	5.0
– The JJ Mack Building, EC1	3,953	100,000	50.59	2.1	15.0
Retail Total	**6,891**	**230,000**	**47.89**	**-0.6**	**9.3**
Total	**136,660**	**7,142,000**	**87.23**	**1.1**	**11.5**

Helical aims to deliver market leading returns by investing in and developing real estate that best serves the needs of its tenants and maximises value for its Shareholders.

Tim Murphy
Chief Financial Officer

2024 Performance
Financial highlights

Overview

The financial results for the year are dominated by the outward yield movement experienced across the office sector reflected in investment property valuation losses. With yields on our completed investment portfolio having moved out by an average of 95bps in the year, the financial results show a net valuation loss of £187.1m compared to a loss of £92.8m the previous year.

Results for the year

The IFRS loss for the year of £189.8m (2023: £64.5m) includes revenue from rental income, service charges and development management fees of £39.9m, offset by direct costs of £14.5m to give a net property income of £25.4m (2023: £36.3m). Other income of £0.9m (2023: £nil), from the sub-letting of part of the Company's head office, was recognised in the year. There was a net loss on sale and revaluation of investment properties of £181.2m (2023: £93.3m) and the loss from joint venture activities was £9.3m (2023: gain of £3.5m). Administrative expenses of £11.0m (2023: £12.8m) and net finance costs of £7.9m (2023: £10.9m), were further increased by a loss in the fair value of derivatives of £5.6m (2023: gain of £12.8m).

The Group holds a significant proportion of its property assets in joint ventures. As the risks and rewards of ownership of these underlying properties are the same as those it wholly owns, Helical supplements its IFRS disclosure with a "see-through" analysis of alternative performance measures, which looks through the structure to show the Group's share of the underlying business.

IFRS PERFORMANCE

LOSS AFTER TAX
£189.8m
(2023: £64.5m)

LOSS PER SHARE (EPS)
154.6p
(2023: 52.6p)

DILUTED NAV PER SHARE
326p
(31 March 2023: 489p)

TOTAL ACCOUNTING RETURN
-31.7%
(2023: -9.4%)

EPRA PERFORMANCE

EPRA PROFIT
£4.3m
(2023: £11.5m)

EPRA EPS
3.5p
(2023: 9.4p)

EPRA NTA PER SHARE
331p
(31 March 2023: 493p)

TOTAL ACCOUNTING RETURN ON EPRA NTA
-31.4%
(2023: -12.1%)

The see-through results for the year to 31 March 2024 include net rental income of £25.5m, a net loss on sale and revaluation of the investment portfolio of £188.6m and development profits of £0.4m, leading to a Total Property Return of -£162.7m (2023: -£51.4m). Other income of £0.9m less total see-through administrative costs of £11.3m (2023: £13.3m) and see-through net finance costs of £11.1m (2023: £12.0m) plus see-through losses from the mark-to-market valuation of derivative financial instruments of £5.6m (2023: gains of £12.8m) contributed to an IFRS loss of £189.8m (2023: £64.5m).

The Company has proposed a final dividend of 1.78p per share (2023: 8.70p) which, if approved by Shareholders at the 2024 AGM, will be payable on 2 August 2024. The total dividend paid or payable in respect of the year to 31 March 2024 will be 4.83p (2023: 11.75p), a decrease of 59%.

The EPRA net tangible asset value per share decreased by 32.9% to 331p (31 March 2023: 493p).

The Group's investment portfolio, including its share of assets held in joint ventures, decreased to £660.6m (31 March 2023: £839.5m) primarily due to the net loss on revaluation of the investment portfolio of £187.1m after lease incentives of £4.1m, offset by capital expenditure on the investment portfolio of £17.3m.

The Group's see-through loan to value at 31 March 2024 was 39.5% (31 March 2023: 27.5%). The Group's weighted average cost of debt at 31 March 2024 was 2.9% (31 March 2023: 3.4%) and the weighted average debt maturity was 2.1 years (31 March 2023: 2.9 years).

At 31 March 2024, the Group had unutilised bank facilities of £83.8m and cash of £31.7m on a see-through basis. These are primarily available to fund future property acquisitions and capital expenditure.

The completion of the sale of 25 Charterhouse Square, EC1 plus the sale of 50% of our development scheme at 100 New Bridge Street, EC4, following the year end, have reduced our net borrowings resulting in a pro-forma LTV of 28.7%.

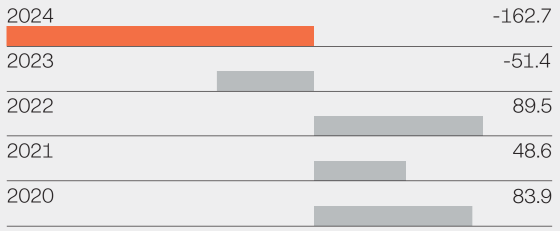
Total Property Return

We calculate our Total Property Return to enable us to assess the aggregate of income and capital profits made each year from our property activities. Our business is primarily aimed at producing surpluses in the value of our assets through asset management and development, with the income side of the business seeking to cover our annual administrative and finance costs.

The net rental income, development profits and net gains on sale and revaluation of our investment portfolio, which contribute to the Total Property Return, provide the inputs for our performance as measured by MSCI.

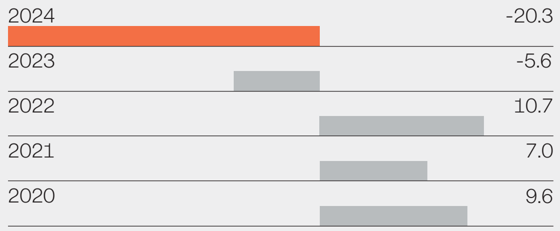
Total Property Return £m

-£162.7m



MSCI Property Index %

-20.3%



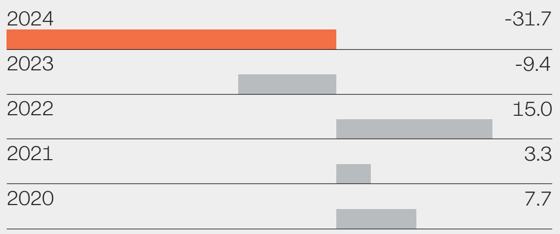
See-through Total Accounting Return

Total Accounting Return is the growth in the net asset value of the Group plus dividends paid in the reporting period, expressed as a percentage of the net asset value at the beginning of the period. The metric measures the growth in Shareholders' Funds each year and is expressed as an absolute measure.

Total Accounting Return on EPRA net tangible assets is the growth in the EPRA net tangible asset value of the Group plus dividends paid in the period, expressed as a percentage of the EPRA net tangible asset value at the beginning of the period.

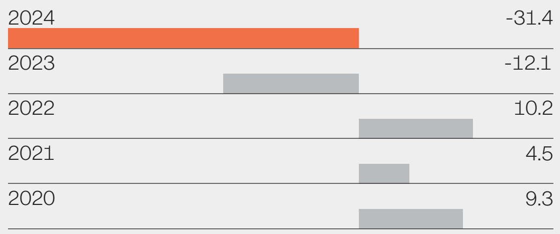
Total Accounting Return on IFRS net assets %

-31.7%



Total Accounting Return on EPRA net tangible assets %

-31.4%



Earnings/(loss) per share

The IFRS loss per share increased from a loss of 52.6p to a loss of 154.6p and is based on the after tax loss attributable to ordinary Shareholders divided by the weighted average number of shares in issue during the year.

On an EPRA basis, the earnings per share was 3.5p compared to an earnings per share of 9.4p in 2023, reflecting the Group's share of net rental income of £25.5m (2023: £33.5m) and development profits of £0.4m (2023: £3.2m), but excluding losses on sale and revaluation of investment properties of £188.6m (2023: £88.1m).

Net asset value

IFRS diluted net asset value per share decreased by 33.3% to 326p per share (31 March 2023: 489p) and is a measure of Shareholders' Funds divided by the number of shares in issue at the year end, adjusted to allow for the effect of all dilutive share awards.

EPRA net tangible asset value per share decreased by 32.9% to 331p per share (31 March 2023: 493p). This movement arose principally from a total comprehensive expense (retained losses) of £189.8m (2023: £64.5m), less £14.4m of dividends (2023: £13.8m).

EPRA net disposal value per share decreased by 33.3% to 327p per share (31 March 2023: 490p).

Income Statement

Rental income and property overheads

Gross rental income, before adjusting for lease incentives, for the Group in respect of wholly owned properties decreased to £33.3m (2023: £34.9m).

Offset against gross rental income are lease incentives of £5.8m reflecting the net reversal of previously recognised rental income accrued in advance of receipt (2023: £1.6m). In this year, £2.9m of this adjustment related to the unexpired lease incentives provided to WeWork which have been reversed on the termination of their leases during the year. Overall this resulted in a gross rental income of wholly owned properties of £27.5m (2023: £33.3m).

	2024 £000	2023 £000
Gross rental income (excluding lease incentives)	**33,344**	34,947
Lease incentives	**(5,830)**	(1,632)
Total gross rental income	**27,514**	33,315

Gross rental income in joint ventures increased to £2.0m (2023: £0.3m).

Property overheads in respect of wholly owned assets and in respect of those assets in joint ventures increased to £4.0m (2023: £3.4m) reflecting increased vacancy in the portfolio.

Overall, see-through net rents decreased by 23.8% to £25.5m (2023: £33.5m).

The table below demonstrates the movement of the accrued income balance for rent free periods granted and the respective rental income adjustment over the four years to 31 March 2027 on a see-through basis, based on the tenant leases as at 31 March 2024. The actual adjustment will vary depending on lease events such as new lettings and early terminations and future acquisitions or disposals.

	Accrued income £000	Adjustment to rental income £000
Year to 31 March 2024	8,816	(4,105)
Year to 31 March 2025	14,293	5,477
Year to 31 March 2026	16,895	2,602
Year to 31 March 2027	15,169	(1,726)

Rent collection

	Year to 31 March 2024 %
Rent collected to date	99.5
Rent concessions	0.5

At 22 May 2024, the Group had collected 99.5% of all rent contracted and payable for the financial year to 31 March 2024.

Development profits

During the year, there was a profit of £0.9m on legacy retail schemes at East Ham and Kingswinford plus development management fees of a further £0.1m were recognised. These were offset by a write back of the expected development management promote fee at The JJ Mack Building, EC1 and other development costs of £1.2m, which led to a net development loss of £0.2m (2023: profit of £2.0m).

Share of results of joint ventures

Net rental income recognised in the year was £0.8m (2023: loss of £0.8m) as a result of the letting progress at The JJ Mack Building, EC1.

The revaluation of our investment assets held in joint ventures generated a loss of £5.9m (2023: surplus of £5.1m). A loss of £1.5m was recognised in respect of the sale of our retail units at Barts Square, EC1, offset by a profit on sale of our last remaining residential unit of £0.6m.

Finance, administrative and other sundry costs totalling £3.5m (2023: £1.5m) were incurred. An adjustment to reflect our economic interest in the Barts Square, EC1 development to its recoverable amount generated a profit of £0.2m (2023: loss of £0.6m), and after a tax charge of £nil (2023: £nil), there was a net loss from our joint ventures of £9.3m (2023: profit of £3.5m).

Loss on sale and revaluation of investment properties

The deficit on valuation and loss on sales of our investment portfolio on a see-through basis resulted in an overall loss on sale and revaluation, including in joint ventures, of £188.6m (2023: £88.1m).

Administrative expenses

Recurring administrative costs in the Group, before performance related awards, decreased 8% from £9.9m to £9.1m with an additional £0.7m of costs reflecting an accelerated depreciation of leasehold improvements at our current head office, in anticipation of our move to new offices later in the year.

The Group has reviewed all categories of expenditure, seeking efficiencies and cost reductions where available with the aim to reduce our overheads by 25% by the end of March 2025.

Performance related share awards and bonus payments, before National Insurance costs, decreased to £1.2m (2023: £2.7m). Of this amount, £1.0m (2023: £1.1m), being the charge for share awards under the Performance Share Plan, is expensed through the Income Statement but added back to Shareholders' Funds through the Statement of Changes in Equity. NIC incurred in the year on performance related awards was £0.1m (2023: £0.3m).

In joint ventures, administrative expenses decreased from £0.5m to £0.3m.

	2024 £000	2023 £000
Recurring administrative expenses (excluding performance related awards)	**(9,051)**	(9,845)
Accelerated depreciation of leasehold improvements	**(680)**	–
Performance related awards	**(1,155)**	(2,702)
NIC	**(125)**	(288)
Group	**(11,011)**	(12,835)
In joint ventures	**(338)**	(459)
Total	**(11,349)**	(13,294)

Finance costs, finance income and change in fair value of derivative financial instruments

Net finance costs excluding change in fair value of derivative financial instruments, including joint ventures, reduced to £11.1m (2023: £12.0m).

Group	2024 £000	2023 £000
Interest payable on secured bank loans	(5,493)	(8,284)
Other interest payable and similar charges	(3,115)	(2,780)
Total interest payable before cancellation of loans	(8,608)	(11,064)
Cancellation of loans	–	(128)
Total finance costs	(8,608)	(11,192)
Finance income	661	274
Net finance costs	**(7,947)**	(10,918)
Change in fair value of derivative financial instruments	(5,609)	12,757
Finance costs, finance income and change in fair value of derivative financial instruments	**(13,556)**	1,839

Joint venture	2024 £000	2023 £000
Interest payable on secured bank loans	(3,012)	(2,703)
Other interest payable and similar charges	(211)	(203)
Interest capitalised	–	1,815
Total finance costs	(3,223)	(1,091)
Finance income	43	23
Net finance costs	**(3,180)**	(1,068)
Total finance costs, finance income and change in fair value of derivative financial instruments	(16,736)	771
Net finance costs excluding change in fair value of derivative financial instruments	**(11,127)**	(11,986)

Taxation

The Group elected to become a REIT, effective from 1 April 2022, and will be exempt from UK corporation tax on the profit of its property activities that fall within the REIT regime. Helical will continue to pay corporation tax on its profits that are not within this regime. There is no deferred tax charge in the current year.

The current tax charge for the year was £nil (2023: £nil), with an under provision of £0.2m being recognised in relation to a prior year; the total tax charge for the year was £0.2m (2023: £nil).

Dividends

In light of the results for the year and the fall in EPRA earnings, the Board will be recommending to Shareholders a reduction in the final dividend to 1.78p (2023: 8.70p) per share, representing the minimum PID payment required under the REIT regime. This represents an 80% fall on last year. If approved by Shareholders at the 2024 AGM, the total dividend for the year will be 4.83p, down 59% on 2023.

Balance Sheet

Shareholders' Funds

Shareholders' Funds at 1 April 2023 were £608.7m. The Group had a loss of £189.8m (2023: £64.5m), representing the total comprehensive expense for the year. Movements in reserves arising from the Group's share schemes resulted in a net deduction of £3.4m. The Company paid dividends to Shareholders during the year of £14.4m. The net decrease in Shareholders' Funds from Group activities during the year was £207.6m to £401.1m.

Investment portfolio

		Wholly owned £000	In joint ventures £000	See-through £000	Head leases capitalised £000	Lease incentives £000	Book value £000
Valuation at 31 March 2023		693,550	145,975	839,525	6,481	(14,172)	831,834
Capital expenditure	– wholly owned	16,052	–	16,052	(14)	–	16,038
	– joint ventures	–	1,211	1,211	(31)	–	1,180
Letting costs amortised	– wholly owned	(168)	–	(168)	–	–	(168)
	– joint ventures	–	(70)	(70)	–	–	(70)
Transfer to assets held for sale	– wholly owned	(42,845)	–	(42,845)	(2,105)	1,133	(43,817)
Disposals	– joint ventures	–	(4,676)	(4,676)	–	158	(4,518)
Revaluation (deficit)/surplus	– wholly owned	(186,989)	–	(186,989)	–	5,776	(181,213)
	– joint ventures	–	(4,190)	(4,190)	–	(1,743)	(5,933)
Valuation at 31 March 2024		**479,600**	**138,250**	**617,850**	**4,331**	**(8,848)**	**613,333**

The Group expended £17.3m on capital works across the investment portfolio, at The JJ Mack Building, EC1 (£1.2m), 100 New Bridge Street, EC4 (£13.6m), The Bower, EC1 (£0.8m), The Loom, E1 (£0.7m) and The Power House, W4 (£1.0m).

Revaluation losses resulted in a £191.2m decrease in the see-through fair value of the portfolio, before lease incentives, to £617.9m (31 March 2023: £839.5m). The accounting for head leases and lease incentives resulted in a book value of the see-through investment portfolio of £613.3m (31 March 2023: £831.8m).

Debt and financial risk

In total, the see-through outstanding debt at 31 March 2024 of £296.1m (31 March 2023: £290.4m) had a weighted average interest cost of 2.9% (31 March 2023: 3.4%) and a weighted average debt maturity of 2.1 years (31 March 2023: 2.9 years).

Debt profile at 31 March 2024*

	Total facility £000s	Total utilised £000s	Available facility £000s	Weighted average interest rate %	Average maturity of facilities Years
£300m Revolving Credit Facility	300,000	230,000	70,000	2.9	2.3
Total wholly owned	**300,000**	**230,000**	**70,000**	**2.9**	**2.3**
In joint ventures	69,900	66,141	3,759	2.8	1.3
Total secured debt	**369,900**	**296,141**	**73,759**	**2.9**	**2.1**
Working capital	10,000	–	10,000	–	–
Total unsecured debt	**10,000**	**–**	**10,000**	**–**	**–**
Total debt	**379,900**	**296,141**	**83,759**	**2.9**	**2.1**

*Including commitment fees but excluding the amortisation of arrangement fees.

Secured debt

The Group arranges its secured investment and development facilities to suit its business needs as follows:

- **£300m Revolving Credit Facility**

The Group cancelled a surplus £100m of its £400m Revolving Credit Facility in the year. The value of the Group's properties secured in this facility at 31 March 2024 was £522m (31 March 2023: £693m) with a corresponding loan to value of 44.0% (31 March 2023: 33.2%). The average maturity of the facility at 31 March 2024 was 2.3 years (31 March 2023: 3.3 years).

- **Joint venture facilities**

The Group has a number of investment and development properties in joint ventures with third parties and includes our share, in proportion to our economic interest, of the debt associated with each asset. In the year, the one-year extension on The JJ Mack Building, EC1 facility was exercised, resulting in an average maturity of the Group's share of bank facilities in joint ventures at 31 March 2024 of 1.3 years (31 March 2023: 1.3 years) with a weighted average interest rate of 2.8% (31 March 2023: 4.2%). The average interest rate has fallen to 2.75% in the year as a result of letting progress and will reduce to 2.25% once the building is over 90% let.

Unsecured debt

The Group's unsecured debt is £nil (31 March 2023: £nil).

Cash and cash flow

At 31 March 2024, the Group had £115.5m (31 March 2023: £244.2m) of cash and agreed, undrawn, committed bank facilities including its share in joint ventures.

Net borrowings and gearing

Total gross borrowings of the Group, including in joint ventures, have increased from £290.4m to £296.1m during the year to 31 March 2024. After deducting cash balances of £31.7m (31 March 2023: £54.7m) and unamortised refinancing costs of £2.8m (31 March 2023: £4.3m), net borrowings increased from £231.4m to £261.6m. The see-through gearing of the Group, including in joint ventures, increased from 38.0% to 65.2%.

	31 March 2024	31 March 2023
See-through gross borrowings	£296.1m	£290.4m
See-through cash balances	£31.7m	£54.7m
Unamortised refinancing costs	£2.8m	£4.3m
See-through net borrowings	£261.6m	£231.4m
Shareholders' Funds	£401.1m	£608.7m
See-through loan to value	39.5%	27.5%
Pro-forma see-through LTV	28.7%	–
See-through gearing – IFRS net asset value	65.2%	38.0%
Pro-forma see-through gearing – IFRS net asset value	40.3%	–

Following the sale of 25 Charterhouse Square, EC1 and the sale of a 50% stake in our 100 New Bridge Street, EC4 development, both completed since 31 March 2024, our pro-forma see-through LTV has fallen to 28.7% and our see-through gearing on our IFRS net asset value to 40.3%.

Hedging

At 31 March 2024, the Group had £230.0m (31 March 2023: £230.0m) of borrowings protected by interest rate swaps, with an average effective interest rate of 2.6% (31 March 2023: 2.6%) and average maturity of 2.3 years. In our joint ventures, the Group's share of fixed rate debt was £66.1m (31 March 2023: £60.4m) at 0.5% plus margin, which has reduced as a result of letting progress at The JJ Mack Building, EC1, resulting in an effective rate at 31 March 2024 of 2.8%.

	31 March 2024 £m	Effective interest rate %	31 March 2023 £m	Effective interest rate %
Fixed rate debt				
– Secured borrowings	230.0	2.6	230.0	2.6
Total	**230.0**	**2.6**	230.0	2.6
Floating rate debt				
– Secured	–	–	–	–
Total	**–**	**2.9[1]**	–	3.1[1]
In joint ventures				
– Fixed rate	66.1	2.8[2]	60.4	4.2[2]
Total borrowings	**296.1**	**2.9**	290.4	3.4

1 This includes commitment fees on undrawn facilities. Excluding these would reduce the effective rate to 2.6%.
2 This includes commitment fees on undrawn facilities. Excluding these would not impact the effective rate (31 March 2023: reduce to 4.00%).

Tim Murphy
Chief Financial Officer
22 May 2024

Risk is an integral part of the Group's business activities and Helical's ability to identify, assess, monitor and manage its risks is fundamental to its financial stability, continuing performance and reputation.

Helical's approach to proactive risk identification and effective management

Risk appetite

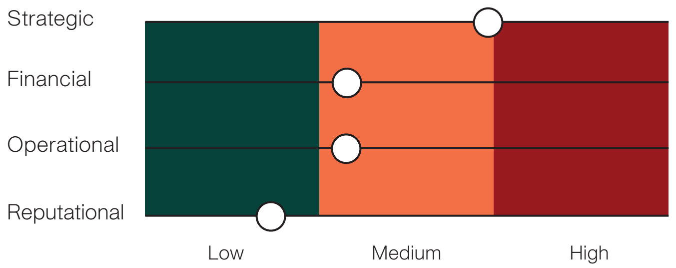
The Board has established procedures to determine the nature and extent of the principal risks the Group is willing to take in order to achieve its long-term strategic objectives. It is through the enactment of these procedures that the Group is able to set its risk appetite.

Helical's risk appetite is driven by the business strategy. The overall risk appetite is moderate to low and appropriate mitigating actions are taken to reduce the severity of identified risks into the acceptable range set by the Board. In determining the risk appetite, the Board considers upside risks as well as downside risks.

Our risk appetite is adaptive. Our appetite for risk is low if the risk presents a hazard to our operations or strategy. If a risk presents the Group with a strategic opportunity, our risk appetite will be higher. Where our risk appetite is moderate, we carefully balance the risk and our mitigation efforts with the potential reward. Helical's risk appetite is not static and is reviewed by the Board at least twice a year.

In accordance with good stewardship, the Board does not inhibit sensible risk taking that is critical to growth. This approach is embedded in the risk culture of the Group which is guided by the Helical Values (see page 93). The risk culture aligns with the strategy and objectives of the business.

Our appetite for risk in each principal risk category is set out below:



Roles and responsibilities

Whilst the Board is ultimately responsible for the management of risk, the Group is structured in such a way that risk identification, assessment, management and monitoring occur at all levels of the Helical team. Roles and responsibilities with respect to risk are well established and the close working relationships existing between senior management and our Property Executives enhance our risk management capabilities.

The identification of risk occurs primarily at Board level through application of Helical's Risk Management Framework (see page 50). As part of this process, the Risk Register and corresponding Risk Heat Map (please see pages 51 to 59) are produced. The Board meets at least twice a year to assess the appropriateness of the Risk Register, taking into account the macroeconomic environment, current projects, recent performance and past experience.

Emerging risks

The Group continuously considers both prevailing and emerging risks as part of the risk identification process. Emerging risks are those that may materialise and challenge Helical in the future. The outcome of such risks is often more uncertain. They may begin to evolve rapidly or simply not materialise. As part of our risk management approach, we continuously monitor our business activities and external and internal environments for new, emerging and changing risks to ensure these are managed appropriately. Helical's emerging risks are incorporated into the Group Risk Register and are therefore presented alongside those currently deemed to be prevailing risks.

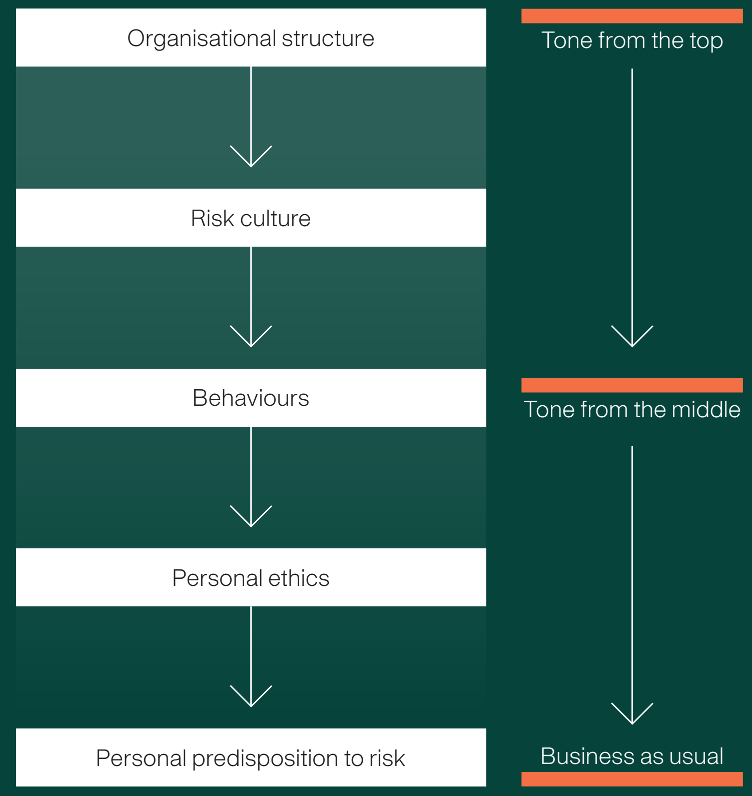
Horizon scanning is conducted, not just by the Board or senior management, but by every individual staff member. Team meetings are conducted every two weeks and provide a forum for information sharing with respect to emerging risks. Helical's collaborative environment and flat management structure further support open discussion on potential future risks. External insight is also used to assist with the horizon scanning process.

On a bi-annual basis, a summary of both prevailing and emerging risks is presented for assessment to the Audit and Risk Committee and the Board.

The Group has identified the following as being the most significant emerging risks for our business:

- Geopolitical
  - Political instability and unrest having a significant knock-on effect on global economies and trade
- Disruptive technology
  - Metaverse
  - AI
- Climate-related risk
  - Physical risks presented by the changing climate.

Risk culture



When making business decisions, the Board assesses all potential risks faced by the Group and considers the effect that such risks could have on the achievement of our strategic priorities and long-term success.

The Board acknowledges that there are numerous risks faced by the business and that these are often interrelated. However, the Board also views the potential risks as opportunities which, when handled appropriately, can drive performance. Therefore, our Risk Management Framework is tailored to support the delivery of the Group's strategy.

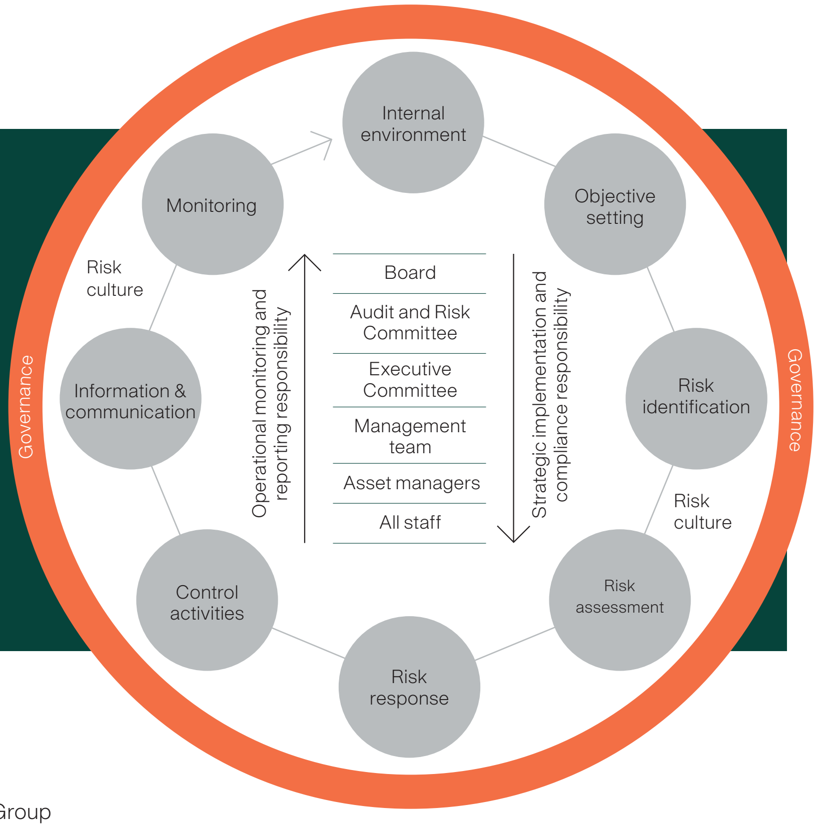
The Board confirms that during this reporting period it has carried out a robust assessment of the Group's emerging and principal risks (please see Audit and Risk Committee Report, pages 118 to 121, for details of the work undertaken by the Directors during the reporting period).

RISK MANAGEMENT APPROACH

Oversight, identification, assessment and mitigation of risks at a strategic level	Top down approach	**The Board**	Has ultimate responsibility for risk management within the Group. The Board sets the risk appetite of the Group, establishes a risk management strategy and is responsible for maintaining a robust internal control system.
		The Board	Continually monitors and reviews the risk management strategy to ensure that it remains appropriate and consistent with the Group's overall strategy and external market conditions.
		The Audit and Risk Committee	Supports the Board by evaluating the effectiveness of the risk management procedures and internal controls throughout the year.
		The Executive Committee	Is responsible for the day-to-day operational application of the risk management strategy and ensuring that all staff are aware of their responsibilities.
Oversight, identification, assessment and mitigation of risks at an operational level	Bottom up approach	**Helical's management team**	Runs the business in line with the risk management strategy established by the Board and reports to the Board on how it operates. Both the small team size and the flat management structure allow the Executive Committee to have close contact with all aspects of the business and ensure that the identification and management of risks and opportunities are at the forefront of decision makers' minds.
		Individual asset managers	Are responsible for identifying and assessing risks relating to the properties they manage and reporting to the Executive Committee as appropriate.
		All staff members	Are responsible for complying with risk management procedures and internal control measures, reporting to the Executive Committee as necessary.

Risk Management Framework

Helical's Risk Management Framework is made up of eight components which all function to create an effective system of risk management and internal control. It is through the application of the Risk Management Framework that clear procedures for risk identification, assessment, measurement, mitigation, monitoring and reporting are aligned with the Group's strategic aims and the Board's risk appetite.



Viability statement

Helical's long-term prospects

With over 35 years' experience as a property company, the Group has navigated multiple property cycles. These cycles present challenges and opportunities and it has been through successfully responding to both that Helical has grown to become a highly respected London office developer and asset manager. During this time, it has also built an extensive network of trusted partners who provide support, capital and access to new opportunities.

The Group has a high quality portfolio with excellent sustainability credentials, primarily located in central London, and is delivering best-in-class space which appeals to occupiers who need to attract the best talent. Helical has a long-standing strong relationship with the financial institutions who provide its debt and has long-term and flexible financing.

It is from this strong position that the Board has considered the Group's future viability.

Time period assessment

The Directors have assessed the viability of the Group for a period of six years to March 2030, being the period for which the Board regularly reviews forecasts, and which encompasses the lifetime of the Group's major development projects. The Board considers the future performance of the Group beyond five years, but less certainty exists over the forecasting assumptions beyond this period.

Review process

The viability of the Group is reviewed throughout the year and through multiple channels, detailed below:

- The strategic direction of the Group is established by the Board once a year and is captured in the business plan which forms the basis of the detailed budgets and actions for the year;
- The Board and Audit and Risk Committee review the principal risks of the Group at least twice a year, reassessing the severity of each risk and determining the Group's proposed response and planned mitigation;
- The five-year forecasts for the Group are updated and reviewed by the Board and Executive Committee on a quarterly basis; and
- Management reviews the short-term (three to eighteen months) cash requirements of the Group on a monthly basis and cash balances and movements are monitored weekly.

Principal risks and sensitivity analysis

In making its assessment, the Board considers the Group's principal risks and assesses their combined potential impact in severe, but plausible, downside scenarios together with the likely effectiveness of mitigating actions that the Group has at its disposal.

The assessment included the following key assumptions:

- **Rental income** – whilst the Group has a WAULT of 6.6 years across its portfolio, both void and rent-free periods have been included where a lease term ends within the period of review;
- **Debt financing** – the Group's primary source of financing is its £300m Revolving Credit Facility which expires in July 2026;
- **Development and asset management** – these activities require capital expenditure, and this has been included for both specific projects and general ongoing works; and
- **Administration expenditure and finance costs** – administration expenditure has been subject to inflationary increases. The hedging instruments the Group has in place mitigate the impact of future changes to the interest base rate until July 2026.

The most relevant risks and their potential impact are highlighted below:

Risk areas	Principal risks
Loss of rental income	
Tenants unable to pay their rent due to one or more of the following: • Recession due to inflationary pressures • Pandemic or geopolitical event Loss of rental income could put debt covenants under pressure requiring partial/complete loan repayment Property valuation falls could put debt covenants under pressure requiring partial/complete loan repayment	• Significant business disruption/ external catastrophic event/ cyber-attacks to our business and our buildings • Property values decline/reduced tenant demand for space • Geopolitical and economic • Availability and cost of bank borrowing, cash resources and potential breach of loan covenants

The Group performs sensitivity analysis with a focus on the impact of a loss of rental income on debt covenants. Further details are included in the going concern review on page 154.

Based on the outcome of this review and other matters considered by the Board, the Directors hold a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the six-year period to 31 March 2030.

Our principal risks

We recognise that the Group is exposed to a wide range of risks, not all of which are listed in our Risk Register (see below at pages 52 to 59). However, when determining our principal risks, we have selected those risks that we believe are likely to have the greatest impact on the delivery of our strategic objectives.

Helical's principal risks fall into the following categories: strategic risks, financial risks, operational risks and reputational risks.

When identifying risks, each risk is linked to the Group's strategic objectives: Growth, Property, Sustainability, Financing and People.

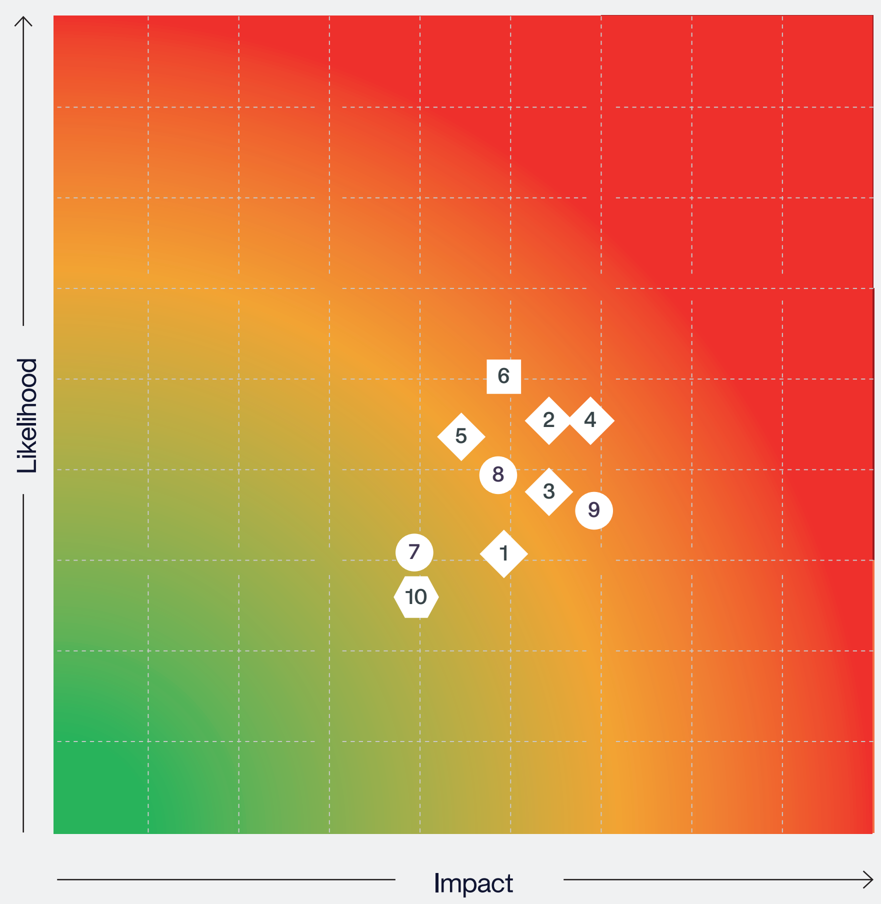
Risk severity involves assessing both the likelihood of a risk materialising and its potential impact. The Executive Committee assesses the risk severity and reports its assessment to the Board, which is based on:

- Understanding the cause of the risk;
- Understanding the resources at the Group's disposal to mitigate the risk;
- Estimating the probability of such a risk occurring, both pre and post mitigating actions; and
- Assessment of the quantitative and qualitative impact of such a risk materialising.

The severity levels determined by the Executive Committee are assessed by the Board.

The Board also reviews the mitigating actions to ensure they reduce the risk down to an acceptable level based on the Group's risk appetite.

Mapping our principal risks



		PRINCIPAL RISKS	CHANGE
Strategic risks	1	The Group's strategy is inconsistent with the market	=
	2	Risks arising from the Group's significant development projects	↑
	3	Property values decline/reduced tenant demand for space	=
	4	Geopolitical and economic	=
	5	Climate change	=
Financial risks	6	Availability and cost of bank borrowing, cash resources and potential breach of loan covenants	=
Operational risks	7	Our people and relationships with business partners and reliance on external partners	=
	8	Health and safety	↑
	9	Significant business disruption/ external catastrophic event/ cyber-attacks to our business and our buildings	=
Reputational risks	10	Poor management of stakeholder relations and non-compliance with prevailing legislation, regulation and best practice	=

Review of the Risk Register – March 2024

In assessing the appropriateness of the Group's Risk Register for March 2024, the Directors considered the Group's performance, the macro-political and economic environment, and all the business projects currently being undertaken. The Group's Risk Register is shown below and should be read in conjunction with the Heat Map on page 51:

Strategic risks

Strategic risks are external risks that could prevent the Group delivering its strategy. It is these risks which principally impact decision-making with respect to the purchasing or selling of property assets.

The Group's strategy is inconsistent with the market

Link to strategy
Growth

YoY change

=

Description

Changing market conditions leading to a reduction in demand or deferral of decisions by occupiers, impacting property values, could hinder the Group's ability to buy, develop, let and sell assets as envisioned in its strategy. The location, size and mix of properties in Helical's portfolio determine the impact of the risk. If the Group's chosen markets underperform, the impact on the Group's liquidity, investment property revaluations and rental income will be greater.

Inconsistency between the market and the Group's strategy has the potential to negatively impact our share price and result in reduced market sentiment/shareholder satisfaction.

There continues to be uncertainty regarding the future of the office given the continuation of hybrid working practices across the UK. The risk of future pandemic outbreaks also poses a threat to the future of the office.

Mitigating actions

Management constantly monitors the market and makes changes to the Group's strategy in light of market conditions. The Group conducts an annual strategic review and maintains rolling forecasts, with inbuilt sensitivity analysis to model anticipated economic conditions.

The Group's management team is highly experienced and has a strong track record of interpreting the property market.

The small size of the Group's management team enables quick implementation of strategic change when required.

We have robust and established governance and approval processes.

We engage closely with our occupiers to ensure we are offering space that meets their business needs.

We are active members of industry bodies and professional organisations and participate in local business and community groups. This ensures we are actively engaged in decisions affecting our business, customers, partners and communities.

The Board directly and indirectly engages with the Helical Shareholders on the Group's strategy and the Directors' decision making and execution of strategy is heavily influenced by the feedback received from our Shareholders.

The Board continually assesses the viability of the Group strategy with respect to the demand for office space in central London.

Probable impact (post mitigation)

The market continues to favour the "best-in-class" space with strong sustainability credentials and such assets continue to command premium rents. Helical's portfolio is well positioned to respond to this trend. The office is no longer seen as a fixed asset, but as an overall workplace experience that is not tied to a physical location and desirability is influenced by increased investment in on-site amenities, better workplace technology, flexible space layout, work models and increased sustainability credentials. Helical continues to place great emphasis on innovation and design in the areas of sustainability, technology, service provision and health/wellbeing.

Demand for the best quality buildings in the best locations is expected to remain robust in 2024. This will lead to rental growth in most UK office markets at the prime end of the spectrum.

Sentiment towards the future of the office continues to improve, but hybrid working practices are still in existence across the majority of UK businesses.

Further, there remains a risk of future pandemics which could affect our strategy.

Through ongoing engagement with our stakeholders, the impact of a divergence between the market and our strategy is mitigated, but only to an extent.

Risks arising from the Group's significant development projects

Link to strategy
Property

YoY change

↑

Description

The Group conducts significant development projects over a number of years and is therefore exposed to fluctuations in the market and tenant demand levels over time.

Development projects often require substantial capital expenditure for land procurement and construction, and they usually take a considerable amount of time to complete and generate rental income.

The risk of delays or failure to get planning approval is an inherent risk of property development.

The construction industry is faced with both labour and materials supply shortages which could lead to cost escalation and project delay.

Exposure to developments increases the potential monetary impact of cost inflation, adverse valuation or other market factors which could affect the Group's financial capabilities and targeted financial returns.

Sustainability is becoming ever more important in the planning process, with local authorities and the Government placing considerable emphasis on climate change e.g. requiring justification for demolition over refurbishment.

Mitigating actions

Management carefully reviews the prospective performance and risk profiles of individual developments and, in some cases, builds properties in several phases to minimise the Group's exposure to reduced demand for particular asset classes or geographical locations over time. The Group conducts developments in partnership with other organisations and pre-lets space to reduce development risk, where considered appropriate.

The management team is highly experienced and has a track record of developing best-in-class office spaces in highly desirable, well-connected locations.

Management places significant focus on timely project delivery and strong relationships with construction partners with appropriate risk sharing. We choose to work with highly regarded suppliers and contractors to minimise cost uncertainty.

We typically enter into contracts with our contractors on a fixed price basis and incorporate appropriate contingencies.

We continually collaborate with our suppliers and contractors to mitigate risks arising from our developments.

Development plans and exposure to risk are considered in the annual business plan.

Detailed planning pre-applications and due diligence are conducted in advance of any site acquisition.

Board approval is required for commitments above a certain threshold.

Management continuously monitors the cost of materials and pressures on supply chain and distribution networks. Ongoing consideration is given to investing in the most energy efficient machinery and building materials and using renewable sources of energy where possible.

Management considers acceleration of digitalisation of logistics and supply chain management, such as real-time warning systems that forecast shortages at an early stage, as crucial to responding agilely and avoiding delays in real estate developments.

The Group is striving to reduce the carbon footprint of its development activities and is continuously looking to evolve its strategy in this regard.

Probable impact (post mitigation)

The Group has started the enabling works at 100 New Bridge Street, EC4 ("100 NBS"), and we are progressing the three sites to be developed in joint venture with TfL.

There continues to be the risk of insolvencies in the construction industry given the uncertainties around the future macroeconomic environment and geopolitical market influences. Material costs remain a near-term challenge for the real estate industry, despite some signs that the price trend of key commodities is easing.

Despite technological advancements, supply chain bottlenecks, recent geopolitical escalations and economic uncertainty were, and still are, challenges for the sector and a risk for the global economy.

Labour related issues also remain very much to the fore, with skills shortages being problematic across the industry.

In addition, financial constraints due to economic uncertainty are viewed as an increasingly significant obstacle to development activities.

The risk has increased in severity given the commencement of the 100 NBS enabling works in late 2023. As the pipeline progresses with the TfL joint venture, this risk's severity will not decrease.

Strategic risks continued

Property values decline/reduced tenant demand for space

Link to strategy
Property

YoY change
=

Description
The property portfolio is at risk of valuation falls through changes in market conditions, including underperforming sectors or locations, lack of tenant demand, deferral of occupiers' decisions, or general economic uncertainty.

The potential adverse impact of the political and economic environments on property yields has heightened the risk of a fall in property values. Falling valuations could lead to uncertainty regarding development scheme returns and the viability of future office development schemes. The Group's net asset value and gearing levels will also be impacted by a fall in property values.

Property valuations are dependent on the level of rental income receivable and expected to be receivable on that property in the future. Therefore, declines in rental income could have an adverse impact on revenue and the value of the Group's properties.

There remains a risk of continued economic downturn given the broader geopolitical climate, inflation and current interest rate levels. This could result in further pressure on rent collection figures with a prolonged period of corporate failures, leading to a decline in occupancy and increase in office vacancies. This risk is further heightened by bank failures and impact on liquidity.

Mitigating actions
The Group's property portfolio has tenants from diverse industries, reducing the risk of over-exposure to one sector. We conduct regular occupier financial covenant checks ahead of approving leases in order to limit our exposure to tenant failure. Management accounts which include the Group's performance against the financial covenants are reviewed by the Board on a quarterly basis. Management regularly reviews external data, seeks the advice of industry experts and monitors the performance of individual assets and sectors in order to dispose of non-performing assets and rebalance the portfolio to suit the changing market. Management regularly models different property revaluation scenarios through its forecasting process in order to prepare a considered approach to mitigating the potential impact. We continue to design and innovate in the areas of sustainability, technology, wellbeing and service provision and, working closely with our management agents, Ashdown Phillips, we engage with our occupiers to understand their evolving needs and respond quickly and collaboratively to any changing requirements.

The Board and management team continually monitor the property market. The bi-weekly management meeting considers factors such as new leases, lease events and tenant issues with respect to each property in the portfolio.

Probable impact (post mitigation)
Despite the strong market sentiment towards new, best-in-class office space, the impact of interest rate rises will halt the expansion in the office jobs market during 2024. Following healthy increases in the last two years, research suggests that office-based employment is to remain largely unchanged in 2024.

Although there has been a notable increase in the return of employees to their offices, a number of corporates are continuing to offer hybrid working opportunities. Despite slowing jobs growth, UK office take-up in 2024 is expected to increase relative to the levels seen in 2023.

The cost of debt and lack of liquidity issues impacted yields in 2023, with further property valuation falls predicted for Q1 2024. However, yields are expected to remain stable and may start to tighten over the next 12–24 months.

Geopolitical and economic

Link to strategy
Growth

YoY change
=

Description
Significant events or changes in the global/UK political or economic landscape may have a significant impact on the Group's ability to plan and deliver its strategic priorities in accordance with its business model. Such events or changes may result in decreased investor activity and reluctance of occupiers to make decisions with respect to office space uptake. Furthermore, the impacts on London's desirability arising from political uncertainty, government policies and the potential disruption of energy supplies are of concern to the business.

Macroeconomic drivers, such as interest rates, can significantly impact pricing in the real estate market. For example, in order to curb inflation, the Bank of England has been raising interest rates, thus increasing the cost of borrowing, which in turn provides challenge for investors.

Political instability and unrest can have a significant knock-on effect on global economies and trade (as evidenced by the Russo-Ukrainian and the Israel-Hamas wars which have led to volatility in energy prices). Geopolitical risks lead to changed market dynamics and influence, such as the increasing role of governments in economies and the shifts in geopolitical powers.

Mitigating actions
Management monitors macroeconomic research and economic outlook considerations are incorporated into the Group's annual business plan.

Management conducts ongoing assessments of the impacts of current macroeconomic and geopolitical concerns.

We will continue to monitor the economic and political situations in the UK and globally, and adapt any business decisions accordingly.

Management seeks advice from experts to ensure it understands the political environment and the impact of emerging regulatory and tax changes on the Group. It maintains good relationships with planning consultants and local authorities. Where appropriate, management joins with industry representatives to contribute to policy and regulatory debate relevant to the industry.

Probable impact (post mitigation)
Geopolitical uncertainty from conflicts continues to affect global and local economies e.g. inflationary pressures arising from supply chain shortages, high interest rates and energy costs. These conflicts could escalate or spread to include other countries.

However, whilst the duration of inflation will significantly impact the sector, commercial offices remain an attractive asset class.

With respect to the UK's near-term macroeconomic outlook, the inflation rate significantly fell towards the end of 2023 and is expected to continue its downward trajectory. Although it is anticipated that base rates will stay high for an extended period, there is the real prospect of rate reductions in the latter half of 2024, which would be advantageous for both occupiers and investors, and should stimulate increased activity.

The interest rate environment has dominated the office investment landscape since rates started rising in the second half of 2022, severely constraining volumes. It is expected that this will ease in the second half of 2024, but investment volumes in the first half will remain low.

Many of the significant geopolitical risks that the world faces in 2024 come from existing conflicts and tensions. Experts have identified the elections in the United States (amid increasing polarisation and declining trust in the country's political system); a possible escalation of the Israel-Hamas war into wider conflict in the Middle East; and a further deepening of the Russo-Ukrainian war as most significant.

In addition, the following geopolitical risks have the potential to affect the global economy:

- Increased cooperation between China, Iran, North Korea and Russia;
- The reported setbacks to the Chinese growth model; and
- The possibility of conflict arising from authoritarian regimes.

Over half of the world's population will vote in general or local elections worldwide this year. Therefore, elections will be a key political theme in 2024 and could have a significant impact on the direction of the global economy. This effect will be seen not only through potential changes in trade and investment policies but also by increased uncertainty and political polarisation.

The upcoming UK General Election (currently anticipated to be 4 July 2024) will add further uncertainty and may delay business decision making. The Group needs to be alert to the risks of changes to political stability, government structure, and economic policies that may come with a change in Government. Investor and tenant decision making and timing could be impacted, and the Election may cause volatility in the stock market.

Strategic risks continued

Climate change

Link to strategy
Sustainability

YoY change
=

Description
The Group is alive to the risks posed by climate change. Failing to respond to these risks appropriately (in line with societal attitudes or legislation) or failing to identify potential opportunities could lead to reputational damage, loss of income or decline in property values. Having strong sustainability credentials is a market differentiator and provides a competitive advantage.

There is also the risk that the costs to operate our business (energy or water) or undertake development activities (construction materials) will rise as a consequence of climate change and the actions taken to safeguard against it.

The Group is also alert to the physical risks of climate change, e.g. the increasing severity and frequency of extreme weather events which pose threats to real estate assets.

Mitigating actions
The Group has a Sustainability Committee which reviews the Group's approach and strategy to climate-related risks and presents regularly to the Board and Executive Committee on emerging issues and mitigation plans. The Board has a designated Non-Executive Director responsible for sustainability. The Committee sets appropriate targets and KPIs to effectively monitor the Group's performance.

During the year, a detailed scenario analysis was performed to ascertain the potential risks and opportunities that arise due to specific climate-related scenarios. The outcome of this analysis has been incorporated into our wider TCFD statement. The Group will conduct detailed scenario analysis of the risks and opportunities on an annual basis to ensure the appropriate actions/responses are taken.

Annually, the Group produces a Sustainability Performance Report with key data and performance points which are externally assured.

In May 2022, the Group released its Net Zero Carbon Pathway, which commits to becoming net zero carbon by 2030 and includes the actions and steps required to meet the associated targets.

Probable impact (post mitigation)
Climate change risk continues to increase in prominence and importance. In the UK, the Government continues to introduce more legislation linked to climate risk, e.g. TCFD and legislation requiring higher standards for energy efficiency in commercial and residential properties (EPCs).

The risks associated with the impact of climate change continue to increase and businesses are being encouraged by their stakeholders to proactively respond. Pressure for greater disclosure by real estate owners and investors continues to intensify.

Building and operating buildings which are resilient to climate change protects shareholder value. Identifying the risks and opportunities that are material to us as a business under a number of different climate scenarios allows us to appropriately align our mitigation plan and long-term strategy.

Financial risks

Financial risks are those that could prevent the Group from funding its chosen strategy, both in the long and short term.

Availability and cost of bank borrowing, cash resources and potential breach of loan covenants

Link to strategy
Financing

YoY change
=

Description
The inability to roll over existing facilities or take out new borrowing could impact the Group's ability to maintain its current portfolio and purchase new properties. The Group may forego opportunities if it does not maintain sufficient cash to take advantage of them as they arise and requires new sources of debt to finance its development programme.

The Group is at risk of increased interest rates on unhedged borrowings.

If the Group breaches debt covenants, lending institutions may require the early repayment of borrowings.

The lack of global liquidity has the potential to create significant obstacles for the Group.

Liquidity risk could lead to missed opportunities or financial losses.

Mitigating actions
The Group maintains good relationships with many established lending institutions and borrowings are spread across a number of such lenders.

Funding requirements are reviewed monthly by the management team, which seeks to ensure that the maturity dates of borrowings are spread over several years.

Management monitors the cash levels of the Group on a weekly basis and maintains sufficient levels of cash resources and undrawn committed bank facilities to fund opportunities as they arise.

The Group hedges the interest rates on the majority of its borrowings, effectively fixing or capping the rates over several years.

Covenants are closely monitored throughout the year. Management conducts sensitivity analyses to assess the likelihood of future breaches based on significant changes in property values or rental income.

The risk is further mitigated through the obtaining of tenant guarantors/bank guarantees/deposits.

Probable impact (post mitigation)
Increased stability in the forward interest rate market has led to more confidence in capital and debt maturity.

Whilst the turmoil seen in the banking sector, with the collapse of the Silicon Valley Bank and the acquisition of Credit Suisse by UBS, has not worsened, there remains instability in the global markets and concern for the rest of the financial sector.

The Group has exercised its option to extend its development financing of The JJ Mack Building, EC1 by a year and is in discussions to extend its £300m RCF. The Group has cash and undrawn bank facilities available to it and an appropriate level of borrowings.

Operational risks

Operational risks are internal risks that could prevent the Group from delivering its strategy.

Our people and relationships with business partners and reliance on external partners

Link to strategy
Growth
People

YoY change
=

Description
The Group's continued success is reliant on its management and staff and maintaining its successful relationships with its joint venture partners.

Ineffective succession planning, or failure to attract, develop and retain the right people with requisite skills, as well as failing to maintain a positive working environment for employees, could inhibit the execution of our strategy and diminish our long-term sustainability.

As several of the Group's properties are held in conjunction with third parties, the Group's control over these properties is more limited and these structures may also reduce the Group's liquidity.

Operational effectiveness and financing strategies may also be adversely impacted if partners are not strategically aligned.

The Group is dependent on a number of external third parties to ensure the successful delivery of its development programme and asset management of existing assets. These include:

- Contractors and suppliers;
- Consultants;
- Managing agents; and
- Legal and professional teams.

The Group would be adversely impacted by increases in the cost of services provided by third parties.

Mitigating actions
Our people
The senior management team is very experienced with a high average length of service. The Nominations Committee and Board continuously review succession plans, and the Remuneration Committee oversees the Directors' Remuneration Policy and its application to senior employees, and reviews and approves incentive arrangements to ensure they are commensurate with market practice. Remuneration is set to attract and retain high calibre staff.

Our annual appraisal process focuses on future career development and staff are encouraged to undertake personal development and training courses, supported by Helical.

The Board and senior management engage directly with employees through a variety of engagement initiatives which enable the Board to ascertain staff satisfaction levels and implement changes to working practices and the working environment as necessary.

We also arrange all-staff training activities and events throughout the year.

Business partners
The Group nurtures well established relationships with joint venture partners, seeking future projects where it has had previous successful collaborations.

Management has a strong track record of working effectively with a diverse range of partners.

Our joint venture business plans are prepared to ensure operational and strategic alignment with our partners.

External partners
The Group actively monitors its development projects and uses external project managers to provide support. Potential contractors are vetted for their quality, health and safety record and financial viability prior to engagement.

The Group has a highly experienced team managing its properties, which regularly conducts on-site reviews and monitors cash flows against budget.

The Group seeks to actively monitor and maintain excellent relationships with its specialist professional advisors, often engaging parties with whom it has successfully worked previously.

Probable impact (post mitigation)
Although there is strong competition for talent in the employment market at present, this risk has remained broadly similar due to our high staff retention levels.

Succession plans are in place for key roles within Helical, and this supports the long-term success of the business.

External factors such as geopolitical tensions and high levels of demand for certain raw materials and components continue to place increased pressure on supply chains and distribution networks. Labour shortages continue to pose a challenge to the industry.

Given our reliance on external third parties to ensure the successful delivery of our development programmes and asset management, these external factors could have a significant impact on our business.

Health and safety

Link to strategy
Property
People

YoY change
↑

Description
The nature of the Group's operations and markets exposes it to potential health and safety risks both internally and externally within the supply chain.

The Board conducts continuous assessment and is responsible for the management of the potential impacts of new building and fire safety regulations, including under the Building Safety Act 2022.

As a real estate developer, we are exposed to public liability risks and there is always the potential for accidents to occur on our sites involving occupiers or employees.

Mitigating actions
The Group reviews and updates its Health & Safety Policy regularly and it is approved by the Board annually.

Contractors are required to comply with the terms of our Health & Safety Policy. The Group engages an external health and safety consultant to review contractor agreements prior to appointment and ensures they have appropriate policies and procedures in place, then monitors the adherence to such policies and procedures throughout the project's lifetime.

The Group has an H&S Committee to oversee, and drive improved performance in, the strategies, policies, working practices of the Group in relation to health and safety. The Committee also monitors relevant legal and regulatory developments.

Ongoing training in H&S is conducted by our employees as appropriate.

The Executive Committee reviews the report by the external consultant every month and the Board reviews them at every scheduled meeting. The internal asset managers conduct regular site visits.

To address public liability risks, through our robust H&S risk management strategies, we ensure our properties are properly maintained, safety protocols are in place and we conduct regular risk assessments to identify and mitigate potential hazards.

We have invested in comprehensive public liability insurance to provide financial protection in the event of legal claims arising from injuries or property damage.

Probable impact (post mitigation)
As we have begun the on-site development activities at 100 NBS, this risk is therefore a key area of focus for the business and has increased.

Operational risks continued

Significant business disruption/external catastrophic event/cyber-attacks to our business and our buildings

Link to strategy
Growth
Property

YoY change
=

Description
The Group's operations, reputation or financial performance could be adversely affected and disrupted by major external events such as pandemic disease, civil unrest, war and geopolitical instability, terrorist attacks, extreme weather, environmental incidents and power supply shortages. All of these potential events could have a considerable impact on the global economy, as well as that of our business and our stakeholders.

The increasing reliance on and use of digital technology heighten the risks associated with IT and cyber security.

- The Group relies on information technology ("IT") to perform effectively as a cyber-attack could result in IT systems being unavailable, adversely affecting the Group's operations and reputation.
- Commercially sensitive and personal information is electronically stored by the Group. Theft of this information could adversely impact the Group's commercial advantage and result in penalties where the information is governed by law (GDPR and Data Protection Act 2018).
- The Group is at risk of being a victim of social engineering fraud.
- The Group increasingly employs IT solutions across its property portfolio to ensure its buildings are "smart". However, proptech solutions, such as sensors and automation, may risk physical damage to property if they fail, for example if new systems are retrofitted to old wiring.

Misinformation and disinformation may radically disrupt electoral processes in several economies over the next two years.

The metaverse and artificial intelligence (AI) are two forms of disruptive technology which have been identified as having the potential to reduce the demand for physical office space, and thus impact our strategy.

Mitigating actions
In the event of a significant event:

- The Executive Committee will be tasked with the daily monitoring and managing of the risk, and will focus on the impact on property locations, the business and supply chain.
- Regular Board discussions will be held during any pandemic to review the Group's response and mitigating actions.
- Enhanced engagement with our stakeholders will be conducted (particularly with occupiers, contractors, Shareholders and employees).
- There will be continuous review of Government guidelines and emerging practice, with risk assessments undertaken as control measures change.
- Guidance will be issued to our staff, occupiers and contractors on how to protect themselves and others.

Risks are continually evolving, and we must design, implement and monitor effective controls to protect the Group from cyber-attack or major IT failure.

The Group ensures that it has adequate Business Continuity Plans and IT Business Continuity Plans in place to enable remote working for all staff.

Testing of business resilience and risk planning is conducted throughout the year.

The Group engages and actively manages external IT experts to ensure its IT systems operate effectively and that we respond to the evolving IT security environment. This includes regular off-site backups and a comprehensive disaster recovery process. The external provider also ensures the system is secure and this is subject to routine testing including bi-annual disaster recovery tests and annual Cyber Essential Plus Certification.

There is a robust control environment in place for invoice approval and payment authorisations including authorisation limits and a dual sign off requirement for large invoices and bank payments.

The Group provides training and performs penetration testing and disaster recovery network vulnerability testing to identify emails of a suspicious nature, ensuring these are flagged to the IT providers, and ensures employees are aware they should not open attachments or follow instructions within the email. On an annual basis, our external IT providers provide IT security training to ensure all staff are adopting best practice IT security measures to help protect the business against cyber-attack.

The Group periodically instructs external reviews of its anti-financial crime and cyber security frameworks and delivers training to all staff.

The Group has a disaster recovery plan, on-site security at its properties and insurance policies in place to deal with any external events and mitigate their impact.

The Group has cyber insurance cover (broad enough to encompass the cyber risks faced today/the future) to help mitigate financial losses and liabilities associated with the compromise of sensitive data.

The Group has business interruption insurance in place to help cover financial losses if a temporary operational shutdown occurs.

Helical, through its suppliers, conducts proactive risk management including routine maintenance, regular system updates, and thorough testing to minimise these risks. Our insurance policies have been extended to cover any damages resulting from technological failures.

Probable impact (post mitigation)
Future pandemics could reduce people's appetite to work in and visit London for leisure and therefore impact the demand for, and value of, our buildings. The risk of pandemic is therefore relevant to our business. The Russo-Ukrainian war and associated sanctions, and the Israel-Hamas war are continuing to put pressure on global supply chains and economies.

Furthermore, the UK's terrorism national threat level continues to be rated as "substantial".

Cyber risks persist as cyber criminals continue to devise new ways to exploit and harm businesses around the globe. Consequently, the Group's cyber security controls continue to be of invaluable importance.

Misinformation and disinformation and cyber insecurity are ranked first and fourth respectively by the World Economic Forum as being the most severe economic risks over the next two years.

Reputational risks

Reputational risks are those that could affect the Group in all aspects of its strategy.

Poor management of stakeholder relations and non-compliance with prevailing legislation, regulation and best practice

Link to strategy
Growth
People

YoY change
=

Description
Reputational damage resulting in a loss of credibility with key stakeholders including Shareholders, analysts, banking institutions, contractors, managing agents, tenants, property purchasers/sellers and employees is a continuous risk for the Group.

The nature of the Group's operations and markets exposes it to financial crimes risks (including bribery and corruption risks, money laundering and tax evasion) both internally and externally within the supply chain.

The Group is exposed to the potential risk of acquiring or disposing of a property where the owner/purchaser has been involved in criminal conduct or illicit activities.

The Group would attract criticism and negative publicity if any instances of, for example:

- modern slavery and human trafficking were identified within its supply chain.
- non-compliance with GDPR and the Data Protection Act 2018 were identified. Non-compliance may also result in financial penalties.

As a REIT, the Group is required to adhere to the relevant legislation. Failure to comply could result in adverse tax consequences.

Mitigating actions
The Group believes that successfully delivering its strategy and mitigating its principal risks should protect its reputation.

The Group regularly reviews its strategy and risks to ensure it is acting in the interests of its stakeholders.

The Group maintains a strong relationship with investors and analysts through regular meetings.

We ensure strong community involvement in the design process for our developments and create employment and education opportunities through our construction and operations activities.

A Group Disclosure Policy and Share Dealing Code, Policy & Procedures have been circulated to all staff in accordance with UK legislation and regulation on market abuse.

The Group's anti-bribery and corruption and whistleblowing policies and procedures are reviewed and updated annually and emailed to staff and displayed on our website. Projects with greater exposure to bribery and corruption are monitored closely.

The Group avoids doing business in high-risk territories. The Group has related policies and procedures designed to mitigate bribery and corruption risks including:

- Know Your Client checks.
- Due diligence processes.
- Capital expenditure controls.
- Contracts risk assessment procedures.
- Competition and anti-trust guidance.

The Group engages legal professionals to support these policies where appropriate.

All employees are required to complete anti-bribery and corruption training and to submit details of corporate hospitality and gifts received. Periodically, staff receive anti-financial crime training to enhance their awareness.

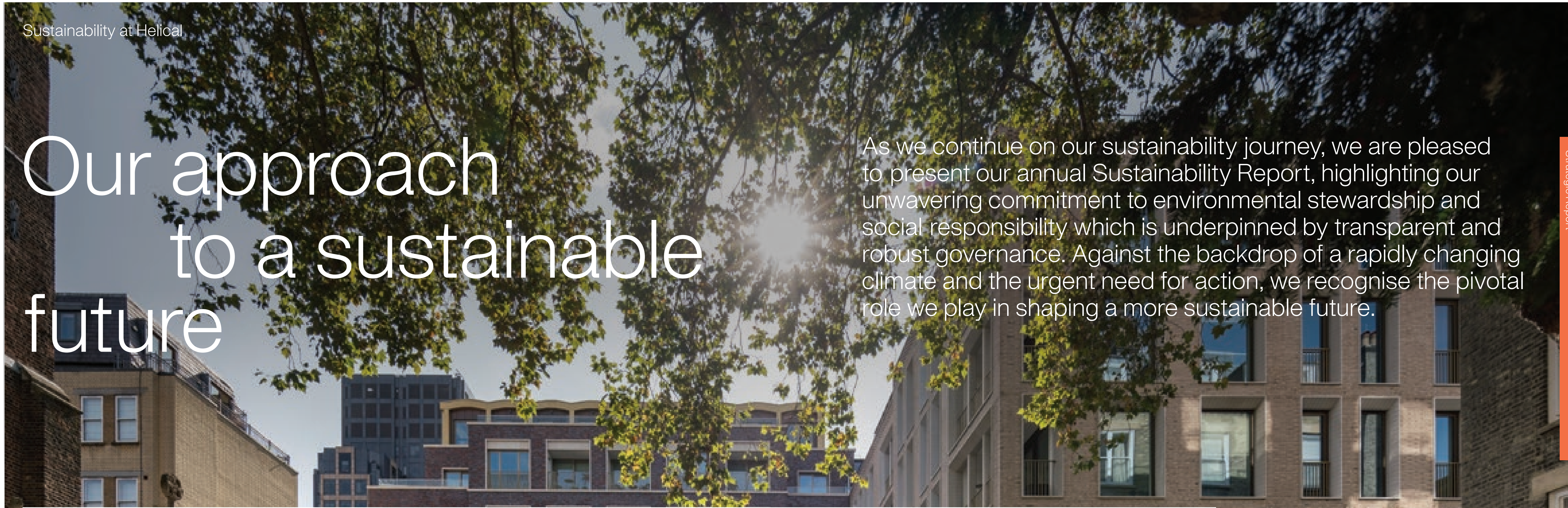
All property transactions are reviewed and authorised by the Executive Committee.

Our Modern Slavery Act statement, which is prominently displayed on our website, gives details of our policy and our approach to combating slavery in our supply chain.

The Group monitors its GDPR and Data Protection Act 2018 compliance to ensure appropriate safeguards, policies, procedures, contractual terms and records are implemented and maintained in accordance with the regulations.

The Group regularly monitors its current and projected REIT compliance.

Probable impact (post mitigation)
This risk is consistent for the business due to the ever changing legal and regulatory landscape in which the business operates. Impact of regulatory change and scrutiny on operational resilience and management practices continues to be a risk for our business.



Our approach to a sustainable future

As we continue on our sustainability journey, we are pleased to present our annual Sustainability Report, highlighting our unwavering commitment to environmental stewardship and social responsibility which is underpinned by transparent and robust governance. Against the backdrop of a rapidly changing climate and the urgent need for action, we recognise the pivotal role we play in shaping a more sustainable future.

Highlights

8%
Reduction in like-for-like energy consumption (landlord and tenant)

6%
Reduction in Scope 1 and Scope 2 emissions

93%
Renewable energy sourced for all landlord and procured tenant areas

£104,500
Social value of furniture donations

185 hours
Volunteering hours by Helical staff

2024 ratings

GRESB (Global Real Estate Sustainability Benchmark)	Score of 87/100 Standing investments Score of 92/100 Developments 4 Green Star rating A rated public disclosure
MSCI ESG Ratings	AAA rating
EPRA Sustainability Reporting Awards	Gold award
CDP	B rating
ISS ESG	Corporate ESG Performance

While this has been a challenging year as an industry, we are pleased to have made strong progress against our sustainability commitments and targets, particularly with our joint venture partnership with Places for London, which has also seen us incorporate TfL's comprehensive Sustainable Development Framework into each of our joint venture schemes.

In the past year, we are thrilled to highlight several notable accomplishments, among which is the remarkable achievement of The JJ Mack Building, EC1. With a final BREEAM score of 96.4%, the building has not only earned an Outstanding certificate but also proudly holds the title of the highest-rated building in the UK according to the latest guidance. At The Bower, EC1 we have invested in on-site renewables with the installation of 80 solar photovoltaic panels on the roof of The Warehouse. Once fully commissioned these panels are expected to generate c.37,000 kWhs of energy annually – the equivalent of planting 333 trees. Furthermore, we have made significant progress in embedding circular economy principles into our development practices, particularly at 100 New Bridge Street, EC4 where a reuse strategy has been implemented to retain, reuse and recycle significant elements of the existing building.

In the year there has been a particular focus on our engagement with communities and how we can create social value in the areas where we work. Not only have we expanded the network of charities that we partner with but our staff doubled their number of volunteering hours. With a pipeline of development projects spanning five years, we believe there will be even greater scope to define, create and sustain long-term social value in the coming year.

Creating a circular economy

As a leading London office developer, we recognise the importance of embracing and championing sustainable practices in our operations. In an era marked by increasing environmental concerns and resource scarcity, we are committed to embedding a circular economy model that prioritises material efficiency, waste reduction and innovative design solutions.

During the year there have been a number of opportunities to adopt and implement circular economy principles from construction and development through to ongoing management and tenant engagement.

By adopting a circular approach, we seek to not only minimise our environmental impact but also drive long-term social value for communities while contributing to a more resilient and sustainable built environment for future generations.

Our vision for 100 New Bridge Street, EC4, once fully redeveloped.

The building as a material bank

100 New Bridge Street
Our major refurbishment at 100 New Bridge Street, EC4, presented a unique opportunity to establish a clear Circular Economy Strategy from the outset. With input from our design team, we held a number of workshops to highlight the opportunities available to reuse, recycle and repurpose.

1
Reuse as much as possible
Early in the design process, the team attended a dedicated site visit to review potential items for reuse within the existing building. These items were recorded, scheduled and factored into the proposed design.

2
Build with as little as possible
Any new construction to be efficient and lightweight to minimise the amount of new materials that need to be used.

3
Use recycled and renewable materials where possible
Material specification will prioritise products with recycled components and Environment Product Disclosures to minimise the carbon impact of new materials.

4
Design for future adaptation, reuse and disassembly
New construction will be designed to meet long-term need while being adaptable and resilient. Building layers will be accessible to allow for alterations or replacements.

5
Minimise waste sent to landfill
Waste will be treated like a resource, carefully managed to ensure that the minimal amount is sent to landfill.

Strategic Report

Linking social value with the circular economy

There is an intrinsic link between the adoption of circular economy principles and the creation of long-term social value.

Value of furniture donated

£81,000

Total social value created from furniture donations

£104,500

The Bower, EC1

At The Bower, EC1, the forfeiture of WeWork's lease resulted in three fully fitted floors, including all soft furnishing being left to Helical. Recognising that while the quality of these fixtures meant they were not suitable to be reused within the building, we remained committed to disposing of this furniture in a meaningful way.

Waste to Wonder

Waste to Wonder, a certified social enterprise, provides a pioneering Ethical Clearance Process for redundant office furniture and equipment. Not only do they save disposal costs, they also strengthen and support the sustainability aspirations of their customers by donating the cleared furniture to schools throughout the world. To date they have collected over £34m of redundant office furniture and equipment and distributed to over 1,400 schools in 40 countries.

At The Bower, Waste to Wonder were able to collect 12 tonnes worth of furniture contributing a donated value of c.£40,000 and resulting in a carbon saving through reuse of c.37,000 $kgCO_2e$. The furniture was donated to United Action for Children in Cameroon (UAC), a non-profit organisation founded in 1996. Their activities include education, sports, poverty alleviation and food security.

Green Skills Hub

For the remaining furniture we were able to collaborate with the Fleet Street Quarter Business Improvement District, donating the remaining items to their new Green Skills Hub. The Hub, which is due to open in May, is a practical and theory education hub for green and digital construction skills. A first of its kind live learning space, the Green Skills Hub will provide accredited and sought-after green construction skills courses, with the aim of finding placements for students and other service users. The value of the donated furniture was estimated at c.£37,000 with a corresponding carbon saving of c.19,000 $kgCO_2e$.

"We were thrilled to be able to support the Fleet Street Quarter Business Improvement District and their highly anticipated Green Skills Hub. At Helical we recognise the urgent need for a large, skilled workforce to decarbonise commercial buildings including workforce gaps in the design, construction, retrofit and building maintenance sub-sectors. These hubs play a pivotal role in upskilling the workforce and we look forward to the cross-pollination opportunities with our development sites in the Fleet Street Quarter District."

Laura Beaumont – Head of Sustainability at Helical

100 New Bridge Street, EC4

At 100 New Bridge Street, EC4, the vacating tenants left a significant proportion of their fixtures, fittings and furniture within the building. As part of our wider reuse strategy we worked with our enabling works and main contractor to establish how best we could rehome and dispose of these fittings. The strategy involved engaging with a number of charities, repurposing furniture within the site office and welfare area and working with businesses who specialise in second-hand furniture.

London National Park City

Launched by the National Park City Foundation, the charity is a unique grassroots movement aiming to make London greener, healthier and wilder.

The London National Park City has recently leased a store at 109 Fleet Street to act as a pop-up visitors centre to engage the local community in how to connect with urban nature. The charity needed support with sourcing materials and furniture to get it ready for the public and due to its proximity to 100 New Bridge Street we were able to donate furniture, kitchen supplies and stationery.

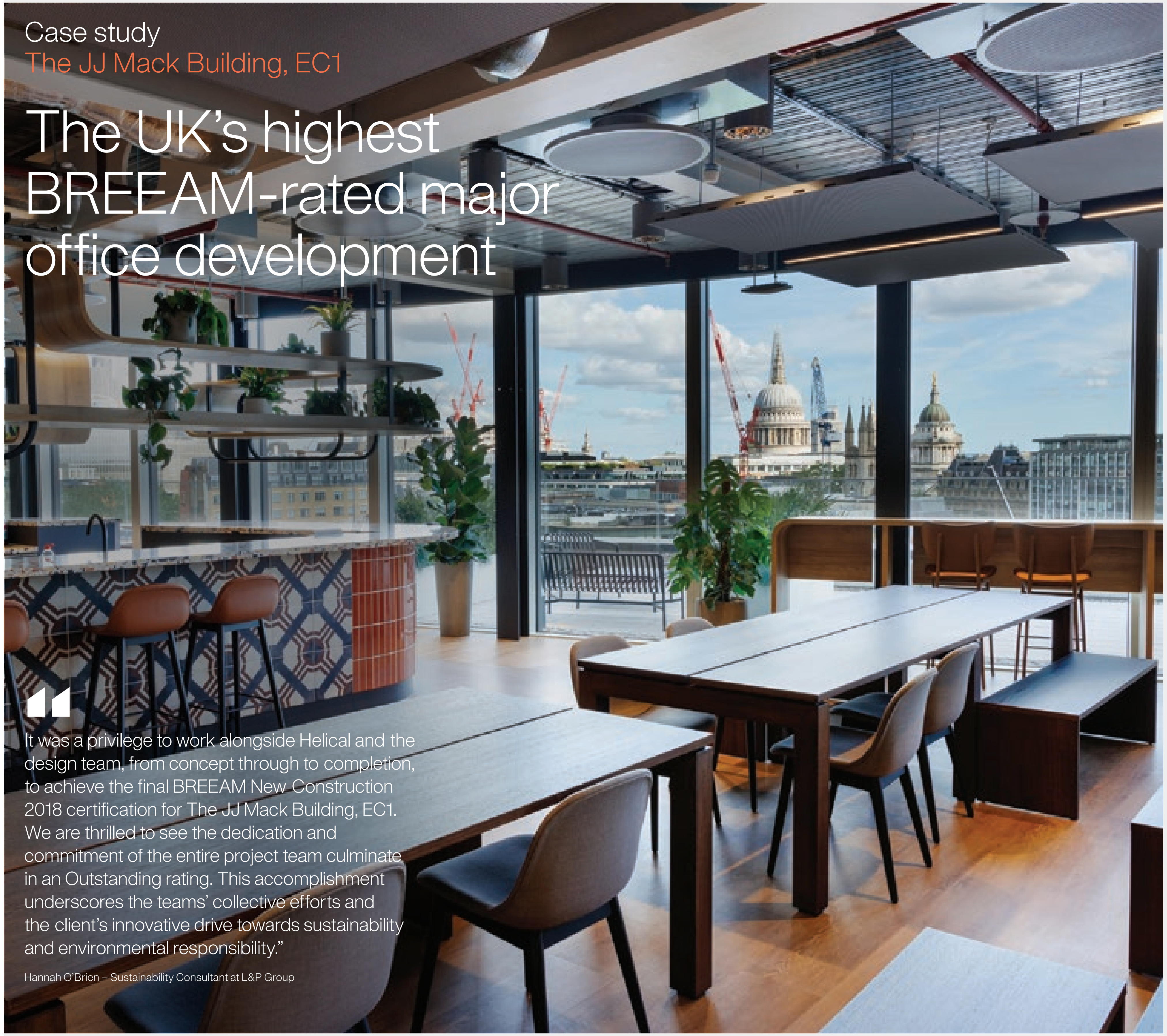
The equivalent value of the items donated to London National Park City was c.£2,000. The donation, and the hours volunteered to support the investment, has created a net positive value to society worth c.£11,500.

St Mungo's

St Mungo's is a charity which supports people experiencing homelessness across London, the South East and South West of England. The charity provides a range of services, from outreach teams who meet people sleeping rough, to running hostels and providing emergency accommodation for recovery, as well as rehabilitation through skills development, employment and reconnection.

Two local St Mungo's services (Great Guildford Street and Pound Lane) have recently undertaken refurbishments of their services, and so required a range of furniture to update and refresh their accommodation for service users and employees. St Mungo's representatives visited 100 New Bridge Street, EC4, and selected a range of furniture, including chairs, desks and sofas with delivery provided by our contractor.

The equivalent value of the items donated to St Mungo's so far is c.£2,000. The donation, and the hours volunteered to support the investment, has created a net positive value to society worth c.£12,000. This figure is due to increase once further items have been donated to the charity.



Case study
The JJ Mack Building, EC1

The UK’s highest BREEAM-rated major office development

“It was a privilege to work alongside Helical and the design team, from concept through to completion, to achieve the final BREEAM New Construction 2018 certification for The JJ Mack Building, EC1. We are thrilled to see the dedication and commitment of the entire project team culminate in an Outstanding rating. This accomplishment underscores the teams’ collective efforts and the client’s innovative drive towards sustainability and environmental responsibility.”

Hannah O’Brien – Sustainability Consultant at L&P Group

In March 2024, The JJ Mack Building, EC1, received its final BREEAM certification rating of Outstanding with a score of 96.4% making the building the highest scoring major office development in the UK. This achievement demonstrates our continued commitment to drive sustainability forward on all our developments and demonstrates what is possible when ESG is embedded from the outset. The key driver of this achievement was having an engaged design team, including Lifschutz Davidson Sandilands and Long & Partners, who brought their own passion for sustainability to realise the ambitions of the project.

“Integration between the systems within The JJ Mack Building, EC1 has provided the Facilities Management Team the ability to closely monitor the property’s consumption through data analytics, reporting and live data being provided from the systems installed. The systems provide us with the ability to identify optimisation/energy saving opportunities through notifications, reporting and data analytics to improve the reliability of the systems thus reducing energy and water consumption through un-commanded operations of systems. Through this process the Facilities Management Team has been consistently driving down energy consumption, be it for the tenants in situ or the landlord systems via reporting and energy optimisation analytics.”

Russell Hookey – Facilities Manager at The JJ Mack Building, EC1

Innovation highlights

Water efficiency – The building incorporates intelligent water management and recycling. Using real-time weather data, the rainwater storage anticipates heavy rain, altering its capacity accordingly. Greywater is also gathered from 93% of showers and 5% of taps. Greywater and rainwater are organically treated within the building and recycled to feed toilet flushing systems. Combined with low-flow and intelligent fixtures, the system reduces mains water consumption by up to 70%, while also reducing carbon emissions. The building has capacity to process 7m^3 of reclaimed water per day, saving around 2,682 kg of CO_2 per annum.

Smart technology – A building app has been created to enable users to seamlessly manage their space, including offering a completely touch-free journey from door to desk and control of air conditioning and lighting. Each floor is split into four zones to control air/cooling/heating/lighting, with motion sensors transmitting occupancy data to the building management system enabling efficient management of air/cooling/heating/lighting. Daylight management controls to the perimeter of the building also form part of the lighting strategy.

Whole life carbon – Intelligent material choices to reduce embodied carbon include using aluminium with high recycled content, low carbon concrete with cement substitutes, UK-produced structural steel with high recycled content and reclaimed lights and bricks. This along with efficient design resulted in an embodied carbon of 741 kgCO_2e/m^2.

Operational emissions are reduced through connection to Citigen, a large district heating and power network located nearby. This not only allows the building to benefit from Citigen’s continual investment in low carbon energy technologies but also eliminates the need for in-building plant, creating extra space. The roof of the building houses 144 photovoltaic panels (327W), generating renewable power.

Progress on our Net Zero Carbon Pathway

Read our Net Zero Carbon Pathway
Scan the QR code to read our report or visit the Sustainability section of our website.

We are committed to becoming a net zero carbon business by 2030 and have set ourselves a number of targets to track how we are performing against our ambition. As part of our commitment we have set out how we are progressing across the defined Better Build Partnership Net Zero Carbon Pathway Framework.

1

Reduce embodied carbon

Embodied carbon arises from the greenhouse gas emissions generated to build our buildings including emissions caused by extraction, manufacturing/processing, transportation and assembly. We have set ourselves a target of delivering new developments with embodied carbon of less than 600 $kgCO_2e/m^2$. To achieve this target, we will be using the principles set out in our guide "Designing for Net Zero", which details a 10-step process to maximise the opportunities to reduce embodied carbon.

Progress in the year

As part of our pathway, we have committed that all our future developments will be net zero carbon in both construction and operation. While there is no universally accepted standard for a net zero carbon building, we will be aligning with the definitions set by the UK Green Building Council ("UKGBC") and, once published, the UK Net Zero Carbon Building Standard. In collaboration with Mace, we will be using 100 New Bridge Street, EC4 as a Beta test to apply this new standard and will be sharing the results of this journey throughout.

No developments completed in the year and therefore we have no final embodied carbon results to report on, however see below for the targets we are pursuing on our pipeline of projects.

- 100 New Bridge Street, EC4 – 436 $kgCO_2e/m^2$
- 10 King William Street, EC4 – 600 $kgCO_2e/m^2$
- Southwark Over Station Development, SE1 – 600 $kgCO_2e/m^2$
- Paddington Over Station Development, W2 – 600 $kgCO_2e/m^2$

2

Reduce operational energy

Operational energy is the energy used to operate a building. Helical intends to achieve the UKGBC's target for offices of 90 kWh/m^2 by 2030. Our portfolio already operates with relatively low energy intensity as our buildings have all been recently redeveloped or refurbished. We will therefore focus on electrifying our buildings, exploring potential connections to district heating networks and continuing energy saving measures such as upgrading Building Management Systems.

Progress in the year

Reducing the operational energy of our buildings and driving down energy intensity across our managed assets is a key element of our Net Zero Carbon Pathway. Over the past year we have taken a hands-on approach to monitoring the buildings that account for the majority of our energy usage. At The Bower, EC1, which accounts for over 50% of our total energy usage, we have been working with our M&E contractors to reduce equipment run times and optimise how the building is powered. This collaborative process resulted in an 8% saving in total energy usage in the year, and 18% over the past two years.

The expectation is that all commercial lettable space will require an EPC B or higher rating by 2030. As it currently stands, 99% by value of our managed portfolio are EPC A or B, and we are therefore well placed for any incoming legislative changes. This outlook was further reinforced when The Bower, EC1 recently renewed its EPC certificates and retained its B rating against the more stringent Part L 2021 requirements.

3

Maximise renewable energy

Buildings will always need some form of heating and cooling. Once the efficiency of these systems has been maximised, they need to be powered through renewable energy supplies wherever possible. For our existing portfolio, we have investigated the opportunities for on-site renewables and found there is, in many cases, limited scope for meaningful interventions. We will therefore focus on procuring the highest quality renewable energy supply for our offices. For our new developments, we will avoid the use of fossil fuels and generate on-site renewable energy through the installation of PV solar panels and electric air-source heat pumps.

Progress in the year

During a review of our existing assets, one suitable location at The Bower, EC1 was found for the installation of PV panels. In October 2023 we installed 80 PV panels on the roof of The Warehouse; once fully commissioned these panels are expected to generate c.37,000 kWh of energy annually resulting in a 7.5 tCO_2e saving, the equivalent to planting 333 trees.

For our development sites, we will be using a combination of on-site PV panels and all electric air source heat pumps to power the buildings in operation.

Net zero
carbon by 2030

600 $kgCO_2e/m^2$
Upfront embodied carbon target

90 kWh/m^2
Energy intensity target

4

Offset unavoidable emissions

Whilst we are striving to remove carbon emissions from our supply chain and development activities, it is likely that we will require carbon offsets for some of our residual difficult-to-decarbonise emissions. In alignment with the BBP's requirements and those of the Oxford Offsetting Principles, we will only use such offsets when all other options for reducing our emissions have been exhausted.

Progress in the year

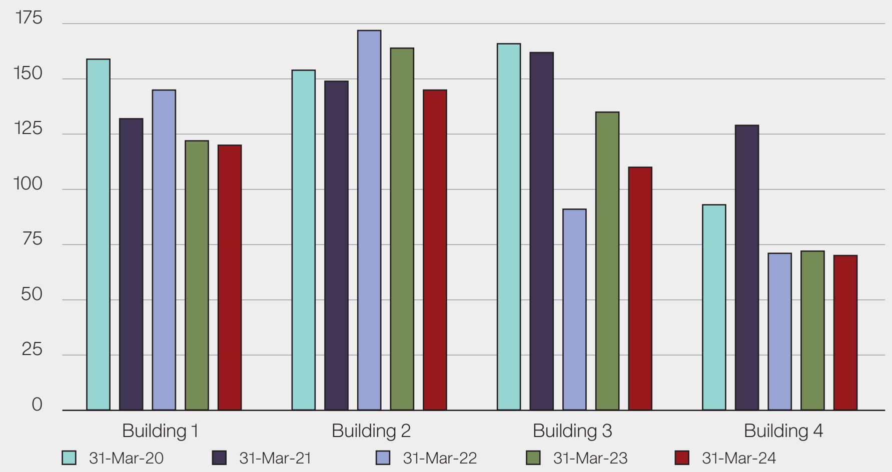
We have had no new buildings complete in the year, and therefore we have not recognised any embodied carbon or procured any carbon offsets. However we have made a commitment that all future developments will be net zero carbon and therefore recognise that there will be a requirement to purchase offsets in the coming years. We are still in the process of formalising Helical's strategy for carbon offsetting and how we wish to procure offsets. We still believe that the Oxford Offsetting Principles offer a clear and robust set of guidelines, recognising these have been revised recently to provide clarifications to the original text based on the latest science, calls for a major course-correction in carbon markets and offsetting practices.

We are also awaiting the formal publication of the UK Net Zero Carbon Building Standard which we hope will provide some clarity on offsetting for net zero carbon developments. In the meantime, Helical is a member of the Better Build Partnership Net Zero Aligned Offsetting Procurement Guide working group and is actively participating in developing this framework.

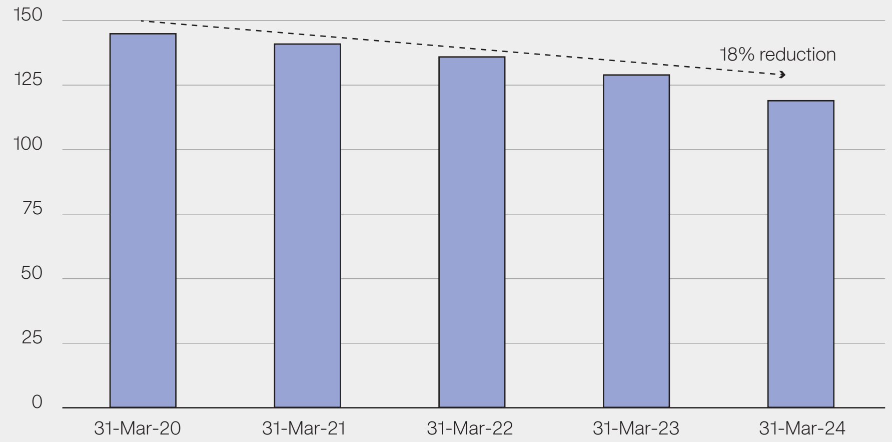
Performance against our Net Zero Carbon Pathway

As a signatory of the Better Buildings Partnership's ("BBP") Climate Commitment, we are required to disclose progress annually against our Roadmap to Net Zero. Our carbon footprint and narrative on progress during the last year is set out below.

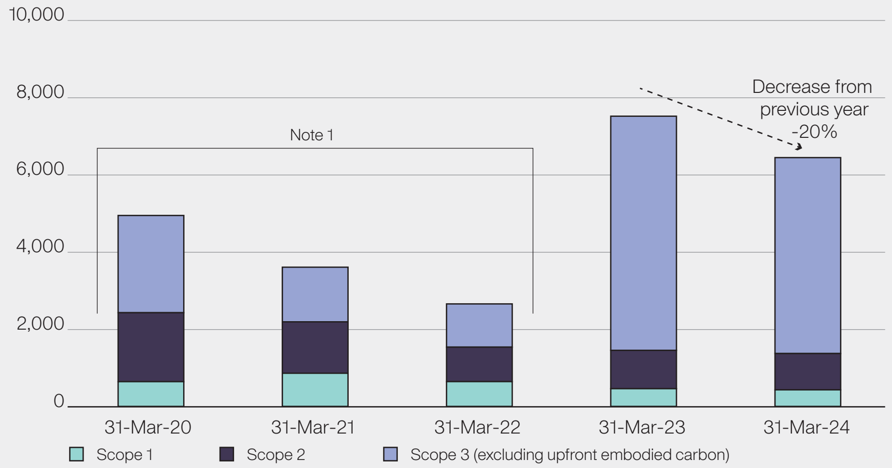
Building energy intensity (kWh/m²)



Average building energy intensity (kWh/m²)



Operational carbon footprint (tCO_2e)



Building energy intensity

We have set a 2030 building energy intensity target for all our existing assets and new developments of 90 kWh/m².

It has been challenging to accurately analyse energy intensity performance due to fluctuations in occupancy levels. However, there are four assets which we have continued to monitor since 31 March 2020 and have had consistent levels of occupancy in the period and these assets account for 73% of our portfolio energy consumption (not including 100 New Bridge Street, EC4). On average these assets reduced their energy intensity by 8% with an average energy intensity of 119 kWh/m², representing a 18% reduction from our 31 March 2020 baseline. At the individual building level all four assets' energy intensity has fallen year on year.

Looking forward we will continue to monitor and drive energy down across these assets, along with assets such as The JJ Mack Building, EC1, which we expect to be fully operational in the next financial year.

Operational carbon footprint

During the year we have extended our Scope 3 coverage to include purchased goods and services and employee commuting and we have restated the previous two years to enable a fair comparison between the years.

Our carbon emissions (Scope 1, 2 and 3) have decreased by 20% compared to the prior year. This decrease was in part driven by the vacant possession of 100 New Bridge Street, EC4 part way through the year.

A large portion of our carbon emissions fall outside our direct control and form our Scope 3 emissions; these are emitted by our customers occupying our spaces. We have not included our embodied carbon emissions within this analysis as there have been no developments completed in the year. We will perform whole life carbon assessments on all future developments and recognise our Scope 3 emissions at the point of practical completion.

Whilst there has been significant activity to reduce carbon emissions during this time, the nature of our business will cause our carbon footprint to fluctuate due to new acquisitions, disposals and the number, and completion stage, of our developments on site.

* Note 1 – We have increased the coverage of our Scope 3 emissions in the year. We have readjusted the prior year Scope 3 to enable a like-for-like comparison, however the three years preceding this do not include this additional coverage.

Our Environment

The built environment is estimated to contribute around 40% of the UK's carbon emissions and it is therefore imperative that the real estate industry addresses its carbon footprint.

Our environmental performance

Energy

Our total energy consumption has decreased significantly in the year due to the vacant possession of 100 New Bridge Street, EC4 and The JJ Mack Building, EC1 coming at the end of its commissioning period. However, on a like-for-like basis we have seen an 8% reduction in total energy consumption compared to the previous year, with like-for-like electricity reducing by 10% and like-for-like gas by 4%. This reduction is, in part, due to the significant efforts made at The Bower, EC1, where we have made a number of operational adjustments to drive down gas consumption.

Going forward our focus will be to electrify our buildings, reducing our reliance on gas. Our property managing agents continue to work closely with our tenants to understand their working arrangements in order to optimise heating, cooling and plant running. In addition to the above, we have continued to roll out a number of energy efficiency improvements across our assets in the reporting period.

These include:

- Improved existing energy management practices;
- Hosting Green Groups at The Bower, EC1 and The Loom, E1;
- Increased coverage of climate and lighting controls;
- Installed photovoltaic panels at The Bower, EC1; and
- Actively managed ventilation and heating strategies.

Carbon

In the year, as a result of the energy saving initiatives carried out, we saw our Scope 1 like-for-like emissions reduce by 4%. Likewise, our Scope 2 like-for-like emissions have also fallen by 10%.

Associated Scope 3 emissions arising from tenant energy consumption have decreased significantly in the period by 26% due to the vacant possession of 100 New Bridge Street, EC4. We have extended the coverage of our Scope 3 emissions in the period to include purchased goods and services and employee commuting. Across these Scope 3 items we saw a 11% reduction as a result of reduced development activities in the period.

Tracking our performance across all scopes of emissions will allow us to identify key areas for improvement across our supply chain and ensure a sustainable business strategy.

Water

Total water consumption across our head office, managed property portfolio and development sites has seen a decrease of 14% in comparison to the last reporting year. However, on a like-for-like basis we saw an increase of 4% due to a water meter at The Loom, E1 having previously been missed. We were pleased to see a reduction in water consumption at The Bower, EC1 of 9% as a result of our continued monitoring.

We are yet to report on The JJ Mack Building, EC1 as it is not fully occupied, with tenants carrying out their fit outs in the year. The expectation is that the water systems installed on-site such as greywater and rainwater harvesting will result in a highly efficient building in respect of water.

Waste

Our recycling rate was 44% compared to 56% last year. The majority of recyclable waste comes from occupier waste streams, i.e. food waste, coffee cups, paper, packaging and glass. We have a target recycling rate of 50% and we have therefore not achieved our target for the year. However, of the six sites we collect waste data on, four had a recycling rate of greater than 50%. We will be looking at ways we can increase recycling rates at the underperforming buildings and will include this as a topic when we host our Green Group meetings.

At our development sites we have a target of diverting 95% of waste from landfill.

Streamlined Energy and Carbon Reporting ("SECR") disclosure

Our SECR disclosure presents our carbon footprint across Scopes 1, 2 and 3, together with an appropriate intensity metric and our total energy use of electricity and gas.

	31 March 2024	31 March 2023
Gross internal floor area (m^2)	**108,487**	130,057
Scope 1 emissions and direct energy use		
Emissions associated with combustion of fuel (tCO_2e)	**430**	460
Emissions associated with operation of facilities (refrigerant gas) (tCO_2e)	**–**	–
Energy use of combustion of fuel (kWh)	**2,343,337**	2,500,145
Scope 2 emissions and indirect energy use		
Emissions associated with purchased electricity, heat, steam and cooling usage (tCO_2e)	**906**	972
Emissions associated with head office electricity usage (tCO_2e)	**35**	22
Emissions associated with purchased electricity – location based (tCO_2e)	**787**	855
Emissions associated with purchased electricity – market based (tCO_2e)	**221**	314
Energy use of purchased electricity, heat, steam and cooling (kWh)	**5,405,208**	5,950,622
Energy use of electricity at head office (kWh)	**168,883**	111,865
Scope 3 emissions and indirect energy use		
Purchased goods and services (tCO_2e)	**3,523**	3,465
Capital goods – Upfront embodied carbon (tCO_2e)	**–**	20,481
Fuel and energy related activities (tCO_2e)	**361**	417
Waste generated in operations (tCO_2e)	**17**	25
Employee commuting (tCO_2e)	**11**	11
Downstream leased assets – tenant emissions (tCO_2e)	**1,168**	2,155
Downstream leased assets – tenant energy (kWh)	**5,689,551**	9,518,187
Emissions and energy use totals		
Absolute emissions Scope 1 and 2 – location based (tCO_2e)	**1,371**	1,453
Absolute emissions Scope 1 and 2 – market based (tCO_2e)	**806**	913
Total energy use Scope 1 and 2 (kWh)	**7,917,429**	8,562,632
Intensity measures*		
Emissions per m^2 gross internal area (tCO_2e/m^2/year)	**0.013**	0.011
Energy use per m^2 gross internal area (kWh/m^2/year)	**72.98**	65.84
Emissions per revenue (Scope 1&2 tCO_2e/£m)	**34.35**	36.52
Emissions and energy use totals like-for-like*		
Absolute emissions on a like-for-like basis (tCO_2e)	**973**	1,052
Energy use on a like-for-like basis (kWh)	**4,973,003**	5,578,239
Intensity measures like-for-like*		
Emissions per m^2 gross internal area on a like-for-like basis (tCO_2e/m^2/year)	**0.042**	0.046
Energy use per m^2 gross internal area on a like-for-like basis (kWh/m^2/year)	**210.34**	243.14

*Using location-based emissions.

Our SECR reporting methodology

For our SECR disclosure we have used the operational control consolidation method, as this best reflects our property management arrangements and our influence over energy consumption. Included in our operational control data are emissions and energy usage from our managed properties (including 100% of emissions from joint venture properties) and head office usage. Where we have purchased energy, which is sub-metered to occupiers, this is itemised separately. We have included usage or emissions from our development sites and refurbishment sites as these are still considered under our operational control. We have used DEFRA Environmental Reporting Guidelines and the Greenhouse Gas Protocol to calculate our emissions.

Third party verification

EcoAct was engaged by Helical to provide independent third party limited verification of its direct (Scope 1) and indirect (Scope 2 and selected Scope 3) greenhouse gas emissions, as detailed in the Company's carbon footprint SECR statement for the period from 1 April 2023 to 31 March 2024. Based on the data and information provided by Helical and the processes and procedures followed, nothing has come to EcoAct's attention to indicate that the GHG emissions totals for 31 March 2024 are not fairly stated and are free from material error. This conclusion should be read in conjunction with EcoAct's full ISO 14064:3 limited verification statement available in the Sustainability Performance Report 2024 on our website.

Our Communities

Creating social value within the communities we operate in has been a fundamental aspect of our business ethos for a number of years.

We acknowledge the profound influence our development and management activities can have on our neighbourhoods, tenants and the local economy. Not only are we able to support communities through corporate giving and fundraising but also via direct involvement through staff volunteering. We are pleased that in the year Helical staff were able to expand on their volunteering hours from the previous year and have each completed in excess of eight hours per employee for the year. The following captures some key activities in the year, however please see our full Sustainability Performance Report for more details and how we engage with our tenants.

Charity partnerships

We continued to support our long-standing charitable partnerships throughout the year, including:

LandAid

Helical has been a Foundation Partner of LandAid for over 10 years and in that time has raised almost £1m in support of their work to end youth homelessness. In the year LandAid awarded £734, 206 to 14 youth homelessness charities across the UK and it is estimated this funding created 239 bedspaces for young people as well as supporting other initiatives such as skills workshops, therapy and access to employment programmes.

In addition to being a Foundation Partner, Helical is always eager to participate in the fundraising events LandAid are so well known for.

In September two brave members of staff completed the LandAid 10K in the most adverse weather conditions. They joined 862 other runners amidst torrential downpours to complete the run in very respectable times whilst raising money and awareness of LandAid and their work to end youth homelessness. In total the LandAid 10K event raised more than £52,000.

LandAid 10K run.

London's Air Ambulance was established in 1989 and responds to five patients every day in London.

London Air Ambulance

This was the second year of Helical's four-year commitment to support London Air Ambulance and their appeal to replace their existing fleet of air ambulances. London Air Ambulance has just entered its 35th year of operation and responds to, on average, five seriously injured patients in London every day, ensuring an expert advanced trauma team can provide the best and most rapid care possible.

London City Farms

Helical again donated to London City Farms, supporting their provision of space and education to London families since 1972.

The Lord Mayor's Appeal

Helical has been a Partner of The Lord Mayor's Appeal since 2018. The Appeal supports pillar charities which for the year were MQ Mental Health, The Duke of Edinburgh's Award and National Numeracy, chosen for their work addressing the social issues at the centre of the Lord Mayor's strategy: inclusion, mental health, skills and philanthropy. To date, The Lord Mayor's Appeal has delivered pioneering programmes to improve the lives of one million Londoners.

The Reading Real Estate Foundation Bursary Scheme

This was the sixth year that Helical has provided a bursary for a Real Estate student who would have otherwise faced financial barriers to studying. Now completing their final year of studying, the current recipient of the Helical bursary is completing their work placement and has a promising career ahead of them.

The Story of Christmas

Helical was a silver sponsor of The Story of Christmas for its 46th annual event. This Christmas charity event raises funds for a broad and diverse range of projects benefitting the homeless and disadvantaged children.

Volunteering

London City Farms
In August staff spent the day volunteering at London City Farms, supporting the excellent in-house team with maintenance, housekeeping and animal welfare work. Despite the heat the Helical team worked tirelessly, conducting repairs, painting fences, cleaning, sweeping, draining the duck pond, clearing nettles and mucking out the animals. Participants learned about the extensive community work conducted by London City Farms to support their key objectives which include providing free-to-access, inclusive space for the public; advancing education for all in agriculture, horticulture and country life; protecting and improving the natural environment; and promoting humanity and morality by advancing education in the care and consideration of animals. Through their school visits, shop, classes, café, workshops, work experience programme and community spaces, London City Farms serve more than half a million Londoners every year and provide a valuable green space in some of London's most built up areas.

185
Hours of staff volunteering

1 day
Of volunteering per employee

£3,000
Of social value created through volunteering activities

The Helical team at Spitalfields City Farm in August.

Hackney Night Shelter
In January a team from Helical spent the afternoon and evening volunteering at Hackney Night Shelter which has been providing shelter and support to homeless guests for over 25 years and is run almost entirely by a large community of volunteers. The group met with one of the Directors of Hackney Doorways, who explained the way the shelter is funded and operates, the demand on services, the changing landscape of homelessness and the charity's plans for the future. Helical volunteers spent the afternoon completing housekeeping and maintenance jobs around the centre, conducting a stock-take, shopping for, and preparing, the evening meal for the guests and staying at the shelter, with some volunteers staying for the evening to serve and enjoy dinner with the guests.

The team of volunteers at Hackney Night Shelter.

"Hackney Night Shelter greatly appreciated the support from the staff at Helical. We could not function as a charity without voluntary support and this is especially helpful during the day when our guests are out. The team deep cleaned all the guest bedrooms, prepared a scrumptious dinner and made sure we were fully stocked with supplies in time for the return of our 20 guests in the evening. That night we had a new guest arriving and they were so grateful for the welcome and how their room looked, all thanks to the Helical staff. All of the staff said how they would happily have the team back again to help out. We had especially great feedback about the apple cake!"

Molly (Hackney Night Shelter Coordinator)

Cooking up a delicious supper for the service users at the Hackney Night Shelter.

Our People

We aim to attract, inspire and engage a talented workforce, that flourishes and is proud to work for Helical.

How we support our people

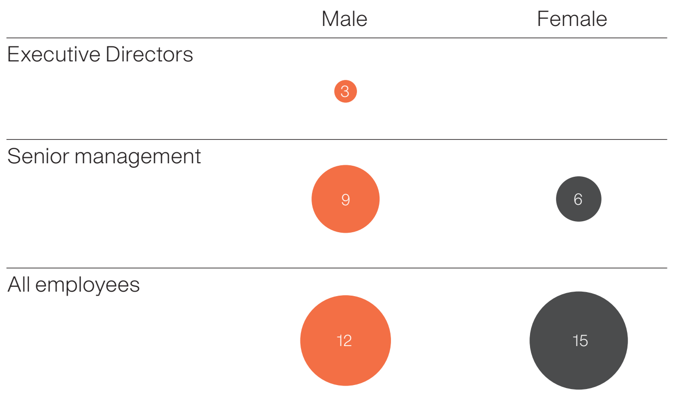
Helical has a small core team but works closely with trusted partners across multiple disciplines. Our success is built on the skills of our staff and therefore finding, developing, rewarding and retaining our people is a key element of our corporate strategy.

At Helical we encourage an open and inclusive Culture as we believe this creates a collaborative and focused approach to achieving the Group's aims and aspirations, encouraging individuals to proactively suggest ideas and opportunities for the benefit of the business and the people. This Culture is further supported and encouraged through Helical's Values, further details of which are set out in the Our stakeholders – Section 172(1) Statement on pages 88 to 99.

Diversity is important in helping Helical achieve its strategic aims. By ensuring that Helical is a diverse business, the Group benefits from a variety of experiences and perspectives, stimulating creativity and contributing to our open and cohesive Culture.

We believe that a competitive approach to remuneration, alongside an attractive working environment, has continued to keep our average length of service high at 12.4 years. To ensure a highly skilled and experienced team, Helical continues to evaluate training needs in line with business objectives. Our employees are actively encouraged to attend training that enhances their knowledge and benefits the business. Over the year, our staff undertook 676 hours of training and development – an average of 3.5 days per employee.

31 March 2024	Total number of staff	Average length of service (years)
Executive Directors	3	29.8
Senior management (Executive Committee and direct reports)	15	9.6
All employees (full-time and part-time)	27	12.4



Health and wellbeing

We provide our employees with a range of benefits, services and support whilst encouraging them to take a proactive role in their own wellbeing. We are mindful of individuals' physical and psychological safety and embed "agile" ways of working to ensure our employees have a good work-life balance.

We also promote wellbeing through a number of benefits including a paid-for gym membership, medical insurance, a cycle-to-work scheme and the availability of fruit and healthy snacks at the office.

These initiatives were all implemented by our group of Mental First Aiders, being 15% of our workforce, who have completed the two-day Mental Health First Aid training. They meet on a quarterly basis to discuss how best to engage staff, exchange ideas on how to champion wellbeing practices and implement these initiatives in a way that is inclusive to all staff.

As a small team we recognise how important it is foster an open, understanding and kind culture and throughout the year we host a number of events for staff, giving them the opportunity to spend time together outside the workplace and team building.

Health and safety

Helical has a corporate Culture that is committed to the prevention of injuries and ill health to its employees or other people that may be affected by its activities. The Group's Health & Safety Policy reflects this commitment and is a core component of Helical's Culture. The Board of Directors and senior executives are responsible for implementing this policy and they look to ensure that health and safety considerations are always given priority in planning and in day-to-day activities.

- The Group's Health & Safety Policy was last reviewed and updated in February 2024 to reflect the latest legislative and regulatory developments. Training of Helical staff in the updated Health & Safety Policy and supporting the construction design and management requirements has been undertaken during the reporting year.
- The Group's Health & Safety Policy can be found on the Company's website along with the Sustainability Performance Report 2024, which includes detail on health and safety performance in the year.

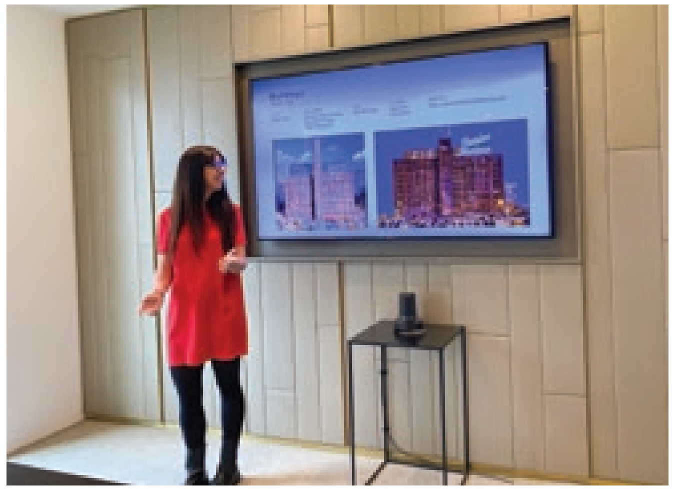
The majority of Helical projects are managed by principal contractors holding OHSAS 18001 certification and that maintain 100% Construction Skills Certification Scheme ("CSCS") accreditation for all full-time and subcontracted staff. Further details on our health and safety performance can be found within our Sustainability Performance Report 2024.

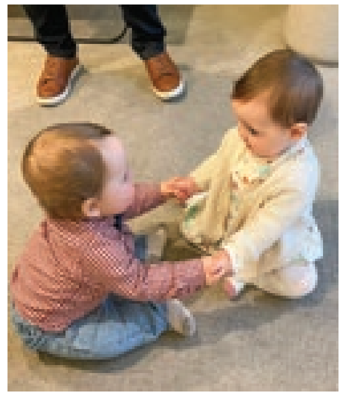
Summer event

In July staff enjoyed their annual team away day and travelled to Suffolk for a day learning wilderness skills including fire building, the art of smoke signalling and the difficulty of raft building. Fortunately the water on which the rafts were tested was not too cold as only one raft survived the required return trip across the lake!

Family Christmas party

In December Helical hosted our first Christmas party for the family members of all our staff. Children, nieces, partners, siblings, friends and grandparents, sporting their finest party outfits, came to see our office and meet all the Helical team. We hosted over 20 guests who enjoyed games and snacks in the office and watched the varied ice-skating skills on show at the Christmas ice skating rink on Hanover Square. Father Christmas even managed to fit 5 Hanover Square into his busy schedule and all our small guests found a present waiting for them under the tree.





Staff workshop

In April staff participated in the first of a series of in-house workshops designed to bring staff together and participate in an activity based around an area of expertise of one of their colleagues. This first event focused on brand identity and the marketing and launch of a new building. Staff worked in teams to create a brand and marketing campaign for different buildings and then pitched their ideas to an expert panel of external judges with a prize awarded for the best.

Sustainability Linked Loan

Revolving Credit Facility

Supported by our Revolving Credit Facility, we continue to monitor and report on the below KPIs.

KPI 1
Energy intensity

Rationale:
The energy consumption of our portfolio is a major contributor to our carbon footprint. Lowering our energy intensity is an essential part of delivering our Net Zero Carbon Pathway.

Overall target:
Reduce energy intensity by 26% by 2026 compared to a 31 March 2020 baseline; keeping us on track to meet 90 kWh/m^2 by 2030, our net zero carbon target.

March 2024 target:
15.0% reduction in energy intensity compared to 2020 baseline.

Performance:
Target met.

The energy intensity of our four RCF investment properties fell by 18.5%. This is a result of ongoing energy efficiency upgrades and optimisation of building management systems.

Verified by:
EcoAct

KPI 2
Scope 1 and 2 emissions intensity

Rationale:
Scope 1 and 2 emissions represent emissions which Helical has direct influence over. Currently three of our assets are still reliant on gas. We recognise the need to move away from fossil fuels and enhance on-site renewables.

Overall target:
Reduce Scope 1 and 2 emissions intensity (CO_2e/sq ft) by 35% by 2026 compared to a 2019 baseline.

March 2024 target:
18.6% reduction in Scope 1 and 2 emissions intensity compared to 2019 baseline.

Performance:
Target not met.

While our absolute Scope 1 and 2 emissions fell by 6% compared to last year, on a intensity basis our emissions increased as a result of the smaller portfolio.

Verified by:
EcoAct

KPI 3
Volunteering hours

Rationale:
Volunteering gives employees the chance to build connections with their local communities and give back to society while working on issues they feel passionate about.

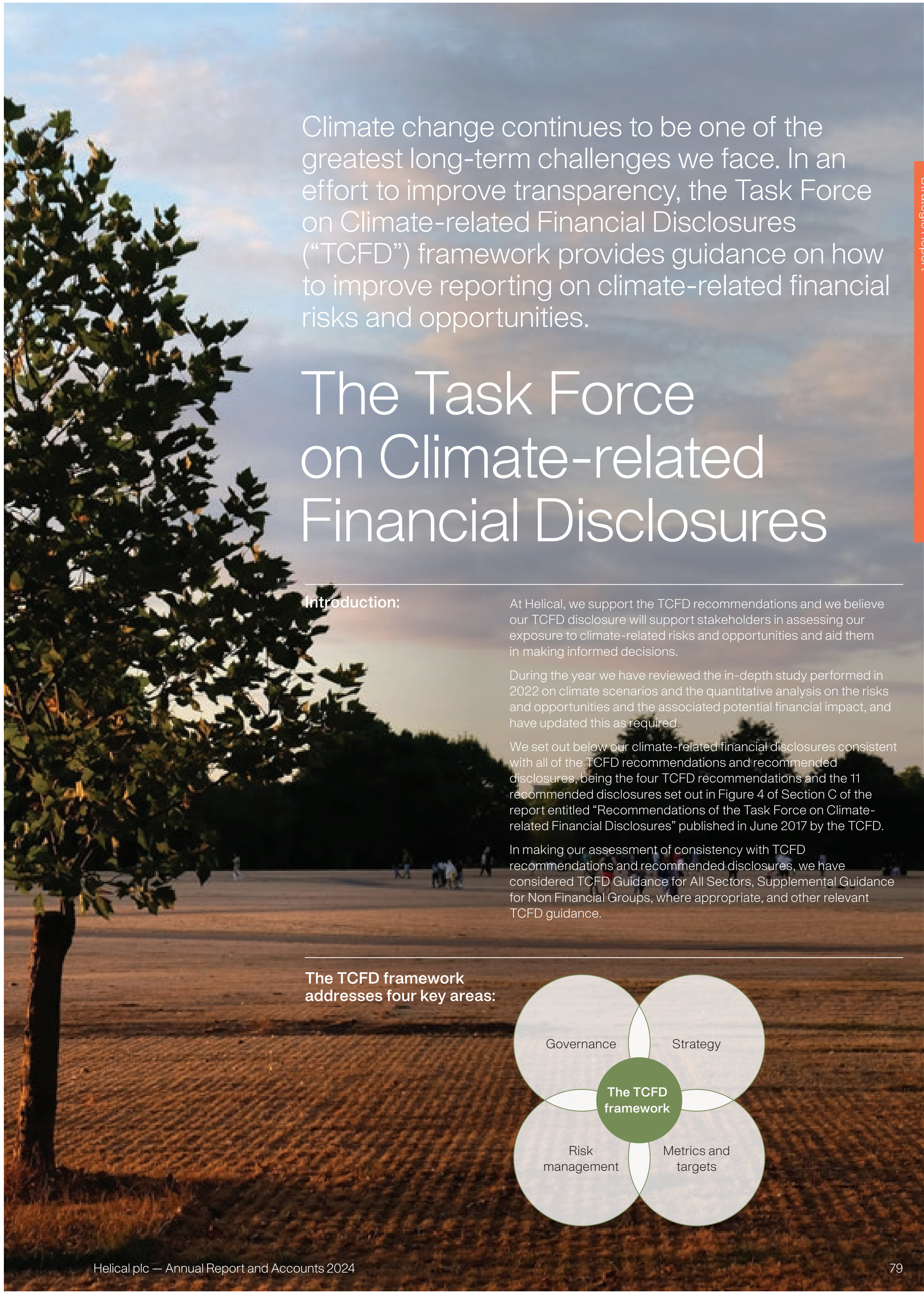
Overall target:
Increase volunteering hours to an average of 16 hours per employee by 2026.

March 2023 target:
Eight hours of volunteering per employee.

Performance:
Target met.

For the year to 31 March 2024, there was a total of 185 hours of volunteering, an average of 8.2 hours per employee. More details on the activities we undertook can be found on pages 73 to 75.

Verified by:
EcoAct



Climate change continues to be one of the greatest long-term challenges we face. In an effort to improve transparency, the Task Force on Climate-related Financial Disclosures ("TCFD") framework provides guidance on how to improve reporting on climate-related financial risks and opportunities.

The Task Force on Climate-related Financial Disclosures

Introduction:

At Helical, we support the TCFD recommendations and we believe our TCFD disclosure will support stakeholders in assessing our exposure to climate-related risks and opportunities and aid them in making informed decisions.

During the year we have reviewed the in-depth study performed in 2022 on climate scenarios and the quantitative analysis on the risks and opportunities and the associated potential financial impact, and have updated this as required.

We set out below our climate-related financial disclosures consistent with all of the TCFD recommendations and recommended disclosures, being the four TCFD recommendations and the 11 recommended disclosures set out in Figure 4 of Section C of the report entitled "Recommendations of the Task Force on Climate-related Financial Disclosures" published in June 2017 by the TCFD.

In making our assessment of consistency with TCFD recommendations and recommended disclosures, we have considered TCFD Guidance for All Sectors, Supplemental Guidance for Non Financial Groups, where appropriate, and other relevant TCFD guidance.

The TCFD framework addresses four key areas:

Governance

The Board's oversight of climate-related risks and opportunities

The Board has ultimate responsibility for risk management within the Group. The Board sets the risk appetite of the Group, establishes a risk management strategy and is responsible for maintaining a robust internal control system. Part of this risk management approach is considering those risks posed by climate change. The Board considers the impact of volatile weather patterns, shifts in stakeholder behaviour and availability of climate resilient technology to assess the potential implications for the business and set out a suitable mitigation plan. At Board level, Sue Farr has been appointed the designated Non-Executive Director responsible for ESG matters.

The Audit and Risk Committee is a Board Committee formed of Non-Executive Directors and meets quarterly. It supports the Board by evaluating the effectiveness of the risk management procedures and internal controls throughout the year.

The Executive Committee is responsible for the day-to-day operational application of the risk management strategy and ensuring that all staff are aware of their responsibilities. It reports to both the Audit and Risk Committee and directly to the Board on the operation of the Group's Risk Management Framework.

The Sustainability Committee meets quarterly and is chaired by Helical's Property Director and is made up of a cross-functional team including the Head of Sustainability, Head of Asset Management and Senior Development Executives. Collectively they are responsible for new developments, refurbishments and building operations. The Sustainability Committee has the required knowledge to actively manage the climate change risks and opportunities faced by the Group. It engages with relevant stakeholders to determine the impacts on financial planning, strategy, relevant targets and key priorities. It is responsible for implementing policies which promote the long-term sustainability of the Group and facilitate informed decisions to minimise Helical's impact on climate change.

The Head of Sustainability reports directly to our Property Director and provides regular updates to the Executive Committee on progress against targets and the wider sustainability strategy. A formal presentation is given to the Board on an annual basis or more often as required.

Management's role in assessing and managing climate-related risks and opportunities

Our sustainability strategy "Built for the Future" sets out our ambitions in respect of our development and asset management activities and our long-term vision for Our Environment, Our People and Our Communities. It details guiding principles on how to operate our business in a sustainable way while also ensuring future long-term growth. Our strategy is led by our Head of Sustainability and is implemented by the wider Sustainability and Executive Committees.

Assessing related risks and opportunities

The Sustainability Committee is responsible for identifying and assessing climate change risks in relation to our operations, environmental ambitions and performance against our targets.

Climate-related risks are captured in our Risk Register and are overseen and reviewed by our Audit and Risk Committee. Whilst the Board is ultimately responsible for the management of risk, the Group is structured in such a way that risk identification, assessment, management and monitoring occur at all levels of the Helical team. Roles and responsibilities with respect to risk are well established and the close working relationships existing between senior management and our Executive Committee enhance our ability to manage our risks. The identification of risk occurs primarily at Board level through application of Helical's Risk Management Framework (see pages 48 to 59). As part of this process, the Risk Register and corresponding Risk Heat Map are produced. The Board meets at least twice a year to assess the appropriateness of the Risk Register, considering the macroeconomic environment, current projects and performance and past experience.

All risks, including climate-related risks, are assessed in terms of impact on the business and the severity of the risk. Risk severity involves assessing both the likelihood of a risk materialising and its potential impact. The Executive Committee assesses the risk severity and reports its assessment to the Board for review. The Board also considers the mitigating actions to ensure they reduce the risk down to an acceptable level based on the Group's risk appetite.

More details on our approach to risk management can be found on pages 48 to 59.

Strategy

Climate-related risks and opportunities the organisation has identified over the short, medium and long term

As a property developer and investor, climate-related issues affect the way we design our new buildings and how we manage our existing properties effectively. We take an active approach in managing climate-related risks and opportunities.

Within our business we consider the short, medium and long-term time horizons to be 0-3, 3-5 and 5-15 years linking to the period we develop, hold and lease our properties. We also recognise that climate-related issues, in particular physical risks, are often (but not exclusively) linked to the medium to long term.

Short term (0-3 years)
1.5°C scenario
(IPCC, 2014: Synthesis Report: RCP2.6 SSP1)

In the short term we will continue to take a proactive approach to minimising the risks and maximising the opportunities associated with our current and future tenants' needs, the regulatory landscape and the availability of natural resources. These priorities shape the way we develop, manage and occupy our buildings while minimising the impacts of climate change. Key short-term risks and opportunities which have been identified are as follows:

Transition risk

1. Minimum Energy Efficiency Standards ("MEES")
Increasingly stringent rating requirements proposed by 2027 and 2030.

2. Emissions offsets
Increasing cost and constrained supply of high quality carbon offsets.

3. Planning
Increasing planning requirements.

4. Raw material costs
Increasing cost of raw materials used in construction.

Transition opportunities

1. Improving buildings and spaces to meet the more stringent EPC requirements and our net zero requirements align with market and customer demand for more sustainable space leading to rental premiums. There are also operational cost savings that can be achieved from the reduced energy intensity of more efficient spaces.
2. Increasing complexity of regulatory environment may present opportunities to acquire lower rated buildings at a reduced price for retrofitting/refurbishment.
3. Knowledge of complex planning requirements, such as retrofit first, presents opportunity for Helical to acquire these assets and develop them in line with planning requirements.
4. Strong relationships with main contractors and wider supply change may lead to securing materials more competitively.

Physical risks

1. 100-year storms
Our London portfolio has a moderate exposure to damage and interruption from 1 in 100-year type storm damage in this scenario.

Physical opportunities

1. Potential increase in valuation of buildings that are climate resilient and adaptable.

Medium term (3-5 years)
2°C scenario
(IPCC, 2014: Synthesis Report: RCP4.5 SSP2)

Over the medium term we will identify and manage the financial impacts arising from climate change risks. We will use our market leading knowledge to make sustainable investment choices.

Transition risk

The risk impact, opportunities and likelihood are unchanged under this time horizon when compared to the 1.5°C scenario. Helical has committed to decarbonise in a shorter time frame than the Government's current policy approach.

Physical risks

1. 100-year storms
Within this climate scenario the current science is inconclusive on any material shifts to the intensity or frequency. Therefore the risk profile has been deemed to be broadly similar to that in the short term.

2. Flooding
All of our current properties are either out of flood risk zones or protected by the Thames Barrier. As a result, the risk of flooding under this scenario is considered moderate.

Physical opportunities

1. Potential increase in valuation of buildings that are climate resilient and adaptable.
2. Increased demand for buildings with climate resilience measures such as passive cooling, nature-based solutions and sustainable urban drainage systems incorporated.

Strategy continued

Long term (5-15 years) **4°C scenario** (IPCC, 2014: Synthesis Report: RCP8.5 SSP5)	These risks have a wider impact on the Group's strategy and will help define how the Group will look to operate in the long term. To address the risks associated with more extreme weather patterns, we will work with our supply chain, contractors and design teams to guarantee our developments are designed to be resilient and adaptable to these risks. **Transition risk** Not modelled under this scenario/time horizon. **Physical risks** 1. 100-year storms Within this climate scenario the current science is inconclusive on any material shifts to the intensity or frequency. Therefore the risk profile has been deemed to be broadly similar to that in the short/medium-term scenarios. 2. Flooding No change from medium term. 3. Drought Our portfolio could see a moderate risk of drought, between three to four months per year. This is a notable increase over today's climate. **Physical opportunities** Opportunities consistent with medium-term scenario.

Physical risk

Physical risks are typically defined as risks which arise from the physical effects of climate change and environmental degradation.

They can be categorised either as acute – if they arise from climate and weather-related events and an acute destruction of the environment – or chronic – if they arise from progressive shifts in climate and weather patterns or a gradual loss of ecosystem services.

We have undertaken physical climate risk modelling to quantify the potential impacts of climate change on London under a range of future emissions scenarios.

We have conducted physical risk scenario analysis, including future climate scenarios with global temperature increases of approximately 1.5°C (RCP2.6), 2°C (RCP4.5) and 4°C (RCP8.5).

Transition risk

Transition risk generally refers to the uncertainty associated with the timing and speed of adjusting (adapting) to an environmentally sustainable economy.

When considering the transition risks and opportunities for different scenarios, we have taken into consideration our proactive stance with regards to climate change, as set out in the climate-related goals and objectives in our sustainability strategy "Built for the Future", our design guide "Designing for Net Zero" and our "Net Zero Carbon Pathway".

We have used the CCC's 6th Carbon Budget (the "Buildings" section) to inform our scenario basis, with three distinct scenarios defined as:

Balanced	Implementing new and upgrading existing energy efficiency measures in all commercial buildings; significantly scaling up the market for heat pumps as a critical technology for decarbonised space heating; expanding the rollout of low carbon heat networks in heat dense areas; and facilitating a potential role for hydrogen in heating.
Headwinds	While there is some degree of behaviour change and innovation/implementation in low carbon technology, there are not widespread behavioural shifts or significant policy/market driven reductions in the costs of low carbon design and technology for buildings.
Tailwinds	Through significant consumer behavioural changes and the widespread implementation of energy efficiency measures, an early and rapid rate of decarbonisation in buildings is realised over a short to long-term horizon.

We have aligned our strategy to a 1.5°C warming scenario, however we have also reviewed 2°C and 4°C warming scenarios.

Impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning

We invest, develop and manage property in central London and therefore climate-related risks have a direct impact on how we develop and manage our buildings and are a consideration when acquiring and selling assets and engaging with our tenants. This in turn affects the kinds of suppliers and consultants we use to ensure we have the requisite level of expertise. This is driven by an ever-increasing demand from our stakeholders wanting buildings with higher sustainability credentials, as well as the regulatory landscape becoming more stringent and challenging. Our business model, strategy and approach to financial planning recognise this and are underpinned by our pathway to net zero, which sets out our transition plan. Details of our pathway can be found at www.helical.co.uk/sustainability/net-zero-carbon-pathway/

From the risks and opportunities we have identified above, we have detailed how those risks and opportunities might impact our business, strategy and financial planning.

Strategy continued

Physical risks

Description	Likelihood	Potential financial impacts	Impact on strategy	Impact on financial planning
100-year storm Damage to our assets from high winds and rainfall.	Moderate to high	• Loss of rental income from affected tenants • Increased capital costs associated with damage • Increased operating costs from potential power outages • Increased development costs from weather-related delays	Overall, the impact of such storms on our portfolio does not impact our business strategy, but instead requires us to ensure we have the right building maintenance and management measures in place.	We do not believe there is a material impact to our financial planning and will continue to design climate resilient features into our property such as sophisticated weather reactive water attenuation systems.
Flooding Loss and damage to our assets which are located in high flood risk zones.	Low	• Loss of rental income from affected tenants • Increased capital costs associated with damage • Increased operating costs from potential power outages • Increased development costs from weather-related delays	As with storms, the risks from flooding do not impact our overall business strategy, albeit we are likely to undertake a greater level of due diligence during the acquisition process given future purchase targets could potentially be in flood zones.	To ensure we understand the flood risk of potential new acquisitions our due diligence procedures will need to be enhanced to account for a greater level of flood mapping to ensure we aren't introducing higher levels of risk and loss exposure into the portfolio.
Drought Buildings are not resilient to extreme temperatures and suffer from malfunctions and overheating.	Moderate	• Loss of rental income from affected tenants • Increased energy costs to cool buildings	Our strategy is to acquire poor performing buildings and carry out extensive refurbishments to delivery highly sustainable assets, therefore our strategy already addresses the need to invest in the best technology and equipment which is resilient to droughts.	We do not believe there is a material impact to our financial planning and will continue to design climate resilient features into our buildings such as passivhaus principles and green roofs to minimise overheating.

Transition risks

Description	Likelihood	Potential financial impacts	Impact on strategy	Impact on financial planning
Minimum Energy Efficiency Standards ("MEES") Current environmental regulation in the UK prevents leasing space with an Energy Performance Certificate ("EPC") rating of worse than E. This is projected to increase to a rating of B by 2030.	Moderate to high	• Reduced rental income from poor performing assets • Increased capital and operational cost to meet new regulations	99% of our portfolio by value holds an EPC rating of B or above, however there is a risk that the requirements of EPCs will become more stringent or other measures such as NABERS will be implemented. We have embedded the requirement to enhance energy efficiency into our asset management strategy and future capital expenditure. Likewise, keeping up with market and customer demand for properties which have a low energy intensity and are more efficient to operate.	We have a programme of ongoing capex works which is monitored and, where significant, is included within our business model and cash flows.
Emissions offsets As more companies commit to net zero, the demand for high quality carbon offsets is increasing, resulting in higher prices. There is also an increasing reputational risk associated with greenwashing and the use of emissions offsets if carbon offsetting is chosen as the only net zero measure instead of focusing on reducing energy consumption/emission first.	High	• We have currently modelled our total Scope 1-3 emissions in 2030 to be c.15,000 tonnes. • Using a 2030 estimated carbon price of between £50-100 per tonne, the potential financial impact in 2030 is £750,000-£1,500,000	We are currently reviewing our offsetting strategy for the embodied carbon emissions of our developments, which will be described and quantified in subsequent disclosures once agreed. Within our Net Zero Carbon Pathway we have already set embodied carbon targets for 2030 of 600 $kgCO_2e/m^2$. These aim to drive down the amount of embodied carbon on scheme completion and subsequently the need for and cost of offsetting.	Carbon pricing is included within our development appraisals to ensure we are mapping the financial impact and our exposure to future price increases.

Strategy continued

Transition risks (continued)

Description	Likelihood	Potential financial impacts	Impact on strategy	Impact on financial planning
Planning To meet net zero targets, the government is likely to increase planning requirements, making them increasingly stringent. This will impact our development activities and lead to costs increasing to ensure we are meeting the requirements set out by planning offices.	High	• Increased cost of net zero carbon appropriate building design and materials. We already include these costs within our development appraisals.	Our business strategy is already aligned with these requirements as we aim to deliver best-in-class sustainable assets. Our guide "Designing for Net Zero" ensures we are setting the correct approach for our projects and delivering climate resilient buildings.	The requirement to be net zero is already factored into our development appraisal process and ensures we have a more robust level of cost certainty and financial forecasting ability.
Raw materials There is a risk that raw materials will become more expensive when choosing lower carbon materials.	High	• Increased construction costs could lead to lower returns on development projects.	As mentioned previously, our pathway to net zero and "Designing for Net Zero" ensure we choose the right designs for our developments. Included within these are ambitious embodied carbon targets which drive us to explore lower carbon materials and construction methods. In reducing the quantity of materials used, we will limit our exposure to potential raw material increases. However, we recognise that the transition time frame and subsequent availability of these lower carbon materials is not yet entirely clear. As a result, it could mean it takes longer for us to employ such materials in our developments.	In line with our approach to embodied carbon we continue to engage with our principal contractors and suppliers on the impacts of using traditional materials and moving to less carbon intensive materials, e.g. availability, cost and supply chain knowledge.


CGI

Resilience of the organisation's strategy considering different climate-related scenarios

Our strategy is to acquire poor performing and inefficient "brown" buildings and reposition these through a redevelopment programme to create buildings which meet the needs of future occupiers. Our properties are exposed to climate-related risks such as rising temperatures. We ensure a high degree of resilience in our new developments and regeneration of older properties by setting high standards for sustainability, which includes climate-related aspects.

Our strategies "Built for the Future" and "Net Zero Carbon Pathway" set out how we will mitigate climate change and adapt to the effects of climate change, whilst delivering our business strategy.

These commitments, coupled with our design guide "Designing for Net Zero", deliver a strategy which will enable the decarbonisation of our business whilst responding to both the physical and transitional risks of climate change.

As a result, our strategy centres around the concept of continual improvement which ensures a high degree of both climate and financial resilience. Ultimately, we do not envisage having to make changes to our overall approach when considering climate-related scenarios.

The table opposite maps out the material risks and opportunities drawn from our latest assessment and the resilience of our strategy to the three different climate scenarios used in the assessment. Of the risks identified, none were deemed likely to have a substantial impact such that the viability of our business would be undermined.

Strategy continued

Short term (0-3 years) **1.5°C scenario** (IPCC, 2014: Synthesis Report: RCP2.6 SSP1)	**Transition risk** 1. Minimum Energy Efficiency Standards (MEES) Under this scenario we have assumed the minimum EPC B rating will be in place. However, given our current portfolio is 99% EPC B or above our exposure to this is low. There is, however, a clear opportunity in that market and occupier demand for more sustainable space is leading to rental premiums. Likewise, there are also operational cost savings that can be achieved from reduced energy intensity of more efficient spaces. 2. Emissions offsets In this scenario, UK net zero emissions will be deemed to have been met by 2050. This could lead to a significant increase in pricing of voluntary offsets as demand grows as more companies seek to meet net zero targets by offsetting residual emissions. We have quantified the potential financial impact of this in the previous tables and are in the process of defining our strategy to carbon offsets and ensuring our overarching business strategy is resilient. 3. Planning In this scenario, it is assumed that the UK will need to increase the stringency of building planning and design requirements as part of its efforts to meet its net zero targets. Our strategy already reflects this expected move – primarily via the introduction of our Net Zero Carbon Pathway in May 2022. There is an opportunity in that market and occupier demand for more sustainable space is leading to rental premiums. As a result, we will look to take advantage of this opportunity and ensure our properties are aligned. 4. Raw material costs In this scenario, there is expected to be increased cost of high carbon raw materials such as steel, cement and glass, which would be further impacted by a carbon tax. **Physical risks** 1. 100-year storms Our London portfolio has a moderate exposure to damage and interruption from 1 in 100-year type storm damage in this scenario.
Medium term (3-5 years) **2°C scenario** (IPCC, 2014: Synthesis Report: RCP4.5 SSP2)	**Transition risk** 1. Minimum Energy Efficiency Standards ("MEES") In this scenario, it is assumed there would be no increase in EPC requirements. However, with our strategy we would still look to improve our properties in line with our net zero carbon strategy and overall business model. Likewise, to take advantage of market demand and occupier preference opportunities. 2. Emissions offsets In this scenario, the price of voluntary offsets is anticipated to rise as demand grows as some companies seek to meet net zero targets by offsetting residual emissions. However, the assumption is that the price does not increase by as much as under the 1.5°C scenario. The increase in pricing of voluntary offsets is assumed to be in line with the projected carbon price. 3. Planning Under this scenario, it assumes there are no changes to existing planning requirements. Therefore, whilst we will have to ensure we meet planning regulations, there will be no new, more stringent regulations introduced. However, we would still intend to follow our Net Zero Carbon Pathway and therefore the impact and likelihood of this risk remains the same. In addition, this is supported by market and occupier demand for more efficient spaces which we would look to take advantage of. 4. Raw material costs In this scenario, the increase in cost of key materials is anticipated to be substantially lower than in the 1.5°C scenario. **Physical risks** 1. 100-year storms Within this climate scenario the current science is inconclusive on any material shifts to the intensity or frequency. Therefore the risk profile has been deemed to be broadly similar to that in the short term. 2. Flooding All our properties are either out of flood risk zones or protected by the Thames Barrier. As a result, the risk of flooding under this scenario is considered moderate.
Long term (5-15 years) **4°C scenario** (IPCC, 2014: Synthesis Report: RCP8.5 SSP5)	**Transition risk** Not modelled under this scenario/time horizon. **Physical risks** 1. 100-year storms Within this climate scenario the current science is inconclusive on any material shifts to the intensity or frequency. Therefore the risk profile has been deemed to be broadly similar to that in the short/medium-term scenarios. 2. Flooding No change from medium term. 3. Drought Our portfolio could see a moderate risk of drought, between three to four months per year. This is a notable increase over today's climate.

Risk management

The process for identifying and assessing climate-related risks

Risk is an integral part of the Group's business activities and Helical's ability to identify, assess, monitor and manage its risks is fundamental to its financial stability, continuing performance and reputation. When making business decisions, the Board of Helical assesses all potential risks faced, including climate-related risks, and considers the effect that such risks could have on the achievement of the strategic priorities and the long-term success of the Group. We also engaged our sustainability consultants, RPS, to perform scenario planning for us and present the risks and opportunities under the modelled scenarios.

Transition risks were identified and discussed between senior members of the Helical team with input from sustainability colleagues and external consultants. The risks were then reviewed in terms of impact and likelihood, in line with our business-wide risk assessment processes. We have estimated some of the financial impacts, however due to insufficient data not all risks and opportunities could be fully modelled for financial impact. We intend to gather more data over the coming months to enable us to present a fully costed financial impact in next year's TCFD statement.

The process of managing climate-related risks and how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

We have an established Risk Management Framework which underpins how we manage risks, including climate-related risks.

Encompassed within the Risk Management Framework is the Board's responsibility to maintain and monitor the Group's system of internal controls. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. Helical's internal controls are designed to provide reasonable assurance in the following areas:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

It is the responsibility of the Board to ensure that the Group's internal control system is effective in preventing losses from risk events, or identifying risk events, and taking corrective action when they occur.

Our aim is to manage each of our risks and mitigate them so that they fall within the risk appetite level we are prepared to tolerate for each risk area. Risk appetite reflects the overall level of risk acceptable with regards to our principal business risks. Helical's risk appetite is driven by the business strategy. The overall risk appetite is moderate to low and appropriate mitigating actions are taken to reduce the severity of identified risks into the acceptable range set by the Board. In determining the risk appetite, the Board considers upside risks as well as downside risks. Helical's risk appetite is not static and is reviewed by the Board at least twice a year.

Metrics and targets

Metrics used to assess climate-related risks and opportunities in line with our strategy and risk management processes

We track our performance against multiple climate-related metrics and targets for both our developments and assets under management. These metrics and targets are set out in our overarching sustainability strategy document, "Built for the Future". Our KPIs allow us to monitor progress towards these targets and ensure that we report in line with investor disclosure requirements, notably CDP, GRESB and FTSE4Good. Our performance against these metrics (including Scope 1, 2 and 3 emissions) can be found in more detail in our SECR Statement and this report.

Below we have summarised the various metrics we use when reporting across Carbon, Energy, Waste, Water and Building Certifications:

- Total energy consumed, broken down by source (e.g. purchased electricity and renewable sources);
- Total fuel consumed percentage from coal, natural gas, oil, and renewable sources;
- Building energy intensity (by m²);
- Building water intensity (by m²);
- GHG emissions intensity from buildings (m²) and from new construction and redevelopment; and
- For each property, the percentage certified as sustainable.

Scope 1, Scope 2 and Scope 3 greenhouse gas emissions ("GHG") and the related risks

We publish a detailed data report which sets out our environmental data performance. As part of this we publish extensive carbon reporting across Scopes 1, 2 and 3 using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Likewise, we provide trend analysis across several years to show progress and historical performance.

Please refer to the data report section of this report on page 72 for our carbon reporting which also includes full details of the aggregation and calculation methodology.

Metrics used to manage climate-related risks and opportunities and performance against targets

Risk adaptation & mitigation metrics	Unit of measure	31 March 2024	31 March 2023	Applicable risks/ opportunity
% of portfolio with an EPC rating of "A"	% of fair value	**30%**	20%	Minimum Energy Efficiency Standards
% of portfolio with an EPC rating of "B"	% of fair value	**66%**	79%	
Asset value of BREEAM certified developments	£000	**554,550**	686,550	Planning
% of portfolio which is BREEAM certified	% of fair value	**99%**	99%	
Total electricity consumption	kWh	**9,079,263**	11,167,438	Cost of raw materials, Emission offsets
Total district heating consumption	kWh	**1,738,200**	3,409,800	
Total fuel consumption (gas)	kWh	**2,726,290**	3,309,221	
% of portfolio (managed and development) procuring REGO backed supplies	% of energy	**93%**	80%	
Total water consumption	m³	**26,830**	31,202	Drought, Flooding, Planning requirements
Building water intensity	m³/m²	**0.26**	0.27	

In our Net Zero Carbon Pathway we detail the following 2030 targets for embodied and operation carbon intensity for our assets:

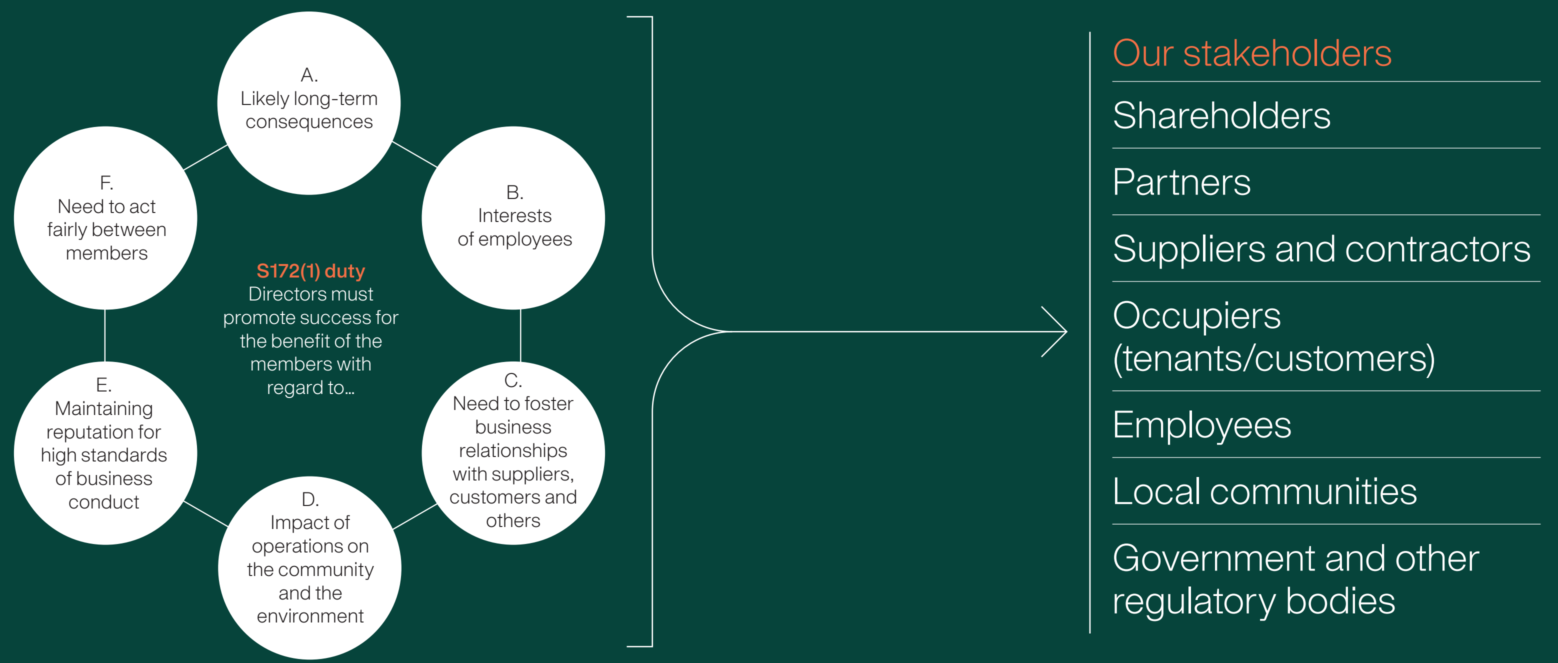
- 600 $kgCO_2e/m^2$ embodied carbon intensity for new developments; and
- 90 kWh/m^2 operation carbon intensity for all new developments.

Focus on our stakeholders

Section 172(1) Statement

The Board of Directors confirms that during the year under review, it has acted to promote the long-term success of Helical plc (the "Group") for the benefit of the Shareholders, whilst having due regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

The Stakeholder Model – interaction between s172 and stakeholders



Promoting the long-term success of the Group

The wider interests of our stakeholders are considered in all aspects of corporate decision making at Helical. When making decisions, the Directors of Helical are committed to complying with their section 172(1) Companies Act 2006 duty ("s172(1) Duty") to weigh up all the relevant factors and determine which course of action would most likely contribute to the success of the Group. The Board is also focused on its responsibility to have regard for all stakeholders when setting strategy and developing policies.

The Stakeholder Model which summarises the interaction between the s172(1) Duty and Helical's stakeholders is included in all Board and Committee packs. When matters are presented to the Board for approval, the Board considers the interests of its stakeholders alongside the matters set out in section 172(1) Companies Act 2006 (see the Stakeholder engagement section on pages 94 to 99 for more details). On key approval items in Board and Board Committee papers, guidance will be given as to which stakeholders the Board should have regard to when reaching a decision.

Our stakeholders are key to our long-term success and therefore the Board cultivates a stakeholder culture throughout the Group, ensuring the successful management of stakeholder relationships through effective engagement.

Section 172(1) and the Board's Principal Decisions throughout the year

We define our principal decisions as those that may have a potentially material impact on the Group's strategy, its stakeholders or the long-term value creation of the Group ("Principal Decisions"). For detail on how we established and defined our key stakeholder groups please see the Stakeholder engagement section on pages 94 to 97. In making the following Principal Decisions, the Board considered the views and interests of its key stakeholders, as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly with regards to the Helical Shareholders, whilst also considering the likely consequences of any decision in the long term.

Property development and investment is an inherently long-term business and the Board therefore takes a long-term approach to its decision making. We are exceedingly proud of our heritage, having developed and diversified from being a producer of steel bars to building and managing some of the most sought-after, sustainable office space in London. Helical has been in business for over one hundred years, and we believe this success can be attributed to our commitment to the Helical Purpose (see page 92), whilst maintaining high standards of business conduct and the strong culture articulated through our Values (see page 93).

PRINCIPAL DECISIONS

The Board always has regard to section 172(1) Companies Act 2006 when reaching Principal Decisions, and we detail the most materially significant Principal Decisions made during the year below:

Key:

- A Likely long-term consequences
- B Interests of employees
- C Need to foster business relationships with suppliers, customers and others
- D Impact of operations on the community and the environment
- E Maintaining reputation for high standards of business conduct
- F Need to act fairly between members

100 New Bridge Street, EC4 joint venture opportunity

s172(1) matters relevant to this Principal Decision:
A – F

Link to strategy:
- Growth
- Property
- Sustainability
- People
- Financing

The Board plays a critical role in ensuring that a rigorous and robust process is followed when entering into joint venture partnerships ("JVs") to ensure that all elements of any proposals, including stakeholder considerations, are carefully reviewed and challenged. Over the year to 31 March 2024, the Board oversaw the entry into a joint venture with Orion Capital Managers on 100 New Bridge Street, EC4, and approved various aspects of the deal structure to enable the Group to enter into a development partnership. Further details regarding this JV and its connection to the Group's long-term strategy can be found on pages 32 to 33.

What the Board considered

- The long-term strategic opportunities and risks created by the JV;
- Whether the projected returns could be achieved for all of our Shareholders through the JV;
- The proposed funding of the JV and impact on working capital;
- Future capital expenditure proposed for the JV;
- The impact on sustainability objectives and employee engagement;
- The regulatory, political and competitor landscape;
- The best interests of our stakeholders; and
- The Group's existing operations and market presence in London, impact on local communities, employee matters, suppliers and potential risks associated with the JV.

Sale of 25 Charterhouse Square, EC1

s172(1) matters relevant to this Principal Decision:
A B E F

Link to strategy:
- Growth
- Property
- Financing

On 25 March 2024, Helical exchanged contracts on the sale of the long leasehold interest in 25 Charterhouse Square, EC1 to a real estate fund managed by global alternative investment manager Ares Management. The sale completed on 25 April 2024. The 43,869 sq ft office building was sold for a headline disposal price of £43.5m. The proceeds will be used to repay debt and fund Helical's ongoing development pipeline.

What the Board considered

- The best interests of the Group's stakeholders, particularly its Shareholders and employees;
- The equity returns achievable from the disposal, particularly in light of external market conditions. The Board determined that the disposal would help to reduce LTV and return equity to the business for the benefit of all of our Shareholders; and
- The long-term strategic opportunities created by the disposal from the repayment of debt and release of equity.

Changes to the composition of the Board

s172(1) matters relevant to this Principal Decision:
A B E

Link to strategy:
- Growth
- Sustainability
- People

On 8 February 2024, the Board announced that, following a recruitment process led by a specially convened Nominations Committee and advised by an external search consultancy, it had reached the decision to appoint two new Non-Executive Directors. For more information on the appointment process, please see the Nominations Committee Report on page 113

During the year, Gerald Kaye informed the Board that he was intending to retire from the Board at the 2024 AGM. Consequently, the Board's Chief Executive Officer succession plan was reviewed by the Nominations Committee and promptly invoked. Following this comprehensive process, the Directors unanimously agreed that Matthew Bonning-Snook would succeed Gerald to become Chief Executive Officer of Helical with effect from the conclusion of the 2024 AGM. For further details on the Chief Executive Officer succession process, please see the Nominations Committee Report on pages 112 to 113.

What the Board considered

- The Board's skills matrix, as well as the needs of the business, to ensure the appointments would bolster the capabilities of the Board, thus enabling the Group to deliver its strategic priorities, deliver value to Shareholders and promote the long-term success of the Group;
- The candidates' experience of the UK listed company regime and understanding of the wider governance and regulatory environment in which Helical operates, to ensure they had the appropriate skills and expertise to fulfil the respective roles; and
- The continuity and reassurance the appointments would provide to employees of the Group and investors. The Board placed great emphasis on both candidates having demonstrated strong leadership and expertise in their roles on the board of other corporate entities.
- With respect to the Chief Executive Officer's appointment specifically:
  - The strategic acumen and leadership qualities the new Chief Executive Officer would need to possess in order to lead the Group and drive performance in line with our Culture, Values and behaviours;
  - Skills in planning and execution of Group objectives and strategies; and
  - Understanding of the business and stakeholder considerations.

Purpose, Values and Culture

Purpose

The Board recognises the importance of articulating its strategy and business model to its stakeholders in a clear and concise manner and the Group's Purpose sets out:

- Why we exist;
- The market segment in which we operate;
- What we are seeking to achieve; and
- How we will achieve it.

The Purpose also clearly demonstrates how we create value for Shareholders and the other Helical stakeholders, and ties in with our sustainable business model (for more information on Sustainability at Helical see pages 60 to 87). The Purpose is fundamental to the strategic direction of the Group and is therefore under the continuous review of the Board.

The Helical Purpose:

We create sustainable and inspiring workplaces which are technologically smart, rich in amenities and promote employee wellbeing. Applying this philosophy, we seek to maximise Shareholder returns through delivering income growth from creative asset management and capital gains from our development activity.

Purpose	Values & Culture	Strategy
Why	How	What

Board oversight of Purpose

The Purpose is overseen by the Board and supports all decisions and actions taken at Board level. The Board exercises oversight of the Purpose through the receipt of frequent updates from Executive Management on fundamental aspects of business operations and the execution of Group strategy.

Area of oversight	Frequency	Method of oversight
Corporate governance	Annual and ad hoc as required	The Group has clearly defined policies, processes and procedures governing all areas of the business, which are subject to annual review as well as ad hoc review in line with changing market circumstances.
Group strategy and management	Annual and ad hoc as required	The Board attends a meeting dedicated to discussing the Group strategy once a year. Progress in achieving the Group's strategy is reviewed at Board meetings throughout the year. Strategic plans for the Group and the annual budget are subject to formal review and approval by the Board. Minutes of all the Executive Committee meetings and the Group Management Committee meetings are shared with the Board.
Sustainability	Quarterly and ad hoc as required	Sustainability Report presented at every Board meeting. The Sustainability Committee reports material updates to the Board in between Board meetings via email/text messaging as appropriate. Sue Farr acts as the designated Non-Executive Director for ESG and Sustainability and, on behalf of the Board, plays a key role in oversight of sustainability. Members of the Board are active in Group volunteering and charitable events/initiatives which support our communities (see pages 73 to 75).
Development activities	Quarterly and ad hoc as required	The Board's continuing commitment to high standards of health and safety within its operations is demonstrated by the inclusion of detailed, externally provided reports on health and safety matters at each Board meeting. The Group Health and Safety Committee, chaired by the Chief Executive Officer, oversees the strategies, policies and working practices of the Group in relation to health and safety, and drives improved performance in this business critical area. The Committee reports formally to the Executive Committee on its proceedings and on how it has discharged its responsibilities. Minutes of all the Executive Committee meetings and the Group Management Committee meetings are shared with the Board.
Financing activities	Quarterly	The Chief Financial Officer's report is presented to the Board at each Board meeting.
Our properties	Quarterly	Detailed reports on each property in the portfolio are prepared by the property asset managers and are presented at each Board meeting.
	Bi-annually	The Chair of the Property Valuations Committee presents to the Board following both the interim and year end valuations processes.
	Ad hoc as required	Asset managers present to the Board on the progress of any new developments. Minutes of all the Executive Committee meetings and the Group Management Committee meetings are shared with the Board.
Leasing activities	Quarterly	Reports on the Group's letting activities are presented to the Board at each Board meeting. Minutes of all the Executive Committee meetings and the Group Management Committee meetings are shared with the Board.

Our Purpose is inextricably linked to our Values which underpin the behaviours we consider vital to achieving our strategic aims. It is through our Values that we communicate the key aspects of Helical's Culture to our stakeholders, providing insight into the principles and ethics that support our Purpose.

The Board has articulated the Group's Culture through the setting of six Values which, combined with the Purpose, align to the policies, practices and desired behaviours in the business.

We pride ourselves on conducting business in alignment with these Values and, in doing so, we are able to build and maintain strong relationships with our stakeholders. The Helical Culture is often cited as the reason our partners, suppliers and contractors choose to do business with us and it is through the maintenance of this Culture that we are able to preserve our employee loyalty and high retention rates (please also see "Our People" section of the Sustainability Report, pages 76 to 77).

Our Values

Integrity	Through our honest and open approach, we aim to engender the respect of everyone we work with.
Excellence	Using our market experience and intelligence, we strive to be best-in-class in everything we do.
Collaboration	Building strong relationships and teamwork are at the heart of our success.
Creative	We are passionate about developing innovative and inspiring spaces.
Sustainable	Working for the long-term benefit of our stakeholders, local communities and the environment drives the decisions we make.
Dynamic	Energy, adaptability and agility are core to our approach.

Collaboration – setting & monitoring the Helical Values

The Helical Values represent our shared understanding of how things are done and the way all employees within the organisation are encouraged to conduct themselves.

The collaborative environment fostered by the Board was demonstrated through the process used to set the Group Values. To decide which Values best supported the strategic aims of the business, the Board asked a selection of people across the Group to choose those values which they felt best reflected Helical. The results of this consultation were reviewed by the Board and contributed to the setting of the final six Values.

These Values, therefore, represent the Group's inclusive and collaborative Culture as articulated by its workforce.

Since the Values are at the heart of every decision and action taken at all levels of the business, we feel that it is important to monitor them to ensure that they remain appropriate to the business. As the workforce played a key role in determining the Values, they are tasked with reviewing the Values and commenting on their continued suitability.

Excellence, creative & sustainable – our buildings

As stated in our Purpose, we create sustainable and inspiring workplaces which are technologically smart, rich in amenities and promote employee wellbeing. We are exceedingly proud of the number of accolades our buildings have received over the years and we feel this demonstrates our commitment to our Purpose.

During the year to 31 March 2024, The JJ Mack Building, EC1 was named Project of the Year 2023 at the London Construction Awards and also named a winner in the City New Build category at the OAS Development Awards 2023. Furthermore, in March 2024, The JJ Mack Building, EC1 received a BREEAM score of Outstanding and, at the time of printing, the score is the highest currently awarded to a building in the UK.

Dynamic, collaboration & creative – engagement through our website and branding

Helical prides itself on being dynamic and at the forefront with respect to technology and innovation, and the importance of a strong online presence is incorporated into the Group strategy set by the Board.

In addition to engagement through social media platforms, the Board recognises that the Helical website is a key medium for engagement with the Group's stakeholders. Through collaboration with the design team at SampsonMay, Helical's corporate website has been in receipt of several accolades since its launch, with the most recent being its Gold award in the 'Best Corporate website – Small cap' category at the Corporate & Financial Awards.

Our Culture

Helical's objectives for growth, development and long-term survival, combined with resultant strategies to achieve these objectives, have a direct link with the Culture of the Group. Culture is ultimately the responsibility of the Board, but it is recognised that individuals at all levels must be engaged in order to maintain the Helical Culture. The embedded Culture is supported by our employees (as evidenced in the setting and monitoring of the Values), and this results in us having a high-performing and motivated team which supports the success of the Group's strategy and delivers the outcomes necessary for long-term success.

An important aspect of the Group's Culture is its approach to risk. In accordance with good stewardship, the Board does not inhibit sensible risk taking that is critical to growth. This approach is embedded in the risk culture of the Group which aligns with the strategy and objectives of the business and is embedded within the risk appetite (see Risk management section on pages 48 to 59).

The Helical Board promotes an open culture, enabling the strategic direction to be fully understood by all members of the workforce. This environment supports the achievement of the Group's aims and aspirations and is conducive to the Group's collaborative approach of encouraging all members of staff to proactively share ideas, opportunities and concerns. The Board gives prominence to the assessment of our Culture and to monitoring the progress of its cultural initiatives (please see page 94 for further details).

By ensuring that Helical is an inclusive and diverse business, the Group benefits from a variety of experiences and perspectives. Such variety is important for the maintenance of a strong succession pipeline, necessary for future sustainability. The Board recognises the key role that culture plays in the sustainable development of the Group and is dedicated to embedding sustainability policies and practices in our Culture which promote desired behaviours across the workforce. For details of the culturally relevant initiatives which go beyond assessment and monitoring, and show how our Culture manifests in practice, please see the Sustainability Report on pages 60 to 87. The importance of culture is a key consideration in planning for the succession of senior management and other recruitment. This diversity in our workforce also helps to stimulate creativity and contributes to the open and cohesive Culture exhibited throughout the Group. The Helical Culture and Values are reflected in the Group Diversity and Inclusion Policy (available on our website https://www.helical.co.uk/investors/governance/governance-policies/).

How we embed, monitor and sustain our Culture

- The Directors conduct an annual review of workforce policies and procedures and these are further updated on an ad hoc basis as required – see Board Leadership and Company Purpose section of the Corporate Governance Report on pages 107 to 108.
- Employee engagement initiatives – see page 96 and pages 98 to 99. Feedback from the following initiatives is reported to the Executive Committee and Board, and considered in decision making:
  - "Lunch with Leadership" initiative, whereby a small number of staff are invited to attend the post-Board meeting lunch with the full Board. This provides both the staff and the Board (in particular the Non-Executive Directors) with an opportunity to get to know each other in a more informal setting;
  - Staff are encouraged to speak up, share concerns and have candid conversations with management;
  - Our small, close knit team environment enables managers to conduct regular catch-ups with their direct reports; and
  - Staff from all teams are invited to the bi-monthly Management meeting where time is allotted for general concerns or points of interest outside the ordinary agenda of the meeting.
- The designated Non-Executive Director for workforce engagement plays an essential role in promoting and driving our Culture (see also page 99).
- Employee Volunteering Policy and Group volunteering events (see Sustainability Report at pages 73 to 75).
- Tenant feedback analysis.
- Staff tenure and retention rates (see KPI section on page 27).
- Whistleblowing mechanisms in place, with relevant data reported to the Board (see page 107 for further details).
- Support provided to the workforce through the provision of a number of health and wellbeing initiatives (please see Sustainability Report on pages 76 to 77).
- Investing in training and organisational development for staff.
- Health and safety data, including near misses, reported to the Management meetings bi-monthly, the Executive Committee monthly and the Board quarterly. The Group's Health and Safety Committee considers and advises on the health, safety, welfare and wellbeing aspects of the Group's H&S Policy, procedures and practice relating to staff, visitors, contractors and others within related activities.
- Designated Non-Executive Director for ESG and Sustainability plays a key role in monitoring the Culture and ensuring its alignment with the Group's strategy and supports the long-term sustainable success of the business.
- Collaboration with occupiers as the UK navigates its way through the macroeconomic factors affecting the real estate market.
- Prompt payment to suppliers.
- Promotion of a diverse and inclusive environment – see Report of the Nominations Committee on pages 112 to 117.
- Consideration of Culture in recruitment and selection, both with regard to individuals and the recruiters used – see Report of the Nominations Committee at pages 112 to 117.
- Aligning formal rewards with Culture.
- Incentive schemes developed to drive behaviours consistent with Purpose, Values and strategy – see Directors' Remuneration Report on pages 122 to 141.
- We reward positive culture within our workforce, e.g. our staff express the wish to be fit and healthy and we facilitate this through our employee benefits programme (see Sustainability Report at pages 76 to 77 for more information).
- Offering our staff the opportunity to be Shareholders in Helical through our Share Incentive Plan.

Stakeholder engagement

The Directors are pleased to report on how they have had regard to the need to foster relationships with suppliers and contractors, tenants/occupiers, partners and others, and the effect of this on recent Principal Decisions taken by the Group.

In line with section 172 of the Companies Act 2006, the Directors of Helical act to promote the success of the Group for the benefit of its Shareholders. However, the Helical Board also places a great emphasis on the importance of the views and interests of its other key stakeholders. Helical's stakeholders are those groups that are likely to be affected by the Group's actions, and hence play a key role in the successful execution of the Group's long-term strategy.

In recognition of the importance of the Group's relationship with its stakeholders, the Board has set out its commitments to its stakeholders as follows:

(i) engaging with our stakeholders to build and maintain positive business relationships;

(ii) ensuring that our stakeholders are kept informed and have access to information about our business;

(iii) considering the needs and expectations of our stakeholders throughout the Group;

(iv) inviting feedback from our stakeholders to help us identify current and emerging issues facing our business; and

(v) ensuring that our activities generate sustainable, long-term value for all our stakeholders.

Our stakeholders, engagement mechanisms, consideration of stakeholder interests and the impacts on Board decision making

The Group's stakeholders are defined in the Stakeholder Model (see pages 88 to 89) and in the table overleaf. The Group's stakeholders are kept under continuous review by the Board, with the Stakeholder Model being featured on every approval item and being considered as part of every Board decision taken.

The Board places utmost importance on the maintenance of positive relationships with all the Group's stakeholders. It is through effective engagement that the Board has sought to understand their views and, through such engagement, positive outcomes have been derived for the business.

We describe how the Directors have had regard to the matters set out in section 172(1) (a) to (f) and this forms the Directors' statement required by section 414CZA of the Companies Act 2006 in the table overleaf.

Stakeholder engagement

Stakeholder category	Material issues and considerations for stakeholders	Means of engagement by Board and/or management	How stakeholder engagement has influenced decision making and execution of our strategy
Shareholders	• Financial performance. • Generation of long-term sustainable returns. • Environmental, social and governance practice ("ESG").	**Direct Board level engagement** • Scheduled and unscheduled meetings between Shareholders and members of the Board. • Annual and Half Year results announcements and presentations. • Investor roadshow presentations. • AGM presentations and Q&A. • General Meetings. • Property tours. • The Executive Directors hold talks with relevant employee Shareholders covering remuneration, with a focus on the PSP and the SIP. **Group level/indirect Board engagement** • Publication of Helical news via RNS. • Regular posts on social media platforms with respect to Helical news. • Regular updates from the Executive Directors to the market, including press articles. • Analyst/investor reports. • Feedback from corporate brokers. • Helical's website and dedicated Shareholder email address overseen by the Company Secretarial team.	Other than our routine engagement on topics of strategy, governance and performance, we engaged with Shareholders on the following specific matters which then influenced the outcomes and actions taken: • The Board considered and responded to emails from individual Shareholders in connection with the 2023 Annual Results/AGM; • The Executive Directors sought the views of the Shareholders with respect to the TfL joint venture opportunity; • The Executive Directors engaged with the Company's largest institutional Shareholders following publication of the financial results for the Half Year to 30 September 2023, seeking their feedback on the Group's strategy as well as the results; and • The Board engaged with the employee Shareholders throughout the year and considered their views. See Engagement with the workforce section on pages 98 to 99 for more details.
Partners	• Financial performance and generation of sustainable returns. • Collaboration and communication. • Risk appetite and management of the partnership. • Corporate responsibility.	**Direct Board level engagement** • Executive Directors meet with key business partners (joint venture partners) and report back to the Board on a regular basis. • Key business partners (joint venture partners) are invited to attend the Annual and Half Year results presentations. **Group level/indirect Board engagement** • Regular communication and feedback on business and ESG matters. • Transparent reporting. • Collaborative approach with clear responsibilities. • Helical's website.	• Our relationships with our strategic partners are a critical element of the Group's strategy. Feedback from engagement with partners is continuously reported to the Board and duly considered. Examples of this include the discussions held with the relevant joint venture partners concerning the 100 New Bridge Street, EC4 JV opportunity and lettings at The JJ Mack Building, EC1.
Occupiers (tenants/ customers)	• Quality of service provided. • Delivery of quality space to meet needs. • Ability to meet needs of changing markets. • Value for money.	**Direct Board level engagement** • Feedback received directly from occupiers, and indirectly through tenant engagement apps, is fed into Board discussions. **Group level/indirect Board engagement** • Occupier engagement programme is run throughout the portfolio, led by managing agents Ashdown Phillips. • Tenant engagement apps rolled out to occupiers in several Helical buildings. • Programme of meetings with occupiers on a regular basis. • Helical staff supporting new occupiers by, for example, attending restaurant opening events of F&B tenants. • Occupier engagement events are held frequently within our buildings (see Sustainability Report at pages 60 to 87).	We engage with our occupiers via tenant engagement apps in The Bower, EC1, The Loom, E1 and The JJ Mack Building, EC1. In conjunction with our managing agents, Ashdown Phillips, we continue to utilise data from our occupiers to improve energy efficiency, enhance tenant experience and develop meaningful community engagement, e.g.: • SkySpark at The Bower, EC1; • Equiem at The Loom, E1 and The Bower, EC1; • Annual sustainability reports are sent to all occupiers at The Loom, E1 and The Bower, EC1; • Seasonal commissioning undertaken at The Bower, EC1; • Energy analytics programme and fit out impact review conducted at The JJ Mack Building, EC1; and • Quarterly Green Group meetings held with occupiers to discuss sustainability initiatives being implemented in the buildings and being considered for the future. Quantitative data is also produced to support any changes. The meetings also enable our occupiers to communicate their goals in relation to sustainability and assistance is provided to help them achieve their desired accreditation – see also Sustainability Report on pages 60 to 87.

Stakeholder category	Material issues and considerations for stakeholders	Means of engagement by Board and/or management	How stakeholder engagement has influenced decision making and execution of our strategy
Employees	• Opportunities for training and development. • Fulfilling and rewarding work in a safe and comfortable environment. • Fair treatment, recognition and remuneration. • Diverse, inclusive and positive culture.	**Direct Board level engagement** • Designated Non-Executive Director responsible for ongoing workforce engagement: – Meets a cross section of employees during the year; and – Contactable via email all year round. • Role of the designated Non-Executive Director for workforce engagement published for all staff. • Open and inclusive culture through Purpose and Values. • Executive Directors present Strategy Update to staff. • Board annually reviews key workforce policies and procedures. • All staff are invited to become members of the SIP on appointment to the Company, and consequently are invited to attend Helical's AGM, where they have the opportunity to engage with the Board and with other stakeholders. • "Lunch with Leadership" initiative whereby a small number of staff are invited to attend lunch with the Board. **Group level/indirect Board engagement** • Staff satisfaction survey/interviews. • Regular staff appraisals. • Majority of staff attend Management meetings, on a rotational basis. • Helical's website. • Staff consulted on Group marketing exercises, e.g. the Helical re-branding and website refresh exercises. • Maintenance of the Staff Handbook. • Staff property tours.	Outcomes of engagement deriving directly from feedback garnered from the 2023 initiatives: • Introduction of employee Volunteering Policy. – Volunteering initiative at London City Farms is to be repeated in summer 2024 at the request of the employees. – Our staff volunteered at the Hackney Night Shelter on 29 January 2024 and, at the request of the employees, a further event is being organised for summer 2024. For further information see the Sustainability Report on pages 73 to 75). • Opportunities for staff to socialise with the NEDs on an informal basis. For information on the outcomes of the workforce engagement initiatives please see pages 98 to 99.
Local communities	• Ethical and responsible corporate behaviour. • Environmental impact of developments. • Creating social value in local areas, including development of public realm, facilities open to members of the public and engaging with local communities.	**Direct Board level engagement** • CEO engages on community and environmental initiatives on behalf of the Group. **Group level/indirect Board engagement** • Local resident consultations and regular newsletters. • Community and charitable initiatives/events. • Engagement with non-governmental organisations ("NGOs") and other interest groups to improve our understanding of current and emerging environmental and societal topics. • Participation in sustainability initiatives, both global and regional, through the Sustainability Committee. • Submissions to sustainability benchmarks and indices. • Engagement with prospective future property professionals via the Helical Work Experience Programme. • Sustainability news and publications. • Helical's website.	Engagement with our local communities has led to the following initiatives: • Implementation of our Circular Economy Strategy, taking opportunities to reuse, recycle and repurpose (see pages 62 to 65 of our Sustainability Report for further details): – Donation of furniture at The Bower, EC1 to social enterprise Waste to Wonder and the Fleet Street Quarter Business Improvement District Green Skills Hub; – Donated laptops to Computers4Charity; and – Donation of furniture, kitchen supplies and stationery to the National Park City Foundation and St Mungo's. • Continued sponsorship and local charitable giving, including: – The Helical Bursary, established in 2017, supports Real Estate and Planning students studying at Henley Business School, University of Reading; – A Strategic Partner of LandAid, with staff taking part in a range of LandAid charity appeal initiatives over the course of the year; – Donated to Hackney Night Shelter as part of our volunteering initiatives; – As part of our commitment to support London City Farms, the Group made a monetary donation and 15 members of staff volunteered for a day at the Spitalfields City Farm creating c.£2,000 of social value; – Supported our bankers, Natwest, with a donation to their 25km walk in aid of Cancer Research UK; – Silver sponsor of The Story of Christmas event which raises funds to support a broad and diverse range of charitable projects, benefitting homeless and disadvantaged children; – Donation to London Air Ambulance as part of a three-year commitment to support the good work they do; and – Various initiatives with local charities run in conjunction with our managing agents, Ashdown Phillips. • Maintaining ongoing dialogue with a wide range of NGOs. • Collaborating with tenants to provide work experience for students from schools in local communities. • Further engagement on ESG with investors and broader stakeholders. • Sustainability key performance indicators continue to be considered as part of Group strategy. For further details on our engagement with local communities, please see the Sustainability Report on pages 73 to 75.

Stakeholder category	Material issues and considerations for stakeholders	Means of engagement by Board and/or management	How stakeholder engagement has influenced decision making and execution of our strategy
Suppliers and contractors	• Agreement of and compliance with appropriate payment terms. • Payments made as soon as practicable and in line with the Prompt Payment Code. • Collectively prevent and mitigate risk of modern slavery, bribery, and corruption in our supply chain. • Ethical and fair dealings.	**Direct Board level engagement** • Audit and Risk Committee leads the assessment of external audit performance and service provision, inviting our external Auditor to Committee meetings. • Property valuers invited to Audit and Risk Committee meetings. • The Board receives a detailed report from the Group's IT service provider on an annual basis. **Group level/indirect Board engagement** • Open communication about expected behaviour within our supply chains – our Supplier Code of Conduct, Human Rights Policy, Diversity and Inclusion Policy and Modern Slavery Statement are shared with all suppliers and contractors. • Regular communication and feedback, with increased dialogue with certain key suppliers affected by political and economic uncertainties. • Paying suppliers and contractors fair fees. • Bi-monthly meeting with the Group's IT service provider. • Helical's website.	Engagement with our suppliers and contractors enables the Board to align its decisions with the Group's sustainability aspirations, a core tenet of Helical's strategy. Through engagement with these stakeholders over the period we have been able to identify potential opportunities to realise benefits – for example in the areas of off-site manufacture and prefabrication. Such benefits can be realised in build programming and logistics, such as highlighting necessary design adaptions at an early stage in the development process. Engagement with suppliers and contractors has given us the opportunity to salvage and reclaim elements of the existing building for reuse, recycle or donation at 100 New Bridge Street, EC4 and The Bower, EC1 (see above and the Sustainability Report at pages 60 to 87). Additionally, engagement with this stakeholder group has provided us with valuable information and data on innovative construction practices that we have been able to apply to our development projects. For example, during the year, our property team has attended building tours with building contractor Mace, which have provided significant insight into new approaches to construction, such as the use of low carbon materials and upholding best practice with respect to health and safety. Through engagement with our contractors on the development of 100 New Bridge Street, EC4, a number of initiatives are being undertaken to ensure the building meets the highest sustainability standards: • WELL precertification underway. • Review of social value impact as part of the design process. • Factoring in of BREEAM, WELL and NABERS as part of design elements. • Consideration of consolidated delivery options for both building servicing and construction.
Government and other regulatory bodies	• Corporate responsibility and accountability. • Compliance with applicable laws and regulations. • Compliance with applicable taxation regimes. • Monitoring updates to the legal and regulatory environment.	**Direct Board level engagement** • CEO regularly engages with governmental, regulatory and industry bodies. **Group level/indirect Board engagement** • Transparent statutory reporting. • Open approach to communication. • Board oversight of key relationships and areas impacted. • Open dialogue with regulatory agencies and Government bodies, e.g. HMRC with respect to our obligations as a REIT. • Health and safety experts and other stakeholders invited to meetings of the Group's Health and Safety Committee. • Reports on the results of active participation through industry groups presented to Board. • Helical's website. • Assisting industry forum consultations.	The Board continued to focus on how to promote the success of the Company taking into account political and regulatory developments in the external environment. Updates on risks and opportunities posed by the external political and regulatory environment are presented to the Board by external advisors. The Group's Health and Safety Committee monitors regulatory changes and Governmental policies and ensures effective and representative two-way communication/consultation between the Group and its stakeholders. As part of the Committee's engagement activities, contractors, external advisors and other stakeholders may be invited to attend for all or part of any meeting, as and when appropriate. The Board also focuses on environmental laws and regulations and gives due consideration to the environmental impacts of its operations when making decisions. For example, the Board is cognisant of the FCA's proposals for the UK Sustainability Disclosure Standards ("SDS") and these impending rules have impacted decision making, and how Helical approaches the risks and opportunities presented by climate change and wider sustainability matters. While this standard will only apply to FCA regulated entities, Helical will consider and review the proposed disclosures to ensure maximum transparency for our financial and sustainability reporting. The Board is also aware of the proposed UK Sustainability Disclosure Standards ("UK SUDS") which will set out corporate disclosures on the sustainability-related risks and opportunities that companies face. These standards will form the basis of any future requirements in UK legislation or regulation for companies to report on risks and opportunities relating to sustainability matters, including risks and opportunities arising from climate change. Given Helical's comprehensive reporting against the recommendations of the Task Force on Climate-related Financial Disclosures, it is well placed to respond to any future disclosure requirements but will keep this under close review while the standards go through the formal consultation process.

Engagement with workforce

The importance of engaging with the workforce can be linked back to the Group's key operational and reputational risks (see "Risk management" on pages 48 to 59), specifically the management of workforce relationships and retention of talent. We know that our staff are vital to our success and every member of the Helical workforce is valued, with their opinions regularly sought and held in high regard. The Board defines the workforce of Helical as its full-time and part-time employees and staff members temporarily hired for work.

This principle of mutual respect and inclusion is integral to the Helical Culture (see pages 92 to 94). Engagement with the workforce is deemed a key priority for the Directors and, as such, the Board frequently invites members of staff to present on key projects or topics of interest at its meetings. Through this engagement mechanism, our employees are given the opportunity to meet the full Board of Directors.

The Board also encourages open dialogue with the workforce and details of how to communicate directly with the Board and Executive Management are clearly documented in the workforce policies and procedures which are reviewed annually.

Initiatives deriving directly from staff engagement in 2023/24

- Volunteering initiatives at London City Farms and the Hackney Night Shelter are scheduled to be repeated in summer 2024 at the request of the employees. Details of the previous events can be found in the Sustainability Report on pages 73 to 75.

The Board values the information derived from the engagement process so that it is fully informed on staff opinion. The agenda item dedicated to discussing the outcomes of the staff engagement initiatives is tabled during the second half of each calendar year.

Not only did I find the experience hugely enjoyable, but really quite eye-opening. I feel that I now have an incredibly valuable insight into property development and investment."

Work experience student

Engaging with stakeholders of the future – Helical's Work Experience Programme

Helical also considers its potential future stakeholders when conducting its stakeholder analysis. We regard school and university students as the future of the property industry, and we therefore deem it important to engage with this stakeholder group and we invite students to join our programme annually.

In September 2023, Helical coordinated a Work Experience Day for property students from a range of learning institutions. The students were introduced to the programme by our CEO at the Helical offices and they also attended talks with members of senior management on a variety of industry pertinent topics. Over the course of two days, the students were taken on a tour of Helical's London portfolio. The tour also incorporated visits to several prime London real estate developments in the City of London, Canary Wharf and King's Cross. Feedback from the students was exceedingly positive, and we intend to continue to operate the event annually for the benefit of the industry's future stakeholders. We are in the process of inviting students to attend the 2024 Programme which is set to take place in September this year.

The time, the care, the effort that your team gave to us was outstanding and I had an absolute blast. In just two days, you have broadened my perspective and understanding of the London property market and I hope I can put it to good use."

Work experience student

Sue Clayton
Senior Independent Director and
Non-Executive Director for workforce engagement

Sue Clayton – designated Non-Executive Director for workforce engagement

Since being appointed as the designated Non-Executive Director for workforce engagement in 2019, Sue has been successfully building on the engagement between the Board and the workforce.

During the year, Sue met with a cross-section of staff in informal settings and she has been contactable via email throughout the year. Sue's effectiveness in this role is underpinned through her engagement skills and perspectives that she has accumulated through exposure to a wide range of stakeholders over the course of her accomplished career in the real estate industry.

Rationale for choosing a designated Non-Executive Director for our workforce engagement mechanism

Helical has a relatively small workforce of 27 employees. As such, it is possible for our Directors to engage directly with members of the workforce, with ease, on a regular basis.

The appointment of a Director from the workforce (as a representative) and the establishment of a formal workforce advisory panel (as mechanisms for engagement) were both deemed to be a disproportionate approach for Helical and its engagement requirements.

What does our designated Non-Executive Director for workforce engagement do?

The Board has structured the role to aid its understanding of the views of the Helical employees and consider their interests in Board discussions and decision making.

Sue plays a key role in the promotion and maintenance of our open and collaborative Culture by reinforcing Helical's supportive, inclusive and engaging operating environment. Sue encourages our employees to share their valued opinions and is viewed as a role model to our employees, not only because of her skills and experience in real estate, but also her involvement in the founding of Real Estate Balance, a campaigning organisation working to improve diversity and inclusion in the real estate industry. This healthy corporate Culture complements our Purpose, Values and strategy and ultimately benefits our stakeholders.

The role and its accompanying responsibilities have been documented in a terms of reference which is reviewed by the Board annually and available to view on our website: https://www.helical.co.uk/investors/governance/governance-policies/

Richard Cotton
Chairman

Our Chairman's introduction to governance at Helical

Supporting strategic, sustainable success for our stakeholders.

Dear Shareholder,

On behalf of the Board, I am pleased to introduce our Corporate Governance Report for the year ended 31 March 2024. Throughout the Report that follows, we set out how the Board and its Committees have discharged their duties, at all times having regard to the needs of our stakeholders and promoting the long-term, sustainable success of the Group.

From a governance perspective, we have had a very active year, with significant changes to the composition of our Board, crystallisation of succession plans, transition of our external Auditor and an internal Board Performance Review. Throughout this eventful period for the business, the Board and its Committees have played a critical role in upholding the principles of good governance, whilst fostering the execution of our strategy.

Board composition and succession

Executive Directors

In May this year, we announced the departure of our Chief Executive Officer ("CEO"), Gerald Kaye, after almost 30 years' service on the Board. Gerald's incredible talent and leadership skills, combined with his loyalty and dedication to Helical, have been instrumental to the Group's success over the years. On behalf of my fellow Directors, I wish to thank Gerald immensely for his commitment and significant contribution to Helical as its CEO and throughout his career spanning almost three decades with the Group. We are very fortunate that Gerald has agreed to continue to support the Board in the capacity of consultant and although his presence on the Board will be missed, we will be able to call upon his unsurpassed expertise and wisdom for the foreseeable future.

The Board, supported by the Group Nominations Committee, routinely reviews the Group's succession plans, and by virtue of having robust, effective plans in place, the Committee was able to swiftly activate those plans and identify our new CEO, Matthew Bonning-Snook.

Following an assessment of potential candidates with support from an external advisory firm, the Nominations Committee unanimously agreed that Matthew was the perfect successor to Gerald. His knowledge of the Company, garnered throughout his 16-year tenure on the Board and 29-year total tenure with the Company, enables him to transition into the role of CEO with confidence and relative ease. Matthew has an outstanding track record in real estate development, with a sharp and consistent focus on strong execution, financial performance and strategic delivery. He is also the Chair of the Group's Sustainability Committee and is dedicated to the furtherance of our sustainability goals, including becoming a net zero business by 2030. Matthew's biography is available on page 102.

The Board is confident that under Matthew's leadership, we will continue to evolve as a best-in-class developer of sustainable buildings in central London, delivering on our strategy, reaching our net zero target and ensuring long-term sustainable success for all our stakeholders.

For more information on Executive Director succession planning, please see the Nominations Committee Report at pages 112 to 113.

Non-Executive Directors

I would like to take this opportunity to welcome our two new Non-Executive Directors, Amanda Aldridge and Robert Fowlds. Both Amanda and Robert are highly skilled, experienced listed company directors and these appointments undoubtedly serve to enhance the capabilities of our Board. You can read more about the appointments of Amanda and Robert at page 113. We will continue to monitor the Board's composition to ensure we maintain the range of skills, experience and perspectives needed to support the Group's strategy and complement our plans for succession.

On behalf of my fellow Helical Directors, I wish to extend our deepest gratitude to Joe Lister who, after serving for nearly six years on the Board, is stepping down and will not seek re-election at the 2024 AGM in July. During his tenure, Joe held the key role of Chair of the Audit and Risk Committee, and was a member of the Nominations and Remuneration Committees. Joe has been a knowledgeable voice on the Board, providing sound financial and risk management guidance during periods of challenge. The Board will greatly miss Joe's wise counsel and commitment to the business. It has been a pleasure to work with Joe and I wish him all the best for his role as the Chief Executive Officer of The Unite Group plc. I am delighted that Amanda Aldridge has agreed to succeed Joe as Chair of the Audit and Risk Committee and we are very fortunate to be able to replace Joe with another Committee Chair of exceptional experience and calibre.

External Auditor transition

Following their appointment at the 2023 AGM, RSM UK Audit LLP ("RSM") have successfully completed their first year audit of Helical and we are pleased to provide further details on the smooth transition from Deloitte to RSM within the Audit and Risk Committee Report on pages 118 to 121.

Governance and strategic oversight

Looking beyond the geopolitical challenges faced by the market, the Group has had a particularly busy year and our robust governance framework has proven to be critical to the effective leadership of the Company in the period.

Throughout the year, oversight of our strategy and its implementation continued to be a key responsibility of the Board. The Board oversaw the entry into a joint venture partnership with Orion Capital Managers on 100 New Bridge Street, EC4 and the recycling of equity through the sale of 25 Charterhouse Square, EC1. Enhanced Board oversight in these matters serves to contribute to the long-term success of the business. Further details of the points considered on each of these Principal Decisions can be found on pages 90 to 91.

> Throughout this eventful period for the business, the Board and its Committees have played a critical role in upholding the principles of good governance, whilst fostering the execution of our strategy."

More information on the work and activities of the Nominations, Audit and Risk and Remuneration Committees can be found on pages 112 to 141.

Board Performance Review

Following this year's internal Board Performance Review, I am also delighted to confirm that each member of the Board continues to demonstrate a high level of skill and commitment to their respective roles and are, consequently, effectively discharging their duties as Directors. Please read pages 116 to 117 to find out more about this year's Review process.

Stakeholder engagement

Over the course of the year, our stakeholders have continued to contribute to our success and play a pivotal role in the Group's strategy. The Board places great importance on maintaining effective levels of engagement with all our stakeholders and their interests are taken into consideration in every decision we make as a Board. Effective stakeholder engagement will remain high on the Board's agenda going forward, and you can read more about our approach to such engagement and the Directors' duties in this regard on pages 94 to 99 of the Strategic Report.

Our AGM on 17 July 2024 will offer a further opportunity to engage with our investors. Full details of this, including the resolutions to be proposed for Shareholder approval, can be found within the Notice of Meeting for the 2024 AGM.

Summary

At Helical, good corporate governance underpins all Board discussion and decision making. We have continued to apply the Principles of the UK Corporate Governance Code (the "Code") throughout the year and, as at the date of this Report, the Company has complied with all the Code's applicable Provisions. I invite you to read our Corporate Governance Report for a more detailed account of the Group's compliance with the Code and its accompanying guidance. The Financial Reporting Council published its revised version of the Code in January of this year, and Helical is dedicated to achieving full compliance with the revised Code in accordance with the FRC's stipulated timelines.

Finally, I would like to conclude with a personal note of thanks to the Helical team, including my fellow Board members, for their continued, unwavering support and dedication to our business.

Richard Cotton
Chairman
22 May 2024

Richard Cotton
Board Chairman and Chair of the Nominations Committee

Board meetings present:	6/6
Tenure:	8 years
Independent:	Yes

Skills, relevant experience and contribution to long-term success
Richard Cotton was appointed to the Board as a Non-Executive Director in March 2016 and as Senior Independent Director in February 2018. Our Shareholders elected him as the Group's Chairman at the 2022 AGM. Richard is Chair of the Nominations Committee and a member of the Remuneration Committee.

Richard has a wide range of experience in both executive and non-executive roles at a number of quoted and unquoted companies. He was formerly head of UK Real Estate at J.P. Morgan Cazenove, a position he held until 2009, and he spent five subsequent years as Managing Director of Forum Partners. Richard has also previously held the position of Chairman of Centurion Properties and was a Non-Executive Director of Hansteen Holdings plc and Big Yellow Group plc.

His experience in the financial sector, together with his knowledge and skills in property, strengthens the overall expertise of the Board. He is a key contributor to the firm's strategic discussions, and his knowledge of the financial services industry is frequently drawn upon in Board discussions and assists the Board in decision making.

Since assuming the role of Chairman, he has proven himself to be an effective Chairman as demonstrated both through his contribution to Board discussions and his ability to proficiently chair Board and Committee meetings. Richard's effectiveness as Chairman is further bolstered by his experience on public company boards and extensive experience in stakeholder relations.

Through his wealth of skills and prior experience, Richard is able to contribute to all aspects of business discussions and his valuable knowledge and insight is key to promoting the sustainable success of the Company.

Other external appointments
- Non-Executive Director of Target Healthcare REIT plc.

Gerald Kaye
Chief Executive Officer and Chair of the Executive Committee

Board meetings present:	6/6
Tenure:	29 years
Independent:	No

Skills, relevant experience and contribution to long-term success
Gerald Kaye, BSc (Est Man) FRICS, was appointed Chief Executive in 2016. He joined the Board as an Executive Director in 1994, responsible for the Group's development activities. Gerald is a past President of the British Council for Offices, a former Director of London & Edinburgh Trust Plc and former Chief Executive of SPP. LET. EUROPE NV. Gerald's experience at Helical ensures that he has an in-depth knowledge of the Group's operations and markets, which helps him to lead the business, be a key contributor to Board discussions and aid the effective decision making of the Board. He considers stakeholder engagement to be a crucial aspect of his role given its impact on the long-term success of Helical, and he therefore spends considerable time engaging with our major Shareholders, visiting the Group's properties and development sites and maintaining extensive relationships in the property industry. Although Gerald is standing down from the Board at the 2024 AGM, he is continuing to contribute to the long-term success of the business as a consultant.

Other external appointments
- Member of the Investment Committee at Guy's & St Thomas' Foundation.

Matthew Bonning-Snook
Chief Executive Officer Designate and Chair of the Sustainability Committee

Board meetings present:	6/6
Tenure:	16 years
Independent:	No

Skills, relevant experience and contribution to long-term success
Matthew Bonning-Snook, BSc (Urb Est Surveying) MRICS, was appointed to the Board as an Executive Director in 2007 and is due to assume the role of Chief Executive Officer immediately following the conclusion of the 2024 AGM. Prior to joining Helical in 1995, he was a Development Agent and Consultant at Richard Ellis (now CBRE).

Matthew's long tenure with the Group, expert knowledge of the London property market and his extensive network of contacts within the industry mean that he has valuable knowledge and insight to promote and contribute to the Group's strategy.

In 2019, the Board appointed Matthew as Chair of the Sustainability Committee and, as Chief Executive Officer, he will continue to lead our commitment to measuring and improving Helical's corporate ESG performance against external industry benchmarks. Matthew's valuable contributions to the long-term sustainable success of the business are therefore evident, both in his skill and experience as a property development executive, but also in his leadership of the Group's sustainability initiatives.

Tim Murphy
Chief Financial Officer

Board meetings present:	6/6
Tenure:	11 years
Independent:	No

Skills, relevant experience and contribution to long-term success
Tim Murphy, BA (Hons) FCA, joined the Group in 1994 and became Finance Director of the Company in 2012, and subsequently Chief Financial Officer in 2022. He is responsible for the financial statements, financial reporting, treasury and taxation. Before joining Helical, Tim worked at the financial and professional services firm, Grant Thornton.

Tim is a highly experienced financial practitioner with significant sector knowledge, both technical and commercial.

Tim is experienced in working with boards and management teams in respect of financial and commercial management, reporting, and risk and control frameworks. These experiences make Tim particularly well-placed to contribute to the Group's broader strategic agenda and further the sustainable success of the business.

Sue Clayton
Senior Independent Director, Chair of the Property Valuations Committee and designated Non-Executive Director for workforce engagement

Board meetings present:	6/6
Tenure:	8 years
Independent:	Yes

Skills, relevant experience and contribution to long-term success
Sue Clayton, FRICS, was appointed to the Board as a Non-Executive Director in February 2016. She is Chair of the Property Valuations Committee and a member of the Nominations Committee, the Audit and Risk Committee and the Remuneration Committee. Sue's appointment as the Group's Senior Independent Director on 14 July 2022 is underpinned by her extensive board experience and understanding of stakeholder interests.

In 2019, the Board appointed Sue as the designated Non-Executive Director for workforce engagement and she offers a direct engagement channel to members of the workforce throughout the year. Our workforce are key to our strategy and long-term sustainable success and Sue's role thus contributes to the strategic aims of the Group (see also our report on Helical's workforce engagement initiatives at pages 98 to 99).

Sue has over 30 years of experience in UK investment markets. She is a former Managing Director of CBRE's Capital Markets Team and has sat on the CBRE UK Management and Executive Boards. She also held the position of Employee Director on the CBRE Group Inc. Board. Sue started her career as a graduate with Richard Ellis (now CBRE) and worked in Valuation and Fund Management before moving into Investment Agency.

Sue is a Fellow of the Royal Institution of Chartered Surveyors and her extensive commercial experience in the property industry and knowledge of the UK property market render her a highly valuable contributor to the Group's strategy. It is also through her skills and experience in the field of property valuation that she provides a significant contribution to the effectiveness of the Group's governance structure, especially with respect to the work of the Property Valuations Committee.

Other external appointments
- Board Member of the Committee of Management of Federated Hermes Property Unit Trust.
- Non-Executive Director of SEGRO plc.

Joe Lister
Non-Executive Director and Chair of the Audit and Risk Committee

Board meetings present:	6/6
Tenure:	5 years
Independent:	Yes

Skills, relevant experience and contribution to long-term success
Joe Lister was appointed to the Board in September 2018. In addition to being Chair of the Audit and Risk Committee, Joe is a member of both the Nominations Committee and the Remuneration Committee.

Joe assumed the role of Chief Executive Officer of The Unite Group plc ("Unite") in January 2024. Prior to this, Joe was the company's Chief Financial Officer, a position he had held since January 2008. Prior to joining Unite in 2002, Joe qualified as a Chartered Accountant with PricewaterhouseCoopers.

Joe is a key contributor in all aspects of the Group's strategy, and he brings a wealth of experience and insight into the effect that strategic changes might have on the property sector and consequently, the long-term success of the business. He has a strong financial background, having qualified as a chartered accountant, and is highly knowledgeable and experienced in risk management in the property sector. His background therefore enables him to effectively perform the role of Chair of the Audit and Risk Committee at Helical. Furthermore, he is an experienced listed company director and contributes helpful insights on shareholder relations offering differing perspectives gained through his experience as a member of the executive management team at The Unite Group plc.

Joe is retiring from the Board at the 2024 AGM and you can find his last report as Chair of the Audit and Risk Committee at pages 118 to 121.

Other external appointments
- Chief Executive Officer, Unite Group plc.

Sue Farr
Non-Executive Director, Chair of the Remuneration Committee and designated Non-Executive Director for ESG & Sustainability

Board meetings present:	6/6
Tenure:	4 years
Independent:	Yes

Skills, relevant experience and contribution to long-term success
Sue Farr is the Chair of the Remuneration Committee and has served on the boards of a diverse range of companies and has experience on other remuneration committees, both as a member and chair. Her effectiveness as Chair is bolstered by her understanding of employee and wider business perspectives, as well as her ability to consider the consequences of remuneration decisions.
She is also a member of the Audit and Risk and Nominations Committees.

In May 2021, the Board appointed Sue as the designated Non-Executive Director for ESG & Sustainability and she plays a key role in monitoring Helical's Culture and ensuring its alignment with Company strategy to support the long-term sustainable success of the business.

Sue contributes considerable knowledge, skill and experience to the Board and its Committees, particularly in the areas of marketing, branding and consumer issues, which are key areas of focus for the Board and important for the continued success of our business.

Sue is a former Chair of both the Marketing Society and the Marketing Group of Great Britain. In 2003, she joined the Chime Group, where she was Chair of the Advertising and Marketing Services Division and Strategic and Business Development Director until 2015, and served as a Special Advisor to their Board until July 2020. Prior to joining the Chime Group, Sue served as Marketing Director of the BBC for seven years, Director of Corporate Affairs at Thames Television for three years and Director of Corporate Communications at Vauxhall Motors. Sue has also served as a Non-Executive Director for British American Tobacco plc, Millennium & Copthorne Hotels plc, New Look plc, Accsys Technologies plc, Lookers plc, Unlimited Marketing Group Ltd, DNEG Limited, Dairy Crest plc, Dolphin Capital Partners and Historic Royal Palaces.

Other external appointments
- Senior Independent Director, THG PLC.
- Non-Executive Director, Ebiquity plc (from 1 April 2024).

Amanda Aldridge
Non-Executive Director and Chair of the Audit and Risk Committee Designate

Board meetings present:	n/a[1]
Tenure:	n/a
Independent:	Yes

Skills, relevant experience and contribution to long-term success
Amanda Aldridge was appointed to the Board in April 2024.

Having spent 33 years at KPMG, Amanda has garnered extensive experience in the fields of audit, governance and capital markets. She was a KPMG partner for 20 years, holding numerous positions and was latterly the Head of Intellectual Property & Contract Governance in the firm's Risk Consulting Division.

Over the last six years, Amanda has served as a Non-Executive Director on several quoted and unquoted company boards, and is an experienced audit and risk committee chair. Through her directorships, she has also gained considerable experience in the property sector.

Amanda qualified as a Chartered Accountant in 1987 and is a Fellow of the Institute of Chartered Accountants in England and Wales. She is also an active member of the Institute's Corporate Governance, Sustainability & Climate Change and Construction & Real Estate Communities.

Amanda's strong financial background, combined with her knowledge and experience in risk management across a variety of sectors, including property, will be highly valuable to the Board and contribute to the long-term success of the business.

Subject to Amanda's re-election at the 2024 AGM, it is intended that she will succeed Joe Lister to become Chair of the Audit and Risk Committee following the conclusion of the AGM.

Other external appointments
- Non-Executive Director, Impact Healthcare REIT plc.
- Non-Executive Director, The Brunner Investment Trust plc.
- Non-Executive Director, Staffline Group plc.
- Non-Executive Director, The Low Carbon Contracts Company Limited.

1 Joined 1 April 2024.

Robert Fowlds
Non-Executive Director

Board meetings present:	2/2[2]
Tenure:	<1 year
Independent:	Yes

Skills, relevant experience and contribution to long-term success
Robert Fowlds was appointed to the Board in February 2024.

Robert has over 40 years' experience in real estate. He was head of real estate investment banking at J.P. Morgan Cazenove until 2015, advising on numerous capital markets and M&A transactions. Prior to working in corporate finance, Robert was Managing Director and Co-Head of the Pan-European real estate sector equity analyst team at Merrill Lynch, and previously a member of the team at Kleinwort Benson. Robert is a chartered surveyor and spent his early career specialising in investment and development.

Robert's financial knowledge and background in the real estate industry, as well as his experience as a non-executive director in the listed sector, strengthens the overall expertise of the Board and contributes to the long-term success of the business.

Other external appointments
- Member of the Supervisory Board, Klepierre S.A.
- Non-Executive Director, LondonMetric Property plc.

2 Joined February 2024.

James Moss
Chief Operating Officer and Company Secretary

Board meetings present:	6/6
Tenure:	9 years

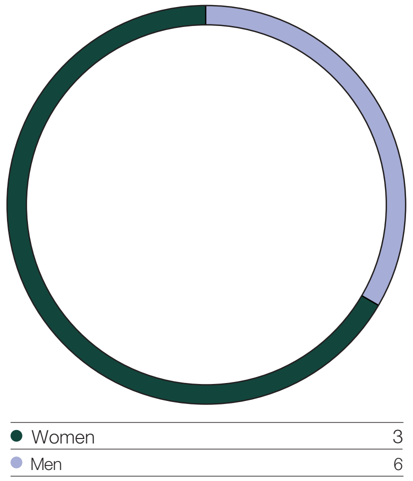
Skills, relevant experience and contribution to long-term success
James Moss, MChem (Hons) (Oxon) FCA, joined Helical in September 2014 as Group Financial Controller and was appointed Company Secretary in May 2015 and to the Executive Committee in March 2018. He was subsequently appointed Chief Operating Officer in May 2022.

James has a broad range of responsibilities, contributing to setting and delivering Helical's strategy and ensuring its operational and financial effectiveness.

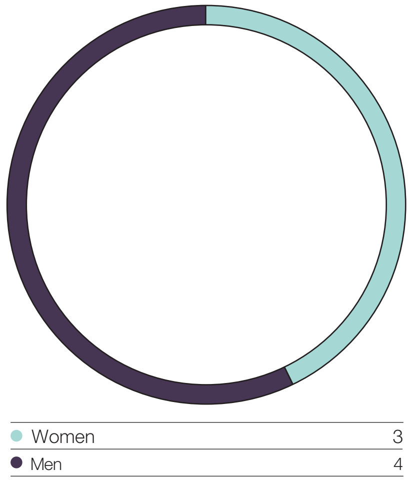
As Group Company Secretary, he is responsible for corporate governance and Board administration matters.

James was previously at Grant Thornton, where he was responsible for leading audit and other assurance assignments in their real estate division.

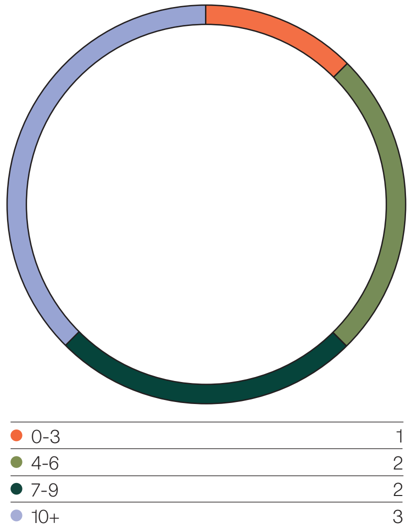
Gender diversity as at 31 March 2024



Gender diversity as at 17 July 2024 (post 2024 AGM)



Board tenure as at 31 March 2024



Corporate Governance at Helical

Corporate Governance Report structure

We have structured our Corporate Governance Report to reflect the five pillars of the Code:

Statement of compliance with the UK Corporate Governance Code 2018

For the year to 31 March 2024 the Group has applied the Principles of the UK Corporate Governance Code 2018 (the "Code") and has complied with all relevant Provisions of the Code throughout the accounting period.

The Code, along with the Financial Reporting Council's 2018 Guidance on Board Effectiveness, has informed the Group's governance practices, particularly with respect to the Board's effectiveness and decision making, and has contributed to the delivery of strategy.

In January 2024, the FRC published its revised version of the Code ("2024 Code") and corresponding guidance and Helical is dedicated to achieving full compliance with the 2024 Code in accordance with the FRC's stipulated timelines. We shall be reporting against the 2024 Code in next year's Annual Report.

Underpinning Helical's business model is a commitment to robust corporate governance – a component that is essential for achieving the Group's objective of long-term value creation for stakeholders. Corporate governance plays an important role in the strategic management of our business and it is through the alignment of stakeholder interests with management actions that Helical's direction and performance are determined. The Board applies the overarching principles of good corporate governance: Fairness, Accountability, Responsibility and Transparency when formulating and delivering its strategy. These principles underpin the Board's activities including, but not limited to, the oversight of financial reporting and auditing, remuneration of senior executives, stakeholder relations and communications, risk management and internal control, ethics, ESG and sustainability. The application of these principles of good corporate governance supports the Board in the effective promotion of the long-term success of the Group.

I BOARD LEADERSHIP AND COMPANY PURPOSE

The Board appreciates the Group's broader role in society and the need to engage with all those affected by its endeavours. The Directors prioritise their duty to promote the success of Helical whilst having regard to all its stakeholders and contributing to wider society. Helical's stakeholders are clearly defined and the Board actively engages with each of these groups on a regular basis (for more information on how this is demonstrated in practice, see pages 94 to 99). How the Board members discharged their statutory s172(1) Duties when making Principal Decisions is described on pages 90 to 91.

The Board and its Committees review workforce policies and procedures on an annual basis and more frequently if required. As part of the annual review process, the Board considers each policy and procedure in the context of desired behaviours and practices and ensures that they remain aligned to Helical's Culture and support long-term sustainability and success (see also pages 92 to 94 of the Strategic Report). For example, the Remuneration Committee takes the pay policies and practices of the wider workforce into consideration when determining the remuneration packages of the Executive Directors. For more information on this, please see the Directors' Remuneration Report on pages 122 to 141. The Helical Purpose and Values are also taken into account when setting the Group's Remuneration Policy and structure. Details of this can be found in the Directors' Remuneration Report on pages 128 to 129.

As part of its leadership responsibilities, the Board continually monitors the Culture of the business and during the reporting period, our designated Non-Executive Director for workforce engagement, Sue Clayton, helped to further embed the Group's Culture through information sharing and engagement between the Board and the workforce. During the reporting period, the Board renewed its approval of the terms of reference for the role of the designated Non-Executive Director for workforce engagement and this document serves to reinforce the Board's emphasis on the importance of effective workforce engagement with the workforce. For more information on Sue's role in enabling the Board to monitor the Group's Culture and in ensuring that the Culture is reflected in decision making, please see pages 98 to 99.

Helical's Culture and Values are reinforced through the Group's Supplier Code of Conduct along with various other policies and procedures including share dealing, whistleblowing, security of data, human rights and anti-bribery and corruption measures. In terms of engaging with external stakeholders, the Group publishes certain key policies on its website (https://www.helical.co.uk/investors/governance/governance-policies/). All Group policies and procedures have been implemented with the objective of supporting the long-term sustainable success of the business. For further details on Helical's Purpose, Values and Culture and how they link to Group strategy, please see pages 92 to 94.

The ability of our employees to speak freely and openly is an important characteristic of Helical's ethos. Helical's Whistleblowing Policy enables all members of the workforce to raise concerns about malpractice or misconduct, in confidence, to either the CEO, Company Secretary, Chairman or Senior Independent Director. Whistleblowing is a matter reserved for the Board and any whistleblowing issue raised, as well as any outcome of subsequent investigations, will be notified to the Board. Further methods used by the Board to engage with the workforce and other stakeholders are detailed at pages 94 to 99.

As well as being linked to the Culture, the Purpose and Values flow through to other policies, practices and behaviours in the business. For example, the Value of working sustainably underpins the Group's strategy and more detail on this can be found in the Sustainability section on pages 60 to 87.

As confirmed in the Group's most recent internal Board Performance Review (for more information on the 2023/24 internal Board Performance Review, please see the Nominations Committee Report on pages 116 to 117), the Board of Directors collectively have the skills and experience required to deliver effective leadership of the Group. They demonstrate focus and interest in generating Shareholder value and in supporting the interests of the Group's stakeholders, whilst also contributing to the wider society.

The Directors' range of backgrounds and expertise ensure that the Group's leadership is effective and balanced (see pages 102 to 104 for details).

Annual Board strategy session

The Group's core activities are performed within the governance and strategic framework set by the Board. However, Helical's strategy is continually overseen by the Board throughout the year, and reviewed as necessary. For example, changes to strategy may be implemented in the event of significant changes to market conditions or to align the Group's objectives with the interests of its stakeholders.

In September 2023, the Board met for its annual strategy session at which all the Directors were in attendance. The annual meeting provides a forum, outside the quarterly Board meetings, for the Board members to come together to focus their discussions on strategy, drawing upon the breadth of experience and insights of the Non-Executive Directors.

The Directors were provided with reading materials in advance of the session to allow for prior consideration of the agenda items.

At the outset of the meeting, Panmure Gordon gave a presentation on the economic outlook, and this was followed by a presentation from Deutsche Numis on the UK Equities Market and strategic options for Helical. In response to feedback received from our Shareholders, Deutsche Numis were invited to represent our Shareholders and ensure that their interests were at the forefront of discussions.

At the meeting, the Directors focused their discussions on the geopolitical and economic climate, the London real estate market, sustainability and the environment, and the interests of Shareholders and other stakeholders. Having considered these factors, the Directors carefully deliberated and agreed upon the key strategic options that would be incorporated into the Group's strategy for the forthcoming year.

I BOARD LEADERSHIP AND COMPANY PURPOSE

Effectiveness

Matters considered by the Board in 2023/24

CORPORATE RESPONSIBILITY

- Receipt of reports from the Sustainability Committee to assess the Group's approach to sustainability and promote its future strategy with objectives;
- Review and consideration of the Group's progress towards becoming a net zero carbon business by 2030 through our Net Zero Carbon Pathway; and
- Approval of the Group's Human Rights and Sustainability Policies.

STRATEGY

- Review of corporate objectives;
- Review of market trends, opportunities and risks;
- Annual off-site Board meeting focused on strategy; and
- Receipt of regular strategy updates.

PROPERTY TRANSACTIONS AND OPERATIONS

- Approval of material property transactions and opportunities; and
- Review of independent valuations of properties.

FINANCIAL AND OPERATIONAL PERFORMANCE

- Approval of the Group's full year and half year results;
- Review of the capital and debt structure;
- Assessment of viability and going concern, including sensitivity analysis;
- Receipt of regular reports from the Chief Executive and the Chief Financial Officer;
- Approval of major capital and operating expenditure proposals;
- Review of the dividend policy and recommendation of the 2023 final dividend and approval of the 2024 interim dividend;
- Receipt of presentations from senior management from across the business and consideration of reports on matters of material importance to the Group;
- Receipt and consideration of the annual IT report from the Group's external IT consultants;
- Approval of the Group budget; and
- Review of financing proposals.

GOVERNANCE AND RISK

- Quarterly review of the Group's health and safety performance;
- Oversight of the Group's Health & Safety Policy;
- Monitoring of performance and continued development of health and safety risk mitigation through the Group Health and Safety Committee;
- Review of risk strategy and risk appetite and reaffirming the Group's Risk Framework;
- Financial crime risks and mitigation;
- Bi-annual review of principal and emerging risks facing the Group;
- Continued consideration of cyber security and mitigation of cyber risks;
- Continued consideration of the implications of geopolitical instability, as well as other matters of global macro significance, and mitigating strategies;
- Internal control system review, including review of external verification of controls;
- Receipt of regular reports and updates on governance matters;
- Continuous review of UK Corporate Governance legislation and guidance – 2018 UK Corporate Governance Code, FRC's Guidance on Board Effectiveness and The Companies (Miscellaneous Reporting) Regulations 2018;
- Review of its governance processes, e.g. meeting frequency and timeliness of Board papers;
- Participation in the internally facilitated Board evaluation;
- Annual review and approval of Group policies and procedures, role descriptions, the Schedule of Matters Reserved for the Board and Committee terms of reference;
- Review and approval of the Group Human Rights Policy; and
- Review and approval of the annual Modern Slavery Statement.

PEOPLE

- Crystallisation of Chief Executive Officer succession plan, leading to appointment of new Chief Executive Officer;
- Search and appointment of two new Non-Executive Directors;
- Review of succession and talent management processes within the Group;
- Receipt of feedback from the designated Non-Executive Director regarding the employee engagement initiatives and consideration of issues raised;
- Review and approval of annual bonus calculations and Performance Share Plan awards;
- Review of staff engagement mechanisms including oversight of Group whistleblowing procedures;
- Executive and Non-Executive development and succession planning;
- Evaluation of the Board's effectiveness; and
- Engagement with the Group's stakeholders and consideration of their interests when making Board decisions (please see pages 88 to 99).

II DIVISION OF RESPONSIBILITIES

The Helical Board is suitably balanced, with the majority of its members (excluding the Chairman) being independent Non-Executive Directors.

The Non-Executive Directors are responsible for constructively challenging and helping to develop proposals on strategy. They are also responsible for applying independent and objective judgement and scrutiny to all matters before the Board and its Committees. Throughout the reporting period, the Non-Executive Directors have received information from Lazard & Co., Peel Hunt and Deutsche Numis to help enhance their understanding of the market and the views of Helical's major Shareholders.

The Board is satisfied that all the Directors are able to allocate sufficient time to the Company to discharge their responsibilities effectively. Upon appointment, the Non-Executive Directors are also required to inform the Chairman of their external appointments prior to their acceptance of a role on the Board. In addition, the Chairman's time commitments are subject to review by the Senior Independent Director, in conjunction with the other Non-Executive Directors. The Board reviews the Conflict of Interest Register at each Board meeting. For details of the Directors' current external commitments, please see Board of Directors section on pages 102 to 104.

There is a clear division of responsibilities between the running of the Board and the Executive Directors' responsibility for running the business. An honest and open culture exists between the Executive and Non-Executive Directors, enabling the Non-Executives to provide constructive challenge and give specialist advice and guidance on strategy. This open forum extends beyond the boardroom and can be evidenced by the Board's usage of an instant messaging platform to share real time, key business updates.

The Executive Committee, led by the Chief Executive, is responsible for ensuring the Group's strategy is communicated and implemented. It is comprised of the three Executive Directors, one Senior Property Executive and the Chief Operating Officer and usually meets monthly, or more frequently if required. Given the size of the organisation, the importance of succession planning within the executive team is a key area of focus for the Board. Further details on succession planning can be read in the Nominations Committee Report on pages 112 to 117.

Chairman and Chief Executive

The positions of Chairman and Chief Executive are held separately, and their roles and responsibilities are clearly established, set out in writing and agreed by the Board. The Chairman is responsible for the leadership of the Board and ensuring its effectiveness. The Chief Executive is responsible for the leadership of the business and managing it within the authorities delegated by the Board. Alongside boardroom discussions, the Chairman maintains contact with the Non-Executive Directors by telephone and, at least annually, will invite only the Non-Executive Directors to attend a meeting to discuss Group matters.

Throughout the year, the Chairman has continued to directly engage with our Shareholders, making himself available for meetings at their request. This direct form of engagement supplements the planned investor relations programme undertaken each year (see page 111 for details). Any feedback from the Chairman's interactions with Shareholders is reported directly to the Board. The Directors strive to maintain effective corporate leadership by integrating stakeholder engagement with the accepted core functions of the Board. For more details on how the Board discharges this key responsibility of engagement, please see pages 94 to 99.

Senior Independent Director

The Senior Independent Director ("SID") has acted, and continues to act, as a sounding board for the Chairman and as an intermediary for the other Directors and Shareholders. The SID is available to Shareholders for meetings or to discuss any concerns which have not been resolved through, or would be inappropriate to resolve through, the normal channels of communication with the Chairman, Chief Executive or other Directors.

The annual appraisal of the Chairman's performance was conducted by Sue Clayton, SID, as part of the 2023/24 internal Board Performance Review (for further details, please see pages 116 to 117).

Designated Non-Executive Director for workforce engagement

Sue Clayton was appointed to the role of designated Non-Executive Director for workforce engagement in 2019 and her role is key to facilitating meaningful engagement between the Board and the wider workforce and ensuring that the interests of the Helical employees are considered in Board discussions and decision making. For more information on this role at Helical, please see pages 98 and 99 of the Strategic Report.

The detailed roles of the Chairman, CEO, SID and designated Non-Executive Director for workforce engagement are available on our website: https://www.helical.co.uk/investors/governance/governance-policies/.

Company Secretary

Our Company Secretary plays a leading role in the Group's governance structure. Under the direction of the Chairman, the Company Secretary's responsibilities include:

- Advising the Board on all regulatory and corporate governance matters;
- Ensuring good information flows to the Board and its Committees, and between the Executive Committee and the Non-Executive Directors;
- Maintaining a record of attendance at Board meetings and Committee meetings; and
- Assisting the Chairman in ensuring that the Directors have suitably tailored and detailed induction and ongoing training and professional development programmes.

Information and professional development

The Chairman, with support from the Company Secretary, is responsible for ensuring that the Directors receive clear and accurate information in a timely manner. Throughout their Board tenure, the Directors are encouraged to develop their knowledge of the Group through property tours, meetings with stakeholders and consultations with members of senior management. The Board is also kept appraised of all relevant updates with respect to relevant legislative and regulatory requirements and all corporate governance matters. All Directors have access to the services and advice of the Company Secretary.

Board meetings during the reporting period

Regular Board meetings are scheduled each year and the Directors allocate sufficient time to the Company to discharge their responsibilities effectively, with the Non-Executives in particular providing constructive challenge and strategic guidance and offering specialist insight and advice based on their experience (see pages 102 to 104 for the diverse skill set of the Board, which provides for balanced and effective leadership of the Group). During the year ended 31 March 2024, six scheduled Board meetings were held.

The Board also held its annual strategy event in September 2023, at which the Directors participated in focused discussions on the Group's strategy. The strategy event was structured to facilitate formal discussions during the day followed by more informal discussion in the evening (see also page 107 for further details).

Board attendance at scheduled meetings

Board meetings – 1 April 2023 to 31 March 2024	Attendance
Richard Cotton, Non-Executive Chairman	6/6
Gerald Kaye, Chief Executive Officer	6/6
Sue Clayton, Senior Independent Director	6/6
Joe Lister, Non-Executive Director	6/6
Sue Farr, Non-Executive Director	6/6
Tim Murphy, Chief Financial Officer	6/6
Matthew Bonning-Snook, Chief Executive Officer Designate	6/6
Robert Fowlds, Non-Executive Director	2/2 (Joined February 2024)
Amanda Aldridge, Non-Executive Director	n/a (Joined April 2024)

Board

The Board's main responsibilities include, but are not limited to:

- Providing overall leadership of the Group and setting its long-term strategic aims;
- Establishing and monitoring the Group's Purpose, Values and Culture, to ensure that these are aligned with the Group's strategic aims and objectives;
- Approving changes to the Group's capital, corporate and governance structures;
- Reviewing management and operational performance, including health and safety;
- Oversight and approval of the Group's financial reporting;
- Approving the risk appetite of the Group and ensuring the maintenance of a robust system of controls and risk management;
- Review of the adequacy and security of the Group's arrangements for its workforce to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters;
- Approving major capital projects, investments and divestments above limits of authority delegated by the Board;
- Approving resolutions and corresponding documentation to be put to Shareholders at General Meetings, circulars and listing particulars;
- Ensuring satisfactory dialogue, and approving all formal communications with Shareholders;
- Ensuring effective engagement with, and encouraging participation from, the Group's stakeholders;
- Approval of Group policies and procedures covering a wide range of matters such as health and safety, corporate social responsibility and the environment; and
- Oversight of all corporate governance matters.

Board members

- Richard Cotton (Non-Executive Chairman)
- Gerald Kaye (Chief Executive Officer)
- Sue Clayton (Senior Independent Director)
- Joe Lister (Independent Non-Executive Director)
- Sue Farr (Independent Non-Executive Director)
- Robert Fowlds (Independent Non-Executive Director)
- Amanda Aldridge (Independent Non-Executive Director)
- Tim Murphy (Chief Financial Officer)
- Matthew Bonning-Snook (Chief Executive Officer Designate)

Secretary

- Secretary to the Board: James Moss

Please also see the Schedule of Matters reserved for the Board, available to download at https://www.helical.co.uk/investors/governance/governance-policies/

Committees

Nominations Committee

Ensures there is a formal, rigorous and transparent procedure for the appointment and induction of new Directors to the Board, leads the process for Board appointments and succession planning (including the development of a diverse succession pipeline) and supports the annual Board evaluation process.

Committee members:

- Richard Cotton (Chair), Independent Non-Executive Chair
- Sue Clayton, Senior Independent Director
- Joe Lister, Independent Non-Executive Director
- Sue Farr, Independent Non-Executive Director
- Robert Fowlds, Independent Non-Executive Director
- Amanda Aldridge, Independent Non-Executive Director

Please also see Report of the Nominations Committee on pages 112 to 117.

Executive Committee

Assists the Chief Executive Officer in the performance of his duties and ensures that the Group's strategy is implemented, subject to the limitations of authority set out in the Schedule of Matters Reserved for the Board.

Committee members:

- Gerald Kaye (Chair), Chief Executive Officer
- Tim Murphy, Chief Financial Officer
- Matthew Bonning-Snook, Chief Executive Officer Designate
- James Moss, Chief Operating Officer
- Rob Sims, Senior Property Executive

Health and Safety Committee

Oversees and drives improved performance in the strategies, policies and working practices of the Group in relation to health and safety.

Committee members:

- Gerald Kaye (Chair), Chief Executive Officer
- Matthew Bonning-Snook, Chief Executive Officer Designate
- Elliott Saunders, Senior Development Executive
- Matt Redgrove, Development Executive
- John Inwood, Head of Asset Management
- Lois Robertson, Operations Manager

Audit and Risk Committee

Assists the Board in fulfilling its oversight responsibilities by reviewing and monitoring: the integrity of financial information provided to Shareholders; the Group's system of internal controls and risk management; the external audit process and Auditors; and the processes for compliance with laws, regulations and ethical codes of practice.

Committee members:

- Joe Lister (Chair), Independent Non-Executive Director
- Sue Clayton, Senior Independent Director
- Sue Farr, Independent Non-Executive Director
- Robert Fowlds, Independent Non-Executive Director
- Amanda Aldridge (Chair Designate), Independent Non-Executive Director

Please also see Report of the Audit and Risk Committee on pages 118 to 121.

Property Valuations Committee

Reviews the valuations of the Company's property portfolio and reports to the Audit and Risk Committee on its findings.

Committee members:

- Sue Clayton (Chair), Senior Independent Director
- Gerald Kaye, Chief Executive Officer
- Matthew Bonning-Snook, Chief Executive Officer Designate
- Rob Sims, Senior Property Executive

Please also see Report of the Audit and Risk Committee on pages 118 to 121.

Remuneration Committee

Assists the Board in fulfilling its responsibility to Shareholders to ensure that the Remuneration Policy and practices of the Group reward fairly and responsibly, with a clear link to corporate and individual performance, having regard to statutory and regulatory requirements.

Committee members:

- Sue Farr (Chair), Independent Non-Executive Director
- Sue Clayton, Senior Independent Director
- Richard Cotton, Independent Non-Executive Chair
- Joe Lister, Independent Non-Executive Director
- Robert Fowlds, Independent Non-Executive Director
- Amanda Aldridge, Independent Non-Executive Director

Please also see Report of the Remuneration Committee on pages 122 to 141.

Sustainability Committee

Assists the Board in setting and monitoring the Company's sustainability strategy, policies, targets and performance.

Committee members:

- Matthew Bonning-Snook (Chair), Chief Executive Officer Designate
- Laura Beaumont, Head of Sustainability
- John Inwood, Head of Asset Management
- Lois Robertson, Operations Manager
- Elliott Saunders, Senior Development Executive
- Matt Redgrove, Development Executive

For further details on the Group's sustainability initiatives, please see pages 60 to 87.

Key investor relations activities

2023	
April	Trading Update
May	Annual results announcement and analysts' presentation for the full year to 31 March 2023
May/June	Investor Roadshow presentations
July	Trading Update
	Annual General Meeting
October	Trading Update
November	Results announcement and analysts' presentation for the half year to 30 September 2023
November/December	Investor Roadshow presentations

2024	
April	Trading Update

Annual General Meeting

For details of the resolutions passed at the 2023 Annual General Meeting and the voting results, please visit our website: https://www.helical.co.uk/investors/agm-gms/

Fair, balanced and understandable – the Board's responsibility

The Code requires the Board to ensure that, taken as a whole, the Annual Report and Accounts present a fair, balanced and understandable assessment of the Group's position and prospects. In reviewing the Annual Report and Accounts, the Audit and Risk Committee considered the points set out in its report on pages 120 to 121. After such a review, the Audit and Risk Committee reported its findings to the Board. For the Directors' statement in this regard, please see page 144.

III COMPOSITION, SUCCESSION AND EVALUATION

Nominations Committee

Richard Cotton
Chair of the Nominations Committee

Committee membership and attendance ● Attended ○ Absent

	Independent	Committee meeting attendance
Richard Cotton (Chair)	Yes	●●
Sue Clayton	Yes	●●
Sue Farr	Yes	●●
Joe Lister	Yes	●●
Robert Fowlds	Yes	●*
Amanda Aldridge	Yes	n/a**

* Robert did not attend the February 2024 meeting at which his appointment was approved.
** Amanda did not join the Committee until 1 April 2024.

The Company Secretary acts as secretary to the Committee.

The Committee's terms of reference are available to download at: https://www.helical.co.uk/investors/governance/governance-policies/

Key areas of focus during 2023/24

- Further informal interactions between the Non-Executive Directors and the wider Helical team.
- Incremental improvements to the Board's annual strategy meeting.
- Ratification of CEO succession plans.
- Appointment and induction of two new Non-Executive Directors.
- Review of succession plans for the Board and senior management.
- Internal Board Effectiveness Review conducted at the beginning of 2024.
- Focus on diversity throughout all levels of the organisation.

Dear Shareholder,

As Chair of the Nominations Committee I am pleased to share details of the Committee's activities and achievements over the course of the year.

The Committee met twice over the year and spent a significant proportion of its time considering the composition of the Board and its Committees which culminated in the selection of our Chief Executive Officer Designate and the appointment of two new Non-Executive Directors. Succession planning for the other members of our Board and senior management and the Group's progression against the FCA's diversity and inclusion targets (see pages 114 to 115) were also afforded significant attention over the period. In addition, the Committee oversaw the 2024 Board Effectiveness Review which was conducted internally.

Succession

The Committee is responsible for making appointments to the Board and ensures that plans have been created to enable orderly succession to the Board, its Committees and the senior management team. In formulating succession plans, the Committee is cognisant of the need to develop a diverse pipeline of candidates, particularly with regard to gender and social and ethnic backgrounds, in order to equip the Group with the necessary skills and expertise it requires to drive long-term value creation and support its strategic aims. The Group's Diversity and Inclusion Policy informs succession planning at all levels of the business (for the full Policy, please see https://www.helical.co.uk/investors/governance/governance-policies/).

During the year, as part of the 2023/24 internal Board Performance Review (see also Board Performance Review section below), the current skills and expertise of the Board members were assessed, with consideration being given to whether the skills and expertise were sufficient and broad enough to ensure the effective operation of the Board. The review of the Directors' skill sets helped to identify gaps which will be used to inform the Committee when appointing future Board members. The Committee will continue to monitor the skills and capabilities, and length of tenure of Board members, recommending further appointments as necessary (see also Director independence and effectiveness section on page 116). For details of our Directors' skills and capabilities and how they contribute to the Group's long-term success, please see pages 102 to 104.

Succession planning for key positions at Executive Management level (below Board) is primarily overseen by the full Board, with support provided by the Committee in respect of particular initiatives. The Committee reviews the suitability of the Group's succession plans below Board level at least once a year, as part of its annual strategic review. The Executive Management team has a key role to play in our strategic planning process, in the ongoing development of our talent pipeline and in fostering the culture and values required to continue to deliver on our strategy.

Our employees' passion, commitment and expertise are key to delivering our strategy and fulfilling our Purpose. The Committee supports the development of Helical's internal talent and recognises the importance of continuing to invest in and develop our people in order to help accelerate our growth and future success.

Given the size of the Group, whilst it is always the Committee's aim to nurture and promote existing talent when recruiting for senior leadership and Board roles, the Group may also utilise the expertise of external search consultants to ensure that the best possible range of diverse candidates is considered.

CEO succession

Helical's succession plans are kept under constant review by the Nominations Committee and this year we were able to swiftly activate the CEO succession plans we had in place.

During the period, the Committee conducted a scheduled review of the succession arrangements for the Executive Directors and senior management. The review considered the skills and strengths of all potential internal candidates for Board succession, and highlighted any training requirements. The process was designed to ensure that appropriate opportunities are in place to develop high performing individuals and enable proactive planning for succession in the executive team and across all levels of the business. The review reconfirmed the potential successors for Executive Directors in the short and long term and took gender and ethnic diversity into account.

The Committee was subsequently required to invoke Helical's CEO succession arrangements when our CEO, Gerald Kaye, reached his decision to step down from the Board. At this point, the Nominations Committee, with reference to the results of the externally supported review conducted earlier in the year and in consultation with Sam Allen Associates, approved the activation of the agreed succession plan, whereby Matthew Bonning-Snook would succeed Gerald Kaye following the conclusion of the 2024 Annual General Meeting ("AGM"). Sam Allen Associates has qualified as an Enhanced Code Accredited Firm with respect to the Voluntary Code of Conduct for Executive Search Firms and has no other connection to Helical or its Directors other than in a recruitment services capacity.

By virtue of our considered, robust CEO succession plan, combined with an effective governance framework, we will be able to swiftly begin Matthew's transition to CEO. Over the course of the forthcoming year, the Board will support Matthew's development as he transitions into the important CEO role, upholding its commitment to oversight of Helical's Purpose and Culture. For more information on the Board's oversight of Purpose, please see page 92. As mentioned on pages 100 to 101, the Board is immensely grateful to Gerald for his significant commitment and contribution to Helical over the last 30 years and is fortunate enough to benefit from his wise counsel for the foreseeable future in his capacity as a consultant to the Group.

I am proud to say that throughout this period of significant change, the Committee has maintained a constructive and productive relationship with the Executive Management team.

Non-Executive Director succession

Over the past year, the Committee has also placed significant focus on Non-Executive Director succession, conducting extensive search processes resulting in the appointment of two new independent Non-Executive Directors, Amanda Aldridge and Robert Fowlds.

Before commencing the Non-Executive Director search process, the Committee considered the known and anticipated Board retirements and the impact of these on the overall skills and expertise on the Board. These were mapped against the key areas of strategic importance to the business to ensure the Board had the appropriate balance of skills and experience to deliver Helical's strategy, whilst also taking diversity considerations into account. With the departure of Joe Lister in July 2024, it was determined essential for the Committee to identify a new Board member who possessed recent and relevant financial experience and could assume the role of Chair of the Audit and Risk Committee.

In searching for a new Chair of the Group Audit and Risk, the Committee focused on established professionals in the fields of finance and risk management, with a deep understanding of the governance standards applicable to quoted UK businesses, and the existing experience of the continuing Non-Executive Directors, who had capacity to serve as Chair of the Audit and Risk Committee. The Committee agreed that, given the nature of the business, individuals with real estate experience would be preferable but not essential. Taking into account the agreed specifications, the Committee engaged external search consultancy MWM Consulting to conduct a formal, transparent and rigorous recruitment process for the role. MWM Consulting has qualified as an Enhanced Code Accredited Firm with respect to the Voluntary Code of Conduct for Executive Search Firms and has no connection to Helical other than in respect of the appointment. In line with the objectives of the Board's Diversity Policy, the Committee asked MWM Consulting to ensure that the list of candidates reflected diversity of gender, ethnicity, geography and age as well as diversity in its broadest sense. You can read more about the Board Diversity Policy and diversity across Helical on pages 114 to 115.

As Chair of the Committee, I worked closely with MWM Consulting to develop the candidate list, with the Committee then considering the candidate profiles in detail, including their current commitments, skills and previous experience. I met with all shortlisted candidates and provided my feedback to the Committee. All the existing Non-Executive Directors met with the preferred candidates. Ultimately, following prudent consideration, the Committee unanimously agreed to recommend that the Board approved the appointment of Amanda based on the knowledge, skill and experience she could contribute to the Board and its Committees.

Robert was initially identified as a potential Board candidate and the Committee unanimously agreed that his financial knowledge and background in the real estate industry, as well as his experience as a Non-Executive Director in the listed sector would render him a valuable asset to the Board. The Committee instructed MWM Consulting to conduct an independent review of Robert's candidacy to ensure that his appointment process accorded with Principle J of the UK Corporate Governance Code (the "Code") and would strengthen the overall expertise of the Board and contribute to the long-term success of the business.

Neither Amanda nor Robert have any direct connection to MWM Consulting, other than in a recruitment services capacity.

The search process culminated in the appointments of Robert Fowlds and Amanda Aldridge as Non-Executive Directors with effect from 8 February 2024 and 1 April 2024 respectively. You can read about their induction process below.

In conducting the rigorous and extensive search for the two new Non-Executive Directors, the Committee was at all times cognisant of the FCA's board diversity targets (see above) and the objectives of the Group Diversity and Inclusion Policy. I am pleased to report that, as a result of the appointment of Amanda Aldridge and the resignations of Joe Lister and Gerald Kaye (from 17 July 2024), Helical will exceed the 40% target, with 43% of its Board comprising women (including those self-identifying as women). As a Committee, we acknowledge the fact that despite this improvement, gender diversity continues to be a key focus in our Board level succession plans.

The Committee placed great emphasis on ensuring that the search process promoted diversity, inclusion and equal opportunity and, whilst these appointments are undoubtedly beneficial to the long-term success of our business and the composition of our Board in terms of skills sets, the appointments have not altered the ethnic diversity of the Helical Board (see pages 114 to 115). The Committee strongly supports the appointments of Amanda and Robert, and believe that the appointments are in the best interests of our stakeholders. The Committee acknowledges that it is imperative to continue to focus on improving the ethnic diversity of the Board, ensuring that the recommended targets are at the forefront of our minds when devising longer-term Board succession plans.

Amanda and Robert's induction

Following appointment, all Directors receive a comprehensive and tailored induction programme. This is designed through discussion with the Chair and the Company Secretarial team and considers existing expertise and any prospective Board or Board Committee roles. The agreed plan for Robert and Amanda comprised interactive sessions with both internal functions and external advisors with information material to the Non-Executive Director role being delivered to each of them at an early stage in the induction. The interactive sessions with the Helical team and our external advisors were followed up with tours of our property portfolio, providing insight into all aspects of the business.

Diversity – Board level
The Helical Board fosters an inclusive and diverse culture which is fundamental to talent retention, growth and delivery of performance and enhancement of long-term success. Diversity and inclusion is embraced throughout the Group, underpins each of our Values which support the execution of the Board's strategic objectives, and is therefore key to the achievement of the Group's Purpose. A diverse Board includes and makes good use of differences in the skills, experience, background, race, sexual orientation, gender and other characteristics of directors as set out in the Equality Act.

The skills and backgrounds collectively represented on the Board should reflect the diverse nature of the environment in which Helical operates and improve its effectiveness through diversity of approach and thought.

In accordance with the Committee's terms of reference and on behalf of the Board, the Committee regularly reviews the diversity of the Board and its Committees, taking account of the Group's strategic priorities, and making recommendations to the Board about any changes that are deemed necessary. Board diversity is a key consideration when recommending future Board appointments and conducting succession planning exercises.

Our policy on Board diversity reflects our continued commitment to promote an inclusive and diverse culture. The Group's Diversity and Inclusion Policy can be found on our website: https://www.helical.co.uk/investors/governance/governance-policies/

Diversity
The Committee has set out its status of compliance with the FCA's new board diversity targets (Listing Rule (LR 9.8.6R(9)) as at 31 March 2024 as follows:

FCA BOARD DIVERSITY TARGET	TARGET MET	COMPLIANCE AT HELICAL
At least 40% of the board are women (including those self-identifying as women)	No (From conclusion of 2024 AGM on 17 July 2024, 43% of the Board will be women)	As at 31 March 2024 25% of the Helical Board is comprised of women. We recognise that the current level of female Board representation is below the FCA's target and will continue to strive to increase this through nurturing the female talent present within the Helical team and ensuring that diversity and inclusion is included in the development of succession plans. In addition, with respect to the recruitment of future Board members, the Nominations Committee will continue to regard Board diversity of gender as a key consideration when recommending future Board appointments and conducting succession planning exercises. The Committee acknowledges the recommendations of the Hampton-Alexander Review and will strive to increase the number of female Board members over time provided that this is consistent with other skills and requirements. More widely, the Committee is committed to developing a long-term pipeline of executive talent that reflects the diversity of our stakeholders. With the appointment of Amanda Aldridge and the resignations of Gerald Kaye and Joe Lister from the conclusion of the 2024 AGM, 43% of the Board will be comprised of women.
At least one of the senior board positions (Chair, Chief Executive Officer, Senior Independent Director or Chief Financial Officer) is a woman (including those self-identifying as a woman)	Yes	Sue Clayton is the Senior Independent Director on the Board.
At least one member of the board is from a non-White ethnic minority background (as referenced in categories recommended by the Office for National Statistics)	No	Whilst none of the Helical Board members are considered to be from an ethnic minority, the Committee recognises that boards generally perform better when they include the best people from a range of backgrounds and experiences. When assessing the composition of the Board, the Nominations Committee recommends appointments, and the Board makes appointments, based on skills, experience and merit. However, equality, diversity and inclusion will continue to be key considerations in all appointment processes. The Nominations Committee will continue to seek diversity of mindset as well as of gender, race and background when considering new appointments in the period to 31 March 2025, and it will continue to review this policy on an annual basis to ensure it remains appropriate. More widely, we are committed to developing a long-term pipeline of executive talent that reflects the diversity of our stakeholders. The Board is cognisant of the recommendations of the Parker Review and subsequent updated report, and will continue to focus on and improve the levels of diversity amongst its Directors in order to promote the success of the Group, thereby generating value for Shareholders and contributing to wider society.

In accordance with the new Listing Rules (LR 9.8.6R(10) and LR 14.3.33R(2)), please see the numerical data on the sex or gender identity and ethnic diversity of the Helical Board and Executive Management as at 31 March 2024:

Reporting table on sex/gender representation	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Management	Percentage of Executive Management
Men	6	75%	3	5	100%
Women	2	25%	1	0	0%
Not specified/prefer not to say	n/a	n/a	n/a	n/a	n/a

Reporting table on ethnicity representation	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Management	Percentage of Executive Management
White British or other White (including minority-white groups)	8	100%	4	5	100%
Mixed/Multiple Ethnic Groups	0	0%	0	0	0%
Asian/Asian British	0	0%	0	0	0%
Black/African/Caribbean/Black British	0	0%	0	0	0%
Other ethnic group, including Arab	0	0%	0	0	0%
Not specified/prefer not to say	n/a	n/a	n/a	n/a	n/a

In accordance with LR 9.8.6R (11), the data was collected directly, in a confidential setting, from each member of the Board and Executive Committee by the Deputy Company Secretary.

In line with the Group's diversity objectives, the Board chooses to engage external search firms who are signatories to the UK Voluntary Code of Conduct for Executive Search Firms to address gender diversity on corporate boards. The Company is also a signatory to Real Estate Balance, a cross industry organisation which has, since 2017, focused on helping to increase the number of women operating in senior positions in the real estate sector. Since 2019, Helical has been a signatory to the Real Estate Balance CEO's Commitments for Diversity and the Group supports the principles on leadership, culture and opportunity contained in the Real Estate Balance Toolkit, designed to support a more diverse workplace.

Diversity and inclusion in the workforce
Helical is dedicated to promoting and celebrating the positive effect that diversity has, both in the workplace and within the wider community, and this is embedded within the Group's Culture. In addition, the Board is focused on ensuring that the views of its workforce and other stakeholders are taken into account, and that an environment of inclusivity is promoted at all times.

By ensuring that Helical is an inclusive and diverse business, the Group benefits from a variety of experiences and perspectives, stimulating creativity and contributing to our open and cohesive Culture. In addition, benefits extend to the development of a diverse succession pipeline, necessary for future sustainability.

The Board's key objectives with regards to diversity and inclusion in the workforce are documented in the Group's Diversity and Inclusion Policy which can be found on our website: https://www.helical.co.uk/investors/governance/governance-policies/

Helical celebrated a number of equality, diversity and inclusion related initiatives and campaigns throughout the year, including:

- Wednesday Breakfast Club: The Group proactively recognises the importance of the health and wellness of its employees. With the aim of facilitating interaction between all staff in the office, healthy breakfast options are ordered every Wednesday morning and staff are encouraged to take some time to catch up with colleagues in our "breakout area" over breakfast.
- Mental health awareness and wellbeing – In July 2023, we invited our employees to take part in a series of activities designed to promote mental health awareness and wellbeing. Such initiatives included:
  - "Paws in Work" came to our offices and our employees were given an opportunity to take a short break to relax, focus on their mental wellbeing and play with adorable puppies.
  - In conjunction with our building manager, Savills, we invited our employees to join a Mental Health Awareness Masterclass.

The Board will be monitoring and reviewing the Group's progress with regards to its diversity and inclusion initiatives by assessing the successful delivery of Group strategy over time against the objectives set. Success will also be measured using the information gathered through the Group's employee engagement initiatives (please see Our stakeholders – Section 172(1) Statement section on pages 94 to 99).

Helical's Employment Policy supports its diversity and inclusion objectives, whereby all employee candidates are considered fairly and without prejudice or discrimination. The policy also supports the enhancement of our employees' career development. The Group's Employment Policy can also be found on our website: https://www.helical.co.uk/investors/governance/governance-policies/

During the year under review, 40% of the Group's female employees held professional qualifications, providing a positive balance of gender in our talent pool. In order to maintain a diverse and inclusive business, Helical supports part-time, job-sharing and flexible working requests wherever possible. During the year under review, 26% of the workforce carried out their roles on a part-time basis. The Group also operates various family-friendly policies, including policies for maternity, adoption and shared parental leave, which provide financial assistance to employees. The gender representation across the Group's workforce as at 31 March 2024 can be found on page 76.

The Board supports the findings of the Hampton-Alexander Review with respect to increasing gender diversity in company leadership below board level. The Board is committed to strengthening the pipeline of senior female executives within the business and will continue to develop the Group's policies and practices to support women succeeding at the highest levels possible at Helical. Diversity is a key point of focus for the Nominations Committee in both Board and senior management level succession planning – see pages 112 to 115.

Appointment and re-appointment of Directors
In compliance with the Code, all the Directors shall be subject to annual reappointment. Accordingly, the relevant Directors shall retire and seek appointment or re-appointment (as appropriate) by Shareholders at the 2024 AGM of the Company, with the exception of Joe Lister and Gerald Kaye who are stepping down from the Board. Please see the Notice of Meeting of the 2024 AGM for additional information and the recommendations on appointment and re-appointment. On behalf of the Nominations Committee, I wish to thank Joe for his contribution and dedication to the work of the Committee throughout his tenure. He will be greatly missed around the table.

The Committee is satisfied that each of the Non-Executive Directors being put forward for re-election continue to be independent, effective and dedicated to the role. Despite not having partaken in the most recent internal Board Performance Review (see details below), given their qualifications and experience, Amanda Aldridge and Robert Fowlds are considered to be effective and able to demonstrate commitment to the role of a Non-Executive Director. This consideration of effectiveness is based on, amongst other things, the business skills and industry experience of the Directors and other contributions each Director may make, both as an individual and also in contributing to the balance of skills, knowledge and capability of the Board and its Committees and other duties.

Director independence and effectiveness
Following due consideration of each Director's tenure, alongside the commitment and effective contribution demonstrated in relation to their respective roles, the Committee has recommended to the Board that resolutions to appoint and re-appoint (as appropriate) each Non-Executive Director, with the exception of Joe Lister who is standing down, be proposed at the AGM alongside resolutions to re-appoint the Executive Directors, with the exception of Gerald Kaye. The Committee ensures that Board appointees have enough time available to devote to the appointed role. To enable the Board to identify any potential conflicts of interest and ensure that Directors continue to have sufficient time available to devote to the Company, Directors are required to inform the Board of any changes to their other significant commitments.

Our Non-Executive Directors hold our Executive Management to account and ensure that no group or individual is dominating the Board's decision making processes. Therefore, maintaining the independence of our Non-Executives is of utmost importance.

In accordance with the Code, the independence of all the Non-Executive Directors was considered by the Committee as part of the 2023/24 Board Performance Review and the Board's succession plans. Both Sue Clayton and I have served on the Board for over eight years and the Committee is cognisant that by 31 March 2025 our tenure will have exceeded the Code's recommendations with respect to independence. Although no concerns were raised with respect to the objectivity or independence of Sue or I within this year's Board Performance Review, the Committee will continue to place heightened focus on the independence and objectivity of each Non-Executive Director, and the Board overall, throughout the course of the forthcoming year. Our Board must evolve through sensible and well-managed succession planning that does not compromise the stability of the Board and the Committee will reflect this in the succession plans for our Non-Executive Directors.

Board Performance Review
To ensure that the optimal performance of the Board is maintained, an evaluation of the effectiveness of the Board is conducted annually. The Board monitors and improves performance by reflecting on the continuing effectiveness of its activities, the quality of its decisions and by considering the individual and collective contribution made by each Board member. During the year, we undertook a formal and rigorous internal evaluation of our Board and Committees, with particular attention paid to the specific areas identified in the previous year's review.

It is customary for Helical to adopt the best practice approach of the Code in relation to reviewing Board evaluation. Despite not being within the FTSE 350, the Group has historically opted to comply with Provision 21 of the Code, conducting an external Board evaluation once every three years. However this year, following extensive discussion, the Committee unanimously consented to defer the external evaluation of the Board and its Committees for a period of one year. It was agreed that in light of the recent and upcoming changes to the composition of the Board (see above), greater benefit might be derived from conducting an external performance review once the newly comprised Board had been established and its effectiveness could be properly assessed. As such, Helical will instruct an externally facilitated evaluation of the Board and its Committees in 2025, the results of which will be reported in the 2025 Nominations Committee Report.

Therefore, this year, I led the internal Board Performance Review, as Chairman, with respect to the effectiveness of the Board and its Committees and my performance review was conducted by our SID, Sue Clayton.

The process
I conducted interviews with each Director and the Company Secretary individually, covering the effectiveness of the Board and its Committees. Each participant was supplied with a list of key discussion points in advance of their interview. The key areas of focus highlighted by the 2022/2023 review were considered in the discussions. The responses from each interview were then collated, and I presented the key findings to the Board in March 2024. In formulating the conclusions, I compared the key themes identified in the internal 2024 Board Performance Review to the results from the 2023 Board Performance Review.

Similarly, Sue Clayton conducted my performance evaluation via individual interviews with each Director and the Company Secretary.

III COMPOSITION, SUCCESSION AND EVALUATION

The recommendations arising from this year's evaluation process are noted in the table as follows:

RECOMMENDATIONS FROM THE 2022/23 BOARD PERFORMANCE REVIEW	PROGRESS
• Start the process of identifying and appointing a new Non-Executive Director.	• We are pleased to report that this item has been completed, with the appointment of two new Non-Executive Directors over the period.
• Further informal interactions between the Non-Executive Directors and the wider Helical team.	• Engagement between the workforce and the Non-Executive Directors is integral to Helical's open and collaborative Culture (see pages 98 to 99). Open dialogue between the Board and the wider workforce is strongly encouraged and this can be facilitated through informal events (see page 96 for further details).
• Incremental improvements to the Board's annual strategy meeting.	• We can confirm that the recommendations of the Review were implemented at the 2023 Board strategy meeting, with increased input on the long-term sustainable growth and performance of the business coming from non-Board members of senior management. Furthermore, in response to specific Shareholder feedback, Deutsche Numis were invited to attend the meeting to represent the views of the Group's Shareholders.

Results and key recommendations from the 2023/24 Board Performance Review
I am pleased to confirm that the findings of the 2023/24 Board Performance Review confirmed that the Helical Board was well balanced, with the Directors possessing relevant skills and diverse experience to enable effective leadership of the Group. In conjunction with the evaluation, the Directors' skills and expertise were reviewed and this exercise confirmed the collective, comprehensive skill set of the Board. The benefit of diverse and varied inputs to the process of strategic review was highlighted by all participants in the Review. The Review further highlighted the positive, collegiate team dynamic on the Board, and recognised the high level of contribution and appropriate level of challenge provided at meetings from all members. The Non-Executives commented that risk identification and mitigation were well covered and that they received comprehensive papers from the Group's management in a timely manner, allowing their full consideration before meetings. The evaluation also confirmed that each Board member had a defined role and that they integrated effectively with the functions and responsibilities of the Board, demonstrating commitment to their s172(1) Duties.

With respect to the evaluation of my performance as Chairman during the period, there were no issues or concerns raised.

Recommendations from the 2023/24 Board Performance Review
- Continue the programme of informal interactions between the Non-Executive Directors and the wider Helical team.
- Conduct an externally administered Board Performance Review for the year to 31 March 2025.
- Oversight and support for Matthew Bonning-Snook in his transition from Property Director to Chief Executive Officer.
- Continued consideration of the independence and objectivity of the Non-Executive Directors and the Board overall.

The Committee is in the process of formulating an action plan in response to the recommendations of this year's internal Board Performance Review, and will report on progress made in next year's Annual Report.

Richard Cotton
Chairman
22 May 2024

IV AUDIT, RISK AND INTERNAL CONTROL

Audit and Risk Committee

Joe Lister
Chair of the Audit and Risk Committee

Committee membership and attendance

● Attended ○ Absent

	Independent	Committee meeting attendance
Joe Lister* (Chair)	Yes	●●●●●
Sue Clayton	Yes	●●●●●
Sue Farr	Yes	●●●●●
Robert Fowlds***	Yes	●●
Amanda Aldridge* (Chair Designate)	Yes	n/a**

* Has recent and relevant financial expertise.
** Amanda did not join the Committee until 1 April 2024.
*** Robert joined in February 2024. He attended the February meeting as an observer and the March meeting as a member.

The Company Secretary acts as Secretary to the Committee.

The Committee's role and responsibilities are set out in its terms of reference which are available at: https://www.helical.co.uk/investors/governance/governance-policies/

Key areas of focus during 2023/24

- Review of the effectiveness of the Committee conducted as part of the internal Board Performance Review.
- Review of significant issues relating to the financial statements and how these were addressed.
- Assessment of the independence and effectiveness of the external Auditor.
- Maturity of ESG reporting and related climate and financial disclosures.
- UK regulatory developments and impact on the Company including Audit Reform.
- Consideration of the need for an internal audit function.
- Approval of all Group policies and procedures.
- Approval of the Group's Risk Register.
- Review of the Group's internal controls and risk management systems.
- Oversight and review of the transition of the Group's external Auditor.

Dear Shareholder,

I am pleased to present this year's Audit and Risk Committee Report which outlines the Committee's key activities and areas of focus for the year to 31 March 2024. This shall be my final report as Committee Chair (please see Nominations Committee Report at page 113), and I have been proud to serve the Shareholders since my appointment to the role in July 2019. Prior to my official retirement from the role at the upcoming AGM, I have been conducting a comprehensive handover with the incoming Committee Chair, Amanda Aldridge. Amanda will officially commence the role of Committee Chair following the conclusion of the 2024 AGM.

Role of the Committee

The Committee endorses the principles set out in the FRC Guidance on Audit Committees and Risk Management, Internal Control and Related Financial and Business Reporting. The Board has formal and transparent arrangements for considering how it applies the Group's financial reporting and internal control principles and for maintaining an appropriate relationship with its Auditor. Whilst all Directors have a duty to act in the interests of the Group, this Committee has a particular role, acting independently from the Executive Directors, to ensure that the interests of Shareholders are protected with respect to risk, financial reporting and internal controls. Appointments to the Committee are made by the Board on the recommendation of the Nominations Committee in consultation with the Audit and Risk Committee Chair.

The Committee considered its Annual Work Plan which sets out the key activities undertaken during the year in fulfilment of the duties assigned to the Committee, in accordance with its terms of reference. The Work Plan is reviewed annually to ensure that the Committee remains effective and its key areas of activity remain relevant. The Committee also reviews its terms of reference on an annual basis.

The role of the Audit and Risk Committee (as described in its terms of reference) is to assist the Board in fulfilling its oversight responsibilities by reviewing and monitoring the following:

- The integrity of the financial statements of the Group, including its annual and half yearly reports, preliminary announcements and any other formal statements relating to its financial performance, and report to the Board on significant financial reporting issues and judgements which those statements contain;
- The Group's system of internal controls and risk management, including the Risk Management Framework (see pages 48 to 51);
- The need for an internal audit function;
- The external audit process and managing the Group's relationship with the external Auditor, including an assessment of the independence and effectiveness of the external audit process and the approach taken with respect to the appointment of the external Auditor for the year to 31 March 2024; and
- The processes for compliance with laws, regulations and ethical codes of practice.

The effectiveness of the Audit and Risk Committee was reviewed as part of the Board Performance Review. Please see pages 116 to 117 for details of the Review and the key recommendations arising from it.

The work of the Committee during the year

The Committee met five times during the year and a record of Director attendance for these meetings is shown on the left. It is common practice at Helical for Audit and Risk Committee meetings to be attended by all Board members, whether or not they are members of the Committee, as their experience is highly valued and their contribution welcomed in Committee discussions. The Group's external Auditor, RSM UK Audit LLP ("RSM"), are also invited to attend all or part of meetings as appropriate and the Committee met twice with RSM without members of management being present.

In conjunction with the Board, the work of the Audit and Risk Committee during the year included the following key matters:

- Review of the Group's internal financial controls that identify, assess, manage and monitor financial risks and its other internal control and risk management systems (encompassed in the Group's Risk Management Framework) – see below for further details;
- Review of the financial statements of the Group and the announcement of the annual results and the interim statement on the half year results;
- Review of the Annual Report to ensure it is fair, balanced and understandable and provides the Shareholders with the information necessary to assess the Group's position, performance, business model and strategy;
- Review and approval of a report on the Committee's activities, including how it discharged its responsibilities, for the Annual Report;
- Review and approval of the viability statement, going concern basis of preparation and risk management and internal controls statements;
- Ensuring that a robust assessment of emerging and principal risks facing the Group is undertaken;
- Review of the Group's risk exposure and future risk strategy;
- Review of the terms of engagement with the external Auditor;
- Review of the effectiveness/performance of the external Auditor and their programme of work, taking into consideration relevant UK professional and regulatory requirements;
- Consideration of the external Auditor's independence and objectivity;
- Review of the provision of non-audit services by the external Auditor, taking into account relevant regulations and ethical guidance;
- Review of IT risk and business continuity planning;
- Review of the Group's procedures for detecting fraud;
- Review and approval of the Group's policies, procedures and internal controls;
- Consideration of the requirement for an internal audit function; and
- Oversight and review of the transition to a new external Auditor – see below.

External Auditor transition

Work on the process of transitioning to a new external Auditor commenced following the Company's announcement of its intention to appoint RSM on 13 July 2023, as approved at the 2023 Annual General Meeting. This was to ensure there was sufficient time for a seamless and efficient handover and for RSM to be fully established in their role prior to commencement of their work on the audit for the year to 31 March 2024.

During the transition period, the RSM team observed the 2023 audit process and built familiarity with the Helical business, working methods and culture and began establishing working relationships with key members of the Helical team, particularly within the Finance department. Following the conclusion of the audit for the year end to 31 March 2023, RSM reviewed the working papers and files prepared by Deloitte to further deepen their understanding of the audit approaches used and the judgements taken. Discussions were then held with management to discuss how RSM's approach, including technology, applications and tools to support their audit, might differ to that of the previous auditor. The Committee was kept informed of the progress of the audit transition through updates provided by RSM at its meetings in November 2023 and March 2024. Overall, the Committee was satisfied that the transition process was completed successfully and efficiently, resulting in an effective, constructively challenging and high quality first-year audit from RSM.

Committee effectiveness

The Committee's effectiveness was reviewed as part of the wider 2023/24 internal Board Performance Review process. The Committee considered and reflected on the assessment of its effectiveness subsequent to the year end, at its meeting in March 2024. It concluded that, overall, it continued to be effective in executing its responsibilities and, with the appointment of Amanda Aldridge as Chair Designate, the Board had taken the necessary steps to secure its combination of financial skills and relevant sector experience. Additionally, the Review had indicated that the work of the Committee was appropriately focused and that the Committee continued to be guided by a strong, supportive Chair who encouraged substantive discussions and debate during meetings. For further information regarding the 2023/24 Board Performance Review, please see pages 116 to 117.

Governance updates

The Committee is kept updated on any developments within the audit, corporate governance, reporting and regulatory landscapes that are of relevance to audit committees by the external Auditor. During the year, the Committee received updates on a range of topics including developing standards in ESG reporting, the FRC's revisions to the UK Corporate Governance Code, the FRC's Annual Review of Corporate Reporting and the FRC's latest thematic reviews.

Risk management and internal controls

The Committee and the Board undertake bi-annual reviews of the Group's Risk Management Framework and their reviews this year re-affirmed the Group's Risk Management Framework (shown on pages 48 to 51). This review process is representative of the great emphasis placed on the management and mitigation of risks in order to enable the development and delivery of the Group's business objectives. In addition to the bi-annual reviews, the Committee conducts reviews of the Group's approach to risk management, the operation of its Risk Management Framework and risk mitigation on an ongoing basis. The Committee gives continuous consideration to how the risk management process is embedded throughout the Group to provide assurance that management's accountability for risks is clear and functioning.

Encompassed within the Risk Management Framework is the Board's responsibility to maintain and monitor the Group's system of internal controls. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. Helical's internal controls are designed to provide reasonable assurance in the following areas:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

It is the responsibility of the Board to ensure that the Group's internal control system is effective in identifying risks, preventing losses from risk events and taking corrective action when they occur. Oversight of the control system is delegated to this Committee which identifies, monitors and manages the principal risks faced by the Group and reviews the effectiveness of all material controls.

The Group's Executive Committee ("ExCo") continually assesses and monitors the adequacy of the key internal controls and risk management features as a standing agenda item at the monthly meetings of the ExCo. The ExCo presents reports on its own assessment of control and risk management as necessary, for example, to provide the Committee with assurance on the Group's compliance with relevant policies, procedures, regulation and legislation as well as the effectiveness of the internal control function. In addition, the ExCo makes recommendations to the Audit and Risk Committee regarding the addition of key controls as necessary. For further details on Helical's Risk Management Framework and the reporting lines, please see pages 48 to 51.

Significant areas of review
In discharging its responsibilities regarding the preparation of the financial statements for the year to 31 March 2024, the Committee was responsible for reviewing the appropriateness of the Group's accounting policies, assumptions, judgements and estimates as applied by the Executive Management team to the financial statements. During this review the following significant issues were considered:

- **Internal controls**
  The Committee annually reviews the need for an internal audit function. The Committee has again considered setting up an internal audit function. As part of this review, the Committee examined:

  The business model under which the Company currently operates in the context of its activities and the model under which it manages its business operations.

  – The Committee determined that there was a significant degree of senior oversight, particularly in respect of ongoing business performance, involving both the CEO and CFO, supported by strong internal control frameworks.

  The existing internal control environment.

  – In this respect, the Committee was satisfied that procedures and routines were well established across the business and that management had given sufficient assurances that other monitoring processes (including internal reviews of the Group's operations undertaken periodically by senior members of the finance team) were being applied and would be developed using the existing expertise of the finance department to help ensure that the Group's system of internal control was functioning as intended.

  – The Committee was also satisfied that reports from the external Auditor with regard to internal control and risk management had been supplemented by extended assurance reviews by external consultants in key risk areas, e.g. external reviews conducted by the Group's external IT provider, TFS, and Cyber Essentials Plus certification.

  Following the conclusion of their annual review of the need for an internal audit function, the Committee reaffirmed its stance that, in view of the small scale and relative simplicity of the business, it does not consider that an internal audit function would be cost effective.

  The Committee has also conducted an overall review of Helical's internal control environment and confirmed that the key controls had been implemented for the year. As part of this review, the Committee received information from management about the controls in place, which included operational, financial and compliance controls. It also reviewed the recommendations on internal controls communicated by the external Auditor in the course of their audit. This review did not highlight any material weaknesses in the design and effectiveness of the Group's systems and controls.

- **Property valuation**
  The valuation of the Group's investment portfolio is a key area of judgement in preparing the annual and half yearly financial statements and reports. For this reason, the fair value of the majority (>99%) of the Group's investment portfolio is determined by independent third party experts who are familiar with the markets in which the Group operates and have suitable professional qualifications. In order to assist the Audit and Risk Committee in considering the valuations, the fair values of the investment property portfolio are reviewed and approved by the Property Valuations Committee which is chaired by Sue Clayton, FRICS, an independent Non-Executive Director.

Fair, balanced and understandable – review of the 2024 Annual Report
In accordance with the requirements of the Code, the Committee has reviewed and concluded that the Group's Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the necessary information for Shareholders to assess the Group's position and performance, business model and strategy. In determining its position, the Committee also considered the Group's compliance with relevant regulatory frameworks and oversaw the quality and integrity of the Group's financial reporting and accounting policies and practices.

As part of its review of the financial statements, the Committee considered, and challenged as appropriate, the accounting practices and significant judgements and estimates which underpin the Group's financial statements.

Those members of the team responsible for the drafting of the Annual Report convened frequently to establish the general content and themes and to ensure that reporting was balanced and addressed all key issues and requirements.

Our Annual Report designer (SampsonMay) also provided feedback on the structure, format and content to assist management in ensuring the Annual Report was comprehensible and easy to navigate.

We can confirm that the following updates have been included in this year's Annual Report, to further aid the reader's understanding of our business:

- Updated Risk Register and corresponding Heat Map.
- Commentary on the following items:
  – Results of the 2023/24 Board Performance Review (see pages 116 to 117).
  – The appointment process for two new Non-Executive Directors and activation of CEO succession plans (see pages 112 to 113).
  – Transition of the external Auditor (see page 119).
  – "Working in Partnership" case study (see pages 20 to 21).

In addition, the Committee asked the following questions during its review of the Annual Report and Accounts:

Performance
- Is it clear how outcomes are measured using key performance indicators?
- Is there a good mix of financial and non-financial key performance indicators?
- Is there an appropriate balance between statutory and non-statutory performance measures?
- Is it clear that the stated key performance indicators measure the achievement of the Group's strategy and how they are linked to Directors' remuneration?
- Are comments on movements in key performance indicators over time, both favourable and adverse, balanced and well-explained?
- Are key performance risks explained?

Strategy
- Is the Group's Purpose clearly articulated?
- Does the strategy discuss how the business intends to achieve its objectives in the context of the market outlook?
- Are the drivers of value explained clearly?
- Is there enough information to assess the strategic risks?

Business model
- Are the key elements of the business model clearly explained?
- Are business model risks and disruptions adequately disclosed?
- Do the disclosed business risks link to sensitivities set out within the financial statements?

This work enabled the Committee to be satisfied that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the necessary information for Shareholders to assess the Group's performance, business model and strategy. This was reported to the Board at its meeting in May 2024.

Effectiveness of the external Auditor
RSM were appointed as the Group's Auditor at the 2023 AGM, and overall, this first-year audit engagement was regarded as effective and efficient, with both sides satisfied that documentation was shared in a timely manner and appropriate processes were in place to streamline the 31 March 2024 year end financial statement and audit preparation process.

The Audit and Risk Committee reviewed RSM's fees, effectiveness and whether the agreed audit plan had been fulfilled and the reasons for any variation from the plan. As part of the Committee's review of the external Auditor's effectiveness the Committee considered the following:

- Their robustness and the degree to which they were able to assess key accounting and audit judgements and the content of their reports;
- The audit plan (presented to the Committee in March 2024) with focus on the quality of planning, whether the plan was designed to suit Helical and whether the agreed plan was fulfilled;
- The quality of the Auditor's reporting during the year, including the challenges raised and insights shared, against agreed performance expectations;
- Feedback from the workforce evaluating the performance of the audit team;
- Feedback highlighting any issues that arose during the course of the audit;
- The Auditor's assessment of its independence; and
- The relationship between the Auditor and the Group, ensuring objectivity and independence were maintained.

The Committee concluded that RSM's performance as external Auditor was effective. This conclusion was supported by:

- The challenges they raised on the key assumptions made in the valuation of the investment property portfolio, including the level of conservatism applied where assumptions sat within a range of outcomes;
- Open discussions with the Committee with, and without, management present; and
- Their responses to questions posed by the Committee, including the Audit Partner's depth of knowledge on the topic under discussion.

Auditor independence
The Audit and Risk Committee considers the external Auditor to be independent. The Committee's policy is not to award non-audit services where the outcome of the work is relevant to a future audit judgement or could impact the independence or objectivity of the audit firm. Where such services are permitted under the FRC's Ethical Standards for Auditors as they apply to Public Interest Entities, the assignment of non-audit services to the Group's Auditor must be approved by the Committee where the fees for that assignment amount to more than £50,000 or more than 50% of the relevant year's cumulative audit fee. The assignment of non-audit services with fees below this threshold may be approved by the Committee Chair. This policy is designed to ensure that the Group receives the most appropriate advice without compromising the independence of the Auditor. As part of this policy prior approval of all non-audit services is required.

During the year, the following non-audit services were undertaken by RSM:

- review of the Half Year Results (£50,000).

The Committee considered all the services to be appropriate, that they were an extension to the role of the external Auditor and they did not impact RSM's independence. The percentage of non-audit fees, when compared to the total fee for the year, was 15%.

Annual General Meeting
At the Annual General Meeting scheduled to take place on 17 July 2024, the following resolutions relating to the Auditor are being proposed:

- To re-appoint RSM as independent external Auditor; and
- To authorise the Directors to set the remuneration of the independent external Auditor.

I hope that Shareholders will support the Committee and vote in favour of these resolutions.

Joe Lister
Chair of the Audit and Risk Committee
22 May 2024

V REMUNERATION

Directors' Remuneration Report

Sue Farr
Chair of the Remuneration Committee

Committee membership and attendance

● Attended ○ Absent

	Independent	Committee meeting attendance
Sue Farr (Chair)	Yes	●●●●
Sue Clayton	Yes	●●●●
Richard Cotton	Yes	●●●●
Joe Lister	Yes	●●●●
Robert Fowlds*	Yes	●
Amanda Aldridge**	Yes	n/a

* Robert Fowlds was appointed to the Committee on 8 February 2024 and attended the only Committee meeting held following his appointment.
** Amanda Aldridge was appointed to the Committee on 1 April 2024.

The Company Secretary acts as Secretary to the Committee.

The terms of reference of the Committee are available on request and are included on the Group's website at: www.helical.co.uk/investors/governance/governance-policies/

Role of the Committee

The Committee helps the Board to fulfil its responsibility to Shareholders to ensure that the Remuneration Policy and practices of the Company reward fairly and responsibly, with a clear link to corporate and individual performance and having regard to statutory and regulatory requirements. The Remuneration Policy seeks to align incentives and rewards to the Group's strategy of maximising Shareholder returns by delivering income growth from creative asset management and capital gains from its development activity.

In discharging its duties, the Committee focuses on:

- Remuneration policies, including basic pay, annual and long-term incentives.
- Remuneration practice and its cost to the Company.
- Recruitment, service contracts and severance policies.
- Compliance with the UK Corporate Governance Code.
- The engagement and independence of external remuneration advisors.

The Committee seeks approval from Shareholders on its Remuneration Policy at least every three years and, with the last review in 2021, has conducted a comprehensive review of its current Remuneration Policy. The results of this review are detailed on page 124, and reflected in the Implementation of the Remuneration Policy and Remuneration Policy sections on pages 126 to 127 and 128 to 133.

The Committee sets incentive targets for the forthcoming one-year and three-year performance periods each year, reporting to Shareholders at the end of these periods in the relevant Directors' Remuneration Report. The targets are aligned to the Group's key performance indicators and are measured against a combination of absolute and relative performance measures. The Remuneration Policy was reviewed during the year and the proposed new measures, discussed further on page 124, are as follows:

- Absolute Performance Measures:
  - Capital Recycling and Equity Sourcing
  - Letting Targets
  - Sustainability Targets
  - Total Shareholder Return
- Relative Performance Measures:
  - Total Shareholder Return

The Committee is also responsible for determining the remuneration of the Chairman and has oversight of the remuneration of all other employees.

In discharging its duties, the Committee is advised by FIT Remuneration Consultants LLP.

Preparation of this Report
This Report, prepared by the Remuneration Committee on behalf of the Board, takes full account of the prevailing UK Corporate Governance Code and the latest guidance from the main Shareholder representative bodies, and has been prepared in accordance with the provisions of the Companies Act 2006 ("the Act"), the Listing Rules of the Financial Conduct Authority and the Large and Medium-Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 ("Regulations"). The Act requires the Auditor to report to the Group's Shareholders on the audited information within this Report and to state whether in their opinion those parts of the Report have been prepared in accordance with the Act. Those parts of the Report which have been subject to audit are clearly marked.

Remuneration Report index

This Directors' Remuneration Report has been divided into the following sections:

Annual Statement

Dear Shareholder,

I am pleased to present the Remuneration Committee's Directors' Remuneration Report ("Report") for the year to 31 March 2024. This Report has been approved by the Board of Helical plc.

The Report is divided into four main sections, being:

- This Annual Statement – which summarises the remuneration outcomes in the year ended 31 March 2024 and how the Remuneration Policy will be operated in the year ending 31 March 2025;
- Implementation of the Remuneration Policy – which sets out the proposed implementation of the Remuneration Policy for the year to 31 March 2025
- The Remuneration Policy Report – which sets out a summary of the proposed Directors' Remuneration Policy which will be taken to Shareholders for approval at the 2024 AGM; and
- The Annual Report on Remuneration – which sets out how the Committee intends to operate the Remuneration Policy for the year ending 31 March 2025, the link between Company performance and remuneration and payments and awards made to the Directors in respect of the year just ended.

Performance in the year to 31 March 2024

Executive performance measures and pay are closely aligned to Shareholders' interests with a high proportion of total available remuneration based on variable pay designed to reward the achievement of long-term strategic objectives. This remuneration is directly linked to the five pillars of our strategy (see pages 16 to 19).

Our objective is to maximise Shareholder return by increasing the net asset value of the Group from managing a portfolio of offices in London, balanced between let investment assets and new development schemes. We operate a sustainable capital structure, seeking to attract and retain the best people with ESG matters at the heart of our business.

Operationally, the Group's net rental income fell due to the lease end event for the Group's largest tenant, Baker Mackenzie, in December 2023, prior to the planned redevelopment of 100 New Bridge Street, EC4 as well as the loss of WeWork on five of the six floors they occupied at The Tower at The Bower, EC1, in December 2023 with the lease on the remaining floor due to end in June 2024. In total, these two tenants accounted for 28.1% of gross rental income at 1 April 2023. Since these lease events, we have signed a management agreement with infinitSpace to provide serviced offices at the first and second floor at The Tower and are refurbishing the vacant space at the building to attract new tenants.

In addition, action has recently been taken to reduce overheads with an 8% reduction in fixed administration costs for the financial year to 31 March 2024 and further action envisaged with an additional 25% reduction targeted with effect from 1 April 2025.

The Group has significantly increased its development pipeline, having been selected as the preferred investment partner of Transport for London ("TfL") on three new development schemes, and has recently signed a joint venture partner on the development of 100 New Bridge Street, EC4.

However, set against the operational progress made in the year is the continued outward movement of valuation yields which has contributed to a see-through loss on sale and revaluation in the year of £188.6m (2023: £88.1m) and an overall loss after tax of £189.8m (2023: loss of £64.5m).

Turning to relative performance measures, the Total Property Return, as measured by MSCI, generated a return of -20.3% (2023: -5.6%) compared to the MSCI benchmark for central London offices of -5.7% (2023: -8.5%). The TSR for the year, based on the three-month average share price to each year end, generated a return of -37.3% (2023: -14.5%).

As noted in Gerald Kaye's statement on page 6, both EPRA earnings and realised capital profits are considered when determining the payment of dividends. With EPRA EPS reducing significantly and no realised profits during the year, the Board has taken the decision to reduce the final dividend.

Accordingly, the Board is recommending a final dividend of 1.78p, the minimum required by the REIT rules, (2023: 8.70p), taking the total dividend for the year to 4.83p (2023: 11.75p), a decrease of 58.9%.

The Group continued to perform well against its sustainability goals and targets, maintaining its CDP rating at B, its EPRA Sustainability rating at Gold and its MSCI ESG rating at AAA. However, despite achieving the highest rating against its peer group for standing investments, its overall GRESB rating fell to 4* from 5*, due to tougher criteria introduced this year.

Most notably in the period, we received our final Outstanding BREEAM certification for The JJ Mack Building, EC1, achieving a score of 96.4% which is currently the highest score of a commercial development in the UK under the New Construction 2018 scheme. This impressive result supports our continued commitment to drive sustainability forward on all our developments and demonstrates what is possible when sustainability is embedded as a key driver from the outset.

Annual Bonus Scheme 2018

Subsequent to the year end, and in accordance with the rules of the Helical Annual Bonus Scheme 2018 ("Bonus Scheme"), annual bonuses have been calculated based on the results for the year to 31 March 2024 for Gerald Kaye, Matthew Bonning-Snook and Tim Murphy. 40% of the maximum bonus payable was determined by the Total Accounting Return of the Group with 20% dependent upon the relative Capital Return of the Group's portfolio, as measured by MSCI, compared to the MSCI Central London Capital Growth Index. The remaining 40% was payable based on letting targets and ESG objectives.

In assessing the performance of the Group against these targets, annual bonuses of 23% of the maximum (equivalent to 34.5% of salary) are estimated to be payable in accordance with the Bonus Scheme rules. However, as referred to below, in view of the financial results for the year to 31 March 2024, the three Executive Directors have agreed that no bonus should be taken for the year to 31 March 2024.

Performance Share Plan 2014

Share awards granted in 2021 under the terms of the 2014 Performance Share Plan were subject to three performance conditions over the three years to 31 March 2024. One third of the awards was based on absolute net asset value performance, the second third of the awards was based on a comparison of the Group's portfolio return to the MSCI Central London Offices Total Return Index and the final third of the awards was based on a comparison of the Group's Total Shareholder Return to that of a basket of companies in the Real Estate Super Sector. The performance criteria were measured at the end of the three-year period and none of these conditions were met at the threshold level. Consequently, none of the 2021 PSP awards will vest in June 2024. Full details of the targets and Helical's performance are set out in the Annual Report on Remuneration.

The Committee believes that the lack of annual bonuses, and nil vesting of the 2021 PSP award in respect of the three-year performance period to 31 March 2024, accurately and fairly represent the performance of the Group over the respective annual and three-year performance periods.

Implementation in the year to 31 March 2025

Base salaries and fees

The Company's policy on salary increases for Executive Directors is usually to align them with increases for other employees. In practice, salary increases have been awarded at levels significantly below the average salary increases awarded to other staff (2023: 3.0% versus 8.7%, 2022: 3.0% versus 4.1%). For the year to 31 March 2025, the Remuneration Committee, cognisant of the results for the year to 31 March 2024 and reflecting the Board's intention to continue to exercise control over the Company's fixed overheads, has decided to keep salaries for the Executive Directors at the same level as at 1 April 2023. This compares to the average salary increase awarded to other staff of 5.1%.

There are no changes to the level of fees payable to the Non-Executive Directors.

Annual bonus for the year ending 31 March 2025

To reflect key priorities over the next year, the Committee is proposing that the Total Accounting Return target (currently weighted at 40% of the annual bonus) be replaced by two balance sheet metrics of Capital Recycling (based on property sales) and Equity Sourcing (based on new equity/joint venture capital, at asset level), each weighted at 25% of the annual bonus potential. Underpinning the balance sheet metrics will be an expectation from the Committee that the relatively short-term nature of the Group's bank borrowings will be extended to 3-5 years during the year ending 31 March 2025.

In addition, the 20% currently based on strategic targets (which include vacancy related targets) will be simplified to solely focus on Vacancy Rates in respect of our investment portfolio (including completed developments), with the weighting increased to 30%. The targets will be underpinned by a requirement to let space at market values.

The remaining 20% will continue to be based on ESG (energy intensity and carbon emissions targets).

2024 PSP awards

Reflecting Helical's renewed focus on delivering shareholder returns, the performance targets for the 2024 PSP awards are to be as follows:

- **For 50% of awards:** The Committee wishes to continue to operate relative Total Shareholder Return targets measured against our FTSE 250 and SmallCap sector peers (this comparator group was introduced at the previous Policy review) albeit the metric has been upweighted from the 40% of awards previously operated; and
- **For 50% of awards:** The Committee wishes to introduce absolute Total Shareholder Return to replace both Net Asset Value growth (previously weighted at 40%) and relative Total Property Return (previously weighted at 20%). While the Committee notes that the operation of absolute TSR targets is not common practice in the sector, the Committee believes that this approach is appropriate for the 2024 PSP awards to further improve the alignment between Executive Director remuneration and shareholder returns.

Underpins: In addition to the above, the Committee will review both vesting levels and values to ensure that:

(i) they are reflective of underlying performance of the Company; and

(ii) appropriate progress has been made in respect of Helical's Net Zero Carbon Pathway and our commitment to becoming net zero by 2030.

These underpins will replace the NAV growth underpin historically operated (although not formally part of the Remuneration Policy).

Renewal of Remuneration Policy

During the last year, the Committee has reviewed the Group's Remuneration Policy ("Policy") and the result of these deliberations is a new Policy to be put to Shareholders for a binding vote at the AGM on 17 July 2024. The Committee is not proposing any significant changes to the Policy, which received 96% of votes cast in favour at the 2021 AGM and which continues to incentivise management to deliver the Strategy agreed by the Board, maximising Shareholder returns through delivering income growth from creative asset management and capital gains from our development activity.

We are, however, proposing two minor changes to the Remuneration Policy in respect of pensions and benefits:

- Helical does not offer pension provision to Executive Directors and this approach will continue to apply for the current Executive Directors. However, reflecting Helical's practice of offering pension provision below Board level, and to aid future recruitment/promotion, the Policy will be updated to permit a workforce aligned pension provision for any new Executive Directors. To the extent that pension provision is offered to new Executive Directors, their salaries will be positioned appropriately to reflect this; and
- Helical has historically provided company cars or car allowances to Executive Directors and senior management. Going forward, this benefit-in-kind will be removed.

In proposing the new Policy, we have reflected market expectations of appropriate remuneration levels in the sector and amongst the Group's peers. As part of the Policy review, the Committee consulted with the Company's major Shareholders (covering over 68% of issued share capital) and the major shareholder representative bodies. Shareholder feedback from this consultation is reflected in the proposed new Remuneration Policy.

The Committee's intended approach to operating the new Policy is detailed in the section headed Implementation of the Remuneration Policy on pages 126 and 127 and further details of the new Policy are included in the Remuneration Policy Report on pages 128 to 133.

2024 Annual General Meeting resolutions

The following resolutions relating to remuneration will be presented at the 2024 AGM:

- An advisory resolution in respect of the Annual Report on Remuneration for the year to 31 March 2024.
- A binding resolution in respect of the new Remuneration Policy.
- A binding resolution in respect of the renewal of the Company's long-term incentive plan, the 2024 Performance Share Plan.

I trust that Shareholders will support the Committee and vote in favour of these resolutions.

I will be happy to respond to any questions Shareholders may have on this Report or in relation to any Committee activities. If you have questions or would like to discuss any aspect of the Remuneration Policy, please feel free to contact me through James Moss (Chief Operating Officer and Group Company Secretary) at jm@helical.co.uk.

Sue Farr
Chair of the Remuneration Committee
22 May 2024

Remuneration at-a-glance

Governance

FINANCIAL KPIs

EPRA Net Tangible Asset (NTA) value per share 2023: 493p	331p	**EPRA Total Accounting Return** 2023: -12.1%	-31.4%
EPRA Earnings per Share 2023: 9.4p	3.5p	**Total Shareholder Return** 2023: -14.5%	-37.3%
Total Property Return – MSCI (1 year) 2023: -5.6%	-20.3%	**Total Property Return – MSCI (3 year)** 2023: 3.8%	-5.9%

ESG KPIs

GRESB 2023: 5*	4*
MSCI ESG 2023: AAA	AAA
EPRA Sustainability BPR 2023: Gold	Gold
CDP 2023: B	B

SUMMARY OF HISTORIC KPI PERFORMANCE

Financial	2020	2021	2022	2023	2024
EPRA earnings/(loss) per share	7.6p	(1.8p)	5.2p	9.4p	**3.5p**
EPRA TAR	9.3%	4.5%	10.2%	-12.1%	**-31.4%**
EPRA NTA per share	6.1%	1.7%	7.3%	-13.8%	**-32.9%**
TPR MSCI – 1 year	9.6%	7.0%	10.7%	-5.6%	**-20.3%**
TPR MSCI – 3 year	10.2%	8.9%	9.1%	3.8%	**-5.9%**
12 month TSR – (based on 3 month average to 31 March)	34.8%	-9.6%	9.8%	-14.5%	**-37.3%**
ESG					
GRESB	2*	3*	4*	5*	**4***
EPRA Sustainability BPR	Bronze	Silver	Gold	Gold	**Gold**
MSCI ESG	AA	AAA	AAA	AAA	**AAA**
CDP	C	B	C	B	**B**

EARNINGS FOR THE YEAR TO 31 MARCH 2024

Total remuneration for Executive Director	Salary[2] £000	Benefits[3] £000	Pension[4] £000	Total Fixed £000	Annual bonus £000	Share awards[5] £000	Share Incentive Plan[6] £000	Total Variable £000	Total 2024 £000	Total 2023 £000
Gerald Kaye	587	54	–	641	–	38	7	45	**686**	1,786
Tim Murphy	341	17	–	358	–	23	7	30	**388**	1,025
Matthew Bonning-Snook	456	50	–	506	–	28	7	35	**541**	1,396

1 Full details of the Directors' remuneration for the year can be found in the table on page 134.
2 Basic salaries were increased by 3.0% from 1 April 2023.
3 There were no changes to the provision of benefits-in-kind, which remained the same as for the previous year.
4 The Group's policy of not making pension provision for Executive Directors remained unchanged, with such Directors required to provide for their retirement through the Group's incentive schemes.
5 Share awards include dividend equivalent shares awarded to Directors on 19 June 2023 under the terms of the Annual Bonus Scheme 2018.
6 The Executive Directors participated in the HMRC approved all-employee Share Incentive Plan which, during the year, awarded them shares to the value of £7,200 each, the same as in the previous year.

ANNUAL BONUS PLAN – TARGETS AND OUTCOMES

Performance measure		Pay-out target 20%	Pay-out target 100%	Actual	% awarded
TAR	40%	5.0%	10.0%	-31.4%	0.0%
MSCI Capital Return	20%	-8.5%	-4.0%	-22.8%	0.0%
Letting Target 1	20%	50%	100%	67%	13.5%
Letting Target 2	10%	80%	90%	65%	0.0%
ESG	10%				9.5%
Bonuses not taken					(23.0%)
Total	100%				0.0%

2021 PSP AWARD VESTING IN 2024 – TARGETS AND OUTCOMES

Performance measure		Pay-out target 10%	Pay-out target 100%	Actual	% awarded
NAV	33%	10.6%*	15.2%*	-10.9%	0.0%
TPR	33%	-4.0%	-1.4%	-5.9%	0.0%
TSR	33%	-8.0%	8.2%	-41.3%	0.0%
Total	100%				0.0%

* The minimum and maximum vesting thresholds have been increased from their normal levels of 5.0% and 12.5% due to the impact of inflation above 3.0% during the performance period.

Implementation of the Remuneration Policy

Subject to the approval of the proposed Remuneration Policy at the 2024 AGM, the Remuneration Policy will be implemented for the year to 31 March 2025 as follows:

Remuneration Policy	Implementation for 2024/25	Change from 2023/24 implementation
Basic annual salaries		
Set on appointment to the Board and reviewed annually on 1 April or on change in role or responsibility.	The basic salaries of the Executive Directors from 1 April 2024 will remain at: Gerald Kaye £586,585 Tim Murphy £341,395 Matthew Bonning-Snook £456,290	The salaries of Executive Directors were not increased at 1 April 2024. The average increase for all other employees was 5.1%.
Benefits-in-kind		
To provide insured health protection.	Each Executive Director will be provided with private medical insurance, life assurance and permanent health insurance.	The Company no longer provides cars, car allowances or car fuel.
Pension		
The Group does not provide for the retirement of current Executive Directors. Pensions are to be provided for future, newly appointed Executive Directors.	No retirement provision for current Executive Directors.	No change for current Executive Directors. Workforce aligned pensions will be available, at rates similar to all other employees, for future, newly appointed Executive Directors.
Annual bonus		
Annual performance targets are set by the Committee in advance of the financial year and are linked to the Group's strategy of maximising Shareholder returns through delivering income growth from creative asset management and capital gains from its development activity. The maximum bonus is capped at 150% of salary for each Executive Director. The pay-out for threshold performance against any targets will be no more than 20% of the maximum bonus (and may be lower). To the extent there is low or no bonus payable on the Capital Recycling, Equity Sourcing and vacancy measures, the Committee will retain discretion to reduce (including to zero) the pay-out under the ESG targets.	The performance conditions are: **50%:** Capital Recycling and Equity Sourcing (at asset level) targets **30%:** Vacancy Rate Base – 10.0% by 31 March 2025 (20% payable) Stretch – 5.0% by 31 March 2025 (100% payable) **20%:** ESG targets (these will be reported on retrospectively in the Directors' Remuneration Report for the year to 31 March 2025).	New Capital Recycling and Equity Sourcing targets. Increased focus on, and weighting to, improving Vacancy Rate. Increased weighting to ESG targets. Performance conditions previously used: TPR weighting reduced from 20% to nil% TAR weighting reduced from 40% to nil%.
Deferred bonus		
Executive Directors who have met their minimum shareholding requirement will receive the first 100% of their salary in cash with any excess above 100% of salary to be provided in deferred shares. Executive Directors who do not meet their minimum shareholding requirement will receive two thirds of the annual bonus in cash and one third in shares. The Committee may award dividend equivalents on deferred shares that vest.	As per Policy	No change

Remuneration Policy	Implementation for 2024/25	Change from 2023/24 implementation
Long-term incentive awards		
Annual award 2024 – Vesting in 2027 Annual awards, under the terms of the Group's Performance Share Plan ("PSP"), will be granted in June 2024 over shares equal to 250% of salary at 31 March 2024.	The performance conditions are: **50%:** Relative TSR against the FTSE 250 and Small Cap sector companies, excluding agencies. **50%:** Absolute TSR targets	Relative TSR weighting increased from 40% to 50% Absolute TSR target introduced at 50% weighting • Threshold 10.0% pa • Stretch 20.0% pa Performance conditions previously used: Net asset value growth weighting reduced to nil%. TPR weighting reduced from 20% to nil%.
Malus and clawback		
Malus and clawback provisions will continue to operate.	As per Policy	No change
Shareholding requirement – in employment		
To require Executive Directors to hold shares equating to a minimum value whilst in employment (500% of salary for current Executive Directors and 250% of salary for new Executive Directors).	As per Policy	No change
Shareholding requirement – post cessation		
To require former Executive Directors to hold shares equating to a minimum value for a period post cessation of employment.	250% of salary for two years post cessation.	No change
Non-Executive Directors		
Set on appointment to the Board and reviewed annually on 1 April or on change in role or responsibility. The fees payable to the Chairman and the base fee payable to the other NEDs were last increased on 1 April 2022. An additional £10,000 pa (unchanged) is payable to the SID and Chairs of each Committee.	Richard Cotton (Chairman) £162,500 Sue Clayton (SID and Valuations) £72,000 Sue Farr (Remuneration) £62,000 Joe Lister (Audit and Risk) £62,000 (pro-rata to AGM date of 17 July 2024) Robert Fowlds £52,000 Amanda Aldridge £52,000 (to be increased to £62,000 from date of AGM)	No change

Remuneration Policy report

This section of the Remuneration Report sets out the Remuneration Policy of the Group. The Committee believes that the Policy continues to support the Group's strategy and is aligned with Shareholders' interests.

Policy scope

The Remuneration Policy applies to the Chairman, Executive Directors and Non-Executive Directors and oversight of the remuneration of the wider workforce.

Policy duration

This Policy report sets out the proposed 2024 Remuneration Policy which will be effective for the three years from 1 April 2024 to 31 March 2027.

Remuneration Policy

Helical's approach to the remuneration of its Executive Directors is to provide a basic remuneration package combined with an incentive-based bonus and share scheme structure aligned with the interests of its Shareholders. The majority of performance-based awards are judged on the relative and absolute performance of the Group and its Total Shareholder Return against appropriate benchmarks. The remaining awards are judged on operational and ESG objectives. Remuneration within the real estate sector is monitored and reviewed regularly to ensure that the Group's positioning of its remuneration remains in line with these objectives. In addition to this external view, the Committee monitors the remuneration levels of senior management below Board level and the remuneration of other employees to ensure that these are taken into account in determining the remuneration of Executive Directors.

The objective of the Remuneration Policy is to ensure that Executive Directors and senior management are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Group. Within the terms of the agreed policy the Committee shall determine:

- The total individual remuneration package of each Executive Director including, where appropriate, basic salaries, annual bonuses, share awards and other benefits;
- The fees payable to the Chairman of the Company;
- Salaries, bonuses and share awards of senior employees and workforce remuneration;
- Targets and hurdles for any performance related remuneration schemes; and
- Service agreements incorporating termination payments and compensation commitments.

Proposed changes from the current Directors' Remuneration Policy

Two minor changes to the Remuneration Policy are being proposed in respect of pension and benefits:

- Helical does not offer pension provision to Executive Directors and this approach will continue to apply for the current Executive Directors. However, reflecting Helical's practice of offering pension provision below Board level, and to aid future recruitment/promotion, the proposed Policy has been updated to permit a workforce aligned pension provision for any new Executive Directors. To the extent that pension provision is offered to new Executive Directors, their salaries will be positioned appropriately to reflect this; and
- Helical has historically provided company cars or car allowances to Executive Directors and senior management. Going forward, this benefit-in-kind will be removed.

Directors' Remuneration Policy table

The table below summarises the Directors' Remuneration Policy.

Element	Purpose and link to strategy	Operation	Maximum	Performance targets
Salary	• Reflects the value of the individual and their role and responsibilities • Reflects delivery against key personal objectives and development • Provides an appropriate level of basic fixed income, avoiding excessive risk arising from over reliance on variable income	• Normally reviewed annually, effective 1 April • Paid in cash on a monthly basis • Not pensionable for current Executive Directors • Takes periodic account against companies with similar characteristics and sector comparators • Reviewed in context of the salary increases across the Group	• No minimum or maximum salary increase is operated • Salary increases will normally be aligned to the average increase awarded to other employees • Increases may be above this level if there is an increase in the scale, scope or responsibility of the role or to allow the basic salary of newly appointed Executives to move towards market norms as their experience and contribution increases	• n/a
Annual bonus	• Provides focus on delivering returns from the Group's property portfolio • Rewards and helps retain key Executive Directors and is aligned with the Group's risk profile • Maximum bonus only payable for achieving demanding targets	• Payable in cash (two thirds) and deferred shares (one third) unless the shareholding guideline has been met, in which case the annual bonus will be payable in cash up to 100% of salary and in deferred shares from 100% to 150% of salary • Non-pensionable • Dividend equivalent payments (in cash or in shares) may be payable on deferred shares	• 150% of salary pa for all Executive Directors	• Performance normally measured over one year • 20% of an award vests at threshold performance • Performance targets will be based on Capital Recycling and Equity Sourcing, Vacancy Rates and ESG targets. • Malus and clawback provisions apply
Long-term incentive awards	• Aligned to main strategic objective of delivering long-term value creation • Aligns Executive Directors' interests with those of Shareholders • Rewards and helps retain key Executives and is aligned with the Group's risk profile	• Discretionary annual grant of conditional share awards under the proposed 2024 PSP Scheme • Executive Directors are required to retain PSP shares acquired, net of shares sold to pay tax liabilities arising on vesting, for at least two years after vesting • Dividend equivalent payments (in cash or in shares) may be payable	• 250% of salary pa for all Executive Directors	• Performance normally measured over three years • 10% of an award vests at threshold performance • Performance targets for 2024 awards will be based on Total Shareholder Return • Malus and clawback provisions apply
Pensions	• To help recruit and retain new Executive Directors	• Current Executive Directors are not eligible for pensions or pension contributions • New Executive Directors will be eligible to receive pension contributions (either as a cash supplement and/or a contribution into their own pension arrangements at a rate commensurate with all other employees)	• Workforce aligned (new Executive Directors only)	• n/a
Other benefits	• Provide insured benefits to support the individual and their family during periods of ill health, accidents or death	• Benefits provided through third party providers • Insured benefits include: private medical cover, life assurance and permanent health insurance • Other benefits may be provided where appropriate	• n/a	• n/a
Share ownership guidelines	• To provide alignment of interests between Executive Directors and Shareholders	• Executive Directors are required to build and maintain a specified shareholding through the retention of the post-tax shares received on the vesting of awards	• n/a	• Current Executive Directors are required to hold a shareholding equal to or in excess of 500% of basic salary • New Executive Directors are required to build up a shareholding equal to or in excess of 250% of basic salary, within five years of appointment
Non-Executive Director fees	• Reflects time commitments and responsibilities of each role and fees paid by similarly sized companies • The remuneration of the Non-Executive Directors is determined by the Executive Board	• Cash fees paid monthly • Fees are reviewed on a regular basis • Benefits may be provided where appropriate • Fixed three-year contracts with three-month notice periods	• No minimum or maximum fee increase is operated • Fee increases may be guided by the average increase awarded to Executive Directors and other employees and/or general movements in the market • Increases may be above this level if there is an increase in the scale, scope or responsibility of the role	• n/a

In addition to the above, Executive Directors may also participate in any all-employee share arrangement operated by the Company, up to prevailing HMRC limits.

Compliance with the 2018 UK Corporate Governance Code ("Code")

The Remuneration Committee has ensured that the provisions of the Code have been taken into account in its decisions during the year and in the preparation of this Report.

The Code states that pension provision for Directors is aligned with that provided for the wider workforce. As the current Directors do not receive pensions from the Group, this provision is not currently relevant to Helical.

The Code also suggests that post-employment shareholding provisions operate to ensure that Directors who leave the Group are not able to immediately liquidate their shareholdings. The Group's Remuneration Policy ("Policy") incorporates provisions restricting the sale of certain share entitlements, post-employment.

The Committee has considered the six factors set out in Provision 40 of the Code and ensured that its Policy (both current and proposed) and this Report are consistent with these factors:

- **Clarity and simplicity** – The Policy is designed to simplify remuneration arrangements and provide clarity between remuneration and the performance of the Group. In addition, this Report is designed to assist the reader in understanding how the Policy is being implemented.
- **Risk** – The Policy contains provisions for malus and clawback and permits the use of negative discretion by the Committee to ensure that the outcomes of the performance related pay components of total remuneration can be adjusted in the light of overall performance and Shareholder experience. Executive Directors are required to build substantial shareholdings in the Company to further ensure that their personal interests are aligned with those of Shareholders.
- **Predictability** – The range of potential award outcomes for the performance related pay components are set out in this Report. In addition to assessing the range between the minimum and maximum values of remuneration packages, it also highlights the impact of share price growth on the maximum awards.
- **Proportionality** – The Policy sets out clear links between the potential rewards available to Executive Directors, the implementation of the Group's business strategy and the performance outcomes that generate Shareholder value. Stretching targets are set by the Committee which retains the ability to adjust remuneration outcomes where these do not truly reflect the Group's underlying performance. With a significant element of remuneration being performance-related and in the form of equity subject to holding periods, the interests of the Executive Directors and Shareholders are aligned.
- **Alignment to Culture** – Helical's strategy, Values and Purpose have evolved over the years. Our Executive Directors, along with our wider workforce, are continually looking to deliver on our strategy whilst acting in accordance with our Values and our Culture. The remuneration packages available to them are aligned with the strategy and designed to incentivise them to deliver value to our Shareholders.

Finally, the Committee has considered a number of matters as set out in Paragraph 41 of the Code as part of its overall oversight of remuneration at the Company. Specifically, the Committee is satisfied that the level of remuneration provided to the Directors is appropriate, both by comparison to the Company's peer group within the real estate industry (against which remuneration is benchmarked) and also in the context of the level of remuneration of the wider workforce – a team of experienced professionals of whom a significant number are incentivised in similar ways to the Directors.

The Committee also considered whether the Policy operated as intended in the light of the Company's performance and quantum. The Policy measures a range of performance metrics that are aligned to the Company's strategy with the remuneration outcomes being assessed against these. The ability of the Committee to exercise negative discretion (as has been applied three times in the last seven years) when the experience of Shareholders does not match the performance metrics demonstrates that the necessary checks and balances in place are operating as intended.

The Company regularly seeks feedback from the workforce through a variety of methods as explained on pages 98 and 99. Through these methods, the Company engages with its workforce on remuneration matters where appropriate.

Recruitment Policy

In considering the structure of the Board, the balance between Executive Directors and independent Non-Executive Directors and the skills, knowledge and experience required to ensure the Board functions in accordance with the Group's objectives, the Committee will seek to apply the following principles in relation to the remuneration of new Directors, whether by internal promotion or external appointment:

Element	Policy
Salary	The salary of newly appointed Executive Directors would reflect the individual's experience and skills, taking into account internal comparisons. On initial appointment and depending on experience, salaries would generally be set at a level lower than benchmarked for that role to allow for pay increases to market levels subject to satisfactory progress and contribution.
Benefits	Benefits would be as currently provided and periodically reviewed, being private medical cover, permanent health insurance and life assurance.
Pension	There is no Group pension scheme for current Directors and no contributions are payable to current Directors' own pension schemes. New Executive Directors will be eligible to receive the benefit of pension contributions paid into their own pension scheme.
Annual bonus	Annual bonus arrangements under the terms of the 2018 Annual Bonus Scheme will be made in accordance with the terms of that scheme, with the Committee retaining the right to pro-rate any bonus payable in respect of the year of appointment.
Long-term incentives	Annual awards under the terms of the 2024 PSP will be made in accordance with the terms of that Plan.
Share Incentive Plan	In line with that of existing Executive Directors.
Shareholding guideline	Newly appointed Executive Directors will be expected to build up a shareholding in the Company of 250% of salary out of shares purchased and/or shares vesting through the Group's Annual Bonus Scheme and Performance Share Plan, within five years of their appointment.
Buy-out awards	Should it be deemed necessary to compensate a new Director for loss of bonus or incentives from a previous employer, the Committee may structure the remuneration of such Director to buy-out any such bonus or incentives on a like-for-like basis in respect of currency (i.e. cash versus shares), timing and performance targets. Where possible such buy-out will be structured within the Company's existing incentive arrangements but the Committee has the discretion to implement the exemption under rule 9.4.2 of the Listing Rules.
Non-Executive Directors	Newly appointed Non-Executive Directors will be paid fees at a level consistent with existing Non-Executive Directors. Fees would be paid pro-rata in the year of appointment.

How employee pay is taken into account and compared with the Remuneration Policy of Executive Directors

All permanent employees of the Group, including Executive Directors, receive a basic remuneration package including basic salary, private medical cover, permanent health insurance, life assurance and membership of the Share Incentive Plan. There is no Group pension scheme for current Executive Directors and no contributions are payable into Directors' own pension schemes. For all permanent employees below Board level, the Company pays pension contributions of 12.5% in respect of all employees' pension arrangements. Whilst employees below Board level are not entitled to participate in the Annual Bonus Scheme, discretionary bonuses are paid to employees on an individual basis depending on their performance and contribution.

The Performance Share Plan is available to all employees but is primarily utilised to incentivise Executive Directors and senior management. In determining executive remuneration, the Committee considers the overall remuneration of all the Group's employees and, other than in exceptional circumstances, seeks to award increases in salaries at levels below those made to other staff and within its own guidelines. The remaining remuneration is weighted towards performance related awards. The Committee does not consult with the Group's employees when drawing up its Remuneration Policy.

Leaver Policy

On termination of employment each Director may be entitled to a payment in lieu of notice of basic salary and other contractual entitlements, i.e. provision of health and life insurance etc. The Group may make payments in lieu of notice as one lump sum or in instalments, at its own discretion. If the Group chooses to pay in instalments the Director is obliged to seek alternative income over the relevant period and to disclose the amount of alternative income received. Instalment payments will be reduced by any alternative income.

Under the Annual Bonus Scheme 2018, participants will not normally be entitled to receive any payment under the scheme following cessation of employment and shall immediately cease to have any interests, benefits, rights and/or entitlements under the scheme howsoever arising on the date of such cessation except where good leaver status applies (i.e. death; injury; disability; redundancy; retirement; sale or transfer of employing company or business outside the Group; or any other reason permitted by the Committee). For good leavers, individuals would cease to accrue amounts in respect of any period after cessation of employment but would receive any amounts previously deferred into shares under the terms of the Annual Bonus Scheme 2018.

Any share-based entitlements granted to an Executive Director under the Group's share plans will be determined based on the relevant plan rules. For awards granted under the 2014 PSP, awards held by good leavers will vest on the normal vesting date subject to performance conditions and time pro-rating, unless the Committee determines that awards should vest at cessation and/or time pro-rating should not apply.

Finally, the following post cessation shareholding guidelines will apply to leavers:

- Unvested deferred annual bonus and PSP share awards will be treated in line with the good leaver/bad leaver provisions presented in the Shareholder approved Remuneration Policy; and
- Shares to the value of 250% of salary to be retained for two years, post cessation. Such shares to be out of those delivered from deferred bonuses and PSP awards which are granted after the 2021 AGM.

Helical Annual Bonus Scheme 2018

Gerald Kaye, Tim Murphy and Matthew Bonning-Snook participate in the Annual Bonus Scheme 2018, which was approved by Shareholders at the 2018 AGM. This scheme provides annual bonuses based on the performance of the property portfolio and the Group and against strategic, operational and ESG targets and is aligned with Shareholders' interests with appropriate hurdles and Shareholder protections.

The main features of the Annual Bonus Scheme 2018, as amended during the 2024 review of the Remuneration Policy and to be implemented for the year to 31 March 2025, are as follows:

- 25% of the annual bonus will be payable if targets for capital recycling, based on property sales, are met;
- 25% of the annual bonus will be payable if targets for equity sourcing, based on new equity/joint venture capital, at asset level, are met;
- 30% of the annual bonus will be payable if targets for letting vacant space in the portfolio are met; and
- 20% of the annual bonus will be payable if ESG targets are met.

The Committee will review the threshold and stretch targets to ensure they remain appropriate to the Group's strategy and market conditions.

Shareholder protections

- Annual bonus payments to individual Directors will be restricted in any financial year to 150% of salary;
- Until the minimum shareholding guideline of 500% of salary for current Executive Directors and 250% of salary for new Executive Directors is met, two thirds of any payment is made in cash after the relevant year end and one third is deferred for three years into Helical plc shares. Once the minimum shareholding guideline is met, any bonus payment is normally made in cash up to 100% of salary and in deferred shares from 100% to 150% of salary;
- The Committee has a general negative discretion surrounding bonus payments and, to the extent there is a low or no bonus payable on the financial measures, it will retain the discretion to reduce (including to zero) the payment under the strategic, operational and ESG targets;
- The scheme will operate malus and clawback provisions, whereby amounts deferred, or the net of tax amounts paid, may be recovered or withheld in the event of a misstatement of results, an error being made in assessing the calculation, in the event of gross misconduct, serious reputational damage and corporate failure; and
- The Committee will have discretion to award annual bonuses in deferred shares (in full or in part) irrespective of an Executive Director's shareholding guidelines, although it is expected that this discretion would only be used in exceptional circumstances.

Other matters

Awards may be satisfied through shares purchased in the market or by new issue or treasury shares. Where new issue or treasury shares are used, the standard 5% in 10-year dilution limit will apply.

Performance Share Plan 2014

Performance conditions for awards granted in 2023 under the terms of the Performance Share Plan 2014 were weighted and measured over three years as follows:

NET ASSET VALUE GROWTH		RELATIVE TSR		TPR VERSUS MSCI INDEX	
Annual compound increase	% of award vesting	Ranking after three years	% of award vesting	Ranking after three years	% of award vesting
10% pa or more	40.0	Upper quartile or above	40.0	Upper quartile or above	20.0
5% pa to 10% pa	Pro-rata from 4.0 to 40.0	Median to upper quartile	Pro-rata from 4.0 to 40.0	Median to upper quartile	Pro-rata from 2.0 to 20.0
5% pa	4.0	Median	4.0	Median	2.0
Below 5% pa	nil	Less than median	nil	Less than median	nil

1 Net asset value growth – the fully diluted EPRA triple net asset value as at the start of the financial year in which a grant takes place will be compared to the value three years later (having added back dividends and changes in issued share capital).
2 Relative TSR – the comparator group for awards granted will be those companies included in the FTSE 350 and Small Cap Indices, excluding agencies.
3 TPR versus MSCI Index – the Total Property Return of the Group's property portfolio will be compared to the MSCI Central London Offices Total Return Index.
4 Share awards will lapse in full where net asset value per share (having added back dividends and changes in issued share capital) does not increase over the three-year period or the Total Property Return falls below the MSCI median, the growth in EPRA triple net asset value is below 5.0% pa and the relative TSR is below the median over the three-year period.

Executive Directors' dates of appointment and service contracts

All service contracts are available for inspection at the registered offices of the Company. Original dates of appointment to the Board are as follows:

Executive Director	Notice period	Date of first employment	Board appointment	Date of current contract
Gerald Kaye	6 months	6 March 1994	28 September 1994	25 July 2016
Tim Murphy	6 months	1 March 1994	24 July 2012	25 July 2016
Matthew Bonning-Snook	6 months	13 March 1995	1 August 2007	25 July 2016

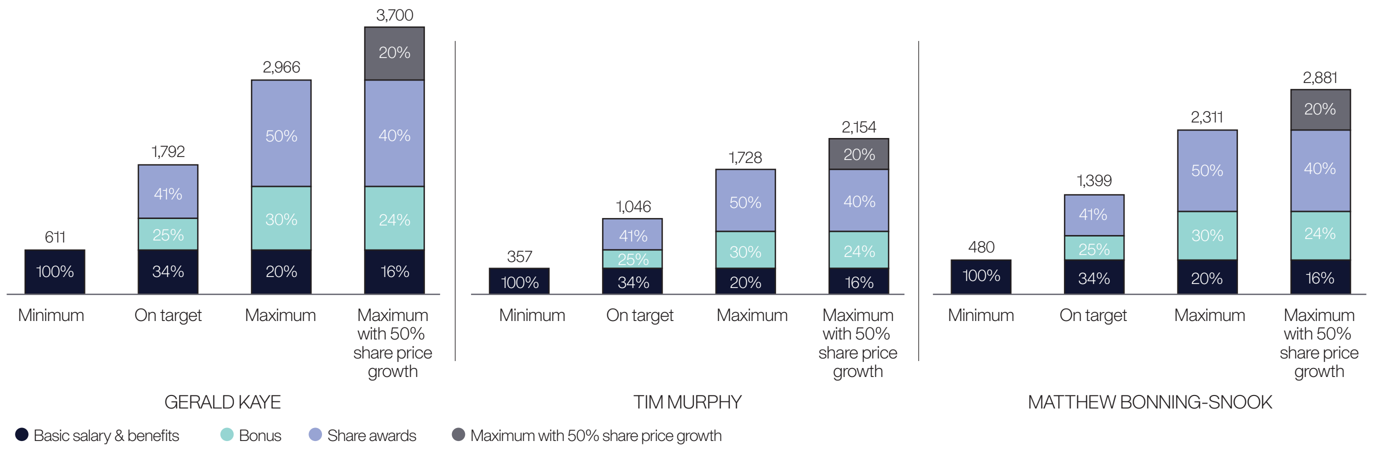
Reward scenarios

The charts below show how the composition of the Executive Directors' remuneration packages varies under four different performance scenarios, namely, at minimum (i.e. fixed pay), target (assumed to be 50% of the maximum incentive levels), maximum levels, all assuming no share price appreciation, and the maximum levels assuming 50% share price appreciation across the performance period of long-term incentive awards.

The charts are based on:

- Salary levels effective 1 April 2024;
- An approximated annual value of benefits (no pension is provided);
- A 150% of salary maximum annual bonus (with target assumed to be 50% of the maximum);
- A 250% of salary award under the PSP in line with the normal maximum award (with target assumed to be 50% of the maximum) plus shares awarded under the Helical 2022 Approved Share Incentive Plan; and
- In the final column of each chart, share appreciation of 50% across the three-year performance period of the awards made under the PSP.

VALUE OF REMUNERATION PACKAGES AT DIFFERENT LEVELS OF PERFORMANCE
£'000



Non-Executive Directors

Non-Executive Directors are appointed by a Letter of Appointment and their remuneration is determined by the Executive Board. Current Letters of Appointment, setting out the terms of appointment, operate from 14 July 2022, or later if subsequently appointed to the Board. The appointment of Non-Executive Directors is terminable on three months' notice. Non-Executive Directors are not eligible to participate in any new share awards made under the terms of the Group's bonus or share award schemes. In exceptional circumstances, where an Executive Director becomes a Non-Executive Director, ongoing participation in awards previously made in bonus and share schemes will be subject to the rules of those schemes and to the discretion of the Committee.

Non-Executive Directors' Letters of Appointment

Non-Executive Director	Board appointment	Commencement date of current term	End date of current term
Richard Cotton – Board Chairman and Chair of the Nominations Committee	1 March 2016	14 July 2022	13 July 2025
Sue Clayton – Senior Independent Director and Chair of the Property Valuations Committee	1 February 2016	14 July 2022	13 July 2025
Sue Farr – Chair of the Remuneration Committee	5 June 2019	14 July 2022	13 July 2025
Joe Lister[1] – Chair of the Audit and Risk Committee	1 September 2018	14 July 2022	13 July 2025
Robert Fowlds	8 February 2024	8 February 2024	7 February 2027
Amanda Aldridge[1]	1 April 2024	1 April 2024	31 March 2027

1 Joe Lister is to step down at the 2024 AGM and Amanda Aldridge will be appointed Chair of the Audit and Risk Committee on re-election at the AGM.

Annual Report on Remuneration

This part of the Directors' Remuneration Report explains how the Group has implemented the Remuneration Policy in the year to 31 March 2024 and how the Policy is intended to be implemented in the year to 31 March 2025.

Application of the Remuneration Policy in the year to 31 March 2024

Work of the Committee during the year

The Committee's work during the year under review included the following:

Fixed pay

- The annual salary review for the Executive Directors and wider workforce.

Performance related pay

- The approval of annual bonuses for the year ended 31 March 2023;
- The review of bonus targets for the year ended 31 March 2024;
- The setting of targets for the PSP awards which were granted in July 2023; and
- The approval of the vesting of PSP awards in July 2023 which were originally granted in June 2020.

Other matters

- The Committee updated its terms of reference for the latest developments in good practice.
- The Committee reviewed the Remuneration Policy and considered what changes were required to the Policy to seek Shareholder approval at the 2024 AGM.

Total remuneration in the year to 31 March 2024

This section has been subject to audit unless otherwise stated.

Directors' remuneration

Total remuneration in respect of the Directors in the year to 31 March 2024 was as follows:

	Fixed			Variable					
Year to 31 March 2024	Basic salary/ fees £000	Benefits[1] £000	Sub-total £000	Annual cash bonus £000	Deferred bonus shares £000	Share[2] awards £000	Share Incentive Plan[3] £000	Sub-total £000	Total £000
Executive Directors									
Gerald Kaye	587	54	641	–	–	38	7	45	686
Tim Murphy	341	17	358	–	–	23	7	30	388
Matthew Bonning-Snook	456	50	506	–	–	28	7	35	541
	1,384	**121**	**1,505**	**–**	**–**	**89**	**21**	**110**	**1,615**
Non-Executive Directors									
Richard Cotton	162	–	162	–	–	–	–	–	162
Sue Clayton	72	–	72	–	–	–	–	–	72
Sue Farr	62	–	62	–	–	–	–	–	62
Joe Lister	62	–	62	–	–	–	–	–	62
Robert Fowlds[4]	8	–	8	–	–	–	–	–	8
	366	**–**	**366**	**–**	**–**	**–**	**–**	**–**	**366**
Total	**1,750**	**121**	**1,871**	**–**	**–**	**89**	**21**	**110**	**1,981**

1 Benefits include the provision of a car, fuel allowance, private medical cover, life assurance and permanent health insurance. Significant individual benefits include £24,000 and £23,000 car benefit for Gerald Kaye and Matthew Bonning-Snook respectively.
2 The 2021 PSP awards are not expected to vest. Dividend shares awarded to Directors on 19 June 2023 under the terms of the Annual Bonus Scheme 2018 are included at their actual vesting price of 278.00p.
3 The Share Incentive Plan figure relates to the free and matching shares awarded under the Helical Bar 2022 Share Incentive Plan, details of which are on page 139.
4 Robert Fowlds joined the Board on 8 February 2024.

Total remuneration in respect of the Directors in the year to 31 March 2023 was as follows:

	Fixed				Variable				
Year to 31 March 2023	Basic salary/ fees £000	Benefits[1] £000	Sub-total £000	Annual cash bonus £000	Deferred bonus shares £000	Share[2,3] awards £000	Share Incentive Plan[4] £000	Sub-total £000	Total £000
Executive Directors									
Gerald Kaye	570	48	618	427	–	734	7	1,168	1,786
Tim Murphy	331	14	345	249	–	424	7	680	1,025
Matthew Bonning-Snook	443	47	490	332	–	567	7	906	1,396
	1,344	**109**	**1,453**	**1,008**	**–**	**1,725**	**21**	**2,754**	**4,207**
Non-Executive Directors									
Richard Cotton	137	–	137	–	–	–	–	–	137
Richard Grant	47	–	47	–	–	–	–	–	47
Sue Clayton	69	–	69	–	–	–	–	–	69
Sue Farr	62	–	62	–	–	–	–	–	62
Joe Lister	62	–	62	–	–	–	–	–	62
	377	**–**	**377**	**–**	**–**	**–**	**–**	**–**	**377**
Total	**1,721**	**109**	**1,830**	**1,008**	**–**	**1,725**	**21**	**2,754**	**4,584**

1 Benefits include the provision of a car, fuel allowance, private medical cover, life assurance and permanent health insurance. Significant individual benefits include £24,000 and £22,000 car benefit for Gerald Kaye and Matthew Bonning-Snook respectively.
2 PSP awards are included at their actual vesting values in July 2023 of 278.00p. The table included in the 2023 Financial Statements included share awards at the average share price over the three months to 31 March 2023 of 344.52p. Dividend shares awarded to Directors on 27 July 2022 under the terms of the Annual Bonus Scheme 2018 are included at their actual vesting price of 386.00p.
3 The PSP award values include no share price appreciation.
4 The Share Incentive Plan figure relates to the free and matching shares awarded under the Helical Bar 2022 Share Incentive Plan, details of which are on page 139.

Determination of annual bonus outcome

The table below sets out the financial measures and strategic objectives and their respective outcomes under the terms of the Annual Bonus Scheme 2018. These measures apply to all Executive Directors equally and provide each Director with a percentage pay-out of their maximum bonus, capped at 150% of basic salary. This is set out in the second table below.

Metric	Performance condition	Weighting	Threshold target	Stretch target	Outcome	% of bonus payable
TAR	**Total Accounting Return** 20% of the maximum bonus available pays out if the Group's EPRA TAR, adjusted for performance related awards and calculated annually, exceeds 5.00% increasing pro-rata to 100% for a TAR of 10.0% or greater.	40.00%	5.00%	10.00%	-31.37%	00.00%
TPR	**Portfolio Capital Return v MSCI Central London Offices Capital Growth Index** 20% of the maximum bonus available pays out if the Group's Portfolio Capital Return matches the performance of the Index increasing pro-rata to 100% for matching or exceeding the Index plus 4.50%.	20.00%	-8.50%	-4.00%	-22.80%	00.00%
Letting Targets	**1. The JJ Mack Building Letting Target**	20.00%	50.0%	100.0%	67.43% (see below)	13.49%
	2. The Loom Letting Target	10.00%	80.0%	90.0%	Not achieved (see below)	00.00%
ESG	**3. Energy Intensity on Retained and Let Investment Assets**	5.00%	124 kWh/m²	122 kWh/m²	119 kWh/m²	5.00%
	4. Carbon Emissions on Retained and Let Investment Assets	5.00%	2.68 kg of CO_2 per sq ft	2.60 kg of CO_2 per sq ft	2.62 kg of CO_2 per sq ft	4.50%
	5. Underpin Maintaining its sustainability scores at previous year's levels of: GRESB 5* CDP B EPRA Sustainability BPR Gold				Partially achieved (see below)	
Total		**100.00%**				**22.99%**

In view of the financial results for the year to 31 March 2024, the Executive Directors have waived their entitlement to an annual bonus of 22.99% of their basic salary.

Total Accounting Return
The Total Accounting Return of the Group for the year to 31 March 2024, adjusted for performance related awards, was -31.4%, below the threshold and stretch targets of 5.0% and 10.0% respectively. Accordingly, no bonus is payable under this performance condition.

Total Property Return
The annual performance of the Group's property portfolio is measured by MSCI, an independent company that produces industry benchmarks of portfolio returns. For the annual bonus, MSCI measures the capital growth performance of Helical's property portfolio and we compare the results to an MSCI benchmark, the Central London Offices Capital Growth Index, for the financial year. In the year to 31 March 2024, the portfolio produced a capital return of -22.8%, as measured by MSCI. The return fell below both the threshold and stretch targets of -8.5% and -4.0% and, accordingly, no bonus is payable under this performance condition.

Letting Targets
As noted on page 135, the letting of vacant space at The JJ Mack Building, EC1 and The Loom, E1 were identified as key operational targets at the start of the financial year to 31 March 2024. At The JJ Mack Building, EC1, the year started with 18% of space let in this 206,000 sq ft new office building. By 31 March 2024, 67% of the total space had been let. Accordingly, 67% of this target was met. At The Loom, E1, the year started with 72% of space let in this 109,000 sq ft office building. By 31 March 2024, 65% of the total space had been let and, accordingly, this target was not met.

ESG
The Group has set Energy Intensity and Carbon Emissions targets on its journey towards becoming net zero by 2030. The Energy Intensity target was met in full and the Carbon Emissions target was 90.0%.

The Group maintained its sustainability scores measured by CDP at B and EPRA Sustainability BPR of Gold. As measured by GRESB, the Group maintained its Green Star status but the overall mark went down from 5* to 4*.

The total annual bonus for the year ended 31 March 2024 is set out below:

Executive Director	Basic salary £000	Maximum bonus payable (150% basic salary) £000	Bonus outcome %	Bonus waived %	Bonus payable £000	Cash £000	Deferred shares £000
Gerald Kaye	587	880	23%	(23)%	–	–	–
Tim Murphy	341	512	23%	(23)%	–	–	–
Matthew Bonning-Snook	456	684	23%	(23)%	–	–	–

As noted on page 135 above, in view of the results for the year, the Executive Directors have waived their entitlement to a bonus of 23% of their basic salaries.

PSP awards vesting in 2024
The PSP awards granted on 2 June 2021 are eligible to vest after 2 June 2024. The expected vesting percentage is as follows:

Metric	Performance condition	Weighting	Threshold target	Stretch target	Actual	% vesting
NAV (fully diluted triple net)	**Net asset value growth** 10% of this part of an award vests for pre-dividend compound NAV growth of 10.6%* pa increasing pro-rata to 100% of this part of an award vesting for pre-dividend compound NAV growth of 15.2%*pa	33.33%	10.65%	15.19%	-10.9%	0.00%
TPR	**Total Property Return v MSCI Central London Offices Total Return Index** 10% of this part of an award vests for median ranking increasing pro-rata to 100% of this part of an award vesting for upper quartile or above performance	33.33%	Median -4.0%	Upper quartile -1.4%	-5.9%	0.00%
TSR	**Total Shareholder Return v FTSE 250 and Small Cap Sectors (excluding agencies)** 10% of this part of an award vests for median ranking increasing pro-rata to 100% of this part of an award for upper quartile or above performance	33.33%	Median -8.0%	Upper quartile 8.2%	-41.3%	0.00%
Total		**100.0%**				**0.00%**

* The minimum and maximum thresholds have been increased from their normal levels of 5.0% and 10.0% due to the impact of inflation above 3.0% during the performance period.

Based on the above, details of the shares awarded and the expected value at vesting are as follows:

Executive Director	Number of shares at grant	Number of shares expected to lapse	Number of shares expected to vest	Estimated value at vesting £'000
Gerald Kaye	316,641	316,641	–	–
Tim Murphy	184,288	184,288	–	–
Matthew Bonning-Snook	246,309	246,309	–	–

PSP awards vested in 2023
The share awards presented in the remuneration table for the year to 31 March 2023 on page 135 are based on the 2014 PSP awards granted on 10 June 2020. The share price used to calculate the expected value at vesting for the 2020 PSP awards in the 2023 Annual Report was 344.52p (based on the average share price over the three months to 31 March 2023). The actual share price at vesting on 19 June 2023 was 278.00p and the comparative figures reflect these actual vesting share prices.

Payments for loss of office (audited)
No payments were made to Directors in the year for loss of office or to past Directors.

Statement of implementation of the Remuneration Policy for the year to 31 March 2025
This Annual Report on Remuneration is required, under the provisions of the Act, to include a statement on the implementation of the Remuneration Policy in the year to 31 March 2025. To assist Shareholders to understand the Group's overall remuneration, we have included this information in the Implementation of the Remuneration Policy section on pages 126 to 127 above.

Other remuneration matters
This section is unaudited unless stated otherwise.

Advisors to the Committee
The Committee consults the Chief Executive and Chief Financial Officer about its proposals and has access to professional advice from FIT Remuneration Consultants LLP ("FIT"), a member of the Remuneration Consultants Group, which is responsible for developing and maintaining the Code of Conduct for Consultants to Remuneration Committees of UK listed companies. FIT is independent of both the Group and its Directors and, as such, the Committee is satisfied that the advice received was objective and independent. Terms of reference for the remuneration consultants, which provided no other services to the Company, are available from the Company Secretary on request. Fees paid to FIT in the year to 31 March 2024 amounted to £40,258 (2023: £28,530), reflecting work done during the year on advising the Company on its proposed new Remuneration Policy. Fees are charged on a time plus disbursements basis.

Relative importance of the spend on pay
The table below compares the expenditure and percentage change in that expenditure between 2023 and 2024 to the other key financial metrics of distributions to Shareholders and the net asset value of the Group.

	2024 £000	2023 £000	Change %
Staff costs	5,382	7,755	-30.6%
Distributions to Shareholders[1]	5,929	14,482	-59.1%
Net asset value of the Group	401,075	608,675	-34.1%

1 In respect of the financial year to which they relate.

Shareholder voting at the last AGM
Details of the 2023 advisory Annual Report on Remuneration vote and the 2021 binding Remuneration Policy vote were as follows:

	Issued	For	%	Against	%	Withheld	Total
2023 Annual Report on Remuneration	123,355,197	93,873,721	97.5	3,818,064	2.5	2,266	97,694,051
2021 Remuneration Policy	122,099,814	95,598,663	96.1	3,833,246	3.9	1,650,086	101,081,995

The Committee was pleased to note the level of Shareholder support for the Annual Report on Remuneration in 2023 and the Remuneration Policy in 2021.

Directors' shareholdings (audited)

	Legally owned 31.3.23	Legally owned 31.3.24	Share Incentive Plan unrestricted 31.3.24	Beneficially held total 31.3.24	Deferred shares 31.3.24	Share Incentive Plan restricted 31.3.24	PSP awards unvested 31.3.24
Executive Directors							
Gerald Kaye	2,447,914	2,681,341	54,616	2,735,957	65,131	23,210	1,213,841
Tim Murphy	781,429	868,649	32,537	901,186	37,906	19,745	706,460
Matthew Bonning-Snook	1,559,305	1,738,147	54,159	1,792,306	50,664	23,139	944,217
Non-Executive Directors							
Richard Cotton	52,000	52,661	–	52,661	–	–	–
Sue Clayton	14,000	14,000	–	14,000	–	–	–
Sue Farr[1]	9,111	9,111	–	9,111	–	–	–
Joe Lister	9,350	9,350	–	9,350	–	–	–
Robert Fowlds	n/a	–	–	–	–	–	–
Amanda Aldridge	n/a	–	–	–	–	–	–

1 The shareholding of Sue Farr is held by a connected person.

The three Executive Directors of Helical have an average length of service of over 29 years and have built up a shareholding during that time of circa 5.4 million shares with a market value at 31 March 2024 of circa £11.2m at the weighted average share price for the three months to 31 March 2024 of 206.02p.

Directors' share interests and shareholding guidelines (audited)

Executive Director	Salary[1] £	Share ownership guideline[2] £	Beneficially held shares	Value of beneficially held shares[3] £	Ratio of shares held to salary %
Gerald Kaye	586,585	2,933,000	2,735,957	5,637,000	961
Tim Murphy	341,395	1,707,000	901,186	1,857,000	544
Matthew Bonning-Snook	456,290	2,281,000	1,792,306	3,693,000	809

1 Salaries as at 31 March 2024.
2 Share ownership guideline is 500% of salary.
3 Value based on the average share price for the three months to 31 March 2024 of 206.02p.

PSP awards granted in the year (audited)

The following conditional awards were granted on 1 June 2023 at 263.20p, being the average closing price of the shares for the five business days preceding the award date.

	Basis of award (% of salary)	Share awards number	Face value of award £000	Vesting at threshold	Vesting at maximum	Performance period
Gerald Kaye	250%	540,938	1,424	10%	100%	3 years to 31 March 2026
Tim Murphy	250%	314,827	829	10%	100%	3 years to 31 March 2026
Matthew Bonning-Snook	250%	420,782	1,108	10%	100%	3 years to 31 March 2026

The PSP awards above were made at share prices calculated at the average closing price of the shares for the five business days preceding each award date.

Details of the performance targets attached to the awards are set out on page 132.

The total number of awards made to Directors under the terms of the 2014 PSP scheme which have not yet vested are as follows:

Executive Director	Shares awarded 02.06.21 at 430.1p	Shares awarded 27.07.22 at 388.1p	Shares awarded 01.06.23 at 263.2p	Total shares awarded
Gerald Kaye	316,641	356,262	540,938	1,213,841
Tim Murphy	184,288	207,345	314,827	706,460
Matthew Bonning-Snook	246,309	277,126	420,782	944,217

It is currently expected that nil% of the shares awarded on 2 June 2021, nil% of the shares awarded on 27 July 2022 and nil% of the shares awarded on 1 June 2023 will vest.

Helical 2022 Approved Share Incentive Plan (audited)

Under the terms of this Plan, employees of the Group are given annual awards of free shares with a value of £3,600 and participants are allowed to purchase additional shares up to a value of £1,800, to be matched in a ratio of 2:1 by the Company. Provided participants remain employed by the Group for a minimum of three years they will retain the free and matching shares.

Shares allocated to, or purchased on behalf of, the Directors under the rules of the Plan during the period and as at 31 March 2024, were as follows:

Executive Director	1 June 2023 at 243.50p	12 June 2023 at 268.00p	31 July 2023 at 271.50p	12 September 2023 at 220.00p	29 November 2023 at 213.00p	15 January 2024 at 229.50p	14 March 2024 at 201.00p
Gerald Kaye	1,478	504	2,030	615	633	979	672
Tim Murphy	1,478	504	1,346	615	633	655	672
Matthew Bonning-Snook	1,478	504	2,015	615	633	973	672

Shares were allocated to the Directors under the Plan at the closing share price on the previous business day to the date of allocation.

Shares allocated to, or purchased on behalf of, the Directors, which remain in their ownership at 31 March 2024, were as follows:

Executive Director	Unrestricted[1]	Restricted[2]	As at 31 March 2024
Gerald Kaye	54,616	23,210	77,826
Tim Murphy	32,537	19,745	52,282
Matthew Bonning-Snook	54,159	23,139	77,298

1 Unrestricted shares are those shares allocated to Directors that have met their minimum five-year ownership qualifying period.
2 Restricted shares are those shares allocated to Directors that have not met their minimum five-year ownership qualifying period.

Shares held by the Trustees of the Plan at 31 March 2024 were 636,834 (2023: 620,496).

Helical Annual Bonus Scheme – deferred shares (audited)

Under the terms of the Annual Bonus Scheme 2018, one third of annual bonuses awarded to scheme participants each year are deferred for three years into Helical plc shares, unless an Executive Director satisfies the minimum shareholding guideline, in which case bonus payments up to 100% of salary are payable in cash with the remainder in deferred shares. Deferred shares awarded under the terms of this scheme, which vested during the year to 31 March 2024 and which are expected to be awarded in June 2024, are as noted in the table below:

Executive Director	Deferred shares 1 April 2023	2023 bonus award 12 June 2023	2020 award vesting 12 June 2023	Deferred shares 31 March 2024	Expected 2024 award	Dividend shares awarded on 2020 award vesting
Gerald Kaye	238,709	–	(173,578)	65,131	–	13,598
Tim Murphy	141,318	–	(103,412)	37,906	–	8,101
Matthew Bonning-Snook	180,900	–	(130,236)	50,664	–	10,203

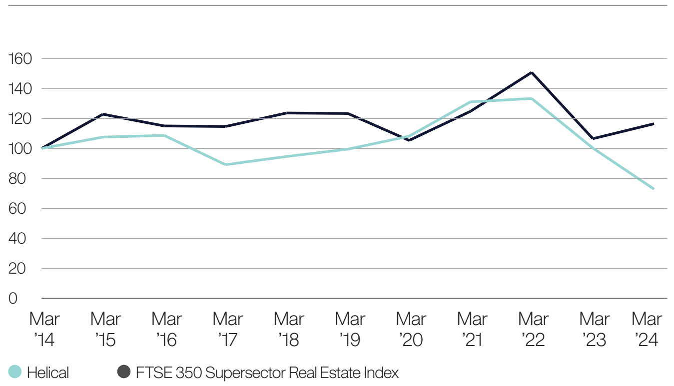
Share price performance and Total Shareholder Return (TSR)

The market price of the ordinary shares of Helical plc at 31 March 2024 was 208.00p (2023: 300.00p). This market price varied between 185.00p and 321.50p and averaged 236.14p during the year.

The Total Shareholder Returns for a holding in the Group's shares in the 10 years to 31 March 2024 compared to a holding in the FTSE 350 Supersector Real Estate Index are shown in the graphs below. This index has been chosen because it includes the majority of listed real estate companies.

TSR – 10 years to 31 March 2024

The graph below shows the base position, at 31 March 2014, from which subsequent performance is measured, as required by the Regulations.



Source: Datastream (a LSEG product)

This graph shows the value, by 31 March 2024, of £100 invested in Helical on 31 March 2014, compared with the value of £100 invested in the FTSE 350 Supersector Real Estate Index.

Remuneration of the Chief Executive

Comparing the 10-year TSR of the Company, set out above, to the remuneration of the Chief Executive, the table below presents single figure remuneration for the Chief Executive over the period, since 1 April 2014, together with past annual bonus pay-outs and the vesting of long-term incentive share awards:

Year ended	Name	Total remuneration £000	Annual bonus (% of max pay-out)	PSP (% of max vesting)
31 March 2024	Gerald Kaye	686	–[1]	–
31 March 2023	Gerald Kaye	1,954	50	67
31 March 2022	Gerald Kaye	2,532	97	75
31 March 2021	Gerald Kaye	2,234	60	74
31 March 2020	Gerald Kaye	2,316	76[2]	66
31 March 2019	Gerald Kaye	1,732	91	33
31 March 2018	Gerald Kaye	2,209	75[3]	46
31 March 2017	Gerald Kaye	2,635[4]	100	66
31 March 2016	Michael Slade	3,867	100	100
31 March 2015	Michael Slade	5,534	100	100

1 23% before management waived the annual bonus awards.
2 85% before the application of negative discretion by the Committee.
3 100% before the application of negative discretion by the Committee.
4 The total remuneration of Gerald Kaye includes the period whilst he was an Executive Director but prior to his appointment as CEO on 25 July 2016.

Comparison of changes in the remuneration of the Board to the Group's other employees

The percentage change in the remuneration of each member of the Board and for the average of all other employees in the Group, between 2023 and 2024, 2022 and 2023 and 2021 and 2022, was as follows:

	2023-2024			2022-2023			2021-2022		
	Base salary/fees	Benefits	Annual bonus	Base salary/fees	Benefits	Annual bonus	Annual salary/fees	Benefits	Annual bonus
Executive Directors									
Gerald Kaye	3.0%	12.2%	-100.0%	3.0%	4.9%	-47.0%	1.5%	0.9%	63.4%
Tim Murphy	3.0%	22.6%	-100.0%	3.0%	-6.4%	-47.0%	1.5%	29.9%	63.4%
Matthew Bonning-Snook	3.0%	7.0%	-100.0%	3.0%	1.5%	-47.0%	1.5%	5.7%	63.4%
Non-Executive Directors									
Richard Cotton[1]	18.4%	n/a	n/a	96.1%	n/a	n/a	0.0%	n/a	n/a
Sue Clayton[2]	4.1%	n/a	n/a	19.2%	n/a	n/a	0.0%	n/a	n/a
Sue Farr[3]	0.0%	n/a	n/a	6.9%	n/a	n/a	5.6%	n/a	n/a
Joe Lister	0.0%	n/a	n/a	6.9%	n/a	n/a	0.0%	n/a	n/a
Robert Fowlds[4]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Amanda Aldridge[5]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Average of all other employees	9.5%	-2.9%	-100.0%	5.2%	1.6%	-45.8%	5.0%	8.1%	-5.9%

The remuneration of Directors used to calculate the percentage change in base salary/fees, benefits and Share Incentive Plan and annual bonus, is taken from the tables of Directors' remuneration on page 134.
1 The percentage increase in the fees payable to Richard Cotton in 2022-2023 and 2023-2024 reflects his appointment as Chairman at the 2022 AGM.
2 The percentage increase in the fees payable to Sue Clayton in 2022-23 and 2023-2024 reflects her appointment as the Senior Independent Director at the 2022 AGM, as well as the increase in base fees from the triennial review of Non-Executive Directors' fees.
3 The percentage increase in the fees payable to Sue Farr in 2021-2022 reflects her appointment as Chair of the Remuneration Committee at the 2020 AGM.
4 Robert Fowlds was appointed to the Board on 8 February 2024.
5 Amanda Aldridge was appointed to the Board on 1 April 2024.

Gender Pay Gap reporting

The Group falls below the threshold for mandatory Gender Pay Gap reporting. Due to the low number of employees, which could result in distortions of data, the Board does not believe it appropriate to voluntarily report. Notwithstanding this, the Board firmly believes in promoting and recruiting more females into senior roles and in pay equality for equal work and is mindful of both the legal and moral obligations to ensure that employees are remunerated in a fair manner regardless of gender.

Chief Executive pay ratio

As Helical has fewer than 250 employees, there is no requirement to disclose the Chief Executive pay ratio. However, given the Committee's commitment to transparency and good governance, this information is provided on a voluntary basis.

The table below compares the single total figure of remuneration for the Chief Executive for the three years to 31 March 2024 with the Group's other employees paid at the 25th, 50th and 75th percentiles:

Remuneration	CEO pay	Other employees Total remuneration £	Other employees Salary £
Year ended 31 March 2024			
25th percentile	9:1	73,851	57,500
50th percentile	7:1	102,487	82,100
75th percentile	4:1	170,127	140,000
Year ended 31 March 2023			
25th percentile	24:1	82,830	64,600
50th percentile	16:1	124,728	92,000
75th percentile	7:1	280,152	145,500
Year ended 31 March 2022			
25th percentile	28:1	93,042	64,035
50th percentile	20:1	128,120	70,000
75th percentile	7:1	378,253	148,625

This is the fourth year we have published our pay ratios, which have been calculated under Option A. All non-salary remuneration has been included. Joiners, leavers and employees on statutory leave (e.g. maternity) have been excluded from this comparison.

Total remuneration has been calculated on the same basis as for the Chief Executive single figure shown on page 134 and includes annual salary, taxable benefits, free and matching shares allocated under the terms of the Group's Share Incentive Plan, annual bonuses awarded, taxable share awards vesting under the terms of the Group's Performance Share Plan, and employer pension contributions to employees' pension arrangements.

Approved by the Board on 22 May 2024 and signed on its behalf.

Sue Farr
Chair of the Remuneration Committee
22 May 2024

Strategic Report
A review of the Group's business during the year, the principal and emerging risks and uncertainties it faces as well as future prospects and developments are included in the Strategic Report on pages 2 to 99 which should be read in conjunction with this report.

Results and dividends
The results for the year are set out in the Consolidated Income Statement on page 149. An interim dividend of 3.05p (2023: 3.05p) was paid on 12 January 2024 to Shareholders on the Shareholder register on 1 December 2023. A final dividend of 1.78p (2023: 8.70p) per share is recommended for approval at the Annual General Meeting ("AGM") to be held on 17 July 2024 and, if approved, will be paid on 2 August 2024 to Shareholders on the register on 28 June 2024. The total ordinary dividend declared and paid in the year of 11.55p (2023: 11.30p) per share amounted to £14,423,000 (2023: £13,842,000).

Corporate governance
During the year ended 31 March 2024 the Group has consistently applied the Principles of good corporate governance contained in the 2018 UK Corporate Governance Code (the "Code"), and has complied with all the applicable Provisions of the Code in full. The application of the Code's Principles can be evidenced in the context of the particular circumstances of the Group and how the Board has set the Group's Purpose and strategy, met objectives and achieved outcomes through the decisions it has taken. The Code can be viewed in full at www.frc.org.uk. Please see page 106 of the Corporate Governance Report for more detail. The Group is cognisant of the updated Principles and Provisions in the 2024 version of the Code and is committed to achieving compliance with the revised Code over the course of the forthcoming year.

Directors
The Directors who held office during the year and up to the date of this report are listed alongside their biographical details on pages 102 to 104. All the Directors will be offering themselves for appointment or re-appointment, as appropriate, at the AGM on 17 July 2024, with the exception of Gerald Kaye and Joe Lister, and their continuing contribution to the Group's long-term sustainable success is explained within each individual Director's biography. Details of Directors' remuneration, including their interests in share awards, and its alignment with the Group's strategy and the promotion of long-term sustainable success are set out in the Directors' Remuneration Report on pages 122 to 141. Details of the Directors' interests in the ordinary shares of the Company are shown on page 138.

Going concern
In accordance with Provision 30 of the Code, the Board is required to report on whether it considers it appropriate to adopt the going concern basis of accounting. In considering this requirement, the Directors took into account the matters set out in the Group's Viability Statement on pages 50 to 51. Having due regard to the matters referenced in Note 1 to the financial statements, the Directors were able to conclude that they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for at least the next 12 months, and have continued to adopt the going concern basis of accounting when preparing the financial statements for the year ended 31 March 2024.

Directors' conflicts of interest
Under the Companies Act 2006 (the "Act"), Directors are subject to a statutory duty to avoid a situation where they have, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company. As is permissible under the Act, the Company's Articles of Association allow the Board to consider, and if it sees fit, to authorise situations where a Director has an interest that conflicts, or may possibly conflict, with the interests of the Company. Directors are required to notify the Company of any conflict or potential conflict of interest under an established procedure and any conflicts or potential conflicts are noted at each Board meeting. In accordance with the Code Provision 7, the Board has a well-established process for the management of conflicts of interest.

Directors' liability insurance and indemnity
The Group maintains Directors' and Officers' liability insurance which is subject to annual renewal. To the extent permitted by UK law, the Group also indemnifies the Directors against legal proceedings brought in connection with the execution of their duties as company directors.

Political donations
The Company's policy with regard to political donations is to ensure that Shareholder approval is sought before making any such payments. No Shareholder approval has been sought and, accordingly, the Company made no political donations in the year to 31 March 2024.

Financial instruments, capitalised interest and long-term incentive schemes
The information required in respect of financial instruments, as required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, is shown in Note 37. Interest capitalised on the Group property portfolio is shown in Notes 14 and 20. Long-term incentive schemes are explained in the Directors' Remuneration Report on pages 122 to 141.

Change of control
Certain agreements between the Company or its subsidiaries and entities including lending banks, joint venture partners and development partners contain termination rights to take effect in the event of a change of control of the Group. Given the commercial sensitivity of these agreements, the Directors will not be disclosing specific details in this report. The Company's Employee Share Incentive Plan, Annual Bonus Scheme and Performance Share Plan contain provisions relating to the vesting and exercise of options or share awards in the event of a change of control of the Company.

Substantial shareholdings
As at 14 May 2024, the Shareholders listed below had notified the Company of a disclosable interest of 3% or more in the nominal value of the ordinary share capital of Helical plc.

Fund Manager/Owner	Shares at 14/05/2024	% at 14/05/2024
Janus Henderson Investors	10,878,979	8.82%
Mr Michael Eric Slade	8,857,248	7.18%
BlackRock*	8,495,082	6.89%
Aberforth Partners	7,650,380	6.20%
Schroder Investment Management	5,919,050	4.80%
Baillie Gifford	6,221,108	5.04%
Jupiter Asset Management	5,817,887	4.72%
Premier Miton Investors	5,081,361	4.12%
Vangard Group	4,540,258	3.68%
Dimensional Fund Advisors	4,256,271	3.45%

*Percentage as at 29/04/24

Key stakeholders
In line with section 172 of the Companies Act 2006, the Directors act to promote the success of the Company for the benefit of its Shareholders. However, the Board also places a great emphasis on the importance of the views and interests of its other key stakeholders. For details of our stakeholder engagement mechanisms and the consideration given to stakeholder views and interests when decision making, including the outcomes of such engagement, please see pages 94 to 99.

Culture, employment and environmental matters
The corporate Culture of the Group, articulated through the Helical Purpose and Values, is discussed on pages 92 to 94 of the Strategic Report. As part of its leadership responsibilities, the Board continually monitors the Culture of the business. The role of the designated workforce engagement Non-Executive Director is key with respect to the monitoring of the Helical Culture and more information about this role can be found in the Workforce engagement section on pages 98 and 99. For details of all the methods used by the Board to monitor and sustain the Culture of Helical during the reporting period, please see page 94 of the Strategic Report.

The Board recognises the importance of having a diverse workforce and an inclusive environment in which they can work. Details of the Group's Diversity and Inclusion Policy can be found on pages 114 to 115.

The Group has a number of policies and procedures in place covering important issues including equality, human rights, diversity and inclusion, equal opportunities and wellbeing. All employee candidates are considered fairly and without prejudice or discrimination and the Group affords equal opportunities to all its employees, irrespective of sex, race, colour, disability, sexual orientation, religious beliefs or marital status. We are committed to safeguarding an environment where all our people can be proud to work (please see details of our Employment Policy on page 115).

Information in respect of the Group's employment and environmental matters as well as greenhouse gas reporting is contained in the Sustainability Report on pages 60 to 87.

Post balance sheet events
Details of post balance sheet events are set out in Note 34 to the financial statements.

Group structure
Details of the Group's subsidiary undertakings are disclosed in Note 40 to the financial statements.

Share capital
Details of the Company's issued share capital are shown in Note 28 to the financial statements.

There are no restrictions on the transfer of shares in the Company other than those specified by law or regulation (for example, insider trading laws) and pursuant to the Listing Rules of the Financial Conduct Authority whereby certain employees of the Group require the approval of the Company to deal in the ordinary shares. On a show of hands at a General Meeting of the Company, every holder of ordinary shares present in person and entitled to vote shall have one vote and on a poll every member present in person or by proxy and entitled to vote shall have one vote for every ordinary share held. The Notice of the 2024 Annual General Meeting ("AGM") specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the meeting. There are no restrictions on voting rights other than as specified by the Company's Articles of Association.

Purchase of own shares
The Company was granted authority at the 2023 Annual General Meeting to make market purchases of its own ordinary shares. The authority will expire at the conclusion of the 2024 AGM, at which a resolution will be proposed to renew this authority. The Company purchased 1,000,000 of its own shares during the year to 31 March 2024.

Amendment of Articles of Association
The Company's Articles of Association ("Articles") can be amended only by a special resolution of the members, requiring a majority of not less than 75% of such members voting in person or by proxy.

Annual General Meeting
It is intended that the AGM of the Company will be held on 17 July 2024 at 09:00 am at the Company's registered offices located at 5 Hanover Square, London W1S 1HQ. The special business at the 2024 AGM will include resolutions dealing with the authority to issue shares, the disapplication of pre-emption rights, the authority for the Company to purchase its own shares and the authority to call General Meetings on not less than 14 clear days' notice. The Notice of Meeting, containing explanations of all the resolutions to be proposed at that meeting, is enclosed with this Annual Report and can be found on the Group's website at www.helical.co.uk

Auditor
The Company's Auditor, RSM UK Audit LLP, have expressed their willingness to continue in office and resolutions to reappoint them and to authorise the Directors to determine their remuneration will be proposed at the 2024 AGM.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Group's Auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

By Order of the Board

James Moss FCA
Company Secretary

22 May 2024

The Directors are responsible for preparing the Strategic Report and the Directors' Report, the Directors' Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare group and company financial statements for each financial year. The Directors have elected under company law and are required under the Listing Rules of the Financial Conduct Authority to prepare Group financial statements in accordance with UK-adopted International Accounting Standards. The Directors have elected under company law to prepare the Company financial statements in accordance with UK-adopted International Accounting Standards.

The Group and Company financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position of the Group and the Company and the financial performance of the Group; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing each of the Group and Company financial statements, the Directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and accounting estimates that are reasonable and prudent;

c. state whether they have been prepared in accordance with UK-adopted International Accounting Standards; and

d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Helical plc website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' statement pursuant to the Disclosure and Transparency Rules

Each of the Directors, whose names and functions are listed in the Board of Directors section on pages 102 to 104, confirm that, to the best of their knowledge:

a. the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;

b. the Strategic Report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and

c. the Directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Group's and the Company's position, performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 22 May 2024 and is signed on its behalf by:

Chief Executive Officer
Gerald Kaye

22 May 2024

Chief Financial Officer
Tim Murphy

22 May 2024

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Helical plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 March 2024 which comprise the Consolidated Income Statement, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and UK-adopted International Accounting Standards and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards and as applied in accordance with the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	**Group** • Valuation of investment properties **Parent Company** • None
Materiality	**Group** • Overall materiality: £6,570,000 • Performance materiality: £4,930,000 **Parent Company** • Overall materiality: £3,930,000 • Performance materiality: £2,950,000
Scoping	Our audit procedures covered 100% of revenue, 100% of total assets and 100% of loss before tax.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties	
Key audit matter description	Investment property valuation represents the most significant area of estimation within the Group financial statements with a carrying value as at 31 March 2024 of £472.5m (31 March 2023: £681.7m). The Directors' assessment of the value of the investment properties at year end date is considered a key audit matter due to the magnitude of the amount, the potential impact of the movement in value on the reported results, and the subjectivity and complexity of the valuation process. The valuation is carried out by external valuers, Cushman and Wakefield, in line with the methodology set out in note 14 on pages 160 to 161. Further information is disclosed in the Audit and Risk Committee report on pages 118 to 121; the significant accounting judgements and estimates on page 181; significant accounting policies on pages 177 to 181; and notes to the financial statements on pages 154 to 183.
How the matter was addressed in the audit	Our audit work included: • Obtaining the valuations prepared by Cushman & Wakefield as at 31 March 2024 and checking that they have been prepared on a basis consistent with prior periods and the RICS standards; • Corroborating a sample of the inputs provided to the valuer for the 31 March 2024 valuation to check that the information used in the valuation is consistent with the audited underlying information; • Challenge of the independent valuation and discussion of the valuations with management's experts, challenging where valuation movements appear to be inconsistent with our expectations based on our knowledge of the market; • Engaging an independent auditor's valuation expert to assist with our audit and challenge of the valuation of the Group's property portfolio, including property-specific judgements made on the yields and estimated rental values used by the valuers in their valuation; • Consideration of the adequacy of the disclosures made in the financial statements, particularly around judgements and estimates and the impact of current macro-environmental conditions; • Audit of management's categorisation of properties designated as held for sale with reference to the recognition criteria in IFRS 5 and challenging management on the appropriate presentation and disclosure of properties which are expected to be sold.
Key observations	Based on our audit work, we are satisfied that the judgements and assumptions used in arriving at the fair value of the Group's property portfolio are appropriate and supported by the evidence obtained during the audit.

We have determined that there are no key audit matters to communicate in our report in relation to the Parent Company.

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent Company
Overall materiality	£6,570,000	£3,930,000
Basis for determining overall materiality	1% of total assets	1% of total assets
Rationale for benchmark applied	Total assets largely reflects the valuation of investment property, which is of key interest to the users of the financial statements.	Total assets used as we assessed that the shareholders will be primarily interested in the value of investment property, represented by the investments and loans held by the Parent Company in its property holding subsidiaries, which form the majority of total assets.
Performance materiality	£4,930,000	£2,950,000
Basis for determining performance materiality	75% of overall materiality	75% of overall materiality
Reporting of misstatements to the Audit and Risk Committee	Misstatements in excess of £328,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £196,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

A lower specific performance materiality of £600,000 was applied in testing balances in the Consolidated Income Statement (other than the fair value movement in investment property) and selected balances in the Consolidated and Company Balance Sheets where Group performance materiality was determined not to provide sufficient testing coverage. The lower specific performance materiality was calculated with reference to the result before tax (adjusted to exclude the fair value movement in investment property).

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

We have assessed that the Group consists of a single component and our audit procedures covered 100% of revenue, 100% of total assets and 100% of loss before tax.

All work has been performed by the Group engagement team.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- checking the integrity and accuracy of the cash flow forecasts and covenant calculations prepared by management;
- challenging management on the reasonableness of the assumptions made in the forecasts, including projected rental income, expenses, disposals of properties, capital expenditure and dividend payments;
- assessing the appropriateness of the sensitivities applied by management in their downside scenarios;
- reviewing loan documentation to understand the principal terms, including financial covenants, and checking the Group's current and forecast compliance with these (including testing of the mechanical accuracy of management's covenant calculations and consistency with the contractual definitions); and
- auditing the accuracy of disclosures made in the financial statements in respect of risks, going concern and viability.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Parent Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

In relation to the entity reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 142;
- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 50;
- Directors' statement on whether they have a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on pages 50 to 51;
- Directors' statement on fair, balanced and understandable set out on pages 120 to 121;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 48 to 59;
- Section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 48 to 59; and
- Section describing the work of the Audit and Risk Committee set out on pages 118 to 121.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 144, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the Group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Group and Parent Company operate in and how the Group and Parent Company are complying with the legal and regulatory framework;

- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud having obtained an understanding of the effectiveness of the control environment.

The most significant laws and regulations were determined as follows:

Legislation/ Regulation	Additional audit procedures performed by the Group audit engagement team included:
UK adopted IAS and Companies Act 2006	• Review of the financial statement disclosures and testing to supporting documentation; • Completion of disclosure checklists to identify areas of non-compliance.
Tax compliance regulations	• Review of the REIT status assessment prepared by management; • Inspection of advice received from external tax advisors; • Input from a REIT specialist was obtained regarding compliance with REIT requirements.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the Group audit engagement team:
Valuation of investment properties	• Audit procedures performed on valuation of investment properties are outlined in the Key Audit Matters section of this audit report.
Management override of controls	• Testing the appropriateness of journal entries and other adjustments; • Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and • Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation of the Audit and Risk Committee, we were appointed by the Audit and Risk Committee on 13 July 2023 to audit the financial statements for the year ending 31 March 2024 and subsequent financial periods.

The period of total uninterrupted consecutive appointments is one year, being the year ended 31 March 2024.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit and Risk Committee in accordance with ISAs (UK).

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In due course, as required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rules, these financial statements will form part of the Annual Financial Report prepared in Extensible Hypertext Markup Language (XHTML) format and filed on the National Storage Mechanism of the UK FCA. This auditor's report provides no assurance over whether the annual financial report has been prepared in XHTML format.

Graham Ricketts (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

22 May 2024

Consolidated Income Statement

For the year to 31 March 2024

	Notes	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Revenue	3	39,905	49,848
Cost of sales	3	(14,450)	(13,567)
Net property income	4	25,455	36,281
Share of results of joint ventures	18	(9,310)	3,494
		16,145	39,775
Gain on sale of investment properties	5	–	4,564
Revaluation of investment properties	14	(181,213)	(97,854)
		(165,068)	(53,515)
Administrative expenses	6	(11,011)	(12,835)
Operating loss		(176,079)	(66,350)
Net finance costs and change in fair value of derivative financial instruments	8	(13,556)	1,839
Loss before tax		(189,635)	(64,511)
Tax on loss on ordinary activities	9	(179)	–
Loss for the year		(189,814)	(64,511)
Loss per share	13		
Basic		(154.6)p	(52.6)p
Diluted		(154.6)p	(52.6)p

All the activities of the Group are from continuing operations.

There were no items of comprehensive income in the current or prior year other than the loss for the year and, accordingly, no Statement of Comprehensive Income is presented.

Consolidated Balance Sheet
At 31 March 2024

	Notes	Group 31.3.24 £000	Group 31.3.23 £000
Non-current assets			
Investment properties	14	**472,522**	681,682
Owner occupied property, plant and equipment	16	**3,569**	4,351
Investment in joint ventures	18	**73,923**	87,330
Other investments	19	**565**	353
Derivative financial instruments	37	**17,635**	23,245
Trade and other receivables	22	**1,252**	–
		569,466	796,961
Current assets			
Land and developments	20	**28**	28
Assets held for sale	21	**42,761**	–
Corporation tax receivable		**–**	7
Trade and other receivables	22	**16,981**	24,935
Cash and cash equivalents	23	**28,633**	50,925
		88,403	75,895
Total assets		**657,869**	872,856
Current liabilities			
Trade and other payables	24	**(24,886)**	(31,232)
Lease liability	25	**(829)**	(683)
		(25,715)	(31,915)
Non-current liabilities			
Borrowings	26	**(227,634)**	(226,677)
Lease liability	25	**(3,445)**	(5,589)
		(231,079)	(232,266)
Total liabilities		**(256,794)**	(264,181)
Net assets		**401,075**	608,675
Equity			
Called-up share capital	28	**1,233**	1,233
Share premium account		**116,619**	116,619
Revaluation reserve		**(134,797)**	46,416
Capital redemption reserve		**7,743**	7,743
Own shares held		**(1,675)**	(848)
Other reserves		**291**	291
Retained earnings		**411,661**	437,221
Total equity		**401,075**	608,675

The financial statements were approved by the Board and authorised for issue on 22 May 2024.

Tim Murphy
Chief Financial Officer

Company number 00156663

Company Balance Sheet
At 31 March 2024

	Notes	Company 31.3.24 £000	Company 31.3.23 Restated[1] £000	Company 31.3.22 £000
Non-current assets				
Owner occupied property, plant and equipment	16	**3,569**	4,351	4,631
Investment in subsidiaries	17	**141,440**	293,153	210,341
Amounts owed by Group undertakings	22	**273,500**	299,673	405,616
Trade and other receivables	22	**1,252**	–	–
		419,761	597,177	620,588
Current assets				
Trade and other receivables	22	**5,088**	1,010	655
Cash and cash equivalents	23	**9,113**	23,931	1,797
		14,201	24,941	2,452
Total assets		**433,962**	622,118	623,040
Current liabilities				
Trade and other payables	24	**(126,811)**	(155,649)	(188,759)
Lease liability	25	**(829)**	(683)	(658)
		(127,640)	(156,332)	(189,417)
Non-current liabilities				
Lease liability	25	**(3,445)**	(3,399)	(4,082)
		(3,445)	(3,399)	(4,082)
Total liabilities		**(131,085)**	(159,731)	(193,499)
Net assets		**302,877**	462,387	429,541
Equity				
Called-up share capital	28	**1,233**	1,233	1,223
Share premium account		**116,619**	116,619	112,654
Capital redemption reserve		**7,743**	7,743	7,743
Other reserves		**1,987**	1,987	1,987
Retained earnings		**175,295**	334,805	305,934
Total equity		**302,877**	462,387	429,541

1 See Note 38.

The loss in the year for the Company was £145,087,000 (2023: profit restated £42,713,000).

The financial statements were approved by the Board and authorised for issue on 22 May 2024.

Tim Murphy
Chief Financial Officer

Company number 00156663

Consolidated and Company Cash Flow Statement

For the year to 31 March 2024

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 Restated[1] £000
Cash flows from operating activities				
(Loss)/profit before tax	(189,635)	(64,511)	(145,087)	42,713
Depreciation	1,506	798	1,506	798
Revaluation deficit on investment properties	181,213	97,854	–	–
Gain on sale of investment properties	–	(4,564)	–	–
Letting cost amortised	168	200	–	–
Profit on sale of plant and equipment	(29)	(18)	(29)	(18)
Net financing costs/(income)	7,947	10,918	(4,463)	(3,651)
Change in fair value of derivative financial instruments	5,609	(12,757)	–	–
Share-based payments charge	1,039	1,073	–	–
Share of results of joint ventures	9,310	(3,494)	–	–
Gain on sublet of Hanover Square	(902)		(902)	–
Impairment of investments	–	–	169,524	13,471
Dividends received from subsidiaries	–	–	(27,320)	(60,595)
Cash inflows/(outflows) from operations before changes in working capital	16,226	25,499	(6,771)	(7,282)
Change in trade and other receivables	9,555	(3,560)	19,142	48,028
Change in land and developments	–	2,061	–	–
Change in trade and other payables	(6,581)	(11,477)	(28,831)	(33,101)
Cash inflows/(outflows) generated from operations	19,200	12,523	(16,460)	7,645
Finance costs	(7,587)	(12,361)	(503)	(964)
Finance income	661	274	479	243
Tax received	–	331	–	–
	(6,926)	(11,756)	(24)	(721)
Net cash generated from/(used by) operating activities	12,274	767	(16,484)	6,924
Cash flows from investing activities				
Additions to investment property	(16,038)	(10,509)	–	–
Purchase of other investments	(212)	(47)	–	–
Net proceeds from sale of investment property	–	186,541	–	–
(Investments in)/returns from joint ventures and subsidiaries	(3,861)	3,323	(218)	–
Dividends from joint ventures	5,666	13,446	–	–
Dividends from subsidiaries	–	–	17,603	26,235
Sale of plant and equipment	30	48	30	48
Purchase of owner occupied property, plant and equipment	(618)	(548)	(618)	(548)
Net cash (used by)/generated from investing activities	(15,033)	192,254	16,797	25,735
Cash flows from financing activities				
Borrowings repaid	–	(170,000)	–	–
Lease liability payments	(708)	(659)	(708)	(658)
Shares issued	–	10	–	3,975
Purchase of own shares	(4,402)	(1,089)	–	–
Equity dividends paid	(14,423)	(13,842)	(14,423)	(13,842)
Net cash (used by)/generated from financing activities	(19,533)	(185,580)	(15,131)	(10,525)
Net (decrease)/increase in cash and cash equivalents	(22,292)	7,441	(14,818)	22,134
Cash and cash equivalents at start of year	50,925	43,484	23,931	1,797
Cash and cash equivalents at end of year	28,633	50,925	9,113	23,931

1 See Note 38.

Consolidated and Company Statements of Changes In Equity

At 31 March 2024

Group	Share capital £000	Share premium £000	Revaluation reserve £000	Capital redemption reserve £000	Own shares held £000	Other reserves £000	Retained earnings £000	Total £000
At 31 March 2022	1,223	112,654	197,627	7,743	–	291	367,505	687,043
Total comprehensive expense	–	–	–	–	–	–	(64,511)	(64,511)
Revaluation deficit	–	–	(97,854)	–	–	–	97,854	–
Realised on disposals	–	–	(53,357)	–	–	–	53,357	–
Transactions with owners								
– Issued share capital	10	3,965	–	–	–	–	–	3,975
– Performance Share Plan	–	–	–	–	–	–	1,073	1,073
– Purchase of own shares	–	–	–	–	(848)	–	–	(848)
– Share settled Performance Share Plan	–	–	–	–	–	–	(3,536)	(3,536)
– Share settled bonus	–	–	–	–	–	–	(439)	(439)
– Revaluation deficit on valuation of shares	–	–	–	–	–	–	(240)	(240)
– Dividends paid	–	–	–	–	–	–	(13,842)	(13,842)
Total transactions with owners	10	3,965	–	–	(848)	–	(16,984)	(13,857)
At 31 March 2023	1,233	116,619	46,416	7,743	(848)	291	437,221	608,675
Total comprehensive expense	–	–	–	–	–	–	(189,814)	(189,814)
Revaluation deficit	–	–	(181,213)	–	–	–	181,213	–
Transactions with owners								
– Performance Share Plan	–	–	–	–	–	–	1,039	1,039
– Purchase of own shares	–	–	–	–	(4,402)	–	–	(4,402)
– PSP vesting	–	–	–	–	2,352	–	(2,352)	–
– Share settled bonus	–	–	–	–	1,223	–	(1,223)	–
– Dividends paid	–	–	–	–	–	–	(14,423)	(14,423)
Total transactions with owners	–	–	–	–	(827)	–	(16,959)	(17,786)
At 31 March 2024	1,233	116,619	(134,797)	7,743	(1,675)	291	411,661	401,075

Company	Share capital £000	Share premium £000	Capital redemption reserve £000	Other reserves £000	Retained earnings Restated[1] £000	Total Restated[1] £000
At 31 March 2022	1,223	112,654	7,743	1,987	305,934	429,541
Total comprehensive income	–	–	–	–	42,713	42,713
Transactions with owners						
– Issued share capital	10	3,965	–	–	–	3,975
– Dividends paid	–	–	–	–	(13,842)	(13,842)
Total transactions with owners	10	3,965	–	–	(13,842)	(9,867)
At 31 March 2023	1,233	116,619	7,743	1,987	334,805	462,387
Total comprehensive income	–	–	–	–	(145,087)	(145,087)
Transactions with owners						
– Dividends paid	–	–	–	–	(14,423)	(14,423)
Total transactions with owners	–	–	–	–	(14,423)	(14,423)
At 31 March 2024	1,233	116,619	7,743	1,987	175,295	302,877

1 See Note 38.

Notes:
Share capital – represents the nominal value of issued share capital.
Share premium – represents the excess of consideration received for shares issued over their nominal value.
Revaluation reserve – represents the surplus/deficit of fair value of investment properties over their historic cost.
Capital redemption reserve – represents amounts paid to purchase issued shares for cancellation at their nominal value.
Retained earnings – represents the accumulated retained earnings of the Group/Company.

1. Basis of Preparation

Helical plc ("the Company") is a public company limited by shares incorporated in the United Kingdom under the Companies Act and registered in England. The principal activities of the Company and its subsidiaries ("the Group") and the nature of the Group's operations are set out in the Strategic Report on pages 2 to 99.

These financial statements have been prepared using the recognition and measurement principles of UK adopted International Accounting Standards in conforming with the Companies Act 2006.The financial statements have been prepared in Sterling (rounded to the nearest thousand) under the historical cost convention as modified by the revaluation of investment properties and certain financial instruments.

Amendments to standards and interpretations which are mandatory for the year ended 31 March 2024 are detailed below, however none of these have had a material impact on the financial statements:

- Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies (effective for periods beginning on or after 1 January 2023);
- Amendments to IAS 8 Definition of Accounting Estimates (effective for periods beginning on or after 1 January 2023); and
- Amendments to IFRS 17 Insurance Contracts (effective for periods beginning on or after 1 January 2023).

The following standards, interpretations and amendments have been issued but are not yet effective and will be adopted at the point they are effective:

- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback (effective for periods beginning on or after 1 January 2024);
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current (effective for periods beginning on or after 1 January 2024); and
- Amendments to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture (effective for periods beginning on or after 31 December 2023).

Going Concern

The Directors have considered the appropriateness of adopting a going concern basis in preparing the financial statements. Their assessment is based on forecasts to September 2025, with sensitivity testing undertaken to replicate severe but plausible downside scenarios related to the principal risks and uncertainties associated with the business.

The key assumptions used in the review are summarised below:

- The Group's rental income receipts were modelled for each tenant on an individual basis;
- Existing loan facilities remain available;
- Certain property disposals are assumed in line with the individual asset business plans; and
- Free cash is utilised where necessary to repay debt/cure bank facility covenants.

Compliance with the financial covenants of the Group's main debt facility, its £300m Revolving Credit Facility, was the Directors' key area of review, with particular focus on the following three covenants:

- Loan to Value ("LTV") – the ratio of the drawn loan amount to the value of the secured property as a percentage;
- Loan to Rent Value ("LRV") – the ratio of the loan to the projected contractual net rental income for the next 12 months; and
- Projected Net Rental Interest Cover Ratio ("ICR") – the ratio of projected net rental income to projected finance costs.

The April 2024 compliance position for these covenants is summarised below:

Covenant	Requirement	Actual
LTV	<65%	44%
LRV	<12.0x/15.0x*	10.17x
ICR	>150%	726%

*15 times applies up to but not including the January 2025 interest payment date.

The results of this review demonstrated the following:

- The forecasts show that all bank facility financial covenants will be met throughout the review period, with headroom to withstand a 16% fall in contracted rental income;
- Property values could fall by 14% before loan to value covenants come under pressure; and
- Additional asset sales could be utilised to generate cash to repay debt, materially increasing covenant headroom.

Based on this analysis, the Directors have adopted a going concern basis in preparing the accounts for the year ended 31 March 2024.

2. Revenue from Contracts with Customers

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Development property income	711	4,921
Service charge income	10,689	8,372
Other income	991	–
Total revenue from contracts with customers	**12,391**	13,293

The total revenue from contracts with customers is the revenue recognised in accordance with IFRS 15 Revenue from Contracts with Customers.

Impairment of contract assets of £23,000 was recognised in the year to 31 March 2024 (2023: £5,000).

3. Segmental Information

IFRS 8 Operating Segments requires the identification of the Group's operating segments, which are defined as being discrete components of the Group's operations whose results are regularly reviewed by the Chief Operating Decision Maker (being the Chief Executive) to allocate resources to those segments and to assess their performance.

The Group divides its business into the following segments:

- Investment properties, which are owned or leased by the Group for long-term income and for capital appreciation; and
- Development properties, which include sites, developments in the course of construction, completed developments available for sale, and pre-sold developments.

Revenue	Investment Year ended 31.03.24 £000	Development Year ended 31.03.24 £000	Total Year ended 31.03.24 £000	Investment Year ended 31.03.23 £000	Development Year ended 31.03.23 £000	Total Year ended 31.03.23 £000
Gross rental income	27,514	–	27,514	36,555	–	36,555
Development property income	–	711	711	–	4,921	4,921
Service charge income	10,689	–	10,689	8,372	–	8,372
Other revenue	991	–	991	–	–	–
Revenue	**39,194**	**711**	**39,905**	44,927	4,921	49,848

Major Customers

For the year ending 31 March 2024, the Group had two tenants (2023: three) that contributed 10% or more to the gross rental income. The balances detailed below represent the approximate contribution by each major tenant.

Tenant 1: £5,254,000 (2023: £7,010,000)

Tenant 2: £3,614,000 (2023: £3,820,000)

Cost of sales	Investment Year ended 31.03.24 £000	Development Year ended 31.03.24 £000	Total Year ended 31.03.24 £000	Investment Year ended 31.03.23 £000	Development Year ended 31.03.23 £000	Total Year ended 31.03.23 £000
Head rents payable	(224)	–	(224)	(157)	–	(157)
Property overheads	(2,580)	–	(2,580)	(2,092)	–	(2,092)
Service charge expense	(10,689)	–	(10,689)	(8,372)	–	(8,372)
Development cost of sales	–	(922)	(922)	–	(2,915)	(2,915)
Development sales expenses	–	(35)	(35)	–	(1)	(1)
Provision	–	–	–	–	(30)	(30)
Cost of sales	**(13,493)**	**(957)**	**(14,450)**	(10,621)	(2,946)	(13,567)

All revenue is from external sales and is attributable to continuing operations. There were no inter-segmental sales.

Revenue for the year comprises revenue from other income £991,000 (2023: £nil), revenue from services of £711,000 (2023: £4,921,000), service charge income of £10,689,000 (2023: £8,372,000) and rental income of £27,514,000 (2023: £36,555,000).

3. Segmental Information continued

Loss before tax	Investment Year ended 31.03.24 £000	Development Year ended 31.03.24 £000	Total Year ended 31.03.24 £000	Investment Year ended 31.03.23 £000	Development Year ended 31.03.23 £000	Total Year ended 31.03.23 £000
Net property income	25,701	(246)	25,455	34,306	1,975	36,281
Share of results of joint ventures	(9,969)	659	(9,310)	4,867	(1,373)	3,494
Loss on sale and revaluation of investment properties	(181,213)	–	(181,213)	(93,290)	–	(93,290)
Segmental (loss)/profit	(165,481)	413	(165,068)	(54,117)	602	(53,515)
Administrative expenses			(11,011)			(12,835)
Finance costs			(8,608)			(11,192)
Finance income			661			274
Change in fair value of derivative financial instruments			(5,609)			12,757
Loss before tax			(189,635)			(64,511)

Net assets	Investment 31.03.24 £000	Development 31.03.24 £000	Total 31.03.24 £000	Investment 31.03.23 £000	Development 31.03.23 £000	Total 31.03.23 £000
Investment properties	472,522	–	472,522	681,682	–	681,682
Land and developments	–	28	28	–	28	28
Asset held for sale	42,761	–	42,761	–	–	–
Investment in joint ventures	71,528	2,395	73,923	84,255	3,075	87,330
	586,811	2,423	589,234	765,937	3,103	769,040
Owner occupied property, plant and equipment			3,569			4,351
Other investments			565			353
Derivative financial instruments			17,635			23,245
Trade and other receivables			18,233			24,935
Corporation tax receivable			–			7
Cash and cash equivalents			28,633			50,925
Total assets			657,869			872,856
Total liabilities			(256,794)			(264,181)
Net assets			401,075			608,675

All non-current assets are derived from the Group's UK operations.

4. Net Property Income

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Gross rental income	27,514	36,555
Head rents payable	(224)	(157)
Property overheads	(2,580)	(2,092)
Net rental income	24,710	34,306
Development property income	711	4,921
Development cost of sales	(922)	(2,915)
Sales expenses	(35)	(1)
Provision	–	(30)
Development property (loss)/profit	(246)	1,975
Other revenue	991	–
Net property income	25,455	36,281

Property overheads include lettings costs, vacancy costs and bad debt provisions. The amounts above include gross rental income from investment properties of £27,514,000 (2023: £36,555,000) and net rental income from investment properties of £24,710,000 (2023: £34,306,000).

Included within gross rental income above is an adjustment of £5,830,000 being a net release of previously accrued income (2023: recognition of accrued income of £1,609,000). Included within gross rental income are dilapidation receipts of £1,490,000 (2023: £45,000).

5. Profit on Sale of Investment Properties

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Net proceeds from the sale of investment properties	–	186,541
Book value (Note 14)	–	(169,570)
Tenants' incentives on sold investment properties	–	(12,407)
Profit on sale of investment properties	–	4,564

6. Administrative Expenses

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Administrative expenses	11,011	12,835
Operating profit is stated after the following items that are contained within administrative expenses:		
Depreciation – Owner occupied property, plant and equipment	1,506	798
Share-based payments charge	1,039	1,073
Staff costs	5,382	7,755
Auditor's remuneration:		
Audit fees		
Payable to the Company's auditor for the audit of Parent Company and consolidated financial statements	195	230
Payable to the Company's auditor for the audit of Company's subsidiaries	90	96
Audit related assurance services	50	67
Other non-audit services	–	10
Operating lease costs	186	178

Note: Auditor's remuneration for the year ended 31 March 2024 is fully payable to RSM UK Audit LLP. Auditor's remuneration for the year ended 31 March 2023 was fully payable to Deloitte LLP.

7. Staff Costs

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Staff costs during the year:		
Wages and salaries	4,438	6,508
Social security costs	690	959
Other pension costs	254	288
	5,382	7,755

Details of the remuneration of Directors amounting to £1,981,000 (2023: £4,981,000) are included in the Directors' Remuneration Report on pages 122 to 141. Included within wages and salaries are Directors' bonuses of £nil (2023: £1,008,000) as discussed in the Directors' Remuneration Report on pages 122 to 141. Other pension costs relate to payments to individual pension plans.

The average monthly number of employees of the Group during the year was 24 (2023: 26) all of whom are UK head office staff. There were averages of five (2023: five) management, five (2023: five) property executives and 14 (2023: 16) administrative staff.

Within administrative costs is the share-based payment charge for the year of £1,039,000 (2023: £1,073,000) which is not included in the staff costs above. The amount of the share-based payments charge relating to share awards made to Directors is £747,000 (2023: £725,000).

8. Net Finance Costs and Change in Fair Value of Derivative Financial Instruments

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Interest payable on bank loans and overdrafts	(5,493)	(8,284)
Other interest payable and similar charges	(3,115)	(2,780)
Total before cancellation of loans	(8,608)	(11,064)
Cancellation of loans	–	(128)
Finance costs	(8,608)	(11,192)
Finance income	661	274
Net finance costs	(7,947)	(10,918)
Change in fair value of derivative financial instruments	(5,609)	12,757
Net finance costs and change in fair value of derivative financial instruments	(13,556)	1,839

No interest has been capitalised in the year to 31 March 2024 (2023: £nil).

9. Tax on Loss on Ordinary Activities

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
The tax charge is based on the loss for the year and represents:		
United Kingdom corporation tax at 25% (2023: 19%)		
Adjustment in respect of prior years	(179)	–
Current tax charge	**(179)**	–
Deferred tax	**–**	–
Total tax charge for the year	**(179)**	–

Factors Affecting the Tax Charge for the Year

The tax assessed for the year is higher than (2023: higher than) the standard rate of corporation tax in the UK.

The differences are explained below:

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Loss on ordinary activities before tax	(189,635)	(64,511)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023: 19%)	47,409	12,257
Effect of:		
Tax-exempt property rental business profit of the REIT	1,449	2,776
Net expenses not deductible for tax purposes	(498)	(294)
Capital allowances claims and adjustments not recognised through deferred tax	1,066	995
Tax movements on share awards	615	428
Operating (loss)/profit of joint ventures	(2,327)	664
Current tax charge adjustment in respect of prior periods	(179)	–
Tax losses not recognised through deferred tax	(1,008)	(351)
Movement on sale and revaluation not recognised through deferred tax	(45,304)	(18,592)
Chargeable gain less than profit or loss on investment property	–	867
Movement on derivatives not recognised through deferred tax	(1,402)	1,167
Other timing differences not recognised through deferred tax	–	83
Total tax charge for the year	**(179)**	–

The Group became a UK REIT on 1 April 2022. As a REIT, the Group is not subject to corporation tax on the profits of its property rental business and chargeable gains arising on the disposal of investment assets used in the property rental business, but remains subject to tax on profits and chargeable gains arising from non-REIT business activities.

Since entering the REIT regime, no deferred tax assets and liabilities have been recognised on the basis that they are either associated with the tax-exempt property business or are deferred tax assets of the non-property business that are no longer recognised on the basis that it is no longer probable that sufficient taxable profits will be generated in the non-property business in the future against which these assets could be offset.

On the basis that the Group continues to meet the REIT regime conditions, there has been no change to the position regarding recognition of deferred tax assets and liabilities in the year ended 31 March 2024. At 31 March 2024, no deferred tax was recognised (31 March 2023: £nil).

The Group contains entities with tax losses for which no deferred tax asset is recognised. The total unrecognised losses amount to approximately £19,580,000 (31 March 2023: £12,694,000). Following the Group's conversion to a REIT, a deferred tax asset has not been recognised because the entities in which the losses have been generated either do not have forecast taxable profits or the losses have restrictions on their use whereby their utilisation is considered to be unlikely.

10. Deferred Tax

There was no deferred tax at 31 March 2024 (31 March 2023: £nil).

11. Dividends Paid and Payable

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Attributable to equity share capital		
Ordinary		
– Interim paid 3.05p per share (2023: 3.05p)	3,744	3,750
– Prior year final paid 8.70p per share (2022: 8.25p)	10,679	10,092
	14,423	13,842

A final dividend of 1.78p, if approved at the AGM on 17 July 2024, will be paid on 2 August 2024 to the Shareholders on the register on 28 June 2024. This final dividend, amounting to £2,185,000, has not been included as a liability as at 31 March 2024, in accordance with IFRS.

12. Parent Company

The Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own Income Statement in the financial statements. The loss for the year of the Company was £145,087,000 (2023: profit restated £42,713,000).

13. Earnings Per Share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year. This is a different basis to the net asset per share calculations which are based on the number of shares at the year end.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post tax effect of dividends on the assumed exercise of all dilutive share awards.

The earnings per share is calculated in accordance with IAS 33 Earnings per Share and the best practice recommendations of the European Public Real Estate Association ("EPRA").

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below:

	Year ended 31.3.24 000	Year ended 31.3.23 000
Ordinary shares in issue	123,355	123,355
Weighting adjustment	(602)	(613)
Weighted average ordinary shares in issue for calculation of basic and EPRA earnings per share	122,753	122,742
Weighted average ordinary shares issued on share settled bonuses	154	561
Weighted average ordinary shares to be issued under Performance Share Plan	–	846
Adjustment for anti-dilutive shares	(154)	(1,407)
Weighted average ordinary shares in issue for calculation of diluted (loss)/earnings per share	122,753	122,742

	£000	£000
Loss used for calculation of basic and diluted earnings per share	(189,814)	(64,511)
Basic loss per share	(154.6)p	(52.6)p
Diluted loss per share	(154.6)p	(52.6)p

	£000	£000
Loss used for calculation of basic and diluted earnings per share	(189,814)	(64,511)
Net loss/(gain) on sale and revaluation of investment properties		
– subsidiaries	181,213	93,290
– joint ventures	7,401	(5,161)
Tax on profit on disposal of investment properties	–	463
(Gain)/loss on movement in share of joint ventures	(155)	564
Fair value movement on derivative financial instruments	5,609	(12,757)
Expense on cancellation of loans	–	128
Deferred tax on adjusting items	–	(503)
Earnings used for calculation of EPRA earnings per share	4,254	11,513
EPRA earnings per share	3.5p	9.4p

The earnings used for the calculation of EPRA earnings per share include net rental income and development property profits but exclude investment and trading property gains.

14. Investment Properties

	Freehold 31.3.24 £000	Leasehold 31.3.24 £000	Total 31.3.24 £000	Freehold 31.3.23 £000	Leasehold 31.3.23 £000	Total 31.3.23 £000
Book value at 1 April	625,642	56,040	681,682	736,907	201,890	938,797
Additions at cost	16,049	(11)	16,038	10,418	91	10,509
Transfer to asset held for sale	–	(43,817)	(43,817)	–	–	–
Disposals	–	–	–	(29,770)	(139,800)	(169,570)
Letting cost amortisation	(147)	(21)	(168)	(101)	(99)	(200)
Revaluation deficit	(169,072)	(12,141)	(181,213)	(91,812)	(6,042)	(97,854)
Book value at 31 March	472,472	50	472,522	625,642	56,040	681,682

Investment properties are stated at fair value as at 31 March 2024 as follows:

Group	Freehold 31.3.24 £000	Leasehold 31.3.24 £000	Total 31.3.24 £000	Freehold 31.3.23 £000	Leasehold 31.3.23 £000	Total 31.3.23 £000
Book value at 31 March	472,472	50	472,522	625,642	56,040	681,682
Lease incentives and letting costs included in trade and other receivables	7,078	–	7,078	12,608	1,379	13,987
Head leases capitalised	–	–	–	–	(2,119)	(2,119)
Fair value at 31 March	479,550	50	479,600	638,250	55,300	693,550

Interest capitalised in respect of the refurbishment of investment properties at 31 March 2024 amounted to £8,271,000 (31 March 2023: £9,620,000). Interest capitalised during the year in respect of the refurbishment of investment properties amounted to £nil (31 March 2023: £nil). An amount of £nil (31 March 2023: £3,482,000) was released on the sale of the properties in the year and an amount of £1,349,000 (31 March 2023: £nil) was released as a result of an asset being transferred to assets held for sale.

Investment properties with a total fair value of £479,450,000 (31 March 2023: £693,400,000) were held as security against borrowings.

The historical cost of investment property is £608,010,000 (31 March 2023: £633,237,000). The anticipated capital expenditure included in valuations reflects our commitment to achieving the highest standards of sustainability. Any capital expenditure contractually committed is included in Note 33.

All of the Group's properties are Level 3, as defined by IFRS 13 Fair Value Measurement, in the fair value hierarchy as at 31 March 2024 and there were no transfers between levels during the year. Level 3 inputs used in valuing the properties are those which are unobservable, as opposed to Level 1 (inputs from quoted prices) and Level 2 (observable inputs either directly, i.e. as prices, or indirectly, i.e. derived from prices).

Transfers into and transfers out of the fair value hierarchy levels are recognised on the date of the event or change in circumstances that caused the transfer.

Valuation Methodology
The fair value of the Group's investment property as at 31 March 2024 was determined by independent external valuers at that date, except for investment properties valued by the Directors. The valuations are in accordance with the RICS Valuation – Professional Standards ("The Red Book") and the International Valuation Standards and were arrived at by reference to market transactions for similar properties.

Fair values for investment properties are calculated using the present value income approach. The main assumptions underlying the valuations are in relation to rent profile and yields as discussed below. A key driver of the property valuations is the terms of the leases in place at the valuation date. These determine the cash flow profile of the property for a number of years. The valuation assumes adjustments from these rental values to current market rent at the time of the next rent review (where a typical lease allows only for upward adjustment) and as leases expire and are replaced by new leases. The current market level of rent is assessed based on evidence provided by the most recent relevant leasing transactions and negotiations. The equivalent yield is applied as a discount rate to the rental cash flows which, after taking into account other input assumptions such as vacancies and costs, generates the market value of the property.

The equivalent yield applied is assessed by reference to market transactions for similar properties and takes into account, amongst other things, any risks associated with the rent uplift assumptions.

The net initial yield is calculated as the current net income over the gross market value of the asset and is used as a sense check and to compare against market transactions for similar properties. The valuation outputs, along with inputs and assumptions, are reviewed to ensure these are in line with what a market participant would use when pricing each asset.

The reversionary yield is the return received from an asset once the estimated rental value has been captured on today's assessment of market value.

There are interrelationships between all the inputs as they are determined by market conditions. The existence of an increase in more than one input would be to magnify the impact on the valuation. The impact on the valuation will be mitigated by the interrelationship of two inputs in opposite directions.

A sensitivity analysis was performed to ascertain the impact of a 25 and 50 basis point movement ("bps") in the equivalent yield and a 5% and 2.5% movement in ERVs for the wholly owned investment portfolio:

	Group 31.3.24 £000	Total change in portfolio value %	Total change in portfolio value £m
True equivalent yield	7.05%		
+ 50 bps		(10.4)	(54.3)
+ 25 bps		(5.4)	(28.2)
- 25 bps		5.9	30.8
- 50 bps		12.3	64.4
ERV	£72.71 psf		
+ 5.00%		5.6	29.5
+ 2.50%		2.8	14.7
- 2.50%		(2.7)	(14.3)
- 5.00%		(5.4)	(28.3)

	Group 31.3.23 £000	Total change in portfolio value %	Total change in portfolio value £m
True equivalent yield	5.35%		
+ 50 bps		(5.7)	(39.7)
+ 25 bps		(2.4)	(16.5)
- 25 bps		5.3	36.8
- 50 bps		9.7	67.5
ERV	£78.09 psf		
+ 5.00%		3.3	22.6
+ 2.50%		1.6	11.2
- 2.50%		(1.6)	(10.9)
- 5.00%		(3.1)	(21.7)

The investment properties have been valued at 31 March 2024 as follows:

	Group 31.3.24 £000	Group 31.3.23 £000
Cushman & Wakefield LLP	479,450	693,400
Directors' valuation	150	150
	479,600	693,550

15. Operating Lease Arrangements

The Group earns rental income by leasing its investment properties to tenants under non-cancellable operating leases. At the Balance Sheet date, the Group had contracted with tenants to receive the following future minimum lease payments:

	Group 31.3.24 £000	Group 31.3.23 £000
Not later than one year	18,921	30,276
Later than one year but not more than two years	16,225	22,296
Later than two years but not more than three years	14,685	19,613
Later than three years but not more than four years	8,270	17,876
Later than four years but not more than five years	4,323	9,514
More than five years	12,112	53,659
	74,536	153,234

The Company has no operating lease arrangements as lessor.

16. Owner Occupied Property, Plant and Equipment

Group	Leasehold property and improvements 31.3.24 £000	Plant and equipment 31.3.24 £000	Total 31.3.24 £000	Leasehold property and improvements 31.3.23 £000	Plant and equipment 31.3.23 £000	Total 31.3.23 £000
Cost at 1 April	7,428	685	8,113	7,138	555	7,693
Additions at cost	1,425	93	1,518	290	259	549
Disposals	–	(122)	(122)	–	(129)	(129)
Transfer of sublet to debtors	(1,379)	–	(1,379)	–	–	–
Cost at 31 March	7,474	656	8,130	7,428	685	8,113
Depreciation at 1 April	3,360	402	3,762	2,689	373	3,062
Provision for the year	1,387	119	1,506	671	128	799
Eliminated on disposals	–	(121)	(121)	–	(99)	(99)
Transfer of sublet to debtors	(586)	–	(586)	–	–	–
Depreciation at 31 March	4,161	400	4,561	3,360	402	3,762
Net book amount at 31 March	3,313	256	3,569	4,068	283	4,351

Plant and equipment include vehicles, fixtures and fittings and other office equipment.

All leasehold property and improvements and plant and equipment relate to the Company.

Included within leasehold property and improvements is a right-of-use asset with a net book value of £2,632,000 (31 March 2023: £2,980,000).

17. Investment in Subsidiaries

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 Restated[1] £000
Cost at 1 April	–	–	321,833	239,021
Additions	–	–	218	82,812
Disposals	–	–	(7,571)	–
Cost at 31 March	–	–	314,480	321,833
Impairment at 1 April	–	–	28,680	28,680
Impaired during the year	–	–	151,931	–
Disposals	–	–	(7,571)	–
Impairment at 31 March	–	–	173,040	28,680
Net book amount at 31 March	–	–	141,440	293,153

1 See Note 38.

A list of all the Company's subsidiary undertakings, all of which have been consolidated, is shown in Note 40 to the financial statements.

18. Investment in Joint Ventures

Summarised consolidated Income Statements	Investment 31.3.24 £000	Development 31.3.24 £000	Total 31.3.24 £000	Investment 31.3.23 £000	Development 31.3.23 £000	Total 31.3.23 £000
Revenue	1,991	568	2,559	216	9,925	10,141
Gross rental income	1,991	13	2,004	216	71	287
Property overheads	(1,202)	(7)	(1,209)	(1,057)	(46)	(1,103)
Net rental income/(expense)	789	6	795	(841)	25	(816)
(Loss)/gain on revaluation of investment properties	(5,933)	–	(5,933)	5,095	–	5,095
(Loss)/gain on sale of investment properties	(1,467)	(1)	(1,468)	49	17	66
Development property gain	–	659	659	–	1,262	1,262
	(6,611)	664	(5,947)	4,303	1,304	5,607
Administrative expenses	(317)	(21)	(338)	(282)	(177)	(459)
	(6,928)	643	(6,285)	4,021	1,127	5,148
Interest payable on bank loans	(2,990)	(22)	(3,012)	(2,702)	(1)	(2,703)
Other interest payable and similar charges	(211)	–	(211)	(203)	–	(203)
Interest capitalised	–	–	–	1,815	–	1,815
Finance income	11	32	43	11	12	23
(Loss)/profit before tax	(10,118)	653	(9,465)	2,942	1,138	4,080
Tax (charge)/credit	(8)	9	1	(335)	313	(22)
(Loss)/profit after tax	(10,126)	662	(9,464)	2,607	1,451	4,058
Adjustment for Barts Square economic interest[1]	154	–	154	(564)	–	(564)
Share of results of joint ventures	(9,972)	662	(9,310)	2,043	1,451	3,494

1 This is an adjustment to reflect the impact of the consolidation of a joint venture at its economic interest of 50.0% (2023: 50.0%) rather than its actual ownership interest of 33.3%.

Summarised consolidated Balance Sheets	Investment 31.3.24 £000	Development 31.3.24 £000	Total 31.3.24 £000	Investment 31.3.23 £000	Development 31.3.23 £000	Total 31.3.23 £000
Non-current assets						
Investment properties	140,811	–	140,811	150,151	–	150,151
Owner occupied property, plant and equipment	–	63	63	–	109	109
	140,811	63	140,874	150,151	109	150,260
Current assets						
Land and developments	–	1,321	1,321	–	539	539
Trade and other receivables	2,550	484	3,034	652	75	727
Deferred tax	–	–	–	(509)	509	–
Cash and cash equivalents	1,889	1,175	3,064	1,163	2,586	3,749
	4,439	2,980	7,419	1,306	3,709	5,015
Current liabilities						
Trade and other payables	(2,111)	(2,143)	(4,254)	(2,596)	(736)	(3,332)
	(2,111)	(2,143)	(4,254)	(2,596)	(736)	(3,332)
Non-current liabilities						
Trade and other payables	(1,151)	(4)	(1,155)	(400)	(6)	(406)
Borrowings	(65,644)	–	(65,644)	(59,416)	–	(59,416)
Lease liability	(5,020)	–	(5,020)	(4,927)	–	(4,927)
	(71,815)	(4)	(71,819)	(64,743)	(6)	(64,749)
Net assets before acquisition costs	71,324	896	72,220	84,118	3,076	87,194
Acquisition costs	136	1,567	1,703	136	–	136
Net assets	71,460	2,463	73,923	84,254	3,076	87,330

The fair value of the investment properties at 31 March 2024 is as follows:

	Total 31.3.24 £000	Total 31.3.23 £000
Book value at 31 March	140,811	150,151
Lease incentives and letting costs included in trade and other receivables	1,770	185
Head leases capitalised	(4,331)	(4,361)
Fair value at 31 March	138,250	145,975

The Directors' valuation of land and developments shows a surplus of £nil (31 March 2023: £nil) above book value.

18. Investment in Joint Ventures continued

Dividends of £5,666,000 (2023: £16,812,000) were received from joint venture companies during the year. The joint venture companies are private companies, therefore no quoted market prices are available for their shares.

The cost of the Company's investment in joint ventures was £nil (31 March 2023: £nil).

The Group has two material joint ventures (31 March 2023: two). The full results and position of these joint ventures are set out below, of which we have included our share in the above table.

Summarised Income Statement	Barts LP Group 31.03.24 £000	Charterhouse Street Group 31.03.24 £000	Other 31.03.24 £000	Total £000 31.03.24	Our share 31.03.24 £000	Our share 31.03.23 £000
Revenue	1,271	3,838	9	5,118	2,559	10,141
Gross rental income	171	3,838	–	4,009	2,004	287
Property overheads	(219)	(2,200)	–	(2,419)	(1,209)	(1,103)
Net rental (costs)/income	(48)	1,638	–	1,590	795	(816)
Development gain	1,311	–	7	1,318	659	1,262
(Loss)/gain on revaluation of investment properties	–	(11,868)	–	(11,868)	(5,933)	5,095
(Loss)/gain on sale of investment properties	(2,936)	–	–	(2,936)	(1,468)	66
Administrative expenses	(400)	(275)	–	(675)	(338)	(459)
Finance costs	(48)	(5,977)	–	(6,025)	(3,012)	(2,703)
Interest capitalised	–	–	–	–	–	1,815
Lease liability interest	–	(421)	–	(421)	(211)	(203)
Finance income	79	–	7	86	43	23
(Loss)/profit before tax	(2,042)	(16,903)	14	(18,931)	(9,465)	4,080
Tax credit/(charge)	3	–	–	3	1	(22)
Adjustment for Barts Square economic interest[1]	–	–	–	–	154	(564)
(Loss)/profit after tax	(2,039)	(16,903)	14	(18,928)	(9,310)	3,494

1 This adjustment reflects the impact of the consolidation of a joint venture at its economic interest of 50.0% (2023: 50.0%) rather than its actual ownership interest of 33.3%.

Summarised Balance Sheets	Barts LP Group 31.03.24 £000	Charterhouse Street Group 31.03.24 £000	Other 31.03.24 £000	Total 31.03.24 £000	Our share 31.03.24 £000	Our share 31.03.23 £000
Non-current assets						
Investment properties	–	281,623	–	281,623	140,811	150,151
Owner occupied property, plant and equipment	125	–	–	125	63	109
	125	281,623	–	281,748	140,874	150,260
Current assets						
Land, development and trading properties	–	–	2,589	2,589	1,321	539
Trade and other receivables	439	4,789	825	6,053	3,034	727
Deferred tax	–	–	–	–	–	–
Cash and cash equivalents	1,672	3,143	1,297	6,112	3,064	3,749
	2,111	7,932	4,711	14,754	7,419	5,015
Current liabilities						
Trade and other payables	(693)	(3,570)	(4,162)	(8,425)	(4,254)	(3,332)
	(693)	(3,570)	(4,162)	(8,425)	(4,254)	(3,332)
Non-current liabilities						
Borrowings	–	(131,289)	–	(131,289)	(65,644)	(59,416)
Lease liability	–	(10,041)	–	(10,041)	(5,020)	(4,927)
Shareholder loans	–	(2,300)	–	(2,300)	(1,150)	–
Trade and other payables	–	–	(10)	(10)	(5)	(406)
Deferred tax	–	–	–	–	–	–
	–	(143,630)	(10)	(143,640)	(71,819)	(64,749)
Net assets before acquisition costs	1,543	142,355	539	144,437	72,220	87,194
Acquisition costs	–	273	–	273	1,703	136
Net assets	1,543	142,628	539	144,710	73,923	87,330

At 31 March 2024 the Group and the Company had legal interests in the following joint venture companies:

	Country of incorporation	Class of share capital held	Proportion held Group	Proportion held Company	Nature of business
Barts, L.P.	United States	n/a	33%	–	Investment
Barts One Limited	Jersey	Ordinary	33%	–	Investment
Barts Two Limited	Jersey	Ordinary	33%	–	Investment
Barts Close Office Limited	Jersey	Ordinary	33%	–	Investment
Barts Square First Office Limited	Jersey	Ordinary	33%	–	Investment
Barts Square Active One Limited	Jersey	Ordinary	33%	–	Investment
Barts Square First Residential Limited	Jersey	Ordinary	33%	–	Investment
Barts Square First Limited	United Kingdom	Ordinary	33%	–	Development
Barts Square Land One Limited	United Kingdom	Ordinary	33%	–	Development
OBC Development Management Limited	United Kingdom	Ordinary	33%	–	Development
Barts Square Second Limited	United Kingdom	Ordinary	33%	–	Development
Abbeygate Helical (Leisure Plaza) Limited	United Kingdom	Ordinary	50%	50%	Development
Abbeygate Helical (C4.1) LLP	United Kingdom	n/a	50%	50%	Development
Shirley Advance LLP	United Kingdom	n/a	50%	–	Development
Haslucks Green Limited	United Kingdom	Ordinary	50%	–	Development
Charterhouse Place Limited	United Kingdom	Ordinary	50%	–	Investment
Charterhouse Street Limited	Jersey	Ordinary	50%	–	Investment
Platinum Holdco Limited	United Kingdom	Ordinary	51%	–	Investment
Platinum KWS Limited	United Kingdom	Ordinary	51%	–	Investment
Platinum Southwark Limited	United Kingdom	Ordinary	51%	–	Investment
Platinum Paddington Limited	United Kingdom	Ordinary	51%	–	Investment

There are a number of companies which are accounted for as joint ventures where the Group has an equity interest of less than 50%. This typically occurs where the Group's joint venture partner is providing a greater share of finance into the Company, with the Group contributing a greater share towards the day-to-day management of the underlying project. Key business decisions require unanimous agreement from the Group and its partner, therefore management judges that both parties control the entity equally and it is therefore considered appropriate to account for our interest as a joint venture.

Under the Barts Square joint venture agreement the Group is entitled to varying returns dependent upon the performance of the development. Whilst the Group holds a 33.3% legal share in the Barts LP Group, it has accounted for its share at 50.0% (2023: 50.0%) to reflect its expected economic interest in the joint venture.

19. Other Investments

Group	Total 31.3.24 £000	Total 31.3.23 £000
Book value at 1 April	353	306
Acquisitions	212	47
At 31 March	565	353

On 6 August 2021, the Group entered into a commitment of £1,000,000 to invest in the Pi Labs European PropTech venture capital fund ("Fund") of which £212,000 (2023: £47,000) was invested during the year. The Fund is focused on investing in the next generation of proptech businesses.

The fair value of the Group's investment is based on the net asset value of the Fund, representing Level 3 fair value measurement as defined in IFRS 13 Fair Value Measurement.

20. Land and Developments

Group	Total 31.3.24 £000	Total 31.3.23 £000
At 1 April	28	2,089
Disposals	–	(2,031)
Provision	–	(30)
At 31 March	28	28

The Directors' valuation of land and developments shows a surplus of £302,000 (31 March 2023: £302,000) above book value. This surplus has been included in the EPRA net asset value (Note 35). No interest has been capitalised or included in land and developments.

Land and developments with carrying values totalling £nil (31 March 2023: £nil) were held as security against borrowings.

The Company had £nil (31 March 2023: £nil) of land and developments.

21. Assets Held for Sale

Group	Total 31.3.24 £000	Total 31.3.23 £000
At 1 April	–	–
Book value on transfer to asset held for sale	43,817	–
Lease incentives	1,133	–
Long leasehold liability	(2,189)	–
At 31 March	42,761	–

22. Trade and Other Receivables

Due within one year	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Trade receivables	2,111	2,517	–	–
Amounts owed by joint venture undertakings	2,941	664	1,752	207
Other receivables	660	88	647	194
Prepayments	4,103	1,990	2,689	609
Accrued income	7,166	19,676	–	–
Total trade and other receivables	16,981	24,935	5,088	1,010

Included within accrued income are lease incentives of £7,078,000 (31 March 2023: £13,987,000).

Due after one year	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 Restated[1] £000
Other receivables	1,252	–	1,252	–
Amounts owed by Group undertakings – interest free	–	–	190,607	218,092
Amounts owed by Group undertakings – interest bearing	–	–	82,893	81,581
	1,252	–	274,752	299,673

1 See Note 38.

Receivables	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 Restated[1] £000
Not past due	4,510	3,586	277,151	300,074
Past due < three months	581	221	–	–
Past due > three months	229	541	–	–
Total receivables being financial assets	5,320	4,348	277,151	300,074
Total receivables being non-financial assets	12,913	20,587	2,689	609
Total receivables	18,233	24,935	279,840	300,683

1 See Note 38.

Past due receivables not impaired relate to a number of independent customers for whom there is no recent history of default. Against trade receivables, Helical held £7,828,000 of rental deposits (31 March 2023: £9,069,000) which are included within cash (see Note 23).

Movements in the loss allowance of trade receivables are as follows:

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 Restated[1] £000
Gross receivables being financial assets	6,099	5,766	308,429	313,545
Provisions for receivables impairment	(779)	(1,418)	(31,278)	(13,471)
Net receivables being financial assets	5,320	4,348	277,151	300,074
Receivables written-off during the year as uncollectable	384	86	–	–

1 See Note 38.

Amounts owed by subsidiary undertakings have been considered for impairment using the 12 months expected credit loss model because there have been no changes in credit risk since initial recognition. The expected credit losses on amounts owed by Group companies is insignificant (2023: insignificant).

Amounts are written off when it is determined that the Group company will not have sufficient assets or future income to repay the balance.

The following table shows the movement in lifetime Estimated Credit Loss ("ECL") that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9.

	Group £000	Company £000
Balance as at 31 March 2022	1,386	–
Net remeasurement of loss allowance	170	–
Amounts recovered	(138)	–
Balance as at 31 March 2023	**1,418**	**–**
Net remeasurement of loss allowance	**(695)**	**–**
Amounts recovered	**(16)**	**–**
Balance as at 31 March 2024	**707**	**–**

Included in total receivables being financial assets above are contract balances and receivables from contracts with customers, as defined by IFRS 15 Revenue from Contracts with Customers, as follows:

Contract assets from contracts with customers	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
At 1 April	3,602	530	–	–
Additions	1,040	3,072	–	–
Received during the year	(3,433)	–	–	–
Reassessment of revenue receivable	(1,139)	–		
At 31 March	70	3,602	–	–

Receivables from contracts with customers	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
At 1 April	1,007	1,007	–	–
Additions	–	–	–	–
Received during the year	(1,007)		–	–
At 31 March	–	1,007	–	–

Contract assets are typically recognised when the Group recognises revenue on partial completion of performance obligations, ordinarily the construction and letting of buildings in its role as development manager. Receivables are recognised when the Group has an unconditional right to consideration. Cash is typically received once a building is practically complete and a large proportion of the lettable area is subject to leases; this may occur in tranches.

23. Cash and Cash Equivalents

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Cash held at managing agents	4,914	4,156	3	3
Rental deposits	7,828	9,069	–	–
Restricted cash	3,880	9,495	74	96
Cash deposits	12,011	28,205	9,036	23,832
	28,633	50,925	9,113	23,931

Restricted cash is made up of cash held by solicitors, rental deposits and cash in restricted bank accounts.

24. Trade and Other Payables

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Trade payables	13,497	15,212	769	793
Social security costs and other taxation	952	1,944	–	–
Amounts owed to subsidiary undertakings	–	–	123,436	153,827
Other payables	300	192	74	96
Accruals	5,101	5,404	2,532	933
Deferred income	5,036	8,480	–	–
	24,886	31,232	126,811	155,649

25. Lease Liability

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Current lease liability	829	683	829	683
Non-current lease liability	3,445	5,589	3,445	3,399

Included within the lease liability are £829,000 (31 March 2023: £683,000) of current and £3,445,000 (31 March 2023: £3,399,000) of non-current lease liabilities which relate to the long leasehold of the Group's head office.

Finance lease obligations in respect of the Group's leasehold properties are payable as follows:

	Minimum lease payments 31.3.24 £000	Interest 31.3.24 £000	Present value of minimum lease payments 31.3.24 £000	Minimum lease payments 31.3.23 £000	Interest 31.3.23 £000	Present value of minimum lease payments 31.3.23 £000
Not later than one year	1,109	(61)	1,048	922	(29)	893
Later than one year but not more than five years	3,881	(655)	3,226	3,689	(393)	3,296
More than five years	–	–	–	15,497	(13,414)	2,083
	4,990	(716)	4,274	20,108	(13,836)	6,272

The long leasehold liabilities in the above table in the current year relate to the lease of the Group's head office. The associated asset of £2,632,000 (31 March 2023: £2,980,000) is shown in Note 16. The prior year numbers also included the 155 year head lease at 25 Charterhouse Square, EC1.

The current year numbers in the above table do not include the minimum lease payments of £15,496,000 with a present value of £2,189,000 relating to the long lease at 25 Charterhouse Square, EC1. This property was classified as held for sale at the reporting date (see Note 21) and was subsequently disposed of after the reporting date (see Note 34).

26. Borrowings

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Current borrowings	–	–	–	–
Borrowings repayable within:				
two to three years	227,634	–	–	–
three to four years	–	226,677	–	–
Non-current borrowings	227,634	226,677	–	–
Total borrowings	227,634	226,677	–	–

Term loans in borrowings falling due within one year and after one year are secured against properties held in the normal course of business by subsidiary undertakings to the fair value of £522,211,000 (31 March 2023: £693,400,000). These will be repayable when the underlying properties are sold. Bank overdrafts and term loans exclude the Group's share of borrowings in joint venture companies of £65,644,000 (31 March 2023: £59,416,000).

27. Financing and Derivative Financial Instruments

The policies for dealing with liquidity and interest rate risk are noted in our principal risks on pages 51 to 59.

	Group 31.3.24 £000	Group 31.3.23 £000
Borrowings due after more than one year	227,634	226,677
	227,634	226,677

The Group has various undrawn committed borrowing facilities. The facilities available at 31 March 2024 in respect of which all conditions precedent had been met were as follows:

	Group 31.3.24 £000	Group 31.3.23 £000
Expiring in one year or less	10,000	10,000
Expiring in more than two years but not more than three years	70,000	–
Expiring in more than three years but not more than four years	–	170,000
	80,000	180,000

Interest rates – Group	%	Expiry	Group 31.3.24 £000	%	Expiry	Group 31.3.23 £000
Derivatives:						
swap rate plus bank margin	3.512	June 2026	50,000	3.362	June 2026	50,000
swap rate plus bank margin	3.786	July 2026	50,000	3.636	July 2026	50,000
swap rate plus bank margin	2.433	July 2026	50,000	2.283	July 2026	50,000
swap rate plus bank margin	2.595	July 2026	50,000	2.445	July 2026	50,000
swap rate plus bank margin	2.537	July 2026	50,000	2.387	July 2026	50,000
Weighted average	2.973	July 2026	250,000	2.823	July 2026	250,000
Unmatched derivatives	7.248	July 2026	(20,000)	6.085	July 2026	(20,000)
Unamortised finance costs			(2,366)			(3,323)
Total borrowings	2.889	July 2026	227,634	3.366	July 2026	226,677

The above table shows the extent that interest rate swaps fix the interest rates on our borrowings.

Floating rate borrowings bear interest at rates based on SONIA.

The Group had no caps or floors at 31 March 2024.

At 31 March 2024 the Company had no interest rate swaps, caps or floors (31 March 2023: nil).

Gearing	Group 31.3.24 £000	Group 31.3.23 £000
Total borrowings	227,634	226,677
Cash	(28,633)	(50,925)
Net borrowings	199,001	175,752

Net borrowings exclude the Group's share of borrowings in joint ventures of £65,644,000 (31 March 2023: £59,416,000) and cash of £3,064,000 (31 March 2023: £3,749,000). All borrowings in joint ventures are secured.

	Group 31.3.24 £000	Group 31.3.23 £000
Net assets	401,075	608,675
Gearing	49.6%	28.9%

28. Share Capital

	31.3.24 £000	31.3.23 £000
Authorised	39,577	39,577

The authorised share capital of the Company is £39,577,000 divided into ordinary shares of 1p each.

Allotted, called up and fully paid:	31.3.24 £000	31.3.23 £000
123,355,197 (31 March 2023: 123,355,197) ordinary shares of 1p each	1,233	1,233
	1,233	1,233

	Shares in issue 31.3.24 Number	Share capital 31.3.24 £000	Shares in issue 31.3.23 Number	Share capital 31.3.23 £000
Ordinary shares				
At 1 April	123,355,197	1,233	122,325,413	1,223
Issued share capital	–	–	1,029,784	10
At 31 March	123,355,197	1,233	123,355,197	1,233

Capital Management
The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to Shareholders.

The Group sets the amount of capital in proportion to its overall financing structure. It manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to Shareholders, return capital to Shareholders, issue new shares, or sell assets to reduce debt. Capital is defined as being issued share capital, share premium, retained earnings, revaluation reserve and other reserves (2024: £393,332,000, 2023: £600,932,000). The Group continually monitors its gearing level to ensure that it is appropriate. Gearing increased to 50% from 29% in the year as a result of the revaluation of investment property during the year.

29. Share Options

At 31 March 2024 and 31 March 2023 there were no unexercised options over new ordinary 1p shares in the Company.

30. Share-Based Payments

The Group provides share-based payments to employees in the form of Performance Share Plan ("PSP") awards and a Share Incentive Plan. The Group uses a combination of the Black-Scholes, Chaffe and stochastic valuation models and the resulting value is amortised through the Consolidated Income Statement over the vesting period of the share-based payments. Details of the performance criteria are set out on page 136.

	2024		2023	
Performance Share Plan awards	Awards	Weighted average award value	Awards	Weighted average award value
Outstanding at beginning of the year	3,571,812	347p	3,600,736	355p
Awards vested during the year	(844,287)	297p	(916,140)	321p
Awards lapsed during the year	(428,889)	297p	(316,956)	321p
Awards made during the year	1,753,501	188p	1,204,172	296p
Outstanding at end of the year	4,052,137	294p	3,571,812	347p

All awards have an exercise price of £nil (2023: £nil).

The weighted average share price at the date of exercise for the share options exercised during the year was 278.00p (2023: 386.00p).

The PSP awards outstanding at 31 March 2024 had a weighted average remaining contractual life of one year and three months.

The fair value of the awards made in the year to 31 March 2024 was £3,305,000 (2023: £3,562,000). These were granted on 1 June 2023.

The inputs into the Black-Scholes, Chaffe and stochastic models of valuation of the PSP awards made in the year to 31 March 2024 were as follows:

	2024	2023	2022
Weighted average share price	188.5p	296.0p	362.0p
Weighted average exercise price	–	–	–
Expected volatility	36%	34%	31%
Expected life	3 years	3 years	3 years
Risk free rate	4.24%	1.75%	0.14%
Expected dividends	0.00%	0.00%	0.00%

The Group recognised a charge of £1,039,000 (2023: £1,073,000) during the year in relation to share-based payments.

Volatility is measured by calculating the standard deviation of the natural logarithm of share price movements for the period prior to the date of grant which is commensurate with the remaining length of the performance period.

At the Balance Sheet date there were no exercisable awards. There is a two-year holding period for vested awards for Directors.

31. Changes in Liabilities Arising from Financing Activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those whose cash flows were, or future cash flows will be, classified in the Consolidated and Company Cash Flow Statements as cash flows from financing activities.

	Group £000	Company £000
At 31 March 2022	402,904	–
Financing cash flows:		
Borrowings repaid	(170,000)	–
Finance lease repayments	(659)	–
Other changes	21	–
At 31 March 2023	**232,266**	**–**
Financing cash flows:		
Finance lease repayments	**(708)**	**–**
Other changes	**(479)**	**–**
At 31 March 2024	**231,079**	**–**

Financing cash flows comprise borrowings drawn down and repaid in the Consolidated and Company Cash Flow Statements. Other changes include the rolling up of interest and the change in unamortised refinancing costs.

32. Contingent Liabilities

The Company has entered into cross guarantees in respect of the banking facilities of its subsidiaries. These are not considered to have a material value. There were no other contingent liabilities at 31 March 2024 for the Group or the Company (31 March 2023: £nil).

33. Capital Commitments

The Group has a commitment of £133,500,000 (31 March 2023: £1,700,000), of which £59,400,000 relates to the development of 100 New Bridge Street, EC4 and the remaining £74,100,000 relates to the purchases of the TfL sites at 10 King William Street, EC4, Southwark, SE1 and Paddington, W2.

34. Post Balance Sheet Events

Following the year end, the sale of 25 Charterhouse Square, EC1 for £43.5m was completed (see Note 21) with £42m of the proceeds used to part pay down the Group's RCF.

On 17 May 2024, a joint venture agreement was signed with Orion Capital Managers who acquired a 50% investment in the 100 New Bridge Street, EC4 site for £55m, with a £155m development facility agreement signed at the same time to fund the development and finance costs.

The impact of the two transactions above is reflected in the pro-forma tables below:

		At 31 March 2024 £000	Impact of transactions £000	Pro-forma £000
Investment property fair value	– subsidiaries	479,600	(99,000)	380,600
	– joint ventures	138,250	49,500	187,750
Investment property held for sale	– subsidiaries	42,761	(42,761)	–
Development portfolio		1,651	–	1,651
Total see-through property portfolio		662,262	(92,261)	570,001
See-through net borrowings		261,581	(97,761)	163,820
See-through loan to value		39.5%	(10.8)%	28.7%
Net assets		401,075	5,500	406,575
See-through gearing		65.2%	(24.9)%	40.3%

35. Net Assets Per Share

	Group 31.3.24 £000	Number of shares 000	pence	Group 31.3.23 £000	Number of shares 000	pence
IFRS net assets	401,075	123,355		608,675	123,355	
Adjustments:						
own shares held		(602)			(283)	
Basic net asset value	401,075	122,753	327	608,675	123,072	495
share settled bonus		154			561	
dilutive effect of Performance Share Plan		–			751	
Diluted net asset value	401,075	122,907	326	608,675	124,384	489
Adjustments:						
fair value of financial instruments	(17,635)			(23,245)		
fair value of land and developments	302			302		
real estate transfer tax	44,605			56,591		
EPRA net reinstatement value	428,347	122,907	349	642,323	124,384	516
real estate transfer tax	(21,879)			(28,868)		
EPRA net tangible asset value	406,468	122,907	331	613,455	124,384	493

	Group 31.3.24 £000	Number of shares 000	pence	Group 31.3.23 £000	Number of shares 000	pence
Diluted net assets	401,075	122,907	326	608,675	124,384	489
Adjustments:						
surplus on fair value of stock	302			302		
EPRA net disposal value	401,377	122,907	327	608,977	124,384	490

The net asset values per share have been calculated in accordance with guidance issued by the European Public Real Estate Association ("EPRA").

The adjustments to the net asset value comprise the amounts relating to the Group and its share of joint ventures.

The calculation of EPRA net tangible asset value includes a real estate transfer tax adjustment which adds back the benefit of the saving of the purchaser's costs that Helical expects to receive on sales of asset owning corporate vehicles, rather than direct asset sales.

The calculation of EPRA net disposal value per share reflects the fair value of all the assets and liabilities of the Group at 31 March 2024.

36. Related Party Transactions

At 31 March 2024 and 31 March 2023 the following amounts were due from/(to) the Group's joint ventures:

	31.3.24 £000	31.3.23 £000
Charterhouse Place Limited Group	1,340	577
Barts LP Group	71	79
Shirley Advance LLP	(43)	8
Platinum Group	1,530	–

An accounting and corporate services fee of £50,000 (March 2023: £50,000) was charged by the Group to the Barts Square companies. A development management, accounting and corporate services fee of £1,089,181 due from the Charterhouse Place Limited group was reversed (31 March 2023: £150,000 receivable).

All balances are repayable on demand. No provisions have been recognised in respect of amounts owed from joint ventures.

At 31 March 2024 and 31 March 2023 there were the following balances between the Company and its subsidiaries:

	31.3.24 £000	31.3.23 Restated[1] £000
Amounts due from subsidiaries	273,500	299,673
Amounts due to subsidiaries	123,436	153,827

1 See Note 38.

	31.3.24 £000	31.3.23 £000
Management charges receivable	352	426
Management charges payable	4,093	4,686
Distributions from subsidiaries and joint ventures	27,320	60,595

Management charges receivable relate to the performance of management services for the Company's subsidiaries.

During the year Helical plc issued nil shares at a value of £nil (2023: 1,029,784 shares at a value of £3,975,000) to satisfy the obligation of its subsidiary, Helical Services Limited, in relation to Performance Share Plan awards and Deferred Bonus awards.

All of these transactions, and the Balance Sheet date amounts arising from these transactions, were conducted on an arm's length basis and on normal commercial terms. Amounts owed by subsidiaries to the Company are identified in Note 22. Amounts owed to subsidiaries by the Company are identified in Note 24.

The Group considers that key management personnel are the Directors. The compensation paid or payable to key management (including associated Employer's NIC) is:

	31.3.24 £000	31.3.23 £000
Salaries and other short-term employee benefits	2,118	3,230
Share-based payment charge	1,039	1,073
	3,157	4,303

The total dividends paid to Directors of the Group in the year were £654,313 (2023: £540,135).

37. Financial Instruments

Categories of Financial Instruments

Financial assets in the Group include derivative financial assets and other investments which are designated as "fair value through profit or loss". Financial assets also include trade and other receivables and cash and cash equivalents, all of which are included within financial assets measured at amortised cost.

Financial liabilities in the Group classed as "fair value through profit or loss" include derivatives and a specific joint venture valuation share. Financial liabilities also include secured bank loans, trade and other payables, long leasehold liability and provisions, all of which are classified as financial liabilities at amortised cost. In the Company, the financial liabilities include trade and other payables, amounts owed to subsidiaries and a long leasehold liability, all of which are classified at amortised cost.

Financial Assets and Liabilities by Category

The financial instruments of the Group and Company as classified in the financial statements can be analysed under the following categories.

Financial assets	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 Restated[1] £000
Measured at amortised cost	33,953	55,273	286,264	324,005
Fair value through profit or loss	18,200	23,598	–	–
Total financial assets	52,153	78,871	286,264	324,005

These financial assets are included in the Balance Sheet within the following headings:

Balance Sheet	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 Restated[1] £000
Other investments	565	353	–	–
Trade and other receivables, including amounts due from Group undertakings	5,320	4,348	277,151	300,074
Cash and cash equivalents	28,633	50,925	9,113	23,931
Derivative financial assets	17,635	23,245	–	–
Total financial assets	52,153	78,871	286,264	324,005

1 See Note 38.

Financial assets are stated in accordance with IAS 32 Financial Instruments: Presentation.

The carrying value of the trade and other receivables and cash and cash equivalents is not deemed to be materially different from their fair value.

Financial liabilities	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Fair value through profit or loss	33	33	–	–
Measured at amortised cost	250,774	253,724	131,085	159,731
Total financial liabilities	250,807	253,757	131,085	159,731

The financial liabilities are included in the Balance Sheet within the following headings:

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Trade and other payables	18,899	20,808	126,811	155,649
Borrowings – non-current	227,634	226,677	–	–
Lease liability	4,274	6,272	4,274	4,082
Total financial liabilities	250,807	253,757	131,085	159,731

The carrying value of trade and other payables and borrowings is not deemed to be materially different from the fair value as at 31 March 2024. Financial liabilities are stated in accordance with IAS 32 Financial Instruments: Presentation.

The Group financial instruments that are measured subsequent to initial recognition at fair value are interest rate swaps.

Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

IFRS 13 categorises financial assets and liabilities as being valued in three hierarchical levels:

Level 1: values are unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: values are derived from observing market data; and

Level 3: values cannot be derived from observable market data.

Assets and liabilities measured at fair value are classified as below:

Level 1: None;

Level 2: Derivative financial instruments (Note 37); and

Level 3: Investment property (Note 14), and Other investments (Note 19).

There were no transfers between categories in the current or prior year.

Derivative financial instruments	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Interest rate caps	–	–	–	–
Interest rate swaps	17,635	23,245	–	–
	17,635	23,245	–	–

The Group's movement in the fair value of the derivative financial instruments in the year was a loss of £5,609,000 (2023: gain of £12,757,000) due to interest rate caps, floors and swaps.

Credit Risk

Credit risks arise from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk the Group periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. It is Group policy to assess the financial viability of potential tenants where their rent roll is individually significant before entering into lease agreements. This review involves the latest available set of financial statements, other publicly available financial information and management accounts where appropriate. The covenant strength of each tenant is determined based on this information and a deposit or guarantee is sought if necessary. The Group's tenants are spread across a wide variety of industries, reducing the Group's risk to any individual industry. The Group works closely with its agents, who advise where a loss allowance is required for individual tenants, based on their credit control procedures.

Credit risk also exists due to cash and cash equivalents and deposits with banks and other financial institutions. The cash is held with investment grade banking institutions and in client accounts with solicitors and managing agents and therefore credit risk is considered low.

As at 31 March 2024 the Group had total credit risk exposure, excluding cash, of £5,320,000, relating to financial assets held at both amortised cost and at fair value through profit and loss. The quantitative disclosures of trade and other receivables credit risk are shown in Note 22.

The Group has a small number of other debtors that are financial assets. Each is considered on an individual basis and involves the Group's detailed knowledge of the counterparties involved in order to assess the likelihood of non-recoverability. All these debtors are deemed to be recoverable.

The amounts owed to the Company are considered on an individual basis by assessing the subsidiaries' and joint ventures' ability to repay the debt at the point at which it is repayable. The Group considers the net assets of the debtor, taking into account any potential uplifts to fair value of investments, land and developments in making its assessment.

The Group is not reliant on any major customer for its ability to continue as a going concern.

Liquidity Risk

Liquidity risk is defined as the risk that the Group would not be able to settle or meet its obligations on time or at a reasonable price.

Liquidity and funding risks, related processes and policies are overseen by management.

The Group manages its liquidity risk on a consolidated basis based on business needs, tax, capital or regulatory considerations, if applicable, and through numerous sources of finance in order to maintain flexibility. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. The Group's cash and cash equivalents are held with major regulated financial institutions and the Directors regularly monitor the financial institutions that the Group uses to ensure its exposure to liquidity risk is minimised.

For further information on debt facilities, see Notes 26 and 27.

37. Financial Instruments continued

The maturity profile of the Group's contracted financial liabilities, including trade and other payables, lease liabilities and borrowings, is as follows:

	Group 31.3.24 £000	Group 31.3.23 £000	Company 31.3.24 £000	Company 31.3.23 £000
Payable within three months	22,000	23,320	127,088	155,758
Payable between three months and one year	6,726	10,379	831	614
Payable between one and three years	238,238	237,330	2,217	1,637
Payable after three years	1,940	11,510	1,940	2,250
Total contracted liabilities	268,904	282,539	132,076	160,259

At 31 March 2024 the Group had £80,000,000 (31 March 2023: £180,000,000) of undrawn borrowing facilities, £150,000 (31 March 2023: £150,000) of uncharged property assets and cash balances of £28,633,000 (31 March 2023 : £50,925,000). The above contracted liabilities assume that no loans are extended beyond their current facility expiry date. Management believes that these facilities, together with anticipated sales and the renewal of some of these loan facilities, mean that the Group can meet its contracted liabilities as they fall due.

Market Risk

The Group is exposed to market risk, primarily related to interest rates, foreign currency exchange movements, the market value of the investments and accrued development profits. The Group actively monitors these exposures.

Interest Rate Risk

It is the Group's policy and practice to minimise interest rate cash flow exposures on long-term financing. The Group does this by using a number of derivative financial instruments including interest rate swaps and interest rate caps and floors. The purpose of these derivatives is to manage the interest rate risks arising from the Group's sources of finance. The Group does not use financial instruments for speculative purposes.

Details of financing and financial instruments can be found in Note 27.

In the year to 31 March 2024, if interest rates had moved by 0.5%, this would have resulted in the following movement to net profits and equity due to movements in interest charges and mark-to-market valuations of derivatives.

	Group impact on results 31.3.24 £000	Group impact on results 31.3.23 £000	Company impact on results 31.3.24 £000	Company impact on results 31.3.23 £000
0.5% increase – increase in net results and equity	3,301	4,233	74	120
0.5% decrease – decrease in net results and equity	(3,301)	(4,233)	(74)	(120)

Foreign Currency Exchange Risk

The Group and Company have no material exposure to movements in foreign currency rates.

38. Restatement

The prior year Parent Company numbers have been restated to reclassify an intercompany loan of £82,812,000 between Helical plc and one of its subsidiaries to an investment in subsidiaries. This was due to an issue of shares by the subsidiary to capitalise the loan in the prior year which was not recorded. This adjustment has no impact on net assets.

In addition, a further restatement has been made to correctly reflect interest on an interest bearing intercompany loan. The impact of this adjustment results in an increase in Parent Company profit before tax in the year to 31 March 2023 of £4,700,000. These adjustments do not have any tax impact and have been reflected in the Company cash flow statement.

The effect of the above adjustments on the relevant financial statement line items for the year ended 31 March 2023 is as follows:

Company Balance Sheet	31 March 2023 £000	Restatement £000	31 March 2023 Restated £000
Investment in subsidiaries	210,341	82,812	293,153
Amounts owed by Group undertakings	377,785	(78,112)	299,673
Total non-current assets	592,477	4,700	597,177
Retained earnings	330,105	4,700	334,805
Equity	457,687	4,700	462,387

39. Principal Accounting Policies

Basis of Consolidation

The Group Financial Statements consolidate those of Helical plc (the "Company") and all of its subsidiary undertakings (together the "Group") drawn up to 31 March 2024. Subsidiary undertakings are entities for which the Group has power over the investee, is exposed to or has the rights to variable returns and has the ability to control those returns. Subsidiaries are accounted for under the purchase method and are held in the Company Balance Sheet at cost and reviewed annually for impairment.

Joint ventures are entities whose economic activities are contractually controlled jointly by the Group and by other ventures independent of the Group, where both parties are exposed to variable returns but neither has control over those returns. This exists where unanimous agreement of the investee's relevant activities is required. They are accounted for using the equity method of accounting, whereby the Group's share of profit after tax in the joint venture is recognised in the Consolidated Income Statement ("Income Statement") and the Group's share of the joint venture's net assets is incorporated in the Consolidated Balance Sheet.

Intra-group balances and any unrealised gains on transactions between the Company and its subsidiaries and between subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Consolidated Financial Statements are presented in sterling which is also the functional currency of the Parent Company.

Revenue Recognition

Rental income

Rental income receivable is recognised in the Income Statement on a straight-line basis over the lease term. Any incentive for lessees to enter into a lease agreement and any costs associated with entering into the lease are spread over the same period.

Service charge income

Service charge income relates to expenditure that is directly recoverable from tenants and is recognised as revenue in the period to which it relates.

Sale of goods

Assets, such as trading properties, development sites and completed developments, are regarded as sold at the point at which the customer has control of the goods. This occurs on completion of the contract for sale. Measurements of revenue arising from the sale of such assets are derived from the transaction price as determined by IFRS 15 Revenue from Contracts with Customers.

Construction Contracts and Development Management Services

The Group has contracts to develop and let properties for third parties. Where two or more contracts are entered into at or near the same time with the same customer, the contracts are combined and accounted for as a single contract. An arrangement may involve the construction and letting of a third party property or the sale and subsequent construction and letting of a property. The construction and letting of a property are considered to be separate performance obligations. Where an arrangement also involves the sale of an asset, this is an additional distinct performance obligation. The initial sale of a site to a customer is recognised as a sale of goods in accordance with IFRS 15, where the sale of land is not conditional on the construction of the buildings and is not reversible in the event that the building is not constructed.

Ordinarily, the Group return includes both fixed and variable consideration. These constitute the transaction price. Variable consideration is estimated as the amount of consideration to which the Group would be entitled in exchange for transferring goods or services. This is done on an expected value basis. This estimate is constrained to the extent that it is highly probable that a significant reversal of the amount of revenue recognised will not occur when the uncertainty is removed.

The fixed and variable consideration are allocated to the relevant performance obligations in proportion to their estimated stand-alone selling prices. Revenue is recognised either over time or at a point in time, depending on the terms of the contract. The proportion of the transaction price allocated to construction is recognised at any given reporting date in proportion to the costs certified to date as a percentage of the total expected construction costs. The proportion of the transaction price allocated to the letting of the property is recognised at any given reporting date in proportion to the area subject to leases as a percentage of the total lettable space.

Investment income

Revenue in respect of investment and other income represents investment income, fees and commissions earned on an accruals basis and the fair value of the consideration received/receivable on investments held for the short term. Dividends are recognised when the Shareholders' right to receive payment has been established. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate.

Deferred income

Money received in advance of the provision of goods or services is held in the Balance Sheet until the income can be recognised in the Income Statement.

39. Principal Accounting Policies continued

Share-Based Payments
The Group provides share-based payments in the form of Performance Share Plan awards and a Share Incentive Plan. These payments are discussed in greater detail in the Directors' Remuneration Report on pages 122 to 141. The fair values of share-based payments related to employees' service are determined indirectly by reference to the fair value of the related instrument at the grant date. The Group uses a combination of the Black-Scholes, Chaffe and stochastic valuation models and the resulting value is amortised through the Income Statement over the vesting period of the share-based payments.

For the Performance Share Plan and Share Incentive Plan awards, where market conditions apply, the expense is allocated to the Income Statement evenly over the vesting period.

For the Performance Share Plan and Share Incentive Plan awards, where non-market conditions apply, the expense is allocated, over the vesting period, to the Income Statement based on the best available estimate of the number of awards that are expected to vest. Estimates are subsequently revised if there is any indication that the number of awards expected to vest differs from previous estimates.

The amount charged to the Income Statement is credited to the retained earnings reserve.

Depreciation
In accordance with IAS 40 Investment Property, depreciation is not provided for on freehold investment properties or on leasehold investment properties. The Group does not own the freehold land and buildings which it occupies. Costs incurred in respect of leasehold improvements to the Group's head office at 5 Hanover Square, London W1S 1HQ are capitalised and held as short-term leasehold improvements. Leasehold improvements, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Residual values are reassessed annually.

Depreciation is charged so as to write off the cost of assets less residual value, over their estimated useful lives, using the straight-line method, on the following basis:

Short leasehold improvements	– Over the term of the lease or expected life of the assets if shorter
Plant and equipment	– 25%

Taxation
The taxation charge represents the sum of tax currently payable and deferred tax. The charge for current taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the Balance Sheet date. Tax payable upon realisation of revaluation gains recognised in prior periods is recorded as a current tax charge with a release of the associated deferred taxation.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method.

Deferred tax liabilities are generally recognised for all taxable timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible timing differences can be utilised. The measurement of deferred tax assets and liabilities reflects the tax consequences of the manner in which the Group expects, at the Balance Sheet date, to recover or settle the carrying amount of those assets and liabilities. Such assets and liabilities are not recognised if the timing differences arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

The deferred tax asset relating to share-based payment awards reflects the estimated value of tax relief available on the vesting of the awards at the Balance Sheet date.

Deferred tax is determined using tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. It is recognised in the Income Statement except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

The Group recognises a deferred tax liability for all taxable timing differences associated with investments in subsidiaries, associates and interests in joint ventures, except to the extent that both of the following conditions are satisfied:

a) the Group is able to control the timing of the reversal of the timing difference; and

b) it is probable that the timing difference will not reverse in the foreseeable future.

Dividends
Dividend distributions to the Company's Shareholders are recognised as a liability in the financial statements in the period in which dividends are approved.

Investment Properties
Investment properties are properties owned or leased by the Group which are held for long-term rental income and for capital appreciation. Investment properties are initially recognised at cost, including associated transaction costs, and subsequently at fair value adjusted for the carrying value of lease incentive and letting cost receivables. These fair values are based on market values as determined by professionally qualified external valuers or are determined by the Directors of the Group based on their knowledge of the property. In accordance with IAS 40 Investment Property, investment properties held under leases are stated gross of the recognised lease liability.

Gains or losses arising from changes in the fair value of investment properties are recognised as gains or losses on revaluation in the Income Statement of the period in which they arise.

In accordance with IAS 40, as the Group uses the fair value model, no depreciation is provided in respect of investment properties including integral plant.

Property that is being constructed or developed for future use as an investment property is treated as investment property in accordance with IAS 40.

When the Group redevelops an existing investment property for continued future use as investment property, the property remains an investment property measured at fair value and is not reclassified. Interest is capitalised before tax relief until the date of practical completion.

Details of the valuation of investment properties can be found in Note 14.

Investment properties are derecognised on completion of sale.

Included in investment property are right-of-use assets relating to leasehold investment property.

Land and Developments
Land and developments held for sale are inventory and are included in the Balance Sheet at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to completion and estimated costs necessary to make the sale.

Gross borrowing costs associated with expenditure on properties under development or undergoing major refurbishment are capitalised. The interest capitalised is either based on the interest paid (where a project has a specific loan) or calculated using the Group's weighted average cost of borrowings (where there are no specific borrowings for the project). Interest is capitalised from the date of commencement of the development work until date of practical completion.

Assets Held for Sale
Non-current assets whose disposals are considered highly probable are classified as assets held for sale. Where the non-current asset is an investment property, it is measured in accordance with IAS 40.

Financial Assets
Financial assets do not carry any interest and are stated initially at transaction price and subsequently at amortised cost as reduced by appropriate loss allowances. The loss allowance is based on the lifetime expected credit losses associated with the financial asset. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire or on transfer of the asset and of the associated risks and rewards to another party.

Cash and Cash Equivalents
Cash and cash equivalents are carried in the Balance Sheet at amortised cost. For the purposes of the Cash Flow Statement and Balance Sheet, cash and cash equivalents comprise cash in hand, deposits with banks, including rent deposits, cash held at solicitors, cash in blocked accounts and other short-term, highly liquid investments with original maturities of three months or less.

Trade and Other Payables
Trade and other payables are not interest bearing and are initially recognised at fair value and subsequently at amortised cost. The Group derecognises trade and other payable liabilities when they are extinguished, which occurs when the obligation associated with the liability is discharged, cancelled or expires.

39. Principal Accounting Policies continued

Borrowing and Borrowing Costs
Interest bearing bank loans are initially recorded at fair value, net of finance and other costs yet to be amortised, in accordance with IFRS 9, and subsequently at amortised cost.

Borrowing costs directly attributable to the acquisition and construction of new developments and investment properties are added to the costs of such properties until the date of completion of the development or investment. After initial recognition borrowings are carried at amortised cost.

Gains or losses on extinguishing debt are recognised in the Income Statement in the period in which they occur.

Derivative Financial Instruments
Derivative financial assets and financial liabilities are recognised on the Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

The Group enters into derivative transactions such as interest rate swaps, caps and floors in order to manage the risks arising from its activities. Derivatives are initially recorded at fair value and are subsequently remeasured to fair value based on market prices, estimated future cash flows and forward rates as appropriate. Any change in the fair value of such derivatives is recognised immediately in the Income Statement.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Further information on the categorisation of financial instruments can be found in Note 37.

Leases
The Group has leases for which it must account from the position of both a lessee and a lessor.

Group as Lessee
The Group assesses whether a contract is, or contains, a lease, at inception of a contract based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has also elected to apply the following practical expedients:

- to account for each lease component and any non-lease components as a single arrangement;
- the exemption not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less; and
- leases of low value assets.

The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is presented as a separate line in the Consolidated and Company Balance Sheets. The right-of-use asset is initially measured at the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method. The lease term includes periods covered by an option to extend if the Group is reasonably certain to exercise that option.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. This will be assessed annually in line with IAS 36 Impairment of Assets.

Group as Lessor
Leases to tenants where substantially all the risks and rewards of ownership are retained by the Group as the lessor are classified as operating leases. Payments made under operating leases, including prepayments, and net of any incentives provided by the Group, are charged to the Income Statement on a straight-line basis over the period of the lease.

Subleases are accounted for as finance leases and included within trade and other receivables. Interest receivable on a sublease is included in finance income. Gain/losses on entering into a sub-lease are recognised in other revenue.

Net Asset Values Per Share
Net asset values per share have been calculated in accordance with the best practice recommendations of the European Public Real Estate Association ("EPRA").

Earnings Per Share
Earnings per share have been calculated in accordance with IAS 33 Earnings per Share and the best practice recommendations of EPRA.

Use of Judgements and Estimates
To be able to prepare accounts according to accounting principles, management must make estimates and assumptions that affect the assets and liabilities and revenue and expense amounts recorded in the financial statements. These estimates are based on historical experience and other assumptions that management and the Board of Directors believe are reasonable under the particular circumstances. The results of these considerations form the basis for making judgements about the carrying value of assets and liabilities that are not readily available from other sources.

Areas requiring the use of critical judgement and estimates that may significantly impact the Group's earnings and financial position are:

Significant Judgements
The key area is discussed below:

Consideration of the nature of joint arrangements. In the context of IFRS 10 Consolidated Financial Statements, this involves consideration of where the control lies and whether either party has the power to vary its returns from the arrangements. In particular, significant judgement is exercised where the shareholding of the Group is not 50% (Note 18).

Classification of 25 Charterhouse Square, EC1 as an asset held for sale as its sale was considered "highly probable" at 31 March 2024 (see Note 21).

Key Sources of Estimation Uncertainty
The key area is discussed below:

Valuation of investment properties. Discussion of the sensitivity of these valuations to changes in the equivalent yields and rental values is included in Note 14. As the values of investments in subsidiaries by the Company are, in part, supported by the underlying subsidiary's property value, this is subject to the same estimation uncertainty.

Consideration has been given to climate risk but it has been concluded that it does not give rise to material new sources of estimation uncertainty.

40. Subsidiary and Related Undertakings

The Company's subsidiary and related undertakings are listed below. Except where otherwise indicated all undertakings are incorporated, registered and operate in the United Kingdom at 5 Hanover Square, London, W1S 1HQ.

The share capital of each of the companies, where applicable, is comprised of ordinary shares unless otherwise stated.

	Company		Direct/Indirect	Ultimate %
	Active subsidiaries			
1	207 OLD STREET UNIT TRUST[1]		Indirect	100%*
2	211 OLD STREET UNIT TRUST[1]		Indirect	100%*
3	AYCLIFFE & PETERLEE DEVELOPMENT COMPANY LIMITED	#	Direct	100%
4	AYCLIFFE & PETERLEE INVESTMENT COMPANY LIMITED	#	Direct	100%
5	EMBANKMENT PLACE (LP) LIMITED[4]	#	Direct	100%
6	FPM 100 NEW BRIDGE STREET LIMITED[5]		Indirect	100%
7	HB SAWSTON NO 3 LIMITED	#	Direct	100%
8	HELICAL BICYCLE 1 LIMITED		Direct	100%
9	HELICAL BICYCLE 2 LIMITED		Indirect	100%
10	HELICAL BICYCLE 3 LIMITED		Indirect	100%
11	HELICAL BICYCLE DEVELOPMENT LIMITED		Indirect	100%
12	HELICAL (CHART) LIMITED	#	Direct	100%
13	HELICAL (CS HOLDINGS) JERSEY LIMITED[1]		Direct	100%
14	HELICAL (CS) JERSEY LIMITED[1]		Indirect	100%
15	HELICAL (DALE HOUSE) LIMITED	#	Direct	100%
16	HELICAL (NQ) LIMITED	#	Direct	100%
17	HELICAL (OS HOLDCO) JERSEY LIMITED[1]		Indirect	100%
18	HELICAL (POWER ROAD) LIMITED	#	Direct	100%
19	HELICAL (WHITECHAPEL) LIMITED		Indirect	100%
20	HELICAL BAR (ST VINCENT STREET) LIMITED	#	Direct	100%
21	HELICAL BAR (WALES) LIMITED	#	Indirect	100%
22	HELICAL FARRINGDON EAST (JERSEY) LIMITED[1]		Direct	100%
23	HELICAL FINANCE (AV) LIMITED	#	Direct	100%
24	HELICAL FINANCE (RBS) LIMITED		Direct	100%
25	HELICAL JERSEY HOLDINGS LIMITED[1]		Direct	100%
26	HELICAL JERSEY INVESTMENT HOLDINGS LIMITED[1]		Direct	100%
27	HELICAL OLD STREET JERSEY HOLDINGS LIMITED[1]		Direct	100%
28	HELICAL OLD STREET JERSEY LIMITED[1]		Indirect	100%
29	HELICAL PLATINUM LIMITED	#	Direct	100%
30	HELICAL PROPERTIES LIMITED		Direct	100%
31	HELICAL PROPERTIES INVESTMENT LIMITED	#	Direct	100%
32	HELICAL RETAIL LIMITED		Direct	100%
33	HELICAL SERVICES LIMITED		Direct	100%
34	METROPOLIS PROPERTY LIMITED		Indirect	100%
35	OLD STREET UNITHOLDER NO 1 LIMITED[1]		Indirect	100%
36	OLD STREET UNITHOLDER NO 2 LIMITED[1]		Indirect	100%
37	PLATINUM DEVELOPMENT LIMITED	#	Indirect	100%
38	PLATINUM MANAGEMENT LIMITED	#	Indirect	100%

# Denotes the subsidiaries that have taken exemption from audit under s479a of the Companies Act 2006.

	Company	Direct/Indirect	Ultimate %
	Active joint ventures		
1	ABBEYGATE HELICAL (LEISURE PLAZA) LIMITED	Direct	50%
2	BARTS CLOSE OFFICE LIMITED[1]	Indirect	33%
3	BARTS ONE LIMITED[1]	Indirect	33%
4	BARTS SQUARE ACTIVE ONE LIMITED[1]	Indirect	33%
5	BARTS SQUARE FIRST LIMITED	Indirect	33%
6	BARTS SQUARE FIRST OFFICE LIMITED[1]	Indirect	33%
7	BARTS SQUARE FIRST RESIDENTIAL LIMITED[1]	Indirect	33%
8	BARTS SQUARE SECOND LIMITED	Indirect	33%
9	BARTS SQUARE LAND ONE LIMITED	Indirect	33%
10	BARTS TWO LIMITED[1]	Indirect	33%
11	BARTS, L.P.[3]	Indirect	33%
12	HASLUCKS GREEN LIMITED	Indirect	50%
13	OBC DEVELOPMENT MANAGEMENT LIMITED	Indirect	33%
14	PLATINUM HOLDCO LIMITED	Indirect	51%
15	PLATINUM KWS LIMITED	Indirect	51%
16	PLATINUM SOUTHWARK LIMITED	Indirect	51%
17	PLATINUM PADDINGTON LIMITED	Indirect	51%
18	SHIRLEY ADVANCE LLP	Indirect	50%
19	CHARTERHOUSE PLACE LIMITED	Indirect	50%
20	CHARTERHOUSE STREET LIMITED[2]	Indirect	50%
	Dormant subsidiaries and joint ventures		
1	ABBEYGATE HELICAL (C4.1) LLP	Direct	50%
2	G2 ESTATES LIMITED	Direct	100%
3	HB SAWSTON NO. 1 LIMITED	Direct	100%
4	HB SAWSTON NO. 2 LIMITED	Direct	100%
5	HB SAWSTON NO. 4 LIMITED	Direct	100%
6	HELICAL (CHURCHGATE) LIMITED	Indirect	100%
7	HELICAL (HAILSHAM) LIMITED	Indirect	100%
8	HELICAL (LB) LIMITED	Direct	100%
9	HELICAL (WEST LONDON) LIMITED	Direct	100%
10	HELICAL BAR (DRURY LANE) LIMITED	Direct	100%
11	HELICAL BAR DEVELOPMENTS (SOUTH EAST) LIMITED	Direct	100%
12	HELICAL BAR DEVELOPMENTS LIMITED	Direct	100%
13	HELICAL BAR LIMITED	Direct	100%
14	HELICAL BAR TRUSTEES LIMITED	Direct	100%
15	HELICAL GROUP LIMITED	Direct	100%
16	HELICAL REGISTRARS LIMITED	Direct	100%
17	ROPEMAKER PARK MANAGEMENT COMPANY LIMITED	Indirect	100%**
18	SCBP MANAGEMENT COMPANY LIMITED	Indirect	75%

Registered offices:
1 1 Waverley Place, Union Street, St Helier, Jersey JE4 8SG.
2 IFC 5, St Helier, Jersey, JE1 1ST.
3 c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington DE 19808, United States.
4 c/o Dentons, 1 George Square, Glasgow G2 1AL.
5 PO Box 146, Level 2 Park Place, St Peters Port, Guernsey, GY1 3HZ.

Notes:
* No shares in issue in the Unit Trusts. The registered office address is that of the appropriate trustee.
** Limited by guarantee.

All appendices are unaudited.

Helical holds a significant proportion of its property assets in joint ventures with partners that provide a significant equity contribution, whilst relying on the Group to provide asset management or development expertise. Accounting convention requires Helical to account for our share of the net results and net assets of joint ventures in limited detail in the Income Statement and Balance Sheet. Net asset value per share, a key performance measure used in the real estate industry, as reported in the financial statements under IFRS, does not provide Shareholders with the most relevant information on the fair value of assets and liabilities within an ongoing real estate company with a long-term investment strategy.

This analysis incorporates the separate components of the results of the consolidated subsidiaries and Helical's share of its joint ventures' results into a "see-through" analysis of our property portfolio, debt profile and the associated income streams and financing costs, to assist in providing a comprehensive overview of the Group's activities.

See-Through Net Rental Income

Helical's share of the gross rental income, head rents payable and property overheads from property assets held in subsidiaries and in joint ventures is shown in the table below:

		Year ended 31.3.24 £000	Year ended 31.3.23 £000
Gross rental income	– subsidiaries	27,514	36,555
	– joint ventures	2,004	287
Total gross rental income		29,518	36,842
Rents payable	– subsidiaries	(224)	(157)
Property overheads	– subsidiaries	(2,580)	(2,092)
	– joint ventures	(1,209)	(1,103)
See-through net rental income		**25,505**	33,490

See-Through Net Development Property Profits

Helical's share of development property profits from property assets held in subsidiaries and in joint ventures is shown in the table below:

		Year ended 31.3.24 £000	Year ended 31.3.23 £000
In parent and subsidiaries		(246)	2,005
In joint ventures		659	1,262
Total gross development property profit		413	3,267
Provision	– subsidiaries	–	(30)
See-through development property profits		**413**	3,237

See-Through Net Gain on Sale and Revaluation of Investment Properties

Helical's share of the net gain on sale and revaluation of investment properties held in subsidiaries and in joint ventures is shown in the table below:

		Year ended 31.3.24 £000	Year ended 31.3.23 £000
Revaluation (deficit)/surplus on investment properties	– subsidiaries	(181,213)	(97,854)
	– joint ventures	(5,933)	5,095
Total revaluation deficit		(187,146)	(92,759)
Net (loss)/gain on sale of investment properties	– subsidiaries	–	4,564
	– joint ventures	(1,468)	66
Total net (loss)/gain on sale of investment properties		(1,468)	4,630
See-through net (loss)/gain on sale and revaluation of investment properties		**(188,614)**	(88,129)

See-Through Administration Expenses

Helical's share of the administration expenses incurred in subsidiaries and joint ventures is shown in the table below:

		Year ended 31.3.24 £000	Year ended 31.3.23 £000
Administration expenses	– subsidiaries	9,731	9,845
	– joint ventures	338	459
Total administration expenses		10,069	10,304
Performance related awards, including NIC	– subsidiaries	1,280	2,990
Total performance related awards, including NIC		1,280	2,990
See-through administration expenses		**11,349**	13,294

See-Through Net Finance Costs

Helical's share of the interest payable, finance charges, capitalised interest and interest receivable on bank borrowings, bonds and cash deposits in subsidiaries and in joint ventures is shown in the table below:

		Year ended 31.3.24 £000	Year ended 31.3.23 £000
Interest payable on bank loans and overdrafts	– subsidiaries	5,493	8,284
	– joint ventures	3,012	2,703
Total interest payable on bank loans and overdrafts		8,505	10,987
Other interest payable and similar charges	– subsidiaries	3,115	2,908
	– joint ventures	211	203
Interest capitalised	– joint ventures	–	(1,815)
Total finance costs		11,831	12,283
Interest receivable and similar income	– subsidiaries	(661)	(274)
	– joint ventures	(43)	(23)
See-through net finance costs		**11,127**	11,986

See-Through Property Portfolio

Helical's share of the investment and development property portfolio in subsidiaries and joint ventures is shown in the table below:

		31.3.24 £000	31.3.23 £000
Investment property fair value	– subsidiaries	479,600	693,550
	– joint ventures	138,250	145,975
Assets held for sale	– subsidiaries	42,761	–
Total investment property fair value		660,611	839,525
Land and development property	– subsidiaries	28	28
	– joint ventures	1,321	539
Total land and development property		1,349	567
Land and development property surplus	– subsidiaries	302	302
Total land and development property at fair value		1,651	869
See-through property portfolio		**662,262**	840,394

See-Through Net Borrowings

Helical's share of borrowings and cash deposits in parent and subsidiaries and joint ventures is shown in the table below:

		31.3.24 £000	31.3.23 £000
Gross borrowings more than one year	– subsidiaries	227,634	226,677
Total gross borrowings in parent and subsidiaries		227,634	226,677
Gross borrowings more than one year	– joint ventures	65,644	59,416
Total gross borrowings in joint ventures		65,644	59,416
Cash and cash equivalents	– subsidiaries	(28,633)	(50,925)
	– joint ventures	(3,064)	(3,749)
Total cash and cash equivalents		(31,697)	(54,674)
See-through net borrowings		**261,581**	**231,419**

See-Through Gearing and Loan to Value

	31.3.24 £000	31.3.23 £000
See-through property portfolio	662,262	840,394
See-through net borrowings	261,581	231,419
Net assets	401,075	608,675
See-through gearing	65.2%	38.0%
See-through loan to value	39.5%	27.5%
Pro-forma see-through loan to value (Note 34)	28.7%	–

Total Accounting Return

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Brought forward IFRS net assets	608,675	687,043
Carried forward IFRS net assets	401,075	608,675
Decrease in IFRS net assets	(207,600)	(78,368)
Dividends paid	14,423	13,842
Total Accounting Return	**(193,177)**	**(64,526)**
Total Accounting Return percentage	**(31.7)%**	**(9.4)%**

Total Accounting Return on EPRA Net Tangible Assets

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Brought forward EPRA net tangible assets	613,455	713,279
Carried forward EPRA net tangible assets	406,468	613,455
Decrease in EPRA net tangible assets	(206,987)	(99,824)
Dividends paid	14,423	13,842
Total Accounting Return on EPRA net tangible assets	**(192,564)**	**(85,982)**
Total Accounting Return percentage on EPRA net tangible assets	**(31.4)%**	**(12.1)%**

Total Property Return

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
See-through net rental income	25,505	33,490
See-through development property profits	413	3,237
See-through revaluation deficit	(187,146)	(92,759)
See-through net (loss)/gain on sale of investment properties	(1,468)	4,630
Total Property Return	**(162,696)**	**(51,402)**

Income Statements

	Year ended 31.3.24 £000	Year ended 31.3.23 £000	Year ended 31.3.22 £000	Year ended 31.3.21 £000	Year ended 31.3.20 £000
Revenue	**39,905**	49,848	51,146	38,596	44,361
Net rental income	**24,710**	34,306	31,086	24,965	27,838
Development property (loss)/profit	**(246)**	2,005	3,519	678	2,076
(Provisions)/reversal of provisions	**–**	(30)	2,285	(82)	1,198
Share of results of joint ventures	**(9,310)**	3,494	20,708	2,352	13,396
Other operating income	**991**	–	28	48	88
	16,145	39,775	57,626	27,961	44,596
Gain/(loss) on sale of investment properties	**–**	4,564	(45)	(1,341)	(1,272)
Revaluation (deficit)/surplus on investment properties	**(181,213)**	(97,854)	33,311	19,387	38,351
Administrative expenses excluding performance related awards	**(9,731)**	(9,845)	(9,598)	(9,276)	(10,524)
Performance related awards (including NIC)	**(1,280)**	(2,990)	(7,170)	(5,140)	(6,191)
Finance costs	**(8,608)**	(11,192)	(19,234)	(14,079)	(16,100)
Finance income	**661**	274	6	58	1,345
Change in fair value of derivative financial instruments	**(5,609)**	12,757	17,996	2,938	(7,651)
Change in fair value of Convertible Bond	**–**	–	–	–	468
Foreign exchange gains	**–**	–	–	–	8
(Loss)/profit before tax	**(189,635)**	(64,511)	72,892	20,508	43,030
Tax on (loss)/profit on ordinary activities	**(179)**	–	16,002	(2,631)	(4,313)
(Loss)/profit after tax	**(189,814)**	(64,511)	88,894	17,877	38,717

Balance Sheets

	31.3.24 £000	31.3.23 £000	31.3.22 £000	31.3.21 £000	31.3.20 £000
Investment portfolio at fair value	**479,600**	693,550	961,500	756,875	836,875
Land, trading properties and developments	**28**	28	2,089	448	852
Assets held for sale	**42,761**	–	–	–	–
Group's share of investment properties held by joint ventures	**138,250**	145,975	135,820	82,516	76,809
Group's share of land, trading and development properties held by joint ventures	**1,321**	539	8,349	16,545	34,164
Group's share of land and development property surpluses	**302**	302	302	578	578
Group's share of total properties at fair value	**662,262**	840,394	1,108,060	856,962	949,278
Net debt	**199,001**	175,752	353,149	169,476	273,598
Group's share of net debt of joint ventures	**62,580**	55,667	35,111	11,688	24,933
Group's share of net debt	**261,581**	231,419	388,260	181,164	298,531
Net assets	**401,075**	608,675	687,043	608,161	598,689
EPRA net tangible assets value	**406,468**	613,455	713,279	658,663	640,424
Dividend per ordinary share paid	**11.55p**	11.30p	10.30p	8.70p	10.20p
Dividend per ordinary share declared	**4.83p**	11.75p	11.15p	10.10p	8.70p
EPRA earnings/(loss) per ordinary share	**3.5p**	9.4p	5.2p	(1.8)p	7.6p
EPRA net tangible assets per share	**331p**	493p	572p	533p	524p

London Portfolio – Investment Properties

Property	Description	Area sq ft (NIA)	Vacancy rate at 31.3.24 %	Vacancy rate at 31.3.23 %
Completed properties				
The Warehouse & Studio, The Bower, EC1	Multi-let office building	151,439	**0.0**	0.0
The Tower, The Bower, EC1	Multi-let office building	182,193	**16.0**	0.0
The Loom, E1	Multi-let office building	108,540	**34.9**	28.4
The JJ Mack Building, EC1	Multi-let office building	206,085	**32.7**	81.6
25 Charterhouse Square, EC1	Multi-let office building	42,921	**15.2**	15.2
The Power House, W4	Single-let recording studios/office building	21,268	**0.0**	0.0
		712,446	**17.6**	19.8
Development pipeline				
100 New Bridge Street, EC4	Single-let office building	167,026[1]	**100.0**	2.6
		879,472	**37.6**	16.1

1 192,000 sq ft office redevelopment consented.

The European Public Real Estate Association ("EPRA") Best Practice Recommendations set out a number of EPRA Performance Measures ("EPMs") to aid comparability in reporting across property companies. The principal EPMs applicable to the Group are set out below:

EPRA performance measure	Definition	Note	31.3.24	31.3.23
EPRA Earnings per share	Earnings per share from operational activities.	13	**3.5p**	9.4p
EPRA NRV	Net asset value adjusted to reflect the value required to rebuild the entity and assuming that entities never sell assets. Assets and liabilities, such as fair value movements on financial derivatives, that are not expected to crystallise in normal circumstances and deferred taxes on property valuation surpluses are excluded.	35	**349p**	516p
EPRA NTA	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax, but excludes assets and liabilities, such as fair value movements on financial derivatives, that are not expected to crystallise in normal circumstances and deferred taxes on property valuation surpluses are excluded.	35	**331p**	493p
EPRA NDV	EPRA NAV adjusted to include the fair values of financial instruments, debt and deferred taxes.	35	**327p**	490p
EPRA 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) purchasers' costs.		**3.5%**	3.9%
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).		**5.1%**	4.0%
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.		**12.6%**	16.3%
EPRA Cost Ratios (including direct vacancy costs)	Administrative and operating costs (including vacancy costs) divided by the gross rental income.		**56.8%**	39.5%
EPRA Cost Ratios (excluding direct vacancy costs)	Administrative and operating costs (excluding vacancy costs) divided by the gross rental income.		**50.1%**	35.7%
EPRA LTV	Debt divided by market value of the property.		**41.1%**	29.0%

The note references provide the calculation of the associated measure. Other measures are calculated as follows:

EPRA Net Initial Yield and EPRA Topped Up Net Initial Yield		31.3.24 £000	31.3.23 £000
Investment property at fair value	– subsidiaries	**479,550**	693,400
	– joint ventures	**138,250**	141,250
Less: Undeveloped land		**(100)**	(100)
Completed property portfolio		**617,700**	834,550
Allowance for estimated purchaser's costs of 6.8%		**42,004**	56,749
Gross up completed property portfolio		**659,704**	891,299
Passing rent net of head rents		**23,281**	34,808
EPRA NIY		**3.5%**	3.9%
Topped up annualised net rents		**32,998**	36,060
EPRA Topped Up NIY		**5.1%**	4.0%

Excludes non-core properties and Barts Square Retail

EPRA Vacancy Rate	31.3.24 £000	31.3.23 £000
ERV of vacant space	**7,674**	9,857
ERV of total portfolio	**60,767**	60,408
EPRA Vacancy Rate	**12.6%**	16.3%

EPRA Cost Ratios	31.3.24 £000	31.3.23 £000
Administrative expenses	**11,011**	12,835
Property overheads (including ground rents payable)	**2,580**	2,249
Head rents payable	**(224)**	(156)
Development management fees	**860**	(858)
Share of joint ventures' expenses	**1,547**	400
EPRA costs including direct vacancy costs	**15,774**	14,470
Direct vacancy costs	**(1,840)**	(1,363)
EPRA costs excluding direct vacancy costs	**13,934**	13,107
Gross rental income	**27,514**	36,555
Head rents payable	**–**	(156)
Share of joint ventures' rental income less head rents	**279**	287
Adjusted gross rental income	**27,793**	36,686
EPRA cost ratio including direct costs	**56.8%**	39.5%
EPRA cost ratio excluding direct costs	**50.1%**	35.7%

EPRA LTV		31.3.24 £000	31.3.23 £000
Borrowings	– subsidiaries	**227,634**	226,677
	– joint ventures	**65,644**	59,416
Net payables	– subsidiaries	**6,653**	6,298
	– joint ventures	**1,220**	2,606
Owner occupied property	– subsidiaries	**3,569**	4,082
Cash	– subsidiaries	**(28,633)**	(50,925)
	– joint ventures	**(3,064)**	(3,749)
Net debt		**273,023**	244,405
Owner occupied property	– subsidiaries	**2,632**	2,980
Investment properties	– subsidiaries	**479,600**	693,550
	– joint ventures	**138,250**	145,975
Asset held for sale	– subsidiaries	**42,761**	–
Stock	– subsidiaries	**330**	330
	– joint ventures	**1,321**	538
Total property value		**664,894**	843,373
LTV		**41.1%**	29.0%

Below is a table setting out in greater detail the types of capital expenditure made by the Group during the year:

	Year ended 31.3.24 £000	Year ended 31.3.23 £000
Existing portfolio	**16,038**	10,509
Total capital expenditure	**16,038**	10,509

There were no (2023: nil) new investment properties purchased during the year. All of the expenditure on the existing portfolio was made on the London portfolio.

C

Capital value (psf)
The open market value of the property divided by the area of the property in square feet.

Company or Helical or Group
Helical plc and its subsidiary undertakings.

Compound Annual Growth Rate ("CAGR")
The annualised average growth rate.

D

Diluted figures
Reported amounts adjusted to include the effects of potential shares issuable under the Director and employee remuneration schemes.

E

Earnings per share ("EPS")
Profit after tax divided by the weighted average number of ordinary shares in issue.

EPRA
European Public Real Estate Association.

EPRA earnings per share
Earnings per share adjusted to exclude gains/losses on sale and revaluation of investment properties and their deferred tax adjustments, the tax on profit/loss on disposal of investment properties, trading property profits/losses, movement in fair value of available-for-sale assets and fair value movements on derivative financial instruments, on an undiluted basis. Details of the method of calculation of the EPRA earnings per share are available from EPRA (see Note 13).

EPRA net disposal value per share
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 (see Note 35).

EPRA net reinstatement value per share
Net asset value adjusted to reflect the value required to rebuild the entity and assuming that entities never sell assets. Assets and liabilities, such as fair value movements on financial derivatives, that are not expected to crystallise in normal circumstances and deferred taxes on property valuation surpluses are excluded (see Note 35).

EPRA net tangible assets per share
Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax, but excludes assets and liabilities, such as fair value movements on financial derivatives, that are not expected to crystallise in normal circumstances and deferred taxes on property valuation surpluses are excluded (see Note 35).

EPRA topped-up NIY
The current annualised rent, net of costs, topped-up for contracted uplifts, expressed as a percentage of the fair value of the relevant property.

Estimated rental value ("ERV")
The market rental value of lettable space as estimated by the Group's valuers at each Balance Sheet date.

G

Gearing
Total borrowings less short-term deposits and cash as a percentage of net assets.

I

Initial yield
Annualised net passing rents on investment properties as a percentage of their open market value.

L

Like-for-like valuation change
The valuation gain/loss, net of capital expenditure, on those properties held at both the previous and current reporting period end, as a proportion of the fair value of those properties at the beginning of the reporting period plus net capital expenditure.

M

MSCI INC. ("MSCI IPD")
MSCI INC. is a company that produces independent benchmarks of property returns using its Investment Property Databank (IPD).

N

Net asset value per share ("NAV")
Net assets divided by the number of ordinary shares at the Balance Sheet date (see Note 35).

P

Passing rent
The annual gross rental income being paid by the tenant.

R

Reversionary yield
The income/yield from the full estimated rental value of the property on the market value of the property grossed up to include purchaser's costs, capital expenditure and capitalised revenue expenditure.

S

See-through/Group share
The consolidated Group and the Group's share in its joint ventures (see Appendix 1).

See-through net gearing
The see-through net borrowings expressed as a percentage of net assets (see Appendix 1).

T

Total Accounting Return
The growth in the net asset value of the Company plus dividends paid in the year, expressed as a percentage of net asset value at the start of the year (see Appendix 2).

Total Property Return
The total of net rental income, trading and development profits and net gain on sale and revaluation of investment properties on a see-through basis (see Appendix 2).

Total Shareholder Return ("TSR")
The growth in the ordinary share price as quoted on the London Stock Exchange plus dividends per share received for the year expressed as a percentage of the share price at the beginning of the year.

True equivalent yield
The constant capitalisation rate which, if applied to all cash flows from an investment property, including current rent, reversions to current market rent and such items as voids and expenditures, equates to the market value. Assumes rent is received quarterly in advance.

U

Unleveraged returns
Total property gains and losses (both realised and unrealised) plus net rental income expressed as a percentage of the total value of the properties.

W

WAULT
The total contracted rent up to the first break, or lease expiry date, divided by the contracted annual rent.

Website
The report and financial statements, a list of properties held by the Group, Company presentations, press releases, the financial calendar and other information on the Group are available on our website at **www.helical.co.uk**

Registrar
All general enquiries concerning holdings of ordinary shares in Helical plc should be addressed to the Company's Registrar:

Equiniti
Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA
United Kingdom

Telephone: 0371 384 2030*

From outside the UK: +44 371 384 2030

Website: **www.shareview.co.uk**

Email: help.shareview.co.uk

* Calls are charged at the standard geographic rate and will vary by provider. Lines are open between 8:30am – 5:30pm Monday to Friday excluding public holidays in England and Wales, if calling from outside the UK; calls will be charged at the applicable international rate.

E-communication
Shareholders and all interested parties may choose to be alerted about press releases, regulatory news updates and financial calendar updates by subscribing to the alert service in the "Regulatory News" area of our website.

Shareholders may inform us how they wish to receive statutory communications from the Group, including Annual Reports and notices of general meetings, via the Shareholder portal. Further to a letter of deemed consent sent to Shareholders on 20 March 2023, Shareholders are notified by post by default when notices, documents and information from the Group are available on the website at **www.helical.co.uk**. If you wish to be notified by email each time the Group places a statutory document on its website or if you would like to receive printed copies of statutory documents in the post, please go to **www.shareview.co.uk**. Once you have registered, click on the "My details" link and follow the on-screen instructions.

Payment of dividends
UK Shareholders whose dividends are not currently paid to mandated accounts may wish to consider having their dividends paid directly into their bank or building society account. This has a number of advantages, including the crediting of cleared funds into the nominated account on the dividend payment date. Shareholders who would like their future dividends to be paid in this way should complete a mandate instruction available from the Registrar or register their mandate at: **www.shareview.co.uk**. Under this arrangement dividend confirmations are sent to the Shareholder's registered address.

Dividends for Shareholders resident outside the UK
Instead of waiting for a sterling cheque to arrive by mail, you can ask us to send your dividends direct to your bank account. For information, please contact the Company's Registrar.

Dividend Reinvestment Plan ("DRIP")
The Group offers Shareholders the option to participate in a DRIP. This enables Shareholders to reinvest their cash dividends in Helical plc shares.

For further details, contact the Group's Registrar (on +44 (0)371 384 2268* or email help.shareview.co.uk) or complete an application form online at: www.shareview.co.uk

* Calls are charged at the standard geographic rate and will vary by provider. Lines are open between 8:30am – 5:30pm Monday to Friday excluding public holidays in England and Wales, if calling from outside the UK; calls will be charged at the applicable international rate.

For participants in the DRIP, key dates of forthcoming dividends can be found on the Financial Calendar page in the "Investors" section of the website www.helical.co.uk

Share dealing service
An online and telephone share dealing service is available to our Shareholders through our registrar Equiniti.

For further information on this service or to buy and sell shares online, please visit **www.shareview.co.uk** or call 03456 037 037 *.

* Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.00am – 4.30pm Monday to Friday excluding public holidays in England and Wales.

ShareGift
Shareholders with a small number of shares, which are uneconomical to sell, may wish to consider donating them to a charity, free of charge through ShareGift (registered charity 1052686). For further information please visit **www.sharegift.org**, call 020 7930 3737 or write to ShareGift, PO Box 72253, London, SW1P 9LQ / help@sharegift.org

Dividends
Dividends declared and/or paid during the year to 31 March 2024 were as follows:

Dividend	Record date 2023	Payment date 2023	Amount
2022-23 Final	23 June	28 July 2023	8.70p
2023-24 Interim	1 December	12 January 2024	3.05p

Dividend payment dates in 2024/25 will be as follows:

Dividend	Record date 2024	Payment date	Amount
2023-24 Final	28 June	2 August 2024	1.78p
2024-25 Interim	December	January 2025	TBC[1]

1 The amount of the 2024–25 interim dividend will be announced in November 2024.

Unsolicited investment advice – warning to Shareholders
Many companies have become aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas-based "brokers" who target UK shareholders offering to sell them what often turn out to be worthless or high-risk shares in US or UK investments. They can be very persistent and extremely persuasive. It is not just the novice investor who has been duped in this way; many of the victims had been successfully investing for several years. Shareholders are advised to be very wary of any unsolicited investment advice, offers to buy shares at a discount or offers of free reports into Helical.

If you receive unsolicited investment advice:

- Exercise caution and never disclose personal details;
- Obtain the correct name of the person and organisation and make a record of any other information they give you, such as a telephone number, address or website address;
- Check that they are properly authorised by the FCA (Financial Conduct Authority) before getting involved. This can be checked at fca.org.uk/consumers. If you deal with an unauthorised firm you will not be eligible to receive payment under the Financial Services Compensation Scheme;
- Get impartial advice before handing over any money;
- If the caller persists, hang up;
- Inform us on 020 7629 0113 (email: reception@helical.co.uk) or our Registrar, Equiniti, on 0371 384 2030 (email: help.shareview.co.uk). Whilst we are not able to investigate such incidents ourselves we will record the details and will liaise with the FCA; and
- Report the suspected fraud to the FCA either by calling: 0800 111 6768 or by completing an online form at: **www.fca.org.uk/consumers/report-scam-unauthorised-firm**.

Share price information
The latest information on the Helical plc share price is available on our website www.helical.co.uk.

Registered office
5 Hanover Square, London, W1S 1HQ

Registered in England and Wales No. 00156663

Calendar 2024–2025

2024	
27 June 2024	Ex-dividend date for final ordinary dividend
28 June 2024	Record date for final ordinary dividend
12 July 2024	Last day for DRIP elections
17 July 2024	Annual General Meeting
2 August 2024	Final ordinary dividend payable
November 2024[1]	Half Year Results and interim ordinary dividend announced
December 2024[2]	Ex-dividend date for interim ordinary dividend
December 2024[2]	Registration qualifying date for interim ordinary dividend

2025	
January 2025[2]	Interim ordinary dividend payable
May 2025	Announcement of Full Year Results to 31 March 2025

Notes
1 The announcement date of the Half Year Results will be confirmed in October 2024.
2 Dates for the potential interim dividend will be confirmed in the Half Year Results Announcement.

Advisors

Registrar	Equiniti
Bankers	Barclays Bank PLC HSBC Bank PLC The Royal Bank of Scotland PLC National Westminster Bank PLC Wells Fargo Bank N.A., London Branch Allianz Debt Fund SCSp SICAV-SIF
Financial advisors	Lazard & Co., Ltd
Joint stockbrokers	Peel Hunt LLP Deutsche Numis
Auditor	RSM UK Audit LLP
Corporate solicitors	Clifford Chance LLP Mishcon de Reya LLP

Contact details

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Notes

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HELICAL

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