

Acceleration into a new phase of growth

Full Year Financial Results for the year ended 30 September 2021

Annual General Meeting
9 February 2022



Investing in homes since 1912
grainger plc

Strong lettings momentum signals growth ahead

Originate

Invest

Operate



Apex Gardens, London

95%

Occupancy as at Oct 2021

£2.1bn

Operational PRS portfolio

1,304

New PRS homes in FY21

8,373

Future homes in the pipeline

2.5x

Potential NRI growth from pipeline



The Filaments, Manchester



Windlass Apartments, London



Gatehouse Apartments, Southampton

Robust performance; a growing business

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Net rental income

£70.6m

(4)%

Passing NRI

£81m

+15%

Rental growth (L4L)

+1.0%

(195) bps

Adjusted earnings

£83.5m

+2%

EPRA NTA

297pps

+4%

Dividend

5.15pps

(6)%

Financial highlights:

- Passing net rental income up **+15%** on reported FY21 net rental income to £81m
- L4L rental growth of **+1.0%**, reflecting our focus on retention, 2.0% excl. incentives
- Adjusted earnings **+2%** over the last 12m
- **+14%** residential sales profit
- Net rental income lower due to accelerated asset recycling in H1 to capitalise on strong market and temporary voids

Strategic highlights:

- Growing PRS Portfolio now **£2.1bn** and **69%**
- Successful equity raise of **£209m** gross proceeds, now committed, positive shareholder support
- **6** new buildings (1,304 homes) now **c.91%** let
- **183** new Affordable homes added to total portfolio of 878
- **4** new acquisitions (£299m; 1,174 homes)
- **2** new planning consents (618 homes)
- Continued our investment in our technology platform

A socially responsible business

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Taking a leading industry role in driving responsible business practices

84%

electricity supplies
purchased is
renewable

85%

EPC A-C
within PRS
portfolio

89/100

WalkScore
within our
pipeline

A 'very walkable'
portfolio

878

operational
Affordable homes
with 183 added
this year

552

community
events, many
celebrating
Diversity & Inclusion

Renting homes, enriching lives

Highlights for the year

Net Zero Carbon

Published Grainger's net zero carbon road map
Co-Sponsored the COP26 Built Environment Virtual Pavilion

Positive social impact

Defined our social value priorities
Embedded community engagement best practice blueprint
Became LandAid charity pro bono and first steps partner

Diversity & Inclusivity

Developed our strategic framework for diversity & inclusion
Employee-led D&I Network delivered programme of activity for employees and residents

Sustainable investment decisions

Issued our first TCFD summary report
Developed Grainger's sustainable finance framework

ESG

Leadership



Lease-up of new homes ahead of expectations

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2021 marks increased pace in delivery of homes and rent

1,304 new homes delivered in the year, already 91% let



Gatehouse Apts, East Street, Southampton

- ▶ 132 homes, GY c.6.5%
- ▶ Launched Mar21
- ▶ 132 homes let or reserved
- ▶ **100%** let



Windlass Apts, Tottenham Hale, London

- ▶ 108 homes, GY c.5.5%
- ▶ Launched Jul21
- ▶ **73%** let or reserved



The Forge, Newcastle

- ▶ 283 homes
- ▶ Investment £57m, GY c.6.25%
- ▶ Stabilised acquisition
- ▶ Acquired Jun21
- ▶ **100%** let



The Headline, Yorkshire Post, Leeds

- ▶ 242 homes, GY c.7%
- ▶ Launched Aug21
- ▶ **95%** let or reserved



The Filaments, Gore Street, Manchester

- ▶ 376 homes, GY c.7%
- ▶ Launched Mar21
- ▶ **93%** let or reserved



Apex Gardens, Tottenham, London

- ▶ 163 homes, GY c.6.5%
- ▶ Launched Jul21
- ▶ **61%** let or reserved

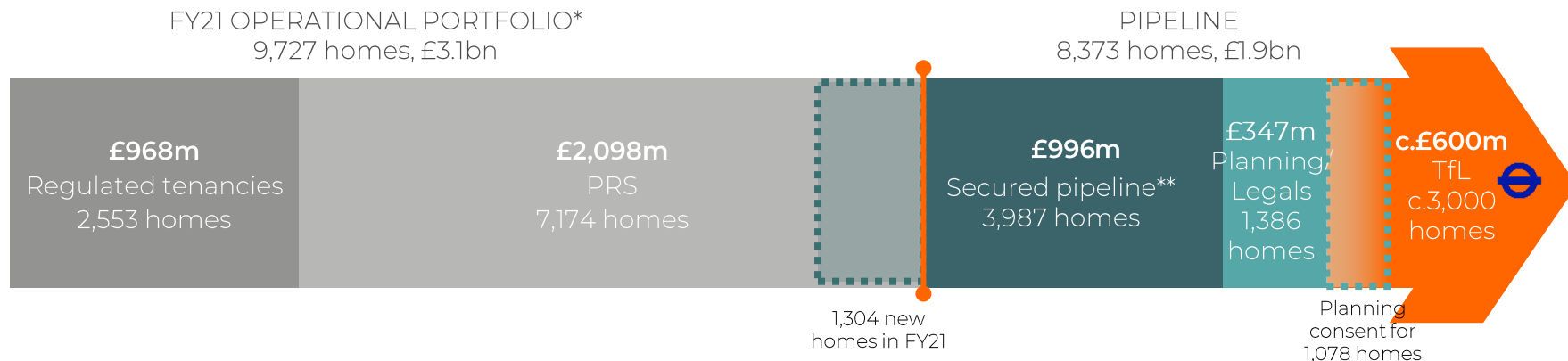
Significant pipeline driving dynamic growth

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Strategic transition accelerating, now two thirds PRS by value



■ 1,304 new homes delivered in the year:

- Gatehouse Apartments, Southampton (132 homes, launched March 21)
- The Filaments, Manchester (376 homes, launched March 21)
- Windlass Apartments, London (108 homes, launched July 21)
- Apex Gardens, London (163 homes, launched July 21)
- The Headline, Leeds (242 homes, launched Aug 21)
- The Forge, Newcastle (£57m investment, 283 homes, acquired in Jun21)

■ New investments & planning consents:

- Millwrights Place, Bristol (£63m investment, 231 homes)
- Becketwell, Derby (£38m investment, 259 homes)
- Merrick Place, London (£141 investment, 401 homes)
- Two new planning consents within our TFL JV (618 homes)

*Assets under management **Seven Sisters (196 homes) removed as development is no longer being pursued.

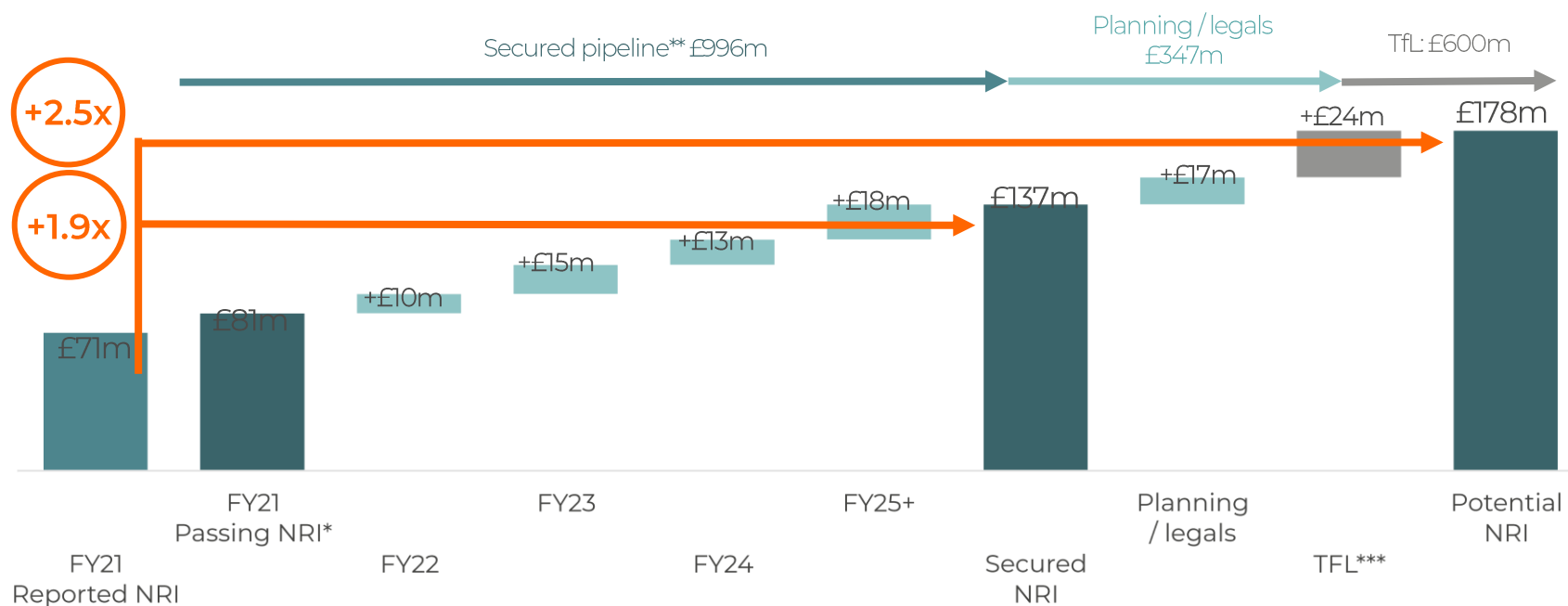
Passing net rent progression

90% increase in NRI already secured

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- Strong momentum going into FY22 with £81m of passing net rent.
- Pipeline and funding in place to deliver growth in rental income to £137m
- Potential to add a further £41m from the outer pipeline
- Additional pool of opportunities under consideration

*Passing net rent is the annualised rent roll of units let at the reported date, with FY21 reported NRI lagging.

** Secured pipeline now excludes Seven Sisters (previously £80m investment, £4m net rent).

*** TfL Partnership – indicative estimate of Grainger's unlevered 51% share based on c.3,000 units at an assumed £400k per unit and 4% NY. Excludes rental growth from operational portfolio and disposals & asset recycling.

Our Operating Platform differentiates us

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Continual improvement and investment in our platform, which is a key differentiator and bedrock for our market leading position

Data insight

Grainger's Customer Insight Programme

- Customer satisfaction, Key driver analysis
- Drives operational decision making

Brand leadership

Leveraging Grainger's Brand

- Building brand loyalty through great experiences

Digital capability

Grainger's CONNECT technology platform

- An end-to-end solution, driving **efficiencies**, **scalability** and an enhanced **customer experience**

Differentiation

Grainger's leading rental offer

- Responsive service; modern, flexible tenancy terms; high quality design; convenience; great amenities



London Bridge Office



The Filaments, Manchester



Apex Gardens, London

Acquisitions and planning activity

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£236m of opportunities funded from
the recent equity placing

1,174 new acquisitions secured in the year

Millwrights, Bristol

Forward Fund
£63m Investment
6.0% Gross Yield
231 homes



The Forge, Newcastle

Stabilised
acquisition
£57m Investment
6.25% Gross Yield
283 homes



Becketwell, Derby

Forward Fund
£38m Investment
7.0% Gross Yield
259 homes



Merrick Place, Southall

Forward Fund
£141m
Investment
5.75% Gross Yield
401 homes



Planning and land achievements in the period

Connected Living London

Cockfosters – planning submitted
Nine Elms – resolution to grant
Montford Place – s106 signed

**CONNECTED LIVING
LONDON**



MAYOR OF LONDON

grainger plc

Other Projects

Besson Street – s106 agreed



Land Acquisitions

Brook Place 2, Sheffield
Exmouth Junction, Exeter



* Targeted gross yield on investment once stabilised

Acceleration into a new phase of growth

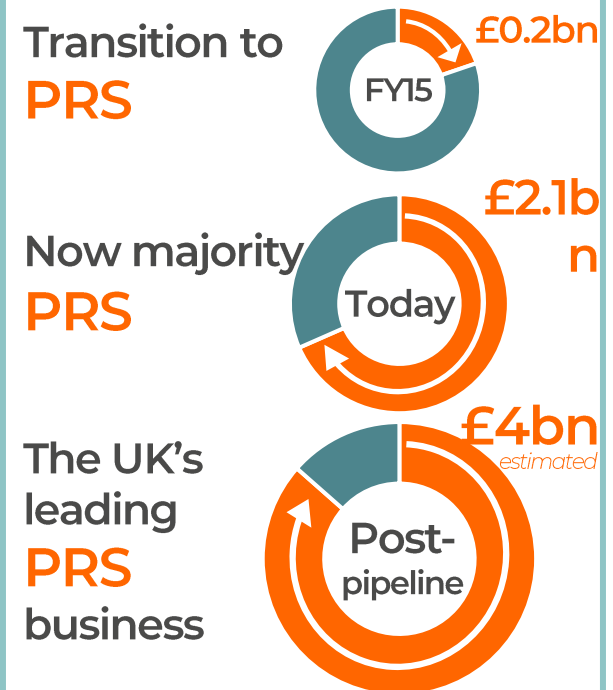
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- Strong operational performance and a robust financial performance
- Exceptional delivery of over 1,300 new homes
- Further pipeline expansion
- Strong and supportive market dynamics
- Best in class operating platform will deliver compounding earnings growth

Strategy delivering



Market value of the PRS portfolio compared to the regulated tenancy portfolio

Entering our next phase of dynamic growth

Thank you

Q&A



The Headline, Leeds

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