

Annual Report Summary 2021/22



CaddickGroup.

(LIGHT NIGHT 2022 @ SINO LEEDS)

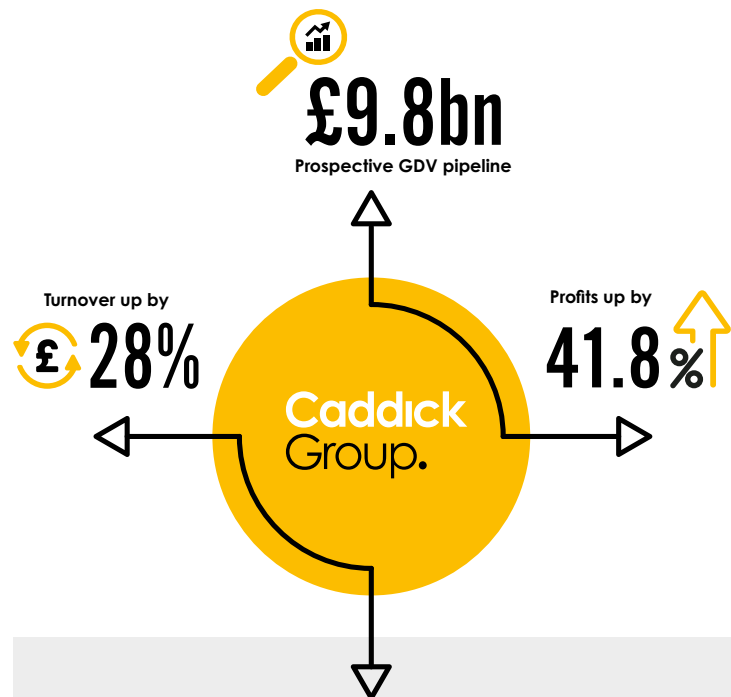


# EXECUTIVE SUMMARY

Caddick Group has continued to show strength through its ability to stay ahead of market trends and the work done to embed a resilient business model continues to bear fruit. The Group has shown exceptional financial performance in 2021/22, with turnover rising 28% on the previous reporting period and profits up 41.8%.

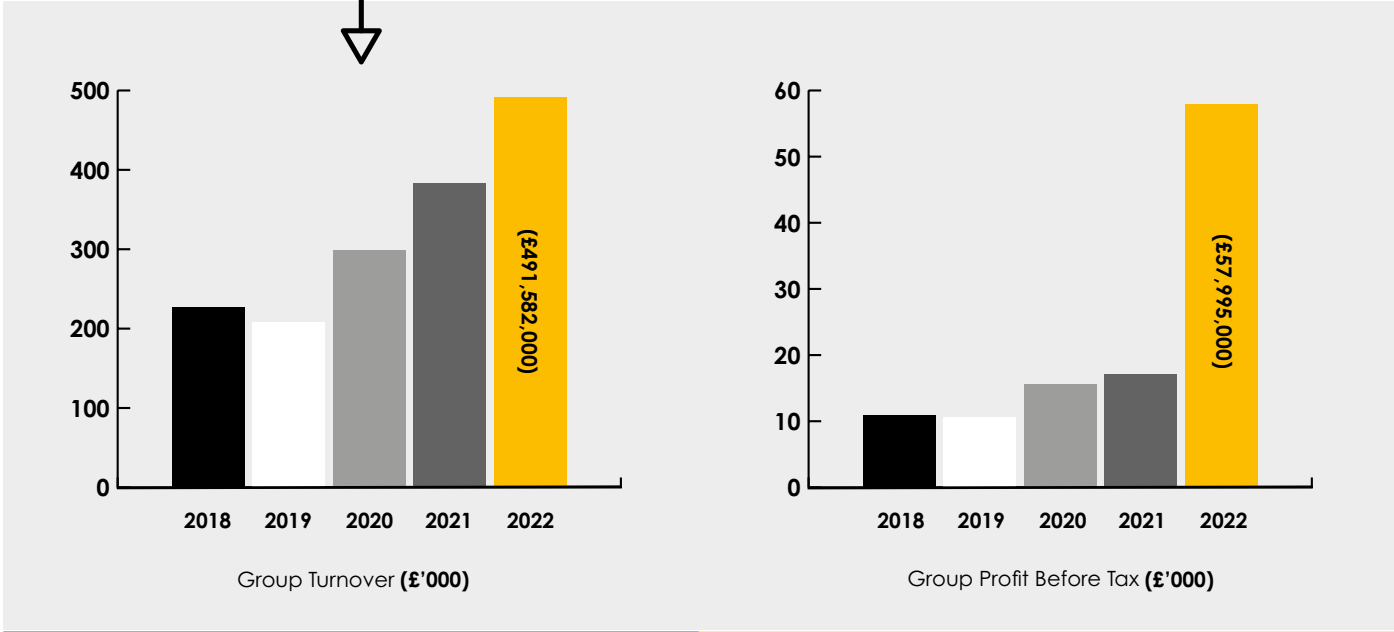
We continue to see a high demand for our integrated offer, whereby we can give the assurance of end-to-end project delivery, from the very first site identification and planning stages through to handover to an end-user.

Another step change for our business has been that our continued focus on ESG has now been codified. Our work to benchmark our performance and set ourselves a range of ambitious targets will help set us apart as a property Group and will help unlock further investor confidence as well as ensuring we adhere to our commitment to planet and communities.



Our annual results 2021/22 highlight the long-term investment in the group and its significant successes over the years. Group turnover and profit before tax have risen significantly over the past five years, with the past four years seeing successive years of growth.

Our pipeline remains strong, and across beds and sheds, we now have visibility of a prospective GDV amounting to some £9.8bn, helping to ensure the continued success of the Group for the future. These results are testament to the highly experienced and talented team we have in place, right across the spectrum of Group businesses. We continue to invest in our people and see this as intrinsically linked to our continued success.



[SOYO Leeds, three of our on-site apprentices; Bubbacarr Jallow, Mason Tonks & Will Powell.]





# CaddickDevelopments.

The Developments part of our business has continued to show strength in depth. Over the period we completed two landmark logistics deals, achieving industry leading valuations at our Leeds Valley Park development and one of the most significant deals of its type at Farington Park phase 1, in Leyland, Lancashire.

### Leeds Valley Park

Leeds Valley Park sits at the Eastern gateway to the City of Leeds, located between junction 44 of the M1 and junction 7 of the M621. A mid-box scheme comprising some six units and totalling 300,000 sq ft, the site enjoys excellent connectivity. In 2022 we announced a major investment deal with the Greater Manchester Pension Fund, worth some £49.3mn, helping to unlock the potential of this Grade A location.

### Farington

Farington represents one of the most impressive deals of its type in recent years. A true ‘big box’ unit, comprising 557,000 sq ft, the development was announced as a new distribution hub for Victorian Plumbing in late 2022, who have taken up a 20year lease. The site, which has been forward funded by Goldman Sachs Asset Management and Canmoor, will be BREEAM Excellent rated and is due for completion in July 2023.

### SOYO

Away from Logistics, SOYO is a Group-led best-in-class £300m new neighbourhood, helping to breathe new life into the Cultural Quarter of Leeds. The mixed use scheme, which started on site in 2017, continues to gather pace, with Moda's New York Square completed in 2022 and a deal struck for Blocks B and C with Hestia and Federated Hermes. SOYO promises to be one of the most vibrant urban development for the city in recent history, establishing one of the best places to live, work and visit in Leeds.

*Caddick Developments continues to enjoy a very strong project pipeline across Big Box and Mid Box sectors as well as an increasingly healthy pipeline of residential opportunities across the North and Midlands*





# MODA

Moda continues to forge a path as the UK's leading developer and operator of rental communities, boasting sites in prime locations in many of the UK's major cities. During the period, the business completed a number of major schemes.

## Moda, New York Square

Moda, New York Square, which opened its doors in 2022, is a £150m, 515-home build-to-rent neighbourhood in the heart of the cultural quarter of Leeds. It represents the first completed element of SOYO, a regeneration project spearheaded by the Group. As well as the new homes the neighbourhood includes 15,000 sq ft of best-in-class internal amenities including two rooftop terraces, 24/7 gym, private dining room, cinema, residents' lounges, games room and co-working space – the most amenity of any BTR neighbourhood in the city.

## Moda, The Mercian

A new landmark on the city's skyline, Moda, The Mercian is Birmingham and the Midlands' tallest residential tower, with 487 interior designed homes and best-in-class amenity spaces spread across 42 storeys, plus a 60,000 sq ft podium with rooftop gardens and running track. The £200m project which opened its doors in July 2022 was backed by Harrison Street, NFI Mutual and Apache Capital, designed by Glenn Howells Architects and built by Sisk. The neighbourhood benefited from an £118m development loan by Goldman Sachs – its first ever investment in the UK BTR market.

## Moda, The Lexington

Moda, The Lexington is a new landmark for the Liverpool waterfront, comprising a 325-home BTR neighbourhood completed in late 2021. The £110m development, designed with New York influences to reference trade routes between the two cities, features one- to three-bedroom homes across a 34-storey tower with a range of resident amenities including roof terraces, sky lounge, 24/7 gym, private dining room, cinema and flexible workspaces. The neighbourhood opened its doors at 40% pre-let and stabilised in September 2021.

**Moda Living has an overall pipeline of 24,000 homes** across the build-to-rent, single family rental, student accommodation and co-living markets, backed by a global institutional capital.

[Moda, The Mercian]

**£200M**

487 homes

Launched July 2022

[Moda, The Lexington]

**£110M**

325 home

Launched September 2021

[Moda, New York Square]

**£150M**

515 homes

Launched May 2022



# CaddickConstruction.

Our Construction arm continues to perform well in the current climate and has completed or commenced numerous high-profile projects, both within the group and for third-party clients, within this period.

### Hudson Quarter, York

Hudson Quarter is a multi-award-winning project in the heart of the historic City of York, comprising 127 luxury apartments and 4,000 sq m office space. Caddick Construction worked to deliver three residential buildings and one office space, around a central courtyard. The site is in a highly sensitive location, only a few metres from York City Walls, and required a very sympathetic design solution.

### The Base Building, Manchester

The Base Building, Manchester, represents the first major redevelopment at Manchester Science Park and incorporates a number of sustainability measures, which will help to reduce carbon footprint by 22% and achieve an EPC A rating. Offering flexible, secure, leased or managed sustainable office space, and makerspace workshop capability, it is also home to the Manchester Innovation Activities Hub and will be operated by leading workspace provider Bruntwood.

### South Carlisle Healthcare Hub

South Carlisle Healthcare Hub is state-of-the-art medical centre with an EPC A+ rating, Operational Carbon Net Zero and is designed to BREEAM outstanding status. The solar panel scheme powers the entire building with renewable energy and the development includes a host of innovative technologies to reduce energy consumption and environmental impact.

As was seen across the construction industry during 2021 and 2022, there was a significant rise in the cost of raw materials. This had an impact on the profitability of a number of fixed-fee projects, which Caddick Construction was able to honour at those terms, showing the strength of our Group. This helped to secure long-term relationships and ensure trust between us and our project partners.

*This underlying strength, twinned with senior hires and a new senior management team, as well as investment in our offices, points to a bright future for this part of the business*

[Hudson Quarter, York, ©Hutton+Crow]



Residential Development of the Year



[The Base Building, Manchester]



Carbon footprint reduced

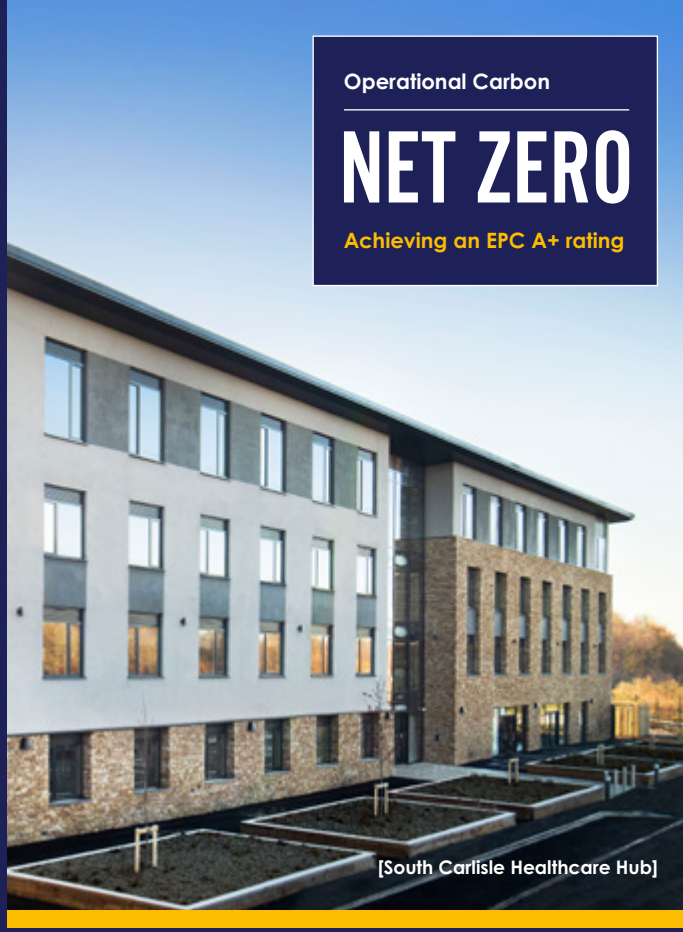
22%

Achieving an EPC A rating

Operational Carbon

NET ZERO

Achieving an EPC A+ rating



[South Carlisle Healthcare Hub]





**Our investment into Headingley will play an important role in how the City of Leeds is seen around the world.**

The period in question was impacted by the latter stages of the pandemic, and financial performance of the Rhinos was consequently impacted. The team's performance on the pitch culminated in their first Grand Final appearance since 2017. An enormous amount of work has gone in from players, coaching staff and all the supporting roles that come with running a professional sporting team at the top of their game.

Our investment into Headingley will play an important role in how the City of Leeds is seen around the world. Our work has also meant that the ground is able to confidently host major sporting events, as it did in 2022 with the Rugby League World Cup. We further look forward to the Ashes being hosted at the Cricket ground in 2023 – another opportunity to show off the Caddick Group's work to an international audience.

Caddick continues to support the other sporting activities associated with the Rhinos, a particular highlight of which was seeing the PDRL team edge a thrilling final against Wakefield Trinity to become 2022 champions.



# PLACES FOR LIFE

## Our renewed commitment to ESG

Throughout the reporting period, the Group invested heavily in its commitment to ESG. We have always been focused on the good that businesses can bring and the positive impact they can make, but we have in recent years spent considerable time and effort codifying this and ensuring we are leading the way.

In 2023, we launched our highly-ambitious new 2025 ESG strategy: Places for Life, which focuses on three key areas where we feel we can make the most impact: Our Communities, Our Environment and Our Business, supported by 22 long-term goals that will ensure we take measurable and impactful action against these areas.

Our vision on this front is that by 2025, we will lead in creating the best places in the country, redefining what it means to support people and the environment. We know great things can happen when people come together, and we are enthusiastic for what the future holds for Caddick Group and our stakeholders. We are a company that understands bold action needs to be taken to protect people and the planet, and our long-term goals reflect this ambition.





# OUR FOCUS

Over the period, we have continued to make excellent progress on our Logistics and Living strategy. **We remain at the forefront of the sectors we operate across** and continue to show leadership, with initiatives such as Places for Life.

Caddick Group's strength on the Logistics side of the business has been proven, with our ability to take a variety of schemes in complex locations through the entire development timeline. We continue to be at the forefront of this sector, predicting market demands and ensuring projects are future-proofed and an attractive long-term prospect to investors.

Our Living side of the business has also shown leadership of the sector. We have projects across a number of major cities throughout the UK, with further developments moving through the planning system. We have shown our ability to take under-utilised sites and transform them, bringing land back

into use and addressing demand. We have an exceptionally strong team, which has grown to support our strong development pipeline and fuel the future growth of our business. We continue to invest in our people and are proud of the initiatives we've delivered around people and community.

As a privately owned business, we are able to act with agility to ensure we meet market needs and operate in a way that helps protect us from unforeseen challenges. Nowhere is this more evident than through our integrated offer, giving us flexibility and certainty.



[CGI-Farington Park Phase 1]

# OUR FUTURE



[Casa by Moda Neighbourhood]



[Moda Hove, Brighton]

We have seen significant growth over recent financial years, which has afforded us with the opportunity to re-invest in our already strong pipeline of projects. Across Logistics and Living, this amounts to some 90m sq ft of development potential that we have an interest in, in a variety of locations and across different sectors.

The business is in good financial health and we continue to focus on potential future opportunities, aligned to our core strengths. The launch of our Casa by Moda brand has marked a new step into the single family living BTR market. This represents a significant growth area for the future, as living habits continue to evolve and the need for housing grows. We are actively seeking sites across the North and Midlands to help feed this demand and have already seen significant progress with those already under our ownership.

In the next reporting period, we will make further inroads into the student residential market, which we have already signalled our intention to do as part of the £300m SOYO development in Leeds. Caddick Group can leverage its unique strengths to unlock significant development opportunities in key student cities through this stream of work.

Underpinning our business will be our Places for Life strategy. We understand the inherent imperative for building our business on solid foundations of ESG, and our new strategy will help ensure we reaffirm our commitment to the future across all of our activities. This will sit at the heart of our corporate strategy moving forward, enabling many more years of success.



[Moda Student]

We understand the inherent imperative for building our business on solid foundations of ESG, **and our new strategy will help ensure we reaffirm our commitment to the future across all of our activities.**

**CaddickGroup.**

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