



Quidnet REIT Ltd
14th August 2024

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

14th August 2024

Quidnet REIT Ltd

("Quidnet" or the "Company")

Unaudited interim results for 6 month period ended 30th June 2024

Quidnet (TISE: QUIDGL), a commercial real estate investment company, announces results for the 6 months ended 30 June 2024.

Highlights in first 6 months of 2024

- Rental revenue up 3.9 % to £ 1.31 million (2023: £1.26 million)
- Pre-tax profit of £0.5 million, (2023: £0.66 million) based on income alone as valuations done at year end
- Adjusted earnings per share of 6.98 pence per share (2023: 9.1 pence)
- Net asset value per share £2.46 up 1% in 6 months (Year End 2023: £2.44 per share)
- As part of the new 7 year debt facility, we continue to execute the capital refurbishment works at Darlington.
- The Northampton property is currently being actively marketed with some strong interest being pursued.
- At Gatwick House, the leases across 5 units totalling over 7,535 sq ft have been renewed extending the secured income of the asset
- All solar initiatives across 4 assets are now fully operation, all generating electricity at strong returns on capital and saving hundreds of tonnes of CO2 per annum
- Interim dividend of 5.0p per share declared (2023: 6 p per share). The dividends will be payable on 27th August 2024.
- The current update on plans to rejoin the REIT tax regime, is that whilst we would still aim for this, based on current fundraising and the regulations, it may be that this is not possible.

Richard Tice, Chief Executive Officer of Quidnet REIT Ltd, commented:

"This has been a workmanlike 6 months. The main focus has been on letting the newly refurbished Northampton property where we have strong current interest, as well as the ongoing refurbishment programme at our biggest property, Darlington which will be complete in the Autumn. Letting both properties will be a sizeable boost to income and profits. We have incurred more property and administration expenses this half due to these refurbishments. These should reduce significantly when the properties are let.

We have achieved new lettings and lease renewals across the portfolio. We continue to achieve rents comfortably ahead of historic ERVs.



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The super fast chargers at Wigan are proving their appeal to tenants and the public at large and other solar panel initiatives performing to plan, which help grow the rent roll.

Interest rates appear to have peaked and are heading slightly down, but we do not expect this to be by much more over the next 12 months. The new Government has many challenges ahead and must create growth in the economy to succeed.”

Enquiries

Quidnet REIT Ltd

Richard Tice, Chief Executive Officer
Nick Tribe, Asset Management Director
Samuel Jolapamo, Finance Director

Ravenscroft Corporate Finance Limited *(Listing Sponsor)*

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Quidnet's shares are admitted to trading on The International Stock Exchange under the ticker QUIDGL. To find out more, visit <https://www.tisegroup.com/market/securities>

Richard Tice
Chief Executive Officer
14th August 2024



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Financial Review

	<u>6 months to 30 June</u> <u>2024</u>	<u>6 months to 30 June</u> <u>2023</u>	<u>Change %</u>
	£'000s	£'000s	
Revenue	1,308	1,259	3.9%
Profit before Income tax (PBIT)	502	657	(23.6)%
Total comprehensive income	614	1,081	(43.2)%

The Company continues to execute on asset management and solar initiatives by stabilising the existing tenant base and regearing leases at stronger rent levels. The current contractual rent roll of the portfolio is £2.0m (£2.2m in Jun 2022). This is due to one of the largest sites currently being under refurbishment.

The portfolio occupancy rate has come down to 89.7 from 91.4% in June 2023 as a result of the Darlington refurbishment. This being opportunity to improve the rental income level for this asset. The portfolio Weighted Average Lease Expiry (WALE) has increased to 7.0 years (June 2023: 6.3 years). Earnings per share for the period to June 2024 is 8.5 pence (June 2023: 15.0 pence) with NAV per share of 246.2 pence (June 2023: 254.4 pence).

The Company declares an interim dividend of 5p per ordinary share for the period, payable on 27th August.

Samuel Jolapamo
Finance Director
14th August 2024



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**Condensed Consolidated Statement of Comprehensive Income
For the period to 30 June 2024**

	6 months to 30 June 2024	6 months to 30 June 2023	Year to 31 December 2023
	Unaudited £'000	Unaudited £'000	Audited £'000
Revenue	1,308	1,259	2,521
Property expenses	(176)	(77)	(192)
Gross Profit	1,133	1,182	2,329
Administrative expenses	(173)	(112)	(159)
Operating profit	959	1,070	2,170
Finance costs	(457)	(413)	(820)
Profit before Income tax	502	657	1,350
Income tax	(207)	(142)	(391)
Distributable profit for the year	295	515	1,741
Other Comprehensive Income	319	566	(504)
Total comprehensive income for the period	614	1,081	1,237
Total comprehensive income attributable to the owners of the Company	614	1,081	1,237
Non-controlling interest	-	-	-
Profit per share	8.54p	15.0p	17.21p
Basic profit per share	8.54p	15.0p	10.35p
Adjusted profit per share	6.98p	9.1p	18.78p
Distribution proposed per share	5.0p	6.0p	12.00p



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Condensed Consolidated Statement of Financial Position
For the period to 30 June 2024

	As of 30 June 2024	As of 30 June 2023	As of 31 December 2023
	Unaudited £'000	Unaudited £'000	Audited £'000
ASSETS			
Non-current assets			
Investment properties	32,764	31,878	31,940
	<u>32,764</u>	<u>31,878</u>	<u>31,940</u>
CURRENT ASSETS			
Trade and other receivables	1,802	2,823	2,014
Cash and cash equivalents	418	748	643
	<u>2,220</u>	<u>3,571</u>	<u>2,656</u>
LIABILITIES			
Current & non-current liabilities			
Trade and other payables	(1,111)	(2,025)	(1,659)
Loans and borrowings	(16,169)	(15,135)	(15,417)
	<u>(17,280)</u>	<u>(17,160)</u>	<u>(17,076)</u>
TOTAL LIABILITIES	<u>(17,280)</u>	<u>(17,160)</u>	<u>(17,076)</u>
NET ASSETS	<u>17,703</u>	<u>18,289</u>	<u>17,520</u>
EQUITY			
Shareholders' Equity			
Called up share capital	7,190	7,190	7,190
Deferred shares	150	150	150
Share premium	1,547	1,547	1,547
Accumulated profit	8,816	9,402	8,633
	<u>17,703</u>	<u>18,289</u>	<u>17,520</u>
TOTAL SHAREHOLDERS' EQUITY	<u>17,703</u>	<u>18,289</u>	<u>17,520</u>
NET ASSETS PER ORDINARY SHARE	<u>246.2p</u>	<u>254.4p</u>	<u>243.7p</u>



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Condensed Consolidated Statement of Changes in Equity
For the period to 30 June 2024

	Called up Share Capital £'000	Deferred Share £'000	Share premium £'000	Accumulated reserves £'000	Total Equity £'000
Balance as of 1 January 2023	7,190	150	1,547	8,634	17,521
Profit for the period	-	-	-	1,237	1,237
Dividends	-	-	-	(745)	(745)
Other comprehensive income for the period	-	-	-	(493)	(493)
Issued during the period	-	-	-	-	-
Balance as of 31 December 2023	7,190	150	1,547	8,633	17,520
Profit for the period	-	-	-	295	295
Dividends	-	-	-	(431)	(431)
Other comprehensive income for the period	-	-	-	319	319
Issued during the period	-	-	-	-	-
Balance as of 30 June 2024	7,190	150	1,547	8,816	17,703



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Condensed Consolidated Statement of Cash Flows
For the period to 30 June 2024

	6 months to 30 June 2024	6 months to 30 June 2023	Year to 31 December 2023
	Unaudited £'000	Unaudited £'000	Audited £'000
Reconciliation of loss before income tax to cash outflow from operations			
Operation profit after taxation	295	1,081	1,237
(Increase)/decrease in trade and other receivables	212	(471)	(155)
(Increase)/decrease in trade and other payables	(548)	(274)	(249)
Accruals	78	395	-
Finance expenses	457	413	820
Fair value movement on investment properties & financial instruments	-	(566)	504
Taxation charged	207	142	(391)
Tax paid	-	-	-
Other	-	-	(12)
Net cash outflow from operations	701	720	1,754
Cash flows from investing activities			
Purchases of property, plant and equipment	-	-	-
Additional capital expenditure	(824)	(378)	(946)
Net cash (outflow)/inflow from investing activities	(824)	(378)	(946)
Cash flows from financing activities			
Share issues	-	-	-
Interest paid on loans and borrowings	(422)	(383)	(806)
Repayment of loans	-	-	-
Dividends paid	(431)	(313)	(745)
Issue of new loans	752	469	752
Net cash inflow from financing activities	(101)	(227)	(799)
Increase/(decrease) in cash and equivalents	(224)	115	9
Cash and cash equivalents at beginning of period/year	642	633	633
Cash and cash equivalents at end of period/year	418	748	642



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Notes to the Condensed Half Year Report for the period to 30 June 2024

1. General Information

Quidnet REIT Ltd is a company incorporated and domiciled in England and Wales. The Company is listed on The International Stock Exchange (ticker: QUIDGL). The half yearly report has been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and has not been audited by the group auditors. The group's statutory financial statements for the year ended 31 December 2023, prepared in accordance with FRS 102, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain statements under Sections 498(2) and 498 (3) of the Companies Act 2006. Copies of the annual statutory accounts and the Half Yearly report can be found on the Company's website at www.quidnetreit.com.

2. Basis of Preparation and Significant Accounting Policies

This Half Year report has been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value, using accounting policies which are consistent with those set out in the financial statements for the year ended 31 December 2023.

3. Earnings/(Loss) per Share

Basic earnings / (loss) per share is calculated by dividing the adjusted earnings attributable shareholders by the weighted average number of ordinary shares outstanding during the period.

Reconciliations are set out below:

	6 months to 30 June 2024	6 months to 30 June 2023	Year to 31 December 2023
	Unaudited	Unaudited	Audited
Basic and diluted EPS			
Earnings/(loss) attributable to ordinary shareholders (£'000)	614	1,081	1,237
Weighted average number of ordinary shares (£'000)	7,190	7,190	7,190
Basic profit per share – pence	8.5	15.0	17.2
	<u> </u>	<u> </u>	<u> </u>
Earnings/(loss) attributable to ordinary shareholders (£'000)	614	1,081	1,237
Fair value gains and losses on investment properties	-	-	504
Fair value gains and losses on financial instruments	(319)	(566)	-
Deferred tax on fair value movements	207	142	(391)
Adjusted earnings for the financial year	502	657	1,350
Adjusted profit per share – pence	6.9	9.1	18.8



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4. Share Capital

Issued share capital comprises:

	6 months to 30 June 2024	6 months to 30 June 2023	Year to 31 December 2023
	Unaudited	Unaudited	Audited
	£'000	£'000	£'000
Ordinary shares of 100p each – 7,190,032	7,190	7,190	7,190
	7,190	7,190	7,190

There were no new shares issued by the company during the six months to 30 June 2024.

5. Post Balance Sheet Events

There are no post balance sheet events to report.

6. Availability of Report

A copy of this half-year report is available on the Company's website at www.quidnetreit.co.uk.