



Results for the six months ended 30 June 2024

7 August 2024

Attractive earnings growth – extensive opportunities – strengthening market

H1 2024 key figures

	30 June 2024	30 June 2023	Change
Operating profit ¹	£123.8m	£95.5m	+29.6%
Adjusted earnings per share ^{2,6}	4.35p	3.94p	+10.4%
Adjusted earnings per share (ex. additional development management income) ^{3, 6}	4.10p	3.94p	+4.1%
IFRS earnings per share	9.14p	5.39p	+69.6%
Dividend per share	3.65p	3.50p	+4.3%
Dividend pay-out ratio (ex. additional development management income) ^{3, 6}	89%	89%	-
Total Accounting Return	3.4%	3.5%	-0.1pts
EPRA cost ratio (including vacancy cost) ⁶	12.5%	12.6%	-0.1pts

	30 June 2024	31 December 2023	
Contracted annual rent roll	£303.4m	£225.3m	+34.7%
EPRA Net Tangible Assets per share ⁶	179.33p	177.15p	+1.2%
IFRS net asset value per share	177.36p	175.13p	+1.3%
Portfolio value ^{4, 6}	£6.40bn	£5.03bn	27.2%
Loan to value (LTV) ⁶	29.9%	31.6%	-1.7pts

Completion of strategic acquisition of UK Commercial Property REIT Limited (UKCM)

- High-quality urban logistics portfolio complements existing strategy to broaden client offer and increases income and capital growth potential with 41% rental reversion.
- Delivers cost savings supporting immediate earnings growth and enhances balance sheet strength by reducing leverage.
- Non-strategic assets provide enhanced scope for capital recycling with first disposals expected in Q4 2024.

Higher net rental income and DMA contribution supporting Adjusted EPS growth

- 10.4% increase in Adjusted EPS to 4.35 pence (H1 2023: 3.94 pence) driven by net rental income growth and Development Management Agreement (DMA) income. Adjusted EPS excluding additional DMA income grew 4.1% to 4.10p (H1 2023: 3.94p).
- 34.7% increase in contracted annual rent to £303.4 million (31 December 2023: £225.3 million) driven by UKCM acquisition, rent reviews and asset management.
- EPRA cost ratio of 12.5% (H1 2023: 12.6%), expected to reduce further over near term with realisation of UKCM synergies.

Future earnings growth supported by record logistics portfolio reversion

- 27.2% increase in total portfolio value to £6.40 billion (31 December 2023: £5.03 billion), following the acquisition of UKCM, with equivalent yield remaining broadly stable at 5.7% (31 December 2023: 5.6%).
- 1.9% Like-for-like Estimated Rental Value (ERV) growth across logistics portfolio for the period.
- Record 25.5% logistics portfolio reversion provides potential to capture £68.2 million of additional rent, of which £43.4 million is subject to lease events by the end of 2026, supporting future earnings growth.

Growing rental income through active management and investment acquisition

- £8.0 million added to annual contracted rent through rent reviews and asset management initiatives:
 - 10.7% increase in passing rent across rent reviews and lease events in H1 2024.
 - 17.4% of the portfolio is subject to lease events during the remainder of the financial year.
 - £46.0 million acquisition of 0.5 million sq ft East Midlands cold store let to Co-Op, with 7.3% reversionary yield.
- 5.1% annualised rental growth across all leases subject to rent review in period (H1 2023: 3.3%). EPRA like-for-like rental growth of 2.1% (H1 2023: 3.6%) over the period, reflecting lower number of rent reviews in period.

Developing best in class logistics assets to drive future earnings growth

- Over 1.8 million sq ft of lettings in solicitors' hands with potential rental income of £18.1 million.
- £1.3 million added to annual contracted rent from 0.1 million sq ft of new development lettings in period.
- £7.4 million added to passing rent from 0.8 million sq ft of development lease completions.
- 0.9 million sq ft of construction starts, of which 0.4 million pre-sold under DMA:
 - DMA income guidance increased – £25.0 million expected in FY24; £10.0 million expected in FY25.
- As expected, targeting lower end of development start guidance range of 2-3 million sq ft for FY 2024 (inclusive of DMA activity), and average yield on cost of c.7.0%.

Strong balance sheet well positioned to support our strategy

- 29.9% LTV at 30 June 2024 (31 December 2023: 31.6%) and Net Debt/EBITDA⁵ of 7.1x (31 December 2023: 8.2x).
- 3.0% weighted average cost of debt (31 December 2023: 2.93%), with 95% of drawn debt either fixed or hedged.
 - UKCM RCF refinanced post period end, with margin reduction of 70bps.
- Over £550 million of available liquidity as at 30 June 2024, and 5.0 year average debt maturity.
- Upgrade from Moody's of credit rating outlook to Baa1 (positive) from Baa1 (stable).

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

“This has been a transformational half year for Tritax Big Box. The completion of the UKCM transaction and increased investor optimism in the logistics real estate sector provide the Company with further opportunities. Capturing record reversion in our investment portfolio and delivering new logistics buildings from our land platform provide clear drivers to deliver attractive earnings growth for shareholders. Together, these give us the potential to add £121 million to rents in the nearer term and the opportunity to more than double our rental income over the longer term. We believe both the occupational and investment markets are at an inflection point, with the potential to both accelerate and amplify opportunities to drive shareholder returns. We expect this change in environment to result in greater leasing activity in the second half of the year and into 2025.

“The integration of the UKCM portfolio is proceeding well and we look forward to driving additional value from UKCM’s logistics assets. We continue to see high-levels of interest in the non-strategic assets in the portfolio and expect to complete on our first sales in the second half.

“Looking forward, in addition to the growth from within our investment and development portfolios, we continue to explore additional ways of leveraging our expertise into near adjacencies, including power and datacentres, where we are actively progressing potential opportunities.”

Presentation for analysts and investors

A Company presentation for analysts and investors will take place via a webcast with live Q&A at 9.00am (BST) today and can be viewed at: <https://stream.brrmedia.co.uk/broadcast/668522a6e51f6490a5ef0b28>

If you would like to ask a question verbally rather than through the webcast viewer, please join the presentation conference call:

UK: +44 (0) 33 0551 0200

US: +1 786 697 3501

Password: Tritax Big Box

The presentation will also be accessible on-demand later in the day on the Company website:

<https://www.tritaxbigbox.co.uk/investors/results-and-presentations/>

Notes

1. Operating profit before FV movements and other adjustments.
2. See Note 7 to the financial statements for reconciliation.
3. The anticipated run rate for Development Management Agreement (DMA) income is £3.0-5.0 million per annum over the medium term. Adjusted EPS is 4.10p when excluding DMA income above this anticipated run rate ('additional' DMA income). £12.2 million of DMA income is included in the 4.35p Adjusted earnings per share in H1 2024 (H1 2023: £0.0 million included in 3.94p Adjusted earnings per share).
4. The Portfolio Value includes the Group's investment assets and development assets, land assets held at cost, the Group's share of joint venture assets and other property assets.
5. Calculated based on pro-forma EBITDA inclusive of full twelve months contribution of UKCM.
6. An alternative performance measure. The Group uses a number of financial measures to assess and explain its performance, some of which are considered to be alternative performance measures as they are not defined under IFRS. For further details, see the Financial review and Notes to the EPRA and other key performance indicators section, as well as definitions in the Glossary.

For further information, please contact:**Tritax Group**

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Notes:

Tritax Big Box REIT plc (Tritax Big Box or the Company) is the UK's specialist in logistics real estate with the UK's largest investment portfolio and largest logistics-focused land platform. Tritax Big Box is committed to delivering attractive and sustainable returns for shareholders by investing in and actively managing existing built investments and land suitable for logistics development. The Company focuses on well-located, modern logistics assets, typically let to institutional-grade tenants on long-term leases with upward-only rent reviews and geographic and tenant diversification throughout the UK. The Company seeks to capture the significant opportunity provided by long-term global structural drivers, together with the imbalance between strong occupational demand and constrained supply of modern logistics real estate in the UK.

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

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

Chairman's statement

Quality underpins performance

Our business is founded on the principle of quality in everything we do. The Group has a portfolio of outstanding assets, locations and clients and exceptional market intelligence and insight. This is the result of being one of the biggest players in the UK logistics market and owning the largest development land platform for these assets. These factors support our performance, helping the Group to deliver another solid set of results in H1 2024, whilst positioning us well for future growth.

Broader offer, increasing scale and maintaining logistics focus

Our focus on quality supported our decision to acquire UK Commercial Property REIT Limited (UKCM), which completed on 16 May 2024. The strategic rationale is compelling. UKCM's portfolio of over £700 million of logistics assets has increased our exposure to key logistics markets and broadened our client offer by building size and location. The logistics assets have strong income growth potential, including an embedded 41% reversion, and we have identified numerous asset management opportunities to help accelerate this capture. Having acquired UKCM at an attractive point in the market cycle, these initiatives are also expected to drive increased capital values. We also benefit from UKCM's high-quality portfolio of non-strategic assets. Liquidating this portfolio, targeted over an approximate 24 month time horizon, will generate proceeds to fund our development programme for around two years, effectively allowing us to exchange non-strategic buildings for brand new higher-returning logistics assets. The Manager has significant experience of integrating assets into the Group and this is progressing well.

Following the combination, with gross assets of £6.4bn we are now one of the UK's largest REITs, at the date of this report. This increased scale offers the potential for lower cost of capital, improved share liquidity and an enhanced credit rating and puts us on the cusp of FTSE 100 inclusion. I want to thank our shareholders for their strong support for the transaction and welcome UKCM's former shareholders to our register.

Clear opportunities to drive earnings growth, accelerated and amplified by improving market conditions

We have clear and attractive drivers within our market and growth opportunities embedded within our business. Key is our specialist ability to unlock these opportunities and maximise returns through investment and asset management, land assembly, navigating the complex UK planning regime, managing a low-risk approach to development and understanding the increasingly important impact of power networks. We are excited by the prospect of unlocking value from:

- **Record reversion:** Capturing the record reversion we now have within our investment portfolio by diligently undertaking asset management;
- **Our unique and market leading land portfolio:** Developing our profitable land portfolio into best-in-class logistics assets, delivering a 6-8% yield on cost and which offers the opportunity to more than double rental income;
- **The market inflection point:** With asset pricing seemingly at a turning point, taking advantage of our reputation and relationships in the market to selectively acquire attractive assets in the investment market and sell non-strategic assets; and
- **Near adjacencies:** Exploring additional ways of leveraging our expertise into near adjacencies including power and data centres, where we are actively progressing potential opportunities.

Based upon our interactions with clients, other investors and property investment agents, we believe that both the occupational and capital markets are exhibiting signs of improvement. This positive sentiment is supported by market data and increased activity. We are well placed to use improving market conditions to both accelerate and amplify the opportunities we have to drive shareholder returns.

Resourcing for growth

The Manager, Tritax Management LLP, has a long track record of adding skills and experience to support the Group's growth. This continued in the first half of 2024 and reinforced several key functions, notably in asset management. Importantly, the Manager has also agreed a six-month transitional arrangement with the abrdn team that previously managed UKCM, giving it access to valuable knowledge as it integrates the assets and builds relationships with new clients. The Manager has expertise across the non-strategic sectors in the UKCM portfolio and additionally is working with specialist agents to maximise the value of those assets.

We believe Tritax Management was the first major manager of logistics real estate to hire a dedicated power specialist nearly three years ago. Recruiting the former Head of Strategy and New Product Development of National Grid, Tritax now has an established power team identifying ways to enhance power opportunities. We believe this knowledge will be critical in both ensuring our existing assets and development pipeline are future proofed in terms of power requirements but also in opening up new opportunities in power intensive sectors such as datacentres.

Strengthening our Board

On 30 July 2024 the Company announced it had further strengthened its Board via the appointment of Kirsty Wilman. Kirsty will become a member of the Audit and Risk and Management Engagement Committees and brings a wealth of experience having held senior operations and finance roles in the real estate industry.

Performance supports progressive dividends

The quality of our investment portfolio and the benefits of our asset management and development programmes result in a progressive and well-covered dividend. The Board has declared two interim dividends totalling 3.65p per share, up 4.3% on H1 2023 and 89% covered by Adjusted earnings (excluding additional DMA income).

Carefully managing the balance sheet and deploying our capable resources to implement our strategy are a major focus for us. The LTV reduced from 31.6% to 29.9% across the period, supported by continued stability in asset valuations and benefiting from UKCM's low gearing. We continue to have significant headroom in our debt facilities, allowing us to be opportunistic in the market, while our development programme is highly flexible, so we can adapt quickly to any changes in market conditions.

Significant earnings growth opportunities supported by a positive outlook

Record rental reversion embedded within our enlarged portfolio and our development pipeline provide considerable opportunities to drive earnings growth. We have greater visibility on capturing this growth as we undertake asset management activity or secure lettings on new assets from the development pipeline. The combination of record rental reversion and a significant development pipeline gives us the capability to more than double our rental income over the long-term, and in the nearer term the potential to secure approximately £121 million of incremental rental income. This significant opportunity to capture incremental rental income from within our business supports our earnings growth and, in turn, our ability to continue to pay an attractive and progressive dividend to shareholders. Additional DMA income secured through selective freehold-sales enhances our earnings further, boosts development related returns and provides incremental funding to our business.

With 7.7% of the portfolio reviewed in H1 2024, and a further 17.4% scheduled to be reviewed in H2 2024, rent reviews and operational leasing activity is set to be second half weighted. We expect, inclusive of DMA activity, to be at the lower end of our guidance range of 2-3 million sq ft of starts in 2024, at a yield on cost in the middle of our 6-8% guidance range. With a growing level of 'active engagements' across our development land portfolio and 1.8 million sq ft of lettings currently in solicitors' hands, we view the second half of this year and into 2025 with optimism.

Speculative construction starts fell back sharply across the market in 2023, which is now limiting the supply of new space coming on stream. Our active discussions with potential clients reflect considerable pent-up demand, while the conclusion of the General Election and expectations of further interest rate cuts are likely to increase business

confidence and crystallise occupier leasing decisions. These green shoots bode well for a more buoyant occupational market into late 2024 and 2025, with reducing vacancy and a continuation of rental growth.

The outlook for the capital market is also positive. We believe substantial amounts of capital is looking to deploy into UK logistics given its attractive, and structurally supported characteristics. Combined with improving capital market conditions, we see prospects for yield compression in the medium term.

Aubrey Adams

Chairman

Manager's report

Market review

Increasing requirements converting to take up

H1 2024 has seen 11.7 million sq ft of take up across the UK, up from 10.0 million sq ft in H1 2023¹. Leasing deals continue to take time to complete, but second quarter activity (7.3 million sq ft of take up across 25 deals) was particularly strong with several large commitments closing.

Market activity remains broad-based across both building size and occupier type. Demand has been supported by 11 transactions greater than 300,000 sq ft (H1 2023: 10)¹. Occupier demand is diverse with retailers (both online and omnichannel) and 3PLs active in the market. Manufacturing demand remains prominent, accounting for 25% of activity in the last 12-months¹.

Alongside the increase in take up, both space-under-offer and requirements (which reflect potential near-term demand) remain healthy. CBRE reported 12.1 million sq ft under offer at Q2 2024, up from 11.1 million at Q4 2023. Savills' requirements index has increased with an uptick in enquiries for large units². Meanwhile, our own occupier enquiry hub remains close to record levels with a mix of interest by size, sector and location. Companies continue to look to evolve their supply chain networks. In doing so, they are generating new and additional demand for logistics buildings.

In addition to the structural drivers (growth of ecommerce, supply chain resilience and optimisation, and ESG) that continue to support our sector, the improving macroeconomic backdrop is expected to lead to increased levels of take up going forward. The new government's ambition is to kickstart economic growth and focus on housebuilding. This has the potential to positively impact us as firstly, logistics will be an important enabler of UKs economic growth and secondly, with Savills research suggesting new housing creates additional demand for logistics space, and the UK government aiming to deliver 1.5 million new homes over the next five years, we believe this could further support demand in the sector.

New supply continues to decline

Market vacancy, which reflects ready-to-occupy space, stood at 5.6% at the end of the period, up from 5.1% at Q4 2023¹. Vacancy comprises both second-hand space and developments that complete on a speculative basis. Here, the trend remains positive with speculative space under construction declining further across H1 2024 and new speculative starts remaining well below 2021/2022 levels.

¹ Source: CBRE

² Source: Savills UK Logistics Big Shed Briefing, July 2024

Total space under construction, which also includes build-to-suit projects, stood at 18.9 million sq ft at H1 2024, down from 21.4 million sq ft at Q4 2023¹.

Resilient rental growth

Prime headline rents increased across the period but at a lower rate than in recent years. Prime big box rents in the East Midlands for example increased by 25p to £10.00 per sq ft¹. From a portfolio perspective, MSC1 UK Distribution Warehouse ERVs increased by 2.0% in H1 2024 (H1 2023: 4.0%).

Logistics real estate capital markets remain open but subdued

CBRE prime market yields remained flat across the period at 5.25%, but Savills have in recent weeks moved their prime yield in by 25bps to 5.0%³.

H1 2024 transaction volumes totalled £2.5 billion (H1 2023: £4.1 billion)⁴. Market activity picked up in Q2 2024 following a quiet first quarter, but there has been a general lack of stock available to purchase and an absence of large or portfolio deals. Investor conviction in the sector remains high with surveys continuing to highlight logistics as a favoured destination for capital⁵. Existing owners are, however, choosing to hold onto logistics assets given their ongoing conviction in the sector and attractive returns available following a period of repricing.

A consistent and successful strategy focused on UK logistics

Our strategy has three interlinked components. Together, they aim to deliver sustainable income and capital growth, robust performance through the economic cycle and an attractive and progressive dividend. Careful management of risk and a well-defined approach to ESG issues are intrinsic to each element.

The three elements of the strategy are:

- 1) High-quality assets attracting world-leading clients – delivering long-term, resilient and growing income.
- 2) Direct and active management – protecting, adding and realising value.
- 3) Insight driven development and innovation – creating value, future proofing and capturing occupier demand.

Information on how we implemented the strategy during the period is set out in the following sections.

Unless otherwise stated, all metrics and KPIs in the Manager's report exclude the non-strategic elements of UKCM which represent 7.6% of the total investment portfolio. Disclosures related to non-strategic assets are on page 11.

1) High-quality assets attracting world-leading clients

Our total portfolio comprises:

- **The investment portfolio.** These are logistics assets with a lease or agreement for lease in place. We believe the investment portfolio is the strongest in Europe in terms of asset quality, client financial covenant strength and lease length.
- **The development portfolio.** This comprises land, options over land and buildings under construction, generating best-in-class brand-new logistics assets for the investment portfolio (see *insight driven development and innovation* below).
- **Non-strategic assets.** These are modern, high-quality non-logistics assets acquired with UKCM, which we intend to divest to provide funding for our higher returning development programme.

Unless otherwise stated, the commentary in the remainder of this section relates only to the logistics portfolio.

³ Prime headline yields reflect agency investment team's view of what a building of the highest quality and covenant, in a prime location would transact for.

⁴ Source: DTRE

⁵ Source: CBRE 2024 European investor intentions survey

Investment portfolio key figures

	30 June 2024	31 December 2023	Change
Total portfolio value – logistics (£bn)	5.47	5.03	8.7%
Total portfolio value – non-strategic (£bn)	0.49	-	-
Number of investment assets - logistics	99	78	26.9%
Number of investment assets – non-strategic	18	-	-
Gross lettable area - logistics (million sq ft)	40.4	35.6	13.5%
Gross lettable area – non-strategic (million sq ft)	1.7	-	-
Portfolio estimated rental value – logistics (ERV) (£m)	335.5	277.0	21.1%
Portfolio estimated rental value – non-strategic (ERV) (£m)	37.5	-	-
Number of clients - logistics	128	61	109.8%
Number of clients – non-strategic	93	-	-
Portfolio vacancy – logistics	3.8%	2.5%	1.3pts
Portfolio vacancy – non-strategic	3.3%	-	-
Weighted average unexpired lease term – logistics	10.4 years	11.4 years	-1.0 years
Weighted average unexpired lease term – non-strategic	7.7 years	-	-
	H1 2024	H1 2023	Change
Like-for-like ERV growth – logistics	1.9%	3.9%	-2.0pts
Like-for-like ERV growth – non-strategic	n/a	n/a	n/a

Resilient portfolio with embedded opportunities for value creation

The investment portfolio is split between:

- Foundation assets, which provide attractive, lower-risk and resilient long-term income; and
- Value Add assets, which offer opportunities for capital or income growth through asset management.

Assets can move between these categories, as our asset management turns Value Add assets into Foundation, or as Foundation assets become Value Add, for example as a lease nears expiry.

At 30 June 2024, our total portfolio comprised:

Investment portfolio	% of GAV
Foundation assets	53.7%
Value Add assets	31.7%
Total investment portfolio	85.4%
Development portfolio	
Land and buildings under construction	7.0%
Non-strategic assets	7.6%

The total portfolio value at 30 June 2024 was £6.40 billion (31 December 2023: £5.03 billion). The increase largely reflects the addition of the UKCM assets. On a like-for-like basis, the portfolio value was 0.7% higher, with asset values remaining stable, further development gains and the benefits of our active asset management, including 1.9% like-for-like ERV growth over the six months.

A broad and well-located client offer

While “big boxes” make up most of our portfolio, over recent years our investment strategy and development programme have both increased the range of building sizes we can offer our clients. UKCM has further broadened the portfolio, adding 4.2m sq ft of logistics space across 19 estates.

At the period end, the logistics portfolio contained the following mix of building sizes:

Logistics portfolio	Contracted rent 30 June 2024	Contracted rent 31 December 2023
<100k sq ft	10.4%	1.7%
100 – 250k sq ft	11.3%	9.7%
250 – 500k sq ft	30.9%	31.5%
>500k sq ft	47.4%	57.1%

The logistics portfolio is well-diversified geographically:

Logistics portfolio locations by market value	30 June 2024	31 December 2023
South East	37.0%	34.2%
South West	3.1%	2.7%
East Midlands	13.5%	13.7%
West Midlands	20.8%	21.0%
North East	16.3%	18.5%
North West	7.5%	8.5%
Scotland	1.8%	1.3%

Secure client base underpins income generation

The Group’s diversified client base includes some of the world’s most-important companies, with 63.6% being part of groups included in major stock market indices, such as the DAX 30, FTSE All Share, SBF 120, NYSE and S&P 500.

The number of clients increased from 61 to 212 during the period, as the UKCM acquisition further diversified our client base. The occupiers of the acquired assets include major corporations, such as existing Group clients Ocado, Iron Mountain and GXO, as well as a range of smaller businesses. This offers us greater scope to engage with clients and meet their evolving needs through new developments or any vacancy that may arise over time.

Logistics portfolio vacancy at the period end was 3.8% (31 December 2023: 2.5%).

The table below lists the Group's top ten clients:

Client	% of contracted annual rent	Client	% of contracted annual rent
Amazon	12.3%	Tesco	3.2%
Morrisons	4.7%	Argos	3.1%
Iron Mountain	4.3%	Ocado	2.9%
The Co-Operative Group	4.2%	Marks & Spencer	2.8%
B&Q	3.3%	DSG Retail	2.0%

Upward-only rent reviews provide attractive income growth

The majority of our logistics leases benefit from upward-only rent reviews. Of total contracted rents for logistics assets:

- 16.5% are reviewed annually; and
- 82.7% are reviewed in five-yearly cycles, with the timings staggered so there are reviews taking place each year.

The table below shows the rent review types across the logistic portfolio at the period end:

Rent review type	% of rent roll at 30 June 2024	% of rent roll at 31 December 2023
Fixed uplifts	10.9%	8.7%
RPI/CPI linked	43.0%	49.0%
Open market	32.5%	29.9%
Hybrid (higher of inflation or open market)	12.8%	12.4%
Not reviewed	0.8%	-

Logistics leases with inflation-linked reviews specify minimum and maximum rental growth, which average 1.6% and 3.6% respectively; in tandem with fixed rent reviews, this provides certainty on the minimum rental increases within the portfolio. We supplement this through open market and hybrid rent reviews, which can capture uncapped market rental growth, and other forms of active management to increase rental income. Approximately 76.5% of contracted rent from the UKCM logistics assets is subject to either hybrid or open market review which is another attractive feature of its portfolio. This has allowed us to increase our open market/hybrid portfolio weighting to 45.3%.

Due to the balance of open market and inflation-linked rent reviews, and the growing rental reversion in the portfolio (see below), we remain positive about continuing to deliver attractive, long-term income growth from our investment assets.

Information on rent reviews in the period can be found in the *direct and active management* section below.

Increasing ERVs provide a substantial and embedded opportunity to grow rental income

At each valuation date, the valuer independently assesses the ERV of each asset in the investment portfolio. This is the rent the property would be expected to secure through an open market letting at that date.

At 30 June 2024, the total portfolio ERV was £373.0 million (31 December 2023: £277.0 million), which is £69.6 million or 22.9% (31 December 2023: 23.0%) above the contracted rent. The portfolio reversion across the logistics assets stands at 25.5% and is supported by the significant reversionary potential of the UKCM logistics assets. The increase in the portfolio ERV reflects the rental reversion extant within the UKCM portfolio plus 1.9% of like-for-like ERV growth across the logistics assets during the period.

We have opportunities to capture the reversionary potential across the investment portfolio through open market rent reviews, lease renewals, new leasing across vacant units or lease regears.

We believe, therefore, that there is around £43.4 million (64%) of reversionary rental potential subject to lease events by the end of 2026 (inclusive of current vacancy).

Long duration, full repairing and insuring leases minimise capex and enhance income security

At the period end, the logistics portfolio's WAULT was 10.4 years (31 December 2023: 11.4 years), with the Foundation assets having a WAULT of 14.0 years (31 December 2023: 15.0 years).

Of total rents:

- 23.9% is generated by leases with 15 or more years to run; and
- 27.9% comes from leases expiring in the next five years, providing near-term opportunities to capture the growing rental reversion within the portfolio (see above).

UKCM's logistics portfolio had a WAULT of 6.7 years on acquisition creating opportunities to capture the reversionary potential of these assets over the coming years.

Most of our leases are full repairing and insuring (FRI), equivalent to "triple net" leases in the United States. This means our clients are responsible for property maintenance during the lease term and for dilapidations at the end of the lease. This minimises our irrecoverable property costs, which resulted in 99.8% conversion of gross to net rental income for the period. Rotating the non-strategic UKCM assets into FRI leases, should deliver direct property cost savings over the medium term, in addition to the immediate cost savings we have quantified (see the *financial review* for more information).

Non-strategic assets of UKCM

The 18 assets in this element of the UKCM portfolio cover leisure, hotels, student housing, retail warehouses, supermarkets and offices. All are in core markets across the UK, with a WAULT of 7.7 years at the period end, contracted rent of £36.1 million and an ERV of £37.5 million.

The non-strategic assets were valued at £487 million at 30 June 2024, broadly in line (net of capex) with December 2023 valuations used for the pricing of the acquisition. Given these assets are considered non-strategic, we have identified these for sale over an approximate two year period. We are already in advanced discussions across a number of these assets with regards to their disposal. Upon realising the non-strategic asset sales, this will provide us with the ability to fund around two years of our planned development capex. This will allow us to retain logistics assets we might otherwise have looked to sell to meet our funding needs, although we will still consider disposing of certain logistics assets that meet specific criteria and where we have a compelling opportunity to reinvest the capital.

The Manager has a track record of operating across multiple sectors of the commercial real estate industry, including managing separate vehicles' which, aside from logistics, have invested in retail warehousing, leisure, hotels and office. In addition, members of the Senior Management team of the Manager have expertise across all sectors within which the non-strategic assets operate.

2) Direct and active management

	Six months to 30 June 2024	Six months to 30 June 2023	Change
Disposals (£m gross proceeds)	-	153.0	-
Disposals (million sq ft)	-	1.5	-
Disposals (£m contracted rent)	-	6.3	-
Acquisitions (£m consideration)	46.0	-	-
Acquisitions (million sq ft)	0.5	-	-
Acquisitions (£m contracted rent)	2.8	-	-
Portfolio subject to rent review in period (%)	6.2%	9.8%	-3.6pts
Proportion of portfolio reviewed (%)	7.7%	9.9%	-2.2pts
Contracted rent uplifts - reviews and lease events (£m)	3.4	2.0	70.0%
Contracted rent uplifts - reviews and lease events (%)	10.7%	8.8%	1.9pts
Contracted rent uplifts annualised - reviews and lease events (%)	5.1%	3.3%	1.8pts
EPRA like-for-like rental growth (%)	2.1%	3.6%	-1.5pts

*Includes both non-strategic and logistics assets

Realising value and recycling capital through disposals

Capital recycling is a key part of our business model. We have deliberately constructed the portfolio to ensure it contains highly attractive assets with good liquidity, enabling us to sell when we choose, reinvest the proceeds into higher-returning opportunities – such as our development pipeline – and thereby improve the quality and returns prospects for the overall portfolio.

We constantly review the portfolio, to identify assets where:

- 1) we have completed our asset management plans and maximised value;
- 2) the asset's investment characteristics no longer fit our desired portfolio profile; or
- 3) the asset's future performance may be below others in the portfolio or have more risk attached to it.

Following £327 million of asset disposals in 2023, which were achieved at or above their respective book value despite challenging investment market conditions, we did not dispose of any assets in the first half of 2024 as we focused on the acquisition of UKCM.

UKCM provides additional opportunity through disposal of the non-strategic assets over the next 24 months which will provide the Company with greater financial flexibility over the short-term. We have already received enquiries for the entire non-strategic portfolio and for individual segments within it. Our initial priority has been to fully assess each asset and determine which are ready for sale and which would benefit from some interim asset management, so they appeal to the widest range of purchasers and we can maximise their value. We will then look to dispose of the assets in an orderly and disciplined manner.

We continue to objectively evaluate assets within our investment portfolio and will seek to dispose of logistics assets where there is a compelling rationale to do so. These disposals would be incremental to any sales achieved on the UKCM non-strategic assets.

Subject to market conditions and opportunities to deploy the proceeds, our target in recent years has been to dispose of approximately £100-200 million of assets each year, primarily to rotate capital into the development programme. Given the opportunity for disposals within the non-strategic assets of the UKCM portfolio, we expect to be at the higher end of this range for FY24.

Acquiring investments with asset management potential

While development remains the primary focus of our capital deployment given the compelling returns it delivers, we continue to look for standing investments that complement our development activity and offer lower-risk, attractive returns and more immediate income.

In January 2024, we completed the acquisition of a 479,000 sq ft cold store facility in a key East Midlands location. The property is let to Co-Op, an existing Group client, and is a mission-critical facility on a lease with 8.7 years remaining and 3.7 years to the next rent review. The asset offers strong rental growth potential, with the purchase price of £46.0 million equating to a NIY of 5.75% and a reversionary yield of 7.3%.

Rent reviews expected to be second half weighted

Approximately 26.7% of the portfolio was subject to rent review in 2024 prior to the UKCM acquisition, with 7.7% falling into the first half resulting in a second-half weighting in 2024. During the period, we agreed 9 rent reviews, as summarised below.

In total, rent reviews and lease events increased passing rents by £3.4 million or 10.7% of the rent subject to lease events in the first six months of 2024.

In addition, we have £9.3 million of contracted rent (3.1% of portfolio contracted rent) subject to reviews that remain outstanding from prior periods.

H1 2024 Settled rent reviews and re-lettings

Rent review type	Number	% of contracted rent	Growth in passing rent
Index linked	3	4.6%	4.6%
Open market / hybrid	3	1.4%	30.5%
Fixed	3	1.7%	3.0%
Total rent reviews	9	7.7%	8.8%
Re-lettings	10	3.2%	15.3%
Total all lease events	19	10.9%	10.7%

Lease events included:

- a) Agreeing a new 15-year agreement for lease with Greene King at the Stakehill asset, formerly occupied by Tesco, where we achieved vacant possession in December 2023, upon lease expiry to refurbish (targeting an EPC A with a solar PV scheme). The agreement for lease was signed with a rental increase of 38.1% against the previous passing rent resulting in a significant increase in the asset's valuation at 30 June 2024.
- b) Completing a 5-year lease extension at L'Oreal, Trafford Park, Manchester, at a rent of £8.50 psf (new record rent for Trafford Park). A rental uplift of c.£400k pa (22.15%) was agreed.

Other lease re-gears, lettings or renewals have been captured with a range of Clients, including New Look, Esken, Evri, Under Controls Instruments, Mayflex UK, and more recently on a retail asset with Sportswift. We have demonstrated

our ability to increase revenue from recently purchased assets, with the Junction 6 and Enfield urban parks we acquired in July and August 2023 delivering 11.9% growth in rental income since purchase.

Alongside our existing investment portfolio assets, we are now also focused on capturing the reversionary potential of the assets acquired from UKCM, for which we have developed a comprehensive asset management plan as part of our due diligence, identifying short, medium and long-term initiatives and their potential impact on income and capital values. This included a detailed review of building EPC ratings and occupier covenant strength and corporate governance. We have continued to refine our business plans for each asset and remain confident executing asset management and investment sales in line with our underwrite.

EPRA Like for Like rental growth: driven by both rental levels achieved and proportion of portfolio subject to review

We reported EPRA LFL rental growth of 2.1% due to a smaller proportion of leases subject to review in the period of 6.2% (compared to 9.8% in H1 2023) and a greater proportion of inflation linked reviews. In our view, EPRA LFL rental growth is better suited to a portfolio constructed of annual rent reviews, as more commonly found in continental Europe, because it records annual growth rates across a portfolio which has typically been subject to rent review. The method is less well suited to five-yearly rent reviews, particularly in periods where a small proportion of total rents are reviewed. In the UK, where leases are commonly reviewed on a five-year basis, reported EPRA LFL rental growth is sensitive to the percentage of the portfolio reviewed in any given period and the composition of lease types. By way of comparison, our average rental growth, on an annualised basis, across all leases which have been subject to review in the period i.e. where we have had the ability to prove the rental tone, was 5.1% (H1 2023: 3.3%).

Rent review profile provides significant opportunity to drive earnings growth

Most of our leases are reviewed on a five-yearly basis and are broadly split between open market and inflation linked. Given these five yearly review profiles, historical rental growth experienced in the market does not immediately flow through into income. This timing effect is captured within the portfolio reversion which compares our current passing rent with rents likely to be achieved if the building were relet (“Estimated Rental Value” or “ERV”). As at 30 June 2024, our logistics portfolio reversion stood at 25.5%, providing confidence in our ability to continue delivering attractive earnings growth as we work our way through rent reviews, or relet assets that have reached lease expiry, and capture higher market rental levels.

To assist in understanding our portfolio reversion, and the likely timing and quantum of its capture, we have provided additional disclosure in the tables below. These outline for each of the next three years the split between review type and frequency.

Vacancy and outstanding reviews

	Contracted rent (£m)	% of passing rent	ERV (£)
Vacancy	-	n/a	13.7
Outstanding reviews from prior periods*	9.3	3.1%	14.0
Total vacancy and outstanding reviews from prior period	9.3	3.1%	27.7

*Rent for overdue reviews is accrued and recognised within rental income at 75% of anticipated settlement level

Rent review and expiries*

Review type	Frequency	H2 2024			FY 2025			FY 2026		
		Rent (£m)	% of passing	ERV (£m)	Rent (£m)	% of passing	ERV (£m)	Rent (£m)	% of passing	ERV (£m)
Indexation	Annual	20.8	6.8	21.4	33.3	11.0	37.6	33.3	11.0	37.6
	5-yearly	19.1	6.3	25.9	8.3	2.7	8.3	28.7	9.4	34.0
OMR / Hybrid	Annual	0	0	0	0	0	0	0	0	0
	5-yearly	9.3	3.1	11.1	10.0	3.3	12.5	26.9	8.9	34.6
Fixed	Annual	1.6	0.5	1.6	10.3	3.4	10.2	7.1	2.3	6.5
	5-yearly	0.8	0.3	0.7	0	0	0	8.5	2.8	8.5
Total lease reviews		51.6	17.0	60.7	61.9	20.4	68.6	104.5	34.4	121.2
Lease Expirations		8.4	2.8	11.3	11.8	3.9	15.8	12.1	4.0	16.5
Total lease events in period		60.0	19.8	72.0	73.7	24.3	84.4	116.6	38.4	137.7

*Includes both non-strategic and logistics assets

Enhancing ESG through integration, engagement and active management

We have integrated ESG considerations throughout the investment lifecycle, as well as our management of the Group’s supply chain and engagement with our clients. By working in partnership with clients on ESG initiatives, we can increase rental income and capital values, while helping them make progress towards their ESG targets.

Our ESG strategy has four themes, as set out below. Achievements in H1 2024 included:

- **Sustainable buildings:** We have continued to refine our integration of ESG criteria into the investment process, including engaging with our advisers to understand how ESG factors are influencing transactions in the market. We are also developing our approach to delivering our embodied carbon target of 400kg CO₂e per m², through

engagement with our development teams and the suppliers of carbon-intensive materials such as steel and concrete.

- **Climate and carbon:** To advance our net zero carbon delivery, we have appointed Mace to build a bespoke technology platform for us. This will allow us to import key decarbonisation data points into one system, so we can analyse our assets and refine our net zero pathway into a timetabled and costed programme at portfolio and individual asset levels. We will integrate this information with our asset and portfolio management strategies and use it to support our client negotiations and disposal decisions. We expect the platform to be populated by the end of the year. In addition, we are working with clients and other market participants to understand the evolution of transport electrification, particularly for heavy goods vehicles.
- **Nature and wellbeing:** New biodiversity net gain regulations for developments came into force at the start of 2024. In common with other developers and local planning authorities, our development team is working with our supply chain to understand the practical impacts and ensure we deliver schemes that meet the new requirements. In addition, we continue to identify and implement biodiversity improvements across our standing assets.
- **Social value:** We have put in place a new five-year social impact strategy for the Group, with a focus on improving educational outcomes and opportunities for young people. We are seeking to reach 250,000 young people over five years, by continuing to support the charity, Schoolreaders and working with organisations such as the Prince's Trust and the charity Education and Employers. The strategy is overseen by the Tritax Social Impact Foundation which was established in 2023, to be a centre of excellence and governance and to help us deliver and measure impact.

Resourcing our asset management team for success

The growth in the number and type of logistics assets in the portfolio has led us to invest further in our asset management team. We have brought into the dedicated BBOX team expertise from other parts of Tritax Management, from UKCM's former manager and through direct recruitment. The asset management team has been further complemented with additional property management, development and ESG resource. This investment by Tritax Management supports our hands-on approach to asset management, building strong relationships with our clients and identifying opportunities through regular engagement.

This will allow us roll out a blueprint for asset management ensuring a consistent and efficient approach. For example, the work we have done to refresh Junction 6, covering on-site amenities, landscaping, biodiversity, signage and colour schemes, can now be applied across the Group's other logistics parks, creating a brand standard.

3) Insight driven development and innovation

	Six months to 30 June 2024	Six months to 30 June 2023	Change
Development completions (million sq ft)	0.8	0.9	-11.1%
Development completions let (million sq ft)	0.8	0.9	-11.1%
Development completions let (£m to passing rent)	7.4	6.4	15.6%
Development starts (million sq ft)	0.9*	0.8	12.5%
Development starts (£m ERV)	4.6	6.8	-32.4%
Development lettings (million sq ft)	0.1	0.5	-80.0%
Development lettings (£m)	1.3	4.1	-68.3%
Average development yield on cost (%)	7.1	7.5	-0.4pts
Planning consents secured (million sq ft)	1.0	0.9	11.1%
Total planning consented land (million sq ft)	6.2	7.2	-13.9%

* Of which 0.4 million sq ft relates to Development Management Agreements

A carefully considered and low-risk approach to development

Development complements our investment portfolio by enhancing overall returns, as we target a yield on cost of 6-8% while carefully managing risk. We expect our 2024 schemes to achieve an average yield on cost of 7.0%.

We control the UK's largest land portfolio for logistics development. It has the potential to deliver approximately 41.5 million sq ft of new space through pre-let and speculative developments, which could more than double the size of our business. The pipeline is diversified geographically and is highly flexible, enabling us to match our clients' requirements from urban or last mile assets to "mega boxes". Once built and let these developments become investment assets for us; our portfolio will therefore continue to evolve, with a broader mix of building sizes and an attractive blend of lease profiles.

We hold most of the land portfolio through long-term options. These are capital efficient and reduce risk, as we typically only buy the land once we have received planning consent and have flexibility over the quantum and timing of our purchases. The options include a defined discount of typically 15-20% to prevailing land prices and we can offset much of the site's planning and infrastructure costs against the purchase price. This means we typically secure an attractive profit on drawdown and minimise the impact of changing land values over the longer term.

Given the current position in the market cycle, we are seeing opportunities to acquire sites with planning consent already in place and vendors who are motivated to sell. We will consider these opportunities where they will support delivery of our development objectives and offer attractive returns.

In line with our investment policy, and as expressed as a percentage of gross asset value, our development exposure was 7.0% and our exposure to speculative development was 1.9%.

Agile development platform capable of flexing to market conditions

Holding land under long dated option is both capital efficient and provides flexibility. This flexibility to ramp up or down development activity enables us to accurately match prevailing market conditions and ensures the delivery of new space is optimised to drive performance.

We continue to receive a high level of occupational interest in incremental logistics space. The more uncertain economic backdrop in 2023 and the first half of 2024 has, however, resulted in occupiers taking longer to commit to new buildings.

With the rate of inflation in UK and other key economies beginning to decline, prospects of further interest rate cuts and the conclusion of the UK general election, we expect to see an uptick in letting activity in the second half of 2024 and into 2025. This includes the current 1.8 million sq ft of new development lettings we have in solicitors hands with an expected contracted rental income of approximately £18.1 million.

In the first half of 2024, we reached practical completion on 0.8 million sq ft of leased buildings, adding £7.4 million to passing rents. We remain on track to achieve our long-term guidance of 2-3 million sq ft of construction starts this year, with 0.9 million sq ft started in the first half. This included a 0.4 million sq ft unit we have pre-sold to Siemens Healthineers at Oxford under a DMA contract, enabling accelerated delivery of the rest of the site – by opening up the infrastructure and utilities to the site.

In addition to the progress outlined above, during the period we have also:

- achieved 0.1 million sq ft of development lettings, increasing contracted annual rent by £1.3 million; and
- obtained outline planning consent for a further 1.0 million sq ft, with a further 0.1 million sq ft submitted pending determination.

The UK's largest land portfolio for logistics development

We categorise our development portfolio based on the timing of opportunities:

1) *Current development pipeline* – assets under construction, which are either pre-let, let during construction or speculative developments. The Group owns these sites.

2) *Near-term development pipeline* – sites with planning consent received or submitted, and where we aim to begin construction in the next three years. The Group will own some of these sites, with others held under option pending planning consent or where we have achieved outline planning but have yet to acquire the land.

3) *Future development pipeline* – longer-term land opportunities, which are principally held under option, and which are typically progressing through the planning process.

1) Current development pipeline - assets under construction to be delivered in next 12 months

At 30 June 2024, the Group had the following assets in the current development pipeline. The total estimated cost to complete is £118.9 million and the assets have the potential to add £23.5 million to annual passing rents.

	Estimated costs to completion			Total sq ft	Contractual rent / ERV
	H2 2024	H1 2025	Total		
	£m	£m	£m		
Current speculative development	66.3	13.1	79.4	1.6	14.5
Current let or pre-let development	31.9	7.6	39.5	0.6	9.0
Total	98.2	20.7	118.9	2.2	23.5

In H2 2023, we commenced construction on a 502k sq ft speculative asset at Kettering. Shortly after placing the groundworks contract, it became clear from discussions with other potential occupiers, that it would make more commercial sense to reconfigure part of this site. Having not yet placed the construction contract, we therefore decided

not to proceed with this development. Instead, the reconfiguration resulted in us being under offer on a further significant pre-let opportunity and allowed us to capture a freehold DMA contract with Greggs – see *DMA section below*.

2) Near-term development pipeline - construction expected to commence in next 12 - 36 months

At the period end, the near-term development pipeline consisted of land capable of accommodating 8.8 million sq ft of logistics space and delivering £84.3 million of annual rent.

Of this:

- 4.5 million sq ft relates to land with planning consent; and
- 1.0 million sq ft relates to sites where we have planning submission pending or have submitted a planning application.

The Group was also awaiting decisions on planning applications totalling 9.9 million sq ft at 30 June 2024.

The table below presents the near-term development pipeline at the period end. Movements in the figures are driven by construction starts (which will move space to the current development pipeline), or changes in our view on the likely timing of starts, resulting in movements between the two categories below.

The ERVs shown below are based on current market rents and therefore assume no further rental growth before the schemes become income producing.

	Total sq ft	Current book value	Estimated cost to completion (Uncommitted)	ERV
		£m	£m	£m
Potential near-term starts in the next 12 months	2.6m	77.3	293.4	27.7
Potential near-term starts in the following 24 months	6.2m	60.5	724.2	56.6
	8.8m	137.8	1,017.6	84.3

3) Future development pipeline

The future development pipeline is predominantly controlled under longer-term option agreements designed to remain live for at least one planning cycle. Most option agreements contain an extension clause, allowing us to extend the option expiry date where necessary.

The future development pipeline has sites at various stages of the planning process, with multiple sites being currently promoted through local plans. We have continued to replenish the pipeline by securing options over new sites.

At 30 June 2024, the future development pipeline comprised 1,457 net acres with the potential to support up to 31.2 million sq ft of development and generate around £279.8 million of contracted rent, again assuming no market rental growth.

Development Management Agreements (DMA) and DMA income

While our development programme primarily creates assets for the investment portfolio, we occasionally work with a client to develop an asset for freehold sale to them, where this may help us to gain planning, open up a site and accelerate our profit capture. Freehold sales, undertaken through a Development Management Agreement (DMA) contribute to DMA income, delivering a high-returning, capital light profit from this activity, which we can recycle into other development or investment activity.

Under a DMA, the Group typically manages the development of an asset in return for a fee and/or profit share. The Group will not own the site during construction or the completed investment. DMAs are therefore excluded from the Group's asset portfolio.

DMAs can provide the Group with an attractive but variable source of additional income for shareholders, with no or limited capital funding requirements.

In the period 0.4 million sq ft was pre-sold and the Group commenced the construction of a unit for Siemens Healthineers at Oxford. A further 0.3 million sq ft DMA contract was exchanged subject to planning with Greggs, which is expected to commence construction in H2 24.

As a result, DMA income guidance has been increased for FY24 to £25.0 million and for FY25 to £10.0 million.

The treatment and impact of DMA income is further discussed in the Financial Review.

Financial review

Overview

A significant event in the period was the completion of the UKCM acquisition. The financial statements therefore include the UKCM operations from the date of acquisition, resulting in an approximate six-week impact to the Statement of Comprehensive Income and a full consolidation of all assets and liabilities within the Statement of Financial Position.

The Group delivered strong financial performance in H1 2024, which included growing net rental income by 16.7%. The contribution of UKCM alongside development completions and rent reviews contributed to this, which was partially offset by the impact of asset disposals taking place in H2 2023. The Group also recognised £12.2 million of DMA income in the period (H1 2023: £nil).

As a result, Adjusted EPS, grew by 10.4% to 4.35 pence (H1 2023: 3.94 pence). Adjusted EPS excluding addition DMA income also grew, by 4.1% to 4.10 pence (H1 2023: 3.94 pence) for the six month period (see note 7 for the calculation). The EPRA NTA per share at 30 June 2024 was 179.33 pence (31 December 2023: 177.15 pence), with growth driven by the £96.5 million (H1 2023: £29.9 million) change in fair value of investment properties.

The key constituents of Adjusted EPS growth in the period are shown in the table below:

	Pence
Adjusted EPS in H1 2023	3.94
Investment asset rental growth	0.20
Development completions	0.32
UKCM acquisition	0.11
Net disposals	(0.09)
Administrative expenses	(0.09)
Net finance costs	(0.40)
Other	(0.08)
DMA income	0.44
Adjusted EPS in H1 2024	4.35

The total dividend for the period was 3.65 pence per share (H1 2023: 3.50 pence), an increase of 4.3% and in line with the Group's dividend policy.

The business remains soundly financed as UKCM's comparatively low gearing, along with portfolio valuation growth helped to reduce the Group's overall LTV to 29.9% (FY23: 31.6%). We were pleased that shortly after the period end,

Moody's Ratings upgraded the Company's credit rating outlook to Baa1 (positive) from Baa1 (stable) and reaffirmed its long-term corporate credit rating.

Combination with UKCM

The all-share offer for UKCM was completed by a Scheme of Arrangement on 16 May 2024 through the issue of 577.0 million new shares at a price of 166.9 pence per share. This reflected a consideration paid of £962.9 million, at an exchange ratio of 0.444 new ordinary shares in the Company for every UKCM share held, based on an NTA for NTA approach. The fair value of the net assets acquired was £1,016.1 million, as set out below.

The difference between the total consideration paid of £962.9 million and the fair value of the net assets acquired of £1,016.1 million, net of acquisition costs, was a gain of £53.2 million. This acquisition has been accounted for as an asset acquisition, resulting in its assets and liabilities initially being accounted for in the balance sheet at cost. The property assets have subsequently been revalued at the period end, in line with the Group's accounting policy and therefore this gain has been recognised within changes in fair value of investment property during the period. Please also see Note 9 to the financial statements.

	UKCM
	£
Consideration paid - shares	962.9
Fair value of net assets acquired:	
Investment property	1,216.8
Cash	26.7
Third party debt	(184.3)
Other	(26.3)
	1,032.9
Acquisition costs	(16.8)
Net gain on acquisition	53.2

Presentation of financial information

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

The Board continues to see Adjusted EPS¹ as the most relevant measure when assessing dividend distributions. Adjusted EPS is based on EPRA's Best Practices Recommendations and excludes items considered to be exceptional, not in the ordinary course of business or not supported by recurring cash flows, but includes finance income received under interest rate derivative arrangements.

Financial results

Net rental income

Net rental income grew by 16.4% to £127.2 million (H1 2023: £109.3 million). Contracted annual rent at the period end was £303.4 million (31 December 2023: £225.3 million), with the movement reconciled below. The annual passing rent at the period end was £293.1 million (31 December 2023: £217.0 million).

¹ Excluding additional development management agreement income

Contracted annual rent	£m
As at 31 December 2023	225.3
Development lettings	4.0
Rental reviews and asset management	3.7
UKCM acquisition	70.2
Other asst acquisitions	2.8
Disposals	-
Lease expiry	(2.6)
As at 30 June 2024	303.4

Other operating income – Development Management Agreement (DMA) income

As described above, the Group earns DMA income from managing developments for third parties. This is attractive business as the third party funds the development, resulting in a high return on capital for us. We include DMA income within Adjusted earnings as it is supported by cash flows.

However, DMA income is more variable than property rental income and its timing can affect our earnings from period to period. Over the medium term, we expect the level of recurring DMA income to be at least £3.0-5.0 million in a typical year, and therefore this level is built into our recurring Adjusted Earnings. In 2023, the Group recognised no DMA income due to a timing delay on a project, with the anticipated income falling instead into this financial year and resulting in higher than usual DMA income in the current year. In H1 2024 we recognised £12.2 million of DMA income (H1 2023: £nil) and we currently expect FY24 DMA income of approximately £25.0 million and FY25 DMA income of £10.0 million. Reflecting this variability, we also calculate Adjusted earnings excluding DMA income above the typical run rate, to aid comparability across periods and to base our dividend from (see *profit and earnings* below).

The additional DMA income is therefore available to be recycled into further opportunities across our development pipeline and/or other investment opportunities.

Administrative and other expenses

Administrative and other expenses, which include all the operational costs of running the Group, were £15.6 million (H1 2023: £13.8 million). The Investment Management fee for the period was £11.4 million (H1 2023: £10.8 million), reflecting the increased capital base following the UKCM acquisition.

The EPRA Cost Ratio (including vacancy cost) decreased slightly to 12.5% (H1 2023: 12.6%).

We identified £4.0 million of immediate annual cost savings from the UKCM administrative expenses, comprising:

- management fee savings of £2.6 million per annum, resulting from unifying investment management services; and
- operational cost savings of £1.4 million per annum, resulting from the elimination of duplicate listing, administrative and other operational expenses

These savings will support near-term earnings growth and dividend progression and we expect to generate further savings from operational and financial synergies in the medium term.

Operating profit

Operating profit before changes in fair value and other adjustments was £123.8 million (H1 2023: £95.5 million).

Share-based payment charge and contingent consideration

Following the Group's acquisition of Tritax Symmetry in 2019, senior members of the Symmetry team became B and C shareholders in Tritax Symmetry Holdings Limited. The Group extinguished these shares in August 2023, resulting in

no share-based payment or contingent consideration charges in H1 2024 (H1 2023: £2.5 million and £0.4 million respectively).

Financing costs

Net financing costs for the period were £28.9 million (H1 2023: £20.7 million), excluding the loss in the fair value of interest rate derivatives of £1.3 million (H1 2023: £2.9 million gain). The average cost of debt at the period end was 3.05% (31 December 2023: 2.93%), with 95% (31 December 2023: 96%) of the Group's drawn debt being either fixed rate or covered by interest rate caps (see *hedging policy* below).

The movement in net financing costs therefore reflects the higher average cost of debt and the increase in average drawn debt throughout the period, which stood at £1,763.2 million (H1 2023: £1,600.4 million), including the debt facilities acquired with UKCM (see below). £1.6 million of interest expense was capitalised (H1 2023: £2.1 million), reflecting the level of capital deployed into active development projects in the period.

The interest cover ratio, calculated as operating profit before changes in fair value and other adjustments divided by net finance expenses, was 4.3x (H1 2023: 4.6x). The net debt to EBITDA ratio was 7.1x¹ (31 December 2023: 8.2x).

¹ calculated on a pro-forma basis inclusive of a full 12 months contribution from UKCM

Tax

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

A tax charge of £3.1 million arose in the period, on profits not in relation to property rental business. In H1 2023, the Group incurred a tax charge of £1.7 million on the profit on disposal of an asset.

Profit and earnings

Profit before tax was £190.2 million (H1 2023: £102.4 million), with the movement between the two periods primarily reflecting a higher level of operating profit before changes in fair value and other adjustments alongside stronger valuations performance from investment property. Basic EPS was 9.14 pence (H1 2023: 5.39 pence). Basic EPRA EPS, which excludes the impact of property valuation movements, was 4.31 pence (H1 2023: 3.60 pence).

Adjusted EPS for the six months was 4.35 pence (H1 2023: 3.94 pence) (see note 7 for the calculation). The metric we see as closest to recurring earnings is Adjusted EPS excluding DMA income above the anticipated run-rate, which was 4.10 pence for the period. The Group recorded no DMA income last year, resulting in this metric being the same as Adjusted EPS for H1 2023 (3.94 pence).

Dividends

We aim to deliver an attractive and progressive dividend. The Board's policy is for the first three quarterly dividends to each represent 25% of the previous full-year dividend, with the fourth-quarter dividend determining any progression. The aim is to achieve an overall pay-out ratio in excess of 90% of Adjusted earnings.

Following this policy, the Board has declared the following interim dividends in respect of H1 2024:

Declared	Amount per share	In respect of three months to	Paid/to be paid
2 May 2024	1.825p	31 March 2024	7 June 2024
7 August 2024	1.825p	30 June 2024	6 September 2024
Total	3.65p		

¹ Excluding additional development management agreement income

The total dividend for the period of 3.65 pence was a 4.3% increase on H1 2023 (H1 2023: 3.50 pence). The pay-out ratio was 89% of Adjusted EPS excluding additional DMA income.

The cash cost of the dividends in relation to the period was £84.3 million (H1 2023: £69.6 million), with the increase reflecting the new shares issued to acquire UKCM (see *equity issuance* below), which were eligible to receive both interim dividends for the period.

Portfolio valuation

CBRE independently values the Group's assets that are leased, pre-leased or under construction. These assets are recognised in the Group Statement of Financial Position at fair value. Colliers independently values all owned and optioned land. Land options and any other property assets are recognised at cost, less amortisation or impairment charges under IFRS.

The share of joint ventures comprises 50% interests in two sites at Middlewich and Northampton, relating to land and land options. These two sites are equity accounted for and appear as a single line item in the Statement of Comprehensive Income and Statement of Financial Position.

The total portfolio value at 30 June 2024 was £6.40 billion (31 December 2023: £5.03 billion), including the Group's share of joint ventures:

	30 June 2024	31 December 2023
	£m	£m
Investment properties	6,220.0	4,843.7
Other property assets	2.6	2.3
Land options (at cost)	155.9	157.4
Share of joint ventures	24.4	24.7
Assets held for sale	-	-
Portfolio value	6,402.9	5,028.1

The gain recognised on revaluation of the Group's investment properties was £96.5 million (H1 2023: £29.9 million gain). This included a gain of £53.2 million on the total UKCM portfolio.

The logistics portfolio equivalent yield at the period end remained broadly stable at 5.7% (31 December 2023: 5.6%). This was supplemented by continued progress with the development programme and further growth in ERVs, which were 1.9% higher over the period.

Capital expenditure

Capital expenditure totalled £1,300.1 million in the period (H1 2023: £108.9 million). This included the acquisition of the UKCM portfolio which totalled £1,163.6 million which was funded via a share for share exchange. When excluding the UKCM portfolio, total capex was £136.5 million in the period, its deployment was focussed towards development. The Group acquired one standing asset for £46.0 million in the period.

Embedded value within land options

Under IFRS, land options are recognised at cost and subject to impairment review. As at 30 June 2024, the Group's investment in land options totalled £155.9 million (31 December 2023: £157.4 million). We continue to progress strategic land through the planning process. During the period we transferred £7.8 million of land held under option to assets under construction.

As the land under option approaches the point of receiving planning consent, any associated risk should reduce and the fair value should increase. When calculating EPRA NTA, the Group therefore makes a fair value mark-to-market

adjustment for land options. At the period end, the fair value of land options was £35.4 million greater (31 December 2023: £26.5 million greater) than costs expended to date.

Net assets

The EPRA NTA per share at 30 June 2024 was 179.33 pence (31 December 2023: 177.15 pence). The table below reconciles the movement during the period:

	p
As at 31 December 2023	177.15
Operating profit	3.83
Investment assets	0.60
Development assets	1.16
Land options	0.36
UKCM acquisition	(0.25)
Dividends paid	(3.40)
Other	(0.12)
As at 30 June 2024	179.33

The Total Accounting Return for the period, which is the change in EPRA NTA plus dividends paid, was 3.4% (H1 2023: 3.5%).

Equity issuance

In relation to the all-share combination with UKCM, the Company issued 576,939,134 new ordinary shares to UKCM's shareholders. These shares were admitted to trading on 17 May 2024. Following this, the Company had 2,480,677,459 ordinary shares in issue at 30 June 2024, an increase of 30.3% in the period.

Debt capital

At 30 June 2024, the Group had the following borrowings:

Lender	Maturity	Loan commitment £m	Amount drawn at 30 June 2024 £m
Loan notes			
2.625% Bonds 2026	Dec-26	250.0	249.7
2.86% Loan notes 2028	Feb-28	250.0	248.2
2.98% Loan notes 2030	Feb-30	150.0	150.0
3.125% Bonds 2031	Dec-31	250.0	248.2
1.5% Green Bonds 2033	Nov-33	250.0	247.2
Bank borrowings			
RCF (syndicate of seven banks)	Oct-28	500.0	271.0
RCF (syndicate of six banks)	Jun-26	300.0	132.0
Helaba	Jul-28	50.9	50.9
PGIM Real Estate Finance	Mar-27	90.0	90.0
Canada Life	Apr-29	72.0	72.0
Barclays RCF	Jan-26	150.0	-
Barings Real Estate Advisers	Apr-27	100.0	100.0
Barings Real Estate Advisers	Feb-31	100.0	100.0
Total		2,512.9	1,959.2

There were no changes to the Group's banking arrangements during the period. However, the Group acquired the following facilities through the UKCM transaction:

- a £150.0 million revolving credit facility with Barclays Bank, which matures in January 2026 and carries a margin of 1.90% above SONIA, with £nil drawn on the facility at the period end;
- a £100.0 million term loan with Barings Real Estate Advisers, at a fixed interest rate of 3.03% per annum. The loan matures in April 2027 and was fully drawn at the period end; and
- a second £100.0 million term loan with Barings Real Estate Advisers, at a fixed rate of 2.72% per annum. The loan matures in February 2031 and was also fully drawn at 30 June 2024.

Since the end of the period, we have refinanced the above Barclays facility, reducing its cost, extending its term and transitioning from a secured to an unsecured framework. See *post balance sheet events* below for more information.

Debt maturity

At the period end, the Group's debt had an average maturity of 5.0 years (31 December 2023: 5.2 years). Following the refinancing of the Barclays RCF, the Group has no debt maturing prior to mid-2026.

Loan to value (LTV)

The Group has a conservative leverage policy. At the period end, the LTV was 29.9% (31 December 2023: 31.6%), reflecting, largely the benefit of UKCM's low LTV of 14.2% on acquisition at 16 May 2024.

Interest rates and hedging

Of the Group's drawn debt as at 30 June 2024, 77% was at fixed interest rates. For the majority of its variable rate debt, the Group uses interest rate caps which run coterminous with the respective loan and protect the Group from significant increases in interest rates. As a result, the Group had either fixed or capped rates on 95% of its drawn debt at the period end and the average cost of borrowing at 30 June 2024 increased to 3.05% (31 December 2023: 2.93%).

Net debt and operating cash flow

Net debt at the period end was £1,912.9 million (31 December 2023: £1,590.3 million), comprising £1,961.0 million of gross debt less £48.1 million of available cash held (31 December 2023: £1,626.7 million gross debt, £36.4 million cash).

Net operating cash flow was £84.4 million for the six months (H1 2023: £95.5 million).

Going concern

We continue to have a healthy liquidity position, with strong levels of rent collection, a favourable debt maturity profile and debt costs which are substantially fixed or hedged.

The Directors have reviewed our current and projected financial position over a five-year period, making reasonable assumptions about our future trading performance. Various forms of sensitivity analysis have been performed, in particular regarding the financial performance of our clients and expectations over lease renewals. As at 30 June 2024, our property values would have to fall by approximately 45% before our loan covenants are breached at the corporate level.

At the period end, we had £547 million of undrawn commitments under our senior debt facilities and £48.1 million of cash, of which £118.9 million (see note 19) was committed under various development and purchase contracts. Our loan to value ratio stood at 29.9%, with the debt portfolio having an average maturity term of approximately 5.0 years.

As at the date of approval of this report, we had substantial headroom within our financial loan covenants. Our financial covenants have been complied with for all loans throughout the period and up to the date of approval of these financial

statements. As a result, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, which is considered to be to 7 August 2025.

Credit rating

The Group has a Baa1 long-term credit rating and positive outlook from Moody's Investor Services, which was upgraded from Baa1 (stable) on 3 July 2024.

Alternative Investment Fund Manager (AIFM)

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

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

Post balance sheet activity

On 26 July 2024, the Company refinanced the £150 million Barclays RCF via entry into a new £150 million two-year facility, split £75 million term loan and £75 million RCF. In doing so, the revised facility was provided on an unsecured basis and so all previous security was released, with a margin reduction from 190bps to it now falling in line with the Company's corporate RCF pricing. The facility has two separate, one-year extension options available to it (subject to lender consent).

Key performance indicators

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

KPI	Relevance to strategy	Performance
1. Total accounting return (TAR)	TAR calculates the change in the EPRA net tangible assets (EPRA NTA) over the period plus dividends paid. It measures the ultimate outcome of our strategy, which is to deliver value to our shareholders through our portfolio and to deliver a secure and growing income stream.	3.4% for the six months to 30 June 2024 (H1 2023: 3.5%, FY 2023: 2.2%)
2. Dividend	The dividend reflects our ability to deliver a low-risk but growing income stream from our portfolio and is a key element of our TAR.	3.65p per share for the six months to 30 June 2024 (H1 2023: 3.50p, FY 2023: 7.30p)
3. EPRA NTA per share ¹	The EPRA NTA reflects our ability to grow the portfolio and to add value to it throughout the lifecycle of our assets.	179.33p at 30 June 2024 (30 June 2023: 183.02p, 31 December 2023: 177.15p).
4. Loan to value ratio (LTV)	The LTV measures the prudence of our financing strategy, balancing the potential amplification of returns and portfolio diversification that come with using debt against the need to successfully manage risk.	29.9% at 30 June 2024 (30 June 2023: 30.3%, 31 December 2023: 31.6%).
5. Adjusted earnings per share	The Adjusted EPS reflects our ability to generate earnings from our portfolio, which ultimately underpins our dividend payments.	4.35p per share for the six months to 30 June 2024 (H1 2023: 3.94p, FY 2023: 7.75p)
6. Weighted average unexpired lease term (WAULT)	The WAULT is a key measure of the quality of our portfolio. Long lease terms underpin the security of our income stream.	10.1 years at 30 June 2024 (30 June 2023: 12.1 years, 31 December 2023: 11.4 years).
7. Global Real Estate Sustainability Benchmark (GRESB) score	The GRESB score reflects the sustainability of our assets and how well we are managing ESG risks and opportunities. Sustainable assets protect us against climate change and help our clients to operate efficiently.	85/100 and 4 Green Star rating for 2023 (2022: 83/100, 4 Green Star rating) 99/100 and 5 Green Star rating for developments for 2023 and the GRESB 2023 Regional Listed Sector Leader and Regional Sector Leader for Europe, and Global Listed Sector Leader and Global Sector Leader, all for the Industrial sector

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

EPRA performance indicators

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

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

Measure and Definition	Purpose	Performance
1. EPRA Earnings (Diluted) See note 7	A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.	£88.3m / 4.31p per share (H1 2023: £67.2m / 3.60p per share, FY 2023: £113.1m / 6.01p per share).
2. EPRA Net Tangible Assets See note 17	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	£4,448.7m / 179.33p per share as at 30 June 2024 (30 June 2023: £3,420.4m / 183.02p per share, 31 December 2023: £3,372.5m / 177.15p per share).
3. EPRA Net Reinstatement Value (NRV)	Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	£4,885.9m / 196.96p per share as at 30 June 2024 (30 June 2023: £3,775.2m / 202.01p per share, 31 December 2023: £3,715.9m / 195.19p per share).
4. EPRA Net Disposal Value (NDV)	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	£4,601.2m / 185.48p per share as at 30 June 2024 (30 June 2023: £3,682.7m / 197.06p per share, 31 December 2023: £3,501.9m / 183.95p per share)
5 EPRA Net Initial Yield (NIY)	This measure should make it easier for investors to judge for themselves how the valuations of two portfolios compare.	4.36% as at 30 June 2024 (30 June 2023: 4.05%, 31 December 2023: 4.15%).
6 EPRA 'Topped-Up' NIY	This measure should make it easier for investors to judge for themselves how the valuations of two portfolios compare.	4.71% as at 30 June 2024 (30 June 2023: 4.34%, 31 December 2023: 4.60%).
7. EPRA Vacancy	A "pure" (%) measure of investment property space that is vacant, based on ERV.	3.76% as at 30 June 2024 (30 June 2023: 1.9%, 31 December 2023: 2.5%).
8. EPRA Cost Ratio * * Including vacancy costs	A key measure to enable meaningful measurement of the changes in a company's operating costs.	12.5% (H1 2023: 12.6%, FY 2023: 13.1%).
9. EPRA LTV	A key shareholder-gearing metric to determine the percentage of debt comparing to the appraised value of the properties.	31.0% as at 30 June 2024 (30 June 2023: 32.1%, 31 December 2023: 33.3%).

Principal risks and uncertainties

The Audit & Risk Committee, which assists the Board with its responsibilities for managing risk, considers that while some risks may have increased and some risks reduced in the period, all principal risks and uncertainties presented on pages 58-61 of our 2023 Annual Report, dated 29 February 2024, remained valid during the period and we believe will continue to remain valid for the remainder of the year.

In addition, the Audit & Risk Committee consider the development of existing and any new emerging risks that have the potential to impact the business in the future. Given the significance of the UKCM transaction in the period and the execution of its portfolio business plan, and more recently, the change in UK government, both matters were considered new emerging risks. It was noted that it was too early to determine whether either of these emerging risks could materially impact the business and both will continued to be monitored over the short to medium term.

These risks are summarised below:

Property risks

- Tenant default: the risk of one or more of our tenants defaulting
- Portfolio strategy and industry competition: the ability of the Company to execute its strategy and deliver performance
- Performance of the sectors tenants operate in
- Execution of development business plan: there may be a higher degree of risk within our development portfolio

Financial risks

- Debt financing – LTV, availability and cost of debt

Corporate risk

- We rely on the continuance of the manager

Taxation risk

- UK REIT status: we are a UK REIT and have a tax-efficient corporate structure, which is advantageous for UK Shareholders.

Other risks

- Severe economic downturn
- Physical and transition risks from climate change

Statement of directors' responsibilities

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Services Authority, IAS 34 'Interim Financial Reporting',
- the interim management report includes a fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

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

For and on behalf of the Board

Aubrey Adams OBE (Chairman)

6 August 2024

Independent review report to Tritax Big Box REIT plc

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprises the Condensed Group Statement of Comprehensive Income, the Condensed Group Statement of Financial Position, the Condensed Group Statement of Changes in Equity, the Condensed Group Cash Flow Statement and notes to the consolidated accounts

Basis for conclusion

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

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

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410 (Revised), however future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

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

BDO LLP

Chartered Accountants
London, United Kingdom
6 August 2024

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

Condensed group statement of comprehensive income

For the six months ended 30 June 2024

	Note	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Gross rental income		127.5	109.3	222.2
Service charge income		3.0	3.1	6.2
Service charge expense		(3.3)	(3.1)	(6.3)
Net rental income		127.2	109.3	222.1
Other operating income	4	42.3	-	-
Other operating costs		(30.1)	-	-
Net other operating income		12.2	-	-
Administrative and other expenses		(15.6)	(13.8)	(28.9)
Operating profit before changes in fair value and other adjustments¹		123.8	95.5	193.2
Changes in fair value of investment properties		96.5	29.9	(38.1)
Loss on disposal of investment properties		-	(2.0)	(1.6)
Share of profit from joint ventures		-	-	0.4
Fair value movements in financial asset		0.3	-	(0.1)
Impairment of intangible and other property assets		(0.2)	(0.3)	(2.7)
Share-based payment charge	15	-	(2.5)	(2.9)
Changes in fair value of contingent consideration payable	15	-	(0.4)	(0.4)
Extinguishment of B and C share liabilities	15	-	-	(21.1)
Operating profit		220.4	120.2	126.7
Finance income		3.7	4.6	10.4
Finance expense	5	(32.6)	(25.3)	(55.3)
Changes in fair value of interest rate derivatives		(1.3)	2.9	(11.2)
Profit before taxation		190.2	102.4	70.6
Taxation	6	(3.1)	(1.7)	(0.6)
Profit and total comprehensive income		187.1	100.7	70.0
Earnings per share	7	9.14p	5.39p	3.72p

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

Condensed group statement of financial position

As at 30 June 2024

	Note	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Non-current assets				
Intangible assets		0.9	1.2	1.1
Investment property	9	6,220.0	4,766.1	4,843.6
Investment in land options	10	155.9	165.0	157.4
Investment in joint ventures		24.4	26.8	24.8
Financial assets		2.6	2.3	2.3
Other property assets		1.7	2.4	2.3
Trade and other receivables	12	1.0	2.0	1.0
Interest rate derivatives		11.6	22.8	11.1
Total non-current assets		6,418.1	4,988.6	5,043.6
Current assets				
Trade and other receivables	12	41.4	24.6	22.0
Assets held for sale		-	84.3	-
Cash at bank	13	48.1	45.9	36.4
Total current assets		89.5	154.8	58.4
Total assets		6,507.6	5,143.4	5,102.0
Current liabilities				
Deferred rental income		(51.0)	(32.1)	(38.6)
Trade and other payables		(112.3)	(111.4)	(106.9)
Tax liabilities	6	(3.8)	(4.1)	(2.2)
Total current liabilities		(167.1)	(147.6)	(147.7)
Non-current liabilities				
Trade and other payables		(1.0)	(2.0)	(1.0)
Bank borrowings	14	(794.4)	(427.8)	(474.7)
Loan notes	14	(1,141.2)	(1,139.8)	(1,140.5)
Amounts due to B and C shareholders	15	-	(45.1)	-
Deferred Consideration		(4.2)	-	(4.1)
Total non-current liabilities		(1,940.8)	(1,614.7)	(1,620.3)
Total liabilities		(2,107.9)	(1,762.3)	(1,768.0)
Total net assets		4,399.7	3,381.1	3,334.0
Equity				
Share capital		24.8	18.7	19.0
Share premium reserve		49.2	-	49.2
Capital reduction reserve		1,379.6	1,529.8	1,463.9
Merger Reserve		957.1	-	-
Retained earnings		1,989.0	1,832.6	1,801.9
Total equity		4,399.7	3,381.1	3,334.0
Net asset value per share	17	177.36p	180.92p	175.13p
EPRA Net Tangible Asset per share	17	179.33p	183.02p	177.15p

These financial statements were approved by the Board of Directors on 6 August 2024 and signed on its behalf by:

Aubrey Adams, Chairman

Condensed group statement of changes in equity
For the six months ended 30 June 2024

Six months ended 30 June 2024 (unaudited)		Share capital	Share premium	Capital reduction reserve	Merger Reserve	Retained earnings	Total
	Note	£m	£m	£m	£m	£m	£m
1 January 2024		19.0	49.2	1,463.9	-	1,801.9	3,334.0
Profit for the period and total comprehensive income		-	-	-	-	187.1	187.1
		19.0	49.2	1,463.9	-	1,989.0	3,521.1
Contributions and distributions:							
Share issue for UKCM acquisition		5.8	-	-	957.1	-	962.9
Dividends paid	8	-	-	(84.3)	-	-	(84.3)
30 June 2024		24.8	49.2	1,379.6	957.1	1,989.0	4,399.7
<hr/>							
Six months ended 30 June 2023 (unaudited)		Share capital	Share premium	Capital reduction reserve	Merger Reserve	Retained earnings	Total
	Note	£m	£m	£m	£m	£m	£m
1 January 2023		18.7	764.3	835.1	-	1,731.9	3,350.0
Profit for the period and total comprehensive income		-	-	-	-	100.7	100.7
		18.7	764.3	835.1	-	1,832.6	3,450.7
Contributions and distributions:							
Share-based payments		-	-	-	-	2.2	2.2
Cancellation of the share premium account		-	(764.3)	764.3	-	-	-
Transfer of share-based payments to liabilities to reflect settlement		-	-	-	-	(2.2)	(2.2)
Dividends paid	8	-	-	(69.6)	-	-	(69.6)
30 June 2023		18.7	-	1,529.8	-	1,832.6	3,381.1
<hr/>							
Year ended 31 December 2023 (audited)		Share capital	Share premium	Capital reduction reserve	Merger Reserve	Retained earnings	Total
	Note	£m	£m	£m	£m	£m	£m
1 January 2023		18.7	764.3	835.1	-	1,731.9	3,350.0
Profit for the year and total comprehensive income		-	-	-	-	70.0	70.0
		18.7	764.3	835.1	-	1,801.9	3,420.0
Contributions and distributions:							
Shares issued in relation to extinguishment of share-based payment		0.3	49.3	-	-	-	49.6
Transfer between reserves		-	(764.4)	764.4	-	-	-
Share-based payments		-	-	-	-	4.5	4.5
Transfer of share-based payments to liabilities to reflect settlement		-	-	-	-	(4.5)	(4.5)
Dividends paid	8	-	-	(135.6)	-	-	(135.6)
31 December 2023		19.0	49.2	1,463.9	-	1,801.9	3,334.0

Condensed group cash flow statement

For the six months ended 30 June 2024

	Note	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Cash flows from operating activities				
Profits for the period (attributable to the Shareholders)		187.1	100.7	70.0
Tax charge		3.1	1.7	0.6
Changes in fair value of contingent consideration payable		-	0.4	0.4
Finance expense	5	32.6	25.3	55.3
Finance income		(3.7)	(7.4)	(10.4)
Changes in fair value of interest rate derivatives		1.3	(2.9)	11.2
Share-based payment charges		-	2.5	2.9
Extinguishment of B and C share liabilities		-	-	21.1
Impairment of intangible and other property assets		(0.1)	0.3	2.7
Amortisation of other property assets		0.6	-	-
Share of profit from joint ventures		-	-	(0.4)
(Gain)/Loss on disposal of investment properties		-	(29.9)	1.6
Changes in fair value of investment properties		(96.5)	1.7	38.1
Accretion of tenant lease incentive		(11.3)	(4.6)	(16.2)
(Decrease)/ increase in trade and other receivables		(8.4)	2.2	3.5
Increase/(decrease) in deferred income		4.2	(2.6)	3.9
(Increase)/decrease in trade and other payables		(23.0)	6.8	0.6
Cash generated from operations		85.9	94.2	184.9
Taxation (charge)/credit	6	(1.5)	1.3	0.4
Net cash flow generated from operating activities		84.4	95.5	185.3
Investing activities				
Additions to investment properties		(103.5)	(102.1)	(308.9)
Additions to land options		(6.3)	(7.6)	(16.8)
Net cash acquired from the acquisition of UKCM		10.0	-	-
Purchase of equity investment		-	-	(66.6)
Purchase of financial asset		-	-	(2.4)
Additions to joint ventures		-	-	(0.3)
Net proceeds from disposal of investment properties		(0.7)	149.0	326.8
Interest received		0.1	0.1	0.2
Dividends received from joint ventures		0.3	0.4	0.8
Net cash flow (used in)/generated from investing activities		(100.1)	39.8	(67.2)
Financing activities				
Proceeds from issue of Ordinary Share capital		-	-	49.6
Bank borrowings drawn	14	174.0	102.0	409.0
Bank and other borrowings repaid	14	(40.0)	(150.0)	(407.0)
Interest derivatives received	11	2.9	3.1	9.9
Loan arrangement fees paid		(0.1)	(0.2)	(5.1)
Bank interest paid		(28.8)	(22.3)	(47.9)
Interest cap premium paid		(1.8)	-	(2.4)
Dividends paid to equity holders		(78.8)	(69.6)	(135.3)
Net cash flow generated from/(used in) financing activities		27.4	(137.0)	(129.2)
Net increase/(decrease) in cash and cash equivalents for the year		11.7	(1.7)	(11.2)
Cash and cash equivalents at start of period	13	36.2	47.4	47.4
Cash and cash equivalents at end of period	13	47.9	45.7	36.2

Notes to the consolidated accounts

1. Basis of preparation

These condensed consolidated interim financial statements for the 6 months to 30 June 2024 have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Services Authority, IAS 34 'Interim financial reporting' and also in accordance with the measurement and recognition principles of UK adopted international accounting standards. They do not include all of the information required for full annual financial statements and should be read in conjunction with the 2023 Annual Report and Accounts, which were prepared in accordance with UK-adopted International Accounting Standards (IFRS).

The condensed consolidated financial statements for the six months ended 30 June 2024 have been reviewed by the Group's Auditor, BDO LLP, in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity and were approved for issue on 6 August 2024. The condensed consolidated financial statements are unaudited and do not constitute statutory accounts for the purposes of the Companies Act 2006.

The comparative financial information presented herein for the year to 31 December 2023 does not constitute full statutory accounts within the meaning of Section 434 of the Companies Act 2006. The Group's Annual Report and accounts for the year to 31 December 2023 have been delivered to the Registrar of Companies. The Group's independent auditor's report on those accounts was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006.

1.1. Going concern

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

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

The Group has a strong track record around rent collection with no history of significant levels of bad debt or arrears. Generally speaking, we have strong clients with robust balance sheets and strong cash flows. The Directors have also considered the arrears position in light of IFRS 9, expected credit loss model, see Note 12 for further details.

As at 30 June 2024, the Group had an aggregate £547 million of undrawn commitments under its senior debt facilities, of which £118.9 million was committed under various development contracts.

At 30 June 2024 the Group's loan to value ratio stood at 29.9%, with the debt portfolio having an average maturity term of approximately 5.0 years. As at the date of approval of this report, the Group has substantial headroom within its financial loan covenants. As at 30 June 2024 property values would have to fall by approximately 45% before loan covenants are breached.

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

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

2. Significant accounting judgements, estimates and assumptions

The condensed consolidated financial statements have been prepared on the basis of the accounting policies, significant judgements, estimates and key assumptions as set out in the notes to the Group's annual financial statements for the year ended 31 December 2023. No changes have been made to the Group's accounting policies as a result of the amendments and interpretations which became effective in the period as they do not have a material impact on the Group. Full details can be found in the Group's annual financial statements for the year ended 31 December 2023, apart from the below:

2.1 Judgements

Other operating income

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

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

Significant transactions

Some property transactions are large or complex and require management to make judgements when considering the appropriate accounting treatment. These include acquisitions of property through corporate vehicles, which could represent either asset acquisitions or business combinations under IFRS 3.

During the period the Group acquired the entire issued share capital of UK Commercial Property REIT ('UKCM'). UKCM was a real estate investment trust with its operations managed by abrdn Fund Managers Limited ('abrdn'). The management contract with abrdn made them responsible for the operations required to manage the properties owned by the UKCM. Simultaneously on the acquisition, the management contract between abrdn and UKCM was immediately cancelled as the operations of the Group were taken over by Tritax Management LLP who remain Investment Advisor to the enlarged group.

As the Group did not acquire any of UKCM's critical processes which enabled them to create outputs, it was concluded that the transaction did not meet the definition of business combination under IFRS 3, and therefore has been accounted for as an asset acquisition.

The Group acquired all the shares of UKCM in exchange for shares in the Company. The shares issued in consideration for the acquisition qualify for merger relief and as a result no share premium has been recognised. The target operations were solely the ownership of investment properties complete with extant tenant operating leases along with related cash, leverage, other associated assets and working capital balances.

The consideration paid in shares has been allocated across the net assets acquired by fair valuing the debt acquired, fair valuing working capital acquired (given short term nature of the amounts these values have been taken to be cost), fair valuing cash acquired (being principal amount) with the remaining consideration being allocated across the investment properties acquired (refer to note 9).

2.2 Estimates

Fair valuation of Investment property

The market value of Investment property is determined by an independent property valuation expert (see note 9) to be the estimated amount for which a property should exchange on the date of the valuation in an arm's-length transaction. Properties have been valued on an individual basis. The valuation expert uses recognised valuation techniques and the principles of both IAS 40 and IFRS 13.

The valuations have been prepared in accordance with the RICS Valuation – Global Standards January 2022 ("the Red Book"). Factors reflected comprise current market conditions including net initial yield applied, annual rentals, lease lengths and location. The net initial yield, being the most significant estimate, is subject to changes depending on the market conditions which are assessed on a periodic basis. The significant methods and assumptions used by the valuers in estimating the fair value of Investment property, together with the sensitivity analysis on the most subjective inputs, are set out in note 9.

3. Material Accounting Policies

The accounting policies adopted in this report are consistent with those applied in the Group's consolidated financial statements for the year ended 31 December 2023 and are expected to be applied consistently during the year ending 31 December 2024.

3.1 New standard issued and effective from 1 January 2024

The following standard and amendment to existing standards has been applied in preparing the condensed financial statements.

The following amendments are effective for the period beginning 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

There was no material effect from the adoption of the above-mentioned amendments to IFRS effective in the period. They have no significant impact to the Group as they are either not relevant to the Group's activities or require accounting which is already consistent with the Group's current accounting policies.

4. Other operating income

	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
DMA Income	23.4	-	-
Sale of land	18.9	-	-
Other operating income	42.3	-	-

5. Finance expense

	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Interest payable on bank borrowings	15.9	9.9	23.7
Interest payable on loan notes	14.5	14.8	29.7
Commitment fees payable on bank borrowings	1.2	1.0	2.0
Unwinding of deferred consideration	0.2	-	0.1
Amortisation of loan arrangement fees	2.0	1.7	4.4
Unwinding of discount on fixed rate debt	0.4	-	-
	34.2	27.4	59.9
Borrowing costs capitalised against development properties	(1.6)	(2.1)	(4.6)
Finance Expense	32.6	25.3	55.3

6. Taxation

	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Tax charge	(3.1)	(1.7)	(0.6)

The UK corporation tax rate for the financial year is 25%.

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

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

The tax charge in the period relates to the profit which is not exempt from UK corporation tax.

7. Earnings per share

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

The calculation of basic and diluted earnings per share is based on the following:

For the period ended 30 June 2024 (unaudited)

	Net profit attributable to Ordinary Shareholders	Weighted average number of Ordinary Shares¹	Earnings per share
	£m	'000	pence
Basic EPS	187.1	2,046,388	9.14p
Adjustments to remove:			
Changes in fair value of investment property	(96.5)		
Changes in fair value of interest rate derivatives	1.3		
Finance income received on interest rate derivatives	(3.5)		
Share of profit from joint ventures	-		
Changes in fair value of financial asset	(0.3)		
Impairment of intangible contract and other property assets	0.2		
EPRA EPS²	88.3	2,046,388	4.31p
Adjustments to include:			
Fixed rental uplift adjustments	(5.4)		
Amortisation of loan arrangement fees and intangibles (see note 5)	2.6		
Finance income received on interest rate derivatives	3.5		
Adjusted EPS²	89.0	2,046,388	4.35p

1. Based on the weighted average number of Ordinary Shares in issue throughout the period.

2. Based on the weighted average number of Ordinary Shares in issue throughout the period, plus potentially issuable dilutive shares.

For the six months ended 30 June 2023 (unaudited)

	Net profit attributable to Ordinary Shareholders	Weighted average number of Ordinary Shares ¹	Earnings per share
	£m	'000	pence
Basic EPS and diluted EPS²	100.7	1,868,827	5.39p
Adjustments to remove:			
Changes in fair value of investment property	(29.9)		
Changes in fair value of interest rate derivatives	(2.9)		
Finance income received on interest rate derivatives	(4.6)		
Loss on sale of investment properties	2.0		
Tax on disposals	1.7		
Impairment of intangible contract	0.2		
EPRA EPS and EPRA diluted EPS²	67.2	1,868,827	3.60p
Adjustments to include:			
Fixed rental uplift adjustments	(2.8)		
Share-based payments charges	2.5		
Changes in fair value of contingent consideration payable	0.4		
Finance income received on interest rate derivatives	4.6		
Amortisation of loan arrangement fees and intangibles (see note 5)	1.7		
Adjusted EPS and Adjusted diluted EPS²	73.6	1,868,827	3.94p

1. Based on the weighted average number of Ordinary Shares in issue throughout the period.

2. Based on the weighted average number of Ordinary Shares in issue throughout the period, plus potentially issuable dilutive shares.

For the year ended 31 December 2023 (Audited)

	Net profit attributable to Ordinary Shareholders	Weighted average number of Ordinary Shares ¹	Earnings per share
	£m	'000	pence
Basic EPS	70.0	1,881,931	3.72p
Adjustments to remove:			
Changes in fair value of investment property	38.1		
Changes in fair value of interest rate derivatives	11.2		
Finance income received on interest rate derivatives ³	(10.2)		
Share of profit from joint ventures	(0.4)		
Loss on disposal of investment properties	1.6		
Share of profit from joint ventures	2.30		
Changes in fair value of financial asset	0.1		
Impairment of intangible contract and other property assets	0.4		
EPRA EPS²	113.1	1,881,931	6.01p
Adjustments to include:			
Share-based payment charge	2.9		
Fair value movement in contingent consideration	0.4		
Extinguishment of B & C share liabilities ⁴	21.1		
Fixed rental uplift adjustments	(6.2)		
Amortisation of loan arrangement fees and intangibles (see note 5)	4.4		
Finance income received on interest rate derivatives ³	10.2		
Adjusted EPS²	145.9	1,881,931	7.75p

1. Based on the weighted average number of Ordinary Shares in issue throughout the year.

2. Based on the weighted average number of Ordinary Shares in issue throughout the year, plus potentially issuable dilutive shares.

3. Prior to 2023 there was minimal impact on earnings from Group's interest rate hedges. However, due to the change of interest rates in the current year this resulted in a large receipt from these hedging instruments. In accordance with the EPRA guidance it has been taken out of EPRA earnings however it has been added back into adjusted earnings as this gives a better reflection of the Group's net interest expense which is supported by cashflows.

4. This is a once-off charge in the current year relating to the B and C settlement (please refer to note 15 for further details).

Adjusted earnings is a performance measure used by the Board to assess the Group's dividend payments. The metric reduces EPRA earnings by other non-cash items credited or charged to the Group Statement of Comprehensive Income, such as fixed rental uplift adjustments, amortisation of loan arrangement fees and also for one-off items in the prior period such as the early extinguishment of the liability to the B and C shareholders. EPRA guidance requires the removal of cash received from interest rate hedges, but it has been added back into adjusted earnings as this gives a better reflection of the Group's net interest expense which is supported by cashflows.

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

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

8. Dividends paid

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Fourth interim dividend in respect of period ended 31 December 2022 at 1.975 pence per Ordinary Share (fourth interim for 31 December 2021 at 1.900 pence per Ordinary Share)	-	36.9	36.9
First interim dividend in respect of year ended 31 December 2023 at 1.750 pence per Ordinary Share (31 December 2022: 1.675 pence)	-	32.7	32.7
Second interim dividend in respect of year ended 31 December 2023 at 1.750 pence per Ordinary Share (31 December 2022: 1.675 pence)	-	-	32.7
Third interim dividend in respect of year ended 31 December 2023 at 1.750 pence per Ordinary Share (31 December 2022: 1.675 pence)	-	-	33.3
Fourth interim dividend in respect of period ended 31 December 2023 at 2.050 pence per Ordinary Share	39.0	-	-
First interim dividend in respect of year ended 31 December 2024 at 1.825 pence per Ordinary Share	45.3	-	-
Total dividends paid	84.3	69.6	135.6
Total dividends paid for the period (pence per share)	1.825	1.750	5.250
Total dividends unpaid but declared for the period (pence per share)	1.825	1.750	2.050
Total dividends declared for the period (pence per share)	3.65	3.50	7.30

On 6 August 2024, the Company approved the declaration of the second interim dividend in respect of the year ended 31 December 2024 of 1.825 pence per share payable on 6 September 2024. In relation to the total dividends declared for the period of 3.65 pence, 3.65 pence is a property income distribution (PID).

9. Investment property

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

Colliers value all land holdings either owned or held under option. The valuations have been prepared in accordance with the RICS Valuation – Global Standards January 2022 ("the Red Book") and incorporate the recommendations of the International Valuation Standards which are consistent with the principles set out in IFRS 13.

The valuers, in forming their opinion, makes a series of assumptions, which are market related, such as Net Initial Yields and expected rental values, and are based on the valuer's professional judgement. The valuers have sufficient current local and national knowledge of the particular property markets involved and has the skills and understanding

to undertake the valuations competently. There have been no changes to the assumptions made in the period as a result of a range of factors including the macro-economic environment, availability of debt finance and physical and transition risks relating to climate change.

The valuers of the Group's property portfolio have a working knowledge of the various ways that sustainability and Environmental, Social and Governance factors can impact value and have considered these, and how market participants are reflecting these in their pricing, in arriving at their Opinion of Value and resulting valuations as at the balance sheet date. Currently assets with the highest standards of ESG are commanding higher rental levels, have lower future capital expenditure requirements, and are transacting at lower yields.

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

All corporate acquisitions during the period and prior period have been treated as asset purchases rather than business combinations because they are considered to be acquisitions of properties rather than businesses.

(unaudited)	Investment property freehold £m	Investment property long leasehold £m	Investment property under construction £m	Total £m
As at 1 January 2024	4,004.3	580.9	258.4	4,843.6
Property additions ¹	1,081.8	95.0	104.8	1,281.6
Fixed rental uplift and tenant lease incentives ²	10.8	1.4	-	12.2
Disposals	-	-	(21.7)	(21.7)
Transfer of completed property to investment property	61.7	-	(61.7)	-
Transfer from land options	-	-	7.8	7.8
Change in fair value during the period	65.3	2.5	28.7	96.5
As at 30 June 2024	5,223.9	679.8	316.3	6,220.0

(unaudited)	Investment property freehold £m	Investment property long leasehold £m	Investment property under construction £m	Total £m
As at 1 January 2023	3,811.2	637.2	398.9	4,847.3
Property additions	0.2	-	93.6	93.8
Fixed rental uplift and tenant lease incentives ²	7.1	0.3	-	7.4
Assets transferred to held for sale	(84.3)	-	-	(84.3)
Property disposed in the year	(75.7)	(52.3)	-	(128.0)
Transfer of completed property to investment property	173.5	-	(173.5)	-
Change in fair value during the period	31.8	2.4	(4.3)	29.9
As at 30 June 2023	3,863.8	587.6	314.7	4,766.1

(unaudited)	Investment property freehold £m	Investment property long leasehold £m	Investment property under construction £m	Total £m
As at 1 January 2023	3,811.2	637.2	398.9	4,847.3
Property additions	109.1	0.1	195.8	305.0
Fixed rental uplift and tenant lease incentives ²	20.3	0.7	-	21.0
Disposals	(256.2)	(52.2)	-	(308.4)
Transfer of completed property to investment property	357.2	-	(357.2)	-
Transfer from land options	-	-	16.8	16.8
Change in fair value during the year	(37.3)	(4.9)	4.1	(38.1)
As at 31 December 2023	4,004.3	580.9	258.4	4,843.6

¹ Acquisitions include UKCM assets at a valuation of £1,216.8 million less a price discount on acquisition of £53.2 million and other acquisitions of £118.0 million.

² Included within the carrying value of Investment property is £103.8 million (31 December 2023: £91.6 million and 30 June 2023: £78.0 million) in respect of accrued contracted rental uplift income. This balance arises as a result of the IFRS treatment of leases with fixed or minimum rental uplifts and rent-free periods, which requires the recognition of rental income on a straight-line basis over the lease term. The difference between this and cash receipts change the carrying value of the property against which revaluations are measured.

30 June

30 June

31 December

	2024	2023	2023
	£m	£m	£m
Investment property at fair value per Group Statement of Financial Position	6,220.0	4,766.1	4,843.6
Assets held for sale at fair value	-	84.3	-
Total investment property valuation	6,220.0	4,850.4	4,843.6

The Group has other capital commitments which represent commitments made in respect of direct construction, asset management initiatives and development land (refer to note 19).

Fees payable under the DMA totalling £1.2 million (31 December 2023: £nil and June 2023: £nil) have been capitalised in the period being directly attributable to the ongoing development projects.

Valuation risk

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

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

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

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

Fair value hierarchy

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

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

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

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

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

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

Unobservable input: estimated rental value (ERV)

The rent per square foot at which space could be let in the market conditions prevailing at the date of valuation.

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

Unobservable input: net initial yield

The net initial yield is defined as the initial gross income as a percentage of the market value (or purchase price as appropriate) plus standard costs of purchase

30 June 2024
Unobservable Inputs

	ERV range	ERV Average	Net initial yield	Net initial yield
	£ psf	£ psf	range %	average%
Industrials				
South East	5.46 - 17.54	11.05	1.56 - 5.72	4.61%
South West	6.75 - 11.51	9.13	4.75 - 4.94	4.85%
East Midlands	6.30 - 12.82	8.38	3.63 - 6.67	5.00%
West Midlands	7.07 - 10.46	8.35	0.00 - 6.50	4.30%
Yorkshire and the Humber	5.82 - 27.93	9.29	4.40 - 6.36	5.11%
North East	3.91 - 4.25	4.08	4.75 - 4.83	4.79%
North West	5.01 - 17.61	9.37	4.16 - 5.97	5.05%
Scotland	4.30 - 6.83	5.88	5.50 - 7.23	6.54%

30 June 2024
Unobservable Inputs

	ERV range	ERV Average	Net initial yield	Net initial yield
	£ psf	£ psf	range %	average%
Non industrials				
South East	16.80 - 33.01	24.27	5.49 - 8.07	6.81%
South West	12.59 - 44.20	24.93	5.24 - 9.17	6.97%
West Midlands	24.50 - 24.50	24.50	8.98 - 8.98	8.98%
North East	14.30 - 22.68	18.49	5.55 - 10.58	8.06%
Scotland	10.07 - 46.84	31.67	4.11 - 11.14	7.23%

30 June 2023
Unobservable Inputs

	ERV range	ERV Average	Net initial yield	Net initial yield
	£ psf	£ psf	range %	average%
Industrials				
South East	5.46 - 16.80	10.35	3.65 - 5.62	4.56%
South West	6.50 - 7.00	6.75	4.00 - 4.75	4.38%
East Midlands	5.88 - 11.25	7.62	3.55 - 5.82	4.58%
West Midlands	6.69 - 9.09	7.59	4.00 - 5.75	4.72%
Yorkshire and the Humber	5.96 - 7.50	6.72	4.29 - 5.25	4.72%
North East	3.91 - 4.25	4.08	4.61 - 4.79	4.70%
North West	4.95 - 11.25	7.80	4.10 - 5.92	4.94%

31 December 2023
Unobservable Inputs

	ERV range	ERV Average	Net initial yield	Net initial yield
	£ psf	£ psf	range %	average%
Industrials				
South East	5.46 - 16.81	10.20	3.86 - 5.82	4.77%
South West	6.50 - 6.50	6.50	4.75 - 4.75	4.75%
East Midlands	6.39 - 11.25	7.88	3.75 - 5.82	4.72%
West Midlands	6.82 - 9.96	8.10	3.27 - 6.00	4.54%
Yorkshire and the Humber	6.20 - 8.00	6.99	4.32 - 6.00	4.96%
North East	3.91 - 4.25	4.08	4.75 - 4.83	4.79%
North West	5.00 - 11.25	7.95	4.23 - 5.75	4.90%

Sensitivities of measurement of significant unobservable inputs

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

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

	-5% in passing rent £m	+5% in passing rent £m	+0.25% Net Initial yield £m	-0.25% Net Initial Yield £m
(Decrease)/increase in the fair value of investment properties as at 30 June 2024	(295.2)	295.2	(297.4)	330.9
(Decrease)/increase in the fair value of investment properties as at 30 June 2023	(226.8)	226.8	(242.1)	271.0
(Decrease)/increase in the fair value of investment properties as at 31 December 2023	(229.3)	229.3	(238.2)	265.9

10. Investment in land options

	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Opening balance	157.4	157.4	157.4
Costs capitalised in the period	6.3	7.6	16.8
Transferred to investment property	(7.8)	-	(16.8)
Closing balance	155.9	165.0	157.4

11. Interest rate derivatives

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

12. Trade and other receivables

	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Non-current trade and other receivables	1.0	2.0	1.0

The cash in public institutions is a deposit of £1.0 million paid by certain tenants as part of their lease agreements.

	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Trade receivables	22.9	9.5	9.4
Prepayments, accrued income and other receivables	18.5	9.6	7.4
VAT	-	5.5	5.2
	41.4	24.6	22.0

The carrying value of trade and other receivables classified at amortised cost approximates fair value. The increase in trade receivables in the period was due to the trade debtors acquired through the UKCM acquisition of £12.0 million, DMA income receivable of £14.0 million and the reduction in VAT of £5.2 million.

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

are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's clients. The expected credit loss provision for June 2024 was £0.3 million (June 2023: £0.3 million and December 2023: £0.3 million). The incurred loss provision in the current and prior period are immaterial. No reasonably possible changes in the assumptions underpinning the expected credit loss provision would give rise to a material expected credit loss.

13. Cash held at bank

	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) £m
Cash and cash equivalents to agree with cash flow	47.9	45.7	36.2
Restricted cash	0.2	0.2	0.2
	48.1	45.9	36.4

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

14. Borrowings

The Group has a £300 million and £500 million unsecured revolving credit facility (RCF) which provides the Group with a significant level of operational flexibility. Both facilities are provided by a syndicate of relationship lenders formed of large multi-national banks. During the period the Group acquired an undrawn RCF of £150 million provided by one lender through the acquisition of UKCM on 16 May 2024.

As at 30 June 2024, 77% (December 2023: 80% and June 2023: 83%), of the Group's drawn debt is fixed term, with 23% floating term (December 2023: 20% and June 2023: 17%). When including interest rate hedging the Group has fixed term or hedged facilities totaling 95% of drawn debt for 30 June 2024 (December 2023: 96% and June 2023: 100%).

As at 30 June 2024, the weighted average cost of debt was 3.05% (December 2023: 2.93% and June 2023: 2.56%). As at the same date the Group had undrawn debt commitments of £547 million (and 31 December 2023: £531 million and 30 June 2023: £531 million).

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

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

	30 June 2024 (unaudited) £m	30 June 2023 (unaudited) £m	31 December 2023 (audited) £m
At the beginning of the period	481.9	479.9	479.9
Bank borrowings drawn in the period under existing facilities	174.0	102.0	215.0
Bank borrowings repaid in the period under existing facilities	(40.0)	(150.0)	(260.0)
Cancellation of bank borrowing facility	-	-	(147.0)
New bank borrowing facility	-	-	194.0
Book value of UKCM borrowings	200.0	-	-
Total bank borrowings drawn	815.9	431.9	481.9

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

	30 June 2024 (unaudited) £m	30 June 2023 (unaudited) £m	31 December 2023 (audited) £m
Bank borrowings drawn: due in more than one year	815.9	431.9	481.9
Less: unamortised costs on bank borrowings	(7.2)	(4.1)	(7.2)
Fair value gain on UKCM borrowings on acquisition	(14.3)	-	-
	794.4	427.8	474.7

Loan notes

Bonds	30 June 2024 (unaudited) £m	30 June 2023 (unaudited) £m	31 December 2023 (audited) £m
2.625% Bonds 2026	249.7	249.6	249.7
3.125% Bonds 2031	248.2	247.9	248.0
2.860% USPP 2028	250.0	250.0	250.0
2.980% USPP 2030	150.0	150.0	150.0
1.500% Green Bonds 2033	247.2	246.9	247.1
Less: unamortised costs on loan notes	(3.9)	(4.6)	(4.3)
	1,141.2	1,139.8	1,140.5

The weighted average term to maturity of the Group's debt as at the period end is 5.0 years (30 June 2023: 4.9 years and 31 December 2023: 5.2 years).

Maturity of borrowings

	30 June 2024 (unaudited) £m	30 June 2023 (unaudited) £m	31 December 2023 (audited) £m
Repayable between one and two years	132.0	129.0	-
Repayable between two and five years	1,083.9	680.0	909.9
Repayable in over five years	750.0	772.9	722.0
	1,965.9	1,581.9	1,631.9

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

	Book value	Fair value	Book value	Fair value	Book value	Fair value
	30 June	30 June	30 June	30 June	31	31
	2024	2024	2023	2023	December	December
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	2023	2023
	£m	£m	£m	£m	(audited)	(audited)
					£m	£m
Financial assets						
Interest rate derivatives	11.6	11.6	22.8	22.8	11.1	11.1
Trade and other receivables ¹	22.9	22.9	9.6	9.6	9.4	9.4
Cash held at bank	48.1	48.1	45.9	45.9	36.4	36.4
Financial liabilities						
Trade and other payables ²	98.9	98.9	94.2	94.2	90.1	90.1
Amounts due to B and C shareholders	-	-	45.1	45.1	-	-
Borrowings	1,961.0	1,794.9	1,581.9	1,316.2	1,626.7	1,485.3

1. Excludes certain VAT, prepayments and other debtors.

2. Excludes tax and VAT liabilities

Interest rate derivatives are measured at fair value through profit and loss. All other financial assets and all financial liabilities are measured at amortised cost. All financial instruments were designated in their current categories upon initial recognition.

The Group has two fixed rate loans totalling £162 million, provided by PGIM (£90 million) and Canada Life (£72 million). During the period an additional two fixed rate loans totalling of £200 million provided by Barings were acquired as a result of the acquisition of UKCM. The fair value is determined by comparing the discounted future cash flows using the contracted yields with the reference gilts plus the margin implied. The reference gilts used were the Treasury 1.25% 2027 Gilt and Treasury 4.75% 2030 Gilt respectively, with an implied margin that is unchanged since the date of fixing. The loans are considered to be a Level 2 fair value measurement. For all other bank loans there is considered no other difference between fair value and carrying value.

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

The fair value of the financial liabilities at Level 1 fair value measure were £1,001.3 million (Dec 2023: £1,012.1 million and June 2023: £907.3 million) and the financial liabilities at Level 2 fair value measure were £339.7 million (Dec 2023: £143.8 million and June 2023: £139.1 million).

15. Amounts due to B and C Shareholders (relates to the year end December 2023 and period end June 2023 only)

The Group acquired an 87% economic interest in Tritax Symmetry on 19 February 2019, a development group with ownership of a combination of land and land options.

The B and C Shares issued to Symmetry Management Shareholders were treated as a combination of both contingent consideration for the acquisition of a 13% economic interest in the Symmetry portfolio and a 13% economic right held to their share of future performance of the Tritax Symmetry Development assets. This was a result of certain vesting conditions attached to the B and C Shares over the first five years of the contract.

A non-controlling interest was not recognised at the acquisition date for the 13% economic interest held by the Symmetry Management Shareholders due to the put and call options attached to the shares issued.

In August 2023, the Group completed the early buy back of the 13% non-controlling interest in Tritax Symmetry. The Group paid £66.6 million for this interest, via a combination of cash and shares, thus settling the B and C liability which was carried on the Statement of Financial Position at £45.5 million, therefore incurring an accelerated early extinguishment charge of £21.1 million.

The early buyback of the 13% non-controlling interest means that the full future value created within the Symmetry portfolio will now accrue to the Group.

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

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

	Contingent consideration £m	Share-based payment £m	Extinguishment £m	Fair value £m
Opening balance - 1 January 2023	25.6	16.6	-	42.2
Fair value movement recognised	0.4	-	-	0.4
Share-based payment charge	-	2.9	-	2.9
Extinguishment of B and C share liabilities	-	-	21.1	21.1
Settlement of liabilities	(26.0)	(19.5)	(21.1)	(66.6)
Closing balance - 31 December 2023 and 30 June 2024	-	-	-	-

	Contingent consideration £m	Share-based payment £m	Extinguishment £m	Fair value £m
Opening balance - 1 January 2023	25.6	16.6	-	42.2
Fair value movement recognised	0.4	-	-	0.4
Share-based payment charge	-	2.5	-	2.5
Closing balance - 30 June 2023	26.0	19.1	-	45.1

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

1) Contingent consideration

The B and C Shares vested over a five-year period and required the Symmetry Management Shareholders to, amongst other things, remain in the employment of the Symmetry ManCo for the vesting period. The value of the amount due (subject to certain vesting conditions) was the lower of 50% of the adjusted NAV of Tritax Symmetry at the relevant future point in time and the value of the B and C Shares at the original completion date. Based on the above, the range of possible outcome was between £nil to £38 million. In accordance with IFRS 3 "Business Combinations" the unconditional amount due under Shareholders agreement is accounted for as contingent consideration.

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

2) Share-based payment

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

The fair value of the B and C Shares was previously calculated using a Monte Carlo simulation model, for the cash settled element of the liability. This approach has the benefits of being flexible, not reliant on a single case scenario and removes the inherent difficulties with determining discount rate to assign to a particular class of share as the risk would change every time the NAV moved. The change in volatility assumptions does not lead to a significant change

in the resulting fair values of the B and C Shares because there are limited hurdles attached to them and it is assumed that all will be exercised at some point over the eight year horizon. The key unobservable inputs for the Monte Carlo simulation purposes are the Net Initial Yield of completed developments, future costs of debt and the timing of the completion of the developments.

Amounts due to B and C Shareholders were shown as a liability at fair value in the Group Statement of Financial Position. The liability was fair valued at each reporting date with a corresponding charge recognised in the Group profit or loss over the vesting period. For the year ended 31 December 2023, £2.9 million (2022: £1.9 million) was charged in the Group profit or loss for the share-based payment.

3) Extinguishment of B and C shares

In August 2023, the Group completed the acquisition of the 13% Symmetry Management Shareholders' equity interest in Tritax Symmetry Holdings Limited (TSHL), which formed part of the contingent consideration following its acquisition in February 2019.

The B and C Non-Hurdle Shares in TSHL, were acquired for a total consideration of £65.0 million, and were settled through a combination of cash and the issue of new Ordinary Shares in the Company, upon which meant the founding Directors (excluding Andrew Dickman) fully stepped away from the business.

In conjunction, the Group also purchased the remaining C Hurdle Shares in TSHL, awarded under the previous arrangements, valued at £1.6 million as at 30 June 2023, also for a combination of cash and the issue of new Ordinary Shares.

The total consideration paid was £66.6 million. Subsequently £49.6 million was invested into 34.9 million new Ordinary Shares issued at a price of 142 pence per share.

Under the previous arrangement, the Company had an ability to buyback the remaining B and C shares post December 2026, therefore this, was in part, an acceleration of the charge to EPRA NTA that would have been expected to be charged during the period June 2023 to December 2026.

Following the acquisition, the full quota of B and C shares (equivalent to the 13% equity interest) were extinguished and the Company now owns 100% of TSHL and the full economic rights to all future value created from the Symmetry development portfolio. The B and C share liability recognised within the Statement of Financial Position, as at 30 June 2023, was £45.1 million and therefore a resultant early extinguishment charge has been recognised in the Statement of Comprehensive Income of £21.1 million during the year.

The charge expected to EPRA NTA resulting from the early settlement, including the issue of the new Ordinary Shares amounted to approximately 1.8 pence, or 1.0% of EPRA NTA.

16. Equity reserves

Share capital

The share capital relates to amounts subscribed for share capital at its nominal value. The Company had 2,480,677,459 shares of nominal value of 1 pence each in issue at the end of the period 30 June 2024 (30 June 2023: 1,868,826,992 shares and 31 December 2023: 1,903,738,325 shares).

	30 June 2024 (unaudited)	30 June 2023 (unaudited)	31 December 2023 (audited)
	£m	£m	£m
Issued and fully paid at 1 pence each			
Balance at the beginning	19.0	18.7	18.7
Shares issued in relation to extinguishment of share based payments	-	-	0.3
Shares issued in relation to the UKCM Acquisition	5.8	-	-
Balance at end of the period	24.8	18.7	19.0

On 17 May 2024 the Company issued 577 million ordinary shares at 166.9p per share (1p nominal value and a premium of 165.9p). The shares were issued as consideration for the acquisition of 100% of the issued share capital of UK Commercial Property REIT. UK Commercial Property REIT shareholders were entitled to receive 0.444 shares for each UK Commercial Property REIT share held.

Share premium

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

Capital reduction reserve

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

Merger Reserve

Movements in the current period relate to the shares issued in relation the UKCM merger as described above.

Retained earnings

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

17. Net asset value (NAV) per share

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

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

	30 June 2024 (unaudited) £m	30 June 2023 (unaudited) £m	31 December 2023 (audited) £m
Net assets per Group Statement of Financial Position	4,399.7	3,381.1	3,334.0
EPRA NTA	4,448.7	3,420.4	3,372.5
Ordinary Shares:			
Issued share capital (number)	2,480,677,459	1,868,826,992	1,903,738,325
Net asset value per share	177.36p	180.92p	175.13p

	30 June 2024			30 June 2023			31 December 2023		
	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m
NAV attributable to shareholders	4,399.7	4,399.7	4,399.7	3,381.1	3,381.1	3,381.1	3,334.0	3,334.0	3,334.0
Revaluation of land options	35.4	35.4	35.4	41.4	41.4	41.4	26.5	26.5	26.5
Mark-to-market adjustments of derivatives	14.5	14.5	-	(0.9)	(0.9)	-	13.1	13.1	-
Intangibles	(0.9)	-	-	(1.2)	-	-	(1.1)	-	-
Fair value of debt	-	-	166.1	-	-	260.2	-	-	141.4
Real estate transfer tax ¹	-	436.3	-	-	353.6	-	-	342.3	-
NAV	4,448.7	4,885.9	4,601.2	3,420.4	3,775.2	3,682.7	3,372.5	3,715.9	3,501.9
NAV per share	179.33p	196.96p	185.48p	183.02p	202.01p	197.06p	177.15p	195.19p	183.95p

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

18. Transactions with related parties

For the half year 30 June 2024, all Directors and some of the Members of the Manager are considered key management personnel. The terms and conditions of the Investment Management Agreement are described in the Management Engagement Committee Report within the 2023 Annual Report.

The total amount payable in the period relating to the Investment Management Agreement was £11.4 million (30 June 2023: £10.8 million, 31 December 2023: £22.0 million), with the total amount outstanding at the period end was £5.9 million (30 June 2023: £5.4 million and 31 December 2023: £5.6 million).

The Manager receives a net fee relating to asset management services provided to three properties which are 4% owned by the Group, amounting to £0.05 million for the period ended 30 June 2024 (30 June 2023: £0.05 million).

The amounts paid to Directors for their services for the period to 30 June 2024 was £0.2 million (30 June 2023: £0.2 million and 31 December 2023: £0.4 million).

The total expense recognised in the Group profit or loss relating to share-based payments under the Investment Management Agreement was £2.3 million (30 June 2023: £1.1 million and 31 December 2023: £4.4 million), of which £2.3 million (30 June 2022: £1.1 million and 31 December 2022: £2.7 million) was outstanding at the period end.

The Members of the Manager who are considered as key management personnel are Colin Godfrey, James Dunlop, Henry Franklin, Petrina Austin, Bjorn Hobart, and Frankie Whitehead. The other Members of the Manager are Alasdair Evans, James Watson, Philip Redding and Abrdn Holdings Limited

During the period the Directors who served during the period received the following dividends: Aubrey Adams: £10,395 (June 2023: £8,940 and December 2023: £17,340), Alastair Hughes: £2,354 (June 2023: £1,731 and December 2023: £3,358), Richard Laing: £2,460 (June 2023: £1,863 and December 2023: £3,613), Karen Whitworth: £1,734 (June 2023: £1,144, December 2023: £2,218), Wu Gang £210 (June 2023: £97, December 2023: £188) and Elizabeth Brown £790 (June 2023: £541, December 2023: £1,255).

During the period the Members of the Manager, who are considered key management personnel, received the following dividends: Colin Godfrey: £113,588 (June 2023: £100,578 and December 2023: £196,830), James Dunlop: £111,172 (June 2023: £98,255 and December 2023: £194,074), Henry Franklin: £82,469 (June 2023: £73,185 and December 2023: £144,283), Petrina Austin: £14,885 (June 2023: £12,893 and December 2023: £25,334), Bjorn Hobart: £17,001 (June 2023: £14,626 and December 2023: £29,198) and Frankie Whitehead £8,505 (June 2023: £6,760 and December 2023: £13,766).

19. Capital commitments

The Group had capital commitments of £118.9 million in relation to its development assets, active asset management initiatives and commitments under development land, outstanding as at 30 June 2024 (30 June 2023: £141.3 million, 31 December 2023: £128.1 million). All commitments fall due within eighteen months from the date of this report.

20. Subsequent events

On 26 July 2024, the Group refinanced the £150 million Barclays RCF via entry into a new £150 million two-year facility, split £75 million term loan and £75 million RCF. In doing so, the revised facility was provided on an unsecured basis and so all previous security was released, with a margin reduction from 190bps to it now falling in line with the Group's corporate RCF pricing. The facility has two separate, one-year extension options available to it (subject to lender consent).

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

1. Adjusted earnings - income statement

The Adjusted earnings reflects our ability to generate earnings from our portfolio, which ultimately underpins dividend payments.

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Gross rental income	127.5	109.3	222.2
Service charge income	3.0	3.1	6.2
Service charge expense	(3.3)	(3.1)	(6.3)
Fixed rental uplift adjustments	(5.4)	(2.9)	(6.2)
Net rental income	121.8	106.4	215.9
Other operating income	12.2	-	-
Administrative expenses	(15.6)	(13.8)	(28.9)
Amortisation of other property assets	-	-	-
Adjusted operating profit before interest and tax	118.4	92.6	187.0
Net finance costs	(28.9)	(20.7)	(44.9)
Amortisation of loan arrangement fees	2.6	1.7	4.4
Adjusted earnings before tax	92.1	73.6	146.5
Tax on adjusted profit	(3.1)	-	(0.6)
Adjusted earnings after tax	89.0	73.6	145.9
Adjustment to remove additional DMA income ¹	(5.1)	-	-
Adjusted earnings (Exc. additional DMA income)	83.9	73.6	145.9
Weighted average number of Ordinary Shares	2,046,388,111	1,868,826,992	1,881,930,698
Adjusted earnings per share	4.35p	3.94p	7.75p
Adjusted earnings per share (Exc. additional DMA income)	4.10p	3.94p	7.75p

¹ Additional DMA income constitutes other operating income exceeding £4.0 million, net of associated tax.

2. EPRA earnings per share

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Total comprehensive income (attributable to shareholders)	187.1	100.7	70.0
Adjustments to remove:			
Changes in fair value of investment properties	(96.5)	(29.9)	38.1
Changes in fair value of interest rate derivatives	1.3	(2.9)	11.2
Changes in fair value of financial asset	(0.3)	(4.6)	0.1
Share of profit from joint ventures	-	-	(0.4)
Loss on disposal of investment properties	-	2.0	1.6
Finance income received on interest rate derivatives	(3.5)	1.7	(10.2)
Impairment of intangible and other property assets	0.2	0.2	2.7
Profits to calculate EPRA Earnings per share	88.3	67.2	113.1
Weighted average number of Ordinary Shares	2,046,388,111	1,868,826,992	1,881,930,698
EPRA Earnings per share	4.31p	3.60p	6.01p

3. EPRA NAV per share

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

30 June 2024

	Note	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m
NAV attributable to shareholders		4,399.7	4,399.7	4,399.7
Revaluation of land options		35.4	35.4	35.4
Mark-to-market adjustments of derivatives		14.5	14.5	-
Intangibles		(0.9)	-	-
Fair value of debt		-	-	166.1
Real estate transfer tax ¹		-	436.3	-
At 30 June 2024	17	4,448.7	4,886.0	4,601.2
NAV per share		179.33p	196.96p	185.48p

30 June 2023

	Note	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m
NAV attributable to shareholders		3,381.1	3,381.1	3,381.1
Revaluation of land options		41.4	41.4	41.4
Mark-to-market adjustments of derivatives		(0.9)	(0.9)	-
Intangibles		(1.2)	-	-
Fair value of debt		-	-	260.2
Real estate transfer tax ¹		-	353.6	-
At 30 June 2023	17	3,420.4	3,775.2	3,682.7
NAV per share		183.02p	202.01p	197.06p

31 December 2023

	Note	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m
NAV attributable to shareholders		3,334.0	3,334.0	3,334.0
Revaluation of land options		26.5	26.5	26.5
Mark-to-market adjustments of derivatives		13.1	13.1	-
Intangibles		(1.1)	-	-
Fair value of debt		-	-	141.4
Real estate transfer tax ¹		-	342.3	-
At 31 December 2023	17	3,372.5	3,715.9	3,501.9
NAV per share		177.15p	195.19p	183.95p

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

4. EPRA net initial yield (NIY) and EPRA “topped up” NIY

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Investment property – wholly owned	6,220.0	4,978.4	4,843.7
Investment property – share of joint ventures	4.4	4.2	4.2
Less: development properties	(276.9)	(318.8)	(262.7)
Completed property portfolio	5,947.5	4,663.8	4,585.2
Allowance for estimated purchasers' costs	401.5	316.2	309.5
Gross up completed property portfolio valuation (B)	6,349.0	4,980.0	4,894.7
Annualised passing rental income	303.4	224.0	225.3
Less: contracted rental income in respect of development properties	(9.6)	(12.5)	(4.6)
Property outgoings	(0.3)	-	(0.2)
Less: contracted rent under rent-free period	(16.5)	(9.6)	(17.5)
Annualised net rents (A)	277.0	201.9	203.0
Contractual increases for fixed uplifts	21.9	14.3	22.1
Topped up annualised net rents (C)	298.9	216.2	225.1
EPRA net initial yield (A/B)	4.36%	4.05%	4.15%
EPRA topped up net initial yield (C/B)	4.71%	4.34%	4.60%

5. EPRA vacancy rate

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Annualised estimated rental value of vacant premises	13.7	4.8	6.7
Portfolio estimated rental value	364.3	255.5	268.2
EPRA Vacancy rate	3.76%	1.90%	2.50%

6. EPRA cost ratio

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Property operating costs	0.3	-	0.2
Administration expenses	4.2	3.0	6.9
Management fees	11.4	10.8	22.0
Exclude: Service charge costs recovered through rents but not separately invoiced	-	-	-
Total costs including and excluding vacant property costs (A)	15.9	13.8	29.1
Vacant property cost	(0.1)	-	(0.1)
Total costs excluding vacant property costs (B)	15.8	13.8	29.0
Gross rental income – per IFRS	127.5	109.3	222.2
Less: Service charge cost components of gross rental income	-	-	-
Gross rental income (C)	127.5	109.3	222.2
Total EPRA cost ratio (including vacant property costs)	12.5%	12.6%	13.1%
Total EPRA cost ratio (excluding vacant property costs)	12.4%	12.6%	13.1%

7. EPRA like-for-like rental income

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Change £m	Change %
Like-for-like rental income	99.3	97.3		
Other rental income	0.2	0.2		
Like-for-like gross rental income	99.5	97.5	2.0	2.1%
Irrecoverable property expenditure	(0.3)	(0.2)		
Like-for-like net rental income	99.2	97.3	1.9	2.0%
Reconciliation to Net rental income per Statement of Comprehensive Income:				
Development properties	12.6	6.1		
Properties acquired	13.0	-		
Properties disposed	-	5.9		
Once-off adjustment	2.4	-		
Total per Statement of Comprehensive Income	127.2	109.3	17.9	16.4%

8. EPRA property-related capital expenditure

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Acquisition ¹	1,176.8	0.3	109.2
Development ²	117.3	99.1	208.1
Transfers to Investment Property	(7.8)	-	(16.8)
Investment properties:			
Tenant incentives ³	12.2	7.4	21.0
Capitalised interest	1.6	2.1	4.6
Total Capex	1,300.1	108.9	326.1
Share for share acquisition of UKCM	(1,163.6)	-	-
Conversion from accrual to cash basis	(11.3)	(6.8)	(17.2)
Total Capex on a cash basis	125.2	102.1	308.9

¹ See note 9

² See note 9 and note 10

³ Fixed rental uplift and tenant lease incentives after adjusting for amortisation on rental uplift and tenant lease incentives.

9. Total Accounting Return (TAR)

	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
Opening EPRA NTA	177.15p	180.37p	180.37p
Closing EPRA NTA	179.33p	183.02p	177.15p
Change in EPRA NTA	2.18p	2.65p	(3.22p)
Dividends paid	3.88p	3.725p	7.23p
Total growth in EPRA NTA plus dividends paid	6.06p	6.38p	4.01p
Total return	3.4%	3.5%	2.2%
One-off transactional costs	-	-	-
Total return excluding one-off transactional costs	3.4%	3.5%	2.2%

10. Loan to value ratio

The proportion of our gross asset value that is funded by net borrowings.

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Gross debt drawn	1,961.0	1,576.3	1,626.7
Less: cash	(48.1)	(45.9)	(36.4)
Net debt	1,912.9	1,530.4	1,590.3
Gross property value	6,404.6	5,043.4	5,030.4
Loan to value ratio	29.9%	30.3%	31.6%

11. EPRA Loan to value ratio

The proportion of our gross asset value that is funded by net borrowings.

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Gross debt drawn	1,961.0	1,576.3	1,626.7
Working capital ¹	74.7	91.0	87.1
Less: cash	(48.1)	(45.9)	(36.4)
Net debt	1,987.6	1,621.4	1,677.4
Gross property value	6,404.6	5,043.4	5,030.4
Loan to value ratio	31.0%	32.1%	33.3%

¹ Working capital is calculated as the net position of the following line items shown on the Balance Sheet: Current trade and other receivables, current trade and other payables and current tax liabilities.

Glossary of Terms

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

“B and C Shares” The B and C Shares in Tritax Symmetry that were issued to the Symmetry Management shareholders.

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

“Board” The Directors of the Company.

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

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

“Contracted annual rent roll” Annualised rent, adjusting for the inclusion of rent free period

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

“Current Development Pipeline” Assets that are in the course of construction or assets for which we have made a construction commitment.

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

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

“Directors” The Directors of the Company as of the date of this report being Aubrey Adams, Elizabeth Brown, Alastair Hughes, Richard Laing, Karen Whitworth and Wu Gang.

“Dividend pay-out ratio” Dividend per share divided by Adjusted Earnings per share.

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

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

“EPC rating” A review of a property’s energy efficiency.

“EPRA” European Public Real Estate Association.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“Future Development Pipeline” The Group's land portfolio for future development typically controlled under option agreements which do not form part of the Current or Near Term development pipelines.

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

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

“**GAV**” The Group’s gross asset value.

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

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

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

“**IMA**” The Investment Management Agreement between the Manager and the Company.

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

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

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

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

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

“**Loan Notes**” The loan notes issued by the Company on 4 December 2018.

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

“**Logistics**” Encompasses the B8 and E use categories under the Town and Country Planning (Use Classes) Order 1987 as amended from time to time.

“**London Stock Exchange**” London Stock Exchange plc.

“**Manager**” Tritax Management LLP (partnership number OC326500).

“**Near-term Development Pipeline**” Sites which have either received planning consent or sites where planning applications have been submitted prior to the year end.

“**Net Initial Yield (NIY)**” The annual rent from a property divided by the combined total of its acquisition price and expenses.

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

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

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

“**Ordinary Shares**” Ordinary Shares of £0.01 each in the capital of the Company.

“**Passing rent**” The annual rental income currently receivable on a property as at the balance sheet date (which may be more or less than the ERV).. Excludes service charge income (which is netted off against service charge expenses).

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

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

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

“Pre-let” A lease signed with a client prior to commencement of a development.

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

“Rent roll” See **“Passing rent”**.

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

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

“SONIA” Sterling Overnight Index Average

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

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

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

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

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

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

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

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

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

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

“True Equivalent Yield (TEY)” The internal rate of return from an Investment property, based on the value of the property assuming the current passing rent reverts to ERV on the basis of quarterly in advance rent receipts and assuming the property becomes fully occupied over time.

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

“Value Add asset” These assets are typically let to clients with good covenants and offer the chance to grow the assets’ capital value or rental income, through lease engineering or physical improvements to the property. We do this using our asset

management capabilities and understanding of client requirements. These are usually highly re-lettable. It also includes assets developed on a speculative basis which have reached practical completion but remain unlet at the period end.

“WAULT” or **“Weighted Average Unexpired Lease Term”** The income for each property applied to the remaining certain term for an individual property or the lease and expressed as a portfolio average in years.

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