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RentGuarantor Holdings PLC
01 August 2023

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1 August 2023

RentGuarantor Holdings PLC

(the "Company" or "RentGuarantor")

Interim Results

RentGuarantor (AQSE: RGG), a provider of rent guarantee services to prospective tenants across the socio-economic spectrum wishing to rent property in the UK private rental sector, is pleased to announce its interim results for the six months ended 30 June 2023 (the "period").

HIGHLIGHTS

- Revenue up 79% (H12023: £304,695) on the comparative six-month period last year
- Signed strategic contracts with Clever Student Lets, X1 Property Management Ltd, and Vorensys Limited to promote the RentGuarantor service to tenant and landlord networks across the UK
- Entered into an agreement with InsureStreet Limited ("Canopy") for the use of the RentGuarantor service
- Signed partnership agreements with a total of 35 letting agent entities or letting agent groups
- Joined the Apex segment of the Aquis Stock Exchange

CHAIRMAN'S STATEMENT

I am pleased to present our Interim Results of the Group for the six months ended 30 June 2023 and an update on our activities for the first half of the year.

During 2023 we have continued to build on the growth achieved in 2022. We have successfully developed further strategic relationships and partnerships which have helped to drive our continued growth in revenues and an increased awareness of the Company amongst customers and the industry. Our technology has been further strengthened and our focus has continued to be on the rent guarantee services. These strategic initiatives should support our planned growth in the B2B market.

In March 2023, the Company joined the Apex segment of the Aquis Stock Exchange which we believe will further enhance our growth strategy. RentGuarantor was nominated for an AQUIS Company of the Year award at the Small Cap Awards held in June which is recognition of the progress achieved through the hard work of everyone connected with the Company.

The results we are reporting today show further year on year growth in revenues. We have continued to invest in our technology, people and marketing and this has contributed to an increase in overall losses compared with the comparative period in 2022.

Key milestones in the period include:

Signing of strategic contracts

RentGuarantor signed strategic contracts with Clever Student Lets, X1 Property Management Ltd, and Vorensys Limited. These industry suppliers will promote RentGuarantor's services to their respective tenant and landlord

networks across the UK, assisting in the expansion of the Company's customer base, and further increasing interest in its services.

We also entered into an agreement with InsureStreet Limited ("Canopy") for the use of the RentGuarantor service. Canopy provides access to tools, services, and products for renters, letting agents, and landlords, ensuring that all parties across the rental value chain can secure prosperous and robust tenancies. Canopy is a market leading referencing provider, completing 120,000 references per year whereby 12% of these references require a guarantor. Under this initial three-year partnership, RentGuarantor will provide a company guarantor option to Canopy's tenants.

Signing of partnership agreements

In the first half of the year, the Company signed partnership agreements with a total of 35 letting agent entities or letting agent groups.

Attendance at industry conferences

The RentGuarantor team attended 18 industry conferences in the first half of 2023, including the National Landlord Investment Show in London and the Propertymark Scottish National Conference in Edinburgh. RentGuarantor also held speaking engagements at two National Residential Landlord Association ("NRLA") regional meetings.

This has been achieved against the backdrop of increased interest rates and heightened inflation which has continued to put pressure on budgets and the marketplace generally. Landlords and tenants have both been impacted by this environment and we have been careful to manage the risks to our growth strategy. We have also carefully managed our cost base and working capital.

Again, the commitment and energy of all our staff has been critical in achieving this progress and I would like to warmly thank them for their dedication.

Financial Results

The Group delivered further significant growth in the six months to June 2023 with an increase in revenue of 79% on the comparative six-month period last year to £304,695. Our operating loss increased from £348,613 to £396,637 in the six-month period. The loss per share increased from 3.13 pence last year to 3.53 pence in the six months to 30 June 2023.

Summary and Outlook

Our investment in marketing, technology and people over the past year or so is continuing to be reflected in our growth in the first half of 2023. Inflation is beginning to fall with expectations of further falls in coming months. However, interest rates are unlikely to fall for some time. We will continue to review market developments and to invest in our team and core services to support our growth plans.

We believe that the long-term opportunity remains significant and the developments in the first six months of 2023 are supportive of our strategy.

I look forward to reporting to you on our progress over the coming months.

Graham Duncan
Non-Executive Chairman

Investor Q&A

The Company will release an investor Q&A on Monday 14 August 2023 and invites all existing and potential shareholders to submit questions in advance. Please send your questions to rentguarantor@blytheray.com by 5:00pm BST on Monday 7 August 2023.

The directors of RentGuarantor accept responsibility for this announcement.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year to 30 June 2023

	Unaudited Six months to 30 June 2023 £	*Unaudited Six months to 30 June 2022* £	*Audited Year to 31 December 2022* £
Continuing operations			
Revenue	304,965	170,492	414,078
Direct costs	(25,242)	(43,785)	(100,549)
Gross profit	279,723	126,707	313,529
Administrative expenses	(676,360)	(475,321)	(1,180,375)
Operating loss	(396,637)	(348,613)	(866,846)
Finance costs	(11,833)	(4,305)	(43,932)
Loss on ordinary activities before taxation	(408,470)	(352,919)	(910,778)
Income tax expense	-	-	-
Loss after taxation	(408,470)	(352,919)	(910,778)
Loss per share (expressed in pence per share)	(3.53)	(3.13)	(8.03)

CONSOLIDATED BALANCE SHEET

As at 30 June 2023

	Unaudited Six months to 30 June 2023 £	*Unaudited Six months to 30 June 2022* £	*Audited Year to 31 December 2022* £
Assets			
Non-current assets			
Intangible assets	262,374	294,179	272,027
Right of use assets	-	22,893	11,446
Tangible assets	12,015	8,160	9,708
	274,389	325,232	293,181
Current assets			
Trade and other receivables	87,621	60,619	28,648
Cash and cash equivalents	56,568	517,261	91,887
	144,189	577,880	120,535
Total assets	**418,578**	**903,112**	**413,716**

Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	11,581,175	11,268,680	11,581,175
Share premium	796,621	593,500	796,621
Reorganisation reserve	(8,050,001)	(8,050,001)	(8,050,001)
Accumulated losses	(5,125,802)	(4,159,449)	(4,717,332)
	(798,007)	(347,270)	(389,537)
Liabilities			
Non-current assets			
Loans	855,000	1,025,000	500,000
Lease liability	-	24,160	-
	855,000	1,049,160	500,000
Current liabilities			
Trade and other payables	361,585	201,222	289,565
Lease liability	-	-	13,688
	361,585	201,222	303,253
Total liabilities	1,216,585	1,250,382	803,253
Total equity and liabilities	**418,578**	**903,112**	**413,716**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year to 30 June 2023

	Unaudited Six months to 30 June 2023 £	*Unaudited Six months to 30 June 2022* £	*Audited Year to 31 December 2022* £
Cash outflows from operating activities			
Cash consumed in operations	(315,865)	(559,846)	(910,155)
Net cash outflows from operating activities	**(315,865)**	**(559,846)**	**(910,155)**
Cash flows from investing activities			
Expenditure on non-current assets	(5,007)	(4,603)	(8,737)
Expenditure on intangible assets	(45,114)	(43,518)	(77,938)
Net cash outflows from investing activities	**(50,121)**	**(48,121)**	**(86,675)**
Cash flows from financing activities			
Proceeds from issues of convertible loans	-	1,000,000	1,000,000
Proceeds from Directors and other loans	355,000	-	-
Finance costs paid	(11,833)	(4,305)	(43,932)
Lease repayments	(12,500)	(12,500)	(25,000)
Proceeds from issue of shares	-	-	15,616
Net cash inflows from financing activities	**330,667**	**983,195**	**946,684**
Net increase/(decrease) in cash and cash equivalents	(35,319)	375,228	(50,146)
Cash and cash equivalents at the beginning of the year	91,887	9,914	142,033
Cash and cash equivalents at the end of the period	**56,568**	**385,142**	**91,887**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year to 30 June 2023

	Share Capital	Share Premium	Reorganisation Reserve	Accumulated Losses	Total
	£	£	£	£	£
As at 31 December 2021	**11,268,680**	**593,500**	**(8,050,001)**	**(3,806,554)**	**(5,625)**
Share capital issued	312,495	203,121		-	515,616
Impairment adjustment					-
Loss for the year	-	-		(910,778)	(910,778)
As at 31 December 2022	**11,581,175**	**796,621**	**(8,050,001)**	**(4,717,332)**	**(389,537)**
Share capital issued	-	-		-	-
Loss for the period	-	-		(408,470)	(408,470)
As at 30 June 2022	**11,581,175**	**796,621**	**(8,050,001)**	**(5,125,802)**	**(798,007)**

Share capital is the amount subscribed for shares at nominal value.

Accumulated losses represent the cumulative loss of the Group attributable to equity shareholders.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. **Basis of preparation**
   These unaudited financial statements have been prepared on the basis of the accounting policies adopted in the financial statements for the year ended 31 December 2022.

2. **Earnings per share**
   The calculation of basic earnings per share has been based on the loss for the period and the weighted average 11,581,175 (year ended 31 December 2022: 11,349,158; period ended 30 June 2022: 11,268,680) Ordinary Shares in issue throughout the period.

3. **Related party transactions**
   During the period ended 30 June 2023, the group received loans totalling £355,000 from a director of the group at a value of £205,000, and from a relative of a director at a value of £150,000. These loans are to cover the short-term working capital requirements of the group.

4. **Cash consumed in operations**

	Unaudited Six months to	Unaudited Six months to	Audited Year to

	30 June 2023	30 June 2022	31 December 2022
	£	£	£
Loss before tax	(408,470)	(352,919)	(910,778)
Adjustments for:			
- Amortisation and depreciation	68,913	68,184	138,789
- Lease expense	12,500	12,500	25,000
- Finance costs	11,833	4,305	43,932
Changes in working capital:			
- (Increase) / decrease in trade and other receivables	(58,973)	(26,371)	5,600
- Increase / (decrease) in trade and other payables	58,332	(265,545)	(212,698)
Cash consumed in operations	(315,865)	(559,846)	(910,155)

5. Approval of financial statements

The interim financial statements are unaudited and were approved by the Board of Directors on 28 July 2023.

ENDS

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