

UPP Bond 1 Issuer PLC – Results for the year ended 31 August 2023

14 December 2023

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UPP BOND 1 ISSUER PLC

UPP Bond 1 Issuer PLC is pleased to announce the Consolidated Report and Accounts of UPP Bond 1 Holdings Limited ('Holdco'), the reporting Parent undertaking of UPP Bond 1 Issuer PLC, for the year ended 31 August 2023. The 2023 Investor Report and the Results Presentation are available on the UPP Investor Centre at: www.upp-ltd.com/investor-centre/announcements

Business highlights include:

- Occupancy for 2022/23 of 99.7 per cent
- Turnover up by 4.3 per cent, reflecting RPI-linked annual term rental income increases
- Strong EBITDA growth of 9.3 per cent following asset remedial costs at Plymouth in the prior year
- A significant programme of asset investment works totalling £7.6 million across the Bond portfolio
- Customer satisfaction scores of 86.5 per cent when residents were asked whether they would recommend UPP accommodation to future students
- 2022/23 Annual Debt Service Coverage Ratios comfortably above lock-up triggers
- Annual credit rating assessments of BBB+ (positive outlook) and Baa1 (stable outlook)

Elaine Hewitt, Chief Executive Officer, commented:

"The results for UPP Bond 1 Holdings Limited for the financial year ended 31 August 2023 demonstrate the resilience of the UPP business model in the context of continually challenging macro-economic conditions. Turnover increased by 4.3 per cent year on year to £74.6 million, with gross profit increasing by 0.7 per cent to £51.7 million. EBITDA has also increased to £48.3 million, largely as a result of the conclusion of remedial works and associated costs incurred at the Plymouth AssetCo in 2021/22 – an investment in defect management.

At UPP we have an increasing focus on environmental and social sustainability for the benefit of our university partners, our student residents and our people. Having publicly committed to achieving net zero carbon by 2035 (in line with the Science Based Targets initiative), we went on to publish our first annual Sustainability Report in June 2023. The report sets out our authentic and ambitious approach to being a purpose-led business that prioritises sustainability across the three elements of ESG (Environment, Social and Governance). Published in accordance with Global Reporting Initiative (GRI) standards, it sets out our long-term sustainability goals and tracks our performance across all material topics.

Looking ahead to 2023/24, occupancy is forecast to exceed 98 per cent. Whilst applicant numbers to UK universities have reduced slightly this year, they remain higher than pre-pandemic levels and demand for student accommodation remains strong, reflective of the strong medium-term outlook for the sector from both a domestic and international perspective and driven by the continuing undersupply of accommodation in the marketplace.

The assets composing UPP Bond 1 Holdings have benefited from a significant programme of investment works during the financial year and remain well positioned, offering a wide range of accommodation, priced on an inclusive basis, with services delivered by our experienced operational teams."

For further information, please email UPP Investor Relations at investor.relations@upp-ltd.com or call +44 (0)20 7398 7200.