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## Results for the six months ended 29 February 2024

UPP Bond 1 Issuer PLC, 25 April 2024

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UPP Bond 1 Issuer PLC has published the consolidated report and accounts of UPP Bond 1 Holdings Limited, the reporting parent undertaking of UPP Bond 1 Issuer PLC, for the six months ended 29 February 2024. The results are available on the Investor Centre at: <https://www.upp-ltd.com/investor-centre/announcements/>

Business highlights for the six months ended 29 February 2024 include:

- Occupancy for 2023/24 of 98.1 per cent (2022/23: 99.6 per cent). Occupancy exceeded 99.8% on all SPVs except for Broadgate Park and Nottingham where student recruitment shortfalls occurred and there has been a lower uptake of accommodation marketed by the university.
- Turnover up by 6.4 per cent to £39.8 million (2022/23: £37.4 million), reflecting RPI-linked annual term rental income increases.
- Gross profit continues to remain stable at £26.0 million (2022/23: £26.0 million) with improved turnover partially offset by a significant increase in utilities costs due to global supply issues raising wholesale prices, an impact exacerbated by increased pricing from certain hedging arrangements, and the impact of high inflation on other direct costs.
- EBITDA pre sinking fund expenditure is also stable at £24.0 million.
- The beginning of the financial year 2023/24 saw a continuing focus on the long-term strategic management of assets under operation, with the completion of the financial year 2022/23 programme of asset investment works totalling £7.6 million across the Bond portfolio.
- Both historic and projected Senior Debt Service Coverage Ratios at the February 2024 test date were comfortably above lock-up triggers and improved on the previous test date.
- Annual credit rating assessments of Baa1 (stable outlook) and A- (stable outlook), the latter being upgraded in March 2024.
- During the period we have continued to progress our commitment to achieve transparent net zero emissions across scopes 1, 2 and 3 by 2035.
- UPP Group was re-accredited with the prestigious We Invest In People Gold status and the RoSPA Gold Award, and has recently been shortlisted for several awards including Student Accommodation Operator of the Year at the RESI Awards, the Partnerships Award's Environmental, Social and Governance category and Innovation of the Year at the ASRA Awards in recognition of the development of the new Home@Halls app.
- We continued to deliver high quality services to students, as evidenced by customer satisfaction scores of 86.5 per cent when residents were asked whether they would recommend UPP accommodation to future students.

Chief Executive Officer Elaine Hewitt said:

"I am pleased to report that for the six months ended 29 February 2024 UPP Bond 1 Holdings Limited (the Bond Group) has continued to demonstrate strong performance despite the continually challenging macro-economic conditions. Over the period, turnover has increased by 6.4 per cent from £37.4 million to £39.8 million. EBITDA pre sinking fund expenditure remained stable at £24.0 million, with EBITDA margin in line with expectations.

Occupancy is forecast to exceed 98 per cent this year and, whilst applicant numbers to UK universities have reduced slightly, they remain higher than pre-pandemic levels and have increased in UPP's target cohort of under 21s and high tariff institutions. Demand for student accommodation remains strong, reflective of the

positive medium-term outlook for the sector driven by the continuing undersupply of accommodation in the marketplace generally.

As a responsible and purpose-led business we have an increasing focus on environmental and social sustainability for the benefit of our university partners, our student residents and our people. We went on to publish our second annual Sustainability Report in February 2024. The report, verified in accordance with Global Reporting Initiative Standards, sets out the good progress we have made towards our 2030 goals across the three elements of ESG (Environment, Social and Governance).

The Bond Group assets benefitted from a significant programme of investment works during the summer of 2023 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, contact UPP Investor Relations at [investor.relations@upp-ltd.com](mailto:investor.relations@upp-ltd.com) or +44 (0)20 7398 7200