Results for the six months ended 28 February 2025

UPP Bond 1 Issuer PLC, 25 April 2025

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 28 February 2025. The results are available on the Investor Centre at: https://www.upp-ltd.com/investor-centre/announcements/

Business highlights for the six months ended 28 February 2025 include:

- Occupancy for 2024/25 of 95.1 per cent (2023/24: 98.1 per cent). Occupancy averaged 99.5 per cent in all SPVs except for Nottingham where student recruitment shortfalls occurred and there has been a lower uptake of accommodation marketed by the university.
- Turnover up by 4.1 per cent to £41.4 million (2023/24: £39.8 million), reflecting RPI-linked annual term rental income increases.
- Gross profit improved to £27.7 million (2023/24: £26.0 million) with higher turnover complemented by utility costs reducing from the market highs observed in the prior year.
- EBITDA pre sinking fund expenditure is also improved to £25.8 million.
- The beginning of the financial year 2024/25 saw a continuing focus on the long-term strategic management of assets under operation, with the completion of the financial year 2023/24 programme of asset investment works totalling £7.3 million across the Bond portfolio.
- Both historic and projected Senior Debt Service Coverage Ratios at the February 2025 test date were comfortably above lock-up triggers.
- Current annual credit rating assessments of Baa1 (negative outlook) from Moody's (updated in March 2025) and A- (stable outlook) from S&P (updated in March 2024).
- During the period the UPP Group has continued to progress its commitment to achieve transparent net zero emissions across scopes 1 and 2 by 2030.
- UPP Group was re-accredited with the Gold 'Investors In People' standard and the RoSPA Gold Award, and was shortlisted for an "*edie"* – the UK's biggest sustainability awards - for work on biodiversity.
- We continued to deliver high quality services to students, as evidenced by customer satisfaction scores of 87.4 per cent when residents in Bond portfolio assets 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 28 February 2025 UPP Bond 1 Holdings Limited has continued to demonstrate strong performance despite challenging macro-economic conditions.

Occupancy in the UPP Bond 1 portfolio accommodation has exceeded 95 per cent this year. Occupancy averaged 99.5 per cent in all SPVs except for Nottingham, due to student recruitment shortfalls along with a lower uptake of accommodation marketed by the university. Undergraduate applicant numbers to UK universities overall are rising and are now higher than pre-pandemic levels increasing UPP's target cohort of under 21s at 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.

The Bond Group assets benefitted from a significant programme of investment works during the summer of 2024 and remain well positioned, offering a wide range of accommodation, priced on an inclusive basis, with services delivered by our experienced operational teams.

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. UPP Group will publish its third annual corporate Sustainability Report in Spring 2025. 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).

We achieved a GRESB (Global Real Estate Sustainability Benchmark) score of 93 per cent for 2023/24 (the latest reporting year). GRESB is the external standard across the asset management and real estate sectors, providing independent, quantitative assessment of ESG performance.”

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