



Building futures for students

UPP REIT Holdings Limited
Condensed consolidated interim financial statements
for the six months ended 28 February 2026

Registered No. 123688



Ashbury/Blewbury
Dunsden Crescent, e/
Fawley/Hurley

Contents

Half-year highlights	3
Directors and advisors	3
Strategic report	4
Condensed consolidated financial statements	8
Condensed consolidated statement of profit or loss	9
Condensed consolidated statement of other comprehensive income	10
Condensed consolidated statement of financial position	11
Condensed consolidated statement of changes in equity	12
Condensed consolidated statement of cash flows	13
Notes to the financial statements	14
1. General information	15
2. Basis of preparation	15
3. Judgements and key sources of estimation uncertainty	17
4. Segment information	18
5. Turnover	20
6. Operating expenses	22
7. Interest and similar expense	22
8. Tax on loss on ordinary activities	22
9. Intangible assets – service concession arrangements	23
10. Financial liabilities	24
11. Fair value measurement	25
12. Parent undertaking and controlling party	26



Half-year highlights

£125.8 million* gross rental income¹ – Gross rental income increased by 1.4 per cent to £125.8 million, reflecting annual rental increases offset by lower occupancy at some locations.

£75.4 million in EBITDA – EBITDA grew by 5 per cent from £71.8 million, as a result of effective cost management combined with revenue improvement

£17.6 million asset investment – The Group is forecasting asset investment expenditure of £17.6 million for the financial year 2025/26.

87.4 per cent student resident satisfaction – UPP continued to deliver high quality services to students, with customer satisfaction surveys completed so far this financial year showing that 87.4 per cent of residents would recommend UPP accommodation to future students.

Sustainability progress – UPP achieved a GRESB (Global Real Estate Sustainability Benchmark) score of 95 per cent for 2024/25 for the last reporting year. GRESB is the external sustainability standard across the asset management and real estate sectors, providing independent, quantitative assessment of ESG performance.

External recognition – UPP Group was re-accredited with the Gold 'Investors In People' standard and The Royal Society for the Prevention of Accidents (RoSPA) Gold award.

¹ Gross rental income of £125.8 million excludes construction services revenue (£17.2 million) and comprises student accommodation rental income of £124.1 million and facilities management services revenue of £1.8 million (see Note 5).

Directors and advisors

Directors	Mark Bamford Stuart Bousfield Kai Chen Elaine Hewitt David Montague Brian Welsh Siyuan Ma (appointed 13 November 2025) Suyu Wu (resigned 13 November 2025)
Secretary	Citco Jersey Limited
Registered office	Second Floor, No. 4 The Forum, Grenville Street, St Helier, Jersey JE2 4UF



Strategic report

for the six months ended 28 February 2026



Strategic report

for the six months ended 28 February 2026

The Directors present their report and financial statements for the six months ended 28 February 2026.

Principal activity and business review

UPP REIT Holdings Limited ('the Company') (ISIN – JE00BF5PSP50) is a close-ended UK REIT and the Parent of the UPP REIT Holdings Limited Group ('the Group') and UPP Group Holdings Limited, trading as 'UPP'. The Company was incorporated on 18 April 2017 and admitted to the Official List of The International Stock Exchange (TISE) on 28 February 2018.

The Company's principal activities are those of an investment holding company and the provision of treasury management facilities. The principal activity of its subsidiary undertakings is the design, funding, construction and operation (facilities management) of residential and academic accommodation for UPP.

The results for the six months ended 28 February 2026 continue to demonstrate the resilience of the UPP business model, which delivers returns based on stable, long-term revenues.

During the period the Group saw revenue increase by 1.4 per cent driven by contractual rental increases applied offset by reduction in occupancy in a few locations of 1.7 per cent to 95.8%. EBITDA grew by 5 per cent to £75.4 million (2024/25: £71.8 million), due to cost control and lower project spend combining with increases to revenue. The profit for the period decreased to £14.3 million (2024/25: profit £16.8 million) due to higher RPI linked financing costs.

UPP Group has been selected as Preferred Bidder for a new residential scheme with the University of Bristol, with Heads of Terms signed following a period of exclusivity to deliver new student accommodation adjacent to the University's Temple Quarter Enterprise Campus. This further strengthens the portfolio with another leading Russell Group institution.

With regards to ESG, we have made real progress towards our 2030 sustainability goals:

- » 6.5 per cent reduction in Scope 1 and 2 GHG emissions, ahead of target.
- » Biodiversity Net Gain of 2.8 per cent delivered in year which represents a 5.4 per cent cumulative improvement on 2021/22 baseline – over halfway to the 10 per cent 2030 target.
- » Recycling rate of 50 per cent achieved, with no waste to landfill.
- » Inclusive Employers membership maintained, and Foundation Assessment completed.
- » Over £1.6 million of social value generated, including through colleagues contributing 186 volunteering days across 63 organisations.
- » Over 90 per cent of active suppliers have signed up to our Supplier Code of Conduct, achieving the annual target.

Following a successful Financial Close in August 2025, UPP Group is progressing the development of the Exeter West Park scheme. UPP is continuing its leadership in sustainable design at this project which is now under construction. The new buildings will be one of the largest Passivhaus student accommodation schemes in the UK, once completed.

UPP has continued to demonstrate corporate excellence, being re-accredited with the Gold 'Investors in People' standard and the RoSPA Gold award for 9th consecutive year.



Market update

UK Higher Education continues to see strong rates of academic demand from domestic undergraduates generally.

The total number of applicants from overseas increased slightly in the 2025/26 cycle, from 148,910 to 154,145. The increase of 5,235 (3.5 per cent) is mostly from the non-EU applicants, with a 5,205 increase. Applicant numbers from the EU have now flattened, following a significant drop post-Brexit. The sector has had to pivot towards non-EU demand which has remained steady following a significant rise since 2016.

Data for the January equal consideration application deadline for the 2026/27 application cycle identified that in total 619,360 people have applied to UK universities so far, an increase of 3.1 per cent compared to the 2025/26 cycle. The overall application rate for UK 18-year-olds is at 40.7 per cent this year, compared to the 2019 application rate of 38.5 per cent. Broken down by nation, the 2026/27 application rates at the January deadline were: 41.4 per cent in England, 48.9 per cent in Northern Ireland, 32.1 per cent in Wales and 34.8 per cent in Scotland.

A record number of UK 18-year-olds have applied for a place: 338,940 applicants, up from 323,360 in 2025 (+4.8 per cent). This is also significantly higher than the pre-pandemic total of 270,690 in 2019 (+25.2 per cent). Overall, for 2025/26 academic year, 289,200 UK 18-year-olds gained a place which is 3.5 per cent higher than the previous year.

Applications from overseas students by the January deadline for 2026/27 have increased by 5.1 per cent to 124,830 compared to last year. The largest increases were in applicants from China (+3,220), Ireland (+700) and Palestine (+580).

The table identifies applicants at the UCAS January deadline which represents approximately 80 per cent of those who will apply through this cycle.

Applicants for all courses by domicile group (31 January 2026 deadline only)

App. Domicile	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
England	373,740	373,860	415,470	416,400	405,130	402,240	404,650	415,160
Northern Ireland	17,910	17,400	18,780	17,750	17,020	16,690	16,880	17,860
Scotland	43,340	42,530	49,360	44,140	40,420	41,410	41,520	42,230
Wales	18,850	18,430	21,120	21,020	19,100	18,880	18,820	19,290
UK	453,840	452,220	504,740	499,310	481,670	479,210	481,870	494,540
EU (excluding UK)	43,560	42,750	25,740	20,820	20,500	19,890	19,950	20,600
Non-EU	64,030	73,360	85,890	90,590	94,410	95,840	98,850	104,230
Total	561,420	568,330	616,360	610,720	596,590	594,940	600,660	619,360

(Subtotals have been rounded, so in some instances the total is not the sum of the above figures. Source: UCAS)



In terms of the key demand cohorts for the Company's accommodation, UK applicant numbers for 2026/27 were up 2.6 per cent to 494,540, a rise of 12,670. As with overall numbers, these figures remain 9.4 per cent higher than 2020, and the third highest total on record. English applicant numbers were up 2.6 percent (+10,510) year on year to 415,160. Applicant numbers from UK 18-year-olds rose by 4.8 per cent to 338,940 and UK applicants aged under 21 increased by 3.9 per cent. With high tariff institution applications also increasing, demand from key cohorts continues to rise.

In the last year, there has been a continued strong divergence in the rates of applications to high tariff institutions, compared to low tariff. Applications to high tariff institutions have risen by 5.9 per cent in the last year, applications to medium tariff institutions have marginally increased, by just 1.2 per cent, while applications to low tariff institutions have fallen by 0.6 per cent.

The trend towards high tariff institutions is even more evident in terms of accepted applicants. For 2025/26 there was a 7.4 per cent increase in those accepted to a high tariff institution with an increased number of applicants 'trading up' during Clearing. Applicants accepted to medium tariff institutions increased by 2.3 per cent and those accepted to low tariff institutions fell by 2.0 per cent.

UCAS projects there will be continued growth in demand from UK 18-year-olds through the rest of the decade, supported by a demographic increase in cohort size. Application rates among this group remain stable at 40.7%, close to pre-pandemic levels and only slightly below the 2022 peak of 42.8%, indicating a reversion to typical pre-Covid demand. UCAS's long-term analysis in *The Journey to a Million* (published in February 2023) anticipates an increase of more than 230,000 between 2022 and 2030, potentially taking annual applicant numbers to 997,500.

Although applicant numbers since then have tracked below UCAS's projected trajectory, with 759,830 applicants in the 2025 cycle (per UCAS), this still represents 5% year-on-year growth and supports the view that student numbers will continue to rise significantly in the coming years.

While domestic undergraduate demand remains resilient, the international postgraduate market has faced more pronounced headwinds. Postgraduate taught entrant enrolments from non-EU countries fell by 10% in 2024/25, and although Sponsored Study visa applications in the year to January 2026 were 2% higher than the previous year, they remained 12% below levels seen in the year ending January 2024. This reflects a sector adjusting to the removal of the dependant visa route in January 2024 and a shifting global competitive landscape.

The 2025 Immigration White Paper, including the planned reduction of the Graduate Route from 24 to 18 months from January 2027 may dampen international demand. However, the January 2026 International Education Strategy reinforces the government's commitment to sustainably recruiting high-quality students from a broader range of countries, signalling an intention to protect and diversify the international student pipeline.

EU enrolments have reduced significantly since Brexit, falling by 89,000 between 2020/21 and 2024/25, while Non-EU enrolments have filled this demand. Discussions surrounding a new UK-EU youth mobility scheme and reports of potential re-engagement with Erasmus raise the possibility of improving affordability and accessibility for EU students, which could support partial recovery in this segment.

On the basis of this evidence, it appears that demand for UK Higher Education and, in particular, the three year on-campus, residential model of delivery, will remain strong, albeit there is an increase in commuter students at some more localised institutions. Robust levels of demand for the accommodation operated by UPP should be sustained at strong tariff institutions. UPP is therefore well placed to benefit from current and future market dynamics.



Condensed consolidated financial statements

for the six months ended 28 February 2026



Condensed consolidated statement of profit or loss

for the six months ended 28 February 2026

	Note	Unaudited six months ended 28 February 2026 £'000	Unaudited six months ended 28 February 2025 £'000
Rental and other income	5	143,070	124,144
Cost of sales		(52,958)	(36,600)
Gross profit		90,112	87,544
Operating expenses	6	(34,822)	(36,468)
Operating profit		55,290	51,076
Finance income		9,920	9,832
Senior financing interest	7	(41,435)	(36,740)
Other interest payable and similar charges	7	(9,499)	(7,392)
Finance cost total		(50,934)	(44,132)
Profit on ordinary activities before taxation		14,276	16,776
Tax on profit on ordinary activities	8	-	-
Profit for the financial period		14,276	16,776
Profit for the financial period attributable to			
Non-controlling interests		(2,076)	(2,170)
Owners of the parent		16,352	18,946
Profit for the financial period		14,276	16,776

The above results all relate to continuing operations.

The notes on pages 14 to 26 form part of these financial statements.



Condensed consolidated statement of other comprehensive income

for the six months ended 28 February 2026

	Unaudited six months ended 28 February 2026 £'000	Unaudited six months ended 28 February 2025 £'000
Profit for the financial period	14,276	16,776
Items that are or may be reclassified subsequently to profit and loss		
Fair value movements on swaps	(4,725)	8,265
	(4,725)	8,265
Total other comprehensive income/(loss) for the period	(4,725)	8,265
Total comprehensive income for the period	9,551	25,041
Other comprehensive income/(loss) for the period attributable to:		
Non-controlling interests	(95)	87
Owners of the parent	(4,630)	8,178
Total	(4,725)	8,265
Total other comprehensive income/(loss) for the period attributable to:		
Non-controlling interests	(2,171)	(2,083)
Owners of the parent	11,722	27,124
Total	9,551	25,041
Profit per share (in GBP)		
Basic	16.1	18.6
Diluted	16.1	18.6

The notes on pages 14 to 26 form part of these financial statements.



Condensed consolidated statement of financial position

as at 28 February 2026

	Note	Unaudited 28 February 2026 £'000	31 August 2025 £'000
Assets			
Non-current assets			
Property, plant and equipment		3,720	4,621
Service concession arrangements - Intangible assets	9	1,482,290	1,484,477
Service concession arrangements - Financial assets		155,966	154,654
Other intangible assets		115,107	115,659
Employee benefit obligations		790	790
Total non-current assets		1,757,873	1,760,201
Current assets			
Trade and other receivables		59,378	51,570
Service concession arrangements - Financial assets		11,780	11,645
Cash at bank and in hand		197,421	192,459
Total current assets		268,579	255,674
Total assets		2,026,452	2,015,875
Equity and liabilities			
Liabilities			
Non-current liabilities			
Borrowings	10	1,870,004	1,855,953
Derivative financial instruments	10	99,221	94,989
Total non-current liabilities		1,969,225	1,950,942
Current liabilities			
Borrowings	10	69,177	71,665
Trade and other payables		8,536	5,556
Accrual and deferred income		58,122	45,213
Provisions		3,943	3,926
Total current liabilities		139,778	126,360
Total liabilities		2,109,003	2,077,302

	Note	Unaudited 28 February 2026 £'000	31 August 2025 £'000
Equity			
Called-up share capital		1,032	1,032
Share premium account		473,485	473,485
Capital reserves		23,428	23,428
Cash flow hedge reserve		(83,103)	(78,473)
Retained earnings		(451,813)	(437,490)
Equity attributable to owners of the Parent Company		(36,971)	(18,018)
Non-controlling interest		(45,580)	(43,409)
Total equity		(82,551)	(61,427)

The notes on pages 14 to 26 form part of these financial statements. The financial statements were approved and authorised for issue by the Board on 25 June 2026 and were signed on its behalf by:

Mark Bamford
Director

Condensed consolidated statement of changes in equity

for the six months ended 28 February 2026

	Attributable to equity holders of the Parent Company					Shareholders' equity £'000	Non-controlling interest £'000	Total equity £'000
	Share capital £'000	Share premium £'000	Capital reserve £'000	Cash flow hedge reserve £'000	Retained earnings £'000			
At 1 September 2024	1,032	473,485	23,428	(94,117)	(433,971)	(30,143)	(34,206)	(64,349)
Profit/(loss) for the financial period	-	-	-	-	18,946	18,946	(2,170)	16,776
Other comprehensive income/(loss)	-	-	-	8,178	-	8,178	87	8,265
Total comprehensive income/(loss)	-	-	-	8,178	18,946	27,124	(2,083)	25,041
Transactions with owners								
Dividends paid	-	-	-	-	(16,300)	(16,300)	-	(16,300)
At 28 February 2025	1,032	473,485	23,428	(85,939)	(431,325)	(19,319)	(36,289)	(55,608)
At 1 March 2025	1,032	473,485	23,428	(85,939)	(431,325)	(19,319)	(36,289)	(55,608)
Loss for the financial period	-	-	-	-	(2,421)	(2,421)	(7,290)	(9,711)
Other comprehensive income/(loss)	-	-	-	7,466	585	8,051	170	8,221
Total comprehensive income/(loss)	-	-	-	7,466	(1,836)	5,630	(7,120)	(1,490)
Transactions with owners								
Dividends paid	-	-	-	-	(4,329)	(4,329)	-	(4,329)
At 31 August 2025	1,032	473,485	23,428	(78,473)	(437,490)	(18,018)	(43,409)	(61,427)
At 1 September 2025	1,032	473,485	23,428	(78,473)	(437,490)	(18,018)	(43,409)	(61,427)
Profit/(loss) for the financial period	-	-	-	-	16,352	16,352	(2,076)	14,276
Other comprehensive income	-	-	-	(4,630)	-	(4,630)	(95)	(4,725)
Total comprehensive income/(loss)	-	-	-	(4,630)	16,352	11,722	(2,171)	9,551
Transactions with owners								
Dividends paid	-	-	-	-	(30,675)	(30,675)	-	(30,675)
At 28 February 2026	1,032	473,485	23,428	(83,103)	(451,813)	(36,971)	(45,580)	(82,551)

The notes on pages 14 to 26 form part of these financial statements.

Condensed consolidated statement of cash flows

for the six months ended 28 February 2026

	Unaudited six months ended 28 February 2026 £'000	Unaudited six months ended 28 February 2025 £'000
Profit/(loss) for the financial year	14,276	16,776
Adjustments for:		
Tax on loss on ordinary activities	-	-
Net interest expense	41,014	34,300
Amortisation of service concession arrangements	19,713	19,975
Depreciation	359	670
Amortisation of computer software	51	88
Increase in provisions	18	15
Operating profit	75,431	71,824
Decrease in debtors due within one year	(7,808)	(3,712)
Increase in creditors due within one year	15,968	12,917
Net cash inflow from operating activities	83,591	81,029
Investing activities		
Interest received	3,324	3,499
Payments for concession arrangements	(107)	-
Payments for intangible fixed assets	(17,527)	-
Payments to acquire tangible fixed assets	-	(59)
Interest received on finance receivables	6,187	6,286
Net cash inflow/(outflow) from investing activities	(8,123)	9,726

	Unaudited six months ended 28 February 2026 £'000	Unaudited six months ended 28 February 2025 £'000
Financing activities		
New debt drawn	17,951	-
Repayment of fixed rate debt	(15,550)	(13,774)
Repayment of index-linked debt	(13,323)	(19,437)
Non-recourse debt payment	(1,956)	(2,509)
Interest paid	(26,953)	(26,521)
Dividends paid	(30,675)	(16,300)
Lease payments	-	(278)
Net cash flow used in financing activities	(70,506)	(78,819)
Increase in cash and cash equivalents	4,962	11,936
Cash and cash equivalents at 1 September	192,459	179,268
Cash and cash equivalents at 28 February	197,421	191,204

The notes on pages 14 to 26 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 25 June 2026 and were signed on its behalf by:

Mark Bamford
Director

Notes to the financial statements

for the six months ended 28 February 2026



Notes to the condensed consolidated interim financial statements

for the six months ended 28 February 2026

1. General information

UPP REIT Holdings Limited ('the Company') is a closed-ended UK REIT and the parent of the UPP REIT Holdings Group ('the Group'). The Company was incorporated on 18 April 2017. As a result of the Group restructuring in February 2018, the Company became the Parent Company of UPP Group Holdings Limited, trading as University Property Partnerships ('UPP').

The consolidated financial statements of UPP REIT Holdings Limited and its subsidiaries (the Group) for the year ended 31 August 2025 were authorised for issue in accordance with a resolution of the Directors on 5 February 2026. UPP REIT Holdings Limited is a private company limited by shares and incorporated on 18 April 2017 in Jersey, with a company number 123688. The company is listed on The International Stock Exchange and the shares are not traded. The registered office is Second floor, No.4 The Forum, Grenville Street, St Helier, Jersey JE2 4UF.

The Group's principal activity is the development, funding, construction and operation (including facilities management) of student accommodation under University Property Partnerships.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the UK (UK-adopted international accounting standards) and in accordance with the Companies (Jersey) Law 1991.

The financial statements have been prepared on the historical cost basis except for derivative instruments that have been measured at fair value. The accounting policies set out below, unless otherwise stated, have been applied consistently to all periods presented in these Group financial statements.

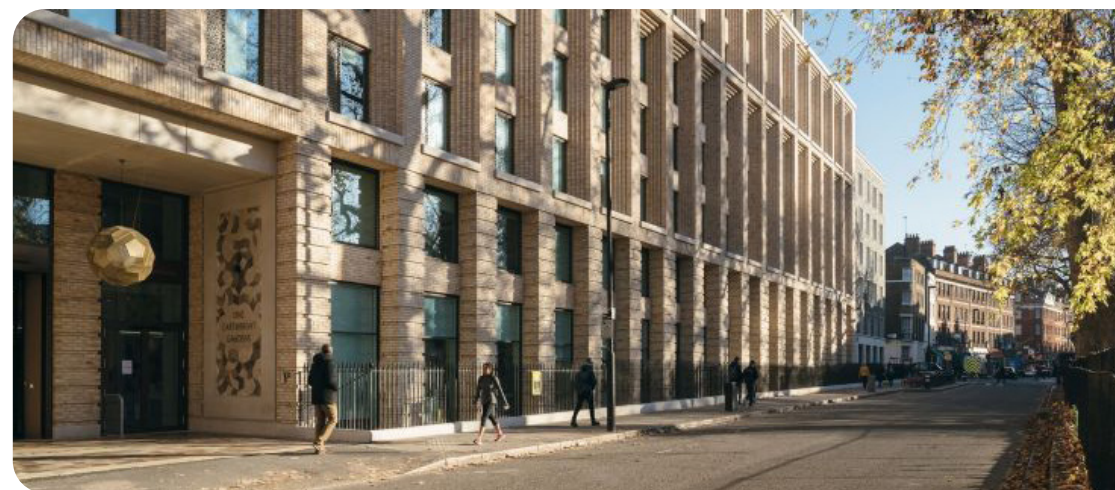
The financial statements are presented in Sterling (£) which is the Group's functional and presentation currency, rounded to the nearest thousand. The preparation of consolidated financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Group elected not to present Company's financial statements as it is not a requirement under the Companies (Jersey) Law 1991.

These condensed interim financial statements of the Group have been prepared in accordance with IAS 34, *Interim Financial Reporting*, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 August 2025 ('last annual financial statements'). IAS 34 does not require a complete set of disclosures of the type required in annual financial statements; accordingly, these interim financial statements do not include all of the information required for a complete set of IFRS Accounting Standards financial statements. Instead, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The accounting policies and methods of computation applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 August 2025.

These interim financial statements for the six months ended 28 February 2026 were authorised for issue by the Company's Board of Directors on 25 June 2026.



Going concern

Notwithstanding a net liabilities position of £82,551k as at 28 February 2026 (31 August 2025: £61,427k), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have considered the impact of the current inflationary environment on the ability of the Group to continue as a going concern by preparing a cash flow forecast through to 31 August 2027, modelling a severe but plausible downside scenario that demonstrates that the Group is expected to have sufficient funds to meet its obligations as they fall due over the period of at least 12 months from the date of approval of the financial statements.

The Group observed lower portfolio occupancy secured for 2025/26 academic year compared to prior years in Nottingham and Hull, which has slightly reduced the overall portfolio performance. The lower occupancy in these locations is driven by underlying recruitment performance and a growing supply of purpose-built student accommodation providing increased competition. The Group is working on remedial plans to improve occupancy performance in those locations. A key feature of the Group's contractual arrangements is that university counterparties bear the risk on in-year rental income once students have contracted for the rooms. In addition, there are contractual mechanisms in place that allow for rental uplifts as a result of inflation.

The directors anticipate that the Group's university counterparties will meet their payment obligations as they fall due, even in the severe but plausible downside scenario. For the 2025/26 academic year the Group has secured sufficient lettings to remain compliant with funding covenants, except for one subsidiary where a waiver of the breach has been secured from lenders and there is sufficient liquidity reserves to satisfy timely senior debt requirements.

The directors consider the Group's costs to be reasonably controllable and, whilst there are likely to be increased costs arising from inflationary pressures and geopolitical issues, these are either likely to be offset by cost savings elsewhere or not considered sufficient to threaten the viability of the business. The directors believe that the fundamentals of the market for student accommodation remain supportive to the long-term success of the business.

The Group's net liabilities position is driven in part by the Group's Service Concession Agreement assets being carried at amortised cost rather than fair value. In addition, index linked borrowing uplifts have occurred as a result of an increase in RPI, resulting in the Group being in a net liabilities position. The Group's borrowings are contractually long-dated and the Group's modelling described above shows that the Group is expected to have sufficient funding to meet these obligations as they arise, even in a plausible downside scenario. Furthermore, the Group is in a net current asset position with sufficient liquidity to cover its obligations.

On this basis, the directors are confident that the Group will have sufficient funds to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements, and therefore have prepared the financial statements on a going concern basis.



3. Judgements and key sources of estimation uncertainty

The preparation of interim financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. However, the nature of estimation means that actual outcomes could differ from those estimates.

Estimates and assumptions are reviewed on an ongoing basis with revisions recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving the most sensitive estimates and assumptions that are significant to the financial statements are set out below:

Estimates in relation to valuation of RPI and IR swaps

Derivatives are initially recognised at fair value at the date a derivative is entered into and are subsequently remeasured to their fair value at each reporting date.

Fair value estimates of derivatives are based on relevant market information and information about the financial instruments which are subjective in nature. The fair value of these financial instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves, spot and forward rates, as well as option volatility.

The Group incorporates credit and debit valuation adjustments to appropriately reflect both its own non-performance risk and the respective counterparty's non-performance risk in the fair value measurements.

In adjusting the fair value of its derivative contracts for the effect of non-performance risk, the Group has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

The Group has used a third-party expert to assist with valuing derivative instruments.

Estimates in relation to impairment of non-financial assets

The Group assesses at each reporting date whether an asset may be impaired. If any such indication exists the Group estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. The recoverable amount of an asset or CGU is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease.

For goodwill or assets under construction, the impairment loss recognised for all assets is reversed in a subsequent period only if the reasons for the impairment loss have ceased to apply.

Estimates in relation of defined benefit pension plan valuation

The cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases and is updated annually by qualified third party actuarial consultants. Management undertakes an annual update to the valuation on the basis of materiality.

The below are in relation to key judgements made by management in the period:

Judgement of fair value level classification

Although the Group has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilise Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of 28 February 2026, the Group has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives. As a result, the Group has determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

Judgement in hedge accounting for inflation swaps

The Group has chosen to apply hedge accounting for all hedging instruments which are in a qualifying hedging relationship under IFRS 9. Significant judgement is exercised in concluding that the forecasted cash flows that are hedged items are highly probable. Also a judgement is exercised in relation to the fact, that future inflationary increases or decreases in rent receivable from university partners are separately identifiable and reliably measurable components of the rental income which ensures the inflation component of rental income and the related RPI swaps are in a hedging relationship which meets the qualifying criteria for hedge accounting under IFRS 9.6.9.1(c).

4. Segment information

For management purposes the Group is organised into business units based on their services and has three reportable segments as follows:

- » Special Purpose Vehicles (SPVs) – performing development, funding, construction and operation of student accommodation under University Property Partnerships
- » UPP Residential Services Limited (URSL) – providing facilities management services to SPVs
- » UPP Projects Limited (UPL) – securing long-term, bespoke partnership agreements to design, build and finance student accommodation and related academic infrastructure

The Group's management monitors the operating results of its segments separately for the purpose of making decisions on resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the condensed consolidated interim financial statements.

Transfer prices between operating segments are set on an arm's length basis.

All segments operate and perform all transactions in the United Kingdom.

Adjustments and eliminations include financing, general Group management and REIT level tax charges that are not considered by management as a separate reporting segment.

Unaudited six months ended 28 February 2026	Note	SPVs £'000	URSL £'000	UPL £'000	Total segments £'000	Adjustments and eliminations £'000	Consolidated £'000
Rental and other income - external		141,280	1,790	-	143,070	-	143,070
Rental and other income - internal	A	-	15,433	-	15,433	(15,433)	-
Cost of sales	B	(57,353)	(8,927)	(446)	(66,726)	13,768	(52,958)
Gross profit		83,927	8,296	(446)	91,777	(1,665)	90,112
Operating expenses	B	(23,329)	(1,222)	(511)	(25,062)	(9,760)	(34,822)
Operating profit	B	60,598	7,074	(957)	66,715	(11,425)	55,290
Finance income		8,191	151	69	8,411	1,509	9,920
Senior financing interest		(41,435)	-	-	(41,435)	-	(41,435)
Other interest payable and similar charges	C	(35,900)	-	-	(35,900)	26,401	(9,499)
Finance cost total		(77,335)	-	-	(77,335)	26,401	(50,934)
Segment profit/(loss) on ordinary activities before taxation		(8,546)	7,225	(888)	(2,209)	16,485	14,276
Tax on profit/(loss) on ordinary activities		-	-	-	-	-	-
Segment profit/(loss) for the financial year		(8,546)	7,225	(888)	(2,209)	16,485	14,276
Total assets	D	2,041,702	40,510	4,760	2,086,972	(60,520)	2,026,452
Total liabilities	D	2,547,740	11,910	29,008	2,588,658	(479,655)	2,109,003

4. Segmental information (continued)

Unaudited six months ended 28 February 2025	Note	SPVs £'000	URSL £'000	UPL £'000	Total segments £'000	Adjustments and eliminations £'000	Consolidated £'000
Rental and other income - external		121,325	2,819	-	124,144	-	124,144
Rental and other income - internal	A	-	15,096	-	15,096	(15,096)	-
Cost of sales	B	(39,324)	(9,867)	(204)	(49,395)	12,795	(36,600)
Gross profit/(loss)		82,001	8,048	(204)	89,845	(2,301)	87,544
Operating expenses	B	(23,118)	(1,453)	(761)	(25,332)	(11,136)	(36,468)
Operating profit/(loss)		58,883	6,595	(965)	64,513	(13,437)	51,076
Finance income		8,169	107	18	8,294	1,538	9,832
Senior financing interest		(36,740)	-	-	(36,740)	-	(36,740)
Other interest payable and similar charges	C	(29,988)	-	-	(29,988)	22,596	(7,392)
Finance cost total		(66,728)	-	-	(66,728)	22,596	(44,132)
Segment (loss)/profit on ordinary activities before taxation		324	6,702	(947)	6,079	10,697	16,776
Tax on loss on ordinary activities		-	-	-	-	-	-
Segment (loss)/profit for the financial year		324	6,702	(947)	6,079	10,697	16,776
Total assets	D	1,989,266	29,742	12,383	2,031,391	(64,361)	1,967,030
Total liabilities	D	2,419,922	12,285	35,855	2,468,062	(445,424)	2,022,638

Notes to the segment information:

A. Rental and other income

Adjustments and eliminations represent intercompany transactions that are eliminated on consolidation. Those transactions are mainly held between URSL and each SPV. There is also an elimination of UPL income that represents internal revenue from any new development projects. This income is eliminated against the SPV's assets.

B. Cost of sales and operating expenses

Adjustments and eliminations represent intercompany transactions that are eliminated on consolidation. Those transactions are mainly transactions held between URSL and each SPV. The adjustments and eliminations line also represents administrative costs that are not allocated to any of the segments.

C. Other interest payable and similar charges

Adjustments and eliminations mainly represent financing costs payable to Shareholders that are not allocated to any of the segments.

D. Total assets and total liabilities

Adjustments and eliminations related to total assets mainly represent assets related to the Group management companies (such as UPP Group Limited) and represent goodwill and cash allocated to those companies. Adjustments and eliminations related to total liabilities represent mainly UPP Bond I Issuer PLC liabilities and accruals and trade creditors related to Group management activities.



5. Turnover

Turnover represents the amounts derived from the provision of services, which fall within the Group's ordinary activities, stated net of value added tax.

The Group operates in four main areas of activity – that of the provision of student accommodation, construction services, the provision of facilities management services and management and development services.

Group turnover arises wholly in the UK and is split as below:

	Unaudited six months ended 28 February 2026 £'000	Unaudited six months ended 28 February 2025 £'000
Student accommodation rental income	124,059	121,325
Construction services	17,221	-
Facilities management services	1,790	2,819
	143,070	124,144

In the following table, revenue from contracts with customers is disaggregated by service lines. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 4).

Unaudited six months ended 28 February 2026	Note	SPVs £'000	URSL £'000	UPL £'000	Total segments £'000	Adjustments and eliminations £'000	Consolidated £'000
Student accommodation rental income		124,059	-	-	124,059	-	124,059
Construction services		17,221	-	-	17,221	-	17,221
Facilities management services		-	1,790	-	1,790	-	1,790
Facilities management services - intragroup		-	15,433	-	15,433	(15,433)	-
Total		141,280	17,223	-	158,503	(15,433)	143,070
Revenue as reported in Segments	4	141,280	17,223	-	158,503	(15,433)	143,070

Unaudited six months ended 28 February 2025	Note	SPVs £'000	URSL £'000	UPL £'000	Total segments £'000	Adjustments and eliminations £'000	Consolidated £'000
Student accommodation rental income		121,325	-	-	121,325	-	121,325
Facilities management services		-	2,819	-	2,819	-	2,819
Facilities management services - intragroup		-	15,096	-	15,096	(15,096)	-
Total		121,325	17,915	-	139,240	(15,096)	124,144
Revenue as reported in Segments	4	121,325	17,915	-	139,240	(15,096)	124,144

5. Turnover (continued)

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	Unaudited 28 February 2026 £'000	31 August 2025 £'000
Receivables, which are included in 'Trade and other receivables'	1,411	1,419
Contract liabilities, which are included in 'Accruals and deferred income'	(30,749)	(2,906)

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers. This will be recognised as revenue when the service is provided and is expected to be recognised as revenue in the next financial year. The whole amount of contract liability balance at the beginning of the period was recognised as revenue during the year.

The Group issues invoices for rental services to universities on a regular basis as per the relevant contractual agreement with each university. The invoices for rental services are raised upfront for the period agreed with the universities. Receipt of rent due is typically received within 1 month from the issuance of the invoice.

The Group issues invoices to each SPV for facilities management services on a monthly basis after the services were performed. Receipt of payment is typically within 1 month from the issuance of invoice.

During the construction phase, the service concession grantor gives the Group non-cash consideration in the form of an intangible asset being a licence to charge users of the public service, in exchange for construction services. Therefore, there are no revenue cash flows or invoicing activities in relation to construction services revenue.



6. Operating expenses

	Unaudited six months ended 28 February 2026 £'000	Unaudited six months ended 28 February 2025 £'000
Amortisation of Service Concession Arrangements	19,714	19,975
Depreciation of property, plant and equipment	359	670
Amortisation of computer software	51	88
Salaries and other employee costs recognised in operating expenses	8,072	9,254
External consultancy	2,714	2,635
Insurance	1,520	1,428
Auditor remuneration (audit and non-audit fees)	551	573
Other administrative costs	1,841	1,845
	34,822	36,468

7. Interest and similar expense

	Unaudited six months ended 28 February 2026 £'000	Unaudited six months ended 28 February 2025 £'000
Financial liabilities at amortised cost		
Bank loan interest	2,550	1,427
Interest payable on fixed-rate senior secured notes	18,553	19,814
Interest payable on index-linked facilities	22,882	16,926
Subordinated loan note interest	4,407	3,590
Interest expense on finance liability	2,542	2,375
	50,934	44,132

8. Tax on loss on ordinary activities

UPP REIT Holdings Limited is a Real Estate Investment Trust ('REIT'). As a result, the deferred tax accrued to the date of conversion in respect of assets and liabilities of the qualifying property rental business has been released due to the relevant temporary differences no longer being taxable on reversal.

Additionally, providing it meets a number of defined conditions, the Group is not liable to UK corporation tax on profits and gains from qualifying property rental business. Non-qualifying profits and gains continue to be subject to UK corporation tax as normal.



9. Intangible assets – service concession arrangements

2026	Service concession arrangements £'000	Assets in the course of construction £'000	Total £'000
Cost			
At 1 September 2025	1,790,544	24,391	1,814,935
Additions	-	17,527	17,527
At 28 February 2026	1,790,544	41,918	1,832,462
Amortisation			
At 1 September 2025	330,458	-	330,458
Charge during the year	19,714	-	19,714
At 28 February 2026	350,172	-	350,172
Net book value			
At 28 February 2026	1,440,372	41,918	1,482,290
At 1 September 2025	1,460,086	24,391	1,484,477
Service concession arrangements £'000			
2025			
Cost			
At 1 September 2024			1,790,544
Additions			-
At 28 February 2025			1,790,544
Amortisation			
At 1 September 2024			290,844
Charge during the year			19,975
At 28 February 2025			310,819
Net book value			
At 28 February 2025			1,479,725
At 1 September 2024			1,499,700



10. Financial liabilities

	Unaudited 28 February 2026 £'000	31 August 2025 £'000
Financial liabilities at amortised cost		
Senior fixed debt	733,712	729,664
Senior index linked debt	1,060,931	1,055,989
Non-recourse bank debt finance	77,228	77,304
Subordinated loan notes	64,826	62,038
Lease liabilities	2,484	2,623
Trade and other payables	7,661	4,596
Accruals	27,373	42,305
Derivatives designated as hedging instruments		
Interest rate swaps	17,553	11,772
RPI swaps	69,352	70,598
Derivatives not designated as hedging instruments		
RPI swaps	12,316	12,619
	2,073,436	2,069,508
Total current	104,211	118,566
Total non-current	1,969,225	1,950,942



11. Fair value measurement

The following table provides the fair-value measurement and hierarchy of the Group's financial assets and liabilities:

	28 February 2026 £'000		31 August 2025 £'000	
	Book value	Significant observable inputs Level 2	Book value	Significant observable inputs Level 2
Financial assets				
Derivatives designated as hedging instruments				
RPI swaps	-	-	-	-
Derivatives not designated as hedging instruments				
RPI swaps	-	-	-	-
Financial assets at amortised cost				
Financial receivable – service concession arrangements	167,746	194,261	166,299	166,394
Trade and other receivables	49,154	*	44,148	*
Cash at bank and in hand	197,421	*	192,459	*
	414,321		402,906	
Financial liabilities				
Borrowings				
Senior fixed debt	733,712	582,391	729,664	586,141
Senior index-linked debt	1,060,931	752,230	1,055,989	936,502
Non-recourse bank debt finance	77,228	81,007	77,304	79,565
Secured subordinated loan notes	64,826	59,117	62,038	58,292
Lease liabilities	2,484	2,484	2,623	2,623
Derivatives designated as hedging instruments				
Interest rate swaps	17,553	17,553	11,772	11,772
RPI swaps	69,352	69,352	70,598	70,598
Derivatives not designated as hedging instruments				
RPI swaps	12,316	12,316	12,619	12,619
Financial liabilities at amortised cost				
Trade and other payables	7,661	*	4,596	*
Accruals	27,373	*	42,305	*
	2,073,436		2,069,508	

* The fair values for financial instruments such as short-term trade receivables and payables are a reasonable approximation of fair value



11.1 Valuation techniques and significant unobservable inputs

Type	Valuation technique
Derivative instruments	The fair values of the derivative IR swap contracts and RPI swap contracts are estimated by discounting expected future cash flows using market interest rates and market inflation rates and option volatility.
Financial receivables - service concession arrangements Trade and other receivables Cash at bank and in hand Trade and other payables	The fair values of the Group's cash and cash equivalents and trade payables and receivables are not materially different from those at which they are carried in the financial statements due to the short-term nature of these instruments.
Borrowings	The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.

12. Parent undertaking and controlling party

The Group and the Company is controlled by a 60% stake held by Stichting Depository PGGM Infrastructure Funds ("PGGM"), on behalf of their fund clients. This entity is incorporated in The Netherlands.





IMPORTANT NOTICE

This report contains the unaudited condensed consolidated interim financial statements of UPP REIT Holdings Limited (the “Company”) and its subsidiaries (the “Group”) for the six months ended 28 February 2026. These interim financial statements should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 August 2025.

This report is provided for information purposes only. It does not constitute, or form part of, any offer to sell or issue, or any solicitation of an offer to purchase or subscribe for, any securities of the Company or any member of the Group, nor should it be relied upon in connection with any investment decision.

Forward-looking statements

This report may contain forward-looking statements based on current expectations, estimates and assumptions. Such statements involve known and unknown risks and uncertainties and actual results may differ materially from those expressed or implied. Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statements except as required by applicable law or regulation.

Use of information

Whilst reasonable care has been taken in preparing this report, no representation or warranty, express or implied, is made as to the accuracy, completeness or reliability of the information contained herein. The information is provided as at the date of publication and may be subject to change without notice. To the fullest extent permitted by law, neither the Company nor any of its directors, officers, employees or advisers accepts any liability for any loss arising directly or indirectly from reliance on this report or its contents.

Nothing in this report constitutes investment, legal, tax, accounting or other professional advice.



» upp-ltd.com

All rights reserved. Copyright 2026
UPP Group Holdings Limited