

QUARTERLY UPDATE

Q2 – three months ended 31 December 2021

The PRS REIT plc is the UK's first listed real estate investment trust to focus on the Private Rented Sector ("PRS"). Launched in May 2017, the Company is creating a portfolio of newly-built, high-quality, professionally-managed rental homes across the main conurbations of England, outside London.



Completed homes: 4,489 at 31 December 2021 with ERV of £43.5m p.a.

Rent collected in the period was 99% of rent invoiced over the same period

Equity raised to date: £555.6m

Debt facilities (investment and development): £450m

Gearing restricted to maximum 45% of gross asset value

NAV at 30 June 2021: 99.0p

Launch date: 31 May 2017

Year end: 30 June

Market capitalisation: c. £604m (31 December 2021)

Shares in issue: 549,251,458

Share price: 110p at 31 December 2021

Board of Directors:

Steve Smith, Chairman

Steffan Francis, Non-executive Director

Roderick MacRae, Non-executive Director

Geeta Nanda, Non-executive Director

Jim Prower, Non-executive Director

Investment adviser: Sigma PRS Management Ltd, a subsidiary of Sigma Capital Group plc

Registered address: 1 St Ann Street, Manchester, M2 7LR

Fund Structure: UK Real Estate Investment Trust

SEDOL: BF01NHS

ISIN: GB008F01NH51

Q2 2022

A further 198 new rental homes were added to the portfolio in Q2, taking the Company's portfolio at 31 December 2021 to 4,489 completed homes. Their estimated rental value ("ERV") is £43.5m p.a. (31 December 2020: 3,163 homes, ERV of £29.4m p.a.).

The number of new additions reflects the mature stage of the delivery programme, which is c.80% complete. The number was also affected by coronavirus-related staffing absences (especially after the Omicron variant's emergence) and materials availability attributable to supply chain disruption.

A further 949 homes with an ERV of £8.2m p.a. were contracted as at 31 December 2021, and are at varying stages of the construction process. This number includes the 383 homes under way at the three sites acquired in the quarter. These site acquisitions saw the Company fully commit the proceeds of its September 2021 equity placing.

The Company plans to acquire at least two further sites during the H1 of calendar 2022, utilising debt funding, and anticipates delivering its 5,000th home towards the end of

calendar 2022. It continues to target a total portfolio of 5,700 homes, with an ERV of c.£55m p.a.

RENTAL INCOME

- > Rent collected in the period (relative to rent invoiced in the period) was 99%.
- > Total arrears remained very low at £0.4m at 31 December 2021, or less than 1% of annualised ERV on completed units.
- > Demand for the Company's homes remains strong. Of the 4,489 completed homes, 4,411 (98%) were occupied at 31 December 2021, and a further 37 homes were reserved for qualified applicants with rental deposits paid.

DIVIDEND

- > An interim dividend of 1.0p pence per ordinary share has been declared in respect of Q2 2022, to be payable on 11 February 2022 to shareholders on the register on 28 January 2022.
- > An interim dividend of 1.0p pence per ordinary share in respect of Q1 2022 was paid on 19 November 2021

	At 31 December 2021	At 30 October 2021	At 31 December 2020
Completed Homes			
Number of completed homes	4,489	4,291	3,163
Estimated rental value ("ERV") per annum	£43.5m	£41.1m	£29.4m
Contracted Homes			
Number of contracted homes	949	764	1,963
ERV per annum	£8.2m	£7.0m	£19.4m
Completed and contracted sites	67	64	65
ERV per annum of completed and contracted homes	£51.7m	£48.1m	£48.8m
Rent collected in period	Q1 2022	Q4 2021	Q1 2021
	99%	99%	100%

* Contracted sites refers to sites under construction (under a design & build contract) that have been purchased by the PRS REIT or the PRS REIT's Investment Adviser (forward sold to the PRS REIT).

** This is a target only and there can be no assurance that the target can or will be met and should not be taken as an indication of the Company's expected or actual future results. Accordingly, potential investors should not place any reliance on this target in deciding whether or not to invest in the Company or assume that the Company will make any distributions at all and should decide for themselves whether or not the target dividend yield is reasonable or achievable.

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INVESTMENT OBJECTIVES

- > Provide investors with an attractive level of income, and the prospect of income and capital growth
- > The Company is targeting a minimum total dividend of 4.0p per share for the financial year ended 30 June 2022

There is no guarantee that these targets can or will be achieved and they should not be taken as indications of the Company's expected and actual returns.

ORDINARY DIVIDENDS PAID

Per Share

Period from IPO to 30 June 2019	10.0p
FY ended 30 June 2020	4.0p
FY ended 30 June 2021	4.0p
Q1 2022	1.0p
Q2 2022 (to be paid 11 Feb 2022)	1.0p

MARKET OPPORTUNITY

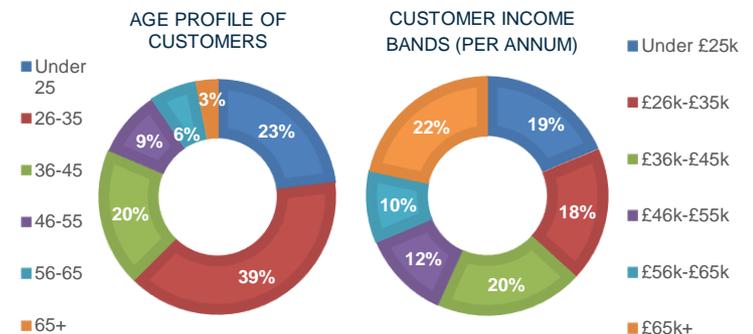
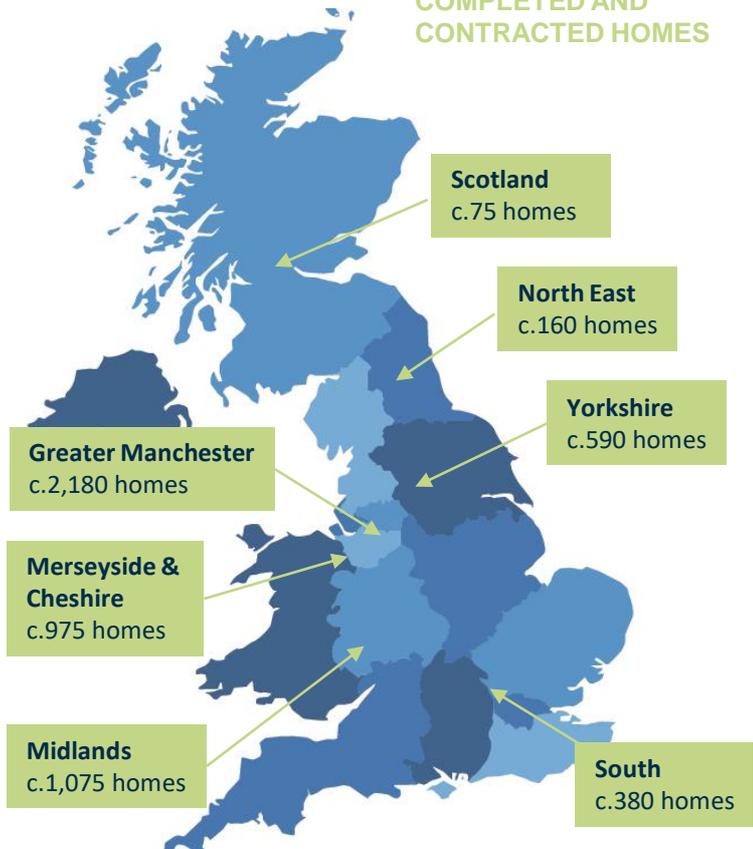
Demand for rental homes in the UK is growing and c. 25% of all households are now living in the rental sector. Factors driving this demand include population growth, deposit affordability constraints, house price inflation and supply issues in the ailing traditional buy-to-let sector.

Currently, the private rental market is typically privately managed and fragmented, with the market for new family houses (rather than flats) under-served.

The Company's high-quality, professionally managed homes at key economic hubs represents an attractive option for middle-income families.

Both local and central Government recognise that the build-to-rent sector can help to accelerate housing delivery as a whole.

COMPLETED AND CONTRACTED HOMES



COMMUNITY ENGAGEMENT

- We ran our latest resident pizza event in October 2021, delivering over 1,300 pizzas to our residents, a Simple Life record.
- We brought a roadshow of wellbeing-themed escape rooms to residents and primary schools across the country in November 2021.
- Over Christmas, Simple Life arranged for Santa Claus and his brass band of elves to visit 54 developments to spread festive cheer and music to residents.
- In lieu of physical Christmas cards, Simple Life dedicated £12,000 across 12 charities, nominated by residents and team members.
- Simple Life won 'Residential Operator of the Year' at the NW Insider Residential Property Awards and the 'Covid Response Award' at the Property Work RESI Awards in December 2021.



Investment Adviser: Sigma PRS Management Ltd,
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Depository: Crestbridge UK Limited
Legal Advisers: Dentons
Auditor: RSM
Financial Advisers: Nplus1 Singer Advisory

Valuer: Savills PLC
Alternative Investment Fund Manager: G10 Capital
Financial Public Relations: KTZ Communications
Registrar: Link Asset Services
Debt advisor: JCRA