

QUARTERLY UPDATE

Q1 FY 2024 – three months ended 30 September 2023

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: 5,129 at 30 September 2023 with ERV of £57.6m p.a.

Rent collected in Q1 2024 was 98% of rent invoiced over the same period

Equity raised to date: £555.6m

Debt facilities (investment and development): £460m

Gearing restricted to maximum 45% of gross asset value

NAV at 30 June 2023: 120.1p per share

Launch date: 31 May 2017

Year end: 30 June

Market capitalisation: c. £409m (18 Oct 2023)

Shares in issue: 549,251,458

Share price: 75.2p (18 Oct 2023)

Board of Directors:

Steve Smith, Chairman

Steffan Francis, Non-executive Director

Roderick MacRae, Non-executive Director

Geeta Nanda, Non-executive Director

Karima Fahmy, Non-executive Director

Jim Prower, Non-executive Director

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

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

Fund Structure: UK Real Estate Investment Trust

SEDOL: BF01NHS

ISIN: GB008F01NH51

Q1 FY2024

The total number of completed homes in the portfolio at 30 September 2023 stood at 5,129 (30 September 2022: 4,856), with 49 homes added in Q1. The delivery programme is now at a very mature stage and over 90% complete.

The estimated rental value ("ERV") of the 5,129 completed homes is £57.6m p.a. (30 September 2022: £49.4m p.a. on 4,856 completed homes).

A further 395 homes, with an ERV of £3.1m p.a., were contracted* at 30 September 2023, and are at varying stages of the construction process.

STRONG ASSET PERFORMANCE

- > Rent collection** was 98%.
- > Occupancy was 98%, with 4,995 homes occupied out of 5,129 completed homes at 30 September 2023. A further 68 homes were reserved for applicants who had passed referencing and paid rental deposits.
- > Total arrears remained modest at £1.1m at 30 September 2023, despite the growth of the portfolio (30 September 2022: £0.6m)

ASSET PERFORMANCE cont.

- > In the 12 months to 30 September 2023, like-for-like rental growth on stabilised sites was 9.8%.
- > Affordability remains strong, with average rent as a proportion of gross household income at c.22%, significantly better than Home England's guidance of less than 35%.

ENERGY EFFICIENCY

- > Homes are energy efficient; c..87% have an EPC rating of 'A' or 'B', with the remainder rated 'C'.
- > The annual running costs of the REIT's homes are estimated to be 74% cheaper than homes built from 1900-1929 and 25% cheaper than homes built in 2010.

DIVIDEND

- > An interim dividend of 1.0p per share in respect of Q4 FY 2023 was declared on 2 August 2023 and paid on 1 Sept. 2023, taking the total dividend for FY 2023 to 4p per share (FY 2022: 4p per share).
- > A dividend of 4.0p per share is targeted for FY 2024 (FY 2023: 4.0p per share)

	At 30 Sept 2023	At 31 Jun 2023	At 30 Sept 2022
Completed homes			
Number of completed homes	5,129	5,080	4,856
Estimated rental value ("ERV") per annum	£57.6m	£55.0m	£49.4m
Contracted homes			
Number of contracted homes	395	444	670
ERV per annum	£3.1m	£3.8m	£7.3m
Completed and contracted sites			
ERV per annum of completed and contracted homes	£60.7m	£58.8m	£56.7m
Like-for-like rental growth on stabilised sites in the preceding 12 months	9.8%	7.0%	5.0%
	Q1 2024	Q4 2023	Q1 2023
Rent collected in period	98%	99%	99%

* 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).

** Rent collection is defined as rent collected in the period relative to rent invoiced in the same period

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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 total dividend of 4.0p per share for the financial year ended 30 June 2024.

ORDINARY DIVIDENDS PAID

Per Share

Q1 FY 2024	1.0p
FY ended 30 June 2023	4.0p
FY ended 30 June 2022	4.0p
Period from IPO to 30 June 2021	18.0p
Total since IPO	27.0p

MARKET OPPORTUNITY

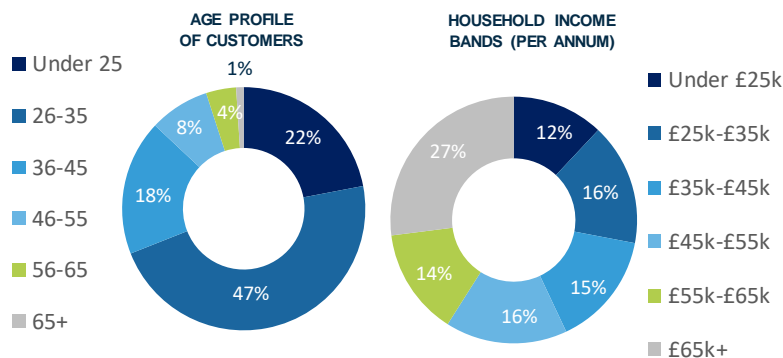
The shortage of high-quality rental homes in the UK remains a structural feature of the marketplace, exacerbated by the current significant imbalance between rental supply and demand. This is driving rental growth across the country.

A Zoopla report in September 2023 stated that the UK rented sector remains stuck in a period of low supply and high demand, with rental affordability now the worst for over a decade. It stated that it expected rents for new lets to increase by 9% in calendar 2023 and then slow to 5-6% in 2024.

A Rightmove report in 2023 Q3 stated that the number of enquiries each property is receiving from would-be tenants has more than tripled to 25 from eight in 2019, driven by the ongoing imbalance between supply and demand, with 41% more tenants looking to move than in 2019 and available supply down by 35%.

Research by TwentyCi, which provides UK residential property data, shows that the number of UK rental homes has fallen to a 14-year low

COMPLETED AND CONTRACTED HOMES
As at 30 Sept 2023



COMMUNITY ENGAGEMENT

- As part of Phase 1 of the Simple Life Biodiversity Project with Green the UK, pupils of Southall Primary School, in Telford are participating in a major planting project. Nearly 150 pupils at Dawley Primary School, Telford, enjoyed a day of planting and building bug 'hotels'.
- Through its charity partner, Alzheimer's Research UK, Simple Life organised a tour of the Brain Bank laboratory in Manchester and the laboratory at Salford Royal Hospital for Simple Life residents, employees and business partners.
- The annual Summer Simple Life Ice Cream Dash returned for a sixth year, with ice-cream vans visiting 52 PRS REIT communities.
- Continuing its support of children's and young people's activities, Simple Life added Manchester Storm Ice Hockey Club to its partnerships.



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Depository: Crestbridge UK Limited
Legal Advisers: Dentons
Auditor: RSM
Financial Advisers: Singer Capital Markets
Company Secretary: Hanway Advisory Limited

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