

QUARTERLY UPDATE

Q4 FY 2024 – three months ended 30 June 2024

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.



Q4 FY2024

DELIVERY PROGRAMME

At 30 June 2024, the number of completed homes in the portfolio totalled 5,396, with 88 new homes added in the quarter. The delivery programme is at an advanced stage, with just 180 additional homes requiring completion before the initial portfolio is complete. These are under contract and are at varying stages of the construction process.

The estimated rental value ("ERV") of the 5,396 completed homes is £65.1m p.a. (30 June 2023: 5,080 completed homes, with an ERV of £55.0m p.a.). The year-on-year rise in ERV reflects both the increase in completed homes and strong rental growth.

Once the 180 contracted homes are complete, the portfolio's ERV is expected to be c.£66.5m p.a.

STRONG ASSET PERFORMANCE

- > Rent collection** during Q4 was 100%,.
- > Occupancy was 96%, with 5,181 homes occupied out of 5,396 completed homes at 30 June 2024. Including a further 81 homes reserved for applicants who had not yet moved in, occupancy would have been 98%.
- > Total arrears net of bad debt provision stood at £1.1m at 30 June 2024, a similar level to 31 December 2023 (31 December 2023: £1.0m).

ASSET PERFORMANCE cont.

- > In the 12 months to 30 June 2024, like-for-like rental growth on stabilised sites was 11.7%, unchanged on Q3.
- > Affordability remains very strong, with average rent as a proportion of gross household income at c.23%. This is well within Home England's guidance limit of 35%.

ENERGY EFFICIENCY

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

DIVIDEND

- > An interim quarterly dividend in respect of Q4 FY24 is expected to be declared by early August 2024.
- > A dividend of 1.0p per share has been paid for each quarter of FY 24 to date.
- > The total dividend target for FY24 is 4.0p per share (FY23: 4.0p per share)

Completed homes: 5,396 at 30 June 2024 with ERV of £65.1 p.a.
Rent collected in Q4 FY24 was 100% of rent invoiced over the same period
Equity raised to date: £555.6m
Debt facilities (investment and development): £460m <i>Gearing restricted to maximum 45% of gross asset value</i>
NAV at 31 Dec 2023: 123.6p per share
Launch date: 31 May 2017
Year end: 30 June
Market capitalisation: c.£423m (18 Jun 2024)
Shares in issue: 549,251,458
Share price: 78.8p (18 July 2024)
Board of Directors:
Steve Smith, Chairman
Karima Fahmy, Non-executive Director
Steffan Francis, Non-executive Director
Roderick MacRae, Non-executive Director
Geeta Nanda, 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: BFO1NHS
ISIN: GB008F01NH51

	At 30 Jun 2024	At 31 Mar 2024	At 30 Jun 2023
Completed homes			
Number of completed homes	5,396	5,308	5,080
Estimated rental value ("ERV") per annum	£65.1m	£62.3m	£55.0m
Contracted homes			
Number of contracted homes	180	268	444
ERV per annum	£1.4m	£2.4m	£3.8m
Completed and contracted sites*	72	72	71
ERV per annum of completed and contracted homes	£66.5m	£64.7m	£58.8m
Like-for-like rental growth on stabilised sites in the preceding 12 months	11.7%	11.7%	7.5%
	Q4 FY24	Q3 FY24	Q4 FY23
Rent collected in period**	100%	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

QUARTERLY UPDATE

Q4 – three months ended 30 June 2024

INVESTMENT OBJECTIVES

- > The PRS REIT aims to 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 (Quarterly)

Per Share

FY 2024 so far	3.0p
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	29.0p

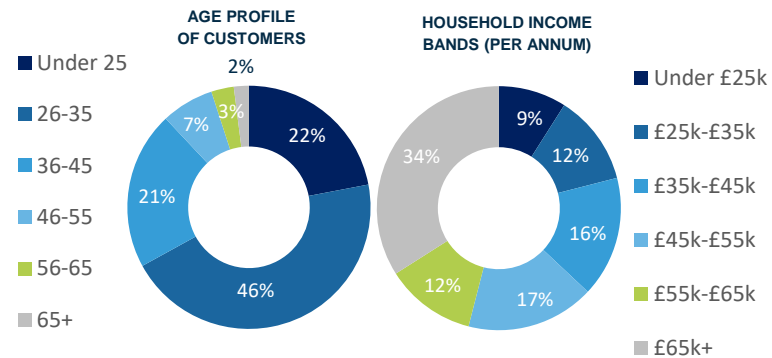
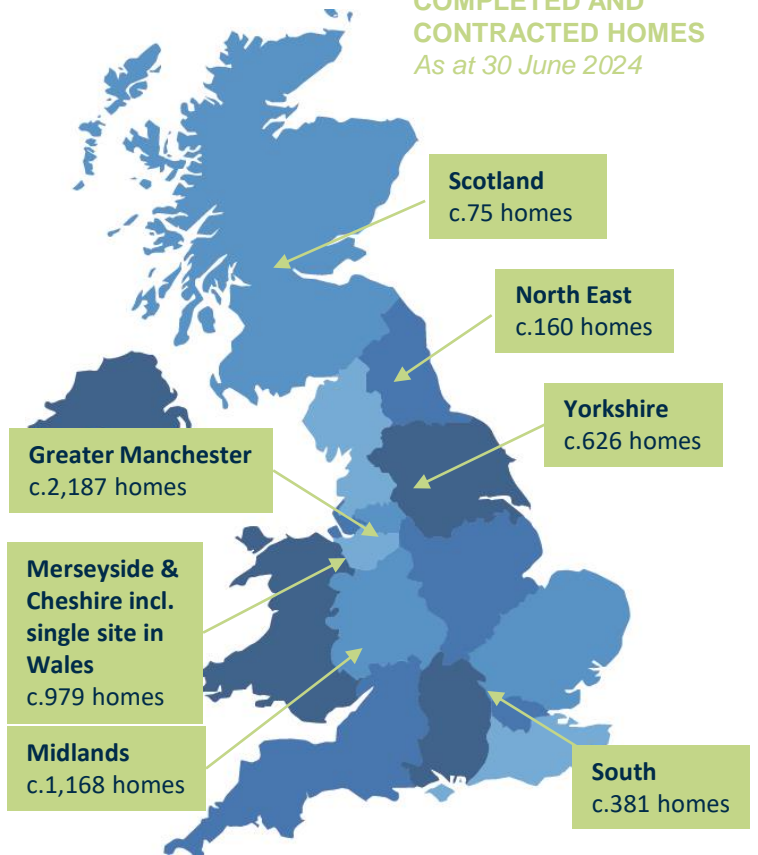
MARKET OPPORTUNITY

The market opportunity in the UK remains significant, driven by strong rental demand against a background of severe undersupply of high-quality rental homes.

A report from TwentyCI and TwentyEA in early July 2024 stated that whilst still tight, some of the pressure in the rental market is easing from recent highs, New instructions rose by nearly 5% in Q2 compared to last year, whilst Lets Agreed rose by nearly 19%. Nevertheless, the report stated that stock levels and availability remain at historic lows and that demand is still significantly outstripping supply, so that rental prices continue to rise. Factors behind the rises include the continued departure from the market of many private landlords due to tax and regulatory changes, as well as the lack of availability and affordability of mortgages in the owner-occupied sector.

In June 2024, Zoopla also pointed to a slowdown in the rate of rental growth but commented that competition for properties remains high with 15 households chasing every rental home, more than double the pre-pandemic level of six. Furthermore, whilst the number of homes for rent per estate agent has increased by c18% over the last year, the supply of homes for rent remains a third lower than pre-pandemic levels.

COMPLETED AND CONTRACTED HOMES As at 30 June 2024



COMMUNITY ENGAGEMENT

- In April, Simple Life held its annual 'Peace of Mind Month' for residents. Now in its sixth year, it was very well-received, with residents highlighting examples of the outstanding care and support they have received from family members or friends.
- Community events over the quarter included outdoor cinema screenings of the first England Euros match and the film "Crazy Stupid Love". This event was complete with wood-fired pizza, pop-up bar and live music from resident Rumbi.
- Simple Life organised the first region-wide event for residents in the North West of England, hiring the Everyman Cinema in Manchester for a screening of 'Dune: Part 2'. The response for tickets was outstanding.
- In April, another 'Outward Bound Trust' trip in Ullswater was organised for young adults across our communities. It was an action-packed, team-building week for them.



Investment Adviser: Sigma PRS Management Ltd,
1 St Ann Street, Manchester M2 7LR
Rob Sumner - rsumner@sigmacapital.co.uk

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