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PRS REIT PLC (The)
07 October 2025

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The PRS REIT plc

("PRS REIT" or "the REIT" or "the Company" or "the Group")

Audited Full Year Results

for the year ended 30 June 2025 & First Quarter Update

Portfolio now fully delivered

Asset performance remains very strong

Key points

	Year to 30 June 2025	Year to 30 June 2024	Change
Revenue	£66.5m	£58.2m	+14%
Net rental income	£53.3m	£47.3m	+13%
Operating profit	£97.4m	£111.7m	-13%
Profit after tax	£77.0m	£93.7m	-18%
Basic earnings per share	14.0p	17.1p	-18%
Adjusted EPRA earnings per share[1]	4.4p	3.7p	+19%
Net assets at 30 June	£785m	£731m	+7%
IFRS NAV and EPRA NTA per share[2]	143.0p	133.2p	+7%

	At 30 Sept 2025	At 30 June 2025	At 30 June 2024**	Year-on-year change
Number of completed homes	5,478	5,478	5,396	+2%
Estimated rental value ("**ERV**") per annum	£73.4m	£72.0m	£65.1m	+11%
Number of contracted homes	-	-	82	-
ERV per annum	-	-	£0.4m	-
Completed and contracted sites	71	71	71	-
ERV per annum of completed and contracted sites*	£73.4m	£72.0m	£65.5m	+10%
Rent collected (as a percentage of total rent invoiced for the period)	99%	100%	99%	+1%

* *based on all completed units being occupied/income producing*

***restated to exclude a 98-unit site, with a total ERV of £1.0m, following the Board's decision not to exercise an option to purchase it after net returns were considered*

Financial

- Earnings in line with Board's expectations
- Adjusted EPRA earnings per share up 19% to 4.4p (2024: 3.7p), driven by increased rental income and ongoing strong cost control
- Operating profit £97.4m (2024: £111.7m), reflecting lower gains from fair value adjustments on investment property of £53.6m compared to the prior year (2024: £73.4m). The gains are non-cash items
  - Continued ERV growth partially offset slightly softer net investment yields of 4.66% compared to 4.59% in the prior year (2024: yields softened to 4.59% from 4.47%)
- Profit after tax of £77.0m (2024: £93.7m)
- Net asset value up 7% to £785m at financial year end (30 June 2024: £731m), driven by strong ERV growth
  - ERV was c.£4.7m higher than passing rent as at 30 June 2025 (2024: £5.4m higher), another indicator of strong fundamentals of the Private Rental Sector ("PRS")
  - IFRS NAV and EPRA NTA increased by 7% to 143.0p per share (2024: 133.2p per share)

Portfolio delivery completed

- The remaining balance of 82 new homes was delivered as planned, completing the construction phase and taking the portfolio to 5,478 completed homes at 30 June 2025 (2024: 316 new homes added; 5,396 completed homes)
  - ERV of the 5,478 homes at 30 June 2025 was £72.0m p.a. (30 June 2024: 5,396 homes with ERV of £65.1m p.a.)

Another year of excellent portfolio performance

- Rent collection[3] was almost 100% for the year to 30 June 2025 (2024: 99%)
- Occupancy was 96% at 30 June 2025 (2024: 96%). Including homes where prospective tenants had passed referencing and paid rental deposits but not moved in by 30 June 2025, occupancy was 97% (2024: 98%)
- Gross arrears were £1.9m at 30 June 2025 (2024: £1.7m)
- Like-for-like rental growth[4] over the year was c.9% on stabilised sites (2024: c.12%)
- Affordability (average rent as a proportion of gross household income) was strong at 24% as at 30 June 2025 (2024: 23%)
- Gross to net ratio (being non-recoverable property costs as a percentage of revenue) was 19.8% (2024: 18.8%), with the change mainly reflecting increased maintenance partly due to the age of the portfolio and slightly higher costs compared with the prior year
- Average net investment yield on the portfolio softened slightly to 4.66% (2024: 4.59%)

Debt

- EPRA loan to value ('LTV') on portfolio reduced slightly to 35% (2024: 36%)
- Approx. 81% of the current £434m of investment debt is fixed at an average interest rate of 3.8% over an average term of 14 years, which compares favourably with the average net investment yield of 4.66%

Dividends

- Total dividends declared increased to 4.3p per share (2024: 4.0p), with dividends declared fully covered on an EPRA EPS run-rate basis since March 2024
- Dividend target for FY26 is a minimum of 4.5p per share[5]

Strategic Review and Formal Sale Process

- Non-binding heads of terms agreed for Proposed Sale of the Company's assets as announced on 17 September 2025, with proposed buyer being a vehicle wholly owned by a fund being advised by Waypoint Asset Management Limited; underlying investors comprise leading UK local government pension funds;
  - proceeds to the Company, net of transaction expenses and corporation tax, are expected to be approximately £633.2 million
  - targeting end of November 2025 for completion, which is subject to shareholder approval
  - subject to completion, the Board intends to seek further shareholder approval for the voluntary liquidation of the Company with a view to distributing the Company's net assets to shareholders as soon as reasonably practicable

Q1 FY26 and Outlook

- Trading in July - September 2025, the first quarter of the new financial year, remained strong:
  - ERV of portfolio 5,478 completed homes was £73.4m p.a. at 30 September 2025
  - occupancy high at 96%
  - rent collection strong at 99%
  - like-for-like rental growth on stabilised sites over the year to 30 September 2025 of c.5%
  - affordability (average rent as a proportion of gross household income) very healthy at 23%
- Prospects remain very positive and an update on the Strategic Review and Formal Sale Process will be made in due course

Geeta Nanda, Chairwoman of The PRS REIT plc, commented:

"The Company has generated another very strong performance, with rental income materially higher year-on-year. Other measures of the portfolio's performance, including occupancy and rent collection, were also extremely encouraging and its strong performance has continued into the new financial year. Our housing delivery programme was completed in June 2025, marking a significant milestone, and the latest estimated rental value of the completed portfolio, at the end of September, 2025 is £73.4m per annum.

"We are at non-binding heads of terms stage for a potential sale of the Company's assets and will make a further announcement on this in due course. First and foremost, I would like to thank our shareholders for their support and their invaluable feedback throughout the Strategic Review. I would also like to thank all our partners, including our lenders and in particular Sigma Capital, who managed the delivery of our portfolio as well as its very successful performance to date. High-quality, new rental homes remain undersupplied in the UK and we expect our portfolio to continue to perform very well."

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NOTES TO EDITORS

About The PRS REIT plc www.theprsreit.com

The PRS REIT plc is a closed-ended real estate investment trust established to invest in the Private Rented Sector ("PRS") and to provide shareholders with an attractive level of income together with the potential for capital and income growth. The Company has invested over £1bn in a portfolio of high-quality homes for private rental across the regions, having raised a total of £0.56bn (gross) through its Initial Public Offering on 31 May 2017 and subsequent fundraisings in February 2018 and September 2021. The UK Government's Homes England has supported the Company with direct investments. The Company is listed on the Closed-ended investment funds category of the FCA's Official List and its Ordinary Shares are traded on the London Stock Exchange's Main Market. It is a constituent of the FT250 Index. With 5,478 new rental homes as at 30 September 2025, the Company believes its portfolio is the largest build-to-rent single-family rental portfolio in the UK.

LEI: 21380037Q91HU97WZX58

About Sigma Capital Group Limited (formerly Sigma Capital Group plc) www.sigmacapital.co.uk

Sigma Capital Group Limited ("Sigma") is a build-to-rent ("BTR") regeneration specialist, with offices in Edinburgh, Manchester and London. The Company's principal focus is on the delivery of large-scale housing schemes for the private rented sector and Sigma is the UK's leading provider of BTR homes for the single family sector. The Company also has extensive experience in the delivery of multi-family apartment schemes and a well-established track record in assisting with property-related regeneration projects in the public sector, acting as a bridge between the public and private sectors.

Sigma has created an unrivalled property delivery and management platform, which has delivered or is in the process of delivering over 12,000 homes across the UK to date. The Company has a significant pipeline of development opportunities, which currently stands at over £3 billion in gross development cost. Sigma manages the letting of completed homes through its property platform, which includes its award-winning rental brand 'Simple Life'. The Company's subsidiary, Sigma PRS Management Ltd, is Investment Adviser to The PRS REIT plc.

About Sigma PRS Management Ltd

Sigma PRS Management Ltd is a wholly-owned subsidiary of Sigma Capital Group Limited and is Investment Adviser to The PRS REIT plc. It sources investments and operationally manages the assets of The PRS REIT plc and advises the Alternative Investment Fund Manager ("AIFM") and The PRS REIT plc on a day-to-day basis in accordance with The PRS REIT plc's Investment Policy. The AIFM is G10 Capital Limited. Sigma PRS Management Ltd is an appointed representative of G10 Capital Limited, which is authorised and regulated by the Financial Conduct Authority (FRN:648953).

CHAIRWOMAN'S STATEMENT

Introduction

I am pleased to present The PRS REIT plc's (the "PRS REIT", or the "Company", or the "Group") audited financial results for the year ended 30 June 2025. As planned, the Company's portfolio of rental homes was successfully completed by the end of the financial year, taking its total number of homes to 5,478, with an estimated rental value ("**ERV**") of £72.0 million p.a at the financial year end. This landmark point was achieved alongside continued very strong asset performance, and I am also pleased to note the Company's entry into the FTSE 250 Index on 30 September 2024.

Largest portfolio of single-family rental homes in the UK

Over the financial year, the final tranche of 82 homes was completed and added to the portfolio, taking it to 5,478 completed homes at 30 June 2025 (30 June 2024: 5,396 completed homes). We believe it remains the largest completed homes at 30 June 2025 (30 June 2024: 5,396 completed homes). We believe it remains the largest portfolio of single-family rental homes in the UK.

The ERV of the 5,478 completed homes was £72.0 million per annum at 30 June 2025 (2024: £65.1 million per annum on 5,396 completed homes), an 11% rise year-on-year. This increase was mainly driven by strong rental growth over the period.

The Company's homes are spread across 71 sites (2024: 71 sites), which are predominantly located in the major regions of England; the North-West, North-East, Yorkshire, the Midlands, the South-East (excluding London) and East of England. We have a single site in North Wales and another in Central Scotland.

Strong asset performance

Our assets continued to perform strongly. Both occupancy and rent collection (measured as rent collected relative to rent invoiced in a given period) over the financial year remained very high. Rent collection was almost 100% (2024: 99%) and occupancy was 96% at 30 June 2025 (30 June 2024: 96%), with 5,252 homes physically occupied out of 5,478 completed homes. Including those homes where a letting had been agreed, referencing passed and a rental deposit paid but where occupancy had not commenced by 30 June 2025, occupancy was 97% (2024: 98%).

Like-for-like rental growth over the financial year on stabilised sites was c.9% (2024: c.12%). A stabilised site is one where all units were completed and let (or nearly all let) at the end of the prior period. The c.9% increase reflected a blended growth rate on re-lets to new tenants and renewals with existing tenants. It is worth noting the closing gap between passing rent and ERV, with rental increases for re-lets slightly less than the rental increase for renewals. Gross rent arrears continued to be modest, despite the increase in let homes, standing at £1.9 million at 30 June 2025 (30 June 2024: £1.7 million).

The affordability ratio, which is measured as average rent as a proportion of gross household income remains another key statistic. The ratio was healthy at 24% at the financial year end (2024: 23%) reflecting the strong tenant base and wage increases. It is also well within the Office of National Statistics' guidance that rent should be less than 30% of a tenant's gross household income.

Net rental income over the financial year grew by 13% to £53.3 million (2024: £47.3 million). The rise was driven by a combination of three factors: a full year's rental contribution from properties that had been completed and let part-way through the prior financial year; increased unit numbers; and rental growth.

The portfolio's strong performance to date demonstrates the continuing need for high-quality family rental homes. While rental housing supply rose over the year to June 2025, supply has still not yet reached pre-2020 levels and remains an estimated 20% below pre-pandemic levels, with significant regional variation. Demand for rented homes is more than 60% above pre-pandemic levels.

In its Housing Insight Report, published on 2 September 2025, Propertymark (a leading property organisation) stated that demand continued to outpace supply. It reported that the average number of applicants per member branch was just over six people for each available property in July 2025, and that while rental inflation had softened in 2025, the average UK rent in July 2025 was 5.9% higher than in July 2024. The Report commented, "The market remains competitive … and many renters continue to stay put in their current homes in fear of being unable to find somewhere else. If this trend continues and landlords continue to pull their homes from the market, this is only likely to worsen."

Zoopla, a leading UK property website, highlighted the slower pace of rental inflation in its mid-September 2025 Rental Market Report, and stated that rental inflation remains on track to be 3% over 2025. Its Report emphasised the unaffordability of home ownership, which is "trapping people in private renting and keeping rental demand above pre-pandemic levels". It states, "We don't expect a surge of new investment activity by landlords to accelerate the supply of homes for rental" and concludes that "encouraging new investment and growing the supply of homes for rent is the only long-term solution to easing the pressure on renters across Britain".

Financial results

Revenue, which is generated wholly from rental income, increased by 14% year-on-year to £66.5 million (2024: £58.2 million). The rise reflects rental growth, a full year's rental income from homes let part-way through the prior financial year, and the increase in completed homes. Non-recoverable property costs as a percentage of revenue increased slightly to 19.8% of revenue (2024: 18.8%), reflecting the ageing of the portfolio with additional homes coming out of warranty and slightly higher costs. Net rental income for the financial year rose by 13% to £53.3 million (2024: £47.3 million).

Expenses in the year increased to £9.6 million (2024: £9.2 million). Expenses include £0.8 million of non-recurring costs relating to the Requisition Event, Strategic Review and Formal Sale Process (2024: £nil), further details of which are given below. The £0.8 million is not included in the calculation of EPRA EPS, but treated as an adjusting item due to the one-off nature of these costs. Expenses also reflect the reduction in the Investment Advisory fee, which took effect from the beginning of the financial year.

The gain from the fair value adjustment on investment property was £53.6 million (2024: £73.4 million). It reflected a combination of strong but slower growth in ERV in the year, partially offset by a softening in average net investment yields.

The independent valuer's assessment of ERV on completed and let properties at 30 June 2025 was approximately £4.7 million higher than passing rent (2024: £5.4 million higher), which demonstrates strong reversionary rents for the Company's assets. The fair value of investment property is based on the valuer's estimate of ERV with a capital deduction from investment value where appropriate to reflect the difference between the passing rent and ERV.

Operating profit decreased by 13% to £97.4 million (2024: £111.7 million), which mainly reflected lower gains from fair value adjustments on investment property. These gains are non-cash items.

Finance costs were higher, as expected, at £20.7 million (2024: £18.2 million). This was in line with the increase in debt drawn, in particular the use of the short-term, variable-rate loan facilities, which have higher interest rates than the longer-term, fixed-rate investment debt facilities, despite the decrease in reference rates in the year. Finance income from short-term deposits increased to £236,000 (2024: £188,000), reflecting the higher levels of cash held.

Profit after taxation was £77.0 million (2024: £93.7 million) while basic and diluted earnings per share decreased by 18% to 14.0p (2024: 17.1p) on an IFRS basis.

The Group's IFRS net asset value ("**NAV**") per share and EPRA net tangible asset ("**NTA**") per share at 30 June 2025, both increased to 143.0p (31 December 2024: 139.6p, and 30 June 2024: 133.2p). This is a 7% increase over the prior year and a 2% increase over the prior six months.

In line with the process followed since IPO, the NAV of the Company is calculated by reference to the aggregate valuation of each separate property asset. These individual property valuations have been arrived at in accordance with the requirements of IFRS 13 and the Royal Institution of Chartered Surveyors' ("**RICS**") Valuation - Global Standards, incorporating the IVSC International Valuation Standards effective from 31 January 2025, together, where applicable, with the UK National Supplement effective 14 January 2019, (together the "**RICS Red Book**"). These valuations include a number of unobservable inputs and other valuation assumptions. The key unobservable inputs are: ERV; gross to net assumption; and investment yield. Other Special Assumptions applied in addition to the key unobservable inputs, and used since inception include:

· all individual site valuations have been treated assuming part of a larger portfolio (in excess of £50 million); and
· an indirect purchase of a special purpose vehicle holding title to the asset, so stamp duty is assessed on a share purchase basis rather than as property.

Net assets at 30 June 2025 rose by 7% to £785 million (30 June 2024: £731 million). This was after paying dividends of £23.1 million in the year (2024: £22.0 million).

Debt facilities

As at the financial year-end on 30 June 2024, the Company had £460 million of committed debt facilities available for utilisation, of which nearly £420 million was drawn. This comprised £427 million of investment debt facilities and £33 million of development debt facilities.

Debt refinancing

At the financial year-end on 30 June 2025, the Company had £467 million of committed debt facilities available for utilisation, of which nearly £429 million was drawn. These facilities comprised £434 million of investment debt facilities and £33 million of development debt facilities. The latter has since been repaid and the facility closed in September 2025 following the completion of the delivery programme.

Our lending partners are: Scottish Widows (£250 million - investment debt); Legal and General Investment Management (£102 million - investment debt); The Royal Bank of Scotland plc ("RBS") (£82.5 million - investment debt); and Barclays Bank PLC (£33 million - development debt).

debt); and Barclays Bank PLC (£33 million - development debt).

The PRS REIT has fixed long-term debt facilities totalling £352 million, with an average blended interest rate of 3.8% and an average term of 14 years, which compares favourably with the average net investment yield of 4.66% as at 30 June 2025. These long-term debt facilities account for approximately 81% of the Company's total investment debt of £434 million.

The portfolio's gearing reduced slightly to 35% EPRA LTV (2024: 36%), and the debt facilities are below the maximum gearing ratio of 45% of gross asset value, in line with the Company's Investment Policy.

Environmental, Social and Governance ("ESG") practices

The PRS REIT is a member of the UK Association of Investment Companies and adheres to its Code of Corporate Governance to ensure best practice in governance.

The Board is responsible for determining the Company's investment objectives and policy, and has overall responsibility for the Company's activities. This includes the review of investment activity and portfolio performance. The day-to-day management of ESG matters is delegated to the Investment Adviser, Sigma PRS, a signatory and participant of the United Nations Global Compact.

As a landlord of a substantial portfolio of residential properties across the United Kingdom, the Board recognises the significant potential impact the Company can have on both individuals and communities. With this in mind, in creating the portfolio, our primary objectives were to establish developments offering high-quality, energy-efficient and well-located homes, and to provide residents with high customer service levels. Environmental considerations were also important and remain so. In addition, we place a strong emphasis on promoting a sense of community within our developments and actively facilitate and support the development of strong community links.

This ethos underpins the Group's Environmental, Social and Governance activities and policies. Further details are provided in the Investment Adviser's Report. They illustrate our ongoing initiatives to maintain a high standard of customer care, foster a sense of community, and promote environmental sustainability. We believe that the regular social activities that we organise across developments, as well as the partnerships formed with charities, sports clubs and other beneficiary organisations, help to promote both individual well-being and social cohesion. Feedback from residents and other beneficiaries indicate the tangible benefits that are delivered, and we are pleased to highlight the specific examples included in the Investment Adviser's Report.

Requisition event, Board changes, and Strategic Review and Formal Sale Process

As previously reported, a Requisition Notice was received on 29 August 2024, which set in motion a consultation process with major shareholders and Requisitioning Shareholders. The outcome of this process was the withdrawal of the Requisition Notice and the implementation of a number of Board changes. On 8 October 2024, Robert Naylor and Christopher Mills were appointed to the Board as Non-executive Directors, and on 3 December 2024, at the Company's AGM, Geeta Nanda, previously the Senior Independent Director, assumed the role of independent, Non-executive Chairwoman, with Chairman Steve Smith stepping down. Karima Fahmy became Senior Independent Director. On 1 September 2025, after Karima retired from the Board to take up a position overseas, Steffan Francis took up the role. The Board takes this opportunity to thank Steve and Karima for their contribution to the Company during their tenure.

As previously announced on 23 October 2024, a strategic review formally commenced to consider the future of the Company and to explore all the various strategic options available to enhance value for shareholders, including a potential sale of the Company ("**Strategic Review and Formal Sale Process**").

On 17 September 2025, the Company entered into non-binding heads of terms for the proposed sale (the "**Proposed Sale**") of The PRS REIT Holding Company Limited, the Company's operating subsidiary that holds the entirety of the Company's portfolio of property assets, to a vehicle ("**Bidco**") wholly owned by a fund being advised by Waypoint Asset Management Limited ("**Waypoint**") as investment adviser. The cash consideration receivable in respect of the Proposed Sale is expected to be approximately £646.2 million. Proceeds to the Company of the Proposed Sale, net of transaction expenses and corporation tax, are expected to be approximately £633.2 million.

This Proposed Sale is conditional on, inter alia: satisfactory completion of confirmatory due diligence by Waypoint; the Company and Bidco agreeing and entering into a sale and purchase agreement in respect of the Proposed Sale; and approval of the Proposed Sale by the Company's shareholders at a general meeting by way of a special resolution. The Company and Waypoint are working together with a view to completing the Proposed Sale by 30

November 2025.

Subject to completion of the Proposed Sale, the Board intends to seek further shareholder approval for the voluntary liquidation of the Company, with a view to distributing the Company's net assets to shareholders as soon as reasonably practicable. Details of the net assets to be distributed to shareholders will be announced in due course.

The Strategic Review and Formal Sale process, conducted in conjunction with the Board's advisers, has been thorough, and multiple, non-binding expressions of interest were received from a wide range of parties. However, the Company has not received any written proposals on superior terms to the Proposed Sale, or received an equivalent proposal that is not conditional on securing further funding. The Board has noted the disparity between the pricing presented in these indications of interest and the Company's NAV which has highlighted that due to the size of the Company, amongst other things, the current realisable value of the Company or its assets as a whole, may be materially different from the aggregate of the estimate of each property's value. Accordingly, the Board believes that the Proposed Sale provides the greatest certainty and cash return to shareholders of any of the proposals received.

Subject to the outcome of the Strategic Review and Formal Sale Process, the Board intends to consider and develop a succession plan in respect of the Board members in early 2026. This is particularly relevant for the tenures of Steffan Francis and Rod MacRae, which are both coming up to nine years of service in April 2026. Succession planning will be conducted in accordance with the AIC Code of Corporate Governance.

Investment Advisory Agreement

In November 2024, the Company's Investment Advisory Agreement (the "**Agreement**") with Sigma PRS Management Ltd ("**Sigma PRS**") was amended to include a change of control provision such that both parties have the right to serve notice to terminate the Agreement on 12 months' notice in the event of a change of control of the Company. This change was designed to add further flexibility as to how any potential sale of the Company could be implemented.

Summary and outlook

The completion of the Company's portfolio of new, high-quality, single family rental homes in June 2025 marked a significant milestone and we believe it remains the largest of its kind in the UK. The portfolio's performance measures have been excellent and we expect it to continue to perform very well, supported by effective asset management as well as market fundamentals.

Over the first quarter of the new financial year, the ERV of the completed portfolio increased to £73.4 million per annum as at 30 September 2025 (30 June 2025: 5,478 completed homes with an ERV of £72.0 million per annum and 30 September 2024: 5,425 completed homes with an ERV of £67.5 million per annum). Asset performance over the quarter has been very strong. Rent collection in the first quarter was 99% (30 September 2024: 100%) and total occupancy at 30 September was at 96% (30 September 2024: 98%), with 5,251 homes occupied out of the total of 5,478. At that point, including those 83 homes reserved for applicants who had passed referencing and paid rental deposits but not taken occupancy by 30 September 2025, total occupancy was 97%. Total arrears at 30 September 2025 stood at £2.1 million (2024: £1.6 million). The like-for-like rental growth on stabilised sites over the year to 30 September 2025 was c.5% (2024: c.12%).

We increased the total dividend in the financial year under review and it has been fully covered on a run rate EPRA EPS basis since March 2024. The dividend target for the new financial year is a minimum of 4.5p per share*, and we expect to declare the interim dividend for the first quarter of the new financial year in November 2025.

The Company's debt position is very robust with approximately 81% of long-term debt fixed at an average weighted cost of 3.8% over an average term of 14 years. Current market forecasts suggest that interest rates are expected to reduce further this year, providing an opportunity to either extend the existing or agree another fixed-rate, long-term investment debt facility to replace the short-term RBS variable rate facility.

Geeta Nanda
Chairwoman
6 October 2025

* *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.

IFRS AND EPRA PERFORMANCE MEASURES

Under the European Real Estate Association ("**EPRA**") Best Practice Recommendations for financial disclosures by public real estate companies, three measures for reporting net asset value are available, EPRA Net Tangible Assets ("**NTA**"), EPRA Net Reinstatement Value ("**NRV**"), and EPRA Net Disposal Value ("**NDV**").

The Group considers EPRA NTA to be the most relevant measure for its operating activities and has adopted this as the Group's primary measure of net asset value.

EPRA NRV is not considered an appropriate disclosure measure for the PRS REIT as the Group has acquired, constructed and developed the vast majority of assets and this would therefore equate to adjusted historic construction cost.

The valuation of the Group's assets is undertaken in accordance with RICS guidance. However, this does not include any adjustment to reflect the size and scale of the Group's overall portfolio of assets. In the absence of comparable market evidence for such a portfolio, EPRA NDV is not considered an appropriate measure.

KPI	Explanation	Performance	
		Year to 30 June 2025	Year to 30 June 2024
IFRS NAV (see note 9)	Unadjusted net asset value.	143.0p per share	133.2p per share
EPRA NTA (see note 9)	EPRA Net Tangible Asset is net asset value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term property business model.	143.0p per share	133.2p per share
IFRS EPS (see note 5)	Unadjusted earnings per share.	14.0p per share	17.1p per share
Adjusted EPRA EPS (see note 5)	Earnings per share excluding investment property revaluations, gains and losses on disposals, changes in the fair value of financial instruments and associated close-out costs and their related taxation.	4.4p per share	3.7p per share
EPRA Earnings (see note 5)	EPRA Earnings is a measure of operational performance and represents the net income generated from the operational activities excluding changes in value of investment properties.	£'000 24,241	£'000 20,263

MARKET DYNAMICS

The UK build-to-rent sector ("**BTR**") has been growing robustly over the past decade although it is still significantly behind the mature markets of Germany and the United States. It has also established itself as an important component in the delivery of new housing in general, including for sale and affordable homes. The sector has become closely integrated into house builders' delivery strategies, with partnerships between house builders and institutional investors providing significant benefits for both parties. House builders are able to reduce their reliance on their own sources of capital and debt, and improve their cash flows, thereby enabling them to deliver more homes in total while BTR specialists have been able to tap into an established supply chain.

According to the British Property Federation's Q2 BTR Report, at the end of June 2025, a total of 293,096 BTR homes were either completed, under construction or in planning in the UK. Some 132,296 homes were completed at that point, up 12% year-on-year, while 51,216 homes were under construction and 109,583 in the planning pipeline. The number of homes under construction was down 11% year-on-year and the number in planning up 5% up over the year to 30 June 2025, which may constrain longer term supply. Approximately, 87% of the 293,096 BTR homes completed, under construction or in planning were Multifamily (BTR flats) with only 13% Single Family (BTR houses). Over the last six years or so, the number of BTR homes being delivered outside London, has been growing and the split between BTR homes in the regions and London is now 62%: 38%. These percentages include all BTR homes, completed, under construction or in planning.

The key driver of the growth in the BTR sector has been the structural shortage of properties in the UK, for both the owner-occupied and rental sectors. The former has been impacted by affordability issues, which have increased demand in the rental sector, while rental supply has been adversely affected by private landlords leaving the private rented sector. Since 2010, several policy changes have adversely impacted private landlords, disincentivising them from participating in the market. These include tax changes, changes to Stamp Duty Land Tax, tighter lending criteria on Buy-to-Let mortgages and, more recently, government plans to reform the private rented sector with the Renters' Rights Bill. Higher interest rates and rising costs have also hit private landlords. Savills reported that approximately 290,000 rental properties, making up 6% of the rental stock in England and Wales, were sold between April 2021 and October 2024. According to the English Private Landlord Survey 2024, more private landlords reported that they were planning to decrease the size of their portfolio than in 2021 and 2018.

The significant imbalance between supply and demand in the UK housing market has put considerable pressure on the rental market. The shortage of rental properties was highlighted in a report from TwentyCI and TwentyFA, which stated that the supply of new properties to rent in Q1 2025 reduced by 1% in the quarter compared to the same period in the previous year and was 22% lower than the corresponding period in the pre-pandemic year of 2019. In addition, the volume of all properties to let in the quarter reached an all-time low and was 18% less than in Q1 2024. In its Rental Market Report March 2025, Hometrack stated that each rental property was receiving on average around 12 enquiries. Although this is lower than 2022-24 levels, it remains higher than pre-pandemic levels.

The high rental growth of the past few years has moderated more recently, principally driven by affordability issues. The Office of National Statistics has estimated that average UK monthly private rents increased by 6.7% in the 12 months to June 2025, compared to 7.0% in the twelve months to June 2024.

Fundamentally, the rental market needs more supply, however it seems likely that forthcoming rental reforms and other proposed policy changes will limit new investment and supply growth, at least from private landlords. Given the potential for further departures from the market by private landlords at a time of continuing strong demand, especially for high-quality, well-managed rental properties, the outlook for the BTR sector appears strong.

Private Rented Sector Reform

The Renters' Rights Bill is the most significant reform of the private rented sector since the Housing Act 1988, and has wide-ranging implications for landlords, tenants and letting agents. First introduced to Parliament in September 2024, it is currently expected to come into force later this year or in early 2026 and will apply to all tenancies in England.

A key proposal of the new legislation is the reform of the grounds for repossession. The abolition of Section 21 "no fault" evictions will remove a landlord's ability to evict tenants without a specific, legally defined reason. Other proposals include the replacement of fixed-term assured tenancies and assured shorthold tenancies with periodic tenancies, typically rolling monthly, with tenants able to end their tenancy at any time with two months' notice. Private rented properties will have to meet the Decent Homes Standard, with a strengthening of timeframes in which landlords are required to investigate and fix reported health hazards. There will also be a requirement for rental properties to have an EPC rating of C or above by 2030. These proposals are likely to put further pressure on private landlords to exit the sector.

As a professional landlord, the PRS REIT is in the market for the long-term and is in favour of proposals that support the rights of tenants to a decent home while also supporting responsible landlords. All of the Company's homes have an EPC rating of C or above, with 88% of the portfolio rated as A and B.

PORTFOLIO ANALYSIS

As at 30 June 2025, the value of the Group's completed property portfolio was c.£1.2 billion (2024: c.£1.1 billion). These are independent, third-party property valuations determined by Savills, the global real estate services provider.

Since May 2017, Savills has undertaken separate property valuations of each asset as they were acquired by and developed by the PRS REIT. In addition, a valuation has been prepared by Savills on a biannual basis since 2018. The property valuations have been arrived at predominantly by reference to market evidence of ERV, net investment yield, and open market value for comparable properties in accordance with the requirements of IFRS 13 and the Royal Institution of Chartered Surveyors' ("**RICS**") Valuation - Global Standards, incorporating the IVSC International Valuation Standards effective from 31 January 2025, together, where applicable, with the UK National Supplement effective 14 January 2019, (together the "**RICS Red Book**"). Every property is reviewed individually and visited at least once a year by a member of the Savills valuation team.

Regional split of the portfolio by investment value - at 30 June 2025

The portfolio is geographically diversified and at 30 June 2025, the regional split by investment value was as follows:

Region	2025	2024
North West	51%	52%
West Midlands	22%	21%
South East	11%	11%
Yorkshire	11%	11%
North East	2%	2%
Wales	2%	2%
Scotland	1%	1%

Other key metrics - at 30 June 2025

- Gross-to-net: the deduction from gross rent to net rent across the portfolio for the year ended 30 June 2025 was 19.8% (2024: 18.8%) largely reflecting increased maintenance expenses, partly due to the age of the portfolio, as well as slightly higher costs.
- Rent roll: the rent roll at 30 June 2025 was £68.6 million (2024: £61.9 million) and the average rent increased to £13,151 per annum or £1,096 per month (2024: £12,060 per annum or £1,005 per month).
- Average size of site: the average size of site was 77 housing units (2024: 77 housing units).
- Properties by bedroom number: the split between 1, 2, 3 and 4-bedroom properties was unchanged at 3%, 26%, 62% and 9% respectively (2024: 3%, 26%, 62% and 9% respectively).
- Bad debt: bad debt expense for the year was £0.3 million (2024: £0.3 million) and the bad debt provision at the year-end was £0.9 million (2024: £0.7 million) reflecting a prudent approach in the current economic climate.

Age groupings

The largest age grouping across the customer base at the time of sampling on 30 June 2025 was 26-35 years, with this age group increasing to c.48% of the total customer base from c.46% in the prior year. The under 25 and over 65 age groups also changed slightly year-on-year, with both age groups reducing slightly as a proportion of the total customer base. Other age groupings remained largely unchanged on 2024.

Age	2025	2024
Under 25	20%	22%
26-35	48%	45%
36-45	21%	21%
46-55	7%	7%
56-65	3%	3%
65+	1%	2%

Household income bracket

The average income across the portfolio has moved higher compared to the prior year, driven by increases in the two highest household income brackets (together now c.52% of the total, up from c.45% in the prior year). There was little change in the third highest income bracket (£45,000-£55,000) and reductions in the lower income ranges, with the exception of the 'under £25,000' household income range, which increased year-on-year.

Annual Household Income	2025	2024
Under £25k	13%	9%
£25k-£35k	8%	12%
£35k-£45k	11%	16%
£45k-£55k	16%	18%
£55k-£65k	14%	12%
£65k+	38%	33%

Tenancies with children

Households with children reduced markedly year-on-year to c.37% of total households against c.45% in the prior year. The change may indicate a tendency to defer, or abandon, family formation. A second marked change was the number of households with four children or over, which decreased significantly. Households with two children also reduced sharply, while single-child households went up year-on-year.

Children	2025	2024
None	63%	55%
One child	12%	6%
Two children	11%	19%
Three children	4%	2%
Four+ children	10%	18%

Distance travelled

We record the distance travelled by tenants from their previous address to their new 'Simple Life' home. The largest category by far is those travelling 'under three miles', which has also increased significantly against the prior year. As the brand is nationwide, we believe that this shows increasing brand awareness and that our model of site selection in and around major conurbations is capturing residents moving for employment reasons.

Distance Travelled	2025	2024
<3 miles	68%	49%
3-10 miles	11%	17%
10-50 miles	11%	15%
>50 miles	10%	19%

The data for both years are based on new applicant, regional data collected for the Simple Life Homes brand.

INVESTMENT STRATEGY AND BUSINESS MODEL

AWARDS

We are very pleased to report that our developments and model continued to be recognised by our industry in award shortlists. We are delighted to highlight the following commendations and achievements:

- Insider NE Property Awards - Residential Development of the Year 2024 (Kirkleatham Green) - WINNER
- Love To Rent Awards - Best BTR Marketing Campaign 2024 (Go-Get) - HIGHLY COMMENDED
- Property Week RESI Awards - BTR Operator of the Year (over 1,000 units) 2025 (Sigma) - FINALIST
- Insider NW Residential Property Awards - Residential Operator of the Year 2025 (Simple Life Homes) - SHORTLISTED
- Citywire Investment Trust Awards - Best Property Specialist Trust Award 2024 (The PRS REIT plc) - SHORTLISTED
- Love To Rent Awards - Best BTR Single Family Housing Development Awards 2024 (Brookfield Vale) - SHORTLISTED
- Love To Rent Awards - BTR Sustainability Award 2024 - SHORTLISTED
- Love To Rent Awards - Social Value in BTR Award 2024 - SHORTLISTED

Business activities

The PRS REIT plc is a public limited company that was incorporated in England on 24 February 2017. Together with its subsidiaries, it is the only quoted Real Estate Investment Trust ("**REIT**") to focus purely on the Private Rented Sector ("**PRS**").

Investment objective, policy and business model

The PRS REIT is seeking to provide investors with an attractive level of income, together with the prospect of income and capital growth. This financial year it completed its aim to establish a large-scale portfolio of newly-constructed residential rental homes for private rental, in or near UK towns and cities, excluding London. Housing delivery was completed using the Investment Adviser's PRS property delivery and management platform (the "**Platform**"), which continues to provide asset management.

The portfolio of homes is designed for the single family homes ("**SFH**") market, i.e. homes for single family use - mainly houses. This segment is the largest within the private rented sector. The Company has concentrated on traditional housing with broad appeal, and the portfolio comprises differing house types, built to standardised specifications. They cater for most stages of life, including smaller houses for young couples and retirees, and larger houses for growing families. The Company has also invested in some low-rise flats to broaden its rental offering.

The Company's homes are located across multiple sites in the UK, all outside London, with the largest number being in the Midlands and the North. All locations have been carefully chosen for their accessibility to main road and rail links, good primary schooling, and proximity to centres of economic activity. The new-build nature of the assets links, good primary schooling, and proximity to centres of economic activity. The new-build nature of the assets means that they benefit from a 10-year building warranty, typically from the NHBC (National House Building Council), and manufacturers' warranties. Homes are let on Assured Shorthold Tenancies (as defined in the Housing Act 1988) to qualifying tenants. Asset sourcing was undertaken by Sigma PRS, and the Company has built its portfolio in two ways.

- In the first instance, on suitable development sites, selected by Sigma PRS, with Sigma PRS obtaining detailed planning permission, agreeing fixed-price design & build contracts with its construction partners, and managing the delivery process on behalf of the Company.

  The benefit of this approach is that assets are acquired with detailed planning consent and fixed-price design & build contracts thereby reducing the Company's exposure to development risk. Construction risk is further mitigated by liquidated damages clauses for non-performance, financial retentions for one year after completion, and a parent company guarantee ensuring the satisfactory performance by the contractor and an indemnity for losses incurred. Over 80% of the Company's assets have been sourced this way.

- In the second instance, assets were acquired by entering into forward purchase agreements with Sigma Capital Group Limited ("**Sigma**"), the holding company of Sigma PRS. However, the assets were only acquired once completed and fully let. Typically, they have been constructed by the same construction partners and supply chain as other assets whose development is described above, thereby ensuring homogeneity of the Company's housing stock. One completed and stabilised development constructed by an approved construction partner was purchased from another third-party.

  In both instances, assets were acquired at a valuation provided by an independent valuer. The PRS REIT retains the right-of-first-refusal to acquire and develop any sites sourced by Sigma PRS that meet the Company's investment objective and policy subject to the availability of funding.

Achieving scale and reducing risk

The Sigma PRS Platform

The Investment Adviser utilised Sigma's PRS property delivery and management platform to scale the PRS REIT's portfolio and to minimise development and operational risks. During the delivery process, dedicated Sigma teams managed the legal due diligence, corporate debt provision, site identification, and development management. They also managed accounting and financial reporting, brand representation, and leasing and property management. With portfolio delivery now completed, their focus continues to be on asset management.

The Platform's efficacy is well established and its scale brings significant financial and operational benefits. These include the award-winning 'Simple Life' lettings brand, which has widespread consumer recognition, and the Platform's third-party relationships, which support income growth and cost control.

Dedicated finance team

Sigma's dedicated PRS REIT accounting and financial reporting team cover all aspects of the Company's finances. This includes: site acquisition (during the delivery phase), funding, board management and statutory reporting, performance monitoring, forecasting, debt covenant compliance, and taxation.

Debt and Legal teams

The debt and legal teams at Sigma use their extensive knowledge of the PRS REIT and their longstanding relationships with funders within the sector to secure bespoke, competitively-priced debt facilities. These are used to ensure sufficient ongoing support for the assets throughout their lifecycles. The legal teams have also built-up strong relationships with funders' advisers and this helps to ensure a streamlined and efficient legal process when transferring assets across debt pools, driving optimum use of capital within the business.

Development team

Sigma has well-established relationships with construction partners, central government, and local authorities. Key construction partners include: Vistry Group, including Countryside Partnerships; Kellen Homes; Springfield Properties; Lovell; Telford Homes; and Persimmon. Homes England, an executive non-departmental public body sponsored by the Department for Levelling Up, Housing and Communities, works closely with Sigma towards the common goal of accelerating new housing delivery in England.

Marketing team

The PRS REIT's homes are marketed under Sigma's 'Simple Life' brand, which is widely recognised as a leader in the single family rental sector. The number of enquires received from Simple Life's marketing channels during the process of renting out vacant properties is now consistently greater than those received from traditional property portals.

Lettings management team

A specialist Sigma team of leasing and property management professionals manage the pricing and the release of new homes and oversee the customer experience across all properties. Sigma has also developed a bespoke, award-winning tenant app to support high customer service levels. It continues to be enhanced with new functionality on an ongoing basis.

Asset management team

The asset management team is responsible for detailed reviews of tenancies, and income and asset management, which are undertaken on a weekly basis. This underpins the orderly management of tenancy renewals and new lettings, supporting income predictability and cash generation. The large size of Sigma's operations, including those outside the PRS REIT, means that the Platform benefits from significant economies of scale. This includes considerable purchasing power, which reduces costs and provides greater long-term visibility of costs.

Geographic diversification

The PRS REIT's concentration risk has been reduced by creating assets across multiple locations and in different regions. Certain locations demonstrate higher yielding profiles (predominantly those in the North of England) while others provide greater potential for capital appreciation (often in the South of England). Proximity to good primary schools has been a key requirement in site selection, reflecting the Company's focus on the single family rental sector.

In addition, no investment has been made in any single completed PRS site or PRS development site that exceeded 10% of the aggregate value of the total assets of the Company at the time of commitment.

'Simple Life' brand

The PRS REIT's rental homes are marketed under the 'Simple Life' brand. The brand has created an identity for the PRS REIT's product, and it aims to represent a 'gold standard' in the private rented sector, with its high-quality, sensibly-priced rental homes, supported by high customer service standards.

The PRS REIT's long-term approach to the ownership of its assets also provides important reassurance to residents that their tenancies offer longevity. The Company also fosters initiatives that help to create a sense of community within the Group's developments.

Investment restrictions

The Group has observed the following restrictions when making investments:

- the Group has only invested in private rented residential houses and apartments located in the UK (predominantly in England);
- the Group invested in assets that required development by means of the Group's forward funding model, (so long as they met the Company's investment policy when completed). It did not undertake development without planning consent being in place or if the gross committed (but unspent) construction costs to the Group of all such forward funded development exceeded 25% of the aggregate gross value of total assets of the Group at the time of commitment, as determined in accordance with the accounting principles adopted by the Group from time to time (the "**gross asset value**"). Any forward funded developments were only for investment purposes;

- in order to further manage risk in the portfolio, no investment by the Group in any completed PRS site or PRS development site exceeded 10% of the aggregate value of the gross asset value of the Group at the time of commitment); and
- the Group did not invest in other alternative investment funds or closed-end investment companies.

Equity and debt financing

As previously outlined, the PRS REIT obtained funding via equity raises from the capital markets and Homes England and utilises gearing to enhance equity returns. The level of borrowing, raised from banks and other institutions, is prudent for the asset class, whilst maintaining flexibility in the underlying security requirements and the structure of both the portfolio and the Group. The Company's Investment Policy requires the aggregate borrowings of the Group to be subject to an absolute maximum, calculated at the time of drawdown of the relevant borrowings, of not more than 45% of the gross asset value. As the portfolio has now reached stabilisation, the Investment Adviser expects gearing to settle to around one-third of gross asset value. Further detail of the Company's debt facilities can be found in the Investment Adviser's Report.

Derivatives

The PRS REIT uses derivatives for efficient portfolio management. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred, in accordance with the Company's gearing limits as part of the management of the portfolio.

REIT Status

The Company will conduct its affairs so as to enable it to remain qualified as a REIT for the purposes of Part 12 of the Corporation Tax Act 2010 (and the regulations made thereunder).

INVESTMENT ADVISER'S REPORT

Sigma PRS Management Ltd ("**Sigma PRS**"), a wholly-owned subsidiary of Sigma Capital Group Limited, is the Company's Investment Adviser. It is pleased to provide a report on the PRS REIT's activities and progress for the year ended 30 June 2025 and to outline the portfolio's performance in the first quarter of the new financial year ending 30 June 2026.

Operational Review

Development activity

We completed the delivery of the balance of 82 homes that remained in the pipeline by the financial year end. These 82 new homes (2024: 316 new homes) took the total number of completed homes in the portfolio to 5,478, a 2% increase on the same point last year (2024: 5,396). At this stage, there are no further homes to be acquired or developed.

The combined estimated rental value ("ERV") of the completed homes in the portfolio increased by approximately 11% year-on-year to £72.0 million per annum (30 June 2024: £65.1 million per annum). The majority of these homes are in six of the eight major regions of England, with the remainder being one site in Wales and another site in Central Scotland.

There is a difference between ERV, which is used for valuation, and the rent being paid by tenants (the passing rent). ERV is what a property could achieve if let at the current market conditions. It is calculated for a specific date and determined based on the assumption of an open market letting, meaning a willing landlord and a willing tenant, with no special circumstances affecting the rent. It therefore reflects the market conditions at the time of calculation.

As at 30 June 2025, ERV was estimated to be c.£4.7 million higher than passing rent (2024: c.£5.4 million higher), which reflects the strong fundamentals of the private rented sector. The fair value of the Company's properties as at 30 June 2025 is based on ERV with a capital deduction from investment value where appropriate to reflect the difference between the passing rent and ERV. All calculations of ERV are conducted independently for the Investment Adviser by a third-party, being Savills.

The table below provides further information on development activity over the financial year, as well as comparative data for the prior financial year and data for the first quarter of the new financial year ending 30 June 2026.

	At 30 September 2025	**At 30 June 2025**	**At 30 June 2024***
Number of completed homes	5,478	5,478	5,396
ERV per annum of completed homes	£73.4m	£72.0m	£65.1m
Completed sites	71	71	68
Contracted sites	-	-	3
Number of contracted homes	-	-	82
ERV per annum of contracted homes	-	-	£0.4m

**Restated to exclude 98 units with ERV of £1.0m, see note below for further details*

It should be noted that during the year under review, the Board decided against exercising its option to purchase a completed site of 98 units and an ERV of £1.0m, after considering net returns to the Company. As a result, the total number of contracted and completed sites reduced by one to 71, as at 30 June 2025, from 72 as at 30 June 2024, with the total ERV and number of homes decreasing by £1.0m of ERV and 98 units respectively.

Financial results

Income statement

The Group's revenue (which is wholly derived from rental income) increased by 14% over the year to £66.5 million (2024: £58.2 million). After deducting non-recoverable property costs, the net rental income was £53.3 million (2024: £47.3 million). Administration expenses were slightly higher at £9.6 million (2024: £9.2 million) reflecting advisory costs relating to the Shareholder Requisition Event and Strategic Review and Formal Sale Process, which amounted in total to £0.8 million, including VAT. The rise in administration expenses was partly offset by the reduction in the Investment Adviser's fee, which took effect from 1 July 2024.

The gain from the fair value adjustment on investment property was £53.6 million. This gain is a non-cash item and was 27% lower than last year's gain (2024: £73.4 million). It reflected a combination of strong but slower growth in ERV in the year, which was partially offset by a softening in average net investment yields. Operating profit decreased to £97.4 million (2024: £111.7 million).

As expected, finance costs for the year were higher than the prior year at £20.7 million (2024: £18.2 million). The rise resulted from increased debt utilisation as the portfolio was completed, which offset the slight reduction in reference rates over the year. Finance income from short-term deposits increased to £236,000 (2024: £188,000) reflecting the higher levels of cash held. The profit after taxation decreased to £77.0 million (2024: £93.7 million) largely as a result of the lower revaluation uplift.

The basic and fully diluted earnings per share on an IFRS basis for the year decreased by 18% to 14.0p (2024: 17.1p)

Dividends

The total dividend declared for the financial year under review amounted to 4.3p (2024: 4.0p) per ordinary share. Dividends were declared and paid quarterly as follows:

- on 7 November 2024, the Company declared a dividend of 1.0 pence per Ordinary Share in respect of the first financial quarter (1 July 2024 to 30 September 2024). It was paid on 29 November 2024 to shareholders on the register as at 15 November 2024;
- on 11 February 2025, the Company declared a dividend of 1.1 pence per Ordinary Share in respect of the second financial quarter (1 October 2024 to 31 December 2024). It was paid on 7 March 2025 to shareholders on the register as at 21 February 2025;
- on 6 May 2025, the Company declared a dividend of 1.1 pence per Ordinary Share in respect of the third financial quarter (1 January 2025 to 31 March 2025). It was paid on 6 June 2025 to shareholders on the

financial quarter (1 January 2025 to 31 March 2025). It was paid on 6 June 2025 to shareholders on the register as at 16 May 2025; and

- on 4 August 2025, the Company declared a dividend of 1.1 pence per Ordinary Share in respect of fourth financial quarter (1 April 2025 to 30 June 2025). It was paid on 29 August 2025 to shareholders on the register as at 15 August 2025.

Balance sheet

The principal items on the balance sheet as at 30 June 2025 were investment property of £1.2 billion (2024: £1.1 billion), cash and cash equivalents of £21.6 million (2024: £18.1 million), long-term loans of £410.2 million (2024: £385.1 million), short term loans of £17.9 million (2024: £31.8 million) together with trade and other payables, accruals and deferred income of £14.8 million (2024: £16.3 million).

With new home delivery completed by 30 June 2025, investment property at that date solely comprised completed assets at fair value.

Debt financing

At 30 June 2025, the PRS REIT's debt facilities comprised:

- £100 million term loan of 15 years with Scottish Widows, fully drawn as at 30 June 2025 (2024: fully drawn) and maturing in June 2033. Interest is fixed at 3.1% and the loan is secured over assets allocated to Scottish Widows;

- £150 million term loan of 25 years with Scottish Widows, fully drawn as at 30 June 2025 (2024: fully drawn) and maturing in June 2044. Interest is fixed at 2.8% and the loan is secured over assets allocated to Scottish Widows;

- £102 million term loan of 15 years with Legal and General Investment Management, fully drawn as at 30 June 2025 (2024: fully drawn) and maturing in July 2038. Interest is fixed at 6.0% and the loan is secured over assets allocated to Legal and General Investment Management;

- £82.5 million revolving credit facility ("**RCF**") with The Royal Bank of Scotland plc ("**RBS**") to mid-July 2026. As at 30 June 2024, this was a £75 million two year facility to July 2025. This facility was increased and extended in March 2025. Interest is based on three-month Sterling Overnight Interbank Average Rate ("**SONIA**") plus applicable margin and the loan was secured over assets allocated to Lloyds Banking Group. As at 30 June 2025, £59.2 million had been drawn (2024: £34.3 million drawn); and

- £33 million (2024: £33 million) development debt facility with Barclays Bank PLC, which matured in September 2025. Interest was based on three-month SONIA plus applicable margin and the loan was secured over assets allocated to Barclays Bank PLC. As at 30 June 2025, £18.2 million had been drawn (2024: £32.6 million drawn). In September 2025, the Barclays Bank PLC development debt facility was fully repaid and closed.

EPRA loan to value ("LTV") on the portfolio was 35% (2024: 36%). Approximately 81% of the £434 million of investment debt is now fixed rate at an average of 3.8%, which compares favourably against the average net investment yield for valuation purposes of 4.7%.

The PRS REIT's aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown of the relevant borrowings, of not more than 45% of the value of the assets.

Key performance indicators

The Company's performance is tracked and the major key performance indicators ("**KPIs**") are shown below:

KPI	**June 2025**	**June 2024**	**Change**
Rental income (gross)	£66.5m	£58.2m	+14%
Average rent per month per tenant	£1,096	£1,005	+9%
Number of properties available to rent	5,478	5,396	+2%
Average net investment yield	4.7%	4.6%	+2%
Non-recoverable property costs as a percentage of gross rent (gross to net)	19.8%	18.8%	+5%
Fair value uplift on investment property	£53.6m	£73.4m	-27%
Operating profit	£97.4m	£111.7m	-13%
Earnings per share ('EPS')	14.0p	17.1p	-18%
EPRA EPS	4.4p	3.7p	+19%
Dividends declared per share in relation to the period	4.3p	4.0p	+8%

Dividends paid during the period	4.2p	4.0p	+5%

All the KPIs are in line with management expectations. Rental income increases, non-recoverable property costs, operating profit, and the number of properties available to rent reflect the increase in the size of the portfolio and the progression of development sites.

The valuation of the Group's property assets is based on three key drivers:

- ERV;
- gross to net income deductions; and
- yield.

Valuation of development sites was previously also driven by land purchase costs and build costs.

Rental income, being passing rent (i.e. the rent a tenant is paying rather than ERV) and gross to net income deductions or operating costs, are the key factors in determining net income. Small variations in these can have a material impact on the valuation of property or the net income levels. These drivers therefore form the basis of the key performance indicators measured and monitored by the Company. Other Special Assumptions are applied in addition to the key drivers. They have been applied consistently since the portfolio's inception and include the following, all individual sites are valued on the basis that they are part of a larger portfolio (in excess of £50 million) and stamp duty is assessed on a share purchase basis (rather than on a property basis) because special purpose vehicles hold title to the assets.

As all the property assets were completed by 30 June 2025, our primary focus is now on rental income performance, operating expenses and average net investment yield. Rental income is dependent on occupancy and annual rent levels.

The number of completed homes at the end of June 2025 was 5,478, up by 82 homes (2%) from 5,396 at the same point in 2024. The delivery of these last 82 homes marked the completion of the portfolio and, at this stage, no further homes are planned to be acquired or developed. Annual rent is set at the initial letting and subsequently at renewals with existing tenants or re-lets to new tenants. The portfolio's average rent at 30 June 2025 was £1,096 per calendar month, which reflects year-on-year growth during the financial year of 9% (2024: £1,005 per calendar month) and is consistent with the like-for-like blended rental growth on stabilised sites of c.9% (2024: c.12%).

Operating expenses impact how much of the gross rental income is converted into net rental income. This, in turn, determines the underlying profitability of the Group. In addition, the independent valuers utilise industry-standard assumptions on long-term, sustainable operating expenses when they perform their valuation work. Monitoring real-life operating expense levels against the industry-standard assumptions is therefore key in assessing overall asset performance and validating the assumptions used by independent valuers. The Company's prevailing level of operating expenditure is 19.8% (2024: 18.8%), which is lower than the long-term industry assumption of 22.5% for single family homes. This reflects the relatively young age of the assets in the portfolio.

The valuation of the Group's property assets (which is determined independently) represents the largest component of the balance sheet. Understanding the valuation movements between balance sheet dates is essential given the impact of the valuation on profitability in the income statement and on asset strength in the statement of financial position.

The valuation uplift during the year reflects a combination of the development surplus, recognised on assets under construction, together with the impact of the revaluation of the portfolio at the financial year end. The valuation uplift of £53.6 million (2024: £73.4 million) is the result of the combined impact of ERV and average net investment yield movements. By the financial year end, the ERV of completed homes had grown to £72.0 million from £65.1 million at 30 June 2024, an 11% uplift. Unit numbers accounted for only 2% of this rise, while the average net investment yield had softened from 4.59% to 4.66%. As asset values move inversely to yield, the ERV growth has more than offset the increase in net investment yield.

The portfolio's average affordability ratio (measured as rent paid as a proportion of gross household income) is healthy at 24% in 2025 (2024: 23%). This is after like-for-like rental growth on stabilised sites of c.9% over the financial year (2024: c.12%). The like-for-like rental growth on stabilised sites is the annual rental growth on sites where all units have been completed and let, or nearly all let, and includes re-lets and renewals.

Resident feedback

Understanding how happy residents are with their homes and with customer service is extremely important and we obtain and track resident feedback regularly. All tenants are sent a tenant satisfaction survey about one week into their tenancy and then again six months later. This helps us to understand tenants' experience from the outset and then once settled into their tenancies. We also ask tenants to complete a feedback survey when renewing their them once settled into their tenancies. We also ask tenants to complete a feedback survey when renewing their tenancies.

The following table provides a summary of our surveys conducted in the 12-months to 30 June 2025 and to 30 June 2024.

	Percentage of tenants who responded that:	***Jul 2024 - Jun 2025***	***Jul 2023 - Jun 2024***
Welcome survey	- the team made it easy to apply	97%	96%
	- they were kept well-informed during the application process	90%	91%
	- they received all the information they required	91%	89%
	- the quality of their home met with their expectations	92%	87%
	- they would recommend 'Simple Life'	97%	96%
Six-month survey	- they were still happy with their home	96%	94%
	- they were happy with the service provided	87%	90%
	- they felt they had been kept well-informed	81%	86%
	- they felt that the Simple Life team has been responsive and are satisfied with the service provided	82%	90%
	- the communal areas were well maintained	89%	88%
	- they feel part of a community	88%	89%
	- they felt their maintenance requests were fixed in a timely manner	77%	81%
	- they would recommend 'Simple Life'	91%	94%
Tenancy renewal survey	- they were happy with their 'Simple Life' experience so far	97%	97%
	- they renewed their tenancy because they love the property	41%	54%
	- they renewed their tenancy because they love the area	21%	28%
	- they renewed their tenancy because of the rent (value for money)	13%	4%
	- they renewed their tenancy because 'Simple Life' offers a better service than a 'one-off' landlord	16%	15%
	- they see themselves staying with 'Simple Life' for 4 years or more	60%	62%
	- they see themselves staying for 3 years or more	73%	78%
	- they would recommend 'Simple Life'	93%	94%

All results are based on responses on a range from "neutral" to "strongly agree" across the entire Simple Life regional portfolio. Tenants are given the option to respond on a range from "disagree" to "strongly disagree". These responses are not included in the results reported above. The total number of respondents to the three surveys for the 12 months ended June 2025 was as follows: 'Welcome' survey - 299 (2024: 287); Six-month survey - 244 (2024: 246); and Renewal survey - 505 (2024: 660).

The results presented demonstrate a strong level of consistency in tenant satisfaction between the two years.

In the Welcome survey, there was a notable year-on-year increase in tenants stating that the quality of their home met with their expectations. This figure rose to 92% from 87% in the prior year. It was also encouraging to see that, across the three surveys, the proportion of tenants who stated that they would recommend Simple Life remained very high at 97%, 93% and 91%.

The strength of the Simple Life brand has continued to grow.

- Between January and December 2024, the Simple Life website received over 30,000 enquiry submissions.
- The main drivers to the Simple Life website for information on newly-launched developments are online searches (21%), portal listings (16%), site signage (11%) and social media (11%).
- The main drivers to the Simple Life website for information on all developments are online search (23%), portal listings (17%), adverts on another website (12%) and social media (11%).
- Simple Life's following on social media platforms as at 30 June 2025 were: Facebook - 6,300+; Instagram - 6,300 +; and YouTube - 1,400+. TikTok is the newest social media platform for the brand, which is reflected in its following of 370+ as at 30 June 2025.
- Approximately 74% of the Company's households have signed up to the Simple Life mobile app as at 30 June 2025.

Tenant initiatives

Affordability and energy calculator

As reported previously, an affordability calculator, based on the Investment Adviser's referencing criteria, is built into the Simple Life website. It is designed to assist prospective tenants determine how much monthly rent they can afford relative to their earnings and outgoings.

Following the energy efficiency modelling that Sigma undertook in 2022, the Simple Life website now offers an energy efficiency calculator for our most common property types. Existing and prospective tenants are able to input their usage habits and property details to obtain an estimate of their energy bill.

Rental availability

The Simple Life website lists the availability of rental homes in real-time. As well as giving potential renters a better service, it also facilitates more efficient uptake of homes. The website now has an 'all available properties' search function, which better mirrors the user experience on portal listings, searching by an area and setting criteria to refine searches.

'My Simple Life' mobile app

resident mobile app, 'My Simple Life', which is bespoke and available on Google and Apple devices, provides a convenient 'one-stop shop' for residents'. It offers access to:

- all important documents, including tenancy agreements, inventories, energy performance certificates, gas certificates and electrical installation condition reports;
- information on homes, including floorplans and measurements;
- information on home appliances, including manuals;
- statements of account, with certain payments enabled via the app;
- meter-readings, including 'push' notifications when a new reading is ready to view;
- an open forum, enabling residents on the same development to engage with each other;
- easy reporting of maintenance problems;
- exclusive affiliate offers and discounts;
- a dedicated health and wellbeing section;
- latest news;
- information on the local area;
- a tenant feedback section; and
- a diary function to highlight events and competitions.

During the year, the app was moved to a new upgraded platform, which also allows for improved usage auditing. At the same time, the app was updated with new functionality and services, including:

- an in-app messaging system, enabling easy communication between the Simple Life team and customers;
- end-of-tenancy notifications (including important memos for customers such as a cleaning check list in the lead up to a tenancy ending); and
- resident-to-resident business offers.

There are plans to enhance the app over the new financial year.

Affiliate offers

The app offers tenants access to a range of affiliate offers. These include discounts from Hello Fresh, Furniture Box, Blinds Direct, byMATTER, Oddbox, Sky, Argos, Dunelm, Wayfair, AO, Pretty Little Thing, Appleyard London Florists, The Modern Milkman, ESPA, Virgin Wines, Smol and many more.

Podcast

The 'Simple Life Chat' podcast, presented by radio personality, Russ Morris, explores topics of interest to residents, with experts and residents participating in discussions. Later this year, we plan to refresh the podcast's output.

Online reviews

Simple Life is registered with Trustpilot, the review platform, and tenants are routinely invited to leave reviews. This helps the Investment Adviser to identify any areas that need improvement. There are over 1,590 reviews on Trustpilot, and Simple Life achieved an overall rating of 4.2 stars out of 5.0. This compares to an average rating of 2.7 for the 'Property Rental Agency' business category. All reviews are monitored and responses provided, as appropriate.

Simple Life developments also feature on 'Home Views', a dedicated review website for housing developments. They have gained an average overall score of 4.28 out of 5.00 from approximately 952 resident reviews (with the Build-to-Rent benchmark at 4.28).

Customer reviews

A selection of customer testimonies is below.

"Great community, lots to offer and fantastic community events. Help and support is offered from all residents and

people higher up. Nice spacious homes that are easy to navigate. Beautiful gardens that are private. You can really make a house a home living here."
Chloe, Simple Life Resident at Wards Keep. Review left on 'Home Views'.

"Simple Life homes are well designed nice and warm and our energy hardly cost anything but the best thing was the large garden that we spent a lot of time in."
Fran, Simple Life Resident at Bertha Park. Review left on 'Home Views'.

"House is beautiful! Appliances are great, and the design is lovely. Rent is very good considering what's included and with it being a new build. Neighbours are friendly, and it's fairly quiet on the estate. Management is very prompt & helpful."
Danielle, Simple Life Resident at Dracan Village, Drakelow Park. Review left on 'Home Views'.

"The design is perfect I absolutely love it. It is so nice: modern, clean and just a lovely, cozy vibe. The house is exactly how I would design it myself. Absolutely stunning. I couldn't ask for a nicer home. I am very happy and satisfied with the house and when I report a repair they are quick to reply to me which is great."
Frankie, Simple Life Resident at Ash Bank Heights. Review left on 'Home Views'.

"The design of the houses is modern and lives up to the expectations for the average family. The development's landlords are great to deal with if we have any issues with the building or area."
Chad, Simple Life Resident at Havenswood. Review left on 'Home Views'.

"We have been renting with Simple Life for two years now and have had a great experience. Everything from the welcome package to the contact app and the helpful team has made our experience as good as it has been."
Joe, Simple Life Resident. Review left on Trust Pilot.

"Have been living in their house for nearly five years. I consider it as home. The problems are solved quickly. For me it is more secure tenancy than renting from a moody and/or hostile landlord who does not care about the law which is my experience before Simple Life. The estate is safe and clean. Simple Life introduced us to Outward Bound Trust and sponsor our cricket club. This is very appreciated engagement."
Aleksandra, Simple Life Resident. Review left on Trust Pilot.

"Simple Life Homes, the BEST homes - Simple Life offers a dedicated app and 24/7 maintenance, ensuring prompt handling of issues. Across locations like Blackburn and Darwen, tenants praise the fast and reliable maintenance response. Moving into our new build home has been one of the best decisions we've made as a family. From day one, it felt like a fresh start, everything is clean, modern, and untouched. There's something deeply satisfying about being the first to live in a space where there are no wear and tears, no surprises behind walls or floors."
Rice, Simple Life Resident. Review left on Trust Pilot.

Summary and outlook

The remaining homes in the delivery pipeline were completed by the financial year end, reaching an important milestone and taking the portfolio to 5,478 build-to-rent homes. The portfolio has continued to perform strongly and first quarter figures for the new financial year reflect a continuation of this trend. Occupancy and rent collection are excellent and affordability remains healthy. This is an important ratio since it measures average rent as a proportion of gross household income and we track it against guidance provided by the Office of National Statistics.

While rental growth has eased slightly and continues to do so, most commentators expect rental growth to continue over the next 12 months albeit at lower levels, and this is our expectation too. Demand and supply dynamics remain out of kilter, and general economic uncertainty typically bolsters the rental market.

We are confident about future prospects and will continue to focus on providing a high standard of customer care to tenants and to maintain all the developments as attractive and neighbourly places in which to live.Environmental, Social and Governance

ESG statement

The Company's Investment Adviser ("**IA**"), Sigma PRS, undertakes the day-to-day management of the PRS REIT's ESG strategy and priorities at both a Company and asset level. All the Company's assets are managed under the 'Simple Life' brand, which is operated by Sigma PRS. The Board receives reports on ESG matters on a quarterly basis, and there are regular meetings with Sigma PRS on all matters of ESG strategy, planning and direction.

Approach

ESG activities and priorities focus on the Company's developments, its residents and the wider communities and settings in which our homes are situated. Our overall aims are for positive social impact and sustainability, and to minimise negative impacts where possible.

The IA engages with leading industry bodies that seek to promote high ESG standards and best practice, and has committed to the United National Global Compact ("**UN Global Compact**") and the UN's Sustainable Development Goals ("**SDG**") and SDG Ambition, which guides the UN's goals.

The UN Global Compact is the world's largest corporate sustainability initiative and a special initiative of the United Nations Secretary-General. It is designed to encourage business leaders to implement universal sustainability principles, in particular, the UN Global Compact's Ten Principles and thereby help to deliver the UN's SDG. The Ten Principles are derived from the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

SDG Ambition is focused on the UN's target of Land Degradation Neutrality ("**LDN**") and its LDN principles. Objectives include zero deforestation and enhanced biodiversity through tree and wildflower planting programmes.

The PRS REIT is a member of EPRA, a not-for-profit association that represents the publicly-traded European real estate sector. EPRA's mission is to promote, develop and represent the European public real estate sector by, amongst other things, providing better information to investors and stakeholders, actively engaging in public and political debate, and promoting best practices.

The Investment Adviser regularly monitors the changing legislative and reporting landscape, including the EU Sustainable Finance Disclosure Regulation, the UN Principles of Responsible Investment, the Task Force on Climate-Related Financial Disclosures, the Taskforce on Nature-related Financial Disclosures, the EU's Corporate Sustainability Reporting Directive, and the Taskforce on Inequality and Social-related Financial Disclosures, as well as national and city-level regulations.

National Government initiatives on energy and biodiversity, including Biodiversity Net Gain, are closely monitored and Sigma PRS has incorporated these and other ESG factors into investment advisory processes and operations. A summary of Sigma PRS's policy approaches in key areas is outlined below:

Opportunity review

- ESG risks are assessed, reviewed and monitored, and strategies are established, based on recognised frameworks such as climate change and social needs.

Investment advice

- ESG issues are listed and addressed in a summary investment paper, which informs decision-making at the Investment Adviser's Investment Committee approval stage.
- ESG costs, including those related to ongoing community involvement, are determined and factored into investment decision-making processes.

Asset management

- Appropriate governance structures are established.
- Relevant laws and regulations are adhered to.
- ESG issues are monitored and managed.
- Impacts on the natural habitat surrounding PRS assets are managed.
- Local community engagement and support plans are established, reviewed and developed.
- Due diligence is performed on third parties e.g. service providers.
- Policy reviews and updates are ongoing.
- Good practice is established.
- Carbon reduction opportunities are regularly researched and reviewed.
- Investment restrictions are screened to ensure ongoing compliance.
- The ability of investments to comply with ESG standards is assessed.

Processes and strategies

The PRS REIT recognises its responsibilities regarding the environment and also public priorities.

In the real estate sector, there is a continuing need for action in areas such as energy and water consumption, non-fossil fuel heating provision and biodiversity. In developing the Company's ESG agenda, Sigma PRS has embedded best practices, and worked closely with supply chain and construction partners to ensure that their policies and activities comply with the PRS REIT's commitment to legislative requirements and best practice.

The Investment Adviser has aimed to create residential environments that promote societal and individual well-being through the provision of:

- high-quality, well-designed, energy efficient homes;
- long-term tenancies;
- well-located developments which offer ready access to centres of employment, good local primary education, public transport and retail centres;
- professional repair and maintenance;
- high levels of customer service
- regular community events; and
- active engagement and support for local charities, schools, clubs and groups.

Environmental impact and data

Please refer to the Company's EPRA sustainability performance measures reporting in the Annual Report and Financial Statements for the year ended 30 June 2025.

Social engagement and impact

The Company places great importance on engaging with the communities in which its developments are situated. Over the last twelve months, the Company has supported over 20 charities, 40 schools and 11 clubs across the country, either financially or practically, through work undertaken by Sigma PRS. Residents are regularly involved in selecting good causes to support. Please see further information reported under the EPRA sustainability performance measures in the Annual Report and Financial Statements for the year ended 30 June 2025.

We have been pleased to support a wide range of organisations and social initiatives, ranging from local clubs to national charities. Examples include: Smart Works, which operates in Edinburgh, Manchester, and Birmingham and assists women in securing employment and improving the trajectory of their lives; Embassy Village, based in Manchester, which aims to improve the lives of the homeless; Speed of Sight, a charity which offers people with disabilities of all ages the challenge and thrill of driving; Zoe's Place Baby Hospice Middlesbrough, which offers care for babies and children with life-limiting and life-threatening conditions; and The Joshua Tree, which provides support programmes to improve the emotional health and wellbeing of families affected by childhood cancers across North West England and North Wales. We outline below some of the feedback we have received from these charities.

Sid Williams, Co-founder & Director, Embassy Village, Manchester

"…the value you've created for us… has been much bigger than either of us could have expected ... Salford council has been so impressed [by us] that they are giving us a plot of land to build more homes for women. An exciting prospect! We've also agreed to a … lease on 8 apartments in a little, new-build block. Because of what you've allowed us to prove, we are being taken seriously by the local authority and they've agreed the housing benefits we need to run the building and take 9 more women from the street."

Lilly Clements, Birmingham Fundraising & Partnerships Manager, Smart Works

"Simple Life's generous donations via the 'Big Give' match funding campaigns are incredible and make a huge difference. Last year our Centre was one room which was home to a wardrobe, dressing rooms, office desks, the lot! We made it work but as we saw more and more women needing support it was becoming unsustainable, and we always want to remain giving the highest standard of care and respect towards the women we support. Moving to a new Centre with double the number of dressing rooms and coaching rooms was a wow moment."

Victoria Cronquist, Head of Smart Works Greater Manchester

"On behalf of everyone at Smart Works GM, we want to express our gratitude for your generous financial support. Your contribution has helped us to expand our services and support even more women on their path to financial independence and renewed confidence. Beyond the tangible benefits, your support sends a powerful message of belief and encouragement to our community. It reminds us, and those we aim to uplift, that positive change is possible when people come together for a shared purpose.

Please know that your contributions are transforming lives. Once again, thank you for enabling us to deliver our services to the unemployed women throughout Greater Manchester, permitting us to make a meaningful difference in the lives of women and their families, and our wider community."

Rich Driffield, CEO The Joshua Tree Charity

"We're incredibly grateful to Simple Life Homes for their generous support of The Joshua Tree. As the demand for our services continues to grow, partnerships like this are vital in helping us support more families affected by childhood cancers. From actively championing our fundraising events to taking the time to truly understand our mission, this partnership is a great example of how companies can really help charities. The support not only raises essential funds but also significantly increases awareness of the critical work we do."

The PRS REIT aims to build long-term productive relationships with its charity partners and good causes and to involve tenants as much as possible.

Large-scale engagements during the year included the Simple Life Schools and Communities Biodiversity Project, in partnership with Green the UK; Minds on a Mission's Schools Project; and sponsored track days with the Speed of Sight charity. The 'Simple Life Schools and Communities Biodiversity Project' is a countrywide project, which involves communities and schools engaging in nature-related activities, including tree planting, vegetable cultivation, and wildflower cultivation. During the year, nine schools and 243 children benefited from nature-based activities and workshops. The Minds on a Mission took Escape Room-themed workshops to over 1,380 pupils, aged 8-11 years, in 23 schools across Greater Manchester. Workshop content was based on local needs and focused on antisocial behaviour and its consequences. The Speed of Sight track days that we sponsored were enjoyed by over 148 individuals. They participated in an activity that might otherwise have been unavailable to them and gained an insight into what can be achieved when boundaries are pushed.

Examples of the feedback we have received from our social and charitable efforts are below.

Sophie Wolfendale, Founder Minds on a Mission, Greater Manchester

"My aim with all my escape rooms is to educate children on their decisions…and [the] consequences of their decisions. The reason I have picked an Escape Room is to make it 100% inclusive to any child with additional needs whether that is physical or neurodivergent. It is completely hands on, the children read information that is 100% factual and listen to recordings of victims. At the end of the session we will have a knowledge check and conversation around different information they have taken in."

Mike Newman BEM, CEO Speed of Sight
"Simple Life Homes' support and financial contribution across the last twelve months has enabled Speed of Sight to consolidate its reputation as an organisation that provides high quality specialist driving opportunities for people living with complex disabilities. The collaboration that Simple Life Homes has provided, means that we have been able to travel widely around the UK. Working with many individuals and other charitable organisations Speed of Sight with partners like Simple Life Homes continues to make a significant contribution to peoples well-being and self-worth."

Ashleigh Ennion, Senior Corporate & Major Donor Fundraiser, Zoe's Place, Middlesbrough
"Our partnership with Simple Life has continued to be a total joy, they're not just sponsors or donors, we've built a true friendship and they're a huge part of Zoe's Place family.

What makes this partnership so special is that it's not just about the donations. It's the energy, heart, and genuine connection the team brings to everything they do with us. They get stuck in, they care deeply, and they help us reach more families who need our care - all while making the journey feel uplifting and full of heart.

We're so grateful for everything we've achieved together this year and can't wait for what's to come!"

Debbie Wilkinson, Corporate Partnership Officer, The Joshua Tree Charity, Cheshire
"Thanks to the generous sponsorship from Simple Life Homes, supporting a range of events for us this year, allowing raised proceeds to go directly towards providing essential support for families. Funds raised will help deliver counselling sessions, therapies, family fun days, and specialised services tailored to the unique needs of those affected by childhood cancers.

The Joshua Tree is incredibly grateful to Simple Life Homes for their commitment to making a real difference in the lives of these families."

Teacher, New Park Academy, Eccles (secondary school for pupils assessed with special needs) commenting on the Minds on a Mission schools initiative
"Thank you to Minds on a Mission for coming to deliver the Anti-social Behaviour on Buses Escape Room [event] at New Park Academy. The day was very well organised and the staff that delivered the workshop were knowledgeable and supportive. It was certainly beneficial to all of the pupils who accessed it showing the wider consequences that your actions can have. Plus, all pupils engaged well with the task, which isn't easy given the needs of our pupils. We would love to be involved with any future workshops that you offer."

Year 6 Pupil Christ the King RC Primary School, Worsley, Manchester (commenting on the Minds on a Mission schools workshop)
"It was really good, it helped with teamwork and the talk at the end was really good as it helped us see exactly what our actions can lead to."'

Teacher, Newby Primary School, Bradford (commenting on the Simple Life Schools and Communities Biodiversity Project, in partnership with Green the UK)
"The Environment is something our children are really passionate about - so to have someone talk to us about the importance of biodiversity - particularly the 'bugs' which get overlooked but are crucially important."'
"The session linked really closely to the Science we had been doing in class. This meant children could link what we had already learnt to the things being discussed. It was great to have an 'expert' in the room with us - it helped children to see future career opportunities as well as bringing Science to life."

Teacher, Christ Church Primary, Shipley, Bradford (commenting on the Simple Life Schools and Communities Biodiversity Project, in partnership with Green the UK)
"The session sparked genuine curiosity and excitement about the vital role pollinators play in our ecosystems. The interactive learning, combined with the hands-on experience of planting wildflower seeds and bulbs, helped our students truly connect with nature and understand how even small actions can make a big difference for wildlife. Thanks to the generous provision of wildflower seeds and bulbs, we've now created a beautiful wildflower garden that

not only enhances our school environment but also provides a valuable habitat for bees, butterflies, and other pollinators. This has linked heavily with our new Eco-Council and our work to develop our current school grounds and looking forward to further extending."

Ryan Doherty, Sundon Park Rangers U12 Football coach,

"I would love for Simple Life to carry on this journey with Sundon Park. Obviously, this will come at a small cost as the sponsorship will cover new kits. Thank you so much for helping out, makes it so much easier for boys to be able to play as their parents not having to pay for kits on-top-of yearly signing on fees."

Michelle Bryan - Team Treasurer and Hardball Vice-captain, Runcorn Cricket Club, Cheshire

"Our team has grown this season alone from about 15 ladies last year and only a softball team to 28 women and girls this year. We range from ages 15 to 60+ and all very much love getting together. Your sponsorship has helped us more than you will ever know. We wouldn't be as progressed as we are today without it. From kitting us out with the equipment we very much needed to get started in hardball and then helping us to look the absolute part while we take to the field!. It has allowed us to gain confidence and involve more people to give it a try. We honestly can't thank you enough and appreciate your sponsorship to us immensely."

Sam Marsh - Hardball Team member, Runcorn CC

"Eternally grateful for the support Simple Life have given to the Runcorn Rebels Cricket team. Thanks to them we all turn up looking professional, with our pitch and equipment looking professional. I genuinely believe this has helped our success this season.

Personally, I've been in women's sports for decades and getting any sponsorship is always a struggle. Simple Life have shown our worth and are wonderful!"

Karl Allan, Earlestown Cricket Club, Lancashire

"As a member of the club for 30 years I can remember what the ground looked like before your Earle Street development. It has transformed our ground from being almost on the edge of Earlestown to being in the centre, surrounded by homes and a bustling community, not to mention the new members we have gained from the estate.

Add to that the sponsorship and it's safe to say that Simple Life has had a huge impact on our club. We hope to continue our partnership for many years to come."

Community events

Throughout the year the Investment Adviser arranges resident events as an opportunity for neighbours to get to know one another. These include 'roadshow' events taking place on-site at developments, for example a visit from Santa and his brass band of elves at Christmas, and regional events with limited tickets available on a first come, first served basis. These events have included hiring out an Everyman Cinema for a private screening of a new release, hiring out one of the 'Big Bakes' locations and trips to Alton Towers. As Empyrean has the benefit of its own private resident garden, residents can expect a development specific event each year, for example, Summer games, food and drink and outdoor cinema evenings. All events are free for residents.

Resident focused initiatives

Our resident-focused initiatives are designed to create specific opportunities for residents to engage with each other and generate educational, social and other benefits. Feedback from two initiatives are highlighted below.

Friendsgiving - Community Get-Together

Residents were invited to apply for donations to support community get-togethers during the winter months. This included neighbourhood dinners and other gestures of community spirit.

Aleksandra, a Simple Life resident

"I believe in community spirit. On Saturday our neighbour and her daughter came to dinner, and yesterday another 6 neighbours joined us. They are from Hong Kong so L made special Hong Kong style egg tarts. Both visits were very nice and friendly, and our neighbours were grateful to hear who had sponsored the evenings. We were speaking a lot, getting to know one another and I do hope for all of us it was a great time."

12 Days of Christmas, December 2024

In our 2024 '12 Days of Christmas' campaign, residents were invited to nominate a local charity close to their hearts to receive a £1,000 donation over the 12 days of Christmas. We are delighted to highlight below some of the feedback both from charities and tenants following the campaign.

both from charities and tenants following the campaign.

Matthew Flavin, Secretary, 'Showtime Community Productions CIO, West Bromwich

"This year our pantomime was attended by over 1,500 audience members across seven performances, this included two free school performances which we were able to provide the opportunity to local schools to attend the pantomime free of charge due to generous donations like yours. Some of these children that attended had never seen a live performance before and it was really beneficial for them. This years pantomime benefitted 8 youth members, alongside around 25 adult members in a range of different roles from front of house, backstage, performing, prop making, carpentry, fundraising all aspects of bringing a production together."

Leah Moran - Fundraising Officer, Mental Health Charter Team, Nantwich

"Wow wow wow! Thank you so much. As a registered non-profit community interest company, it's donations like this that make a real difference to our communities."

Jon Arnold, Chief Executive, Tiny Tickers, Leeds

"This will make a big difference to our work helping babies with congenital heart disease, their families, and the health professionals who look after them. We can't thank you and all those involved in the nomination and selection process enough! We're all delighted with the donation - thank you once again and have a wonderful Christmas!"

Human Rights

The obligations under the Modern Slavery Act 2015 (the "**Act**") are not applicable to the Company given its size. However, to the best of its knowledge, the Group is satisfied that its principal suppliers and advisors comply with the provisions of the Act.

The Company operates a zero-tolerance approach to bribery, corruption and fraud.

Health and safety

In order to maintain high standards of health and safety for those working on sites, monthly checks by independent project monitoring surveyors are commissioned to ensure that all potential risks have been identified and mitigated. These checks supplement those undertaken by construction and development partners. The data is reported to the Board on a quarterly basis in the event of a nil return, and immediately in the event of an incident. There were no reportable incidents over the year (2024: none).

Governance

Strong governance is essential to ensuring that risks are identified and managed, and that accountability, responsibility, fairness and transparency are maintained at all times.

The Company is subject to statutory reporting requirements and to rules and responsibilities prescribed by the London Stock Exchange and the Financial Conduct Authority. The Board has a balanced range of complementary skills and experience, with independent Non-executive Directors who provide oversight, and challenge decisions and policies as they see fit. The Board believe in robust and effective corporate governance structures and are committed to maintaining high standards and applying the principles of best practice.

Employee diversity - gender and ethnicity

This is reported within the EPRA sustainability performance measures information in the Annual Report and Financial Statements for the year ended 30 June 2025.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board is responsible for determining the nature and extent of the principal risks that the Group is willing to take in achieving its objectives and has carried out a robust assessment of the principal risks facing the Group, including those that would threaten the business model, future performance, solvency or liquidity. The Board recognises that its ability to manage risk effectively throughout the organisation is central to the Company's success.

The Board continually consider emerging risks and during the year under review, the weakening macroeconomic environment in the UK, changing fiscal and tax policy including higher interest rates for longer, ongoing inflationary pressures and the risk of recession, together with global conflicts in Ukraine and the Middle East, were identified.

Risk management and risk appetite

The Group's assets are made up of Build to Rent ("**BTR**") properties located in the UK. Its principal risks are therefore related to the UK BTR market in general and also to the particular circumstances of the individual properties and the tenants within the properties. Taking this into account, the Group's risk appetite policies and procedures, alongside the appropriate controls and financial reporting are regularly reviewed and updated to ensure they remain in line with regulation and corporate governance.

The Company applies the 'Three Lines of Defence' model for effective risk management and control:

- The first line of defence is performed by the management team of the Investment Adviser who are responsible and accountable for identifying and managing risk as part of their objectives. As part of this the Investment Adviser produces a risk register that it provides to the Audit Committee for review and consideration at least twice per year.
- The second line of defence comprises the policies, frameworks and challenge provided to ensure that the Investment Adviser is effectively managing risk. This is performed by the Board and reported on by the Audit Committee.
- The third line of defence is independent assurance provided by the external auditor.

The below list sets out the current identifiable principal risks and uncertainties which the Board are monitoring.

Valuation risk - investment property

The valuation of the Group's property assets is primarily based on three key drivers being, estimated rental income, gross to net income deductions, and yield. Valuation of development sites was previously also driven by land purchase costs and build costs. Small variations in these can have a material impact on the valuation of property. Other Special Assumptions applied in addition to the key drivers, and used since inception include: all individual site valuations are assumed to be part of a larger portfolio (in excess of £50 million); and an indirect purchase of a special purpose vehicle holding title to the asset, so stamp duty is assessed on a share purchase basis rather than as property.

Valuation risk is mitigated by a combination of factors including the detailed site selection and appraisal process, fixed price building contracts at competitive rates to control costs, quality product from house builders, project monitoring and review by the Investment Adviser, tenant selection and management by Lettings Agents, geographic spread of sites / assets, mixture of asset size and portfolio spread. The sector is considered attractive to investors and debt providers with some defensive attributes in relation to recessionary risk. Notwithstanding the above mitigating factors, the Board constantly monitors risk around these factors in conjunction with the Investment Adviser.

The Company appoints an external valuer on a three-year basis to provide continuity and consistency, whilst also representing a natural point for review and consideration. In addition, the use of a separate independent valuer by the providers of debt, and expert review by further independent valuer appointed by the Group's auditors, RSM, ensures that there are a number of views and opinions on valuation being considered and taken into account at any point. Savills have been retained due to their knowledge of the Company's asset base, in particular taking into account that 55 of the 71 sites were developed in the PRSR with only 16 sites acquired in a completed and stabilised state. This has ensured a consistent approach during the period of development and stabilisation of the portfolio.

Site selection

As discussed under Valuation Risk, the principal drivers for the valuation of the PRS REIT's property assets are: land purchase, cost to build, rental income, gross to net income deductions and yield. Selection of sites which match the investment criteria in terms of cost to purchase and build, ERV, gross to net income deductions and yield are therefore critical to the success of individual developments.

Site selection risk is mitigated by performing detailed appraisal and assessment of all aspects of a site, including location, access to transport links, education, amenities and employment which are necessary to formalise a view on the likely viability and profitability as a build to rent development. This process also involves expert third party guidance from valuers, house builders, and lettings agents. The process is particularly important given the prevailing background of cost inflation outpacing rental growth. The Investment Adviser's process on site assessment and appraisal necessarily involves a number of individuals with different skill sets to ensure a balance of views and full consideration of all factors.

The portfolio approach including broad geographic spread adopted by the Investment Adviser also helps to mitigate the associated risks.

Subject to availability of capital, the Company seeks to obtain and maintain a pipeline of potential PRS properties and PRS development sites with partners for future development. There is no certainty that viable, commercially justifiable sites, with planning permission, can continue to be sourced on acceptable terms. The availability of viable, commercially justifiable sites with planning permission may therefore adversely affect the ability of the PRS REIT to continue to pursue further growth which could, in turn, have a material adverse impact on the overall level of returns for Shareholders.

The Board and the Investment Adviser manage this risk through a number of long-term partnerships, including different local councils and a variety of house builders, to maintain a wide range of opportunities that are geographically spread.

Whilst the Company signed Forward Purchase Agreements ("**FPA**") in respect of the sites acquired from the Sigma Group, it did not commit to acquiring these sites. The FPA is conditional on:

- Practical completion of all units;
- Confirmation of good and marketable title;
- Tenant occupation and rent stabilisation; and
- Availability of funding.

As a result, the Board considers that the Company has always retained a high degree of flexibility in relation to the timing of site acquisitions, and therefore the Company's funding requirements.

Risks relating to the Company's reliance on the Investment Adviser

The Company has the benefit of access to the Sigma PRS platform through the Investment Adviser. If the Investment Advisory Agreement is terminated it is likely that the Company will cease to have access to the platform and to the relationships and contractual frameworks with Approved Contractors, Local Authorities, and the Approved Letting Agents, together with the favourable terms and economies of scale derived from these that have taken years to establish. The Company would also need to identify replacement sources of PRS Development Sites and Completed PRS Sites.

In accordance with the Investment Advisory Agreement, the Investment Adviser is responsible for providing certain asset management and investment advisory services to the Company. Accordingly, the Company will be reliant upon, and its success will depend on, the Investment Adviser and its key personnel, services and resources.

Consequently, the future ability of the Company to successfully pursue its investment objective and investment policy may, among other things, depend on the ability of the Investment Adviser to retain its existing staff and/or to recruit individuals of similar experience and calibre. Whilst the Investment Adviser has endeavoured to ensure that the principal members of its management team are suitably incentivised, the retention of key members of the team cannot be guaranteed. Furthermore, in the event of a departure of a key employee of the Investment Adviser, there is no guarantee that the Investment Adviser would be able to recruit a suitable replacement or that any delay in so doing would not adversely affect the performance of the Company. Events impacting the Investment Adviser but not entirely within the Investment Adviser's control, such as its financial performance, it being acquired or making acquisitions or changes to its internal policies and structures, could in turn affect its ability to retain key personnel.

Under the terms of the Investment Advisory Agreement, the Investment Adviser is required to devote such time and have all necessary competent personnel and equipment as may be required to enable the Investment Adviser to carry out its obligations properly and efficiently. However, if the Investment Adviser fails to allocate the appropriate time or resources to the Company's investments, the Company may be unable to achieve its investment objectives. In addition, although the Investment Advisory Agreement requires the Investment Adviser to dedicate competent personnel to the Company's business, they may not be able to do so.

The Board mitigates these risks by holding regular Board meetings (at least four times per financial period), which are attended by the Investment Adviser, whilst also having regular informal meetings with the key members of the Investment Adviser on a more regular basis. The Board's Management Engagement Committee also meets at least once a year to consider the performance of the Investment Adviser and the other outsourced professional firms and advisers engaged by the Company. The Board actively engages with key personnel of the Investment Adviser and assesses its key risks to ensure that it is adequately staffed with suitably qualified personnel and that succession assesses its key risks to ensure that it is adequately staffed with suitably qualified personnel and that succession planning is in place.

Risks relating to the REIT status of the Group

There is a risk that the Company may fail to remain qualified as a REIT and therefore its rental income and capital gains will be subject to UK corporation tax. Any change in the tax status of the Company or a change in tax legislation could adversely affect the investment return of the Company.

The Company has been structured to be REIT compliant and the Board will continue to monitor the tax status using professional taxation advisers.

Risks relating to compliance

The Group has a wider variety of compliance risks ranging from factors including status as a Real Estate Investment Trust on the Premium Segment of the London Stock Exchange, scale and complexity of the Group structure, Companies House requirements, HMRC obligations, planning requirements, Health & Safety, statutes and legislation.

Compliance risks are mitigated by the Board and the Investment Adviser utilising and employing qualified professionals and professional advisers to ensure compliance with current legislation and requirements including auditors, tax advisors, Nominated Advisor, recognised house builder partners and legal advisers.

Emerging risks

As well as the principal risks, the Directors identify any emerging risks which are considered as part of the formal risk review. Emerging risks encompass those that are rapidly evolving, for which the probability or severity are not yet fully understood. As a result, any appropriate mitigations are also still evolving, however, these emerging risks are not considered to pose a material threat to the Company in the short term. This could, however, change depending on how these risks evolve over time. Senior members of the Investment Adviser are responsible for day-to-day matters and have a breadth of experience across all corporate areas; they consider emerging risks and any appropriate mitigation measures required. These emerging risks are then raised as part of the risk assessment where it is considered whether these emerging risks have the potential to have a materially adverse effect on the Group.

During the year the Requisitioning Event and subsequent Strategic Review and Formal Sale Process along with the weakened macroeconomic environment in the UK, and the new Labour government were all identified by the Board as key emerging risks.

The Board commenced the Strategic Review and Formal Sale Process during the year and there is no guarantee that this will result in a transaction. In the event that no offer is accepted, the Board could consider alternative courses of action, in accordance with the wishes of the majority of shareholders, including the sale of individual portfolios of assets, the repayment of debt and the return of capital to shareholders. The Company has engaged a variety of professional advisers to ensure that any regulatory risks throughout the process are mitigated. There may also be reputational damage suffered by the Company.

The risk of interest rates remaining at a higher level for longer than previously forecast affecting the Group's financial performance and banking covenants was of particular focus. The higher interest rates charged on the variable investment and development debt facilities were partially offset by the increase in rental growth experienced in the private rental sector and there were no covenant breaches. The Group has 81% of its investment debt facilities as long-term, fixed rate arrangements. The Group's remaining variable rate investment debt has been retained to provide an opportunity to ensure that the best interest rates can be obtained.

With regards to continuing inflationary pressures, the Company has completed the current development phase and is now only exposed to this with regards to increased costs to maintain the high standard of the Company's assets, while offsetting this has been the continued strong demand for Build to Rent assets. The market for such assets remains strong and is reflected in rising rents which have more than offset the slight softening of yield which is included in the valuation of our existing properties. The risk of recession has also been considered, particularly in relation to possible increased tenant default and the subsequent impact on financial returns. This risk continues to be closely monitored and is mitigated by a geographically diverse portfolio, the use of rental insurance contracts where considered appropriate, and a continued focus on identifying at an early stage where there could be potential issues.

The UK economy is expected to experience modest growth during the rest of calendar years 2025 and 2026, with forecasts ranging from 1.0% to 1.2% for 2025 and 1.0% to 1.9% for 2026. The change of UK government in July 2024 has brought in several new policies; there are presently no specific policy changes that are seen as providing additional material risks to the PRSR Group.

In relation to the conflicts in Ukraine and the Middle East, this has not had a direct impact on the Group but are continually monitored in terms of contributing to higher inflation and interest rate environments.

The Board continues to monitor closely the market volatility to ensure that all risks to the Company and Group are identified and addressed where possible to reduce the potential negative effects.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

	Note	30 June 2025 £'000	30 June 2024 £'000
Rental income		66,476	58,231
Non-recoverable property costs		(13,167)	(10,940)
Net rental income		53,309	47,291
Other income		101	194
Administrative expenses			
Directors' remuneration		(241)	(213)
Investment advisory fee		(6,151)	(6,051)
Other administrative expenses		(3,201)	(2,921)
Total administrative expenses		(9,593)	(9,185)
Gain from fair value adjustment on investment property	7	53,626	73,412
Operating profit		97,443	111,712
Finance income		236	188
Finance cost		(20,650)	(18,225)
Profit before taxation		77,029	93,675
Taxation	4	-	-
Profit after tax and Total comprehensive income for the year attributable to the equity holders of the Company		77,029	93,675
Earnings per share attributable to the equity holders of the Company:			
IFRS earnings per share (basic and diluted)	5	14.0p	17.1p

All of the Group activities are classed as continuing and there were no comprehensive gains or losses in the period other than those included in the statement of comprehensive income.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Company No. 10638461

As at 30 June 2025

	Note	30 June 2025 £'000	30 June 2024 £'000
ASSETS			
Non-current assets			
Investment property	7	1,200,092	1,139,823
		1,200,092	1,139,823
Current assets			
Trade and other receivables		6,637	6,817
Cash and cash equivalents		21,600	18,053
		28,237	24,870
Total assets		1,228,329	1,164,693
LIABILITIES			
Non-current liabilities			
Accruals and deferred income		-	1,073
Interest bearing loans and borrowings	8	410,208	385,003
		410,208	386,076

	Note		
Current liabilities			
Trade and other payables		**14,851**	15,182
Provisions		**-**	77
Interest bearing loans and borrowings	8	**17,885**	31,933
		32,736	47,192
Total liabilities		**442,944**	433,268
Net assets		**785,385**	731,425
EQUITY			
Called up share capital		5,493	5,493
Share premium account		298,974	298,974
Capital reduction reserve		113,092	113,092
Retained earnings		367,826	313,866
Total equity attributable to the equity holders of the Company		**785,385**	731,425
IFRS net asset value per share (basic and diluted)	9	**143.0p**	133.2p

As at at 30 June 2025, there is no difference between IFRS NAV per share and the EPRA NTA per share.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

Attributable to equity holders of the Company

	Share capital £'000	**Share premium account £'000**	**Capital reduction reserve £'000**	**Retained earnings £'000**	**Total equity £'000**
At 30 June 2023	5,493	298,974	118,584	236,669	659,720
Comprehensive income					
Profit for the year	-	-	-	93,675	93,675
Transactions with owners					
Dividends paid	-	-	(5,492)	(16,478)	(21,970)
At 30 June 2024	5,493	298,974	113,092	313,866	731,425
Comprehensive income					
Profit for the year	-	-	-	77,029	77,029
Transactions with owners					
Dividends paid	-	-	-	(23,069)	(23,069)
At 30 June 2025	**5,493**	**298,974**	**113,092**	**367,826**	**785,385**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	Note	**30 June 2025 £'000**	**30 June 2024 £'000**
Cash flows from operating activities			
Profit before tax		**77,029**	93,675
Finance income		**(236)**	(188)
Finance costs		**20,650**	18,225
Fair value adjustment on investment property		**(53,626)**	(73,412)
Cash generated by operations		**43,817**	38,300
Increase in trade and other receivables		**(1,201)**	(8)
Decrease in trade and other payables		**(1,457)**	(3,117)
Net cash generated from operating activities		**41,159**	35,175
Cash flows from investing activities			
Purchase of investment property	7	**-**	(9,100)
Development expenditure on investment properties*		**(6,647)**	(22,084)
Finance income		**236**	188
Net cash used in investing activities		**(6,411)**	(30,996)
Cash flows from financing activities			
Bank and other loans advanced	8	**25,957**	151,957
Bank and other loans repaid	8	**(15,431)**	(110,229)

Finance costs		**(18,658)**	(19,082)
Dividends paid	6	**(23,069)**	(21,970)
Net cash (used in) / generated from financing activities		**(31,201)**	676
Net increase in cash and cash equivalents		**3,547**	4,855
Cash and cash equivalents at beginning of year		**18,053**	13,198
Cash and cash equivalents at end of year		**21,600**	18,053
Restricted cash		**4,551**	4,185

The accompanying notes are an integral part of this cash flow statement.

Total interest paid in the year was £17.7 million (2024: £16.6 million).

* Includes capitalised interest of £0.6 million (2023: £1.9 million)

.Notes to the Financial Statements

1. **General information**

This final results announcement was approved for issue by a duly appointed and authorised committee of the Board of Directors on 6 October 2025.

2. **Basis of preparation**

The financial information set out in this announcement does not constitute statutory financial statements for the year ended 30 June 2025 and year ended 30 June 2024. The financial information in this announcement has been derived from the statutory accounts for the year ending 30 June 2025 and year ending 30 June 2024. The report of the auditor on the statutory financial statements for the year ended 30 June 2025 was (i) unqualified; (ii) included references to the proposed sale of the Group and Company's portfolio of property assets and a material uncertainty in respect of going concern, to which the auditor drew attention by way of emphasis without qualifying their report; and (iii) did not contain statements under section 498(2) or (3) of the Companies Act 2006. The report of the auditor on the statutory financial statements for the year ended 30 June 2024 was (i) unqualified; (ii) did not include references to any matters to which the auditor drew attention by way of emphasis without qualifying their report; and (iii) did not contain statements under section 498(2) or (3) of the Companies Act 2006. The statutory financial statements for the year ended 30 June 2025 will be delivered to the Registrar of Companies following the Company's Annual General Meeting. The statutory accounts for the year ending 30 June 2024 have been delivered to the Registrar of Companies.

3. **Going concern**

The consolidated and Company financial statements have been prepared on a going concern basis. The Directors have reviewed the current and projected financial position of the Group, making reasonable assumptions about future trading performance with sensitivity testing undertaken to replicate plausible downside scenarios related to the principal risks and uncertainties associated with the business. Therefore, the Directors believe the Group and Company are well placed to manage their business risks successfully. However, there is a material uncertainty in relation to the Group's and Company's ability to continue for a period of at least 12 ,months from the date of this report as a result of the proposed sale of the Company. As interest rate exposure has largely been mitigated with 81% of the investment debt in the portfolio at fixed rates for relatively long periods averaging 14 years, the Directors paid particular attention to the risk of a deterioration in the forecast rental growth over the review period which would have a negative impact on both forecast valuations and cashflows. Increased costs were also modelled in these forecasts. The outcome of this stress testing indicated that covenants on existing facilities would not be breached. As part of the review, the Group has considered its cash balances, and its debt maturity profile, including undrawn facilities. The Group had net current liabilities of £4.5 million as at 30 June 2025 (2024: net current liabilities £22.3 million). The decrease in net current liabilities is as a result of the repayment of the remaining Barclays development loan ahead of maturity in September 2025 and increasing use of the RBS investment debt facility, repayable in July 2026. The opportunity to secure an additional long term fixed rate investment debt facility continues to be reviewed. As at 30 June 2025, the total loan amount drawn on the Barclays facility was £18.2 million (2024: £32.6 million).

The Group's cash balances at 30 June 2025 were £21.6 million (2024: £18.1 million), of which £4.6 million was restricted but released within 3 months. The Group had debt borrowing as at 30 June 2025 of £426.4 million (2024: £415.3 million).

There were no capital commitments outstanding as at 30 June 2025 (2024: £6.4 million). The Group's current ERV as at 30 June 2025, was £72.0 million from 5,478 homes and has increased to £73.4 million as at 30 September 2025. This has increased the Company's recurring income which at this level is more than sufficient to cover monthly cash costs. Based on the prevailing run-rate of monthly cash costs and average rent levels, approximately 2,600 homes are required to generate income to cover monthly cash outlays.

The current market volatility is being monitored by the Board however, the strong income performance and high proportion of fixed rate debt puts the Group in a good position.

In line with the process followed since IPO, the NAV of the Company is calculated by reference to the aggregate valuation of each separate property asset. These individual property valuations have been arrived at in accordance with the requirements of IFRS 13 and the Royal Institution of Chartered Surveyors' ("**RICS**") Valuation - Global Standards, incorporating the IVSC International Valuation Standards effective from 31 January 2025, together, where applicable, with the UK National Supplement effective 14 January 2019, (together the "**RICS Red Book**"). These valuations include a number of unobservable inputs and other valuation assumptions. Please see note 7 for further details.

During the financial year ended 30 June 2025, the Board and its advisers have engaged with a number of parties in connection with the proposed sale of the Company or its assets pursuant to the Strategic Review and Formal Sale Process. This has been an extensive and thorough process with engagement from a wide range of parties with multiple non-binding expression of interest received. The Board has noted the disparity between the pricing presented in these indications of interest and the Company's NAV of £785.4 million at 30 June 2025, which has highlighted that due to the size of the Company, amongst other things, the current realisable value of the Company or its assets as a whole, may be materially different from the aggregate of the estimate of each property's value.

Material uncertainty related to going concern

On 17 September 2025, the Board announced that it has entered into non-binding heads of terms for the proposed sale (the "**Proposed Sale**") of The PRS REIT Holding Company Limited, the Company's operating subsidiary that holds the entirety of the Company's portfolio of property assets, to a vehicle ("**Bidco**") wholly owned by a fund being advised by Waypoint Asset Management Limited ("**Waypoint**") as investment adviser. The cash consideration receivable in respect of the Proposed Sale is expected to be approximately £646.2 million. Proceeds to the Company of the Proposed Sale, net of transaction expenses and corporation tax, are expected to be approximately £633.2 million. The Proposed Sale is conditional on, inter alia, satisfactory completion of confirmatory due diligence by Waypoint, the Company and Bidco agreeing and entering into a sale and purchase agreement in respect of the Proposed Sale (the "**SPA**"), and approval of the Proposed Sale by The PRS REIT shareholders at a general meeting by way of a special resolution. The Company and Waypoint are working together with a view to completing the Proposed Sale by 30 November 2025. Subject to completion of the Proposed Sale, the Board intends to seek further shareholder approval for the voluntary liquidation of the Company with a view to distributing the Company's net assets to shareholders as soon as reasonably practicable.

The Proposed Sale therefore represents a material uncertainty regarding the going concern status of the Company. Notwithstanding the Proposed Sale, which remains conditional at this stage, the Board considers that it remains appropriate for the financial statements to be prepared on a going concern basis.

4. Taxation

As a UK REIT, the Group is exempt from corporation tax on the profits and gains from its property investment business, provided it meets certain conditions as set out in the UK REIT regulations. For the current year and prior year, the Group did not have any non-qualifying profits and accordingly there is no tax charge in the period. If there were any non-qualifying profits and gains, these would be subject to corporation tax.

It is assumed that the Group will continue to be a UK REIT for the foreseeable future, such that deferred tax has not been recognised on temporary differences relating to the property rental business. No deferred tax asset has been recognised in respect of the unutilised residual current period losses from non-qualifying activities as it is not anticipated that sufficient residual profits will be generated from these in the future. The total amount of tax assets not recognised as a deferred tax asset as at 30 June 2025 was £5.3 million (2024: £4.8 million).

5. Earnings per share

Earnings per share ("**EPS**") amounts are calculated by dividing profit for the period attributable to ordinary equity

Earnings per share ("EPS") amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period. As there are no dilutive instruments, basic and diluted earnings per share are the same for both the current and prior periods.

The calculation of basic and diluted earnings per share is based on the following:

	2025 £'000	2024 £'000
Earnings per IFRS income statement	**77,029**	93,675
Adjustments to calculate EPRA Earnings:		
Changes in value of investment properties (Note 18)	**(53,626)**	(73,412)
Adjustments related to non-operating and exceptional items*	**838**	-
Adjusted EPRA Earnings	**24,241**	20,263
Weighted average number of ordinary shares (Note 26)	**549,251,458**	549,251,458
IFRS EPS (pence)	**14.0**	17.1
Adjusted EPRA EPS (pence)	**4.4**	3.7

6. **Dividends**

The following dividends were paid during the current year and prior year:

	2025 £'000	2024 £'000
Dividends on ordinary shares declared and paid:		
Dividend of 1.0p for the 3 months to 30 June 2023	**-**	5,492
Dividend of 1.0p for the 3 months to 30 September 2023	**-**	5,493
Dividend of 1.0p for the 3 months to 31 December 2023	**-**	5,493
Dividend of 1.0p for the 3 months to 31 March 2024	**-**	5,492
Dividend of 1.0p for the 3 months to 30 June 2024	**5,492**	-
Dividend of 1.0p for the 3 months to 30 September 2024	**5,493**	-
Dividend of 1.1p for the 3 months to 31 December 2024	**6,042**	-
Dividend of 1.1p for the 3 months to 31 March 2025	**6,042**	-
	23,069	21,970
Proposed dividends on ordinary shares:		
3 months to 30 June 2024: 1.0p per share	-	5,493
3 months to 30 June 2025: 1.1p per share	**6,042**	-
	6,042	5,493

7. **Investment property**

The freehold/heritable, leasehold and part freehold / part leasehold interests in the properties held within the PRS REIT were independently valued as at 30 June 2025 by Savills (UK) Limited, acting in the capacity of External Valuers as defined in the RICS Red Book (but not for the avoidance of doubt as an External Valuer of the PRS REIT as defined by the Alternative Investment Fund Managers Regulations 2013). The valuations accord with the requirements of IFRS 13 and the Royal Institution of Chartered Surveyors' ("**RICS**") Valuation - Global Standards, incorporating the IVSC International Valuation Standards effective from 31 January 2025, together, where applicable, with the UK National Supplement effective 14 January 2019, (together the "**RICS Red Book**"). The valuations were arrived at predominantly by reference to market evidence for comparable property.

Savills (UK) Limited are an accredited External Valuer with recognised and relevant professional qualifications and recent experience of the location and category of the investment property being valued.

The valuations are the ultimate responsibility of the Directors. Accordingly, the critical assumptions used in establishing the independent valuation are reviewed by the Board.

In line with the process followed since IPO, the NAV of the Company is calculated by reference to the aggregate valuation of each separate property asset. As noted above, these individual property valuations have been arrived at in accordance with the RICS Red Book. These valuations include a number of unobservable inputs and other valuation assumptions as described below.

During the financial year ended 30 June 2025, the Board and its advisers have engaged with a number of parties in connection with the proposed sale of the Company or its assets pursuant to the Strategic Review and Formal Sale Process. This has been an extensive and thorough process with engagement from a wide range of parties with multiple non-binding expression of interest received. The Board has noted the disparity between the pricing with multiple non-binding expression of interest received. The Board has noted the disparity between the pricing presented in these indications of interest and the Company's NAV which has highlighted that due to the size of the Company, amongst other things, the current realisable value of the Company or its assets as a whole, may be materially different from the aggregate of the estimate of each property's value.

	Completed Assets £'000	Assets under Construction £'000	Total £'000
At 30 June 2023	947,727	87,005	1,034,732
Properties acquired on acquisition of subsidiaries	9,100	-	9,100
Property additions - subsequent expenditure	-	22,083	22,083
Right of use asset movement during the year	496	-	496
Change in fair value	68,095	5,317	73,412
Transfers to completed assets	58,660	(58,660)	-
At 30 June 2024	1,084,078	55,745	1,139,823
Property additions - subsequent expenditure	-	6,647	6,647
Right of use asset movement during the year	(4)	-	(4)
Change in fair value	47,698	5,928	53,626
Transfers to completed assets	68,320	(68,320)	-
At 30 June 2025	**1,200,092**	**-**	**1,200,092**

The historic cost of completed assets and assets under construction as at 30 June 2025 was £870.8 million (2024: £863.8 million).

The carrying amount of investment property pledged as security as at 30 June 2025 was £1.2 billion (2024: £1.1 billion).

The Group has recognised a right-of-use ("**ROU**") asset within investment property in relation to ground rents payable on certain investment property sites. The net book value of the ROU asset was £1.5 million as at 30 June 2025 (2024: £1.5 million).

In the prior year we identified that there was a planning consent dispute on one of our sites. As expected, the dispute has now been satisfactorily resolved between the housebuilder and the Council.

Fair Values

IFRS 13 sets out a three-tier hierarchy for assets and liabilities valued at fair value. These are as follows:

Level 1 quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 unobservable inputs for the asset or liability.

Investment property falls within Level 3.

The investment valuations provided by the external valuation expert are based on RICS Professional Valuation Standards but include a number of unobservable inputs and other valuation assumptions. The significant unobservable inputs and the range of values used are:

Type	**Range 2024**	**Average 2024**	**Range 2023**	**Average 2023**
ERV per unit	**£11k - £24k**	**£13k**	£11k - £23k	£13k
Investment yield	**4.25% to 5.50%**	**4.66%**	4.25% to 5.25%	4.59%
Gross to net assumption	**22.5% to 25.0%**	**22.9%**	22.5% to 25.0%	22.9%

The following descriptions and definitions relate to key unobservable inputs made in determining fair values:

- ERV (Estimated Rental Value) per unit: the estimated annual market rental value that could be earned on a unit basis;
- Gross to net assumption: the non-recoverable property costs expected to be incurred on a rental property as a percentage of rental income; and
- Investment yield: the net income earned as a percentage of the investment value.

Other Special Assumptions applied in addition to the key unobservable inputs identified above, and used since inception include:

- All individual site valuations have been treated assuming part of a larger portfolio (in excess of £50 million); and
- An indirect purchase of a special purpose vehicle holding title to the asset, so stamp duty is assessed on a share purchase basis rather than as property.

The impact of changes to the significant unobservable inputs for completed and development assets are:

	2025 Impact on statement of comprehensive income £'000	2025 Impact on statement of financial position £'000	2024 Impact on statement of comprehensive income £'000	2024 Impact on statement of financial position £'000
Improvement in ERV by 5%	**60,204**	**60,204**	57,821	57,821
Worsening in ERV by 5%	**(60,188)**	**(60,188)**	(56,595)	(56,595)
Improvement in yield by 0.125%	**33,421**	**33,421**	32,232	32,232
Worsening in yield by 0.125%	**(31,641)**	**(31,641)**	(30,560)	(30,560)
Improvement in gross to net by 1%	**16,252**	**16,252**	15,486	15,486
Worsening in gross to net by 1%	**(14,929)**	**(14,929)**	(14,153)	(14,153)

The rates of sensitivity reflected in the above table have been selected as being reflective of movements experienced in ERV, yields and gross to net expenses.

The downside stress testing performed showed that covenants would not be breached.

8. Interest bearing loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

	Group 2025 £'000	Company 2025 £'000	Group 2024 £'000	Company 2024 £'000
Current liabilities				
Bank loans at 1 July	**31,901**	**-**	126,713	-
Loans advanced in the year	**1,045**	**-**	28,859	-
Loans repaid in the year	**(15,431)**	**-**	(110,225)	-
Loan term extended	**-**	**-**	(13,101)	-
Capitalised loan costs	**350**	**-**	(345)	-
Bank loans at 30 June	**17,865**	**-**	31,901	-
Lease liability (Note 25)	**20**	**-**	32	-
Total loans and borrowings	**17,885**	**-**	31,933	-
Non-current liabilities				
Bank loans at 1 July	**383,358**	**-**	247,432	-
Loans advanced in the year	**24,912**	**-**	123,098	-
Loan term extended	**-**	**-**	13,101	-
Capitalised loan costs	**258**	**-**	(273)	-
Bank loans at 30 June	**408,528**	**-**	383,358	-
Lease liability (Note 25)	**1,680**	**-**	1,645	-
Total loans and borrowings	**410,208**	**-**	385,003	-

The fair value of loans and borrowings at year end totalled £377.3 million (2024: £349.7 million).

Bank loans

Through its subsidiaries the Company has granted fixed and floating charges over certain investment property assets to secure the loans.

The Group's borrowing facilities are with Scottish Widows, Legal and General Investment Management, RBS plc and Barclays Bank PLC. At 30 June 2025, these comprised the following:

Lender	Loan facility	Balance drawn 30 June 2025	Loan period	Interest rate (all in)	Loan type	Maturity
Scottish Widows	£100 million	£100 million	15 years	3.14%	Fixed	June 2033
Scottish Widows	£150 million	£150 million	25 years	2.76%	Fixed	June 2044
Legal and General Investment	£102 million	£102 million	15 years	6.04%	Fixed	July 2038

Management						
RBS	£82.5 million	£59.2 million	2 years	6.00%	Variable	July 2026
Barclays Bank PLC*	£33.0 million	£18.2 million	3 years	7.56%	Variable	September 2025

** Facility repaid and closed in September 2025*

As determined by the Company's Investment Policy, the Group's maximum loan to value ratio can be no more than 45%. As at 30 June 2025 the Group's EPRA loan to value was 35% (2024: 36%).

Reconciliation of movements of borrowings to cash flows arising from financing activities:

	2025 £'000	2024 £'000
Balance as at 1 July	**415,258**	374,145
Cash movements		
Proceeds from borrowings	**25,957**	151,957
Borrowings repaid	**(15,431)**	(110,225)
Interest paid	**(17,720)**	(16,640)
Non-utilisation fees paid	**(309)**	(439)
Arrangement and commitment fees paid	**(180)**	(3,529)
Non-Cash movements		
Finance costs	**18,817**	19,989
Balance as at 30 June	**426,392**	415,258

9. Net Asset Value

EPRA NTA is considered to be the most relevant measure for the Group. The underlying assumption behind the EPRA NTA calculation assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. Due to the PRS REIT's tax status, deferred tax is not applicable and therefore there is no difference between IFRS NAV and EPRA NTA.

Basic IFRS NAV per share is calculated by dividing net assets in the Statement of Financial Position attributable to ordinary equity holders of the parent by the number of Ordinary Shares outstanding at the end of the year. As there are no dilutive instruments, only basic NAV per share is quoted below.

Net asset values have been calculated as follows:

	2025	2024
IFRS Net assets at 30 June (£'000)	**785,385**	731,425
EPRA adjustments to NTA	**-**	-
EPRA NTA at 30 June	**785,385**	731,425
Shares in issue at end of year	**549,251,458**	549,251,458
Basic IFRS NAV per share (pence)	**143.0**	133.2
EPRA NTA per share (pence)	**143.0**	133.2

The NTA per share calculated on an EPRA basis is the same as the IFRS NAV per share for the year ended 30 June 2025 and the year ended 30 June 2024.

10. Transactions with Investment Adviser

On 31 March 2017, Sigma PRS was appointed the Investment Adviser of the Company. A new Investment Adviser Agreement with Sigma PRS was signed in July 2024.

For the year ended 30 June 2025, fees of £6.2 million (2024: £6.1 million) were incurred and payable to Sigma PRS in respect of asset management fees. At 30 June 2025, £0.5 million (2024: £0.5 million) remained unpaid.

For the year ended 30 June 2025, development management fees of £0.2 million (2024: £0.8 million) were incurred and payable to Sigma PRS. At 30 June 2025, £nil (2024: £30,000) remained unpaid. Development management fees were capitalised as development costs during the year and prior year.

For the year ended 30 June 2025, administration and secretarial services of £70,000 (2024: £70,000) were incurred and payable to Sigma Capital Property Ltd, a fellow subsidiary of the ultimate holding company of the Investment Adviser. At 30 June 2025, £18,000 (2024: £18,000) remained unpaid.

Sigma PRS's shareholding as at 30 June 2025 was 5,889,852 (2024: 5,889,852), which represents 1.07% (2024:

Sigma PRS's shareholding as at 30 June 2025 was 5,885,882 (2024: 5,885,882), which represents 1.07% (2024: 1.07%) of the issued share capital in the Company. All the shares acquired were in accordance with the Development Management Agreement between the Company and Sigma PRS.

For the year ended 30 June 2025, Sigma PRS received dividends from the Company of £247,000 (2024: £236,000).

11. Post balance sheet events

Dividends

On 4 August 2025, the Company declared a dividend of 1.1p per ordinary share in respect of the fourth quarter of the current financial year. The dividend was paid on 29 August 2025, to shareholders on the register as at 15 August 2025.

Board changes

Karima Fahmy stepped down from her role as Non-executive Director and Senior Independent Director with effect from 1 September 2025. In addition, on this date, Non-executive Director, Steffan Francis assumed the role of Senior Independent Director and chair the Nomination & Remuneration Committee.

Development debt facility

In September the Barclays Bank development debt facility was repaid and closed.

Strategic Review and Formal Sale Process

On 17 September 2025, the Company entered into non-binding heads of terms for the proposed sale (the "Proposed Sale") of The PRS REIT Holding Company Limited, the Company's operating subsidiary that holds the entirety of the Company's portfolio of property assets, to a vehicle ("Bidco") wholly owned by a fund being advised by Waypoint Asset Management Limited ("Waypoint") as investment adviser. The current expected cash consideration from the Proposed Sale is approximately £646.2 million, compared to the Net Asset Value (see note 29) at 30 June 2025 of £785.4 million.

This Proposed Sale is conditional on, inter alia: satisfactory completion of confirmatory due diligence by Waypoint; the Company and Bidco agreeing and entering into a sale and purchase agreement in respect of the Proposed Sale; and approval of the Proposed Sale by the Company's shareholders at a general meeting by way of a special resolution. The Company and Waypoint are working together with a view to completing the Proposed Sale by 30 November 2025.

Subject to completion of the Proposed Sale, the Board intends to seek further shareholder approval for the voluntary liquidation of the Company, with a view to distributing the Company's net assets to shareholders as soon as reasonably practicable. Details of the net assets to be distributed to shareholders will be announced in due course.

12. Availability of statutory financial information

Copies of the full statutory financial statements are available on the Company's website at www.theprsreit.com.

13. Annual General Meeting

The Annual General Meeting of the Company will be held at the offices of Dentons UK and Middle East LLP, One Fleet Place, London EC4M 7RA on Tuesday 2 December 2025 commencing at 2 pm.

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[1] A full reconciliation between IFRS profit and Adjusted EPRA earnings can be found in note 5 of the Financial Statements

[2] A reconciliation of IFRS NAV to EPRA NTA can be found in note 9 of the Financial Statements

[3] Measured as rent collected relative to rent invoiced in a given period

[4] Like-for-like rental growth on investment property stabilised sites is defined as the annual rental growth on sites where all units have been completed and either all, or nearly all, have been let at the end of the comparative period

[5] *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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