

CHAIR'S STATEMENT

A ROBUST PERFORMANCE

We continued to do what's right for all stakeholders, in line with our values

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Richard Huntingford
Chair



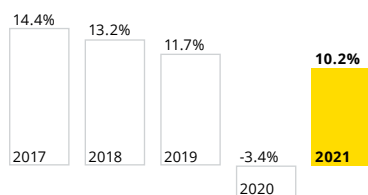
Dear Shareholders,

2021 has been a successful year for Unite, in which we have delivered a strong performance despite the challenges posed by the Covid-19 pandemic. I would like to start by thanking all our staff across the group for the hard work and resilience they have shown to deliver for our student and university customers and position the business for future growth. I would also like to thank our university partners for their ongoing support.

During the year the business returned to earnings growth, increased occupancy, grew the development pipeline and delivered disposals to enhance the quality of the portfolio. We also continued to do what's right for all stakeholders, in line with our values, including providing further financial support to students.

The year in review

2021 saw a recovery in our financial performance and a return to growth. Across our portfolio, the Group delivered an improvement in occupancy to 94% for the 2021/22 academic year (2020/21: 88%) alongside 2.3% rental growth, reflecting strong student demand. Together with a lower impact from rental discounts offered in response to the pandemic, this resulted in a 15% increase in adjusted EPS to 27.6p (2020: 24.0p).

TOTAL ACCOUNTING RETURN¹

10.2%

Investor demand for the student accommodation sector remains strong which, together with rental growth, supported a 4.6% revaluation uplift in the property portfolio during the year. This contributed to 8% growth in our EPRA NTA to 882p (31 December 2020: 818p) and a return to an IFRS profit before tax of £343.1 million (2020: loss of £120.1 million), equating to IFRS EPS of 85.9p (2020: loss of 31.8p).

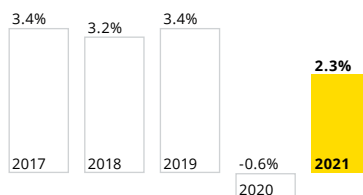
The balance sheet remains in robust health with LTV reduced to 29% following £261 million of disposals in the year and receipt of a £53 million performance fee from our LSAV joint venture. This provides the financial capacity to deliver our secured development pipeline and pursue new growth opportunities.

Reflecting the improving trading outlook and the Board's confidence in the Group's future outlook, the proposed dividend for the year has been increased by 73% to 22.1p.

Delivery of our strategy

Unite is the largest operator of purpose-built student accommodation in the UK with 74,000 beds across 25 leading university towns and cities and celebrated its 30th anniversary this year. The business growth to date has been built on the solid foundations of a best-in-class operating platform, high-quality portfolio, trusted university relationships and in-house development capability. Our aim is to further develop this platform to create a sector-leading business, which delivers value for its customers, attractive returns for shareholders and has a positive impact on the environment and wider society.

As outlined at our Capital Markets Day in October 2021, our stakeholders have rising expectations around our product, service and wider business impact on the environment and society. In response, our strategy is focused on delivering an enhanced experience for our customers, supported by investments in technology and our estate and a more segmented customer offer over time.

RENTAL GROWTH¹

2.3%

This activity will support sustainable rental growth through our value-for-money offer and margin improvements over time. Our secured development pipeline also offers significant visibility over future growth in earnings and net assets.

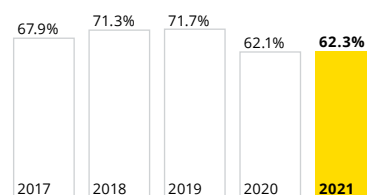
A responsible and resilient business

We are committed to creating a responsible and resilient business, which delivers for all of our stakeholders over the long term. This commitment has shaped our response to the pandemic, during which we have acted to protect the interests of students, our university partners, employees and investors. We have placed significant focus on the health, safety and wellbeing of our customers and our people by reducing risks in our buildings as far as possible and supporting those needing to self-isolate. Recognising the disruption caused to students during the national lockdown in early 2021, we offered additional rental discounts to students unable to use their accommodation. We have now provided over £100 million in financial support to students during the pandemic. The Board believes this response has strengthened our reputation with students, parents, universities and Government.

Our new Sustainability Strategy, launched in early 2021, includes stretching new targets for how we will reduce our environmental impact, improve opportunities for employees and raise standards across the student housing sector. We published our Net Zero Carbon Pathway at the end of 2021, which sets out the activities and investments required by the business to meet our 2030 net zero ambition. Delivery and development of this strategy is being overseen by our new Sustainability Committee, formed during 2021.

Board changes

This is my first year as Chair, following Phil White stepping down from the Board with effect from 31 March 2021.

ADJUSTED EBIT MARGIN¹

62.3%

I would like to thank Phil for his leadership over many years and his contribution to the growth of Unite and making Unite the business it is today. I have a strong empathy for Unite's 'Home for Success' purpose and have been hugely impressed by the talent and commitment of our teams since joining the business.

We have a strong Board with a mix of complementary skills as well as diversity of knowledge, background and gender. As a team, we bring a range of expertise from the higher education, real estate, finance and hospitality sectors. During the year, Richard Akers stepped down from the Board in view of his other business commitments. Richard was a very valuable member of the Unite Board with his wealth of experience of the wider property market and his sound judgement. On behalf of the Board, we wish Richard well.

Based on our year end Board composition, we meet the Hampton Alexander gender target with 33% of the Board being female and will look to further broaden the diversity of our Board in the coming years.

Looking forward

There is growing demand for UK Higher Education and an unmet need for the high-quality, value-for-money accommodation that we provide. These drivers support strong organic growth, underpin demand for our secured developments and create opportunities for new growth through development, strategic partnerships with universities and potentially expansion into other complementary living sectors to our operating platform and customer focus. As a result, I look forward with great confidence to the Group delivering attractive and growing returns to shareholders over the coming years.

Richard Huntingford

Chair
23 February 2022

1. See glossary for definitions and note 8 for alternative performance measure calculations and reconciliations.