Vita River

Vita River 2 Limited

HR Ratings® | Credit Rating Agency

Corporates
November 4, 2026
*NRSRO Rating**

Vita River 2 Ltd.	£94.8m Senior TL
HR B+ (G)	G9391#AA5
Stable Outlook	HR B+ (G)
	Stable Outlook



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Information Disclosure Form

Rule 17g-7

The Rating Action Commentary (RAC) associated with this disclosure form is an integral part of the form.

1. **Symbol, Number, or Score in the Rating Scale used by HR Ratings as required by Paragraph (a)(1)(ii)(A) of Rule 17g-7:**

Entity/Instrument	Rating Action	Rating Type	Rating Code
Vita River 2 Ltd.	Downgraded	Long Term Rating	HR B+ (G) / Stable Outlook
£94.8m Senior TL	Downgraded	Long Term Rating	HR B+ (G) / Stable Outlook

2. **Version of the Procedure or Methodology used to determine the credit rating as required by Paragraph (a)(1)(ii)(B) of Rule 17g-7:**

The rating assigned by HR Ratings to the entity is based in accordance with the following methodologies established by the rating agency:

- Corporate Debt Credit Risk Evaluation, October 2026.
  https://www.hrratings.com/docs/metodologia/Report_Corporate_Credit_Risk_Evaluation_2026v.pdf

- General Methodological Criteria, October 2024.
  https://www.hrratings.com/docs/metodologia/General_Methodological_Criteria_2024.pdf

3. Main assumptions and principles used in constructing the procedures and methodologies to determine the credit rating as required by Paragraph (a)(1)(ii)(C) of Rule 17g-7

- Based on the Corporate Debt Credit Risk Evaluation:

The methodology describes the process used to assess the ability and willingness of issuers to meet corporate debt payment obligations in a full and timely manner in accordance with contractual provisions. The process consists of a quantitative analysis based on four financial metrics followed by an analysis allowing for qualitative adjustments. The document also describes the process for rating commercial real estate (CRE) transactions.

The corporate methodology generally involves the creation of financial models based on relevant historical performance and projections. The projections are made under a Base and Stress scenario, both incorporating relevant historical data, and a formal rating period of five years. The four metrics used in this analysis are: (i) debt service coverage; (ii) debt service coverage including available cash; (iii) years to payment, which measures the ratio between net debt and annual free cash flow; and (iv) the ratio between a market value estimate of corporate assets and liabilities. The weighted average for each of the four metrics is calculated under the Base and Stress scenarios. The weighted averages are then converted into numerical ratings, which are the same for both scenarios, for each rating metric. Subsequently, and for each scenario, the weighted average of the metric numerical ratings is calculated. The final numerical rating is the weighted average of the two scenarios. If historical information is available and considered relevant, this process generally considers two reported and three projected years. However, the methodology considers the possibility of using alternative data periods, with fewer reported years if required. For issuers that are not yet generating material revenue and are building assets that will start operations in the future, the methodology applies Rating Time Horizon 4, under which the rating period begins in the year a significant portion of the assets is operating, and HR Ratings analyzes the liquidity available to meet debt service before revenue generation.

Transactions involving CRE fall within two distinct situations. The first, and most common, involves a rating based on the ability of cashflows generated by lease agreements to meet debt obligations of the lessor associated with the leased property. For these cases, the analysis is similar to the process described above, except for the fourth metric being replaced by the Loan to Value ratio (LTV) and the use of a seven-year rating period. The second situation refers to a specific legal structure involving Credit Tenant Leases (CTLs) and Ground Leases (GLs), where the rating is based on the credit rating of the lessee.

Following the quantitative analysis, the rating can be adjusted positively or negatively by applying qualitative notches, which are divided into two categories: ESG factors and General Adjustments. The ESG analysis considers how the issuer's

environmental and social impact, including related regulations and mitigation efforts, may affect its financial performance, as well as the governance policies that promote transparency and the tools the issuer uses to identify, mitigate and resolve risks. General adjustments refer to other factors that also could impact on the quantitative rating, especially when HR Ratings concludes that these factors cannot be adequately incorporated into the quantitative models.

The rating incorporates one negative notch adjustment related to the Project risk due to the construction process of the Project.

- Based on the General Methodological Criteria:

Local and Global Scales

Any credit rating for a borrower or debt instrument is initially assigned on a Local Scale. HR Ratings Local Scale represents the different rating levels in which the results of a rating process can be categorized as set out in the appropriate methodology. This rating on the scale reflects the results of standardized processes, which are applicable in any political jurisdiction. The global scale considers the risks associated with the sovereign in question and faced by the borrower or debt instrument. This includes the convertibility, degradation and transferability risks for each country in a global scenario.

HR Ratings will use the global rating of the applicable sovereign, as an indicator for country risk, to convert the local credit ratings for borrowers and/or debt instruments into global credit ratings. The applicable sovereign rating may refer to one particular sovereign or a group of sovereigns depending on the case. In general terms, the downgrade will be equal to the difference, in terms of notches, between HR AAA (G) and the applicable sovereign's global rating. However, in some cases it may be appropriate not to take as a basis for the downgrade only the difference in the applicable sovereign's global rating from HR AAA (G). For example, when HR Ratings judges that the global credit rating of an applicable sovereign, or sovereigns, implies a greater or lesser degree of country risk for purposes of the conversion of local rated entities and debt. Also, when the analysis for a specific debtor or debt instrument suggests that its characteristics are such that its rating on the global scale should receive a modified rating differential.

A set of factors is used to determine the applicable jurisdiction or sovereign for assigning a global scale rating. The simplest case is that of a borrower operating in only one country and using only that country's currency. In such cases the global rating of sovereign of the country in which the borrower operates will be used as the basis for conversion. In other cases, an entity may have substantial operations in several jurisdictions, it would be appropriate to determine a weighted average of relevant sovereigns and apply a weighted sovereign differential notch to make the local to global conversion.

To include the sovereign risk of the United Kingdom (UK) into the global scale rating, the rating incorporates a two-notch adjustment as UK has an average rating equivalent to HR AA (G).

4. Potential limitations of the credit rating as required by Paragraph (a)(1)(ii)(D) of Rule 17g-7

- HR Ratings does not validate, guarantee, or certify the accuracy, correctness or completeness of any information and is not responsible for any errors or omissions or for results obtained from the use of such information.
- Ratings and/or opinions assigned by HR Ratings are based on an analysis of the creditworthiness of an entity, issue, or issuer, and do not necessarily imply a statistical likelihood of default.
- The credit ratings do not opine on the liquidity of the issuer´s securities or stock.
- The credit ratings do not consider the possible loss severity on an obligation default.
- The credit ratings are not an opinion of the market value of any issuer´s securities or stock, or the possibility that this value suffer a deterioration.

5. Information on the uncertainty of the credit rating as required by Paragraph (a)(1)(ii)(E) of Rule 17g-7

The Analysis Committee noted no material limitations on the reliability, accuracy and quality on the data relied on in determining the credit rating.

The third party did not provide HR Ratings with audited or historical financial information due to the Project is still under construction and therefore is not generating income yet. This was not considered as lack of information.

6. Use of third-party due diligence services as required by Paragraph (a)(1)(ii)(F) of Rule 17g-7

HR Ratings did not use third party due diligence services for the rating.

7. Use of servicer or remittance reports to conduct surveillance of the credit rating as required by Paragraph (a)(1)(ii)(G) of Rule 17g-7

HR Ratings did not use Servicer or remittance reports for the rating.

8. Description of types of data about any obligor, issue, security or money market instrument relied upon for determining credit rating as required by Paragraph (a)(1)(ii)(H) of Rule 17g-7

Among the main information used for the rating is:

- Appraisal (Dated March 13, 2025) for the Project issued by Cushman & Wakefield provided by a third party.
- Construction Reports Progress No. 18 issued by Gardiner & Theobald provided by a third party.
- £94.8m Senior Facility Agreement provided by a third party.
- £15.0m Mezzanine Facility Agreement provided by a third party.
- Margin Letters associated with Credit Facilities provided by a third party.
- Supplemental Deed associated with Credit Facilities provided by a third party.

- Senior Loan Cash Flow Model provided by a third party.
- Public report Cushman & Wakefield, UK Student Accommodation Report 2026 (Dated October 1, 2026).
- Public report Knight Frank, UK Student Accommodation Outlook 2026/27 (Dated October 20, 2026).

9. Overall assessment of quality of information available and considered in determining credit rating as required by Paragraph (a)(1)(ii)(I) of Rule 17g-7

The financial information was solely projected due to the Project is still in construction and will not be fully operational until late 2027. Nevertheless, the quality of the information provided by the entity is considered to be consistent with the quality observed in ratings that use a similar methodology.

10. Information relating to conflicts of interest as required by Paragraph (a)(1)(ii)(J) of Rule 17g-7

The aforementioned rating was not requested by the entity or issuer, or on its behalf. However, the rating was requested by an investor whose identity is kept confidential to the general public, therefore, HR Ratings has received from the investor the corresponding fees for the provision of its rating services. The following information can be found on our website https://www.hrratings.com/: (i) The internal procedures for the monitoring and surveillance of our ratings and the periodicity with which they are formally updated, (ii) the criteria used by HR Ratings for the withdrawal or suspension of the maintenance of a rating, (iii) the procedure and process of voting on our Analysis Committee, and (iv) the rating scales and their definitions.

HR Ratings was paid for services other than determining credit ratings during the most recently ended fiscal year by the person that paid to determine this credit rating.

11. Explanation or measure of potential volatility to the credit rating as required by Paragraph (a)(1)(ii)(K) of Rule17g-7

1. Factors that are reasonably likely to lead to a change in the credit rating:

- **United Kingdom Sovereign rating.** If UK's equivalent sovereign rating is modified, this would have a direct impact on the Project's and its associated debt rating having a positive or negative minimum to strong impact.
- **Lower Leverage Profile.** Should the Project achieve stabilization earlier than expected, FCF could strengthen. Under this upside scenario, the weighted average Years of Payment for 2028–2034 would improve to 11.5 years (vs. 13.3 years in the base case), while the average LTV would drop to 80.0% (vs. 82.1%). Ultimately, these enhanced metrics could support a positive minimum impact on the rating.
- **Refinancing Conditions.** If the refinancing loan (expected in 2028 and 2033) does not have better conditions compared to the building loan (date matures in 2028) in terms of maturity and interest rate, the rating could have a minimum to moderate negative impact.

- **Delay in Dates.** Delays in completion or stabilization could weaken projected FCF within the rating horizon. If weighted FCF were to fall to £6.6m over 2028-2034 (compared to £8.0m in base scenario), the weighted average Years of Payment would increase to 17.9 years (vs. 13.3 years in base scenario), potentially having a strong negative impact on the rating.

2. The magnitude of the change that could occur under different market conditions determined by HR Ratings to be relevant to the rating:

   - **Lower rents.** If the market in Glasgow does not recover, due to weaker international demand and new premium supply, the Project's rents could decrease, potentially having a minimum to strong negative impact on the rating.
   - **Interest rate increases.** Since all the Project's debt has a variable interest rate tied to the SONIA, any change in this base rate may directly impact on the DSCR and DSCR with Cash metrics, resulting in a minimum to strong negative impact on the rating.

   NOTE: The Credit Analysis Committee must convene to review and discuss the changes that could occur under different market conditions. All the ratings issued by HR Ratings must be approved by the Credit Analysis Committee in accordance with the applicable methodology and the information available at the time. However, the magnitude of a potential change in the rating that could reasonably occur as a result of the impact of the factors listed above are characterized by the following summary chart:

Rating change impact	Number of notches
Minimum	(0-1)
Moderate	(2 - 3)
Strong	>3

12. Historical performance and expected probability of default and expected loss in event of default as required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

For historical performance of each rating listed in the disclosure form, click on the link in the ratings table presented on the first page.

Our credit ratings need to be understood as rankings of the relative creditworthiness of different entities or credits. Creditworthiness takes into consideration both the ability and willingness to meet debt obligations in the manner prescribed in the relevant documentation. Default refers to the noncompliance of previously agreed obligations.

As our ratings measure relative creditworthiness, they do not necessarily reflect any specific statistical probability of default. However, HR Ratings provides to the market participants the default rate for historical default and loss statistics for the class or subclass of the credit rating. Although the default rate is not the expected probability of default or loss given default, we consider it the ratio that could be interpreted by market participants as such. The default rate for each of the asset classes in

which HR Ratings provides ratings and for each rating category is publicly available for each calendar year at: https://www.hrratings.com/regulatory_disclosure/transition_matrix.xhtml

13. Assumptions made by HR Ratings in determining announced credit ratings and examples of how assumptions impact the rating as required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

1. Assumptions made in the ratings process that, without accounting for any other factor, would have the greatest impact on the credit rating if proven false or inaccurate:

   HR Ratings bases its ratings and/or opinions on information obtained from sources that are believed to be accurate and reliable. The assumption is that the information provided is reliable and credible, however, does not validate, guarantee or certify the accuracy, correctness or completeness of any information and is not responsible for any errors or omissions or for results obtained from the use of such information.

   - **Total Revenue.** Our projections reflect a compound annual growth rate (CAGR) of 3.3% in revenue from 2028 to 2034. This growth is mainly driven by the construction and start of operations for the Project, which is expected to be fully completed by the third quarter of 2027 (3Q27) and stabilized by 4Q28 (vs. 2Q28 at the initial rating). This revenue CAGR reflects an expected stabilized occupancy rate of 96.0% and an average weekly rent of £401.6 per bedspace in 2034, considering a 50-week lease tenure each year.
   - **Net Operating Income (NOI).** We anticipate that the Project will reach £9.2m by 2034, with a stabilized NOI margin of 80.1%. We expect an average operating expense growth rate of 3.1% from 2028 to 2034.
   - **Free Cash Flow Growth.** We expect our FCF estimate to reach £8.8m in 2034. This projection is primarily driven by NOI levels and minimal working capital requirements.
   - **Investment.** Regarding net investment in the Project, we estimate it will achieve a total investment of £131.1m according to the budget shared by the third party.
   - **Debt Structure.** We estimate that the entire credit facilities (Senior Loan and Mezzanine Loan) will be drawn down by 3Q27 in the expected Project completion date. During the forecast period, and in accordance with the terms of the Credit Agreement, we anticipate that the interest rate on the Senior facility will be SONIA plus a margin of 4.0% and the Mezzanine facility of SONIA + 7.8%. The initial maturity date for the loans is August 2028, and we expect that the Loans (including accrued interest) will be refinanced through one new loan with improved conditions (SONIA + applicable margin of 3.0%) for an additional 53 months (until 2033). We also consider another refinancing event in 2033. As such, we expect the Project to achieve a total debt of £105.5m and net debt of £99.7m in 2034.
   - **Equity Injections.** We assume the Sponsor will inject additional £2.3m to fund interest payments and preserve minimum cash levels for 4Q27, 1Q28 and 2Q28.

2. Analysis, using specific examples, of how each of the assumptions identified in the preceding paragraph impacts the credit rating:

- Under a scenario where the weighted difference between the reported and the expected revenue is -13.2%, the rating could be negatively impacted.
- If the observed weighted NOI margin is 77.3% or less for 2028-2034, it may result in a negative effect on the Project's rating.
- The rating could be revised downward if the Project reports a weighted average FCF of £6.6m or less for 2028 to 2034.
- The rating could be impacted if the Company modifies its initial budget for the construction of the Project given delays or higher construction costs.
- Our scenarios indicate a slight deleveraging towards 2034, attributable to a higher level of FCF once the Project is completed and stabilized. If the Project incurs additional debt, which we do not include in our base scenario, the key rating metrics could deteriorate. The rating could be revised downwards if the weighted average Years of Payment metric is 17.9 years or higher for 2028-2034.
- If the Project does not receive resources from the Sponsor, requiring additional debt to maintain cash levels, this could increase the Years of Payment metric and Loan to Value, and could have a negative impact on the rating.

14. Representations, warranties and enforcement mechanisms available to investors as required by Paragraph (a)(1)(ii)(N) of Rule 17g-7

The reporting of representations, warranties, and enforcement mechanisms does not apply to any of the credit ratings listed in this disclosure form.

Credit Rating Attestation

I, Elizabeth Martínez, Corporates / ABS Associate Director, have the responsibility for this rating action and, to the best of my knowledge:

- No part of the credit rating was influenced by any other business activities.
- The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated; and
- The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument

Mexico City, November 4, 2026

/s/ Elizabeth Martínez
Corporates / ABS Associate Director
HR Ratings

*HR Ratings, LLC (HR Ratings), is a Credit Rating Agency registered by the Securities and Exchange Commission (SEC) as a Nationally Recognized Statistical Rating Organization (NRSRO) for the assets of public finance, corporates and financial institutions as described in section 3 (a) (62) (A) and (B) subsection (i), (iii) and (v) of the US Securities Exchange Act of 1934.

The aforementioned rating was not requested by the entity or issuer, or on its behalf. However, the rating was requested by an investor whose identity is kept confidential to the general public, therefore, HR Ratings has received from the investor the corresponding fees for the provision of its rating services. The following information can be found on our website https://www.hrratings.com/: (i) The internal procedures for the monitoring and surveillance of our ratings and the periodicity with which they are formally updated, (ii) the criteria used by HR Ratings for the withdrawal or suspension of the maintenance of a rating, (iii) the procedure and process of voting on our Analysis Committee, and (iv) the rating scales and their definitions.

The ratings and/or opinions of HR Ratings are opinions regarding the credit quality and/or the asset management capacity, or relative to the performance of the tasks aimed at the fulfillment of the corporate purpose, by issuing companies and other entities or sectors, and are based on exclusively in the characteristics of the entity, issue and/or operation, regardless of any business activity between HR Ratings and the entity or issuer. The ratings and/or opinions granted are issued on behalf of HR Ratings and not of its management or technical personnel and do not constitute recommendations to buy, sell or maintain any instrument, or to carry out any type of business, investment or operation, and may be subject to updates at any time, in accordance with the rating methodologies of HR Ratings.

HR Ratings bases its ratings and/or opinions on information obtained from sources that are believed to be accurate and reliable. HR Ratings, however, does not validate, guarantee or certify the accuracy, correctness or completeness of any information and is not responsible for any errors or omissions or for results obtained from the use of such information. Most issuers of debt securities rated by HR Ratings have paid a fee for the credit rating based on the amount and type of debt issued. The degree of creditworthiness of an issue or issuer, opinions regarding asset manager quality or ratings related to an entity's performance of its business purpose are subject to change, which can produce a rating upgrade or downgrade, without implying any responsibility for HR Ratings. The ratings issued by HR Ratings are assigned in an ethical manner, in accordance with healthy market practices and in compliance with applicable regulations found on the www.hrratings.com rating agency webpage. HR Ratings' Code of Conduct, rating methodologies, rating criteria and current ratings can also be found on the website.

Ratings and/or opinions assigned by HR Ratings are based on an analysis of the creditworthiness of an entity, issue or issuer, and do not necessarily imply a statistical likelihood of default, HR Ratings defines as the inability or unwillingness to satisfy the contractually stipulated payment terms of an obligation, such that creditors and/or bondholders are forced to take action in order to recover their investment or to restructure the debt due to a situation of stress faced by the debtor. Without disregard to the aforementioned point, in order to validate our ratings, our methodologies consider stress scenarios as a complement to the analysis derived from a base case scenario. The fees HR Ratings receives from issuers generally range from US$1,000 to $1,000,000 (one million dollars, legal tender in the United States of America) (or the equivalent in another currency) per offering. In some cases, HR Ratings will rate all or some of a particular issuer's offerings for an annual fee. Annual fees are estimated to vary between $5,000 and US$2,000,000 (five thousand to two million dollars, legal tender in the United States of America) (or the equivalent in another currency).

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