iQ Meeting Minutes (7th August 2025)

Attendees:

Time: 3:30pm

Londonist: Umang Gandecha and Joy Gupta

iQ: Matt Merrick and James Mortimer

What Umang discussed and explained

- Acknowledged the strength of our partnership and reiterated our commitment to a long-term relationship with the provider.
- Outlined financial challenges for 2024–25, driven by:
    - Aggressive undercutting and price wars from competitors
    - Market disruptions from short-term bookings and cashback incentives
    - Service and maintenance issues at provider properties that impacted student retention and feedback
    - Explained direct Gross Margin Loss at iQ
    - Londonist invented short-term model
- Explained Londonist's financial exposure, including:
    - Full payments made to providers despite unsold rooms
    - Absorption of all student-facing responsibilities and associated costs
- Requested a partial debt reduction and structured payment plan for the outstanding balance, positioned as a one-time adjustment to reflect market reality.
- Framed proposal as fair and reasonable, highlighting that:
    - Londonist fulfilled its obligations despite significant losses
    - The ask ensures providers are still largely made whole
    - It's a collaborative effort to share the burden of an unusually tough year
- Outlined operational changes for 2025–26, including:
    - Reduced operating expenses (OPEX)
    - Shorter 44-week contract terms

- Consolidation of provider partnerships and bed inventory

What iQ Explained?

- Appreciated the open dialogue and acknowledged Londonist's past commitment to the payment schedule.
- Noted that things only recently went off track, and encouraged clearing the £75k July residual before the weekend to support their review of the proposal on Monday.
- Emphasised the importance of resolving 2024/25 arrears before moving forward with 2025/26 opportunities.
- Clarified that a full rental concession is not an option, but are open to discussing a realistic plan.
- Requested details on repayment capacity, timeframe, and any additional partnership opportunities as part of the proposal.
- Asked if Director's are taking current action to ensure business survives and asked if Londonist was solvent.