

Annual Review

S&P Global

27th February 2025

Thrive
Homes



Overview, Key Facts & Figures

Susan Hickey

Chief Executive

A purple decorative shape in the top left corner, resembling a stylized triangle or a corner of a square.

Our Purpose

Thrive exists to provide and manage housing that helps individuals and families secure a good quality, safe home that they can afford.

Our Principles

Customers

We are committed to building open and honest relationships.

Colleagues

Working together, we are a forward-thinking employer creating a culture where everyone feels valued.

Environment

We are committed to minimising our impact on the environment.

Communities

In partnership with others, we contribute to the wellbeing of the communities we work within.

Strategic Objectives

Resilient, with a strong financial base

By focusing on the basics of effective business management, we can deliver our ambitions for growth.

Fair Deal for Customers

Providing good quality homes and services for customers across a range of tenures.

Growth

Increasing access to a range of affordable homes within our existing operating areas.

Great Place to Work

Attracting and retaining the right talent to deliver now and in the future.

How we work

Tuned-in

Curious

Smart,
can do

Ownership

Pride

A purple right-angled triangle graphic in the top-left corner.

Thrive Homes - Key Highlights

- Focused Regional Operator – understand our stock
- Strong Finance Performance & Financially Resilient
- Good Governance
- Strong Credit & Regulatory Ratings
- Long-Term Funding in Place
- Strong Organic Growth Pipeline
- Increasing Investment in existing stock

RESILIENT AND WELL PLACED FOR FUTURE PERFORMANCE AND GROWTH

A teal right-angled triangle graphic in the bottom-right corner.

Key facts and figures



A leading provider of social and affordable homes in the Northern Home Counties



 **15** local authorities

 **5,859** homes

 **77** new homes Data from 31 Mar. '24

 **176** colleagues

 **Over 7,000** customers

Established in 2008 with 4,183 homes from a large-scale voluntary transfer with Three Rivers District Council.

 Strong margins, VFM and liquidity

 G1/V2 rating published in Nov. 2024, following a stability check

 Credit rating - S&P 'A+' (stable outlook) affirmed Mar. '24

ESTABLISHED OPERATOR WITH MEASURED AND AFFORDABLE GROWTH SINCE TRANSFER



Current Environment and Challenges

- Economic Environment
 - Inflation
 - Geopolitical Impacts
 - Devolution
- Financial
 - Lack of grant
 - Cross subsidy to build
 - Increasing operational and funding costs
- Maintenance Challenges
 - Damp and mould
 - Stock improvements
- Regulatory Challenges
 - Increasing and changing Legislation
 - Customer Framework
 - Complaints
- Compliance
- Planning

**THRIVE IS WELL PLACED TO ADDRESS CHALLENGING ENVIRONMENT AND
INCREASING REGULATION**



Performance Overview

Year 3 sub-strategic plan



Resilient with a strong financial base

On target

- **Maintaining financial covenants and golden rules with headroom**
- Consistent turnover of £46.5m FY 2024 (£48.3m in FY 2023).
- Strengthened the balance sheet increasing development capital spend by a total of £38m during year.
- Refreshed the Asset Appraisal Model and delivering key AMS strategies.
- Implementation of new IT system due mid 2025..

Fair deal for customers

On target

Continued to deliver safe compliant homes and a responsive repairs service.

- 45% of customers have joined Thrive Customer Voice to have their say on our services.
- Invested £6.8m pa in our existing stock.
- Over 50% of households are registered on our customer portal – myThrivehub.
- Ongoing investment in technology will ensure that we continue to be accessible to our customers

Growth

On target

- **We are a key delivery partner for the Accent Strategic Partnership. Our £20 million initial allocation of Homes England funding will support schemes starting on site before March 2026.**
- Delivered 285 new-build properties in FY 22/23 - 24/25, with 256 homes due to be completed over the next 2 years.
- Refurbished and converted 112 properties since 22/23 for shared ownership, making the best use of assets to generate return on investment to help us grow the business.

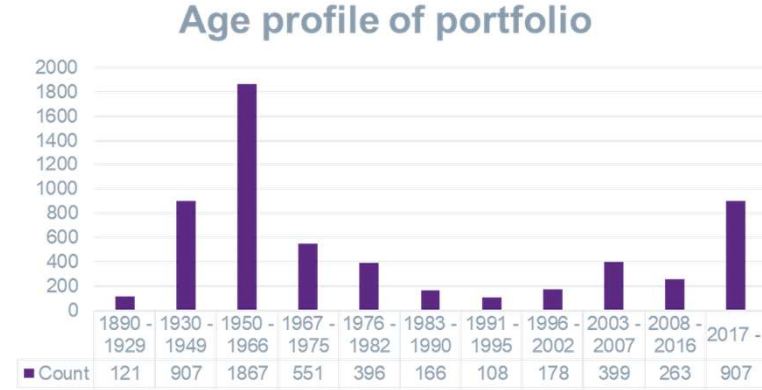
Great place to work

Above target

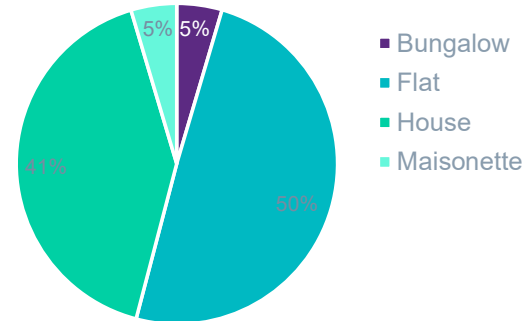
- **Retained Investors in People 'We invest in people' gold accreditation and have been awarded 'We invest in wellbeing' gold accreditation.**
- Our 'smart working' approach, uses technology to provide greater flexibility in our working practices.
- Provide a wide range of benefits and incentives focused on the health and wellbeing of colleagues.
- Volunteering opportunities.

Our portfolio

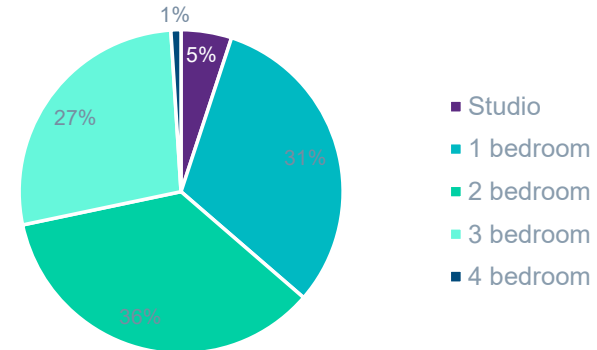
Tenure	Mar '21 units	Mar '22 units	Mar '23 units	Mar '24 units	Mar '24 %
Social Rent	3,759	3,707	3,982	3,934	67%
Leaseholders	499	504	631	634	11%
Shared Ownership	199	182	322	441	8%
Affordable	281	285	310	310	5%
Managed Properties	27	233	239	242	4%
Intermediate	100	100	99	99	2%
Rent to Homebuy		72	88	87	1%
Market Rent	47	61	61	61	1%
Units of out of rent debit	33	30	30	33	1%
Others - Non dwellings	0	0	18	18	0%
Total	4,945	5,174	5,780	5,859	



Stock by property type



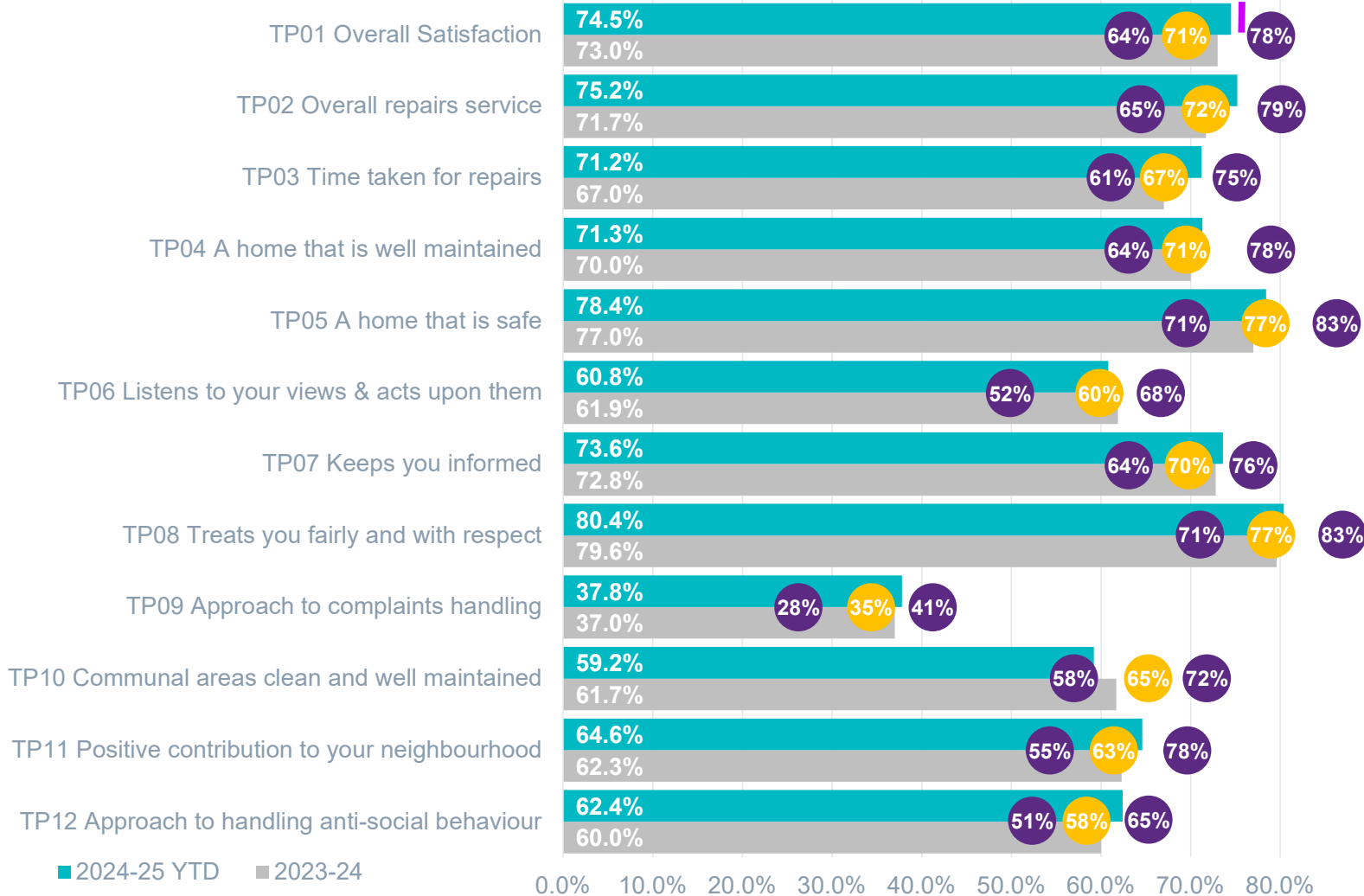
Stock by bedrooms



2 new build high-rise apartment blocks
No cladding issues



LCRA Thrive Vs. RSH Annual Review 2023-24



Direction of Travel

Thrive is performing the same or higher than last year in most areas. There is a 3% decrease in communal area satisfaction, which is likely attributed to the quality of the cleaning/GM contracts.

Thrive dominates the median range identified in the RSH's 2023/24 Annual Review.

Low quartile
Median
Upper quartile

YTD, Thrive's overall satisfaction aligns with the UK Customer Satisfaction Index of 75.8% (Public Services UKCSI, January 2025).

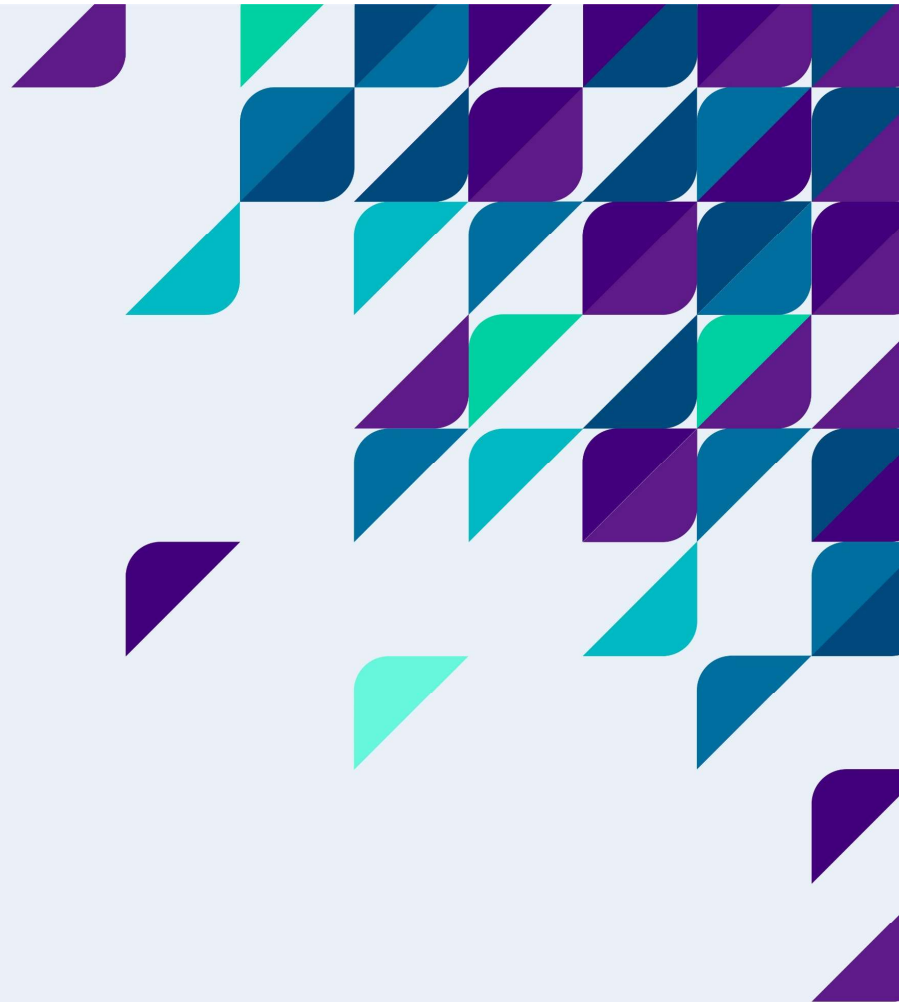
Due to volume of data available, LCHO benchmark will be provided at year end.

IMPROVING PERFORMANCE AND CONSISTENTLY MEDIAN OR ABOVE

Governance and Risk Management

Karen Forbes-Jackson

Executive Director – Corporate Services



An experienced executive team



Susan Hickey
Interim Chief Executive

With a portfolio combining executive and non-executive work, Susan has over 25 years of experience in leadership. A qualified chartered accountant her experience includes long term residential property ownership and management, banking and mortgage finance markets, investment and risk management.



Jo Barrett
Executive Director – Operations MRICS,
MARLA

Jo has worked in the housing sector for 36 years. She brings extensive experience of strategic asset management, day-to-day repairs and maintenance, and a focus on customer experience.



Karen Forbes-Jackson,
Executive Director – Corporate Services,

MCPD. With over 25 years of generalist HR experience at the strategic and operational level, Karen brings the ability to proactively meet business needs in a rapidly developing, customer-focused organisation.



Stephen King
Executive Director – Finance

A chartered accountant, Stephen trained with PwC before moving to the commercial world. His last 15 years have been in senior financial positions within the social housing and charity sectors.



Alix Green MRICS
Executive Director – Investment & Growth

Alix has vast experience in real estate, development, and investment. She has built her reputation advising on and attracting investment in new growth areas – incl. Build-to-Rent (BTR) and affordable housing.

SIGNIFICANT COMBINED EXPERIENCE OF SENIOR LEADERSHIP IN BOTH SOCIAL HOUSING AND COMMERCIAL SECTORS

Led by a multi-skilled Board



Kate Still
Chair
CEO business transformation



Rachel Harrison
Vice Chair
CFO philanthropy focused funding organisation
● Chair



Craig O'Donnell
Non-Executive
PropTech, Innovation & Strategy
■ Chair



Jessica Friend
Non-Executive
Group Corporate FD in housing sector
▲ Chair



David Dahan
Non-executive
Strategic Advisor in investment & environmental sustainability
● ▲



Rachel Hatfield
Non-executive
International finance and corporate lawyer
■ ▲



James Invine
Non-executive
Equity analyst
● ■



John Osborne
Non-executive
Property fund manager
● ▲



Matthew Peake
Non-executive
Exec Director Finance in charity sector
■ ▲



Graham Snell
Non-executive
Marketing director and organisational change
● ■



John Tibbitts
Non-executive
Strategic development, investment & asset management consultant
● ▲



Robert Abraham
Associate Board Member
Managing Director investment company
● ▲

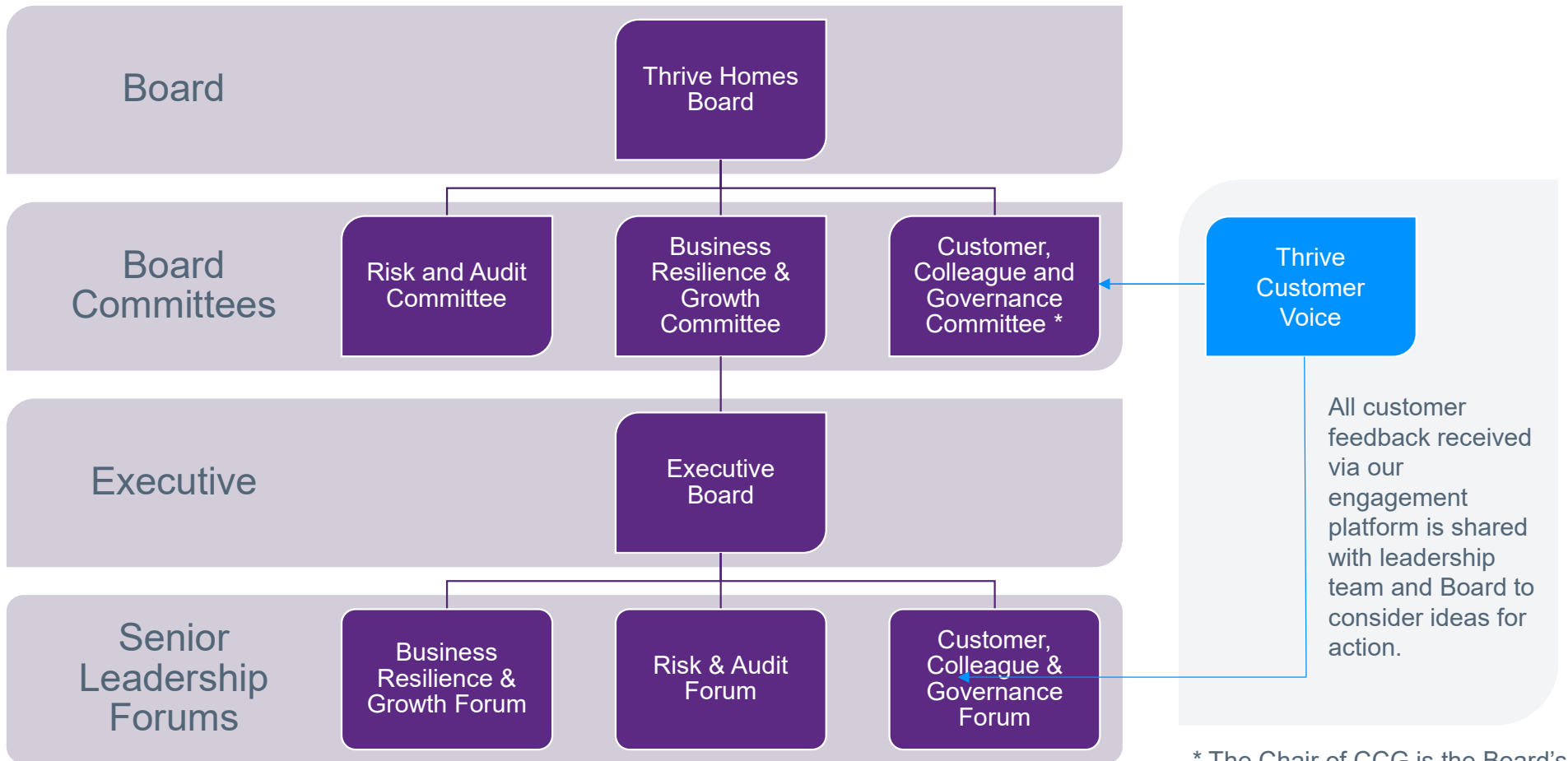


Yvonne Luu
Associate Board Member
Director, social purpose strategy consultancy
● ■

Committee Key

- Risk & Audit Committee
- Customer, Colleague & Governance
- ▲ Business Resilience & Growth

Governance



Thrive Customer Voice

All customer feedback received via our engagement platform is shared with leadership team and Board to consider ideas for action.

* The Chair of CCG is the Board's nominated Customer Complaints Champion

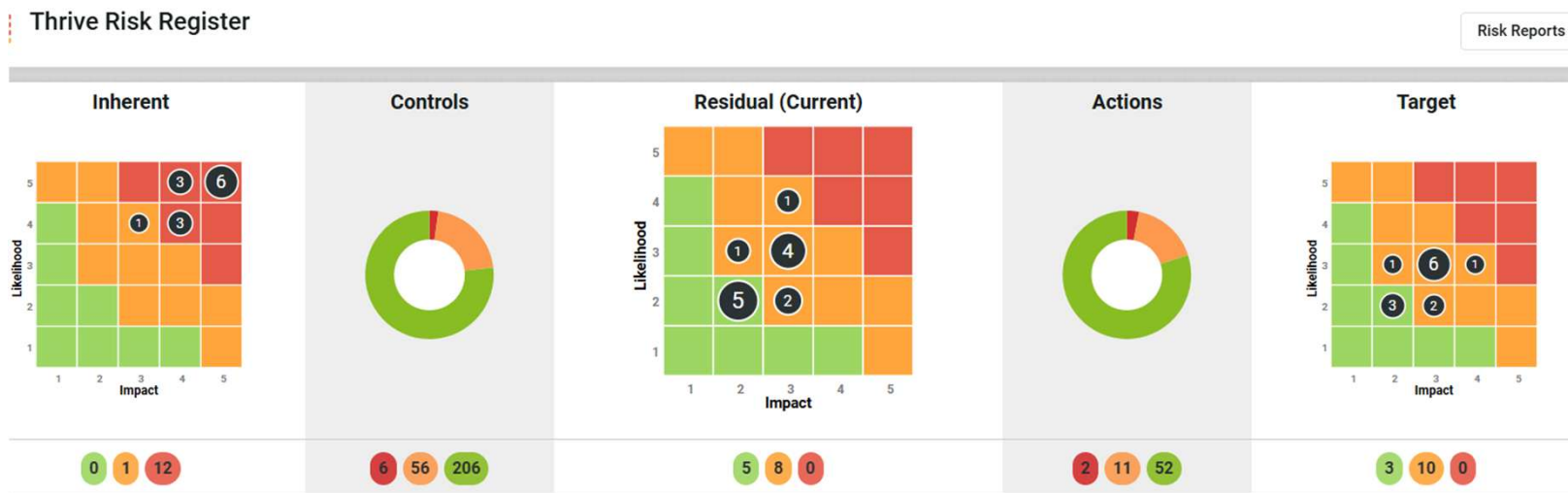
Group Structure



NON-COMPLEX GROUP STRUCTURE FOR OPERATIONAL AND TAX EFFICIENCY

Risk Management

- Risk and Assurance Framework signed off annually by Board: 9th December 2024
- Reports provided to every Risk & Audit Committee and Board meeting
- Monitored Monthly by Executive
- Risk Management Audit completed – Substantial Assurance





Operations: Customer & Asset Management

Jo Barrett

Executive Director - Operations

Who lives in our homes

Gender

99.07% of data held

53.03%
Female

45.96%
Male

53.03% in 2023

46.84% in 2023

0.23%
Transgender

0.0%*
No information

0.13% in 2023

0.0% in 2023

Disability

17.3% of data held

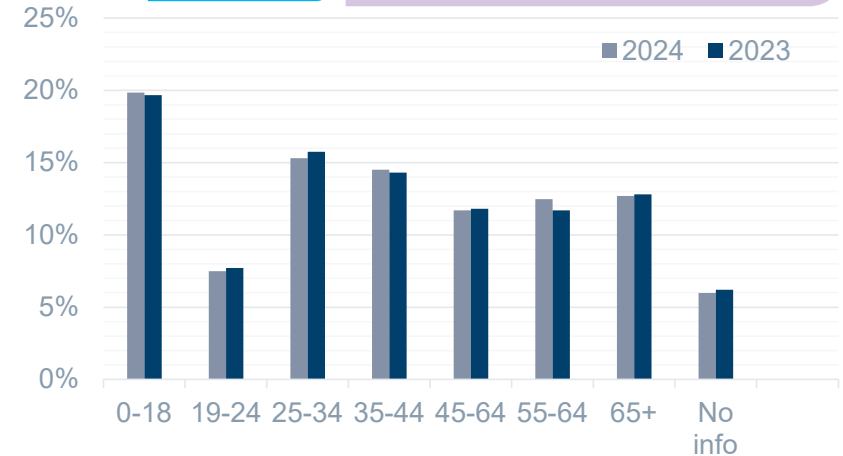
	2024	2023
Hearing Disability	13	18
Learning Disability	4	3
Mobility Disability	17	19
Vision Disability	30	26
Mental Disability	145	92
Physical Disability	157	90
Other Disability	475	377
No Disability	1273	834
No information	10,465	10,771

Age

94% of data held

Total customers in 2024
11,882*

Total customers in 2023
12,230*



Ethnicity

52% of data held

	2024	2023
Asian	1.99%	1.57%
Black	2.39%	2.01%
Chinese	0.08%	0.06%
Mixed	1.04%	0.91%
White	45.17%	43.46%
No information	48.11%	51.77%
Other**	1.24%	0.22%

Religion

9.45% of data held

11 Buddhist	878 Christian	104 Muslim
8 in 2023	670 in 2023	56 in 2023
10,759 No information	130 Other	
11,383 in 2023	95 in 2023	

Sexual orientation

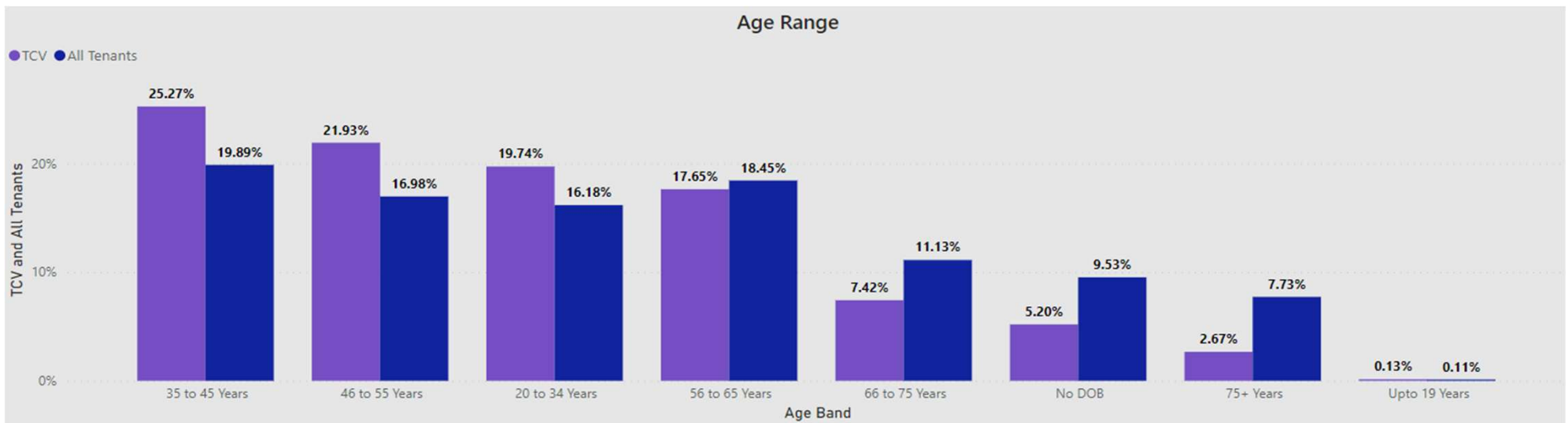
20.38% of data held

	2024	2023
Gay or Lesbian	30	12
Heterosexual or Straight	1974	1,470
No information	9460	10,726
Other	418	22

*This total number of customers includes primary and joint tenants as well as household members. Gender doesn't add up to 100% as commercial properties are included.** Other means prefer not to say.

Thrive Customer Voice

- 45% households have at least one member signed up
- 43 offline members
- 22% (1,259 customers) participated in an activity, an 80% increase on 22/23
- Good diversity representation but dips on age after 65yrs



INCREASING FEEDBACK AND PARTICIPATION FROM OUR CUSTOMERS



Tenancy Sustainment

Anti-social behaviour (ASB)

276 Total cases
3.5% of customers

64 cases remain open
Even male/female split
£413 average cost per case

Sustainment

53 Total cases

23 cases remains open
60% female/40% male
£766 average cost per case

Hate crime (all racial)

7 Total cases

1 case remains open
6 females, 1 male
£413 average cost per case

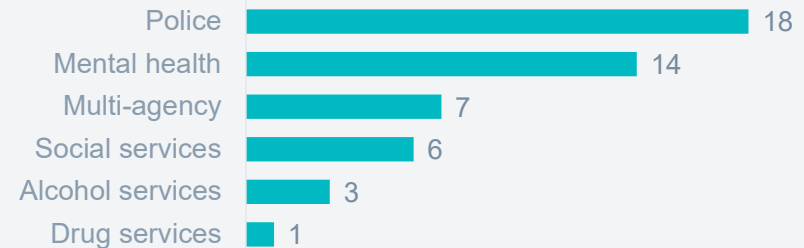
Domestic Abuse

12 Total cases

6 cases remain open
92% female
£413 average cost per case

Other Referrals

- 49 referrals to other agencies
- 31% of cases are aged 25-35 but make up only 15% of customers
- 80% of safeguarding referrals made were for customers in aged 25-35
- Gender is representative of customer base



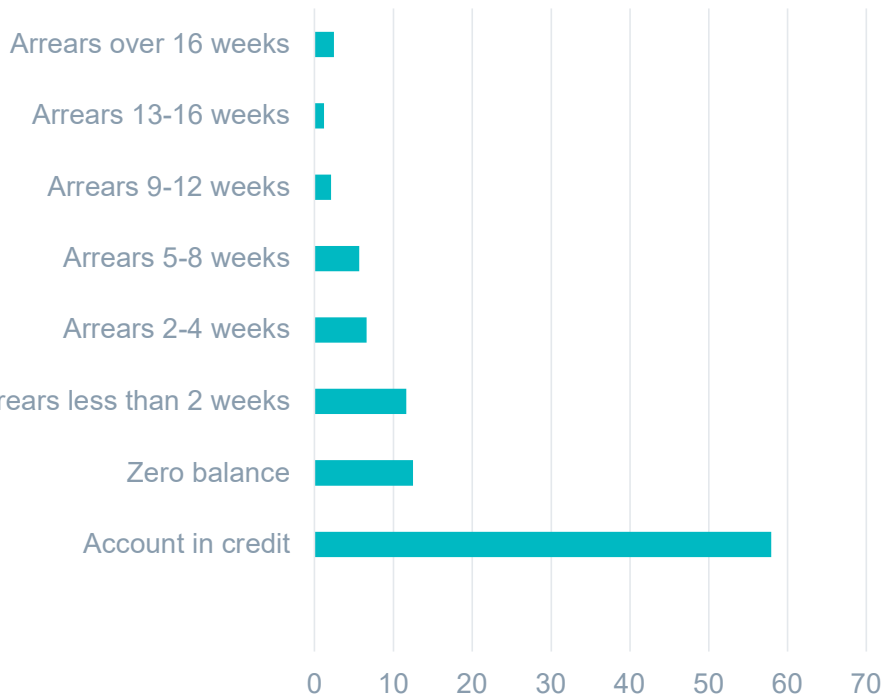
Evictions

- 3 Non-payment of rent
- 2 Anti-Social Behaviour
- 2 No entitlement to succeed the tenancy

Average cost excludes legal fees and is estimated assuming all cases have the same level of input.
Phoenix will allow more accurate costings.

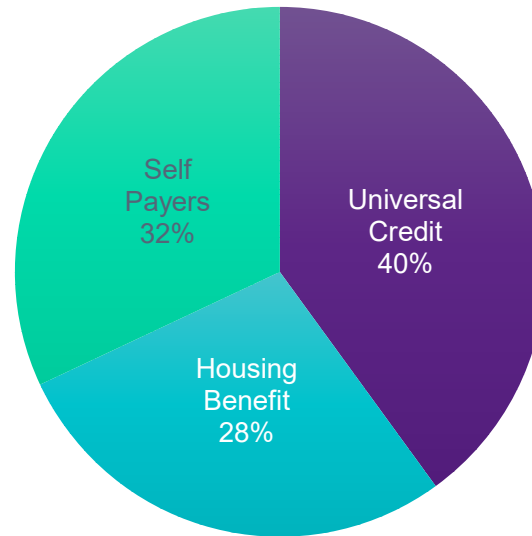
Rent collection

Account balance brackets by %

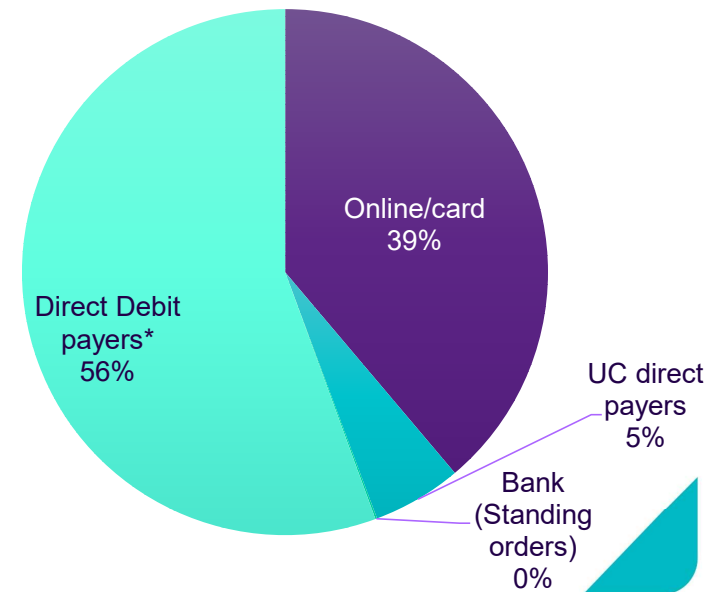


- 2.63% Arrears at end of 23-24
- Rent and service charge collection 99.72%
- 197 referrals made to Citizens Advice Service
- 11 referrals to local authorities for homeless support when at risk of eviction

Payment source



Payment methods



Customer Feedback 23-24



Key theme:-

Do what we say we will

395 complaints received

185 compliments

95% handled in time

79% resolved at stage 1

5 cases referred to the Housing
Ombudsman

External Assurance of compliance with Consumer Standards and Housing Ombudsman Code

Assets Strategy on a page 2025-28

Serving our customers well is entirely consistent with the requirements of operating efficiency

Customer

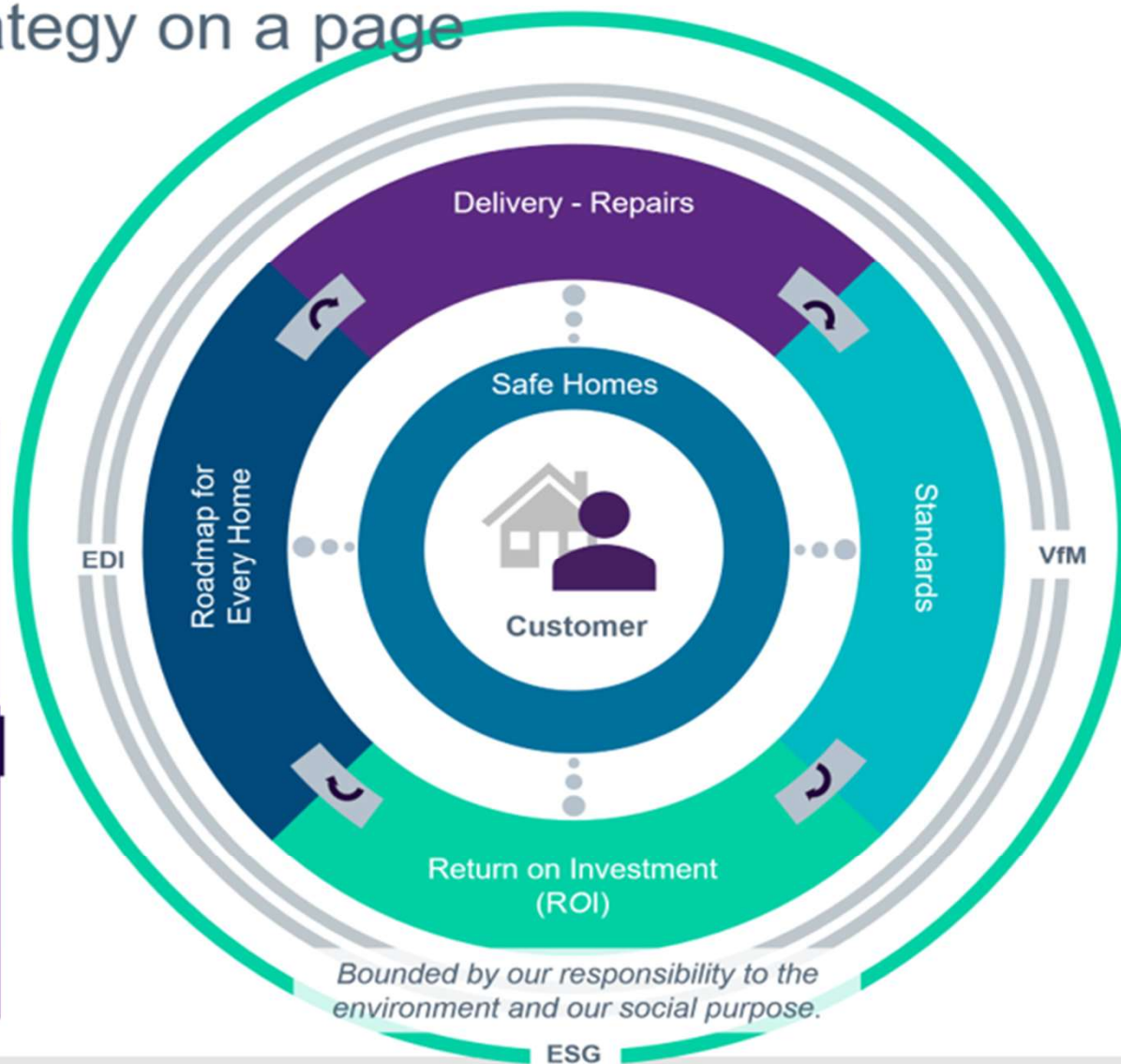
Now central to strategy.

- Communication
- Listening and shaping services
- Keeping our promises

Safe Homes

Fundamental to our offer.

- Beyond the 'Big 6'
- Responding proactively to changing legislation
- Awaab + HHSRS



Delivery - repairs

Timely delivery delivered right first time works for customers and for Thrive

- Not all repairs are created equal
- Operating efficiency

Standards

The changing strategic landscape, e.g.DHS2, safety

- Newbuilds – Lifecycle costs
- Thrive's own standards

Rol

Knowing our homes and investing into them effectively.

- Data, data & more data
- Procuring well
- Invest into components

Roadmap

Shaping our portfolio for the future

Asset Management

Increasing Investment into existing stock

2023-24 Financial year

Increased our spend on components from £5.1m to £6.8m.

- Decent Homes Plus work – approximately 1,300 component renewals per year
- Includes a large energy efficiency program of grant assisted energy efficiency work
- £350k per annum on cyclical decoration as part of our 8-year cycle and £1.7m on compliance – gas, electrical, water, asbestos and fire safety

Spend budgeted to increase to £7.5m in 2025, aligned with the business plan

53 
Bathrooms

310 
Boilers & heating systems


63 
Kitchens

147 
Windows

98 
Roofs

206 
Doors

44 
Fire Doors

232 
Electrical

INCREASING INVESTMENT YEAR ON YEAR TO IMPROVE OUR CURRENT STOCK

Energy performance

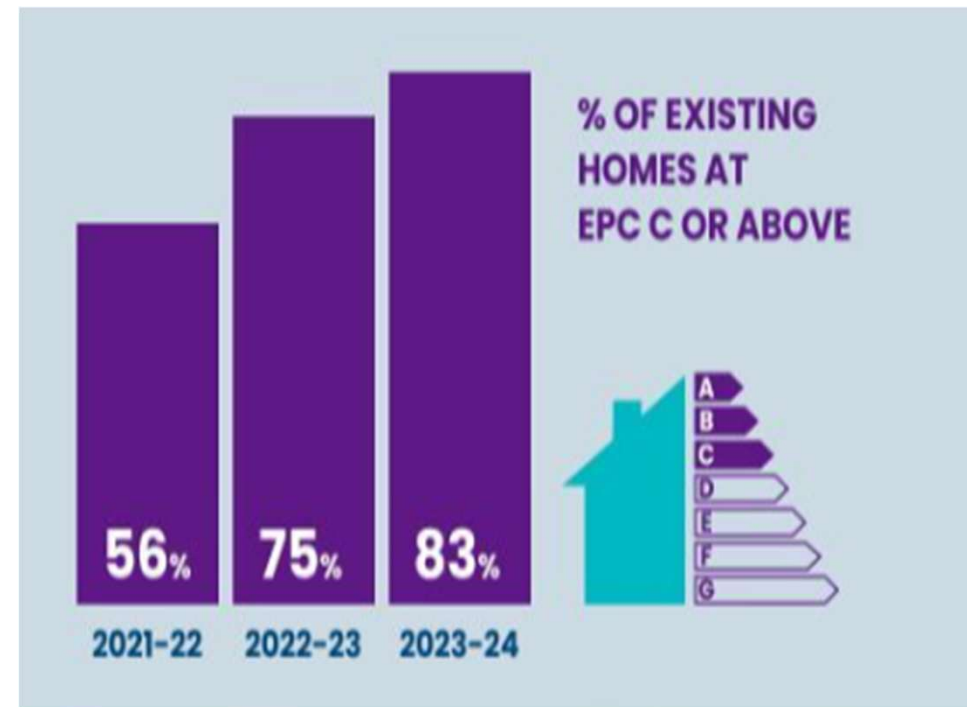
Thrive Homes has developed an asset roadmap with a plan for every home. This includes future investment and maximising grant funding to ensure our housing stock is improved.

We aim to achieve EPC C by 2030 and by adopting a 'fabric first' approach, we will move towards net zero carbon by 2050.

700 homes have had endotherm liquid added

450 homes checked to make sure loft insulation meets standard

131 homes due to receive External Wall insulation in 2024

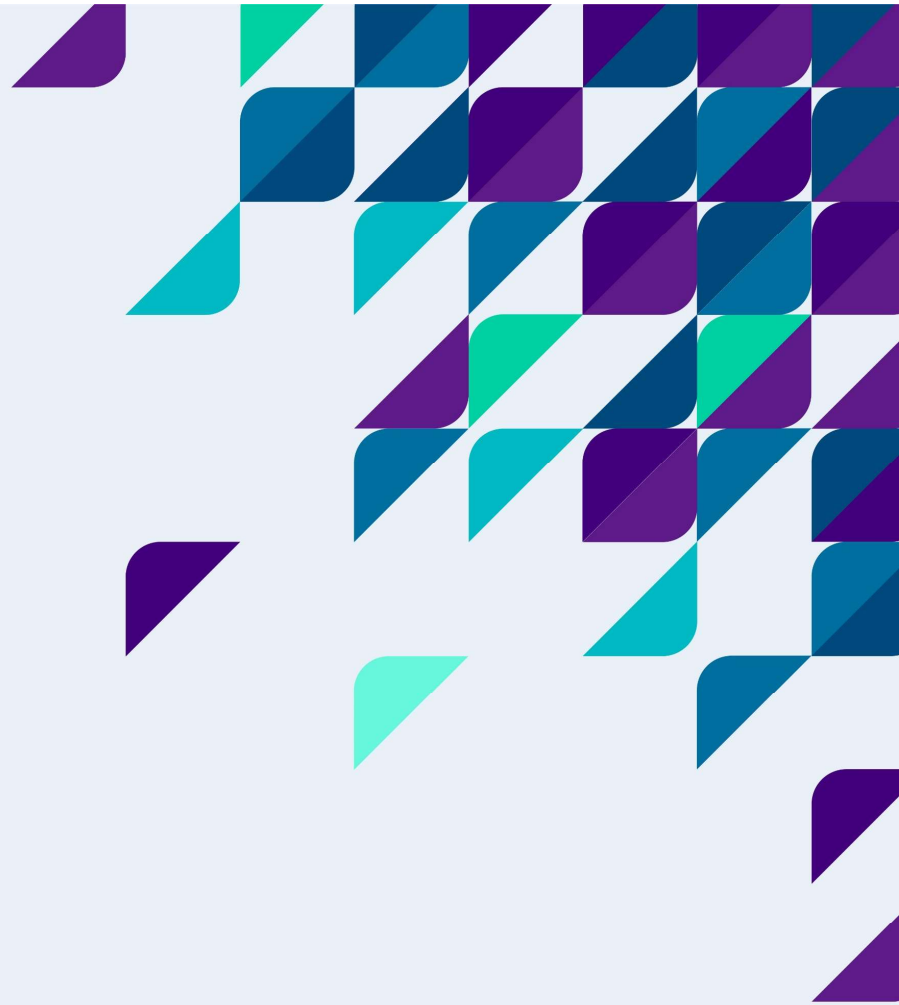


**SIGNIFICANT INVESTMENT TO IMPROVE ENERGY PERFORMANCE OF OUR HOMES
HOMES AT EPC C IN TOP QUARTILE**

Environmental Social & Governance (ESG)

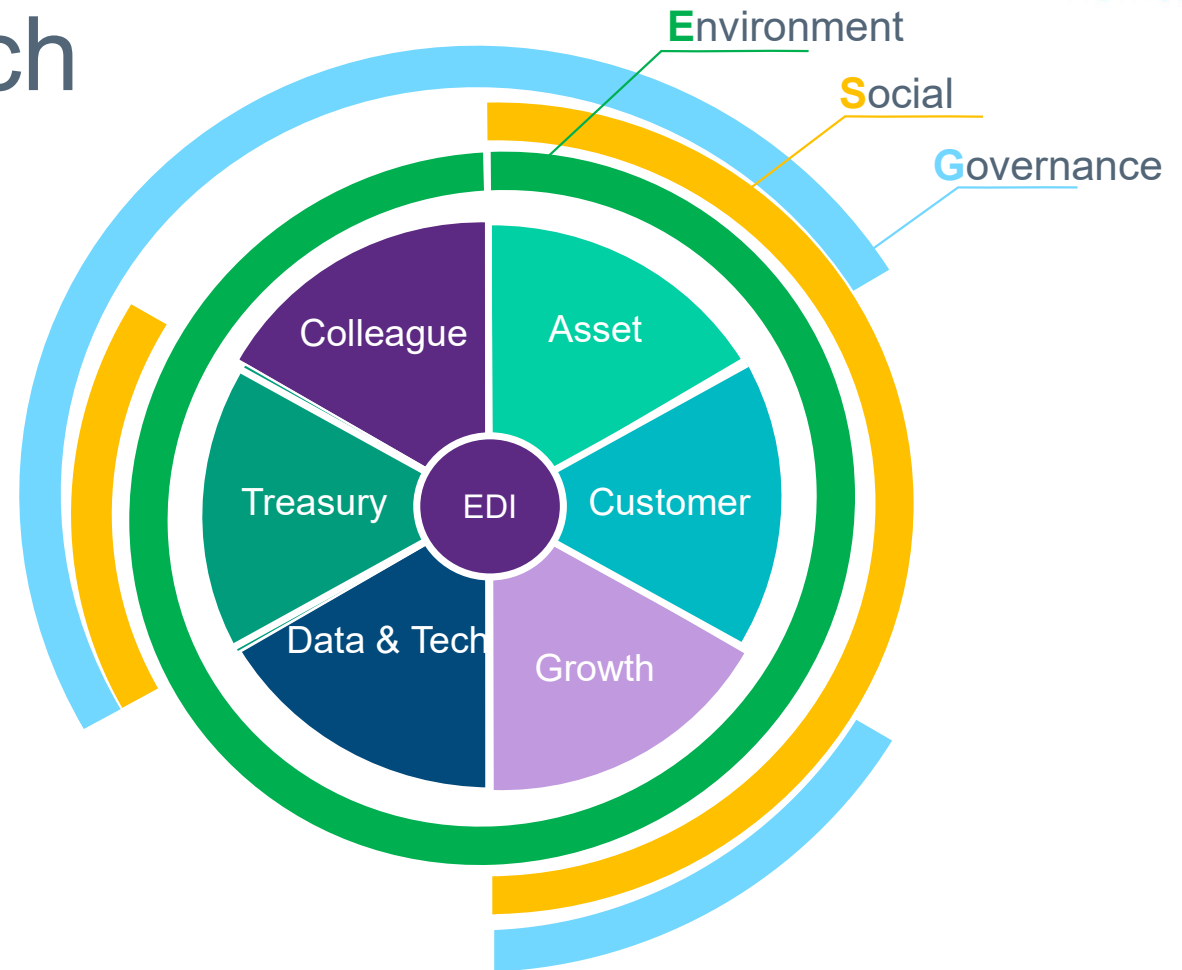
Alix Green

Executive Director – Investment & Growth



ESG Our Approach

- ESG 'Healthcheck' underway to help the development of Thrive's ESG Statement of intent in the short-term, and over the longer term, ESG strategy.
- Thrive Homes is an early adopter of the Sustainability Reporting Standard (SRS) for Social Housing.
- The 48 SRS metrics have been overlayed across the six pillars of our Sub-Strategic Plans.
- Our annual report is published on our website at www.thrivehomes.org.uk/esg



CLEAR ESG STRATEGY WITH GOALS AND MEASUREMENT OF PROGRESS



Environment

- Understand our **carbon emissions** across scopes 1, 2, and 3.
- Using **Intelligent Energy software** model energy performance.
- Leveraging **grant funding**;
 - SDHF Wave 1 & 2 secured = £2.1m
 - HACT carbon credits c£82k
- Net zero pathway modelled for all homes.
- Five new homes built to be **carbon negative** in their operations.
- Inaugural SECR disclosure.
- Two applications for Heat Network Efficiency Scheme.

E



Social

- Rents are **47.12% cheaper** than the average private rental sector.
- 99.94% homes meet **Decent Homes** Standard.
- 100% of flat blocks have an in-date **Fire Risk** assessment.
- 99.95% compliant **gas safety**.
- 45% of customers are members of **Thrive Customer Voice**.
- 73.04% overall **satisfaction** with Thrive's services.
- 71.7% satisfaction with **repairs**.
- £125K **grants** given to community organisations over 3-year period.

S



Governance

- Retained **G1/V2** rating in November '24.
- Compliant with the NHF Code of Governance 2020 and Housing Ombudsman's Complaint Handling Code.
- Signatory to the NHF Together with Tenants Charter.
- **IIP** 'We invest in people' and 'We invest in wellbeing' **gold** accreditation.
- **Membership of the Board** is based on an evaluation of skills and experience.

G

Development and sales

Alix Green

Executive Director – Investment & Growth



Development and Investment

- DILIGENCE, PROGRAMME RESET, BEST IN CLASS PARTNERSHIPS
- Growth through: Land Led Development Organic Growth; Acquisitions; Management; Partnerships
- A mix of land-led and s106 opportunities in the programme.
- Thrive's landbank gives Board the ability to both secure the future development programme and control the spend on development when managing risk both in development and in the wider organisation.
- Fully funded development programme through RCF and fixed facilities
- Tighter approval controls and resolution of legacy issues.
- New Development Procedures and gateway processes fully embedded
- Thorough review of Employers Requirements undertaken
- Reviewing Sales and Marketing Branding and Strategies for delivery of larger number of off-plan sales
- Several landbanked sites progressing through design and planning stages
- Derisking Thrive's financial exposure through partnerships with developers taking on planning and design risk (LB Garden Centre & Winslow)
- Working with 5* developers with robust financial standing
- No exposure to private sales



STRONG PIPELINE AND FULLY FUNDED DEVELOPMENT PROGRAM

Organic growth pipeline

Thrive
Homes



2 schemes in contract
24/25 delivering

74
homes

63 rented
11 intermediate
(shared ownership)

By end of Q4, anticipated a further 131 homes (56 SO & 75 rented, thus 205 homes in total)

Over
£11.7m

(24/25 year to date)
received from
shared ownership
sales to reinvest, plus
£1.7m proceeds from
outright sales



A further **£4.3m**
predicted for Q4
with sales
reserved and
currently
proceeding

373 homes actively
on site delivering or
already completed with
£19.5m Homes
England funding
& Local Authority
funding of c.**£0.2m**



**Homes
England**



Opportunities within land
portfolio which can release

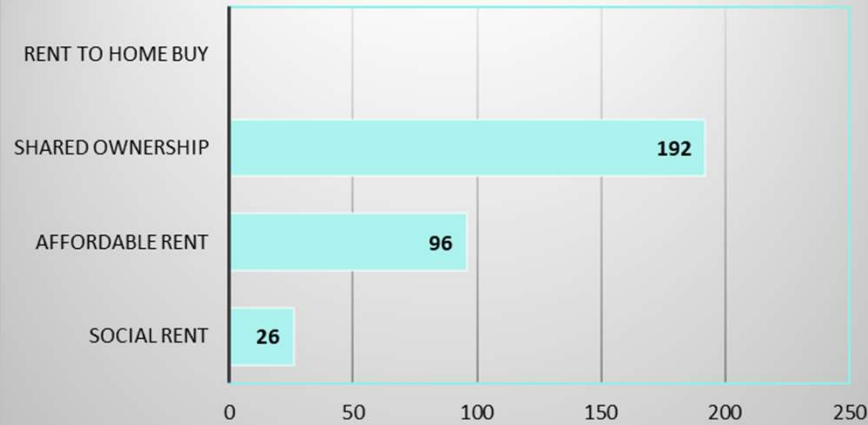
760
HOMES



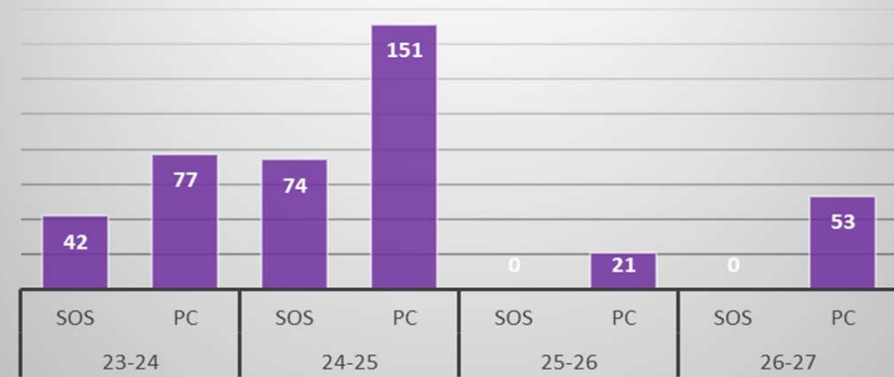
5 sites progressing with planning and due diligence to deliver 411 homes. The remaining are undergoing option appraisals for landbanked sites

Development Investment and Sales

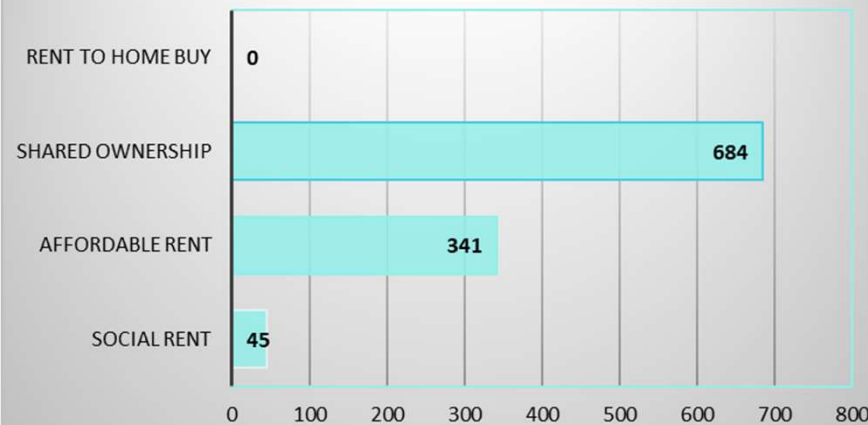
Committed schemes by tenure



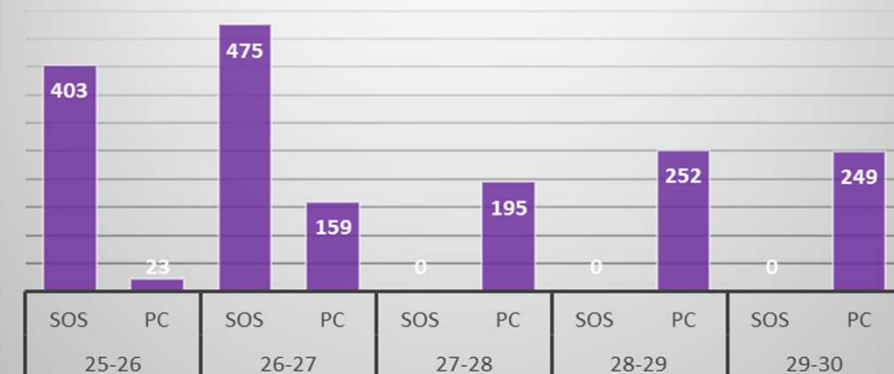
Committed schemes construction programme



Pipeline by tenure



Pipeline schemes construction programme



HEALTHY PIPELINE OF SCHEMES WITH PHASED DELIVERY



Development: First Tranche Sales



	Completed & Forecast Sales	Average First Tranche Share completed YTD	Average Surplus Margin	Sales Forecast
	24/25	24/25	24/25	25/26
	No. Units	%	%	No. Units
New Builds & RTHB to SO	79	37%	28% Overall YTD	104
Conversions	18	45%		13
ALL UNITS	97	39%		117

CONSISTENT VOLUME OF NEWBUILD FIRST TRANCHE SALES UNITS WITH LESS EMPHASIS ON CONVERSION UNITS

Development: Future Plans

- Focus on opportunities that provide optimum scale (typically larger, higher-quality schemes):
 - securing the programme for the longer term;
 - Better return on time invested in contracting
 - Better value for money through locking in delivery at today's prices and assumed rates.
- Rigorous approach to deal structure; minimizing third party risk (turnkey / payment profile in arrears)
- Building on strong relationships with Local Authorities.
- Continue to deliver high quality developments that are commercially viable and flexible.
- Currently reviewing development objectives linked to reducing carbon emissions and net carbon zero targets.
- Deliver a balanced mix of housing types and tenures to meet demand, aspiration and operational requirements, including regeneration.
- Preference for traditional build over full modular schemes – less risk in planning and construction.

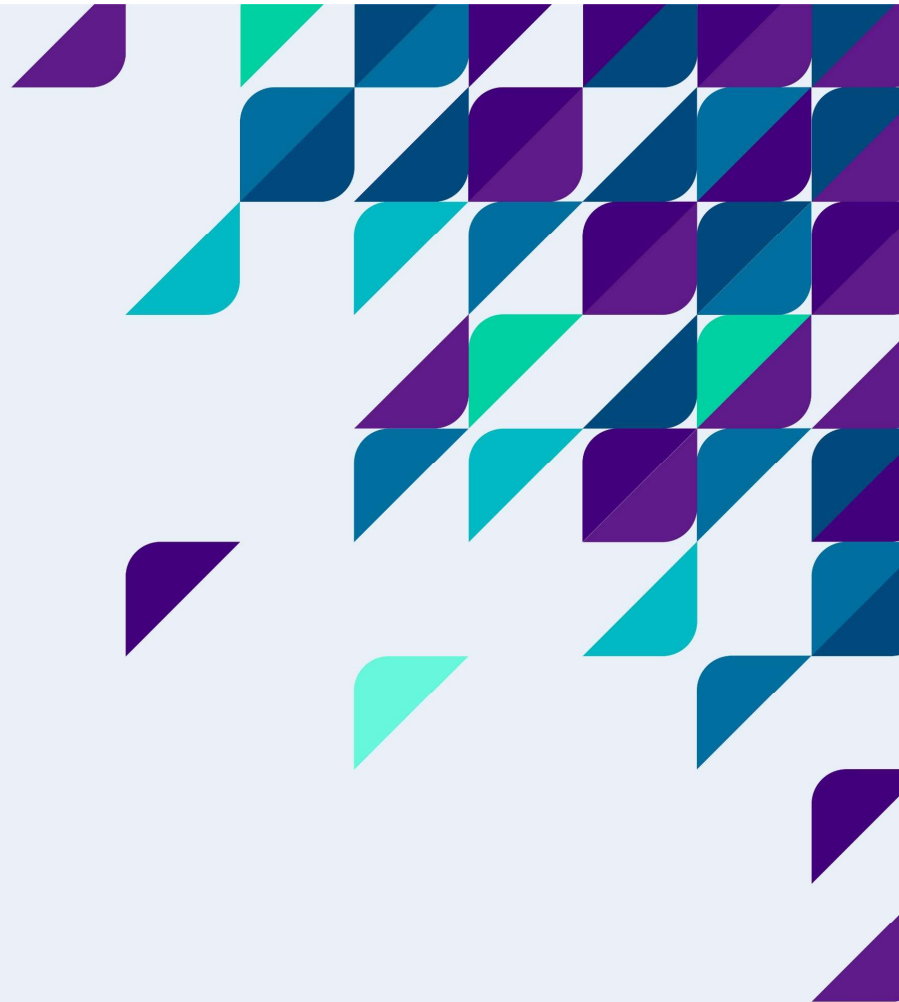


DE-RISKING PROGRAMME BY FOCUSING ON LARGER SCHEMES AND WORKING WITH HIGH QUALITY PARTNERS

Financial Update

Stephen King

Executive Director - Finance



Financial Performance: Sector and Benchmarking

- Significant economic and social factors creating sector challenges on margins, cashflow and investment.
- Thrive Homes financial metrics show favourable performance against benchmarks.
- Strong financials metrics in excess of covenants.

BENCHMARK DATA: Thrive v Peer v Sector

	31-Mar-23			31-Mar-24			31-Mar-25	31-Mar-26
	Actual	Peer	Sector	Actual	Peer	Sector	Forecast	Budget
1: Reinvestment %	18.4%	7.3%	7.1%	11.5%	7.8%	7.8%	6.1%	17.6%
2a: New supply of Social Housing units delivered %	1.0%	1.5%	1.3%	1.3%	1.5%	1.5%	2.0%	0.5%
2b: New supply of non-Social Housing units delivered %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3: Gearing %	68.8%	53.6%	45.4%	66.4%	53.0%	46.4%	66.3%	66.3%
4: EBITDA MRI Interest Cover %	140%	149%	129%	138%	141%	124%	141.9%	109.3%
5: Headline Social Housing cost per unit *	£4,881	£4,636	£4,586	£5,793	£4,976	£5,094	£5,746	£6,232
6a: Operating Margin (Social Housing Lettings) %	22.1%	24.7%	19.8%	27.9%	25.6%	21.0%	25.8%	24.8%
6b: Operating Margin (overall) %	27.1%	23.3%	18.2%	28.3%	22.7%	18.9%	28.2%	27.0%
7: Return on Capital Employed	4.2%	3.5%	2.8%	3.6%	2.96%	2.8%	3.8%	3.2%

Up to 31 March 2024: Thrive: Annual Financial Statements *

31 March 2025 and 2026: Thrive management information

* 2024 CPU number revised from Financial Statements number

Peer & Sector: Housemark VFM reports

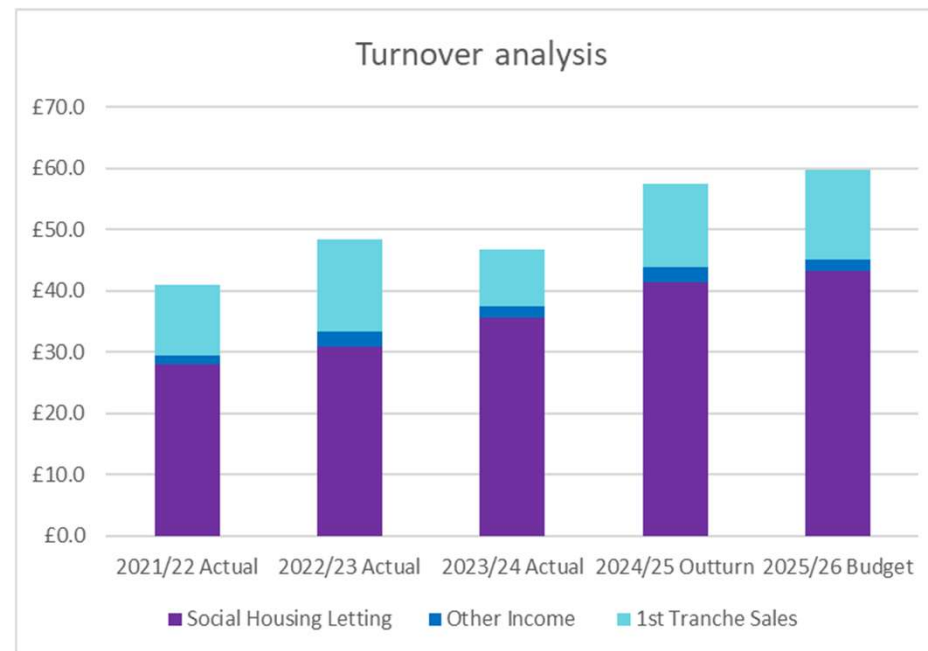
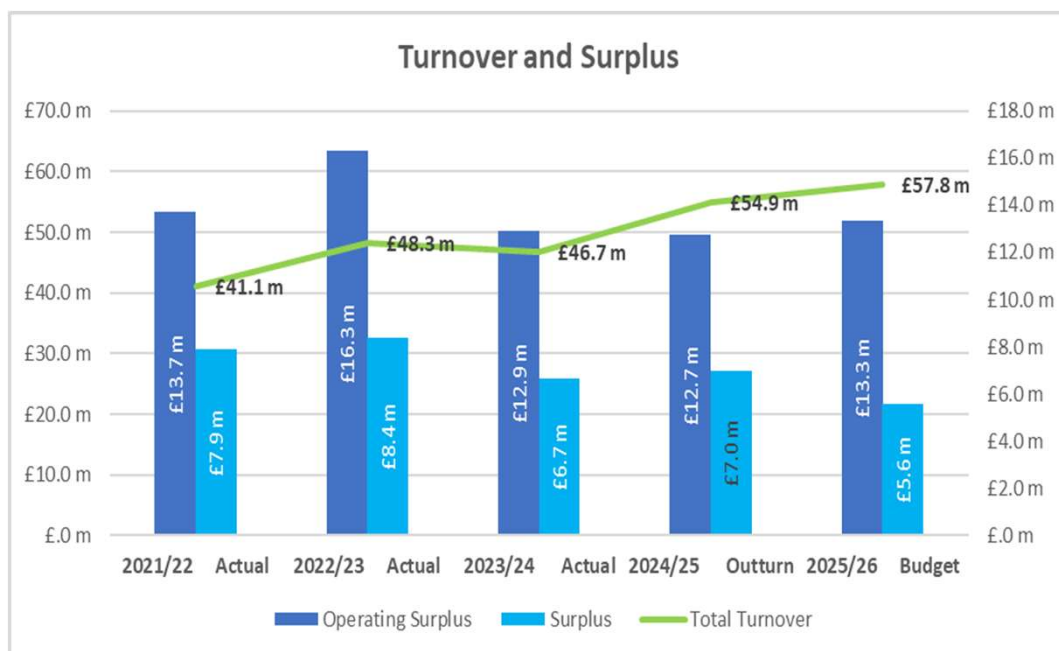
CPU estimated at £5,372 for 2025 from Housemark

STRONG FINANCIAL PERFORMANCE FAVOURABLE TO SECTOR



Year-end Financials

- Continued strong performance and metrics in the year as we continue to progress our strategic growth ambition.
- Significant investment in our own stock, inflationary pressures on labour and materials and financial impact our our go-live of our IT system update.
- Core business of Social Housing letting continues to increase year on year, reflecting higher stock numbers and rental increases.
- Increasing volume of First Tranche Sales in current year will continue into 25/26 as demand for tenure in this area remains strong.
- Increase in day-to-day repairs and major works program expenditure as we invest and maintain our stock have put pressures on margins in 24/25.
- Key challenges in 25/26 continue to be to manage performance through difficult economic climate whilst maintaining our standards of service.



CONTINUED GROWTH OF CORE RENTAL INCOME WITH STEADY INCOME FROM FIRST TRANCHE SALES

Financial Projections

- Key metrics remain strong with improved surplus and increased investment in our stock
- Growth in turnover from social housing activities and organic development and sales.
- Capital investment in line with component replacement and energy efficiency programmes

	25/26	26/27	27/28	28/29
	BUDGET	BUSINESS PLAN		
1: Reinvestment %	17.6%	8.2%	6.6%	4.9%
2a: New supply of Social Housing units delivered %	0.5%	4.5%	5.5%	2.5%
2b: New supply of non-Social Housing units delivered %	0.0%	0.0%	0.0%	0.0%
3: Gearing %	66.3%	66.0%	62.9%	61.4%
4: EBITDA MRI Interest Cover %	109.3%	112.2%	110.1%	111.2%
5: Headline Social Housing cost per unit	£6,232	£6,083	£6,424	£6,260
6a: Operating Margin (Social Housing Lettings) %	25%	25%	29%	31%
6b: Operating Margin (overall) %	27%	29%	33%	34%
7: Return on Capital Employed	3.2%	3.1%	3.8%	3.6%
Turnover (m)	£57.8	£61.6	£62.4	£67.5
Operating Surplus (m)	£15.2	£14.1	£19.3	£19.3
Housing Assets - cost (m)	£440.5	£501.8	£531.7	£552.1
Net Assets (m)	£89.5	£96.9	£105.8	£114.6

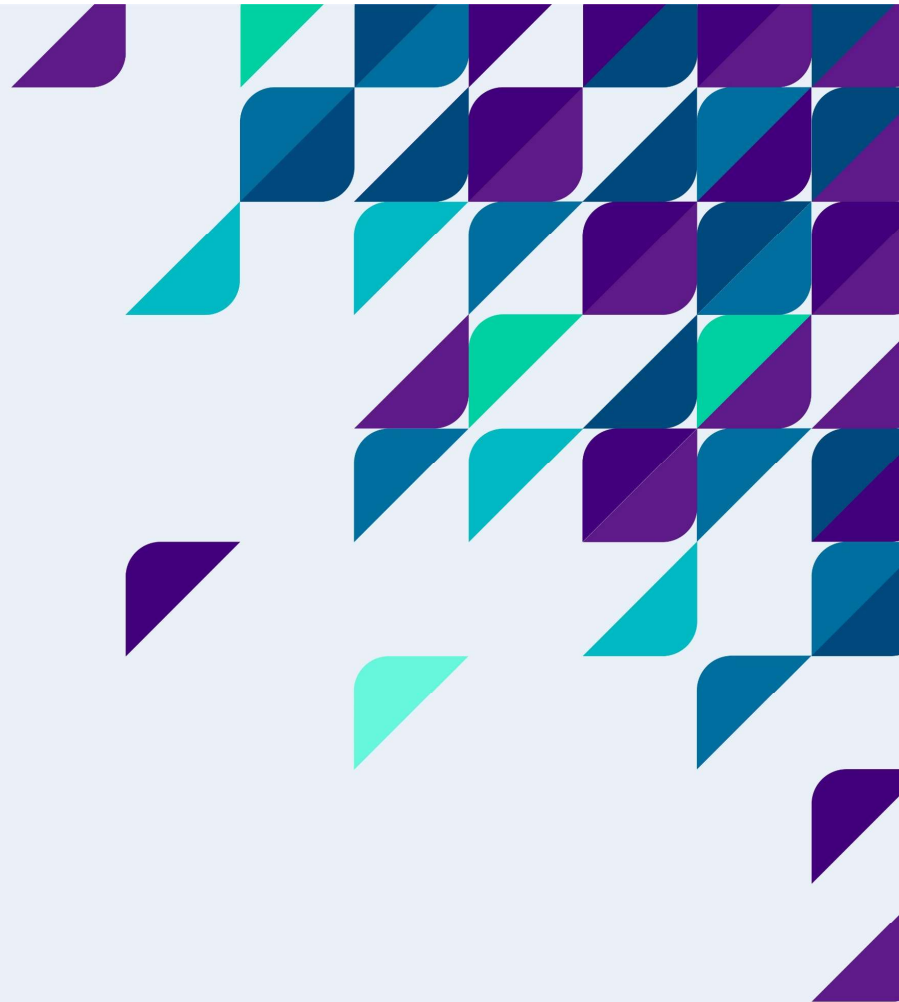
GROWTH THROUGH CAREFUL DEPLOYMENT OF CAPITAL



Treasury Overview

Stephen King

Executive Director - Finance



Treasury Management Strategy

Summary

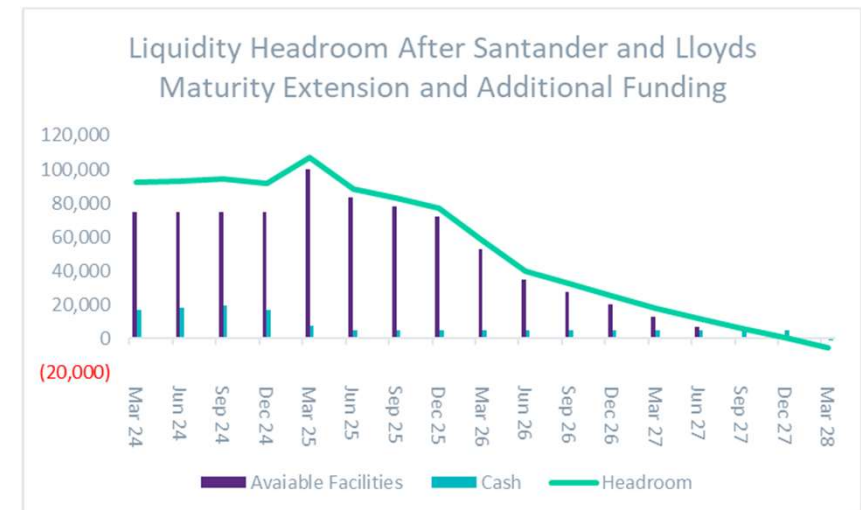
- Simple portfolio structure with low interest rate risk and current WACC of 4.32%
- Recent refinancing of short-term bank debt for liquidity, flexibility and to utilise more favourable short term rates
- Well balanced portfolio – short dated banking portfolio and low-cost longer term capital funding
- Covenant risk low with significant headroom over EBITDA/Interest

Security

- Thrive has 5,896 chargeable properties, valued at £954m MV-ST (31 December 2024).
- 4,103 units are charged to existing lenders. Of the remaining unencumbered units, 1,332 can be used for security, with a total indicative EUV-SH valuation of £119m and MV-T value of £266m.

Liquidity Risk management

- Sufficient liquidity headroom (2.5 years for our committed development) in excess of the 18 months policy requirement
- Additional funding will be sought later in 25/26 to complete Business Plan development.



GOOD LIQUIDITY WITH HISTORICAL LOW COST OF CAPITAL

Treasury Management Policy

Covenant compliance

Lender/Investor	Interest cover Ratio	Q3 24/25	Budget 24/25
	Interest Cover Ratio		
Bond	Net Annual Income - <i>min</i> 100%	168%	108%
Lloyds	EBITDA MRI - <i>min</i> 100%	176%	152%
Santander	EBITDA to Net Interest Payable - <i>min</i> 130%	253%	227%
	Gearing Ratio		
Lloyds	Net Debt to Historic property cost < 85%	57%	63%
Santander	Net Debt to Historic property cost < 85%	57%	63%
	Asset Cover Ratio		
Bond	EUV-SH (105%) MV-ST (115%) <i>min</i>	218%	167%
Lloyds	EUV-SH (105%) MV-ST (125%) <i>min</i>	334%	259%
MorHomes	MV-ST (115%) <i>minimum</i>	188%	181%
Santander	105%/125% (EUV-SH/MV-ST) SO 125% <i>minimum</i>	143%	143%

Interest rate risk management

Lender	Total facility £m	Drawn facility £m	Fixed/Variable	Repayment dates	Comments
THF Bond	200	200	Fixed	24 March 2039/43/47/51	Bullet repayments
Lloyds	25	25	Fixed	16-Oct-25	Term loan
MorHomes	25	25	Fixed	19-Feb-38	Bullet repayments
Santander	75	0	Variable	24-Feb-30	RCF - fully secured
Total	325	250			

SIGNIFICANT HEADROOM OVER COVENANT LEVELS

Treasury Summary

Summary

- Bond provides stability and long-term funding

Group Treasury Policies

- Minimum 18-month forward cash commitment
- £5m minimum cash holding
- Gearing less than 85%
- Fixed debt at least 60%
- 20% margin above key banking covenants (ie EBITDA/Interest covenants of 130%)

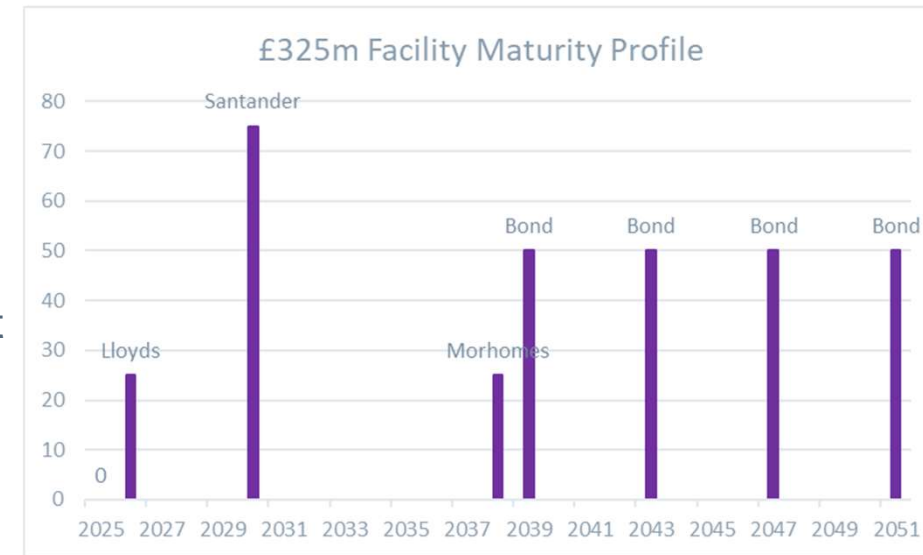
Fixed / Floating mix

- All drawn debt currently fixed
- Undrawn facilities at variable (Sonia) rate



Group Debt profile

- Repayments evenly spread to reduce refinancing risk



COMPLIANT WITH ALL TREASURY POLICIES AND LOW EXPOSURE TO INTEREST RATE RISES