

Orbit Group

INVESTOR PRESENTATION

December 2023



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- Operational Performance
- Development
- Governance & Risk Management
- Sustainability
- Financials & Treasury
- Conclusion





Overview & Strategy

Credit Highlights



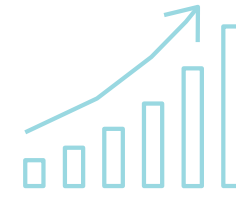
Over 47,000 homes and established in 1967, with wide geographic spread. Orbit is recognised as one of the UK’s largest social housing providers



Sustainability is embedded in Orbit’s strategy to lead in building thriving communities. £19.2 million in 2023 of added social value. 83.5% of our properties are already EPC C or above



Strong governance - solid framework that includes substantial scenario testing



Financially robust association - strong and consistent operating margin – strong liquidity position and interest coverage metrics, backed by a sizeable pool of unencumbered assets. A3 rating by Moody’s



Experienced Boards and Leadership team with a mix of strong commercial and sector skills



Strong core social housing business - customer satisfaction 4.29 (out of 5)



History of successful affordable new homes programme - strategic partnership with Homes England £129m (2018) and £104m (2021)

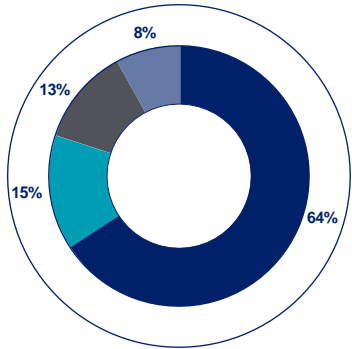


Top 10 UK social housing developer

Footprint and Stock Portfolio

As at 31 March 2023

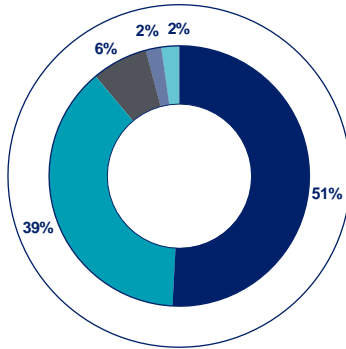
Units by number



- 30,347 General Needs
- 7,079 Leasehold and Other
- 6,228 Shared Ownership
- 3,544 Supported Housing
- 220 Immediate Rent

Core business is general needs and shared ownership

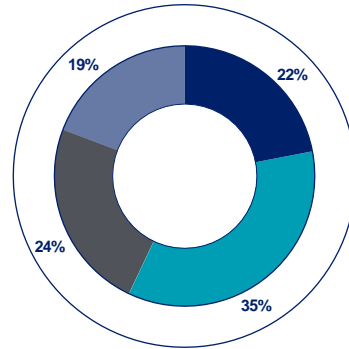
Stock by type



- 24,038 House
- 18,565 Flat
- 2,940 Bungalow
- 1,026 Maisonette
- 849 Bedsit

95% of portfolio is houses, low rise flats and bungalows

Rental income

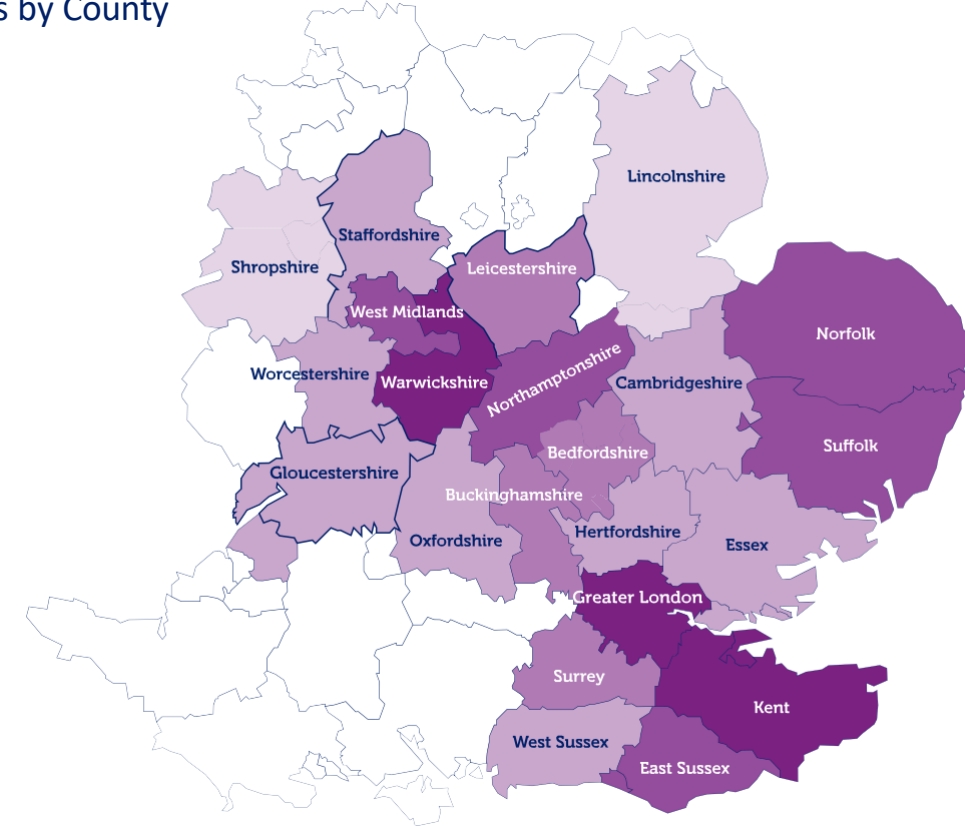
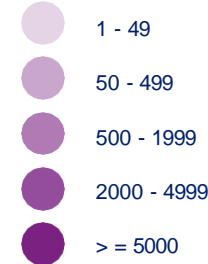


- £53.4m Housing Benefit
- £83.9m Direct debit
- £56.7m Other (Standing orders, cheques etc.)
- £46.2m Debit cards

Low reliance on Universal Credit, high proportion of rent paid by direct debit

Orbit Properties by County

Number of Properties



We operate in 3 regions outside of London: Midlands, East and South East

Our Orbit 2025 Strategy

As at 31 March 2023



Customer Experience

- Informed and engaged residents
- Easy to contact across all channels
- Responding to a changing society
- Affordability through reshaping our stock portfolio

Quality, affordable homes

- Significant investment in existing homes and estates
- 6,500 (currently set at 5,300 in current economic climate) new homes 2021-2025
- Land-led development
- Embracing modern methods of construction techniques where appropriate

Profit for a purpose

- Invest more in homes, services and communities
- Financial resilience
- Socially driven, commercially minded to create profitable, sustainable growth
- Capitalise on investment in IT infrastructure

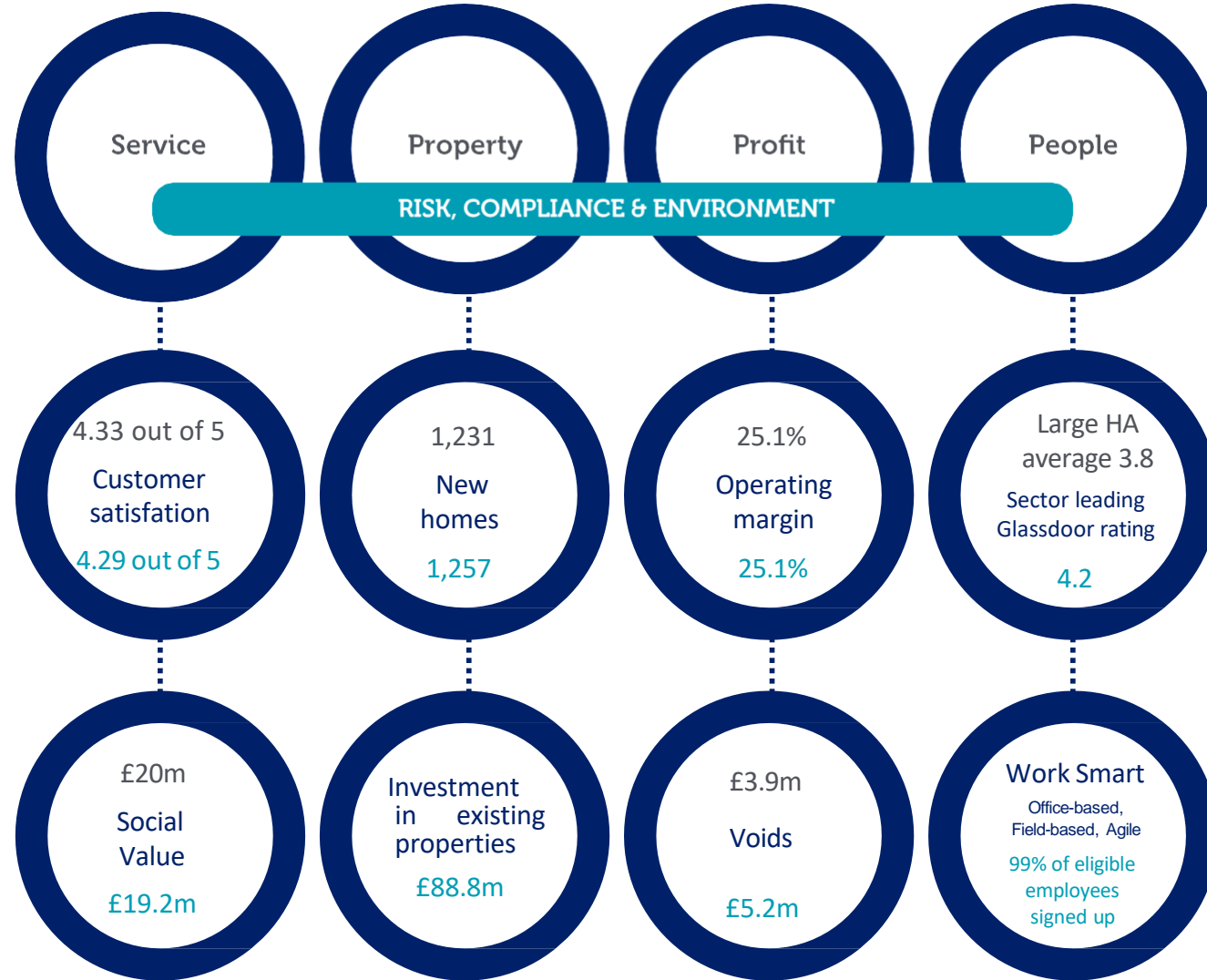
Great place to work

- Leading employment experience
- Personal growth, development and well being
- Inclusive and multigenerational employer
- Social and environmental responsibility

Operational Performance



Our Delivery 2022-23



● Target Value ● Actual Value

Balanced delivery plan, with focus on both financials and people

Operational Performance - March 2023

Building Safety

- ▶ Our homes are 100% compliant
 - in-date accredited gas safety check
 - in-date and compliant Fire Risk Assessment
 - Asbestos, legionella risk assessment and lift insurance inspection
- ▶ 99.9% meet the Decent Homes Standard
- ▶ New building safety strategy
 - Standards based approach, utilising British and international standards to create a comprehensive risk management system
 - Led by Building Safety Steering Group and Property Safety Team
 - Using innovative Building Information Modelling (BIM)
- ▶ Orbit has 26 buildings of 18m+ in its portfolio
 - Cladding review inspections completed on all buildings
 - Remedial actions identified and initiated

Rent Collection

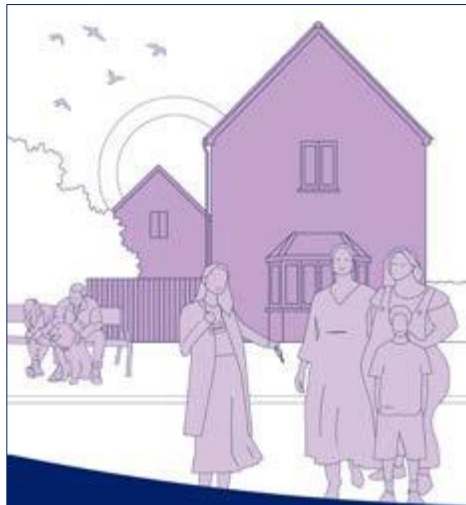
- ▶ Aiming to build strong and sustainable communities supported by long-term tenancies
 - 58% of residents in general needs housing or homes for older people have lifelong tenancies
- ▶ Implement measures to reduce fuel poverty:
 - Range of financial support programmes on offer
 - Energy advice page
 - Hardship fund created to support residents
- ▶ Low arrears at 2.56% (FY2022: 2.5%)
- ▶ Void rent losses stand at 2.1% (FY2022: 2.4% vs sector 3.6%)
- ▶ Approximately 14,000 customers (27%) are claiming UC
- ▶ Strong rent collection team prepared for headwinds

Excellent building safety credentials

Rent collection well managed


Customer Journey

The Five Pillars of the Customer Experience




A Warm Welcome
Making your first contact great and making you feel at home when you move in.

orbit
orbitcustomerhub.org.uk



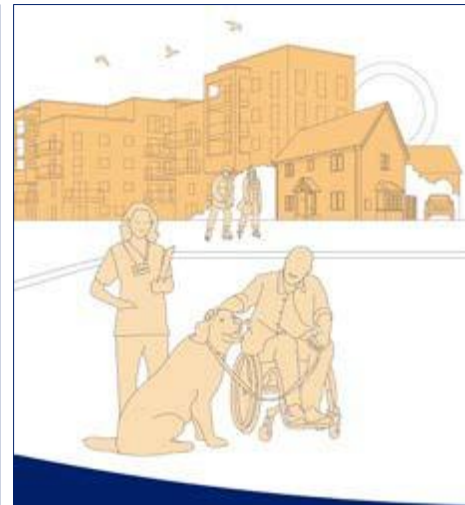
A Great Home
Working with you to keep your home running well and looking good.

orbit
orbitcustomerhub.org.uk



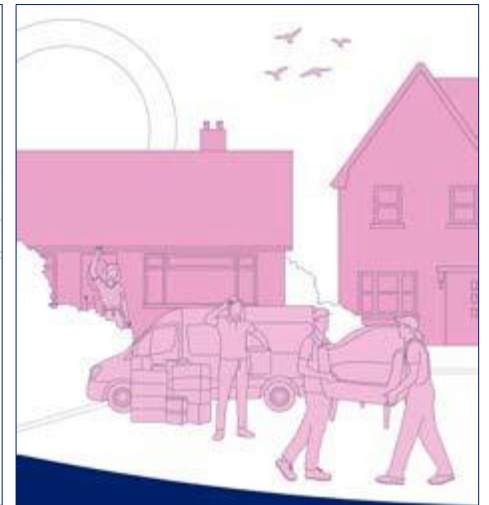
A Cared for Community
Keeping your neighbourhood clean, green and safe.

orbit
orbitcustomerhub.org.uk



A Helping Hand
Being there when you or your family need a helping hand.

orbit
orbitcustomerhub.org.uk



A New Chapter
Making it easy when you move out.

orbit
orbitcustomerhub.org.uk

Customer Journey

A Warm Welcome

Orbit offers:

- The security of a lifetime tenancy
- An introductory visit to your new home
- A tenancy coach to provide support and help
- A customer handbook with all you need to know
- Information on all completed safety checks
- An exclusive deal with Aviva for contents insurance
- Access to MyAccount to check your rent and balances
- A call a few weeks in to check everything is okay

A Great Home

Orbit will:

- Invest in your home to improve its quality and efficiency
- Meet the requirements of future homes standards
- Carry out an annual Home MOT to check everything is okay*
- Carry out all home safety checks in line with regulation
- Keep the structure and exterior of buildings in good repair
- Respond to emergency repairs within 24 hours
- Respond to non-urgent repairs within 28 days
- Keep utility supplies for shared building in working order

*in development

A Cared for Community

Orbit will:

- Carry out estate inspections with customers
- Ensure your outdoor spaces are well maintained, clean and safe
- Cut the grass, trim hedges, maintain trees and treat weeds
- Keep communal spaces clean, safe and tidy
- Improve the biodiversity of our outside spaces
- Run events for customers to engage with Orbit and each other
- Keep you informed of any changes to your local area

A Helping Hand

Orbit will:

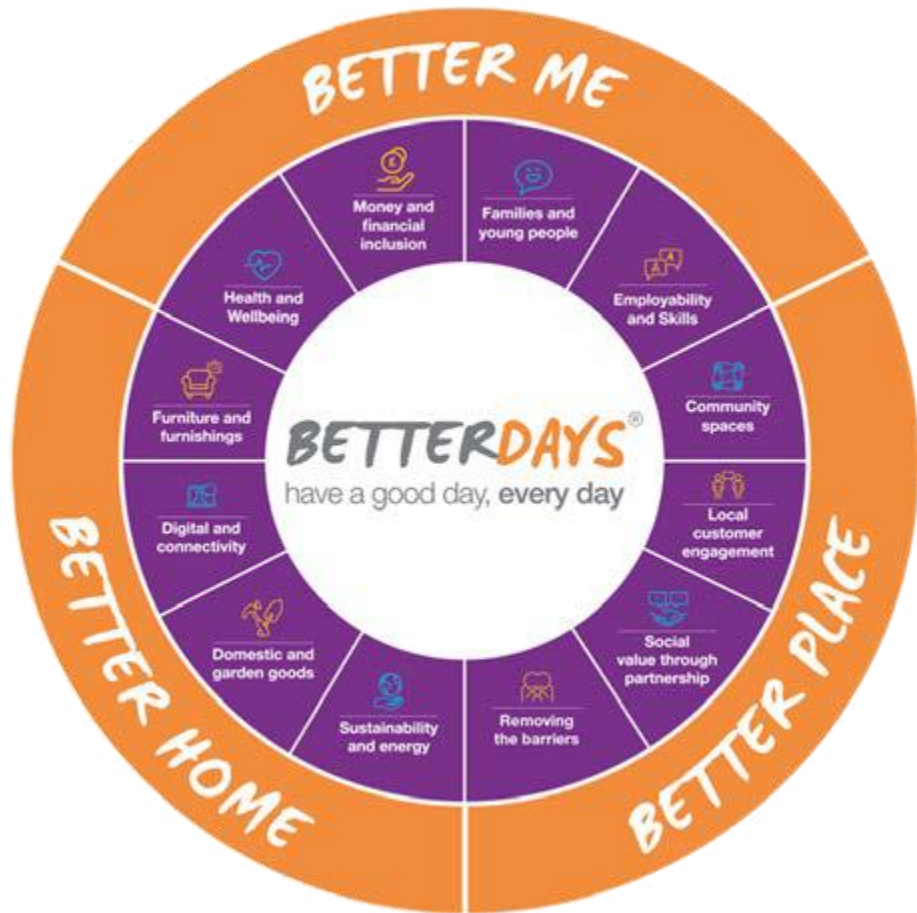
- Answer your calls at the Customer Hub 24/7
- Provide online services via our website, MyAccount or webchat
- Provide you with a tenancy coach if you need extra help
- Give you access to a handy man service in Independent Living
- Support you through access to our Better Days service
- Provide grants to help you through or for something new
- Respond to and help manage reports of ASB
- Manage safeguarding and hate crime concerns
- Keep you informed of important changes
- Resolve your complaints when you have them

A New Chapter

Orbit will:

- Carry out management moves or mutual exchange when we can
- Offer shared owners the opportunity to staircase
- Support families when a resident has passed away
- Provide advice and information on our website
- Provide a checklist of what to do to end your tenancy
- Provide a landlord's reference if you need one

Better Days Programme



Local engagement case study - Gorleston Hub

- ▶ The Hub currently offers drop-ins as its main service however, there are a variety of support services from Orbit teams and local partners.
 - Drop-in Sessions with Orbit Property Managers, Estates Team and Breathing Space
 - 3rd Party Consultations including Councillors and The Police
 - Confidence Building Training Courses
 - Well-Being Safe Space
 - Arts and Craft Sessions
 - Toddlers Group

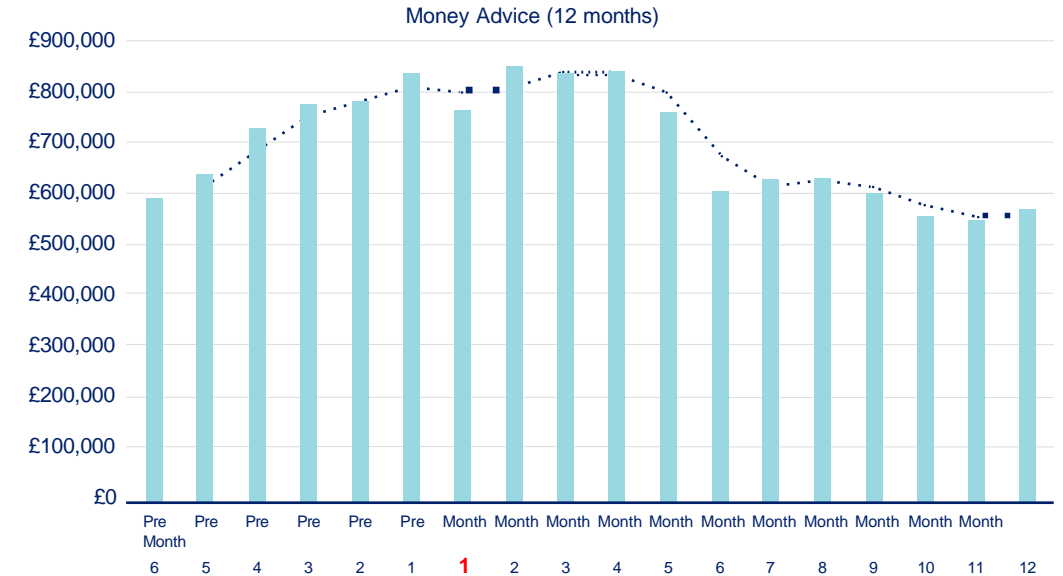


Better Days Programme

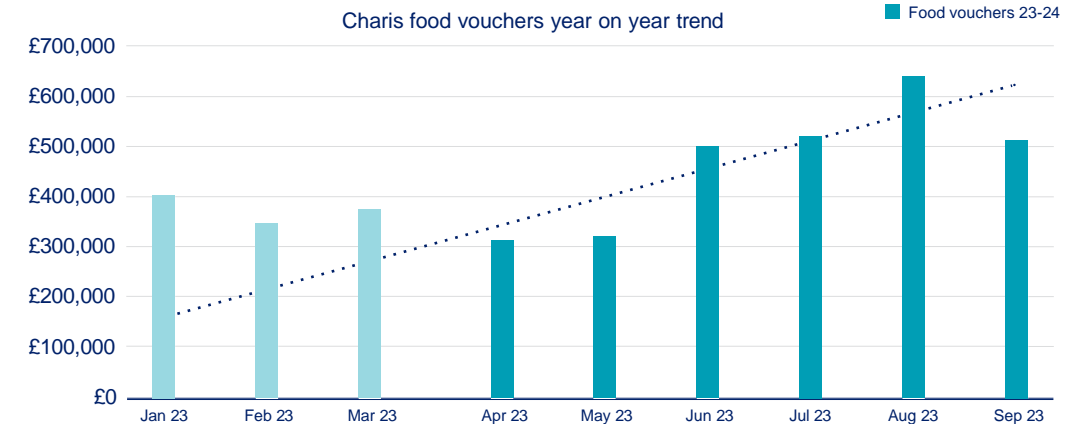
Cost of Living response

- ▶ Cost of living increased significantly impacting customers
- ▶ Additional services to help respond to this include;
 - ☐ Providing money advice
 - ☐ Welfare benefits support
 - ☐ Hardship grant programme
 - ☐ Energy advice
- ▶ Currently, through the delivery of these services, we know that:
 - 50% of referrals for money advice relate to reduced income or increased cost of living
 - The average surplus income for our customers who are in debt is - £45
 - 56% of customers referred for money advice have a deficit budget
 - The average income for customers accessing support is £9,201 with over 70% in employment
 - There is also clear evidence that our customers are missing out on unclaimed benefits
- ▶ We are now looking to build on our response with a long-term solution to provide financial inclusion services to our customers.

Impact of money advice on arrears



Food vouchers support – trend demand



Strategic Asset Management

- ▶ Over the next 10 years we will continue to maintain our assets and invest in improvement works so as to reduce future energy and repair costs.
- ▶ On target to have delivered the business requirements and set the programme for the next phase of the strategy build.
- ▶ Average NPV targets achieved early in the timeline.
- ▶ Since 2017 we have increased our density per local authority from 357 units (average) to 532 - allowing us to deliver more efficient services. This work is ongoing.



Damp, Mould and Condensation

- ▶ DMC is currently rated as an amber risk by Orbit
- ▶ Current cases, outstanding inspections, and open repairs have all reduced over the past months
- ▶ Enhanced monitoring is currently in place, although due to revert to business as usual shortly
- ▶ A specific risk register is in place during this period



Reinforced Autoclaved Aerated Concrete

At this time, we are not aware of RAAC being present in our housing stock. However, following the recent publicity, a risk-based process is being undertaken to identify properties where there is a chance that RAAC could be present, including an initial step of ranking these identified properties to highlight the those where the risk is greatest.

Our surveys so far have not identified any RAAC and we continue to conduct surveys using the risk weighting to prioritise. If any surveys identify issues, then samples will be expanded promptly to ensure that the extent of any issues is correctly determined and appropriate action is taken.

Once the extent of any issue with RAAC is known, or it is confirmed that Orbit does not have such an issue, this will be communicated to stakeholders as appropriate.





Development

Development – Strategy Recap

Strategy:

- ▶ One of the UK's prominent providers of new affordable housing with a strong presence in its chosen markets
- ▶ 6,500 units (currently set at 5,300 in current economic climate) targeted 2021-2025
- ▶ Orbit has secured a further £128m grant through the government's latest Affordable Homes Programme (2021-2026)

Development Strategy

S106

- ▶ Development cost risk borne by builder
- ▶ Capitalises on local relationships

Land-led

- ▶ Flexibility to respond to markets
 - ▶ Control over timing of delivery
 - ▶ Control over cashflows
 - ▶ Control over tenure
- ▶ Management of WIP through options
- ▶ Competitive advantage
 - ▶ Standard housetypes
 - ▶ Capitalises on local relationships

Partnership

- ▶ Working with Homes England and Local Authorities
- ▶ Risk sharing
- ▶ Cost sharing
- ▶ Land availability
- ▶ Leverage of expertise
- ▶ Leverage of others local relationships

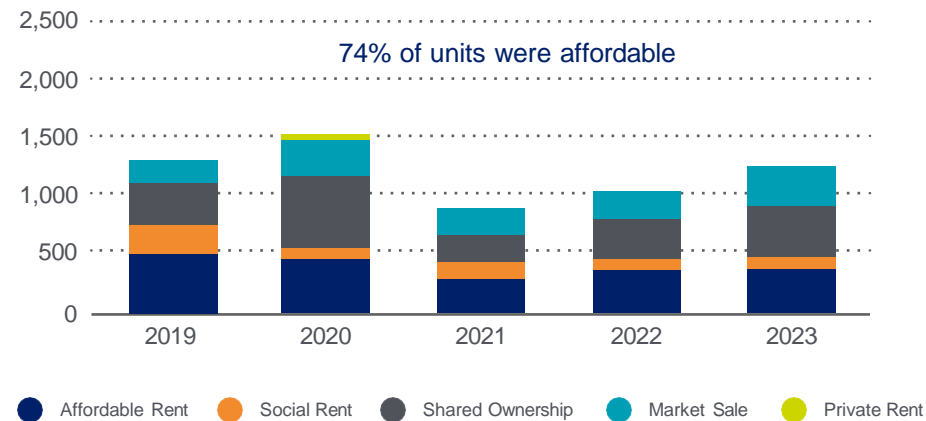
Development

Highlights:

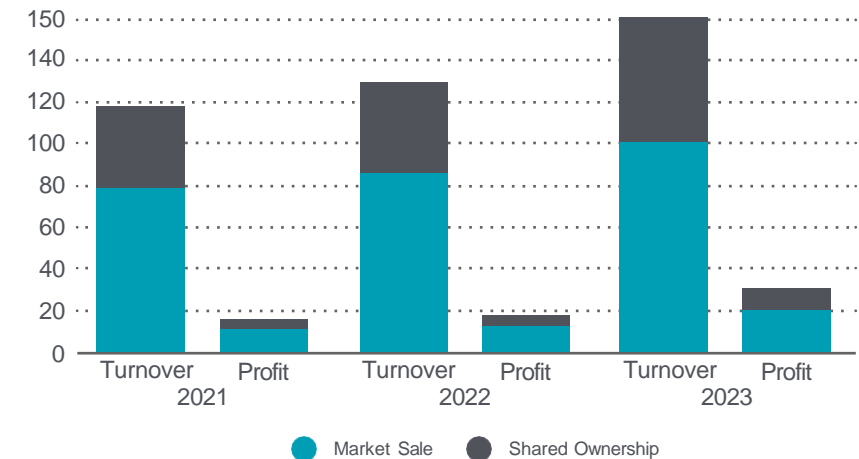
- ▶ 1,257 homes built in 2023; 74% affordable and social
- ▶ Demand for Shared Ownership Homes remains very strong this product has become more popular since the end of the Governments Help to Buy Scheme earlier this year
- ▶ Strong half year performance 79 Market Sale legal completions, 3 ahead of Budget and 119 Shared Ownership legal completions, 26 ahead of Budget

- ▶ Reduction in Rate of Sale for Market Sale due to interest rate increases and cost of living pressures
- ▶ Flexible development programme – 80% of Orbit’s development plan is committed through 2027: 20% uncommitted or aspirational. Of the committed development plan, 64% is within Orbit’s control in respect of delaying or stopping development
- ▶ Programme changes to address current economic environment
 - Focus on affordable tenure (social rent & SO)
 - Reduction of output to 5,300 from 6,500
- ▶ Orbit named as a top 10 social housing builder

New Homes Built by tenure



Market Sales



Focus on affordable tenures

Strong sales result in 2023

A photograph of two men in safety gear (hard hats and high-visibility jackets) standing on a construction site. The man on the left is holding a tablet and looking at it, while the man on the right is looking at the tablet and smiling. The background shows some greenery and a fence. The image is overlaid with a large, semi-transparent blue circle.

Governance & Risk Management

Orbit Board

David Weaver
Group Chair,
Orbit Capital plc
and Orbit Capital Limited



- Over 34 years of experience in the financial services sector, most recently as CEO and Chairman of the Board at Jefferies International investment bank in London
- Current board member of Blenheim Chalcot, an investment firm in the digital economy
- Currently an senior advisor to Strategic Value Partners, an investment firm

Phil Andrew
Group Chief Executive



- Has over 30 years' experience in leadership positions across the for-profit, governmental contracting and not-for-profit environments. The last 15 years specialising in commercially minded organisations that are driven by social purpose.
- Served as Chief Executive at StepChange and Chief Executive of Working Links. He has also held a number of senior positions in the UK and France including Chief Finance Officer of Sodexo UK & Ireland, and Chief Executive, Sodexo Justice Services. He is a Chartered Accountant, qualified treasurer, and Chartered Marketer, and was previously Vice-Chair of Raven Housing Trust and Chair of the Breck Foundation, an online safety awareness charity.

Helen Gillett



- Previously Managing Director on the board of Affinity for Business Ltd, an award-winning clean and waste water retailer based in the South-East of England
- Wide-ranging experience in operational and strategic leadership, gained over a 20 year career in IT and Telecoms
- Previously Director of customer service at BT Business, she has worked in both the retail B2B and wholesale sectors and is highly experienced in working in regulated environments

Stephen Smith Chair,
Audit and Risk
Assurance Committee



- Has a 25-year track record of operating at Board level as executive, non-executive and adviser across major UK and international public, private and charitable organisations.
- He spent five years as a member of the National Audit Office's Board and as Executive Director with joint responsibility for Financial Audit. Previously he held numerous Partner and leadership roles within KPMG UK and Europe, including leading KPMG's European M&A Transaction Services business and co-ordinating the Firm's response to the banking crisis.
- Has held non-executive roles at Combat Stress, one of the UK's leading veterans' mental health charities, and the Government Legal Department.

Massy Larizadeh



- Has 30 years' experience within the financial services sector, 17 of which were within commercial real estate, working for companies such as GE Real Estate, Cushman & Wakefield Investors, and Deloitte.
- Is also a non-executive director of London & Partners, the international trade, investment and promotion agency for London, where she Chairs the Remuneration Committee and is a member of the Audit & Finance Committee. She is also a Trustee of One Trust Charity, which provides services to adults with multiple and acute learning difficulties.

Stephen Howlett
Chair, Customer and
Communities Board



- Extensive experience in housing at senior level including 13 years as Chief Executive of the Peabody Trust. Also previous experience as board member of a number of housing associations
- Chair of the Board, University of Greenwich, Honorary Fellow of the Royal Institute of British Architects

Stephen Stone



- Previously Non-Executive Chair of Crest Nicholson, a FTSE 250 company delivering around 3,000 homes and other mixed use developments per year. Previously Chief Executive of the company for 13 years.
- Non-Executive Director of the House Builders Federation and the NHBC. Member of the Construction Leadership Council and the Hackitt Review Panel.

Established board with spread of skills and experience

Leadership

Phil Andrew
Group Chief Executive,
Group Board Member



- Has over 30 years' experience in leadership positions across the for-profit, governmental contracting and not-for-profit environments. The last 15 years specialising in commercially minded organisations that are driven by social purpose.
- Served as Chief Executive at StepChange and Chief Executive of Working Links. He has also held a number of senior positions in the UK and France including Chief Finance Officer of Sodexo UK & Ireland, and Chief Executive, Sodexo Justice Services. He is a Chartered Accountant, qualified treasurer, and Chartered Marketer, and was previously Vice-Chair of Raven Housing Trust and Chair of the Breck Foundation, an online safety awareness charity.

Paul Richards
Group Director of
Customer and Communities



- Responsibility primarily for Orbit's maintenance and core landlord operations
- Significant experience in senior customer service facing roles
- Extensive understanding of the housing and property sector, most recently as Director of Customer Service for FirstPort Property Management (formerly Peveler)
- Served as Non-Executive Board Member for 6,000 home Merlin Housing Association where he chaired Merlin Works, its in-house repairs and maintenance contractor

Jonathan Wallbank
Group Finance Director



- Wealth of experience and expertise, including merger implementation, regulatory frameworks, adoption of new accounting standards, robust financial management and management of risk
- Previous roles include heading up the European treasury function for the US retailer GAP Inc and, in addition, he was responsible for cash management of GAP's Hong Kong and Taiwan businesses.
- Chartered certified accountant (FCCA)

John Wriighthouse
Group People Director



- Joined Orbit in November 2021 as a member of the Group Executive Team and leads the agenda for Orbit's people, communications and brand
- Has a wealth of knowledge and experience of operating at Executive and Board level, with over 30 years working with FTSE100 and 250 businesses and regulated organisations, both in the UK and internationally
- Previous roles have included Shell Energy Retail (formerly First Utility), Homeserve, Clinton Cards and Nationwide Building Society, where he successfully steered the organisation to the top position in the prestigious Sunday Times 100 Best Companies to Work For list

Helen Moore
Managing Director,
Orbit Homes



- Responsibility for all operational delivery relating to our new homes business across the three regions, including commercial, private rental sector and sales activities
- Has worked in the property development industry for 30 years, initially at Countryside progressing from a Graduate position to Sales & Marketing Director and Head of Corporate Communications, before joining Crest Nicholson as Sales & Marketing Director of a newly established region.
- In 2010, Helen became Managing Director the first non-family Managing Director of City & Country, working with some of the country's most important heritage assets

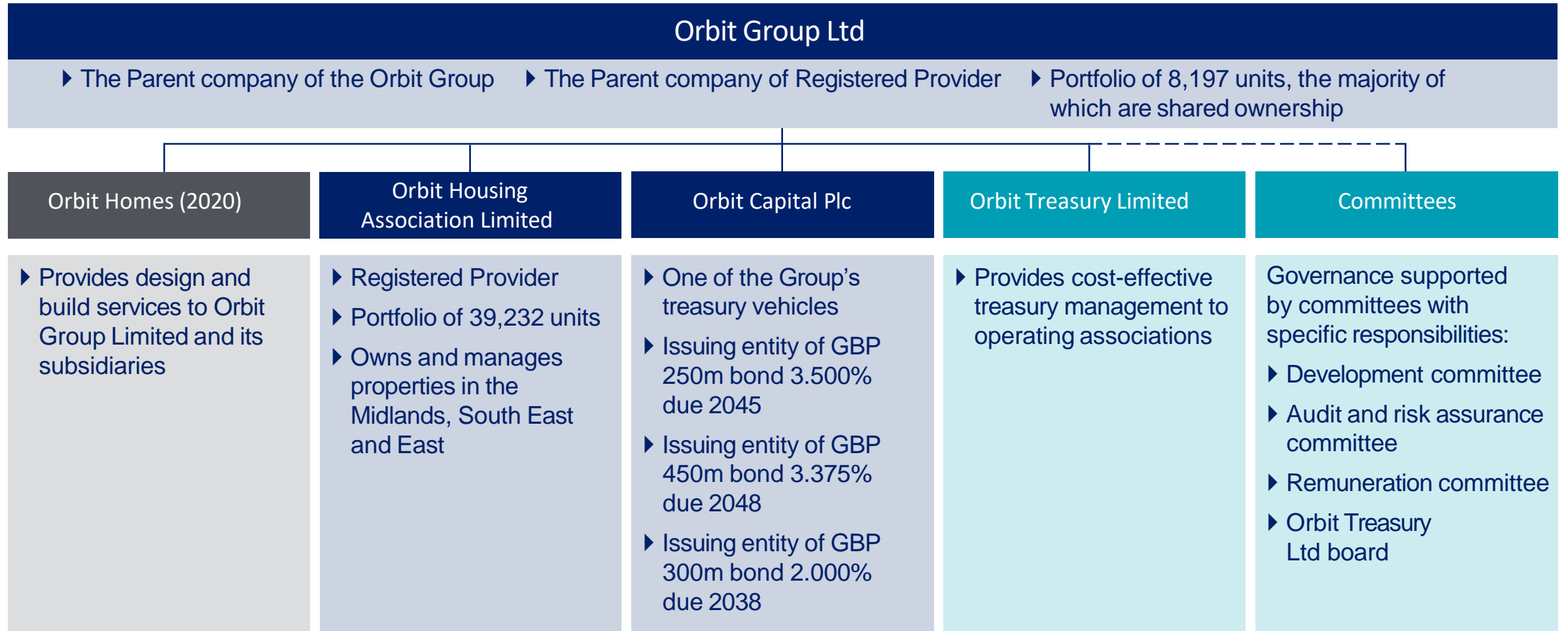
Afzal Ismail Group
Director of
Corporate services



- Responsibility for monitoring, driving and delivering professional corporate support services to all parts of Orbit
- Is a chartered certified accountant (FCCA). He holds an honours degree in Mathematics and is a member of the Chartered Institute of Auditors (CMIA) and Chartered Institute of Housing (CIHCM)
- Joined Orbit when it had circa 20,000 homes and has played a pivotal role in Orbit's merger and acquisition successes which have delivered a portfolio of around 45,000 properties

Strong executive team with balance of sector and commercial experience

Orbit Group Structure

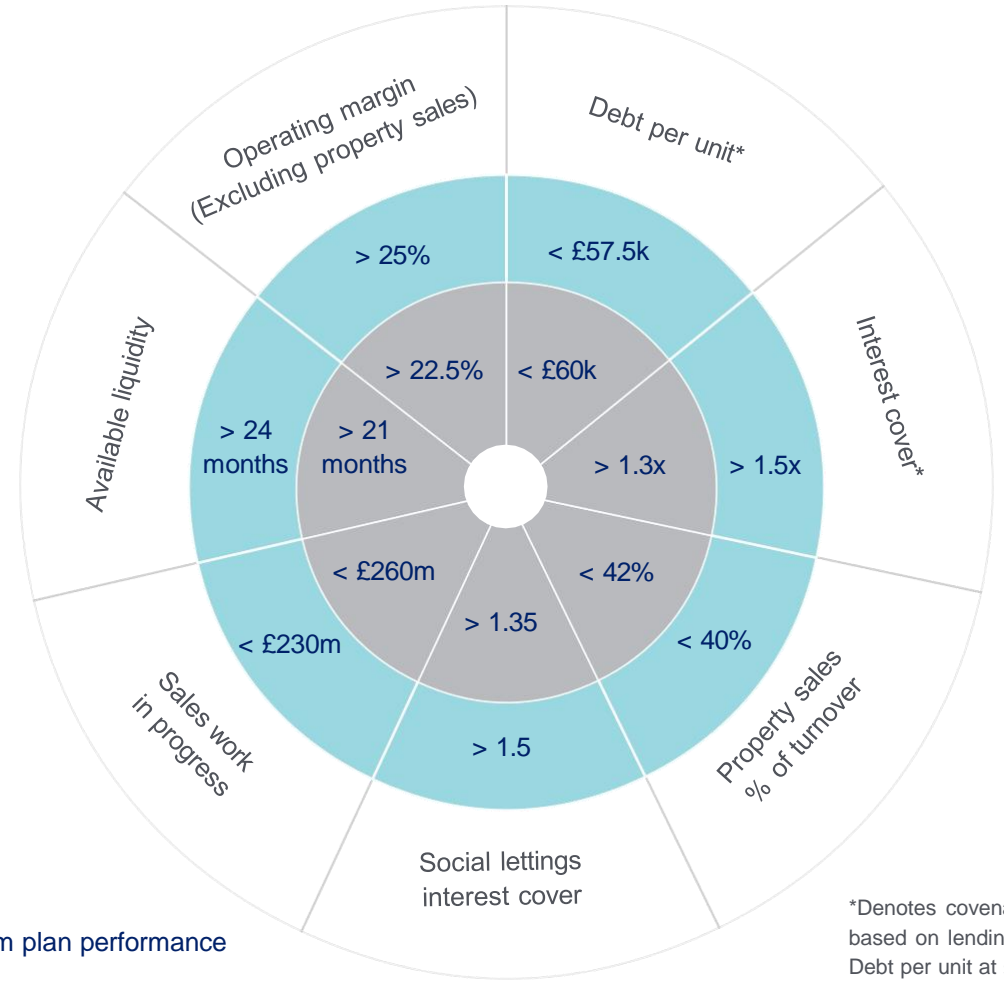


Efficient and effective corporate structure

Risk Strategy



Clearly defined risk appetite



● Minimum plan performance
● Risk appetite for board

*Denotes covenants which based on lending group. Debt per unit at £65k Interest cover at 1.05

Embedded framework to manage risk with clear mitigation strategies

Development Risk Management

- ▶ Helen Moore – Group Director of Orbit Homes, heads up an experienced team with a track record of success
 - ▶ Regional delivery model with clear accountability and ownership
- ▶ Four levels of appraisal review
 - ▶ Homes - Senior Management Team (SMT)
 - ▶ Capital Investment Group - Executive Team (ET)
 - ▶ Development Committee
 - ▶ Group Board
- ▶ Rigorous appraisal process and criteria
 - ▶ Demand studies on market sale
 - ▶ Customer and Communities sign off on affordable
 - ▶ Expert advice on ground conditions
 - ▶ Strict IRR for affordable homes with hurdle rates
 - ▶ ROCE and margin for non-social homes
- ▶ Performance monitoring
 - ▶ Weekly - Homes SMT - sales/reservations/visitor levels by site
 - ▶ Monthly - Homes SMT - costs to date and costs to complete by site
 - ▶ Monthly - ET - sales, stock and WIP
 - ▶ Monthly - Property Investment business review
 - ▶ Enhanced Reporting - Early Warning Indicators - Triggers for action



A woman with blonde hair and glasses, wearing a blue jacket, is shown in a garden bed. She is holding a small amount of seeds in her hands, ready to sow them into the soil. A small packet of seeds is visible on the wooden border of the garden bed. The background is a blurred outdoor setting with a stone wall and a shovel leaning against it. The entire image is overlaid with a semi-transparent blue circle.

Sustainability

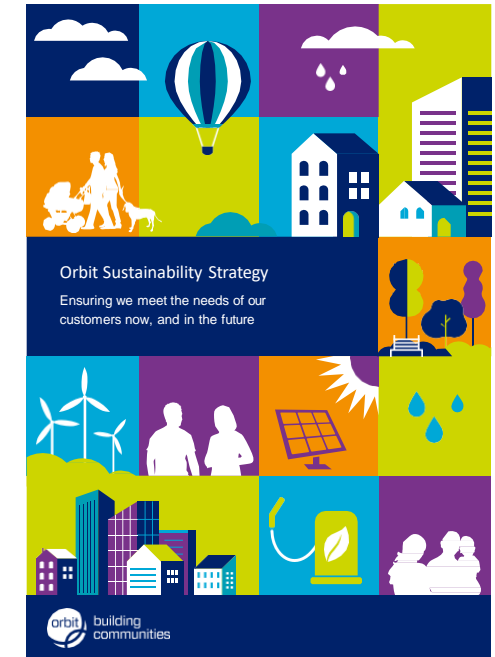
Sustainability Overview

Orbit's Sustainability Strategy:

- ▶ Clear commitments and targets across our 4 sustainability themes Our Customers, Quality Homes & Places, Our Planet and Our People in Environmental, with a focus on net carbon zero, biodiversity, social value, Gender pay gap, customer safety, and building affordable homes.

Sustainability reporting frameworks

- ▶ Our Sustainability Strategy has been developed with reference to two guiding frameworks which are aligned to the UN SDGs, helping us to gain an insight into the positive difference we make as a business:
 - The Sustainability Reporting Standards for Social Housing
 - The Business in the Community's Responsible Business Tracker
- ▶ Sustainable Finance Framework was launched in January 2023
- ▶ Orbit's Sustainability Strategy was published in August 2023

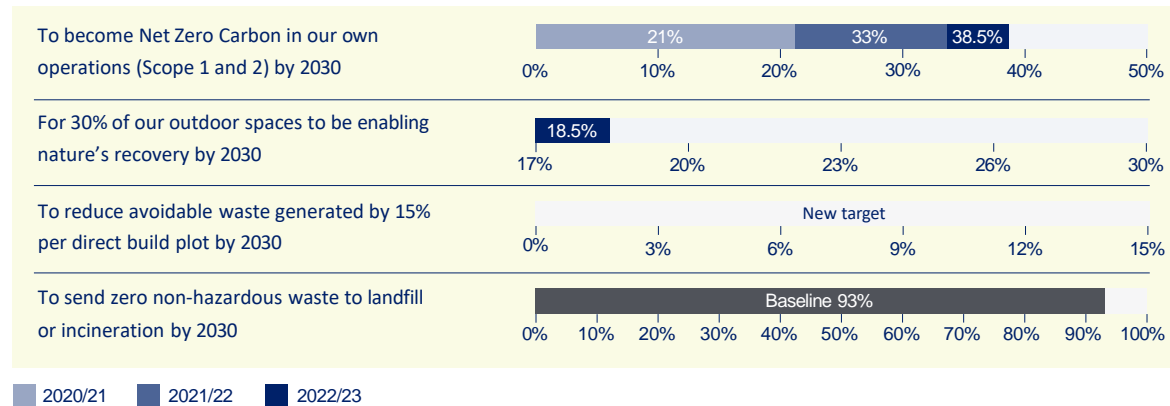


Our Planet



Highlights:

- ▶ Published our Net Zero Carbon Roadmap and commitments
- ▶ Achieved a reduction in greenhouse gas emissions (scope 1 and 2) since 2019
- ▶ 83.5% of homes EPC C or higher
- ▶ Awarded £2.85m from Social Housing Decarbonisation Fund
- ▶ Published Our Biodiversity Approach and 30x30 commitment in partnership with Wildlife Trusts
- ▶ Achieved ISO14001 certification



Lessening impact upon the environment

Our Customers

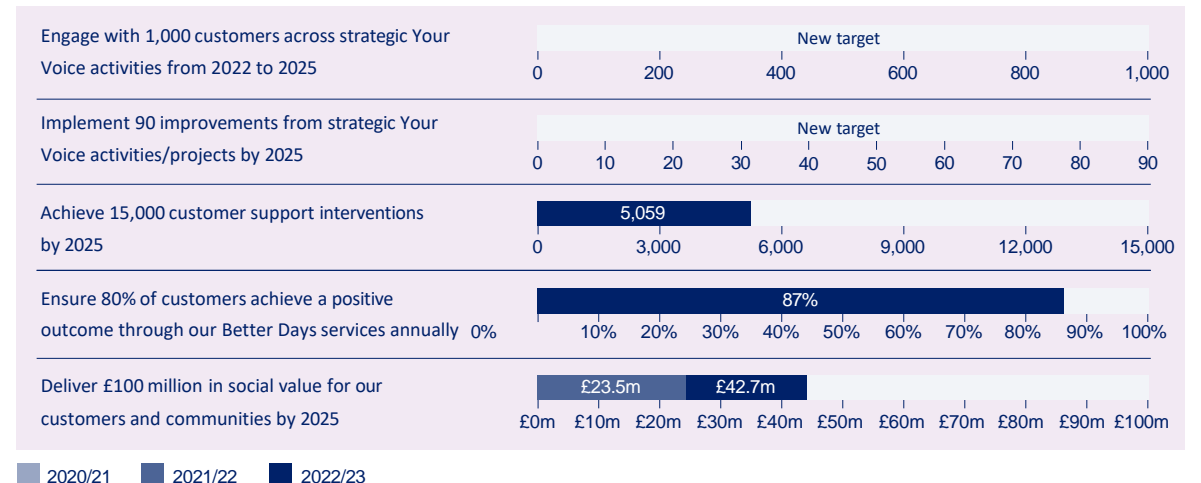


Highlights:

- ▶ £19.2million in Social Value for customers and communities
- ▶ Supported 676 customers with debt advice helping customers to manage a total debt of £1,493,745



- Homelessness £2,149,000
- Employment and training £3,926,000
- Youth £491,000
- Financial inclusion £3,230,000
- Health and wellbeing £5,758,000
- Neighbourhoods £3,560,000



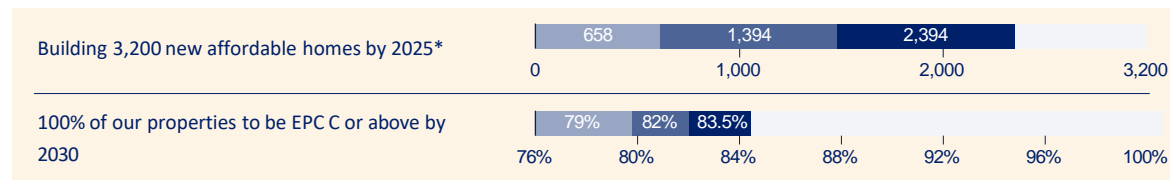
Committed to supporting customers

Quality Homes and Places



Highlights:

- ▶ Orbit Homes Melbourne Avenue development in Ramsgate became the first new build homes development to be awarded the national 'Green Plaque' environmental accreditation
- ▶ Adopting RoSPA safer by design framework for all future newbuild homes
- ▶ RoSPA Highly Commended in the Public Service & Local Government Industry Sector Award 2022 for Group
- ▶ RoSPA Gold Award 2022 for Customer Safety



2020/21 2021/22 2022/23 *Reduced from an initial target of 4,429 in response to market changes and economic climate

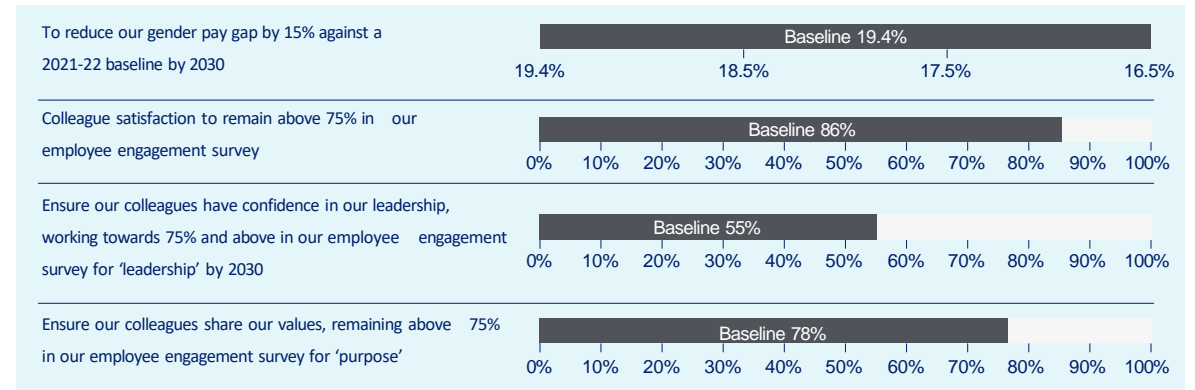
Provide high quality, affordable homes

Our People



Highlights:

- ▶ Create a diverse and inclusive workplace
- ▶ Attract and retain the right talent to deliver excellent customer services
- ▶ Provide a safe and secure working environment
- ▶ Unlock the potential in our colleagues and maximise their career satisfaction



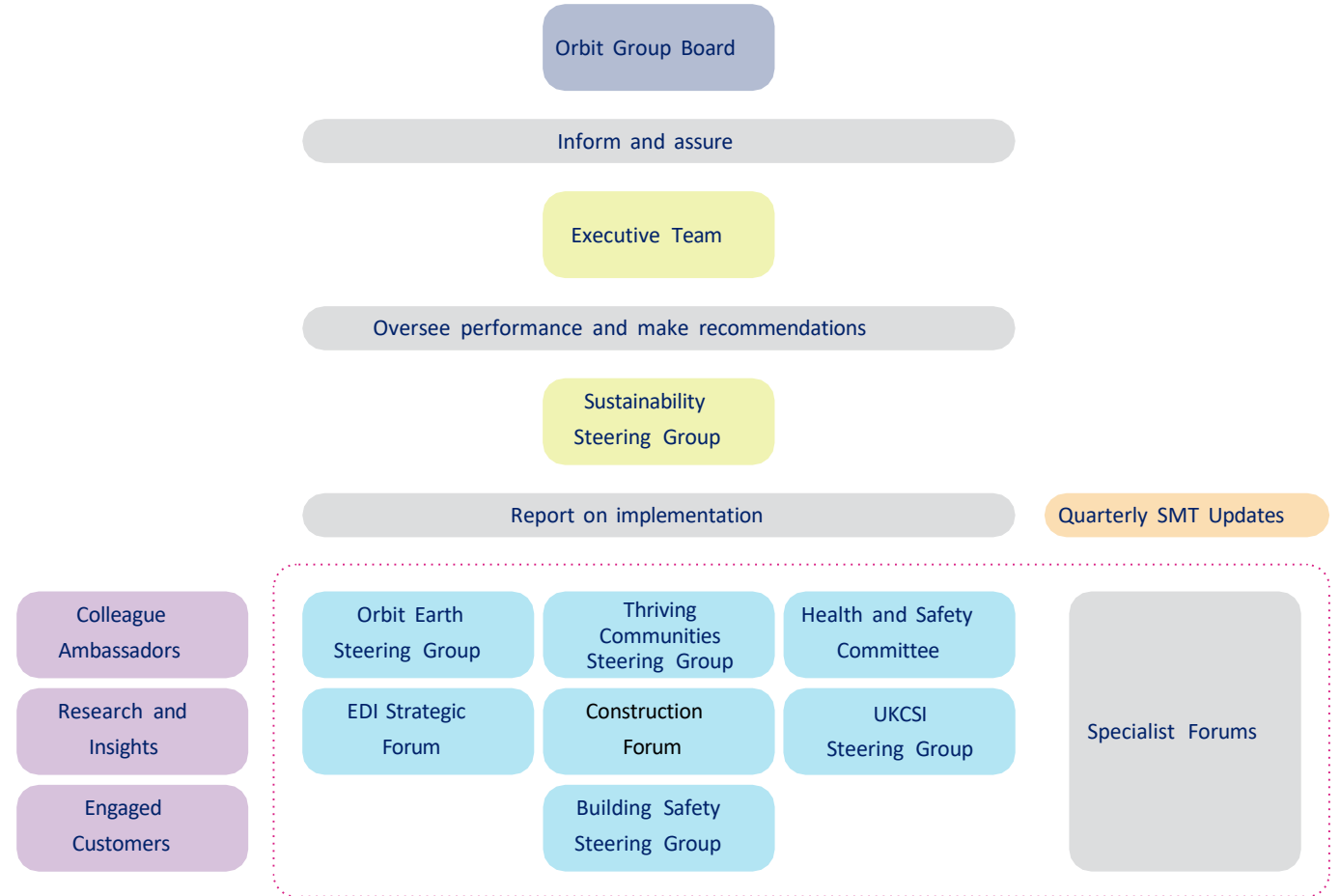
2020/21 2021/22 2022/23

Our people agenda is key to our success

Governance

Sustainability Steering Group

- ▶ To ensure the sustainability strategy remains relevant and appropriate to Orbit’s vision and values, our stakeholder expectations and the external environment.
- ▶ To provide oversight and assurance over the implementation of the strategy and performance against targets.
- ▶ To oversee the production and communication of the annual sustainability report.



Clear measures and reporting, supporting our strong governance

Sustainability Linked Loans

ABN-Amro



A sustainability linked loan providing incentives for achieving two sustainability linked KPIs

The first KPI measures Orbit's reduction in direct greenhouse gas emissions from owned or controlled sources (scope 1 emissions) and indirect greenhouse gas emissions from energy purchased for use in Orbit's own operations (scope 2 emissions).

The second KPI measures the Social Value that Orbit creates through its various social programmes, such as social value delivered by its Thriving Communities team, Tenancy Sustainment and Services team, its Independent Living team and by its supply chain. The Social Value will be calculated using the HACT and the national TOMs – Themes, Outcomes and Measures – methodology.

Barclays



A sustainability linked loan providing incentives for achieving two sustainability linked KPIs

The first KPI is linked to Orbit's performance against its target to manage 30% of its outdoor spaces in a way which enables nature's recovery by 2030.

The second KPI measures the Social Value that Orbit creates through its various social programmes and by its supply chain. The Social Value will be calculated using the HACT and the national TOMs – Themes, Outcomes and Measures – methodology.

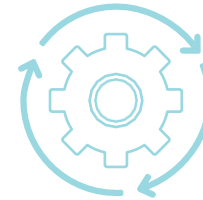
A large, semi-transparent blue circle is centered on the page, containing the text 'Financials & Treasury'. The background of the entire slide is a photograph of a construction site. In the foreground, three people wearing white hard hats and high-visibility orange safety vests are looking at a set of plans. The vest of the person in the center has the 'ORBIT' logo on it. The background shows a multi-story building under construction with extensive scaffolding and a red metal barrier in the foreground.

Financials & Treasury

Financial Highlights FY2023

Highlights:

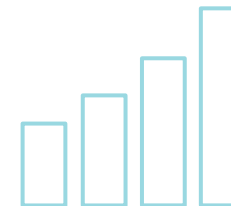
- ▶ Strong operating profit of £135m (FY2022: £131m)
- ▶ Robust operating margin of 25.1% (FY2022: 25.2%)
- ▶ A3 rating by Moody's (20 February 2023)
- ▶ Ample available liquidity (£491m vs FY2022 £510m)
- ▶ 99% fixed rate debt
- ▶ Strong interest cover (2.52x vs FY2022 2.15x)
- ▶ Large unencumbered security buffer of c. £1.07bn
- ▶ Customer arrears at low level (2.56% vs FY2022 2.5%)
- ▶ £38m investment planned in net zero carbon in the next 5 years



£135.2 million
operating surplus



£88.8 million
investment in our
existing homes



Interest Cover
252%



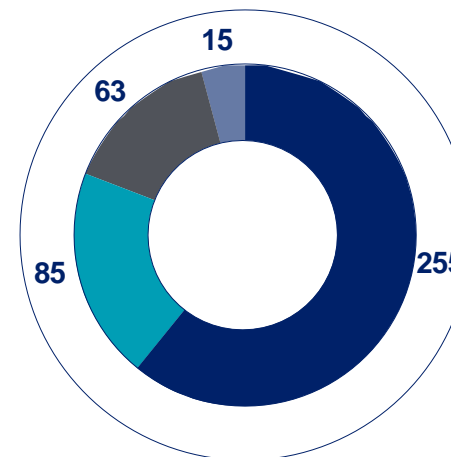
Rent arrears
of 2.56%

Five Year Summary of Financial Highlights

Statement of comprehensive income	2022-23 £m	2021-22 £m	2020-21 £m	2019-20 £m	2018-19 £m
Turnover	418	374	355	323	316
Operating costs and cost of sale	(313)	(280)	(265)	(238)	(230)
Operating profit (excluding sale of housing)	105	94	90	85	86
Operating margin %	25.1	25.2	25.4	26.3	27.2
Profit on sale of housing	30	37	22	45	30
Operating profit (Including sale of housing)	135	131	112	130	116
Operating margin %	32.3	35.1	31.5	40.2	36.7
Profit for the year *	90	81	62	72	41
Statement of financial position					
Fixed assets	3,044	2,931	2,788	2,688	2,524
Creditors due after >1 year	2,301	2,344	2,453	2,280	2,175
Revenue reserves	911	826	740	689	601
Gearing %	49.1	50.9	49.5	51.3	51.4
Key indicators					
Properties	2022-23	2021-22	2020-21	2019-20	2018-19
Properties	47,429	46,529	45,702	44,753	43,470
New homes built	1,257	1,013	848	1,520	1,266
Debt per unit (£k)	42.6	43.3	45.8	39.7	38.9
Interest cover	2.52	2.15	2.11	2.38	2.39
Liquidity covering committed net expenditure (months)	>36 months	>36 months	>36 months	>36 months	>36 months

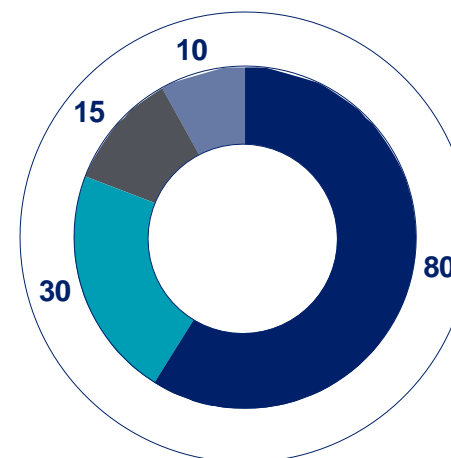
* £28m exceptional costs in respect of swap breakage for legacy loan in 2019

Turnover by type £m



- Social Housing Lettings (61%)
- Market Sale (20%)
- Shared Ownership (15%)
- Non Social and Other (4%)

Operating profit by type £m



- Social Housing Lettings (59%)
- Sale of Housing (22%)
- Market Sale (11%)
- Shared Ownership (8%)

Robust financial position maintained

Treasury

Liquidity:

▶ Robust liquidity policy:

Orbit will maintain a minimum level of liquidity such that there is:

- sufficient cash to cover the next three months forecast Net Cash Requirement,
- sufficient liquidity to cover the next twelve months Net cash requirement; and
- sufficient liquidity and committed (unsecured) loan facilities to cover the Net Cash Requirement for 24 months.

Moody's: A3 Stable outlook (20 February 2023)

Credit strengths

- ▶ Ample liquidity and sizeable pool of unencumbered assets
- ▶ Debt metrics forecast to remain relatively stable
- ▶ Strong market position, simple structure, adept governance and risk management

Strong ESG score (E-2, S-3, G-2)

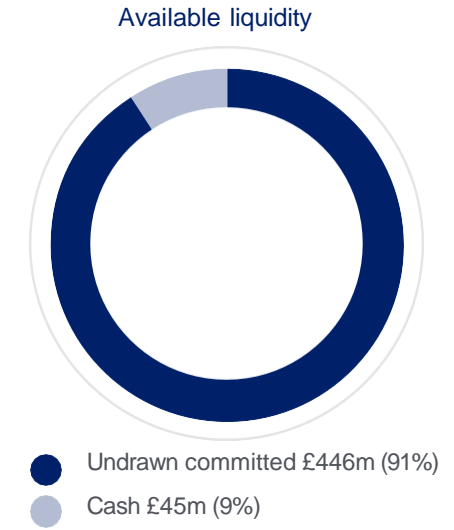
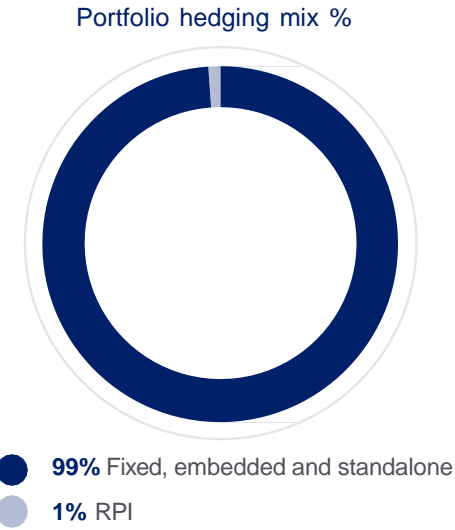
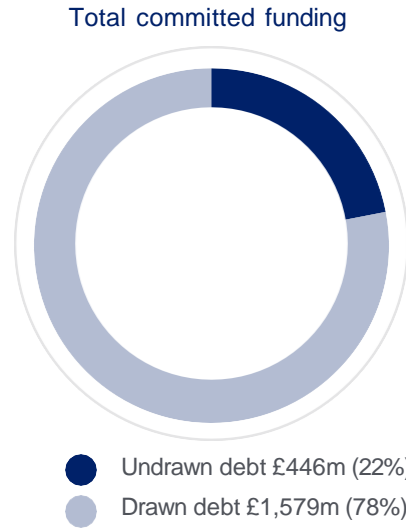
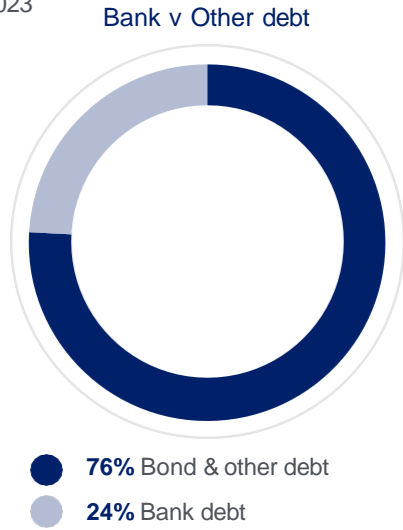


Ample liquidity available

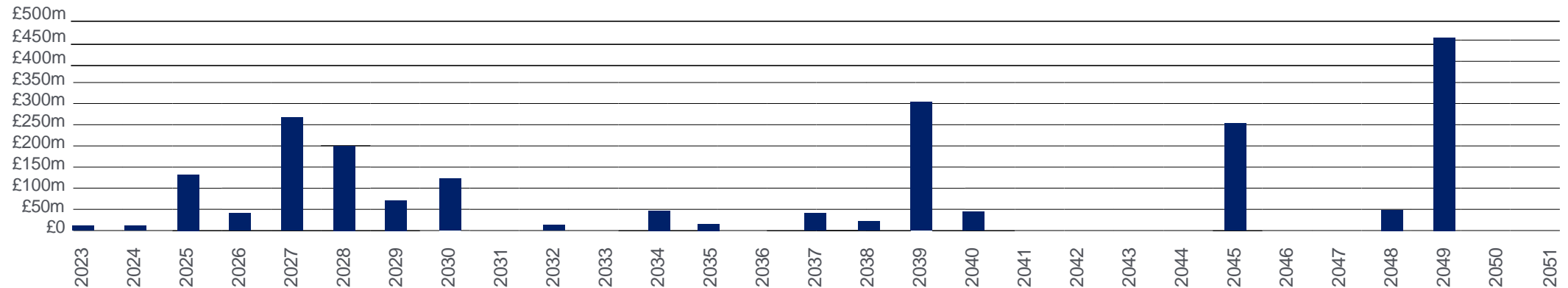
Stable and strong credit ratings

Capital Structure - Borrowing and Hedging

As at 31 March 2023



Consolidated facility maturity profile



Balance debt portfolio through both bank and debt capital markets



Conclusion

Credit Highlights



Over 47,000 homes and established in 1967, with wide geographic spread. Orbit is recognised as one of the UK's largest social housing providers



Sustainability is embedded in Orbit's strategy to lead in building thriving communities. £19.2 million in 2023 of added social value. 83.5% of our properties are already EPC C or above



Strong governance - solid framework that includes substantial scenario testing



Financially robust association - strong and consistent operating margin – strong liquidity position and interest coverage metrics, backed by a sizeable pool of unencumbered assets. A3 rating by Moody's



Experienced Boards and Leadership team with a mix of strong commercial and sector skills



Strong core social housing business - customer satisfaction 4.29 (out of 5)



History of successful affordable new homes programme - strategic partnership with Homes England £129m (2018) and £104m (2021)



Top 10 UK social housing developer

Disclaimer

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