

CAPITAL MARKETS DAY 2025



Presenters



Priya Nair
Chief Executive



Ben Rick
Chief Commercial Officer



Our Journey





Our Track Record

£7.9Bn

Total Capital Outstanding

149

HAs Supported

35+

Years as a Mutual Lender



(1) As at 31 March 2025



Role in the Sector - A Mission Driven Mutual



Independent Voice



Industry Leader



Sector Advocate



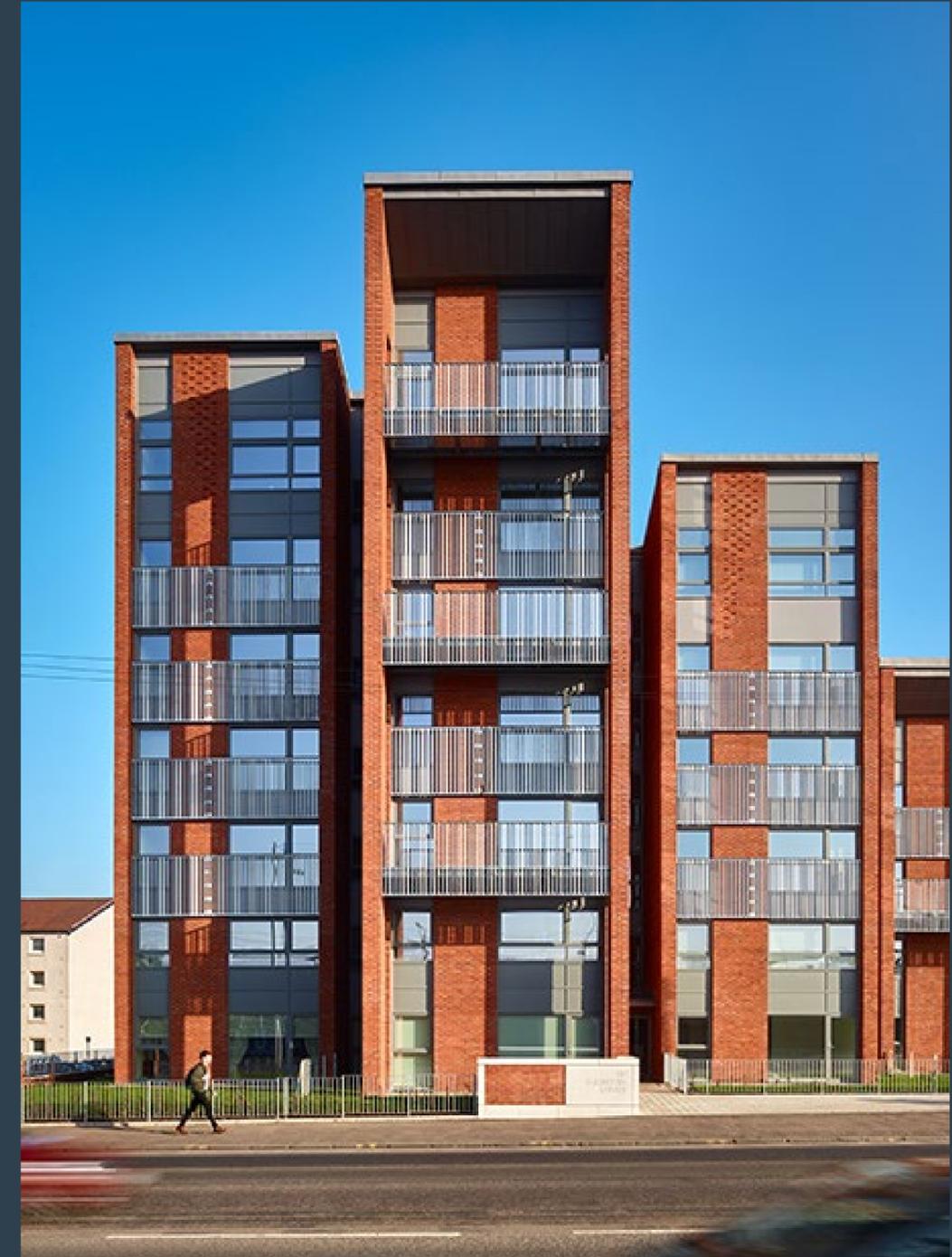
Trusted Partner



Innovator

A Challenging Context – Market Dynamics

- Weak economic outlook
- Increasing regulatory burden on housing associations
- Uncertain property market
- Ongoing cost of living challenges
- Demographics changing – ageing population
- Construction skills shortages and cost inflation





Supportive & Positive Policy Announcements

- Long-term £39bn Affordable Homes Programme
- A 10-year rent settlement and rent convergence
- Building safety fund and continuation of the Warm homes fund
- Establishment of the National Housing Bank
- Guarantee programme, equity partnerships toolkit
- Low interest loans



HM Treasury



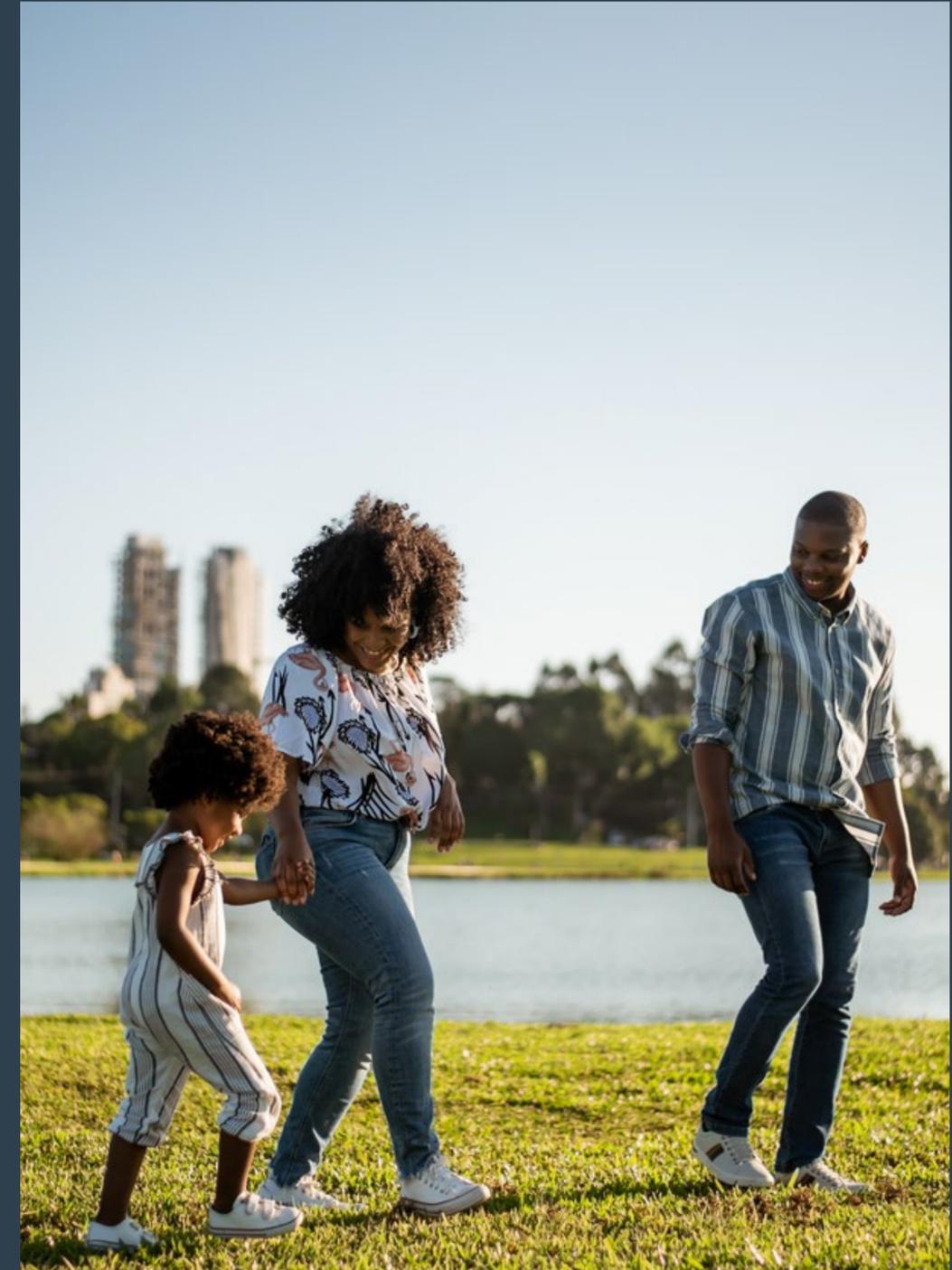
Ministry of Housing,
Communities &
Local Government



Homes
England



Department for
Energy Security
& Net Zero





Stakeholder Engagement

Institutional Investors



Partners



Clients





Advocacy



Elevate housing to be classified as national/essential infrastructure



Influence and support government bodies to drive sector impact



Collaborate and coordinate with sector leaders to solve shared challenges

More in Common

Beyond Bricks and Mortar: What's the path to seeing housing as part of national infrastructure?

Sunday, 28 September

17:15 to 18:15

Sherwood Arena Room, Secure Zone, ACC

Vicky Spratt (Chair)
The i Paper

Luke Tryl
More in Common

Dame Meg Hillier MP
Chair, Treasury Select Committee

John Grady MP
Member, Treasury Select Committee

Priya Nair
The Housing Finance Corporation

Jamie Jenkins
Royal London





Our Corporate Plan

Purpose: To provide financial solutions that enable the affordable housing sector to build and improve homes and create sustainable communities across the UK

Vision: The Housing Finance Corporation will be the catalyst to accelerate the development of affordable homes and sustainable communities

Strategic Goals



Grow business to better serve the affordable housing / communities sector



Solve client problems through a range of financial products and services



Develop strong relationships with investors to support their investment objectives



Connect organisations and facilitate partnerships



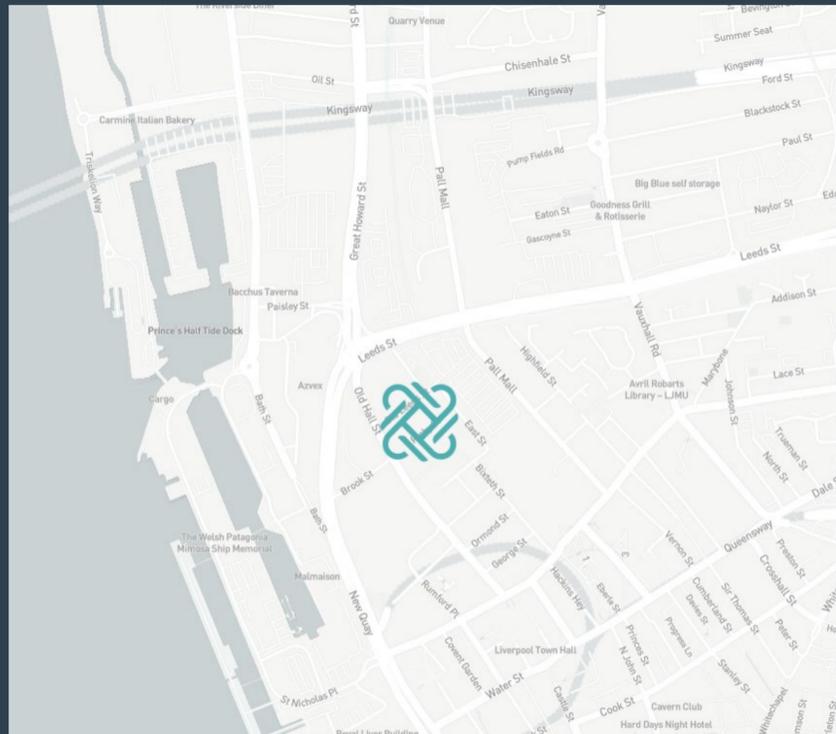
Improve internal governance and efficiency



Building for Growth

Place

Regional expansion



People

Strategic Hires



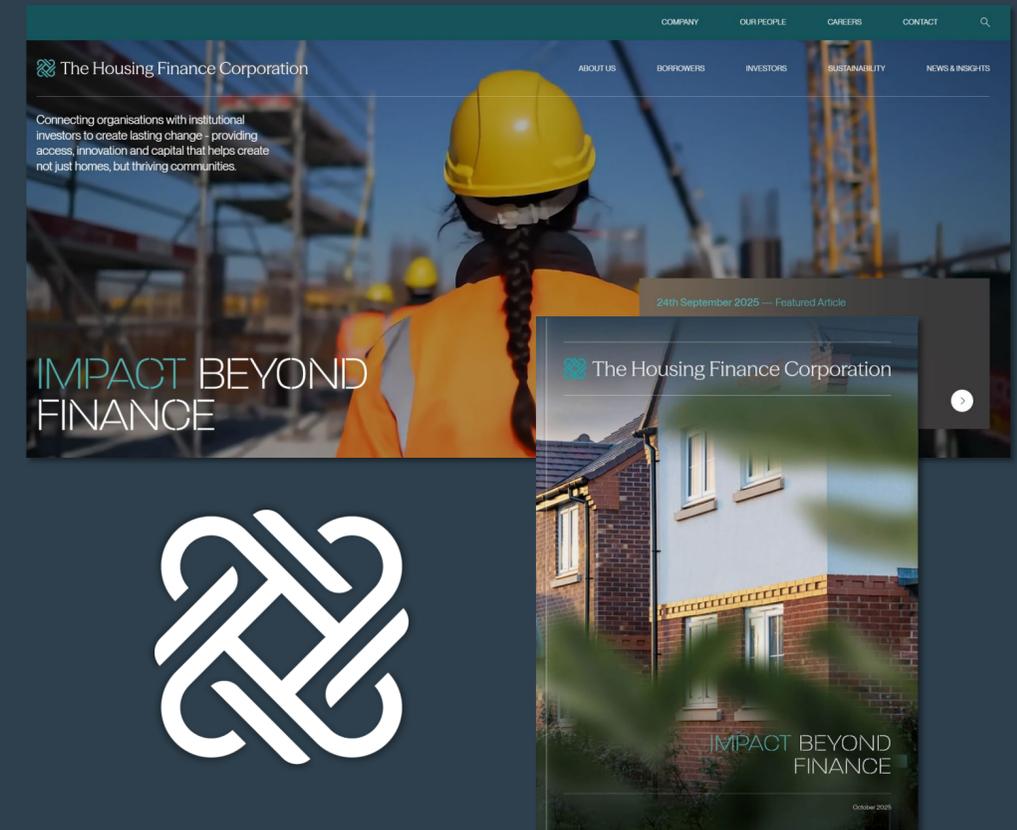
David Brigden
Senior Commercial Director



Karin Erlander
Senior Director, Credit

Presence

Brand Evolution





Our Issuing Vehicles

Bonds outstanding

Issuance Vehicles (excludes smaller entities)	Existing Lending	Lending Pending
Legacy	THFC Ltd (NR/A+) ¹ : £1.6bn AHF (NR/AA) ² : £1.7bn	-
Live	Blend (NR/A2) ³ : £1.9bn	TSF 1&2 ⁴ : First Issues Pending

(1) via Funding No.1 Plc, T.H.F.C Funding No.2 Plc and T.H.F.C Funding No.3 Plc - £40m of retained bonds remain available for sale from THFC No3

(2) Benefits from a Government guarantee

(3) Includes £150m retained

(4) Rating for TSF vehicle is to be confirmed



Stable Ratings Across Platform

Investment-grade ratings reaffirmed in 2025

A+ (stable)

S&P Global

The Housing Finance Corporation's Group

Reaffirmed September 2025

“THFC has the longest track record among bond aggregators in providing funding to the sector, and it benefits from close ties with about 150 borrowers.

We expect THFC's loan book to grow faster than in the past couple of years, reflecting the group's efforts in designing new funding solutions that address stakeholders' needs and new rising issues.”

A2 (stable)

MOODY'S RATINGS

Blend Funding Plc

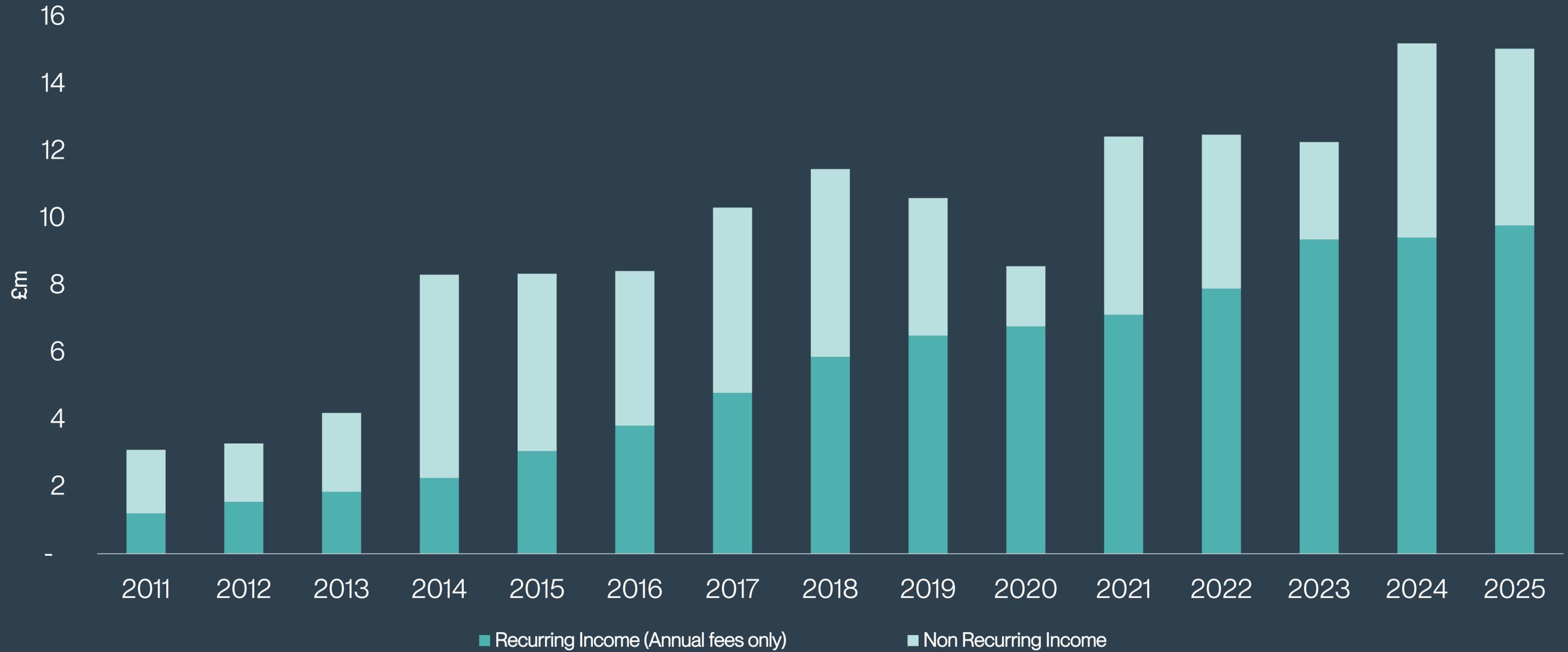
Reaffirmed June 2025

“The credit profile of Blend Funding plc ... is supported by the strong credit quality of the participants within its pool programme, the structural enhancement provided by a one year liquidity reserve for each issuance, predictable cash flows and the expertise of its management team ... evidenced by its stringent due diligence and ongoing monitoring process.”



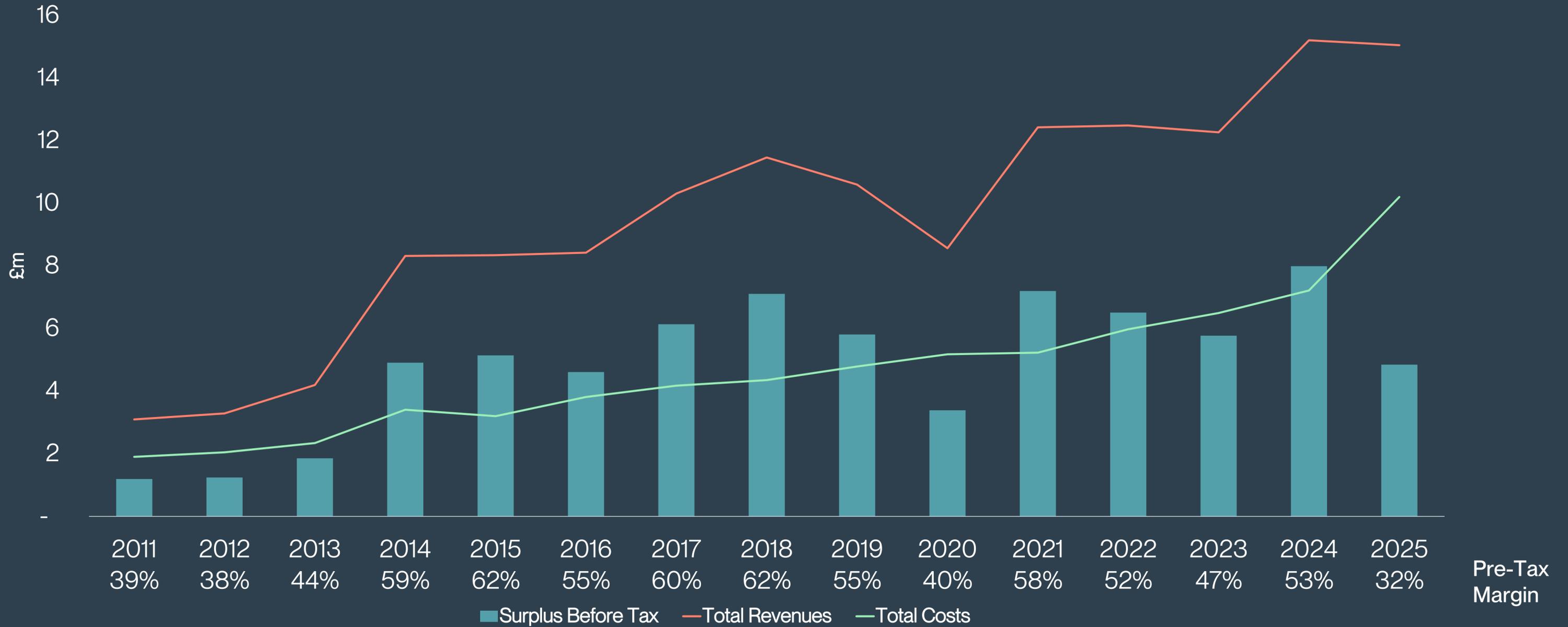


Revenue Underpinned by Inflation Linked Recurring Income





Track Record of Profitability and Stability





Operational Resilience

Strategic investment in technology and process improvements to enable the expansion of our financing efforts, enhancing support for the UK's affordable housing sector



Accelerating the adoption and use of leading technology to drive better client outcomes and support our growth ambitions



Integrating our technology solutions to enhance workflow efficiency, centralise data and mitigate risks



Streamlined data collection and sophisticated analysis tools will allow for enhanced reporting, including sustainability information





Borrower Oversight

- Robust oversight of borrower quality maintained through lending lifecycle, overseen by the Executive Credit and Issuance Committee (ECIC) and experienced credit and risk team
- Extensive upfront and ongoing borrower due diligence
- Access to private side information also allows for potential proactive intervention to encourage remedial action
- Lending limits decided with input from internal credit grading model, ensuring quality of portfolio
- Annual review of all borrowers
- Portfolio performance metrics shared with credit rating agencies to providing sector background

Key Areas of Borrower Due Diligence

Financial

- Key ratios from 30-year forecasts
- Financial plan stress testing
- Financial covenants
- Hedging policy and exposure to interest rate volatility
- Treasury policies
- Debt portfolio and liquidity

Non-Financial

- Board and management composition
- Quality of governance framework
- Development programme, track record and capability
- Stock condition, asset management and investment needs
- Exposure to welfare reform
- Regulatory outputs with increased focus to consumer outcomes

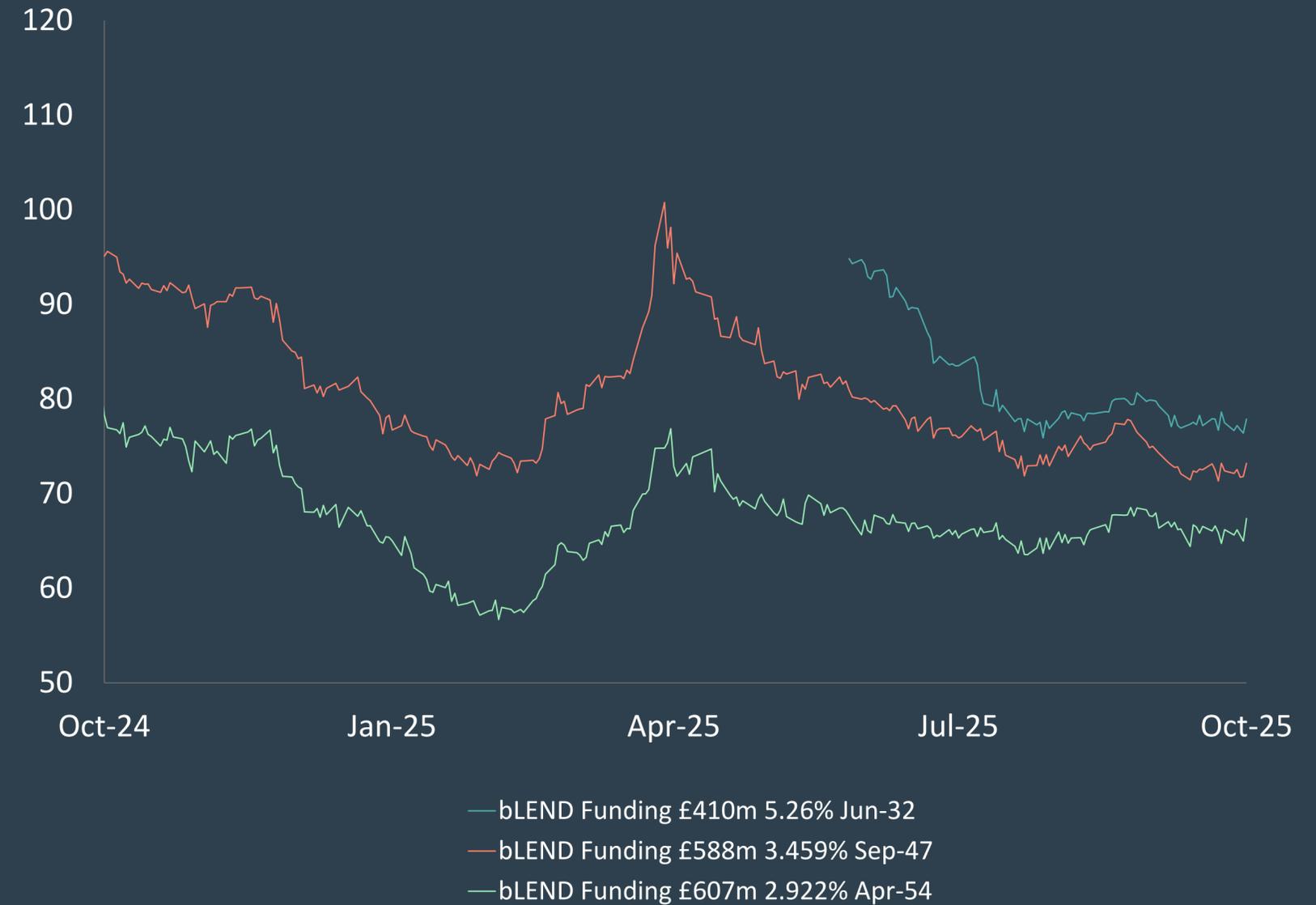


Spread Performance and Market Opportunity

Blend Benchmark Issue One Year Secondary Spread Movements

Blend issue	Issue Size	Gilt Spread - 10/10/24	12 Month Wide	12 Month Tight	Gilt Spread 10/10/25
5.26% 2032	£410m (£150m retained)	+100 (issued 06/25)	+95	+76	+78
3.459% 2047	£588m	+95	+101	+72	+75
2.922% 2054	£607m	+80	+83	+57	+65

One Year Spread History



(1) Marketwatch.com



Product Innovation

Unlocking Development & Retrofit



Partnership with



New Vehicle for at Scale Development



National Housing Bank Product Toolkit

Improving Access to Capital



Partnership with



Low Denomination Issuance



New Multi-Issuer £5bn EMTN Programme

- Swithins 1 Plc
- Swithins 2 Plc

Supporting Stock Rationalisation



Shared Ownership



Temporary Accommodation



Looking Ahead



Consolidate



Strengthen



Evolve



“The best way to predict the future is to create it”



APPENDIX

PORTFOLIO PERFORMANCE



Portfolio Dashboard

Portfolio by Country

Figures in £'m and at 31 March unless otherwise stated	2023	2024	2025	June 2025
England	6,464	6,501	6,496	6,607
Northern Ireland	214	213	213	212
Scotland	194	193	191	191
Wales	671	655	653	652
Total	7,543	7,562	7,553	7,662

Portfolio by Exposure

Figures in £'m and at 31 March unless otherwise stated	2023	2024	2025	June 2025
The Housing Finance Corporation Ltd	2,814	2,627	2,610	2,565
Blend drawn	1,430	1,430	1,520	1,780
Blend deferred	40	40	-	-
Blend signed not priced	-	215	180	75
AHF	3,244	3,244	3,242	3,242
SHF/Index Linked	14	6	1	0
Total	7,543	7,562	7,553	7,662

Portfolio by Top 5 Borrowers

Figures in £'m as at 30 June 2025	THFC	Blend	Sub-total	AHF	Total
Sovereign Network	153.4	-	153.4	230.5	383.9
Metropolitan Housing Trust	63.8	250.0	313.8	25.0	338.8
Platform Housing	3.8	180.0	183.8	140.0	323.8
Southern Housing	155.3	-	155.3	150.1	305.4
Abri Group	33.5	55.0	88.5	172.8	261.3
Total	409.8	485.0	894.8	718.4	1,613.2

Portfolio – Lowest Graded and Watchlist

Figures in £'m and at 31 March unless otherwise stated	2023	2024	2025	June 2025
Lowest Graded	702	411	656	641
Watchlist	127	463	359	329
Lowest Graded as a % of portfolio	9%	5%	9%	8%
Watchlist as a % of portfolio	2%	6%	5%	4%



Portfolio Dashboard

Portfolio Commitments by Country

Figures in £'m and at 31 March unless otherwise stated	2023	2024	2025	June 2025
England	3,126	3,126	3,125	3,125
Northern Ireland	0	0	0	0
Scotland	17	17	16.7	16.6
Wales	101	101	100.7	100.7
Total	3,244	3,244	3,242	3,242

Portfolio by Top 5 Borrowers

Figures in £'m as at As at 30 June 2025	
Sovereign Network Group	230.5
Bromford Flagship	190.0
Abri Group	172.8
Vivid Housing	164.7
Southern Housing	150.1
Total	908.1

Portfolio – Lowest Graded and Watchlist

Figures in £'m and at 31 March unless otherwise stated	2023	2024	2025	June 2025
Lowest Graded	235	95	301	301
Watchlist	35	157	99	99
Lowest Graded as a % of portfolio	7%	3%	9%	9%
Watchlist as a % of portfolio	1%	5%	3%	3%



Portfolio Dashboard

Portfolio Commitments by Country

Figures in £'m and at 31 March unless otherwise stated	2023	2024	2025	June 2025
England	1,248	1,363	1,378	1,533
Northern Ireland	50	50	50	50
Scotland	22	22	22	22
Wales	225	250	250	250
Total	1,570	1,685	1,700	1,855

Portfolio Characteristics

Figures in £'m and at 31 March unless otherwise stated	2023	2024	2025	June 2025
Drawn loans	1,388	1,430	1,520	1,780
Deferred drawdown loans	83	40	-	-
Signed but undrawn loans	100	215	180	75
Total Loans	1,570	1,685	1,700	1,855
Number of Borrower Groups	30	31	32	32

Portfolio by Top 5 Borrowers

Figures in £'m as at 30 June 2025	
Metropolitan Housing Trust	250.0
Platform Housing	180.0
Wales & West	110.0
Vico Homes	100.0
Torus	100.0
Total	740.0

Signed not priced borrower	Amount £'m	Expiry
West Kent Housing	50	Sep-25
Ongo Homes	25	Mar-26
Total	75	

Please get in touch with any questions.

Contact

thehousingfinancecorp.com
+44 (0) 20 7337 9920

3rd Floor, 17 St. Swithin's Lane,
London, United Kingdom, EC4N 8AL



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