



GSA - Investor update

July 2026





Agenda

1. Regulator update
2. Strategy & Mission
3. Transformation
4. Customer
5. Financial Performance
6. Treasury

1. Regulator Update





Regulator engagement

- GSA has been placed under regulatory review;
- The review relates to Governance and Financial Viability standards.
- The Board and Executive are working constructively and transparently with the Regulator;
- A comprehensive improvement programme is underway.

What we're doing:

- Strengthening governance
- Enhancing financial controls
- Improving forecasting
- Accelerating operational efficiency
- Increasing Board oversight



2. Strategy & Mission





2023-28
**business
strategy**

What we'll do, how we'll do it

Everything we want to achieve in the next five years sits under our **three pledges**: Simpler, Stronger, Better.

Under these pledges sit **four objectives** which will enable us to meet them:

We will **simplify and strengthen our business**

We will **improve the quality of our existing and new homes**

We will **improve our customer offer**

We will **create a culture which empowers our people**



Under each objective sit **workstreams and projects** which will enable us to deliver them.



How we'll know it's working

We will measure the success of our strategy using a series of key performance indicators:



Customer satisfaction



Repairs completion



Employee engagement survey results



Turnaround time for our empty homes



EPC rating of our homes



Colleague retention rates



Call and email response times



Investing in our homes

We will invest £94m in our homes in 2026/27 including:

- Kitchen and bathroom replacements
- Boiler replacements
- Energy efficiency works
- Fire and building safety work
- Improvements to shared areas



Building new homes

- We delivered **121** homes in 2025/26 and plan to deliver another **250** in 2026/27
- **We will continue to contribute to housing supply in our communities, accessing grants.** Recently we reached the 1000-homes mark through one of our partnerships.
- We must continue to **balance investment in new homes with the need to invest in our existing homes**



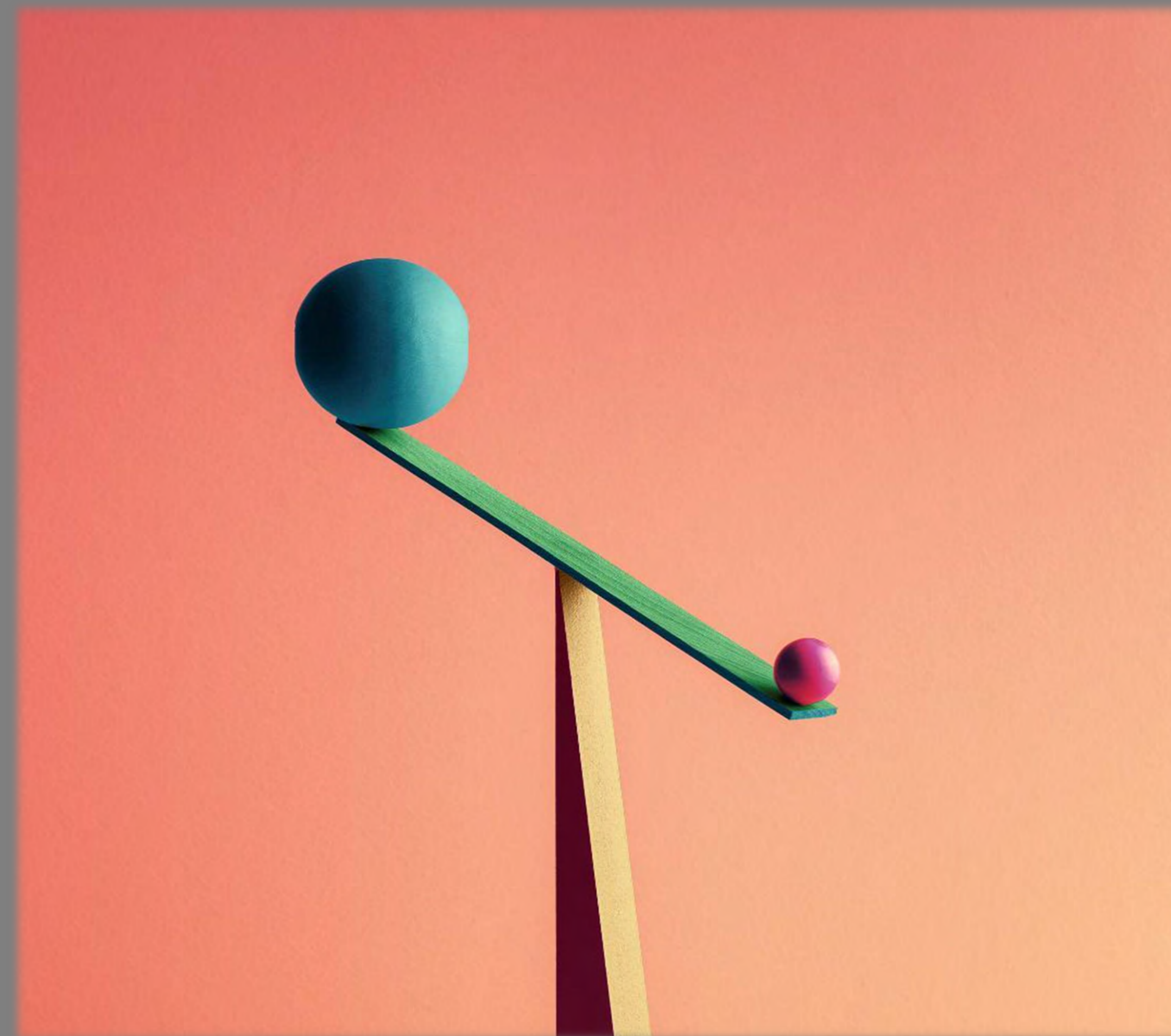
Selling our homes responsibly

- Our long-term investment plan includes a **commitment to ensure all our homes meet a minimum environmental standard of EPC C**
- In some cases, it is clear the amount of long-term investment required to bring a property up to this standard **would not represent a responsible or sustainable investment for us**
- Where this is the case, **we must make the decision to sell these properties**



Selling our homes responsibly

- From a low starting point, **we grew the disposals programme in 2025/2026 to c.225** properties and we are projecting to do the same in 2026/27
- We understand that this is a challenging message in communities which desperately need social housing, but **this must be balanced against ensuring the homes we own and manage are of the quality our customers deserve** now and into the future
- We will **continue to engage our partners proactively**



3. Transformation



Project Scope: Cost Reduction Programme

- The programme will deliver a range of cost reduction activities with an overall aim of delivering £10m of savings.
- Included in the programme are the following elements
 - Leadership restructure
 - Other headcount savings
 - Reduction in cost 'leakage' through areas such as disrepair, compensation, long term empty properties
 - Operational efficiencies through review of voids and repairs
 - Improved service charge recovery through the service charge improvement programme
 - Systems efficiency programme-delivering cost reductions through improved use of systems such as MRI, procure to pay, CRM
- The programme will be delivered in two waves as part of a phased plan over 2026/27 and 2027/28.

High Level Timeline & Activity



INITIATION

Business Case approval
Defining programme deliverables, agree timeline, impact risk assessment, immediate establishment plans & controls complete



2026

Apr/May

PLANNING

Detailed project plans created, programme delivery resource identified & recruited, spans & layers, skills review, develop workforce profile, preparation of collective consultation, FTC review

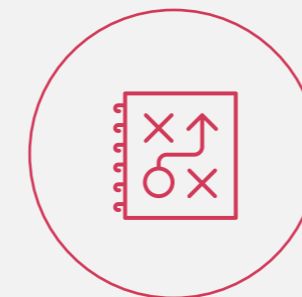


2026

May/June

EXECUTION

Delivery of programme activity for establishment & critical projects, open & close collective consultation to start (if not before) exit FTC



2026

June/July

CONTROL

Performance framework in place, individual consultation start & close, preparation for Wave 2 and new ways of working



2026

Aug/Sept

CLOSURE

Establishment realisation
New structures, work activity and ways of working start to be embed, Exits take place



2026

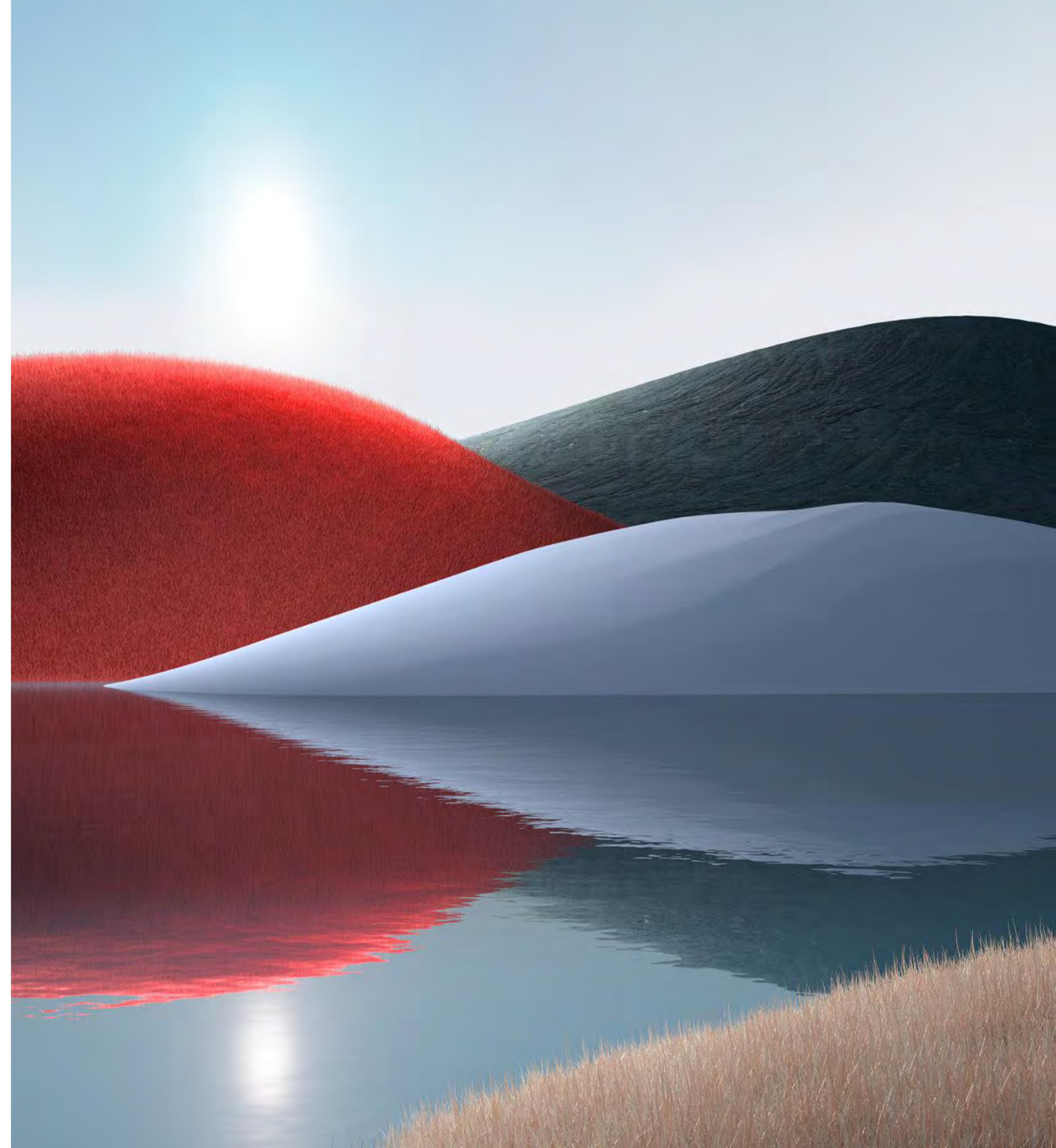
Sept/Nov

4. Customer



Significant improvements across tenant satisfaction measures

Measure	24/25	25/26	Change
Overall satisfaction	58%	67%	+8.6pp
Repairs satisfaction	57%	67%	+10.3pp
Home well maintained	57%	69%	+12.7pp
Home is safe	65%	80%	+14.8pp
Landlord listens	50%	60%	+10.2pp
Keeps tenants informed	52%	65%	+12.9pp



Safe homes

Measure

Fire risk assessments

Asbestos surveys

Gas safety

Lift safety checks

Legionella assessments

Performance

100%

100%

99.8%

99.1%

98.3%



5. Financial Performance

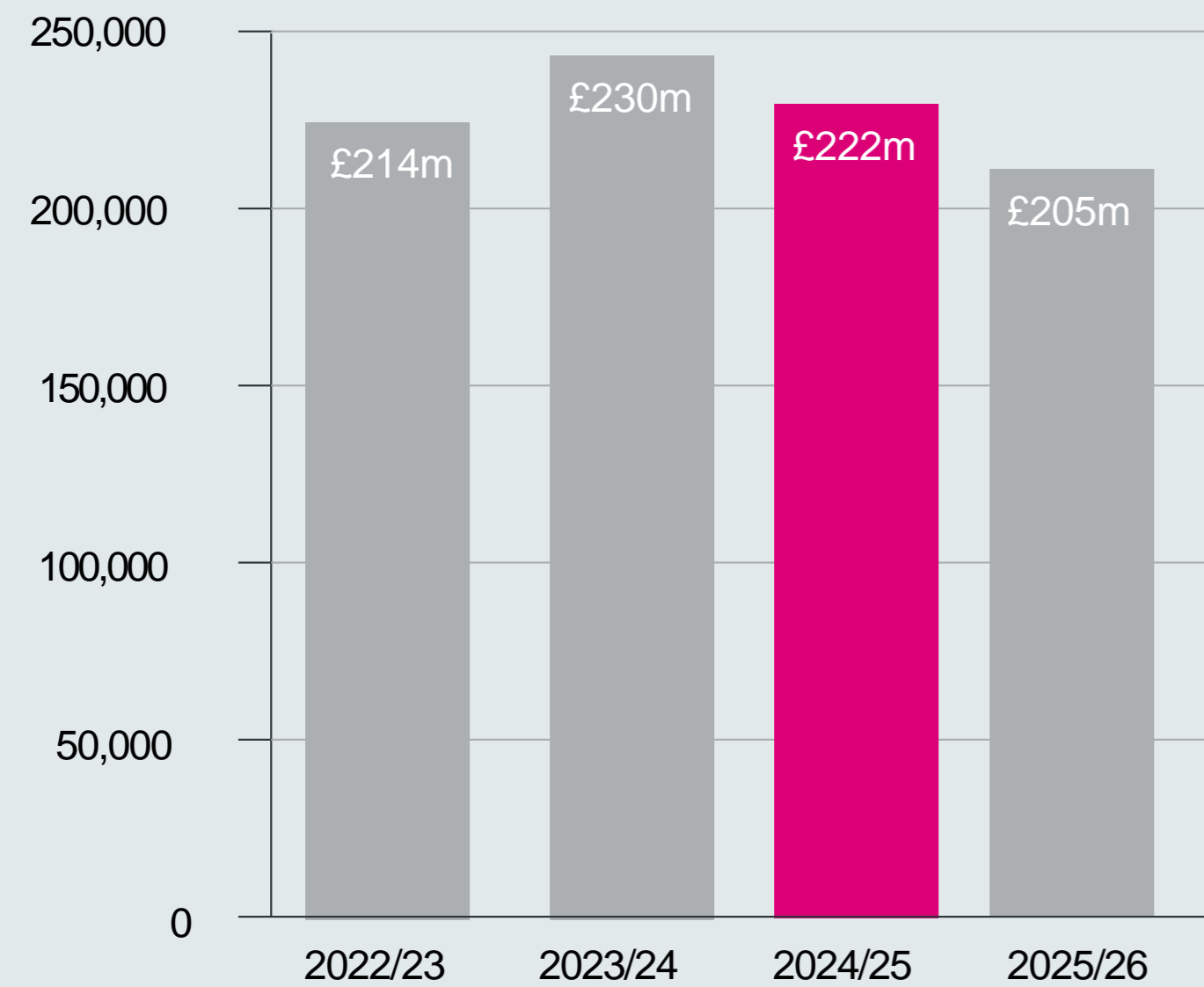


Financial Performance 2024/25

Stability in turnover reflects strategic decision to focus on core business

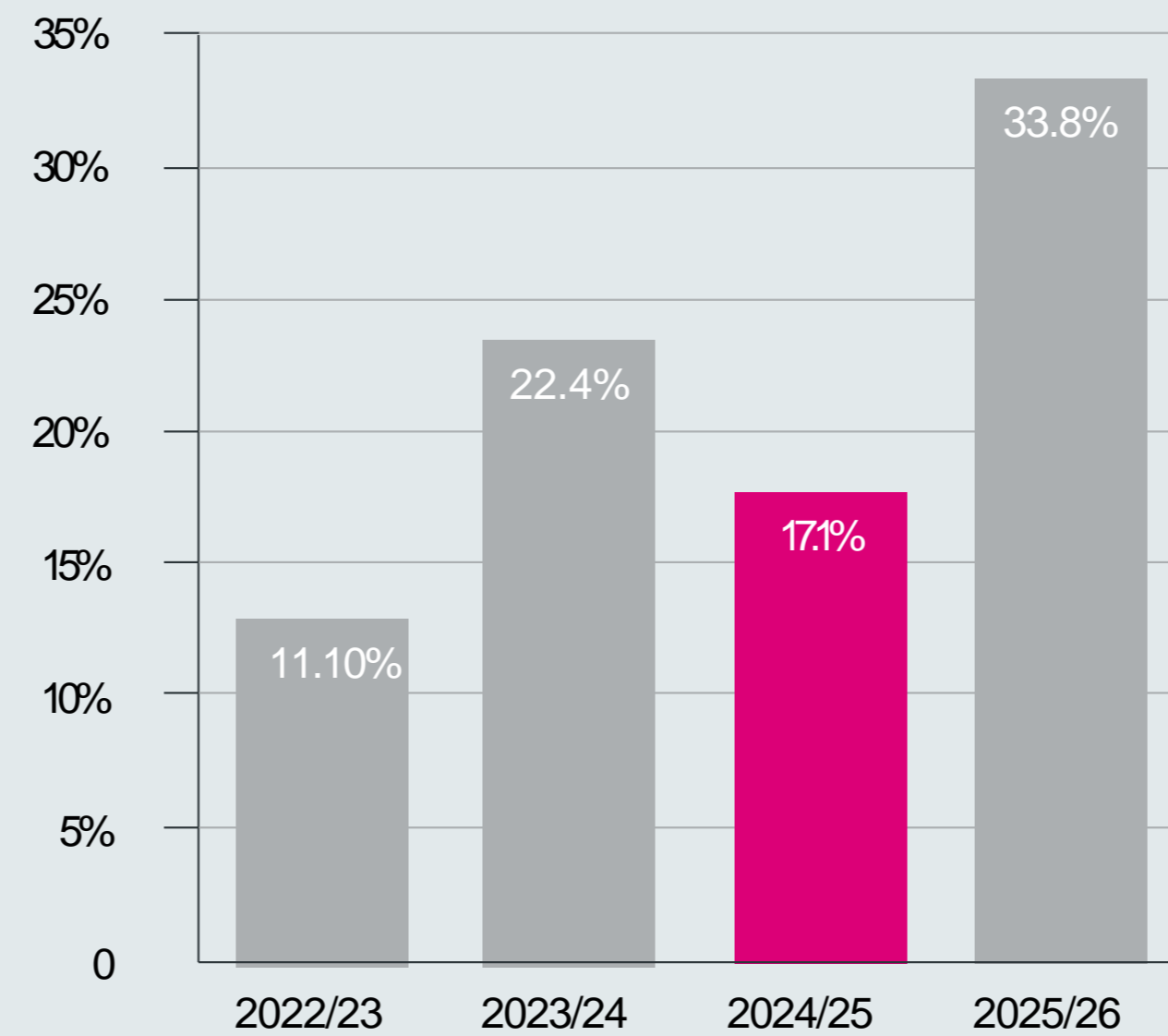
Turnover

Turnover reduction reflects reduced level of sales and non-profitable activity:



Operating margin

Overall operating margin forecast to improve after one-offs in 2024/25:



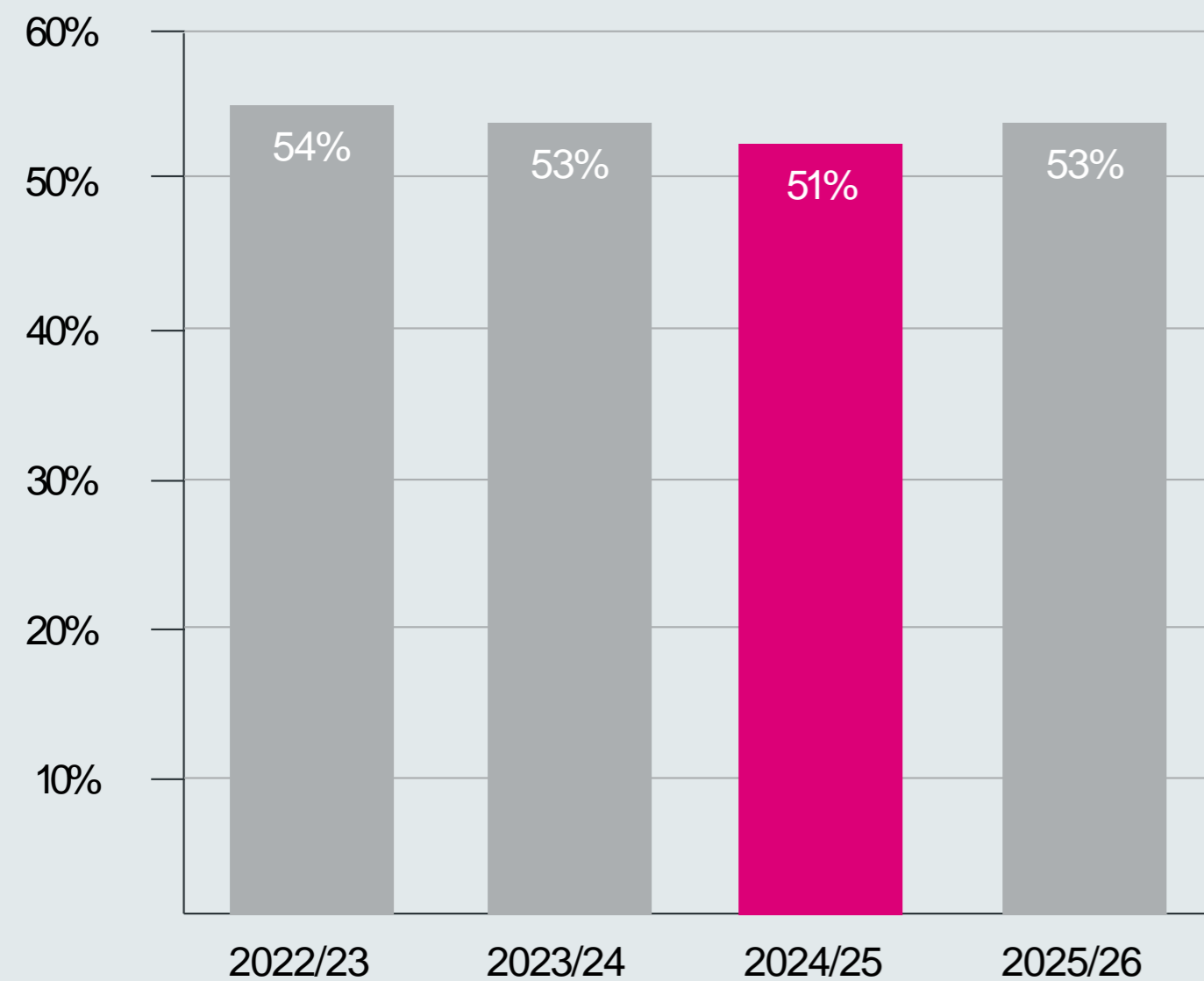
- Turnover reduction reflects reduced level of sales and non-profitable activity
- Operating margin exc disposals expect to return to c20% in 2025/26

Financial Performance 2024/25

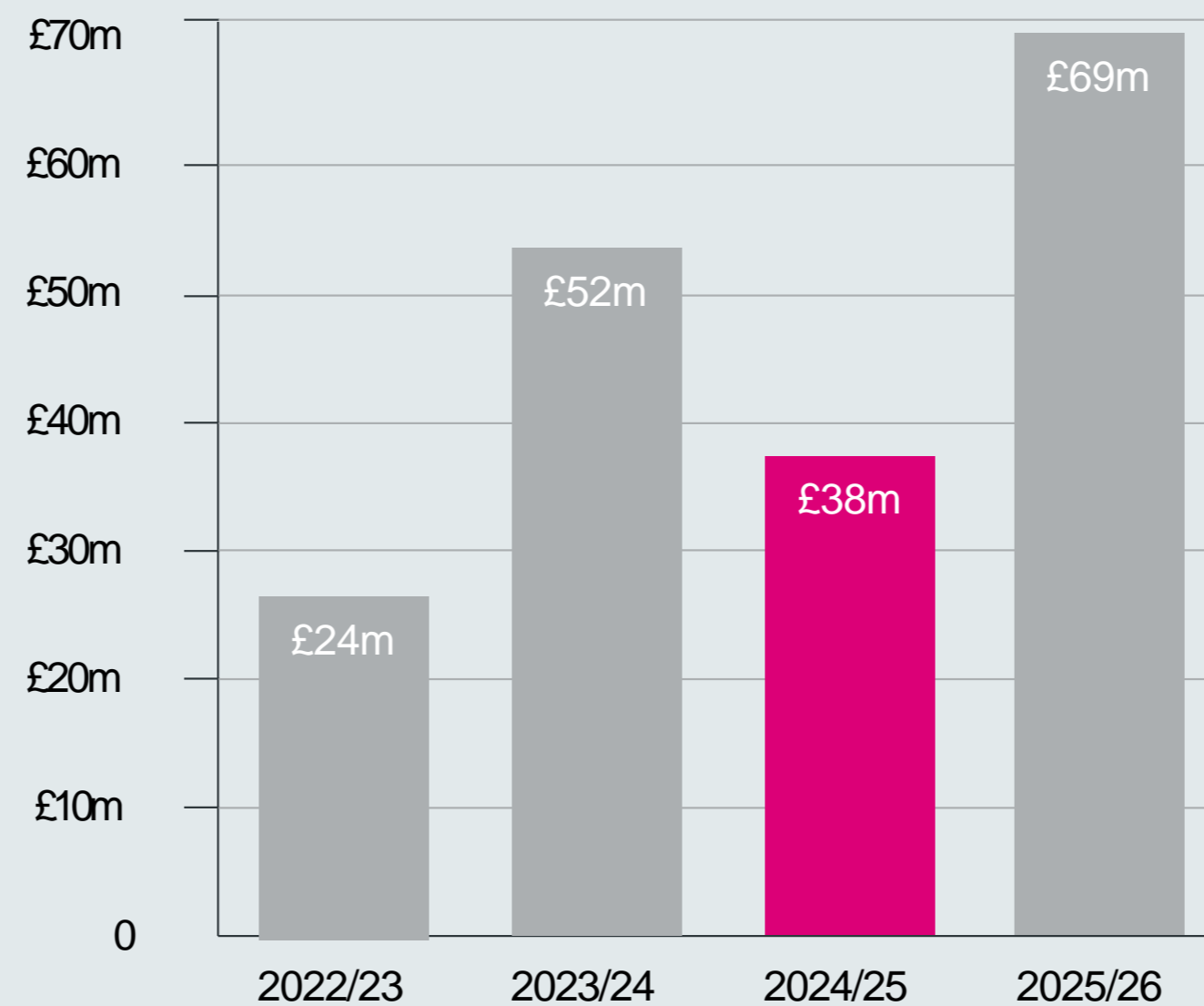
Stability in turnover reflects strategic decision to focus on core business

Gearing

No new funding requirement in plan with currently no forecast development spend beyond 2027/28:



Operating surplus



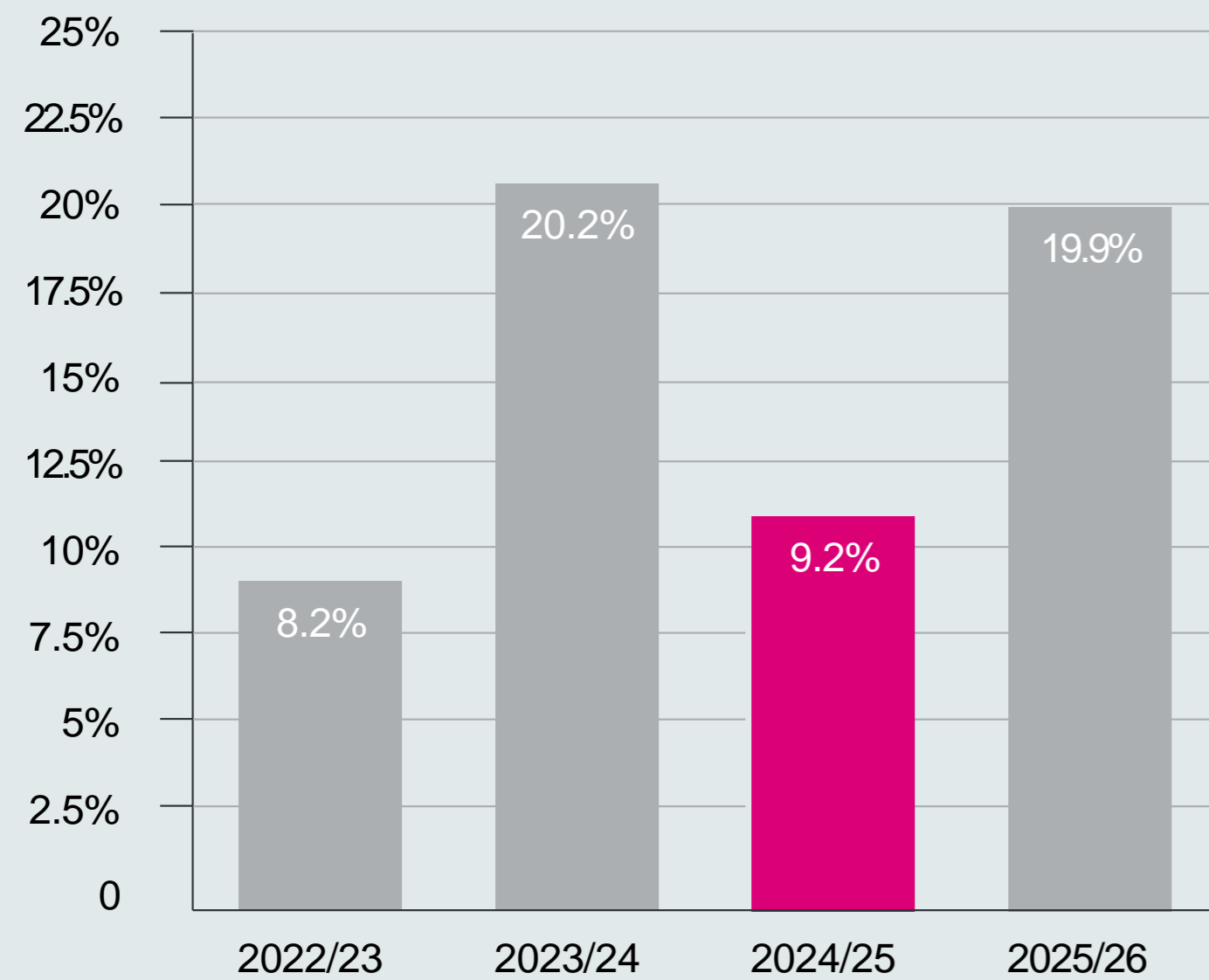
- Deleveraging strategy has seen a fall in our gearing. No new funding requirement in plan with currently no forecast development spend beyond 2027/28
- Operating surplus has recovered due to stability of our operating activity
- All covenants now on EBITDA only basis and material improvement in headroom

Financial Performance 2024/25

Stability in turnover reflects strategic decision to focus on core business

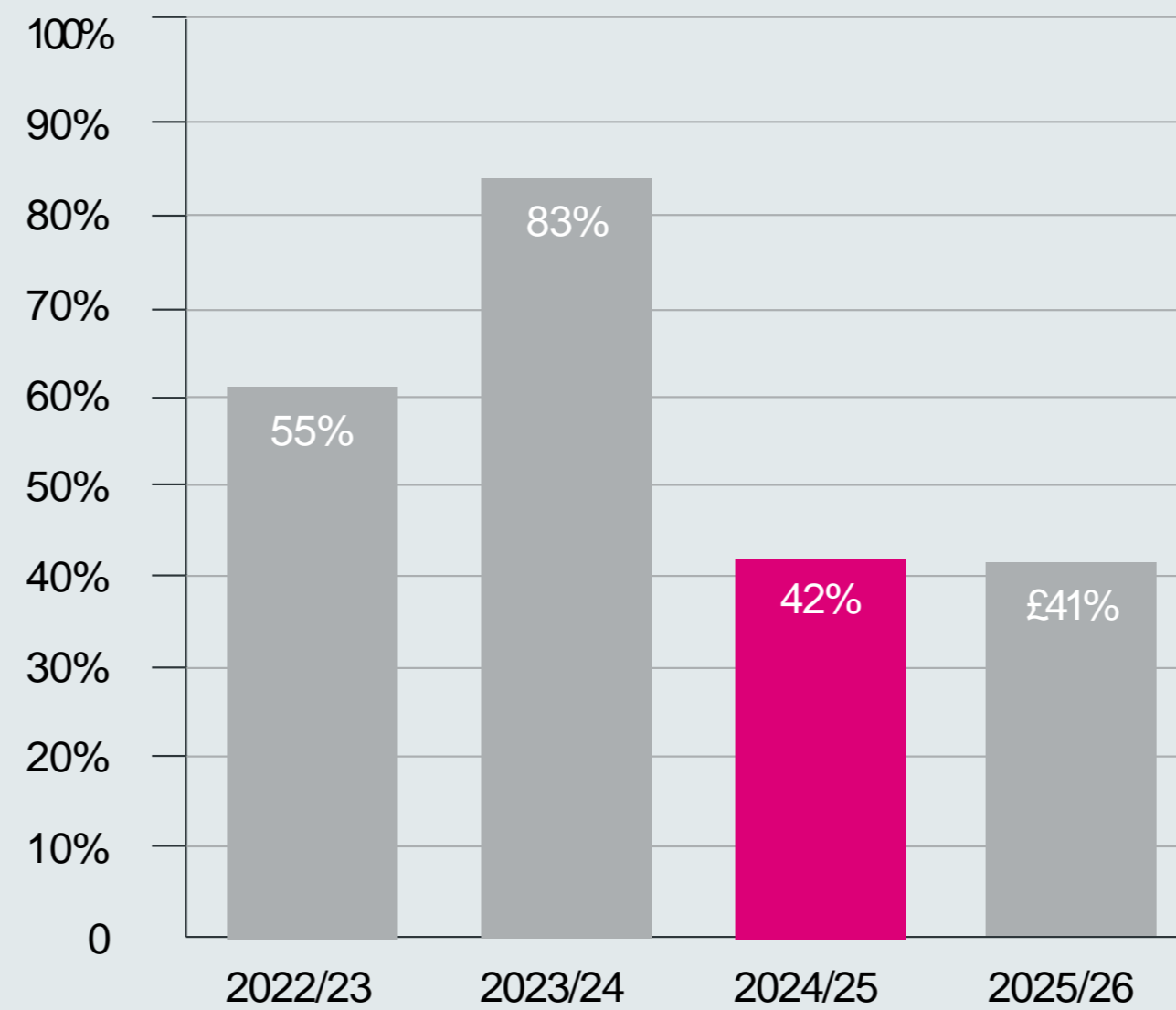
Operating Margin

(exc. disposals)



EBITDA MRI interest cover

(exc. disposals)



- We expect performance to remain at c50% until 2030 where the trajectory improves post completion of the fire and EPC C investment programmes

23/24 and 24/25 performance

Key metrics

- 2024/25 deficit impacted by £14m of one-off costs
- Year on year trend shows impact of strategic changes enacted to focus on core activity
- Social housing margin at 24% for last year; expect to reduce in 2025/26 as we increase revenue investment in existing homes
- Successful first year of disposals programme, increasing to 250 units in 2025/26

	2026 budget	2025 actual	2024 actual
Total turnover	£205m	£222m	£230m
Turnover from social housing lettings	£198m	£184m	£175m
Shared ownership sales	£5m	£6m	£10m
Open Market sales	£1m	£12.5m	£20m
Non-social housing activities	£2.3m	£14.4m	£20.7m
One off costs	£0	£14m	£0m
Operating surplus	£69m	£38m	£52m
Surplus/(Deficit) for the year	£20m	(£14m)	£4m
Margins			
Operating margin (overall, inc disposals)	33.8%	17.1%	22.4%
Operating margin (overall, exc disposals)	19.9%	9.2%	20.2%
Operating margin (exc disposals and one offs)	19.9%	15.5%	20.2%
Social housing operating margin	21.5%	24.3%	26.2%
Capital investment & funding			
Total housing properties	£2,071m	£2,051m	£2,028m
Total debt	£1,158m	£1,145m	£1,131m
Investment in existing properties	£43m	£22.6m	£22.1m
Undrawn facilities	£310m	£310m	£434m
Key ratios			
Gearing	53%	51%	53%
EBITDA interest cover	188%	114%	145%

Summary

Impact of derisking activities completed in 2024/25

Area	Description	Impact (Group)	Impact (Assoc.)
Greensquare Homes and LoCaL Homes	These are the Group's commercial subsidiaries, undertaking open market sales and timber frame manufacturing respectively. While GS Homes (open market sales) has generated significant returns over its life, we have made a strategic decision to no longer undertake outright sales, and similarly to exit from manufacturing activity as conducted by LoCaL Homes. The £15.2m represents the write off of fixed asset investments in the subsidiaries and interco loans to the extent that these cannot be repaid, hence zero impact at Group level for these non-cash adjustments.	-	£15.6m
LoCaL Homes exit	The Group has been exploring options for some time for an exit from LoCaL; having concluded this process we anticipate closing down activities by March 2026. These costs represent the provision for exit costs (largely the onerous lease) and impairment of fixed assets.	£2.5m	-
Dementia care homes	We completed the sale of the remaining two dementia care homes in February 2025; this represents the loss on sale realized in year, but reduces the Group's exposure to further losses from this non-core activity in the future.	£2.5m	£2.5m
Mental Health & Learning Difficulties portfolio	As we continue to review our portfolio of Care & Support activities, we anticipate reviewing the strategic fit of this portfolio, the Group's last remaining registered care activity. We have sought valuations on a number of impacted properties and recognized the impairment on those impacted.	£2.2m	£2.2m
Methuen Park office	Next phase of workspaces project to rationalize office estate; existing location no longer required – non cash impairment based on latest valuation.	£1.8m	£1.8m
Sharpness	Sharpness is a joint venture which is assembling land options for the development of land in Stroud. GreenSquare Homes, a 100% subsidiary of GSA, owns a 50% share of the JV was valued at cost at £4.1m previously. Based on external advice on a range of outcomes linked to the planning status of the scheme we have recognized an impairment in the case that we are not able to realise the full value of the investment.	£3.7m	-
Other impairment	Relates to a single general needs block which is not viable for us to retain with investment required; sale expected to local authority at reduced value.	£3.7m	-
Total		£16.4m	£22.1m

Treasury Highlights

Table 1: £ms

Loan Facilities

Drawn

Headroom

Cash

Overdraft facility

Total Liquidity

Hedged (fix, swap, inflation-linked)

Weighted cost of borrowing

Mar-26

£1,447

£1,162

£178

£17.5

£7

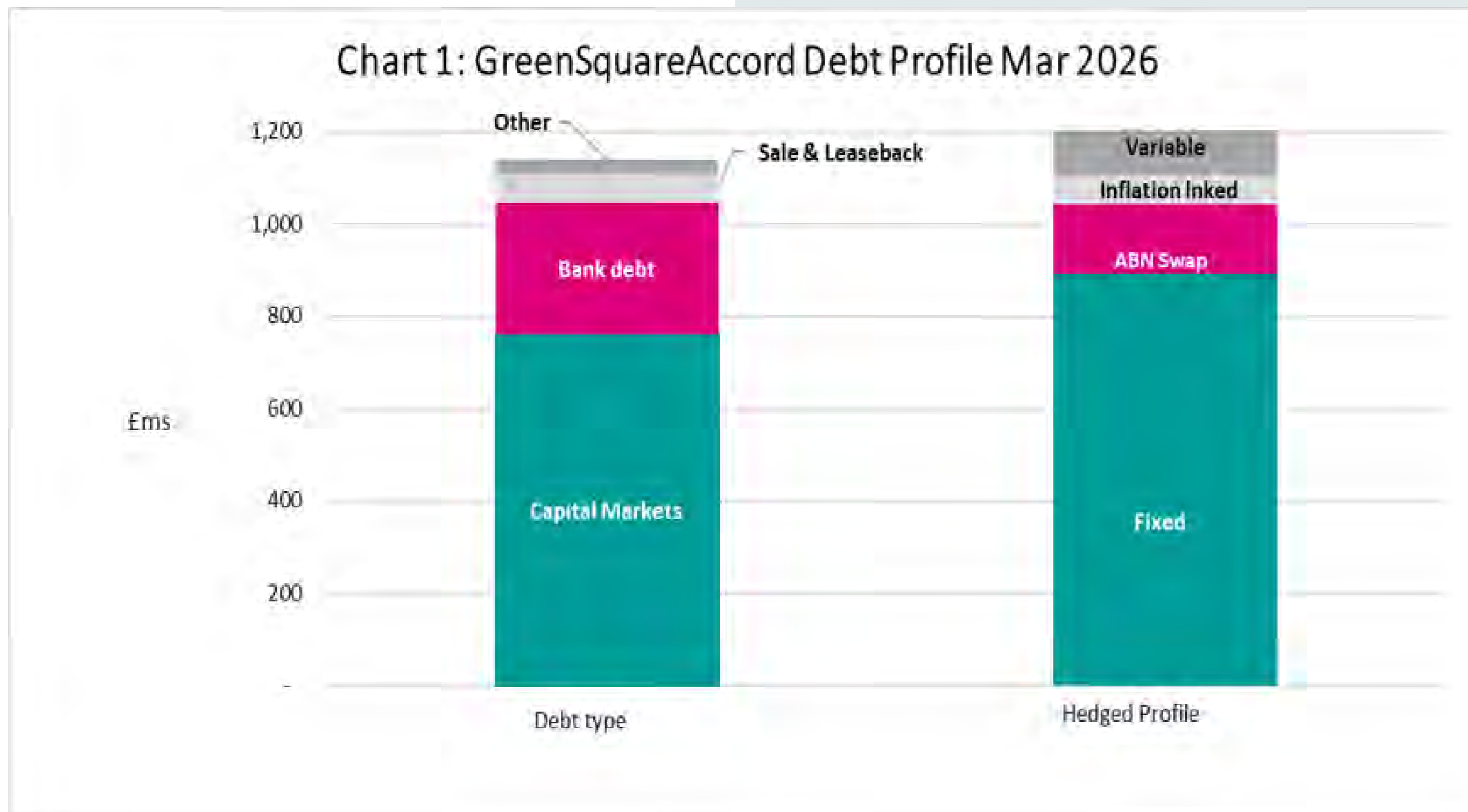
£202.5

84%

4.49%

- Disciplined Treasury management has seen a reduction in the WACC year on year
- Overall debt grew by circa £15m over 12 months
- Changes to the TMP approved at June Board will increase efficiency further
- Debt expected to increase slightly in 2027 (by circa £20m) as 290 new homes are delivered

Drawn Lending Position 31st March 2026



- GSA maintains a cautious approach to Treasury mgmt. with 84% of debt fixed (post swaps)
- No single lender represents a disproportionate concentration of risk outside of the public bond, which remains a long-term source of stable funding
- Our hedging position means the majority of borrowing costs are known and predictable..
- In addition to the diversified debt profile, we retain £178m of undrawn facilities.

Debt Repayment Fixed / Variable

- GSA is well positioned in terms of both debt repayment profile and overall hedged position.
- Total current fixed position stands at 84%, above Treasury Management policy minimum at 80%
- Repayment in next 5 relates to Revolving Credit facilities with no material one-off bond repayments due in the next 10 years



Security

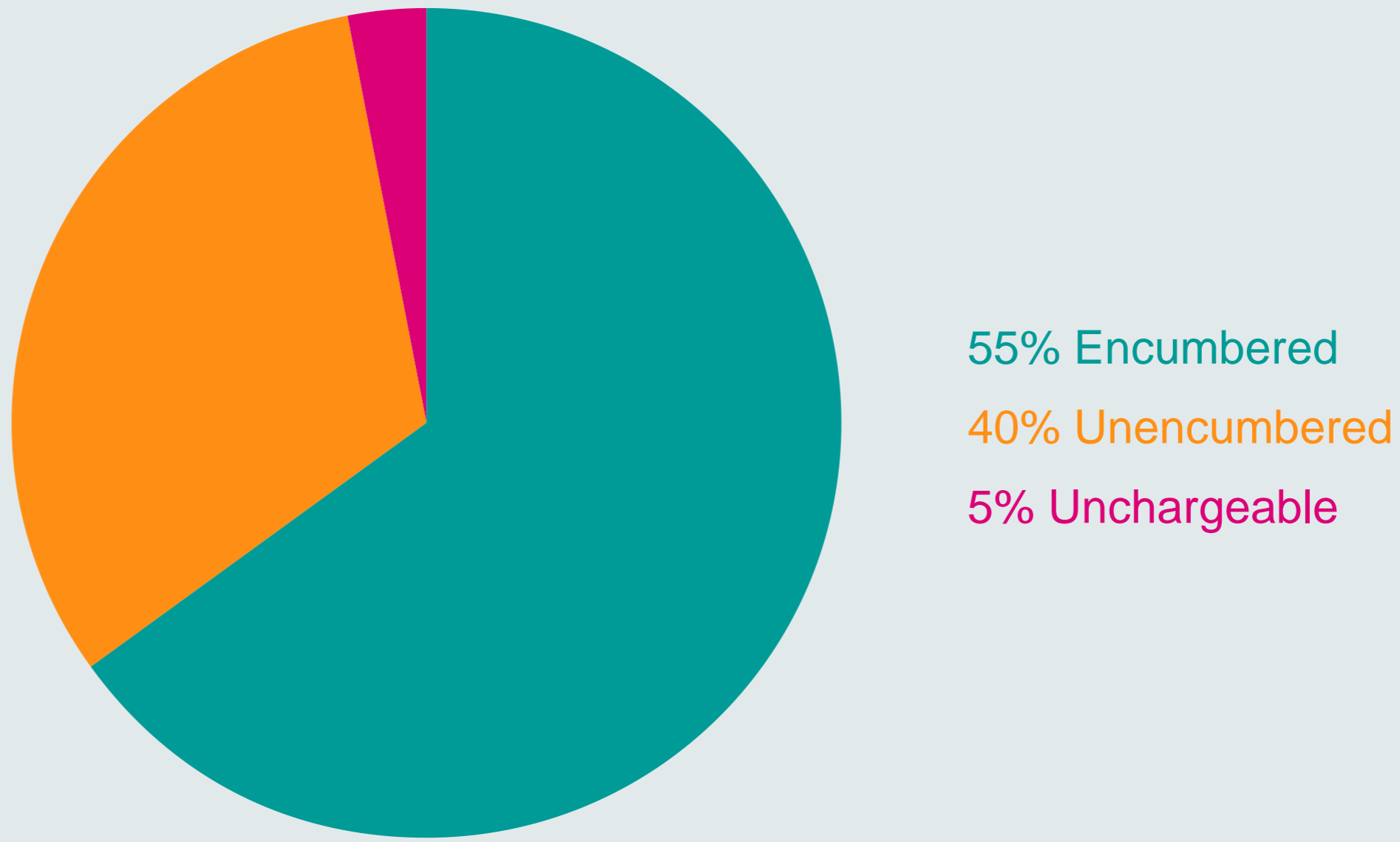
> **£868m** Total available security

40% Unencumbered assets

- The Group has £1.45bn of facilities where security is required and in place.
- Properties in the group’s loan portfolio are valued on a basis of both EUV-SH and MV-STT .
- Approx. 5% units in the group’s portfolio that may not be used as security, these may have short leases, be it part ownership retirement housing scheme units, leaseholder units or have complicated title issues.

Security

as at 31 March 2026



Summary

- Continued focus on improving repairs performance, complaint outcomes and customer experience.
- Engagement with Regulator to continue until August 26.
- ✓ Encouraged by the direction of travel.

