

whg QUARTERLY UPDATE

Q1 JUNE 2021



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The information is believed to be in all material respects accurate, although its accuracy is not guaranteed. This information has not been independently verified and does not purport to contain all the information required by an investor to make an investment decision, and is not intended to provide the primary basis for any investment-related decision.

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HIGHLIGHTS FOR THE PERIOD ENDED JUNE 2021

- No changes to Board during the period ended
- whg continues to maintain Moody's credit rating of A3 stable
- whg continues to maintain G1/V1 regulator rating
- All financial covenants have been met with significant headroom
- Turnover for quarter April 2021 to June 2021 was £28.8m (2020: £27.3m) which is 5% higher to prior year partly due to Shared Ownership sales income
- Operating surplus for the quarter was £10.6m (2020: 10.9m)
- Operating Margin for the quarter was 37% (2020: 40%)

HIGHLIGHTS FOR THE PERIOD ENDED JUNE 2021

- Overall Operating margin was 20% (2020: 21%)
- Deferred £75m new funding agreed through bLEND for October 2021
- Strong liquidity position with £147m at June 2021, providing 1.7 times cover for the next 18 months of forecast cash flow
- 97 new homes from developments completed during the quarter (with work underway on 14 sites and 582 homes under construction)

FINANCIAL HIGHLIGHTS

STRONG FINANCIAL PERFORMANCE TO JUNE 2021 WITH HEADROOM ON INTEREST COVER

		2022 Q1	2021 Q1	Comparative Movement
<i>Statement of Comprehensive Income (YTD)</i>				
Total Income	£'000	28,786	27,336	5%
Social Housing Lettings Turnover	£'000	23,400	23,880	-2%
<i>Percentage Total Income from SHL</i>	%	<i>81%</i>	<i>87%</i>	
Shared Ownership Sales	£'000	3,128	2,493	25%
<i>Percentage of Total Income from Sales</i>	%	<i>11%</i>	<i>9%</i>	
Operating Surplus	£'000	10,553	10,923	-3%
<i>Operating Margin</i>	%	<i>37%</i>	<i>40%</i>	
Total Surplus	£'000	5,866	5,785	1%
<i>Total Margin</i>	%	<i>20%</i>	<i>21%</i>	
<i>Key Financial Ratios</i>				
EBITDA MRI interest coverage	Times	2.1x	2.6x	
Covenant - Interest Coverage (<i>target >1.1x</i>)	Times	2.07x	2.7x	
Net Debt Per Unit (<i>target <£25,000</i>)	£	15,234	13,663	

DEBT & LIQUIDITY

GOOD LIQUIDTY LEVELS PROVIDE HEADROOM ON COMMITMENTS, WITH CAPACITY WITHIN THE BUSINESS FOR ADDITIONAL GROWTH

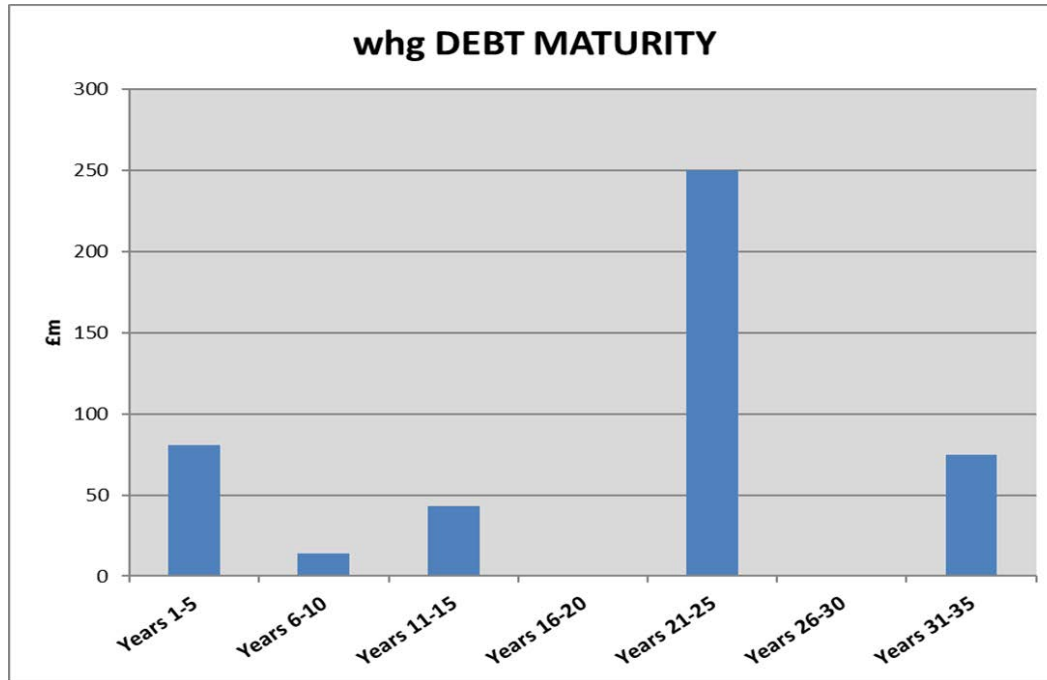


		2022 Q1	2021 Q1
<i>Liquidity & Debt</i>			
Cash and undrawn facilities	£'000	146,883	171,494
18m cash requirement*	£'000	(84,785)	(109,917)
18m liquidity coverage	Times	1.7	1.6
Debt capacity	£'000	117,267	100,535
Unencumbered security	Homes	6,078	6,279
Cash flow from Operating Activities	£'000	12,166	9,448
Cash conversion ratio**	%	115%	96%
Debt	£'000	401,133	412,215
Average cost of funds	%	4.71%	4.81%
Gearing - Moody's methodology	%	55%	60%
Debt to Revenue	Times	3.19x	3.51x

* Incorporating total net cash movements for the Group

** Cash Conversion Ratio is the amount of Operating Surplus that translates into Cash Flow from Operating Activities

DEBT MATURITY – DEBT MATURING IN NEXT 35 YEARS



DEVELOPMENT & SALES

DEVELOPMENT & SHARED OWNERSHIP SALES

		2022 Q1	2021 Q1
<i>Development & Sales (YTD)</i>			
New homes completed	Number	97	52
New home starts	Number	0	33
Shared ownership (first tranche) sales	Number	31	26
Shared ownership homes awaiting sale	Number	33	89
<i>Of which aged over 6 months</i>	<i>Number</i>	<i>4</i>	<i>54</i>
Shared ownership (first tranche) sales	£'000	3,128	2,493
<i>Shared Ownership (first tranche) net margin</i>	<i>%</i>	<i>22%</i>	<i>22%</i>

- Strong Shared Ownership sales for Q1
- New development homes starts are being affected by material shortages however, the overall Corporate Plan target is still on track

FORWARD GUIDANCE TO YEAR END

EXPECTED YEAR END FINANCIAL PERFORMANCE

		Forecast 2021-22	Actual 2020-21	Movement
<i>Statement of Comprehensive Income</i>				
Total Income	£'000	119,085	120,808	-1%
Social Housing Lettings Turnover	£'000	98,315	101,294	-3%
<i>Percentage Total Income from SHL</i>	%	83%	84%	
Shared Ownership Sales	£'000	10,376	15,967	-35%
<i>Percentage of Total Income from Sales</i>	%	9%	13%	
Operating Surplus	£'000	39,275	37,650	4%
<i>Operating Margin</i>	%	33%	31%	
Total Surplus	£'000	19,678	27,329	-28%
<i>Total Margin</i>	%	17%	11%	

CONTACT INFORMATION

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