

Boston Mayflower Finance Plc –

Trading Update for Lincolnshire Housing Partnership Limited (LHP):

For January 2021

Following a year under Covid-19 and lockdown restrictions, LHP (who account for operational activity) continues to closely monitor its financial and operational performance. LHP finds itself in a better position than anticipated 12 months ago at the outset of the pandemic.

LHP has actively identified and monitored risks to its performance. During the first phase of the Covid-19 lockdown LHP, along with other social housing providers, prudently paused its capital investment programme. Catch up works have now restarted and are due to complete over the next 24 months. While these works will have an impact on the immediate EBITDA-MRI position in the coming 12 months, they will provide residents with improved facilities as well as provide continued investment in LHP's asset portfolio.

For empty (or void) properties, LHP's standard approach is to recognise a loss of rental income. Voids (2.5%) have not been as high as predicted (2.9%) and LHP is now recognising lower void losses than expected. Rental arrears (3.6%) are also being carefully controlled and continue to remain much less than LHP had originally expected under Covid-19 restrictions (5.0%).

In approaching the year end, LHP anticipates revenue to be less than 1% below the budget set more than a year ago. Additionally, lower repairs expenditure due to the pandemic as well as additional surplus on sales of properties means LHP has exceeded budget to date for this financial year.

During the year LHP also restructured its banking facilities, enabling a reduction in overall funding costs and increasing flexibility. This included breaking an existing fixed rate, which reduced overall cost of funds, the cost of which will be included in the financial statement for this year.

LHP in early March 2021, had its credit rating confirmed as A+ by Standard and Poor's. While this now includes a negative outlook (due in some part to extra expenditure impacted by rebound spend related to Covid-19) it nevertheless re-affirms Lincolnshire Housing Partnership's financial strength and resilience. LHP has a stronger liquidity position due to its recent capital raising, providing further resilience to withstanding potential pressures from the pandemic.

Over the summer we plan to welcome all parties to a Webinar where we will present our financial statements for the year to 31st March 2021 and provide a commentary on our operational and financial performance. We will post an update with further details in due course on the "Investors" webpage of the Lincolnshire Housing Partnership website.

Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact investor@lincolnshirehp.com