INLAND HOMES

INTERIM RESULTS PRESENTATION
For the six months ended 31 March 2022

Inland homes

Disclaimer

This presentation has been prepared by Inland Homes plc (the "**Company**"). No representation or warranty (express or implied) of any nature is given nor is any responsibility or liability of any kind accepted by the Company or any of its directors, officers, employees, advisers, representatives or other agents, with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied), omissions, errors or misstatements in this presentation, or any other written or oral statement provided.

In particular, no responsibility or liability is or will be accepted and no representation or warranty is or is authorised to be given as to the accuracy, reliability or reasonableness of any forward-looking statement, including any future projections, management targets, estimates or assessments of future prospects contained in this presentation, or of any assumption or estimate on the basis of which they have been given (which may be subject to significant business, economic or competitive uncertainties and contingencies beyond the control of the management of the Company). Any such forward looking statements have not been independently audited, examined or otherwise reviewed or verified and nothing in this presentation should be construed as a profit forecast.

All views expressed in this presentation are based on financial, economic, market and other conditions prevailing as of the date of this presentation. The Company does not undertake to provide access to any additional information or to update any future projections, management targets, estimates or assessment of future prospects or any other forward-looking statements to reflect events that occur or circumstances that arise after the date of this presentation, or to correct any inaccuracies in this presentation which may become apparent. Past performance is not indicative of future results and forward-looking statements are not guarantees of future performance.

This presentation is for information purposes only and does not constitute an offering document or an offer of transferable securities to the public in the UK. This presentation is not intended to provide the basis for any credit or other evaluation of any securities of the Company and should not be considered as a recommendation, invitation or inducement that any investor should subscribe for, dispose of or purchase any such securities or enter into any other transaction with the Company or any other person. The merits and suitability of any investment action in relation to securities should be considered carefully and involve, among other things, an assessment of the legal, tax, accounting, regulatory, financial, credit and other related aspects of such securities.

This presentation is being communicated or distributed within the UK only to persons to whom it may lawfully be communicated, and has not been approved for the purposes of section 21 of the Financial Services and Markets Act 2000. It may not be reproduced (in whole or in part), distributed or transmitted to any other person without the prior written consent of the Company. In particular this presentation is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. Any recipients of this presentation outside the UK should inform themselves of and observe any applicable legal or regulatory requirements in their jurisdiction, and are treated as having represented that they are able to receive this presentation without contravention of any law or regulation in the jurisdiction in which they reside or conduct business.

AGENDA

HIGHLIGHTS

SECTION ONE




2022 Interim results highlights

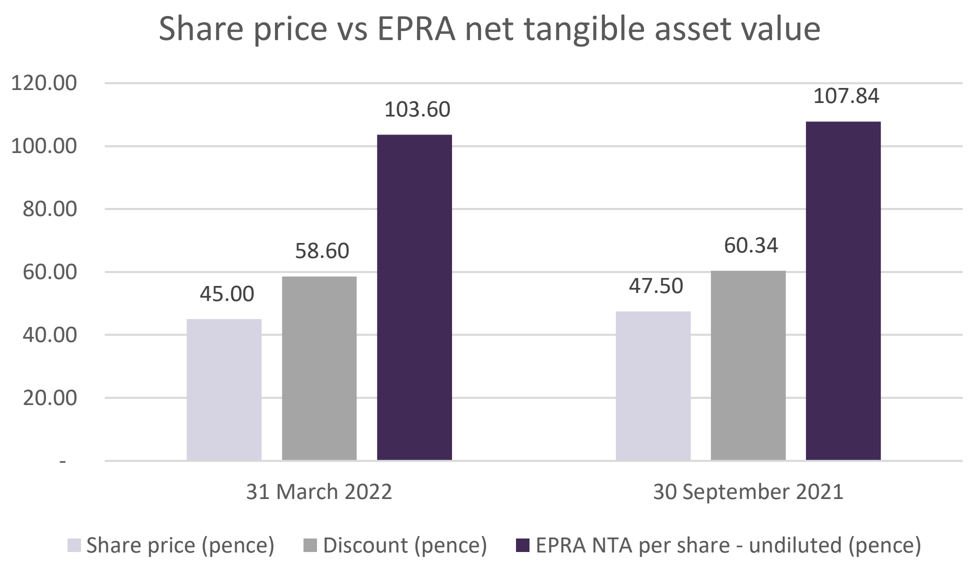
Net debt under £100m; EPRA NTA per share at 103.60p, significant discount to share price

Operations

- Gross development value of land bank: c. £2.8bn
- 9,161 plots in land bank, with 3,336 consented
- Strong demand for consented sites
- 485 plots sold during the period
- Planning permission or resolution to grant consent for 794 homes received across four sites
- Partnership housing – 1,031 homes under construction with forward order book of £201.1m; £119.6m relating to Walthamstow
- 81 private homes sold at average selling price of £263,000
- Signatory to the DLUHC Developer Pledge

Financials

- Net debt reduced to £96.2m (30 September 2021: £118.1m)
- Cash balances of £27.5m (30 September 2021: £12.1m)
- Net gearing at 55.1% (30 September 2021: 64.5%)
- Net assets at £174.6m (30 September 2021: £183.0m)
- EPRA NTA per share at 103.60p (30 September 2021: 107.84p)
- Revenue of £80.5m (31 March 2021: £78.0m)
- Gross profit increased to £4.1m (31 March 2021: £3.5m)
- Loss before tax of £8.2m (31 March 2021: £5.8m)
- Independent detailed review of processes and controls over construction projects undertaken



HOW WE GENERATE VALUE

SECTION TWO




Our value creation model

Land	• Unconditional brownfield purchases • Strategic land held under option • Land managed on behalf of third-party investors • Focus on the South and South East of England, where demand for residential land is greatest
Value unlocking	• Land value unlocked through planning process • Excellent track record in gaining consents on brownfield sites
Realisation	• Four key revenue streams: 1. Land sales 2. Asset management fees 3. Partnership housing 4. Private housebuilding

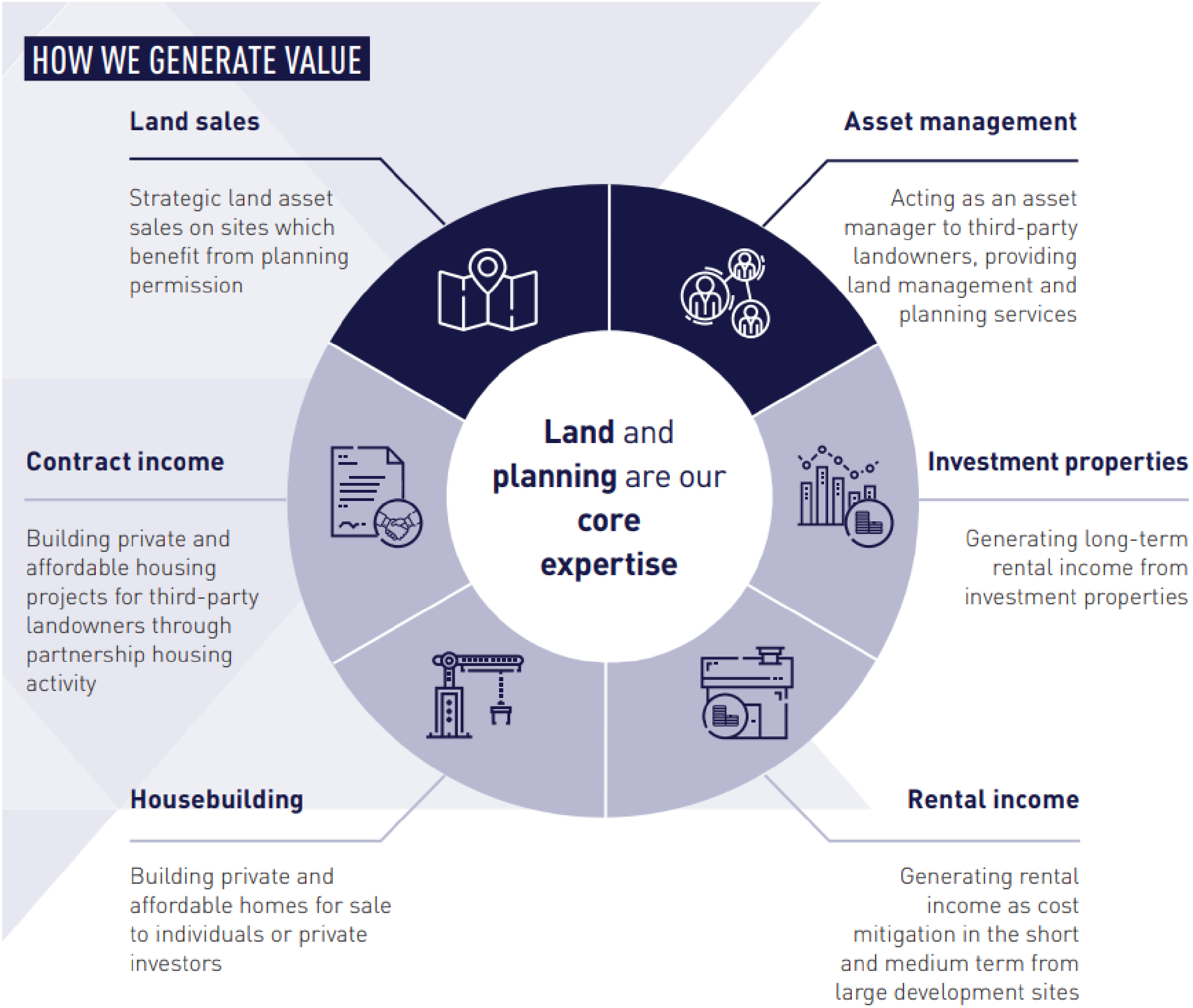
How we generate value

Our income streams

Multiple routes to generate value

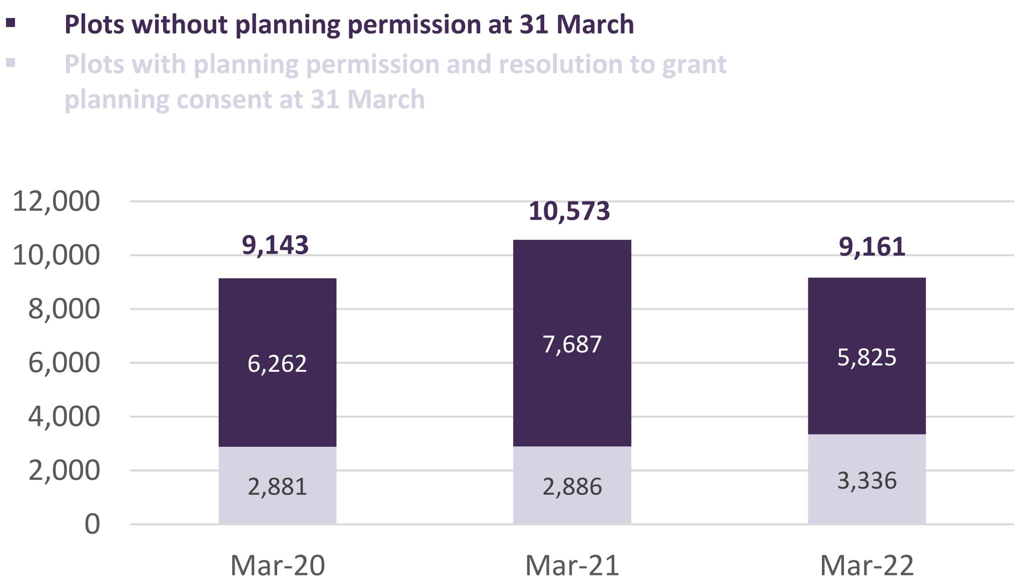
Competitive advantage in sourcing and securing attractive, viable land opportunities.

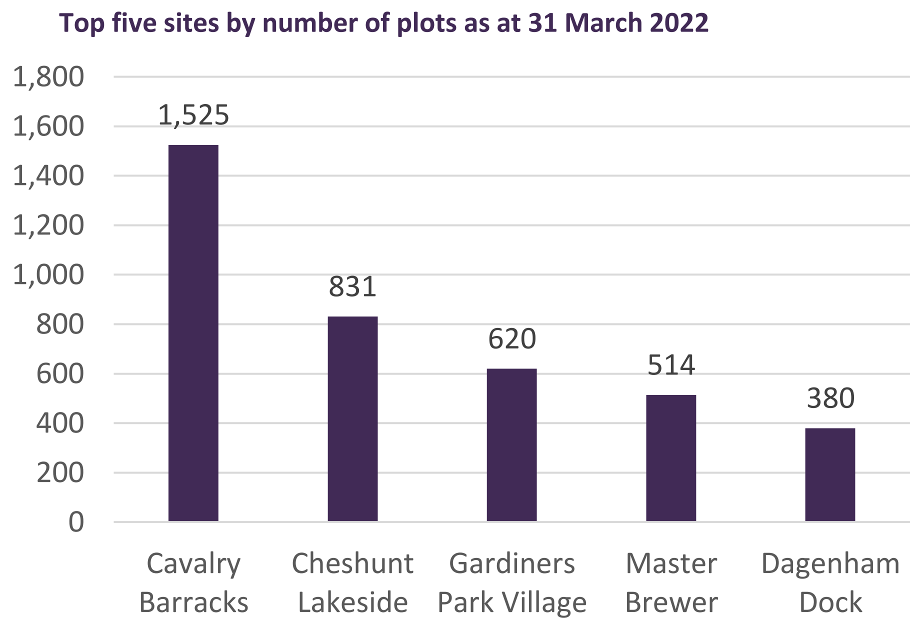
Our flexible business model provides access to several income streams to maximise value.



Land portfolio in the South & South East

- Potential gross development value of c. £2.8bn across the portfolio
- Strategic greenfield land controlled via discount to market value options in local authorities with housing supply shortage – 2,779 plots
- Planning consents gained for 794 plots during the period, including 380 plots at Dagenham Dock, Dagenham and 206 plots at Staines
- Planning consents expected for 1,525 plots at Cavalry Barracks, Hounslow and 233 plots in Barking during this calendar year
- Local authorities in South and South East face significant shortage in five-year land supply





Strong demand for land

Strong demand for consented sites
- Shortage of 'oven ready' sites due to planning delays caused by COVID-19
- Housing delivery continues to lag behind need – 216,500 new homes delivered in 2020/21 and 43,160 (seasonally adjusted) in the March quarter 2022, far short of the Government's 300,000 homes a year target*

High demand for quality, affordably priced homes
- Structural imbalance between supply and demand is likely to drive further short-term price growth
- Mortgage rates expected to remain competitive, even after interest rates rise
- Housing industry's Deposit Unlock Scheme and shared ownership likely to fill the gap of Help to Buy

Regenerating brownfield land remains a central and local government priority
- National Government to invest £1.8bn in bringing brownfield land back into use for housing**
- NPPF presumption to develop brownfield over greenfield sites

Build-to-Rent market continues to grow
- Build-to-Rent an increasingly attractive sector for institutions and consumers

Housing associations demonstrating clear affordable housing need
- Inland Homes has strong, trusted relationships with the major players

- Department for Levelling Up, Housing and Communities : Housing supply; net additional dwellings, England 2020 to 2021; ; indicators of new supply, England: January to March 2022
- **Budget announcement, 27 October 2021

Our ESG framework

Leaving a lasting legacy

Commitments	Focus areas			SDGs and our corporate values
We will ensure our business activities protect and enhance the environment around us	Net zero by 2050	Biodiversity and conservation	Circular economy	Lasting legacy Stronger together
We will deliver long-term social and economic value through investment in people and communities	Equality and inclusion	Communities	Our people	Lasting legacy Stronger together Our people are our greatest asset
We will act responsibly and lead by example	Strong governance structure	Health and safety	Ethical standards and values	Our people are our greatest asset Safety first

Business with a purpose

Embedding ESG at the heart of the business

Environmental	Social	Governance
50% reduction in **operational carbon by 2025** in line with Future Homes Standard, **70% reduction by 2030** and **100% by 2050**	**Actively engage** with all stakeholders: materiality assessment underway	Maintain a **strong governance structure**
Use lower-carbon building materials and manufacturing methods to **deliver year-on-year improvements in embodied carbon**	**Invest** in parks, education, community buildings and other **infrastructure to add long-term value**	Make **no compromises on safety**
Reduce on-site carbon by **20%** by **2025** with a **40% reduction** by **2030**	Be **active members of the communities** in which we operate	Recruit the **best quality staff** with a wealth of experience from across the residential construction sector
Deliver **10% biodiversity net gain** at a **minimum**	Be **responsible members** of the **communities in** which we operate	Ensure a **zero-tolerance approach to modern slavey** in our business operations and across our supply chain

FINANCIAL REVIEW

SECTION THREE




Group income statement

£m	31 March 2022	31 March 2021	
Revenue	**80.5**	**78.0**	Small increase but changing sales mix
Gross profit	**4.1**	**3.5**	Adversely impacted by an additional £4.0m of expected costs to complete on one partnership housing contract
Admin expenses	(5.3)	(4.1)	More activity since returning from pandemic
Share of loss of joint ventures interest & PPE	(3.4)	(0.6)	Sale of Phase 1b at Cheshunt Lakeside with special profit payment on contract for Inland Partnerships at practical completion
Share of profit/(loss) of associate	0.3	(0.1)	
Revaluation of assets held for sale	-	(1.0)	
Operating loss	**(4.3)**	**(2.3)**	
Net finance cost	(3.9)	(3.5)	Debt reduction achieved in March 2022, limited finance cost impact in H1
Loss before tax	**(8.2)**	**(5.8)**	Adversely impacted by an additional £4.0m of expected costs to complete on one partnership housing contract
Loss per share	(3.68)p	(2.50)p	

Segmental overview

£m	31 March 2022						31 March 2021					
	Land sales	Asset management fees	Contract income	Housebuilding	Other	**Total**	Land sales	Asset management	Contract income	Housebuilding	Other	**Total**
Revenue	16.4	7.8	33.5	21.9	0.9	**80.5**	0.6	8.9	28.5	39.0	1.0	**78.0**
Gross profit/(loss)	6.3	2.2	(6.3)	1.4	0.5	**4.1**	(0.5)	1.9	-	1.5	0.6	**3.5**
Profit/(loss) before tax	3.6	1.8	(7.4)	(3.5)	(2.7)	**(8.2)**	(2.1)	1.8	(0.3)	(2.0)	(3.2)	**(5.8)**

Key features

- Land sales – 485 plots sold across three sites
- Asset management– fees predominantly from two projects, Hillingdon and Staines
- Partnership housing: nine partnership contracts including Clarion Housing Group and A2Dominion
- Private housing: sales across four sites, excluding joint ventures. Strategic decision to focus on building houses rather than apartments for open market sale.

Land sales

- Revenue from sales at Gardiners Park Village, Basildon and Aylesbury, Buckinghamshire
- Gross profit margin significantly improved on prior year due to strong demand for consented sites. 2021 period had £0.7m aborted costs.
- Significant interest in our consented sites from major housebuilders

£m	31 March 2022	31 March 2021
Revenue	16.4	0.6
Gross profit	6.3	(0.5)
Profit before tax	3.6	(2.1)

	31 March 2022	31 March 2021
Plots with planning	3,336	2,886
Plots without planning	5,825	7,687
Total number of plots	9,161	10,573

Asset management

- Management fees earned predominantly from two sites on achieving contractual milestones (Hounslow and Staines)
- Group continues to support asset management customers with planning and management services, including disposal strategies
- Expect planning consent at Cavalry Barracks, Hounslow by 31 December 2022
- Inland earns significant amount of value uplift as our performance obligations are met

£m	31 March 2022	31 March 2021
Revenue	7.8	8.9
Gross profit	2.2	1.9
Profit before tax	1.8	1.8

Contract income (partnership housing)

£m	31 March 2022	31 March 2021
Revenue	33.5	28.5
Gross loss	(6.3)	-
Loss before tax	(7.4)	(0.3)

	31 March 2022	31 March 2021
Plots under construction	1,031	946

- Adversely impacted by an additional £4.0m of expected costs to complete on one partnership housing contract and an expected credit loss provision of £1.5m
- Independent review of all construction projects commissioned by the Board with changes in processes and controls being implemented
- £4.0m of expected costs to complete driven by significantly higher cost outturn expectation from project team. Cost increase is caused by isolated subcontractor issue as well as current cost inflation on materials and labour required to complete the project to plan in 2022
- Forward order book of £201.1m (31 March 2021: £139.9m), £119.6m of which relates to Walthamstow

Private housebuilding

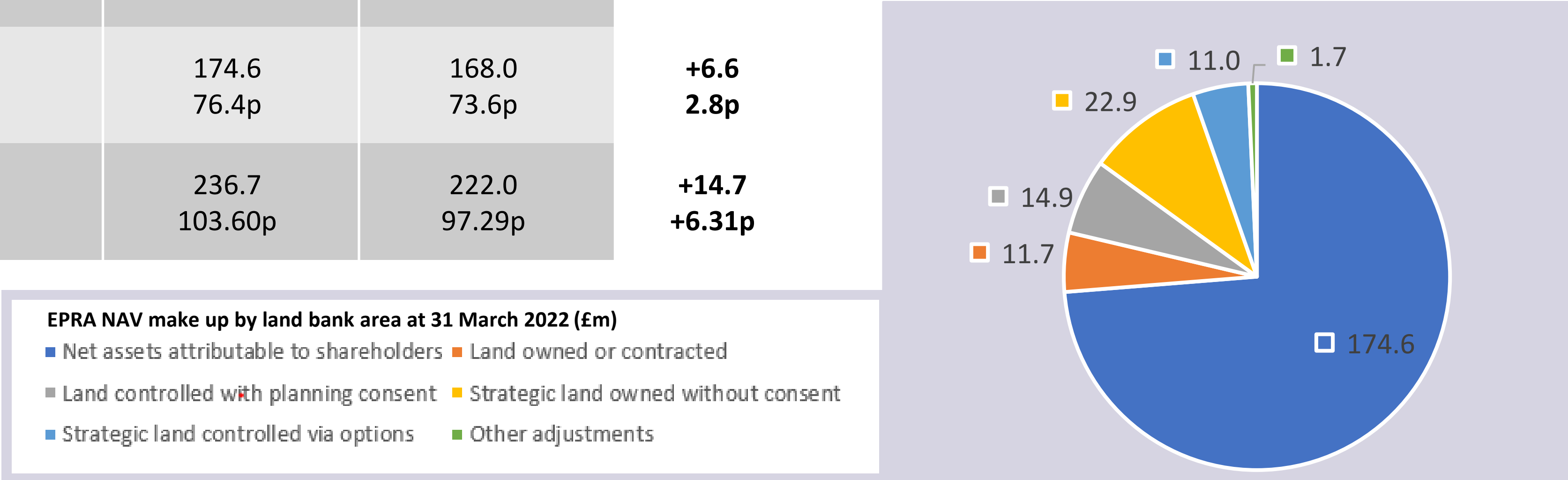
	31 March 2022	31 March 2021
Private – Group	81	101
Private - JVs	18	23
Total homes sold	99	124
Private – Group	267	305
Private – JVs	22	-
Total homes under construction	289	305

£m	31 March 2022	31 March 2021
Revenue	21.9	39.0
Gross profit	1.4	1.5
Admin expenses	(1.2)	(0.8)
Share of (losses)/profits of joint venture associates and revaluations	(3.0)	(1.7)
Loss before tax	(3.5)	(2.0)

- Average selling price £263,000 (31 March 2021: £254,000) and net reservation rate per active sales outlet of 0.81 units (31 March 2021: 0.68 units)
- 44.8% Help to Buy used (31 March 2021: 51.5%), Group has joined the Deposit Unlock Scheme
- Forward sales of £27.7m, which includes a large block sale to a third party scheduled to complete in July 2022
- Joint Venture sale of Phase 1b at Cheshunt Lakeside with special profit payment on contract for Inland Partnerships at practical completion

Balance sheet

£m	31 March 2022	31 March 2021	Change (£m)	
Investment property	36.6	49.5	**(12.9)**	Disposal of properties at Wilton Park, Beaconsfield, offset by additions at Meridian Waterside, Southampton and Rosewood HA
Loans & invts in JVs & associate	43.5	45.1	**(1.6)**	Repayment of loans from joint ventures
Trade & other receivables	118.6	97.1	**+21.5**	Timing of receipts on contract revenue and asset management contracts
Inventories	135.9	159.0	**(23.1)**	Disposal of private units and decrease in large-scale apartment developments
Net borrowings	96.2	132.9	**(36.7)**	Delivered year-end target of reducing net debt to below £100m within the first six months
IFRS NAV - £m IFRS NAV – per share	174.6 76.4p	168.0 73.6p	**+6.6** **2.8p**	
EPRA NAV - £m EPRA NAV – per share	236.7 103.60p	222.0 97.29p	**+14.7** **+6.31p**	

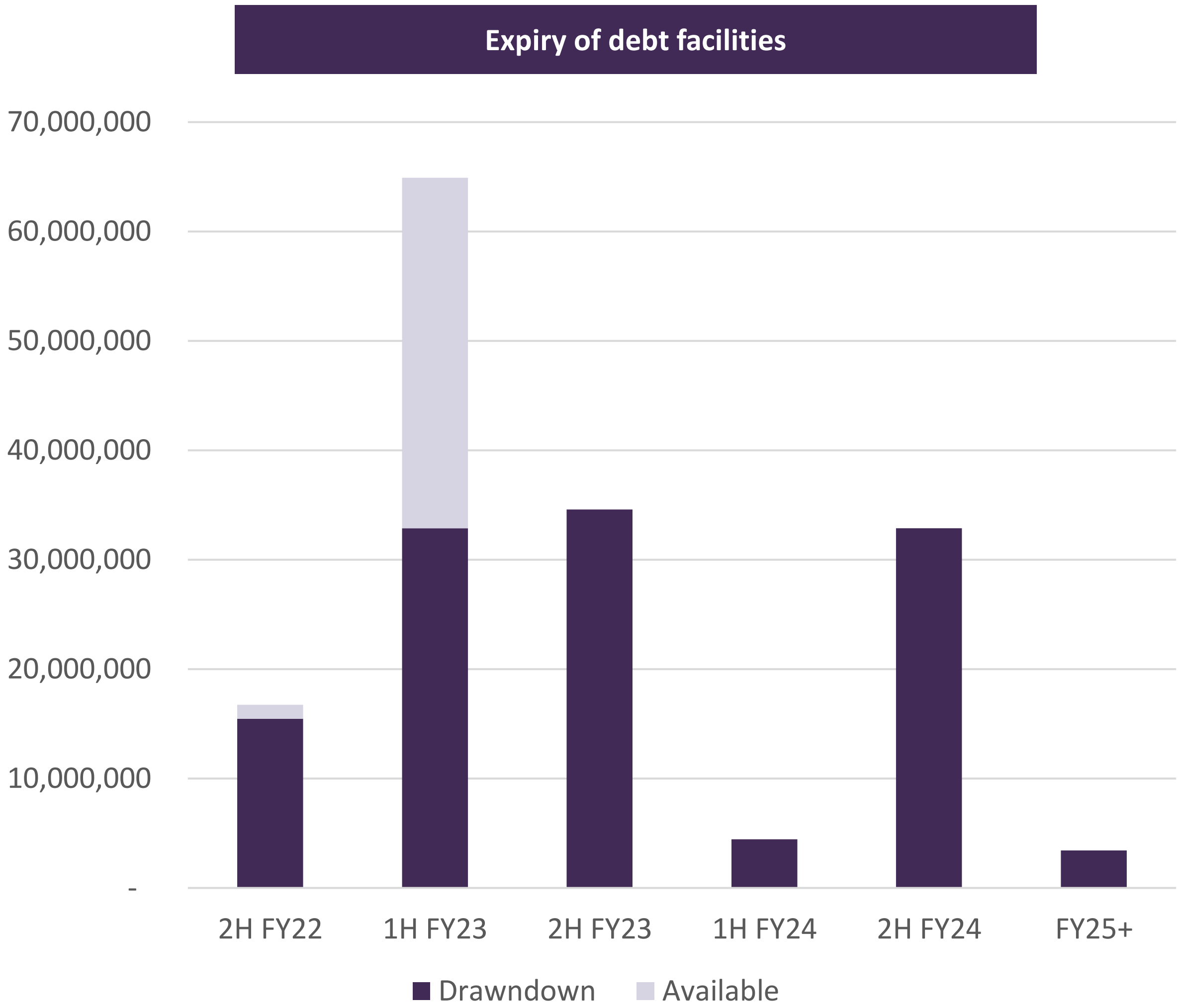


Cash flow

£m	31 March 2022	31 March 2021	
Cash inflow from operating activities	**9.4**	**12.1**	Strong cash performance despite profitability issues
Cash inflow from investing activities	9.3	6.9	Repayments from completed asset management contracts
Net cash outflow from financing activities	(3.3)	(6.7)	Net repayment of borrowings
Net increase in cash & cash equivalents	**15.4**	**12.3**	
Net cash and cash equivalents at beginning period	12.1	15.7	
Net cash and cash equivalents at end of period	**27.5**	**28.0**	Consistent performance of cash cycle year-on-year

Net debt and borrowings

£m	31 March 2022	31 March 2021
Gross debt	123.7	160.9
Cash	(27.5)	(28.0)
Net debt	96.2	132.9
Headroom in facilities	33.3	39.2
Gearing – IFRS Gearing – EPRA	55.1% 40.6%	79.1% 59.9%



OUTLOOK

SECTION FOUR



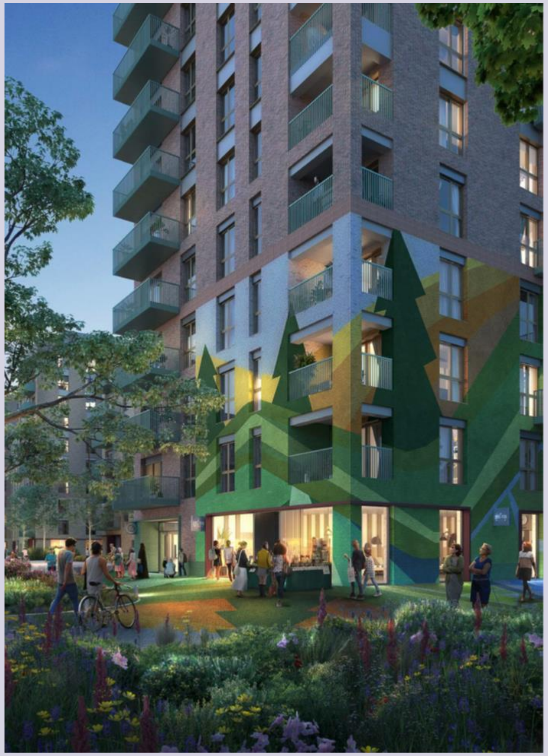

Outlook

- There is a drastic shortage of consented sites in the South & South East, exacerbated by a highly complex planning system which places high demands on developers

- Housing delivery continues to lag behind need – 216,500 new homes delivered in 2020/21 and 43,160 (seasonally adjusted) in the March quarter 2022, far short of the Government’s 300,000 homes a year target*

- Period of geopolitical and economic uncertainty worldwide principally due to the ongoing conflict in Ukraine, causing high inflation

- Focus for the Group continues to be on strategic reduction of net debt, maintaining under £100m at September 2022



- Department for Levelling Up, Housing and Communities : Housing supply; net additional dwellings, England 2020 to 2021; ; indicators of new supply, England: January to March 2022