

# Trading update

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# Full year highlights



84%

Overall customer satisfaction



84,000

Homes owned and/or managed



765

New homes delivered



£54m

Capital investment in our existing homes



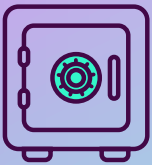
G1/V1

Regulatory ratings



A+/A2

Credit ratings - affirmed March 2025



£318m

Turnover



82%

Social housing lettings contribution to total turnover



34%

Operating margin on social housing lettings



2.0x

Liquidity ratio



40%

Asset gearing



1.59x

EBITDA MRI interest cover

# CEO introduction

## 84%

Overall customer  
satisfaction

## G1/V1

Regulatory ratings

## £1.9bn

Capacity unlocked

## 735

Affordable homes  
completed

**Robert Nettleton**  
Chief Executive Officer

I am pleased to introduce the 2025-26 Half Year Trading Update for Bromford Flagship which reports our financial and operational performance for the six months to 30 September 2025. Following the merger of Bromford and Flagship on 28 February 2025, this update covers six months of trading as a newly combined organisation and as one of the strongest and most ambitious housing associations in the country.

I am proud of the progress we have made so far. We have now completed the legal and technical work required to unlock the £1.9bn of additional investment capacity created by the Bromford Flagship merger over the next 15 years. This will enable us to deliver up to 7,000 additional new affordable homes over that period, to further develop our approach to Place-based working, to invest in regeneration and redevelopment on a larger scale and to build a sector-leading research and innovation offering.

During the six-month period, we have continued to evolve our thinking around Places where people can thrive, investing in social and physical infrastructure as well as new homes. We now have four live Place pilots with a fifth due to launch later in this financial year.

As well as building new homes and Places, we have continued our relentless focus on our existing homes and customers. Outstanding repair jobs have fallen to their lowest level in five years. Importantly, we have seen customer satisfaction improve by 4% to 84% at 30 September 2025.

Our ambition doesn't stop here. As demand for social housing remains high and macroeconomic factors continue to weigh on our sector and our customers alike, organisations like us can and should leverage our strength and deliver even more. The recent announcement of our intention to form a combined business with LiveWest shows how we plan to do just that.

By coming together with an equally strong and resilient housing association we can unlock a further £1.5bn of additional investment capacity over the next 15 years, taking us to £3.4bn in total when combined with that of the Bromford Flagship merger. This allows us to deliver up to 14,000 additional new homes between now and 2040, giving even more customers access to safe, secure and affordable homes and enabling even more people to thrive.



# Financial performance

## 82%

Social housing lettings contribution to total turnover<sup>1</sup>

## 34%

Operating margin on social housing lettings

## A+/A2

Credit ratings

## 2.0x

Liquidity ratio

**Paul Walsh**  
Chief Finance Officer

I am proud to report another strong set of financial results for Bromford Flagship, this time reflecting six months of operation as a combined organisation.

Our operating margins remain among the highest in the sector at 34% on social housing lettings and 31% overall (excluding asset sales). This is particularly impressive in light of our continued focus on reducing outstanding repair jobs, which have continued to fall during the period. We remain committed to providing excellent services to our customers and maintaining the quality of their homes.

We continue to hold strong levels of liquidity and maintain high interest cover metrics supported

Statement of comprehensive income	6 mths to 30 Sep 25	6 mths of FY 2024-25 <sup>a</sup>
Turnover from social housing lettings	£262m	£248m
Turnover	£318m	£304m
Operating surplus (excluding asset sales) <sup>2</sup>	£100m	£91m
Surplus after tax <sup>3</sup>	£68m	£68m
<b>Margins</b>		
Operating margin on social housing lettings <sup>4</sup>	34%	33%
Overall operating margin (excluding asset sales) <sup>5</sup>	31%	30%
Overall operating margin (including asset sales) <sup>5</sup>	37%	35%
Operating margin on shared ownership (first tranche) <sup>6</sup>	23%	25%
Operating margin on outright sales <sup>7</sup>	15%	16%

by broadly constant levels of gearing at 40%. During the period, we completed the work required to unlock the £1.9bn of additional debt capacity over the next 15 years from the Bromford Flagship merger. This included establishing an EMTN Programme in June 2025 and issuing Bromford Flagship's debut public bond under the Programme in July 2025.

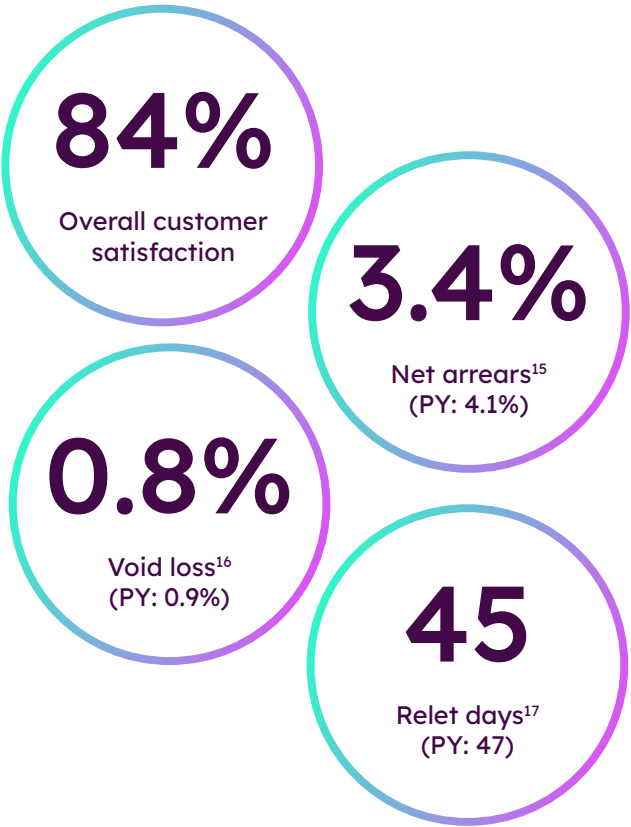
The £300 million 25-year sustainability bond was a key merger milestone. The transaction was 4x oversubscribed achieving the tightest spread in over four years on an own-name benchmark size bond in the sector. The strength of the bond's execution was a real endorsement of our management team, strategy and credit quality.

Key financial ratios	6 mths to 30 Sep 25	6 mths of FY 2024-25 <sup>a</sup>
EBITDA MRI interest cover <sup>8</sup>	1.59x	1.62x
EBITDA interest cover (funder covenant) <sup>9</sup>	2.9x	3.2x
Social housing interest cover <sup>10</sup>	1.8x	1.7x
Asset gearing <sup>11</sup>	40%	39%
<b>Liquidity</b>		
18 month liquidity requirement <sup>12</sup>	£477m	
Cash and undrawn facilities	£956m	
Liquidity ratio <sup>13</sup>	2.0x	
Unencumbered stock (number of homes) <sup>14</sup>	27,375	
Unencumbered stock (debt capacity)	£2.21bn	

a. As the Bromford Flagship merger took place in the second half of FY 2024-25, the comparative figures are a proportionate share of the full year figures as disclosed in the FY 2024-25 audited accounts. The comparator for asset gearing is based on the balance sheet figures as at 31 March 2025.



# Customer experience



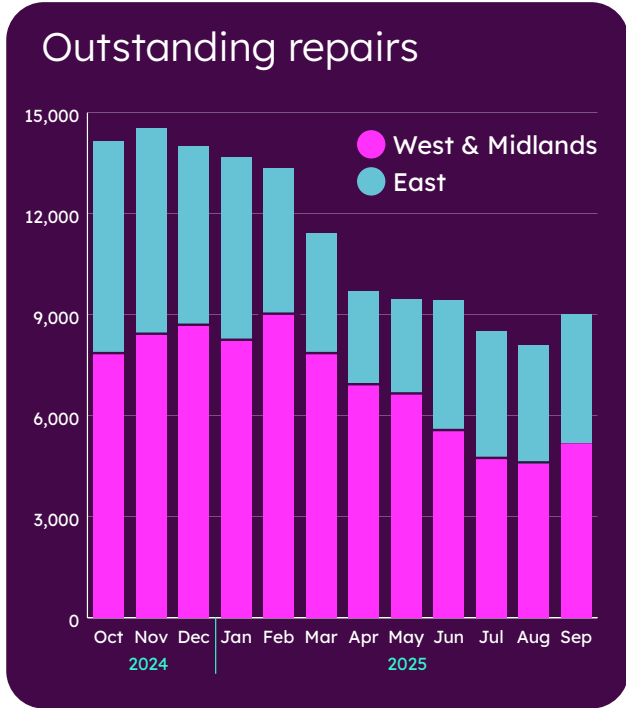
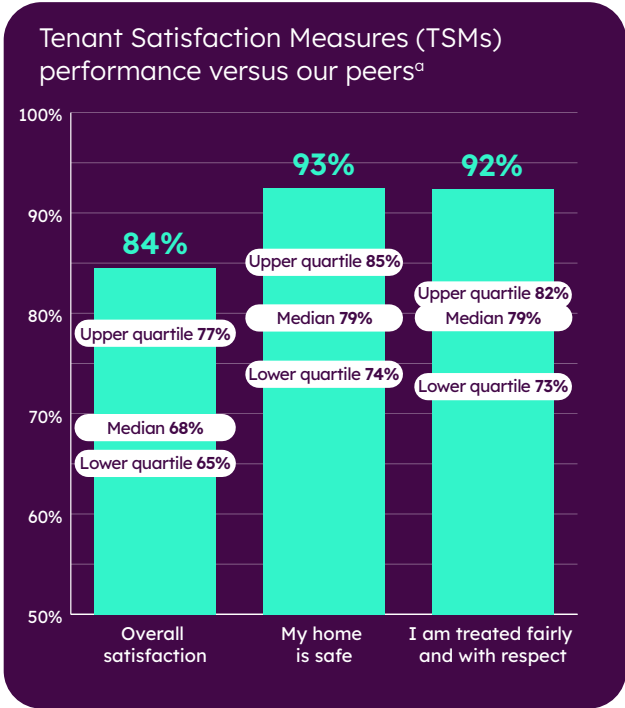
a. All TSM performance is reported for low cost rental accommodation (LCRA). The peer data is taken from the Housemark TSM financial year 2024-25 year-end results. Peer group consisted of English landlords with >30k homes choosing to submit year-end TSM results for the period April 2024 to March 2025.

We are proud to report that in the six months to 30 September 2025 our overall customer satisfaction has improved by 4% to 84%. Listening to customers, acting on their insight and improving how we work is fundamental to how we operate; it requires every part of our organisation pulling together.

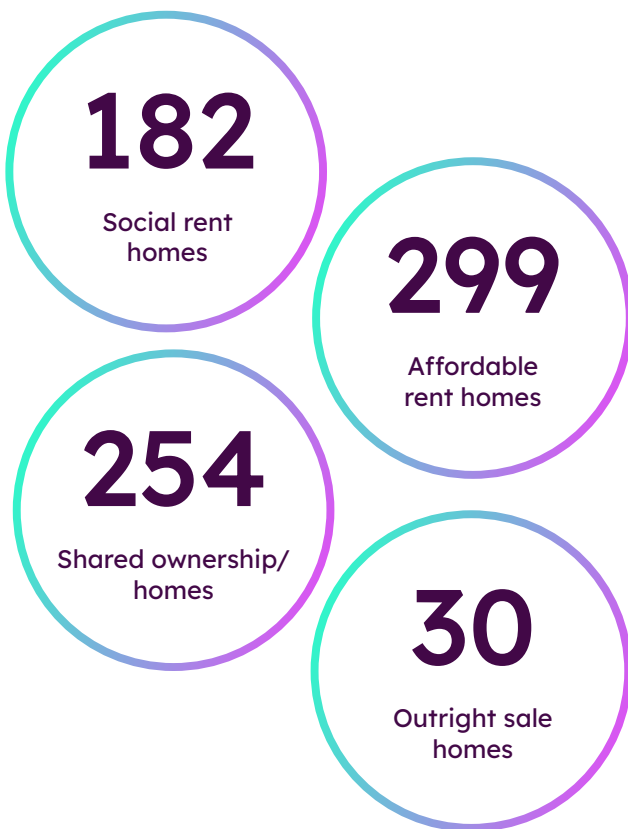
During the period, we have continued to develop our approach to investing in Places where people can thrive. We have defined what our Places are, referencing the physical, social and environmental setting in which our customers and communities exist. We have mapped our building and organisational design to ensure we can deliver excellent services to people living in those Places, recognising the individual needs of each one. And we have evolved our Place-based working model to join up our internal ways of working, partnerships with stakeholders and strategic investment.

Alongside this, we have completed one of our biggest customer listening exercises to date. Over 2,000 people shared their views to help us shape our new Customer Influence Framework. The new framework will have six parts, including customer-led scrutiny, which strengthens accountability and transparency by giving customers a meaningful voice in how services are delivered and improved. At the heart of this approach is the belief that customers’ lived experiences are essential to understanding what works well and what needs to be improved. This framework will become a cornerstone of how we work with and for customers in the future.

It is inspiring to see how customers are shaping the way we deliver services and how teams across the business are collaborating to turn this insight into service improvements and better experiences.



# Building new homes



a. Inside Housing - Who has built the most social rent in the past 10 years: [insidehousing.co.uk/insight/insight/who-has-built-the-most-social-rent-in-the-past-10-years-85658](https://insidehousing.co.uk/insight/insight/who-has-built-the-most-social-rent-in-the-past-10-years-85658)

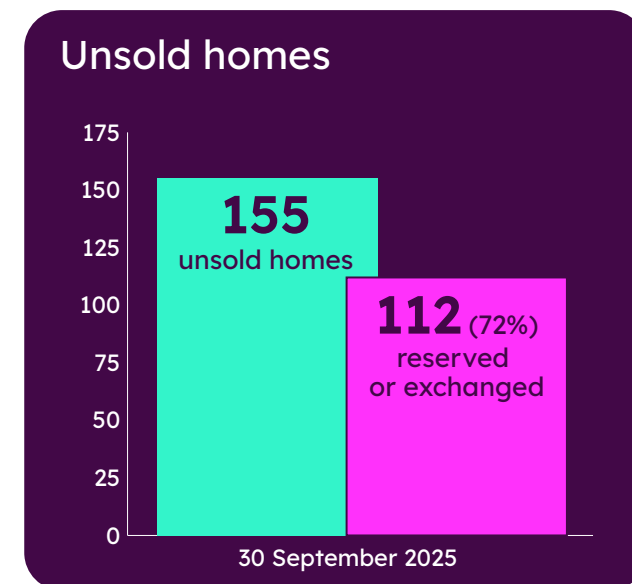
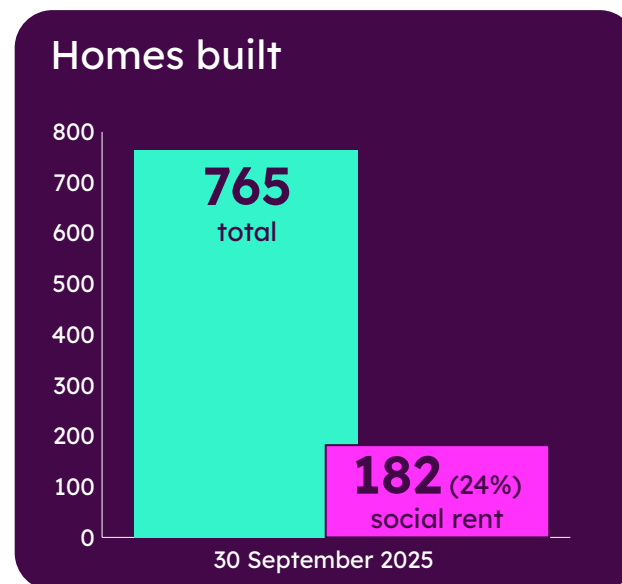
We have delivered 765 new homes during the six months to 30 September 2025. Of these, 735 were affordable tenure homes with the remaining 30 for open market sale. Social rented homes represented one in four of our new homes year to date, as we continue to strive to provide the most affordable homes for our customers. Bromford has consistently been in the top 3 developers of social rented housing for the last few years and were announced as the eighth highest developer of social rented housing over the last 10 years by Inside Housing last year.

Health and safety remains our number one priority, with zero incidents across the year to date, average site safety scores in excess of 95% and two of our in house build developments receiving nominations for a Home Builders Federation House Builder Safety award. Our culture of putting health and safety first remains resolute.

We continue to focus our build on the customer, delivering homes that are high quality. Customer

satisfaction for new homes remains a high priority and it is pleasing that levels in excess of 90% have been achieved, with a net promoter score above 80. With Bromford Developments Limited, a wholly owned construction company, completing 60 homes and forecasting a further 130 for the remainder of the financial year, our levels of customer care advocacy – a measure of how well we respond when there is a problem – remains high at more than 85%.

We continue to pursue our ambitious development aspirations, having started work on our largest affordable housing site to date in the period that will provide 150 new affordable homes. We have more than 3,600 homes under construction (contracted) across the coming five year period. Our strategic partnership with Homes England is a core component of our development framework, with over £330m of grant funding secured. We welcome the expansion of the Affordable Homes Programme announced in the June 2025 Spending Review and will submit a bid when the programme launches later in the financial year.



# Sustainability update

Our sustainable future will be built on the sector leading foundations created by Bromford and Flagship individually. In June 2025 we published our first Sustainable Finance Framework (SFF) as Bromford Flagship, setting out our commitment to tie all future funding to our sustainable objectives either through a Use of Proceeds approach under the SFF, or via sustainability-linked loans (SLLs). As a pioneer of sustainable borrowing in the sector, including the first loan linked to the energy efficiency of new homes, we have developed a portfolio of sustainability-linked loans in recent years.

The creation of Bromford Flagship on 28 February 2025 triggered an SLL KPI review with all relevant bank counterparties which is expected to conclude by 31 December 2025. A proposal has been shared with our lenders and we are working collaboratively to agree targets that are ambitious, achievable and aligned to our combined strategic objectives. The proposal was developed with colleagues from across the business and sets out a menu of KPIs aligned to four key themes of sustainability inherent to our strategy: carbon, customer, colleague and social homes.

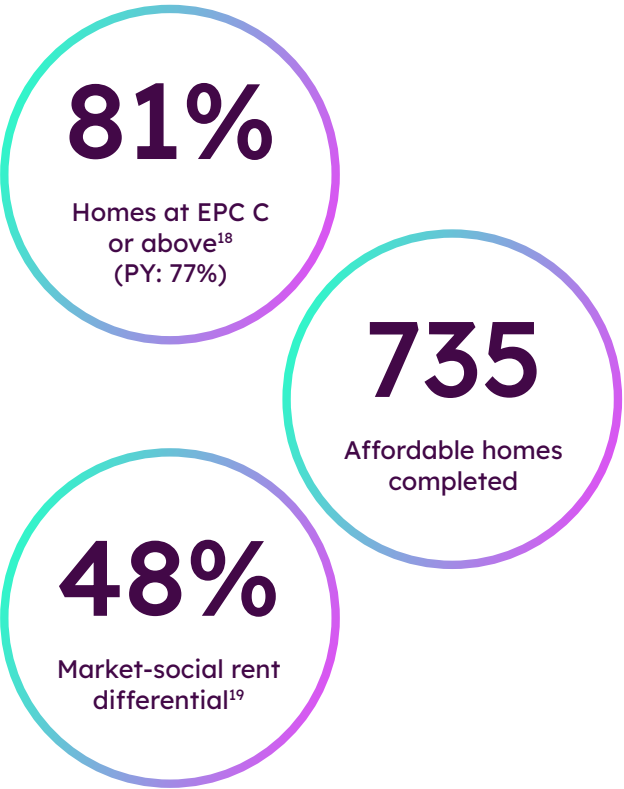
Developing a streamlined portfolio of KPIs means that they can be closely aligned to the most fundamental drivers of sustainable outcomes. It also makes monitoring and reporting more efficient and cost effective, maximising the value that we can deliver for our customers and communities.

In this update we continue to report against a number of key sustainability metrics, some of which are attached to existing SLLs and are therefore currently being revised. Work on our first unified sustainability strategy is well under way and is expected to launch in 2026. The strategy will set out our most meaningful measures of sustainable outcomes and inform our future approach to monitoring and reporting progress on sustainability.





# Sustainability performance



**Environmental**

We have successfully aligned legacy carbon reporting frameworks, established a single view of our carbon and EPC performance and initiated work to develop an updated group-wide net zero pathway using pilot data to inform the prioritisation of low-carbon interventions. We have also taken steps to strengthen governance, including the launch of a social value toolkit for suppliers and the adoption of a unifying Social Return on Investment metric to measure and maximise customer outcomes from procurement activity across the organisation. Together, these milestones create a strong platform for the development of our first unified sustainability strategy in 2026.

Following the merger on 28 February 2025, we continue to focus on upgrading our systems and aligning our data and reporting approaches. We have consolidated our prior year carbon emissions reporting into a single system with a shared methodology, to set an organisation baseline as at 31 March 2025. Once internally validated, this figure will act as the baseline for our group-wide reduction targets.

We intend to publish our combined baseline figure alongside decarbonisation progress at 31 March 2026 in our next full-year trading update.

Social	30 Sep 25	30 Sep 24
Market-social rent differential <sup>19</sup>	48%	49%
Number of affordable homes completed <sup>a</sup>	735	609
of which social rent homes	182	230
Average live repairs <sup>20</sup>	11,270	21,490
Customer advocacy (Bromford)	89%	90%
Customer satisfaction (Flagship)	84%	84%
Customers coached into employment or training <sup>21</sup>	63	26

Governance	30 Sep 25	30 Sep 24
Board and Executive male:female ratio	13:6	19:6
Complaints reviewed by Ombudsman <sup>b</sup>	40	22
Adverse regulatory findings <sup>c</sup>	0	0
Gender pay gap <sup>22</sup>	6.0%	N/A
Ethnicity pay gap <sup>23</sup>	3.5%	N/A
Colleague sick days <sup>24</sup>	9.0	7.2
Landlord compliance: Gas safety	99.95%	99.80%
Fire safety	99.72%	98.56%

a. Excludes 30 homes for outright sale

b. Of the 40 complaints reviewed there was one severe maladministration finding (PY: two severe maladministration findings)

c. From the Regulator of Social Housing



## Case study

# Environmental: Powering change with sunshine and wildflowers

Our gardening teams are pioneering a greener way to work, switching to solar power whilst helping nature thrive across hundreds of green spaces.

We've fitted 14 vans with rooftop solar panels and power packs, with plans for another six – creating what's believed to be the first mobile solar charging system for social housing gardening teams in the UK.

The innovation means 40 gardeners across Norfolk, Suffolk, Essex and Cambridgeshire can head straight from home to their first job, skipping depot trips to charge battery-powered tools. Each van carries two 100-watt solar panels that charge a power bank whilst gardeners work, effectively running the service on pure sunshine.

Ryan Cox, Neighbourhood Operations Manager, said: "This new system saves each gardener 1.5 hours in travel time daily. I've never seen this done elsewhere in the working environment, so it's a real step forward."

The £18,500 investment will pay for itself through savings on power, petrol and working hours whilst building on the shift to battery-powered tools that already cut carbon emissions and neighbourhood noise.

This innovative approach extends to managing communal green spaces. Our expanding wildflower meadows programme now covers around 250 locations in the east of England, with plans to add around 130 more each year until 2030.

The scheme transforms overlooked grass patches into havens for struggling wildlife. Sites across towns including North Walsham, Stowmarket, Leiston and Sudbury are allowed to grow wild until late summer, supporting insects, birds and small mammals whilst improving water absorption to reduce flooding risks.

Daniel Salliss, Biodiversity and Land manager, said the project balances community needs with environmental benefits: "Where we can let things grow, we're finding it brings real benefits not just for wildlife but for how people feel about their green spaces."

Each meadow features signage with QR codes linking to programme information. The work earned Cromer Green Spaces' inaugural biodiversity plaque and finalist status in the national Unlock Net Zero Awards.

Neighbourhood Gardener Gary Baggott said: "It's very rewarding to see the development. We're

also responding to what locals want and creating pathways and mown areas to suit them."

The sustainability drive extends to water management too, with the tree team recycling thousands of litres of rainwater using a mobile bowser nicknamed Tank Sinatra.

The benefits for customers are clear: better access to nature supporting physical and mental health, cleaner air and more vibrant neighbourhoods.



## Case study

# Social: Work started on development that will provide affordable homes for 150 families

The homes are being built on an 11-acre site in Hambrook, South Gloucestershire which had remained vacant for several years. Outline planning permission for the site was originally granted by South Gloucestershire Council in 2020 when 35% of the proposed homes were allocated for affordable housing. After acquiring the site, given the shortage of affordable housing in the area, we changed the site to all affordable housing, with a mix of 81 social rent homes and 69 shared ownership homes.

The development, which is our biggest in South Gloucestershire to date, was given the go-ahead by the council at the start of September. The work is being carried out by BDL, our in-house construction company, which last year built 207 homes across the West of England and West Midlands. Over the next four years we'll be building 23 one-bedroom flats, 36 two-bedroom flats, 40 two-bedroom houses, 42 three-bedroom houses, 8 four-bedroom houses and 1 five-bedroom house on the site.

Lydia Whittaker, Senior Planning Manager at Bromford said: "We were delighted to secure the final approvals from the local authority for our plans for 150 new homes in Hambrook, which has allowed us to begin work on the site.

"There are currently more than 5,000 households waiting for affordable housing in South Gloucestershire. With private rents in South Gloucestershire rising by more than 5% over the past year to an average of £1,390 a month, it shows the importance of affordable housing developments like this. These homes will help meet the need for affordable housing for local people who have been priced out of the local housing market."

To enhance the site's biodiversity and community appeal, we will plant wildflower meadows, hedges and shrubs, while retaining existing perimeter hedgerows and a small woodland area in the south-eastern corner. Two new allotment spaces with bat and bird boxes will also be introduced. We will also be providing nearly £2.5 million in contributions to local infrastructure works, which will part-finance a new local primary school, off-site sports facilities and a public art project.

We are the largest housing association in South Gloucestershire with more than 9,000 homes across the area.



## £2.5m

In contributions to  
local infrastructure

## Case study

# Governance: Embedding social value in procurement

As a not-for-profit organisation driven by social purpose, we have always wanted to demonstrate social value to ensure the best outcomes for our customers that enable them to thrive.

The introduction of the Procurement Act 2023 has reshaped how organisations such as ours procure new contracts with suppliers. The Act requires all public sector contracts to include social value considerations when determining a contract. For an organisation of our size, this has the potential to generate millions of pounds worth of additional social value in our communities every year.

To assist our suppliers who are bidding for contracts, we have developed a Social Value Toolkit, which is designed to help suppliers understand what social value means to us, why it matters and how their offers should align with our purpose and our local community needs. A 10% social value weighting is already being applied when evaluating some contracts above a certain value, with the approach set to be rolled out across the entire group shortly. Our toolkit will be an indispensable resource for suppliers seeking to work with us over the years ahead.

Jennie Watkins, a member of our social value development group, said: “The contracts we’ve put out to tender are set to generate millions of

pounds in social value over their lifetime. But we wanted to go further—by working closely with our supply chain to ensure the social value they commit to is not only deliverable, but genuinely meaningful to our customers and communities.

“Our new toolkit is designed to support all suppliers, especially small and medium-sized businesses that may be less familiar with social value expectations. It provides clarity on what we’re looking for, particularly additionality: contributions that go above and beyond existing sustainability efforts.”

Earlier this year, we procured our first contract using our new Social Value Framework to select a supplier for our omnichannel software. The successful bidder, Sabio, embedded several meaningful social value commitments into their offer, shaped by our focus on geographic relevance and alignment with customer needs and aspirations.

As part of their commitment, Sabio will support our partnership work in Priors Park, Tewkesbury. This includes funding for Gloucestershire Wildlife Trust, a community planting day in response to local requests for more trees biodiversity and donations of laptops and technology to support local charities.

To support the development of our Social Value Toolkit, we’ve become the first housing association in the UK to adopt the Social Value Engine—the only accredited platform for measuring Social Return on Investment. This enables us to accurately report the social value generated through our contracts each year, providing transparency, accountability and meaningful insight into the impact we’re delivering for our customers and communities.





# Notes

These results for 30 September 2025 are unaudited. The 30 September 2024 comparators are a proportionate share of the full year figures as disclosed in the FY 2024-25 audited accounts.

1. Social housing lettings turnover/total turnover.
2. Operating surplus excluding asset sales and excluding share of profit in joint ventures of c.£1m.
3. Surplus after tax excluding fair value gains.
4. Social housing lettings operating surplus/social housing lettings turnover.
5. Operating margin including assets sales = operating surplus (excluding share of profit in joint ventures of c.£1m)/turnover. Operating margin excluding assets sales = operating surplus (excluding share of profit in joint ventures of c.£1m) - gain or loss on disposal of assets/turnover.
6. Operating surplus on first tranche shared ownership sales/turnover from first tranche shared ownership sales.
7. Operating surplus on outright sales/turnover from outright sales.
8. (Operating surplus excluding asset sales + interest receivable + depreciation – amortisation of government grant – capitalised major repairs)/interest payable (excluding capitalised interest). Operating surplus excludes share of profit in joint ventures of c.£1m.
9. (Operating surplus excluding asset sales + gain on disposals + depreciation on housing properties + major repairs through the SOCI - amortisation of government grant)/net interest payable (excluding capitalised interest). Operating surplus excludes share of profit in joint ventures of c.£1m.
10. Operating surplus from social housing lettings/net cash interest paid.
11. Net debt/housing assets at historic cost.
12. 18 month cashflow requirement - 20% of sales income.
13. Cash and undrawn facilities/18 month liquidity requirement.
14. These are completed homes which are chargeable and not yet charged to a facility as at 31 March 2025. Nil value homes are excluded from the figure.
15. Arrears for all General Needs and Housing for Older People stock rented tenancies net of any housing benefit due, as a percentage of the annual rent and service charge debit.
16. Voids/turnover from social housing lettings (inclusive of service charge income and abated charges and exclusive of amortised government grants).
17. Includes both minor and major relets.
18. Including both existing and new homes.
19. The average social rent of our homes in our most recent (2024-25) SDRs across our geographies. This is expressed as a percentage difference from the average market rent across our geographies taken from ONS data for the year to 31 March 2025, (private rent and house prices uk - private rent for local areas - Office for National Statistics (ons.gov.uk)) per the March 2025 iteration of the month report.
20. The total average number of outstanding repair jobs calculated as the average of each of the 12 month end positions up to and including 31 March 2025 (including, but not limited to, repairs relating to condensation, damp and mould) which Bromford Flagship has agreed to carry out on its properties but which remain outstanding.
21. The number of unemployed residents of Bromford Flagship properties who entered either employed work or substantive, career-enhancing training as a result of a Bromford Flagship-led coaching programme during the reporting period, as supported by a signed customer testimonial.
22. Difference between the median hourly pay of male and female colleagues reported on the Gender Pay Gap Service at a snapshot date of 5 April 2025. Gender pay gap is presented on a median basis aligned to one of the Group's SLL KPIs. A negative figure indicates that the middle female individual receives higher remuneration than the middle male individual. Pay gaps are not legally reportable on a combined basis. We have chosen to report the combined figure as the most meaningful measure of pay equity.
23. Difference between the median hourly pay of white and ethnic minority colleagues reported internally at a snapshot date of 5 April 2025. Includes any ethnic origin other than White British; unknowns are not included.
24. The mean number of days of sickness leave taken per employee of Bromford Flagship in the reporting period.

This trading update contains certain forward looking statements about the future outlook for Bromford Flagship. These have been prepared and reviewed by Bromford Flagship only and are unaudited. Forward looking statements inherently involve a number of uncertainties and assumptions. Although the directors believe that these statements are based upon reasonable assumptions on the publication date, any such statements should be treated with caution as future outlook may be influenced by factors that could cause actual and audited outcomes and results to be materially different. Additionally, the information in this statement should not be construed as solicitation or recommendation to invest in Bromford Flagship's bonds.



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**[bromford-flagship.co.uk/invest-with-us](https://bromford-flagship.co.uk/invest-with-us)**

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