BELONG
VILLAGES

Belong Limited
Investor Roadshow

May 2025

Introduction to the Leadership team

Martin Rix, CEO

Combining extensive experience in specialist dementia and nursing settings with a strong track record in development projects, Martin ensures that the pursuit of innovation, excellence and quality outcomes continue to drive Belong's development as the organisation expands and evolves its services, including fostering relationships with likeminded organisations from across the globe.

He joined Belong from Norse Care in 2022, following three years as Chief Operating Officer and seven years as Strategic Development Director. From 2020 he assumed overall leadership of the organisation, accountable for Norse Care's portfolio of 36 care homes and housing with care schemes, with approximately 1,600 residents and a similar number of staff members.

Martin is also a Board member of the National Care Forum, a leading voice, for not-for-profit social care providers.

Chris Hughes, CFO

Chris has a strong track record in financial control and management, with extensive experience supporting the expansion of Belong villages since he joined the organisation in 2000.

Prior to this, his experience spanned working within the finance team for a local authority and consultancy-side with an accountancy firm. He was promoted to the post of Head of Finance in 2015 and joined the executive team as Chief Finance Officer in 2017.

BELONG VILLAGES

Progress since 2018

Putting the 4.5% 2026 bonds to good use

In 2018, RCB issued £50m of bonds secured on a loan to Belong

- 4.5% bonds due 2026
- £35m sold initially; £15m retained, all subsequently sold
- Repaid all existing bank debt
- Paid for continuing development of the business

Building two new homes

- Incorporating innovative features and award-winning design
- Aimed at improving the lives of residents living with dementia

On delivery of Birkdale in early 2026, Belong will operate:

	2018	FYE 2025/26
Villages	7	9
Apartments	168	221
Household places	494	638

	2018	FYE 2024/25
Turnover*	£23.2m	£51.2m
EBITDA*	£3.7m	£6.7m

BELONG VILLAGES

*FYE 2024/25 unaudited

The Business Model

Exceptional care using a sustainable financial model

In the process Belong has created one of the most original and successful care groups in the UK

- A charity where all the proceeds are reinvested in the business
- Operating an innovative care model
  - Dementia friendly
  - Delivered in attractive care villages
  - Embedded in the local community
  - Providing a natural progression of care
    - Belong at Home
    - Belong Apartments
    - Belong Households
- With a strong track record of success
  - Consistently high levels of occupancy
  - Strong CQC scores
  - High customer satisfaction

BELONG VILLAGES

Delivering Exceptional Impact

A safe and stimulating environment for vulnerable people

Belong Villages provide an exceptional model of care not available elsewhere

- Caring for people in small communities (Households)
  - With access to all the facilities of the village
- Providing engagement with the wider community
  - Bistros
  - Gyms and hairdressers
  - Communal areas
  - Activity facilities
- Innovating with new means of stimulation and involvement
  - Chester award-winning nursery
  - Interface between the young and old
- Providing high staff-to-resident ratios
  - Caring environment
  - All staff dementia trained

BELONG
VILLAGES

Geographic Spread

Benefiting from major economies of scale and geographic focus

Belong is headquartered in Nantwich and operates across the North-West of England

- Currently eight fully-operational care villages with the ninth, Birkdale, completing in 2026
- All the villages are located within 65 miles of head office
- Provides benefits of geographic concentration:
  - Oversight of the quality of services delivered
  - Good understanding of its local market
  - Economies on costs and staffing
- Played an important role in the success of the business
  - Strong local brand
  - All villages benefiting from high occupancy
  - All villages trading profitably

Locations

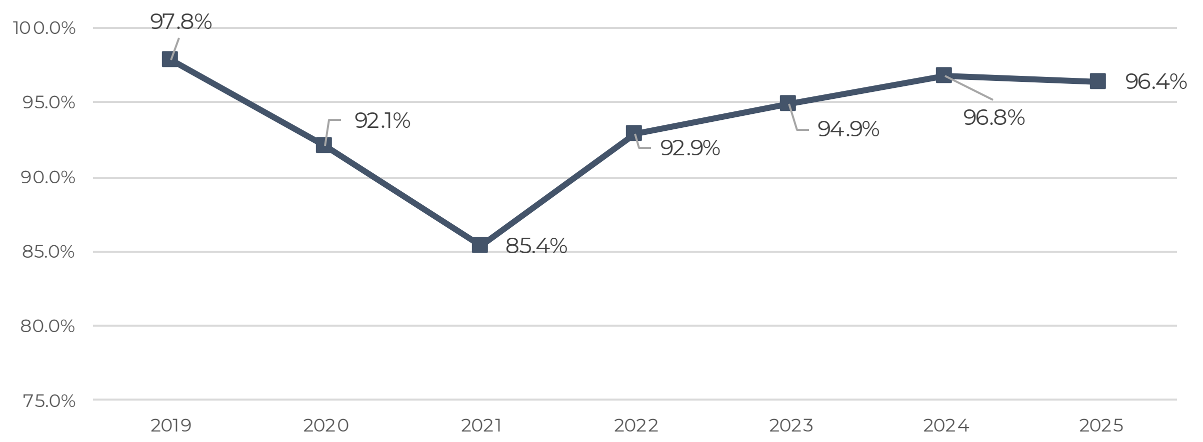
Occupancy

Exceptional levels of Occupancy

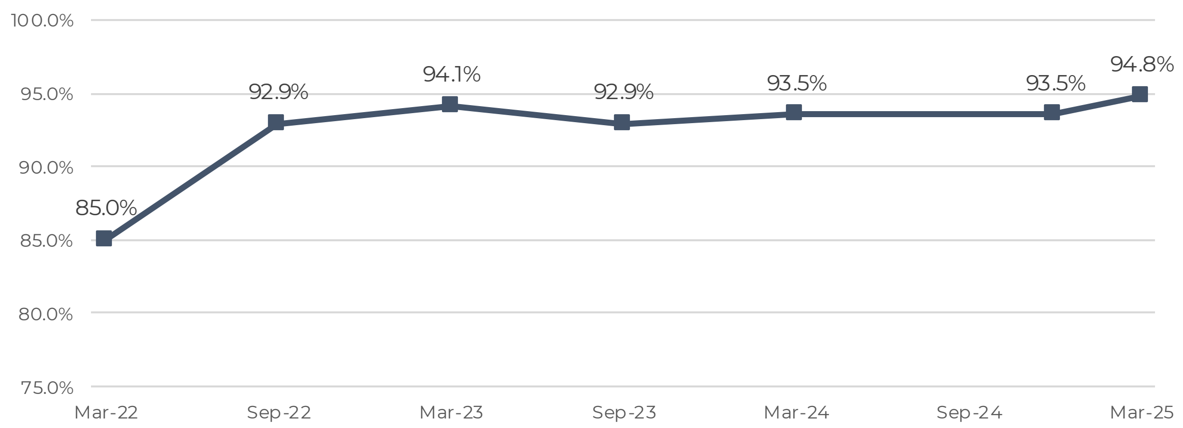
Occupancy has always been high for several reasons

- A natural progression in care, from
  - Belong at Home, to
  - Belong Apartments, to
  - Belong Households
- A friendly and stimulating environment
  - Attractive modern villages
  - Embedded in the community
  - With a wide range of facilities
- Exceptional quality of care
  - High staff/resident ratios
  - Strong emphasis on training

Occupancy of existing households



Occupancy of Apartments



High CQC Scores and Industry awards

Recognition of a premium offering

Built on:

- Well-designed villages
- A focus on delivering a high-quality product
- One village rated Requires Improvement awaiting reinspection
- Remaining services rated Good or Outstanding

Regulated Services	2020/21	2021/22	2022/23	2023/24	2024/25
Outstanding	4	4	4	4	4
Good	10	9	9	9	9
Req Improvement	0	1	1	1	1
Inadequate	0	0	0	0	0
Not inspected	0	1	1	1	2
% Outstanding	29%	29%	29%	29%	29%
% Good or Outstanding	100%	93%	93%	93%	93%

Industry Awards

Operating Performance

Resident Mix

The benefits of Private Payers

Belong benefits from a high level of private payers in its villages

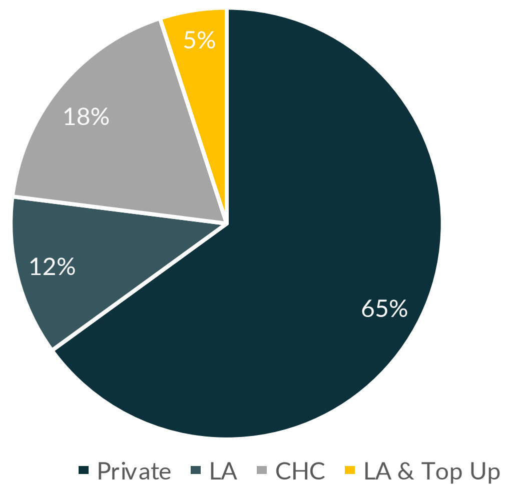
- 20% differential between LA and private payers
- Offers “care for life” but
- Residents need 3 years of fees to access household care
- Average age at admission is 85-90 years
- Average stay is two years

For the remaining residents

- NHS Continuing Healthcare (CHC) fees apply to residents with specific healthcare needs. These are more closely in line with private fee levels (dependent on area)
- ‘LA Top Up’ residents are LA funded but with an additional contribution to partly bridge the gap to the advertised fee rate paid by a third party

Allows Belong to benefit from full private fees on the majority of residents, underpinning earnings

Current Resident mix



Resident mix over time

	2019	2020	2021	2022	2023	2024	2025
Private	70%	68%	63%	65%	64%	62%	65%
Continuing Healthcare	15%	16%	17%	17%	18%	14%	18%
Local Authority (incl. Top Up)	15%	16%	20%	18%	18%	24%	17%

BELONG VILLAGES

Staffing

Staffing represents the single largest cost at Belong Villages, rising by 74% since 2018. In part this reflects the need to:

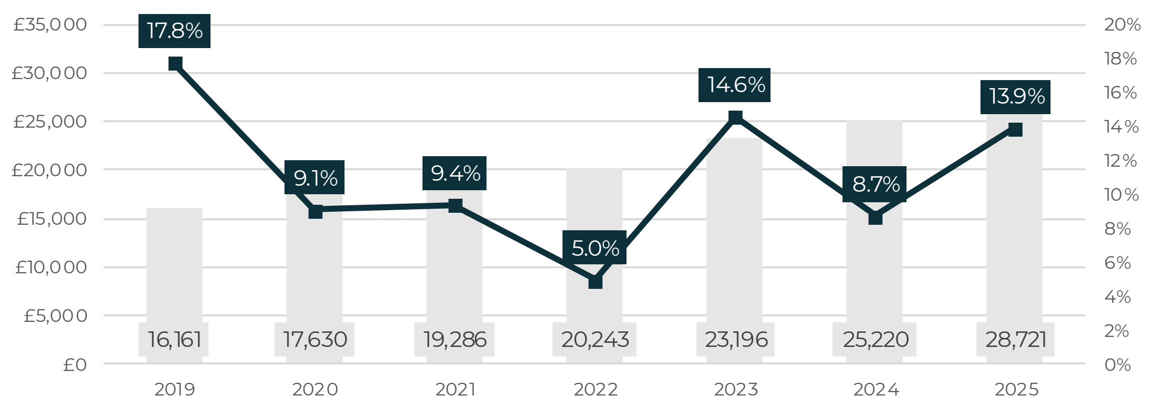
- Staff new homes as further households and services are provided
- Address increased demand for 1-1 care services

In 2022/23 performance was adversely affected by national staff shortages

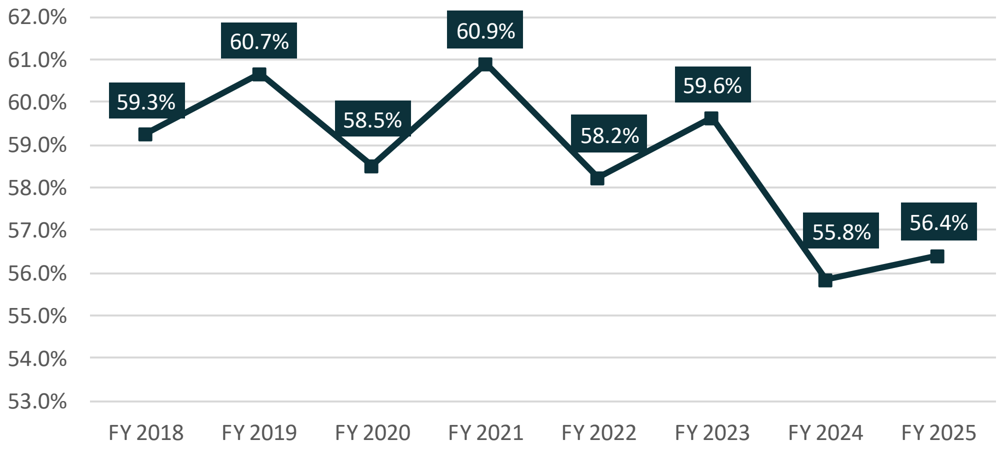
- Use of agency staff increased in 2023 in line with the sector
- Before falling back rapidly towards previous levels

Belong invests heavily in staff training and retention and over the period staff costs have declined steadily as a percentage of turnover

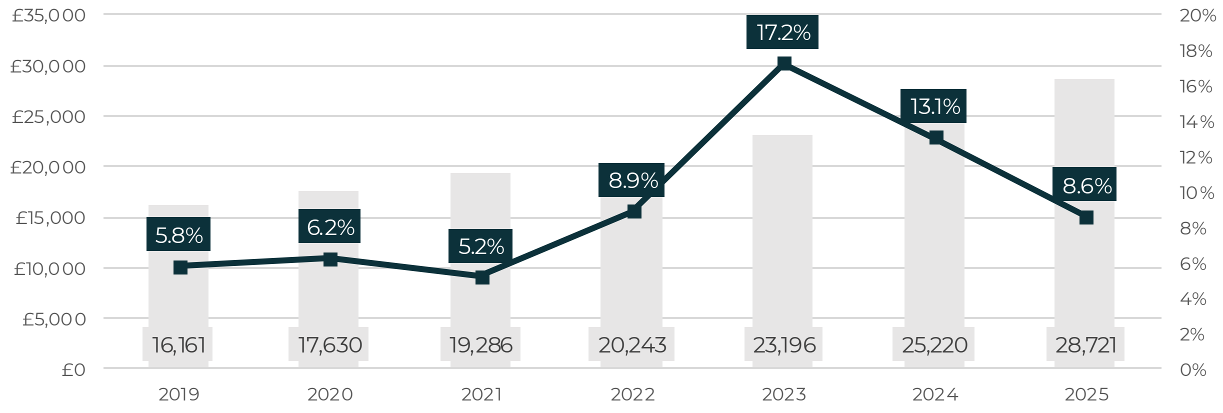
Increase in Staff Wages (£000's) and YoY increases %



Total Staff costs as a percentage of turnover



Total Staff Costs (£000's) vs % Agency Staff Costs



BELONG VILLAGES

Fee Levels

Average fees have increased steadily over the last six years in line with rising costs

- Up by almost 50% since 2019
- With no impact on occupancy or demand

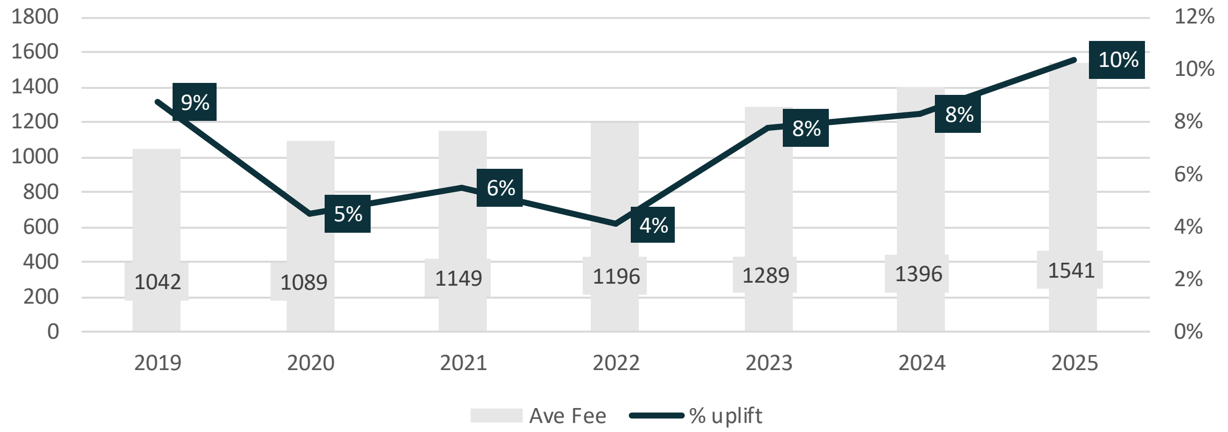
Fees are set in April for each year

- Fixed unless there are unforeseen costs
  - Disadvantages Belong in periods of rapidly rising inflation, like 2022/23
  - Benefits Belong as inflation falls as in 2024/25

Advertised fee levels for new residents have been increased by more than for existing residents in recent years

- Provides room for additional fee growth in the shorter-term future as new residents move in

Average Household Fees over time and percentage uplifts



Home for life

Belong prioritises financial support for the resident when their own resources run out.

- Move to the Local Authority rate
  - Belong (and/or third party) subsidising the difference
- All new residents need to show ability to fund care for three years
  - Average resident stay is two years
  - Currently 58 resident fees are subsidised by Belong

The Estate

The Villages

Belong has a preference to own the villages it operates

Six owned freeholds, three (including Birkdale) leased

- One of the village leases covers the whole site
  - Lease with a Housing Association
  - Fixed rate with 12.5 years to run
  - Option to repurchase on maturity at £1
- Two other villages have leases on part of the site
  - Belong owns apartments (and Heritage Gallery at N-u-L)
  - Leases households and communal areas
  - 35/40-year index-linked leases

Properties held at cost in the financial statements

- Valued in 2022 at £94m, c£25m+ higher than cost at that time
  - Excluded Chester and Birkdale
  - Valuations now likely to have risen from there

BELONG VILLAGES

The Apartments
A key part of the offering

With the delivery of Birkdale, Belong will have 9 Apartment schemes

- 80% rented to tenants
- 25% of those renting access Housing Benefit support
- 20% sold on 99-year leases

Must be sold back to Belong at the same price on leaving

- Treated as a creditor in the accounts
- Long history of resales/relets
- Average occupancy in 2024/25 of 95%

(£m)	2020	2021	2022	2023	2024	2025
Sales	1.3	0.6	0.6	2.9	1.1	1.1
Repurchases	0.2	0.5	1.0	0.6	1.1	0.9
Balance	5.5	5.6	5.1	7.4	7.3	7.5

BELONG VILLAGES

The Impact of Opening New Homes

All new villages are planned to achieve EBITDA of at least £1.5 – 2.0m p.a.

New villages take up to three years to reach full occupancy

- Allowing recruitment and training of staff to provide high quality care.

As Belong needs to maintain communal services from the outset,

- It will lose money during the first year of operation
- With breakeven achieved after about 18 months.
- Thereafter the village starts to make a positive contribution to Belong

Belong's latest village, Chester opened in 2022 with average household occupancy, as planned, of 16.8% in 2022/23 and an EBITDA loss of £0.9m.

- Household occupancy rose to 47.5% in 2023/24 with EBITDA of £0.1m.
- Household occupancy rose to 78.2% in 2024/25 with EBITDA of £0.9m

When Birkdale opens in 2026, Belong is planning for the cycle to be repeated

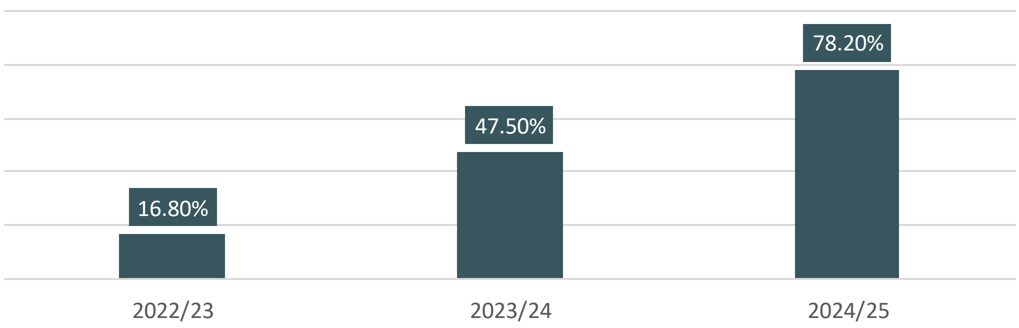
- Losses in 2026/27, with moving to profitable operation thereafter.
- This is reflected in the business plan in the period to 2028.

With no new villages currently in planning, revenues and EBITDA is then expected to rise steadily as the established villages continue to deliver steady profits

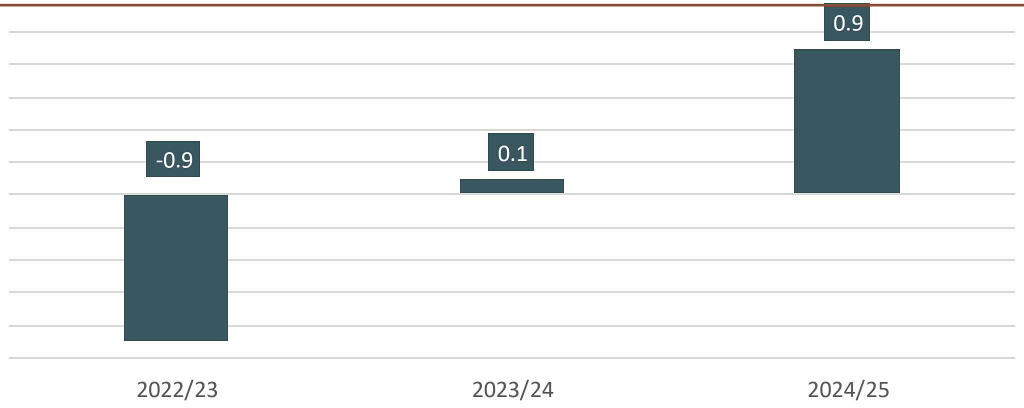
The Experience at Chester

Chester	2022/23	2023/24	2024/25
Avg. Occupancy	16.8%	47.5%	78.2%
EBITDA	(£0.9m)	£0.1m	£0.9m

Average Occupancy



EBITDA £m



BELONG VILLAGES

Birkdale

Birkdale is the next village Belong will open in 2026.

- It follows the design features of all other villages
- Building on the experience of the previous eight.

Belong has a well-tried strategy for opening new villages

- Providing all the communal services at the start and
- Building up occupancy by opening each household in turn
- Ensuring staff are properly trained to do things the Belong way

Plans to take up to 3 years to reach full occupancy at a new village

- Belong understands the implications on group performance
    - New villages lose money for the first year
    - Start making a contribution in the second year
    - Return a surplus from month 18 onwards
    - With a target of at least c£1.5m EBITDA per annum

This happened at Chester

- Birkdale expected to follow a similar path

Financial Performance

Two years of steady Growth

The sharp fall in EBITDA in 2023 reflected a number of issues:

- An impairment charge on aborting a planned village
    - escalating potential development costs and
    - lack of infrastructure in the area
- The impact of opening the Chester village
- The more general impact of inflation, wage costs, and
- Increased agency costs over the period.

With a focus on maintaining occupancy and the growth in fees, Belong has recovered strongly in 2024 and 2025.

The asset portfolio also continues to grow,

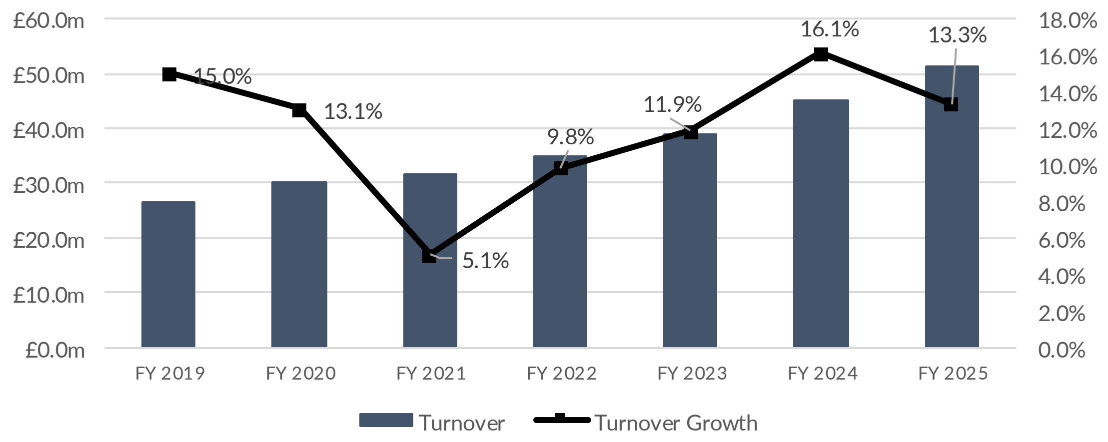
- Increasing 3.8% from FY23 to FY24 and 5.1% from FY24 to FY25 (assets valued at cost).

The defined benefit pension liability has been reduced materially to £0.8m in FY2025 from £10.2m in FY2018

Summary

	FY22	FY23	FY24	FY25
				Unaudited
Turnover	£34.8m	£38.9m	£45.2m	£51.2m
EBITDAR	£5.4m	£3.6m	£6.2m	£7.8m
Development drag*	-	(£0.9m)	(£0.1m)	-
EBITDA	**£4.4m**	**£1.6m**	**£5.0m**	**£6.7m**
Net Surplus/(Deficit)	£3.6m	(£1.4m)	£0.2m	£1.1m
Fixed Assets	£91.6m	£93.3m	£96.8m	£101.7m

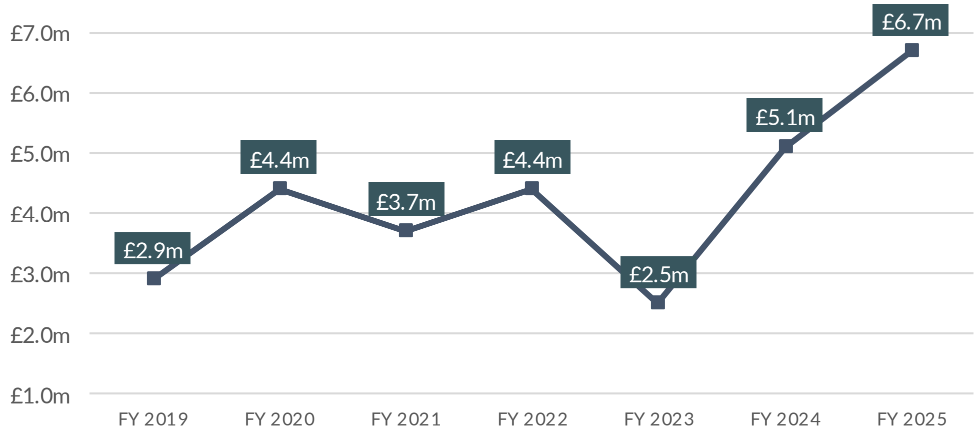
Turnover Growth



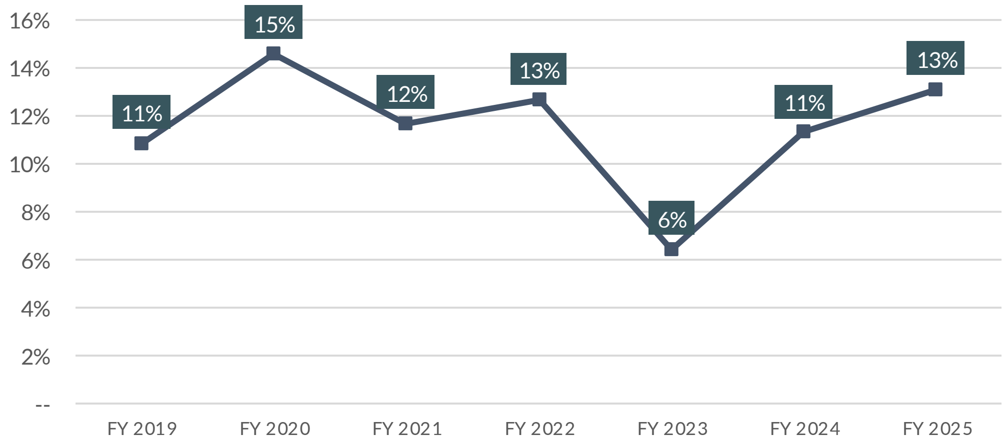
*only separately disclosed in FY23 & FY24 reports

Operating Ratios/KPIs

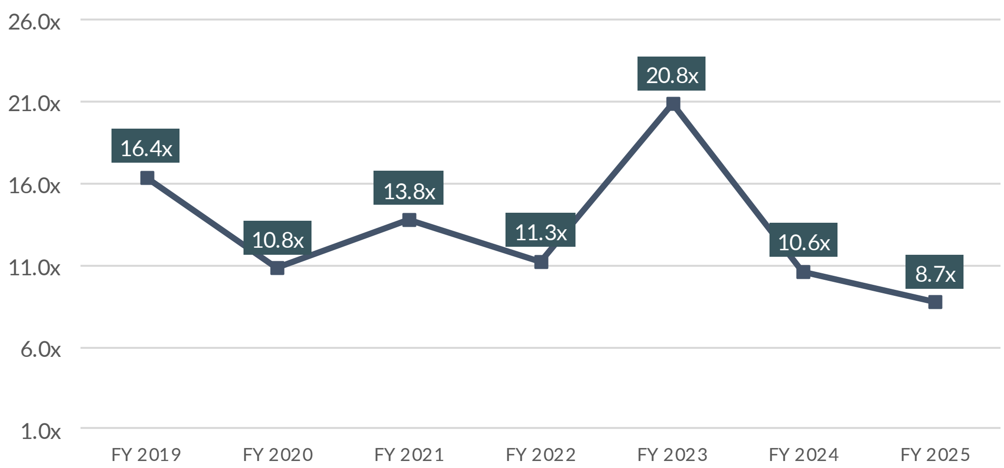
EBITDA



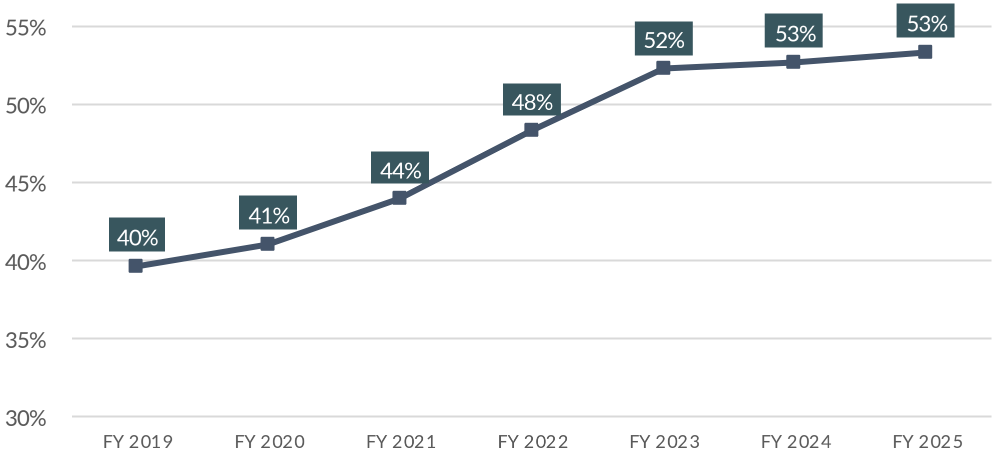
EBITDA Margin



Debt to EBITDA



Net Gearing



BELONG VILLAGES

Appendix

Appendix 1 Financials – Income & Expenditure

Income & Expenditure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Turnover	£26.7m	£30.2m	£31.7m	£34.8m	£38.9m	£45.2m	£51.2m
EBITDAR	£3.9m	£5.4m	£4.7m	£5.4m	£3.6m	£6.2m	£7.8m
Rent (Finance charges payable under finance leases)	(£1.0m)	(£1.0m)	(£1.0m)	(£1.0m)	(£1.1m)	(£1.1m)	(£1.1m)
EBITDA	**£2.9m**	**£4.4m**	**£3.7m**	**£4.4m**	**£2.5m**	**£5.1m**	**£6.7m**
Depreciation & Impairment	(£2.1m)	(£2.1m)	(£2.2m)	(£2.1m)	(£4.7m)	(£3.0m)	(£3.2)
Loss on Sale of FA	-	(£0.5m)	(£0.1m)	-	-	-	-
Development Drag	-	-	-	-	(£0.9m)	(£0.1m)	-
Interest Payable	(£0.9m)	(£1.0m)	(£1.0m)	(£1.0m)	(£1.5m)	(£1.8m)	(£2.0m)
(Loss)/Surplus on Ordinary Activities	**(£0.1m)**	**£0.8m**	**£0.4m**	**£1.3m**	**(£4.6m)**	**£0.2m**	**£1.5m**
Defined Benefit Pension Schemes - Actuarial	(£0.3m)	£2.3m	(£1.1m)	£2.3m	£3.2m	-	(0.4m)
Net (Deficit)/Surplus	**(£0.4m)**	**£3.1m**	**(£0.7m)**	**£3.6m**	**(£1.4m)**	**£0.2m**	**£1.1m**
EBITDA	**£2.9m**	**£4.4m**	**£3.7m**	**£4.4m**	**£2.5m**	**£5.1m**	**£6.7m**
EBITDA Margin	*11%*	*15%*	*12%*	*13%*	*6%*	*11%*	13%
Interest Cover (cash paid)	*3.2x*	*4.4x*	*3.7x*	*4.4x*	*1.7x*	*2.8x*	3.4x
Turnover - YoY	15.0%	13.1%	5.0%	9.8%	11.8%	16.2%	13.3%
EBITDA - YoY	(5.6%)	51.7%	(15.9%)	18.9%	(43.2%)	104.0%	31.3%

BELONG
VILLAGES

Financials – Balance Sheet

Balance Sheet	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Fixed Assets at Cost	£74.7m	£78.7m	£82.9m	£91.6m	£93.3m	£96.8m	£101.7m
Cash	£18.0m	£15.3m	£14.6m	£5.4m	£3.4m	£3.3m	£4.3m
Total Debt	£47.6m	£47.5m	£51.0m	£49.6m	£52.1m	£54.3m	£58.5m
Total Reserves	£27.9m	£31.0m	£30.2m	£33.8m	£32.5m	£32.6m	£33.8m
Net Gearing	*40%*	*41%*	*44%*	*48%*	*52%*	*53%*	53%
Net Debt to EBITDA	*10.2x*	*7.3x*	*9.8x*	*10.0x*	*19.5x*	*10.0x*	8.1x
Villages	***7***	***7***	***7***	***7***	***8***	***8***	***8***
Beds	494	494	494	494	566	566	566
Apartments	169	169	169	169	192	192	192
Occupancy – Established Villages (excluding Chester)	97.8%	92.1%	85.4%	92.9%	94.9%	96.8%	96.4%

BELONG VILLAGES

Appendix 2 The Development Process: Tried and Tested model

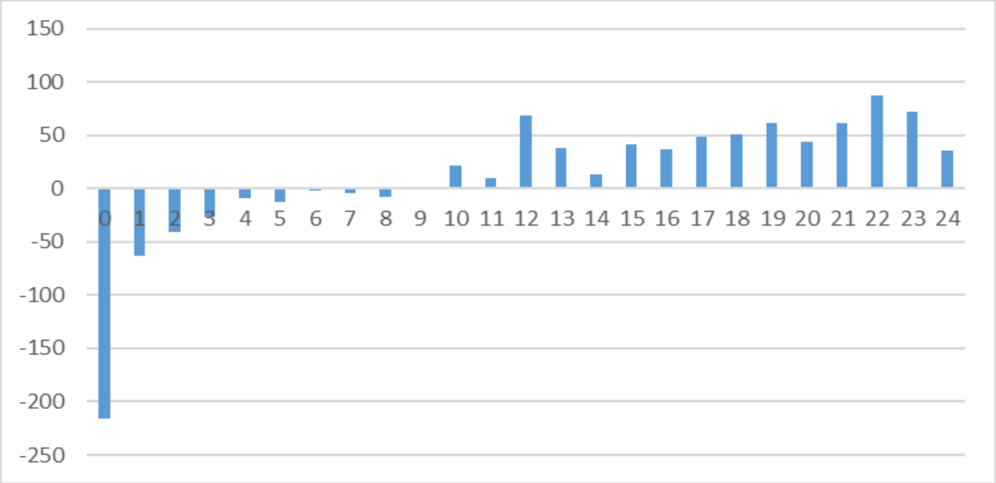
The Acquisition Process

- Identify a site meeting Belong acquisition criteria
- Purchased site in Belong (Construction) Limited subject to planning permission
- Board approval obtained in 3 stages: pre-planning costs and land acquisition: pre-tender costs; tender approval and development costs

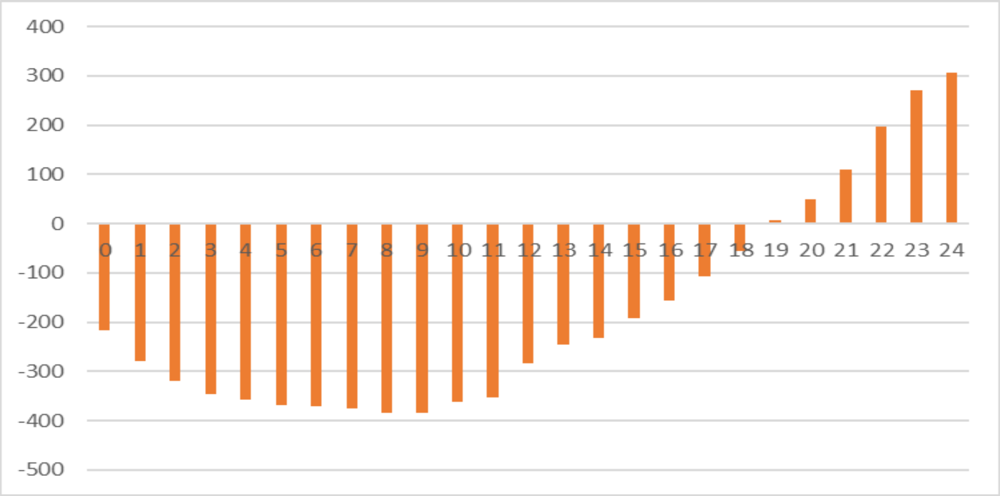
Development Process

- Worked with Design team on all Belong villages - Architect, Structural Engineer and Mechanical & Electrical Engineer
- Comprehensive Belong Design Guide
- Competitive tender for main contractor
- JCT contract
- Contract administrators and Clerks of Works appointed
- Fit-out managed by Belong team

Typical MoM EBITDAR for a new village – first 24 months



Typical cumulative EBITDAR for a new village – first 24 months



BELONG VILLAGES

Capital Investment & Appraisal Process

Managing Risk, Quantifying Returns

- Investment is driven by social outcomes rather than commercial gain
- Investment must contribute to Belong's strategy and further charitable objectives
- Board approval for new villages ensures financial viability and funders' covenants met
- Appraisal includes sensitivity analysis on key financial risks
- Forecasts included to ensure pre-opening costs and opening losses can be recovered
- Appraisal includes consideration of payback period and return on investment once fully occupied
- Typical Belong village
- Return on investment is 9% - 10%
    - Payback is 10 - 12 years
    - Based on fully occupied earnings

BELONG
VILLAGES