

# RETAIL CHARITY BOND Q&A SESSION

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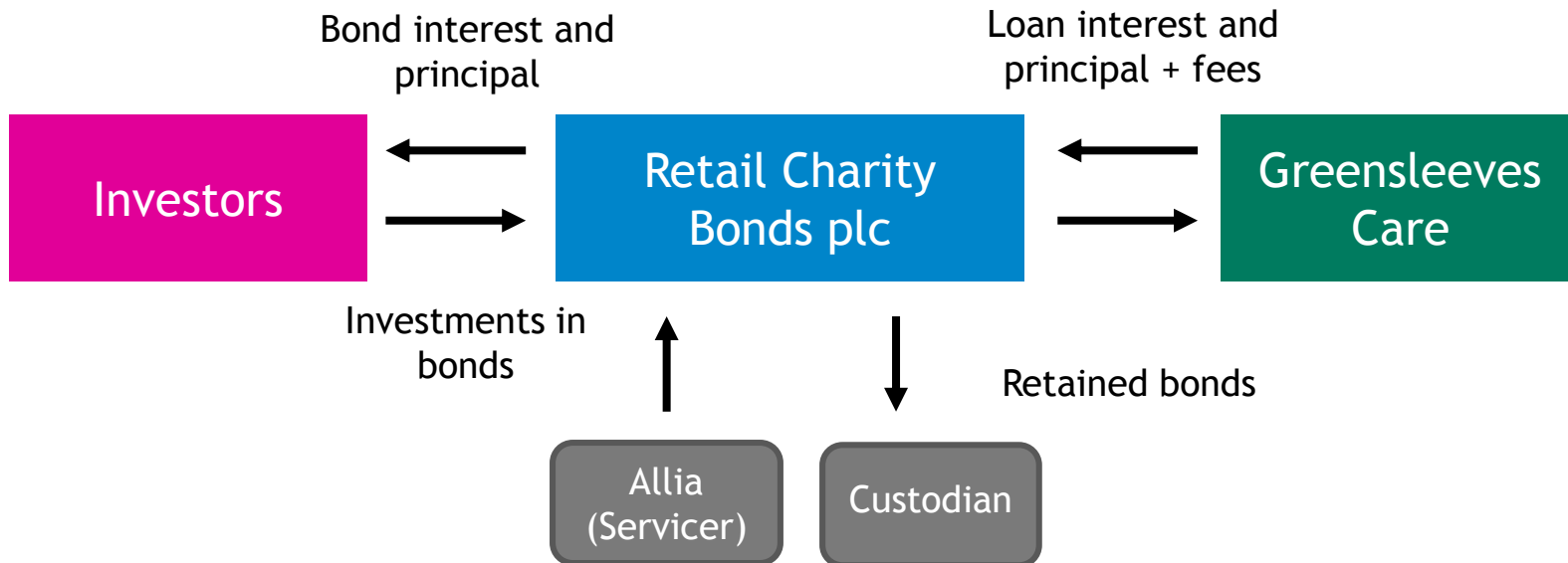
## DRIVERS

- Growing our Social Impact
- Improved financial planning
- Strategic approach to funding our Development Strategy
  - Redevelopment of existing estate
  - New build
  - Acquisition of operating homes
- Refinance existing debt

## BENEFITS

- INCREASED CERTAINTY & REDUCED COMPLEXITY
  - Security of a known, long-term interest rate
  - Known repayment profile with final bullet payment
  - Reduced complexity - One set of covenants
  - Matures 30 March 2026. Legal maturity on 30 March 2028.
  - Simplified financial and business planning
- IMPROVED GOVERNANCE & CONTROL
  - Unsecured loan on the borrower's assets
  - Returns control of the charity's assets to the Board
  - No restrictions of how the funding is used
- COMMERCIAL BENEFIT
  - Cheaper source of capital

## FINANCING STRUCTURE



- RCB plc issues £50m bonds
  - £33m loaned to Greensleeves on same terms
  - £17m bonds immediately repurchased by RCB plc and deposited with Custodian
  - At any time in the future Greensleeves can request RCB plc to sell any of the retained bonds into the market at the prevailing rate

## PROCESS

- Confirm long term strategy and best funding option to support that strategy



## RESULTS

- Bond closed early and over-subscribed in less than one week from launch having raised £33m from a wide range of institutional, ethical and individual investors
- Largest retail charity bond issue to date
- First by a not for profit care home operator
- Offered at the lowest rate of interest to date
- Excellent media coverage - national, care, financial, property
- Terms:-
  - 4.25% fixed interest rate
  - 9 year term with option to extend by 2 years with additional interest charge
  - No amortization until maturity
  - Unsecured but with light asset cover and secured borrowing covenants

## THANKS FOR LISTENING

- Any question?