

Strategic framework

Delivering long-term value

Our strategy has been developed to fulfil the objectives of our two customer groups, borrowers and capital providers, as well as to deliver sustainable shareholder value.

Our vision is to fulfil the highest expectations of our stakeholders whilst delivering market-leading real estate finance.

Our mission is to raise deep pools of capital in order to provide debt finance for real estate projects. We achieve this and meet the needs of our clients through innovative products and services, seeking digital efficiency in our processes, and by building, developing and maintaining high performance teams.

To create long-term value, we have three strategic priorities built around the needs of our two sets of customer: our borrowers and our capital providers. These strategic priorities are to **grow** a profitable loan book while maintaining excellent levels of credit quality, to **raise** additional third-party capital for deployment to the real estate development market, and to **invest** in our operational efficiency, team learning and development.

Strategic Priority 1

1

Grow a profitable loan book while maintaining excellent levels of credit quality.

Achievements in 2018

- Loan book of £525 million, across England and Wales
- Weighted average LTGDV of 67%, 800 basis points less than maximum 75%, a strong indicator of higher quality loan book
- Projected income of £27 million over life of loans
- Zero losses achieved on loan book
- Net Asset Value of £151 million; 95p per share.

Objectives in 2019

- Grow loan book
- Maintain credit quality
- Grow projected income and maintain minimum income
- Maintain zero losses on loan book.

Strategic Priority 2

2

Raise additional third-party capital for deployment to the real estate development market.

Achievements in 2018

- Commercial relationships were executed with three new investors: KKR, UBS and Aviva:
 - two loan-on-loan lines signed, totalling £198m, with UBS and Aviva
 - total AUM raised was £371m.

Objectives in 2019

- Continue to build a strong and diverse pipeline of opportunities for raising new capital to service the loan book
- Raise further discretionary capital
- Source additional credit lines.

Strategic Priority 3

3

Invest in our operational efficiency, team learning and development.

Achievements in 2018

- Operating costs as a percentage of total committed loans were 0.81%, demonstrating the efficiency of the Group's operating model
- Development of our strategy
- We grew headcount from 16 to 25 while maintaining a culture conducive to 'high performance teaming'.

Objectives in 2019

- Implement a technology platform to improve our customers' experience in all their dealings with us, and to increase the efficiency of the loan underwriting, management and asset management processes
- Implement a company-wide objectives management system
- Maintain a culture of 'high performance teaming', learning and development
- Continue to invest in additional people resource to strengthen our capacity.