22 July 2026

HENRY BOOT PLC
('Henry Boot' or 'the group')

HALF YEAR TRADING UPDATE

Henry Boot, a company engaged in land promotion, property investment and development, and home building, is providing an update on trading from 1 January 2026 to 30 June 2026 (the "period").

Trading

Further to the group's AGM trading update on 21 May 2026, macroeconomic uncertainty remains elevated, with domestic political uncertainty and the conflict in the Middle East continuing to weigh on consumer and business confidence. This backdrop has contributed to lower transaction volumes across our markets.

During the first half of the year, Hallam Land sold 556 plots (HY25: 1,222) with a further 465 (HY25: 410) exchanged for completion in the second half of 2026. A number of home builders have changed their land strategy, slowing acquisition activity, which has resulted in delays to transactions and an increased use of deferred payment terms. Given current market dynamics, we expect 2026 plot sales to be materially below the prior year (FY25: 3,957). The planning environment remains favourable with applications for 2,747 plots submitted during the period, and we remain on track to submit 10,000 plots this year. We currently have 8,974 plots with planning as well as an additional 21,361 plots awaiting determination. Growing our store of consents, all of which are held at cost, remains a key focus and provides an important source of future value.

HBD continues to experience good occupier demand for its industrial and logistics (I&L) developments, with the Origin JV schemes now 75% let or under offer, up from 9% at the start of the year. Whilst rental growth has remained positive, the value of our wholly owned investment portfolio decreased modestly in the period, reflecting some outward yield shift on certain assets. In July, work commenced on phase one of Golden Valley, a £95m GDV scheme, including IDEA, a 160,000 sq ft innovation centre forward funded by Cheltenham Borough Council. IDEA is 68% let or under offer. HBD will benefit from de-risked developer returns within our target range, with completion anticipated in early 2028.

Stonebridge Homes (SBH) completed 72 homes in the first half of the year (HY25: 85). Private sales prices were in line with expectations, with incentives remaining stable. Consistent with recent years, completions are expected to be second half weighted, with full year completions anticipated to represent a small increase on the prior year (FY25: 185). Delays in securing detailed planning consents continue to impact new outlet openings. The sales rate for the period was 0.38 (HY25: 0.42), in part attributable to higher mortgage rates impacting demand, which has resulted in site extension costs, while higher energy prices have contributed to build cost inflation of c.5%. As a result of these cost pressures, SBH is expected to make an operating loss in 2026.

Banner Plant is trading in line with management's expectations. The Road Link (A69) contract concluded at the end of March 2026.

Financing

The group maintains a strong balance sheet with a £155m secured loan facility with Barclays Bank PLC, HSBC UK Bank PLC and National Westminster Bank PLC which runs for three years and includes two one-year extensions, as well as an unused £30m accordion. An amendment to the loan facility was signed in June 2026 altering interest cover covenant requirements as at June 2026 and September 2026. Our lending group remains supportive, and we are in active discussions to amend the full-year covenant requirements, consistent with the terms agreed to date.

As at 30 June 2026, net debt was £132.9m (31 December 2025: £108.0m). We continue to expect to deliver a reduction in net debt at the year-end as transactions complete.

Outlook

Market conditions remain challenging and the group's financial performance for the first half of the year is expected to be below the equivalent period in the prior year. Whilst we expect an improvement in second half performance, supported by higher home completions, growth in our committed development pipeline, further I&L lettings and the completion of land sales delayed from the first half, transaction volumes are anticipated to remain subdued for the remainder of the year. As a result, the Board now expects profit before tax for the year ending 31 December 2026 to be significantly below current market expectations[1].

The group remains focused on cash generation and disciplined cost control; however, the Board will not prioritise short-term performance at the expense of future returns. The longer-term fundamentals of our markets remain attractive, and with a strong pipeline of opportunities across our portfolio, the group is well placed for the medium term.

As scheduled, the group will announce its interim results for the six months ended 30 June 2026 on 22 September 2026.

[1]Company compiled of market consensus for 2026 profit before tax is £20.4m.

Certain information contained in this announcement would have constituted inside information (as defined by Article 7 of Regulation (EU) No 596/2014), as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018) ("MAR") prior to its release as part of this announcement and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations.

ENDS

Notes to editors

Henry Boot is one of the UK's leading land, property development and home building businesses - and we've been transforming land and spaces since 1886. Listed on the London Stock Exchange for nearly 100 years, we're renowned for quality, expertise, delivery and a partnership approach across the group, which comprises Hallam Land, HBD, Stonebridge Homes and Banner Plant. We have developed a responsible business strategy to help us meet our aim of being net zero carbon by 2030.

Operating across the UK, and employing over 350 people, we focus on three key markets: residential, industrial and logistics, and urban development. Hallam Land has facilitated 52,000 new homes since 1990, managing one of the top five largest land portfolios in the country, with the potential to facilitate over 100,000 homes.

HBD manages a development pipeline of £1.4 billion, the equivalent of 7 million sq ft of developments across our key markets, while maintaining a c.£120 million investment portfolio.

Stonebridge Homes, our jointly owned home building business, manages a land portfolio capable of delivering 1,500 homes, with an ambition to deliver up to 600 new homes a year.

For 65 years, Banner Plant has supplied construction products and services, operating from seven regional depots in the north of England.

From land promotion and property development investment to home building and plant hire, Henry Boot is where great places start.

henryboot.co.uk

For further information please contact:

Henry Boot PLC
Ed Hutchinson, Chief Executive Officer
Darren Littlewood, Chief Financial Officer
Daniel Boot, Senior Corporate Communications Manager
dboot@henryboot.co.uk
henryboot.co.uk

FTI Consulting
Richard Sunderland/Giles Barrie
07894 797067 / 07798 926814
henryboot@fticonsulting.com

Peel Hunt LLP
Corporate Broker
Ed Allsopp / Asha Chotai /Tom Graham
0207 418 8900