



Henry Boot

Preliminary results

March 2025

Where great places start

Island, Manchester



Introduction and overview

Speaker
Tim Roberts

Forest Chase,
Great Ouseburn

Agenda

Introduction and overview
Tim Roberts

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Financial review
Darren Littlewood

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Tim Roberts/Darren Littlewood

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Outlook
Tim Roberts

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Tim Roberts
Chief Executive Officer



Darren Littlewood
Chief Financial Officer

Introduction

We focus on high quality land, prime property development and premium homes

- Total land and property sales of £347m (Our share: £224m)
- Agreed terms to take full ownership of premium regional housebuilder Stonebridge Homes
- Increasing Hallam headcount to submit more applications and grow sales given supportive planning environment
- Launched Origin JV, with potential to deliver c.£1bn of high quality I&L schemes over the next seven years
- Strong balance sheet and a prudent NAV with land and developments held at cost
- Full year dividend increased by 5%

Industrial and logistics



Residential



Urban development



Resilient operational performance

Good performance in H2 24 delivered results in line with market expectations

Land promotion	<ul style="list-style-type: none"> • 2,661 plots sold (2023: 1,944) and 97 acres of employment land • Total sales of £183m (Hallam share: £78m) • Land bank increased by 4% to c.105,000 plots, with c.8,800 permitted • 10,000 plots to be submitted over the next 12 months, reflecting our focus on conversion 	Operating profit £24.3m FY 23: £21.4m
Property investment & development	<ul style="list-style-type: none"> • Completed £188m (HBD share) of developments, 72% pre-sold / pre-let • Launched Origin JV, with intention to deliver c.£1bn of I&L schemes over seven years • Investment portfolio value £107.4m generating a total return of 9.9%, ahead of index • Stonebridge Homes increased output by 8% to 270 homes 	Operating profit £16.7m FY 23: £22.2m
Construction	<ul style="list-style-type: none"> • Segment remained profitable • New management team appointed at HBC 	Operating profit £4.9m FY 23: £6.5m
Group	<ul style="list-style-type: none"> • Central operating costs of £11.7m (FY 23: £9.9m) • ROCE of 8.0% (FY 23: 9.9%) 	Operating profit £34.2m FY 23: £40.2m

Continued progress towards medium-term objectives set out in 2021

Measure	Medium-term target	FY 24
Capital employed	£500m	£439m ¹ and on track to grow
Return on average capital employed	10-15% pa	8.0% in FY 24
Land promotion plot sales	c.3,500 pa	2,661 plots, plus 97 acres of employment land
HBD development completions	c.£200m pa	Our share, £188m completed
Grow investment portfolio	Around £150m	Value at £107.4m
Stonebridge Homes sales	Up to 600 units pa	270 homes completed in FY 24
Construction order book secured	Minimum 65% for the year ahead	As at Jan 55% contracted, with 16% secured
Responsible business strategy	Achieve NZC by 2030	10% reduction in GHG emissions (Scopes 1 & 2)

¹excluding the defined benefit pension scheme surplus



Financial review

Speaker
Darren Littlewood

Setl, Birmingham

Financial summary

Resilient performance in line with expectations

- Strong performance in H2 as anticipated with total land and property sales in line with prior year
- Gross profit decreased marginally by 3% to £74.5m with margin improving by 130bps to 22.7%
- Prior year benefitted from £4.8m of other income relating to a legal settlement on a historic development contract
- ROCE reduced to 8.0% – marginally below the bottom end of our medium term target range
- Dividend increased by 5% reflecting progressive dividend policy and growth of the business

	FY 24	FY 23	Change
Revenue	£328.4m	£359.4m	-9%
Gross profit	£74.5m	£76.8m	-3%
Operating profit	£34.2m	£40.2m	-15%
Profit before tax	£30.7m	£37.3m	-18%
Underlying profit ¹	£29.4m	£36.7m	-20%
ROCE ²	8.0%	9.9%	-
Earnings per share	17.4p	19.7p	-11%
Dividend per share	7.70p	7.33p	5%
Dividend cover	2.3x	2.7x	-

¹ Underlying profit is defined as profit before tax excluding valuation movements on completed investment properties including the Group's share of joint ventures

² Return on Capital Employed (ROCE) is an APM and is defined as operating profit/average of total assets less current liabilities (excluding DB pension surplus) at the opening and closing balance sheet dates

Balance sheet

Reduction in gearing due to disposals offsetting continued investment

- Investment property at £111.2m reflecting a like-for-like revaluation uplift in period
- Increase in inventories of £35.3m with investment in Stonebridge land and WIP, as well as strategic land
- Reduction in other working capital of £47.4m driven by cash proceeds received from deferred land sales
- Net debt down to £62.7m after strategic land and development sales
- Gearing 14.7% within the optimal range of 10-20%, but expect to be at top end of the range during FY 25
- Secured bank facility of £125.0m runs to May 2027 with option to extend for further two years to May 2029
- NAV per share up 3.6% to 317p or on an underlying basis before pension adjustments up 3.3% to 312p

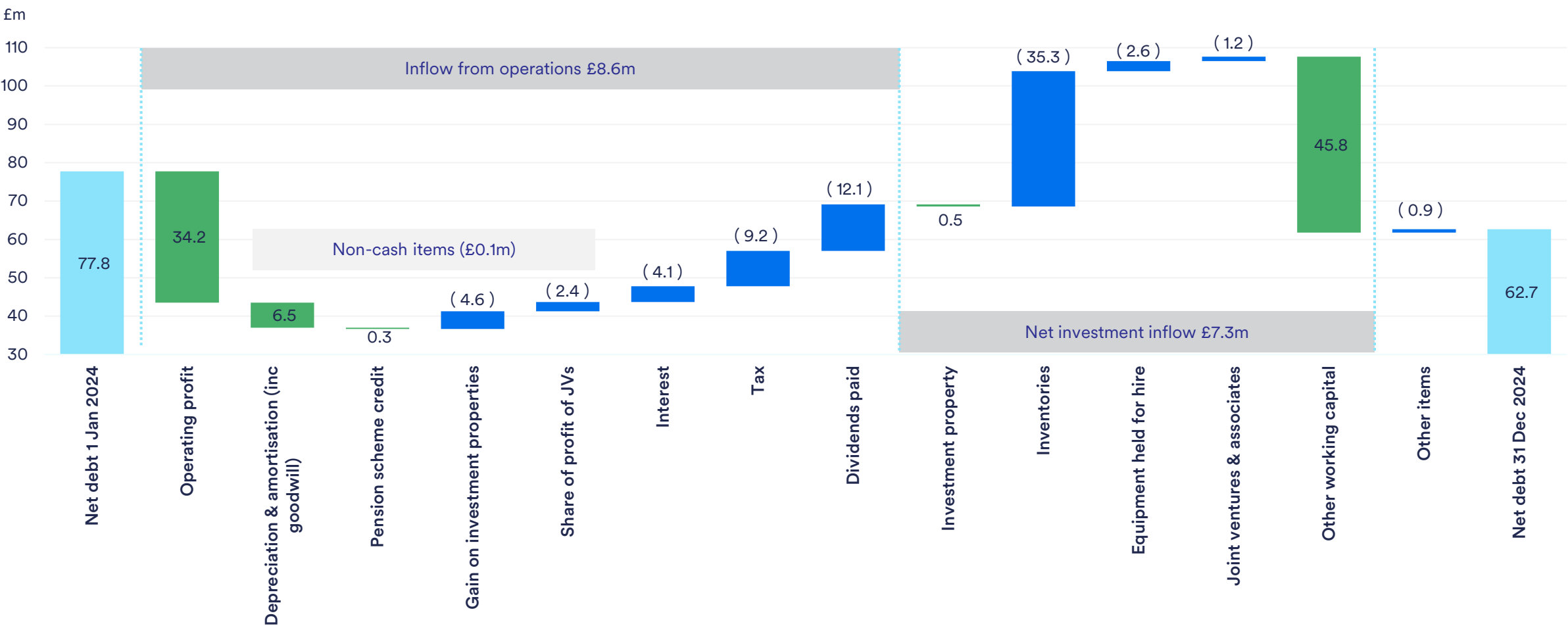
	Dec 24	Dec 23
Investment property ¹	£111.2m	£110.0m
Property, plant & equipment	£29.3m	£29.2m
Inventories	£332.9m	£297.6m
Other working capital	£4.9m	£52.3m
Net debt	(£62.7m)	(£77.8m)
Retirement benefit assets	£9.9m	£7.7m
Other net liabilities	(£0.4m)	(£9.6m)
Total equity	£425.1m	£410.1m
Gearing	14.7%	19.0%
NAV per share	317p	306p
TAR	6.1%	6.1%
Capital employed ²	£439.0m	£416.7m

¹ Including the group's share of JVs and associates of £5.6m as at 31 Dec 2024 (31 Dec 2023: £9.4m) and assets held for sale of £9.3m as at 31 Dec 2024 (31 Dec 2023: nil) before adjustment in respect of tenant incentives

² Excluding retirement benefit assets of £9.9m as at 31 Dec 2024 (31 Dec 2023: £7.7m)

Cash generation and change in net debt

Investment continues to deliver profitable development programme



Operational review

Speakers
Tim Roberts & Darren Littlewood

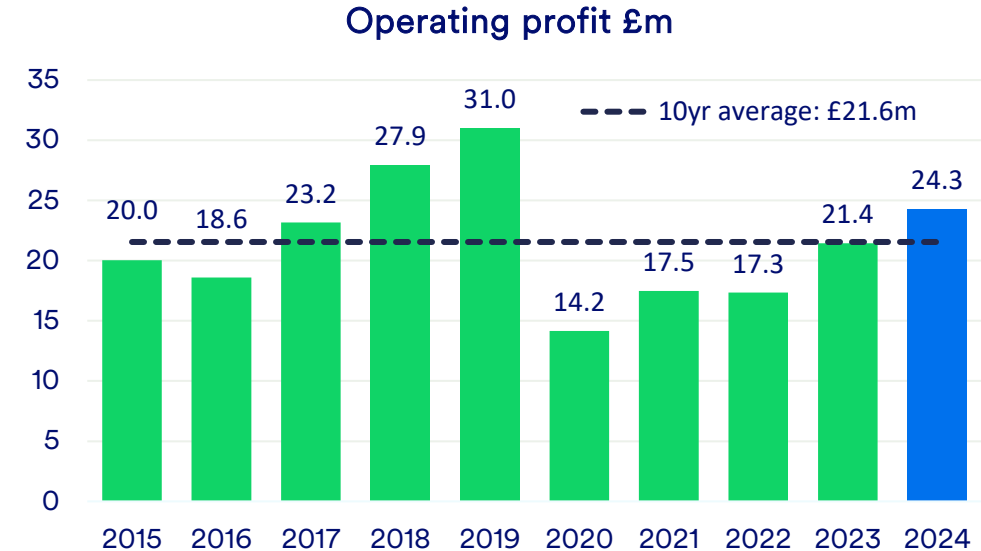
The Meadows,
Armthorpe

Hallam Land

UK greenfield land values stable in 2024

- 2,661 plots (FY 23: 1,944) and 97 acres of employment land sold
- Sites exited in FY 24 generated an average ungeared IRR of 26% pa over an average hold period of 17 years
- Positive changes to the NPPF* should materially ease planning policy
- Achieved planning on c.3,000 plots, including 2,000 in Q4 24
- 8,822 plots at year end with planning at (Dec 2023: 8,501)
- 867 plots achieved planning so far in 2025
- Land portfolio held at cost, with gains not recognised until disposal
- In 2025, c.2,000 plots completed, exchanged or under offer

*National Planning Policy Framework



Plots sold

2,661

FY 23: 1,944

Profit per plot

£10.2k

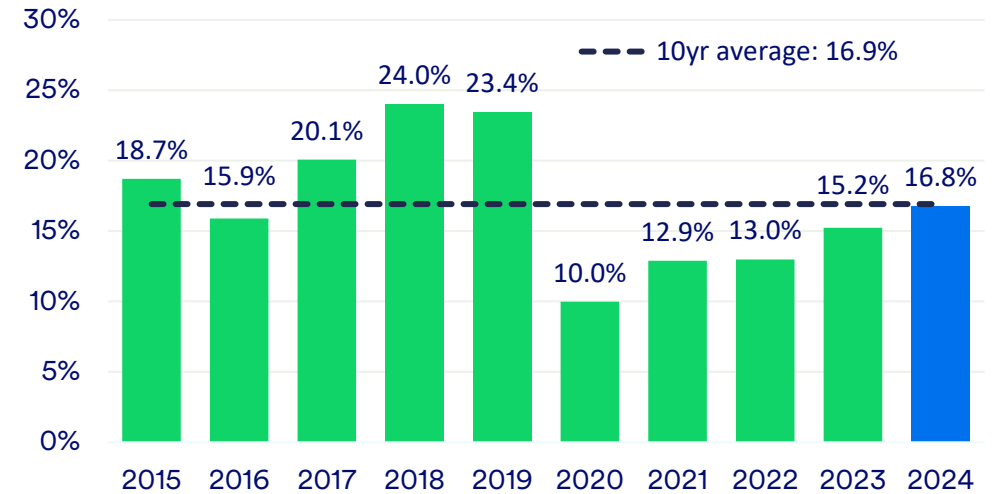
FY 23: £15.5k

Land promotion

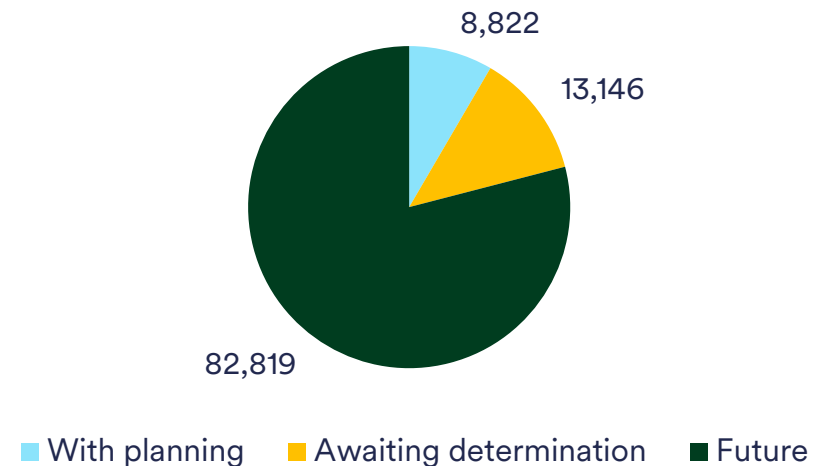
Continuing to deliver despite a challenging market

- Land promotion has delivered significant returns over the long-term with ROCE of 16.9% pa over the last 10 years
- Scale of portfolio and forward sales mitigate site specific risks and reduce volatility of operating profit
- Use of both freehold and PPA/options to manage level of investment on a site-by-site basis
- Primary focus on increasing new planning applications and sales, whilst continuing to modestly grow the total portfolio
- Added c.6,500 plots with land bank increasing to c.105,000
- 13,146 plots awaiting planning determination, with appeals on five sites totalling c.2,500 plots
- Applications for c.10,000 plots to be advanced

Return on capital employed

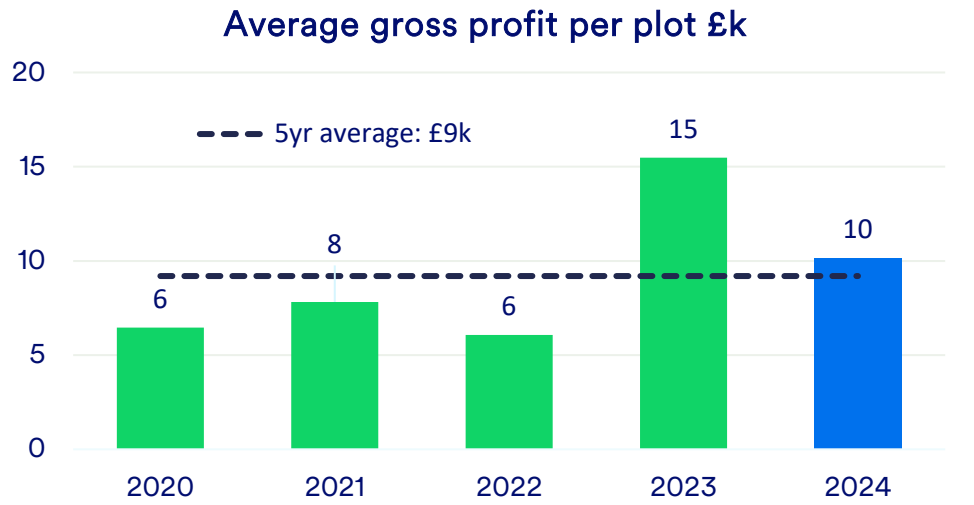
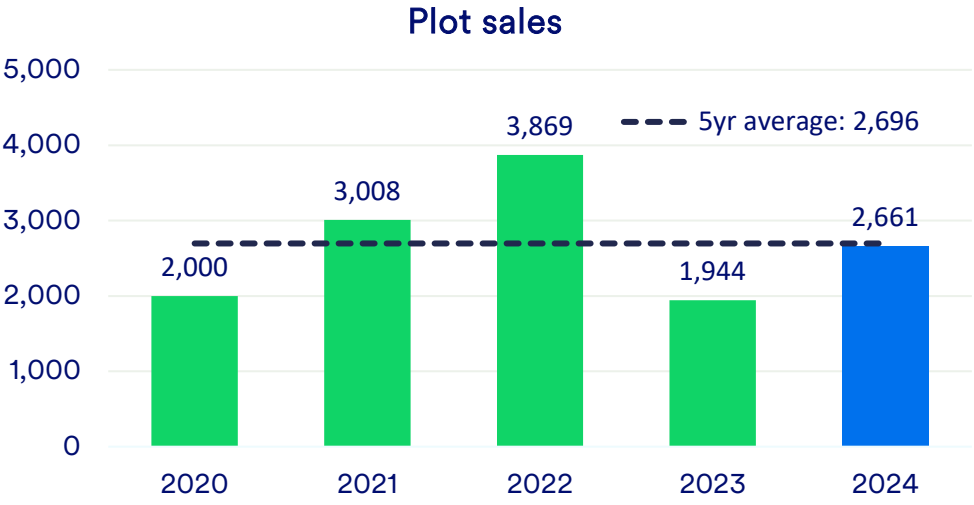
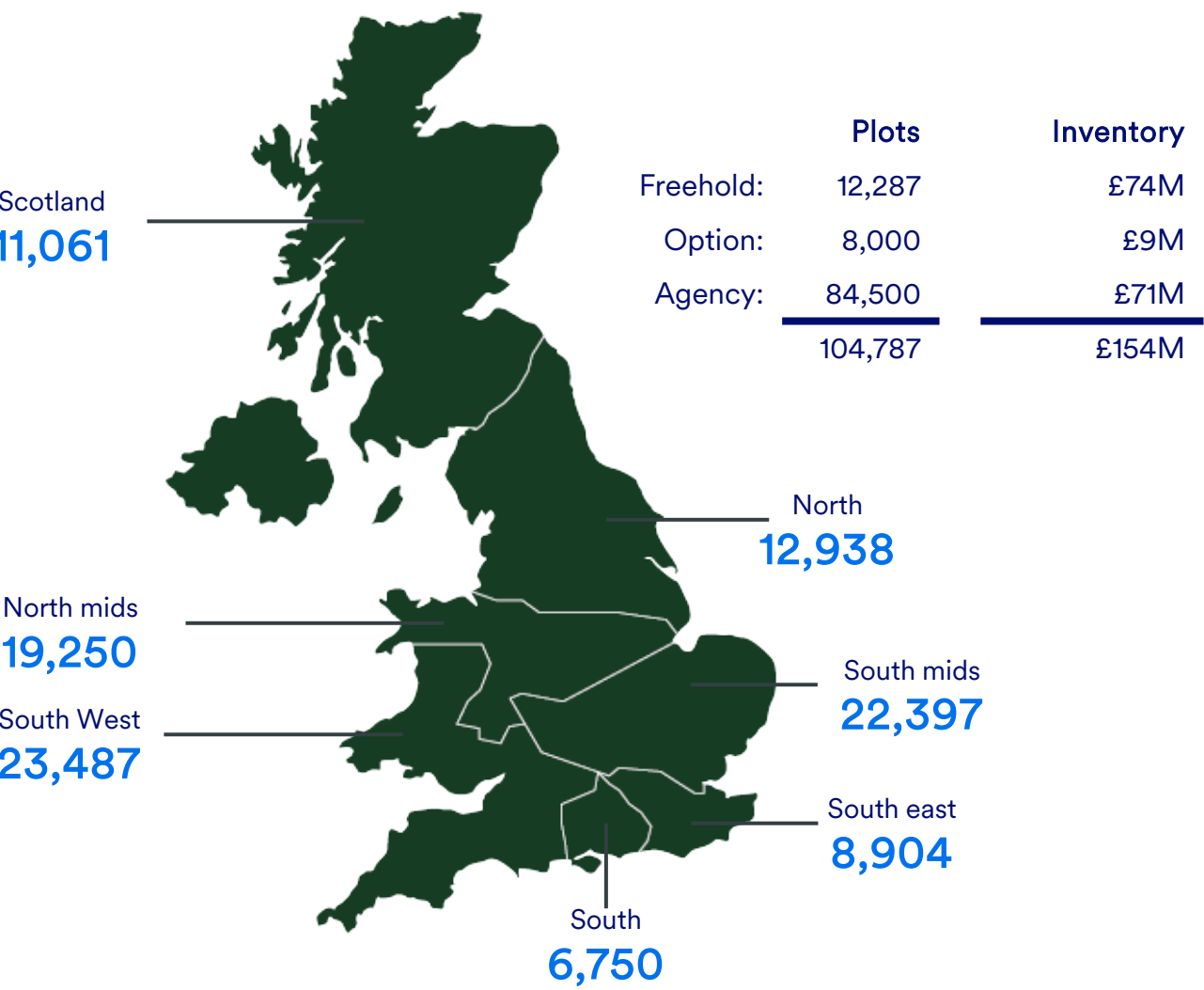


Residential land plots



Land promotion

Continuing to grow one of the largest strategic land banks in the country



Pickford Gate, Coventry

Total land sales c.£120m, with a running IRR of 33% pa

- In 2015 Hallam entered into a PPA for the c.350 acre site
- A planning application was submitted in 2018 and achieved outline planning permission in 2021 for;
 - 2,400 residential units (25% affordable)
 - 1.6m sq ft of employment space
 - Primary school, community centre and open spaces
- Funding secured through Homes England for infrastructure works including new A45 junction
- In 2024, £102m sold (our share: £36m)
- 1,027 plots held for future sale

Phase 1

250 plots

Sold in
March 2023 to
Countryside

Phases 2 & 3

491 plots

Sold in
September
2024 to Barratt

Phases 4 & 5

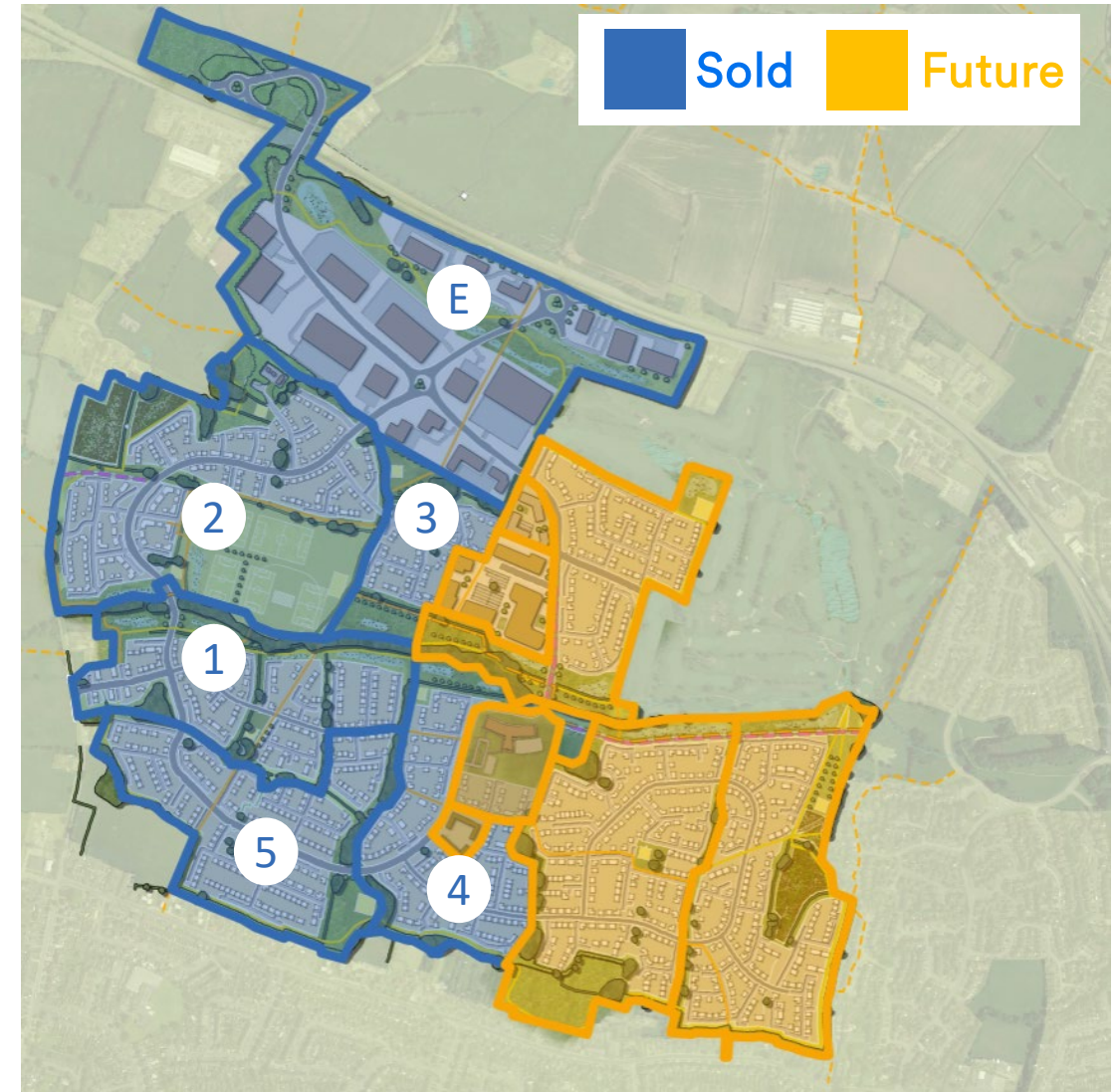
632 plots

Sold in
December 2024
to Vistry

Employment land

52 acres

Sold in
October 2024 to
Royal London



Property investment & development

Development pipeline provides strong platform for growth

- Comprises HBD and Stonebridge
- HBD completed £188mm of developments, 72% pre-let/pre-sold
- Origin JV is seeded with three sites with a combined GDV of c.£100m (HBD share: £25m)
- Committed development programme £124m (our share £33m), 25% pre-let/pre-sold
- 98% of development costs fixed on committed programme
- £1.2bn pipeline comprises 54% I&L, 23% urban commercial and 23% urban residential

Operating profit

£16.7m

FY 23: £22.2m

HBD pipeline

GDV

£1.2bn

FY 23: £1.3bn

Investment portfolio¹

£107.4m

FY 23: £112.9m

Stonebridge completions

270

FY 23: 250

Island, Manchester

Grade A office building in the city centre

- GDV £66m (HBD share: £33m) – JV with Greater Manchester Pension Fund
- 91,000 sq ft Grade A offices, completed November 2024
- NZC Construction, BREEAM Excellent, EPC A & 5* NABERS
- Pre-let c.50% of the building to Virgin Media O2 in October a new record office rent for the city



Setl, Birmingham

Premium city centre 1 & 2 bedroom apartments

- GDV £32m
- 102 build-to-sell premium apartments, completed May 2024
- Residents lounge, gym studio and private rooftop garden
- 69% of units sold, exchanged or reserved, achieving an average reservation rate of 1.0 unit per week



Origin JV

Potential to deliver c.£1bn of high quality I&L assets

Background

- UK focused I&L JV (25:75) with Feldberg Capital
- Allows the group to accelerate industrial development
- Seeded with three sites from our pipeline with a combined GDV of c.£100m
- Generated £5.5m initial profit
- £54m development loan from BGO
- Work has commenced on all three sites
- Development management fees, with the potential for performance fees



1 Markham Vale ARK



Four units -107,000 sq ft (Total GDV: £20m)

2 Walsall SPARK



Two units- 270,000 sq ft (Total GDV: £52m)

3 Welwyn Garden City INTER



A 71,000 sq ft unit (Total GDV: £28m)

Committed programme

£33m GDV, of which 25% has been pre-let or pre-sold

Scheme	Area '000 sq ft	Units	HBD Share	GDV (£m)*	Status	Expected Completion
Industrial & Logistics						
Preston, Aptus	150	–	50%	5	Pre-sold	Q4 25
Origin, Markham Vale, Ark (Phase 1)	107	–	25%	5	Speculative	Q4 25
Origin, Welwyn, Inter,	71	–	25%	7	Speculative	Q3 25
Origin, Walsall, SPARK, (Phase 1)	271	–	25%	13	Speculative	Q4 25
Total	599		27%	30		
Land & Other						
Aberdeen, Bridge of Don	–	420	8%	1	Pre-sold	Q3 25
Leicester, Melton Road	20	–	100%	2	Pre-sold	Q2 25
Total	20	420	21%	3		
Total committed pipeline	619	420	27%	33		

*HBD share

£1.2bn development pipeline

Carrying value £54m all held at cost

Key schemes

Golden Valley, Cheltenham



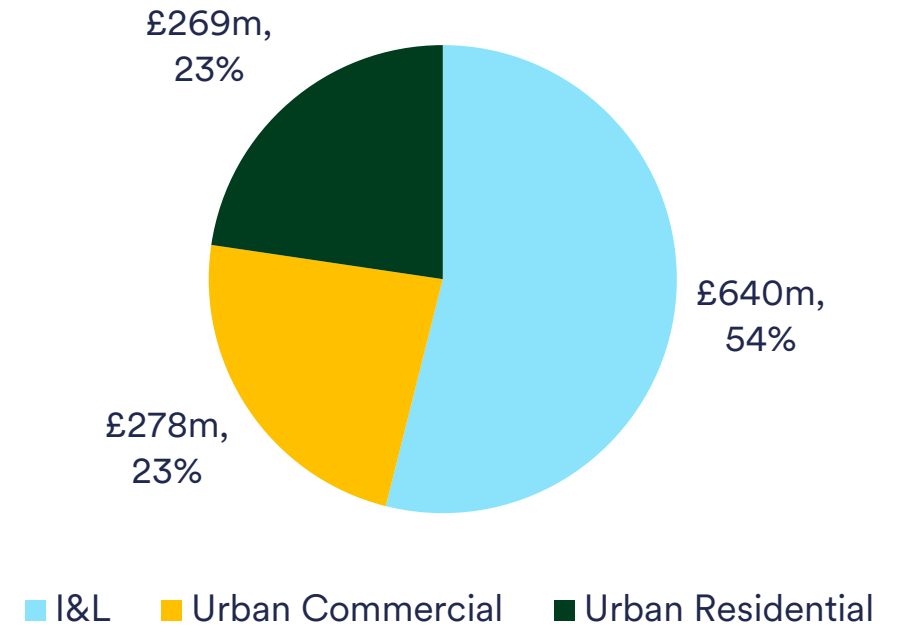
Scheme: Urban Commercial
GDV: £117m (phase one)
Investment: £8m
Size: 343,168 sq ft & 1,000 units
Planning Status: Submitted

Near term occupier led I&L



Scheme: Various I&L schemes
GDV: £215m
Investment: £9m
Size: 3.8m sq ft
Planning Status: Outline achieved

Development pipeline GDV split

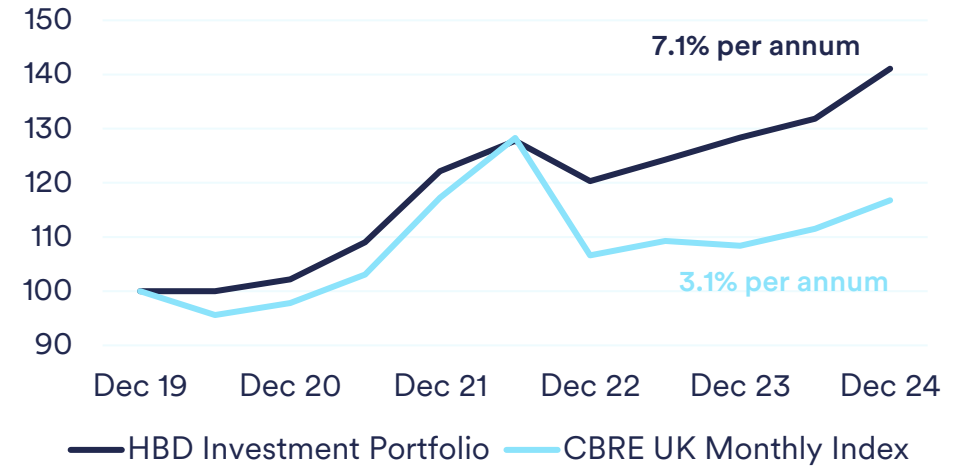


Investment portfolio

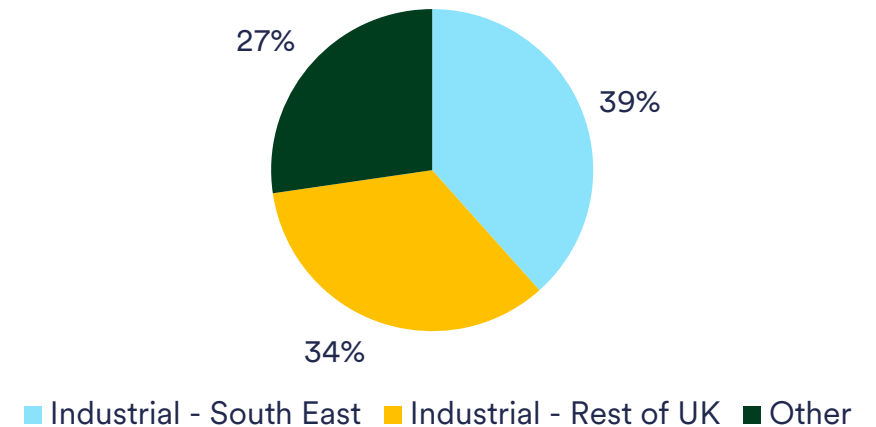
Further outperformance driven by industrial assets

- Commercial property market stabilised during the year
- Transaction volumes remain low but as interest rate outlook has improved there has been more investor interest
- Investment portfolio valued at £107.4m (Dec 23: £112.9m) following successful sales
- Total return of 9.9% for 2024, significantly ahead of the CBRE UK Monthly Index at 7.7%
- Strong outperformance over last five years
- Some 73% of the portfolio is now I&L and most of the properties are modern buildings we have developed

Total return vs CBRE UK Monthly Index



Investment portfolio split by sector



Stonebridge

Delivering high-quality homes

- 270 units completed (FY 23: 251)
- Private ASP* £402k (FY 23: £461k) reflecting the expansion into a second region in the NE
- Average private net reservation rate 0.45 (FY 23: 0.45)
- Active from 10 sales outlets in FY 24
- Build cost inflation moderating at 3% (Dec 2023: 4%)
- 1,220 plots with planning permission
- Secured 31% of its 2025 delivery target

*Average sales price



Total completions

270

FY 23: 251

Total land bank (units)

1,726

FY 23: 1,513

Stonebridge outlets and land bank

Multi region premium housebuilder with 6.4 year land supply



Total units: 97
Private ASPs: c.£361k
Completed: 35
Affordable: 20%



Total units: 69
Private ASPs: c.£401k
Completed: 46
Affordable: 17%



◆ Active outlets ◆ Land bank



Total units: 90
Private ASPs: c.£328k
Completed: 33
Affordable: 12%



Total units: 223
Private ASPs: c.£315k
Completed: 53
Affordable: 28%

Construction

Profitable despite challenging trading conditions

- Comprises HBC, Banner Plant and Road Link (A69) and accounts for just 2% of group's capital employed
- Two major city centre contracts completed at a total value of £100m
- HBC appointed to deliver the £36m redevelopment of Rotherham Markets
- 70% of order book secured for 2025
- New management team appointed at HBC to restore work levels
- Banner Plant traded below budget in challenging market
- Road Link trading in line with management expectations



Operating profit

£4.9m

FY 23: £6.5m

2025 order book secured

55%

Jan 24: 49%

Outlook

An aerial photograph of an industrial park in Walsall, UK. The park features several large, modern warehouse buildings with grey roofs and green trim. A central road runs through the park, flanked by parking lots and green spaces. The surrounding area includes residential housing, a river, and a large stadium. The sky is blue with some clouds.

Speaker
Tim Roberts

Spark, Walsall

Outlook

Well placed for recovery

- Conviction in our three key markets with emphasis on high quality schemes
- Clear focus on land promotion, property development and housebuilding
- Improvements made to planning policy, with 10,000 plots to be advanced in the next 12 months
- Sentiment recovering in our markets, with expected lag in activity and 2025 H2 weighted
- Strong balance sheet, portfolio rich with opportunity, confident on medium term targets



Well placed for the future

Investing to support growth

Land promotion



c.105,000 strategic land plots

Property development and investment



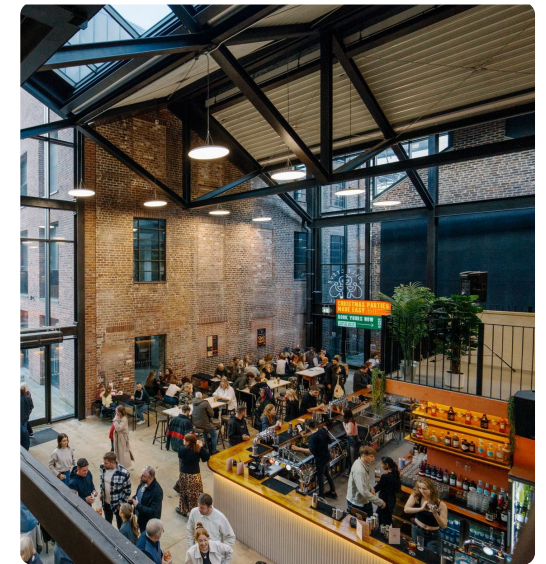
c.£1.2bn development pipeline

Housebuilding



Multi-regional premium housebuilder – land bank with c.1,700 plots

Construction



Public sector focused order book



Henry Boot

Appendix

Cambridge Street Collective,
Sheffield

Group structure

Henry Boot is one of the UK's leading land, property development, home building and construction businesses - and we've been transforming land and spaces since 1886. Listed on the London Stock Exchange since 1919, we're renowned for quality, expertise, delivery and a partnership approach across the group - which comprises, Hallam Land, HBD, Stonebridge, Henry Boot Construction, Banner Plant and Road Link.

Operating across the UK, and employing over 500 people, we focus on three key markets: urban development, industrial and logistics and residential. 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 £1.2bn, the equivalent of 6m sq ft of developments across our key markets, while maintaining a £104m investment portfolio. Stonebridge, our majority owned home building business, manages a land portfolio capable of delivering 1,700 homes, with an ambition to deliver up to 600 new homes a year.

Henry Boot Construction has extensive experience in both the public and private sectors, including major projects such as the £200m regeneration of Barnsley town centre. For over 65 years, Banner Plant has supplied construction products and services, operating from seven regional depots in the North of England.

We have also developed an ambitious Responsible Business Strategy to help us meet our aim of being Net Zero Carbon by 2030, and to deliver, by 2025, charitable, community and education work valued at £1m.

Business segments

Land Promotion
Hallam Land

Property Investment & Development
HBD
Stonebridge Homes

Construction
Henry Boot Construction
Banner Plant
Road Link (A69)

Group structure

Board of Directors



Peter Mawson
Chair



Tim Roberts
Chief Executive Officer



Darren Littlewood
Chief Financial Officer



Serena Lang
Non-executive Director



Talita Ferreira
Non-executive Director



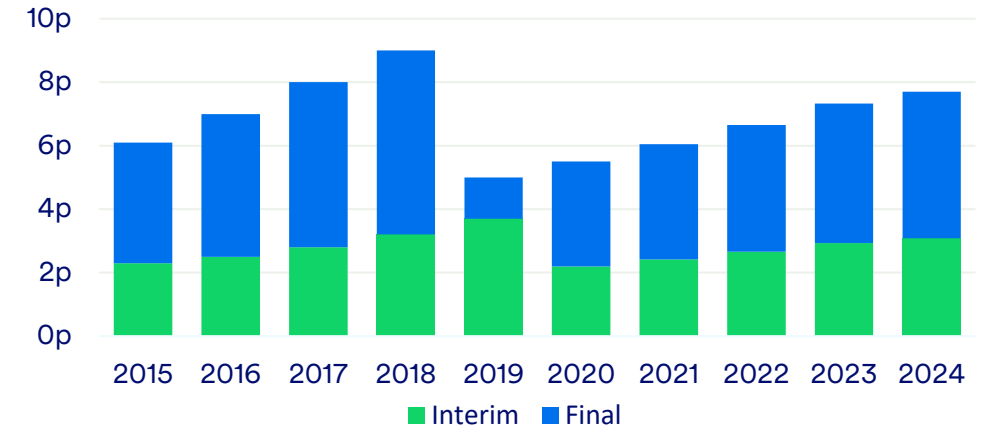
James Sykes
Non-executive Director

Investment case

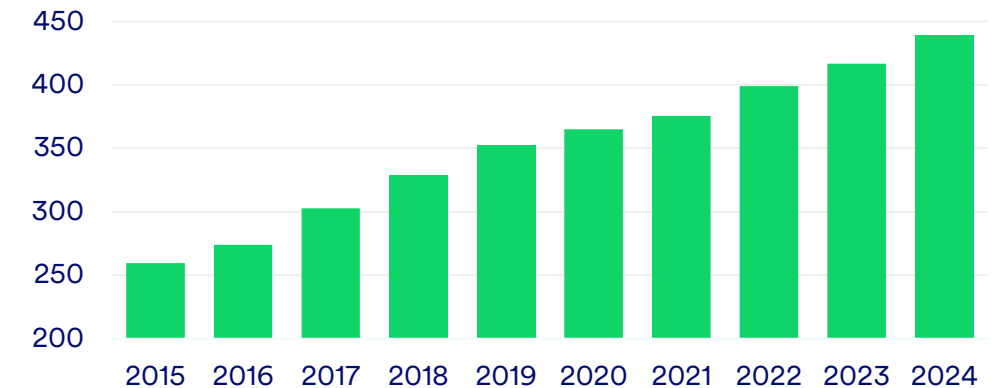
Prime portfolio focused on high quality premium projects

- Focus and deep knowledge of three key markets that are driven by positive long-term structural trends
- Active recycler of capital with over £710m of accretive land, property and house sales between FY 22 and FY 24
- Delivered attractive returns through the cycle with 10-year ROCE of 12.2% pa and TAR of 10.7% pa to FY 24
- Modest gearing with 10-20% target range and track record of effectively managing the balance sheet
- Clear strategy to grow the business with a wealth of opportunities within the portfolio
- Investment portfolio consistently outperformed the wider market over the short and medium term
- Significant latent value not reflected in balance sheet with land and developments held at cost rather than mark-to-market basis
- Responsible business investing in our people and local communities, with a commitment to achieve NZC by 2030

Dividend per share

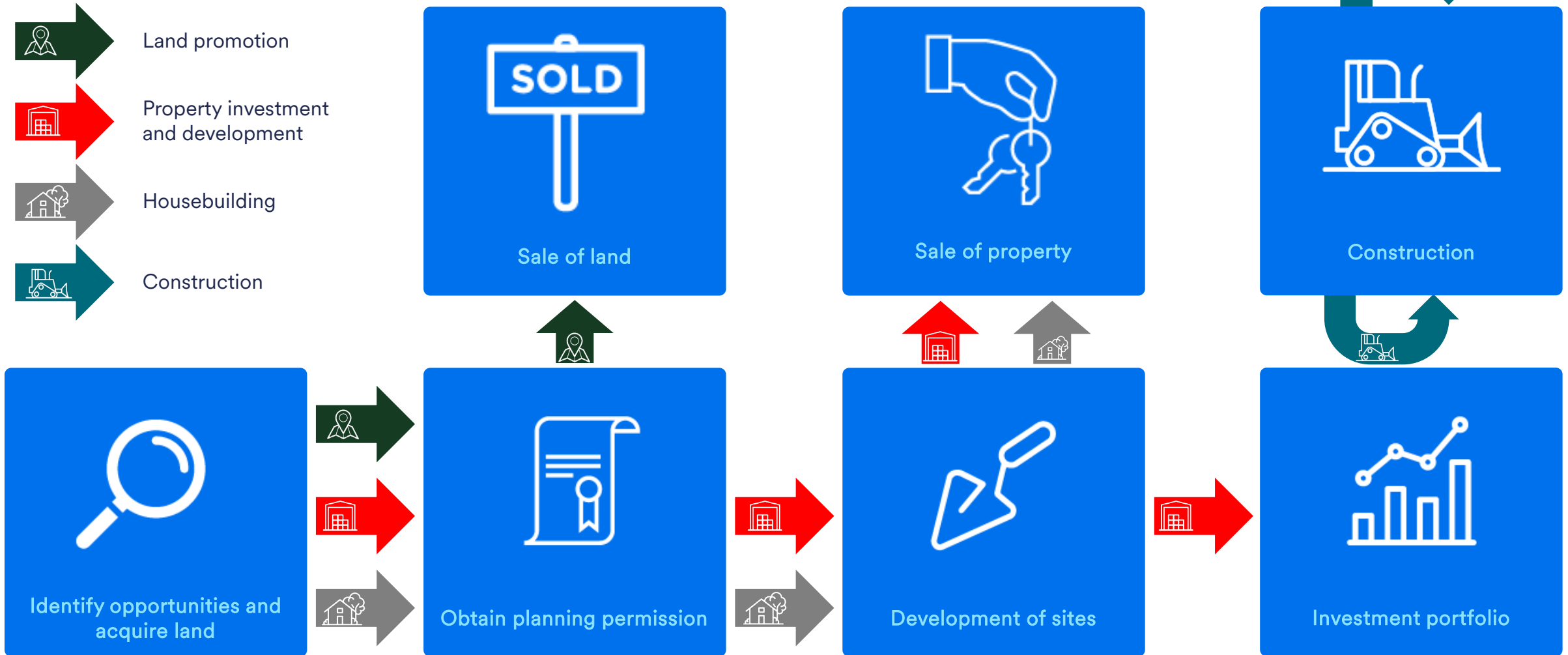


Capital employed £m



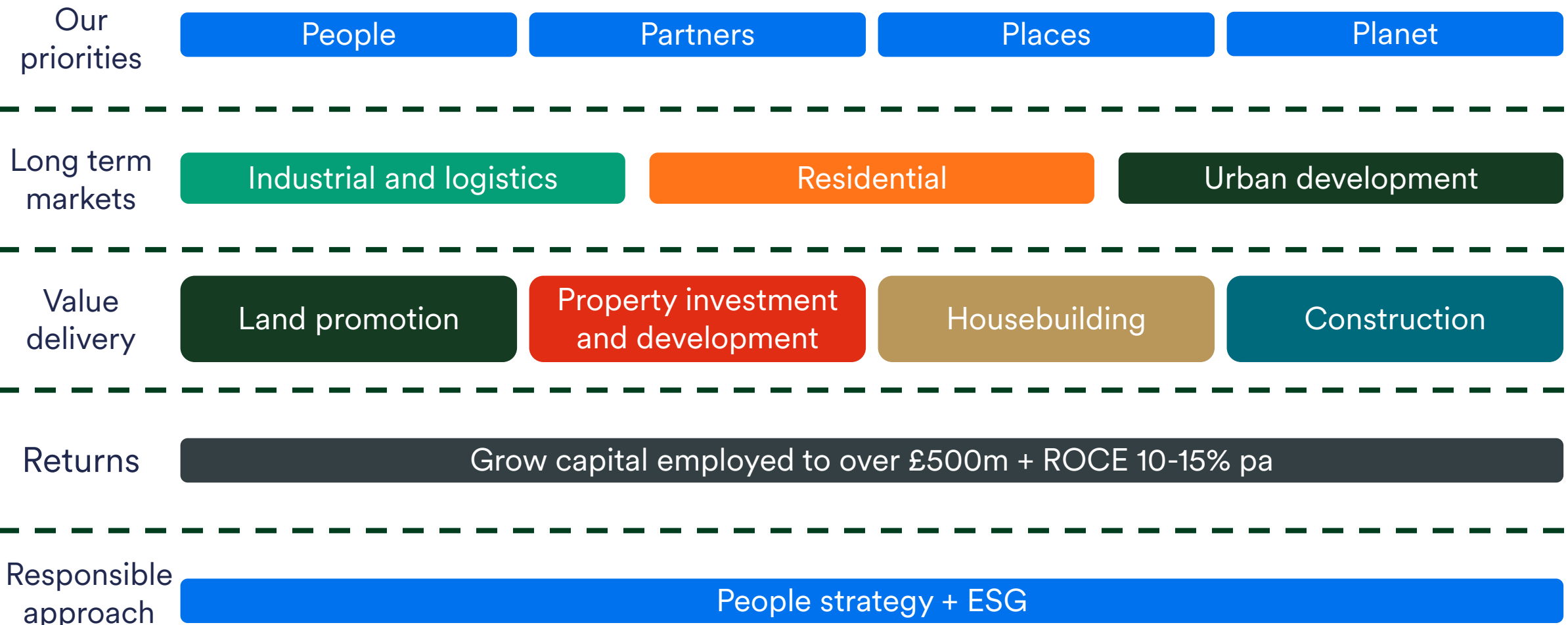
Business model

Track record of generating attractive returns



Our strategy

Creating great places today, to build a better tomorrow



Responsible business strategy

Our strategy is to embed ESG into our commercial decision making

	2025 Target	Performance	2025 target	Performance
Our people	Develop and deliver a group-wide health and wellbeing strategy.	Delivery is underway, including the launch of a financial wellbeing programme with Finwell and establishing a network of c.50 Mental Health First Aiders.	Increased gender representation in the business, aiming for 30% of our team and line managers being females.	Female representation across our workforce increased to 29% (2023: 28%) and in management to 25% (2023: 28%).
Our places	Contribute £1m of financial and equivalent value to our charitable partners.	We have contributed (financial and equivalent value of) over £770,000 to our charitable and community partners.	Contribute 7,500 volunteering hours across the group to community, charity and education projects.	More than 8,000 volunteering hours have been delivered, meaning we have already exceeded our goal.
Our Planet	Reduce scope 1 and 2 GHG emissions by over 20% to support reaching NZC by 2030.	Total direct GHG emissions (Scopes 1 and 2) in 2024 were 2,989 tonnes (2023: 2,833 tonnes) which equates to a 10% reduction from the 2019 baseline.	Reduce consumption of avoidable plastic by 50%.	Waste Management Plan due for implementation to enable baselining and reduction in avoidable plastic.
Our Partners	Engage key partners to create a more diverse and inclusive built environment sector and form business led partnerships to improve EDI	EDI Working group have engaged with organisations including the CBI and BITC to collaborate with business and supplier partners to review initiatives to improve diversity.	Collaborate with all our partners to reduce our environmental impact.	We continue to engage with membership organisations and our supply chain to share knowledge and best practice.

Investment property

Portfolio focussed on industrial and logistics

	Dec 24	Dec 23
Market valuation – inc. share of JV's ¹	£107.4m	£112.9m
Number of properties	20	21
Total area – '000 sq ft	767	795
% industrial and alternative	79%	77%
Passing rent	£6.7m	£5.9m
'Topped-up' net initial yield	5.5%	5.8%
Reversionary yield	6.7%	6.5%
WAULT to expiry ²	9.7 years	10.8 years
Occupancy ³	94%	93%

¹ Portfolio market valuation excludes share of JV investment property under construction

² Weighted average unexpired lease term (WAULT) on commercial properties

³ As a percentage of completed property portfolio estimated rental value (ERV)

Shoal Group, Luton



- Small/Mid box I&L
- 85,000 sq ft
- HBD share 100%
- Completed in 2023
- 100% let

Waitrose, Warminster



- Food store
- 29,300 sq ft
- HBD share 100%
- Completed in 2012
- 100% let

Movement in NAV per share

Continued growth primarily due to retained earnings



Statement of financial position

	Dec 24	Dec 23
Cash and cash equivalents	16.8	13.0
Borrowings	(75.5)	(86.5)
Lease liabilities	(3.9)	(4.3)
Net debt	(62.7)	(77.8)
Completed investment property	96.3	100.6
Investment property under construction	0.0	0.0
Investment property total	96.3	100.6
Property developments in progress	66.6	77.4
Housebuilder land and work in progress	111.6	96.2
Land held for development or sale	74.0	49.4
Options to purchase land	9.2	11.1
Planning promotion agreements	71.5	63.5
Inventories total	332.9	297.6

¹ Intangible assets (£0.6m), Right-of-use assets (£3.5m) & Deferred tax assets (£0.2m)

² Current tax liabilities (£2.9m), Lease liabilities (£0.9m) & Provisions (£1.7m)

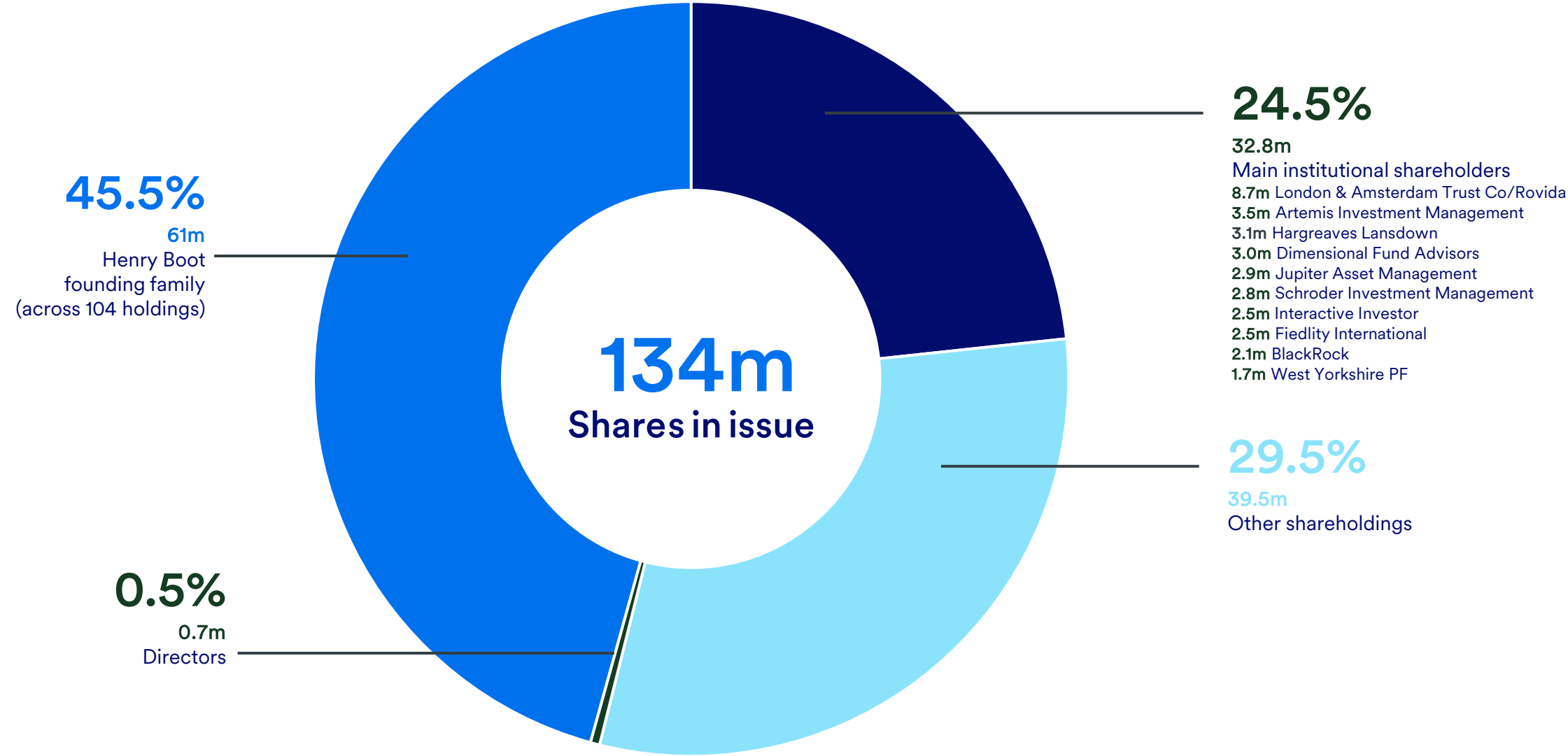
³ Lease liabilities (£3.0m), Deferred tax liability (£7.6m) & Provisions (£0.2m)

Note: Due to rounding numbers presented may not add up precisely to the totals provided

	Dec 24	Dec 23
Property, plant & equipment	29.3	29.2
Investment properties	96.3	100.6
Investment in joint ventures and associates	13.3	10.5
Trade and other receivables	8.5	39.3
Retirement benefit assets	9.9	7.7
Other non-current assets ¹	4.2	6.4
Non-current assets	161.5	193.7
Inventories	332.9	297.6
Contract assets	12.7	13.7
Trade and other receivables	90.5	76.4
Cash and cash equivalents	16.8	13.0
Assets held for sale	9.3	0.0
Current assets	462.1	400.7
Trade and other payables	89.8	73.5
Contract liabilities	4.9	1.1
Borrowings	74.4	84.8
Other current liabilities ²	5.6	10.6
Current liabilities	174.7	170.0
Trade and other payables	12.0	2.5
Borrowings	1.1	1.7
Other non-current liabilities ³	10.7	10.1
Non-current liabilities	23.8	14.3
Net assets	425.1	410.1

Shareholding

As at 26 February 2025



Strong track record

Five-year financial results

2020 - 2024

Turnover

2024	£328.4m
2023	£359.4m
2022	£341.4m
2021	£230.6m
2020	£222.4m

Operating Profit

2024	£34.2m
2023	£40.2m
2022	£46.5m
2021	£35.6m
2020	£17.5m

Profit before tax

2024	£30.7m
2023	£37.3m
2022	£45.6m
2021	£35.1m
2020	£17.1m

Dividends per Ordinary Share

2024	7.70p
2023	7.33p
2022	6.66p
2021	6.05p
2020	5.5p

Net Assets

2024	£425.1m
2023	£410.1m
2022	£394.3m
2021	£355.3m
2020	£313.5m

Net Asset Value per Share

2024	317p
2023	306p
2022	295p
2021	267p
2020	235p

Capital employed

2024	£439.0m
2023	£416.7m
2022	£399.1m
2021	£375.6m
2020	£358.5m

ROCE

2024	8.0%
2023	9.9%
2022	12.0%
2021	9.6%
2020	4.9%

This presentation contains forward-looking statements.

Although the group believes that the estimates and assumptions on which such statements are based are reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond the group's control. The group does not make any representation or warranty that the results anticipated by such forward-looking statements will be achieved, and this presentation should not be relied upon as a guide to future performance.

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Registered Office – Isaacs Building, 4 Charles Street, Sheffield, S1 2HS.