

Crest Nicholson Holdings plc
(the “Group” or “Crest Nicholson”)
FY24 in line with guidance

Crest Nicholson today provides an update on trading for the year ending 31 October 2024.

Martyn Clark, CEO commented:

‘Since joining Crest Nicholson, I have focused on reviewing our strategy, engaging with employees, and visiting our sites, all of which have reaffirmed my view that the Group has the potential to be a best-in-class housebuilder. From our excellent land portfolio, our dedicated and talented team, to our strong brand, Crest Nicholson has what it takes to offer an outstanding proposition to our customers and in doing so create value for shareholders.

FY24 has presented challenges due to both internal and external factors, with private open market sales volumes continuing to be impacted by ongoing affordability concerns.

FY25 will be a year of transition for Crest Nicholson. We are well-positioned with sufficient land with full planning permission to support our planned outlets and volumes. We will focus more on private sales and prioritise value over volume to enhance returns and margins.

Since my arrival, we have started implementing numerous operational changes and enhancements to drive the business forward, as evidenced by the stronger cash performance we delivered for the full year. As we execute on many of the near term operational improvements, we will also look to further strengthen the business for the future, where we will focus on three areas in particular: optimising value from our high-quality land portfolio; building homes of exceptional quality efficiently; and, delivering outstanding service to customers.

Encouragingly, the broader economic landscape is becoming more favourable, with a more benign interest rate environment and increased government support to improve the planning process to deliver their ambition of increasing supply of much needed homes in the UK.

I look forward to updating the market at the Group’s FY24 preliminary results on 21 January 2025, and in Q1 2025 on our strategic priorities and initiatives to maximise value for all Crest Nicholson stakeholders.’

FY24 trading

- FY24 volume 1,873 units, with c.45% of affordable and PRS units
- FY24 open market sales rate at 0.48 (FY23: 0.52), with the sales rate for the last 10 weeks of the financial year at 0.53
- Adjusted Profit Before Tax (APBT) expected to be at the lower end of the guidance range of £22m - £29m, due to a higher proportion of both affordable homes delivered in the year and as we continue to trade out of low margin sites
- Enhanced focus on improvements in cash management delivered better than expected year end net debt at £8.5m
- Year-end land creditors at c.£100m, (FY23: £205.5m)
- The Group has extended its £250m Revolving Credit Facility by 12 months to October 2027

Operational update

- During the year we selectively made land investments in appropriately scaled sites, delivering 1,158 plots to ensure a good land pipeline. Land acquired in previous years is progressing well through the planning process
- Practical build completion was achieved at Farnham in September. The majority of residential units are now occupied with less than 20% of remaining apartments to sell through
- Limited build cost inflation with stable materials costs and modest labour wage growth. Self-help initiatives are under way to drive better cost performance
- The Group has continued to drive higher levels of customer satisfaction and has consistently achieved five star scores throughout 2024
- Our newly centralised specialist team has made good progress in both fire remediation and assessing buildings under the scope of the Self Remediation Terms.

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The person responsible for arranging the release of this announcement on behalf of the Company is Penny Thomas, Group Company Secretary

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