



Cala Group (Holdings) Limited

***Strong first half of 2022 with uplift of units, turnover and PBT against H1 2021.
Business set to exceed forecasts for the 2022 full year with 90 per cent of private homes forward sold.***

Cala Group (Holdings) Limited, one of the UK's leading homebuilders, today issues the following trading update for the six months to 30 June 2022.

Financial highlights

- Very strong first half performance, continuing the momentum generated in 2021
- 1,527 units completed to June 2022, an increase of 3% on the 1,479 units completed to June 2021
- Profit before tax (PBT) in excess of £98m to June 2022, a 26% increase on the 2021 half year PBT of £77.6m
- Turnover of £688m to June 2022, an increase of 15% on the £600m turnover to June 2021
- On course to deliver uplift in units, turnover and pre-tax profit for the full year in 2022
- Total home completions for 2022 are expected to top 3,100 – an increase of 7% on the 2021 total of 2,904 units
- Strong market demand for Cala homes; Group now 90% sold for 2022 financial year
- Sales per site per week in the six-month period was 0.77, this compares to 0.76 in 2021, based on a private average selling price in the period of £491,000 (H1 2021: £454,000)
- Sales price uplift offsetting increased build costs

Kevin Whitaker, CEO at Cala Group, said:

"The first half of 2022 has seen the group deliver a very strong performance, ahead of forecast units, turnover and pre-tax profits. The strength of the sales market in 2021 has continued into this financial year and we have achieved a robust forward sold position of 90% private units to the 31st December 2022.

"Significant industry-wide supply chain challenges continue and I'm grateful for the hard work and expertise of our talented teams to deliver for our customers against this backdrop. Market demand has continued to support both strong sales rates and pricing, offsetting the ongoing construction cost inflation the industry is experiencing.

"We are confident in our ability to deliver a performance ahead of original expectations for financial year 2022. We are on track to achieve over 3,100 new home completions, a record for the Group, alongside an increase in turnover, demonstrating good progress towards our growth strategy to reach a revenue of £1.8bn by 2026.

"Whilst wider economic factors cast potential uncertainty and negative sentiment, the market remains favourable and we are well placed for 2023."

Robust market demand provides excellent first half performance

Positive market conditions have driven an excellent first half of trading for Cala, with key performance metrics expected to exceed original forecasts. In the six months to 30th June 2022, the sales per site per week rose to 0.77 against the 0.76 achieved in 2021. This was achieved with a private average selling price of £491,000.

As at 30th June 2022, the Group had secured 90% of the private reservations forecast for 2022, providing strong certainty over 2022 delivery.

Building Safety Pledge

Cala signed the Government's Building Safety Pledge in April 2022. A review of the historic property portfolio has been carried out and the Group is confident any retrospective works required will not be material.

Growing the business in a sustainable way

Cala has eight regional businesses with scope to deliver further scale across its existing infrastructure, whilst further improving operational efficiency.

Cala is committed to operating its business in a sustainable way by building homes for its customers that are operationally net zero carbon enabled from 2030, and reaching net zero greenhouse gas emissions in line with the Scottish Government's 2045 target and ahead of UK Government's 2050 target. The business is currently focused on roadmaps to remove fossil fuel appliances and provide operationally net zero enabled homes ahead of legislative change.