

HARWORTH GROUP PLC
(‘Harworth’ or the ‘Group’ or the ‘Company’)

Trading Update FY-2025¹
Sustained Industrial & Logistics momentum

Harworth Group plc, a leading regeneration, strategic land and development business, today announces a trading update for FY-2025 and outlook, ahead of the Full Year results scheduled for Tuesday 17 March 2026. See page 2* for abbreviations.

2025 Key Highlights:

- **I&L continues to outperform – attractive total property returns across land and property portfolio** – positive value uplifts, on land with enabling works now complete or significantly progressed, underpin the next generation of Harworth sites. Land with a capacity to deliver 3.7m sq ft, at sites such as Wingates, the Advanced Manufacturing Park and Droitwich, alongside the acquisition of JV partner’s stake at Gateway 45, adjacent to our Skelton Grange site, the location for Microsoft’s proposed hyperscale data centre. Our pipeline of potential deals includes 1.2m sq ft of strong interest across a broad range of transactions. Our consented pipeline of 8.5m sq ft is well positioned to deliver Grade A product to the market and our Investment Portfolio.
- **Strong performance across I&L property portfolio** – new lettings secured across 267,000 sq ft, headline rents grew by £2.5m, headline sales of £58.2m² crystallised, the quality of the Investment Portfolio improved to 75% Grade A³, by value, with vacancy improved to just 1%.
- **Residential land performance reflects market conditions** – 1,837 total plot sales completed⁴, with an additional 155 plots due to complete imminently, in-line with the average of the last four years and business plan expectations, following on from record 2024 sales volumes. A further 591 plots have conditionally exchanged. Headline sales of £52.0m across 1,112 freehold plots at an overall discount to June book values, reflecting prevailing market pressures.

Lynda Shillaw, Chief Executive of Harworth, commented: “The business delivered sustained operational progress in 2025. Our management actions have culminated in attractive levels of total property return across our I&L land portfolio, reinforcing our strategy to pivot the I&L portfolio weighting to 85%. We have crystallised £343m of capital since the end of 2020 from Residential land sales and reduced the volume of consented Residential plots by 67% over the same time to improve capital efficiency. The acceleration of plot sales, from a base of 873 at the end of 2020, underpins our future cashflows to reinvest into primarily higher-returning I&L opportunities, to drive our future growth and long-term returns.

“The well-reported challenges across the residential market persist, with a lack of demand side stimulus and ongoing cost and regulatory pressures. Despite this, we delivered sales volumes in-line with target levels, albeit transactions completed on terms reflecting these market headwinds. As a result, and notwithstanding the robust I&L portfolio performance, Group level value gains will be tempered by residential market weakness, resulting in FY-2025 EPRA NDV expected to be flat to marginally up versus the half-year.”

Outlook

Harworth’s attractive land bank and development pipeline provide multiple strategic levers and meaningful optionality around the timings of sales and development activity. Driving portfolio performance and total accounting returns (TAR) remain our priority, supported by active capital recycling and a well- managed balance sheet. Year-end loan-to-value remains within our self-imposed target of less than 20%.

The work undertaken in 2025 places the portfolio at a pivotal point in realising future upside potential. Our I&L land pipeline now comprises our largest ever volume of development-ready land, strategically positioned to meet the growing demand being generated from the industrial, advanced manufacturing, defence, energy, and data centre sectors. Key sites such as Northern Gateway, Wingates and Gateway 45 have local strategic support and are ideally positioned along major manufacturing and logistics corridors. As we complete enabling works, our I&L land and property portfolio is well placed to capitalise on improving fundamentals in the industrial market.

Despite three challenging years, we have made good progress, having delivered a cumulative TAR of 43.7% to H1-2025, materially outperforming much of the sector, a real testament to the skills and expertise of our teams. We remain confident in achieving £1bn of EPRA NDV, albeit ongoing macroeconomic weakness and investor uncertainty

mean that it is increasingly challenging to deliver against the roadmap set back in 2021. Against this backdrop, the timeline for achieving our milestone extends beyond December 2027, with a range between the end of 2028 and end of 2029. Looking ahead operationally, momentum strengthened post the UK Budget, with deal volumes starting to pick up. The depth of existing interest in our sites, including the potential for high value transactions, gives the Board confidence in Harworth's potential to deliver attractive shareholder returns.

*We aim to create long-term, through-the-cycle value by focusing on:

Two structurally undersupplied sectors:

1. Industrial & Logistics ('I&L') growing to 85% weighting
2. Residential ('R')

Three portfolios:

1. I&L Investment Portfolio ('IP'),
2. Strategic Land ('SL')
3. Major Developments ('MD')

Two core products:

1. Serviced remediated land for sale
2. Development to hold and for sale

Three regions:

1. Yorkshire & Central ('YAC'),
2. Midlands ('MID')
3. North West ('NOW')

Our land bank stands at 35.0m sq ft of I&L of which 75% is consented or in the planning system⁵ (Dec 2024: 33.6m sq ft; 63%) and 29,386 Residential plots of which 46% are consented or in the planning system⁵ (Dec 2024: 31,264; 46%).

Since 2021, we have received planning on 9.1m sq ft of I&L space with an estimated Gross Development Value (GDV) of £1.3bn, we have concluded on cumulative sales of c. £700m, including 9,000 Residential plots and we have bought or optioned I&L land totalling 14.3m sq ft, with an estimated GDV of £2.1bn.

Notes:

1. All values are Harworth's share, unless noted otherwise
2. £47.7m of I&L IP sales and £10.5m of Natural Resources and other I&L
3. Prior to 31 December 2025 valuations
4. 725 of Planning Promotion Agreement (PPA) plot sales and 1,112 freehold Residential plots generating £52.0m of headline sales
5. In the planning system includes draft allocations, allocations and awaiting determination

For further information

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About Harworth

Harworth Group plc (LSE: HWG), is a leading regeneration, strategic land and development business focused on the Industrial & Logistics (I&L) and Residential sectors. We own, develop, and manage a portfolio of over 15,000 acres of Strategic Land over 100 sites located throughout the North of England and Midlands. We specialise in delivering long-term value for all stakeholders by regenerating large, complex sites, into new I&L developments and serviced remediated land for sale into the I&L and Residential land markets. Our long-term through-the-cycle business model is to create sustainable places, support new homes, jobs and communities where people want to live and work. Visit www.harworthgroup.com for further information. LEI: 213800R8JSSGK2KPF21