

Harworth Group plc
("Harworth" or the "Company")
Trading Update

Harworth Group plc, a leading regenerator of land and property for development and investment, is today providing a trading update in respect of the first half of its financial year, ahead of the announcement of its Half Year Results on 14 September 2021.

As a result of Harworth's strong operational performance and the effect of the buoyant land market, particularly in the industrial and logistics sectors, on its half-year portfolio valuation, the Company now anticipates that Group EPRA NDV as at 30 June 2021 will be materially ahead of the current analyst consensus for 31 December 2021*.

Lynda Shillaw, Chief Executive of Harworth, commented: "Harworth has delivered a strong first half performance, advancing planning, development activity, sales and lettings across our portfolio. We continue to see depth of market demand from occupiers and investors for both built stock and, increasingly, strategic land within our industrial and logistics portfolio, as well as for our residential serviced land product. Looking ahead, the review of the business that I commenced shortly after joining is now largely complete, and I look forward to sharing how we see the business evolve as part of our Half Year Results in September."

At 30 June 2021, our Industrial & Logistics pipeline totalled 26.2 million sq ft, of which 9.0 million sq ft is consented. In June, we secured planning consent for 1.1 million sq ft at our site in Wingates, Bolton, where enabling works are due to commence in early 2022, in preparation for the first phase of commercial development to begin later that year. In July, we signed contracts for the construction of our largest-ever direct development scheme at Bardon Hill, Leicestershire, where we plan to bring forward 332,000 sq ft of logistics and manufacturing space over the next 12 months.

Our Residential pipeline comprised 30,655 housing plots at 30 June 2021, of which 9,855 are consented. During the first half of 2021, demand for our serviced residential land product remained high, and we exchanged on sales in-line with, or ahead of, 31 December 2020 valuations, to a range of housebuilders, including at our Major Development sites at: Waverley, South Yorkshire; South East Coalville, Leicestershire; Moss Nook, Merseyside, and Prince of Wales, West Yorkshire. We also secured planning on two sites for a combined 382 new homes and progressed our planning application at Ironbridge.

Across our Business Space portfolio, operational metrics remain strong, with 97% of rents falling due in the first half collected, vacancy improving to 3.0% as at 30 June 2021 (31 December 2020: 4.5%), and a WAULT of 11.8 years as at 30 June 2021 (31 December 2020: 12.5 years).

Harworth remains well-capitalised and continues to manage its cashflows sustainably. As at 30 June 2021, net debt was £100.2 million (31 December 2020: £71.2 million), providing significant headroom and flexibility.

**Current analyst consensus for EPRA NDV per share for 31 December 2021 is 167p, comprising three forecasts of 167p from Liberum, Peel Hunt and Goodbody.*

For further information

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as amended by The Market Abuse (Amendment) (EU Exit) Regulations 2019. The person responsible for making this announcement on behalf of Harworth is Chris Birch, Company Secretary.

About Harworth

Listed on the Premium Segment of the Main Market, Harworth Group plc (LSE: HWG) is a leading sustainable regenerator of land and property for development and investment which owns, develops and manages a portfolio of approximately 16,000 acres of land on around 100 sites located throughout the North of England and Midlands. The Group specialises in the regeneration of large, complex sites, in particular former industrial sites, into new residential and industrial & logistics developments.

Visit www.harworthgroup.com for further information.

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