

CALA GROUP (HOLDINGS) LTD

FINANCIAL SUMMARY 2020

2020 was a very challenging year as a result of the COVID-19 pandemic. The approach from CALA's hard working and dedicated employees has been first class throughout. The mitigating actions taken by the business, aligned with support of both our owner, Legal & General plc, and our banking group, allowed for quick solutions and a clear path forward. We are confident that there will be a significant rebound in the financial results in 2021.

A three-month period of shut down of CALA sites and sales offices impacted 2020 financial performance. In 2020 the number of homes sold reduced to 1,835 compared to 2,449 in 2019, resulting in a turnover of £713.0 million, down 29% on 2019. CALA annual profit before tax (before exceptional items and revaluations) reduced by 75% to £24.4 million (2019: £96.2 million) this decrease is almost entirely due to the impact of the site closures and period of inactivity resulting from the COVID-19 shutdown.

Selling prices remained resilient throughout 2020 and our private average selling price was £434,000 (2019: £464,000) this reduction reflects the product mix of sites sold during the year.

As soon as safe to do so we were able to reopen and during the second half of 2020 saw strong sales activity demonstrating the enduring underlying demand for new homes and consumer interest in our product.

Our land teams contracted 5 new sites, projected to deliver 698 new homes with a Gross Development Value (GDV) of £218 million. One new site was added to the strategic land bank with a potential turnover of £29 million. We improved planning status on land we had acquired with planning permission or secured first time planning permission on 21 sites for 2,740 homes with an estimated GDV of £1.1 billion.