This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018

CREST NICHOLSON HOLDINGS PLC

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 APRIL 2024

Martyn Clark joined the business on 3 June, and takes over as CEO from 14 June

Improvement in operational discipline, completed sites review concluded

Net debt better than expectations

Crest Nicholson Holdings plc ('Crest Nicholson', the 'Company' or the 'Group') today announces its unaudited interim results for the six months ended 30 April 2024:

HY24 Financial Summary

- Revenue at £257.5m (HY23: £282.7m), reflecting the low level of reservations at the beginning of the financial year, with H1 reservations in line with expectations. Land and commercial sales during the half of £30.8m (HY23: £4.9m)
- Home completions of 788 (HY23: 894), comprising open market private of 435 (HY23: 532), bulk deals of 177 (HY23: 115) and affordable completions of 176 (HY23: 247)
- Sales per outlet per week (SPOW) of 0.47 (HY23: 0.54) with average outlets at 45 (HY23: 48). Average selling prices have remained stable year on year
- Good progress has been made at Farnham with the scheme tracking in line with the revised plan
- Review of completed site costs, supported by an external consultant, is now concluded resulting in a one-off charge of £31.4m (previous estimate £15.0m), of which £25.5m is treated as an exceptional item as it relates to developments no longer part of the core strategy, which were started prior to 2019, and the balance of £5.9m is recorded as pre-exceptional. The increased charge is due to a wider scope of the review to cover all completed sites
- Adjusted operating profit[1] after accounting for £5.9m of completed sites charges at £6.2m (HY23: £22.1m) also reflecting lower volume and a higher proportion of revenue from low margin sites as the Group makes good progress in reducing low margin inventory
- Statutory loss after tax of £23.4m (HY23: profit of £21.1m)
- A continued focus on cash management has enabled the Group to maintain balance sheet strength with net debt[1,2] at £9.4m (HY23: net cash[1,2] £66.2m). £250m revolving credit facility undrawn (HY23: undrawn)
- Interim dividend at 1.0 pence per share (HY23: 5.5 pence per share)

CREST NICHOLSON HOLDINGS PLC
UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 APRIL 2024

Key Financial Metrics

£m (unless otherwise stated)	HY24	HY23	% Change
Adjusted basis[1]			
Operating profit	6.2	22.1	(71.9)
Operating profit margin	2.4%	7.8%	(540bps)
Profit before tax	2.6	20.9	(87.6)
Basic earnings per share (p)	0.7	6.1	(88.5)
Statutory basis			
Revenue	257.5	282.7	(8.9)
Operating (loss)/profit	(24.1)	30.7	(178.5)
Operating (loss)/profit margin	(9.4)%	10.9%	(2030bps)
(Loss)/profit before tax	(30.9)	28.4	(208.8)
Basic (loss)/earnings per share (p)	(9.1)	8.2	(211.0)
Other metrics			
Home completions (number)	788	894	(11.9)
Net (debt)/cash[1,2]	(9.4)	66.2	(114.2)
Dividend per share (p)	1.0	5.5	(81.8)

1. Adjusted basis represent the HY24 and HY23 statutory figures adjusted for exceptional items as disclosed in note 5. Adjusted performance metrics and net (debt)/cash are non-statutory alternative performance measures (APM) used by the Director's to manage the business which they believe should be shared for a greater understanding of the performance of the Group. The definitions of these APM and the reconciliation to the statutory numbers are included on pages 27-28
2. Net (debt)/cash is defined as cash and cash equivalents less interest-bearing loans and borrowings. See note 14 to the condensed consolidated half year financial statements.

HY24 Operational Summary

- Sharpened focus on operational discipline and efficiency
- In FY23 we acquired several high-quality sites with planning applications underway, thereby satisfying all of the Group's land requirements for FY24 and allowing the Group to remain highly selective on land acquisitions
    - 241 plots (HY23: 1,539) added to the short-term land portfolio, reflecting a planned step-back from the land market
    - Quality of land portfolio underpins anticipated margin improvement in FY25
- Build cost inflation has moderated further from mid-single digit percentages to flat year on year and we expect these conditions to continue in the remainder of FY24
- Reflecting our enhanced commitment to customer service as a key focus for the business, we have consistently achieved greater than 90% customer satisfaction rating since February 2023, and are on track to return to a five-star rating for the year to September 2024
- On track with our sustainability targets as we actively collaborate with our supply chain and wider industry to reduce greenhouse gas emissions and prepare for upcoming regulations.

Current trading and outlook

The spring selling season started well with positive housing indicators in an improving macro backdrop. Momentum has softened slightly since Easter, reflecting the volatility in mortgage rates and the expectation of a base rate reduction coming later in the year than previously expected. The imminent General Election is creating some short-term uncertainty, but this is anticipated to be alleviated in July once the outcome is known.

As a result, and including the one-off pre-exceptional charge for completed sites, the Group expects FY24 adjusted profit before tax (APBT) to be between £22m to £29m.

Updated Guidance for FY24

Completions	1,800 - 1,900 units c. 25% affordable c. 75% open market and bulk
Outlets (year-end position)	c. 45
Build Cost Inflation	c. flat
Net finance costs	£8 - 9m
Adjusted profit before tax[3]	£22 - 29m
Net debt	c. £40 - 60m

[3] Including one-off completed site charge of £5.9m

Peter Truscott, Chief Executive commented:

"We have made some important operational progress in the first half of the year against our strategic priorities. We are on track to achieve a five-star customer service rating, have a clear and comprehensive plan to resolve the legacy and operational issues, and continue to focus on maintaining a strong balance sheet.

"The Group is continuing to focus on completing its low margin sites, with FY23 and FY24 being the peak years of impact and the majority of the remainder expected to be traded through during FY25. Going forward the Group will benefit from its high-quality, higher margin land portfolio, and with an increased commitment to operational efficiency and control, is well-positioned to capture growth opportunities as market conditions improve."

Analyst and investor meeting, conference call and webcast

There will be a meeting for analysts at 9.00 am today at Norton Rose Fulbright, 3 More London Riverside, London SE1 2AQ hosted by Peter Truscott, Chief Executive and Bill Floydd, Group Finance Director. Martyn Clark, CEO designate will also be at the meeting.

To join the presentation, please use the following link:

Crest Nicholson HY24 results webcast

There is also a facility to join the presentation and Q&A session via a conference call. Participants should dial **+44 (0)203 936 2999** and use confirmation code **981297.** A playback facility will be available shortly after the presentation has finished.

For further information, please contact:

Crest Nicholson

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Teneo

James Macey White / Giles Kernick +44 (0) 20 7353 4200

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

13 June 2024

Cautionary statement regarding forward-looking statements

This release may include statements that are, or may be deemed to be, ‘forward-looking statements’. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms ‘believes’, ‘estimates’, ‘plans’, ‘projects’, ‘anticipates’, ‘expects’, ‘intends’, ‘may’, ‘will’ or ‘should’ or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this release and include, but are not limited to, statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial position, liquidity, prospects, growth, strategies and expectations of the industry.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Group operates may differ materially from those described in, or suggested by, any forward-looking statements contained in this release. In addition, even if the development of the markets and the industry in which the Group operates are consistent with the forward-looking statements contained in this release, those developments may not be indicative of developments in subsequent periods. A number of factors could cause developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, commodity prices, changes in law or regulation, changes in its business strategy, political and economic uncertainty. Save as required by the Listing and Disclosure Guidance and Transparency Rules, the Company is under no obligation to update the information contained in this release. Past performance cannot be relied on as a guide to future performance.

Chief Executive Statement

I would like to begin my last Chief Executive statement at Crest Nicholson by thanking all our colleagues for their dedication and hard work throughout the past four transformative, yet sometimes very challenging years. During my tenure, the management team and I delivered a new strategy in a very difficult macro backdrop. We established a flexible and efficient operating platform delivering standard house types, nurtured a talented workforce, and have a portfolio of high-quality land - all essential for sustained success in the housing sector. I believe the Group will overcome recent challenges and continue to build on what we have accomplished so far. I wish everyone at Crest the very best and the success they deserve.

Economy and housing market

Over the last six months, the UK economy has experienced a mix of challenges and positive developments. Inflation, while starting to decline, has remained a persistent issue, impacting consumer purchasing power and business costs. The timing of an interest rate cut by the Bank of England has been a subject of speculation, adding to economic uncertainty. Mortgage rates have been volatile, initially decreasing but rising again due to SWAP[3] rates increasing, which has impacted the housing market. On the positive side, wage growth has been strong, outpacing house price inflation and helping to alleviate some affordability concerns. House prices also remained stable. The labour market has remained resilient, contributing to improved consumer confidence. Additionally, recent economic indicators have shown signs of improvement, with GDP growth exceeding expectations. This, combined with the prospect of falling inflation and a potential interest rate cut, suggests a more favourable economic outlook for the future. The General Election in July will pose some uncertainty in the short-term. Overall, while challenges remain, the UK economy shows signs of gradual recovery and stabilisation.

HY24 performance

Operationally, we have made good progress in HY24. The Group delivered 788 units in the first half. At the start of this financial year, trading reflected seasonal trends with reduced activity before Christmas and subsequently a stronger performance from mid-January.

During the half the Group has delivered a sales per outlet per week of 0.47. Cancellation rates have continued to normalise and pricing has remained flat year on year.

Adjusted operating profit was £6.2m, reflecting lower volume and a higher proportion of revenue from low margin sites and the impact of £5.9m of the completed sites charge. The Group continues to address low margin sites, the majority of which are expected to be traded through during FY25.

Farnham

Progress at Farnham has been largely in line with our revised plan. One of the two remaining apartment buildings was completed on time in April and the second is due to be completed on time in July. Renovation of the Grade 1 listed building has progressed well and is expected to be signed off in June. Road and pavement work has been temporarily delayed but is now underway. This will continue into August and the remaining landscaping work is also progressing to plan. We expect all works to be completed in August with the exception of the pedestrian bridge. Commencement of work on the bridge is pending planning approval and work will start once this is achieved. Sales in the development have been better than expected, and the remaining 55 units are expected to be sold by the end of FY25.

Completed site costs

As announced in the AGM statement in March, the Group has undertaken a comprehensive review, supported by external consultants, on the Group's completed sites. Initially work focused on four sites that were completed prior to 2019 when the Group closed its Regeneration division. Subsequently, in order to achieve a higher level of confidence in the adequacy of the cost estimates, the review was extended to cover all c.140 sites that the Group has completed but maintains an obligation to carry out remediation or maintenance prior to adoption by the relevant local authority or management company. The review of completed site costs has now concluded resulting in a one-off charge of £31.4m, of which £25.5m is accounted for as an exceptional charge because the remediation work relates to changes in estimates on developments no longer part of the core strategy and were started prior to the change in strategy in 2019.

The Group is now prioritising establishing a comprehensive roadmap to resolve these issues in a timely manner to allow the Group to capitalise on its high-quality land portfolio and drive margin improvement in the future.

Building Safety

In March 2023, the Group signed the DLUHC Self Remediation Terms in England, in which it is committed to resolve any historical fire remedial work on buildings completed since 5 April 1992. This provides clarity for future remediation, particularly with regards to the standards required for internal and external remedial works on legacy buildings. We have a dedicated team in place to manage the remediation programme and to progress work on these buildings to ensure high-quality delivery.

During the half the Group has recorded a further charge of £8.9m related to build costs inflation and scope of work required and recovered £4.4m from third parties. The total provision of £145.2m at 30 April 2024 (31 October 2023: £144.8m) is the Group's best estimate of future costs. The Group will continue to assess the magnitude and utilisation of this provision in future reporting periods.

Land and planning

Land supply continues to tighten due to the Government's decision to eliminate top-down housing targets, causing delays in new site allocations. Broader issues within the planning system, including challenges related to nutrients and water neutrality, are compounded by an under-resourced and inefficient development control function at the local authority level.

While the constraining impacts of planning is unlikely to ease in the near-term for the housing sector, we have a strong short-term land portfolio of 14,146 plots and is underpinned by our strategic land pipeline of 17,813 plots.

During the half, we added 241 (HY23: 1,539) plots to the short-term land portfolio. Our decision to acquire land in FY23 has added high-quality sites in desirable locations, some of these are at advance stage of planning, and will support the Group's future outlet growth. Our short-term land portfolio's planning permission profile allows us to be highly selective in land acquisition for the next couple of years.

Customer experience

Achieving a five-star customer service rating is a key priority for the Group. Following significant investment in FY23 in people, processes, and systems, quality and customer service standards are improving. For legal completions from February 2023, over 90% of customers have said they would recommend Crest Nicholson to a friend. The Group has sustained this level and remains on track to regain our House Builders Federation five-star status in 2025.

3. *the fixed interest rate agreed in an interest swap contract, where one party exchanges fixed interest rate payments for the short-term floating interest rate (Sterling Overnight Index Average) over a specified period*

Commitment to sustainability

Our sustainability strategy is split into three priority areas – protect the environment, make a positive impact on our communities and operate the business responsibly. These three priority areas guide our commitment to drive positive action across our activities and value chain.

We continue to make good progress in achieving our net zero targets and during the half the Group has achieved the following ESG benchmark results:

FTSE4GOOD	Constituent member
MSCI ESG	AA
CDP (climate change)	A-
Sustainalytics	Low risk

Outlook

Looking ahead, the long-term fundamentals of the housing market remain strong due to structural undersupply, growing demand driven by population growth, changing demographics, and persistent housing shortages. The sector faces several macro headwinds, including stretched affordability, volatile mortgage rates, and low consumer confidence. The imminent General Election in July has created some short-term uncertainty, but overall the economy is stabilising with moderate economic growth and good employment levels, this should improve consumer confidence and support demand for housing.

The Group's key priorities are to address legacy site issues, continue improving operational efficiency, achieve a five-star customer rating, make significant progress in building safety remediation, and convert land to implementable planning consent. This will position Crest strongly to capture growth when the market returns. I am confident that under Martyn Clark's leadership and our highly experienced management, Crest will restore growth and deliver sustainable value for all stakeholders.

Financial Review

Completions and revenue

During the half open market completions were 612 (HY23: 647) which included 177 (HY23: 115) bulk completions, and affordable completions were 176 (HY23: 247). Total home completions were therefore 788 (HY23: 894), down 11.9%, reflecting a weak order book at the start of the year and continued low levels of confidence in the housing market in the period.

The total weighted average selling price (ASP) of £349k (HY23: £341k) was an increase of 2.3% compared to prior year as a result of a change in mix with a higher proportion of sales being attributed to open market completions. Selling prices on comparable units were broadly stable with modest declines in some areas.

Sales

Sales rates as measured by sales per outlet week (SPOW), were 0.47 for the first half compared to 0.54 in the prior half. The economic uncertainty that followed the mini-budget in September 2022 has continued to impact the housing market with mortgage rates remaining at elevated levels compared to recent historic norms. Whilst mortgage rates have been stable in the period, there has been little impetus for consumers to enter the market with many consumers waiting for a reduction in rates.

Average sales outlets were 45 (HY23: 48). Planning matters continue to take longer to progress sites to operational development as well as other issues such as environmental impacts associated with water nutrient neutrality.

The Group completed £30.8m (HY23: £4.9m) land and commercial sales on sites that it would not have been able to access itself for several years.

Forward sales for the remainder of FY24 as at 30 April 2024 were 716 (at 30 April 2023: 897) units with a GDV of £202.6m (30 April 2023: £271.3m).

Operating profit and margin

Adjusted operating profit of £6.2m (HY23: £22.1m) was a decline of 71.9%.

The Group recorded a lower number of legal completions in the half reflecting the challenging trading environment. As a result of the weak level of demand in the second half of FY23, the Group entered the year with 252 open market reservations. Demand remained weak in November and December 2023 due to seasonality. Demand has improved since January 2024 but remains fragile and pricing has remained stable.

Adjusted operating profit was also impacted by a one-off £5.9m charge in relation to the Group's remaining cost obligations on completed sites, discussed below within Exceptional items.

Finally, the Group recorded net administrative expenses of £26.1m (HY23: £28.3m) in the half, a reduction of 7.8% on prior half reflecting the rationalisation exercise undertaken by the Group in the second half of FY23 including the merger of the East Anglia division into the Eastern division.

The operating loss for the half was £24.1m after exceptional items charge of £30.3m (HY23: £30.7m operating profit after an exceptional credit of £8.6m).

Exceptional items

In the prior year as a consequence of signing the Developer Remediation Contract on 13 March 2023, the Group entered into contractual commitments with the UK Government to identify and remediate those buildings it has developed with possible life-critical fire safety defects. During the half the Group recorded a further charge of £8.9m (HY23: £1.4m) to adjust its provision to reflect the latest estimate of costs to complete these remedial works. During the half, £4.4m (HY23: £10.0m) was recovered from third parties in respect of defective design and workmanship. A further £3.2m (HY23: £2.2m) was charged in relation to imputed interest on the combustible materials charge.

As announced in the AGM statement in March, the Group has undertaken a comprehensive review, supported by external consultants, of the Group’s remaining cost obligations on completed sites. Initially work focused on four sites that were completed prior to 2019 when the Group closed its Regeneration division. Subsequently a review has been carried out on all sites that the Group has completed but maintains an obligation to carry out remediation or maintenance prior to adoption by the relevant local authority or management company. The review of completed site costs is now concluded resulting in a one-off charge of £31.4m, of which £25.5m is treated as an exceptional item as it relates to non-standard developments started prior to the change in strategy in 2019 and the balance of £5.9m is recorded within pre-exceptional items.

The tax credit on exceptional items is £8.4m (HY23: tax charge £2.0m).

Further detail on exceptional items can be found in note 5 and note 12 of the condensed consolidated financial statements.

Financing and liquidity

At 30 April 2024 the Group had net debt of £9.4m (HY23: net cash of £66.2m). Net debt including land creditors was £185.3m (HY23: £82.0m). Return on capital employed (ROCE) for the half was 3.5% (HY23: 14.6%) reflecting the lower adjusted operating profit compared to prior year and the net debt position on the balance sheet.

Cash and cash equivalents at 30 April 2024 are £88.7m from £162.6 at 31 October 2023. The reduction is mainly driven by the FY23 final dividend payment of £29.5m and cash outflow from operations of £62.6m, which includes deferred land creditor payments. A greater focus on controllable operating cash management has enabled the business to remain undrawn under its RCF facilities for the period.

Pension

The Group operates a defined benefit pension scheme. At 30 April 2024 the retirement benefit surplus under IAS 19 was £9.3m (HY23: £14.1m).

Taxation

The actual tax rate applied to profit before tax for the period was 24.3% (HY23: weighted average annual effective tax rate which is expected to apply to the Group for the year ending 31 October 2023 25.7%).

Earnings per share

Adjusted basic earnings per share was 0.7 pence (HY23: 6.1 pence), reflecting the decrease in the Group’s earnings on prior year. Basic loss per share was 9.1 pence (HY23: earnings per share 8.2 pence).

Dividend

The Board has declared an interim dividend of 1.0 pence per share, payable on 11 October 2024 to shareholders on the register on 20 September 2024.

Land and planning

At 30 April 2024 the short-term land portfolio includes 14,146 (FY23: 14,922) plots. The Group's strategic land portfolio ended the half with 17,813 (FY23: 18,830) plots meaning the total land portfolio at 30 April 2024 was 31,959 plots (FY23: 33,752). The total GDV of the portfolio is £11.6bn (FY23: £12.2bn).

During the half, we added 241 plots to the short-term land portfolio (HY23: 1,539). Our decision to continue to acquire land in FY23 when others pulled back from acquisitions supports the Group's future growth. As a result the Group was able to add high-quality sites in desirable locations, with some of these now at advance stage of planning. Our short-term land portfolio's planning permission profile allows us to be highly selective in land acquisition in the balance until FY26.

Principal Risks and Uncertainties

The Group's financial and operational performance and reputation is subject to a number of potential risks and uncertainties. These risks could, either separately or in combination, have a material impact on the Group's performance and shareholder returns.

Our divisional boards consider their divisional risk registers on a half-yearly basis. The divisional risk reviews, alongside the Group's principal and emerging risks are carefully considered by the Executive Leadership Team. Both the Audit and Risk Committee and the Board have oversight of the Group's emerging and principal risks.

We have continued to face economic headwinds which has led to sustained higher mortgage rates and a sluggish housing market. This continues to impact housing buying affordability and reduces buyer activity.

Our principal risks are unchanged from those set out on pages 35 to 42 of the Group's Annual Report and financial statements for the year ended 31 October 2023.

Statement of Directors' Responsibilities

The Director's confirm that these condensed consolidated half year financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the United Kingdom and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

• an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

• material related party transactions in the first six months and any material changes in the related party transactions described in the last Annual Report and financial statements.

The current Directors of Crest Nicholson Holdings plc are listed in the Annual Report and financial statements for the year ended 31 October 2023 with the exception that Martyn Clark joined the Board on 3 June 2024. A list of Directors is maintained on the Crest Nicholson website: www.crestnicholson.com.

By order of the Board

Peter Truscott

Chief Executive

13 June 2024

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Half year ended 30 April 2024 Unaudited Pre-exceptional items £m	Half year ended 30 April 2024 Unaudited Exceptional items (note 5) £m	Half year ended 30 April 2024 Unaudited Total £m	Half year ended 30 April 2023 Unaudited Pre-exceptional items £m	Half year ended 30 April 2023 Unaudited Exceptional items (note 5) £m	Half year ended 30 April 2023 Unaudited Total £m	Full year ended 31 October 2023 Audited Pre-exceptional item £m	Full year ended 31 October 2023 Audited Exceptional item (note 5) £m	Full year ended 31 October 2023 Audited Total £m
Revenue	4	257.5	–	257.5	282.7	–	282.7	657.5	-	657.5
Cost of sales		(225.0)	(30.3)	(255.3)	(232.1)	8.6	(223.5)	(556.9)	(14.3)	(571.2)
Gross profit/(loss)		32.5	(30.3)	2.2	50.6	8.6	59.2	100.6	(14.3)	86.3
Net administrative expenses	6	(26.1)	–	(26.1)	(28.3)	–	(28.3)	(55.8)	-	(55.8)
Net impairment losses on financial assets		(0.2)	–	(0.2)	(0.2)	–	(0.2)	(0.6)	-	(0.6)
Operating profit/(loss)	6	6.2	(30.3)	(24.1)	22.1	8.6	30.7	44.2	(14.3)	29.9
Finance income		2.0	–	2.0	2.0	–	2.0	4.1	-	4.1
Finance expense		(5.6)	(3.2)	(8.8)	(4.5)	(2.2)	(6.7)	(9.6)	(4.6)	(14.2)
Net finance expense		(3.6)	(3.2)	(6.8)	(2.5)	(2.2)	(4.7)	(5.5)	(4.6)	(10.1)
Share of post-tax result of joint ventures using the equity method		-	-	-	1.3	1.1	2.4	2.7	0.6	3.3
Profit/(loss) before tax		2.6	(33.5)	(30.9)	20.9	7.5	28.4	41.4	(18.3)	23.1
Income tax (expense)/credit	7	(0.9)	8.4	7.5	(5.3)	(2.0)	(7.3)	(10.0)	4.8	(5.2)
Profit/(loss) for the period attributable to equity shareholders		1.7	(25.1)	(23.4)	15.6	5.5	21.1	31.4	(13.5)	17.9
Earnings/(loss) per ordinary share										
Basic	8	0.7p		(9.1)p	6.1p		8.2p	12.3p		7.0p
Diluted	8	0.7p		(9.1)p	6.1p		8.2p	12.2p		7.0p

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Half year ended 30 April 2024 Unaudited £m	Half year ended 30 April 2023 Unaudited £m	Full year ended 31 October 2023 Audited £m
(Loss)/profit for the period attributable to equity shareholders	(23.4)	21.1	17.9
Other comprehensive income/(expense):			
Items that will not be reclassified to the consolidated income statement:			
Actuarial (losses)/gains of defined benefit schemes	(1.5)	2.5	(2.5)
Change in deferred tax on actuarial (losses)/gains of defined benefit schemes	0.4	(0.7)	1.1
Other comprehensive (expense)/income for the period net of income tax	(1.1)	1.8	(1.4)
Total comprehensive (expense)/income for the period attributable to equity shareholders	(24.5)	22.9	16.5

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Half year ended 30 April 2024 (Unaudited)	**Note**	**Share capital**	**Share premium account**	**Retained earnings**	**Total**
		£m	**£m**	**£m**	**£m**
Balance at 1 November 2023		**12.8**	**74.2**	**769.3**	**856.3**
Loss for the period attributable to equity shareholders		**–**	**–**	**(23.4)**	**(23.4)**
Actuarial losses of defined benefit schemes		**–**	**–**	**(1.5)**	**(1.5)**
Change in deferred tax on actuarial losses of defined benefit schemes		**–**	**–**	**0.4**	**0.4**
Total comprehensive expense for the period		**–**	**–**	**(24.5)**	**(24.5)**
Transactions with shareholders:					
Equity-settled share-based payments		**–**	**–**	**0.7**	**0.7**
Purchase of own shares		**–**	**–**	**(0.3)**	**(0.3)**
Transfers in respect of share options		**–**	**–**	**0.4**	**0.4**
Dividends paid	**9**	**–**	**–**	**(29.5)**	**(29.5)**
Balance at 30 April 2024		**12.8**	**74.2**	**716.1**	**803.1**

Half year ended 30 April 2023 (Unaudited)		**Share capital**	**Share premium account**	**Retained earnings**	**Total**
		£m	**£m**	**£m**	**£m**
Balance at 1 November 2022		**12.8**	**74.2**	**796.1**	**883.1**
Profit for the period attributable to equity shareholders		**–**	**–**	**21.1**	**21.1**
Actuarial gains of defined benefit schemes		**–**	**–**	**2.5**	**2.5**
Change in deferred tax on actuarial gains of defined benefit schemes		**–**	**–**	**(0.7)**	**(0.7)**
Total comprehensive income for the period		**–**	**–**	**22.9**	**22.9**
Transactions with shareholders:					
Equity-settled share-based payments		**–**	**–**	**1.0**	**1.0**
Deferred tax on equity-settled share-based payments		**–**	**–**	**0.1**	**0.1**
Purchase of own shares		**–**	**–**	**(1.0)**	**(1.0)**
Dividends paid	**9**	**–**	**–**	**(29.5)**	**(29.5)**
Balance at 30 April 2023		**12.8**	**74.2**	**789.6**	**876.6**

Year ended 31 October 2023 (Audited)		**Share capital**	**Share premium account**	**Retained earnings**	**Total**
		£m	**£m**	**£m**	**£m**
		12.8	**74.2**	**796.1**	**883.1**
Balance at 31 October 2022					
Profit for the period attributable to equity shareholders		-	-	**17.9**	**17.9**
Actuarial losses of defined benefit schemes		-	-	**(2.5)**	**(2.5)**
Change in deferred tax on actuarial losses of defined benefit schemes		-	-	**1.1**	**1.1**
Total comprehensive income for the year		**-**	**-**	**16.5**	**16.5**
Transactions with shareholders:					
Equity-settled share-based payments		-	-	**1.5**	**1.5**
Deferred tax on equity-settled share-based payments		-	-	**(0.2)**	**(0.2)**
Purchase of own shares		-	-	**(1.9)**	**(1.9)**
Transfers in respect of share options		-	-	**0.9**	**0.9**
Dividends paid	**9**	-	-	**(43.6)**	**(43.6)**
Balance at 31 October 2023		**12.8**	**74.2**	**769.3**	**856.3**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30 April 2024 Unaudited £m	As at 30 April 2023 Unaudited £m	As at 31 October 2023 Audited £m
ASSETS				
Non-current assets				
Intangible assets		29.0	29.0	29.0
Property, plant and equipment		2.6	2.2	2.2
Right-of-use assets		7.1	4.7	6.1
Investments in joint ventures		8.3	10.4	10.7
Financial assets at fair value through profit and loss		0.6	1.4	2.6
Deferred tax assets		3.1	4.4	3.3
Retirement benefit surplus		9.3	14.1	10.0
Trade and other receivables		10.7	14.1	6.0
		70.7	80.3	69.9
Current assets				
Inventories	10	1,181.9	1,108.1	1,164.8
Financial assets at fair value through profit and loss		2.9	2.7	1.1
Trade and other receivables		102.3	104.4	120.0
Current income tax receivable		12.6	3.2	11.9
Cash and cash equivalents	11	88.7	163.6	162.6
		1,388.4	1,382.0	1,460.4
Total assets		1,459.1	1,462.3	1,530.3
LIABILITIES				
Non-current liabilities				
Interest-bearing loans and borrowings	11	(83.9)	(97.4)	(83.5)
Trade and other payables		(64.8)	(42.4)	(71.1)
Lease liabilities		(5.5)	(3.1)	(4.4)
Deferred tax liabilities		(2.3)	(4.1)	(2.5)
Provisions	12	(55.4)	(67.9)	(73.8)
		(211.9)	(214.9)	(235.3)
Current liabilities				
Interest-bearing loans and borrowings	11	(14.2)	-	(14.2)
Trade and other payables		(323.8)	(296.8)	(337.0)
Lease liabilities		(1.8)	(1.7)	(2.0)
Provisions	12	(104.3)	(72.3)	(85.5)
		(444.1)	(370.8)	(438.7)
Total liabilities		(656.0)	(585.7)	(674.0)
Net assets		803.1	876.6	856.3
EQUITY				
Share capital	15	12.8	12.8	12.8
Share premium account	15	74.2	74.2	74.2
Retained earnings		716.1	789.6	769.3
Total equity		803.1	876.6	856.3

Crest Nicholson Holdings plc Registered number 6800600. These condensed consolidated half year financial statements were approved by the Board of Directors on 13 June 2024.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	Half year ended 30 April 2024 Unaudited £m	Half year ended 30 April 2023 Unaudited £m	Full year ended 31 October 2023 Audited £m
Cash flows from operating activities				
(Loss)/profit for the period attributable to equity shareholders		**(23.4)**	**21.1**	**17.9**
Adjustments for:				
Depreciation on property, plant and equipment		**0.2**	**0.2**	**0.5**
Depreciation on right-of-use assets		**0.8**	**1.1**	**2.3**
Retirement benefit obligation administrative expenses		**0.3**	**0.5**	**0.6**
Net finance expense		**6.8**	**4.7**	**10.1**
Share-based payment expense		**0.7**	**1.0**	**1.5**
Share of post-tax result of joint ventures using the equity method		**-**	**(2.4)**	**(3.3)**
Impairment of inventories movement	**10**	**0.7**	**2.0**	**7.6**
Net impairment of financial assets		**0.2**	**0.2**	**0.6**
Income tax (credit)/expense		**(7.5)**	**7.3**	**5.2**
Operating (loss)/profit before changes in working capital, provisions and contribution to retirement benefit obligations		**(21.2)**	**35.7**	**43.0**
(Increase)/decrease in trade and other receivables		**(2.8)**	**34.2**	**27.0**
Increase in inventories		**(17.8)**	**(120.0)**	**(182.3)**
Decrease in trade and other payables, and provisions		**(24.4)**	**(114.6)**	**(31.9)**
Contribution to retirement benefit obligations		**(0.8)**	**(0.7)**	**(1.5)**
Cash used by operations		**(67.0)**	**(165.4)**	**(145.7)**
Finance expense paid		**(2.8)**	**(2.9)**	**(5.6)**
Income tax received/(paid)		**7.2**	**(8.8)**	**(14.3)**
Net cash outflow from operating activities		**(62.6)**	**(177.1)**	**(165.6)**
Cash flows from investing activities				
Purchases of property, plant and equipment		**(0.6)**	**(1.5)**	**(1.8)**
Disposal of financial assets at fair value through profit and loss		**0.2**	**0.3**	**0.9**
Dividends received from joint ventures		**2.5**	**–**	**1.5**
Funding to joint ventures		**(9.5)**	**(4.4)**	**(13.0)**
Repayment of funding from joint ventures		**25.2**	**3.4**	**11.7**
Finance income received		**1.3**	**1.1**	**2.3**
Net cash inflow/(outflow) from investing activities		**19.1**	**(1.1)**	**1.6**
Cash flows from financing activities				
Principal elements of lease payments		**(1.0)**	**(1.3)**	**(2.4)**
Dividends paid	**9**	**(29.5)**	**(29.5)**	**(43.6)**
Net share movement		**0.1**	**(1.0)**	**(1.0)**
Net cash outflow from financing activities		**(30.4)**	**(31.8)**	**(47.0)**
Net decrease in cash and cash equivalents		**(73.9)**	**(210.0)**	**(211.0)**
Cash and cash equivalents at the beginning of the period		**162.6**	**373.6**	**373.6**
Cash and cash equivalents at end of the period		**88.7**	**163.6**	**162.6**

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

1 BASIS OF PREPARATION

Crest Nicholson Holdings plc (the Company) is a public limited company incorporated, listed and domiciled in the UK. The address of the registered office is 500 Dashwood Lang Road, Bourne Business Park, Addlestone, Surrey KT15 2HJ. The condensed consolidated half year financial statements consolidate the results of the Company and its subsidiaries (together referred to as the Group) and include the Group's interest in jointly controlled entities.

These condensed consolidated half year financial statements for the six months ended 30 April 2024 have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority and with UK-adopted International Accounting Standard 34 'Interim financial reporting'. These condensed consolidated half year financial statements do not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the Group's Annual Report and financial statements for the year ended 31 October 2023, which has been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

These condensed consolidated half year financial statements do not constitute statutory financial statements within the meaning of Section 434 of the Companies Act 2006. Statutory financial statements for the year ended 31 October 2023 were approved by the Board of Directors on 23 January 2024 and delivered to the Registrar of Companies. The report of the auditor on those accounts was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

These condensed consolidated half year financial statements are unaudited but have been reviewed by PricewaterhouseCoopers LLP, the Company's auditors in accordance with International Standard on Review Engagements (UK) 2410 'Review of Interim Financial Information performed by the Independent Auditor of the Entity', issued by the Auditing Practices Board. The auditor's review report for the period to 30 April 2024 is set out on page 29.

Going Concern

The Directors have considered the impact of the Group's current principal risks and uncertainties to confirm the appropriateness of the going concern assumption in these condensed consolidated half year financial statements.

The Group benefits from a £250.0m revolving credit facility (RCF), which expires in September 2026 and remained undrawn during the period, and £100.0m of senior loan notes, of which £15.0m matures in August 2024, £20.0m matures in August 2025 with the remaining maturing between 2026 and 2029. Both of these arrangements are subject to three financial covenant tests which are detailed in note 24 of the Group's Annual Report and financial statements for the year ended 31 October 2023. The Group was compliant with all three tests throughout the six month period ended 30 April 2024.

At 30 April 2024 the Group had net debt (see note 11) of £9.4m (FY23: net cash of £64.9m). Given the availability of liquidity for the Group, the Directors consider the impact of breaching one of its covenants as being the first indication that the Group could be in distress and should be the basis of its going concern assessment.

The Directors have then considered two scenarios that stress test how the Group would perform against its principal risks as outlined in the Group's Annual Report and financial statements for the year ended 31 October 2023:

Base case
This is the Group's latest forecast for FY24 and FY25 which reflects the Directors current assessment of market experience and is reviewed by the Directors periodically. The assessment is performed over the period to 31 October 2025.

Severe but plausible downside case
The following assumptions were applied in combination to the base case without double counting:

- An immediate reduction in new reservations to a sales per outlet week of 0.37 for the remainder of FY24 and sales per outlet week of 0.53 for FY25 with a future reduction on outlets for sites that are yet to obtain planning approval
- A 7.0% fall in average selling prices over an 18 month period

Under the severe but plausible downside there were no forecast covenant breaches. The date and covenant most at risk of breach was the interest cover covenant for the October 24 reporting period.

Mitigation options and considerations
The Group has previously used appropriate mitigations available to enable it to offset the deterioration in financial performance and would do so again in the future were it necessary. The majority of these mitigations are within the control of the Group and can be enacted at any time.

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

Based on the assessment methodology outlined above, the Directors have considered some of the mitigations that could be applied in a deteriorating trading environment to either increase profit and/or conserve cash and reduce the interest cost. Some of these measures are implicit outcomes of a downturn (such as reduction in build spend) rather than mitigating actions which the Group would have to apply. The Group has experience of applying such mitigations in the past, and is actively managing expected covenant levels to ensure that it has sufficient time to apply these if required. These actions include but are not limited to:

A reduction in overheads to reflect the lower build and selling activity in a weaker trading environment

- A reduction in sales and marketing costs as a result of a fall in sales volumes
- Postponing less productive and / or capital intensive schemes
- Reduction in dividend to conserve cash
- Sales of land above levels assumed in the forecast plans
- Renegotiation of supplier arrangements as the amount of build activity contracts, and materials suppliers and subcontractors are required to be more competitive, reducing build spend

Conclusion on going concern
Having considered the assessments outlined above, and taking into account of potential mitigations available, the Directors are confident that the Group has the necessary resources and mitigations available to continue trading for at least 12 months from the date of approval of the condensed consolidated half year financial statements. Accordingly, the condensed consolidated half year financial statements continue to be prepared on a going concern basis.

Critical accounting estimates and judgements

The preparation of the condensed consolidated half year financial statements under UK-adopted international accounting standards requires the Directors to make estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses and related disclosures. In applying the Group's accounting policies, the key judgements that have a significant impact on the financial statements, including those involving estimates, are as follows; the judgement to present certain items as exceptional (see note 5), certain revenue policies relating to part exchange sales, the identification of performance obligations where a revenue transaction involves the sale of both land and residential units and revenue on the units is then subsequently recognised over time where the land sale element takes place at the start of the contract (see note 4 for the split of revenue recognised at a point in time and recognised over time), the recognition of the defined benefit pension scheme net surplus and the current and non-current presentation of the combustible materials provision.

Estimates and associated assumptions affecting the financial statements are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based or as a result of new information.

Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The Directors have made estimates and assumptions in reviewing the going concern assumption as detailed above. The Directors consider the key sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying value of assets and liabilities are the carrying value of inventories, estimation of development profitability, estimation of future costs associated with completed sites, valuation of the pension scheme assets and liabilities and the valuation of the combustible materials provision. These are detailed within the Group's consolidated financial statements for the year ended 31 October 2023.

Accounting policies

The principal accounting policies adopted in the condensed consolidated half year financial statements are consistent with those applied by the Group in its consolidated financial statements for the year ended 31 October 2023 except in respect of taxation. In determining the tax charge for the interim period under IAS 34, historically the Group has applied the forecast annual effective tax rate to the pre-tax income for the six month period. As a result of volatility in the Group's result due to a significant exceptional charge in the period, management determined that the actual tax charge for the six months ended 30 April 2024, excluding the impact of exceptional items, represented its best estimate of the annual effective tax rate to be used in calculating the tax charge for this period. No adjustments have been made to prior period comparatives.

Adoption of new and revised standards

There are no new standards, amendments to standards and interpretations that are applicable to the Group and are mandatory for the first time for the financial year beginning 1 November 2023 which have a material impact on the Group.

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

Alternative performance measures
The Group has adopted various Alternative Performance Measures (APM), as presented on pages 27-28. These measures are not defined by IFRS and therefore may not be directly comparable with other companies' APM, and should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measurements.

2 SEGMENTAL REPORTING

The Executive Leadership Team (ELT), as disclosed in the Group's consolidated financial statements for the year ended 31 October 2023 on page 58 is accountable to the Board and has been identified as the chief operating decision-maker for the purposes of determining the Group's operating segments. Martyn Clark joined the Group on 3 June 2024 and is a member of the ELT. The ELT approves investment decisions, allocates group resources and performs divisional performance reviews. The Group operating segments are considered to be its divisions, each of which has its own management board. All divisions are engaged in residential-led, mixed use developments in the United Kingdom and therefore, with consideration of relevant economic indicators such as the nature of the products sold and customer base, and, having regard to the aggregation criteria in IFRS 8, the Group identifies that it has one reportable operating segment.

3 SEASONALITY

In common with the rest of the UK housebuilding industry, activity occurs throughout the year, with peaks in sale completions in spring and autumn. This creates seasonality in the Group's trading results and working capital.

4 REVENUE

	Half year ended 30 April 2024	Half year ended 30 April 2023	Full year ended 31 October 2023
Revenue type	**£m**	**£m**	**£m**
Open market housing including specification upgrades	**197.7**	**235.7**	**550.0**
Affordable housing	**29.0**	**42.1**	**88.0**
Total housing	**226.7**	**277.8**	**638.0**
Land and commercial sales	**30.8**	**4.9**	**19.5**
Total revenue	**257.5**	**282.7**	**657.5**

	Half year ended 30 April 2024	Half year ended 30 April 2023	Full year ended 31 October 2023
Timing of revenue recognition	**£m**	**£m**	**£m**
Revenue recognised at a point in time	**223.4**	**242.8**	**552.4**
Revenue recognised over time	**34.1**	**39.9**	**105.1**
Total revenue	**257.5**	**282.7**	**657.5**

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

5 EXCEPTIONAL ITEMS

Exceptional items are those which, in the opinion of the Directors, are material by size and/or non-recurring in nature such as significant costs and settlements associated with combustible materials, significant costs associated with acquiring another business, significant legal matters, changes in estimate of costs associated with completed sites which are no longer part of our core strategy and significant inventory impairments. Where appropriate, the Directors consider that items should be considered as categories or classes of items, such as any credits/costs impacting the consolidated income statement which relate to combustible materials or completed site costs notwithstanding where an item may be individually immaterial. The Directors believe that these items require separate disclosure within the condensed consolidated income statement in order to assist the users of the financial statements to better understand the performance of the Group, which is also how the Directors and Chief Operating Decision Maker internally manage the business. Where appropriate, the material reversal of any of these amounts will also be reflected through exceptional items. Additional charges/credits to items classified as exceptional items in prior years will be classified as exceptional in the current year, unless immaterial to the financial statements. As these exceptional items can vary significantly year on year, they may introduce volatility into the reported earnings. The income tax impacts of exceptional items are reflected at the actual tax rate related to these items.

	Half year ended 30 April 2024	Half year ended 30 April 2023	Full year ended 31 October 2023
Cost of sales	**£m**	**£m**	**£m**
Combustible materials charge	**(8.9)**	(1.4)	(11.3)
Combustible materials credit	**4.4**	10.0	10.0
Net combustible materials (charge)/credit	**(4.5)**	8.6	(1.3)
Legal provision	**(0.3)**	-	(13.0)
Completed sites costs in respect of non-standard developments, started prior to change in strategy in 2019	**(25.5)**	-	-
Total cost of sales (charge)/credit	**(30.3)**	8.6	(14.3)
Net finance expense			
Combustible materials imputed interest	**(3.2)**	(2.2)	(4.6)
Share of post-tax loss of joint ventures			
Combustible materials credit of joint ventures	**-**	1.1	0.6
Total exceptional (charge)/credit	**(33.5)**	7.5	(18.3)
Tax credit/(charge) on exceptional (charge)/credit	**8.4**	(2.0)	4.8
Total exceptional (charge)/credit after tax credit/(charge)	**(25.1)**	5.5	(13.5)

Net combustible materials (charge)/credit
In the prior year as a consequence of signing the Developer Remediation Contract on 13 March 2023, the Group entered into contractual commitments with the UK Government to identify and remediate those buildings it has developed with possible life-critical fire safety defects. The combustible materials charge represents forecast changes in build costs and in the provision discount. The Group has recovered £4.4m cash from third parties in the half year in respect of defective design and workmanship. See note 12 for additional information.

Completed site costs in respect of non-standard developments, started prior to the change in strategy in 2019
Since the publication of the FY23 results, the Group has become aware of certain build defects initially identified on four sites that were completed prior to 2019 when the Group closed its Regeneration and London divisions. During the period the Group completed a thorough review of all completed sites in association with third party consultants. The review of completed sites is now concluded resulting in a one-off charge of £31.4m, of which £25.5m is treated as an exceptional item as it relates to developments no longer part of our core strategy which we started prior to 2019. The balance of £5.9m is recorded as pre-exceptional. Due to the size and nature of the remediation required, and in line with the Group's accounting policy, this has been presented as an exceptional item.

Net finance expense
The combustible materials imputed interest reflects the unwind of the imputed interest on the provision to reflect the time value of the liability.

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

Share of post-tax loss of joint ventures
In the prior year the combustible materials credit of joint ventures represents the Group's share of exceptional combustibles materials credit in its joint venture Crest Nicholson Bioregional Quintain LLP. The credit represents a recovery from third parties.

Taxation
An exceptional income tax credit of £8.4m (30 April 2023: charge of £2.0m, 31 October 2023: credit of £4.8m) has been recognised in relation to the above exceptional items using the actual tax rate applicable to these items.

6 NET ADMINISTRATIVE EXPENSES AND OPERATING (LOSS)/PROFIT

Operating loss of £24.1m (30 April 2023: operating profit of £30.7m, 31 October 2023: operating profit of £29.9m) from continuing activities is stated after (charging)/crediting:

	Half year ended 30 April 2024 £m	Half year ended 30 April 2023 £m	Full year ended 31 October 2023 £m
Administrative expenses	**(25.5)**	(28.2)	(55.0)
Other operating income	**28.3**	13.7	40.1
Other operating expenses	**(28.9)**	(13.8)	(40.9)
Net administrative expenses	**(26.1)**	(28.3)	(55.8)

Other operating income and other operating expenses shown above relate to the income and associated costs arising on the sale of part exchange properties.

7 TAXATION

The actual rate of taxation on profit for the half year ended 30 April 2024 is 24.3% (30 April 2023: weighted average annual effective rate for the year ending 31 October 2023 25.7%, 31 October 2023: actual rate of taxation 22.5%). This calculation uses rates substantively enacted by 30 April 2024 as required by IAS 34 'Interim Financial Reporting'.

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

8 (LOSS)/EARNINGS PER ORDINARY SHARE

Basic (loss)/earnings per share is calculated by dividing (loss)/earnings attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period. For diluted earnings per share, the weighted average number of shares is increased by the average number of potential ordinary shares held under option during the period. This reflects the number of ordinary shares which would be purchased using the difference in value between the market value of shares and the share option exercise price. The market value of shares has been calculated using the average ordinary share price during the period. Only share options which have met their cumulative performance criteria have been included in the dilution calculation. The (loss)/earnings and weighted average number of shares used in the calculations are set out below.

	(Loss)/ earnings £m	Weighted average number of shares millions	Per share amount pence
Half year ended 30 April 2024 – Total			
Basic loss per share	(23.4)	256.4	(9.1)
Effect of share options[1]	–	–	
Diluted loss per share	(23.4)	256.4	(9.1)
Half year ended 30 April 2024 – Pre-exceptional items			
Basic earnings per share	1.7	256.4	0.7
Effect of share options	–	1.1	
Adjusted diluted earnings per share	1.7	257.5	0.7
Half year ended 30 April 2023 – Total			
Basic earnings per share	21.1	256.1	8.2
Effect of share options	–	1.6	
Diluted earnings per share	21.1	257.7	8.2
Half year ended 30 April 2023 – Pre-exceptional items			
Basic earnings per share	15.6	256.1	6.1
Effect of share options	–	1.6	
Adjusted diluted earnings per share	15.6	257.7	6.1
Full year ended 31 October 2023 – Total			
Basic earnings per share	17.9	256.1	7.0
Dilutive effect of share options	–	0.6	
Diluted earning per share	17.9	256.7	7.0
Full year ended 31 October 2023 – Pre-exceptional items			
Basic earnings per share	31.4	256.1	12.3
Dilutive effect of share options	–	0.6	
Adjusted diluted earnings per share	31.4	256.7	12.2

[1] Share options are not shown to be dilutive as they cannot further increase a loss per share.

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

9 DIVIDENDS

	Half year ended 30 April 2024 £m	Half year ended 30 April 2023 £m	Full year ended 31 October 2023 £m
Dividends recognised as distributions to equity shareholders in the period:			
Final dividend for the year ended 31 October 2023 of 11.5 pence per share (2022: 11.5 pence per share)	**29.5**	**29.5**	**29.5**
Interim dividend for the year ended 31 October 2023: 5.5 pence per share (2022: 5.5 pence per share)	**–**	**–**	**14.1**
	29.5	**29.5**	**43.6**

The Board approved an interim dividend of 1.0 pence per share on 13 June 2024. The interim dividend will be paid on 11 October 2024 to ordinary shareholders on the Register of Members on 20 September 2024. In accordance with IAS 10 'Events After the Reporting Period' the proposed dividend has not been included as a liability in this condensed consolidated half year financial information.

10 INVENTORIES

	As at 30 April 2024 £m	As at 30 April 2023 £m	As at 31 October 2023 £m
Work-in-progress	**1,031.2**	**1,021.9**	**1,040.7**
Completed buildings including show homes	**113.3**	**68.4**	**89.6**
Part exchange inventories	**37.4**	**17.8**	**34.5**
	1,181.9	**1,108.1**	**1,164.8**

Total inventories are stated after a net realisable value provision of £20.9m (30 April 2023: £14.6m, 31 October 2023: £20.2m), with £4.3m being charged in the period and £3.6m being used in the period.

Of the £20.9m remaining NRV provision at 30 April 2024 it is currently forecast that around a quarter will be used in the second half of FY24, around half in FY25 and the balance in FY26.

Movements in the NRV provision	As at 30 April 2024 £m	As at 30 April 2023 £m	As at 31 October 2023 £m
At beginning of the period	**20.2**	**12.6**	**12.6**
NRV charged in the period	**4.3**	**3.2**	**13.4**
NRV used in the period	**(3.6)**	**(1.2)**	**(5.8)**
Total movement in NRV in the period	**0.7**	**2.0**	**7.6**
At end of the period	**20.9**	**14.6**	**20.2**

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

11 CASH AND CASH EQUIVALENTS, INTEREST-BEARING LOANS AND BORROWINGS

	As at 30 April 2024 £m	As at 30 April 2023 £m	As at 31 October 2023 £m
Cash and cash equivalents	**88.7**	**163.6**	**162.6**
Non-current interest-bearing loans and borrowings			
Senior loan notes – maturing 2025 to 2029	**(85.0)**	**(100.0)**	**(85.0)**
Revolving credit facility and senior loan notes issue costs	**1.1**	**2.6**	**1.5**
	(83.9)	**(97.4)**	**(83.5)**
Current interest-bearing loans and borrowings			
Senior loan notes	**(15.0)**	**-**	**(15.0)**
Revolving credit facility and senior loan notes issue costs	**0.8**	**-**	**0.8**
	(14.2)	**-**	**(14.2)**

The first repayment of £15.0m of senior loan notes is due in August 2024.

At 30 April 2024, the Group had undrawn revolving credit facilities of £250.0m (30 April 2023: £250.0m, 31 October 2023: £250.0m). The Groups revolving credit facility ends in October 2026.

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

12 PROVISIONS

	Combustible materials £m	Legal provision £m	Joint ventures £m	Other provisions £m	Total £m
As at 30 April 2024					
At 1 November 2023	**144.8**	**13.0**	**0.9**	**0.6**	**159.3**
Provided in the year	**8.9**	**-**	**-**	**-**	**8.9**
Imputed interest	**3.2**	**-**	**-**	**-**	**3.2**
Utilised in the year	**(11.7)**	**-**	**-**	**-**	**(11.7)**
At 30 April 2024	**145.2**	**13.0**	**0.9**	**0.6**	**159.7**
As at 30 April 2023					
At 1 November 2022	**140.8**	**-**	**1.2**	**1.0**	**143.0**
Provided in the year	**1.4**	**-**	**-**	**-**	**1.4**
Imputed interest	**2.2**	**-**	**-**	**-**	**2.2**
Utilised in the year	**(5.2)**	**-**	**-**	**-**	**(5.2)**
Funding commitment change	**-**	**-**	**(1.2)**	**-**	**(1.2)**
At 30 April 2023	**139.2**	**-**	**-**	**1.0**	**140.2**
As at 31 October 2023					
At 1 November 2022	**140.8**	**-**	**1.2**	**1.0**	**143.0**
Provided in the year	**12.0**	**13.0**	**-**	**0.4**	**25.4**
Imputed interest	**4.6**	**-**	**-**	**-**	**4.6**
Utilised in the year	**(12.6)**	**-**	**-**	**(0.6)**	**(13.2)**
Released in the year	**-**	**-**	**-**	**(0.2)**	**(0.2)**
Funding commitment change	**-**	**-**	**(0.3)**	**-**	**(0.3)**
At 31 October 2023	**144.8**	**13.0**	**0.9**	**0.6**	**159.3**
At 30 April 2024					
Non-current	**55.2**	**-**	**-**	**0.2**	**55.4**
Current	**90.0**	**13.0**	**0.9**	**0.4**	**104.3**
	145.2	**13.0**	**0.9**	**0.6**	**159.7**
At 30 April 2023					
Non-current	**67.6**	**-**	**-**	**0.3**	**67.9**
Current	**71.6**	**-**	**-**	**0.7**	**72.3**
	139.2	**-**	**-**	**1.0**	**140.2**
At 31 October 2023					
Non-current	**73.6**	**-**	**-**	**0.2**	**73.8**
Current	**71.2**	**13.0**	**0.9**	**0.4**	**85.5**
	144.8	**13.0**	**0.9**	**0.6**	**159.3**

Combustible materials

In March 2023 the Group signed the DLUHC Self Remediation Terms (SRT) in England, which converted the principles of the building safety pledge signed in 2022, in which we committed to resolve any historical fire remedial work on buildings completed since 5 April 1992, into a binding agreement between the Government and the Group. This provides clarity for future remediation, particularly with regards to the standards required for internal and external remedial works on legacy buildings.

We are making progress with our assessment programme for both external walls and internal fire safety and are working through the portfolio in a risk-based sequence. To date, formal assessments are in progress or complete for 57% of the buildings that fall within the scope of the SRT. We have made a physical start to remedial works on 63% (102 buildings) of those buildings assessed. Due to the quantity and nature of the projects, the multiple stakeholders involved and the availability of appropriately qualified and experienced consultants and contractors, we expect to complete the remedial works within three to five years.

The combustible materials provision reflects the estimated costs to complete the remediation of life-critical fire safety issues on identified buildings. The Directors have used a combination of BSF costed information, other external information, and internal assessments as a basis for the provision, which is a best estimate at this time.

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

The Group recorded a further net combustible materials charge of £8.9m in the period predominantly related to changes in forecast build cost scope and price over the duration of remediation, net of the change in discounting. The provision is stated after a related discount of £6.1m, which unwinds to the condensed consolidated income statement as finance expense over the expected duration of the provision using the effective interest rate method.

The provision of £145.2m represents the Group's best estimate of future costs on 30 April 2024. The Group will continue to assess the magnitude and utilisation of this provision in future reporting periods. The Group recognises that required remediation works could be subject to further inflationary pressures and cash outflows. If forecast remediation costs on buildings currently provided for are 10.0% higher than provided, the pre-tax exceptional items charge in the consolidated income statement would be £14.5m higher. If further buildings are identified this could also increase the required provision, but the potential quantity of this change cannot be readily determined without further claims or investigative work.

The Group spent £11.7m in the period across several buildings requiring further investigative costs, including balcony and cladding-related works. The Group expects to have completed any required remediation within a three to five-year period, using £90.0m of the remaining provision within one year, and the balance within one to five years. The timing of the expenditure is based on the Directors best estimates of the timing of remediating buildings and repaying the BSF incurred costs. Actual timing may differ due to delays in agreeing scope of works, obtaining licences, tendering works contracts and the BSF payment schedule differing to our forecast.

The Group is continuing to review the recoverability of costs incurred from third parties where it has a contractual right of recourse. In the period £4.4m was recovered from third parties by the Group. Recoveries are not recognised until they are virtually certain to be received. See note 5 for condensed consolidated income statement disclosure.

Legal provision
The Group is subject to a legal claim relating to a low-rise bespoke apartment block built by the Group which was damaged by fire in 2021. The fire caused extensive damage to the property which was subsequently demolished and is currently being rebuilt by the freeholder. In the prior year the Group received a letter of claim alleging fire safety defects and claiming compensation for the rebuild and other associated costs. The provision recorded represents managements best estimate of the Group's potential exposure taking into account legal and professional advice. The claim and ultimate route to settlement is ongoing but the Group currently does not have a set timeline for when the matter will be concluded.

Joint ventures
Joint ventures represents the Group's legal or constructive obligation to fund losses on joint ventures.

Other provisions
Other provisions comprise dilapidation provisions on Group offices and dilapidation provisions on commercial properties where the Group previously held the head lease.

13 FINANCIAL ASSETS AND LIABILITIES

	As at 30 April 2024	As at 30 April 2023	As at 31 October 2023
Financial assets	**£m**	**£m**	**£m**
Sterling cash deposits	**88.7**	**163.6**	**162.6**
Trade receivables	**69.8**	**46.2**	**60.9**
Amounts due from joint ventures	**23.4**	**29.4**	**29.5**
Other receivables	**9.1**	**16.3**	**22.7**
Total financial assets at amortised cost	**191.0**	**255.5**	**275.7**
Financial assets at fair value through profit and loss	**3.5**	**4.1**	**3.7**
Total financial assets	**194.5**	**259.6**	**279.4**

Financial assets at fair value through profit and loss are held at fair value and categorised as level three within the hierarchical classification of IFRS 13 'Fair Value Measurement'. The carrying value of cash and cash equivalents, trade and other receivables and amounts due from joint ventures is a reasonable approximation of fair value which would be measured under a level 3 hierarchy.

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

	As at 30 April 2024	As at 30 April 2023	As at 31 October 2023
Financial liabilities	**£m**	**£m**	**£m**
Senior loan notes	**100.0**	**100.0**	**100.0**
Land payables on contractual terms carrying interest	**-**	**16.7**	**-**
Land payables on contractual terms carrying no interest	**175.9**	**131.5**	**205.5**
Amounts due to joint ventures	**0.4**	**1.3**	**0.7**
Lease liabilities	**7.3**	**4.8**	**6.4**
Other trade payables	**62.5**	**46.8**	**61.8**
Other payables	**2.9**	**3.5**	**3.1**
Accruals	**132.0**	**119.4**	**123.9**
Total financial liabilities at amortised cost	**481.0**	**424.0**	**501.4**

The carrying amounts of the Group's financial liabilities is deemed a reasonable approximation to their fair value.

14 (NET DEBT)/NET CASH INCLUDING LAND CREDITORS

	As at 30 April 2024	As at 30 April 2023	As at 31 October 2023
	£m	**£m**	**£m**
Cash and cash equivalents	**88.7**	**163.6**	**162.6**
Non-current interest-bearing loans and borrowings	**(83.9)**	**(97.4)**	**(83.5)**
Current Interest-bearing loans and borrowings	**(14.2)**	**-**	**(14.2)**
(Net debt)/ net cash	**(9.4)**	**66.2**	**64.9**
Land payables on contractual terms carrying interest	**-**	**(16.7)**	**-**
Land payables on contractual terms carrying no interest	**(175.9)**	**(131.5)**	**(205.5)**
Net debt including land creditors	**(185.3)**	**(82.0)**	**(140.6)**

15 SHARE CAPITAL

	Shares issued	Nominal value	Share capital	Share premium account
	number	**pence**	**£m**	**£m**
As at 30 April 2024, 30 April 2023 and 31 October 2023	**256,920,539**	**5**	**12.8**	**74.2**

NOTES TO THE CONDENSED CONSOLIDATED HALF YEAR FINANCIAL STATEMENTS (unaudited)

16 RELATED PARTY TRANSACTIONS

Transactions between fellow subsidiaries, which are related parties, are eliminated on consolidation, as well as transactions between the Group and its subsidiaries during the current and prior period.

There were no transactions between the Group and key management personnel other than remuneration during the current and prior period.

The Group pays contributions to the Crest Nicholson Group Pension and Life Assurance Scheme to improve the Scheme's funding position as determined by regular actuarial valuations.

The Company's Directors and Non-Executive Directors have associations other than with the Company. From time to time the Group may trade with organisations with which a Director or Non-Executive Director has an association. Where this occurs, it is on normal commercial terms and without the direct involvement of the Director or Non-Executive Director.

The Group had the following transactions with its joint ventures in the period:

	Half year ended 30 April 2024 £m	Half year ended 30 April 2023 £m	Full year ended 31 October 2023 £m
Interest income on joint venture funding	0.3	0.6	1.2
Project management fees received	1.2	0.8	1.9
Amounts due from joint ventures, net of expected credit losses	23.4	29.4	29.5
Amounts due to joint ventures	0.4	1.3	0.7
Funding to joint ventures	(4.5)	(4.4)	(13.0)
Repayment of funding from joint ventures	25.2	3.4	11.7
Dividends received from joint ventures	2.5	–	1.5

17 CONTINGENCIES AND COMMITMENTS

There are performance bonds and other engagements, including those in respect of joint venture partners, undertaken in the ordinary course of business. It is impractical to quantify the financial effect of performance bonds and other arrangements. The Directors consider the possibility of a cash outflow in settlement of performance bonds and other arrangements to be remote and therefore this does not represent a contingent liability for the Group.

In the ordinary course of business, the Group enters into certain land purchase contracts with vendors on a conditional exchange basis. The conditions must be satisfied for the Group to recognise the land asset and corresponding liabilities within the condensed consolidated statement of financial position. No land payable in respect of conditional land acquisitions has been recognised.

The Group provides for all known material legal actions, where having taken appropriate legal advice as to the likelihood of success of the actions, it is considered probable that an outflow of economic resource will be required, and the amount can be reliably measured. No material contingent liability in respect of such claims has been recognised since there are no known claims of this nature.

As a consequence of signing the Developer Remediation Contract on 13 March 2023, the Group entered into contractual commitments with the UK Government to identify and remediate those buildings it has developed with possible life-critical fire safety defects. Accordingly, while the Group believes that most significant liabilities will have been identified through the process of building owners assessing buildings and applying for BSF funding and through Crest commissioning assessments to date, contingent liabilities exist where additional buildings have not yet been identified which require remediation. Due to the enduring challenges of developing a reliable estimate of these possible costs, it is not practicable to disclose an expected range.

The Group is reviewing the recoverability of costs incurred from third parties where it has a contractual right of recourse. As reflected in these financial results, the Group has a track record of successfully obtaining such recoveries, however no contingent assets have been recognised in these consolidated financial statements for such items.

ALTERNATIVE PERFORMANCE MEASURES (UNAUDITED)

The Group uses a number of alternative performance measures (APM) which are not defined within IFRS. The Directors use the APM, along with IFRS measures, to assess the operational performance of the Group. Definitions and reconciliations of the financial APMs used compared to IFRS measures, are included below:

Adjusted performance metrics
Adjusted performance metrics as shown below comprise statutory metrics adjusted for the exceptional items as presented in note 5 of the condensed consolidated financial statements. Exceptional items are those which, in the opinion of the Directors, are material by size and/or non-recurring in nature. The Directors believe that these items require separate disclosure within the consolidated income statement in order to assist the users of the financial statements to better understand the performance of the Group, which is also how the Directors internally manage the business. As such, the Directors consider these adjusted performance metrics reflect a more accurate view of its core operations and business performance.

Half year ended 30 April 2024		**Statutory**	**Exceptional items**	**Adjusted**
Gross profit	**£m**	**2.2**	**30.3**	**32.5**
Gross profit margin	**%**	**0.9**	**11.8**	**12.6**
Operating (loss)/profit	**£m**	**(24.1)**	**30.3**	**6.2**
Operating (loss)/profit margin	**%**	**(9.4)%**	**11.8**	**2.4**
Net finance expense	**£m**	**(6.8)**	**3.2**	**(3.6)**
(Loss)/profit before tax	**£m**	**(30.9)**	**33.5**	**2.6**
Income tax credit/(expense)	**£m**	**7.5**	**(8.4)**	**(0.9)**
(Loss)/profit after tax	**£m**	**(23.4)**	**25.1**	**1.7**
Basic (loss)/earnings per share	**Pence**	**(9.1)**	**9.8**	**0.7**
Diluted (loss)/earnings per share	**Pence**	**(9.1)**	**9.8**	**0.7**

Half year ended 30 April 2023		**Statutory**	**Exceptional items**	**Adjusted**
Gross profit	**£m**	**59.2**	**(8.6)**	**50.6**
Gross profit margin	**%**	**20.9**	**(3.0)**	**17.9**
Operating profit	**£m**	**30.7**	**(8.6)**	**22.1**
Operating profit margin	**%**	**10.9**	**(3.1)**	**7.8**
Net finance expense	**£m**	**(4.7)**	**2.2**	**(2.5)**
Share of post-tax profit/(loss) of joint ventures using the equity method	**£m**	**2.4**	**(1.1)**	**1.3**
Profit before tax	**£m**	**28.4**	**(7.5)**	**20.9**
Income tax (expense)/credit	**£m**	**(7.3)**	**2.0**	**(5.3)**
Profit after tax	**£m**	**21.1**	**(5.5)**	**15.6**
Basic earnings per share	**Pence**	**8.2**	**(2.1)**	**6.1**
Diluted earnings per share	**Pence**	**8.2**	**(2.1)**	**6.1**

Full year ended 31 October 2023		**Statutory**	**Exceptional items**	**Adjusted**
Gross profit	**£m**	**86.3**	**14.3**	**100.6**
Gross profit margin	**%**	**13.1**	**2.2**	**15.3**
Operating profit	**£m**	**29.9**	**14.3**	**44.2**
Operating profit margin	**%**	**4.5**	**2.2**	**6.7**
Net finance expense	**£m**	**(10.1)**	**4.6**	**(5.5)**
Share of post-tax profit/(loss) of joint ventures using the equity method	**£m**	**3.3**	**(0.6)**	**2.7**
Profit before tax	**£m**	**23.1**	**18.3**	**41.4**
Income tax expense	**£m**	**(5.2)**	**(4.8)**	**(10.0)**
Profit after tax	**£m**	**17.9**	**13.5**	**31.4**
Basic earnings per share	**Pence**	**7.0**	**5.3**	**12.3**
Diluted earnings per share	**Pence**	**7.0**	**5.2**	**12.2**

ALTERNATIVE PERFORMANCE MEASURES (UNAUDITED) (continued)

Net (debt)/cash

Net (debt)/cash is cash and cash-equivalents plus non-current and current interest-bearing loans and borrowings. Net cash Illustrates the Group's overall liquidity position and general financial resilience. Net cash has reduced to net debt of £9.4m from £66.2m net cash at 30 April 2023.

		As at 30 April 2024	As at 30 April 2023	As at 31 October 2023
Cash and cash equivalents	£m	88.7	163.6	162.6
Non-current and current interest-bearing loans and borrowings	£m	(98.1)	(97.4)	(97.7)
Net (debt)/cash	£m	(9.4)	66.2	64.9

Return on capital employed (ROCE)

Return on capital employed equals rolling 12 month adjusted operating profit before joint ventures divided by the average of opening and closing capital employed over the same 12 months (capital employed = equity shareholders' funds plus net borrowing or less net cash).

		Half year ended 30 April 2024	Half year ended 30 April 2023	Full year ended 31 October 2023
Adjusted operating profit – rolling 12 month	£m	28.3	108.5	44.2
Average of opening and closing capital employed over same 12 months	£m	811.5	741.7	699.0
ROCE	%	3.5	14.6	6.3

		Half year ended 30 April 2024	Half year ended 30 April 2023	Half year ended 30 April 2022	Full year ended 31 October 2023	Full year ended 31 October 2022
Adjusted operating profit						
For reporting period/year	£m	6.2	22.1	54.5	44.2	140.9
Second half of the prior year where applicable	£m	22.1	86.4			
Rolling 12 month	£m	28.3	108.5			

		As at 30 April 2024	As at 30 April 2023	As at 30 April 2022	As at 31 October 2023	As at 31 October 2022
Capital employed	£m	£m	£m	£m	£m	£m
Equity shareholders' funds	£m	803.1	876.6	846.3	856.3	883.1
Net debt/net (cash) (note 14)	£m	9.4	(66.2)	(173.3)	(64.9)	(276.5)
Closing capital employed	£m	812.5	810.4	673.0	791.4	606.6
Average closing capital employed	£m	811.5	741.7		699.0	

INDEPENDENT REVIEW REPORT TO CREST NICHOLSON HOLDINGS PLC

Report on the condensed consolidated interim financial statements

Our conclusion
We have reviewed Crest Nicholson Holdings plc's condensed consolidated interim financial statements (the "interim financial statements") in the unaudited interim results of Crest Nicholson Holdings plc for the 6 month period ended 30 April 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Statement of Financial Position as at 30 April 2024;
- the Condensed Consolidated Income Statement and the Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Cash Flow Statement for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the unaudited interim results of Crest Nicholson Holdings plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion
We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the unaudited interim results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern
Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors
The unaudited interim results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the unaudited interim results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the unaudited interim results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the unaudited interim results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
13 June 2024