

# CHAIR'S STATEMENT

## THE GROUP'S BEST EVER FINANCIAL RESULTS



**H**enry Boot has benefited from strong sales activity which helped drive a 30% increase in profit before tax (PBT) to £45.6m (December 2021: £35.1m). In 2022, we completed and exchanged on £279m of sales within our property development, strategic land and housebuilding businesses, which delivered the Group's best ever financial results of £56.1m on an underlying profit basis before revaluation movements on completed investment property. Whilst we are cautious with respect to the near-term trading climate as the economy adjusts to a higher interest rate environment, I am pleased to report that the Group continues to make progress against its strategic objectives, and we remain confident about achieving its medium-term growth and return targets.

**£56.1m**

**UNDERLYING PROFIT**  
(2021: £29.3M)

**295p**

**NET ASSET VALUE PER SHARE**  
(2021: 267P)



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**Business Review**  
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The Group's financial position remains robust, with TAR<sup>5</sup> at 12.8%, reflecting the growth of NAV per share plus dividends paid. The business has remained purposefully selective on new projects investing £28.4m into new opportunities, with net debt increasing only marginally to £48.6m (2021: £40.5m) and gearing remaining low at 12.3% (2021: 11.4%), providing flexibility from a position of strength to react to any opportunities we see in the market.

On the basis of the Group's strong commercial and financial performance, the Board proposes to pay a final dividend of 4.00p per share, which together with the 2.66p interim dividend, gives a total of 6.66p (2021: 6.05p), an increase of 10.1% for the year. This will be paid on 2 June 2023 to shareholders on the register at the close of business on 5 May 2023.

In 2022 we launched our Responsible Business Strategy, and I am pleased to report we are making good progress against our targets. Our commitment to addressing climate



**Pictured above:** The Isaacs Building in Sheffield city centre, which will provide a new head office space for Henry Boot in line with the modern and progressive vision of the company

change and reducing our environmental impact remains a key focus. We are proud of the progress made to lower our total direct GHG emissions (Scopes 1 and 2), which were 12% lower than our 2019 baseline, and the efforts our people have made to support our targets through how they work and travel.

Each year we conduct an independent Group Employee Engagement Survey, through the HIVE HR platform, to gain feedback from our people so we can continue to improve our employee experience and provide a positive culture and workplace environment. The 2022 survey continues to show very high levels of advocacy, pride and loyalty in Henry Boot, achieving an increased employee Net Promoter Score (eNPS) of 39 (2021: 26), which is ranked at the top of the very good range.

Finally, as the Group continues to grow and evolve as a diverse and progressive business, we have made the decision to relocate our Head Office from Banner Cross Hall to the Isaacs Building in Sheffield city centre this autumn. Isaacs Building is a seven-storey development

in which we have taken 12,800 sq ft across the top three floors. The building offers greater collaboration space and excellent transportation links, as well as supporting our 2030 NZC commitments.

On behalf of the Board, I would like to thank everyone at Henry Boot for their dedication and hard work. Their high levels of engagement have once again been instrumental to the business in producing such a strong set of results against a challenging backdrop.

**PETER MAWSON**  
CHAIR

This report contains the following alternative performance measures (APM): Underlying profit. Return on Capital Employed. Net Asset Value (NAV) per share. Net (debt)/cash. Total Accounting Return.

More details can be found on page 49.