Saxon Weald Capital plc

Trading update for the six months ending 30 September 2026

Saxon Weald Group is today issuing its consolidated trading update for the six months ended 30 September 2026. These figures are unaudited and for information purposes only. Highlights for the period ending 30 September 2026:

- Saxon Weald owns and manages 7,064 homes;
- Turnover for the period was £32.7m (September 2025: £29.2m);
- Social housing lettings turnover contributed 91% of total turnover (September 2025: 96%);
- Operating surplus (including asset sales) for the period was £9.5m (September 2025: £10.6m);
- Operating margin on social housing lettings was 26% (September 2025: 29%);
- Overall operating margin (including asset sales) was 29% (September 2025: 36%);
- Overall operating margin (excluding asset sales) was 28% (September 2025: 30%);
- Net margin on shared ownership (first tranche) was 15% (September 2025: -);
- The surplus after tax for the period was £2.5m (September 2025: £3.9m);
- Debt ratio was 53% (September 2025: 51%); and
- Return on capital employed for the period was 2.1% (September 2025: 2.4%).

Commenting on the results, Rachel McGoff, Executive Director of Finance & Governance, said:

“During the first six months of 2026/27, Saxon Weald has focused on delivering the ambitions set out in our new three-year Corporate Plan, Delivering Better Together, while maintaining our focus on financial resilience and delivering safe, high-quality homes for our customers.

We have continued to strengthen our understanding of the condition of our homes with stock condition survey coverage exceeding 80% by the end of September, on track to meet our target of 90% by the end of 2026/27. This improved data is giving us a stronger evidence base for investment decisions and supporting our longer-term plans for the quality, safety and sustainability of our homes.

We have also continued to invest in energy efficiency. By the end of September, 67% of our homes met our target EPC standard, up from 61%, with grant funding secured to continue our programme of works over the remainder of the year.

Customer satisfaction, measured on a 12-month rolling basis, has remained strong at 84.3% compared with 84.1% at the end of 2025/26. We continue to focus on improving the quality, responsiveness and accessibility of our services.

Our transformation programme has moved into its next phase, bringing together improvements to services, processes, data and technology. During the period, we continued to embed our new customer contact capability and progressed plans to improve our processes, data and systems, with the aim of creating simpler, more responsive services for customers and more efficient ways of working for colleagues.

Alongside investment in existing homes, we have continued to deliver new affordable housing. We completed 55 new homes by the end of September and have a steady future delivery pipeline that balances the need for new affordable homes with investment in our existing homes and our long-term financial resilience.

The lower operating margin compared to September 2025 is a result of more first tranche sales in the first half of the year, which generate a lower operating margin than social housing lettings.”

Unaudited Financial Metrics to the 30 September 2026

Statement of comprehensive income

- Turnover was £32.7m (September 2025: £29.2m);
- Turnover from social housing lettings was £29.6m (September 2025: £28.1m);
- Operating surplus was £9.5m (September 2025: £10.6m); and
- Surplus for the year was £2.5m (September 2025: £3.9m).

Margins

- Operating margin on social housing lettings was 26% (September 2025: 29%);
- Overall operating margin (incl. asset sales) was 29% (September 2025: 36%);
- Overall operating margin (excl. asset sales) was 28% (September 2025: 30%); and
- Operating margin on shared ownership (first tranche) was 15% (September 2025: -).

Key financial ratios

- EBITDA MRI Interest cover was 128% (September 2025: 134%); and
- Gearing was 53% (September 2025: 51%).

Liquidity

- 24-month liquidity requirement was £38m (September 2025: £13m);
- Cash, short term investments and undrawn facilities were £56m (September 2025: £80m); and
- Unencumbered stock (EUV-SH) was £136m (September 2025: £125m).

Credit rating

- Moody's, January 2026, A3 (stable).

This trading update contains certain forward-looking statements about the future outlook for Saxon Weald. These have been prepared and reviewed by Saxon Weald only and are unaudited. Forward looking statements inherently involve a number of uncertainties and assumptions. Although the Directors believe that these statements are based upon reasonable assumptions on the publication date, any such statements should be treated with caution as future outlook may be influenced by factors that could cause actual and audited outcomes and results to be materially different. Additionally, the information in the statement should not be construed as solicitation/ recommendation to invest in Saxon Weald's.

For further information, please contact Rachel McGoff, Executive Director of Finance & Governance.

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[1] Operating surplus / turnover.

[2] General Needs, Supported Housing, Affordable Rent and low-cost home ownership.

[3] Operating margin including asset sales includes all activity; operating margin excluding assets removes gain or loss on disposal of assets including first tranche shared ownership sales.

[4] Operating surplus on first tranche shared ownership sales / Turnover from first tranche shared ownership sales.

[5] Operating surplus including surplus from property disposals plus interest receivable plus depreciation less amortised grant less capitalised repairs, divided by total interest payable (including capitalised interest).

[6] Long-term loans plus short-term loans less free cash, as a percentage of completed housing properties at cost plus investment properties at cost.

[7] 24-month cashflow requirement (before financing). Factors in cash generated from operating activities and investing activities, including capital grant receipts.

[8] Cash, deposit and RCFs.