

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

13 January 2022

Countryside Properties plc
Board changes and trading update

CEO change

Countryside Properties plc (“Countryside”, “Group” or “Company”) today announces that, by mutual agreement, CEO Iain McPherson is to step down with immediate effect.

John Martin, Chair of Countryside said: ‘Iain McPherson has led Countryside through a challenging period, including the Covid pandemic and has clarified the Group’s strategy, which is to focus all of our resources on our market-leading Partnerships business. I would like to thank Iain for his unwavering commitment and dedication to Countryside as leader of our business in the South and subsequently as Group CEO and to wish him every success in the future.’

Iain McPherson said: ‘It has been an honour to serve this great Company. I have worked with many talented colleagues, and I expect them to drive the Company from strength to strength.’

The Board will conduct a thorough process in the search for a new CEO and whilst that search is underway John Martin, Chair, will stand in as interim CEO. During this time, he will conduct a review of each of the Company’s developments across every region to ensure that each site is being developed in accordance with the plans set out during the investment process.

Current trading

Trading in the first quarter of our new financial year has been below the Board’s expectations. We expect to update the market on progress with the review of developments in 8 to 10 weeks.

Headline unaudited results for the three months ended 31 December are summarised as follows:

		Q1 2022	Q1 2021¹
Group	Completions	809	1,280
	Adjusted revenue (£m)	249.8	363.8
	Adjusted operating profit (£m)	16.5	36.6
Partnerships	Completions	643	984
	Adjusted revenue (£m)	179.7	234.9
	Adjusted operating profit (£m)	11.3	24.0

The realisation of legacy assets and the associated share buy-back programme are proceeding in line with our plan and earlier guidance. Net debt at 31 December 2021 was £72m.

¹Prior year Partnerships financials have been restated to reflect the change in the Group’s strategy

²Adjusted measures include the Group’s share of results from joint ventures and associate and exclude non-underlying items

Non-Executive Director appointment

We are pleased to announce the appointment of Peter Lee to the Board of Countryside as Non-Executive Director, with effect from 21 January 2022. Peter is a Partner at Browning West, an investment firm that focuses on long term investments in great businesses and which is one of Countryside's largest shareholders. He will also join the Nominations Committee.

John Martin, Chair of Countryside said: "Peter and the Browning West team have engaged actively and positively with the Company and the Board has been impressed with their long-term orientation and deep understanding of Countryside's business. Peter has an impressive track record in public market investing and really understands value creation. We are delighted that he has agreed to join the Board and confident that he will make a significant contribution to our Board deliberations."

Peter Lee commented: "I am excited to be joining the Countryside Board. Browning West has made a substantial investment in Countryside because we believe the Company has strong competitive advantages and tremendous long-term growth prospects. I look forward to working closely and collaboratively with my Board colleagues to ensure that Countryside can capitalise on its considerable potential."

The Company and Browning West have entered into a Relationship Agreement which clarifies the obligations of both parties in respect of Peter's appointment as a Director of Countryside Properties plc. The Relationship Agreement includes, among other things, an undertaking that Browning West will not requisition (or propose resolutions at) General Meetings of the Company, circulate statements to shareholders or seek to remove Directors from the Board.

The Company will announce the appointment of other Non-Executive Directors as searches are concluded over the coming months. We continue to work on enhancing the diversity of the Board noting the targets of the Hampton-Alexander review and the Parker review.

No further information is required to be disclosed pursuant to Listing Rule 9.6.13R.

Cladding and building safety

The Board has considered the letter from the Department of Levelling Up, Housing and Communities of 11 January 2022 and is fully supportive of finding an industry-wide solution for the benefit of leaseholders. We are currently working with landlords to expedite remediation in cases where the historic work on Countryside developments did not meet building standards, in accordance with the provisions made last year. We will update shareholders comprehensively when an industry-wide solution is identified.

Analyst and investor conference call

There will be a conference call for analysts and investors at 08.00 hrs (GMT). The conference call dial in details are below:

Std International Dial-In: +44 (0) 2071 928000
UK Freephone Dial-In: 08003767922

Conference ID: 5248547

Enquiries:

Countryside Properties PLC – +44 (0)1277 260 000

John Martin - Chair

Victoria Prior – Managing Director, Corporate Affairs

Brunswick Group LLP - +44 (0) 20 7404 5959

Nina Coad / Robin Wrench

Note to editors:

Countryside is the market leader in the delivery of high quality mixed-tenure communities in partnership with housing associations, public bodies and institutional private rental operators, with a strong focus on placemaking and regeneration.

Countryside's differentiated Partnerships business model:

- Mixed tenure developments, including affordable homes, homes for institutional private rental and homes for private sale.
- Over 40 years track record of collaborative working with partners in public and private sectors.
- Over 60% of developments on regeneration or brownfield sites.
- Increasing use of Modern Methods of Construction, with a target of 50% of all homes to be built using our in-house manufacturing facilities by 2025.
- Place-making at the heart of everything we do - designing places people love, helping to build successful communities. Committed to high quality design, construction and management, creating a positive legacy for future generations.

For more information see www.countrysideproperties.com or follow @CountrysideProp on Twitter