7 September 2026

Grainger plc
("Grainger", the "Group", or the "Company")

TRADING UPDATE
FOR THE 11 MONTHS TO END OF AUGUST

Strong operational performance in line with guidance
On track to grow earnings by 35% FY25-FY29

- Strong rental demand and leasing performance
- Occupancy high at 96%+
- Good like-for-like BTR rental growth at 3%, in line with guidance
- Good pipeline momentum including a new planning permission received in Cambridge with Network Rail
- Clear capital allocation plan to deliver shareholder value

Grainger plc, the UK's largest listed provider of private rental homes and leader in the Build to Rent (BTR) sector, providing over 11,000 rental homes, today provides an update on trading for the eleven months to the end of August 2026. The Company will announce its full year financial results for the year ending 30 September 2026 on 19 November 2026.

Helen Gordon, Chief Executive of Grainger, said:

“It’s been another strong year of operational performance for Grainger. Demand for our rental homes remains strong with rental growth continuing in line with expectations and occupancy remaining high. We’ve made good progress in our pipeline including securing planning permission in Cambridge, our first investment in this target city, through our partnership with Network Rail.

“We have a clear plan to deliver shareholder value. We are on track to grow earnings by 35% from FY25 to FY29 from the build to rent development projects in our committed pipeline. We have an accelerated disposals programme in place for our c.£850m pool of non-core assets. We will reduce net debt by £300-350m by the end of FY29 to offset the rise in future finance costs from higher interest rates. We are lowering costs, with £2.4m of central costs removed at the beginning of this financial year and we are targeting a further c.£2m of savings to be delivered during FY27, representing 12% of our cost base overall. Alongside this, we will continue to closely consider the use of surplus capital in light of share price performance, weighing up the returns between share buybacks and investment opportunities.

“We have adapted well to the new Renters’ Rights Act environment with rental growth and occupancy remaining strong, and we are benefitting from certain advantages including greater visibility on future vacancies. The recent changes in the political landscape have reaffirmed the Government’s support for our sector and their continued opposition to rent controls.

“Grainger continues to deliver strong operational results. We are confident in the positive outlook for the business and our earnings growth trajectory, focused on delivering value for shareholders.”

Robust operational performance, in line with guidance

	Aug26	Mar26 (HY26)
• Occupancy in our BTR portfolio remains high (spot):	96%	96%
• BTR (PRS) like-for-like rental growth:	3%	2.9%

Leasing at our most recent BTR scheme, Glasshouse Square (374 homes) in Bristol, is performing ahead of expectations and underwriting with 313 homes let or under offer (83%) in nine months, since launching in November 2025.

The Renters’ Rights Act came into force in May. Since then, we have seen a continued high level of rental demand (averaging 1,400 customer enquiries per week) and good rental growth in line with guidance and expectations, with leasing velocity and occupancy remaining stable. We have not seen an increase in customers serving notice to leave, nor an increase in rent challenges.

A clear capital allocation plan – designed to deliver shareholder value

1. Committed Pipeline – we will deliver and lease up the three BTR schemes in our committed pipeline with £120m of investment remaining, which will drive 35% earnings growth from FY25 to FY29, after fully absorbing the impact of higher interest rates.
2. Disposals – our accelerated asset recycling programme will see us divest from our pool of c.£850m non-core assets, which provides us with significant flexibility.
3. Deleverage and De-risk – we will reduce net debt by £300-350m by the end of FY29, to offset the impact of higher interest rates and derisk the balance sheet.

We will continue to monitor the best use of remaining surplus capital giving due consideration to the returns generated from share buybacks compared to further investment opportunities and other uses of capital to maximise shareholder value.

Cost control

Following a £2.4m cost reduction in central overheads undertaken at the beginning of this financial year, we have targeted a further c.£2m of savings to be delivered during FY27, totalling 12% of our cost base overall. It is worth noting that overheads in FY25 were the same level they were in FY15.

Good progress within our BTR development pipeline

<u>Committed pipeline</u>

- The three schemes within our committed pipeline, driving 35% EPRA earnings growth from FY25 to FY29, are progressing well and in line with expectations.
- The Merrick, Southall: A forward funding project, being delivered by SNG (Sovereign Network Group), a major housing association, is on track. Due to complete at the end of FY27.
- The Mint Phase 2, Guildford: Our second BTR scheme at Guildford station, being developed by Network Rail's JV with Kier, Solum, is progressing well. Due to complete in FY28.
- Bollo Lane, Chiswick: Part of our JV partnership with TfL, Connected Living London (CLL), this scheme is being developed by major housebuilder, Barratt Redrow, and is moving forward as expected, anticipated to complete in FY29.

<u>Secured pipeline</u>

We are making good progress in our secured pipeline, which has planning consent for 2,044 homes across seven sites. Positive improvements to the planning environment have allowed us to pursue changes to these existing planning consents to increase the number of homes on some of the schemes and we therefore expect to see an improvement on this position in due course. New investment commitments will be judged relative to other uses of capital and their relative returns.

<u>Planning & Legal pipeline</u>

- Cambridge – Planning permission secured for Cambridge North Residential Quarter, a 425-home scheme adjacent to Cambridge North station. Delivered in partnership with Network Rail's Platform4 and blocwork.
- Nottingham – Also through our partnership with Network Rail's Platform4 and blocwork, we have submitted a planning application for our second BTR scheme in Nottingham for 252 new homes.

The secured and planning & legal elements of our pipeline provide us with significant future growth opportunities.

Political backdrop

The political backdrop has cleared considerably since our HY results with clarity now established over the new Prime Minister, his Cabinet and his priorities. The return of Angela Rayner as Housing Secretary, and the retention of Matthew Pennycook as Housing Minister, provide much needed continuity, both of whom we have a positive working relationship with. It was encouraging to see the Housing Secretary publicly rule out any form of rent controls on national television in her first few days back in post.

Positive outlook

Our plans will see us delivering 35% earnings growth from FY25 to FY29, a significant growth trajectory, even after fully absorbing higher interest rates. Grainger remains very well-positioned to continue delivering sustainable income growth and shareholder value.

-ENDS-

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