

Hovnanian Enterprises Announces Strategic Partnership Between K. Hovnanian M.E. and Saudi Arabia's Ministry of Municipalities and Housing

August 29, 2024

MATAWAN, N.J., Aug. 29, 2024 (GLOBE NEWSWIRE) -- Hovnanian Enterprises, Inc. (NYSE: HOV), a leading national homebuilder across the United States, announced the signing of a Memorandum of Understanding (MOU) between its subsidiary, K. Hovnanian M.E. Investments, LLC, and the Ministry of Municipalities and Housing of the Kingdom of Saudi Arabia. The MOU, signed under the patronage of His Excellency Majed bin Abdullah Al-Hogail, Minister of Municipalities and Housing and Chairman of the Saudi Real Estate Refinance Company (SRC), took place on August 21, 2024, during the Minister's official visit to the United States.

The MOU, focused on fostering cooperation and strategic partnership in the real estate finance sector, was signed by Mr. Abdul Rahman bin Abdullah Al-Tawil, Deputy Minister for Residential Supply Stimulus & Real Estate Development, and Ara K. Hovnanian, Chairman of the Board, President, and Chief Executive Officer of Hovnanian Enterprises, Inc.

Hovnanian, with its extensive experience in delivering over 369,000 homes in the United States, will leverage this expertise through K. Hovnanian M.E. Investments, LLC to enhance the housing sector in Saudi Arabia.

This collaboration will bring global expertise, innovative homebuilding designs, and advanced construction technologies to Saudi Arabia, enhancing the development of integrated communities. The partnership will also focus on conducting joint workshops and preparing executive studies to expedite housing projects with greater efficiency and effectiveness, directly supporting Saudi Arabia's Vision 2030 and its objective to create vibrant neighborhoods and attract further investment in the housing sector.

"We are thrilled about the future of the Kingdom of Saudi Arabia and honored to contribute to Vision 2030 and its critical housing initiatives. This partnership enables us to bring our decades of experience in residential development to a dynamic and growing market, where we can help shape innovative communities that truly enhance the quality of life for their residents," said Ara K. Hovnanian.

ABOUT HOVNIANIAN ENTERPRISES, INC.:

Hovnanian Enterprises, Inc., founded in 1959 by Kevork S. Hovnanian, is headquartered in Matawan, New Jersey and, through its subsidiaries, is one of the nation's largest homebuilders with operations in Arizona, California, Delaware, Florida, Georgia, Maryland, New Jersey, Ohio, Pennsylvania, South Carolina, Texas, Virginia and West Virginia. The Company's homes are marketed and sold under the trade name K. Hovnanian® Homes. Additionally, the Company's subsidiaries, as developers of K. Hovnanian's® Four Seasons communities, make the Company one of the nation's largest builders of active lifestyle communities.

Additional information on Hovnanian Enterprises, Inc. can be accessed through the "Investor Relations" section of the Hovnanian Enterprises' website at <http://www.khov.com>. To be added to Hovnanian's investor e-mail list, please send an e-mail to IR@khov.com or sign up at <http://www.khov.com>.

FORWARD-LOOKING STATEMENTS

All statements in this press release that are not historical facts should be considered as "Forward-Looking Statements" within the meaning of the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such forward-looking statements include but are not limited to statements related to the Company's goals and expectations with respect to its financial results for future financial periods and statements regarding demand for homes, mortgage rates, inflation, supply chain issues, customer incentives and underlying factors. Although we believe that our plans, intentions and expectations reflected in, or suggested by, such forward-looking statements are reasonable, we can give no assurance that such plans, intentions or expectations will be achieved. By their nature, forward-looking statements: (i) speak only as of the date they are made, (ii) are not guarantees of future performance or results and (iii) are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Therefore, actual results could differ materially and adversely from those forward-looking statements as a result of a variety of factors. Such risks, uncertainties and other factors include, but are not limited to, (1) changes in general and local economic, industry and business conditions and impacts of a significant homebuilding downturn; (2) shortages in, and price fluctuations of, raw materials and labor, including due to geopolitical events, changes in trade policies, including the imposition of tariffs and duties on homebuilding materials and products and related trade disputes with and retaliatory measures taken by other countries; (3) fluctuations in interest rates and the availability of mortgage financing, including as a result of instability in the banking sector; (4) adverse weather and other

environmental conditions and natural disasters; (5) the seasonality of the Company's business; (6) the availability and cost of suitable land and improved lots and sufficient liquidity to invest in such land and lots; (7) reliance on, and the performance of, subcontractors; (8) regional and local economic factors, including dependency on certain sectors of the economy, and employment levels affecting home prices and sales activity in the markets where the Company builds homes; (9) increases in cancellations of agreements of sale; (10) increases in inflation; (11) changes in tax laws affecting the after-tax costs of owning a home; (12) legal claims brought against us and not resolved in our favor, such as product liability litigation, warranty claims and claims made by mortgage investors; (13) levels of competition; (14) utility shortages and outages or rate fluctuations; (15) information technology failures and data security breaches; (16) negative publicity; (17) high leverage and restrictions on the Company's operations and activities imposed by the agreements governing the Company's outstanding indebtedness; (18) availability and terms of financing to the Company; (19) the Company's sources of liquidity; (20) changes in credit ratings; (21) government regulation, including regulations concerning development of land, the home building, sales and customer financing processes, tax laws and the environment; (22) operations through unconsolidated joint ventures with third parties; (23) significant influence of the Company's controlling stockholders; (24) availability of net operating loss carryforwards; (25) loss of key management personnel or failure to attract qualified personnel; (26) public health issues such as major epidemic or pandemic; and (27) certain risks, uncertainties and other factors described in detail in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2023 and the Company's Quarterly Reports on Form 10-Q for the quarterly periods during fiscal 2024 and subsequent filings with the Securities and Exchange Commission. Except as otherwise required by applicable securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.

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Photos accompanying this announcement are available at

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HOVNIANIAN ENTERPRISES ANNOUNCES STRATEGIC PARTNERSHIP BETWEEN K. HOVNIANIAN M.E. AND SAUDI ARABIA'S MINISTRY OF MUNICIPALITIES AND HOUSING



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Source: Hovnanian Enterprises, Inc.