

3 March 2026

## Keller Group plc audited Preliminary Results for the year ended 31 December 2025

Keller Group plc ('Keller' or 'the Group'), the world's largest geotechnical specialist contractor, announces its results for the year ended 31 December 2025.

### Record financial performance ahead of expectations; significantly increased dividend and intention to launch further £100m share buyback

	2025 £m	2024 £m	% change	Constant currency % change
Revenue	<b>3,087.3</b>	2,986.7	+3.4%	+5.9%
Underlying operating profit <sup>1</sup>	<b>218.2</b>	212.6	+2.6%	+6.5%
Underlying operating profit margin <sup>1</sup>	<b>7.1%</b>	7.1%	-	
Underlying profit before tax <sup>1</sup>	<b>197.3</b>	191.4	+3.1%	
Underlying diluted earnings per share <sup>1</sup>	<b>211.3</b>	199.9p	+5.7%	
Free cashflow	<b>175.9</b>	192.6	-8.7%	
Net (cash)/debt (bank covenant IAS 17 basis) <sup>2</sup>	<b>(59.7)</b>	29.5	-	
Total dividends for the year per share	<b>70.4p</b>	49.7p	+41.6%	
Statutory operating profit	<b>207.3</b>	205.1	+1.1%	
Statutory profit before tax	<b>186.4</b>	183.9	+1.4%	
Statutory diluted earnings per share	<b>198.7</b>	193.3p	+2.8%	
Net cash inflow from operating activities	<b>258.4</b>	265.9	-2.9%	
Statutory net debt (IFRS 16 basis)	<b>28.9</b>	126.9	-77.2%	

<sup>1</sup> Underlying operating profit, underlying profit before tax and underlying diluted earnings per share are non-statutory measures which provide readers of this announcement with a balanced and comparable view of the Group's performance by excluding the impact of non-underlying items, as disclosed in note 9 of the consolidated financial statements

<sup>2</sup> Net debt is presented on a lender covenant basis excluding the impact of IFRS 16 as disclosed within the adjusted performance measures in the consolidated financial statements

## Highlights

- Record financial result, reflecting sustained improvement in operational and financial performance and the Group's geographic diversity, sector agility and resilience
  - NA: revenue growth outperformed the wider US construction market driven by infrastructure spend. Resilient profit performance reflected exceptional prior period and softer US residential market as anticipated
  - EME: strong recovery driven by non-recurrence of ME project loss and operational improvements across Europe
  - APAC: Strong growth in Austral and Keller Asia
- Group revenue growth at CER of 5.9% to £3.1bn, despite mixed market backdrop
- Underlying operating profit increased by 2.6% to £218.2m after a translational FX headwind of £7.8m
- Underlying operating margin maintained at 7.1% against a strong comparative period, reflecting embedded commercial and operational improvements
- Underlying diluted EPS of 211.3p, up 5.7%, driven by higher profitability, lower finance costs and share buyback
- Underlying ROCE increased to 30.7% (2024: 28.2%), the highest for 17 years
- Net cash position of £59.7m, the first time in more than 25 years, following free cash generation of £175.9m
- Strong year-end order book maintained at £1.5bn CER; high tendering levels and good visibility into 2026
- Accident Frequency Rate reduced to 0.04 with 11 lost time injuries (2024: 0.05; 14 lost time injuries)
- Enhanced strategic focus on accelerating growth by increasing relative market share in our existing markets
- Capital allocation review reflecting structural improvement in cash generation, including:
  - Enhanced dividend policy with a target cover range of 2.5x – 3.5x, resulting in a final dividend of 52.1p, bringing total for the year to 70.4p (2024: 49.7p) an increase of 41.6%
  - Intention to launch a further £100m to be returned through the share buyback programme

**James Wroath, Chief Executive Officer, said:**

*"It has been a privilege to take on the leadership of the Group at a time of such strong performance and clear opportunity. The financial results in 2025 were another record, achieved despite a mixed market backdrop and a FX translational headwind.*

*Keller's outstanding financial performance, strong balance sheet and cash generation were a key attraction for me in joining. The Group has a compelling proposition for all our stakeholders and I am optimistic about the scale of opportunity ahead on which Keller is uniquely positioned to capitalise. We have a focused business model with market-leading positions in key geographies and highly-experienced people with deep engineering expertise to deliver solutions for our customers.*

*Having reviewed the strategic work undertaken prior to my appointment, the central conclusion is the importance of local market share as the key driver of earnings. Our growth strategy will therefore be to enhance our position in our chosen markets by continuing to offer solutions backed by our product and engineering capability and by targeting higher growth customer segments whilst maintaining our margin discipline. This will be enabled by further investing in our people and maintaining our focus on safety and sustainability.*

*Looking ahead, while we remain mindful of macroeconomic uncertainty, the Group enters the new financial year with a high quality order book, healthy tendering activity, strong balance sheet and a clear strategic direction. The management actions that underpin Keller's improved operational and financial performance in recent years have now been embedded across the Group, giving me confidence that our operational performance is sustainable. This confidence underpins the enhanced dividend policy and ongoing commitment to shareholder value creation, reflected in the significant increase in the final dividend and our intention to launch a further £100m of share buybacks in 2026.*

*With the demand for our services supported by favourable long-term structural growth drivers including infrastructure investment, population growth, energy transition, climate resilience and technology adoption, we remain confident that the Group is well placed to build on its momentum and deliver further progress in 2026 and in the years ahead".*

**For further information, please contact:**

**Keller Group plc**

James Wroath, Chief Executive Officer  
David Burke, Chief Financial Officer  
Caroline Crampton, Group Head of Investor Relations  
Nicola Rogers, Investor Relations

[www.keller.com](http://www.keller.com)

020 7616 7575

**FTI Consulting**

Nick Hasell  
Matthew O'Keeffe

020 3727 1340

**A webcast for investors and analysts will be held at 08.30 GMT on 3 March 2026  
and will also be available later the same day on demand**

<https://connectstudio-portal.world-television.com/en/6968c7b33a338c5dd88f5dd7>

**Conference call:**

Participants joining by telephone:

UK (Toll-Free): 0808 189 0158

UK(Local): +44 (0)20 3936 2999

[Global Dial-In Numbers](#)

**Participant access code: 822366**

**Accessing the telephone replay:**

A replay will be available until 17 March 2026

UK (Toll-Free): 0808 304 5227

UK: +44 (0)20 3936 3001

**Access Code: 106870**

The Annual Report and Accounts for the year ended 31 December 2025 will be published on the Company's website at [keller.com](http://keller.com) on 24 March 2026 and will be posted to shareholders in April 2026 alongside the notice of AGM.

#### Notes to editors:

Keller is the world's largest geotechnical specialist contractor providing a wide portfolio of advanced foundation and ground improvement techniques used across the entire construction sector. With around 10,000 staff and operations across five continents, Keller tackles an unrivalled 5,500 projects every year, generating annual revenue of c£3bn.

#### Cautionary statements:

This document contains certain 'forward-looking statements' with respect to Keller's financial condition, results of operations and business and certain of Keller's plans and objectives with respect to these items. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'anticipates', 'aims', 'due', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans', 'potential', 'reasonably possible', 'targets', 'goal' or 'estimates'. By their very nature forward looking statements are inherently unpredictable, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, changes in the economies and markets in which the Group operates; changes in the regulatory and competition frameworks in which the Group operates; the impact of legal or other proceedings against or which affect the Group; and changes in interest and exchange rates. For a more detailed description of these risks, uncertainties and other factors, please see the Principal risks and uncertainties section of the Strategic report in the Annual Report and Accounts. All written or verbal forward looking-statements, made in this document or made subsequently, which are attributable to Keller or any other member of the Group or persons acting on their behalf are expressly qualified in their entirety by the factors referred to above. Keller does not intend to update these forward-looking statements. Nothing in this document should be regarded as a profits forecast. This document is not an offer to sell, exchange or transfer any securities of Keller Group plc or any of its subsidiaries and is not soliciting an offer to purchase, exchange or transfer such securities in any jurisdiction. Securities may not be offered, sold or transferred in the United States absent registration or an applicable exemption from the registration requirements of the US Securities Act.

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### **Adjusted performance measures**

In addition to statutory measures, a number of adjusted performance measures (APMs) are included in this Preliminary Announcement to assist investors in gaining a clearer understanding and balanced view of the Group's underlying results and in comparing performance. These measures are consistent with how business performance is measured internally.

The APMs used include underlying operating profit, underlying earnings before interest, tax, depreciation and amortisation, underlying net finance costs and underlying earnings per share, each of which are the equivalent statutory measure adjusted to eliminate the amortisation of acquired intangibles and other significant one-off items not linked to the underlying performance of the business. Net debt (bank covenant IAS 17 basis) is provided as a key measure for measuring bank covenant compliance and is calculated as the equivalent statutory measure adjusted to exclude the additional lease liabilities relating to the adoption of IFRS 16. Further underlying constant exchange rate measures are given which eliminate the impact of currency movements by comparing the current measure against the comparative restated at this year's actual average exchange rates. Free cash flow and free cash flow before interest and tax to underlying operating profit (operating cash conversion) are measures used to assess the cash generation of the business. Where APMs are given, these are compared to the equivalent measures in the prior year.

APMs are reconciled to the statutory equivalent, where applicable, in the adjusted performance measures section in this Announcement.

## Chief Executive Officer's review

### Overview

In 2025, Keller achieved another year of record financial results, reflecting our diverse geographical and end-market footprint, together with continued operational and financial improvement across the Group. Whilst the macro-economic environment presented challenges, it also created opportunities for Keller to adapt and innovate in how we serve our customers. Demand for our expertise remained robust, supported by long-term structural drivers including infrastructure investment, population growth, energy transition, climate resilience and technology adoption. Our focus on customer segments benefitting from these growth drivers has given us a diversified contract portfolio and order book, which has more than offset the subdued conditions we have seen in some markets. Alongside this, our disciplined risk management and enhanced focus on operational execution has supported our financial performance, which is reflected in our resilient margins and strong cash generation.

### Financial performance

Over the period from 2022 to 2025 Keller has doubled its underlying operating profit and delivered a 340bps, improvement in underlying operating margin. In 2025, this margin was maintained at 7.1%, despite the non-repeat of exceptional market conditions in North America in the prior year, demonstrating how the improvement in operational performance has been successfully embedded and extended across the business.

In 2025, Group revenue increased by 5.9% to £3,087.3m (on a constant currency basis), driven by robust demand across a number of specific segments within each of our regions.

Underlying operating profit rose to £218.2m, up 6.5% (on a constant currency basis), reflecting continued focus on operational execution and contract pricing discipline. This was most evident in a significant improvement in profitability in our Europe and Middle East business, which more than offset the expected year-on-year profit headwind at Suncoast in North America (the Group's post tension business predominantly exposed to the US residential sector). Underlying operating profit improvement was also achieved on a reported basis, after a translational FX headwind of £7.8m.

Underlying diluted earnings per share grew by 5.7%, to 211.3p, reflecting the impact of higher profitability, lower finance costs and the share buyback.

Free cash flow remained strong at £175.9m, enabling continued investment in the business and the initiation of a multi-year share buyback programme. The Group ended the year with net cash (on IAS 17 lender covenant basis) of £59.7m (2024: net debt of £29.5m), which is below the lower end of our target leverage range of 0.5x-1.5x.

Return on capital employed in 2025 was 30.7% (2024: 28.2%), the highest for 17 years.

### Capital allocation

Given the significant improvement in the Group's operational and financial performance over the last three years, the Board has undertaken a review of the Group's capital allocation to support the Group's medium and long term value creation opportunity and deliver its growth strategy whilst maintaining appropriate financial resilience and capital discipline. The Group's leverage target range through the cycle will remain a net debt to EBITDA ratio of 0.5x – 1.5x which provides the right balance between capital efficiency, the capital requirements of the business and significant financial flexibility and headroom. The Group's capital allocation priorities are:

- **Investing in organic growth**

The Group will continue to invest in the business through working capital and capex to ensure that it can execute its growth strategy and capitalise on organic opportunities across its core geographic markets. Growth will be driven through organic initiatives, including investment in people, technology and solution capability.

- **Paying an attractive and growing dividend**

The Group has a 31 year track record of maintaining or growing its dividend since its listing on the stock market. Reflecting the evolving maturity of the business and the improved predictability of its free cash flow, the Board has adopted an enhanced dividend policy which will deliver a sustainable and progressively growing dividend within a target cover range of 2.5x – 3.5x.

As a result, the Board is recommending a step change in the 2025 final dividend of 52.1p (2024: 33.1p). This brings the total dividend for the year to 70.4p (2024: 49.7p), an increase of 41.6% and representing a dividend cover of 3.0x

(2024: 4.0x) in line with the new policy. If approved, the proposed 2025 final dividend of 52.1p will be paid on 26 June 2026 to shareholders on the register at the close of business on 29 May 2026.

- **Value-enhancing M&A**

We believe there is an opportunity to accelerate our strategic plans and further enhance our market positions through selective acquisitions. The value case for all potential acquisitions will be judged carefully, on the basis of clear financial and strategic criteria. The Board believes this organic and inorganic approach offers the most compelling risk-adjusted returns, allowing Keller to leverage its established customer relationships, technical expertise and operational scale and to drive earnings growth.

- **Returning surplus capital**

In March 2025, the Group announced a multi-year share buyback programme and two tranches of £25m were launched during 2025. Up to 2 March 2026, £44m of capital had been returned to shareholders through this programme. Given the strength of the Group's free cash flow and balance sheet, the Board is announcing an intention to launch a further £100m share buyback programme in 2026 following completion of the current £25m tranche.

The Group's capital structure and the return of surplus capital will continue to be assessed on an ongoing basis in line with the wider capital allocation framework.

## **Operational performance**

In North America (NA), revenue increased by 5% to £1,815.7m (on a constant currency basis), driven by Moretrench and RECON, and project wins in the US Foundations business across a number of key segments including large infrastructure projects and data centres. This growth more than offset lower revenue at Suncoast as a result of both a slowdown in the residential housing market and the anticipated normalisation of pricing. As expected, underlying operating profit in NA decreased to £166.2m, down 9.6% (on a constant currency basis). This was primarily driven by soft market conditions at Suncoast and the normalisation of market conditions in the Foundations business following a particularly buoyant market in 2024. Performance also benefitted from some historical claim settlements in the period.

In Europe and the Middle East (EME), revenue increased by 4.1% to £873.4m (on a constant currency basis), reflecting growth in infrastructure and commercial segments across most regions. Underlying operating profit increased more than four-fold to £38.8m (on a constant currency basis) as a result of the non-recurrence of losses at a previously challenging project in the Middle East and a strong operational improvement across our businesses in Europe. As expected, underlying operating margin increased by 340bps to 4.4% (2024: 0.9%).

In Asia-Pacific (APAC), revenues increased by 14.6% to £398.2m (on a constant currency basis) largely driven by higher volumes at Austral and Keller Asia, partly offset by softer trading at Keller Australia. Underlying operating profit increased to £30.6m, up 14.6% driven by profitable growth at Austral and Keller Asia, and to a lesser extent the benefit of project closure settlements at Keller Australia. The operating margin was maintained at 7.7% (2024: 7.8%).

## **Strategy**

The Group's growth strategy will be to focus on becoming an increasingly strong leader in our chosen market segments, underpinned by long-term structural growth, where it can bring an unrivalled breadth of capability to deliver value-enhancing solutions. Relative market share (RMS) has been identified as the key driver of earnings growth. RMS measures Keller's market share against its leading competitor to understand competitive strength in a market. Having an RMS of one or more indicates a strong ability to compete, results in greater visibility of market activity and gives Keller access to a larger number of tenders as well as an increased knowledge of customer demand. Growth in share will be driven through a combination of organic initiatives, including investment in people, technology and solution capability, alongside disciplined bolt-on acquisitions where they enhance Keller's offering and meet our strategic and financial criteria. The Board believes this approach offers the most compelling risk-adjusted returns, allowing Keller to leverage its established customer relationships, technical expertise and operational scale and to drive earnings growth.

Our strategy to grow RMS across the Group for long-term value will be supported by three strategic levers: portfolio, performance and pipeline.

Our **portfolio** of businesses, branch network and range of products are global strengths that allow us to deliver in our local markets and which differentiate us from our competition. Geographically we will operate in markets where we see an enduring demand for our services, where we believe we can achieve and sustain RMS growth and where there is an acceptable level of risk. We expect favourable market trends to support demand for our services in the long-term.

Secondly, **performance** is critical with price and reputation identified as our customers' key priorities. We will create value through commercial excellence, by offering our best solutions to our customers and by delivering projects safely and efficiently, supported by innovation in solution delivery.

Thirdly, we will focus on **pipeline** to grow our business by targeting faster-growing customer segments, selective introduction of the Group's wide portfolio of techniques and capabilities to local markets where we see an attractive opportunity to do so, and through bolt-on acquisitions to accelerate organic growth.

## **Safety**

Safety is fundamental to everything we do. Geotechnical engineering is inherently complex, often involving challenging ground conditions, dynamic construction environments and critical infrastructure, and it is therefore essential that the highest standards of health and safety are embedded across our operations. Our objective is clear: that everyone who works for, or with, the Group returns home safely every day.

During the year, we continued to strengthen our safety culture through investment in training, robust systems and clear accountability at all levels of the organisation. This was reflected in the improvement in our Accident Frequency Rate (AFR) of 0.04 (2024: 0.05), with a total of 11 lost time incidents reported in the year, a reduction of three versus 2024. We place particular emphasis on proactive risk identification, effective site controls and learning from experience, supported by strong leadership and consistent standards across the Group. Safety performance is a core measure of operational excellence and a key consideration in decision-making, reflecting our responsibility to our people, our clients and the communities in which we operate.

## **People and culture**

Our people are the foundation of our success. By strengthening leadership capability, reinforcing our values, and aligning our collective efforts, we continue to build a sustainable competitive advantage that supports both near-term performance and long-term value creation. During the year, we invested in the development of more than 50 future leaders through our Strategic Leadership Blueprint programme, with a further cohort planned for 2026, directly supporting our succession planning and organisational resilience.

We continue to cultivate a diverse, future-ready business by attracting and developing talent through our culture, values, and industry leadership. In NA, we hosted our first NextGen Construction Summit, engaging directly with emerging talent, selecting students from numerous applicants to participate across construction management, civil and environmental engineering disciplines. Alongside this, we engaged with the organisation to refresh our values to ensure they remain closely aligned to the business and clearly guide how we lead, perform, and support our people.

## **Environment, Social and Governance (ESG) and Sustainability**

We remain committed to our ESG objectives, investing in leading initiatives to reach our net zero targets and advancing social impact programmes in the communities we serve. Sustainability is integral to our strategy and a source of long-term competitive advantage.

We are committed to reducing the carbon intensity of our work over time. Our target continues to be net zero on Scope 2 emissions by 2030, net zero on Scope 1 emissions by 2040 and net zero by 2050 on Operational Scope 3 emissions (covering business travel, material transport and waste disposal). We continue to integrate sustainability considerations into project design and capital investment and have estimated our Scope 3 emissions for the first time.

During the year we refreshed our Code of Business Conduct, reflecting the importance we place on our values. We now have an updated guide setting out our key commitments for ethical behaviour, legal compliance and appropriate decision-making to ensure integrity, reduction of risk, and to help foster a respectful, consistent workplace culture.

## **Board**

On 5 March Carl-Peter Forster succeeded Peter Hill as Chair. As well as his role as Non-executive Director and Chair, Carl-Peter was appointed Chair of the Nomination and Governance Committee.

On 24 June Michael Speakman informed the Board of his decision to step down as CEO in order to continue with necessary medical treatment. At the same time the Board announced the appointment of James Wroath as CEO, effective 18 August 2025.

## **Outlook**

Looking ahead, while we remain mindful of macroeconomic uncertainty, the Group enters the new financial year with a high quality order book, healthy tendering activity, strong balance sheet and a clear strategic direction. The management actions that underpin Keller's improved operational and financial performance in recent years have now been embedded across the Group, giving me confidence that our operational performance is sustainable. This confidence underpins the enhanced dividend policy and ongoing commitment to shareholder value creation, reflected in the significant increase in the final dividend and our intention to launch a further £100m of share buybacks in 2026.

With the demand for our services supported by favourable long-term structural growth drivers including infrastructure investment, population growth, energy transition, climate resilience and technology adoption, we remain confident that the Group is well placed to build on its momentum and deliver further progress in 2026 and in the years ahead.

## Operating review

### North America (NA)

	<b>2025</b>	2024	Constant
	<b>£m</b>	£m	currency
Revenue	<b>1,815.7</b>	1,785.8	5.0%
Underlying operating profit	<b>166.2</b>	190.0	-9.6%
Underlying operating margin	<b>9.2%</b>	10.6%	-140bps
Order book	<b>1,022.3</b>	1,130.4	-2.6%

In NA, revenue increased by 5.0% to £1,815.7m (on a constant currency basis), driven by growth at Moretrench Industrial, RECON and Foundations. This growth more than offset lower revenue at Suncoast as a result of both a slowdown in the residential housing market and the anticipated normalisation of pricing from the peaks of 2024. As expected, underlying operating profit in North America decreased, by 9.6% to £166.2m, primarily driven by soft market conditions at Suncoast and the normalisation of market conditions in the Foundations business following a buoyant market in 2024, partially offset by the benefit from some historical claim settlements in the period. The combination of these factors resulted in an underlying operating margin of 9.2% (2024: 10.6%). The Accident Frequency Rate, our key metric for measuring safety performance, improved to 0.02 (2024: 0.04) representing three lost time injuries.

In the Foundations business, revenue increased driven by strong activity in data centre construction and large infrastructure projects, including New York's Hudson Tunnel project and Interstate 40 road improvements in Tennessee. Underlying operating profit declined driven by margin normalisation following a buoyant market in the prior year, partly offset by the benefit from an historical claim. The business sustained its improvement in underlying contract performance, project execution and commercial discipline.

At Suncoast, the Group's post-tension business predominantly exposed to the US residential sector, revenue and profitability declined in the period as expected, reflecting a decreased level of activity and strong pricing in the prior period. The residential market experienced headwinds from an unfavourable interest rate environment and higher housing prices, driving a significant reduction in housing starts and building permits. The commercial segment was likewise affected by elevated interest rates, in addition to the introduction of tariffs that negatively influenced construction activity across the sector.

Moretrench Industrial, which operates in the highly-regulated environmental remediation market, performed strongly with high demand and beneficial levels of productivity driving growth in revenue and profit. At RECON, our geoenvironmental and industrial services company, volumes were higher versus prior year driven by work on a new LNG project. The project performed well and completed in January 2026.

#### North America outlook

In 2025 Keller outperformed at the revenue level versus overall US construction that saw a decline of 2%. We achieved this through a focus on customer segments with strong structural growth drivers such as public infrastructure as well as investment in data centres and AI infrastructure. In 2026 US construction is expected to be flat (source: FMI) and whilst the US residential market is expected to remain soft, Keller North America expects to continue to outperform the market and deliver resilient margins by focussing on key segments where structural growth is supportive. This is reflected in the order book which, at the end of the period continued to be strong at £1,022.3m (on a constant currency basis). We are well positioned on several major foundations opportunities and expect to convert these into confirmed contract awards.

## Europe and Middle East (EME)

	<b>2025</b>	2024	Constant
	<b>£m</b>	£m	currency
Revenue	<b>873.4</b>	835.1	4.1%
Underlying operating profit	<b>38.8</b>	7.9	379.0%
Underlying operating margin	<b>4.4%</b>	0.9%	340bps
Order book	<b>356.0</b>	302.1	14.2%

In EME, revenue increased by 4.1% to £873.4m (on a constant currency basis) reflecting growth across most regions. Underlying operating profit increased more than four-fold to £38.8m (on a constant currency basis) as a result of the non-recurrence of losses incurred on a challenging project in the Middle East in the prior period and a strong operational improvement across our businesses in Europe. As anticipated, this drove a significant improvement in the underlying operating margin to 4.4% (2024: 0.9%). The Accident Frequency Rate increased to 0.06 (2024: 0.05), representing six lost time injuries in the period.

In Europe, revenue increased despite a strong comparative prior period that saw high volumes from large infrastructure projects, notably in Central Europe and the Nordics. Revenue continued to be driven by infrastructure spend and a moderate increase in non-infrastructure public spending, whilst residential and commercial sectors remained subdued. In the UK, revenue was down on prior year reflecting the near-completion of our work on HS2, partly offset by a moderate increase in activity more generally. A strong improvement in operational performance across the region delivered an increase in underlying operating profit (on a constant currency basis).

In the Middle East, revenue and profit increased, driven by residential projects in the UAE and the non-recurrence of losses incurred on a challenging project.

### EME outlook

Construction activity in Europe is mainly public-funded programmes in transport, energy networks and clean energy infrastructure. In the Middle East, construction growth is supported by increased public and private sector investments in industrial and renewable energy projects. In UAE, construction growth is driven by investments in underground infrastructure to support expanded utilities, transportation and power networks in the Dubai and Abu Dhabi emirates. These growth drivers play well to Keller's multiproduct portfolio and are expected to support continued revenue and profit growth. The EME order book at the end of the period was £356.0m, up 14.2% on a constant currency basis. The order book comprises of contracts across the businesses with the majority of larger revenue projects located in the Nordics and ME.

## Asia-Pacific (APAC)<sup>1</sup>

	<b>2025</b>	2024	Constant
	<b>£m</b>	£m	currency
Revenue	<b>398.2</b>	365.8	14.6%
Underlying operating profit	<b>30.6</b>	28.7	14.6%
Underlying operating margin	<b>7.7%</b>	7.8%	-
Order book	<b>163.4</b>	177.5	-5.4%

In APAC, revenues increased by 14.6% to £398.2m (on a constant currency basis) largely driven by higher volume at Austral and Keller Asia<sup>1</sup>, partly offset by lower volumes at Keller Australia. Underlying operating profit increased to £30.6m, up 14.6% (on a constant currency basis) driven by higher profitable growth at Austral and Keller Asia, improved project performance across the Division and the benefit of project closure settlements at Keller Australia. The Accident Frequency Rate reduced to 0.02 (2024: 0.05) representing two lost time injuries in the period.

The Austral business continued to perform strongly, with increased revenue and profit, with management successful in driving growth in the business. Keller Australia achieved a solid performance with softer trading levels following high

levels of federal and state government spending on transport infrastructure in the prior year. In Keller Asia, our India business continued to perform strongly in terms of both revenue and profit, driven by projects in the growing renewable energy and semiconductor sectors. In ASEAN, the Singapore market had a relatively soft period.

#### APAC outlook

Project pipeline is solid across the Division, particularly in Austral, where we are well positioned on several large project opportunities and expect to convert these into confirmed contract awards. In Australia, construction growth from 2026–2029 is expected to be supported by the 2032 Olympics in Brisbane, renewables, data centres and housing sectors, more than offsetting an expected slowdown in major transport infrastructure. The mining sector continues to invest in maintenance programmes across Western Australia and Queensland. India's construction industry grew by 8.1% in 2025 and is expected to grow 6.4% in 2026 (source: Global Data), driven by widespread sector investment in industrial, renewable energy and water infrastructure. The APAC Division is expected to continue to deliver solid results, supported by an order book at the end of the period at £163.4m, down 5.4% (on a constant currency basis), balanced across the three Business Units.

<sup>1</sup> As from 1 January 2025, Keller India and ASEAN combined to form Keller Asia

## Chief Financial Officer's review

This report comments on the key financial aspects of the Group's 2025 results. The Group delivered a resilient performance underpinned by our geographic portfolio and sector agility.

	2025 £m	2024 £m
Revenue	<b>3,087.3</b>	2,986.7
Underlying operating profit <sup>1</sup>	<b>218.2</b>	212.6
Underlying operating profit % <sup>1</sup>	<b>7.1%</b>	7.1%
Non-underlying items in operating profit	<b>(10.9)</b>	(7.5)
Statutory operating profit	<b>207.3</b>	205.1
Statutory operating profit %	<b>6.7%</b>	6.9%

<sup>1</sup> Details of non-underlying items are set out in note 9 to the consolidated financial statements. Reconciliations to statutory numbers are set out in the adjusted performance measures section.

## Revenue and underlying operating profit split by geography

Year ended	Revenue £m		Underlying operating profit <sup>2</sup> £m		Underlying operating profit margin <sup>2</sup> %	
	2025	2024	2025	2024	2025	2024
Division						
North America	<b>1,815.7</b>	1,785.8	<b>166.2</b>	190.0	<b>9.2%</b>	10.6%
EME	<b>873.4</b>	835.1	<b>38.8</b>	7.9	<b>4.4%</b>	0.9%
APAC	<b>398.2</b>	365.8	<b>30.6</b>	28.7	<b>7.7%</b>	7.8%
Central	-	-	<b>(17.4)</b>	(14.0)	-	-
Group	<b>3,087.3</b>	2,986.7	<b>218.2</b>	212.6	<b>7.1%</b>	7.1%

<sup>2</sup> Details of non-underlying items are set out in note 9 to the consolidated financial statements. Reconciliations to statutory numbers are set out in the adjusted performance measures section.

## Revenue

Group revenue of £3,087.3m (2024: £2,986.7m) was up 3.4% at actual foreign currency rates and 5.9% up at constant currency. This was driven by growth in all three divisions.

In North America, revenue increased by 5.0% on a constant currency basis driven by Moretrench and RECON and Foundations in the US, which offset the impact of a slowdown in the residential housing market on Suncoast revenue. In Europe and the Middle East (EME), revenue increased by 4.1% on a constant currency basis reflecting growth in most of the businesses in the division. In Asia-Pacific (APAC), revenue increased by 14.6% on a constant currency basis primarily due to growth in the Austral business.

We have a diversified spread of revenues across geographies, product lines, market segments and end customers. Customers are generally market specific and, consistent with the prior year, the largest customer represented less than 4% of the Group's revenue. The top 10 customers represent 15% of the Group's revenue (2024: 19%). The Group worked on c.5,500 projects in the year with 43% (2024: 48%) of contracts having a value between £25,000 and £250,000, demonstrating a low customer concentration and a wide project portfolio.

## Underlying operating profit

The underlying operating profit of £218.2m was 2.6% up on prior year (2024: £212.6m) at actual foreign currency rates and 6.5% up on a constant currency basis. The underlying operating margin remained at 7.1% (2024: 7.1%). In North America, underlying operating profit decreased 9.6% on a constant currency basis to £166.2m (2024: £190.0m), driven by soft market conditions at Suncoast and the normalisation of market conditions in the Foundations business. In EME, underlying operating profit increased by 379.0% on a constant currency basis to £38.8m (2024: £7.9m), as a result of an improvement in performance in the Middle East, following a challenging project in 2024, and a strong operational improvement across the businesses in Europe. In APAC, underlying operating profit increased to £30.6m (2024: £28.7m) driven by growth at Austral and Keller Asia.

## Share of post-tax results from joint ventures

The Group recognised an underlying post-tax profit of £0.8m in the year (2024: £0.5m) from its share of the post-tax results from joint ventures. No dividends (2024: nil) were received from joint ventures in the year.

## Statutory operating profit

Statutory operating profit, comprising underlying operating profit of £218.2m (2024: £212.6m) and non-underlying items with net costs of £10.9m (2024: £7.5m), increased by 1.1% to £207.3m (2024: £205.1m). The non-underlying costs are set out in further detail below.

## Net finance costs

Net underlying finance costs decreased by 1.4% to £20.9m (2024: £21.2m). The most significant elements of interest cost are the fixed interest on the \$300m private placement notes and interest payable on lease liabilities. Finance income of £4.5m (2024: £6.6m) primarily relates to interest earned on cash and short-term deposits; this was lower than the prior year due to a decrease in prevailing interest rates.

Following the issuance of \$300m of private placement notes in August 2023, the Group's borrowings are now at fixed interest rates. The average month-end net debt during 2025, excluding IFRS 16 lease liabilities, was £41.8m (2024: £96.5m).

## Taxation

The Group's underlying effective tax rate remained flat at 23% (2024: 23%). As expected, the introduction of the Pillar Two rules with effect from 1 January 2024 did not have a material impact on the Group's effective tax rate.

Cash tax paid in the year decreased from £65.6m to £38.5m. The reduction is due to a change in the tax treatment of research and development costs in the US during the year, allowing a full in-year deduction. Further details on tax are set out in note 12 of the consolidated financial statements.

## Non-underlying items

The items below have been excluded from the underlying results and further details of non-underlying items are included in note 9 to the financial statements. The total of non-underlying items in operating profit in the year increased to £10.9m (2024: £7.5m), due to the acceleration of the ERP implementation project, and the large credit recognised in the prior year for a change in the fair value of contingent consideration payable.

	2025 £m	2024 £m
ERP implementation costs	9.9	4.0
Exceptional restructuring costs	0.9	4.3
Claims related to closed business	-	1.5
Loss on disposal of operations	-	0.8
Amortisation of acquired intangible assets	1.6	3.3
Change in fair value of contingent consideration payable	(1.3)	(6.4)
Contingent consideration received on disposal of operations	(0.2)	-
Total non-underlying items in operating profit	10.9	7.5
Non-underlying taxation	(1.9)	(2.7)
Total non-underlying items	9.0	4.8

## Non-underlying items in operating profit

The Group is continuing the strategic project to implement a new cloud-based computing enterprise resource planning (ERP) system across the Group. The phased rollout of the ERP is planned to start in 2026. Non-underlying ERP costs of £9.9m (2024: £4.0m) include only costs relating directly to the implementation, including external consultancy costs

and the cost of the dedicated implementation team. Non-underlying costs do not include operational post-deployment costs such as licence costs for businesses that have transitioned.

Exceptional restructuring costs of £0.9m (2024: £4.3m) in the year, comprise the ongoing cost of the Group-wide finance transformation project. The non-underlying costs for the year include design costs; they do not include the running costs for the underlying finance activities.

In the prior year, the Group recognised claims costs related to closed businesses of £1.5m as a result of increased provisions for customer claims for businesses no longer operating. The prior year also included the £0.8m loss on the disposal of the South African business, which completed on 28 June 2024. There is an earnout arrangement on the sale, with contingent consideration received in 2025, which has been recognised as other operating income, see note below.

The classification of costs as non-underlying is a management judgement and is reviewed on a regular basis.

#### ***Amortisation of acquired intangibles***

The £1.6m (2024: £3.3m) charge for amortisation of acquired intangible assets relates to the RECON acquisition. The prior year charge also included amounts related to intangibles acquired with Moretrench and GKM Consultants.

#### ***Change in fair value of contingent consideration***

Non-underlying other operating income of £1.3m (2024: £6.4m) arose from a change in fair value of the contingent consideration related to the non-controlling interest transaction to acquire 35% of Keller Company Limited (our main Saudi Arabian subsidiary). The prior year also included amounts related to the acquisitions of GKM Consultants and NWF.

#### ***Contingent consideration received on disposal of operations***

The first instalment of contingent consideration of £0.2m in respect of the South African business disposal in 2024 was received in the year.

#### ***Non-underlying taxation***

A non-underlying tax credit of £1.9m (2024: £2.7m) has been determined by assessing the tax impact of each component of the non-underlying loss, and primarily relates to the tax relief for the finance transformation and ERP projects.

#### **Earnings per share**

Underlying diluted earnings per share increased by 5.7% to 211.3p (2024: 199.9p) driven by higher operating profit, lower finance costs and the impact of the share buyback in the year. Statutory diluted earnings per share was 198.7p (2024: 193.3p) which includes the impact of the non-underlying items.

#### **Dividend and share buybacks**

The Board has recommended a final dividend of 52.1p per share (2024: 33.1p per share) which, following the interim dividend for 2025 of 18.3p (2024: 16.6p), brings the total dividend for the year to 70.4p (2024: 49.7p), an increase of 41.6%. The 2025 dividend earnings cover, before non-underlying items, was 3.0x (2024: 4.0x). If approved, the proposed 2025 final dividend of 52.1p (2024: 33.1p) will be paid on 26 June 2026 to shareholders on the register as at the close of business on 29 May 2026. Dividends paid to equity shareholders in the year totalled £36.2m (2024: £34.6m).

During the year we initiated two tranches of £25m under our multi-year share buyback programme and at year end we had returned £38.9m of capital to shareholders, in addition to the dividend. Given the strength of the Group's free cash flow and balance sheet, the Board is announcing an intention to launch a further £100m share buyback programme to be completed during 2026.

Keller Group plc had distributable reserves of £274.0m at 31 December 2025 (2024: £283.7m) that are available to

support the dividend policy and announced buybacks, which comfortably covers the proposed final dividend for 2025 of £35.9m. Keller Group plc is a non-trading investment company that derives its profits from dividends paid by subsidiary companies. The dividend policy and buyback approach is therefore impacted by the performance of the Group, which is subject to the Group's principal risks and uncertainties as well as the level of headroom on the Group's borrowing facilities and future cash commitments and investment plans.

### Net debt flow

The Group's free cash flow was an inflow of £175.9m (2024: £192.6m); the reduction was due to the return to a normalised working capital outflow and the one-off impact of large capital disposal proceeds in 2024. The ratio of free cash flow before interest and tax to underlying operating profit remains over 100% at 108%. The basis of deriving free cash flow is set out below.

	2025 £m	2024 £m
Underlying operating profit	218.2	212.6
Depreciation, amortisation and impairment	109.1	108.8
<b>Underlying EBITDA</b>	<b>327.3</b>	<b>321.4</b>
Non-cash items	2.0	(13.5)
(Increase)/decrease in working capital	(13.1)	27.7
Increase in provisions, retirement benefit and other non-current liabilities	15.3	30.9
Net capital expenditure	(77.5)	(60.0)
Additions to right-of-use assets	(21.4)	(26.4)
Sale of non-current assets	2.7	-
<b>Free cash flow before interest and tax</b>	<b>235.3</b>	<b>280.1</b>
<b>Free cash flow before interest and tax to underlying operating profit</b>	<b>108%</b>	<b>132%</b>
Net interest paid	(20.9)	(21.9)
Cash tax paid	(38.5)	(65.6)
<b>Free cash flow</b>	<b>175.9</b>	<b>192.6</b>
Dividends paid	(36.7)	(34.6)
Purchase of own shares for EBT	(3.6)	(20.1)
Purchase of own shares for share buyback	(38.9)	-
Acquisitions	(0.6)	(0.9)
Business disposals	0.2	(2.6)
Non-underlying items	(10.6)	(8.4)
Right-of-use assets/lease liability modifications	(7.2)	(8.8)
Foreign exchange movements	19.5	(6.8)
<b>Movement in net debt</b>	<b>98.0</b>	<b>110.4</b>
<b>Opening statutory net debt</b>	<b>(126.9)</b>	<b>(237.3)</b>
<b>Closing statutory net debt</b>	<b>(28.9)</b>	<b>(126.9)</b>

### Working capital

Net working capital increased by £13.1m (2024: decrease of £27.7m). The net movement comprises an £8.0m increase (2024: £10.4m decrease) in inventories and a increase in trade and other receivables of £42.5m (2024: £54.4m), offset by an increase in trade and other payables of £37.4m (2024: £71.7m). The movement in trade and other payables includes movements in deferred revenue (contract liabilities). The increase in the year is lower than in 2024, due to two significant customer advance payments received in the prior year, which have now been utilised.

An increase in provisions, retirement benefit and other non-current liabilities improved the working capital by £15.3m (2024: £30.9m). This reflects an increase in provisions, as the amounts provided for contract and legal disputes exceeded the amounts settled.

### Capital expenditure

The Group manages capital expenditure tightly whilst investing in the upgrade and replacement of equipment where appropriate. Net capital expenditure, excluding leased assets, of £77.5m (2024: £60.0m) was net of proceeds from the sale of equipment of £12.9m (2024: £29.0m). The asset replacement ratio, which is calculated by dividing gross capital

expenditure, excluding sales proceeds on disposal of items of property, plant and equipment and those assets capitalised under IFRS 16, by the depreciation charge on owned property, plant and equipment, was 117% (2024: 113%).

### **Acquisitions, disposals and transactions with non-controlling interests**

Acquisition cash outflow of £0.6m in the year relates to an earn-out payment related to the acquisition of the 35% of our Saudi Arabia subsidiary completed in 2023.

The business disposal cash inflow of £0.2m is the first-year earnout receipt from the disposal of the South African subsidiary last year.

### **Financing facilities and net debt**

Strong cash generation, combined with the borrowing headroom of £447.1m (2024: £447.4m) has further strengthened the resilience of the Group's balance sheet.

The Group's total net debt of £28.9m (2024: £126.9m) comprises loans and borrowings of £218.9m (2024: £236.6m), lease liabilities of £91.5m (2024: £98.0m) net of cash and cash equivalents of £281.5m (2024: £207.7m). The Group's term debt and committed facilities principally comprise US private placement notes repayable in August 2030 (\$120m) and in August 2033 (\$180m). The Group's syndicated revolving credit facility (£400m) was a five-year facility, with the option to extend for two further years, with the agreement of the lenders, the first year extension was secured this year, extending the facility to June 2030. It was undrawn at the year end. At the year end, the Group had undrawn committed and uncommitted borrowing facilities totalling £447.1m (2024: £447.4m).

The most significant covenants in respect of the main borrowing facilities relate to the ratio of net debt to underlying EBITDA, underlying EBITDA interest cover and the Group's net worth. The covenants are required to be tested at the half year and the year end. The Group operates comfortably within all of its covenant limits. Net debt to underlying EBITDA leverage, calculated excluding the impact of IFRS 16, was (0.2)x (2024: 0.1x), well within the covenant limit of 3.0x and below the Group's leverage target of between 0.5x-1.5x. Calculated on a statutory basis, including the impact of IFRS 16, net debt to EBITDA leverage was 0.1x at 31 December 2025 (2024: 0.4x). Underlying EBITDA to net finance charges, excluding the impact of IFRS 16, was 21.5x (2024: 20.2x), well above the limit of 4.0x.

On an IFRS 16 basis, year-end gearing, defined as statutory net debt divided by net assets, was 5% (2024: 21%).

The average month-end net debt during 2025, excluding IFRS 16 lease liabilities, was £41.8m (2024: £96.5m). The Group had no material discounting or factoring in place during the year. Given the relatively low value and short-term nature of the majority of the Group's projects, the level of advance payments is typically not significant, although we have negotiated advance payments on larger projects.

At 31 December 2025 the Group had no drawings under uncommitted overdraft facilities (2024: £nil) and had drawn £199.7m of bank guarantee facilities (2024: £201.8m).

### **Retirement benefits**

The Group has defined benefit pension arrangements in the UK, Germany and Austria.

The Group's UK defined benefit scheme is closed to future benefit accrual. The most recent actuarial valuation of the UK scheme was as at 5 April 2023, which recorded the market value of the scheme's assets at £45.2m and the scheme being 98% funded on an ongoing basis. Given the funding level, contributions ceased in August 2024, with a total of £1.7m paid in 2024 and no cash contributions in 2025. Contributions will be reviewed following the next triennial actuarial valuation to be prepared as at 5 April 2026. The 2025 year-end IAS 19 valuation of the UK scheme showed assets of £41.6m, liabilities of £36.0m and a pre-tax surplus of £5.6m before an IFRIC 14 adjustment to reflect the minimum funding requirement for the scheme, which adjusts the closing position to a nil balance.

In Germany and Austria, the defined benefit arrangements only apply to certain employees who joined the Group before

1997. The IAS 19 valuation of the defined benefit obligation totalled £11.7m at 31 December 2025 (2024: £11.5m). There are no segregated funds to cover these defined benefit obligations and the respective liabilities are included on the Group balance sheet.

All other pension arrangements in the Group are of a defined contribution nature.

The Group has a number of end of service schemes in the Middle East as required by local laws and regulations. The amount of benefit payable depends on the current salary of the employee and the number of years of service. These retirement obligations are included on the Group's balance sheet and obligations are met as and when required by the Group. The IAS 19 valuation of the defined benefit obligation totalled £3.7m at 31 December 2025 (2024: £3.7m).

### Currencies

The Group is exposed to both translational and, to a lesser extent, transactional foreign currency gains and losses through movements in foreign exchange rates as a result of its global operations. The Group's primary currency exposures are US dollar, Canadian dollar, euro and Australian dollar.

As the Group reports in sterling and conducts the majority of its business in other currencies, movements in exchange rates can result in significant currency translation gains or losses. This has an effect on the primary statements and associated balance sheet metrics, such as net debt and working capital.

A large proportion of the Group's revenues are matched with corresponding operating costs in the same currency. The impacts of transactional foreign exchange gains or losses are consequently mitigated and are recognised in the period in which they arise.

The following exchange rates applied during the current and prior year:

	2025		2024	
	Closing	Average	Closing	Average
USD	1.35	1.32	1.25	1.28
CAD	1.85	1.84	1.80	1.75
EUR	1.15	1.17	1.21	1.18
AUD	2.02	2.04	2.02	1.94

### Treasury policies and risk management

#### Currency risk

The Group faces currency risk principally on its net assets, most of which are in currencies other than sterling. The Group aims to reduce the impact that retranslation of these net assets might have on the consolidated balance sheet, by matching the currency of its borrowings, where possible, with the currency of its assets. The majority of the Group's borrowings are held in US dollar.

The Group manages its currency flows to minimise transaction exchange risk. Forward contracts and other derivative financial instruments are used to hedge significant individual transactions. The majority of such currency flows within the Group relate to repatriation of profits, intra-Group loan repayments and any foreign currency cash flows associated with acquisitions. The Group's treasury risk management is performed at the Group's head office.

The Group does not trade in financial instruments, nor does it engage in speculative derivative transactions.

#### Interest rate risk

Interest rate risk is managed by mixing fixed and floating rate borrowings depending upon the purpose and term of the financing. At 31 December 2025 all of borrowings were fixed rate.

#### Credit risk

The Group's principal financial assets are trade and other receivables, bank and cash balances and a limited number of investments and derivatives held to hedge certain Group liabilities. These represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group recognises impairment losses on trade receivables where there is uncertainty over the amount we can recover from customers. The amount recognised in underlying costs is a net credit of £0.5m (2024: cost of £12.0m), a lower impact than the prior year.

The Group has procedures to manage counterparty risk and the assessment of customer credit risk is embedded in the contract tendering processes. The counterparty risk on bank and cash balances is managed by limiting the aggregate amount of exposure to any one institution by reference to its credit rating and by regular review of these ratings.

**Return on capital employed**

Return on capital employed is defined at Group level as underlying operating profit divided by the accounting value of equity attributable to equity holders of the parent plus net debt plus retirement benefit liabilities. Return on capital employed in 2025 was 30.7% (2024: 28.2%).

# Consolidated income statement

For the year ended 31 December 2025

	2025			2024			
	Note	Underlying	Non-underlying items	Statutory	Underlying	Non-underlying items	Statutory
		£m	(note 9) £m	£m	£m	£m	(note 9) £m
<b>Revenue</b>	3,4	<b>3,087.3</b>	—	<b>3,087.3</b>	2,986.7	—	2,986.7
Operating costs	6	<b>(2,875.1)</b>	<b>(10.8)</b>	<b>(2,885.9)</b>	(2,775.4)	(10.6)	(2,786.0)
Net impairment profit/(loss) on trade receivables and contract assets	7	<b>0.5</b>	—	<b>0.5</b>	(12.0)	—	(12.0)
Amortisation of acquired intangible assets		—	<b>(1.6)</b>	<b>(1.6)</b>	—	(3.3)	(3.3)
Other operating income	6,9	<b>4.7</b>	<b>1.5</b>	<b>6.2</b>	12.8	6.4	19.2
Share of post-tax results of joint ventures	17	<b>0.8</b>	—	<b>0.8</b>	0.5	—	0.5
<b>Operating profit/(loss)</b>	3	<b>218.2</b>	<b>(10.9)</b>	<b>207.3</b>	212.6	(7.5)	205.1
Finance income	10	<b>4.5</b>	—	<b>4.5</b>	6.6	—	6.6
Finance costs	11	<b>(25.4)</b>	—	<b>(25.4)</b>	(27.8)	—	(27.8)
<b>Profit/(loss) before taxation</b>		<b>197.3</b>	<b>(10.9)</b>	<b>186.4</b>	191.4	(7.5)	183.9
Taxation	12	<b>(45.2)</b>	<b>1.9</b>	<b>(43.3)</b>	(43.9)	2.7	(41.2)
<b>Profit/(loss) for the year</b>		<b>152.1</b>	<b>(9.0)</b>	<b>143.1</b>	147.5	(4.8)	142.7
Attributable to:							
Equity holders of the parent		<b>151.7</b>	<b>(9.0)</b>	<b>142.7</b>	147.1	(4.8)	142.3
Non-controlling interests	34	<b>0.4</b>	—	<b>0.4</b>	0.4	—	0.4
		<b>152.1</b>	<b>(9.0)</b>	<b>143.1</b>	147.5	(4.8)	142.7
<b>Earnings per share</b>							
Basic	14	<b>215.2p</b>		<b>202.4p</b>	204.0p		197.4p
Diluted	14	<b>211.3p</b>		<b>198.7p</b>	199.9p		193.3p

# Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Note	2025 £m	2024 £m
<b>Profit for the year</b>		<b>143.1</b>	142.7
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange movements on translation of foreign operations		(21.3)	(13.0)
Transfer of translation reserve on disposal of subsidiaries		—	(0.7)
Cash flow hedge gain taken to equity		—	0.1
Cash flow hedge transfers to income statement		(0.3)	-
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Remeasurements of defined benefit pension schemes	33	(0.4)	0.2
Tax on remeasurements of defined benefit pension schemes	12	—	(0.1)
<b>Other comprehensive (loss) for the year, net of tax</b>		<b>(22.0)</b>	(13.5)
<b>Total comprehensive income for the year</b>		<b>121.1</b>	129.2
Attributable to:			
Equity holders of the parent		120.8	128.9
Non-controlling interests		0.3	0.3
		<b>121.1</b>	129.2

# Consolidated balance sheet

As at 31 December 2025

	Note	2025 £m	2024 £m
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill and intangible assets	15	102.8	111.2
Property, plant and equipment	16	456.9	461.4
Investments in joint ventures	17	5.9	4.8
Deferred tax assets	12	43.8	61.5
Other assets	18	105.6	88.3
		<b>715.0</b>	<b>727.2</b>
<b>Current assets</b>			
Inventories	19	86.8	81.6
Trade and other receivables	20	735.7	759.1
Current tax assets		9.2	5.9
Cash and cash equivalents	21	281.5	207.7
Assets held for sale	22	0.2	9.2
		<b>1,113.4</b>	<b>1,063.5</b>
<b>Total assets</b>	3	<b>1,828.4</b>	<b>1,790.7</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings	26	(29.2)	(27.5)
Current tax liabilities		(25.9)	(33.0)
Trade and other payables	23	(628.9)	(608.7)
Provisions	24	(91.6)	(85.2)
		<b>(775.6)</b>	<b>(754.4)</b>
<b>Non-current liabilities</b>			
Loans and borrowings	26	(281.2)	(307.1)
Retirement benefit liabilities	33	(15.4)	(15.2)
Deferred tax liabilities	12	(9.4)	(9.4)
Provisions	24	(85.3)	(89.3)
Other liabilities	25	(17.3)	(18.6)
		<b>(408.6)</b>	<b>(439.6)</b>
<b>Total liabilities</b>	3	<b>(1,184.2)</b>	<b>(1,194.0)</b>
<b>Net assets</b>	3	<b>644.2</b>	<b>596.7</b>
<b>Equity</b>			
Share capital	28	7.3	7.3
Share premium account		38.1	38.1
Capital redemption reserve	28	7.6	7.6
Translation reserve		(5.0)	16.2
Other reserve	28	56.9	56.9
Hedging reserve		1.5	1.8
Retained earnings		535.0	465.8
<b>Equity attributable to equity holders of the parent</b>		<b>641.4</b>	<b>593.7</b>
Non-controlling interests	34	2.8	3.0
<b>Total equity</b>		<b>644.2</b>	<b>596.7</b>

These consolidated financial statements were approved by the Board of Directors and authorised for issue on 2 March 2026.

They were signed on its behalf by:

**James Wroath**  
Chief Executive Officer

**David Burke**  
Chief Financial Officer

# Consolidated statement of changes in equity

For the year ended 31 December 2025

	Share capital (note 28)	Share premium account	Capital redemption reserve (note 28)	Translation reserve	Other reserve (note 28)	Hedging reserve (note 26)	Retained earnings	Attributable to equity holders of the parent	Non- controlling interests (note 34)	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>At 31 December 2023</b>	<b>7.3</b>	<b>38.1</b>	<b>7.6</b>	<b>29.8</b>	<b>56.9</b>	<b>1.7</b>	<b>373.9</b>	<b>515.3</b>	<b>2.7</b>	<b>518.0</b>
<b>Profit for the year</b>	—	—	—	—	—	—	142.3	142.3	0.4	142.7
<b>Other comprehensive income</b>										
Exchange movements on translation of foreign operations	—	—	—	(12.9)	—	—	—	(12.9)	(0.1)	(13.0)
Transfer of translation reserve on disposal of subsidiaries	—	—	—	(0.7)	—	—	—	(0.7)	—	(0.7)
Cash flow hedge gain taken to equity	—	—	—	—	—	0.1	—	0.1	—	0.1
Remeasurements of defined benefit pension schemes	—	—	—	—	—	—	0.2	0.2	—	0.2
Tax on remeasurements of defined benefit pension schemes	—	—	—	—	—	—	(0.1)	(0.1)	—	(0.1)
<b>Other comprehensive (loss)/ income for the year, net of tax</b>	—	—	—	(13.6)	—	0.1	0.1	(13.4)	(0.1)	(13.5)
<b>Total comprehensive (loss)/ income for the year</b>	—	—	—	(13.6)	—	0.1	142.4	128.9	0.3	129.2
Dividends	—	—	—	—	—	—	(34.6)	(34.6)	—	(34.6)
Purchase of own shares for ESOP trust	—	—	—	—	—	—	(20.1)	(20.1)	—	(20.1)
Share-based payments	—	—	—	—	—	—	4.2	4.2	—	4.2
<b>At 31 December 2024</b>	<b>7.3</b>	<b>38.1</b>	<b>7.6</b>	<b>16.2</b>	<b>56.9</b>	<b>1.8</b>	<b>465.8</b>	<b>593.7</b>	<b>3.0</b>	<b>596.7</b>
<b>Profit for the year</b>	—	—	—	—	—	—	142.7	142.7	0.4	143.1
<b>Other comprehensive income</b>										
Exchange movements on translation of foreign operations	—	—	—	(21.2)	—	—	—	(21.2)	(0.1)	(21.3)
Cash flow hedge transfers to income statement	—	—	—	—	—	(0.3)	—	(0.3)	—	(0.3)
Remeasurements of defined benefit pension schemes	—	—	—	—	—	—	(0.4)	(0.4)	—	(0.4)
<b>Other comprehensive (loss)/ income for the year, net of tax</b>	—	—	—	(21.2)	—	(0.3)	(0.4)	(21.9)	(0.1)	(22.0)
<b>Total comprehensive (loss)/ income for the year</b>	—	—	—	(21.2)	—	(0.3)	142.3	120.8	0.3	121.1
Dividends	—	—	—	—	—	—	(36.2)	(36.2)	(0.5)	(36.7)
Purchase of own shares for ESOP trust	—	—	—	—	—	—	(3.6)	(3.6)	—	(3.6)
Purchase of own shares	—	—	—	—	—	—	(38.9)	(38.9)	—	(38.9)
Share-based payments	—	—	—	—	—	—	4.9	4.9	—	4.9
Tax on share-based payments	—	—	—	—	—	—	0.7	0.7	—	0.7
<b>At 31 December 2025</b>	<b>7.3</b>	<b>38.1</b>	<b>7.6</b>	<b>(5.0)</b>	<b>56.9</b>	<b>1.5</b>	<b>535.0</b>	<b>641.4</b>	<b>2.8</b>	<b>644.2</b>

# Consolidated cash flow statement

For the year ended 31 December 2025

	Note	2025 £m	2024 £m
<b>Cash flows from operating activities</b>			
Profit before taxation		<b>186.4</b>	183.9
Non-underlying items	9	<b>10.9</b>	7.5
Finance income	10	<b>(4.5)</b>	(6.6)
Finance costs	11	<b>25.4</b>	27.8
<b>Underlying operating profit</b>	3	<b>218.2</b>	212.6
Depreciation/impairment of property, plant and equipment	16	<b>109.0</b>	108.7
Amortisation of intangible assets	15	<b>0.1</b>	0.1
Share of underlying post-tax results of joint ventures	17	<b>(0.8)</b>	(0.5)
Profit on sale of property, plant and equipment		<b>(4.7)</b>	(12.8)
Other non-cash movements (including charge for share-based payments)		<b>5.3</b>	4.0
Foreign exchange losses/(gains)		<b>2.2</b>	(4.2)
<b>Operating cash flows before movements in working capital and other underlying items</b>		<b>329.3</b>	307.9
(Increase)/decrease in inventories		<b>(8.0)</b>	10.4
Increase in trade and other receivables		<b>(42.5)</b>	(54.4)
Increase in trade and other payables		<b>37.4</b>	71.7
Increase in provisions net of insurance receivables, retirement benefit and other non-current liabilities		<b>15.3</b>	30.9
<b>Cash generated from operations before non-underlying items</b>		<b>331.5</b>	366.5
Cash outflows from non-underlying items: ERP costs		<b>(9.7)</b>	(4.9)
Cash outflows from non-underlying items: restructuring costs		<b>(0.9)</b>	(4.9)
Cash inflows from non-underlying items: claims for closed businesses		<b>—</b>	1.4
<b>Cash generated from operations</b>		<b>320.9</b>	358.1
Interest paid		<b>(17.6)</b>	(20.4)
Interest element of lease rental payments		<b>(6.4)</b>	(6.2)
Income tax paid		<b>(38.5)</b>	(65.6)
<b>Net cash inflow from operating activities</b>		<b>258.4</b>	265.9
<b>Cash flows from investing activities</b>			
Interest received		<b>4.0</b>	5.8
Proceeds from sale of property, plant and equipment		<b>12.9</b>	29.0
Proceeds from sale of other non-current assets		<b>2.7</b>	—
Disposal of businesses	5	<b>0.2</b>	(2.6)
Acquisition of businesses, net of cash acquired	5	<b>(0.6)</b>	(0.9)
Acquisition of property, plant and equipment	16	<b>(90.3)</b>	(89.0)
Acquisition of other intangible assets	15	<b>(0.1)</b>	—
<b>Net cash outflow from investing activities</b>		<b>(71.2)</b>	(57.7)
<b>Cash flows from financing activities</b>			
Debt issuance costs		<b>(0.5)</b>	(3.5)
Repayment of borrowings		<b>(0.3)</b>	(59.0)
Payment of lease liabilities		<b>(31.1)</b>	(28.0)
Purchase of own shares for ESOP trust		<b>(3.6)</b>	(20.1)
Purchase of own shares		<b>(38.9)</b>	—
Dividends paid	13	<b>(36.7)</b>	(34.6)
<b>Net cash outflow from financing activities</b>		<b>(111.1)</b>	(145.2)
<b>Net increase in cash and cash equivalents</b>		<b>76.1</b>	63.0
<b>Cash and cash equivalents at beginning of year</b>		<b>207.7</b>	149.0
Effect of exchange rate movements		<b>(2.3)</b>	(4.3)
<b>Cash and cash equivalents at end of year</b>	21	<b>281.5</b>	207.7

# Notes to the consolidated financial statements

## 1 Corporate information

The consolidated financial statements of Keller Group plc and its subsidiaries (collectively, the 'Group') for the year ended 31 December 2025 were authorised for issue in accordance with the resolution of the Directors on 2 March 2026.

Keller Group plc (the 'company') is a public limited company, incorporated and domiciled in the United Kingdom, whose shares are publicly traded on the London Stock Exchange. The registered office is located at 2 Kingdom Street, London W2 6BD. The Group is principally engaged in the provision of specialist geotechnical services.

## 2 Material accounting policy information

### Basis of preparation

In accordance with the Companies Act 2006, these consolidated financial statements have been prepared and approved by the Directors in accordance with UK adopted international accounting standards. The company prepares its parent company financial statements in accordance with FRS 101.

These financial statements do not constitute the company's full statutory accounts, as defined in section 434 of the Companies Act 2006, for the years ended 31 December 2025 or 31 December 2024 but are derived from the 2025 accounts. Statutory accounts for 2024 have been delivered to the Registrar of Companies and made available on the company's website at [www.keller.com](http://www.keller.com). The independent auditors' report on the full financial statements for both years ended 31 December 2025 and 31 December 2024 were unqualified and did not contain an emphasis of matter paragraph or any statement under section 498 of the Companies Act 2006.

The consolidated financial statements have been prepared on an historical cost basis, except for non-qualifying deferred compensation assets and liabilities and derivative financial instruments that have been measured at fair value. The carrying values of recognised assets and liabilities that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to recognise changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The consolidated financial statements are presented in pounds sterling and all values are rounded to the nearest hundred thousand, expressed in millions to one decimal point, except when otherwise indicated.

### Going concern

At 31 December 2025, the Group had undrawn committed and uncommitted borrowing facilities totalling £447.1m, comprising the undrawn committed £400m revolving credit facility and undrawn uncommitted borrowing facilities of £47.1m, as well as cash and cash equivalents of £281.5m. At 31 December 2025, the Group's net debt to underlying EBITDA ratio (calculated on an IAS 17 covenant basis) was (0.2)x, well within the limit of 3.0x.

The Group has prepared a forecast of financial projections for the three-year period to 31 December 2028. The forecast underpins the going concern assessment which has been made for the period through to 31 March 2027, a period of at least 12 months from when the financial statements are authorised for issue and aligning with the period in which the Group's banking covenants are tested. The base case reflects the forecast of financial projections prepared by the Group for the three-year period to 31 December 2028. The forecast shows significant headroom and supports the position that the Group can operate within its available banking facilities and covenants throughout this period.

For the going concern assessment, management ran a series of downside scenarios over the base case forecast to assess covenant headroom against available funding facilities. This process involved constructing scenarios to reflect the Group's current assessment of its principal risks, including those that would threaten its business model, future performance, solvency or liquidity. The principal risks and uncertainties modelled by management align with those disclosed within this Annual Report and Accounts.

The following severe but plausible downside assumptions were modelled:

- rapid downturn in the Group's markets resulting in up to a 10% decline in revenues;
- ineffective execution of projects reducing profits by 1.5% of revenue;
- a combination of other principal risks and trading risks materialising together reducing profits by up to £18.7m over the period to 31 March 2027. These risks include changing environmental factors, costs of ethical misconduct and regulatory non-compliance, occurrence of an accident causing serious injury to an employee or member of the public and the cost of a product or solution failure; and
- deterioration of working capital performance by 5% of six months' sales.

The financial and cash effects of these scenarios were modelled individually and in combination. The focus was on the ability to secure or retain future work and potential downward pressure on margins. Management applied sensitivities against projected revenue, margin and working capital metrics reflecting a series of plausible downside scenarios.

Even in the most extreme plausible downside scenario incorporating an aggregation of all risks considered, which showed a decrease in operating profit of 22.3% and an increase in net debt of 63.0% against the Group's latest forecast profit and cash flow projections for the review period up to 31 March 2027, the adjusted projections do not show a breach of covenants in respect of available funding facilities or any liquidity shortfall. Management considered the breaking point of the model, which would result in a breach of financial covenants and the reduction in forecast profit and cash flow projections required to achieve this. These outcomes were considered extreme and remote.

This process allowed the Board to conclude that the Group will continue to operate on a going concern basis for the period through to the end of March 2027, a period of at least 12 months from when the financial statements are authorised for issue. Accordingly, the consolidated financial statements are prepared on a going concern basis.

## **Climate change**

In preparing the consolidated financial statements, management has considered the impact of climate change, particularly in the context of the risks identified in the TCFD disclosure. The output from the scenario analysis has been considered, particularly the financial reporting judgements and estimates in respect of the following areas:

- estimates of future cash flows used in impairment assessments of the carrying value of goodwill;
- the useful economic life of plant, equipment and other intangible assets; and
- going concern and viability of the Group over the next three years.

Although the scenario analysis identified a risk of stranded assets as a result of increased emission standards, this was in one extreme downside scenario and we have not adjusted the useful economic life of any plant or equipment as a result. Whilst there is currently no change, management are aware of the variable risks arising from climate change and will regularly assess these risks against judgements and estimates made in preparation of the Group's financial statements.

## **Changes in accounting policies and disclosures**

### **New and amended standards and interpretations**

An amendment to IAS 21 applies for the first time in 2025 but does not have an impact on the Group's financial statements.

#### **Lack of exchangeability - Amendments to IAS 21**

The amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025.

#### **Amendments to Illustrative Examples**

There were Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 - Disclosures about Uncertainties in the Financial Statements to show how entities can apply IFRS accounting standards when reporting uncertainties in financial statements, with example disclosures related to impairment testing, credit risk, decommissioning and site restoration provisions, addressing topics such as materiality judgements, significant judgements and estimates, and aggregation and disaggregation, were issued in November 2025. The Group has considered the guidance provided in the examples.

#### **Standards issued but not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

#### **IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

## **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

## **Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7**

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only.

The Group does not anticipate that the amendments will have a material effect on the Group's financial statements.

## **Annual Improvements to IFRS Accounting Standards - Volume 11**

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments will be effective for reporting periods beginning on or after 1 January 2026. Earlier application is permitted and must be disclosed.

The amendments are not expected to have a material impact on the Group's financial statements.

## **Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7**

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the IFRS 7 disclosure amendments must be implemented alongside the IFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

The Group does not expect that the amendments will have a material impact on its financial statements.

## **Basis of consolidation**

The consolidated financial statements consolidate the accounts of the parent and its subsidiary undertakings to 31 December each year. Subsidiaries are entities controlled by the company. Control exists when the company has power over an entity, exposure to variable returns from its involvement with the entity and the ability to use its power over the entity to affect its returns. Where subsidiary undertakings were acquired or sold during the year, the accounts include the results for the part of the year for which they were subsidiary undertakings using the acquisition method of accounting. Intra-group balances, and any unrealised income and expense arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

## Joint operations

Where the Group undertakes contracts jointly with other parties, these are accounted for as joint operations as defined by IFRS 11. In accordance with IFRS 11, the Group accounts for its own share of assets, liabilities, revenues and expenses measured according to the terms of the joint operations agreement.

## Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. The consolidated financial statements incorporate a share of the results, assets and liabilities of joint ventures using the equity method of accounting, whereby the investment is carried at cost plus post-acquisition changes in the share of net assets of the joint venture, less any provision for impairment. Losses in excess of the consolidated interest in joint ventures are not recognised except where the Group has a constructive commitment to make good those losses. The results of joint ventures acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

## Summary of material accounting policy information

### Foreign currencies

The Group's consolidated financial statements are presented in pounds sterling, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in the consolidated income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into pounds sterling at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange movements arising on translation for consolidation are recognised in other comprehensive income (OCI). On disposal of a foreign operation, the component of the translation reserve relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation.

The exchange rates used in respect of principal currencies are:

<b>Average rates</b>	<b>2025</b>	<b>2024</b>
US dollar	<b>1.32</b>	1.28
Canadian dollar	<b>1.84</b>	1.75
Euro	<b>1.17</b>	1.18
Singapore dollar	<b>1.72</b>	1.71
Australian dollar	<b>2.04</b>	1.94

  

<b>Year-end rates</b>	<b>2025</b>	<b>2024</b>
US dollar	<b>1.35</b>	1.25
Canadian dollar	<b>1.85</b>	1.80
Euro	<b>1.15</b>	1.21
Singapore dollar	<b>1.73</b>	1.71
Australian dollar	<b>2.02</b>	2.02

### Revenue from construction contracts

The Group's operations involve the provision of specialist geotechnical services. The majority of the Group's revenue is derived from construction contracts. Typically, the Group's construction contracts consist of one performance obligation; however, for certain contracts (for example where contracts involve separate phases or products that are not highly interrelated) multiple performance obligations exist. Where multiple performance obligations exist, total revenue is allocated to performance obligations based on the relative standalone selling prices of each performance obligation.

For each contract, revenue is the amount that is expected to be received from the customer. Revenue is typically invoiced in stages during the contracts, however smaller contracts are usually invoiced on completion. Variable consideration and contract modifications are assessed on a contract-by-contract basis, according to the terms, facts and circumstances of the project. Variable consideration is recognised only to the extent that

it is highly probable that there will not be a significant reversal.

The effects of contract modifications, including claims to customers, are recognised only when the Group considers there is an enforceable right to consideration, therefore no revenue is recognised until this point. Operating expenses in relation to customer modifications are recognised as incurred. Factors indicating an enforceable right to consideration will vary from country to country but usually includes written confirmation from the customer.

Revenue attributed to each performance obligation is recognised based on either the input or the output method. The output method is the Group's default revenue recognition approach. The input method is generally used for longer-term, more complex contracts. These methods best reflect the transfer of benefits to the customer.

- **Output method:** revenue is recognised on the direct measurement of progress based on output, such as units of production relative to the total number of contracted production units.
- **Input method:** revenue is recognised on the percentage of completion with reference to cost. The percentage of completion is calculated based on the costs incurred to date as a percentage of the total costs expected to satisfy the performance obligation. Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the percentage of completion calculation in the period in which the circumstances that give rise to the revision become known.

Where the Group becomes aware that a loss may arise on a contract, and that loss is probable, full provision is made in the consolidated balance sheet based on the estimated unavoidable costs of meeting the obligations of the contract, where these exceed the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Incremental bid/tender costs and fulfilment costs are not material to the overall contract and are expensed as incurred.

Any revenues recognised in excess of billings are recognised as contract assets within trade and other receivables. Any payments received in excess of revenue recognised are recognised as contract liabilities within trade and other payables.

## Revenue from the sale of goods and services

The Group's revenue recognised from the sale of goods and services primarily relates to certain parts of the North America business. These contracts typically have a single performance obligation, or a series of distinct performance obligations that are substantially the same. There are typically two types of contract:

- **Delivery of goods:** revenue for such contracts is recognised at a point in time, on delivery of the goods to the customer.
- **Delivery of goods with installation and/or post-delivery services:** revenue for these contracts is recognised at a point in time by reference to the date on which the goods are installed and/or accepted by the customer.

## Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated income statement.

The Group provides for future liabilities in respect of uncertain tax positions where additional tax may become payable in future periods. Such provisions are based on management's best judgement of the probability of the outcome in reaching agreement with the relevant tax authorities. For further information refer to note 12.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised on temporary differences in line with IAS 12 'Income Taxes'. Deferred tax assets are recognised when it is considered likely that they will be utilised against future taxable profits or deferred tax liabilities.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity or to OCI, in which case the related deferred tax is also dealt with in equity or in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

## Interest income and expense

All interest income and expense is recognised in the income statement on an accruals basis, using the effective interest method.

## Employee benefit costs

The Group operates a number of defined benefit pension schemes, and also makes payments into defined contribution schemes.

The liability in respect of defined benefit schemes is the present value of the defined benefit obligations at the balance sheet date, calculated using the projected unit credit method, less the fair value of the schemes' assets where applicable. The Group recognises the administration costs, current service cost and interest on scheme net liabilities in the income statement, and remeasurements of defined benefit plans in OCI in full in the period in which they occur. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. Where there is no legal right to a refund from the plan, the liability is calculated as the minimum funding requirement to the plan that exists at the balance sheet date.

The Group also has long service arrangements in certain overseas countries. These are accounted for in accordance with IAS 19 'Employee Benefits' and accounting follows the same principles as for a defined benefit scheme.

Payments to defined contribution schemes are accounted for on an accruals basis.

## Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Further details are set out in note 16 for impairments recognised in the year. Subsequent expenditure on property, plant and equipment is capitalised when it enhances or improves the condition of the item of property, plant and equipment beyond its original assessed standard of performance. Maintenance expenditure is expensed as incurred.

## Depreciation

Depreciation is provided to write off the cost less the estimated residual value of property, plant and equipment using the straight-line method by reference to their estimated useful lives as follows:

Buildings	50 years
Plant and equipment	3 to 12 years
Motor vehicles	4 years
Computers	3 years

Depreciation is not provided for on freehold land.

An item of property, plant and equipment is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted where appropriate.

## Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets (less than £3,000). The Group recognises lease liabilities to make payments and right-of-use assets representing the right to use the underlying assets.

## Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and estimated useful lives as follows:

Land and buildings	3 to 15 years
Plant and equipment	2 to 8 years
Motor vehicles	3 to 5 years

Right-of-use assets are tested for impairment in accordance with IAS 36 'Impairment of Assets'.

## Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the

lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date, if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate applied to each lease is determined by considering the risk-free rate of the country where the asset under lease is located, matched to the term of the lease and adjusted for factors such as the credit risk profile of the lessee. Incremental borrowing rates applied to individual leases range from 1.85% to 15.2%.

After the commencement date, the amount of lease liabilities is increased to reflect the addition of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in interest-bearing loans and borrowings. Refer to note 26 for details.

### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of plant, machinery and vehicles (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low asset value (below £3,000). Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

### Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the fair value at the acquisition date. Acquisition-related costs are expensed as incurred and included in administrative expenses. Identifiable assets acquired, and liabilities and contingent liabilities assumed, in a business combination are measured initially at their fair values at the acquisition date. The excess of cost of an acquisition over the fair value of the Group's share of the identifiable net assets acquired, including assets identified as intangibles on acquisition, is recorded as goodwill.

The results of subsidiaries which have been disposed are included up to the effective date of disposal.

### Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually and whenever there is an indication that the goodwill may be impaired in accordance with IAS 36, any impairment losses are recognised immediately in the income statement. Goodwill arising prior to 1 January 1998 was taken directly to equity in the year in which it arose. Such goodwill has not been reinstated on the balance sheet. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

### Other intangible assets

Intangible assets, other than goodwill, include purchased licences, software (including internally generated software), customer relationships, customer contracts and trade names. Intangible assets are capitalised at cost and amortised on a straight-line basis over their useful economic lives from the date that they are available for use and are stated at cost less accumulated amortisation and impairment losses. The estimated useful economic lives are as follows:

Licences	1 to 4 years
Software	3 to 7 years
Patents	2 to 7 years
Customer relationships	5 to 7 years
Customer contracts	1 to 2 years
Trade names	5 to 7 years

## Software-as-a-service arrangements

The Group's current SaaS arrangements are arrangements in which the Group does not control the underlying software used in the arrangement.

Software development costs incurred to configure or customise application software provided under a cloud computing arrangement and associated fees are recognised as operating expenses as and when the services are received where the costs represent a distinct service provided to the Group.

When such costs incurred do not provide a distinct service, the costs are recognised as expenses over the duration of the SaaS contract. The Group capitalises other software costs when the requirements of IAS 38 'Intangible Assets' are satisfied, including configuration and customisation costs which are distinct and within the control of the Group. Such software costs are capitalised and carried at cost less any accumulated amortisation and impairment, and amortised on a straight-line basis over the period which the developed software is expected to be used.

Amortisation commences when the development is complete and the asset is available for use and is included in the operating costs item of the consolidated income statement. The amortisation is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

## Impairment of assets excluding goodwill

The carrying values of property, plant and equipment, right-of-use assets and other intangibles are reviewed for impairment when events or changes in circumstances indicate the carrying value may be impaired. If any such indication exists, the recoverable amount, being the lower of their carrying amount and fair value less costs to sell, of the asset is estimated in order to determine the extent of impairment loss.

## Capital work in progress

Capital work in progress represents expenditure on property, plant and equipment in the course of construction. Transfers are made to other property, plant and equipment categories when the assets are available for use.

## Inventories

Inventories are measured at the lower of cost and estimated net realisable value with allowance made for obsolete or slow-moving items.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Write-downs to net realisable value are made for slow-moving, damaged or obsolete items based on evaluations made at the local level by reference to frequency of stock turnover or specific factors affecting the items concerned.

## Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered by sale rather than by continuing use in the business. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, with reference to comparable market transactions. Assets that are classified as held for sale are not depreciated.

## Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. The principal financial assets and liabilities of the Group are as follows:

### (a) Trade receivables and trade payables

Trade receivables are initially recorded at fair value and subsequently measured at cost and reduced by allowances for estimated irrecoverable amounts.

Trade receivables and contract assets are stated net of expected credit losses (ECLs). At each reporting date, the Group evaluates the estimated recoverability of trade receivables and contract assets and records allowances for ECLs based on experience.

The Group applies the simplified approach to measurement of ECLs in respect of trade receivables, which requires expected lifetime losses to be recognised from initial recognition of the receivable. Immediately after an individual trade receivable or contract asset is assessed to be unlikely to be recovered, an impairment is recognised as the difference between the carrying amount of the receivable and the present value of estimated future cash flows. Customer specific factors are considered when identifying impairments, which can include the geographic location and credit rating of a customer.

Where there are no specific concerns over recovery, other than the increasing age of a trade receivable or contract asset balance past payment terms, the Group uses a provision matrix, where provision rates are based on days past due. The provision matrix used reflects estimates based on past experience, current economic factors and consideration of forward looking estimates of economic conditions. Generally, trade receivables are written-off completely if past due for more than 180 days. Default is defined as the point where there is no further legal address available for the Group to recover the receivable amount.

The information about the ECLs on the Group's trade receivables and contract assets is disclosed in note 20.

Trade payables that are not interest bearing are initially recognised at fair value and carried at amortised cost.

## **(b) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management. Bank overdrafts are included within financial liabilities in current liabilities in the balance sheet.

## **(c) Bank and other borrowings**

Interest-bearing bank and other borrowings are recorded at the fair value of the proceeds received, net of direct issue costs. Subsequent to initial recognition, borrowings are stated at amortised cost, where applicable.

Bank or other borrowings are derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated income statement.

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, ie to realise the assets and settle the liabilities simultaneously.

## **(d) Derivative financial instruments and hedge accounting**

The Group uses derivative financial instruments to manage interest rate risk and to hedge fluctuations in foreign currencies in accordance with its risk management policy. In cases where these derivative instruments are significant, hedge accounting is applied as described below. The Group does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised in the balance sheet at fair value on the date the derivative contract is entered into and are subsequently remeasured at reporting periods to their fair values. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Changes in the fair value of the effective portion of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income (OCI). Changes in the fair value of the ineffective portion of cash flow hedges are recognised in the income statement. Amounts originally recognised in OCI are transferred to the income statement when the underlying transaction occurs or if the transaction results in the recognition of a non-financial asset or liability, the amount accumulated in equity is included in the initial cost or carrying amount of the hedged asset or liability.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in OCI is retained in equity until the hedged transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in OCI is transferred to the income statement in the period.

For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure or variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable transaction.
- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

## **Provisions**

Provisions have been made for employee-related liabilities, restructuring commitments, onerous contracts, insured liabilities and legal claims, and other property-related commitments. These are recognised as management's best estimate of the expenditure required to settle the Group's liability at the reporting date.

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event and where it is probable that an outflow will be required to settle the obligation and the amount of the obligation can be estimated reliably. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to unwinding the discount is recognised as a finance cost. Details of provisions are set out in note 24.

Provisions for insured liabilities and legal claims include the full estimated value of the liability. Any related insurance reimbursement asset that is virtually certain to be received is separately presented gross within trade and other receivables or other non-current assets on the consolidated balance sheet.

### **Contingent liabilities**

Contingent liabilities are possible obligations of the Group of which the timing and amount are subject to significant uncertainty. Contingent liabilities are not recognised in the consolidated balance sheet, unless they are assumed by the Group as part of a business combination. They are however disclosed, unless they are considered to be remote. If a contingent liability becomes probable and the amount can be reliably measured it is no longer treated as contingent and recognised as a liability on the balance sheet.

### **Contingent assets**

Contingent assets are possible assets of the Group of which the timing and amount are subject to significant uncertainty. Contingent assets are not recognised in the consolidated balance sheet. They are however disclosed, when they are considered to be probable. A contingent asset is recognised in the financial statements when the inflow of economic benefits is virtually certain.

### **Share-based payments**

The Group operates a number of equity-settled executive and employee share plans. For all grants of share options and awards, the fair value of the employee services received in exchange for the grant of share options is recognised as an expense, calculated using appropriate option pricing models. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions, with a corresponding increase in retained earnings. The charge is adjusted to reflect expected actual levels of options vesting due to non-market conditions.

Shares purchased and held in trust in connection with the Group's share schemes are deducted from retained earnings. No gain or loss is recognised within the income statement on the market value of these shares compared with the original cost.

### **Segmental reporting**

During the year the Group comprised three geographical divisions which have only one major product or service: specialist geotechnical services. North America; Europe and Middle East; and Asia-Pacific, continue to be managed as separate geographical divisions. This is reflected in the Group's management structure and in the segment information reviewed by the Chief Operating Decision Maker.

### **Dividends**

Interim dividends are recorded in the Group's consolidated financial statements when paid. Final dividends are recorded in the Group's consolidated financial statements in the period in which they receive shareholder approval.

### **Significant accounting judgements, estimates and assumptions**

The preparation of the Group's consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies, reported amounts of assets and liabilities, revenue and expenses and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Actual results may also differ from these estimates.

The estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that and prior periods, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### **Construction contracts**

The Group's approach to key estimates and judgements relating to construction contracts is set out in the revenue recognition policy. In the Group consolidated balance sheet this impacts contract assets, contract liabilities and contract provisions (refer to notes 4 and 24).

As described in the policy, the default revenue recognition approach is the output method. When revenue is recognised based on the output method, there is little judgement involved in accounting for construction contracts as the amount of revenue that has not been certified/accepted by the client is typically small and is usually based on volumes achieved at agreed rates. These contracts can still be subject to claims and variations resulting in an adjustment to the revenue recognised.

When revenue is recognised based on the input (cost) method, the main factors considered when making estimates and judgements include the cost of the work required to complete the contract in order to estimate the percentage completion, and the outcome of claims raised against the Group by customers or third parties. The Group performed around 5,500 contracts during 2025, at an average revenue of approximately £560,000 and a typical range of between £25,000 and £10m in value. The majority of contracts were completed in the year and therefore there are no estimates involved in accounting for these. For contracts that are not complete at year end and revenue is recognised on the input method, the Group estimates the total costs to complete in order to measure progress and therefore how much revenue to recognise, which may impact the contract asset or liability recorded in the balance sheet. The actual total costs incurred on these contracts will differ from the estimate at 31 December and it is reasonably possible that outcomes on these contracts within the next year could be materially different in aggregate to those estimated.

Total contract assets are £119.6m and contract liabilities are £98.3m at 31 December 2025.

However, due to the level of uncertainty and timing across a large portfolio of contracts, which will be at different stages of their contract life, it is not practical to provide a quantitative analysis of the aggregated judgements that are applied at a portfolio level. The estimated costs to complete are management's best estimate at this point in time and no individual estimate or judgement is expected to have a materially different outcome.

In the case of loss-making contracts, a full provision is made based on the estimated unavoidable costs of meeting the obligations of the contract, where these exceed the economic benefits expected to be received. The process for estimating the total cost to complete is the same as for in-progress profitable contracts, and will include management's best estimate of all labour, equipment and materials costs required to complete the contracted work. All cost to complete estimates involve judgement over the likely future cost of labour, equipment and materials and the impact of inflation is included if material. The amount included within provisions in respect of contract provisions is £72.9m (2024: £66.3m), this includes other contract-related provisions as well as onerous contract provisions.

As stated in the revenue recognition accounting policy, variable consideration is assessed on a contract-by-contract basis, according to the terms, facts and circumstances of the project. Variable consideration is recognised only to the extent that it is highly probable that there will not be a significant reversal; management judgement is required in order to determine when variable consideration is highly probable. Uncertainty over whether a project will be completed or not can mean that it is appropriate to treat the contracted revenue as variable consideration.

## **Non-underlying items**

Non-underlying items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are items which are exceptional by their size and/or are non-trading in nature, including amortisation of acquired intangibles, goodwill impairment, restructuring costs and other non-trading amounts, including those relating to acquisitions and disposals. Tax arising on these items, including movement in deferred tax assets arising from non-underlying provisions, is also classified as a non-underlying item.

The Group exercises judgement in assessing whether restructuring items and the ERP implementation costs should be classified as non-underlying. This assessment covers the nature of the item, cause of the occurrence and scale of impact of that item on the reported performance. Typically, management will categorise restructuring costs incurred to exit a specific geography as non-underlying, in addition restructuring programmes which are incremental to normal operations undertaken to add value to the business are included in non-underlying items. The value of exceptional restructuring costs in 2025 (£0.9m) is lower than in 2024 (£4.3m), due to the higher spend on the finance transformation project in the prior year. ERP implementation costs are categorised as non-underlying due to the scale and length of the project. The nature of the project and costs incurred are reviewed on a regular basis to assess the appropriateness of the classification as a non-underlying cost.

## **Carrying value of goodwill**

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy set out above. Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value-in-use. The fair value less costs of disposal calculation is based on available market data for transactions conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The Group estimates the recoverable amount based on value-in-use calculations. The value-in-use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the relevant budget and forecasts for the next three years, including a terminal value assumption. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and growth rates assumed within the calculation.

In 2025, management noted sensitivity in the headroom available for Keller Canada. The DCF for the CGU is sensitive to the future successful execution of business plans to consistently meet forecasted margins. Refer to note 15 for further information.

## **Deferred tax assets**

Deferred tax assets are recognised for unused tax losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits (based on the same Board-approved information to support the going concern and goodwill impairment assessments). The Group uses judgement in assessing the recoverability of deferred tax assets, for which the significant assumption is forecast taxable profits. A 10% shortfall in expected profits would have a proportional impact on the value of the deferred tax assets recoverable. Deferred tax assets recognised on unused tax losses were £10.1m at 31 December 2025 (2024: £13.1m). Refer to note 12 for further information.

## **Insurance and legal provisions**

The recognition of provisions for insurance and legal disputes is subject to a significant degree of estimation. In making its estimates, management seek specialist input from legal advisers and the Group's insurance claims handler to estimate the most likely legal outcome. Provisions are reviewed regularly and amounts updated where necessary to reflect developments in the disputes. The ultimate liability may differ from the amount provided depending on the outcome of court proceedings and settlement negotiations or if investigations bring to light new facts. Refer to note 24 for further information.

### 3 Segmental analysis

During the year the Group was managed as three geographical divisions and has only one major product or service: specialist geotechnical services.

This is reflected in the Group's management structure and in the segment information reviewed by the Chief Operating Decision Maker.

	2025		2024	
	Revenue	Operating profit	Revenue	Operating profit
	£m	£m	£m	£m
North America	1,815.7	166.2	1,785.8	190.0
Europe and Middle East	873.4	38.8	835.1	7.9
Asia-Pacific	398.2	30.6	365.8	28.7
	<b>3,087.3</b>	<b>235.6</b>	2,986.7	226.6
Central items	—	(17.4)	—	(14.0)
Underlying	<b>3,087.3</b>	<b>218.2</b>	2,986.7	212.6
Non-underlying items (note 9)	—	(10.9)	—	(7.5)
	<b>3,087.3</b>	<b>207.3</b>	2,986.7	205.1

	2025					Tangible <sup>3</sup> and intangible assets £m
	Segment assets	Segment liabilities	Capital employed	Capital additions	Depreciation <sup>2</sup> and amortisation	
	£m	£m	£m	£m	£m	
North America	926.6	(349.4)	577.2	45.9	56.0	323.4
Europe and Middle East	417.5	(294.5)	123.0	29.6	38.7	164.0
Asia-Pacific	160.4	(114.6)	45.8	14.9	13.3	68.9
	<b>1,504.5</b>	<b>(758.5)</b>	<b>746.0</b>	<b>90.4</b>	<b>108.0</b>	<b>556.3</b>
Central items <sup>1</sup>	323.9	(425.7)	(101.8)	—	1.1	3.4
	<b>1,828.4</b>	<b>(1,184.2)</b>	<b>644.2</b>	<b>90.4</b>	<b>109.1</b>	<b>559.7</b>

	2024					Tangible <sup>3</sup> and intangible assets £m
	Segment assets	Segment liabilities	Capital employed	Capital additions	Depreciation <sup>2</sup> and amortisation	
	£m	£m	£m	£m	£m	
North America	974.7	(357.7)	617.0	46.3	56.8	348.3
Europe and Middle East	380.4	(282.8)	97.6	28.2	36.2	151.8
Asia-Pacific	153.0	(100.5)	52.5	13.9	13.7	68.4
	<b>1,508.1</b>	<b>(741.0)</b>	<b>767.1</b>	<b>88.4</b>	<b>106.7</b>	<b>568.5</b>
Central items <sup>1</sup>	282.6	(453.0)	(170.4)	—	2.1	4.1
	<b>1,790.7</b>	<b>(1,194.0)</b>	<b>596.7</b>	<b>88.4</b>	<b>108.8</b>	<b>572.6</b>

1 Central items include net debt and tax balances, which are managed by the Group.

2 Depreciation and amortisation excludes amortisation of acquired intangible assets.

3 Tangible and intangible assets comprise goodwill, intangible assets and property, plant and equipment.

Revenue analysed by country:

	2025	2024
	£m	£m
United States	<b>1,664.4</b>	1,612.5
Australia	<b>286.5</b>	246.4
Canada	<b>156.8</b>	171.7
Germany	<b>150.7</b>	168.9
Poland	<b>98.3</b>	101.3
United Kingdom	<b>84.4</b>	97.5
India	<b>82.3</b>	78.2
Other	<b>563.9</b>	510.2
	<b>3,087.3</b>	2,986.7

Non-current assets<sup>1</sup> analysed by country:

	2025	2024
	£m	£m
United States	<b>380.0</b>	349.0
Germany	<b>57.4</b>	51.4
Australia	<b>51.3</b>	52.9
Canada	<b>39.3</b>	37.5
Austria	<b>31.0</b>	30.0
Other	<b>128.2</b>	144.9
	<b>687.2</b>	665.7

<sup>1</sup> Excluding deferred tax assets

## 4 Revenue

The Group's revenue is derived from contracts with customers. In the following table, revenue is disaggregated by primary geographical market, being the Group's operating segments (see note 3) and timing of revenue recognition:

	2025			2024		
	Revenue recognised on performance obligations satisfied over time £m	Revenue recognised on performance obligations satisfied at a point in time £m	Total revenue £m	Revenue recognised on performance obligations satisfied over time £m	Revenue recognised on performance obligations satisfied at a point in time £m	Total revenue £m
North America	<b>1,530.9</b>	<b>284.8</b>	<b>1,815.7</b>	1,457.5	328.3	1,785.8
Europe and Middle East	<b>873.4</b>	—	<b>873.4</b>	835.1	—	835.1
Asia-Pacific	<b>398.2</b>	—	<b>398.2</b>	365.8	—	365.8
	<b>2,802.5</b>	<b>284.8</b>	<b>3,087.3</b>	2,658.4	328.3	2,986.7

The final contract value will not always have been agreed at the year end. The contract value, and therefore revenue allocated to a performance obligation, may change subsequent to the year end as variations and claims are agreed with the customer. The amount of revenue recognised in 2025 from performance obligations satisfied in previous periods is £10.3m (2024: £24.9m).

The Group's order book comprises the unexecuted elements of orders on contracts that have been awarded. Where a contract is subject to variations, only secured variations are included in the reported order book. As at 31 December 2025, the total order book is £1,541.7m (2024: £1,610.0m).

The order book for contracts with a total duration over one year is £559.7m (2024: £578.3m). Revenue on these contracts is expected to be recognised as follows:

	2025	2024
	£m	£m
Less than one year	<b>395.5</b>	421.9
One to two years	<b>156.8</b>	130.5
More than two years	<b>7.4</b>	25.9
	<b>559.7</b>	578.3

The following table provides information about trade receivables, contract assets and contract liabilities arising from contracts with customers:

	2025 £m	2024 £m
Trade receivables	548.3	575.1
Contract assets	119.6	119.2
Contract liabilities	(98.3)	(115.2)

Trade receivables include invoiced amounts for retentions, which are balances typically payable at the end of a construction project, when all contractual performance obligations have been met, and are therefore received over a longer period of time. Included in the trade receivables balance is £103.5m (2024: £137.7m) in respect of retentions anticipated to be receivable within one year. Included in non-current other assets is £76.1m (2024: £33.7m) anticipated to be receivable in more than one year. All contract assets and liabilities are current.

Significant changes in the contract assets and liabilities during the year are as follows:

	2025		2024	
	Contract assets £m	Contract liabilities £m	Contract assets £m	Contract liabilities £m
As at 1 January	119.2	(115.2)	90.9	(90.9)
Revenue recognised in the current year	1,100.3	1,075.6	1,091.3	930.8
Disposed with businesses	—	—	(1.3)	0.9
Amounts transferred to trade receivables	(1,096.0)	—	(1,059.9)	—
Cash received/invoices raised for performance obligations not yet satisfied	—	(1,062.6)	—	(956.8)
Exchange movements	(3.9)	3.9	(1.8)	0.8
<b>As at 31 December</b>	<b>119.6</b>	<b>(98.3)</b>	<b>119.2</b>	<b>(115.2)</b>

## 5 Acquisitions and disposals

### Acquisitions

There were no material acquisitions during the year to 31 December 2025 or during the year to 31 December 2024.

### Disposals

There were no disposals during the year to 31 December 2025.

On 28 June 2024, the Group disposed of its South African operation, being 100% of the issued share capital of Keller Geotechnics SA (Pty) Ltd, for a cash consideration received of £2.4m (ZAR56m). A non-underlying loss on disposal of £0.8m (ZAR19m) was recognised. The business disposal cash outflow of £2.6m related to the £5.0m disposal of the cash held by the South African subsidiary on the disposal date of 28 June 2024 less the sale proceeds of £2.4m.

## 6 Operating costs

	Note	2025 £m	2024 £m
Raw materials and consumables		855.6	834.7
Staff costs	8	830.4	790.1
Other operating charges		833.5	839.6
Amortisation of intangible assets	15	0.1	0.1
Expenses relating to short-term leases and leases of low-value assets		246.5	202.2
Depreciation:			
Owned property, plant and equipment	16a	77.3	78.8
Right-of-use assets	16b	31.7	29.9
<b>Underlying operating costs</b>		<b>2,875.1</b>	<b>2,775.4</b>
Non-underlying items	9	10.8	10.6
<b>Statutory operating costs</b>		<b>2,885.9</b>	<b>2,786.0</b>
Other operating charges include:			
Fees payable to the company's auditor for the audit of the company's Annual Report and Accounts		1.5	1.5
Fees payable to the company's auditor for other services:			
The audit of the company's subsidiaries, pursuant to legislation		2.2	2.1
Other assurance services		0.2	0.1

Underlying other operating income relates to profit on sale of property, plant and equipment of £4.7m (2024: £12.8m). Non-underlying other operating income is discussed in note 9.

## 7 Net impairment loss on trade receivables and contract assets

The net impairment loss on trade receivables and contract assets is made up of movements in the allowance for expected credit losses of trade receivables and contract assets as follows:

	2025 £m	2024 £m
Additional provisions	(16.1)	(21.0)
Unused amounts reversed	16.6	9.0
<b>Net impairment profit/(loss)</b>	<b>0.5</b>	<b>(12.0)</b>

Further information on the Group's allowance for expected credit losses of trade receivables and contract assets and on the Group's expected credit loss rates for the 2024 and 2025 financial years can be found in note 20 Trade and other receivables.

## 8 Employees

The aggregate staff costs of the Group were:

	2025 £m	2024 £m
Wages and salaries	730.2	697.4
Social security costs	76.1	71.0
Other pension costs	19.2	17.5
Share-based payments	4.9	4.2
	<b>830.4</b>	<b>790.1</b>

These costs include Directors' remuneration. Fees payable to Non-executive Directors totalled £0.7m (2024: £0.6m).

The average number of staff, including Directors, employed by the Group during the year was:

	2025 Number	2024 Number
North America	4,786	4,542
Europe and Middle East	3,547	3,403
Asia-Pacific	1,531	1,441
	<b>9,864</b>	<b>9,386</b>

## 9 Non-underlying items

Non-underlying items include items which are exceptional by their size and/or are non-trading in nature, including amortisation of acquired intangibles, goodwill impairment, restructuring costs and other non-trading amounts, including those relating to acquisitions and disposals. Tax arising on these items, including movement in deferred tax assets arising from non-underlying provisions, is also classified as a non-underlying item. These are detailed in the table below.

As underlying results include the benefits of restructuring programmes and acquisitions but exclude significant costs (such as major restructuring costs and the amortisation of acquired intangible assets) they should not be regarded as a complete picture of the Group's financial performance, which is presented in its total statutory results. The exclusion of non-underlying items may result in underlying earnings being materially higher or lower than total statutory earnings. In particular, when significant impairments and restructuring charges are excluded, underlying earnings will be higher than total statutory earnings.

	2025 £m	2024 £m
ERP implementation costs	9.9	4.0
Exceptional restructuring costs	0.9	4.3
Claims related to closed businesses	-	1.5
Loss on disposal of operations	-	0.8
<b>Non-underlying items in operating costs</b>	<b>10.8</b>	<b>10.6</b>
<b>Amortisation of acquired intangible assets</b>	<b>1.6</b>	<b>3.3</b>
Change in fair value of contingent consideration payable	(1.3)	(6.4)
Contingent consideration received on disposal of operations	(0.2)	-
<b>Non-underlying items in other operating income</b>	<b>(1.5)</b>	<b>(6.4)</b>
<b>Total non-underlying items in operating profit and before taxation</b>	<b>10.9</b>	<b>7.5</b>
Taxation	(1.9)	(2.7)
<b>Total non-underlying items after taxation</b>	<b>9.0</b>	<b>4.8</b>
<b>Non-underlying items in operating costs</b>		

### ERP implementation costs

The Group is continuing the strategic project to implement a new cloud computing enterprise resource planning (ERP) system across the Group. Due to the size, nature and incidence of the relevant costs expected to be incurred, the costs are presented as a non-underlying item, as they are not reflective of the underlying performance of the Group. The phased roll-out of the ERP is planned to start in 2026. Non-underlying ERP costs of £9.9m (2024: £4.0m) include only costs relating directly to the implementation including external consultancy costs and the cost of the dedicated implementation team. Non-underlying costs does not include operational post-deployment costs such as licence costs for businesses that have transitioned.

### Exceptional restructuring costs

Exceptional restructuring costs comprises £0.9m (2024: £4.3m) in respect of the Group's finance transformation project, which has moved certain finance activities into internal shared service centres. This is a group-wide strategic project. The costs for the year mainly comprise planning activities for the North America division. We anticipate incurring further costs for the North America division in 2026. Non-underlying costs does not include operational post-implementation running costs for the shared service centres. In 2024, the costs comprised headcount restructuring and one-off set up costs for the shared service centres for the EME and APAC divisions.

The Group exercises judgement in assessing whether restructuring items should be classified as non-underlying. This assessment covers the nature of the item, cause of the occurrence and scale of impact of that item on the reported performance. Typically, management will categorise restructuring costs incurred to exit a specific geography as non-underlying, in addition restructuring programmes which are incremental to normal operations undertaken to add value to the business are included in non-underlying items. The value of exceptional restructuring costs in 2025 (£0.9m) is lower than in 2024 (£4.3m).

### Claims related to closed businesses

The cost incurred for the prior period of £1.5m reflected increased provisions for customer claims for businesses no longer operating.

### Loss on disposal of operations

As explained in note 5, the Group disposed of its South African operation in the prior period, recognising a loss on disposal of £0.8m.

### Amortisation of acquired intangible assets

Amortisation of acquired intangible assets of £1.6m relates to the amortisation charge on assets acquired in the RECON acquisition. The amortisation of acquired intangible assets in 2024 of £3.3m related to the amortisation charge on assets acquired in the RECON, GKM, Moretrench and NWF acquisitions.

### Non-underlying items in other operating income

#### Change in fair value of contingent consideration payable

Non-underlying other operating income of £1.3m (2024: £6.4m) arises from a change in fair value of the contingent consideration related to the non-controlling interest transaction to acquire 35% of Keller Company Limited (formerly Keller Turki Company Limited). Refer to note 26 for further detail.

#### Contingent consideration received on disposal of operations

The first instalment of contingent consideration of £0.2m in respect of the South African business disposal in 2024 was received in the year.

### Non-underlying taxation

Refer to note 12 for details of the non-underlying tax items.

## 10 Finance income

	2025	2024
	£m	£m
Bank and other interest receivable	4.0	6.1
Net pension interest income	0.2	0.2
Other finance income	0.3	0.3
<b>Underlying finance income</b>	<b>4.5</b>	<b>6.6</b>
<b>Total finance income</b>	<b>4.5</b>	<b>6.6</b>

## 11 Finance costs

	2025	2024
	£m	£m
Interest payable on bank loans and overdrafts	1.7	1.4
Interest payable on other loans	14.5	17.3
Interest on lease liabilities	6.4	6.2
Net pension interest cost	0.4	0.4
Other interest costs	1.6	1.9
Total interest costs	24.6	27.2
Unwinding of discount on provisions	0.8	0.6
<b>Total finance costs</b>	<b>25.4</b>	<b>27.8</b>

## 12 Taxation

	2025 £m	2024 £m
Current tax expense:		
Current year	26.0	64.0
Prior years	3.1	—
<b>Total current tax</b>	<b>29.1</b>	<b>64.0</b>
Deferred tax expense:		
Current year	21.1	(23.0)
Prior years	(6.9)	0.2
<b>Total deferred tax</b>	<b>14.2</b>	<b>(22.8)</b>
	<b>43.3</b>	<b>41.2</b>

UK corporation tax is calculated at 25% (2024: 25%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The effective tax rate can be reconciled to the UK corporation tax rate of 25% (2024: 25%) as follows:

	2025			2024		
	Underlying £m	Non- underlying items (note 9) £m	Statutory £m	Underlying £m	Non- underlying items (note 9) £m	Statutory £m
Profit/(loss) before tax	197.3	(10.9)	186.4	191.4	(7.5)	183.9
UK corporation tax charge/(credit) at 25% (2024: 25%)	49.3	(2.7)	46.6	47.9	(1.9)	46.0
Tax charged at rates other than 25% (2024: 25%)	2.3	(0.1)	2.2	5.0	—	5.0
Tax losses and other deductible temporary differences not recognised	12.1	0.6	12.7	2.7	—	2.7
Utilisation of tax losses and other deductible temporary differences previously unrecognised	(4.4)	—	(4.4)	(9.3)	—	(9.3)
Permanent differences	(10.2)	0.3	(9.9)	(3.6)	(0.8)	(4.4)
Adjustments to tax charge in respect of previous periods	(3.8)	—	(3.8)	0.2	—	0.2
Other	(0.1)	—	(0.1)	1.0	—	1.0
<b>Tax charge/(credit)</b>	<b>45.2</b>	<b>(1.9)</b>	<b>43.3</b>	<b>43.9</b>	<b>(2.7)</b>	<b>41.2</b>
<b>Effective tax rate</b>	<b>22.9%</b>	<b>17.5%</b>	<b>23.2%</b>	<b>22.9%</b>	<b>35.3%</b>	<b>22.4%</b>

The effective tax rate on underlying profits of 22.9% remains unchanged from the 2024 effective tax rate.

The tax credit of £1.9m on non-underlying items has been calculated by assessing the tax impact of each component of the charge/(credit) to the income statement and applying the jurisdictional tax rate that applies to that item. The effective tax rate in 2025 on non-underlying items is lower than the effective tax rate on underlying items largely due to the impact of non-deductible expenses.

The Group is subject to taxation in over 40 countries worldwide and the risk of changes in tax legislation and interpretation from tax authorities in the jurisdictions in which it operates. The assessment of uncertain positions is subjective and subject to management's best judgement of the probability of the outcome in reaching agreement with the relevant tax authorities. Where tax positions are uncertain, provisions are made where necessary, based on interpretation of legislation, management experience and appropriate professional advice. Management do not expect the outcome of these estimates to be materially different from the position taken.

The UK government enacted Finance (No 2) Act 2023 on 11 July 2023, which includes the Pillar Two legislation introducing a multinational top up tax and a domestic minimum top up tax in line with the minimum 15% rate in the OECD's Pillar Two rules. The rules applied to the Group from the beginning of the financial year commencing on 1 January 2024. The UK legislation has also adopted the OECD's transitional Pillar Two safe harbour rules which, if applicable, will deem the top up tax for a jurisdiction to be nil based on available Country-by-Country Reporting data.

The Group has performed an assessment of the potential exposure to Pillar Two top-up taxes, based on the Country-by-Country Reporting data for 2025 for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. There are however a limited number of jurisdictions where the transitional safe harbour relief may not apply and appropriate provision has been made for resultant top up taxes. The Group does not expect a material exposure to Pillar Two top up taxes for these jurisdictions.

The Group has applied the exemption in the amendments to IAS 12 (issued in May 2023) and has neither recognised nor disclosed information about deferred tax assets or liabilities relating to Pillar Two income taxes.

The following are the major deferred tax liabilities and assets recognised by the Group and the movements during the current and prior reporting periods:

	Unused tax losses	Accelerated capital allowances	Retirement benefit obligations	Other employee-related liabilities	Bad debts	Other <sup>1</sup> temporary differences	Total
	£m	£m	£m	£m	£m	£m	£m
At 1 January 2024	10.7	1.0	2.3	12.4	7.0	(4.4)	29.0
Credit/(charge) to the income statement	2.5	21.2	(0.3)	(5.6)	4.5	0.5	22.8
Charge to other comprehensive income	-	-	(0.1)	-	-	-	(0.1)
Exchange movements	(0.1)	1.2	(0.1)	(0.1)	0.1	(0.2)	0.8
Other reallocations/transfers	-	(0.4)	-	-	-	-	(0.4)
At 31 December 2024	13.1	23.0	1.8	6.7	11.6	(4.1)	52.1
Credit/(charge) to the income statement	(1.6)	(18.8)	(1.1)	2.5	(0.4)	5.2	(14.2)
Credit to retained earnings	-	-	-	0.7	-	-	0.7
Exchange movements	(1.4)	(1.4)	0.2	(0.5)	(0.7)	(0.4)	(4.2)
<b>At 31 December 2025</b>	<b>10.1</b>	<b>2.8</b>	<b>0.9</b>	<b>9.4</b>	<b>10.5</b>	<b>0.7</b>	<b>34.4</b>

1 Other temporary differences are mainly in respect of intangible assets and contract provisions.

The movement from a net deferred tax asset of £52.1m at 31 December 2024 to £34.4m at 31 December 2025 is largely as a result of the change in tax treatment of R&D expenditure for US tax purposes. As the R&D expenditure is no longer deferred for tax purposes and amortised over five years, whilst the previously accrued expenditure continues to be amortised, the net deferred tax asset is being reduced.

The following is the analysis of the deferred tax balances:

	2025	2024
	£m	£m
Deferred tax assets	43.8	61.5
Deferred tax liabilities	(9.4)	(9.4)
	<b>34.4</b>	<b>52.1</b>

Deferred tax assets include amounts of £43.8m (2024: £61.5m) where recovery is based on forecasts of future taxable profits that are expected to be available to offset the reversal of the associated temporary differences. The deferred tax assets arise in the US (£34m), Australia (£5m), Canada (£2.9m) and India (£1.9m), with only the assets recognised in Canada being partially in relation to tax losses carried forward. The amount of profits in each territory which are necessary to be realised over the forecast period to support these assets are £130m, £17m, £11m, and £7.5m respectively. Canadian tax rules currently allow tax losses to be carried forward up to 20 years. The recovery of deferred tax assets has been assessed by reviewing the likely timing and level of future taxable profits. The period assessed for recovery of assets is appropriate for each territory having regard to the specific facts and circumstances and the probability of achieving forecast profitability. A 10% shortfall in expected profits would have a proportional impact on the value of the deferred tax assets recoverable.

At the balance sheet date, the Group had unused tax losses of £114.3m (2024: £101.7m), mainly arising in Canada, Spain, France, Saudi Arabia, Malaysia and the UK, available for offset against future profits, on which no deferred tax asset has been recognised. Of these losses, £86.3m (2024: £59.1m) may be carried forward indefinitely. Of the remaining losses, £1.3m expire in 2028, £16.1m expire in 2031, and £10.6m expire in 2035.

At the balance sheet date, the aggregate of other deductible temporary differences for which no deferred tax asset has been recognised was £10.7m (2024: £18.1m). These differences have no expiry term.

No deferred tax liability is recognised on temporary differences of £147.5m (2024: £169.2m) relating to the unremitted earnings of overseas subsidiaries as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. The temporary differences at 31 December 2025 represent only the unremitted earnings of those overseas subsidiaries where remittance to the UK of those earnings may result in a tax liability, principally as a result of dividend withholding taxes levied by the overseas tax jurisdictions in which these subsidiaries operate.

### 13 Dividends payable to equity holders of the parent

Ordinary dividends on equity shares:

	2025	2024
	£m	£m
Amounts recognised as distributions to equity holders in the year:		
Final dividend for the year ended 31 December 2024 of 33.1p (2023: 31.3p) per share	23.3	22.6
Interim dividend for the year ended 31 December 2025 of 18.3p (2024: 16.6p) per share	12.9	12.0
	<b>36.2</b>	<b>34.6</b>

The Board has recommended a final dividend for the year ended 31 December 2025 of £35.9m, representing 52.1p (2024: 33.1p) per share. The proposed dividend is subject to approval by shareholders at the Annual General Meeting on 20 May 2026 and has not been included as a liability in these financial statements.

## 14 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

When the Group makes a profit, diluted earnings per share equals the profit attributable to equity holders of the parent adjusted for the dilutive impact divided by the weighted average diluted number of shares. When the Group makes a loss, diluted earnings per share equals the loss attributable to the equity holders of the parent divided by the basic average number of shares. This ensures that earnings per share on losses is shown in full and not diluted by unexercised share awards.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

Basic and diluted earnings per share are calculated as follows:

	Underlying earnings attributable to the equity holders of the parent		Earnings attributable to the equity holders of the parent	
	2025	2024	2025	2024
<b>Basic and diluted earnings (£m)</b>	<b>151.7</b>	147.1	<b>142.7</b>	142.3
<b>Weighted average number of ordinary shares (m)<sup>1</sup></b>				
Basic number of ordinary shares outstanding	70.5	72.1	70.5	72.1
Effect of dilution from:				
Share options and awards	1.3	1.5	1.3	1.5
<b>Diluted number of ordinary shares outstanding</b>	<b>71.8</b>	73.6	<b>71.8</b>	73.6
<b>Earnings per share</b>				
Basic earnings per share (p)	215.2	204.0	202.4	197.4
Diluted earnings per share (p)	211.3	199.9	198.7	193.3

<sup>1</sup> The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year. The weighted average number of shares excludes those held in the Employee Share Ownership Plan Trust and those held in treasury, which for the purpose of this calculation are treated as cancelled.

## 15 Goodwill and intangible assets

	Goodwill £m	Trade names £m	Customer contracts and relationships £m	Other intangibles £m	Total £m
<b>Cost</b>					
At 1 January 2024	238.6	32.8	45.2	27.1	343.7
Disposed with businesses	—	—	—	(2.1)	(2.1)
Reclassification	—	—	—	2.5	2.5
Exchange movements	(4.8)	(0.6)	(0.9)	(1.1)	(7.4)
At 31 December 2024 and 1 January 2025	233.8	32.2	44.3	26.4	336.7
Additions	—	—	—	0.1	0.1
Exchange movements	(8.0)	(0.8)	(1.3)	(1.2)	(11.3)
<b>At 31 December 2025</b>	<b>225.8</b>	<b>31.4</b>	<b>43.0</b>	<b>25.3</b>	<b>325.5</b>
<b>Accumulated amortisation and impairment</b>					
At 1 January 2024	131.0	28.9	42.6	26.6	229.1
Amortisation charge for the year	—	2.1	1.2	0.1	3.4
Disposed with businesses	—	—	—	(2.1)	(2.1)
Reclassification	—	—	—	2.5	2.5
Exchange movements	(4.8)	(0.6)	(0.9)	(1.1)	(7.4)
At 31 December 2024 and 1 January 2025	126.2	30.4	42.9	26.0	225.5
Amortisation charge for the year	—	0.9	0.7	0.1	1.7
Exchange movements	(1.4)	(0.8)	(1.3)	(1.0)	(4.5)
<b>At 31 December 2025</b>	<b>124.8</b>	<b>30.5</b>	<b>42.3</b>	<b>25.1</b>	<b>222.7</b>
<b>Carrying amount</b>					
At 1 January 2024	107.6	3.9	2.6	0.5	114.6
At 31 December 2024 and 1 January 2025	107.6	1.8	1.4	0.4	111.2
<b>At 31 December 2025</b>	<b>101.0</b>	<b>0.9</b>	<b>0.7</b>	<b>0.2</b>	<b>102.8</b>

Other intangibles represent internally developed software and licences. There are no indicators of impairment for assets relating to trade names,

customer contracts and relationships or other intangibles as at 31 December 2025. Assets disposed of during 2024 related mainly to the South African business.

For the purposes of impairment testing, goodwill has been allocated to six (2024: six) separate cash-generating units (CGUs). The carrying amount of goodwill allocated to the three CGUs with the largest goodwill balances is significant in comparison to the total carrying amount of goodwill and comprises 90% of the total (2024: 90%). The relevant CGUs and the carrying amount of the goodwill allocated to each are as set out below, together with the pre-tax discount rate and medium-term growth rate used in their value-in-use calculations:

CGU	Geographical segment	2025			2024		
		Carrying value £m	Pre-tax discount rate <sup>1</sup> %	Forecast growth rate %	Carrying value £m	Pre-tax discount rate <sup>1</sup> %	Forecast growth rate %
Keller US	North America	46.5	14.2	2.0	50.1	14.9	2.0
Suncoast	North America	31.9	14.0	2.0	34.4	14.8	2.0
Keller Canada	North America	12.1	13.0	2.0	12.4	13.6	2.0
Other	North America and Europe	10.5			10.7		
		<b>101.0</b>			<b>107.6</b>		

<sup>1</sup> Pre-tax discount rates and forecast growth rates are defined by market.

The recoverable amount of the goodwill allocated to each CGU has been calculated on a value-in-use basis. The calculations use cash flow projections based on financial budgets and forecasts approved by management and cover a three-year period.

The Group's businesses operate in a diverse geographical set of markets, some of which are expected to continue to face uncertain conditions in future years. The calculation of value in use for the CGUs is most sensitive to the following assumptions: forecast operating cash flow, the growth rates used to extrapolate cash flows beyond the forecast period and discount rates applied to future cash flows.

#### Forecast operating cash flow

Operating cash flow is impacted by the forecast revenues and margins assumed in the forecast. Management considers all the forecast revenues and margins to be reasonably achievable given recent performance and the historic trading results of the relevant CGUs. A margin for historical forecasting error has also been factored into the value-in-use model.

#### Growth rates

Cash flows beyond 2028 have been extrapolated using the forecast growth rates in the table above and do not exceed the long-term average growth rates for the markets in which the relevant CGUs operate. The growth rates used in the Group's value-in-use calculation into perpetuity are based on forecasted growth in the construction sector in each region where a CGU is located and adjusted for longer-term compound annual growth rates for each CGU as estimated by management.

#### Discount rates

The discount rates used in the value-in-use calculations are based on the weighted average cost of capital of companies comparable to the relevant CGUs, adjusted as necessary to reflect the risk associated with the asset being tested. The discount rates are set out in the table above.

#### Sensitivities

Management's assessment for Keller Canada is sensitive to the future successful execution of the CGU's business plan to meet forecasted margins. The estimated recoverable amount for Keller Canada exceeds the carrying value by £36.4m. The forecasted annual operating profit margin for 2026 to 2028 of 7.8% would need to decrease to 4.6% to result in a full impairment of the carrying value of the goodwill.

For the remaining significant CGUs, management believes that any reasonable possible change in the key assumptions on which the recoverable amounts of the CGUs are based would not cause any of their carrying amounts to exceed their recoverable amounts.

A number of sensitivities were run on the projections to identify the changes required in each of the key assumptions that, in isolation, would give rise to an impairment of the following goodwill balances.

CGU	Geographical segment	Increase in <sup>1</sup> discount rate %	Reduction in <sup>1</sup> future growth rate %	Reduction in final year cash Flow %
		Keller US	North America	76.7
Suncoast	North America	19.3	30.0	79.9
Keller Canada	North America	12.9	18.4	69.2

<sup>1</sup> The increase in discount rate and reduction in future growth rate are presented as gross movements.

## 16 Property, plant and equipment

Property, plant and equipment comprises owned and leased assets.

	Note	2025 £m	2024 £m
Property, plant and equipment – owned assets	16a	373.6	371.5
Right-of-use assets – leased assets	16b	83.3	89.9
<b>At 31 December</b>		<b>456.9</b>	<b>461.4</b>

## 16 a) Property, plant and equipment – owned assets

	Land and buildings £m	Plant, machinery and vehicles £m	Capital work in progress £m	Total £m
<b>Cost</b>				
At 1 January 2024	78.6	1,000.4	8.2	1,087.2
Additions	5.0	80.1	3.9	89.0
Disposals	(2.1)	(40.8)	—	(42.9)
Net transfers to held for sale <sup>1</sup>	(2.3)	(13.0)	—	(15.3)
Disposed with businesses	(0.1)	(10.2)	—	(10.3)
Reclassification	—	2.7	(2.7)	—
Exchange movements	(1.5)	(20.6)	(0.2)	(22.3)
At 31 December 2024 and 1 January 2025	77.6	998.6	9.2	1,085.4
Additions	4.4	86.4	(0.5)	90.3
Disposals	(1.4)	(40.8)	—	(42.2)
Net transfers (to)/from held for sale <sup>1</sup>	(0.2)	5.7	—	5.5
Reclassification	0.1	2.6	(2.7)	—
Exchange movements	(0.9)	(16.9)	(0.5)	(18.3)
<b>At 31 December 2025</b>	<b>79.6</b>	<b>1,035.6</b>	<b>5.5</b>	<b>1,120.7</b>

### Accumulated depreciation and impairment

At 1 January 2024	27.5	664.8	—	692.3
Charge for the year	2.0	76.8	—	78.8
Disposals	(1.6)	(27.5)	—	(29.1)
Net transfers to held for sale <sup>1</sup>	—	(2.4)	—	(2.4)
Disposed with businesses <sup>2</sup>	—	(9.5)	—	(9.5)
Exchange movements	(0.5)	(15.7)	—	(16.2)
At 31 December 2024 and 1 January 2025	27.4	686.5	—	713.9
Charge for the year	2.2	75.1	—	77.3
Disposals	(0.7)	(33.9)	—	(34.6)
Exchange movements	(0.1)	(9.4)	—	(9.5)
<b>At 31 December 2025</b>	<b>28.8</b>	<b>718.3</b>	<b>—</b>	<b>747.1</b>

### Carrying amount

At 1 January 2024	51.1	335.6	8.2	394.9
At 31 December 2024 and 1 January 2025	50.2	312.1	9.2	371.5
<b>At 31 December 2025</b>	<b>50.8</b>	<b>317.3</b>	<b>5.5</b>	<b>373.6</b>

<sup>1</sup> The carrying amount of assets held for sale at the balance sheet date are detailed in note 22.

<sup>2</sup> Assets disposed with the South African business in 2024 as detailed in note 5.

The Group had contractual commitments for the acquisition of property, plant and equipment of £11.5m (2024: £16.9m) at the balance sheet date. These amounts were not included in the balance sheet at the year end.

## 16 b) Right-of-use assets – leased assets

The Group has lease contracts for various items of land and buildings, plant, machinery and vehicles used in its operations. Leases of land and buildings generally have lease terms between 3 and 15 years, while plant, machinery and vehicles generally have lease terms between two and eight years. The Group's obligations under its leases are secured by the lessor's title to the lease assets. Generally, the Group is restricted from assigning and sub-leasing its leased assets. There are several lease contracts that include extension and termination options.

The Group has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of the right-of-use assets recognised and the movements during the year:

	Land and buildings £m	Plant, machinery and vehicles £m	Total £m
At 1 January 2024	52.0	33.3	<b>85.3</b>
Additions	7.6	18.8	<b>26.4</b>
Depreciation expense	(15.3)	(14.6)	<b>(29.9)</b>
Contract modifications	9.7	(0.9)	<b>8.8</b>
Exchange movements	(0.5)	(0.2)	<b>(0.7)</b>
At 31 December 2024 and 1 January 2025	53.5	36.4	<b>89.9</b>
Additions	1.7	19.7	<b>21.4</b>
Depreciation expense	(15.1)	(16.6)	<b>(31.7)</b>
Contract modifications	7.4	(0.2)	<b>7.2</b>
Exchange movements	(2.2)	(1.3)	<b>(3.5)</b>
<b>At 31 December 2025</b>	<b>45.3</b>	<b>38.0</b>	<b>83.3</b>

The carrying amounts of lease liabilities (included within note 26 within loans and borrowings) and the movements during the year are set out in note 27.

## 17 Investments in joint ventures

The Group's investment in joint ventures relates to a 50% interest in the ordinary shares of KFS Finland Oy, an entity incorporated in Finland.

	2025 £m
At 1 January 2025	<b>4.8</b>
Share of underlying post-tax results	<b>0.8</b>
Exchange movements	<b>0.3</b>
<b>At 31 December 2025</b>	<b>5.9</b>

  

	2024 £m
At 1 January 2024	4.5
Share of underlying post-tax results	0.5
Exchange movements	(0.2)
At 31 December 2024	4.8

In 2025, KFS Finland Oy earned total revenue of £58.2m (2024: £60.4m) and a statutory profit after tax for the year of £1.6m (2024: £1.0m).

The joint venture had no contingent liabilities or commitments as at 31 December 2025 (2024: £nil).

Aggregate amounts relating to joint ventures:

	2025		2024	
	Underlying £m	Statutory £m	Underlying £m	Statutory £m
<b>Revenue</b>	<b>58.2</b>	<b>58.2</b>	60.4	60.4
Operating costs <sup>1</sup>	<b>(56.0)</b>	<b>(56.0)</b>	(59.2)	(59.2)
<b>Operating profit</b>	<b>2.2</b>	<b>2.2</b>	1.2	1.2
Finance costs	<b>(0.2)</b>	<b>(0.2)</b>	(0.2)	(0.2)
<b>Profit before taxation</b>	<b>2.0</b>	<b>2.0</b>	1.0	1.0
Taxation	<b>(0.4)</b>	<b>(0.4)</b>	—	—
Profit for the year	<b>1.6</b>	<b>1.6</b>	1.0	1.0
<b>Group's share of post-tax results</b>	<b>0.8</b>	<b>0.8</b>	0.5	0.5

1 Included within operating costs is depreciation on owned assets of £2.2m (2024: £1.8m).

	KFS Finland Oy (100% of results)		Group's portion of the joint venture	
	2025 £m	2024 £m	2025 £m	2024 £m
Non-current assets	15.4	15.4	7.7	7.7
Cash and cash equivalents	3.2	2.8	1.6	1.4
Other current assets	7.0	8.2	3.5	4.1
<b>Total assets</b>	<b>25.6</b>	<b>26.4</b>	<b>12.8</b>	<b>13.2</b>
Other current liabilities	(7.0)	(8.6)	(3.5)	(4.3)
Non-current loans and borrowings	(6.6)	(7.8)	(3.3)	(3.9)
Other non-current liabilities	(0.4)	(0.4)	(0.2)	(0.2)
<b>Total liabilities</b>	<b>(14.0)</b>	<b>(16.8)</b>	<b>(7.0)</b>	<b>(8.4)</b>
<b>Net assets</b>	<b>11.6</b>	<b>9.6</b>	<b>5.8</b>	<b>4.8</b>

## 18 Other non-current assets

	2025 £m	2024 £m
Non-qualifying deferred compensation plan assets	20.7	23.0
Customer retentions	76.1	33.7
Other assets	0.9	1.3
Insurance receivables	7.9	30.3
	<b>105.6</b>	<b>88.3</b>

A non-qualifying deferred compensation plan (NQ) is available to US employees, whereby an element of eligible employee bonuses and salary is deferred over a period of four to six years. The plan allows participants to receive tax relief for contributions beyond the limits of the tax-free amounts allowed per the 401k defined contribution pension plan. The plan is administered by a professional investment provider with participants able to select their investments from an approved listing. An amount equal to each participant's compensation deferral is transferred into a trust and invested in various marketable securities. The related trust assets are not identical to investments held on behalf of the employee but are invested in similar funds with the objective that performance of the assets closely tracks the liabilities. The investments held in the trust are designated solely for the purpose of paying benefits under the non-qualified deferred compensation plan. The investments in the trust would however be available to all unsecured general creditors in the event of insolvency.

The value of both the employee investments and those held in trust by the company are measured using Level 1 inputs per IFRS 13 ('quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date') based on published market prices at the end of the period. Adjustments to the fair value are recorded within net finance costs in the consolidated income statement.

Invoiced amounts for customer retentions are balances typically payable at the end of a construction project, when all contractual performance obligations have been met, and are therefore received over a longer period of time.

At 31 December 2025, non-current assets in relation to the investments held in the trust were £20.7m (2024: £23.0m). The fair value movement on these assets was £2.4m (2024: £2.1m). During the period proceeds from the sale of NQ-related investments were £2.7m (2024: £nil). At 31 December 2025, non-current liabilities in relation to the participant investments were £15.9m (2024: £15.6m). These are accounted for as financial liabilities at fair value through profit or loss. The fair value movement on these liabilities was £2.3m (2024: £2.1m). During the year £0.4m (2024: £1.2m) of compensation was deferred.

Further details on insurance receivables are given in note 24.

## 19 Inventories

	2025 £m	2024 £m
Raw materials and consumables	55.9	49.2
Work in progress	1.4	1.1
Finished goods	29.5	31.3
	<b>86.8</b>	<b>81.6</b>

During 2025, £1.9m (2024: £2.0m) of inventory write-downs were recognised as an expense for inventories carried at net realisable value. This is recognised within operating costs in the consolidated income statement.

## 20 Trade and other receivables

	2025	2024
	£m	£m
Trade receivables	548.3	575.1
Contract assets	119.6	119.2
Other receivables	22.4	23.7
Prepayments	34.3	41.0
Insurance receivables	11.0	—
Fair value of derivative financial instruments	0.1	0.1
	<b>735.7</b>	<b>759.1</b>

Further details on insurance receivables included within other receivables are given in note 24.

Trade receivables and contract assets included in the balance sheet are shown net of expected credit loss provisions as detailed in note 2.

The movement in the allowance for expected credit losses of trade receivables and contract assets is as follows:

	2025	2024
	£m	£m
At 1 January	52.3	45.1
Used during the year	(1.7)	(2.7)
Additional provisions	16.1	21.0
Unused amounts reversed	(16.6)	(9.0)
Disposal of businesses	—	(1.3)
Exchange movements	(2.3)	(0.8)
<b>At 31 December<sup>1</sup></b>	<b>47.8</b>	<b>52.3</b>

<sup>1</sup> Of this amount £24.3m (2024: £27.0m) is subject to enforcement activity.

Set out below is information about the credit risk exposure on the Group's trade receivables and contract assets, detailing past due but not impaired, based on agreed terms and conditions with the customer:

	2025					
	Contract assets	Trade receivables and non-current customer retentions				
	Days past due					
	Total	Current	<30 days	31-90 days	>90 days	Total
	£m	£m	£m	£m	£m	£m
Expected credit loss rate	0%	2%	2%	1%	60%	7%
Estimated total gross carrying amount at default	120.1	479.3	88.0	47.1	57.3	671.7
Allowance for expected credit loss	(0.5)	(10.6)	(2.0)	(0.4)	(34.3)	(47.3)
<b>Carry amount as shown in the balance sheet</b>	<b>119.6</b>	<b>468.7</b>	<b>86.0</b>	<b>46.7</b>	<b>23.0</b>	<b>624.4</b>

	2024					
	Contract assets	Trade receivables and non-current customer retentions				
	Days past due					
	Total	Current	<30 days	31-90 days	>90 days	Total
	£m	£m	£m	£m	£m	£m
Expected credit loss rate	1%	1%	2%	1%	64%	8%
Estimated total gross carrying amount at default	120.8	460.9	80.1	52.6	65.9	659.5
Allowance for expected credit loss	(1.6)	(6.7)	(1.5)	(0.4)	(42.1)	(50.7)
<b>Carry amount as shown in the balance sheet</b>	<b>119.2</b>	<b>454.2</b>	<b>78.6</b>	<b>52.2</b>	<b>23.8</b>	<b>608.8</b>

The Group's expected credit loss rate for trade receivables and non-current customer retentions that were more than 90 days past due reduced from 64% in 2024 to 60% in 2025. The reduction was driven by the unused amounts reversed of £16.6m (2024: £9.0m) which included a large trade receivable, provided for in prior years, but recovered during the year after a prolonged legal process.

## 21 Cash and cash equivalents

	2025	2024
	£m	£m
Bank balances	142.3	116.1
Short-term deposits	139.2	91.6
<b>Cash and cash equivalents in the balance sheet</b>	<b>281.5</b>	<b>207.7</b>
<b>Cash and cash equivalents in the cash flow statement</b>	<b>281.5</b>	<b>207.7</b>

Cash and cash equivalents include £4.0m (2024: £5.0m) of the Group's share of cash and cash equivalents held by joint operations.

## 22 Assets held for sale

	2025	2024
	£m	£m
Land and buildings	0.2	—
Plant and machinery	—	9.2
	<b>0.2</b>	<b>9.2</b>

During 2025, £0.2m (2024: £12.9m) of assets were transferred from property, plant and equipment to Assets held for sale and £5.7m (2024: £nil) of assets were transferred from assets held for sale to property, plant and equipment. The assets transferred to property, plant and equipment comprised of £5.1m of rigs in Saudi Arabia that were subsequently brought into use elsewhere and an electric crane in Australia of £0.6m that is also now in use.

During the year, an asset in Australia with a net book value of £2.9m (2024: £2.4m) was sold for a total cash consideration of £3.0m (2024: £6.5m) resulting in a gain from the disposal of assets of £0.1m (2024: £4.1m) which is included in operating costs. £2.3m of the cash consideration for the asset was receivable as at 31 December 2025 and this balance is included in other receivables in note 20.

At 31 December 2025, assets held for sale comprised of a property in the United States costing £0.2m. At 31 December 2024, assets held for sale comprised of drilling rigs in Saudi Arabia costing £4.2m, a cargo ship in Australia costing £2.8m, other assets in Saudi Arabia costing £1.3m and other assets in Australia costing £0.2m, all of which were added during the period and an electric crane in Australia costing £0.6m.

## 23 Trade and other payables

	2025	2024
	£m	£m
Trade payables	191.1	168.0
Other taxes and social security payable	16.1	17.2
Other payables	182.6	163.3
Contract liabilities	98.3	115.2
Accruals	138.5	142.9
Non-qualifying compensation plan liabilities	1.9	1.4
Fair value of derivative financial instruments	0.4	0.7
	<b>628.9</b>	<b>608.7</b>

Other payables includes contingent and deferred consideration of £0.5m (2024: £0.6m), interest payable of £5.6m (2024: £6.0m), and contract specific accruals of £151.1m (2024: £131.3m).

## 24 Provisions

	Employee provisions	Restructuring provisions	Contract provisions	Insurance and legal provisions	Other provisions	Total
	£m	£m	£m	£m	£m	£m
As at 31 December 2024	11.0	4.0	66.3	90.6	2.6	174.5
Charge for the year	4.6	1.2	50.9	14.0	0.3	71.0
Used during the year	(2.9)	(2.6)	(33.9)	(1.8)	(0.1)	(41.3)
Unused amounts reversed	(0.1)	(0.1)	(8.8)	(14.6)	(0.5)	(24.1)
Unwinding of discount	0.2	—	—	0.6	—	0.8
Exchange movements	(0.5)	—	(1.6)	(1.8)	(0.1)	(4.0)
<b>At 31 December 2025</b>	<b>12.3</b>	<b>2.5</b>	<b>72.9</b>	<b>87.0</b>	<b>2.2</b>	<b>176.9</b>
Current	5.6	2.4	60.7	20.8	2.1	91.6
Non-current	6.7	0.1	12.2	66.2	0.1	85.3
<b>At 31 December 2025</b>	<b>12.3</b>	<b>2.5</b>	<b>72.9</b>	<b>87.0</b>	<b>2.2</b>	<b>176.9</b>

### Employee provisions

Employee provisions relate to various liabilities in respect of employee rights and benefits, including the workers' compensation scheme in North America and long service leave benefits in Australia.

At 31 December 2025, the provision in respect of workers' compensation was £6.4m (2024: £7.2m). A provision is recognised when an employee informs the company of a workers' compensation claim. The provision is measured based on information provided by the workers' compensation insurer. The actual costs that may be incurred in respect of these claims are dependent on the assessment of an employee's claim and potential medical expenses, with timing of outflows variable depending on the claim.

At 31 December 2025, the provision in respect of long service leave was £2.7m (2024: £2.1m). A provision is recognised at the point an employee joins the company, with an adjustment made to factor the likelihood that the employee will remain in continuous service with the company to meet the threshold to receive the benefits. It is measured on an IAS 19 basis, at the present value of expected future benefit for services provided by employees up to the reporting date. The actual costs that may be incurred are dependent on the length of service for employees and amended for any starters and leavers. The provision is utilised when the leave is taken by the employee or when unused leave is paid on termination of employment.

Employee provisions also includes an amount of £1.6m (2024: £1.7m) in respect of social security contributions on share options. This provision is

utilised as the options are exercised by employees, which occurs when the awards vest. The provision covers three years of open share options and will be utilised each year as the options vest.

## **Restructuring provisions**

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring, has raised a valid expectation in those individuals affected and liabilities have been identified. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring. The provisions comprise mainly amounts for redundancy costs. Estimates may differ from the actual charges depending on the finalisation of redundancy amounts. These provisions are expected to be utilised within the next 12 months.

The restructuring provisions in 2025 includes amounts provided in the year for exit costs arising from the closure of the Mauritius business.

The restructuring provisions in 2024 included amounts provided in the year for senior management changes, the majority of which had been utilised by year end.

## **Contract provisions**

Contract provisions include onerous contracts where the forecast costs of completing the contract exceed the revenue and provision for potential remediation or damages costs that we believe are probable to incur.

Provision for onerous contracts is made in full when such losses are foreseen, based on the estimated unavoidable costs of meeting the obligations of the contract, where these exceed the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The actual loss incurred is uncertain until the project has been completed, and the actual costs incurred to complete the contract could be higher or lower than estimated in the calculation of the provision. The majority of this balance is expected to be utilised in the next 12 months, given the general short-term nature of contracts.

Provision for potential remediation or damages costs typically arises after the completion of a project through a customer claim or dispute. The provision reflects our estimate of costs to be incurred in relation to the dispute, some disputes can take a long period of time to resolve and the actual amount incurred could be higher or lower than our provision, so there is uncertainty over both the amount and the timing of the expected cash outflows. The non-current element of the provision relates to disputes we expect will take longer than a year to resolve.

## **Insurance and legal provisions**

Insurance and legal provisions comprises the liability for legal claims against the Group, including those that are retained within the Group's captive insurer (the 'captive'). The captive covers both public liability and professional indemnity claims for the Group. The captive covers liabilities below an upper limit above which third-party insurance applies. The provision also includes matters relating to separate legal issues which are not covered by the captive, including claims arising from civil matters which could result in penalties and legal costs. By their nature the amounts and timings of any outflows are difficult to predict.

Provisions for insurance and legal claims are made based on the best estimate of the likely total settlement value of a claim against the Group. Management seek specialist input from legal advisers and the Group's insurance claims handler to estimate the most likely legal outcome. The outcome of legal negotiations is inherently uncertain; as a result, there can be no guarantee that the assumptions used to estimate the provision will result in an accurate prediction of the actual costs that may be incurred.

A provision is recognised when it is judged likely that a legal claim will result in a payment to the claimant and the amount of the claim can be reliably estimated. Provisions are utilised as insurance or other legal claims are settled, which may take a number of years. A separate insurance receivable is recognised to the extent that confirmed third-party insurance is expected to cover any element of an estimated claim value and is virtually certain to be recovered. The asset is recognised within other non-current assets (refer to note 18) and trade and other receivables (refer to note 20). Management considers that there are no instances of reimbursable assets which are probable in nature.

During the year £14.6m of the insurance related provision was reversed, this mainly related to two insured claims settled during the year for amounts less than originally provided. The reduction in the provision for these two claims was matched by a reduction in the insurance receivable and therefore had no impact on the income statement for the period.

## **Other provisions**

Other provisions are in respect of property dilapidation arising from lease obligations and other operational provisions. Where a lease includes a 'make-good' requirement, provision for the cost is recognised as the obligation is incurred, either at the commencement of the lease or as a consequence of using the asset, and the cost of the expected work required can be reliably estimated. These are expected to be utilised over the relevant lease term which ranges from 3 to 15 years across the Group.

## 25 Other non-current liabilities

	2025	2024
	£m	£m
Non-qualifying compensation plan liabilities	15.9	15.6
Other liabilities	1.4	3.0
	17.3	18.6

Other liabilities include contingent consideration of £0.6m (2024: £2.6m).

Refer to note 18 for further information on the non-qualifying deferred compensation plan.

## 26 Financial instruments

Exposure to credit, interest rate and currency risks arise in the normal course of the Group's business and have been identified as risks for the Group. Derivative financial instruments are used to hedge exposure to fluctuations in foreign exchange and interest rates.

The Group does not trade in financial instruments nor does it engage in speculative derivative transactions.

### Currency risk

The Group faces currency risk principally on its net assets, most of which are in currencies other than sterling. The Group aims to reduce the impact that retranslation of these net assets might have on the consolidated balance sheet by matching the currency of its borrowings, where possible, with the currency of its assets. The majority of the Group's borrowings are held in US dollars.

The Group manages its currency flows to minimise transaction exchange risk. Forward contracts are used to hedge significant individual transactions. The majority of such currency flows within the Group relate to the repatriation of profits, intra-group loan repayments and any foreign currency cash flows associated with acquisitions. The Group's treasury risk management is performed at the Group's head office.

As at 31 December 2025, the fair value of outstanding foreign exchange forward contracts was £0.1m (2024: 0.1m) included in current assets and £0.4m (2024: £0.7m) included in current liabilities.

### Interest rate risk

Our objectives are to add stability to the interest expense and to manage our exposure to interest rate movements. To accomplish these objectives, we primarily use fixed rate external debt and have previously used interest rate swaps as part of our interest rate risk management strategy.

Interest rate risk is managed by either fixed or floating rate borrowings dependent upon the purpose and term of the financing.

As at 31 December 2025, 100% (2024: 100%) of the Group's third-party borrowings were at fixed interest rates.

### Hedging currency risk and interest rate risk

The Group currently uses hedge accounting to manage currency risk only. Where hedging instruments are used to hedge significant individual transactions, the Group ensures that the critical terms, including dates, currencies, nominal amounts, interest rates and lengths of interest periods, are matched. The Group uses both qualitative and quantitative methods to confirm this and to assess the effectiveness of the hedge.

There are no derivatives or other hedging instruments in place at the balance sheet date held for the purpose of hedging interest rate risk.

### Credit risk

The Group's principal financial assets are trade and other receivables, bank and cash balances and a limited number of investments and derivatives held to hedge certain Group exposures. These represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group has procedures to manage counterparty risk and the assessment of customer credit risk is embedded in the contract tendering processes. The counterparty risk on bank and cash balances is managed by limiting the aggregate amount of exposure to any one institution by reference to their credit rating and by regular review of these ratings.

Customer credit risk is mitigated by the Group's relatively small average contract size and diversity, both geographically and in terms of end markets. No individual customer represented more than 4% of revenue in 2025 (2024: 4%). The ageing of trade receivables that were past due but not impaired is shown in note 20.

The Group evaluates each new customer and assesses their creditworthiness before any contract is undertaken.

The Group reviews customer receivables (including contract assets) on an ageing basis and provides against expected unrecoverable amounts. Experience has shown the level of historical provision required to be relatively low. Credit loss provisioning reflects past experience, economic factors and specific conditions.

The Group's estimated exposure to credit risk for trade receivables and contract assets is disclosed in note 20. This amount is the accumulation of several years of provisions for known or expected credit losses.

## Liquidity risk and capital management

The Group's capital structure is kept under constant review, taking into account the need for availability and cost of various sources of funding. The capital structure of the Group consists of net debt and equity as shown in the consolidated balance sheet. The Group maintains a balance between the certainty of funding and a flexible, cost-effective financing structure, with all main borrowings being from committed facilities. The Group's policy ensures that its capital structure is appropriate to support this balance and the Group's operations.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group's debt and committed facilities mainly comprise a \$120m private placement repayable in August 2030, a \$180m private placement repayable in August 2033 and a £400m syndicated revolving credit facility (RCF) expiring in June 2030.

When agreed in 2024, the RCF had an extension option for two further years to June 2030 and June 2031, with the agreement of the lending banks, and its terms and conditions are materially the same as the prior facility. In June 2025, the first extension option was exercised, and the facility therefore now expires in June 2030. The RCF remained undrawn at 31 December 2025.

The private placement debt and RCF are subject to certain covenants linked to the Group's financing structure, specifically regarding the ratios of net debt and interest to profit. The covenants are calculated on an IAS 17 basis; EBITDA to net debt leverage must be below three times and EBITDA interest cover must be above four times. The covenants are tested at the half-year and year-end reporting dates. The liability for the private placement debt has been presented as a non-current liability as it is not due to be repaid until 2030 and 2033, and we do not anticipate having any difficulty in complying with the covenants. The Group has complied with these covenants throughout the year, and the going concern assessment detailed in note 1 indicated that the covenants would not be breached in our most extreme downside scenario incorporating an aggregation of all risks considered.

At the year end, the Group also had other borrowing facilities available of £47.1m (2024: £47.4m).

## Private placements

In August 2023, \$120m and \$180m were raised through a private placement with US institutions. The US private placement notes are accounted for on an amortised cost basis and are retranslated at the exchange rate at each period end. The carrying value of the \$120m and \$180m private placement liabilities at 31 December 2025 were £88.6m and £133.0m, respectively.

In December 2024, the Group repaid \$75m of US private placement notes as they fell due. The repayment was funded from the proceeds of the 2023 US private placement notes.

## Hedging

The Group entered into a Treasury lock on 28 April 2023 designated as a cash flow hedge against the highly probable cash outflows for the interest payments on the US private placement notes issued in August 2023. A Treasury lock is a synthetic forward sale of a US Treasury note, which is settled in cash based upon the difference between an agreed-upon treasury rate and the prevailing treasury rate at settlement. Such Treasury locks are entered into to effectively fix the underlying treasury rate component of an upcoming debt issuance. The Treasury lock was settled on 26 May 2023. The gain from the proceeds of the hedging instrument was recognised in the hedging reserve and an amount is transferred to the income statement as the cash flows are realised.

All hedges are tested for effectiveness every six months. All hedging relationships remained effective during the year while they were in place.

## Accounting classifications

	2025	2024
	£m	£m
<b>Financial assets measured at fair value through profit or loss</b>		
Non-qualifying deferred compensation plan	20.7	23.2
Forward contracts	0.1	0.1
<b>Financial assets measured at amortised cost</b>		
Trade receivables (including non-current customer retentions)	624.4	608.8
Contract assets	119.6	119.2
Cash and cash equivalents	281.5	207.7
<b>Financial liabilities at fair value through profit or loss</b>		
Non-qualifying compensation plan liabilities	(17.8)	(17.0)
Contingent consideration payable	(1.1)	(3.2)
Forward contracts	(0.4)	(0.7)
<b>Financial liabilities measured at amortised cost</b>		
Trade payables	(191.1)	(168.0)
Contract liabilities	(98.3)	(115.2)
Bank and other loans	(218.9)	(236.6)
Lease liabilities	(91.5)	(98.0)

## Effective interest rates and maturity analysis

In respect of financial liabilities, the following table indicates their effective interest rates and undiscounted contractual cash flows at the balance sheet date:

	2025						Carrying amount as shown in the balance sheet £m
	Effective interest rate	Due within 1 year	Due within 1-2 years	Due within 2-5 years	Due after more than 5 years	Total	
	%	£m	£m	£m	£m	£m	
Bank loans and overdrafts	1.5	(0.1)	(0.1)	—	—	(0.2)	(0.1)
Other loans and private placements	6.4	(14.3)	(14.3)	(129.4)	(155.7)	(313.7)	(218.8)
Lease liabilities	6.8	(34.9)	(26.9)	(34.0)	(8.9)	(104.7)	(91.5)
Contract liabilities	—	(98.3)	—	—	—	(98.3)	(98.3)
Trade payables	—	(191.1)	—	—	—	(191.1)	(191.1)
Non-qualifying compensation plan liabilities	—	(1.9)	(2.7)	(2.1)	(11.1)	(17.8)	(17.8)
Forward contracts	—	(0.4)	—	—	—	(0.4)	(0.4)
Contingent consideration	—	(0.5)	(0.4)	(0.2)	—	(1.1)	(1.1)
		<b>(341.5)</b>	<b>(44.4)</b>	<b>(165.7)</b>	<b>(175.7)</b>	<b>(727.3)</b>	<b>(619.1)</b>

	2024						Carrying amount as shown in the balance sheet £m
	Effective interest rate	Due within 1 year	Due within 1-2 years	Due within 2-5 years	Due after more than 5 years	Total	
	%	£m	£m	£m	£m	£m	
Bank loans and overdrafts	1.4	(0.3)	(0.1)	—	—	(0.4)	(0.4)
Other loans and private placements	6.4	(15.4)	(15.4)	(46.1)	(277.1)	(354.0)	(236.2)
Lease liabilities	—	(33.1)	(27.0)	(40.8)	(13.6)	(114.5)	(98.0)
Contract liabilities	—	(115.2)	—	—	—	(115.2)	(115.2)
Trade payables	—	(168.0)	—	—	—	(168.0)	(168.0)
Non-qualifying compensation plan liabilities	—	(1.8)	(2.5)	(2.1)	(10.6)	(17.0)	(17.0)
Forward contracts	—	(0.7)	—	—	—	(0.7)	(0.7)
Contingent consideration	—	(0.6)	(1.0)	(2.0)	—	(3.6)	(3.2)
		<b>(335.1)</b>	<b>(46.0)</b>	<b>(91.0)</b>	<b>(301.3)</b>	<b>(773.4)</b>	<b>(638.7)</b>

## Loans and borrowings analysis

	2025 £m	2024 £m
\$120m private placement (due August 2030)	(88.6)	(95.7)
\$180m private placement (due August 2033)	(133.0)	(143.6)
Deferred financing costs	2.8	3.1
Bank overdrafts	—	—
Other bank borrowings	(0.1)	(0.4)
Lease liabilities (note 27)	(91.5)	(98.0)
<b>Total loans and borrowings</b>	<b>(310.4)</b>	<b>(334.6)</b>

The Group has substantial borrowing facilities available to it. The undrawn committed facilities available at 31 December 2025 amounted to £400.0m (2024: £400.0m), this is the Group's unutilised £400m revolving credit facility, which expires on 4 June 2030. In addition, the Group had undrawn uncommitted borrowing facilities totalling £47.1m at 31 December 2025 (2024: £47.4m). Other uncommitted bank borrowing facilities are normally reaffirmed by the banks annually, although they can theoretically be withdrawn at any time. Facilities totalling £nil (2024: £nil) are secured against certain assets. Future obligations under finance leases on a former IAS 17 basis totalled £3.1m (2024: £0.6m), including interest of £0.2m (2024: £0.1m).

Changes in loans and borrowings were as follows:

	2024 £m	Cash flows £m	Other <sup>1</sup> £m	New leases £m	Foreign exchange movements £m	Fair value changes £m	2025 £m
Bank loans	(0.4)	0.3	—	—	—	—	(0.1)
Private placements	(239.3)	—	(0.1)	—	17.8	—	(221.6)
Deferred financing costs	3.1	0.5	(0.8)	—	—	—	2.8
Lease liabilities (note 27)	(98.0)	37.5	(13.6)	(21.4)	4.0	—	(91.5)
<b>Total loans and borrowings</b>	<b>(334.6)</b>	<b>38.3</b>	<b>(14.5)</b>	<b>(21.4)</b>	<b>21.8</b>	<b>—</b>	<b>(310.4)</b>

<sup>1</sup> Other comprises disposals and contract modifications and interest accretion on lease liabilities and the amortisation of deferred financing costs on bank loans and private placements.

Changes in loans and borrowings in the prior year were as follows:

	2023	Cash flows	Other <sup>1</sup>	New leases	Foreign exchange movements	Fair value changes	2024
	£m	£m	£m	£m	£m	£m	£m
Bank overdrafts	(2.4)	2.4	—	—	—	—	—
Bank loans	(0.8)	0.4	—	—	—	—	(0.4)
Private placements	(294.4)	58.6	(0.2)	—	(3.3)	—	(239.3)
Deferred financing costs	0.5	3.5	(0.9)	—	—	—	3.1
Lease liabilities (note 27)	(91.6)	34.2	(15.0)	(26.4)	0.8	—	(98.0)
<b>Total loans and borrowings</b>	<b>(388.7)</b>	<b>99.1</b>	<b>(16.1)</b>	<b>(26.4)</b>	<b>(2.5)</b>	<b>—</b>	<b>(334.6)</b>

1 Other comprises disposals and contract modifications and interest accretion on lease liabilities and the amortisation of deferred financing costs on bank loans.

## Cash flow hedges

At 31 December 2025, the Group held foreign exchange forward contracts to hedge exposures to changes in foreign currency rates. The net value of instruments held was £0.4m (2024: £0.7m).

	2025							Nominal amount £m
	Maturity				Carrying amount		Change in fair value used for calculating hedge ineffectiveness £m	
	<1 year £m	1-2 years £m	2-5 years £m	>5 years £m	Asset £m	Liability £m		
Forward exchange forwards	(0.4)	—	—	—	—	(0.4)	—	(0.4)

	2024							Nominal amount £m
	Maturity				Carrying amount		Change in fair value used for calculating hedge ineffectiveness £m	
	<1 year £m	1-2 years £m	2-5 years £m	>5 years £m	Asset <sup>1</sup> £m	Liability £m		
Forward exchange forwards	(0.7)	—	—	—	—	(0.7)	—	(0.7)

## Fair value hedges

At 31 December 2025, the Group held no instruments to hedge exposures to changes in interest rates (2024: £nil).

## Fair values

The fair values of the Group's financial assets and liabilities are not materially different from their carrying values. The following summarises the major methods and assumptions used in estimating the fair values of financial instruments; being derivatives, interest-bearing loans and borrowings, contingent and deferred consideration and payables, receivables and contract assets, cash and cash equivalents.

## Derivatives

The fair values of foreign currency forward contracts are calculated based on achieved contract rates compared to the prevailing market rates at the balance sheet date. The valuation methods of all of the Group's derivative financial instruments carried at fair value are categorised as Level 2. Level 2 assets are financial assets and liabilities that do not have regular market pricing, but whose fair value can be determined based on other data values or market prices.

## Interest-bearing loans and borrowings

Fair value is calculated based on expected future principal and interest cash flows discounted using appropriate discount rates prevailing at the balance sheet date.

## Contingent and deferred consideration

Fair value is calculated based on the amounts expected to be paid, determined by reference to forecasts of future performance of the acquired businesses, discounted using appropriate discount rates prevailing at the balance sheet date and the probability of contingent events and targets being achieved.

The valuation methods of the Group's contingent consideration carried at fair value are categorised as Level 3. Level 3 assets are financial assets and liabilities that are considered to be the most illiquid. Their values have been estimated using available management information, including subjective assumptions. The individually significant unobservable inputs used in the fair value measurement of the Group's contingent consideration as at 31 December 2025 are the estimation of future profits at Keller Arabia in order to determine the expected outcome of the earnout arrangement.

The following table shows a reconciliation from the opening to closing balances for contingent and deferred consideration:

	2025	2024
	£m	£m
At 1 January	3.2	10.7
Paid during the period	(0.6)	(0.9)
Fair value in the income statement during the period (note 9)	(1.3)	(6.4)
Exchange movements	(0.2)	(0.2)
<b>At 31 December</b>	<b>1.1</b>	<b>3.2</b>

On 29 August 2023, the Group acquired the 35% interest in the voting shares of Keller Company Limited (formerly Keller Turki Company Limited). A contingent consideration is payable annually between the years 2023 and 2027, dependent on the qualifying revenue generated by the business for each of those years. The fair value of the contingent consideration as at 31 December 2025 was £1.1m (SAR 5.6m).

Total contingent consideration of £0.6m (2024: £0.7m) was paid during the year, in respect of the acquisition of the 35% interest in the voting shares of Keller Company Limited in 2023. During 2024, £0.2m of deferred consideration was also paid in respect of the Voges Drilling acquisition in 2021.

In 2025, a fair value movement of £1.3m (2024: £5.2m) related to Keller Company Limited. During 2024, there were also fair value movements during the year of £0.8m related to contingent consideration on the GKM Consultants Inc. acquisition and £0.4m related to deferred consideration on the Nordwest Fundamentering AS acquisition, which both took place in 2022.

### Payables, receivables and contract assets

For payables, receivables and contract assets with an expected maturity of one year or less, the carrying amount is deemed to reflect the fair value.

### Non-qualifying deferred compensation plan assets and liabilities

The value of both the employee investments and those held in trust by the company are measured using Level 1 inputs per IFRS 13 ('quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date') based on published market prices at the end of the period. Adjustments to the fair value of the assets and related liabilities are recorded within net finance costs in the consolidated income statement.

Refer to note 18 for further information on the non-qualifying deferred compensation plan.

### Interest rate and currency profile

The profile of the Group's financial assets and financial liabilities after taking account of the impact of hedging instruments was as follows:

	2025						
	GBP	USD	EUR	CAD	AUD	Other	Total
Weighted average fixed debt interest rate (%)	—	6.4	1.5	—	—	—	6.4
Weighted average fixed debt period (years)	—	6.4	2.0	—	—	—	6.4

	2025						
	GBP	USD	EUR	CAD	AUD	Other	Total
	£m	£m	£m	£m	£m	£m	£m
Fixed rate financial liabilities	—	(218.8)	(0.1)	—	—	—	(218.9)
Lease liabilities	(4.4)	(58.9)	(6.9)	(3.0)	(3.4)	(14.9)	(91.5)
Cash and cash equivalents	99.0	60.1	16.5	13.2	24.4	68.3	281.5
<b>Net debt</b>	<b>94.6</b>	<b>(217.6)</b>	<b>9.5</b>	<b>10.2</b>	<b>21.0</b>	<b>53.4</b>	<b>(28.9)</b>

<b>Trade receivables (including non-current customer retentions)</b>	<b>7.0</b>	<b>398.3</b>	<b>45.8</b>	<b>42.3</b>	<b>24.1</b>	<b>106.9</b>	<b>624.4</b>
<b>Trade payables</b>	<b>(4.6)</b>	<b>(96.7)</b>	<b>(27.2)</b>	<b>(9.3)</b>	<b>(13.0)</b>	<b>(40.3)</b>	<b>(191.1)</b>

	2024						
	GBP	USD	EUR	CAD	AUD	Other	Total
Weighted average fixed debt interest rate (%)	—	6.4	1.4	—	—	—	6.4
Weighted average fixed debt period (years)	—	7.4	1.7	—	—	—	7.4

	2024						
	GBP	USD	EUR	CAD	AUD	Other	Total
	£m	£m	£m	£m	£m	£m	£m
Fixed rate financial liabilities	—	(236.2)	(0.4)	—	—	—	(236.6)
Lease liabilities	(5.7)	(66.1)	(7.6)	(4.2)	(4.3)	(10.1)	(98.0)
Cash and cash equivalents	93.8	6.0	16.7	6.8	27.9	56.5	207.7
<b>Net debt</b>	<b>88.1</b>	<b>(296.3)</b>	<b>8.7</b>	<b>2.6</b>	<b>23.6</b>	<b>46.4</b>	<b>(126.9)</b>

<b>Trade receivables (including non-current customer retentions)</b>	<b>8.2</b>	<b>405.2</b>	<b>39.6</b>	<b>60.2</b>	<b>19.6</b>	<b>76.0</b>	<b>608.8</b>
<b>Trade payables</b>	<b>(6.9)</b>	<b>(82.9)</b>	<b>(27.2)</b>	<b>(5.6)</b>	<b>(3.7)</b>	<b>(41.7)</b>	<b>(168.0)</b>

## Sensitivity analysis

At 31 December 2025, all borrowings are at fixed rate, therefore the only interest rate exposure is on the rate of interest earned on cash and cash equivalents. It is estimated that an increase of 500 basis points in interest rates would have increased the Group's profit before taxation by approximately £0.9m (2024: £0.9m).

It is estimated that a general increase of 10 percentage points in the value of sterling against other principal foreign currencies would have decreased the Group's profit before taxation and non-underlying items by approximately £23m for the year ended 31 December 2025 (2024: £21m). The estimated impact of a 10 percentage point decrease in the value of sterling is an increase of £28m (2024: £26m) in the Group's profit before taxation and non-underlying items. This sensitivity relates to the impact of retranslation of foreign earnings only. The impact on the Group's earnings of currency transaction exchange risk is not significant. These sensitivities assume all other factors remain constant.

## 27 Lease liabilities

Set out below are the carrying amounts of lease liabilities (included within note 26 within loans and borrowings) and the movements during the year:

	2025	2024
	£m	£m
At 1 January	98.0	91.6
Additions	21.4	26.4
Contract modifications	7.2	8.8
Interest expense	6.4	6.2
Payments	(37.5)	(34.2)
Exchange movements	(4.0)	(0.8)
<b>At 31 December</b>	<b>91.5</b>	<b>98.0</b>
Current	29.9	27.5
Non-current	61.6	70.5

## 28 Share capital and reserves

	2025	2024
	£m	£m
Allotted, called up and fully paid equity share capital: 73,099,735 ordinary shares of 10p each (2024: 73,099,735)	7.3	7.3

The company has one class of ordinary shares, which carries no rights to fixed income. There are no restrictions on the transfer of these shares.

The capital redemption reserve of £7.6m is a non-distributable reserve created when the company's shares were redeemed or purchased other than from the proceeds of a fresh issue of shares.

The other reserve of £56.9m is a non-distributable reserve created when merger relief was applied to an issue of shares under section 612 of the Companies Act 2006 to part-fund the acquisition of Keller Canada. The reserve becomes distributable should Keller Canada be disposed of.

As at 31 December 2025, the total number of shares held in treasury was 2,686,898 (2024: 123,153). The increase in treasury shares reflects 2,570,100 shares (2024: nil) purchased under the Group's announced share buyback arrangements. The cost of the market purchases was £38.9m (2024: £nil). In addition, 6,355 treasury shares (2024: 199,980) were issued to satisfy obligations under the Keller Group plc Long Term Incentive Plan.

During the year to 31 December 2025, 253,175 ordinary shares were purchased by the Keller Group Employee Benefit Trust (2024: 1,454,195 purchased) to be used to satisfy future obligations of the company under the Keller Group plc Long Term Incentive Plan and 654,533 shares were utilised to satisfy the obligation in the year (2024: 426,686). This brings the total ordinary shares held by the Employee Benefit Trust to 1,163,322 (2024: 1,564,680). The cost of the market purchases was £3.6m (2024: £20.1m).

There is a dividend waiver in place for both shares held in treasury and by the Keller Group Employee Benefit Trust.

## 29 Related party transactions

Transactions between the parent, its subsidiaries and joint operations, which are related parties, have been eliminated on consolidation. Other related party transactions are disclosed below:

## Compensation of key management personnel

The remuneration of the Board and Executive Committee, who are the key management personnel, comprised:

	2025	2024
	£m	£m
Short-term employee benefits	8.7	8.5
Post-employment benefits	0.3	0.3
Termination payments	—	—
	<b>9.0</b>	<b>8.8</b>

## Other related party transactions

As at 31 December 2025, there was a net balance of £nil (2024: £nil) owed by the joint venture. These amounts are unsecured, have no fixed date of repayment and are repayable on demand.

## 30 Commitments

### Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred was £11.5m (2024: £16.9m) and relates to property, plant and equipment purchases.

## 31 Guarantees, contingent liabilities and contingent assets

Claims and disputes arise, both in the normal course of business and in relation to the historic construction activities of the Group, some of which lead to litigation or arbitration procedures. Such claims are predominantly covered by the Group's insurance arrangements. The Group recognises provisions for liabilities when it is more likely than not that a settlement will be required and the value of such a payment can be reliably estimated.

At 31 December 2025, the Group had outstanding standby letters of credit and surety bonds for the Group's captive and other global insurance arrangements totalling £43.2m (2024: £34.8m). The Group enters into performance and advance payment bonds and other undertakings in the ordinary course of business, using guarantee facilities with financial institutions to provide these bonds to customers. At 31 December 2025, the Group had £162.7m outstanding related to performance and advanced payment bonds (2024: £167.1m). These are treated as a contingent liability until such time it becomes probable that payment will be required under the individual terms of each arrangement. It is judged to be a remote possibility that a payment will be required under any of the current performance or advance payment bonds.

At 31 December 2025, the Group had no contingent assets (2024: £nil).

## 32 Share-based payments

The Group operates a Long Term Incentive Plan (the 'Plan'). Under the Plan, Executive Directors and certain members of senior management are granted nil-cost share options with a vesting period of three years. The awards are exercised automatically on vesting, in addition the Executive Directors are subject to a two-year post-vesting holding period.

Performance share awards are granted to Executive Directors and key management personnel which are subject to performance conditions including total shareholder return, earnings per share, return on capital employed and operating profit margin. Conditional awards are granted under which senior management receive shares subject only to service conditions, ie the requirement for participants to remain in employment with the Group over the vesting period. Participants are entitled to receive dividend equivalents on these awards.

Outstanding awards are as follows:

	Number
Outstanding at 1 January 2024	2,088,266
Granted during 2024	681,046
Lapsed during 2024	(122,387)
Exercised during 2024	(652,419)
Outstanding at 31 December 2024 and 1 January 2025	<b>1,994,506</b>
Granted during 2025	<b>618,562</b>
Lapsed during 2025	<b>(76,755)</b>
Exercised during 2025	<b>(671,060)</b>
<b>Outstanding at 31 December 2025</b>	<b>1,865,253</b>
Exercisable at 1 January 2024	—
Exercisable at 31 December 2024 and 1 January 2025	—
<b>Exercisable at 31 December 2025</b>	<b>—</b>

The average share price during the year was 1,444.6p (2024: 1,298.7p).

Under IFRS 2, the fair value of services received in return for share awards granted is measured by reference to the fair value of share options granted. The estimate of the fair value of share awards granted is measured based on a stochastic model. The contractual life of the award is used as an input into this model, with expectations of early exercise being incorporated into the model.

The inputs into the stochastic model are as follows:

	2025	2024
Share price at grant	<b>1,392.0p</b>	1,006.0p
Weighted average exercise price	<b>0.0p</b>	0.0p
Expected volatility	<b>33.6%</b>	31.5%
Expected life	<b>3 years</b>	3 years
Risk-free rate	<b>4.1%</b>	4.2%
Expected dividend yield	<b>0.00%</b>	0.00%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous three years, adjusted for any expected changes to future volatility due to publicly available information.

The Group recognised total expenses (included in operating costs) of £4.9m (2024: £4.2m) related to equity-settled, share-based payment transactions.

The weighted average fair value of options granted in the year was 1,444.6p (2024: 1,298.7p). Options outstanding at the year-end have a weighted average remaining contractual life of 1.2 years (2024: 1.2 years).

The awards, which are taken as shares, are intended to be satisfied from shares held under the Keller Group Employee Benefit Trust (the 'Trust') or from treasury shares held. The shares held by the Trust are accounted for as a deduction from equity in retained earnings. At 31 December 2025, 1,163,322 (2024: 1,564,680) ordinary shares were held by the Trust with a value of £15.5m (2024: £20.5m).

### 33 Retirement benefit liabilities

The Group operates pension schemes in the UK and overseas.

In the UK, the Group operates the Keller Group Pension Scheme (the 'Scheme'), a defined benefit scheme, which has been closed to new members since 1999 and was closed to all future benefit accrual with effect from 31 March 2006. Under the Scheme, employees are normally entitled to retirement benefits on attainment of a retirement age of 65. The Scheme is subject to UK pensions legislation which, inter alia, provides for the regulation of work-based pension schemes by The Pensions Regulator. The trustees are aware of and adhere to the Codes of Practice issued by The Pensions Regulator. The Scheme trustees currently comprise one member-nominated trustee and two employer-nominated trustees. An employer-nominated trustee is also the Chair of the trustees. The Scheme exposes the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk, which are managed through the investment strategy to acceptable levels established by the trustees. The Scheme can invest in a wide range of asset classes including equities, bonds, cash, property, alternatives (including private equity, commodities, hedge funds, infrastructure, currency, high yield debt and derivatives) and annuity policies. Any investment in derivative instruments is only made to contribute to a reduction in the overall level of risk in the portfolio or for the purposes of efficient portfolio management. With effect from the most recent actuarial valuation date (5 April 2023), the Group agreed to pay a contribution of £1.7m in total, paid in monthly instalments from January to August 2024. Contributions have now ceased, subject to a review of the level of employer contributions at the next actuarial review in 2026.

In June 2023, the UK High Court (*Virgin Media Limited v NTL Pension Trustees II Limited*) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation notice. The case was subsequently reviewed by the Court of Appeal in July 2024 which upheld the High Court's decision. The Keller Group Pension Scheme was contracted out of the additional state pension between 1997 and 2016. Following a review of the scheme amendments during the relevant period, the Group has not identified any amendments where further investigation is required as a result of that Court of Appeal judgement.

The Group has two UK defined contribution retirement benefit schemes. There were no contributions outstanding in respect of these schemes at 31 December 2025 (2024: £nil). The total UK defined contribution pension charge for the year was £1.6m (2024: £1.7m).

The Group has defined benefit retirement obligations in Germany and Austria. Under these schemes, employees are entitled to retirement benefits on attainment of a retirement age of 65, provided they have either five or ten years of employment with the Group, depending on the area or field they are working in. The amount of benefit payable depends on the grade of the employee and the number of years of service. Benefits under these schemes only apply to employees who joined the Group prior to 1997. These defined benefit retirement obligations are funded on the Group's balance sheet and obligations are met as and when required by the Group.

The Group has a number of end of service schemes in the Middle East as required by local laws and regulations. The amount of benefit payable depends on the current salary of the employee and the number of years of service. These retirement obligations are funded on the Group's balance sheet and obligations are met as and when required by the Group.

The Group operates a defined contribution scheme for employees in North America, where the Group is required to match employee contributions up to a certain level in accordance with the scheme rules. The total North America pension charge for the year was £9.4m (2024: £9.0m).

In Australia, there is a defined contribution scheme where the Group is required to ensure that a prescribed level of superannuation support of an employee's notional base earnings is made. This prescribed level of support is currently 12.0% (2024: 11.5%). The total Australian pension charge for the year was £6.2m (2024: £5.1m).

Details of the Group's defined benefit schemes are as follows:

	The Keller Group Pension Scheme (UK)	The Keller Group Pension Scheme (UK)	German, <sup>1</sup> Austrian and other schemes	German, <sup>1</sup> Austrian and other schemes
	2025	2024	2025	2024
	£m	£m	£m	£m
Present value of the scheme liabilities	(36.0)	(37.0)	(15.4)	(15.2)
Fair value of assets	41.6	43.3	—	—
<b>Surplus/(deficit) in the scheme</b>	<b>5.6</b>	<b>6.3</b>	<b>(15.4)</b>	<b>(15.2)</b>
Irrecoverable surplus	(5.6)	(6.3)	—	—
<b>Net defined benefit liability</b>	<b>—</b>	<b>—</b>	<b>(15.4)</b>	<b>(15.2)</b>

1 Included in this balance is £3.7m (2024: £3.7m) in relation to the end of service schemes in the Middle East.

For the Keller Group Pension Scheme, based on the net deficit of the Scheme as at 31 December 2025 and the committed payments under the Schedule of Contributions agreed on 15 December 2023, there is an irrecoverable surplus of £5.6m (2024: £6.3m). Management is of the view that, based on the Scheme rules, it does not have an unconditional right to a refund of a surplus under IFRIC 14. The minimum funding requirement is equal to the IAS 19 surplus as there are no further employer contributions to be paid under the current Schedule of Contributions. The contributions will be reviewed following the next actuarial review to be prepared as at 5 April 2026.

The value of the scheme liabilities has been determined by the actuary using the following assumptions:

	The Keller Group Pension Scheme (UK)	The Keller Group Pension Scheme (UK)	German and Austrian schemes	German and Austrian schemes
	2025	2024	2025	2024
	%	%	%	%
Discount rate	5.5	5.6	3.5	3.3
Interest on assets	5.5	5.6	—	—
Rate of increase in pensions in payment	3.5	3.6	2.5	2.5
Rate of increase in pensions in deferment	2.5	2.8	2.9	2.6
Rate of inflation	3.2	3.5	2.9	2.6

The mortality rate assumptions are based on published statistics. The average remaining life expectancy, in years, of a pensioner retiring at the age of 65 at the balance sheet date is:

	The Keller Group Pension Scheme (UK)	The Keller Group Pension Scheme (UK)	German and Austrian schemes	German and Austrian schemes
	2025	2024	2025	2024
Male currently aged 65	21.3	21.3	22.7	22.5
Female currently aged 65	24.2	24.1	25.6	25.4

The assets of the schemes were as follows:

	The Keller Group Pension Scheme (UK)	The Keller Group Pension Scheme (UK)	German, Austrian and other schemes	German, Austrian and other schemes
	2025	2024	2025	2024
	£m	£m	£m	£m
Equities	—	2.2	—	—
Target return funds <sup>1</sup>	—	14.0	—	—
Bonds	1.1	20.4	—	—
Liability driven investing (LDI) portfolios <sup>2</sup>	40.2	6.4	—	—
Cash	0.3	0.3	—	—
	<b>41.6</b>	<b>43.3</b>	<b>—</b>	<b>—</b>

1 A diversified growth fund split between mainly UK listed equities, bonds and alternative investments which are capped at 20% of the total fund.

2 A portfolio of gilt and swap contracts, backed by investment-grade credit instruments, that is designed to hedge the majority of the interest rate and inflation risks associated with the schemes' obligations. In 2025, multiple funds were consolidated and have since been managed by a single investment manager.

	The Keller Group Pension Scheme (UK)	The Keller Group Pension Scheme (UK)	German, <sup>1</sup> Austrian and other schemes	German, <sup>1</sup> Austrian and other schemes
	2025	2024	2025	2024
	£m	£m	£m	£m
<b>Changes in scheme liabilities</b>				
Opening balance	(37.0)	(41.8)	(15.2)	(16.2)
Current service cost	—	—	(0.5)	(0.7)
Interest cost	(2.1)	(1.8)	(0.4)	(0.4)
Benefits paid	3.2	2.3	1.3	1.2
Exchange movements	—	—	(0.3)	0.6
Experience loss on defined benefit obligation	(0.2)	(0.1)	—	—
Changes to demographic assumptions	—	—	—	—
Changes to financial assumptions	0.1	4.4	(0.3)	0.3
<b>Closing balance</b>	<b>(36.0)</b>	<b>(37.0)</b>	<b>(15.4)</b>	<b>(15.2)</b>
<b>Changes in scheme assets</b>				
Opening balance	43.3	46.0	—	—
Interest on assets	2.3	2.0	—	—
Administration costs	(0.1)	(0.2)	—	—
Employer contributions	—	1.6	—	—
Benefits paid	(3.2)	(2.3)	—	—
Return on plan assets less interest	(0.7)	(3.8)	—	—
<b>Closing balance</b>	<b>41.6</b>	<b>43.3</b>	<b>—</b>	<b>—</b>
Actual return on scheme assets	1.6	(1.8)	—	—
<b>Statement of comprehensive income</b>				
Return on plan assets less interest	(0.7)	(3.8)	—	—
Experience loss on defined benefit obligation	(0.2)	(0.1)	—	—
Changes to financial assumptions	0.1	4.4	(0.3)	0.3
Change in irrecoverable surplus	0.7	(0.6)	—	—
<b>Remeasurements of defined benefit plans</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>0.3</b>
Cumulative remeasurements of defined benefit plans	(26.0)	(25.9)	(6.4)	(6.1)
<b>Expense recognised in the income statement</b>				
Current service cost	—	—	(0.5)	(0.7)
Administration costs	(0.1)	(0.2)	—	—
<b>Operating costs</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>(0.7)</b>
Net pension interest income	0.2	0.2	—	—
Net pension interest cost	—	—	(0.4)	(0.4)
<b>Income/(expense) recognised in the income statement</b>	<b>0.1</b>	<b>—</b>	<b>(0.9)</b>	<b>(1.1)</b>
<b>Movements in the balance sheet liability</b>				
Net liability at start of year	—	1.5	15.2	16.2
(Income)/expense recognised in the income statement	(0.1)	—	0.9	1.1
Employer contributions	—	(1.6)	—	—
Benefits paid	—	—	(1.3)	(1.2)
Exchange movements	—	—	0.3	(0.6)
Remeasurements of defined benefit plans	0.1	0.1	0.3	(0.3)
<b>Net liability at end of year</b>	<b>—</b>	<b>—</b>	<b>15.4</b>	<b>15.2</b>

1 Other comprises end of service schemes in the Middle East of £3.7m (2024: £3.7m).

A reduction in the discount rate of 0.5% would increase the deficit in the schemes by £2.0m (2024: £2.0m), whilst a reduction in the inflation assumption of 0.5%, including its impact on the revaluation in deferment and pension increases in payment, would decrease the deficit by £1.0m (2024: £1.1m). A decrease in the mortality rate by one year would decrease the deficit in the schemes by £1.7m. Note that these sensitivities do not include end of service schemes in the Middle East as these are not material to the Group.

The weighted average duration of the defined benefit obligation is approximately 13 years for the UK scheme and nine years for the German and Austrian schemes. The history of experience adjustments on scheme assets and liabilities for all the Group's defined benefit pension schemes, including the end of service schemes in the Middle East, are as follows:

	2025	2024	2023	2022	2021
	£m	£m	£m	£m	£m
Present value of defined benefit obligation	(51.4)	(52.4)	(58.0)	(55.7)	(77.2)
Fair value of scheme assets	41.6	43.5	46.0	42.2	63.7
<b>Deficit in the schemes</b>	<b>(9.8)</b>	<b>(8.9)</b>	<b>(12.0)</b>	<b>(13.5)</b>	<b>(13.5)</b>
Irrecoverable surplus	(5.6)	(6.3)	(5.7)	(7.3)	(12.2)
<b>Net defined benefit liability</b>	<b>(15.4)</b>	<b>(15.2)</b>	<b>(17.7)</b>	<b>(20.8)</b>	<b>(25.7)</b>
Experience adjustments on scheme liabilities	0.4	4.3	(3.1)	21.1	6.6
Experience adjustments on scheme assets	(0.7)	(3.8)	1.3	(23.2)	4.6

### 34 Non-controlling interests

Financial information of subsidiaries that have a material non-controlling interest is provided below:

Name	Country of incorporation	2025	2024
Keller Fondations Speciales SPA	Algeria	49%	49%

Profit attributable to non-controlling interests:

	2025	2024
	£m	£m
Keller Fondations Speciales SPA	0.3	0.3
Other interests	0.1	0.1
	<b>0.4</b>	<b>0.4</b>

Share of net assets of non-controlling interests:

	2025	2024
	£m	£m
Keller Fondations Speciales SPA	2.4	2.7
Other interests	0.4	0.3
	<b>2.8</b>	<b>3.0</b>

Aggregate amounts relating to material non-controlling interests:

	2025	2024
	£m	£m
	<b>Keller</b>	<b>Keller</b>
	<b>Fondations</b>	<b>Fondations</b>
	<b>Speciales SPA</b>	<b>Speciales SPA</b>
<b>Revenue</b>	<b>3.2</b>	<b>1.5</b>
Operating costs	(2.6)	(1.1)
<b>Operating profit</b>	<b>0.6</b>	<b>0.4</b>
Finance costs	—	—
<b>Profit before taxation</b>	<b>0.6</b>	<b>0.4</b>
Taxation	(0.3)	(0.1)
<b>Profit attributable to non-controlling interests</b>	<b>0.3</b>	<b>0.3</b>

	2025	2024
	£m	£m
	<b>Keller</b>	<b>Keller</b>
	<b>Fondations</b>	<b>Fondations</b>
	<b>Speciales SPA</b>	<b>Speciales SPA</b>
Non-current assets	0.6	0.5
Current assets	3.4	2.9
Current liabilities	(1.6)	(0.7)
Non-current liabilities	—	—
<b>Share of net assets</b>	<b>2.4</b>	<b>2.7</b>

On 29 August 2023, the Group acquired the 35% interest in the voting shares of Keller Company Limited (formerly Keller Turki Company Limited), increasing its ownership interest to 100%. An initial cash consideration of £6.4m (SAR 30m) was paid to the non-controlling shareholders. In addition, a contingent consideration has been agreed as part of the purchase agreement and is payable annually between the years 2023 and 2027, dependent on the qualifying revenue generated by the business for each of those years.

As at 31 December 2025, the fair value of the contingent consideration was £1.1m (SAR 5.6m). Refer to note 26 for further information.

### 35 Post balance sheet events

There were no material post balance sheet events between the balance sheet date and the date of this report.

# Adjusted performance measures

The Group's results as reported under International Financial Reporting Standards (IFRS) and presented in the consolidated financial statements (the 'statutory results') are significantly impacted by movements in exchange rates relative to sterling, as well as by exceptional items and non-trading amounts relating to acquisitions.

As a result, adjusted performance measures have been used throughout the Annual Report and Accounts to describe the Group's underlying performance. The Board and Executive Committee use these adjusted measures to assess the performance of the business because they consider them more representative of the underlying ongoing trading result and allow more meaningful comparison to prior year.

## Underlying measures

The term 'underlying' excludes the impact of items which are exceptional by their size and/or are non-trading in nature, including amortisation of acquired intangible assets and other non-trading amounts relating to acquisitions and disposals (collectively 'non-underlying items'), net of any associated tax. Underlying measures allow management and investors to compare performance without the potentially distorting effects of one-off items or non-trading items. Non-underlying items are disclosed separately in the consolidated financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group.

## Constant currency measures

The constant currency basis ('constant currency') adjusts the comparative to exclude the impact of movements in exchange rates relative to sterling. This is achieved by retranslating the 2024 results of overseas operations into sterling at the 2025 average exchange rates.

A reconciliation between the underlying results and the reported statutory results is shown on the face of the consolidated income statement, with non-underlying items detailed in note 9 to the consolidated financial statements. A reconciliation between the 2024 underlying result and the 2024 constant currency result is shown below and compared to the underlying 2025 performance:

## Revenue by segment

	2025		2024		Statutory change %	Constant currency change %
	Statutory £m	Statutory £m	Impact of exchange movements £m	Constant currency £m		
North America	<b>1,815.7</b>	<b>1,785.8</b>	(57.2)	1,728.6	+1.7	+5.0
Europe and Middle East	<b>873.4</b>	<b>835.1</b>	4.0	839.1	+4.6	+4.1
Asia-Pacific	<b>398.2</b>	<b>365.8</b>	(18.2)	347.6	+8.9	+14.6
<b>Group</b>	<b>3,087.3</b>	<b>2,986.7</b>	(71.4)	2,915.3	+3.4	+5.9

## Underlying operating profit by segment

	2025		2024		Underlying change %	Constant currency change %
	Underlying £m	Underlying £m	Impact of exchange movements £m	Constant currency £m		
North America	<b>166.2</b>	190.0	(6.1)	183.9	-12.5	-9.6
Europe and Middle East	<b>38.8</b>	7.9	0.2	8.1	+391.1	+379.0
Asia-Pacific	<b>30.6</b>	28.7	(2.0)	26.7	+6.6	+14.6
Central items	<b>(17.4)</b>	(14.0)	0.1	(13.9)	+24.3	+25.2
<b>Group</b>	<b>218.2</b>	212.6	(7.8)	204.8	+2.6	+6.5

## Underlying operating margin

Underlying operating margin is underlying operating profit as a percentage of revenue.

## Other adjusted measures

Where not presented and reconciled on the face of the consolidated income statement, consolidated balance sheet or consolidated cash flow statement, the adjusted measures are reconciled to the IFRS statutory numbers below:

### EBITDA (statutory)

	2025	2024
	£m	£m
Underlying operating profit	218.2	212.6
Depreciation and impairment of owned property, plant and equipment	77.3	78.8
Depreciation and impairment of right-of-use assets	31.7	29.9
Amortisation of intangible assets	0.1	0.1
<b>Underlying EBITDA</b>	<b>327.3</b>	<b>321.4</b>
Non-underlying items in operating costs (excluding goodwill impairment)	(10.8)	(10.6)
Non-underlying items in other operating income	1.5	6.4
<b>EBITDA</b>	<b>318.0</b>	<b>317.2</b>

### EBITDA (IAS 17 covenant basis)

	2025	2024
	£m	£m
Underlying operating profit	218.2	212.6
Depreciation and impairment of owned property, plant and equipment	77.3	78.8
Depreciation and impairment of right-of-use assets	31.7	29.9
Legacy IAS 17 operating lease charges	(37.6)	(34.3)
Amortisation of intangible assets	0.1	0.1
<b>Underlying EBITDA</b>	<b>289.7</b>	<b>287.1</b>
Non-underlying items in operating costs (excluding goodwill impairment)	(10.8)	(10.6)
Non-underlying items in other operating income	1.5	6.4
<b>EBITDA</b>	<b>280.4</b>	<b>282.9</b>

### Net finance costs

	2025	2024
	£m	£m
Finance income	(4.5)	(6.6)
Underlying finance costs	25.4	27.8
<b>Net finance costs (statutory)</b>	<b>20.9</b>	<b>21.2</b>
Exclude: Finance charge on lease liabilities <sup>1</sup>	(6.4)	(6.2)
Lender covenant adjustments	(1.0)	(0.8)
<b>Net finance costs (IAS 17 covenant basis)</b>	<b>13.5</b>	<b>14.2</b>

<sup>1</sup> Excluding legacy IAS 17 finance leases.

### Net capital expenditure

	2025	2024
	£m	£m
Acquisition of property, plant and equipment	90.3	89.0
Acquisition of other intangible assets	0.1	—
Proceeds from sale of property, plant and equipment	(12.9)	(29.0)
<b>Net capital expenditure</b>	<b>77.5</b>	<b>60.0</b>

### Net debt

	2025	2024
	£m	£m
Current loans and borrowings	29.2	27.5
Non-current loans and borrowings	281.2	307.1
Cash and cash equivalents	(281.5)	(207.7)
<b>Net debt (statutory)</b>	<b>28.9</b>	<b>126.9</b>
Lease liabilities <sup>1</sup>	(88.6)	(97.4)
<b>Net (cash)/debt (IAS 17 covenant basis)</b>	<b>(59.7)</b>	<b>29.5</b>

<sup>1</sup> Excluding legacy IAS 17 finance leases.

## Leverage ratio

The leverage ratio is calculated as net debt to underlying EBITDA.

### Statutory

	2025 £m	2024 £m
Net debt	28.9	126.9
Underlying EBITDA	327.3	321.4
<b>Leverage ratio (x)</b>	<b>0.1</b>	<b>0.4</b>

### IAS 17 covenant basis

	2025 £m	2024 £m
Net (cash)/debt	(59.7)	29.5
Underlying EBITDA	289.7	287.1
<b>Leverage ratio (x)</b>	<b>(0.2)</b>	<b>0.1</b>

## Order book

The Group's disclosure of its order book is aimed to provide insight into its backlog of work and future performance. The Group's order book is not a measure of past performance and therefore cannot be derived from its consolidated financial statements. The Group's order book comprises the unexecuted elements of orders on contracts that have been awarded. Where a contract is subject to variations, only secured variations are included in the reported order book.

## Free cash flow

The calculation of free cash flow is set out in the Chief Financial Officer's review and is reconciled to movements in the consolidated cash flow statement and other movements in net debt as set out below.

	2025 £m	2024 £m
Net cash inflow from operating activities	258.4	265.9
Net cash outflow from investing activities	(71.2)	(57.7)
Exclude:		
Cash inflows from non-underlying items – historic claims	—	(1.4)
Cash outflows from non-underlying items – ERP costs	9.7	4.9
Cash outflows from non-underlying items – restructuring costs	0.9	4.9
Acquisition of subsidiaries, net of cash acquired	0.6	0.9
Disposal of subsidiaries	(0.2)	2.6
Include:		
Increase in net debt from new leases	(21.4)	(26.4)
Increase in net debt from amortisation of deferred finance costs	(0.9)	(1.1)
<b>Free cash flow</b>	<b>175.9</b>	<b>192.6</b>

## Operating cash flow conversion

The calculation of operating cash flow conversion is set out in the Chief Financial Officer's review and is reconciled to movements in the consolidated cash flow statement and other movements in net debt as set out below.

	2025 £m	2024 £m
<b>Free cash flow (as defined above)</b>	<b>175.9</b>	<b>192.6</b>
Exclude:		
Interest received	(4.0)	(5.8)
Interest paid	17.6	20.4
Interest element of lease rental payments	6.4	6.2
Increase in net debt from amortisation of deferred finance costs	0.9	1.1
Income tax paid	38.5	65.6
<b>Free cash flow before interest and tax</b>	<b>235.3</b>	<b>280.1</b>
Operating profit before non-underlying items	218.2	212.6
<b>Free cash flow before interest and tax as a percentage of operating profit before non-underlying items</b>	<b>108%</b>	<b>132%</b>

# Financial record

	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m
<b>Consolidated income statement</b>										
<b>Continuing operations</b>										
Revenue	1,780.0	2,070.6	2,224.5	2,300.5	2,062.5	2,222.5	2,944.6	2,966.0	2,986.7	<b>3,087.3</b>
Underlying EBITDA	158.6	177.2	167.5	198.4	205.0	185.9	205.6	293.1	321.4	<b>327.3</b>
Underlying operating profit	95.3	108.7	96.6	103.8	110.1	88.5	108.6	180.9	212.6	<b>218.2</b>
Underlying net finance costs	(10.2)	(10.0)	(16.1)	(22.5)	(13.2)	(8.9)	(15.1)	(27.5)	(21.2)	<b>(20.9)</b>
Underlying profit before taxation	85.1	98.7	80.5	81.3	96.9	79.6	93.5	153.4	191.4	<b>197.3</b>
Underlying taxation	(29.8)	(24.7)	(22.5)	(22.4)	(28.3)	(18.9)	(20.3)	(38.8)	(43.9)	<b>(45.2)</b>
Underlying profit for the year	55.3	74.0	58.0	58.9	68.6	60.7	73.2	114.6	147.5	<b>152.1</b>
Non-underlying items <sup>1</sup>	(7.3)	13.5	(71.8)	(37.2)	(27.5)	(5.1)	(28.2)	(24.8)	(4.8)	<b>(9.0)</b>
Profit/(loss) for the year	48.0	87.5	(13.8)	21.7	41.1	55.6	45.0	89.8	142.7	<b>143.1</b>
Underlying EBITDA (IAS 17 covenant basis)	158.6	177.2	167.5	170.8	175.0	153.2	177.7	259.3	287.1	<b>289.7</b>
<b>Consolidated balance sheet</b>										
Working capital	152.5	181.3	225.4	200.9	180.3	149.6	303.4	261.5	232.0	<b>193.6</b>
Property, plant and equipment	405.6	399.2	422.0	460.6	434.9	443.4	486.5	480.2	461.4	<b>456.9</b>
Intangible and other non-current assets	218.2	198.3	179.5	192.3	183.5	232.0	203.1	185.9	204.3	<b>214.3</b>
Net debt (statutory)	(305.6)	(229.5)	(286.2)	(289.8)	(192.5)	(193.3)	(298.9)	(237.3)	(126.9)	<b>(28.9)</b>
Other net assets/liabilities	(41.1)	(77.1)	(114.2)	(166.5)	(196.2)	(203.7)	(197.3)	(172.3)	(174.1)	<b>(191.7)</b>
Net assets	429.6	472.2	426.5	397.5	410.0	428.0	496.8	518.0	596.7	<b>644.2</b>
Net (debt)/cash (IAS 17 covenant basis)	(305.6)	(229.5)	(286.2)	(213.1)	(120.9)	(119.4)	(218.8)	(146.2)	(29.5)	<b>59.7</b>
<b>Underlying key performance indicators</b>										
Diluted earnings per share from continuing operations (p)	74.8	101.8	79.1	81.3	96.3	84.2	100.7	153.9	199.9	<b>211.3</b>
Dividend per share (p)	28.5	34.2	35.9	35.9	35.9	35.9	37.7	45.2	49.7	<b>70.4</b>
Operating margin	5.4%	5.2%	4.3%	4.5%	5.3%	4.0%	3.7%	6.1%	7.1%	<b>7.1%</b>
Return on capital employed <sup>2</sup>	15.3%	15.1%	13.2%	14.4%	16.4%	13.9%	14.9%	22.8%	28.2%	<b>30.7%</b>
Net debt: EBITDA (statutory)	1.9x	1.3x	1.7x	1.5x	0.9x	1.0x	1.5x	0.8x	0.4x	<b>0.1x</b>
Net debt/(cash): EBITDA (IAS 17 covenant basis)	1.9x	1.3x	1.7x	1.2x	0.7x	0.8x	1.2x	0.6x	0.1x	<b>(0.2)x</b>

1 Non-underlying items are items which are exceptional by their size and/or are non-trading in nature and are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial position of the Group.

2 Calculated as underlying operating profit expressed as a percentage of average capital employed. 'Capital employed' is net assets before non-controlling interests plus net debt and net defined benefit retirement liabilities.