



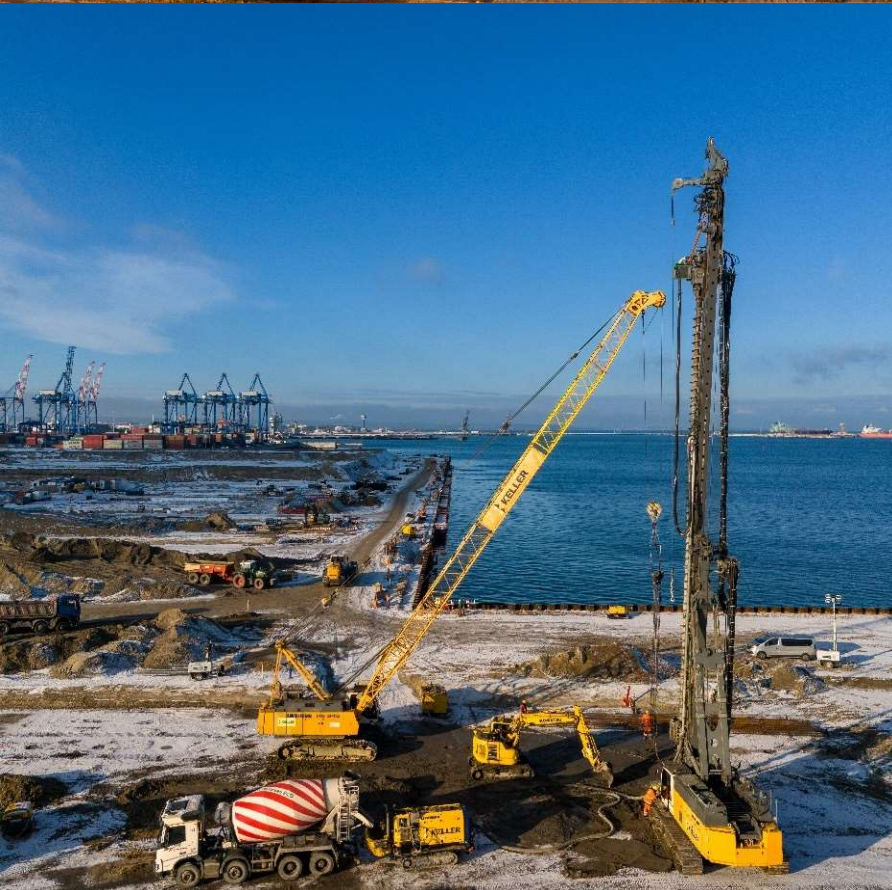
# Outstanding H1 performance, expectations for FY24 materially increased

Keller Group plc

Interim results for 2024

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6 August 2024



# 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', 'will', '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.

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For a more detailed description of these risks, uncertainties and other factors, please see the Risk Management approach and Principal Risks section of the Strategic Report.

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# Agenda

- 01** Summary
- 02** Financial results
- 03** Business performance
- 04** Group strategy
- 05** Summary and outlook
- 06** Q&A

# Summary - Outstanding H1

Revenue	Underlying operating profit	Underlying operating margin	Underlying diluted EPS	Order book	Dividend
£1,489.8m	£113.2m	7.6%	103.3p	£1.6bn	16.6p
+2% (+5% CC <sup>1</sup> )	+69% (+76% CC <sup>1</sup> )	Up from 4.6%	+85%	(+10.4% CC <sup>1</sup> )	+19% YoY

- **Outstanding H1 performance** setting new records across the Group as we continue to sustain and build on the material step up in operational and financial performance delivered in 2023
- **Revenue:** £1,489.8m, up 5%, growth in North America Foundations and Central Europe, partly offset by Suncoast and ME
- **Operating profit:** £113.2m, +76%; OP margin: up 300bps to 7.6%; driven by strong performance in NA Foundations and turnaround at Austral
- **EPS<sup>2</sup>:** 103.3p, up 85%
- **Underlying ROCE:** 28.4% (H1 2023: 16.6%), the highest for 15 years
- **FCF:** Strong performance, significant reduction in **net debt**<sup>3</sup> down to £100.7m; leverage<sup>4</sup> 0.3x (H1 2023:1.2x; FY 2023: 0.6x)
- **Order book:** Record at £1.6bn
- **Safety:** AFR remained unchanged at 0.09 with nine lost time events
- **Dividend:** Rebased to 16.6p (H1 2023: 13.9p), following 20% increase in FY 23 dividend; anticipating a 2024 FY dividend increase of 5%



## Financial results



# Summary income statement

	H1 2024			H1 2023		
	Underlying	Non-underlying	Total	Underlying	Non-underlying	Total
<b>Revenue</b>	<b>1,489.8</b>	-	<b>1,489.8</b>	1,466.3	-	1,466.3
Operating costs	(1,373.3)	(6.6)	(1,379.9)	(1,384.9)	(7.0)	(1,391.9)
Net impairment (loss)/gain of trade receivables and contract assets	(2.8)	-	(2.8)	(14.6)	(0.2)	(14.8)
Amortisation of acquired intangibles	-	(1.5)	(1.5)	-	(3.8)	(3.8)
Other operating income	-	0.8	0.8	-	1.0	1.0
Share of post-tax results of joint ventures	(0.5)	-	(0.5)	0.2	(0.4)	(0.2)
<b>Operating profit / (loss)</b>	<b>113.2</b>	<b>(7.3)</b>	<b>105.9</b>	67.0	(10.4)	56.6
Operating profit margin (%)	7.6%	-	7.1%	4.6%	-	3.9%
Net finance costs	(10.6)	-	(10.6)	(13.5)	-	(13.5)
<b>Profit/(loss) before tax</b>	<b>102.6</b>	<b>(7.3)</b>	<b>95.3</b>	53.5	(10.4)	43.1
Taxation	(26.7)	1.0	(25.7)	(11.8)	2.3	(9.5)
<b>Profit/(loss) for the period</b>	<b>75.9</b>	<b>(6.3)</b>	<b>69.6</b>	41.7	(8.1)	33.6
Diluted earnings per share (p)	<b>103.3</b>		<b>94.7</b>	56.0		45.0
Interim dividend per share (p)	<b>16.6</b>		<b>16.6</b>	13.9		13.9

# Summary income statement - underlying

	H1 2024	H1 2023
	Underlying	Underlying
<b>Revenue</b>	<b>1,489.8</b> <sup>1</sup>	1,466.3
Operating costs	(1,373.3)	(1,384.9)
Net impairment (loss)/gain of trade receivables and contract assets	(2.8)	(14.6)
Amortisation of acquired intangibles	-	-
Other operating income	-	-
Share of post-tax results of joint ventures	(0.5)	0.2
<b>Operating profit</b>	<b>113.2</b> <sup>2</sup>	67.0
Operating profit margin (%)	7.6%	4.6%
Net finance costs	(10.6) <sup>3</sup>	(13.5)
<b>Profit/(loss) before tax</b>	<b>102.6</b>	53.5
Taxation	(26.7) <sup>4</sup>	(11.8)
<b>Profit/(loss) for the period</b>	<b>75.9</b>	41.7
Diluted earnings per share (p)	103.3	56.0
Interim dividend per share (p)	16.6 <sup>5</sup>	13.9

1. Revenue	£m	CC%
H1 2023	1,466.3	
FX	(42.4)	
North America	35.9	+4.2%
EME	23.8	+6.0%
APAC	6.2	+3.4%
H1 2024	<u>1,489.8</u>	+4.6%

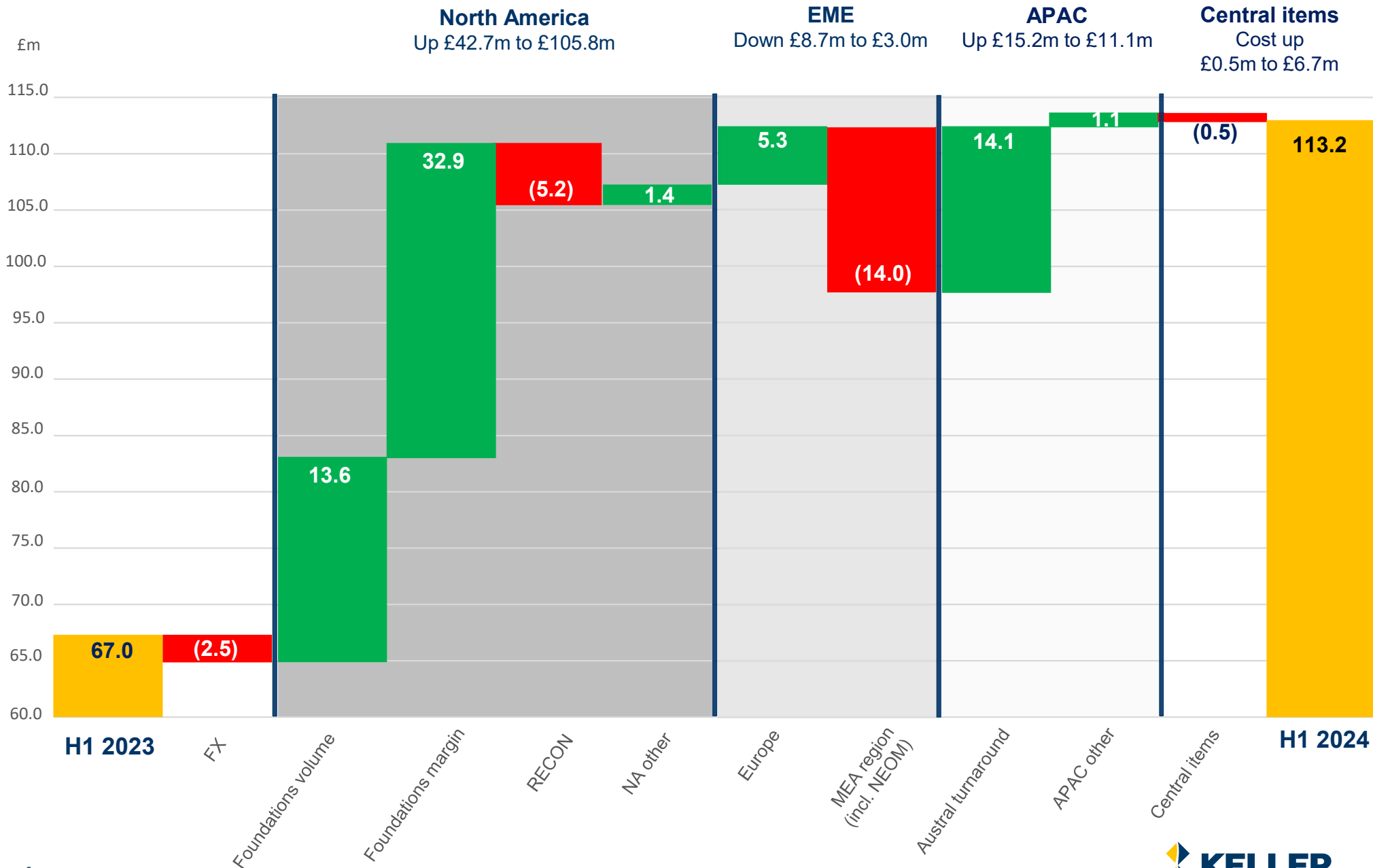
2. Operating profit	
Constant currency YoY growth	+75.5%
Actual FX rate YoY growth	+69.0%

3. Net financing costs	
£2.9m decrease due to lower average net debt during H1 2024	

4. Taxation	
Effective tax rate for H1 2024: 26% (H1 2023: 22%).	

5. Interim dividend rebased	
Interim dividend	16.6p
Earnings cover	6.2x

# Underlying operating profit bridge H1 2023 to H1 2024



# Summary income statement – non-underlying

	H1 2024		
	Underlying	Non-underlying	Total
<b>Revenue</b>	1,489.8	-	1,489.8
Operating costs	(1,373.3)	(6.6)	(1,379.9)
Net impairment (loss)/gain of trade receivables and contract assets	(2.8)	-	(2.8)
Amortisation of acquired intangibles	-	(1.5)	(1.5)
Other operating income	-	0.8	0.8
Share of post-tax results of joint ventures	(0.5)	-	(0.5)
<b>Operating profit / (loss)</b>	113.2	(7.3)	105.9
Operating profit margin (%)	7.6%	-	7.1%
Net finance costs	(10.6)	-	(10.6)
<b>Profit/(loss) before tax</b>	102.6	(7.3)	95.3
Taxation	(26.7)	1.0	(25.7)
<b>Profit/(loss) for the period</b>	75.9	(6.3)	69.6
Diluted earnings per share (p)	103.3		94.7
Interim dividend per share (p)	16.6		16.6

1. Non-underlying items	
<b>Cash items</b>	<b>£m</b>
ERP costs	(2.5)
Restructuring	(3.3)
Loss on sale of business	<u>(0.8)</u>
<b>Total cash items</b>	<b><u>(6.6)</u></b>
<b>Non-cash items</b>	
Amortisation of acquired intangibles:	
RECON	(0.8)
Moretrench Industrial	(0.3)
GKM	(0.3)
NWF	<u>(0.1)</u>
<b>Total amortisation</b>	<b><u>(1.5)</u></b>
Change in contingent consideration	<u>0.8</u>
<b>Total non-cash items</b>	<b><u>(0.7)</u></b>
<b>Total non-underlying items</b>	<b><u>(7.3)</u></b>

# Net debt flow

£m	H1 2024	H1 2023
Underlying operating profit	113.2	67.0
Depreciation, amortisation and impairment	54.0 <sup>1</sup>	54.1
<b>Underlying EBITDA</b>	<b>167.2</b>	<b>121.1</b>
Non-cash items	(3.3)	(0.6)
Increase in working capital	(2.5) <sup>2</sup>	(33.1)
Increase in provisions, retirement benefit liabilities and other non-current liabilities	10.0	7.4
Net capital expenditure	(23.1)	(34.4)
Additions to right-of-use assets	(14.2) <sup>1</sup>	(19.6)
<b>Free cash flow before interest and tax</b>	<b>134.1</b>	<b>40.8</b>
<b>Free cash flow before interest and tax to underlying operating profit</b>	<b>118%</b>	<b>61%</b>
Net interest paid	(11.1)	(11.3)
Cash tax paid	(34.4) <sup>3</sup>	(38.6)
<b>Free cash flow</b>	<b>88.6</b>	<b>(9.1)</b>
Dividends paid to shareholders	(22.6)	(17.7)
Purchase of own shares	(6.5)	(3.4)
Acquisitions	(0.7)	-
Disposal of businesses	(4.9)	-
Non-underlying items	(5.0)	(9.4)
Right-of-use assets / lease liability modifications	(7.4)	(4.9)
Foreign exchange movements	(3.2)	11.8
<b>Movement in net debt</b>	<b>38.3</b>	<b>(32.7)</b>
<b>Opening net debt</b>	<b>(237.3)</b>	<b>(298.9)</b>
<b>Closing net debt</b>	<b>(199.0) <sup>4</sup></b>	<b>(331.6)</b>

1. Depreciation/Capex	2024	2023
Net capex/depreciation	69%	100%
Gross capex/depreciation	96%	115%

2. Working capital	2024	2023
Decrease in inventories	1.0	27.4
(Increase) in receivables	(75.9)	(38.7)
Inc/(dec) in payables	72.4	(21.8)
(Increase) in working capital	(2.5)	(33.1)

**3. Cash tax**  
Cash tax paid decrease of £4.2m over prior year due to prior year tax payments which included a catch-up payment for 2022 tax.

4. Net debt – Covenant basis	£m
Reported net debt	199.0
Lease liabilities (ex IAS 17 leases)	(98.3)
IAS 17 Covenant basis	100.7
Leverage ratio	0.3x

# Balance sheet

£m	H1 2024	FY 2023	H1 2023
Intangibles incl. goodwill	113.3 <sup>1</sup>	114.6	128.8
<b>Managed assets</b>			
Property, plant and equipment	461.7 <sup>2</sup>	480.2	473.5
Receivables and inventory	888.1 <sup>3</sup>	815.1	853.3
Other assets	139.2	109.7	104.2
<b>Total managed assets</b>	<b>1,489.0</b>	<b>1,405.0</b>	<b>1,431.0</b>
<b>Other liabilities</b>	<b>(848.2)<sup>4</sup></b>	<b>(764.3)</b>	<b>(743.1)</b>
	<b>754.1</b>	<b>755.3</b>	<b>816.7</b>
<b>Funded by</b>			
Net debt	199.0 <sup>5</sup>	237.3	331.6
Shareholders' funds	555.1	518.0	485.1
<b>Total</b>	<b>754.1</b>	<b>755.3</b>	<b>816.7</b>

5. Net debt	£m
Net debt (IAS 17 lender covenant)	100.7
Lease liabilities (ex IAS 17 leases)	<u>98.3</u>
Total	<u>199.0</u>

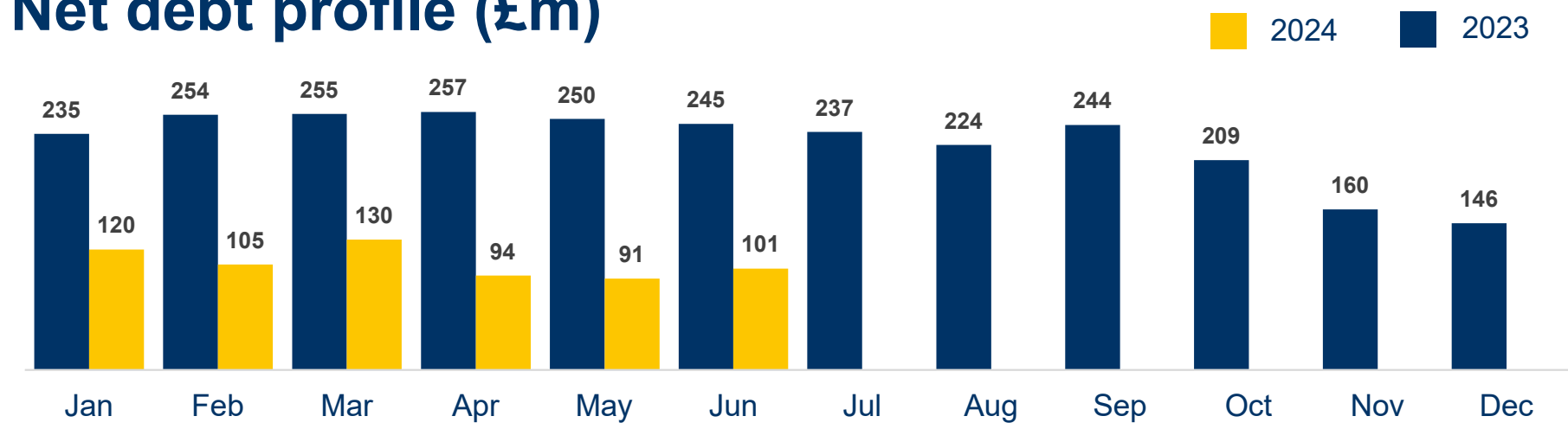
1. Intangibles incl. goodwill	£m
Opening	114.6
Amortisation acquired	(1.6)
FX	<u>0.3</u>
Closing	<u>113.3</u>

2. Property, plant and equipment	£m
Opening	480.2
Capital expenditure	37.6
Right-of-use additions	14.2
Disposals/transfers	(13.1)
Depreciation of fixed assets	(39.1)
Depreciation of ROU assets	(14.8)
FX	<u>(3.3)</u>
Closing	<u>461.7</u>

3. Receivables and inventory	£m
Opening	815.1
Volume / performance	76.1
FX	<u>(3.1)</u>
Closing	<u>888.1</u>

4. Other liabilities	£m
Opening	(764.3)
Volume / performance	(88.9)
FX	<u>5.0</u>
Closing	<u>(848.2)</u>

# Net debt profile (£m)



- Net debt<sup>1</sup>: £100.7m decreased by £143.9m, down 59% (H1 2023: £244.6m)
- Average month-end net debt<sup>1</sup>: £112.4m, down 54% (H1 2023: £244.7m)
- The Group operated well within all covenant limits:
  - Leverage (net debt to EBITDA) at period end was 0.3x<sup>1</sup> well within the limit of 3.0x and below the leverage target range of 0.5x – 1.5x
- Interest cover (EBITDA to net finance charges) at period end was 17.0x above the minimum of 4.0x
- Committed funding facilities: £400m syndicated revolving credit facility exp. Nov 2029; \$75m private placement repayable in Dec 2024; \$300m private placement repayable in August 2030 (\$120m) and August 2033 (\$180m)
- June 2024, Group re-financed the revolving credit facility, increasing the facility from £375m to £400m, covenant limits remain unchanged
- At 30 June 2024 undrawn borrowing facilities of £449.2m: £402.1m committed and £47.1m uncommitted, as well as cash and cash equivalents of £196.5m

# Financial modelling considerations

	H1 2024	H2 consideration
<b>Trading / profit</b>		
<b>NA foundations</b>	<ul style="list-style-type: none"> <li>• Sustained operational performance</li> <li>• General buoyant market</li> <li>• Benign weather conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Sustained operational performance to continue</li> <li>• Buoyant market to dissipate resulting in more normalised margins</li> </ul>
<b>Suncoast</b>	Pricing discipline in a declining market	Pricing levels will reduce to give normalised margins
<b>EME</b>	Challenging market conditions continue	Challenging market conditions continue
<b>APAC</b>	Austral profitable monthly run rate	Profitable run rate to continue
<b>Operating profit phasing</b>	Strong H1 with benign weather and buoyant KNA foundations market	Normalised performance resulting in H1 weighting. Anticipated FX headwind
<b>Interest</b>	Lower interest charge on lower net debt	Trending lower on lower net debt
<b>Tax rate</b>	Increased to 26%, due to higher NA mix	Similar to H1
<b>FX (USD/EUR/AUD)</b>	1.27 / 1.17 / 1.92	Headwinds due to strengthening GBP
<b>Cash / debt</b>		
<b>Net capex</b>	CAPEX lower than depreciation	Approximately in-line with depreciation
<b>Leverage (IAS 17)</b>	0.3x	Gravitating towards zero net debt



## Business performance



# Safety and wellbeing



## Performance

- AFR remain unchanged at 0.09 (12-month rolling)
- We have started 2024 well, with five fewer injuries year-on-year and expect AFR to improve accordingly throughout this year
- TRIR is 0.58, a slight improvement, representing two fewer recordable injury

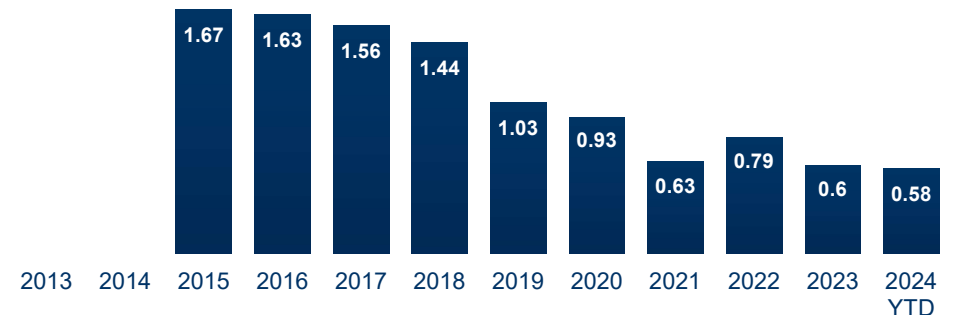
## Key actions

- Working to reduce exposure to hazards through improved application of controlled access and exclusion zones
- Developing a new wellbeing programme with assistance from an external provider
- Completion of telematics in all Keller owned vehicles in North America. Review next steps for EME and Asia Pacific
- Planning for Global Safety Week in September

## Accident Frequency Rate



## Total Recordable Incident Rate



# Carbon performance



## Scope 2

Net zero 2030

- On track to reduce our emissions below 50% of our 2019 baseline
- APAC focus on efficiency and solar generation
- Sourcing more renewable energy in Suncoast



## Scope 1

Net zero 2040

- Baselining the carbon intensity of different solutions
- Three electric rigs now running in Southeast Europe and Nordics
- Group biofuel trials continue to expand across more BUs



## Scope 3

Operations net zero 2050

- Sustainability week engaged over 1,000 employees, with webinars, videos and competitions
- Lab testing low carbon materials across our three divisions



# Record order book of £1.6bn – underpins H2

## Geographic mix (Full order book)

Group

**£1.6bn** +10%

North America

**£1.1bn** +16%

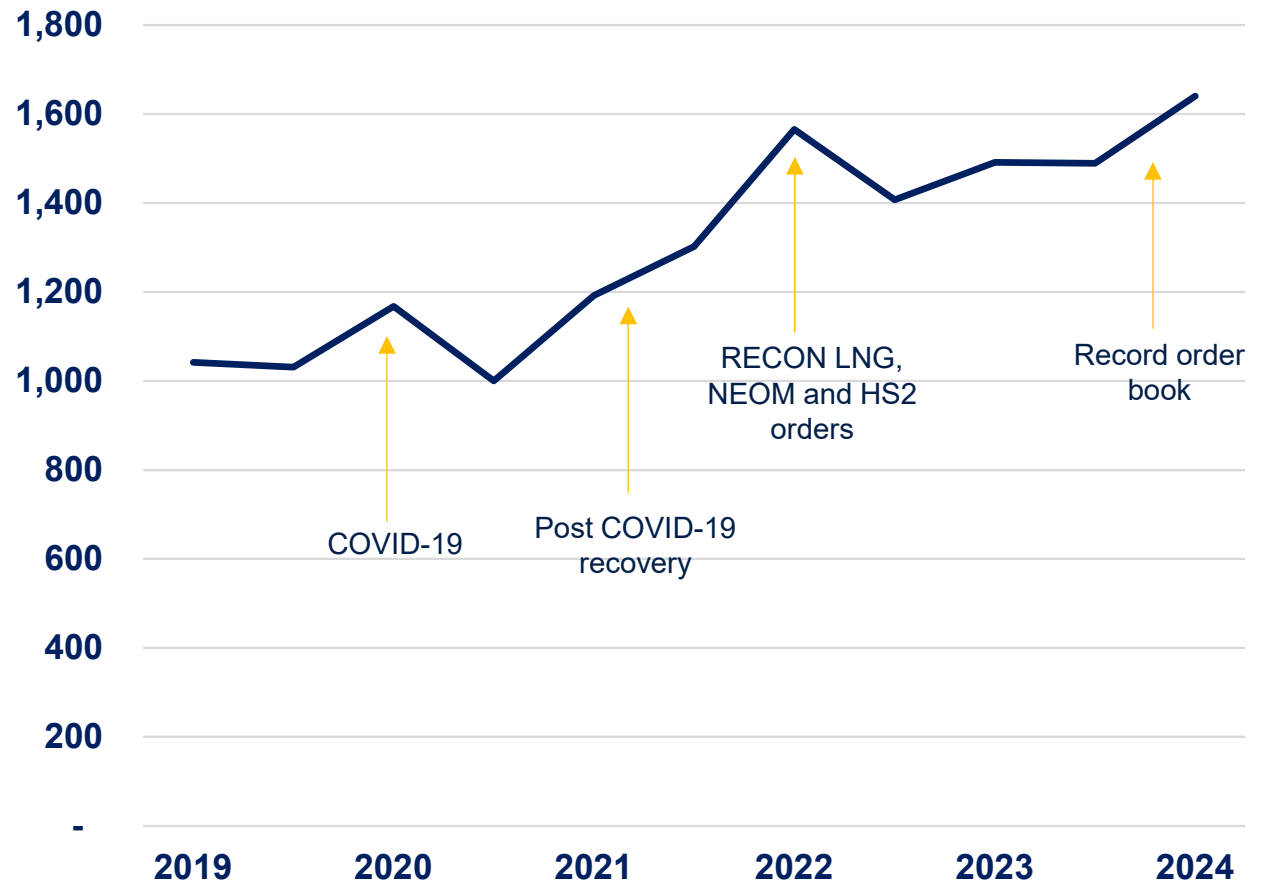
EME

**£367.3m** +11%

APAC

**£142.5m** -20%

## Order book (£m)

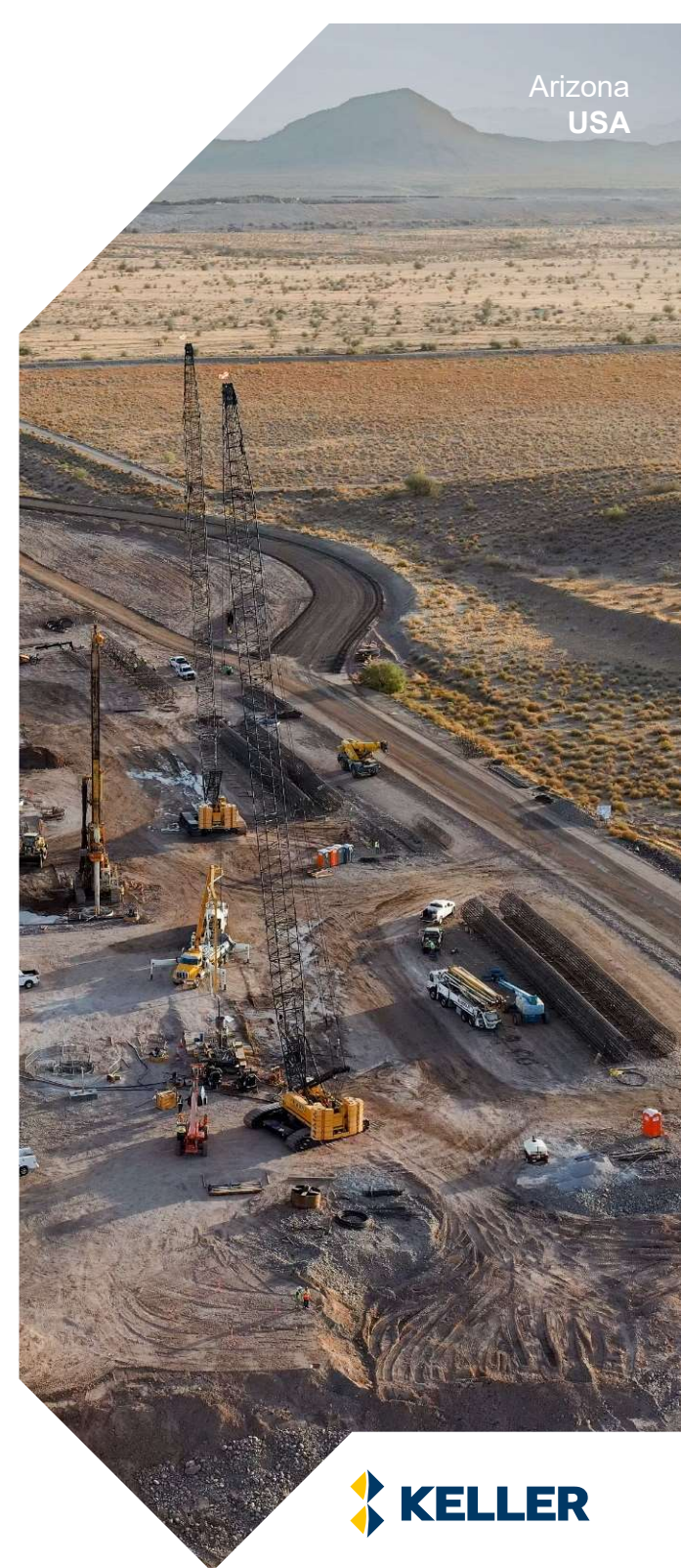


# North America

## Operating review

£m	H1 2024 £m	H1 2023 £m	Constant currency
Revenue	883.8	875.8	+4.2%
Underlying operating profit	105.8	65.4	+67.7%
Underlying operating margin	12.0%	7.5%	+460bps
Order book	1,131.0	979.1	+15.8%

- **Revenue:** up 4.2%, driven by Foundations and Moretrench Industrial, partly offset by Suncoast. Buoyant market and benign weather conditions in H1.
- **Operating profit:** up 67.7%, driven by improved volume and margin performance in Foundations
- **Operating margin:** up 460bps to 12.0%
- **NA Foundations:**
  - Increased revenue reflected strong demand and attractive pricing environment (esp. SE and NE regions)
  - OP increase driven by sustained improvement in underlying contract performance, improved project execution, focus on commercial discipline
- **Suncoast: Revenue** down as expected; profitability maintained through pricing actions (will unwind in H2)
- **RECON:** Volume and profits lower due to the delay of new LNG permitting
- **Moretrench Industrial:** Good progress in revenue and profit
- **Order book:** Strengthened to £1,131.0, up 15.8%



# Europe and Middle East

## Operating review

£m	H1 2024 £m	H1 2023 £m	Constant currency
Revenue	418.9	401.3	+6.0%
Underlying operating profit	3.0	12.0	-74.4%
Underlying operating margin	0.7%	3.0%	-230bps
Order book	367.3	332.9	10.7%

- **Revenue:** up 6.0% to £418.9m driven by large infrastructure projects, partly offset by lower volumes in the ME region and UK
- **Operating profit:** down 74.4% to £3.0m driven by weaker trading in ME; partly offset by improved performance in Europe
- **Operating margin:** down 230bps to 0.7%
- **Europe:**
  - OP up £5.3m following a good turnaround in performance, driven by several infrastructure projects
  - Ongoing weak demand, particularly in residential and commercial
- **MEA:**
  - OP down £14.0m driven by the negative impact of the prior year comparative (work on The Line, NEOM) and a loss-making project in the period (Trojena, NEOM)
  - South Africa exit completed at the end of H1; modest profit recorded in the period
- **Order book:** Strengthened to £367.3m, up 10.7%



# Asia-Pacific Operating review

£m	H1 2024 £m	H1 2023 £m	Constant currency
Revenue	187.1	189.2	3.4%
Underlying operating profit	11.1	(4.2)	n/a
Underlying operating margin	5.9%	(2.2)%	+820bps
Order book	142.5	179.2	-20.2%

- **Revenue:** up 3.4%, driven by India, ASEAN and Austral, partly offset by lower volumes in Keller Australia
- **Operating profit:** increased to £11.1m, driven by the substantial turnaround at Austral
- **Operating margin:** up 820bps to 5.9%
- **Keller Australia:** Performed well and ahead of expectations albeit revenues and profits were down against the very strong H1 2023
- **Austral:** Successful turnaround, business has stabilised and achieved target margins
- **India:** Delivered a record performance in revenue and profit
- **Order book:** down 20.2% to £142.5m reflecting softer volumes in Austral where management are taking a selective and cautious approach to the market





**Group strategy**



# Our Strategy

To be the preferred international geotechnical specialist contractor focused on sustainable markets and attractive projects, generating long term value for our stakeholders

Our local businesses will leverage the group's scale and expertise to deliver engineered solutions and operational excellence, driving market share leadership in our selected segments

# Strategic progress in 2024



**Our strategy**

To be the preferred international geotechnical specialist contractor focused on sustainable markets and attractive projects, generating sustained value for our stakeholders

Local businesses will leverage the group's expertise and scale to deliver engineered solutions and operational excellence, driving market share leadership in our selected segments

**KELLER**

## Portfolio

- Focused on quality of existing portfolio and earnings
- Disposed of business in South Africa through MBO
- Maximising opportunities with clients who value engineered solutions and our delivery capability

## Performance

- Sustained OP margin >6%
- NA Foundations - excellent performance in profitability and cash
- Turnaround at Austral continued to plan

**Relentless focus on quality and operational excellence**

# Strategic priorities for 2024



**Our strategy**

To be the preferred international geotechnical specialist contractor focused on sustainable markets and attractive projects, generating sustained value for our stakeholders

Local businesses will leverage the group's expertise and scale to deliver engineered solutions and operational excellence, driving market share leadership in our selected segments



## Portfolio

- Further refinement of our organisation structure (NA, EME, APAC)
- Organic market penetration in chosen local markets
- Targeted acquisitions to accelerate market share development

## Performance

- Turnaround in Europe
- Maintain focus on profitability and cash generation
- Win and deliver major projects with scope for value engineering
- Refine our ways of working - rollout our 'Project Performance Management'

**Growth in target markets and delivery excellence**



## Summary and outlook



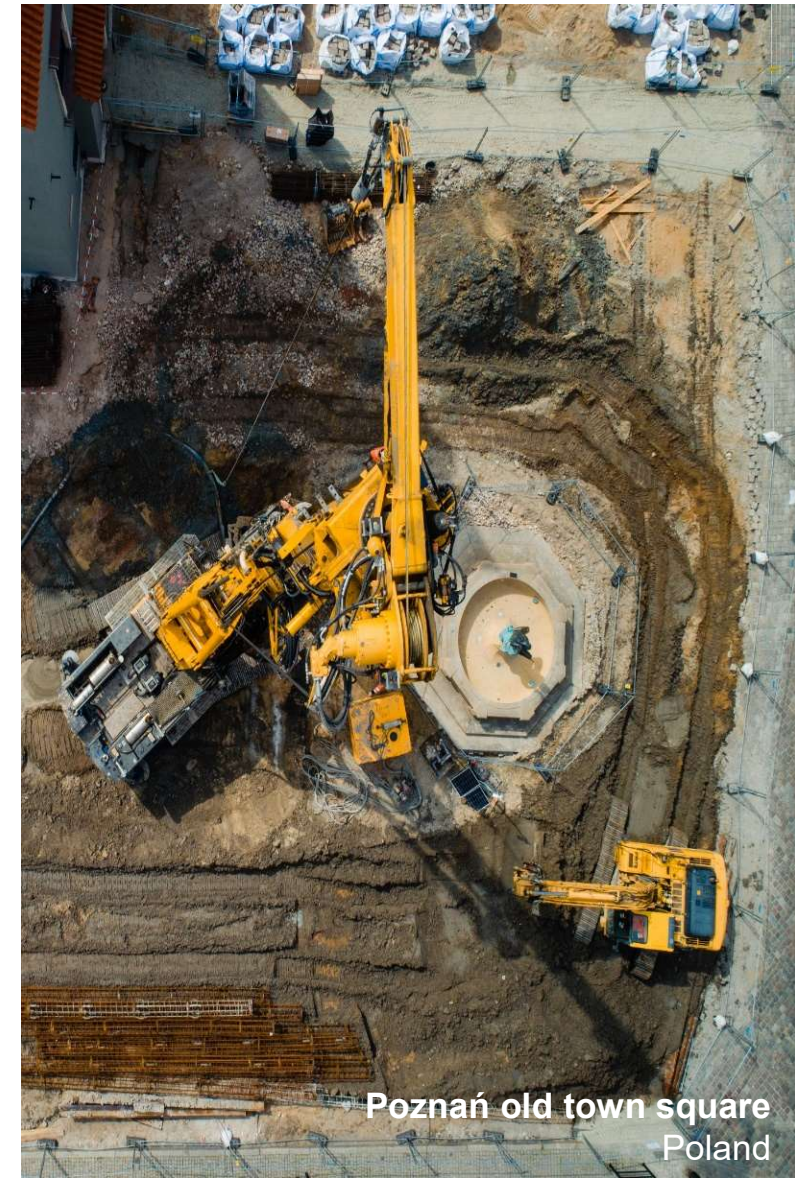
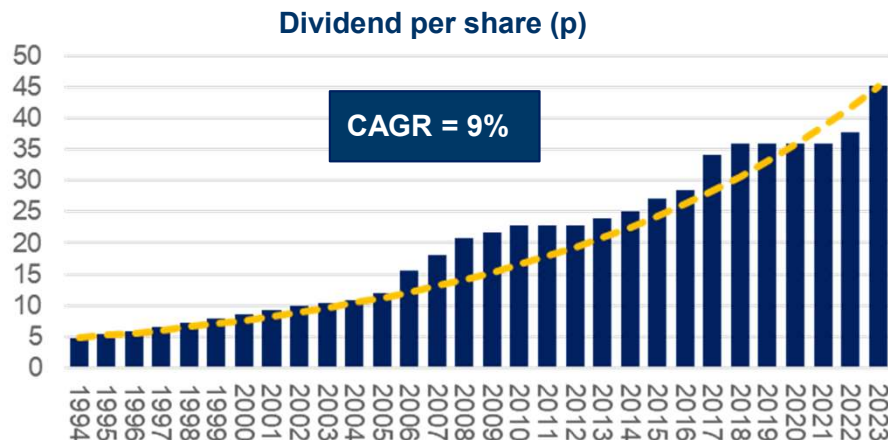
# Summary and outlook

## Outstanding H1 performance

- Robust revenue demonstrates the benefit of our diverse and resilient revenue streams
- Strong operating profit, margin and cash conversion
- H1 performance evidences the sustainability of the step-up in performance delivered in 2023
- Interim dividend based on normal 5% increase in 2024, following the 20% increase in 2023

## Board expectations for 2024 materially increased

- Strong business momentum and record order book of £1.6bn underpins H2 performance
- Mixed market conditions: opportunities and challenges
- Performance modestly weighted to H1
- Continue to execute strategy, good prospects for both organic and targeted M&A.
- Strong balance sheet provides options





Q&A





## Keller overview



# Keller today

Every day millions of people around the world live, work and play on ground prepared by Keller

## Our purpose

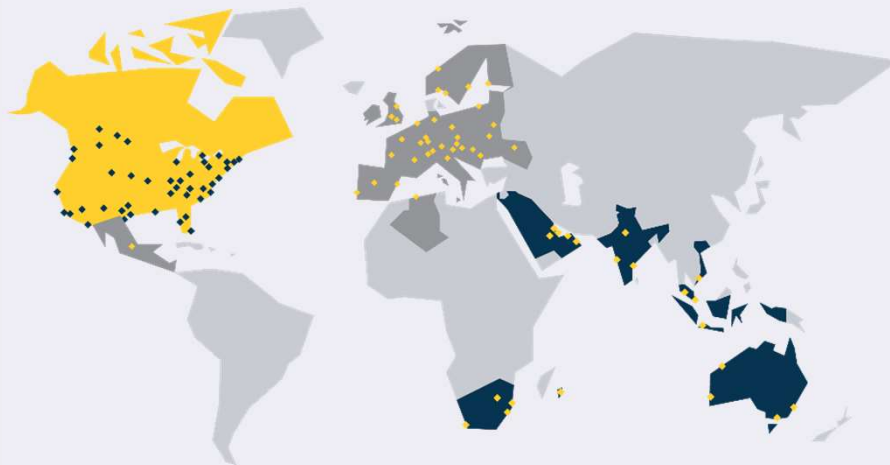
To build the foundations for a sustainable future

## Our vision

To be the leading provider of specialist geotechnical solutions

## Our values

Integrity  
Collaboration  
Excellence



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## Three divisions

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## 17 business units

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**160**  
branches



**3.0bn**  
revenue pa

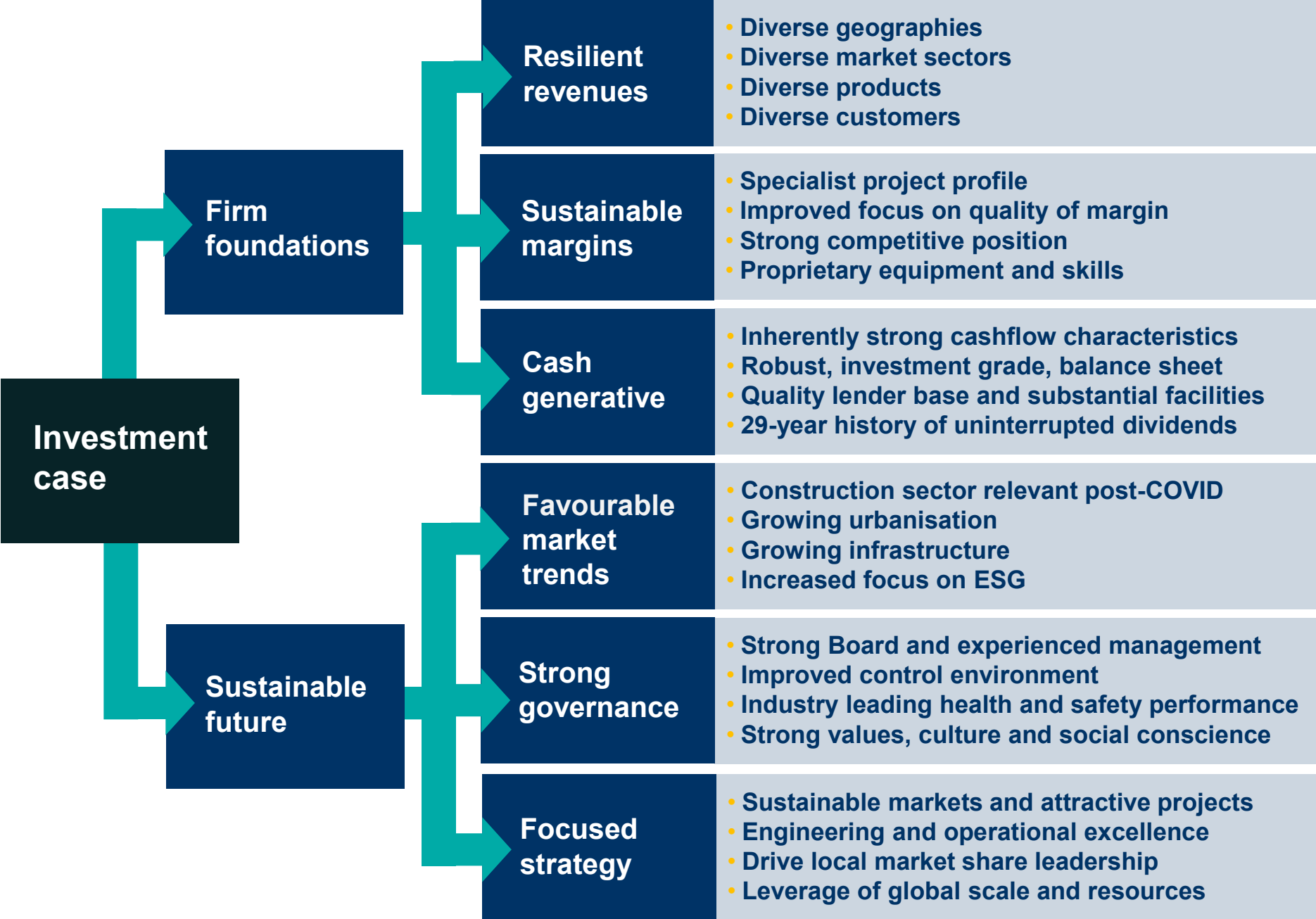


**C9,500**  
employees



**5,500**  
contracts pa

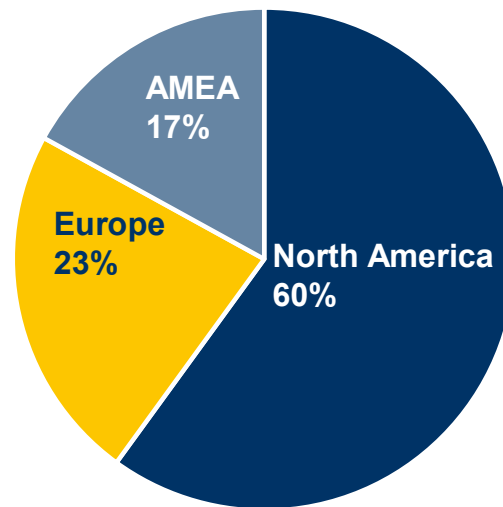
# Building the foundations for a sustainable future



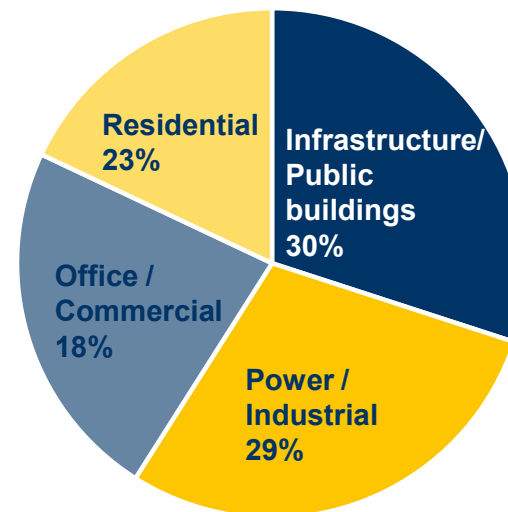
# Well balanced in terms of geography and sector

- Operating globally in a number of sectors gives us the resilience to trade through national cyclicality
- Good access to all markets with no overweight exposure
- Geopolitically secure

Revenue by geography (2023)



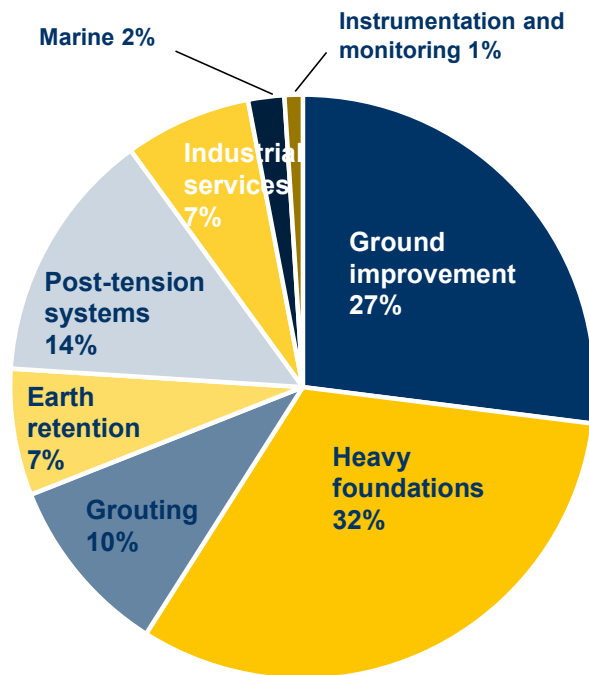
Revenue by sector (2023)



# The best solutions

- Projects often require a variety of techniques
- With access to our global knowledge base and industry leading product portfolio, our engineers can design the best solutions that reduce materials, cost and time for our clients
- Our project management capabilities mean we can also integrate other subcontractors and deliver ‘turnkey’ contracts reducing the interfaces and risk for our customers

Revenue by application (2023)

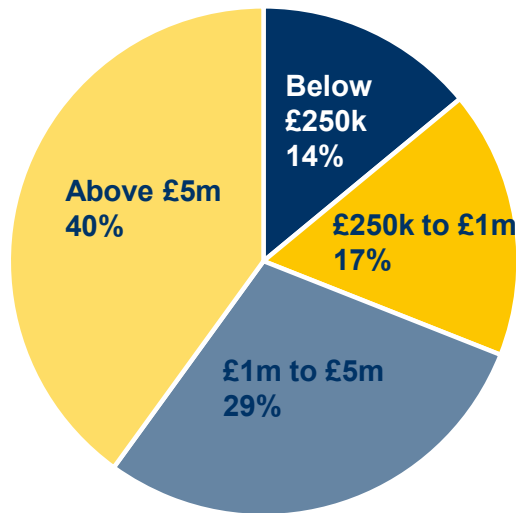


<p><b>Ground improvement</b></p> <ul style="list-style-type: none"> <li>• Vibro</li> <li>• Rigid inclusions</li> <li>• Dynamic improvement</li> <li>• Soil mixing</li> <li>• Consolidation</li> </ul>	<p><b>Heavy foundations</b></p> <ul style="list-style-type: none"> <li>• Driven piles</li> <li>• Micropiles</li> <li>• Bored piles /drilled shafts</li> <li>• Continuous flight auger</li> </ul>	<p><b>Grouting</b></p> <ul style="list-style-type: none"> <li>• Jet grouting</li> <li>• Compensation grouting</li> <li>• Compaction grouting</li> </ul>	<p><b>Earth retention</b></p> <ul style="list-style-type: none"> <li>• Anchors and soil nails</li> <li>• Subsurface walls</li> <li>• Modular retaining walls</li> </ul>
<p><b>Post-tension systems</b></p> <ul style="list-style-type: none"> <li>• Slab on ground</li> <li>• High rise structures</li> </ul>	<p><b>Industrial services</b></p> <ul style="list-style-type: none"> <li>• Environmental remediation</li> <li>• Soil mixing</li> <li>• Consolidation</li> </ul>	<p><b>Marine</b></p> <ul style="list-style-type: none"> <li>• Wharf construction, maintenance and repair</li> <li>• Bridge construction</li> <li>• Civil works</li> </ul>	<p><b>Instrumentation and monitoring</b></p> <ul style="list-style-type: none"> <li>• Environmental</li> <li>• Geotechnical</li> <li>• Structural</li> <li>• Software</li> </ul>

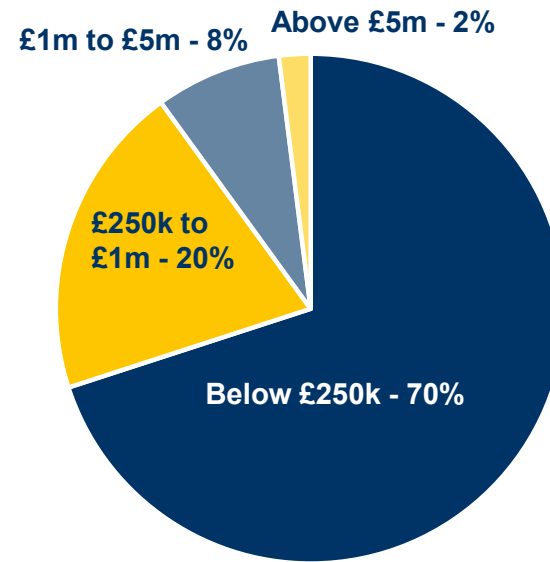
# Diverse customer base

- Our large client spread means we're not overly reliant on certain customers
- Contracts over £5m revenue make up around 2% of the number of contracts, but account for 40% of total revenue

Revenue by contract size (2023)



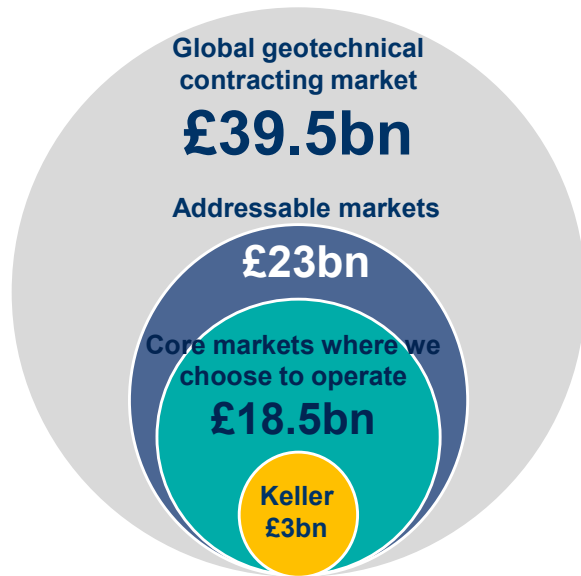
Number of contracts (2023)



Includes Suncoast

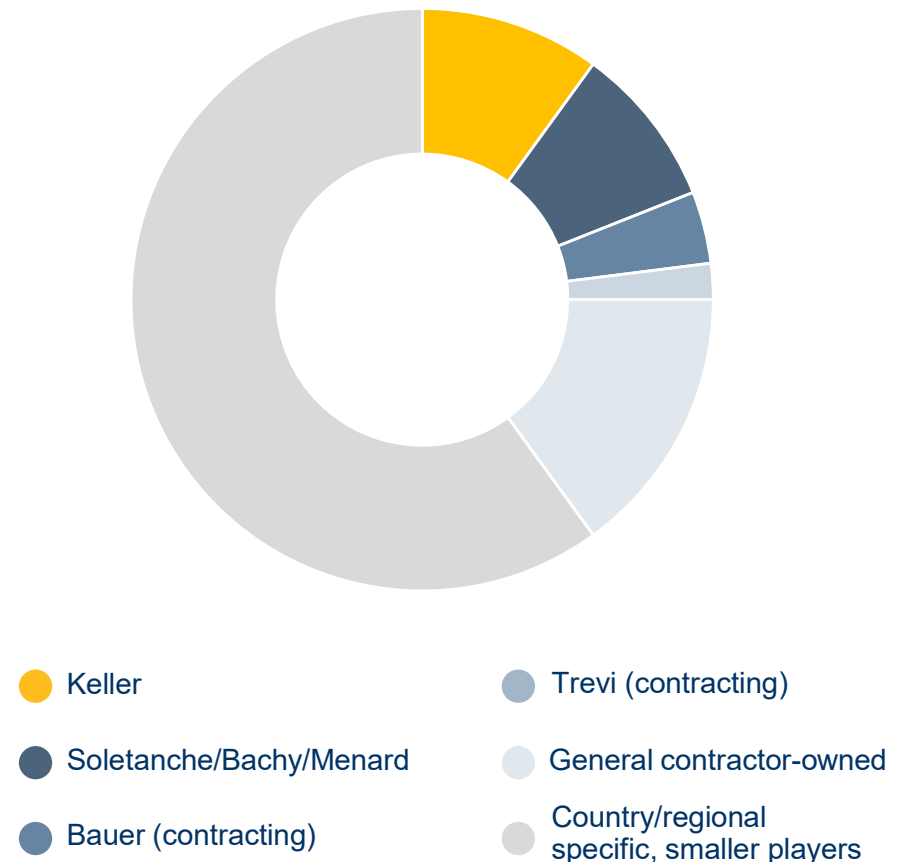
# Keller has a strong position in the geotechnical market with room to grow

## Market size



Non-addressable markets mainly China, North and South Korea, Japan and Russia

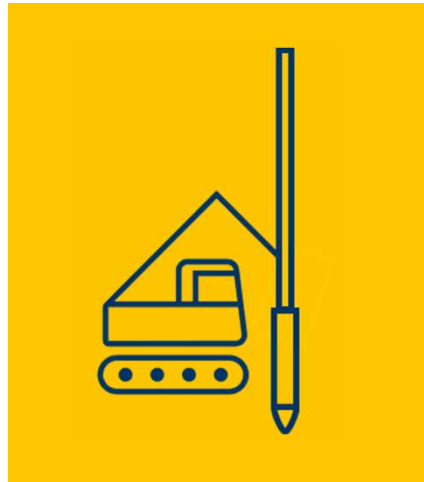
## Share of addressable market £23bn



1 USD = 0.81 GBP  
Global construction market £10,000bn 2023

# Keller's 2023 emissions

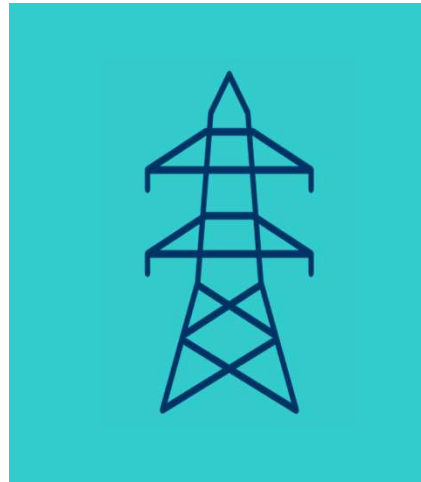
## 171,184 tonnes of CO<sub>2</sub>e (Scope 1 and 2)



**171,184**  
Scope 1

Direct emissions  
(eg fuel use on site)

2022: 210,186



**4,764**  
Scope 2

Indirect emissions  
from electricity use

2022: 6,593



**Not tracked**  
Scope 3  
Operational

Transport of materials,  
business travel and  
waste disposal



**Not tracked**  
Scope 3  
Materials

>60% of site  
emissions for  
cement-based  
solutions

# Specialist versus generalist business model

## Project lifespan



### Ground engineering

- Early stage
- Lower cyclicity
- Specialist design capability
- A mix of contracts
- Higher margin
- Resource base

### General contractor

#### General construction

- Longer, larger projects
- National focus
- Higher cyclicity
- Integration of multiple suppliers and subcontractors
- Low asset base
- Low to negative working capital

# Market demand trends play to our strengths

**01** **Urbanisation and more large-scale development projects**



65m people will be added to urban population by every year. 67% of the world's population will live in metropolitan regions by 2040

**02** **Increasing land shortage, driving a need to use more brownfield and marginal land**



More than 450,000 brownfields in the US alone

**03** **Infrastructure renewal and expansion eg road, rail, power**



\$3.7 trillion of investment in economic infrastructure alone is needed every year until 2035 to keep up with global GDP growth

**04** **Increasing demand from customers for complete solutions not just products**



More demand for early involvement, partnership and collaboration throughout the construction supply chain

**05** **Increasing technical complexity**



Rising need for data acquisition to record, automate and ensure quality and productivity in our processes

Sources: OECD - Regions and Cities at a Glance 2022; US Environmental Protection Agency 2022; The McKinsey Global Institute 2022. Amounts are stated in US dollars.

# Factors to consider in geotechnical engineering

## Site conditions

- Sand, silt, clay, rock, organic
- Loose, soft, stiff, hard, porous
- Deep, shallow, cavities
- Water levels (high, low)

## Requirements

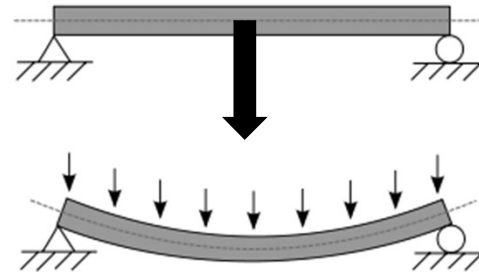
- Performance (allowable settlements)
- Schedule
- Cost

## Loading conditions

- Spread, low intensity
- Slender, high intensity, sensitive
- Seismic loading and liquefaction
- Dynamic, wind

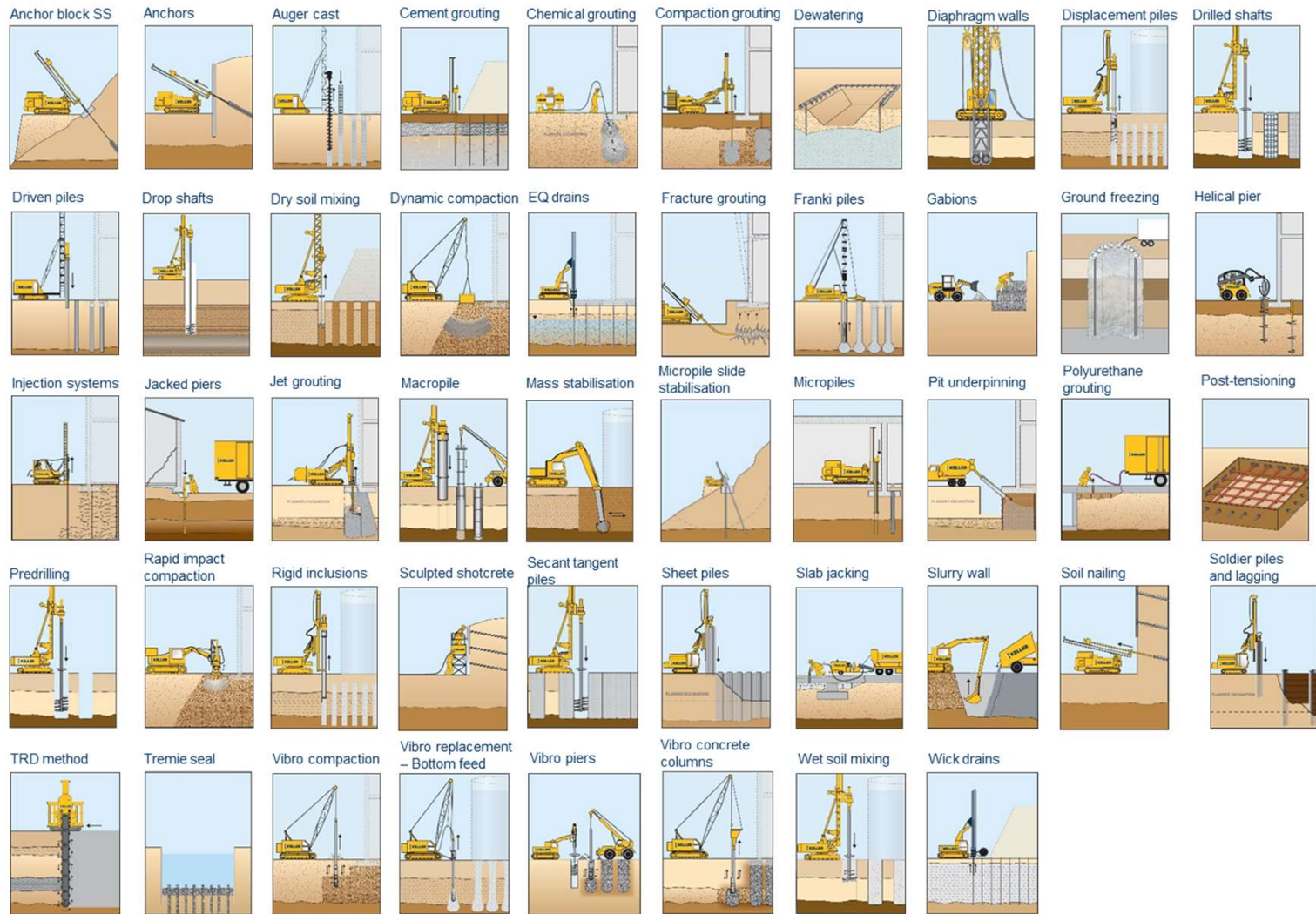
## Constraints

- Neighbouring buildings
- Noise, vibration
- Utilities, other underground structures



# Full product range

Right combination of products leads to **optimal solutions** for the soil conditions and structure type



# Value engineering with an equipment advantage

- **World's largest equipment fleet with flexibility to move between markets to match local demand**
- **1,600 engineers; some focused purely on design**
- **40% of projects are 'design and build' where value engineering can substantially reduce cost and save time**
- **Manufacturing and servicing of our own equipment where there is competitive advantage to do so**



# The people advantage

## Enabling high performance by investing in our people and expertise

### Learning and development programmes

- Project Manager Academy
- Field Supervisor Academy
- Business Development Academy



### Emerging talent

- More than 100 graduates, 38 apprentices and 40 interns and coops
- Pitcairn Engineering Scholarship

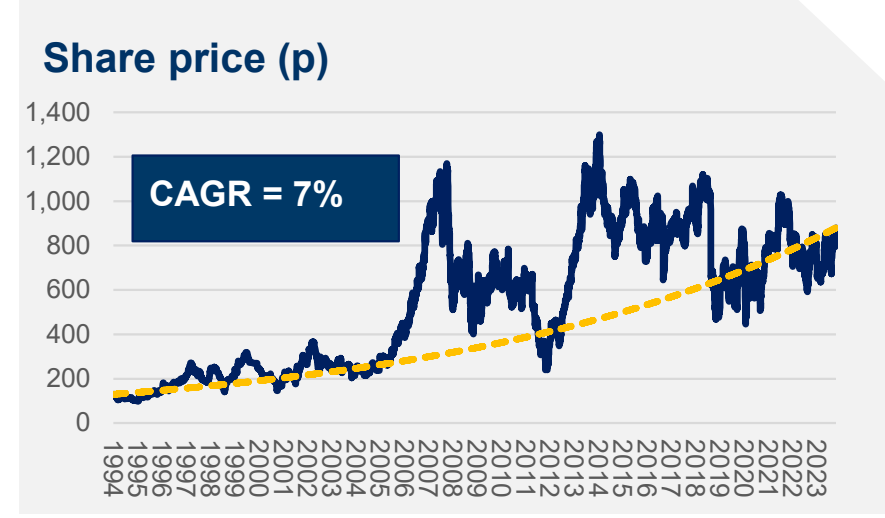
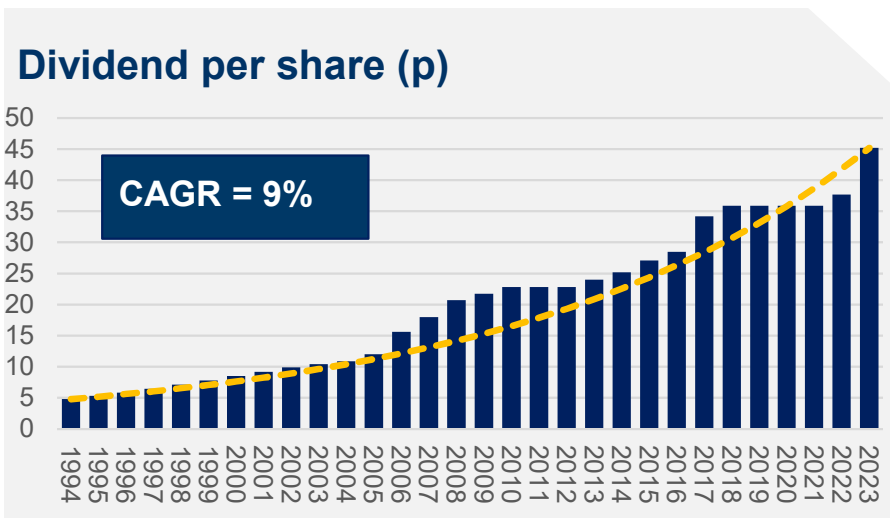
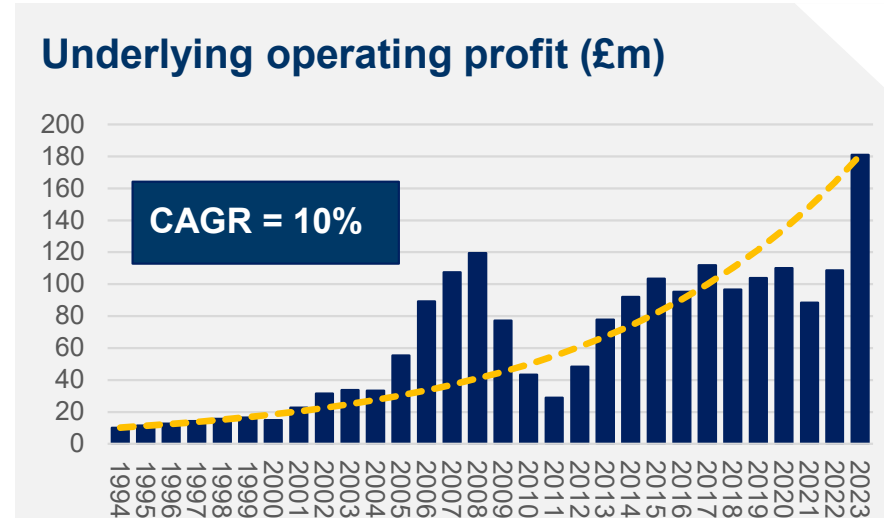
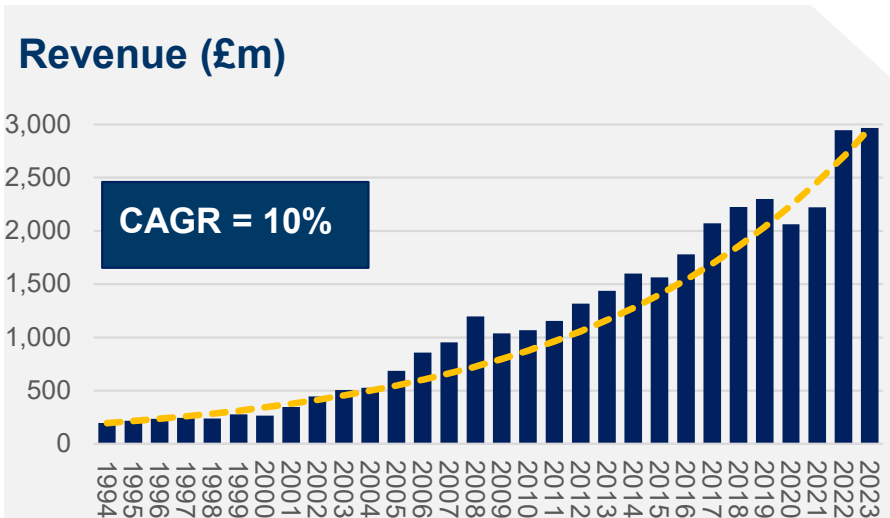


### Geotechnical expertise

- Global product teams
- Leading role in geotechnical industry



# Financial performance since listing in 1994



**TSR of c.16% CAGR vs. 7.7% FTSE All Share CAGR (2023)**

# Keller fact sheet

Established 1860, now world's largest geotechnical specialist contractor globally

Revenue by division: North America 60%; Europe 23%; AMEA 17%; (only <5% of business in UK)

Revenue by sector: Infrastructure/Public buildings 30%, Power/Industrial 29%, Residential 23%, Office/Commercial 18%.

Room to grow:

- Global geotechnical contracting market - £39.5bn
- Core geotechnical contracting markets where Keller operates - £18.5bn (excludes China, Japan, Korea and Russia)
- Keller today c£3bn – a 16% share of the markets in which we operate

Operate in 37 countries, across five continents

Three divisions, 17 business units, 160 branches

About 9,500 employees, of which around 1,600 are engineers

Approx. 1,200 rigs and cranes globally - the largest foundation equipment fleet in the world

16% of our projects are executed using specialist Keller equipment

On average we work on c5,500 contracts per year

Approx. 40% of our contracts are design and build.

Contracts over £5m revenue make up around 2% of the number of contracts, but account for 40% of total revenue

Typical contract value range £25k to £10m

On average c25 sites mobilised every day, across the world

We typically spend a few weeks on site (smaller projects) with up to two years for large projects

We have over 50 techniques or products, with eight major product groups

Product split: Heavy foundations 32%; Ground improvement 27%; Post-tension systems 14%; Grouting 10%; Earth retention 7%; Industrial services 7%; Marine 2%; Instrumentation and monitoring 1%

Industry trends are favourable to Keller: Urbanisation/large scale development, Brownfield/marginal land, Infrastructure renewal, Complete Solutions, Technical complexity

We are the leading consolidator in the industry – more than 27 acquisitions since 2000

Strong safety focus, AFR 0.1 in 2023

Keller supports the UN Global Compact and aims to adhere to its 10 principles in the areas of anticorruption, environment, human rights and labour

# Reporting – new structure proforma

## Effective 1 January 2024

Revenue	
	H1 2023 £m
North America	875.8
Europe	332.2
MEA <sup>1</sup>	69.1
<b>EME</b>	<b>401.3</b>
AMEA	258.3
MEA <sup>1</sup>	(69.1)
<b>APAC</b>	<b>189.2</b>
<b>Group</b>	<b>1,466.3</b>

Operating profit	
	H1 2023 £m
North America	65.4
Europe	4.1
MEA <sup>1</sup>	7.9
<b>EME</b>	<b>12.0</b>
AMEA	3.7
MEA <sup>1</sup>	(7.9)
<b>APAC</b>	<b>(4.2)</b>
Central items	(6.2)
<b>Group</b>	<b>67.0</b>

Operating profit margin %	
	H1 2023 %
North America	7.5%
Europe	1.2%
MEA <sup>1</sup>	11.4%
<b>EME</b>	<b>3.0%</b>
AMEA	1.4%
MEA <sup>1</sup>	(11.4)%
<b>APAC</b>	<b>(2.2)%</b>
<b>Group</b>	<b>4.6%</b>

# Investor Relations contact



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