

Keller Group plc Audited Preliminary Results for 2023

5 March 2024

Building the foundations for a sustainable future



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.

Agenda

- 1 **Summary**
- 2 **Financial results**
- 3 **Business performance**
- 4 **Strategic progress**
- 5 **Summary and outlook**
- 6 **Questions and answers**

Summary – Record performance

Revenue	Underlying operating profit	Underlying operating margin	Underlying diluted EPS ²	Order book	2023 dividend
£2,966.0m	£180.9m	6.1%	153.9p	£1.5bn	45.2p
+1% (+1% CC ¹)	+67% (+67% CC ¹)	Up from 3.7%	+53%	Up 10% ¹	+20%

- **Record performance** with significant progress made in all key measures of financial performance:-
 - Revenue similar to prior year as expected
 - Underlying operating profit c.80% higher than the 5-year average
 - Underlying operating profit margin >6%, first time in 8 years
 - ROCE³ at 22.8% (2022: 14.9%), the highest for 15 years
- **Underlying operating profit:** +67%; OP margin: 6.1% (2022: 3.7%);
- Improved performance in NA foundations
 - Resilient pricing at Suncoast
 - Strong performance at Keller Australia
 - Disappointing performance in Europe
- **EPS²** of 153.9p, +53%, driven by higher operating profit; partially offset by increased finance costs & higher ETR
- **FCF:** Strong performance, significant reduction in net debt⁴ -33% to £146.2m (2022: £218.8m), leverage⁴ 0.6x (2022:1.2x)
- **Order book:** Robust at £1.5bn
- **Dividend:** Rebasing +20% in recognition of the excellent performance and future prospects

Financial results

Summary income statement

	2023			2022		
	Underlying	Non-underlying	Total	Underlying	Non-underlying	Total
Revenue	2,966.0	-	2,966.0	2,944.6	-	2,944.6
Operating costs	(2,764.6)	(22.5)	(2,787.1)	(2,834.6)	(29.7)	(2,864.3)
Net impairment loss on trade receivables and contract assets	(21.3)	(0.4)	(21.7)	(2.9)	(0.3)	(3.2)
Amortisation of acquired intangibles	-	(5.1)	(5.1)	-	(10.3)	(10.3)
Other operating income	-	0.8	0.8	-	0.7	0.7
Share of post-tax profits from JVs	0.8	(0.6)	0.2	1.5	(1.2)	0.3
Operating profit	180.9	(27.8)	153.1	108.6	(40.8)	67.8
Operating profit margin (%)	6.1%	-	5.2%	3.7%	-	2.3%
Net finance costs	(27.5)	-	(27.5)	(15.1)	3.6	(11.5)
Profit/(loss) before tax	153.4	(27.8)	125.6	93.5	(37.2)	56.3
Taxation	(38.8)	3.0	(35.8)	(20.3)	9.0	(11.3)
Profit/(loss) for the period	114.6	(24.8)	89.8	73.2	(28.2)	45.0
Diluted earnings per share (p)	153.9		120.5	100.7		62.4
Total dividends per share (p)	45.2		45.2	37.7		37.7

Summary income statement - underlying

	2023	2022
	Underlying	Underlying
Revenue	2,966.0 ¹	2,944.6
Operating costs	(2,764.6)	(2,834.6)
Net impairment loss on trade receivables and contract assets	(21.3)	(2.9)
Amortisation of acquired intangibles	-	-
Other operating income	-	-
Share of post-tax profits from JVs	0.8	1.5
Operating profit	180.9 ²	108.6
Operating profit margin (%)	6.1%	3.7%
Net finance costs	(27.5) ³	(15.1)
Profit before tax	153.4	93.5
Taxation	(38.8) ⁴	(20.3)
Profit for the period	114.6	73.2
Diluted earnings per share (p)	153.9	100.7
Total dividends per share (p)	45.2 ⁵	37.7

1. Revenue	£m	CC%
FY 2022	2,944.6	
FX	(15.5)	
North America	(120.5)	-6.4%
Europe	27.8	+4.2%
AMEA	129.6	+34.1%
FY 2023	<u>2,966.0</u>	+1.3%

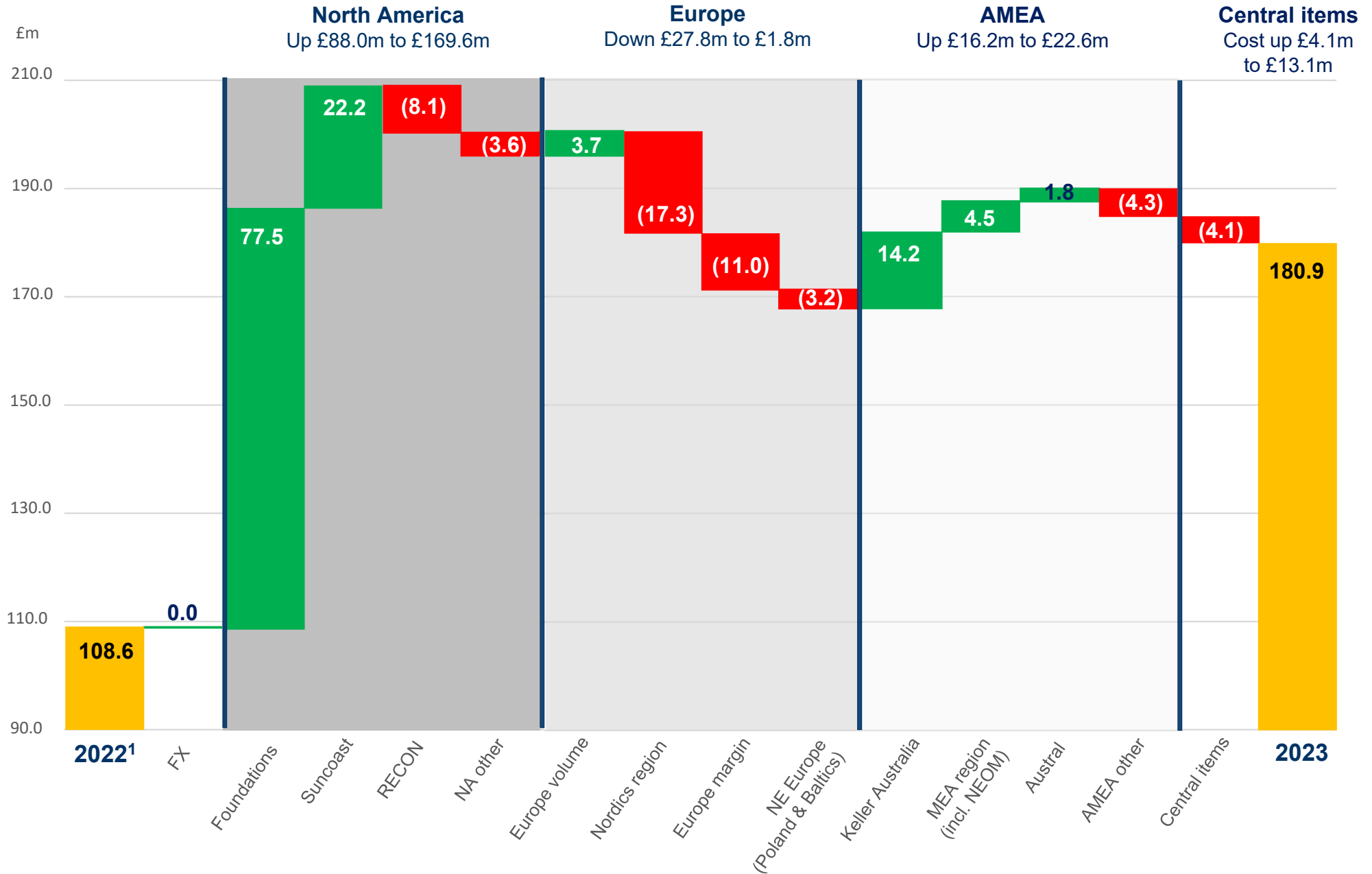
2. Operating profit	
Constant currency YoY growth	+66.5%

3. Net financing costs	
£12.4m increase due to higher interest rates	

4. Taxation	
Effective tax rate for FY 2023: 25% (FY 2022: 22%).	

5. Total dividends per share up 20%	
Board recommendation	45.2p
Earnings cover	3.4x

Underlying operating profit bridge 2022 to 2023



Summary income statement – non-underlying

	2023		
	Underlying	Non-underlying	Total
Revenue	2,966.0	-	2,966.0
Operating costs	(2,764.6)	(22.5)	(2,787.1)
Net impairment loss on trade receivables and contract assets	(21.3)	(0.4)	(21.7)
Amortisation of acquired intangibles	-	(5.1)	(5.1)
Other operating income	-	0.8	0.8
Share of post-tax profits from JVs	0.8	(0.6)	0.2
Operating profit	180.9	(27.8)	153.1
Operating profit margin (%)	6.1%	-	5.2%
Net finance costs	(27.5)	-	(27.5)
Profit/(loss) before tax	153.4	(27.8)	125.6
Taxation	(38.8)	3.0	(35.8)
Profit/(loss) for the period	114.6	(24.8)	89.8
Diluted earnings per share (p)	153.9		120.5
Total dividends per share (p)	45.2		45.2

1. Non-underlying items

Cash items	£m
ERP costs	(7.5)
Restructuring	(1.3)
Loss on disposal	(0.1)
Other operating income	<u>0.8</u>
Total cash items	<u>(8.1)</u>
Non-cash items	
Amortisation of acquired intangibles:	
RECON	(3.5)
Moretrench Industrial	(0.7)
GKM	(0.3)
NWF	<u>(0.6)</u>
Total amortisation	<u>(5.1)</u>
JV amortisation	(0.6)
Goodwill impairment	(12.1)
Restructuring	<u>(1.9)</u>
Total non-cash items	<u>(19.7)</u>
Total cash & non-cash items	<u>(27.8)</u>

Net debt flow

£m	2023	2022
Underlying operating profit	180.9	108.6
Depreciation, amortisation and impairment	112.2 ¹	97.0
Underlying EBITDA	293.1	205.6
Non-cash items	(4.0)	(1.1)
Decrease/(Increase) in working capital	2.7 ²	(110.5)
Increase/(decrease) in provisions and retirement benefit liabilities	12.1	(13.4)
Net capital expenditure	(73.6)	(73.5)
Additions to right-of-use assets	(33.9) ¹	(24.8)
Free cash flow before interest and tax	196.4	(17.7)
Free cash flow before interest and tax to underlying operating profit	109%	(16)%
Net interest paid	(20.5)	(10.2)
Cash tax paid	(72.7) ³	(5.9)
Free cash flow	103.2	(33.8)
Dividends paid to shareholders	(27.7)	(26.4)
Purchase of own shares	(3.4)	(1.2)
Net impact of acquisitions and disposals	1.1	(21.7)
Transactions with non-controlling interests	(6.4)	-
Non-underlying items	(12.4)	(6.2)
Fair value movement in net debt and cash flows from derivatives	2.0	2.6
Right-of-use assets / lease liability modifications	(8.7)	(1.6)
Foreign exchange movements	13.9	(17.3)
Movement in net debt	61.6	(105.6)
Opening net debt	(298.9)	(193.3)
Closing net debt	(237.3) ⁴	(298.9)

1. Depreciation/Capex	2023	2022
Net capex/depreciation	96%	101%
Gross capex/depreciation	114%	110%

2. Working capital	2023	2022
Dec/(Inc) in inventories	26.8	(44.2)
Dec/(Inc) in receivables	1.5	(110.0)
(Dec)/Inc in payables	(25.6)	43.7
Dec/(Inc) in working capital	2.7	(110.5)

3. Cash tax

Increase in cash tax paid due to strong trading performance in 2023 and timing difference in tax payments in 2022 vs 2023. Full year 2022 US tax charge and H1 2023 provisional payments were both paid in 2023.

4. Net debt – Covenant basis	£m
Reported net debt	237.3
Lease liabilities (ex IAS 17 leases)	(91.1)
IAS 17 Covenant basis	146.2
Leverage ratio	0.6x

Balance sheet

£m	FY 2023	FY 2022
Intangibles incl. goodwill	114.6 ¹	137.9
Managed assets		
Tangible fixed assets	480.2 ²	486.5
Debtors and inventory	815.1 ³	889.0
Other assets	109.7	83.1
Total managed assets	1,405.0	1,458.6
Other liabilities	(764.3) ⁴	(800.8)
	755.3	795.7
Funded by		
Net debt	237.3 ⁵	298.9
Shareholders' funds	518.0	496.8
Total	755.3	795.7

5. Net debt	£m
Net debt (IAS 17 lender covenant)	146.2
Lease liabilities (ex IAS 17 leases)	<u>91.1</u>
Total	<u>237.3</u>

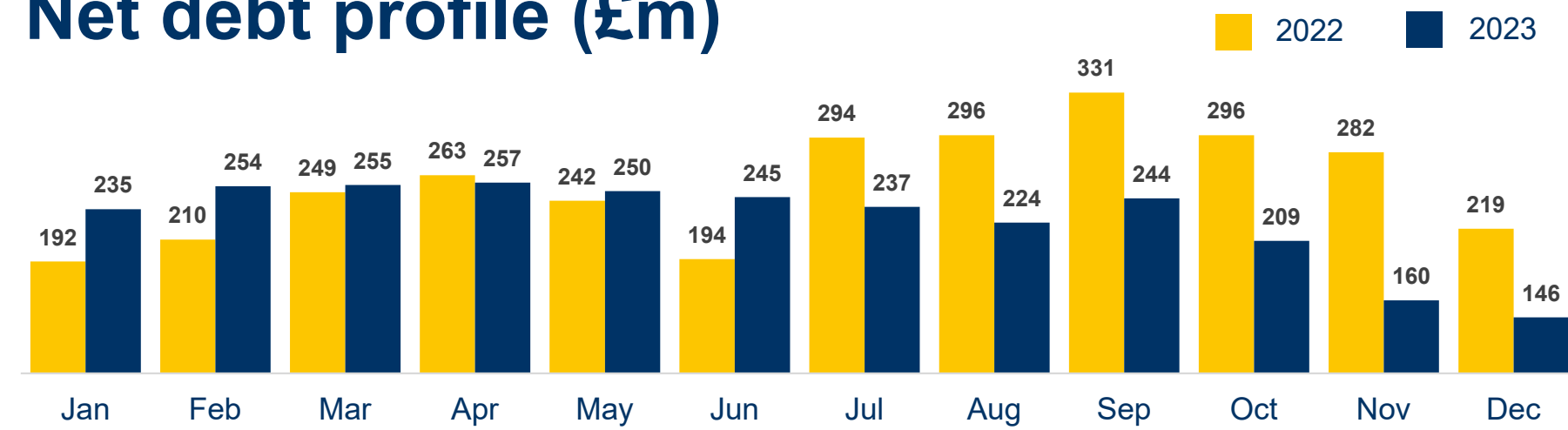
1. Intangibles incl. goodwill	£m
Opening	137.9
Additions	0.2
Impairment	(12.1)
Amortisation	(5.5)
FX	<u>(5.9)</u>
Closing	<u>114.6</u>

2. Tangible fixed assets	£m
Opening	486.5
Capital expenditure	94.3
Right-of-use additions	33.9
Disposals/transfers	(6.2)
Depreciation of fixed assets	(81.8)
Depreciation/imp. of ROU assets	(30.0)
FX	<u>(17.2)</u>
Closing	<u>480.2</u>

3. Debtors and inventory	£m
Opening	889.0
Volume / performance	(36.7)
FX	<u>(37.2)</u>
Closing	<u>815.1</u>

4. Other liabilities	£m
Opening	(800.8)
Volume / performance	8.6
FX	<u>27.9</u>
Closing	<u>(764.3)</u>

Net debt profile (£m)



- Net debt¹: £146.2m decreased by £72.6m, down 33% (2022: £218.8m)
- Average month-end net debt¹: £225m, down 11% (2022: £252m)
- The Group operated well within all covenant limits:
 - Leverage (net debt to EBITDA) at year end was 0.6x¹ well within the limit of 3.0x and leverage target range of 0.5x – 1.5x
- Interest cover (EBITDA to net finance charges) at year end was 12.3x above the minimum of 4.0x
- Committed funding facilities: £375m syndicated revolving credit facility exp. Nov 2025; \$75m private placement repayable in Dec 2024; \$300m private placement repayable in August 2030 (\$120m) and August 2033 (\$180m)
- At 31 December 2023 undrawn borrowing facilities of £425.2m: £377.8m committed and £47.4m uncommitted, as well as cash and cash equivalents of £151.4m

Financial modelling considerations

	2023 experience	2024 considerations
Trading		
NA – Foundations	Substantial improvement in profitability, other items ~ net to zero	Expect to sustain improved operational performance
NA – Suncoast	Large non-recurring margin benefit: extended lag of the effect of lower steel strand cost on customer pricing (high raw material content)	Performance to reflect normalised margins
Europe	Weak market conditions. Poor project execution in the Nordics	Market conditions to remain challenging. Expect improved project performance and operating margin
Austral	H1: Losses from legacy projects H2: Return to profit	Expect a full year of profit
Keller Australia	Strong performance at the peak of the market	More normalised trading levels as government spending eases
Operating profit phasing	Strong H2 (c.40:60)	More evenly weighted H1:H2
Interest	Significant increase on prior year at £27.5m	Trending lower on lower debt
Tax rate	Increased to 25%, due to higher NA in mix	Similar to 2023 +/- 25%
Cash tax	Significant increase due to geo profit mix and delay to FY22 tax bill	Normalised
FX (USD/EUR)	Actual (average) 1.24 / 1.15	Macro dependent
Divisional re-structure	North America; Europe; AMEA	North America; EME ¹ , APAC ²
Cash / debt		
Net capex / leased assets	Approximately in line with depreciation	Approximately in line with depreciation
Working capital	Normalised after 2022 supply chain issues	Normalised
Leverage (IAS 17)	0.6x	At bottom of target range 0.5x–1.5x

Business performance

Safety and wellbeing

2023 GLOBAL SAFETY WEEK

Don't learn safety by accident



Performance

- AFR is 0.10, flat year on year
- TRIR is 0.60, an improvement of 26 fewer recordable injuries year-on-year

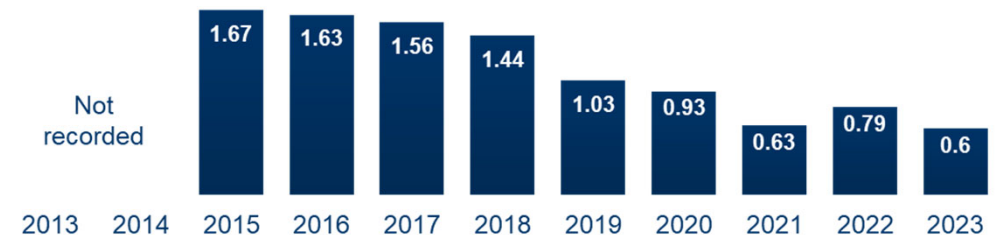
Key actions

- More in-depth approach to assurance with audits done by senior HSEQ and operations personnel
- The second Global Safety Week was a huge success (unsolicited positive feedback)
- Continue to support UNICEF's Core Resources for Children initiative
- 'Fundacja KELLER', a charitable foundation established to support our Ukrainian employees

Accident Frequency Rate

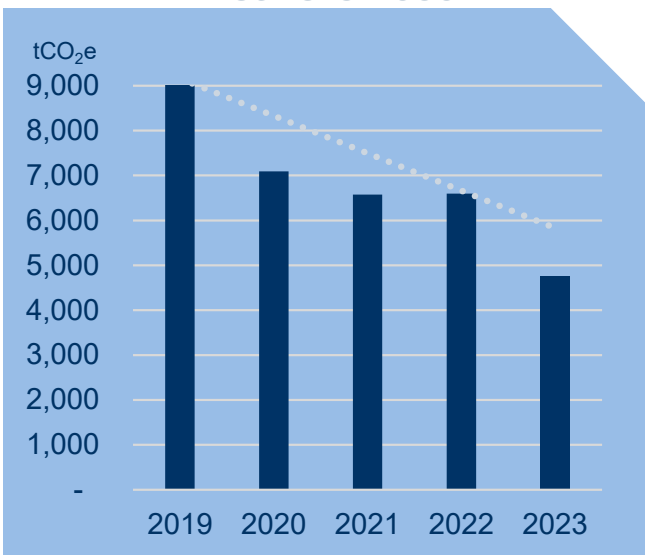


Total Recordable Incident Rate



Carbon performance

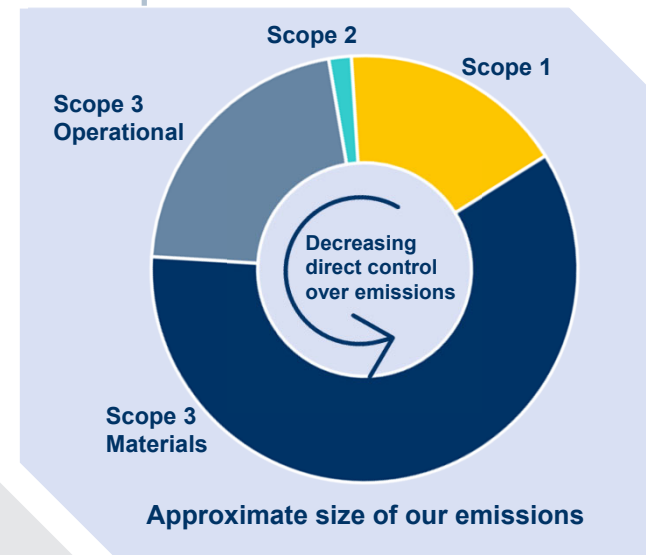
Scope 2 Net zero 2030



Scope 1 Net zero 2040



Scope 3 Operations net zero 2050



Net negative yard in Delhi
95% BUs reduced from baseline



New KB0-E electric rig
HVO biofuel trials in 4 business units



900 trained on sector C calculator
Workshops on low carbon materials

A robust year-end order book at £1.5bn

Geographic mix (full order book)

North America¹

£904.6m +25%

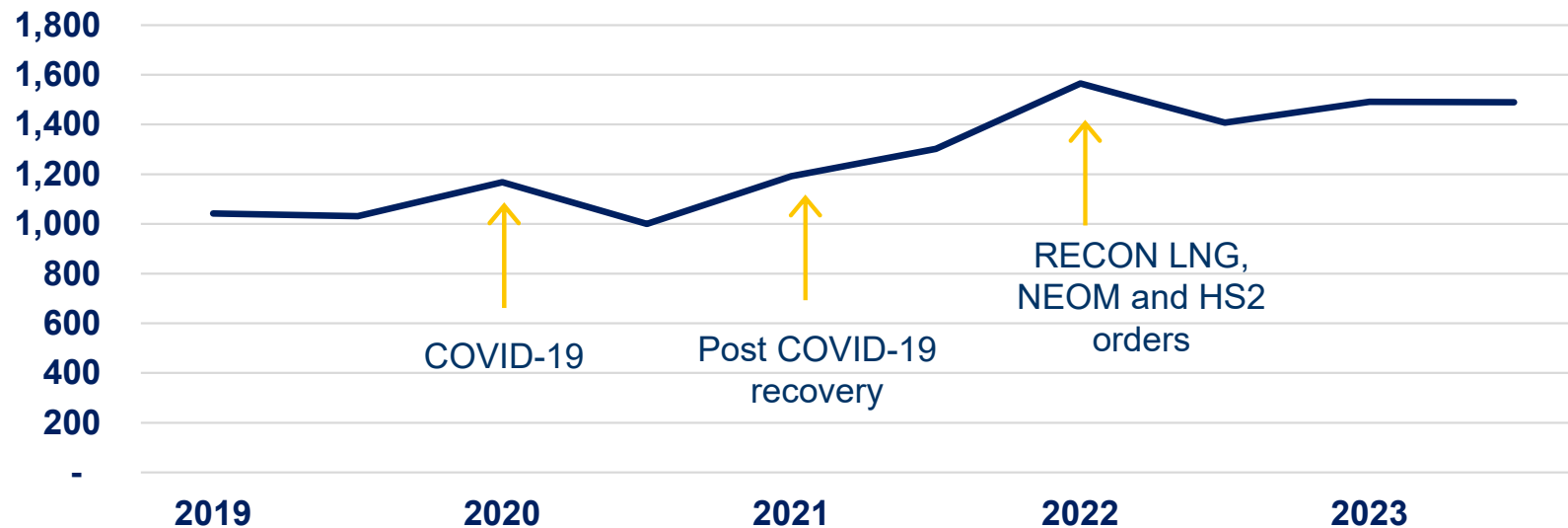
Europe¹

£317.6m -7%

AMEA¹

£266.9m -5%

Order book (£m)



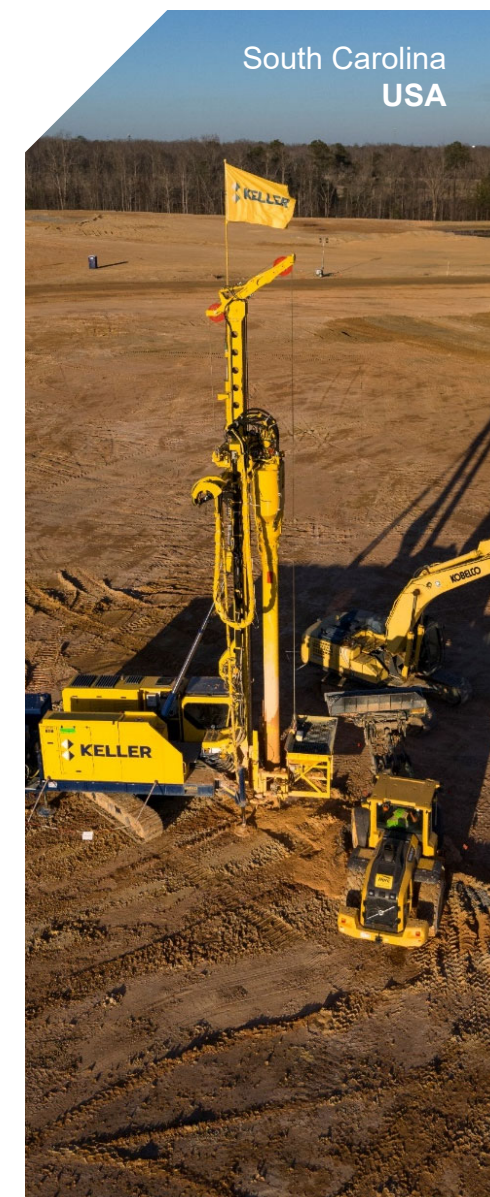
Order book is close to record level

North America

Operating review

£m	2023 £m	2022 £m	Constant currency
Revenue	1,770.0	1,896.1	-6.4%
Underlying operating profit	169.6	82.0	+107.8%
Underlying operating margin	9.6%	4.3%	+530bps
Order book	904.6	761.3	+24.6%

- **Revenue:** down driven by lower volume at RECON and Suncoast
- **Operating profit:** increased >100%, a record performance:
 - Improved performance in NA foundations, strong margin performance at Suncoast, three large projects in foundations
 - Partially offset by losses on legacy contracts, legal claims, reduced performance in Canada
- **Operating margin:** increased to 9.6%, record performance (2022: 4.3%)
- **NA Foundations:** Sustained improvement in operational performance:
 - Introduction of standard operating procedures
 - Improved project performance review process
 - New tracking system for variation orders
 - New management in BUs
- **Suncoast:** strong margin performance. Volume decline (fall in demand from residential) was more than offset by pricing (lower cost for key raw material steel strand)
- **RECON:** expected decline in trading performance following completion of LNG plant
- **Order book:** £904.6m +24.6%



Europe

Operating review

£m	2023	2022	Constant currency
Revenue	686.0	649.3	+4.2%
Underlying operating profit	1.8	29.1	-93.9%
Underlying operating margin	0.3%	4.5%	-420bps
Order book	317.6	347.5	-7.3%

- **Revenue:** up modestly, driven by large infrastructure projects; offset by ongoing weak demand, particularly in residential and commercial
- **Operating profit:** reduced significantly, driven by tough markets and challenging projects
- **SE Europe & Nordics:** profits down due to x2 challenging large multi-year infra contracts in Nordics
- **UK:** Lower levels of HS2 work driving overall revenue and profitability down
- **NE Europe:** Revenue and profits down driven by challenging trading environment (economic and political uncertainty)
- **Central Europe:** Revenue at record levels. Margins adversely affected by market pressure in residential and commercial
- **SW Europe:** growth in revenue and profits driven by France and x-selling initiatives
- **Order book:** £317.6m, down 7.3%; as a result of the completion of large multi-year infrastructure projects



AMEA

Operating review

£m	2023	2022	Constant currency
Revenue	510.0	399.2	+34.1%
Underlying operating profit	22.6	6.6	+253.2%
Underlying operating margin	4.4%	1.7%	+270bps
Order book	266.9	298.4	-5.1%

- **Revenue:** increased by 34.1% driven by strong trading at Keller Australia, delivery of first works order at NEOM, record trading at India BU
- **Operating profit:** significant increase, record level driven by higher volume and improved execution in Keller Australia, NEOM project and return to profit in H2 at Austral
- **Keller Australia:** significant increase in trading activity and profitability, esp. in infrastructure
- **MEA:** NEOM WO1 on The Line completed in Q1, awaiting further work. At Trojena (winter resort) awarded c.USD80m of work which will complete in '24
- **Austral:** returned to profit in H2, insufficient to offset losses on legacy contracts in H1
- **Strategic review:** decision taken to exit Egypt and Sub-Saharan Africa
- **Order book:** £266.9m, down 5.1% driven by depletion at Keller Australia as major projects progressed



Strategic process



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 2023



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
- Reorganisation of BUs in North America – created South Central
- Decision to exit Egypt, Kazakhstan, Sub-Saharan Africa, CynTech
- Obtained full control of operating business in Saudi Arabia

Performance

- Significant uplift in OP margin >6%
- NA Foundations improvement
- Resilient pricing at Suncoast
- Strong performance in Keller Australia
- Turnaround at Austral

Relentless focus on quality

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

KELLER

Portfolio

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

Performance

- Turnaround in Europe
- Maintain momentum with 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' standards
- Deliver pilot and first stage of ERP solution

Growth in target markets and delivery excellence

Summary and outlook

Summary and outlook

2023 Summary – Record performance

- Record results that provide a new foundation for future growth
 - Sustainable improvement in performance in NA Foundations
 - Suncoast gained from a material non-recurring margin benefit
 - Several other external and internal impacts that balance out
- Re-basing the 2023 dividend +20%

2024 Outlook – Strong momentum

- Continued political and macro-economic uncertainty
- Strong trading momentum with a robust order book £1.5bn
- Self-help initiatives to further increase operational discipline and embed improved performance
- Continue to refine the shape and structure of our business portfolio
- Strategic execution generating growth both organically and through targeted M&A

Building the foundations for a sustainable future

Questions and answers

Reporting – new structure proforma

Effective 1 January 2024

Revenue		
	2023 £m	2022 £m
North America	1,770.0	1,896.1
Europe	686.0	649.3
MEA ¹	122.0	91.5
EME	808.0	740.8
AMEA	510.0	399.2
MEA ¹	(122.0)	(91.5)
APAC	388.0	307.7
Group	2,966.0	2,944.6

Operating profit		
	2023 £m	2022 £m
North America	169.6	82.0
Europe	1.8	29.1
MEA ¹	10.7	1.2
EME	12.5	30.3
AMEA	22.6	6.6
MEA ¹	(10.7)	(1.2)
APAC	11.9	5.4
Central items	(13.1)	(9.1)
Group	180.9	108.6

Operating profit margin %		
	2023 %	2022 %
North America	9.6%	4.3%
Europe	0.3%	4.5%
MEA ¹	8.8%	1.3%
EME	1.5%	4.1%
AMEA	4.4%	1.7%
MEA ¹	(8.8)%	(1.3)%
APAC	3.1%	1.8%
Group	6.1%	3.7%

Effective 1 January 2024, Keller's Middle East business unit (including NEOM) will transfer to Europe to create the Europe and Middle East Division (EME). The balance of the former AMEA Division, will form a newly created Asia-Pacific (APAC) Division. Financial reporting for 2023 is based on the previous organisation structure and business units; MEA¹ includes South Africa - the business will be disposed of in Q1 2024

Keller overview



Keller today

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

Our purpose

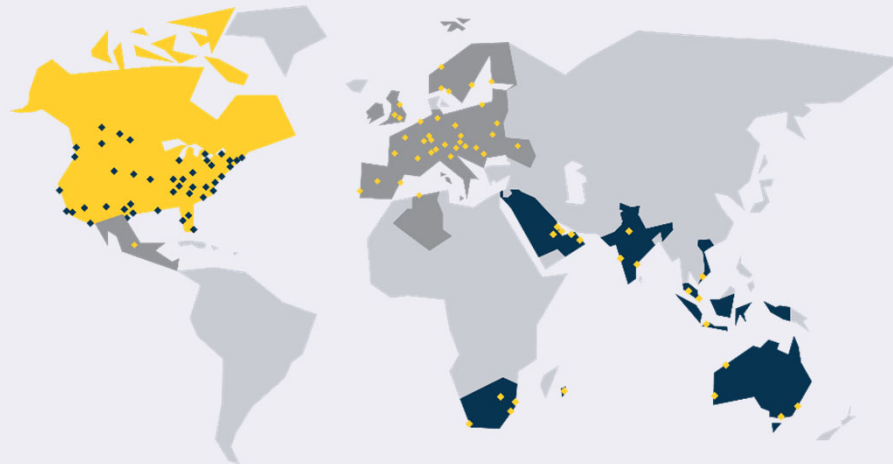
To build the foundations for a sustainable future

Our vision

To be the leading provider of specialist geotechnical solutions

Our values

Integrity
Collaboration
Excellence



Three divisions

17 business units



160
branches



3.0bn
revenue pa

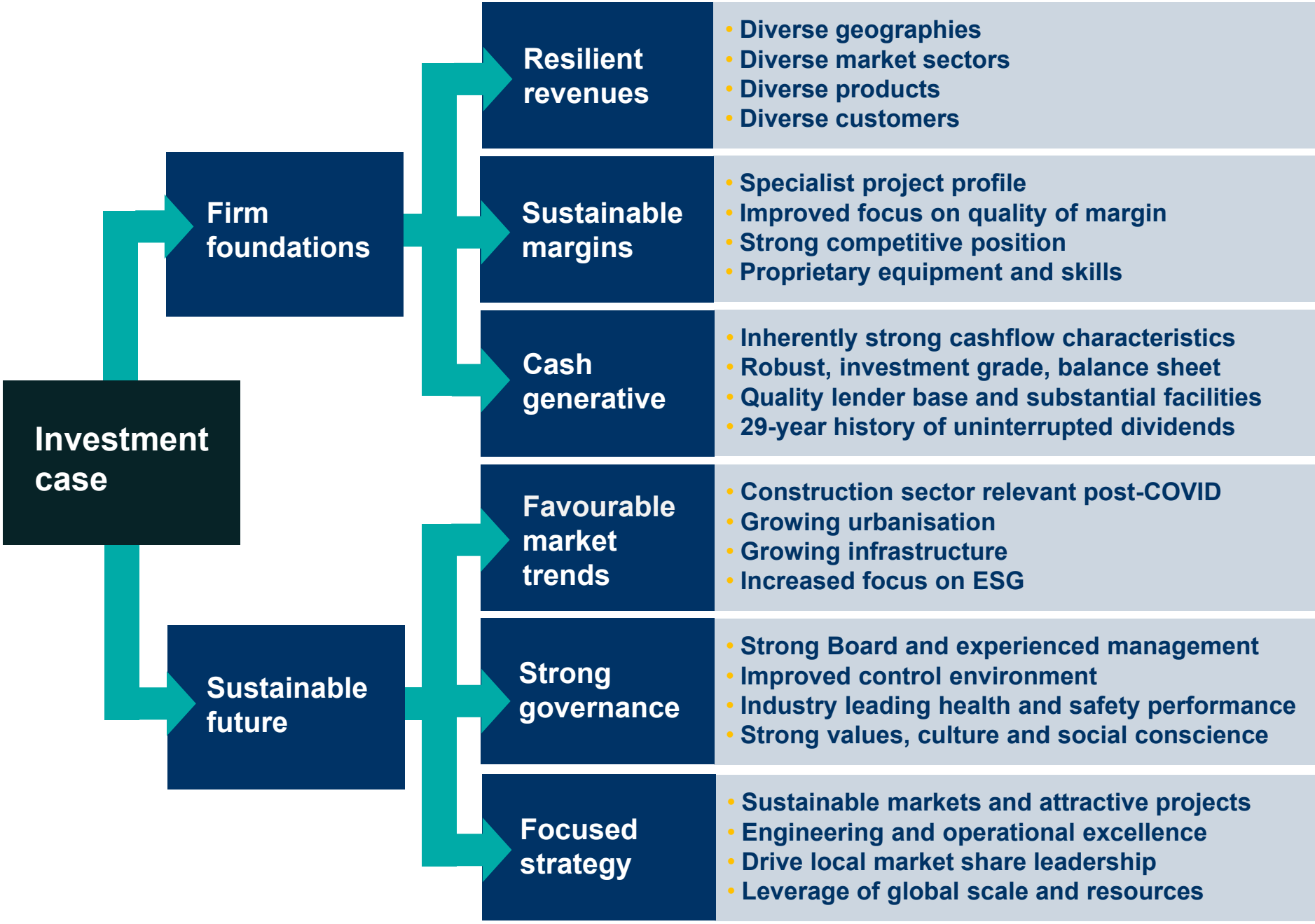


C9,500
employees



5,500
contracts pa

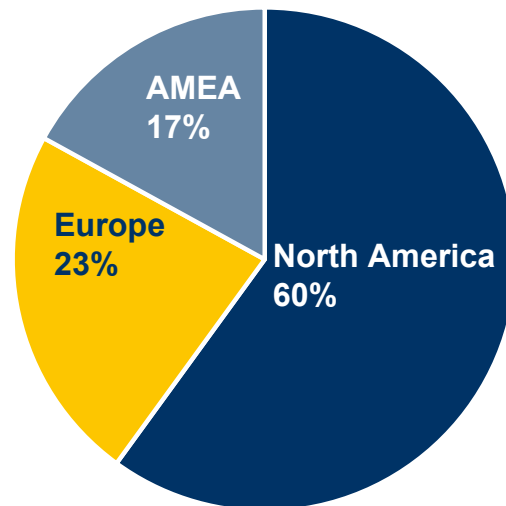
Building the foundations for a sustainable future



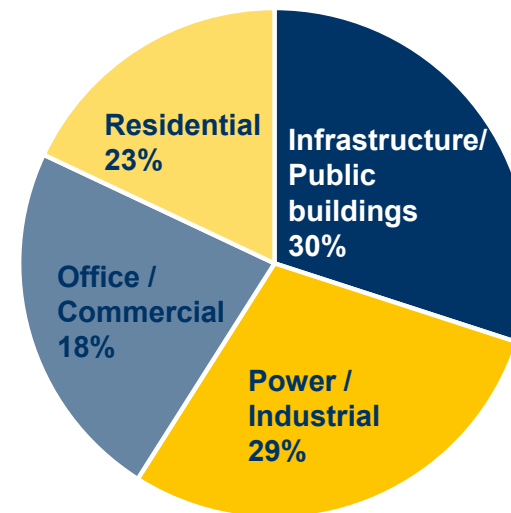
Well balanced in terms of geography and sector

- 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)



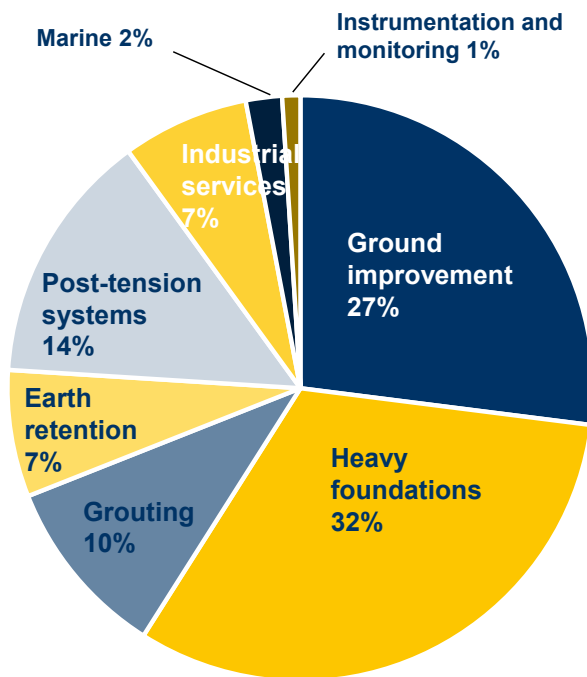
Revenue by sector (2023)



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)

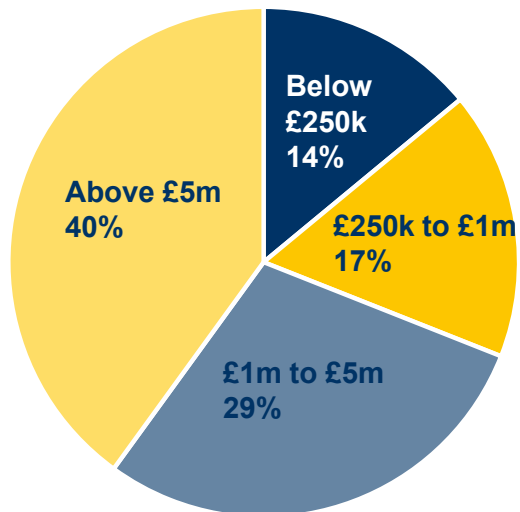


<p>Ground improvement</p> <ul style="list-style-type: none"> • Vibro • Rigid inclusions • Dynamic improvement • Soil mixing • Consolidation 	<p>Heavy foundations</p> <ul style="list-style-type: none"> • Driven piles • Micropiles • Bored piles /drilled shafts • Continuous flight auger 	<p>Grouting</p>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

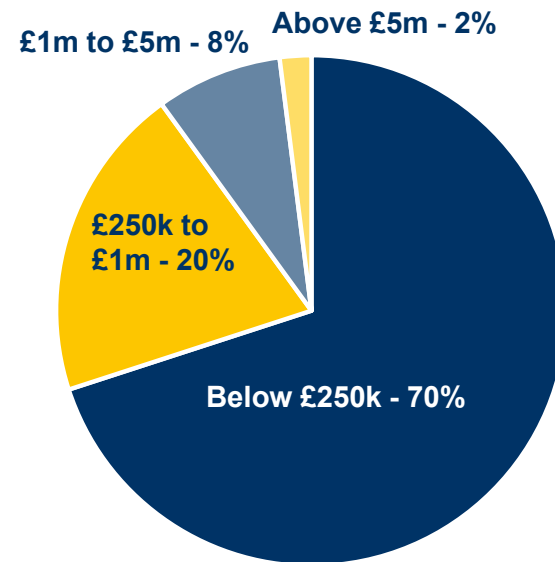
Diverse customer base

- 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

Geotechnical market size

Market size

A strong position but plenty of room to grow

€39.5bn

1. Global geotechnical contracting market

€23bn

2. Addressable markets

€18.5bn

3. Core markets where we choose to operate

€3bn

4. Keller today

Market share

Share of addressable market €23bn¹



- Keller
- Soletanche/Bachy/Menard
- Bauer (contracting)
- Trevi (contracting)
- General contractor owned
- Country/regional specific, small players

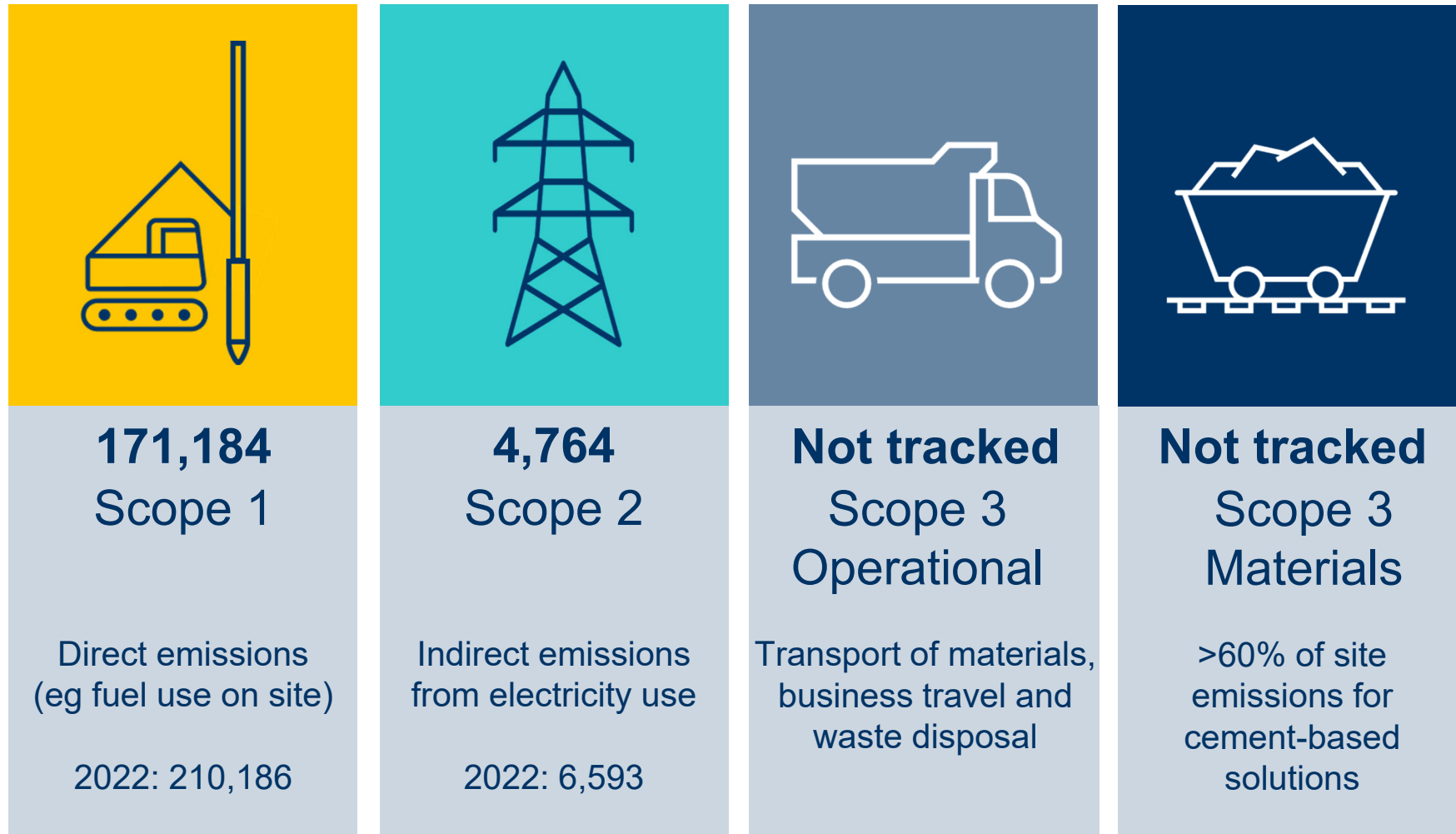
¹ Sources: Keller accounts, IHS Global Insight, GlobalData and other local sources.

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

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

Keller's emissions

171,184 tonnes of CO₂e (Scope 1 and 2)



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)



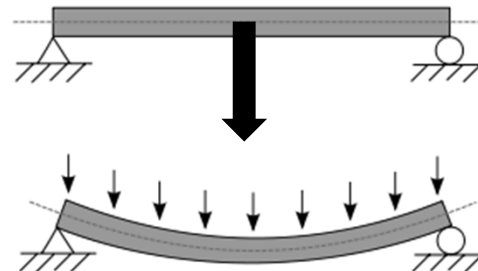
Requirements

- Performance (allowable settlements)
- Schedule
- Cost



Loading conditions

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



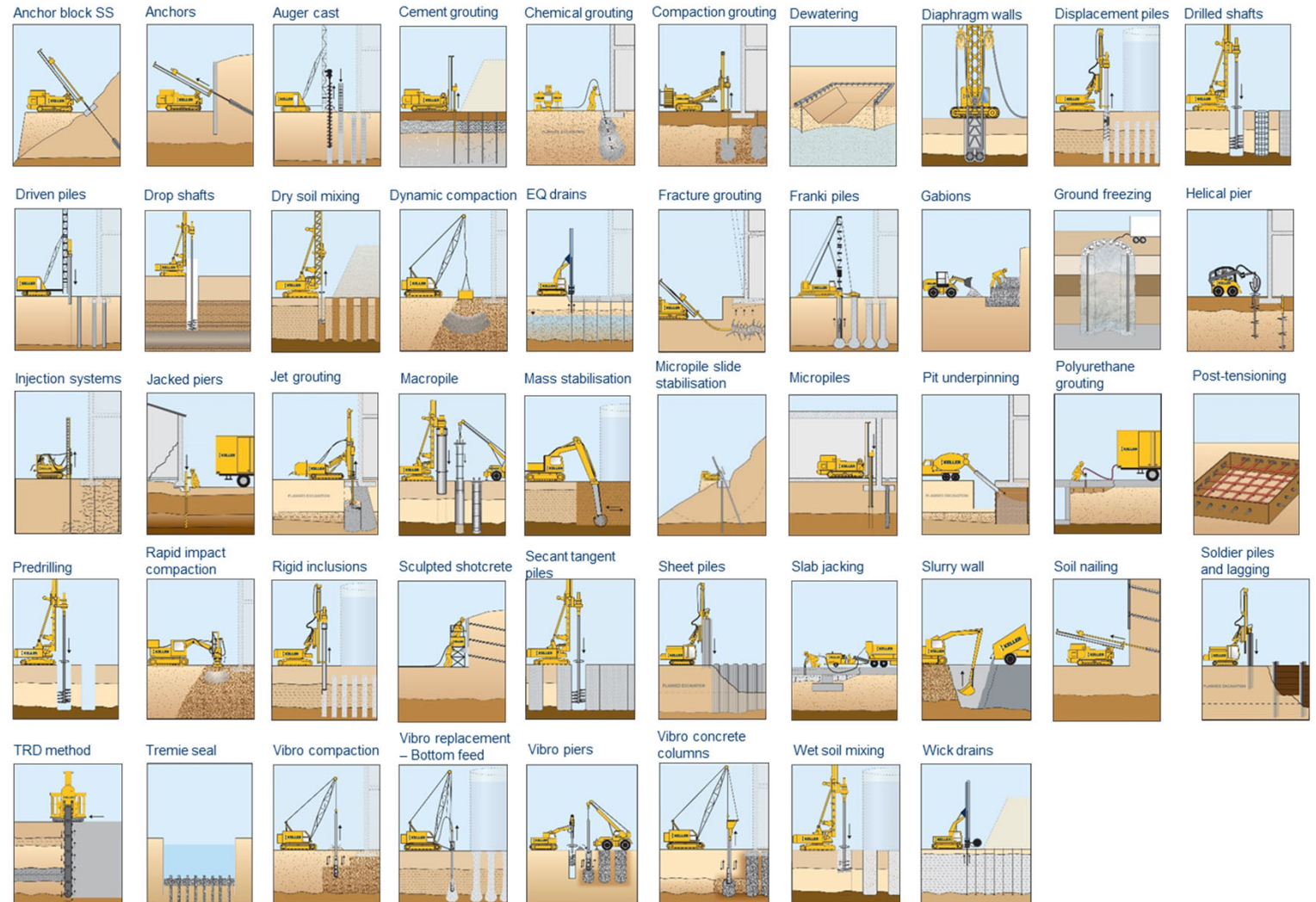
Constraints

- 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

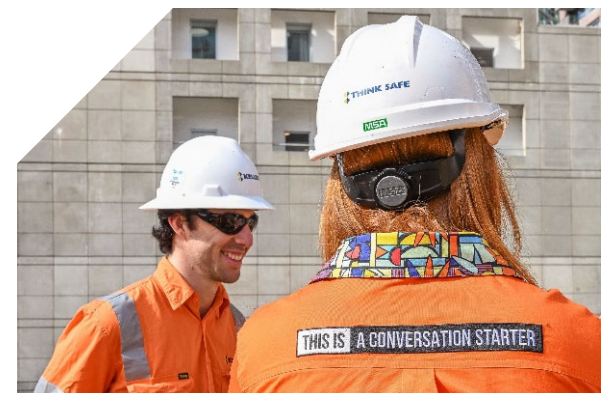
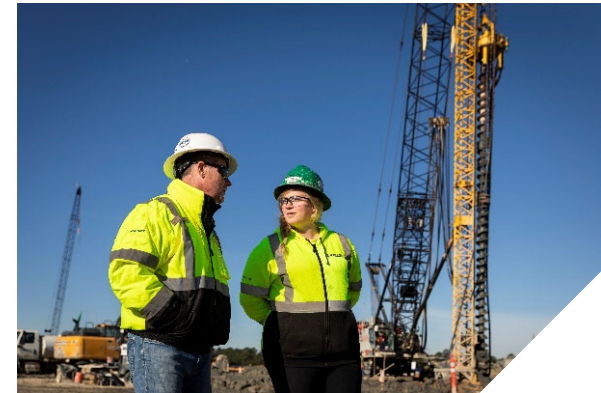
- Project Manager Academy
- Field Supervisor Academy
- Business Development Academy

Emerging talent

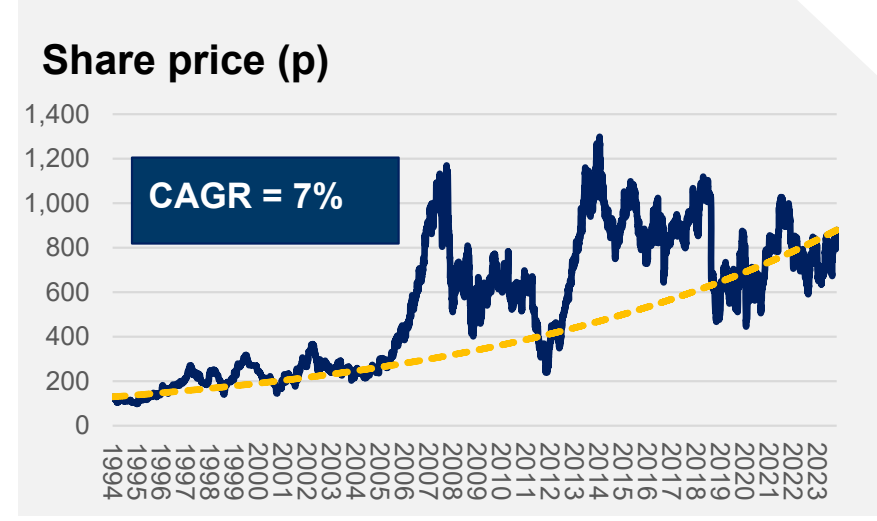
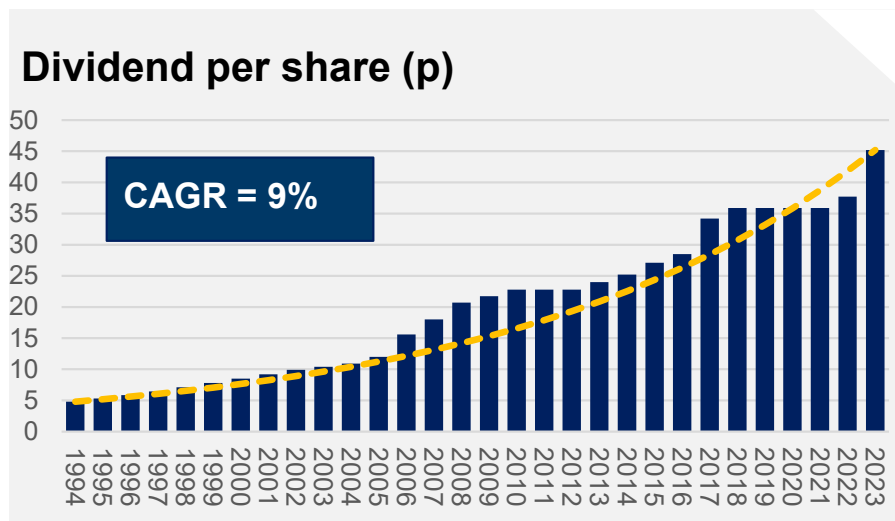
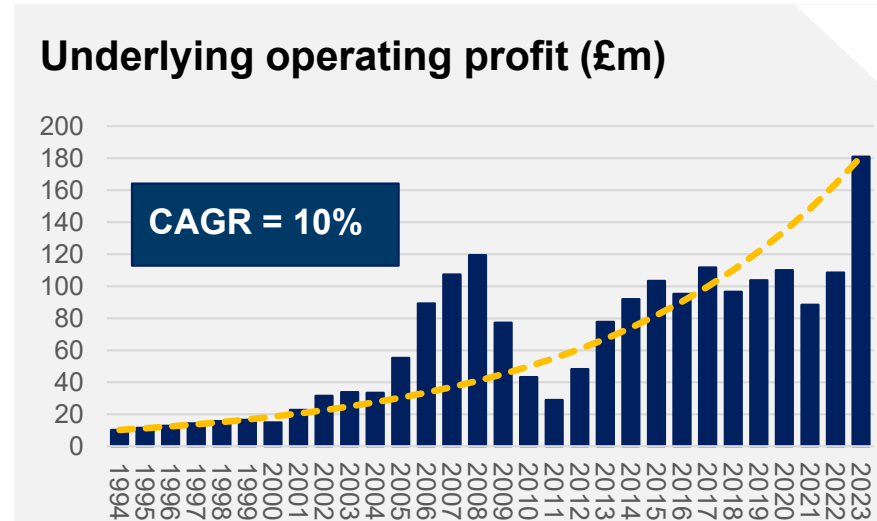
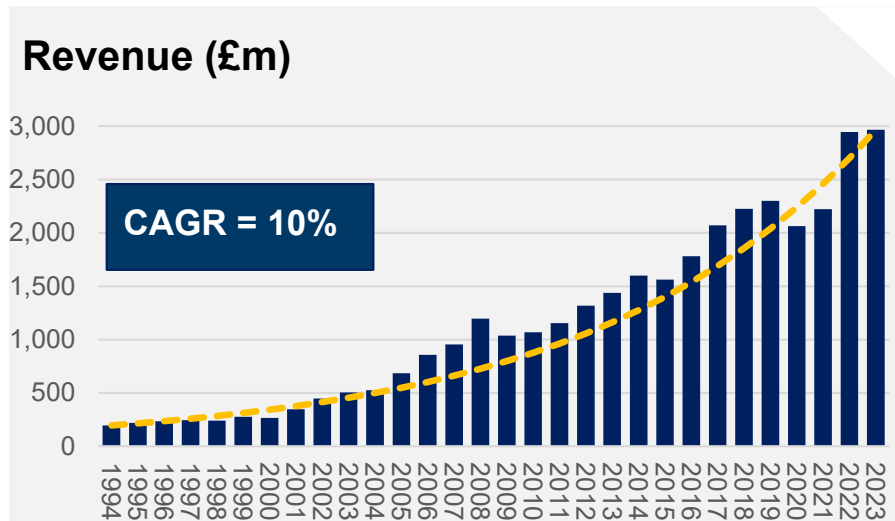
- More than 100 graduates, 38 apprentices and 40 interns and coops
- Pitcairn Engineering Scholarship

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

Investor Relations contact



Caroline Crampton
Group Head of Investor Relations

+44 20 7616 7575

caroline.crampton@keller.com