Half Year 2025 Results Presentation

to 30th June 2025

29th July 2025





Agenda

- Group highlights – John Morgan
- Financial & operational review – Kelly Gangotra
- Markets & outlook – John Morgan
- Partnerships – Steve Coleby & Phil Mayall
- Summary – John Morgan
- Q&A

Group Highlights
John Morgan

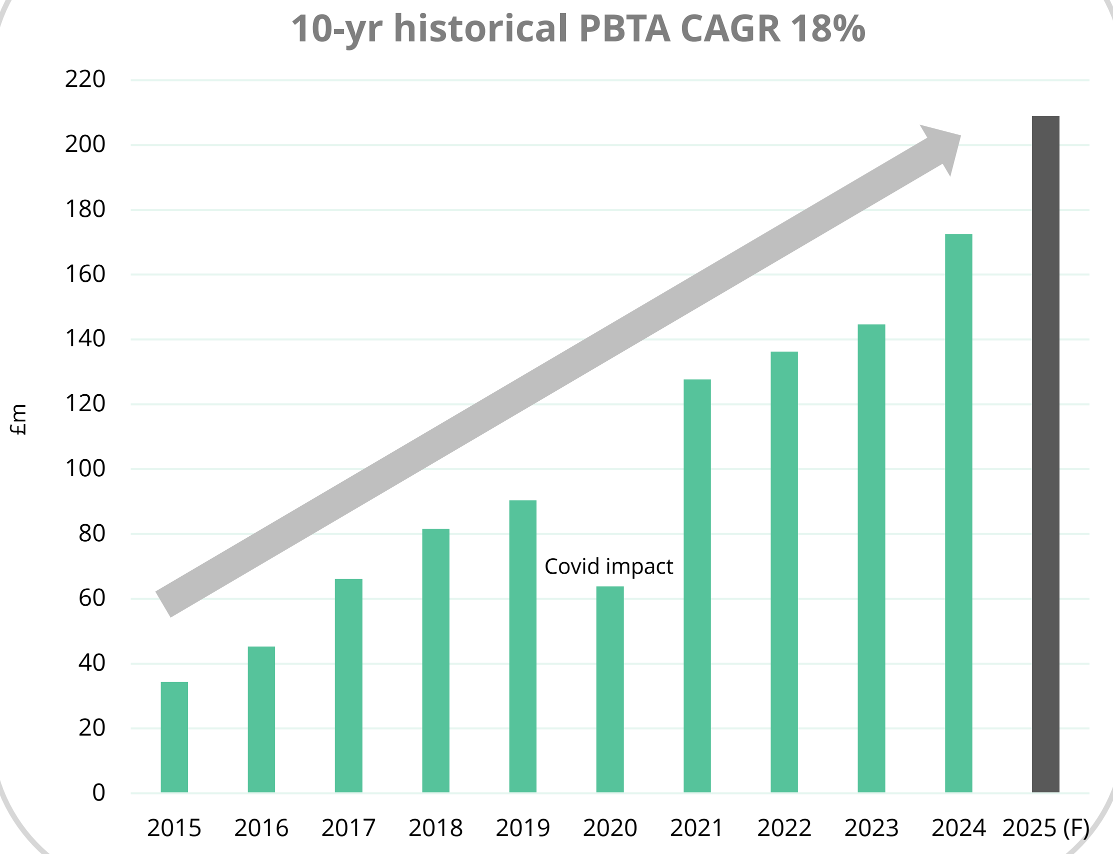
Muse, Lewisham Gateway, London

Group Highlights

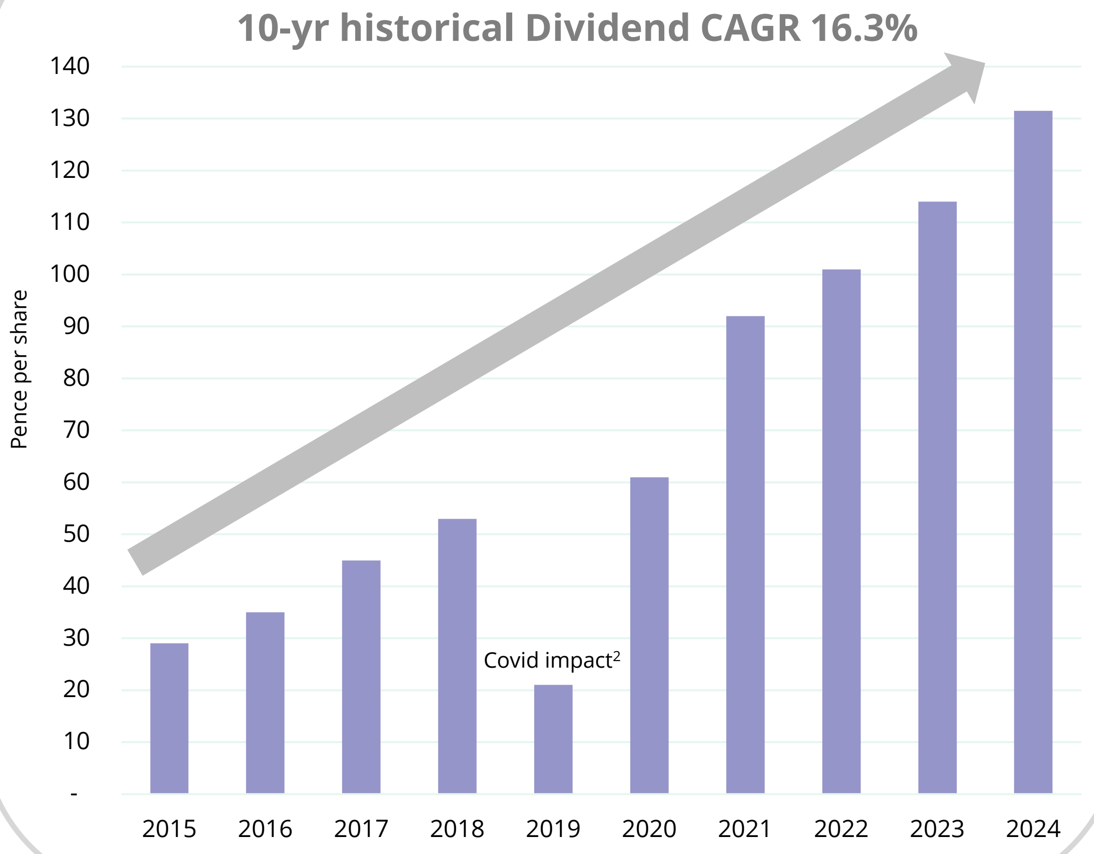
£2.4bn Group revenue	+7%	**4.0%** PBTA Margin	+80bps
£95.9m Adjusted profit before tax	+37%	**£17.8bn** Orderbook& preferred bidder	+24%
50.0p Interim Dividend	+20%	**£390m** Period end Cash	+£39m

10-year historical long-term performance

Adjusted PBTA[1] 2015 - 2025



Total dividend (p) 2015 - 2024



[1] Adjusted = before intangible amortisation and exceptional items

[F] Current market consensus

[2] Final dividend payment attributable for 2019 was cancelled in 2020 due to Covid

MORGAN SINDALL GROUP

Fit Out, The Francis Crick Institute, London

Financial and Operational Review
Kelly Gangotra

Summary of Group results

Adjusted[1] Basis £m	30 June 2025	30 June 2024	Change
Revenue	2,370	2,214	+7%
Operating Profit	91.8	65.5	+40%
Operating Margin	3.9%	3.0%	+90bps
Net interest	4.1	4.6	n/a
Profit before tax	**95.9**	**70.1**	**+37%**
PBTA margin	**4.0%**	**3.2%**	**+80bps**
Tax	(24.1)	(17.8)	+35%
Profit after tax	71.8	52.3	+37%
Earnings per share	153.1p	112.5p	+36%
Interim dividend (p)	**50.0p**	**41.5p**	**+20%**

[1] Adjusted = before intangible amortisation of £0.4m and exceptional building safety charge of £0.1m (HY 2024: before intangible amortisation of £0.3m and exceptional building safety credit of £0.3m)

Summary by division

	Revenue		Operating Proft / (Loss)[1]		Operating Margin[1]	
	£m	Change	£m	Change	£m	Change
Partnership Housing	405	+6%	13.2	+13%	3.3%	+20bps
Mixed Use Partnerships	26	-56%	(1.5)	n/a	-	n/a
Fit Out	838	+33%	58.1	41%	6.9%	+30bps
Construction	523	+1%	16.1	14%	3.1%	+40bps
Property Services	104	+1%	0.5	n/a	0.5%	n/a
Infrastructure	482	-9%	18.4	-7%	3.8%	+10bps
Elims/Central	(8)	n/a	(13.0)	n/a	-	n/a
Total Group	**2,370**	**+7%**	**91.8**	**+40%**	**3.9%**	**+90bps**

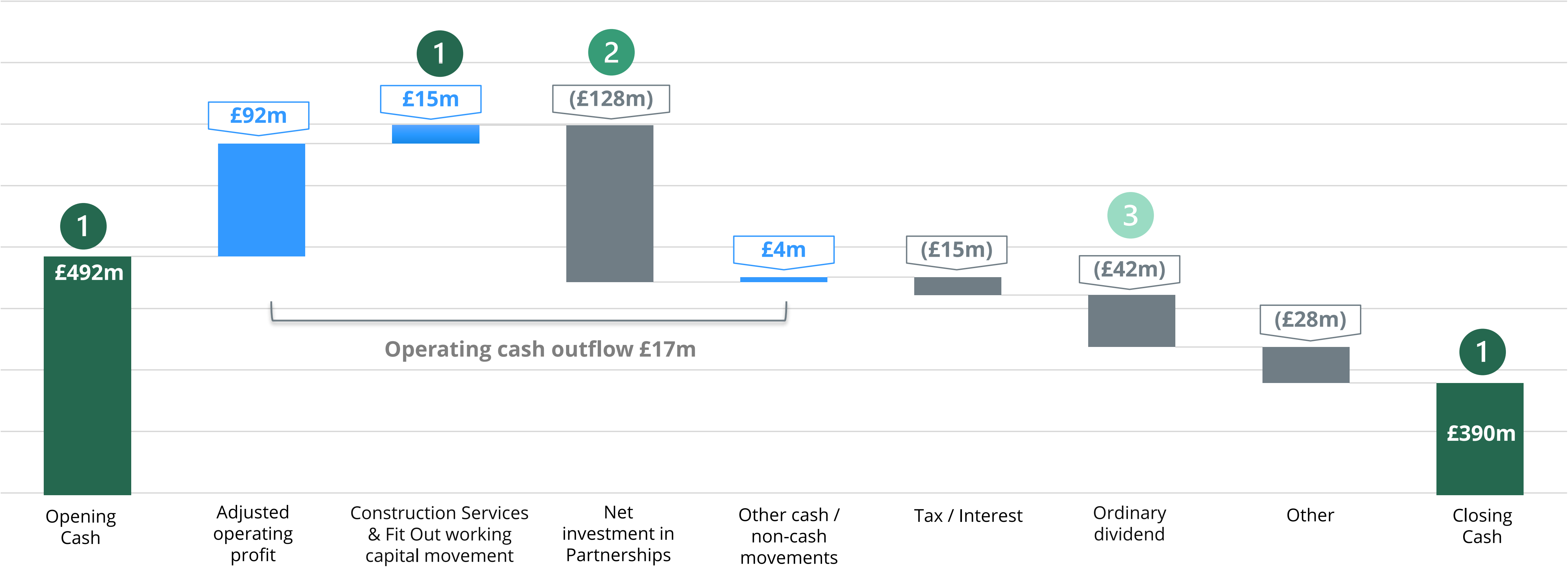
[1] Adjusted = before intangible amortisation of £0.4m and exceptional building safety charge of £0.1m (HY 2024: before intangible amortisation of £0.3m and exceptional building safety credit of £0.3m)

Secured Order Book and Preferred Bidder

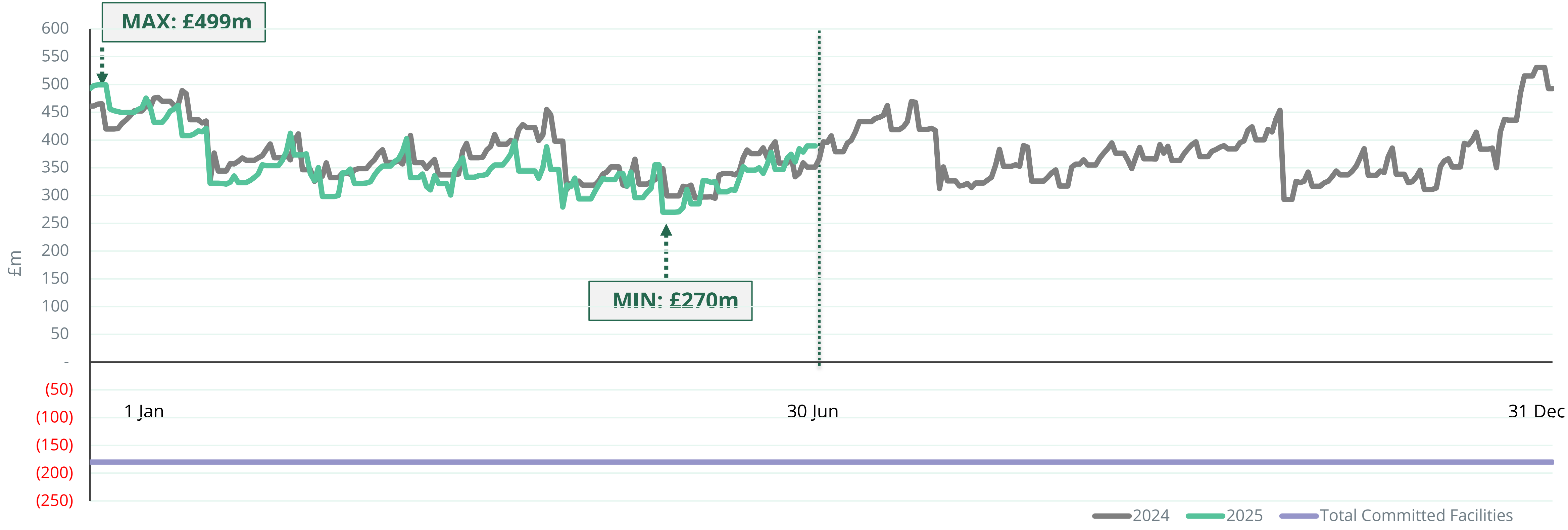
	Group secured order book	Preferred bidder	Total secured and preferred bidder
Partnerships	£6.8bn (+73% HY 2024)	£3.5bn (-10% HY 2024)	£10.3bn (+31% HY 2024)
Fit Out	£1.4bn (+19% HY 2024)	£0.3bn (+41% HY 2024)	£1.7bn (+23% HY 2024)
Construction Services	£3.8bn (+7% HY 2024)	£2.0bn (+32% HY 2024)	£5.8bn (+15% HY 2024)
Group Total	£12.0bn (+39% HY 2024)	£5.8bn (+3.4% HY 2024)	£17.8bn (+24% HY 2024)

Net Cash movement

Operating cash outflow of £17m as investment in Partnership activities continues



Daily net cash balance



- Period end net cash of **£390m** (HY 2024: £351m)
- Average daily net cash of **£354m** (HY 2024: £372m)
- FY 2025 average daily net cash expected to be in excess of £330m

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Partnership Housing

Adjusted[1] Basis £m	HY 25	Change
Revenue	405	+6%
Operating Profit	13.2	+13%
Operating Margin	3.3%	+20bps
Secured order book	2,198	+6%
Average capital employed[1]	£393m	+£104m
ROCE[1]	10%	-100bps

- Award of two new partnership schemes, which collectively will deliver c3,500 homes over the next 8 years
- Secured and preferred bidder work amount to £5bn, with an additional strong pipeline
- Average capital employed expected to range between £400m - £430m in 2025

68 active sites (HY 24: 63)

2,463 units built[2] (HY 24: 2,368)

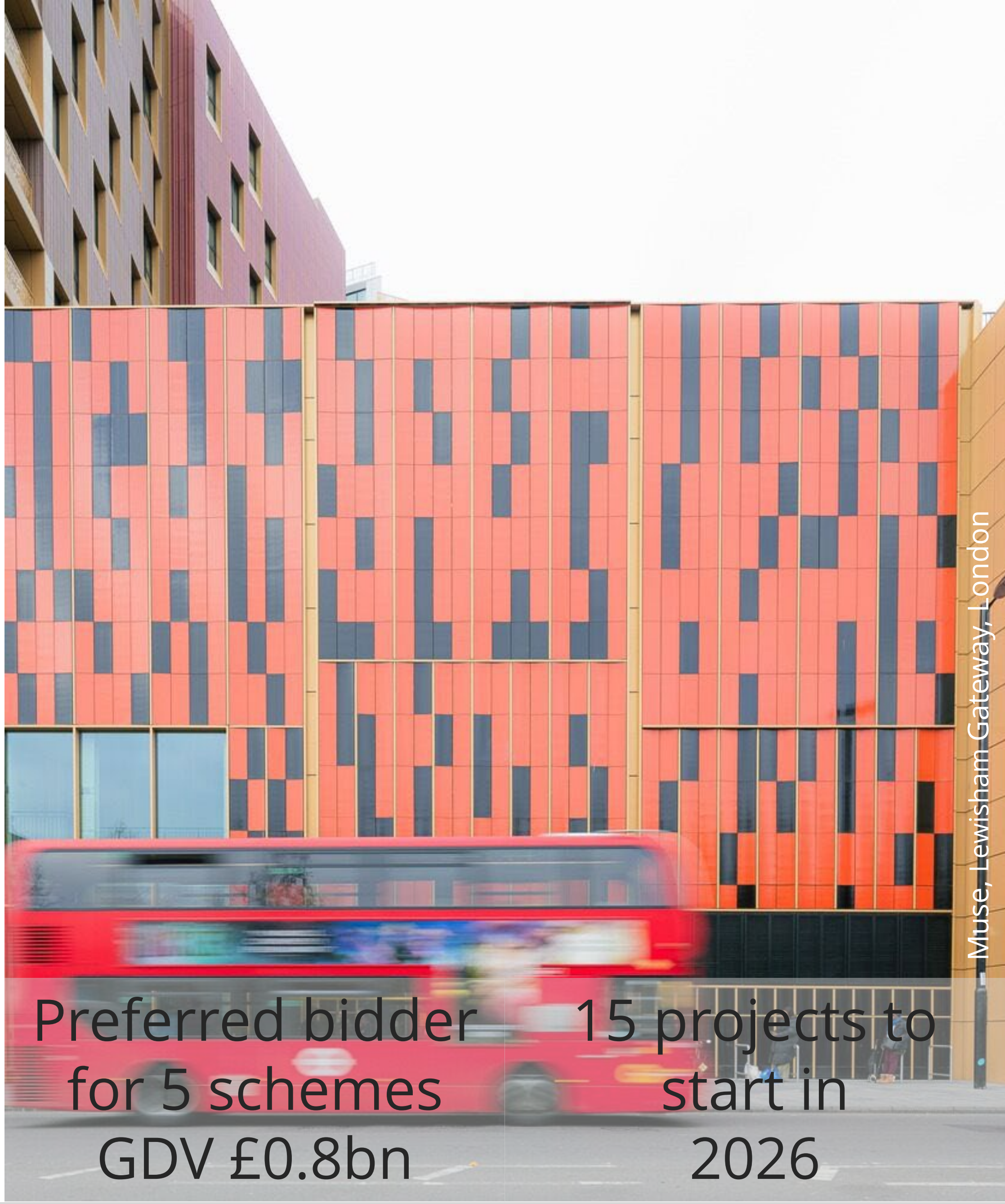
£254k ASP[3] (HY 24: £222k)

1 Before exceptional Building Safety receivables and provisions, including JVs for the last 12 months
2 Includes Mixed Tenure units: HY 2025 625 (HY 2024: 784)
3 Open Market Sales only

Mixed Use Partnerships

Adjusted[1] Basis £m	HY 25	Change
Revenue	26	-56%
Operating Profit[1]	(1.5)	n/a
Secured order book	4,584	+150%
Average capital employed[2]	£102m	+£12m
ROCE[1&2]	- 0.5%	n/a

- c£6m of direct scheme investment costs expensed where no profit is yet recognised
- Secured and preferred bidder work totals £5.3bn, with an additional healthy pipeline
- Average capital employed expected to range between £115m - £125m in 2025



1 Before exceptional Building Safety charge of £0.1m (HY 2024: Credit £0.3m)
2 Before exceptional Building Safety receivables and provisions for the last 12 months

Fit Out

Adjusted Basis £m	HY 25	Change
Revenue	838	+33%
Operating Profit	58.1	+41%
Operating Margin	6.9%	+30bps
Secured order book	1,445	+19%

- Excellent track record of achieving strong results through laser focus on both project delivery and customer experience
- Strong margins still benefiting from contract mix and operational leverage
- Secured and preferred bidder work £1.7bn plus a healthy pipeline of opportunities

Construction

Adjusted Basis £m	HY 25	Change
Revenue	523	+1%
Operating Profit	16.1	+14%
Operating Margin	3.1%	+40bps
Secured order book	1,129	+32%

- Risk management continues to be exercised strongly from pre-construction stage to handover of projects to protect margins
- 98% of order book delivered through frameworks, two-stage processes or negotiated work
- Growing high quality secured orderbook and works at preferred bidder totalling £2.5bn

Infrastructure

Adjusted Basis £m	HY 25	Change
Revenue	482	-9%
Operating Profit	18.4	-7%
Operating Margin	3.8%	+10bps
Secured order book	1,873	+11%

- Planning & design work during the ECI[1] phase for a large number of recently awarded frameworks impacting revenue profile
- High quality and strong secured and preferred bidder position £2.5bn followed by a healthy pipeline of selective opportunities across Power, Nuclear, Rail, Highways, Water and Defence

1 Early Contractor Involvement

Property Services

Adjusted Basis £m	HY 25	Change
Revenue	104	+1%
Operating Profit[1]	0.5	n/a
Operating Margin[1]	0.5%	n/a
Secured order book[2]	781	-22%

- Key priority for 2025 is to maintain business stabilisation following the completion of the remediation programme in 2024
- Move towards a rebalancing of reactive vs planned maintenance with decarbonisation work continues
- The division will report as a standalone segment until 31st December 2025, before full integration into Construction from 1st January 2026

1 Before intangible amortisation of £0.4m (HY 2024: £0.3m)
2 HY 2024 includes the removal of £0.4bn of future revenues for contracts which Property Services negotiated an early release

Markets & Outlook
John Morgan

Construction, Acklam Road, Kensington & Chelsea

Market Conditions

Overall, a net positive set of conditions

Tailwinds

Fit Out market	• Medium-term fundamentals for Fit Out expected to remain favourable
Spending Review	• £16bn National Housing Bank • 10-yr rent settlement, rents +1% above inflation • 10-year Affordable Housing Programme £39bn • Extra spend for Construction and Infrastructure
Partnership demand	• Several large schemes coming to market over the next year
Planning Reforms	• Modest impact to date, sense of direction helpful

Headwinds

Housing demand	• Not as strong as expected at the start of the year, strong support for the medium-term fundamentals
Interest rates	• Not coming down as fast as expected, impacting the housing market and viability for some schemes across the group in the short-term
GDP	• Reduced expectations on GDP growth unhelpful for all group activities

Medium-Term Targets

Division		Medium Term Targets
Partnership Housing		Operating margin of 8%, ROCE up towards 25%
Mixed Use Partnerships		Annual ROCE up towards 25%
Fit Out	⬆	**Annual operating profit £80m - £100m** *(previously £60m - £85m)*
Construction	⬆	**Operating margin of 3.0% - 3.5% pa, revenue > £1.5bn[1]** *(previously revenue > £1bn)*
Infrastructure		Operating margin of 3.75% - 4.25% pa, revenue > £1bn

⬆ Increased medium-term target updated in July 2025

[1] Includes Property Services (FY 2024: £223m)

2025 Outlook by Division

Division	2025 Outlook
Partnership Housing	Solid profit growth expected, ROCE slightly lower than 2024 levels as we continue to invest
Mixed Use Partnerships	Close to break even this year as we continue to invest in new schemes
Fit Out	Profit to significantly exceed the top end of the revised target range
Construction	Margin to be at mid-end of range, with revenue > £1bn
Infrastructure	Margin to be middle of the range, with revenue slightly below £1bn
Property Services	Modest profit

Overview of Partnerships

Partnership Housing (LOVELL)	Mixed Use Partnerships (MUSE)
• Profit from house sales and contracting	• Profit from share of equity and development management fees
• National business	• National business
• Developer and contractor	• Developer only
• Partnerships are with Housing Associations and Local Government	• Partnerships with Government Agencies and Local Government
• Capital invested in design, planning, infrastructure and building homes for sale	• Capital invested in design, planning, early works and sometimes construction
• Minority of schemes forward funded	• Majority forwarded funded
• Order book and preferred bidder £5.0bn	• Order book and preferred bidder £5.3bn
• Average capital employed £393m	• Average capital employed £102m

Partnerships
Steve Coleby & Phil Mayall

Muse, Hale Wharf, Tottenham

Partnership Housing

Investing for future growth

FY 2021

- **£2.8bn** orderbook[1]
- **3,130** homes built
- **48** active sites
- **8** regions
- **£156m** average CE
- **21%** ROCE

FY 2022

- **£3.4bn** orderbook[1]
- **3,946** homes built
- **58** active sites
- **9** regions
- **£197m** average CE
- **19%** ROCE

FY 2023

- **£3.5bn** orderbook[1]
- **4,788** homes built
- **61** active sites
- **10** regions
- **£255m** average CE
- **12%** ROCE

FY 2024

- **£4.0bn** orderbook[1]
- **5,107** homes built
- **66** active sites
- **11** regions
- **£338m** average CE
- **11%** ROCE

1 Includes Preferred Bidder work (signed development agreement)

Near term secured project – Barnet

In a 10-yr partnership with Barnet Council delivering 1,200 homes

Indicative investment profile

- Initial GDV £100m, being our share
- Opportunity to add further sites over the 10-year partnership period
- Potential GDV may increase to £255m
- Peak capital investment £14m

Preferred bidder
2024

2025
Signed partnership agreement

Planning for Phase 1
2026

2027
Phase 1 start on site

Anticipated completion of last phase
2033

Near to medium-term project - Suffolk

Delivering 2,800 homes in partnership with Suffolk County Council over 10 years

Indicative investment profile

- Consists of five sites, with only 1 small site being included in the secured orderbook
- GDV £505m, being our share
- Peak capital investment £25m

Preferred bidder
2021

2022
Signed partnership agreement

Planning for Sites 1 - 5
2024 - 26

2025
Start on first site

Anticipated completion of last phase
2039

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Near to medium-term project – Cardiff & Vale

Delivering 2,300 homes in partnership with Cardiff & Vale of Glamorgan over 10 years

Indicative investment profile

- GDV £540m, being our share
- Delivery of over 50% new Council housing
- Consists of 24 sites to be completed between 2026 - 2033
- Peak capital investment £40m

Preferred bidder
2025

2025
Anticipated partnership agreement

Planning for 24 sites
2024-28

2025
First site start on site

Anticipated completion of last site
2033

Mixed Use Partnerships

Significant demand for partnerships to regenerate towns & cities

FY 2021

- **£2.6bn** orderbook[1]
- **14** projects on site (£0.6bn GDV)
- **3** regions
- **£99m** average CE
- **13%** ROCE

Business as usual

FY 2022

- **£3.7bn** orderbook[1]
- **16** projects on site (£0.8bn GDV)
- **3** regions
- **£97m** average CE
- **20%** ROCE

Regional expansion into the Midlands established

FY 2023

- **£4.2bn** orderbook[1]
- **12** projects on site (£0.7bn GDV)
- **4** regions
- **£80m** average CE
- **15%** ROCE

Shift in strategy to focus on larger multi-phase schemes

FY 2024

- **£4.8bn** orderbook[1]
- **5** projects on site (£0.2bn GDV)
- **4** regions
- **£94m** average CE
- **2%** ROCE

Secured 4 signed development agreements

1 Includes Preferred Bidder work where the division is the sole bidder

Medium-term project – Aykley Heads, Durham

10-year partnership with Durham County Council

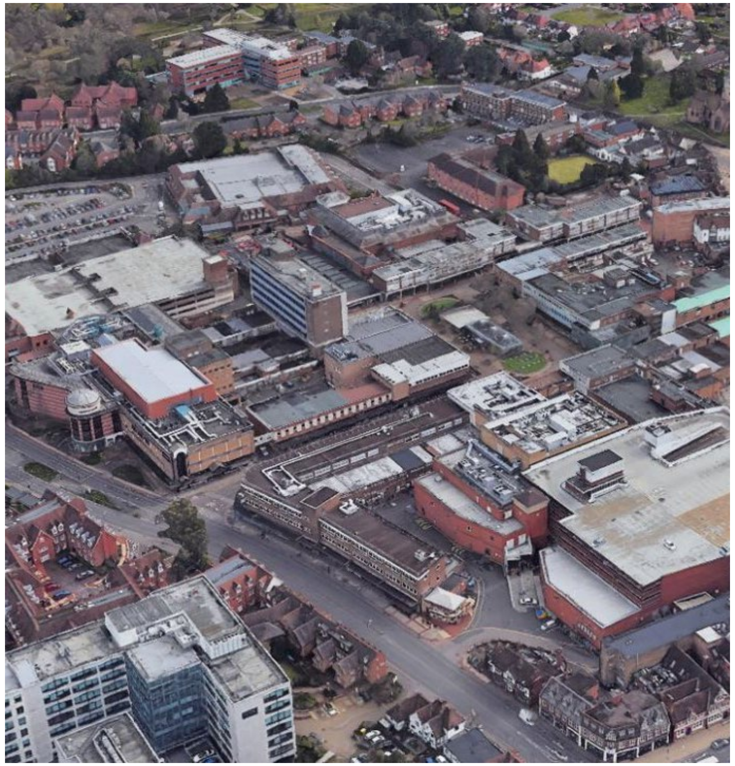
Indicative investment profile

- Development of a 400k sq ft Innovation District
- Demolition of existing Council offices, as well as a collaboration agreement with Durham University
- Working on 4 Phases, the first is expected start on site 2027
- GDV £86m, being our share
- Peak equity c£2m

Preferred bidder	2025
Signed development agreement	2025
Master development planning activities	2026
Expected start on site	2027
Anticipated completion	2035

Near term project – Mell Square, Solihull

10-year partnership with Solihull Council for the redevelopment of existing shopping centre



Indicative investment profile

- Development to include delivery of new retail, food and beverage venues and c1,400 homes
- Consists of six phases, the first of which is expected start on site 2026
- GDV £572m, being our share

Preferred bidder
2023

2024
Signed development agreement

Master development planning activities
2025

2026
Expected start on site

Anticipated completion
2035

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Medium-term project – North West Quadrant, Slough

15-year partnership with Slough Borough Council and ECF[1]

Indicative investment profile

- Development of 10-acre site comprising of 200k 'Grade A' office space and c1,600 homes over multiple phases
- Consists of 14 buildings, Phase 1 expected start on site 2027
- GDV £168m, being our share
- Peak equity c£5m

[1] ECF – English Cities Fund, strategic joint venture comprising of Homes England, Legal & General and MUSE

- 2023 – Preferred bidder
- 2024 – Signed development agreement
- 2025 – Master development planning activities
- 2027 – Expected start on site
- 2033 – Anticipated completion

Construction, King Hemry VIII School, Abergavenny

Summary
John Morgan

Summary

- Long term organic growth strategy remains unchanged
- Strong balance sheet and substantial net cash at all times
- Medium-term fundamentals for Fit Out expected to remain favourable
- Increased medium-term targets for Fit Out and Construction
- On track to deliver results for 2025, in line with our current expectations

Questions

Appendices

Net Finance Income

£m	HY 25	HY 24
Interest income on bank deposits	7.9	8.9
Interest receivable from joint ventures	0.2	-
Loan arrangement and commitment fees	(1.0)	(1.0)
Interest expense on lease liabilities (IFRS 16)	(2.0)	(1.8)
Other	(1.0)	(1.5)
Total Group	**4.1**	**4.6**

Adjusted earnings per share

£m	HY 25	HY 24
Profit after tax	73.0	52.6
Adjusted for:		
Exceptional operating items	0.1	(0.3)
Amortisation of intangible assets	0.4	0.3
Tax relating to the above items *(Includes prior year adjustment on exceptional items)*	(1.7)	(0.3)
Adjusted earnings after tax	**71.8**	**52.3**
Basic weighted average number of shares	46.9m	46.5m
Adjusted earnings per share	**153.1p**	**112.5p**

Tax

£m	HY 25	HY 24
Profit before tax	95.4	70.1
Less: share of underlying[1] net profits from JVs	(1.8)	0.1
Profit subject to tax	93.6	70.2
Statutory tax rate	*25.0%*	*25.0%*
Current tax charge at statutory rate	**(23.4)**	**(17.6)**
Tax on underlying[1] joint venture profits[2]	(0.5)	-
Tax on exceptional items	1.6	0.2
Other non-deductible expenses	-	-
Prior year adjustment	-	-
Other adjustments	(0.1)	(0.1)
Tax charge as reported	**(22.4)**	**(17.5)**
Tax on amortisation	(0.1)	(0.1)
Tax on exceptional items	(1.6)	(0.2)
Adjusted tax charge	**(24.1)**	**(17.8)**

[1] Underlying net loss/(profit) of joint ventures excludes the exceptional Building Safety charge of £0.1m related to joint ventures (HY 2024: £0.6m)
[2] Most of the Group's joint ventures are partnerships where profits are taxed within the Group rather than the joint venture

Capital Employed - Partnerships

£m	Total Partnerships	Partnership Housing	Mixed Use Partnerships
Total net land & Partnership WIP	485.5	399.9	85.6
Unsold completed units (excl. joint ventures)	35.6	35.6	-
Amounts invested in joint ventures[1]	144.6	96.9	47.7
Shared equity loans and investment properties	0.7	0.7	-
Other working capital	(102.7)	(96.2)	(6.5)
Other net assets / (liabilities)	(2.7)	(2.8)	0.1
Total capital employed[1] at 30 June 2025	**561.0**	**434.1**	**126.9**
Total capital employed[1] at 31 December 2024	413.1	318.7	94.4
Increase in period	**147.9**	**115.4**	**32.5**

1 Adjusted to exclude exceptional Building Safety receivables & provisions

Provisions

£m	Total	Building Safety	Other
Provisions as at 31 December 2024	105.5	56.8	48.7
Additions	7.4	0.0	7.4
Utilised	(6.7)	(2.8)	(3.9)
Released	(3.8)	0.0	(3.8)
Provisions as at 30 June 2025	102.4	54.0	48.4

Summary balance sheet

£m	30 June 2025	31 December 2024
Intangibles	217.8	218.1
PP&E	93.9	95.1
Investments (including JVs)[1]	137.3	112.5
Net working capital[2]	6.8	(104.9)
Current and deferred tax	4.6	4.5
Net cash	389.5	492.4
Lease liabilities	(71.2)	(66.7)
Provisions[1]	(102.4)	(105.5)
Other[3]	1.0	1.8
Net assets - reported	**677.3**	**647.2**

[1] Includes Building Safety provisions - £7.0m in Investments (JVs) and £54.0m in Provisions
[2] Includes Building Safety receivables of £11.6m
[3] 'Other' at HY 2025 includes capitalised fees and accrued interest receivable £1.5m; less accrued interest payable £0.5m

Payment practices

£m	Average time to pay invoices	Invoices not paid with agreed terms	Invoices paid within 60 days
Construction & Infrastructure[1]	25 days	4%	98%
	-	1%	-
Fit Out	20 days	5%	98%
	1 day	-	-
Property Services	34 days	5%	100%
	4 days	-	1%
Partnership Housing	31 days	12%	97%
	-	2%	1%

Note: movements are shown compared to the previous reporting period of the 6 months to 31 December 2024. Green indicates improvement, red indicates deterioration.

[1] Construction and Infrastructure report their payment practices data under the same legal entity