



PRINCIPAL RISKS AND UNCERTAINTIES

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The directors are responsible for identifying, managing and mitigating risks. Our governance and reporting structure ensures risks are identified and escalated as appropriate to the CEO and Group Board via the Managing Directors and Directors of each specialist business unit, as well as via functional and operational leads on safety, quality, engineering, commercial and financial.

Considerations of risk are intrinsic to all management tasks and decision making, and are discussed at quarterly meetings attended by the CEO, Finance Director and business unit leads. Financial and commercial risk reviews take place on a monthly basis and inform our risk appetite. Operational risks are managed in a fluid fashion to enable rapid escalation to the appropriate persons on a daily basis.

Our established framework of policies and procedures are designed to minimise risks to the business, and we aim to continually focus all teams across the business on good business processes and practices that play to our strengths through awareness raising activities.

RISKS AND MITIGATING CONTROLS

The principal risks and uncertainties facing the business at the date of this report are set out below categorised as strategic, operational, financial, and compliance. They do not however comprise all the risks the Group may face, and are not listed in order of priority.

STRATEGIC RISKS

RISKS

MITIGATION



MARKET AND SECTOR RISK

- Operating in a cyclical sector requires us to have processes for monitoring market dynamics so that we can adapt as necessary – this include discussing our secured order book, 12-month forecasts and pipeline opportunities at quarterly board meetings.
- We do not see this as a significant risk in the short to medium term in view of the substantial opportunity pipeline in both the residential and commercial sectors.
- Our diverse spread of specialist trades spanning several subsectors of the construction industry protects the group against any headwinds experienced in the specific markets and sectors we operate in.



COMPETITIVE ADVANTAGE

- Price pressure from competitors is addressed to an extent through our maintaining our unique positioning in the market, providing value led solutions over lowest cost to clients that seek to 'procure for value'.



CYBER SECURITY & RESILIENCE

- We recognise the potential risk to our operations, our reputation and financial performance arising from a cyber-attack. Cyber security and resilience are therefore high priority areas, and we are managing our risks with dedicated resource and Board level oversight.



REGULATORY CHANGE

- We are implementing Building Safety Act specific processes across all business functions to ensure compliance with Building Safety Act requirements, developing relevant organizational competencies and developing our digital capability for the golden thread.



SUPPLY CHAIN RISK

- Our buying and commercial teams manage supplier relationships. We monitor the availability and pricing of key materials to ensure inflationary risks are appropriately shared on projects. Other measures to manage inflationary risk include securing fixed prices and the forward purchasing of materials.

OPERATIONAL RISKS

A range of risks associated with complex project delivery have been identified and include:

RISKS

MITIGATION



COST OVER-RUN ON CONTRACTS

- Measures to prevent cost over-run start in the preconstruction stages and include close monitoring of pricing information, the preparation of detailed planning and budgets, and an adjudication process attended by the directors responsible.
- During contract execution monthly cost value review meetings take place to enable timely interventions where variations and change are identified. We aim to support this process with effective communication with client teams.
- We seek to incorporate contractual mechanisms to cover inflationary risk or agree fixed terms with our suppliers.



HSE INCIDENTS

- Occupational health and safety remains a high-risk area particularly in relation to temporary works, working at height, lifting operations, and operating heavy plant and machinery. Multi-disciplinary planning sessions seek to identify and minimize these risks, along with robust safety processes and controls, accompanied by appropriate training.
- We identify and evaluate potential environmental risks aiming to minimise any negative impact on the environment arising from our activities. Our environmental risk register sets out a hierarchy of control measures. The main environmental impacts identified in the period were diesel usage, electricity consumption, and emissions associated with travelling.



QUALITY

- Quality issues inevitably arise despite robust quality management processes. Our approach to managing this risk is detailed on page 76 of this report.



PEOPLE AND SKILLS SHORTAGES

- Our continued success depends on the retention of skilled and experienced management, tradesmen and support staff. Our people strategy is designed to attract, train, retain, and reward the best people.
- There has been no significant impact on labour supply following Brexit in the short term but we are preparing to mitigate expected (medium to long term) skills shortages through various learning and development programmes designed to secure many of the skills we need for the future.

FINANCIAL RISKS

RISKS

MITIGATION



LIQUIDITY RISK

- Our finance team control working capital, monitor cash reserves and conduct cost value reconciliations to measure expenditure against budgets.
- Our Finance Director and CEO monitor group banking facilities to ensure we have adequate liquidity and cash flow to meet our contractual obligations as they fall due.
- Procedures are in place to produce cash forecasts, and for the robust commercial and financial administration of contracts to support our cash flow objectives.



CREDIT RISK

- Our credit risks are mainly attributable to the amounts receivable from our clients for contract work carried out. Our approach to managing this risk involves retaining a good mix of long-standing blue-chip clients, and to operate an efficient financial and management reporting system that monitors our clients and our debtor book on a day-to-day basis. Work in progress is also closely monitored.
- Due diligence checks are conducted prior to entering into contracts with new private sector clients.
- We maintain credit insurance for non-contracting areas of the group.

COMPLIANCE RISKS

RISKS

MITIGATION



HR RISKS

- Our central oversight of HR enables us to better manage compliance risks and employee relations. We have also standardized of contracts and handbooks across several operating businesses.

OTHER PRINCIPAL RISKS

The Group faces a number of other operational and wider risks on an ongoing basis such as litigation, information security and reputational. Risks disclosed in previous years remain as important to the business and are kept under continual review.



HEALTH AND SAFETY

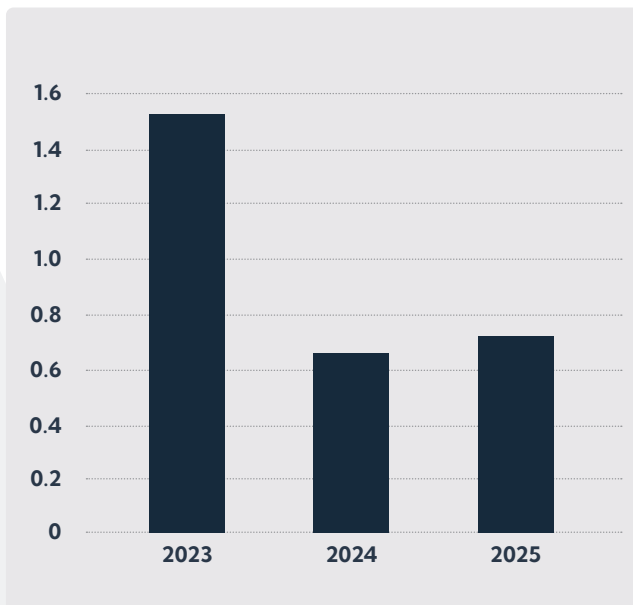
Safety is a core value, which means our culture supports the operational objective of having an injury free workplace, as well as a physically and mentally healthy workforce. Our approach to delivering these outcomes is based simply on our focussing on achieving excellence across three pillars: Planning, Organisation (Managing and Monitoring) and Communication. Our aspiration is that by aligning and improving these three key areas, we will achieve enhanced health, safety and wellbeing outcomes, along with higher levels of quality, productivity and client satisfaction.

HEALTH AND SAFETY PERFORMANCE IN 2025

Our group health and safety performance has improved year on year since a peak in injuries and accidents in 2021. In the period, there has been there have been zero reportable injuries in relation to Houston Cox, GSS Piling, Morrisroe Demolition and Kingscote Construction all of which have all operated RIDDOR free in 2025.

The cumulative injury total across all companies, are at similar levels to the previous years, averaging at around 20nr 'non reportable' injuries per year. We are pleased to report a continued reduction in near miss events, which are down by 33% from 2024.

ACCIDENT FREQUENCY RATE



The overall AFR for the Group in 2025 is 0.72 due to a small decrease in overall workforce size and no. of hours worked.

We remain focussed on continual improvement, and our accident and injury reporting processes reflect our approach to learning from all incidents and unplanned events. All accidents are subject to detailed investigations to identify the immediate and root cause, and learning is cascaded through all operational teams across the Group to prevent a repeat.

In the period, we reported 2 specified hand injuries to the HSE. Both injuries occurred in Morrisroe Ltd and involved the incorrect use of hand tools. Root cause analysis of these injuries shows individual behaviours as underlying drivers, with operatives deviating from safe systems of work and improvising working methods.

During 2025, we have rolled out new technologies, training and interventions to support our supervisors and to provide greater clarity and access to safe systems of works, with the aim of reducing deviation and improvisation. Additionally, we have overhauled our Standard Operating Procedures to provide audio visual guidance for all operatives – delivered directly to their phones. We continued to expand our utilisation of digital platforms to improve our asset management, worker briefings and management of Temporary Works.

There has been no enforcement action by the HSE or any other enforcement agency.

ACCIDENT & INJURY SUMMARY DATA

CATEGORY	2023	2024	2025
Hours Worked	3,298,903	3,015,716	2,777,540
Total Avg Workers	1406	1335	1273
Fatalities	0	0	0
Specified Injuries	5	2	1
Over 7 Days	0	0	1
Dangerous Occurrences	0	0	0
Non-reportable Injuries	20	21	19
Incidents without Injuries	20	19	13
Incidents Involving Public	0	0	0
Total RIDDOR	5	2	2
Fees, Enforcement & Prosecution	0	0	0
ACCIDENT FREQUENCY RATE (AFR)	1.52	0.66	0.72

ACCREDITATIONS AND ASSURANCE

During the period we have maintained our 5 Star accreditation across the Group with Achilles, Building Confidence, Constructionline – as well as a range of client prescribed Prequalification – SSIP systems.

Our Integrated Management System – which sets out our approach, processes and controls for managing Quality, Environment and H&S is certified to ISO 9001, 14001 and 45001. Our recertification audit will take place during 2026.

HEALTH AND SAFETY AWARDS

Safety awards received in the period included:



ROSPA Order of Distinction 2025
(17 Consecutive Golds)



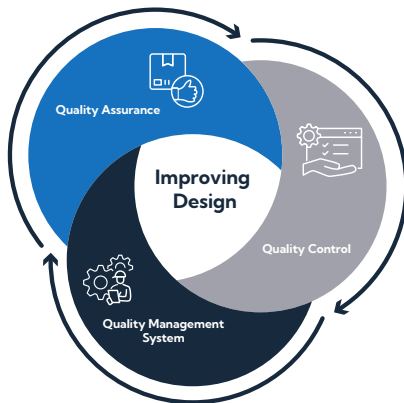
BSC International Safety Award
2025 (Merit)



ENHANCED QUALITY AND ASSURANCE

IMPROVING DESIGN

It has been suggested by the Construction Leadership Council that the cost of error is seven times higher than the total annual profit of our industry. Much of this is rooted in design deficiencies and/or changes in design. We advocate for greater early engagement with specialist suppliers like us so that we can inform and improve the design.



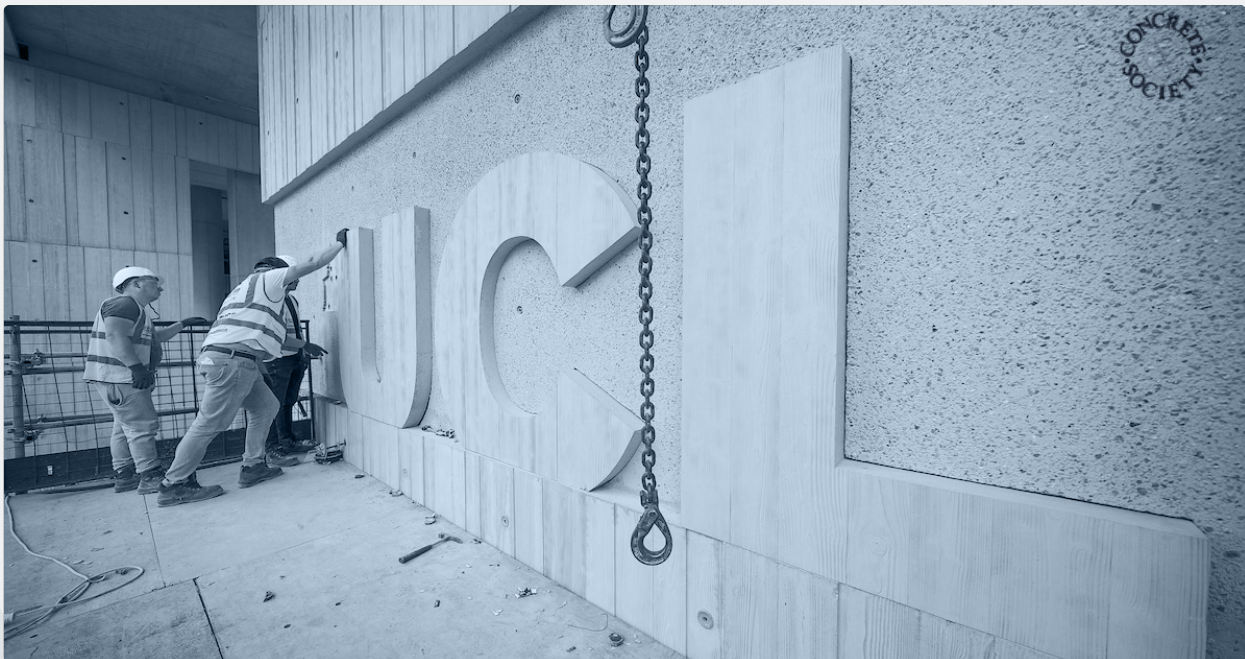
OUR QUALITY CULTURE

Quality is a core value, underpinned by our desire to exceed the expectations of our clients. We are committed to continuous improvement, to delivering greater efficiency, and to reducing error and eliminating waste in all its forms. We aim to do this through a process of teamwork and collaboration.

QUALITY PROCESSES

Our Quality Management System (QMS) is externally audited and aligned with EN ISO 9001. Quality systems and processes are tailored to the operations of each operating business in the group. A number of QA and QC processes have been digitised to improve information flow and efficiency.

➔ INNOVATIVE TIMBER EFFECT CONCRETE FINISH



The new UCL East campus is an architectural concrete showcase. Exceptional skill and care was involved to achieve the timber-effect concrete wall panels across the 'fluid zone' from the ground to the 1st floor.

Our work was highly commended by the Concrete Society at their annual Concrete Society Awards in 2025, for continuing to raise the bar for quality and innovation in concrete construction.



DEDICATED QA ENGINEERS

Within our structures and piling operations, a dedicated team of QA Engineers oversee the implementation of our quality processes on individual projects. They are supported by an engineering lead who reviews and updates our processes to ensure that there is a regular audit trail for improving quality and overall delivery. Our engineering lead also supports our knowledge sharing and lessons learnt processes across multiple disciplines, and acts as a bridge between our operations teams and our technical/design department. This internal collaboration supports the timely resolution of technical and quality issues.

ENHANCED QUALITY & ASSURANCE

Regular technical and engineering review meetings take place to support continuous improvement, and to create greater consistency across our projects in relation to quality standards and processes. We have been working with BBI services to assess and measure the effectiveness of our processes, introducing 'systems thinking' and greater internal planning aimed at avoiding errors.

COMPETENCE AND SKILLS

Competence and skills are central to our ability to deliver high quality products and substantial investment is made in training and skills development. Many of our projects often involve exposed architectural concrete finishes in addition to technically complex basements and high-rise structures. This is achieved by our highly skilled tradesmen who are supported by our engineering and technical teams.

Of equal importance is the level of technical knowledge of our site-based engineers many of whom are 'Technician Members' of the Institute of Concrete Technology (ICT) having passed the relevant examinations for membership. A few of our developing engineers are part of the ICT's Student and Young Professionals network (SYPro) and benefit from access to seminars on the latest innovations in concrete technology.

NCR PERFORMANCE

We collect a wide range of data on our quality performance, including NCRs. This data is reviewed quarterly by our operations directors with a view to understanding and addressing root causes and driving continuous improvement. Year on year we have seen a reduction in error