



NEWS RELEASE

Half-year Report

2025-03-05

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Galliford Try Holdings PLC

05 March 2025

5 MARCH 2025

GALLIFORD TRY HOLDINGS PLC

HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

CONTINUED MOMENTUM DELIVERS STRONG FIRST HALF PERFORMANCE AND INCREASED CONFIDENCE
IN FULL YEAR DELIVERY

Strategy and Outlook

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- **Key successes on long term major frameworks and well placed to support the Government's commitment to growth.**
 - **Secure outlook with £3.9bn** (H1 2024: £3.7bn) high quality, disciplined and focused order book giving predictability to trading.
 - **Excellent visibility of future opportunities and revenue** with 98% and 81% of projected FY25 and FY26 revenue secured.
 - **Good early progress** against the Sustainable Growth targets for 2030.

Financial and Operational Highlights

- **Revenue and adjusted profit before tax for the full financial year are expected to be above the top end of the range of current market expectations.¹**
- **12.7% increase in revenue to £923.2m** (H1 2024: £819.1m), with growth across our operations.
- **2.7% divisional adjusted operating margin** (H1 2024: 2.5%), up 24bps year over year and showing good progress against our strategic 4.0% target for 2030.
- **22.0% increase in adjusted profit before tax to £20.5m ²** (H1 2024: £16.8m).
- **37.5% increase in interim dividend to 5.5p per share** (H1 2024: 4.0p).
- **Strong balance sheet**, 12-month average month end cash at £176.4m (year to 30 June 2024: £154.8m) together with PPP assets of £40.2m (30 June 2024 £41.8m). Net cash at 31 December 2024 of £210.0m (June 2024: £227.0m).
- **New £25m unsecured Revolving Credit Facility (RCF)** providing further agility and resilience.

Financial Results	H1 2025	H1 2024	Change
Revenue	£923.2m	£819.1m	+12.7%
Adjusted operating profit ²	£17.7m	£14.1m	+25.5%
Divisional adjusted operating margin ³	2.7%	2.5%	+24bps
Adjusted profit before tax ²	£20.5m	£16.8m	+22.0%
Adjusted basic earnings per share ²	15.7p	14.1p	+11.3%
Last 12 months average month end cash	£176.4m	£132.7m	+32.9%
Order book	£3.9bn	£3.7bn	+6.0%
Statutory results			
Revenue	£923.2m	£819.1m	+12.7%
Profit before tax	£20.0m	£13.0m	+53.8%
Basic earnings per share	15.3p	11.3p	+35.4%
Interim dividend per share	5.5p	4.0p	+37.5%
Net cash	£210.0m	£209.2m	+0.4%

1. The range of analysts' forecasts for the year ended 30 June 2025, based on forecasts at 28 February 2025, is £1,817m to £1,835m for revenue and £35.4m to £36.0m for profit before tax.

2. Pre-exceptional items are now referred to as 'adjusted'. Note 17 below contains the rationale for use, and reconciliations of these adjusted measures to their nearest statutory measure and explanations of changes made in the period to adjusted profit before tax and adjusted earnings per share. All other measures and definitions remain unchanged.

3. Divisional adjusted operating margin is defined as adjusted operating profit as a percentage of revenue. It is stated for the combined Building and Infrastructure divisions.

Bill Hocking, Chief Executive, commented:

"The Group's excellent performance in the first half of the financial year provides increased confidence and improved revenue, margin and profit expectations for the full year.

In addition to our continued successes in Building and Environment we see a pipeline of opportunities across all our chosen sectors. Our track record of operational delivery, focused risk management, committed people and established relationships with our supply chain and clients provides consistency to our results.

Our recent major long-term framework wins and order book provide clear visibility and security of future workloads well beyond the current financial year and we welcome the Government's commitment to grow the economy by major investment in infrastructure and development.

Our performance and future outlook give us confidence to improve our expectations for the full year to 30 June 2025 and we are committed to delivering long-term sustainable value for our stakeholders."

Enquiries to:

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This announcement contains inside information. The person responsible for making this announcement on behalf of Galliford Try is Kevin Corbett, General Counsel & Company Secretary.

Presentations

A conference call for analysts and institutional investors will be held at 09:30am GMT today, Wednesday 5 March 2025. To register for this event please follow this link: **GFRD HY Results - Conference call registration**

Analysts, should you wish to ask a question, please dial-in on +44 (0) 33 0551 0200 quoting 'Galliford Try - Half Year' when prompted by an operator. Other participants may submit their questions via the webcast platform.

An open presentation and Q&A session for retail investors will be held on Friday 14 March 2025 at 10:00am GMT via the Investor Meet Company platform. The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 13 Mar 2025, 09:00 GMT, or at any time during the live presentation. Investors can register for the event via this link: **Investor Meet Company - Galliford Try**

FINANCIAL REVIEW

During the first half of the year, the Group delivered an excellent performance resulting in a significant year on year increase in revenue, profit before tax, and improved divisional adjusted operating margin. Our operating performance, strong financial position and high-quality order book provide confidence in our future performance.

Revenue for the half year to 31 December 2024 increased 12.7% to £923.2m (H1 2024: £819.1m). This reflects revenue increases in both Building and Infrastructure. Our Infrastructure business (incorporating Highways and Environment) continued to benefit from strong AMP7 spending in H1 ahead of transitioning to the larger AMP8 frameworks.

Adjusted operating profit increased by 25.5% to £17.7m (H1 2024: £14.1m). The combined divisional adjusted operating margin was up 24bps at 2.7% (H1 2024: 2.5%), with improvement in both Building and Infrastructure. Building generated an adjusted operating profit of £12.5m (H1 2024: £10.6m), representing an adjusted operating margin of 2.7% (H1 2024: 2.4%), up 29bps. Infrastructure generated an adjusted operating profit of £12.3m (H1 2024: £9.3m), representing an adjusted operating margin of 2.7% (H1 2024: 2.6%) up 15bps.

Adjusted profit before tax was £20.5m (H1 2024: £16.8m). See note 17 relating to changes to certain adjusted performance measures.

The taxation charge of £4.6m reflects a forecast effective tax rate of 23.8% for the year to 30 June 2025, after allowing for prior year tax adjustments, which compares to the standard effective tax rate of 25.0%.

Based on adjusted basic earnings per share of 15.7p (H1 2024: 14.1p), and the outlook for the remainder of the financial year, the Board has declared an interim dividend of 5.5p per share (H1 2024: 4.0p). Due to the strength of results delivery in H1 and the transition to AMP8 from April, the Group expects a more even weighting between H1 and H2 for both revenue and profits.

The Group is well capitalised, maintaining its focus on disciplined cash management in line with the Board's key capital allocation objectives. The Group operates with daily net cash, no drawn bank debt facilities, and no defined benefit pension liabilities. The average month-end cash for the rolling 12 months ended 31 December 2024 was £176.4m (year to 30 June 2024: £154.8m) and period-end cash at 31 December 2024 was £210.0m (30 June 2024: £227.0m).

The Group also benefits from a PPP asset portfolio of £40.2m, reflecting a blended 7.6% discount rate and generating ongoing interest income.

The Group has established a Revolving Credit Facility (RCF) to provide greater agility and resilience. We are pleased to have received such positive support from three providers, which alongside an already strong balance sheet, provides an excellent platform to take advantage of future growth opportunities as we prepare the Group for the growth to deliver the 2030 sustainable growth targets.

- £25m for a term of three years, options to extend for two years and an accordion option of a further £10m.
- The RCF is unsecured and provided by Barclays, Lloyds Banking Group and the National Bank of Kuwait.

The Group is able to adopt appropriate discipline and risk management when sourcing new work supported by our strong balance sheet which is also important in providing confidence to our clients, staff and supply chain. We are committed to pursuing a collaborative and open approach with our supply chain. Our performance under the Prompt Payment Code continues to remain strong with 97% of invoices paid within 60 days in the period (H1 2024: 97%) and average payment being made in 26 days (H1 2024: 24 days).

DIVIDEND AND SHARE BUYBACK

The directors have reviewed the Group's results and outlook for the current financial year and have declared an interim dividend of 5.5p per share (H1 2024: 4.0p) which will be paid on 11 April 2025 to shareholders on the register at the close of business on 14 March 2025.

On 3 October 2024 the Group launched a share buyback programme of up to a maximum of £10.0m of company shares. As at 28 February 2025 the Group had purchased a total of 2,381,887 shares, for an aggregate consideration of £8.9m. The Group expects to complete the buyback before the end of the financial year.

OUTLOOK

The UK's planned, and reaffirmed, major investment in economic and social infrastructure continues to support growth in our chosen markets.

Galliford Try has a predominant focus, and track record, in the public and regulated sectors where, in addition to our places on national major long-term frameworks, we continue to see opportunities across our chosen sectors and we are well placed to support the Government's central commitment to grow the economy and invest in infrastructure, such as water and transport, technology and commercial development.

In the first half of the financial year we benefited from, inter alia, continued strong delivery on AMP7 Environment frameworks and in our Building frameworks, and our teams are starting work on the transition to the larger AMP8 water plan. Our future outlook is supported by recent framework and project wins as well as the pipeline of opportunities we see across all our chosen sectors. We are also assisting key clients with a number of projects following ISG's administration.

The Group enters the second half of the year with improved confidence for the financial year to 30 June 2025 and with 81% of work secured for 2026. Revenue and adjusted profit before tax for the full financial year are expected to be above the top end of the range of current market expectations. The improved guidance entirely reflects the strong trading performance and momentum.

OPERATIONAL REVIEW

Building

Our Building business operates through regional offices, serving a range of public and commercial clients across the UK, with a focus on the education, defence, health and custodial sectors, and going forward in affordable homes, where we have core and proven strengths. Building maintains a substantial presence in Scotland, operating as Morrison Construction.

Our Facilities Management (FM) business complements these operations by providing building maintenance services and we continue to grow the capabilities of this operation, with a specific focus on decarbonising existing buildings through retrofit and other enhancements.

	H1 2025	H1 2024	Change
Revenue (£m)	467.3	446.0	4.8%
Adjusted Operating profit (£m)	12.5	10.6	17.9%
Adjusted Operating margin (%)	2.7	2.4	29bps
Order book (£bn)	2.3	2.2	£0.1bn

Building's revenue was up 4.8% to £467.3m (H1 2024: £446.0m) with adjusted operating profit of £12.5m (H1 2024: £10.6m), resulting in an improved operating margin up 29bps at 2.7% (H1 2024: 2.4%). We are focussed on margin progression, with the improvement reflecting the performance of projects across the business and our strategy of focusing on bottom line growth.

We have successfully won places on the new £835m NHS North of England Commercial Procurement Collaborative and have been appointed to build two projects in London with a combined value of £87m. We are also working with a number of clients on various projects following ISG going into administration.

The FM business has been successfully appointed to the Pagabo £814m Total Facilities Management Framework.

Building currently has an order book of £2.3bn (H1 2024: £2.2bn), including 25% in Education, 41% in Defence and Custodial, 13% in Facilities Management and 3% in Health.

Infrastructure

Infrastructure, comprising primarily Highways and Environment (incorporating principally our activities in water and wastewater), carry out critical engineering projects across the UK. This business has established long-term relationships with customers where we have a strong track record on delivery, focusing on public and regulated sector work and bids with early contractor involvement.

	H1 2025	H1 2024	Change
Revenue (£m)	451.7	362.0	24.8%
Adjusted Operating profit (£m)	12.3	9.3	32.3%
Adjusted Operating margin (%)	2.7	2.6	15bps
Order book (£bn)	1.6	1.5	£0.1bn

Infrastructure revenue was up 24.8% to £451.7m (H1 2024: £362.0m) with adjusted operating profit up 32.3% at £12.3m (H1 2024 £9.3m), resulting in an improved adjusted operating margin up 15bps at 2.7% (H1 2024: 2.6%).

In Highways we have been appointed to build the £88.9m South East Aylesbury Link Road. Our Environment business secured places on the £3.7bn Wessex Water AMP8 Framework, the complex element of Yorkshire Water's £850m new Non-Infrastructure Works Framework and Southern Water's Capital Programme Strategic Delivery Partner Framework.

Infrastructure currently has an order book of £1.6bn (H1 2024: £1.5bn) comprising £666m in Highways and £978m in Environment.

Investments

Investments delivers major building and infrastructure projects through public private partnerships and the co-development of Private Rented Sector (PRS) projects, generating work for the wider Group in the process.

	H1 2025	H1 2024	Change
Revenue (£m)	4.2	11.1	(62.2)%
Adjusted Operating (loss)/profit (£m)	(0.1)	0.3	£(0.4)m
Asset valuation (£m)	40.2	43.5	£(3.3)m
Net interest income (£m)	1.8	1.9	(5.3)%

For the first half of the financial year, revenue was £4.2m (H1 2024: £11.1m) with an adjusted operating loss of £0.1m (H1 2024: adjusted operating profit of £0.3m). The previous period included financial close fees associated from a PRS development scheme.

At 31 December 2024 the Group directors' valuation of our PPP portfolio was £40.2m (June 2024: £41.8m, H1 2024: £43.5m), reflecting a blended 7.6% discount rate (June 2024: 7.6%, H1 2024: 7.3%) and capital redemptions received. These highly marketable assets contribute to our balance sheet strength and generated interest income in the period of £1.8m (H1 2024: £1.9m).

SUSTAINABLE GROWTH STRATEGY TO 2030

Our strategy is to deliver high-quality buildings and infrastructure in a socially responsible way, while providing a sustainable financial return for our shareholders and delivering on our aspirations to create long term value for all our stakeholders. The Group's strategic enablers are a progressive culture, socially responsible delivery, focus on quality and innovation, and disciplined risk management to give sustainable financial returns.

In May 2024, due to the Group's performance during the prior strategy period, the Group updated its sustainable financial growth targets through to 2030, which include:

Revenue	growing to in excess of £2.2bn, maintaining disciplined contract selection and robust risk management in resilient market sectors
Divisional adjusted	increasing to 4.0% through a focus on both top and bottom line growth and accelerated

operating margin	growth in our higher-margin adjacent market businesses
Cash	retain a strong balance sheet and operating cash generation
Dividends	sustainable dividends with earnings cover of 1.8x

RISK MANAGEMENT AND ORDER BOOK

The Group's strategy is founded on commercial discipline and robust risk management. Our confidence in the Group's future performance is based on our high quality order book, primarily in recently won long term secure frameworks, underpinned by management's discipline and focus, and robust outlook of a long term pipeline of opportunities. Our sector focus means 84% of contracts are delivered through frameworks providing a reliable stream of long term future work built on relationships with clients on known and established terms, conditions and risk profile.

At 31 December 2024 the Group's order book was £3.9bn (H1 2024: £3.7bn) of which 90% is in the public and regulated sectors and 10% is in the private sector. 98% of projected revenue for the current financial year is secured, and 81% is already secured for the next financial year (H1 2024: 98% and 83% respectively).

CAPITAL ALLOCATION

A strong balance sheet is an important element in delivering the Group's Sustainable Growth Strategy, as it provides a competitive advantage in the market, supports the Group's disciplined approach, and provides confidence to our clients and supply chain. The strong outlook across our markets remains encouraging and supports our strategy. The Group will also always ensure that it is prepared for any adverse change in market conditions that may arise. Our strong balance sheet is particularly important for the Group to continue to operate its disciplined approach to contract selection and focus on operating margin, irrespective of any short-term economic concerns.

The Group's capital allocation priorities continue to be:

- Invest in the business (organic and acquisitive)

We are able to allocate capital to assist the development of our adjacent markets, as demonstrated by our acquisitions. Our strong cash balance enables the Group to react quickly to strategic opportunities, including bolt-on acquisitions that enhance our capabilities and increase value, and to continue to invest in enablers of growth such as digital capabilities.

- Paying sustainable dividends to shareholders

The Board understands the importance of dividends to shareholders and in setting its dividend considers the Group's profitability, its strong balance sheet, high-quality order book and longer term prospects. Consistent with this approach the Group expects dividend per share to increase in line with earnings as the business grows.

The Group has a dividend policy of adjusted earnings covering the dividend by 1.8 times. In addition to dividend growth from our operational performance, this policy also reflects the low-risk nature of the PPP asset portfolio and its annuity interest income and provides a sustainable increase in dividend to shareholders while retaining capital to invest in growing the business.

- Returning excess cash

We continue to assess the cash requirements of the business to ensure the Group remains well positioned to deliver on its Sustainable Growth Strategy and has sufficient funds to invest in the business. As previously announced, where average month-end cash and PPP assets increase above the level required, the Board will consider making additional returns to shareholders where this represents the best return for shareholders.

Environment, Social and Governance (ESG)

Sustainability underpins our long-term success as it helps us to win work, engages our people, benefits communities and the environment, and makes us more efficient. Our ESG Committee, chaired by the Chief Financial Officer, monitors progress against the six pillars of our sustainability strategy, which are mapped to the UN Sustainable Development Goals, as set out below:

Health and Safety

The health, safety and wellbeing of our people, subcontractors, suppliers, clients and the public remains the Group's top priority.

We continue to focus on our pursuit of 'no harm' through our Back to Basics approach of Right Person, Right Planning, Right Equipment and Right Workplace. During the first half of the year, the Lost Time Frequency Rate (LTFR) improved further from 0.14 to 0.11 and our Accident Frequency Rate (AFR) also fell from 0.04 to 0.03.

Our behavioural safety programme, Challenging Beliefs, Affecting Behaviour (CBAB) has formed the backbone of our approach since its inception in 2012 through awareness, training, coaching and visible leadership. Our CBAB Ambassadors continue to promote the programme across our Group.

People

Retaining, gaining and developing talent remain the pillars of our people strategy, driven by our Employee Value Proposition (EVP) 'Grow Together' which delivers on our pledge to be a people-orientated, progressive employer driven by our values.

We recently launched new Career Paths to help people develop professionally and personally and understand the opportunities available to them at all stages of their careers. In addition, our GT Academy, an online resource centre, has been refreshed with a new set of resources, media and the ability for employees to personalise their development experience.

We continue to promote our internal mobility programme 'Explore' which enables employees to discover opportunities within our Group should they wish for a change in career, location, discipline or working pattern.

We were proud to have retained our Platinum membership of The 5% Club which recognises the business's commitment to inclusion and social mobility, future growth of 'earn as you learn' opportunities and the quality of training and development. We have also been voted the Best Construction and Civil Engineering company for Apprentices, and number two for Graduates, by The Job Crowd, the UK's only graduate and apprentice employer ranking system based on employee feedback.

Environment and Climate Change

We recognise the importance of the climate change agenda and the role we have to play in decarbonising the economy for a greener, more sustainable future.

Our near-term carbon reduction targets have been validated by the Science Based Targets Initiative (SBTi) and support our ambition to achieve net zero carbon across our own operations (Scope 1 and 2) by 2030 and across all activities (Scope 1, 2 and 3) by 2045 at the latest.

In support of our Science-Based and net zero carbon targets, we have published our first net zero route map. The route map identifies 16 activities where action is required to enable our emission reduction targets including actions in relation to the use of diesel, company vehicles, workplaces, travel, design, construction materials, measurement, carbon charging and offsetting.

We have become one of the first organisations to be certified to PAS 2080:2023, following the expansion of PAS 2080's scope to include the entire built environment as well as infrastructure. It is the leading standard for carbon management in the built environment, covering the design, construction, operation, use and end of life of new and existing assets with the aim to reduce costs and adapt to a low-carbon future. The achievement further evidences our ability to work with clients, consultants and suppliers to deliver low and net zero carbon projects and to help the UK transition to a net zero carbon economy by 2050.

Communities

Since we began reporting social value in 2022, we have delivered circa £935m in social and local economic value through a combination of providing work for the local supply chain, providing opportunities for training and apprenticeships and job creation.

We are participating in Build UK's Open Doors initiative again this year. The initiative provides an opportunity for students to gain insight into how we operate our sites and what a career in construction can offer. Last year, 251 students and 12 projects were involved in the week-long event.

Our mentoring scheme aimed at encouraging the next generation of women into construction has welcomed the first cohort of circa 50 students across five schools. Mentors from our business have been paired with students over a three-year programme that will showcase the vast and rewarding opportunities in the sector. Individuals on the programme will benefit from upskilling their communication skills for the workplace, career matching to their interests, and guidance with CV writing and interviewing.

We continue to participate in the Considerate Constructors Scheme (CCS), which assesses sites on criteria including being considerate of local neighbourhoods and the public and we achieved an average CCS audit score of 43.5 (H1 2024: 42.7) in the six months to December 2024. The industry average is 40.5 (H1 2024: 40.4).

Clients

Providing excellent service for our clients includes the ability to unlock new and innovative methods to deliver high quality, low carbon, value for money projects. Our success is reflected by the fact that 92% of our order book is repeat business (H1 2024: 88%).

We are increasingly using modern methods of construction, including digital tools and innovative construction methodologies to improve safety, quality and efficiency. One example of innovation is our low carbon concrete trial, in partnership with Graphene@Manchester, CEMEX and Northumbrian Water, and funded by a research grant from Innovate UK. The research project is seeking to eliminate the use of carbon-intensive cement by integrating micronised limestone and graphene-based admixtures into the concrete mix. The

innovative concrete material is being trialled at the Bran Sands site where we are working on behalf of Northumbrian Water.

Supply Chain

We are committed to paying 95% of supply chain invoices within 60 days. We continue to outperform this target, with 97% of invoices paid within 60 days in the latest six months to 31 December 2024 (H1 2024: 97%) and the average days to pay is now 26 days (H1 2024: 24 days).

We continue to minimise the risk of modern slavery within our operations and supply chain and use the UK Government Modern Slavery Assessment tool to assess our performance and identify opportunities for improvement. As part of this ongoing improvement, we have undertaken an audit of our preferred supplier labour agencies to assess their compliance, financial stability, and ethical practices. We have also collaborated with the charity Unseen UK and a number of other major contractors to develop and publish a video to highlight the reality of modern slavery and the key signs to look out for.

We have been recognised for our ongoing support of the Supply Chain Sustainability School, winning the Partner award for Supply Chain Engagement. The Group is a partner to the school which is a leading online resource for businesses within the built environment supply chain, aiming to upskill the workforce and improve the understanding of best practice in sustainability. Last year, our suppliers completed over 5,700 of the school's e-learning modules and accessed their online learning resources over 36,000 times.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider that the principal risks and uncertainties which may have a material impact on the Group's performance in the second half of the financial year remain primarily the same as those outlined on pages 56 to 60 of the Group's annual report and financial statements for the year ended 30 June 2024. Those risks the Group considers to be of particular importance and highlighted as the principal risks in focus within the 30 June 2024 annual report are; work winning, project delivery, resources and regulatory compliance.

BOARD

As previously announced, Kris Hampson joined the board as Chief Financial Officer on 2 September 2024 and Marisa Cassoni, Non-executive Senior Independent Director and Chair of the Audit Committee, left the Group on 28 November 2024. Also, as previously announced, Kevin Boyd, who joined the company on 1 March 2024, was appointed Non-executive Senior Independent Director and Chair of the Audit Committee from 28 November 2024.

Condensed consolidated income statement

for the half year ended 31 December 2024 (unaudited)

**Half year to
31 December 2024**

Half year to
31 December
2023

	Notes	£m	£m
Revenue	4	923.2	819.1
Cost of sales		(852.1)	(758.4)
Gross profit		71.1	60.7
Administrative expenses		(53.9)	(50.4)
Operating profit		17.2	10.3
Finance income	5	4.9	4.3
Finance costs	5	(2.1)	(1.6)
Profit before income tax		20.0	13.0
Income tax expense	6	(4.6)	(1.7)
Profit for the period		15.4	11.3
Earnings per share			
Basic	8	15.3p	11.3p
Diluted	8	14.7p	10.8p

The notes are an integral part of the condensed consolidated financial statements.

Condensed consolidated statement of comprehensive income

for the half year ended 31 December 2024 (unaudited)

	Notes	Half year to 31 December 2024 £m	Half year to 31 December 2023 £m
Profit for the period		15.4	11.3
Other comprehensive expense:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Movement in fair value of PPP and other investments - continuing operations	10	(0.9)	(0.4)
Other comprehensive expense for the period net of tax		(0.9)	(0.4)
Total comprehensive income for the period		14.5	10.9

The notes are an integral part of the condensed consolidated financial statements.

Condensed consolidated balance sheet

at 31 December 2024 (unaudited)

		31 December 2024	30 June 2024 (audited)
	Notes	£m	£m
Assets			
Non-current assets			
Intangible assets		3.8	4.3
Goodwill	9	93.6	93.6
Property, plant and equipment		5.2	5.3
Right of use assets		52.1	51.4
PPP and other investments	10	40.2	41.8
Deferred income tax assets		12.3	15.0
Total non-current assets		207.2	211.4
Current assets			
Trade and other receivables	11	332.2	370.8
Current income tax assets		2.2	11.6
Cash and cash equivalents		210.0	227.0
Total current assets		544.4	609.4
Total assets		751.6	820.8
Liabilities			
Current liabilities			
Trade and other payables	12	(537.0)	(609.2)
Lease liabilities		(22.0)	(20.5)
Provisions for other liabilities and charges	13	(38.3)	(36.2)
Total current liabilities		(597.3)	(665.9)
Non-current liabilities			
Lease liabilities		(32.5)	(32.5)
Total non-current liabilities		(32.5)	(32.5)
Total liabilities		(629.8)	(698.4)
Net assets		121.8	122.4
Equity			
Ordinary share capital		51.6	52.0
Share premium		1.0	0.8
Other reserves		136.9	136.4
Retained earnings		(67.7)	(66.8)
Total shareholders' equity		121.8	122.4

The notes are an integral part of the condensed consolidated financial statements.

These condensed consolidated financial statements were approved by the Board of Directors on 5 March 2025.

Condensed consolidated statement of changes in equity

for the half year ended 31 December 2024 (unaudited)

	Notes	Ordinary share capital £m	Share Premium £m	Other reserves £m	Retained earnings £m	Total shareholders' equity £m
As at 31 December 2024						
At 30 June and 1 July 2024		52.0	0.8	136.4	(66.8)	122.4
Profit for the period		-	-	-	15.4	15.4
Other comprehensive expense		-	-	-	(0.9)	(0.9)
Total comprehensive income for the period		-	-	-	14.5	14.5
Transactions with owners:						
Dividends	7	-	-	-	(11.9)	(11.9)
Share-based payments		-	-	-	1.1	1.1
Tax relating to share-based payments		-	-	-	1.4	1.4
Purchase of own shares	8	-	-	-	(6.0)	(6.0)
Issue of shares		0.1	0.2	-	-	0.3
Cancellation of shares	8	(0.5)	-	0.5	-	-
At 31 December 2024		51.6	1.0	136.9	(67.7)	121.8
As at 31 December 2023						
At 30 June and 1 July 2023		52.4	-	135.3	(69.1)	118.6
Profit for the period		-	-	-	11.3	11.3
Other comprehensive expense		-	-	-	(0.4)	(0.4)
Total comprehensive income for the period		-	-	-	10.9	10.9
Transactions with owners:						
Dividends	7	-	-	-	(20.2)	(20.2)
Share-based payments		-	-	-	0.5	0.5
Tax relating to share-based payments		-	-	-	1.5	1.5
Purchase of own shares	8	-	-	-	(9.0)	(9.0)
Cancellation of shares	8	(1.1)	-	1.1	-	-
At 31 December 2023		51.3	-	136.4	(85.4)	102.3

The notes are an integral part of the condensed consolidated financial statements.

Condensed consolidated statement of cash flows

for the half year ended 31 December 2024 (unaudited)

	Notes	Half year to 31 December 2024 £m	Half year to 31 December 2023 £m
Cash flows from operating activities			
Profit for the period		15.4	11.3
Adjustments for:			
Income tax expense		4.6	1.7
Net finance income	5	(2.8)	(2.7)
Profit before finance costs and taxation		17.2	10.3
Depreciation and amortisation		11.5	9.6
Share-based payments		1.1	0.5
Other non-cash movements		-	(0.5)
Net cash generated from operations before changes in working capital		29.8	19.9
Decrease/(increase) in trade and other receivables		38.8	(36.7)
(Decrease)/increase in trade and other payables		(72.2)	42.8
Increase/(decrease) in provisions		2.1	(1.1)
Net cash (used in)/generated from operations		(1.5)	24.9
Interest received		4.9	3.0
Interest paid		(2.1)	(1.6)
Corporation tax received/(paid)		9.4	(0.2)
Net cash generated from operating activities		10.7	26.1
Cash flows from investing activities			
Increase in amounts due from joint ventures		(2.1)	(2.0)
PPP loan repayments	10	0.7	0.7
Acquisition of subsidiary, net of cash/borrowings		-	(3.7)
Proceeds from disposal of subsidiary, net of cash		1.9	1.8
Acquisition of property, plant and equipment		(0.5)	(0.6)
Net cash generated from/(used in) investing activities		-	(3.8)
Cash flows from financing activities			
Repayment of lease liabilities		(10.1)	(7.6)
Purchase of own shares	8	(6.0)	(5.5)
Dividends paid to Company shareholders	7	(11.9)	(20.2)
Net proceeds of issue of ordinary share capital		0.3	-
Net cash used in financing activities		(27.7)	(33.3)
Net decrease in cash and cash equivalents		(17.0)	(11.0)
Cash and cash equivalents at beginning of period		227.0	220.2
Cash and cash equivalents at end of period		210.0	209.2

The notes are an integral part of the condensed consolidated financial statements.

Notes to the condensed consolidated half year financial statements

for the half year ended 31 December 2024 (unaudited)

1 Basis of preparation

Galliford Try Holdings plc is a public limited company incorporated in England and Wales and domiciled in the UK. The address of its registered office is Blake House, 3 Frayswater Place, Cowley, Uxbridge, Middlesex, UB8 2AD. The Company has its listing on the London Stock Exchange. This condensed

consolidated half year financial information was approved for issue on 5 March 2025.

This condensed consolidated half year financial information does not comprise statutory financial statements within the meaning of Section 434 of the Companies Act 2006. Statutory financial statements for the year ended 30 June 2024 were approved by the board of directors on 3 October 2024 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006. This condensed consolidated half year financial information has been reviewed, not audited. The auditors' review opinion is included in this report.

This condensed consolidated half year financial information for the half year ended 31 December 2024 has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and with UK adopted International Accounting Standard 34, "Interim financial reporting". The condensed consolidated half year financial information should be read in conjunction with the annual financial statements for the year ended 30 June 2024, which have been prepared in accordance with UK adopted International Accounting Standards.

The Group's activities, together with the factors likely to affect the future development, performance and position of the business are set out in this half year report. The annual financial statements for the year ended 30 June 2024 included the Group's objectives, policies and processes for managing capital, its financial risk management objectives, details of its financial instruments and hedging activities and its exposure to credit risk and liquidity risk.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least twelve months from the date of signing the condensed consolidated half year information, and accordingly continue to adopt the going concern basis of preparation.

2 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2024. There are no new standards effective for the first time in the period beginning 1 July 2024 which have a material impact on the Group's reported results.

Critical accounting estimates and judgements

The Group's principal judgements and key sources of estimation uncertainty remain unchanged since the year-ended 30 June 2024. The principal judgements and key sources of estimation uncertainty are set out in note 1 on pages 147 - 149 of the annual financial statements for the year ended 30 June 2024.

The Group's five largest unagreed variations and claims positions as at 31 December 2024 are summarised in aggregate below.

	£m
Overall contract value	733.3
Revenue in the period	83.5
Total estimated end of contract variations and claims	66.3

These five positions represent the most significant estimates of revenue. The total estimated contract variations and claims of the subsequent five largest

positions is £16.8m.

3 Segmental reporting

Segmental reporting is presented in the condensed consolidated half year financial statements in respect of the Group's business segments, which are the primary basis of segmental reporting. The business segmental reporting reflects the Group's management and internal reporting structure. Segmental results include items directly attributable to the segment as well as those that can be allocated on a reasonable basis. As the Group has no material activities outside the UK, segmental reporting is not required by geographical region.

The chief operating decision-makers ("CODM") have been identified as the Group's Chief Executive and Chief Financial Officer. The CODM review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the reportable segments of the Group to be Building, Infrastructure, Investments and Central (primarily representing central overheads).

The CODM assess the performance of the operating segments based on a measure of adjusted operating profit/loss basis which excludes amortisation of acquired intangible assets and exceptional items. This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as restructuring costs and impairments when the impairment is the result of an isolated, non-recurring event. Interest income and expenditure are included in the result for each operating segment that is reviewed by the CODM. Other information provided to them is measured in a manner consistent with that in the financial statements.

Half year to 31 December 2024	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Revenue	467.3	451.7	4.2	-	923.2
Adjusted operating profit (note 17)	12.5	12.3	(0.1)	(7.0)	17.7
Finance income	-	0.1	1.8	3.0	4.9
Finance costs	(0.7)	(1.0)	-	(0.4)	(2.1)
Adjusted profit before taxation (note 17)	11.8	11.4	1.7	(4.4)	20.5
Amortisation of acquired intangible assets	-	(0.5)	-	-	(0.5)
Exceptional items (note 17)	-	-	-	-	-
Profit/(loss) before taxation	11.8	10.9	1.7	(4.4)	20.0
Income tax charge	-	-	-	-	(4.6)
Profit for the period	-	-	-	-	15.4

Half year to 31 December 2023	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Revenue	446.0	362.0	11.1	-	819.1
Adjusted operating profit (note 17)	10.6	9.3	0.3	(6.1)	14.1
Finance income	-	0.1	1.9	2.3	4.3
Finance costs	(0.6)	(0.7)	-	(0.3)	(1.6)
Adjusted profit before taxation (note 17)	10.0	8.7	2.2	(4.1)	16.8
Amortisation of acquired intangible assets	(0.5)	(0.5)	-	(0.2)	(1.2)
Exceptional items (note 17)	-	-	-	(2.6)	(2.6)
Profit/(loss) before taxation	9.5	8.2	2.2	(6.9)	13.0
Income tax charge	-	-	-	-	(1.7)
Profit for the period	-	-	-	-	11.3

Inter-segment revenue, which is priced on an arm's length basis, is eliminated from revenue above. In the half year to 31 December 2024 this amounted to £58.9m (31 December 2023: £41.7m), of which £1.1m (31 December 2023: £0.2m) was in Building, £36.9m (31 December 2023: £27.1m) was in Infrastructure, £10.2m (31 December 2023: £4.7m) was in Investments, and £10.7m (31 December 2023: £9.7m) was in Central.

4 Revenue

Nature of revenue streams

(i) Building & Infrastructure segments

Our Construction business operates nationwide, working with clients predominantly in the public and regulated sectors. Projects include the construction of assets (with services including design and build, construction only and refurbishment) in addition to the maintenance, renewal, upgrading and managing of services across utility and infrastructure assets.

Revenue stream	Nature, timing of satisfaction of performance obligations and significant payment terms
Fixed price	<p>A number of projects within these segments are undertaken using fixed-price contracts.</p> <p>Contracts are typically accounted for as a single performance obligation; even when a contract (or multiple combined contracts) includes both design and build elements, they are considered to form a single performance obligation as the two elements are not distinct in the context of the contract given that each is highly interdependent on the other.</p> <p>The Group typically receives payments from the customer based on a contractual schedule of value that reflects the timing and performance of service delivery. Revenue is therefore recognised over time (the period of construction) based on an input model (reference to costs incurred to date). Un-invoiced amounts are presented as contract assets.</p> <p>No significant financing component typically exists in these contracts.</p>
Cost-reimbursable	<p>A number of projects within these segments are undertaken using cost reimbursable/target-price (possibly with a pain/gain share mechanism) contracts.</p> <p>These projects are often delivered under frameworks, however individual performance obligations under the framework are normally determined at a project level where multiple services are supplied. The Group constrains revenue and calculates any pain/gain mechanism at the framework level where appropriate.</p> <p>The Group typically receives payments from the customer based on actual costs incurred. Revenue is therefore recognised over time (the period of construction) based on an input model (reference to costs incurred to date). Un-invoiced amounts are presented as contract assets.</p> <p>No significant financing component typically exists in these contracts.</p>
Facilities management	<p>Contracts undertaken within the Building segment that provide full life-cycle solutions to clients, are accounted for as a single performance obligation, with revenue recognised over time and typically on a straight-line basis.</p>

(ii) Investments segment

Our Investments business specialises in managing construction through to operations for major building projects through public private partnerships and co-development opportunities. The business leads bid consortia and arranges finance, as well as making debt and equity investments (which are recycled).

Revenue stream	Nature, timing of satisfaction of performance obligations and significant payment terms
Investments	<p>The Group has investments in a number of Public-Private Partnerships (PPP) Special Purpose Vehicles (SPVs), delivering major building and infrastructure projects.</p> <p>Development fees and land sales on co-development private rental schemes represent a performance obligation that is recognised at a point in time when control is deemed to</p>

pass to the customer (on financial close).

The business additionally provides management services and project manages developments under Management Service Agreements (MSA) or separate development arrangements. Revenue for these services is typically recognised over time as and when the service is delivered to the customer.

The business additionally provides management services to the SPVs under Management Service Agreements (MSA). Revenue for these services is typically recognised over time as and when the service is delivered to the customer.

Disaggregation of revenue

The Group considers the split of revenue by operating segment to be the most appropriate disaggregation.

All revenue in the period to 31 December 2024 has been derived from performance obligations settled over time. In the period to 31 December 2023, all revenue was derived from performance obligations settled over time except for £7.3m, that was recognised at a point in time within the investments segment.

5 Net finance income

Group	Half year to 31 December 2024 £m	Half year to 31 December 2023 £m
Interest receivable on bank deposits	3.0	2.4
Interest receivable from PPP investments and joint ventures	1.9	1.9
Finance income	4.9	4.3
Other (including interest on lease liabilities)	(2.1)	(1.6)
Finance costs	(2.1)	(1.6)
Net finance income	2.8	2.7

6 Income tax expenses

The adjusted effective tax rate (being the effective tax rate applicable to the adjusted profit before tax) for the period is 22.9% (31 December 2023:15.2%). The expected statutory and adjusted effective tax rates for the full year to 30 June 2025 are 23.8%. This is lower than the statutory tax rate applicable to the period to 30 June 2025, largely due to the recognition of deferred tax assets as part of a change in estimate since the year end 2024.

All remaining unutilised tax losses have now been recognised. The Group previously disclosed that it had not recognised £53.0m of trading losses due to them being subject to agreement with HMRC. During the year to 30 June 2024 HMRC confirmed the quantum of the trading losses available and that they could be utilised against historical trading profits, resulting in a cash refund of £9.6m and associated interest of £0.8m. These were not recognised at 31 December 2023. The cash refund was received during the interim period to 31 December 2024.

7 Dividends

The following dividends were paid and recognised by the Company in each accounting period presented:

	Half year to 31 December 2024		Half year to 31 December 2023	
	£m	pence per share	£m	pence per share
Previous year net final	11.9	11.5	7.7	7.5
Special	-	-	12.5	12.0
Dividend recognised in the year	11.9	11.5	20.2	19.5

The following dividends were declared by the Company in respect of each accounting period presented:

	Half year to 31 December 2024		Half year to 31 December 2023	
	£m	pence per share	£m	pence per share
Interim	5.6	5.5	4.1	4.0
Dividend relating to the year	5.6	5.5	4.1	4.0

The interim dividend for 2025 of 5.5 pence per share was approved by the board on 5 March 2025 and has not been included as a liability as at 31 December 2024. This interim dividend will be paid on 11 April 2025 to shareholders who are on the register at the close of business on 14 March 2025.

8 Earnings per share

Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, excluding those held by the Employee Share Trust, which are treated as cancelled.

The average number of shares is diluted by reference to the average number of potential ordinary shares held under option in the period. The dilutive effects amount to the number of ordinary shares which would be purchased using the aggregate difference in value between the market value of shares and the share option price. Only shares that have met their cumulative performance criteria are included in the dilution calculation. The Group has two classes of potentially dilutive ordinary shares: those share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year and the contingently issuable shares under the Group's long term incentive plans. A loss per share cannot

be reduced through dilution, hence this dilution is only applied where the Group has reported a profit.

The purchase of own shares represents shares purchased by the Galliford Try Employee Share Trust for £nil (31 December 2023: £1.1m) and other share related transactions of £2.2m (31 December 2023: £3.5m), in addition to £3.8m (31 December 2023: £4.4m) purchased by the Company as part of the share buyback programmes announced in September 2022 and October 2024.

During the period to 31 December 2024, 1,046,575 shares have been purchased for a consideration of £3.8m as part of the share buyback announced in October 2024.

The earnings and weighted average number of shares used in the calculations are set out below.

	Half year to 31 December 2024			Half year to 31 December 2023 ¹		
	Earnings £m	Weighted average number of shares	Per share amount pence	Earnings £m	Weighted average number of shares	Per share amount pence
Total operations						
Basic EPS						
Earnings attributable to ordinary shareholders	15.4	100,308,548	15.3	11.3	100,358,176	11.3
Basic EPS - Adjusted (note 17)						
Adjusted earnings attributable to ordinary shareholders	15.8	100,308,548	15.7	14.2	100,358,176	14.1
Effect of dilutive securities:						
Options	n/a	4,325,110	n/a	n/a	4,497,594	n/a
Diluted EPS	15.4	104,633,658	14.7	11.3	104,805,770	10.8
Diluted EPS - Adjusted (note 17)	15.8	104,633,658	15.1	14.2	104,805,770	13.6

1 Adjusted EPS - basic and diluted, were previously reported as 13.2p and 12.7p respectively. The change reflects the adjusted profit measure excluding the amortisation of acquired intangible assets, which previously had been included. Refer to note 17 for further details.

9 Goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment. The goodwill is attributable to the following business segments:

	31 December 2024	30 June 2024 (audited)
	£m	£m
Building	40.0	40.0
Infrastructure	53.6	53.6

	93.6	93.6
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As stated in the annual financial statements for the year ended 30 June 2024, detailed impairment reviews were carried out for all business segments. Consideration has been given as to whether any events have occurred since the year ended 30 June 2024 which could give rise to an impairment trigger. No impairments have been identified from these reviews.

10 PPP and other investments

	31 December 2024 £m	30 June 2024 (audited) £m
At 1 July	41.8	44.6
Disposals and subordinated loan repayments	(0.7)	(1.3)
Movement in fair value	(0.9)	(1.5)
At 31 December and 30 June	40.2	41.8

The portfolio reflects a blended discount rate of 7.6% (30 June 2024: 7.6%). An increase/reduction of 0.5% (which is considered an appropriate range given the relatively low risk associated with the portfolio) would result in a corresponding decrease/increase in the fair value of approximately £1.4m (30 June 2024: £1.5m).

11 Trade and other receivables

	31 December 2024 £m	30 June 2024 (audited) £m
Amounts falling due within one year:		
Trade receivables	45.5	43.7
Less: Provision for impairment of receivables	(0.4)	(0.4)
Trade receivables - net	45.1	43.3
Contract assets	246.3	290.1
Amounts due from joint venture undertakings	2.9	0.8
Research and development expenditure credits	5.4	5.4
Prepayments and other receivables	32.5	31.2
	332.2	370.8

12 Trade and other payables

	31 December 2024	30 June 2024 (audited)
	£m	£m
Trade payables	97.6	107.6
Contract liabilities	110.7	121.8
Other taxation and social security payable	67.4	70.4
Accruals and other payables	261.3	309.4
	537.0	609.2

13 Provisions for other liabilities and charges

Group	Onerous contracts	Rectification	Total £m
At 1 July 2024	1.5	34.7	36.2
Utilised	(0.4)	(7.4)	(7.8)
Additions	-	9.9	9.9
At 31 December 2024	1.1	37.2	38.3

Onerous contract provisions are made on loss-making contracts the Group is obliged to complete. Rectification provisions are made for potential claims and defects for remedial works against work completed by the Group and includes provisions for dilapidations on premises the Group occupies.

The Group regularly engages in contracts with general or defect warranty rectification requirements, typically less than 3 years. Within the pool of open warranty period contracts, the group built, as part of a joint venture arrangement with 2 other partners, a single infrastructure scheme under a contract that included various defect warranty obligations, with the longest obligation lasting up to 12 years. At 31 December 2024, there remained up to 7 years of the longest warranty liability period remaining. This is the only contract the Group has that has a general defect warranty period of this length. The contractual nature of the defect warranty liability and the completion of the scheme are the obligating events and the Group, as part of the joint operation, has remediated items since completion and has other known issues ongoing that will likely result in future cash outflows, though the timing and quantum remain uncertain. The Group also believes that there will be further unknown but probable cash outflows relating to as yet unknown items as scheduled inspections of various structural elements of the scheme are completed that have a potentially material range of outcomes.

The Group has provided £14.5m (30 June 2024: £14.6m) against future defect costs on this contract and this represents management's best estimate of potential future payments associated with the warranty rectification responsibilities. The provision requires a limited number of significant estimates and assumptions by management, with a significant level of estimation risk as a result arising from the level of defects and associated cost that may arise. Management estimates the reasonable range of estimates to be between £7.2m and £17.7m at 31 December 2024. Management has sought input from external experienced industry figures and industry bodies to support the provision it has made. During the period £0.1m of the opening provision was utilised, with no additions made in the period.

Due to the nature of the provisions, the timing of any potential future outflows is uncertain, however they are expected to be utilised within the Group's normal operating cycle, and accordingly are classified as current liabilities. Of the total provisions, £25.0m (30 June 2024: £24.6m) is likely to be utilised within 12 months, with the remainder utilised in more than 12 months. The impact of discounting is not material.

14 Financial instruments

The Group's activities expose it to a variety of financial risks. The condensed consolidated half year financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's financial statements for the year ended 30 June 2024.

There have been no significant changes in the risk management policies since the year end.

Fair value estimation

Specific valuation techniques used to value financial instruments are defined as:

- i. Level 1 - Quoted market prices or dealer quotes in active markets for similar instruments.
- ii. Level 2 - The fair value of equity securities and interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- iii. Level 3 - Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The following table presents the Group's assets that are measured at fair value:

	31 December 2024		30 June 2024 (audited)	
	Level 3 £m	Total £m	Level 3 £m	Total £m
Assets				
Other investments				
- PPP and other investments	40.2	40.2	41.8	41.8
Total	40.2	40.2	41.8	41.8

There were no transfers between levels during the period. The valuation techniques used to derive level 3 fair values are consistent with those set out in the 30 June 2024 financial statements. Level 3 fair values are determined using valuation techniques that include inputs not based on observable market data. For all other financial instruments, the fair value is materially in line with the carrying value. The key assumptions used in Level 3 valuations include the expected timing of receipts, credit risk and discount rates. The typical repayment period is 10-15 years and the timing of receipts is based on historical data.

During the period, government gilts have decreased, while the base rate has increased. The underlying assets remain low risk and insulated from short term changes to the macro-economic environment. The fair value of the portfolio reflects a blended discount rate of 7.6%(30 June 2024: 7.6%) and is based on current market conditions. The sensitivity to discount rates is set out in note 10. If receipts were to occur earlier than expected, the fair value

could increase.

15 Guarantees and contingent liabilities

The Group has surety bonding facilities and bank guarantees. These are supported by counter indemnities given by the Company and certain subsidiaries in the Group in the normal course of business. Utilisation of the bonding and guarantee facilities total £166.2m at 31 December 2024 (30 June 2024: £182.1m). It is not expected that any material liabilities will arise.

Disputes arise in the normal course of business, some of which lead to litigation or arbitration procedures. While the outcome of disputes and arbitration is never certain, the directors believe that the resolution of all existing actions will not have a material adverse effect on the Group's financial position. Where the Group has received such claims, the directors have made provision in the financial statements when they believe it is probable a liability exists and it can be reliably estimated, but no provision has been made where the Group's liability is considered only possible or remote. This is based on the best estimates of future costs to be incurred after assessing all relevant information and taking legal advice where appropriate.

The Group has currently assessed a pool of non-fire safety related claims that meet the contingent liability threshold for disclosure. These claims are of a similar nature with a collective range of between £nil and £20.3m. The Group's assessment of liability and estimates of future costs could change in the future. Although the Group has appropriate insurance arrangements in place that should mitigate any significant exposure, the recognition thresholds under IAS 37 would mean a liability could be recognised before a corresponding asset.

The continuing evolution of Government legislation and guidance, such as the Building Safety Act and its implications for cladding solutions used on historical contracts, also creates ongoing uncertainty that the Group manages.

The Group is tracking a pool of three fire safety claims which meet the definition of contingent liabilities under IAS37. Management do not consider it is practicable to value the pool because of the lack of supporting evidence from the claimants and the length of time it takes for these cases to evolve and for any reliable quantum, if any, to be established. Factors include the complexity of the building projects in question, the many suppliers involved in the supply chain and the potential for reimbursement from subcontractors. The Group believes it has strong legal positions with contractual support on all the cases, however, at this time, it cannot fully rule out that material settlements may result, should this be the case, management expects there will be recovery from the supply chain, designers or insurers that can be full or partial.

As Government legislation and guidance changes in the future, the Group will reassess the estimates made accordingly.

16 Related party transactions

Since the last Group annual financial statements for the year ended 30 June 2024, there have been no significant changes to the nature of related party transactions.

17 Adjusted performance measures

Throughout the Interim statement, the Group has presented financial performance measures which are used to manage the Group's performance. These financial performance measures are chosen to provide a balanced view of the Group's operations and are considered useful to investors as they provide relevant information on the Group's performance. They are also aligned to measures used internally to assess business performance in the Group's budgeting process and when determining compensation. An explanation of the Group's financial performance measures and appropriate reconciliations to its statutory measures are provided below.

Measuring the Group's performance

The following measures are referred to in this report:

Statutory measures

Statutory measures are derived from the Group's reported financial statements, which are prepared in accordance with UK adopted International Accounting Standards and in line with the Group's accounting policies. The Group's statutory measures take into account all of the factors, including exceptional items which do not reflect the ongoing underlying performance of the Group.

Adjusted performance measures

In assessing its performance, the Group has adopted certain non-statutory measures that more appropriately reflect the underlying performance of the Group. These typically cannot be directly extracted from its financial statements but are reconciled to statutory measures below:

a) Adjusted performance

The Group adjusts for certain significant irregular (exceptional) items as well as the amortisation of acquired intangible assets which the Board believes assist in understanding the performance achieved by the Group. Previously, the Group had referred to pre-exceptional performance which excluded the impact of exceptional items only. The exclusion of exceptional items as well as the amortisation of acquired intangibles seeks to reflect the underlying and ongoing performance of the business with a consistent methodology across all the adjusted performance measures. The adjusting items and associated tax impacts that the Group has recognised are shown below.

	Half year to 31 December 2024 £m	Half year to 31 December 2023 £m
Implementation costs of cloud based arrangements ¹ - administrative expenses	--	(2.6)
Amortisation of acquired intangible assets	(0.5)	(1.2)
Loss before tax	(0.5)	(3.8)
	0.1	0.9
Associated tax credit on items above		
Total	(0.4)	(2.9)

1 The Group incurred £nil (31 December 2023: £2.6m) of customisation and configuration costs associated with the move to Oracle Fusion, a cloud-based computing arrangement, during the period. Taking into account the IFRIC Agenda Decision issued by the IFRS IC in March 2021, the Group has analysed the costs and concluded that these costs should be expensed in the period. In accordance with the Group's existing accounting policy, management considers that the costs should be separately disclosed as exceptional items because they are significant and irregular. The move to Oracle Fusion is now complete with no further exceptional items expected.

A reconciliation of the statutory measure to the adjusted measure is provided in the following tables.

b) Adjusted operating profit/(loss) and operating margin

The Group presents operating profit excluding exceptional items and the amortisation of acquired intangible assets as this reflects the ongoing performance of the business, which is referred to as adjusted operating profit/(loss). Operating margin reflects the ratio of adjusted operating profit/(loss) and revenue. This differs from the statutory measure of operating profit which includes exceptional items and the amortisation of acquired intangible assets. Divisional adjusted operating margin is the combined adjusted operating margin of the Building and Infrastructure segments.

A reconciliation of the statutory measure to the Group's performance measure is shown below, based on continuing operations:

	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Half year ended 31 December 2024					
Statutory operating profit/(loss)	12.5	11.8	(0.1)	(7.0)	17.2
Exclude: amortisation of acquired intangible assets	-	0.5	-	-	0.5
Adjusted operating profit/(loss)	12.5	12.3	(0.1)	(7.0)	17.7
Revenue	467.3	451.7	4.2	-	923.2

Adjusted operating margin	2.7%	2.7%	n/a	n/a	1.9%
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	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Half year ended 31 December 2023					
Statutory operating profit/(loss)	10.1	8.8	0.3	(8.9)	10.3
Exclude: amortisation of acquired intangible assets	0.5	0.5	-	0.2	1.2
Exclude: exceptional items (see 17a above)	-	-	-	2.6	2.6
Adjusted operating profit/(loss)	10.6	9.3	0.3	(6.1)	14.1
Revenue	446.0	362.0	11.1	-	819.1
Adjusted operating margin	2.4%	2.6%	n/a	n/a	1.7%

c) Adjusted profit before tax

The Group uses a profit before tax measure which excludes exceptional items and amortisation of acquired intangible assets as noted above, whereas the statutory measure includes both. Since the prior year, management have changed the definition of adjusted profit before tax by excluding the amortisation of acquired intangible assets to align with the measurement of adjusted operating profit with the same rationale.

A reconciliation of the statutory measure to the Group's performance measure is shown below, based on continuing operations:

	Half year to 31 December 2024	Half year to 31 December 2023 ¹
	£m	£m
Statutory profit before tax	20.0	13.0
Exclude: amortisation of acquired intangible assets	0.5	1.2
Exclude: exceptional items (see 17a above)	-	2.6
Adjusted profit before tax	20.5	16.8

¹ Previously the adjusted profit before tax measure included the amortisation of acquired intangible assets.

d) Adjusted earnings per share

In line with the Group's measurement of adjusted performance, the Group also presents its earnings per share on the same adjusted basis as adjusted profit before tax. This differs from the statutory measure of earnings per share which includes both exceptional items and amortisation of acquired intangible assets. Since the prior year, management have changed the definition of adjusted earnings per share by excluding the amortisation of acquired intangible assets to align with the measurement of adjusted operating profit with the same rationale.

A reconciliation of the statutory measure to the Group's performance measure is shown below, based on continuing operations:

	Half year to 31 December 2024		
	Earnings £m	Ave number of shares	EPS pence
Statutory results	15.4	100,308,548	15.3
Exclude: amortisation of acquired intangible assets	0.4	n/a	n/a
Exclude: exceptional items (see 17a above)	-	n/a	n/a
Adjusted earnings per share	15.8	100,308,548	15.7

	Half year to 31 December 2023		
	Earnings £m	Ave number of shares	EPS pence
Statutory results	11.3	100,358,176	11.3
Exclude: amortisation of acquired intangible assets	0.9	n/a	n/a
Exclude: exceptional items (see 17a above)	2.0	n/a	n/a
Adjusted earnings per share¹	14.2	100,358,176	14.1

1 Adjusted earnings per share was previously reported as 13.2p. The change reflects the adjusted profit measure excluding the amortisation of acquired intangible assets, which previously were included.

18 Events after the reporting date

As reported in note 7, an interim dividend of 5.5p per share has been declared for the six months ended 31 December 2024. The Group has also announced a £25.0m unsecured RCF. The £10.0m share buyback announced in October 2024 continues to progress. There are no other events after the reporting date to disclose.

Forward looking statements

Certain statements in this half year report are forward looking. Such statements should be treated with caution as they are based on current information and expectations and are subject to a number of risks and uncertainties that could cause actual events or outcomes to differ materially from expectations.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

The condensed set of financial statements has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the UK.

The directors confirm that these condensed consolidated half year financial statements have been prepared in accordance with IAS 34 as adopted by the UK; and that the interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 namely:

- an indication of important events that have occurred during the six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months and any material changes in the related party transactions described in the last annual report.

The directors of Galliford Try Holdings plc are:

Alison Wood	Non-executive Chair
Bill Hocking	Chief Executive
Kris Hampson	Chief Financial Officer
Kevin Boyd	Non-executive Director and Senior Independent Director
Sally Boyle	Non-executive Director
Michael Topham	Non-executive Director

Signed on behalf of the Board.

Bill Hocking

Chief Executive

Kris Hampson

Chief Financial Officer

5 March 2025

INDEPENDENT REVIEW REPORT TO GALLIFORD TRY HOLDINGS PLC

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half year report for the six months ended 31 December 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2024 which comprises the Condensed consolidated income statement, the Condensed consolidated statement of comprehensive income, the Condensed consolidated balance sheet, the Condensed consolidated statement of changes in equity and the Condensed consolidated statement of cash flows and the related Notes to the condensed half year financial statements.

Basis for conclusion

We conducted our review in accordance with Revised International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information

Performed by the Independent Auditor of the Entity" ("ISRE (UK) 2410 (Revised)"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410 (Revised), however future events or conditions may cause the Group to cease to continue as a going concern.

Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP

Chartered Accountants
London, UK
5 March 2025

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