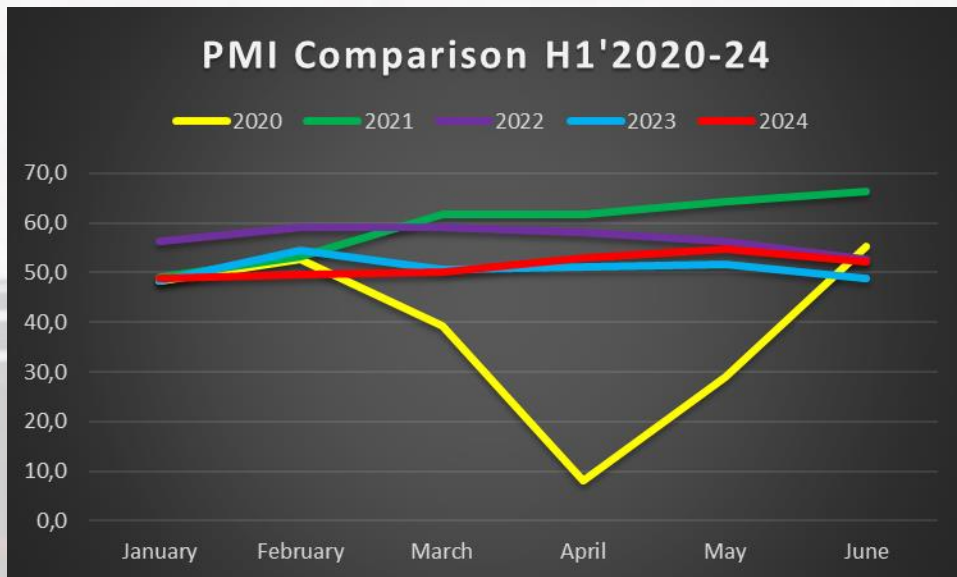
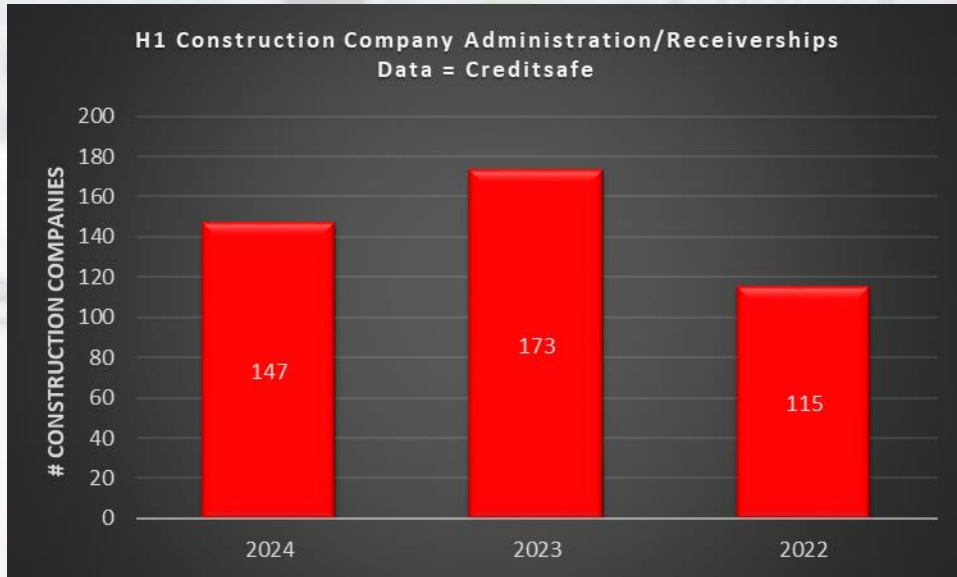


H1'24 UK CONSTRUCTION INDUSTRY REPORT

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H1'24 OVERVIEW



Inflationary pressures, interest rates + UK General Election call – all drivers behind challenges experienced by supply chains on projects & confidence levels. Throw in issues around planning & delays on decision making – flow of investment is then impacted meaning shift from initial concept ideas/designs into physical build starting becomes seriously stretched

Not ideal with workforce + material cost & availability is so volatile given linked into demand which can change quickly. This potential rapid cost rise + capacity issue as supply/demand balances shift adds further cash-flow pressures which can lead to failures. Creditsafe data (left) showed H1'24 construction firm administration/receiverships were down on H1'23 but with demand & output levels recognised reduced – this likely played a key factor. Q2'24's 68x company hits showed lowest quarterly number since Q3'22 when 64x firms went under

These readings will add confidence but hurdles to smooth trading conditions remains & are recognised. But looking at H1 performance within a 5yr PMI trend going back to 2020 – there is further cause for optimism:

- Note - H1'20 was impacted period of 1st lockdown due to COVID + H1'21 saw COVID impacted project flows being released so performance was inflated
- Despite slow start – H1'24 reading picking-up ending with Jun/24 drop seen impacted by the General Election causing slight slow down
- May/24 = 1st time since May/22 all 3x monitored categories saw activity >. Some firms linked higher new orders to previously delayed projects now moving forward + results saw firms > employment for 1st time in 5-months
- Despite softer > in new orders – Jun/24 saw rising workloads flow into the sharpest rate of job creation since Aug/23
- Given lower levels of activity/output seen recently – supplier delivery times quickening as H1'24 progressed. But reliance on global supply-chains for materials meant worldwide events still hit such as Feb/24 PMI results showing shipping disruptions due to Red Sea issues
- One project impacted by flow of materials was Rangers FC upgrading of Ibrox stadium where Jun/24 reported imported steel delays from Asia meaning opening fixtures needing moving for upcoming 2024/25-season

MANCHESTER CONSTRUCTION SCENE H1'24

Away from the Rangers project, it was a busy period for Manchester's two Premier League Clubs. After new investor Sir Jim Ratcliff completed £1bn 27.7% stake in Manchester United - Industry would start keeping tabs on development intentions. Feb/24 saw supply-chains alerted to potential rebuild of Old Trafford but this was one option alongside full regeneration within which new stadium would act as "nucleus" or enlarging one stand of current build instead. More progress however would be seen on Utd's Carrington training complex where Foster & Partners were appointed Jun/24 to design £50m revamp. H1'24 also saw rivals Manchester City confirm John Sisk's appointment May/24 to build new North Stand at Club's Etihad Stadium as phased sequencing continued their upgrading plans

Outside these footballing powerhouses – Manchester's construction activity was very active during the period

Residential

- 639-home scheme near Old Trafford Emirates cricket ground unveiled Jan/24 forming larger part of wider Lumina Village mixed use project overseen by JV-partnership of Trafford Council + developer Bruntwood
- Mar/24 - City Council picked their consultant team to draw-up regeneration plans for new 4,500-home city centre neighbourhood in Holt Town where 30-hcts of post-industrial land set for redevelopment
- Peel Waters would see approval received for the largest development to date put forward within its Trafford Waters scheme. The waterfront development specialist also saw further progress within its Manchester Waters scheme as plans for 24-storey mixed-use tower featuring apartments was within the latest application

Commercial

- Bruntwood SciTech – 50/50 JV between Bruntwood + L&G – saw their JV with Manchester Uni called ID Manchester Partnership submit plans Feb/24 to redevelop Renold Building forming phase 1 of new £1.7bn innovation district. Three months later in May/24 Willmott Dixon started construction work on next phase at another Bruntwood SciTech's site at Manchester Science Park's existing Greenheys building
- May/24 - US financial firm S&P Global Inc commit to Gary Neville's Relentless Developments £400m St Michael's project by agreeing to take full 6th-fl of No.1 St Michael's with building expected 1st fully Net Zero Carbon commercial development in City at operation + delivery
- Redesign & rebrand seen for Airport City scheme originally master-planned 2012 where northern part was meant to see 5m-sq-ft office developed. 60-acr project now called MIX Manchester saw project's multiple JV-partners May/24 promise to bring forward at northern part left undeveloped from original plans = include "2m-sq-ft labs, R&D-facilities, manufacturing spaces + offices, 3x hotels + leisure venues"

Purpose Build Student Accommodation (PBSA)

- Jan/24 – local planner approved building of 1,800x student beds & +700k-sq-ft life sciences workspace which'll transform Upper Brook Street. Same month saw £400m proposals by Uni of Manchester for 3,300x new student homes within plans to redevelop its Fallowfield campus authorized
- May/24 - London developer Manner got planning approval on its 1st Manchester scheme with redevelopment of The Hotspur Press former Victorian mill building to provide nearly 600x PBSA-beds

PURPOSE BUILT STUDENT ACCOMODATION (PBSA) H1'24

Along with Manchester – one asset class which performed very well during H1'24 was PBSA with schemes of various size taking shape. One trend noted was the number of plans being within a regeneration with more developers recognising the asset class as way to re-risk plans by reducing concentration of proposals – this was helping support funding & gaining planning consent. 3x regions in particular had strong period showing with some key projects outlined below

Edinburgh	Bristol	London
Feb/24 - Real estate investor & developer Firethorn Trust completed opening acquisition under its Living platform with purchase of PBSA-site in Leith which forms part of Leith Walk regeneration scheme = development includes 230x student-beds with work on site expected commence summer/24 + complete for 2026/27 academic-yr	Jan/24 - HG Construction signed-off £75m deal to build PBSA-scheme for Studio Hive at Silverthorne Lane Plot 6 of Temple Q Enterprise Zone = 706x student-rooms	Jan/24 - Unite Students gave RG Grp thumbs up to start work on 36-storey £185m Hawthorne House PBSA-tower project in Stratford = set to complete for 2026/27 academic-yr will have 719x beds
May/24 - Graham started construction on £59m Burnet Point mixed-use residential development where carbon lifecycle assessments show scheme to be developer Unite Student's lowest carbon new-build project = having unviewed plans Mar/24 this project includes 298x PBSA-beds to complete Sept/25	Jan/24 - Within its transformation of 380-acr former Filton Airfield site into a new sustainable mixed-use neighbourhood, YTL Developments secured planning permission for 1,514x PBSA-scheme at Brabazon set to open in time for 2026-7 academic-yr	Apr/24 - £70m Meridian Place in Stratford received resolution to grant planning permission with developer Unite Students expected securing full planning consent in coming months = project expects to deliver 952-beds for 2028/29 academic-yr
May/24 - Planning consent granted subject to conditions by councillors on Edinburgh's development management sub-committee for +£80m brownfield site mixed-use development at Ocean Point 2 being worked by property developer S Harrison Developments = includes 404x student-beds	Apr/24 - Developer Olympian Homes working alongside Whitbread got go-ahead from planners for what will become Bristol's tallest building designed by architect Hodder+Partners within transformation project called St James Square = includes 28-storey PBSA building which'll house 442x student-bed	May/24 - LSE university & development partner Bouygues UK selected architects Carmody Groarke + Sheppard Robson as the winning designs for their £400m landmark = about 2,000-beds be created next to Tate Modern where construction expected start 2026 with completion earmarked 2030
Jun/24 - Plans to demolish 1960s office building to allow PBSA-development was recommended for approval after Balfour Beatty Investments submitted application 2023 to deliver almost 200x student flats on site of Scottish Law Commission building at 140 Causewayside	May/24 - After 4yrs consultation process the plans to knock-down The Galleries shopping centre for redevelopment was finally submitted with City Council = proposals include up to 750x PBSA with decision on development expected later/24	Jun/24 - Developer Regal submitted plans for £500m mixed-use development at Orchard Wharf in London Docklands which included accommodation for c.1,400x students

RESIDENTIAL SECTOR H1'24

Whilst PBSA performed well – traditional residential sector builders continued to experience slow planning decisions, at times having to revisit designs to meet new legislations, address legacy build retrofit requirements + keeping tabs on phased introduction of laws such as Biodiversity Net Gain requirements – applied to major developments since Feb/24 these regulations came into force for smaller sites from 2/Apr/24. But H1'24 saw sector acquisition activity levels rarely seen

Key Acquisition Updates

- Feb/24 - Barratt agreed £2.5bn deal to buy entire share-capital of Redrow to create combined £7.5bn turnover Grp titled Barratt Redrow. Shareholders of both companies then approved the move in May/24 leaving only the regulators approval
- Having been appointed L&G Grp-CEO beginning of 2024 - Antonio Simeos oversaw his first major strategic move Mar/24 when announcing plans to consider selling Cala Grp. This was said to attract interest from names such as Persimmon + Patron Capital Partners which sold its 52.1% stake in Cala to L&G in 2018
- In Apr/24 two of Wales's leading Registered Social Landlords Pobl Grp + Linc Cymru formally completed their merger which created combined business managing +23k-homes in the country
- And Crest Nicholson said in Jun/24 it rejected £650m takeover attempt from Bellway who made initial offer Apr/24 + followed this up with another May/24 as many expect 3rd try within 11/Jul deadline

Key Managerial Movements

- Jan/24 - Vistry Grp-CEO Greg Fitzgerald was announced to combine both Grp Chairman + CEO roles when present Chairman Ralph Findlay steps down May/24 after 9yrs service
- After Crest Nicholson made the announcement Jan/24 - Martyn Clark became new Grp-CEO Jun/24 taking over from Peter Truscott + leaving his previous role as Persimmon Grp's COO
- Bellway appointed James Griffin their new Grp Construction Director Apr/24 given responsibility for building practices + quality across Grp's 21x operating-divisions. A key challenge was recognised to prepare construction teams for shift towards zero-carbon ready homes before Future Homes Standard rolled out in 2025

Key Operational Developments

- Galliford Try Grp CEO Bill Hocking commented May/24 that return to affordable housing market was part of strategy to hit 4% Grp margin by 2030 saying "initially we will concentrate on contracting for Housing Associations + landlords"
- Berkeley Grp Jun/24 said they'll set-up own Build-To-Rent platform to build & manage 4,000 homes across 17x brownfield regeneration sites over next decade to combat expected "subdued" short-term sales environment

CNPLUS100 2023 – STRUCTURAL CHANGES H1'24

It wasn't only residential company structural changes taking place – the period would also prove to see similar action for main contractors - 4x of note falling under CNplus Top 100 Contractors by Turnover 2023 listing (bracket reads 2022 position)

Business gas supplier & connections specialist Regent announced Apr/24 it was to buy **Tclarke – 45th(52nd)** = for £90.56m which was confirmed by the listed M&E specialist through a London Stock Exchange filing. Deep Valecha - CEO of Regent which was already a shareholder prior to the announcement - said within their plans “we would like Tclarke continue its business as currently conducted”

Arguably the Industry's biggest story during H1'24 was **Lendlease – 34th(38th)** = statement May/24 it was exiting UK as part of plans to sell its overseas construction businesses meaning Grp's development + construction arms would be based only in Australia where headquartered. Grp-CEO Tony Lombardo seeking to reassure clients + overseas staff said Grp would not walk away from existing commitments. Grp at the time said it expected to sell UK construction arm within next 18months. Update Jun/24 provided some clarity around development arm by saying it was not quitting UK but instead lowering investment in existing schemes to max 25% with remainder being taken over by other investors + funders. The arm would however still be scaling back + not take on any new developments

RJ McLeod – 72nd(69th) = confirmed Jun/24 being acquired by multi-utility infrastructure specialist OCU Grp but would continue operate under same name + from existing locations with c.450x staff

M Grp – 9th(9th) = Ownership said to be transferring from Private Equity PAI Partners to CVC's Fund IX with transaction expected complete by Sept/24

55th and 56th placed on the CNplus 2023 listing was Readie + Osborne who both unfortunately failed during H1'24:

- Begbies Traynor was officially appointed administrator to Readie in Feb/24
- Geoffrey Osborne formerly went into administration Apr/24 despite having undertaken number of actions to restructure with divisional disposals leading up to the collapse

Both joined 77th placed Michael J Lonsdale which entered administration Oct/23 which all act as a reminder of the headwinds which face contractors

CNPLUS100 2023 – MANAGEMENT CHANGES H1'24

Multiple Board level management changes also occurred at leading Contractors - a handful of these being within CNplus Top 100 Contractors by Turnover 2023 listing (bracket reads 2022 position)

Willmott Dixon - 19th(18th) = main board reshuffled Jan/24 after Exec-Chairman Colin Enticknap retired at close of 2023 which included Rick Willmott move from current role as Grp-CEO to become new Exec-Chairman + Grp-CFO Graham Dundas rising to Grp-CEO. Mar/24 would then see James Mackenzie placed as new CFO following Graham's earlier move

ISG - 6th(5th) = changes continued Feb/24 as global-COO Zoe Price was appointed new Grp-CEO following Matt Blowers deciding to leave the business after 26yrs with last 2yrs as Grp-CEO. Alongside Matt was Grp-CFO Karen Booth also said leaving end-Mar/24 having been with ISG 5yrs. Mar/24 would then see current operating partner for ISG owner Cathexis - Matt Roche appointed new Vice Chair replacing Paul Cossell who stepped down from role just before Christmas 2023 ending his own 26yrs at ISG

Sir Robert McAlpine – 17th(19th) = Feb/24 saw CEO Paul Hamer leave the business & be replaced by former Lendlease Europe CEO Neil Martin who ended 30yr association at his former employer Oct/23

NG Bailey – 37th(35th) = also announced in Feb/24 their CEO David Hurcomb was retiring May/24 after 14yrs in role + replaced by current Grp-COO Jonathan Stockton whose time since arriving 2016 included Grp-CFO for nearly 3yrs

Severfield – 39th(47th) = Apr/24 said Charlie Cornish was joining Grp's Board 1/May/24 + taking over Non-Exec Chair after the AGM 30/Jul/24 to replace Kevin Whiteman who then steps down from Board having completed 9yr-tenure

Morgan Sindall – 2nd(3rd) = decided to move quicker vs previous guidance as Steve Crummett stood down from board 7/May/24 + Kelly Gangotra officially appointed Grp-CFO & joined Grp-Board on same date = Steve was said to continue with Grp until end/24 to help with handover

Mace – 8th(8th) = announced major reshuffle of their snr-management team in May/24 = key mentions included Gareth Lewis ending 27yrs with Grp in Jul/24 by being replaced as Construct CEO by current Construct COO Andrew Jackson; Mark Reynolds will swap current joint Grp-CEO + Chairman role to pure Exec-Chairman in Jan/25 allowing current deputy Grp-CEO Jason Millett to take Grp-CEO position at the start of 2025 – Mark held the CEO job since joining Grp in 2012 ; and Grp also revealed they were appointing the 1st Grp Non-Execs to the Board – also starting in 2025 + along with Reynolds, Millett + Grp-CFO David Allen will form the new Grp-board while the current board remain as Grp exec-committee

Laing O'Rourke – 4th(4th) = Ray O'Rourke stepped down as Grp-CEO of the business he founded 1977 with current Grp-COO and son Cathal O'Rourke taking over the position

WATER SECTOR + AMP8 (2025-30) CLIENT UPDATES H1'24

From contractors to clients building their teams – the water sector during H1'24 saw a host of big names release their partner listings who will support the massive plans sitting under upcoming AMP8 cycles

Jan/24 - **Northumbrian Water** brought in 7x new partners to provide design & build services for its £3.6bn AMP8 workload & beyond – names joined 5x consultant firms signed-up 2023 to form the Living Water Enterprise

Having created alliancing model 2005 - **Anglian Water** confirmed this would continue Mar/24 where £2.6bn earmarked for investment forming part of wider record £9bn proposed plans for AMP8 = retaining all existing partners – Balfour Beatty, Barhale, Mott MacDonald Bentley, MWH Treatment, Skanska + SWECO – with new addition Binnies

South West Water would unveil their own alliance model called Amplify through the course of H1'24 to deliver its £2.8bn AMP8 investment programme with a blend of civil engineering specialists joined by leading consultancy names

Jun/24 saw **United Utilities** announce total of 25x partners to help deliver largest environmental water programme in North West England for +100yrs within £13.7bn investment plan for AMP8 . First 7x civil engineering names were listed to delivery £3bn-worth major water & wastewater infrastructure projects. Another 18x design & build companies followed to improve network infrastructure + process treatment facilities valued c.£2.75bn

Southern Water selected 7x companies Jun/24 to provide professional services where subject to regulatory approval client plans to spend £7.8bn during AMP8

Pressures being faced by **Thames Water** continued during H1'24

- Concerns started 2023 on the client's solvency with huge debts leading to turnaround plan created summer 2023 which asked for 40% > bills over next 5yrs as investors were due pump almost £4bn over next 2yrs
- But 1st of these investor payments due close Mar/24 was withheld with comments plan was "uninvestable" + would not give extra cash unless bills rise
- Regulator Ofwat said Mar/24 the client "still generating enough money to keep it going day-to-day for up to 18months...but at some point will need raise new funds to finance huge programs of investment needed"
- Owners continued withholding £billions of previously pledged investment in May/24 reports
- Despite the concerns Thames Water still selected 3x consultants-JVs as Technical Partner Framework winners Feb/24 to support its Strategic Resource Options Programme = Arup/Binnies; AtkinsRéalis/Stantec; Jacobs/Mott MacDonald
- Within this framework – major awards also continued as Arup/Binnies JV was placed technical partner Jun/24 to put together engineering designs for new £1.5bn SESRO (South East Strategic Reservoir Option) scheme. The south of Oxford near Abingdon site would secure water supplies to 15million-customers from 2040
- And further spend is clearly needed given client's forecasts that across London + Thames Valley it'll need extra 1bn-ltrs of water every day by 2050 as 2million more people expected living then within these regions

RECYCLING SECTOR H1'24

Converting of waste to energy plants continue to have a place within efforts to revolutionise UK's power networks. History has shown challenges associated with these projects but overseas developers + investors are clear influences behind the sector keeping active. 3x key sites being worked on during H1'24:

- Jan/24 - Hitachi Zosen Inova (HZI) was confirmed principal contractor by owner & operator Encyclis to build new waste energy plant in Walsall where latest combustion technology planned to turn up to 436k-tns of region's non-recyclable residual waste every-yr into enough electricity to power c.90k-homes
- Feb/24 – UK Government approved developer MVV Environment controversial plans to build £300m Energy-from-Waste (EfW) incinerator in Wisbech on Cambridgeshire-Norfolk border where developers said up to 500k-tns waste be diverted from landfill when operational
- Mar/24 – Cheshire based Lostock Sustainable Energy Plant being overseen by JV between Copenhagen Infrastructure Partners + FCC Environment welcomed the world's biggest luffing tower cranes to speed construction with 2x Favelle Favco M2480D cranes supplied by Australian lifting specialist Marr Contracting. Further developments saw civil engineering specialist Kilkern appointed May/24 to carry out installation of all drainage + ducting at the EfW plant which the contractor said will prevent 600k-tns waste from potentially going to landfill when completed + potential energy generation to power 125k homes

Key Company Transactions

- In late May/24 Biffa entered agreement to acquire Renewi's municipal business in UK which comprised 5x long-term residual waste treatment contracts serving local-Government customers in England + Scotland. Move followed Renewi's decision to focus on core industrial + commercial recycling operations in mainland Europe with c.550x company staff set to join Biffa on deal which Grp-CEO Michael Topham said expected to completed in coming months
- Focus on the offering of sustainable construction materials continued in line with overall Industry's movement to a greener operating model. First came Germany' Heidelberg Materials completed acquisition of Mick George in May/24 after CMA involvement required number of site + asset disposals to meet competition concerns of purchase. And then one month later saw Switzerland Holcim Grp's Aggregate Industries UK acquired Land Recovery
- And after acquiring O'Donovan Waste Management Jun/22 + then GBN Services Jun/23 – keeping with the yearly trend saw Sweden's Sortera a new name Jun/24 hitting England Capital's streets with its formal merger + rebranding of the purchased London based businesses. Sortera's introduction in London came with taking over responsibility for 6x waste management sites: Rochford, Harlow, Edmonton, Uxbridge, Tottenham + Wembley all previously owned & operated by the 2x acquired firms together holding near 400x staff members

Global interest in UK's recycling sector was clear during the period which matched what we have seen for several years with UK consultancy firms being acquired. But what about UK firms & their operating developments the other way...H1 was also lively for UK construction companies across the continents

GLOBAL DEVELOPMENTS H1'24

Successful H1'24 for Webuild who Jan/24 won US\$4.7bn contract to build Trojena mountain destination including 3x dams + facilities for 2029 Asian Winter Games with project forming part of wider £500bn Neom mega-development in Saudi Arabia. Followed by Jun/24 when Grp's JV with French business NGE where it owns 45.5% was awarded £1.2bn contract for western section of Line 15 on Grand Paris Express

Major progress for USA's Hudson Tunnel project: Feb/24 saw JV of Mace, Parsons + Arcadis - MPA Delivery Partners - appointed to manage construction of c.£13bn job which'll carry trains between New York City - New Jersey under Hudson River. Mace spokesperson said project was "1st big USA scheme built under delivery partner model pioneered in UK by Mace on London 2012 + Heathrow T5 project". In Jun/24 USA Government approved reportedly the largest federal grant for a mass transit project in America's history at c.£5.4bn for this scheme

Global airport sector saw Dubai begin building new passenger terminal at Al Maktoum International Airport in Apr/24 which Dubai's ruler Sheikh Mohammed bin Rashid Al Maktoum said would be 'world's largest' at projected cost c.\$35bn. This was followed Jun/24 when director overseeing construction of King Salman International Airport in Saudi Arabia's Riyadh outlined phased build plan for its construction which'll handle 120m-passengers-per-yr once complete making it world's largest in terms of passenger numbers. UK involvement in Riyadh sees Mace who won delivery partner role on the project while scheme being designed by Foster + Partners

Residential sector had Dubai-based real estate developer Select Grp announce Apr/24 launch of Six Senses Residences Dubai Marina which set to be tallest residential tower globally under architectural guidance of WSP Middle East + Australia's Woods Bagot. The latter was also supporting developer Hines Property who Jun/24 filed planning application for what'll be world's tallest PBSA tower in Adelaide, Australia

H1 also saw UK materials + equipment businesses expand their global operations

- Mar/24 - Breedon entered North American market by acquiring Missouri ready-mix supplier BMC Enterprises Inc for enterprise value £238.1m
- Jun/24 - Construction begun on JCB's Grp's biggest-ever investment in its history with new US\$500m factory in North America at site in San Antonio, Texas. Site will become JCB's 2nd largest plant after its global HQ in Rocester, Staffordshire
- Jun/24 - Severfield Grp said their JV JSSL with Indian partner JSW Steel recently acquired site in Gujarat with plans to start building new factory there H2'24

H1'24 SUMMARY

New CEOs

- 25% of top 20 UK contractors by turnover showing in CNplus 2023 listing changed their Grp-CEO
- Former HS2 CEO Mark Thurston was announced Anglian Water's next Grp-CEO in May – which along with many other water sector clients pushed to develop their teams for upcoming AMP8 cycle
- Trade associations joined in as long-standing Home Builders Federation CEO Stewart Baseley rose to Chairman Jun/24 with Neil Jefferson becoming CEO when H2'24 opens

Consolidation

- 2x of Britain's oldest construction trade associations - National Federation of Builders + Scottish Building Federation – agreed to merge Jun/24 as contractors also showed purchasing activity
- But it was the residential sector builders who really appeared to show they were not waiting for conditions to just improve. As build activity was down - attention turned to develop organisation size & offerings

Skilled Workforce

- Any purchase carries threat of job cuts + level of residential sector activity seen could mean high number of workers becoming available
- Could this give younger entrants like Homes by Honey the chance to speed their growth vs planned timescales? Could firms be more aggressive in their scaling up such as Galliford Try's pending return? Or even new companies created?
- Key will be not losing this skillset altogether from the sector or wider Industry
- Challenging conditions, failures like Readie + Osborne, and major players like Lendlease + Renewi deciding to leave their UK operations – all impact confidence of current workforce as attracting new blood for the long-term becomes a hard task
- Scale of this task clear as Construction Industry Training Body May/24 said extra 250k-workers needed over next 5yrs to meet demand
- Megaprojects live/planned will eat into current numbers meaning pressure on availability could really pick up - especially if certain regions experience booming work-levels like Manchester seen this period

H1'24 SUMMARY

New Construction Minister

- Another Construction Minister change saw Nusrat Ghani leave Mar/24 ending 16-months in position
- Alan Mak was confirmed replacement Apr/24 alongside also becoming Construction Leadership Council co-chair

Global Supply-Chains

- The latter position shared with Mark Reynolds - current Grp-CEO of Mace whose global activity showed impressive involvement in 2x flagship schemes in Saudi Arabia + USA as UK material producers invested in global operations
- May/24 would also investment into UK as Turkish manufacturer of roofing + wall panels - Assan Panel – released £45m investment plans to build their 1st UK manufacturing factory in East Anglia
- Global insulation products manufacturer Knauf Insulation soon after released £170m investment build plans for their new UK factory to join existing 3x UK manufacturing plants

Confidence

- Along with Sortera official entrance into the London recycling scene – clear signs of Industry optimism being shown
- General Election earlier than expected will be welcomed as key to Industry success is confidence which'll take time to build
- UK Government commitment to schemes + working on clearing project bottlenecks the immediate need
- But Construction can also help itself through risk sharing - use of alliance models shown in place by water clients a good example of how to help project progressions + protect supply-chain health
- Jun/24's PMI reading showed 50% respondents predicting activity rising over coming year supported by confidence in ability to secure new contracts + expectations interest rates will fall
- And as this report shows – H1'24 Construction Industry activity had plenty to support this optimism

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- Largest general insurer in Scandinavia = **c£4.2bn** turnover Grp
- Listed on Nasdaq Copenhagen with **c.£10bn** market cap
- Largest shareholder is TryghedsGruppen = funds Grp's charitable causes + donated c.£77m in 2023

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- Issue **c.1000x bonds per week** across UK/Europe
- Have **+5000x surety clients** across these territories
- Offer **quarterly premium payments** vs traditional upfront costs
- Provide a **flexible attitude on bond wordings**
- Given our strong diverse panel of re-insurers + strong solvency ratio c.200% = can **support bonds up to 10yrs** with capacity of **c.£220m** per client group
- Along with direct team contact – provides **POMnet** online service allowing fully **digital monitoring** of facility usage + individual bond control
- Bonds are readily accepted by **major UK/Irish beneficiaries**. Across Europe - Councils / Government Bodies readily accept bonds from Tryg Garanti
- Has Financial **A1 Moody's** Strength Rating

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