

2025 in summary

Extracts from the statutory
reports and accounts

Wates



Reimagining places for people to thrive

Wates Group Limited | wates.co.uk

2025 Numbers in brief

Group financials

£2.49bn
statutory turnover
(up by 8.4%)

£25.7m
underlying
operating profit
(2024: £25.8m)

£248.3m
net cash

£2.56bn
turnover
(up by 6.9%)

£29.2m
Group statutory
profit before tax
(2024: £2.6m)

£9.98bn
forward order
book (up by 16%)

Buildings

600,000+
homes maintained
across all contracts

3,112
new homes
being built

117
sites under
construction

1,481
commercial
building where we
manage facilities

Sustainability

74.8%
of company cars
are now EVs

94.2%
electricity procured
by the Group from
renewable sources

£464m
social value
generated

£5.4m
spend with social
enterprises

Health and Safety

21
Dominant harm
hazard events
(2024: 26)

37%
Mitigation
effectiveness rate
(2024: 26%)

7
total number of
high-potential
near-miss events
(2024: 26 events)

People

6,223
average number
of employees in
2025

Numbers in brief



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Wates in brief

Family business

With engaged Wates family shareholders, we're proud of our family roots and the longer-term perspective this gives us on running a purpose-led business.

The family is now in its fourth generation of leading the company, with members of the fifth generation actively contributing to the business.

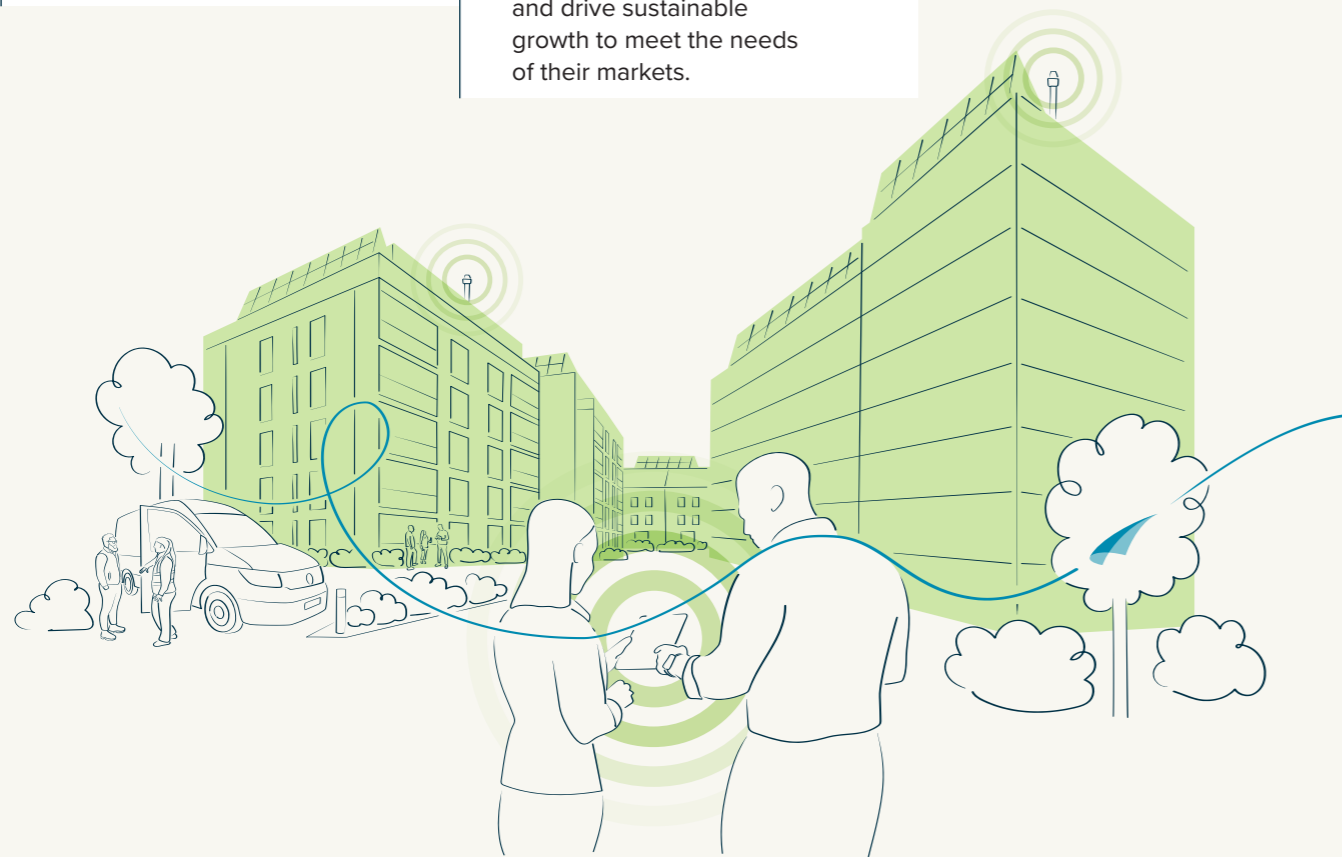
Business structure

The business comprises five divisions and a range of central functions, all working together to deliver services to our customers in the UK built environment, from land development and construction, through to refurbishment and maintenance.

Our divisions are empowered to innovate and drive sustainable growth to meet the needs of their markets.

Business strategy

The Wates Group strategy has three focus areas: deliver, improve and reimagine. This approach empowers our businesses to use their strengths to identify and pursue innovative opportunities in the marketplace that closely align with our purpose.



Social impact

We contribute to a thriving society by the way we do business – engaging with communities, including enabling careers in the built environment for those furthest from the workplace and buying products and services from social enterprises. It's just as important to our customers as it is to us.

£18 of social value per £1 of profit

£464m social value generated in 2025

£1.4bn total social value generated since 2020

£5.4m spent with social enterprises in 2025

Purpose and promises

Wates is a purpose-led business. Our purpose is entwined with our strategy and is an important guide for our decision making.

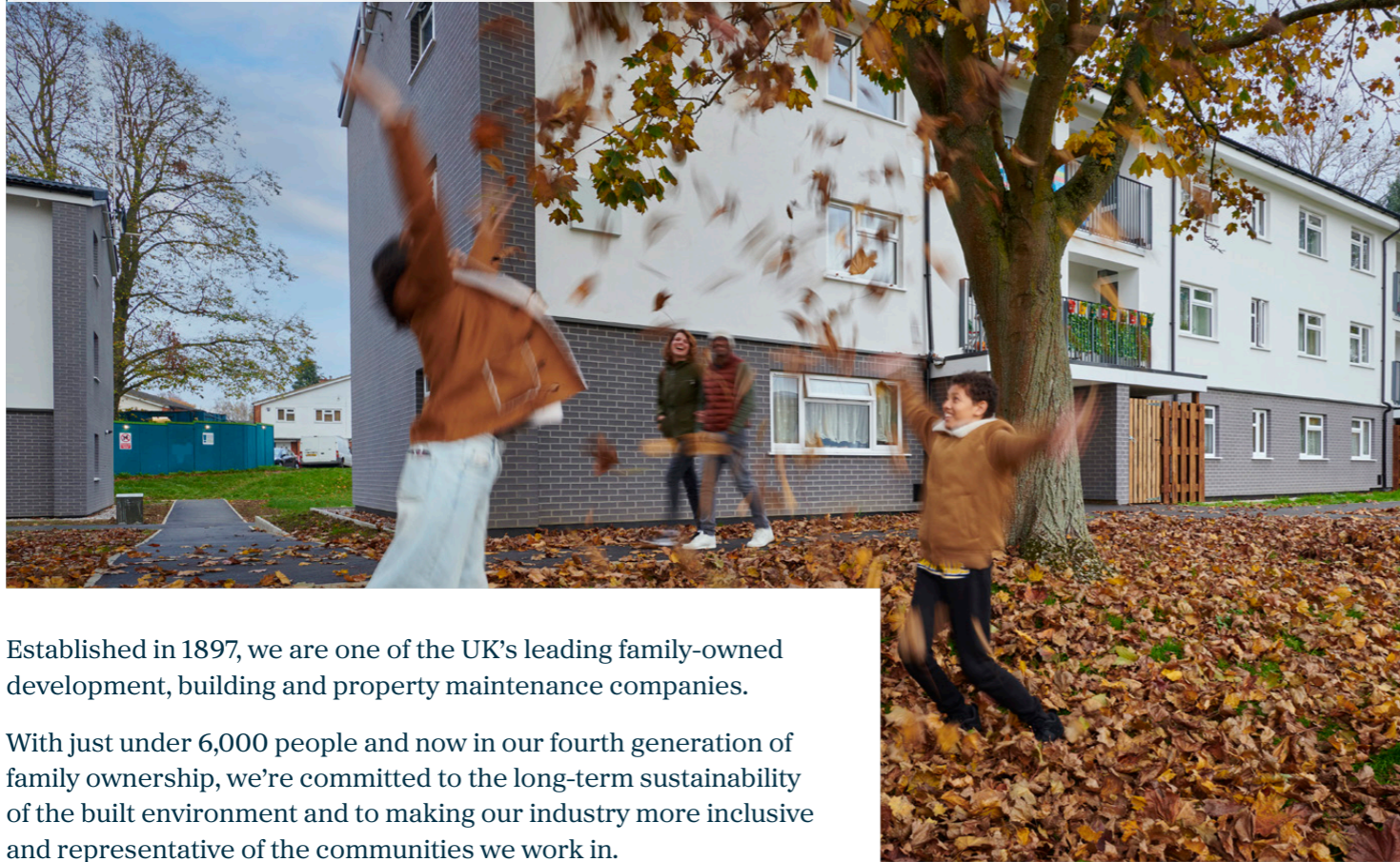
It's designed to build on the strong ethos at Wates, seen over generations, and it's a vital reference point for everything we do.

Reimagining places for people to thrive

Performance

Working with our supply chain, we strive for continuous improvement and leadership in safety, quality and sustainability. In turn, this drives performance and profitability across our activities in the built environment.

What we do



Established in 1897, we are one of the UK's leading family-owned development, building and property maintenance companies.

With just under 6,000 people and now in our fourth generation of family ownership, we're committed to the long-term sustainability of the built environment and to making our industry more inclusive and representative of the communities we work in.

Reimagining places for people to thrive

Wates began as a house builder and now we're involved in the complete life cycle of the built environment, working with a wide range of public and private-sector customers and partners. That means we have teams working on preparing land for development; building homes, schools, prisons, commercial and industrial buildings; fit out work on offices, prisons, shops and other spaces; and maintaining, improving and decarbonising social homes and commercial offices.

Our customers include a wide range of organisations from housebuilders, government departments and local authorities, to landowners, banks, retailers and housing associations.

We maintain over 600,000 social homes – nearly one in seven of all social homes in England – putting us in a strong position to lead the decarbonisation of social housing in the UK.

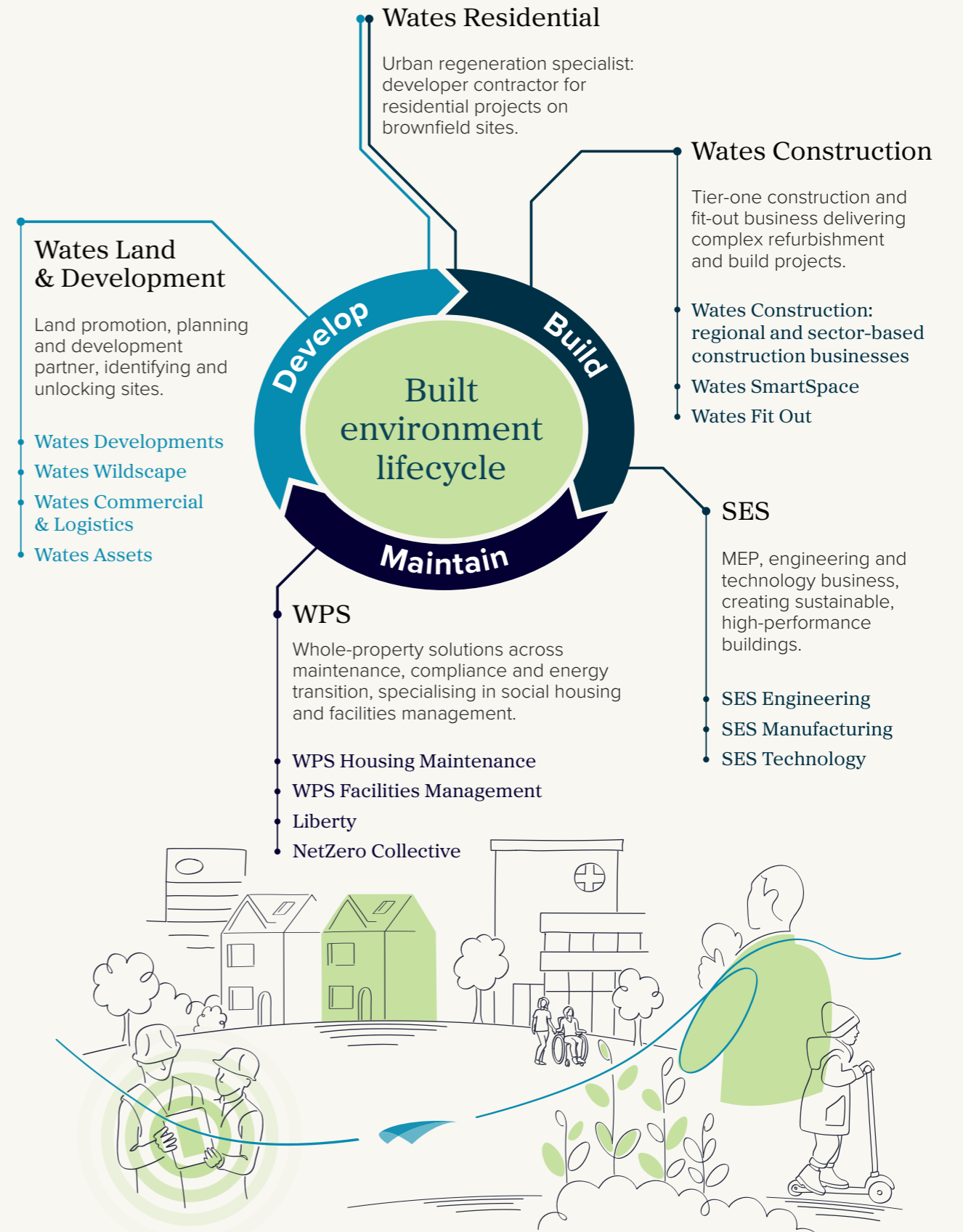
Purpose-driven business

At Wates, we strive to be a force for good, guided by our shared purpose of reimagining places for people to thrive. We are dedicated to making a positive impact on the places, communities and businesses we operate in and work with.

We generated £18 of social value per £1 of profit made in 2025; in 2025, we exceeded £1.4bn in social value generated over the previous five years.

Serving our customers across the built environment life cycle

Our divisions and businesses



Tim Wates

Chairman's statement

Against a backdrop of continued challenges within the built environment sector, the Wates Group delivered resilient results in 2025, with underlying pre-tax profit of £29.2m, turnover of £2.6bn and a forward order book of £10bn.



Over the year, we continued our strategy of empowering our five divisions to leverage their strengths, innovate and pursue opportunities in the market. While the year featured some uncertainty in economic outlook and an evolving regulatory environment, there are encouraging signs for the sector, including improved foresight into the public-sector pipeline. Our diverse capabilities, strong market presence and resilient relationships stand us in good stead.

As my third year as Chairman of the Wates Group concludes,

I am enjoying the challenges and am pleased to see how the people in our business are using their intelligence and initiative to reimagine the way the built environment is shaped.

We are proud to be a family business and are determined to hand over to the next generation a stronger, more sustainable business that continues to act as a force for good in society. My fellow shareholders from the fourth generation of the family and I are engaged owners – paying attention to good

governance and day-to-day excellence while also maintaining an eye on long-term strategy and scanning the horizon. Our next generation is increasingly engaged in the business and contributing new perspectives and energy.

Recognising the huge impact that the built environment sector has on climate and biodiversity, both in construction and in use, sustainability remains a critical focus for our business, and we are committed to playing a leading role.



“Over the year, we continued our strategy of empowering our five divisions to leverage their strengths, innovate and pursue opportunities in the market.”

Tim Wates
Chairman

The creation of social value in the communities where we work is also a critical part of delivering our shareholder mission – leaving a legacy that includes quality placemaking and a fairer and more prosperous society. We work in partnership with government bodies at all levels to regenerate neighbourhoods and deliver the housing, schools, prisons, healthcare facilities and other social infrastructure that is so vitally needed.

We create value also through the taxes we pay and those we collect on behalf of HM Treasury. In 2025, our business activities generated £512.2m of tax receipts.

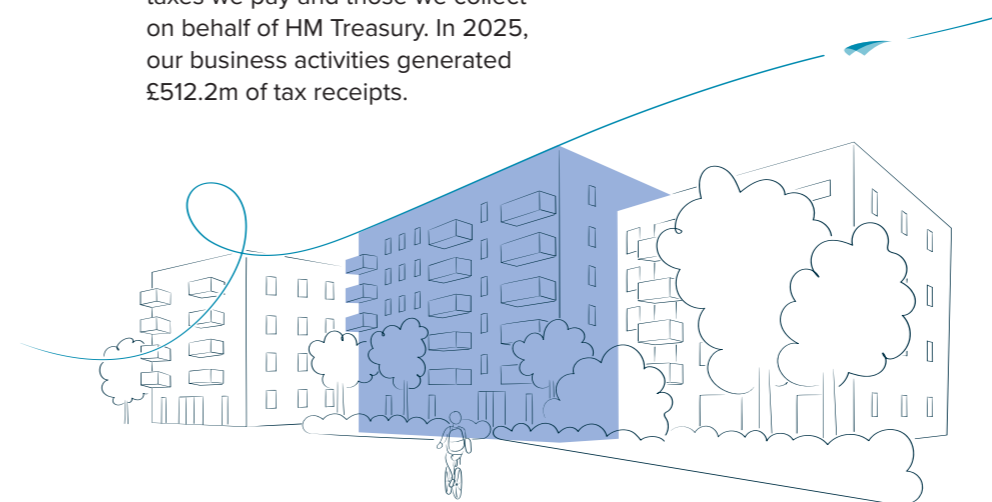
Contributing our fair share to HM Treasury supports the delivery of quality public services and an infrastructure that is essential for sustained economic growth.

Throughout the Group, we are seeking to create a culture of fairness and opportunity, an environment in which the talents of those who join us are appreciated and people are supported to deliver excellence.

The Wates Family Enterprise Trust (WFET) continues to support charitable fundraising by employees and has adopted an ambitious strategy to serve as a catalyst for change in our focus areas of housing and homelessness, opportunities for young people and nature-based neighbourhoods. Since we launched the Trust in 2008, WFET has invested over £20m in charitable activities, including match funding for employee fundraising.

I am pleased to report that the Wates Group had no changes in Board composition during 2025. We continue to strive for excellence in governance, in line with the industry-standard corporate governance principles for large private companies that bear our family name.

Finally, my sincere appreciation goes to the Wates family and Board members for their support, and to our nearly 6,000 colleagues across the Wates Group for their continued skill, hard work and commitment.



Eoghan O’Lionaird

Chief Executive’s review

2025 was another profitable year for Wates Group, extending our run of achieving profits every year to 26 years.



The past year has been one of consolidation and preparedness to ensure we have a strong framework of governance in which our divisions can thrive, as well as readiness to respond to anticipated improvements in the marketplace and, by contrast, the consequences of geo-political unrest, such as the conflict between Iran, Israel and the USA.

Our divisions are now well established in their current form, with strong leadership in place. The Liberty business, part of WPS and acquired in October 2024, is firmly embedded, bringing heating and compliance plus renewables capability to the business.

Employee numbers are steady at just under 6,000. In our regular employee survey, employees told us that Wates is a great place to work and somewhere they are proud to be.

We continue to appreciate our colleagues with discretionary bonus payments for eligible employees, year on year, totalling over £45m in 2025.



“The bedrock for all of our activity is our purpose – reimagining places for people to thrive – and the three promises that support it: Thriving Places, Thriving Planet, Thriving People.”

Eoghan O’Lionaird
Chief Executive

£2.56bn
turnover

Purpose led

The bedrock for all of our activity is our purpose – reimagining places for people to thrive – and the three promises that support it: Thriving Places, Thriving Planet, Thriving People. Since its launch in 2024, we have seen it become the north star that guides our decision making at every level, from project site to boardroom. As a purpose-led business, it drives our success.

An important element of this is maintaining a strong set of group priorities around topics like sustainability, safety and quality, which not only support compliance but also seek to drive thinking forward on these essential themes, to the overall benefit of our industry. We continue to invest in our group functions to this end, with our leaders and teams engaging with industry bodies, partners and competitors to advance our common interests in the built environment.

In particular, we promote the move to more sustainable buildings, backing that up with strong sustainability targets of our own and using our curiosity to understand and drive change. We have also strengthened our innovation team and brought technology and data to leadership level.

A significant milestone for Wates is creating £1.4bn of social value across the whole Group since 2021, and in 2025 we delivered £18 per £1 profit of social value.

£29.2m
pre-tax profit

Performance

We can take pride in our ability to weather some difficult market conditions over the year. Our divisions have restructured and adapted to meet these challenges, and our teams have again demonstrated their resilience. Where performance has fallen below our usual high standards, we have engaged in root cause analysis to ensure lessons are learned for future projects.

Overall performance of the Group was robust in 2025, delivering high single-digit turnover growth and £29.2m in profit before tax. This profit figure reflects our commitment to meeting our obligations under the Building Safety Act, as well as a subdued housing market, affecting Wates Land & Development in particular.

Against this backdrop, we continue to work with our customers, in both the private and public sectors, to seek ways to help the government

£10bn
forward order book

meet its target to deliver 1.5 million homes by the end of this parliament and build the homes the country so very badly needs. This includes encouraging the government to continue its work to streamline the planning process and improve demand-side support.

More broadly, Wates’s portfolio leans towards the public sector, enabling us to maintain our strong performance during times of less economic certainty, while being ready to respond when the private-sector market regains full strength.

Looking forward, as we expect markets may remain challenging in the short term, our teams are working hard to improve productivity and keep customers front and centre. That means careful selection of preferred projects and customers to ensure there is an appropriate balance of risk and reward, both for Wates and its supply chain.



Deputy Prime Minister, Lord Chancellor and Secretary of State for Justice David Lammy MP at HMP Welland Oaks groundbreaking ceremony in November 2025

Chief Executive's review

Executive leadership

During 2025, two of our Executive Committee members announced their retirement. Group Commercial Director Simon Potter left in March after 36 years with Wates, with Pat Fitzgerald taking up the role of Chief Commercial Officer in September.

Group HR Director Paul Rowan took his retirement at the end of the year after 11 years with the

company, with James Saunders joining as Chief People Officer in May.

We added Chris Cornall to the Executive Committee in October, promoted to the role of Group Technology and Data Director, to reflect the increasing importance of information technology, data analytics and artificial intelligence in what we do at Wates.



Our shareholders

The Wates family remains a highly engaged stakeholder, continuing to support and guide the executive and demonstrating its strong commitment to purpose-led business.

The shareholders and executive at Wates Group take governance very seriously. The company follows the Wates Principles for large private businesses and the

Chairman, Tim Wates, and the Wates family at large are committed to handing to the next generation a purpose-driven, strong and sustainable business. More information on the Wates Principles is on page 96.

We are happy to see members of the fifth generation of the Wates family among our workforce.

Safety

We have made good progress with safety this year, with a significant reduction in incidences and near misses during the year.

But while our safety stats are as good as anyone's in the industry, they are not as good as they need to be.

Led by Group Health, Safety and Wellbeing Director Brian Long, we're changing our focus.

We aim to ensure that, in the event of failure, our operations are resilient enough to avoid injury or fatality.

In practice, this means that we work to ensure that, when incidents do occur, there are controls in place which prevent injury and serious harm. To do this requires us all to be more curious, more aware in the moment and more focused on ensuring that injury will not happen, even if accidents and incidents do.

If something doesn't look right, we speak up, stop the work and put things right.



When we reimagine the workplace, we create opportunities



Premiership Women's Rugby (PWR) announced its official partnership with Wates Group in January 2025, as part of our drive for a more inclusive and diverse workforce.

Women are under-represented in the built environment industry and for more than a century that was also the case in rugby union. Now that balance is changing and Wates is keen to see a similar transformation of the gender imbalance in construction and related sectors.

Over the year, Wates and PWR promoted careers in the built environment to players and fans, through match-day messaging, player appearances, industry events and social media campaigns.

We renewed our commitment to PWR in December 2025 through to July 2027, covering two more seasons.

When we reimagine rehabilitation, we reduce reoffending

For over a decade, we have been directly supporting prison leavers as part of our commitment to our purpose – reimagining places for people to thrive.

Our work is helping to reduce reoffending in the UK: assisting people to rebuild their lives, reducing public spending and helping communities to thrive.

We're doing this through our Reimagining Talent programme, offering training and skills development to help prepare prisoners for the workforce and find a job when they are released. Since launching in 2023, the programme has run in six prisons and to date we have trained 63 people, with 11 of those having secured employment in construction and other sectors.

While we recognise that there remains much to do to help rehabilitate those who are incarcerated, we take great pride in the positive impact we continue to have on prison leavers and feel honoured to receive praise at the highest levels of government for our commitment to this cause.



Lord Timpson, Minister of State for Prisons, Probation and Reducing Reoffending, spoke at our parliamentary reception in November.

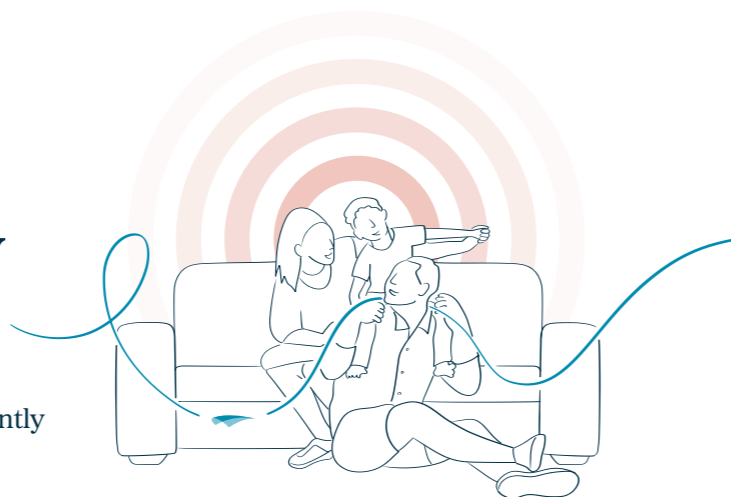


As part of our Brilliant Locally programme, we are working with Governing Governor Esther Dainton to refurbish wellbeing facilities at HMP Send.

Philip Wainwright

Chief Financial Officer's review

Once again, the Wates Group delivered profit before tax, while maintaining strong cash levels, as it has done consistently for decades – a reflection of the long-term, purpose-led approach taken by our family-owned business.



“ These solid foundations, and a commitment to operating fairly, make us an attractive company to work with for both customers and suppliers. ”

Philip Wainwright
Chief Financial Officer

Performance

We saw revenue growth in 2025 of 6.9 per cent. This is due in part to the delivery of larger projects, such as the AESC gigafactory in Sunderland, and significant public-sector construction projects. New contracts in WPS and the promising early momentum in the newly established Wates Fit Out business were also highlights.

In 2025, our statutory profit before tax grew in the year, but was negatively affected by the costs of remediating buildings in line with the requirements of the Building Safety Act and by the timing of a number of land transactions anticipated to conclude in 2025 that are now expected to complete in 2026.

As a business, we remain focused on the balance sheet. The significant tangible net worth we hold compares favourably with our peers. Part of this story is our net cash position, which continued to be strong throughout the year, up on 2024, closing at £248.3m. The fact we did not use our revolving credit facilities throughout 2025 illustrates the strength of our operations, good working capital control and cash collection.

Governance remains at the forefront of how we align risk management to our risk appetite. With this approach hard-wired in, alongside the diversified nature of our operations, we continue to deliver profit year on year.

This has helped us to take advantage of opportunities in areas such as social housing and advanced manufacturing, while navigating the challenges faced by businesses operating in the UK built environment, such as a slow housing market and historically high borrowing costs.

During the year, we renewed and expanded our three-year revolving credit facility to £100m across the Group, alongside establishing a new £25m standalone revolving credit facility and term loan of £15m for the WPS businesses. These increased facilities help Wates to be flexible and take advantage of opportunities in the market, particularly around our strategic accelerators, at both Group level and in the divisions.

These solid foundations, and a commitment to operating fairly, make us an attractive company to work with for both customers and suppliers. This is demonstrated through our forward order book, which continued to grow in 2025, closing at £9.98bn.

Tax and the UK economy

The built environment industry continues to be a significant driver of growth in the UK economy. We are proud of the contribution we make as a business and an employer, with all our operations in the UK.

Overall, our activities contributed £512.2m (2024: £405.4m) of UK taxes to the Exchequer during the year. These figures also include the impact of the increase in National Insurance during the year.

We remain mindful of the proposed changes to business property relief and the possible impact on shareholders of all UK family-owned trading businesses.

The summary financial performance for the Group is set out below:

	2025	2024	Movement
Group turnover Group turnover including the Group's share of joint ventures' and associates' turnover	£2.56bn	£2.40bn	6.9%
Group statutory turnover Group statutory turnover excluding the Group's share of joint ventures' and associates' turnover	£2.49bn	£2.30bn	8.4%
Underlying operating profit Underlying operating profit before interest and tax	£25.7m	£25.8m	£(0.1)m
Statutory operating profit/(loss) Statutory operating profit/(loss) before interest and tax	£25.7m	£(3.0)m	£28.7m
Underlying operating profit margin	1.0%	1.1%	(0.1)%
Group statutory profit before tax Group statutory profit before tax including share of tax of joint ventures and associates	£29.2m	£2.6m	£26.6m
Group profit after tax for the financial year	£16.3m	£0.7m	£15.6m
Forward order book	£9.98bn	£8.64bn	£1.34bn
Net assets	£149.8m	£148.5m	£1.3m
Year-end cash Cash balance excluding cash held in joint ventures	£263.3m	£195.6m	£67.7m
Year-end net cash Cash balance excluding cash held in joint ventures, net of bank loans	£248.3m	£195.6m	£52.7m

Land & Development

Land, planning and development for new homes and business space



Working with award-winning charity Sussex Green Living, funding the delivery of environmental education in schools in 2025, in the Horsham District of Sussex.

Performance

Our work in 2025, in particular on planning, combined with targeted forward investments, provides a solid foundation for growth for 2026 and beyond. Alongside this success it was a challenging year for land sales. Delayed completions, now expected in 2026, affected our 2025 financial performance adversely.

At a glance

- The Wates Land & Development division comprises Wates Developments, Wates Commercial & Logistics, Wates Wildscape and Wates Assets (formerly Needspace).
- Successful year in planning – all local planning committee consents secured.
- Seven contracted and five agreed schemes for Wates Commercial & Logistics.
- Buoyant performance despite challenging housing and land markets.
- 16 new land investments.
- New Bristol office opened to strengthen presence in the south-west of England.
- Continued investment in house builder joint ventures.
- Launch of Wates Wildscape, our new bio-diversity net gain (BNG) business.

3,000+ acres of land under control

£94.7m turnover (2024: £119.6m)

£180m+ capital allocated for investments

342 homes sold through house building joint ventures

21,729 homes in residential land portfolio (excl. joint ventures)

56 closing headcount

2,000+ homes in development on JV sites

8 live planning applications

During the year, the team secured all planning consents locally, without need for appeal – a notable shift from winning 33 per cent of consents via appeal historically. This reflects our continued investment in early stakeholder engagement with communities. While our run of eight consecutive appeal wins ended this year with one dismissal, avoiding appeals altogether is highly preferable. Our overall planning success rate stands at 97 per cent over 20 years, reinforcing our reputation for navigating complex planning environments.



“ Our teams delivered a formidable performance this year, against a backdrop of worsening market conditions month on month. During 2025, we developed a strong volume of sites ready for completion during 2026 and we secured all planning consents at local level. Our new businesses in commercial land and bio-diversity continue to show great promise. ”

David Brocklebank
Executive Managing Director,
Wates Land & Development



We deeply value the trust landowners place in us. We put great importance on responsible stewardship of their land and are grateful for the opportunity they offer us to reimagine places for people to thrive. Wates Developments added 13 new land investments to its residential portfolio. This strengthens our pipeline, as we continue to invest in markets where housing demand remains strong.

Despite strong headwinds from a tough market environment in 2025, our house building joint ventures showed resilience and minimised the impact to operating margins.

We entered a new joint venture in Farnham with Miller Homes and launched Willow Park in Buckingham with Vistry Homes, as well as starting work on site at Tenterden with Vistry. Joint-venture partnerships like these showcase our ability to work together to create thriving communities in a challenging market.

Our drive into large-scale developments, as principal developer, continues. We made good progress on our Hammonds Farm scheme in Chelmsford for 4,500 homes, which will be a new neighbourhood in the district with new homes, businesses and a range of community benefits.

The Wates Commercial & Logistics team secured a new 28.5-acre scheme in Huntingdonshire. This brings its portfolio to seven schemes contracted and five new sites agreed, which will collectively provide close to 4 million sqft of employment space.

Wates Wildscape, our new nature and biodiversity business, launched during 2025. Units at our first site in Ashurst, Kent, are now for sale and receiving enquiries. We also acquired two additional sites, one in Chilmark, Wiltshire, and the other under option at Kettering, North Northants.

Following our strategic decision in 2024 to divest our portfolio of managed workspace investments, four buildings (assets) were sold in 2025. The managed workspace market has faced significant challenges post-Covid, affected by a shift towards more hybrid working and less demand for rented office space. In 2026, Wates Assets (formerly Needspace) will target investment in logistics.

Overall, 2025 was challenging for the land and housing sector, with trading conditions affecting home sales for a third year and the land market softening in response. Commercial markets proved more resilient, driven by stronger demand for logistics space.

Outlook

The year saw significant changes introduced in planning, including the Planning and Infrastructure Bill and revised rules for Nationally Significant Infrastructure Projects, both designed to speed up the delivery of housing and infrastructure.

A new office in Bristol enhances our presence in the south-west of England, opening up more opportunities to unlock residential and commercial land in high-potential markets. A number of land transactions faced delays towards the end of the year. These will conclude early in 2026, adding to a strong forward pipeline of consented sites.

Despite current headwinds, as market conditions improve and planning reforms take shape, our division is well-positioned to lead the way – creating places where people and nature can flourish.

Residential

Urban regeneration specialists operating across London, the South of England and Wales

At a glance

- A developer contractor, working in partnership with local authorities, housing associations and others to transform estates and shape places on brownfield sites.

£321.4m
turnover (2024: £281.5m)

- Fresh strategic direction under new Executive Managing Director Pip Prongué, who has driven a renewed focus on growth and operational excellence.

£2.2bn
forward order book

- Growth in 2025 turnover and order book from both existing customers and new partnerships.

2,123
homes under construction

19
live sites

£43.7m
social value generated

2,772
homes achieved planning



“I’ve thoroughly enjoyed my first year at Wates Residential. Many businesses claim to be purpose led, and I’ve been struck by how our team truly lives it – reimagining places for people to thrive in everything we do. Surrounded by a talented team, I’m incredibly proud of our 2025 achievements and the trust our customers place in us. With a strengthened pipeline and deeper partnerships, 2026 will be a year of action – delivering at pace, with quality and with meaningful impact.”

Pip Prongué
Executive Managing Director,
Wates Residential



Maple Fields, Cardiff

Homes with purpose. Partnerships you can trust.

2025 was a defining year for Wates Residential, as the business achieved profitable growth despite a challenging operating environment and ongoing market uncertainty. The arrival of Pip Prongué as Executive Managing Director brought new leadership and a revitalised sense of direction.

This change marked a strategic reset, designed to accelerate progress and drive further growth. This was addressed using four priorities:

- strengthening and growing our pipeline of new partnerships and opportunities
- deepening customer relationships and ensuring these are at the centre of everything we do
- optimising how we work to deliver as effectively as possible
- embedding a growth mindset, encouraging collaboration and using marginal gains to drive towards bigger goals, both internally and with our partners.

Building momentum. Delivering homes.

2025 saw increased bid activity and a notable conversion of existing projects. At the height of the year, the business was managing 19 live projects on site and 19 in pre-construction, ultimately handing over 567 homes to customers. Our pipeline remains robust, with more than 2,000 homes under construction across three regions.

Momentum was particularly evident in our joint ventures with the London boroughs of Havering and Harrow, where planning consent for 1,500 new homes was secured. In the South region, we submitted a planning application for a flagship development of 258 homes with Guildford Borough Council, and we also welcomed a new partnership with the London Borough of Southwark, delivering 343 new homes.



The Pages is designed with community at its core, offering high-quality new homes that seamlessly connect residents to both nature and the vibrant local scene. Perfectly positioned between Wembley Park and the town centre, the development includes 153 one, two and three-bedroom apartments, available for sale, spread across four blocks named after legendary Olympians.

Customer-centric delivery. Broader value add.

Long-term partnerships are at the heart of what we do and in 2025 we strengthened our approach by adding senior Wates Residential representatives to our joint-venture boards, enabling faster decision making and more transparency. In 2025, 91 per cent of new projects came from repeat customers.

With significant expertise in multi-phase regeneration, we have demonstrated our ability to positively transform entire neighbourhoods. This year we’re progressing toward the 921st home with Be First and the remaining 334 homes in Phase 3 of the Gascoigne neighbourhood in Barking are scheduled to complete in 2026. We secured the next phase of our work at the Gorse Ride regeneration scheme after successfully completing Phase 2A for Wokingham Borough Council for 98 new homes, and we neared completion of the third phase of Abbey Road’s regeneration with the London Borough of Camden, which includes 139 affordable homes.

In Wales, our team completed 107 homes with Cardiff Council, helping to put the council into the top 10 council house builders in the UK. Private sales in the region also performed strongly, with excellent sales rates at Maple Fields and a successful launch at Willowbrook.

More broadly, we continued to strengthen strategic relationships with Homes England, the Greater London Authority, the Welsh Government and the Ministry of

Housing and Local Government – including the Building Safety Regulator – through ongoing opportunities and grant and funding discussions.

Smarter operations. Purposeful impact.

Throughout 2025, Wates Residential sharpened its focus on operational excellence and embedding a growth mindset across the business.

Internally, we undertook a comprehensive review of our processes to ensure that delivery and quality remain at the forefront of everything we do. As a result, we have reduced project delays by 50 per cent, strengthening our reputation for reliability.

We raised our profile with two major thought-leadership campaigns, one championing modular solutions to address the temporary accommodation crisis, and the other bringing together investors and local authorities to drive investment and growth in the sector.

Sustainability was key to our agenda, with the launch of our first ‘zero bills’ homes with Octopus. We also achieved significant carbon reductions across our sites, underscoring our commitment to the residents who move into our homes, while helping our customers to meet their sustainability requirements.

Our efforts within communities generated £43.7m in social value, delivering genuine positive outcomes for local residents.

Construction

A nationally recognised, tier-one construction and fit out business

At a glance

- Record forward order book of £4.9bn inc. share of frameworks.
- Multiple large-scale MoJ projects in progress.
- Construction revenue fell slightly, with profitability maintained, despite challenging market conditions.
- Three contract wins for Wates Fit Out to deliver high-end London commercial office space in the business's first year of operation.
- Roll-out of digital technologies, improving decision making and risk mitigation.
- A cultural reset, with substantial investment in benchmarking and employee engagement, resulting in significantly improved employee net promoter scores.
- A five-year strategy to achieve 5 per cent profit before tax laid the foundations for future growth.

£1.2bn
turnover (2024: £1.3bn)

£4.9bn
forward order book

£455m
work won

3,056
new prison places
under construction

£2.8m
spent with social
enterprises



“ 2025 has been a year of transformation. With a robust five-year strategy in place, we're clear on our future direction – sustainable growth, investing in new sectors and creating an environment that allows our people to thrive. This year, we advanced initiatives that strengthened employee engagement and enhanced customer satisfaction. We also refined our operations through a business-wide Certainty of Outcome programme, which is driving a culture of continuous improvement across the division. Construction now stands in the best shape for success in 2026 and beyond. ”

Steff Battle
Executive Managing Director,
Wates Construction



Life and Mind Building, Oxford University

Our Construction division delivers projects across the UK, serving both public and private-sector customers. Alongside our core construction activity, the division includes two specialist businesses: Smartspace and Fit Out. 2025 saw the division face challenging market conditions that affected project viability and delayed PCSA conversions on a number of private-sector projects. This resulted in a slightly reduced revenue for the year, at £1.2bn.

To support future performance, the division set out a five-year strategy with clear ambitions to deliver long-term, sustainable growth by investing in our culture, expanding our presence in the fit out and refurbishment markets, driving greater profitability and harnessing technology to embed data-driven decision making.

We also reset our customer approach, prioritising long-term, values-based relationships with strategic partners. This strategy contributed to rising customer satisfaction throughout 2025. It also helped to secure commercial, justice and public-sector contracts, including £1.5bn of Ministry of Justice (MoJ) projects as part of the department's largest prison-building programme in over a century.

Business optimisation and ongoing investment in digital platforms sharpened our performance, as well as our abilities to manage risk, protect margins and deliver certainty for our customers.

Some of the most complex and high-profile projects in our portfolio were completed in 2025, including Victoria House, a Grade-II listed life sciences hub; The Ribbon, a landmark mixed-use development on Oxford Street in London; and The Life and Mind Building, one of Oxford University's largest-ever construction projects.

The division's financial performance was negatively affected by the performance of a small number of challenging projects. These have now been completed and handed over, except for one ongoing project in London that continued into 2026.

Smartspace completed the transformation of an iconic Grade II listed building into Lloyds Banking Group's Halifax office, as well as fit out and refurbishment projects for long-term customers HSBC, MoJ and Marks & Spencer. The business's strong reputation for quality and reliability positions it well for continued growth.

Significant investment in Wates Fit Out – launched in late 2024 – helped the business achieve market traction and secure commercial office projects with three new customers in the City of London. Our new turnkey offer, combining construction, high-end fit out and facilities management capabilities in one end-to-end solution, was also launched to the market.

11 & 12 Wellington Place in Leeds set a new benchmark for low-carbon construction, becoming the UK's first office outside London to achieve a NABERS UK Five Star Energy Rating in operation. This all-electric, net-zero carbon ready development incorporates smart building technologies, rooftop photovoltaics and other carbon reduction measures that will save a forecasted 407 tonnes of CO₂ annually.

Work delivered by our teams earned industry recognition this year. Merseyside Fire and Rescue Service Training Academy picked up Sub-Regional Project of the Year at the North West Regional Construction Awards for its alignment with Constructing Excellence principles, innovative re-use of materials and enhancement of emergency response capabilities.

The European Women in Construction and Engineering (WICE) Awards in May also saw Kerry Quinn awarded as the Best Woman in Health & Safety, Melody Wood pick up Best Construction Planner and Darren Eccleston named Best Mentor.

Customers and partners



Frameworks include



SES

Reimagining the future of engineering in construction

At a glance

- 2025 was SES's first full year as a standalone division within the Wates Group.
- 100 per cent revenue growth since 2022.
- A new strategy to drive SES's ambition to be the UK's most profitable and sustainable engineering and technology business.
- National representation was strengthened, with three regionalised engineering businesses.
- Offsite manufacturing capability expanded with a second facility and two customer training centres.
- The SES Technology business was introduced to capitalise on the growing data centre and critical infrastructure market.
- First non-executive appointed.

£590.4m
turnover (2024: £432.7m)

£0.95bn
order book

33
active sites

309,801 hours
removed from site
through offsite
solutions



“ Our growth over the last five years has been exponential, and the opportunities that lie ahead for our business will not only see us strive to become the number one engineering and technology business in UK construction, but also shape the future of how the industry designs and builds the places where people, communities and the environment thrive. ”

Rob Clifford
Executive Managing Director,
SES



In 2025, SES reinforced its position as a pioneering force in the delivery of customised engineering and technology solutions, powering sustainable, high-performing buildings, data centres and critical infrastructure assets.

Ranked as the UK's fourth-largest MEP provider in Construction News' 2025 Specialists Index, SES achieved 100 per cent growth in the three years to the end of 2025.

Awards

ECA Industry awards 2025
Large Contractor of the Year

Women in Construction and Engineering Awards 2025
Lifetime Achievement
Award Sam Johnson
Head of Social Value

SES operates across three core areas:

- **Engineering** – the foundation of SES, delivering exceptional quality and agility at scale.
- **Technology** – powering complex, sustainable assets, such as data centres and critical infrastructure.
- **Offsite manufacturing** – delivering safe, efficient and sustainable solutions through two manufacturing facilities and two customer training centres strategically located to support major projects.

A new strategy launched in 2025 set a clear ambition: to become the UK's most sustainable and profitable engineering and technology business in UK construction.

This vision is underpinned by market-leading differentiators, including digitally enabled offsite manufacturing and advanced engineering capabilities, enabling SES to deliver at scale and drive innovation.

Collaboration remains central to our success, with SES partnering on major projects with Wates Construction and

other tier one contractors in sectors as varied as data centres, energy, education, science and research, health, government, justice and defence. This has strengthened SES's brand and deepened customer relationships, ensuring alignment with sectors where demand and capability converge.

Sustainability continued to be a priority, with our offsite manufacturing business removing 309,801 hours from site through the creation of nearly 33,000 products, including 1,170 modules, 118 risers and five complex plant rooms, while improving safety, quality and efficiency for our customers.

Looking ahead, SES will accelerate investment in digitalisation to enhance design, planning, offsite manufacturing and delivery to reinforce operational excellence and future readiness. With a clear strategy, strong partnerships and a commitment to innovation, SES is driving the future of engineering and technology in UK construction.

Our strategic marketing partnerships

SES harnesses its strategic marketing partnerships with stakeholders to champion progress across engineering, sustainability and digital innovation. Using our market leadership and industry influence, we actively promote collaboration and positive change, in order to drive initiatives that shape the future of construction and deliver lasting value for customers, communities and the wider sector.

Digital Buildings Council

SES is a founding member of and contributor to the Digital Buildings Council (DBC), an industry group focused on standardising best practices, improving collaboration and promoting clarity in the digital built environment, including initiatives to link Building Information Management with smart building

operations for a better return on investment and sustainability.

Durham University Business School

SES has partnered with Durham University Business School to drive innovation and leadership in UK construction. Having recently been the headline sponsor for its 60th Anniversary Gala, this partnership hopes to foster research projects that tackle real-world challenges and provide insights to strengthen our competitive edge. The partnership also connects SES with influential networks of business leaders, policymakers and academics, supporting our ambition to become the UK's most profitable and sustainable engineering and technology partner.

Electrical Contractors' Association

SES works with the Electrical Contractors' Association (ECA) to promote sustainable construction practices and reduce carbon emissions within the industry. In partnership with the association, SES champions the UK's electrification journey through the ECA's Electrifying Our Future campaign. Together with other ECA partners, SES is raising awareness of the urgent need for climate action and the pivotal role electrification plays in reshaping industries, infrastructure and everyday life.

WPS

A strategic partner for maintenance, compliance and energy transition solutions

At a glance

- WPS delivers housing maintenance services for social homes, plus facilities management to public and private-sector customers.
 - The management team was strengthened with two new appointments during 2025, to drive development of the facilities management business, as well as IT and transformation.
 - After three years of progressive growth, turnover increased again in 2025, and the year ended with a strong order book.
 - Following the acquisition of Liberty in 2024, WPS expanded its property services portfolio to include heating and compliance services, plus in-house delivery of renewables.
- £636.4m**
turnover (2024: £547.2m)
- £2.5bn**
forward order book
- 600,000+**
social homes
maintained in England



“From delivering healthier homes to helping manage buildings and estates more efficiently, we’re proud to help our customers tackle some of society’s biggest challenges. Whether it’s protecting standards in social housing or decarbonising the built environment, residents and building users are at the heart of what we do.”

David Morgan
Executive Managing Director,
WPS



WPS strategy in action

After launching the growth strategy in 2024, WPS delivered on its first year of targets during 2025, establishing the team and organisational capability needed for long-term success.

We worked to expand heating and compliance capability, positioning WPS to capture more of the rapidly growing social housing energy transition market and building on the acquisition of Liberty in 2024. Offering services across property maintenance, renewables, compliance and facilities management, WPS now occupies a substantial market position and worked to leverage that during 2025.

The property landscape and strategic focus areas

The UK continues to implement its net zero obligations and Awaab’s Law has brought changes to damp and mould response times. This puts property providers and owners under greater pressure to deliver healthier, more energy-efficient homes and buildings.

We have focused on integrating Liberty, acquired in October 2024, to meet these market challenges and leverage collective expertise across decarbonisation. Our experts are working together on heating and compliance, plus energy-efficiency retrofit projects. We have also refreshed the facilities management strategy to increase market share.

During 2025, significant progress was made to support our customers with the acceleration needed to provide healthier, more sustainable homes, with the number of energy-efficiency retrofit completions rising to more than 7,500. We also supported housing providers to access allocations in the third wave of the government’s warm homes funding, winning more than £300m worth of work during 2025 to improve the energy efficiency of more than 19,000 homes.



This saw the first collaborative delivery between WPS and Liberty teams to support customers through the entire energy transition process life cycle: helping customers to secure funding and develop decarbonisation strategies, delivery of fabric, renewable and low-carbon heating measures, plus maintenance of renewables assets. Already maintaining around 2,000 renewables assets through existing heating contracts, Liberty began work to install a pipeline of more than 6,800 renewables.

Both WPS and Liberty supported customers to provide thriving homes through significant planned and responsive maintenance delivery. This included mobilisation of works on behalf of ForHousing – the largest housing maintenance contract across WPS – supporting some 20,000 homes. Worth £260m over 10 years, this provides long-term stability, alongside other significant contracts won in 2025. These include Notting Hill Genesis (£150m over 15 years), Ealing Council (£66m over 10 years) and a renewal for a further 10 years of work with

Brent Council (a total contract value of £182m).

It was also a year of growth for the Facilities Management team, which expanded to more than 360 people, increasing the direct labour workforce with engineering hires. They developed relationships with key customers, renewing contracts with the Association of Chartered Accountants (ACCA), Mercedes Benz and West Midlands Police. They also secured work with new customers, including Aviva Investors, Landmark, SAS Software and the University of Leeds.

With its refreshed strategy, the team is focused on growth in sectors with a strong track record of profitability. A new office in Manchester expanded its footprint in the north of England.

In summary, WPS has an expanded proposition delivering whole-property solutions across maintenance, compliance and energy transition solutions, providing services that put residents’ and tenants’ wellbeing at the heart of our operations.

Financial review

The Chief Financial Officer's review can be found on pages 14 to 15. The following sections make reference to the summary financial performance shown on those pages.

Turnover and trading performance by division

Group turnover increased by 6.9 per cent or £0.17bn, from £2.40bn last year to £2.57bn in 2025, our highest-ever reported turnover. This includes the Group's share of joint-venture turnover of £75.9m, compared to £103.3m last year,

reducing due to fewer new home completions during the year. On a statutory turnover basis (excluding the share of turnover of joint ventures and associates) the increase was 8.4 per cent or £0.19bn, from £2.30bn to £2.49bn.

All divisions except Wates Construction demonstrated statutory turnover growth in 2025. See below for information on turnover, other key performance indicators and trading performance by division.

Wates Land & Development

	2025	2024
Land & Development turnover Land & Development turnover including Land & Development's share of joint ventures' and associates' turnover	£94.7m	£119.6m
Land & Development statutory turnover	£21.5m	£20.2m
Plots controlled on privately owned land	22,537	19,938
Units for which planning permission was achieved	1,052	312
Land sales completed	3	3
Units completed in the year through joint ventures	342	567

Throughout 2025, the Land & Development division continued to face a challenging housing market, with economic uncertainty impacting house buyer confidence. This uncertainty, combined with having less active residential joint-venture sites, resulted in the business completing on 342 (2024: 567) homes in the year.

The business sold three consented sites in the year (2024: three) and started 2026 with five sites ready for sale, putting the business in a strong position for land sales in 2026.

The business has also grown its long-term pipeline, increasing plots under control by 13 per cent to 22,537 (2024: 19,938), with 13 new land control contracts exchanged during the year.

Needspace (now known as Wates Assets)

Following a strategic decision to divest the portfolio of managed workspace investments held by the business, five buildings were sold in 2025, with net proceeds of £24.3m received. Two buildings remain in the Wates Assets portfolio.

Wates Residential

The Residential division works alongside our public-sector partners to deliver housing-led developments on publicly owned brownfield sites.

	2025	2024
Residential turnover Residential turnover including Residential's share of joint ventures' and associates' residential turnover	£321.4m	£281.5m
Residential statutory turnover	£318.7m	£277.6m
Units for which planning permission was achieved (including through joint ventures)	2,123	2,593
Units completed in the year (including through joint ventures)	567	1,028
Open market sales in the year	53	61
Forward order book	£2.2bn	£2.0bn

Throughout 2025, the division continued to progress sites of strategic importance. These locations, in Harrow, Havering, Cardiff, Brent and Barking, remain central to our proposition as a developer contractor, supporting public-sector customers across London, the South and Wales.

Amid ongoing market challenges, the division secured new opportunities in 2025 with Brighton & Hove City Council, Wokingham

Borough Council and the London Borough of Southwark. As a result, the forward order book increased by 11.8 per cent to £2.2bn (2024: £2.0bn).

Completions in the year totalled 567 units (2024: 1,028), including 53 open market sales (2024: 61). The majority of completions continued to be within affordable housing schemes. The sustained investment in development opportunities through joint ventures

and collaborations with public-sector partners has contributed to a growing development pipeline.

Significant progress was also made on planning during the year in collaboration with our development partners. The pipeline now includes 3,992 units (2024: 3,571), further strengthening future activity. At year end, the division was active on 32 sites (2024: 31) and had secured planning consent for 2,772 units (2024: 2,593).

Wates Construction

The Construction division comprises four regional construction business units, two sector business units (Advanced Manufacturing and MoJ) and the Fit Out and Smartspace business units.

	2025	2024
Construction statutory turnover	£1.22bn	£1.27bn
Forward order book	£4.9bn	£3.6bn
Average project value: Construction	£104.1m	£53.9m
Average project value: Smartspace	£5.7m	£1.5m

Construction delivered another year of solid performance. Turnover of £1.22bn was broadly in line with 2024. The division ended the year with a forward order book of £4.9bn, £1.3bn higher than the prior year.

The construction business unit had a positive year, with a revised focus on quality of earnings leading to revenue decreasing slightly to £0.99bn (2024: £1.04bn). During the year, some delays to projects commencing

continued as our customers' investment decisions remain impacted by high interest rates and prolonged viability challenges. Key projects included delivery of critical infrastructure for the Ministry of

Financial review

Justice, refurbishment on the Parliamentary Estate and re-securing our framework position with the Department for Education on Construction Framework 25. The construction business units ended the year with a forward order book of £4.7bn, £1.2bn higher than prior year, with opportunities in pre-construction for Wellcome Trust, MEPC and University of Portsmouth.

Within Smartspace, following continued strong framework performance, revenue remained broadly consistent at £217.0m, as some larger projects completed in year. The outlook for 2026 remains positive having secured additional frameworks with customers such as Barclays, building on our strong reputation in the financial services industry. Additionally, large projects are expected to progress to site for key customers such as the

Government Property Agency, HSBC and Lloyds. This supports an improved forward order book position of £212.1m (2024: £188.4m).

In its first year of trading, the Fit Out business unit successfully secured three contracts as it penetrated the London commercial fit out market. Market response has been positive and we expect to continue the positive momentum as we grow our market share.

SES

SES specialises in engineering technology and offsite manufacturing services. The division has established itself as one of the UK's leading design-led mechanical and electrical providers, offering comprehensive and technologically smart solutions to customers across the built environment.

	2025	2024
SES turnover SES turnover before the elimination of intercompany trading	£590.4m	£432.7m
Eliminated intercompany trading	£298.1m	£254.3m
SES turnover after eliminations SES turnover after the elimination of intercompany trading	£292.3m	£178.4m
SES forward order book SES forward order book before the elimination of intercompany contracts	£0.95bn	£1.23bn
Eliminated intercompany contracts	£0.56bn	£0.82bn
SES forward order book after eliminations SES forward order book after the elimination of intercompany contracts	£0.39bn	£0.41bn
Number of new wins	14	21
Number of sites achieving practical completion	23	14

2025 has been another excellent year for SES. The division grew significantly in the year, continuing a trend of annual growth in turnover every year since 2020. In 2025, turnover reached its highest level in the history of the business, increasing by 36.4 per cent to £590.4m (2024: £432.7m).

The division has a gross forward order book totalling £0.95bn (2024: £1.23bn) and is focused on generating a strong pipeline of opportunities aligned to its strategic ambitions in the data centre and advanced manufacturing sectors, as well as continuing to work closely with key customers across its regional businesses.

2025 saw a 64 per cent year-on-year increase in the number of contracts achieving practical completion, further demonstrating the continued growth trajectory of the business in recent years.

WPS

WPS comprises four business units: Housing Maintenance (social housing maintenance), Facilities Management (private facilities management services), Liberty (heating and gas compliance) and NetZero Collective (energy efficiency strategy).

	2025	2024
WPS statutory turnover	£636.4m	£547.2m
Forward order book	£2.5bn	£2.7bn

Housing Maintenance performed positively in 2025, with revenue increasing by 1.3 per cent on the prior year, driven by strong demand for services across all workstreams. The forward order book was £1.69bn (2024: £1.88bn) at the end of 2025, with key new long-term contracts secured with Notting Hill Genesis, Ealing Council and Brent Council. The business is well positioned for further organic growth in the markets in which it operates, supported by regulation change and the requirements to decarbonise social housing stock.

Facilities Management continued strong year-on-year growth, recording a 7.4 per cent revenue increase for 2025, driven through securing new contracts with Aviva Investors, Landmark, SAS Software and the University of Leeds. These key new contracts, alongside renewing contracts with key customers such as The Association of Chartered Certified Accountants, Mercedes Benz and West Midlands Police, helped the business end the year with a forward order book of £215.3m (2024: £214.2m). General market conditions remain favourable for growth, with the business well positioned to secure further market share in the medium term.

Liberty looks after heating systems in more than 188,000 homes each year and provides consultancy services in respect of energy efficiency strategies, offering a full life cycle of heating, decarbonisation and maintenance services for thriving homes. With £611.1m (2024: £565.4m) of secured work, the business is well placed for growth and meeting the increasing need for social housing providers to navigate the energy transition.

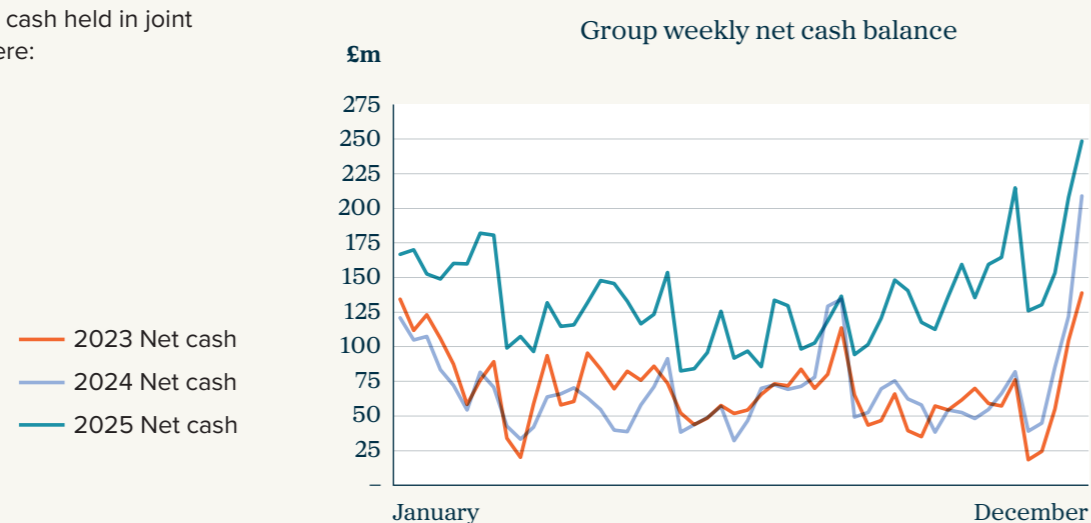
Financial review

Cash

The cash position of the Group is set out below.

	2025	2024
Average daily gross cash balance	£148.0m	£80.9m
Average daily gross cash balance excluding cash held in joint ventures		
Average daily net cash balance	£147.7m	£80.9m
Average daily cash balance net of debt excluding cash held in joint ventures		
Year-end cash	£263.3m	£195.6m
Year-end bank loans	£(15.0)m	£nil
Year-end net cash	£248.3m	£195.6m
Cash balance excluding cash held in joint ventures, net of bank loans		

The Group's weekly net cash balance (being the average weekly cash balance net of debt excluding cash held in joint ventures) is shown here:



The Group operated with an increased level of net cash compared to the previous year throughout most of 2025. This profile was in line with expectations, impacted by the timing of receipts from construction contracts, investment, quarterly VAT payments and dividends. In line with previous years, the net cash figure climbed significantly towards the end of the year, closing at

£248.3m, £52.7m higher than at the end of 2024, largely a result of an improved working capital position paired with increased activity levels.

Group operating activities generated cash of £58.1m (2024: £83.8m, including the impact of the £18.7m payment to Clara Pensions under the bulk transfer agreement). Cash flows from investing and financing

activities included amounts paid to joint ventures of £67.8m (2024: £61.1m) and dividends paid totalling £15.1m (2024: £18.9m). These were offset by amounts received from joint ventures of £77.5m (2024: £77.2m) and proceeds received on sale of tangible fixed assets of £25.0m (2024: £nil).

Summary financial statements

The following are extracts from the Annual Reports & Accounts 2025

Consolidated profit and loss account

For the year ended 31 December 2025

	Statutory 2025 £m	Underlying 2024 £m	Exceptional 2024 £m	Statutory 2024 £m
Group turnover:				
Group and share of joint ventures and associates	2,564.5	2,399.6	-	2,399.6
Less share of turnover of joint ventures and associates	(75.9)	(103.3)	-	(103.3)
Group statutory turnover	2,488.6	2,296.3	-	2,296.3
Cost of sales	(2,175.1)	(2,030.2)	-	(2,030.2)
Gross profit	313.5	266.1	-	266.1
Administrative expenses	(286.1)	(240.2)	(28.8)	(269.0)
Net (deficit)/surplus on revaluation of investment properties	(1.9)	1.5	-	1.5
Net deficit on revaluation of buildings	(0.3)	(0.2)	-	(0.2)
Group operating profit/(loss)	25.2	27.2	(28.8)	(1.6)
Share of post-tax loss from joint ventures and associates	(8.6)	(10.2)	-	(10.2)
Group statutory operating profit/(loss):				
Group and share of joint ventures and associates	16.6	17.0	(28.8)	(11.8)
Analysed between:				
Total operating profit/(loss) before interest and tax	25.7	25.8	(28.8)	(3.0)
Net interest payable – joint ventures and associates	(7.9)	(9.6)	-	(9.6)
Tax – joint ventures and associates	(1.2)	0.8	-	0.8
Interest receivable	14.9	16.0	-	16.0
Interest payable and similar charges	(2.3)	(1.6)	-	(1.6)
Group statutory profit/(loss) before tax	29.2	31.4	(28.8)	2.6
Tax on profit/(loss)	(12.9)	(9.2)	7.3	(1.9)
Group profit/(loss) for the financial year	16.3	22.2	(21.5)	0.7

The above results have been derived from continuing operations.

Summary financial statements

Consolidated balance sheet

At 31 December 2025

	2025 £m	2024 £m
Fixed assets		
Intangible assets	50.8	55.1
Tangible assets – land and buildings	14.6	42.5
Tangible assets – assets other than land and buildings	35.7	34.0
Investments in joint ventures and associates	86.4	103.0
Other investments	0.3	0.3
	187.8	234.9
Current assets		
Stocks	80.3	68.7
Debtors		
– due within one year	411.4	453.1
– due after one year	51.4	90.1
	462.8	543.2
Cash at bank and in hand	263.3	195.6
	806.4	807.5
Creditors: amounts falling due within one year	(744.8)	(803.1)
Net current assets	61.6	4.4
Total assets less current liabilities	249.4	239.3
Creditors: amounts falling due after more than one year	(43.5)	(31.3)
Provisions for liabilities		
Contract and other provisions and recoveries	(55.8)	(53.2)
Deferred tax	(0.2)	(6.2)
Pension	(0.1)	(0.1)
Net assets	149.8	148.5
Capital and reserves		
Called up share capital	12.3	12.3
Share premium account	1.0	1.0
Capital redemption reserve	19.9	19.9
Profit and loss account	116.6	115.3
Shareholders' funds	149.8	148.5

The financial statements of Wates Group Limited (registered number 01824828) were approved by the Board of Directors on 27 March 2026.

Consolidated cash flow statement

For the year ended 31 December 2025

	2025 £m	2024 £m
Net cash inflow from operating activities	58.1	83.8
Cash flows from investing activities		
Purchase of tangible fixed assets	(11.9)	(8.3)
Proceeds from sale of tangible fixed assets	25.0	-
Loans provided to joint ventures	(67.8)	(61.1)
Loans repaid by joint ventures	77.5	77.2
Acquisition of subsidiaries (net of cash acquired)	(10.2)	(14.4)
Net cash inflow/(outflow) from investing activities	12.6	(6.6)
Cash flows from financing activities		
Equity dividends paid	(15.1)	(18.9)
Bank loans borrowed	15.0	-
Finance lease obligations paid	(2.9)	(0.7)
Net cash outflow from financing activities	(3.0)	(19.6)
Net increase in cash and cash equivalents	67.7	57.6
Cash and cash equivalents at the beginning of the year	195.6	138.0
Cash and cash equivalents at the end of the year	263.3	195.6

Summary financial statements

Group five-year summary

	2021 £m	2022 £m	2023 £m	2024* £m	2025* £m
Profit and loss account					
Group turnover including share of joint ventures' and associates' turnover	1,626	1,894	2,183	2,400	2,565
Group statutory turnover	1,522	1,787	2,102	2,296	2,489
Operating profit/(loss) excluding share of joint ventures' and associates' interest and tax	35.3	36.2	44.6	(3.0)	25.7
Underlying operating profit excluding share of joint ventures' and associates' interest and tax *	35.3	36.2	44.6	25.8	25.7
Underlying Group profit before tax *	31.2	31.5	44.9	31.4	29.2
Group statutory profit before tax	31.2	31.5	44.9	2.6	29.2
Balance sheet					
Net assets	166.8	162.3	170.3	148.5	149.8

* In order to provide users with a clear and consistent presentation of the underlying performance of the Group, the 2024 figures separately identified items that were considered to be exceptional because of their size and non-recurring nature. The exceptional items were excluded from the underlying data presented in the table above.



Head Office

Wates House
Station Approach
Leatherhead
Surrey KT22 7SW

Tel: 01372 861000

wates.co.uk