



Annual report 2026

& consolidated financial statements

Clancy Group Holdings Limited

Trusted to deliver smarter, greener infrastructure

Contents

- » 2 What we do
- » 3 Performance highlights
- » 4 Our business plan
- » 5 The Clancy Way
- » 8 Chairman's statement
- » 10 CEO's review
- » 12 Operational review
- » 16 Our impact
- » 26 CFO's review
- » 30 Our governance
- » 32 Our team
- » 34 Audit & risk committee report
- » 35 Remuneration committee report
- » 35 Nomination committee report
- » 36 Capital & Investment expenditure committee report
- » 38 S172(1) statement
- » 42 Directors' report
- » 44 Auditor's report
- » 46 Consolidated financial statements
- » 74 Streamlined energy & carbon reporting statement

What we do

» We build and maintain smarter, greener infrastructure networks that are fit for the future.

» We work across major frameworks and alliances in water and energy, as well as supporting ground-breaking infrastructure programmes.

» Clancy is one of the UK's largest privately owned, independent contractors. We directly employ, train, and support our workforce of almost 3000 people across our network of UK offices.

» With a 68-year track record in technical expertise and innovation, we are committed to continual investment in better tools and ways of working. To make lives better for growing families up and down the UK.

Performance highlights

£498m

turnover

£31.7m

profit before tax

£13.4m

capital investment in plant & equipment

£2.8bn

forward order book

7.7m

hours worked

4.7%

reduction in service strikes

£71m

of social value

13,794

days of training completed

Our business plan

STRIVE
2030

STRIVE is Clancy's five-year strategy, providing a clear framework for growth and success by focusing on Safety, Team, Results, Impact, Value from Technology and Excellence, aligning every colleague behind a shared vision for 2030.

S

SAFETY, HEALTH & WELLBEING

We will STRIVE to put people first by making safety, health, and wellbeing the bedrock of everything we do.

T

TEAM

We will STRIVE to build a high-performing, values-led team that grows with the business.

R

RESULTS

We will STRIVE to deliver strong financial performance through efficiency and growth.

I

IMPACT

We will STRIVE to leave a positive legacy for our communities, planet, and future generations.

V

VALUE FROM TECHNOLOGY

We will STRIVE to unlock smarter, faster, and better ways of working through technology and data.

E

EXCELLENCE

We will STRIVE to raise standards in everything we do.

The Clancy Way

We are a values-led organisation and these objectives rely on shaping a positive culture. The Clancy Way explains our goals as a business and the way in which we work for our people, clients, and communities. It's what makes us special and successful, and it guides everything we do.

» Our mission

We are here to make life better for everyone's growing families

» Our vision

Every day we want to be trusted to deliver smarter, greener infrastructure brilliantly

» Our values



We are ambitious



We are innovative



We are easy to do business with



We do what we say



We care

Strategic report



Southern Water: One of our long-standing customers hosted their company-wide Stand Down live from Clancy Head Office



Family Assembly: Delighted to host four generations of the Clancy family at our Harefield Head Office

» Chairman's statement

I am pleased to introduce this year's Annual Report, which reflects a significant year of progress and continued evolution for Clancy.

The UK infrastructure sector is entering a period of sustained investment, driven by the need to improve resilience, modernise ageing networks, support economic growth, and accelerate the transition to a lower-carbon future. Across water, energy, transport, and digital infrastructure long-term investment programmes are creating significant opportunities for businesses with the capability, expertise, and values required to deliver complex infrastructure safely and responsibly at scale. Clancy is well positioned to support this investment cycle.

Built over decades, our reputation has been founded on strong customer relationships, operational expertise, and a commitment to delivering safely, sustainably, and responsibly.



Kevin Clancy
Chairman

Building for the future

Over many years, Clancy has developed a strong and resilient business model, combining deep expertise in regulated infrastructure markets, with growing capability in emerging sectors. Our long-standing partnerships with customers, operational scale, and continued investment in people and technology provide a strong foundation for sustainable growth.

During the year, we continued to strengthen the business, expanding our capabilities across our established markets. We have also developed opportunities aligned with the future needs of the UK economy, including energy transition and digital infrastructure.

Our approach has always been focused on building a business for the long-term. We believe sustainable growth is achieved through strong relationships, operational excellence, and investment in the capability required to support our customers' ambitions.

A clear strategy for the next phase of growth

Recognising the opportunities ahead, this year we launched our new five-year corporate strategy, STRIVE. This provides a clear framework for how we will continue to develop the business, ensuring growth is delivered responsibly and aligned with the values that have shaped Clancy for generations.

STRIVE brings together six key pillars: Safety, Health & Wellbeing, Team, Results, Impact, Value from Technology and Excellence. These principles reflect both our ambitions for the future and the foundations on which our success has been built.

The Board's role is to ensure that Clancy continues to evolve while protecting the characteristics that make the business distinctive. STRIVE provides that balance, supporting disciplined growth while maintaining our focus on safety, quality, customer service, and long-term value creation.

Investing in our people

Our people remain at the heart of Clancy's success. We have always believed that developing our own capability is fundamental to delivering consistently for our customers.

The Board continues to support our direct employment model, which enables us to build skills, develop careers, and create a stronger connection between our people, our customers, and the communities we serve.

Investing in our own workforce provides greater consistency, delivery. This creates meaningful long-term careers and develops the skills required to support the future of the infrastructure sector. As we continue to grow, our investment in training, leadership development, and early careers will remain central to maintaining the culture and capability that underpin Clancy.

Looking ahead

The outlook for UK infrastructure remains strong. The scale of investment required to modernise networks, support energy transition, and improve national resilience creates significant opportunity for businesses that can deliver safely, efficiently, and sustainably.

Clancy enters the next phase of its journey from a position of strength. We have a clear strategy, a strong pipeline of opportunities, committed people, and long-standing customer partnerships.

On behalf of the Board, I would like to thank our employees, customers, and partners for their continued support and contribution. Their commitment and expertise remain fundamental to Clancy's success, and we look forward to continuing to deliver better together.

» CEO's review

The 2025/26 financial year has been a landmark year for Clancy, reflecting the strength of our business, the commitment of our people, and the opportunities ahead across the infrastructure sector. During the year, we delivered strong growth, strengthened our market position, and launched STRIVE, our new five-year strategy designed to guide the next phase of our development.

The year demonstrated both the resilience of our existing business and our ability to expand into new opportunities. We continued to support customers across critical infrastructure markets, strengthened our order book, and developed our capability in sectors that will play an important role in the UK's future infrastructure needs.

STRIVE provides the framework through which we will continue to scale the business, strengthen performance, and deliver long-term value. It reflects our belief that sustainable success comes from investing in our people, improving how we work, and delivering excellence for our customers.

STRIVE in action

STRIVE brings together six interconnected pillars that define how we operate and measure success. During the year, we made strong progress across each area.

Safety, Health, and Wellbeing

Building a culture where everyone goes home safe and well

Safety remains our highest priority and the foundation of everything we do. During the year, we continued to strengthen our safety culture through visible leadership, our Think Safe, Home Safe behavioural safety programme, and continued investment in specialist training and qualifications.

Across the business, our teams delivered exceptional safety performance, including a 97% KPI score for Scottish Water, more than 147,000 hours without a lost time injury on SCS projects, and 13.5 years without a lost time injury across 21 UK Power Networks sites, while also achieving a 4.7% reduction in Strike Frequency Rate. The appointment of Michael Cape as Executive Director responsible for SHEQ further strengthened Board-level leadership in this area. Together, these achievements reflect our commitment to moving beyond compliance, creating the behaviours, systems, and culture that deliver safer outcomes every day.

Team

Investing in the people and capability that will shape our future

Our success depends on attracting, developing, and retaining talented people. As we continue to grow, we remain committed to creating opportunities, supporting careers, and building capability from within.

During the year, we delivered more than 13,700 training days, welcomed 729 new colleagues and continued to expand our early careers and apprenticeship programmes. We also opened the Clancy Training Academy in Kent, creating a dedicated centre of excellence for infrastructure skills. We achieved Investors in People Gold accreditation, launched our employee pulse survey to strengthen engagement, and continued to support internal progression across the business.

Our direct employment model remains central to this approach, enabling us to build long-term capability and maintain the culture that differentiates Clancy.

Results

Delivering sustainable growth through strong execution and customer partnerships

This year has been one of strong commercial and operational performance, reflecting the strength of our customer relationships, operational capability, and disciplined approach to growth.

Revenue increased to £498 million, generating a profit before tax of £31.7 million, and our order book grew to £2.8 billion, providing a strong platform for future delivery.

Continued cash generation has enabled us to invest confidently in the business, while securing significant contract wins, renewals and extensions across our core markets. Alongside this, we strengthened our position across water, energy, and infrastructure, expanding into emerging sectors, including battery energy storage systems (BESS) and digital infrastructure.



Matthew Cannon
Chief Executive Officer

Impact

Creating positive outcomes for customers, communities, and the environment

We recognise that our impact extends beyond the infrastructure we deliver. Responsible delivery remains embedded across our business, supporting positive outcomes for customers, communities, and the environment.

During the year, we reduced our carbon intensity by 25%, increased the use of lower-carbon fuels through more than one million litres of HVO. We also enhanced our environmental reporting and performance monitoring, and delivered more than £71 million of social value, exceeding our annual targets.

Alongside this, the Clancy Charitable Foundation continued to invest in projects that create lasting benefits for the communities in which we work. Creating positive, long-term impact remains central to our purpose.

Value from technology

Using innovation and technology to improve delivery

Technology continues to play an increasingly important role in how we operate, enabling safer and more efficient and informed decision-making. Throughout the year, we continued to invest in our core business systems, including DepotNet and IFS, alongside Microsoft Copilot 365, artificial intelligence solutions, and data-driven tools that improve operational visibility and support better decision-making.

These investments are helping our teams work more productively, improve customer outcomes, and identify new opportunities to deliver value. Working with specialist partners, we continue to explore and embed emerging technologies that will support the ongoing evolution of Clancy and strengthen the services we provide to our customers.

Excellence

Delivering consistently for customers through capability and innovation

Excellence represents our commitment to continuously improving how we deliver. We combine operational expertise, innovation, and the skills of our people to achieve better outcomes for customers, communities, and infrastructure networks across the UK.

During the year, our teams delivered a substantial volume of work across water, wastewater and energy networks, from smart metering and leakage reduction to infrastructure renewal and maintenance. This breadth of activity demonstrates our ability to support customers in improving network resilience, customer service and environmental performance.

We continued to strengthen our technical expertise and specialist delivery capabilities across all sectors. In energy, we delivered our first overhead line scheme for Scottish Hydro Electric Power Distribution (SHEPD), secured our first Battery Energy Storage System (BESS) project, and completed more than 50 in-house designs for Scottish and Southern Electricity Networks (SEN). Across major infrastructure projects, our teams worked across 85km of HS2 alignment on eight separate schemes, while our Traffic Management operation successfully delivered more than 22,000 jobs nationwide. Our commitment to excellence was also recognised externally, being shortlisted for Contractor of the Year at the Construction News awards. This reflects the quality, consistency, and professionalism demonstrated across our operations.

Through continued investment in innovative delivery methods, digital engineering, smart metering, trenchless solutions, and low-impact construction techniques, we are helping clients meet the challenges of the future while minimising disruption for customers and communities. Our ability to deliver complex infrastructure safely, efficiently, and sustainably remains one of our greatest strengths and a key differentiator for Clancy.

Looking ahead

As we move into the next phase of our STRIVE strategy, our focus is on disciplined growth, continued diversification, and delivering exceptional outcomes for our customers. STRIVE is not simply a strategy for growth; it is our framework for ensuring that growth is delivered safely, sustainably, and in a way that creates lasting value for our customers, our people, and the communities we serve.

The infrastructure landscape continues to evolve rapidly, creating significant opportunity across energy transition, digital infrastructure, and regulated utilities. With a strong order book, talented people, and a clear strategic direction, Clancy is well positioned to continue building resilient, innovative, and future-ready solutions to meet our customers' needs.

Above all, our success remains driven by our people. Their commitment, expertise, and pride in delivery continue to define Clancy and will remain central to our future success.



Clancy Training Academy

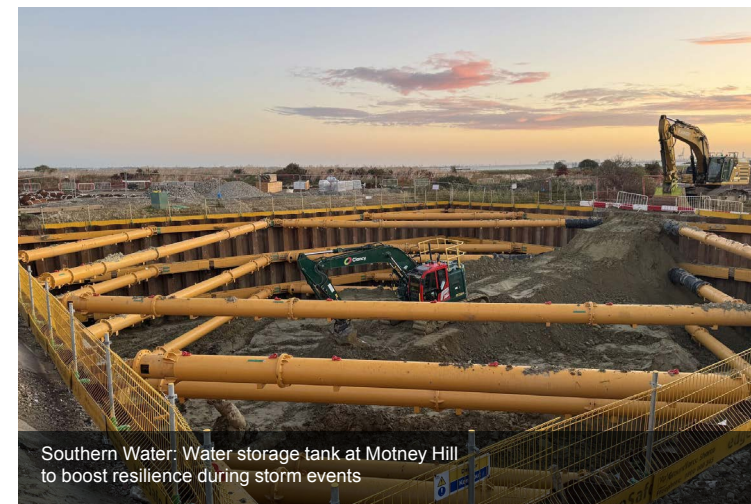
A highlight of the year was the opening of the Clancy Training Academy in Kent, our first dedicated centre of excellence for infrastructure skills. Designed to provide practical, hands-on training in a real-world environment, the Academy is helping to develop the next generation of infrastructure professionals while supporting the ongoing development of our existing workforce. It represents a long-term investment in our people, strengthening the skills and capability needed to deliver for our customers safely and sustainably.



The Senior Leadership Team



EKFB: HS2 multi-utility diversion at Euston Station



Southern Water: Water storage tank at Motney Hill to boost resilience during storm events



» Operational review

The UK's infrastructure sectors continue to face increasing demands to modernise ageing assets, improve resilience, and support the transition to a more sustainable future. Across every market we serve, our customers are investing at unprecedented levels to meet evolving regulatory, environmental, and societal expectations.

Clancy continues to support these ambitions through the breadth of our operational capability, technical expertise, and long-standing customer relationships. During the year, we strengthened our position across our three core markets: water and wastewater, energy, and civil engineering, expanding existing partnerships, securing new opportunities and delivering increasingly complex programmes of work. Supported by continued investment in our people, technology, fleet, and operational capability, we remain focused on delivering safe, efficient, and sustainable solutions that help our customers meet today's challenges while preparing for the infrastructure needs of tomorrow.

Water and wastewater

Climate resilience, regulatory investment, and the need to modernise ageing infrastructure continues to drive significant investment across the UK water sector. Clancy is supporting customers at the commencement of AMP8, delivering major capital programmes alongside essential operational and maintenance services across our long-standing frameworks.

During the year, we successfully initiated AMP8 delivery programmes, including the mobilisation of new network operations and capital delivery contracts with Southern Water. These programmes are supported by continued investment in our people, plant and innovative delivery techniques, ensuring we have the capability and capacity to meet increasing customer demand.

We have continued to grow our long-standing partnerships with Scottish Water, Southern Water, South East Water, and Anglian Water, supporting key clients in reducing leakage, improving network resilience, and delivering essential operational and maintenance services. Our portfolio with Thames Water has also expanded across both infrastructure and non-infrastructure activities, reflecting the strength of our technical expertise and consistent operational delivery.

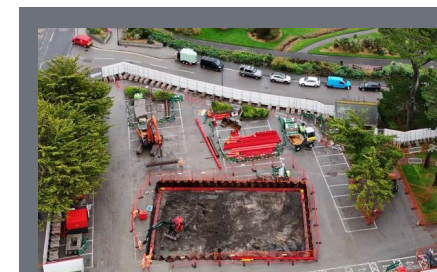
Our teams have continued to provide critical support during emergency events, responding rapidly to incidents including sinkholes, sewer collapses, and strategic water main repairs. This demonstrates the resilience of our operating model and our ability to mobilise specialist resources to support customers and communities when they need us most.

Across our capital programmes, we have continued to strengthen our delivery of water and wastewater infrastructure. This includes complex wastewater storage and treatment schemes, alongside continued growth in water mains renewal programmes for Anglian Water, Southern Water, South East Water and South West Water, helping customers improve network resilience and long-term performance.

Our smart metering programme also continues to expand, with installations delivered across Anglian Water, Affinity Water, South East Water, and SES Water, helping customers reduce consumption,

improve network efficiency, and support long-term water resilience. During the year, we continued to deliver smart metering programmes at scale across multiple water networks.

Innovation remains central to our approach. By continuing to invest in trenchless and no-dig technologies, we are delivering increasingly complex projects with minimal disruption to customers, communities, and the environment, improving network resilience while reducing disruption and environmental impact.



South West Water - Falmouth

Clancy delivered a new wastewater storage tank at Gyllyngvase Beach, Falmouth, improving network resilience and protecting bathing water quality for South West Water. Delivered safely through Cornwall's wettest winter on record, the project earned a Gold Site Pride Award, featured on ITV, and was recognised for its innovative, sustainable delivery and strong community engagement.

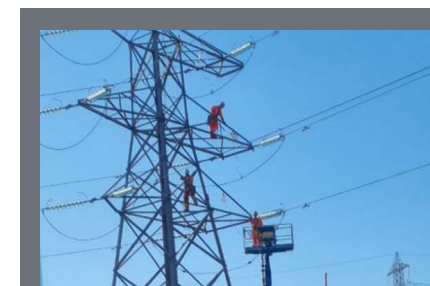
Energy

The transition to clean energy is continuing to drive investment across the UK's electricity and gas networks, and Clancy is delivering a growing share of this work. Combining operational expertise with the flexibility to scale and adapt to emerging priorities, we are expanding into adjacent growth markets that are shaping the UK's energy future.

We are now in our tenth year as lead partner in the ED1SON Alliance with UK Power Networks, where volumes continue to increase. During the year, we continued the successful delivery of our major capital programme with Scottish and Southern Electricity Networks (SEN), supported by our operational base in Basingstoke and continued growth of our operations in Scotland. Alongside this, we expanded our work with SSE, strengthening our expertise across electricity transmission and distribution as investment in resilient energy infrastructure continues to grow.

Alongside our established work in electricity networks, we have continued to broaden our presence in emerging and high-growth markets. This includes securing new work in battery energy storage systems (BESS), supporting the acceleration of flexible, low-carbon energy infrastructure across the UK. We have also strengthened our position in the data centre sector, with a recent design and build award for a 132kV primary substation supporting a major data centre client.

We are now firmly established in the nuclear sector, with civils works continuing at Sizewell C, where we are delivering infrastructure connections for energy generation, which will see continued growth. In parallel, we have expanded our footprint in the gas sector, securing new mains replacement work with Southern Gas Networks in Hampshire and Surrey, supporting the long-term evolution of the network towards lower-carbon energy pathways.



Growing energy

Clancy is delivering a growing portfolio of energy infrastructure projects, supporting the upgrade and expansion of the UK's electricity networks. From overhead line works to complex connections and reinforcement projects, our teams are helping customers meet the increasing demand for reliable, low-carbon energy.

Our growth in this sector is reflected in an increasingly diverse energy civil engineering portfolio. This includes substations, connections, grid reinforcement schemes, and infrastructure supporting both traditional networks and the next generation of energy and digital demand.

Civil engineering for major infrastructure

Clancy's civil engineering capability continues to strengthen, supported by sustained investment in our plant fleet, traffic management operations, and engineering leadership. This investment is enabling us to deliver increasingly complex infrastructure projects across the transport, utilities, and energy markets. Our work on HS2 has continued to expand during the year. Our growing portfolio of projects was delivered across 85km of trace in partnership with EKFB and SCS JV.

In addition to major asset diversion, earthworks, and drainage packages, we have delivered structures including bridges and overbridge foundations, as well as critical mixed asset diversions in the Euston area. The breadth of this work demonstrates our ability to manage complex interfaces and deliver multidisciplinary infrastructure solutions on some of the UK's most significant projects.

Looking ahead, we expect continued growth in civil engineering across both regulated utilities and adjacent markets, including transport infrastructure and energy generation. We are continuing to invest in our people, engineering capability, and operational capacity to support this demand and to strengthen our position as a delivery partner for complex, high-profile infrastructure programmes.



Major infrastructure

Clancy is delivering a portfolio of complex civil engineering works for HS2, including the construction of the Risborough Road underbridge. This single-span structure will carry the future high-speed railway over a new shared cycleway and footway, showcasing our expertise in major infrastructure delivery and our ability to manage challenging environments.



SCS: Finchley Road gas trunk main diversion



Traffic

Clancy Traffic Management (CTM) has enjoyed another year of growth. Turnover increased by 18%, maintaining its core activity within the R&M frameworks while growing in High Speed and special projects.

CTM has undergone a restructure of its operating model, creating a dedicated Projects team to support our ongoing growth in the power sector. CTM completed more than 44,000 operational tasks and maintained National Highways Sector Scheme 12A/B/D certification.

As part of our sustainability plan, CTM increased the use of HVO by over 20%. CTM's equipment recycling programme provided a CO2e saving of 80 tonnes.



Clancy Traffic Management

Supporting our delivery capability, our traffic management teams completed more than 22,000 jobs during the year for customers across the UK. Their expertise helps ensure complex works are delivered safely, efficiently, and with minimal impact on road users and communities.

Plant

Investing in and maintaining our direct plant business remains a core pillar of our strategy, giving us control over quality, availability, and cost across our operations. In FY25/26, we significantly accelerated investment to support growth, enhance operational capability, and position the business for a lower-carbon future. Our disciplined approach to capital deployment ensures the fleet continues to evolve in line with project demand, changing customer requirements, and advancing technology while ensuring we maintain the highest safety standards for our employees.

Key highlights

Our plant business saw over £33m invested this year, with strategic additions including:

- Fleet expansion and renewal, we have added over 500 vans including panel vans, tippers, Vitos and Citans, including higher-spec configurations.
- Introduction of specialist vehicles including on-board supervisor, and smart-metering variants.
- 14 new lorries added, strengthening our logistics capability.
- 44 excavators added to the fleet including multiple 14 and 22 tonne machines to support project demand.
- Continued investment in trailers
- 12 dumpers with improved specification and safety enhancements.
- Over 100 new welfare and accommodation units, including hybrid, solar-powered equipment.
- 24 specialist fuel tanks to accommodate the growing requirement for HVO.
- Growth in solar-powered solutions and continued rollout of HVO and EV trials across fleet.

Key highlights

By rightsizing and dealing with redundant equipment, we reduced our fleet to under 7,500 main assets, operating at consistently high utilisation levels and supporting delivery across all contracts. Rightsizing and investment during the year has supported mobilisation on major programmes, reduced reliance on external hire, and improved asset availability and reliability across the network.

Technology and Innovation

FY25/26 saw continued progress in modernising the fleet through the introduction of higher-spec, integrated vehicles and low-carbon equipment. Alongside investment in safety and productivity-enhancing tools, we made significant investment in Human Form Recognition enhancements to improve the safety of our workforce.

Looking ahead

We will continue to invest in fleet modernisation, low and zero-emission technologies, and digital plant solutions to improve utilisation and performance. We will ensure that plant operation remains efficient, scalable, and aligned to our net zero ambitions.

Sustained investment in plant ensures we maintain control, drive efficiency, and deliver for our clients, while preparing our fleet for a lower-carbon future.

Section 172 Statement

The section 172 statement on page 38 is incorporated by reference as part of this strategic report.





» Our impact

As a family-owned business, we take a long-term view of success. This enables us to invest with confidence in the areas that matter most, our people, the communities we serve and the environment. Throughout the year, we have continued to embed safe, sustainable, and responsible practices across our operations, creating lasting value for our customers, our stakeholders, and future generations.

Safety, health, and wellbeing (HSW)

At Clancy, the safety and wellbeing of our people and the communities we serve remains our foremost priority. It is the foundation upon which all our operations are built and continues to underpin our culture and performance across the business.

We have sustained our commitment to continuous improvement, integrating new ways of working and enhancing existing protocols to ensure we operate to the highest standards of health and safety. We do this by collaborating with our employees and specialist partners to ensure we obtain buy-in from everyone.

Across the year the entire Clancy Senior Leadership Team attained a NEBOSH Certificate in H&S Leadership Excellence. This brought leadership to a consistent standard across the organisation and further enforced the organisational culture.

Improving safety performance

We are pleased to report a continued year on year reduction in utility damages for the year despite, overall business growth of over 15%, with 164 recorded incidents (a 4.7% decrease from 172 in the previous period). This equates to a utility damage rate of one per every £3m of turnover, down from one per every £2.5m of turnover the previous year.

Looking more broadly, this marks a significant 11-year cycle of improvement, with utility damages per turnover now reduced by 71% in total number and a £2.6m improvement in frequency rate (damages per turnover). (2014/15 = £250m turnover & 567 damages, 25/26 = £498m turnover & 164 damages).

Particular attention continues to be placed on electrical damages, given their heightened risk profile. These have reduced from 54 to 47 in the past year, in spite of a 15% business wide growth level. Our RIDDOR-reportable incidents remain low and similar to the previous year. Five occurrences were recorded, translating to an accident frequency rate of 0.07 per 100,000 hours worked, which is well below the industry average. Similarly, our Lost Time Injury (LTI) rate halved, down to 0.02 per 100,000 hours.

Enhancing visibility and insight

These improvements reflect a maturing and data-led approach to risk mitigation. The enhanced use of Depotnet, alongside automated analytics capability through Power BI, has enhanced our ability to capture, assess, and respond to proactive risk indicators in real-time. This enables precise identification of trends and the implementation of targeted improvement strategies.

Our safety performance is further supported by practical site-level changes. These include improved planning protocols and investment in enhanced scanning and detection technologies beyond traditional Genny and CAT tools. We have coupled these with an enhanced behavioural safety approach enabled by the business wide rollout, including our supply chain, of our Think Safe programme enhancing a 'Work Safe, Home Safe' culture. This encourages proactive decision-making and empowers all team members to stop work when conditions are unsafe or to pause to think. This programme saw around 2,400 people attend dedicated workshops throughout the year.



Our company stand downs demonstrate our commitment to putting safety first. Bringing teams together to share learning, discuss challenges, and reinforce best practice, these sessions help strengthen our safety culture and support operational excellence.

The business further supported its HSW leadership focus with the launch of its 2 monthly SHEQF Excellence sessions. These dedicated days bring leaders from across the business together to focus on SHEQF topics, gather feedback from Key Risk Group sponsors, and gain insight and inspiration through a series of guest speakers aligned to the overarching strategy.

Safer roads and smarter driving

Through a targeted campaign focused on speeding, we achieved a 43% reduction in speeding occurrences across the business within the year and a 4.5% reduction in the total number of road traffic collisions (in spite of a 15% overall business growth) across the year, resulting in a decrease to our own fault road traffic collision frequency rate.

Matrix iQ continues to aid the business in its driver risk analysis and inform a risk based and prioritised approach to our objective to further reduce our occupational road risk.

Investing in safety

During the year we enhanced the minimum standard specification for our plant with Human Form Recognition, Height & Slew restrictors, and Digital Thumbs Up systems now mandated across our highest risk plant items. We have implemented a first of its kind strategic partnership with Sygma Solutions focused on making the next step change in our utility avoidance approach, where both parties are mutually incentivised based on performance.

Looking forward to 26/27, the Clancy Board approved circa £1m of HSW related investment initiatives. This carries the intention of continually improving our HSW related performance.

Health is good business

At Clancy, we recognise that supporting health and wellbeing is fundamental to building a safe, resilient, and high-performing business. Our wellbeing strategy is focused on creating the right environment for our people to thrive, through early intervention, targeted support, and a growing understanding of the factors that impact physical and mental health in our ever changing society. By taking a more proactive

and informed approach, we aim to reduce absence, strengthen engagement, and ensure our people are supported to perform at their best.

Focusing on wellbeing

The business has employed its first dedicated Health and Wellbeing Manager, which has provided a rapid acceleration in our focused support and strategic evolution in this space. We also launched our first Mental Health survey, the results of which provide a direct feed into our strategy and objective to reduce workplace absence directly correlated with employee mental health.

Our People

Clancy's performance continues to be underpinned by the capability, commitment, and resilience of our people. Over the past 12 months, we have focused on strengthening our workforce at scale, growing our employee base, investing in leadership and skills, and embedding a more structured, data-led approach to performance, engagement, and workforce planning.

This year reflects both significant growth and increasing maturity in how we manage our people, with stronger governance, improved workforce planning, and greater alignment with operational delivery. From early careers to senior leadership, we are investing in the people, programmes, and partnerships that ensure our teams have the tools they need to thrive.

Workforce growth and resourcing

During FY25/26, 729 new colleagues joined the business, with 1,200 vacancies approved and 812 offers made. This reflects both the scale of demand and the strength of our employer brand in a competitive labour market.

A leading employer of choice

Clancy's reputation as an employer of choice continues to strengthen, supported by positive external feedback. Our Glassdoor ratings remain strong, reflecting high levels of employee satisfaction and advocacy across the business.

Reviews consistently highlight our supportive culture, opportunities for development, and the strength of our teams, reinforcing the progress we have made in building an engaging and inclusive working environment. This external validation provides confidence that our people strategy is resonating both internally and in the wider market, supporting our ability to attract and retain high-quality talent.

Performance and progression

During the year, we introduced a more structured and systemised approach to performance management through the rollout of our digital platform, enabling Annual Performance Reviews (APRs) and development reviews to be completed consistently across the business. This has strengthened the transparency of objectives, improved alignment between individual and business priorities, and provided clearer visibility of development needs.

We continue to place a strong emphasis on promoting from within, with 175 internal promotions reflecting our commitment to developing our people and creating clear career pathways. This focus supports both engagement and retention, while strengthening our internal capability and leadership pipelines.

This enhanced performance framework is complemented by our evolving talent and succession planning approach. We have embedded tools and processes to identify high-potential individuals, map critical roles, and develop targeted succession plans.

Together, these initiatives are enabling us to take a more proactive, data-led approach to managing capability and risk. We are ensuring that we identify and develop the talent required to support Clancy's future growth.



Launch of our new Clancy Training Academy in Kent



Celebrating Clancy 2025: Our annual celebration of individuals, teams and projects



Skills, learning, and training

Our investment in capability has been further strengthened through the opening of the Clancy Training Academy in Strood, creating a dedicated space to deliver practical, high-quality training aligned to operational needs. Across the business, we delivered 13,794 days of training, equating to 4.8 days per employee, reinforcing our commitment to building the skills required to support safe, efficient delivery and long-term workforce sustainability.

Early Careers and Pipeline: 47 apprenticeship vacancies were delivered, the highest to date, alongside a 65% increase in applications, strengthening future workforce capability. Early careers programmes continue to play a key role in building a sustainable talent pipeline.

We have revamped Clancy Voice and have introduced regular pulse surveys and follow up listening groups. The pulse surveys help us to measure engagement for all employees and contractors. Initial engagement levels are reassuring.

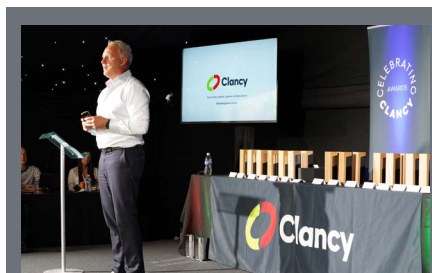
Growing early careers

Early careers programmes continue to play a key role in building a sustainable talent pipeline. Our apprenticeship programme remains a core component of our people strategy, with 163 employees currently on an apprenticeship programme or undergoing upskilling training. Graduate recruitment continues to grow in parallel, enriching our business with fresh perspectives and energy.

We continue to place strong emphasis on creating a positive and engaging experience for early talent, supported by a structured programme of welcome and celebration events throughout the year.

New apprentices, graduates, and trainees are brought together through dedicated onboarding and "Welcome to Clancy" sessions. This helps to build early connections, reinforce our values, and provide a clear sense of belonging from the outset.

Alongside this, we have continued to recognise the contribution and progress of early talent through celebration events, showcasing achievements and reinforcing the importance of these individuals to our future success. These initiatives are helping to strengthen engagement, improve retention and position Clancy as an attractive destination for emerging talent.



Recognition and reward

We continue to reinforce a strong culture of recognition across Clancy, celebrating the contribution of our people at both a business-wide and local level.

Our Celebrating Clancy Awards remain a central part of this, receiving over 4,500 nominations and highlighting the outstanding efforts of colleagues across the organisation.

Alongside this, a number of local Employee of the Month schemes continue to be delivered across the business, providing timely and meaningful recognition at a team level.

These initiatives ensure that great work is acknowledged close to where it is delivered, reinforcing our values in action and strengthening engagement, pride, and a culture of appreciation across Clancy.

A culture of loyalty and referrals

Approximately 27% of our workforce has now been with Clancy for more than a decade. This is a powerful reflection of our culture, values, and stability. 226 new starters joined us via referral this year, continuing a strong trend of growth through reputation. We also celebrated colleagues achieving 25, 30, 35, and 40 years of service. 135 employees have between 20 and 30 years service with an additional 44 working for us for 30 years + a reminder that, at Clancy, careers are built to last.

Diversity, inclusion, and belonging

We are committed to creating a culture where everyone can be themselves and succeed. Our Diversity and Inclusion Council, charter, and employee networks are helping to embed inclusive practices and challenge barriers.

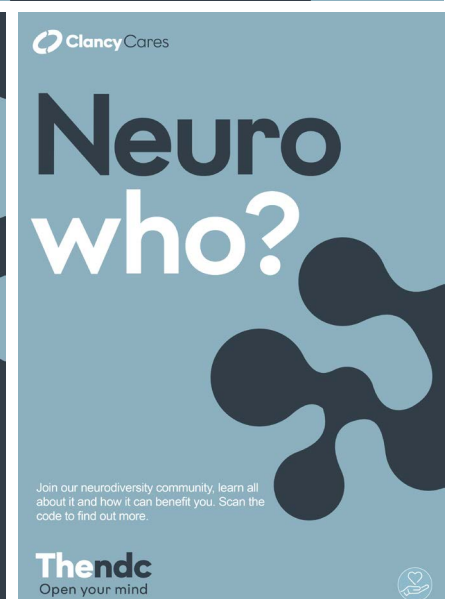
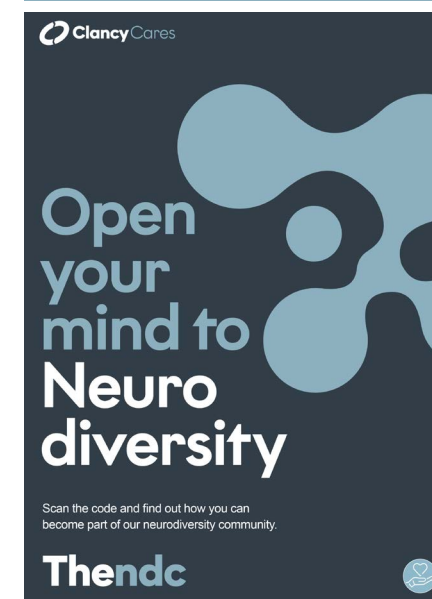
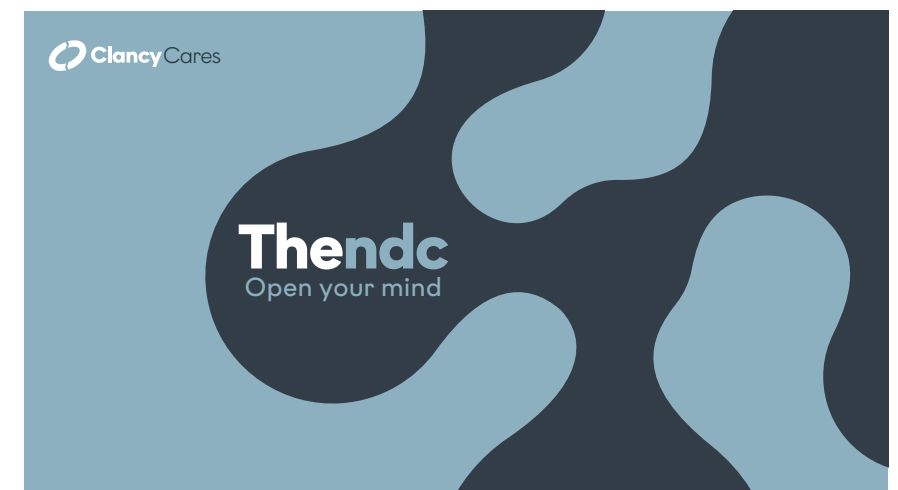
Our Women of Clancy network continues to grow, offering skills-sharing sessions and mentoring opportunities. 27 colleagues have already received one-to-one support and mentoring from leaders through the programme. Our focus for the year ahead is to promote wider access to technical roles and develop a broader, more diverse talent pool across the business.

We remain active signatories of the Armed Forces Covenant. Honouring this, we provide guaranteed interviews, leave for reservists, and mentoring for those transitioning from military to civilian life.

During the year, we launched the Neurodiverse Community (Thendc) at Clancy, marking an important step in strengthening our approach to diversity, inclusion, and belonging. The community provides a supportive space for colleagues who are neurodivergent, as well as those who want to better understand and champion neurodiversity across the business. Since its launch, the NDC has begun to build awareness, encourage open conversation, and support practical actions that improve the day-to-day experience of our people. This initiative reflects our broader commitment to creating an inclusive environment where everyone feels recognised, supported, and able to succeed.

We have welcomed over 700 new employees to the business in the past 12 months and introduced fortnightly "Welcome to Clancy" calls for new starters. These are hosted by Matt Cannon and Ronan Clancy and have been well received by new starters to the business.

Employee engagement continues to be a core focus, supported by the ongoing rollout of our Clancy Voice Pulse Survey. During the year, 2,451 colleagues completed the surveys, providing a strong and increasingly representative view of the employee experience across the business. Overall engagement levels reflect generally positive sentiment and a committed workforce. Importantly, these surveys are complemented by structured listening groups and feedback forums, enabling us to turn insight into action and ensure that colleague feedback directly informs improvements across the organisation.



Latest period environmental results

99.5%

Diversion of waste from landfill

Carbon intensity reduction of

25%

1,800

Tco2 saving using low carbon concrete

53%

use of recycled material



Silver carbon literate organisation

30%

reduction in Scope 1 and 2 emissions

Introduce digital waste tracking into our operations

ISO 14064 certified



Zero

regulated incidents

£70.8m

delivered in social value

95%

company cars now electric or hybrid



Absolute carbon emissions cut by

12.9%

Development of Clancy green site framework

100%

electric or hybrid company car fleet



£100m

social value delivery

100%

Diversion of waste from landfill



Bronze carbon literate organisation

>1m

litres of HVO used

51%

Carbon Intensity reduction from baseline

447

tCO2 saving from using solar plant and equipment onsite

Installation of solar PV on Clancy owned buildings



Diesel free sites

3457

volunteering hours delivered

3.4%

reduction in Scope 1 and 2 emissions from baseline

Our environment and sustainability future



Environment, Sustainability, and Social Value (ESSV)

Environment, sustainability, and social value are central to how Clancy delivers infrastructure and long-term value. Guided by our STRIVE strategy, we are embedding environmental responsibility, resource efficiency, and social impact in every aspect of our operations. We are ensuring that we reduce our environmental impact while creating meaningful, lasting benefits for the communities we serve.

Through a structured, governance-led approach, we continue to drive tangible progress in carbon reduction, waste management, and environmental performance, alongside industry-leading delivery of social value. This integrated model ensures that sustainability is not treated in isolation, but as a core driver of resilient, low-carbon infrastructure and inclusive, future-ready growth.

Leadership and structure

The Environment and Sustainability (E&S) function has been strengthened through the addition of an Executive Director for SHEQF. We have also established a dedicated E&S Senior Leadership Team (SLT) under the leadership of the Director of Environment and Sustainability, providing senior oversight across the Water, Energy and Transport / Defence business sectors.

In addition, a dedicated Group Waste Manager has been appointed to enhance compliance, optimise waste management practices, and maximise resource efficiency across the business. This appointment supports Clancy's ambition to divert 100% of waste from landfill.

Environmental performance

Environmental performance remains a core focus for Clancy, underpinned by a robust governance framework and a disciplined, compliance-led approach to environmental management. Through the consistent application of controls, processes and monitoring, we have strengthened compliance and developed targeted, mitigation actions for environmental risks.

This has helped us to limit our impact on the environment across all areas of our operations.

Our Environmental Incident Frequency Rate was 0.38 in FY25/26, representing a 54% reduction compared to the previous financial year. We have recorded zero regulator prosecutions.

A key improvement this year was enhanced environmental risk management through the embedding of contract-level IMPACT Plans, improved incident reporting and investigation via DepotNet and supported PowerBI analytics and strengthened waste management controls to support compliance with current and emerging legislation. We have also increased oversight of environmental performance through clearer accountabilities, regular performance reviews, and improved alignment with our supply chain.

A strong focus has also been placed on building environmental competence across our workforce. All frontline operatives have completed Green Card environmental training, ensuring a clear understanding of environmental risks, legal compliance requirements, and the controls required to prevent and mitigate impacts on site. This supports the consistent implementation of environmental standards and reinforces a proactive approach to environmental protection.

Our approach is further supported by enhanced monitoring, data validation, and reporting processes, providing greater visibility of compliance performance and enabling timely corrective action where required. This ensures that environmental risks, legal obligations, and operational controls are consistently understood and effectively managed at all levels of the business.

Our ISO 14001-aligned environmental management system provides a robust and auditable framework for managing compliance obligations, controlling environmental risks, and driving continual improvement.

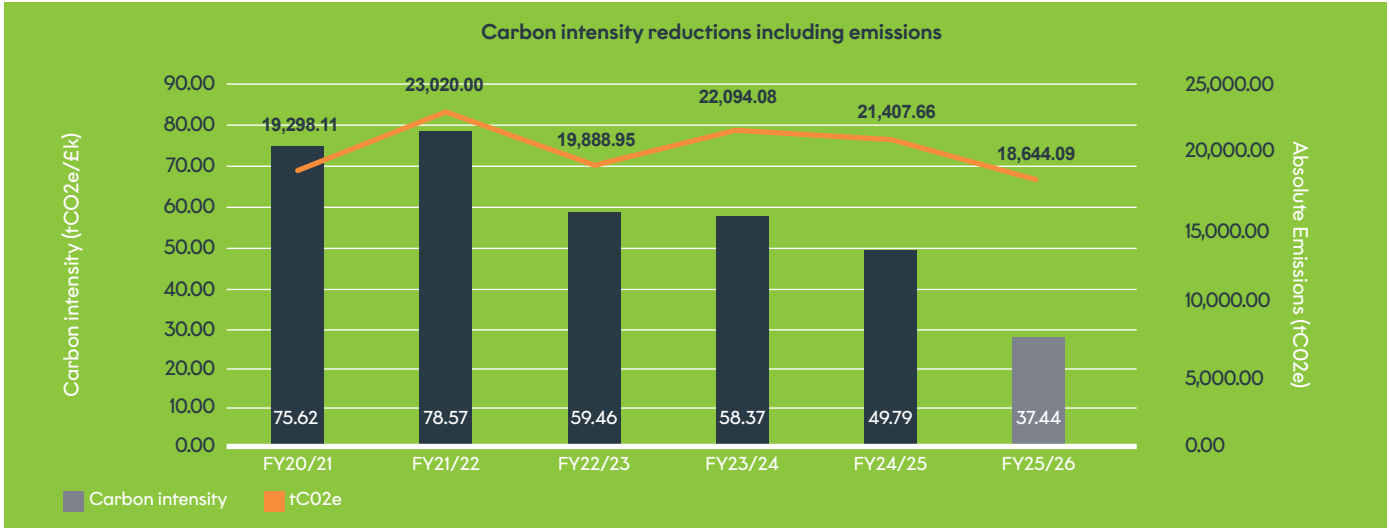
This ensures that environmental performance is systematically governed, consistently applied, and subject to regular evaluation and assurance across all operational areas.

Strong sustainability performance and impact

Building on the strong foundations and progress achieved in 24/25, we have delivered significant further reductions in both absolute carbon emissions and carbon intensity. We remain on track to meet our corporate objective of a 30% reduction in Scope 1 and 2 absolute emissions by 2030. Following the successful first year of mobilising contract-level Carbon Reduction Plans, we achieved a 12.9% reduction in absolute Scope 1 emissions (despite the business growing by 15% within the year) and a 25% reduction in carbon intensity compared to the previous year. Overall, this positions us on a sustained downward trajectory from our FY20/21 baseline, delivering a 51% reduction in carbon intensity and a 3.4% reduction in absolute emissions to date.

Since FY2020/21, The Clancy Group has made measurable progress in reducing its operational emissions, despite continued business growth year on year. Absolute emissions have reduced from 19,298 tCO₂e to 18,644 tCO₂e, showcasing a 3.4% reduction from the baseline. Scope 1 emissions have begun to decrease, the bulk of which is reflective of an early transition away from diesel as our single fuel source. Scope 2 emissions have more than halved, driven by a suite of renewable energy procurement, self-generation, and energy efficiency improvements.

Although emissions increased in FY21/22 following post-COVID operational recovery and increased turnover, a longer-term downward trend is evident. Recent performance from FY2025/26 highlights a 12.9% reduction in absolute emissions and a 25% reduction in carbon intensity against the last financial year (FY2024/25).



Progress against our carbon reduction baseline

	Absolute emissions	Carbon intensity
FY2020/21	19,298	75.62
FY2024/25	21,408	49.78
FY2025/26	18,644	37.44
	12.9% reduction from FY2024/25 3.4% reduction from FY2020/21	25% reduction from FY2024/25 51% reduction from FY2020/21



Clancy Foundation: Proud to support Mellon Educate for a second year



Social Value: Our Southern Water team supporting Ten Little Toes, and giving back to communities we work in



Carbon reduction in practice

Building upon this strong foundation, our contract-level Carbon Reduction Plans have been further strengthened and aligned to our IMPACT targets. We have also broadened focus beyond carbon to include waste diversion and environmental incident reduction. This ensures a more integrated and holistic approach to environmental performance across our operations.

While significant progress has been made in reducing Scope 1 emissions, 96% of the remaining footprint continues to arise from mobile combustion, primarily fuel use from Clancy-owned vehicles. Fleet transition therefore remains a key priority.

Encouragingly, over 95% of our company car fleet is now electric or hybrid, with the remaining vehicles targeted for replacement within the current financial year. In parallel, we are working closely with our telematics provider to identify low mileage vehicles suitable for transition to electric alternatives. This is already driving increased investment in electric vehicles across our frameworks, supporting the decarbonisation of operational activity.

Our progress in carbon capability has also been formally and externally recognised through the achievement of Bronze Carbon Literacy Accreditation, valid for the next three years. This reflects our commitment to embedding climate awareness across the business. To support accountability, our sustainability team undertakes quarterly engagement with the executive team to review progress against individual pledges and identify further opportunities at an operational level. We now have a clear ambition to progress to Silver Accreditation within the next three years.

Expanding Carbon Literacy training across our operational teams remains a key goal. This will support understanding of the climate challenge, the actions we are taking as a business, and the role individuals play in reducing greenhouse gas emissions both organisationally and personally. Collectively, these measures strengthen governance and enhance accountability.

Our approach ensures consistency in delivering our environmental commitments across the business.

Advancing renewable energy, and low-carbon solutions in operations

A key driver of our carbon reduction performance is the Carbon Reduction Delivery Group, which brings together senior leaders from across the business. This has strengthened accountability and accelerated delivery across all operational areas.

Significant progress has been achieved through targeted investment in low-carbon solutions. This includes the expansion of our solar-hybrid fleet (delivering 447 tCO₂e savings) and the use of over 1 million litres of HVO, avoiding 2,800 tCO₂e. Fleet transition, supported by telematics and solar fuel hubs, continues to be a key focus area.

Further savings have been realised through on-site renewable generation (135,550 kWh, achieving 30% self-sufficiency) and our Scope 3 material strategy, including the Low Carbon Concrete Protocol, delivering over 1,800 tCO₂e savings across key frameworks. Waste reduction initiatives, including plastic take-back schemes and excavation recycling facilities, are also supporting landfill diversion and circular economy outcomes.

Collectively, these initiatives demonstrate a mature governance framework. We have successfully embedded consistent delivery, strengthening oversight, and providing assurance that our decarbonisation commitments are being delivered at scale.

Increasing data accuracy and transparency

We have strengthened the quality and reliability of our sustainability data through enhanced system integration, improved alignment with our supply chain, and continued use of DepotNet for environmental and incident reporting. These improvements are underpinned by refreshed Power BI dashboards, developed in collaboration with Finance and Data teams, ensuring accurate, transparent, and consistent reporting.

To support our transition to Scope 3 reporting, we have onboarded the Climatise carbon management platform. This strengthens our capability to measure and manage emissions across the value chain.

We have also partnered with Reconomy to enhance oversight of waste streams. This supports our compliance with the Simpler Recycling legislation introduced in March 2025.

Collectively, these initiatives strengthen data governance and support ISO 14001-aligned environmental management processes. We have built a robust and auditable framework for consistent monitoring, reporting and continuous improvement.

Delivering positive social impact

At the heart of our Environment and Sustainability approach is the delivery of social value, ensuring that the outcomes of our work create meaningful, lasting benefits for the communities and environments in which we operate. By embedding social value alongside environmental priorities within our strategy, decision-making, and project delivery we drive inclusive growth, support social mobility, and enhance local resilience. This integrated approach ensures that sustainability is not only about reducing our environmental impact, but also about maximising positive outcomes for people, places, and the wider economy.

This integrated approach is complemented by continued leadership in social value. In FY25/26, we delivered £70.8 million in independently verified social value, by the Social Value Portal, exceeding our target of £60 million. This reflects sustained investment in local employment, skills development and community engagement, with colleagues contributing 3,457 volunteering hours during the year.

Embedding environmental and social considerations into project delivery enables us to maximise positive impact. Together, this supports us in reducing carbon and waste, enhancing resource efficiency, and delivering meaningful benefits to the communities in which we operate.

Performance is measured and externally validated through robust frameworks, including the Social Value Portal using the TOMs methodology. This ensures transparent, consistent reporting aligned with client, regulatory, and policy requirements.

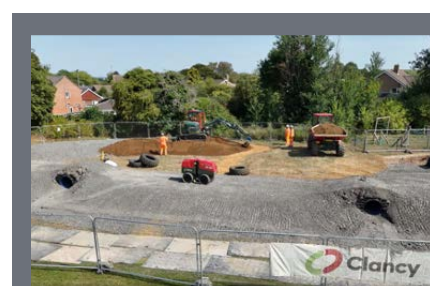
Our ISO 14001-aligned environmental management system and governance framework provide clear accountability and auditable control. This provides assured delivery of our environmental and social value commitments across the business.

Strong foundations for the future

Clancy has continued to strengthen its approach to environment, sustainability, and social value. We have delivered measurable progress while embedding robust governance, clear accountability,

and consistent standards across the business. By integrating environmental management and social impact into how we operate, we are not only reducing our impact but also creating lasting value for the communities we serve.

With a clear strategy, strong leadership, and an ISO 14001-aligned management system in place, we are well positioned to respond to future challenges, maintain compliance, and drive continued improvement. We remain committed to delivering resilient, responsible infrastructure and ensuring that our environmental and social value commitments are realised consistently and at scale.



Social value

Creating positive social value is an important part of how we deliver infrastructure. As part of our work with EKFB, our team supported the delivery of a new running track for Broughton Community School in Buckinghamshire. We have helped to enhance the facilities for pupils and created a lasting benefit for the local community.



» CFO's review

I am pleased to report that in the period to 29 March 2026 we have again delivered our best-ever financial performance; the Group achieved revenues of £498m with a pre-tax profit of £31.7m from a gross profit of £54.4m. This growth was driven predominantly by an increasing workload across the Water sector, but also reflects the full-year impact of energy contracts started in the previous reporting period. During the year we further expanded our energy portfolio, and expect to see more growth in future reporting periods.

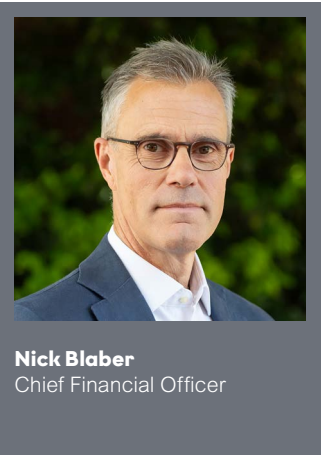
The operational review gives a detailed report of our performance and activity in the year. The quality of our work and strong client relationships have helped ensure that, once again, all our mature workstreams are operating satisfactorily and generating a positive margin.

At the reporting date, the net assets of the Group were valued at £55.3m (2025: £62.7m). This reflects profit for the financial period, movements in the defined benefit pension scheme, and increased returns to our shareholders.

Capital investment

Capital investment in the year increased from £6.8m to £13.4m. This is complemented by a portfolio of leased assets put into the business to ensure there is never any compromise in the quality of equipment available to our teams, in support of safe and effective working practices.

The total investment in our fleet was our largest ever, being a combination of age replacement (substantially renewing our vehicle fleet) and growth in support of our expanding operational business. Green technology was again a theme, alongside on-site accommodation units, as we mobilise a larger number of fixed-site projects.



Financial performance summary	2026	2025
Revenue	£498.0m	£429.6m
EBITDA	£38.6m	£34.6m
Profit before tax	£31.7m	£28.0m

Cashflow summary	2026	2025
Cash and cash equivalent at the start of the period	£46.8m	£34.2m
Net cash inflow from operating activities	£63.4m	£24.0m
Net cash generated from/ (used in) investing activities	(£7.0m)	(£2.4m)
Net cash (used) in financing activities	(£45.0m)	(£9.1m)
Cash and cash equivalent at the end of the period	£58.2m	£46.8m

The Group achieved an operating cash inflow of £63.4m before the payment of cash dividends of £27.2m. This strong cash conversion reflects an ongoing focus on managing working capital and ensuring that our capital investment targets high-returning assets. The cash performance also reflects the repayment of the preference shares, £15.6m, redeemed but unpaid at the end of the previous financial period.

Tax

Our corporation tax charge for the year of £7.2m reflects the impact of improved trading. Of equal importance, our total tax contribution for the period was £107.3m, up from £93.8m in the prior year. The increase from the prior year is driven by increased payments for corporation tax as outlined above and higher VAT collection in line with our increased revenue.

Going concern

The Directors have considered the appropriateness of preparing financial statements on a going concern basis. They have concluded that they are confident that the business meets these criteria.

In reaching this conclusion, the Directors considered:

- Liquidity: The business started the 2026/2027 financial period with cash balances of £58.2m and no net debt.
- Consideration of the Group's forward-looking forecasts covering the period to 4th April 2027, as well as long-term forecasts covering the period to March 2028, based on the Group's 5-year long-range plan. These forecasts were stress-tested and even under a plausible but severe downside scenario, significant cash balances were retained.
- The existence of further cash the business expects to unlock from specific contracts with high receivables balances, which the Directors consider collectable.
- The nature of our contracts and customer base, which provides a relatively predictable baseline revenue level. We are also seeing strong and growing demand for infrastructure investment and expect opportunities to take on additional work in the coming months, both from existing and new clients.
- The low bad debt exposure resulting from working mainly for regulated utility providers.

This financial performance underscores the Group's ability to sustain long-term growth and deliver consistent returns for our stakeholders.



Total tax contribution	2026	2025
Employers' NI	£15.2m	£11.5m
Corporation tax	£7.2m	£6.8m
VAT	£50.0m	£45.3m
Fuel duty	£3.6m	£3.7m
PAYE	£22.0m	£18.7m
Employees' National Insurance	£5.7m	£5.1m
CIS	£3.6m	£2.7m
Total tax contribution	£107.3m	£93.8m



Governance report

» Our governance

Dear Shareholder,

I am pleased to introduce the Group's Corporate Governance Report for 2025/26. As Chairman, I remain committed to ensuring that the Group upholds the highest standards of corporate governance. This includes continually reviewing the corporate governance structure of the Board and Board committees to ensure that they remain aligned with the Group's evolving size and complexity.

In my role, I lead the Board of Directors and have primary responsibility for providing the necessary leadership, input, and guidance to support the Group's objective of maintaining and growing sustainable profitability. Our focus is on creating long-term shareholder value through a strategic, operational, financial and ESG driven approach. I am satisfied that the current Board has the appropriate blend of skills, capabilities, and experience to deal with the challenges faced by the business.

Industry knowledge underpinned by financial expertise, remains critical for the Group as we continue to focus on robust governance and the opportunities that lie ahead. The Board is supported by a wealth of expertise within the broader leadership team, which includes several new appointments and promotions aimed at delivering our strategic objectives.

Whilst not mandatory, the Board has opted to adopt a recognised corporate governance code, The Wates Corporate Governance Principles ("the Principles"). These Principles align with the Group's approach to risk management and transparent communication with stakeholders. As a Board, we believe that adhering to these Principles will ensure that the Group maintains an appropriate level of governance for its current stage of development, whilst also providing a strong framework to guide us through the medium to long-term. Where appropriate, the Corporate Governance Statement and Report have been prepared to comment on the application of the Principles and to address the disclosure requirements recommended by them.

In keeping the corporate governance structures under review, during the period, we have continued to recognise the importance of the Audit and Risk, Remuneration, Nomination, and Capital and Investment Expenditure Committees. During the period under review the terms of reference for the Audit and Risk, Remuneration, and Nomination Committees were reviewed and, where appropriate, have been updated.

We also recognise the growing importance of disclosures to ESG, particularly the decarbonisation of our fleet. We are making this a priority, and as part of our commitment, we have published a Carbon Reduction Plan.

Kevin Clancy
Chairman

» Governance report

Dear Shareholder,

The Board plays a crucial role in the ongoing success of the business, ensuring the highest standards of corporate governance. The Board's composition remained unchanged during the period under review and comprises four Executive Directors and three Non-Executive Directors, including the Non-Executive Chairman. The composition of the Board is structured to ensure that no one individual can dominate decision making.

The Board

The roles of the Chairman and Chief Executive Officer are separate. Each has clearly defined duties and responsibilities.

The Chairman provides leadership to the Board. He is responsible for setting the agenda, chairing Board meetings, and for ensuring that the Board has sufficient time to discuss all items on the agenda. The Chairman is also responsible for ensuring that the Directors receive all the necessary information and reports in a timely manner. Along with the Chief Executive Officer, the Chairman also ensures that the appropriate standards of corporate governance are effectively communicated and adhered to throughout the Group.

The Chief Executive Officer is responsible for leadership of the Group's management and its employees on a day-to-day basis. In conjunction with the Operating Board, the Chief Executive Officer is responsible for the implementation of Board decisions.

Inclusive of the Non-Executive Chairman (Kevin Clancy), the Board consists of four Executive Directors (Matthew Cannon, Nick Blaber, David Pegg, and Ronan Clancy) and two independent Non-Executive Directors (Ian Gray and Tom McGinness). Details of each Director's background and experience can be found on pages 32-33.

The Board's mix of skills and business experience is important to the Company at this stage of its development and ensures an informed review and debate of performance and strategy. Each Director is responsible for keeping their skills up to date and comparable with being a Director of a listed company. The Board continues to have strict control over key areas of expenditure specifically through its budgetary process and through controls utilised by the Capital and Investment Expenditure Committee. For example, the approval of all senior roles prior to appointment is managed through the Nominations Committee and agreeing remuneration packages or salary changes above a specific base salary is reserved for the Remuneration Committee. This helps to ensure a high level of diligence in key financial and human resource decisions.

Role of the Board

The Board meets regularly, and Directors are supplied with a comprehensive Board pack prior to each Board meeting. This includes the agenda, previous minutes, detailed financial information, an action list maintained by the Company Secretary, and all other supporting papers necessary to have a fully informed discussion.

The Board is committed to ensuring that key decisions are effectively implemented and that the necessary investments are made to achieve the Group's strategic priorities.

Day-to-day operational and financial management responsibilities are delegated to the Executive Board which plays a pivotal role in executing the Group's strategy. The Executive Board ensures that the main board is consistently updated on operational activities and any challenges faced at operational level. To maintain alignment and transparency, the Executive Board convenes on a monthly basis and key functional areas provide monthly reports.

Operation of the Board

There were eleven Board meetings during the period under review. Any specific actions arising during meetings, as agreed by the Board, are followed up and reviewed at subsequent Board meetings to ensure their completion. The Board maintains regular communication between scheduled meetings and convenes as needed to address emerging issues or opportunities. If a Director is unable to attend a Board meeting, the Chairman will canvass his or her views in advance and ensure that the Director is promptly advised of the outcome of the matters under discussion.

All Directors act in the best interests of the Company, consistent with their statutory duties. The business at each scheduled Board meeting includes regular reports from the Chief Executive Officer and the Chief Financial Officer covering business performance, markets and competition, health and safety, as well as progress against strategic objectives and Capital Expenditure and Investment projects.

Board committees

The Board has delegated certain responsibilities to each of the Audit and Risk Committee, Remuneration Committee, Nomination Committee, and Capital and Investment Expenditure Committee. Each committee operates according to its own terms of reference.

Audit and Risk Committee

The current members of the Audit and Risk Committee are Ian Gray (Chairman) and Kevin Clancy. The Audit and Risk Committee has primary responsibility for monitoring the quality of internal controls, ensuring that the financial performance of Clancy is properly measured. This ensures the integrity of the Financial Statements and reporting. The Committee also reviews reports from Clancy's auditor relating to Clancy accounting and internal controls, and monitoring the quality and independence of the external audit, in all cases having due regard to the interests of Shareholders. Further information on the Committee is set out on page 34.

Remuneration committee

The current members of the Remuneration Committee are Ian Gray (Chairman) and Kevin Clancy. The Remuneration Committee determines remuneration for the Executive Directors and Senior Managers in the Group. Further information on the work of the Committee is set out in its report on page 35.

Nomination Committee

The current members of the Nomination Committee are Tom McGinness (Chairman), Ian Gray, and Kevin Clancy. During the period under review, Ian Gray served as Chairman of the Nomination Committee; however, Tom McGinness has since been appointed as Chairman. The Nomination Committee approves the appointment of Directors and Senior Executives and is responsible for succession planning.

During the period under review the Nomination Committee met to consider and approve the appointment of Michael Cape as an Executive Director to The Clancy Group Limited Board and Clancy Docwra Board. Further information on the work of the Committee is set out in its report on page 35.

Capital and Investment Expenditure Committee

The current members of the Capital and Investment Expenditure Committee are Kevin Clancy (Chairman), Matthew Cannon, Nick Blaber, and David Pegg. The Capital & Investment Expenditure Committee reviews the annual capital expenditure investment budget, prepares the submissions for approval by the Board, and monitors the ongoing transactional performance throughout the year. Further information on the work of the Committee is set out in its report on page 36.

Internal controls and risk management

The Group has in place a system of internal financial controls commensurate with its current size and activities. The Board holds overall responsibility for the Group's internal control system ensuring the protection of the Group's assets and the interests of its shareholders. The risk management framework and internal controls are designed to identify and assess key risks that could impact the delivery of the Group's strategy and growth objectives. This includes the implementation of policies and procedures aimed at mitigating those risks as well as establishing comprehensive business continuity plans. The Group maintains a dynamic risk management register which is reviewed and discussed bi-annually with the Executive Board and the Chairman of the Audit and Risk Committee.

The Board has reviewed the effectiveness of the system of internal controls in place for the period under review and up to the date of the signing of the Annual Report and Accounts. After the end of the reporting period, the Group appointed a Head of Internal Audit who will review internal control and report independently of management to the Audit and Risk Committee. The Board will continue to enhance and implement internal control procedures that are aligned with the Group's evolving activities, scale, and strategic priorities.

The Board recognises that an essential part of its responsibility is the effective safeguarding of assets, the proper recognition of liabilities and the accurate reporting of results.

Meeting Attendance	Board	Audit & Risk Committee	Remuneration Committee	Nomination Committee	Capital and Investment Expenditure Committee
No. of meetings	11	7	5	4	7
Kevin Clancy	11	7	5	4	7
Matthew Cannon	11	-	-	-	4
Ronan Clancy	10	-	-	-	-
Nick Blaber	11	-	-	-	7
Ian Gray	8	7	5	4	-
Tom McGinness	8	-	-	3	-
David Pegg	11	-	-	-	7

There is a comprehensive system for regular reporting to the Board. This includes monthly management accounts, functional reports, and an annual planning and budgeting process. The financial reporting system compares results against the budget and the prior year. The Board reviews the forecasts for the financial period on a regular basis.

During the year, the Board reviewed and updated its formal policy of authorisation. This sets out matters which require the Board's approval and certain authorities which are delegated to the Executive Directors and members of the Operating Board.

The Board and the Audit and Risk Committee have noted developments under the Economic Crime and Corporate Transparency Act 2023, including the "failure to prevent fraud" offence applicable to large organisations. The Group has procedures and controls in place to support the prevention and detection of fraud and other economic crime, and will continue to keep its approach under review.

Independence

Ian Gray and Tom McGinness are independent Non-Executive Directors. Their presence provides a suitable balance between the Executive and Non-Executive Directors.

Culture

Critical to delivering business growth is ensuring that we have the right culture. At the heart of the plan is local responsibility and accountability for the performance of each site, office, and depot. There is a desire to deliver changes to the business to maintain long-term, sustainable profitability. We are also committed to the highest standards of health, safety, environment, corporate, and individual conduct. The Board and Senior Management Team help to support and reinforce this culture through their own personal behaviour and commitment by being highly visible in the business, making timely and informed decisions, and by adopting an attitude of continuous improvement.

Strategy

A description of the Group's strategy can be found in the section on strategic objectives on page 6.

Kevin Clancy
Chairman



» Our team

Clancy Group Holdings Limited

Kevin Clancy

Chairman



Kevin joined the family business in 1968, founded by his father MJ Clancy, and he became Joint Managing Director with his brother Dermot in 1984. Together with Dermot and Mary Clancy, he has overseen the company's growth into one of the UK's largest privately owned construction firms.

Kevin became Joint Chairman in 2012 and has continued to lead the business and the Board since 2019, following Dermot's passing. His leadership underpins Clancy's long-term values, family ownership, and strategic direction.

Matthew Cannon

Chief Executive Officer



Matthew was appointed Chief Executive Officer in early 2019, following a 15-year career within the business founded by his grandfather. Since taking on the role, he has led the establishment of a new leadership team and the development of Clancy's refreshed strategic vision.

Under Matthew's direction, the company has strengthened its market position. He has driven an enhanced focus on innovation, sustainability, and long-term growth across the infrastructure sector.

Nick Blaber

Chief Financial Officer



Nick joined Clancy in 2017, bringing senior financial experience from his time with Thames Water, a longstanding client of the business. As Chief Financial Officer, Nick has played a central role in embedding Clancy's strategy of financial resilience and long-term investment. He works closely with the Board and Executive team to ensure sound financial management, funding for innovation, and strong performance across the Group's expanding operations.

David Pegg

Executive Director
& Company Secretary



David has been with Clancy since 1996 and has served as Company Secretary for all Group companies since 2004. He was appointed to the Board in April 2024.

David oversees a broad portfolio including corporate governance, legal and regulatory compliance, health and safety, environmental quality, insurance, payroll, and facilities. He is responsible for ensuring the Group operates to the highest standards across all areas of its support infrastructure.

Matt Bailey

Executive Director



Matt has spent over 30 years with Clancy, progressing from operational roles to Board level. He currently leads a portfolio of water networks and capital delivery contracts across the UK, including frameworks for Southern Water, Thames Water, South East Water, Anglian Water, South West Water (incl. SES), and Scottish Water.

His experience and client relationships continue to play a key role in Clancy's delivery across regulated sectors.

Bryan Curtayne

Executive Director



Bryan joined Clancy in 2002 and has led numerous strategic joint ventures and alliances, including the Optimise JV supporting Thames Water's AMP5 programme. With a background in commercial economics and project management, he launched Clancy's commercial apprenticeship programme in 2021.

Bryan's earlier experience in civil engineering and rail, including the Jubilee Line extension, supports his continued leadership across complex programmes.

Martin McGovern

Executive Director



Martin joined Clancy in 2011 to develop its energy business, bringing two decades of prior industry experience with McNicholas and Skanska. Since then, he has led the company's growth in the south of England, notably through the ED1SON Alliance with UK Power Networks. Most recently, he has overseen mobilisation of capital investment programmes with Scottish and Southern Energy SEPD / SHET / SHED / BESS Major connections for the UK data centres in support of the UK's energy transition under ED2.

Michael Cape

Executive Director



Michael is Executive Director for SHEQF at Clancy, responsible for Health, Safety, and Wellbeing Environment and Sustainability, Business Assurance / Quality, and Fleet Safety / Compliance across the Group. He joined Clancy in 2003 and was appointed to the Board in 2025, bringing more than 23 years' experience in the UK utilities and infrastructure sector.

He holds an MSc in Strategic Leadership from Loughborough University, is a Fellow of the Chartered Management Institute and served as President of the Institute of Water Eastern Area (2024–2026).

Ronan Clancy

Executive Director



Ronan was appointed to the Operating Board in 2021 to lead Clancy's strategy for sustainable growth, including the expansion of its water, energy, and civil engineering divisions. He has overseen new frameworks with South West Water, SSE, and SGN. In April 2024, he joined the Holdings Board, with responsibility for human resources and Clancy Traffic Management. His role supports the business' ongoing transition to the third generation of family leadership.

Ian Gray

Independent
Non-Executive Director



Ian joined Clancy in 2018 as its first Independent Non-Executive Director. He has supported the transition to a new generation of family ownership and brings extensive experience in governance and board oversight. He chairs the Audit and Risk and Remuneration Committees.

Ian has more than 40 years' experience across a range of sectors. He has held numerous Chair and Non-Executive Director positions in listed and private companies, working extensively with boards, shareholders, and lenders in complex situations.

Tom McGinness

Independent
Non-Executive Director



Tom was appointed to the Board in January 2024 to support Clancy's long-term strategic planning. He brings deep insight from his 26-year career as a senior partner at KPMG, including five years as Global Chair of Family Business. Tom's experience advising privately owned companies makes him a valuable addition to the Board as Clancy continues its focus on long-term, sustainable growth.

» Audit and risk committee report

Dear Shareholder,

This Report provides an overview of the Committee’s operations during the period under review. This offers insight into the Committee’s activities, its role in upholding the integrity of the Group’s published financial information, and the effectiveness of its risk management, controls and related processes.

Committee structure

The membership of the Committee, which remained unchanged during the period under review, consists of two Non-Executive Directors: Ian Gray (Chairman), and Kevin Clancy.

The Committee members have been selected with the aim of providing the range of financial and commercial expertise necessary to meet its responsibilities. The Board is confident that the collective experience of the Audit and Risk Committee members enables them to function as an effective Committee.

Meetings

The Committee had seven meetings during the period under review. The attendance by members is on page 31. The Committee provides a report to the Board, as a separate agenda item, on the activity of the Committee and matters of relevance, and the Board receives copies of the Committee minutes. Attendance at meetings of the Committee by non-members is by invitation and at the discretion of the Committee. The Chief Financial Officer regularly attends the meetings, and the external auditors are invited to attend some meetings of the Committee.

Roles and responsibilities

The main duties of the Audit and Risk Committee are reviewed annually and are set out in its terms of reference which have been agreed with the Board.

During the financial year, Committee discussions included the following key items:

- Review of 24/25 Annual Report and Accounts;
- Financial reporting;
- Terms of reference;
- Significant audit and account matters;
- Key Estimates and Critical Judgements;
- Going concern;
- Treasury policy;
- Supplier Payments reporting;
- Significant transactions;
- Internal controls and Internal Audit;
- PwC audit plan and strategy for 25/26 Annual Report and Accounts;

- Capital Allocation;
- Impacts of FRS102 including Lease Accounting and Revenue Recognition;
- Whistleblowing; and
- Modern Slavery

Areas of focus

During the period under review, the Committee focused on the following areas:

- Risk management and assurance including the Corporate Risk Register;
- Committee governance;
- Governance Flow;
- Treasury plans; and
- Audit plans

Whistleblowing

The Group’s Whistleblowing Policy was updated during the period under review and encourages and protects legitimate whistleblowing. An independent third-party whistleblowing helpline number, secure web portal, and mobile app allow employees to report concerns about improper conduct. A new whistleblowing campaign is to be launched to raise awareness and encourage engagement. All contacts are treated confidentially and anonymously, if preferred.

Non-audit services

The Company continues to separate the provision of external audit and annual tax compliance services.

External auditor

The Company’s policy on auditors rotation is to ensure that at least once every ten years the audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditors with those of other audit firms. This is the fifth year that PricewaterhouseCoopers LLP (PwC) has conducted the audit.

To ensure the auditors’ independence and objectivity, the Committee annually reviews the Group’s relationship with the auditors.

The auditors are required to review and confirm its independence to the Audit and Risk Committee on a regular basis. Following the review in 2025, the Committee concluded that the Group has an objective and professional relationship with its auditors, PwC, and that there are sufficient controls and processes in place to ensure the required level of independence. The Committee therefore recommends PwC’s re-appointment as Clancy’s external auditors.

Audit process

In preparation for each audit, PwC develops a comprehensive audit plan that outlines the scope, methodology, significant risks, and other key focus areas. This plan is reviewed and approved in advance by the Audit and Risk Committee. Upon completion of the audit, the auditor presents their findings to the Audit and Risk Committee for discussion and further action, as appropriate.

Committee effectiveness

The members of the Committee receive opportunities for training to ensure that their knowledge is both current and best practice. This commitment to continuous development supports the Committee in effectively fulfilling its responsibilities and objectives. Each year the Chairman of the Committee conducts a formal review of the annual work plan and procedures with the Company Secretary, ensuring alignment with governance standards and emerging expectations.

Ian Gray
On behalf of the Audit and Risk Committee

» Remuneration committee report

Dear Shareholder,

Our approach to remuneration continues to align the interests of the Executive Directors and Senior Executives with those of the Shareholders. We aim to attract and retain the best possible people with the skills and drive to achieve the Group’s strategic and financial objectives. To support this, we offer Executive Directors and Senior Executives a base salary and pension contribution that is fair, reasonable, and affordable for the Group. They are incentivised to deliver growth, profitability, and cash generation by way of a discretionary annual bonus scheme and long-term incentives plans, which reward the achievement both of annual targets and creation of shareholder value over the longer-term.

The Remuneration Committee determines the remuneration packages for the Executive Directors, Senior Executives, and any major remuneration plans or policies for the Group. This includes implementation of long-term incentive plans. The Committee’s role is to ensure that the principles of the Group’s Remuneration Policy are aligned with the business strategy and promote long-term shareholder value. The Committee’s terms of reference were reviewed during the year.

Committee structure

The Board has delegated certain responsibilities for Executive Directors’ remuneration to the Remuneration Committee. The membership of the Committee remained unchanged during the period under review. The Committee consists of two Non-Executive Directors: Ian Gray (Chairman), and Kevin Clancy.

Meetings

The Remuneration Committee meets according to the Group’s requirements and there were five meetings during the period under review. Attendance at meetings of the Committee by non-members is by invitation and at the discretion of the Committee Chairman only and may include the Chief Executive Officer and HR Director.

Roles and responsibilities

The main duties of the Remuneration Committee are set out in its terms of reference, which is reviewed and agreed by the Board. The main items of business considered by the Remuneration Committee during the financial year included:

- Terms of Reference;
- Review of remuneration strategy and policy;
- Salary, annual bonus, and LTIP awards for Executive Directors and other Senior Executives, including benchmarking exercises;
- Annual Pay review of salaries for all employees for April 2026;
- Review of annual bonus payments;
- Review of proposed salary variations according to pre-determined thresholds;
- Review of proposals to introduce financial wellbeing products to employees; and
- Key Talent retention schemes and notice periods.

Executive Directors’ service contracts and termination policy

Executive Directors hold a service agreement with an indefinite term and a fixed maximum termination period of 12 months for the Chief Executive Officer, and six months for other Executive Directors. Any payments in respect of termination reflect base salary only and do not include an annual bonus.

The Group’s policy on notice periods in the Executive Directors’ service agreements is designed to align with current market trends and is regularly reviewed on a role-by-role basis to safeguard the Group’s knowledge and operations. Termination payments for Executive Directors can only be authorised by the Remuneration Committee.

The Executive Directors are eligible to participate in a discretionary annual bonus plan and long-term incentive plan, should one be put in place for any given financial period. All bonus payments are at the discretion of the Board and subject to such conditions, including profit after tax, and cash generation, as the Board may determine.

Pay for all other employees is based upon external market rates, job role, internal comparators, and business impact. Clancy’s financial and operational performance and each person’s personal performance are also considered when setting salaries and deciding on bonus payments

Ian Gray
On behalf of the Remuneration Committee

» Nomination committee report

Dear Shareholder,

This report outlines the Committee’s operations and provides insight into its activities. The Committee is responsible for reviewing the composition of the Boards and the Senior Leadership Team. Additionally, it oversees succession planning and training initiatives to ensure strong leadership continuity.

Committee structure

The membership of the Committee remained unchanged during the period under review. The Committee consists of three Non-Executive Directors: Ian Gray, Kevin Clancy, and Tom McGinness (Chairman).

Meetings

The Committee had four meetings during the period under review. Attendance at meetings of the Committee by non-members is by invitation and at the discretion of the Committee Chairman only and may include the Chief Executive Officer and HR Director.

Roles and responsibilities

The main duties of the Nomination Committee are set out in its terms of reference, which have been agreed with the Board. We monitor and regularly review the structure, size, and composition (including the skills, knowledge, experience, and diversity) of the Senior Leadership Team and make recommendations for changes. We consider succession planning for Directors and other Senior Executives, in addition to a talent review whereby we consider the skills and expertise needed in the future.

In the period under review the Committee discussions included the following:

- Membership and structure of the Nominations Committee, including change of Chair.
- Senior roles within the business;
- New Director for Health, Safety, and Wellbeing;
- Succession planning for the Board and senior roles;
- Talent Review, succession planning, training, and development;
- Review of the Terms of Reference of the Nominations Committee; and
- Organisational design and Senior Leadership development programs.

Tom McGinness
On behalf of the Nomination Committee

» Capital and Investment expenditure committee report

Dear Shareholder,

This report provides an overview of the Committee's operations and offers insight into its activities. The Committee is responsible for reviewing the annual capital investment and expenditure budget in detail, preparing recommendations for Board approval, and monitoring expenditure and transactional performance throughout the year to ensure adherence to the approved budget and compliance with financial targets.

Committee structure

The membership of the Committee, which remained unchanged during the period under review. The Committee comprises four members, Kevin Clancy (Chairman), Matthew Cannon, Nick Blaber, and David Pegg.

Meetings

The Committee had seven meetings during the period under review. Attendance at meetings of the Committee by non-members is by invitation and at the discretion of the Committee Chairman only and may include the Directors of Clancy Plant and Clancy Traffic Management together with the Head of IT and the Group Treasurer.

Roles and responsibilities

The main duties of the Capital and Investment Expenditure Committee are set out in its terms of reference which have been agreed with the Board. We consider and approve, if appropriate, all capital expenditure and investment proposals contained within the original annual capital expenditure budget up to a specific value. We consider and make recommendations to the Board for any capital and investment expenditure proposals above a specific value that are not contained within the original annual budgets. Additionally, we monitor and regularly review the performance of capital expenditure and investment expenditure against original projections.

In the period under review the Committee discussions included the following key items:

- Approval of the annual capital expenditure and investment budgets for 2025-26;
- Anticipated return on capital employed for individual items including payback period; and
- The purchase of a new office.

Kevin Clancy
On behalf of the Capital and Investment Expenditure Committee



» S172(1) statement

This Section 172(1) Statement explains how the Directors have had regard to the matters set out in Section 172 of the Companies Act 2006 when performing their duties during 2025–26. These matters include long term consequences of decisions, the interests of employees, relationships with suppliers and customers, the community and environment, high standards of business conduct, and acting fairly between members.

The Board's approach is grounded in long term stewardship, operational resilience, and the wellbeing of our people and communities.

Our key stakeholders

The Directors recognise that long-term success depends on balancing and understanding the interests of a broad set of stakeholders:

- **Employees** – Over 2,000 colleagues whose capability, safety, and wellbeing underpin our operations.
- **Customers and clients** – Predominantly regulated utilities with whom we hold long term, collaborative contracts.
- **Suppliers and subcontractors** – Essential partners contributing materials, innovation, and specialist capability.
- **Communities and the environment** – The people, locations and ecosystems impacted by our activities.
- **Shareholders and family members** – Long-term owners with established governance structures.
- **Regulators, industry bodies and future talent pipelines** – Key relationships supporting the compliance, safety, and sustainability of the sector.

How the Board engages with stakeholders

The Board receives structured information through formal reporting and targeted engagement activity. Throughout the year, a range of real-life initiatives informed Board understanding:

- **Regular CEO and CFO led updates** provided transparency on performance and strategic priorities.
- The **annual management conference**, attended by more than 100 leaders, strengthened best practice sharing, strategic alignment, and operational improvement.
- **Wellbeing Week** delivered onsite health monitoring stations, nutrition sessions, online financial wellbeing briefings, and the Big Step Competition.

- **National Apprenticeship Week** celebrated colleagues' achievements, while early career investment continued through apprenticeships and training programmes.
- **HR and safety reporting** ensured the Board remained closely informed about workforce wellbeing, capability, and engagement trends.

Customers and suppliers

- Long established utility sector contracts were supported by engagement meetings, performance reviews, and collaborative planning.
- STEM initiatives and industry engagement events built sector awareness and contributed to strengthening future talent pipelines.
- The group launched a Strategic Supplier Programme which is a collaborative framework to align our supply chain with core growth objectives, driving delivery excellence and leveraging specialist expertise to deliver smarter, greener infrastructure
- Supplier insights were incorporated into operational reviews and commercial governance.

Community and environment

- Directors received updates on delivery of social value programmes, including school engagement, **SEND workshops**, biodiversity conservation volunteering, and local community support projects.
- The **Clancy Charitable Trust** continued to support community initiatives and enabled employees to volunteer in South Africa as part of the **Mellon Educate “Building Blitz”**, reinforcing our purpose driven culture.
- Environmental reporting covered **EV fleet expansion, HVO adoption, and increased solar generation** across sites.

Shareholders

- Engagement took place through AGMs, Family Assembly meetings, and the Family NED role, providing structured channels for dialogue and fair representation.

These mechanisms enable the Board to consider stakeholder needs in real time and ensure decisions reflect the wider impact of the Group's operations.

Principal decisions and how the Board considered s172 factors

Rollout of the STRIVE 2030 business plan
This multi-pillar programme guided long term improvements in operational resilience, financial stability, and safety performance.

- **Employees:** Training, leadership development and wellbeing actions—highlighted at the management conference—were central considerations.
- **Customers and suppliers:** The plan supports the reliability and resilience required for regulated utility contracts.
- **Community/environment:** Social value work and decarbonisation efforts were integrated within long term planning.
- **Shareholders:** The plan aligns with their expectations for sustainable growth and stewardship.

Strengthening cyber resilience

In response to elevated cyber threat levels, including those linked to wider geopolitical tension, the Board endorsed controls and mandatory cyber security training for all system users by 31 March 2026.

- **Employees:** Training content was designed to promote essential security behaviours and protect staff from digital threats.
- **Customers:** Robust cyber defence supports continuity of service in the regulated utilities sector.
- **Long term sustainability:** Digital security was treated as a core operational risk with multi-year implications.

Managing principal risks in a changing environment

Labour market competition, compliance obligations, and cyber attacks.

- **Global instability**, including recent disruption linked to tensions in the Middle East and USA and increased scrutiny on supply chains and inflation.
- The Board responded through enhanced scenario planning, strengthened contract governance, leadership development, and cyber resilience investment.

How the Board considered each s172 factor

Long term consequences

Decisions prioritised long term resilience, including STRIVE 2030, decarbonisation, investments in leadership, and the refinement of risk management frameworks.

Employee interests

The Board oversaw a wide range of actions, including Wellbeing Week, apprenticeship achievements, financial education support, leadership development, early careers investment, and workforce engagement.

Relationships with suppliers and customers

Directors monitored long term utility contracts, supplier relationships, STEM engagement, commercial governance, and collaborative events, ensuring mutual trust and performance.

Community and environmental impact

Social value delivery remained strong, including school programmes, SEND workshops, biodiversity conservation, community projects, and charitable activities. Environmental improvements through EVs, expanded use of HVO, and solar generation remained central to Board oversight.

High standards of conduct

Directors upheld the Group's core value, **“we do what we say,”** ensuring integrity, safety, and responsible business conduct informed all decisions.

Fairness between members

The Board acted fairly between members through established governance structures. These include the Shareholders Agreement, Family NED role, AGMs, and transparent family appointment and remuneration processes.

Governance and oversight

The Board routinely received reports on financial performance, operational delivery, people performance, ESG progress, risk indicators, and compliance activity. These insights enabled Directors to balance business needs with stakeholder perspectives in line with their statutory duties.

Conclusion

The Board believes it has fulfilled its duties under Section 172 of the Companies Act 2006. Decisions taken throughout the year were made in good faith, with careful consideration of stakeholders, long-term consequences, and the sustainable success of the Group.



Directors' report and consolidated financial statements

» Directors' report

The Directors present their annual report and consolidated financial statements for the 52-week period ended 29 March 2026.

Principal activities

The Group's continuing activities during the financial year were civil engineering, construction, and utilities contracting.

Directors

The Directors who served during the 52-week period and up to the date of signature of the financial statements were as follows:

N J Blaber
M S Cannon
K T Clancy
R Clancy
I A Gray
T McGinness
D Pegg

The Group's approach to the appointment and replacement of Directors is governed by its Articles of Association and all relevant legislation. The powers of the Directors are determined by the Articles of Association, the Companies Act 2006, and other relevant legislation.

Results and dividends

The results for the 52-week period are set out on page 46. Further commentary is provided in the Strategic Report beginning on page 6.

Ordinary dividends of £31,850,000 were authorised for payment in the period (see note 11 and note 33 of the Group's consolidated financial statements).

Qualifying third-party indemnity provisions

The Group has made qualifying third-party indemnity provisions for the benefit of the Directors of all entities in the Group during the 52-week period. These provisions remain in force at the reporting date.

Environmental reporting

The Group's Streamlined Energy & Carbon Reporting Statement set out on page 74 is included by reference within this Directors' Report. During the period under review, the Group's total emissions were 18,644.09 tonnes of CO2 (tCO2e) with an intensity ratio of 37.44 tCO2e per million pounds turnover.

Financial instruments

The Group's principal financial instruments consist mainly of hire purchase and leasing liabilities which are due after one year. Credit and cash flow risk from trade receivables and amounts recoverable on contracts are managed through policies on payment terms and regular reviews of the balance and age of amounts outstanding. Liquidity risk in respect of trade payables is managed by ensuring sufficient funds are available to meet amounts falling due.

Employees and disabled persons

The Group provides quarterly updates to all employees to ensure that employees are updated on matters of concern to them in addition to updates on the financial and economic factors affecting the Group's performance. Employee engagement is discussed further within the Section 172(1) statement on page 38.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event that a member of staff becomes disabled, every effort is made to ensure that their employment with the Group continues and that adjustments or training are provided as appropriate. The Group's policies ensure that the training, career development, and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Strategic report

The Company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out the Company's Strategic Report information required by Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of principal risks and uncertainties.

Supplier payment practices and performance

The Group is committed to maintaining strong relationships with its suppliers and ensuring prompt payment in accordance with agreed contractual terms.

The Group's standard payment terms are typically 45 days, although these may vary depending on the specific contractual arrangements agreed with individual suppliers.

During the year, the Group took an average of 37.5 days to pay supplier invoices.

The table below summarises the Group's payment performance:

- Within 30 days: 35.2% (£297.9m)
- 31 to 60 days: 57.4% (£87.0m)
- Over 60 days: 7.4% (£9.1m)

In addition, 7.6% (£17.4m) of invoices were not paid within agreed payment terms at the year end.

The Group continues to monitor its payment practices closely and works collaboratively with suppliers to ensure fair and efficient payment processes. Variations to standard payment terms may arise where this reflects the commercial requirements of specific contracts.

Post reporting date events

No material events have taken place since balance sheet date, and the Group has continued to trade in line with expectations.

Future developments

The healthy financial position of the business leaves the Board able to focus on the future, and the direction is best summarised by the Strategic Priorities set out on page 4.

Independent auditor

During the year, the Audit and Risk Committee re-appointed PricewaterhouseCoopers LLP (PwC) as independent auditor.

Corporate governance

The Group remains fully committed to upholding the highest standards of corporate governance. A detailed description of the Group's management and reporting structure are given in the Governance Report pages 30-36.

Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group's financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year.

Under that law, the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law).

Directors must not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- State whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

Each person who was a Director of the Company at the time this Directors' Report was approved confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditors is unaware; and that each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the Board



K T Clancy
Director

Date: 11 August 2026

Company information

Directors

N J Blaber
M S Cannon
K T Clancy
R Clancy
I A Gray
T McGinness
D Pegg

Secretary

D Pegg

Company number

12500720

Registered office

Clare House
Coppermill Lane
Harefield
Uxbridge
Middlesex
UB9 6HZ

Auditor

PricewaterhouseCoopers LLP
40 Clarendon Road
Watford
WD17 1JJ

Bankers

National Westminster
Bank
PO BOX 12258
1 Princes Street
London
EC2R 8BP

» Auditor's report

Independent auditor's report to the members of Clancy Group Holdings Limited. Report on the audit of the financial statements.

Opinion

In our opinion, Clancy Group Holdings Limited's group financial statements and company financial statements (the "financial statements")

- Give a true and fair view of the state of the group's and of the Company's affairs as at 29 March 2026 and of the Group's profit and the Group's cash flows for the 52-week period then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated statement of financial position and Company statement of financial position as at 29 March 2026; the Consolidated statement of comprehensive income, Consolidated statement of cash flows, Consolidated statement of changes in equity and Company statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other Information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and the Director's Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and the Director's Report for the period ended 29 March 2026 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and the Director's Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' responsibilities, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the group or the Company, or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, tax (including employment taxes, corporation tax and VAT), and the Pensions Act 2014, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting journals to modify revenue or profit and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Challenging assumptions and judgements made by management in their accounting estimates;
- Identifying and testing journal entries, in particular certain journal entries posted with unusual account combinations; and
- Reviewing legal expenses both during the financial year and up to the date of signing the financial statements to identify any potential contingent liabilities in relation to non-compliance with laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- We have not obtained all the information and explanations we require for our audit; or
- Adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- The Company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Matthew Mullins (Senior Statutory Auditor) for and on behalf of PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Watford

11 August 2026

» Consolidated financial statements

Consolidated statement of comprehensive income

For the 52-week period to 29 March 2026

	Notes	52-week period to 29 March 2026 £'000	52-week period to 30 March 2025 £'000
Revenue	3	498,019	429,550
Cost of sales		(443,582)	(382,011)
Gross profit		54,437	47,539
Administrative expenses		(24,445)	(20,659)
Operating profit	6	29,992	26,880
Finance income	8	2,611	2,592
Finance costs	9	(953)	(1,519)
Profit before taxation		31,650	27,953
Tax on profit	10	(7,183)	(6,457)
Profit for the financial period		24,467	21,496
Other comprehensive (expense) net of taxation			
Actuarial (loss) on defined benefit pension scheme		(62)	(2,640)
Tax relating to other comprehensive expense		16	660
Total comprehensive income for the financial period		24,421	19,516

There were no discontinued operations in the financial period ended 29 March 2026. Profit and total comprehensive income for the financial period is all attributable to the owners of the Group.

The notes on pages 52 to 73 form part of these financial statements.

Consolidated statement of financial position

As at 29 March 2026

	Notes	29 March 2026 £'000	30 March 2025 £'000 (restated see note 1)
Fixed assets			
Furniture, fixtures, fittings, property, plant, and equipment	12	43,300	37,633
		43,300	37,633
Current assets			
Inventories	16	3,787	4,793
Debtors amounts falling due within one year	17	77,514	81,690
Cash and cash equivalents		58,222	46,794
		139,523	133,277
Creditors: amounts falling due within one year	18	(123,787)	(106,198)
Net current assets		15,736	27,079
Total assets less current liabilities		59,036	64,712
Creditors: amounts falling due after more than one year	19	(2,890)	(996)
Provision for other liabilities	22	(881)	(1,022)
Net assets		55,265	62,694
Equity			
Called up share capital	24	130	130
Merger reserve	25	9,373	9,373
Retained earnings	25	45,762	53,191
Total equity		55,265	62,694

The notes on pages 52 to 73 form part of the financial statements. The financial statements on pages 46 to 73 were approved by the Board of Directors and authorised for issue on 11 August 2026

They were signed on its behalf by:


M S Cannon
Director


K T Clancy
Director

Company statement of financial position

As at 29 March 2026

	Notes	29 March 2026 £'000	30 March 2025 £'000
Fixed assets			
Furniture, fixtures, fittings, property, plant, and equipment	12	14,029	12,564
Investments	13	130	130
		14,159	12,694
Current assets			
Debtors amounts falling due within one year	17	11,817	20,298
Cash and cash equivalents		1,131	998
		12,948	21,296
Creditors: amounts falling due within one year	18	(22,519)	(26,428)
Net current (liabilities)		(9,571)	(5,132)
Total assets less current liabilities		4,588	7,562
Creditors: amounts falling due after more than one year	19	-	-
Net assets		4,588	7,562
Equity			
Called up share capital	24	130	130
Retained earnings	25	4,458	7,432
Total equity		4,588	7,562

As permitted by s408 Companies Act 2006, the Company has not presented its own income statement and related notes as it prepares Group financial statements. The Company's profit and total comprehensive income for the financial period were £28,876,000 (2025: £17,351,000). The notes on pages 52 to 73 form part of the financial statements.

The financial statements on pages 46 to 73 were approved by the Board of Directors and authorised for issue on 11 August 2026.

They were signed on its behalf by:


M S Cannon
Director


K T Clancy
Director

Consolidated statement of changes in equity

For the 52-week period to 29 March 2026

	Called up Share Capital £'000	Merger reserve £'000	Retained earnings £'000	Total £'000
Balance at 31 March 2024	130	9,373	48,476	57,979
Period ended 30 March 2025:				
Profit for the financial period	-	-	21,496	21,496
Other comprehensive expense net of tax:				
Actuarial loss on defined benefit plans	-	-	(2,640)	(2,640)
Tax relating to other comprehensive expense	-	-	660	660
Total comprehensive income for the financial period attributable to the owners of the Group	-	-	19,516	19,516
Dividends (note 11)	-	-	(14,801)	(14,801)
Balance at 30 March 2025	130	9,373	53,191	62,694
Period ended 30 March 2026:				
Profit for the financial period	-	-	24,467	24,467
Other comprehensive (expense) net of tax:				
Actuarial (loss) on defined benefit plans	-	-	(62)	(62)
Tax relating to other comprehensive (expense)	-	-	16	16
Total comprehensive income for the financial period attributable to the owners of the Group	-	-	24,421	24,421
Dividends (note 11)	-	-	(31,850)	(31,850)
Balance at 29 March 2026	130	9,373	45,762	55,265

Company statement of changes in equity

For the 52-week period to 29 March 2026

	Called up Share Capital £'000	Retained earnings £'000	Total £'000
Balance at 31 March 2024	130	4,882	5,012
Period ended 30 March 2025:			
Profit for the financial period	-	17,351	17,351
Total comprehensive income for the financial period attributable to the owners of the Company	-	17,351	17,351
Dividends (note 11)	-	(14,801)	(14,801)
Balance at 30 March 2025	130	7,432	7,562
Period ended 29 March 2026:			
Profit for the financial period	-	28,876	28,876
Total comprehensive income for the financial period attributable to the owners of the Company	-	28,876	28,876
Dividends (note 11)	-	(31,850)	(31,850)
Balance at 29 March 2026	130	4,458	4,588

Consolidated statement of cash flows

For the 52-week period to 29 March 2026

	Notes	2026 £'000	2025 £'000
Cash flows from operating activities			
Cash generated from operations	26	71,076	31,033
Interest paid		(327)	(170)
Income taxes paid		(7,381)	(6,822)
Net cash inflow from operating activities		63,368	24,041
Investing activities			
Purchase of property, plant, and equipment		(10,358)	(5,290)
Proceeds on disposal of property, plant, and equipment		1,585	1,217
Interest received		1,809	1,700
Sale of fixed asset listed investments		-	22
Net cash (used in) investing activities		(6,964)	(2,351)
Financing activities			
Preference share dividends paid		-	(457)
Repayment of preference shares redeemed but unpaid at 30 March 2025		(15,814)	-
Payment of finance lease obligations		(2,004)	(1,343)
Dividends paid to equity shareholders	11	(27,158)	(7,290)
Net cash used in financing activities		(44,976)	(9,090)
Net increase in cash and cash equivalents		11,428	12,600
Cash and cash equivalents at the beginning of the period		46,794	34,194
Cash and cash equivalents at the end of the period		58,222	46,794
Relating to:		58,222	46,794
Cash at bank and in hand			

Notes to the financial statements

For the 52-week period to 29 March 2026

1. Accounting policies

Company information

Clancy Group Holdings Limited (“the Company”) is a private company limited by shares and is registered and incorporated in the United Kingdom. The registered office is Clare House, Coppermill Lane, Harefield, Uxbridge, Middlesex, UB9 6HZ.

The Group consists of Clancy Group Holdings Limited and all of its subsidiaries.

The Group’s principal activities and nature of its operations are disclosed in the Directors’ Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in Sterling, which is the functional currency of the Company and Group. Monetary amounts in these financial statements are rounded to the nearest £’000.

The financial statements have been prepared under the historical cost convention. The principal adopted accounting policies, which have been applied consistently with the previous period, are set out below.

Reduced disclosures

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group. The Company has therefore taken advantage of the exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 ‘Statement of Financial Position’ – Reconciliation of the opening and closing number of shares;
- Section 7 ‘Statement of Cash Flows’ – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instrument Issues’: Interest income/expense and net gains/losses for financial instruments not measured at fair value, basis of determining fair values; details of collateral, loan defaults, or breaches, details of hedges, hedging fair value changes recognised in profit or loss, and in other comprehensive income; and

- Section 33 ‘Related Party Disclosures’ – Compensation for key management personnel and the exemption from disclosing related party transactions between wholly owned subsidiary undertakings within the same group.

Company statement of comprehensive income

The Group financial statements have been presented as if the Company and the subsidiary undertakings had always been combined.

Basis of consolidation

The consolidated financial statements incorporate those of Clancy Group Holdings Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

In June 2020, the Group undertook a corporate re-organisation in order to rationalise the group structure. This reorganisation met the conditions to qualify for the use of the merger accounting methodology set out in Section 19 of FRS 102, and the Directors have accordingly applied this approach. Hence, these financial statements have been prepared under merger accounting.

All intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In relation to joint arrangements, the Group accounts directly for its share of the assets, liabilities, and cash flows arising from those joint arrangements in accordance with FRS 102 Section 15.

Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably and is adjusted for changes in contingent consideration after the acquisition date. Contingent consideration is discounted, if material.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

The merger method of accounting is applied to Group reconstructions as if the entities had always been combined. The total comprehensive income, assets, and liabilities of the entities are amended, where necessary to align the accounting policies. The carrying values of the entities’ assets and liabilities are not adjusted to fair value. Any difference between the nominal value of shares issued plus the fair value of other consideration and the nominal value of shares received is taken to other reserves in equity.

Going concern

The Group’s business activities, together with the factors likely to affect its future development, performance, and financial position are set out in the Strategic Report and the Directors’ Report.

The Group meets its day-to-day working capital requirements through cash generated by the operations of its subsidiaries.

The Directors have considered the appropriateness of preparing financial statements on a going concern basis and have concluded that this treatment is appropriate as they are confident that the business is a going concern. In reaching this conclusion, the Directors considered:

- Liquidity: The business started the 2026/27 financial period with cash balances close to £58.2m and no net debt.
- Consideration of the Group’s forward-looking forecasts cover the budget period to 3 April 2027 as well as long-term forecasts covering the period ending March 2028, which are based upon the Group’s 5-year Long Range Plan. This gives a coverage period that the Directors believe is the most appropriate to assess with any certainty at this time.
- These forecasts have then been high-level stress tested, based on a severe but plausible downside trading scenario, to identify what impact this scenario would have on the Group’s cash flow and financial position. This scenario did not result in the Group requiring any mitigating factors, such as raising third-party debt, to continue with its existing business operations and significant cash balances were retained.
- The existence of further cash the business expects to unlock from specific contracts which have high receivables balances, which the Directors consider are collectable;
- The nature of our contracts and client base, provides a relatively predictable baseline revenue. In addition, we are seeing strong demand for infrastructure investment and

- expect to have opportunities to take on additional work in the coming months, both from existing and new clients; and
- The low bad debt exposure resulting from working mainly for regulated utility providers.

The Directors have considered these factors, the likely performance of the business and possible alternative outcomes, the financing facilities available to the Company and Group and the possible actions that could be taken should new facilities not be available in the future.

Having taken all these factors into account, at the time of approving the financial statements, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Reporting period

The results cover the 52-week period ended 29 March 2026. The previous financial period was for the 52-week period ended 31 March 2025. The company operates on a 4:4:5 reporting calendar which the Directors believe enables the operations of the business to be reported most effectively.

Revenue

i) Civil engineering and utilities contracting

Revenue represents the value of work done during the financial period net of value added tax. The value of work done is calculated as the certified work, plus the amount anticipated to be certified, adjusted for over and under measure.

During the year, as a consequence of a change in contract portfolio mix, the Group entered into certain civil engineering and utilities contracts, “contracts” that extend over more than one accounting period. Together these contracts make up a relatively small proportion of the Group’s revenue, approximately 16% but accordingly, revenue from these longer duration contracts, typically 1-3 years, is recognised by reference to the stage of completion of the contract activity at the reporting date, provided that the outcome of the contract can be estimated reliably and it is probable that the economic benefits associated with the contract will flow to the Group. The stage of completion is determined using management’s assessment of the work performed and services delivered to date relative to the total contractual obligation. Where the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent that recoverable costs have been incurred. (See also utility related contracts below).

ii) Residential development

Revenue from residential development represents the amounts receivable from the sale of properties and other income directly associated with property development. Properties are treated as sold at the point control of the unit is passed to the customer, which has been determined as the point of legal completion.

iii) Hire of plant

Revenue from hire of plant is recognised on an accruals basis over the hire period, when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

iv) The service of traffic management

Revenue from traffic management is recognised when the outcome of the transaction can be recognised reliably, on completion of each project undertaken.

Property, plant, and equipment

Property, plant, and equipment are initially measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following straight line bases:

Freehold land	not depreciated
Freehold buildings	depreciated over 40 years
Leasehold property	20 years
Furniture, fittings, plant, and equipment	2-10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment, until a realisable measure of fair value becomes available.

In the Parent Company financial statements, investments in subsidiaries and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are

recognised immediately in profit or loss. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the Group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Exceptional items

Items that are material in size or non-operating in nature are presented as exceptional items in the income statement. The Directors are of the opinion that separate recording of exceptional items provides helpful information about the Group’s underlying business performance. Examples of events which may give rise to the classification of items as exceptional include inter alia, restructuring of businesses, significant gains and losses on disposal of properties, impairment of goodwill, irregular income and one-off curtailment costs associated with the closure of defined benefit schemes.

Impairment of non-current assets

At each reporting period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in this case the impairment loss is treated as a revaluation decrease.

Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Inventory items are held for consumption in the process of delivering utility contracts. Cost is arrived at based upon the following bases:

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

i) Estate development

Comprises the cost of development land, which represents the acquisition costs of that land including incidental expenses and the cost of direct materials, labour, plant hire, and the overheads relating to each contract in progress. Provision is made for losses, in full, on all projects in the financial period in which they are first foreseen.

ii) Raw materials and consumables

Cost of raw materials is determined on the first in first out basis. Net realisable value is the price at which the stock can be realised in the normal course of business.

iii) Bulk fuels and spare parts

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Utility and related contracts

In situations with loss making contracts, when it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately and a provision for losses on contracts is recognised as a component of creditors.

Where the outcome of a utility and related contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. Costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, and they are not included in contract costs if the contract is obtained in a subsequent period.

The value of work done is calculated as the certified work plus the amount anticipated to be certified, allowing for over and under measure. This is used to determine the appropriate amount to recognise as income in a given period.

Amounts due from contract customers (amounts recoverable on contracts) at the period end are included in debtors and are calculated at the estimated value of work done at the period end date that has not been invoiced.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand,

deposits held at call with banks and other financial institutions, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial Instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs. These are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirements benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the financial period. Differences between contributions payable in the financial period and contributions actually paid are shown as either accruals or prepayments.

The Group also operates an employees' defined benefit scheme, the details of which are outlined below. The scheme is closed to new entrants and no further contributions will be made to the scheme, apart from contributions to meet the shortfall in funding as a result of the deficiency of assets.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the financial period is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements, and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling, and the return on the net defined benefit asset / liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate.

The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third-party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies, and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Group's contractual obligations are discharged or cancelled, or they expire.

Equity instruments

Equity instruments issued by the Group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Group.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other

comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets. Deferred tax liabilities are offset if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is recognised on income and expenses from subsidiaries and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the Group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Current tax

Current tax is based on taxable profit for the financial period. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Accounting Policies and FRS 102 Amendments

In March 2024 the Financial Reporting Council issued Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Periodic Review 2024). The amendments introduce significant changes to Section 20 Leases and Section 23 Revenue from Contracts with Customers, bringing the requirements into closer alignment with IFRS 16 and IFRS 15, with simplifications. The amendments are effective for accounting periods beginning on or after 1 January 2026 and the Group expects to apply them for the first time in the financial statements for the 53 week period ending 4 April 2027. Early adoption has not been elected.

The Group's preliminary assessment indicates that the revised lease accounting model is likely to result in recognition of significant additional right-of-use assets and lease liabilities, primarily relating to property, fleet, and equipment arrangements. Profit or loss is expected to reflect depreciation of right-of-use assets and interest on lease liabilities, resulting in a front-loaded total expense profile for many leases relative to straight-line operating lease charges. For revenue, the Group expects the revised model to have the greatest impact on contracts that include multiple promised goods or services, variable consideration, such as bonuses, penalties and claims, and contract modifications. The Group is assessing whether any changes are required to the identification of performance obligations and the allocation of transaction prices, and whether this may accelerate or defer revenue for certain arrangements.

Based on work performed to date, the Group does not expect the amendments to change the underlying cash flows of the business, but they may affect reported profit, net assets, and certain KPIs. The Group will finalise its impact assessment, including transition elections and required disclosures, during the next financial year.

Prior year balance sheet restatement

The 2025 balance sheet has been restated to show the retirement scheme surplus within debtors amounts falling due within one year. Previously this was shown as a retirement benefit scheme surplus in liabilities. There is no impact on the prior year net asset value.

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

2. Judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates, and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Leases

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Group as lessee.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of current assets, the Directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings, and experience of recoverability. In respect of the current period, any impairments of bad and doubtful trade debtor balances have been recognised in the financial statements.

In assessing the indicators of impairment to freehold and leasehold land and buildings, the Directors reviewed the values of the properties using internal knowledge of the property market and obtaining third-party opinions where needed. Management estimate the expected realisable value of stock and WIP by considering both external and internal sources of information, such as historic performance of similar properties and market conditions.

Deferred tax

Deferred tax assets are recognised for all timing differences to the extent that it is probable they will be recoverable against the reversal of a deferred tax asset at the rate of taxation expected at that date. At the reporting end date there were no deferred tax assets.

Revenue recognition in respect of amounts recoverable on contracts

The Group uses estimation techniques to determine amounts recoverable on contracts at the period end. This requires the Directors to estimate the value of work completed on projects at the period end in order to recognise the revenue attributable to this in the correct period.

Recoverability of receivables

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability, the Directors consider factors such as the ageing of the receivables and past experience of recoverability.

Estimating value in use

Where an indication of impairment exists, the Directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

Determining residual values and useful economic life of non-current assets (property, plant, and equipment)

The Group depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles, and maintenance programmes.

Judgement is applied by management when determining the residual values for tangible fixed assets. When determining the residual value, management aim to assess the amount that the Group would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

Long-term incentive plans

The Group operates a Long-Term Incentive Plan for a number of its key executives. Judgement is applied by management in determining estimates of the amounts to be provided in the Group financial statements with reference to future performance conditions and the values that are likely to crystallise.

Defined benefit pension scheme

In measuring the estimated defined benefit pension obligation, management uses a set of assumptions. This set of assumptions are derived with the involvement of a qualified third-party actuary and requires significant judgement in considering whether they are appropriate. Given the sensitive nature of these assumptions, the resulting impact on the obligation recognised at the period end and future periods may change. The assumptions selected and additional information is provided in note 23.

3. Revenue

	2026 £'000	2025 £'000
Revenue analysed by class of business		
Civil engineering utilities contracting	496,260	428,562
Residential property development	1,231	279
Plant hire	422	524
Traffic management	106	185
	498,019	429,550

The Group's revenue is generated solely from its activities in the United Kingdom.

4. Employees

The average monthly number of persons (including Directors) employed by the Group and Company during the period was:

	Group 2026	Group 2025	Company 2026	Company 2025
Directors and senior management	87	80	-	-
Management and supervisory staff	568	522	-	-
Operatives	1,330	1,330	-	-
Administration	320	301	-	-
	2,305	2,233	-	-

Their aggregate remuneration comprised:

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Wages and salaries	122,162	110,108	-	-
Social security costs	15,744	11,858	-	-
Pension costs	3,632	3,061	-	-
	141,538	125,027	-	-

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

5. Directors' Remuneration

	2026 £'000	2025 £'000 restated
Group		
Wages and salaries	4,611	4,474
Pension costs	40	40
	<u>4,651</u>	<u>4,514</u>

Remuneration disclosed above includes the following amounts paid to the highest paid Director:

	2026 £'000	2025 £'000
Wages and salaries	1,668	1,617
Pension costs	<u>10</u>	<u>10</u>

The number of Directors for whom retirement benefits are accruing under defined contribution scheme amounts to 4 (2025 restated: 4). 2025 restated to show consolidated remuneration of Clancy Group Holdings board members only.

6. Operating Profit

	2026 £'000	2025 £'000
Operating profit for the financial period is stated after charging/(crediting):		
Depreciation - owned assets	8,059	6,781
Depreciation - assets held under finance leases	577	1,118
(Profit) on disposal of property, plant and equipment	(890)	(314)
Operating lease charges	<u>9,523</u>	<u>6,570</u>

7. Auditors' Remuneration

	2026 £'000	2025 £'000
Fees payable to the Company's auditors and their associates:		
For audit services		
Audit of the financial statements of the Group and Company	157	154
Audit of the financial statements of the Company's subsidiaries	<u>105</u>	<u>98</u>
	<u>262</u>	<u>252</u>

8. Finance Income

	2026 £'000	2025 £'000
Interest income		
Interest on bank deposits	1,809	1,030
Interest on defined benefit asset	802	913
Other interest	<u>-</u>	<u>-</u>
Total interest income	<u>2,611</u>	<u>1,943</u>

9. Finance Costs

	2026 £'000	2025 £'000
Dividends on preference shares not classified as equity	-	457
Interest on finance leases and hire purchase contracts	135	144
Interest on the defined benefit liability	626	565
Other finance costs	<u>192</u>	<u>353</u>
Total finance costs	<u>953</u>	<u>1,519</u>

10. Tax on Profit

	2026 £'000	2025 £'000
Current tax		
UK corporation tax on profits for the period	8,289	7,294
Adjustments in respect of prior periods	<u>(981)</u>	<u>(563)</u>
Total current tax	<u>7,308</u>	<u>6,731</u>
Deferred tax		
Origination and reversal of timing differences	(115)	(89)
Adjustments in respect of prior periods	<u>(10)</u>	<u>(185)</u>
Total deferred tax	<u>(125)</u>	<u>(274)</u>
Total tax charge	<u>7,183</u>	<u>6,457</u>

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

10. Tax on profit (continued)

The total tax charge for the period included in the consolidated statement of comprehensive income is lower (2025: lower) than the tax charge based upon the standard rate and can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2026 £'000	2025 £'000
Profit before taxation	31,650	27,953
Expected tax charge based on the standard rate of corporation tax in the UK of 25% (2025: 25%)	7,913	6,988
Tax effect of expenses that are not deductible in determining taxable profit	261	216
Adjustments in respect of prior periods	(991)	(747)
Taxation charge	7,183	6,457

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2026 £'000	2025 £'000
Deferred tax arising on: Actuarial differences recognised as other comprehensive income	16	660

In the Finance Bill 2021, it was announced that the UK tax rate would increase to 25% from 1 April 2023. Consequently, deferred tax is recognised at 25% in the current period (2025: 25%).

11. Dividends

	2026 £'000	2025 £'000
Interim paid - £1.49 (2025: 0.97) per Ordinary share	1,937	1,255
Interim paid - £1.63 (2025: £0.8) per Ordinary share	2,119	1,040
Interim paid - £1.84 (2025: £Nil) per Ordinary share	2,392	-
Interim Special paid - £7.69 (2025: £1.93 paid) per Ordinary share	9,997	2,509
Interim Special paid - £3.85 per Ordinary share	5,005	-
Interim Special paid - £8.00 (2025: £7.69 paid) per Ordinary share	10,400	9,997
	31,850	14,801

The special dividend of £8 per share was declared and approved but unpaid at 29 March 2026. The unpaid amounts at 29 March 2026 are shown within other creditors in the consolidated and company balance sheets.

12. Furniture, fittings, property, plant and equipment

Group	Freehold land and buildings £'000	Leasehold property £'000	Furniture, fittings, plant and equipment £'000	Total £'000
Cost				
At 30 March 2025	12,334	-	65,230	77,564
Additions	-	1,565	13,433	14,998
Disposals	-	-	(11,070)	(11,070)
At 29 March 2026	12,334	1,565	67,593	81,492

Accumulated depreciation and impairment

At 30 March 2025	205	-	39,726	39,931
Charge for the period	103	33	8,500	8,636
Eliminated in respect of disposals	-	-	(10,375)	(10,375)
At 29 March 2026	308	33	37,851	38,192

Carrying amount

At 29 March 2026	12,026	1,532	29,742	43,300
At 30 March 2025	12,129	-	25,504	37,633

Company	Freehold land and buildings £'000	Leasehold Property £'000	Plant and Machinery £'000	Total £'000
Cost				
At 30 March 2025	12,606	-	168	12,774
Additions	-	1,565	54	1,619
At 29 March 2026	12,606	1,565	222	14,393

Accumulated depreciation and impairment

At 30 March 2025	205	-	5	210
Charge for the period	102	33	19	154
At 29 March 2026	307	33	24	364

Carrying amount

At 29 March 2026	12,299	1,532	198	14,029
At 30 March 2025	12,401	-	163	12,564

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

12. Furniture, Fittings, Property, Plant and Equipment (Continued)

Group	Freehold land and buildings £'000	Furniture, fittings, plant and equipment £'000	Total £'000
Cost			
At 31 March 2024	12,334	65,883	78,217
Additions	-	6,832	6,832
Disposals	-	(7,485)	(7,485)
At 30 March 2025	12,334	65,230	77,564
Accumulated depreciation and impairment			
At 31 March 2024	102	38,510	38,612
Charge for the period	103	7,796	7,899
Eliminated in respect of disposals	-	(6,580)	(6,580)
At 30 March 2025	205	39,726	39,931
Carrying amount			
At 30 March 2025	12,129	25,504	37,633
At 31 March 2024	12,232	27,373	39,605

Company	Freehold land and buildings £'000	Plant and Machinery £'000	Total £'000
Cost			
At 31 March 2024	12,606	-	12,606
Additions	-	168	168
At 30 March 2025	12,606	168	12,774
Accumulated depreciation and impairment			
At 31 March 2024	102	-	102
Charge for the period	103	5	108
Eliminated in respect of disposals	-	-	-
At 30 March 2025	205	5	210
Carrying amount			
At 30 March 2025	12,401	163	12,564
At 31 March 2024	12,504	-	12,504

12. Furniture, Fittings, Property, Plant, and Equipment (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

Group	2026 £'000	2025 £'000
Furniture, fittings, plant, and equipment	5,465	3,322

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

Group	2025 £'000	2024 £'000
Furniture, fittings, plant, and equipment	3,322	2,996

The company had no tangible fixed assets held under finance leases. (2025:£nil)

13. Investments

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Investments in subsidiaries (note 14)	-	-	130	130
	-	-	130	130

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

14. Subsidiaries

Details of the Company’s subsidiaries at 29 March 2026 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
The Clancy Group Ltd	As below	A holding and property management company	Ordinary	100
Clancy Plant Limited	As below	Hiring plant and the service provision of traffic management	Ordinary	100
Clancy Developments Limited*	As below	Residential development	Ordinary	100
Clancy Docwra Limited*	As below	Civil engineering, construction and utilities contracting	Ordinary	100
Clancy Investments Limited*	As below	Dormant	Ordinary	100
Heritage (Breakspear) Limited*	As below	Dormant	Ordinary	100
M.J.Clancy & Sons Limited*	As below	Dormant	Ordinary	100
Breakspears Management Company Limited*	As below	Dormant	Ordinary	100
Clancy Infrastructure (Ireland) Limited *	As below	Civil engineering, construction and utilities contracting	Ordinary	100

*Indirectly held

The above companies’ registered office is Clare House, Coppermill Lane, Harefield, Middlesex, UB9 6HZ except for Clancy Infrastructure (Ireland) Limited whose registered office is 1 Windmill Lane, Dublin, Dublin 2, DO2 F206.

Clancy Developments Limited, Clancy Docwra Limited, Clancy Investments Limited, are 100% owned by The Clancy Group Ltd.

M J Clancy & Sons Limited, is 100% owned by Clancy Docwra Limited.

Heritage (Breakspear) Limited is 100% owned by Clancy Developments Limited.

Breakspears Management Company Limited is 100% owned by Heritage (Breakspear) Limited.

In order for the subsidiary entities, Clancy Developments Limited, Clancy Investments Limited, Heritage (Breakspear) Limited, M.J.Clancy & Sons Limited, and Breakspears Management Company Limited to take the audit exemption in section 479A of the Companies Act 2006, the company has guaranteed all outstanding liabilities of those subsidiary entities.

All of the subsidiaries above have been consolidated in the financial statements.

15. Joint Arrangements

KCD Joint Venture

Clancy Docwra Limited is in a joint arrangement with Kier MG Limited where an agreement has been made to collaborate as an integrated unincorporated joint venture. The principal activity of the joint venture is that of utilities contracting. The structure has the appearance of a joint venture but it is only used as a means for each participant to carry on its own business. The Group financial statements therefore account directly for its share of the assets, liabilities and cash flows arising from the joint arrangement with Kier MG Limited in accordance with FRS102 Section 15. To reflect the substance of the transactions the Group recognises the profit or losses attributable to it from the joint arrangement in its profit and loss account where the outcome of the venture is reasonably certain. During the financial period, the Group recognised a profit of £127,000 (2025: £1,524,000) in respect of the KCD Joint Venture.

16. Inventories

	2026 £’000	2025 £’000
Group		
Raw materials and consumables	2,787	2,774
Work in progress	735	1,746
Bulk fuels	21	6
Spare parts	244	267
	3,787	4,793

Following management’s review of assets for impairment, work in progress above is stated net of a provision £412,000 (2025: £937,000) and a provision against raw materials and consumables of £230,000 (2025: £300,000). The company has no inventory balances.

17. Debtors amounts falling due within one year

	Group 2026 £’000	Group 2025 £’000 restated	Company 2026 £’000	Company 2025 £’000
Trade receivables	20,534	31,172	-	-
Gross amounts due from customers for contracts work	49,804	44,038	-	-
Amounts owed by Group undertakings	-	-	11,817	20,220
Retirement benefit surplus	4,228	4,114	-	-
Other receivables	2,087	-	-	78
Prepayments and accrued income	861	2,366	-	-
	77,514	81,690	11,817	20,298

Following management’s review of assets for impairment, trade receivables above are stated net of a provision of £Nil (2025: £Nil) against bad debts. Amounts owed by Group companies are unsecured, interest free and repayable on demand. 2025 figures are restated to show the retirement benefit surplus as part of debtors falling due within one year rather than on the face of the balance sheet.

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

18. Creditors amounts falling due within one year

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Other borrowings (note 20)	-	15,814	-	15,814
Obligations under finance leases (note 21)	1,495	609	-	-
Trade creditors	26,935	26,536	-	-
Amounts owed to Group undertakings	-	-	11,700	146
Corporation tax payable	151	225	227	322
Other taxation and social security	16,604	14,132	-	-
Other payables	17,110	10,512	10,592	10,146
Accruals and deferred income	61,492	38,370	-	-
	123,787	106,198	22,519	26,428

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand. Other payables includes dividends declared and approved but unpaid at the 29 March 2026 £10,400,000 (2025: £10,000,000) see note 11.

19. Creditors amounts falling due after more than one year

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Obligations under finance leases (note 21)	2,890	996	-	-
	2,890	996	-	-

20. Borrowing

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Redeemable preference shares	-	214	-	214
Preference shares redeemed but unpaid	-	15,600	-	15,600
	-	15,814	-	15,814
Payable within one year	-	15,814	-	15,814

Redeemable preference shares accrue a fixed cumulative preferential dividend of 3% payable annually from 31 March 2021. The principal amount was repaid on 31 March 2025.

In March 2021, non-redeemable, at the option of the lender, preference shares of £10,400,000 were issued to the shareholders at an issue price of £1 per share, financed by a dividend from the Company. These shares accrue a fixed cumulative preferential dividend of 3%, payable annually from 31 March 2022.

On 31 March 2022, non-redeemable, at the option of the lender, preference shares of £5,200,000 were issued to the shareholders at an issue price of £1 per share, financed by a non-cash dividend from the Company. The shares accrue a fixed cumulative preferential dividend of 3%, payable annually from 31 March 2023.

None of the preference shares carry any equity component and they are classified as financial liabilities in their entirety. All the non-redeemable preference shares were redeemed by the company on 18 March 2025. These funds were repaid in July 2026 along additional interest of £182,000. (£2025: £Nil).

21. Finance Lease Obligations

Group	2026 £'000	2025 £'000
Future minimum lease payments due under finance leases:		
Less than one year	1,495	609
Between one and five years	2,890	996
	4,385	1,605

Finance lease payments represent rentals payable by the Group for certain items of plant and machinery. Leases include purchase options at the end of the lease period and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Finance lease liabilities are secured on the assets being leased.

22. Deferred Taxation

The major deferred tax assets and (liabilities) recognised by the Group and Company are:

Group	2026 £'000	2025 £'000
Retirement benefit obligations	(1,000)	(1,016)
Short term timing differences	819	(157)
Fixed asset timing differences	(700)	151
	(881)	(1,022)

	2026 £'000	2025 £'000
Movements in Group deferred tax in the period		
Liability at 29 March 2026 and 30 March 2025	(1,022)	(1,956)
Credit to profit and loss	125	274
Credit to other comprehensive income	16	660
Liability at 29 March 2026 and 30 March 2025	(881)	(1,022)

The Company has no deferred tax assets or liabilities at 29 March 2026 (2025 £Nil).

The deferred tax liability relates to the value of depreciation charges in these financial statements exceeding the value allowed for tax purposes through capital allowances and it also relates to the Group's retirement benefit obligations for the Group's defined benefit scheme. The Directors expect the deferred tax relating to the Group's defined benefit pension scheme to unwind over the next 12 months.

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

23. Retirement Benefit Schemes

Two defined contribution pension schemes are operated for all qualifying employees. The assets of the schemes are held separately from those of the Company and Group and independently administered through Standard Life. At the balance sheet date, contributions amounting to £249,000 (2025: £113,000) had not been paid to the funds and are included within other creditors.

Defined benefit schemes

The Group is a member of a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Group, being principally invested with insurance companies. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with companies within the Group headed by Clancy Group Holdings Limited. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was at 14 March 2022.

Details of the main actuarial assumptions are given below. At 29 March 2026, there were no contributions payable to the fund to be included in creditors (2025: £Nil).

The most recent actuarial valuation showed that the market value of the scheme's assets was £21,122,000 and that the actuarial value of those assets represents 91% of the benefits that had accrued to members, after allowing for expected increases in earnings. There will be no further contributions to this scheme as the scheme was closed on 31 March 2010, apart from funding for the accrued pensions to date.

No contributions are due into the scheme as part of the recovery plan agreed in March 2023. This recovery plan made an allowance for changes in market conditions for both assets and liabilities and eliminated the funding shortfall identified in the most recent triennial valuation in March 2022.

In the prior period the Trustee of the scheme entered into an agreement with Just Retirement Limited "Just" such that in exchange for an insurance premium Just would provide insurance to the Trustee and assume liability to pay future pension benefits due under the scheme. Due diligence in respect of confirming final agreed future liabilities has continued during the financial period ended 29 March 2026. Once this is complete, expected to be during the current financial period, and after meeting any final scheme expenses in full, the Scheme will be wound up and any surplus returned to the company in line with pension scheme rules.

Contributions and charges

£Nil (2025: £Nil) was paid into the defined benefit scheme to further fund pensions accrued to date. A full actuarial valuation was carried out at 14 March 2022 and updated to 29 March 2026 by a qualified independent actuary. The principal assumptions used by the actuary are outlined below.

	2026 %	2025 %
Key assumptions		
Discount rate	6.19	5.70
Expected rate of increase of pensions in payment	3.66	3.60
Retail price inflation	3.44	3.30
Consumer price inflation	3.19	3.05
Deferred pension revaluation	3.19	3.05

Mortality assumptions

Assumed life expectations on retirement at age 65:

Mortality assumptions		
- Males	22.8	22.8
- Females	25.2	25.1

Retiring in 20 years

- Males	24.1	24.0
- Females	26.4	26.4

Mortality assumptions

Mortality follows the standard table known as S3PA, using 102% for males and 93% for females (2025: 102% for males and 93% for females) of the base table with CMI_2022 mortality projections (2025 CMI_2022), with a long term rate of improvement of 1.25% (2025: 1.25%).

23. Retirement Benefit Schemes (continued)

	2026 £'000	2025 £'000
Amounts recognised in the income statement		
Net interest receivable on defined benefit asset	176	-
Amounts taken to other comprehensive (expense) / income		
Actual income / (expense) on scheme assets	356	(2,813)
Less: calculated interest element	(802)	(893)
(Expense) on scheme assets excluding interest income	(446)	(3,706)
Actuarial changes related to obligations	384	1,066
Total (loss)	(62)	(2,640)

The amounts included in the statement of financial position arising from the Group's obligations in respect of defined benefit plans are as follows:

	2026 £'000	2025 £'000
Present value of defined benefit obligations	(9,821)	(10,400)
Fair value of plan assets	14,049	14,514
Surplus in scheme	4,228	4,114

	2026 £'000	2025 £'000
Movements in the present value of defined benefit obligations		
Liabilities at 29 March 2026 and 30 March 2025	10,400	11,756
Benefits paid	(764)	(855)
Actuarial (gains)	(384)	(1,066)
Interest cost	569	565
Liabilities at 29 March 2026 and 30 March 2025	9,821	10,400

Notes to the financial statements (continued)

For the 52-week period to 29 March 2026

23. Retirement Benefit Schemes (continued)

	2026 £'000	2025 £'000
The defined benefit obligations arise from plans funded as follows:		
Wholly or partly funded obligations	9,821	10,400
		-
Movements in the fair value of plan assets	2026 £'000	2025 £'000
Fair value of assets at 30 March 2025 and 31 March 2024	14,514	18,510
Interest income	802	893
Return on plan assets (excluding amounts included in net interest)	(446)	(3,706)
Pension scheme expenses	(57)	(328)
Benefits paid	(764)	(855)
Fair value of assets at 30 March 2026 and 31 March 2025	14,049	14,514

The actual return on plan assets was a gain of £356,000 (2025: £2,813,000 loss).
The analysis of the scheme assets at the reporting date were as follows:

	2026 £'000	2025 £'000
Bonds	1,459	2,674
Annuities	9,821	10,400
Cash	2,769	1,440
	14,049	14,514

On 24th July 2024 the Court of Appeal upheld a previous High Court ruling from July 2023 which stated that amendments to contracted out defined benefit pension schemes could only be deemed valid with proper actuarial confirmation. The Trustees of the Clancy Group PLC pension scheme have recieved legal guidance that the Virgin Media case has no impact on the scheme. Both the Trustees and the company will continue to monitor developments.

24. Called Up Share Capital

	2026 £'000	2025 £'000
Called up share capital Group and company		
Ordinary share capital - Issued and fully paid		
1,300,000 Ordinary shares of £0.10 each (2025:1,300,000 Ordinary shares of £0.10 each)	130	130

The Company's ordinary shares each carry the right to one vote at general meetings of the Company and rank pari passu in all respects.

25. Reserves

Merger reserve

The merger reserve represents reserves arising as a result of a Group reconstruction in a previous financial period.

Retained earnings

Retained earnings represent cumulative profit and loss, net of distributions to owners.

26. Cash Generated from Operations

	2026 £'000	2025 £'000
Profit for the period after tax	24,467	21,496
Adjustments for:		
Taxation charge	7,183	6,465
Finance costs	953	1,519
Investment income	(2,611)	(2,592)
Profit on disposal of property, plant and equipment	(890)	(313)
Depreciation and impairment of property, plant and equipment	8,636	7,899
Profit on disposal of fixed asset investments	-	(17)
Movements in working capital:		
Decrease in inventories	1,007	1,187
Decrease / (increase) in trade and other receivables	4,433	(18,705)
Increase in trade and other payables	27,898	14,094
Cash generated from operations	71,076	31,033

27. Analysis of Changes in Net Funds - Group

	30 March 2025 £'000	Cash flows £'000	New finance leases £'000	29 March 2026 £'000
Cash at bank and in hand	46,794	11,428	-	58,222
	46,794	11,428	-	58,222
Preference shares*	(15,814)	15,814	-	-
Obligations under finance leases	(1,605)	2,004	(4,784)	(4,385)
Net cash	29,375	29,246	(4,784)	53,837

Notes to the financial statements (continued)

For the 52-week period to 30 March 2026

27. Analysis of Changes in Net Funds - Group (Continued)

	31 March 2024 £'000	Cash flows £'000	New finance leases £'000	30 March 2025 £'000
Cash at bank and in hand	34,194	12,600	-	46,794
	34,194	12,600	-	46,794
Preference shares*	(15,814)	-	-	(15,814)
Obligations under finance leases	(1,269)	1,343	(1,679)	(1,605)
Net cash	17,111	13,943	(1,679)	29,375

*The preference shares were redeemed at 30 March 2025 but were unpaid at 30 March 2025 (see note 20).

28. Financial Commitments, Guarantees and Contingent Liabilities

The Group

At 29 March 2026, the Group had outstanding guarantees in respect of specific performance bonds amounting to £794,400 (2025: £Nil) along with a retention bond for £362,000 (2025:£362,000).

Joint Ventures

Clancy Docwra Limited is also party to a joint arrangement with Kier MG Limited, known as KCD Joint Venture. The banking facility of the joint venture is covered by the venturing parties Clancy Docwra Limited and Kier MG Limited in equal measure. The Group's exposure at 29 March 2026 was £Nil (2025: £Nil).

Amounts contracted for but not provided in the financial statements:

29. Capital Commitments

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Acquisition of property, plant and equipment	1,593	2,736	-	-

30. Operating Lease Commitments

Lessee

At the reporting end date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Within one year	10,872	10,859	-	-
Between one and five years	21,978	11,630	-	-
Due after more than 5 years	-	480	-	-
	32,850	22,969	-	-

31. Events after the Reporting Date

In July 2026 we entered into discussions with Anglian Water around ending our involvement in their "IMRDS"(Integrated Maintenance Repair & Developer Services) alliance. We expect to fully exit this workstream in October 2026 but to continue in our remaining workstreams and maintain a strategic ongoing relationship with the client.

32. Related Party Transactions

Remuneration of key management personnel

The Company has taken advantage of the exemption not to disclose key management personnel compensation because the only key management personnel are the Directors and there is a legal requirement to disclose Directors' remuneration.

Transactions with related parties

During the period, the Group entered into the following transactions with related parties:

	Sales 2026 £'000	Sales 2025 £'000
Amounts due to related parties		
Group		
Joint venture (note 16)	143	1,651

	2026 £'000	2025 £'000 restated
Group and Company		
Directors – Dividends payable	9,391	5,089

There were no other related party transactions (2025: £21,360).

No guarantees have been given or received. The above transactions were performed at an arm's length basis. See also Note 33.

33. Directors' Transactions

Dividends totaling £9,391,000 (2025 restated: £5,089,000) were payable in the period in respect of shares held by the Directors of the company during the period. At 29 March 2026 dividends totaling £5,673,000 (2025 restated: £3,778,000) were owed by the company to the Directors of the company in respect of these shareholdings. These amounts are due to be repaid within 12 months of the balance sheet date. 2025 amounts restated to reflect previously omitted items. During the period interest of £69,000 was payable to the Directors of the company in respect of amounts due in respect of redeemed preference shares unpaid at the last balance sheet date (2025: £Nil). There were no preference share interest payments in the period to 29 March 2026 made to Directors of the company (2025: £224,000).

34. Controlling Party

There is no overall controlling party. Clancy Group Holdings Limited is the parent of the smallest and largest group for which consolidated financial statements are prepared and of which the Company is a member. Copies of the accounts can be obtained from the Company's registered office.

» Streamlined energy & carbon reporting statement testing

Corporate and social responsibility performance

tCO₂e ("equivalent tonnes of CO₂") reduction.

Scope	Unit of Measurement	Emissions Scope	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21
Emissions from gas/combustion of gas	tCO ₂ e	1	179.98	22.07	315.03	45.65	419.26	1,581.18
Emissions from combustion of fuel for transport purposes	tCO ₂ e	1	17,952.54	20,637.64	21,149.65	19,497.13	22,026.72	17,284.59
Total Scope 1	tCO₂e		18,132.52	20,659.71	21,464.68	19,542.78	22,445.98	18,865.77
Emissions from purchased electricity (Location based)	tCO ₂ e	2	102.44	148.67	191.43	194.18	210.20	208.90
Emissions from purchased electricity (Market based)	tCO ₂ e	2	-	-	-	-	89.72	-
Emissions from miles in BEV (Location based)	tCO ₂ e	2	-	117.88	133.10	38.29	-	-
Total Scope 2	tCO₂e		102.44	266.55	324.53	232.47	299.92	208.90
Emissions from business travel in rental cars or employee owned vehicles and one off purchases of fuel where the company is responsible for purchasing the fuel	tCO ₂ e	3	283.37	438.07	215.10	76.56	269.65	222.35
Emissions from business travel using commercial flights (UK & global)	tCO ₂ e	3	62.99	26.25	20.02	8.19	4.45	1.09
Emissions from business travel using taxis, trains, ferry	tCO ₂ e	3	62.77	17.08	69.75	28.95	-	-
Total Scope 3	tCO₂e		409.13	481.40	304.87	113.70	274.10	223.44
Total Energy Consumption	MWh		84,686.82	82,697.60	85,706.20	78,082.75	80,289.87	79,418.86
Total Gross emissions based on the above	tCO ₂ e		18,644.09	21,407.66	22,094.08	19,888.95	23,020.00	19,298.11
Intensity ratio	tCO ₂ e per £million turnover		37.44	49.79	58.37	59.46	78.57	75.62
	turnover £M		498	430.00	378.50	334.50	293.00	255.20

Methodology

We are on a continuous journey to improve the quality, consistency and transparency of data reporting across the business. During the year, we implemented Climatise, which is a dedicated Carbon Management System to strengthen and enhance our emissions reporting capability.

As a result, refinements have been made to data categorisation and methodology. While these improvements could not be applied retrospectively, the Directors are satisfied that they do not have a material impact on reported year-on-year movements or the overall five-year trajectory.

The Carbon Management System has enhanced our data handling and calculation capabilities, with all relevant activity and spend data uploaded into the system to generate the associated carbon emissions in a consistent and structured manner.

Scope 1 Emissions. Emissions from the combustion of natural gas are sourced from our internal finance system (IFS) using purchase order data. In addition, our energy broker provides gas meter readings for all owned office locations to support data completeness and accuracy.

Emissions associated with white diesel are captured through our internal finance system (IFS) using relevant General Ledger accounts. Emissions from Hydrotreated Vegetable Oil (HVO) fuel use are derived from purchase order line data within IFS. Company car mileage data is obtained from our expenses management system.

Emissions from all company-owned vehicles, including company cars, vans, plant, and equipment, are calculated using fuel and mileage data collected across the above systems.

All emission calculations have been performed using conversion factors within our external Carbon Management System. These conversion factors are aligned with the UK Government Greenhouse Gas Conversion Factors for Company Reporting (2025).

Scope 2 Emissions. These emissions relate to purchased electricity consumption. Electricity usage data is provided by our Clancy Energy Broker and has been uploaded into our external Carbon Management System for calculation and reporting purposes.

Emissions calculations are generated using conversion factors embedded within the Carbon Management System. These conversion factors are sourced from the UK Government Greenhouse Gas Conversion Factors for Company Reporting (2025). Scope 2 emissions are reported on a location-based basis using UK grid average emission factors. We have not reported Scope 2 emissions on a market-based basis. If the market-based methodology were applied, only the electricity-related activities would reduce to zero.

Scope 3 Emissions. Emissions from employee-owned vehicles and claimed business mileage are captured through our internal expenses management system, Zellis.

Emissions associated with business travel, including flights, taxis, ferries, and rail transport, are also collated from the Zellis expenses system.

Expense and activity data is uploaded into our external Carbon Management System for emissions calculation. Spend-based data is used for taxis, ferries, and rail transport, while flight emissions are calculated using air-mile distances derived from an approved Air Miles Calculator tool.

All emissions calculations apply conversion factors within the Carbon Management System, which are sourced from the UK Government Greenhouse Gas Conversion Factors for Company Reporting (2025).





Head Office
Clare House,
Coppermill Lane,
Harefield, Middlesex,
UB9 6HZ

T: 01895 823 711

theclancygroup.co.uk