

NEXUS

Essential Infrastructure Solutions

Half Year results presentation | May 2024

Presentation team

Charles Sweeney
Chief Executive
Officer



Dawn Hillman
Chief Financial
Officer



Agenda

- Company overview
- HY24 overview
- First half contract wins
- Key financials
- Strategic objectives
- Conclusion
- Q&A



Nexus Infrastructure

Nexus

- Mission to be a leading provider of essential infrastructure solutions
- Continue to deliver outstanding performance through a focus on delivery, customer service and diversification
- Track record of sector innovation, growth and delivering significant value for shareholders

Tamdown (Group subsidiary)

- Civil engineering of site enabling, earthworks, roads, drainage systems, trenching and foundations
- Strong brand established over 45 years with loyal customer base
- Recognised for its expertise and capabilities in complex, long-term multi-phase developments



Overview HY24

- Secured eight new contracts for both new phases of existing projects and with new sites
- Financial performance in line with management expectations
- Order book increased to £72m from £46m at end of FY23
- Interim dividend of 1 pence per share in line with HY23
- Challenging market conditions persist in the residential housebuilding sector, although early signs of some improvements
- Maintaining focus on operational discipline and management of costs
- Strategy to expand, focused on diversification



First half contract wins

Awarded contracts on new sites and new project phases including:



Key Financials

Group performance

	Unaudited Six Months to 31 March 2024	Unaudited Six Months to 31 March 2023
	£'000	£'000
Revenue	25,838	51,023
Gross Profit	3,499	5,761
Gross Profit %	13.5%	11.3%
Administrative expenses	4,760	5,692
Operating (Loss)/Profit	-1,260	69
Net finance expense	-216	-19
(Loss)/profit before tax	-1,476	50

- Revenue in line with board expectations, reflecting challenging market conditions
- Improvement in gross profit margin: strong focus on operating discipline and cost management
- Administrative expenses reduced as planned

Cashflow

	Unaudited Six Months to 31 March 2024	Unaudited Six Months to 31 March 2023
	£'000	£'000
Operating profit before working capital changes	6	1,839
Working capital adjustments:		
(Increase) in trade receivables	-579	-4,771
Decrease in inventory		8
(Increase) in contract assets	-1,203	-328
(Decrease) in trade payables	-2,671	-327
(Decrease) in contract liabilities	-140	-2,378
Cash (used in) operating activities	-4,586	-5,957
Interest paid	-28	-270
Taxation paid		-407
Net cash (used in) operating activities	-4,614	-6,634
Purchase of property, plant and equipment - owned & right of use	-582	-595
Proceeds from disposal of property, plant and equipment - owned	480	570
Sale of discontinued operations		60,168
Interest received	98	275
Net cash (used in) /generated from investing activities	-4	60,418
Dividend payment	0	-90
Share buy back	0	-60,551
Principal elements of lease repayments	-775	-1,372
Net proceeds from the issue of share capital		13
Net cash (used in) financing activities	-775	-62,000
Net change in cash and cash equivalents	-5,393	-8,216
Cash and cash equivalents at the beginning of the year	14,626	24,168
Cash and cash equivalents at the end of the period	9,233	15,952

- Working capital requirements due to increased trade receivables and contract assets and trade payables
- Purchase of plant and equipment covered by the sale of owned machinery/vehicles
- Lease payments reduced through reduction of machines
- Working capital outflow lower than HY23

Strategic Objectives

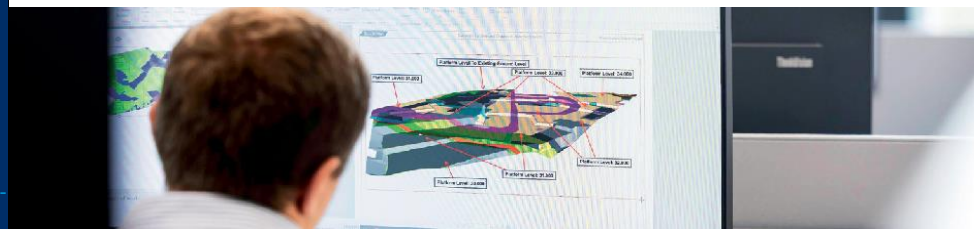
Growing with our customers

- Continue to develop the quality, features and diversification of our offering
- Building and growing customer relationships, supported by high-quality service, competitive pricing and a long-standing focus on health and safety
- Assuring and supporting new and existing customers delivering multi-phase complex projects, using our extensive experience



Expanding our market

- Track record of identifying and investing in growing sectors and building go-to-market subsidiary operations
- Highly experienced Board and Executive Team with extensive expertise across a range of infrastructure sectors
- Identified future growth opportunities outside of residential, driven by matters such as changing demographics, environment and energy



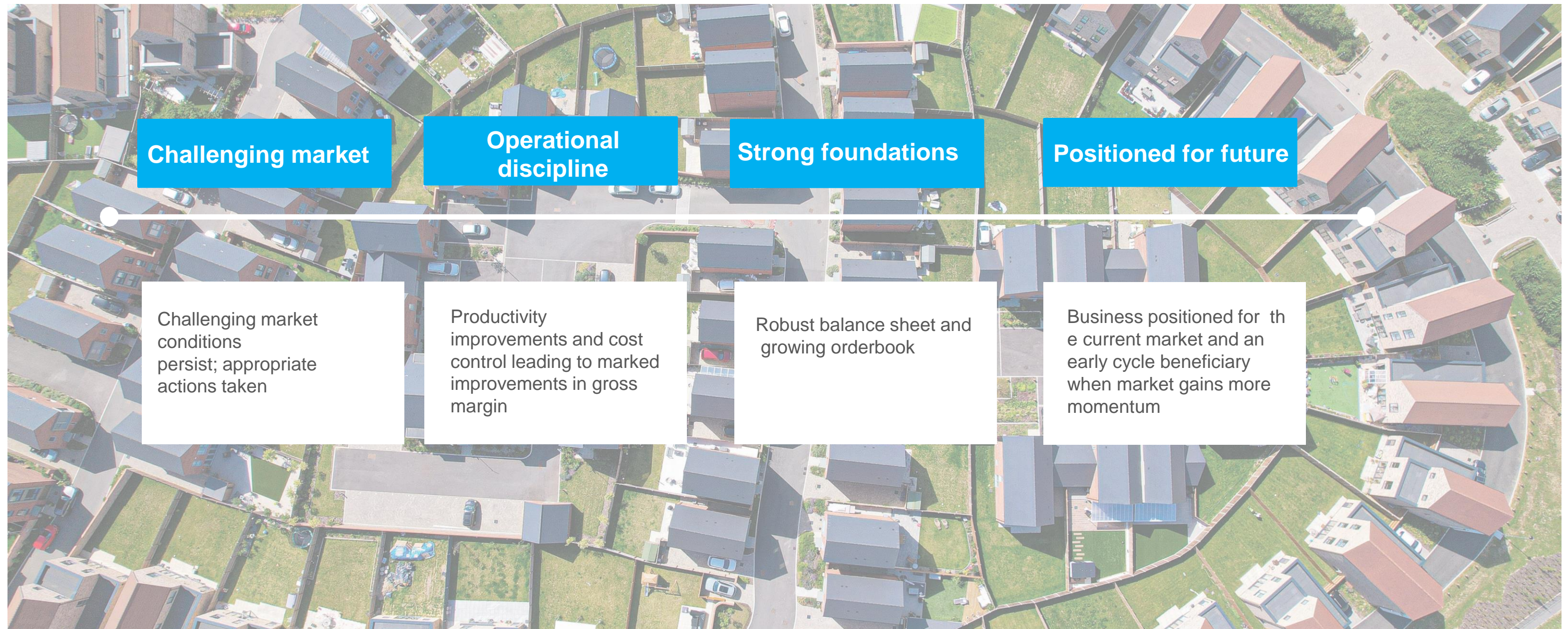
Focus on financial delivery

- Improving the level and consistency of operating margins
- Investing resources to improve productivity and enable growth
- Managing overheads and discretionary spend, while maintaining tight control of cash



Conclusion

Well positioned for the market upturn



Thank you
Q&A

