

Mace reports a 25% increase in revenues

2 years ago



Mace – the global programme and project delivery consultants and construction experts – have today (17 July 2024) published the company's 2023 Annual Report. The company achieved record revenue and profit before tax, with a significant expansion of global consultancy work and a five-year high for construction revenue.

- Revenue was £2.36bn: £464m (or 25%) more than in 2022 (£1.89bn).
- Operating profit of £64.3m was £31.1m (or 94%) up on 2022 (£33.1m).
- Profit before tax from continuing operations was £61.7m (up £25.0m or 68% from £36.7m in 2022).
- Net assets increased by £22.5m (or 42%) to £76.1m.
- Cash at 31 December 2023 was £175.8m (£21.9m or 14% more than in 2022).
- Mace invested £68m in research and development, a 19.3% increase in innovation spend on 2022.
- The Group surpassed its 2026 value to society target of £700m, delivering £912m in 2023.
- Working towards its new, more ambitious target of saving 10m tonnes of client carbon by 2026, Mace has now saved, or identified for elimination, more than 1.7m tonnes of carbon from client projects and programmes.
- Mace is implementing a new governance structure, which, by 2025, will align with the UK Corporate Governance Code.

2023 was the halfway point in the delivery of Mace's 2026 Business Strategy, which targets growing annual revenues to £3bn by 2026. Alongside record revenue and profit, 2023 saw some major changes as the business focussed on its core services of programme and project delivery consultancy and construction. It sold its facilities management business and announced that it is stepping back from direct property development.

Mace's consultancy business grew its revenue to £619.4m, an increase of 24% from 2022. This was the result of securing new mandates on global programmes in Asia, the Middle East, the Americas and the UK and Europe, including the Brent Cross West rail project in London and the record-breaking One Za'abeel tower in Dubai. The business has strengthened its operational capabilities, creating a fantastic opportunity for sustainable, profitable growth in the future.

Mace's construction business saw revenues leap to £1.73bn (2022: £1.38bn), with 60 projects won during the year with an aggregate value of £2.36bn. Major milestones included the completion of a pair of iconic projects for Landsec: 'n2', an 18-storey office space in the heart of Victoria, and 'The Forge', the UK's first Net Zero office development.

The Group announced a number of long-planned leadership succession and governance changes in May. In January 2025, Group Chairman and Chief Executive Mark Reynolds is becoming Executive Chairman and Jason Millett is taking over as Chief Executive.

In recognition of the growth of Mace's global operations, by January 2025 the Group aims to align its governance arrangements with the UK Corporate Governance Code. This will include the creation of a new Board and the appointment of four new non-executive directors.

Other key highlights in 2023:

- Mace's Annual Report includes its inaugural Taskforce for Climate Financial Disclosures (TCFD) report, analysing in detail the climate-related risks associated with the Group's operations.
- The Group remained carbon neutral in 2023, offsetting the 10,758 tonnes of carbon produced by its activities using gold-standard schemes across the globe. However, this is being reviewed in 2024 in recognition of the business' planned adoption of Science-Based targets.
- Mace maintained award-winning safety standards, reporting a 0.04 accident frequency rate across the business, meeting its 2026 target for the second consecutive year.
- Global headcount grew to almost 7,500.
- The Group made donations of £500k to the Mace Foundation, which supports charities and good causes around the world, tackling homelessness, treating critical illnesses, humanitarian aid and much more.

Mark Reynolds, Mace's Chairman and Group Chief Executive, said:

"2023 was a landmark year, marking the mid-point of our 2026 Business Strategy, and seeing us take a major step towards our target of achieving annual revenues of more than £3bn by 2026. We grew our revenues by 25%, our cash reserves by 14%, net assets by 42% and we nearly doubled our Group operating profit.

"Our vision is for Mace to be the world's leading programme and project delivery consultant and construction expert – a purposeful and sustainable business; and 2023's results show that we are well on the way to making that a reality.

"Much of our growth in 2023 came from securing major consultancy programmes around the world. Our Delivery Partner expertise means that Mace is one of the few credible global consultants that is able to provide clients with the confidence they need to deliver complex projects at scale with rigour and discipline.

"Mace's fantastic teams continue to push our industry forward; driving innovation, sustainable delivery and purpose-led growth across the world, working with our clients to transform how we deliver. I am honoured to be part of a global team who are helping to transform the built environment."