

HALF YEAR RESULTS TO 30 SEPTEMBER 2022

Achieving sustainable growth



Presentation team



Dan Evans
Chief Executive



Paul Rayner
Interim Chief Financial Officer



Highlights

- Resilient trading performance with continued revenue growth
 - 5.5% hire revenue growth
 - 29.0% services revenue growth
- EBITDA remained broadly consistent year on year
- PBT¹ down 3.4% on H1 FY22; overperformance of the JV mitigating investment in overheads
- EPS¹ up 25.4% on H1 FY22
- Investment in hire fleet of £30.5m
- Share buyback of £18.6m by H1 FY23
- Net debt at £86.7m, leverage of 1.2x
- Proposed interim dividend of 0.80p per share

¹ Before amortisation



Financial update

Paul Rayner, Interim Chief Financial Officer

Continued revenue and earnings growth

	HY23 £m	HY22 £m	Variance vs HY22	FY22 £m
Income Statement				
Revenue (pre disposals) ¹	212.4	186.6	13.8%	381.7
EBITDA ^{1,2}	48.3	49.1	(1.6)%	99.3
PBT ^{1,2}	14.1	14.6	(3.4)%	30.1
EPS ^{1,2}	2.27p	1.81p	0.46p	4.24p
Balance Sheet				
Capex additions	30.5	37.6	£(7.1)m	68.4
Net debt	86.7	47.9	£(38.8)m	67.5
ROCE ^{1,3}	12.5%	12.4%	0.1pp	13.1%
Cash Flow				
Cash from operations before capex	40.2	42.4	£(2.2)m	86.5
Share buyback	12.6	-	£12.6m	6.0

¹ From continuing operations

² Before amortisation

³ ROCE is defined as profit before interest, tax, amortisation and exceptional items divided by average capital employed for the last 12 months

⁴ Net debt / Pre-IFRS16 EBITDA

Highlights

- Building on the momentum from FY22; pre disposals revenue +13.8% ahead
- PBT² slightly down on H1 FY22
- EPS² up 25.4% on H1 FY22
- Proposed interim dividend of 0.80p per share
- Net debt increase due to further fleet investment and return of shareholder capital
- Leverage⁴ of 1.2x (H1 FY22: 0.7x)
- ROCE year on year improvement
- Strong cash flow from operations before capex

Continued revenue and earnings growth

	HY23 £m	HY22 £m	Variance vs HY22	FY22 £m
Revenue ¹	214.8	188.6	13.9 %	386.8
Hire	127.1	120.5	5.5 %	243.3
Services	85.3	66.1	29.0 %	138.4
Disposals	2.4	2.0		5.1
Gross margin ¹	54.4 %	57.3 %		57.2 %
Hire	78.7 %	77.3 %	1.4pp	77.6 %
Services	18.5 %	22.5 %	(4.0)pp	22.1 %
Gross profit ¹	116.9	108.0	8.2 %	221.1
Overheads ^{1,2}	(103.1)	(91.8)	(12.3)%	(188.5)
Joint venture	3.9	1.2	225.0 %	3.2
Interest ¹	(3.6)	(2.8)	(28.6)%	(5.7)
PBT ^{1,2}	14.1	14.6	(3.4)%	30.1

¹ From continuing operations

² Before amortisation

Revenue

- Continued hire revenue growth supported by improved pricing
- Services revenue increased through Customer Solutions (Partnered Services) and strong fuel and energy services sales

Gross margin improved by hire rate increases offset by the dilutive impact of higher fuel and energy sales

Overheads

- Inflation on cost base, particularly salaries, utilities and fuel
- Increased strategic investment in growth initiatives including Retail and Trade, marketing and ESG

Joint venture performing well, following contract wins in FY2022

Interest reflects higher debt levels and increased cost of borrowing

Profit bridge



Highlights

- Hire revenue and margin improvement
- Services revenue and margin impacted by increased fuel average selling price
- Overheads increased by £11m
 - Inflationary pressures +£5m
 - Investment for growth in marketing, Retail and Trade, and ESG +£6m
- Joint venture performance in H1 strong due to contract wins in FY2022
- Higher interest costs



Resilient balance sheet

	30 Sep 22 £m	31 Mar 22 £m
Intangibles and joint venture	35.6	33.7
Hire fleet	234.4	226.9
Other fixed assets	30.2	30.8
Right of use assets	79.6	73.3
Trade and other receivables	119.2	108.7
Inventories	12.3	8.1
Trade and other payables	(107.9)	(96.6)
Net debt ¹	(86.7)	(67.5)
Lease liabilities	(82.7)	(76.7)
Tax and other provisions	(12.2)	(14.3)
Net assets	221.8	226.4

1 Excluding IFRS 16

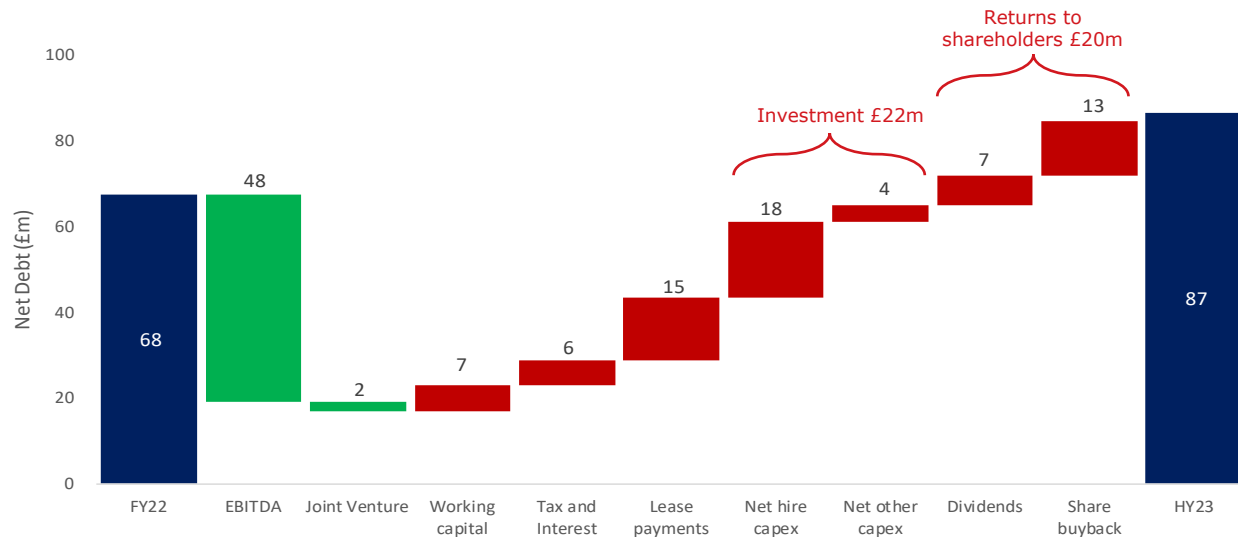
Hire fleet

- Hire fleet additions of £30.5m (H1 FY22: £37.6m)
 - 41% of additions in carbon efficient ECO products
- H1 utilisation was 54.1%, improving to 58.1% currently
 - Impacted by holding required for retail proposition
 - Investment for H2 contractual wins and seasonal products
 - Proactive ordering to mitigate supply chain lead times and price inflation

Other balances

- Debtor days of 68 consistent with previous periods; strong cash collections and focus on overdue debt
- No defined benefit pension schemes

Cash flow

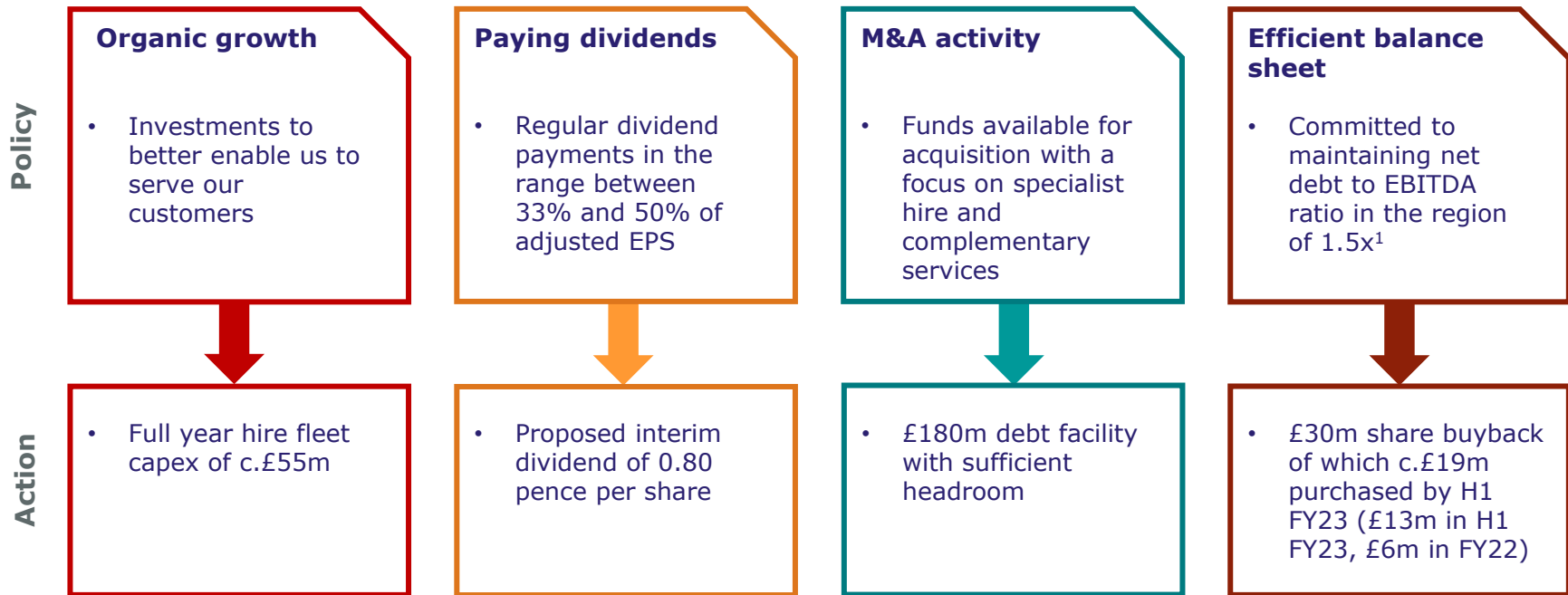


Highlights

- Strong operating cash before capex of £40m, 83% conversion from EBITDA (H1 FY22: 86%)
- Working capital increase due to change in fuel values
- Investment in capex and returns to shareholders
- Net debt at £86.7m, leverage of 1.2 times reflective of share buy back
- Significant headroom of £91.7m (FY22: £110.8m)



Capital allocation



¹ This metric excludes the impact of IFRS 16

Strategy and business update

Dan Evans, Chief Executive

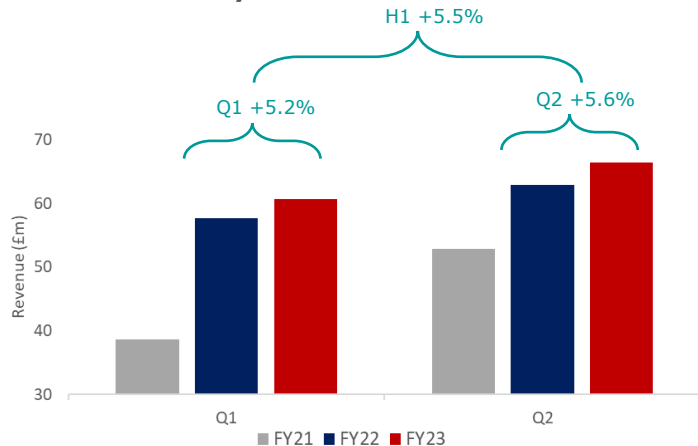
Optimising growth markets

- Customer focused and sustainability led strategy, underpinned by appointment of Customer Success Director, ESG Director and Chief Digital Officer
- Long-term contract wins and renewals across a variety of sectors
- Well placed to maximise opportunities within major UK projects
- A growing and diversified services business from our new Speedy Solutions model, under one Managing Director, providing resilience to the economic outlook:
 - Fuel and energy growth
 - Strong performance in Customer Solutions from increasing trust in Speedy as a solutions partner
- Increasing growth with regional and local customers
- Continuing to develop our Retail and Trade strategy through investment in:
 - B&Q concessions
 - Digital platform including presence on diy.com



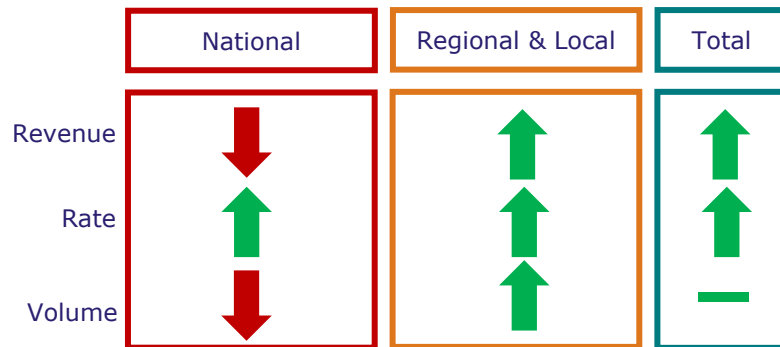
Customer and revenue analysis

Hire revenue analysis



- Price increase implemented in April 2022
- Commercial discipline applied to selective tendering

Price and volume analysis



- Trusted by our National customers to help manage spend as part of long term partnerships
- Strong position to optimise supply chain collaboration opportunities through our regional and local customers

Decade to Deliver

Sustainability

- Asset: Investment in Eco products utilising electric, battery and renewable energy sources
- Property: Industry-first innovation centre in Milton Keynes achieved EPC A+ energy rating
- Fleet: Ongoing investment in electric and low carbon vehicles
- Collaboration: Working with supportive partners to deliver award winning, sustainable solutions and accelerate our carbon reduction pathway

People First

- First hire company to be 'Youth Verified' by the Youth Group
- Early and Late careers strategy
- Flexible working
- Unique culture known as the 'Speedy Spirit'
- People Like Us community



The Speedy Expo

Showcasing our industry leadership

- Largest private hire exhibition and conference in the UK
- Over 1,700 colleagues, customers and suppliers came together to discover innovative and sustainable products and technologies
- Demonstrated the growing relevance of ESG solutions and favourable demand characteristics (solutions over price)
 - Eminox partnership on generators
 - Milwaukee MX FUEL
- Speedy seen as the hire and solutions partner of choice
- Collaboration and trust are key to achieving our ambitious ESG commitments



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Summary and outlook

- Positive performance in the first half despite inflationary pressures
- Healthy pipeline with new contract wins effective from the second half
- Creation of Speedy Solutions supporting a combined services business
- Cautious outlook amidst macroeconomic uncertainty
- Resilient business, well positioned with broad customer base and strong balance sheet
- Trading overall remains in line with Board's expectations for the full year



Q&A

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