

A pivotal period for Velocity

18 June 2026

Speedy has significantly upgraded its operational platform over the last three years during the Enable phase of its Velocity strategy. While market conditions remain challenging, new business wins can support growth expectations in our view; the resulting operational gearing impact on margins will be an acid test for evaluating the success of Velocity. Our unchanged fair value of 61p per share contrasts with the current share price which appears to factor in very little growth.

ProService the bright spot in a tough trading year. As flagged in its [2 April update](#), Speedy ended FY26 with a softer-than-expected Q4 trading period. Reported FY26 results were broadly line with reduced guidance. The gross margin was below our estimate, but a lower opex run rate largely compensated for this. EBITDA came in £12m lower y-o-y at £85.4m and after increased depreciation and finance costs, a c.£11m pre-tax loss (excluding the ProService equity investment mark-to-market movement) was recorded. Net debt pre IFRS16 of £159m was as guided, with the ProService Agreement cash flows the primary driver of the increase over the year.

Above market growth with margin progress expected: Construction industry forecasts have been revised sharply lower in recent months, reflecting projected secondary consequences of the Middle East conflict. The elevated prospect of a way forward here has seen bond markets react favourably in the last week, so the range of potential outcomes is unusually wide at present we would suggest. Momentum for Speedy in the very near term from ProService and other new contracts - notwithstanding still uncertain underlying markets - should provide a marker for how operational change is feeding through into margin accretion. Our estimates are substantially unchanged, save for the impact of higher depreciation expectations further down the P&L. We expect cash generation to drive de-leveraging over our estimate horizon with a reinstated 2.6p DPS in FY29E

Valuation: attractive ratings for growth-believing contrarian investors

After a post-year end mark-down at the beginning of April, Speedy's share price has largely traded in the 19p-20p range. ProService is a springboard for growth in challenging market conditions and should enable Speedy to demonstrate the positive gearing effect of operating from a more efficient capital base because of the Velocity strategy. **Our unchanged 61p per share fair value captures some, but not all, of the potential gains indicated by our estimates and expectations of growth.**

Company Data

EPIC	SDY
Price (last close)	20.0p
52 weeks Hi/Lo	33.7p/18.2p
Market cap	£90m
ED Fair Value per share	61p
End FY 26 net debt	£(159m)
Pre IFRS16 basis	
Avg. daily volume	965k

Share Price, p



Source: Investing.com

Description

Speedy Hire (Speedy) is the UK and Ireland's leading provider of tools, specialist equipment and services operating from a nationwide depot network. Its activities comprise:

Hire (61% FY26 revenue); generated from a broad range of plant, equipment and tool assets as well as transportation & repair income), **Services (36%);** includes third party asset re-hire, training, testing and the sale of fuel & other consumables, and **Other (c.3%);** asset disposals.

SDY also has two JV operations: Speedy Zholdas (Kazakhstan, est 2013) & Speedy Hydrogen Services (UK, from H224).

Next event: AGM – September tbc

Toby Thorrington (Analyst)

0207 065 2690
toby@equitydevelopment.co.uk

Hannah Crowe

0207 065 2692
hannah@equitydevelopment.co.uk

Financial summary

Year to March (£m)	2025	2026	2027E	2028E	2029E
Revenue £m	416.7	416.1	470.8	495.3	518.2
EBITDA £m	97.1	85.4	119.0	129.3	141.4
EBIT £m	23.6	7.6	38.2	47.3	58.2
PTP adjusted £m	8.7	(11.4)	19.0	28.8	40.2
EPS adjusted p	1.47	(1.80)	3.11	4.71	6.56
DPS p	2.60	1.00	1.05	1.10	2.60
P/E (x)	13.6	n/m	6.4	4.2	3.1
EV/EBITDA (x)	2.1	2.9	2.0	1.7	1.3
Dividend yield (%)	13.0%	5.0%	5.3%	5.5%	13.0%

Source: Company, Equity Development

FY26 results overview

Reported FY26 revenue was in line with the prior year with modest Hire growth offsetting a softer Services top line. The divisional mix was less favourable than we had anticipated though the impact on group gross margin was partly offset by a better underlying opex performance compared to our expectations. Overall, EBITDA of £85.4m was c.£4m below our revised FY26 estimate. With the ProService Agreements coming into effect in Q3, there was evidence of some improvement in Hire performance in particular in H2 albeit not up to management's earlier expectations for a stronger finish to the year. Pre IFRS16 net debt of £159m was in line with guidance; cash outflow relating to the ProService transaction was the primary driver of a y-o-y increase here. The declared FY DPS of 1p (with a 0.70p final) was as expected, consistent with the temporary reduction flagged in October.

Speedy Hire: Divisional and interim splits

Year end: March	£m	H1	H2	2025	H1	H2	2026	% change yoy		
								H1 26	H2 26	FY26
UK		200.3	210.0	410.3	202.0	207.6	409.6	0.8%	-1.1%	-0.2%
Ireland		3.3	3.0	6.3	3.2	3.3	6.5	-3.0%	10.0%	3.2%
Revenue		203.6	213.1	416.7	205.2	210.9	416.1	0.8%	-1.0%	-0.1%
Hire (ex disposals)		125.5	129.5	255.0	123.3	132.0	255.3	-1.8%	1.9%	0.1%
Services		76.5	81.6	158.0	75.0	74.9	149.9	-1.9%	-8.2%	-5.2%
Other		1.6	2.0	3.6	6.9	4.0	10.9			
Gross Profit		113.4	122.5	236.1	112.5	118.0	230.5	-0.8%	-3.6%	-2.4%
Hire (ex disposals)		98.9	106.4	205.3	97.0	105.9	202.9	-1.9%	-0.5%	-1.2%
Services		14.9	16.2	31.3	14.1	12.5	26.6	-5.6%	-23.0%	-15.2%
Other		-0.4	-0.1	-0.5	1.4	-0.3	1.1			
Gross Margin %		55.7%	57.5%	56.7%	54.8%	56.0%	55.4%	-90bp	150bp	-130bp
Hire (ex disposals)		78.8%	82.2%	80.5%	78.7%	80.2%	79.5%	-10bp	-200bp	-100bp
Services		19.5%	19.8%	19.8%	18.8%	16.7%	17.7%	-70bp	-230bp	-220bp

Source: Company, Equity Development

Hire: offsetting sector performances with new business wins a highlight

The year-on-year Hire revenue comparison improved in the second half, leaving a flat full year outturn. At a high level, volume is understood to have been for the year, offset by rate increases. Market conditions were generally challenging throughout the year and the y-o-y improvement chiefly reflected new business momentum. At the gross margin level, a 200bp decline to 79.5% compared to FY25 was mostly due to increased depreciation charges across an enlarged fleet, implicitly with modestly lower utilisation.

Speedy's Hire revenue performance was the product of **significant variation in the underlying performance of customer categories**. Specifically, the Regional segment experienced a c.17% top line reduction from a combination of weaker demand and a degree of stepping away from hire business that was deemed not to offer acceptable returns. As an operationally geared business, the decision to pass on volume in an already weak market is not a decision to be taken lightly but probably reflects tighter pricing disciplines developed as part of the Velocity strategy.

Growth in Speedy's National account customer revenues compensated for Regional segment weakness. Given that the segments are broadly the same size – and each approaching half of the total – this infers that c.£20m incremental sales were generated compared to FY25.

Management has flagged new multi-year national account wins (especially Amey, with Lower Thames Crossing work to come) and this was supplemented by the [ProService Agreement which commenced on 17 November](#).

Lastly the small Retail segment (c.2% of revenue) had a steady year with some new listings but no material impact on top line progress during the period.

Other: Revenues from planned Hire fleet asset disposals are reported separately from the Hire division under Other. Speedy generated £10.9m revenue in the year (around two thirds of which was in H1, including a reduction in compressor fleet) which yielded a small loss on disposal. For the record, unplanned disposals (ie arising from customer damage/losses, reported as a cash flow line item) of c.£9m was similar to the prior year as was c.£2m attributable profit. Taking both components together, asset disposals generated a c.£1m profit overall in FY26.

Services: focusing on core activities

At face value, **Services** divisional revenue performance deteriorated as the year progressed (being down 1.9% y-o-y in H1 and -5.2% for the full year). As with Hire, there were a number of moving parts behind this; we believe that the core Re-Hire and Lloyds British business lines both grew underlying revenues but business model changes – most notably substantially outsourcing fuel delivery to customers – represented an apparent drag on the reported top line. The gross margin decline of 220bp (to 17.7% for FY26) was more noticeable in the second half of the year.

Re-Hire accounts for the majority of Services revenue now and around 80% of the ex-Fuel total in FY26. After a fairly stable H1 performance, as referenced above, we believe that larger account new business together with the ProService Agreement getting underway in H2 led to y-o-y Re-Hire revenue progress in excess of 10% for the year as a whole. We believe that ProService was a significant driver here. Speedy now sources its re-Hire needs (which enable the provision of a broader package of equipment to Hire customers) through the ProService marketplace platform. It may be the case that more attractive rates are now available to Speedy though we are unable to verify this. The initial mobilisation of multi-year contracts that include some re-Hired equipment almost certainly contributed also. ProService Building Services has previously commented on some operational challenges relating to increasing volumes in the early stages of the Agreement and this may have been a source of initial inefficiency and margin pressure in Speedy's H2 26.

Lloyds British exited its fabrication activities during the year (as reported at the H1 stage) leaving a specialist test, inspection and certification (TIC) business driven by compliance with regulatory requirements across a range of equipment types. So, while headline revenue declined, the ongoing business grew by 4.2%. Something of a transition year for LB with management change, an exit from a leased facility and preparation for incorporation onto the ProService marketplace platform. Speedy retains a very positive expectation for LB's prospects with above average margins generated from a relatively capital-light asset base. Scaling up this business is now a priority and a presence on ProService's platform, together with business cross-referrals from Speedy's other business areas are seen as key potential sources of growth.

Fuel: During FY26, Speedy outsourced its fuel tanker fleet to a third party who will continue to service requirements for on-hire assets and pay a commission fee back to Speedy. While we had expected revenue from this source to taper to zero, Speedy will in fact continue to supply fuelled equipment at the point of hire. Consequently, FY26 revenue of c.£16m is seen as a base level for future periods. The reduction from c.£30m in FY25 reflects this business model change with no impact on service to customers. This move substantially reduces a comparatively volatile revenue component with no material profit impact as Speedy continues to take a commission. (We believe that hydrogen fuel supply is incorporated within and as part of Hire revenues for equipment powered this way.)

Signs of gathering momentum in JV operations

Speedy Zholdas (Kazakhstan JV with Denholm Energy Services) has had a fallow trading period since reporting record profitability in FY23 reflecting the taper down of existing contracts and delays in securing new ones. The £0.4m reported loss (ie Speedy's share of PAT) in FY26 was all recorded in H1. Moreover, subject to final contracting, we understand that there is a live prospect of a new multi-year contract cycle beginning with more news anticipated on this before the end of H1 27. We have factored in a small profit from FY27E and will update this as more details emerge.

Speedy Hydrogen Services (JV with H-Power, formerly AFC Energy) received little coverage in Speedy's results announcement. However, the JV partners' recent reference to potentially supplying more generators into the JV infers that deployment to date is gaining market acceptance.

Positive underlying cash flow to grow and drive de-leveraging

Speedy ended FY26 with net debt of £159m on a pre IFRS16 basis, an increase of £46m compared to the prior year end (and £40m versus the mid-year level.)

The ProService Agreement accounted for the majority of this year-on-year movement. The £7m equity investment in this important new partner (AIM Listed: PRO) was as we had modelled. Cash flow movements for the transaction itself of £30m were treated as business combination, whereas we had treated the payment as an asset purchase – essentially Hire fleet capex- ex ante. In broad terms, just over half of the consideration fair value has been attributed to Hire fleet assets and a similar amount to intangible assets (relating to Right of First Refusal contractual rights, net of associated deferred tax). So, although the line items – and balance sheet impact - were different to how we had modelled them in advance they were of the same quantum overall. In addition, £4.9m of costs were incurred in professional fees concerning the transaction, making **a total outflow of almost £42m**, all paid in FY26 we believe.

Hence, other cash movements in aggregate amounted to a c. £4m outflow for the year. We distinguish here between **Underlying free cash inflow (FCF) of c.£11m** and an outflow from **'Other' items of c.£15m**. These Other items were:

- c.£5m other non-underlying items (ex ProService), arising from business transformation and restructuring activities
- c.£10m dividend payments made

Underlying FCF will be the core driver to reducing leverage in future periods. In FY26, despite a year-on-year reduction in profitability, Operating cash flow generated exceeded £60m; finance costs – principally IFRS16 lease payments – did absorb a large portion of this but Speedy remained FCF positive for the year as a whole. Looking at the individual components:

- **Company defined EBITDA of £85.4m** (down c.£12m y-o-y), comprised:
 - £11.9m Adjusted EBIT (before amortisation costs)
 - £72.2m Depreciation (across Hire, non-Hire and ROU assets)
 - £1.3m Loss on planned Hire asset disposals added back
- **Working capital inflow £3.5m;** there were larger than normal movements in receivables and payables lines reflecting the onboarding of ProService as both a significant customer (for hire equipment) and supplier (of re-hire assets, training etc.) with a ramp-up of activity in the final quarter of the year. Property provision-related outflows of £2.4m were in line with the prior year.

- **Net Hire fleet investment c.£25.6m**; this included c.£45m gross spend net of planned and unplanned asset disposals as referenced earlier. (Note that this does not include and is additional to the acquired ProService hire assets.)

Netting these items down, the resulting **Operating cash flow of c.£63.3m** was substantially applied to servicing financial obligations, including fees for refinancing borrowing facilities which took place during the year, as follows

- £37.4m lease payments (ie principal plus interest); at the end of FY26, IFRS16 leases on the balance sheet stood at £114m (and compared to ROU assets at the same date of £109m).
- £8.9m bank interest costs
- £3.6m bank facility refinancing

After a small cash tax rebate of £3.6m and £5.6m other capital spending (on non-Hire assets and Intangibles including IT development costs), **FY26 Underlying FCF inflow was c.£11m**.

Cash flow outlook: Now that the Enable phase of the Velocity strategy is complete, the expectation is that no further non-underlying items will be recorded and therefore associated outflows will be modest (eg dilapidation provisions for exited leases where appropriate). The refinancing fees in FY26 will also not recur. Moreover, given the temporary step down in dividend payments, cash outflow here is likely to be less than half, or c.£5m below FY26 levels.

Consequently, we anticipate **a net cash inflow** of c.£14m in FY27, rising thereafter to leave end FY29E pre IFRS16 net debt below £100m (compared to our expected EBITDA c.£141m for that year).

When announcing the ProService Agreement in October, management flagged a temporary dividend cut to prioritise reducing leverage. Reminding ourselves of the commentary at that time:

The Group's strong operating cashflow is expected to support meaningful deleveraging over the next 12-24 months, supported by a planned reduction in dividend payments for a period up to the end of FY2028, with an anticipated total dividend of 1.00 pence per share for FY2026 and to grow this by at least 5% per annum for each of FY2027 and FY2028 before reinstating it to historic levels.

We believe that net debt, leverage and our projected earnings and FCF cover for FY29E will be sufficient for the historic 2.6p level of dividend (as paid in FY25) to be reinstated in our third estimate year.

Growth and de-leveraging agendas intact

Calendar 2026 started slowly for the UK construction industry and the escalation of Middle East conflict at the end of February created further uncertainty through elevated energy costs feeding into higher inflation and interest rate expectations. The UK Construction PMI remains below 50 and industry forecasts (including the CPA and Barbour ABI) have both downgraded their outlooks in the last quarter. This is understandable but now that progress towards a resolution of Gulf tensions is being made, the range of market forecasts based on changing scenarios are likely to be unusually wide at present. It is fair to say, we believe, prospects should improve from here compared to three months ago, around Speedy's FY26 year end.

FY27 is off to a positive start with management noting revenue +2% and EBIT +13% in the first two months of the year. Despite underlying market conditions, momentum from the ProService Agreement – with both parties confirming that volumes are tracking towards targeted levels - plus other new multi-year contracts should support top line growth. Moreover, the implicit improved margin performance over a relatively short time period reminds us of the positive gearing effects across a more efficient operational base.

We have nudged our revenue expectations up slightly for FY27E and FY28E, with EBITDA at similar levels to before, being the net result of a rebalancing between more conservative gross margin expectations and

a lower opex run rate. Higher modelled depreciation charges do feed through to lower EBIT, PBT and EPS compared to our previous estimates.

Speedy Hire: Estimate changes

Year to March (£m)	FY26E			FY27E			FY28		
		FY26A	%chg	Was	New	%chg	Was	New	%chg
Revenue £m	417.7	416.1	0%	456.1	470.8	3%	480.6	495.3	3%
EBITDA £m	89.6	85.4	-5%	118.8	119.0	0%	131.1	129.3	-1%
EBIT £m	14.4	7.6	-47%	39.3	38.2	-3%	50.4	47.3	-6%
PTP adjusted £m	(4.2)	(11.4)	171%	20.2	19.0	-6%	32.1	28.8	-10%
EPS adjusted p	(0.72)	(1.8)	150%	3.3	3.1	-6%	5.25	4.7	-10%
DPS p	1.00	1.00	0%	1.05	1.05	0%	1.10	1.10	0%

Source: Equity Development

We have added FY29E forecasts for the first time, which currently show a similar trend to the preceding years with low single-digit revenue growth and incremental margin improvements at gross, EBITDA and EBIT levels.

Noting that this will be the first full year following the five-year Velocity strategy cycle, our £518m revenue and 27.3% EBITDA margin expectations compare to the original £650m and 28% respective Velocity targets. Market conditions have certainly been weaker than expected generally over the three years than have ensued since Velocity commenced and it appears to us that the trade/retail segment has been relatively more affected compared to the illustrated growth path. There are, of course, two more years of executing Velocity – the unambiguous ‘Growth’ phase – and we will continue to measure performance against this benchmark.

As highlighted in the earlier cash flow outlook section, with pre IFRS16 net debt projected to end FY29E below £100m, we have reinstated the FY25 2.6p DPS in FY29E following an expected successful de-leveraging phase.

Delivering growth is key to a prospective re-rating

Speedy's trading performance has been buffeted by market conditions in the last couple of years, but management has remained steadfast in the execution of the Enable phase of its Velocity strategy. The fruits of those actions should come more to the fore with a clear Growth phase focus from a more efficient operating base.

Current valuation metrics are factoring in very limited profit improvement in our view. This may reflect wider caution on UK economic prospects in the near term. That said, we note that Speedy is trading on a marked and widening discount to its sector peer, VP. Taking this into account and incorporating a longer-term view, **suggests that investors are sceptical that projected growth estimates are achievable.**

Therein lies the potential contrarian opportunity, since delivery of improving profitability is likely to be reflected in a disproportionately positive share price adjustment as a re-rating follows. **Our DCF-derived 61p per share fair value is unchanged.**

‘Bargain basement’ valuation metrics

- PER: FY27E 6.4x reducing to 3.1x by the end of FY29.
- EV/EBITDA: FY27E 2.0x falling to only 1.3x over the same time period.
- Dividend yield: FY27E 5.3%.

Speedy's only UK-listed peer VP Group has recently seen a share price rally following its FY26 results announcement and declaring a maintained final/full year dividend in line with the prior year. As a result, its FY27 PER of 9.2x becomes 8.2x by FY29 (based on consensus estimates, year end co-terminus with Speedy).

In other words, **Speedy is currently trading on a 28% current year discount to its industry peer which widens significantly to over 60% two further years out.** At 7.2%, VP does however offer a prospective dividend yield premium for FY27.

DCF analysis: EBITDA growth implications for valuation

Using our DCF methodology and a WACC input of 7.2%, the current share price seems consistent with a steady-state long term level of EBITDA of £93.5m in our view. While that is slightly higher than the level reported for FY26, it is below our current year estimate (of £119m) and only two thirds of our FY29 expectation (ie £141.4m).

At the very least, factoring in only modest improvement from FY26 looks to be an ultra-conservative, entirely risk-averse stance. A key point to note is that the initial internal/execution risk associated with Velocity has been removed following the broadly-based IT-led operational change that has been implemented in the last three years.

Given that revenue growth and EBITDA margin expansion are now **the unambiguous targets** of the last two years of the Velocity strategy, if achieved improvements in these areas are viewed as sustainable then we think it will become apparent very quickly via a re-rating. In the near term, ProService and new multi-year contracts should support revenue growth and the flow-through to EBITDA will be an important marker.

To reflect general economic and market uncertainties and provide a basis for evaluation under of different scenarios, the table below presents valuation implications for a range of WACC/long-term EBITDA combinations. Most of the scenarios shown yield an indicative value per share above the current share price.

Our existing and unchanged 61p per share fair value is generated from the current WACC and c.£120m long-term EBITDA (or, for illustration, a WACC of 8% and EBITDA of £128m if one wanted to allow for expected de-leveraging).

Speedy Hire: DCF sensitivity analysis

Table body = value per share		EBITDA £m (from 2030e)				
		100	120	140	160.0	180
WACC %	7.0%	31.3	61.7	92.1	122.5	152.8
	8.0%	24.7	50.3	75.8	101.4	126.9
	9.0%	19.5	41.4	63.2	85.1	106.9
	10.0%	15.4	34.3	53.2	72.1	91.1

Source: Equity Development. Methodology includes ED FY27-29E EBITDA and flat at levels shown thereafter

Financials

Speedy Hire: Income Statement

Year End: March	£m	2020**	2021**	2022	2023	2024	2025	2026	2027E	2028E	2029E
		IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Revenue		371.5	332.3	386.8	440.6	421.5	416.7	416.1	470.8	495.3	518.2
Gross Profit		214.3	184.9	221.1	239.4	230.0	236.1	230.5	263.1	279.7	297.5
EBITDA - SDY norm		103.4	90.6	100.1	103.9	96.8	97.1	85.4	119.0	129.3	141.4
EBIT - SDY norm		33.4	21.7	32.1	32.7	24.5	23.6	7.6	38.2	47.3	58.2
Net Bank Interest		(3.0)	(2.6)	(2.6)	(4.4)	(7.4)	(9.1)	(11.2)	(11.8)	(11.0)	(10.5)
IFRS16 Interest		(2.8)	(2.4)	(2.5)	(3.5)	(5.0)	(6.4)	(7.5)	(8.0)	(8.0)	(8.0)
Other financial		(0.4)	(0.4)	(0.6)	(0.7)	(0.3)	(0.4)	0.0	0.0	0.0	0.0
Associates/JVs		2.8	1.2	3.2	6.6	2.9	1.0	(0.4)	0.5	0.5	0.5
Profit Before Tax (SDY norm)		30.0	17.5	29.6	30.7	14.7	8.7	(11.4)	19.0	28.8	40.2
Intangible Amortisation		(1.3)	(0.8)	(0.5)	(0.4)	(0.6)	(0.6)	(1.6)	(3.6)	(3.6)	(3.6)
Other Non-Underlying Items		(12.6)	(8.4)	0.0	(28.5)	(9.0)	(9.6)	(19.3)	0.0	0.0	0.0
Profit Before Tax (reported)		16.1	8.3	29.1	1.8	5.1	(1.5)	(32.3)	15.4	25.2	36.6
Tax		(3.9)	(2.2)	(7.7)	(0.6)	(2.4)	0.4	5.7	(4.6)	(7.1)	(9.9)
Other		4.6	3.4	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit After Tax (reported)		16.8	9.5	21.6	1.2	2.7	(1.1)	(26.6)	10.7	18.2	26.7
EPS FD - SDY norm (p)		4.5	2.6	4.1	4.9	2.2	1.5	(1.8)	3.1	4.7	6.6
EPS FD - reported (p)		2.3	1.2	4.0	0.2	0.6	(0.2)	(5.8)	2.3	3.9	5.8
Dividend per share (p)		0.7	1.4	2.2	2.6	2.6	2.6	1.0	1.1	1.1	2.6
Shares - Basic Weighted Avge (m)		520.0	522.4	523.3	488.0	460.4	460.3	460.5	460.5	460.5	460.5
Shares - Period End (m)		526.8	528.2	518.2	517.0	517.0	517.0	517.0	517.0	517.0	517.0
Margins (%)											
Gross Profit		57.7	55.6	57.2	54.3	54.6	56.7	55.4	55.9	56.5	57.4
EBITDA - SDY norm		27.8	27.3	25.9	23.6	23.0	23.3	20.5	25.3	26.1	27.3
EBIT SDY norm		9.0	6.5	8.3	7.4	5.8	5.7	1.8	8.1	9.6	11.2

Source: Company, Equity Development *includes International, **continuing operations only

Speedy Hire: Cash Flow Statement

Year End: March	£m	2020*	2021*	2022	2023	2024	2025	2026	2027E	2028E	2029E
		IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
EBITDA - SDY norm		103.4	90.6	100.1	103.9	96.8	97.1	85.4	119.0	129.3	141.4
Change in working capital		9.8	12.3	(13.6)	(6.2)	5.8	(5.3)	3.5	(4.6)	(6.5)	(7.1)
Purchase of hire equipment (net)		(41.9)	(24.2)	(57.9)	(36.8)	(25.2)	(36.8)	(25.6)	(35.0)	(35.0)	(35.0)
Other		(6.8)	(5.8)	0.0	(9.0)	(8.4)	(6.4)	(13.8)	0.1	0.3	0.5
Operating Cash Flow		64.5	72.9	28.6	51.9	69.0	48.6	49.5	79.5	88.1	99.8
Interest paid		(6.5)	(6.0)	(6.0)	(8.4)	(12.7)	(15.8)	(16.3)	(19.8)	(19.0)	(18.5)
Tax paid		(9.3)	(0.8)	(3.0)	(3.1)	(3.7)	0.6	3.6	(4.6)	(7.1)	(9.9)
Investing Activities		(3.5)	3.6	(14.1)	(3.4)	(24.2)	(4.6)	(42.4)	(5.6)	(4.7)	(4.7)
Associates & JV income		0.0	1.0	1.9	5.6	3.9	4.2	0.0	(0.4)	0.5	0.5
Tangible Fixed Assets purchased		(9.0)	(7.7)	(13.8)	(8.7)	(9.0)	(5.7)	(3.2)	(3.2)	(3.2)	(3.2)
Tangible Fixed Assets disposed		4.2	0.8	0.0	0.6	3.0	0.0	0.0	0.0	0.0	0.0
Intangibles		0.0	(3.5)	(2.2)	(0.9)	(1.9)	(2.5)	(2.4)	(2.0)	(2.0)	(2.0)
Acquisition consideration		0.0	0.0	0.0	0.0	(20.2)	0.0	(29.7)	0.0	0.0	0.0
Disposal proceeds		0.0	13.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other business investments		1.3	0.0	0.0	0.0	0.0	(0.6)	(7.1)	0.0	0.0	0.0
Financing Activities		(32.8)	(81.3)	(15.9)	(38.0)	(25.4)	(29.5)	17.9	(35.5)	(35.8)	(38.1)
Change in loan capital		2.1	(58.2)	25.4	23.3	12.4	8.6	61.1	0.0	0.0	0.0
IFRS16 lease payments		(24.5)	(23.6)	(24.6)	(26.5)	(26.0)	(28.6)	(29.9)	(30.9)	(30.9)	(30.9)
Equity		0.5	0.5	(5.4)	(23.9)	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid		(10.9)	0.0	(11.3)	(10.9)	(11.8)	(11.8)	(9.7)	(4.6)	(4.9)	(7.2)
Other		0.0	0.0	0.0	0.0	0.0	2.3	(3.6)	0.0	0.0	0.0
Net Cash Flow		12.4	(11.6)	(10.4)	(1.0)	3.0	(0.7)	12.3	14.0	21.5	28.5
Opening net cash/(debt) - pre IFRS16		(89.1)	(79.3)	(33.2)	(67.5)	(92.4)	(101.3)	(113.1)	(159.0)	(145.0)	(123.5)
Change in net cash		12.4	(11.6)	(10.4)	(1.0)	3.0	(0.7)	12.3	14.0	21.5	28.5
Change in loan capital		(2.1)	58.2	(25.4)	(23.3)	(12.4)	(8.6)	(61.1)	0.0	0.0	0.0
Other		(0.5)	(0.5)	1.5	(0.6)	0.5	(2.5)	2.9	0.0	0.0	0.0
Closing net cash/(debt) - pre IFRS16		(79.3)	(33.2)	(67.5)	(92.4)	(101.3)	(113.1)	(159.0)	(145.0)	(123.5)	(95.0)
IFRS16 lease liabilities		(72.9)	(63.2)	(76.7)	(86.1)	(97.6)	(105.9)	(114.4)	(114.4)	(114.4)	(114.4)
Company Free Cash Flow:											
Net Cash Flow		12.4	(11.6)	(10.4)	(1.0)	3.0	(0.7)	12.3	14.0	21.5	28.5
Dividends paid		10.9	0.0	11.3	10.9	11.8	11.8	9.7	4.6	4.9	7.2
Equity		(0.5)	(0.5)	5.4	23.9	0.0	0.0	0.0	0.0	0.0	0.0
Change in loan capital		(2.1)	58.2	(25.4)	(23.3)	(12.4)	(8.6)	(61.1)	0.0	0.0	0.0
Acquisition consideration		0.0	0.0	0.0	0.0	20.2	0.0	29.7	0.0	0.0	0.0
Other		0.5	0.5	0.6	0.1	0.9	0.0	0.0	0.0	0.0	0.0
Free Cash Flow		21.2	46.6	(18.5)	10.6	23.5	2.5	(9.4)	18.6	26.4	35.7

Source: Company, Equity Development

Speedy Hire: Balance Sheet

Year End: March	£m	2020*	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
		IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Non-Current Assets		355.5	325.2	366.4	355.1	378.9	391.6	431.0	422.0	410.8	398.3
Intangible Assets - Goodwill		17.5	17.5	17.5	17.5	27.4	27.4	27.4	27.4	27.4	27.4
Intangible Assets - Other		5.6	7.2	8.4	7.5	12.3	11.0	28.6	24.5	20.4	16.3
Tangible Assets - Owned		257.6	233.1	257.7	237.7	233.1	243.3	257.4	251.6	244.5	236.1
Tangible Assets - RoU		64.7	59.1	73.3	83.2	97.3	104.2	108.8	108.8	108.8	108.8
JV/Associate Interests		7.3	6.2	7.8	9.2	8.8	5.7	8.8	9.7	9.7	9.7
Other Fixed Assets		2.8	2.1	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Assets		135.3	114.3	119.3	121.3	121.3	121.4	144.0	171.1	202.2	239.9
Inventory		8.7	8.2	8.1	12.7	11.8	11.2	10.2	12.4	13.9	15.2
Trade Receivables		95.5	88.5	100.1	97.9	93.9	95.0	106.2	117.2	125.3	133.1
Other Debtors		8.3	5.9	8.6	9.6	11.6	13.1	13.2	13.2	13.2	13.2
Cash		22.8	11.7	2.5	1.1	4.0	2.1	14.4	28.4	49.9	78.4
Current Liabilities		(117.5)	(116.1)	(122.7)	(121.9)	(128.6)	(140.4)	(169.5)	(181.5)	(188.1)	(193.9)
Trade Payables		(52.3)	(49.8)	(45.3)	(39.1)	(44.9)	(54.1)	(72.3)	(80.9)	(84.0)	(86.0)
Other Creditors		(45.0)	(49.1)	(55.1)	(59.4)	(60.4)	(59.0)	(69.3)	(72.7)	(76.2)	(80.0)
IFRS16 Lease Liabilities		(20.2)	(16.7)	(20.6)	(22.1)	(22.1)	(25.0)	(27.9)	(27.9)	(27.9)	(27.9)
Short-term Borrowings		0.0	(0.5)	(1.7)	(1.3)	(1.2)	(2.3)	0.0	0.0	0.0	0.0
Non-Current Liabilities		(163.4)	(102.6)	(136.6)	(169.9)	(195.9)	(210.4)	(277.5)	(277.5)	(277.5)	(277.5)
Long-term Borrowings		(102.1)	(44.4)	(68.3)	(92.2)	(104.1)	(112.9)	(173.4)	(173.4)	(173.4)	(173.4)
IFRS16 Lease Liabilities		(52.7)	(46.5)	(56.1)	(64.0)	(75.5)	(80.9)	(86.5)	(86.5)	(86.5)	(86.5)
Other Long-term Liabilities		(8.6)	(11.7)	(12.2)	(13.7)	(16.3)	(16.6)	(17.6)	(17.6)	(17.6)	(17.6)
Net Assets		209.9	220.8	226.4	184.6	175.7	162.2	128.0	134.1	147.4	166.8

Source: Company, Equity Development *includes International

Contacts

Andy Edmond

Direct: 020 7065 2691

Tel: 020 7065 2690

andy@equitydevelopment.co.uk

Hannah Crowe

Direct: 0207 065 2692

Tel: 0207 065 2690

hannah@equitydevelopment.co.uk

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Contact: info@equitydevelopment.co.uk | 020 7065 2690