



Results for the year ended 31 March 2021

The Equipment Rental Specialist

Agenda

1. Highlights

2. Market and Trading Review

3. Financial Review

Highlights

Market and Trading Review

Financial Review



Highlights



Highlights

- Excellent business recovery after a challenging Q1
- FY 2021 results ahead of market expectations
- Extremely positive response from colleagues
- Service quality to customers maintained
- Sales team and branch network availability key
- Continued and demonstrable focus on the environment and sustainability
- Further investment in digital capabilities
- Strong cash generation – significant debt reduction
- Final dividend of 25 pence reflects confidence in future trading

Headline Numbers

Revenues
£308m

H1 - 76% prior year
H2 - 94% prior year

Revenue restoration well underway

PBTA
£23.3m

Progressive improvement
throughout year

Excellent recovery

Net Debt
£118.7m

Reduced by
£37.9m

After £40.2m investment in fleet

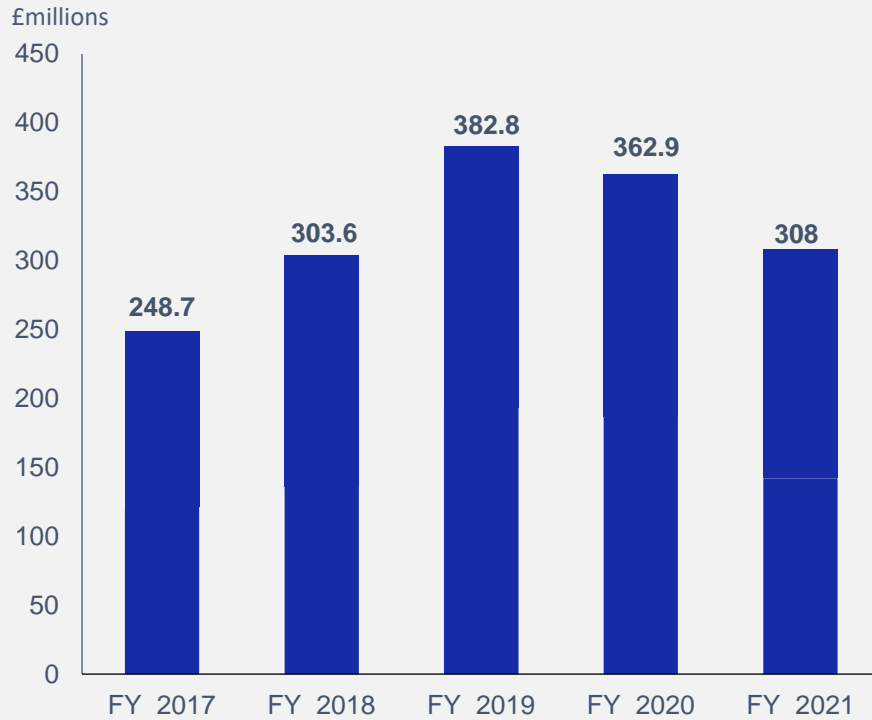
Return on Average
Capital Employed
9.2%

Important measure
impacted by Q1

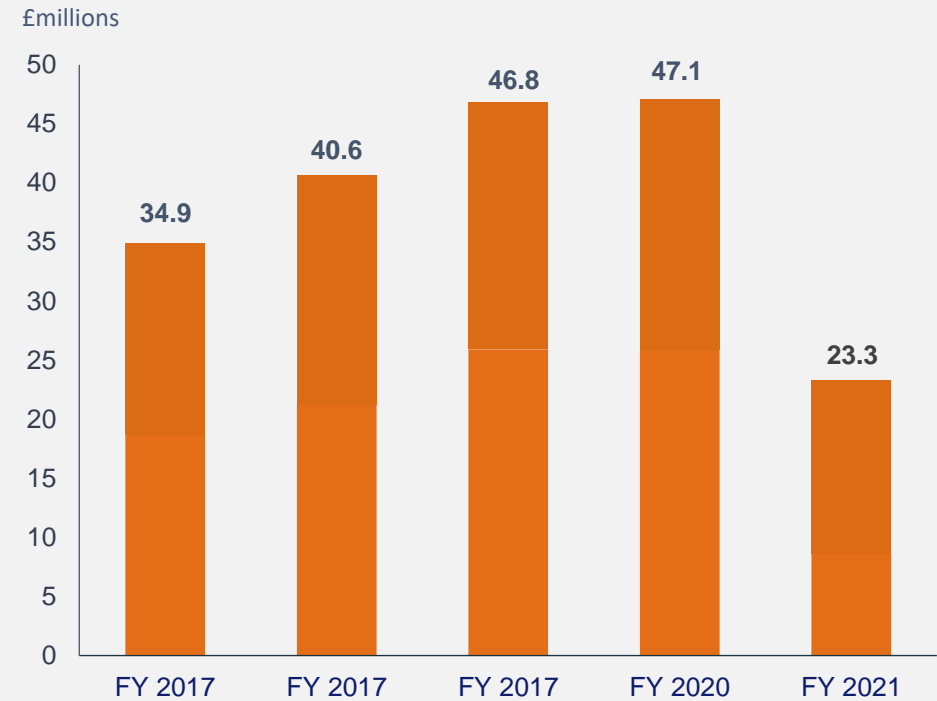
Recovered to 12.4% in May 2021

Long Term Progress – Covid 19 interruption

Revenue



Profit before tax, amortisation and exceptional items





Market and Trading Review



Key Market Dynamics

Market segment	Market Exposure	Revenue		
		FY 2021 (£m)	FY 2020 (£m)	Growth on prior year
Infrastructure*	39%	120.0	139.2	- 14%
Construction	38%	117.7	143.9	- 18%
Housebuilding	8%	25.8	34.2	- 24%
Energy	8%	25.8	25.2	+2%
Other	7%	18.7	20.4	- 8%
Total	100%	308.0	362.9	- 15%

* Utilities, Rail, Water, Transmission and Facilities Management



Infrastructure
Sectors remained open



Construction
Slower recovery

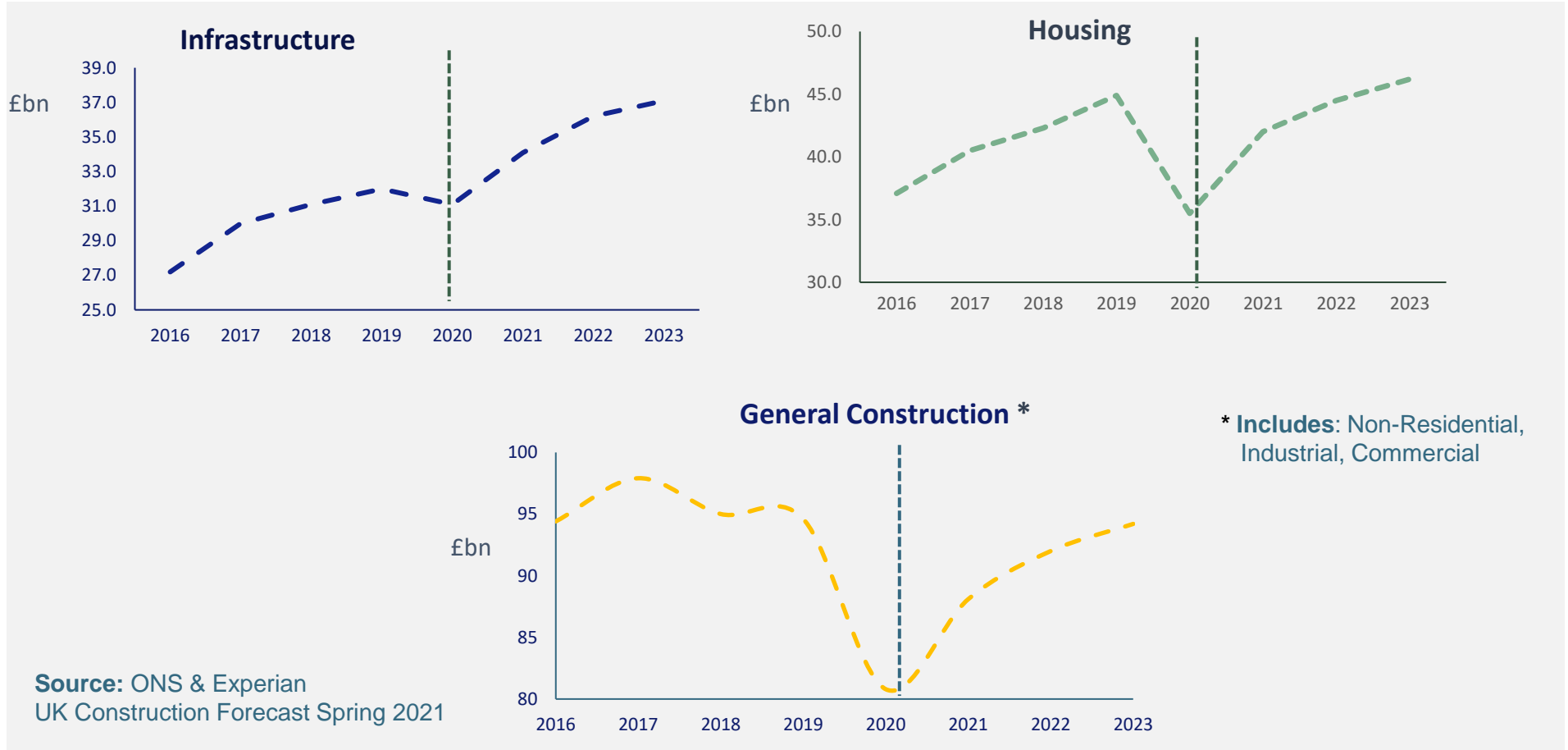


Housebuild
- Positive after difficult Q1



Energy
- Shutdown / Pipeline

UK Construction Output – Vp Core Markets Sectors



Source: ONS & Experian
UK Construction Forecast Spring 2021

Business performance – *Group*

	FY 2021 (£m)	FY 2020 (£m)	
Revenue	308.0	362.9	- 15%
PBITA	27.7	51.9	- 46%
Operating margin	9.0%	14.3%	

Lockdown conditions in Q1 severely impact revenues

Trading recovery into H2

Strong finish - momentum into new year

Business performance – UK

	FY 2021 (£m)	FY 2020 (£m)	
Revenue	281.3	331.0	- 15%
PBITA	27.2	50.2	- 46%
Operating margin	9.7%	15.2%	

Infrastructure led recovery

Construction slower but improved

Housebuilding stable

Leaner business

Vp **Brandon Hire Station**
The UK's Tool and Equipment Hire Specialist

Vp **ESS**
Safety, Survey, Test & Measurement

Vp **MEP Hire**
Mechanical, Electrical & Plumbing Specialists

Vp **Torrent Trackside**
Railway Plant, Railway People.

Vp **Groundforce**
Specialist Construction Solutions

Vp **TPA**
Portable Roadways

Vp **UK Forks**
Materials Handling Specialists



Business performance – *International*

	FY 2021 (£m)	FY 2020 (£m)	
Revenue	26.7	31.9	- 16%
PBITA	0.6	1.7	- 65%
Operating margin	2.2%	5.4%	

Cancelled or postponed projects
travel restrictions

Business confidence slower to pickup
in Australia / New Zealand



Rental fleet investment

	FY 2021 (£m)	FY 2020 (£m)
UK	35.6	41.0
International	4.6	8.1
Total fleet investment	40.2	49.1
Disposal proceeds	(17.5)	(21.4)
Net expenditure on fleet	22.7	27.7

Early capex commitment
for new financial year

Disposal of surplus fleet
maintained through lockdown

Well invested rental fleet
Supply chain lead times

Outlook – Recovery into 2021

- New financial year has started strongly
- Core markets recovering well :
 - Infrastructure - AMP7, CP6, HS2
 - Construction - R&M picking up
 - Housebuilders - stable demand
- Planning further expansion of digital functionality
- Focus on sustainable business solutions
- Investment in apprenticeship and graduate programmes
- All geographies making good progress into new financial year
- We entered the pandemic with an excellent business and we will exit with an equally excellent business
- Our long term success and resilient model gives us confidence in our ability to respond and.....
- We remain excited about the prospects for the coming year.

Resilient structure gives excellent platform

**Proven and
resilient model**

**Highly Experienced
Senior Management**



**Long Term Focus
On Service and Product
Excellence**

Business diversity

- Market Sectors
- Products & Services
- Geography



Financial Review



Financial highlights

	FY 2021 £m	FY 2020 £m	% change
Revenue	308.0	362.9	- 15%
EBITDA	72.7	98.1	- 26%
Depreciation	(45.0)	(46.2)	- 3 %
EBITA	27.7	51.9	- 47%
Interest	(4.4)	(4.8)	
PBTA (and exceptionals)	23.3	47.1	- 51%
Net margin	7.6%	13.0%	
* Pre IFRS16			

Earnings per share and dividends

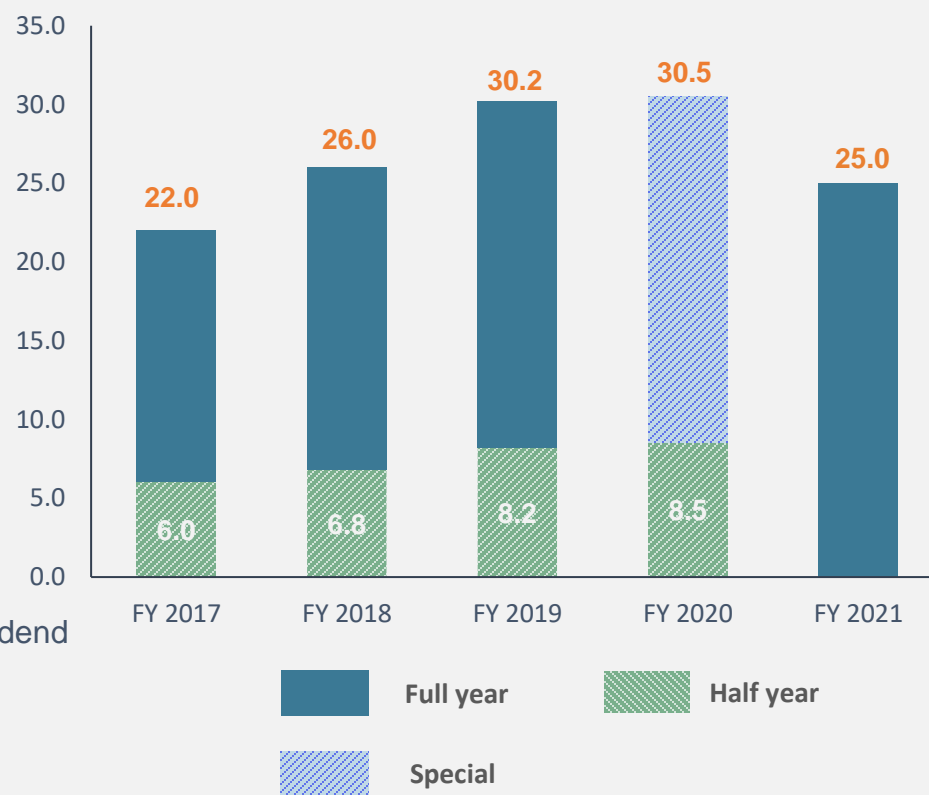
8.45

	FY 2021	FY 2020
Special dividend	-	22.0p
Interim dividend	-	8.45p
Final dividend	25.0p	-
EPS adjusted *	46.8p	91.0p

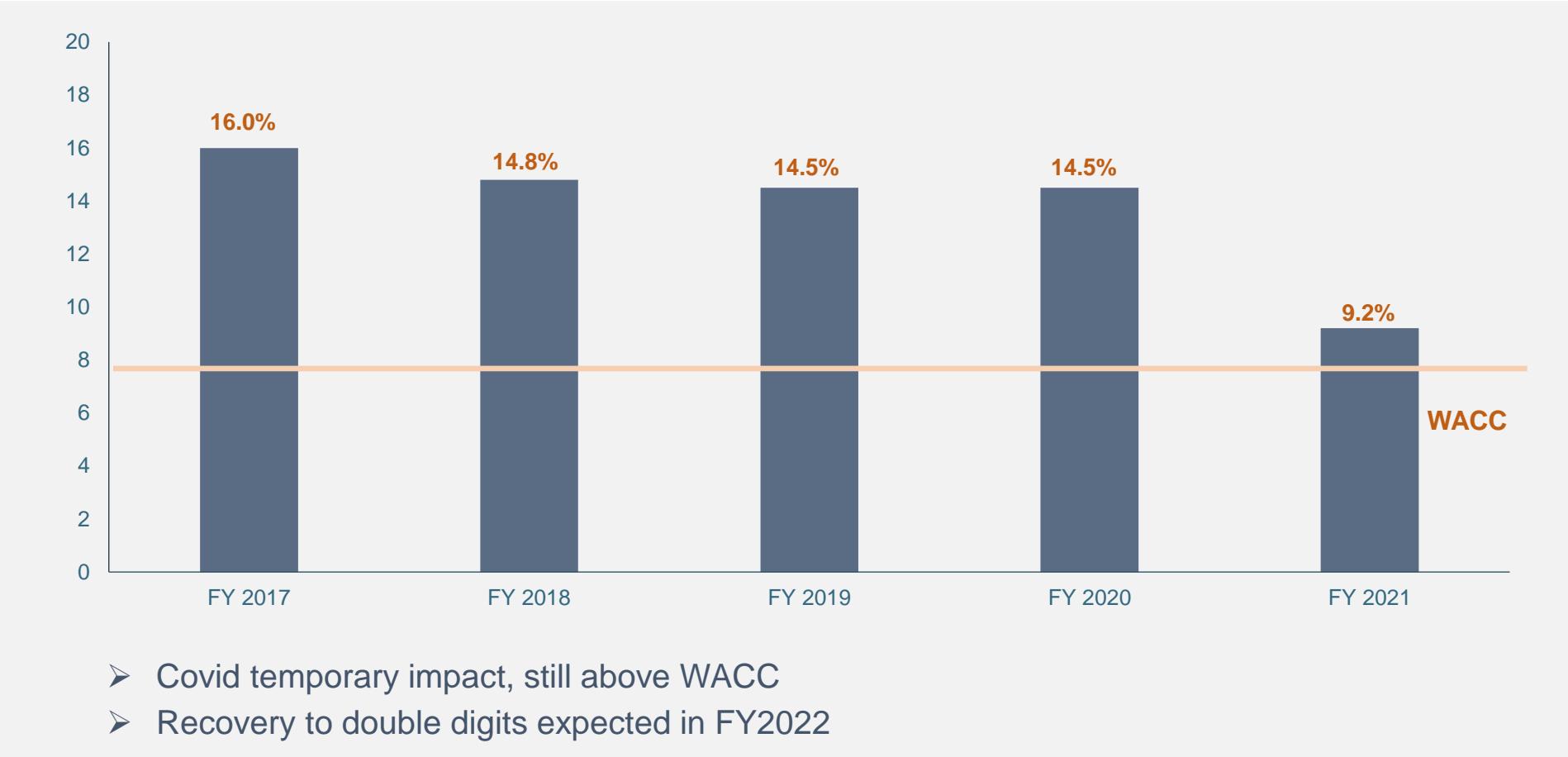
* Pre amortisation and exceptionals IFRS16

- Special dividend of 22.0 pence in lieu of 2020 final dividend
- No interim dividend for 2021
- Progressive dividend policy retained
- Final dividend of 25.0 pence

Dividend per share (pence)



ROACE – long term quality of earnings



Balance sheet - strength

	FY 2021 £m	FY 2020 £m
Hire Fleet	206.0	218.1
Other fixed assets	27.9	29.7
Intangible assets / goodwill	64.4	74.3
Working capital	(11.5)	19.1
Other	(8.2)	(8.2)
Net debt	(121.9)	(159.8)
IFRS16 net	(3.6)	(3.3)
Net assets	153.1	169.9

- Young, well managed hire fleet
- Robust working capital management

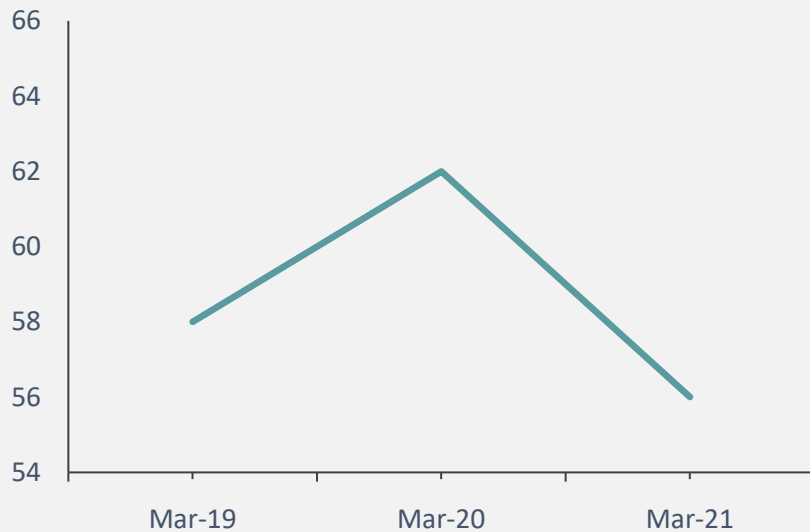
Strong focus on cash management

	FY 2021 £m	FY 2020 £m
EBITDA	72.7	98.1
Cash from operations	102.6	74.3
Exceptional items	(15.2)	(1.5)
Capital expenditure	(46.5)	(54.7)
Proceeds from disposals	17.5	21.4
Acquisitions	-	(3.3)
Interest	(4.7)	(4.5)
Tax	(2.9)	(10.7)
Dividends	(8.7)	(12.1)
Other	(4.2)	(1.0)
Movement in net debt	37.9	7.9

➤ **Net debt down £37.9m since 31 March 2020**

Effective cash collection

Debtor Day trends



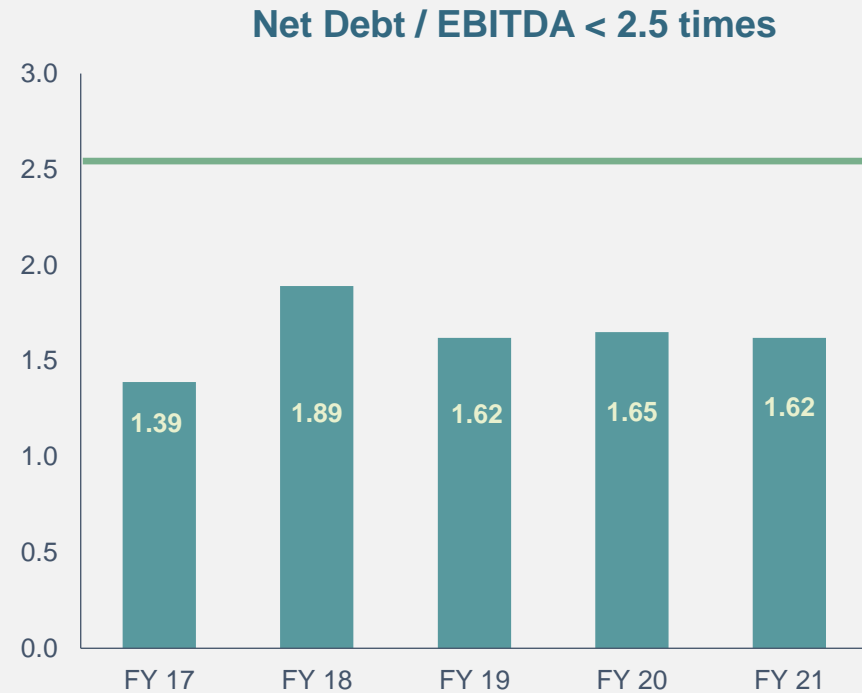
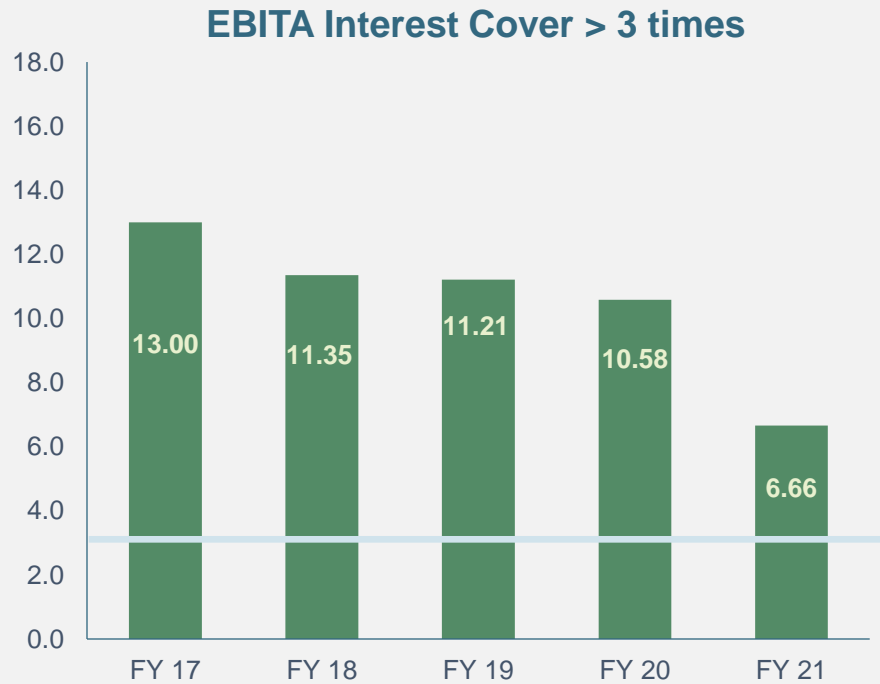
	March 2019	March 2020	March 2021
Debtor days	58 days	62 days	56 days
Bad debt write off as % revenue	0.5% (£2.0m)	0.8% (£2.9m)	0.6% (£1.9m)

Net debt and facilities – refinance since year end

	June 2021 £m	FY 2021 £m	FY2020 £m
Private placement matures Jan 2027	65.0	65.0	65.0
Pricoa shelf matures April 2028	28.0	-	-
RCF matures June 2024 / December 2021	90.0	135.0	135.0
Total committed facilities	183.0	200.0	200.0
Overdraft	7.5	7.5	7.5
Actual borrowing net debt at 31 March	121.9	121.9	159.8
Headroom against facilities	68.6	85.6	47.7

- Headroom increase since 31 March 2020
- New RCF includes £20m accordion

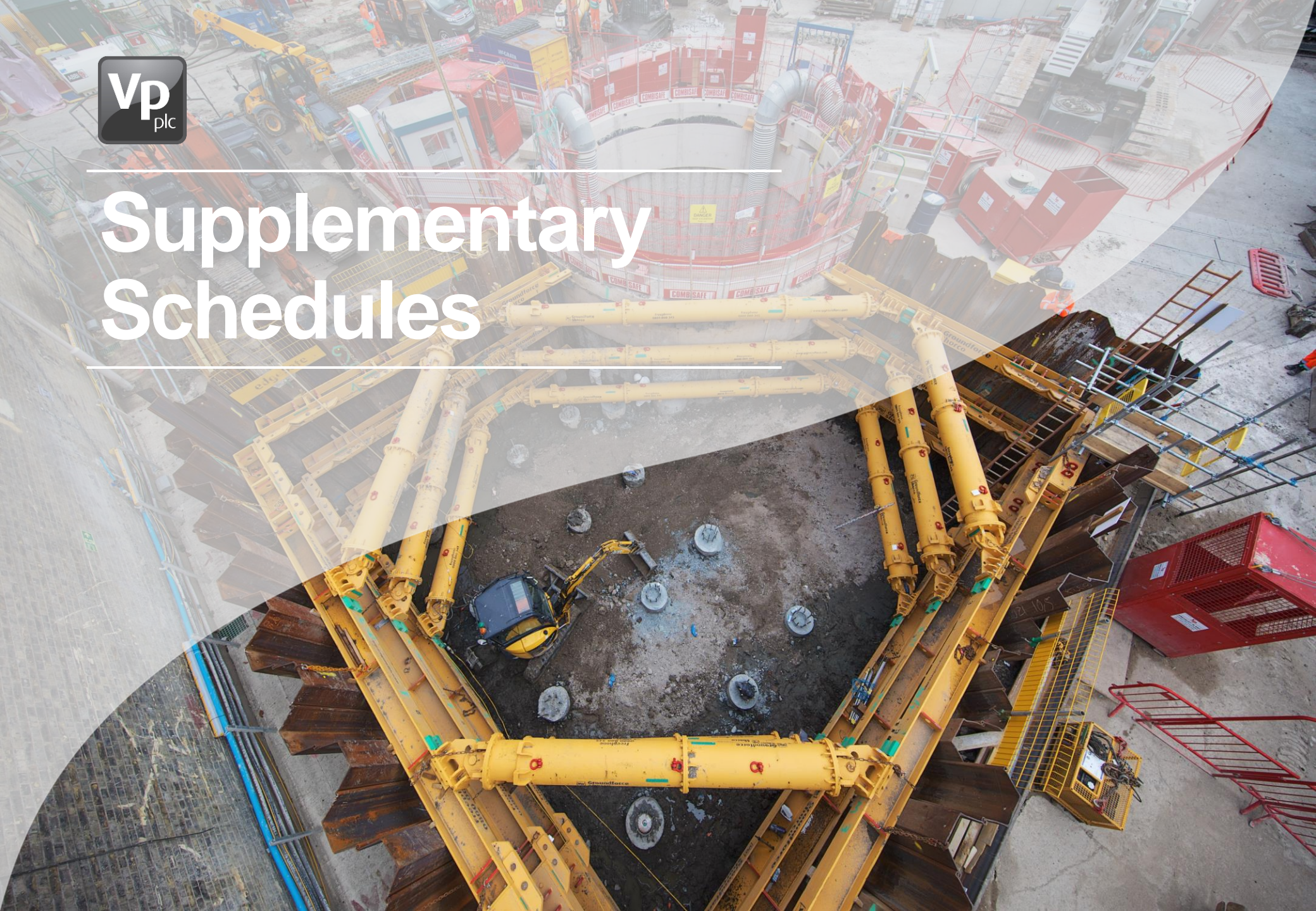
Robust headroom against existing covenants



- Leverage reduced to 1.62x (Mar 20 - 1.65x)
- Well within existing covenants all year



Supplementary Schedules



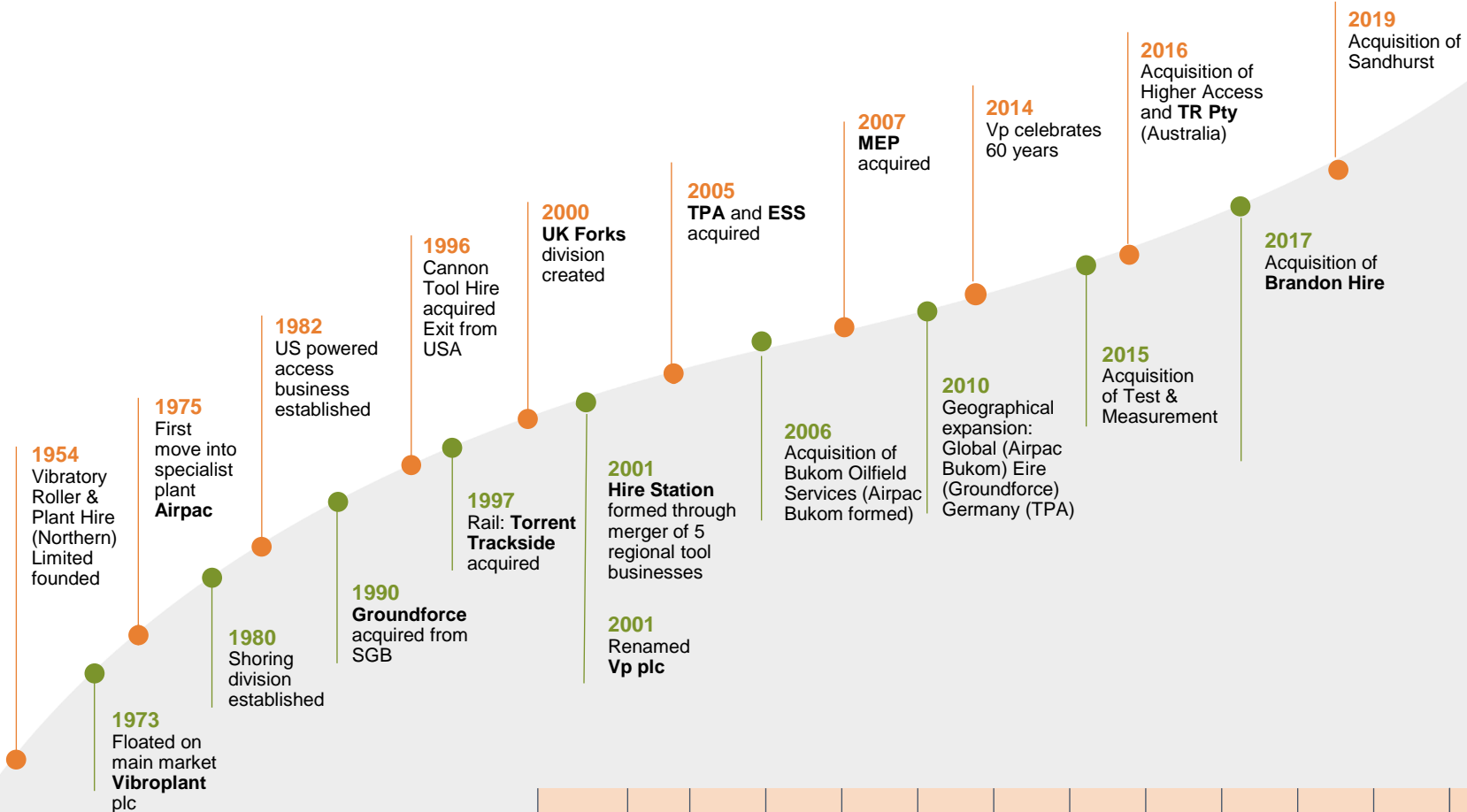
Net Working Capital

	FY 2021 £m	FY 2020 £m	FY 2021 Cashflow movement £m
Inventories	7.3	9.1	1.8
Trade and other receivables	66.8	84.3	17.5
Trade creditors, accruals, other	(87.0)	(75.4)	11.6
Net working capital	(12.9)	18.0	30.9
			2.4
			0.9
			34.2

IFRS16 impact on profit

	FY 2021 excluding IFRS	FY 2021 IFRS impact	FY 2021 Reported	FY 2020 Reported
EBITDA £m	72.7	24.0	96.7	123.8
PBITA (and exceptionals) £m	27.7	3.2	30.9	55.5
Financial expense £m	(4.5)	(3.3)	(7.8)	(8.8)
PBTA (and exceptionals) £m	23.3	(0.1)	23.2	46.6
EPS (adjusted) pence	46.8	(0.2)	46.6	90.2

Group history – 1954 to date



Revenue: History	1970: £2m	1980: £14m	1990: £70m	2000: £55m	2010: £129m	2014: £183m	2015: £206m	2016: £209m	2017: £249m	2018: £304m	2019: £383m	2020: £363m	2021: £308m
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Group businesses



Vp plc **Groundforce**
Specialist Construction Solutions



Vp plc **TPA**
Temporary Access Solutions



Vp plc **UK Forks**
Materials Handling Specialists



Vp plc **Brandon Hire Station**
The UK's Tool and Equipment Hire Specialist



Vp plc **ESS**
Safety, Surviv, Test & Measurement



Group businesses



Vp plc **Torrent Trackside**
Railway Plant. Railway People.



Vp plc **MEP Hire**
Mechanical, Electrical & Low Level Access Specialists



Vp plc **Airpac Bukom**
Oilfield Services



Vp plc **TR Group**



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