

Progressive Property & Construction Daily



12 September 2022: SRC, EPWN, GRI | Construction output slips for second month | Fortnight ahead

A round-up of market statements, news, economics and views from the property and construction sectors

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Company news

SigmaRoc (SRC, 48p, £304m mkt cap)

Heavy construction materials group active in the UK, Channel Islands and Benelux. HY (Jun) results. Rev +192%, £247m; u-lying PBT +234%, £29.1m; stat PBT +161%, £18.6m; u-lying EPS, 3.6p; interim div, 0p (H1 21, 0p); net debt, £217m (£164m). *Trading:* "Ongoing focus on efficiency with further improvement initiatives. Continued very strong momentum in uptake of our Greenbloc, ultra-low carbon products technology, with roll out across our concrete ranges and new capacity investment". Acquisitions of Johnston and RightCast completed in H1, JV agreement signed with ArcelorMittal post period end. *Outlook:* "H2 trading started well. Demand remains good for both housing and infrastructure, as well as for industrial minerals. We continue to focus on inflationary cost management, particularly energy. The Group is well placed to make further financial and strategic progress in H2. The long term potential remains exciting, with significant opportunities to extend our geographical reach and product offering across a range of markets for high quality construction materials and industrial minerals".

Epwin Group (EPWN, 73p, £106m)

Low maintenance building products manufacturer. Acquisition of Poly-Pure for an initial cash consideration of £15m on a debt-free and cash-free basis, funded from existing facilities. Poly-Pure is a leading UK materials re-

processor, recycling post-consumer and post-industrial PVC building materials, notably UPVC window frames, established in 2018 and based in Norwich with 25 employees. In year ended 31 July 2022, it expects to report revenues of c.£10m (FY 21, £4.7m) and adj EBITDA, c.£2.5 million (£0.4m). Underlying profit before tax for the year ended 31 July 2022 is expected to be £2.4 million. Poly-Pure has net assets on acquisition of c. £3m. The acquisition is expected to be margin accretive at the adjusted EBITDA level and is expected to be immediately earnings enhancing.

Grainger (GRI, 267p, £1,982m)

UK's largest listed residential landlord. Trading update, 11 months to August. *Trading:* Total LFL rental growth YTD, 4.5%. PRS, 4.5% (new lets, +5.4%; renewals +3.9%). Regulated tenancies, +4.4%. Prospective customer enquiries and occupancy in PRS portfolio "remain at record-high levels". Spot occupancy at period end, 98.2%. "Despite the buoyant rental market, we are very mindful of the financial challenges facing many individuals. We are therefore taking a responsible approach to rental increases, ensuring affordability for our customers remains a central consideration and balancing rent increases with retention. We are also supporting customers where we can with their other costs by continuing to invest in the energy efficiency of our portfolio, with nearly 90% of our PRS portfolio offering the highest energy ratings (A-C), providing substantial savings to our customers". FY results, 19 November.

Economic data

Construction output. Construction output decreased 0.8% in volume terms in July following the 1.4% decrease in June, according to the ONS ([link](#)). This is the second consecutive decrease in monthly construction output after seven consecutive months of growth. The decrease came solely from a decrease in repair and maintenance (2.6%) as new work saw a slight increase (0.3%) on the month.

Monthly all work index, chained volume measure, seasonally adjusted, Great Britain, January 2010 to July 2022



Fortnight ahead

Construction & property: company and economic news

September

12	SigmaRoc (SRC)	HY results
	ONS	Construction output
13	Harworth Group (HWG)	HY results
	The Property Franchise Grp. (TPFG)	HY results
	ONS	Employment data
14	Redrow (RDW)	FY results
	Epwin Group (EPWN)	HY results
	Purplebricks Group (PURP)	AGM
	ONS	House prices
	ONS	Inflation data

15	MJ Gleeson (GLE)	FY results
	Kier Group (KIE)	FY results
	Regional REIT (RGL)	HY results
	Civitas Social Housing (CSH)	AGM
	Bank of England	Official Bank Rate
16	Wickes Group (WIX)	HY results
19	Rightmove	House prices
20	Henry Boot (BOOT)	HY results
21	Galliford Try Hldgs (GFRD)	FY results
22	Marshalls (MSLH)	Capital mkts day

Sources: Companies, Factset, ShareCast.com, Progressive Equity Research

Prices are as at the previous day's close.

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