

# Progressive Property & Construction Daily



29 September 2022: VANL, LOAD, HSS

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

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## Company news

**Van Elle** (VANL, 39p, £41m mkt cap)

Specialist ground engineering contractor. AGM. *Guidance:* “The group has built on the strong trading momentum highlighted in its full year results on 3 August, with a strong order book, and revenues to date ahead of management expectations. However, the challenges associated with the industry-wide supply chain and inflationary cost pressures remain prevalent and are expected to persist into the next calendar year. These challenges are being mitigated as far as possible and the Board remains confident in achieving full year profitability in line with market expectations”.

**Crestchic** (LOAD, 266p, £74m) – *PERL provides research services to Shore Capital on this stock*

International electrical power reliability and drilling tools hire and manufacturing group. H1 (Jun) results. Rev, continuing operations, +35%, £21.3m; adj PBT +163%; £4.0m; adj EPS 11.4p (H1 21, 1.0p); interim div 1.33p (0p); Pre-IFRS16 net debt, £1.5m (£3.5m). *Trading:* The results demonstrate the transformation of the group following the decision in FY21A to dispose Tasman and focus on the growing loadbanks business, in which it is world leader. Strong momentum from the H1 results “has continued into the second half with increasing visibility into FY23F, as a result of major rental contracts”. The group is looking to expand further geographically, in Europe, the USA and possibly further afield. *Outlook:* “The strength of our pipeline [and]

buoyant performance across all sectors around the world has led the Board to raise expectations for the fourth time this year”.

### **HSS Hire Group** (HSS, 13p, £95m)

Anglo-Irish tool and equipment hire group. HY (Jun) results. Rev +9.3% (+11% LFL), £160m; adj PBT, £8.4m (H1 21, £0.8m); stat PBT -4.4%, £6.5m; adj EPS, 0.96p (0.09p); interim div, 0.17p (0p); net debt, £49.3m (£97.6m); adj net debt/EBITDA, 0.9x (1.7x). *Trading*: “Solid trading with capital-light Services business LFL growth of 16%. Services business growth enabled by technology and broadening the rehire partner network. Rental revenue LFL growth of 9% with utilisation of 56%, maintained at high levels on larger fleet. Strong price management and cost discipline navigating through inflationary pressures”. *Outlook*: “Revenue growth of 10% in Q3 22 to date with EBITDA and EBITA in line with management expectations. Management remains confident that full year EBITA will be in line with market expectations. Capex investment forecast for 2022 is unchanged with £5-£10m to support delivery of our technology roadmap”.

*Prices are as at the previous day’s close.*

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