

Progressive Property & Construction Daily



2 February 2023: SFE, LORD

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

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Company news

Safestyle UK (SFE, 23p, £32m)

UK manufacturer, recycler and distributor of window, door and roofline PVC products. FY (1 Jan) 22 trading update. *Guidance:* “The group expects to report revenues of c.£154m, c. 7.7% higher than the prior year, and an underlying loss before tax in line with market expectations [£4.5m]”. YE cash, £8.0m (YE 21, £4.1m), “predominantly due to the timing of working capital unwinds and non-recurring items”. Outlook: “Whilst the Board expects that trading conditions will remain reasonably challenging in the short-term, the order book at 31 January 2023 was marginally higher than at the same time last year. The Board is also confident that the Group’s proposition will combine well with what has historically proven to be a resilient sector supported by an ongoing focus on energy-saving products by consumers”. The existing banking facility has been replaced with a new £7.5m RCF to the end of 2026. “As reported previously, borrowing facilities will continue to be provided by Aurelius, albeit terms and pricing now represent a reduced cost commensurate with the improved health of the balance sheet”. FY results, 23 March.

Lords Group Trading (LORD, 83p, £134m)

Building materials distributor. Sale of the Lords at Home subsidiary. Lords at Home sells high quality homewares through five branches across West London and was the original Lords division which first opened

in 1985. The subsidiary, which has 31 employees, is considered non-core to the Group's principal focus of building, plumbing, heating and DIY goods, and its sale will allow the Group to further focus on core areas of the Lords' business. The cash consideration for sale of the Lords at Home business is £805,000 payable in full on completion, with the sale proceeds to be retained within the Group and applied towards investments that meet the Group's return on investment hurdle. During the year ended 31 December 2022, Lords at Home generated £3.0 million in revenue and contributed £80,000 of EBITDA. The purchaser of Lords at Home is the current Managing Director of the Lords at Home subsidiary.

Prices are as at the previous day's close.

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