

Delivering today and adapting for tomorrow



I am delighted to introduce Ashtead Technology's maiden full-year results following the Company's Initial Public Offering (IPO) on AIM in November 2021.

As a newly listed company, this is the start of an exciting new chapter for Ashtead Technology, which will enable us to accelerate our growth plans and support our customers more widely in the delivery of the energy transition.

Financial results

Total revenue for the year to 31 December 2021 increased by 32% to £55.8m reflecting an improving market backdrop both in the offshore renewables and oil and gas sectors. Our oil and gas business provides a strong underpin and grew 23% in the year and we were particularly pleased to see the continued rapid growth of our offshore renewables business which grew over 50% year on year. Adjusted EBITA of £13.7m compares to £6.3m in 2020. Profit before tax of £2.5m, after IPO and other adjusting costs of £4.4m, compares to a loss before tax of £0.7m on 2020 delivering Adjusted earnings per share of 13.2p in 2021. This performance reflects a strong finish to the year and was ahead of our expectations at the time of the IPO.

With the Board's support, management's focus is on long-term value creation through continued organic growth and an increased focus on M&A opportunities as we set out on our journey to fulfil the strategy as detailed in our IPO investment case. We will continue to do this while maintaining capital discipline. With net debt at £22.7m (2020: £36.2m), leverage at 31 December 2021 was 1.0x with the business having a stated leverage target of 1-2x in the medium term. The Board recognises the merits of establishing a small, progressive dividend flow and will consider this from 2022 onwards subject to the Company having sufficient distributable profits.

Employees

The Group would not have delivered this performance in 2021 without the continued dedication of its employees. On behalf of the Board, I would like to thank all of the Group's employees for their continued contribution to its success. Particular thanks go to our offshore team who with continued quarantine requirements have had to deal with challenging logistical issues and extended periods away from their families.

Environment, Social and Governance

The Board recognises the importance of our role in environmental, social and governance matters ("ESG") and the part we play to help deliver a lower carbon future.

As a market leader in subsea technology rental and solutions, built over a 37-year history, Ashtead Technology's offering sits firmly at the heart of the energy transition providing critical late life and decommissioning support to the oil and gas industry and supporting the extensive growth in offshore wind globally.

The Group is committed to trading responsibly and creating sustainable value for all stakeholders and is focused on five key priorities aligned with the United Nations Sustainable Development Goals.

Board and governance

I would like to thank my fellow Board members, and in particular Allan Pirie (CEO) and Ingrid Stewart (CFO), for their contribution to the successful IPO. The Board welcomed independent Non-Executive Directors Tony Durrant and Thomas Thomsen to the Board shortly before the IPO, who bring significant industry experience and expertise to the Board. Having been involved with the business for six years, Joe Connolly continues to serve as a Non-Executive Director in his capacity for Buckthorn Partners who remain a substantial shareholder.

Summary and outlook

The Group displayed strong financial resilience during the COVID-19 pandemic and, whilst challenges remain with restrictions in the movement of personnel and quarantines in certain countries, the business has continued to demonstrate this resilience through 2021.

As I write, the world has been rocked by Russia's invasion of Ukraine and our thoughts are with those who are personally impacted by the tragic events that are unfolding.

The impact on the energy markets, both renewables and oil and gas, is significant and as the focus on energy security increases the outlook for the business remains positive. Recent months have seen a high level of tendering across both renewables and oil and gas projects and Ashtead Technology remains well-positioned for long-term growth in demand for its services as the industry delivers the infrastructure required to address the changing energy landscape.

Bill Shannon
Non-Executive Chairman

4 June 2022



Financial highlights

Revenue

£55.8m

(2020: £42.4m)*

Adjusted EBITA**

£13.7m

(2020: £6.3m)*

Profit Before Tax

£2.5m

(2020: loss £0.7m)*

Leverage***

1.0x

(2020: 2.1x)*

Adjusted EPS****

13.2p

* Pre IPO.

** Adjusted EBITA is defined as operating profit adjusted to add back amortisation, foreign exchange movements and non-trading items as described in Note 27 to the accounts.

*** Leverage is defined as Adjusted EBITDA divided by net debt.

**** Adjusted EPS is defined as Adjusted Profit After Tax divided by the weighted average number of Ordinary Shares. Adjusted Profit After Tax is defined as profit after tax adjusted to add back amortisation, foreign exchange movements and non-trading items as described in Note 27 to the accounts.