CHAIRMAN'S STATEMENT

Delivering beyond expectations

In our first full year as a publicly listed company, I am pleased to report that Ashtead Technology has delivered a strong performance. We have consistently outperformed against the forecasts we set at IPO with revenue growth in both the offshore wind and oil and gas markets, new talent added to the business, a broadened shareholder base, and demonstrable progress towards our sustainability goals.

We were also delighted to complete two acquisitions, WeSubsea and Hiretech, during H2.

Delivering beyond expectations

When we detailed our investment case prior to our 2021 IPO, we set out four key growth drivers for the business; 1) growth from the significant increase in expenditure in offshore renewables 2) revenues underpinned by strong demand from oil and gas 3) increased customer propensity to rent and 4) value enhancing M&A. Throughout 2022, the business has delivered across all four growth drivers, delivering a 31% increase in revenues to £73.1m (2021: £55.8m), a 47% increase in Adjusted EBITA to £20.1m (2021: £13.7m) and statutory profit before tax of £16.6m versus £3.6m in 2021, an increase of 363%.

With the Board's support, management's focus remains on long-term value creation through continued organic growth and a focus on M&A. In this regard, we were delighted that the business successfully completed its first two acquisitions since the IPO, both of which have now been fully integrated into the Group. With net debt at £28.7m (2021: £22.7m), leverage at 31 December 2022 was 1.0x. We also recently secured an increase to our banking facility which provides further capacity for future investment.

Governance

The Board remains committed to strong corporate governance and, in particular, making sure we monitor and challenge our strategy, performance, risk and approach to managing our people. More information about our governance arrangements can be found in the Corporate Governance statement on page 29.

I also chair the Nominations Committee which met for the first time during the year. I am pleased to confirm that the Board has integrated itself into the business well and, through our Board review, I am confident that we currently provide a sufficient mix of governance, strategy, financial and industry knowledge, as well as independence.

Sustainability

The Board understands the growing interest in environmental, social and governance ("ESG") matters for all our stakeholders and as a business we recognise the importance of our role in helping deliver a lower carbon future given our offering sits firmly at the heart of the energy transition.

We have made good progress on our sustainability programme throughout 2022 as highlighted in pages 12 to 15. Given the strengthening of the markets in which we operate, there has been a significant focus on the social element of ESG, with a number of initiatives put in place to support both the recruitment and retention of personnel.

I would like to personally thank everyone within Ashtead Technology who has helped make 2022 such a successful year. In my visits to the business I have been very impressed by the commitment, knowledge, and ambition for the business that was demonstrated by everyone I met and which bodes well for the future.

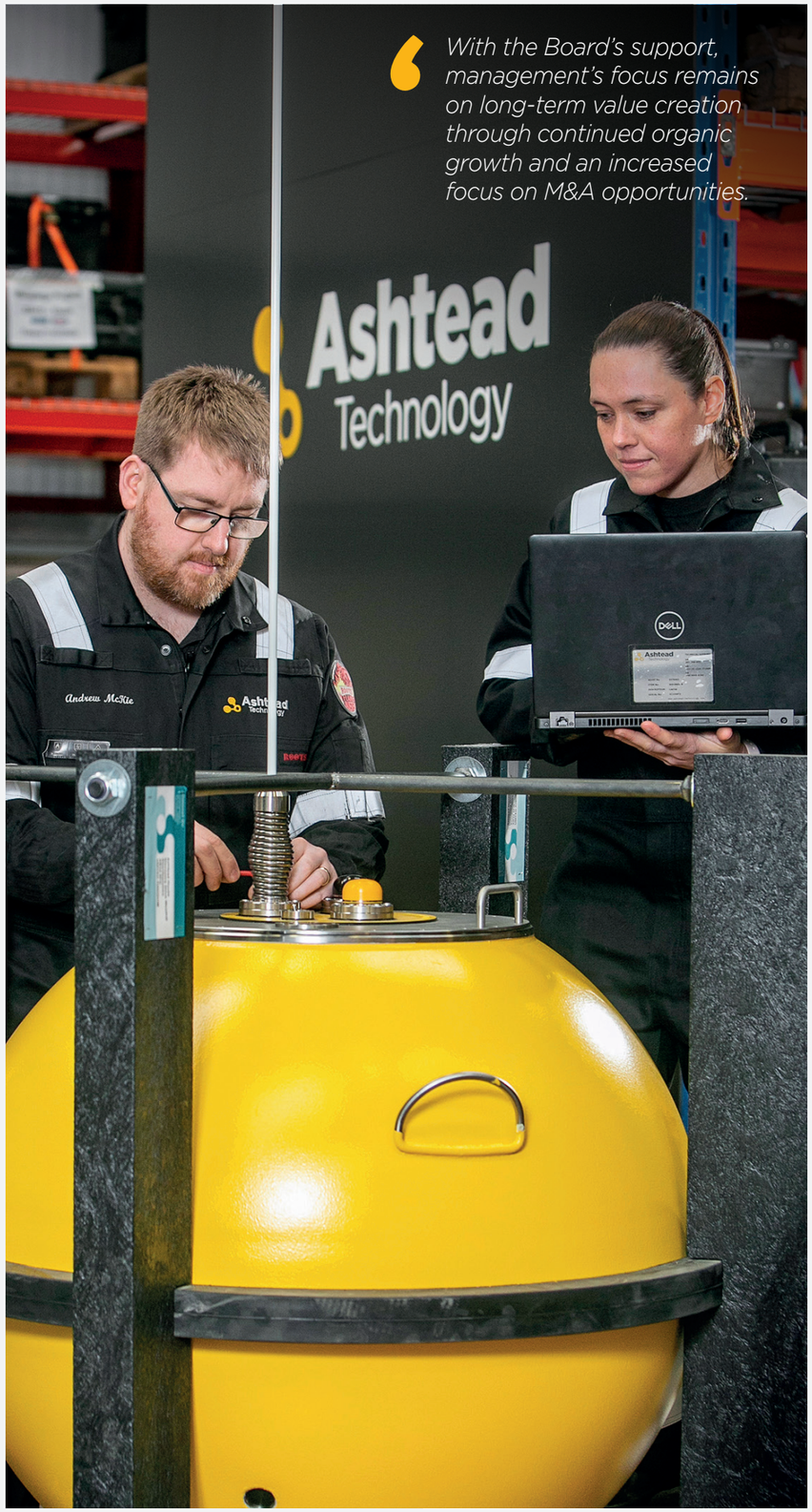
Dividends

While the Board sees an opportunity to reinvest profits to finance the continued development and expansion of the business through both organic and M&A growth opportunities, it also recognises the importance of dividends both to the Company's shareholders, and in maintaining capital discipline. In this regard, we are delighted to recommend a full and final dividend of 1 pence per share for the year ended 31 December 2022. As noted previously, the Directors will seek to grow the dividend progressively.

Looking forward

The Group has a proven track record of delivering on both organic growth and earnings enhancing M&A. While the events of the last few years have increased fears of recession and cost inflation, Ashtead Technology has successfully mitigated these risks to date through increased pricing and has successfully increased utilisation of its equipment rental fleet through 2022. With a healthy cash position, recently increased debt capacity and a highly experienced management team, I have every faith in our ability to continue to monitor and mitigate risk whilst implementing our growth strategy. The Board is confident that the strategic investments made during the year will contribute to further progress in 2023 and beyond.

Bill Shannon
Chair
2 May 2023



With the Board's support, management's focus remains on long-term value creation through continued organic growth and an increased focus on M&A opportunities.