

Strong Growth, High Returns



A Truly Connected Business



GROUP OF COMPANIES



Agenda

- ✿ Key highlights and group overview – Paul Teasdale
- ✿ Financial review – Mark Watford
- ✿ Strategic update and outlook – Paul Teasdale
- ✿ Q&A



2016 Highlights

-  An excellent start to 2016 with revenue of £18.5m (2015: £11.7m) an increase of 57%
-  Good organic growth; 21% on prior year
-  Operating profit* growth of 47% to £3.7m reflecting strong revenue growth and good cost control
-  Integration of the six 2015 acquisitions has been fully completed with excellent contribution to growth in H1
-  New sector expansion with two further acquisitions in July 2016 (UK DryRisers and UK DryRisers Maintenance Ltd)
-  Combination of new contract wins and high renewal rate (>80%) demonstrate the strength of the model
-  Proposed interim dividend of 0.7p per share (up 52%)

Revenue

£18.5m

+57%

Gross profit

£9.5m

+49%

Operating profit*

£3.7m

+47%

Adjusted EPS

3.19p

+44%

Divided per share

0.7p

+52%

*Before adjusting items.

Group Structure



Revenue: £9.5m
Est. Mkt Share: 7%
 Market leader across all four sectors

Revenue: £7.4m
Est. Mkt Share: 6%
 Market leader in Lightning Protection
 Top three in Electrical Testing

Revenue: £1.6m
Est. Mkt Share: 3%
 Top 20

Acquisitions to be targeted to launch this division.

Core Activities:

- Safety Testing & Installation
- Cradle Maintenance & Installation

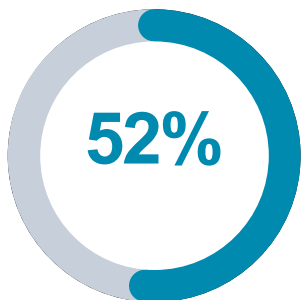
Core Activities:

- Lightning Protection
- Fixed Wire Testing
- PAT Testing
- Fire Alarm & Extinguishers
- DryRisers
- Steeplejack Services

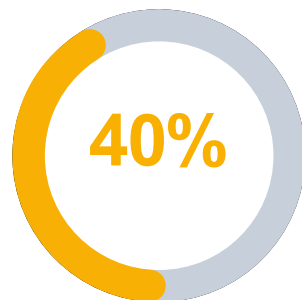
Core Activities:

- High Level Window, Gutter, Building Cleaning
- Pressure Washing, Graffiti & Chewing Gum Removal
- Specialist Abseiling
- Technical Services

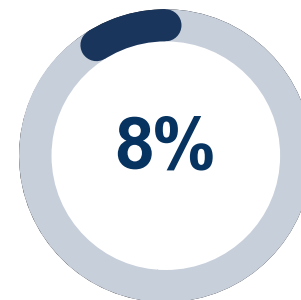
Group turnover contribution



Group turnover contribution



Group turnover contribution



PTSG Operating Model

Customer diversification

- Over 12,500 customers
- Over 150,000 assets

Repeat business

- Testing, inspection and maintenance works typically delivered via 3-5 year contracts
- Renewal rate at 88%
- Cross selling opportunities

Staff utilisation

- Around 250 engineers located around the country
- Model based around 100% utilisation of engineers
- Growth improves route density

National coverage

- Operate from 16 locations across the UK
- Leveraged back office function
- Only truly national player in chosen market
- Reduced travelling and overnight costs

Use of technology

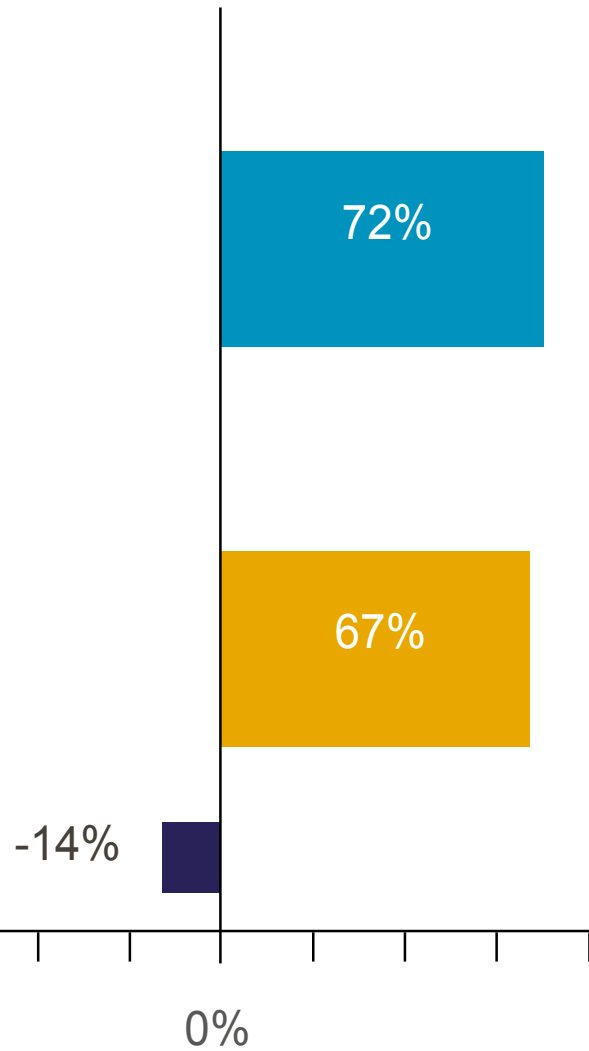
- Self- developed software platform, “Clarity”, which provides workforce management, performance dashboards, real time tracker, secure client portal
- In house resource for further development of the Clarity platform including CRM

Accreditation and training

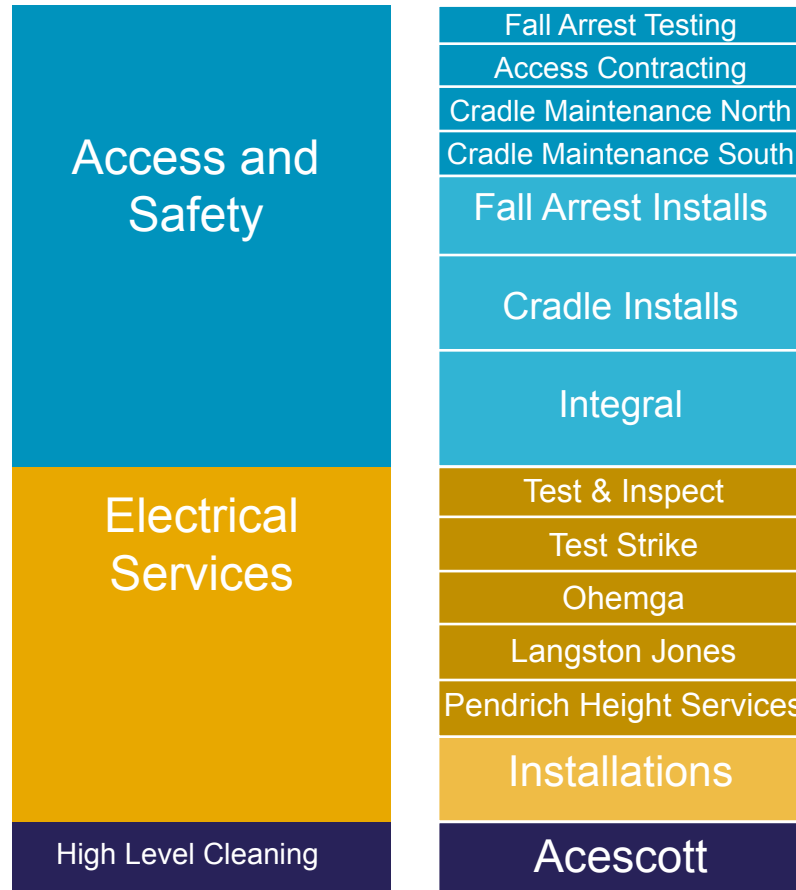
- 85 accreditations including ISO 9001, OHSAS 18001 and ISO 14001
- Training solutions carried out for clients as well as own staff
- Consultancy and insurance inspections carried out for clients

2016 H1 Revenue Growth and Gross Profit

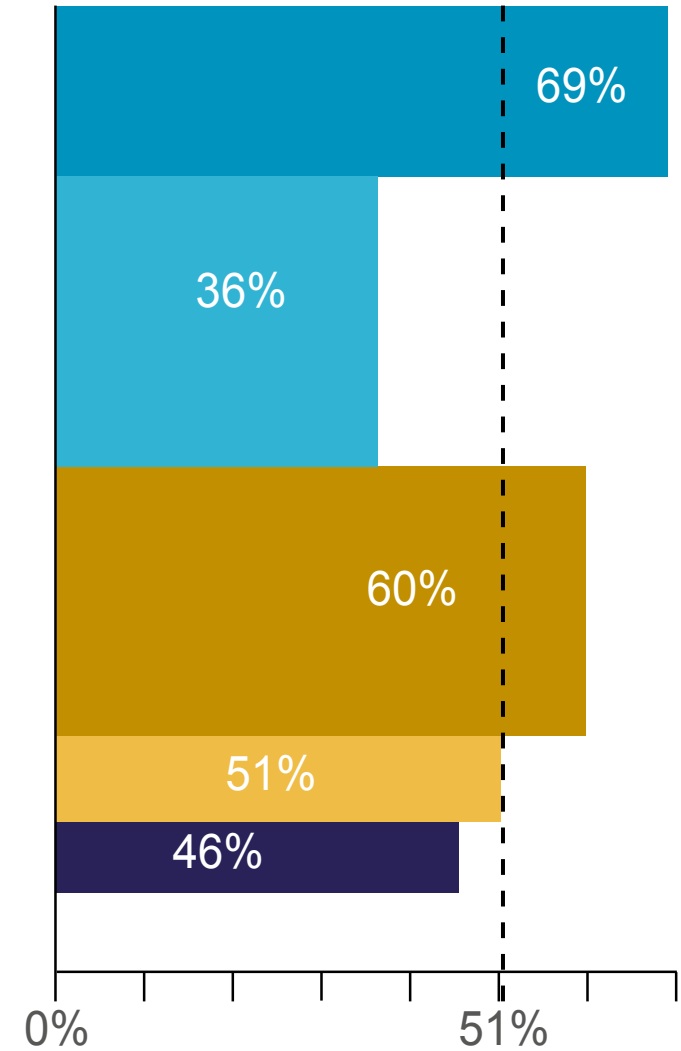
Divisional Revenue Growth



Revenue Split



Divisional Gross Profit Margin



Access and Safety

- ✿ Acceleration of organic growth delivered revenue of £9.5m (£5.5m in H1 2015) through investment in the core business and leverage of Integral and Access Contracting acquisitions
- ✿ Adjusted operating profit increased to £1.6m from £0.9m (H1 2015)
- ✿ Integral Cradles and Access Contracting fully integrated and showing strong growth and profits
- ✿ Market leadership in all four disciplines
- ✿ Clarity operational in Cradle Maintenance with Fall Access Testing to be the next implementation
- ✿ Significant contract wins: B&Q Maintenance, London Underground, Marble Arch, The London Development Project and Standard Life

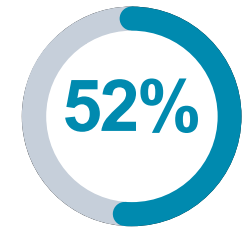
Revenue growth

+72%

Organic growth

+49%

Contribution to turnover



Safety Testing



Safety Installation



Cradle Maintenance



Cradle Installation



Electrical Services

- ✿ Strong revenue growth, primarily due to integration of 2015 acquisitions, to £7.4m (£4.4m in 2015)
- ✿ Operating profit increased to £1.7m from £1.2m (H1 2015)
- ✿ Integration complete in all four of the 2015 acquisitions, JW Grays, LPT, Pendrich and Langston Jones
- ✿ Expansion of Lightning Protection Installation business into Scotland and London
- ✿ The new service line of Steeplejacks (Pendrich acquisition in 2015) has been well received by our customers

Revenue growth

+67%

Organic growth

+15%
underlying

Contribution to
turnover



Lightning Protection



Electrical Testing



Fire Services



Steeplejack Services



High Level Cleaning

- ✿ Increase in adjusted operating margin from 20.2% (2015 H1) to 21.8%.
- ✿ Restructure of the business to focus on Rope Access Works
- ✿ Large value of “one off” technical, remedial work, not repeated in H1 2016
- ✿ Focus on excellent customer service and delivery model
- ✿ Investment in non-residential sales

Revenue growth

(14%)

Contribution to turnover



High Level Window Cleaning



Gutter Cleaning



Building Cleaning



Pressure Washing



Training Solutions

- ✿ Broad range of programmes
- ✿ Across all core sectors
- ✿ Leverage existing client relationships
- ✿ Generate new business leads and brand loyalty
- ✿ Acquisitions to be targeted during 2016 to finalise the establishment of this division

Access & Safety Training



Electrical Services Training



Insurance & Compliance



Financial Highlights

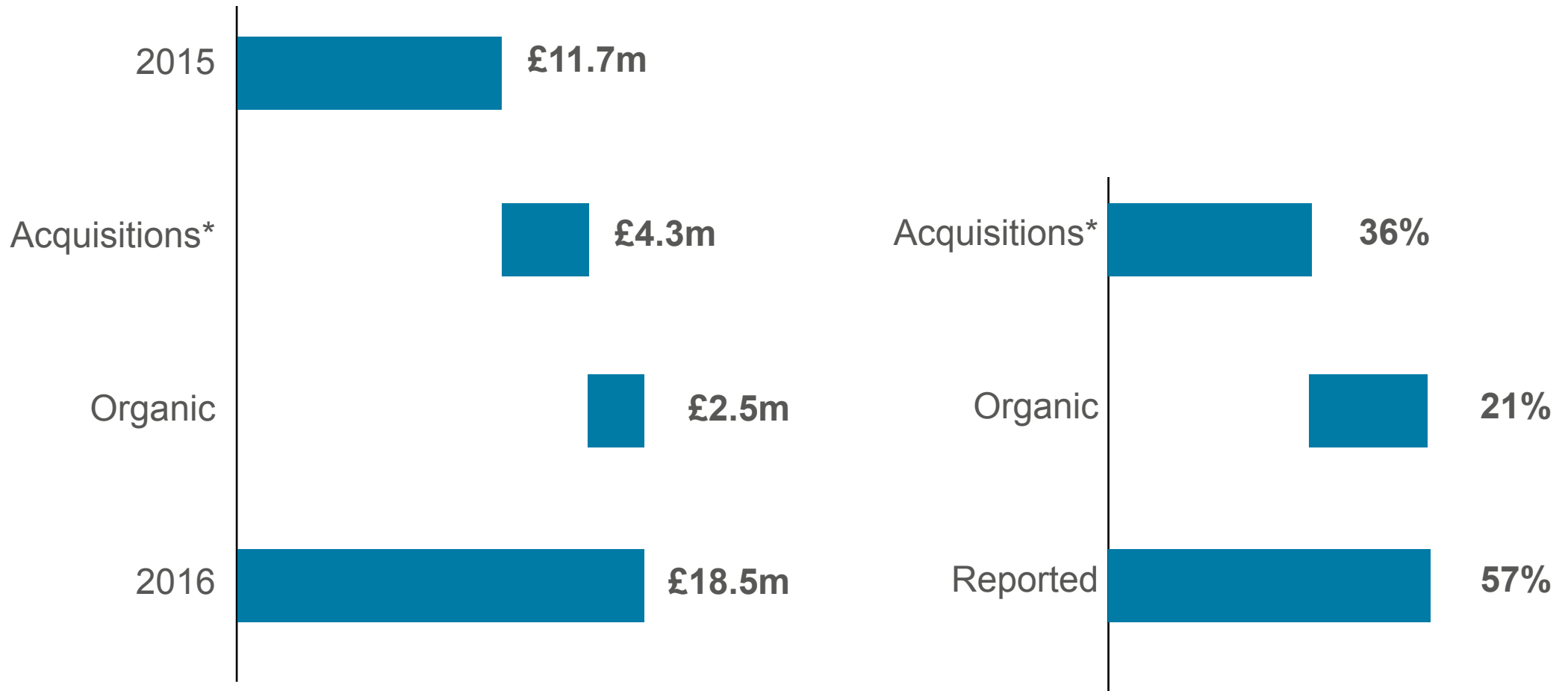
	H1 2016	H1 2015	Full Year 2015	
Revenue	£18.5m	£11.7m	£25.8m	<ul style="list-style-type: none"> • Revenue up by 57% on H1 2015 • Operating profit up by 47% on H1 2015 • Adjusted EPS up by 44% on H1 2015 • £0.70p dividend proposed, in line with our progressive dividend policy • Strong post tax return on operating capital despite additional investment 2015 acquisitions • There remains a significant headroom against our current facilities despite the increase in net debt to fund the acquisitions and organic growth
<i>Reported growth</i>	57%	40%	43%	
<i>Organic growth</i>	21%	20%	19%	
Adjusted operating profit	£3.7m	£2.5m	£5.3m	
<i>Growth</i>	47%	30%	32%	
Adjusted EPS	3.19	2.21	4.87	
Dividend	0.70p	0.46p	1.00p	
ROTOC*	28%	29%	57%	
Net Debt (excluding finance leases)	£7.7m	£1.6m	£6.3m	
Financial leases	£1.1m	£0.9m	£1.3m	

*On a consistent treatment of dividends and tax

ROTOC is the periods (6 months or 12 months) post tax EBITA dividend by the average operating capital (fixed assets, plus stock, plus trade and other renewables, less trade and other payables)

Finance leases are excluded from our net debt calculation as they do not form part of our banking facility. They predominately relate to motor vehicles

H1 Revenue Growth



*Acquisition turnover includes, 6 months base turnover for Integral Cradles Ltd., J.W. Gray Ltd., R Langston Jones & Co Ltd., Access Contracting Ltd., Lightning Protection Testing Ltd. and 5.5 months of Pendrich Height Services Ltd.

Profit Adjusting Items

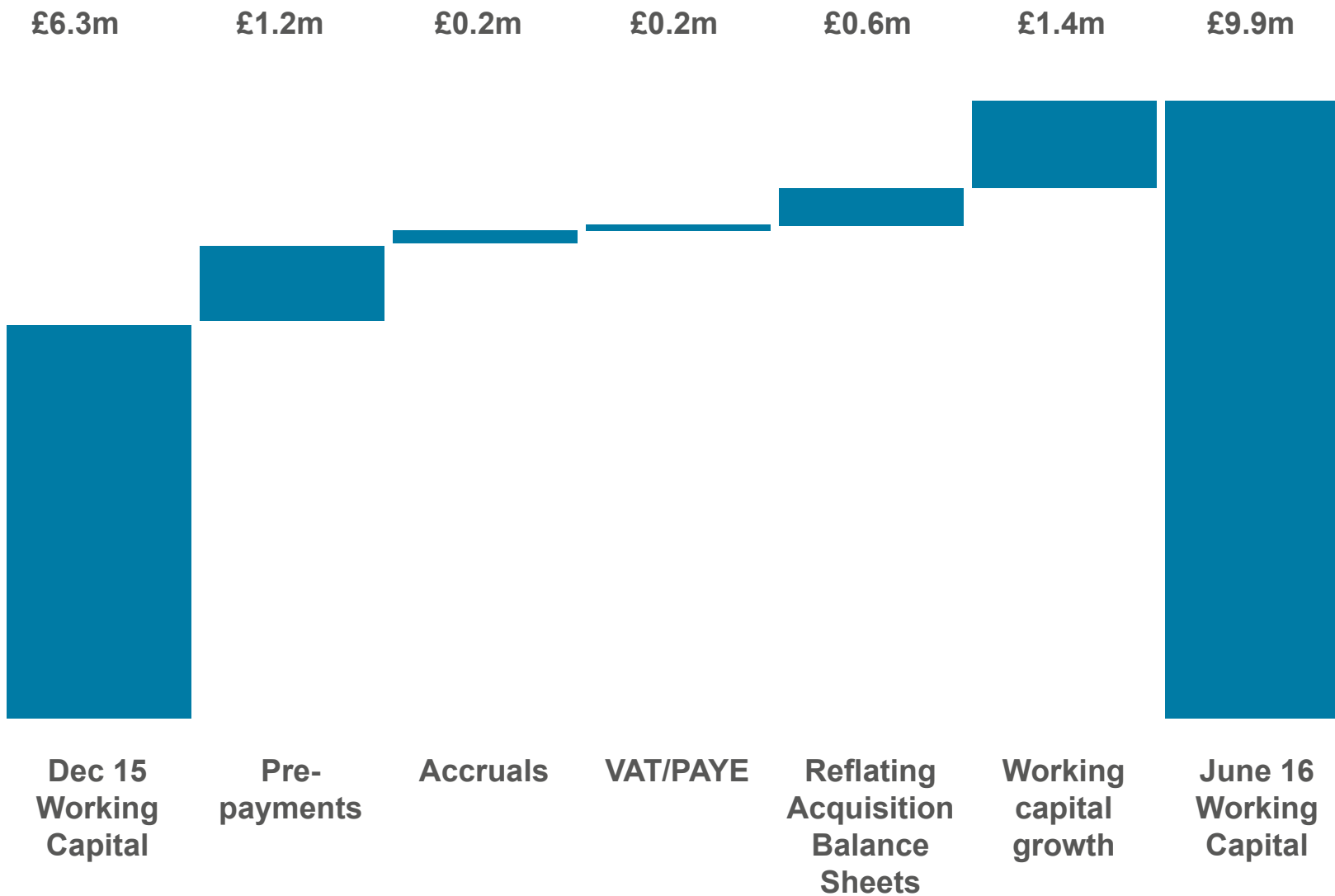
	H1	H1	Full Year
	2016	2015	2015
	£'000	£'000	£'000
Adjusted Operating Profit	3,660	2,488	5,276
Restructuring costs	(114)	(51)	(243)
One off/pre-acquisition costs	(106)	(6)	63
Intangible amortisation	(243)	–	(108)
Share options for Directors	(285)	(1,002)	(2,259)
Contingent payments in relation to acquisitions*	(649)	(347)	(948)
IPO	–	(248)	(521)
Reported Operating Profit	2,263	834	1,260

*Deferred consideration payments, dependent upon on going employment of the former owner are charged to the P&L under IFRS 3. These payments are dependent upon achieving agreed profit milestones and as such are self-funding. They can be paid in cash or shares at PTSG's discretion.

Consolidated Cashflow

	H1 2016 £'000	H1 2015 £'000	Full Year 2015 £'000
Adjusted EBITDA	4,187	2,903	6,174
Movements in working capital	(3,531)	(2,013)	(4,592)
Capital expenditure	(540)	(431)	(766)
Trading cashflow	116	459	816
Restructuring/Acquisition/Share option costs	(1,169)	(1,395)	(2,112)
Operating cashflow	(1,053)	(936)	(1,296)
Interest	(181)	(139)	(273)
Tax	(52)	(100)	(490)
Free cashflow	(1,286)	(1,175)	(2,059)
Acquisitions	(50)	(240)	(2,275)
Payment of deferred consideration	(421)	(146)	(1,058)
Dividends	–	(132)	(534)
Net cashflow	(1,757)	(1,693)	(5,926)
Shares issued	400	5,087	4,673
Loans	2,785	(500)	2,196
Change in cash	1,428	2,894	943

Working Capital Bridge



- Half year versus full year phasing resulted in a £1.4m (£1.2m prepayment + £0.2m accruals) increase in working capital
- A number of acquisitions needed further reflating of the balance sheet. This need was reflected in the acquisition price
- Excluding these the working capital grew virtually in line with the H1 organic sales growth but below the Q2 organic growth

Capital Allocation Framework

Disciplined use of cash in line with strategy

Reinvest
for organic
growth

1

Acquisitions
in line with
strategy

2

Progressive
dividend
policy

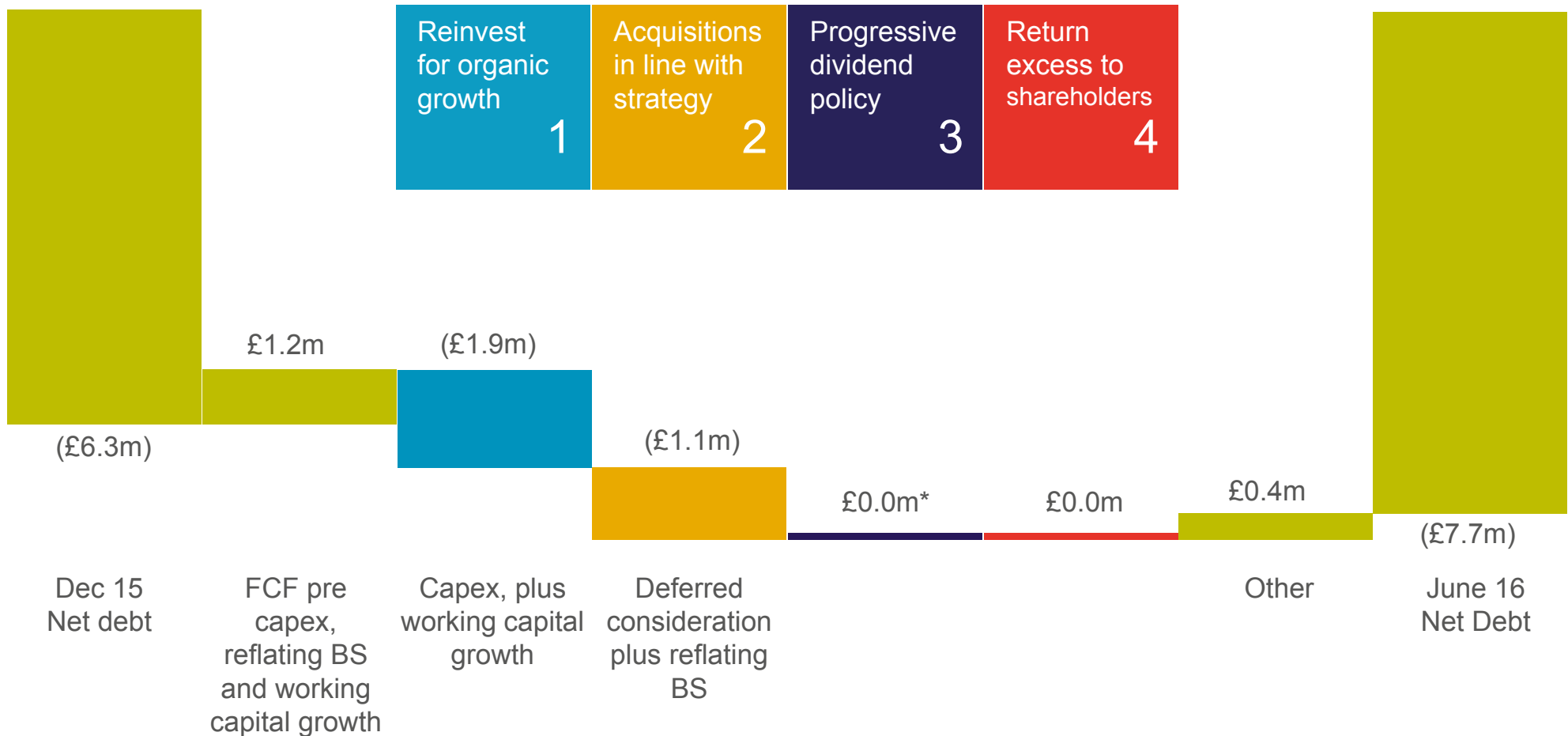
3

Return
excess to
shareholders

4

Maintain strong balance sheet to ensure solid investment metrics

Cashflow and Capital Allocation



Net debt comprises borrowings, cash/cash equivalents and bank overdrafts. Loan notes are excluded as they are a form of deferred consideration. Finance leases are excluded as they do not form part of our banking facilities.

*2015 final dividend was paid in July 2016 (£0.5m)

Strategy Overview



Strong focus on organic growth and market leadership



Accelerate growth and diversification with selective acquisitions



Drive industry leading margins through use of PTSG model, scale and efficiency



Focus on the three PTSG fundamentals of safety, service and cost-effectiveness



Embracing innovation to maintain our competitive advantage

Growth Drivers

Organic

- Geographic expansion and increase of service offering
- Renewal rates and repair sales
- Cross-selling of services

Acquisition

- Strong acquisition pipeline
- Track record of driving value





Marketplace

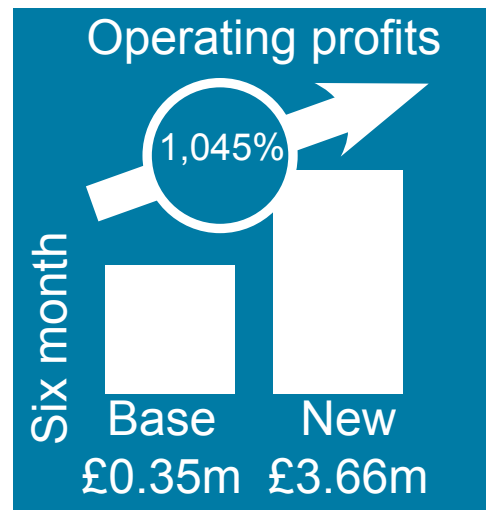
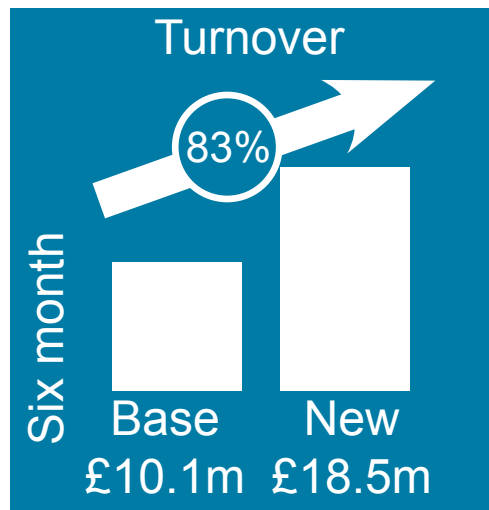
- £600m addressable market with ~5-10% market share
- New sector expansion, eg: Fire Services

Demand

- Construction
- Regulation

Acquisition Track Record

-  20 acquisitions over nine years, across three sectors for a gross consideration of £11.3m, £8.1m net
-  Leverage of PTSG operating model
-  Deferred consideration linked to self-funding and stretching business milestones
-  Strong track record of accelerating revenue growth and significantly improving profitability



Average multiple of 4.4 x EBIT



Acquisition of



- ✿ Acquired July 2016
- ✿ Two sites located in Bury & Oldham with sales of £4.1m and a combined PBT of £1.1m
- ✿ A market leader in the installation, maintenance and testing of dry and wet riser systems
- ✿ Strong revenue and margin business
- ✿ Strategic expansion of fire safety provision into existing and new customer
- ✿ Meets PTSG's financial acquisition criteria

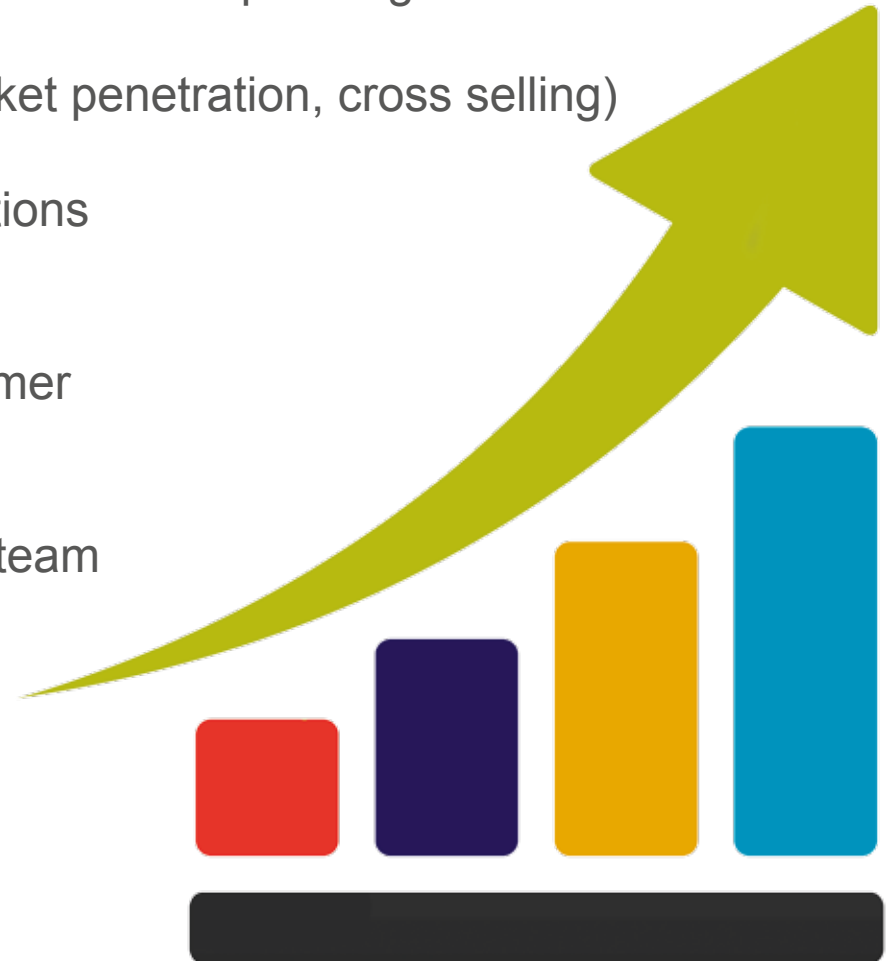


Summary and Outlook

- ✿ The Board remains confident about the outlook for 2016 – strong organic growth momentum coupled with a solid acquisition platform
- ✿ The integration of the two Dry Riser businesses will be completed in H2, enabling a strong contribution to the Group
- ✿ PTSG will remain disciplined in the use of its capital in line with our aim of being the nationwide market leader across our principal industry sectors
- ✿ Strong acquisition pipeline

Investment Case

- ✿ Market leader in attractive niche markets
- ✿ Strong track record of growth, both organic and acquisitive
- ✿ Industry leading operating profits driven by a differentiated operating model
- ✿ Significant latent potential of growth drivers (market penetration, cross selling)
- ✿ A track record of successfully integrating acquisitions and delivering strong value
- ✿ High level of recurring revenue and strong customer retention (85%+)
- ✿ Highly experienced and ambitious management team
- ✿ Highly attractive financial characteristics (high margins, low capex, high returns, good underlying cash generation, progressive dividend policy)



Appendix

Consolidated Statement of Comprehensive Income

	Six months ended 30 June 2016			Six months ended 30 June 2015			Year ended 31 December 2015 (audited)		
	Before adjusting items £	Adjusting items £	Total £	Before adjusting items £	Adjusting items £	Total £	Before adjusting items £	Adjusting items £	Total £
Revenue	18,474,443	–	18,474,443	11,740,772	–	11,740,772	25,770,503	–	25,770,503
Cost of sales	(8,964,379)	–	(8,964,379)	(5,347,246)	–	(5,347,246)	(11,785,079)	–	(11,785,079)
Gross profit	9,510,064	–	9,510,064	6,393,526	–	6,393,526	13,985,424	–	13,985,424
Net operating costs	(5,849,823)	(1,397,193)	(7,247,016)	(3,906,022)	(1,653,095)	(5,559,117)	(8,709,361)	(4,016,196)	(12,725,557)
Total operating profit	3,660,241	(1,397,193)	2,263,048	2,487,504	(1,653,095)	834,409	5,276,063	(4,016,196)	1,259,867
Finance costs	(181,446)	–	(181,446)	(138,863)	–	(138,863)	(273,437)	(155,446)	(428,883)
Profit before tax	3,478,795	(1,397,193)	2,081,602	2,348,641	(1,653,095)	695,546	5,002,626	(4,171,642)	830,984
Taxation	(673,122)	95,948	(577,174)	(484,253)	24,801	(459,452)	(814,927)	473,046	(341,881)
Profit attributable to owners of the parent	2,805,673	(1,301,245)	1,504,428	1,864,388	(1,628,294)	236,094	4,187,699	(3,698,596)	489,103
Total comprehensive income for the period attributable to owners of the parent	2,805,673	(1,301,245)	1,504,428	1,864,388	(1,628,294)	236,094	4,187,699	(3,698,596)	489,103
Basic and diluted earnings per share (Pence)			1.71			0.28			0.57
Adjusted EPS	3.19			2.21			4.87		

Consolidated Balance Sheet

	Jun 16 £'000	Jun 15 £'000	Dec 15 £'000
Assets			
Intangible assets	10,577	4,138	10,736
Property, plant and equipment	2,502	1,498	2,373
Deferred tax	706	–	784
Non-current assets	13,785	5,636	13,893
Current assets			
Inventories	479	365	382
Trade and other receivables	17,170	10,415	13,108
Cash and cash equivalents	1,110	1,633	–
	18,759	12,413	13,490
Liabilities			
Current liabilities			
Trade and other payables	6,408	4,847	6,430
Bank overdraft, net of cash	–	–	317
Finance leases	569	520	641
Borrowings	25	1,000	25
Deferred consideration	1,354	1,299	1,126
Current tax liabilities	1,326	801	750
Total current liabilities	9,682	8,467	9,289
Net current assets	9,077	3,946	4,201
Non-current liabilities			
Borrowings	8,779	2,250	5,993
Finance leases	541	330	653
Deferred tax liability	–	11	–
Deferred consideration (incl loan notes)	2,562	300	2,527
Total non-current liabilities	11,882	2,891	9,173
Net assets	10,980	6,691	8,921

Segmental Analysis

	H1				H1				Full Year			
	2016		2015		2015		2015		2015		2015	
	Turnover £'000	Growth	EBIT £'000	Margin	Turnover £'000	Growth	EBIT £'000	Margin	Turnover £'000	Growth	EBIT £'000	Margin
Access & Safety	9,541	72%	1605	17%	5,537	5%	918	17%	12,036	26%	2,031	17%
Electrical Services	7,395	67%	1740	24%	4,418	42%	1,227	28%	10,402	58%	2,519	24%
High Level Cleaning	1,539	-14%	336	22%	1,786		361	20%	3,332	82%	670	20%
Central			(20)				(18)				56	
	18,475	57%	3,661	20%	11,741	40%	2,488	21%	25,770	43%	5,276	20%

Five Year Income Statement

	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016 (6 months)
	£'000	£'000	£'000	£'000	£'000	£'000
Turnover	9,023	12,072	13,887	18,003	25,771	18,474
Gross profit	5,318 58.9%	7,145 59.2%	8,401 60.5%	10,319 57.3%	13,985 54.3%	9,510 51.5%
Adjusted EBITA*	1,630 18.1%	2,855 23.6%	3,160 22.8%	4,007 22.3%	5,276 20.5%	3,660 19.8%
Adjusted EBITDA*	2,010 22.3%	3,289 27.2%	3,757 27.1%	4,708 26.2%	6,174 24.0%	4,187 22.7%

*Adjusted for contingent acquisition payments, restructuring, rebranding, refinancing costs, share option changes and amortisation of intangible assets

Five Year Balance Sheet

	Actual 2011 £'000	Actual 2012 £'000	Actual 2013 £'000	Actual 2014 £'000	Actual 2015 £'000	Actual June 2016 £'000
Fixed assets	2,453	3,360	4,616	4,957	13,893	13,785
Stock, trade and other receivables	2,454	3,700	5,562	8,262	13,490	17,649
Net cash	51	642	373	(1,261)	(317)	1,110
Current liabilities*	(2,132)	(3,247)	(3,421)	(5,325)	(7,845)	(8,328)
Net current liabilities*	373	1,095	2,514	1,679	5,328	10,431
Non-current liabilities*	(85)	(248)	(316)	(363)	(653)	(541)
Bank loan	—	—	(5,000)	(3,750)	(5,994)	(8,779)
Deferred consideration (incl loan note)	(75)	(100)	(600)	(1,399)	(3,653)	(3,916)
Net assets	2,666	4,107	1,214	1,121	8,921	10,980

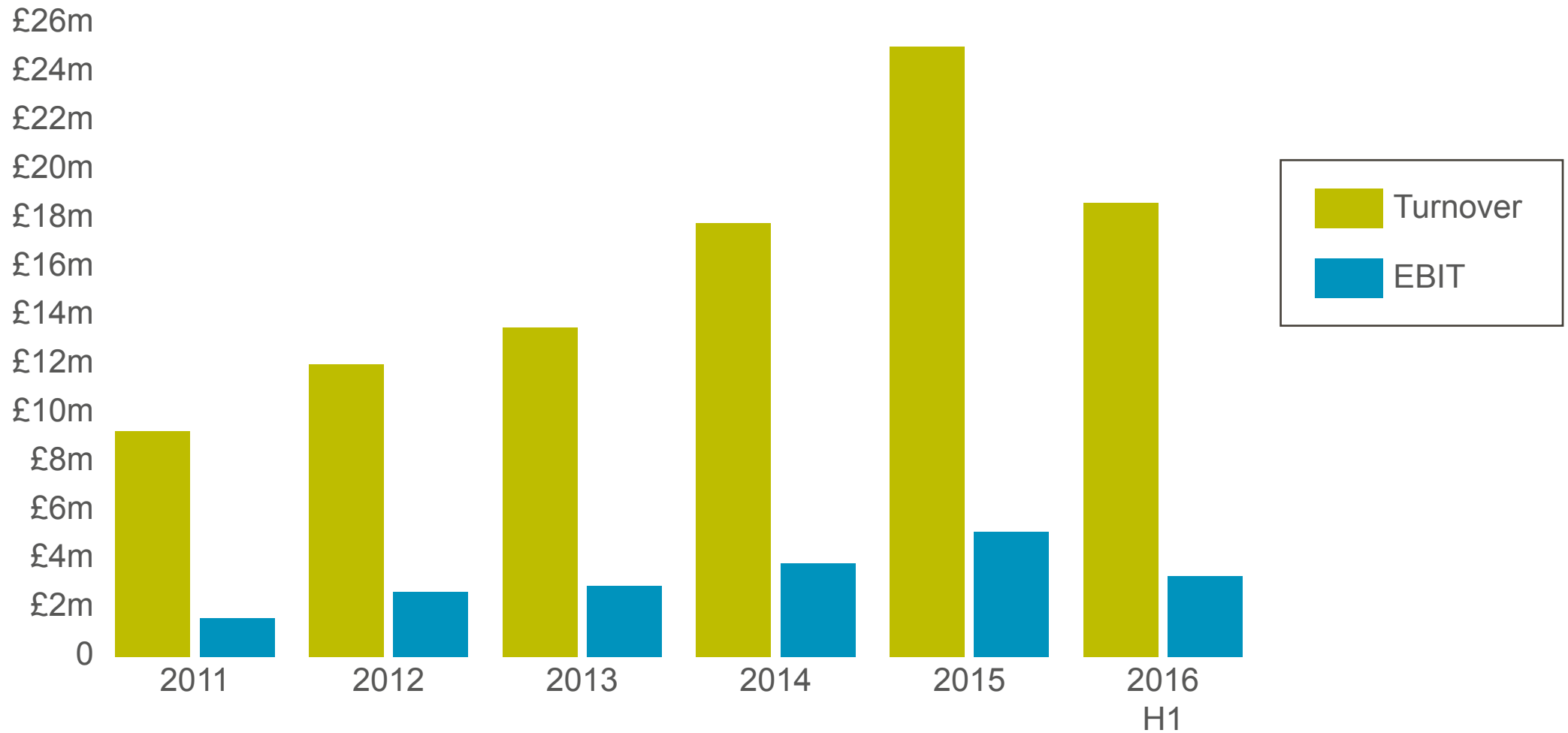
*excludes loan and deferred consideration

Five Year Cashflow





	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual June 2016 (6 months)
	£'000	£'000	£'000	£'000	£'000	£'000
Adjusted EBITA*	2,010	3,289	3,757	4,708	6,174	4,187
Adjusted items	(942)	(50)	(622)	(2,493)	(2,112)	(1,169)
Movement in working capital	980	(849)	(1,297)	420	(4,592)	(3,531)
Inflow from operating activities	2,048	2,390	1,838	2,635	(530)	(513)
Taxation	(292)	(202)	(872)	(561)	(489)	(52)
CAPEX/financing	(513)	(517)	(592)	(990)	(1,040)	(721)
Acquisitions	(127)	(332)	(850)	(678)	(3,333)	(471)
Dividends	(790)	(749)	(755)	(790)	(534)	–
Loans taken out/repaid	–	–	5,000	(1,250)	2,196	2,785
Share buy back	–	–	(4,038)	–	–	–
Issues of shares	–	–	–	–	4,673	400
Increase/(decrease) in cash	326	590	(269)	(1,634)	943	1,428

*Adjusted for contingent acquisition payments, restructuring, rebranding, refinancing costs, share option changes and amortisation of intangible assets

Five Year Profit and Loss Summary



Technical Guidance

-  Acquisitive growth is the cumulative base sales for each acquisition's stub period expressed as a percentage of the total Group turnover for the prior period
-  Organic growth is reported growth less acquisitive growth
-  Deferred consideration payments, dependent upon on going employment of the former owner are charged to the P&L under IFRS 3. These payments are dependent upon achieving agreed profit milestones and as such are self-funding. They can be paid in cash or shares at PTSG's discretion
-  Net debt comprises borrowings, cash/cash equivalents and bank overdrafts. Loan notes are excluded as they are a form of deferred consideration. Finance leases are excluded as they do not form part of our banking facilities

PTSG on a Page



Locations
We have **16** office locations nationwide

85 accreditations
10 health & safety awards

Compliance

Customer Service



We do everything by word of Mouse

Memorable
Outstanding
Unique
Service
Experience

Our unique customer service ambassador ensures all our people offer continuously high levels of service, which in turn leads to repeat business

Our People

Over **400** members of staff

Full time **health & safety** management team

All **highly** trained

We recruit the **best** in the industry



Formed in **2007**

20 acquisitions

Listed on the **London** Stock Exchange

12,500 customers

No 1 across our market sectors

10 top industry awards

About

88% renewal rates

Over **150,000** assets

