

A Truly Connected Business

Protecting People, Preserving Buildings



2018 Half year results presentation

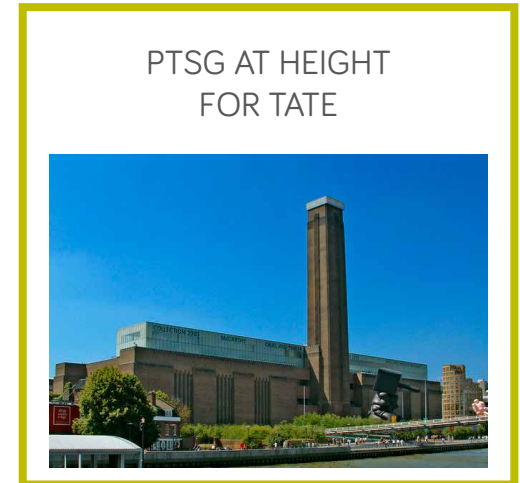
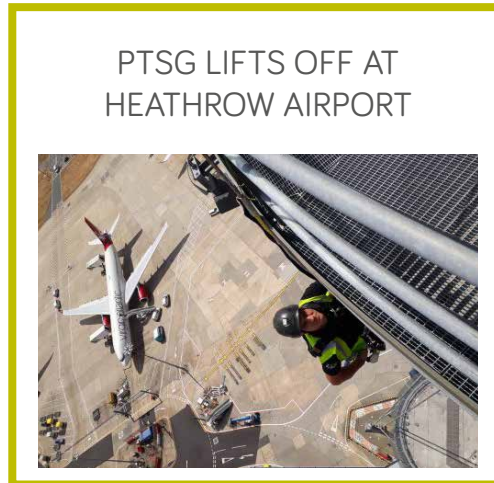


GROUP OF COMPANIES



Agenda

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



2018 H1 Highlights

-  A strong start to 2018 with revenue of £30.2m (2017: £21.9m) an increase of 38%
-  Good organic growth of 14% on prior year
-  Operating profit* growth of 35% to £5.9m reflecting strong revenue growth and good cost control
-  Integration of Nimbus Lightning Protection, BEST and UK Sprinklers fully completed with a good contribution to growth in H1
-  Acquisition of M&P Fire Protection to broaden our geographical presence and further enhance the Fire Solutions division
-  High renewal rates of 88%, together with a number of new significant contract wins reinforce confidence in our organic growth plans
-  Proposed interim dividend of 0.9p per share (up 13%)
-  Underlying net debt at £16m, a £2.2m reduction from 2017 due to a strong cash conversion of 81%.

Revenue

£30.2m

+38%

Gross profit

£15.4m

+37%

Operating profit*

£5.9m

+35%

Adjusted EPS

5.03p

+30%

Divided per share

0.90p

+13%

*Detailed on Page 12

Group Structure



Revenue: £7.9m
Est. Mkt Share: 8%

Market leader across all four sectors

Core Activities:

- Safety Testing & Installation
- Cradle Maintenance & Installation

Group turnover contribution



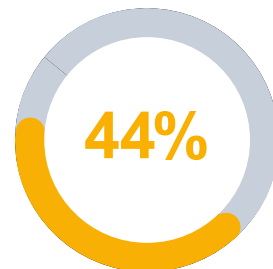
Revenue: £13.4m
Est. Mkt Share: 12%

Market leader in Lightning Protection
Top three in Electrical Testing

Core Activities:

- Lightning Protection
- Fixed Wire Testing
- Portable Appliance Testing
- Fire Alarm & Extinguishers
- Dry Risers
- Steeplejack Services

Group turnover contribution

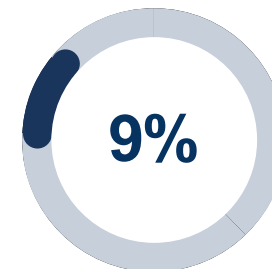


Revenue: £2.7m
Est. Mkt Share: 5%

Core Activities:

- Steeplejack Services
- High-Level Installations
- High-Level Reparation
- High-Level Cleaning

Group turnover contribution

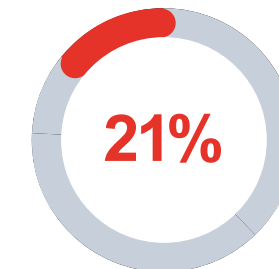


Revenue: £6.2m
Est. Mkt Share: 6%

Core Activities:

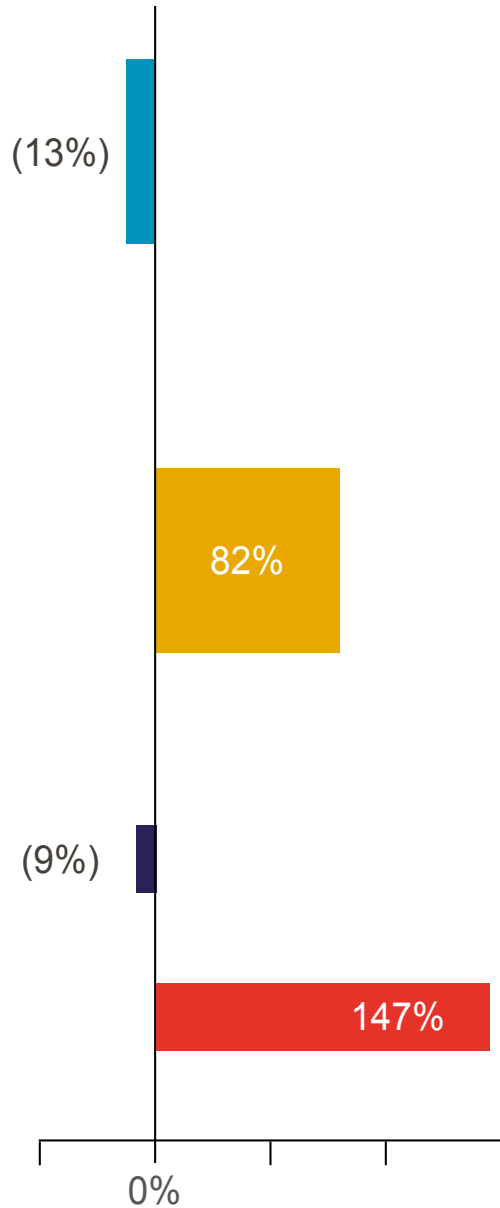
- Dry Riser Installation/Maintenance
- Sprinkler Installation/Test/Maintenance
- Fire Alarm/Emergency Lighting Test/Install
- Fire Extinguisher Test/Supply

Group turnover contribution

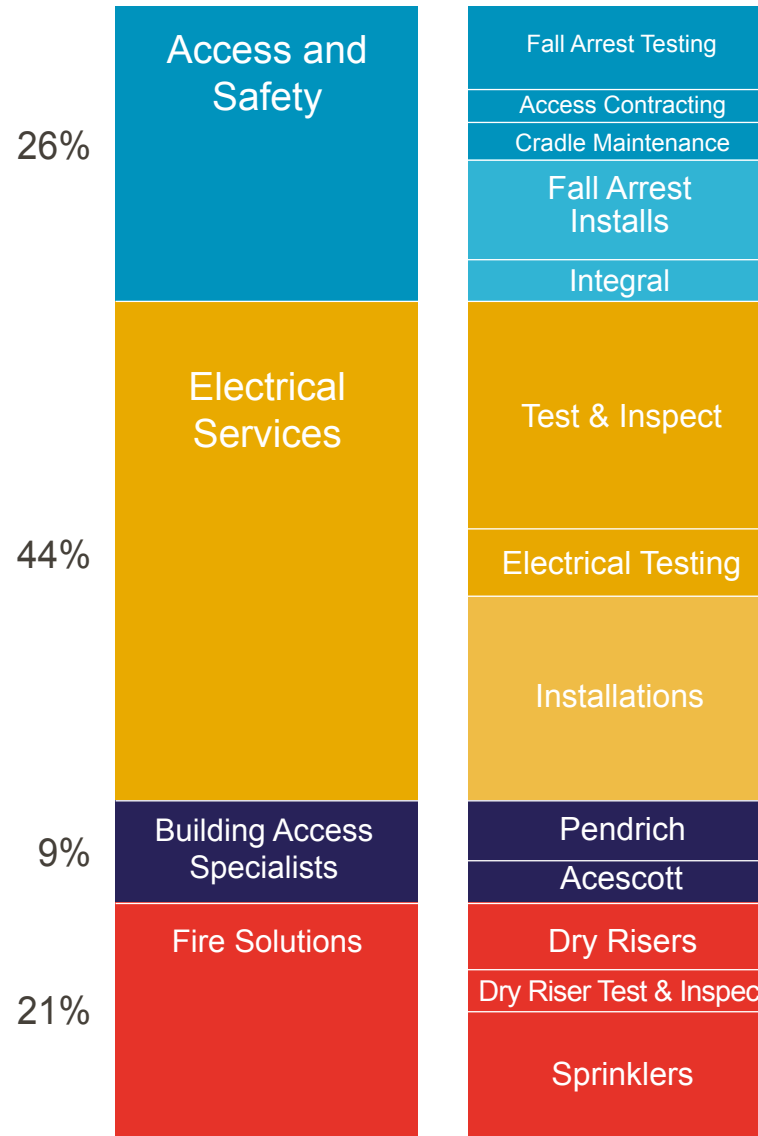


2018 Revenue Growth and Gross Profit

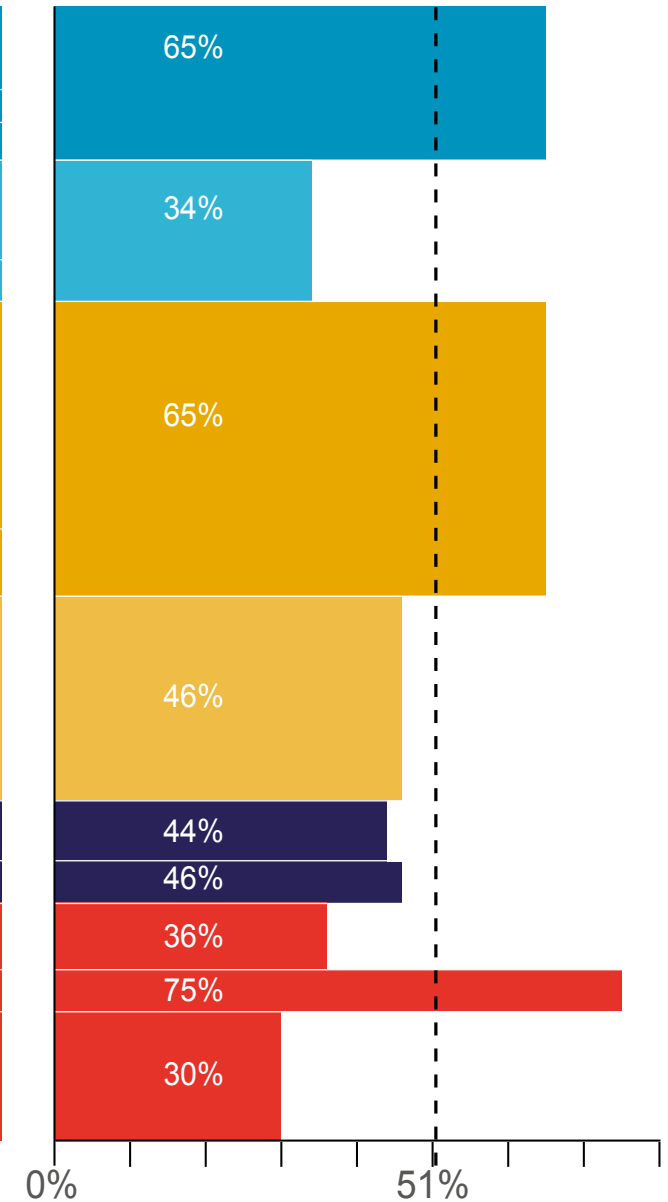
Divisional Revenue Growth



Revenue Split (% of group)



Divisional Gross Profit Margin



Access and Safety

- ✿ Revenue decreased by 13% to £7.9m (£9.1m in 2017)
- ✿ Compliance testing business increased by 12%, driven by continued investment in the engineer base fuelled by high renewal rates and new contract wins
- ✿ Cradle installation was significantly down versus 2017 comparator which saw the London Development, One Blackfriars and White City projects
- ✿ Market leadership in all four disciplines
- ✿ Adjusted operating profit decreased to £1.3m from £1.5m (2017)

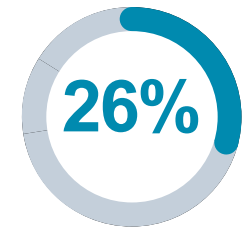
Revenue growth

(13%)

Maintenance growth

+12%

Contribution to turnover



Safety Testing



Safety Installation



Cradle Maintenance



Cradle Installation



Electrical Services

- ✿ Material revenue growth of 82% to £13.4m (£7.4m in 2017), due to a combination of strong organic growth and the successful acquisition integration of Nimbus and BEST Lightning Protection
- ✿ Operating profit increased to £2.8m from £1.7m (2017)
- ✿ Strong organic growth of 31% in Testing and Inspection driven by a high number of contract wins and a strong renewal rate
- ✿ The acquisition of BEST and Nimbus Lightning Protection have been fully integrated and showing a good contribution to growth
- ✿ BEST testing Inspection business uplift in renewal rates to 85% (50% at acquisition) with 610 new 3-5 year contracts and margin improvement of 15%
- ✿ New offerings of CDEGS, Surge Protection and Specialist Earthing – very well received by the market, performing strongly and already contributing to gross profit
- ✿ Electrical testing – Strong H1 performance with 20% organic growth driven by cross-selling and Group sales

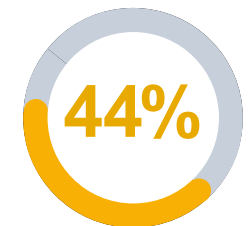
Revenue growth

+82%

Organic growth

+16%

Contribution to turnover



Lightning Protection



Surge Protection



Specialist Earthing



Electrical Testing



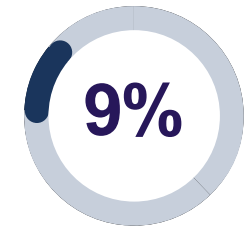
Building Access Specialists

- ✿ Revenue of £2.7m down 9% on prior year (£3.0m in 2017)
- ✿ Continued re-focussing of the business on Specialist Steeplejack and Rope Access works
- ✿ Integration of BEST Steeplejack into the Pendrich business is fully complete and provides a strong national presence
- ✿ Strong sales contract wins in H1 particularly for steeplejacking and abseil installation

Revenue growth

(9%)

Contribution to turnover



Steeplejack Services



High-Level Installations



High-Level Reparation



High-Level Cleaning



Fire Solutions

- ✿ Strong organic revenue growth of 77%, with revenue of £6.2m and operating profit of £1.3m
- ✿ 77% organic growth driven by strong investment to scale each area and the rigour of the PTSG operating model
- ✿ UK Sprinklers acquired in September 2017 has been fully integrated and is trading 100% ahead of the acquired business
- ✿ Unprecedented demand for Fire Solutions, with over £50m of live quotes in UKS and an order book 3x last full year sales
- ✿ Acquisition of M&P Fire Protection to broaden our geographical presence and further strengthen the Fire Solutions division

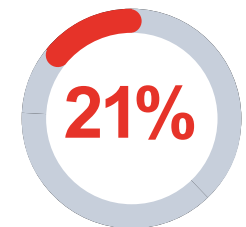
Revenue growth

147%

Organic growth

+77%

Contribution to turnover



**Dry Riser
Installation/Maintenance**



**Sprinkler Installation/
Test/Maintenance**



**Fire Alarm/Emergency
Lighting Test/Install**



**Fire Extinguisher Test/
Supply**



Financial Highlights

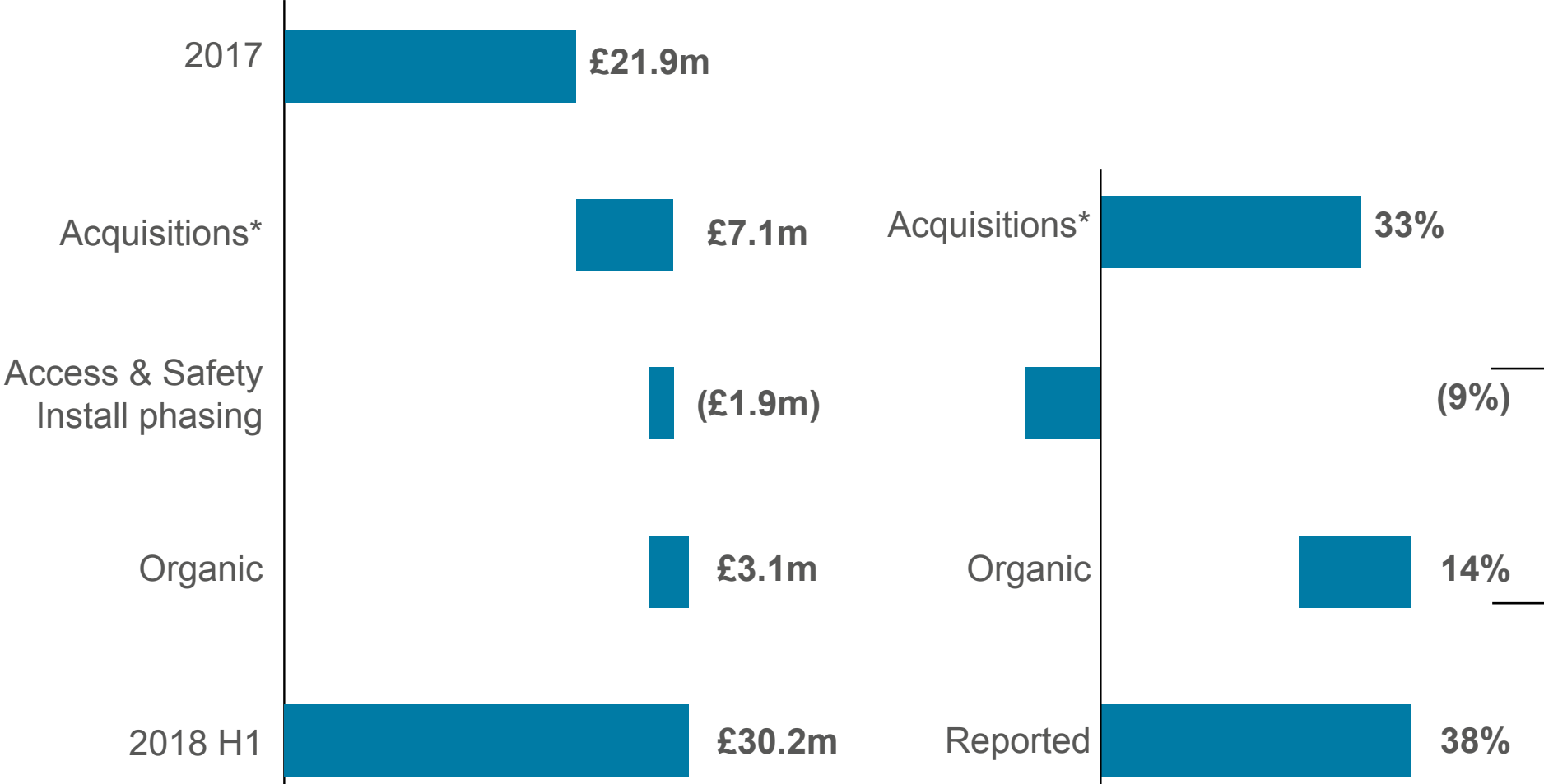
	H1 2018	H1 2017	Full Year 2017	
Revenue	£30.2m	£21.9m	£52.9m	• Another period of strong growth
<i>Reported growth</i>	38%	19%	35%	
Adjusted operating profit*	£5.9m	£4.4m	£10.6m	• Operating margin maintained at 20%
<i>Growth</i>	35%	20%	35%	
Adjusted EPS	5.03p	3.86p	9.73p	• Adjusted EPS up by 30%
Dividend	0.90p	0.80p	1.60p	• 0.90p dividend proposed, in line with our progressive dividend policy
ROTOC	26%	25%	55%	• Strong post tax return on operating capital
Net Debt (excluding finance leases)	£11.8m	£12.2m	£18.3m	• Net debt reduction ahead of forecast
Finance leases	£1.8m	£1.4m	£1.2m	

*See page 12 for adjustments to operating profit

ROTOC is the periods' Adjusted operating profit after tax divided by the average operating capital (fixed assets, plus stock, plus trade and other receivables, 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 Brooke Edgley Specialist Technical Services Ltd, UK Sprinklers Ltd and 0.5 months of Nimbus Ltd.

Profit Adjusting Items

	H1	H1	Full year
	2018	2017	2017
	£'000m	£'000m	£'000m
Adjusted operating profit*	5,903	4,374	10,643
Restructuring costs	(554)	(267)	(1,394)
Intangible amortisation	(332)	(39)	(370)
Share based payments for Directors	(641)	(1,076)	(2,999)
Contingent payments in relation to acquisitions*	(2,701)	(1,022)	(3,523)
Reported Operating Profit	1,675	1,970	2,357

* 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

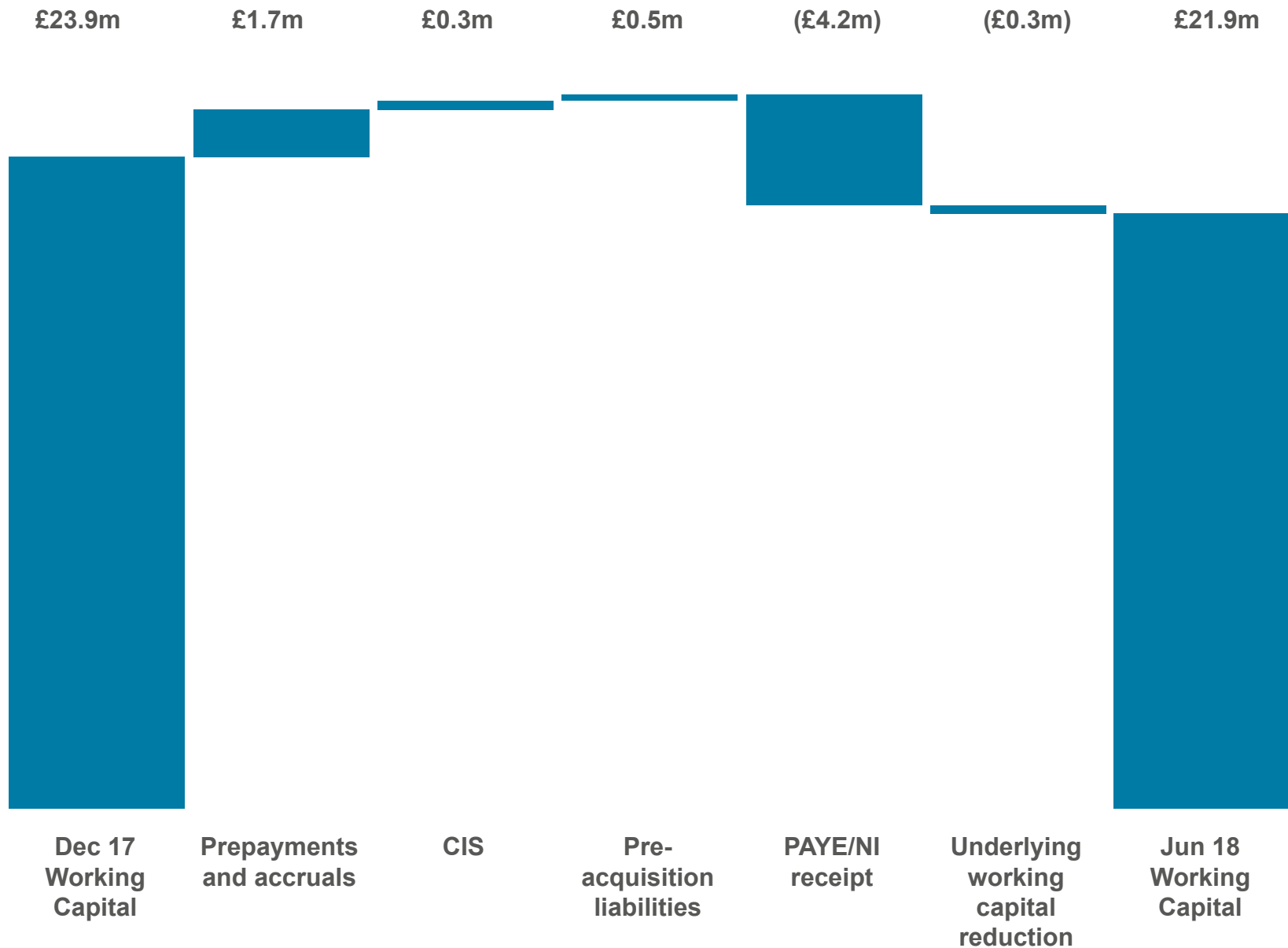
	H1	H1	Full Year
	2018	2017	2017
	£'000	£'000	£'000
Adjusted operating profit	5,903	4,374	10,643
Depreciation and amortisation	1,033	765	1,684
Capital expenditure	(943)	(666)	(1,771)
Movement in working capital	2,080	(1,693)	(5,562)
Trading cash flow	8,073	2,780	4,994
Trading cash conversion	137%	64%	47%
Underlying trading cash conversion*	81%	64%	65%
Restructuring	(554)	(268)	(1,394)
Interest paid	(336)	(231)	(492)
Taxation paid	44	334	(791)
Free Cash flow	7,227	2,615	2,317
Acquisition expense and deferred consideration**	(125)	(1,327)	(18,307)
Dividends	–	–	(1,477)
Other non operating adjustments***	(530)	(1,671)	(3,928)
Shares issued	–	208	15,807
Loans taken out / (repairs)	(714)	(50)	1,944
Cash movement	5,858	(255)	(3,644)

* CIS, preacquisition liabilities and PAYE/NI receipts (approx £3.3m H1, £350k H1 and £2.3m FY 2017)

** Includes preacquisition liabilities

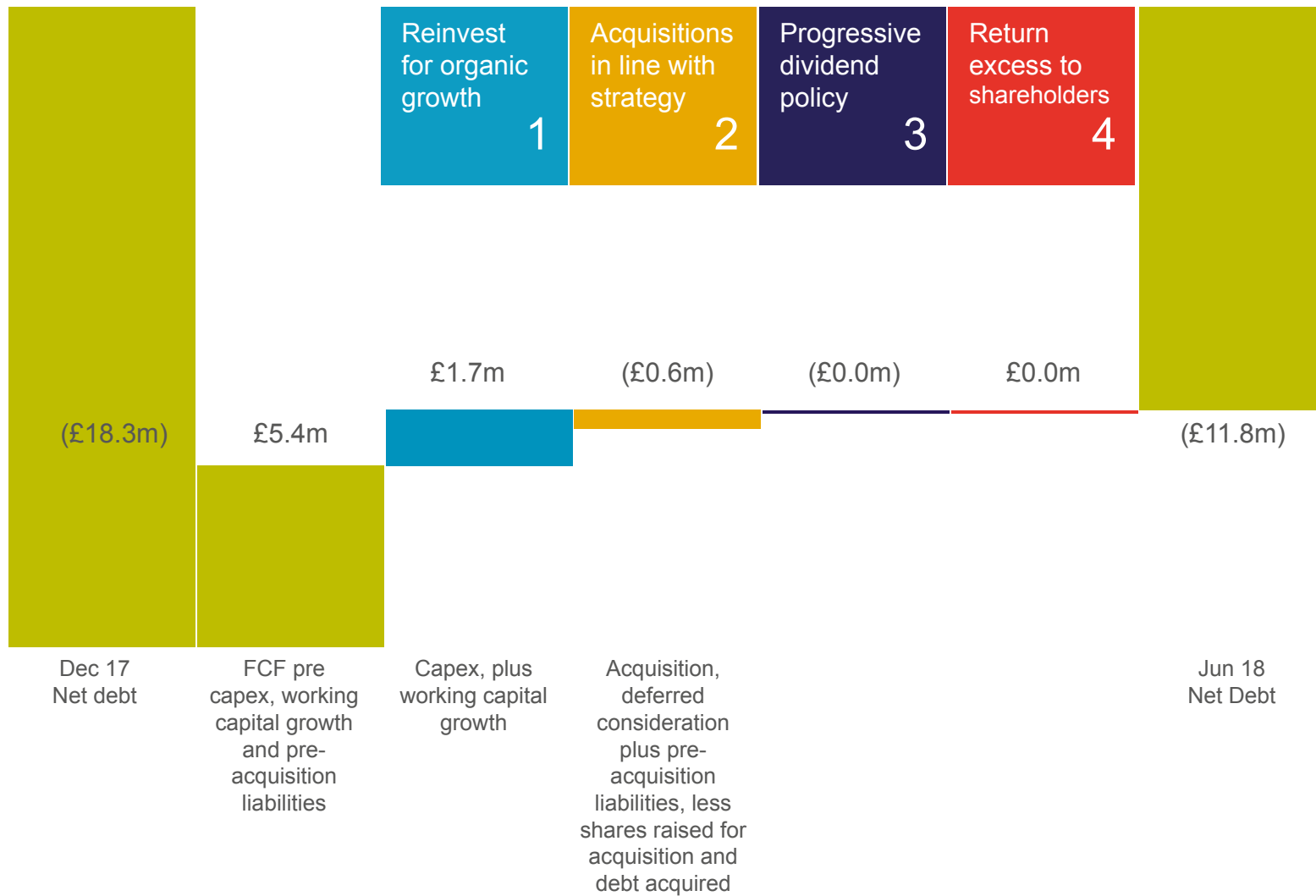
*** Non-cash element of share based payments and deferred consideration

Working Capital Bridge



- Investment for growth (vehicles, insurance, RCF) £1.1m supplemented by reduction in accruals
- CIS tax deducted by client £0.3m
- Payment of pre-acquisition liabilities £0.3m
- PAYE/NI monies received immediately prior to half year end and paid early H2
- Working capital reduction despite 14% organic growth

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.

Net debt levels and banking covenants

	Bank Covenants	Actual
Debt service	>100%	386%
Interest cost	>500%	2,349%
Leverage	<2.25	1.02

- All banking covenants comfortably met
- Significant head room remains for future growth

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



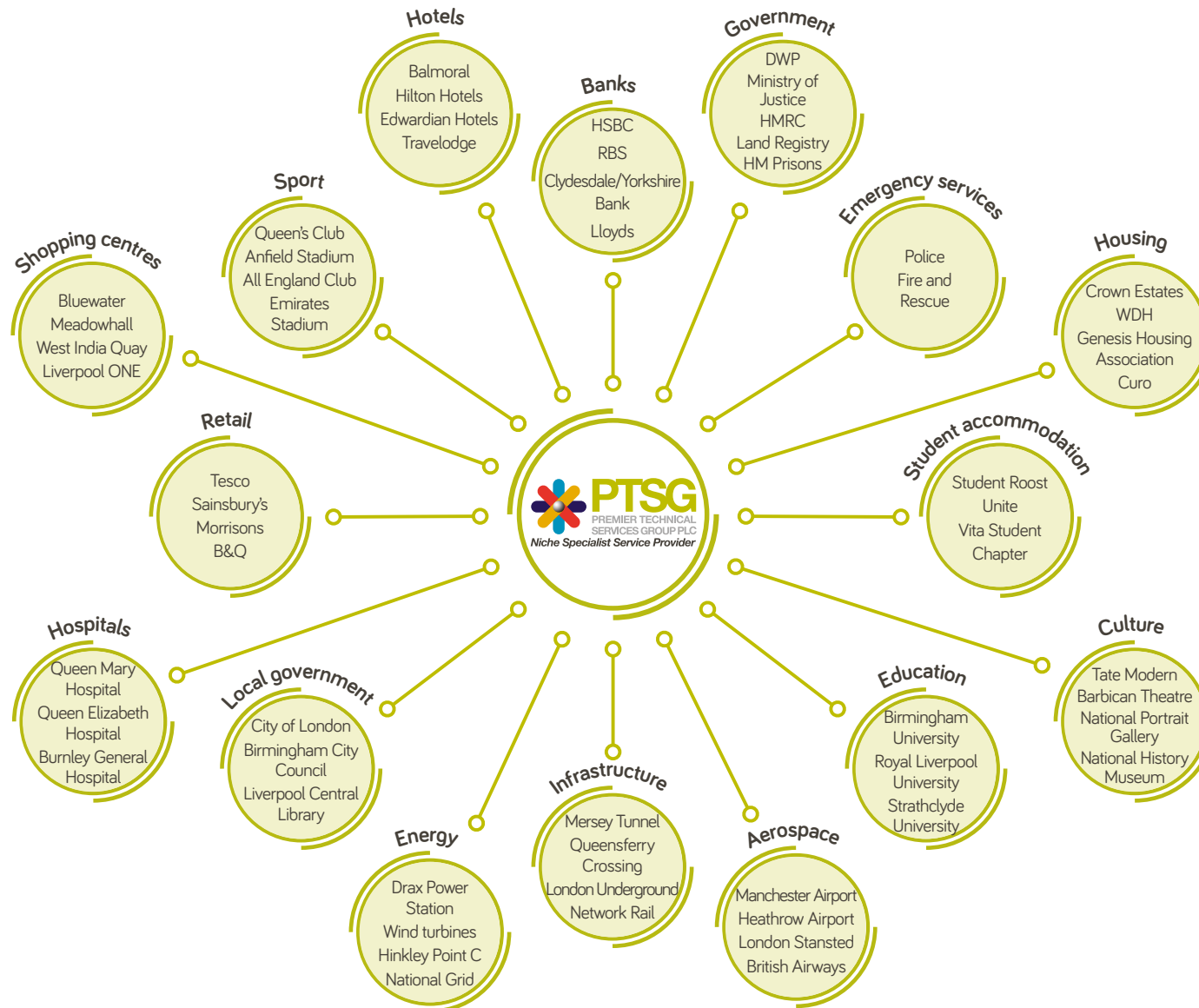
Focus on the three PTSG fundamentals of safety, service and cost-effectiveness



Embracing innovation to maintain our competitive advantage

PTSG sector overview

Broad spread of sectors with limited customer concentration



Business concentration in testing and inspection disciplines



High recurring compliance work provides long-term visibility



Compliance disciplines generate high gross margins of 65%



61% of PTSG's gross profit generated by compliance businesses

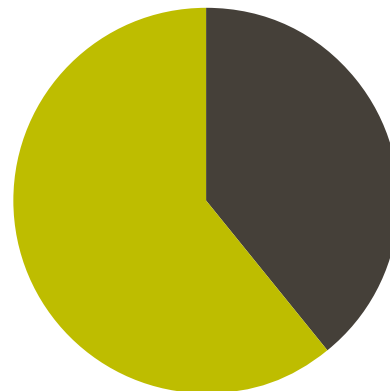


£1 of testing and inspection typically generates £1 of repairs



Aim to grow compliance GP towards 65-70% of Group's GP in the medium term

Compliance
61%



Installation and
other services
39%

Installation work

**Substantial
order book -
giving visibility
of revenue**



**Provides future
pipeline of
compliance
work**



**Minimum
margins
enforced**



**High-quality
sales force**



Acquisition processes

Target identification, acquisition and integration

- ✿ In-house acquisition team's knowledge
- ✿ Third-party approaches
- ✿ Direct approach from business looking to sell

- ✿ Significant pipeline of acquisition opportunities identified

Due diligence – undertaken by in-house acquisitions team undertaking full, commercial, legal, IT and HR due diligence

Sale and Purchase Agreement drawn up by external counsel to ensure business is protected and appropriate warranties and restrictions in place

Swift integration of business into PTSG, rolling out Group's procedures and policies to impact margins, typically on PTSG's reporting format within two 30 days.

Strong track record of employing its capabilities and knowledge to expand the acquired business and drive value



Case Study

UK Dry Risers Maintenance Ltd – organic growth



- * Acquired **July 2016**
- * Initial consideration **£1.8m**
- * Pure testing and inspection business
- * Driving operating margins forward via the Group's efficient operating model
- * Organic revenue growth **102%** in 2 years since acquisition
- * **400%** increase in operating profit since acquisition

Demonstrating

- * Ability to cross sell services to existing clients
- * Ability to gain new customers due to PTSG's standing in the market
- * Overlay PTSG's policies and procedures enhancing operating profit margin
- * PTSG's renewal model achieved renewal rate of **91%** for the year ended 31 December 2017

	Turnover £'000	Op profit £'000	OP %
Last 12 months prior to acquisition	1,053	200	19%
Full full year post acquisition	1,559	677	43%
2nd full year post acquisition	2,123	998	47%
Growth since acquisition	102%	399%	



Case Study

BEST T&I – margin enhancement



- ✿ Acquired **July 2017**
- ✿ Initial consideration **£14m**

Operating margin

Increasing gross margin by overlaying PTSG's policies and procedures

- ✿ Operating margin prior to acquisition **27%**
- ✿ Operating margin achieved in 3 months to June 2018 **42%**
- ✿ Margin improvement **15%**



Renewals

Use of PTSG's tried and testing renewals systems to

- ✿ Provide improved visibility and quality of earnings
- ✿ Increase customer retention
- ✿ Lock in current prices
- ✿ Retained clients offer cross-selling opportunities
- ✿ Renewal rate at acquisition **50%**
- ✿ Number of 3-5 year contracts at acquisition **Nil**
- ✿ Renewal rate at June 2018 **85%**
- ✿ Number of 3-5 year contracts June 2018 **610**

Case Study

UK Sprinklers Ltd – expansion of service offering



- ✿ Acquired **September 2017**
- ✿ Initial consideration **£1.3m**
- ✿ Expanding PTSG's Fire Solutions offering
- ✿ Concentration on residential systems which offer better margins than commercial systems

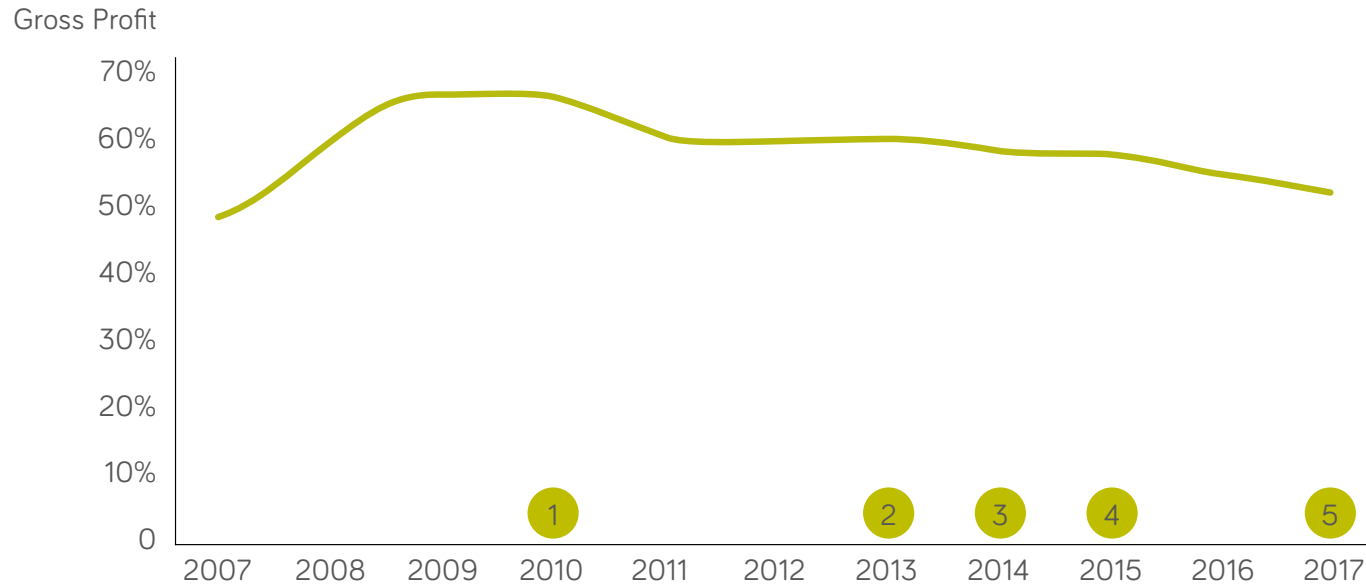
	Turnover £'000	Op profit £'000	OP %
Last 12 months prior to acquisition	3,047	308	10%
Current annualised run rate	6,116	1,286	21%
Growth since acquisition	101%	318%	

Within 9 months of acquisition we have:

- ✿ Increased turnover run rate by **101%**
- ✿ Built and scaled commercial and operational capability
- ✿ Increased annualised operating profits by **318%**
- ✿ Increase operating margins by **11%**, in effect doubling the acquired operating margin

Sustainable margins

Margins sustained by having an appropriate mix between test and inspection compliance work and installation. Our aim to grow compliance will underpin the margin.



Headline GP predominately movements driven by mix

1. Acquisition of first lightning protection business in December 2010
2. Acquisition of first electrical testing business
3. Acquisition of first building access specialist business
4. Acquisition of Integral Cradles enabling PTSG to become the market leader in cradle installation, which has a lower gross profit due to the material content.
5. Acquisition of BEST further enforces number one position in lightning protection

4 divisions with diversity of offering across divisions and within divisions

Long term sustainable compliance revenue accounting for 61% of gross profit

Services over **150,000** buildings to vast customer base – **17,000+** customers

Small ticket, high importance compliance work

Cross-selling opportunities

Sector dominance

No customer accounts for more than **5%** of revenue

Operational efficiency and effectiveness

Driving performance and high sustainable margins in compliance work

- ✿ Market leader with strong customer relationships
- ✿ Most competitive offering in the market
- ✿ Digitising our efficiency
- ✿ Investment in bespoke, proprietary software system 'CLARITY' , developed in house;
 - Improved client service
 - Immediate certification
 - Improved scheduling and operational efficiency
 - Enhanced revenue generation
- ✿ Preferred supplier agreements enforce our sector dominance
 - 3-5 year terms in place
 - Multi-service contracts, examples include: FirstPort – electrical services and dry risers, Savills – all services but predominately lightning protection and fall arrest testing



PTSG Operating Model

Customer diversification

- Over 17,000 customers (2016: 15,000)
- Over 150,000 assets

Repeat business

- Testing, inspection and maintenance works typically delivered via 3-5 year contracts
- Industry leading renewal rates of 88% +
- Ever increasing cross selling opportunities driven by steady widening of the service offer and nationwide coverage

Staff utilisation

- Approximately 400 engineers located across the country
- Model based on 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 markets
- 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

- 133 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

Barriers to entry

- ✿ PTSG is often the most competitive in the market, with significant scale and so smaller competitors will struggle to compete on price.
- ✿ Sheer size and scale of PTSG provides an effective barrier to other businesses entering the market.
- ✿ Difficult to compete on service levels – excellent customer service as demonstrated by 88% retention rate.
- ✿ Multi-service contracts provides advantage over single line competitors.
- ✿ All services require highly skilled engineers. As market leaders we have an unrivalled proposition to maintain engineers.
 - Due to density of work engineers spend less time away from home.
 - In-house training provides engineers with skills required to effectively perform the work.
 - PTSG is one of the leading companies providing apprenticeships in its chosen markets.
 - Ability to progress within the business.
 - Competitive salary packages with guaranteed work.
- ✿ PTSG has c.150 accreditations, many of are required before businesses can even tender for work.
- ✿ Many clients demand trade body membership such as ATLAS for lightning protection works, SAEMA for access and safety, NIC/EIC for electrical testing etc.
 - These trade bodies have rigorous membership requirements that new entrants will find difficult to attain.

Summary and Outlook

2018 H1 Highlights

- ✿ 38% revenue growth
- ✿ Accelerating organic growth; 14% on prior year
- ✿ Operating profit growth of 35% on prior year
- ✿ Very strong underlying cash conversion 81%, with Net debt improving ahead of forecast
- ✿ Integration of Nimbus, BEST and UK Sprinklers completed
- ✿ Strong contract wins and high renewal rate (88%)
- ✿ EPS growth of 30%
- ✿ Dividend per share up 13%

Outlook

- ✿ The Board is confident in delivering full year expectations due to a combination of strong organic growth momentum coupled with a solid acquisition platform
- ✿ The integration of BEST, Nimbus and UK Sprinklers is providing a strong contribution to the Group
- ✿ Business is well-placed to benefit from the forces driving the market
- ✿ Cross selling becoming a key growth driver with £3.5m achieved in H1 and an extensive pipeline of opportunities
- ✿ Strong acquisition pipeline

Appendix

Consolidated Statement of Comprehensive Income

	Six months ended 30 June 2018			Six months ended 30 June 2017			Year ended 31 December 2017 (audited)		
	Before adjusting items £	Adjusting items £	Total £	Before adjusting items £	Adjusting items £	Total £	Before adjusting items £	Adjusting items £	Total £
Revenue	30,194,449	–	30,194,449	21,913,210	–	21,913,210	52,939,183	–	52,939,183
Cost of sales	(14,842,933)	–	(14,842,933)	(10,719,940)	–	(10,719,940)	(25,860,206)	–	(25,860,206)
Gross profit	15,351,516	–	15,351,516	11,193,270	–	11,193,270	27,078,977	–	27,078,977
Net operating costs	(9,448,141)	(4,228,745)	(13,676,886)	(6,818,907)	(2,404,830)	(9,223,737)	(16,435,955)	(8,286,404)	(24,722,359)
Total operating profit	5,903,375	(4,228,745)	1,674,630	4,374,363	(2,404,830)	1,969,533	10,643,022	(8,286,404)	2,356,618
Finance costs	(335,748)	(36,411)	(372,159)	(231,160)	(35,437)	(266,597)	(491,885)	(71,357)	(563,242)
Profit before tax	5,567,627	(4,265,156)	1,302,471	4,143,203	(2,440,267)	1,702,936	10,151,137	(8,357,761)	1,793,376
Taxation	(293,567)	105,167	(188,400)	(689,853)	13,681	(676,172)	(733,233)	270,542	(462,691)
Profit attributable to owners of the parent	5,274,060	(4,159,989)	1,114,071	3,453,350	(2,426,586)	1,026,764	9,417,904	(8,087,219)	1,330,685
Total comprehensive income for the period attributable to owners of the parent	5,274,060	(4,159,989)	1,114,071	3,453,350	(2,426,586)	1,026,764	9,417,904	(8,087,219)	1,330,685
Basic and diluted earnings per share (Pence)			1.06			1.15			1.37
Adjusted EPS	5.03			3.86			9.73		

Consolidated Balance Sheet

	Jun 18 £'000	Jun 17 £'000	Dec 17 £'000
Assets			
Intangible assets	25,880	13,325	26,212
Property, plant and equipment	5,070	3,210	4,310
Deferred tax	877	174	1,567
Non-current assets	31,827	16,709	32,089
Current assets			
Inventories	1,257	648	1,219
Trade and other receivables	32,205	23,992	32,531
Cash and cash equivalents	13,852	8,040	–
	47,314	32,680	33,750
Liabilities			
Current liabilities			
Trade and other payables	10,823	8,110	9,031
Bank overdraft, net of cash	13,655	10,282	5,660
Finance leases	692	776	736
Borrowings	–	–	52
Deferred consideration	2,457	1,925	1,336
Current tax liabilities	768	893	840
Total current liabilities	28,395	21,986	17,655
Net current assets	18,919	10,694	16,095
Non-current liabilities			
Borrowings	12,000	9,985	12,662
Finance leases	1,094	631	420
Deferred consideration (incl loan notes)	2,704	2,632	2,667
Total non-current liabilities	15,798	13,248	15,749
Net assets	34,948	14,155	32,435

Segmental Analysis

	H1				H1				Full Year			
	2018				2017				2017			
	Turnover £'000	Growth	EBIT £'000	Margin	Turnover £'000	Growth	EBIT £'000	Margin	Turnover £'000	Growth	EBIT £'000	Margin
Access & Safety	7,897	(13%)	1,256	16%	9,070	(5%)	1,460	16%	20,201	7%	3,184	16%
Electrical Services	13,374	82%	2,832	21%	7,362	25%	1,701	23%	20,164	67%	4,683	23%
Building Access Solutions	2,703	(9%)	601	22%	2,959	(2%)	669	23%	5,446	(6%)	1,227	23%
Fire Solutions	6,220	147%	1,277	21%	2,522	–	578	23%	7,128	–	1,581	22%
Central	–	–	(63)	–	–	–	(33)	–	–	–	(32)	–
	30,194	38%	5,903	20%	21,913	19%	4,374	20%	52,939	35%	10,643	20%

Five Year Income Statement

	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018 (6 months)
	£'000	£'000	£'000	£'000	£'000	£'000
Turnover	13,887	18,003	25,771	39,195	52,939	30,194
Gross profit	8,401	10,319	13,985	20,331	27,079	15,352
	60.5%	57.3%	54.3%	51.9%	51.2%	50.8%
Adjusted EBITA*	3,160	4,007	5,276	7,857	10,643	5,904
	22.8%	22.3%	20.5%	20.0%	20.1%	19.6%
Adjusted EBITDA*	3,757	4,708	6,174	9,021	12,327	6,937
	27.1%	26.2%	24.0%	23.0%	23.3%	23.0%

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

Five Year Balance Sheet

	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018 June 2018
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	4,616	4,957	13,893	15,979	32,089	31,827
Stock, trade and other receivables	5,562	8,262	13,490	20,806	33,750	33,462
Net cash	373	(1,261)	(317)	(2,016)	(5,660)	197
Current liabilities*	(3,421)	(5,325)	(7,845)	(8,320)	(10,659)	(12,283)
Net current assets*	2,514	1,679	5,328	10,470	17,431	21,376
Non-current liabilities*	(316)	(363)	(653)	(746)	(420)	(1,094)
Bank loan	(5,000)	(3,750)	(5,994)	(10,010)	(12,662)	(12,000)
Deferred consideration (including loan note)	(600)	(1,399)	(3,653)	(3,649)	(4,003)	(5,161)
Net assets	1,214	1,121	8,921	12,044	32,435	34,948

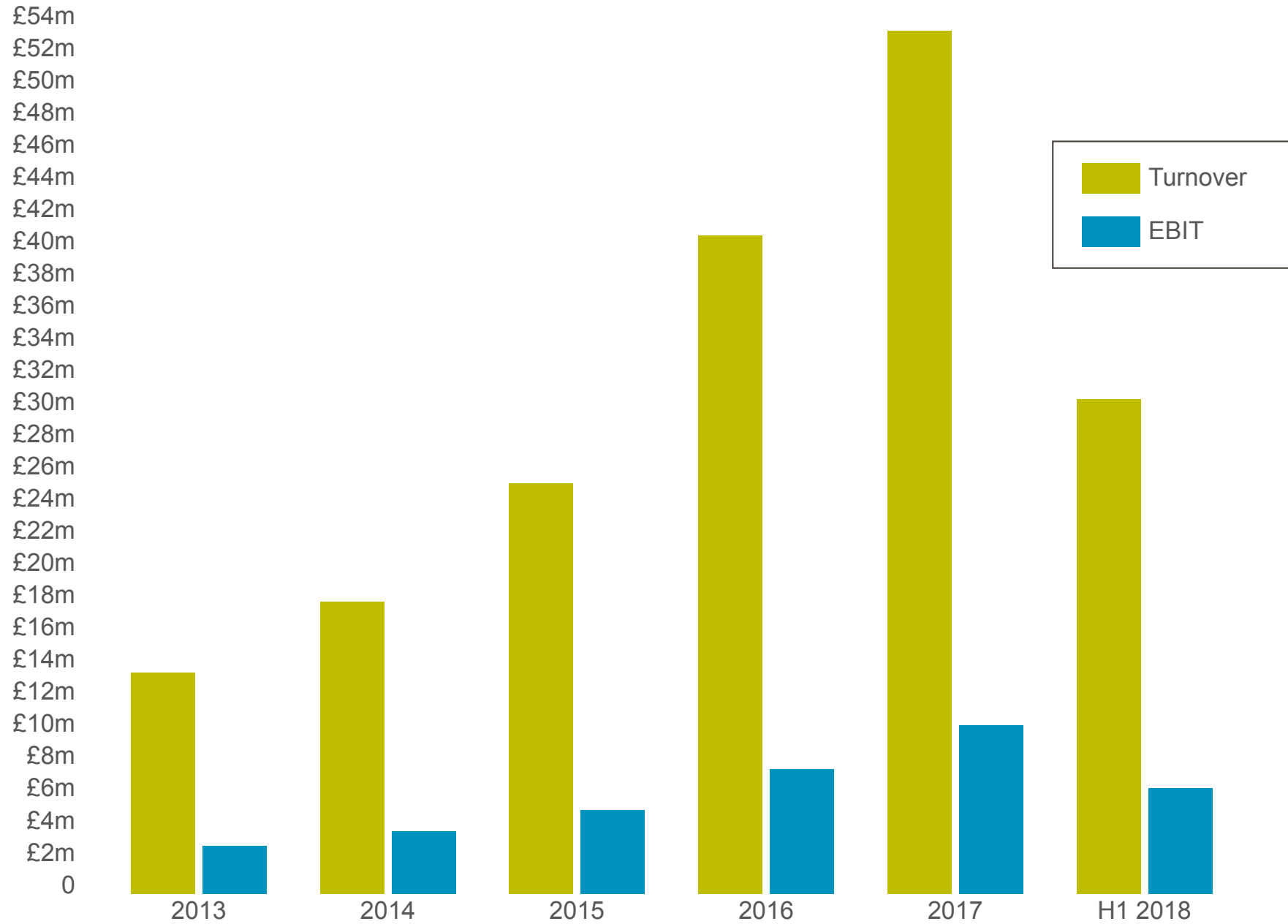
*excludes loan and deferred consideration

Five Year Cashflow





	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018 June 2018 6 months
	£'000	£'000	£'000	£'000	£'000	£'000
Adjusted EBITDA*	3,757	4,708	6,174	9,021	12,327	6,937
Adjusted items	(622)	(2,493)	(2,112)	(3,310)	(5,939)	(6,293)
Movement in working capital	(1,297)	420	(4,592)	(5,144)	(8,360)	4,570
Inflow from operating activities	1,838	2,635	(530)	567	(1,972)	5,214
Taxation	(872)	(561)	(489)	(797)	(791)	44
CAPEX/financing	(592)	(990)	(1,040)	(1,887)	(2,262)	(1,279)
Acquisitions	(850)	(678)	(3,333)	(2,662)	(16,054)	(125)
Dividends	(755)	(790)	(534)	(1,092)	(1,447)	–
Loans taken out/repaid	5,000	(1,250)	2,196	4,016	1,944	(714)
Share buy back	(4,038)	–	–	–	–	–
Issues of shares	–	–	4,673	156	16,968	2,718
Increase/(decrease) in cash	(269)	(1,634)	943	(1,699)	(3,644)	5,858

*Adjusted for contingent acquisition payments, restructuring, re-branding, 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

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 and significant barriers to entry
- ✿ 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 (88%+)
- ✿ Highly experienced and ambitious management team
- ✿ Highly attractive financial characteristics (high margins, low capex, high returns, good underlying cash generation, progressive dividend policy)



Acquisition of **best**











Brooke Edgley Specialist Technical Services Ltd

 Acquired July 2017

Rationale

-  Market leading Lightning Protection and Steeplejack company
-  Enhances PTSG market presence to a clear #1
-  Excellent strategic rationale providing complementary geographical coverage, scale/critical mass and additional service lines
-  Compelling financials and cross-selling opportunities
-  Acquisition funded via cash placing of ordinary shares
-  Materially and immediately earnings enhancing

Progress and performance

-  New offerings of CDEGS and Surge Protection performing very strongly
-  Integration fully complete
-  Testing and inspection
 -  Uplift in renewal rates from 50% to 85% with 610 new 3-5 year contracts signed
 -  Margin improvement of 15% due to increased efficiency
-  LP Installation
 -  5 fully-staffed regional operations
 -  Commercial performance significantly improved with £7m of new sales orders secured and over 120 new customer orders, Eg: Blyth Converter Station £800k
-  Back office synergies realised in-line with acquisition and Chelmsford/Scotland offices closed
-  Business performing well with strong order momentum and delivery

Acquisition of UK sprinklers Ltd (UKS)

- ✿ Acquired in September 2017
- ✿ Consideration up to £2.5m
 - ✿ Initial cash payment £1.3m
 - ✿ Two deferred cash payments of £0.1m
 - ✿ Contingent payment £1.0m based on stretching milestones
- ✿ Revenue* £3.5m, PBT £0.8m
- ✿ Extends Fire Solutions Division

*Unaudited for year ended 31 January 2017

- ✿ Fully integrated within PTSG
- ✿ Business is trading with over a 100% growth since acquisition
- ✿ Operating profit has quadrupled with margins doubling to 21%
- ✿ Significant further investment in sales and operations to respond to high market demand
- ✿ Order book of 3x last full year sales with over £50m of live quotes
- ✿ Strong customer synergy with PTSG existing 17,000 customers
- ✿ Service and maintenance business formed with good initial performance

PTSG on a Page

Locations

We have **18** office locations nationwide



133 accreditations

11 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

We have **670** members of staff

Full-time **health & safety** management team

All **highly** trained

We recruit the **best** in the industry



Formed in **2007**

24 acquisitions

Listed on the **London Stock Exchange**

17,000 customers

No1 across our market sectors

12 top industry awards

About

88% renewal rates

Over **150,000** assets

