

Capital Markets Event

Tuesday 11 July 2023
Speedy Milton Keynes Innovation Centre



Presentation Team



Dan Evans
Chief Executive



Paul Rayner
Chief Financial Officer



Paul Jackson
Chief Digital and
Transformation Officer



Richard Potter
Peak, Chief Executive Officer



Amelia Woodley
ESG Director

A photograph of two women standing in a warehouse. The woman on the left is older with blonde hair, wearing a dark polo shirt and an orange safety vest with reflective stripes. She is holding the handle of a forklift. The woman on the right is younger with long dark hair, also wearing a dark polo shirt and an orange safety vest with reflective stripes. Both vests have the 'Speedy' logo on them. The background shows warehouse shelving with boxes and signs. The entire image has a red overlay.

Velocity strategy

Dan Evans, Chief Executive

VELOCITY

Velocity measures the **difference** between a **start** and **eventual** position

It's about **Speed** and **Direction** of travel

Both are important

We need **Velocity!**



Our vision

To *inspire*
and *innovate* the future
of hire and accelerate
sustainable growth

**GO GREENER
FASTER**

Our mission

Another sustainable electric

***To be the most efficient and sustainable
hire business in the UK and Ireland:
digital and data driven, optimised
through operational excellence and
powered by our people***

Our values

PEOPLE FIRST



Ambitious

We lead with
bravery to make
anything possible.



Innovative

We nurture a
culture where
ideas grow.



Inclusive

We are all unique,
and we all belong.



Safe

We share a
collective
responsibility to
keep everyone
safe.



Together

We are family;
proud to work as
one to make great
things happen.



Trusted

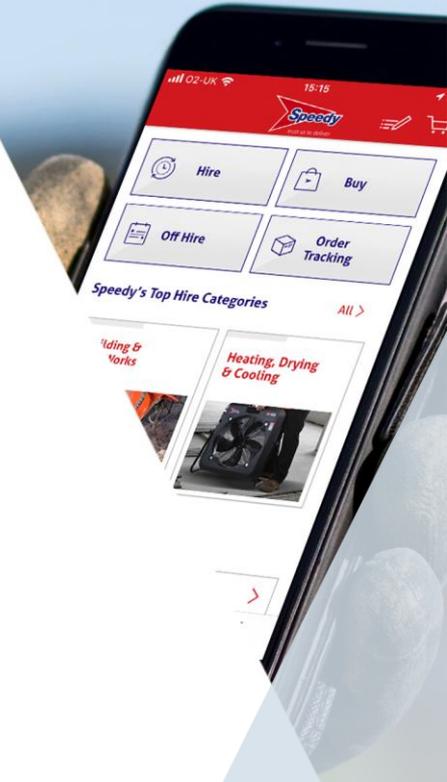
We are responsible
and do the right
thing, always.

Velocity - Our five year strategy for growth

- Velocity is a five year transformation and growth strategy
- There are two defined stages to drive sustainable long-term growth:



- Fully aligned to our vision 'To inspire and innovate the future of hire and accelerate sustainable growth'



Our strategy - driving sustainable long-term growth

Stage 1. Enable growth: Deliver foundational improvements across technology and operational efficiency

Brand and customer

Clear brand strategy implementation and customer experience development

Technology and data

Technology and data led hire business committed to sustainability

Group-wide transformation programme

Innovative customer focused transformational programme powered by our people first strategy

Strategic Partner:



Cloud based secure platform

Modern and secure digital operating platform to enable growth and support enhancing our customer experience

Strategic Collaboration:



Our strategy - driving sustainable long-term growth

Stage 2. Deliver growth: *To be the most efficient and sustainable UK hire business*



Grow customer base;
national, regional, trade
and retail



Expand market share in
key target sectors*



Invest in cleaner energy
and efficient technology



Create best in class channel
and service delivery



Grow tailored Customer
Solutions business and
services model



Enhancing asset utilisation
and improving carbon
reduction

*Infrastructure, Residential Construction, Non-Residential, Construction Residential RMI, Support Services and Other RMI, Industrial Services.

Key infrastructure

A photograph of a railway yard at dusk, showing multiple tracks curving into the distance under a complex network of overhead power lines and masts.

Rail

A composite image showing a city skyline at night with illuminated skyscrapers, and below it, a long-exposure photograph of a highway at night with light trails from cars.

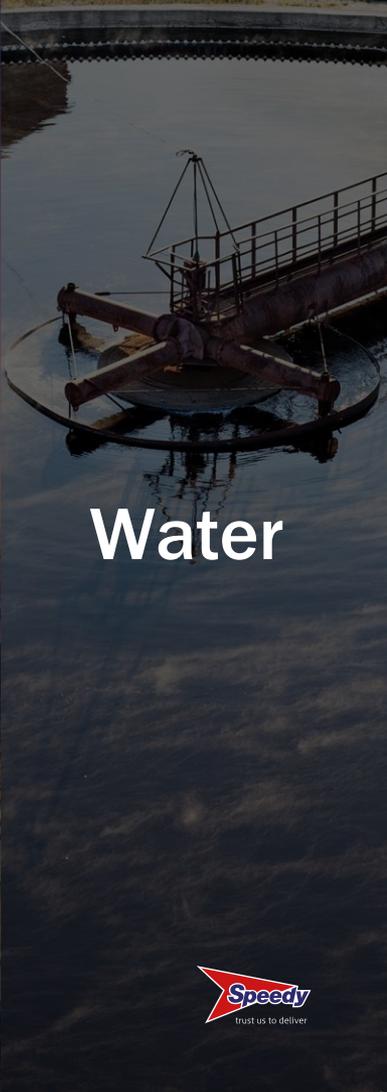
Highways

A close-up, artistic shot of a high-speed rail track, showing the curved, metallic rails and overhead power lines, creating a sense of motion and depth.

HS2

A photograph of a nuclear power plant at night, featuring a tall, dark chimney stack and various industrial structures illuminated by lights, with steam rising from the facility.

Nuclear

A photograph of a large industrial water treatment facility, showing a circular structure with multiple pipes and a walkway, situated on a body of water.

Water

Our growth engines



Core hire products

Grow our market share with all customer segments across all geographies trading as a multi channel service offering



Specialist products and services

A focus on niche products and services with significant growth and margin opportunities



Trade and retail markets

Grow trade and retail customers, through conversion of sales into hire, e-commerce opportunities and market creation to a less focused area of hire

Growth engine: Core hire

Focusing on regional market share growth in all of our locations



£730m

UKI addressable market

16%

Speedy's market share

New business wins

Sector targeting

Grow existing customer revenue



Source: AMA market research

Growth engine: Specialist products and services

Customer Solutions

New



Project management
& consultancy



Power &
renewables



Specialist
plant



Haulage &
vehicles



Waste management



Cranes



Labour



Materials

Current



Forklifts



Plant



Non Mech



Pumps



Accommodation
& welfare



Cleaning &
sweeping



Security



HVAC



Powered
access



Utilities

Hire market value of £4.5bn



Power & Energy

Focus: HVO, Hydrogen, LPG, Battery services

Non Mech

Focus: Fencing, Traffic management,
Ground protection

Clean Energy Powered Access

Focus: Hydrogen, Electrical, Self propelled

TIC

Focus: Lifting, Height Safety, Pressure



Growth engine: Trade and Retail

Key areas of focus



Channel partners



Hire vs buy



Market creation



Ease / digital



c.£15bn < **1%**

Trade and Retail
market opportunity

Market share

- Tool hire directly on B&Q's channels for home delivery and collection across relevant products for Trade and DIY
- Hire orders placed via www.diy.com and www.Trade-point.co.uk and within the majority of B&Q stores nationally for delivery by Speedy
- Extends B&Q's customer proposition while giving speedy access to B&Q's extensive customer base



Executing our strategy

Dan Evans, Chief Executive



Transforming Speedy

We are building a digital and data led business to step change our efficiency and power our growth

We have mobilised a group-wide transformation programme to deliver the technical and operational changes required to establish our future platform



Improving margin

We will leverage data and AI to transform our business, driving profitability and creating a foundation for sustainable growth

Optimise infrastructure

Use of data and AI to link our fit for purpose service centre network to smart logistics and asset intelligence

Optimise people and technology

Aligning our people and their skills to data, technology and processes

Optimise supply chain

Evolution of our procurement process' and capabilities, linked to data, AI and machine learning

Strategic pillars

Foundational elements that will support everything we do to accelerate sustainable growth

People first

Aim to be a Top 100 employer

ESG

Our “Decade to deliver,” encouraging people to make hire their first choice

Digital experience

Easy to do business with

Modern workplace

Intuitive user systems with AI driven technology to automate process and enhance performance

People first

- Become recognised as a top 100 employer
- Place our people at the centre of everything we do
- Living our values

Our Colleague Value Proposition journey over 5 years



Embed Speedy values
Increasing our diversity



Introducing flexible working
Further focus on health and wellbeing
Working environment: sense of belonging



Further enhancing manager and colleague self service
Embedding our Speedy family spirit into our people policies



Investing in basic salaries
Investing in pensions



Retaining and developing talent through early and late careers
Introducing an Emerging Talent Development Board
Career line of sight



Modern Workplace

Realising benefits from investment in cloud based ERP



Microsoft Dynamics 365 optimisation

Workflow and automation

Customer engagement
• Sales and Marketing
• Customer Service
• Field Service

Power platform

Application consolidation

Focus areas to drive operational excellence and increased analytics



Process and data

Business Process Management

Data quality focus

Centralised enablement, localised ownership

Power BI analysis from refreshed data warehouse

Company wide productivity applications



Microsoft 365

Cyber security

Collaboration

Communication

Modern working

The right device for colleagues to execute their use case



Innovative end user devices

Ruggedised PDAs with Speedy App store for operational staff

Virtual desktop for in depot use

Refreshed PCs and laptops

Data driven automation driving efficiency and revenue



Applied Artificial Intelligence

Depot stock level setting

Investment / divestment recommendations

Dynamic pricing

Customer segmentation

Our commitment to safety

People & communities

Collective Responsibility safety programme, delivering effective risk management and leading the way in raising safety standards across the industry

Reporting

RIDDOR Accident Frequency Rate of 0.12 (FY22: 0.35)

Lost time incidents down 41% on prior year

Industry leading accreditations

Innovation

EcoOnline

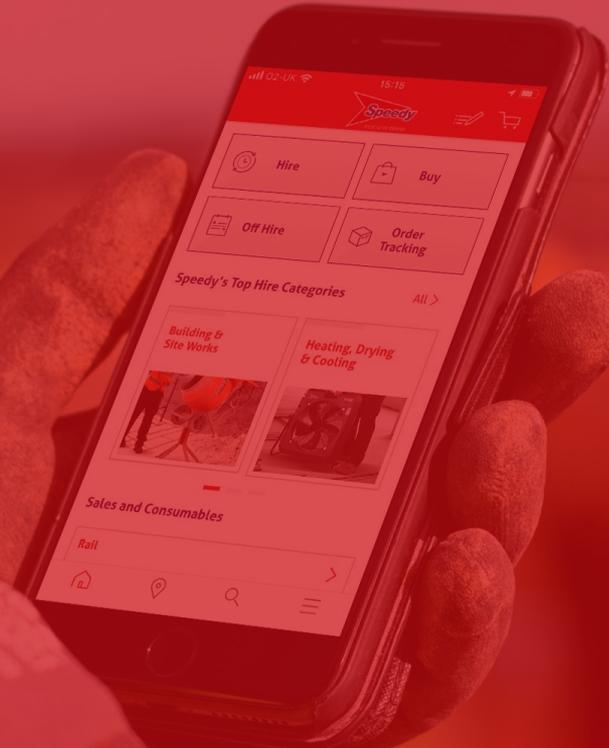
Workplace and fleet

New product strategies

 campaign led and devised by our people



Digital and data transformation



Paul Jackson, Chief Digital & Transformation Officer

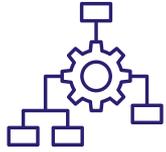
Transforming Speedy to deliver Velocity



Inspiring and innovating the future of hire



Our 5 year transformation plan will achieve three broad outcomes



**Improved
business operations
& processes**



**Seamless
customer
experience**



**New revenue
growth
opportunities**

Leveraging digital and data

Our transformation plan is focused on 6 key themes

Seamless omnichannel customer experience

Tailored digital channels for all customer types

Colleague interfaces to manage customer transactions

Seamless customer services and management

Depot network of the future

Depots focused on fulfilment

Collection points and drop ship vendor model enabling efficient scale

Centralised / regionalised activities

Engineering excellence

Process optimisation & efficiency

Automated order management and allocation

Asset forecasting and replenishment

Logistics management

Procurement optimisation

Data driven revenue growth

CRM, sales and account management

Customer Solutions partner expansion

Digitised training offering

Pricing optimisation

Investing in our people

New Target Operating Model

Investing in future skills and capabilities

Reward, benefits and flexible working

Top 100 great place to work ambition

Speeding up on sustainability

Accelerating sustainable product innovation

Climate solutions and reporting

Net Zero by 2040

Part of the community

How are we going to do this?

People first

Focus on the people and organisation change aspects of the plan

Scaling our technology and digital teams

Digital, technology, product and data skills

5 year plan

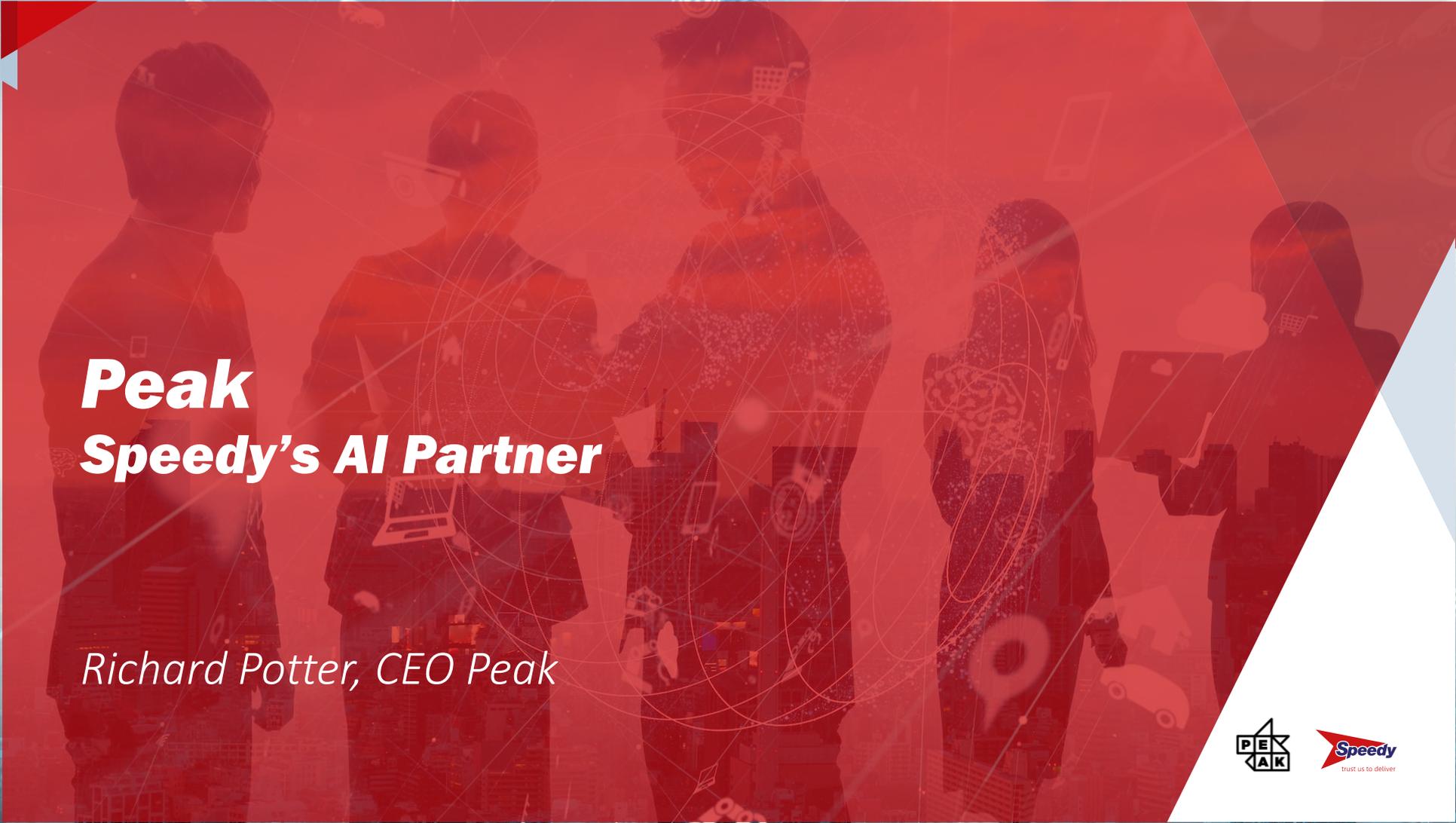
All activities and sequencing outlined to deliver the planned outcomes

Expert partners

Leveraging and making targeted use of expertise in critical areas

Evolving our systems

Building on our cloud based ERP and adding new services outside the scope of an ERP



Peak Speedy's AI Partner

Richard Potter, CEO Peak





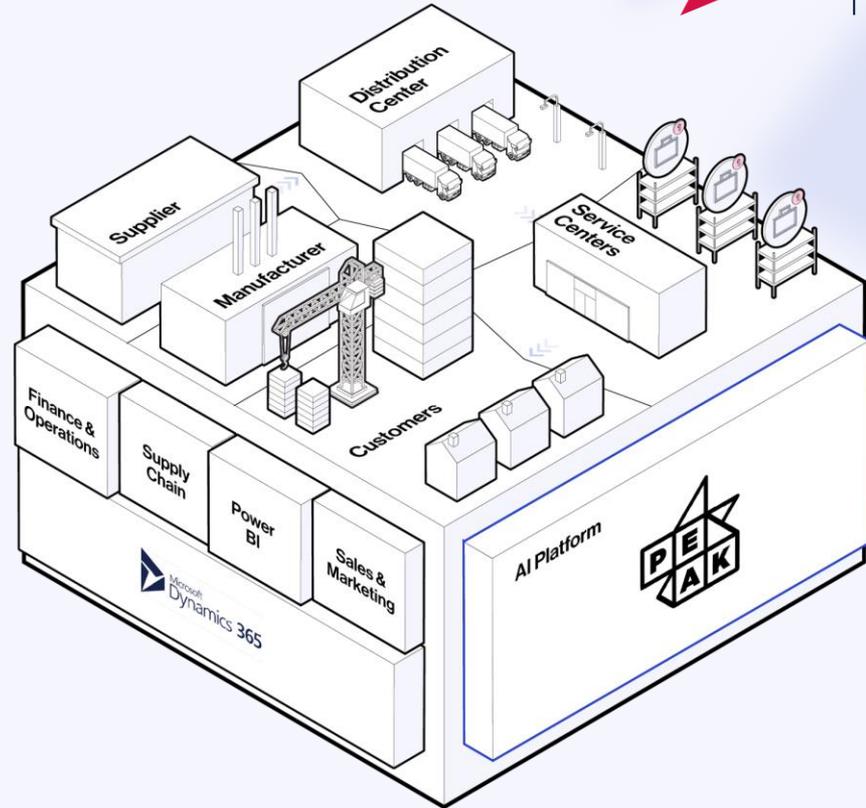
Every business needs its own AI



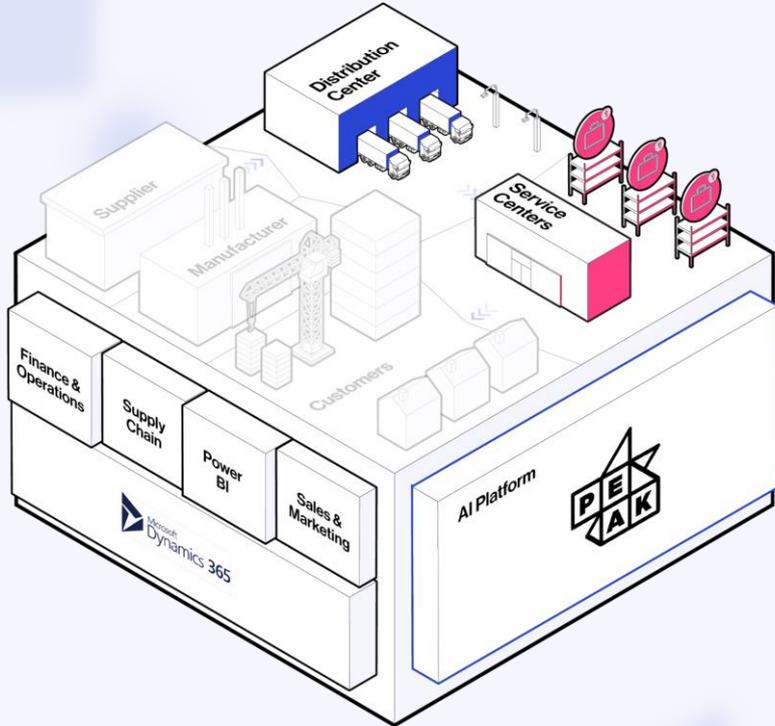
Every company needs its own AI.

Every business will have AI at the heart of their operations over the next decade. This AI will connect and optimise each key profit and growth driver in the business.

Peak's AI platform optimises inventories, pricing, and customer personalisation for businesses of all sizes, from millions to billions in revenue. It gives real competitive advantage.



Speedy x Peak Today



AI Applications Today:



**Demand
Forecasting**



**Stock Level
Optimisation**

**Reduced inventory,
increased utilisation &
improved service.**

Every month, on average, the team makes a 4% saving on inventory whilst satisfying 8% more demand across the network.

**Faster, more accurate
distribution decisions**

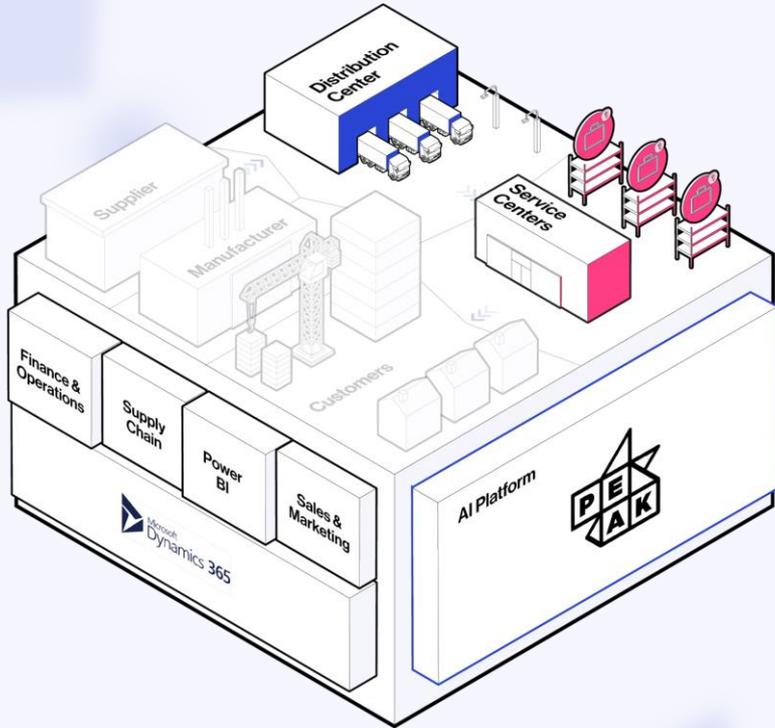
It now takes one hour, instead of over a week, to decide where products should go in the network to drive the most sales.

4%
inventory savings

with **8%**
more demand

Speedy x Peak

How it works



AI Applications Today:



**Demand
Forecasting**



**Stock Level
Optimisation**

325 billion

**data points ingested
into Peak everyday**

~35,000

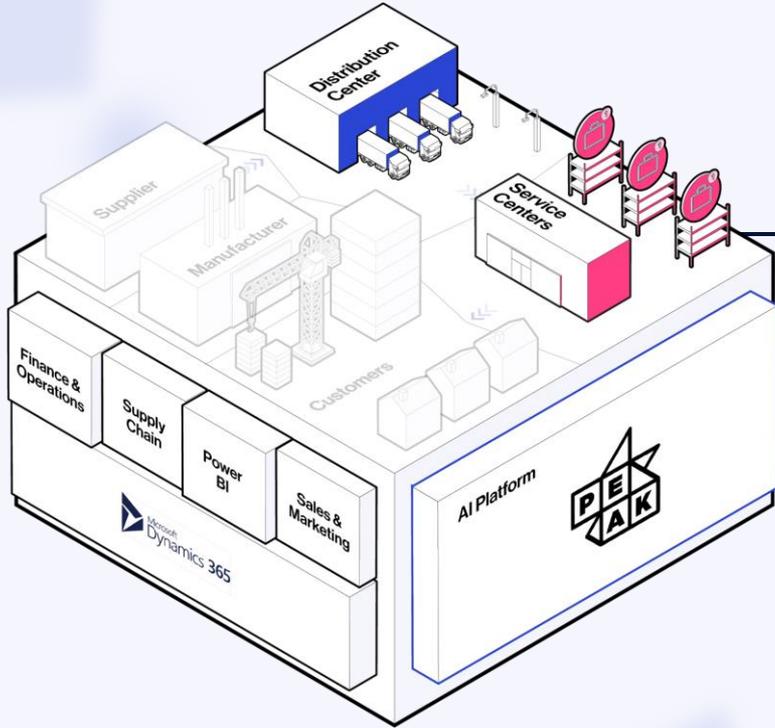
**possible product and service
center combinations**

For core hire, the AI runs millions of permutations to reach an accurate demand forecast and then considers ~35,000 possible product and service center combinations to set target inventory levels that will fulfill the most demand.

These decisions are returned directly into D365 in seconds where Speedy runs its day-to-day operations, facilitated by AI.

Speedy x Peak

How we got here



Data Unification & Governance



Codified Business Logic



Cultural Change Management

Speedy's industry advantage...

A single source of truth for clean AI-ready data.

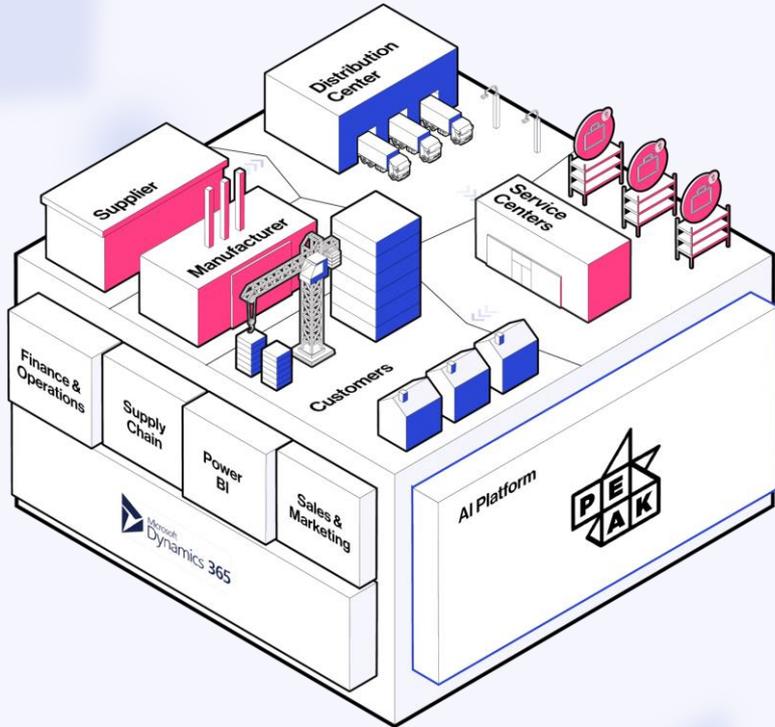
A large integrated team of Peak Data Scientists.

A data-centric culture that collaborates with AI.

An exclusive hire industry strategic partnership.

Speedy x Peak

Tomorrow



Interconnected AI at the heart of Speedy's value chain:



-  Demand Forecasting
-  Stock Level Optimisation
-  Asset Purchasing
-  Customer Personalisation
-  Stock Replenishment
-  Price Optimisation
-  Logistics Optimisation
-  Emissions Optimisation

AI powering Speedy's Future Operations

Incredible customer experience, with the right product in the right place at the right time at the right price.

All transactions are made via a **single digital channel**

All inventory & replenishment decisions are **made by AI**

A red Speedy truck is parked in a warehouse. The truck has the Speedy logo on the side and front. The background is a warehouse with a high ceiling and skylights. A large blue diagonal overlay covers the left side of the image, containing the main text. The truck's cargo area is visible, and there are some signs on it, including one that says "GO GREENER FASTER".

Winning The ESG Race to accelerate sustainable growth

Amelia Woodley, ESG Director



Speeding up on sustainability

THE DECADE TO DELIVER

A HIRE REVOLUTION:

Inspiring People to Make Hire their First Choice

WORKING TOGETHER



ACCELERATING INNOVATION

Hire is built for sustainability. This decade, we're going to make hire even more sustainable than it already is by working even harder with our customers, suppliers and innovators to push for even better designed products: built to last, designed to be repaired and made to be recycled.

CLIMATE SOLUTIONS

When it comes to climate change, we're all facing the heat. We're going Net Zero Carbon, fast and we are helping our customers do the same. That means accelerating towards low carbon delivery vehicles and innovative products and services to help our customers respond rapidly.

PART OF THE COMMUNITY

Speedy people are part of local communities all over the country. It's in our nature to join in, help solve the challenges we face today and get ready for the future. A decade of supporting our communities will help make a meaningful difference.

INCLUDING EVERYONE

Delivering on the promise of a sustainable Speedy requires great people working together on shared goals. At Speedy we look out for one another and help each other grow. By welcoming everyone into the Speedy family and helping them be the best they can be, we can really make this decade count.

The next ten years will define the next hundred. So we need to make this decade count. It's time to act. It's time to deliver sustainable hire to all

*This is it, **The Decade to Deliver**, so that's what we've called our plan*

We're racing ahead to...

Get out in front of customer needs

- *Major contracts now have 10-30% sustainability weighting*
- *40% of our customers have net zero and social value targets*

Be the best solution provider

- *We're top rated for sustainability so we're getting out in front to lead, win work and sustainably grow*
- *Offer superior sustainability solutions and services, more than just eco products*

Stay ahead of legislative risks

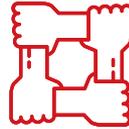
- *Maintain our trust and brand with customers who rely on us to comply and be transparent*
- *Not get caught out with rapidly changing sustainability legislation*

We're on the pace



Accelerating Innovation

- 44% of our itemised hire products are now eco
- 52% of our revenue comes from eco technologies
- Zero waste to landfill



Including Everyone

- 82 apprentices and 12 graduates
- 21% female
- c.£9m social value



Climate Solutions

- First in UK Hire to commit to and submit a science based Net Zero targets
- 47% carbon reduction since FY2020
- Largest EV vehicle fleet in Hire and a rare EPC A+ energy rating at Milton Keynes



Part of the Community

- Donated £75,000 to over 80 charities including our charity partners Wellchild, Lighthouse Club, BHF, Warrington Youth Zone
- Funded 22 sports kits for local sports clubs



Getting out in front of our customer needs

NOW: Sustainability counts



Net Zero



Social Value



*Modern Slavery
& Human Rights*

Be the best solutions provider

NEXT: Sustainability as the ignition for business success



Low carbon vehicles



Low carbon property



Low carbon circular products



Diversity, equity and inclusion



Communities



Sustainable supply chain



Financial growth metrics

Paul Rayner, Chief Financial Officer

5 year financial KPIs

Through-cycle financial targets framework



Revenue

Target revenue £650m



EBITDA

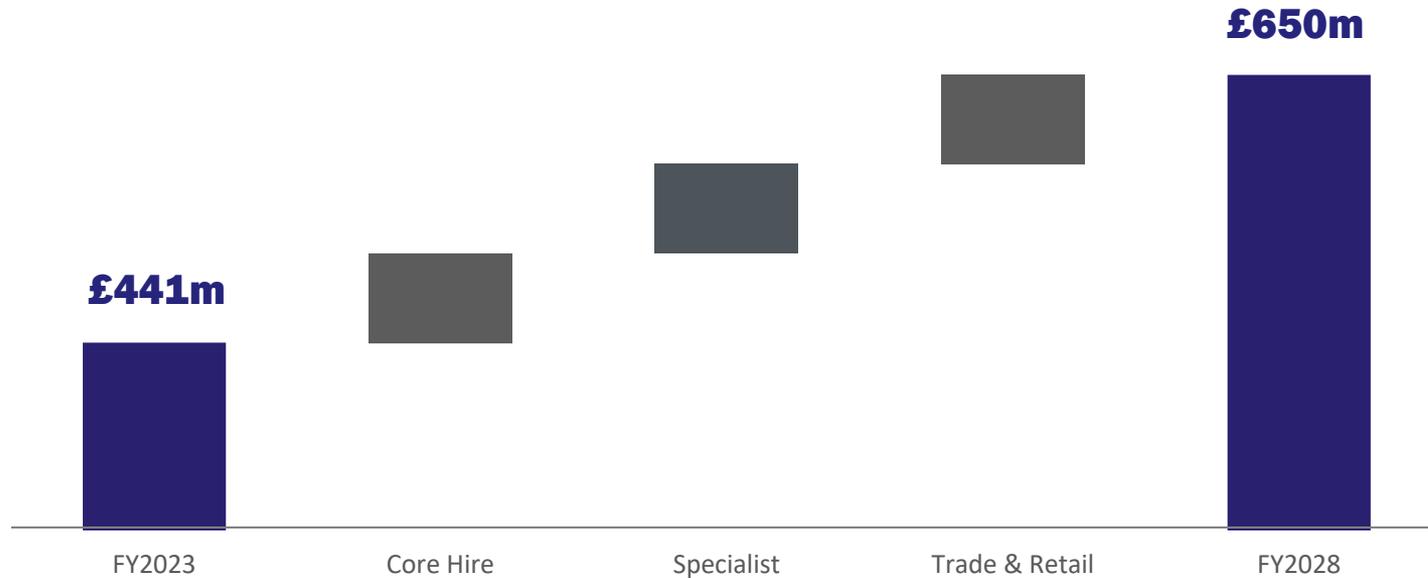
Grow EBITDA margins to 28%



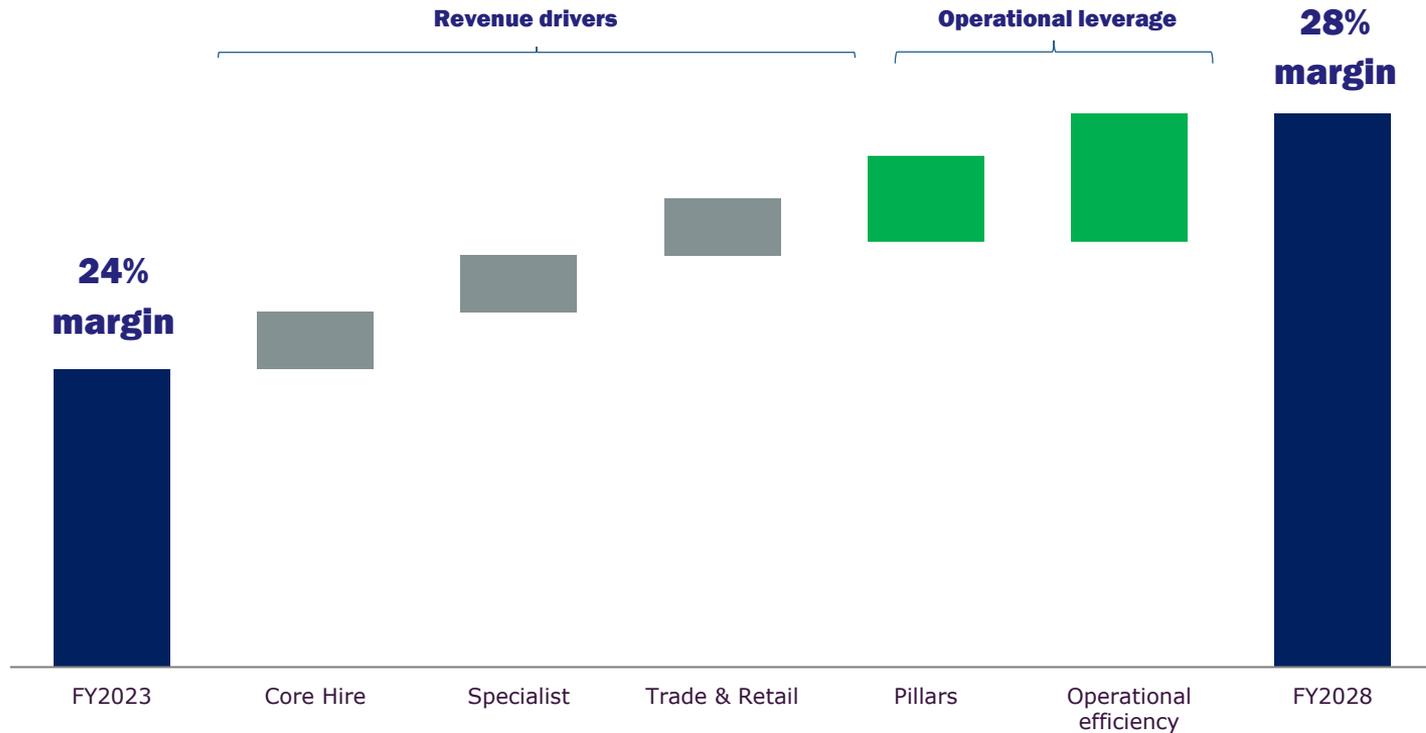
Leverage

Maintain sustainable leverage at
1.0 – 1.5x EBITDA

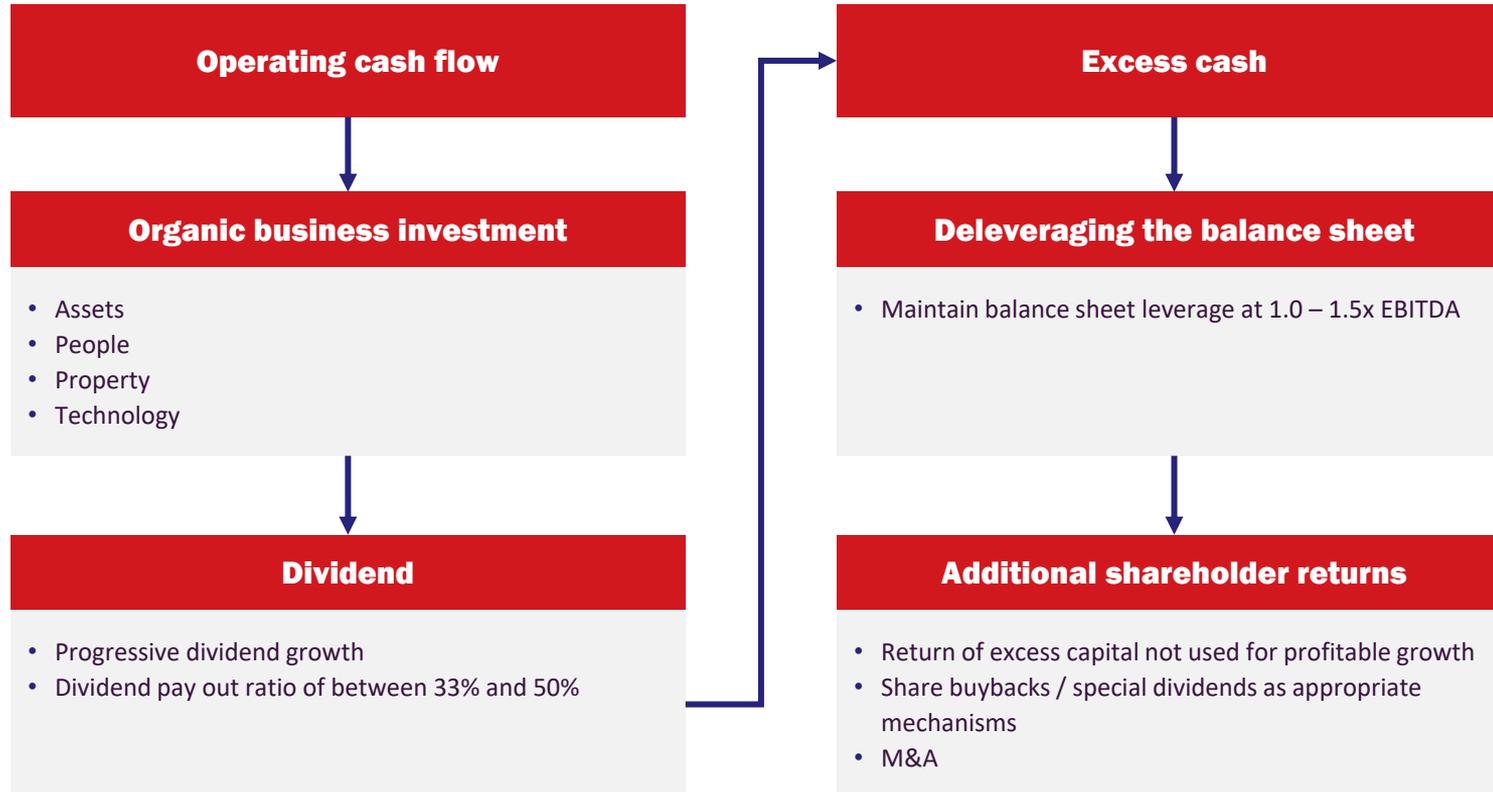
Speedy Hire revenue roadmap



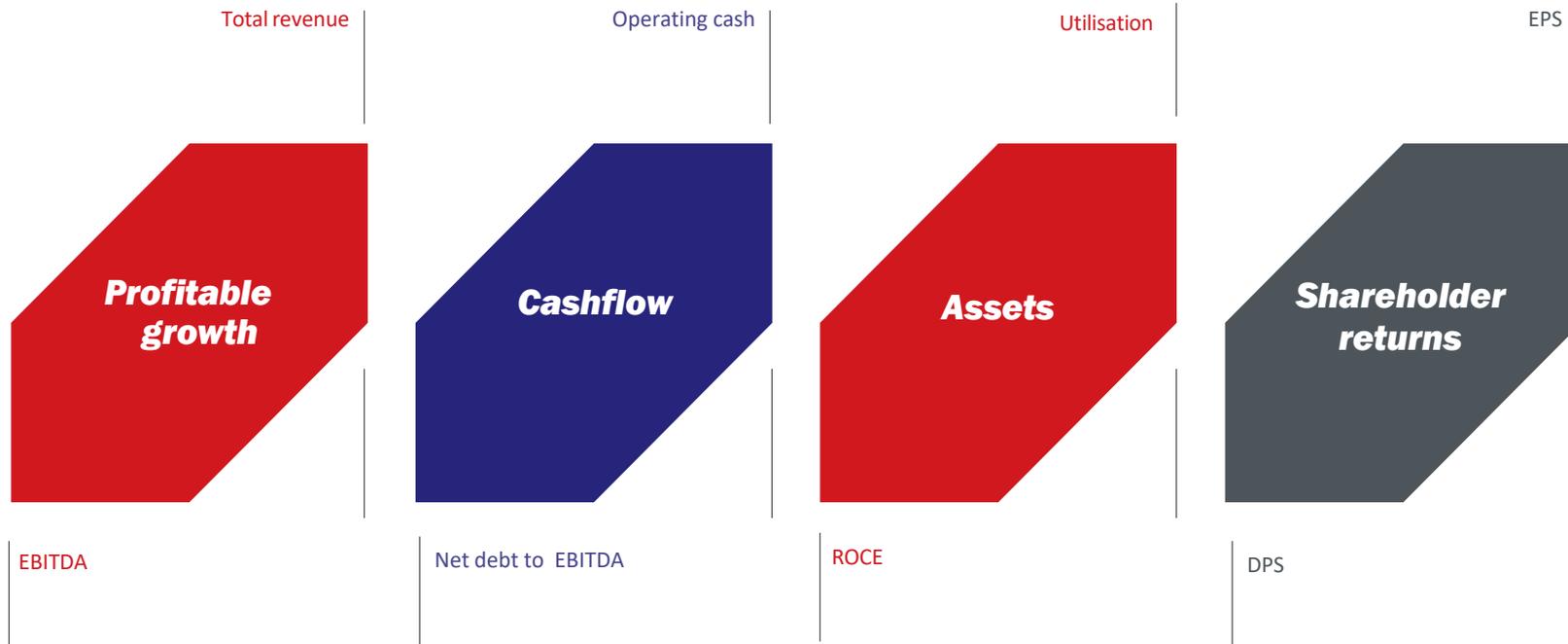
Speedy Hire EBITDA roadmap



Capital allocation priorities and policy



Financial metrics



A man with a beard, wearing a dark long-sleeved shirt and a high-visibility orange safety vest, is pushing a red wheelbarrow down a long aisle in a warehouse. The aisle is lined with tall metal shelving units filled with various items. The entire scene is overlaid with a semi-transparent red filter. The background shows the structural elements of the warehouse, including beams and lights.

Summary

Dan Evans, Chief Executive

Summary

VISION

To inspire and innovate the future of hire and accelerate sustainable growth

MISSION

To be the most efficient and sustainable hire business in the UK and Ireland: digital and data driven, optimised through operational excellence, and powered by our people

VALUES

Ambitious | Innovative | Inclusive | Safe | Together | Trusted

GROWTH ENGINES

Core hire products | Specialist products and services | Retail and trade

PILLARS

People First | ESG | Digital experience | Modern workplace

Appendices



Speedy Hire at a glance

Speedy is the UK and Ireland's leading provider of tools, specialist equipment and services. We provide exceptional customer experience, accelerating collective success towards a sustainable future

Vision

To inspire and innovate the future of hire and accelerate sustainable growth



£440.6m revenue
£103.7m EBITDA



c.180 locations



£207.9m total net book value of assets

Mission

To be the most efficient and sustainable hire business in the UK and Ireland: digital and data driven, optimised through operational excellence and powered by our people



Over 300,000 itemised assets



3,375 colleagues



52% of revenue from ECO products

Values

Ambitious, Innovative, Inclusive, Safe, Together, and Trusted



Technology driven business



4 star rating on Trust Pilot



c.1,000 commercial vehicles

Our current business structure

Targeted revenue and margin growth by customer, product and channel

Customers and sectors



Product offer



Sales channels

(Inbound and outbound)



Why invest in Speedy Hire

Ambitious

Ambitious, purpose-led Velocity strategy to accelerate profitable growth and become the UK's most efficient and sustainable Hire business

Optimised

A digital and data driven business, optimising our network, logistics and assets and powered by our people

Measured

Focused key metrics in place to measure strategic progress and priorities

ESG leading

Industry leading ESG programme designed to reach net zero by 2040

End markets

Supportive long-term end market fundamentals

Cash generative

Strong balance sheet and cash generation

Capital allocation

Clear capital allocation investment and dividend policy

Strong and resilient

Strong and resilient business with ability to develop revenue, grow EBITDA, expand margins and increase shareholder returns over the next five years

Awards and accreditations

We work to leading industry standards to ensure best practice and are certified to over 20 separate ISO and industry accreditations



A+ Energy Performance Certificate (EPC): Achieved at our Innovation Centre in Milton Keynes which is now carbon negative, giving back energy to the grid.



Carbon Disclosure Programme Grade B Accreditation: For our ability to show real progress in operational practices and transparency in our environmental impact



ISS Prime: Ranked as an industry leader for sustainability



EcoVadis Silver: Ranked in the top 25% of companies for sustainability in recognition of the Company's work to reduce its environmental impact.



Construction News Awards: Shortlisted for the Supply Chain Excellence Award.



Youth Verified: Successful verification as a Youth Verified Business by Youth Group, the UK's largest community of young people.



RoSPA Gold: Achieved for the 9th year running.



Fleet News Awards: Highly Commended for the Wellbeing and Inclusivity in Fleet Award



Hire Awards of Excellence: Highly commended in the 'Best Sustainability & CSR Initiative'



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