



Investment Profile

1. All divisions operating profitably with well-utilised rig fleet & expanding market coverage
2. Strategy of organic growth supported by targeted bolt-on acquisitions and international rail expansion
3. Strong asset backed balance sheet and significant liquidity headroom
4. Strong Board with industry pedigree
5. Strength through market diversification and breadth of offering in growth markets with high levels of repeat business
6. Resilient operating margins in the face of significant market challenges. Well positioned to capitalise on market recovery

Share Information

Ticker	AIM: VANL
Share Price (GB pence)	38.5
Shares in issue (m)	107
Market Cap (£m)	41.2
12m Hi/Low (GB pence)	32.1/46.0

(Source: The London Stock Exchange, January 2025)

12-Month Share Price



(Source: The London Stock Exchange, January 2025)

Major Shareholders (as of 2 January 2025)

Name	%
Ruffer LLP	17.10
Otus Capital Management	13.44
Harwood Capital	7.39
NR Holdings	5.55
Close Brothers Asset Management	4.83
Janus Henderson Investors	3.91
Mr & Mrs Jones	3.65
Shore Capital, stockbrokers (ND)	3.19
Interactive Investor (EO)	3.09

(Source: company website)

Company Overview

Since 1984, Van Elle has been providing first-class ground engineering services to a wide variety of customers across the Residential, Infrastructure, and Regional Construction markets, helping it become the UK's largest contractor in its industry, a position the Company has held since 2018.

Van Elle's range of services cover every aspect of ground engineering; taking clients from initial investigation work, design and engineering, through to completion - using a diverse range of techniques, a direct workforce of over 600 employees and the UK's largest and best invested piling rig fleet.

Throughout Van Elle's history, it has created a strong reputation across its core services, which have been built on high-quality, technical expertise, innovation, safety and successful delivery for customers.

Improved market conditions, increased utilisation and a diversified offering, underpinned by a strong NAV, provide a positive backdrop for growth as the Company expands its service offering and geographical coverage, with a focus on cash generation and margin improvement.

Van Elle has been laying the foundations for long-term success, transforming the business by improving margins, expanding its customer base, and strengthening the management team.



What's New?

Results for the six months to 31 October 2024 represent another resilient Company performance, with growing signs of improvement across end markets despite a challenging trading backdrop.

Mark Cutler, Chief Executive, commented: *"The Group has faced another challenging period; however, it has continued to make significant strategic progress, positioning Van Elle to quickly and robustly capitalise on improving conditions. We have also made prudent changes to reduce our cost base and introduce new efficiencies. Therefore, the Board remains confident in delivering its medium-term strategic objectives."*

In January 2025, Van Elle announced an **eight-year partnering agreement** with Wood Transmission & Distribution Limited to deliver ground investigation, design and construction activities for piling and foundations across several transmission schemes as part of Ofgem's Accelerated Strategic Transmission Investment (ASTI) programme - **expected to be worth in excess of £30m** to Van Elle over that period.

Van Elle has also **acquired Albion Drilling Group**, a specialist piling and drilling business known for its delivery of complex infrastructure projects, for a total consideration of up to **£3.5m, of which £0.5m is net cash acquired**. The bolt-on acquisition expands the Group's presence in **Scotland** and in the **energy sector** while **expanding its technical capabilities**.



Chief Executive, Mark Cutler, added: *"The acquisition of Albion represents an exciting and important step towards the **delivery of our growth strategy in the energy sector**. It also broadens the Group's range of **specialist capabilities and customer base**. Albion is a highly regarded specialist contractor with **complementary capabilities** and an **experienced workforce** who will fit perfectly into the Group's operating structure."*

Growth Strategy

The Group's **vision is to be the leading, most trusted provider of Total Foundation Solutions** and its strategic goals are aligned under the three pillars of: developing trusted partnerships, deploying the best people and assets, and perfecting delivery of its projects.

Van Elle continues to make solid progress against its strategy, delivering market leading services, and setting **medium term financial KPIs** to support its objectives: **annual revenue growth of 5-10%, underlying operating margins of 6-7%, ROCE of 15-20% and leverage of less than 1.5 times EBITDA.**

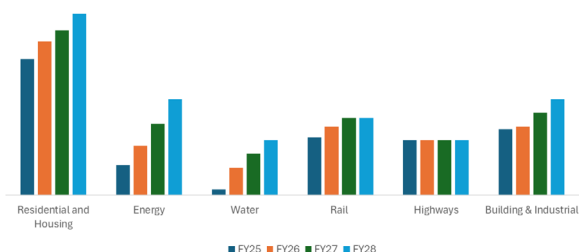
Recent strategic highlights;

- **Pipeline of investment under the UK energy sector's ASTI programme and strong customer partnerships for delivery of future works - beginning to deliver revenues**
- **Strong position in energy and water is expected to yield materially increased volumes from FY26**
- **Rail activity increasing**
- **Five-year trading agreement with Galliford Try.**
- **Acquisitions of Albion Drilling and Rock & Alluvium Limited**
- **Canada continues to deliver growth - £1.8m revenue in the six months to Oct 31 2024**



Energy & Water

GROWTH OPPORTUNITY BY SECTOR



Note: Total revenue growth opportunity in line with market consensus forecasts

The Group has placed an increasing focus on the energy & water infrastructure sectors [since 2022] which have been identified as **highly promising**, particularly against the backdrop of both the Green Transition and ageing UK infrastructure - **with high levels of committed government spending.**

It has established and developed a number of **substantial growth opportunities, with several customer frameworks agreed and an identified bidding pipeline of approximately £200m.** This was further strengthened by the launch of a dedicated civil engineering team targeted on integrated civils and foundations opportunities in the rail, energy and water sectors.

As of January 2025, Van Elle has made excellent progress with the recent acquisition of Albion Drilling accelerating progress and **expanding the Group's range of specialist capabilities and customer base.** It then signed an **eight-year partnering agreement with Wood Transmission & Distribution Limited** to deliver ground investigation, design and construction activities for piling and foundations across several energy transmission schemes as part of Ofgem's ASTI programme - expected to be worth in excess of £30m over agreement's eight-year lifespan.

Forecasts (Source: Zeus)

	April '24 (actual)	April '25 (E)	April '26 (E)	April '27 (E)
Sales (£m)	139.5	146.1	155.9	163.7
PBT adj. (£m)	5.1	6.0	7.4	9.1
EPS adj. (p)	3.4	4.2	5.1	6.3
DPS (p)	1.2	1.4	1.7	1.7

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Key Newsflow

January: [Interim Results](#)

January: [Eight-year Electricity Transmission Agreement](#)

December: [Trading Update](#)

October: [Acquisition of Albion](#)

October: [Contract Awards to Van Elle Canada](#)

August: [Framework Delivery Partnership](#)

July: [Progressive Initiates Coverage](#)

July: [Final Results](#)

Management Team

Mark Cutler, Chief Executive Officer

Mark is a chartered civil engineer with over 25 years' experience in the infrastructure, construction and utility sectors, and has held various senior leadership roles with major UK contractors. These senior roles include being Managing Director of Balfour Beatty and Morgan Est, as well as CEO of Barhale.



Graeme Campbell, Chief Financial Officer

Graeme joined from Severfield plc, and was previously CFO of Engenco Ltd, an ASX listed company. Having qualified as a Chartered Accountant in 2000, Graeme has held various senior finance roles across a range of industrial businesses.



Meet Van Elle plc

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<https://www.investormeetcompany.com/van-elle-holdings-plc/register-investor>

