



Investment Profile

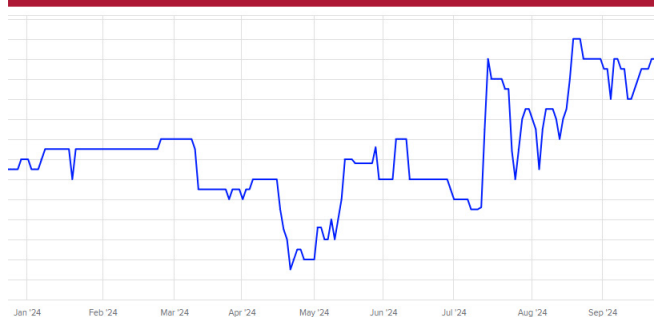
1. All divisions operating profitably with well-utilised rig fleet & expanding market coverage
2. Strategy of organic growth supported by targeted bolt-on acquisitions and international rail expansion
3. Strong asset backed balance sheet and significant liquidity headroom
4. Strong Board with industry 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)	42.5
Shares in issue (m)	107
Market Cap (£m)	44.8
12m Hi/Low (GB pence)	32.1/46.0

(Source: The London Stock Exchange, November 2024)

12-Month Share Price



(Source: The London Stock Exchange, November 2024)

Major Shareholders (as of 16 September 2024)

Name	%
Ruffer LLP	18.12
Otus Capital Management	15.60
Premier Fund Miton Investors	7.04
NR Holdings	5.63
Harwood Capital LLP	5.62
Close Brothers Asset Management	5.24
Janus Henderson Investors	3.96

(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?

Van Elle has **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, commented: "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. May I welcome **Jim King** our new **Scotland director**, and all Albion employees to the Van Elle Group."

Van Elle's **Canadian rail subsidiary** has signed **2 contracts** with **ONxpress** as their appointed strategic supply partner. **ONxpress** is ultimately responsible for the delivery of the **CAD\$20bn GO Expansion programme for Toronto rail network** which is expected to begin enabling works in second half of **2025** for delivery through to **2028** and expected to be worth over **CAD\$50m**. Van Elle has also been awarded a **contract** worth over **CAD\$5m** to undertake **track bed investigation works** in support of the programme.

Chief Executive Mark Cutler added: "We have established a very capable team in **Ontario**, focused on our **specialist geotechnical and on-track rail delivery solutions** and have **completed several schemes** in the last six months. These contract awards **align us closely** with our **strategic customers ONxpress and Metrolinx** and underpin our confidence in developing a **specialist rail business of scale in Canada over the next three years**."

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.**

Strategic highlights;

- **Pipeline of investment under the UK energy sector's Accelerated Strategic Transmission Investment (ASTI) programme and strong customer partnerships for delivery of future works.**
- **Significant investment expected in the UK high-voltage power network.**
- **Awarded new framework agreements** including Network Rail's southern region CP7 civils programme and with the Coal Authority for national ground investigation services.
- **Five-year trading agreement with Galliford Try.**
- **Acquisition of Rock & Alluvium Limited**
- **Continued investment in the establishment of the Group's Canadian operations - driving pleasing volume growth.**



Full Year Results

In its full year results, released in July 2024, Van Elle reported a **resilient performance** against a backdrop of **very challenging market conditions**, with EBITDA of **£12.6m** (FY23:£12.0m), revenue of **£139.5m** (FY23:£148.7), and an underlying margin of **3.9%** (no change).

Mark Cutler, Chief Executive, said: "Market conditions are expected to remain challenging throughout the remainder of 2024. However, we start the new financial year with a strong order book, multiple framework agreements and preferred bidder positions, and a focus on strategic markets which are expected to deliver growth opportunities over the medium term."

Rock and Alluvium, a leading UK based piling specialist acquired in Oct 2023, has established Van Elle's presence in the fertile **London & South East markets**. The first five months post-acquisition, Rock and Alluvium **traded profitably and above pre-acquisition volume levels.**

Van Elle also announced a new **five-year trading agreement with Galliford Try** to provide piling and geotechnical services, which the Board anticipates will generate **revenues in excess of £10m per annum, with scope for considerable growth.**

The Group has now **developed strong positions in the water and energy sectors where there is a clear pipeline of large-scale, essential investment across the UK**, which is expected to contribute materially to its activity levels from FY26 onwards.



Key Newsflow

October: [Acquisition of Albion](#)

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

August: [Framework Delivery Partnership](#)

July: [Progressive Initiates Coverage](#)

Jul: [Final Results, Analyst Briefing & Investor Pres](#)

Jul: [Housing Sector Update](#)

Jun: [Settlement of Legacy Contract Dispute](#)

May: [Trading Update](#)

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>

Forecasts (Source: Zeus)

	April '24 (actual)	April '25 (E)	April'26 (E)	April'27 (E)
Sales (£m)	139.5	146.1	161.4	169.7
PBT adj. (£m)	5.1	6.0	8.1	10.1
EPS adj. (p)	3.4	4.1	5.6	6.9
DPS (p)	1.2	1.4	1.9	1.9

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