HSS Hire Group plc

FY 19 Results

27 May 2020

Important notice

By reading or reviewing this presentation, you agree to be bound by the following limitations:

This presentation has been prepared by the HSS Hire Group (the “Group”) solely for information purposes. For the purposes of this disclaimer, this presentation shall mean and include the slides in this deck, the oral presentation of the slides by the Group or any person on its behalf, any question-and-answer session that follows the oral presentation, hard copies of this document and any materials distributed in connection with the presentation. By attending the meeting at which the presentation is made, dialling into the teleconference during which the presentation is made or reading the presentation, you will be deemed to have agreed to all of the restrictions that apply with regard to the presentation and acknowledged that you understand the legal regulatory sanctions attached to the misuse, disclosure or improper circulation of the presentation.

The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and will not be updated to reflect material developments that may occur after the date of the presentation. The information and opinions in this presentation are provided as at the date of this presentation and are subject to change without notice. It is not the intention to provide, and you may not rely on this presentation as providing, a complete, fair, accurate or comprehensive analysis of the financial or trading position or prospects of the Group. No reliance may be placed on the information contained in this presentation for any purpose, and neither the Group nor any of its respective affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or their contents or otherwise arising in connection with the presentation, or any action taken by you or any of your officers, employees, agents or associates on the basis of the information.

The information contained herein does not constitute investment, legal, accounting, regulatory, taxation or other advice and does not take into account your investment objectives or legal, accounting, regulatory, taxation or financial situation or particular needs. You are solely responsible for forming your own opinions and conclusions on such matters and the market and for making your own independent assessment of the information. You are solely responsible for seeking independent professional advice in relation to the information.

This presentation contains financial information regarding the businesses and assets of the Group. Such financial information may not have been audited, reviewed or verified by any independent accounting firm. The inclusion of such financial information in this document or any related presentation should not be regarded as a representation or warranty by the Group or any of its affiliates, advisors or representatives or any other person as to the accuracy or completeness of such information’s portrayal of the financial condition or results of operations by the Group and should not be relied upon when making an investment decision.

This presentation contains certain non IFRS and financial measures. These measures may not be comparable to those of other companies within our industry or otherwise. Reference to these non IFRS or financial measures should be considered in addition to IFRS, but should not be considered a substitute for results that are presented in accordance with IFRS.

The market data contained in this presentation, including all trend information, is based on estimates or expectations of the Group, and there can be no assurance that these estimates or expectations are or will prove to be accurate. Our internal estimates have not been verified by an external expert, and we cannot guarantee that a third party using different methods to assemble, analyse or compute market information and data would obtain or generate the same results. We have not verified the accuracy of such information, data or predictions contained in this report that were taken or derived from industry publications, public documents of our competitors or other external sources. Further, our competitors may define our and their markets differently than we do. In addition, past performance of the Group is not indicative of future performance. The future performance of the Group will depend on numerous factors which are subject to uncertainty.

Certain statements in this presentation and the materials distributed in connection with it are forward-looking or represent beliefs and opinions. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These include, among other factors, changing economic, business or other market conditions, changing political conditions and the prospects for growth anticipated by the Group management. These and other factors could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future and forward-looking statements regarding future events or circumstances should not be taken as a representation that such events or circumstances will come to pass. The Group does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. No statement in this presentation is intended to be a profit forecast. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation.

This presentation does not constitute or form part of, and should not be construed as, an offer to sell or issue, or the solicitation of an offer to purchase, subscribe to or acquire the Group or the Group’s or any of its companies’ securities, or an inducement to enter into investment activity in any jurisdiction in which such offer, solicitation, inducement or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of such jurisdiction. No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever, nor does it constitute a recommendation regarding the securities of the Group or any of its companies. This presentation is not for publication, release or distribution in any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction nor should it be taken or transmitted into such jurisdiction.

Agenda

Full Year Highlights

FY 19 Results

COVID-19 Update

Strategy Update

Summary

Appendices

HSS Hire

Full Year Highlights

Strong 2019 performance.
Actions taken to address impact of Covid-19

Strong FY19 Results

- second consecutive year of record profits
- strategy is working

Responding well to Covid-19 to ensure business continuity

- safety & wellbeing of colleagues and customers prioritised
- continuity for customers ensured
- new technology leveraged

Cash and RCF headroom of £66.7m as at 23 May 2020

- decisive actions taken to maximise cash
- ongoing support received from lenders

Second consecutive year of record profits

Highest[1] ever Adjusted EBITDA, ROCE step changed	• Adjusted EBITDA £63.9m, 6.6% growth with margin up 0.9pp to 19.5% • Adjusted EBITA £26.5m, with margins 1.3pp higher at 8.1% • Material improvement in ROCE[2] to 20.8%, an increase of 4.1pp
Underlying[3] revenue growth 3.9%	• Underlying Rental revenue growth 1.3%, c3% excluding adverse seasonal impact • LTM[4] utilisation maintained at high levels in Tool Hire at 51.7% and our Specialist businesses at 65.9% • Continued strength in Services with underlying revenue +13.6%
Leverage reduced to 2.8x	• Continued reduction in net debt leverage to 2.8x[5] (FY 2018: 3.3x) • Net debt reduced £59.2m to £179.5m • Cash and RCF facility headroom of £45.9m as at 28 December 2019
Significant strategic progress made	• Customer App successfully rolled out, digital share grown 10ppts in trial market • New driver technology in place, improving efficiency • OneCall platform operational; conversion, efficiency and margins improving • Further improved network efficiency; removal of the cross dock and CDC closure

1 Comparable basis after removing UK Platforms
2 ROCE calculated as FY19 Adjusted EBITA divided by average total assets less current liabilities (excluding intangibles, debt and cash items)
3 Underlying revenue adjusted for loss of Services volume related to managed service contract
4 Utilisation calculated over the last twelve months to 28 December 2019
5 Net debt, as at 28 December 2019, divided by FY19 Adjusted EBITDA

Strong performance against 2020 framework

	2016	2017	2018[1]	2019[1,2]		2020 Framework
Revenue growth	9.6%	(1.9%)	6.2%	**3.9%**	✓	Ahead of market*
Rental revenue growth	0%	(5.7%)	3.8%	**1.3%**	✓	Ahead of market
Adjusted EBITDA margin	20%	14.6%	18.6%	**19.5%**	↗	>20%
Adjusted EBITA margin	6%	0.5%	6.8%	**8.1%**	↗	>9%
Leverage	3.2x	4.8x	3.3x	**2.8x**	↘	<2.5x*
Return on Capital Employed	9.7%	1.0%	16.7%	**20.8%**	✓	>20%

*Targets revised to be more challenging April 2019

Note: Market Growth 2019 = 0.4% (source European Rental Association forecast Oct 19)

1 Results for 2018 and 2019 on a continuing operations basis, stripping out the disposal of UK Platforms
2 2019 revenue adjusted for loss of Services volume related to managed service contract

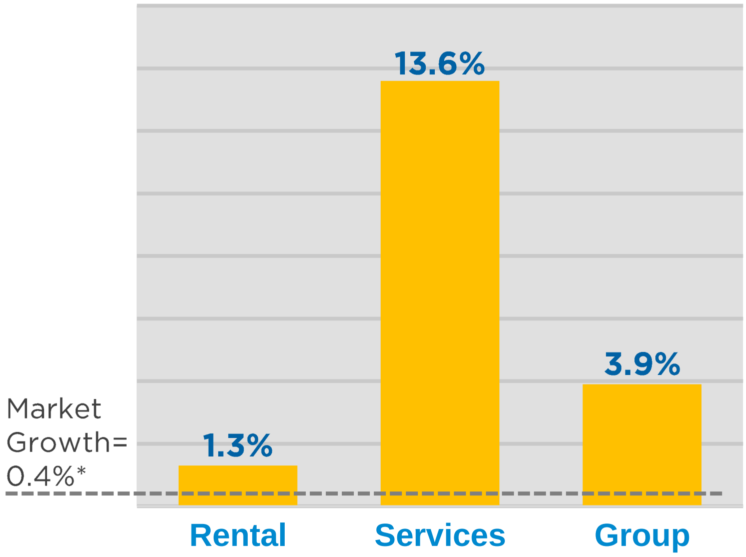
HSS Hire

FY 19 Results

Strong financial metrics

Strong Revenue Growth

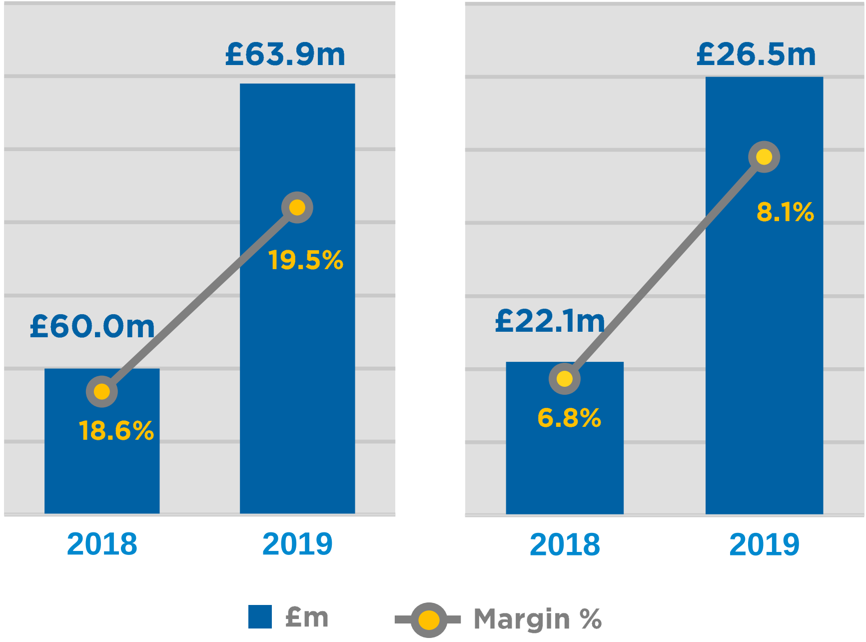
Underlying Revenue Growth FY19 v FY18



Improving Profitability

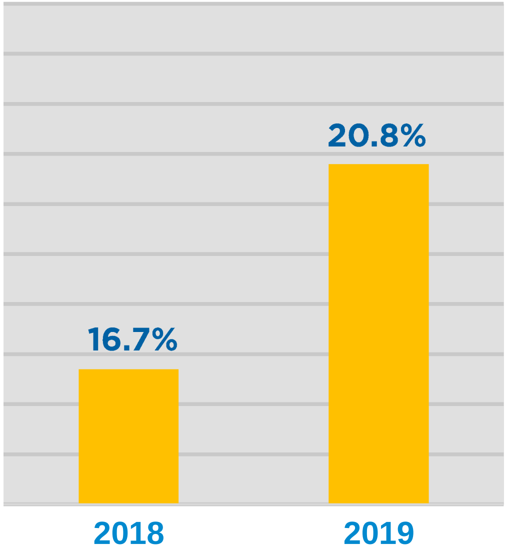
EBITDA £m, and EBITDA Margin%

EBITA £m, and EBITA Margin%



Enhanced Returns

ROCE



*Source European Rental Association (Oct 2019)
Note: All figures based on continuing operations and non-IFRS16 basis

Financial summary

52 weeks ended 28 December/ 29 December

Continuing Operations[1]	2019	2018	Variance
Revenue	**328.0**	322.8	1.6%
Adjusted EBITDA[2]	**63.9**	60.0	6.6%
Adjusted EBITDA margin	***19.5%***	*18.6%*	
Adjusted EBITA[3]	**26.5**	22.1	20.1%
Adjusted EBITA margin	***8.1%***	*6.8%*	-
Exceptional credit / (cost)	**8.8**	(8.7)	-
Profit / (loss) for period (£m)	**8.7**	(4.4)	13.1
Net Debt Leverage (x)	**2.8x**	3.3x	0.5x
Net Debt (£m)	**179.5**	238.7	59.2
ROCE (%)	**20.8%**	16.7%	4.1pp
Adjusted basic earnings per share (p)[4]	**2.76p**	**1.51p**	1.25p

- Underlying revenue growth 3.9%, both Rental and Services businesses growing ahead of market
- Focus on profitable growth through targeted investment, price control and improved insight leading to increased returns; ROCE above 20%
- Lower operational costs supporting EBITDA and EBITA expansion
- Net debt £59.2m lower with leverage reduced to 2.8x
- Adjusted EPS increased 94%
- IFRS16 would reduce PBT for period by less than £2.0m[5]

1 Excluding UK Platforms for all measures except Net Debt Leverage and Net Debt
2 Earnings stated before interest, tax, depreciation and amortisation (“EBITDA”) and before exceptional items relating to restructuring and acquisitions
3 Adjusted EBITDA less depreciation
4 Calculated as PBT before amortisation and exceptional items less tax at the average prevailing rate across period, divided by the weighted average number of shares
5 Refer to appendix for more detail

Growth across both Rental and Services segments

52 weeks ended 28 December/ 29 December

£m	2019	2018	Variance
Rental (and related revenue)			
Revenue	**229.0**	226.0	1.3%
Contribution	**155.5**	155.4	0.1%
Contribution margin	***68.0%***	*68.7%*	-
Services			
Revenue	**99.0**	96.8	2.3%
Contribution	**15.5**	14.6	6.4%
Contribution margin	***15.7%***	*15.1%*	-
Branch and selling costs	**(84.0)**	(84.2)	-
Central costs	**(23.1)**	(25.8)	-
Adjusted EBITDA	**63.9**	**60.0**	**6.6%**

Rental

- Revenue increased 1.3%, despite strong seasonal comparators, through targeted investment and sales initiatives including upselling ancillary products
- Price control maintained strong underlying margins with reported margin impacted by product mix; lower seasonal product and higher ancillary sales

Services

- Underlying growth 13.6%[1], third successive year of double digit growth
- Further margin expansion following implementation of new automated system

Costs

- Ongoing effective cost control including removal of cross-dock and consolidation of head-office

1 Underlying revenue adjusted for loss of Services volume related to managed service contract

HSS Hire

Material reduction in net debt

52 weeks ended 28 December/ 29 December

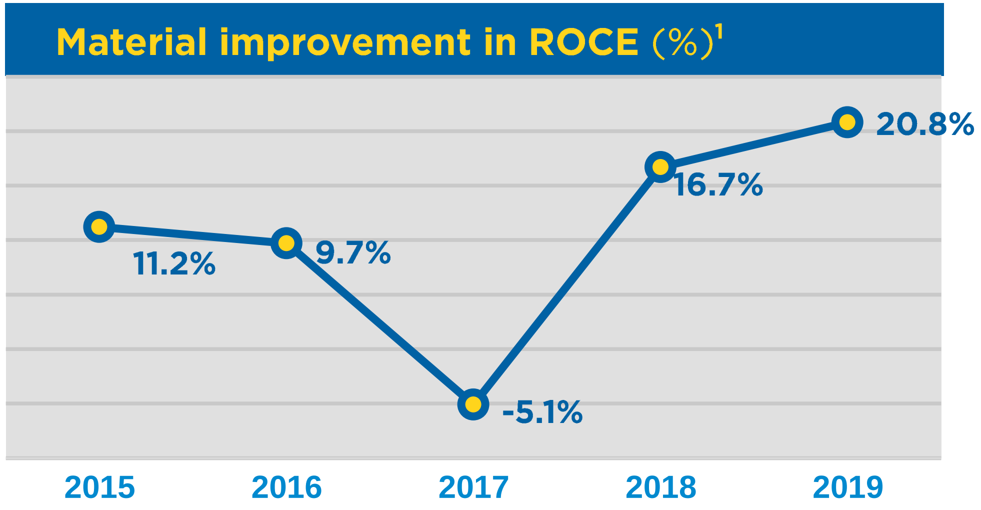
£m	2019	2018[1]
Adjusted EBITDA	**63.9**	**71.3**
Cash Exceptionals	(6.6)	(11.9)
Working capital	(0.8)	(1.7)
Capex	(31.1)	(33.4)
Tax	0.5	(0.2)
Net interest payable	(18.5)	(17.3)
Net refinancing costs	-	(11.2)
Disposal of subsidiary	51.5	-
Other	0.3	(1.6)
Net decrease / (increase) in net debt	**59.2**	**(6.0)**
Closing net debt	(179.5)	(238.7)
Leverage	**2.8x**	**3.3x**

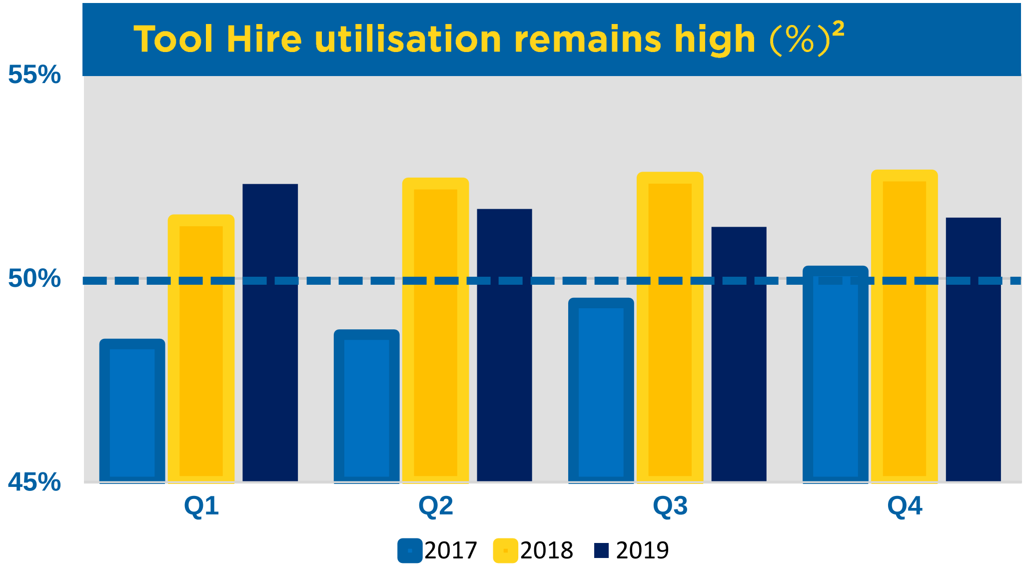
1 Total Group Continued and Discontinued for 2018

- **Net debt reduced £59.2m since FY18**
- Continued EBITDA momentum
- Cash exceptionals relate to payments under onerous contracts and leases
- Continued focus on working capital management, reduction in overdue debt
- Capex deployed selectively in higher returning product categories
- Sale of UK Platforms completed 11 January 2019
- Total cash and RCF facility **headroom of £45.9m** as at 28 December 2018

Significant improvement in returns

- FY19 product **investment of £27.1m**, deployed selectively in highest returning areas using improved decision-making tools
- Maintained **high levels of utilisation**, improved in Q4 2019
- **Improved ROCE**:
  - Overheads reduced by £18m in last two years
  - Leveraged insight tools across the full product life-cycle
  - Improved pricing control driving profitability
  - Growth in capital-light Services business
- Continued **reductions in cost-to serve**
  - Cross-dock removed
  - Increased network efficiency - Tottenham CDC closure





[1] Continuing Operations on LTM basis.
[2] Utilisation calculated on value basis.

HSS Hire

Covid-19

Q1 Trading impacted by Covid-19

13 weeks ended 28 March / 30 March

Continuing Operations[1]	2020	2019	Variance
Revenue (£m)	**76.0**	82.2	(7.6%)
Adjusted EBITDA[2]	**12.1**	13.1	(7.0%)
Adjusted EBITDA margin	***16.0%***	*15.9%*	0.1pp
Adjusted EBITA[3]	**3.4**	3.5	(2.3%)
Adjusted EBITA margin	***4.4%***	*4.2%*	0.2pp
Net Debt Leverage (x)	**2.8x**	2.9x	0.1x
Liquidity headroom (£m)	**46.5**	44.8	1.7
ROCE (%)	**22.0%**	19.9%	2.1pp

- Performance in Q1 FY20 heavily impacted in week 13 following COVID-19 lockdown
- In first 12 weeks underlying Revenue[4] and adjusted EBITDA grew, in line with management expectations
- Continued improvement in liquidity headroom and net debt leverage
- Net debt reduced to £177.2m
- ROCE continued to be above 20%

1 Excluding UK Platforms for all measures, results on a non-IFRS16 basis for comparability
2 Earnings stated before interest, tax, depreciation and amortisation ("EBITDA") and before exceptional items relating to restructuring and acquisitions
3 Adjusted EBITDA less depreciation
4 Underlying growth excludes impact of loss of Services volume associated with a change to one managed service contract

Decisive response to Covid-19

Safety and Wellbeing

- Moved to home-working in early March, with all colleagues working at home where possible to do so since 23rd March
- Social distancing measures in place ahead of UK branch closures on 24th March and Ireland branches on 30th March. Additional protection for colleagues with Key Worker designation
- Heightened colleague communications throughout organisation, reinforcing government advice and promoting wellbeing and mental health. Daily Executive calls steering actions

Continuity for Customers

- Our 27 Customer Distribution Centres remained open ensuring continuity of supply for critical customer activity*. Recently expanded to safely supply more customers by leveraging technology
- OneCall rehire business continues to operate as normal, proving particularly attractive to customers struggling to find supply
- Field sales colleagues re-organised to pick up branch enquiries

Leveraging Technology

- Launched click & collect service at CDCs mid-April, offering alternative to branch collections
- Shift to digital channels rather than traditional over-the-counter or phone ordering
- Shift from classroom to online training courses for customers

* e.g. supporting contractors maintaining key infrastructure in food retail, distribution, health services, pharmaceuticals, defense, education, social housing and other local government services. In particular, temporary power, heating, cooling and hot water supplies to these sectors

Actions implemented to preserve liquidity

Liquidity Summary

	Dec 19	Mar 20	May 20
Liquidity headroom £m[1]	45.9	46.5	66.7
Covenant Headroom	1.3x	1.3x	1.2x[2]

1 Cash and undrawn Revolving Credit/overdraft facility
2 Tested at end of June 2020

- Total cash outflow reduced by 50%
- Cash and RCF facility headroom of £66.7m at 23 May 2020
- Exploring Government backed finance facilities to further increase liquidity to accommodate prolonged recovery

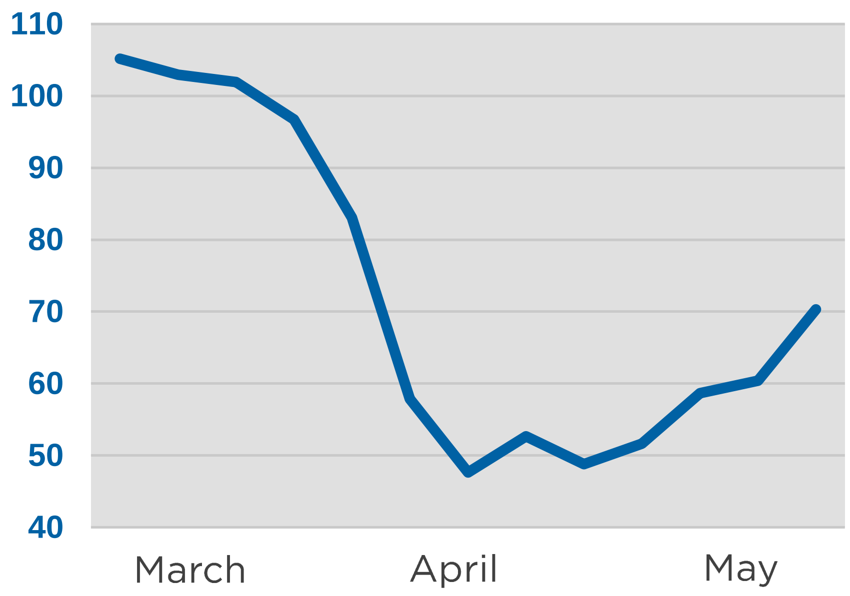
Actions Taken to Protect Liquidity

Managing capex to demand	• Fleet capex under ongoing review
Preserving colleagues' roles	• Furloughed 60% of colleagues • Salary reductions for management • c£7.5m cash savings in total
Working with landlords	• Rent holidays agreed • Increased flexibility on rental payments over balance of 2020
Taking advantage of tax relief	• VAT for Q2 2020 deferred to April 2021 • PAYE deferred to June 2020 • Business rates relief for branch network
Positive support from lenders	• Finance lease repayment holidays agreed

Current Trading

- Limited impact until week 13 FY20
- Significant drop (c50%) in activity immediately after lockdown, driven by:
  - Our decision to focus on critical activity
  - Cash customers turned off for safety reasons
  - Site closures and reduced customer productivity
  - Larger contractors more resilient than small traders
- Gradual lift in activity driven by:
  - Government relaxation of lockdown
  - Internal restrictions lifted, alongside new operating procedures
  - Growth in digital channel and click-and-collect
- For the period 23 March to 23 May, revenue has been c40% below the original management forecast for that period

Percentage of 2019 Revenue [1]



1 Underlying revenue excludes impact of loss of Services volume associated with a change to one managed service contract

Strategy Update

HSS Hire

Continued focus on three strategic priorities

1 DELEVER
the
Group

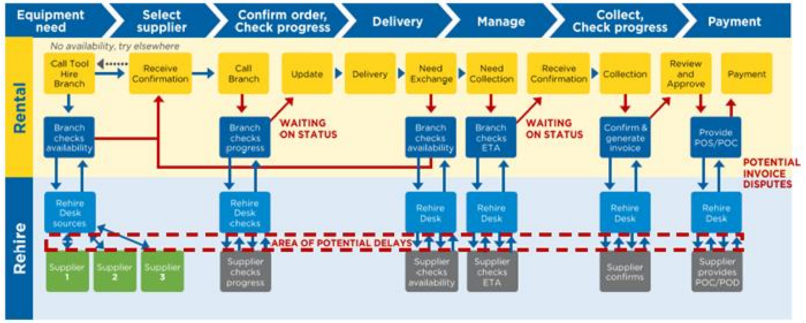
2 TRANSFORM
the
Tool Hire business

3 STRENGTHEN
commercial proposition

Well advanced
Continued focus

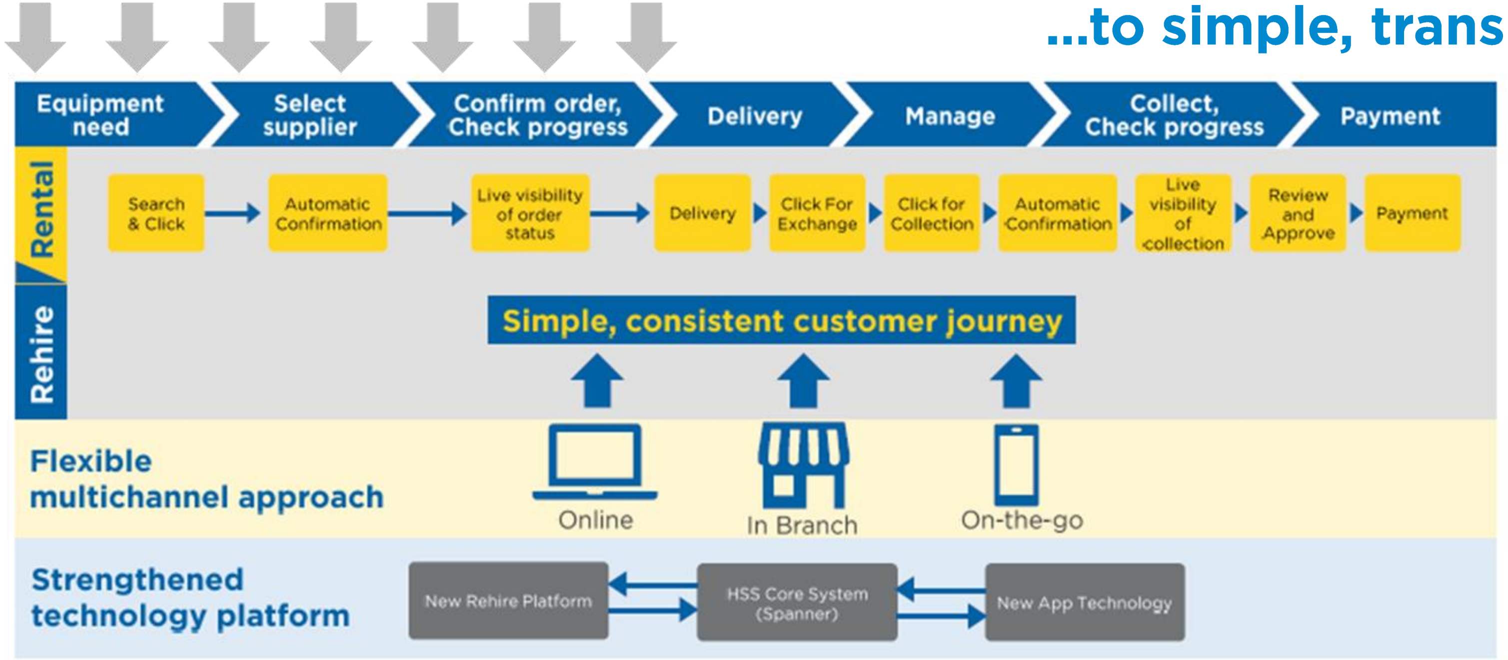
Significant opportunity during next phase

We set out to step-change the equipment hire journey using new technology



...from complicated, opaque and slow...

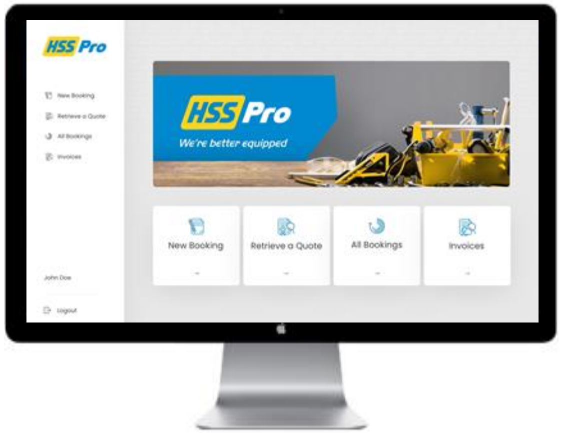
...to simple, transparent and fast.



New foundations have served us well during Covid-19 crisis

	What We Did	Results Achieved	Adapting to New Norm
	▪ Launched **market-leading** end-to-end customer app in April 2019 ▪ Introduced driver app technology enabling **live-order tracking** and improved operational efficiency ▪ **Fully integrated** both with our industry-leading fully transactional website	▪ 34,000 downloads ▪ 4.7 App store rating ▪ 16,000+ active digital users ▪ **E-channel adoption** trial in the Midlands is delivering 10ppt improvement in digital conversion ▪ Surge in channel shift during Covid	▪ **Significant** customer shifts to digital channel during Covid-19 crisis (over 40% penetration) ▪ Promoting zero contact **click-n-collect** as an alternative to branch collections ▪ National salesforce rollout, targeting **40%+ adoption**
	▪ **Brenda** platform launched in April 2019. Fully rolled out by September. All colleagues trained and all suppliers on-boarded	▪ 20% **conversion** improvement ▪ 68% increase in **productivity** ▪ 100bp **margin** improvement ▪ Depth of supply chain and responsiveness has been a considerable advantage during Covid	▪ **Brenda** has enabled remote working and driven business continuity ▪ Next phase of **powering** sales colleagues with this new technology

What's next? Putting Brenda technology in to the field



Continuing to develop new technology during Covid-19

- Automating hire-versus-rehire decision-making to **maximise return on capital**
- Providing colleagues with **direct access** to all products & services
- Improving customer experience, response times and conversion rates - **driving revenue and NPS**

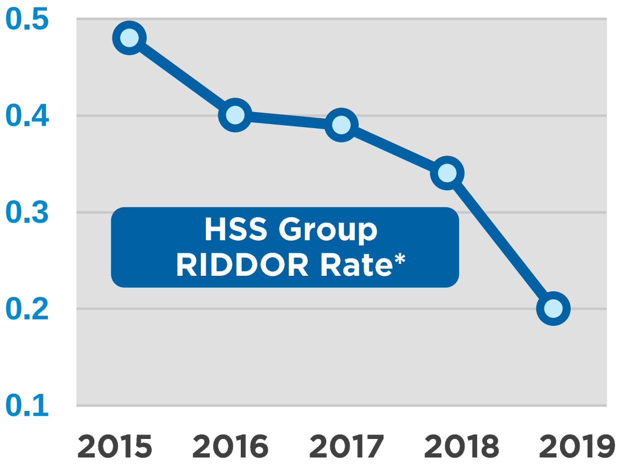
Benefiting all stakeholders

- Customers: **quicker** response times, **simple** consistent journey, **digital adoption**
- Colleagues: time to competency, **modern** & user-friendly, more **effective**
- Suppliers: more enquiries, earlier notice, **higher volumes**

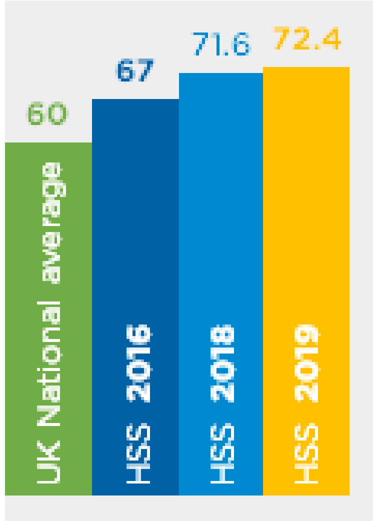
Rollout in H2

Improved safety, colleague engagement and customer service

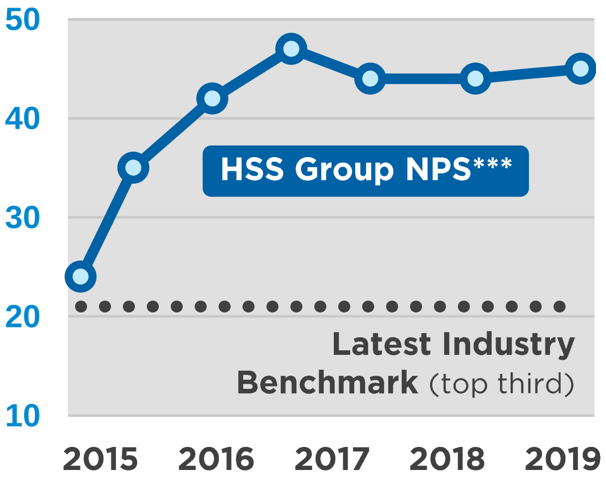
- **Safety** remains at the heart of what we do
- In 2019 we reduced our RIDDOR accident frequency rate by over 40%



- **Colleague engagement** scores** improved again, and significantly above UK average
- Ongoing participation in strategic projects



- **Net Promoter Score** improved from 44 to 45, significantly ahead of the industry benchmark (21)



- Launch of **values** designed to drive behaviours and enhance engagement

* Reportable accidents per 100,000 hours worked
** Source: Anthem Engagement
*** Source: KantarTNS (benchmark is 2016 B2B services, manufacturing and utilities)

Exciting plans continue to differentiate HSS

- Strategic initiatives in place to support us through the next phase of Covid-19 recovery and beyond, ultimately providing **significant differentiation** from the market
- Continued investment in **technology** to strengthen our commercial proposition:
  - Shift to **low-touch digital channels**
  - **Technology driven growth** in our Services business
  - Leveraging our OneCall technology platform, Brenda, to **strengthen returns further**
- Ongoing **transformation** of Tool Hire business:
  - **Profit Smart:** Deploying enhanced decision-making tools further into our organisation
  - **Standout Service:** Differentiated reliability
  - **Demand Creation**: Enhanced salesforce effectiveness
  - **Cost Agile**: Ongoing cost focus and alternative go-to-market options
- Whilst continuing to drive **customer service, colleague engagement and safety**

Summary

Record results in 2019.
Now focused on leveraging our strong commercial proposition whilst focusing on cash preservation

- **Continued growth, improved returns**
  - Record Adjusted EBITDA on a comparable basis at £63.9m and margins improved to 19.5%
  - EBITA at £26.5m with margins improved to 8.1%
  - Material reduction in leverage to 2.8x
  - ROCE step change to 20.8%

- **Immediate actions taken in response to COVID-19 pandemic**
  - Focus on conserving cash and maximising liquidity
  - Support from Group lenders
  - As at 23 May, Group has cash and revolving credit facility headroom of £66.7m

- **New Technology platform strengthens our commercial proposition**
  - Digital capability meeting customer requirements, further roll out underway, channel shift accelerating
  - OneCall automated platform provides functionality to expand customer and supplier offer

Appendices

Appendix A
Exceptional items

52 weeks ended 28 December/ 29 December

£m	2019	2018
Onerous leases	(2.9)	(2.6)
Accelerated amortisation of debt issue costs	(1.9)	(1.5)
Cost reduction programme	(0.8)	(1.1)
Impairment of property, plant and equipment	(0.4)	(0.7)
Strategic review	-	(1.0)
Business divesture	-	(0.2)
Other	-	0.5
Gross exceptional items	**(6.9)**	**(6.6)**
Profit on disposal UKP	**14.8**	**(2.1)**
Exceptional credit / (cost)	**8.8**	**(8.7)**

- Profit on disposal of UK Platforms £12.7m, £2.1m of transaction costs recognised in H2 2018.
- Onerous leases of £2.9m as a result of CDC closure, consolidation of head-office and minor revision of existing provisions
- Cost reduction programme including removal of cross dock
- Accelerated amoritsation of debt issue costs following early £38m prepayment of term facility with UK Platforms sales proceeds

HSS Hire

Appendix B
Balance sheet

52 weeks ended 28 December/ 29 December

£m	2019	2018 Restated[3]
Intangible assets	160.4	163.7
Tangible assets	101.9	109.1
Deferred tax and derivative assets	-	2.9
Net current assets / (liabilities)[1]	21.5	20.5
Other net liabilities	(32.8)	(35.2)
Net debt (ex accrued interest)[2]	(168.4)	(219.1)
Accrued interest	(3.6)	(4.6)
Assets held for sale	-	33.2
Net assets	**79.0**	**70.5**

- Assets held for sale relate to UK Platforms

1 Current assets less current liabilities. Current assets / liabilities captured within net debt e.g. the current portion of finance leases are not reflected in working capital

2 Comprises cash and all debt principal balances, including those which would ordinarily be shown within current assets, current liabilities (excluding accrued interest) or non current liabilities.

3 Restated for prior year adjustment to reserves relating to cumulative historical error (2017 and earlier) understating deposits for certain cash customers, immaterial in any single financial year

Appendix C
Net debt

52 weeks ended 28 December/ 29 December

£m	2019	2018
Cash	22.7	19.9
RCF	-	(13.0)
Finance lease obligations	(16.6)	(21.0)
Term Loan/ Senior Secured Notes[1]	(182.0)	(220.0)
Net debt (ex accrued interest)	**(175.9)**	**(234.1)**
Accrued interest	(3.6)	(4.6)
Net debt	**(179.5)**	**(238.7)**

- Reflects third party borrowings
- Leverage of 2.8x (FY18: 3.3x)

1 Shown gross of issue costs

HSS Hire

Appendix D
IFRS 16

Overview

- No impact on cashflow
- IFRS16 implemented from FY20
- Modified retrospective approach chosen – no restatement of FY19
- Making use of available exemptions for short term leases and low value assets
- Lease liabilities calculated on lease term except on properties with less than two years to expiry - judgement used

Expected Impact in FY20

Adjusted EBITDA increases c.£20m

PBT decreases by less than £2m

Adjusted diluted EPS decreases by c.0.8p

Net Debt increases c.£85m

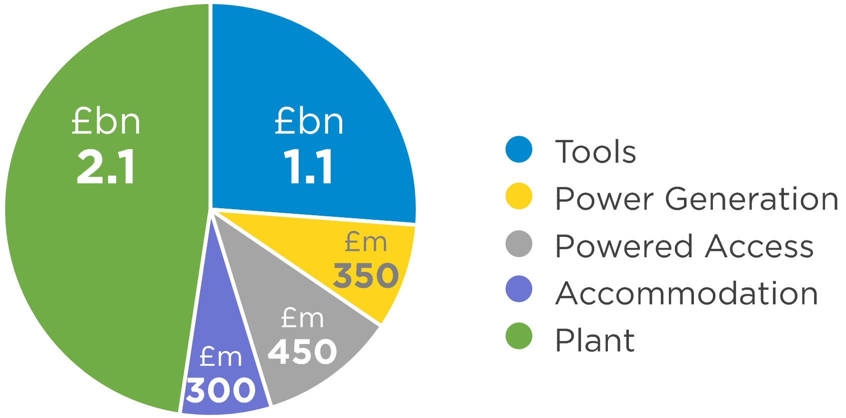
New Right of Use Assets created c.£84m

Leverage increases by c.0.4x

Appendix E

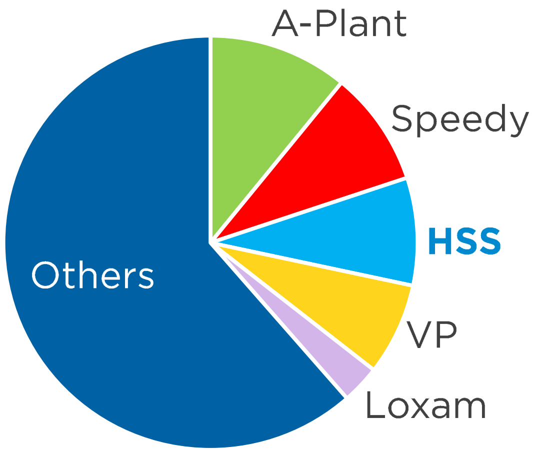
Opportunities in equipment hire

UK Equipment hire:
By Category



- The equipment hire market is extremely **diverse** both by product and customers
- The different categories require different operating models and therefore very few players can directly address all categories
- Customers require a wide range of equipment and serve a **diverse** set of **end-markets**

UK Equipment hire:
By Supplier



- The equipment hire market is extremely **fragmented**
- There are approximately 1,000 small **independent** hire companies
- There is a **lack of differentiation** amongst leading players
- The industry is **digitally immature** and companies have not kept up with customer needs