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## Pre-close trading update

Released : 28 Mar 2018 07:00

RNS Number : 1606J  
Fulcrum Utility Services Ltd  
28 March 2018

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### **FULCRUM UTILITY SERVICES LIMITED**

("Fulcrum" or the "Company")

#### **Pre-close trading update for the financial year ending 31 March 2018**

Fulcrum Utility Services Limited, the UK's market leading independent multi-utility infrastructure and services provider, today provides a trading update ahead of its financial year-end on 31 March 2018. The Company will publish its preliminary results on 5 June 2018.

#### **Trading update**

The Company has performed strongly over the 12-month period ending 31 March 2018. The successful execution of the Company's strategy gives the Board confidence that results will be in line with their expectations for the financial year ending 31 March 2018.

In February 2018, the Company completed the acquisition of The Dunamis Group Limited ("Dunamis"), a leading electrical infrastructure company. The Company is pleased to report that the integration of Dunamis is progressing well, with management focussing on cross selling opportunities within the enlarged group. In line with its strategy to increase its ownership of annuity type revenue generating assets, Fulcrum's operating subsidiary, Fulcrum Electricity Assets Limited, has now commenced activity that will enable the adoption and ownership of electricity assets constructed by Dunamis in the future.

As at 28 February 2018, the Company's combined order book had increased by £8.0m (26%) (including £6.0m for Dunamis) to £38.3m, from £30.3m at 31 March 2017. This increase highlights the continued progress and delivery on its growth strategy during 2017/18. The Company continues to secure a broad base of gas, electricity, dual fuel and multi-utility projects. Some notable contract wins in H2 include:

- a £0.5m multi-utility contract to install gas, electricity and water to a 135 plot development in Lancashire;
- a £0.5m gas infrastructure project for a mixed use development, including 326 new homes, in West Sussex; and
- a £0.3m contract to install dual fuel infrastructure to three new commercial units in London.

In line with its asset adoption strategy, the Company continues to grow its gas asset estate and the associated annuity revenue streams, by adopting the assets that it and other Utility Infrastructure Providers (UIPs) construct. There has been sustained growth in the gas assets secured from UIPs, with the committed external capital increasing from £2.8m as at 31 March 2017 to £9.5m as at 28 February 2018. The Company's IDNO electrical asset licence is fully operational and early enquiry levels from external independent connection providers for Fulcrum to adopt their electricity assets are encouraging.

To support future growth in utility assets, the Company is pleased to confirm that it has received credit committee approval for a new debt facility for up to £20.0 million with its existing bank, Lloyds Banking Group plc, replacing its previous undrawn £4.0 million facility.

#### **Bolt-on acquisition**

The Company today announces that it has acquired CDS Pipe Services Limited ("CDS"), a utility business that provides a range of specialised engineering services for a total consideration of £1.4m (on a debt free/cash free basis). Fulcrum has previously subcontracted such specialist elements of its projects to CDS and this acquisition brings these engineering capabilities in-house to further strengthen the Company's direct delivery capabilities.

The consideration will be satisfied through a mix of cash and 671,142 new ordinary shares in Fulcrum (the "Consideration Shares") issued to the sellers of CDS. The Consideration Shares shall be subject to lock in restrictions for a period of three years following their admission to trading on AIM, with one third of the Consideration Shares permitted to be sold via orderly market arrangements after each of three anniversaries following Admission.

An application has been made to the London Stock Exchange plc for the Consideration Shares to be admitted to trading on AIM. It is expected that Admission of the Consideration Shares will become effective and that dealings in the Consideration Shares will commence on AIM on 4 April 2018. Following Admission, the Company shall have 211,327,450 ordinary shares in issue admitted to trading on AIM. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

Martin Harrison, Chief Executive of Fulcrum, stated: "The successful execution of the Company's strategy continues to place Fulcrum in a strong financial and operational position. The recent acquisition of Dunamis and CDS announced today have enhanced our service offering and in-house capabilities, establishing and growing our market leading position in both infrastructure delivery and utility asset ownership. We remain confident in our outlook for the business".

Enquiries:

#### **Fulcrum Utility Services Limited**

Craig Baugh, Head of Marketing and Customer Engagement

+44 (0)114 280

#### **Cenkos Securities plc (Nominated adviser and broker)**

Max Hartley (Nomad) / Nick Searle (Sales)

+44 (0)20 7397

#### **Camarco (Financial PR advisers)**

Ginny Pulbrook / Tom Huddart

+44(0)203 757

**Notes to Editors:**

Fulcrum is a multi-utility infrastructure and services provider based in Sheffield, UK. The Company's primary business is the provision of utility infrastructure services to the residential, commercial and industrial markets throughout the mainland UK. These range from the design, installation or alteration of utility services for single site properties to large complex multi-site projects. Through its subsidiaries, Fulcrum Pipelines Limited and Fulcrum Electricity Assets Limited, Fulcrum is also licensed as an Independent Gas Transporter and Independent Distribution Network Operator, owning and operating gas and electrical assets that connect properties to the main UK gas and electricity networks. Fulcrum is also a meter asset manager, owning and operating meter assets across mainland UK.

In 2018 Fulcrum acquired the Dunamis Group, an electrical infrastructure services company, creating one of the UK's leading gas and electrical infrastructure services groups.

<http://www.fulcrum.co.uk/>

This information is provided by RNS  
The company news service from the London Stock Exchange

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