



**WESTMINSTER**  
GROUP PLC

# International Safety & Security Specialists

## 2023 H1 Results

Presented by:

CEO Peter Fowler & CFO Mark Hughes

Worldwide world class protection



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# Agenda:

3

## Brief Company Overview

- Who We Are
- Our Revenue Streams
- Our Customers

## 2023 H1 Highlights

## Group Performance

- Revenue
- Gross Margin
- EBITDA
- Financial Results
- Administration Costs
- Cash Bridge

## Roundup

- Summary
- Awards & Accreditations
- Any Questions



# Who we are:

The Westminster Group is a global integrated security services company delivering niche security products, solutions and long-term managed services to high growth and emerging markets around the world, with a particular focus on building long term recurring revenue.

- Airports;
- Ports & Harbours;
- Borders;
- Critical Infrastructure;
- Transport Sector;
- Public Venues (malls, stadiums etc.);
- Governmental Buildings;
- Military Facilities;
- Financial Institutions;
- High Security & High Value Assets.

- Not a Manufacturer
- Extensive manufacturer relationships
- Solutions Provider – Product Agnostic

- Building resilience from multiple and complimentary, revenue streams, from multiple customers in diverse areas of the world



## Land



## Sea



## Air

# Our Revenue Streams: *Building Resilience*

## — Technology Division —

Product Sales	Solution Sales	Maintenance
Extensive range of security and safety equipment	Design and implementation of total systems to protect infrastructure, borders & buildings	Recurring revenue streams from maintenance contracts and installed equipment
Regular Revenue Stream	Large-scale Project Revenue Stream	Recurring Revenue Stream

## — Services Division —

Managed Services	Guarding	Special Services	Training
Long-term (typically 10-20 years) recurring revenue projects in Ports, Airports and Infrastructure with a focus on emerging markets	Manned security services, mobile patrols and concierge services	Air operations & dispatch, humanitarian logistics and ground handling	Wide range of accredited training services in aviation security and other areas
Large-scale Recurring Revenue Stream	Recurring Revenue Stream	Regular & Lumpy Revenue Stream	Regular Revenue Stream

**worldwide world class protection**



HISTORIC ROYAL PALACES



Department  
for Transport



Home Office



Bank Of Ghana



HM Prison &  
Probation Service

# Heathrow

Just some of our  
**Customers**



UK  
Parliament



Foreign, Commonwealth  
& Development Office



Historic Royal Palaces  
Tower of London



The Scottish Parliament  
Pàrlamaid na h-Alba



UNITED ARAB EMIRATES  
MINISTRY OF PRESIDENTIAL AFFAIRS



Ministry  
of Defence

**AIRFRANCE**



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# 2023 H1 Highlights

# 2023 H1 Highlights:

## Operational:

- Delivered products and services to 35 countries around the world.
- West African airport operations operating at record levels.
- Training business operating at record levels.
- Guarding business expanded, including providing new services for the Historic Royal Palaces.
- Progress continues to be made with DRC and other Managed Services opportunities.

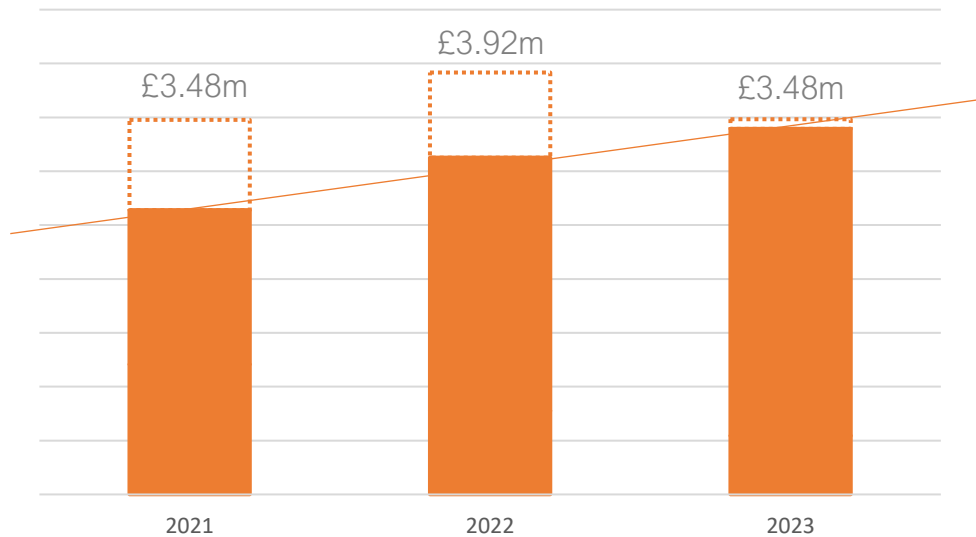
## Financial:

- Group revenues £3.5 million (H1 2022: £3.9 million).
- Gross profit increased to £2.24m (64%) (H1 2022: £1.98m (51%)).
- Administrative expenses are down to £2.52 million (H1 2022: £2.76 million).
- EBITDA improves to loss of £98k (H1 2022: Loss £648k).
- Operating Loss reduced to £274k (H1 2022: Loss £782k).
- Loss per share of 0.09p (H1 2022: Loss 0.24p).



# Group Performance

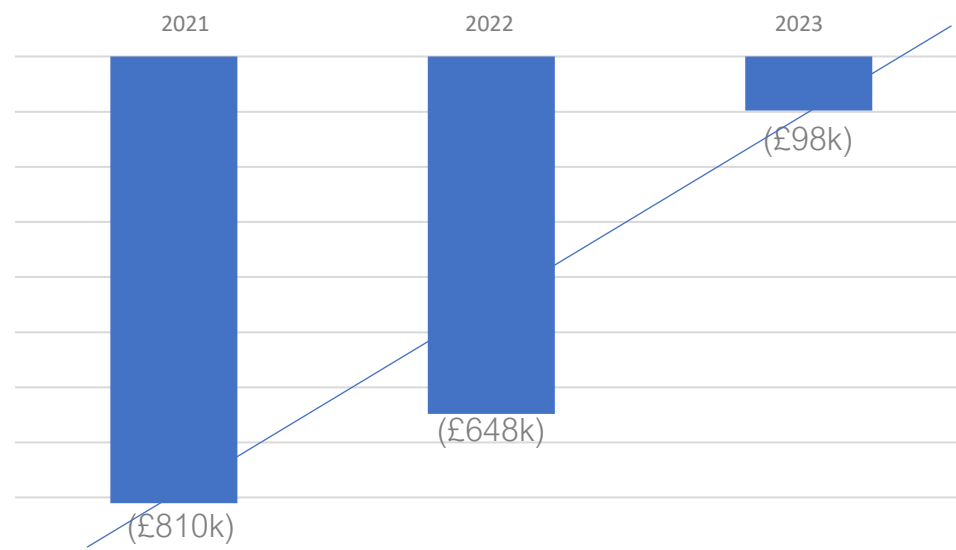
# 2023 Financial Results – H1 Revenues



**9% increase in revenue underlying business**

- The reduction in revenues in H1 2023 against H1 2022 partly as a result of terminating the Ghana port operation in February 2023 and partly as a result of delayed Technology sales due to the economic uncertainties impacting purchasing decisions.
- However the underlying business performed well, in some cases at record levels, delivering a 9% increase in core revenues.

# 2023 Financial Results – H1 EBITDA

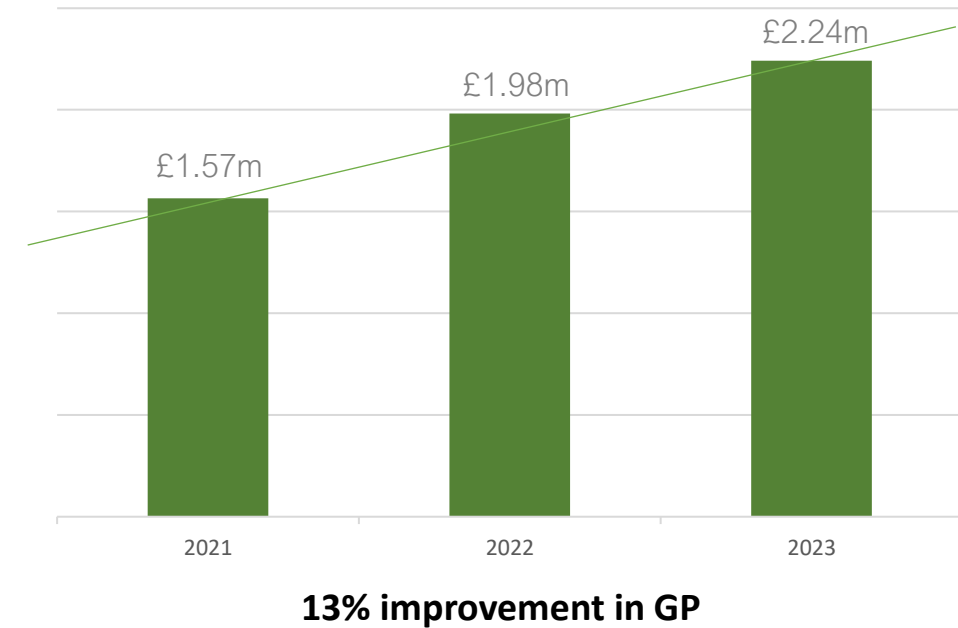


**85% improvement in EBITDA**

- An improvement in Gross Profit together with a reduction in overhead costs delivered a significant improvement in EBITDA loss to £98k (H1 2022: loss £648k).
- This is despite an exceptional £234k impact from exchange rate losses.

# 2023 Financial Results – H1 Gross Profit

- Despite the reduction in revenues, an improvement in margins meant we achieved an improved gross profit of £2.2m 13% up on H1 2022 (£2.0m)
- Partly due to revenue mix (more services income) and partly due to tighter cost control.





# 2023 Financial Results

- Improving performances from ongoing contracts.
- Gross Margin % improving mainly due to higher margin sales/ mix (Services) and cost cutting
- Decrease in administration costs from cost cutting programme
- Operating loss before FX close to break even
- Significant improvement in EBITDA

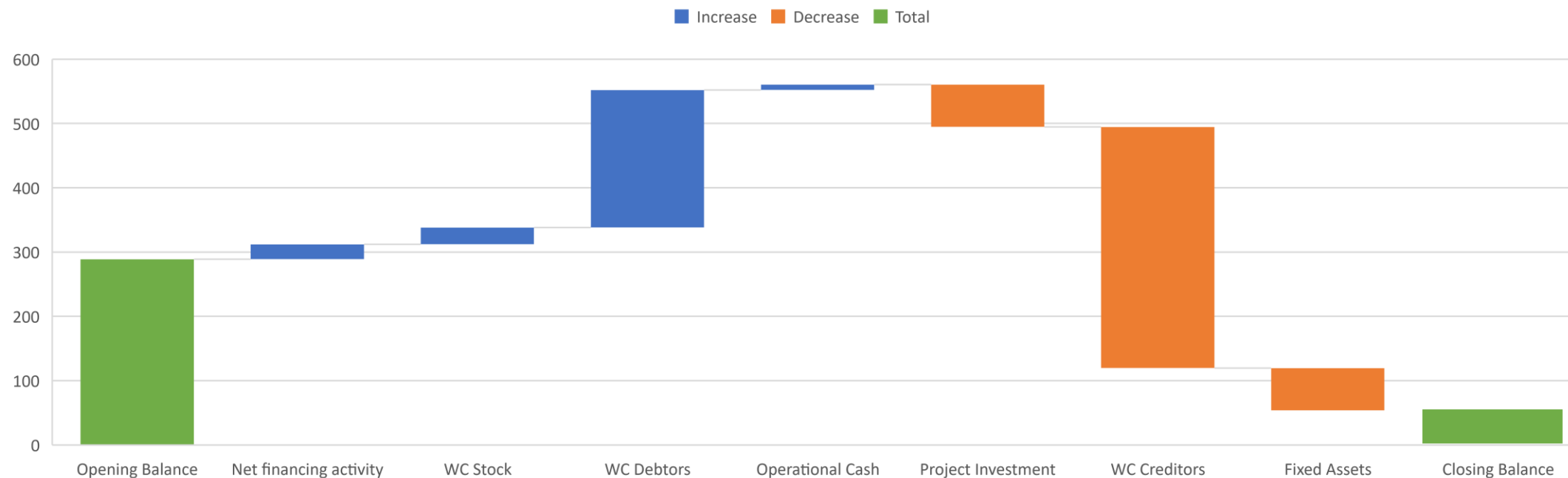
	H1 2023	H1 2022	Full Year 2022
	£k	£k	£k
<b>Technology Revenue</b>	<b>545</b>	776	3,255
<b>Services Revenue</b>	<b>2,936</b>	3,140	6,273
<b>Total Revenue</b>	<b>3,482</b>	3,916	9,528
<b>Gross profit</b>	<b>2,241</b>	1,982	5,135
<b>Gross Margin</b>	<b>64%</b>	51%	54%
<b>Operating Profit before FX</b>	<b>(40)</b>	(689)	19
<b>FX cost</b>	<b>234</b>	94	344
<b>Operating profit / (loss) after FX</b>	<b>(274)</b>	(783)	(325)
<b>EBITDA profit / (loss) from underlying operations</b>	<b>(98)</b>	(648)	(73)

# 2023 Administration Costs

- Cost cutting programme generating savings of over £0.5m from 2022 giving £1m annualised savings.
- Covers all areas of the business
- £140K adverse movement in FX
- Also, some savings within Cost of Sales

	H1 2023	H1 2022
	£k	£k
<b>PLC &amp; Management</b>	<b>663</b>	<b>731</b>
<b>Administration</b>	<b>1,428</b>	<b>1,711</b>
<b>Equipment &amp; Premises</b>	<b>190</b>	<b>228</b>
<b>Sub Total</b>	<b>2,281</b>	<b>2,670</b>
<b>FX</b>	<b>234</b>	<b>94</b>
<b>Total Administrative expenses</b>	<b>2,515</b>	<b>2,764</b>

# 2023 Cash Bridge



Main reason for cash decrease is movements in working capital particularly payment of creditors offset by good debtor collections

**Debtors**  
£1.71m

**Creditors**  
£0.44m

Outstanding as of 30 June 2023

# Summary

- Despite the global uncertainty and economic challenges, our underlying business continues to perform.
- West African airport operations operating at record levels.
- Training business operating at record levels.
- Guarding business expanding.
- Technology sales down but still delivered products and services to 35 countries around the world and healthy quote bank expected to deliver improved sales in H2.
- Progress continues to be made with DRC (still expected to be finalised in 2023) and other Managed Services opportunities.
- Significant high profile customer base underpinning credibility and growing reputation.
- Cost restructuring delivering material cost savings and increased margins.
- £1.4m Work in Hand
- £5.5m recurring revenue from current contracts
- Traditionally H2 weighted, continue to build on 2022 results, remain positive about future growth prospects.



## Westminster

# Awards & Accreditations

Westminster have been recognised by multiple organisations and accreditations for our achievements and excellent working practices.



THE QUEEN'S AWARDS  
FOR ENTERPRISE:  
INTERNATIONAL TRADE  
2021



Ebola Medal: A number of the Westminster team were awarded the Ebola Medal to recognise their achievements whilst helping to fight the disease outbreak in 2014

## Associations & Accreditations





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GROUP PLC

# Any Questions?

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