

Non-Independent Research

MiFID II Exempt: Marketing Material

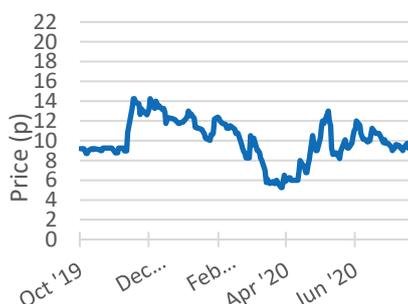
SP Angel acts as Nomad and Broker

August 17, 2020

## Stock Data

Ticker (AIM)	WSG LN
Share Price	8.14p
Market Cap	£13M
EV	£14.7M
Yr High/Yr Low	15p/5.1p

## Price Chart



SOURCE: Bloomberg

# Westminster Group Plc

## WSG New Training Initiative

Westminster Group Plc (WSG.LN) listed on the AIM Exchange in London is an integrated security services company. WSG is segmented into two primary divisions, Managed Services and Technology, delivering services and solutions to customers in three key markets – Land, Sea and Air. Under Managed Services, WSG contracts for the design and implementation of complete security services solutions in airports, sea ports and other infrastructure, including the supply of staff and training services. The Technology division includes the supply and maintenance of technology-based security products for surveillance, detection, tracking and interception.

**Event:** WSG has launched its online Training Catalogue that provides a detailed course overview for both classroom and online based training.

### Highlights:

- Recall that earlier this year, WSG formed a strategic alliance with JP International Training Ltd. to create an integrated platform of trainer led and e-learning solutions for Aviation Security courses, as well as Health & Safety, Manual Handling, Fire Safety and First Aid. The combined platform has capabilities to provide training services to companies and individuals worldwide, with training solutions that reflect the needs and demands of the local marketplace.
- WSG is well recognized by industry regulatory bodies and has attained all requisite credentials to provide specialist training to a range of sectors, including aviation and security. All training is provided by an industry qualified team with first-hand experience in order to deliver realistic training. This allows WSG to provide core training programs that comply with international and regional standards and policies. In addition, WSG designs and delivers tailored training courses to meet the exact requirements of companies and individuals. Notably, in May 2020 WSG's aviation security training operations were graded as 'Outstanding' by the UK Civil Aviation Authority, demonstrating the quality of services.

WSG training courses can be found here: <https://www.wg-plc.com/courses>

- WSG's online platform allows easy access to industry-leading training, with flexibility of delivery to suit individual learners that is personally tailored to develop knowledge and skills to build a multi-skilled and competent workforce. The delivery of accredited e-learning provides a cost-effective solution to companies and individuals at a time when the coronavirus pandemic has brought many industries to a halt. As the industries re-start employees will require training to comply with revised processes and procedures necessitated by social distancing and enhanced sanitisation practices associated with the pandemic. As such, WSG's efforts in developing its training division over the last four years, is well positioned to provide significant growth opportunities in the longer-run.

### Outlook

We continue to believe that WSG is well positioned to take advantage of potentially transformational growth opportunities presented in its target markets. The Company is reaching critical scale in its Managed Services division with long-term contracts in place, supported by a potential pipeline with several transformational opportunities under discussion. The Technology division represents an e-commerce platform offering that is unmatched in the industry. When adding an integrated training platform that complements WSG's core divisions, it is evident that the multiple revenue streams and diverse range of clients around the world provide a strong base from which to drive growth in the future.

While the pandemic continues to present challenges globally, it has also presented growth opportunities for WSG, including the provision of pandemic related products and services such as fever screening equipment, sanitisation stations and PPE vending solutions. As businesses and transport operations start to resume after a period of lockdown, WSG's existing operations will take time to build again though should provide additional growth through year-end. WSG also has a goal to secure at least one large-scale managed services contract before year-end 2020. While management has little control over the timing of these long-lead-time projects, WSG has many irons in the fire with potential from the Menzies Aviation trial completed at the Stockholm International Airport for fever screening systems, as well as the partnership with Hazar International in the Kingdom of Saudi Arabia.

WSG's financial performance continues to improve, with double digit top line growth and a swing to profitability in the most recent reporting period. This trend is expected to continue as WSG brings in new contracts and expands its product/service offerings to meet the changing demands of its clients.

## Special Sits Research

**Tania Maciver**

tania.maciver@spangel.co.uk

+44 20 3470 0531

## Equity Sales

**Richard Parlons**

+44 20 3470 0472

richard.parlons@spangel.co.uk

**Abigail Wayne**

+44 20 3470 0534

abigail.wayne@spangel.co.uk

**Rob Rees**

+44 20 3470 0535

[rob.rees@spangel.co.uk](mailto:rob.rees@spangel.co.uk)

**DISCLAIMER: Non-independent research**

This note has been issued by SP Angel Corporate Finance LLP (“SP Angel”) in order to promote its investment services and is a marketing communication for the purposes of the European Markets in Financial Instruments Directive (MiFID) and FCA’s Rules. It has not been prepared in accordance with the legal requirements designed to promote the independence or objectivity of investment research and is not subject to any prohibition on dealing ahead of its dissemination.

SP Angel considers this note to be an acceptable minor non-monetary benefit as defined by the FCA which may be received without charge. In summary, this is because the content is either considered to be commissioned by SP Angel’s clients as part of our advisory services to them or is short-term market commentary. Commissioned research may from time to time include thematic and macro pieces. For further information on this and other important disclosures please see the Legal and Regulatory Notices section of our website [Legal and Regulatory Notices](#)

While prepared in good faith and based upon sources believed to be reliable SP Angel does not make any guarantee, representation or warranty, (either express or implied), as to the factual accuracy, completeness, or sufficiency of information contained herein.

The value of investments referenced herein may go up or down and past performance is not necessarily a guide to future performance. Where investment is made in currencies other than the base currency of the investment, movements in exchange rates will have an effect on the value, either favourable or unfavourable. Securities issued in emerging markets are typically subject to greater volatility and risk of loss. The investments discussed in this note may not be suitable for all investors and the note does not take into account the investment objectives and policies, financial position or portfolio composition of any recipient. Investors must make their own investment decisions based upon their own financial objectives, resources and appetite for risk.

This note is confidential and is being supplied to you solely for your information. It may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published in whole or in part, for any purpose. If this note has been sent to you by a party other than SPA the original contents may have been altered or comments may have been added. SP Angel is not responsible for any such amendments.

Neither the information nor the opinions expressed herein constitute, or are to be construed as, an offer or invitation or other solicitation or recommendation to buy or sell investments. Opinions and estimates included in this note are subject to change without notice. This information is for the sole use of Eligible Counterparties and Professional Customers and is not intended for Retail Clients, as defined by the rules of the Financial Conduct Authority (“FCA”).

Publication of this note does not imply future production of notes covering the same issuer(s) or subject matter.

SP Angel, its partners, officers and or employees may own or have positions in any investment(s) mentioned herein or related thereto and may, from time to time add to, or dispose of, any such investment(s).

SPA has put in place a number of measures to avoid or manage conflicts of interest with regard to the preparation and distribution of research. These include (i) physical, virtual and procedural information barriers (ii) a prohibition on personal account dealing by analysts and (iii) measures to ensure that recipients and persons wishing to access the research receive/are able to access the research at the same time.

SP Angel Corporate Finance LLP definition of research ratings: Expected performance over 12 months: Buy - Expected return of greater than +15%, Hold - Expected return from -15% to +15%, Sell - Expected return of less than -15%.