

Drax Group

15:19 27 Feb 2020

G4S bins plans to hive off its cash handling business

G4S PLC (LON:GFS) hit the skids, sliding 14% to 166.8p, after revealing it is to sell the majority of its conventional cash handling businesses.

The businesses, which raked in around £600m in revenue in 2019, are being sold to The Brink's Company for an enterprise value (i.e. adjusted for cash and debt) of £727m.

The deal put paid to hopes of the businesses being hived off and floated as a separate entity.

2.30pm: Topps Tiles still waiting for the Boris Bounce
Topps Tiles PLC (LON:TPT) tumbled as it warned profit before tax for the year to next October will be "materially below" expectations.

The market had forecast £13.5m and £14.5m, which was still below last year's £16m.

The flooring specialist said the home improvement market still has to see post-election improvement, with like-for-like sales dropping 5.5% in the eight weeks to 22 February.

1.30pm: Sub-Standard Chartered
Standard Chartered PLC (LON:STAN) fell 4.5% to 565.2p as it warned shareholders to brace for slower growth than previously expected in 2020.

Income growth for 2020 is likely to be below its medium-term 5-7% target range, the Asia-focused bank said, blaming a combination of the coronavirus with lower interest rates and a softer Hong Kong economy.

A new share buyback of US\$0.5bn was also announced, following the purchase of US\$1bn last year.

12.30pm WPP in the doghouse after fourth-quarter slump
WPP PLC (LON:WPP) slumped 15% to 775p as it reported flat sales and lower profits and an alarming slump in the fourth quarter.

The performance represents a blow for chief executive Mark Reid and his three-year turnaround plan.

While revenues of £13.2bn for 2019 were up 1.4% on the previous year, this was mostly from currency swings, and annual growth was held back as the fourth quarter saw organic net sales turn negative again, falling 1.6% overall, with the US and UK down 4.5% and 3.7%, the Rest of the World down 0.2% and Western Europe up 1.3%.

11.30am: Cobra slides despite hailing "breakthrough gold fingerprint" at Wudinna
Cobra Resources PLC (LON:COBR) eased 11% to 1.7p despite bragging about a "breakthrough gold fingerprint" at its Wudinna project in South Australia.

Price: 210.4

Market Cap: £834.72 m

1 Year Share Price Graph



Share Information

Code: DRX

Listing: LSE

52 week High Low
364.6 118.9

Sector: Power & Utilities

Website: www.draxpower.com

Company Synopsis:

Drax Group is the owner and operator of Drax Power Station, the largest, cleanest and most efficient coal-fired power station in the UK.

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Cobra said it has identified a "unique and distinctive chemical fingerprint" for gold mineralisation at the Barns, White Tank and Baggy Green prospects.

The company is now planning the Stage-2 sampling programme, which will focus on infilling sample sites that target extensions to Barns, White Tank and Baggy Green.

10.30am: Playtech tumbles as business suffers from effects of the coronavirus

Playtech PLC (LON:PTEC) has been a dog stock over the last three years and fell another 12% today to 269p following a profit warning.

The company, which makes online gaming software, said it started 2020 strongly but the last two weeks it has started to see a material impact from changes in normal customer patterns due to COVID-19, which is significantly affecting two of its largest markets.

"Accordingly, results for 2020 are likely to be below existing market expectations," Playtech's statement said.

Playtech slumps as two of its largest markets hit by coronavirus <https://t.co/uPXHe2XRmp> pic.twitter.com/EaPfwflr62

— CNA (@ChannelNewsAsia) February 27, 2020 9.30am: Silver lining in Phoenix Copper's fundraising
Phoenix Copper Limited (LON:PXC) saw its shares rise 5.7% to 10.04p after it banged out shares at a significant premium.

The company raised US\$2.0m (roughly £1.54m) by way of a subscription for new shares (which raised US\$1.54m) and the issue of 12% unsecured loan notes (which raised £459,400).

The subscription shares were sold at 15p each. Directors Marcus Edwards-Jones, Dennis Thomas as Roger Turner bought, in aggregate, 3.24m shares at the subscription price.

Drax Group PLC (LON:DRX) advanced 4.2% to 270.8p on the back of solid results and a commitment to end commercial coal generation at the Drax Power Station next year.

The deadline for ending the use of coal at the power station is 2025.

The power generator's adjusted underlying earnings (EBITDA) for 2019 rose to £410m from £250m the year before, but on a reported basis the company made a pre-tax loss of £2.8m versus a profit the year before of £13.8m after a number of exceptional charges relating to restructuring, asset obsolescence charges and derivatives contracts.

Proactive news headlines:

BATM Advanced Communications Limited (LON:BVC) says its Bio-Medical division has successfully developed a new diagnostics kit to detect the coronavirus. The kit has undergone testing by several central laboratories and hospitals that have now verified its ability to diagnose COVID-19, added the medical device maker.

Bahamas Petroleum Company PLC (LON:BPC) has this morning announced that it has secured environmental authorisation for the Perseverance-1 well, which is expected to spud in April 2020. The company noted that the authorisation is the conclusion of an extensive and thorough process over many years, involving local and international agencies, independent third-party expert consultants, and extensive engagement across all aspects of Bahamas government.

After Wednesday's close, Bahamas Petroleum also announced a partial conversion of recently issued loan notes. The exploration company last week inked an £8m arrangement to issue zero-coupon convertible loan notes to a Bahamian based institutional family-office investor. Shortly thereafter it made an initial draw-down of £2.7m (after fees it received £2.43m) and it has subsequently received the first conversion notice, for £1.44m from the first draw-down

Haydale Graphene Industries PLC (LON:HAYD) told investors that it is making significant progress in its collaborations

with international partners, though today's interim financial results confirm adverse trends in short-term revenues. Group revenue for the six months ended 31 December amounted to £1.35m, down 17%, though it also reduced costs and reported that its adjusted operation loss narrowed by 22% to £2.1m. It ended December with £2.7m of cash.

ANGLE PLC (LON:AGL) (OTCMKTS:ANPCY), a world-leading liquid biopsy company, announced that Istituto Nazionale Tumori di Milano, Milano, Italy has published the results of work, which assessed the performance of the firm's Parsortix system in renal cell carcinoma (RCC) demonstrating its key advantages. The AIM-listed firm said the pilot study suggested that even the presence of a single CTC in a blood sample prior to treatment may predict a reduced progression-free survival.

Greencoat UK Wind PLC's (LON:UKW) said its renewable energy assets are now powering enough electricity to power almost one million homes. In its results statement for 2019, the renewable infrastructure fund said its investments generated 2,386-gigawatt hours (Gwh) of electricity during the year. Net cash generation clocked in at £127.7m, enabling the company to pay out £93.2m in dividends (6.94p per share); the company is targeting dividend payments in the current year of 7.1p. The group's net asset value at the end of 2019 stood at £1,842.8m, which is equivalent to 119.7p (on an ex-dividend basis) per share, down from 121.4p at the end of 2018.

Base Resources Limited (LON:BSE) has hailed a successful ramp-up of its mining operations at the South Dune orebody in Kenya as it delivered results for the first half of its current year. Looking ahead, managing director Tim Carstens said the company will continue to "pursue mine life extension opportunities" at its Kwale project, where South Dune is located, adding that the company was also in discussions with the Madagascan government regarding fiscal terms for its Toliara mineral sands project.

AFC Energy PLC (LON:AFC) has announced the appointment of its company secretary Graeme Lewis as its finance director with immediate effect. In a statement, the leading provider of hydrogen power generation technologies said Lewis will also retain his role as its company secretary.

Open Orphan PLC (LON:ORPH) has confirmed the appointment to the board of chief financial officer Leo Toole. Bringing more than 20 years' experience to the pharma services group, Toole previously held roles with Procter and Gamble, ResMed and Sublimity Therapeutics.

ECSC Group PLC (LON:ECSC), the provider of cybersecurity services, will be announcing its results for the year ended 31 December 2019 on 25 March 2020.

Salt Lake Potash Limited (LON:SO4) (ASX:SO4) has advised shareholders that a new corporate presentation is now available to view on the **company's website**.

BigDish PLC (LON:DISH), a food technology company that operates a yield management platform for restaurants, announced that an updated research note from Align Research is now available to **view online**.

BlueRock Diamonds plc, the AIM-listed diamond mining company, which owns and operates the Kareevlei Diamond Mine in the Kimberley region of South Africa said a new corporate presentation will be made available on its **website**.

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