

Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement, this information is now considered to be in the public domain.

15 June 2023

H C SLINGSBY PLC
("Slingsby", "the Group" or the "Company")

Trading Update

HC Slingsby PLC, one of the market leaders in the distribution of industrial and commercial equipment, issues the following trading update in respect of the four months ended 30 April 2023 in advance of the Annual General Meeting which is to be held at 10.00 a.m. today.

In the Chairman's Statement accompanying the Annual Report and Audited Financial Statements for the year ended 31 December 2022, it was reported that Group sales were 5 per cent. higher in the three months to 31 March 2023 compared with the corresponding period in 2022. This improvement in sales at a higher gross margin was offset by increased overhead costs leading to an unaudited profit before tax of £0.12m compared with £0.16m in the same period in the prior year.

Group sales in the four months to 30 April 2023 were 3 per cent. higher when compared to the same period in the prior financial year, with the timing of Easter impacting on 2023 sales levels. The trend in Group gross profit margin experienced in the first quarter of 2023 has continued in the second quarter as have trends in respect of overheads, and as a result, unaudited profit before tax for the four months to the end of April 2023 is £0.1m. Unaudited profit before tax for the four months to 30 April 2022 was £0.19m.

The market remains competitive and the Group remains cautious regarding the outlook for the remainder of the financial year. This is particularly the case given the significant uncertainty remaining caused by the continuing conflict in Ukraine, the risk of a recession in the Group's main UK market and given that the longer term impacts of Coronavirus and of Brexit are not yet fully known. It is unclear as to the impact that these factors will have on demand going forward.

Inflationary pressures remain, leading to cost price increases across the product range and in overheads. This increased level of overheads in the first four months of 2023 is considered by the Directors likely to persist for the remainder of the year.

Cash Position

The Group had unaudited net cash of approximately £0.4 million as at 30 April 2023 compared to £0.55 million as at 30 April 2022 and £0.03 million as at 31 December 2022. The Group's banking facilities remain in place and the Group continues to make payments to the defined benefit pension scheme in accordance with the agreement reached with the scheme's trustee in December 2019.

For further information, please contact:

H C Slingsby PLC

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