

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.

21 June 2022

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 five months ended 31 May 2022 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 Accounts for the year ended 31 December 2021, it was reported that Group sales were 4 per cent. higher in the three months to 31 March 2022 compared with the corresponding period in 2021. This improvement in sales offset the impact of a fall in Group gross profit margin and had led to an unaudited profit before tax of £0.16m compared with £0.14m in the same period in the prior year.

Group sales in the five months to 31 May 2022 were 8 per cent. higher when compared to the same period in the prior year. The trend in Group gross profit margin experienced in the first quarter of 2022 has continued in the second quarter and, as a result, unaudited profit before tax in the five months to the end of May 2022 is £0.17m. Unaudited profit before tax in the five months to 31 May 2021 was £0.07m.

The market remains competitive and the Group remains cautious regarding the outlook. This is particularly the case due to the significant uncertainty remaining from the aftermath of Coronavirus, the impact that high inflation may have on the UK economy and the conflict in the Ukraine. It is unclear as to the impact that these factors will have on demand going forward.

The Group continues to experience significant cost increases across its product range as well as higher shipping costs and delays. These increases impacted on gross margin in the first five months of 2022 and the Directors consider the impact on gross margins is likely to persist for the remainder of the year.

Cash Position

The Group had unaudited net cash of £0.5 million as at 31 May 2022 compared to £0.6 million as at 31 May 2021 and £0.3 million as at 31 December 2021. 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:

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