

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.

9 June 2021

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 2021 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 2020, it was reported that Group sales were 8 per cent. higher in the three months to 31 March 2021 compared with the corresponding period in 2020. This improvement in sales offset the impact of a fall in Group gross profit margin and had led to an unaudited profit before tax in line with that achieved in the same period in the prior year of £0.1m.

Group sales in the four months to 30 April 2021 were 6 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 2021 has continued in the second quarter and, as a result, unaudited profit before tax in the four months to the end of April 2021 has remained at £0.1m. Unaudited profit before tax in the four months to 30 April 2020 was £0.2m.

The market remains competitive and the Group remains cautious regarding the outlook. This is particularly the case due to the significant uncertainty caused by Coronavirus. Whilst the Group's sales grew in 2020 due to demand for Coronavirus related products, the Group has not experienced the same level of orders in April and May 2021 that it did during 2020. It is unclear as to the impact that the virus will have on demand going forward. There is also heightened potential for credit related issues should customers become insolvent.

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 four months of 2021 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 £0.9 million as at 30 April 2021 compared to £1.2 million net debt as at 30 April 2020 and £0.3 million net cash as at 31 December 2020. 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

Dominic Slingsby, Interim Executive Chairman and Operations Director
Morgan Morris, Group Chief Executive

Tel: 01274 535 030

Allenby Capital Limited

David Worlidge / George Payne

Tel: 020 3328 5656

