

27 November 2020

Michelmersh Brick Holdings Plc

("MBH", the "Company" or the "Group")

Pre-close Trading Update and Notice of Results

Resilient Performance Surpasses Market Expectations

Michelmersh Brick Holdings Plc (AIM: MBH), the specialist brick manufacturer, today announces a trading update ahead of its final results for the year ended 31 December 2020. The Group intends to report its 2020 full year results on 30 March 2021.

Trading performance of the Group has been resilient since June 2020 and this has continued through November. Current production capacity is back in line with pre-Covid levels and Group turnover for the months of July to October was 7% ahead of the equivalent period in 2019. The Board now expects that underlying revenue and profit for the Group will exceed market expectations for the 12 months ended 31 December 2020.

Reflecting on the strong trading performance, the Board has decided to repay the monies received under the Job Retention Scheme ("JRS") totalling £0.5m.

The Group has also experienced strong cash flow over recent months. The Board therefore expects to report a positive net cash position at 31 December 2020, even after repayment of JRS monies, compared with a net debt position of £6.5m as at 30 June 2020.

The Board is pleased to confirm it intends to pay a final dividend in respect of 2020 of 2.25 pence. The payment of the dividend will be in June 2021, and thereafter the Company intends to return to its normal dividend timetable of interim dividend payments in January with a final dividend in June.

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About Michelmersh Brick Holdings PLC:

Michelmersh Brick Holdings PLC is a business with seven market leading brands: Blockleys, Carlton, Charnwood, Freshfield Lane, Michelmersh, Hathern Terra Cotta and Floren. These divisions operate within a fully integrated business combining the manufacture of clay bricks and pavers. The Group also includes a landfill operator, New Acres Limited, and seeks to develop future landfill and development opportunities on ancillary land assets.

Established in 1997 the Company has grown through acquisition and organic growth into a profitable and asset rich business, producing over 120 million clay bricks and pavers per annum. Michelmersh currently owns most of the UK's premium manufacturing brands and is a leading specification brick and clay paving manufacturer.

Michelmersh strives to be a well invested, long term, sustainable, environmentally responsible business. Opportunity, training and security for all employees, whilst meeting the needs of stakeholders are at the forefront of everything we do. We aim to lead the way in producing some of Britain's premium clay products and enhancing our environment by adding value to the architectural landscape for generations to come.