MICHELMERSH
Brick Holdings PLC
Britain's Brick Specialists

26 March 2019

Michelmersh Brick Holdings Plc
("MBH" or the "Group")

FINAL RESULTS

Increased scale delivers record earnings and dividend growth

Michelmersh Brick Holdings (AIM: MBH), the specialist brick manufacturer, is pleased to report its audited final results for the year ended 31 December 2018, representing a strong performance and continued progress.

Financial Highlights

- Revenue up 22% to £46.3 million (2017: £37.9 million)
- Improved gross margin by 3.5% to 38.9% (2017: 35.4%)
- Underlying[1] Operating profit increased by 45% to £8.0 million (2017: £5.4 million)
- Basic EPS at 5.8pence up 118% over 2017
- Underlying[1] EBITDA increased 38% to £10.9 million (2017: £7.9 million)
- Cash generated by operations of £11.7 million (2017: £6.9 million), representing 165% of Operating profit
- Total dividend increased by 49% to 3.20 pence per share for the year

Operational Highlights

- Full operational integration of the Carlton plant
- Successful restructure of operations at the Michelmersh plant
- Strong, balanced forward order book into Q1 2019 – 10.5% ahead of H1 2018
- Contract signed for Carlton project targeting enhanced efficiency & output
- New, key, high-value products introduced to the market
- Post-2018 period, completed acquisition of Floren giving access to European markets

Martin Warner, Chairman at Michelmersh Brick Holdings, commented:

"The acquisitions of Carlton and Floren demonstrate that the Group has ambition to expand its geographic footprint and product range. However, this growth is set within strict parameters to preserve the character and position of Michelmersh in its sector. The Board is equally committed to nurturing its existing business and investing to improve efficiency, as well as acting as a good corporate citizen for the benefit of all its stakeholders."

[1]*Underlying results reflect the statutory results excluding one-off items that arose in connection with the restructure of operations at the Michelmersh plant (2017 costs associated with the acquisition of Carlton.)*

An analyst briefing will be held at 9.00am today at 15 Old Bailey, EC4M 7EF. To attend please email michelmersh@yellowjerseypr.com.

Michelmersh Brick Holdings plc Tel: +44 (0)7384 259 407
Frank Hanna, Joint CEO
Stephen Morgan, Finance Director

Canaccord Genuity Limited (NOMAD and Broker) Tel: +44 (0)20 7523 8000
Bobbie Hilliam
Georgina McCooke

Yellow Jersey PR Tel: +44 (0)7747 788 221
Charles Goodwin
Annabel Atkins

CHAIRMAN'S STATEMENT

INTRODUCTION

Introduction

I am delighted to report on another significant year of growth and achievement for the Group. The exceptional financial performance outlined below exceeds that of previous years, with the growth in earnings maintaining the Group's progressive dividend policy. Since acquiring and integrating Carlton in 2017, the Group is now developing with a broader base of activity and benefitting from its greater scale and capacity. At the same time, the Group has remained focused on the requirements of its customers and developing the products they need.

Post year-end, the Group has successfully completed the acquisition of Floren, a Belgium-based clay brick manufacturing business, which enhances the Group's scale, expands its customer offering and deepens its market presence. The well-established and invested production facility, which is based near Antwerp, complements the Group's premium centric market strategy with a quality range of wirecut brick products which caters for the Belgian and UK markets.

Financial Highlights

The strong growth in turnover and profitability reflects both the contribution of Carlton for a full twelve-month period, for the first time, and the excellent performance from the established members of the Group.

	Increase	2018	2017
Turnover (£m)	*+22%*	46.3	37.9
Gross Margin	*+3.5%*	38.9%	35.4%
Operating profit (pre exceptional costs[1]) (£m)	*+45%*	8.0	5.5
Profit before tax (pre exceptional costs[1]) (£m)	*+42%*	7.4	5.2
Basic Earnings per share (pence)	*+118%*	5.78	2.64
EBITDA[2]	*+38%*	11.0	8.0
Net cash generated by operations	*+70%*	11.7	6.9

[1]*Exceptional costs in 2018 relate to the costs associated with the restructuring of operations at the Michelmersh plant being redundancy costs (£390,000) and write down of associated plant (£540,000). In 2017, exceptional costs of £617,000 included an adjustment to cost of sales to reflect fair value and reorganisation following the acquisition of Carlton*

[2]*EBITDA is displayed as Operating profit pre – exceptional costs and depreciation of £1,842,000 (2017: £1,455,000) and amortisation of £1,138,000 (2017: £1,038,000)*

Cash and Net Debt

Having acquired Carlton in 2017 principally out of cash and through new debt facilities, the Group has made strong progress in generating cash to reduce its net debt level in 2018. Net debt fell from £17.5 million at 31 December 2017 to under £12 million at 31 December 2018 and strong cash flows post year end means that reaching the target of below one-times EBITDA is now within touching distance. The Group has also improved its interest margin as a result of the profit and cash performance under the terms of its facilities. The term loan stood at just over £17 million at the year end, with a healthy cash balance to meet dividend payments and working capital requirements.

During the year, the Group's strong operating cash flow led to the repayment of £1 million that had been drawn in 2017 under our revolving credit facility and the repayment of the remaining deferred consideration from the Carlton acquisition.

Taking full advantage of the strength of cash flow and with the support of its bank, HSBC, the Group completed the acquisition of Floren in February 2019, in an accelerated timeframe using existing facilities with a completion payment of €9.4 million in cash. Subsequent to the acquisition, the Group issued 5.5 million new shares following a share placing which raised gross proceeds of £5 million to reduce the level of increased debt.

Assets and working capital

Through 2018, the Group's net assets grew by £4.4 million with net assets per share improving by 7%. Net working capital reduced marginally with demand for product outstripping production output and inventory levels fell by £0.9 million.

Investment in plant amounted to £2 million which included the project to automate the unloading of the kiln at Carlton. This project will generate cost savings and reduce downtime and may, after further investment in other processes, increase the capacity of the plant.

The Directors have reviewed the Group's land assets and c. £600,000 uplift in value has resulted, principally in respect of the land at Telford encompassing the quarry and ancillary land around the Blockleys site. This followed a review by Carter Jonas on the potential future alternative use of the site, as the mineral is extracted, a new road accessway completed and the land remediated on a phased basis. This is a long-term cycle that is expected to yield cash proceeds in tranches, albeit the present value of the cash flow is reflected in the current values.

The Company continues to nurture the prospect of future alternative value at all of the sites, which in total amount to nearly 500 acres, whilst maximising the opportunities of brick making.

Dividend

On 30 June 2018, the Group paid a final dividend in respect of 2017 of 1.45 pence per ordinary share bringing the total dividend for 2017 to 2.15 pence. In January 2019, the Group paid an interim dividend of 1.06 pence per ordinary share. The Board proposes a final dividend of 2.14 pence bringing the total dividend in respect of 2018 to 3.2 pence per share, a 49% increase over the previous period reflecting the improved performance of the Group, satisfactory debt levels and confidence in future prospects.

The Board has this year added a resolution to the AGM to introduce the option for shareholders to elect to take the dividend in shares rather than cash. A detailed circular accompanies this Annual Report that provides full details of this additional flexibility.

Board and Employees

In the early part of 2018 the Board took the step to restructure the Michelmersh plant, which was deemed necessary in order to secure its future and adapt accordingly to where product demand was coming from. As a consequence of this decision I can report that the Michelmersh plant performance has improved. I am also particularly pleased to note that all employees made redundant during the restructuring process have moved on to further employment outside the Group.

We welcome the employees of Floren to the Group and look forward to working with them and anticipate that the Group will benefit from the shared expertise that the Floren team brings.

The success of 2018 and recent years reflects on the individual and collective performance of the Group's employees and I must thank them all on behalf of the shareholders and all stakeholders.

The exercise surrounding the adoption of the QCA Corporate Governance Code has been undertaken with enthusiasm and rigour. We found that the process confirmed our belief that the Group has a robust structure and an open attitude to all of our stakeholders.

Outlook

As in previous years, the outlook for the coming year is positive in that demand for our products remains strong and the operational environment conducive to a robust brick industry. The UK still manufactures less bricks than being used and capacity cannot change significantly over the short term.

Whilst Brexit has raised many concerns across the UK business landscape, a specific review of markets, customers and suppliers has not revealed significant threats to our business other than a wider economic downturn, whilst the political landscape around the construction industry gives an expectation that it will be less affected than elsewhere.

The Group has established scale and strength from the acquisitions in 2017 and 2019 and should be better placed to progress and prosper as a result. The Board are intent on nurturing the business through investment in assets and people and will continue to work down debt and reward investors through a progressive dividend policy.

Martin Warner
Chairman
25 March 2019

CHIEF EXECUTIVES REVIEW

Clay Products

Throughout 2018 the Group continued to deliver on its strategy, producing premium centric products for four key areas: the repair, maintenance and improvement sector (RMI), the new housing sector, urban regeneration and the design-led specification commercial sector, which will be reinforced by the recent addition of Floren.

As in 2017, strong teamwork and positive market fundamentals resulted in an excellent performance in 2018 with a number of milestones being achieved by the Group. Notably, two of these milestones were for the highest number of bricks produced and despatched by the Group within a twelve-month period, which reached 106 million. The acquisition of Floren underlines the Group's ambition to continue in this vein.

The continued demand for new housing, driven by an extended period of under building, in conjunction with the extension of the Help to Buy scheme until 2023, will considerably favour the Group's sector dynamics. The Group sees additional opportunity in the renewed focus and funding of social housing, as well as in the ageing housing stock and building fabric of the RMI sector.

Imports continued to rise during 2018 to meet the market demand. Floren was a competitor to the Group in this space and is now a welcome premium addition for 2019 onwards.

The forward Group order book as of December 2018 was the highest on record. This was driven by a strong sales performance and robust distribution partnerships, plus the full year contribution from Carlton.

Performance

Revenue for the year to 31st December 2018 grew 22% to the Group's highest ever level at £46.3 million (2017: £37.9 million).

Production volumes rose to a Group record 106 million units despite the reduction in output as a result of the restructuring of the Michelmersh plant.

During 2018, the Group continued to ensure a 'balanced market approach' by covering the RMI sector, housing, social housing, and commercial and urban regeneration. This strategy remains central to senior management planning in order to reduce risk and potential overexposure to one particular sector.

There was notable success during 2018 with key 'off-site' construction projects such as University College Hospital, London, highlighting the Group's ability to supply technically complex projects.

Efficient customer service remained at the heart of the Group's 2018 performance. In addition to enhancing our key strategic distribution relationships, the team fostered new strategic distribution partners with the addition of Carlton, which is also being replicated with the addition of Floren.

The Group is strongly committed to supporting its network of distribution partners, ensuring a smooth flow and delivery of products to its valued end users. A number of new IT and processing initiatives were implemented during the course of 2018 which improved these partnerships and, in turn, improved the experience of our end users.

In 2019, we will see the Group build on our distribution relationships with additional IT infrastructure spend in key areas.

Inspired architecture, stunning design and the continued enhancement of our built environment came to the fore during 2018. The Group won several key industry awards, namely a RIBA National Award, a RIBA Regional Award, a Brick Development Association award, a New London Architecture award and a British Construction Industry award.

The Group also had a robust year supplying products to several quality housing schemes from many national and regional developers such as Taylor Wimpey, Bellway, Berkeley Homes, Cala, Countryside Properties and Crest Homes as well as several one-off aspirational client builds.

The Group's strong online presence was enhanced with the launch of a revised website in 2018. The refresh included an updated product range catalogue, site gallery and an increase in news flow, which in turn drove higher levels of traffic to the site. The Group continued to use its website to showcase inspired, aspirational architectural design, and its social media to share image rich content to drive the Group's branding. This flow of design-led, engaging content inspired our end users, architects, designers and students alike, affirming our market position and premium-centric ethos.

In addition to the main website upgrade, the Group's secondary site, Bimbricks.com, was upgraded to V3 during early 2018. This was yet another example of the Group leading the brick industry in BIM and efficiency-based collaborative working methods. This site and brand continue to grow as a rich source of free data, driving sustainability and industry best practice.

Strong support for students in the industry also continued throughout 2018. The Group donated materials, equipment and management time in the form of training and development. The Board sees education as vitally important to the sector and will continue to support this in 2019 and beyond. The Board believes playing a strong role in education will ensure the industry has the skills required to meet the needs of the construction sector in years to come. The Group was also delighted to announce support for the 2018 UK World Skills candidate.

Management Systems

We focused our management systems effort on Carlton during 2018, enhancing and combining its existing procedures fully into the Group. Our efforts were rewarded with ISO 50001 Energy Management accreditation and full integration of ISO 14001 Environmental Management. Also, because of our efforts, all Carlton products are included in our BES 6001 sustainability and responsible sourcing rating. Achieving ISO 9001 Quality Management at Carlton has been targeted for 2019.

Carlton was also fully integrated into our RoSPA health and safety programme and we were pleased to receive health and safety recognition awards from the industry for specific initiatives at our Carlton and Blockleys factories.

Staff Development

In 2017 the Company established a standalone HR department to manage all aspects of employee welfare, remuneration and development. In addition to the day to day operations one of its key aims is to strengthen the employer/employee relationship by helping to support and develop people's potential in order for them to achieve the businesses' plans and goals. In the summer of 2017, HR and the payroll department jointly visited all sites to raise awareness and offer tips and advice on Employee Wellbeing and Financial Wellbeing. Together with the Company benefits adviser, this team delivered a series of workshops on a range of topics such as mental health, pensions, Give As You Earn and Cycle To Work schemes to name a few.

In 2018, continuing the support of Employee Wellbeing, all senior managers were trained in Mental Health First Aid to help support any employees who may be facing challenges in this area. The aim is to roll this training out to Supervisors and Deputy Managers in 2019. One of the key projects rolled out in 2018 was the introduction of Personal Development Plans (PDP's) for all monthly paid staff to ensure that the Company was not only developing and growing staff but also listening to any issues they may have. The final project for 2018 was the authorisation by the Board for investment in a fully integrated HR and Payroll software system to Go Live in 2019.

Assets

Following operational reviews carried out across the Group in the early part of 2018, the Board approved a capital project at Carlton to update the kiln unloading and packaging equipment. The project replaces the existing maintenance intensive unloading and packaging setup with a new state of art robotic installation located in a new building. The project will improve operational efficiency and was designed to allow for potential future output expansion. Orders were placed in June 2018, the new building was completed in November 2018 and the equipment was delivered in January 2019. Currently the installation is being commissioned and, due to our off-line design solution, factory output is unaffected.

With the acquisitions of Carlton and most recently Floren, the Group has increased its land holdings by more than 70% since 2017 to over 500 acres. This land bank currently has permitted clay reserves of 6.4 million tonne providing over 20 years brick production at current capacity output. Our expanded land asset base offers the Group strategic opportunities to create value from alternative use and development in due course. The current project to relocate the Hadley Road at our Telford site opens up the already restored and optioned land for future development.

Outlook

The acquisitions of Carlton and Floren demonstrate that the Group has ambition to expand its geographic footprint and product range. However, this growth is set within strict parameters to preserve the character and position of Michelmersh in its sector. The Board is equally committed to nurturing its existing business and investing to improve efficiency, as well as acting as a good corporate citizen for the benefit of all its stakeholders.

Despite economic uncertainty both at home and abroad, the fundamentals for the industry remain robust and we move into the forthcoming period with confidence.

Frank Hanna, Peter Sharp
Joint Chief Executives
25 March 2019

Consolidated Income Statement
For the year ended 31 December 2018

	2018	2017
	£'000	£'000
Revenue	46,324	37,867

Cost of sales	**(28,305)**	**(24,449)**
Gross profit	**18,019**	**13,418**
Administrative expenses		
Underlying	**(8,994)**	**(7,435)**
Exceptional[1,2]	**(930)**	**(137)**
Amortisation of intangibles	**(1,138)**	**(1,038)**
	(11,062)	**(8,610)**
Other income	**97**	**49**
Operating profit	**7,054**	**4,857**
Exceptional item – acquisition costs[3]	**-**	**(1,195)**
Finance costs	**(617)**	**(323)**
Profit before taxation	**6,437**	**3,339**
Taxation	**(1,452)**	**(1,127)**
Profit for the financial year	**4,985**	**2,212**
Basic earnings per share	5.78 p	2.64 p
Diluted earnings per share	5.57 p	2.60 p

Exceptional Items

[1] *In 2018, costs relating to the restructuring of operations at the Michelmersh plant incurred redundancy costs (£390,000) and write down of plant and equipment (£540,000) as tile and hand-making activities ceased.*
[2] *Costs of reorganisation incurred in 2017 as a result of integration of Carlton into the Group amounted to £137,000.*
[3] *Costs relating to the acquisition of Carlton Main Brickworks were incurred in 2017.*

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2018

	2018 £'000	2017 £'000
Profit for the financial year	4,985	2,212
Other comprehensive income/(expense)		
Items which will not subsequently be classified to profit and loss		
Revaluation surplus of property, plant and equipment	**565**	**2,069**
Revaluation deficit of property, plant and equipment	**(42)**	**(322)**
Deferred tax on movement	**(115)**	**(170)**
	408	**1,577**
Total comprehensive income for the year	**5,393**	**3,789**

Consolidated Balance Sheet
As at 31 December 2018

	2018 £'000	2017 £'000
Assets		
Non-current assets		
Intangible assets	22,948	24,086
Property, plant and equipment	52,416	52,626
	75,364	76,712
Current assets		
Inventories	8,309	9,161
Trade and other receivables	8,245	6,934
Cash and cash equivalents	5,255	4,128
Total current assets	21,809	20,223
Total assets	97,173	96,935
Liabilities		
Current liabilities		
Trade and other payables	7,065	6,462
Interest bearing liabilities	1,770	1,791
Corporation tax payable	564	900
Total current liabilities	9,399	9,153
Non-current liabilities		
Interest bearing liabilities	15,310	19,809
Deferred tax liabilities	8,670	8,590
	23,980	28,399
Total liabilities	33,379	37,552
Net assets	63,794	59,383
Equity attributable to equity holders		
Share capital	17,297	17,234
Share premium account	11,643	11,495
Other reserves	21,788	20,816
Retained earnings	13,066	9,838
Total equity	63,794	59,383

Consolidated Statement of changes in equity
For the year ended 31 December 2018

	Share Capital	Share option reserve	Merger reserve	Share premium	Revaluation reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 January 2017	16,294	319	979	11,495	17,112	7,444	53,643
Profit for the year	-	-	-	-	-	2,212	2,212
Revaluation surplus	-	-	-	-	2,069	-	2,069
Revaluation deficit	-	-	-	-	(322)	-	(322)

Released on sale of land	-	-	-	-	(1,811)	1,811	**-**
Deferred taxation on revaluation	-	-	-	-	(170)	-	**(170)**
Total comprehensive income	-	-	-	-	(234)	4,023	**3,789**
Share based payment	-	196	-	-	-	-	**196**
Shares issued during the year	940	-	2,444	-	-	-	**3,384**
Dividend paid	-	-	-	-	-	(1,629)	**(1,629)**
At 31 December 2017	**17,234**	**515**	**3,423**	**11,495**	**16,878**	**9,838**	**59,383**
Profit for the year	-	-	-	-	-	4,985	**4,985**
Revaluation deficit	-	-	-	-	(42)	-	**(42)**
Revaluation surplus	-	-	-	-	565	-	**565**
Deferred taxation on revaluation	-	-	-	-	(115)	-	**(115)**
Total comprehensive income	-	-	-	-	408	4,985	**5,393**
Share based payment	-	660	-	-	-	-	**660**
Shares issued during the year	63	-	-	148	-	-	**211**
Transfer to retained earnings	-	(96)	-	-	-	96	**-**
Dividend paid	-	-	-	-	-	(1,853)	**(1,853)**
At 31 December 2018	**17,297**	**1,079**	**3,423**	**11,643**	**17,286**	**13,066**	**63,794**

Consolidated Statement of cash flows
For the year ended 31 December 2018

	2018 £'000	2017 £'000
Cash flows from operating activities		
Profit before taxation	**6,437**	**3,339**
(Profit)/loss on sale of fixed assets	**(15)**	**3**
Finance costs	**617**	**323**
Depreciation	**1,842**	**1,455**
Amortisation	**1,138**	**1,038**
Profit on disposal of intangible assets	**-**	**(13)**
Exceptional write down of assets	**540**	**-**
Share based payment charge	**660**	**196**
Cash flow from operations before changes in working capital	**11,219**	**6,341**
Decrease/ (Increase) in inventories	**1,159**	**(50)**
(Increase) / Decrease in receivables	**(1,311)**	**1,346**
Increase / (decrease) in payables	**602**	**(768)**
Net cash generated by operations	**11,669**	**6,869**
Taxation paid	**(1,823)**	**(1,760)**
Net cash generated by operating activities	**9,846**	**5,109**
Cash flows from investing activities		
Purchase of subsidiary undertaking net of cash acquired	**-**	**(23,698)**
Purchase of property, plant and equipment	**(1,985)**	**(1,002)**
Proceeds of sale of intangibles	**-**	**155**
Proceeds of sale of land	**-**	**2,680**
Proceeds of disposal of property, plant and equipment	**45**	**11**
Net cash used in investing activities	**(1,940)**	**(21,854)**
Cash flows from financing activities		
Proceeds of loan drawdown	**-**	**24,000**

Interest (paid)/received	**(617)**	**(323)**
Repayment of interest bearing liabilities	**(4,520)**	**(5,899)**
Proceeds of share issue	**211**	**4**
Dividend paid	**(1,853)**	**(1,629)**
Net cash (used in)/ generated by financing activities	**(6,779)**	**16,153**
Net increase/(decrease) in cash and cash equivalents	**1,127**	**(592)**
Cash and cash equivalents at the beginning of the year	**4,128**	**4,720**
Cash and cash equivalents at the end of the year	**5,255**	**4,128**
Cash and cash equivalents comprise:		
Cash at bank and in hand	**5,255**	**4,128**
Bank overdraft	**-**	**-**
	5,255	**4,128**

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs as adopted by the EU"), IFRS Interpretations Committee interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. There have been no changes to the accounting policies adopted since the last consolidated financial statements were published, except resulting from the adoption of IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with customers which have not had a material impact on the results.

2. FINANCIAL INFORMATION

The financial information set out in this Preliminary Announcement does not constitute the Group's statutory financial statements for the years ended 31 December 2018 or 2017. The financial information has been extracted from the Group's statutory financial statements for the years ended 31 December 2018 and 2017. The auditors have reported on those financial statements; their report was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

The statutory accounts for the year ended 31 December 2017 have been delivered to the Registrar of Companies, whereas those for the year ended 31 December 2018 will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

The financial information is presented in sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

3. EARNINGS PER SHARE

Basic

The calculation of earnings per share from continuing operations based upon the profit for the year of £4,985,000 (2017: £2,212,000) and 86,312,463 (2017: 83,913,140) weighted average number of ordinary shares.

Diluted

The calculation of diluted earnings per share from continuing operations based upon the profit for the year of £4,985,000 (2017: £2,212,000) and 88,655,058 (2017: 85,051,210) weighted average number of ordinary shares.

4. DIVIDEND

The Board has proposed a final dividend of 2.14 pence per share. The Board has also proposed that, subject to the necessary approval by shareholders at the forthcoming annual general meeting, shareholders will be offered an opportunity to elect to receive dividends in the form of new shares in the capital of Michelmersh in lieu of cash in respect of the proposed final dividend.

Payment of the final dividend will, subject to the necessary approval by shareholders at the forthcoming annual general meeting, be paid on 28 June 2019 to shareholders on the register at the close of business on 24 May 2019; the ex-dividend date will be 24 May 2019. As mentioned above, and subject to the necessary approval being given by shareholders at the forthcoming annual general meeting, arrangements will also be made to provide a scrip dividend alternative. The latest date to elect for the scrip dividend alternative will be 11 June 2019. The scrip reference price shall be calculated from the average of the middle market quotations on the London Stock Exchange, as derived from the Official Daily List, during five dealing days beginning on 11 June 2019. The Company will, on or around 28 March 2019, post to shareholders a letter containing additional information on the scrip dividend alternative and how shareholders may participate. A copy of this letter will also be available on the Company's website: www.mbhplc.co.uk

The dividend timetable is as follows:

Ex-dividend date	- 23 May 2019
Record date	- 24 May 2019
Payment date	- 28 June 2019

5. REPORT & ACCOUNTS

Copies of this announcement are available and the Annual Report will be available in due course on the Group's website www.mbhplc.co.uk and from the Company's registered office at Freshfield Lane, Danehill, Haywards Heath, West Sussex RH17 7HH.