Dewhurst PLC
("Dewhurst" or the "Group")
Preliminary Results for the year ended 30 September 2018

Chairman's Statement

Results

It gives me great pleasure to be reporting record results for the Group again this year. Group sales for the year to 30 September 2018 increased 3.1% to £54.5 million (2017: £52.9 million), despite adverse currency movements during the period as the pound strengthened against our main operating currencies. Adjusted operating profit (i.e. before amortisation of acquired intangibles) was £6.7 million (2017: £6.2 million) and profit before tax was £6.0 million (2017: £6.0 million).

The lift business in the UK was up significantly, with 9% of organic growth and 35% coming from 4 months' contribution from A&A; in local currencies, North America was down slightly as the growth in Canada was more than offset by the disposal of the Winter and Bain business in California; there was good growth in Australia assisted by a full year contribution from P&R for the first time. Transportation business fell slightly during the year and Keypads dropped back significantly after their strong year in 2017. Overall, currency movements have resulted in a loss on translation on reported sales of £1.5 million and on profit before tax of £0.2 million compared to the rates prevailing last year.

Every year brings a new set of challenges as our markets, competitors and customer expectations change over time. The management and staff in our operating businesses around the world have the responsibility of achieving their own results within an agreed set of values, strategies and budgetary boundaries. These results are a testament to those staff and we thank them for their contribution to this year's success.

With the continuing strength of the Group's performance we are proposing a 0.5 pence increase in the final dividend to 9.0 pence representing a 0.5 pence increase in the total dividend for the year as a whole to 12.5 pence (2017: 12.0 pence).

Operations and People

The Group made its most significant acquisition to date in June this year when it purchased A&A Electrical Distributors Ltd ("A&A"). A&A provide a wide range of components and cable to the UK lift industry and also have a general electrical wholesaling division. The acquisition consumed a considerable amount of management resource during the year, both in the due diligence period leading up to acquisition and in the integration work that has followed acquisition. I would like particularly to thank our Finance Director, Jared Sinclair, for his unstinting work on this project, in addition to the new management team at A&A. Much of that work has now been completed but there will be a further stage in early 2019 when we fully align their systems. The business is performing in line with our expectations under the leadership of John Bailey, who has returned to an executive role with the Group and we welcome him back. I am also delighted to welcome Jeremy Dewhurst to the Group in the role of Finance Director at A&A.

I am pleased to report that the restructured ERM business in California was profitable during the year and is showing much greater stability. There is still plenty to do to achieve the company's potential but congratulations are due to Lorilee Allen, who has been promoted to General Manager, and to her team for the progress achieved.

We also opened a new Australian Lift Components sales office in Melbourne in April this year to improve our customer service in that market. The Melbourne market is currently very busy and this office has proved to be popular with our customers, leading to us winning a number of significant projects.

Company

We have just commenced our hundredth year of operation, which is quite a milestone for the Group. Relevant branding is now displayed on our website. The business was incorporated on November 5th 1919 and we look forward to celebrating our centenary next autumn.

Outlook

It is currently impossible to predict the ultimate relationship between the UK and the EU, so we cannot forecast what the impact on our business is likely to be. Because of this uncertainty, those businesses that import into the UK are increasing their inventory levels and our overseas companies that import from the UK are doing the same. However this can only cover any disruption for a limited period and we will have to do our best to react to events as they unfold. The only clear impact at this point is that we would expect to have higher inventory at the end of the Half Year with an equivalent impact on cash flow.

Although future demand in the UK is uncertain, we will have a full year's contribution from A&A next year. Elsewhere lift product demand continues to be strong in North America and much of Australia, which is encouraging as these are key markets for us. On keypads, demand has bounced back from the low points of last year and trading currently seems a little steadier.

Richard Dewhurst

Chairman

Strategic Report

Business Review

The Group's principal activity in the year continued to be the manufacture and distribution of electrical components and control equipment for industrial and commercial capital goods. The Group maintained its position as a speciality supplier of equipment to lift, transport and keypad sectors. A business review of the Group's operations is dealt with below in operating highlights and in the Chairman's Statement.

Key performance indicators

The directors believe that the key financial performance indicators relevant to the Group are earnings per share, adjusted operating profit, reported profit before tax and return on equity. The key non-financial performance indicators relevant to the Group are quality measures and on-time deliveries to our customers.

Operating Highlights

In general our overseas companies performed well. Inevitably there was the odd exception, notably Dewhurst Hungary, who had a particularly difficult year. In the UK there was no obvious pattern: some parts of the lift market were reasonably strong, others were weaker. Meanwhile the transport market was essentially stagnant. However, it was another solid year and certainly our broad geographic spread of businesses has sheltered us from the current vagaries of the UK market.

I would like to join the Chairman in thanking all our employees across the Group for their hard work and contribution to this year's results.

UNITED KINGDOM

Sales in the UK were up overall, as a result of strong growth from Thames Valley Controls and the first time contribution from A&A Electrical Distributors.

Dewhurst UK Limited

Sales declined at Dewhurst UK for the second consecutive year mainly due to overseas markets being less buoyant than had been expected. The UK market was also quite stagnant, with a recurring theme of projects being delayed.

We have been extremely active on the product design side. We launched our first wholly new rail product for many years. The Train Despatch Equipment Unit has been developed in conjunction with Network Rail and brings together all the components required by a train despatcher, into one module. The unit is currently being trialled at Birmingham New Street Station and in due course is expected to be rolled out onto the platforms of many large stations.

For the lift industry we have extended our Profile Plus Landing Station range to include three new widths. We have also launched two new sizes of our US1 touch car operating panel.

Our Operations Team have received three new Arburg moulding machines into the factory, continuing our investment in the latest plant and machinery. We have also initiated a new program to explore opportunities with Single Minute Exchange of Dies to look to significantly improve our tooling set up times.

Thames Valley Controls (TVC)

After two quite difficult years at TVC, the company has bounced back with strong sales growth and a significant improvement in profits. Demand for both our controller products and our monitoring systems increased.

The new requirements of EN81-20 had created challenges for our manufacturing team but early in the year these issues were resolved and the flow through the factory improved. We now have four automated test simulation units which have contributed significantly in reducing test times.

The Application Engineering Team have continued their work with a new computer aided engineering system to increase end to end efficiency in the production controllers. In the summer we launched our first controller onto the shop floor that had been engineered using this system.

Traffic Management Products (TMP)

We were unable to continue the momentum that we had built up in 2017 and this year sales fell mainly as a result of reduced demand for our solar powered products. TMP have launched a large number of new products over the last two years. Whilst some of these products have become well established and achieved good growth, others have not gained the traction we had originally hoped for. Management are aware of this challenge and are working with the sales team to grow the sales of all these new products.

As we indicated last year, we have taken the decision to move key manufacturing processes in house. Good progress has been made on this project, which has led to some major changes for TMP. We have relocated the business to Birmingham and in our new facility, have all the plant required for vacuum forming, rotational moulding, lamination and assembly of our highway and street bollards. This should allow us to generate a significant improvement in both the gross and net profit of the business in the future.

A&A Electrical Distributors (A&A)

We acquired A&A in June 2018 from the founders of the business Alan and Ann Warren. A&A has over 35 years of experience in the lift industry and they are the foremost lift component supplier in the UK. They act as a one stop shop for key components that are required in new lift installations and modernisations.

Leading products that A&A supply include, electrical trailing cable, safety items such as car top controllers, shaft lighting as well as many other products. At their 55,000 square feet warehouse in North East London, they stock over 30,000 product lines. The focus is very much on the customer and they look to ship orders next day on their own vehicle fleet.

We have the opportunity at A&A to further improve our customer service by making products available online. We also have the opportunity to replicate, in part, the A&A model to other overseas businesses in the Group.

We are very pleased to welcome back John Bailey into an executive role, as Managing Director of A&A and we are excited that as we enter our 100th year, Jeremy Dewhurst has joined the Group from Deloitte, to take up the role of A&A Finance Director.

EUROPE & THE MIDDLE EAST

Dewhurst Hungary

The slowdown in sales that we saw in the second half of last year continued through the first half of this year. Sales were low, mirroring a significant slowdown in demand for ATM’s. Activity in the second half did pick up but we still finished the year with sales down significantly on previous years.

At the end of the year, we launched the next generation of keypad for ATM's. The plastic version has seen little change but the stainless version has a new key design, which is much cleaner, as well as providing cost benefits to our customers.

Dewhurst Middle East

In our first full year of trading at Dewhurst Middle East, sales reached an acceptable level, giving us a good base for the future.

The nature of the Middle East work is very much skewed towards large projects, the timing of which is difficult to predict. Our objective for the coming year is to secure baseload sales, so we can reduce our dependence on the project work.

NORTH AMERICA

Dupar Controls

We reported in last year's accounts that sales had fallen back at Dupar after many years of growth. This year we once again had strong growth, with sales up 18% to a new record level. An excellent achievement by the team at Dupar. The operations team have been quite stretched to achieve this increase in volumes but we have made good progress in this area, re-organising the factory to improve capacity.

However, we are finding that space is a limitation to our growth ambitions and we are in the process of securing a site a few miles north of our current location. Here we intend to build a new, significantly larger plant to replace our existing factory. This will be an on-going project over the next two years.

Elevator Research & Manufacturing (ERM)

As reported last year, we have significantly restructured the ERM business. Originally it was our intention to mothball the door and cab businesses but we were able to sell these product lines, which was a far more beneficial outcome.

We now have, in ERM, a far simpler business, solely focussed on fixtures. The team have made excellent progress this year. Despite the various distractions, they have grown fixtures sales during the year and turned this business around financially. We now have a strong base from which we can continue to build the company over the coming years.

AUSTRALIA & ASIA

Australian Lift Components (ALC)

Sales at ALC were at similar levels to last year. They have continued their focus on quality and on time delivery and have a good reputation in the market.

We have benefitted over the last twelve months from having an office in Brisbane. Our customers have confirmed their preference for local representation. Accordingly, we opened an office in Melbourne during the year which has been very well received by customers.

P&R Lift Cars (P&R)

P&R have had an excellent year. Demand for their bespoke lift cars has been high and their performance in their first full year has greatly exceeded expectations.

Inevitably this high demand has had an impact on senior management, who have been extremely stretched. Our challenge over the coming year will be to provide further support for the management team.

Earlier in the year we invested in a CNC router which has helped improve our cab manufacturing productivity.

Lift Material

We had another strong year at Lift Material, with sales growing by more than 10%. The Escalator Division performed particularly well with a good increase in new escalator handrail installations. Increasingly around the world, but certainly in Australia, we are suffering from a lack of availability of skilled labour and resolving this is our biggest challenge for the coming year.

Dual Engraving (Dual)

The Perth market continues to be quite soft and sales fell in the year. We were always aware that Dual was a business that was almost wholly dependent on the Perth market. When that market is weak, then things will be more difficult for Dual.

We expect the market to improve in the next twelve months, the project pipeline is certainly much brighter and sales should be stronger.

Dewhurst Hong Kong

Sales in the previous year in Hong Kong, were quite exceptional, boosted by a significant demand for TMP products. We took the decision at the end of last year that it would be preferable for TMP to service those customers direct, so Dewhurst Hong Kong are no longer involved in that market. Sales of lift products however grew and Dewhurst Hong Kong had a successful year.

Approved and signed on behalf of the board

David Dewhurst
Group Managing Director

Financial Review

Trading results

The Group continued its upward trend with record sales and profits for a second consecutive year. The Canadian and New South Wales Australian markets saw the biggest organic growth in local terms with all these subsidiaries reporting record sales. Additional growth in sales this year also came from the acquisition of A&A Electrical Distributors Ltd (A&A) which contributed £3.9 million sales in the 4 months to September 2018 as well as a first full year of sales from P&R Lift Cars Pty Ltd. These strong sales were offset by weaker demand from our keypad division in Hungary and the reduction in sales (£1.8 million in 2017) following the disposal of ERM's Winter & Bain division as part of a restructure of the North American business.

Again currencies had an impact on the performance of the Group as two thirds of sales are earned and held in foreign currencies which are retranslated for Group reporting. This year resulted in a decrease in like-for-like sales of £1.5 million or 2.8% and a reduction in profit before tax of £0.2 million or 3.9%.

Overall, reported revenue increased by 3.1% from £52.9 million to £54.5 million and adjusted operating profit (before acquired intangible amortisation) increased by 8.0% from £6.2 million to £6.7 million.

Solid cash position

Having built the cash position to a very healthy balance over the last few years and with cash flows for 2018 again looking strong, the Group was able to finance the sizeable acquisition of A&A from existing resources. Despite spending £10.5 million on this acquisition the Group still ended the year with cash at a respectable £9.4 million, down £8.7 million from £18.1 million in 2017.

On 7 September 2018, the Group had also paid a 10% deposit and exchanged contracts to purchase the freehold of a property in Sydney for £2.5 million (A$4.6 million). This transaction has now been completed and will be occupied by Lift Material.

The Group started and finished the year with no borrowing or bank overdraft facility.

Pension scheme deficit

For the second year running it is also pleasing to be able to report a significant improvement in the pension scheme deficit. The liability discount rate continued to edge back up in 2018 to 2.85% (2017: 2.6%) reducing the liabilities by £2.1 million. This coupled with the Company continuing to contribute £1.4 million and the assets of the scheme performing marginally better than expected at £1.1 million resulted in the scheme deficit reducing by £4.2 million from £11.8 million in 2017 to £7.6 million.

All recommendations made by the scheme's actuary to eliminate the scheme deficit within an agreed timeframe have been fully implemented.

Capital management and treasury policy

The Group defines capital as total equity plus net debt. The objective is to maintain a strong and efficient capital base to support the Group's strategic objectives, provide optimal returns for shareholders and safeguard the Group's assets and status as a going concern. The Group is not subject to externally imposed capital requirements and the Group's philosophy is to have minimal or no borrowing where possible.

The Group seeks to reduce or eliminate financial risk to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. In preparation for the acquisition of A&A, the Group drew surplus cash back from its subsidiaries in the form of dividends and transferred any short term deposited money at the Company from its 95-day interest account into an instant access bank account. This money was used to fund the A&A acquisition as well as support the new business with its post-acquisition working capital requirements. This has enabled A&A to function without the need for a bank overdraft.

The policies and procedures operated are regularly reviewed and approved by the board. By varying the duration of its fixed and floating cash deposits, the Group maximises the return on interest earned.

The Group continues to hedge foreign currencies internally where possible but stopped using derivatives at the start of the year in the form of foreign exchange contracts to manage its currency risk.

Dividends

Dividends are accounted for when paid or approved by shareholders, and not when proposed, therefore the proposed final dividend for 2018 has not been accrued at the end of the reporting period. The total dividend for 2018 of 12.50p per share is 4.2% up on 2017 and is covered 4.0 times by earnings. Total equity improved from £31.9 million to £37.0 million primarily as a result of the strong trading performance in the year as well as the £4.2m drop in the pension deficit referred to above.

There was no change in the number of the total issued share capital of the Company during the year.

Jared Sinclair

Finance Director

Consolidated statement of comprehensive income

For the year ended 30 September 2018

Continuing operations	2018 £(000)	2017 (as restated) £(000)
Revenue	**54,510**	52,890
Operating costs	**(48,322)**	(46,646)
Adjusted operating profit*	**6,743**	6,244
Amortisation of acquired intangibles	**(555)**	–
Operating profit	**6,188**	6,244
Finance income	**86**	117
Finance costs	**(291)**	(395)
Profit before taxation	**5,983**	5,966
Taxation	**(1,723)**	(1,345)
Profit for the financial year	**4,260**	4,621
Other comprehensive income:		
Actuarial gains/(losses) on the defined benefit pension scheme	**3,080**	3,672
Deferred tax effect	**(524)**	(624)
Tax on items taken directly to equity	**140**	–
Total that will not be subsequently reclassified to income statement	**2,696**	3,048
Exchange differences on translation of foreign operations	**(727)**	(104)
Total that may be subsequently reclassified to income statement	**(727)**	(104)
Other comprehensive income/(expense) for the year, net of tax	**1,969**	2,944
Total comprehensive income for the year	**6,229**	7,565
Profit for the year attributable to:		
Equity shareholders of the company	**4,039**	4,445
Non-controlling interests	**221**	176
	4,260	4,621
Total comprehensive income for the year attributable to:		
Equity shareholders of the company	**6,070**	7,410
Non-controlling interests	**159**	155
	6,229	7,565
Basic and diluted earnings per share	**47.93p**	52.65p

* Operating profit before amortisation of acquired intangibles

Consolidated statement of financial position

At 30 September 2018

	2018 **£(000)**	2017 (as restated) £(000)
Non-current assets		
Goodwill	**8,598**	4,575
Other intangibles	**4,510**	98
Property, plant and equipment	**9,271**	9,267
Deferred tax asset	**1,639**	2,301
	24,018	16,241
Current assets		
Inventories	**6,279**	5,566
Trade and other receivables	**13,920**	10,011
Cash and cash equivalents	**9,440**	18,087
	29,639	33,664
Total assets	**53,657**	49,905
Current liabilities		
Trade and other payables	**8,185**	5,567
Current tax liabilities	**532**	368
Short-term provisions	**304**	326
	9,021	6,261
Non-current liabilities		
Retirement benefit obligation	**7,628**	11,751
Total liabilities	**16,649**	18,012
Net assets	**37,008**	31,893
Equity		
Share capital	**842**	842
Share premium account	**157**	157
Capital redemption reserve	**295**	295
Translation reserve	**1,964**	2,629
Retained earnings	**32,693**	26,969
Total attributable to equity shareholders of the company	**35,951**	30,892
Non-controlling interests	**1,057**	1,001
Total equity	**37,008**	31,893

The financial statements were approved by the board of directors and authorised for issue on 5 December 2018 and were signed on its behalf by:

Richard Dewhurst Chairman

Jared Sinclair Finance Director

Company Registration Number: 160314

Consolidated statement of changes in equity

For the year ended 30 September 2018

	Share capital £(000)	Share premium account £(000)	Capital redemption reserve £(000)	Translation reserve £(000)	Retained earnings £(000)	Non controlling interest £(000)	Total equity £(000)
At 30 September 2016 (as previously stated)	847	157	290	2,034	20,663	589	24,580
Prior year adjustment	–	–	–	678	–	–	678
At 30 September 2016 (as restated)	847	157	290	2,712	20,663	589	25,258
Shares issued	–	–	–	–	–	311	311
Share repurchase	(5)	–	5	–	(217)	–	(217)
Exchange differences on translation of foreign operations	–	–	–	(83)	–	(21)	(104)
Actuarial gains/(losses) on defined benefit pension scheme	–	–	–	–	3,672	–	3,672
Deferred tax effect	–	–	–	–	(624)	–	(624)
Dividends paid	–	–	–	–	(970)	(54)	(1,024)
Profit for the year	–	–	–	–	4,445	176	4,621
At 30 September 2017	**842**	**157**	**295**	**2,629**	**26,969**	**1,001**	**31,893**
Exchange differences on translation of foreign operations	**–**	**–**	**–**	**(665)**	**–**	**(62)**	**(727)**
Actuarial gains/(losses) on defined benefit pension scheme	**–**	**–**	**–**	**–**	**3,080**	**–**	**3,080**
Deferred tax effect	**–**	**–**	**–**	**–**	**(524)**	**–**	**(524)**
Tax on items taken directly to equity	**–**	**–**	**–**	**–**	**140**	**–**	**140**
Dividends paid	**–**	**–**	**–**	**–**	**(1,011)**	**(103)**	**(1,114)**
Profit for the year	**–**	**–**	**–**	**–**	**4,039**	**221**	**4,260**
At 30 September 2018	**842**	**157**	**295**	**1,964**	**32,693**	**1,057**	**37,008**

Consolidated cash flow statement

For the year ended 30 September 2018

	2018 £(000)	2017 £(000)
Cash flows from operating activities		
Operating profit	**6,188**	6,244
Depreciation and amortisation	**1,572**	975
Contributions to pension scheme, net of administration fee	**(1,331)**	(1,343)
Exchange adjustments	**(155)**	(49)
(Profit)/loss on disposal of property, plant and equipment	**36**	21
	6,310	5,848
(Increase)/decrease in inventories	**(487)**	(703)
(Increase)/decrease in trade and other receivables	**(3,909)**	290
Increase/(decrease) in trade and other payables	**2,618**	202
Increase/(decrease) in provisions	**(22)**	(228)
Cash generated from operations	**4,510**	5,409
Interest paid	**(3)**	(2)
Tax paid	**(1,270)**	(968)
Net cash from operating activities	**3,237**	4,439
Cash flows from investing activities		
Acquisition of business and assets	**(9,525)**	(933)
Proceeds from sale of property, plant and equipment	**43**	52
Purchase of property, plant and equipment	**(1,161)**	(978)
Development costs capitalised	**(29)**	(82)
Interest received	**86**	117
Net cash generated from/(used in) investing activities	**(10,586)**	(1,824)
Cash flows from financing activities		
Dividends paid	**(1,114)**	(1,024)
Purchase of own shares	**–**	(217)
Net cash used in financing activities	**(1,114)**	(1,241)
Net increase/(decrease) in cash and cash equivalents	**(8,463)**	1,374
Cash and cash equivalents at beginning of year	**18,087**	16,674
Exchange adjustments on cash and cash equivalents	**(184)**	39
Cash and cash equivalents at end of year	**9,440**	18,087

Notes

1. AGM, results and dividends

The trading profit for the year, after taxation, amounted to £4.3 million (2017: £4.6 million).

A final dividend on the Ordinary and 'A' non-voting ordinary shares of 9.00p per share (2017: 8.50p) for the financial year ended 30 September 2018 will be proposed at the Annual General Meeting (AGM) to be held on 5 February 2019. If approved, this dividend will be paid on 13 February 2019 to members on the register at 18 January 2019. The ex-dividend date will be 17 January 2019.

An interim dividend of 3.50p per share (2017: 3.50p) was paid on 21 August 2018.

2. Earnings per share and dividend per share

Weighted average number of shares	**2018 No.**	2017 No.
For basic and diluted earnings per share	**8,424,898**	8,442,843

The calculation of basic and diluted earnings per share is based on the profit for the financial year of £4,038,159 and on 8,424,898 Ordinary 10p and 'A' non-voting ordinary 10p shares, being the weighted average number of shares in issue throughout the financial year. There are no share options issued.

Paid dividends per 10p ordinary share	**2018 £(000)**	2017 £(000)
2017 final paid of 8.50p (2016: 8.00p)	**(716)**	(678)
2018 interim paid of 3.50p (2017: 3.50p)	**(295)**	(295)
Unclaimed dividends returned - more than 12 years old	**-**	3
Dividends paid – The Company	**(1,011)**	(970)
Dividend to non-controlling interest – Dual Engraving Pty Ltd	**(103)**	(54)
Dividends paid – The Group	**(1,114)**	(1,024)

The final proposed dividend is based on 3,309,200 Ordinary 10p shares and 5,115,698 'A' non-voting ordinary 10p shares, being the latest number of shares in issue. The directors are proposing a final dividend of 9.00p (2017: 8.50p) per share, totalling £758k (2017: £716k). This dividend has not been accrued at the end of the reporting period.

3. Accounting policies

The accounting policies applied to the 2018 accounts have been consistent with 2017 in all manners except in relation to the following prior year adjustment

Prior year adjustment

With regard to the treatment of deferred tax charges or credits resulting from the exchange differences taken to other comprehensive income, previously the Group applied a tax rate of 17% as a deferred tax charge on these amounts. A review of the requirements of International Accounting Standards 12 – Income Taxes has resulted in the removal of this blanket tax provision which the directors, following advice, now recognise is a more suitable interpretation of the requirements of the standard. This adjustment has no cash effect and does not affect the income statement in the current year or in prior periods and only affects other comprehensive income and the movement in the translation reserve.

Translation reserve:

	30 September 2017 £(000)	30 September 2016 £(000)
Translation reserve (as previously stated)	1,969	2,034
Adjustments to prior year:		
Deferred tax effect (2016 and prior)	678	678
Deferred tax effect (2017)	(18)	–
Translation reserve (as adjusted)	2,629	2,712

4. Basis of preparation

The financial information set out above does not constitute the company's statutory accounts for the years ended 30 September 2018 or 2017. Statutory accounts for 2017 have been delivered to the Registrar of Companies. The statutory accounts for 2018 which are prepared under IFRS as adopted by the EU will be delivered to the Registrar of Companies following the company's annual general meeting.

The preliminary statement of results has been reviewed by and agreed with the Company's new auditor, Jeffreys Henry LLP, who have indicated that they will be giving an unqualified opinion in their report on the statutory financial statements for 2018. Moore Stephens LLP reported on the 2017 accounts and their report was unqualified, did not include references to any matters to which the auditor drew attention to by way of emphasis without qualifying the opinion and did not contain a statement under section 498 of the Companies Act 2006.

Dewhurst plc has prepared its consolidated and company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) from 1 October 2005. The group and company financial statements have been prepared in accordance with those parts of the Companies Act 2006 that are applicable to companies adopting IFRS. The company is registered and incorporated in the United Kingdom; and quoted on AIM.

It is expected that the audited Report and Accounts for the year ended 30 September 2018 will be sent to shareholders and will also be available on the Company's website www.dewhurst.plc.uk on 21 December 2018.

- Ends -

For further details please contact:

Dewhurst Plc — Tel: +44 (0) 208 744 8200

Richard Dewhurst, Chairman

Jared Sinclair, Finance Director

Cantor Fitzgerald Europe — Tel: +44 (0) 207 894 7000

David Foreman / Will Goode (Corporate Finance)

Caspar Shand Kydd (Sales)