

TRADING UPDATE AND NOTICE OF RESULTS

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Swallowfield PLC
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Swallowfield plc
("Swallowfield" or the "Company")

Trading update
and
notice of results

Swallowfield plc, a market leader in the development, formulation, and supply of personal care and beauty products, whose customers include many of the world's leading brands, today provides an update on trading for the 52 weeks ended on 25 June 2016.

Trading

The Board is pleased to announce that we anticipate full year profitability will be towards the upper end of expectations.

Overall revenues for the full year are expected to show growth of 10% (10.4% on a constant currency basis) to approximately £54.4m. Revenues have been bolstered by the strong performance of innovative new products introduced during the last financial year and our developing 'owned brands' portfolio. This has also enabled us to show strong year-on-year growth in contribution margin, as well as to invest in commercial and technical resources to sustain future growth.

Our balance sheet continued to strengthen with improved control of working capital leading to a net debt position of £4.3m as at 25 June 2016, which is ahead of expectations, and compares favourably to the prior year at £5.4m. This figure is after absorbing growth related investments in capital equipment and inventory to support our owned brands.

Strategic development

The acquisition of The Brand Architekts Ltd ("Brand Architekts") was completed on 28 June 2016 and therefore had no impact on the financial year just ended. Work has already started on opportunities to accelerate the impressive growth of the acquired business, as we bring the complementary capabilities and resources of Swallowfield and Brand Architekts together. We are pleased to report that initial feedback from key customers and suppliers has been positive and supportive.

Notice of results

The Company expects to announce its results for the 52 weeks ended 25 June 2016 on Tuesday 20 September 2016.

Chris How, Chief Executive of Swallowfield, commented:

"This has been a busy and successful year for the Group with the continued execution of our stated strategy driving strong sales growth and increased profitability.

Whilst we are mindful of the broader economic and political environment as a result of the EU referendum, we are confident that our clear strategy leaves us well placed to navigate any potential macro uncertainty that may lie ahead. The growth momentum in our core business along with our owned brands portfolio (now including the brands from Brand Architekts) has given us a more balanced and resilient business model going forward."

For further information, please contact:

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