

Penna Consulting

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Savile Group warns of full-year loss unless market conditions improve

Human resources consultancy Savile Group PLC (LON:SAVG) warned that unless market conditions improve, it will report a trading loss for the full year.

Shares dropped 16 percent in the initial response in late afternoon trade to 18.25 pence.

The group's restructuring continues, refocusing product offerings, business development and support teams, it said in a trading statement.

In reviewing current trading and its impact on the first quarter, Savile has seen reduced margins and slower than expected take up of its volume services, offered through the Fairplace business.

"Although activity remains promising, the conversion to revenue remains slow and uncertain as many projects, especially in the Public Sector, continue to be delayed. As a result it is unlikely this division will return to profitability before the year end," the company said.

The 7 Days and Iddas businesses offering specialist corporate services have made a positive contribution in the year to date and Savile expects this to continue.

Given the weak trading in volume services, the board now anticipates that the group will report a trading loss for the year, unless market conditions improve.

The balance sheet remains strong and the company currently holds cash balances of over £1.2 million.

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Share Information

Code: PNA

Listing: AIM

Sector: Business & education services

Website: www.penna.com

Company Synopsis:

Penna Consulting PLC provides human capital management services encapsulating the entire employment lifecycle and includes career transition resourcing recruitment communications HR consulting and leadership services. Penna Consulting is traded in the ISDX Exchange [HERE](#).

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