

10 September 2018

UP Global Sourcing Holdings plc
“Ultimate Products” or “the Group”

PRE-CLOSE TRADING UPDATE AND NOTICE OF RESULTS

Ultimate Products, the owner, manager, designer and developer of an extensive range of value-focused consumer goods brands, announces its trading update for the financial year ended 31 July 2018 ("FY18").

Overview

- Unaudited Group revenues decreased by 20.4% to £87.6m (FY17: £110.0m), reflecting: a much tougher trading environment for general merchandise in the UK; and the one-off impact of revenue deferral due to a change in supply arrangements for a major European customer
- Significant growth in online revenue, supported by the new dedicated facilities at Heron Mill and now representing 7.9% of Group revenue
- Unaudited underlying EBITDA* down 43.8% to £6.5m (FY17: £11.5m), in line with previous guidance, driven by lower revenues
- The Group maintains comfortable levels of headroom within its bank facilities, with headroom at 31 July 2018 of £9.1m (31 July 2017: £6.2m)

Current trading and outlook

- Currently trading in line with market expectations
- Against a continued tough retail backdrop in the UK, the FY19 order book is ahead of this time last year, with international business representing an increased share
- Management continue to focus on delivering growth via its four strategic pillars:
 - (1) increased listings and the store expansion of UK and European discounters;
 - (2) increased penetration of UK supermarkets;
 - (3) growth in sales via online platforms; and
 - (4) international expansion.

Notice of Results

The Group intends to announce its full year financial results on 6 November 2018.

* Underlying EBITDA *is a non-GAAP measure*. Underlying EBITDA is calculated after adding back exceptional items and share based payment charges

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014.

Notes to Editors

Ultimate Products is an owner, manager, designer and developer of a series of well-known brands focused on the home, selling to over 300 retailers across 38 countries. It has six product categories: Audio; Heating and Cooling; Housewares; Laundry; Luggage; and Small Domestic Appliances. Its brands include Beldray (laundry, floor care, heating and cooling), Intempo (audio), Salter (kitchenware), Constellation (luggage), and Progress (cookware and bakeware).

The Group's products are sold to a broad cross-section of both large national and international multi-channel retailers as well as smaller national retail chains, incorporating discount retailers, supermarkets, general retailers and online retailers.

Founded in 1997, Ultimate Products is headquartered in Oldham, Greater Manchester, where it has design, sales, marketing, buying, quality assurance, support functions and warehouse facilities across two sites. Manor Mill, the Group's head office, includes a spectacular 20,000 sq ft showroom that showcases each of its brands. In addition, the Group has an office and showroom in Guangzhou, China and a newly established showroom in Cologne, Germany. In total, Ultimate Products now employs over 200 staff.

For further information, please visit www.upgs.com