

10 February 2020

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

TRADING UPDATE AND NOTICE OF RESULTS
A period of solid financial and operational progress

Ultimate Products, the owner, manager, designer and developer of an extensive range of value-focused consumer goods brands, announces the following trading update for the six months ended 31 January 2020 (“the period”).

Financial and operational overview

- Unaudited Group revenues increased by 2.8% (£1.9m) to £67.7m (H1 FY19: £65.8m)
- Renewed its exclusive trademark licence agreement for the "Russell Hobbs" trademark in the UK and EU until March 2023: this spans a range of non-electrical kitchen and laundry products (but does not include Russell Hobbs electrical appliances)
- Successfully extended the Group’s banking facilities to 2024, with funding headroom at 31 January 2020 of £13.2m (31 July 2019: £10.1m; 31 January 2019: £10.5m)
- Agreed terms on a 10 year lease extension at Manor Mill, the Group’s head office and second distribution centre in Oldham, Greater Manchester, in anticipation of planned investment in the site

Outlook

Given that the majority of the Group’s manufacturing is based in China, the Board is closely monitoring developments with the coronavirus outbreak there. The extension of the Chinese New Year holiday by nine days to today (Monday 10 February) in the Group’s main manufacturing areas is expected to cause production delays. As further information becomes available, we will continue to evaluate any short or long term impact on the Group’s business and take all necessary action to mitigate any disruption. We have extensive experience of managing supply chain disruptions in China, including those caused by previous viral outbreaks.

The Board currently expects full year profitability for FY20 to be in line with market expectations.

Notice of Results

The Group intends to announce its interim financial results on 30 April 2020.

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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 Belgray (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. Its best-selling products include frying pans, mugs and speakers, selling approximately one million of each every year.

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 in Cologne, Germany.

Ultimate Products' graduate development scheme was launched in 2012 and in 2018 it welcomed its one-hundredth graduate. In total, Ultimate Products now employs over 300 staff.

Please note that Ultimate Products is not the owner of Russell Hobbs or Salter. The company currently has licence agreements in place granting it an exclusive licence to use the "Russell Hobbs" trademark for cookware (NB this does not include Russell Hobbs electrical appliances) and the "Salter" trademark for electrical and cookware (NB this does not include Salter scales).

For further information, please visit www.upgs.com