

14 December 2020

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

TRADING UPDATE

Ultimate Products, the owner, manager, designer and developer of an extensive range of value-focused consumer goods brands, announces the following unscheduled trading update.

Since the Group announced its full year results on 3 November 2020, there has been continuing momentum in its order book. Sales to Online and Supermarket channels have performed particularly well, which continues the trend from recent years for these channels to account for a growing share of Group revenue. This means that Ultimate Products is increasingly well diversified across its four pillars of Discounters, Supermarket, Online, and International Retailers.

Beldray, Ultimate Products' proprietorial brand for laundry, floor care, heating and cooling, has continued to be the standout performer from across the Group's portfolio.

Within Online, the Group's enhanced capabilities in this area as a result of the investments it has made in recent years have led to exceptionally strong sales growth during the peak Autumn / Winter trading period, especially on Amazon Prime Day, Black Friday and Cyber Monday.

As a result, the Group now anticipates that Underlying EBITDA will be above the market's current expectations. A relentless focus on productivity enhancements and increased operating efficiencies has also led to an improvement in the Group's operating margin.

Commenting on the update, Simon Showman, Chief Executive of Ultimate Products, said:

“We are delighted with the start that we have made to our new financial year. Our performance with Online customers in particular has been exceptionally strong, but our brands also continue to resonate well with supermarket shoppers in both the UK and Europe. Our offer also appeals to customers who are prioritising their spend on quality homeware products as they spend more time at home, and our cookware, laundry, cleaning, floorcare and kitchen electrical products are all trading very well. While market conditions remain uncertain in the short-term, the strength of our current performance and the ongoing resilience of our business model means that we remain confident in our future prospects.”

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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 37 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. 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 250 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