

16 July 2021

UP Global Sourcing Holdings plc
"Ultimate Products", "Group" or the "Company"
Completion of Acquisition of Salter Brands Limited ("Salter")

Ultimate Products, the owner, manager, designer and developer of an extensive range of value-focused consumer goods brands, is pleased to announce that it has completed the acquisition of Salter Brands Limited from FKA Brands Limited.

Salter is believed by the Directors to be the UK's oldest housewares brand. It dates back to 1760, when Richard Salter, a spring maker, began making the first spring scales in the UK from the village of Bilston in the West Midlands. By 1825, his nephew George had taken over the company, which became known as George Salter & Co. George later established a manufacturing site in the town of West Bromwich, and West Bromwich Albion Football Club was formed from workers at the site.

Salter has long been the UK market leader for bathroom and kitchen scales, but over time has expanded into other product categories such as kitchenware and health devices. It serves consumers through e-commerce and traditional retail channels in the UK (including Amazon, eBay, Tesco, ASDA, Sainsbury, LIDL and Argos) and with a growing international presence.

Included in the acquisition is Salter's range of high precision kitchen scales, timers and thermometers that it has developed in partnership with the renowned British chef Heston Blumenthal.

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

"The Salter name is synonymous with quality and reliability, and millions of households across the UK own a set of their scales or one of their many outstanding kitchenware products. Few other brands can boast of such a fantastic history and heritage, which includes playing a key role in the creation of West Bromwich Albion Football Club. We are delighted to be adding such an illustrious brand to our portfolio, and are honoured to be taking it into the next chapter of what has been a fascinating story since it began in 1760.

I would like to thank everyone involved in the transaction for their hard work in delivering such a successful outcome, and our long-term banking partner HSBC UK for their ongoing support."

Salter's product portfolio includes:

- Bathroom scales: Salter sells mechanical and electronic bathroom as well as analyser scales that can measure body mass index.
- Kitchen scales: Salter sells mechanical, electronic and connected kitchen scales in a wide range of models and designs
- Other kitchenware: Salter's wider kitchenware offering includes electronic and manual salt and pepper mills, kitchen thermometers, kitchen timers, handheld electronic milk frothers and stainless-steel reusable straws.
- Diagnostic and Healthcare: Salter has a small range of diagnostic health devices including thermometers, blood pressure monitors and oximeters.

Ultimate Products acquired Salter for an initial cash consideration of £32.0 million on a debt free, cash free and normalised working capital basis. A further deferred consideration of £2.0 million is payable in cash in four tranches over 24 months from the completion of the acquisition. The Company carried out an equity fundraising to raise approximately £15.0 million (before expenses), which were used to fund part of the initial consideration. In addition, the Company also entered into a new additional £10.0 million conditional term loan agreement with HSBC Bank plc ("HSBC UK") to part finance the initial consideration. This facility, which runs to 1 October 2024 will sit alongside the Group's existing bank facilities, including but not limited to a revolving credit facility with HSBC UK.

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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 2020 it welcomed its 300th graduate. In total, Ultimate Products now employs over 300 staff.

Please note that Ultimate Products is not the owner of Russell Hobbs. 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).