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This announcement contains inside information.

22 March 2023

Titon Holdings Plc

Trading Update

Titon Holdings Plc ("Titon", the "Group" or the "Company") is pleased to provide the following update on trading for the current year to 30 September 2023 ("FY23") ahead of the Company's Annual General Meeting later today.

Trading in FY23 to date has been in line with the Board's expectations. As announced at the time of our final results for the year ended 30 September 2022 ("FY22"), sales in the first quarter of FY23 in the UK and Europe exceeded the comparative quarter in FY22. Since then, total sales across our UK and European business have continued to show progression against FY22 comparatives. Sales of Titon manufactured products for both our Window & Door Hardware and Ventilation Systems divisions have continued to grow whilst, as set out in the Group's FY22 final results statement, sales of bought-in products remain below FY22 levels whilst we develop our new distribution partnership with Roto and replace sales following the conclusion of a distributor relationship.

Supply chain constraints in the UK and Europe have eased and the Group has cleared the vast majority of the backlog of customer orders. Titon is well on the way to returning to its previous high levels of customer service and are now able to offer standard lead times on the majority of new orders. Target stock levels are also now in place for almost all stock items.

The Group continues to focus on delivering margin improvements through price increases and cost reductions. Margins in FY23 to date have been in line with management's expectations.

As announced at the time of our final results for the year ended 30 September 2022, sales in the first quarter of the current financial year FY23 in South Korea were in line with our expectations.

The Group has also continued to strengthen the senior leadership team in Q2, with the recruitment of a new Commercial Director who will join Titon in May 2023.

With current trading in line with management expectations, the Board remains confident in the prospects of the Group. The Directors continue to anticipate a return to profitability in H2 FY23 together with further delivery against the Group's business imperatives.

Alexandra French, Chief Executive, commented:

"I am pleased to report that sales in the UK and Europe for the first five months of the year have risen against the same period in FY22 and are in line with our expectations. We remain on track to deliver all our business imperatives that I outlined in our 2022 Annual Report. Our employees have worked extremely hard to clear our backlog of customer orders and I am delighted that we are now in a position of being able to offer our valued customers the lead times and service levels that we are committed to delivering."

Product development also remains at the heart of our growth ambitions, and we are excited to have recently launched and showcased a number of new products including the new Titon FireSafe® Push Through Wall Kit, the HRV4 new mid-sized MVHR and colour touchscreen controller, and the patent protected Titon Ultimate® Active Control Vent."

We have continued to add expertise to the senior leadership team to further strengthen the business and support our growth as regulation changes continue to drive increased demand for both our mechanical and natural ventilation products."

Whilst the outlook for the global economy and housing markets in 2023 remains difficult to predict, we remain on track against our FY23 expectations and for the Group to return to profitability in H2 FY23."

The Group will report more fully on the first six months' trading at the time of our interim results which we expect to release on 19 May 2023."

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