

17 April 2023

Supreme plc

("Supreme," the "Company" or the "Group")
(AIM: SUP)

Year End Trading Update

Trading for FY23 ahead of consensus expectations², driven by organic and acquisitive growth

The Company now anticipates trading in FY24 will be slightly ahead of current consensus expectations³.

The Board of Supreme, a leading manufacturer, supplier, and brand owner of fast-moving consumer products, is delighted to announce a trading update for the twelve months ended 31 March 2023 ("FY23"). Results for the period will be announced on Wednesday 5 July 2023.

Supreme has performed strongly throughout the second half of FY23, delivering organic growth across its core business, supplemented by the earnings from the two vaping acquisitions completed in the first half of the year.

The Company expects to report FY23 revenue of at least £150 million (2022: £130.8 million) and Adjusted EBITDA¹ of at least £19.3 million (2022: £21.1 million), comfortably ahead of current market expectations².

The Group's Vaping category has delivered another excellent performance, nearly doubling revenues from £43.5 million in FY22 to around £75.0 million in FY23. This record performance, underpinned by the Group's core 88Vape brand, has been buoyed by a number of earnings accretive acquisitions in the period, alongside strong new customer momentum, increased market share on e-liquids and favourable market conditions.

The remainder of the Group remains profitable and resilient with the Lighting category showing ongoing signs of recovery.

The Company expects bank borrowings net of cash to be neutral as at 31 March 2023, a reduction of £12.9 million since the half year, a reminder of the highly cash-generative nature of the Supreme platform.

Last week, Supreme was encouraged to hear of the Government's continued support for Vaping as the "the most effective" smoking cessation tool and the launch of its national "swap to stop campaign" where the government plans to provide vape starter kits to support one million adults to quit smoking over the next two years. Supreme's long-standing and overarching company strategy is to support a tobacco-free Great Britain by offering both credible and safer alternatives to nicotine consumption.

Outlook

Looking at FY24, the Group expects to maintain its strong growth trajectory, delivering another strong year of profitable growth. The Group now expects trading for the year ended 31 March 2024 to be slightly ahead of current market expectations³.

The Board remains confident that the Group will continue to deliver both organic and acquisition led growth this financial year and beyond.

¹Adjusted EBITDA means operating profit before depreciation, amortisation, share-based payments charge, fair value movements on non-hedge accounted derivatives and exceptional items (including IPO-related costs).

²Company compiled analyst consensus for the year ending 31 March 2023 prior to release of this announcement were revenues of £138 million and Adjusted EBITDA of £18.5 million.

³Company compiled analyst consensus for the year ending 31 March 2024 prior to release of this announcement were revenues of £150.5 million and Adjusted EBITDA of £22.2million.

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The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 which is part of UK law by virtue of the European Union (withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

About Supreme

Supreme supplies products across five key categories; batteries, lighting, vaping, sports nutrition & wellness, and branded household consumer goods. The Company's capabilities span from product development and manufacturing through to its extensive retail distribution network and direct to consumer capabilities. This vertically integrated platform provides an excellent route to market for well-known brands and products.

The Group has over 3,300 active business accounts with retail customers who manage over 10,000 branded retail outlets. Customers include B&M, Home Bargains, Poundland, Tesco, Sainsburys, Morrisons, Amazon, The Range, Costcutter, Asda, Halfords, Iceland and HM Prison & Probation Service.

In addition to distributing globally-recognised brands such as Duracell, Energizer and Panasonic, and supplying lighting products exclusively under the Energizer, Eveready, Black & Decker and JCB licences across 45 countries, Supreme has also developed brands in-house, most notably 88Vape and has a growing footprint in Sports Nutrition and Wellness via its principal brands Sci-MX and Battle Bites.

www.investors.supreme.co.uk

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