

5 July 2023



Supreme plc
("Supreme," the "Company" or the "Group")

Significant Vaping Distribution Appointment

Supreme (AIM: SUP), a leading manufacturer, supplier, and brand owner of fast-moving consumer products, announces that in June 2023 it was selected as a master distributor for the UK's leading vaping brands, ElfBar and Lost Mary.

Management, following initial order volumes, currently expects to generate £25 to £30 million of revenue and around £2 million of incremental Adjusted EBITDA¹ for the year ended 31 March 2024 alongside an investment into working capital to support growth.

The Company will supply ElfBar and Lost Mary products to some of the UK's biggest retailers, including Tesco, Morrisons, One Stop and WHSmith Travel, enabling the Group to develop cross-sell opportunities encompassing the entire Supreme product range.

Supreme's market-leading presence within the UK vaping market and its extensive distribution network alongside its established compliance, governance and quality control capabilities, provides these brands with a readymade blueprint for their UK distribution strategy going forward.

As also announced today as part of the Group's FY23 results, the Board now expects trading for the year ended 31 March 2024 to be significantly ahead of current consensus.²

The Company will continue to monitor sales in respect of this opportunity closely and will report its performance separately from Supreme's existing vaping category.

Sandy Chadha, Chief Executive Officer of Supreme, commented:

"We are delighted to have secured such a sizeable distribution appointment which will allow our business to fully leverage its unique technical, regulatory, compliance and quality assurance capabilities within the vaping sector."

"We have seen a hugely positive response from both established and new retailers who view Supreme as an ideal partner to supply these products across the UK, and I look forward to updating our key stakeholders on our ongoing progress for the remainder of the year."

¹Adjusted EBITDA means operating profit before depreciation, amortisation and Adjusted items (as defined in Note 7 of the financial statements). Adjusted items include share-based payments charge, fair value movements on non-hedge accounted derivatives and non-recurring item.

²Company compiled analyst consensus for the year ending 31 March 2024 prior to the release of this announcement was revenue of £159 million and Adjusted EBITDA¹ of £22.6 million.

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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.

<https://investors.supreme.co.uk/>

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