



14 August 2024

Ultimate Products plc
"Ultimate Products" or "the Group"

PRE-CLOSE TRADING UPDATE AND NOTICE OF RESULTS

FY24 in line with expectations; cautious optimism for FY25

Ultimate Products, the owner of a number of leading homeware brands including Salter (the UK's oldest homeware brand, est.1760) and Beldray (est.1872), announces its trading update for the financial year ended 31 July 2024 ("FY24").

Overview

Unaudited Group revenues decreased 6.5% to £155.5m (FY23: £166.3m) with supermarket ordering held back by overstocking, weakened consumer demand for general merchandise, and strong prior year comparatives having been bolstered by the exceptionally strong demand for energy efficient air fryers in H1 2023.

In line with market expectations, unaudited adjusted EBITDA* decreased by 11% to £18.0m (FY23: £20.2m) and unaudited adjusted PBT* decreased by 14% to £14.4m (FY23: £16.8m).

At the year end, the Group had a net bank debt of £10.4m (FY23: £14.8m), which represents a net bank debt / adjusted EBITDA ratio of 0.6x (FY23: 0.7x), well within the Group's capital allocation policy of 1.0x.

Current trading

Trading at the start of the current financial year is in line with market expectations. The significant increase in shipping rates, arising from disruption in the Red Sea, has seen some recent stabilisation and is leading supply chains to adapt to a new normal. While this process takes place, the Group's commercial teams are working hard, as they did in the previous shipping crisis, to mitigate the short-term impact on gross margin.

Commenting on the performance, Andrew Gossage, Chief Executive of Ultimate Products, said:

"Our FY24 performance was not without its challenges but I am pleased to report that many of the temporary headwinds are now easing, as reflected in a healthy FY25 order book. As we look ahead to FY25 with cautious optimism, we are confident in the proven resilience of our business model and the ongoing demand for our fantastic range of leading homeware brands."

Notice of results

The Group intends to announce its full year financial results on 29 October 2024.

**Adjusted measures are stated before share-based payment expense and non-recurring items*

Financial summary, including consensus market expectations immediately prior to this announcement

	<i>FY23 (Actual)</i>	<i>FY24 (Unaudited)</i>	<i>FY24 (Consensus)</i>	<i>FY25 (Consensus)</i>
<i>Revenue</i>	<i>£166.3m</i>	<i>£155.5m</i>	<i>£157.3m</i>	<i>£169.3m</i>
<i>Adjusted EBITDA</i>	<i>£20.2m</i>	<i>£18.0m</i>	<i>£17.7m</i>	<i>£20.6m</i>
<i>Adjusted PBT</i>	<i>£16.8m</i>	<i>£14.4m</i>	<i>£14.5m</i>	<i>£17.5m</i>
<i>Adjusted EPS</i>	<i>15.4p</i>	<i>12.3p</i>	<i>12.3p</i>	<i>15.0p</i>

For more information, please contact:

Ultimate Products +44 (0) 161 627 1400

Andrew Gossage, CEO

Chris Dent, CFO

Shore Capital +44 (0) 20 7408 4090

Mark Percy

Malachy McEntyre

David Coaten

Harry Davies-Ball

Isobel Jones

Cavendish Capital Markets Limited + 44 (0)20 7220 0500

Carl Holmes (Corporate Finance)
Matt Goode (Corporate Finance)
Abigail Kelly (Corporate Finance)
Charlie Combe (ECM)

Sodali & Co +44 (0) 207 250 1446
Rob Greening
Sam Austrums
Oliver Banks

Notes to Editors

Ultimate Products is the owner of a number of leading homeware brands including Salter (the UK's oldest homeware brand, established in 1760) and Beldray (a laundry, floor care, heating and cooling brand that was established in 1872). According to its market research, nearly 80% of UK households own at least one of the Group's products.

Ultimate Products sells to over 300 retailers across 38 countries, and specialises in five product categories: Small Domestic Appliances; Housewares; Laundry; Audio; and Heating and Cooling. Other brands include Progress (cookware and bakeware), Kleeneze (laundry and floorcare), Petra (small domestic appliances) and Intempo (audio).

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.

Founded in 1997, Ultimate Products employs over 370 staff, a significant number of whom have joined via the Group's graduate development scheme, and 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 Paris, France.

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 and laundry (NB this does not include Russell Hobbs electrical appliances).

For further information, please visit www.upplc.com.

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