

7 January 2025



## Coral Products Plc

("CRU" or the "Company")

### Exchange of Contracts of Haydock Properties and Fire Insurance Claim Settlement

Coral Products plc, a group of specialist businesses in the design, UK manufacture and omni-channel supply of a wide range of bespoke plastic products based in Wythenshawe, Manchester, announces that it has exchanged contracts for the sale and leaseback (the "Sale and Leaseback") of two freehold properties (North and South buildings, Haydock Industrial Estate, Haydock) with completion expected in mid February 2025.

The properties are being sold to Glenbrook H1 Ltd (an unrelated party) for £1.7m against a book value of £1.3m. The buildings will be leased for 15 years with an initial lease of £155,000 per annum.

In addition, the Company has agreed a final settlement for the insurance claim made by its subsidiary Film & Foil Solutions Ltd relating to a fire in May 2020, resulting in a cash payment of £900,000 to the Company.

Of the £2.6m of gross proceeds including the insurance claim and the proceeds from the Sale and Leaseback, £1.1m will be used to pay down, in full, the remainder of the mortgage on the two freehold properties and other borrowings. The remaining £1.5m will be used to strengthen both working capital and the Company's balance sheet.

The £1.5m of working capital improvement, together with newly negotiated credit facilities, strengthens the financial resilience of the Group and is sufficient for its needs going forward.

**Joe Grimmond, Chairman of Coral Products, commented:** "I am delighted that we have agreed the sale of the two properties at Haydock and finalised the settlement owed to us relating to Film & Foil. The outcome being a material improvement to our working capital and balance sheet and to the overall financial resilience of the Group. Together with the cost efficiencies we continue to target, we are in a much stronger position as we enter 2025."

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*This announcement has been posted to: <https://coralproducts.com/>*

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