



# UP GLOBAL SOURCING HOLDINGS PLC

INTERIM RESULTS FY17



**UP**  
ULTIMATE  
PRODUCTS

WELCOME TO  
THE HOMES  
OF BRANDS





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# Who We Are

Established in Manchester in 1997

A brands house of consumer goods for the home

Mass market and value led

Employ 216 people across the group

Offices in Manchester and Guangzhou

Sell to over 300 retailers across 38 countries

Source products from twelve countries

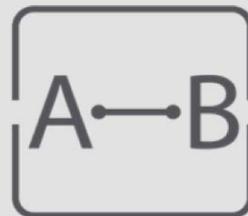
H1 2017 growth: sales +62%, underlying EBITDA +75%



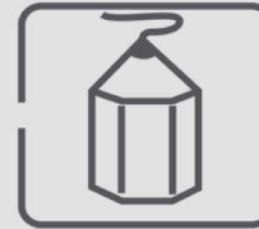
GLOBAL SOURCING



PROFESSIONAL SERVICE



DISTRIBUTION NETWORKS



PACKAGING AND DESIGN



QUALITY ASSURANCE



# H1 2017 Financial Highlights

- Total revenue increased 62.2% to £68.1m (H1 2016 – £42.0m)
- Underlying EBITDA increased 75.1% to £8.8m (H1 2016 – £5.0m)
- Underlying PBT increased 77.9% to £8.4m (H1 2016 – £4.7m)
- Net debt of £10.2m and net debt/underlying EBITDA ratio of 0.9x
- Interim dividend of 1.62p per share declared



# Main Board

**Jim McCarthy**  
Independent Non  
Executive Chairman

Ex-Poundland CEO

**Simon Showman**  
Chief Executive

Founder

**Andrew Gossage**  
Managing Director

Ex-Lime  
Pictures Executive

**Graham Screawn**  
Finance Director

Ex-Hilti GB  
Finance Director

**Robbie Bell**  
Independent Non  
Executive Director

Screwfix FD

**Alan Rigby**  
Senior Independent Non  
Executive Director

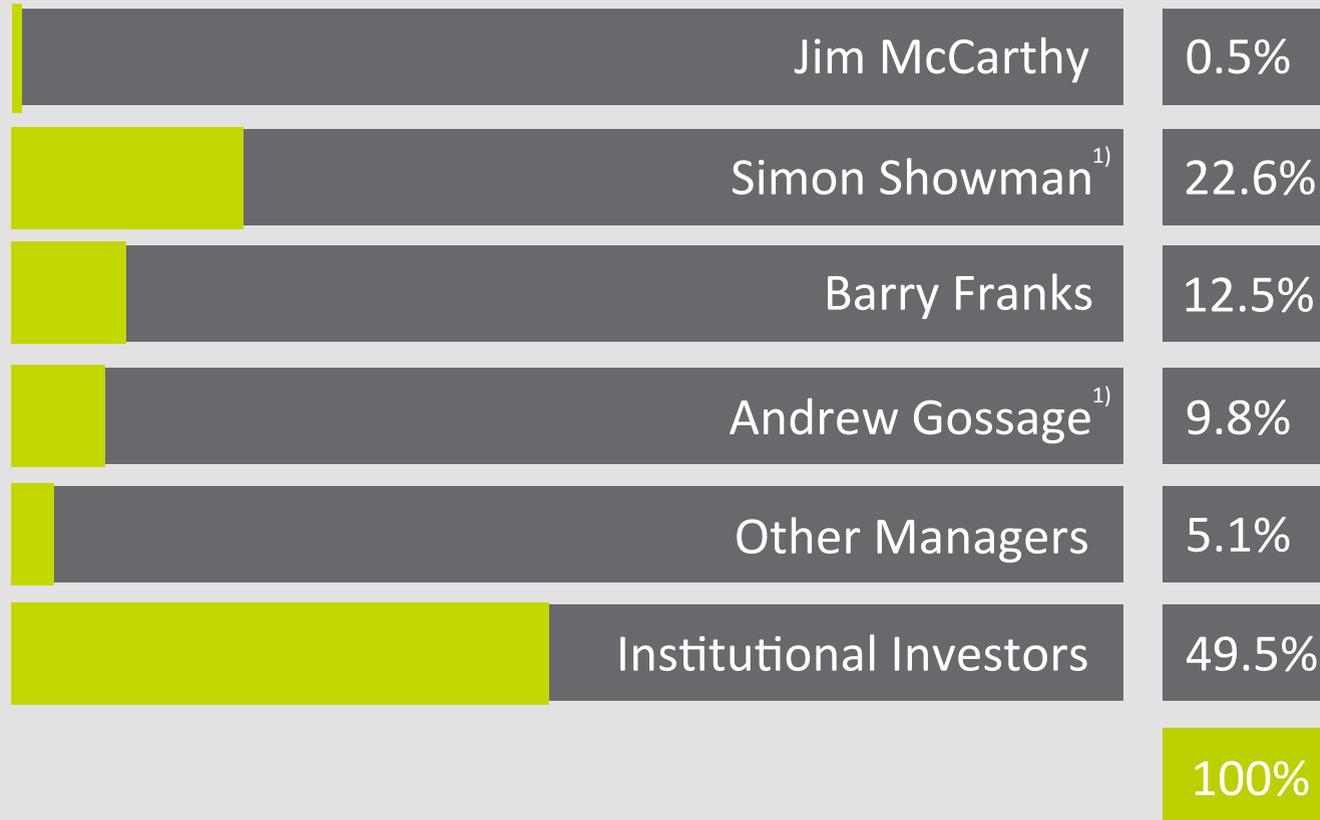
Retired HSBC Executive

**Barry Franks**  
Non Executive  
Director

Co-founder

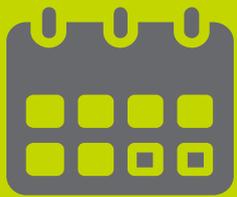


# Shareholders



Institutional shareholders above 3% are BlackRock, Henderson, Schroders, Ennismore and M&G

<sup>1)</sup> Includes shareholding of immediate family members



# Our History

Ultimate Products founded by Simon Showman and Barry Franks



Intempo brand bought out of administration



Constellation brand acquired



Ultimate Products refocuses on its brands



Underlying EBITDA of £5.7m reported for FY15



Underlying EBITDA of £8.2m reported for FY16



1997

2005

2009

2010

2011

2013

2014

2015

2016

2017



Lloyds Development Capital invests in the business



Beldray brand acquired



Russell Hobbs and Salter brand licenses acquired



Management team buy back LDC's stake in the business



Progress brand bought out of administration



Ultimate Products IPOs on the LSE Main Market

# Our Specialisms



SDA  
(Small Domestic Appliances)



HOUSEWARES



AUDIO



LUGGAGE



LAUNDRY



HEATING &  
COOLING

# Our Capabilities



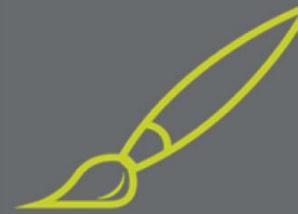
## DEVELOPING PRODUCT

We employ 44 people in our buying team and they brought 1,030 new SKUs to the market in 2016.



## CHINA SOURCING

Experienced Buying Teams based in Manchester and in Guangzhou. We have 231 suppliers in China and 44 based in other territories.



## DESIGN

In-house design department of 23 people covering branding, product design, surface pattern, packaging and video content.



## CUSTOMER RELATIONSHIPS

We sell to over 300 customers across 38 countries worldwide.



## ETHICAL & SOCIAL COMPLIANCE

Member of SEDEX, we audit our key suppliers to the ETI Code of Conduct.



## ON TIME DELIVERY

Over 98% on time delivery since 2013.



## QUALITY ASSURANCE

In-house team of 29 staff based in the UK and China.



## TRAINING

We employ 74 people (34% of workforce) who are on or have been through our Graduate Development Scheme.



## SYSTEMS & IT

We have a well invested IT infrastructure and have developed our own bespoke applications including CAPTURE (buying) and CRITICAL PATH (Merchandising).

# Company Strategy and Market Dynamics

## 1. BENEFIT FROM STORE EXPANSION WITH EXISTING DISCOUNT CUSTOMERS

- Discount segment with online is the fastest growing segment in the UK and European retail.
- Our brands and products appeal to discount retailers – five out of our top 10 customers are discounters.
- B&M Retail (“B&M”), in the UK, is the Group’s biggest customer with 533 stores - B&M currently targets to open 50 stores per year for the next seven years.
- Action (“Action”) in Benelux & France is the Group’s second largest customer with over 800 stores – Action opened 141 stores in 2015 and around 185 stores in 2016.
- Management expect the growth in store numbers to drive revenues from existing product listings before taking into account any expansion in the number of listings with these retailers.
- On-going economic uncertainty and structural shift in retail may underscore the position of the discount retailer in the UK.

# Company Strategy and Market Dynamics

## 2. INCREASE PENETRATION OF UK SUPERMARKETS

- The “Big 4” UK supermarkets (Tesco, Asda, Sainsbury's, Morrisons) remain big players in UK retail.
- The Group’s penetration of the Big 4 is relatively low with only one representative in our Top 10 customers in FY16.
- Management believes that our mass market brands strategy is appealing for UK supermarkets.
- This view is supported by growing demand from the supermarkets for the Group’s product lines. The Group’s LFL sales and order book with the “Big 4” are up by 139% at the end of Q1 2017 against Q1 2016.

# Company Strategy and Market Dynamics

## 3. GROW ONLINE BUSINESS

- Online now accounts for over 20% of non-food retail in the UK representing a significant market opportunity.
- Under our branded business model the Group carries stock on core lines, in contrast to our previous sourcing based model.
- Core lines are now available to be listed via online platforms such as Amazon providing a further sales channel for the Group.
- In FY16 online accounted for less than 4% of sales.
- Management intend to grow online sales so they come to represent 20% of sales – in line with the overall market.

# Company Strategy and Market Dynamics

## 4. EXPAND INTERNATIONALLY

- The Group currently sells to retailers based in 38 countries with international sales representing 26% of revenue in FY16.
- Management believes our British heritage brands would have an appeal in markets such as the USA, China, India and are targeting international customers by exhibiting at Trade Fairs in China.
- However, our main focus is on growing the UK and certain key European accounts.

## 5. ACQUIRE MORE BRANDS

- We have a track record of buying brands at very low prices (including out of administration) and then successfully re-launching them.
- Management intend to continue with its opportunistic acquisition strategy as brands become available.

# Company Strategy and Market Dynamics

## COMPETITION:-

- The board believes there is no directly comparable competitor that matches the breadth of our offer.
- Competition resides within individual product areas and is correspondingly fragmented.
- We consider our customers' own label and direct sourced products to be our biggest competitors.
- We believe that our branded offer, at prices which are close to own label, is compelling to retailers and consumers.

# Company Strategy and Market Dynamics

## IMPACT OF BREXIT:-

- Sales into the EU accounted for 22% of overall revenue in FY16. These sales are already subject to WTO tariffs.
- 91% of product supplied is bought in USD.
- Over half of sales are denominated in USD and are therefore naturally hedged.
- The balance is invoiced predominantly in GBP and the current weakness in GBP is putting pressure on gross margins.
- Management plan to mitigate this by continued product innovation.
- The Group's growth has been driven by increasing market share rather than benefiting from an overall increase in retail market. Management expect this trend to continue even if Brexit dampens overall retail demand.

# Locations

## Manor Mill, Manchester

- Office, showroom & warehousing
- 200,000 sqft
- 7 year lease

## Heron Mill, Manchester

- Warehousing
- 240,000 sqft
- 7 year lease

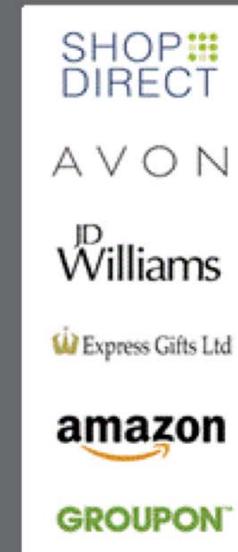
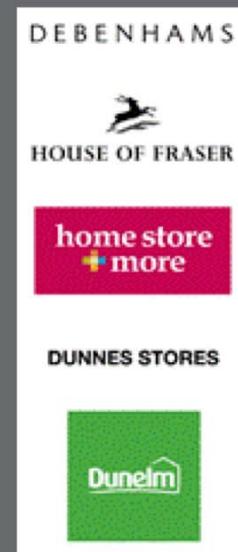
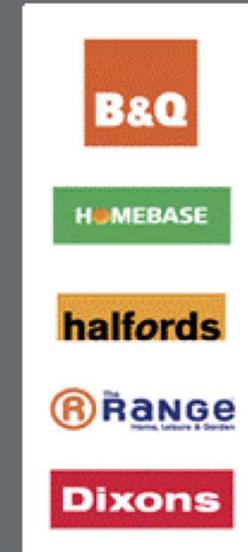
## Guangzhou Office

- Office & showroom
- 12,650 sqft
- 6 year lease  
(4 years remaining)

✓ Future proofed in terms of warehousing until at least £135m turnover

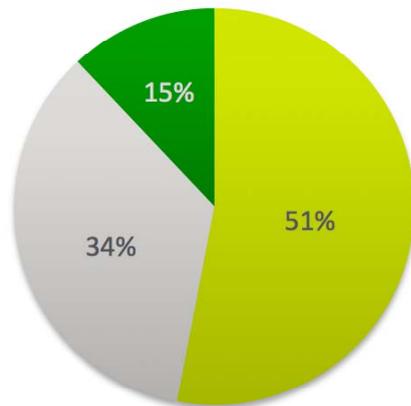


# Our Retail Partners



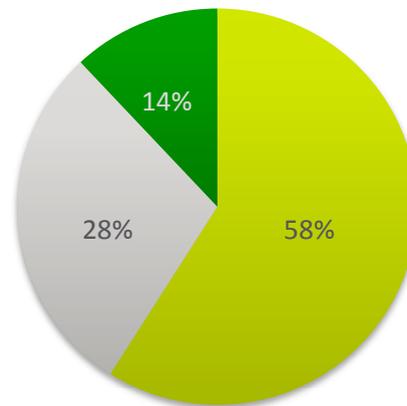
# Customer Concentration

12 M JULY 14 <sup>(1)</sup>



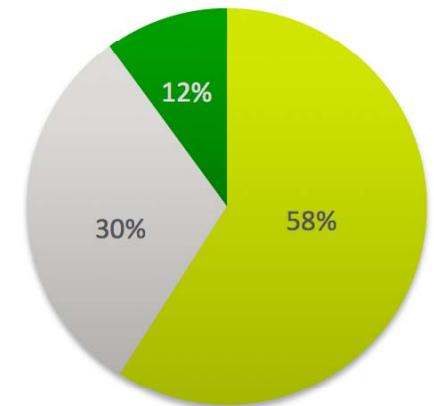
Revenue - £52.8m  
Largest Customer – 7%

12 M JULY 15 <sup>(1)</sup>



Revenue - £64.1m  
Largest Customer – 14%

12 M JULY 16



Revenue - £79.0m  
Largest Customer – 22%

■ TOP 10      ■ NEXT 30      ■ OTHERS

<sup>1)</sup> Unaudited, based on audited results for the FY14 (9 months) and FY15 (15 months)

# Beldray

**Beldray** Est 1872  
Nobody Does It Better

**‘Nobody Does It Better’**

Beldray (originally ‘Bradley and Co. Ltd) is our trademark brand, a brand that since its beginnings in 1872 has become prominent in cleaning and safety equipment. The first manufacturer of steel ironing tables in the UK and inventor of the adjustable ironing board. Acquired in 2009, Beldray now offers a wide range of products, including vacuum cleaners, steam cleaners, ironing boards, airers and pedal bins as well as fans, heaters and electric fires.



## KEY CUSTOMERS

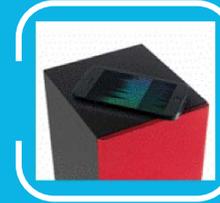


## REVENUE

	12M JULY 2014 £'m	12M JULY 2015 £'m	12M JULY 2016 £'m
<b>TURNOVER</b>	11.0	14.3	19.1
<b>ANNUAL GROWTH</b>	+86.5%	+30.2%	+33.4%
<b>COMPOUND GROWTH</b>			+31.8%

# Intempo

# intempo



## 'Making Music Cool'

At Intempo, we take the latest technology and create audio products that we believe look great and sound even better. Our exciting range has been designed to support many applications, including iPad, iPhone and other devices. From the beginning, we have set out to prove that high quality audio, trending fashions and the latest, cutting edge technology really do go hand in hand. We create stunning products that look fabulous both in customers' homes and as a fashion accessory in the street, without ever compromising on sound quality. Intempo's philosophy is simple – we love music and we love our customers.

### KEY CUSTOMERS



### REVENUE

	12M JULY 2014 £'m	12M JULY 2015 £'m	12M JULY 2016 £'m
<b>TURNOVER</b>	1.5	2.7	5.8
<b>ANNUAL GROWTH</b>	+90.1%	+81.2%	+114.7%
<b>COMPOUND GROWTH</b>			+97.2%

# Salter

## SALTER

'The excellence of Salter'

For over 250 years, Salter has proudly created and manufactured great products to enhance your lifestyle. A brand synonymous with precision and quality, it is a familiar household name with a proud heritage that continues to develop to this day, providing the very best in stylish and reliable products. Licensed since 2011 until 2024 for kitchen electrical and cookware.



### KEY CUSTOMERS



### REVENUE

	12M JULY 2014 £'m	12M JULY 2015 £'m	12M JULY 2016 £'m
<b>TURNOVER</b>	1.6	4.6	12.1
<b>ANNUAL GROWTH</b>	+291.8%	+189.9%	+165.3%
<b>COMPOUND GROWTH</b>			+177.4%

# Russell Hobbs



## Russell Hobbs

**'At the heart of your home'**

Loved by the Great British public for over half a century, Russell Hobbs is a household brand with a strong heritage and is famous for its stylish and high quality products. Licensed since 2011 until 2020 for a wide variety of products from cookware, bakeware and ovenware to tableware and kitchen utensils. Russell Hobbs provides a wealth of choice for the home.

It's hard to believe that it all started with a coffee maker and a kettle!



### KEY CUSTOMERS



### REVENUE

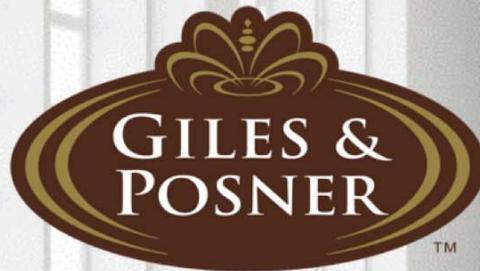
	12M July 2014 £'m	12M July 2015 £'m	12M July 2016 £'m
<b>TURNOVER</b>	4.6	5.1	6.7
<b>ANNUAL GROWTH</b>	+48.8%	+10.7%	+31.3%
<b>COMPOUND GROWTH</b>			+20.6%

# Our Other Brands



George  
Wilkinson  
SINCE 1931

**PROGRESS**<sup>®</sup>  
Since 1931



**ZFrame**  
Super Lightweight. Super **STRONG.**



**PROlectrix**

EVERYDAY LIVING



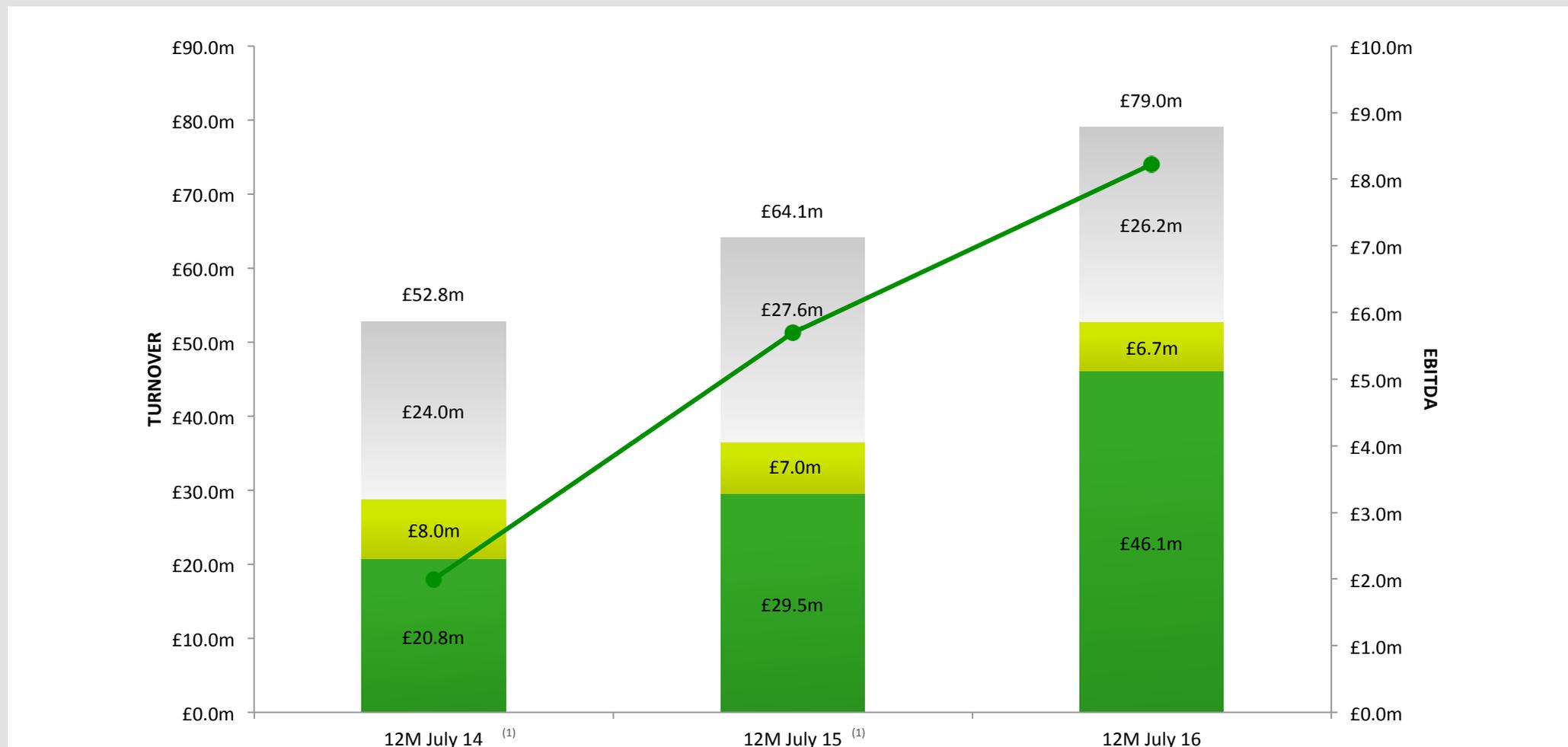
# Overview

	12 M JULY 1) 2014 £'m	12 M JULY 1) 2015 £'m	12 M JULY 2016 £'m
<b>PREMIER BRANDS</b>			
Beldray	11.0	14.3	19.1
Russell Hobbs	4.6	5.1	6.7
Salter	1.6	4.6	12.1
Constellation	2.1	2.8	2.3
Intempo	1.5	2.7	5.9
<b>Total premier brands</b>	<b>20.8</b>	<b>29.5</b>	<b>46.1</b>
<b>OTHER KEY BRANDS</b>			
Inspire/Portobello	2.3	2.1	2.3
ZFrame	2.0	1.3	0.9
Giles & Posner	1.2	0.7	0.4
American Originals	1.3	1.0	1.3
Prolectrix	1.2	1.9	1.8
<b>Total key brands</b>	<b>28.8</b>	<b>36.5</b>	<b>52.8</b>
OTHER BRANDS & OWN LABEL	24.0	27.6	26.2
<b>GROUP TURNOVER</b>	<b>52.8</b>	<b>64.1</b>	<b>79.0</b>
Premier brands %	39.3%	46.1%	58.3%
Key brands %	54.5%	57.0%	66.8%
Premier brands growth (annual)	+96.0%	+42.4%	+56.0%
2 Year Compound growth			+49.0%
Key brands growth (annual)	+66.5%	+27.0%	+44.5%
2 Year Compound growth			+35.5%

<sup>1)</sup> Unaudited, based on audited results for the FY14 (9 months) and FY15 (15 months)

<sup>2)</sup> Unaudited

# Key Brands – Turnover & EBITDA



<sup>1)</sup> Unaudited, based on audited results for the FY14 (9 months) and FY15 (15 months)

# Income Statement

- Revenue and gross margins improved FY14–FY16 driven by the switch from a sourcing to a branded model
- Revenue continued to grow in H1 2017 but gross margin fell as a result of weaker sterling post Brexit referendum
- Fixed overheads remained flat initially as the branded model delivers more “repeatability” with growth in FY16 and H1 2017 less than half of the sales growth
- Exceptional items comprise of shareholder bonuses

	12M JUL <sup>1)</sup> 2014 £'m	12M JUL <sup>1)</sup> 2015 £'m	12M JUL <sup>2)</sup> 2016 £'m	6M JAN <sup>3)</sup> 2016 £'m	6M JAN <sup>3)</sup> 2017 £'m
<b>TURNOVER</b>	<b>52.8</b>	<b>64.1</b>	<b>79.0</b>	<b>42.0</b>	<b>68.1</b>
<b>GROSS PROFIT</b>	<b>13.0</b>	<b>16.8</b>	<b>20.6</b>	<b>10.9</b>	<b>16.7</b>
%	24.7%	26.2%	26.1%	26.0%	24.6%
VARIABLE OVERHEADS	(1.6)	(1.8)	(2.1)	(1.0)	(1.8)
FIXED OVERHEADS	(9.4)	(9.3)	(10.3)	(4.9)	(6.1)
<b>Underlying EBITDA</b>	<b>2.0</b>	<b>5.7</b>	<b>8.2</b>	<b>5.0</b>	<b>8.8</b>
%	3.8%	8.9%	10.4%	12.0%	12.9%
Exceptional ITEMS	0.0	(0.7)	(1.2)	(0.8)	(1.7)
<b>REPORTED EBITDA</b>	<b>2.0</b>	<b>5.0</b>	<b>7.0</b>	<b>4.2</b>	<b>7.1</b>
DEPRECIATION	(0.3)	(0.2)	(0.3)	(0.1)	(0.1)
<b>OPERATING PROFIT</b>	<b>1.7</b>	<b>4.8</b>	<b>6.7</b>	<b>4.1</b>	<b>7.0</b>
NET INTEREST	(1.8)	(0.5)	(0.4)	(0.2)	(0.3)
<b>PROFIT BEFORE TAX</b>	<b>(0.1)</b>	<b>4.3</b>	<b>6.3</b>	<b>3.9</b>	<b>6.7</b>
TAXATION	(0.1)	(0.7)	(1.4)	(0.8)	(1.4)
<b>PROFIT AFTER TAX</b>	<b>(0.2)</b>	<b>3.6</b>	<b>4.9</b>	<b>3.1</b>	<b>5.3</b>

<sup>1)</sup> Unaudited, based on audited results for the FY14 (9 months) and FY15 (15 months)

<sup>2)</sup> Audited

<sup>3)</sup> Unaudited

# Balance Sheet

	<sup>1)</sup> 30 APR 2014 £'m	<sup>1)</sup> 31 JUL 2015 £'m	<sup>1)</sup> 31 JUL 2016 £'m	<sup>3)</sup> 31 JAN 2016 £'m	<sup>3)</sup> 31 JAN 2017 £'m
<b>NON-CURRENT ASSETS</b>					
TANGIBLE ASSETS	0.5	0.6	1.0	0.7	1.3
DEFERRED TAX	0.5	0.3	0.2	0.2	0.2
	<b>1.0</b>	<b>0.9</b>	<b>1.2</b>	<b>0.9</b>	<b>1.5</b>
<b>CURRENT ASSETS</b>					
STOCK	5.7	7.7	10.6	8.7	11.8
DEBTORS	7.7	11.0	16.2	12.7	20.6
CASH	0.1	0.1	0.1	0.8	0.1
	<b>13.5</b>	<b>18.8</b>	<b>26.9</b>	<b>22.2</b>	<b>32.5</b>
CREDITORS	(11.9)	(11.1)	(16.9)	(13.2)	(17.5)
NET CURRENT ASSETS (EXCL DEBT)	1.6	7.7	10.0	9.0	15.0
<b>DEBT</b>					
BANK – SENIOR DEBT	(3.5)	(3.3)	(2.9)	(1.8)	(4.2)
BANK – WORKING CAPITAL	(1.4)	(1.2)	(7.2)	(2.1)	(6.2)
LDC LOAN NOTES	(10.8)	0.0	0.0	0.0	0.0
MANAGEMENT LOAN NOTES <sup>2)</sup>	(4.9)	(1.2)	0.0	0.0	0.0
OTHER	0.1	0.1	0.1	0.1	0.1
	<b>(20.5)</b>	<b>(5.6)</b>	<b>(10.0)</b>	<b>(3.8)</b>	<b>(10.3)</b>
<b>NET ASSETS</b>	<b>(17.9)</b>	<b>3.0</b>	<b>1.2</b>	<b>6.1</b>	<b>6.2</b>

<sup>1)</sup> Audited

<sup>2)</sup> £4.9m of management loan notes were reclassified as equity in FY15, before being repaid during FY16 along with the remaining £1.2m of loan notes

<sup>3)</sup> Unaudited

- Stock increased when business moved to a branded model, now expected to move in line with revenue
- Majority of stock held to customer order with Free Stock typically in range of £5.0m - £6.0m
- Debtor days vary with a typical range of 50 – 57 days
- Most stock suppliers on open account with average creditor days in a range of 30 – 37 days
- LDC Loan Notes bought back in June 2014 as part of the MBO
- Management Loan Notes repaid in 2016 out of existing cash resources
- Dividend declared of £2.25m in FY16, paid in Oct-16

# Cash Flow

- High sales volume and resulting increase in debtors is main working capital driver in 6M to 31 January 2017
- Fixed asset investment in ongoing refurbishment of Heron Mill in FY16 and FY17
- Management Loan Notes and accrued interest repaid in FY16

	<sup>1)</sup> 9M APR 2014 £'m	<sup>1)</sup> 15M JUL 2015 £'m	<sup>1)</sup> 12 M JUL 2016 £'m	<sup>2)</sup> 6M JAN 2016 £'m	<sup>2)</sup> 6M JAN 2017 £'m
<b>NET CASH FROM FROM OPERATIONS</b>					
EBITDA	1.5	5.5	7.0	4.2	7.1
WORKING CAPITAL MOVEMENTS	2.1	(2.3)	(2.0)	(0.9)	(3.5)
TAX PAID	(0.1)	(0.1)	(1.3)	(0.4)	(0.6)
	<b>3.5</b>	<b>3.1</b>	<b>3.7</b>	<b>2.9</b>	<b>3.0</b>
<b>CASH FLOWS FROM INVESTING</b>					
NET PURCHASE OF TANGIBLE ASSETS	(0.2)	(0.4)	(0.7)	(0.2)	(0.6)
FINANCIAL INCOME	0.1	0.0	0.0	0.0	-
	<b>(0.1)</b>	<b>(0.4)</b>	<b>(0.7)</b>	<b>(0.2)</b>	<b>(0.6)</b>
<b>CASH FLOWS FROM FINANCING</b>					
BANK BORROWINGS, (NET)	(3.2)	(0.3)	5.6	(0.6)	0.3
LOAN NOTES (NET) <sup>3)</sup>	(0.0)	(1.9)	(6.1)	(1.2)	(0.0)
INTEREST PAID	(0.3)	(0.4)	(2.3)	(0.2)	(0.3)
DIVIDENDS PAID	0.0	0.0	0.0	0.0	(2.4)
OTHER	0.0	(0.1)	(0.1)	0.0	0.0
	<b>(3.5)</b>	<b>(2.7)</b>	<b>(2.9)</b>	<b>(2.0)</b>	<b>(2.4)</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.1</b>	<b>0.7</b>	<b>0.0</b>

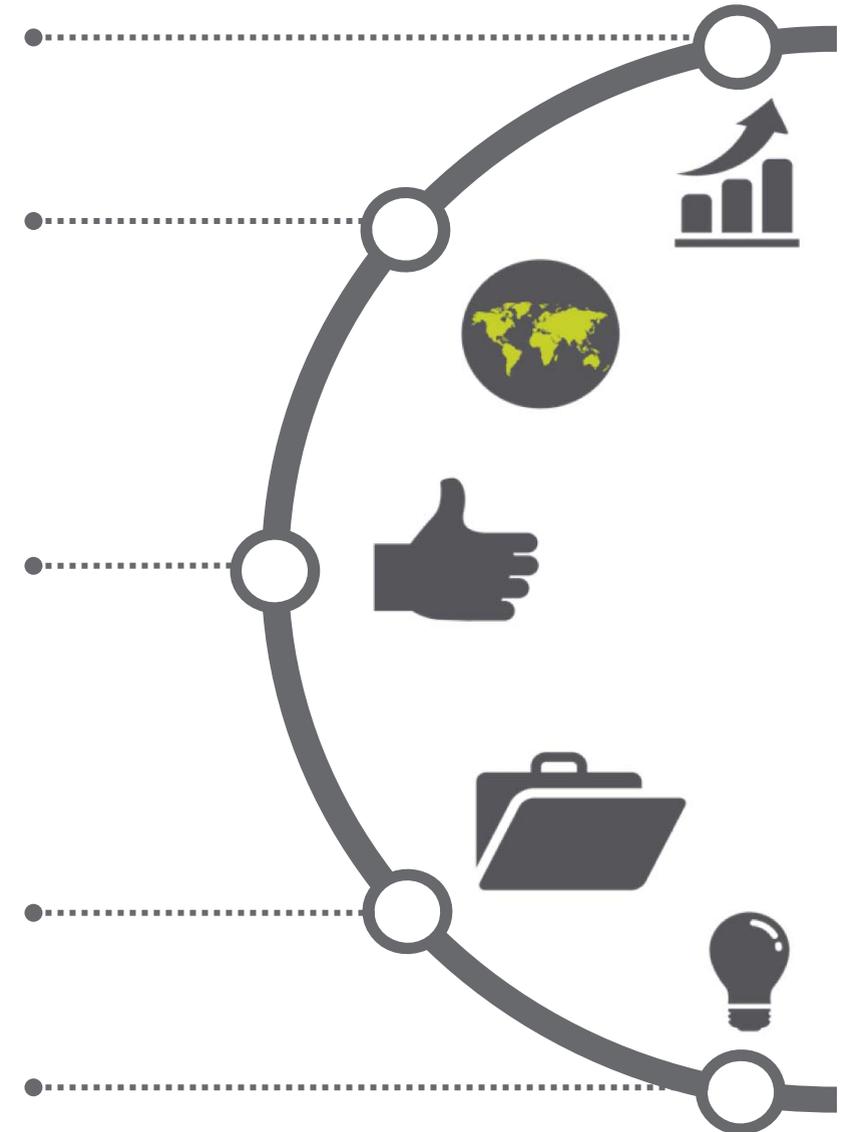
<sup>1)</sup> Audited

<sup>2)</sup> Unaudited

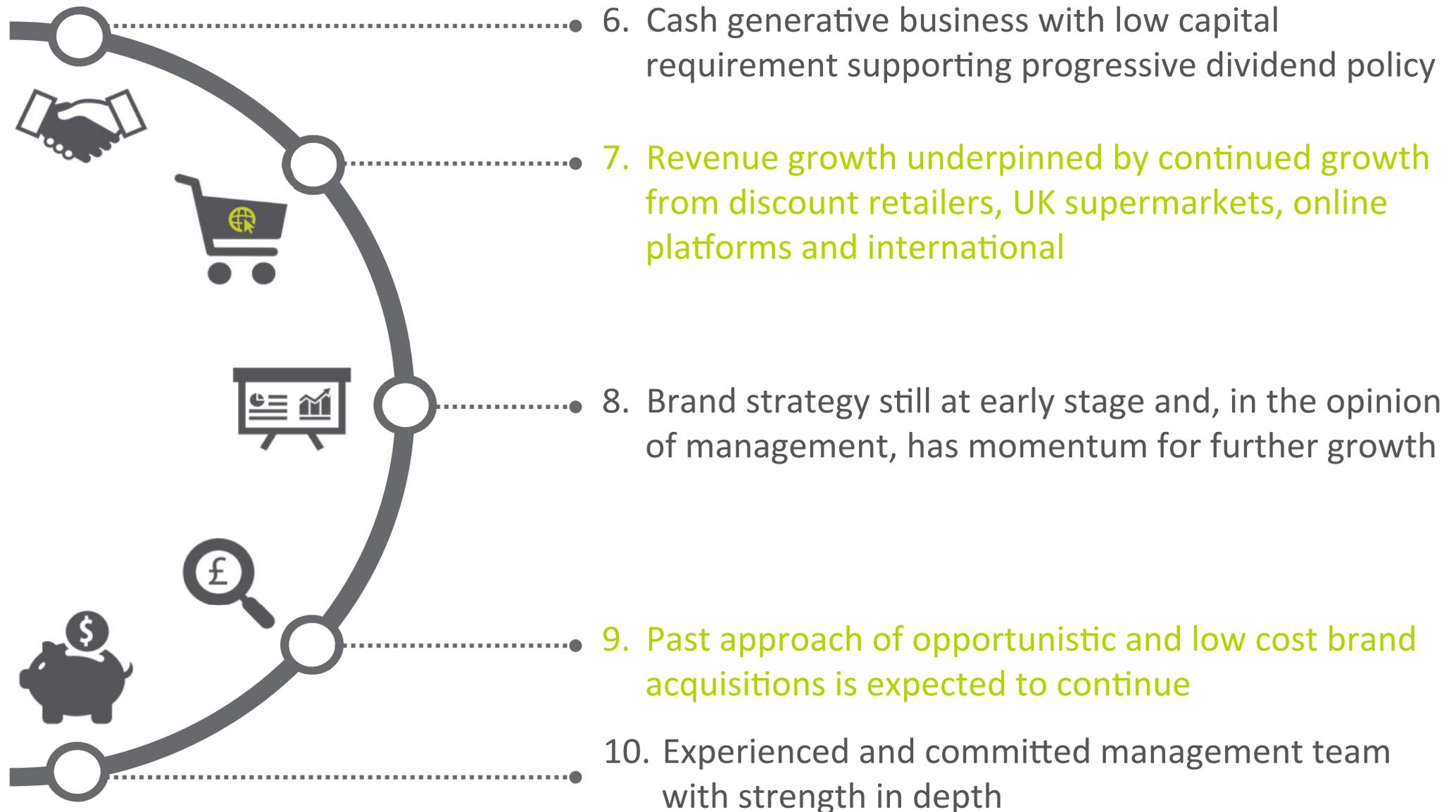
<sup>3)</sup> Loan note movements include new management loan notes issued in Jun-14 of £1.2m which were repaid with the existing £4.9m in Dec-15 and Feb-16 respectively

# Investment Summary

1. Established business characterised by strong financial performance
2. Extensive portfolio of blue chip customers from the UK and overseas
3. Strong corporate governance, well invested systems, high quality management information and an ethical approach to doing business
4. Portfolio of several well known and credible brands, including some long established British heritage brands
5. Well experienced in developing and sourcing product



# Investment Summary



# Appendices



# Operating Board

**Simon Showman**  
Chief Executive

1997

**Andrew Gossage**  
Managing Director

2005

**David Bloomfield**  
Supply Chain Director

2007

**Graham Screawn**  
Finance Director

2010

**Duncan Singleton**  
Trading Director  
(Small Domestic  
Appliances)

2006

**Peter Rawley**  
Trading Director  
(Audio, Heating &  
Cooling)

2008

**Duncan Loch**  
Trading Director  
(Housewares)

2004

**Craig Holden**  
HR Director

2006

# Trading Board

**Simon Showman**  
Chief Executive

1997

**Andrew Gossage**  
Managing Director

2005

**David Bloomfield**  
Supply Chain Director

2007

**Duncan Singleton**  
Trading Director  
(Small Domestic  
Appliances)

2006

**Peter Rawley**  
Trading Director  
(Audio, Heating &  
Cooling)

2008

**Duncan Loch**  
Trading Director  
(Housewares)

2004

**Emma Greenhalgh**  
Buying Director  
(Luggage)

2008

**Alison Hadfield**  
Sales Director

2010

**Jenny Stewart**  
Sales Director

2004

**Andrew Edwards**  
Sales Director

2008

# Non Executive Directors

## Jim McCarthy

Independent Non Executive Chairman

Jim has more than 40 years' experience in the fast-moving retail industry and was previously Chief Executive of Poundland from 2006 to 2016. During this time, Poundland's sales grew from £300 million to £1.3 billion a year and the number of stores increased from 146 to over 900. Prior to joining Poundland, Jim was managing director of Convenience, J Sainsbury plc and his experience also includes 8 years as chief executive of T&S Stores plc (operated over 1000 stores and sold to Tesco plc in 2003). Jim is also non-executive chairman at AIM listed Wynnstay Group plc.

## Robbie Bell

Independent Non Executive Director

Robbie has been the Chief Financial Officer of Screwfix Direct Limited since 2009; overseeing revenue growth of more than £0.5bn to over £1bn with 477 sites in the UK. Screwfix is a subsidiary of Kingfisher plc, a FTSE 100 constituent. Robbie was previously the UK Finance Director of Travelodge between 2006 and 2008 with involvement in a number of Private Equity transactions. Robbie has a broad range of retail exposure including senior roles at Whitbread and Tesco.

Robbie is Chair of the Audit and Risk Committee.

## Alan Rigby

Independent Non Executive Director

Alan has spent the majority of his working career at HSBC plc, joining in 1975 and gaining broad experience through a range of management positions including credit and risk, retail, commercial, large corporate and global banking markets. Prior to his retirement from HSBC, he was head of corporate banking in Manchester between 2004 and 2014. Since 2014, Alan has provided independent consultancy services to private companies on strategy, corporate transactions and re-financings.

Alan is Senior Independent Non Executive Director and Chair of the Remuneration Committee.

## Barry Franks

Non Executive Director

Barry Franks has 50 years' experience in the retail and wholesale trade. In the 1970s and 1980s, he was Managing Director of Parker & Franks, a North West based retailer and wholesaler with 35 stores and 500 employees at its peak. In 1990, Barry left Parker & Franks and founded Barimar, a clothing importer and supplier to UK and European retail. In 1997, Barry invested in Ultimate Products becoming the majority shareholder. This led to an investment into the business by LDC, in 2005, and at this point Barry became a non-executive Director. In 2014, Barry invested alongside Simon Showman and Andrew Gossage in the buyout of LDC's shareholding.

# Senior Management

## Simon Showman

### Chief Executive

Simon began his career working for an auctioneer before founding Ultimate Products in 1997, initially as a clearance business buying discontinued and excess stock securing investment from Barry Franks who became the majority shareholder. In the early 2000s, Simon began to source regular product from countries such as Portugal, Vietnam and, in time, from China. The Company at this point had evolved from a clearance business to a full service sourcing and importing operation. In 2005, this led to an investment into the business by LDC and, at this point, Simon became Chief Executive and the largest management shareholder. In 2014, Simon changed the focus of the business away from own label/unbranded product to focus on its key brands and, at the same time, he led the buyout of LDC's shareholding with a mix of personal money and support from HSBC. Simon is directly responsible for the key trading functions of sales and buying as well as continuing to be the driving force behind the on-going development of the Group.

## Andrew Gossage

### Managing Director

Andrew is a chartered accountant and started his career with Arthur Andersen where he worked in audit and transaction support roles. In 1998 he transferred into industry as Finance Director & General Manager of Mersey Television, an independent television producer of continuing drama including Hollyoaks, Brookside and Grange Hill. He was a key member of the management team of Mersey Television which was backed by private equity investment from LDC in 2002 and then led the sale of the business to All3Media in 2005. Andrew joined Ultimate Products in 2005, initially as Finance Director, and was part of the management buyout team that year. In 2007 he was promoted to Chief Operating Officer and in 2014, together with Simon Showman, led the buyout of LDC with a mix of personal money and support from HSBC. At this point, Andrew was promoted to Managing Director. Andrew is responsible for the strategic direction of the Group and non-trading functions including finance, supply chain, human resources, IT and legal.

## Graham Screawn

### Finance Director

Graham is a chartered accountant and member of the Chartered Institute of Taxation. He started his career with KPMG where he worked in audit and latterly tax advisory roles. In 1995, he made his first move into industry with Hilti, the specialist power tools company, in various finance and business analysis roles before being promoted to Finance Director in 2006. He was also trustee of the Hilti defined benefit pension scheme. Graham joined Ultimate Products in 2010 as Finance Director with responsibility for the finance function and all external finance relationships. In 2013 and 2016, Graham led the successful renewal of the Group's bank facilities with HSBC.

# Senior Management

## **David Bloomfield** Supply Chain Director

David joined Ultimate Products in 2007 and joined the board as Supply Chain Director in 2008. Prior to Ultimate Products, David spent over 20 years working in the retail sector in various supply chain management roles

## **Duncan Singleton** Trading Director (Small Domestic Appliances)

Started a career in retail as a merchandiser before switching to the supply side. Joined Ultimate Products in 2006 as a Buyer before progressing to Buying Director and now Trading Director. Responsible for the Small Domestic Appliances division which is the largest division by turnover and profit in the company

## **Peter Rawley** Trading Director (Audio, Heating & Cooling)

Joined Ultimate Products in 2008 as a Buyer with a background in furniture before switching to Heating & Cooling and latterly Audio which he now oversees as Trading Director. During his time at Ultimate Products, he has also been International Director and General Manager of the group's Hong Kong office where he was seconded for 2 years

# Senior Management

## **Duncan Loch** Trading Director (Housewares)

Has over 25 years experience in Housewares including several years working at Pimperl. He joined Ultimate Products in 2004 as a sales executive before being switched to buying tabletop. Over time he has progressed to Trading Director for the entire Housewares area and has been instrumental in the launch of the Salter and now Progress brands

## **Craig Holden** HR Director

Joined Ultimate Products in 2006 as a graduate before choosing HR as a career, initially as HR Assistant before progressing rapidly through HR Officer and HR Manager to HR Director. His expertise and experience extends beyond HR to a number of areas of general management including site and Health & Safety matters. He also spent a year as General Manager of the Hong Kong office

## **Emma Greenhalgh** Buying Director (Luggage)

Started her career in various operational roles before moving into buying. She joined Ultimate Products in 2008 as an Assistant Buyer working in a variety of divisions before settling on Luggage as Buyer where she re-launched the Constellation brand. Since then she has been promoted to Buying Director and also has responsibility for Bedding and Control Wear

# Senior Management

## **Alison Hadfield** Sales Director

Joined the company in 2010 with a background in character branded and other licensed product. After initially working in Housewares, moved onto Luggage and was instrumental in selling the re-launched Constellation and new ZFrame brands into the UK multiples. Since then, she has also taken on responsibility for managing the company's key licensing relationships

## **Jenny Stewart** Sales Director

Started her career in 2004 at Ultimate Products as Sales Support before working in Buying for a number of years as a Buying Assistant before returning to Sales as a National Account Manager. Since then she has progressed to Sales Director with responsibility for a number of Top 10 accounts and a specialism in Housewares

## **Andrew Edwards** Sales Director

Has over 25 years experience in various senior sales roles before joining Ultimate Products in 2008 as Sales Director. He has a particular skill for opening and developing new accounts across a wide range of product specialisms. In his role as Sales Director, he manages a number of Top 10 accounts including discount and UK supermarket

# Our Personnel

Function	UK	GZ	Other	Total
Buying & Sourcing	35	9	-	44
Sales	24	1	1	26
Merchandising & Supply Chain	33	8	-	41
Warehouse	24	-	-	24
Quality Assurance	15	13	1	29
Design & Marketing	23	-	-	23
Back Office	27	2	-	29
	<b>181</b>	<b>33</b>	<b>2</b>	<b>216</b>

\*As at 31 October 2016

# IT and Design Capabilities

## IT Systems

- Well established Sage 1000 ERP system installed in 2006 and upgraded in 2014
- UK and China offices sit on common IT platform, using the same applications in particular Critical Path
- Disciplines of private equity ownership maintained with detailed monthly Data Bank distributed to the Executive Board
- In-house Project Team tasked with constant improvement and development of systems and process. Integration with retailer EDI and online systems given high priority
- Management have strong experience of business integrations having undertaken several acquisitions

## Design

- In-house team of 23 people deliver trusted brands required in a multi-channel world



