RNS Number : 0036F
Ultimate Products PLC
28 October 2025

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**Ultimate Products plc**
**("Ultimate Products", the "Company" or the "Group")**

**AUDITED RESULTS FOR THE YEAR ENDED 31 JULY 2025**

Ultimate Products, the owner of a number of leading homeware brands including Salter (the UK's oldest houseware brand, est.1760) and Beldray (est.1872), announces its audited results for the financial year ended 31 July 2025 ("FY25", or the "Year"), which are in line with market expectations.

**Financial highlights**

- Total revenue down 3%, or £5.4m, to £150.1m (FY24: £155.5m), reflecting:
  - Anticipated reduction in air-fryer sales of £4.8m, down 32%
  - Reduction in third-party close-out sales of £8.8m, down 60%
  - Increase in all remaining other sales of £8.2m, up 6%
- Gross profit down 14% to £34.8m (FY24: £40.5m), with gross margin at 23.2% (FY24: 26.0%), impacted by £3.1m of additional shipping costs and a change in sales mix
- Adjusted EBITDA* down 31% to £12.5m (FY24: £18.0m)
- Adjusted profit before tax* down 40% to £8.7m (FY24: £14.4m)
- Statutory profit before tax down 44% to £8.0m (FY24: £14.3m)
- Statutory EPS down 44% to 6.8p (FY24: 12.2p), with Adjusted EPS* down 40% to 7.4p (FY24: 12.3p)
- Full year dividend per share of 3.70p (FY24: 7.38p) in line with capital allocation policy of returning around 50% of post-tax profits to shareholders through dividends
- Continued strong cash generation from operating activities of £10.3m (FY24: £18.5m), representing an 82% operating cash conversion (FY24: 103%)
- Net bank debt/adjusted EBITDA* ratio of 1.1x (FY24: 0.6x), marginally above the Group's targeted policy of 1.0x

**Operational highlights**

- Continued focus on strengthening the equity of our brands, which account for 80% of sales and delivered 4% growth in the year
  - This includes the brand transformation of Beldray (sales up 11%), with its successful consumer launch having taken place in March 2025
  - Sustained momentum in product development, exemplified by the Beldray All-in-One Floor Cleaner, recently named a Which? Best Buy, and by the successful launch of new Salter products including the Slushie Maker, Crisp&Go and VertiCook
- Ongoing progress in driving Group productivity with a focus on continuous improvement - highlighted by the implementation of new Product Information Management ("PIM") software during the period, which has already accelerated training times, reduced error rates and improved the quality of product information
- Appointment of Andrew Milne and José Carlos González-Hurtado as Non-Executive Directors, bringing a track record of success and valued insights into both the UK and European consumer goods landscapes
- Post period end, five senior management promotions to key functions at the highest levels of the business, strengthening the Operating Board and C-Suite across commercial activities, supply chain, operations, products and marketing
- Operational improvements and investments underway to enhance the Group sales function

**Current trading and outlook**

Current trading remains in line with market expectations. While external headwinds are likely to persist in the short term, the Board is confident that the operational improvements underway will leave the business better positioned over the medium and long term, helping it to capitalise on growth opportunities in the UK and internationally as trading conditions improve.

**Consideration of AIM listing**

As noted in the Group's announcement on 13 August, the Board has reviewed whether it would be in shareholders' best interests to change the Company's listing venue from the London Stock Exchange's Main Market to AIM. The Board has concluded that at the Company's current market capitalisation, the AIM market would be the most suitable listing venue for the Group. The Board will put this change of listing venue forward for shareholder approval at the AGM on 12 December 2025. Further updates will be announced in due course.

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

*"FY25 was a challenging year for consumer-facing businesses, with ongoing macroeconomic pressures, elevated shipping costs and weak consumer demand weighing on performance. This included an anticipated reduction in air-fryer and third-party close-out sales, which together accounted for a large portion of the decline in revenue. Notwithstanding the challenges faced, we are pleased that our UP brands continued to deliver growth, reflecting the effectiveness of our branded strategy and the commitment of our teams across the business.*

*"We also made meaningful progress in strengthening the foundations of the Group, including the implementation of a new Product Information Management system, the promotion of five senior leaders into C-suite roles and a programme of enhancements to our sales function that is already driving positive change. Combined with the growing appeal of our brands and the scale of opportunity we see in the UK and internationally, we remain as confident as ever in our medium-to-long term prospects."*

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

***Financial summary, including consensus market expectations are set out below*

| | *FY24 (Actual)* | *FY25 (Actual)* | *FY26 (Consensus)* |
|---|---|---|---|
| *Revenue* | *£155.5m* | *£150.1m* | *£137.7m* |
| *Adjusted EBITDA* | *£18.0m* | *£12.5m* | *£9.9m* |
| *Adjusted EPS* | *12.3p* | *7.4p* | *5.2p* |

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**Notes to Editors**

Ultimate Products is the owner of a number of leading homeware brands including Salter (the UK's oldest houseware 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 in over 30 countries - spanning discounters, supermarkets and general retailers, and ranging from large national and international multi-channel retailers to smaller retail chains. Its products are also available on Salter.com and Beldray.com, as well as major third-party online marketplaces. The Group 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).

Founded in 1997, Ultimate Products 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 Paris, France. Ultimate Products employs over 300 staff and is certified as a Great Place to Work®. A significant number of its employees joined via the Group's Graduate Development Scheme, one of the biggest in the North West.

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.

## BUSINESS REVIEW

### Purpose & Strategy

In a challenging trading environment, businesses can lose sight of their core strategy. However, despite tough operating conditions, we have remained focused on the strategic development of the Group. Our purpose is clear: to provide beautiful and more sustainable products for every home. We are committed to developing and delivering outstanding branded products that appeal to households across our key markets. At the same time, we ensure these products are attractively priced - not only for consumers but also for our retail partners, who can achieve margins equivalent to those of 'own label' ranges.

Since our IPO in 2017, we have built the Group into a leading supplier of quality branded housewares, selling to many UK retailers. What initially attracts these retailers is the opportunity to sell attractively priced, branded products that consumers want, while maintaining their desired retail margin. However, it is Ultimate Products' continued focus on our highly advanced operational capabilities that turns retailers from customers into long-term strategic partners.

**Sales (£000, FY17-25)**

| | FY17 £000 | FY18 £000 | FY19 £000 | FY20 £000 | FY21 £000 | FY22 £000 | FY23 £000 | FY24 £000 | FY25 £000 |
|---|---|---|---|---|---|---|---|---|---|
| UP brand Air fryers | - | - | - | 1,545 | 1,699 | 5,747 | 25,671 | 14,962 | 10,178 |
| Other UP brand sales | 51,277 | 44,421 | 70,820 | 58,497 | 73,851 | 110,437 | 105,992 | 101,920 | 111,768 |
| **UP Brands** | **51,277** | **44,421** | **70,820** | **60,042** | **75,550** | **116,184** | **131,663** | **116,882** | **121,946** |
| Licensed brands | 24,535 | 20,762 | 30,252 | 37,575 | 45,219 | 20,165 | 16,458 | 12,059 | 14,376 |
| 3P close-out & own label | 34,141 | 22,388 | 22,185 | 18,067 | 15,598 | 17,842 | 18,194 | 26,556 | 13,813 |
| **Total** | **109,953** | **87,571** | **123,257** | **115,684** | **136,367** | **154,191** | **166,315** | **155,497** | **150,135** |

**Share of Sales (%, FY17-25)**

| | FY17 % | FY18 % | FY19 % | FY20 % | FY21 % | FY22 % | FY23 % | FY24 % | FY25 % |
|---|---|---|---|---|---|---|---|---|---|
| UP brand Air fryers | 0% | 0% | 0% | 1% | 1% | 4% | 15% | 10% | 7% |
| Other UP brand sales | 47% | 51% | 57% | 51% | 54% | 72% | 64% | 65% | 74% |
| **UP Brands** | **47%** | **51%** | **57%** | **52%** | **55%** | **75%** | **79%** | **75%** | **81%** |
| Licensed brands | 22% | 24% | 25% | 32% | 33% | 13% | 10% | 8% | 10% |
| 3P close-out & own label | 31% | 26% | 18% | 16% | 11% | 12% | 11% | 17% | 9% |
| **Total** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** |

Our brands have driven the growth of our business, enabling us to transition from a trading and sourcing business to a 'Home of Brands', with 80% of UK households now owning at least one of our products. Revenue from our UP Brands has more than doubled, rising from £51.3m in FY17 to £121.9m in FY25, and these brands now account for 81% of total sales. However, the tables above also show that this growth has stalled over the past three years.

The past few years have been exceptionally challenging for consumer-facing businesses, with a range of headwinds holding back sales. Overstocking during the COVID boom disrupted forward order books, the cost-of-living crisis dampened consumer confidence, and many opted to save rather than spend. There have, of course, been mitigating factors that have helped to offset these, such as the surge in air fryer sales during FY23 and the availability of third-party close-out parcels during FY24. However, over the past three years, sales of our core UP brands have edged up only marginally, from £110.4m

to £111.8m. This modest increase underscores the difficulties of the past few years for consumer-facing businesses; we have been running hard just to stand still.

Indeed, in many areas we have been running twice as fast to deliver on our continuous improvement agenda. For instance, our approach to branding has been revolutionised by the appointment of Tracy Carroll as Brand Director. Externally, this is most visible in the rebranding of Salter and Beldray, underpinned by a fully refreshed brand strategy that puts the consumer first in every decision. Together, these two British heritage brands boast over 400 years of history and exceptional consumer recognition, now accounting for 60% of our sales. Internally, the focus has been on simplification: tighter brand guidelines, and the use of robotic automation and AI to increase productivity. This has enabled us to elevate the quality of our output, adopt a more brand-led approach to design, and prioritise building brand equity as a driver of sales volumes.

In addition, we have continued to invest in our systems, implementing Product Information Management ("PIM") software to store, enrich and manage complex product information. The PIM platform has already delivered tangible benefits across multiple functions, including increased productivity, accelerated training times, lower error rates and better-quality product information.

These productivity gains allow us more time for product development, which enables us to bring even better innovations to market. In the current year, we are particularly proud of three new Salter launches: the Slushie Maker, the Crisp&Go and the VertiCook, each of which shows our ability to respond quickly to demand and deliver products that resonate with consumers. UP's clearest product achievement, however, has been the Beldray All-in-One Floor Cleaner. It was recently named a Which? Best Buy ahead of products from Dyson and Shark and was described as "a top performer that effortlessly handles everything from muddy footprints to sticky jam". With a price point well below premium-brand competitors, it is truly a beautiful product for every home. The All-in-One Floor Cleaner is being rolled out in line with our 'test, repeat, maximise' model, where products are trialled in smaller volumes before being scaled up. The initial soft launch across Beldray.com and several leading online retailers was a sell-out success, and the next phase will begin in Spring 2026 to coincide with spring-clean promotional events.

We see this as just the beginning of what our enhanced systems can enable. Our talented teams are fully embracing our new technologies, and we expect AI to play an increasingly important role in driving further improvements. Looking ahead, our next major, multi-year project will be the replacement of our enterprise resource planning ("ERP") system. The current system is approaching end-of-life, limiting both efficiency and automation potential. Upgrading it will be a critical step in further enhancing our operational capabilities.

These enhancements have helped us drive meaningful productivity gains across the business. Our key productivity metric is gross profit per colleague. In the current year this has fallen, primarily due to increased shipping costs impacting gross margin. However, revenue per colleague has continued to rise.

| | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** |
|---|---|---|---|---|---|
| Sales Per Head (£) | 429,049 | 430,897 | 452,078 | 467,490 | 484,665 |
| Gross Margin Per Head (£) | 94,937 | 104,862 | 112,856 | 117,667 | 109,106 |

The significant increase in productivity we've achieved will support enhanced profitability as sales grow. The operational leverage gained through our culture of continuous improvement means that any uplift in sales will have an amplified effect on profitability. This reflects the hard work undertaken to enhance operational efficiency across multiple business areas, including supply chain, operations, products and marketing. While we remain mindful of the challenging market, we believe there is scope to accelerate our sales function and see clear opportunities to grow, both in the UK and internationally.

In the UK, our only area of particularly high market penetration is in scales. They are the core segment of our iconic Salter brand and, according to market research, are found in 70% of consumers' homes. In our other chosen market segments, we remain a challenger brand with significant potential and the capability to grow market share. In Europe, we have an opportunity to expand further. Although we are not a small player, with FY25 sales exceeding £50m, our market share in Europe remains significantly lower than in the UK. Given the relative size of the European market (population c.480m), the financial upside of further European growth is considerable.

The Group's focus is now on replicating the improvements made in branding and product development within its sales function. Several initiatives are already underway, which we believe have the potential to drive improved financial performance. We are not content with simply retaining market share in challenging trading conditions; we are focused on enhancing our operational capabilities to deliver growth. The changes we are making across sales fall into four different strands:

- Human Capital
- Training & Development
- Use of Technology
- Management process

The changes in relation to human capital are directly related to the way in which the business has changed over the years. We have moved from a sourcing model, focused solely on product and price, to a branded model. Under this approach, it is our brands, alongside product and price, that have become the key driver of sales. This shift has elevated our business to become the Home of Brands. To fully align with this model, our sales team must now harness a passion not only for selling on product & price, but also on brand.

Our sales colleagues have deep experience and have delivered strong results under our previous sourcing-led approach. As we continue our more brand-centric strategy, we recognise the need to support them with regular training to build on existing strengths and ensure everyone is equipped to sell in this new context. We are therefore rolling out a comprehensive training programme to refine capabilities and close any gaps. Our Buying teams are supporting this with a refreshed approach to product training, including interactive demonstrations, product launch days, competitor comparisons, user trials and consumer insights.

We continue to invest heavily in technology, as demonstrated by the introduction of the PIM platform and the work on our new ERP. The next phase in this technological investment is the development of a Customer Relationship Management system ("CRM"), an area that has historically limited progress within our sales function. We have identified CRM as a key enabler, and our new ERP system will include a standalone CRM module to improve productivity. In the interim, our process development team has created a temporary CRM solution to bridge the gap.

We have also made several senior management changes to invigorate our team, strengthen decision-making and support our long-term growth ambitions. Simon Showman, formerly Chief Commercial Officer, has assumed the role of President and Founder, where he will focus on product development and the growth of our strategically important European business. Additionally, we have promoted five leaders to C-suite roles across key functions: Duncan Singleton (Chief Commercial Officer), David Bloomfield (Chief Supply Chain Officer), Craig Holden (Chief Operating Officer), Katie Maxwell (Chief Product Officer) and Tracy Carroll (Chief Marketing Officer).

These promotions strengthen our Operating Board, bringing together a group of talented leaders with a deep knowledge of the business. This team provides strong leadership and management across all core functions. But it's not just senior management that make a business - it's the energy and ability of all our people. Our Graduate Development Scheme continues to foster future talent and helps to drive the business. Indeed, we were delighted that, upon Katie Maxwell's recent promotion, she became the first person to be promoted to the C-suite having joined UP as a graduate. Our workforce is unafraid to challenge the status quo, and this mindset is actively encouraged because it fuels our culture of continuous improvement. Simply put, it is our people who give us confidence that our strategy is the right one to drive the business forward.

**Performance**

| | 2025 £'000 | 2024 £'000 | Change £'000 | Change % |
|---|---|---|---|---|
| **Revenue** | **150,135** | **155,497** | **(5,362)** | **-3%** |
| Cost of sales | (115,288) | (115,043) | (245) | 0% |
| **Gross profit** | **34,847** | **40,454** | **(5,607)** | **-14%** |
| Administrative expenses | (22,342) | (22,432) | 90 | 0% |
| **Adjusted EBITDA** | **12,505** | **18,022** | **(5,517)** | **-31%** |
| Depreciation & amortisation | (2,149) | (2,191) | 42 | -2% |
| Finance expense | (1,651) | (1,381) | (270) | 20% |
| **Adjusted profit before tax** | **8,705** | **14,450** | **(5,745)** | **-40%** |
| Tax expense | (2,424) | (3,820) | 1,396 | -37% |
| **Adjusted profit after tax** | **6,281** | **10,630** | **(4,349)** | **-41%** |
| ERP implementation costs | (640) | - | (640) | |
| Share-based payment expense | (16) | (137) | 121 | -88% |
| Tax on adjusting items | 182 | 34 | 148 | 434% |
| **Statutory profit after tax** | **5,807** | **10,527** | **(4,720)** | **-45%** |

**Sales**

During the year, Group revenues decreased 3% (£5.4m) to £150.1m (2024: £155.5m), reflecting subdued consumer demand for general merchandise, with many consumers prioritising saving over spending. Three key factors influenced this performance:

- Fall in air-fryer sales of £4.8m, down 32%
- A reduction in third-party clearance sales of £8.8m, as opportunities reduced following the end of overstocking, leaving the category down 60% to £5.9m
- An £8.2m (6%) increase in all remaining sales

**Channel & Territory**

| | FY25 £000 | FY24 £000 | Change £000 | Change % |
|---|---|---|---|---|
| Supermarket | 33,785 | 29,495 | 4,290 | 15% |
| Discounter | 11,793 | 18,098 | (6,305) | -35% |
| Online | 29,016 | 30,332 | (1,316) | -4% |
| Other | 19,580 | 23,227 | (3,647) | -16% |
| **UK by Channel** | 94,174 | 101,152 | (6,978) | -7% |
| Supermarket | 13,265 | 15,914 | (2,649) | -17% |
| Discounter | 31,575 | 26,896 | 4,679 | 17% |
| Online | 3,699 | 3,642 | 57 | 2% |

| | | | | |
|---|---|---|---|---|
| Other | 7,422 | 7,893 | (471) | -6% |
| **International by Channel** | 55,961 | 54,345 | 1,616 | 3% |
| Supermarket | 47,050 | 45,409 | 1,641 | 4% |
| Discounter | 43,368 | 44,994 | (1,626) | -4% |
| Online | 32,715 | 33,974 | (1,259) | -4% |
| Other | 27,002 | 31,120 | (4,118) | -13% |
| **Total by Channel** | 150,135 | 155,497 | (5,362) | -3% |

Ultimate Products' key channels to market are Supermarkets, Discounters and Online, all of which the Group will seek to grow over the medium to long term, both in the UK and internationally. The table above shows our revenue split by channel and territory. However, the figures are distorted by the two non-recurring factors noted above: the end of the air-fryer boom during Q1 and the normalisation of third-party clearance activity. To provide a clearer picture of trading performance, the table and commentary below strip out the impact of these two items.

| | **FY25 £'000** | **FY24 £'000** | **Change £'000** | **Change %** |
|---|---|---|---|---|
| Supermarket | 29,506 | 23,345 | 6,161 | 26% |
| Discounter | 10,673 | 16,281 | (5,608) | -34% |
| Online | 26,722 | 25,622 | 1,100 | 4% |
| Other | 16,980 | 18,744 | (1,764) | -9% |
| **UK** | **83,881** | **83,992** | **(111)** | **0%** |
| Supermarket | 10,882 | 10,974 | (92) | -1% |
| Discounter | 29,326 | 20,715 | 8,611 | 42% |
| Online | 3,623 | 3,602 | 21 | 1% |
| Other | 6,376 | 6,633 | (257) | -4% |
| **International** | **50,207** | **41,924** | **8,283** | **20%** |
| Supermarket | 40,388 | 34,319 | 6,069 | 18% |
| Discounter | 39,999 | 36,996 | 3,003 | 8% |
| Online | 30,345 | 29,224 | 1,121 | 4% |
| Other | 23,356 | 25,377 | (2,021) | -8% |
| **Total (excluding Air Fryers and 3P close-out)** | **134,088** | **125,916** | **8,172** | **6%** |
| Air Fryers | 10,178 | 14,962 | (4,784) | -32% |
| Third-Party close-out | 5,869 | 14,619 | (8,750) | -60% |
| **Total** | **150,135** | **155,497** | **(5,362)** | **-3%** |

Against subdued demand for consumer goods, it was pleasing to see sales to Supermarkets return to growth, rising 18% (£6.1m) to £40.4m, despite overall Group sales falling 3%. In the UK, this increase (26%) was driven by stronger trading from our supermarket customers, who have been winning general merchandise market share through their loyalty schemes. Disappointingly, despite the end of the overstocking issues that previously held back orders from German supermarkets, sales to international supermarkets remained flat at £10.9m.

Overall sales to discounters increased 8% to £40.0m. However, there was a marked difference in performance between Europe, which grew by 42% (£8.6m), and the UK (down 34%), where we were impacted by a customer's decision to concentrate on own label.

Online sales grew 4%, a modest increase that reflects generally subdued consumer demand. However, a positive highlight has been the strong performance of our own consumer-facing websites (salter.com & beldray.com), with their combined sales up 51% to £2.1m. While our own websites will remain less significant than the major e-commerce platforms, their success shows how we are growing our brands and strengthening our relationships with the end consumer.

A significant challenge during the period has come from some of our wider UK customer base of smaller retailers. Among these customers, we have seen a sales decline of 9% (£1.8m). These retailers are being affected by softer consumer demand and mounting cost pressures.

Overall, UK sales excluding air fryers and clearance were flat, which was a disappointing performance. Although this is against a backdrop of generally subdued consumer demand, we still believe that our products and brands can gain market share within our home market, where, except for our iconic Salter scales, we are still a challenger. More pleasing is our progress in Europe, where our sales performance has been driven by sales to European discounters, which are up 42% to £29m during the period.

**Brand**

| | 2025 £'000 | 2024 £'000 | Change £'000 | Change % | 2025 % | 2024 % |
|---|---|---|---|---|---|---|
| Salter | 52,004 | 56,354 | (4,351) | -8% | 35% | 36% |
| Beldray | 37,979 | 34,184 | 3,795 | 11% | 25% | 22% |
| Progress | 5,004 | 5,871 | (867) | -15% | 3% | 4% |
| George Wilkinson | 7,193 | 1,536 | 5,657 | 368% | 5% | 1% |
| Petra | 3,131 | 2,576 | 555 | 22% | 2% | 2% |
| Kleeneze | 2,766 | 3,188 | (422) | -13% | 2% | 2% |
| Other proprietorial brands | 13,869 | 13,173 | 697 | 5% | 9% | 8% |
| **UP Brands** | 121,946 | 116,882 | 5,064 | 4% | 81% | 75% |
| Licensed brands (Russell Hobbs) | 14,376 | 12,059 | 2,317 | 19% | 10% | 8% |
| Third -party clearance & own label | 13,813 | 26,556 | (12,743) | -48% | 9% | 17% |
| **Total** | **150,135** | **155,497** | **(5,362)** | **-3%** | **100%** | **100%** |

80% of our revenue now comes from the brands we own, and around 60% comes from our two principal brands: Salter (our scales and kitchen brand) and Beldray (our laundry and floorcare brand). Between them, these two British heritage brands have over 400 years of history and incredible consumer recognition. Over the past year, we have refined the development of our brand portfolio in a more strategic manner. This includes focusing our brand product development on core categories, employing a more brand-led approach to design, and concentrating our efforts on building brand equity, which we use to drive sales volumes.

We are therefore encouraged by the 4% growth in sales of our UP brands to £121.9m. These brands remain a key differentiator and the driver of long-term value creation. Against this trend, Salter, our iconic scales and kitchen brand, declined by 8% (£4.4m). However, this was due to the air fryer effect (£4.8m), without which Salter would have seen flat sales. Although not a decline, we still view this performance as disappointing, as excluding scales (which have a higher market share in the UK), we believe that Salter continues to have room to grow across both the UK and International markets in its chosen products categories. Beldray, which benefitted from a significant rebrand in the year, saw sales grow 11% (£3.8m) to £38.0m. Meanwhile, George Wilkinson, a cookware brand used by discounters seeking a level of exclusivity, experienced significant growth in the year as we expanded sales with EU discounters.

Russell Hobbs-branded cookware remains popular in Germany and France, where the brand is currently better known than Salter or Beldray. Sales in the period increased as overstocking issues at German supermarkets eased.

Third-party close-out and own label sales declined 48% to £13.8m. As noted earlier, third-party close-out fell by £8.8m, whereas own label fell by £4.0m. Own label sales arise when retailers use our expertise to source products which are then sold under the retailer's own-brand label. These sales are non-core, as they do not build long-term relationships with customers or consumers, and fell £4.0m in the period as a European retailer moved some of its audio supply in-house.

**Product**

| | 2025 £'000 | 2024 £'000 | Change £'000 | Change % | 2025 % | 2024 % |
|---|---|---|---|---|---|---|
| Small Domestic Appliances | 58,981 | 58,119 | 862 | 1% | 39% | 37% |
| Housewares | 45,189 | 40,603 | 4,586 | 11% | 30% | 26% |
| Laundry | 18,703 | 18,630 | 73 | 0% | 12% | 12% |
| Audio | 12,786 | 15,160 | (2,374) | -16% | 9% | 10% |
| Third-party close-out | 5,869 | 14,619 | (8,750) | -60% | 4% | 9% |
| Others | 8,607 | 8,366 | 241 | 3% | 3% | 3% |
| **Total** | **150,135** | **155,497** | **(5,362)** | **-3%** | **100%** | **100%** |

Our passion is product. By sourcing appealing branded products at prices that resonate with both our customers and end consumers, we have successfully grown our top line over the past ten years. We maintain a diversified product portfolio across multiple brands and categories, ensuring we are not overly reliant on any single product type or consumer trend, though we do concentrate product development around key areas.

Each year, we develop and aim to bring to market around 600 new products. This refresh brings exciting innovations to consumers and allows us to reset margins where cost structures have changed. Product development is an investment in the future and we must maximise the return on that investment. One of the benefits of selling internationally and online is the extension of product life cycles, as product lines can be sold to new consumers through these different channels. This enables us to tighten our product development process, focusing on a refined number of higher-quality, more innovative products, supported by a better-branded and more focused marketing strategy.

It was encouraging to see a return to growth in our Small Domestic Appliances (SDA) category. Modest growth of £0.9m (1%) was achieved despite the anticipated impact of air fryer sales, which declined by £4.8m. Housewares also returned to growth, up 11%, reflecting a resurgence in cookware sales after several years of overstocking.

The Group's strategy remains focused on our core product areas rather than subscale categories. In line with this, the most significant percentage decline was in 'third-party close-out', which fell £8.8m due to fewer opportunities. In addition, Audio decreased by 16% where one of our European retail customers chose to in-source some of their own label equipment.

**Operating Margins**

Gross margin decreased to 23.2% (2024: 26.0%), primarily due to an overall increase in freight charge of £3.1m. This is the absolute increase in freight charge year-on-year and can be split into two components. First, freight rates were elevated over the course of CY2024, driven by global capacity constraints following the closure of the Red Sea to international shipping. These higher rates led to an additional £2.0m shipping cost for the Year. Second, the expected benefit of the normalisation of rates during the second half of the year was tempered by the sales mix. Third-party clearance sales occur when we buy stock that has already been landed in Europe by other suppliers, meaning these sales do not have a high freight component. Therefore, the higher sales mix towards our own goods from China (which grew by 11% in H2) caused the absolute level of freight to increase. Gross margin was also impacted by the change in sales mix. Although third-party close-out sales are poor quality of earnings for the long term due to their one-off nature, they tend to be at a higher gross margin. In addition, sales to larger retailers such as big supermarkets and discounters tend to be at lower margin because of higher unit volumes.

Administrative expenses remained steady at £22.3m (2024: £22.4m). People-related costs were down 1% to £15.6m, despite a 6.2% increase in average cost per employee. This reflects both the externally imposed inflationary effects of the National Living Wage increase and the rise in employer National Insurance contributions (£100k for the current year, with a full-year effect of £300k), as well as our own commitment to employee remuneration designed to attract and retain talent. This approach supports productivity within the business, enabling us to reduce headcount by 6% to an average FTE of 347 (2024: 368). Our continued investment in robotic process automation and AI helps to mitigate cost pressures but also increases our level of future operational leverage.

The combination of a 3.4% fall in revenues, the gross margin impact of an additional £3.1m of freight costs, and flat overheads has led to a 31% fall in adjusted EBITDA to £12.5m (2024: £18.0m), with our adjusted EBITDA margin slipping from 11.6% to 8.3%.

**Adjusted & statutory profit**

Depreciation and amortisation decreased marginally by 2% to £2.1m (2024: £2.2m). The finance charge increased by 20% to £1.7m (2024: £1.4m) as a result of higher average net debt across the year, which was £19.2m in 2025 compared with £13.7m in 2024. Around £0.2m of the charge relates to fixed debt-related costs and imputed interest charges on capitalised lease liabilities. As a result, adjusted profit before tax decreased 40% to £8.7m (2024: £14.5m). The tax charge for the year was 27.9% (FY24: 26.4%), higher than the UK statutory rate of 25% due to the higher rate of tax paid on our European foreign branches.

During the period the Group embarked on the replacement of its core ERP system. The current system is reaching end-of-life, limiting its efficiency and automation potential. Upgrading it will be a critical step in further enhancing our operational capabilities. We currently estimate that the costs of implementing this system change will be in the region of £2m and will be expensed in the period in which they occur. It is currently expected that the new system will launch during FY27. In the current period, we expended £640k in relation to the project (2024: £nil). These costs have been shown separately in the Income Statement to better reflect the performance of the underlying business.

**Earnings per share**

As a result of our ongoing share buyback scheme the number of shares in issue has decreased from 88,628,572 at 31 July 2024 to 86,330,132 at 31 July 2025, with the weighted average number of shares decreasing 2% to 87,478,678 (31 July 2024: 89,213,704).

| | **2025 £'000** | **EPS p** | **2024 £'000** | **EPS p** |
|---|---|---|---|---|
| Adjusted profit after tax / Adjusted EPS | **6,281** | **7.4** | **10,630** | **12.3** |
| Exceptional items | **(640)** | (0.8) | **-** | - |
| Share-based payment expense | (16) | (0.0) | (137) | (0.2) |
| Tax on adjusting items | 182 | 0.2 | 34 | 0.0 |
| Statutory profit after tax / Basic EPS | **5,807** | **6.8** | **10,527** | **12.2** |

As a result, adjusted profit after tax decreased 41% and adjusted earnings per share decreased by 40%. Statutory profit after tax decreased 45% and statutory earnings per share decreased by 44%.

**Financing and cash flow**

The Group generated £10.3m of cash from operating activities (2024: £18.5m), representing an operating cash conversion of 82%. During the year, we saw an increase in the level of investment in working capital of £2.4m. Overall, stock levels have fallen year-on-year. However, the level of stock that has been paid for has increased marginally.

| | 2025 £'000 | 2024 £'000 | Change £'000 | Change % |
|---|---|---|---|---|
| Sold Stock | 13,500 | 11,967 | 1,533 | 13% |
| Free Stock | 10,152 | 10,724 | (572) | -5% |
| Goods in Transit | 8,800 | 13,887 | (5,087) | -37% |
| **Total Stock** | 32,452 | 36,578 | (4,126) | -11% |

Goods-in-Transit reached a peak last year due to the closure of the Red Sea. In addition, the Group has seen an increase in the level of Sold Stock, which is stock that has been brought in on behalf of one of our larger customers who place orders 6-9 months ahead of delivery. Free Stock, which is stock that the Group brings into the country to sell direct to consumers and smaller retail customers, has remained stable.

As a result, at the year end the Group had a net bank debt/adjusted EBITDA ratio of 1.1x (2024: 0.6x), which represents net bank debt of £14.1m (2024: £10.4m). During the year, the Group sees significant movements in its working capital requirement due to the timings of customer orders. As such, a longer view can be helpful when considering the level of gearing within the business, with the 12-month rolling average ratio of net bank debt/adjusted EBITDA being 1.3x (2024: 0.7x).

| | 2025 £'000 | 2024 £'000 | Change £'000 | Change % |
|---|---|---|---|---|
| Cash | 4,063 | 4,733 | | |
| RCF/Overdraft | (6,367) | (4,791) | | |
| Invoice Discounting | (6,825) | (8,765) | | |
| Import Loans | (5,042) | (1,668) | | |
| Debt Issue Costs | 60 | 73 | | |
| **Net bank debt** | (14,111) | (10,418) | **(3,693)** | **-35%** |

**Capital Allocation Policy**

It is the Board's intention to maintain the net bank debt/adjusted EBITDA ratio at around 1.0x, with the debt being used to fund the Group's working capital. The Board believes that this level of leverage is an efficient use of the Group's balance sheet and allows for further returns of capital to shareholders. The Board also intends to continue investing in the business for growth while returning around 50% of post-tax profits to shareholders through dividends, and to supplement this with share buybacks pursuant to a policy of maintaining net bank debt at around 1.0x adjusted EBITDA ratio.

The Group returned £2.6m of cash to shareholders through the share buyback (2024: £1.1m). As we are currently above this level at 1.1x adjusted EBITDA, the buyback is currently paused.

In line with our policy, the Board is proposing a final dividend of 2.15p per share (FY24: 4.93p per share), resulting in a total dividend for the year of 3.7p per share (FY24: 7.38p per share). Subject to shareholder approval at the AGM on 12 December 2025, the final dividend will be paid on 30 January 2026 to shareholders on the register at the close of business on 5 January 2026 (ex-dividend date 2 January 2026).

**Consolidated Income Statement**
For the year ended 31 July 2025

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| **Revenue** | **150,135** | 155,497 |
| Cost of sales | **(115,288)** | (115,043) |
| **Gross profit** | **34,847** | 40,454 |
| Adjusted earnings before interest, tax, depreciation, amortisation, share-based payments & non-recurring items ('Adjusted EBITDA') | **12,505** | 18,022 |
| Depreciation and loss on disposal of fixed assets | **(2,104)** | (2,169) |
| Amortisation of intangibles | **(45)** | (22) |
| Share-based payment expense | **(16)** | (137) |
| ERP implementation costs | **(640)** | - |
| Total administrative expenses | **(25,147)** | (24,760) |
| **Operating profit** | **9,700** | 15,694 |
| Finance expense | **(1,651)** | (1,381) |
| **Profit before tax** | **8,049** | 14,313 |
| Tax expense | **(2,242)** | (3,786) |
| **Profit for the year attributable to equity holders of the Company** | **5,807** | 10,527 |
| All amounts relate to continuing operations | | |
| **Earnings per share** | | |
| Basic | **6.8** | 12.2 |
| Diluted | **6.7** | 12.0 |

**Consolidated Statement of Comprehensive Income**
For the year ended 31 July 2025

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| **Profit for the year** | **5,807** | 10,527 |
| Items that may subsequently be reclassified to the income statement | | |
| Fair value movements on cash flow hedging instruments | **(1,910)** | (1,108) |
| Hedging instruments recycled through the income statement at the end of hedging relationships | **564** | 1,605 |
| Deferred tax relating to cashflow hedges | **335** | (123) |
| Items that will not subsequently be reclassified to the income statement | | |
| Foreign currency translation | **-** | - |
| **Other comprehensive (loss)/income** | **(1,011)** | 374 |
| **Total comprehensive income for the year attributable to the equity holders of the Company** | **4,796** | 10,901 |

**Consolidated Statement of Financial Position**
At 31 July 2025

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| **Assets** | | |
| Intangible assets | **37,072** | 36,981 |
| Property, plant and equipment | **5,800** | 7,574 |
| **Total non-current assets** | **42,872** | 44,555 |
| Inventories | **32,452** | 36,578 |
| Trade and other receivables | **26,779** | 29,710 |
| Derivative financial instruments | **47** | 667 |
| Current tax | **20** | - |
| Cash and cash equivalents | **4,063** | 4,733 |
| **Total current assets** | **63,361** | 71,688 |
| **Total assets** | **106,233** | 116,243 |
| **Liabilities** | | |
| Trade and other payables | **(29,735)** | (39,084) |
| Derivative financial instruments | **(1,828)** | (996) |
| Current tax | **-** | (105) |

| | | |
|---|---|---|
| Borrowings | **(18,174)** | (15,151) |
| Lease liabilities | **(821)** | (811) |
| **Total current liabilities** | **(50,558)** | (56,147) |
| **Net current assets** | **12,803** | 15,541 |
| | | |
| Deferred tax | **(6,678)** | (6,898) |
| Lease liabilities | **(2,601)** | (3,436) |
| **Total non-current liabilities** | **(9,279)** | (10,334) |
| **Total liabilities** | **(59,837)** | (66,481) |
| **Net assets** | **46,396** | 49,762 |
| | | |
| **Equity** | | |
| Share capital | **216** | 221 |
| Share premium | **14,334** | 14,334 |
| Capital redemption reserve | **7** | 2 |
| Employee Benefit Trust reserve | **(2,071)** | (1,946) |
| Share-based payment reserve | **1,376** | 1,431 |
| Hedging reserve | **(1,297)** | (286) |
| Retained earnings | **33,831** | 36,006 |
| **Equity attributable to owners of the Group** | **46,396** | 49,762 |

**Consolidated Statement of Changes in Equity**
For the year ended 31 July

| | **Share capital £'000** | **Capital redemption reserve £'000** | **Share premium £'000** | **EBT reserve £'000** | **Share-based payment reserve £'000** | **Hedging reserve £'000** | **Retained earnings £'000** | **Total Equity £'000** |
|---|---|---|---|---|---|---|---|---|
| **As at 1 August 2023** | 223 | - | 14,334 | (1,989) | 1,817 | (660) | 32,414 | 46,139 |
| Profit for the year | - | - | - | - | - | - | 10,527 | 10,527 |
| Foreign currency retranslation | - | - | - | - | - | - | - | - |
| Cash flow hedging movement | - | - | - | - | - | 497 | - | 497 |
| Deferred tax movement | - | - | - | - | - | (123) | - | (123) |
| Total comprehensive income for the year | - | - | - | - | - | 374 | 10,527 | 10,901 |
| Transactions with shareholders: | | | | | | | | |
| Dividends payable | - | - | - | - | - | - | (6,411) | (6,411) |
| Share-based payments charge | - | - | - | - | 137 | - | - | 137 |
| Deferred tax on share-based payments | - | - | - | - | - | - | 140 | 140 |
| Transfer of reserve on exercise of share award | - | - | - | - | (523) | - | 523 | - |
| Transfer of shares by the EBT to employees on exercise of share award | - | - | - | 692 | - | - | (187) | 505 |
| Purchase of own shares by the EBT | - | - | - | (649) | - | - | - | (649) |
| Share buy-back | (2) | 2 | - | - | - | - | (1,000) | (1,000) |
| **As at 31 July 2024** | **221** | **2** | **14,334** | **(1,946)** | **1,431** | **(286)** | **36,006** | **49,762** |
| | | | | | | | | |
| Profit for the year | - | - | - | - | - | - | 5,807 | 5,807 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Foreign currency retranslation | - | - | - | - | - | - | - | - |
| Cash flow hedging movement | - | - | - | - | - | (1,346) | - | (1,346) |
| Deferred tax movement | - | - | - | - | - | 335 | - | 335 |
| Total comprehensive income for the year | - | - | - | - | - | (1,011) | 5,807 | 4,796 |
| Transactions with shareholders: | | | | | | | | |
| Dividends payable | - | - | - | - | - | - | (5,513) | (5,513) |
| Share-based payments charge | - | - | - | - | 16 | - | - | 16 |
| Deferred tax on share-based payments | - | - | - | - | - | - | (87) | (87) |
| Transfer of reserve on exercise of share award | - | - | - | - | (71) | - | 71 | - |
| Transfer of shares by the EBT to employees on exercise of share award | - | - | - | 200 | - | - | (144) | 56 |
| Purchase of own shares by the EBT | - | - | - | (325) | - | - | - | (325) |
| Share buy-back | (5) | 5 | - | - | - | - | (2,309) | (2,309) |
| **As at 31 July 2025** | **216** | **7** | **14,334** | **(2,071)** | **1,376** | **(1,297)** | **33,831** | **46,396** |

**Consolidated Statement of Cash Flows**
For the year ended 31 July

| | **2025** | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| **Net cash flow from operating activities** | | |
| Profit for the year | **5,807** | 10,527 |
| Adjustments for: | | |
| Finance costs | **1,651** | 1,381 |
| Income tax expense | **2,242** | 3,786 |
| Depreciation | **2,101** | 2,165 |
| Amortisation | **45** | 22 |
| Loss on disposal of non-current assets | **3** | 4 |
| Derivative financial instruments | **118** | 190 |
| Share-based payments | **16** | 137 |
| **Working capital adjustments** | | |
| Decrease/(increase) in inventories | **4,126** | (8,507) |
| Decrease/(increase) in trade and other receivables | **2,931** | (207) |
| (Decrease)/increase in trade and other payables | **(9,398)** | 9,048 |
| **Net cash from operations** | **9,642** | 18,546 |
| Income taxes paid | **(2,341)** | (3,176) |
| **Cash generated from operations** | **7,301** | 15,370 |
| **Cash flows used in investing activities** | | |
| Purchase of intangible assets | **(136)** | - |
| Purchase of property, plant and equipment | **(330)** | (1,300) |
| **Net cash used in investing activities** | **(466)** | (1,300) |
| **Cash flows used in financing activities** | | |
| Purchase of own shares | **(269)** | (144) |
| Share buy-back | **(2,309)** | (1,000) |
| Proceeds from borrowings | **3,374** | 6,341 |
| Repayment of borrowings | **(364)** | (11,071) |
| Principal paid on lease obligations | **(822)** | (838) |
| Debt issue costs paid | **(74)** | (137) |
| Dividends paid | **(5,513)** | (6,411) |
| Interest paid | **(1,527)** | (1,186) |
| **Net cash used in finance activities** | **(7,504)** | (14,446) |

| | | |
|---|---|---|
| **Net decrease in cash and cash equivalents** | **(669)** | (376) |
| Exchange (losses)/gains on cash and cash equivalents | **(1)** | 23 |
| **Cash and cash equivalents brought forward** | **4,733** | 5,086 |
| **Cash and cash equivalents carried forward** | **4,063** | 4,733 |

**Reconciliation of cash flow to the Group net debt position**

| | Overdraft £'000 | Term Loan £'000 | RCF £'000 | Invoice discounting £'000 | Import loans £'000 | Loan Fees £'000 | Leases £'000 | Total liabilities from financing activities £'000 | Cash £'000 | Net debt £'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **At 1 August 2023** | (5,004) | (6,000) | - | (8,950) | - | 73 | (5,098) | (24,979) | 5,086 | (19,893) |
| Financing cash flows | 213 | 6,000 | - | 185 | (1,668) | 137 | 838 | 5,705 | - | 5,705 |
| Other cash flows | - | - | - | - | - | - | - | - | (376) | (376) |
| Other changes | - | - | - | - | - | (137) | 13 | (124) | 23 | (101) |
| **At 31 July 2024** | **(4,791)** | **-** | **-** | **(8,765)** | **(1,668)** | **73** | **(4,247)** | **(19,398)** | **4,733** | **(14,665)** |
| Financing cash flows | 3,424 | | (5,000) | 1,940 | (3,374) | 74 | 822 | (2,114) | - | (2,114) |
| Other cash flows | - | - | - | - | - | - | - | - | (669) | (669) |
| Other changes | - | - | - | - | - | (87) | 3 | (84) | (1) | (85) |
| **At 31 July 2025** | **(1,367)** | **-** | **(5,000)** | **(6,825)** | **(5,042)** | **60** | **(3,422)** | **(21,596)** | **4,063** | **(17,533)** |

**Notes to the Financial Statements**

**1. General information**

Ultimate Products plc (`the Company') and its subsidiaries (together the 'Group') is a supplier of branded, value-for-money household products to global markets. The Company is a public limited company, which is listed on the London Stock Exchange and incorporated and domiciled in England and Wales. The address of its registered office is Ultimate Products plc, Manor Mill, Victoria Street, Chadderton, Oldham OL9 0DD.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 July 2025 or 2024 but is derived from those accounts. Statutory accounts for Ultimate Products plc for the year ended 31 July 2024 have been delivered to the Registrar of Companies and those for the year ended 31 July 2025 will be delivered following the Company's annual general meeting. The auditors have reported on those accounts; their reports were unqualified and did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their reports. Their reports for the year ended 31 July 2025 and 31 July 2024 did not contain statements under s498 (2) or (3) of the Companies Act 2006.

**2. Basis of preparation**

The Financial Statements have been prepared in accordance with UK adopted international financial reporting standards. The consolidated Group Financial Statements and Company Financial Statements are presented in Sterling and rounded to the nearest thousand unless otherwise indicated. The Financial Statements are prepared on the historical cost basis, except for certain financial instruments and share-based payments that have been measured at fair value. The Directors have taken advantage of the exemption available under Section 408 of the Companies Act 2006 and have not presented an income statement or a statement of comprehensive income for the Company alone.

**Going Concern**

The Directors have adopted the going concern basis in preparing these accounts after assessing the principal risks and having considered the impact of severe but plausible downside scenarios, including pandemic type restrictions, supply chain issues and demand led falls in revenue due to inflation and rises in interest rates. The Directors have considered a number of impacts on sales, profits and cash flows, taking into account experiences learnt from previous business interruptions. The Directors have considered the resilience of the Group in severe but plausible scenarios, taking account of its current position and prospects, the principal risks facing the business, how these are managed and the impact that they would have on the forecast financial position. In assessing whether the Group could withstand such negative impacts, the Board has considered cash flow, impact on debt covenants and headroom against its current borrowing facilities. At the year end the Group had a net bank debt/adjusted EBITDA ratio of 1.1x (FY24: 0.6x), which represents net bank debt of £14.1m (FY24: £10.4m). The Group maintains comfortable levels of headroom within its bank facilities, with headroom at 31 July 2025 of £11.8m (FY24: £16.4m). The Group's banking facilities comprise a revolving credit facility of £5.0m (FY24: £8.2m), an import loan facility of £12.0m (FY24: £12.0m), and an invoice discounting facility with a total limit of £25.0m (FY24: £23.5m).

The Group's projections show that the Group will be able to operate within its existing banking facilities and covenants. Therefore, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of these Financial Statements and, as a result, they have applied the going concern principle in preparing its consolidated and Company Financial Statements.

**Non-recurring item - ERP implementation cost**

Operating profit is stated after costs of £640,000 (2024: £Nil) in relation to the commencement of a project to replace the Group's Enterprise Resource Planning ('ERP') application with a new cloud-based system, a two-year programme expected to go live in 2027. These costs have been shown separately in the Income Statement in order to better reflect the performance of the underlying business.

**3. Revenue**

| **Geographical split by location:** | **2025 £'000** | 2024 £'000 |
|---|---|---|
| United Kingdom | **94,174** | 101,152 |
| Europe | **53,804** | 52,990 |
| Rest of the World | **2,157** | 1,355 |
| **Total** | **150,135** | 155,497 |
| **International sales** | **55,961** | 54,345 |
| **Percentage of total revenue** | **37%** | 35% |

| **Analysis of revenue by brand:** | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Salter | **52,004** | 56,354 |
| Beldray | **37,979** | 34,184 |
| George Wilkinson | **7,193** | 1,536 |
| Progress | **5,004** | 5,871 |
| Petra | **3,131** | 2,576 |
| Kleeneze | **2,766** | 3,188 |
| Other proprietorial brands | **13,869** | 13,173 |
| **UP brands** | **121,946** | 116,882 |
| Licensed brands (Russell Hobbs) | **14,376** | 12,059 |
| Third-party clearance and own label | **13,813** | 26,556 |
| **Total** | **150,135** | 155,497 |

| **Analysis of revenue by product:** | **2025 £'000** | 2024 £'000 |
|---|---|---|

| | | |
|---|---|---|
| Small domestic appliances | **58,981** | 58,119 |
| Housewares | **45,189** | 40,603 |
| Laundry | **18,703** | 18,630 |
| Audio | **12,786** | 15,160 |
| Clearance | **5,869** | 14,619 |
| Heating and cooling | **3,611** | 3,028 |
| Others | **4,996** | 5,338 |
| **Total** | **150,135** | 155,497 |

| **Analysis of revenue by sales channel:** | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Supermarkets | **47,050** | 45,409 |
| Discount retailers | **43,368** | 44,994 |
| Online channels | **32,715** | 33,974 |
| Other | **27,002** | 31,120 |
| **Total** | **150,135** | 155,497 |

**4. Finance costs**

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Interest on bank loans and overdrafts | **1,502** | 1,138 |
| Interest on lease liabilities | **200** | 242 |
| Foreign exchange in respect of lease liabilities (net of hedging actions) | **(8)** | 13 |
| Other interest payable and similar charges | **(43)** | (12) |
| **Total finance cost** | **1,651** | 1,381 |

**5. Taxation**

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Current period - UK corporation tax | **1,859** | 3,031 |
| Adjustments in respect of prior periods | **69** | 243 |
| Foreign current tax expense | **286** | 394 |
| **Total current tax** | **2,214** | 3,668 |
| | | |
| Origination and reversal of temporary differences | **(16)** | 226 |
| Adjustments in respect of prior periods | **44** | (108) |
| **Total deferred tax** | **28** | 118 |
| **Total tax charge** | **2,242** | 3,786 |

**Factors affecting the tax charge**

The tax assessed for the current and previous period is higher than the standard rate of corporation tax in the UK. The tax charge for the year can be reconciled to the profit per the income statement as follows:

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| **Profit before tax** | **8,049** | 14,313 |
| Tax charge at 25% | **2,012** | 3,578 |
| *Adjustments relating to underlying items:* | | |
| Adjustment to tax charge in respect of prior periods | **113** | 135 |
| Effects of expenses not deductible for tax purposes | **63** | 53 |
| Impact of overseas tax rates | **54** | 20 |
| *Adjustments relating to non-underlying items:* | | |
| Effects of expenses not deductible for tax purposes | **4** | 34 |
| Differences arising on tax treatment of shares | **(4)** | (34) |
| **Total tax expense** | **2,242** | 3,786 |

Corporation tax is calculated at 25% (2024: 25%) of the estimated assessable profit for the year, being the average effective tax rate in the year. Deferred tax balances at the year-end have been measured at 25%.

**6. Earnings per share**

Basic earnings per share is calculated by dividing the net income for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share amounts are calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year, adjusted for the effects of potentially dilutive options. The dilutive effect is calculated on the full exercise of all potentially dilutive ordinary share options granted by the Group, including performance-based options which the Group considers to have been earned. The calculations of earnings per share are based upon the following:

| | 2025 | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Profit for the year | **5,807** | 10,527 |
| | **Number** | Number |
| Weighted average number of shares in issue | 87,478,678 | 89,213,704 |
| Less shares held by the UPGS EBT | (2,497,631) | (2,657,123) |
| Weighted average number of shares - basic | 84,981,047 | 86,556,581 |
| Share options | 1,393,056 | 974,498 |
| Weighted average number of shares - diluted | 86,374,103 | 87,531,079 |

| | **Pence** | Pence |
|---|---|---|
| Earnings per share - basic | **6.8** | 12.2 |
| Earnings per share - diluted | **6.7** | 12.0 |

**7. Dividends**

| | 2025 | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Final dividend paid in respect of the previous year | **4,208** | 4,289 |
| Interim declared and paid | **1,305** | 2,122 |
| | **5,513** | 6,411 |

| **Per share** | **Pence** | Pence |
|---|---|---|
| Final dividend paid in respect of the previous year | **4.93** | 4.95 |
| Interim declared and paid | **1.55** | 2.45 |
| | **6.48** | 7.40 |

The Directors propose a final dividend of 2.15p per share in respect of the year ended 31 July 2025.

**8. Bank borrowings**

| | 2025 | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Overdrafts | **1,367** | 4,791 |
| Revolving credit facility | **5,000** | - |
| Invoice discounting | **6,825** | 8,765 |
| Import loans | **5,042** | 1,668 |
| Unamortised debt issue costs | **(60)** | (73) |
| **Current** | **18,174** | 15,151 |
| **Total bank borrowings** | **18,174** | 15,151 |
| Cash | **(4,063)** | (4,733) |
| **Net bank borrowings** | **14,111** | 10,418 |

| | 2025 | 2024 |
|---|---|---|
| **Contractual undiscounted maturities:** | **£'000** | £'000 |
| In less than one year | **14,171** | 15,224 |
| Between one and two years | **-** | - |
| Between three and four years | **-** | - |
| Less: Unamortised debt issue costs | **(60)** | (73) |
| **Total borrowings** | **14,111** | 15,151 |

Current bank borrowings include a gross amount of £6.8m (2024: £8.8m) due under invoice discounting facilities, which are secured by an assignment of and fixed charge over the trade debtors of Ultimate Products UK Limited. Furthermore, current bank borrowings include an amount of £5.0m (2024: £1.7m) due under an import loan facility, which is secured by a general letter of pledge providing security over the stock purchases financed under that facility. Bank borrowings are secured in total by a fixed and floating charge over the assets of the Group. Total bank borrowings are net of £60,000 (2024: £73,000) of fees which are being amortised over the length of the relevant facilities. Interest on bank borrowings is payable at a margin ranging between 1.65% and 2.25% above the relevant bank reference rates. As the liabilities are at a floating rate and there has been no change in the creditworthiness of either of the counterparties, the Directors are of the view that the carrying amount approximates to the fair value.

**9. Financial instruments**

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

| | **2025** | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Trade receivables - held at amortised cost | **25,779** | 28,507 |
| Derivative financial instruments - carried at FVTOCI | **-** | 576 |
| Derivative financial instruments - carried at FVTPL | **47** | 91 |
| Trade and other payables | **(27,666)** | (36,091) |
| Derivative financial instruments - carried at FVTOCI | **(1,729)** | (966) |
| Derivative financial instruments - carried at FVTPL | **(99)** | (30) |
| Borrowings - held at amortised cost | **(18,174)** | (15,151) |
| Lease liabilities - held at amortised cost | **(3,422)** | (4,247) |
| Cash and cash equivalents - held at amortised cost | **4,063** | 4,733 |

**Financial assets**

The Group held the following financial assets at amortised cost:

| | **2025** | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Cash and cash equivalents - held at amortised cost | **4,063** | 4,733 |
| Trade receivables - held at amortised cost | **25,779** | 28,507 |
| | **29,842** | 33,240 |

**Financial liabilities**

The Group held the following financial liabilities, classified as other financial liabilities at amortised cost:

| | **2025** | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Trade payables | **(22,529)** | 30,363 |
| Borrowings | **(18,174)** | 15,151 |
| Other payables | **(5,137)** | 5,728 |
| Lease liabilities | **(3,422)** | 4,247 |
| | **(49,262)** | 55,489 |

**Derivative financial instruments**

The Group held the following derivative financial instruments as financial assets/(liabilities), classified as fair value through profit and loss on initial recognition:

| | **2025** | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Derivative financial instruments - assets | **47** | 667 |
| Derivative financial instruments - liabilities | **(1,828)** | (996) |
| | **(1,781)** | (329) |

The above items comprise the following under the Group's hedging instruments:

| | **2025** | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Foreign currency contracts | **(1,828)** | (544) |
| Interest rate swaps | **-** | 111 |
| Interest rate caps | **47** | 104 |
| | **(1,781)** | (329) |

**Forward contracts**

The Group mitigates the exchange rate risk for certain foreign currency trade debtors and creditors by entering into forward currency contracts. At 31 July 2025, the Group was committed to:

| | **2025** | | 2024 | |
|---|---|---|---|---|
| | **Buy** | **Sell** | **Buy** | Sell |
| USD$'000 | **59,400** | **-** | 59,000 | - |
| €'000 | **-** | **36,500** | - | 34,000 |
| CAD$'000 | **-** | **-** | - | - |
| PLN'000 | **-** | **1,400** | - | - |

| | | | | |
|---|---|---|---|---|
| CNY'000 | **2,592** | **-** | 4,483 | - |

At 31 July 2025 and 2024, all the outstanding USD, EUR, PLN and CAD contracts mature within 12 months of the period end. The CNY contracts, which are held as a partial hedge on a lease commitment, mature by August 2026. The forward currency contracts are measured at fair value using the relevant exchange rates for GBP:USD, GBP:EUR, GBP:CAD, GBP:PLN and GBP:CNY.

Forward currency contracts are valued using level 2 inputs. The valuations are calculated using the period end forward rates for the relevant currencies, which are observable quoted values at the period end dates. Valuations are determined using the hypothetical derivative method, which values the contracts based upon the changes in the future cash flows, based upon the change in value of the underlying derivative. All of the forward contracts to buy US Dollars and some of those to sell Euros meet the conditions for hedge accounting. The fair value of forward contracts that are effective in offsetting the exchange rate risk is a liability of £1,728,000 (2024: liability of £564,000), which has been recognised in other comprehensive income. This will be released to profit or loss at the end of the term of the forward contracts as they expire, being £1,728,000 within 12 months (2024: £564,000 within 12 months). The cash flows in respect of the forward contracts will occur over the course of the next 12 months.

**Interest rate swaps and interest rate caps**

The Group has entered into interest rate swaps and interest rate caps to protect the exposure to interest rate movements on the various elements of the Group's banking facility. As at 31 July 2025, protection was in place over an aggregate principal of £13.2m (2024: £8.9m).

At 31 July 2025, the Group had net bank borrowings of £0.9m (2024: £1.5m) not subject to interest rate protection. All interest rate swaps meet the conditions for hedge accounting.

Interest rate swaps and caps are valued using level 2 inputs. The valuations are based upon the notional value of the swaps and caps, the current available market borrowing rate and the swapped or capped interest rate respectively. The valuations are based upon the current valuation of the present saving or cost of the future cash flow differences, based upon the difference between the respective swapped and capped interest rates contracts and the expected interest rate as per the lending agreement.

The fair value of variable to fixed interest rate swaps that are effective in offsetting the variable interest rate risk on variable rate debt is £Nil (2024: £111,000 asset).

The fair value of the interest rate caps that are effective in offsetting the variable interest rate risk on variable rate debt is an asset of £Nil (2024: £64,000 asset), which has been recognised in other comprehensive income and will be released to profit or loss over the term of the cap agreements. The agreements expire between 2 August 2027 and 1 March 2028. The cash flows in respect of the swaps occur monthly over the effective lifetime of the swaps.

**Reconciliation of the financial instruments to the Statement of Financial Position**

| | **2025** | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Trade receivables | **25,779** | 28,507 |
| Prepayments and other receivables not classified as financial instruments | **1,000** | 1,203 |
| **Trade and other receivables** | **26,779** | 29,710 |

| | **2025** | 2024 |
|---|---|---|
| | **£'000** | £'000 |
| Trade and other payables | **27,666** | 36,091 |
| Other taxes and social security not classified as financial instruments | **2,069** | 2,993 |
| **Trade and other payables** | **29,735** | 39,084 |

The Group's activities expose it to certain financial risks: market risk, credit risk and liquidity risk. The overall risk management programme focuses upon the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Directors, who identify and evaluate financial risks in close cooperation with key members of staff.

a. Market risk: Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.
b. Credit risk: Credit risk is the financial loss to the Group if a customer or counterparty to financial instruments fails to meet its contractual obligation. Credit risk arises from the Group's cash and cash equivalents and receivables balances. Accordingly, the possibility of material loss arising in the event of non-performance by

counterparties is considered to be unlikely. Cash at bank is held with banks with high-quality external credit rating.

c. Liquidity risk: Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. This risk relates to the Group's prudent liquidity risk management and implies maintaining sufficient cash. The Directors monitor rolling forecasts of the Group's liquidity and cash and cash equivalents based upon expected cash flow.

**Market risk**

The Group's interest-bearing liabilities relate to its variable rate banking facilities. The Group has a policy of maintaining a portion of its banking facilities under the protection of interest rate swaps and caps to ensure the certainty of future interest cash flows and offering protection against market-driven interest rate movements. The Group's market risk relating to foreign currency exchange rates is commented on below.

**Credit risk**

The Group's sales are primarily made with credit terms, exposing the Group to the risk of non-payment by customers. The Group has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed regularly by the Board. In addition, the Group maintains a suitable level of credit insurance against its debtor book. Over the course of FY25, on average, over 98% of its trade receivables were insured. Sales to uninsured accounts are monitored closely with weekly forecasts prepared and reviewed with appropriate actions to manage the exposure to credit risk.

**Liquidity risk management**

The Group is funded by external banking facilities provided by HSBC. Within these facilities, the Group actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the Group has sufficient available funds for operations and planned expansions. Cash flow requirements are monitored by short and long-term forecasts, with headroom against facility limits and banking covenants assessed regularly.

**Foreign currency risk management**

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates. The Group's exposure to foreign currency risk is partially hedged by virtue of invoicing a proportion of its turnover in US Dollars and Euros. When necessary, the Group uses foreign exchange forward contracts to further mitigate this exposure. The following is a note of the financial instruments denominated at each period end in US Dollars:

| | **2025** | 2024 |
|---|---|---|
| | **$'000** | $'000 |
| Trade receivables | **8,748** | 9,184 |
| Other receivables | **-** | 85 |
| Net cash and overdrafts | **7,469** | 5,404 |
| Import loans | **(6,673)** | (2,142) |
| Invoice discounting | **-** | 2,177 |
| Trade payables | **(25,684)** | (33,425) |
| | **(16,140)** | (18,717) |

The effect of a 20% strengthening of Sterling at 31 July 2025 on the foreign denominated financial instruments carried at that date would, all variables held constant, have resulted in an increase to total comprehensive income for the period and an increase to net assets of £1.5m (2024: £1.8m). A 20% weakening of the exchange rate, on the same basis, would have resulted in a decrease to total comprehensive income and a decrease to net assets of £2.3m (2024: £2.7m).

The following is a note of the financial instruments denominated at each period end in Euros:

| | **2025** | 2024 |
|---|---|---|
| | **€'000** | €'000 |
| Trade receivables | **11,039** | 12,566 |
| Other receivables | **-** | 22 |
| Net cash and overdrafts | **(1,454)** | (927) |
| Invoice discounting | **(8,786)** | (9,104) |
| Trade payables | **(1,096)** | (1,383) |
| Lease liabilities | **(165)** | (368) |
| | **(462)** | 806 |

The effect of a 20% strengthening of Sterling at 31 July 2025 on the foreign denominated financial instruments carried at that date would, all variables held constant, have resulted in an increase to total comprehensive income for the period and an increase to net assets of £0.1m (2024: £0.1m decrease to net assets). A 20% weakening of the exchange rate, on the same basis, would have resulted in a decrease to total comprehensive income and a decrease to net assets of £0.1m (2024: £0.1m increase to net assets).

The Directors have shown a sensitivity movement of 20% as, due to the current uncertainty given the current economic climate, this is deemed to be the largest potential movement in currency that could occur in the near future. Financial instruments denominated in Canadian Dollars and Polish Zloty are not significant and therefore do not pose a significant foreign exchange exposure.

**Interest rate risk management**

Interest rate risk is the risk of increased costs arising from movements in interest rates impacting the Group's liabilities. Interest on financial instruments is classified as fixed rate if interest resets on the instruments are less frequent than once every 12 months. Interest on financial instruments is classified as variable rate if interest resets on the instruments occur every 12 months or more frequently.

All of the Group's bank borrowings are variable rate. The Group is exposed to cash flow interest rate risk on its bank overdrafts, revolving credit facility, invoice discounting and import loans to the extent that they are used. The Group has interest rate caps to mitigate the exposure of interest rate movements as described above. The Group's interest-bearing financial assets and liabilities at the balance sheet date were as follows:

| | **2025** | | | 2024 | | |
|---|---|---|---|---|---|---|
| | **Fixed** | **Variable** | **Total** | **Fixed** | Variable | Total |
| | **£'000** | **£'000** | **£'000** | **£'000** | £'000 | £'000 |
| Cash and cash equivalents | **-** | **4,063** | **4,063** | - | 4,733 | 4,733 |
| Bank borrowings | **-** | **(18,234)** | **(18,234)** | - | (15,224) | (15,224) |
| | **-** | **(14,171)** | **(14,171)** | - | (10,491) | (10,491) |

The Group considers that a 100 basis points movement in interest rates is a reasonable measure of volatility. The effect on profit before tax of a 100 basis points increase in interest rates on the variable rate balances as at 31 July 2025 would be a reduction of £83,000 (31 July 2024: £65,000 reduction). The effect on profit before tax of a 100 basis points decrease in interest rates on the variable rate balances as at 31 July 2025 would be an increase of £163,000 (31 July 2024: £101,000 increase).

**Capital risk management**

The Group is funded by equity and loans. The Group's objective when managing capital is to maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term. The capital structure of the Group is managed and adjusted to reflect changes in economic conditions. The Group funds its expenditure on commitments from existing cash and cash equivalent balances, primarily received from existing bank facilities and profits generated. There are no externally imposed capital requirements. Financing decisions are made based upon forecasts of the expected timing and level of capital and operating expenditure required to meet the Group's commitments and development plans.

**Fair value estimation**

The carrying value less impairment provision of trade receivables and payables are assumed to approximate to their fair values because of the short-term nature of such assets and the effect of discounting liabilities is negligible. The Group is exposed to the risks that arise from its financial instruments. The policies for managing those risks and the methods to measure them are described earlier in this note.

**Maturity of financial assets and liabilities**

All of the Group's non-derivative financial liabilities and its financial assets at the reporting date are either payable or receivable within one year, except for borrowings.

**10. Share capital & reserves**

| **Allotted, called up and fully paid** | **2025 £'000** | 2024 £'000 | **2025 No. of shares** | 2024 No. of shares |
|---|---|---|---|---|
| At 1 August | **221** | 223 | **88,628,572** | 89,312,457 |
| Share buy-backs | **(5)** | (2) | **(2,298,440)** | (683,885) |
| At 31 July | **216** | 221 | **86,330,132** | 88,628,572 |

The 0.25p Ordinary Shares carry rights to dividends and other distributions from the Company, as well as carrying voting rights.

Following approval at the General Meeting on 2 May 2024, the Company commenced a share buy-back programme. During the year, the Company purchased 2,298,440 Ordinary Shares of 0.25p each (2024: 683,885 Ordinary Shares of 0.25p each) at a total cost of £2.3m (2024: £1.0m), including costs of £23,000 (2024: £10,000). The average price paid for these repurchased shares was 99 pence per share (2024: 145 pence per share). The repurchased shares were cancelled during the year.

**11. Annual Report and Accounts**

The annual report and accounts for the year ended 31 July 2025 will be posted to shareholders in the week commencing 10 November 2025 and will be available immediately thereafter on the Company's website at https://www.upplc.com/investor-relations/financial-reports/

**12. Annual General Meeting**

The Annual General Meeting of Ultimate Products Plc will be held on 12 December 2025 at the Company's registered office at Manor Mill, Victoria Street, Chadderton, Oldham, OL9 0DD, notice of which will be sent to shareholders with

the annual report and accounts in the week commencing 10 November 2025.

**13. Publication on website**

A copy of this announcement and an investor presentation of these results are available on the Company's website at https://www.upplc.com/investor-relations/.

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