

UP Global Sourcing Holdings PLC

11:15 11 Feb 2019

Ultimate Products revenues rise by a third as international sales grow

UP Global Sourcing Holdings PLC's (LON:UPGS) saw its shares jump on Monday as the household brands group said its revenues have rebounded as international sales have picked up.

Sales rose by 36 % or £17.4m to £65.8mln in the half year to January, helped by the unwinding of a timing issue with one customer and the Chinese New Year coming earlier.

READ: UP Global Sourcing on the up as it raises expectations
Stripping those out, revenues rose by 21% with the share from international doubling to 40% of the total.

The group recently opened a showroom in Germany to diversify its 'squeezed middle' core of customers in Britain.

Ultimate Products as the group used to be known said it is assessing the implications of a no-deal Brexit and especially a slide in the pound, but otherwise underlying profits [EBITDA] are on course to beat market forecasts.

In late morning trading, shares in UP Global were 13.8% higher at 66p.

Broker ups forecasts

In a note to clients, analysts at 'house' broker Shore Capital pointed out that the firm issued "a strong trading update, ... confirming the momentum reported in its surprise post-Christmas update (7th January) has continued."

They added: "With EBITDA guided to be 'above' current market expectation, we are again raising our EBITDA forecast by 10% to £8.6m, which takes CPTP to £7.2m and EPS to 6.9p, an 11% EPS upgrade on recently raised expectations."

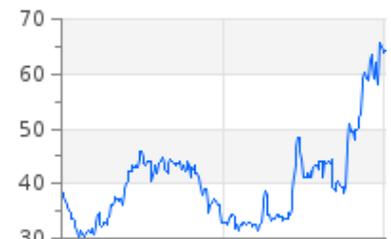
The analysts concluded: "With very strong trading momentum, a broadening customer base and an attractive multi-pillared growth strategy a July FY2019 PER of 8.4x, falling to 8.0x appears very undemanding."

-- Adds share price, broker comment --

Price: 62.7p

Market Cap: £51.52M

1 Year Share Price Graph



February 2018 August 2018 February 2019

Share Information

Code: UPGS

Listing:

52 week	High	Low
	67.60p	29.60p

Sector: Specialty Retailers

Website: www.upgs.com

Company Synopsis:

Ultimate Products are a leading brand and product development house in the UK, with major sourcing and general merchandising functions based in the Far East. The company have large European design and development offices in the UK and offices in both Hong Kong and Guangzhou.

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

Proactive Investors is a publisher and is not registered with or authorised by the Financial Conduct Authority (FCA). You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.