

20 April 2021

IG Design Group plc
("Design Group", the "Company" or the "Group")

Post Close Trading Update

Continued strength in the final quarter delivers full year performance in line with expectations

IG Design Group plc, one of the world's leading designers, innovators and manufacturers of celebrations, craft, gifting, stationery and creative play products, today issues a post close trading update for the financial year ended 31 March 2021.

Post close trading update

The Group finished the financial year with reported revenues up 40% year on year at over \$870 million (FY20: \$624 million), driven by a full year of trading from CSS Industries Inc. ('CSS') following the completion of the acquisition on 3 March 2020. These results reflect strong growth in the Americas as a result of the CSS acquisition, and a much better than expected performance in International, particularly in Australia and Europe. Despite the impact of Covid-19, like for like revenues of the Group (excluding CSS) for the financial year were down only c.5% (proforma CSS revenues year on year were only 1% down). Due to this strong sales performance, full year earnings are anticipated to be in line with current market expectations.

As at 31 March 2021 the Group had net cash of over \$76 million (FY20: \$52.4 million) following strong cash generation from across the Group. As a result, the Group expects to report average leverage for the year to 31 March 2021 close to zero, reflecting its effective cash management. The Company's banking facilities remain in excess of \$300 million. Total Adjusting items, which during the financial year primarily related to the one-time CSS integration costs, are anticipated to be significantly down year on year.

Overall, our customers continue to trade well and the high sell-through rates seen over the 2020 festive period provide a good basis to build a stronger orderbook for the new financial year. Everyday sales have also remained robust, particularly in the Craft & Creative Play categories in the US. Our enlarged e-commerce based activities are delivering an increasingly large sales contribution, and we plan to further develop this area in the new financial year. Product design and innovation continues to focus on commercial sustainable product lines. We've had great success with our recently developed Eco Nature™ brand which launched nationwide as an everyday range with the UK's largest retailer in March 2021.

Our manufacturing and sourcing operations have remained open for the final quarter of the year, maintaining their focus on working closely with our customers to maximise trading opportunities.

The integration of CSS continues to progress well and to deliver synergy savings ahead of schedule. In addition, the fully integrated management team's focus on its programme of priorities is developing further sales opportunities and cost savings ahead of original estimates.

The Company plans to pay a final dividend for the financial year in line with market expectations and will provide further details when it announces its full year results on 15 June 2021.

Outlook for FY2022 and beyond

Looking ahead, whilst the Group remains cautious about the ongoing impact of Covid-19 and its associated impact on raw material and freight pricing, we are extremely encouraged by the resilience of our diverse customer base and our broad product portfolio. Assuming the current progress in opening up the regional economies in which our businesses operate continues, the Board expects significant year on year growth in both revenues and earnings in FY2022, in line with current market expectations.

Non-Executive Director Resignation

Greg Hodder has resigned for personal family reasons as non-executive director of the Group, effective 30 April 2021. The Board has begun the search for a new Non-Executive Director to be appointed in due course.

For further information, please contact:

IG Design Group plc

Tel: 0152 588 7310

Paul Fineman, Chief Executive Officer
Giles Willits, Chief Financial Officer

Canaccord Genuity Limited (Nominated Adviser and Broker)

Tel: 0207 523 8000

Bobbie Hilliam, NOMAD
Alex Aylen, Sales

Alma PR

Tel: 0203 405 0205

Susie Hudson
Sam Modlin
Molly Gretton

About IG Design Group plc

IG Design Group plc, the largest consumer gift packaging business in the world, is a designer, innovator and manufacturer of products that help people celebrate life's special occasions. Design Group works with more than 11,000 customers in over 80 countries throughout the UK, Europe, Australia and the USA.

Its products are found in over 210,000 retail outlets, including several of the world's biggest retailers, for example Walmart, Target, Amazon, Costco, Lidl and Aldi. Its brand, Tom Smith, also holds the Royal Warrant for the supply of Christmas crackers and Christmas wrapping paper to the Royal family. Design Group is a diverse business operating across multiple regions, categories, seasons and brands.

Its five major product categories are: Celebrations, Gifting, Craft & creative play, Stationery and 'Not-for-resale' consumables. It offers customers a full end-to-end service from design through to distribution, offering both branded and bespoke products from the value-focused through to the higher-margin ends of the market.

The Company was admitted to the Alternative Investment Market of the London Stock Exchange in 1995 under the name 'International Greetings plc' and rebranded to IG Design Group plc in 2016. For further information please visit www.thedesigngroup.com.