

24 August 2021

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

Trading Update

Strong revenue growth but challenging cost headwinds

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 trading update for the four months ended 31 July 2021.

The Group has had a good start to the new financial year with like-for-like revenue for the period up 25% on the prior year and up 10% on proforma revenues (including CSS prior to ownership) for the four months to 31 July 2021. These results are driven by growth across both the Americas and International divisions reflecting the ongoing success of the Group's 'Working with the Winners' strategy.

The business is experiencing challenging cost headwinds, particularly in relation to sea freight, as well as regional operational disruption relating to the ongoing impact of Covid -19 restrictions on the logistics functions within the Company's global supply chain. Nevertheless, as a result of the strong sales momentum and work across the Group to mitigate the impact of the cost pressures earnings to date have been in line with expectations.

Looking forward the Group's orderbook for the year continues to be ahead of prior year, underpinning a full year sales outlook ahead of expectations, and as a result the full year forecast earnings remain in line with current market expectations, albeit with the ongoing issues associated with the current supply chain and Covid-19 related challenges.

At 31 July 2021 the Group had net debt of \$5 million (31st July 2020: net debt \$29 million) reflecting the strong cash generation in the prior year and ongoing robust cash management in the current year.

Paul Fineman, Group CEO, commented:

"Working with the world's winning retailers and e-tailers has helped deliver our double-digit revenue growth for the year to date and underpins our strong forward orderbook, as we navigate the ongoing impact of Covid-19 across our supply chain.

Furthermore, while we remain focussed on meeting customer requirements for the current year, we have confidence in our mid-term outlook and continue to implement initiatives that support the execution of our recently announced Growth Plan."

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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.