

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.*

## **Ultimate Sports Group PLC**

("USG" or the "Company" or the "Group")

### **Company Update**

Ultimate Sports Group PLC, the AIM listed investment vehicle, provides an update on recent developments at the Company.

As announced at the Interim Results to 30 June 2017, the development of the UltimatePlayer.me digital platform, designed to increase the participation of children in school sports, has seen a number of challenges. Although it has seen positive feedback from coaches, children and parents using the platform and a gradual increase in take up of users, the ultimate success of the product is dependent on a significant additional spend on marketing, advertising and promotion to secure its commercial viability.

In light of the challenge experienced to date in generating meaningful revenues from the UltimatePlayer.me digital platform and the general current market conditions, the Directors do not consider significant additional expenditure to be justified and accordingly in the near term, no further marketing spend will be deployed towards this part of the Company.

The Directors review on a regular basis the level of intangible assets as they relate to the capitalised software development costs of the Ultimate Player platform, which currently amounts to £520,792. Having taken the decision not to make additional investment into the Ultimate Player platform, the Directors believe it is appropriate that a full provision should be made against the capitalised costs in the financial statements for the year ended 31 December 2017.

The Company's principal subsidiary is Sport in Schools Limited ("SIS") and its turnover for the year ended 31 December 2017 is expected to be no less than £1,300,000 against £1,246,888 for the year ended 31 December 2016. SIS accounts for the majority of Group's turnover and is a profitable ongoing business despite margins coming under pressure in the second half of the year. SIS will continue to incorporate the UltimatePlayer.me programme in its offering.

As customary, the annual results for the year ended 31 December 2017 will be published on or before 30 June 2018.

As at 31 December 2017, the Company had net cash balances of approximately £130,000. In order to support the Company and its investments going forward, the Board has been actively seeking additional funding and it is expected that an announcement will be made shortly.

**\* \* ENDS \* \***

For further information, please visit [www.ultimatesportsgroup.me](http://www.ultimatesportsgroup.me) or contact:

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