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WOW! STUFF TARGETS US EXPANSION WITH HSBC FUNDING

Wow! Stuff Attacknids to take US by storm

Wolverhampton-based toy producer [Wow! Stuff](#) is targeting further international expansion after agreeing additional funding from HSBC's Midlands Commercial team. Wow! Stuff has secured [HSBC Global Markets](#) facilities totalling US\$4.45 million, alongside an extension in other lending facilities, to help drive sales and product development.

The company is targeting growth across a number of international markets, with a particular emphasis on the US. This market represents approximately 30% of current sales, but Wow! Stuff expects this to grow to 40% next year and 60% by 2015. Sales across Asia and Europe are also forecast to grow significantly in the next two years as more distribution partners and retailers stock and sell the company's toys.

In addition to supporting growth into overseas markets, Wow! Stuff is also making investments in tooling for new product designs ahead of its peak selling season. Wow! Stuff is a previous winner of HSBC's Business Thinking initiative and has used funding derived from the initiative to develop a new blockbuster toy called Attacknid. Billed by Hamleys as the number 1 boys' toy for Christmas 2012, Attacknid is the first in a range of battling robotics from Wow! Stuff's Combat Creatures brand. On sale in September, Attacknids are forecast to sell out by end of November based on current retailer and consumer pre-orders.

Wow! Stuff is behind blockbuster toys such as Air Swimmers and My Keepon, both of which were named in Hamley's 'Top toys for Christmas 2011' and the Toys R Us 'USA Fab 15' list for 2011. The company was founded by Richard North in 2006, together with scientists Kenny McAndrew and Dr. Graeme Taylor. In five years, it has developed sales at retail of more than £30m and a pipeline of innovative toys. Retail partners include Toys R Us, John Lewis, Harrods and Marks & Spencer, as well as online retailers play.com and firebox.com.

The deal has been led by Senior International Commercial Manager Adrian L'Enfant from HSBC's Birmingham Commercial team. The Global Markets facilities will enable Wow! Stuff to trade overseas and mitigate foreign exchange movement risks, whilst the company has also extended its invoice finance facility by £1 million to £5 million to help support growth. In addition to Global Markets facilities, HSBC is also providing bank accounts and other services in the US and Hong Kong, reflecting the bank's international capabilities.

Wow! Stuff founder and chief executive Richard North said: "Growth outside of the UK is our main objective. It spreads risk by having strong sales outside our domestic market and creates greater awareness of our new brands at an international level. The US is a growing market for us and this new facility is important to our development there as it allows us to hedge against interest rate movements and plan more effectively.

"We are extremely excited about the new products we are bringing to market. The launch Combat Creatures products are the most amazing cross generational battling robots the toy industry has ever seen. I appreciate this is quite a claim in an \$80 billion market, but the world's largest retailers of toys are in agreement that the technology the team at Wow! Stuff has developed is groundbreaking."

Adrian Gill, HSBC's Area Commercial Director for Birmingham, added: "Wow! Stuff is an ambitious company which is looking at new international markets to help propel its growth. Its products are stocked by leading retailers across the world and it is becoming a major player in the toy industry. We are pleased to be able to work with the company as it embarks on this important step."

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Notes to Editors:

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