

SAN DER SON

DESIGN GROUP

RESULTS FOR
THE YEAR ENDED
31 JANUARY 2026



AGENDA

HIGHLIGHTS

FINANCIALS

STRATEGY

OUTLOOK



AT A GLANCE

We are Sanderson Design Group PLC, an international luxury interior furnishings company that designs, manufactures, and markets wallpapers and fabrics together with strong licensing partnerships that produce a wide range of ancillary interior products. Design is at the heart of everything we do.

Our Vision

To lead the interiors industry in transforming the way we design, manufacture and distribute, enriching people's lives, helping them to live beautiful.

Our Purpose & Values

As custodians of 165 years of design experience, our purpose is to Bring the Beautiful into People's Homes and Lives. We do this by being:

Intrepid: We're brave, we're bold, we take the lead and inspire others around us.

Imaginative: We take a creative and innovative approach to everything we do.

Respectful: We consider customers, colleagues, the planet, and the people who live on it.

Journey to Sustainability

Service Product Overview

The Group is home to a collective of six quintessentially British luxury interior brands targeted at consumers: Sanderson, Morris & Co., Zoffany, Harlequin, Clarke & Clarke and Scion as well as two manufacturing brands that produce fabric and wallpaper for the industry.

We operate in the upper sector of the market, producing high value products. Our UK domestic market is strongly penetrated, and our USA subsidiary is a key strategic pillar for the business.

Locations

We employ 500 people globally across our brands and manufacturing businesses, who are based in the UK and provide products globally.



PlanetMark



HIGHLIGHTS: DECISIVE ACTION IMPROVED PROFITABILITY

- Revenue £99.5m (FY25: £100.4m); adjusted underlying PBT £5.3m (FY25: £4.4m)
- Net cash £9.8m (FY25: £5.8m) with total liquidity of £19.8m, maintaining a strong balance sheet
- Strong growth +10% in North America, with brand sales of £22.3m (FY25: £21.0m)
- Manufacturing external sales grew +5% and factories returned to profit
- Licensing a key strength, with sales of £10.5m (FY25: £11.0m) and strong underlying growth
- Continued strategic progress in digital, including DTC expansion to all brands
- Key launches including Highgrove by Sanderson and Morris & Co. x Huntington
- Capital allocation policy decision made to fund purchase of shares by EBT to satisfy future LTIP vestings
- Proposed final dividend of 1.00p, giving a total dividend of 1.50p for the year



FINANCIALS



KEY FINANCIAL INDICATORS

	REVENUE £M	REPORTED EBITDA £M	ADJUSTED UNDERLYING PBT £M	ADJUSTED UNDERLYING PBT %	ADJUSTED EPS p
FY26	99.5	8.2	5.3	5.4%	5.37p
FY25	100.4	7.4	4.4	4.4%	3.92p

KEY FINANCIAL INDICATORS (CONTINUED)

	PBT £M	CAPITAL EXPENDITURE £M	INVENTORY £M	FREE CASH FLOW £M	NET CASH POSITION £M
FY26	3.1	0.7	21.5	5.5	9.8
FY25	(13.9)	4.1	27.2	(5.6)	5.8

GROUP REVENUE BY SEGMENT

	FY26 £M	FY25 £M	% CHANGE v FY25
Brand product	70.0	71.3	(2%)
Licensing	10.5	11.0	(5%)
Manufacturing – external	19.0	18.1	5%
Group revenue	99.5	100.4	(1%)

Brand product

- North America and international growth
- UK softness
- DTC expansion (led by Morris & Co.)

Licensing

- Robust v record FY25

Manufacturing – external

- Return to growth

BRAND PRODUCT REVENUE BY GEOGRAPHY

	FY26 £M	FY25 £M	% CHANGE v FY25	
			REPORTED	CER
UK	29.9	32.8	(9%)	(9%)
North America	22.3	21.0	6%	10%
North America ⁽¹⁾			5%	9%
Northern Europe	9.4	9.1	3%	1%
Rest of the World	8.4	8.4	0%	(1%)
Brand product	70.0	71.3	(2%)	(1%)

⁽¹⁾ North America (underlying) excludes surcharges added to US sales to mitigate additional costs resulting from the introduction of tariffs

UK

- Top 10 customers maintained FY25 revenues
- Decline attributable to independent retailers

North America

- Tariff uncertainty in H1
- Strong recovery in H2
- Ability to pass on tariff costs added £200k to revenue.

Northern Europe

- Scandinavia strong.
- Offset by Netherlands, France and Republic of Ireland

Rest of the World

- Performance maintained

BRAND PRODUCT REVENUE BY BRAND

	FY26 £M	FY25 £M	% CHANGE v FY25 REPORTED CER	
Morris & Co.	18.5	18.0	3%	3%
Clarke & Clarke	18.3	19.7	(7%)	(7%)
Sanderson	13.7	13.5	1%	2%
Harlequin	12.1	12.2	(1%)	0%
Zoffany	6.7	6.7	(1%)	0%
Scion	0.7	1.1	(34%)	(34%)
Other	0.0	0.1	(29%)	(27%)
Brand product	70.0	71.3	(2%)	(1%)

Morris & Co.

- North America biggest territory. Revenue +14%
- Northern Europe + 9% driven by Scandinavia
- Huntington collection launch in H2 will boost sales in future periods

Clarke & Clarke

- UK focused and exposed to market softness

Sanderson

- Highgrove launch driving growth and brand momentum
- North America +12%

Harlequin

- Henry Holland boost to North America +6%

Zoffany

- Indienne and Rare Textiles drive +9% North America

MANUFACTURING REVENUE

	FY26 £M	FY25 £M	% CHANGE v FY25
Anstey	13.3	14.8	(10%)
Standfast	16.4	16.9	(2%)
Total Manufacturing	29.7	31.7	(6%)
Revenue – external	19.0	18.1	5%
Revenue – internal	10.7	13.6	(21%)
Total Manufacturing	29.7	31.7	(6%)

	FY26 %	FY25 %	% CHANGE FY25
Digital	63.0%	54.0%	17%
Conventional	37.0%	46.0%	(20%)

Restructuring

- Cost savings, efficiency gains and a flexible, digital first operating model
- Segment returned to profitability

Digital

- 63% of output (FY25: 54%),
- Continued structural shift expected

Revenue

- External: Improved order book momentum
- Internal: Group inventory reduction plan

LICENSING REVENUE

	UNDERLYING PERFORMANCE - £M	PRIOR YEAR ACCELERATED INCOME - £M	CURRENT YEAR ACCELERATED INCOME - £M	IFRS - £M
Category Specialist (core)	4.7	(2.7)	5.2	7.2
Retail Groups (core)	4.3	(1.9)	0.9	3.3
FY26	9.0	(4.6)	6.1	10.5
Category Specialist (core)	3.6	(2.0)	7.1	8.7
Retail Groups (core)	3.0	(0.9)	0.2	2.3
FY25	6.6	(2.9)	7.3	11.0

- **Renewals** Include Tile Shop in USA with Morris & Co. and Sangetsu in Japan, with Morris Chronicles
- **Brand Extensions** Includes Sanderson with Portmeirion/Royal Worcester and Ruggable for Morris & Co. x Huntington

LICENSING UNDERLYING PERFORMANCE

	FY26 £M	FY25 £M	% CHANGE v FY25
UK	4.2	2.8	50%
North America	3.0	2.2	36%
Asia	1.3	1.3	0%
Northern Europe	0.5	0.3	67%
Underlying	9.0	6.6	36%

	FY26 £M	FY25 £M	% CHANGE v FY25
Morris & Co.	5.5	4.5	22%
Sanderson	1.3	0.6	117%
Clarke & Clarke	0.9	0.2	350%
Scion	0.8	0.8	0%
Harlequin	0.3	0.3	0%
Other	0.2	0.2	0%
Underlying	9.0	6.6	36%

UK

- Habitat/Tu: Morris & Co. and Scion products launched
- NEXT: Full 12 months of Clarke & Clarke collaboration

North America

- Ruggable and Williams Sonoma: licenses with Morris & Co.

Sanderson

- Ruggable
- John Lewis Partnership
- National Trust & Habitat

GROSS PROFIT

	FY26	FY25	% CHANGE v FY25
	£M	£M	
Brand	70.0	71.3	(2%)
Licensing	10.5	11.0	(5%)
Manufacturing	29.8	31.7	(6%)
Eliminations	(10.8)	(13.6)	21%
Total Revenue	99.5	100.4	(1%)
Brand	47.5	48.4	(2%)
Licensing	10.5	11.0	(5%)
Manufacturing	10.3	8.8	17%
Eliminations	0.4	0.2	100%
Total Gross Profit	68.7	68.4	0%
Brand	67.8%	67.8%	0bps
Licensing	100.0%	100.0%	n/a
Manufacturing	34.6%	27.8%	680bps
Total Gross Margin %	69.1%	68.2%	90bps

Brands

- Market mix: positive shift towards North America.
- Channel mix:
 - Positive: Launch of direct-to-consumer sites
 - Negative: Higher proportion of contract business
- Clearance: higher discounts on fabric

Manufacturing

- Restructuring in both factories
- Reduction in group production to support inventory reduction plan
- Hedging program: No material impact on FY27 results should current energy market conditions persist

GROUP INCOME STATEMENT

	FY26	FY25	% CHANGE v FY25
	£M	£M	
Revenue	99.5	100.4	(1%)
Cost of Sales	(30.8)	(31.9)	4%
Gross Profit	68.7	68.4	0%
Net distribution and selling expenses ⁽¹⁾	(21.4)	(21.7)	1%
Administration expenses ⁽²⁾	(42.6)	(42.9)	1%
Finance income - net	0.6	0.5	28%
Adjusted underlying profit before tax	5.3	4.4	22%
Impairment of intangible assets	-	(16.3)	(100%)
Other non-underlying and adjusting items	(2.2)	(2.0)	(10%)
Profit / (loss) before tax	3.1	(13.9)	123%

⁽¹⁾ Includes other operating income

⁽²⁾ Excludes non-underlying items

Profit/loss before tax

- Prior year: Impairment of Clarke & Clarke goodwill

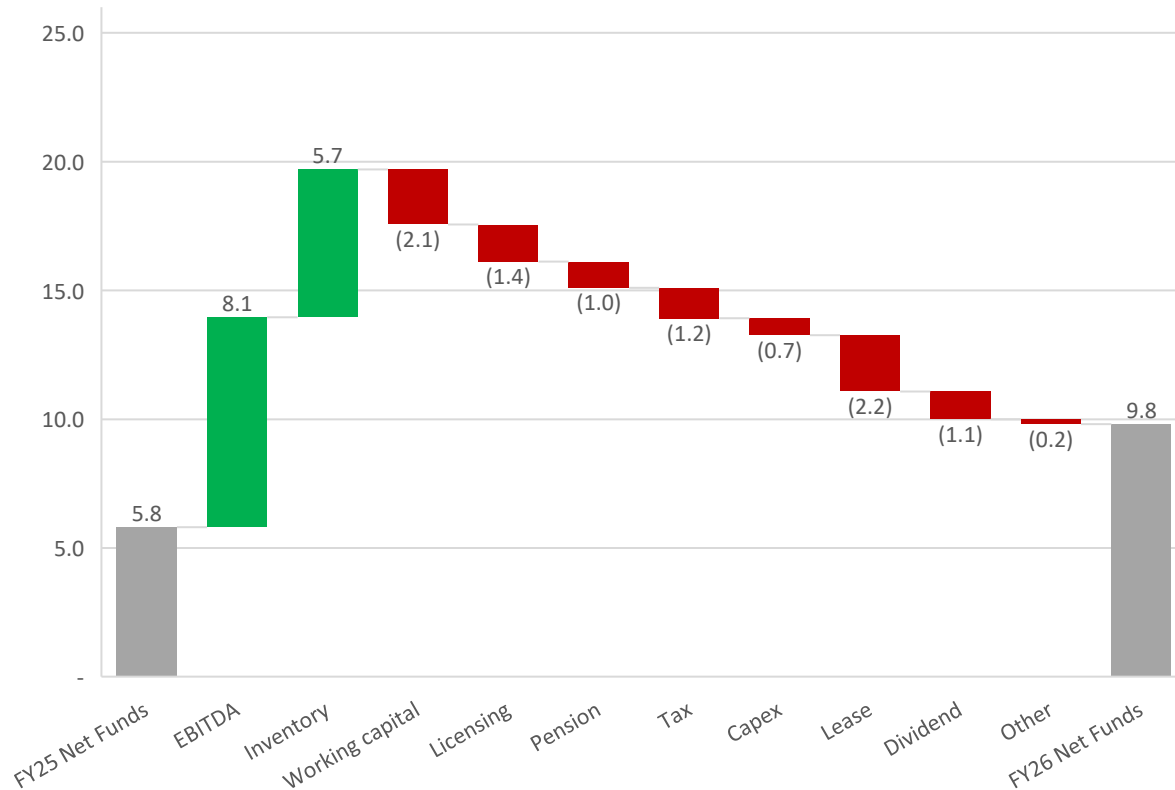
Net distribution and selling expenses

- Includes other operating income from pattern books
- Haulage savings
- US tariff costs (surcharge to customer recorded as revenue)

Administration expenses

- Restructuring savings offset by inflation

GROUP CASH FLOW



Net funds

- Additional headroom from £10.0m undrawn committed RCF

Inventory

- Raw materials and WIP down £1.3m (30%)
- Finished goods down £4.0m (20%)

Licensing

- Minimum guaranteed licensing receivables increased to £17.0m (FY25 £14.3m)
- Cash receipts increased to £9.9m (FY25 £6.6m)

Pension

- Contribution of £1.0m to our two Defined Benefit Schemes
- FY25 included £2.3m one-off “buy in” payment

Capital expenditure

- No major projects in year

STRATEGY



5-YEAR KEY STRATEGIC FRAMEWORK

LIVE BEAUTIFUL

CUSTOMERS

INTERIOR
DESIGNERS &
OMNICHANNEL

BRANDS

SANDERSON
&
MORRIS & CO.

PRODUCTS

WALLPAPER FOCUS
&
LICENSING

GEOGRAPHIES

ACCELERATE
GROWTH IN
THE USA

PLATFORM Digital Innovation

PEOPLE Cultural Transformation

PLANET Striving for net zero

PROFIT For shareholder return

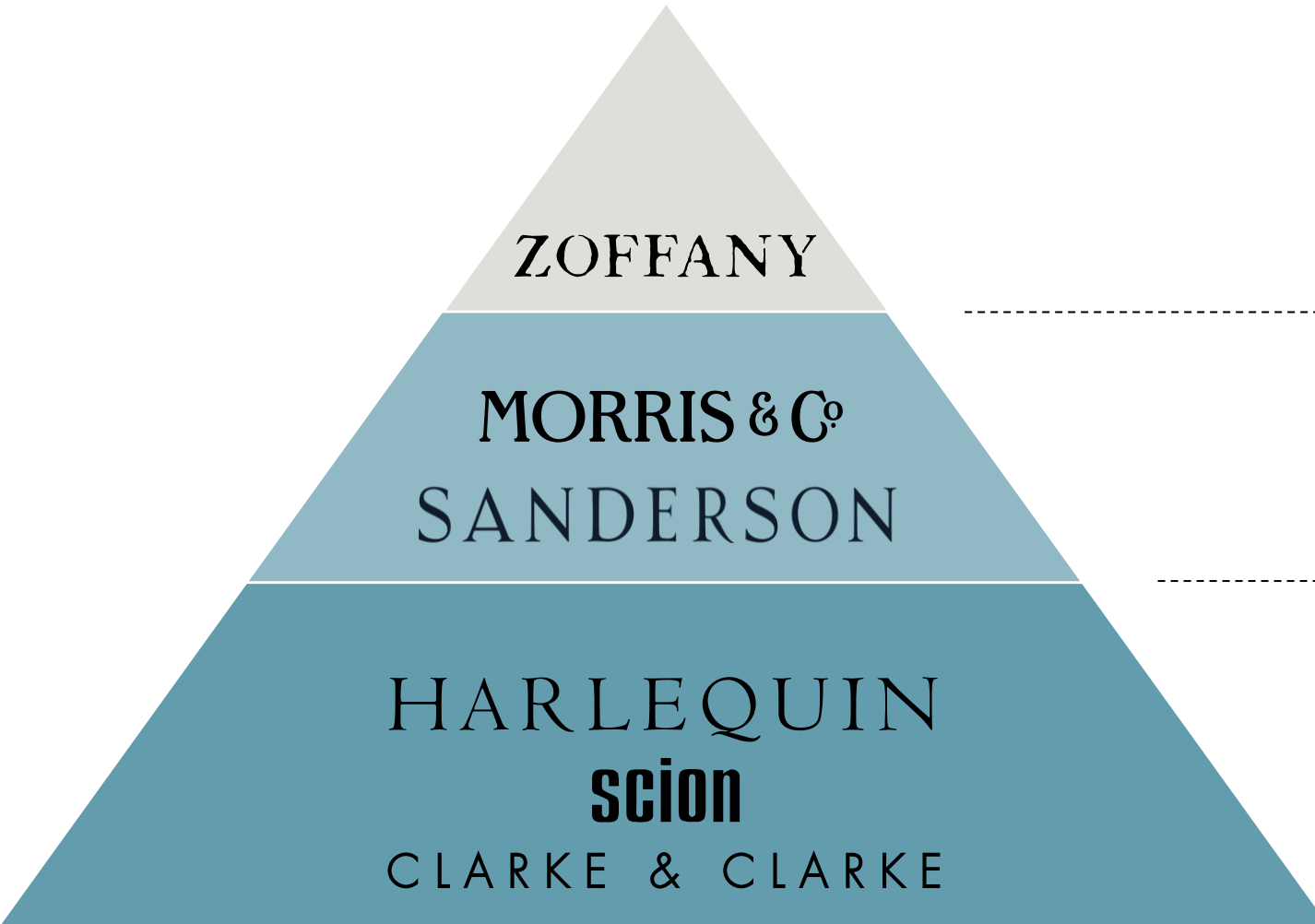
STRATEGIC VISION: INTERNATIONAL LEADERS IN INTERIOR DESIGN

Our focus is on Interior Design studios, Wallpaper as a category, and the US market, underpinned by Digital Innovation, Creative Talent & Cultural Transformation for a seamless, enhanced customer experience.

- **Interior Designers** Help interior designers to create dreamy spaces for their clients
- **Wallpaper** expertise to be leveraged to drive market share, communicate craft and unique printing skills on digital platforms
- **North America** Expand our network of designers with excellent products and impeccable service. Increase digital reach through consistent brand messaging, building loyalty and, ultimately, market share
- **Culture** Customer-centric behaviours and communications reflect our values. Balance investment in technology and efficiency, with celebration of craft and human skills that drive emotional desire to *Live Beautiful* with excellent design and make
- **Digital** data drives insights. Omnichannel presentation ensures consistent brand messaging across markets and increases reach in vast territories

All the above, along with a continued focus on smart cost control, increase profitability.





LUXURY

Laser focused on high-end interior design partnerships

HERITAGE

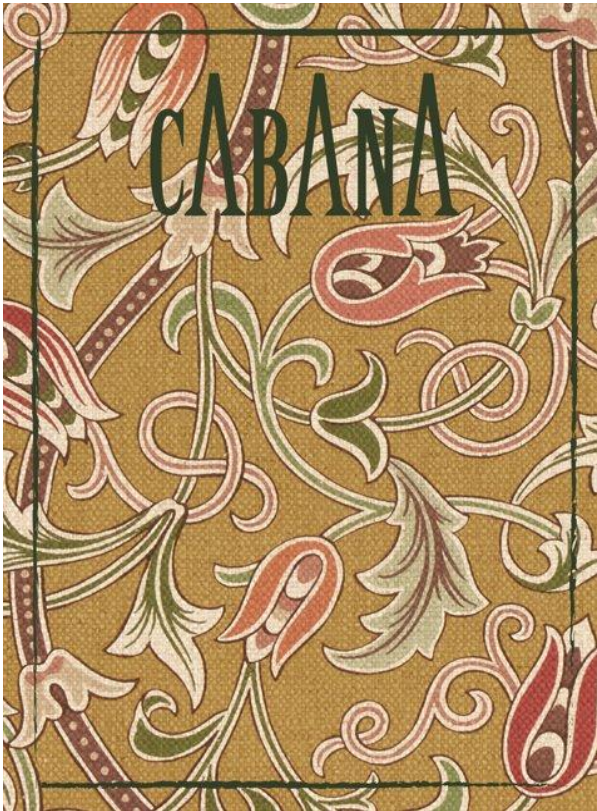
Continue to build the legacy, strong collaborations, DTC, and licensing opportunities

CONTEMPORARY

DTC and key retail partnership potential

THE HERITAGE BRANDS STRATEGY

MORRIS & C^o



MEDIA COLLABORATION

GROWTH FOCUS:

USA FIRST APPROACH

INSPIRE INTERIOR DESIGNERS

DRIVE OMNICHANNEL FOR INSIGHTS

BUILD BRAND AWARENESS IN USA

LEVERAGE ICONS & ARCHIVE

COMMUNICATE CRAFT & MAKE

LEAD MARKET IN WALLPAPERS

CELEBRATE DESIGN FOR WELLBEING

BUILD LIFESTYLE OFFER THRU LICENSING

CULTURALLY RELEVANT CAMPAIGNS

VIRAL COLLABORATIONS

DISRUPTIVE CREATIVE

SANDERSON



FASHION COLLABORATION

MORRIS & CO. X THE HUNTINGTON

- A new chapter of heritage design history!
- 50 new designs discovered vs 250 ever produced
- 26 unique designs, 137 SKUs launched Sept 2025
- 24 further designs in development for FY27/28
- Lent Lily fast became a new icon
- New IP belongs to SDG on all new, re-drawn, work
- Sampling and sales demand building strongly
- Ongoing marketing initiatives



HIGHGROVE BY SANDERSON

- Supports craft skills with royalty donation to The King's Foundation
- Most successful Sanderson launch ever, May 2025
- Halo effect on Sanderson brand +2% total sales
- Royal Households decorated with the designs
- Fortnum & Mason Highgrove room Jan-June 2026
- Chelsea Flower Show takeover 2025 with 435m PR Reach
- RHS Chelsea 2026 new King's Rose design to be unveiled at Sanderson-sponsored Highgrove installation on Main Avenue
- Highgrove wools collection launching AW 2026



ZOFFANY X MICHAEL S. SMITH

- Performance fabrics for indoor and outdoor use
- Archival design in six sophisticated colour palettes to match and coordinate across 55 design/ colour options
- Launching to market in May 2026, teasing from mid-April
- NYC dinner for 20 opinion-leaders in design co-hosted
- Press preview breakfast 12th March at Edition hotel a success
- Veranda magazine launched in May-June issue, editorial coverage confirmed in all major publications targeted
- Ad campaign with a Cecil Beaton theme features Hamish Bowles, art directed by Michael, photographed in Beaton's winter garden



THE CONTEMPORARY BRANDS STRATEGY

CLARKE & CLARKE HARLEQUIN

GROWTH FOCUS:

USA FIRST
APPROACH

WEAVES
STRENGTH

GROW WALLPAPER

KRAVET PRIORITY

RECOVER UK

BUILD CONTRACT

HALO PRODUCT
ATTRIBUTES

FAST TO MARKET,
GET THE LOOK,
GREAT VALUE



GROWTH FOCUS:

USA FIRST
APPROACH

WALLPAPER &
WEAVES

DRIVE
OMNICHANNEL

HIGHLIGHT
BESTSELLERS

HALO PRODUCT
ATTRIBUTES

COLOUR & DESIGN
FOR WELLBEING

INTERIOR
DESIGNER TOOLS
AND SERVICE

DIGITAL TRANSFORMATION TO OMNICHANNEL

☰ 🔍 SANDERSON 👤 🛒



- Re-platformed all brand sites DTC and new Trade Site within 1 year
- Attracted new, digitally-astute customers
- Overhauled customer experience, converting +30% trade advocates
- Built powerful Brand Hubs and storytelling portals
- Future-proofing the business in changing UK market landscape
- New Group Leadership role and gradual build of digital and agile mindset
- Expand reach of Licensing products and finished goods to new audiences
- Benefit from customer data & insights as future capital
- Develop future marketplace as industry leader
- Low investment model and test & learn opportunity

OMNICHANNEL ROADMAP

FY26

INCUBATION

- Adobe Commerce Platform
- New Trade Hub Live August
- Specialist Trading & Digital marketing teams Tom & Co + Design Online
- Amplify Digital Strategy & Leadership
- 6 DTC Single Brand Websites Live
- Proactive sales service teams

FY27

ACCELERATION

- Group Digital and Innovations Director new role
- DTC Optimisation Program
- Digital Marketing ramp up
- Custom Features, Enhancements
- Hybrid specialist Digital in-house team build/ outsourced partners
- HubSpot CRM embedded

FY28 AND BEYOND

EXCELLENCE

- Sector leading Marketplace
- Design archive platformed
- Outlet online
- Designer App
- Homeowner & Trade Loyalty Programs
- Mature tech-stack, AI integrations

COMMERCIAL



INTERIOR DESIGNERS FIRST

BUILD RELATIONSHIPS WITH INTERIOR DESIGNERS

Leverage the power of their platform and exclusivity of the Voysey Design Club



Maddux Creative



Sophie Robinson



Michael S Smith



Ben Pentreath

CREATE CONSUMER DEMAND

Make it easier and more attractive to work with SDG – omnichannel strategy

AMERICA FIRST ROADMAP

FOUNDATION & INFRASTRUCTURE

FY26

Next level of growth, Trade Hub, DTC, trade alliances, Kip's Bay, Highpoint presence

EXPANSION & KEY ACCOUNT GROWTH

FY27

Expand network coverage, showroom partnerships, omnichannel sites

Monitoring top 10 designers per region, growth in home textiles, nurturing high-value A&D and hospitality to drive recurring contracts

CURATED PRODUCT OFFERING & NATIONAL PENETRATION

FY28

Innovation in wallcoverings, expand wallpaper offer in all brands, release designs ahead of/in place of full collections

Consistent revenue growth, preferred supplier in key showrooms

DOMINANT PLAYER & KNOWN SOURCE

FY29

Go-to partner for interior designers, known as wallpaper and print specialist, key partner resource for trade showrooms



UK ROADMAP

LAYERING THE FOUNDATIONS

FY26

Trade Hub rebuilt, DTC, loyalty programme, Hubspot pilot

ACTIVATING OMNICHANNEL & TRADE TOOLS, DRIVING INTERIOR DESIGN & CONTRACT INFLUENCE

FY27

Digital insights enable enhanced planning, new loyalty incentives, monitor growth with top interior designers, Voysey Design Club events

Inspire designers digitally, emphasise licensed finished goods

Hubspot CRM rollout

REINFORCE MARKET LEADERSHIP THROUGH VISIBILITY

FY28

Drive sales in Prime accounts, celebrate archive and expertise, tailored trade campaigns, strengthen relationships with industry influencers

TRUSTED PARTNER IN BRITISH LUXURY INTERIORS

FY29

SDG seen as the benchmark in luxury interiors, fully embedded omnichannel strategy, go-to partner for interior designers, hospitality specifiers, developers and consumers across the UK



VOYSEY DESIGN CLUB



- Cultivating relationships with top interior designers
- Bespoke event programming
- Senior leadership engagement
- Exclusive collection previews

INTERNATIONAL ROADMAP: NORTHERN EUROPE & REST OF WORLD

FOUNDATION FOR GLOBAL GROWTH

FY26

Establish priority markets, Trade Hub, align with top-tier hospitality and interior designers, e-commerce ecosystem, international agent and distributor network, single Euro price list

PARTNERSHIP EXPANSION & MARKET ENTRY, CHANNEL DIVERSIFICATION & CULTURAL LOCALISATION

FY27

Build contract partnerships, enhance partnerships with upholsterers and furniture-makers

Omnichannel insights, campaigns highlighting British heritage, region tailored toolkits

ELEVATED PRESENCE THROUGH BRAND-LED STORYTELLING

FY28

Execute integrated brand campaigns, showcase SDG unique design, engage with interior designers, geo-target comms on digital platforms, brand sites and Trade Hub

ESTABLISHED GLOBAL LUXURY PARTNER

FY29

SDG recognised across key markets, omnichannel leader, long-term partner of choice for high-end contract, e-comm, and interior designers



LICENSING: KEY PILLARS

TERRITORY FOCUS

Continue to be US focused and build Japan and EU partnerships

Grow network of introductory agents – USA Collab Society, Jewel

Secure global deals, US first. Recruit US Licensee Manager to develop territory further

ENGAGING RETAILERS

Secure partnerships with market-leading major retailers globally, US first

Exploit marketing & PR opportunities, leveraging partner networks and marketing to win new brand fans

MORRIS & CO SANDERSON BRANDS LEAD

Reach new top tier audiences through new collaborations with Highgrove by Sanderson, Morris & Co. x Huntington

Leverage never produced before designs by Morris & Co. Unfinished Works from The Huntington - a unique and special opportunity to deepen brand penetration

NURTURING PARTNERSHIPS

Maintain 90% renewals, building on strong, long-term partnerships.

Maximise growth opportunities with current partners with new designs/products.

Strategically develop new categories for each brand by market that align with brand values and positioning



MANUFACTURING



CONTINUE

- Design-led approach, uniquely vertical interiors group, innovating and leading in print and wallpapers
- Headcount reduced by 15% delivering annualised savings of £1.5m
- Excellence Journey started, focusing on procurement, yield conversion, and manufacturing efficiency

START

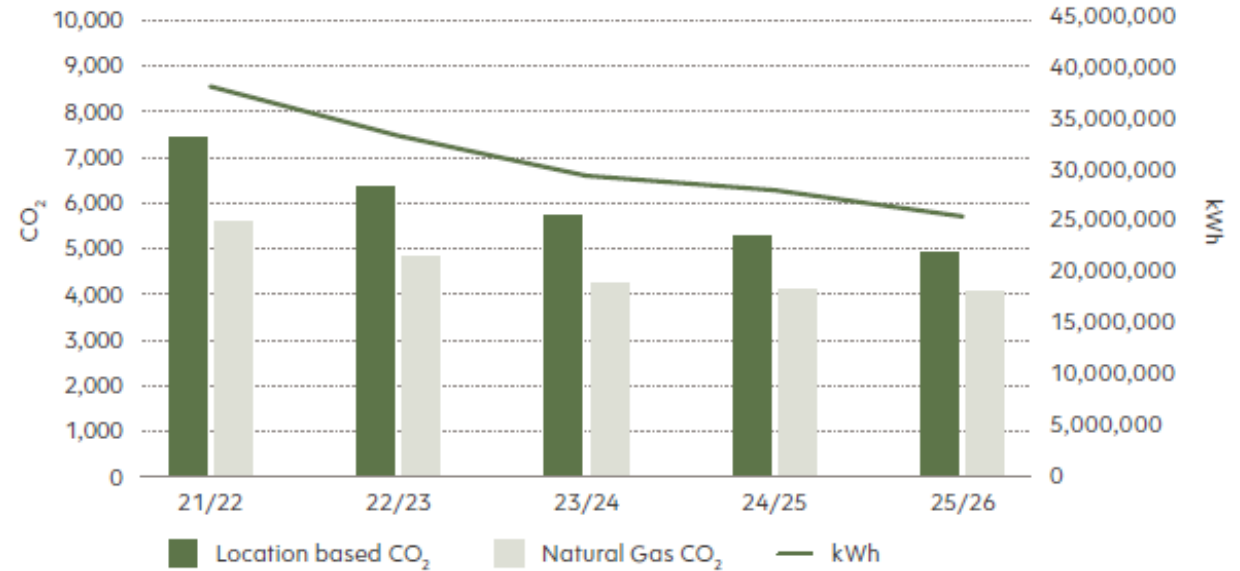
- Planning projects, lean inventory, procuring smarter, printing to order and communicating expertise
- Migrating some conventional designs to digital, simplifying process for flow and efficiency
- Traditional skills and expertise leveraged as value-adding
- Expectation of turnaround yielding profitability from momentum in the current fiscal year

STOP

- Siloed culture and prep processes (outsource)
- Removed traditional processes that cannot be supported, while celebrating the craft and skill of others



Location-based CO₂ emissions and kWh consumption



- FY26 initiatives reduced carbon footprint have resulted in further 6.5% reduction in emissions
- A transversal group ambition with non-hierarchical team engagement, delivering from the ground up
- An end-to-end approach of the product lifecycle, working on scope 3
- Carbon neutral plans for capture of the residual CO₂ emissions
- Biodiversity initiatives underway with RWH Nature Recovery
- Recognised as a leader in sustainability, beyond the sector

WORK BEAUTIFUL

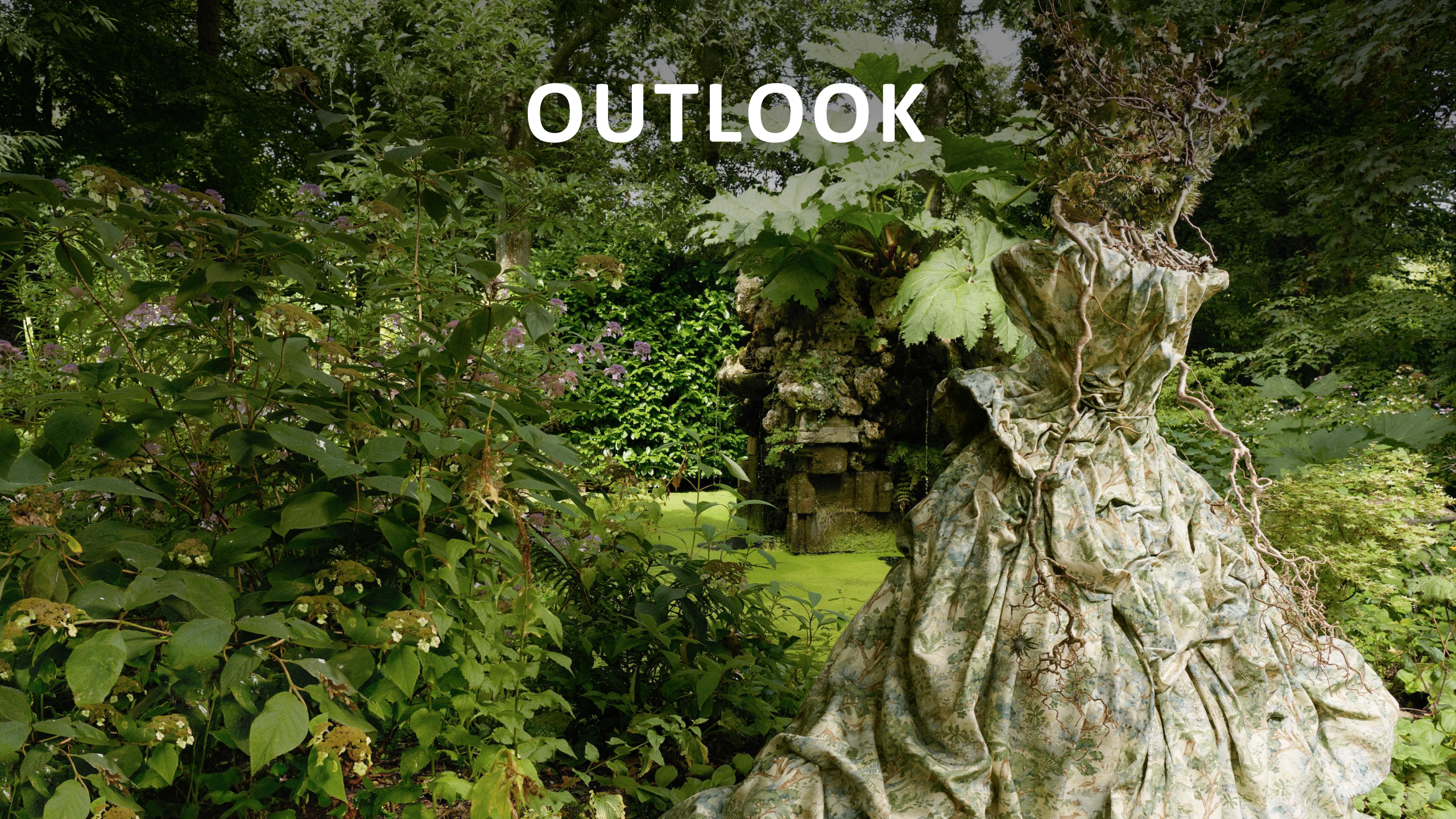


Through our people strategy we will integrate the authenticity of heritage and craft skills with the opportunities provided through technology

- Building our skill and capability through a focus on learning
- Creatively recognising and rewarding our team's contribution
- Recognised as a Real Living Wage employer, even in challenging times
- Developing our organisation to maximise effectiveness
- Empowering or people through investing in technology
- Engaging our teams and communities to create an inspiring place to work

Bringing the beautiful into people's working lives

OUTLOOK



OUTLOOK: CURRENT TRADING IN LINE WITH EXPECTATIONS

- Board continues to monitor the external macro environment and geopolitical volatility.
- Sales momentum continues. Revenue in Q1 in line with H2 FY26 trends
- Current trading in line with full year expectations
- DTC continues to drive global demand
- Factory transformation returned manufacturing to profitability
- Successful launches demonstrate Group's unrivalled design heritage and creative ability
- Underlying licensing momentum continues demonstrating continued appeal of our brands and design archive
- Confidence in the strength of our brands, archive and balance sheet and management's agility and ability to respond to external factors



THANK YOU



PRE-IFRS 16 INCOME STATEMENT

	Excluding IFRS 16	IFRS 16	Reported
	£000	£000	£000
Gross profit	68,715		68,715
Distribution and selling expenses	(24,368)		(24,368)
Administration expenses	(41,988)	2,796	(39,192)
Other operating income	2,994		2,994
EBITDA	5,353	2,796	8,149
Depreciation and amortisation ⁽¹⁾	(3,251)	(2,369)	(5,620)
Finance income/(costs) - net	1,344	(743)	601
Profit before tax	3,446	(316)	3,130

⁽¹⁾ Lease depreciation per the ARA includes that on costs that would have been capitalised as PPE pre-IFRS 16 and therefore has not been included in the IFRS 16 adjustment above.