

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED) WITHOUT DELAY.

If you have sold or transferred all your Ordinary Shares, please forward this document as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected as to the action you should take.



SANDERSON DESIGN GROUP PLC

(Registered in England and Wales with company number 00061880)

Notice of General Meeting

requisitioned pursuant to Section 303 of the Companies Act 2026

to be held at

DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT

on

Thursday, 29 October 2026 at 09.00 a.m.

**YOUR BOARD UNANIMOUSLY RECOMMENDS THAT YOU
VOTE AGAINST BOTH RESOLUTIONS AT THE GENERAL MEETING**

This document should be read as a whole and in its entirety. Your attention is drawn to the letter from the Board of Directors of Sanderson Design Group PLC which is set out on pages 7 to 22 of this document and which contains the unanimous recommendation of the Directors that Shareholders **VOTE AGAINST** THE RESOLUTIONS to be proposed at the General Meeting.

A notice convening a General Meeting of the Company to be held at the offices of DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT at 09.00 a.m. on Thursday, 29 October 2026, is set out on page 30 of this circular.

SANDERSON DESIGN GROUP is committed to reducing paper and improving efficiency in its shareholder communications. We will no longer be sending paper proxy cards to shareholders unless specifically asked to do so. If you need help with voting online, or require a paper proxy form, please contact our Registrar, MUFG Corporate Markets by email at shareholderenquiries@cm.mpms.mufg.com, or you may call MUFG Corporate Markets on 0371 664 0300 and +44 (0) 371 664 0300 (international). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. MUFG Corporate Markets are open for business between 9.00 a.m. – 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.

If you would like to vote on the Resolutions set out in the Notice but cannot come to the General Meeting in person, your Board strongly encourages you to vote in advance of the General Meeting by appointing a proxy who will exercise your right to vote at the General Meeting in accordance with your instructions. You can use the following methods to submit your voting instructions in advance. If you choose to use any of the methods below, this will not prevent you from subsequently attending the General Meeting in person, voting or speaking, in which case any votes held by the proxy will be superseded.

- by submitting your proxy electronically using the Investor Centre app or at <https://uk.investorcentre.mpms.mufig.com/>;
- (if you are a CREST member) using the CREST electronic proxy appointment service;
- if you are an institutional investor, you may also be able to appoint a proxy electronically via the Proximity platform; or
- by requesting a hard copy form of proxy from the Registrars.

You will need to log into your Investor Centre account, or register if you have not previously done so. To register you will need your Investor Code, this is detailed on your share certificate or available from our Registrar, MUFG Corporate Markets as soon as possible but, in any event no later than 9.00 a.m. on 27 October 2026 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting).

If you require a paper proxy form to be sent to you, please contact our Registrar, MUFG Corporate Markets via email at shareholderenquiries@cm.mpms.mufig.com or on 0371 664 0300 and +44 (0) 371 664 0300 (international).

Your proxy appointment must be received by **09.00 a.m. on 27 October 2026**. Further details relating to voting by proxy are set out in the notes to the Notice on pages 31 and 32 of this document.

YOUR VOTE IS IMPORTANT – whether or not you intend to attend the General Meeting, you are strongly encouraged to vote in advance of the General Meeting. Completing your vote in advance of the General Meeting will not prevent you from attending and voting at the General Meeting in person should you wish to do so.

A copy of this document will also be available on the Company's website at: <https://sandersondesign.group/investors/shareholders-services>

**YOUR BOARD UNANIMOUSLY RECOMMENDS THAT YOU
VOTE AGAINST BOTH RESOLUTIONS AT THE GENERAL MEETING**

Cautionary note regarding forward-looking statements

This document contains statements about Sanderson Design Group that are or may be deemed to be "forward-looking statements". All statements, other than statements of historical facts, included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of the Group.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements

and, save as is required by law or regulation, Sanderson Design Group does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Sanderson Design Group or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors of Sanderson Design Group at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date. Unless expressly stated otherwise, no statement contained or referred to in this document is intended to be a profit forecast or profit estimate for any period and no statement should be interpreted to mean that earnings per share will necessarily be greater or lesser than those for the relevant preceding financial periods for Sanderson Design Group.

Verification of information

All information within this Circular has been reviewed by DLA Piper UK LLP.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates and times set out below are based on Company's current expectations and may be subject to change. Any change will be notified via a Regulatory Information Service. References to times in this document are to London times, unless otherwise stated.

Event	Date
Notification of the Requisition of General Meeting 2026	25 September 2026
Date of this document	12 October 2026
Announcement of Interim results	12 October 2026
Latest time and date for receipt of completed proxy vote	09.00 a.m. on 27 October 2026
Time, date and location of the General Meeting	09.00 a.m. on 29 October 2026 at DLA Piper UK LLP, 160 Aldersgate Street, London EC1A 4HT
Results of General Meeting announced	29 October 2026

**09.00 A.M. ON 27 OCTOBER 2026:
THE LATEST TIME FOR US TO RECEIVE YOUR PROXY
THE LATEST TIME FOR YOU TO VOTE ONLINE**

SUMMARY

For the reasons set out below and elsewhere in this document, your Board unanimously recommends that you **VOTE AGAINST ALL the Resolutions proposed.**

1. The current leadership has established a platform for growth and is delivering clear strategic progress.

Under Dame Dianne Thompson's stewardship as Chair, the Group has transformed from siloed operations to a unified structure that is delivering sustainable, higher-margin growth. Having navigated COVID-19 and the inflationary impact of the Ukraine War, the Group is delivering improved profitability (up 22% in FY26 and 50% in H1 FY27) and stronger cash generation. The Board has full confidence in the Group's strategy, brands, design archive, people and balance sheet to drive continued profitable growth and create value for all Shareholders.

2. The Resolutions risk unnecessary disruption at a critical stage of the Group's progress.

The Board firmly believes the immediate removal of the Chair and appointment of an additional Director could jeopardise the Group's strategic momentum at a time of significantly improving performance. LBV has not proposed an alternative strategy or sought changes to executive management, and has also failed to demonstrate how its proposals would improve performance or Shareholder returns. The Board therefore questions the underlying rationale for the proposed changes and whether they serve the long-term interests of all Shareholders.

3. An orderly Chair succession process is already in place, providing continuity and safeguarding Shareholder interests.

The Board has existing plans in place to commence the search for Dame Dianne's successor in January 2027, as noted in its Nomination Committee meeting minutes in December 2024. This orderly approach allows for a rigorous assessment of suitably qualified candidates and an effective transition, while preserving strategic continuity. Dame Dianne's leadership experience across major consumer businesses remains highly relevant to the Group, and the Board has full confidence in her continued contribution throughout this process.

4. The current Board has the requisite expertise and independence, neither of which has been clearly established for LBV's nominee.

The Board comprises an experienced and well-rounded team with the skills, independence and judgement required to oversee the Group's strategy and provide effective challenge. Mr Brooke's experience is predominantly in industrial technology, cleantech, water and energy. He does not have recent listed-company board experience or experience in premium consumer brands, interiors, licensing or US distribution, which are central to the Group's strategy.

5. The Board believes formal assessment is necessary to verify Mr Brooke's independence and suitability.

Mr Brooke's disclosed shareholding interest in LBV shares raises legitimate questions about his independence. LBV has neither demonstrated that he addresses a Board skills gap nor explained how he was selected or his independence assessed. The Board is open to reviewing its composition but believes appointments must support the Group's ambitions and follow a robust and transparent process. Contrary to LBV's stated objectives, Mr Brooke's appointment and removal of the existing independent Chair would reduce Board independence to below 50%.

In the Board's view, the removal of the Chair at the instigation of a single shareholder, coupled with the simultaneous appointment of that shareholder's own nominee, would not serve the interests of shareholders as a whole.

The Board firmly believes that the Resolutions proposed at the General Meeting are not in the best interests of Shareholders as a whole and, as such, the Board is unanimously recommending that you **VOTE AGAINST both Resolutions at the General Meeting.**

PART I – LETTER FROM THE BOARD OF DIRECTORS



Sanderson Design Group PLC

(Registered in England and Wales with company number 00061880)

Registered Office

Voysey House
Sandersons Lane
London
W4 4DS

12 October 2026

TO THE HOLDERS OF THE ORDINARY SHARES OF 1P EACH IN THE CAPITAL OF THE COMPANY

Dear Shareholder

GENERAL MEETING

On 25 September 2026, the board of Directors (the “**Board**”) of Sanderson Design Group PLC received a requisition notice (the “**Requisition**”) under section 303 of the Act from Ropemaker Nominees Limited, a wholly owned subsidiary of Liberum Wealth Limited, as the registered Shareholder on behalf of LBV Actio Limited (“**LBV**”), in respect of 8,566,432 ordinary shares of 1p each, representing approximately 11.854% of the Company’s 72,264,620 issued ordinary shares requesting the Board to convene a general meeting (the “**General Meeting**”) under section 303 of the Act.

The Requisition contains two ordinary resolutions (the “**Resolutions**”): first, to remove Dame Dianne Thompson as a director of the Company with immediate effect; and second, to appoint Mr Stephen Brooke as a director of the Company.

The Board is now required to call a General Meeting of the Company, and it is important that Shareholders vote at that meeting.

The Requisitioning Shareholder has exercised its right, pursuant to section 314 of the Companies Act, to require the Company to circulate to Shareholders entitled to receive notice of a general meeting a statement in relation to the business of the meeting. A copy of that statement can be found in Appendix 1.

The Board, representing approximately 1.2 per cent. of the Company’s issued share capital, intends to vote unanimously against both Resolutions proposed at the General Meeting.

The purpose of this letter is to explain why the Directors strongly believe that the **Resolutions are not in the best interests of the Company, its Shareholders as a whole or its wider stakeholders** and to recommend unanimously that Shareholders **VOTE AGAINST BOTH OF THE RESOLUTIONS.**

All Shareholders are strongly encouraged to submit their proxies and to attend the General Meeting, either in person or via proxy as the result of the General Meeting may have a significant impact on the Company, its leadership and its potential long-term trajectory.

If you would like to vote on the Resolutions set out in the Notice but cannot come to the General Meeting in person, your Board strongly encourages you to vote in advance of the General Meeting by appointing a proxy who will exercise your right to vote at the General Meeting in accordance with your instructions. You can use the following methods to submit your voting instructions in advance. If you choose to use any of the methods below, this will not prevent you from subsequently attending the General Meeting in person, voting or speaking, in which case any votes held by the proxy will be superseded.

- by submitting your proxy electronically using the Investor Centre app or at <https://uk.investorcentre.mpms.mufig.com/>;
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Your proxy appointment must be received by 09.00 a.m. on 27 October 2026. Further details relating to voting by proxy are set out in the notes to the Notice on pages 31 and 32 of this document.

REASONS WHY THE BOARD RECOMMENDS YOU VOTE AGAINST ALL THE RESOLUTIONS

1. CURRENT LEADERSHIP HAS SUCCESSFULLY REPOSITIONED THE BUSINESS, WHICH IS NOW DELIVERING ROBUST FINANCIAL PERFORMANCE AND STRONG PROSPECTS

Under the current Board's leadership, the Group has restructured its cost base, transformed manufacturing operations and invested in digital and direct-to-consumer ("DTC") capabilities, while prioritising North America as its key growth market.

These actions have repositioned the business from a predominantly UK wholesale supplier into an internationally recognised design house with an increasingly digital, multi-channel distribution model. North America is now the Group's most profitable and fastest-growing territory and where there is significant opportunity to materially expand Sanderson's market share. Our specialist UK manufacturing operations at Standfast & Barracks and Anstey & Co., together with a growing licensing business built on our design archive, provide further opportunities for profitable growth. With restructuring complete, the factories turning from loss to profit, a stronger balance sheet and continued cost discipline, the Group is well positioned to build on this progress and deliver its strategy.

Since 1 April 2019, shortly after Dame Dianne Thompson joined the Board in February 2019, the Group's total shareholder return to 7 October 2026 is +40.4%, compared with -3.3% for the FTSE AIM All-Share and -68.1% for the FTSE AIM Retail sector. During the 5-year total shareholder return period from 1 April 2021 to 1 April 2026, the first 2 years of which LBV did not own any shares in the Group, shareholder return declined 45.5%, compared with a 31.5% decline for the FTSE AIM All-Share and an 85.3% decline for the FTSE AIM Retail sector. This was during a time when the market was characterised by COVID-19, geopolitical conflicts and wider macroeconomic pressures that impacted the sector as a whole and did not reflect normal trading conditions.

Momentum over the last 12 months has been markedly stronger, with total shareholder return of +62.2%, compared with +0.2% for the FTSE AIM All-Share and +16.8% for the FTSE AIM Retail Sector.

The Group's share price has risen by more than 75% since the beginning of 2026 (as at closing price on 9 October 2026, being the last practicable date prior to publication of this document), significantly outperforming the AIM market which has risen by 1% over the same period, reflecting the positive momentum in the business.

- The Designers Guild agreement announced on 25 September 2026 is tangible evidence of agility backed by ability and effective strategic execution. The 10-year licence agreement broadens the Group's brand portfolio and underlines the value and capability of the Group's vertically integrated structure, the agility of its manufacturing operations and the ability to capitalise on brand consolidation opportunities as the UK's sector leader as they arise.
- FY2026 demonstrated the significantly improved financial outcomes resulting from decisive Board actions:
 - The Group generated revenue of £99.5m and a statutory profit before tax of £3.1m, compared with a loss before tax of £(13.9)m in FY2025, with adjusted underlying profit before tax up 22% to £5.3m
 - Manufacturing returned to profitability following the Board's proactive restructuring of operations and the "Future Factory" initiative
 - Net cash increased by 69% to £9.8m and the total dividend was maintained at 1.50p per share
 - The Board maintained the total dividend at 1.50p, returning over £1m to Shareholders, as well as utilising £1.4m of its cash balances to fund the purchase of shares by the EBT to satisfy the future vesting of share schemes
 - Adjusted underlying profit before tax has grown from £4.4m in FY2025 to £5.3m in FY2026, with consensus expectations for FY2027 pointing to further growth
- The Group's Half-Year Results, announced today, reinforce the continued momentum into FY2027, driven by the Board's effective governance of strategic delivery:
 - Revenues increased to £51.4m, with statutory profit before tax up 67% to £2.5m
 - Adjusted PBT increased 50% to £3.3m driven by sustained improvement in Manufacturing, strong Licensing performance and pricing actions
 - Revenues from North America increased 16%, with significant opportunity to expand market share within this territory
 - Third party Manufacturing increased 19% to £11.0m (HY 2026: £9.2m) driven by substantial US demand and Direct to Consumer revenues increased 137% to £1.6m
 - Net cash increased 33% to £10.4m and the total dividend was maintained at 0.50p per share
- Notable strategic achievements:
 - The Highgrove by Sanderson collection – which saw Sanderson collaborate directly with The King's Foundation with personal approval from His Majesty King Charles III – has been the most successful launch to date and created a clear halo effect on the broader Sanderson brand
 - Disney collaboration with Sanderson brand to produce Fantasia collections to celebrate their 100th anniversary, amplified through partnerships with H&M
 - The discovery of unpublished archive designs at The Huntingdon Museum led to the production of the first new Morris & Co. designs in more than 100 years, providing valuable new Intellectual Property
 - Strategic licensing deals with household names including Williams Sonoma and Ruggable

- Design collaborations with leading designers including world-renowned Michael S. Smith
- International agreements across multiple territories, such as a major deal with Sangetsu in Japan, initially signed in 2020 and renewed in 2025
- Celebrated 100 years as Royal Warrant holder in 2024 and welcomed King Charles to Voysey House in May 2026

2. STRATEGIC EXECUTION AND PROGRESS

To summarise the Board's strategic execution and progress, since 2022 the Board has responded to a prolonged consumer downturn by reducing complexity and rightsizing the cost base (saving £4.8 million annually), returning manufacturing to profitability and refocusing the Group on North America, licensing and direct-to-consumer where there is strong long-term growth potential. These actions have delivered a 50% increase in adjusted PBT in the first half of this financial year, a stronger balance sheet and growing momentum into the second half of FY2027, as set out in more detail below.

Market context

The Company recognises the wider market context, with the UK market encountering a prolonged consumer downturn.

Following the significant disruption experienced by the Group across its operations due to COVID-19, the Group initially benefited from a period of strong demand and customer restocking as markets reopened. As this effect unwound, the Group faced a more challenging trading environment, particularly in the UK, characterised by weaker consumer confidence, inflationary pressures, a softer than expected house and renovation market and a normalisation of customer inventory levels. Furthermore, there has been a significant structural shift in the UK and European soft furnishings market away from independent retail distribution.

From 2022 onwards – the reference period as stated by LBV – the Board took decisive action to begin reshaping the business, with a focus on reducing complexity, improving efficiency and rightsizing the cost base. The Group introduced tighter cost control, SKU rationalisation, increased use of digital manufacturing, organisational and headcount reductions, and a sharper strategic focus on higher-margin licensing, North America and other areas offering stronger long-term growth potential. These measures were subsequently extended through further restructuring and the Future Factory programme.

Group headcount was reduced by 15% and as a result of these actions the manufacturing operations have returned to profitability, as well as operating with increased efficiency and delivering a more flexible workforce able to respond to market demand and digital printing requirements.

In aggregate, the cost saving measures implemented in this review have reduced the aggregate cost base by £4.8 million annually, a vital measure to ensuring the Company's continued strength.

North America

The Board believes the Group's "America First" programme remains the most significant driver of success for the Group over coming years. The Board further believes that the scale and breadth of the US market offers Sanderson Design Group the ability to expand significantly, as our brands currently remain under indexed in that territory. Due to the scale of the opportunity in the US and the more favourable pricing models within that market, the Board believes the Group has the potential to double again its revenues in that market over the next 5-6 years. If this is achieved, the Board believes revenue derived from the US division would make it the Group's largest market by revenue. Given the scale of this opportunity, significant focus has been placed on accelerating growth in the US, with efforts being reinforced by a strengthened US commercial organisation, including new East and West Coast sales leadership.

The Company is also deepening its interior designer relationships through the Voysey House Collective and collaborations with leading names in American design, including Michael S Smith and Ben Pentreath, giving the Group direct access to the channels that most influences premium purchasing decisions.

Wallpaper, where Sanderson Design Group's vertically-integrated manufacturing model and design heritage provide a structural advantage, remains a core priority for continued growth, particularly within the US premium and ultra-premium segment. Each of the Group's seven heritage and contemporary brands has been assigned a differentiated role within this framework, ensuring the strategy is executed with clarity and pace across the full portfolio. The Board remains committed to focusing on America as its key market over the coming years. The Board considers that this strategy depends in no small part on its deep relationships with high-profile designers in all of the Group's territories, which have been key to the Group's recent strong performance in North America.

Direct-to-consumer

The Company has implemented a shift toward a stronger omnichannel model with a more meaningful DTC offering, alongside the Group's long-standing wholesale strengths. This has involved investing in scaling DTC across multiple brands, enhancing the "Trade Hub" digital experience for trade customers, building new brand storytelling platforms, and deepening digital marketing and customer insight capabilities, with the design archive identified as a further source of long-term value creation. This strategy is underpinned by a new HubSpot CRM platform, giving the Group, for the first time, a single view of customer data and insight across brands and channels. Management believes this represents a disciplined, well-resourced strategy to building a durable, high-margin consumer channel alongside the Group's core wholesale business.

Licensing

More broadly, licensing plays a central role in the Company's strategy, both as a means of extending the reach of the Group's brands to new audiences, and as a source of capital-light, high return income. The UK, Japan and the US have been identified as the Group's key licensing growth regions over coming years, and the Board will be allocating resource appropriately to aid in the growth of these markets. The Board remains mindful that several licensing partners are themselves navigating slower retail markets and broader economic headwinds and as such, has set its growth ambitions on a conservative basis. The strategy continues to prioritise partnerships with market leaders aligned to each brand's identity with successful partnerships including Sanderson Design Group with floral and heritage-led names such as Habitat, Williams Sonoma, Ruggable, Paige Jeans, Blinds2Go, Nishikawa and Sangetsu. These partnerships greatly boost visibility, enabling the Company to reach new audiences and drive the cultural relevance that supports demand. The Board is focused on aligning its brands with partners that will help the Group to continue to grow and develop over coming years.

Financial performance and market opportunities

The Board has been delighted by the impact of these self-help measures and its strategic initiatives, with H1 2027 results seeing the Group deliver adjusted PBT of £3.3m, up 50% versus H1 2026. The Group is on track to deliver Full Year Results in line with market expectations.

The continued momentum and improving financial results have been achieved against a backdrop of continued structural change in the UK and European soft furnishings market. Independent retail distribution has continued to contract, creating challenges for a number of competitors that are reliant on this traditional route to market, with a number being forced to retrench. In contrast, the Board believes these results, building on the strong progress across FY2026, demonstrate the effectiveness of the strategic actions taken to navigate this challenging environment, and reinforce the resilience of the Group's business model during a period of significant change. While the Board is not assuming any near-term improvement in underlying market conditions, the Group is well positioned to capitalise on market consolidation opportunities as they arise, as demonstrated by the recent licensing agreement for Designers Guild.

3. HIGHLY EXPERIENCED, INDEPENDENT BOARD WITH STRONG GOVERNANCE

The current members of the Board are deeply experienced, highly motivated to further drive Shareholder value, and possess the correct blend of skills to deliver for all stakeholders. The Board comprises three independent Non-Executive Directors and two Executive Directors, with the Audit Committee and the Remuneration Committee each chaired by an independent Non-Executive Director, and it engages regularly with Shareholders across the share register. The Board does not accept the characterisation of the Company as lacking effective challenge, nor does the Board

accept that the size of a Director's personal shareholding is a proxy for alignment: every Director owes the same duty under section 172 of the Act to promote the success of the Company for the benefit of its members as a whole, and the Board's decisions are taken on that basis.

It is also noteworthy that LBV states that remunerating a proposed Non-Executive Director entirely in shares would align their economic interests directly with Shareholders, yet does not appear to recognise that the Board's existing shareholdings and the LTIP arrangements in place for the executive directors already provide such alignment with Shareholders.

In aggregate, members of the Board have held senior positions across highly successful retail, luxury goods and consumer facing companies. The Board with Dame Dianne Thompson at the helm has led the Company through a period of sustained market challenges, implementing a clearly defined and effective strategic plan to return the business to growth and aligned with delivering strong returns for all Shareholders. The Company's approach to corporate governance has been independently recognised, most recently being shortlisted at the AIM Awards 2024 for the AIM Corporate Governance Award, reflecting the Board's long-standing commitment to transparency, accountability and constructive engagement with all Shareholders.

- Dame Dianne Thompson, Chair, brings extensive consumer sector leadership, including as chief executive of Camelot Group plc for 14 years and as a non-executive director of NEXT plc from 2015 to 2024.
- Lisa Montague, Chief Executive Officer, provides extensive UK and international luxury goods leadership experience, including as Chief Executive Officer at Loewe SA, profitably growing the Madrid-based luxury fashion house owned by LVMH, and as Chief Operating Officer of Mulberry Group plc. Lisa has also led the Group's digital-first, North America-focused transformation since April 2019.
- Mike Woodcock, Chief Financial Officer, is a chartered accountant with significant experience of international luxury and consumer brands, having served as Chief Financial Officer of both Alfred Dunhill and of Montblanc within the Richemont Group.
- Patrick Lewis, Non-Executive Director and Chair of the Remuneration Committee, brings extensive UK retail and finance experience from nearly three decades at the John Lewis Partnership, culminating in his appointment as Chief Financial Officer in 2015, having begun his career at Bain & Company and Procter & Gamble.
- Juliette Stacey, Non-Executive Director and Chair of the Audit Committee, brings over 30 years of leadership and financial governance experience, having qualified as a Chartered Accountant with Ernst & Young LLP before serving as Chief Operating Officer and Finance Director (UK & Europe) at Savills plc. She is also Senior Independent Director at Fuller, Smith & Turner PLC and at Renishaw plc, the global engineering and technology group. Juliette is a Non-Executive Director of UK building contractor Willmott Dixon and led Mabey Holdings Ltd, a global engineering group with UK manufacturing facilities as Chief Executive for five years.

The Requisitioning Shareholder has stated that the current Board lacks challenge, which the Board believes is not accurate. The Board has played a central role in shaping the strategic direction of the business, and in ensuring the Executive team is focused on maximising value for all stakeholders.

The Remuneration Committee has been stringent on ensuring the Executive team is held to account, and has exercised restraint on management bonuses, which remain aligned with underlying profit targets. Furthermore, the introduction of the Performance Share Plan ("PSP") in FY2027 ensures remuneration arrangements are directly aligned to delivery against the strategic plan and creating long-term, sustainable Shareholder value. The PSP will be delivered in shares which are subject to stretching performance targets, as set by the Remuneration Committee.

The Board – led by the Chair – has also played a central role in the derisking of the pension scheme, overseeing the transfer of the investment risk of the Abaris Holdings Limited Pension Scheme to an insurer – as agreed with the scheme trustees – in June 2024.

4. ESTABLISHED, ORDERLY SUCCESSION PROCESS

The Board is fully alive to the importance of Chair succession. Dame Dianne Thompson joined the Board in February 2019 and will reach nine years' tenure in February 2028, the point at which the QCA Code invites a board to consider the effect of length of service on a director's independence. The Board has always intended that her succession be managed in an orderly way.

- It has therefore been the Board's intention (as noted in the minutes at the December 2024 Nomination Committee meeting) to commence a formal process in January 2027 to identify a successor, supported by an independent executive search consultancy and conducted in accordance with established corporate governance best practice.
- The Board has full confidence in Dame Dianne Thompson's performance as Chair and in her continued appointment while an orderly and considered succession plan is executed.
- The Board cannot accept the Chair be removed with immediate effect, at the instigation of a single Shareholder, and before any successor has been identified. That would leave the Company without a permanent Chair at precisely the moment when continuity of leadership matters most and would place the burden of an unplanned transition on the remaining Directors.
- The Requisitioning Shareholder's proposal that Juliette Stacey, an existing independent Non-Executive Director, serve as interim Chair while a process is undertaken to identify a permanent independent Chair clearly acknowledges that Resolution 1 would create an immediate vacancy. The Board considers the resulting uncertainty to be unnecessary and distracting, and a risk to the Group's positive momentum and focused strategy.
- The Board rejects the assertion by LBV that because a Nomination Committee meeting was not formally constituted during FY2026, that Board or Chair succession has not been considered. Succession planning is an ongoing responsibility and is not confined to discussions held at formally convened Nomination Committee meetings.

5. UNVERIFIED INDEPENDENCE OR NECESSITY OF NON-EXECUTIVE DIRECTOR APPOINTMENT

The Board strongly believes that all Board appointments should be managed in an orderly and considered manner, ensuring that a broad range of high-quality candidates are properly evaluated and that directors are appointed with the skills, experience and expertise best suited to the needs of the role and the Group. The Board considers that its current composition together with the skills and experience already represented by its members, are entirely sufficient to support the continued improvement in Group performance, as demonstrated by the Company's Half Year Results announced on 12 October 2026.

- In the Board's view, Mr Brooke's professional experience described in the CV material provided is not considered to be relevant to the Group as it is concentrated in industrial technology, cleantech, water and energy. It does not show any public listed company experience in the last 20 years, or suitable capabilities in premium consumer brands, interiors, licensing or US distribution that the Board would prioritise.
- Mr Brooke's candidacy raises serious concerns as to whether he can be, and be seen to be, considered sufficiently independent of LBV to discharge his duties impartially and in the best interests of the Company and its Shareholders as a whole rather than those of LBV as the Shareholder responsible for his nomination. Mr Brooke's nomination has been advanced solely at LBV's initiative outside the Company's Nomination Committee process and in circumstances where LBV has disclosed Mr Brooke's 0.83% interest in LBV Actio Limited, the beneficial Shareholder on whose behalf Ropemaker Nominees Limited, a wholly owned subsidiary of Liberum Wealth Limited, has requisitioned the general meeting as the registered Shareholder.
- Due to Mr Brooke's interest in LBV Actio Limited, the Board believes he cannot clearly be deemed to be independent and therefore if the resolutions were successful this would reduce overall Board independence, falling below corporate governance best practice which recommends total board independence of at least 50%.

- The Requisitioning Shareholder has not provided additional information to disclose how Mr Brooke was selected as candidate, and to what extent his independence has been assessed in advance of the Requisition being filed. This contrasts with the orderly and independent process the Company expects to follow for Board appointments, under which a broad range of candidates are properly evaluated and each candidate's independence is assessed.
- The standard due diligence checks on Mr Brooke required under the AIM Rules for Nominated Advisers have not yet been commenced as at the date of this document.
- The Board would query the Requisitioning Shareholder's intentions in relation to a new Non-Executive Director. The Board notes that, as part of the previous central overhead reduction, Christopher Rogers, Non-Executive Director, stepped down from the Board having completed his second three-year term, in February 2025 following his appointment to the Board in April 2018. Our understanding from speaking with the Requisitioning Shareholder at the time was that they supported this action, and the wish to minimise Board costs.
- Subsequently, the Requisitioning Shareholder requested the Board consider the appointment of an LBV shareholder representative to the Board. The Board fully engaged with the Requisitioning Shareholder through this process, and in consultation with its broader Shareholder base, determined it was not the correct course of action for the Group at that time. That is not to say the Board would not consider expanding the Board to incorporate broader skills and experience at the right time.

6. FORWARD LOOKING PLAN

The Board retains full confidence in the Group's strategy, the strength of its brands, its design archive and its balance sheet, and looks forward to continued strategic and financial progress.

This confidence is underpinned by tangible operational proof points already delivered: a substantial increase in profitability, a strengthened net cash position, and clear evidence that the Group's cost discipline and North American growth agenda are translating into sustained earnings momentum rather than one-off gains.

The Board is pleased by the progress of the Company to date, however, it remains fully aware of the further steps it wishes to take to continue delivering value for all Shareholders. As such, the Board reiterates the substantial growth drivers it believes will continue to set the Company up for future success:

- **Disciplined product and channel focus** – prioritising higher-margin, faster-growing channels, including direct-to-consumer, while continuing to embed the efficiency gains achieved through the Group's factory restructuring programme.
- **An accelerated US growth agenda** – deepening the Group's presence in North America, its most profitable and fastest-growing territory, through continued investment in local leadership, digital platforms and brand partnerships.
- **A structurally higher-margin licensing and DTC contribution** – leveraging the Group's design archive and licensing relationships to grow a revenue stream that carries materially higher margins than traditional wholesale channels.

Disciplined product and channel focus, an accelerated US growth agenda, and a structurally higher-margin licensing and DTC contribution together provide Shareholders with good visibility on management's path to sustainably improved growth and profitability, even as the wider consumer backdrop remains challenging.

This ambition translates into a clear financial goal: continued profitability expansion, with the consensus market expectations for FY2027 targeting a further 22% growth in adjusted PBT, a cumulative increase of 44% versus FY2025.

The Company's share incentive scheme incentivises management to deliver robust financial performance with full payout conditional on the achievement of adjusted profit before tax of £16.2m in FY2029 and cumulative cash flow from operating activities (over 3 years to the end of FY2029) of £40.5m.

The Board believes that delivery against this strategy will translate into value for all Shareholders, including the Requisitioning Shareholder.

KEY POINTS OF CLARIFICATION

In summary, the Board's principal responses to LBV's arguments are:

- (i) **Engagement with LBV:** The Board has engaged constructively with LBV with extensive meetings since they became shareholders of the Company and has considered all proposals put to the Company in good faith. This includes LBV's request for Board representation, with the Board conducting a consultation with the Company's other major shareholders to assess the views of shareholders. Following this consultation, it was clear to the Board that the majority of other major shareholders would not support the appointment of a nominated LBV representative. The Board remains willing to engage constructively with the Requisitioning Shareholder, as it does with all Shareholders.
- (ii) **Disciplined Capital Allocation:** The Board keeps the balance between dividends, share purchases and investment in the business under active review. It has judged that maintaining the dividend, funding existing share awards and preserving balance-sheet flexibility was the right course for FY2026, and to support the Group's ongoing growth trajectory, allowing the Company to invest in opportunities such as the recent Designers Guild licensing agreement.
- (iii) **Legacy Pension Scheme:** The Group's two defined benefit schemes, comprising the Walker Greenbank Pension Plan and the Abaris Holdings Limited Pension Scheme ("Abaris"), closed to new entrants from June 2002 and July 2005 respectively. The investment risk of Abaris has already been transferred to an insurer, having been agreed with the scheme trustees in June 2024. The Board – in conjunction with the scheme's independent trustees – has taken proactive steps to materially derisk the Walker Greenbank Pension Plan, leaving minimal exposure to interest rates and investment growth.
- (iv) **Executive remuneration:** The Board takes seriously the votes cast against the Remuneration Report and against the re-election of the Chair at the 2026 annual general meeting. As noted above, excluding LBV votes, 97.97% of shareholders voted in favour of the Remuneration Report and 99.17% voted in favour of the re-election of the Chair. The Board does not accept the measure by which the Requisitioning Shareholder has chosen to judge executive reward. Expressing pay as a percentage of profit before tax ("PBT") distorts the executive reward where outsized performance is achieved but where profits are recovering from a loss. In a year in which the Group returned to statutory profit, restored its manufacturing operations to profitability and increased net cash by 69 per cent., the Remuneration Committee remained restrained in respect of executive bonuses and exercised its judgement to award materially less than the policy permitted, despite strong executive performance and Group progress.
- (v) **Peer Comparison:** The claims made by the Requisitioning Shareholder rest principally on comparisons drawn from an FY2022 starting point, and on misleading comparisons with Colefax Group plc ("Colefax") and Embellence Group AB. It is the Board's firm belief that neither company is a like-for-like comparator. The Board rejects the premise that a lower executive remuneration to profit ratio at Colefax reflects better stewardship. In FY2026 the Group moved from a statutory loss before tax of £13.9m to a statutory profit before tax of £3.1m, a swing of some £17m in a single financial year, while adjusted underlying profit before tax grew 22 per cent. and net cash rose 69 per cent. A ratio calculated on the first year of a recovery necessarily flatters a company that was already profitable throughout the period, and penalises the company that has just delivered the turnaround.

The supporting detail for these arguments is set out below.

1. Engagement with LBV Asset Management and wider Shareholder base

The Board recognises the right of all Shareholders to voice their opposition to any decision or strategy undertaken by the Board and, where appropriate, to convene a general meeting via requisition. Whilst this is not disputed, the Board firmly believes that Shareholders must consider whether the Resolutions being proposed are likely to improve outcomes for all Shareholders, both in relation to the Company's profitability and its governance.

Following receipt of the original, invalid requisition of general meeting notice on 17 September 2026, the Group proactively engaged with LBV to seek a constructive resolution to its concerns. The Group confirms the engagements noted by LBV in its “Proxy Adviser Briefing” document, including a meeting on 23 September 2026 with the Board and representatives of LBV.

The Board has engaged consistently and frequently with LBV. Since September 2024, different members of the Sanderson Design Group leadership have hosted meetings with LBV and its associates on more than 20 occasions, as detailed below:

Date	Location	Meeting details/attendees
3 September 2024	Voysey House	Site visit SDG: Lisa Montague, Mike Woodcock LBV: Alvier Almeida ⁽¹⁾ , Emmanuel de Figueiredo ⁽²⁾
18 October 2024	Virtual meeting	Interim results roadshow SDG: Lisa Montague, Mike Woodcock LBV: Alvier Almeida, Emmanuel de Figueiredo
23 January 2025	Virtual meeting	SDG: Lisa Montague, Mike Woodcock LBV: Alvier Almeida, Emmanuel de Figueiredo
2 May 2025	Virtual meeting	Annual results roadshow and Remuneration discussion SDG: Lisa Montague, Mike Woodcock, Patrick Lewis LBV: Alvier Almeida, Emmanuel de Figueiredo
8 May 2025	Voysey House	Meeting with Peter Graham as investor in LBV and Alex McDonald LBV organised factory auditor SDG: Lisa Montague, Mike Woodcock LBV: Peter Graham, Alex McDonald
6 October 2025	Loughborough site visit	Site visit SDG: Mike Woodcock, Tim Preston LBV: Alvier Almeida, Emmanuel de Figueiredo
8 October 2025	Standfast site visit	Site visit SDG: Lisa Montague, Tim Preston LBV: Alvier Almeida, Emmanuel de Figueiredo
15 October 2025	East India Club	Interim results roadshow SDG: Dianne Thompson, Lisa Montague, Mike Woodcock LBV: Alvier Almeida, Emmanuel de Figueiredo
11 November 2025	Virtual meeting	Debrief after Emmanuel de Figueiredo Italy visit SDG: Lisa Montague, Mike Woodcock LBV: Emmanuel de Figueiredo
17 December 2025	Voysey House	SDG: Lisa Montague, Mike Woodcock, Mauricio Solodujin LBV: Peter Graham
17 March 2026	Wolseley Piccadilly	Dinner SDG: Lisa Montague, Mike Woodcock LBV: Emmanuel de Figueiredo
18 March 2026	Milton Keynes	Site visit and Remuneration discussion SDG: Patrick Lewis, Mike Woodcock, Tim Preston LBV: Alvier Almeida, Emmanuel de Figueiredo
20 April 2026	Isle of Wight	Request for Board Representative SDG: Dianne Thompson LBV: Emmanuel de Figueiredo
29 April 2026	Singer Offices	Annual results roadshow SDG: Lisa Montague, Mike Woodcock LBV: Alvier Almeida, Emmanuel de Figueiredo

Date	Location	Meeting details/attendees
5 May 2026	Lake Como	Preposte Exhibition SDG: Lisa Montague, Tim Preston, Claire Vallis LBV: Emmanuel de Figueiredo
14 May 2026	Virtual meeting	SDG: Juliette Stacey LBV: Emmanuel de Figueiredo
21 May 2026	Virtual meeting	Potential Board Representative SDG: Dianne Thompson, Patrick Lewis, LBV: Greg Lawless
21 May 2026	Virtual meeting	Potential Board Representative SDG: Dianne Thompson, Patrick Lewis LBV: Peter Graham
29 May 2026	Virtual meeting	SDG: Lisa Montague, Mike Woodcock Greg Lawless
1 July 2026	Voysey House	Pre-AGM discussion SDG: Dianne Thompson, Patrick Lewis, Juliette Stacey, David Gracie LBV: Emmanuel de Figueiredo, Alvier Almeida
1 July 2026	Voysey House	AGM SDG: Dianne Thompson, Juliette Stacey, Patrick Lewis, Lisa Montague, Mike Woodcock, David Gracie LBV: Alvier Almeida, Emmanuel de Figueiredo Alongside other AGM attendees and shareholders
9 July 2026	Voysey House	Potential Board Representative SDG: Lisa Montague, Mike Woodcock LBV: Greg Lawless
23 September 2026	Voysey House	SDG: Dianne Thompson, Juliette Stacey, Patrick Lewis, Lisa Montague, Mike Woodcock, David Gracie LBV: Alvier Almeida, Emmanuel de Figueiredo, Nicola Foulston
27 September 2026	Virtual meeting	SDG: Juliette Stacey LBV: Emmanuel de Figueiredo
28 September 2026	Call	SDG: Dianne Thompson LBV: Peter Graham
30 September 2026	Call	SDG: Dianne Thompson LBV: Peter Graham

(1) Alvier Almeida

Prior to joining LBV Alvier was Vice President and member of the investment committee at Petrus Advisers, a London based investment manager, where in addition to fundamental investing he took part in several activist campaigns. From 2006 to 2010 Alvier worked as an M&A analyst for the Portuguese investment bank CaixaBI, and for Banco BPI's Structured Products Division. Alvier holds an MBA from London Business School and is a graduate from Católica Lisbon School of Business & Economics.

(2) Emmanuel de Figueiredo

Emmanuel de Figueiredo is the founder and CIO of LBV Asset Management. Prior to founding LBV in May 2008, Emmanuel was a Portfolio Manager at Société Générale Asset Management Alternative Investment (now Lyxor Asset Management). Emmanuel spent over three years at Société Générale and was the lead Portfolio Manager for the Opportunities long/short fund in his last year. Before joining the buy side Emmanuel held several sell-side research roles within equity research, the longest being at Morgan Stanley where he spent six years, holding the role as Head of Pan European Equity Mid Cap Research before he left to join Société Générale in February 2005.

Emmanuel graduated from the University of Toronto, with a Masters in Economics, after which he started his career as an economist for Carnegie International.

LBV investment horizon

The Board believes it relevant to query the underlying motivation of the Requisition Shareholder. LBV's "Letter to Sanderson Group" as published on 2 October 2026 via its website, described LBV as a long-term investor and supporter of the Group's operational strategy. In this context, it is of note that LBV has currently held shares in the Group for approximately three years, as compared to its stated average holding period of approximately two years (while acknowledging significant variation). Although this does not establish specific inconsistency or intention, the Board believes Shareholders are entitled to understand the long-term outcomes LBV is seeking, over what timeframe, and how its Resolutions support the Company's long-term development and Shareholder value.

From the date LBV first disclosed a notifiable interest of 5.1% on 17 January 2025, the Group has delivered approximately 40% Total Shareholder Return. LBV then proceeded to more than double its investment in the Company, increasing its interest to 14.1%, including acquiring further shares shortly before seeking significant changes to the Board.

Taking a 12-month view, which should be considered as a more appropriate measure of success for the Group's turnaround strategy, total Shareholder return was +62.3%, compared with +0.2% for the FTSE AIM All-Share, +16.8% for the FTSE AIM Retail Sector and a median of -10.0% for our peer group.

Board representation requests

The Board confirms that prior to the receipt of the Requisition Notice there was significant, constructive engagement with LBV (as with all other major Shareholders), including in relation to capital allocation, the Group's legacy pension arrangements and its asset footprint. During those discussions, LBV put forward candidates for appointment as a Non-Executive Director of the Company, as well as candidates to act as an LBV-nominated representative.

As a result, the Company conducted a consultation of a number of its major Shareholders. At that time, it was made clear to the Company that the majority of Shareholders consulted would not support the appointment of an LBV-nominated representative and would vote against any resolutions put to them at any requisitioned general meeting in relation to such an appointment.

The Board remains willing to engage constructively with the Requisitioning Shareholder, as it does with all Shareholders, and will continue to keep the composition of the Board and its succession planning under review as a matter of course.

2026 AGM voting clarification

LBV stated in its "Letter to Sanderson Group" as published on 2 October 2026, that *"at the 2026 AGM, 26% of votes cast were against the Remuneration Report. This is clear evidence of dissatisfaction among shareholders when it comes to board and executive compensation, and can no longer be ignored or dismissed"*.

However, the Board believes it is imperative to highlight that this outcome was materially influenced by the votes of LBV and its affiliates. Excluding those votes, 97.97% of the votes cast at the 2026 AGM were in favour of the Remuneration Report. In considering those circumstances, the Board believes any suggestion that there is broad Shareholder "dissatisfaction" could be considered highly inaccurate and misleading. LBV's letter also highlights that 25% of votes cast were against the re-election of the Chair. This outcome was also predominantly driven by LBV's own votes: excluding those of LBV and its affiliates, 99.17% of votes cast were in favour of Dame Dianne Thompson's re-election. It therefore did not reflect broad opposition across the remaining Shareholder base.

Requisition of general meeting request issues

The Group confirms it received a requisition of general meeting request from the Requisitioning Shareholder on 17 September 2026, which was invalid as the notice was not sent by the registered Shareholder as recorded on the register of members. A further notice was received on 24 September 2026, which did not identify the authorised signatories of the registered Shareholder, and was also

deemed invalid. A valid requisition notice was issued and accepted on 25 September 2026. The Board firmly believes it, as with any company board, should not be expected to accept and proceed with an invalid request for the requisition of a general meeting.

2. Disciplined capital allocation

The Requisitioning Shareholder has argued that, for so long as the shares trade below net book value, surplus capital should instead be applied to the repurchase and cancellation of Ordinary Shares. The Board has considered that argument and keeps the balance between dividends, share purchases and investment in the business under active review.

It judged that maintaining the dividend, funding existing share awards and preserving balance-sheet flexibility was the right course for FY2026, and to support the Group's ongoing growth trajectory. Such balance sheet flexibility will allow the Board to invest in opportunities such as the recent Designers Guild licensing agreement, where the Board sees enormous opportunity and huge synergies. The Board notes that the Requisition does not ask Shareholders to decide this question.

3. Legacy pension scheme management

The Requisitioning Shareholder has also raised the Group's remaining legacy defined benefit arrangements and the complexity of its property and operational footprint. Both are matters the Board has considered, and continues to consider, in the ordinary course and on their economic merits. Again, neither is a matter before Shareholders at the General Meeting.

The Group's two defined benefit schemes, comprising the Walker Greenbank Pension Plan and the Abaris scheme, closed to new entrants from June 2002 and July 2005 respectively. The investment risk of Abaris has already been transferred to an insurer, having been agreed with the scheme trustees in June 2024. The Board – in conjunction with the scheme's independent trustees – has taken proactive steps to materially derisk the Walker Greenbank Pension Plan, leaving minimal exposure to interest rates and investment growth.

4. Executive remuneration

Executive pay is set by the Remuneration Committee, supported by benchmarking via an independent remuneration consultant, chaired by an independent Non-Executive Director, within a policy approved by Shareholders, and FY2026 outcomes referenced by the Requisitioning Shareholder reflected a year in which the Group returned to statutory profit, restored its manufacturing operations to profitability and materially strengthened its balance sheet.

The Board takes seriously the votes cast against the Remuneration Report and against the re-election of the Chair at the 2026 AGM. As noted above, excluding the LBV votes, 97.97% of the votes cast at the 2026 AGM were in favour of the Remuneration Report and 99.17% voted in favour of the re-election of the Chair.

The Board has engaged, and will continue to engage, with all Shareholders on both the Remuneration Report and the re-election of the Chair. Neither, however, is a reason to remove the Chair with immediate effect and without a successor in place.

The Board does not accept the measure by which the Requisitioning Shareholder has chosen to judge executive reward. Expressing pay as a percentage of profit before tax ("PBT") distorts the executive reward where outsized performance is achieved but where profits are recovering from a loss. Pay as a percentage of PBT is not a measure used by the Remuneration Committee in setting reward, and it tells Shareholders nothing about whether the amounts actually paid were reasonable. At the time of the 2026 AGM, both ISS and Glass Lewis supported the Remuneration Report, as put forward to Shareholders.

The Chief Executive's maximum annual bonus opportunity is 100 per cent. of salary. That is at or below the maximum opportunity operated by comparable listed companies. The FY2026 award was 67 per cent. of that maximum, equivalent to 67 per cent. of salary, and materially below the bonus awarded relative to salary at several of those comparators. In a year in which the Group returned to statutory profit, restored its manufacturing operations to profitability and increased net cash by 69 per cent., the Remuneration Committee remained restrained in respect of executive bonuses and exercised its judgement to award materially less than the policy permitted, despite strong executive performance and Group progress.

It is also worth noting that between FY2022 and FY2026, the Chief Executive Officer's salary increased by a total of 7% over a 5-year period, equating to an annual increase of 1.4% and below inflation.

The Requisitioning Shareholder asserts that management are not sufficiently aligned with Shareholder outcomes, but, full payout under the Company's share incentive scheme is conditional on demanding targets which, if achieved, would represent a transformation in the Group's earnings and cash generation, and the reward of management is tied directly to their delivery.

5. Peer comparison

The Company acknowledges the claims made by the Requisitioning Shareholder in its letter to the Board dated 17 September 2026. However, those claims rest principally on comparisons drawn from an FY2022 starting point, and on misleading comparisons with Colefax Group plc and Embellence Group AB.

It is the Board's firm belief that neither company is a like-for-like comparator: the Group's business carries a vertically integrated UK manufacturing base and a licensing platform that are not replicated in either company, and the three businesses are differently weighted by geography, channel and brand mix. The Board does not suggest that these differences excuse the Group's performance; it does say that they make the comparison an unreliable basis on which to conclude that a change of Chair and/or the appointment of a Non-Executive Director is required.

In addition, it believes that these claims do not accurately represent the Company's current momentum, its trajectory since FY2025, or its future prospects and opportunities.

The Board also rejects the premise that a lower executive remuneration to profit ratio at Colefax reflects better stewardship. That comparison measures the level of profit, not the direction of travel. In FY2026 the Group moved from a statutory loss before tax of £13.9m to a statutory profit before tax of £3.1m, a swing of some £17m in a single financial year, while adjusted underlying profit before tax grew 22 per cent. and net cash rose 69 per cent. A ratio calculated on the first year of a recovery necessarily flatters a company that was already profitable throughout the period, and penalises the company that has just delivered the turnaround. It is a measure of where a business started the year, not of how far it has travelled.

Against that, the Chief Executive's FY2026 single-figure remuneration of £729,000 was lower, in absolute terms, than the £739,000 paid in the same year to the chief executive of Colefax. Combined Chief Executive and Chief Financial Officer remuneration of £1.13m compares with approximately £1.04m for the two equivalent executive roles at Colefax: a difference of some 9 per cent. in pay, set against a difference of some 70 per cent. in profit before tax. The gap in the ratios relied upon is therefore a function of profit, not of pay, and of the point in the cycle at which that profit is measured. Judged over the period in which the Board has acted, the Group's profitability has been rebuilt from a substantial loss, and the executives responsible for delivering that recovery are paid less, in absolute terms, than their counterparts at the company held up as the benchmark.

Finally, the Board notes that Colefax, the comparator relied upon throughout the Requisitioning Shareholder's letter, is a company whose directors hold approximately 30 per cent. of its issued share capital and whose board includes a single independent non-executive director. It is not, in the Board's view, a natural benchmark for either the governance or the reward arrangements of a company with Sanderson Design Group's Shareholder base

THE REQUISITION AND THE RESOLUTIONS

The Resolutions to be proposed at the General Meeting are ordinary resolutions. As such, for a resolution to be passed, more than 50 per cent. of the votes cast must be in favour of the resolution.

The Resolutions are set out in full in the Requisitioned Notice which accompanies this document. The Resolutions being proposed are as follows:

1. THAT, pursuant to section 168 of the Companies Act, Dame Dianne Thompson be and is hereby removed as a director of the Company with immediate effect.
2. THAT, pursuant to the Company's articles of association and section 154 of the Companies Act, Mr Stephen Brooke be and is hereby appointed as a director of the Company with immediate effect.

RECOMMENDATION

For the reasons set out above, the Board unanimously **recommends that Shareholders VOTE AGAINST BOTH of the Resolutions to be proposed at the General Meeting**. The Board firmly believes that the Resolutions are not in the best interests of Shareholders as a whole: Resolution 1 would remove the Company's Chair with immediate effect and without a successor in place, and Resolution 2 would appoint to the Board a director nominated by a single Shareholder outside any independent selection process. The Board does not believe the Resolutions improve either the profitability or the governance of the Company. The Board, representing approximately 1.2 per cent. of the Company's issued share capital, intends to vote unanimously against both Resolutions.

Why has this General Meeting been called?

Having received the Requisition Notice from a Shareholder of the Company, the Board is required by Section 303 of the Act to call a general meeting of the Company.

The General Meeting will be held at 09.00 a.m. on 29 October 2026 at DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT. Formal notice of the General Meeting, including the ordinary resolutions to be proposed at that meeting is set out on page 30 of this document. It is important that Shareholders vote at that meeting.

Voting

Voting on all Resolutions at the General Meeting will be on a poll (rather than on a show of hands) as the Directors believe that this will result in a more accurate reflection of the views of all Shareholders as it ensures that all votes cast are counted, rather than just those of the Shareholders attending the meeting. On a poll, each Shareholder has one vote for every share held.

You will be able to vote in one of three ways for each of the Resolutions: 'For', 'Against' or 'Withheld'. Please note that a 'Withheld' is not a vote in law and will not be counted in the calculation of votes 'For' and 'Against' each resolution.

The results of the poll will be announced through Regulatory Information Service and will be published on our website <https://sandersondesign.group/> on 29 October 2026 after the conclusion of the General Meeting or as soon as reasonably practicable thereafter.

Should you not be able to attend in person and cast your vote at the General Meeting, your Board strongly encourages you to vote in advance of the General Meeting by appointing a proxy who will exercise your right to vote at the General Meeting in accordance with your instructions. Further details relating to voting by proxy are set out in the notes to the Notice on pages 31 and 32 of this document.

Questions

If you have any questions relating to the business of the General Meeting, you may submit these in advance by emailing SDG@georgeson.com. We will then collate the answers to the questions received and, if relevant, address these at the General Meeting.

Resolutions

An explanation of the Resolutions being proposed is set out below. Both Resolutions 1 and 2 are proposed as ordinary resolutions. This means that for each of these Resolutions to be passed, more than half of the votes cast must be in favour of the Resolution.

Resolution 1: Removal of Dame Dianne Thompson

This resolution deals with the removal of Dame Dianne Thompson as Chair and Director of the Company with immediate effect.

Resolution 2: Appointment of Stephen Brooke

This resolution deals with the appointment of Stephen Brooke as Director of the Company.

Actions to be taken

If you would like to vote on the Resolutions set out in the Notice but cannot come to the General Meeting in person, your Board strongly encourages you to vote in advance of the General Meeting by appointing a proxy who will exercise your right to vote at the General Meeting in accordance with your instructions. You can use the following methods to submit your voting instructions in advance. If you choose to use any of the methods below, this will not prevent you from subsequently attending the General Meeting in person, voting or speaking, in which case any votes held by the proxy will be superseded.

- by submitting your proxy electronically using the Investor Centre app or at <https://uk.investorcentre.mpms.mufig.com/>;
- (if you are a CREST member) using the CREST electronic proxy appointment service; or
- if you are an institutional investor, you may also be able to appoint a proxy electronically via the Proximity platform.

If you require a paper proxy form to be sent to you, please contact our Registrar, MUFG Corporate Markets via email at shareholderenquiries@cm.mpms.mufig.com or on 0371 664 0300 and +44 (0) 371 664 0300 (international).

Your proxy appointment must be received by **09.00 a.m. on 27 October 2026**. Further details relating to voting by proxy are set out in the notes to the Notice on pages 31 and 32 of this document.

Recommendation

The Directors unanimously consider that the Resolutions are not in the best interests of the Company or its Shareholders as a whole. The Directors unanimously recommend that Shareholders VOTE AGAINST BOTH OF THE RESOLUTIONS as they intend to do in respect of their own shareholdings.

We remain committed to the long-term success of Sanderson Design Group. We do not only represent the interests of all Shareholders, but also that of our design partners, our customers and our enormously dedicated and hard-working team that are pivotal in the continued successful delivery of our Group strategy.

We – as a Board – look forward to welcoming you to the forthcoming General Meeting and thank you for your continued support.

Yours faithfully

Sanderson Design Group PLC

Board of Directors

Dame Dianne Thompson – *Chair*
Lisa Montague – *Chief Executive Officer*
Mike Woodcock – *Chief Financial Officer*
Patrick Lewis – *Non-Executive Director*
Juliette Stacey – *Non-Executive Director*

PART II – LETTER FROM THE CHAIR OF THE BOARD

Registered Office

Voysey House
Sandersons Lane
London
W4 4DS

12 October 2026

TO THE HOLDERS OF THE ORDINARY SHARES OF 1P EACH IN THE CAPITAL OF THE COMPANY

Dear Shareholder,

I am writing to you as Chair of Sanderson Design Group.

You are being asked to vote on resolutions requisitioned by LBV seeking my immediate removal as Chair of Sanderson Design Group and the appointment of Mr Stephen Brooke as a director.

The Board and I resolutely believe these proposals are unnecessary and significantly disruptive to the long-term value potential of the Group and therefore not in the best interests of shareholders.

A business transformed

When Lisa Montague and I joined the Board in 2019, we inherited a business requiring significant change, investment and strategic direction.

The Group operated as a collection of separate businesses. Its manufacturing operations required substantial investment and its exceptional design archive was fragmented across multiple locations and had never been comprehensively catalogued or valued.

Since then, the business has been fundamentally reshaped and evolved into a platform for international growth. We brought the Group together under the Sanderson Design Group name and, through the implementation of our Live Beautiful strategy, embarked on a significant cultural transformation. The scale of that change, bringing previously distinct businesses together behind a common identity, purpose and strategic direction, should not be underestimated, nor the effort required to embed it across the organisation.

We have created a stronger, more unified organisation; invested in, and modernised manufacturing; streamlined the number of product launches to become more focused; and repositioned the business around those areas where we see the greatest opportunities for profitable long-term growth.

The move to Voysey House, the historic former Sanderson wallpaper factory in Chiswick, was another important part of that transformation. The move was not only financially sensible – coming at a time that the office lease was expiring making a move a necessity – but presented an opportunity to relocate the Group to a building that was available and was commissioned in 1902 by C.F.A. Voysey as a wallpaper factory for A. Sanderson & Sons. The move has reconnected the Group with its heritage and created a more effective home for our brands, archive and creative teams. Crucially, it has also become a place where designers, customers and international partners engage directly with the business, strengthening the way we present Sanderson Design Group both in the UK and overseas. This was previously not possible.

Another major achievement has been the two-year process to centralise, catalogue and digitise the Group's design archive. We have transformed what was a fragmented and underutilised resource into a strategic asset that can support new collections, licensing opportunities and global creative partnerships. The archive has subsequently been independently valued at approximately £10 million, underlining both its quality and value to the Group.

I must highlight that the Group's transformation was undertaken through an extraordinary period. Within months of the current leadership being appointed, COVID-19 disrupted the Group's operations and was followed by a sustained deterioration in the UK interiors market. Despite those challenges, the Board, management and teams continued to implement the strategy.

The strategy is working

In recognising that weakness in the UK market represented more than a temporary cyclical downturn, we initiated a wide-ranging business review and restructured the Group to focus on North America, licensing, direct-to-consumer and manufacturing efficiency.

Those decisions are producing measurable progress as clearly evidenced by our 2026 financial performance achieving a statutory profit before tax of £3.1m, compared with a loss before tax of £(13.9)m in the previous year. The latest Half Year results show our continued momentum with revenue increasing to £51.4m and statutory profit before tax up 67% to £2.5m. The Group has so far delivered a 12-month Total Shareholder Return of 62.2%.

Our renewed creative focus is also producing tangible results.

Highgrove by Sanderson, created in collaboration with The King's Foundation and inspired by the gardens at Highgrove, has been the Group's most successful launch to date, and a major contributor to a positive year for the Sanderson brand and continues to be an international success.

Similarly, Morris & Co. x The Huntington, launched in September 2025, has created a significant multi-year opportunity for Morris & Co. and demonstrates the ability of our creative teams to combine exceptional historic design assets with new partnerships and commercial opportunities.

These are not isolated product launches. They demonstrate the value of investing in our brands, our archive and our creative capabilities, and of becoming increasingly selective about where we focus our resources.

Our recognition in North America has strengthened substantially. Licensing has become an increasingly important part of the Group's business model. Direct-to-consumer is building momentum. Investment and digitalisation have materially improved our manufacturing operations.

The recently announced Designers Guild agreement shows how far the business has come and reflects the opportunities that our capabilities, brands and infrastructure can unlock. There remains more to do, but the direction of travel is clear, and we have the right strategy in place.

Succession process

I have spent my career in senior leadership, sales and marketing roles across consumer-facing businesses, including 14 years as Chief Executive of Camelot, as well as senior positions at Signet, Sandvik and ICI Paints and service as a Non-Executive Director of NEXT plc. That experience in building brands, managing consumer businesses and overseeing organisations through periods of significant change has been directly relevant to the Company and to its transformation since 2019.

I am proud of the part I have played in that progress, alongside Lisa, the wider management team, my fellow Board members and, above all, our 500 employees who have shown such commitment and dedication to the business.

LBV's requisition risks creating a misleading impression that the Board has failed to address Chair succession. That is simply incorrect.

The Board's intended succession timetable was formally discussed and recorded by the Nomination Committee in December 2024, well before LBV's intervention. The established plan was to commence a formal search for my successor in January 2027, allowing sufficient time to conduct a rigorous independent process and provide for an orderly transition.

Good governance requires proper succession planning, not the immediate removal of a Chair and the abandonment of an established process at a point when the Company's strategy is beginning to deliver.

Today, the Group is a stronger, more cohesive and better-positioned business than the one we inherited. The strategy is established, the operational restructuring has largely been completed and performance is improving.

Against that background, the Board and I do not believe LBV has demonstrated how its proposed changes would improve the Company's prospects, strategic execution or create greater value for shareholders. When considering the strength of the Group's performance, together with LBV's stated support for the executive management team and operational strategy, I believe it right to question whether LBV's underlying intention is aligned to that of the wider shareholder base.

LBV's proposals risk significant disruption and uncertainty at precisely the point when the benefits of the Group's transformation are becoming increasingly evident.

Shareholders should be in no doubt that the Board will remain ambitious, challenge management and hold itself accountable for performance.

The Board and I unanimously recommend that shareholders VOTE AGAINST both Resolutions.

I hope you will support us.

Yours sincerely,

Dame Dianne Thompson DBE CBE
Chair
Sanderson Design Group PLC

PART III – SHAREHOLDER Q&A

1. Why have I received this Notice?

The Board is required to call a general meeting of the Company following a Requisition Notice received from Ropemaker Nominees Limited, a wholly owned subsidiary of Liberum Wealth Limited, as the registered Shareholder on behalf of LBV, holding 8,566,432 Ordinary Shares, representing approximately 11.854% of the Company's 72,264,620 issued ordinary shares.

2. What is the General Meeting about?

The General Meeting is required to consider the Resolutions proposed by the Requisitioning Shareholder to (i) remove Dame Dianne Thompson as Chair and Director of the Company with immediate effect and (ii) appoint Stephen Brooke as Director of the Company. Further details as to why the Board unanimously recommends that Shareholders **VOTE AGAINST** the Resolutions are set out in the Letter from the Board of Directors contained in this document.

3. What is the Board recommending?

The Board unanimously recommends that Shareholders **VOTE AGAINST** the Resolutions.

4. How do I vote?

Voting on all Resolutions at the General Meeting will be on a poll (rather than on a show of hands) as the Directors believe that this will result in a more accurate reflection of the views of all Shareholders as it ensures that all votes cast are counted, rather than just those of the Shareholders attending the meeting. On a poll, each Shareholder has one vote for every share held.

You will be able to vote in one of three ways for each of the Resolutions: 'For', 'Against' or 'Withheld'. Please note that a 'Withheld' is not a vote in law and will not be counted in the calculation of votes 'For' and 'Against' each resolution.

You can vote on the Resolution in advance of the General Meeting by registering your proxy vote. Please register your proxy vote by appointing a proxy who will exercise your right to vote at the General Meeting in accordance with your instructions. You can use the following methods to submit your voting instructions in advance. If you choose to use any of the methods below, this will not prevent you from subsequently attending the General Meeting in person, voting or speaking, in which case any votes held by the proxy will be superseded.

- by submitting your proxy electronically using the Investor Centre app or at <https://uk.investorcentre.mpms.mufg.com/>;
- (if you are a CREST member) using the CREST electronic proxy appointment service;
- if you are an institutional investor, you may also be able to appoint a proxy electronically via the Proxymity platform;
- by requesting a hard copy form of proxy from the Registrars.

You will need to log into your Investor Centre account, or register if you have not previously done so. To register you will need your Investor Code, this is detailed on your share certificate or available from our Registrar, MUFG Corporate Markets as soon as possible but, in any event no later than 09.00 a.m. on 27 October 2026 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting).

If you require a paper proxy form to be sent to you, please contact our Registrar, MUFG Corporate Markets via email at shareholderenquiries@cm.mpms.mufg.com or on 0371 664 0300 and +44 (0) 371 664 0300 (international).

Your proxy appointment must be received by **09.00 a.m. on 27 October 2026**. Further details relating to voting by proxy are set out in the notes to the Notice on pages 31 and 32 of this document.

5. How can I ask questions?

If you have any questions relating to the business of the General Meeting, you may submit these in advance by emailing SDG@georgeson.com. We will then collate the answers to the questions received and, if relevant, address these at the General Meeting.

6. What is the timetable?

Event	Date
Notification of the Requisition of General Meeting 2026	25 September 2026
Date of this document	12 October 2026
Announcement of FY27 Interim Results	12 October 2026
Latest time and date for receipt of completed proxy vote	09.00 a.m. on 27 October 2026
Time, date and location of the General Meeting	09.00 a.m. on 29 October 2026 at DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT
Results of General Meeting announced	29 October 2026

PART IV – DEFINITIONS

The following definitions apply throughout this Circular, unless the context requires otherwise:

“2026 AGM”	the annual general meeting of the Company held on 1 July 2026;
“Act”	the Companies Act 2006;
“AIM”	the market of that name operated by the London Stock Exchange;
“Board”	the board of Directors of the Company;
“Colefax”	Colefax Group Plc
“Company” or “Sanderson Design Group” or “Sanderson”	Sanderson Design Group PLC, a public limited company incorporated in England and Wales with registered number 00061880
“CREST”	the UK-based system for the paperless settlement of trades in listed securities, of which Euroclear UK & International Limited is the operator;
“CREST Proxy Instruction”	an appropriate CREST message in order to appoint or instruct a proxy;
“Directors”	the directors of the Company as at the date of this document;
“DTC”	direct-to-consumer
“Euroclear”	Euroclear UK and International Limited;
“General Meeting”	the general meeting of the Company to be held at 09.00 a.m. on 29 October 2026 at DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT;
“Group”	the Company and its subsidiaries, from time to time;
“LBV”	LBV Actio Limited;
“Notice” or “Notice of General Meeting”	the notice of General Meeting which is set out on page 30 of this document;
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company;
“QCA Code”	QCA Corporate Governance Code
“Registrar”	MUFG Corporate Markets;
“Requisition Candidate”	Mr Stephen Brooke
“Requisition Notice”	the noticed dated and served on 25 September 2026 from LBV and Ropemaker Nominees Limited requiring the Board to convene the General Meeting for the purposes of considering the Resolutions;
“Requisitioning Shareholder”	Ropemaker Nominees Limited, a wholly owned subsidiary of Liberum Wealth Limited, as the registered Shareholder on behalf of LBV, holding 8,566,432 Ordinary Shares, representing approximately 11.854% of the Company's 72,264,620 issued ordinary shares

“Resolutions”	the resolutions set out on page 30 of this document;
“Shareholder(s)”	holder(s) of Ordinary Shares in the capital of the Company; and
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland.

All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension of it. Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or vice versa.

PART V – NOTICE OF GENERAL MEETING

OF



SANDERSON DESIGN GROUP PLC

(Registered in England and Wales with company number 00061880)

NOTICE IS HEREBY GIVEN THAT a General Meeting of Shareholders of Sanderson Design Group PLC will be held at DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT on Thursday, 29 October 2026 at 09.00 a.m. for the following purposes:

The following resolutions will be proposed as ordinary resolutions.

1. That, pursuant to section 168 of the Act, Dame Dianne Thompson be and is hereby removed as a director of the Company with immediate effect.
2. That, pursuant to the Company's articles of association, and section 154 of the Act, Mr Stephen Brooke be and is hereby appointed as a director of the Company with immediate effect.

By Order of the Board

David Gracie, on behalf of Gracie Governance Solutions Ltd,
Company Secretary

12 October 2026

Registered Office

Sanderson Design Group Plc
Voysey House
Sandersons Lane
London W4 4DS

*Registered in England and Wales
Company No. 00061880*

Notes

1. A member entitled to attend and vote is entitled to appoint one or more persons as proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. If a member wishes to appoint more than one proxy they may do so at <https://uk.investorcentre.mpms.mufg.com/>.
2. To be effective, the proxy vote must be submitted via the Investor Centre so as to have been received by the Company's Registrars not less than 48 hours (excluding weekends and public holidays) before the time appointed for the meeting or any adjournment of it. Investor Centre is a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Investor Centre via a web browser at: <https://uk.investorcentre.mpms.mufg.com/>.



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App Store



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- Any power of attorney or other authority under which the proxy is submitted must be returned to the Company's Registrars, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. If a paper form of proxy is requested from the Registrar, it should be completed and returned to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL to be received not less than 48 hours (excluding non-working days) before the time of the meeting.
3. Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (as amended), the Company has specified that only those Shareholders registered in the register of members of the Company as at the close of business on 27 October 2026 (the "**Specified Time**") (or, in the event that the meeting is adjourned, to a time more than 48 hours (excluding non-working days) after the Specified Time, by close of business on the day which is two days prior to the time of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. If the meeting is adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purposes of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned meeting. Changes to the register of members after the relevant deadline, shall be disregarded in determining the rights of any person to attend and vote at the meeting.
 4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment(s) thereof) by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
 5. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's ("**Euroclear**") specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy, or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Company's Registrars (ID RA10) by the last time(s) for receipt of proxy appointments specified in note 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

6. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com).
7. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
8. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged so as to have been received by the Company's Registrars not less than 48 hours (excluding weekends and public holidays) before the time appointed for the meeting or any adjournment of it. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
9. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
10. Any electronic address provided either in this Notice or in any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.
11. If you need help with voting online, or require a paper proxy form, please contact our Registrar, MUFG Corporate Markets by email at shareholderenquiries@cm.mpms.mufg.com, or you may call MUFG Corporate Markets on 0371 664 0300 and +44 (0) 371 664 0300 (international). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. MUFG Corporate Markets are open for business between 9.00 am – 5.30 pm, Monday to Friday, excluding public holidays in England and Wales.
12. Submission of a Proxy vote shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

PART VI – APPENDICES

APPENDIX 1 – SHAREHOLDER STATEMENT FROM LBV ASSET MANAGEMENT:

THIS DOES NOT REPRESENT THE VIEWS OF YOUR BOARD

SHAREHOLDER STATEMENT

LBV Asset Management statement regarding Sanderson Design Group plc⁽¹⁾

LBV Asset Management (“LBV”, “we”, “us” and “our”), across certain managed vehicles, holds more than 14% of the issued share capital of Sanderson Design Group plc (“Sanderson” and “the Company”), making it the Company’s largest shareholder. LBV has requisitioned a General Meeting of the Company. This statement explains why.

What shareholders are being asked to decide

We have requisitioned a General Meeting to propose two resolutions:

1. The removal of Dame Dianne Thompson as a director.
2. The appointment of Stephen Brooke as an independent Non-Executive Director.

The resolutions are not inter-conditional. One can pass and one can fail. Each is for shareholders to decide on its merits.

This is a limited and proportionate change. LBV is not seeking the removal of the CEO or CFO, control of the Board, a Board seat for an LBV representative, or shareholder approval of an alternative operating strategy.

The record

Dame Dianne Thompson joined the Board in February 2019 and has been Chair since April 2019. Over the five years to 1 October 2026, Sanderson delivered a total shareholder return of -56.8%. Over the same period, Colefax Group delivered +116.5%, Embellence Group -13.0% and the FTSE AIM All-Share Index -30.7%.⁽²⁾

Sanderson has therefore materially underperformed both the wider AIM market and the listed peers shown above, throughout a period in which the Board has had the same Chair. Shareholders will form their own view of that performance.

Why this is a governance question

Sanderson owns valuable heritage brands and manufacturing capabilities. Those assets deserve strong stewardship and robust Board challenge on capital allocation, remuneration, succession planning and longterm value.

The Chair leads the Board. She is responsible for its composition, for the quality of its challenge to management and for its engagement with shareholders. Those are the areas in which we believe the Board has fallen short. That is why our resolution concerns the Chair and not the executive team.

(1) As prescribed by section 314 of the Companies Act 2006.

(2) Source: Bloomberg TRA (dividends reinvested), 01/10/2021 to 01/10/2026, data as at 01/10/2026: Sanderson Design Group plc (SDG LN) -56.83%; Colefax Group plc (CFX LN) +116.46%; Embellence Group AB (EMBELL SS) -13.00%; FTSE AIM All-Share Index (AXX Index) -30.69%. A rolling five-year period is the basis on which the Company presents total shareholder return in its own annual report.

In our view, the Board's decisions on capital allocation, including the investment in Voysey House, and on executive remuneration have not been matched to the returns shareholders have received. We are not alone in that concern. At the AGM on 1 July 2026 another investor publicly questioned the alignment of remuneration with performance, and votes were cast against both the Directors' Remuneration Report and the Chair's re-election.

We no longer believe that the Board, under its current Chair, provides the alignment with shareholders and the independent challenge that the owners of the Company should expect. More of the same cannot be the answer.

Private engagement came first

In April 2026 we proposed to the Chair that the Board add one independent Non-Executive Director with entrepreneurial and investor experience, particularly with succession planning in mind. The Company considered the proposal, met candidates and, in June 2026, declined it. Before the AGM we told the Chair that, unless the position changed, we would consider requisitioning a General Meeting.

Since the AGM the Company has engaged with us on other matters, including remuneration. Its position on the composition of the Board has not changed.

Our request was for a single additional independent director. That so modest a proposal could not be accommodated through dialogue is, in our view, itself evidence of the problem. Our concerns developed progressively through that engagement and through shareholder feedback. This is not a predetermined campaign for control, and we requisitioned this meeting only once private engagement had been exhausted.

If the first resolution is passed

We would expect the Board to appoint one of its existing independent Non-Executive Directors as Interim Chair while it conducts an arm's-length external search for a permanent Chair. LBV will not nominate or propose a candidate for that role. The appointment should be led by the Board, taking appropriate account of the views of shareholders as a whole.

About Stephen Brooke

Stephen Brooke has more than 25 years' experience as a founder, lead investor, owner, director and chairman, mainly in the UK. His experience includes company building, governance, restructuring, capital allocation, fundraising, international expansion and exits. He also has academic and professional experience relevant to the United States, Sanderson's key growth market, through Columbia University and the World Bank.

We believe an entrepreneur and investor would complement a Board whose experience is predominantly managerial, and would bring additional scrutiny to capital allocation and strategic decisions. Mr Brooke is independent of LBV. He is not an employee, officer or director of LBV and would not represent LBV on the Board. He has agreed to receive his Sanderson Non-Executive Director remuneration entirely in Sanderson shares rather than cash, aligning his economic interests directly with those of shareholders.

We urge shareholders to vote in favour of both resolutions.

