



RESULTS FOR
THE YEAR ENDED
31 JANUARY 2025

HELLO
HELLO
IF IT ISN'T
THE ORIGINAL
MORRIS AND CO

AGENDA

HIGHLIGHTS

FINANCIALS

STRATEGY

OUTLOOK



AT A GLANCE

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

Our Vision

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

Our Purpose & Values

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

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

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

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

Journey to Sustainability



Service Product Overview

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

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

Locations

We employ 550 people globally across our brands and manufacturing businesses, who are based in the UK and provide products globally.



HIGHLIGHTS

- Revenue of £100.4m (FY24: £108.6m), adjusted underlying PBT at £4.4m (FY24: £12.2m)
- Another strong year for licensing, with sales up 1% at £11.0m (FY24: £10.9m)
- Launched Morris & Co. online showcasing the full product portfolio, selling direct in US and UK
- Relocated head office to Voysey House, the historic home of Sanderson in Chiswick, London
- Archive of 75,000 documents valued at £10m
- Net cash £5.8m (FY24: £16.3m) - outgoings included a one-off pension contribution of £2.3m
- Proposed final dividend of 1p per share to give a total dividend for the year of 1.50p



FINANCIALS



KEY FINANCIAL INDICATORS

	REVENUE £M	REPORTED EBITDA £M	ADJUSTED UNDERLYING PBT £M	ADJUSTED UNDERLYING PBT %	ADJUSTED EPS
FY25	100.4	7.4	4.4	4.4%	3.92p
FY24	108.6	15.3	12.2	11.2%	13.74p

KEY FINANCIAL INDICATORS (CONTINUED)

	PBT £M	CAPITAL EXPENDITURE £M	INVENTORY £M	FREE CASH FLOW £M	NET CASH POSITION £M
FY25	(13.9)	(4.1)	27.2	(5.6)	5.8
FY24	10.4	(3.3)	26.7	3.6	16.3

GROUP REVENUE BY SEGMENT

	FY25 £M	FY24 £M	% CHANGE v FY24
Brand product	71.3	78.8	(9%)
Licensing	11.0	10.9	1%
Manufacturing – external	18.1	18.9	(5%)
Group	100.4	108.6	(8%)

- **Brand product** Challenging conditions in all markets, especially UK
- **Licensing** Continued strong performance including £7.3m accelerated income
- **Manufacturing – external** Lower demand for repeat orders from UK customers

BRAND PRODUCT REVENUE BY GEOGRAPHY

	FY25 £M	FY24 £M	% CHANGE v FY24 REPORTED CER	
UK	32.8	37.9	(14%)	(14%)
North America	21.0	21.4	(2%)	1%
Northern Europe	9.1	9.9	(7%)	(4%)
Rest of the World	8.4	9.6	(12%)	(11%)
Brand product	71.3	78.8	(9%)	(8%)

- **UK** Challenging market conditions, especially for independent high street retailers
- **North America** Contract sector down £0.8m v strong FY24. Core US business up 9%
- **Northern Europe** Scandinavia strong. Offset by Ireland, Netherlands and France
- **Rest of the World** Japan refocusing towards licensing agreements

BRAND PRODUCT REVENUE BY BRAND

	FY25 £M	FY24 £M	% CHANGE v FY24 REPORTED	CER
Clarke & Clarke	19.7	22.4	(12%)	(11%)
Morris & Co.	18.0	19.1	(6%)	(5%)
Sanderson	13.5	13.6	(1%)	1%
Harlequin	12.2	14.0	(13%)	(11%)
Zoffany	6.7	8.2	(18%)	(16%)
Scion	1.1	1.3	(16%)	(15%)
Other	0.1	0.2	(72%)	(62%)
Brand product	71.3	78.8	(9%)	(8%)

- **Clarke & Clarke** Heavily exposed to soft UK market
- **Morris & Co.** Northern Europe +7%. UK –13%
Biggest market USA flat
- **Sanderson** North America +24%
- **Harlequin** Henry Holland collaboration boosted H2
- **Zoffany** Prior year strong due to one-off contract
- **Scion** Recent expansion into the US market via Kravet Inc.

MANUFACTURING REVENUE

	FY25 £M	FY24 £M	% CHANGE v FY24
Anstey	14.8	15.9	(7%)
Standfast	16.9	19.1	(12%)
Total Manufacturing	31.7	35.0	(10%)

Revenue – external	18.1	18.9	(5%)
Revenue – internal	13.6	16.1	(15%)
Total Manufacturing	31.7	35.0	(10%)

	FY25 %	FY24 %	% CHANGE FY24
Digital	53.5%	50.2%	7%
Conventional	46.5%	49.8%	(7%)

- **Standfast** Impacted by weaker performance in fabric for both brands and third parties
- **Revenue external** Lower repeat orders and lower volumes per design on new launches
- **Digital** 54% boosted by investments in additional capacity at both sites
- **Restructuring** Completed post year end. Annualised cost saving of £1.5m at an exceptional cost of £0.7m

LICENSING REVENUE

	UNDERLYING PERFORMANCE - £M	PRIOR YEAR ACCELERATED INCOME - £M	CURRENT YEAR ACCELERATED INCOME - £M	IFRS - £M
Category Specialist (core)	3.5	(1.9)	7.1	8.7
Retail Groups (core)	3.0	(0.9)	0.2	2.3
Collaboration	0.1	(0.1)	-	-
FY25	6.6	(2.9)	7.3	11.0
Category Specialist (core)	3.2	(1.3)	1.5	3.4
Retail Groups (core)	3.0	(0.5)	4.7	7.2
Collaboration	0.1	(0.1)	0.3	0.3
FY24	6.3	(1.9)	6.5	10.9

- **Renewals** Include Blinds2Go, Brink & Campman and Japanese licensees Nishikawa and Kawashima
- **Brand Extensions** Include Ruggable with Sanderson and Sangetsu with Harlequin
- **New agreements** Include Morris & Co. with Mine in China

LICENSING UNDERLYING PERFORMANCE

	FY25 £M	FY24 £M	% CHANGE v FY24
UK	2.8	2.6	8%
North America	2.2	1.9	16%
Asia	1.3	1.5	(13%)
Northern Europe	0.3	0.3	-
Underlying	6.6	6.3	5%

	FY25 £M	FY24 £M	% CHANGE v FY24
Morris & Co.	4.5	4.2	7%
Scion	0.8	0.7	14%
Sanderson	0.6	0.7	(14%)
Harlequin	0.3	0.4	(25%)
Clarke & Clarke	0.2	-	-
Other	0.2	0.3	(33%)
Underlying	6.6	6.3	5%

- **UK and Scion** Habitat/Tu launched to consumer following FY24 agreement
- **North America** and **Morris & Co.** Ruggable and Williams Sonoma
- **Asia** Renewals in FY25 to reenergize future performance
- **Sanderson and Harlequin** impact of weak UK market

GROSS PROFIT

	FY25 £M	FY24 £M	% CHANGE v FY24
Product Revenue	89.4	97.7	(9%)
Licensing Revenue	11.0	10.9	1%
Total Revenue	100.4	108.6	(8%)
Product Gross Profit	57.4	62.8	(9%)
Licensing Gross Profit	11.0	10.9	1%
Total Gross Profit	68.4	73.7	(7%)
Product Gross Margin %	64.2%	64.3%	(10bps)
Licensing Gross Margin %	100.0%	100.0%	n/a
Total Gross Margin %	68.2%	67.9%	30bps

Licensing income

- Generates 100% gross margin

Product gross margin

- Brands up 180 bps: lower clearance, higher North America mix, switch to licensing of homewares
- Manufacturing down by 300 bps: reduced volumes, high fixed cost base
- Manufacturing restructuring: annual saving of £1.5m

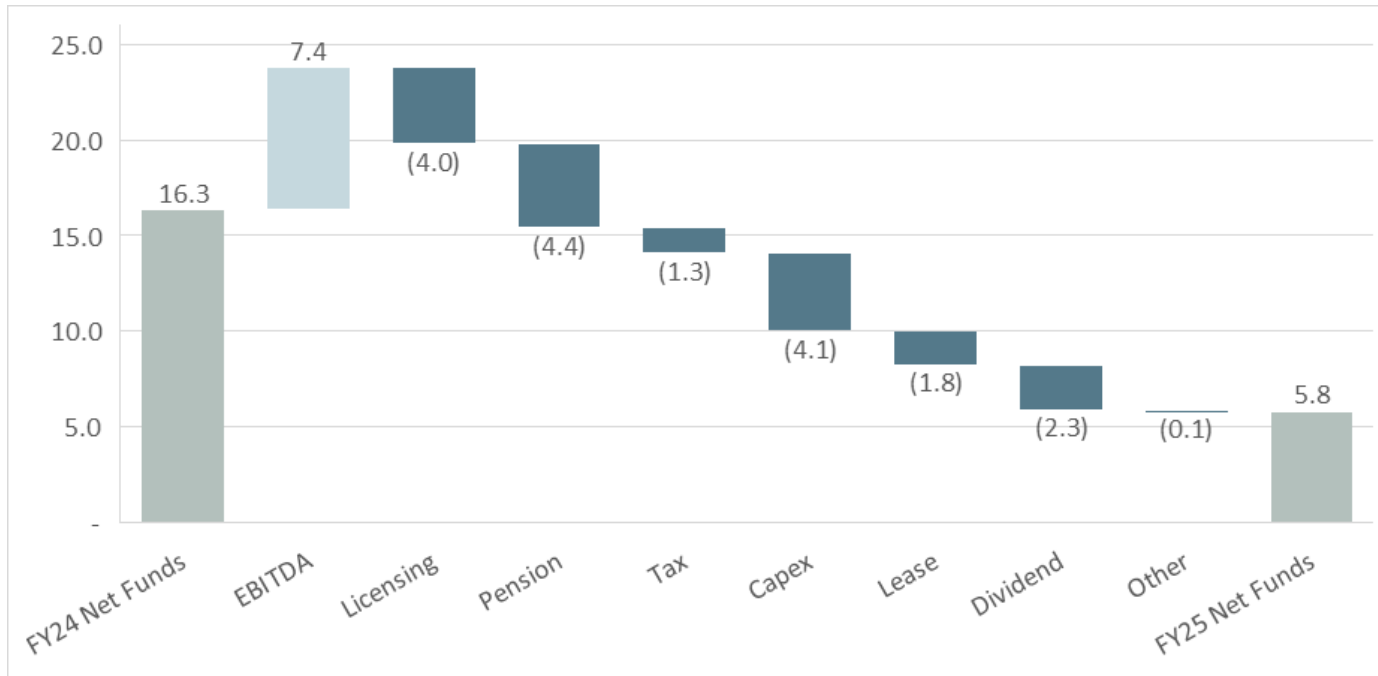
GROUP INCOME STATEMENT

	FY25	FY24	% CHANGE
	£M	£M	v FY24
Revenue	100.4	108.6	(11%)
Cost of Sales	(31.9)	(35.0)	14%
Gross Profit	68.4	73.7	(10%)
Distribution and selling expenses	(25.7)	(25.3)	(2%)
Administration expenses ⁽¹⁾	(42.9)	(41.7)	(3%)
Other operating income	4.0	4.9	(19%)
Finance income/(costs) - net	0.5	0.6	(24%)
Adjusted underlying profit before tax	4.4	12.2	(64%)
Impairment of intangible assets	(16.3)	-	-
Other non-underlying and adjusting items	(2.0)	(1.8)	(11%)
(Loss) / profit before tax	(13.9)	10.4	n/a

⁽¹⁾ Exclude non-underlying items

- **Distribution and Administration expenses**
Real living wage up 10%. Restructuring programs partially offset
- **Other operating income** Lower sales of pattern books
- **Impairment of intangible assets** Non-cash write-down of Clarke & Clarke goodwill
- **Other non-underlying** Includes £1.0m (FY2024 £0.6m) of restructuring costs for UK Sales and Sales Support teams and both factories

GROUP CASH FLOW



Net funds

- £5.8m
- £10.0m undrawn committed RCF

Licensing

- Impact of IFRS15
- Minimum guaranteed licensing receivables increased to £14.3m

Pension

- Ongoing contribution of £2.1m to our two Defined Benefit Schemes
- One off contribution of £2.3m to buy in smaller Abaris scheme

Capital expenditure

- Digital pigment fabric printer
- New head office fit out
- Ongoing capex approximately £2.0m per annum

STRATEGY



STRATEGIC PROGRESS

North America

- Growth market where brands are under-indexed
- Interior Designer relationships are being built and volumes growing
- SVP Sales hired November 2024, early FY26 sales encouraging
- Tariff communications sent with no significant impact expected
- Highgrove by Sanderson and Huntington Morris & Co. major launches FY26

Cash

- Cost reduction – annualised £1.5m saving from headcount from March 2025
- Inventory lean – significant reduction planned in FY26, started in Q1
- Capex – maintenance plus essential IT investment to unlock digital platforms

Digital

- Factories – simplify, focus on reduced lead-times, lower MOQs, less inventory
- Brands – enable omnichannel sales by Q3 on Trade Hub and brand sites
- Go to Market – synchronised launches with digital assets, reduced patterning

Accelerated transformation in Manufacturing, Omnichannel and Go To Market



5-YEAR KEY STRATEGIC FRAMEWORK

LIVE BEAUTIFUL

CUSTOMERS

OMNICHANNEL
&
DESIGNERS

BRANDS

SANDERSON
&
MORRIS & CO.

PRODUCTS

CORE
&
LICENSING

GEOGRAPHIES

ACCELERATE
GROWTH
IN THE USA

PEOPLE

PLANET

PROFIT

TO LEVERAGE DESIGN AND MAKE SKILLS FOR GROUP VERTICAL BENEFIT

- CONTINUE design-led approach, unique positioning as only vertical interiors group, innovating and investing in digital
- START delivering group value, challenging cost/margin equation, reducing inventory, procuring smarter, lower MOQs
- STOP conventional processes except value-add only, siloed culture, prep processes

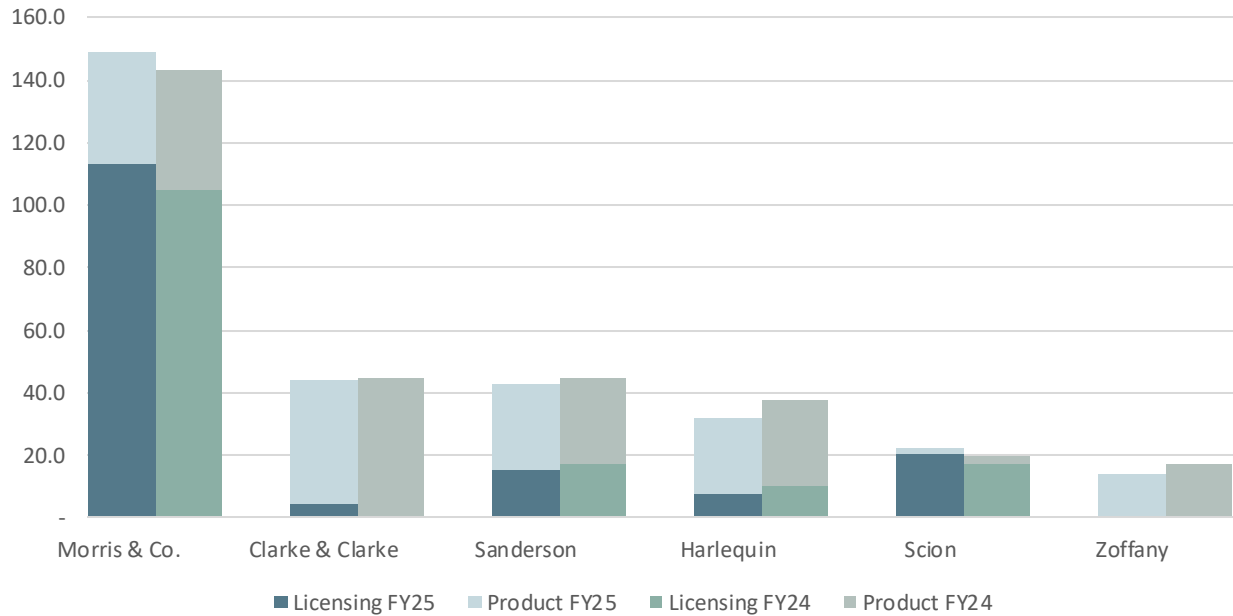
ACTIONS TAKEN:

- Group Operations Director taken action to protect profits
- Headcount reduced by 15% delivering annualised savings of £1.5m, of which £1.2m in FY26
- All print process costings reviewed, and value challenged
- Started to migrate some conventional designs to digital to simplify the range of processes while preserving expertise and value-adding techniques

OMNICHANNEL BY BRAND



RETAIL VALUE OF BRANDS



Total Brand Equity – Maintained retail value through strong partnerships

Retail value of brands in the network remains strong at circa £305m in FY25 (FY24: £308m)

FY25 value:

- Wallpaper, fabric and paint in trade £71.3m
- Licensing income £6.6m (underlying performance)
- Key partners drive market presence: Next, Tu, Habitat

Future Growth:

- Expanding reach internationally, focused on Sanderson and Morris & Co. with key retail partners like Ruggable, Williams Sonoma and John Lewis Partnership

GO TO MARKET INITIATIVES

US FIRST

ALIGNED LAUNCH TIMELINE

SUPPORTING US GROWTH

- Maximise market penetration by launching products simultaneously to bring forward US sales by 6 months
- Seamlessly activate global marketing campaigns into all regions and channels including owned and third-party showrooms
- Optimise launch momentum across all platforms, reinforcing global presence of Sanderson Design Group

ELEVATED SHOWROOM DISPLAY

SUPPORTING COMMERCIAL TARGET

- Tailored visual merchandising programme for US showrooms based on revenue, ensuring market-specific product displays with centralised management
- Leverage 43 US third-party showrooms to create a seamless customer experience, building brand loyalty and maximising their established customer base

GLOBAL IMPACT

PATTERNING & SAMPLING

AIM TO SAVE OVER £1M OF COST DURING FY26

- Introduce new trade loyalty scheme in UK and implement aligned launch dates
- Remove 'cutting to approve' CFAs
- Standardised sample sizes and unified point-of-sale

ENHANCED TRADE TOOLKIT

DRIVE POSITIVE GROWTH IN ALL MARKETS

- Offer a premium and personalised digital trade customer experience
- Pivot to US First asset creation with a focus on road lengths, and digital design books
- Gain valuable consumer data through digital platforms for deeper insights

ENHANCED TRADE TOOLKIT

PREMIUM + PERSONALISED TRADE CUSTOMER EXPERIENCE



IN-STORE DISPLAY

Trade customers to have all assets and POS 4 weeks before launch to ensure smooth market penetration. Elevated point of sale roll out.



NEW TRADE HUB

A premium and personalised digital trade customer experience, transforming our trade engagement.



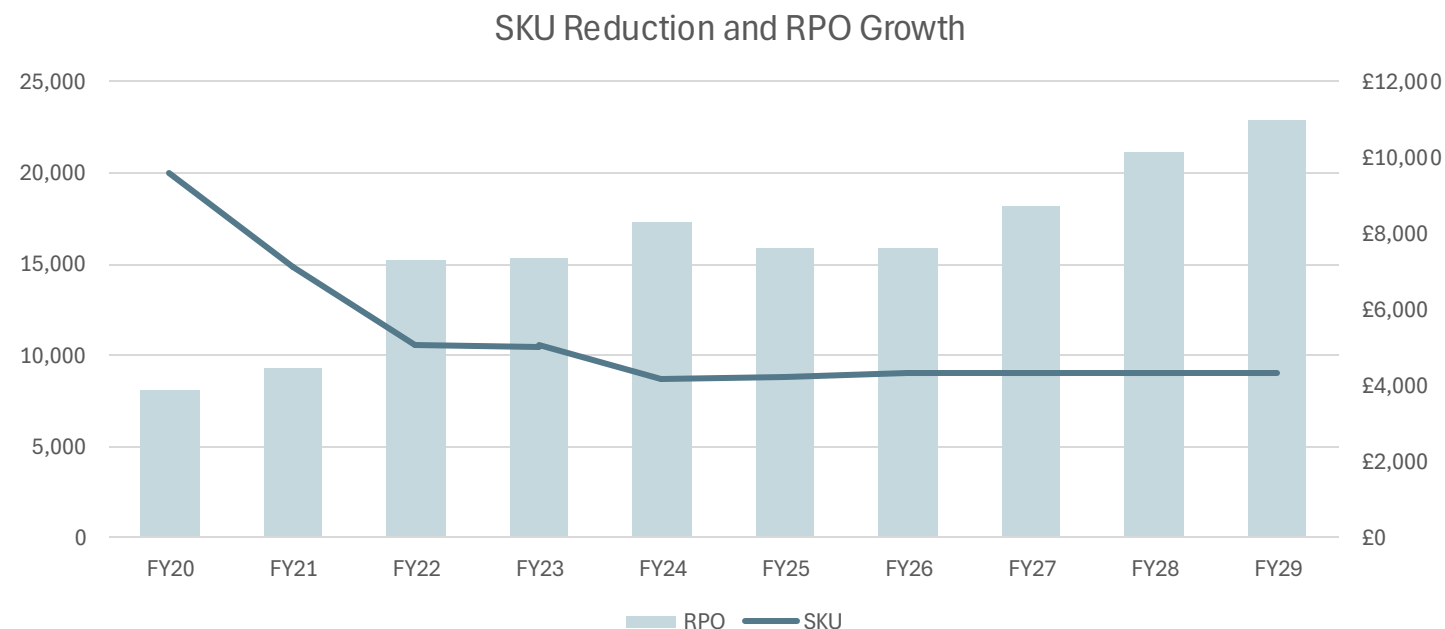
ASSET CREATION

A laser focus on customer needs. Pre-recorded designer videos, improved digital design books, wallpaper catalogues and visualisations of all skus.



RESPONSIVE LAUNCH STRATEGY

- SKU reduction FY20-24 from 20,000 to below 9,000
- Return Per Option grown from £3k to £8k with goal £10k
- Utilising omnichannel data to fill assortment gaps e.g. outdoor, smaller scale designs
- FY25-FY29 introduce new designs on a disciplined product need basis
- Individual launch strategy for each brand
- Launch designs, special edits, categories (no longer default to collections)



Indicative not a forecast



HIGHGROVE
by
SANDERSON

HIGHGROVE BY SANDERSON

VERANDA



King Charles III's Highgrove House Inspires Stunning New Fabric Collection

British firm Sanderson partnered with Highgrove House to create wallpapers and textiles inspired by the King's garden.

"To design a garden, you have to be able to see into the future," observes Claire Vallis, Sanderson Design Group design director. Her comment applies to all gardeners, of course, but she's talking about one in particular: His Majesty King Charles III, whose gardens at Highgrove House have been the subject of her close study and intimate reflection for the past year.

During that time, Vallis and her team of artists have spent hundreds of hours immersed in the gardens, listening to the hum of pollinators and breathing in intoxicating scents while painting and drawing the flowers, plants, and structures as research for Highgrove by Sanderson, an expansive new fabric and wallpaper collection by the English home furnishings firm created in collaboration with Highgrove. The collection, which includes toiles, damasks, tapestries, embroidery, block prints, jacquards, and outdoor fabrics as well as

Veranda Print and online, 15th April
8 page editorial
REACH: 300k (Print), 375M (Digital)
AVE: \$685K (Print), \$3.2M (Digital)

INSIDER *notes*

Made to last

Makers Made is a new digital, curated craft directory established by a collective of free independent, UK-based artisans: ceramicists Hal Haines, Kate Sellers and Harle Brown, artist Rose Harbottle and wallpaper/textile designer Sophie Harpley. "We wanted a site that only represents independent artists and makers, so they can sell their work without having to give away a large cut," says Rosie. Launched earlier this year, the craft platform has 70 makers – working across ceramics, art, furniture, lighting and textile design – and offers an easy way to source handmade, characterful pieces. makersmade.com

1 'Wiggle' jug (stripe delight), £90, Harle Brown Studio. 2 'Sciaca' serving plate, £75, KS Creative. 3 'Space' table (celestial blue), £245, Squares & Things. 4 'Gnomes' linen armchair, from £1,500, Sophie Harpley. 5 'Fire Stripe' lampshade, (delphinium), £100, Imogen Pope. 6 'Stepped' table lamp, £380 for similar, Anne Struchiner. 7 'Quail' tiles, £220 for set of 6, Hal Haines. 8 'Winning Trophy' vase, £185 for similar, Lorraine Robbins



House & Garden, May issue
REACH: 112K AVE: £5K



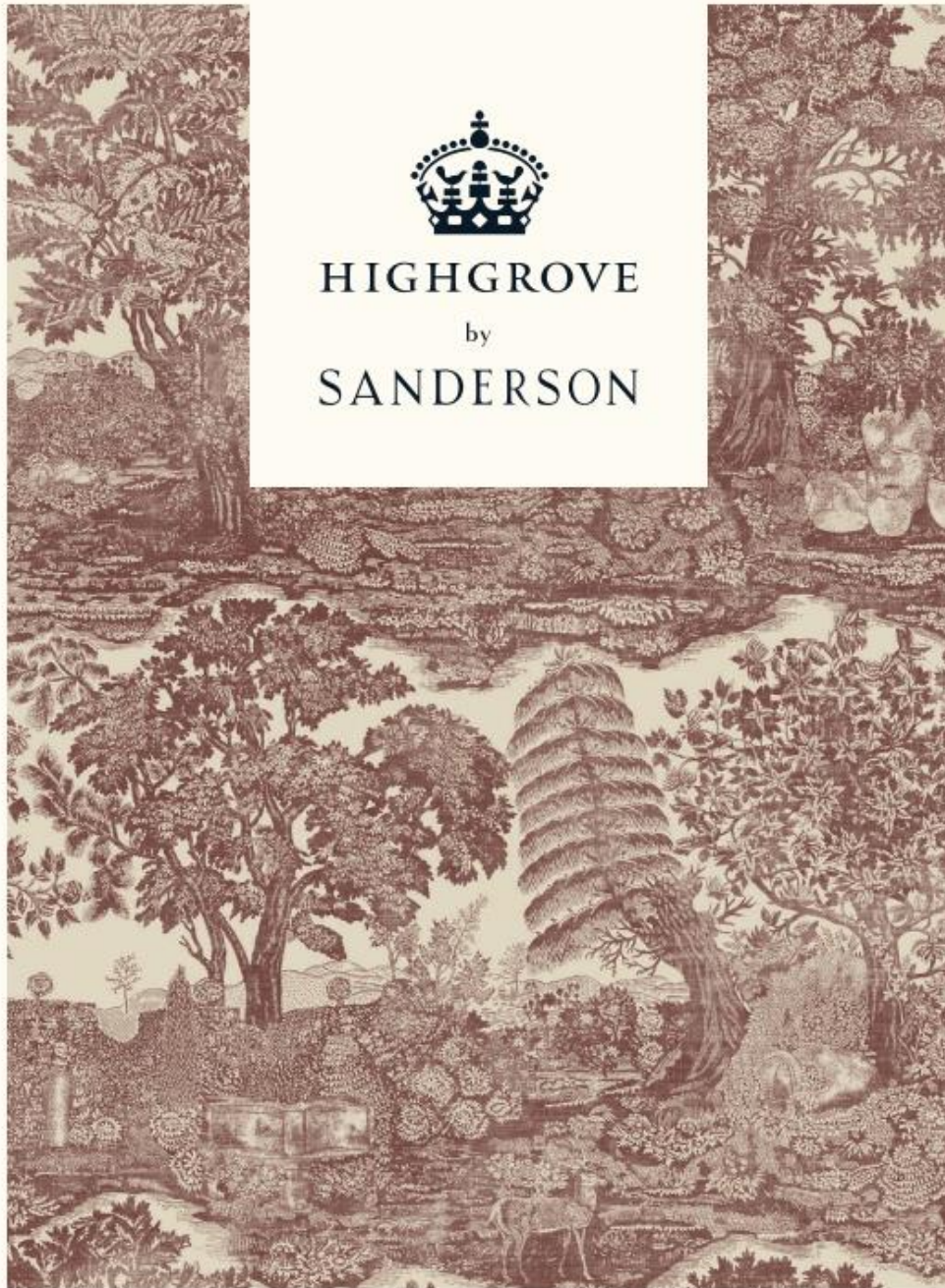
Royal approval

You may have spotted two eye-catching wallpapers showcased in New Collections in this issue that are from Sanderson. The company has been a Royal Warrant Holder since 1924 and these designs are the result of a recent collaboration with Highgrove House, the private Gloucestershire residence of King Charles III and Queen Camilla. The designers at Sanderson have incorporated references to its glorious gardens – created by the King with the help of horticultural friends including garden designer Rosemary Vorey and naturalist Miriam Rothschild – throughout the collection, which comprises 23 fabrics and 15 wallpapers, each available in a selection of bright and muted colourways. The 'Highgrove Toile', for example, is an archival Sanderson design updated with elements such as yew tree hedges, an oak summerhouse and His Majesty's bust, while 'Delphinium and Lilac' references the King's patronage of The Delphinium Society. Pictured above is 'Hydrangea and Rose' cotton/hemp on the bed canopy, bedcover and small cushion and 'Annabel's Suzani' cotton mix in sapphire/ruby on the headboard. The fabrics cost £109 and £169 a metre respectively. sanderson.sandersondesigngroup.com

DECORATE *new collections*



House & Garden, May issue
REACH: 112K AVE: £5K



HIGHGROVE BY SANDERSON

LAUNCHING 1ST MAY 2025

House & Home

Highgrove is on a roll

Interiors | Heritage brand Sanderson's new collection of wallpapers and fabrics tells the story of King Charles III's Gloucestershire garden. Clare Coulson has a first look

I almost feel like archiving the garden at Highgrove with fabric," says Clare Vallis, design director of heritage brand Sanderson. For the past 15 months, her team has been creating a new collection of fabrics and wallpapers based on the private Gloucestershire garden of King Charles III. "At times it's been crazy; we've been putting design mood boards together and then sending them to get his approval." The King's final response? "He said he couldn't believe what we'd done to represent the garden."

When the King bought the handsome Georgian property in the summer of 1960, its garden was an overgrown blank canvas. An avenue of stately golden yew trees ran west of the house, trees dotted the parkland and the walled kitchen garden was overgrown and neglected. The new defining feature was a majestic Cedar of Lebanon tree.

Forty-five years later, the garden is a tour de force: fully mature, although never standing still. The original yews are meticulously clipped into 24 whimsical topiary shapes, wreaths of fragrant thyme at their base, while wildflower meadows wrap around the house. There are intimate areas such as the formal Sunial Garden, with its low box hedges, and the exuberant Cottage Garden; deeper into the estate, more experimental gardens include the atmospheric Shrubbery, a mass of mosses and magnolias, spring flowering meadows and herbaceous. The Wildflower Meadow, he believes, is a garden that is fully grounded in nature, craft and collaboration — and a magnet for tens of thousands of visitors each year.

The new collection, Highgrove by Sanderson, took the King's favourite features and plants (thorn, holly and delphiniums among them) as a starting point, but from there the design team

For head gardener Graham Ring, who first joined Highgrove in 2016 before leaving in 2021 to study and returning last year, the garden is a marker of the King's commitment to ecological concerns. "His Majesty is an environmentalist and at Highgrove he can contribute to that debate himself," she says. "He's been at the forefront of it for a long time; everyone is doing organic now but it was very different in the 1960s when he started."

All the compost is created on site except for the bricks used as a mulch on the acid beds, which is brought in from Cumbria and Hampshire. No chemicals are used; the King has a sustainable approach to pests. "In an organic setting you have to accept a certain level of damage as we are working with nature," says Ring. "We keep the plants

from mix and a brocade woven in Italy, the Wildflower Meadow design incorporates the King's favourite acorn trees as well as running pheasants, sheep and deer — and the estate's distinctive carved oak beehives, which were designed by Portman & Mason as a 70th birthday gift in 2014.

(Above) Thyme Walk at Highgrove, with its striking topiary (left); Highgrove table fabric and wallpaper, in Madder Room (far left) Topiary View fabric and wallpaper inspired by Thyme Walk

as healthy as possible so that they can recover." But the garden is as prone as any other to common problems including box blight or box caterpillars; organic sprays, pheromone traps and using disease resistant varieties have so far helped avoid any catastrophic damage.

The biodiversity granddaddy of the meadow now has 70 plant species and seven native orchids, including the green-winged orchid. "It's a threatened species but we have it here," says Ring. "It's amazing to think about how it's been built up and how the King has followed through on what he's talked about. He's done it himself."

At the same time, when the three Prince of Wales first arrived at Highgrove, a 15-year-old gardening service, he was helped by a string of mentors and collaborators — including garden designers Mollie Saltwater and Rosemary Varry, naturalist Dame Nisrin

House & Home

The tale was produced at the historic fabric printer Standfast & Barracks, established in 1924 in Lancaster. Moreover, this is a collection that showcases heritage craft in every piece of cloth or paper. "Each artist working on a design is handpicked for a particular skill," says Vallis. "We either draw in house or we go to a specific artist that we know has maybe a more botanical hand or someone that's more painterly."

An archive Walter Crane design from 1902 has been requested to incorporate the fruits and blossoms of the trained or espalier apple trees in the kitchen garden at Highgrove. The wallpaper is surface-printed in Sanderson's factory on

Highgrove is a highly personal garden. Its eclecticism is keenly felt in the Sanderson collection

machines that are 100 years old. "There's not many of them left in the country now and it requires real skill to keep these machines going," says Vallis. "There have been stories in the press about how expensive wallpaper are but it's a craft. We've got several generations working in our factories. As a country, we need to value it more. If we don't, we will lose it."

The King is on board. Ten per cent of net sales from the collection will go to The King's Foundation. The charity supports spiritual crafts with courses and workshops across the country (and beyond), on subjects ranging from farming and rural skills to fine furniture making. At the same time, Highgrove, a cluster of buildings has been transformed into studios and workshops for some of

(Left) The Shrubbery design was inspired by the Shrubbery garden at Highgrove (below left); King Charles's kitchen garden (above) inspired the embroidered fabric and wallpaper of the same name (right)

Standfast & Barracks provided the starting point for a richly embroidered fabric called Thyme Gate, made with a newly developed technique at an Indian mill. Embroidery is coated with ink and then blown off the surface, leaving patches of dye that evoke the deep thyme carvings.

There are further references to Sanderson's west African Ewe Kente cloth, in that fabric and its embroidered patterns from Uzbekistan. "You see a lot of motifs in British country houses and the King collects them," says Vallis. The Sanderson take features stylised floral motifs with dense embroidery, and is named after the Queen's sister Anne, Countess of Wessex, who has been working on the King's properties. "British decorating has always been very layered, and that eclecticism was something we were keen to explore because the garden has lots of influences from around the world," adds Vallis.

The ultimate endorsement comes from the royal household. "They are using the collection as their favourite," says Vallis, who has already been working on special versions with unique textures or colour palettes.

Each new design also pulls inspiration from drawings and textile fragments in Sanderson's vast archive at Vintery House in Cheshire, London, which contains more than 70,000 documents. An

Rothschild and art historian for Ray Strong. And collaboration continues: the garden team creates briefs for new planting that the King will make the final selection, adding long-held favourites such as "The Generous Gardeners" or "Lady Waterlily" roses. They've recently boosted the Shrubbery with new tree ferns, added a new rose garden and renovated the Thyme Walk which was originally planted in the 1960s by the King.

Highgrove is a highly personal garden, decorated with objects that have been collected on travels or gifted by family, friends or organisations. Its eclecticism is keenly felt in the Sanderson collection too. The intricately carved gate that greets visitors was originally found in Jodhpur and is named after Queen Camilla's late brother, Mark

Financial Times Online, 1st April

REACH: 15.7M

AVE: £6K

Financial Times (House & Home),
5th April

REACH: 58.6K

AVE: £64.3K

COMMERCIAL



COMMERCIAL KEY OPPORTUNITIES



INTERNATIONAL GROWTH

- Targeting growth in key international markets with USA biggest prize, top priority
- Expanding global reach with targeted appeal and deep partnerships with regional specialists

UK RECOVERY

- UK wholesale supported with new team, new loyalty scheme implemented February 2025
- Omnichannel platforms launching in H2 2025 FY26

CONTRACT

- Grow the contract / hospitality business in key markets USA, UK and Middle East
- New partnership pilot in place with specialist Panaz, review real estate, furniture makers

ARCHIVE

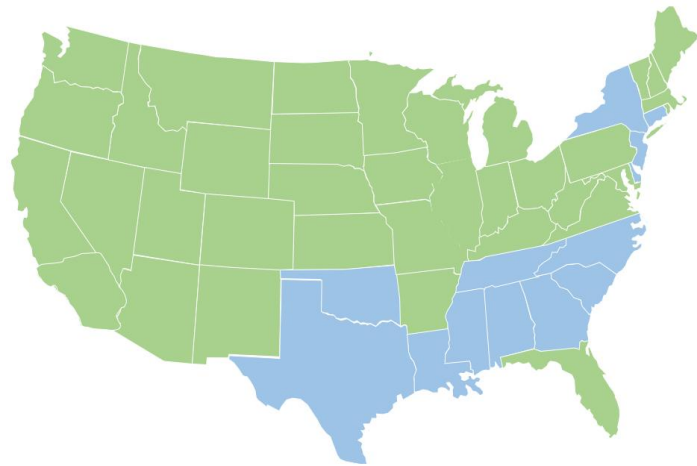
- Fully digitised 75,000 documents valued at £10.0m
- Cataloguing and developing strategy to unlock value FY27 onwards

INTERIOR DESIGNERS



- Strong relationships with key interior designers have been built and are critical to growth in US, UK and internationally
- US interior designers are the strongest audience, accounting for 57% of SDG total market revenue
- US initiative Design Destination London registration event welcomed to Voysey House 300 American top designers
- Despite a decline in the UK market, interior designers remain a stable 9% of total UK revenue with opportunity to grow:
 - High-end UK interior designers are thriving (+22%), showing a clear shift toward premium services
 - Chelsea Harbour showroom growth +15% in H2 FY25 and 16% in FY26 to date
 - Voysey House creating a new London hub for interior designers to re-engage and grow business

USA: ACCELERATE GROWTH



Priority

- US first – make all decisions based on US needs to expand market share

Product

- US aesthetics - functional such as indoor/outdoor, stain resistant, high durability and wide width. Synchronised launches, enhanced training, continuing wallpaper growth (over 50%), Kravet

Presence

- Exhibit at High Point Market in April and October (furniture fair attended by 70,000 designers), regional focus on Texas, Florida and Atlanta

People

- SVP driving sales with confident, informed and motivated teams

Press & Marketing

- DLN Design Leadership Network collaborative activities, previews etc.
- DDL Design Destination London key host sponsor, welcoming 300 US designers to London in January
- Showhomes – sponsor 50th Kips Bay with Ben Pentreath Highgrove by Sanderson
- Business of Home attending RHS Chelsea for Highgrove by Sanderson launch
- Huntington launch of Morris Unfinished Works September 2025 in California
- Expand strategic licensing opportunities to enhance brand awareness

UK: MAINTAIN MARKET LEADERSHIP

Priority

- Maintain market leadership, responding to structural & cyclical shifts with ongoing economic challenges

Product

- Bespoke for Interior Design practices with Zoffany
- Contract partnerships with specialist providers
- Using data to drive product performance

People

- Newly recalibrated team since August 2024 to support independent retailers in regions
- Proactive sales team – customer service team converts leads and new enquiries
- Prime Account Managers – dedicated service for merchant groups and key accounts, business partnering to drive and scale initiatives

Press & Marketing

- Shop-in-Shop program to give brands presence in key wholesale stockists
- Creative digital assets freely distributed to all and advice on how to use
- Voysey House Design Club as West London creative hub and event space
- Omnichannel support for trade customers with Digital Trade Hub, creative assets
- Highgrove by Sanderson top designer lunch and Chelsea RHS flower show takeover
- Morris & Co. X Huntington launch event in London with Cabana



INTERNATIONAL SALES

Northern Europe

- Bespoke POS presentations to increase presence
- 50 German clients visit Voysey and Anstey May '25
- Core trade events and designer roadshows
- Sweden LN Farg top 5 customer WW, special edit
- PR agency in Germany, influencer events, press roadshows

R.O.W.

- Brand awareness and grow relationships with Interior Designers
- Middle East focus, present at Downtown Design in KSA Riyadh
- Develop contract and hospitality partnerships
- Southern Europe focus on France Paris Deco Off
- Spain and Italy move from distributor to agency model
- Japan re-energise import partner with Huntington project and Sanderson, new PR

Bespoke emails
Translated digital assets
Building key editorial relationships

LICENSING: KEY PILLARS

TERRITORY FOCUS

- Continue to build US, Japan and EU partnerships
- Grow network of introductory agents – USA Collab Society, Jewel
- Secure global deals

ENGAGING RETAILERS

- Target and secure partnerships with major retailers globally
- Exploit marketing PR opportunities aligned with brands, leveraging partner networks

SANDERSON BRAND FOCUS

- Promote important collaborations, layering legacy, sustainability and beauty, to reach a new global customer
- Elevate Sanderson through communications support to secure new global partnerships
- Increase brand awareness and further reinforce brand values

NURTURING PARTNERSHIPS

- Maintain 90% renewals, building on strong, long-term partnerships
- Identify growth opportunities with current partners
- Strategically develop new categories for each brand by market to reflect positioning

OUR PURPOSE AND VALUES

TO BRING THE BEAUTIFUL INTO PEOPLE'S HOMES AND LIVES

INTREPID

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

IMAGINATIVE

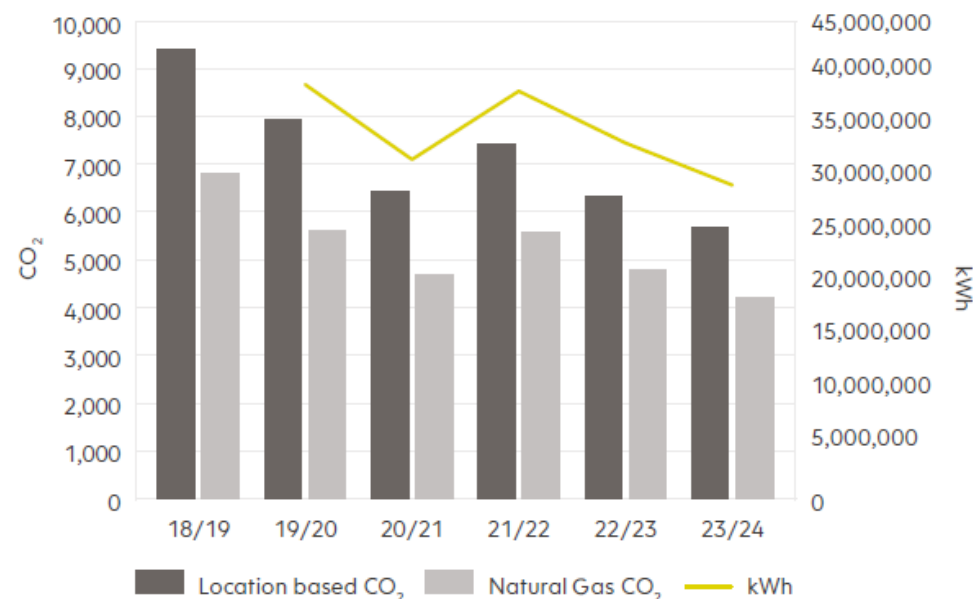
We take a creative and
innovative approach to
everything we do

RESPECTFUL

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



Location based CO₂ emissions and kWh consumption



- Increased engagement through communication to a broader audience
- An end-to-end approach of the product lifecycle, continually challenging ourselves to minimise the impact our supply chain has on the planet, working on scope 3
- Carbon neutral plans for capture of the residual CO₂ emissions
- Biodiversity initiatives underway with RWH Nature Recovery
- We are recognised as a leader in sustainability, beyond our sector

FSC CERTIFICATION



**The mark of
responsible forestry**

At Sanderson Design Group, we believe in creating beautiful designs that stand the test of time - while protecting the world around us. That's why we're proud to announce that we are now FSC[™] certified. This certification ensures that the majority of our wallpapers are printed on responsibly sourced paper, helping to protect forests and wildlife for future generations, supporting biodiversity and ethical forestry practices. It's a significant step forward in our Live Beautiful sustainability journey and reinforces our commitment to responsible sourcing.

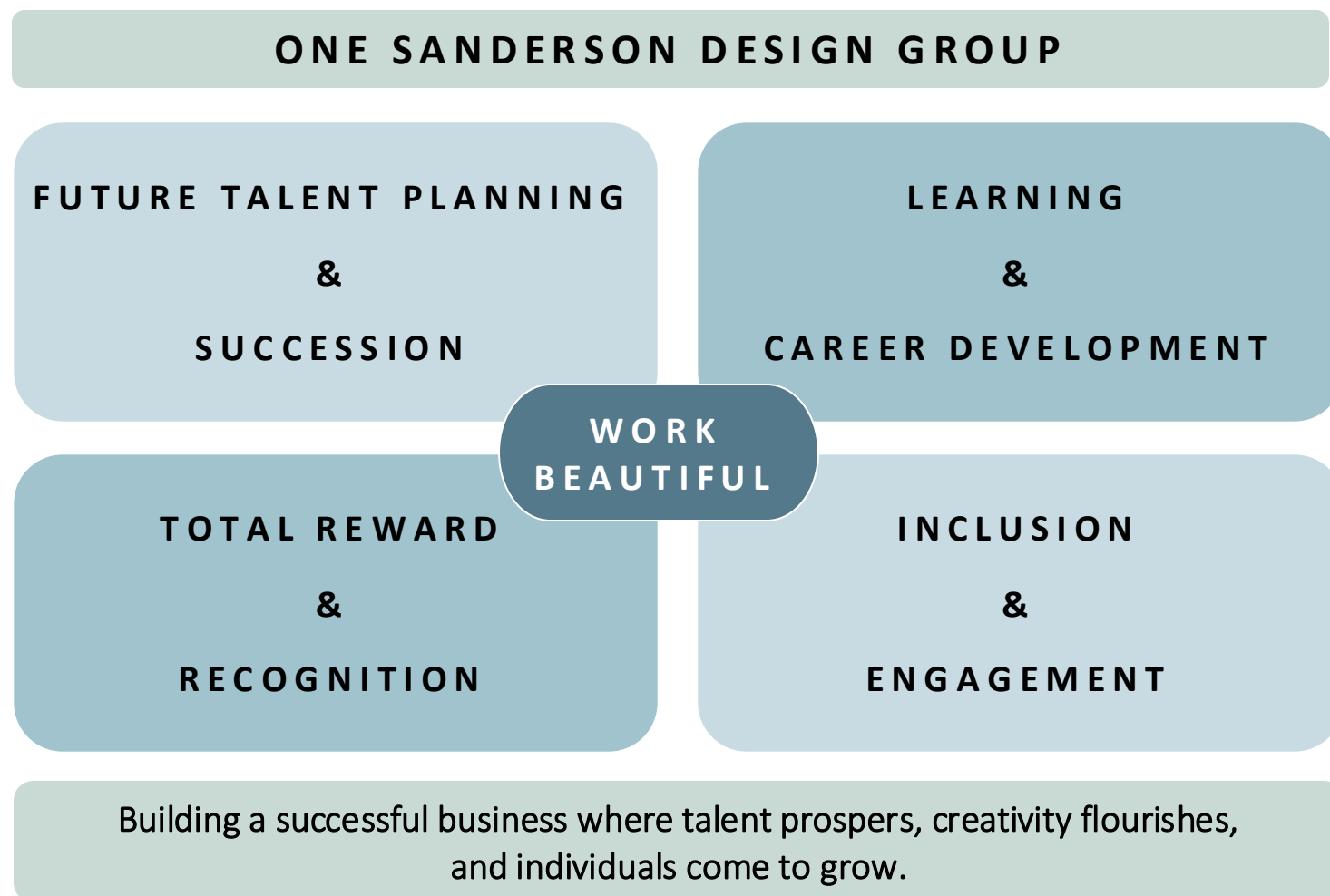
A testament to our Supplier Development Team for leading this initiative, ensuring that sustainability remains at the core of our business.

This certification builds on Anstey's existing FSC certification, further solidifying our Group-wide dedication to positive environmental change.

WORK BEAUTIFUL

What:

- Developed workforce & talent plan informing future development activity
- Key strategic hires in Finance, Sales-UK & US and Operations building internal capability & succession pipeline
- Delivered key organisation changes underpinned by functional development
- Invested in leadership and people manager development
- Continued investment in early careers
- Enhanced engagement through bi-annual survey and refresh of internal communications
- Maintained our commitment to being a Real living Wage employer
- Celebrated 100 years of Standfast & Barracks





OUTLOOK

OUTLOOK

- Focus on positioning the Group for future success in response to market conditions
- Completed restructuring at UK factories has reduced cost £1.5m annualised
- USA remains key growth opportunity. No material impact expected from tariffs
- USA sales started strongly in FY26, UK and Northern Europe in line with expectations
- Strong launches:
- Omnichannel Morris & Co. brand site launched successfully in UK and USA, giving confidence in important strategic investment in digital consumer platforms to mitigate structural market shifts
- Balance sheet remains robust, with a cash balance of over £5m and an undrawn £10.0m bank facility, with good progress in strengthening net cash position through planned inventory reduction
- Board is confident in its agility, accelerating strategic initiatives in response to ongoing global market challenges and unpredictability. At this early stage of the current year, the Board remains confident that performance to be in line with its expectations





THANK YOU

PRE-IFRS 16 INCOME STATEMENT

	Excluding IFRS 16	IFRS 16	Reported
	£000	£000	£000
Gross profit	68,442		68,442
Distribution and selling expenses	(25,695)		(25,695)
Administration expenses	(41,913)	2,594	(39,319)
Other operating income	4,010		4,010
EBITDA	4,844	2,594	7,438
Depreciation and amortisation ⁽¹⁾	(3,203)	(2,336)	(5,539)
Impairment of intangible assets	(16,250)		(16,250)
Finance income/(costs) - net	1,009	(538)	471
(Loss) / profit before tax	(13,600)	(280)	(13,880)

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

ADJUSTED PBT BY SEGMENT

	(Loss)/profit from operations before intercompany management charge	Net finance (expense)/income	Non-underlying items	Adjusted (loss) / profit before tax
	£000	£000	£000	£000
Brands	(2,000)	(536)	301	(2,235)
Licensing	11,033	859	-	11,892
Manufacturing	(3,256)	(11)	688	(2,579)
Unallocated	(20,128)	159	17,261	(2,708)
Total	(14,351)	471	18,250	4,370