H1 2025 Interims

October 2025

PORTMEIRIONGROUP PLC
2025

H1 25 overview

- **Group sales return to growth despite significant US tariffs disruption.**
    - Sales up 2.8% @ constant currency.
    - Up 10.8% excl. US.
- **Headline loss before tax higher than PY reflecting US impact**
    - Loss £2.8m (2024 2.0m); US down $0.8m.
    - US tariff announcements caused immediate disruption/uncertainty in our largest sales market, which continues.
    - Quick and proactive response following tariff announcements with proactive measures taken to manage US stock levels ahead of key Christmas trading period.
    - Wax Lyrical £0.7m improvement in profitability.
    - Overhead costs up 2.9% (£0.5m): inflation, taxation and planned investment in sales & marketing.
- **Pleased with early-stage progress on transformation plan.**
- **Building a fortress balance sheet remains a key priority.**
- **Revised £30m Revolving Credit Facility agreed with Barclays recognises the impact of US tariffs and continuing to support our transformation plan whilst reflecting our highly seasonal working capital profile.**

Financial Performance H1 2025

Jon Hill

H1 2025 performance

- Sales up 1.3% (up 2.8% cc).
    - Sales excl. US, at constant currency, up 10.8%.
- Headline loss £2.8m (2024 £2.0m) driven by US.
- Wax Lyrical sales up 15%; profitability increases £0.7m.
- Overhead costs up 2.9% (£0.5m).
- Net debt has increased by £1.4m due to the impact of US tariffs on sales, profit and higher stock levels. However, our ongoing focus on cash resulted in a 46% improvement in free cashflow due to the progress made in customer collections.
- As we continue to prioritise debt and interest cost reduction, no dividend is proposed.

	2025 £m	2024 £m	2025 v 2024 Change
Revenue	37.1	36.6	1.3%
Headline* (loss)/profit before tax	(2.8)	(2.0)	(40.0)%
Headline* operating profit margin	(5.1)%	(3.4)%	(1.7)%
Headline* EPS	(20.5)p	(15.8)p	(4.7)p
Dividends	0.0p	1.5p	(1.5)p
Net debt	(14.8)	(13.4)	(1.4)

*Headline numbers exclude exceptional items; acquisition and restructuring costs.

Balance sheet

- Net assets reduce by 3% to c£51m.
- Inventory increase due to cost inflation, Wax Lyrical growth, earlier Christmas supply to US and tariffs (see walk next).
- Net debt increases by £1.4m due to:
  - Increased loss before tax.
  - Impact of US tariff uncertainty on stock levels.
- FCF improves (£2.8m) vs PY (£5.2m) due to the benefits of improved focus on Accounts Receivable.
- RCF facility revised with Barclays, recognising the impact of US tariffs and continuing the support of our transformation plan whilst reflecting our highly seasonal working capital profile.
- Legacy pension scheme remains a small surplus.

Balance Sheet	2025 £m	2024 £m	2025 v 2024 Change
Non-current assets	28.1	32.3	(14.7)%
Inventory	43.0	40.0	7.0%
Trade & other receivables	14.4	16.9	(17.4)%
Cash	5.7	0.7	87.7%
Total current assets	63.0	57.6	8.6%
Trade and other payables	(22.0)	(23.5)	(7.1)%
Borrowings	(20.5)	(14.2)	30.7%
Pension scheme	1.9	1.1	42.1%
Net assets	50.6	52.2	(3.2)%

Inventory walk

- Inventory increases vs June 24:
  - Cost inflation / tariffs.
  - Earlier Christmas in stock.
- Excess stock reduction progress.
  - H1: £1.1m reduction in excess.
  - H2: expect further £2m reduction excess
  - 2026: final £3m reduction.
  - Need to protect and balance short term margins and pricing in market.
  - Total ambition £6m reduction in volume of inventory by end 2026.

June 24	£40m	Outlook Dec 25
Cost inflation	1.7	Will persist
Wax Lyrical	1.1	Expect to reverse in H2
Earlier Christmas in stock	0.9	Reverses as minimal y.e stock
Tariffs	0.4	Persists and grows H2
Excess stock reduction	(1.1)	Expect further £(2m) progress H2
June 25	43.0	

OVERVIEW

Sales analysis by market

- North America down 11.8% (cc 10.3%) due to:
  - Buyer /consumer caution on tariffs.
- South Korea up 28.6% (31.6% at cc) driven by:
  - Encouraging improvement from 2024 lows.
  - Overstocks reducing but expect a further 18 months before stock levels normalised.
  - Market conditions remain challenging.
- UK sales up 2.3% driven by Wax Lyrical growth.
- Other Int'l markets - part of our strategic growth plan - grow 11%.
  - Malaysia, China, Australia

Sales by Country	2025 £m	2024 £m	2025 v 2024 Change
North America	12.7	14.4	(11.8)%
UK	13.6	13.3	2.3%
South Korea	7.2	5.6	28.6%
Europe	1.2	1.4	(14.3)%
Asia Pac/M East	2.2	1.8	22.2%
Russia/Eastern Europe	-	-	-
Other	0.2	0.1	100.0%
Total	**37.1**	**36.6**	**1.4%**

OVERVIEW

Sales analysis by brand

- Portmeirion chiefly impacted by £1.6m Korea sales improvement.
- Spode sales shrunk by 13.1% due to the US tariff impact.
  - Excluding the US Spode sales increased by 7.6%.
- Wax Lyrical Brand continues to grow by 13.5% through new listings.
- Nambe, US focused, remained steady at £4.5m YoY.
- Royal Worcester / Pimpernel down on US & UK market conditions / stock supply issues.

Sales by brand	2025 £m	2024 £m	2025 v 2024 Change
Portmeirion	14.5	13.3	8.3%
Spode	6.1	6.9	(13.1)%
Royal Worcester	2.1	2.3	(9.5)%
Pimpernel	1.6	2.2	(37.5)%
Nambe	4.5	4.5	0.0%
Wax Lyrical	7.4	6.4	13.5%
Other	0.8	1.0	(25.0)%
Total	37.1	36.6	1.3%

Markets Review

Mike Raybould

US market review

Progress

- Christmas product on time & earlier vs 2024 despite significant tariff disruption.
- Avoided any of the Q2 (+150%) tariffs.
- Accelerated Made in Stoke-on-Trent transition on key Xmas ranges.
- Cancelled c $3m non profitable, tariff impacted China made product.
- Renewed focus on independents channel results in + 16% cc growth.
- Price increases to cover incremental tariffs.
- Channel repositioning on Spode Christmas ranges to support higher price points.
- Work underway to explore and develop Latin America market.

Outlook

- Earlier in-stock helps seasonal sales performance.
- FY 2025 impacted by cancelled China production PO's.
- Short term caution on:
  - ongoing tariff volatility .
  - consumer reaction to higher prices.
- Medium / long term expect to return to growth with clear opportunity to expand brand footprint.
- US remains key market for future.

UK market review

Progress

- Total market sales up 2% driven by further Wax Lyrical growth.
- Tableware H1 sales down 9% / LFL exc. hospitality contract & planned closure factory outlet store down 2%.
- Ecommerce in growth from Feb onwards.
- Work done to reset sales team in last 3 months.

Outlook

- Advance Christmas orders up on LY.
- Team reset and new hires expect to benefit H2 / 2026.
- Expect modest return to growth in H2.
- Fresh product innovation/ strategy supported by new hire to drive medium term market growth.

South Korea market review

Progress

- H1 encouraging sales rebound up 31% (at cc).
- Supporting customers to reduce stock levels.
- 2024/25 new products helping reinvigorate range line up.
- 2024 Christmas range introductions expected to grow in 2025.
- Market economics remains very challenging.
- Regional political unrest continues to disrupt consumer spending.

Outlook

- Remain cautious on headwinds from poor economics / outlook.
- Expect ongoing gradual recovery over next 24 months as overstocks continue to reduce.
- Exploring new categories / license opportunities.
- Cookware (new category) expected to ship Q4.
- Believe long term market will recover / no evidence losing market share.

Home Fragrance/ Wax Lyrical market review

Progress

- Continued H1 sales growth momentum up 15%.
- New Grocery listings performing well.
- £0.7m YOY profit improvement H1.
- Successful factory capex: fill line extension. installed over summer - adds capacity.

Outlook

- New product roadmap to consolidate and build on recent UK listing wins.
- Focus on developing int'l markets.
- Ongoing factory efficiencies as business grows and recent capex.
- Focus on stock reduction / more efficient working capital.

Strategy & Priorities

Transforming our business:

Our Short term (2025/26) priorities (launched31/3/25)

01	Return to growth in our established market
02	Fortress Balance Sheet
03	Invest in our premium brands
04	Explore & Develop
05	Excellence Everywhere

Our focus is on improving execution & investing for growth

1. Progress: Return to growth in our established markets

US

- Christmas ranges in stock earlier despite significant tariff disruption.
- Indep channel up 16% YOY.
- Opened Dallas Nambe and New Jersey Spode pop up stores Aug 25.

S Korea

- Encouraging improvement from 2024 lows.
- Overstocks reducing but more work to do / Background economy remains challenging.
- New category: Cookware expected to ship Q4 25.

UK

- LFL sales down 2% - team reset done July with stronger seasonal period to come.
- Continue to develop websites / US + UK platform synergies on track Q1 2026.
- Exited a number of UK outlet stores / Stoke shops to refocus on seconds stock clearance.

Christmas

- Advance order books UK, S Korea, Int'l markets up on LY.

2. Progress: Fortress Balance Sheet

Net debt

- Small increase due to impact of US tariffs on US P&L and inventory value.
- Revised RCF in place due to tariff impact (as stated).

Inventory

- H1 £1.1m of excess dealt with so far.
- FYF £3m of £6m excess expected to be dealt with.
- Balancing need to reduce stocks with managing prices in soft markets.
- However, offset, particularly at seasonal peak, due to higher tariffs.

Commitment medium term to eliminate net debt.

3. Invest in our Premium Brands

- New, improved Spode logo launched and rolling out.
- As part of US tariff response plan, have rapidly accelerated on-shoring initiative to support ‘Made in Stoke-on-Trent’.
- Improved Spode packaging experience implemented in UK.
- Started to increase spend behind:
  - Social media / influencer engagement,
  - Digital assets - some of which impact Q4 2025 consumer.

EST. 1770

Spode®

ENGLAND

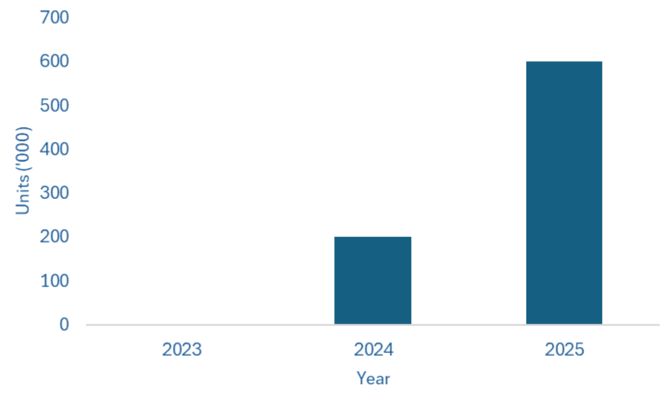
New Spode logo

New Spode Ecommerce Packaging

Progress: Made in Stoke

- Significant acceleration of on-shoring initiative.
- Spode Christmas Tree range: tableware for US now made in Stoke.
- New Spode backstamp launched June 25 recognising heritage - transitioning production of Spode ranges through H2.

New Spode backstamp



Progress: Onshoring Spode Christmas Tree

4. Progress: Explore & Develop

Int'l markets

- Sales up 11% YOY.
- Work on key focus markets.

Design archive / Product innovation

- New role: Product Strategy Director role created and hired Aug 25.
- Sprint teams set up delivering faster idea-> in stock product launches.
- Eg Spode Green Italian launched July 25.

Brand collaborations

- Work underway for new product collaborations for 2026/27 launch.

Sprint teams -> Accelerating development time

"Spode Heritage Green Italian"

- Normal average 12m development cycle reduced to 3m (concept -> production).
- Orders taken across US, UK, Int'l for H2 2205.

5. Progress: Excellence Everywhere

- People:
    - New Product Strategy role hired.
    - New COO role created to drive improved execution
    - Hires in UK and Int'l sales team.
    - Finance / back-office team rebuilt to drive performance, insight, and forecasting.
- New Spode packaging launched UK to enhance consumer experience.
- Sprint teams introduced to speed up new product / idea generation.

Enhancing consumer brand proposition

New Spode gift box packaging

Summary & Outlook

Outlook

- **2025 Outlook**
  - Good position with earlier Christmas ranges ‘in stock’.
  - US market: consumer uncertainty given tariff and price rises.
  - Outside of US, expect to see growth in H2.
  - Clear on priorities to drive our transformation plan.
  - See significant global potential from our premium brands.
  - Ongoing focus on net debt reduction and improving free cash flow.
- **Long Term Outlook**
  - Premium brands supported with significant increased investment.
  - Eliminate net debt and reinvest interest cost saved in sales & marketing.
  - Develop much bigger market positions in international.
  - New product, categories and leverage design archive.
  - Wider market recovery.

Summary

- H1 result driven by US tariff disruption.
- Excl. US, sales up 11% represents good progress.
- Committed to transformation plan to accelerate recovery; announced 31st March.
- Org. structure changes to support better execution.

Portmeirion Group

Supplementary Information

Our premium brands

Spode (EST. 1770, ENGLAND)

Unmistakeable homeware design

Since 1770

Portmeirion

Beautiful tableware taking inspiration from nature

Since 1960

Royal Worcester (ESTABLISHED 1751)

Refined design and heritage for the table

Since 1751

nambe

Iconic mid-century modern design in homewares and giftware

Since 1951

pimpernel

The premier brand for placemats

Since 1945

WAX LYRICAL

UK made home fragrance and body care

Since 1980

High class global customer list

UK

John Lewis & Partners
Waitrose & Partners
Dunelm
Fortnum & Mason EST 1707
Boots
ASDA
TESCO

USA

macy's
belk
Dillard's
NORDSTROM
Neiman Marcus
WILLIAMS SONOMA
bloomingdale's

CANADA

THE BAY
WILLIAM ASHLEY

GLOBAL

amazon
wayfair
TJX

KOREA

SHINSEGAE
coupang
LOTTE

CHINA

TMALL 理想生活上天猫
淘宝网 Taobao.com

MEXICO

El Palacio de Hierro

AUSTRALIA

DAVID JONES

MALAYSIA

PARKSON