



2025 Prelims

May 2025

PORTMEIRIONGROUP PLC
2025

PORTMEIRIONGROUP PLC
2025



OVERVIEW

FY 25 overview

- **Group sales flat, despite US market weakness**
 - Sales up 1% on a constant currency ("cc") basis
 - Up 8.6% excl. US
- **Headline loss before tax reflecting macro headwinds**
 - Loss £3.6m (2024 £1.1m)
 - Impact of tariffs, Energy costs, NI & minimum wage
- **Good progress on transformation plan**
 - Strengthened leadership team
 - Product strategy refresh
- **Building a fortress balance sheet remains a key priority**
 - No dividend proposed
 - Advanced stages of new ABL agreement
- **Good start to Q1 2026**
 - Q1 revenue ahead of Q1 '25
 - Accelerated strategic progress
 - £2m+ of excess inventory clearance
 - US tariff claim submitted

Response: Actions taken in 2025



Senior leadership changes
and slimmed down Board



Pro-active in USA – pre
and post tariffs



(Responsible) Inventory
reduction focus



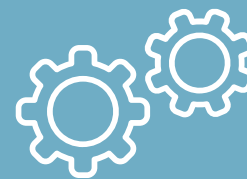
Spode brand focus &
investment



Brand licensing &
collaboration opportunities



Ongoing focus on cost



Focus on factory
efficiencies



Trading – improving
performance



Financial Performance FY 2025

Jon Hill

2025 performance

- Sales -0.1% (up 1% cc).
 - Sales excl. US, at constant currency, up 8.6%.
- Headline loss £3.6m (2024 £1.1m) driven by US & cost pressures.
- Overhead costs up 7.9% (£2.8m) due to energy & wage costs up.
- Net debt has increased by £5.4m due to loss in the year and payment of substantially higher tariff costs in the US
- As we continue to prioritise debt and interest cost reduction, no dividend is proposed.

	2025 £m	2024 £m	2025 v 2024 Change
Revenue	91.1	91.2	(0.1)%
Headline* profit before tax	(3.6)	1.1	(427.3)%
Headline* operating profit margin	(5.0)%	3.3%	(8.4)%
Headline* EPS	(25.90)p	8.04p	(422.1)%
Dividends	0.00p	1.50p	1.50p
Net debt	(17.5)	(12.1)	(5.4)

*Headline measured as follows: Statutory Loss add back additional inventory provision and Exceptional Costs

OVERVIEW

2025 Sales bridge

US

- Sales down 7.4% on a constant currency basis with market impacted by tariff disruption
- Accelerated onshoring Spode Christmas lines
- Majority of US customer base in growth with strong sell through of Christmas lines

UK

- Sales up 1% with improving tableware performance in H2 (+6%) and double-digit own ecommerce growth

Korea – Sales up 26% at cc; a strong rebound from 2024 low

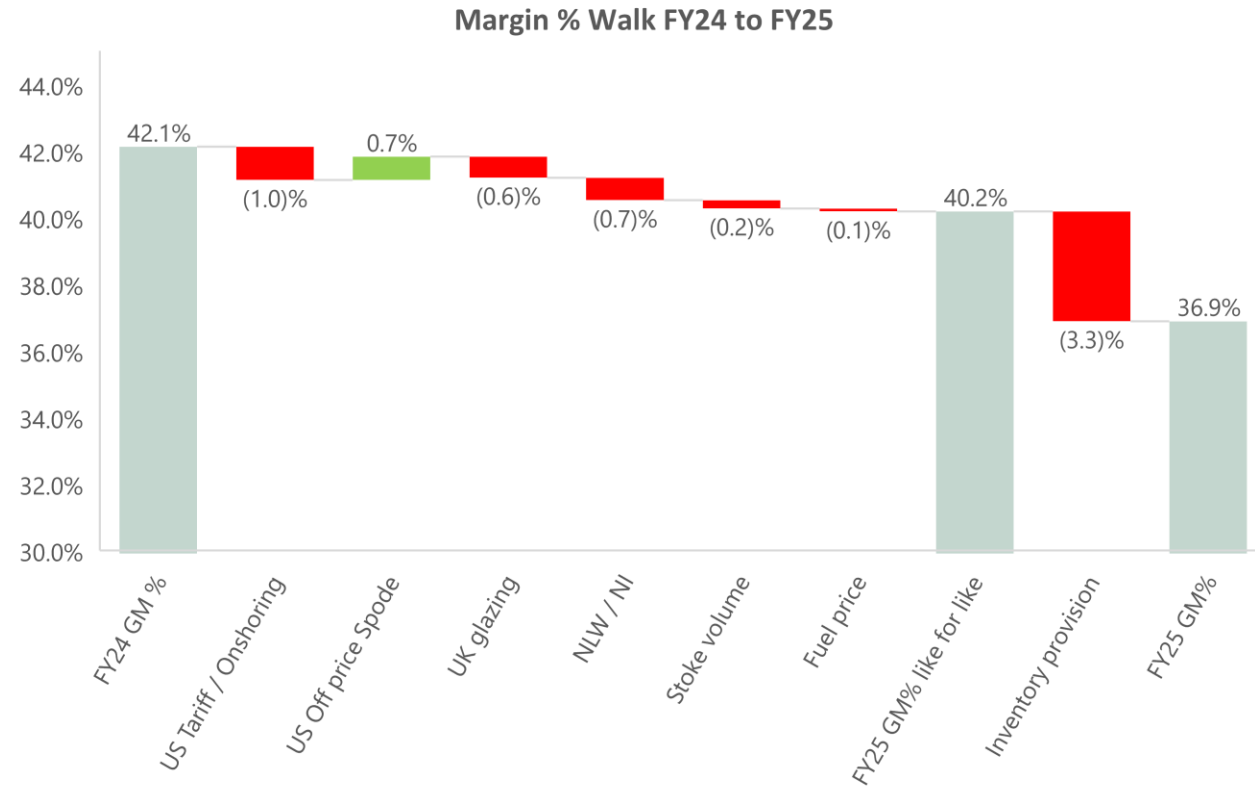
International – Up 14% at cc

	2025 £m	2024 £m	2025 v 2024 Change
North America	35.4	39.5	(10.4)%
UK	32.6	32.4	0.6%
South Korea	14.5	11.8	22.9%
Europe	4.2	3.6	16.7%
China/Far East	3.8	3.4	11.8%
Other	0.6	0.5	20.0%
Total	91.1	91.2	(0.1)%

OVERVIEW

2025: Gross margin

- Gross margin improvement from commercial decision around US off-price sales channel
- Cost pressures from NLW and NI – energy cost headwind over 100bps over last 3 years
- US tariff negative impact well managed
- Group volume decline partially off set by Made-in-Stoke strategy to bring more production to Stoke
- One-off impact on gross margin from inventory provision on back of new provisioning policy



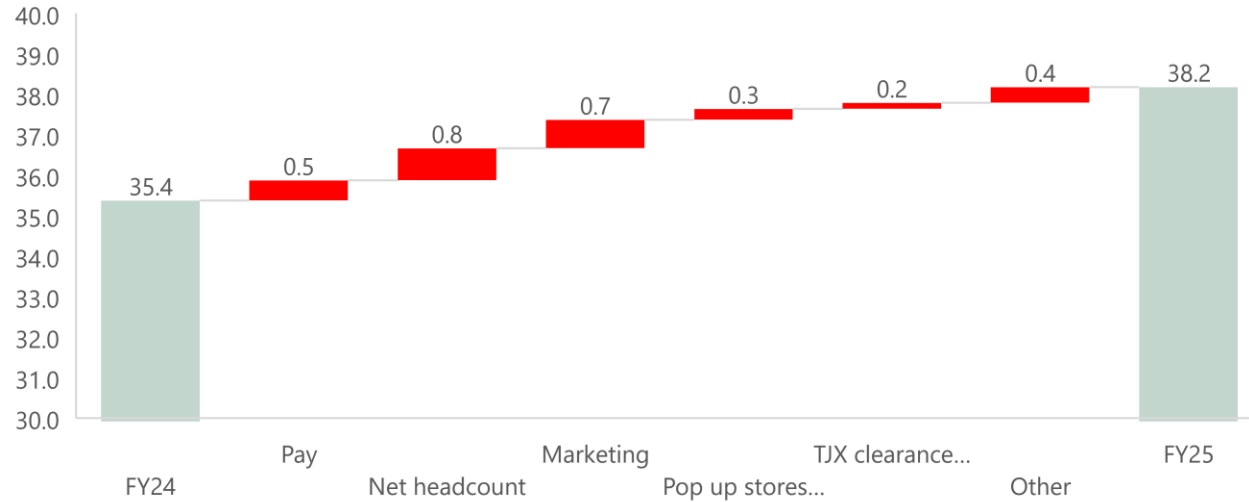
*Headline numbers exclude exceptional items; acquisition and restructuring costs.

OVERVIEW

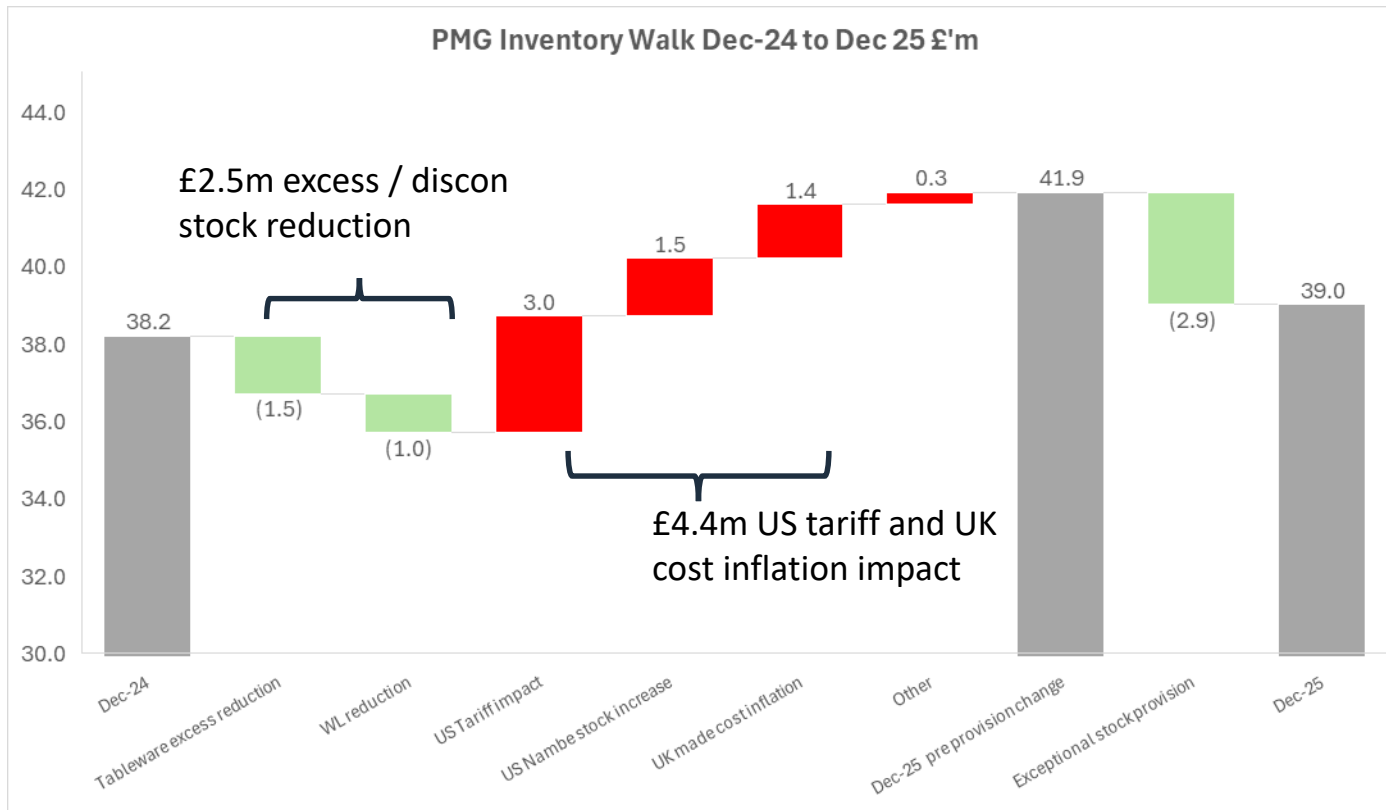
2025: Opex

- Cost pressures from NLW and NI
- £1.8m of investments in capability and marketing to support future growth opportunities
- One-off costs for responsible clearance activity

Overhead Walk FY24 v FY25 £'m



Progress: Fortress Balance Sheet: Inventory reduction



2025

- £(2.5m) of responsible inventory reduction in 2025
- £3m impact of new US tariffs on year end stock; includes:
 - \$2m pure extra tariffs
 - \$0.4m higher UK cost vs China made cost
 - Additional remaining year end Christmas stocks due to tariff related forecast uncertainties
- £1.4m UK made cost inflation incl. Govt NI / energy etc
- £(2.9m) exceptional stock provision

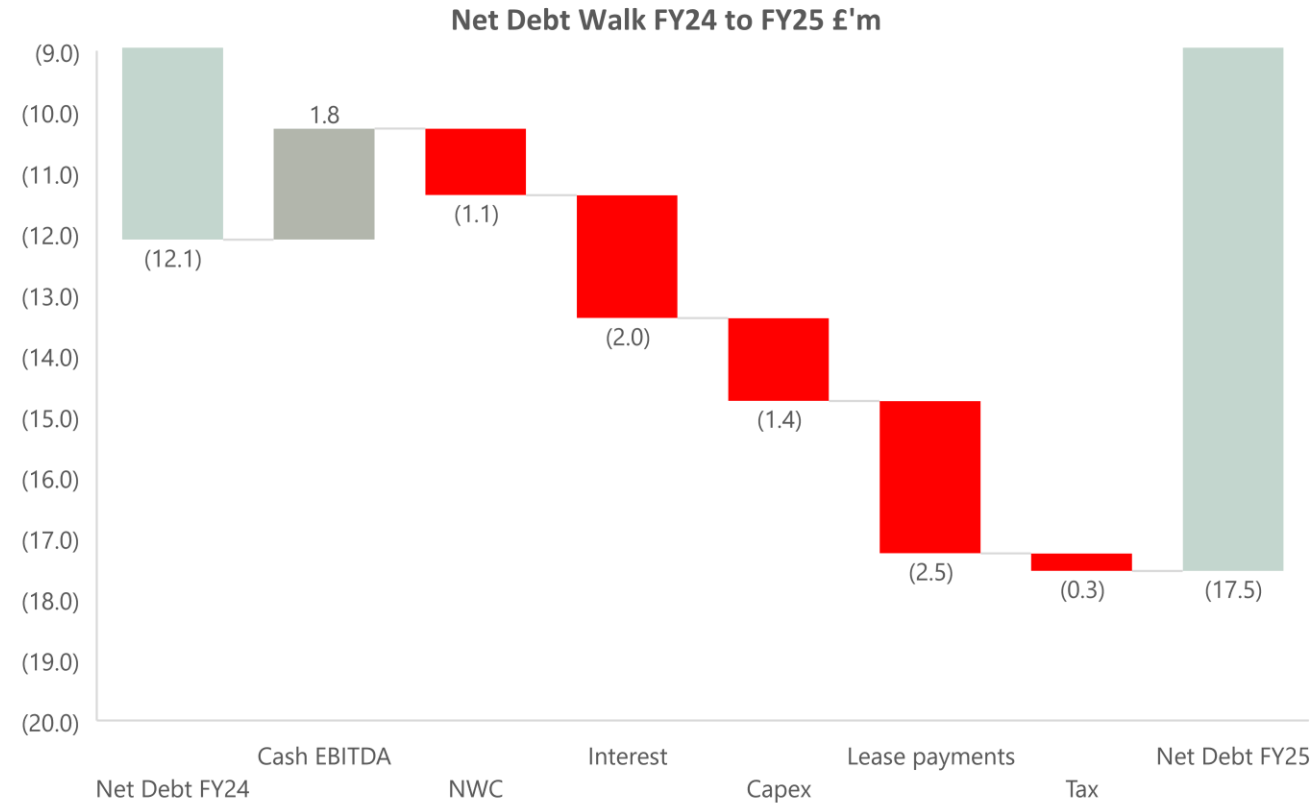
Post Year end

- End Q1 - £(2m) further stock excess clearance deals (positive margin) received to ship H1.
- Targeting a further £(2m) reduction in H2.
- Focus on responsible stock reduction to protect brand positions / customers.

OVERVIEW

2025: Net debt

- Increase in Net debt to £17.5m at YE25
- NWC outflows, mainly reflecting adverse impact of US tariffs on inventory value
- Higher interest costs reflecting higher average net debt during period
- Group has filed \$3m claim relating to US tariffs
- Group in advanced discussions on new ABL facility

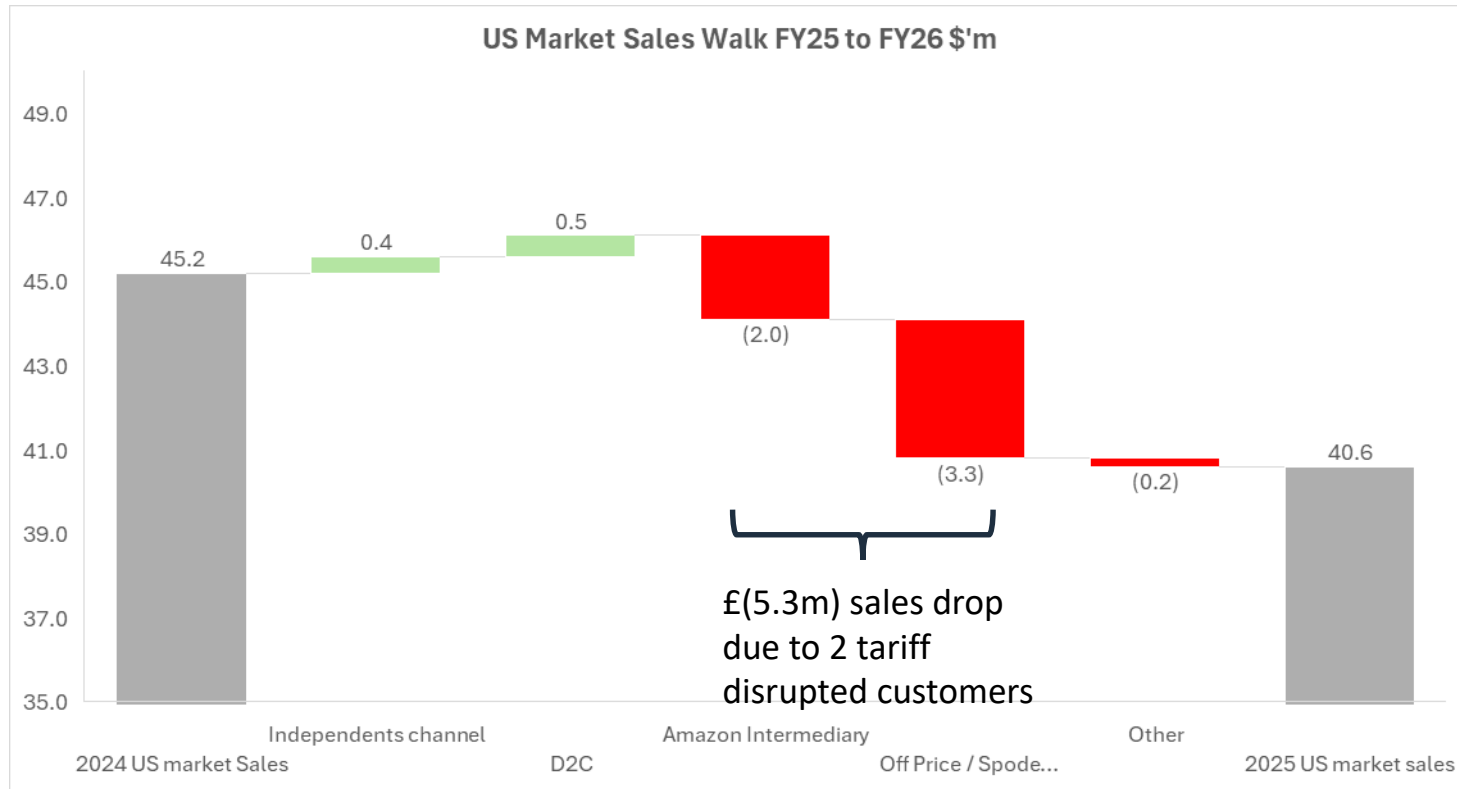




Markets Review

Mike Raybould

US Market review 2025



2025

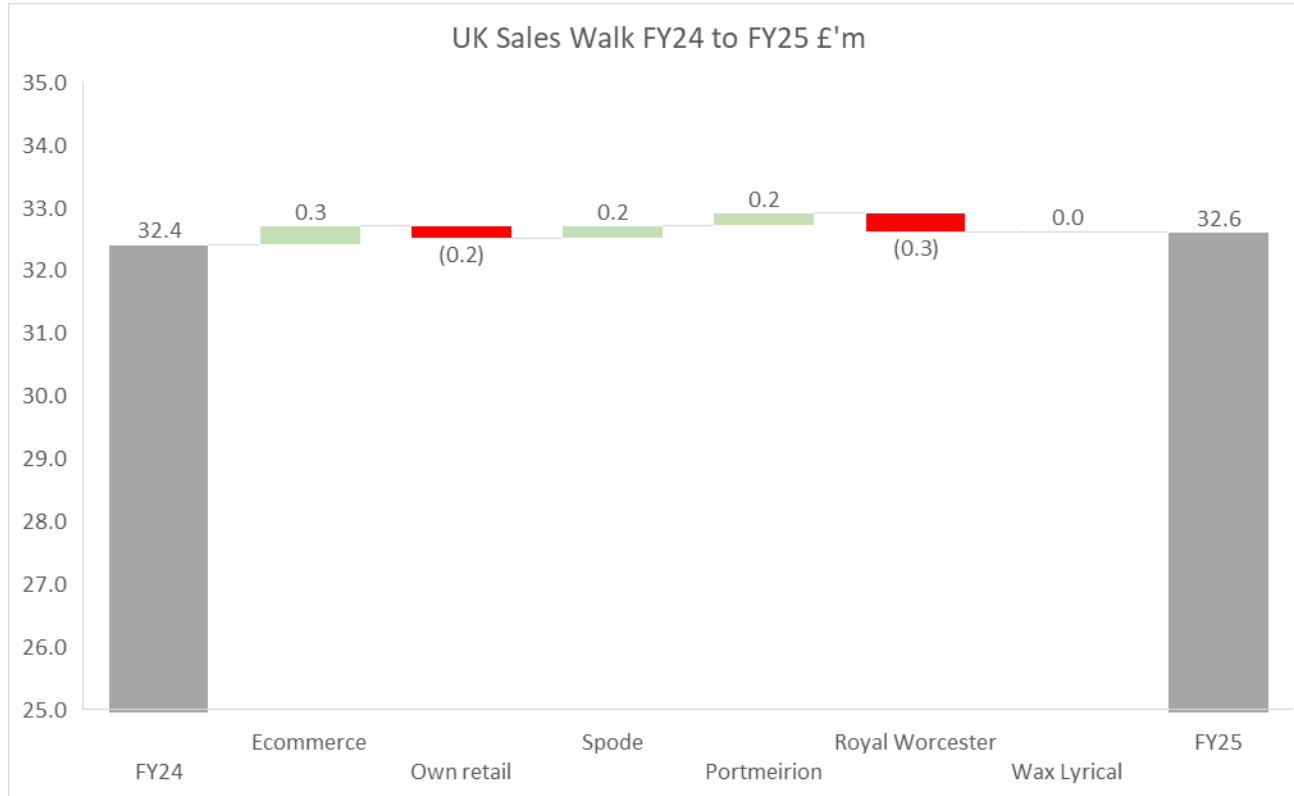
- North America sales -7.4% cc¹, impacted by tariff disruption
- Proactive reset of commercials for Spode brand in major off-price customer resulting in 7% sales fall but improved gross margin
- Rest of US market grew despite tariff concerns
 - Independents channel +13%
 - D2C +5%
- Strong like for like sell through growth in major accounts for key Christmas lines, including on-shored UK SKUs.

Post Year end

- Positive ongoing momentum in Q1 including independents channel
- Amazon in-house project commenced and on track, with some upfront investment.

Expect strong recovery in US market sales in 2026

UK market review 2025



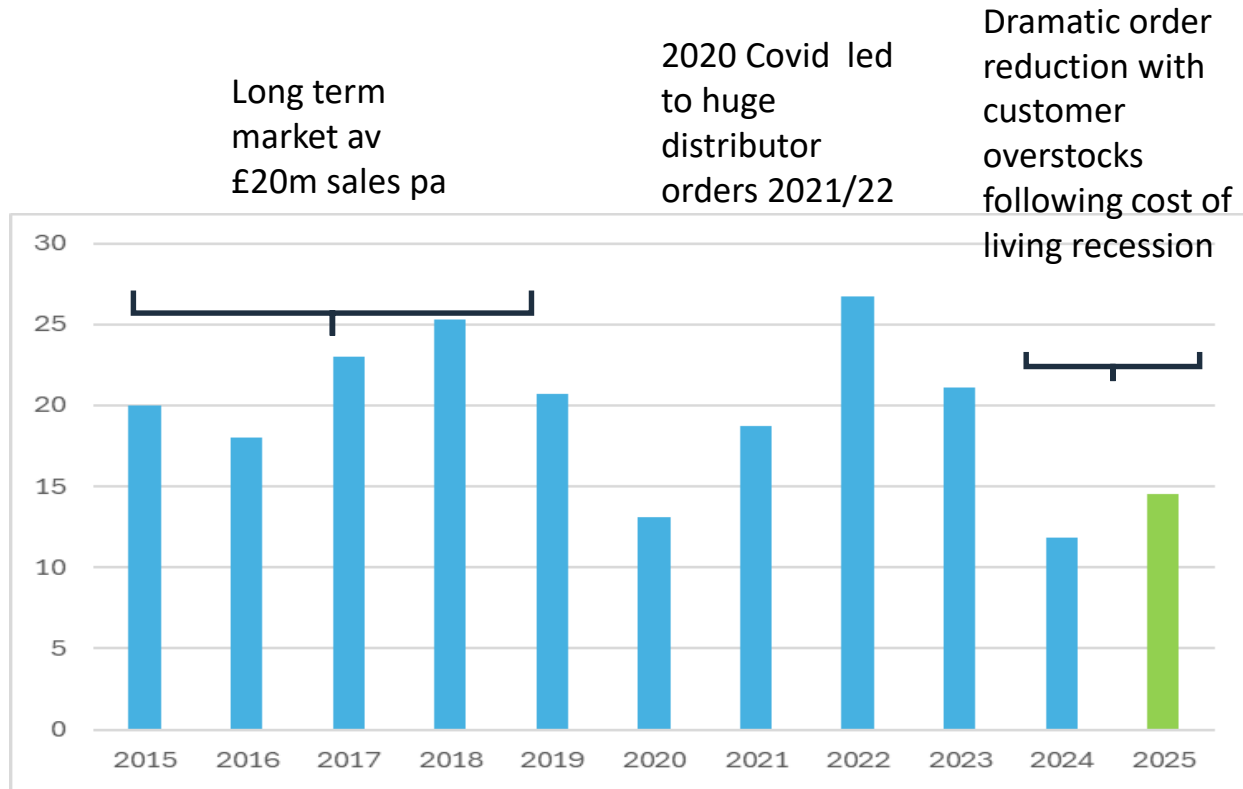
2025

- UK +1% YOY in tough general market conditions
- Own ecommerce up 7%
- Own factory shop retail down 8% due to planned store closures
- Wax Lyrical flat following positive H1 – with unrepeated Grocery promo listings in H2.

Post Year end

- Successful ecommerce UK/US platforms alignment to drive cost and activity efficiencies
- Sophie Conran Blue (from archives) launched
- Early signs of positive margin development
- Targeting growth in WL during 2026 including premium range Grocery launch.

Korea market review 2025



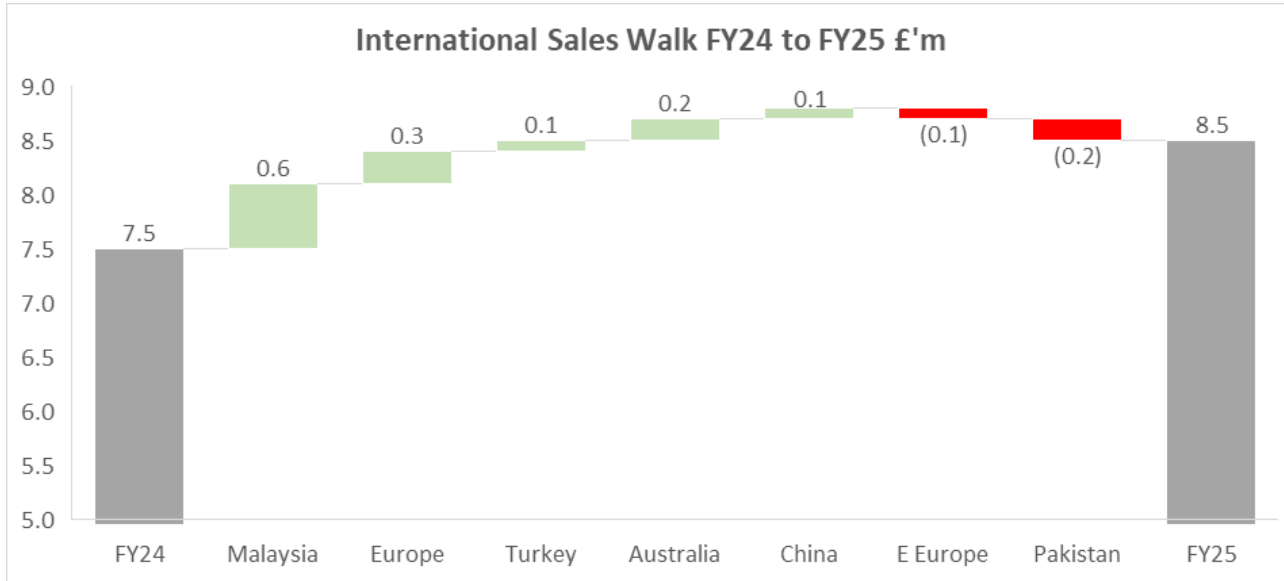
2025

- 26% growth to £14.5m
- Markets remain tough due to cost of living pressures from fuel / food / Korean won devaluation
- Developed and shipped first Botanic Garden Cookware range orders Dec.
- Q4 influencer activities a success

Post Year end

- Markets remain tough particularly given fuel / energy pressures from Middle East war
- Targeted product launches to drive newness for key customers
- Commenced direct relationship with major hypermarket chain to shorten supply chain and control brand / pricing / margins directly.
- Expect FY26 sales flat but customer overstocks to continue to fall paving way for increased sales in 2027/28 back to historic levels.
- Opportunity to increase brand marketing and influencer activities.

International markets review 2025



2025

- International markets are 50+ markets and a key part of our long term growth plan
- Growth of +14% at cc
- Good growth and momentum in Malaysia including launch of Botanic Garden Cookware (Dec25) and online / live streaming growth
- Europe growth with new online partners in France
- China growth to £0.4m through new Northern distributor

Post Year end

- Very positive return to Ambiente Frankfurt trade show (Feb26)
- Key new distributor partners signed since year end:
 - Turkey
 - Central & Eastern Europe
 - Northern Europe
- Work underway to develop live selling partner in China

Expect strong growth to continue in 2026

Brand Highlights



Influencer partnership with @prettyinthepines, a US based lifestyle/family content creator, to promote The Christmas Tree Collection



Portmeirion launches new Blue Collection to celebrate 20 years of Sophie Conran



Spode revitalises colourway first displayed in 1833 with Heritage Green Italian



PMP hosted customers from around the world at Ambiente, showcasing all the collections from Spode and Portmeirion



Strategy

PORTMEIRION GROUP PLC
2025

Portmeirion: creating a £300m global brand

Our purpose

To create timeless ceramics and homewares that resonate globally – to reimagine tradition with creativity, crafting products that inspire

Our vision

£300m global brand (retail price) sales

Our strategy

Drive higher returns

Focused Expansion

Excellence everywhere

Strengthen balance sheet
Inventory reset
Drive increased GM returns

Brand mindset
Product Pricing
International
Retail & eCommerce expansion
Licensing opportunity

Made in Stoke
New team
Data

Establish Fortress Balance Sheet

Underpins

Enablers: culture, people, data

Driving higher returns

Strengthen balance sheet

- *Issue:* balance sheet constrained by elevated debt levels
- *Target:* address capital structure – create Fortress Balance Sheet
- *Solution:* renegotiate bank debt through ABL refinance, consider S&L of DC; disposal of Wax Lyrical

Inventory

- *Issue:* rising inventory levels driven by inflation and softer clearance-channel demand
- *Target:* reduce inventory to an appropriate level
- *Solution:* responsible clearance of excess inventory; accounting policy change; proactive rationalisation of ranges; enhanced seasonal/continuity planning; accelerated speed-to-market; data-led decision making

Drive increased GM returns

- *Issue:* gross margin erosion driven UK cost inflation, lower factory volumes, excess inventory, promotional stance
 - *Target:* gross margin improvement of 300-500 bps
 - *Solution:* improve factory performance, new procurement function, improve data reporting, product, sourcing and distribution review
-
- => Improve ROCE through tighter capital employed AND improved profitability

Focused Expansion

Brand Mindset

- *Issue:* volume-led production model (factory-first), with fragmented and inconsistent consumer communication
- *Target:* enhanced and refresh brand marketing, relaunch Royal Worcester
- *Solution:* focus & priority on core brands: Spode / Portmeirion, clarify and update brand positions, seize license opportunities

Product & Pricing

- *Issue:* GM weakness, over-distribution of core brands
- *Target:* SKU count reduction; clearer pricing hierarchy; stretch pricing architecture
- *Solution:* more focused product roadmaps, lifecycle strategy, more strategic distribution approach; bone china

International

- *Issue:* highly fragmented global footprint across 54 markets, requiring market-specific marketing strategies to build brand recognition
- *Target:* double sales in the medium term
- *Solution:* prioritisation of the 5 markets that can get to £1m sales p.a., detailed plan for top 3-5 market opportunities

Focused Expansion (cont.)

Own Retail Expansion

- *Issue:* Lack of new own retail for several years due to weak store economics and constrained balance sheet
- *Target:* refreshed retail strategy
- *Solution:* hired high calibre Brand and Retail leadership, improved test and learn from pop ups, explore potential for franchise partner, improve current Nambe stores

Own eCommerce

- *Issue:* broad product distribution driving widespread cross-channel price competition, with UK and US operating on different eCom platform
- *Target:* platform alignment, target +50% sales in the medium term
- *Solution:* align US/UK platforms, tighten pricing strategy, enhanced brand communications supported by new marketing concepts e.g. exclusive membership programmes
- **Licensing Opportunity**
- *Issue:* low penetration of high-margin, low-capital-employed licensing opportunities
- *Target:* minimum £1m license royalty (c £15m retail sales) in medium term; convert existing pipeline
- *Solution:* establish global visibility and unified decision-making, resolve legacy contracts, and clarify priority target categories

Excellence Everywhere

Made in Stoke

- *Issue:* factory costs increased, rising demand for 'Made in Stoke', Made in China products subject to tariffs & increased product costs
- *Target:* bring yield back to historic levels in the short term; improve supply chain security
- *Solution:* reposition factory to support brand-led strategy, investigate opportunities to further reshore production and increase in-house capability

Talent

- *Issue:* skills gap across the Group
- *Target:* transformation of business leadership & close skills gap
- *Solution:* already commenced with Board and Exec transformation, continue to identify and address skills gap

Data

- *Issue:* no group-wide master data, coupled with loss of historic knowledge, limiting consistency and constraining decision-making
- *Target:* hire additional data resource, align data sources
- *Solution:* master data alignment project, increase reporting across key data pillars

Three phased approach: Phase 1 and Phase 2 underway





Summary & Outlook

PORTMEIRION GROUP PLC
2025

Outlook

- Q1 '26 revenue ahead of last year, with US and International markets growing
- Energy costs hedged until April 2027
- Progress against Elevating Portmeirion Strategy
 - **Drive higher returns**
 - Excess inventory clearance deals of £2m+
 - Wax Lyrical confirmed as non-core with disposal in due course
 - **Focused expansion**
 - Brought US Amazon sales team in-house
 - New global licence agreement with Ashley Wilde, with growing pipeline of further deals
 - **Excellence everywhere**
 - Improved factory performance
 - Expansion of 'Made in Stoke-on-Trent initiative beyond the factory

Summary

- FY result driven by US tariff disruption and active US commercial decisions to build healthier, more sustainable growth
- Excl. US, sales up 8.6% represents good progress, with encouraging Q4 performance
- Progress made on strategic transformation
- Positive start to FY2026 – Q1 revenue ahead of Q1 2025 with US and International markets delivering growth



Portmeirion Group

Supplementary Information

Appendix

Wax Lyrical

- *Sales up 2%; Wax delivered strong 2024 and 2025 H1 growth*
- *PBIT up £0.3m*
- *Retained key major account listings*
- *Successful key capex in factory extends capacity and efficiency for key candle fill line*
- *Stock levels reduced by £1m*
- *Strong, experienced MD hired March 26 to grow business and lead through a sale transaction*



Our premium brands

EST. 1770
Spode®
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



We work with great retailers

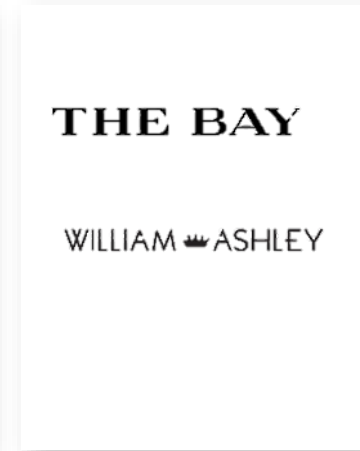
UK



USA



CANADA



GLOBAL



KOREA



CHINA



MEXICO



AUSTRALIA



MALAYSIA



Defined Benefit Pension Scheme

- Closed to accrual and new entrants 5 April 1999
- New entrants now enter the Group Defined Contribution Scheme
- Triennial Valuations up to date:
 - Last Triennial Valuation: 5 April 2023; agreed no contributions
 - Next Triennial Valuation: 5 April 2026
- 5 April 2023 (Triennial valuation): Surplus of £1.2m; Scheme Assets £27.8m / Liabilities £26.6m
- 31 December 2025: Surplus of £3.0m; Scheme Assets £25.3m / Liabilities £22.3m
- Scheme Advisors: Capita (Corporate), First Actuarial (Trustees)
- Funds managed by: L&G, Schroders, BMO