

17 January 2024

PORTMEIRION GROUP PLC
('the Group')

FY23 Trading update

Good Christmas trading period and full year performance in line with market expectations

Portmeirion Group PLC, the owner, designer, manufacturer and omni-channel retailer of leading homeware brands in global markets, provides an update on its trading for the year ended 31 December 2023.

FY23 performance

We are pleased to report a good Christmas trading period with robust demand across our portfolio of consumer goods brands. As a result, FY23 sales are now expected to be at least £102 million, marginally ahead of consensus market expectations. This is 10% above pre-Covid 2019 levels but lower than FY22's record results as anticipated. We expect FY23 profit before taxation to be in line with underlying consensus market expectations.

Sales in North America and South Korea were down year on year due to the impact of weaker consumer sentiment and de-stocking by our major retail customers. However, we are encouraged by stronger consumer demand through Q4 for our key Christmas ranges. Sales from our Spode brand continued to grow, with Spode Christmas Tree sales again increasing, driven by both additional store space and extensions to the range.

Our UK ceramic sales were flat YOY but we saw a strong seasonal trading period, particularly from our ecommerce orders, which were up 9% for the final eight weeks of FY23 compared to the prior year.

Ceramic sales in our rest of world markets (ROW), a key strategic growth area, were up 13% YOY and sales in Wax Lyrical, our home fragrance division, were up 24% YOY driven by new listing wins in the UK grocery channel and the full year impact from the acquisition of the AromaWorks London brand.

Following our focus on reducing inventory we are pleased to have seen a reduction YOY in both net debt and inventory as at the year end.

FY24 Outlook

Following a positive Christmas performance, we expect sales to return to growth in 2024 YOY alongside a healthy operating margin improvement compared to 2023. However, we expect 2024 to be a challenging year due to ongoing macro uncertainty with customers remaining cautious in relation to H1 order flow, in particular in the US and Korean markets.

In addition, we expect to continue to incur higher interest costs during the year given current rates.

Mike Raybould, Chief Executive, commented:

"Although consumer market conditions have been significantly more challenging in 2023, we are encouraged by our strong Christmas trading performance in the UK and US, the continued growth in our ROW markets and the sales rebound and new business wins in our home fragrance division.

We are excited about the opportunity to further expand our customer base, both within our core markets but also through leveraging our well-known brands across ROW markets. Within our key US market, we are delighted to be opening a new enlarged permanent showroom this week at the 2024 Atlanta Gift Show. This exciting new space will showcase new product introductions across our brand portfolio to national, regional, and independent retailers from across the US and Canada.

Whilst we expect market conditions to remain challenging in the first half of 2024, particularly in the US and South Korea, we expect to see growth across the full year and we are confident in our long-term strategic progress and the market share gains we are making."

The Company expects to announce preliminary results for the year ended 31 December 2023 in late March 2024.

Notes: This announcement contains inside information for the purposes of the retained UK version of the EU Market Abuse Regulation (EU) 596/2014 ("UK MAR").

Portmeirion Group PLC:

Mike Raybould, <i>Chief Executive</i>	+44 (0) 1782 743 440	raybould@portmeiriongroup.com
David Sproston, <i>Group Finance Director</i>	+44 (0) 1782 743 448	sproston@portmeiriongroup.com

Hudson Sandler:

Dan de Belder	+44 (0) 207 796 4130	portmeirion@hudsonsandler.com
Nick Moore		
Emily Brooker		

Shore Capital:

(Nominated Adviser and Joint Broker):

Patrick Castle	Corporate Advisory
Lucy Bowden	
Malachy McEntyre	Corporate Broking
Isobel Jones	

Singer Capital Markets

(Joint Broker): +44 (0) 207 496 3000

Peter Steel	Investment Banking
Asha Chotai	

NOTES TO EDITOR:

Portmeirion Group PLC is a leading, omni-channel British ceramics manufacturer and retailer of leading homeware brands.

Based in Stoke-on-Trent, United Kingdom, the Group owns six unrivalled heritage and contemporary brands, with 750+ years of collective heritage; Portmeirion, Spode, Royal

Worcester, Pimpernel, Wax Lyrical and Nambé.

The Group serves markets across the world, with global demand driven by diversified international markets including the key geographies of the US, UK and South Korea.

Portmeirion Group has a proven capital-light, well developed and self-funded growth strategy focused on building a wider customer base and growing the sales footprint of its brands, through:

- Building and growing international sales markets
- Developing online sales channels in core markets
- Designing and launching new product to widen appeal and take market share
- Leveraging brands and extensive product ranges

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

TSTDGGDBGSBDGSL