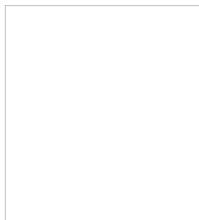


**For immediate release**

**27 June 2024**



**SANDERSON DESIGN GROUP PLC**  
("Sanderson Design Group", the "Company" or the "Group")

### **Trading Update**

**Sanderson Design Group PLC** (AIM: SDG), the luxury interior design and furnishings group, announces the following update on trading for the year ending 31 January 2025.

At the time of the Group's full year results on 24 April 2024, the Group commented that trading conditions overall were expected to remain challenging in the current financial year. Since that time, trading conditions in the UK, the Group's largest geographic region, have deteriorated, impacting brand product sales during the months of May and June.

For the first 22 weeks of the current financial year, total brand product sales were down 9% compared with the same period last year. In the UK, brand product sales were down 14%, reflecting the worsening of market conditions.

The shortfall in revenue has a particular impact on profitability in the current financial year owing to the previously communicated inflationary pressures that the business is absorbing.

North America, the Group's strategic growth market, and Licensing have both continued to trade in line with Board expectations. Manufacturing is performing in line with the same comparison period last year, which is slightly below expectations. The lower manufacturing volumes, resulting from lower brand product sales, have had a negative effect on Manufacturing's cost recovery.

As a result of this trading performance, the Board expects Group trading in the current financial year to be below its earlier expectations. Underlying profits before tax for the year ended 31 January 2025 are now expected to be in the region of £8 million.

In light of current trading conditions, the Board is accelerating its programme of strategic initiatives. As part of this programme, a review was recently launched of the end-to-end cost to serve in the UK, with the objective of delivering a more efficient model. Opportunities for further cost savings have also been identified, including the reduction of capital expenditure and discretionary spend, as part of an ongoing cost control exercise.

The Group continues to benefit from a strong cash position, which serves to protect the Group in the current subdued consumer environment.

A further update on trading for the half year to 31 July 2024 will be announced on 7 August 2024.

*This announcement contains inside information for the purposes of UK MAR. The person responsible for arranging the release of this announcement on behalf of the Company is Mike Woodcock, Chief Financial Officer.*

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**Notes for editors**

**NOTES FOR EDITORS:**

**About Sanderson Design Group**

Sanderson Design Group PLC is a luxury interior furnishings company that designs, manufactures and markets wallpapers, fabrics and paints. In addition, the Company derives licensing income from the use of its designs on a wide range of products such as bed and bath collections, rugs, blinds and tableware.

Sanderson Design Group's brands include Zoffany, Sanderson, Morris & Co., Harlequin, Clarke & Clarke and Scion.

The Company has a strong UK manufacturing base comprising Anstey wallpaper factory in Loughborough and Standfast & Barracks, a fabric printing factory, in Lancaster. Both sites manufacture for the Company and for other wallpaper and fabric brands.

Sanderson Design Group employs approximately 600 people and its products are sold worldwide. It has showrooms in London, New York, Chicago and Amsterdam.

Sanderson Design Group trades on the AIM market of the London Stock Exchange under the ticker symbol SDG.

For further information please visit: [www.sandersondesigngroup.com](http://www.sandersondesigngroup.com)

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