

Mulberry Group plc
("Mulberry" or the "Company" or the "Group")

Strategy Update

Appointment of Chief Financial Officer

Trading Update

Following the conclusion of Chief Executive Officer Andrea Baldo's strategic review, the Board of Mulberry, the British luxury brand, is pleased to announce the details of its new strategy: "Back to the Mulberry Spirit" - a plan to restore Mulberry to profitability through simplification, brand realignment and enhanced customer connection.

Mulberry is also pleased to announce the appointment of Billie O'Connor as Chief Financial Officer and an update on trading for the 13 weeks ended 28 December 2024.

STRATEGY UPDATE - "Back to the Mulberry Spirit"

The Board believes that Mulberry is a beloved British brand, operating in a resilient category of leather goods and employing quality craftsmanship to manufacture and sell its products at a unique price point. The Company is also a sustainability champion having become a B Corp in 2024. The Board believes that these strengths set the Company apart in its markets.

The Board recognises that the Company's recent performance has been sub-optimal and envisages a two phased strategy to address this:

- in the near-term, the Company's focus will be on rebuilding gross margin and restoring profitability; and
- over the mid-term, the Company is targeting annual revenue of £200m+ and 15% adjusted EBIT margins to enhance shareholder value.

In order to achieve these goals, the Board, in conjunction with the CEO, has set the following three strategic priorities:

- 1. Simplification: Simplifying the Company for disciplined execution**
 - Refocus on the UK market, accelerate growth in the US and re-align operations in Asia with a reduced emphasis on China.
 - Execute a channel-agnostic cluster strategy in all markets and re-enter wholesale and outlets.
 - Active and continuous cost control management across the Company to drive efficiencies while protecting craft and culture.
 - Implement a focused product offering, reduce promotional dependency and maintain the unique price range, setting Mulberry apart from the market.
- 2. Brand refresh: Realigning Mulberry's identity as a British lifestyle brand and reinvigorating its cultural relevance**
 - Reposition the Company to celebrate British lifestyle, whilst appealing to global, fashion forward audiences.
 - Improved approach to creativity and design: a new creative team to drive cultural relevance and seasonal innovations.
- 3. Customer connection: Leveraging insights to deepen connections and drive demand**
 - Enhance customer insights using data platforms and CRM tools.
 - Improve customer personalisation and in-store experiences.
 - Strengthen direct-to-consumer operations with a refined product launch structure.

Since the appointment of Andrea Baldo as CEO in September 2024 and as previously announced, Mulberry has already taken decisive steps to strengthen its balance sheet and streamline its operations to become a leaner, more agile organisation.

Additional strategic actions underway include:

- New commercial partnerships: including with Flannels and John Lewis.
- International developments: building on the Nordstrom partnership with an additional 5 new sites agreed, new commercial partnerships with David Jones and the closure of 12 loss making stores in APAC.
- Reduced cost base: forensic spending review with a reduction in operating costs of about 25% on an annualised basis vs FY24.
- Product and brand development: re-focused product offer, and expansion on core icon families including Islington, Amberley and Bayswater.
- Restructure of the leadership team, to bring creativity and operational excellence back to the heart of the brand.

Further details of the "Back to the Mulberry Spirit" strategy can be found on the Company's Investor Relations website: <https://www.mulberry.com/gb/investor-relations>

APPOINTMENT OF CHIEF FINANCIAL OFFICER

The Board today announces the appointment of Billie O'Connor to the Board as Chief Financial Officer with effect from 17 February 2025. Billie qualified in 2007 and has spent her career working in the consumer and retail sectors, most recently as the CFO and CIO of Milk & More, a subsidiary of the Muller Group, which she joined to drive a turnaround and eventual sale. Prior to this, Billie held a variety of finance roles at Selfridges Group, Marks and Spencer, Walgreens Boots Alliance and Esporta Group.

As announced on 20 January 2025, Charles Anderson will provide support to the Company until 1 August 2025 to

assist with an efficient handover of responsibilities.

TRADING UPDATE - 13 weeks ended 28 December 2024 (the "period")

Trading over this important festive period was satisfactory. In line with the Board's expectations, Group revenue for the period declined 18.3% (-17.1% on constant exchange rates "CER") versus the same period in the prior year, as a result of the continuing challenging macro-economic environment. Retail sales declined 16.5% (-15.2% CER), with trade in the UK down 20.3% also impacted by a lack of exposure to outlet and wholesale channels. International retail sales declined 8.7% (-4.6% CER), with trade in Asia Pacific down 27.9% (-23.6% CER), offset by growth of 11.1% (14.9% CER) in the rest of world due to positive momentum in Europe and the United States. The Company continued to take actions to manage costs and inventories during the period to ensure they aligned with revenues. As expected, trading for the full financial year ending March 2025 will be weighted towards the second half.

ANDREA BALDO, CHIEF EXECUTIVE OFFICER COMMENTED:

"Our new strategy sets out our commitment to turnaround this business and return to sustainable profitability.

"We need to get back to where we came from and return to the spirit of Mulberry. First created by Roger Saul over 50 years ago, it is this Britishness, cultural relevance, creativity and responsible craftsmanship that is so loved by our customers. These strengths, along with our unique price position, sets us apart from the market.

"It is also clear to me that for Mulberry to succeed, the business model needs to be simplified - including re-prioritising the UK and taking a channel agnostic approach - while also ensuring we lead with creativity to reignite brand desirability and deepen connections with our customers. We are already acting at pace and putting our strategy in action, including through new wholesale agreements with Flannels and John Lewis.

"I would also like to welcome Billie O'Connor to Mulberry as our new Chief Financial Officer. Billie has a wealth of experience working in the consumer retail space and has spent time leading finance teams through turnarounds. I am looking forward to working with her and while there is much to do, I am confident that with this new strategy and team we will drive long-term shareholder value and achieve our vision to become the most loved British lifestyle brand."

BILLIE O'CONNOR, INCOMING CHIEF FINANCIAL OFFICER COMMENTED:

"I am delighted to be joining the business as it embarks on this next chapter. Mulberry is a key part of Britain's luxury retail landscape and a brand I have always admired. The new strategy Andrea has outlined today is a clear turnaround plan with ambition for the future. I am looking forward to working with the talented team and craftspeople to execute this new strategy and drive sustainable financial growth."

ADDITIONAL INFORMATION ON BILLIE O'CONNOR

Billie Joan O'Connor (CIMA), aged 43, is currently or has previously been a director of the following companies within the past five years:

Current Directorships	Past Directorships (5 years)
NOVA Community Limited	Moreco Property Group Ltd
The Old Forge Streatley Ltd	Moreco Group Ltd
The Twenty Club	Decisions Financials Ltd
	GG Wildlife Experiences Ltd

Save as disclosed above, there is no further information required to be disclosed pursuant to Schedule 2, paragraph (g) of the AIM Rules.

FOR FURTHER DETAILS PLEASE CONTACT:

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