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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

For immediate release

10 July 2025

Mulberry Group plc

Audited results for 52-week period ended 29 March 2025

and

Subscription for convertible loan notes by two major shareholders raising £20 million

and

Retail Offer up to a further £1.2 million to facilitate participation by existing Minority Shareholders

and

Board appointment

Introduction

Mulberry Group plc (AIM: MUL) (the "**Company**", "**Mulberry**" or, together with its subsidiary undertakings, the "**Group**"), the British sustainable lifestyle brand, today announces its audited results for the 52-week period ended 29 March 2025 (the "**period**").

In addition, and further to its announcement of 20 June 2025, the Company is announcing a fundraising of £20 million of additional capital which will be utilised to accelerate its growth strategy (the "**Fundraising**").

The Fundraising has been effected by way of subscriptions for, in aggregate, 20,000,000 new convertible loan notes of £1.00 each (the "**Loan Notes**") by Challice Limited ("**Challice**") and Frasers Group PLC ("**Frasers**"), both major shareholders in the Company (together, the "**Subscribers**") (the "**Subscriptions**"). Subject to the passing of necessary shareholder resolutions (the "**Resolutions**") to be proposed at a general meeting of the Company to be convened for 30 July 2025 (the "**General Meeting**"), the Loan Notes are convertible into new ordinary shares of five pence each in the capital of the Company ("**Ordinary Shares**") at a conversion price of 150 pence per Ordinary Share, a premium of 53.8 per cent to the closing price of an Ordinary Share on 9 July 2025, the latest practicable date prior to this Announcement. The Subscribers, which in aggregate are interested in 93.5 per cent. of the Ordinary Shares, have irrevocably undertaken to vote in favour of the Resolutions.

The Company is also undertaking a separate offer (the "**Retail Offer**") to existing shareholders of the Company other than Challice and Frasers (the "**Minority Shareholders**") of up to 1,259,610 new Ordinary Shares (the "**Retail Offer Shares**"), at a price of 97.5 pence per Retail Offer Share (the "**Issue Price**") via RetailBook Limited ("**RetailBook**") to enable Minority Shareholders to participate in the Company's fundraising activities and maintain their respective holdings in the Company. Full subscription of the Retail Offer would raise an additional £1.2 million (before expenses) for the Company.

The net proceeds of the Fundraising and the Retail Offer will allow the Company to make targeted investments to accelerate its future growth and meet its stated medium term financial targets.

Further details of the Fundraising and the Retail Offer are set out below.

FY25 Results

Financial Summary

The Group's audited results for the 52-week period ended 29 March 2025 ("**FY25**") show the following

- In a year in which the global luxury market contracted, the Group experienced a 21% decline in group revenue to £120.4m (2024: £152.8 million) reflecting challenging macro-economic conditions.
 - UK Retail and Digital revenue was down 20 per cent. with performance impacted by macro-economic conditions, uncertainty and inflationary pressures which has affected consumer spend and habits.
 - North America Retail Revenue was 1 per cent. below the prior period, supported by the opening of the Nordstrom online concession platform and a full year trading of new Nordstrom stores.
- Underlying loss before tax of £23.7 million (2024: loss of £22.6 million) due to reduced revenue due to macro climate impact, and margin also through stock optimisation activities.
- Reported loss before tax of £31.8 million (2024: loss £34.1 million), partially improved by operating cost savings during the year, which then continue into the current financial year ("**FY26**").
- Gross margin of 66.8 per cent. (2024: 70.1 per cent.) driven by the inventory optimisation in FY25 involved promotional and markdown activity, as well as the mix of wholesale customers.
- Issue of new ordinary shares raising £10.35 million (before expenses) in September 2024, to strengthen the Group's balance sheet and provide financial flexibility during the macro climate impact in the second half of FY25 and strategic changes.

Strategic Highlights

On 30 January 2025, the Company outlined a new strategy, "Back to the Mulberry Spirit", to restore profitability through simplification, brand realignment and enhanced customer connection. With a strengthened management team in place, following the appointment of Andrea Baldo as CEO to the board of directors of the Company (the "**Board**" or "**Directors**"), the Company is acting at pace and has taken the following actions to execute this strategy:

- **Simplification:** Simplifying the Company for disciplined execution
 - New commercial agreements with premium department stores including Liberty, Flannels, Harvey Nichols and John Lewis.
 - Targeted international expansion via retail partnerships with Nordstrom (US) and David Jones (Australia).
 - Right-sized store estate, re-focusing on UK and US markets with the closure of 12 loss making stores in Asia.
 - Already delivered £5.9 million of annualised gross cost savings, achieving a lower sustainable cost base in the current financial year.
- **Brand refresh:** Realigning Mulberry's identity as a British lifestyle brand and reinvigorating its cultural relevance
 - Restructured leadership team and launched the Creative Studio to embed creativity at the heart of operations and strengthening strategic execution.
 - Realignment of brand completed, new campaign successfully launched post year-end
 - Re-focused product offer with expansion of core icon families including Islington, Amberley and Bayswater.
- **Customer connection:** Leveraging insights to deepen connections and drive demand
 - Engagement with tastemakers underway to boost brand desirability, along with upcoming partnerships with influential talent.
 - New incentive system in stores rolled out, based on conversion rate objectives.
 - Refined product development approach, moved to a "4 Seasons" model to improve seasonal replenishment and align with market demand.

Current Trading and Outlook for FY26

- Trading year to date has been in line with the Board's expectations.
- For the nine weeks ended 1 June 2025, Group revenue across Retail, Digital and Wholesale declined by 18 per cent year-on-year.
- Retail and Digital revenue declined by 17 per cent on a total basis, reflecting the impact of planned closures of loss-making and underperforming stores. On a like-for-like basis, Retail and Digital revenue declined by 5 per cent.
- The Group's continued focus on optimising its store portfolio and on reduction of mark down is expected to deliver a further £2 million improvement in underlying EBITDA.
- Within this period, the Group's focus markets of the UK and North America showed an improving trend in like-for-like performance, trading 1 per cent and 5 per cent behind the prior year respectively.
- Full-price Retail and Digital sales in both markets were ahead year-on-year, demonstrating positive momentum in a challenging luxury environment and reinforcing the strength of the brand and product offer.
- Mulberry.com continued to outperform the prior year, underlining the strength of the Group's direct-to-consumer digital channel.
- Wholesale is well positioned for growth in FY26, supported by orders for the Spring Summer 2026 collection being double digit % growth ahead of prior year, the appointment of a new Wholesale Director to drive further international expansion, and new partnerships with Harvey Nichols and Liberty in the UK.
- The Bayswater family remained the leading contributor to bag sales, while Mini Bags delivered strong year-on-year growth, reflecting ongoing consumer demand for trend-led product.
- The Group successfully launched a new brand campaign, A Return to Somerset, celebrating Mulberry's heritage, values and distinctive brand voice, aimed at reigniting brand desirability.
- Over the mid-term, the Company reiterates its ambition to achieve annual revenue in excess of £200 million and to deliver an adjusted EBIT margin of 15 per cent.

Board appointment

The Company is pleased to announce the appointment to the Board, as a non-executive director, of James France with effect from 30 July 2025 (the "**Board Appointment**"). James France is a senior member of the Leadership Team at Frasers with experience in Real Estate Optimisation and Business Development, the Company's 37.1 per cent. shareholder, and will represent it on the Board. A relationship agreement has been entered into between the Company and Frasers to regulate the Board Appointment (the "**Relationship Agreement**"). Further details relating to the Relationship Agreement are set out below. Additional information on James France and the Board Appointment will be announced separately.

Andrea Baldo, CEO, commented:

"We have made significant progress in laying the foundations for Mulberry's turnaround. Since launching our 'Back to the Mulberry Spirit' strategy in January, we have acted at pace to simplify the business, reduce costs, and refocus on our most profitable channels and markets. This is an ambitious transformation, underpinned by operational discipline and a commitment to placing creativity at the heart of everything we do."

"At the same time, we are reinvigorating the brand to reassert its cultural relevance and emotional resonance with customers. The launch of our new campaign, 'A Return to Somerset', marks an important milestone, celebrating our roots, values and the distinct British voice that defines Mulberry."

"Today, with our strategy clearly defined and delivering the expected results, we received a further demonstration of the support from our shareholders. We welcome the additional capital injection from both our major Shareholders, which will enable us to keep moving with pace - investing in product, digital, and international growth to deliver long-term value and the appointment of James France to the Board."

"Whilst the external environment remains challenging, we are energised by the opportunities ahead and remain focused on restoring profitability and achieving our medium-term targets of over £200 million in annual revenue and a 15 per cent. adjusted EBIT margin. I want to thank our teams across the business. Their energy, creativity, and resilience have been instrumental in driving the progress to date and will be just as vital in the journey ahead."

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Background to and rationale for the Fundraising and the Retail Offer

As highlighted in the Company's announcement of 20 June 2025, following a post period end review by the executive management, and in light of even more challenging trading conditions seen at a macro level, the Board concluded that the Company required additional capital to fund its growth strategy and achieve its desired financial targets.

Key investment priorities targeted at unlocking future growth were highlighted as:

- rebuilding core stocks, including the Company's 'iconic families' silhouettes to drive sell through and momentum;
- investing in new, margin accretive revenue streams, such as outlets and the wholesale channel;
- selective marketing spend, particularly in the Company's core markets of the UK and the US, which will be aligned with profitable growth; and
- upgrades to existing customer engagement and eCommerce tools.

The Board also confirmed that the proceeds of the Fundraising were expected to provide sufficient capital to enable the Company to become cash flow positive.

Having considered the Group's funding requirements and the limited alternatives available to the Group with regards funding sources, the Board has concluded that the Subscriptions by the Company's two largest shareholders offer the most effective way to execute the Fundraising whilst minimising cost, time to completion and maximising certainty. The Fundraising has been structured in order to ensure that the net proceeds of the Subscriptions can be received by the Company and put to work as soon as possible.

The Board believes that the Retail Offer provides an opportunity for Minority Shareholders to participate in the Company's fundraising exercise and offers protection from the potential dilutive impact of the Subscriptions. The Board has concluded that the Fundraising and the Retail Offer are in the best interests of all stakeholders and will promote the success of the Company for the benefit of its members as a whole.

Details of the Subscriptions

The Company has raised £20 million (before expenses) by means of the Subscriptions. Each Subscriber has entered into a subscription agreement (each, a "**Subscription Agreement**" and together, the "**Subscription Agreements**") agreeing, *inter alia*, to subscribe for Loan Notes in proportion to their relative holdings of Ordinary Shares and to vote their existing holdings of Ordinary Shares in favour of the Resolutions at the General Meeting. Challice has subscribed for approximately £12.1 million of Loan Notes (the "**Challice Subscription**") and Frasers has subscribed for approximately £7.9 million of Loan Notes (the "**Frasers Subscription**").

The Subscription Agreements were conditional upon, *inter alia*, the Board authorising the issue of the Loan Notes and the entry into of certain security documentation.

The Subscription Agreements contain customary warranties from each of the Subscribers in favour of the Company.

Each of Challice and Frasers, which are interested respectively in 56.4 per cent. and 37.1 per cent. of the Ordinary Shares, are considered to be related parties to the Company for the purposes of the AIM Rules for Companies published by London Stock Exchange plc (the "**London Stock Exchange**") (the "**AIM Rules**"). Accordingly, pursuant to Rule 13 of the AIM Rules, the Subscriptions are related party transactions.

Taking into account the background to and rationale for the Fundraising and Retail Offer as set out above, Andrea Baldo, Billie O'Connor, Christophe Cornu and Leslie Serrero, the Directors who are independent of Challice, consider, having consulted with the Company's nominated adviser, that the terms of the Challice Subscription are fair and reasonable in so far as shareholders of the Company (the "**Shareholders**") are concerned.

Taking into account the background to and rationale for the Fundraising and Retail Offer as set out above, the Directors consider, having consulted with the Company's nominated adviser, that the terms of the Frasers Subscription are fair and reasonable in so far as Shareholders are concerned.

Terms of the Loan Notes

The Company has agreed to issue the Loan Notes. The aggregate amount of the Loan Notes is £20 million and they are convertible at a price of 150 pence per Ordinary Share. The coupon payable under the Loan Notes is 7 per cent. per annum, compounding annually, which will be rolled up and paid either on repayment of the Loan Notes or settled, along with the principal amount, by the issue of new Ordinary Shares on conversion (the "**Conversion Shares**"). To the extent that they have not already been converted, the Loan Notes automatically convert on their maturity date of 31 December 2029 (the "**Maturity Date**"), in the event of a takeover offer made pursuant to the UK Takeover Code or a disposal of substantially all of the business and assets of the Company (each, an "**Automatic Conversion Event**"). The Loan Notes may be redeemed in cash only in the following circumstances: (1) in the event that there is an exit (a change of control of the Company or a sale of all or substantially all of the Company's assets) in which both Challice and Frasers sell all of their Ordinary Shares, in which case redemption is at the option of the Subscriber, (2) upon an event of default or (3) at any time at the option of the Company (subject to the terms of an intercreditor agreement agreed with HSBC UK Bank plc).

The Loan Notes will be secured and subordinated to the Group's banking facilities with HSBC UK Bank plc.

While the Loan Notes do not require the Company to maintain sufficient Shareholder authority to satisfy a conversion of the Loan Notes in full, Shareholders should be aware that if the Resolutions are not approved at the General Meeting, the Company will be required to repay the aggregate sum of the Loan Notes, together with any interest accrued, on the Maturity Date or in the event of another Automatic Conversion Event. As set out below, both Challice and Frasers have irrevocably undertaken to vote in favour of the Resolutions.

On conversion of the Loan Notes, the Conversion Shares will, when issued, rank *pari passu* in all respects with the existing Ordinary Shares including the right to receive all dividends and other distributions declared, made or paid after the relevant date of conversion.

The Retail Offer

In order to provide all Shareholders in the United Kingdom, other than those participating in the Subscriptions, with an opportunity to participate in the Company's fundraising plans and to offset the potential dilution of the future conversion of the Loan Notes, the Company intends to carry out the Retail Offer to raise up to a further £1.2 million by the issue of up to 1,259,610 Retail Offer Shares at the Issue Price on the terms to be set out in a separate announcement to be made by the Company in due course. The Retail Offer may not be fully subscribed and is not underwritten. The Retail Offer is conditional upon, *inter alia*, the passing of the Resolutions at the General Meeting and Admission (as defined below) becoming effective.

The General Meeting and voting undertakings

In order to provide the Company with the relevant Shareholder authorities to issue new Ordinary Shares in connection with: 1) the conversion of any of the Loan Notes; and 2) the Retail Offer, the Resolutions must be approved by a relevant majority of Shareholders at the General Meeting.

A circular (the "**Circular**"), containing detail of, *inter alia*, the Fundraising, the Loan Notes and the Retail Offer and a notice of the General Meeting is expected to be posted to Shareholders on 14 July 2025. The General Meeting is to be convened for 11:30 a.m. on 30 July 2025 and will be held at the Company's offices at 30 Kensington Church Street, London W8 4EH. Copies of the Circular will be made available on the Company's website at www.mulberry.com/gb/investor-relations.

As part of the terms of their Subscriptions, both Challice and Frasers have irrevocably undertaken to vote in favour of the Resolutions at the General Meeting in respect of, in aggregate, 93.5 per cent. of the Ordinary Shares.

Admission, settlement and CREST

Application will be made to the London Stock Exchange for the admission of any Retail Offer Shares taken up pursuant to the Retail Offer to trading on the AIM market ("**AIM**") of the London Stock Exchange ("**Admission**"). It is expected that Admission will take place on or before 8.00 a.m. on 31 July 2025 and that dealings in the Retail Offer Shares on AIM will commence at the same time.

Following Admission, assuming the full take up of the Retail Offer Shares pursuant to the Retail Offer, the Company will have 71,729,081 Ordinary Shares in issue.

The Retail Offer Shares, when issued, will be fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of issue. If all of the Retail Offer Shares are issued, it would represent an increase of approximately 1.8 per cent. of the existing issued ordinary share capital of the Company.

Expected timetable of principal events

Event	Date
Retail Offer opens	10 July 2025
Publication of the Circular	14 July 2025
Retail Offer closes	18 July 2025
Latest time and date for receipt of proxy cards and CREST voting instructions in respect of the General Meeting	11:30am on 28 July 2025
General Meeting	11:30am on 30 July 2025
Admission of the Retail Offer Shares	31 July 2025

If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement via a Regulatory Information Services provider.

Relationship Agreements

As a result of the Board Appointment, the Relationship Agreement has been entered into between Frasers and the Company. The principal purpose of the Relationship Agreement is to ensure that the Company is capable at all times of carrying on its business independently of Frasers. Under the Relationship Agreement, Frasers has undertaken to the Company to ensure that:

- all transactions, agreements and arrangements entered into between any member of the Group and Frasers or any of its associates will be made at arm's length and on a normal commercial basis; and
- the Group is capable at all times of carrying on its business independently of Frasers and its associates.

Frasers has a right to appoint one representative to the Board for so long as Frasers, together with its associates, is interested 30 per cent. or more of the Company's voting rights (or 30 per cent. of less of the voting rights where Frasers' interest is reduced due to an issue of new equity securities by the Company).

The Relationship Agreement will terminate automatically upon Frasers, together with its associates, ceasing to hold an aggregate interest in Ordinary Shares representing 30 per cent. or more of the Company's voting rights.

Challice, which entered into a relationship agreement with the Company in 2003, has entered into a new relationship agreement with the Company on substantially the same terms as the Relationship Agreement save that Challice maintains its right to appoint two representatives to the Board.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement.

The person responsible for arranging the release of this Announcement on behalf of the Company is Billie O'Connor, a director of the Company.

Audited results for 52-week period ended 29 March 2025

Chairman's Letter

This year marked a pivotal new chapter for Mulberry, defined by a strengthened leadership team and the launch of a revitalised strategy.

In September 2024, we welcomed Andrea Baldo as our new Chief Executive Officer. Andrea has over 20 years' experience leading brands in the fashion industry, managing business transformations and driving improved performance. Following a comprehensive review of the Company, Andrea took immediate action to implement positive changes to improve operations. In addition, the Company raised £10m of capital from our shareholders to provide the business with greater flexibility to navigate the continued challenging trading environment.

We bolstered our executive team further in February 2025 with the appointment of a new Chief Financial Officer, Billie O'Connor, who brings a wealth of experience in the retail and consumer sectors, including driving turnaround strategies. In the short number of months she has been in post, Billie has brought a renewed sense of focus and rigour to our financial management. Her early work has concentrated on strengthening our balance sheet and ensuring the business is right-sized for future growth.

Along with a new leadership team, in January we launched our new strategy, *Back to the Mulberry Spirit*. As well as reconnecting with the heritage of the brand, the strategy consisted of a two-phased approach, focused first on rebuilding gross margin and then on long-term revenue and margin goals, including the ambition to achieve annual revenue of £200m+ and 15 % adjusted EBIT margin in the mid-term.

With the new strategy only launching in January 2025, we expect to see improvements in FY26. Nonetheless, the Board is encouraged by the pace of execution and the early signs of progress. Management have made important strides in re-energising the business and navigating a challenging macroeconomic backdrop with resilience.

As we focus on executing our strategy to turnaround the business and restore Mulberry to profitability, the Board do not believe it is prudent to pay a dividend for the period under review.

I would like to thank every colleague across the business for their commitment and collective effort this year, without whom this progress would not have been possible.

Looking ahead, the Board is confident that the new strategy being executed by the leadership team will deliver long-term, sustainable growth for shareholders. We have entered this new chapter with energy, ambition, strategic clarity and a renewed sense of purpose.

On behalf of the Board, I would like to thank our shareholders for their continued support during this pivotal year. Your trust is greatly valued as we embark on the next phase of our journey.

Christopher Roberts

Chairman

10 July 2025

CEO Statement

My observations

Roger Saul had an amazing vision for Mulberry. He created a brand that is truly special, designing product with exceptional craftsmanship and an authentic commitment to sustainability and community, that reflected modern British style. This, coupled with a unique price point means the business operates in a space that few others truly occupy.

Before I joined the Company, I could see these strengths clearly. However, it was also evident to me that the business had lost its way. Teams had become siloed, unable to act with speed and tenacity, and financial results were consistently underwhelming. While the brand's resonance remains, it needs to get back to its roots and to Roger Saul's amazing vision.

From day one, I took steps to ensure we were acting at pace, making immediate changes while also setting the business up for long-term success. A key priority was to improve cost discipline, strengthen the balance sheet and streamline operations to become a leaner, more agile organisation. This meant making some important changes, including right-sizing parts of our business, streamlining teams and simplifying how we work. This forensic spending review led to a reduction in operating costs of circa 25 per cent. on an annualised basis vs FY24. In addition, by creating more focused and efficient processes, we freed up the capacity to focus on our core strengths, whether that's elevating design, improving stock position and service, or building deeper relationships with our customers.

Our new strategy

In January, I launched our new strategy: *Back to the Mulberry Spirit*. It is a plan to restore Mulberry to profitability through simplification, brand realignment and enhanced customer connection.

At the heart of our strategy is a commitment to simplification - streamlining the business to ensure disciplined execution and in turn drive sustainable growth. This includes refining our geographical focus: doubling down on the UK market where our roots and loyal customer base lie, exploring our approach to the dynamic US landscape, and recalibrating our presence in Asia. It involves taking a channel-agnostic approach in these markets with a more focused product offering, reducing our reliance on promotions to maintain the integrity of the product while preserving our distinct price positioning.

We are also returning the brand to its roots. This brand refresh is not about reinvention, but about renewal. We will celebrate our British heritage with pride, while appealing to fashion-forward consumers who are seeking authenticity and style. As fashion shifts, now is the moment for Mulberry to redefine the future of British luxury. This is not about following trends. It is a strategic alignment with shifting consumer values around substance, transparency and meaning. To do this, creativity will take centre stage. A newly formed creative team will bring fresh energy and vision to our design and storytelling, anchoring our collections in cultural relevance and seasonal innovation.

Our third strategic focus is on deepening our relationship with our customers - anticipating what they want and showing up wherever they shop. We are investing in data and CRM platforms to unlock customer insights and transform how we engage both online and in-stores. Personalisation and localisation is also core to the customer experience, and we are looking at how we elevate this service. Additionally, we will focus on our direct-to-consumer operations, including implementing a new product launch structure that enhances desirability and drives demand.

Focusing on delivery

To ensure executional excellence, I restructured and expanded the Executive Committee with leaders whose experience spans design, operations, and finance. I was pleased to appoint Azalee Beaux, Henrietta Gallina and Dharmini Chauhan in December, alongside Billie O'Connor joining as our new CFO in February. Their perspectives are helping to focus our priorities and drive delivery across every part of Mulberry.

Collectively, we have taken action across all divisions and areas of our operations. It is early days with our strategy but there are clear signs of progress. Highlights include:

- Wholesale growth, through new partnerships with Liberty and Harvey Nichols to reconnect with customers.
- Rightsizing our international offer, with a focus on the US through new partnerships with Nordstrom.
- Launching our new brand campaign (post year-end). At its heart is a celebration of our roots: a return to the values, visuals and voice that first captured the imagination of our customers. The response has been encouraging-not just in numbers, but in the renewed energy it has created inside and outside the business.

FY25 Results

Mulberry's performance during FY25 was a reflection of the previous strategy as well the challenging macro-economic conditions experienced across the sector.

Group revenue declined to £120.4 million (2024: £152.8 million). UK Retail and Digital LFL revenue was down 16 per cent. year on year, with performance impacted by macro-economic conditions, uncertainty and inflationary pressures. North America Retail Revenue was 1 per cent. below the prior period, supported by the opening of the Nordstrom online concession platform and a full year trading of new Nordstrom stores.

Underlying loss before tax was £23.7 million (2024: loss of £22.6 million) due to reduced revenue due to macro climate impact, and margin also through stock optimisation activities. Reported loss before tax was £31.8 million (2024: loss £34.1 million), partially improved by operating cost savings during the year, which then continue into the current financial year.

Gross margin was 66.8 per cent. (2024: 70.1 per cent.) driven by the inventory optimisation in FY25 involved promotional and markdown activity, as well as the mix of wholesale customers.

Outlook

Trading year to date has been in line with the Board's expectations.

While the external environment remains challenging, we are energised by the opportunities ahead and remain focused on restoring profitability and achieving our medium-term targets of over £200 million in annual revenue and a 15 per cent. adjusted EBIT margin.

I'd like to thank all our teams for their support since I joined Mulberry in September. You have embraced change with professionalism and purpose, and it's that spirit that continues to move us forward.

With a renewed strategy and a focused team, we are confident in our ability to honour Mulberry's heritage while unlocking sustainable long-term value for shareholders.

Andrea Baldo
Chief Executive Officer
10 July 2025

Financial review

Loss before tax

£m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	Change
			£

	2025	2024	£	%
Revenue	120.4	152.8	(32.4)	(21%)
Cost of sales	(40.0)	(45.7)	5.7	12%
Gross Profit	80.4	107.1	(26.7)	(25%)
Net impairment charge	(0.8)	(8.6)	7.8	91%
Other operating expenses	(107.1)	(128.9)	21.8	17%
Other operating income	0.6	1.3	(0.7)	(54%)
Operating loss	(26.9)	(29.1)	2.2	8%
Share of results of associates	0.1	-	0.1	-
Finance expense	(5.0)	(5.0)	-	-
Loss before tax	(31.8)	(34.1)	2.3	7%

The table above summarises the Group Income Statement, showing the improvement of £2.3m in the loss before tax for the period of £31.8m (2024: loss before tax £34.1m). Although revenue was 21% down on the prior period the business took tough cost reduction actions in light of trade and rightsizing the business resulting in the lower reported loss. Further details are discussed within this Financial Review.

£m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	Change	
			£	%
Underlying loss before tax pre-SaaS costs	(22.5)	(17.4)	(5.1)	(29%)
SaaS costs	(1.2)	(5.2)	4.0	77%
Underlying loss before tax	(23.7)	(22.6)	(1.1)	(5%)
Net impairment charge	(0.8)	(8.6)	7.8	91%
Restructuring costs	(3.1)	(1.2)	(1.9)	(158%)
Store Closure credit/(charge)	0.5	(1.6)	2.2	138%
Strategic costs	(1.0)	-	(1.0)	-
Legal claim	(1.3)	-	(1.3)	-
Intangible asset write off	(2.6)	-	(2.6)	-
Provision for IT costs	-	(0.6)	0.6	100%
Gain on waiver of loan from non-controlling interest	-	0.5	(0.5)	(100%)
Reported loss before tax⁽¹⁾	(31.8)	(34.1)	2.3	7%

(1) Due to rounding some totals may not equal the sum of their component parts but this does not affect the underlying value.

The table above shows the reconciliation from the reported loss before tax in the period of £31.8m (2024: loss before tax £34.1m) to the underlying loss pre and post-SaaS costs.

The Group's underlying loss for the period of £23.7m (2024: loss £22.6m), was a result of reduced revenue and margin, which was partially offset by actions taken by the business to reduce operating expenses as a response to trading results and to right size the business. These actions also set up the Group for the next financial year. The operating expenses table within this financial review shows the operational costs decrease of £21.8m to £107.1m for the period (2024: £128.9m). Underlying operating expenses decreased by £12.9m to £95.1m (2024: £108.0m).

Reported loss before tax for the period of £31.8m (2024: loss £34.1m) includes adjusting items of a net £8.1m charge (2024: £11.5m charge).

Intangible, fixed and right-of-use assets are subject to impairment based on whether current or future events and conditions suggest that their recoverable amount may be less than their carrying value. In the current year this impairment review has resulted in a net charge of £0.8m (2024: £8.6m) across ten stores (2024: ten). In the current period there was also a £2.6m (2024: £nil) write off of an intangible asset relating to a specific software project which was a part of the larger transformation programme.

During the period one UK store was closed (2024: one international store) and a provision was made for the closure costs of 3 other international stores, the associated credit of £0.6m has been shown within store closure credit. As reported last period, the Bond Street store was closed resulting in a store closure charge in the prior period of £1.6m.

In addition to the above the Group has adjusted for £3.1m (2024: £1.2m) of redundancy costs following a review of the organisational structure aimed at enhancing operational agility and £1.0m (2024: £nil) of costs for future business strategic advice.

After the year end, a legal settlement was agreed with a former director in relation to a dispute following their departure from the board. A total of £1.3m has been accrued within the financial statements for FY25 for the settlement and legal costs, in line with legal advice and approval by the Board in July 2026.

Group revenue

£m		52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	Change	
				£	%
Group	Digital	43.4	50.6	(7.2)	(14%)
	Stores	66.0	84.1	(18.1)	(22%)
	Retail (omni-channel)	109.4	134.7	(25.3)	(19%)
	Franchise and wholesale	11.0	18.1	(7.1)	(39%)
	Group revenue	120.4	152.8	(32.4)	(21%)
UK	Digital	28.0	33.8	(5.8)	(17%)
	Stores	39.8	50.9	(11.1)	(22%)
	Omni-channel - UK	67.8	84.7	(16.9)	(20%)
North America	Digital	7.4	8.0	(0.6)	(8%)
	Stores	3.6	3.1	0.5	16%
	Omni-channel - North America	11.0	11.1	(0.1)	(1%)
Asia Pacific	Digital	4.1	5.7	(1.6)	(28%)
	Stores	14.7	22.0	(7.3)	(33%)
	Omni-channel - Asia Pacific	18.8	27.7	(8.9)	(32%)
ROW	Digital	3.9	3.1	0.8	26%
	Stores	7.9	8.1	(0.2)	(2%)
	Omni-channel - Rest of World	11.8	11.2	0.6	5%
	Retail (omni-channel)	109.4	134.7	(25.3)	(19%)
Franchise and wholesale	UK	0.9	1.4	(0.5)	(36%)
	North America	0.1	0.1	-	-
	Asia Pacific	1.9	3.7	(1.8)	(49%)
	Rest of World	8.1	12.9	(4.8)	(37%)
	Franchise and wholesale	11.0	18.1	(7.1)	(39%)

Group revenue decreased by 21% over the prior period, with decreased revenues in the first half continuing into a challenging second half which saw revenues reduce by 23% over the same period last year.

		H1			H2			FY		
		FY25	FY24	% Change	FY25	FY24	% Change	FY25	FY24	% Change
Group	Digital	18.4	20.3	(9%)	25.0	30.3	(17%)	43.4	50.6	(14%)
	Stores	32.3	39.4	(18%)	33.7	44.7	(25%)	66.0	84.1	(22%)
	Retail (omni-channel)	50.7	59.7	(15%)	58.7	75.0	(22%)	109.4	134.7	(19%)
	Franchise and wholesale	5.4	10.0	(46%)	5.6	8.1	(31%)	11.0	18.1	(39%)
	Group revenue	56.1	69.7	(20%)	64.3	83.1	(23%)	120.4	152.8	(21%)

UK Retail revenue was 20% below the prior period. Overall performance in the UK was impacted by macro-economic conditions, uncertainty and inflationary pressures which has affected consumer spend and habits. Stock optimisation and

promotional activity supported revenue and improved working capital however has impacted margin. In line with the overall trend seen in UK stores UK Digital revenue was 17% below the prior period and represented 41% of UK Retail revenue (2024: 40%).

North America revenue was 1% below the prior period, however full year results were supported through the opening of Nordstrom online concession platform and full year trading of Nordstrom stores opened in FY24 despite the closure of two full price stores in the same year.

Asia Pacific Retail revenue decreased by 32% over the prior period. The region has continued to see an economic downturn. China, Korea and Japan have all experienced double-digit revenue decline compared to last year, driven by economic conditions as well as the closure of unprofitable stores that were exited towards the end of FY24. Growth in Australia stalled in FY25 with like for like decline of 2% against last year driven by reduced stock availability in Outlet and slower than anticipated growth in the new location of the New Zealand store.

Rest of World Retail revenue, which includes Europe, increased by 5% compared to the prior period. European stores performed in line with the prior year, but European digital sales increased in the period due to improved product availability where stock is now fulfilled from the UK warehouse.

As anticipated, Franchise and Wholesale revenue decreased by 39%, with third party customers being impacted by the macro-economic conditions resulting in lower orders and a wholesale customer converting to being a concession partner in the prior period.

Gross Margin

£m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	Change	
			£	%
Revenue	120.4	152.8	(32.4)	(21%)
Cost of sales	(40.0)	(45.7)	5.7	12%
Gross profit	80.4	107.1	(26.7)	(25%)
Gross profit margin	66.8%	70.1%		

Gross margin during the period was 66.8% and £80.4m. The majority of the cash margin decrease year on year was through revenue decrease. The 3.3% point reduction year on year primarily relates to three factors combined. Firstly, higher costs of production which were not passed onto customers in the current year. Secondly, a higher cost per unit of production due to lower units being produced in the year versus prior year (overhead absorption rate). And finally, higher levels of promotional activity to increase sales and reduce stock levels.

Other Operating Expenses

£m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	Change	
			£	%
Operating expenses	34.5	40.7	6.2	15%
Staff Costs	37.8	42.8	5.0	12%
Depreciation and amortisation	13.5	15.5	2.0	13%
Systems and comms	9.0	8.8	(0.2)	(2%)
Foreign exchange loss/(gain)	0.3	0.2	(0.1)	(50%)
Underlying operating expenses	95.1	108.0	12.9	12%
Restructuring costs	3.1	1.2	(1.9)	(158%)
SaaS costs	1.2	5.2	4.0	77%
Store closure (credit)/charge	(0.6)	1.6	2.2	138%
Strategic costs	1.0	-	(1.0)	-
Legal claim	1.2	-	(1.2)	-
Intangible asset write off	2.6	-	(2.6)	-
New initiatives - Sweden and Australia	-	7.1	7.1	100%
Provision for IT costs	-	0.6	0.6	100%
Under recovery of overheads into inventory	3.5	5.2	1.7	33%
Non-underlying operating expenses	12.0	20.9	8.9	43%
Other operating expenses	107.1	128.9	21.8	17%

In light of the macro climate and hence trading, and actions taken by the company, other operating expenses decreased by 17% to £107.1m (2024: £128.9m), with underlying operating expenses also decreasing by 12%. Staff costs decreased by £5.0m to £37.8m (2024: £42.8m)

primarily due to organisational restructuring and a reduction in headcount aimed at enhancing operational agility.

In line with our inventory policy, an element of fixed production overheads is absorbed into stock and expensed when the stock is sold. As production units were lower than previously planned, a greater proportion of the fixed overheads were expensed in the period. The impact of this, increased overheads by £3.5m (2024: £5.2m).

In light of the March 2021 IFRIC agenda decision to clarify the treatment of Software as a Service (SaaS) cost, during the period we expensed £1.2m (2024: £5.2m) of SaaS costs, in line with the accounting for configuration and customisation cost arrangements. SaaS costs reduced in the period as a number of projects went live in the first half of the period. We increased technology spend to £9.0m (2024: £8.8m) to support the investment in projects and systems.

Taxation

The Group reported a tax charge of £0.4m (2024: charge £0.9m). While the Group has made a loss overall there is a total tax charge for the year largely driven by overseas taxes and deferred tax charges. It is not possible to calculate a meaningful effective tax rate for the year. UK corporation tax is calculated at 25% (2024: 25%) of the estimated taxable profit for the period. Taxation for the other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Balance sheet

Net working capital, which comprises inventories, trade and other receivables and trade and other payables, decreased by £18.7m to £6.6m at the period end (2024: £25.3m).

This decrease was predominantly driven by a reduction in inventory of £14.9m, principally due to the continuation of the stock optimisation programme which aims to reduce and maintain stock covers across all lines through production planning and selling strategies. 2026 will see some re-build of the inventory level as part of the *Back to the Mulberry Spirit* strategy and the launch of a 4 Seasons approach.

At the period end, trade and other receivables totalled £13.1m (2024: £15.5m), with the reduction primarily driven by lower Wholesale sales and the timing of shipments around the period close. Trade and other payables increased by £1.4m to £24.7m (2024: £23.4m) largely reflecting the timing and value of outstanding payments and accruals relating to a post year end legal settlement.

During the period the Group has signed a new £6.0m supplier trade finance facility which is backed by UK Export Finance. The facility is committed for a 2-year period. At the period end the balance of the facility was £5.7m (2024: £nil).

Dividends

The Board has taken the decision that no dividend will be declared for the 52-week period to 29 March 2025 (2024: £nil) and that the Group's resources will be focused on growing the business.

Cashflow

£m	52 weeks ended 29 March 2025	RESTATED 52 weeks ended 30 March 2024	% Change	
			£	%
Operating cash outflow ⁽¹⁾	(10.9)	(10.5)	(0.4)	(4%)
Cash movement in working capital	19.6	16.0	3.6	23%
Cash generated from operations	8.7	5.5	3.2	58%
Income taxes paid	(0.6)	(0.4)	(0.2)	(50%)
Net cash inflow from operating activities	8.1	5.1	3.0	59%
Acquisition of businesses	-	(0.2)	0.2	100%
Purchases of property, plant and equipment	(1.2)	(6.0)	4.8	80%
Acquisition of intangible assets	(1.8)	(3.8)	2.0	53%
Dividend received from associate	0.1	-	0.1	100%
Net cash used in investing activities	(2.9)	(10.0)	7.1	71%
Interest paid	(5.0)	(5.0)	-	-
Proceeds from loans from non-controlling interests	-	3.9	(3.9)	(100%)
Investment from non-controlling interest	-	0.6	(0.6)	(100%)
Proceeds from issue of shares	10.1	-	10.1	-
Proceeds from net borrowings	-	17.4	(17.4)	(100%)
Proceeds received under a supplier financing agreement	9.7	-	9.7	-
Repayment of loans from non-controlling interests	-	(1.2)	1.2	100%
Repayment of borrowings	(5.9)	-	(5.9)	-
Repayments under a supplier finance agreement	(3.9)	-	(3.9)	-
Dividends paid	-	(0.6)	0.6	100%
Principle elements of lease payments	(9.1)	(9.7)	0.6	6%
Net cash generated by financing activities	(4.1)	5.4	(9.5)	(176%)
Net increase in cash and cash equivalents	1.1	0.5	0.6	120%

- (1) Operating cash flow represents operating loss for the period adjusted for depreciation, amortisation, gain on lease modification and disposals, loss on disposals of property, plant and equipment and intangible assets.
- (2) In the current year, the Group has reclassified interest paid from operating activities to financing activities in the consolidated statement of cash flows, in order to better reflect the nature of the cash flows. Comparative figures have been reclassified to ensure consistency with the current year's presentation.

The net increase in cash and cash equivalents of £1.1m (2024: increase of £0.5m) included a £2.0m repayment of the Group's revolving credit facility (RCF) and £3.8m of overdraft repayment shown within repayment of borrowings.

As a result of the financial performance in the period there was an operating cash outflow of £10.9m (2024: £10.5m outflow). This cash outflow has been offset by a decrease in net working capital which had a cash benefit of £19.6m largely driven by the reduction in inventories of £14.6m as a result of the stock optimisation program.

During the period investment in capital expenditure was reduced to £3.0m (2024: £9.8m) as a number of projects went live in the first half of the period. This spend supports investment in our upgrade of our warehouse management systems and business planning tool.

On 4 October 2024 the Group issued 10,000,000 5p shares at a cost of £1 per share to Chalice Limited and Frasers Group Plc. On 9 October 2024 the Group issued a further 392,013 5p shares at a cost of £1 per share to other shareholders. The total proceeds on the 10,392,103 shares issued net of costs was £10,139,000. As a result of the share issue there has been no additional proceeds from borrowings in the current year.

Borrowing Facilities

The Group had bank borrowings related to drawdowns under its RCF of £13.0m at 29 March 2025 (2024: £15.0m). The borrowings shown in the balance sheet also include loans from minority shareholders in our North Asia subsidiaries of £7.2m (2024: £7.3m) and an overdraft of £4.6m (2024: £8.5m).

The Group's net debt balance (comprising cash and cash equivalents, less overdrafts and borrowings) at 29 March 2025 was £9.4m (2024: net debt of £16.3m). Net debt comprises cash balances of £8.2m (2024: £7.1m) less bank borrowings of £17.6m (2024: £23.4m), excluding loans from related parties and non-controlling interests of £7.2m (2024: £7.3m). Net debt also excludes lease liabilities of £39.9m (2024: £50.4m) which are not considered to be core borrowings.

During the period the Group has amended its' RCF increasing the available funds from £13.0m to £17.5m and re-negotiated covenants to reflect the current trading environment. The facility continues to run until 30 September 2027 with security granted in favour of its lender. In addition, the Group continues to have a £4.0m overdraft facility in the UK, which is renewed annually. Further details regarding the bank facilities and their projected utilisation are found in the Going Concern statement.

Key Performance Indicators

Key Performance Indicators (KPIs) help management to measure progress against the Group's strategy. Currently the focus is on financial KPIs, which include total revenue, gross margin and profit before tax, all of which are discussed within this financial review.

Corporate Social Responsibility

Established in Somerset in 1971, Mulberry has grown to be the largest maker of luxury leather goods in the United Kingdom. With a contemporary take on British heritage and a focus on responsible craft, our ambition is to create progressive luxury, which is made to last.

Sustainability has been part of the Mulberry ethos since the Brand's inception, and in 2021 the Made to Last Manifesto detailed our commitment to becoming regenerative and circular across every aspect of our business. In 2024 we achieved B Corp Certification in recognition of our purpose driven approach to business.

Today, we are a global brand, but our values remain the same; we are committed to improving our impact on people and the planet.

Our sustainability strategy

Made to Last is also the name given to our business sustainability strategy. Climate, Circularity and Community are the guiding principles of our sustainability journey, and we continue to drive our focus on the following:

Climate

- We are working to achieve net-zero greenhouse gas emissions (GHG) by 2035 across our direct (Scope 1 & 2) and indirect (Scope 3) operations.
- Our near-term emission reduction targets have been validated by the Science Based Targets initiative (SBTi), underpinning our continued commitment to building a business that places sustainability at the heart of luxury.
- We are focused on developing in setting initiatives that drive down our greenhouse gas footprint - initiatives that include building a supply chain founded on regenerative agriculture and investing in renewable energy.
- Since October 2022, 100% of our leather has been sourced from environmentally accredited tanneries.
- We continue to introduce new, innovative lower impact materials into our collections to replace conventional materials, such as our redeveloped BioVeg Scotchgrain, as well as increasing the percentage of certified materials within each range, such as Global Organic Textile (GOT) Standard cotton.

Circularity

- Our Lifetime Service Centre has been rejuvenating tens of thousands of well-loved bags for over 35 years.
- The Mulberry Exchange is available in the UK, USA, China, South Korea, Japan and Australia, and we continue to look at how we can increase accessibility globally.
- We've actively participated in British Fashion Council's 'Circular Fashion Innovation Network,' who's 2025 report outlines major progress and challenges in transitioning the UK fashion industry toward a circular economy.

Community

- Since 2006, we have operated a flagship apprenticeship scheme in leather goods manufacturing in Somerset, developing the next generation of craftspeople. In total Mulberry have supported 168 employees to achieve their qualifications with 47 of those still working in the business today.
- The exceptional team of craftspeople based in our two carbon neutral Somerset factories develop and produce many of our iconic bags, and our wider network of partners in the UK, Europe, and Asia make our small leather goods, lifestyle pieces and non-leather products with just the same amount of skill and attention to detail.
- We are an accredited Living Wage Employer. We work closely with our suppliers to achieve the same throughout our entire supply chain.
- Our longstanding partnership with London-based charity The Felix Project aims to tackle food poverty in the capital, utilising food which otherwise would have gone to waste and providing healthy meals to those most in need.
- Somerset Community Foundation (SCF), in partnership with Mulberry, has designed a fund which aligns with our Made to Last strategy, values and wider teams. SCF find good causes which Mulberry supports by awarding grants from our fund, ensuring our philanthropic efforts in the county deliver real impact, helping those most in need.

CLIMATE

Sustainable leather

Bovine leather features in 85% to 90% of the products we make. To address the environmental issues related to cattle farming, we continue to cultivate a new approach to sourcing leather by building supply chain relationships with farmers committed to regenerative agriculture. Since October 2022, we have sourced 100% of our leather from tanneries with environmental accreditation, something which we began working on in 2018. We source finished leather directly from tanneries in Italy, Germany, Spain and Türkiye, and are developing a new supply of British leather in partnership with British Pasture Leather.

Mulberry is a founding member of the Sustainable Leather Foundation (SLF). SLF provides a partnership platform for all stakeholders involved in the leather industry, as well as an audit and certification standard for organisations involved in the manufacture of leather, to measure their Environmental, Social and Governance performance against a set of recognised standards and limits. This industry standard includes a Social Audit Module, gathering data on wages and benefits, compulsory labour, worker age, working hours, staff development and representation, ethical business practices and non-discrimination practices. Mulberry has a representative on SLF's Advisory Board, ensuring the ongoing evolution of the Foundation meets the needs of brands and consumers. Mulberry's own UK factories have been audited by SLF in 2023 and 2025.

Material innovation

We source a variety of fabrics, materials and other components to create our collections and look to ensure their credentials align with our low-impact materials strategy. Our approach so far has been to make rolling changes to our conventional materials, such as cotton, as we develop each seasonal range, to improve its sustainability credentials.

We continue to introduce new, innovative lower impact materials into our collections to replace conventional materials, such as BioVeg Scotchgrain, as well as increasing the percentage of certified materials within each range, such as Global Organic Textile Standard (GOTS).

CIRCULARITY

The Mulberry Exchange

Mulberry bags are designed to lead many lives, so in 2020 we launched The Mulberry Exchange, our resale platform through which customers can trade in their existing Mulberry bags for credit towards a new purchase. Once we have bought back these pre-loved pieces, we authenticate and rejuvenate each bag before finding them loving new homes.

Repairs and restoration

Our Lifetime Service Centre has been rejuvenating thousands of well-loved bags for over 35 years. We know that our customers cherish, keep and care for their Mulberry bags and we support their commitment by offering accessible artisanal repair services. The team within our Lifetime Service Centre at The Rookery factory in Somerset are masters of restoration, breathing new life into thousands of pre-loved Mulberry pieces every year.

Waste and recycling

In the UK, we work with providers such as Biffa and First Mile to process any non-recyclable waste that would traditionally go to landfill, to create electricity for the National Grid. We send our mixed recycling for sorting and reprocessing into new products.

We have a zero-tolerance policy on destroying quality goods. We divert unsold seasonal stock to our global network of outlet stores, hold sample sales for customers and hold employee sales of samples and stock, with proceeds added to our Somerset Community Fund, or donated to other charitable causes.

Since 2020, we have been sourcing paper to be made into Mulberry packaging from a paper mill which specialises in paper derived from recycled coffee cups. Since we started using CupCycled paper, our partners at the James Cropper papermill have repurposed over 4.4 million coffee cups for Mulberry Green paper, that would otherwise have been sent to landfill. This paper is converted into Mulberry packaging including carrier bags and some boxes.

COMMUNITY

Sourcing transparency

Our international supply chain is based on sourcing quality raw materials and finished products which meet our quality and environmental expectations. Alongside our UK manufacturing facilities, we source from a select group of long-standing partners in Italy, Türkiye, China and Vietnam. We work with countries that have established skills and heritage within the leather industry and that can support our high-quality standards and progressive new-product-development programmes.

All our suppliers have signed up to our Global Sourcing Principles, which set out our minimum requirements for conducting business, including those of international law such as:

- the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work: Freedom of association and the effective recognition of the right to collective bargaining
- the elimination of all forms of forced or compulsory labour.
- the effective abolition of child labour.
- the elimination of discrimination in respect of employment and occupation; and
- a safe and healthy working environment.

Mulberry conducts regular audits of our finished goods suppliers using third party independent auditors. The audits are carried out against the Ethical Trading Initiative (ETI) Basecode and our Global Sourcing Principles. Generally, audits are semi-announced, meaning the supplier is informed of a 2-week window in which the audit will take place. Where non-compliances are found against the ETI Basecode or our Global Sourcing Principles, a corrective action is agreed between the auditor and the supplier. Satisfactory completion of these corrective actions is assessed by Mulberry's trained internal auditors and/or the Sustainability department and verified by a third-party independent auditor where necessary.

Each year, the Sustainability department send a Supplier Questionnaire to all Tier 1 and Tier 2 suppliers. This year we achieved a 87% response rate with over 90 responses recorded. To bolster transparency in the fashion industry, since 2023 we have publicly shared information identifying specific companies in our supply chain. This list is updated annually and can be found on our website.

Made in the UK

Our presence in the south-west of England harks back to our beginnings in 1971. The Rookery opened in Chilcompton, Somerset in 1989 and is our centre of excellence for product development and home to our development team, artisan studio and Lifetime Service Centre. Our second UK factory, The Willows, opened in Bridgwater in 2013 and is our main production site in the UK, housing seven production lines. At The Willows and The Rookery, we employ more than 300 people. Craftspeople joining follow a comprehensive training programme that equips them with the skills needed to craft Mulberry bags, whether that's cutting leather, edge inking, stitching or quality inspection.

Both The Rookery and The Willows have been carbon-neutral since 2019 and our solar panels on the roof of The Willows generate renewable energy. Both sites work with waste service providers who ensure no unrecyclable waste goes to landfill and is recovered as energy instead. The cutting machines we use minimise our cutting waste and we donate any unusable leather offcuts to local craft groups, universities, schools and scrap stores. We regularly host educational tours for colleges and university classes to engage the next generation of talent in our heritage manufacturing in Somerset.

Culture and wellbeing

All our employees are ambassadors for Mulberry and we encourage them to live our employee values, which we believe help foster a culture of wellbeing and acceptance, where everyone is celebrated for their individuality. In our culture and environment, all employees can thrive, irrespective of their gender identity, sexual orientation, marital and civil partnership status, parental status, race or ethnicity, religion or religious belief, political opinion, physical appearance, age or disability. All our employees can access our intranet - The Tree - where we post company information, updates and employee achievements and encourage communication.

Charity Partnerships

The Mulberry Somerset Community Fund continues to offer funding to local charities, community interest companies (CIC) and groups in and around Somerset. The fund is held through our partnership with Somerset Community Foundation (SCF), a grant-making charity who facilitate local giving and philanthropy. Since its inception in 2021, we have donated over £58,000 through our fund.

We also continue to partner with The Felix Project, a London based charity set up in 2016 to tackle food waste and food poverty. They collect and receive food from hundreds of suppliers, including supermarkets, wholesalers, farms, restaurants, and delis. Surplus food is then sorted and delivered to front-line charities, primary schools, and holiday programmes in London. Since the launch of our partnership, we have raised over £185,000. This has enabled The Felix Project to fund nearly 700,000 meals for Londoners in need.

Diversity, equity and inclusion

To ensure we are successful in creating this environment for our employees, our Diversity, Equity and Inclusion (DE&I) Committee meets regularly to discuss our DE&I Strategy, as well as current news, personal experiences and those of our colleagues. The committee also works with the marketing department to create a communications calendar, recognising key moments such as International Women's Day, Mental Health awareness, Pride and Black History Month. This helps us reflect on and celebrate the success of our diverse employees.

Last year saw the launch of five Employee Resource Groups (ERGs) to ensure focussed discussion and awareness building on key topics. These are internal communities of Mulberry employees with shared identities and interests, brought to together to drive activities and progression across DE&I topics, formally supported by the business. Our ERGs are Accessibility, Disability & Neurodiversity; Ethnicity & Culture; Mental Health & Wellbeing Proudly Mulberry and Women at Mulberry.

Gender equality

Since publication of our 2023 Gender Pay Gap Report, we have seen an increase in both the mean and median hourly pay gap year on year. There are several factors which contribute to Mulberry's gender pay gap. For this year's results, the difference can be explained by two main factors: the functions of our business (retail, supply chain, corporate) and associated pay scales, and the distribution of women and men at each quartile of the business.

Industry data shows us that 89% of industries in the UK have gender pay gaps in favour of men, even those with female-dominated occupations where this number falls to 66%. As with last year, we continue to be ahead in comparison to industry data provided by The Office of National Statistics. The median gender pay gap for full-time workers in 2024 was 7.1% in favour of men, whereas Mulberry is 0%.

Living Wage Employer

We are proud to be an accredited Living Wage Employer since 2021. This means that all UK employees will earn higher than the Government's minimum or National Living Wage. Living Wage is an independently calculated hourly pay rate based on the actual cost of living, calculated each year by the Living Wage Foundation. We continue to use available global benchmarks and insights to ensure our global employees earn a living wage comparable with their location.

Apprenticeships

Since 2006, we have operated a leather goods manufacturing apprenticeship programme in conjunction with Bridgwater and Taunton College, which we run at The Willows and The Rookery.

In 2017, we were Lead Employer in a national trailblazer group, developing the Level 2 Leather Craftsperson Standard apprenticeship, which has since become industry-recognised, offering graded results for apprentices in the leather goods' industry.

Our Leather Goods Manufacturing apprenticeship programme continues to support the upskilling of workers into the leather goods industry and in the period saw us employ 3 new apprentices into the scheme. The programme has been reinvigorated to encourage cross functional learning across several departments within Mulberry, expanding the apprentices experience and providing more exposure to the business.

We have developed the Mulberry Apprenticeship Exchange which provides our apprentices with the opportunity to connect with other apprentices in manufacturing and to collaborate, share insights and build confidence in showcasing their skills and experiences. We have also donated portions of our levy to small, local businesses to support their apprenticeship schemes.

Climate-related Financial Disclosures

This section of the Strategic Report constitutes Mulberry's Climate-related Financial Disclosure (CFD) reporting, produced to comply with sections 414CA and 414CB of the Companies Act 2006, as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

The CFD aims to provide stakeholders with the information they require to undertake robust and consistent analysis of the potential financial impacts of climate change on the business. The CFD requires the disclosure of information aligned to its four core elements: governance, risk management, climate-related risks and opportunities (strategy), and metrics and targets.

At Mulberry we recognise that climate change presents both climate-related risks and opportunities for our business, stakeholders and the wider fashion industry. As such, we acknowledge our responsibility to identify, assess and manage principal climate-related risks and opportunities to ensure the sustainable development of the business.

This disclosure, and the following assessments, have been conducted at the group level and include all subsidiaries.

Governance

Mulberry has the following structures in place to ensure robust governance across our business and operations:

Governance body	Description
The Board of Directors	The Board is comprised of two Executive Directors and five Non-Executive Directors. The Board meets formally on a bi-monthly basis and is responsible, among other things, for overall Group strategy, investments and capital projects and for ensuring that an appropriate framework of internal control is in place throughout the Group.
Audit Committee	The Audit Committee is responsible for overseeing the financial reporting process, ensuring that the financial statements are accurate and prepared in accordance with applicable accounting policies and standards. It also monitors and reviews internal control procedures. The Audit Committee convenes a minimum of three times a year.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee is responsible for nominating Directors to the Board and then determining the remuneration and terms and conditions of employment of Directors and senior employees of the Group. The Remuneration Committee meet at least once a year.

Overall responsibility for climate risk sits at the Board level. Climate-related risks and opportunities have been reported to and considered as part of the Audit Committee and Board meetings. The Board is responsible for providing the final approval of the CFD.

Risk Management

Our risk management processes for identifying climate-related risks and opportunities are:

- Monitoring external developments, such as evolving policies and regulatory changes.
- Benchmarking of our own climate-related risks and opportunities against industry peers; and
- Assessing key risk indicators, which help us gauge how effectively we are managing various aspects of climate change and the energy transition

In addition, an annual assessment is performed to identify and assess climate-related risks and opportunities. Supported by third-party consultants, this is overseen and managed by Finance with direct input from the Sustainability team. This cross-functional approach ensures that climate-related risks and opportunities are considered more holistically and remain aligned with our overall business strategy.

Each identified risk was evaluated based on its potential impact and likelihood, and assigned a risk rating of high, medium, or low. Risks classified as 'high' underwent further analysis to assess their financial materiality and determine whether they qualify as principal risks.

Climate-related opportunities were assessed using a similar approach to evaluate their financial significance. In line with UK CFD guidelines, Mulberry discloses only those risks and opportunities deemed to be principal.

This assessment process is conducted annually to ensure our understanding and management of climate-related risks and opportunities remains current and robust.

Strategy

Scenario Analysis

To analyse the resilience of the business, Mulberry has undertaken a qualitative scenario analysis. This analysis assesses potential impacts under three climate scenarios, referencing the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCPs) and the IPCC Shared Socioeconomic Pathways (SSPs).

Within each scenario, we have identified physical hazards, transitional implications as well as any associated opportunities. The high warming scenario (slow transition) has been used to examine Mulberry's exposure to physical hazards, and the low warming scenario (fast transition) has been used to assess Mulberry's exposure to transitional implications.

The scenarios presented are not forecasts of future events or outcomes and should not be interpreted as the foundation for Mulberry's operational strategies or financial reporting.

Going Concern

In determining whether the Group's accounts can be prepared on a going concern basis, the Directors considered the Group's business activities and cash requirements together with factors likely to affect its performance and financial position. The Group's going concern assessment covers the period through to the end of July 2026, which extends beyond 12 months from the date of approval of these financial statements in July 2025.

The Group had a net liability position of £10.7m at 29 March 2025, decreasing from a net asset position of £10.9m at 1 April 2024, reflecting turnaround costs incurred during the year (including redundancies, corporate restructuring and executive director exit costs) and continued losses in the year as a result of a challenging macroeconomic environment.

The Group continues to take appropriate cost actions, manage inventory levels and drive commercial initiatives to improve profitability and cash generation.

Since the period end, the following action has also been implemented:

- On 20 June 2025, the Group announced a new fundraising initiative via a convertible loan note of £20m, with both its major shareholders Challice Limited and Frasers Group Plc, to further strengthen the balance sheet. The total amount raised may increase through a retail offer extended to other shareholders.

Borrowing facilities

The Group's net debt balance at 29 March 2025 was £9.4m (2024 £16.3m), with available liquidity of £11.8m (2024: £2.0m). Net debt comprises cash balances of £8.2m (2024: £7.1m) less bank borrowings of £17.6m (2024: £23.4m). Bank borrowings related to drawdowns under its RCF of £13.0m (2024: £15.0m) and an overdraft of £4.6m (2024: £7.1m).

Since the period end, the Group has agreed with its lender to relax the minimum liquidity covenant for a period, in order to access the additional liquidity and continue to deliver its growth strategy. This relaxation of the covenant will fall away at the point the fundraise completes and the cash is injected into the business. The Group also agreed with its lender to relax performance covenants until 1 January 2027, to reflect the current macro trading environment. The facility continues to run until 30 September 2027 with security granted in favour of its lender.

In addition to the RCF facility, the Group signed a new £6.0m supplier trade finance facility with its lender in July 2024, which is a committed facility and backed by UK Export Finance. The facility is committed for a two-year term with renewal scheduled for 19 July 2026, which falls towards the end of the Group's assessed going concern period. The Group retains access to a £4.0m overdraft facility, which is uncommitted in nature. As part of the going concern assessment, the Directors have considered scenarios both including and excluding uncommitted facilities. Whilst the overdraft is subject to annual renewal, it has recently been renewed by the lender through to July 2026, demonstrating continued support.

Basis of going concern statement

The Directors have undertaken a detailed assessment of the Group's ability to continue as a going concern for the 12-month period from the date of approval of these financial statements, taking into account current and anticipated trading performance, macroeconomic headwinds, and available financing facilities.

The Group is currently executing a strategic management turnaround, with a clear focus on stabilising performance and returning to sustainable profitable growth over the medium term. Reflecting this approach, the Group's FY26 budget was prepared on a more prudent basis than in prior years, incorporating more conservative revenue growth assumptions and tighter cost controls. Management has effectively demonstrated cost control by delivering cost reductions during FY25 and into run rate FY26 sustaining operations at this lower run-rate post year end.

Base case scenario

The Directors' base case scenario is based off the Board-approved FY26 budget, three-year plan and includes uncommitted facilities and has been updated to include £20m for the expected proceeds from the shareholder fundraise announced in June 2025. The Group considers its overdraft to form part of its uncommitted facilities, as it is inherently uncommitted in nature. In addition, while the supplier trade finance facility is currently fully committed, it will be regarded as uncommitted from its next renewal date in July 2026. The FY26 budget assumes a 1% growth in revenue versus FY25 (17% revenue reduction versus FY24) primarily driven by the ongoing adverse macro-economic conditions globally and a focus on exiting loss-making stores. It also includes cost increases relating to inflationary cost pressures, offset by cost savings such as headcount reduction and the closure of certain stores, in light of the current trading environment. Most of these were actioned before the start of the year, or already committed to and are taking place in the new financial year. The four months to July 2026 from the three-year plan included in the going concern period assumes a 14% increase in revenue versus FY26 as it is anticipated that the strategic turnaround continues to take effect. The Directors compared the base case scenario against external analysis of anticipated market growth in different geographies, and the analysis supported our strategic approach and revenue assumptions, including market opportunities.

Under the base case scenario, which reflects this cautious outlook, the Group maintains adequate liquidity and financial headroom throughout the going concern period, including ongoing compliance with its minimum liquidity covenant. The Directors have also considered the base case scenario without uncommitted facilities, with the Company continuing to meet its minimum liquidity covenant within the going concern period.

While the renewal of the STF facility in July 2026 is not yet contractually confirmed, management expects the facility to be renewed in line with recent discussions regarding the Company's overdraft facility and ongoing engagement with the lender. In the event that the STF facility is not renewed, the Company would be required to either explore other facilities with the lender to maintain compliance with the minimum liquidity covenant from August 2026 onwards, or implement alternative mitigating actions within management's control, which have not been modelled.

Downside scenario

The Directors have considered a downside scenario which models a further 4.0% revenue reduction in Group revenue against the base case scenario, based on a worsening view on future economic activity and sales trends globally. The downside scenario includes uncommitted facilities and mitigations within management's control, as the Directors consider these operational levers to be plausible in a downside scenario. The mitigations include a reduction in production costs and stock purchases relating to the decline in sales and a reduction in uncommitted marketing spend and capital expenditure.

In the downside scenario, the Group is forecast to retain sufficient headroom against its minimum liquidity covenant, supported by existing operational levers. The Directors have also considered the downside scenario without uncommitted facilities, with the Company continuing to meet its minimum liquidity covenant within the going concern period. If the Company was unsuccessful with renewing or replacing its overdraft and supplier trade finance facility in July 2026, the Company would be required to explore other facilities or implement mitigating actions to remain compliant with the minimum liquidity covenant from August 2026 onwards. However, based on historical precedent when renewing its banking facilities and management's reasonable expectations given the recent renewal of the overdraft facility to July 2026, the Directors consider this scenario to be remote.

Reverse stress tests

In addition, a reverse stress test was conducted to assess the point at which compliance with its minimum liquidity covenant would no longer be maintained.

The first reverse stress test scenario models a decline in revenue, excludes uncommitted facilities, includes repayment of the STF facility in July 2026 and includes mitigations within management's control. This analysis indicated that in a scenario without uncommitted facilities, Group revenue would need to decline by 5.5% below the base case before a covenant breach might occur in July 2026.

Management has also considered the impact when factoring in uncommitted facilities due for renewal in the going concern period, showing an improvement in the threshold to 10.5%.

The outcome of these reverse stress test scenarios indicates the presence of a material uncertainty that may cast significant doubt over the Group's ability to continue as a going concern in the severe but plausible scenario of a prolonged and extreme macro-economic downturn without the successful renewal and replacement of the uncommitted facilities.

macro economic downturn without the successful renewal or replacement of the uncommitted facilities.

Consideration of the key factors in the going concern assessment:

- The Company has achieved positive post year end performance versus the base case scenario, with signs of a successful strategic turnaround. In addition, the base case is based off of a conservative budget for FY26, with growth expected in FY27. As such, management does not believe revenue will fall by 5.5% below the base case in the period to July 2026.
- Revenue modelled in the reverse stress test scenario after including uncommitted facilities would be below the level achieved during 2020/21 after the impact of COVID.
- The reduction in inventories during the period (£14.8m) demonstrates that inventory levels can be managed.
- If trading was to be challenging over the key trading periods, there is time to react and take further unmodelled mitigating actions before a covenant breach in over 12 months at July 2026, including stock optimisation programmes to manage inventory levels and cost reduction activities, including store and concession closures where appropriate.
- Management considers the strong relationship with its lenders and have concluded that although the uncommitted facilities have been excluded from the reverse stress test scenario, management expects both the overdraft and the supplier trade finance facility to be renewed in July 2026.

Going concern conclusion

The Directors acknowledge the existence of a material uncertainty in the severe but plausible scenario of three events in parallel - a prolonged macro climate downturn, coupled with the non-renewal of uncommitted facilities and an inability to mitigate this impact through cost savings and working capital management.

However, given the prudent basis of the base case, the range of available unmodelled mitigations and possible other funding options, and the strategic actions underway to support the turnaround - including cost optimisation, stock efficiency programmes, and the rationalisation of underperforming stores - the Directors are confident in the Group's ability to meet its obligations as they fall due. Furthermore, the Group retains a supportive shareholder base and strong banking relationships, as evidenced by the increase in debt facilities in 2024, recent renewal of the overdraft facility to July 2026 and the announcement on 20 June 2025 of a minimum £20m fundraising initiative, underwritten by the majority shareholder, to further strengthen the Group's balance sheet.

Notwithstanding this material uncertainty, the Directors consider it appropriate for the Group to continue to adopt the going concern basis of accounting in preparing the Annual Report and Financial statements.

Group income statement

52 WEEKS ENDED 29 MARCH 2025

	52 weeks ended 29 March 2025 £'000	52 weeks ended 30 March 2024 £'000
Revenue	120,389	152,844
Cost of sales	(39,953)	(45,704)
Gross profit	80,436	107,140
Impairment charge relating to intangibles	(161)	-
Impairment charge relating to property, plant and equipment	(338)	(1,239)
Impairment charge relating to right-of-use assets	(281)	(7,334)
Other operating expenses	(107,149)	(128,938)
Other operating income	626	1,234
Operating loss	(26,867)	(29,137)
Share of results of associates	42	31
Finance income	-	1
Finance expense	(4,995)	(5,019)
Loss before tax	(31,820)	(34,124)
Tax	(381)	(860)
Loss for the period	(32,201)	(34,984)

Loss for the period

Attributable to:

Equity holders of the parent

Non-controlling interests

Loss for the period

Basic loss per share

Diluted loss per share

All activities arise from continuing operations.

	2025	2024
	(30,376)	(33,505)
	(1,825)	(1,479)
	(32,201)	(34,984)
	(49.8p)	(58.6p)
	(49.8p)	(58.6p)

Group statement of comprehensive income

52 WEEKS ENDED 29 MARCH 2025

	52 weeks ended 29 March 2025 £'000	52 weeks ended 30 March 2024 £'000
Loss for the period	(32,201)	(34,984)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	140	(1,105)
Total comprehensive expense for the period	(32,061)	(36,089)
Attributable to:		
Equity holders of the parent	(30,413)	(34,773)
Non-controlling interests	(1,648)	(1,316)
Total comprehensive expense for the period	(32,061)	(36,089)

Group balance sheet

AS AT 29 MARCH 2025

	29 March 2025 £'000	30 March 2024 £'000
Non-current assets		
Intangible assets	5,230	8,700
Property, plant and equipment	14,702	18,754
Right-of-use assets	26,738	34,307
Interests in associates	450	206
	47,120	61,967
Current assets		
Inventories	18,223	33,159
Trade and other receivables	13,107	15,453
Current tax asset	45	-
Cash and cash equivalents	8,200	7,138
	39,575	55,750
Total assets	86,695	117,717

Group cash flow

[illegible]

Other comprehensive income for the period	-	-	-	-	140	-	140	-	140
			-	-					
Total comprehensive income/(expense) for the period	-	-	-	-	140 (30,376)	(30,236)	(1,825)		(32,061)
			-	-					
Issue of shares (Note 28)	520	9,619	-	-	-	-	10,139	-	10,139
Charge for employee share-based payments (Note 32)	-	-	-	-	-	89	89	-	89
Impairment of shares in trust	-	-	73	-	-	(73)	-	-	-
Non-controlling interest foreign exchange	-	-	-	-	-	-	-	177	177
			-	-					
Balance at 29 March 2025	3,524	21,779	(365)	154	(290)	(27,405)	(2,603)	(8,174)	(10,777)

Group cash flow statement

52 WEEKS ENDED 29 MARCH 2025

	52 weeks ended 29 March 2025 £'000	RESTATED 52 weeks ended 30 March 2024 £'000
Operating loss for the period	(26,867)	(29,137)
Adjustments for:		
Depreciation and impairment of property, plant and equipment	4,577	6,191
Depreciation and impairment of right-of-use assets	7,623	16,654
Amortisation and impairment of intangible assets	2,115	1,760
Gain on lease modification and lease disposals	(1,228)	(6,100)
Loss on sale of property, plant and equipment	217	601
Loss on disposal of intangible assets	2,568	29
Gain on waiver of loan from non-controlling interest	-	(504)
Share-based payments expense	89	25
Operating outflow before movements in working capital	(10,906)	(10,481)
Decrease in inventories	14,619	15,188
Decrease in receivables	2,346	4,495
Increase/(decrease) in payables	2,590	(3,707)
Cash generated from operations	8,649	5,495
Income taxes paid	(550)	(343)
Net cash inflow from operating activities	8,099	5,152
Investing activities:		
Interest received	-	1
Acquisition of businesses	-	(238)
Purchases of property, plant and equipment	(1,152)	(5,948)
Proceeds from disposal of property, plant and equipment	-	-
Acquisition of intangible assets	(1,818)	(3,835)
Dividend received from associate	109	-
Net cash used in from investing activities	(2,861)	(10,020)
Financing activities:		
Interest paid	(4,995)	(5,019)
Proceeds from loans from non-controlling interests	-	3,934
Investment from non-controlling interest	-	611
Proceeds from issue of shares	10,139	-
Proceeds from new borrowings	-	17,374
Proceeds received under a supplier financing agreement	9,647	-
Repayment of loans from non-controlling interests	-	(1,171)
Repayment of borrowings	(5,878)	-
Repayments under a supplier finance agreement	(3,921)	-
Dividends paid	-	(597)
Principle elements of lease payments	(9,092)	(9,802)

Net cash generated by financing activities	(4,100)	5,330
Net increase in cash and cash equivalents	1,138	462
Cash and cash equivalents at beginning of period	7,138	6,872
Effect of foreign exchange rate changes	(76)	(196)
Cash and cash equivalents at end of period	8,200	7,138

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the Consolidated balance sheet position as shown above. Cash and cash equivalents does not include bank overdrafts that are not integral to the cash management of the Group.

In the current year, the Group has reclassified interest paid from operating activities to financing activities in the consolidated statement of cash flows, in order to better reflect the nature of the cash flows. Comparative figures have been reclassified to ensure consistency with the current year's presentation.

1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

Mulberry Group plc is a public company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

These financial statements are presented in pounds Sterling because that is the currency of the primary economic environment in which the Group operates.

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards.

The financial information set out in this document does not constitute the Group's statutory accounts for the period ended 29 March 2025 or the period ended 30 March 2024 but is derived from those accounts.

Statutory accounts for the period ended 30 March 2024 have been delivered to the registrar of companies. The auditors have reported on those accounts; their report was (a) unqualified, and (ii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Statutory accounts for the period ended 29 March 2025 will be delivered to the registrar of companies in due course. The auditors have reported on those accounts; their report was (i) unqualified, and (ii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The Auditor's report on these accounts did contain an emphasis of matter in relation to the fact that a material uncertainty existed that may cast doubt on the Group's ability to continue as a going concern. As set out above the directors have identified a material uncertainty which may cast significant doubt on the entity's ability to continue as a going concern, meaning it may be unable to realise its assets and discharge its liabilities in the normal course of business. Notwithstanding this material uncertainty, the Directors consider it remains appropriate to continue to adopt the going concern basis in the preparation of the financial statements.

The financial statements for the period ended 29 March 2025 (including the comparatives for the period ended 30 March 2024) were approved and authorised for issue by the Board of Directors on 10 July 2025.

This results announcement for the period ended 29 March 2025 was also approved by the Board on 10 July 2025. Whilst the financial information included in this statement has been compiled in accordance with the recognition and measurement principles of UK-adopted International Accounting Standards, this statement does not itself contain sufficient information to comply with UK-adopted International Accounting Standards. Full Financial Statements that comply with IFRS are included in the 2025 Annual Report.

2. ADOPTION OF NEW AND REVISED STANDARDS

New and amended standards adopted by the Group

In the current period, the Group has applied a number of amendments to IFRS Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

At the date of approval of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- Amendment to IFRS 9 and IFRS 7 - Classification and measurement of financial instruments
- Amendments to IAS 21 - Lack of exchangeability
- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures
- IFRS 18 Presentation and disclosure in financial statements

The Directors do not expect that the adoption any Standards which have been issued but not yet effective to have a material impact on the financial statements of the Group in future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006.

For the period ended 29 March 2025, the financial period runs for the 52 weeks to 29 March 2025 (2024: 52 weeks ended 30 March 2024).

The financial statements are prepared under the historical cost basis except for financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below. The principal accounting policies adopted are set out below.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. As a result, they continue to adopt the going concern basis of accounting in preparing the financial statements

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker (CODM), defined as the Board of Directors, to allocate resources to the segments and to assess their performance. Inter-segment pricing is determined on an arm's length basis. The Group also presents analysis by geographical destination and product categories.

(a) Business segment

The Group continues to extend its omni-channel network in order to support the Group's global growth ambitions. Mulberry has thus become increasingly reliant on individual market-level profitability metrics to enable them to make timely market-centric decisions that are operational and investment in nature. It is therefore appropriate for the segmental analysis disclosures to be a regional view of segments (being UK, Asia Pacific and Other International) to reflect the current business operations and the way the business internally reports and the information that the CODM reviews and makes strategic decisions based on its financial results.

The principal activities are as follows:

The Group designs, manufactures and manages the Mulberry brand for the segment and therefore the finance income and expense are not attributable to the reportable segments.

The accounting policies of the reportable segments are the same as described in the Group's financial statements. Information regarding the results of the reportable segment is included below. Performance for the segment is assessed based on operating profit/(loss).

Group income statement

	52 weeks ended 29 March 2025					
	UK	North	Asia	Other	Eliminations	Total
	£'000	America	Pacific	International	£'000	£'000
Revenue						
Omni-Channel	113,336	10,968	18,865	11,803	(45,560)	109,412
Franchise and Wholesale	850	79	1,907	8,141	-	10,977
Total revenue	114,186	11,047	20,772	19,944	(45,560)	120,389
	(11,906)					
Segment (loss)/profit		(499)	(4,245)	1,470		(15,180)
Central costs						(3,553)
Store closure credit						547
Restructuring costs						(3,106)
Impairment of intangibles						(161)
Impairment of property, plant and equipment						(338)
Impairment of right-of-use assets						(281)
Strategic costs						(982)
Legal claim						(1,250)
Intangible asset write off						(2,563)
Operating loss						(26,867)
Share of results of associates						42
Finance income						-
Finance expense						(4,995)
Loss before tax						(31,820)

	UK	North America	Asia Pacific	Other International	Central	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Segment cost of sales	64,525	2,653	7,877	10,458	(45,560)	39,953
Segment depreciation, amortisation and impairment	8,370	858	3,253	(82)	1,916	14,315
Segment staff costs	32,361	2,205	5,756	1,712	2,390	44,424
Segment capital expenditure	1,585	4	478	34	-	2,101
Segment assets	57,848	5,607	10,894	5,382	6,964	86,695
Segment liabilities	64,507	6,194	15,158	4,024	7,589	97,472

5. Alternative Performance Measures

A reconciliation of reported loss before tax to underlying loss before tax is set out below:

	52 weeks ended 29 March 2025 £'000	52 weeks ended 30 March 2024 £'000
Reconciliation to underlying loss before tax:		
Loss before tax	(31,820)	(34,124)
Store closure (credit)/charge	(547)	1,576
Restructuring costs	3,106	1,241
Impairment charge related to intangibles	161	-
Impairment charge related to property, plant and equipment	338	1,239
Impairment charge related to right-of-use assets	281	7,334
Strategic costs	982	-
Legal claim	1,250	-
Intangible software costs	2,563	-
IT Project costs	-	647
Gain on waiver of loan from non-controlling interest	-	(504)
Underlying loss before tax - non-GAAP measure	(23,686)	(22,591)
Adjusted basic loss per share	(40.1p)	(40.1p)
Adjusted diluted loss per share	(40.1p)	(40.1p)

In reporting financial information, the Group presents Alternative Performance Measures (APMs), which are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board of Directors. Some of these measures are also used for the purpose of setting remuneration targets. The Group makes certain adjustments to the statutory profit or loss measures in order to derive APMs. Adjusting items are those items which, in the opinion of the Directors, should be excluded in order to provide a consistent and comparable view of the performance of the Group's ongoing business. Generally, this will include those items that are largely one-off and material in nature as well as income or expenses relating to acquisitions or disposals of businesses or other transactions of a similar nature. Treatment as an adjusting item provides stakeholders with additional useful information to assess the year-on-year trading performance of the Group.

Store closure (credit)/charge

During the period one UK store was closed (2024: one international store) and a provision was made for the closure costs of three other international stores (2024: no stores). The store closure (credit)/charge relates to the following items (released)/charged to the Income Statement:

	52 weeks ended 29 March 2025 £'000	52 weeks ended 30 March 2024 £'000
Release of lease and other liabilities	(1,670)	(17,711)
Write-off of right-of-use assets	442	11,777
Contribution towards new assignee rentals	-	5,205
Financial guarantee for remaining lease rentals	456	2,155
Lease exit and redundancy costs	225	150
	(547)	1,576

The disposal of the leases resulted in net cash proceeds of £nil (2024: £nil).

Restructuring costs

During the period the Group carried out a further review of its cost base and as a result incurred redundancy costs of £3,106,000 (2024: £1,241,000).

Impairment of intangible assets

During the period the Group impaired the costs of acquired software within an international subsidiary.

Impairment charge related to property, plant and equipment and right-of-use assets:

The fixed assets and right-of-use assets of Retail stores are subject to impairment based on whether current or future events and conditions suggest that their recoverable amount may be less than their carrying value. The recoverable amount of each store is based on the higher of the value in use and fair value less costs to dispose. Value in use is calculated from expected future cash flows using suitable discount rates, management assumptions and estimates on future performance. The carrying value for each store is considered net of the carrying value of any cash contribution received in relation to that store. For impairment testing purposes, the Group has determined that each store is a separate cash-generating unit (CGU). Each CGU is tested for impairment if any indicators of impairment have been identified. The value in use of each CGU is calculated based on the Group's latest budget and forecast cash flows. Cash flows are discounted using the weighted average cost of capital (WACC) and are modelled for each store through to their lease expiry or break date. No lease extensions have been assumed when forecasting. The Group also tests whether there should be any reversal of previously impaired assets.

The results of this assessment are shown in the table below:

	52 weeks ended 29 March 2025 £'000	52 weeks ended 30 March 2024 £'000
Impairment charge related to property, plant and equipment - 6 stores (2024: 9 stores)	847	1,438
Reversal of impairment charge related to property, plant and equipment - 4 stores (2024: 1 store)	(509)	(199)
Net impairment charge related to property, plant and equipment	338	1,239
Impairment charge related to right-of-use assets - 5 stores (2024: 9 stores)	1,753	8,443
Reversal of impairment charge related to right-of-use assets - 4 stores (2024: 1 store)	(1,472)	(1,109)
Net impairment charge related to right-of-use assets	281	7,334

Strategic costs

During the period the Group incurred costs of £982,000 for future business strategic advice (2024: £nil).

Legal claim settlement

After the year end, the Group entered into a legal settlement agreement with a former director in relation to the resolution of a dispute following their departure from the Board. The settlement does not relate to services provided and is therefore not classified as remuneration. It was made on legal advice and approved by the Board in July 2025.

A total amount of £1.3m has been recognised within administrative expenses in the income statement. As at the reporting date, the full amount was accrued within trade and other payables.

Intangible asset write off

During the period the Group has written off a specific software project which was part of a larger transformation programme resulting in a charge to the income statement of £2,563,000 (2024: £nil).

6. OTHER OPERATING EXPENSES

	52 weeks ended 29 March 2025 £'000	52 weeks ended 30 March 2024 £'000
Other operating expenses have been arrived at after charging/(crediting):		
Impairment of intangibles	161	-
Impairment of property, plant and equipment	338	1,239
Impairment of right-of-use assets	281	7,334
Amortisation of intangible assets	1,954	1,760
Depreciation of property, plant and equipment	4,239	4,952
Depreciation of right-of-use assets	7,342	9,320
Net foreign exchange loss	335	210
Store closure (credit)/charge	(547)	1,576
Staff costs	44,424	50,196
Other operating expenses	49,402	60,924
	107,149	128,938

7. EARNINGS PER SHARE (EPS)

	52 weeks ended 29 March 2025 pence	52 weeks ended 30 March 2024 pence
Basic loss per share	(49.8)	(58.6)
Diluted loss per share	(49.8)	(58.6)
Underlying basic loss per share	(40.1)	(40.1)
Underlying diluted loss earnings per share	(40.1)	(40.1)

Earnings per share is calculated based on the following data:

	52 weeks ended 29 March 2025 £'000	52 weeks ended 30 March 2024 £'000
Loss for the period for basic and diluted earnings per share	(32,201)	(34,984)
Adjusting items:		
Restructuring costs*	2,330	992
Store closure (charge)/credits*	(565)	2,266
Impairment charge for intangible assets	161	-
Impairment charge related to property, plant and equipment*	335	1,266
Impairment charge related to right-of-use assets*	385	6,532
Strategic costs*	737	-
Legal claim*	938	-
Intangible software costs*	1,922	-
IT project costs*	-	485
Gain on waiver of loan from non-controlling interest	-	(504)
Loss for the period for underlying basic and diluted earnings per share	(25,958)	(23,947)

*These items are included net of £1,891,000 (2024: £496,000) of the corresponding tax expense.

	52 weeks ended 29 March 2025 Million	52 weeks ended 30 March 2024 Million
Weighted average number of ordinary shares for the purpose of basic EPS	64.7	59.7
Effect of dilutive potential ordinary shares: share options	-	-
Weighted average number of ordinary shares for the purpose of diluted EPS	64.7	59.7

The weighted average number of ordinary shares in issue during the period excludes those held by the Mulberry Group plc Employee Share Trust.

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This Announcement may contain, or may be deemed to contain, "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including inter alia, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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