



WELCOME TO OUR  
2021 FINANCIAL YEAR  
INVESTOR ROADSHOW

# TODAY'S AGENDA

→ Overview & FY2021 Results

→ Our Business Model

- 11. Core Strengths
- 12. Strategy
- 13. Ambitions

→ Our Strategic Progress

- 15. Highlights
- 16. Developing Online
- 22. Building New Markets / Geography
- 24. New Product Development
- 26. Leveraging Our Brands
- 30. Operational Capabilities & Efficiency

→ Forward View & Summary



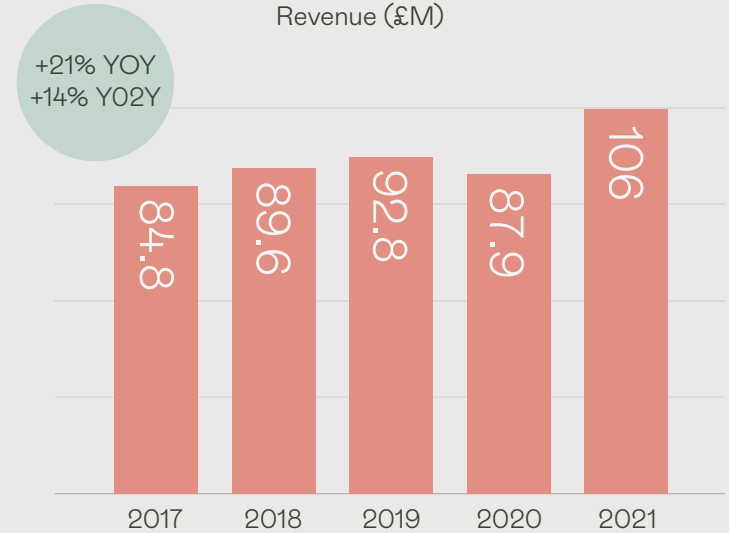


# OVERVIEW & FY2021 RESULTS.



## FY21 OVERVIEW

- Record revenue year/ significant sales beat and corresponding profit pick up
- Growth across all key markets and all brands
- Online channels continue to be significant driver of growth
- Strong delivery on LT strategy despite ongoing Covid disruption
- Experienced teams navigated Covid supply chain disruptions enables strong Q4 beat
- Cash and balance sheet remain strong
- Reinstating dividend FY21



STRONG EXECUTION AND  
SALES PROFIT BEAT IN 2021

## FY2021 PERFORMANCE

	2021 £m	2020 £m	2019 £m	2021 v 2020 Change	2021 v 2019 Change
Revenue	<b>106.0</b>	87.9	92.8	+21%	+14%
Headline* profit before tax	<b>7.2</b>	1.4	7.4	+414%	-3%
Headline* operating profit margin	<b>7.2%</b>	2.5%	8.4%	+4.7%	-1.2%
Headline* EPS	<b>38.85p</b>	4.96p	56.32p	33.89p	-17.47p
Dividends	<b>13.00p</b>	0.00p	8.00p	+13.00p	+5.00p
Net cash/(debt)	<b>0.7</b>	0.7	(12.3)	–	+13.0

- Record sales year +21%
- Like for like sales +19%
- Profit 12% + ahead of initial expectations
- Dividends reinstated for FY21.

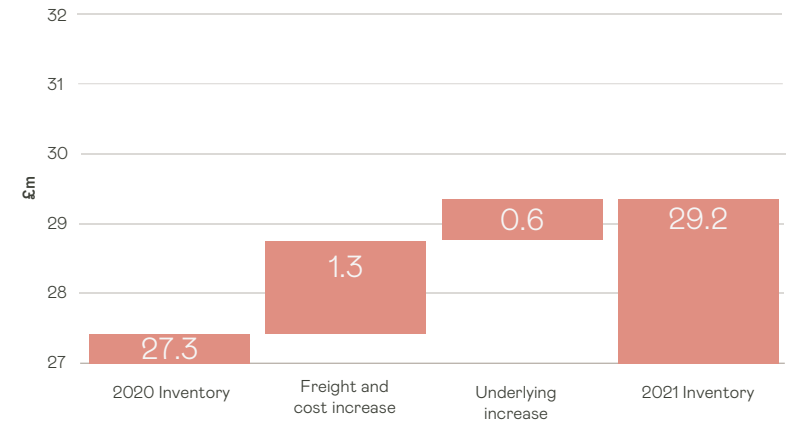


\*Headline numbers exclude exceptional items, restructuring and GMP equalisation costs.

## STRONG BALANCE SHEET MAINTAINED

	2021 £m	2020 £m	2019 £m	2021 v 2020 Change	2021 v 2019 Change
Non-current assets	<b>36.9</b>	35.2	35.1	+5%	+5%
Inventory	<b>29.2</b>	27.3	26.6	+7%	+10%
Trade & other receivables	<b>19.9</b>	15.8	19.5	+26%	+2%
Cash	<b>7.6</b>	11.6	1.2	-34%	+533%
Total current assets	<b>56.7</b>	54.7	47.3	+4%	+20%
Trade & other payables	<b>-25.7</b>	-20.6	-20.4	-25%	-26%
Borrowings	<b>-6.9</b>	-10.9	-13.5	+37%	+48%
Pension scheme	<b>0.9</b>	-2.7	-0.4	+133%	+325%
Net assets	<b>61.9</b>	55.7	48.1	+11%	+29%

- Net assets increased by 11%
- Significant facility headroom
- Net cash £0.7 million maintained
- Inventory increase driven by cost inflation



## SALES ANALYSIS BY MARKET

Sales by country	2021 £m	2020 £m	2019 £m	2021 v 2020 Change	2021 v 2019 Change
UK	<b>32.9</b>	31.8	32.6	+3%	+1%
US	<b>42.5</b>	33.5	32.5	+27%	+31%
South Korea	<b>18.7</b>	13.1	20.8	+43%	-10%
Europe	<b>2.8</b>	3.2	3.2	-13%	-13%
Canada	<b>4.2</b>	2.1	1.0	+100%	+320%
Australia	<b>1.3</b>	1.1	0.6	+18%	+117%
Middle East	<b>0.8</b>	1.0	0.8	-20%	0%
Other	<b>2.8</b>	2.1	1.3	+33%	+115%
<b>TOTAL</b>	<b>106.0</b>	87.9	92.8	+21%	+14%

- Strong US growth (+27%) driven by drop ship/online, good Q4 stock availability and new product launches
- UK (excluding hand sanitiser) +14%
- Successful 2019/20 action in Korea enables sustainable growth from more robust base
- ROW markets + 27% and YO2Y + 71%
- Europe impacted by short term Brexit disruption
- Canada shows full year benefit of 2020 acquisition
- 'Other' includes new China partner commenced H2 2021

## SALES ANALYSIS BY BRAND

Sales by brand	2021 £m	2020 £m	2019 £m	2021 v 2020 Change	2021 v 2019 Change
Portmeirion	<b>42.6</b>	33.3	43.8	+28%	-3%
Spode	<b>20.5</b>	15.8	15.4	+30%	+33%
Royal Worcester	<b>7.5</b>	6.3	6.3	+19%	+19%
Pimpernel	<b>5.9</b>	4.6	4.7	+28%	+26%
Nambé*	<b>15.3</b>	12.4	7.8	+23%	+96%
Wax Lyrical**	<b>12.2</b>	11.6	14.6	+5%	-16%
Other	<b>2.0</b>	3.9	0.2	-49%	+900%
<b>TOTAL</b>	<b>106.0</b>	87.9	92.8	+21%	+14%

(\*Nambé acquired in July 2019).

(\*\*Wax Lyrical excludes hand sanitiser which is included in other).

- YOY Growth all brands show strength of portfolio
- YO2Y Spode / Royal Worcester / Pimpernel show early signs of new brand strategy
- Nambé 5 year high
- Portmeirion YO2Y impacted by stabilisation of Korea
- Wax Lyrical +5% but behind pre Covid levels.





# OUR BUSINESS MODEL



OUR BUSINESS IS BUILT ON  
OUR SIGNIFICANT CATEGORY  
EXPERIENCE & EXPERTISE.

## CORE STRENGTHS

### Strong Brands

- 6 brands with 750+ yrs combined history
- B2B & B2C; globally distributed
- Feature strongly in online search

### Significant Expertise

- Design, manufacture, sourcing, sales

### Infrastructure

- 2 UK Factories with capacity for growth
- UK / US sales / distribution infrastructure with increasing in house drop ship (online capabilities)
- Established ROW distribution partners

### Diversified

- Geography, sales channels and product

### Balance sheet / Cash generative

- Robust balance sheet

### ESG values

- People, sustainability, governance central to everything we do



## STRATEGY

Reach wider customer base & grow our brands:

- Grow Online sales channels
- New product & gifting formats
- Build out international markets (Geography)
- Leverage our brands more effectively

Our Operational strategy is to enable our growth by increasing our capabilities and productivity

- Increased factory output and capacity
- Lower cost per unit
- Better procurement

Our ESG strategy respects all stakeholders and communities we operate in.



## AMBITIONS

By delivering on our strategy we will:

- Sustainable sales growth
- Increased operating margins
  - Short term target - back to 10%
  - Medium term target 12-13%
  - Long term 13%+
- Reduce further our impact on environment





# OUR STRATEGIC PROGRESS



## SUMMARY OF STRATEGIC PROGRESS IN 2021

Reach wider customer base & more occasions

- Growing Online
- New product
- Build Geography
- Leverage our brands

Increase operational capabilities and productivity

- Increased factory output and capacity
- Lower cost per unit
- Better procurement

ESG

## STRATEGIC DELIVERY HIGHLIGHTS IN 2021

### COMMERCIAL

Online web platform sales +16%:  
Y02Y +81%

Online customer lists +24%:  
Y02Y +110%

New product contributed 10%+  
to group sales

ROW sales up 27% YOY; Y02Y + 71%

Spode +33% Y02Y breakout year  
Pimpernel +26% Y02Y

### OPERATIONS

3 automation projects  
implemented H2 2021/Q1 2022

UK warehouse - extension  
doubles drop ship capacity

Home fragrance factory  
extension completed H2 2021

Energy hedging extended to  
H1 2024 pre crisis

Carbon / tonne reduced by  
12% vs 2020

Achieved UK platinum IIP

→ OUR STRATEGIC PROGRESS

# DEVELOPING ONLINE

PORTMEIRION GROUP PLC

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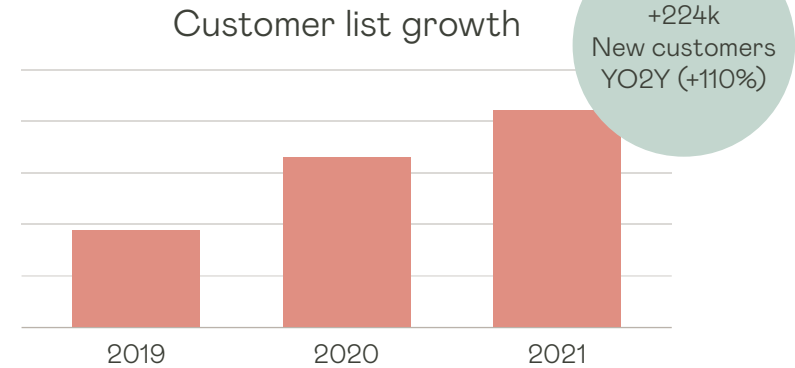
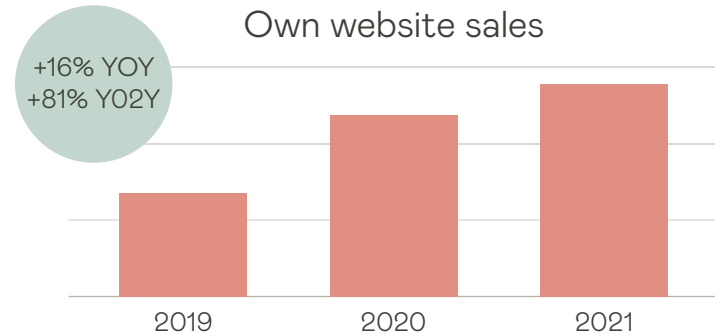
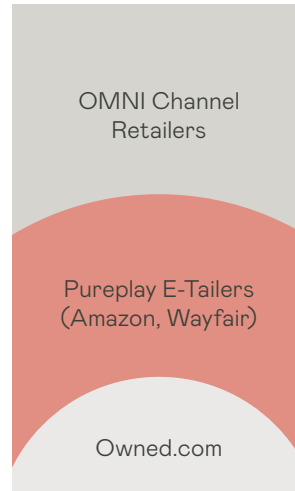


→ OUR STRATEGIC PROGRESS  
- DEVELOPING ONLINE

## THE SHIFT TO DIGITAL

Online sales a significant and fast growing part of Group.

- All online channel sales reached 50% in core UK/US markets
- Own website.com growth with +16% YOY; YO2Y +81%. With significantly accretive margins
- Customer list growth, a key KPI, due to repeat purchase grew 25% YOY growth FY21 (+110% YO2Y)



ONLINE SALES - SIGNIFICANT  
AND FAST GROWING

## OWN WEBSITE.COM GROWTH DRIVERS

Keys to driving consistent revenue growth and profitability.

### DELIVER A STRONG USER EXPERIENCE

- Website and UX Enhancements
- Simplify Customer Journey
- Enhance brand storytelling
- DAM - Amplify visual assets
- PIM - Establish a single source of truth



### INCREASE CUSTOMER ACQUISITION

- PPC - Consistent prospecting and retargeting
- Generate customer list growth
- Utilize referral marketing
- Active social media presence to engage potential customers



### MAXIMISE CUSTOMER LIFETIME VALUE

- Mine customer data to capitalise on personalisation and segmentation opportunities
- CRO & AOV Programmes - recommendations, cross and upsell opportunities
- Loyalty Programme

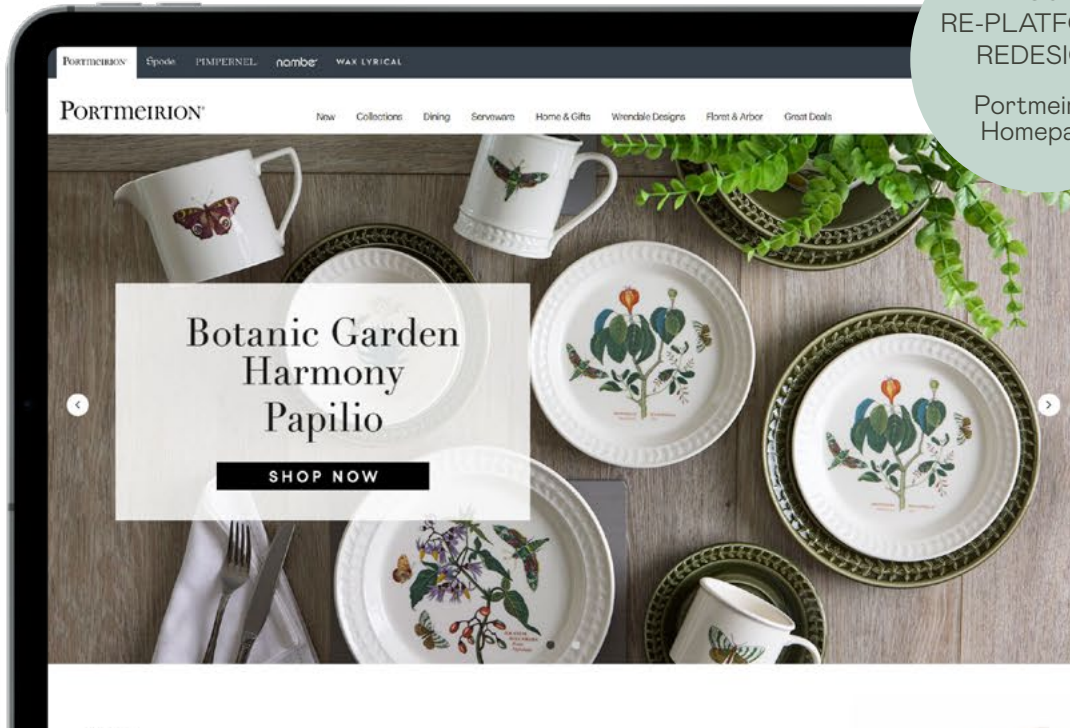


### STAND OUT ON THE DIGITAL SHELF

- Product exclusives, including bundles and curated sets
- Brand connected experiences

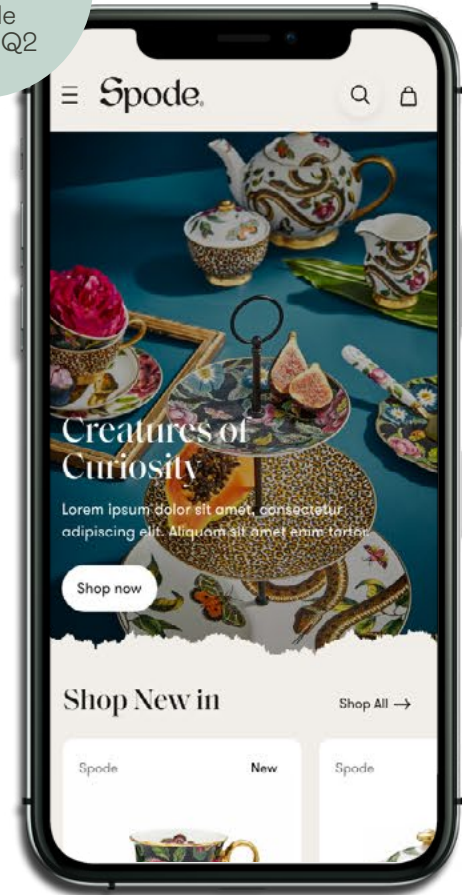
→ OUR STRATEGIC PROGRESS  
- DEVELOPING ONLINE

# EXAMPLES: CUSTOMER EXPERIENCE DEVELOPMENTS

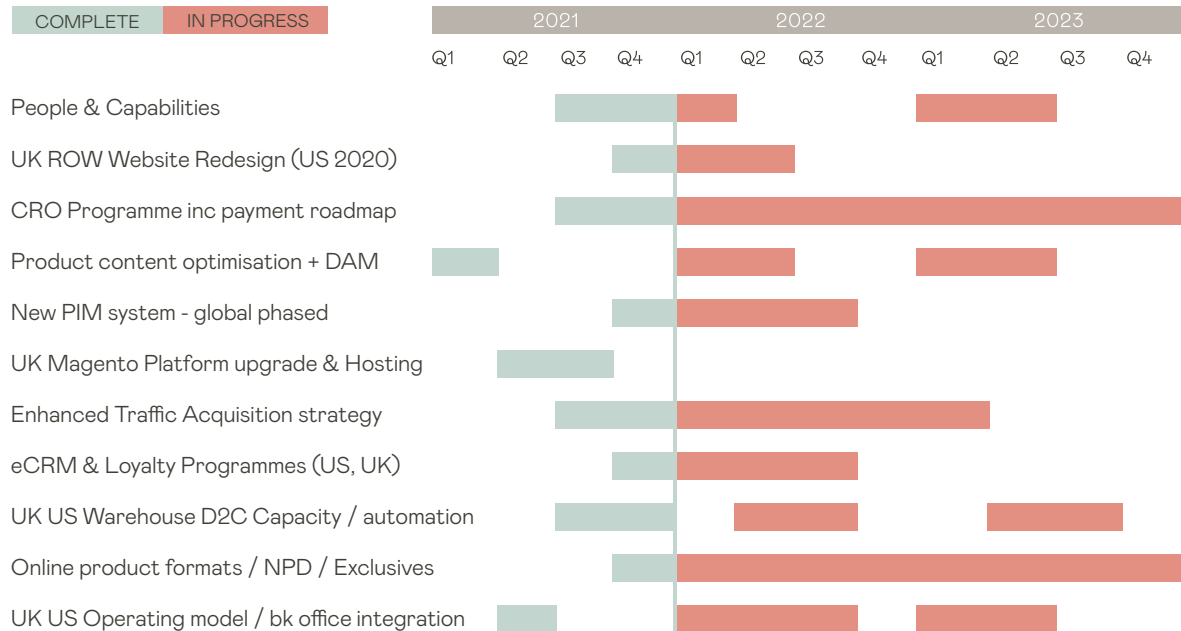


US  
RE-PLATFORM/  
REDESIGN  
Portmeirion  
Homepage

UK ROW  
REDESIGN  
Spode  
mobile Q2



## DIGITAL ROADMAP UPDATE



### Retention & Launch VIP loyalty & referral

- Personalised email programme US – Q3 2022

### Website UX Enhancements

- UK ROW Q2 2022
- US Ongoing CRO Programme

### Acquisition

- Ongoing Paid PPC investment

→ OUR STRATEGIC PROGRESS  
- DEVELOPING ONLINE

## SUMMARY

### LOOKBACK:

→ STRONG GROWTH 2020/21

### 2022/2023 FOCUS:

→ ENHANCED CUSTOMER EXPERIENCE

- Successful US Re-platform, UK Redesign Q2

→ BUILD LOYALTY THROUGH DATA

- VIP Loyalty Programme US Q2, UK 2023

→ UNDERPIN WITH SMART ENABLERS:

- Systems/Data on extensive Roadmap

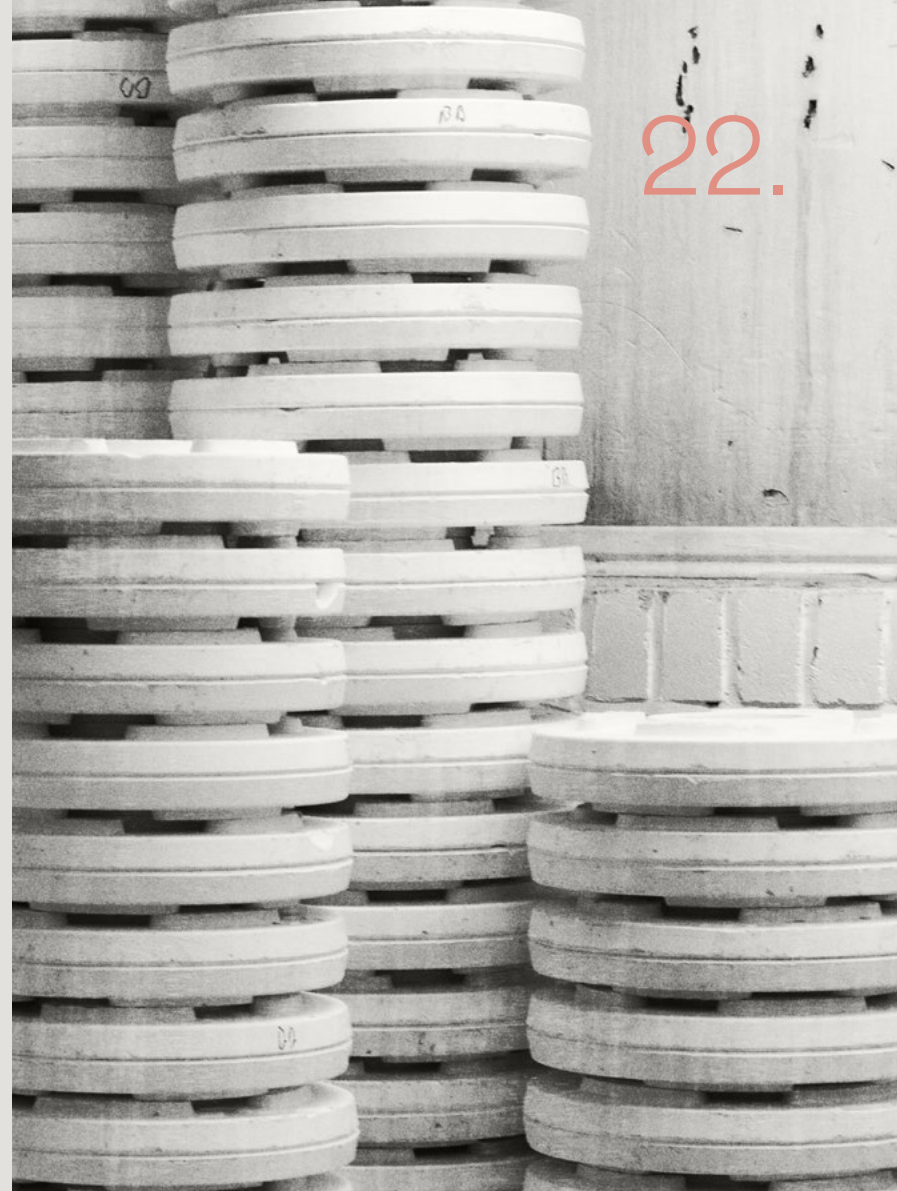


EXPECTED FURTHER OWN CHANNEL GROWTH, OVER 2/3  
YEARS AT SIGNIFICANT PREMIUM GROSS MARGIN

→ OUR STRATEGIC PROGRESS

# BUILDING NEW MARKETS/ GEOGRAPHY

PORTMEIRION GROUP PLC



## → OUR STRATEGIC PROGRESS - BUILDING GEOGRAPHY

23.

### 2021

Key points:

- ROW grew 27% and 71% YO2Y
- Follows team reset H2 2020
- Aligned global RRP's in place
- Highlights include Australia, Scandinavia
- New key distributor signed in China H2 2021

Key targets for medium term international growth:

- China / Far East
- Middle East
- Europe : Germany / Scandinavia

Expect growth in 2022/23



SIGNIFICANT OPPORTUNITY TO BUILD  
MORE SIZEABLE MARKETS

→ OUR STRATEGIC PROGRESS

# NEW PRODUCT DEVELOPMENT

PORTMEIRION GROUP PLC





→ OUR STRATEGIC PROGRESS  
- NEW PRODUCT DEVELOPMENT

## NEW PRODUCT DEVELOPMENT DRIVING SALES GROWTH

Launched 2021:

- Extensions to key heritage Spode / Christmas Tree range
- Contemporary Sophie Conran and Creatures of Curiosity
- 10%+ group sales from new product represents increased contributions
- Roadmap in place 2022 / 2023 launches include:
  - Botanic Garden 50th
  - Botanic Garden Home Fragrance extension
  - Further Spode Christmas Tree extensions
  - New Sara Miller



# LEVERAGING OUR BRANDS

PORTMEIRION®  
*The art of the everyday.*

UNMISTAKABLY.

Spode®

ROYAL  
WORCESTER®  
1751

  
WAX LYRICAL  
ENGLAND

nambe®  
DESIGN YOUR LIFE®

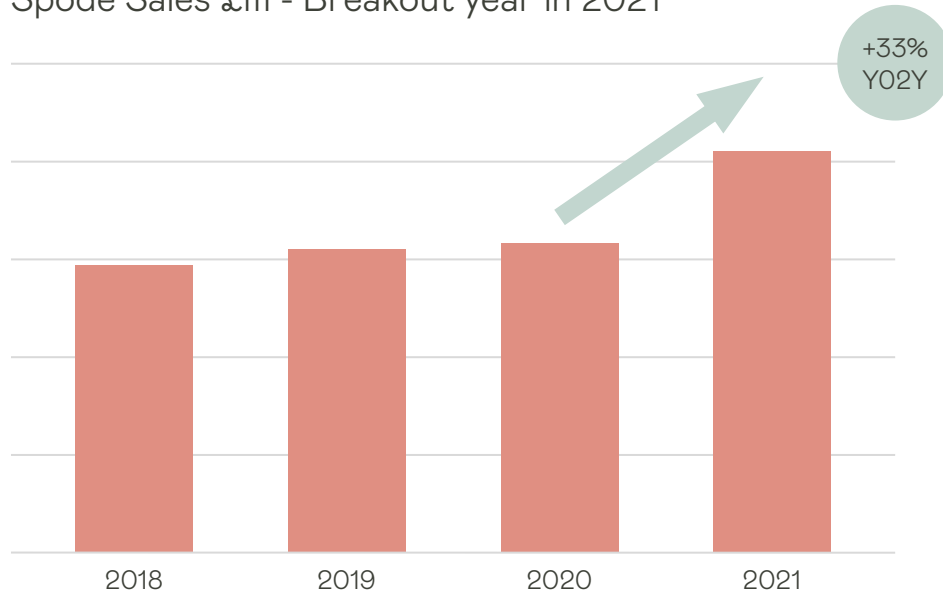
pimpernel®

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→ OUR STRATEGIC PROGRESS  
- LEVERAGING OUR BRANDS

## SPODE: EARLY SIGNS OF REAL POTENTIAL TO GROW

Spode Sales £m - Breakout year in 2021



Spode Sales are up 33% YO2Y

- Growth seen across both heritage collections (Blue Italian and Christmas Tree) as well as new collections in Creatures of Curiosity

Social following up 96% YO2Y

- Consumers are engaged and inspired by our products and brand content
- Influencers want to partner with us – on both heritage and new collections
- UGC at an all time high

CASE STUDY  
Unlocking the  
power of Spode



→ OUR STRATEGIC PROGRESS  
- LEVERAGING OUR BRANDS

## WAX LYRICAL UPDATE

- Sales (excl hand sanitiser) up 5% on 2020
- Still below 2019 due to sales market disruption
- Factory new category (hand & body) implemented H2 2021

Expect growth in 2022/23 driven from

- Retail customers back open
- Leveraging US infrastructure/market and ROW sales team
- New product launches and follow through 2021 launches
- New hand & body lines – signing listings with UK/ & ROW customers
- New Botanic Garden home fragrance / hand & body line extensions live in 2022
- Q1 sales / order books show positive rebound



→ OUR STRATEGIC PROGRESS  
- LEVERAGING OUR BRANDS

## NAMBE UPDATE

- 5 yr sales high in 2021 despite ongoing covid disruption
  - Online & drop ship growth
  - Better stock availability
  - New product
- Fully embedded in US sales teams, infrastructure

Expect growth in 2022/23 driven from

- Ongoing D2C growth and increasing omnichannel focus
- Leveraging UK infrastructure/market and ROW sales team
- New product launches and follow through 2021 launches



→ OUR STRATEGIC PROGRESS

# OPERATIONAL CAPABILITIES & EFFICIENCY

PORTMEIRION GROUP PLC



## 2021 PROGRESS & IMPACT 2022

Stoke factory: significant benefits accrue in 2022

- 3 automation projects implemented H2 2021 - Q1 22
- Higher output & lower costs piece => drives accretive operating margins
- Increase in capabilities
- Reduce reliance on key skills / ageing workforce
- Lowering energy consumption/piece

Wax Lyrical factory

- New hand & body line completed late 2021
- New production and sales lines from 2022

Further projects in roadmap for 2022/23



UK warehouse

- Upgrade existing crane automation – Q2 2022
- Mezzanine Floor - built H2 2021 doubles potential online pick capacity

US warehouses (CT and NM)

- In progress – major ERP / WMS upgrade to support planned growth of increase in online sales – live Q3 2023

TARGET – 10% REDUCTION IN COST PER PIECE  
WHILST SIGNIFICANTLY INCREASING CAPACITY

→ OUR STRATEGIC PROGRESS  
- OPERATIONAL CAPABILITIES & EFFICIENCY

## OUR COMMITMENT TO ESG

- Strong track record of continued improvements in ESG
- Carbon/tonne of product reduced by 12% vs 2020
- Achieved Investor in People (IIP) Platinum accreditation in UK businesses
- Completed full evaluation of ESG baseline position in order to drive sustainable forward strategy
- 2022 will report ambitions in key areas





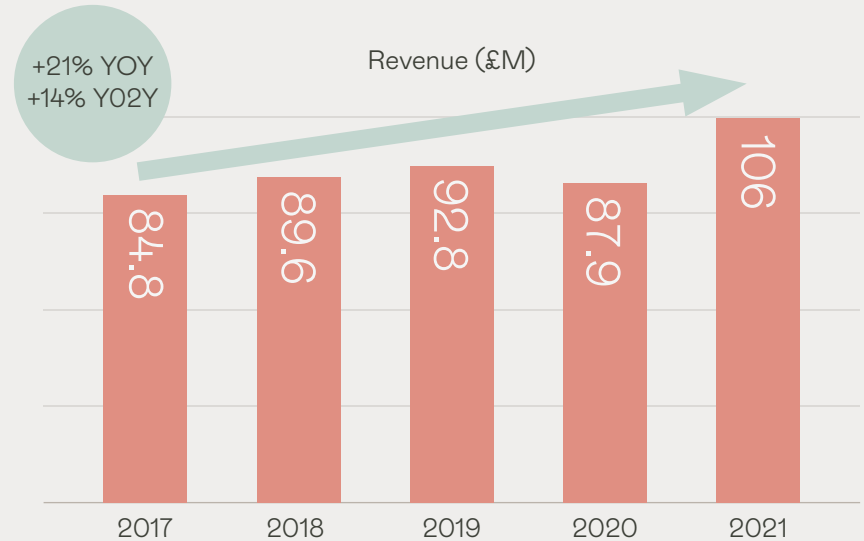


# SUMMARY



## FY21 SUMMARY

- Record revenue year with growth across all key markets
- Strong delivery on LT strategy including online
- Cash and balance sheet remain strong
- Reinstated dividend FY21
- Expect supply chain disruption and inflationary pressures to continue short term
  - Expect will take time for consumer to adjust to household inflationary pressures including energy
  - Confident in ability to continue to navigate and expect revenue and profit growth in 2022 and beyond
- Energy hedged Q1 2021 out to Q1 2024 protects bottom line
- Expect to grow top and bottom line in 2022 and significant benefits of transformation investments to shine through fully in 2023



EXPECT TO GROW SALES AND  
OPERATING MARGINS IN 2022-23

# WE ARE A VERY DIFFERENT BUSINESS THAN IN 2019, WITH VERY DIFFERENT POTENTIAL.

→ ADDED SIGNIFICANT STRENGTH/  
DEPTH TEAMS IN LAST 24M

→ WE ARE BUILDING BOTH THE  
COMMERCIAL AND OPERATIONAL  
STRATEGIC CAPABILITIES TO DELIVER

→ OUR FOCUS IS GETTING OUR  
PRODUCT IN FRONT OF MORE  
POTENTIAL CUSTOMERS, THROUGH:

- Leveraging our brands more effectively
- Building online channels
- Building new markets / geography
- New product engine/ new categories

→ WE ARE TARGETING:

- Sustainable sales growth
- Accretive operating margins
- Back to 10% asap
- 1% pa operating margin gains each year to 13%+ LT target

## BOARD PERSONNEL



→ Mike Raybould  
Chief Executive  
Officer



→ David Sproston  
Group Finance  
Director



→ Jacqui Gale  
Chief Commercial  
Officer



→ Bill Robedee  
President of  
North America



→ Mick Knapper  
Operations  
Director



→ Dick Steele  
Non-executive  
Chairman



→ Andrew Andrea  
Non-executive  
Director



→ Angela Luger  
Non-executive  
Director



→ Claire Askem  
Non-executive  
Director





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