

**AIM: CFX**  
**29 July 2025**

**COLEFAX GROUP PLC**  
(“Colefax” or the “Group”)

**Preliminary Results for the year ended 30 April 2025**

*Colefax is an international designer and distributor of furnishing fabrics & wallpapers and owns a leading interior decorating business. The Group trades under five brand names, serving different segments of the soft furnishings marketplace; these are Colefax and Fowler, Cowtan & Tout, Jane Churchill, Manuel Canovas and Larsen.*

**Key Points**

- Sales increased by 2.6% to £109.99m (2024 - £107.16m) and by 4.2% on a constant currency basis
- Pre-tax profit increased by 15.1% to £8.90m (2024 - £7.73m) – mainly due to an exceptionally strong final quarter Fabric Division performance in the US as customers accelerated orders in advance of tariff increases
- Earnings per share increased by 22.8% to 108.4p (2024 – 88.3p)
- Share buyback returned £2.4m of surplus capital to shareholders in October 2024.
- Cash at 30 April 2025 of £22.3m (2024 - £17.8m)
- Fabric Division sales increased by 5.9% to £95.92m (2024 - £90.54m) and increased by 7.8% on a constant currency basis
  - US sales increase by 12.9%, UK sales decreased by 4.7% and Europe sales increased by 6.5% (on a constant currency basis)
- Decorating Division sales down 17.0% to £11.22m (2024 - £13.51m) and pre-tax profit of £582,000 (2024 - £847,000 profit)
- Board is proposing a final dividend of 3.1p (2024 2.9p) making a total for the year of 5.9p (2024 - 5.6p) – an increase of 5.4%

**David Green, Chief Executive of Colefax Group plc, said:**

“The Group has delivered another good performance which has exceeded expectations due to a very strong surge in US sales during the final quarter of the year. We believe this is mainly exceptional and related to orders accelerated to avoid tariff increases. This has continued in the first two months of the current year during the pause in tariffs announced by the US government but we do not believe it is likely to be sustained”

Whilst our core Fabric Division business continues to perform well, we remain cautious about prospects and in particular the impact of higher tariff costs, a weaker US Dollar and lower Decorating Division profits”

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## COLEFAX GROUP PLC

### CHAIRMAN'S STATEMENT

#### Financial Results

Group sales increased by 2.6% to £109.99 million (2024 - £107.16 million) and by 4.2% on a constant currency basis. Pre-tax profits increased by 15.1% to £8.90 million (2024 - £7.73 million). Earnings per share increased by 22.8% to 108.4p (2024 – 88.3p) partly reflecting the benefit of share buybacks during the current and prior year. The Group ended the financial year with net cash of £22.3 million (2024 - £17.8 million).

Sales in the Group's core Fabric Division increased by 7.8% on a constant currency basis and profit increased by 23.1% to £7.96 million (2024 - £6.47 million). This increase reflects a very strong performance in the US in the final quarter of the year when sales increased by 14%. We believe that much of this increase was exceptional and caused by customers accelerating purchases to avoid tariff increases.

In October 2024 the Group returned £2.4 million of surplus cash to shareholders by way of a share buyback in the form of a tender offer. The Group purchased and cancelled 307,043 shares representing just under 5% of the issued ordinary share capital at a price of £7.80 per share.

The Board is proposing to pay a final dividend of 3.1p (2024 – 2.9p) making a total for the year of 5.9p (2024 – 5.6p). This will be paid on 9 October 2025 to shareholders on the register at the close of business on 12 September 2025.

#### Product Division

- **Fabric Division – Portfolio of Five Brands:** *“Colefax and Fowler”, “Cowtan and Tout”, “Jane Churchill”, “Manuel Canovas” and “Larsen”*

Sales in the Fabric Division, which represent 87% of Group turnover, increased by 5.9% to £95.92 million (2024 - £90.54 million) and increased by 7.8% on a constant currency basis. Pre-tax profit increased by 23.1% to £7.96 million (2024 - £6.47 million). The average US dollar exchange rate during the year was \$1.28 compared to \$1.25 for the prior year.

The good performance by the Fabric Division was mainly due to a very strong final quarter in the Group's core US market where like for like sales increased by 14%. Although it is hard to quantify precisely, we believe that much of the increase was due to clients accelerating purchases to avoid higher US import tariffs. Typically client decorating projects can run for many months and so there is flexibility to alter the timing of purchases. Sales in April 2025 were an all-time record and up by \$822,000 on the prior year.

Full year sales in the US, which represent 62% of the Fabric Division's turnover, increased by 10.4% and by 12.9% on a constant currency basis. This follows a 3% constant currency decrease in sales in the prior year. The majority of luxury fabrics and wallpapers sold in the US are sourced from manufacturers outside the US, especially Europe and India. The 'Liberation Day' tariffs announced by the US government on 2 April represented a significant increase in the cost of goods sold with additional duty of 20% on European origin goods and 27% on Indian origin goods. These were paused for 90 days on 9 April but additional duty of 10% remains in force. The ongoing uncertainty around tariffs remains a concern for customers and the trading outlook largely depends on the outcome of ongoing trade negotiations.

Sales in the UK, which represent 16% of the Fabric Division's turnover, decreased by 4.7%. This follows a 3% increase in the prior year and reflects fairly challenging market conditions in the UK caused by comparatively high interest rates and a subdued high end housing market which we believe is being adversely impacted by changes to the tax rules for non-domiciled individuals. Despite this, trading improved in the second half of the year with UK sales up by 1% compared to a decline of 8% in the first half of the year.

Sales in Continental Europe, which represent 20% of the Fabric Division's turnover, increased by 4.1% and by 6.5% on a constant currency basis. This follows a constant currency increase of 8% in the prior year. Sales in Europe have been reasonably resilient with most individual countries

achieving an increase on the prior year. France was the main exception with sales down by 1% due to a higher level of prior year contract orders. Housing transactions have been increasing in most European markets helped by steady reductions in central bank interest rates and stable trading conditions.

Sales in the Rest of the World, which represent just 3% of the Fabric Division's turnover, decreased by 8.9% during the year. The decrease was mainly due to lower sales in the Middle East following a strong performance in the prior year when sales increased by 25%.

- **Furniture – Kingcome Sofas**

Sales of Kingcome furniture, which represent 3% of Product Division sales, decreased by 8.6% to £2.85 million (2024 - £3.11 million). Pre-tax profit decreased by 14.3% to £359,000 (2024 - £419,000) against a strong prior year comparative. Most Kingcome sales are made to order and the business carries minimal stock. Sales during the year reflect orders delivered and a more useful measure of trading performance is the order intake during the year. Despite relatively challenging market conditions in the UK the order intake was up by 21% compared to a decline of 14% in the prior year.

### **Interior Decorating Division**

Decorating sales, which represent 10% of Group turnover, decreased by 17.0% to £11.22 million (2024 - £13.51 million) resulting in a pre-tax profit of £582,000 (2024 - £847,000 profit). This is considered a good performance against a strong prior year comparative. The Decorating Division is the part of the Group that is most likely to be affected by adverse changes to the tax rules for non-domiciled residents in the UK. Customer deposits at the year-end were down by 32% compared to the start of the year and as a result we are expecting only a breakeven performance for the new financial year and as always the full year result will depend on the timing of project completions.

### **Prospects**

The Group has delivered another good performance which exceeded expectations due to a very strong surge in US sales during the final quarter of the year. We believe this was mainly exceptional and related to orders accelerated to avoid tariff increases. It has continued in the first two months of the current year during the pause in tariffs announced by the US government but we do not believe it is likely to be sustained. High US tariffs are a threat to the health of the US and world economy and there is still considerable uncertainty over the impact they will have on trading conditions during the remainder of the year. In addition, the US dollar exchange rate has weakened significantly since January and every one cent decline in the average rate impacts Group profits by around £190,000. Whilst our core Fabric Division business continues to perform well, we remain cautious about prospects and in particular the impact of higher tariff costs, a weaker US Dollar and lower Decorating Division profits. On a positive note the Group stands to benefit from falling interest rates which should boost housing transactions and over time lead to higher home spending. The Group has a strong balance sheet with cash of £22.3 million and we will continue to invest with confidence in our portfolio of brands and worldwide distribution network.

The Group's performance over the last year is due to the hard work, talent and loyalty of all our staff and I would like to thank them for their contribution to the continued success of the Group.

David Green  
Chairman  
28 July 2025

**GROUP INCOME STATEMENT**

For the year ended 30 April 2025

	2025 £'000	2024 £'000
<b>Revenue</b>	<b>109,986</b>	<b>107,162</b>
Cost of sales	(46,760)	(47,134)
<b>Gross profit</b>	<b>63,226</b>	<b>60,028</b>
Operating expenses	(53,629)	(51,552)
<b>Profit from operations</b>	<b>9,597</b>	<b>8,476</b>
Finance income	478	173
Finance expense	(1,175)	(917)
<b>Profit before taxation</b>	<b>8,900</b>	<b>7,732</b>
Tax expense	(2,392)	(1,938)
<b>Profit for the year attributable to equity holders of the parent</b>	<b>6,508</b>	<b>5,794</b>
Basic and diluted earnings per share	<b>108.4p</b>	<b>88.3p</b>

## GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 April 2025

	2025 £'000	2024 £'000
<b>Profit for the year</b>	<b>6,508</b>	<b>5,794</b>
<b>Other comprehensive income / (expense):</b>		
<b>Items that will or may be reclassified to profit and loss:</b>		
Exchange differences on translation of foreign operations	(436)	(429)
Cash flow hedges:		
Gains/(losses) recognised directly in equity	205	-
<b>Total other comprehensive (expense)</b>	<b>(231)</b>	<b>(429)</b>
<b>Total comprehensive income for the year attributable to equity holders of the parent</b>	<b>6,277</b>	<b>5,365</b>

**GROUP STATEMENT OF FINANCIAL POSITION**  
**At 30 April 2025**

	Notes	2025 £'000	2024 £'000
<b>Non-current assets:</b>			
Property, plant and equipment		7,542	8,557
Right of use asset		23,240	20,612
Deferred tax asset		179	24
		<b>30,961</b>	<b>29,193</b>
<b>Current assets:</b>			
Inventories and work in progress	2	18,013	18,241
Trade and other receivables	3	7,952	8,774
Cash and cash equivalents	4	22,312	17,763
		<b>48,277</b>	<b>44,778</b>
<b>Current liabilities:</b>			
Trade and other payables	5	17,291	18,623
Lease liabilities		4,340	4,038
Current corporation tax		257	31
		<b>21,888</b>	<b>22,692</b>
<b>Net current assets</b>		<b>26,389</b>	<b>22,086</b>
<b>Total assets less current liabilities</b>		<b>57,350</b>	<b>51,279</b>
<b>Non-current liabilities:</b>			
Lease liabilities		21,938	19,380
Deferred tax liability		128	154
<b>Net assets</b>		<b>35,284</b>	<b>31,745</b>
<b>Capital and reserves attributable to equity holders of the Company:</b>			
Called up share capital		592	623
Share premium account		11,148	11,148
Capital redemption reserve		2,282	2,251
ESOP share reserve		(113)	(113)
Foreign exchange reserve		754	1,190
Cash flow hedge reserve		205	-
Retained earnings		20,416	16,646
<b>Total equity</b>		<b>35,284</b>	<b>31,745</b>

**GROUP STATEMENT OF CASH FLOWS**

For the year ended 30 April 2025

	2025 £'000	2024 £'000
<b>Operating activities</b>		
Profit before taxation	8,900	7,732
Finance income	(478)	(173)
Finance expense	1,175	917
Loss/(Profit) on disposal of property, plant and equipment	60	38
Depreciation on right of use assets	4,662	4,350
Depreciation	2,720	2,625
<b>Cash flows from operations before changes in working capital</b>	<b>17,039</b>	<b>15,489</b>
Decrease / (Increase) in inventories and work in progress	140	1,244
Decrease / (Increase) in trade and other receivables	447	322
(Decrease)/ Increase in trade and other payables	(1,056)	(1,837)
<b>Cash generated from operations</b>	<b>16,570</b>	<b>15,218</b>
<b>Taxation paid</b>		
UK corporation tax paid	(866)	(1,021)
Overseas tax paid	(1,565)	(730)
	<b>(2,431)</b>	<b>(1,751)</b>
<b>Net cash inflow from operating activities</b>	<b>14,139</b>	<b>13,467</b>
<b>Investing activities</b>		
Payments to acquire property, plant and equipment	(2,068)	(2,991)
Interest received	478	173
<b>Net cash outflow from investing</b>	<b>(1,590)</b>	<b>(2,818)</b>
<b>Financing activities</b>		
Purchase of own shares	(2,395)	(7,227)
Principal paid on lease liabilities	(4,566)	(4,151)
Interest paid on lease liabilities	(1,175)	(916)
Interest paid	-	(1)
Equity dividends paid	(343)	(353)
<b>Net cash outflow from financing</b>	<b>(8,479)</b>	<b>(12,648)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>4,070</b>	<b>(1,999)</b>
Cash and cash equivalents at beginning of year	17,763	19,746
Exchange gains/(losses) on cash and cash equivalents	479	16
<b>Cash and cash equivalents at end of year</b>	<b>22,312</b>	<b>17,763</b>

# GROUP STATEMENT OF CHANGES IN EQUITY

For the year ended 30 April  
2025

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	ESOP share reserve £'000	Foreign exchange reserve £'000	Cash flow hedge reserve £'000	Retained earnings £'000	Total equity £'000
<b>At 30 April 2024</b>	<b>623</b>	<b>11,148</b>	<b>2,251</b>	<b>(113)</b>	<b>1,190</b>	<b>-</b>	<b>16,646</b>	<b>31,745</b>
Profit for the year	-	-	-	-	-	-	6,508	6,508
Foreign exchange	-	-	-	-	(436)	-	-	(436)
Movement in cash flow hedge	-	-	-	-	-	205	-	205
<b>Total comprehensive</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(436)</b>	<b>205</b>	<b>6,508</b>	<b>6,277</b>
Share buybacks	(31)	-	31	-	-	-	(2,395)	(2,395)
Dividends paid	-	-	-	-	-	-	(343)	(343)
<b>At 30 April 2025</b>	<b>592</b>	<b>11,148</b>	<b>2,282</b>	<b>(113)</b>	<b>754</b>	<b>205</b>	<b>20,416</b>	<b>35,284</b>
<b>At 30 April 2023</b>	<b>724</b>	<b>11,148</b>	<b>2,150</b>	<b>(113)</b>	<b>1,619</b>	<b>-</b>	<b>18,432</b>	<b>33,960</b>
Profit for the year	-	-	-	-	-	-	5,794	5,794
Foreign exchange	-	-	-	-	(429)	-	-	(429)
<b>Total comprehensive</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(429)</b>	<b>-</b>	<b>5,794</b>	<b>5,365</b>
Share buybacks	(101)	-	101	-	-	-	(7,227)	(7,227)
Dividends paid	-	-	-	-	-	-	(353)	(353)
<b>At 30 April 2024</b>	<b>623</b>	<b>11,148</b>	<b>2,251</b>	<b>(113)</b>	<b>1,190</b>	<b>-</b>	<b>16,646</b>	<b>31,745</b>



## COLEFAX GROUP PLC

### NOTES TO THE FINANCIAL INFORMATION

#### 1. Earnings per share

Basic earnings per share have been calculated on the basis of profit on ordinary activities after tax of £6,508,000 (2024 – £5,794,000) and on 6,006,133 (2024 – 6,564,031) ordinary shares, being the weighted average number of ordinary shares in issue during the year. Shares owned by the Colefax Group Plc Employees' Share Ownership Plan (ESOP) Trust are excluded from the basic earnings per share calculation.

Diluted earnings per share are the same as basic earnings per share as there are no outstanding share options in force at 30 April 2025.

#### 2. Inventories and work in progress

	2025 £'000	2024 £'000
Finished goods for resale	16,096	15,487
Work in progress	1,917	2,754
	<b>18,013</b>	<b>18,241</b>

#### 3. Trade and other receivables

	2025 £'000	2024 £'000
Trade receivables	3,856	4,857
Less: provision for impairment of trade receivables	(467)	(592)
Other receivables	2,644	2,802
Prepayments and accrued income	1,919	1,707
	<b>7,952</b>	<b>8,774</b>

#### 4. Cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank and in hand	22,312	17,763

The fair value of cash and cash equivalents are considered to be their book value.

#### 5. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	4,685	4,648
Accruals	7,127	8,146
Payments received on account	3,146	4,031
Other taxes and social security costs	628	643
Other payables	1,705	1,155
	<b>17,291</b>	<b>18,623</b>

## **6. Financial Information**

The above financial information, which has been prepared in accordance with international accounting standards in conformity with the Companies Act 2006, does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006.

The financial information for the year ended 30 April 2025 has been extracted from the statutory accounts which will be delivered to the Registrar of Companies following the Company's annual general meeting. The comparative financial information is based on the statutory accounts for the financial year ended 30 April 2024 which have been delivered to the Registrar of Companies. The Independent Auditors' Report on both of those financial statements was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under Section 498(2) and Section 498(3) of the Companies Act 2006.

7. Copies of the Annual Report and full Financial Statements will be available from the Group's website on [www.colefaxgroupplc.com](http://www.colefaxgroupplc.com). Copies will also be made available on request to members of the public at the Company's registered office at 19-23 Grosvenor Hill, London W1K 3QD.