AIM: CFX
31 July 2026

COLEFAX GROUP PLC
("Colefax" or the "Group")

Preliminary Results for the year ended 30 April 2026

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 5.4% to £115.92m (2025 - £109.99m) and by 7.3% on a constant currency basis

- Pre-tax profit increased by 18.3% to £10.53m (2025 - £8.90m) – mainly due to an exceptionally strong Fabric Division sales performance in the US

- Earnings per share increased by 29.8% to 140.7p (2025 – 108.4p)

- Share buyback returned £6.1m of surplus capital to shareholders in October 2025

- Cash at 30 April 2026 of £23.5m (2025 - £22.3m)

- Fabric Division sales increased by 8.4% to £103.99m (2025 - £95.92m) and increased by 10.7% on a constant currency basis
  - US sales up by 10.2% excluding tariff surcharges, UK up by 4.4% and Europe up by 2.5%

- Decorating Division sales down 21.1% to £8.86m (2025 - £11.22m) and pre-tax loss of £339,000 (2025 - £582,000 profit)

- Board is proposing a final dividend of 3.3p (2025 3.1p) making a total for the year of 6.3p (2025 - 5.9p) – an increase of 7.0%

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

"The Group has delivered a strong full year result which significantly exceeded our expectations at the start of the year and also the half year. The main reason was an exceptionally strong sales performance in the US. We think this is closely correlated with the growth in the US stock market which particularly benefits the luxury sector in which we operate.

"Since the year-end sales have remained strong in the US and we are cautiously optimistic that this will continue at least for the first half of the current financial year. We consider a significant stock market correction to be the main external risk to US sales. Outside of the US, trading conditions look set to remain challenging especially in the UK although this market now accounts for just 15% of Fabric Division sales."

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COLEFAX GROUP PLC

CHAIRMAN'S STATEMENT

Financial Results

Group sales increased by 5.4% to £115.92 million (2025 - £109.99 million) and by 7.3% on a constant currency basis. Pre-tax profits increased by 18.3% to £10.53 million (2025 - £8.90 million). Earnings per share increased by 29.8% to 140.7p (2025 – 108.4p) partly reflecting the benefit of share buybacks during the current and prior year. The Group ended the financial year with net cash of £23.5 million (2025 - £22.3 million).

Sales in the Group's core Fabric Division increased by 10.7% on a constant currency basis and profit increased by 33.4% to £10.62 million (2025 - £7.96 million). This increase in sales and profit was mainly due to another strong performance in the US where sales increased by 15.9% on constant currency basis and by 10.2% excluding tariff surcharge income. The Group operates at the luxury end of the market and we believe that our results are closely correlated with the strength of the US stock market which has proven very resilient over the last 12 months.

In October 2025 the Group returned £6.1 million of surplus cash to shareholders by way of a share buyback in the form of a tender offer. The Group purchased and cancelled 691,680 shares representing 11.7% of the issued ordinary share capital at a price of £8.80 per share.

The Board is proposing to pay a final dividend of 3.3p per share (2025 – 3.1p) making a total for the year of 6.3p (2025 – 5.9p) an increase of 7%. This will be paid on 9 October 2026 to shareholders on the register at the close of business on 11 September 2026.

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 90% of Group turnover, increased by 8.4% to £103.99 million (2025 - £95.92 million) and increased by 10.7% on a constant currency basis. Excluding US tariff surcharges the constant currency sales increase was 7.3%. Pre-tax profit increased by 33.4% to £10.62 million (2025 - £7.96 million) demonstrating the high level of operational gearing in the Fabric Division. The average US dollar exchange rate during the year was $1.34 compared to $1.28 for the prior year.

Sales in the US, which represent 63% of the Fabric Division's turnover, increased by 10.6% and by 15.9% on a constant currency basis. Excluding tariff surcharges US sales increased by 10.2% on a constant currency basis. This increase follows a 12.9% constant currency increase in sales in the prior year and reflects the ongoing strength of the US stock market which especially benefits confidence and spending at the luxury end of the market. As reported in our interim results we have continued to invest in our showroom network which covers all major US territories and in total these territories now account for 84% of US sales. In December we moved to a new showroom in Florida and in September 2026 we will be moving to new showroom premises in San Francisco.

Sales in the UK, which represent 15% of the Fabric Division's turnover, increased by 4.4%. This follows a 4.7% decrease in the prior year. Trading conditions in the UK have been challenging especially at the top end of the market where residential property transactions have been adversely affected by high rates of stamp duty, relatively high interest rates and uncertainty over potential tax increases. Historically, UK sales have been closely correlated with high-end housing transactions and tend to lag market activity.

Sales in Continental Europe, which represent 20% of the Fabric Division's turnover, increased by 6.0% and by 2.4% on a constant currency basis. This follows a constant currency increase of 6.5% in the prior year. Market conditions in Europe vary significantly by country but overall sales have held up well given the increased cost and complexity of doing business in Europe post Brexit. Import duty payable on EU sales amounted to £1.26 million. In France, which is our largest market in Europe, sales were down by 4% on a constant currency basis mainly due to a lower level of contract orders.

Sales in the Rest of the World, which represent just 2% of the Fabric Division's turnover, decreased by 1.7% during the year (2025: decrease of 8.9%). Our largest market in the Rest of the World is the Middle East and sales were very adversely impacted by the Middle East conflict in the last two months of the financial year.

- **Furniture – Kingcome Sofas**

Sales of Kingcome furniture, which represent 3% of Product Division sales, increased by 8.0% to £3.08 million (2025 - £2.85 million). Pre-tax profit decreased by 30.6% to £249,000 (2025 - £359,000). The decline in profitability despite higher sales reflects higher salary and premises costs during the year primarily due to a new showroom concession in Witney Oxfordshire which started trading in September. Market conditions for luxury furniture in the UK have become increasingly challenging and despite the new showroom concession, the order intake during the year was down by 4% and the outstanding order book at the year end was down by 27% compared to the start of the year.

- **Interior Decorating Division**

Decorating sales, which represent 7% of Group turnover, decreased by 21.1% to £8.86 million (2025 - £11.22 million) resulting in a pre-tax loss of £339,000 (2025 - £582,000 profit). The Decorating Division operates at the very top end of the market and this has been the part of the Group most affected by the abolition of non-domiciled tax status in the UK in April 2025 and a sharp reduction in high end property transactions. Decorating Division sales and profits can fluctuate significantly depending on the timing of project completions. The full year loss was partly due to a delay in the installation of a Middle East project caused by the US-Iran conflict. As result we do expect a return to profitability next year despite challenging market conditions in the UK.

Prospects

The Group has delivered a strong full year result which significantly exceeded our expectations at the start of the year and also the half year. The main reason was an exceptionally strong sales performance in the US. We think this is closely correlated with the growth in the US stock market which particularly benefits the luxury sector in which we operate. This performance was despite significant turmoil during the year caused by additional US import tariffs, a weaker US Dollar and the conflict in the Middle East. Since the year-end sales have remained strong in the US and we are cautiously optimistic that this will continue at least for the first half of the current financial year. We consider a significant stock market correction to be the main external risk to US sales. Outside of the US trading conditions look set to remain challenging especially in the UK although this market now accounts for just 15% of Fabric Division sales. Our Decorating Division and Furniture Division also face headwinds from difficult trading conditions in the UK.

The Group has a strong balance sheet with cash of £23.5 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 a reflection of the talent, hard work 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
30 July 2026

CHAIRMAN'S STATEMENT

GROUP INCOME STATEMENT
For the year ended 30 April 2026

	2026 £'000	2025 £'000
Revenue	**115,918**	**109,986**
Cost of sales	**(49,755)**	**(46,760)**
Gross profit	**66,163**	**63,226**
Operating expenses	**(54,894)**	**(53,629)**
Profit from operations	**11,269**	**9,597**
Finance income	**593**	**478**
Finance expense	**(1,337)**	**(1,175)**
Profit before taxation	**10,525**	**8,900**
Tax expense	(2,775)	(2,392)
Profit for the year attributable to equity holders of the parent	**7,750**	**6,508**
Basic and diluted earnings per share	**140.7p**	**108.4p**

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 April 2026

	2026 £'000	2025 £'000
Profit for the year	**7,750**	**6,508**
Other comprehensive income / (expense):		
Items that will or may be reclassified to profit and loss:		
Exchange differences on translation of foreign operations	**(48)**	**(436)**
Cash flow hedges		
Gain arising during the year	**97**	**273**
Reclassified to cost of sales	**(273)**	**-**
Deferred tax relating to cash flow hedges	**44**	**(68)**
Total other comprehensive income / (expense)	**(180)**	**(231)**
Total comprehensive income for the year attributable to equity holders of the parent	**7,570**	**6,277**

GROUP STATEMENT OF FINANCIAL POSITION
At 30 April 2026

	Notes	2026 £'000	2025 £'000
Non-current assets:			
Property, plant and equipment		7,267	7,542
Right of use asset		28,104	23,240
Deferred tax asset		196	179
		35,567	30,961
Current assets:			
Inventories and work in progress	2	18,334	18,013
Trade and other receivables	3	8,024	7,952
Cash and cash equivalents	4	23,546	22,312
		49,904	48,277
Current liabilities:			
Trade and other payables	5	17,846	17,291
Lease liabilities		3,960	4,340
Current corporation tax		(473)	257
		21,333	21,888
Net current assets		28,571	26,389
Total assets less current liabilities		64,138	57,350
Non-current liabilities:			
Lease liabilities		27,661	21,938
Deferred tax liability		46	128
Net assets		36,431	35,284
Capital and reserves attributable to equity holders of the Company:			
Called up share capital		523	592
Share premium account		11,148	11,148
Capital redemption reserve		2,351	2,282
ESOP share reserve		(113)	(113)
Foreign exchange reserve		706	754
Cash flow hedge reserve		73	205
Retained earnings		21,743	20,416
Total equity		36,431	35,284

GROUP STATEMENT OF CASH FLOWS
For the year ended 30 April 2026

	2026	2025
	£'000	£'000
Operating activities		
Profit before taxation	10,525	8,900
Finance income	(593)	(478)
Finance expense	1,337	1,175
Loss/(Profit) on disposal of property, plant and equipment	8	60
Depreciation on right of use assets	4,766	4,662
Depreciation	2,627	2,720
Cash flows from operations before changes in working capital	18,670	17,039
(Increase) / Decrease in inventories and work in progress	(345)	140
(Increase) / Decrease in trade and other receivables	(219)	447
Increase / (Decrease) in trade and other payables	375	(1,056)
Cash generated from operations	18,481	16,570
Taxation paid		
UK corporation tax paid	(1,716)	(866)
Overseas tax paid	(1,625)	(1,565)
	(3,341)	(2,431)
Net cash inflow from operating activities	15,140	14,139
Investing activities		
Payments to acquire property, plant and equipment	(2,431)	(2,068)
Interest received	593	478
Net cash outflow from investing	(1,838)	(1,590)
Financing activities		
Purchase of own shares	(6,087)	(2,395)
Principal paid on lease liabilities	(4,426)	(4,566)
Interest paid on lease liabilities	(1,337)	(1,175)
Equity dividends paid	(336)	(343)
Net cash outflow from financing	(12,186)	(8,479)
Net (decrease)/increase in cash and cash equivalents	1,116	4,070
Cash and cash equivalents at beginning of year	22,312	17,763
Exchange gains/(losses) on cash and cash equivalents	118	479
Cash and cash equivalents at end of year	23,546	22,312

GROUP STATEMENT OF CHANGES IN EQUITY
For the year ended 30 April
2026

	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
At 30 April 2025	**592**	**11,148**	**2,282**	**(113)**	**754**	**205**	**20,416**	**35,284**
Profit for the year	-	-	-	-	-	-	7,750	7,750
Foreign exchange	-	-	-	-	(48)	-	-	(48)
Movement in cash flow hedge	-	-	-	-	-	(132)	-	(132)
Total comprehensive	**-**	**-**	**-**	**-**	**(48)**	**(132)**	**7,750**	**7,570**
Share buybacks	(69)	-	**69**	-	-	-	(6,087)	(6,087)
Dividends paid	-	-	-	-	-	-	(336)	(336)
At 30 April 2026	**523**	**11,148**	**2,351**	**(113)**	**706**	**73**	**21,743**	**36,431**
At 30 April 2024	**623**	**11,148**	**2,251**	**(113)**	**1,190**	**-**	**16,646**	**31,745**
Profit for the year	-	-	-	-	-	-	6,508	6,508
Foreign exchange	-	-	-	-	(436)	-	-	(436)
Movement in cash flow hedge	-	-	-	-	-	205	-	205
Total comprehensive	**-**	**-**	**-**	**-**	**(436)**	**205**	**6,508**	**6,277**
Share buybacks	(31)	-	31	-	-	-	(2,395)	(2,395)
Dividends paid	-	-	-	-	-	-	(343)	(343)
At 30 April 2025	**592**	**11,148**	**2,282**	**(113)**	**754**	**205**	**20,416**	**35,284**

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 £7,750,000 (2025 – £6,508,000) and on 5,508,555 (2025 – 6,006,133) 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 2026.

2. **Inventories and work in progress**

	2026	2025
	£'000	£'000
Finished goods for resale	**16,112**	**16,096**
Work in progress	**2,222**	**1,917**
	18,334	**18,013**

3. **Trade and other receivables**

	2026	2025
	£'000	£'000
Trade receivables	**4,238**	3,856
Less: provision for impairment of trade receivables	**(604)**	(467)
Other receivables	**2,810**	2,644
Prepayments and accrued income	**1,580**	1,919
	8,024	7,952

4. **Cash and cash equivalents**

	2026	2025
	£'000	£'000
Cash at bank and in hand	**23,546**	22,312

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

5. **Trade and other payables**

	2026	2025
	£'000	£'000
Trade payables	**5,169**	4,685
Accruals	**7,257**	7,127
Payments received on account	**2,915**	3,146
Other taxes and social security costs	**820**	628
Other payables	**1,685**	1,705
	17,846	17,291

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 2026 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 2025 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. 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.