2 December 2025

IG Design Group plc

(the "Company", the "Group" or "Design Group")

Results for the six months ended 30 September 2025

IG Design Group plc, a leading designer, innovator and manufacturer across various celebration and creative categories, announces its unaudited results for the six months ended 30 September 2025 ('the period').

Following the disposal of DG Americas, the following Executive Review is presented on a continuing Group basis.

HY2026 highlights

	HY2026	HY2025
Revenue	**$131.4m**	**$151.3m**
Adjusted(*):		
Operating profit	**$5.7m**	**$12.9m**
Profit before tax	**$5.3m**	**$12.3m**
Diluted earnings per share	**4.9c**	**10.2c**
Reported:		
Operating profit	**$4.3m**	**$8.6m**
Profit before tax	**$3.7m**	**$8.0m**
Diluted earnings per share	**4.1c**	**5.7c**
Net cash at period end	**$1.9m**	**$7.4m**

**Adjusted results exclude the impact of adjusting items. For further detail see alternative performance measures reconciliation within the detailed financial review.*

- Revenue fell 13% to $131.4 million reflecting softer UK demand and the impact of US-tariffs, European pricing pressures, and timing of shipments moving into H2.
- Adjusted operating profit of $5.7 million and adjusted operating margin of 4.3% fell year-on-year due to the impact of lower sales, partly offset by cost savings and freight tailwinds.
- Net cash closed at $1.9 million, with Group cash outflow improving by 16% year-on-year.
- Operational progress with the successful completion of Australian warehouse relocation and China site closure underpinning continued focus on efficiency and cost base.
- CEO recruitment process remains underway with Stewart Gilliland committed to the role of Interim Executive Chair until an appointment has been finalised.

Outlook

- The Board reaffirms its full-year guidance of $270-280 million revenue and adjusted operating margin of 3-4%.
- Strong orderbook visibility entering H2, with 96% of full-year forecast sales, providing confidence in performance.
- Focus remains on disciplined execution, margin enhancement and sustainable cash generation across all regions.

Stewart Gilliland, Interim Executive Chair, commented:

"*IG Design delivered a solid performance in the period. This was supported by disciplined execution and firm cost-control measures across the Group. While the macroenvironment remains mixed, we know exactly what we need to do to continue strengthening the business. We are confident that our focus on operational efficiency, margin improvement and cash generation will translate into clearer financial traction. We enter the second half* *as a less complex business than last year, with confidence in our business, stable customer relationships, and a defined pathway to further improvement in profitability and long-term value creation*."

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<u>Overview</u>

The first half of FY2026 reflected the expected transitional period following the sale of DG Americas to Hilco on 30 May 2025. Revenue for the continuing Group decreased by 13% to $131.4 million. Consistent with full-year guidance, this was primarily driven by softer demand in the UK, the impact of tariffs and competitive pricing pressure in Europe. Despite this, the Group remained profitable, with adjusted operating profit of $5.7 million and a continued focus on sustainable growth. Cash generation and working capital management improved year-on-year, and the Group ended the period with net cash of $1.9 million. Strong orderbook visibility at 96% entering the second half underpins confidence in meeting full-year expectations, with the business well positioned for margin and profit recovery over the medium term.

<u>Divestment of DG Americas and discontinued operations</u>

The Group completed the sale of DG Americas to Hilco on 30 May 2025. Hilco is conducting a realisation of the DG Americas group entities through asset sales and liquidations, with any future net proceeds to the Group contingent on completion of this process. As at 30 September 2025 the fair value measured as expected cash flows from future proceeds was estimated at $nil.

A loss on the sale of the DG Americas division of $140.3 million has been recognised which, when coupled with $10.1 million of DG Americas trading losses in the period, results in a loss from discontinued operations of $150.4 million.

Comparative information for the prior periods has been represented to reflect the classification of DG Americas as a discontinued operation, consistent with the current period's presentation. Cash flows attributable to discontinued operations are disclosed separately within the cash flow. Refer to note 1 for additional information.

<u>Board changes</u>

Paul Bal stepped down from his role as CEO, following the successful disposal of DG Americas, with Stewart Gilliland assuming the role of Interim Executive Chair. The CEO recruitment process remains underway. Stewart Gilliland remains committed to the role of Interim Executive Chair until an appointment has been finalised.

Mark Tentori, Senior Independent Director and Audit Committee Chair, stepped down from the Board following the AGM in line with governance best practice, as he has been a member of the Board for over nine years. The Board would like to thank Mark for his commitment to the Group over his tenure. John Gittins, who joined the Board in March 2025, has been appointed as Audit Committee Chair and Clare Askem has taken over as Senior Independent Director.

Outlook and strategy

The Board reaffirms the expectation that full-year revenues are in line with the previously guided range of $270–280 million. Entering the second half, the Group benefits from strong orderbook visibility at 96% (HY2025: 88%), providing confidence that full-year performance will remain aligned with guidance. The Group also remains confident that full year adjusted operating margins will be maintained within the guided range of 3-4%.

Following the divestment of DG Americas, the Group is simpler with segments that have a strong heritage and benefit from well-established and stable relationships with the major retailers. These businesses offer structured, design-led product ranges supported by an extensive global footprint. Together, these foundations provide resilience and a strong platform for future growth.

The Group is focused on delivering sustainable growth in revenue, margins and cash generation across the UK, continental Europe and Australia. This growth over the coming years will be delivered by focusing on the following long-term drivers: premiumisation, product diversification, customer and channel expansion, and the strengthening of commercial capability. Premiumisation through product enhancement and a more disciplined approach to pricing is expected to reinforce the value proposition and drive sustained margin improvement. Alongside this, diversifying and broadening the portfolio, particularly into higher-margin and under-served categories, will reduce concentration risk and create new, more profitable revenue streams. Expanding customer reach and accessing new channels, will increase distribution and improve operational leverage across the Group. In parallel, strengthening commercial and marketing capabilities will support more consistent execution and scalable growth in line with ambitions. In addition, a disciplined approach to reducing costs, particularly central overheads, will further improve Group margins.

As these initiatives progress, the Group expects to deliver sustained revenue growth, margin improvement and better cost efficiency, enabling consistent cash generation and the creation of long-term value for shareholders.

Capital allocation remains focused on supporting organic growth opportunities, complemented by selective investment in strategic opportunities. Following the sale of DG Americas, the Company currently does not have sufficient distributable reserves to pay a dividend. However, the Group maintains a strong balance sheet and cash position, and a project is underway to create sufficient reserves. The Board expects to provide a further update on this process as and when appropriate. The Board remains fully committed to reinstating shareholder distributions as soon as it is appropriate to do so and will continue to review this in line with the Group's performance, cash position and strategic priorities.

Regional highlights

The continuing Group comprises three reporting segments: DG UK, DG Europe and DG Australia, along with central costs and eliminations. The Group's product categories fall into two key themes: Celebrate and Create. As a leading manufacturer and distributor of celebration products, our ranges help millions of people celebrate life's special moments each year. The Celebrate category is made up of gift packaging (such as giftwrap, greetings cards and gift bags), party products and goods not for resale. The Group's Create products spark imagination, foster creativity, and encourage learning, to help consumers of all ages express themselves and build new skills. This category includes stationery, homeware and craft product categories.

Across the Group, there are a combination of well-structured product ranges with a strong focus on design and innovation, supported by a geographically diverse market footprint that spans 70 countries.

		Segmental Revenue			Adjusted Operating Profit			Adjusted Operating Margin	
% Group revenue		**HY2026 $m**	HY2025 $m	Change %	**HY2026 $m**	HY2025 $m	Change %	**HY2026 %**	HY2025 %
45%	DG Europe	**58.8**	59.0	-	**7.5**	8.7	(14)	**12.7%**	14.7%
38%	DG UK	**50.3**	71.9	(30)	**0.7**	7.2	(90)	**1.5%**	10.0%
17%	DG Australia	**22.8**	21.1	8	**1.7**	1.1	54	**7.6%**	5.4%
-	Central & Eliminations	(0.5)	(0.7)		(4.2)	(4.1)			
100%	**Total**	**131.4**	151.3	(13)	**5.7**	12.9	(56)	**4.3%**	8.6%

DG Europe

DG Europe designs, manufactures and sources across the Celebrate and Create categories. It comprises a manufacturing business in the Netherlands and Poland, primarily serving giftwrap within the Celebrate category and a trading business based in the Netherlands focusing on homeware products within the Create category. The segment's main customers are large value and mass-market retailers.

Revenue for the period was $58.8 million (HY2025: $59.0 million), broadly in line with the prior year. Performance reflects a pricing decline as a result of the competitive European market, and a timing shift of customer orders into the second half versus the prior year, which offset growth from existing customers in new product categories.

Adjusted operating profit was $7.5 million (HY2025: $8.7 million), with margins of 12.7% (HY2025: 14.7%). The decline in margin was driven by the pricing investment to maintain competitiveness and market share with value and mass retailers. There was a further impact from the timing shift which offsets freight cost tailwinds from the normalisation of rates from last year's elevated levels.

DG Europe accounts for 45% of Group revenue, with the second half supported by a strong orderbook covering 99% of full year forecast sales. Looking ahead, the segment is focused on capturing growth opportunities through the expansion of products and customers, while continuing to drive operational efficiency. The clear visibility entering the second half, coupled with this focus on opportunities, provides a solid platform for sustained delivery of full-year results.

DG UK

DG UK designs and manufactures around two-thirds of its products across the Celebrate and Create categories, with the majority of sales in Celebrate. UK operations in Wales and Newport Pagnell are supported by a Group sourcing office in China.

DG UK revenue for the period was $50.3 million (HY2025: $71.9 million), a 30% decrease compared with the prior period. The reduction in sales reflects a combination of softer demand, particularly in the Independents channel, the impact of US tariffs, and a timing element where Christmas orders are being shipped later than prior year. DG UK's largest customer is predominantly US-based, and the introduction of US tariffs resulted in the customer reducing volumes in anticipation of lower consumer demand amid macroeconomic uncertainty. In addition, to mitigate the decline in trading, temporary pricing support was agreed with this customer to help offset the tariff impact. Whilst there were pockets of growth with new business wins among national retailers, this was not sufficient to offset the overall decline.

As a result, adjusted operating profit for the period declined to $0.7 million (HY2025: $7.2 million), with the adjusted operating margin falling to 1.5% (HY2025: 10.0%). This performance was partially mitigated by cost savings from the prior year closure of the Huizhou site and continued progress in cost control and action to reduce overheads.

During the period, DG UK completed several operational initiatives aimed at strengthening efficiency and cost base. The successful closure of the Huizhou factory has delivered a leaner cost base and improved sourcing flexibility, reducing the Group's fixed overhead exposure. The re-establishment of a Group sourcing team following the sale of DG Americas allows for coordination with Far East suppliers and supports supply-chain assurance. These actions demonstrate the focus and progress in simplifying the UK operating model, improving cost discipline, and mitigating supply-chain risks. With these foundations in place, DG UK (representing 38% of Group revenue) enters the second half well positioned, supported by strong visibility on full-year sales. The orderbook stands at 87%, in line with the prior year. The robust orderbook, the shift of seasonal shipments into the second half, and a higher-margin sales mix, gives the Board confidence around full-year forecast delivery.

DG Australia

DG Australia operates a warehouse facility and sources all of its products, with no in-country manufacturing. The business is focused predominantly on the Celebrate category, offering a wide range of Everyday products including partyware, cards, and giftwrap. Key sales channels include independent retailers and national retail chains, supported by an extensive SKU portfolio.

DG Australia makes up 17% of Group revenue. Revenue for the period was $22.8 million (HY2025: $21.1 million), an 8% increase year-on-year, reflecting growth across both national and independent channels, particularly within the party products range. Adjusted operating profit increased to $1.7 million (HY2025: $1.1 million), with the margin improving to 7.6% (HY2025: 5.4%) driven by higher sales volumes and an improved margin mix.

During the period, the Australian warehouse relocation was successfully completed following the expiry of the previous lease. The transition was managed effectively, with any short-term disruption recovered through the commitment and hard work of the local team. While the impact in the period was limited, elevated costs are expected from the new and improved facility going forward, reflecting current market rental costs. Despite higher operational costs of this facility, it will support the strategic focus of DG Australia to drive sales growth which will maximise the utilisation of the fixed overhead base. While the market remains competitive, the segment’s continually refreshed product portfolio and innovative yet disciplined approach to new product development, position the business for steady progress over the medium term.

Detailed Financial Review

The Group’s financial results for continuing operations for the first six months of the year are summarised below. The prior year has been represented on a like-for-like basis for the continuing Group.

	HY2026			HY2025		
	Reported	Adjusting Items	Adjusted	Reported	Adjusting Items	Adjusted
	$m	$m	$m	$m	$m	$m
Revenue	**131.4**	**-**	**131.4**	**151.3**	**-**	**151.3**
Gross profit	25.3	1.0	26.3	35.4	0.8	36.2
Gross margin	*19.2%*		*20.0%*	*23.4%*		*23.9%*
Overheads	(21.0)	0.4	(20.6)	(26.8)	3.5	(23.3)
Operating profit	**4.3**	**1.4**	**5.7**	**8.6**	**4.3**	**12.9**
Operating margin	*3.3%*		*4.3%*	*5.7%*		*8.6%*
Finance charge	(0.6)	0.2	(0.4)	(0.6)	-	(0.6)
Profit before tax	**3.7**	**1.6**	**5.3**	**8.0**	**4.3**	**12.3**
Tax	0.3	(0.4)	(0.1)	(2.2)	-	(2.2)
Profit after tax	**4.0**	**1.2**	**5.2**	**5.8**	**4.3**	**10.1**
Operating profit	**4.3**	**1.4**	**5.7**	**8.6**	**4.3**	**12.9**
Depreciation and impairment	2.5	-	2.5	3.3	(0.8)	2.5
Depreciation of right of use assets	2.6	(0.5)	2.1	2.4	-	2.3
EBITDA	**9.4**	**0.9**	**10.3**	**14.3**	**3.5**	**17.9**
Diluted earnings per share	**4.1c**	**0.8c**	**4.9c**	**5.7c**	**4.5c**	**10.2c**

Revenue from continuing operations decreased by 13% to $131.4 million (HY2025: $151.3 million). The reduction reflects the market headwinds previously communicated, including softer demand in the UK, the impact of tariffs on UK sales into the US and competitive pricing pressure across Europe. In addition, approximately $7 million of expected revenue shifted into the second half of the year due to timing of shipments, primarily within Europe.

When assessed on a constant currency basis, Group revenue decreased by approximately 16%, with a modest positive impact from foreign exchange translation on the reported USD result.

Adjusted gross profit was $26.3 million (HY2025: $36.2 million), with the adjusted gross margin declining to 20.0% (HY2025: 23.9%). The movement primarily reflects competitive pricing, the impact of tariffs and the resultant impact on operating leverage from lower production volumes.

Adjusted overheads reduced to $20.6 million (HY2025: $23.3 million), reflecting the benefits of the prior year restructuring actions and continued cost discipline across the Group.

Consequently, adjusted operating profit for the period was $5.7 million, representing an adjusted operating margin of 4.3% (HY2025: $12.9 million, 8.6%), driven by the lower gross profit, partially offset by overhead savings.

The Group recorded an adjusted net finance charge of $0.4 million (HY2025: $0.6 million). The net finance charge is made up of financing income of $0.5 million (HY2025: $0.6 million) and $0.9 million of interest costs including lease liability interest (HY2025: $1.2 million). The financing cost improved reflecting reduced borrowing costs, despite lower cash levels throughout the reporting period.

Adjusted profit before tax was $5.3 million (HY2025: $12.3 million), consistent with the reduction in operating profit.

Adjusting items before tax of $1.6 million (HY2025: $4.3 million) are comprised primarily of costs relating to the relocation of DG Australia's warehouse operations with transition-related expenses and temporary dual-site running costs.

Adjusted profit after tax was $5.2 million (HY2025: $10.1 million), with the tax credit in HY2026 primarily reflecting the release of a tax provision. Reported profit after tax for the period was $4.0 million (HY2025: $5.8 million).

Taxation

The taxation credit for the half year on profit before tax is $0.3 million (HY2025: $2.2 million charge) with the effective tax rate at (8.0)% (HY2025: 27.0%). The tax charge on adjusted profit before tax is $0.1 million (HY2025: $2.2 million) with the effective tax rate at 2.4% (HY2025: 17.6%). The effective tax rate in the UK is currently 0% as deferred tax is not recognised; the closure of Huizhou during the year resulted in a release of previously held tax provisions and is the largest contributor to the low adjusted effective rate in the period. The key driver behind the difference between adjusted and reported tax rates is the tax relief received on adjusting items.

EPS

Diluted adjusted earnings per share for continuing operations at 4.9 cents (HY2025: 10.2 cents) is reduced year-on-year driven by the decline in profit after tax for the period. Diluted reported earnings per share at 4.1 cents (HY2025: 5.7 cents) is lower than adjusted diluted earnings per share reflecting the adjusting items charge in the period. Further details are set out in note 9.

Cash flow and net cash

The Group ended the period with a net cash balance of $1.9 million (HY2025: $7.4 million), representing a year-on-year decrease of $5.5 million, due to a lower cash position at the beginning of the year. Total cash outflow in the period for the continuing Group improved by 16% year-on-year to $47.9 million (HY2025: $57.0 million), despite the revenue shift into the second half, which reflects progress and discipline in cash and working capital management.

A summary of the Group cash flow is shown below.

	HY2026 $m	HY2025 $m
Adjusted EBITDA	10.3	17.9
Add back share-based payment charge	0.7	0.6
Movements in working capital	(51.2)	(65.1)
Adjusted cash used by operations	**(40.2)**	**(46.6)**
Adjusting items	(1.5)	(3.3)
Cash used by operations	**(41.7)**	**(49.9)**
Capital expenditure (net of disposals of property, plant and equipment)	(2.4)	(1.8)
Tax paid	(2.4)	(3.1)
Interest received/(paid)	0.4	(0.8)
Lease liabilities principal repayments	(2.7)	(2.0)
Dividends paid (including those paid to non-controlling interests)	-	(0.7)
FX and other	0.9	1.3
Movement in net cash from continuing operations	**(47.9)**	**(57.0)**
DG Americas cash outflow	(33.3)	(30.8)
DG Americas disposal costs	(1.7)	-
Movement in net cash	**(82.9)**	**(87.8)**
Opening net cash	84.8	95.2
Closing net cash	**1.9**	**7.4**

Working capital

It is usual for working capital levels of the Group to increase steadily in the first half of the year as the manufacturing of seasonal product builds ahead of distribution. The second half of the year sees the inflow of cash following the shipment and collection of Christmas-related receivables. In the period there was a working capital absorption of $51.2 million (HY2025: $65.1 million). This improvement was primarily in Europe, despite the delay in shipments, due to a normalised outflow versus prior year and focus on working capital management.

Capital expenditure

Capital expenditure of $2.4 million (HY2025: $1.8 million) increased in the period mainly due to investment in the new warehouse facility for the DG Australia operations.

DG Americas cash outflow

Total cash outflow for the period relating to DG Americas includes $22.7 million of DG Americas cash outflow in the period to 30 May 2025, $10.6 million of cash balance on disposal, and $1.7 million of disposal costs. See note 5 for further details.

Banking facilities

On 11 July 2025, the Group entered into a new Receivables Finance Facility with HSBC and NatWest. The facility has an initial minimum period of 36 months and provides maximum £40 million funding based on a borrowing base linked to eligible receivables across a participating Group companies. Availability under the facility is determined by reference to the value of receivables, subject to eligibility criteria and concentration limits. The facility does not include financial ratio covenants but is subject to certain operational covenants. Further details are set out in note 8.

Foreign exchange exposure management

The Group's foreign exchange (FX) exposure is split into two areas:

Translational FX exposure – The Group's reporting currency is US dollars and the translation exposure is the result of the requirement for the Group to report its results in one currency. This necessitates the translation of our regional business units' local currency financial results into the Group's adopted reported currency. To aid comparability between periods, constant currency figures are provided by retranslating the prior year's results using current year exchange rates. In HY2026, currency movements had a favourable impact. On a constant currency basis, the revenue decline would have been $5.8 million higher, and the decline in adjusted profit before tax would have been $0.5 million greater, had HY2025 results been translated at HY2026 rates.

Transactional FX exposure – The FX exposure is managed carefully by the Group by adopting an active hedging policy to ensure that the foreign exchange movements remain mitigated as far as possible. In addition, a reasonable proportion of hedging is achieved through natural hedges whereby our purchases and sales in US dollars are offset within the Group. The balance of our hedging is achieved through the forward exchange contracts and similar derivatives.

The Group intends to adopt GBP as its presentation currency for consolidated financial statements, replacing USD, effective from the FY2026 full-year results. This follows a strategic review of the Group's reporting approach in light of its evolving structure and the disposal of DG Americas, which has materially reduced USD-denominated revenues and profits.

Financial position and going concern basis

The Group's net assets decreased by $131.2 million since the end of the financial year to $138.9 million at 30 September 2025, driven by the sale of DG Americas. The Directors have continued to pay close attention to their assessment of going concern in preparation of these financial statements. The Group is appropriately capitalised at the year end with a net cash position of $1.9 million and availability of committed borrowing facility.

The Directors of the Group have performed an assessment of the overall position and future forecasts for the purposes of going concern. The going concern assessment has been performed using the Group's FY2026 and FY2027 forecasts. A reduction in cash flow volatility following the disposal of the DG Americas business is expected, with the remaining Group forecasted to deliver more stable profitability and cash generation, reflecting continued progress towards a more consistent and resilient financial performance. The forecasts, reviewed by the Board, also incorporate the inherent seasonality of the Group's operations. The forecasts were sensitised to reflect severe but plausible adverse downturns in the current assumptions including the potential impact of the loss of a significant portion of the business with one of our major customers, a recurrence of previous freight rate inflation and a cyber-attack, beyond those risks already factored into the budgets and plans.

The base forecasts and additional sensitivity analysis have been tested against the availability of the borrowing facility. The analysis demonstrated that the Group has sufficient headroom to meet its obligations as they fall due for the forecast period of more than twelve months beyond the date of signing these accounts. As such, the Directors do not see any practical regulatory or legal restrictions which would limit their ability to fund the different regions of the business as required as the Group has sufficient resources.

Accordingly, the Directors have continued to adopt the going concern basis of accounting in preparing the interim financial statements.

Risk

The Group operates a decentralised model where risk management is embedded within strategic and operational decision making. The principal risks and uncertainties remain consistent with those disclosed on pages 52 to 57 of our annual report and financial statements 2025. The key risks continue to be macroeconomic uncertainty and strategy. The broader macroeconomic environment is a key risk which impacts the entire business spanning suppliers, customers, consumers and the workforce. Following the sale of DG Americas the Group strategy remains vital to forge the Group's pathway to growth. The Board continues to monitor these factors closely and remains confident that the Group's risk management and control framework remains appropriate and effective, and that the business is well placed to manage the external challenges facing its markets. No new material risks have been identified since the year-end.

Statement of Directors' responsibilities

The Directors confirm to the best of their knowledge that these condensed interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and that the interim management report includes a fair review of the information, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

By order of the Board

Rohan Cummings

Director

2 December 2025

CONDENSED CONSOLIDATED INCOME STATEMENT

Continuing Operations	Note	**Unaudited six months ended 30 Sep 2025 $000**	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Revenue	2	**131,397**	151,303	289,721
Cost of sales		**(106,154)**	(115,881)	(227,316)
Gross profit		**25,243**	35,422	62,405
Selling expenses		**(8,017)**	(7,112)	(14,566)
Administration expenses – costs		**(13,407)**	(19,807)	(34,588)
Other operating income		**477**	106	468
Operating profit	3	**4,296**	8,609	13,719
Finance income		**515**	605	1,519
Finance cost		**(1,157)**	(1,182)	(3,173)
Profit before tax		**3,654**	8,032	12,065
Income tax credit/(charge)	6	**292**	(2,166)	(5,904)
Profit after taxation from continuing operations		**3,946**	5,866	6,161
Discontinued operations				
Loss from discontinued operations	5	**(150,352)**	(1,498)	(105,436)
(Loss)/profit for the period		**(146,406)**	4,368	(99,275)
Attributable to:				
Owners of the Parent Company		**(146,422)**	3,974	(99,685)
Non-controlling interests		**16**	394	410

Earnings per ordinary share

	Note	**Unaudited six months ended 30 Sep 2025 Cents**	Unaudited six months ended 30 Sep 2024 Cents	Twelve months ended 31 Mar 2025 Cents
Basic earnings per share – continuing operations	9	**4.1**	5.7	6.0
Basic loss per share – discontinued operations	5	**(157.7)**	(1.5)	(110.6)
Basic (loss)/earnings per share – Total	9	**(153.6)**	4.2	(104.6)
Diluted earnings per share – continuing operations	9	**4.1**	5.7	6.0
Diluted loss per share – discontinued operations	5	**(157.0)**	(1.6)	(109.4)
Diluted (loss)/earnings per share – Total	9	**(152.9)**	4.1	(103.4)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
(Loss)/profit for the period	**(146,406)**	4,368	(99,275)
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit pension and health benefit schemes	-	-	(40)
Items that may be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign operations	**(2,173)**	(10,174)	(6,357)
Exchange differences on translation of discontinued operations	**6,441**	-	-
Transfer to profit and loss on maturing cash flow hedges	**(360)**	137	(398)
Net unrealised gain/(loss) on cash flow hedges	**542**	(95)	(177)
	4,450	(10,132)	(6,932)
Other comprehensive income/(expense) for the period, net of tax	**4,450**	(10,132)	(6,972)
Total comprehensive expense for the period, net of tax	**(141,956)**	(5,764)	(106,247)
Attributable to:			
Owners of the Parent Company	**(142,369)**	(6,628)	(106,330)
Non-controlling interests	**413**	864	83
	(141,956)	(5,764)	(106,247)
Total comprehensive income/(expense) for the period attributable to owners of the Parent Company arises from:			
Continuing operations	**8,396**	(5,130)	(854)
Discontinued operations	**(150,765)**	(1,498)	(105,476)
	(142,369)	(6,628)	(106,330)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SIX MONTHS ENDED 30 SEPTEMBER 2025

	Attributable to the owners of the Parent Company								
	Share capital $000	Share premium and capital redemption reserve $000	Merger reserve $000	Hedging reserve $000	Translation reserve $000	Retained earnings $000	Shareholders' equity $000	Non-controlling interests $000	Total $000
At 1 April 2025	**6,358**	**224,704**	**41,907**	**(533)**	**(11,770)**	**2,220**	**262,886**	**7,284**	**270,170**
Loss for the period	-	-	-	-	-	(146,422)	(146,422)	16	(146,406)
Recycling of translation reserve on disposal of subsidiary	-	-	-	-	6,441	-	6,441	-	6,441
Other comprehensive income/(expense)	-	-	-	182	(2,570)	-	(2,388)	397	(1,991)
Total comprehensive (expense)/income for the period	**-**	**-**	**-**	**182**	**3,871**	**(146,422)**	**(142,369)**	**413**	**(141,956)**
Transactions with owners in their capacity as owners									
Reclassification on disposal of division	-	-	(23,557)	-	-	23,557	-	-	-
Equity-settled share-based payments	-	-	-	-	-	379	379	-	379
Cash settlement of share-based payments	-	-	-	-	-	(329)	(329)	-	(329)
Options exercised	-	-	-	-	-	-	-	-	-
Exchange differences on opening balances	249	8,794	1,640	-	-	-	10,683	-	10,683
At 30 September 2025	**6,607**	**233,498**	**19,990**	**(351)**	**(7,899)**	**(120,595)**	**131,250**	**7,697**	**138,947**

SIX MONTHS ENDED 30 SEPTEMBER 2024

	Attributable to the owners of the Parent Company								
	Share capital $000	Share premium and capital redemption reserve $000	Merger reserve $000	Hedging reserve $000	Translation reserve $000	Retained earnings $000	Shareholders' equity $000	Non-controlling interests $000	Total $000
At 1 April 2024	6,201	219,210	40,883	42	(5,740)	101,022	361,618	7,869	369,487
Profit for the period	-	-	-	-	-	3,974	3,974	394	4,368
Other comprehensive (expense)/income	-	-	-	42	(10,644)	-	(10,602)	470	(10,132)
Total comprehensive income/(expense) for the period	-	-	-	42	(10,644)	3,974	(6,628)	864	(5,764)
Transactions with owners in their capacity as owners									
Equity-settled share-based payments	-	-	-	-	-	640	640	-	640
Tax on equity-settled share-based payments	-	-	-	-	-	13	13	-	13
Options exercised	2	-	-	-	-	(2)	-	-	-
Equity dividends paid	-	-	-	-	-	-	-	(668)	(668)
Exchange differences on opening balances	377	13,352	2,490	-	-	-	16,219	-	16,219
At 30 September 2024	6,580	232,562	43,373	84	(16,384)	105,647	371,862	8,065	379,927

YEAR ENDED 31 MARCH 2025

	Attributable to the owners of the Parent Company								
	Share capital $000	Share premium and capital redemption reserve $000	Merger reserve $000	Hedging reserve $000	Translation reserve $000	Retained earnings $000	Shareholders' equity $000	Non-controlling interests $000	Total $000
At 1 April 2024	6,201	219,210	40,883	42	(5,740)	101,022	361,618	7,869	369,487
Profit for the year	-	-	-	-	-	(99,685)	(99,685)	410	(99,275)
Other comprehensive expense	-	-	-	(575)	(6,030)	(40)	(6,645)	(327)	(6,972)
Total comprehensive income/(expense) for the year	-	-	-	(575)	(6,030)	(99,725)	(106,330)	83	(106,247)
Transactions with owners in their capacity as owners									
Equity-settled share-based payments	-	-	-	-	-	925	925	-	925
Options exercised	2	-	-	-	-	(2)	-	-	-
Equity dividends paid	-	-	-	-	-	-	-	(668)	(668)
Exchange differences on opening balances	155	5,494	1,024	-	-	-	6,673	-	6,673
At 31 March 2025	6,358	224,704	41,907	(533)	(11,770)	2,220	262,886	7,284	270,170

In line with the Group's accounting policy, share capital, share premium, capital redemption reserve, merger reserve and hedging reserve are translated into US dollars at the rates of exchange at each balance sheet date and the resulting cumulative exchange differences are included in translation reserve.

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2025

	Note	**Unaudited as at 30 Sep 2025 $000**	Unaudited as at 30 Sep 2024 $000	As at 31 Mar 2025 $000
Non-current assets				
Property, plant and equipment		**26,380**	60,855	53,558
Intangible assets		**15,044**	74,134	22,892
Right-of-use assets		**36,697**	54,212	64,969
Long-term assets		**-**	3,906	2,899
Deferred tax assets		**1,273**	39,035	1,306
Total non-current assets		**79,394**	232,142	145,624
Current assets				
Asset held for sale	10	**186**	5,573	1,803
Inventory		**86,292**	217,921	172,651
Trade and other receivables		**76,863**	217,896	84,827
Income tax receivable		**808**	2,491	2,218
Derivative financial assets	10	**332**	403	1
Cash and cash equivalents	7	**5,690**	48,827	136,493
Total current assets		**170,171**	493,111	397,993
Total assets		**249,565**	725,253	543,617
Non-current liabilities				
Loans and borrowings	8	**(459)**	(495)	(120)
Lease liabilities		**37,233**	47,601	59,627
Deferred income		**224**	1,738	2,109
Provisions		**2,124**	2,902	2,540
Other financial liabilities		**274**	10,961	15,353
Deferred tax liabilities		**81**	153	73
Total non-current liabilities		**39,477**	62,860	79,582
Current liabilities				
Bank overdraft	7	**2,688**	40,677	52,539
Loans and borrowings	8	**1,594**	1,257	(718)
Lease liabilities		**3,815**	14,373	13,513
Deferred income		**283**	513	262
Provisions		**295**	6,549	1,741
Income tax payable		**673**	10,464	8,670
Trade and other payables		**47,035**	173,765	84,822
Other financial liabilities		**14,758**	34,868	33,036
Total current liabilities		**71,141**	282,466	193,865
Total liabilities	2	**110,618**	345,326	273,447
Net Assets		**138,947**	379,927	270,170
Equity				
Share capital		**6,607**	6,580	6,358
Share premium		**231,696**	230,767	222,970
Capital redemption reserve		**1,802**	1,795	1,734
Merger reserve		**19,990**	43,373	41,907
Hedging reserve		**(351)**	84	(533)
Translation reserve		**(7,899)**	(16,384)	(11,770)
Retained earnings		**(120,595)**	105,647	2,220
Equity attributable to owners of the Parent Company		**131,250**	371,862	262,886
Non-controlling interests		**7,697**	8,065	7,284
Total equity		**138,947**	379,927	270,170

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
SIX MONTHS ENDED 30 SEPTEMBER 2025

	Note	**Unaudited six months ended 30 Sep 2025 $000**	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Cash flows from operating activities				
Profit/(loss) for the period				
Continuing operations		**3,946**	5,866	6,161
Discontinued operations		**(150,352)**	(1,498)	(105,436)
Loss/(profit) for the period including discontinued operations		**(146,406)**	4,368	(99,275)
Adjustments for:				
Loss on disposal of subsidiary's net assets including reclassification of translation reserve		**138,158**	-	-
Depreciation of property, plant and equipment		**3,074**	6,473	10,679
Depreciation of right-of-use assets		**4,181**	7,689	15,505
Amortisation of intangible assets		**288**	1,231	2,430
Impairment of property, plant and equipment, right-of-use assets and intangible assets		-	-	7,069
Goodwill impairment		-	-	48,679
Net finance cost		**1,308**	1,353	1,944
Income tax (credit)/charge	6	**(266)**	1,328	43,744
(Profit)/loss on disposal of property, plant and equipment		**(763)**	246	(4,542)
Loss/(profit) on disposal of leases		**3**	(70)	(70)
Equity-settled share-based payments		**96**	725	877
Operating (loss)/profit after adjustments for non-cash items		**(327)**	23,343	27,040
Change in trade and other receivables		**(31,483)**	(125,359)	3,365
Change in inventory		**(26,855)**	(48,337)	(6,338)
Change in trade and other payables, provisions and deferred income		**(8,392)**	78,512	(7,864)
Cash (used in)/generated from operations		**(67,057)**	(71,841)	16,203
Tax paid		**(2,439)**	(3,167)	(9,565)
Interest and similar charges received/(paid)		**950**	(979)	(2,813)
Net cash (outflow)/inflow from operating activities		**(68,546)**	(75,987)	3,825
Cash flow from investing activities				
Proceeds from sale of property, plant and equipment		**2,414**	81	8,837
Proceeds from sale of division net of cash	5	**(10,624)**	-	-
Acquisition of intangible assets		**(476)**	(6)	(627)
Acquisition of property, plant and equipment		**(1,975)**	(3,209)	(6,121)
Net cash (outflow)/inflow from investing activities		**(10,661)**	(3,134)	2,089
Cash flows from financing activities				
Net movement in credit facilities		**1,856**	2,000	-
Lease liabilities principal repayments		**(4,602)**	(8,376)	(16,504)
Loan arrangement fees		**(824)**	-	-
Dividends paid to non-controlling interest		**-**	(668)	(668)
Net cash outflow from financing activities		**(3,570)**	(7,044)	(17,172)
Net decrease in cash and cash equivalents		**(82,777)**	(86,165)	(11,258)
Cash and cash equivalents and bank overdrafts at beginning of the period		**83,954**	93,710	93,710
Effect of exchange rate fluctuations on cash held		**1,825**	605	1,502
Cash and cash equivalents and bank overdrafts at end of the period	7	**3,002**	8,150	83,954

NOTES TO THE INTERIM FINANCIAL STATEMENTS
SIX MONTHS ENDED 30 SEPTEMBER 2025

1. Accounting policies

Basis of preparation

The results for the six months ended 30 September 2024 and the twelve months ended 31 March 2025 have been represented to reflect that the results of DG Americas are now reported as discontinued operations and are therefore reported separately or excluded where required. See note 5 ‘Discontinued operations’ for more information.

The condensed financial information contained in this interim report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006 and is unaudited. Statutory accounts for the year ended 31 March 2025 were approved by the Board of Directors on 28 July 2025 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006. These interim financial statements are unaudited.

This condensed consolidated interim financial report for the half-year reporting period ended 30 September 2025 has been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority. The interim report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 March 2025, which has been prepared in accordance with UK-adopted International Accounting Standards and the requirements of the Companies Act 2006, and any public announcements made by IG Design Group plc during the interim reporting period.

The preparation of financial statements that conform with adopted UK IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if relevant.

The Group has applied the temporary exception under the Amendments to IAS 12 ‘International Tax Reform – Pillar Two Model Rules’ and has not recognised or disclosed deferred tax assets and liabilities related to Pillar Two income taxes. Pillar Two legislation has been enacted in the UK and became effective on 1 January 2024. The Group continues to assess the impact of these rules, but they are not expected to have a material effect on the Group’s financial position or results.

For the purposes of these financial statements, ‘Design Group’ or ‘the Group’ means IG Design Group plc (‘the Company’) and its subsidiaries. IG Design plc is a company limited by shares, incorporated and domiciled in the UK. Its registered office is Howard House, Howard Way, Interchange Park, Newport Pagnell, MK16 9PX. Its shares are listed on the Alternative Investment Market (AIM).

Seasonality of the business

The business of the Group is seasonal and although revenues generally accrue relatively evenly in both halves of the year, working capital requirements, including inventory levels, increase steadily in the first half from July and peak in October as manufacturing of Christmas products builds ahead of distribution. The second half of the year sees the borrowing of the Group decline and move to typically a cash positive position as the Group collects the majority of its receivables through January to March.

Presentation currency

The presentation and functional currency of the Group is US dollars. The functional currency of the Parent Company remains as pound sterling as it is located in the United Kingdom and substantially all of its cash flows, assets and liabilities are denominated in pound sterling, as well as its share capital.

Going concern

Information regarding the financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the detailed financial review above. Cash balances and borrowings and detailed information about the borrowing facilities are detailed in notes 7 and 8.

The Group financial statements have been prepared on a going concern basis as the Directors have a reasonable expectation that the Group has adequate resources to continue trading for a period of at least twelve months from the date of this report. This expectation is based on the Directors’ assessment of the Group’s current financial position and future cash flow forecasts over the going concern period. The assessment also considers the structure of the Group’s current borrowing facilities. In forming this view, the Directors have also considered the Group’s liquidity headroom, its ability to adapt to changes in market conditions, and its capacity to manage principal business risks over the forecast period.

On 11 July 2025, the Group entered into a new Receivables Finance facility with HSBC and NatWest, replacing its previous Asset Backed Lending (ABL) arrangement. The new facility is a minimum three-year agreement and provides funding capacity based on the level of eligible receivables across participating Group companies. The facility is subject to certain operational covenants but not financial covenants.

In connection with the implementation of this new facility, the Group's £15.0 million overdraft facility was cancelled.

The Directors have reviewed detailed forecasts through to 31 March 2027. These indicate a reduction in cash flow volatility following the disposal of the DG Americas division, with the remaining Group expected to deliver more stable profitability and cash generation, reflecting continued progress towards more consistent and resilient financial performance. The forecasts also incorporate the inherent seasonality of the Group's operations.

These forecasts have been sensitised to reflect severe but plausible adverse scenarios. Specifically, the scenarios considered the following risks:

- a potential loss of significant trading with a major customer, modelled as a reduction in sales, with associated impacts on cash flow, facility availability, and working capital;
- a sustained period of inflation in freight rates, resulting in additional costs and related cash outflows;
- the occurrence of a cyber security incident during peak trading periods, modelled as a temporary reduction in receivables, affecting both liquidity and availability under the Group's receivables-based facility; and

Please refer to 2025 Annual Report for further details.

Individually and in aggregate, these severe but plausible scenarios do not change the conclusion that the Group has sufficient liquidity and resources to continue as a going concern. Based on this assessment, the Directors have formed a judgement that there is a reasonable expectation the Group will have adequate resources to continue in operational existence for the foreseeable future.

Discontinued operations
A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Discontinued operations are presented separately from continuing operations in the consolidated income statement as a single amount comprising the post-tax results of the discontinued operation and the post-tax gain or loss recognised on its disposal.
The assets and liabilities of a disposal group when classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are presented separately in the consolidated balance sheet.
Comparative information for the prior period has been represented, where relevant, to reflect the classification of the disposed business as a discontinued operation, consistent with the current period presentation.

Significant accounting policies
The accounting policies adopted in the preparation of the interim report are consistent with those of the previous financial year and corresponding interim reporting period and the adoption of new and amended standards. A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

2. Segmental information

The Group has one material business activity, being the design, manufacture and distribution of various celebration and creative products. Following the disposal of DG Americas, the Group has introduced new reporting segments, and previously disclosed segments have been re-presented to reflect the current structure.

The Group operates under three reporting segments, which are reviewed and evaluated by the Chief Operating Decision Makers. These segments are:

- **DG UK:** Includes operations in Wales, Newport Pagnell, and the Group's sourcing offices in Asia.
- **DG Europe**: Comprises operations in the Netherlands and Poland.
- **DG Australia**: Represents the Group's joint venture in Australia.

In addition, **Central and Eliminations** cover Group head office activities and consolidation adjustments.

Inter-segment pricing is determined on an arm's length basis. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Financial performance of each segment is measured on adjusted operating profit before management recharges. Interest and tax are managed on a Group basis and not split between reportable segments. However, the related financial liabilities and cash have been allocated out into the reportable segments as this is how they are managed by the Group.

Segment assets are all non-current and current assets. Inter-segment receivables and payables are not included within segmental assets and liabilities as they eliminate on consolidation.

Six months ended 30 September 2025	DG Europe $000	DG UK $000	DG Australia $000	Central & eliminations $000	Group $000
Revenue – external	58,839	49,802	22,756	-	131,397
– inter-segment	-	511	-	(511)	-
Total segment revenue	**58,839**	**50,313**	**22,756**	**(511)**	**131,397**
Segment profit/(loss) before adjusting items	**7,446**	**736**	**1,739**	**(4,253)**	**5,668**
Adjusting items (note 3)	-	(247)	(1,125)	-	(1,372)
Operating profit/(loss)	**7,446**	**489**	**614**	**(4,253)**	**4,296**
Finance income					515
Finance costs					(1,157)
Income tax					292
Loss from discontinued operations					(150,352)
Loss for the six months ended 30 September 2025					**(146,406)**
Balances at 30 September 2025					
Segment assets	**104,689**	**97,098**	**45,592**	**2,186**	**249,565**
Segment liabilities	**(28,093)**	**(52,958)**	**(28,446)**	**(1,121)**	**(110,618)**
Capital expenditure additions					
– property, plant and equipment	534	614	619	1	1,768
– intangible assets	-	476	-	-	476
– right-of-use assets	731	162	94	-	987
Depreciation – property, plant and equipment	953	1,318	194	6	2,471
Amortisation – intangible assets	8	4	16	-	28
Depreciation – right-of-use assets	638	759	1,213	-	2,610
Loss on disposal of property, plant and equipment	-	(1)	(54)	-	(55)

Six months ended 30 September 2024	DG Europe $000	DG UK $000	DG Australia $000	Central & eliminations $000	Group $000
Revenue – external	59,011	71,199	21,093	-	151,303
– inter-segment	-	749	-	(749)	-
Total segment revenue	59,011	71,948	21,093	(749)	151,303
Segment profit/(loss) before adjusting items	8,664	7,167	1,129	(4,010)	12,950
Adjusting items (note 3)	-	(4,341)	-	-	(4,341)
Operating profit/(loss)	8,664	2,826	1,129	(4,010)	8,609
Finance income					605
Finance costs					(1,182)
Income tax					(2,166)
Loss from discontinued operations					(1,498)
Profit for the six months ended 30 September 2024					4,368
Balances at 30 September 2024					
Segment assets	106,263	112,542	28,617	27,655	275,077
Segment liabilities	(60,068)	(68,118)	(10,609)	(2,687)	(141,482)
Capital expenditure additions					
– property, plant and equipment	229	1,604	21	5	1,859
– intangible assets	-	6	-	-	6
– right-of-use assets	34	165	92	-	291
Depreciation – property, plant and equipment	863	1,474	133	13	2,483
Impairment – property, plant and equipment	-	784	-	-	784
Amortisation – intangible assets	7	16	17	-	40
Depreciation – right-of-use assets	598	1,221	593	4	2,416
Profit/(loss) on disposal of property, plant and equipment	11	(6)	7	-	12

Year ended 31 March 2025	DG Europe $000	DG UK $000	DG Australia $000	Central & eliminations $000	Group $000
Revenue – external	129,683	119,435	40,603	-	289,721
– inter-segment	75	824	-	(899)	-
Total segment revenue	129,758	120,259	40,603	(899)	289,721
Segment profit/(loss) before adjusting items	18,583	7,439	2,158	(7,153)	21,027
Adjusting items (note 3)	-	(6,621)	(687)	-	(7,308)
Operating profit/(loss)	18,583	818	1,471	(7,153)	13,719
Finance income					1,519
Finance costs					(3,173)
Income tax					(5,904)
Loss from discontinued operations					(105,436)
Loss for the year ended 31 March 2025					(99,275)
Balances at 31 March 2025					
Segment assets	79,902	87,071	38,430	70,121	275,524
Segment liabilities	(27,705)	(51,594)	(22,579)	(45,006)	(146,884)
Capital expenditure additions					
– property, plant and equipment	721	2,296	812	15	3,844
– intangible assets	46	581	-	-	627
– right-of-use assets	220	749	16,687	-	17,656
Depreciation – property, plant and equipment	1,726	2,770	273	26	4,795
Impairment – property, plant and equipment	-	765	-	-	765
Amortisation – intangible assets	21	25	34	-	80
Depreciation – right-of-use assets	1,197	2,222	1,561	8	4,988
Profit/(loss) on disposal of property, plant and equipment	11	(66)	23	-	(32)

3. Operating profit and adjusting items

This analysis of operating profit and adjusting items relates to continuing operations:

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Operating profit is analysed as:			
Adjusted operating profit	**5,668**	12,950	21,027
Adjusting items	**(1,372)**	(4,341)	(7,308)
Operating profit	**4,296**	8,609	13,719

Adjusting items for continuing operations relate to business restructuring costs:

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Cost of sales	**1,031**	768	1,416
Administration expenses	**341**	3,541	5,756
Profit and loss on disposal	**-**	32	136
Adjustments to operating profit	**1,372**	4,341	7,308
Other finance expenses	**263**	-	240
Adjustments to profit before tax	**1,635**	4,341	7,548
Adjusting tax credit	**(419)**	(16)	(217)
	1,216	4,325	7,331

Adjusting items are separately presented by virtue of their nature, size and/or incidence (per each operating segment). These items are material items of an unusual or non-recurring nature which represent gains or losses and are presented to allow for the review of the performance of the business in a consistent manner and in line with how the business is managed and measured on a day-to-day basis and allow the reader to obtain a clearer understanding of the underlying results of the ongoing Group's operations. They are typically gains or costs associated with events that are not considered to form part of the core operations or are considered to be a 'non-recurring' event (although they may span several accounting periods).

DG Australia finalised the relocation of its warehousing operations from a long-standing leased facility to a newly secured site. Relocation costs in the reporting period totalled $1.3 million (FY2025: $0.9 million) and included $1.0 million of lease-related and other expenses for the new warehouse, $0.3 million of which were classified as other finance expenses (FY2025: $0.2 million). During the transition, the business incurred double-running costs, as it remained contractually committed to the previous site while establishing full operational capability at the new location. These costs have been treated as adjusting items due to their non-recurring nature and direct link to the relocation.

Administrative expenses of $0.3 million relate to the final costs associated with the closure of the China site and the reorganisation of the UK business' sourcing office in the Far East (HY2025: $4.3 million, FY2025: $6.6 million).

The cash flow effect of adjusting items from continuing operations

There was a $1.5 million net outflow in the current period's cash flow (HY2025: $3.3 million, FY2025: $4.8 million) relating to adjusting items from continuing operations.

4. Share-based payments charges

The total expense recognised for the period arising from equity-settled share-based payments is as follows:

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Charge in relation to the 2022-2025 LTIP scheme	**10**	249	207
Charge in relation to the 2023-2026 LTIP scheme	**146**	287	315
Charge in relation to the 2024-2027 LTIP scheme	**223**	104	403
Equity-settled share-based payments charge	**379**	640	925
Social security charge	**40**	85	(48)
Total equity-settled share-based payments charge	**419**	725	877
Continuing operations	**653**	586	662
Discontinued operations	**(234)**	139	215

In September 2025, the 2025-2028 LTIP scheme was granted. The 2025-2028 LTIP scheme is subject to certain performance criteria being achieved during a three-year period: relative Total Shareholder Return versus FTSE SmallCap (excluding Investment Trusts) constituents; and EPS growth, with an 'underpin' condition to reduce vesting levels if unwarranted 'windfall gains' from share price movements arise. There is a two-year holding period for one individual.

5. Discontinued operations

On 30 May 2025, the Group completed the sale of its wholly owned subsidiary, Design Group Americas, Inc., the holding company of the Group's US division (DG Americas), to HUK 168 Limited, a special purpose vehicle owned by the Hilco Capital group (the 'buyer').

Under the terms of the share purchase agreement, the Company received a nominal upfront payment of $1 and may be entitled to 75% of any future net proceeds realised by the buyer from a sale or realisation of DG Americas or its assets, after agreed deductions and to the extent such proceeds are not retained for DG Americas working capital purposes. As at 30 September 2025, and as the buyer progresses with the sale and realisation of the DG Americas assets, the fair value measured as the expected cash flows from the future proceeds was estimated at $nil.

A loss on sale of DG Americas of $140.3 million was recognised in the consolidated income statement in the current year.

	Unaudited six months ended 30 Sep 2025 $000
Consideration received	-
Fair value of contingent consideration	-
Total consideration	**-**

Carrying amount of net assets sold	(131,210)
Cost to sell	(2,092)
Loss on sale before tax and reclassification of translation reserve	**(133,302)**
Reclassification of translation reserve	(6,948)
Income tax on sale	-
Loss on sale after income tax	**(140,250)**

The carrying amounts of assets and liabilities at the date of disposal on 30 May 2025 were as follows:

	Unaudited six months ended 30 Sep 2025 $000
Non-current assets	63,719
Inventory	116,900
Trade and other receivables	42,634
Cash and cash equivalents	10,624
Income tax receivable	1,868
Total assets	**235,745**
Trade and other payables	(67,688)
Lease liabilities	(31,211)
Income tax payable	(5,636)
Total liabilities	**(104,535)**
Net assets of the disposal group	**131,210**

In accordance with IFRS 5.32, management has determined that the disposal of DG Americas represents the disposal of a separate major geographical area. As such, the results of DG Americas have been classified as a discontinued operation. The financial performance and cash flow information for the current reporting period includes the results of DG Americas for the two-month period ended 30 May 2025. Comparative reporting periods present the full results for those respective periods.

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Revenue	**28,845**	241,765	439,543
Expenses	**(38,921)**	(244,101)	(507,139)
Loss before income tax	**(10,076)**	(2,336)	(67,596)
Income tax (charge)/credit	**(26)**	838	(37,840)
Loss after tax	**(10,102)**	(1,498)	(105,436)
Loss on disposal	**(140,250)**	-	-
Loss from discontinued operations	**(150,352)**	(1,498)	(105,436)
Net cash (outflow)/inflow from operating activities	**(22,927)**	(23,740)	1,036
Net cash inflow/(outflow) from investing activities	**2,274**	(1,349)	5,480
Net cash outflow from financing activities	**(2,036)**	(5,736)	(12,421)
Net increase in cash and cash equivalents generated by discontinued operations	**(22,689)**	(30,825)	(5,905)
	Cents	Cents	Cents
Basic loss per share from discontinued operations	**(157.7)**	(1.5)	(110.6)
Diluted loss per share from discontinued operations	**(157.0)**	(1.6)	(109.4)

Refer to note 9. (Loss)/earnings per share for the weighted average number of shares used in calculation of losses per share from discontinued operations.

During the period, DG Americas sold a property in Berwick, Pennsylvania that was previously classified as held for sale. The net proceeds were $2.4 million.

6. Taxation

Recognised in the income statement

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Current tax charge (credit)/charge			
Current income tax	**(378)**	1,185	5,754
Adjustments in respect of previous years	**-**	-	319
Deferred tax charge/(credit)			
Origination and reversal of temporary differences	**112**	143	(81)
Derecognition/(recognition) of deferred tax assets	**-**	-	37,761
Adjustments in respect of previous periods	**-**	-	(9)
Total tax	**(266)**	1,328	43,744
Tax (credit)/charge attributable to:			
Continuing operations	**(292)**	2,166	5,904
Discontinued operations	**26**	(838)	37,840
Tax charge/(credit) on adjusting items in continuing operations			
Total tax on profit before adjusting items	**127**	2,182	6,121
Total tax on adjusting items	**(419)**	(16)	(217)
Total tax (charge)/credit in the income statement	**(292)**	2,166	5,904

The tax expense has been calculated by applying the effective rate of tax which is expected to apply for the year ended 31 March 2026 by jurisdiction, using rates substantively enacted by 30 September 2025. The income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated adjusted average annual tax rate used for the period to 30 September 2025 on continuing operations was 2.4% (HY2025: 17.6%). The changes in profit mix across the various territories between H1/H2 as well as non-recognition of taxes in the UK and US are the main drivers that impact the effective tax rate. The tax effect of adjusting items are recognised in the same period as the relevant adjusting item. The deferred tax assets in the UK continue not to be recognised based on the assessment of future taxable profits against which the asset could unwind.

7. Cash and cash equivalents/bank overdrafts

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Cash and cash equivalents	**5,690**	48,827	136,493
Bank overdrafts	**(2,688)**	(40,677)	(52,539)
Cash and cash equivalents and bank overdrafts per cash flow statement	**3,002**	8,150	83,954

Net cash

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Cash and cash equivalents	**3,002**	8,150	83,954
Bank loans	**(1,856)**	(2,000)	-
Loan arrangement fees	**721**	1,238	838
Net cash as presented in the financial review cash flow statement	**1,867**	7,388	84,792

8. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings.

	Unaudited six months ended 30 Sep 2025 $000	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Non-current liabilities			
Loan arrangement fees	**459**	495	120
	459	495	120
Current liabilities			
Bank loans and borrowings	**(1,856)**	(2,000)	-
Loan arrangement fees	**262**	743	718
	(1,594)	(1,257)	718

At 30 September 2025, $1.9 million was drawn down under the Receivables Finance facility. At 30 September 2024, $2.0 million was drawn down under the Asset Backed Lending (ABL) facility.

On 11 July 2025, the Group entered into a new Receivables Finance Facility with HSBC and NatWest. The facility has an initial minimum period of 36 months and provides maximum £40 million funding based on a borrowing base linked to eligible receivables across participating Group companies. Availability under the facility is determined by reference to the value of receivables, subject to eligibility criteria and concentration limits. The facility does not include financial ratio covenants but is subject to certain operational covenants.

The Receivables Finance Facility is secured over eligible receivables assigned by participating Group companies. The facility is supported by specific security arrangements, including debentures or equivalent local law security documents, held by a security agent on behalf of the lenders.

During FY2025 the Group had an unsecured overdraft facility provided by HSBC of £8.5 million. This facility was replaced with £15.0 million overdraft facility on 30 May 2025 and was subsequently cancelled on introduction of the Receivables Finance Facility.

During the period, the Group cancelled its Asset Backed Lending facility on 30 May 2025 following the disposal of DG Americas. This facility had previously been amended in April 2025 to extend its maturity to June 2027 and reduce the maximum facility amount to $100.0 million. Refer to note 15 of the FY2025 Annual Report for details.

Loan arrangement fees represent the unamortised costs in arranging the Group facilities. These fees are being amortised on a straight-line basis over the terms of the facilities.

The Group is party to supplier financing arrangements with a number of its key customers and the associated balances are recognised as trade receivables until receipt of the payment from the bank, at which point the receivable is derecognised. At 30 September 2025 nothing had been drawn down under this arrangement.

9. (Loss)/earnings per share

Total (loss)/earnings	**Unaudited six months ended 30 Sep 2025 $000**	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
(Loss)/earnings			
(Loss)/earnings attributable to equity holders of the Company	**(146,422)**	3,974	(99,685)
Adjustments			
Adjusting items (net of non-controlling interest effect)	**142,053**	7,611	57,004
Tax relief on adjustments (net of non-controlling interest effect)	**(209)**	(833)	37,331
Adjusted (loss)/earnings attributable to equity holders of the Company	**(4,578)**	10,752	(5,350)

Earnings attributable to Continuing Operations	**Unaudited six months ended 30 Sep 2025 $000**	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Earnings			
Earnings attributable to equity holders of the Company	**3,930**	5,472	5,751
Adjustments			
Adjusting items (net of non-controlling interest effect)	**941**	4,341	7,084
Tax relief on adjustments (net of non-controlling interest effect)	**(209)**	(16)	(78)
Adjusted earnings attributable to equity holders of the Company	**4,662**	9,797	12,757

Number of shares **In thousands of shares**	**Unaudited six months ended 30 Sep 2025**	Unaudited six months ended 30 Sep 2024	Twelve months ended 31 Mar 2025
Issued ordinary shares at 1 April	**98,308**	98,279	98,279
Shares relating to share options	**42**	28	28
Less: shares held by Employee Benefit Trust	**(3,011)**	(3,028)	(3,026)
Weighted average number of shares for calculation of basic EPS	**95,339**	95,279	95,281
Effect of dilutive potential shares – share awards	**453**	1,049	1,083
Weighted average number of shares for calculation of diluted EPS	**95,792**	96,328	96,364

Earnings per share are calculated as follows:

Total (loss)/earnings	**Unaudited six months ended 30 Sep 2025 Cents**	Unaudited six months ended 30 Sep 2024 Cents	Twelve months ended 31 Mar 2025 Cents
(Loss)/earnings per share			
Basic (loss)/earnings per share	**(153.6)**	4.1	(104.7)
Impact of adjusting items (net of tax)	**148.8**	7.2	99.1
Basic adjusted (loss)/earnings per share	**(4.8)**	11.3	(5.6)
Diluted (loss)/earnings per share	**(152.9)**	4.1	(103.4)
Diluted adjusted (loss)/earnings per share	**(4.8)**	11.2	(5.6)

Earnings attributable to Continuing Operations	**Unaudited six months ended 30 Sep 2025 Cents**	Unaudited six months ended 30 Sep 2024 Cents	Twelve months ended 31 Mar 2025 Cents
Earnings per share			
Basic earnings per share	**4.1**	5.7	6.0
Impact of adjusting items (net of tax)	**0.8**	4.6	7.4
Basic adjusted earnings per share	**4.9**	10.3	13.4
Diluted earnings per share	**4.1**	5.7	6.0
Diluted adjusted earnings per share	**4.9**	10.2	13.2

Adjusted earnings per share is provided to reflect the underlying earnings performance of the Group.

Basic earnings per share

Basic EPS is calculated by dividing the profit for the period attributable to ordinary shareholders by the weighted average number of shares outstanding during the period, excluding own shares held by the Employee Benefit Trust.

Diluted earnings per share

Diluted EPS is calculated by dividing the profits for the period attributable to ordinary shareholdings by the weighted average number of shares outstanding during the period, excluding own shares held by the Employee Benefit Trust, plus the weighted average number of ordinary shares that would be issued on the conversion of the potentially dilutive shares.

10. Financial instruments

Derivative financial instruments

The fair value of forward exchange contracts is assessed using valuation models taking into account market inputs such as foreign exchange spot and forward rates, yield curves and forward interest rates.

There have been no material changes in the fair value measurements of financial instruments or in the valuation techniques and inputs used since the last annual reporting date. For detailed information on the fair value hierarchy (Levels 1–3), valuation techniques, and inputs used, please refer to note 24 of the audited consolidated financial statements for the year ended 31 March 2025.

All other financial assets and liabilities are measured at amortised cost.

The Group held the following financial instruments at 30 September 2025, which were measured at Level 2 fair value subsequent to initial recognition:

Forward exchange contracts carrying amount	**Unaudited six months ended 30 Sep 2025 $000**	Unaudited six months ended 30 Sep 2024 $000	Twelve months ended 31 Mar 2025 $000
Derivative financial assets	**332**	403	1
Derivative financial liabilities	**(680)**	(319)	(534)

The Group has forward currency hedging contracts outstanding at 30 September 2025 designated as hedges of expected future purchases in US dollars for which the Group has firm commitments, as the derivatives are based on forecasts and an economic relationship exists at the time the derivative contracts are taken out. The terms of the forward currency hedging contracts have been negotiated to match the terms of the commitments.

Assets held for sale

The Group had assets held for sale at 30 September 2025 of $0.2 million (HY2025: $5.6 million), which were measured at Level 2 fair value.

11. Commitments and contingencies

At 30 September 2025, the Group had outstanding authorised capital commitments to purchase plant and equipment for $nil (HY2025: $4.9 million). At 30 September 2025, the Group has estimated lease commitments for leases not yet commenced of $nil (HY2025: $18.6 million).

The Group has identified a parent company guarantee relating to a lease for an industrial property held by DG Americas. DG Americas was sold in May 2025 and subsequently filed for Chapter 11 in July 2025. At this stage, due to the early stage of bankruptcy proceedings, it is not practicable to estimate the potential financial effect of this guarantee. The obligation is disclosed as a contingent liability under IAS 37 and will be reassessed as further information becomes available.

12. Related parties

As at 30 September 2025, there are no changes to the related parties or types of transactions as disclosed at 31 March 2025.

13. Non-adjusting post balance sheet events

There were no known material non-adjusting events which occurred between the end of the reporting period and prior to the authorisation of this interim report.

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