

cardfactory

Creating celebrations for all life's moments

Card Factory plc
FY26 Preliminary Results

28 April 2026



Section 1

Introduction

Darcy Willson-Rymer, CEO



FY26 overview

Continued strategic progress in a challenging consumer environment

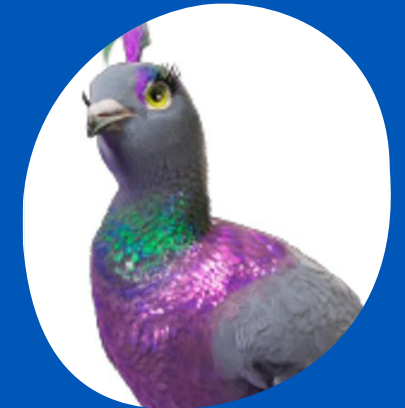
- Total Group revenue growth of +7.4%, supported by new store openings and positive financial contributions from acquired businesses.
- Further progress on evolving the business into a celebration destination including acquisition of Funky Pigeon, completed in August 2025, accelerating digital strategy and capability.

**£582.7m
Revenue**

+7.4%

Weak consumer confidence impacted retail footfall and transactions

- Adjusted PBT of £56.0 million, in line with revised guidance, reflecting softer high street footfall which impacted UK store sales performance, particularly during our peak trading period.
- Robust plans in place for FY27 to continue delivery against our strategic priorities and medium-term ambition.
- While mindful of macroeconomic uncertainty, we expect to deliver FY27 Adjusted PBT in line with current market consensus*.



Commitment to shareholder returns with buyback programme announced

- Continued commitment to shareholder returns with recommended final dividend of 3.7p per share, resulting in total dividend of 5.0p per share for FY26.
- £15 million share buyback programme to commence shortly.

**Full Year
total
dividend
5.0p
per share**

Section 2

FY26 financial performance & FY27 outlook

Matthias Seeger, CFO



FY26 financial summary

+7.4% group revenue growth

**Strong cash generation
and disciplined capital allocation**

**Containing inflation through benefits of
'Simplify & Scale' programme**

**Profitability impacted by UK footfall linked to
challenging consumer environment**

**Maintained progressive dividend to
shareholders + £15 million share buyback**

**Revenue
£582.7m**
(FY25: £542.5m)
+£40.2m

**Adj. PBT
£56.0m**
(FY25: £66.0m)
-£10.0m

**Adj. EPS
11.8 pence**
(FY25: 14.3 pence)
-2.5p

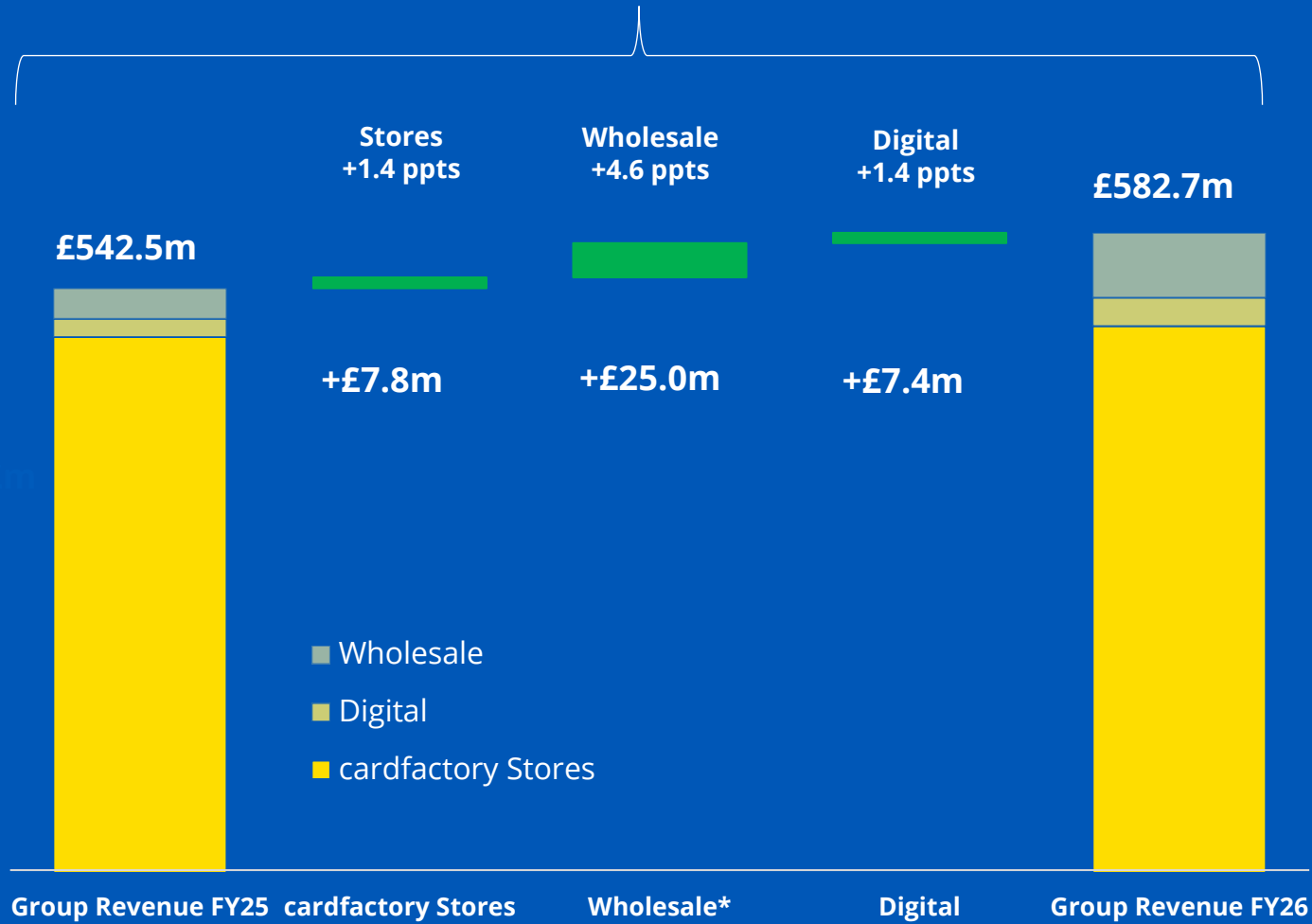
**Free Cash
Flow
£40.7m**
(FY25: £28.8m)
+£11.9m

**Net Debt
£67.9m**
(FY25: £58.9m)
+£9.0m

**Total
Dividend
5.0 pence**
(FY25: 4.8 pence)
+0.2p

Top line revenue growth underpinned by inorganic growth

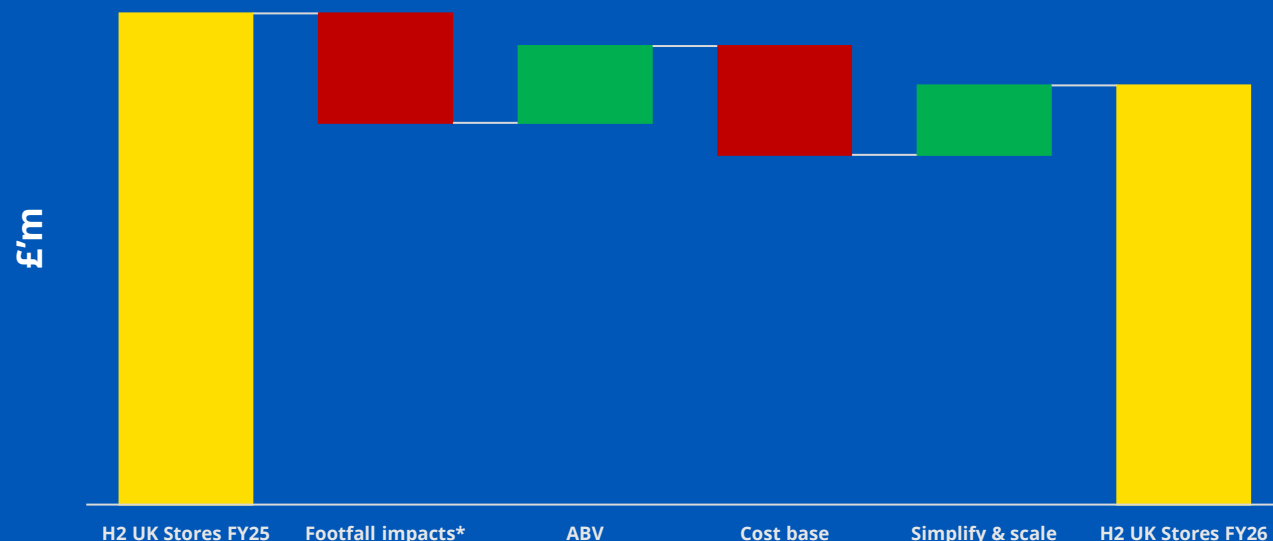
+7.4% year-on-year growth



- Total cardfactory sales growth of +7.4%.
- Stores +1.5% growth YoY underpinned by expansion of estate, flat LFL sales:
 - UK affected by low consumer confidence and resulting soft footfall.
 - +4.8% LFL in Republic of Ireland.
- Wholesale sales more than doubled supported by organic growth and annualisation of Garven and Garlanna acquired in FY25.
 - Acquired businesses performing in line with acquisition economics.
- Digital sales growth +57% reflects acquisition of Funky Pigeon, less closure of Getting Personal.
 - Focus on integration and delivering synergies.

UK stores facing a challenging UK consumer backdrop in H2

UK Stores H2 PBT Performance



- FY26 profitability was impacted by a challenging UK consumer backdrop in the second half of the year.
- Weakening consumer sentiment during the year and lower disposable incomes resulted in lower footfall and a reduction in transactions in our UK stores.
- Total UK stores sales were flat year-on-year in the second half.
 - H1 LFL of +1.3%
 - H2 LFL of - 1.7% due to lower transaction in second half.
- Lower sales limited our ability to leverage operational gearing by c£4m to offset cost base inflation and resulted in higher-than-anticipated stock provisions and impairment charges (c£4m).
- Despite the challenges less than 2% of stores made a negative contribution.
- FY27 focus on growing ABV by sharpening value offer and strengthening in-store value communication while continuously broadening our celebrations range.

Q4 Consumer Confidence

-11pts

(Deloitte Consumer Confidence Index)

Disposable Income

60% of households worse off YoY

(Asda Income Tracker)

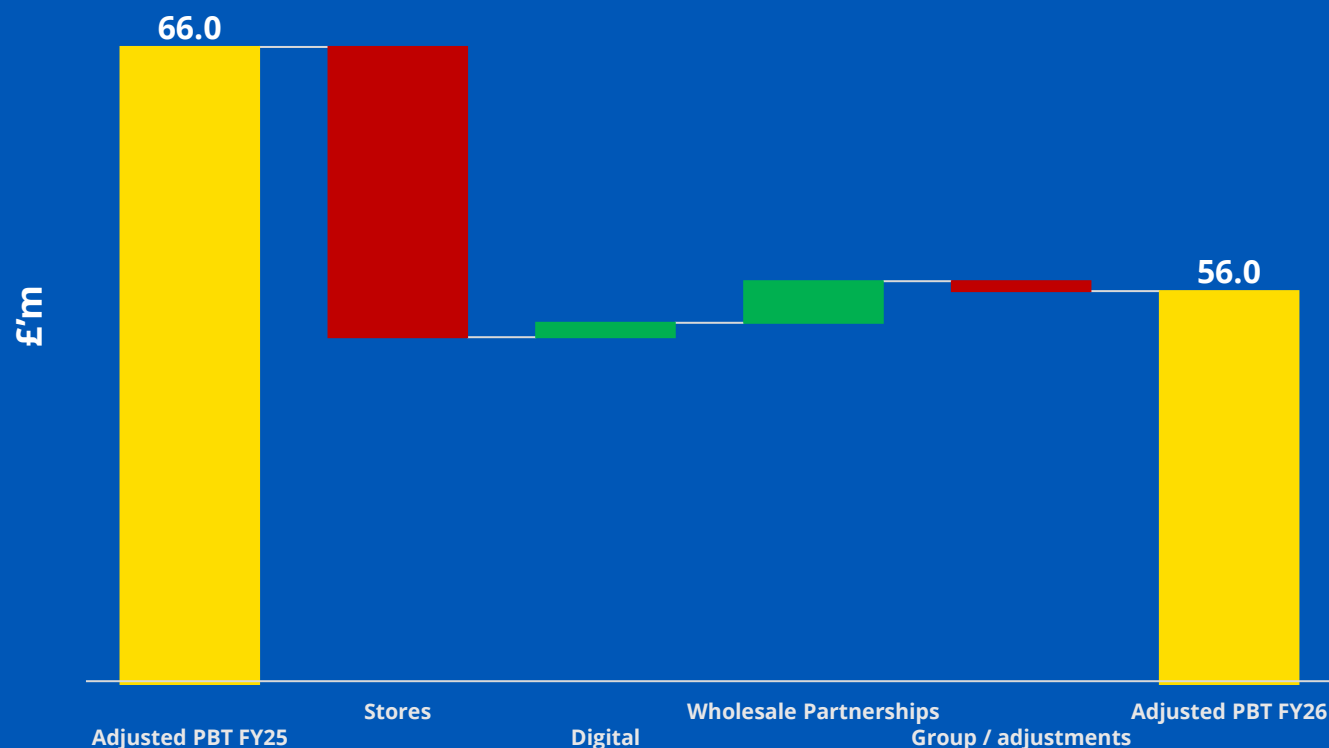
December Footfall

-2.9%

(BRC-Sensomatic Footfall Monitor, Total Retail footfall, December 2025)

Group profitability impacted by H2 UK stores with progress in other businesses

Group Adjusted PBT



- UK stores performance driven by consumer dynamics during the second half.
- Good year on year profit improvement from Digital and Wholesale Partnerships:
 - Digital performance reflects closure of Getting Personal and acquisition of Funky Pigeon.
 - Growth in wholesale partnerships underpinned by Garven and Garlanna with the two acquisitions in line with acquisition economics.
- Close control of operating costs and benefits of 'Simplify & Scale' with operating cost efficiency improved year-on-year.

Continuing to build our profitable core store estate

Store Revenue

£514.6m

(FY25: £506.8m)

Net New Stores

+27

(FY25: +32)

LFL store sales

-0.2%

(FY25: +3.4%)

Average Basket Value

(stores)

£5.26

(FY25: £5.07)

No. of store transactions

117m

(FY25: 120m)

Sales share of gifts & celebration essentials

(in-store)

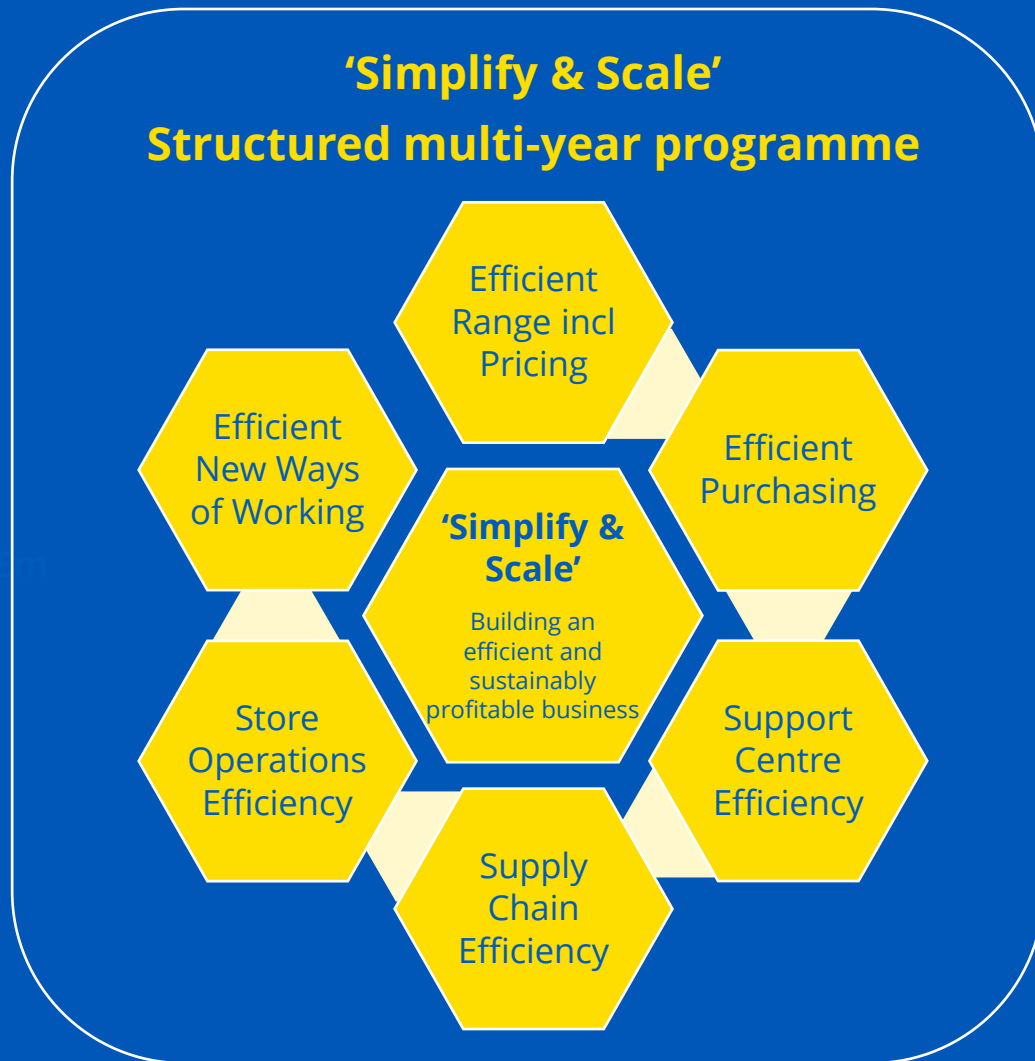
52.5%

(FY25: 51.8%)

- Core store estate remains highly profitable and cash generative.
- FY26 total store sales growth of +1.5%.
- 1,117 store estate, (+27 net new openings in FY26).
- LFL in UK slightly down with LFL in Republic of Ireland +4.8%.
- Continuous progress to grow as a celebration's retailer with ABV growing versus last year; broader range is resonating with shoppers.
- Optimised operations and store cost efficiency helping offset inflation.
- Strong pipeline to sustain net new store growth, underpinned by a proven low-cost, low-capital model.

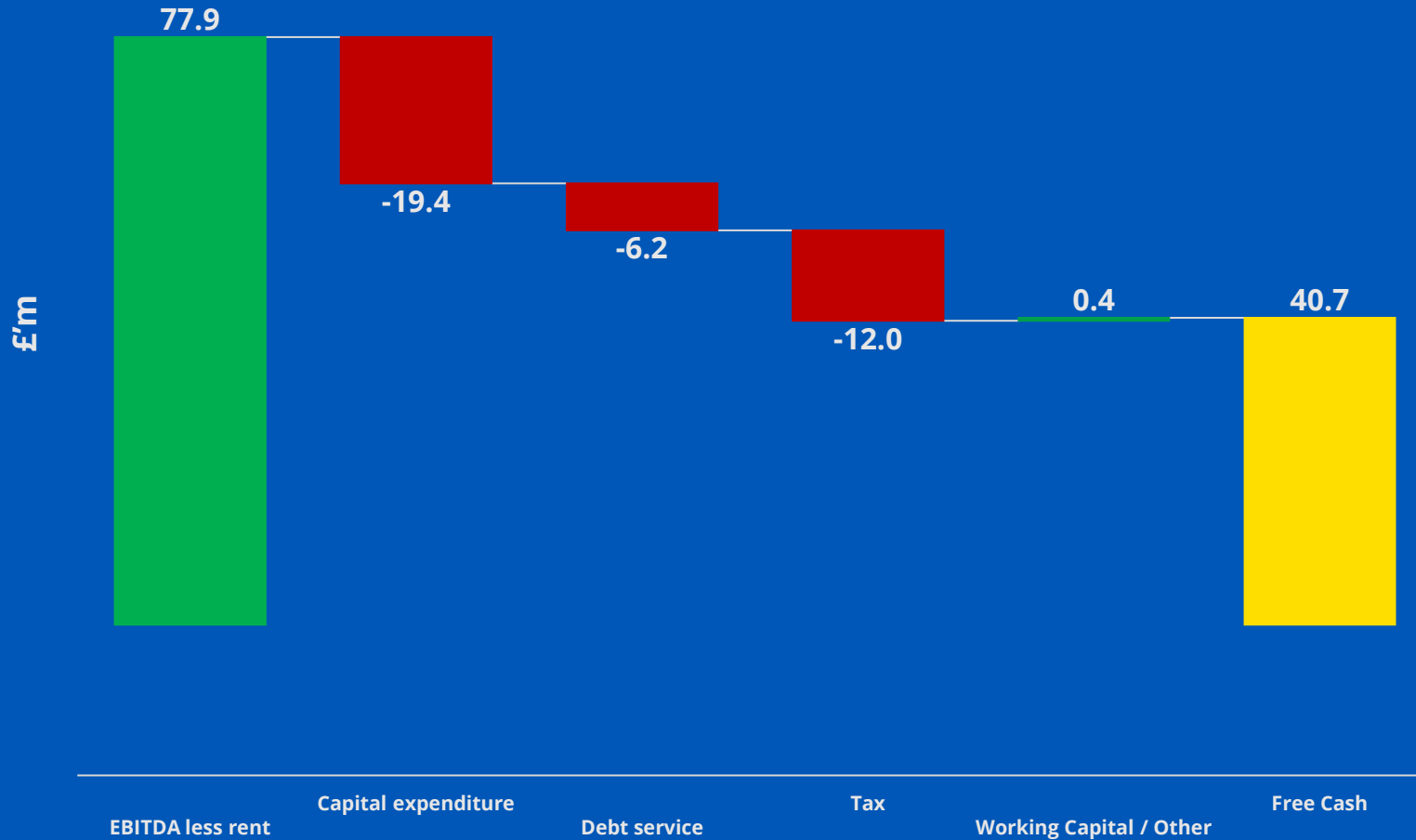


Containing inflation through self-help measures



- £60m+ inflation (4-5% p.a.) absorbed and offset over last three years.
- £21m of actions delivered in FY26, mitigating significant majority of inflationary pressures.
- Key benefits include optimisation of store hours, warehouse efficiencies, and restructuring activities in addition to benefits from range and pricing.
- Plans in place to continue to structurally lower the cost base of the Group in FY27 with inflation to be expected to be 3-4%.

Strong free cash flow generation



Free Cash Conversion

99%
(FY25: 59%)

Target Conversion

70-80%

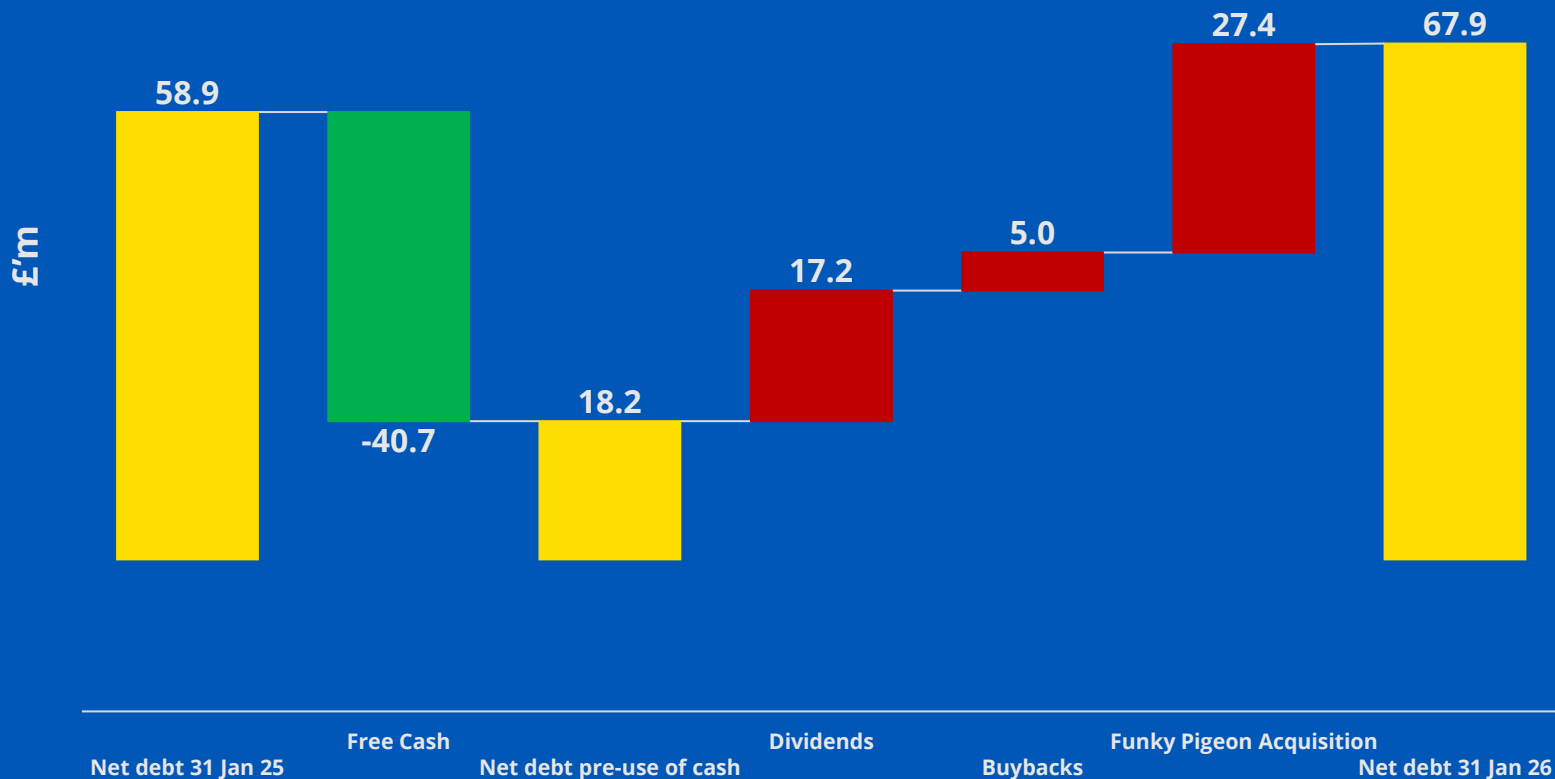
- **Strong cash performance with £40.7m free cash generation:**

- 99% conversion of Adjusted earnings to free cash.
- Significantly improved year-on-year due to working capital performance.

- **FY27 cash conversion will return to lower end of target range:**

- FY27 capital spending to be at the higher end of the guidance range (£20-25m).
- FY27 capital expenditure will include one-off investments to deliver synergies from Funky Pigeon acquisition and to enhance manufacturing capability.

Maintaining a strong balance sheet



Adjusted Leverage
1.0x
 (FY25: 0.7x)

Target Leverage
<1.5x

- Strong cash performance with £40.7m free cash generation.
- Funky Pigeon acquisition £25.7m plus costs, funded by extending existing debt facilities.
- Net debt, excluding Funky Pigeon acquisition, decreased by £18.4m.
- Adjusted Leverage at 31 January 2026 just below 1.0x, comfortably inside 1.5x maximum target.
- Total RCF facilities £160m with available cash and committed facilities at 31 Jan 2026 of £92.5 million.

cardfactory's approach to generating attractive returns for our shareholders

Capital Allocation Policy

Maintain a strong balance sheet

Invest to deliver our plans

Sustainable, growing dividends

Return surplus cash to shareholders

Mid-term targets

Mid-single digit % sales growth per annum

+

Mid-to-high single digit % profit before tax growth per annum

+

Free cash conversion at a rate of 70-80%

=

Highly attractive total return potential for shareholders

Key drivers

Store LFL growth + New store growth + Online/ Partnerships

'Simplify & Scale' efficiency programme + Operational leverage from vertical integration

Disciplined capital investment + Working capital management

Strong profit growth + Progressive dividend + Potential for additional returns

Commitment to sustainable, progressive dividends and returning surplus cash to shareholders

Total cash return of £37.5m to shareholders for FY26

• Total dividend, 5.0 pence / £17.5 million

- Interim dividend of 1.3 pence per share / £4.5 million paid in December 2025.
- Final dividend of 3.7 pence per share / £13.0 million payable in July 2026.
- Compares to total dividend of 4.8 pence per share for FY25.
- Dividend cover ratio on adjusted EPS moves from 3x to 2.4x.

• Anti-dilution share purchase programme, £5 million

- 5.7 million shares purchased.
- Held in treasury to settle future employee share scheme issuances and offset dilution.

• Surplus cash return to shareholders, £15 million share buyback

- Intention to commence shortly, purchased shares to be cancelled*.

FY26 total dividend

5.0p

(FY25: 4.8p)

Share Buybacks

£20m

(£5m + £15m)

FY26 cash returns

£37.5m

(FY25: 16.7m)

Outlook for FY27

- Total Group sales, excluding the incremental benefit of Funky Pigeon, through the first three months of the financial year have been in line with the same period in the prior year.
- Cognisant of the Middle East conflict and its potential for impact on input costs and uncertainty in relation to inflation and consumer sentiment.
- The Board expects Adjusted PBT in FY27 to be in line with current market consensus*.
- As with recent years, we expect the PBT delivery profile weighted to H2.
- The Board remains confident in cardfactory's ability to deliver mid-to-high single digit percentage Adjusted PBT growth per annum, over the medium term.



Section 3

Strategy Update

Darcy Willson-Rymer, CEO
Matthias Seeger, CFO



The UK celebration occasions market opportunity

Resilient growth in gifts and celebrations markets

- Our market is the celebration occasions market, spanning card, gift and celebration essentials.
- The celebrations market is highly resilient
 - future growth of addressable market projected at 1-2% of annual growth.
 - 99.2% of consumer willing to spend to mark celebration occasions.*

* Numerator World Panel | Physical Retail | 52 weeks to 25th January 2026



Greeting cards

Cards that help customers express and share messages across a wide variety of celebrations and milestones.



Gifts

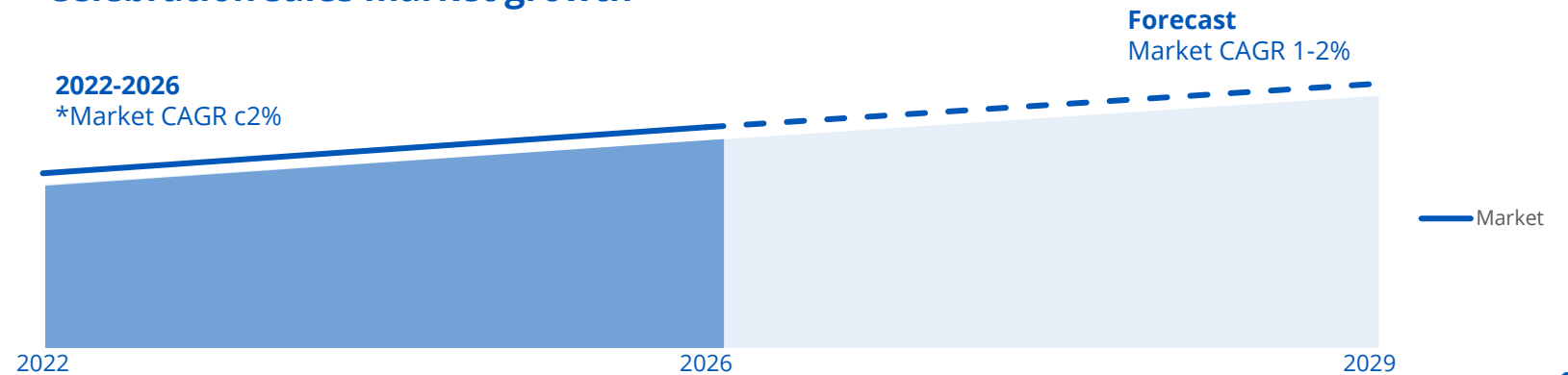
Items purchased to mark an occasion, either alone or alongside a card.



Celebration essentials

Products that turn a moment into a celebration, including balloons, party ranges, banners, gift wrap and gift bags.

Celebration sales market growth



**GLOBAL DATA 2026

UK celebration occasions market category progress



Gifts

Total gifting is largest component

- £19.2 billion
- 32% purchased online

Robust category growth

- +1.5% in 2025
- Christmas = 39% seasonal spend
- Birthdays = 24% everyday occasion spend

cardfactory's addressable market

- £11.8 billion
- +1.8% YoY



Celebration essentials

UK market estimate

- £1.5 billion
- 26% purchased online

UK market in growth

- +£28 million in 2025
- +1.8% YoY

Key UK categories within this market

- Party = 42%
- Gift wrap = 36%
- Balloons = 22%



Greeting cards

Resilient UK market

- £1.6 billion
- c.10% card sold online

Category performance

- 40% seasonal
- 60% everyday

Growing into a leading celebrations group in the UK

Gift & celebration essentials addressable market

1-2% annual growth from FY27*

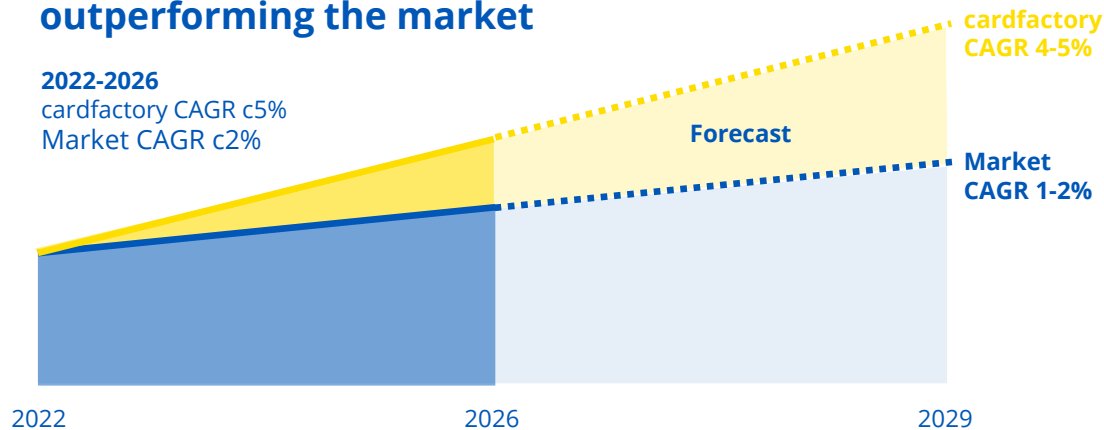
Gift & celebration essentials cardfactory growth

Targeting similar growth ahead of market (4-5% CAGR)

*GLOBAL DATA 2026

Celebration sales growth outperforming the market

2022-2026
cardfactory CAGR c5%
Market CAGR c2%




cardfactory

Building on cardfactory's current market strengths




24m
Unique store customers



60%
UK adults shop with cardfactory

Increase the share of wallet spend by cardfactory customers on celebration occasions



£22
8.5% share of wallet

11.8x



£258
Total annual celebration spend

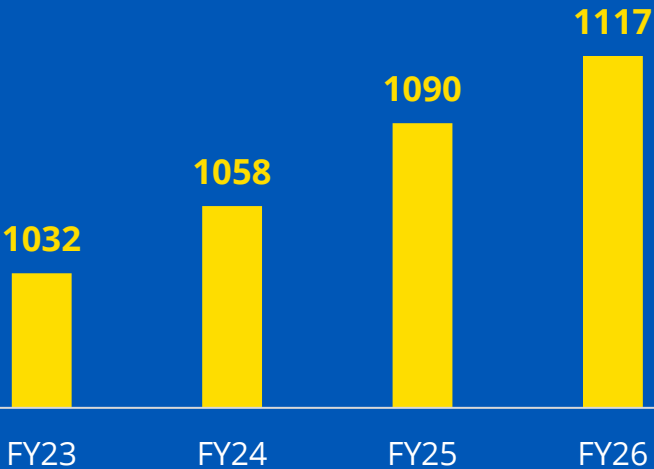
Annual amount spent on celebration occasions by cardfactory customers in cardfactory stores

Annual amount spent on celebration occasions by cardfactory customers in total

Strong progress across focus areas as we execute our growth strategy

Expanding UK & Republic of Ireland store estate with +85 net new stores, now totalling 1,117

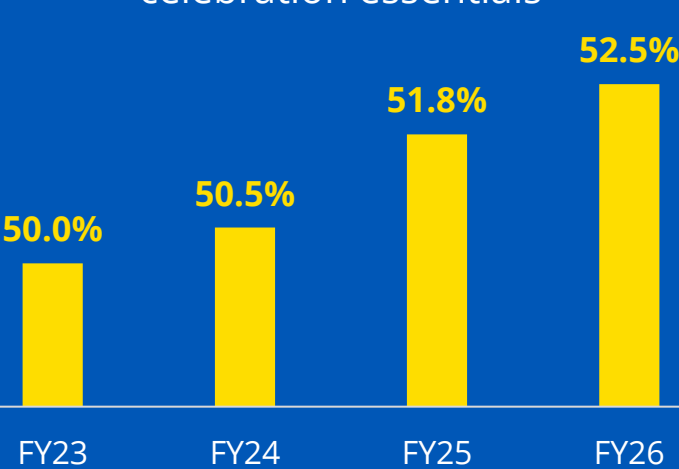
Stores in UK/ ROI



- Total new store sales growth of +6.6% over 3 yrs (CAGR of +2.1%).
- Opened 126 stores and relocated/ closed 41 stores.

Transforming from a card-specialist to a celebration occasions destination

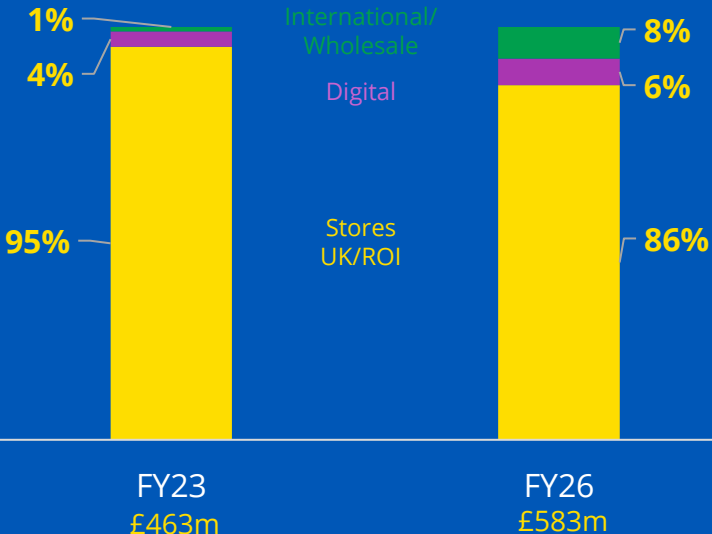
Share of gifts & celebration essentials



- Total non-card sales growth of +21% over 3 years.
- Range expansion improved in-store average basket value from £4.27 to £5.26.

Becoming an omnichannel and international retailer

Group revenue breakdown

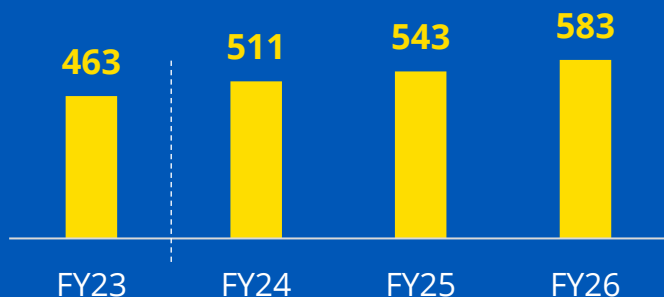


- Digital and international growing business by £63m over 3 years, accounting for >50% of sales growth.
- Total Group sales increased by +26% over the 3 year period.

Progress against 'Opening Our New Future' strategy over past 3 years

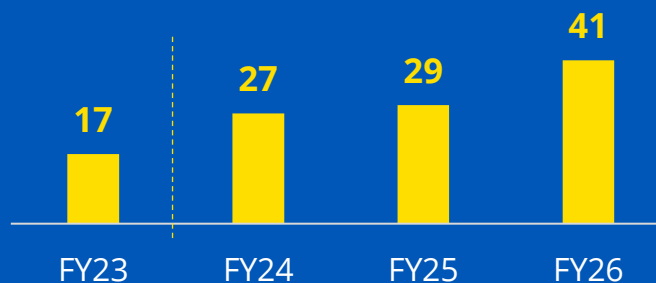
**Sales increased by +26%
(CAGR of +7.9%)**

Sales (£m)



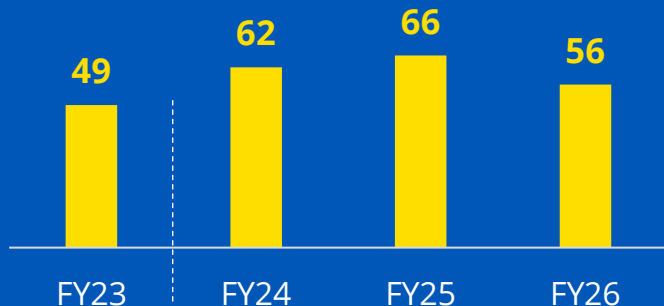
£97m of Free Cash generated

Free Cash (£m)



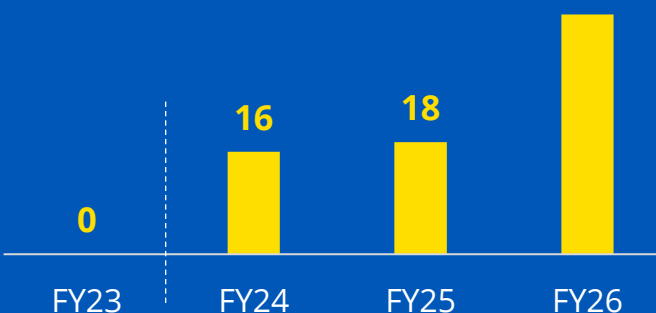
**Good progress on PBT
FY26 impacted by external factors**

PBT (£m)



**£71m of cash returned to
shareholders (73% of free cash)**

Dividends + Buybacks (£m)



- On track to grow sales in line with strategic priorities within our 'Opening Our New Future' strategy.
- Profit growth impacted by government induced inflation and weak consumer sentiment against a challenging macroeconomic backdrop.
- Cash generation has been strong behind a robust business model.
- Consistent cash return to shareholders through progressive dividend and buyback while reducing net debt and investing in business growth.

* FY26 includes £15m buyback

Strategy update

Our strategy – How we win

- Becoming a celebration destination
- Evolving into an omnichannel retailer
- Expanding internationally

Darcy Willson-Rymer



Our building blocks of growth

1

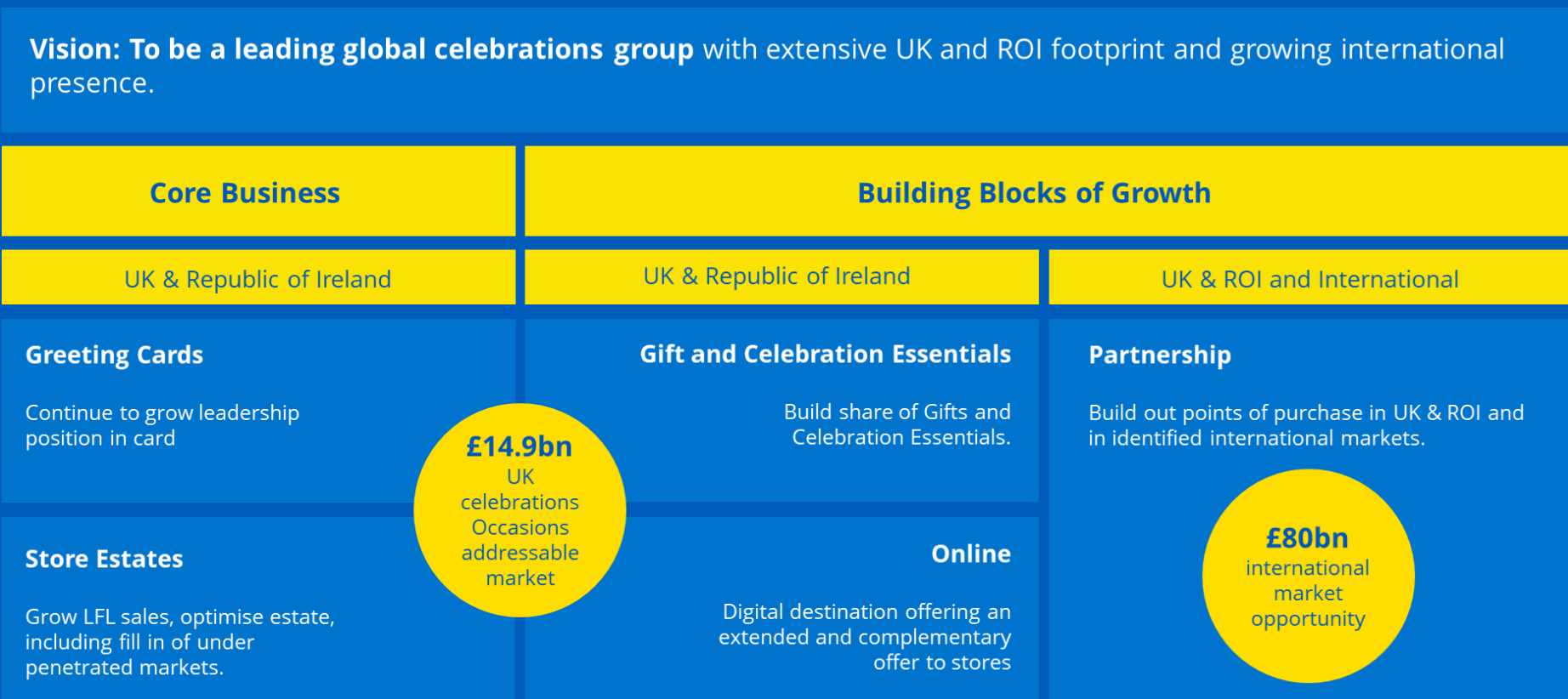
Increasing our share of the celebrations market

2

Reaching more customers

3

Unlocking international opportunity



Being the destination for celebration occasions in UK & Republic of Ireland



The Opportunity

Increase share in celebration occasions market

- Share of wallet for celebration occasions is currently below 10%.
- More than 80% of customers agree they want cardfactory to be their destination for celebration occasions.



Expand customer reach

- Open stores in underpenetrated locations.
- 200-300 suitable locations identified.

cardfactory



Strategy

- Grow leadership position in cards through value leadership and range.
- Build share in celebration essentials, party and gifts.
- Optimise store portfolio through customer based store segmentation.
- Optimise in-store space to maximise benefits of evolving product offering.
- Be the lowest cost operator by continually eliminating non-value added costs.
- Be a vertically integrated operator.

Being the destination for celebration occasions in the UK & Republic of Ireland

Progress to Date



- Increased store network:
 - 1,032 (FY23) to 1,117 (FY26).
 - Average of +28 net new store openings per year.

- Increased share of non-cards sales:
 - 50% (FY23) to 53% (FY26).
- FY26 progress included introduction of new ranges including:
 - Premium card range.
 - Back to School stationery.
 - Halloween.
 - Secret Santa.



Plan for FY27

- Expand store network at similar rate as past three years.
- Expansion of key categories, including kids licensed ranges and wedding and party relaunch.
- Ongoing in-store space optimisation.
- Continue multi-year rollout of store segmentation programme.
- Further insourcing of production capability.
- Implementation of enhanced feedback and engagement tools.

Ambition for FY28 onwards

- Expansion of store estate into further underpenetrated locations.
- Targeting 2-3% pa LFL growth over the medium-term driven by non-card categories.
- Build out leadership in further categories, such as party.
- Mission based store estate optimised around celebration occasion categories.

Expanding customer reach – Digital



The Opportunity

Card & attached gift

- Digital represents c.10% of cards sold (15% of value) in the UK (c.£200m).
 - Attached gifting market of c.£6.3bn.
 - Together, cardfactory.co.uk and Funky Pigeon only capture 12% of this online card market.
- Card shopping missions are complementary (direct to recipient and personalisation) to existing stores.



Celebration & party

- UK online gifting and celebrations market sales = £7.1bn.
- Extending offer and range beyond store with option of convenient click & collect.

SOURCE FOR ALL DATA: GLOBAL DATA



Strategy

- Omnichannel retailer enabling consumers to shop value driven celebration offer.
- Grow digital business with two brands:
 - Funky Pigeon focuses on cards and attached gift.
 - cardfactory.co.uk focuses on celebration occasions, including party.
- Leverage cardfactory's 24m store customers to grow digital business.
- Build in-house technology capability and partner with world-class consumer data analytics companies.

Expanding customer reach – Digital

Progress to Date

- Acquisition of Funky Pigeon in August 2025.



funkypigeon.com
Part of the Card Factory PLC group

- Completion of transitional service period in February 2026.

- Future target operating model for one digital business confirmed.



Plan for FY27

- Bring the best of Funky Pigeon and cardfactory together in one digital business:
 - One supply chain.
 - One digital platform.
 - One digital team culture.
- Complete the creation of one digital business by end January 2027 to deliver £5m of synergies as of FY28.
- Create the foundation and capability to acquire new digital customers through stores.

Ambition for FY28 onwards

- Targeting double-digit growth over the medium term.
- Grow market share of the digital “card & attached gift” market.
- Increase number of digital customers and ABV for each shopper mission.

Expanding customer reach – International and wholesale partnerships



The Opportunity

- £80bn - Global addressable market for celebrations occasions.

*GLOBAL DATA 2022



- Leverage expertise, range and UK assets to capture white space sales by using a capital light approach.



Strategy

- Partner with retailers as wholesale supplier of cards and other celebrations products.
- Business model flexibility ranges from distributor model to full-service provider.
- Focus on key countries for international expansion.
- UK & Republic of Ireland focus on complementary shopper missions (in-fill, impulse/distressed).



Status

- Successful delivery of full-service model with The Reject Shop in Australia.
- Expansion into New Zealand market.
- Expansion of Aldi partnership in UK, including additional seasonal and Christmas ranges.
- Entry into wholesale markets in US, Republic of Ireland and South Africa through acquisitions:
 - US – Garven, Dec 24
 - ROI – Garlanna, Sep 24
 - South Africa – SA Greetings, May 23
- Integrations completed.
- Restructure of SA Greetings completed.

Expanding customer reach – North America



The Opportunity

- US is largest greeting cards market in the world:
 - \$7bn retail sales.
 - 2.3bn cards.
 - Largest market for celebration occasions.
- 340m US population.
- 63% US shoppers believe that greeting cards are overpriced.
- c. 1m US retail stores. c. 40-45% selling greeting cards.

Progress to Date

- Acquisition of Garven completed in December 2024 provides local expertise and capability.
- Test with US retailer confirmed consumers ready for an alternative offer to established card providers.
- Wholesale model validated and foundations in place.
- New model SKUs (cards and gift bags) created for US market.

Plan for FY27

- Move from test & learn to activation of card strategy.
- Develop product portfolio to support US card strategy and other broader partnership opportunities.
- Progress multiple discussions with US retailers.

Ambition for FY28 onwards

- Targeting 1-2% share of addressable wholesale market by end of decade.
- Offer celebration solutions for US retailers focusing on white space opportunities.
- Gradually and selectively increase number of retail partners.



SOURCE FOR ALL DATA: GLOBAL DATA

A compelling opportunity



Reaching more customers, in more locations, through our channels and markets.

- New store open rate to continue at similar rate of prior two years.
- Significant opportunity through retail partnerships to address £80bn global celebrations market.
- Unlocking complementary shopper missions and international markets through digital and wholesale.



Increasing our share of the £14.9 billion UK celebration occasions market.

- Capture more of our customers' celebration spend, having grown share of wallet over the past two years.
- Leverage authority in card to grow gift and celebration essential attachment rates.



Leveraging our vertically integrated model to drive efficiency and lowest cost to operate.

- Vertically integrated model supports our value and quality credentials and rapid response to consumer trends.
- 'Simplify & Scale' efficiency programme continues to deliver structural reduction in underlying cost base.

Section 4

Summary

Darcy Willson-Rymer, CEO



Summary

- Topline growth and strategic progress continued in a challenging environment.
- Acquisition of Funky Pigeon completed accelerating digital strategy.
- Strong cash performance with 'Simplify & Scale' programme successfully containing inflation.
- Progressive dividend and £15 million share buyback programme announced.
- Celebrations growth opportunity remains resilient and clear plans in place to grow market share.
- Confident in FY27 plans to continue delivery against our strategic priorities and medium-term ambition.



Section 5

Q&A

Darcy Willson-Rymer, CEO
Matthias Seeger, CFO



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Appendix – Mid-term targets

Financial Performance

Mid-single-digit %
Group revenue growth

Mid-to-high-single-digit
% Group Adjusted PBT
growth

70-80% conversion of
Adjusted earnings to
Free cash

Capital Allocation

£20-25 million annual
capital expenditure

Adjusted Leverage
<1.5x

Progressive regular
dividend

Dividend cover ratio
between 2-3x

Appendix – Technical Guidance

Energy & currency hedging	Electricity and currency requirements are hedged across a three-year rolling window, subject to minimum and maximum limits in each year. Currency requirements for FY27 are fully hedged at rates slightly favourable to those achieved in FY26. Our electricity requirements for FY27 are 80% hedged. The average hedged rate for the full year is similar to that achieved in FY26.
IFRS 16 costs	Total IFRS 16 costs (depreciation and interest charges combined) will continue to increase gradually, reflecting the expected increase in size of the store estate (1-2% per annum). The accounting allocation of costs between depreciation and interest charges is expected to continue to move gradually towards a higher interest charge, as leases renew at higher implicit interest rates than previously.
Depreciation & amortisation	We expect underlying non-IFRS 16 depreciation and amortisation charges to gradually increase until they are more closely aligned with annual capital expenditure. We expect an increase of approximately £3-£4 million (subject to the timing of in-year capital expenditure) in FY27. Total depreciation and amortisation will include amortisation of intangibles related to acquisitions, which will increase by approximately £1.0 million in FY27 due to annualisation of the Funky Pigeon acquisition.
Net finance costs	Excluding lease-related finance charges, we currently expect net finance costs to remain flat in FY27. This assumes that free cash generation is in line with expectations, there are no changes to capital allocation, and interest rates remain on the current market curve.
Taxation	Over the medium term, we expect our effective tax rate to be around the headline rate of corporation tax in the UK, which is currently 25%.
Capital expenditure	Our mid-term expectation is for capital expenditure to be between £20-£25 million. In FY27, we expect to be at the upper end of this range, higher than in recent years, reflecting planned investment in production facilities at Printcraft and investments associated with the integration of Funky Pigeon.
Working capital	The Group benefits from a relatively short cash cycle due to the majority of sales being at the till in stores. As the Group builds its wholesale business, an increasing proportion of sales will be subject to normal trade credit terms, lengthening the cash cycle. Overall working capital investment is expected to gradually increase, reflecting overall Group revenue growth trends.
Free cash	Our mid-term target is to deliver free cash of approximately 70-80% of Adjusted earnings. In FY27, we expect to be at the lower end of this range.
Adjusted leverage	We currently expect Adjusted Leverage for FY27 to be between flat and 0.2x lower, based on current trading and free cash projections and approved capital allocation decisions.