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## boohoo group plc – interim results for the six months ended 31 August 2019

### “Leading the fashion eCommerce market”

	6 months to 31 August 2019 £ million	6 months to 31 August 2018 £ million	Change
Revenue	<b>564.9</b>	395.3	+43%
Gross profit	<b>306.5</b>	218.6	+40%
Gross margin	<b>54.3%</b>	55.3%	-100bps
Adjusted EBITDA <sup>(1)</sup>	<b>60.7</b>	39.6	+53%
% of revenue	<b>10.8%</b>	10.0%	+80bps
Adjusted EBIT <sup>(2)</sup>	<b>51.2</b>	35.3	+45%
% of revenue	<b>9.1%</b>	8.9%	+20bps
Adjusted profit before tax <sup>(3)</sup>	<b>51.8</b>	35.8	+45%
<b>Profit before tax</b>	<b>45.2</b>	24.7	+83%
Adjusted diluted earnings per share <sup>(4)</sup>	<b>2.91p</b>	1.99p	+46%
Diluted earnings per share	<b>2.48p</b>	1.39p	+78%
Net cash <sup>(5)</sup> at period end	<b>207.4</b>	155.6	+51.8 m

## Highlights

### Group

- Revenue £564.9 million, up 43% (43% CER<sup>(6)</sup>)
- Strong revenue growth across all brands and geographies (UK: +35%; international: +55%). International now 44% of group revenue (2019: 41%)
- Robust balance sheet with net cash of £207.4 million (2019: £155.6 million) with healthy operating cash flow of £55.9 million (2019: £55.7 million) and free cash flow of £30.1 million (+22%)
- Acquisition of the MissPap, Karen Millen and Coast brands, complementary additions to the group’s scalable multi-brand platform

### boohoo

- Revenue £281.0 million, up 34% with market share gains in all focus markets
- Gross margin 53.6%, up 20bps
- 8.4 million active customers<sup>(7)</sup>, up 20% on prior year

## **PrettyLittleThing**

- Revenue £237.6 million, up 41%
- Gross margin 55.3%, down 200 bps
- 5.7 million active customers, up 43%
- Outstanding market share and revenue growth in all markets

## **Nasty Gal**

- Revenue £43.9 million, up 148%
- Gross margin 54.2%, down 480bps driven by refinements to the customer proposition
- 1.5 million active customers, up 112%
- Strong revenue growth across all markets, gathering momentum

## **Guidance**

As announced on 5 September 2019, group revenue growth for the year to 29 February 2020 is expected to be 33% to 38%, with adjusted EBITDA margin for the financial year to remain at around 10%, reflecting anticipated investments across the financial year into the three brands acquired by the group in the first half year. We reiterate our medium term guidance to deliver revenue growth of at least 25% per annum and adjusted EBITDA margin of around 10%.

## **John Lyttle CEO, commented:**

“It has been a fantastic first half of the year for the group. We have delivered significant market share gains across all of our key markets, and for the first time in our history, revenue has exceeded £1 billion in the last 12 months. We have delivered strong growth and operating leverage in our more established brands and will continue to invest in both our more established and newly-acquired brands. We enter the second half of the year well-placed and confident that our platform, which combines the latest fashion, great prices and excellent customer service, all underpinned by a well-invested infrastructure, will deliver further market share gains.”

## **Investor and Analyst Meeting**

A meeting for analysts will be held at 9.30am today at the offices of Buchanan, 107 Cheapside, London, EC2V 6DN. boohoo group plc's interim results 2020 are available at [www.boohooplc.com](http://www.boohooplc.com).

A live audio webcast will be available at 9.30am via the following link:

<https://webcasting.buchanan.uk.com/broadcast/5d541fada98d141c9d04c8ed>

A replay will subsequently be available from 12 noon via the same link.

## **Enquiries**

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**Notes:**

- (1) Adjusted EBITDA is calculated as profit before tax, interest, depreciation, amortisation, share-based payment charges and exceptional items.
- (2) Adjusted EBIT is calculated as profit before tax, interest, share-based payment charges, amortisation of acquired intangible assets and exceptional items.
- (3) Adjusted profit before tax is calculated as profit before tax, excluding share-based payment charges, amortisation of acquired intangible assets and exceptional items.
- (4) Adjusted diluted earnings per share is calculated as diluted earnings per share, adding back amortisation of acquired intangible assets, share-based payment charges and exceptional items.
- (5) Net cash is cash less borrowings.
- (6) CER designates Constant Exchange Rate translation of foreign currency revenue, which gives a truer indication of the performance in international markets by removing year-to-year exchange rate movements when local currency sales are converted to sterling.
- (7) Active customers defined as having shopped in the last year.

**About boohoo group plc****“Leading the fashion eCommerce market”**

Founded in Manchester in 2006, boohoo is an inclusive and innovative brand targeting young, value-orientated customers. For 13 years, boohoo has been pushing boundaries to bring its customers up-to-date and inspirational fashion, 24/7. boohoo has grown rapidly in the UK and internationally, expanding its offering with range extensions into menswear, through boohooMAN.

In early 2017 the group extended its customer offering through the acquisitions of the vibrant fashion brand PrettyLittleThing, and free-thinking brand Nasty Gal. In March 2019 the group acquired the MissPap brand and in August 2019, the Karen Millen and Coast brands, all complementary to the group’s scalable multi-brand platform. United by a shared customer value proposition, our brands design, source, market and sell great quality clothes, shoes and accessories at unbeatable prices. These investment propositions have helped us grow from a single brand, into a major multi-brand online retailer, leading the fashion eCommerce market for 16 to 40-year-olds around the world. As at 31 August 2019, the boohoo group had around 13 million active customers across all its brands around the world.

**Cautionary Statement**

Certain statements included or incorporated by reference within this announcement may constitute “forward-looking statements” in respect of the group’s operations, performance, prospects and/or financial condition. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words and words of similar meaning as “anticipates”, “aims”, “due”, “could”, “may”, “will”, “should”, “expects”, “believes”, “intends”, “plans”, “potential”, “targets”, “goal” or “estimates”. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No responsibility or obligation is accepted to update or revise any forward-looking statement resulting from new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast. This announcement does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares or other securities in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares or other securities of the Company. Past performance cannot be relied upon as a guide to future performance and persons needing advice should consult an independent financial adviser. Statements in this announcement reflect the knowledge and information available at the time of its preparation. Liability arising from anything in this announcement shall be governed by English law. Nothing in this announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

# Review of the business

## Group overview

Group revenue for the half year increased by 43% (43% CER) on the first half of the previous year to £564.9 million (2019: £395.3 million). Revenue growth across all focus territories and brands was strong.

Adjusted EBITDA was £60.7 million (2019: £39.6 million), an increase of 53% on the first half of the previous year, with efficiency improvements, increased leverage of fixed overheads and effective marketing across the group leading to an adjusted EBITDA margin of 10.8% (2019: 10.0%). Profit before tax was £45.2 million (2019: £24.7 million), an increase of 83%. Adjusted diluted earnings per share was 2.91p, up 46% on the prior half year. Basic earnings per share rose to 2.55p, an increase of 80% (2019: 1.42p).

The group's performance over the half year has been outstanding, with strong momentum across the business driving impressive revenue growth in all our brands and in all key focus territories. The group is increasing market share through highly effective marketing strategies, employing a mix of high profile celebrity campaigns, influencer associations, and digital and traditional marketing initiatives. Our scalable, multi-brand platform has enabled us to take on three additional women's brands – MissPap, Karen Millen and Coast. Revenue from MissPap is starting to grow rapidly since go-live in April, whilst Karen Millen and Coast will commence trading online in October. Continuous improvement in the customer proposition is a top priority, with new apps, additional payment methods and improved delivery being deployed to ensure we keep pace with technological developments and remain best-in-class.

Cash generation was strong, with operating cash flow of £55.9 million (2019: £55.7 million) and free cash flow up 22% to £30.1 million. Capital expenditure was £6.4 million and £19.4 million was spent on the acquisition of the three new brands. Our net cash balance at the period end increased to £207.4 million (2019: £155.6 million).

## Distribution centres

The group operates through two distribution centres: the Burnley facility services boohoo, boohooMAN, Nasty Gal and, in the second half year, will additionally serve MissPap, Karen Millen and Coast; and the Sheffield facility, which is managed by a third-party, services PrettyLittleThing. Automation at the Burnley warehouse went live in April 2019 and has been instrumental in improving efficiency and increasing throughput, enabling the facility to handle the rapid growth of the group and maintain high customer service levels. Both facilities give us the scale and capacity required as the group develops.

## Technology

New apps in key markets for boohoo, boohooMAN and Nasty Gal were developed in-house and released in the first half year. These have been highly successful, with a high rate of adoption by users. Bringing the apps in-house has resulted in a far better user experience, with the added advantage of greater flexibility for further development and faster introductions of new features.

New payment methods have been introduced in several markets, giving customers more choice and flexibility, which has contributed to improvements in order size and frequency.

## boohoo (including boohooMAN)

### Performance

Revenue for the half year increased to £281.0 million, up 34% on the first half of the previous year, with growth in all our key focus markets.

Growth in the UK has continued in the first half year, whilst international growth has remained exceptionally strong, especially so in the USA and northern Europe. Gross margin increased by 20bps to 53.6%, driven by an improved product offering and refinement of the customer proposition.

### Product

Core product lines are showing further improvement on the previous year, which together with the comprehensive size range offerings and new product introductions, are delivering growth and meeting consumer

trends. In June we introduced our first dedicated recycled women's clothing range, "for the future", which is the start of our drive for a more sustainable future in fashion options. We have also extended our beauty range, offering a great collection of well-known brands alongside a boohoo branded range. boohooMAN is continuing to grow strongly as its product range widens and new collections and size ranges are added. With our constantly refreshed product offering, ensuring the very latest fashion trends are on our website within days, boohoo remains the most relevant brand for young consumers who want great fashion at unbeatable prices.

## **Marketing**

Marketing efforts continued to focus on a successful mix of social media influencers, student activation, digital acquisition and retention, PR and above-the-line advertising in the form of TV and out-of-home advertising. Our investment in producing locally relevant content is also proving highly successful as we expand internationally.

Our global social media audience now includes over 6 million followers on Instagram and 3 million Facebook likes. This summer saw us working with a host of local brand ambassadors and the return of global ambassador, Jordyn Woods. All collections have featured an inspiring range of day-to-evening looks with that synonymous boohoo glamour.

boohooMAN collaborated with American rap artist Quavo, launching an inspirational collection for the spring/summer.

## **Customer interaction**

Active customer numbers over the last 12 months increased by 20% to 8.4 million. Conversion rate to sale increased from 3.1% to 3.3% of sessions, when measured on website statistics alone. Order frequency increased 2%, with customers placing an order with us, on average, 2.11 times in 12 months, whilst the number of items per basket increased 9% to 3.30.

Of our seventeen country-specific websites, six are translated into local languages, with Swedish being added during the period and improving the customer experience and conversion, and we have plans for further translated sites. Our Instashop is a great way to shop for the latest celebrity and influencer looks, whilst the visual search facility on the app enables customers to locate matching products from a photograph. The addition of new payment methods in different countries ensures we keep abreast of customer preferences and optimise conversion. A virtual assistant helps answer customer queries and speeds up our response time to offer a more satisfying customer relationship experience.

## **PrettyLittleThing**

### **Performance**

PrettyLittleThing ("PLT") achieved strong revenue growth of 41% over the first half of the previous year, reaching £237.6 million. Growth across all territories was strong, with the US and French markets performing exceptionally well. Gross margin has decreased to 55.3% (2019: 57.3%), as we optimise growth and refine the customer proposition.

### **Product**

PLT brings the latest and most relevant celebrity looks at affordable prices to our customers, with a choice of over 23,500 styles and new items available daily. Our product range continued to expand during the first half year with further strong growth in the "shape" ranges including Petite, Curve and Plus. We have also continued to expand our accessories and beauty offering, partnering with major beauty brands to offer a one-stop shop for our customers. During the first half year we continued to bring the latest celebrity looks to customers, with a second collaboration with Ashley Graham and a swimwear collaboration with R&B artist Ashanti.

### **Marketing**

We have continued to extend our social media reach by increasing the number of social media influencers, combined with celebrity campaigns and collaborations. These include Ashley Graham, Ashanti and the recently-announced collaboration with USA rapper Saweetie, all of which help the brand reach its target audience. We have 11 million Instagram followers, 2 million likes on Facebook and 0.3 million followers on Twitter. We grew our Tik Tok following from 20,000 to 310,000 and are the fastest growing fashion brand on the channel. We have presence on other social media channels and continue to develop our exposure to new and emerging platforms.

## **Customer interaction**

We support eight country-specific websites and have plans for further foreign language sites, following the success of the French language site introduced in the previous financial year. For the UK market, we offer a wide range of free return options. We have expanded our customer payment options through the first half of the year as we seek to introduce the latest technologies and payment options to give our customers greater flexibility in their shopping experience.

Active customer numbers over the last 12 months increased by 43% to 5.7 million. Conversion rate to sale increased from 3.3% to 3.6% of sessions, when measured on website statistics alone. Order frequency increased 5% to 2.97 times in 12 months, whilst the number of items per basket increased 5% to 2.96.

## **Nasty Gal**

### **Performance**

Revenue growth across all territories has been exceptionally strong, giving an overall 148% increase to £43.9 million. Revenue growth in the USA, the largest single market for the brand, has continued at a significant pace. UK and International growth has been exceptional, with the brand gaining momentum through growing consumer awareness. Gross margin at 54.2% (2019: 59.0%) is in line with the re-alignment of the customer proposition.

### **Product**

We have continued to build the product base in line with the expansion of the business, with the number of styles doubling to over 13,000. Product pricing remains higher than that of boohoo and PrettyLittleThing, whilst the product is differentiated in line with the brand's heritage, including the Nasty Gal Vintage collection, which is part of the ongoing product strategy and representative of the brand's DNA.

### **Marketing**

The marketing strategy has focussed on building and extending the number of bloggers and influencers and staging key media events to engage customer interest and promote brand loyalty. This summer we launched an iconic collection edited by Emily Ratajkowski (EmRata) and teamed up with Claire Rose Cliteur with a beautiful collection of transitional season pieces.

On social media Nasty Gal has 3.8 million followers on Instagram, 1.3 million Facebook likes and 0.2 million followers on Twitter.

### **Customer interaction**

Nasty Gal has seven country and regional websites and apps for the UK, US and the Australian markets. The new apps were brought in-house during the period, bringing a significant improvement in the customer experience and greater flexibility for us to enhance the app in short timescales.

Active customer numbers over the last 12 months increased by 112% to 1.5 million. Conversion rate to sale increased from 1.9% to 2.2% of sessions, when measured on website statistics alone. Order frequency increased 13% to 1.55 times in 12 months, whilst the number of items per basket increased 18% to 3.44.

## Financial review

### Group revenue by brand

	6 months to 31 August 2019 £000	6 months to 31 August 2018 £000	Change	Change CER
boohoo	281,033	209,006	+34%	+35%
PrettyLittleThing	237,609	168,612	+41%	+41%
Nasty Gal	43,850	17,691	+148%	+153%
Other	2,374	-	-	-
	<b>564,866</b>	<b>395,309</b>	<b>+43%</b>	<b>+43%</b>

### Group revenue by geographical market

	6 months to 31 August 2019 £000	6 months to 31 August 2018 £000	Change	Change CER
UK	314,954	234,057	+35%	+35%
Rest of Europe	87,486	51,250	+71%	+69%
USA	110,729	68,171	+62%	+65%
Rest of world	51,697	41,831	+24%	+25%
	<b>564,866</b>	<b>395,309</b>	<b>+43%</b>	<b>+43%</b>

## KPIs

### Group

	6 months to 31 August 2019	6 months to 31 August 2018 <sup>(5)</sup>	Change
Active customers <sup>(1)</sup>	13.0 million	10.0 million	+30%
Number of orders	20.3 million	14.7 million	+38%
Order frequency <sup>(2)</sup>	2.87	2.68	+7%
Conversion rate to sale <sup>(3)</sup>	3.26%	3.09%	+17bps
Average order value <sup>(4)</sup>	£43.26	£40.57	+7%
Number of items per basket	3.15	2.93	+7%

1. Defined as having shopped in the last 12 months
2. Defined as number of orders in last 12 months divided by number of active customers
3. Defined as the percentage of website orders taken to internet sessions
4. Calculated as gross sales including sales tax divided by the number of orders
5. Prior period numbers restated to include marketplace data

## Consolidated summary income statement

	6 months to 31 August 2019 £000	6 months to 31 August 2018 £000	Change
Revenue	564,866	395,309	+43%
Cost of sales	(258,335)	(176,732)	
<b>Gross profit</b>	<b>306,531</b>	218,577	<b>+40%</b>
<i>Gross margin %</i>	<i>54.3%</i>	55.3%	<b>-100 bps</b>
Operating costs	(245,904)	(179,121)	
Other income	112	120	
<b>Adjusted EBITDA</b>	<b>60,739</b>	39,576	<b>+53%</b>
<i>Adjusted EBITDA margin %</i>	<i>10.8%</i>	10.0%	<b>+80 bps</b>
Depreciation	(7,906)	(3,090)	
Amortisation of other intangible assets	(1,589)	(1,163)	
Adjusted EBIT	<b>51,244</b>	35,323	<b>+45%</b>
<i>Adjusting items:</i>			
Amortisation of acquired intangible assets	(2,312)	(2,224)	
Equity-settled share-based payment charges	(4,355)	(2,464)	
Exceptional costs – warehouse relocation	-	(6,436)	
<b>Operating profit</b>	<b>44,577</b>	24,199	<b>+84%</b>
Finance income	770	577	
Finance expense	(196)	(79)	
<b>Profit before tax</b>	<b>45,151</b>	24,697	<b>+83%</b>
Tax	(9,076)	(4,867)	
<b>Profit after tax for the period</b>	<b>36,075</b>	19,830	<b>+82%</b>
<b>Basic earnings per share</b>	<b>2.55p</b>	1.42p	<b>+80%</b>
<b>Diluted earnings per share</b>	<b>2.48p</b>	1.39p	<b>+78%</b>
<b>Adjusted profit after tax for the period</b>	<b>41,515</b>	28,872	<b>+44%</b>
Amortisation of acquired intangible assets	(2,312)	(2,224)	
Share-based payment charges	(4,355)	(2,464)	
Exceptional costs – warehouse relocation	-	(6,436)	
Adjustment for tax	1,227	2,082	
<b>Profit after tax for the period</b>	<b>36,075</b>	19,830	
Adjusted profit for the period attributable to shareholders of the company	<b>34,695</b>	23,361	<b>+49%</b>
<b>Adjusted diluted earnings per share</b>	<b>2.91p</b>	1.99p	<b>+46%</b>



## Taxation

The effective rate of tax for the half-year was 20.1% (2019: 19.7%), which is more than the blended UK statutory rate of tax for the year of 19%, principally due to depreciation of buildings in excess of capital allowances.

## Earnings per share

Basic earnings per share increased by 80% from 1.42p to 2.55p. Adjusted diluted earnings per share was 2.91p, up 46% on the first half of the prior year.

## Consolidated statement of financial position

	<b>6 months to 31 August 2019</b>	6 months to 31 August 2018
	<b>£000</b>	£000
Intangible assets	<b>43,842</b>	29,074
Property, plant and equipment	<b>108,460</b>	98,505
Right-of-use assets	<b>15,691</b>	-
Financial assets	<b>298</b>	585
Deferred tax asset	<b>4,080</b>	4,153
<b>Non-current assets</b>	<b>172,371</b>	132,317
Working capital	<b>(58,746)</b>	(53,597)
Lease liabilities	<b>(17,709)</b>	-
Net financial liabilities	<b>(27,166)</b>	(1,895)
Cash and cash equivalents	<b>213,392</b>	163,889
Interest bearing loans and borrowings	<b>(5,955)</b>	(8,337)
Deferred tax liability	<b>(2,047)</b>	(2,001)
Current tax liability	<b>(6,844)</b>	(4,707)
<b>Net assets</b>	<b>267,296</b>	225,669

## Liquidity and financial resources

Free cash flow was £30.1 million compared to £24.5 million in the previous financial half-year, up 22% after inventory build ahead of our rapid growth and the acquisition of the new brands. Capital expenditure was £6.4 million and £19.4 million was spent on the acquisition of the three new brands. The closing cash balance for the group was £213.4 million and the net cash balance, after deducting bank loans, was £207.4 million.

### Consolidated cash flow statement

	6 months to 31 August 2019 £000	6 months to 31 August 2018 £000
<b>Profit for the period</b>	<b>36,075</b>	19,830
Depreciation charges and amortisation	11,807	6,477
Share-based payments charge	4,355	2,464
Tax expense	9,076	4,867
Finance income	(770)	(577)
Finance expense	196	79
Increase in inventories	(27,084)	(5,054)
Increase in trade and other receivables	(16,397)	(17,569)
Increase in trade and other payables	38,630	45,216
<b>Operating cash flow</b>	<b>55,888</b>	55,733
Capital expenditure and intangible asset purchases	(6,449)	(31,185)
Acquisition of new brands (intangible assets)	(19,370)	-
<b>Free cash flow</b>	<b>30,069</b>	24,548
Proceeds from the issue of ordinary shares	771	2,087
Purchase of own shares by EBT	(4,809)	-
Finance income received	740	495
Finance expense paid	(70)	(79)
Dividend paid to non-controlling interests	(3,400)	-
Lease payments	(2,798)	-
Tax paid	(3,792)	(4,546)
Repayment of borrowings	(1,191)	(1,191)
<b>Net cash flow</b>	<b>15,520</b>	21,314
<b>Cash and cash equivalents at beginning of period</b>	<b>197,872</b>	142,575
<b>Cash and cash equivalents at end of period</b>	<b>213,392</b>	163,889

## **Outlook**

We continue to maintain a highly positive outlook for online fashion globally. The group's multi-brand approach appeals to a widening consumer audience. The demand for affordable online fashion continues unabated and provides the opportunity for continued growth globally. Growth in the UK, our largest market, remains strong, whilst international growth continues at a higher rate.

Our focus is to maintain an outstanding customer proposition, with the latest fashion at great prices, combined with excellent customer service. To this end, we have a plan of continuous investment in systems, infrastructure and technology to ensure we offer an optimal online shopping experience. International expansion will continue as we add more country-specific websites, refine our customer proposition and raise brand awareness through marketing and social media. Our scalable, multi-brand platform provides the basis for expansion of the group through strategic acquisitions. We are also committed to continuing to drive improvements across our environmental responsibilities and are constantly exploring ways to accelerate our sustainability journey.

Group revenue growth for the year to 29 February 2020 is expected to be 33% to 38%, with adjusted EBITDA margin for the year to remain at around 10%, reflecting anticipated investments across the financial year into the three brands acquired by the group in the first half year. We reiterate our medium term guidance to deliver revenue growth of at least 25% per annum and adjusted EBITDA margin of around 10%.

**John Lyttle**

Chief Executive

**Neil Catto**

Chief Financial Officer

**24 September 2019**

## Unaudited consolidated statement of comprehensive income

for the period ended 31 August 2019

	Note	6 months to 31 August 2019 (unaudited) £000	6 months to 31 August 2018 (unaudited) £000	Year to 28 February 2019 (audited) £000
Revenue	3	564,866	395,309	856,920
Cost of sales		(258,335)	(176,732)	(387,926)
<b>Gross profit</b>		<b>306,531</b>	<b>218,577</b>	<b>468,994</b>
Distribution costs		(129,979)	(97,772)	(207,083)
Exceptional distribution costs		-	(5,932)	(6,162)
Other distribution costs		(129,979)	(91,840)	(200,921)
Administrative expenses		(132,087)	(96,726)	(203,470)
Exceptional administrative expenses		-	(504)	(505)
Amortisation of acquired intangibles		(2,312)	(2,224)	(4,449)
Other administrative expenses		(129,775)	(93,998)	(198,516)
Other income	4	112	120	239
<b>Operating profit</b>		<b>44,577</b>	<b>24,199</b>	<b>58,680</b>
Finance income		770	577	1,320
Finance expense		(196)	(79)	(144)
<b>Profit before tax</b>	5	<b>45,151</b>	<b>24,697</b>	<b>59,856</b>
Taxation		(9,076)	(4,867)	(12,397)
<b>Profit for the period</b>		<b>36,075</b>	<b>19,830</b>	<b>47,459</b>
<b>Profit for the period attributable to:</b>				
Owners of the parent company		29,551	16,309	37,772
Non-controlling interests		6,524	3,521	9,687
		<b>36,075</b>	<b>19,830</b>	<b>47,459</b>
<b>Total other comprehensive income/(expense) for the year, net of income tax</b>				
Loss/(gain) reclassified to profit and loss during the year		1,311	(1,518)	(2,337)
Fair value (loss)/gain on cash flow hedges during the year <sup>(1)</sup>		(35,982)	(7,703)	2,229
<b>Total comprehensive income for the period</b>		<b>1,404</b>	<b>10,609</b>	<b>47,351</b>
<b>Total comprehensive income attributable to:</b>				
Equity attributable to owners of the parent company		(5,120)	7,088	37,664
Non-controlling interests		6,524	3,521	9,687
		<b>1,404</b>	<b>10,609</b>	<b>47,351</b>
<b>Earnings per share</b>	6			
<b>Basic</b>		<b>2.55p</b>	<b>1.42p</b>	<b>3.27p</b>
<b>Diluted</b>		<b>2.48p</b>	<b>1.39p</b>	<b>3.22p</b>

1. Net fair value gains/losses on cash flow hedges will be reclassified to profit or loss during the two years to 31 August 2021.

## Unaudited consolidated statement of financial position

at 31 August 2019

	Note	6 months to 31 August 2019 (unaudited) £000	6 months to 31 August 2018 (unaudited) £000	Year to 28 February 2019 (audited) £000
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		43,842	29,074	27,165
Property, plant and equipment		108,460	98,505	108,498
Right-of-use assets		15,691	-	-
Financial assets		298	585	3,756
Deferred tax	7	4,080	4,153	4,034
<b>Total non-current assets</b>		<b>172,371</b>	<b>132,317</b>	<b>143,453</b>
<b>Current assets</b>				
Inventories		93,890	53,302	66,806
Trade and other receivables	8	38,767	35,149	22,576
Financial assets		838	1,871	5,883
Current tax receivable		-	-	3,186
Cash and cash equivalents		213,392	163,889	197,872
<b>Total current assets</b>		<b>346,887</b>	<b>254,211</b>	<b>296,323</b>
<b>Total assets</b>		<b>519,258</b>	<b>386,528</b>	<b>439,776</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	9	(191,403)	(142,048)	(154,351)
Interest bearing loans and borrowings		(2,382)	(2,382)	(2,382)
Lease liabilities		(5,225)	-	-
Financial liabilities		(16,023)	(1,605)	(1,421)
Current tax liability		(6,844)	(4,707)	(3,939)
<b>Total current liabilities</b>		<b>(221,877)</b>	<b>(150,742)</b>	<b>(162,093)</b>
<b>Non-current liabilities</b>				
Interest bearing loans and borrowings		(3,573)	(5,955)	(4,764)
Lease liabilities		(12,484)	-	-
Financial liabilities		(11,981)	(2,161)	(415)
Deferred tax	7	(2,047)	(2,001)	(2,102)
<b>Total liabilities</b>		<b>(251,962)</b>	<b>(160,859)</b>	<b>(169,374)</b>
<b>Net assets</b>		<b>267,296</b>	<b>225,669</b>	<b>270,402</b>
<b>Equity</b>				
Share capital	10	11,656	11,602	11,631
Share premium		606,579	604,555	606,086
Capital redemption reserve		100	100	100
Hedging reserve		(26,868)	(1,310)	7,803
EBT reserve		(6,980)	(347)	(2,174)
Translation reserve		(79)	6	-
Reconstruction reserve		(515,282)	(515,282)	(515,282)
Non-controlling interests		22,772	12,551	19,064
Retained earnings		175,398	113,794	143,174
<b>Total equity</b>		<b>267,296</b>	<b>225,669</b>	<b>270,402</b>

## Unaudited consolidated statement of changes in equity

	Share capital	Share premium	Capital redemption reserve	Hedging reserve	EBT reserve	Translation reserve	Reconstruction reserve	Non-controlling interest	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 28 February 2019	11,631	606,086	100	7,803	(2,174)	-	(515,282)	19,064	143,174	270,402
Impact of adoption of IFRS 16	-	-	-	-	-	-	-	(31)	(501)	(532)
Restated balance at 28 February 2019	11,631	606,086	100	7,803	(2,174)	-	(515,282)	19,033	142,673	269,870
Profit for the period	-	-	-	-	-	-	-	6,524	29,551	36,075
<i>Other comprehensive income/(expense):</i>										
Loss reclassified to profit and loss in revenue	-	-	-	1,311	-	-	-	-	-	1,311
Fair value loss on cash flow hedges during the year	-	-	-	(35,982)	-	-	-	-	-	(35,982)
Total comprehensive income for the period	-	-	-	(26,868)	-	-	-	25,557	172,224	271,274
Issue of shares	25	493	-	-	(4,806)	-	-	250	-	(4,038)
Share-based payments credit	-	-	-	-	-	-	-	365	3,990	4,355
Excess deferred tax on share-based payments	-	-	-	-	-	-	-	-	(816)	(816)
Translation of foreign operations	-	-	-	-	-	(79)	-	-	-	(79)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(3,400)	-	(3,400)
<b>Balance at 31 August 2019</b>	<b>11,656</b>	<b>606,579</b>	<b>100</b>	<b>(26,868)</b>	<b>(6,980)</b>	<b>(79)</b>	<b>(515,282)</b>	<b>22,772</b>	<b>175,398</b>	<b>267,296</b>
Balance at 28 February 2018	11,496	602,578	100	7,911	(351)	168	(515,282)	8,761	97,398	212,779
Profit for the period	-	-	-	-	-	-	-	3,521	16,309	19,830
<i>Other comprehensive income/(expense):</i>										
Gain reclassified to profit and loss	-	-	-	(1,518)	-	-	-	-	-	(1,518)
Fair value loss on cash flow hedges during the period	-	-	-	(7,703)	-	-	-	-	-	(7,703)
Total comprehensive income for the period	-	-	-	(9,221)	-	-	-	3,521	16,309	10,609
Issue of shares	106	1,981	-	-	-	-	-	-	-	2,087
Issue of shares by EBT	-	(4)	-	-	4	-	-	-	-	-
Share-based payments credit	-	-	-	-	-	-	-	269	2,195	2,464
Excess deferred tax on share-based payments	-	-	-	-	-	-	-	-	(2,108)	(2,108)
Translation of foreign operations	-	-	-	-	-	(162)	-	-	-	(162)
Balance at 31 August 2018	11,602	604,555	100	(1,310)	(347)	6	(515,282)	12,551	113,794	225,669
Balance at 28 February 2018	11,496	602,578	100	7,911	(351)	168	(515,282)	8,761	97,398	212,779
Profit for the year	-	-	-	-	-	-	-	9,687	37,772	47,459
<i>Other comprehensive income/(expense):</i>										
Gain reclassified to profit and loss in revenue	-	-	-	(2,337)	-	-	-	-	-	(2,337)
Fair value gain on cash flow hedges during the year	-	-	-	2,229	-	-	-	-	-	2,229
Total comprehensive income for the year	-	-	-	(108)	-	-	-	9,687	37,772	47,351
Issue of shares	135	3,508	-	-	(1,823)	-	-	-	-	1,820
Share-based payments credit	-	-	-	-	-	-	-	616	4,662	5,278
Excess deferred tax on share-based payments	-	-	-	-	-	-	-	-	3,342	3,342
Translation of foreign operations	-	-	-	-	-	(168)	-	-	-	(168)
Balance at 28 February 2019	11,631	606,086	100	7,803	(2,174)	-	(515,282)	19,064	143,174	270,402

**Unaudited consolidated cash flow statement**  
for the period ended 31 August 2019

	Note	6 months to 31 August 2019 (unaudited) £000	6 months to 31 August 2018 (unaudited) £000	Year to 28 February 2019 (audited) £000
<b>Cash flows from operating activities</b>				
Profit for the period		36,075	19,830	47,459
<i>Adjustments for:</i>				
Share-based payments charge		4,355	2,464	5,278
Depreciation charges and amortisation		11,807	6,477	13,921
Loss on sale of fixed assets		-	-	24
Finance income		(770)	(577)	(1,320)
Finance expense		196	79	144
Tax expense		9,076	4,867	12,397
		<b>60,739</b>	<b>33,140</b>	<b>77,903</b>
Increase in inventories		(27,084)	(5,054)	(18,558)
Increase in trade and other receivables	8	(16,397)	(17,569)	(4,935)
Increase in trade and other payables	9	38,630	45,216	57,513
Cash generated from operations		<b>55,888</b>	<b>55,733</b>	<b>111,923</b>
Tax paid		(3,792)	(4,546)	(10,361)
<b>Net cash generated from operating activities</b>		<b>52,096</b>	<b>51,187</b>	<b>101,562</b>
<b>Cash flows from investing activities</b>				
Acquisition of intangible assets		(20,579)	(1,584)	(3,237)
Acquisition of property, plant and equipment		(5,240)	(29,601)	(43,630)
Proceeds from the sale of fixed assets		-	-	59
Finance income received		740	495	1,249
<b>Net cash used in investing activities</b>		<b>(25,079)</b>	<b>(30,690)</b>	<b>(45,559)</b>
<b>Cash flows from financing activities</b>				
Proceeds from the issue of ordinary shares		771	2,087	3,653
Share issue costs written off to share premium		-	-	-
Purchase of own shares by EBT		(4,809)	-	(1,833)
Finance expense paid		(70)	(79)	(144)
Dividend paid to non-controlling interests		(3,400)	-	-
Lease payments		(2,798)	-	-
Repayment of borrowings		(1,191)	(1,191)	(2,382)
<b>Net cash generated from financing activities</b>		<b>(11,497)</b>	<b>817</b>	<b>(706)</b>
<b>Increase in cash and cash equivalents</b>		<b>15,520</b>	<b>21,314</b>	<b>55,297</b>
Cash and cash equivalents at beginning of period		197,872	142,575	142,575
<b>Cash and cash equivalents at end of period</b>		<b>213,392</b>	<b>163,889</b>	<b>197,872</b>

## **Notes**

*(forming part of the interim report and accounts)*

### **1 Accounting policies**

#### ***General information***

boohoo group plc is a public limited company incorporated and domiciled in Jersey and listed on the Alternative Investment Market (AIM) of the London Stock Exchange. Its registered office address is: 12 Castle Street, St Helier, Jersey, JE2 3RT. The company was incorporated on 19 November 2013.

#### ***Basis of preparation***

The interim condensed financial statements for the six months to 31 August 2019 have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. The interim financial statements should be read in conjunction with the group's Annual Report and Accounts for the year ended 28 February 2019, prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), IFRIC Interpretations and the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS.

The interim condensed financial statements contained in this report are not audited and do not constitute statutory accounts within the meaning of Companies (Jersey) Law 1991. The Annual Report and Accounts for the year ended 28 February 2019 has been filed with the Jersey Companies Registry. The auditors' reports on those accounts were unqualified and did not include reference to any matters on which the auditors were required to report by exception under Companies (Jersey) Law 1991.

The group's business activities together with the factors that are likely to affect its future developments, performance and position are set out in the Business and Financial Reviews. The Financial Review describes the group's financial position, cash flows and bank facilities.

The interim financial statements are unaudited and were approved by the board of directors on 24 September 2019.

#### ***Going concern***

The directors have reviewed the group's forecast and projections, including assumptions concerning capital expenditure and expenditure commitments and their impact on cash flows, and have a reasonable expectation that the group has adequate financial resources to continue its operations for the foreseeable future. For this reason, they have continued to adopt the going concern basis in preparing the financial statements.

In preparing the interim announcement, the directors have also made reasonable and prudent judgements and estimates and prepared the interim announcement on the going concern basis. The interim announcement and management report contained herein give a true and fair view of the assets, liabilities, financial position and profit and loss of the group.

#### **Accounting policies**

The interim financial statements have been prepared in accordance with the accounting policies set out in the group's Annual Report and Accounts for the year ended 28 February 2019, except as noted below in the change of accounting policy.

#### **Change of accounting policy**

The group has adopted IFRS 16, "Leases", effective for accounting periods commencing 1 January 2019 and applied the modified retrospective approach and the exemption for low value or short leases. Comparatives have not been restated and the cumulative impact of adoption has been recognised as a decrease in net assets and a corresponding decrease in retained earnings as at 1 March 2019. The right-of-use asset has been measured at the carrying amount as if the standard had been applied since the commencement of the lease, discounted using the incremental borrowing rate of 1.8% at transition. The present value of the lease liabilities is discounted at the group's incremental borrowing cost.

The lease liability brought on to the balance sheet at transition is £18.5 million and the right of use asset £16.1 million. The overall decrease in retained earnings is £0.5 million. The impact on the income statement is not



expected to affect profit before tax for the year to 29 February 2020, with adjusted EBITDA increasing by £4.9 million, depreciation increasing by £4.7 million and finance costs increasing by £0.2 million. The effect in the first half year will result in adjusted EBITDA increasing by £2.4 million, depreciation increasing by £2.4 million and finance costs increasing by £0.1 million. Within the cash flow statement, there are changes in the classification of cash flows, with £2.6 million of lease payments classified as financing cash flows and £0.1 million as interest payments.

The impact on the opening balance sheet is as follows:	1 March 2019 £000
<b>Non-current assets</b>	
Right-of-use assets – property, plant & equipment	16,116
Deferred income tax asset	109
<b>Current liabilities</b>	
Financial liabilities – lease liabilities	(4,933)
Accruals	1,791
<b>Non-current liabilities</b>	
Financial liabilities – lease liabilities	(13,615)
<b>Total decrease in retained earnings at 1 March 2019</b>	<b>(532)</b>

Reconciliation of the lease liabilities at 1 March 2019 to the operating lease commitments at 28 February 2019:	1 March 2019 £000
Operating lease commitments disclosed at 28 February 2019	6,259
Third-party warehouse services contract - revised treatment as operating lease	12,800
Restated operating lease commitments at 28 February 2019	19,059
Discounted using the lessee’s incremental borrowing rate at the date of initial application	(511)
<b>Additional lease liability recognised as at 1 March 2019</b>	<b>18,548</b>
Analysed as:	
Current lease liabilities	4,933
Non-current lease liabilities	13,615

From 1 March 2019 the group’s lease policy is summarised as follows:

A right-of-use asset and lease liability is recognised at the lease commencement date. The right-of-use asset is initially recognised at cost, comprising the initial amount of the lease liability plus any initial direct costs incurred, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The lease liability is initially measured as the present value of the lease payments at the commencement date, discounted using the incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or a rate or a change in the group’s assessment of whether it will exercise an extension or termination option. When the lease liability is re-measured, a corresponding adjustment is made to the right-of-use asset.

## 2 Principal risks and uncertainties

The board considers the principal risks and uncertainties which could impact the group over the remaining six months of the financial year to 29 February 2020 to be unchanged from those set out in the group's Annual Report and Accounts for the year ended 28 February 2019, which in summary are: competition risk; fashion and consumer demands risk; systems and technical risk; supply chain risk; loss of key facilities; people risk; customer dissatisfaction; and financial risk. These are set out in detail on pages 20 to 22 of the group's Annual Report and Accounts for the year ended 28 February 2019, a copy of which is available on the group's website, [www.boohooplc.com](http://www.boohooplc.com). In addition, the group has identified, as far as possible, the potential impacts of the UK's leaving the EU without a deal.

## 3 Segmental analysis

	6 months to 31 August 2019				
	boohoo £000	PrettyLittleThing £000	Nasty Gal £000	Other £000	Total £000
Revenue	281,033	237,609	43,850	2,374	564,866
Cost of sales	(130,287)	(106,228)	(20,086)	(1,734)	(258,335)
Gross profit	150,746	131,381	23,764	640	306,531
Distribution costs	(60,741)	(59,039)	(9,731)	(468)	(129,979)
Segment result	90,005	72,342	14,033	172	176,552
Administrative expenses - other	-	-	-	-	(129,775)
Amortisation of acquired intangibles	-	-	-	-	(2,312)
Other income	-	-	-	-	112
Operating profit	-	-	-	-	44,577
Finance income	-	-	-	-	770
Finance expense	-	-	-	-	(196)
Profit before tax	-	-	-	-	45,151

	6 months to 31 August 2018				
	boohoo £000	PrettyLittleThing £000	Nasty Gal £000	Other £000	Total £000
Revenue	209,006	168,612	17,691	-	395,309
Cost of sales	(97,468)	(72,013)	(7,251)	-	(176,732)
Gross profit	111,538	96,599	10,440	-	218,577
Distribution costs	(46,671)	(40,602)	(4,567)	-	(91,840)
Exceptional distribution costs	-	(5,932)	-	-	(5,932)
Segment result	64,867	50,065	5,873	-	120,805
Administrative expenses - other	-	-	-	-	(93,998)
Exceptional administrative expenses	-	-	-	-	(504)
Amortisation of acquired intangibles	-	-	-	-	(2,224)
Other income	-	-	-	-	120
Operating profit	-	-	-	-	24,199
Finance income	-	-	-	-	577
Finance expense	-	-	-	-	(79)
Profit before tax	-	-	-	-	24,697

	Year to 28 February 2019			Total £000
	boohoo £000	PrettyLittleThing £000	Nasty Gal £000	
Revenue	434,565	374,445	47,910	856,920
Cost of sales	(204,474)	(162,687)	(20,765)	(387,926)
Gross profit	230,091	211,758	27,145	468,994
Distribution costs	(98,901)	(90,000)	(12,020)	(200,921)
Exceptional distribution costs	-	(6,162)	-	(6,162)
Segment result	131,190	115,596	15,125	261,911
Administrative expenses - other	-	-	-	(198,516)
Exceptional administrative expenses	-	-	-	(505)
Amortisation of acquired intangibles	-	-	-	(4,449)
Other income	-	-	-	239
Operating profit	-	-	-	58,680
Finance income	-	-	-	1,320
Finance expense	-	-	-	(144)
Profit before tax	-	-	-	59,856

#### Revenue by geographic region

	6 months to 31 August 2019 £000	6 months to 31 August 2018 £000	Year to 28 February 2019 £000
UK	314,954	234,057	488,199
Rest of Europe	87,486	51,250	115,124
USA	110,729	68,171	166,262
Rest of world	51,697	41,831	87,335
	<b>564,866</b>	<b>395,309</b>	<b>856,920</b>

#### 4 Other income

	6 months to 31 August 2019 £000	6 months to 31 August 2018 £000	Year to 28 February 2019 £000
Rental income	112	120	239

#### 5 Profit before tax

Profit before tax is stated after charging:	6 months to 31 August 2019 £000	6 months to 31 August 2018 £000	Year to 28 February 2019 £000
Operating lease rentals for buildings	-	988	2,235
Equity-settled share-based payment charges	4,355	2,464	5,278
Acquisition and restructuring costs	1,261	-	-
Exceptional items – warehouse relocation	-	-	6,667
Depreciation of property, plant and equipment	5,513	3,090	6,972
Depreciation of right-of-use assets	2,393	-	-
Amortisation of intangible assets	1,589	1,163	2,500
Amortisation of acquired intangible assets	2,312	2,224	4,449

## 6 Earnings per share

Basic earnings per share is calculated by dividing profit after tax attributable to members of the holding company by the weighted average number of shares in issue during the year. Own shares held by the Employee Benefit Trust are eliminated from the weighted average number of shares. Diluted earnings per share is calculated by dividing the profit after tax attributable to members of the holding company by the weighted average number of shares in issue during the year, adjusted for potentially dilutive share options.

	<b>6 months to 31 August 2019</b>	6 months to 31 August 2018	Year to 28 February 2019
Weighted average shares in issue for basic earnings per share	<b>1,161,077,443</b>	1,149,311,146	1,154,130,568
Dilutive share options	<b>32,065,494</b>	24,897,209	20,304,294
Weighted average shares in issue for diluted earnings per share	<b>1,193,142,937</b>	1,174,208,355	1,174,434,862
Earnings attributable to owners of the parent company (£000)	<b>29,551</b>	16,309	37,772
<b>Basic earnings per share</b>	<b>2.55p</b>	1.42p	3.27p
<b>Diluted earnings per share</b>	<b>2.48p</b>	1.39p	3.22p
Earnings attributable to owners of the parent company (£000)	<b>29,551</b>	16,309	37,772
<i>Adjusting items:</i>			
Amortisation of intangible assets arising on acquisitions	<b>2,312</b>	2,224	4,449
Share-based payment charges	<b>4,355</b>	2,464	5,278
Exceptional costs – warehouse relocation	-	6,436	6,667
Adjustment for tax	<b>(1,227)</b>	(2,082)	(3,050)
Adjustment for non-controlling interests	<b>(296)</b>	(1,990)	(2,335)
Adjusted earnings	<b>34,695</b>	23,361	48,781
<b>Adjusted basic earnings per share</b>	<b>2.99p</b>	2.03p	4.23p
<b>Adjusted diluted earnings per share</b>	<b>2.91p</b>	1.99p	4.15p

## 7 Deferred tax

### Assets

	IFRS 16 modified retrospective £000	Depreciation in excess of capital allowances £000	Share- based payments £000	Total £000
At 28 February 2018	-	160	6,319	6,479
Recognised in statement of comprehensive income	-	(160)	(58)	(218)
Credit in equity	-	-	(2,108)	(2,108)
At 31 August 2018	-	-	4,153	4,153
At 28 February 2019	-	87	3,947	4,034
Recognised in statement of comprehensive income	(24)	197	580	753
Debit in equity	109	-	(816)	(707)
<b>At 31 August 2019</b>	<b>85</b>	<b>284</b>	<b>3,711</b>	<b>4,080</b>

### Liabilities

	Capital allowances in excess of depreciation £000	Business combinations £000	Total £000
At 28 February 2018	-	(2,101)	(2,101)
Recognised in statement of comprehensive income	(147)	247	100
At 31 August 2018	(147)	(1,854)	(2,001)
At 28 February 2019	(495)	(1,607)	(2,102)
Recognised in statement of comprehensive income	(192)	247	55
<b>At 31 August 2019</b>	<b>(687)</b>	<b>(1,360)</b>	<b>(2,047)</b>

Recognition of the deferred tax assets is based upon the expected generation of future taxable profits. The deferred tax asset is expected to be recovered in more than one year's time and the deferred tax liability will reverse in more than one year's time as the intangible assets are amortised.

## 8 Trade and other receivables

	6 months to 31 August 2019 £000	6 months to 31 August 2018 £000	Year to 28 February 2019 £000
Trade receivables	28,012	23,405	14,201
Prepayments	9,560	10,482	5,126
Accrued income	440	1,262	386
Taxes and social security receivable	755	-	2,863
	<b>38,767</b>	<b>35,149</b>	<b>22,576</b>

## 9 Trade and other payables

	<b>6 months to 31 August 2019 £000</b>	6 months to 31 August 2018 £000	Year to 28 February 2019 £000
Trade payables	<b>28,708</b>	36,945	33,930
Amounts owed to related party undertakings	-	-	-
Other creditors	<b>2,301</b>	1,242	1,730
Accruals	<b>104,109</b>	77,587	81,930
Provision for liabilities	<b>32,046</b>	13,628	18,912
Deferred income	<b>12,705</b>	6,927	8,453
Taxes and social security payable	<b>11,534</b>	5,719	9,396
	<b>191,403</b>	142,048	154,351

## 10 Share capital

	<b>6 months to 31 August 2019 £000</b>	6 months to 31 August 2018 £000	Year to 28 February 2019 £000
At start of period	<b>11,631</b>	11,496	11,496
Share issues	<b>25</b>	106	135
At end of period	<b>11,656</b>	11,602	11,631

Share capital at period end: 1,165,576,196 authorised and fully paid ordinary shares of 1p each (2019: 1,160,160,400). No dividends have been paid or are payable by the parent company for the period ended 31 August 2019 (2019: *£nil*).

## 11 Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	<b>6 months to 31 August 2019 £000</b>	6 months to 31 August 2018 £000	Year to 28 February 2019 £000
Property, plant and equipment	<b>9,000</b>	6,870	-

## 12 Contingent liabilities

From time to time, the group can be subject to various legal proceedings and claims that arise in the ordinary course of business which may include cases relating to the group's brands and trading names. All such cases brought against the group are robustly defended and a liability is recorded only when it is probable that the case will result in a future economic outflow and that the outflow can be reliably measured.

As at 31 August 2019, there are no pending claims or proceedings against the group, which in the opinion of the directors are expected to have a material adverse effect on its liquidity or operations.

## Appendices

### Growth rates on prior period revenue by region

#### Revenue by period for the year to 29 February 2020 (FY20)

£'000	3m to 31 May				3m to 31 August				6m to 31 August			
	FY20	FY19	yoy %	yoy % CER	FY20	FY19	yoy %	yoy % CER	FY20	FY19	yoy %	yoy % CER
<b>Total</b>	<b>254,321</b>	183,561	39%	39%	<b>310,545</b>	211,748	47%	47%	<b>564,866</b>	395,309	43%	43%
<b>Revenue by region</b>												
UK	<b>140,569</b>	110,738	27%	27%	<b>174,385</b>	123,319	41%	41%	<b>314,954</b>	234,057	35%	35%
ROE	<b>38,252</b>	22,257	72%	71%	<b>49,234</b>	28,993	70%	68%	<b>87,486</b>	51,250	71%	69%
USA	<b>51,336</b>	31,389	64%	66%	<b>59,393</b>	36,782	61%	64%	<b>110,729</b>	68,171	62%	65%
ROW	<b>24,164</b>	19,177	26%	28%	<b>27,533</b>	22,654	22%	23%	<b>51,697</b>	41,831	24%	25%

#### Revenue by period for the year to 28 February 2019 (FY19)

£'000	4m to 31 December				2m to 28 February				12m to 28 February			
	FY19	FY18	yoy %	yoy % CER	FY19	FY18	yoy %	yoy % CER	FY19	FY18	yoy %	yoy % CER
<b>Total</b>	<b>328,231</b>	228,215	44%	43%	<b>133,375</b>	88,710	50%	50%	<b>856,920</b>	579,800	48%	47%
<b>Revenue by region</b>												
UK	<b>179,952</b>	135,642	33%	33%	<b>74,185</b>	56,592	31%	31%	<b>488,199</b>	355,614	37%	37%
ROE	<b>44,431</b>	28,232	57%	54%	<b>19,443</b>	10,258	90%	86%	<b>115,124</b>	66,281	74%	67%
USA	<b>70,427</b>	39,618	78%	80%	<b>27,664</b>	13,475	105%	101%	<b>166,262</b>	92,690	79%	81%
ROW	<b>33,421</b>	24,723	35%	32%	<b>12,083</b>	8,385	44%	44%	<b>87,335</b>	65,215	34%	30%

£'000	3m to 31 May				3m to 31 August				6m to 31 August			
	FY19	FY18	yoy %	yoy % CER	FY19	FY18	yoy %	yoy % CER	FY19	FY18	yoy %	yoy % CER
<b>Total</b>	<b>183,561</b>	120,077	53%	52%	<b>211,748</b>	142,798	48%	47%	<b>395,309</b>	262,875	50%	49%
<b>Revenue by region</b>												
UK	<b>110,738</b>	74,532	49%	49%	<b>123,319</b>	88,849	39%	39%	<b>234,057</b>	163,381	43%	43%
ROE	<b>22,257</b>	12,220	82%	71%	<b>28,993</b>	15,571	86%	73%	<b>51,250</b>	27,791	84%	72%
USA	<b>31,389</b>	17,906	75%	78%	<b>36,782</b>	21,690	70%	71%	<b>68,171</b>	39,596	72%	74%
ROW	<b>19,177</b>	15,419	24%	22%	<b>22,654</b>	16,688	36%	31%	<b>41,831</b>	32,107	30%	27%

CER in this appendix for the year ended 28 February 2019 is calculated using exchange rates prevailing during the year ending 28 February 2019. Nomenclature: ROE – rest of Europe; ROW – rest of world; yoy – year-on-year; CER – constant exchange rate

## Brand KPIs

### boohoo

	6 months to 31 August 2019	6 months to 31 August 2018 <sup>(5)</sup>	Change
Active customers <sup>(1)</sup>	8.4 million	7.0 million	+20%
Number of orders	9.7 million	7.5 million	+29%
Order frequency <sup>(2)</sup>	2.11	2.07	+2%
Conversion rate to sale <sup>(3)</sup>	3.3%	3.1%	+19bps
Average order value <sup>(4)</sup>	£43.41	£40.40	+7%
Number of items per basket	3.30	3.03	+9%

### PrettyLittleThing

	6 months to 31 August 2019	6 months to 31 August 2018 <sup>(5)</sup>	Change
Active customers <sup>(1)</sup>	5.7 million	4.0 million	+43%
Number of orders	9.0 million	6.6 million	+36%
Order frequency <sup>(2)</sup>	2.97	2.83	+5%
Conversion rate to sale <sup>(3)</sup>	3.6%	3.3%	+26bps
Average order value <sup>(4)</sup>	£42.15	£40.09	+5%
Number of items per basket	2.96	2.81	+5%

### Nasty Gal

	6 months to 31 August 2019	6 months to 31 August 2018 <sup>(5)</sup>	Change
Active customers <sup>(1)</sup>	1.5 million	0.7 million	+112%
Number of orders	1.3 million	0.5 million	+150%
Order frequency <sup>(2)</sup>	1.55	1.38	+13%
Conversion rate to sale <sup>(3)</sup>	2.2%	1.9%	+37bps
Average order value <sup>(4)</sup>	£50.87	£48.77	+4%
Number of items per basket	3.44	2.90	+18%

1. Defined as having shopped in the last 12 months
2. Defined as number of orders in last 12 months divided by number of active customers
3. Defined as the percentage of website orders taken to internet sessions
4. Calculated as gross sales including sales tax divided by the number of orders
5. Prior period numbers restated to include marketplace data