

The information contained within this announcement is deemed by the company to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

boohoo group plc – trading statement for the three months ended 31 May 2020

("boohoo" or "the Group")

Strong trading performance and acquisition

£ million	Three months to 31 May			
	FY21	FY20	Increase	CER ⁽¹⁾
Group total revenue	367.8	254.3	45%	45%
Revenue by region				
UK	183.0	140.6	30%	30%
ROE ⁽²⁾	63.4	38.2	66%	65%
USA	92.0	51.3	79%	83%
ROW ⁽³⁾	29.4	24.2	22%	22%

(1) CER designates Constant Exchange Rate translation of foreign currency revenue. (2) ROE is rest of Europe. (3) ROW is rest of world.

In these unprecedented and difficult times we are pleased to report that our first quarter trading has been very strong. This has been achieved during a global pandemic where our first priority has been, and will continue to be, to ensure the health, safety and wellbeing of all our colleagues, customers and suppliers around the world.

The results demonstrate the determination and flexibility of our staff, and our capability and preparedness to deploy different ways of working to capture and process demand utilising our flexible supply chain. At the same time the Group has been able to provide extensive support for colleagues who have been required to self-isolate, including full pay. Wherever possible colleagues have been working from home.

The Group welcomes the UK government's financial support packages that have been made available to businesses, but in light of the very strong trading performance we have not taken advantage of the available support.

Trading and operational performance

Revenues in our first quarter totalled £367.8m, up 45% year on year, with strong underlying growth across boohoo, PLT and Nasty Gal. Our newest brands (MissPap, Karen Millen and Coast) continue to trade strongly having successfully integrated onto the Group's scalable platform last year.

The Group entered the year with sustained momentum from a strong finish to its previous financial year. Trading in the middle of March through to early April was mixed, as a result of the impact of the COVID-19 pandemic, initially with a marked decrease in year-on-year growth. Performance across all of our brands and geographies improved throughout April, with a robust performance delivered in May.

Despite the uncertain backdrop, we have delivered a strong gross margin performance, up 60 basis points year on year to 55.6%, with our test and repeat model allowing our teams to back winning categories and trends that have emerged through this period. Areas such as loungewear and athleisure have performed well as customer buying habits adapted to a stay at home lifestyle, with our marketing strategy and content being pivoted to reflect this change and we have seen strong levels of engagement in response.

Our service proposition has held up relatively well. Our fantastic warehouse teams have adapted to completely new ways of working to ensure that they abide by all the social distancing procedures that we have in place, and we continue to engage with our carrier partners to ensure as seamless a customer proposition as possible.

Financing and acquisitions update

Today, the Group is pleased to announce the acquisition of the online businesses and all associated intellectual property of two brands, Oasis and Warehouse, for £5.25m in cash from Hilco Capital Limited. Oasis and Warehouse are two well-established brands in the UK targeting fashion forward shoppers and are a complementary addition to our portfolio of brands.

In line with previous acquisitions, the Group will, in the coming months, integrate Oasis and Warehouse onto its platform, allowing both brands to benefit from the Group's insight, infrastructure, supply chain and operating model. In their most recent financial year ending February 2020, unaudited management information shows that Oasis and Warehouse generated direct online revenues of £46.8 million in aggregate.

On 28 May, we successfully completed the purchase of the remaining 34% minority interest in prettylittlething.com Limited ("PLT"). The Group continues to expect this acquisition to be significantly earnings enhancing, with PLT delivering a strong trading performance in the period, and the acquisition continues to represent an important further step towards achieving our vision to lead the fashion e-commerce market globally.

In addition, on 15 May, the Group raised gross proceeds of £197.7 million from shareholders through a placing in order to take advantage of numerous M&A opportunities that are likely to emerge in the global fashion industry over the coming months. The Group continues to appraise opportunities and will update shareholders in due course. We finished the quarter with in excess of £350 million of net cash on our balance sheet.

Outlook and Guidance

For the current financial year ending 28 February 2021, the Group expects to deliver another year of strong profitable growth, and ahead of market expectations. Revenue growth is anticipated to be approximately 25% for the current financial year, with an adjusted EBITDA margin of 9.5% to 10%. This guidance reflects our expectation for an ongoing period of consumer uncertainty, likely promotional intensity in markets in which we operate, as well as continued near-term carriage inflation for some of our overseas markets. This guidance also reflects ongoing investments into our more established brands as well as anticipated investments into new and recently acquired brands through the course of the financial year.

In the current financial year we will continue to invest into our infrastructure and operations to support our future growth ambitions, with capital expenditure expected to be in the region of £60 million to £80 million. The strength of our trading and operational performance in the period further

underpins our confidence in our medium term guidance for 25% sales growth per annum and a 10% adjusted EBITDA margin, which remains unchanged.

John Lyttle, boohoo group plc CEO, commented:

“During unprecedented and challenging times, the Group has delivered a very strong trading and operational performance. I am proud of how our colleagues and business partners from around the world have responded to ensure that we can safely bring to our customers the latest fashions, great value, fantastic prices and best in class service. Whilst there is a period of uncertainty within the markets in which we operate, the Group is well-positioned to continue making progress towards leading the fashion e-commerce market globally.”

Investor and analyst conference call

boohoo group plc will today host a conference call for analysts and investors at 8.45am (UK time). The dial in details for the call are as follows:

UK Toll Number: +44 3333000804
UK Toll-Free Number: 08003589473
Participant pin code: 23668690#

For international access numbers, please click [here](#).

-ends-

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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. Since 2006, 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 29 February 2020, the boohoo group had just under 14 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.

Appendix – prior period revenues by region

Revenue by period for the year to 28 February 2021 (FY21)

£m	3m to 31 May			
	FY21	FY20	yoy %	yoy % CER
Total	367.8	254.3	45%	45%
UK	183.0	140.6	30%	30%
ROE	63.4	38.2	66%	65%
USA	92.0	51.3	79%	83%
ROW	29.4	24.2	22%	22%

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

£m	4m to 31 December				2m to 28/29 February				12m to 28/29 February			
	FY20	FY19	yoy %	yoy % CER	FY20	FY19	yoy %	yoy % CER	FY20	FY19	yoy %	yoy % CER
Total	473.7	328.2	44%	44%	196.3	133.4	47%	48%	1,234.9	856.9	44%	44%
UK	255.8	180.0	42%	42%	108.5	74.2	46%	46%	679.3	488.2	39%	39%
ROE	69.6	44.4	57%	54%	31.4	19.4	61%	58%	188.4	115.1	64%	62%
USA	110.6	70.4	57%	57%	42.3	27.7	53%	62%	263.6	166.3	59%	61%
ROW	37.7	33.4	13%	13%	14.1	12.1	17%	14%	103.6	87.3	19%	19%

£m	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
Total	254.3	183.6	39%	39%	310.5	211.7	47%	47%	564.9	395.3	43%	43%
UK	140.6	110.7	27%	27%	174.4	123.3	41%	41%	315.0	234.1	35%	35%
ROE	38.2	22.3	72%	71%	49.2	29.0	70%	68%	87.5	51.2	71%	69%
USA	51.3	31.4	64%	66%	59.4	36.8	61%	64%	110.7	68.2	62%	65%
ROW	24.2	19.2	26%	28%	27.5	22.6	22%	23%	51.7	41.8	24%	25%