For IMMEDIATE release 3 October 2023

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 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended) ("UK MAR"). 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 – results for the 6 months ended 31 August 2023

(“boohoo” or “the Group”)

In the last six months the Group has made substantial progress, delivering key operational and strategic projects and an improvement in adjusted EBITDA margin. Revenues in core brands declined 10%, consistent with prior guidance for Group revenues to decline by 10% to 15%, with more significant declines in our labels following the successful decision taken to target more profitable sales, which contributed to improved Group profitability. Investments in key strategic initiatives are underpinned by our significant cost savings programme.

Customer first

- Captured supply chain deflation and lower input prices, and reinvested these savings to drive faster lead times and lower prices for customers
- Strengthened test & repeat model with significantly improved lead times
- Average selling prices down year on year in comparison to a UK clothing market which has seen price inflation of 8%
- Increased mix of entry price point categories to reinforce value for customers

Investing for growth

- Best-in-class logistics through automation in Sheffield delivering record levels of productivity
- US distribution centre launched successfully, upgrading our proposition with next day & express delivery options into a key strategic market. Further brands to be phased over the next twelve months
- Successfully migrated a number of our brands onto our in-house technology platforms, giving greater agility and cost savings

Delivering sustainable ROI

- Identified more than £125 million of annualised cost savings across cost of goods, supply chain and overheads, to be delivered across FY24 & FY25, supporting a disciplined reinvestment programme
- Gross margin strengthened in the first half, despite significant investments into reducing lead times in the supply chain and into price reductions for the customer
- Delivered significant cost savings that have supported a 30bps increase in adjusted EBITDA margin
- Stock down £94 million / 35% year on year due to our leaner, lighter, faster inventory model
- Strong balance sheet and significant liquidity position of £290 million provide the necessary foundations to continue to invest in growth

John Lyttle, Group CEO, commented:

“Over the first half we have made substantial progress across key projects and initiatives, including the launch of our US distribution centre. We have seen significant improvements in sourcing lead times and invested in pricing to reinforce our value credentials. We have identified more than £125 million of annualised cost savings that support our investment programme. Our confidence in the medium-term prospects for the Group remains unchanged as we execute on our key priorities where we see a clear path to improved profitability and getting back to growth.”

Summary of HY 24 performance

	6 months to 31 August 2023 (1H FY24) £ million	6 months to 31 August 2022 (1H FY23) £ million	Change 2023 on 2022
Revenue	**729.1**	882.4	(17%)
Gross profit	**389.2**	463.5	(16%)
Gross margin	**53.4%**	52.5%	90bps
Adjusted EBITDA[(1)]	**31.3**	35.5	(12%)
% of revenue	***4.3%***	*4.0%*	*30bps*
Adjusted EBIT[(2)]	**(3.9)**	9.6	(141%)
% of revenue	**(0.5%)**	1.1%	(160)bps
Adjusted (loss)/profit before tax[(3)]	**(9.1)**	6.2	(247%)
Adjusted (loss)/diluted earnings per share[(4)]	**(0.91)p**	0.29p	(414%)
Net debt[(5)] at period end	**(35.0)**	(10.4)	(24.6)m

Financial & Operational highlights

- Revenue £729.1 million, down 17% vs last year, with UK down 19% and International down 15%
  - Revenues in core brands[(6)], declined 10%, consistent with prior guidance of -10% to -15%
  - Successfully targeted more profitable sales in our labels which resulted in more significant revenue declines
- Gross margin 53.4%, up 90bps vs last year, despite significant reinvestment of supply chain and input cost deflation into lead times and lower prices for customers. Year on year margin improvement reflects tighter inventory management
- Inventory significantly reduced, down £94 million or 35% year on year
- Adjusted EBITDA of £31.3 million. Adjusted EBITDA margin of 4.3%, up 30bps year on year reflecting improvements in gross margin, distribution cost efficiencies from automation and overhead cost reduction
- £36.3 million of capital expenditure as we build the infrastructure for future growth, including capacity expansion as part of the Sheffield automation project and US distribution centre ahead of its launch
- Free cash outflow of £12.9 million, reflecting capital expenditure in strategic projects. Balance sheet strength maintained with £290 million of liquidity headroom on the Group's £325 million Revolving Credit Facility

Outlook and Guidance

The Group's focus remains on executing its back to growth strategy through disciplined investments across product, price and proposition. Given the slower volume recovery than previously anticipated and the continued targeting of more profitable sales within our labels, revenues for the year ending 28 February 2024 ("FY24") are now expected to decline by 12% to 17%.

In line with prior guidance, adjusted EBITDA margins are expected to be between 4% and 4.5% given the strong progress made on gross margin and cost control. Adjusted EBITDA is expected to be between £58 million to £70 million. Capital expenditure is expected to be approximately £75 million.

The Group's back to growth strategy will unlock the significant growth opportunity. The Board's confidence remains unchanged in rebuilding profitability over the medium term, generating a 6% to 8% adjusted EBITDA margin while getting back to growth through: continued investment in product, price and proposition, volume growth, international expansion, unlocking cost deflation; and cost control.

Investor and analyst meeting

A meeting and video webcast for analysts & investors will be held at 9am (UK time) today at the offices of boohoo, 10 Great Pulteney Street, London, W1F 9NB. The webcast is available via the following link:
https://stream.buchanan.uk.com/broadcast/6504762150a62b392af14caa

A replay will subsequently be available the same day via the same link. boohoo group plc's results are available at www.boohooplc.com.

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boohoo group plc

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Notes:
Adjusted items, which are not statutory measures, show the underlying performance of the group excluding large, non-cash and exceptional items.
(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 (loss)/profit before tax, interest, amortisation of acquired intangible assets, share-based payment charges and exceptional items.
(3) Adjusted profit before tax is calculated as profit before tax, excluding amortisation of acquired intangible assets, share-based payment charges and exceptional items.
(4) Adjusted (loss)/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 (debt)/cash is cash less borrowings, excluding lease liabilities.
(6) Core brands are defined as boohoo, boohooMAN, PrettyLittleThing, Karen Millen and Debenhams marketplace

About boohoo group plc

“Leading the fashion eCommerce market”

Founded in Manchester in 2006, boohoo is an inclusive and innovative global brand targeting young, value-orientated customers, pushing boundaries to bring its customers up-to-date and inspirational fashion, 24/7.

In 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, in August 2019 the Karen Millen and Coast brands and in June 2020 the Warehouse and Oasis brands, all complementary to the group's scalable, multi-brand platform. In January 2021, the group acquired the intellectual property assets of Debenhams, with the goal of transforming a leading UK fashion and beauty retailer into a digital department store and marketplace through a new capital-light and low-risk operating model. In February 2021, the group acquired the intellectual property assets of UK brands Dorothy Perkins, Wallis and Burton. As at 31 August 2023, the boohoo group had 17 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 “aims”, “anticipates”, “believes”, “continues”, “could”, “due”, “estimates”, “expects”, “goal”, “intends”, “may”, “objectives”, “outlook”, “plans”, “potential”, ”probably”, “project”, “seeks”, “should”, “targets”, or “will” or, in each case, their negative or other variations or comparable terminology.

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. Except as required by applicable law or regulation, 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 authorised under the Financial Services and Markets Act 2000 (as amended). 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 revenues for the period declined by 17% (18% Constant Exchange Rate = "CER") to £729.1 million from £882.4 million in 2022.

The Group's core brands, before factoring in the impact of Debenhams marketplace commissions on statutory net revenue, declined 10% year on year, consistent with prior guidance for Group revenues to decline by 10% to 15% in the first half. This accounted for 8 percentage points of the Group's total revenue decline. More significant declines in revenues however came from our labels, following proactive actions taken to target more profitable sales. This accounted for a further 8 percentage points of the Group's revenue decline, but with much improved profitability. Strong GMV growth was achieved within the Debenhams marketplace, with its increase as a proportion of Group revenue accounting for 2 percentage points of the decline given the Group only recognises commission income on marketplace sales.

UK revenues declined 19% reflecting the impact of the macro environment on consumer demand, as well as price investments and the previously mentioned increase of the Debenhams marketplace within the sales mix. International revenues declined 15%, with extended delivery times continuing to impact our customer proposition for most of the period and annualisation against strong wholesale comparatives with new partners onboarded in the first half of the prior financial year. The Group's US distribution centre went live in August with its first brand, PrettyLittleThing, on time and on budget, as part of a phased roll-out of brands into the site. This will transform the delivery proposition for customers in a key strategic market, and for brands that are operationally live, delivery times have improved by 3 days on average since launch.

Gross product margin was 53.4%, up 90bps on the prior period (2022: 52.5%). Adjusted EBITDA was £31.3 million (2022: £35.5 million), a decrease of 12%. Adjusted EBITDA margin was 4.3%, up 30bps on the prior period (2022: 4.0%).

The improvement in adjusted EBITDA margin reflected strong improvements seen across gross margins and distribution costs, which improved by 90bps and 150bps respectively year on year. The improvement in gross margin reflected tighter inventory management and reduced input costs notwithstanding significant investments made into freight and pricing. Distribution cost savings were driven by significant efficiencies that have been unlocked from the successful automation of our Sheffield distribution centre.

Other administrative costs reduced by 16% year on year, reflective of the tight cost control measures implemented in the second half of the prior financial year but increased by 40bps as a percentage of net sales given the lower revenues reported in the first half of this financial year. Marketing costs reduced by 4% as spend was optimised across marketing channels but increased by 170bps as a percentage of sales. This reflects the impact of the macro environment on consumer demand, targeted investments in specific growth opportunities as well as underlying inflationary pressures across digital marketing channels. This will be assessed going forwards through optimisation of marketing channels to drive performance as well as brand activation campaigns to drive higher levels of organic and direct traffic.

During the period, the Group incurred significant non-recurring costs, which are shown as exceptional items in the financial statements and have not been included in the adjusted performance measures. These items relate to set up costs associated with the opening of the US distribution centre, and dual running costs associated with the re-platforming of the Group's e-commerce front end to its own in-house developed tech stacks. These exceptional items amounted to £10.2 million and are detailed in note 1 of the financial statements.

During the period the Group recognised a £10.2m gain on transition of its investment in Revolution Beauty plc, which was previously accounted for as a financial asset at fair value through other comprehensive income, as irrevocably designated at the time of investment, in accordance with IFRS 9, and is now classified as an investment in associate in accordance with IAS 28. This gain was significant and non-recurring and has therefore not been included in the adjusted performance measures. Further details are detailed in note 1 and note 9 of the financial statements.

While trading conditions have remained challenging due to cost inflation, uncertain consumer demand and normalisation of the channel shift online, the Group has a strong business model and clear strategy with which it is focussed on executing to unlock market share, which will allow it to build on its existing strengths of:

- Test and repeat sourcing model that allows our brands to utilise our diverse sourcing base with agility and flexibility whilst minimising excess inventory risk
- Attractive brand portfolio that combines the latest trends with outstanding value for consumers
- 17 million unique active customers and over 65 million followers across social media
- A broad target addressable market of up to 500 million potential customers in key global markets
- Well-invested infrastructure that offers best-in-class, efficient logistics and a strong customer proposition with our first international distribution centre now live, with significant capacity for future growth
- Strong balance sheet with significant liquidity headroom; and
- Numerous growth opportunities through our brands' direct-to-consumer proposition, Debenhams and other routes to market, including strategic partnerships with select partners globally

Key Performance Indicators

Active customer numbers in the last 12 months decreased by 12% to 17.0 million reflecting the switch back to offline following the pandemic. Average order frequency decreased by 7% from 3.21 to 2.98 times p.a. Average order value decreased by 1% to £53.30 whilst the number of items per basket increased slightly 2.95 to 2.98, driven by the capturing of deflation in our supply chain and subsequent passing-through of cost savings to our customers.

Cash and Working Capital Management

Operating cash flow was £21.8 million (2022: £41.3 million). Working capital, particularly in relation to inventory has been tightly managed. Inventory has reduced significantly, down £94.2 million / 35% year on year.

Capital expenditure of £36.3 million included a substantial investment in property and distribution centres of £18.3 million, mainly around Sheffield automation and the opening of a warehousing facility in the USA. Net cash outflow was £40.9 million (2022: £213.3 million inflow). Net debt at the period-end increased to £35.0 million (2022: £10.4 million net debt), with total liquidity of £290.0 million.

During the prior period the Group secured a new £325 million rolling capital facility, increasing from the previous £100 million facility. The facility remains fully drawn at the end of August 2023.

The Group will continue to make selective investments to support its platform and brands, in line with its internal investment criteria and in a manner that reflects the current macro-economic environment.

Performance by market

UK

The UK market continues to be the largest for the Group, accounting for 61% of revenue (2022: 62%). Revenue was £441.3 million declining by 19% on 2022 reflecting the impact of the macro environment on consumer demand, as well as price investments and increase of the Debenhams marketplace within the sales mix. Gross margin improved from 50.2% to 51.6% and return rates have reduced slightly, which is attributable to product mix and the capturing of deflation in our supply chain and pass-through of lower prices to our consumers.

USA

USA revenues declined 11% on the prior year. Delivery times to the USA for most of the period remained elevated compared to pre-pandemic levels, and this has undoubtedly impacted demand. Successful go-live of the Group's US distribution centre on time and on budget in August has transformed the delivery proposition for US customers, and there will be a phased roll-out of brands operating in the facility. Return rates have decreased year on year reflecting brand mix. Gross margin reduced from 60.2% to 58.4% reflecting brand mix as well as the impact of duties associated with the new distribution centre.

Rest of Europe

Revenue in the rest of Europe decreased by 16% year on year, with performance impacted by annualisation against strong wholesale comparatives with new partners onboarded in the first half of the prior financial year. Gross margin improved from 52.7% to 53.3% and return rates improved year on year.

Rest of world

Revenue in the rest of the world decreased by 23% on the prior year to £44.8 million (2022: 58.3 million) and was also impacted by annualisation against strong wholesale comparatives with new partners onboarded in the first half of the prior financial year. Gross margin improved from 50.8% to 53.3% with return rates improving year on year.

Financial review

Group revenue by geographical market

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Change 2023 on 2022	Change CER[1]
UK	**441.3**	544.6	(19%)	(19%)
Rest of Europe	**85.8**	102.1	(16%)	(16%)
USA	**157.2**	177.4	(11%)	(12%)
Rest of world	**44.8**	58.3	(23%)	(25%)
	729.1	882.4	(17%)	(18%)

1. 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.

KPIs

Group

	6 months to 31 August 2023	6 months to 31 August 2022	Change 2023 on 2022
Active customers[1]	**17.0 million**	19.2 million	(12%)
Number of orders	**23.2 million**	28.3 million	(18%)
Order frequency[2]	**2.98**	3.21	(7%)
Conversion rate to sale [3]	**3.39%**	3.64%	(7%)
Average order value[4]	**£53.30**	£53.85	(1%)
Number of items per basket	**2.98**	2.95	1%

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

Consolidated summary income statement

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Change 2023 on 2022
Revenue	**729.1**	882.4	(17%)
Cost of sales	**(339.9)**	(418.9)	(19%)
Gross profit	**389.2**	463.5	(16%)
Gross margin %	***53.4%***	*52.5%*	*90bps*
Operating costs	**(358.0)**	(428.0)	(16%)
Other income	**0.1**	-	
Adjusted EBITDA	**31.3**	35.5	(12%)
Adjusted EBITDA margin %	***4.3%***	*4.0%*	*30bps*
Depreciation	**(24.0)**	(18.2)	
Amortisation of other intangible assets	**(11.2)**	(7.7)	
Adjusted EBIT	**(3.9)**	9.6	(141%)
Adjusting items:			
Amortisation of acquired intangible assets	**(6.1)**	(6.2)	
Equity-settled share-based payments charges	**(11.2)**	(12.9)	
Exceptional costs	**(10.2)**	(2.3)	
Revaluation gain on transition of investment (IFRS 9) to associate (IAS 28)	**10.2**	-	
Operating loss	**(21.2)**	(11.8)	80%
Finance income	**6.0**	0.5	
Finance expense	**(11.2)**	(3.9)	
Loss before tax	**(26.4)**	(15.2)	74%
Taxation	**4.1**	0.5	
Loss after tax	**(22.3)**	(14.7)	52%
Share of results of associates	**-**	-	
Loss for the period	**(22.3)**	(14.7)	52%
Loss per share	**(1.85)p**	(1.19)p	55%

Adjusted (loss)/profit after tax for the period	**(11.0)**	3.8	(389%)
Amortisation of acquired intangible assets	**(6.1)**	(6.2)	
Equity-settled share-based payments charges	**(11.2)**	(12.9)	
Exceptional costs	**(10.2)**	(2.3)	
Revaluation gain on transition of investment (IFRS 9) to associate (IAS 28)	**10.2**	-	
Adjustment for tax	**6.0**	2.9	
Loss after tax for the period	**(22.3)**	(14.7)	52%
Adjusted (loss)/profit for the period attributable to shareholders of the company	**(11.0)**	3.8	
Adjusted (loss)/diluted earnings per share	**(0.91)p**	0.29p	(414%)

Exceptional costs	**6 months to 31 August 2023 £ million**	6 months to 31 August 2022 £ million
Selling and distribution costs		
USA warehouse set up costs	**8.6**	-
Sheffield automation disruption costs	**-**	2.3
	8.6	2.3
Administration expenses		
Technology platform – dual running costs	**1.6**	-
	1.6	-
Total before tax	**10.2**	2.3
Tax	**(2.5)**	(0.4)
Total after tax	**7.7**	1.9

Taxation

The Group recognised a tax credit of £4.1m (2022: £0.5m), an effective rate of 15.5% (2022: 3.3%). This is lower than the tax credit calculated when multiplying the loss before tax at the blended UK statutory rate of tax for the period of 24.5% (2022: 19%), due to disallowable expenses and depreciation of buildings in excess of capital allowances.

Loss per share

Loss per share for the first half of the year increased by 55% from (1.19)p to (1.85)p. Adjusted diluted loss per share was (0.91)p, up 414% on the first half of the prior year (2022: diluted earnings 0.29p).

Consolidated statement of financial position

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million
Intangible assets	**128.6**	131.4
Property, plant and equipment	**374.3**	358.8
Right-of-use assets	**125.1**	60.7
Financial assets	**1.0**	0.7
Equity investments	**0.3**	6.5
Investments in associates	**26.5**	-
Deferred tax asset	**24.3**	7.4
Non-current assets	**680.1**	565.5
Working capital	**(113.4)**	(22.7)
Lease liabilities	**(127.1)**	(62.7)
Net financial liabilities	**(2.3)**	(26.9)
Cash and cash equivalents	**290.0**	314.6
Interest bearing loans and borrowings	**(325.0)**	(325.0)
Deferred tax liability	**(22.6)**	(24.7)
Current tax asset	**-**	6.5
Net assets	**379.7**	424.6

Liquidity and financial resources

Operating cash flow was £21.8 million (2022: £41.3 million). Net cash outflow was £40.9 million (2022: £213.3 million inflow), following capital expenditure of £36.3 million (2022: £38.7 million). During 2022 the Group received a £225 million inflow from the newly committed £325 million Revolving Credit Facility. Our net debt balance (cash less bank debt, excluding lease liabilities) at the period end increased to £35.0 million (2022: £10.4 million net debt). The closing cash balance for the Group was £290.0 million.

Consolidated cash flow statement

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million
Loss for the period	**(22.3)**	(14.7)
Share-based payments charge	**11.2**	12.9
Depreciation charges, amortisation and impairment	**41.3**	32.1
Gain on sale of property, plant and equipment	**(0.1)**	-
Reclassification to profit or loss of discontinued hedge contracts	**(9.7)**	-
Revaluation gain on transition of investment to associate	**(10.2)**	-
Finance income	**(6.0)**	(0.5)
Finance expense	**11.2**	3.9
Tax expense	**(4.1)**	(0.5)
Decrease in inventories	**2.6**	9.7
Decrease/(increase) in trade and other receivables	**6.0**	(5.7)
Increase in trade and other payables	**1.9**	4.1
Operating cash flow	**21.8**	41.3
Capital expenditure and intangible asset purchases	**(36.3)**	(38.7)
Investments in equity instruments	**(1.3)**	(6.5)
Proceeds from the sale of property, plant and equipment	**1.2**	-
Tax refunded	**1.7**	1.2
Free cash outflow after tax	**(12.9)**	(2.7)
Net proceeds from the issue of ordinary shares	**0.1**	0.1
Purchase of own shares by EBT	**(15.4)**	-
Finance income received	**5.3**	0.4
Finance expense paid	**(9.4)**	(3.4)
Lease payments	**(8.6)**	(6.1)
Increase in borrowings	**-**	225.0
Net cash (out)/inflow	**(40.9)**	213.3
Cash and cash equivalents at beginning of period	**330.9**	101.3
Cash and cash equivalents at end of period	**290.0**	314.6

Outlook and Guidance

The Group’s focus remains on executing its back to growth strategy through disciplined investments across product, price and proposition. Given the slower volume recovery than previously anticipated and the continued targeting of more profitable sales within our labels, revenues for the year ending 28 February 2024 (“FY24”) are now expected to decline by 12% to 17%.

In line with prior guidance, adjusted EBITDA margins are expected to be between 4% and 4.5% given the strong progress made on gross margin and cost control. Adjusted EBITDA is expected to be between £58 million to £70 million. Capital expenditure is expected to be approximately £75 million.

The Group’s back to growth strategy will unlock the significant growth opportunity. The Board’s confidence remains unchanged in rebuilding profitability over the medium term, generating a 6% to 8% adjusted EBITDA margin while getting back to growth through: continued investment in product, price and proposition, volume growth, international expansion, unlocking cost deflation; and cost control.

John Lyttle	**Shaun McCabe**
Chief Executive Officer	Chief Financial Officer

3 October 2023

Unaudited consolidated statement of comprehensive income

for the period ended 31 August 2023

	Note	**6 months to 31 August 2023 (unaudited)**	6 months to 31 August 2022 (unaudited)	Year to 28 February 2023 (audited)
		£ million	£ million	£ million
Revenue	*3*	**729.1**	882.4	1,768.7
Cost of sales		**(339.9)**	(418.9)	(873.5)
Gross profit		**389.2**	463.5	895.2
Distribution costs		**(189.9)**	(224.8)	(447.9)
Exceptional costs		***(8.6)***	*(2.3)*	*(20.0)*
Other distribution costs		***(181.3)***	*(222.5)*	*(427.9)*
Administrative expenses		**(230.8)**	(250.5)	(529.7)
Amortisation of acquired intangibles		***(6.1)***	*(6.2)*	*(12.2)*
Exceptional expenses		***(1.6)***	-	*(24.9)*
Other administrative expenses		***(223.1)***	*(244.3)*	*(492.6)*
Other income		**0.1**	-	0.2
Revaluation gain on transition of investment (IFRS 9) to associate (IAS 28)		**10.2**	-	-
Operating loss		**(21.2)**	(11.8)	(82.2)
Finance income		**6.0**	0.5	3.5
Finance expense		**(11.2)**	(3.9)	(12.0)
Loss before tax	*4*	**(26.4)**	(15.2)	(90.7)
Taxation		**4.1**	0.5	15.1
Loss after tax		**(22.3)**	(14.7)	(75.6)
Share of results of associates	*9*	**-**	-	-
Loss for the period		**(22.3)**	(14.7)	(75.6)
Other comprehensive (expense)/income for the period				
(Gain)/loss reclassified to profit or loss during the period [(1)]		**(1.4)**	(1.1)	16.2
Fair value gain/(loss) on cash flow hedges during the period [(1)]		**7.1**	(35.2)	(28.7)
Income tax relating to these items		**(1.4)**	6.9	2.4
Total comprehensive loss for the period		**(18.0)**	(44.1)	(85.7)
Earnings per share	*5*			
Basic		**(1.85)p**	(1.19)p	(6.13)p
Diluted		**(1.85)p**	(1.19)p	(6.13)p

1. Net fair value gains/losses on cash flow hedges will be reclassified to profit or loss during the three years to 31 August 2026.

Unaudited consolidated statement of financial position

at 31 August 2023

	Note	**At 31 August 2023 (unaudited) £ million**	At 31 August 2022 (unaudited) £ million	At 28 February 2023 (audited) £ million
Assets				
Non-current assets				
Intangible assets	*6*	**128.6**	131.4	131.5
Property, plant and equipment	*7*	**374.3**	358.8	371.6
Right-of-use assets	*8*	**125.1**	60.7	136.4
Financial assets	*19*	**1.0**	0.7	0.3
Financial assets – equity investments	*19*	**0.3**	6.5	15.3
Investments in associates	*9*	**26.5**	-	-
Deferred tax	*10*	**24.3**	7.4	23.5
Total non-current assets		**680.1**	565.5	678.6
Current assets				
Inventories		**175.5**	269.7	178.1
Trade and other receivables	*11*	**32.9**	61.6	37.0
Financial assets	*18*	**3.4**	12.0	1.1
Current tax asset		**-**	6.5	-
Cash and cash equivalents		**290.0**	314.6	330.9
Total current assets		**501.8**	664.4	547.1
Total assets		**1,181.9**	1,229.9	1,225.7
Liabilities				
Current liabilities				
Trade and other payables	*12*	**(272.3)**	(291.5)	(260.3)
Provisions	*13*	**(40.1)**	(62.5)	(49.7)
Lease liabilities	*15*	**(11.1)**	(8.1)	(12.1)
Financial liabilities	*19*	**(5.4)**	(27.7)	(15.7)
Total current liabilities		**(328.9)**	(389.8)	(337.8)
Non-current liabilities				
Provisions	*13*	**(9.4)**	-	(10.0)
Interest bearing loans and borrowings	*14*	**(325.0)**	(325.0)	(325.0)
Lease liabilities	*15*	**(116.0)**	(54.6)	(126.5)
Financial liabilities	*19*	**(0.3)**	(11.2)	(2.2)
Deferred tax	*10*	**(22.6)**	(24.7)	(24.2)
Total liabilities		**(802.2)**	(805.3)	(825.7)
Net assets		**379.7**	424.6	400.0
Equity				
Share capital	*16*	**12.7**	12.7	12.7
Shares to be issued	*17*	**31.9**	31.9	31.9
Share premium		**911.2**	922.9	916.8
Hedging reserve		**3.4**	(26.1)	(2.3)
EBT reserve		**(86.5)**	(75.6)	(76.8)
Other reserves	*18*	**(796.1)**	(797.1)	(796.5)
Retained earnings		**303.1**	355.9	314.2
Total equity		**379.7**	424.6	400.0

Unaudited consolidated statement of changes in equity

	Share capital £ million	**Shares to be issued** £ million	**Share premium** £ million	**Hedging reserve** £ million	**EBT reserve** £ million	**Other reserves** £ million	**Retained earnings** £ million	**Total equity** £ million
Balance at 28 February 2023	12.7	31.9	916.8	(2.3)	(76.8)	(796.5)	314.2	400.0
Loss for the period	-	-	-	-	-	-	**(22.3)**	**(22.3)**
Other comprehensive income/(expense):								
Gain reclassified to profit and loss in revenue	-	-	-	**(1.4)**	-	-	-	**(1.4)**
Fair value gain on cash flow hedges during the period	-	-	-	**7.1**	-	-	-	**7.1**
Total comprehensive expense for the period	-	-	-	**5.7**	-	-	**(22.3)**	**(16.6)**
Issue of shares	-	-	**(5.6)**	-	**(9.7)**	-	-	**(15.3)**
Share-based payments credit	-	-	-	-	-	-	**11.2**	**11.2**
Translation of foreign operations	-	-	-	-	-	**0.4**	-	**0.4**
Balance at 31 August 2023	**12.7**	**31.9**	**911.2**	**3.4**	**(86.5)**	**(796.1)**	**303.1**	**379.7**

	Share capital £ million	**Shares to be issued** £ million	**Share premium** £ million	**Hedging reserve** £ million	**EBT reserve** £ million	**Other reserves** £ million	**Retained earnings** £ million	**Total equity** £ million
Balance at 28 February 2022	12.7	31.9	922.8	10.2	(75.6)	(795.5)	357.8	464.3
Loss for the period	-	-	-	-	-	-	(14.7)	(14.7)
Other comprehensive income/(expense):								
Gain reclassified to profit and loss in revenue	-	-	-	(1.1)	-	-	-	(1.1)
Fair value loss on cash flow hedges during the period	-	-	-	(35.2)	-	-	-	(35.2)
Total comprehensive expense for the period	-	-	-	(36.3)	-	-	(14.7)	(51.0)
Issue of shares	-	-	0.1	-	-	-	-	0.1
Share-based payments credit	-	-	-	-	-	-	12.9	12.9
Excess taxation on share-based payments	-	-	-	-	-	-	(0.1)	(0.1)
Translation of foreign operations	-	-	-	-	-	(1.6)	-	(1.6)
Balance at 31 August 2022	12.7	31.9	922.9	(26.1)	(75.6)	(797.1)	355.9	424.6

	Share capital £ million	**Shares to be issued** £ million	**Share premium** £ million	**Hedging reserve** £ million	**EBT reserve** £ million	**Other reserves** £ million	**Retained earnings** £ million	**Total equity** £ million
Balance at 28 February 2022	12.7	31.9	922.8	10.2	(75.6)	(795.5)	357.8	464.3
Loss for the year	-	-	-	-	-	-	(75.6)	(75.6)
Other comprehensive income/(expense):								
Loss reclassified to profit or loss in exceptional items (note 1)	-	-	-	14.3	-	-	-	14.3
Loss reclassified to profit or loss in revenue	-	-	-	1.9	-	-	-	1.9
Fair value loss on cash flow hedges during the year	-	-	-	(28.7)	-	-	-	(28.7)
Total comprehensive expense for the year	-	-	-	(12.5)	-	-	(75.6)	(88.1)
Issue of shares	-	-	(6.0)	-	(1.2)	-	-	(7.2)
Share-based payments credit	-	-	-	-	-	-	32.0	32.0
Translation of foreign operations	-	-	-	-	-	(1.0)	-	(1.0)
Balance at 28 February 2023	12.7	31.9	916.8	(2.3)	(76.8)	(796.5)	314.2	400.0

Unaudited consolidated cash flow statement
for the period ended 31 August 2023

	Note	**6 months to 31 August 2023 (unaudited) £ million**	6 months to 31 August 2022 (unaudited) £ million	Year to 28 February 2023 (audited) £ million
Cash flows from operating activities				
Loss for the period		**(22.3)**	(14.7)	(75.6)
Adjustments for:				
Share-based payments charge		**11.2**	12.9	32.0
Depreciation charges, amortisation and impairment		**41.3**	32.1	82.0
Gain on sale of property, plant and equipment		**(0.1)**	-	-
Reclassification to profit or loss of discontinued hedge contracts		**(9.7)**	-	14.3
Revaluation gain on transition of investment (IFRS 9) to associate (IAS 28)		**(10.2)**	-	-
Share of results of associates	*9*	**-**	-	-
Finance income		**(6.0)**	(0.5)	(3.5)
Finance expense		**11.2**	3.9	12.0
Tax credit		**(4.1)**	(0.5)	(15.1)
		11.3	33.2	46.1
Decrease in inventories		**2.6**	9.7	101.3
Decrease/(increase) in trade and other receivables	*11*	**6.0**	(5.7)	19.4
Increase in trade and other payables	*12*	**1.9**	4.1	(35.9)
Cash generated from operations		**21.8**	41.3	130.9
Tax repaid		**1.7**	1.2	5.8
Net cash generated from operating activities		**23.5**	42.5	136.7
Cash flows from investing activities				
Acquisition of intangible assets	*6*	**(14.4)**	(16.8)	(32.1)
Acquisition of property, plant and equipment	*7*	**(21.9)**	(22.4)	(59.1)
Proceeds from the sale of property, plant and equipment		**1.2**	0.5	0.5
Acquisition of financial assets – equity investments		**(1.3)**	(6.5)	(15.3)
Finance income received		**5.3**	0.4	2.7
Net cash used in investing activities		**(31.1)**	(44.8)	(103.3)
Cash flows from financing activities				
Proceeds from the issue of ordinary shares		**0.1**	0.1	0.2
Purchase of own shares by EBT		**(15.4)**	-	(7.4)
Finance expense paid		**(9.4)**	(3.4)	(9.6)
Lease payments	*15*	**(8.6)**	(6.1)	(12.0)
Increase in borrowings	*14*	**-**	225.0	225.0
Net cash (used in)/generated from financing activities		**(33.3)**	215.6	196.2
(Decrease)/increase in cash and cash equivalents		**(40.9)**	213.3	229.6
Cash and cash equivalents at beginning of period		**330.9**	101.3	101.3
Cash and cash equivalents at end of period		**290.0**	314.6	330.9

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 2023 have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the UK. The interim financial statements should be read in conjunction with the group's Annual Report and Financial Statements for the year ended 28 February 2023, prepared and approved by the directors in accordance with UK-adopted international accounting standards 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 Financial Statements for the year ended 28 February 2023 has been filed with the Jersey Companies Registry. The auditors' report on those accounts was 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 3 October 2023.

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 Financial Statements for the year ended 28 February 2023, with the addition of the following new accounting policies:

Investments in associates

An associate is an entity over which the group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Whereas joint ventures are entities over which the group has joint control over such policies.

The group's share of the results of associates is included in the group income statement and group statement of comprehensive income using the equity method of accounting. Investments in associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any dividends received and impairment in value. If the group's share of losses in an associate equals or exceeds its investment in the associate, the group does not recognise further losses, unless it has incurred obligations to do so or made payments on behalf of the associate.

Dividends received from associates with nil carrying value are recognised in the group income statement as part of the group's share of post-tax profits/(losses) of associates. Unrealised gains arising from transactions with associates are eliminated to the extent of the group's interest in the entity.

Significant estimates and judgements

The preparation of financial statements in conformity with IFRS as adopted by the UK requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. The estimates and assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Actual results could differ from these estimates and any subsequent changes are accounted for when such information becomes available. The judgements, estimates and assumptions that are the most subjective or complex are discussed below and are unchanged from those at 28 February 2023 with the exception of the classification and fair value of the investment in equity instruments:

Classification and fair value of investments in equity instruments

During the year to 28 February 2023 26.47% of the issued share capital of Revolution Beauty Group plc ("REVB") was acquired. The equity accounting requirements of IAS 28 (Investments in associates and joint ventures) were considered and it was determined that significant influence did not exist either at the time of initial recognition or as at 28 February 2023. The equity investment was accounted for as a financial asset under IFRS 9 with the option taken to hold at fair value through other comprehensive income, as irrevocably designated at the date of recognition.

On 18th July 2023 the group entered into a settlement agreement with REVB resulting in the reconstitution of the REVB board. The group also increased it's shareholding in REVB to 27.13%. The equity accounting requirements of IAS 28 were reconsidered and it was determined that significant influence did exist as a result of the settlement agreement, reconstitution of the REVB board and change in ownership percentage. As a result the investment has been accounted for as an associate under IAS 28 from 18th July 2023. The investment, which was previously accounted for under IFRS 9, was derecognised and the cumulative gain recognised in other comprehensive income of £10.2m was reclassified to profit or loss as a revaluation adjustment.

Under the equity accounting requirements of IAS 28 the group's share of the results of associates is included in the carrying value of the associate in the group statement of financial position and included within the group income statement and group statement of comprehensive income using the equity method of accounting. As at the date of publishing these interim condensed financial statements the group's share of REVB's results for the period 18th July 2023 to 31 August 2023 is unavailable. The group has considered the results for the year ending 28 February 2023 and the forward looking guidance published by REVB in their RNS dated 31 August 2023 and an estimate of £nil has been disclosed in the group statement of financial position, the group income statement and group statement of comprehensive income. Given the group's shareholding percentage and the short period of time prior to the period end that REVB has been classified as an associate the risk of this estimate being materially incorrect is considered remote.

Exceptional items

Exceptional items are those of significant size and of a non-recurring nature that require disclosure in order that the underlying business performance can be identified. The exceptional costs in these interim statements include additional costs associated with the opening of a warehousing facility in the USA and onerous. Such additional costs do require estimation by management.

Exceptional costs	**6 months to 31 August 2023 £ million**	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Selling and distribution costs			
USA warehouse set up costs	**8.6**	-	2.4
Sheffield automation disruption costs	**-**	2.3	8.3
Impairment of UK warehouse property, plant and equipment	**-**	-	3.3
Impairment of UK warehouse right-of-use asset	**-**	-	3.6
UK warehouse restructuring and dual operating costs	**-**	-	2.4
	8.6	2.3	20.0
Administration expenses			
Technology platform – dual running costs	**1.6**	-	-
Reclassification to profit or loss of discontinued hedge contracts	**-**	-	14.3
Impairment of property, plant and equipment at loss-making operations	**-**	-	6.5
Redundancy costs	**-**	-	4.1
	1.6	-	24.9
Total before tax	**10.2**	2.3	44.9
Tax	**(2.5)**	(0.4)	(8.5)
Total after tax	**7.7**	1.9	36.4

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 28 February 2024 to be unchanged from those set out in the group's Annual Report and Financial Statements for the year ended 28 February 2023, which in summary are: supply chain ethics, competition risk; sustainability, governance, ethos and culture, regulatory compliance, taxation and duties, supply chain costs, IT and cyber security, business change, third parties, business continuity, people, product and financial risk. These are set out in detail on pages 29 to 38 of the group's Annual Report and Financial Statements for the year ended 28 February 2023, a copy of which is available on the group's website, www.boohooplc.com.

3 Segmental analysis

	6 months ended 31 August 2023				
	UK	Rest of Europe	USA	Rest of world	Total
	£ million	£ million	£ million	£ million	£ million
Revenue	**441.3**	**85.8**	**157.2**	**44.8**	**729.1**
Cost of sales	**(213.5)**	**(40.1)**	**(65.4)**	**(20.9)**	**(339.9)**
Gross profit	**227.8**	**45.7**	**91.8**	**23.9**	**389.2**
Distribution costs	**-**	**-**	**-**	**-**	**(189.9)**
Administrative expenses - other	**-**	**-**	**-**	**-**	**(224.7)**
Amortisation of acquired intangibles	**-**	**-**	**-**	**-**	**(6.1)**
Other income	**-**	**-**	**-**	**-**	**10.3**
Operating loss	**-**	**-**	**-**	**-**	**(21.2)**
Finance income	**-**	**-**	**-**	**-**	**6.0**
Finance expense	**-**	**-**	**-**	**-**	**(11.2)**
Loss before tax	**-**	**-**	**-**	**-**	**(26.4)**

	6 months ended 31 August 2022				
	UK	Rest of Europe	USA	Rest of world	Total
	£ million	£ million	£ million	£ million	£ million
Revenue	544.6	102.1	177.4	58.3	882.4
Cost of sales	(271.3)	(48.3)	(70.6)	(28.7)	(418.9)
Gross profit	273.3	53.8	106.8	29.6	463.5
Distribution costs	-	-	-	-	(224.8)
Administrative expenses - other	-	-	-	-	(244.3)
Amortisation of acquired intangibles	-	-	-	-	(6.2)
Other income	-	-	-	-	-
Operating loss	-	-	-	-	(11.8)
Finance income	-	-	-	-	0.5
Finance expense	-	-	-	-	(3.9)
Loss before tax	-	-	-	-	(15.2)

	Year ended 28 February 2023				
	UK	Rest of Europe	USA	Rest of world	Total
	£ million	£ million	£ million	£ million	£ million
Revenue	1,091.5	206.5	363.7	107.0	1,768.7
Cost of sales	(569.1)	(99.1)	(152.6)	(52.7)	(873.5)
Gross profit	522.4	107.4	211.1	54.3	895.2
Distribution costs	-	-	-	-	(447.9)
Administrative expenses - other	-	-	-	-	(517.5)
Amortisation of acquired intangibles	-	-	-	-	(12.2)
Other income	-	-	-	-	0.2
Operating loss	-	-	-	-	(82.2)
Finance income	-	-	-	-	3.5
Finance expense	-	-	-	-	(12.0)
Loss before tax	-	-	-	-	(90.7)

IFRS 8, ‘Operating Segments’, requires operating segments to be determined based on the group’s internal reporting to the chief operating decision maker. The chief operating decision maker is considered to be the executive board, which has determined that the primary segmental reporting format of the group for the year ending 28 February 2024 is by geographic region.

4 Loss before tax

Loss before tax is stated after charging:	**6 months to 31 August 2023 £ million**	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Short-term operating lease rentals for buildings	**0.1**	-	0.1
Equity-settled share-based payment charges	**11.2**	12.9	32.0
Exceptional costs, excluding impairment (note 1)	**10.2**	2.3	31.5
Depreciation of property, plant and equipment (note 7)	**17.0**	12.7	26.7
Impairment of property, plant and equipment (note 1)	**-**	-	9.8
Depreciation of right-of-use assets (note 8)	**7.0**	5.5	12.8
Impairment of right-of-use assets (note 1)	**-**	-	3.6
Amortisation of intangible assets (note 6)	**11.2**	7.7	16.9
Amortisation of acquired intangible assets (note 6)	**6.1**	6.2	12.2

5 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 period. 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 period, adjusted for potentially dilutive share options.

	6 months to 31 August 2023	6 months to 31 August 2022	Year to 28 February 2023
Weighted average shares in issue for basic earnings per share (million)	**1,202.4**	1,239.7	1,233.0
Dilutive share options (million)	**102.3**	60.9	69.4
Weighted average shares in issue for diluted earnings per share (million)	**1,304.7**	1,300.6	1,302.4
Loss (£ million)	**(22.3)**	(14.7)	(75.6)
Loss per share	**(1.85)p**	(1.19)p	(6.13)p
Loss (£ million)	**(22.3)**	(14.7)	(75.6)
Adjusting items:			
Amortisation of intangible assets arising on acquisitions	**6.1**	6.2	12.2
Share-based payments charges	**11.2**	12.9	32.0
Exceptional items	**10.2**	2.3	31.5
Impairment of assets	**-**	-	13.4
Revaluation gain on transition of investment (IFRS 9) to associate (IAS 28)	**(10.2)**	-	-
Adjustment for tax	**(6.0)**	(2.9)	(13.7)
Adjusted (loss)/earnings	**(11.0)**	3.8	(0.2)
Adjusted (loss)/basic earnings per share	**(0.91)p**	0.31p	(0.02)p
Adjusted (loss)/diluted earnings per share	**(0.91)p**	0.29p	(0.02)p

6 Intangible assets

	Patents and licences £ million	Trademarks £ million	Customer lists £ million	Computer software £ million	Total £ million
Cost					
Balance at 28 February 2023	1.0	115.6	8.1	83.2	207.9
Additions	0.1	-	-	14.3	14.4
Balance at 31 August 2023	**1.1**	**115.6**	**8.1**	**97.5**	**222.3**
Accumulated amortisation					
Balance at 28 February 2023	0.6	37.5	7.5	30.8	76.4
Amortisation	-	5.8	0.3	11.2	17.3
Balance at 31 August 2023	**0.6**	**43.3**	**7.8**	**42.0**	**93.7**
Net book value					
At 28 February 2023	0.4	78.1	0.6	52.4	131.5
At 31 August 2023	**0.5**	**72.3**	**0.3**	**55.5**	**128.6**

7 Property, plant and equipment

	Short leasehold alterations £ million	Fixtures and fittings £ million	Computer equipment £ million	Motor vehicles £ million	Land & buildings £ million	Total £ million
Cost						
Balance at 28 February 2023	31.8	279.3	14.8	1.0	136.1	463.0
Additions	2.2	19.2	0.5	-	-	21.9
Exchange differences	-	(1.1)	-	-	-	(1.1)
Disposals	-	-	-	(0.1)	(1.2)	(1.3)
Balance at 31 August 2023	**34.0**	**297.4**	**15.3**	**0.9**	**134.9**	**482.5**
Accumulated depreciation						
Balance at 28 February 2023	10.3	62.6	9.5	0.8	8.2	91.4
Depreciation charge	1.4	12.5	1.7	-	1.4	17.0
Exchange differences	-	-	-	-	-	-
Disposals	-	-	-	(0.1)	(0.1)	(0.2)
Balance at 31 August 2023	**11.7**	**75.1**	**11.2**	**0.7**	**9.5**	**108.2**
Net book value						
At 28 February 2023	21.5	216.7	5.3	0.2	127.9	371.6
At 31 August 2023	**22.3**	**222.3**	**4.1**	**0.2**	**125.4**	**374.3**

8 Right-of-use assets

	Short leasehold properties £ million
Cost	
Balance at 28 February 2023	181.0
Additions	2.1
Exchange differences	(6.3)
Balance at 31 August 2023	**176.8**
Accumulated depreciation	
Balance at 28 February 2023	44.6
Depreciation	7.0
Exchange differences	0.1
Balance at 31 August 2023	**51.7**
Net book value	
At 28 February 2023	136.4
At 31 August 2023	**125.1**

9 Associates

	Interest in associates £ million
Cost	
Balance at 28 February 2023	-
Additions at fair value	26.5
Retained profit / accumulated loss	-
Balance at 31 August 2023	**26.5**
Impairment	
Balance at 28 February 2023	-
Impairment charge	-
Balance at 31 August 2023	**-**
Net book value	
At 28 February 2023	-
At 31 August 2023	**26.5**

Under the equity accounting requirements of IAS 28 the group's share of the results of associates is included in the carrying value of the associate in the group statement of financial position and included within the group income statement and group statement of comprehensive income using the equity method of accounting. As at the date of publishing these interim condensed financial statements the group's share of REVB's results for the period 18th July 2023 to 31 August 2023 is unavailable. The group has considered the results for the year ending 28 February 2023 and the forward looking guidance published by REVB in their RNS dated 31 August 2023 and an estimate of £nil has been disclosed in the group statement of financial position, the group income statement and group statement of comprehensive income. Given the group's shareholding percentage and the short period of time prior to the period end that REVB has been classified as an associate the risk of this estimate being materially incorrect is considered remote.

Set out below are the material associates of the group. The entities listed below have share capital consisting of ordinary shares, which are held directly by the group. The country of incorporation or registration is their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

	% ownership		Carrying amount	
Name of entity	**31 August 2023 %**	31 August 2022 %	**31 August 2023 £ million**	31 August 2022 £ million
Revolution Beauty Group plc	**27.13%**	-	**26.5**	-

At 31 August 2022 the group held 12.85% of REVB's ordinary share capital and this was recognised in the group statement of financial position as an investment at fair value of £6.5 million. As this was classified as an investment in the prior period rather than an associate it is therefore not included in the table above.

10 Deferred tax

Assets

	Unused tax losses £ million	Depreciation in excess of capital allowances £ million	Share-based payments £ million	Total £ million
At 28 February 2022	7.5	-	-	7.5
Recognised in statement of comprehensive income	(0.1)	-	-	(0.1)
At 31 August 2022	7.4	-	-	7.4
At 28 February 2023	22.5	-	1.0	23.5
Recognised in statement of comprehensive income	(0.9)	-	1.7	0.8
At 31 August 2023	**21.6**	**-**	**2.7**	**24.3**

Liabilities

	Business combinations £ million	Capital allowances in excess of depreciation £ million	Share-based payments £ million	Total £ million
At 28 February 2022	(0.8)	(22.5)	(2.0)	(25.3)
Recognised in statement of comprehensive income	0.1	(0.8)	1.4	0.7
Debit in equity	-	-	(0.1)	(0.1)
At 31 August 2022	(0.7)	(23.3)	(0.7)	(24.7)
At 28 February 2023	(0.7)	(23.5)	-	(24.2)
Recognised in statement of comprehensive income	0.1	1.5	-	1.6
At 31 August 2023	**(0.6)**	**(22.0)**	**-**	**(22.6)**

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. Deferred tax is calculated at 25% as enacted from April 2023 by the UK Government.

11 Trade and other receivables

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Trade receivables	**13.3**	33.9	17.6
Prepayments	**16.9**	24.1	13.9
Accrued income	**2.7**	3.6	5.5
	32.9	61.6	37.0

Where specific trade receivables are not considered to be at risk and requiring a provision, the trade receivables impairment provision is calculated using the simplified approach to the expected credit loss model, based on the following percentages:

Age of trade receivable	**6 months to 31 August 2023 %**	6 months to 31 August 2022 %	Year to 28 February 2023 %
60 - 90 days past due	**1**	1	1
91 - 120 days past due	**5**	5	5
Over 121 days past due	**90**	90	90

Trade receivables represent amounts due from wholesale customers and advance payments to suppliers.

The fair value of trade and other receivables is not materially different from the carrying value.

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Due within 30 days	**11.9**	26.3	16.0
Provision for impairment	**(1.6)**	(0.1)	-
Due in 31 to 90 days	**2.7**	8.7	4.3
Provision for impairment	**(1.7)**	(2.4)	(2.8)
Past due	**2.0**	1.4	0.1
Total amounts due and past due	**16.6**	36.4	20.4
Total provision for impairment	**(3.3)**	(2.5)	(2.8)
	13.3	33.9	17.6

12 Trade and other payables

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Trade payables	**80.3**	85.2	82.0
Other creditors	**16.0**	8.4	17.0
Accruals	**147.5**	153.6	125.6
Deferred income	**11.3**	19.3	15.9
Taxes and social security payable	**17.2**	25.0	19.8
	272.3	291.5	260.3

13 Provisions

	Dilapidations £ million	**Returns £ million**	**Claims £ million**	**Total £ million**
Provision at 28 February 2022	3.7	32.0	17.8	53.5
Movements in provision charged/(credited) to income statement:				
Prior year provision utilised	-	(32.0)	(0.7)	(32.7)
Increase in provision in period	-	41.7	-	41.7
Provision at 31 August 2022	3.7	41.7	17.1	62.5
Provision at 28 February 2023	10.0	37.6	12.1	59.7
Movements in provision charged/(credited) to income statement:				
Prior year provision utilised	(0.1)	(37.6)	(2.9)	(40.6)
Increase in provision period	-	30.9	-	30.9
Exchange differences	(0.5)	-	-	(0.5)
Provision at 31 August 2023	**9.4**	**30.9**	**9.2**	**49.5**

14 Interest-bearing loans and borrowings

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Non-current liabilities			
Revolving credit facility	**325.0**	325.0	325.0

The RCF is unsecured against the company's assets and includes financial covenants relating to interest cover and adjusted leverage.

Movement in interest-bearing loans and borrowings

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Opening balance	**325.0**	100.0	100.0
Drawdown on rolling credit facility	**-**	225.0	225.0
Interest accrued	**9.4**	3.5	9.6
Interest paid	**(9.4)**	(3.5)	(9.6)
Capital paid	**-**	-	-
Closing balance	**325.0**	325.0	325.0

Reconciliation of movements in cash flows from financing activities to movements in liabilities:

	Balance at 28 February 2023 £ million	**Cash flow from financing activities £ million**	**Additions, disposals and exchange differences £ million**	**Statement of comprehen sive income £ million**	**Movement in retained earnings and other reserves £ million**	**Balance at 31 August 2023 £ million**
Equity	400.0	(15.3)	-	(16.6)	11.6	**379.7**
Leases	138.6	(8.6)	(4.1)	1.2	-	**127.1**
Bank borrowings	325.0	(9.4)	-	9.4	-	**325.0**
	863.6	**(33.3)**	**(4.1)**	**(6.0)**	**11.6**	**831.8**

Reconciliation of net debt:

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Cash and cash equivalents	**290.0**	314.6	330.9
Interest bearing loans and borrowings	**(325.0)**	(325.0)	(325.0)
Net (debt) / cash and cash equivalents	**(35.0)**	(10.4)	5.9

15 Lease liabilities

Minimum lease payments due	**Within 1 year**	**1-2 years**	**2-5 years**	**5-10 years**	**More than 10 years**	**Total**
	£ million	**£ million**	**£ million**	**£ million**	**£ million**	**£ million**
31 August 2023						
Lease payments	13.7	11.6	36.4	51.2	31.7	**144.6**
Finance charges	(2.6)	(2.4)	(5.6)	(5.4)	(1.5)	**(17.5)**
Net present value	11.1	9.2	30.8	45.8	30.2	**127.1**

	6 months to 31 August 2023	6 months to 31 August 2022	Year to 28 February 2023
	£ million	£ million	£ million
Current lease liability	**11.1**	8.1	12.1
Non-current lease liability	**116.0**	54.6	126.5
Total	**127.1**	62.7	138.6

Movement in lease liabilities:

	6 months to 31 August 2023	6 months to 31 August 2022	Year to 28 February 2023
	£ million	£ million	£ million
Opening balance	**138.6**	51.9	51.9
Interest accrued	**1.2**	0.4	1.7
Cash flow lease payments	**(8.6)**	(6.1)	(12.0)
Additions	**2.1**	16.5	97.0
Exchange differences	**(6.2)**	-	-
Closing balance	**127.1**	62.7	138.6

The lease liabilities relate to leasehold properties.

16 Share capital

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
At start of period	**12.7**	12.7	12.7
Share issues	**-**	-	-
At end of period	**12.7**	12.7	12.7

Share capital at period end: 1,268,433,263 authorised and fully paid ordinary shares of 1p each *(2022: 1,268,186,789).* No dividends have been paid or are payable by the parent company for the period ended 31 August 2022 *(2022: £nil)*.

17 Shares to be issued

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
	31.9	31.9	31.9

The shares to be issued represents the fair value of the contingent shares to be issued to the non-controlling interests of PrettyLittleThing.com Limited, in accordance with the acquisition agreement entered into and announced on 28 May 2020. Under this agreement, 16,112,331 Ordinary Shares in boohoo group plc are to be issued subject to the group's share price averaging 491 pence per share over a six-month period, up until a longstop date of 14 March 2024. If this condition is not met, the consideration will lapse.

18 Reserves

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Translation reserve	**(0.4)**	(1.4)	(0.8)
Capital redemption reserve	**0.1**	0.1	0.1
Reconstruction reserve	**(515.3)**	(515.3)	(515.3)
Acquisition of non-controlling interest in PrettyLittleThing.com Limited	**(281.3)**	(281.3)	(281.3)
Proceeds from issue of growth shares in boohoo holdings Limited	**0.8**	0.8	0.8
	(796.1)	(797.1)	(796.5)

The translation reserve arises from the movement in the revaluation of subsidiary balance sheets in foreign currencies; the capital redemption reserve arose from a capital reconstruction in 2014; the reconstruction reserve arose on the impairment of the carrying value of the subsidiary company in 2014 at that date; and the acquisition of the non-controlling interest in PrettyLittleThing is the excess of consideration paid over the carrying value of the non-controlling interest as at the date of acquisition in May 2020, written off to reserves.

19 Financial instruments

Fair values

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Financial assets			
At amortised cost:			
Cash and cash equivalents	**290.0**	314.6	330.9
Trade receivables	**13.3**	33.9	17.6
Accrued income	**2.7**	3.6	5.5
At fair value through profit or loss:			
Cash flow hedges	**0.9**	-	0.2
At fair value through other comprehensive income:			
Cash flow hedges	**3.5**	12.7	1.2
Equity investments	**0.3**	6.5	15.3
	310.7	371.3	370.7

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Financial liabilities			
At amortised cost:			
Trade payables	**80.3**	85.2	82.0
Other creditors	**16.0**	8.4	17.0
Accruals	**147.5**	153.6	125.6
Provisions	**49.5**	62.5	59.7
Interest-bearing loans and borrowings	**325.0**	325.0	325.0
Lease liabilities	**127.1**	62.7	138.6
At fair value through profit or loss:			
Cash flow hedges	**5.5**	-	14.5
At fair value through other comprehensive income:			
Cash flow hedges	**0.2**	38.9	3.4
	751.1	736.3	765.8

20 Capital commitments

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

	6 months to 31 August 2023 £ million	6 months to 31 August 2022 £ million	Year to 28 February 2023 £ million
Property, plant and equipment	**6.5**	25.5	17.0

The capital commitment relates to automation equipment in the Sheffield warehouse and fixtures and fittings at the US warehousing facility in Pennsylvania.

21 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 2023, there are no contingent liabilities, 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 6 months to 31 August 2023 (FY24)

£m	3m to 31 May				3m to 31 August				**6m to 31 August**			
	FY24	FY23	yoy %	yoy % CER	**FY24**	FY23	yoy %	yoy % CER	**FY24**	FY23	yoy %	yoy % CER
Total	**370.1**	445.7	-17%	-17%	**359.0**	436.7	-18%	-18%	**729.1**	882.4	-17%	-18%
Revenue by region												
UK	**221.2**	272.1	-19%	-19%	**220.1**	272.5	-19%	-19%	**441.3**	544.6	-19%	-19%
ROE	**43.4**	49.6	-12%	-14%	**42.4**	52.5	-19%	-18%	**85.8**	102.1	-16%	-16%
USA	**81.8**	95.0	-14%	-14%	**75.4**	82.4	-8%	-9%	**157.2**	177.4	-11%	-12%
ROW	**23.7**	29.0	-18%	-23%	**21.1**	29.3	-28%	-28%	**44.8**	58.3	-23%	-25%

Revenue by period for the 6 months to 31 August 2022 (FY23)

£m	3m to 31 May				3m to 31 August				6m to 31 August			
	FY23	FY22	yoy %	yoy % CER	FY23	FY22	yoy %	yoy % CER	FY23	FY22	yoy %	yoy % CER
Total	445.7	486.0	-8%	-10%	436.7	489.8	-11%	-13%	882.4	975.8	-10%	-11%
Revenue by region												
UK	272.1	274.5	-1%	-1%	272.5	294.9	-8%	-8%	544.6	569.4	-4%	-4%
ROE	49.6	54.4	-9%	-10%	52.5	50.0	5%	2%	102.1	104.4	-2%	-4%
USA	95.0	131.9	-28%	-31%	82.4	118.6	-31%	-35%	177.4	250.5	-29%	-33%
ROW	29.0	25.2	15%	10%	29.3	26.3	11%	5%	58.3	51.5	13%	8%

Revenue by period for the year to 28 February 2023 (FY23)

£m	4m to 31 December				2m to 28 February				12m to 28 February			
	FY23	FY22	yoy %	yoy % CER	FY23	FY22	yoy %	yoy % CER	FY23	FY22	yoy %	yoy % CER
Total	637.7	714.5	-11%	-13%	248.6	292.4	-15%	-17%	1,768.7	1,982.8	-11%	-13%
Revenue by region												
UK	400.8	451.0	-11%	-11%	146.1	182.4	-20%	-20%	1,091.5	1,202.8	-9%	-9%
ROE	73.5	79.9	-8%	-11%	30.9	34.9	-11%	-14%	206.5	219.2	-6%	-8%
USA	128.9	145.8	-12%	-17%	57.4	55.3	4%	-3%	363.7	451.6	-19%	-24%
ROW	34.5	37.8	-9%	-15%	14.2	19.9	-28%	-36%	107.0	109.2	-2%	-8%

£m	3m to 31 May				3m to 31 August				6m to 31 August			
	FY23	FY22	yoy %	yoy % CER	FY23	FY22	yoy %	yoy % CER	FY23	FY22	yoy %	yoy % CER
Total	445.7	486.0	-8%	-10%	436.7	489.8	-11%	-13%	882.4	975.8	-10%	-11%
Revenue by region												
UK	272.1	274.5	-1%	-1%	272.5	294.9	-8%	-8%	544.6	569.4	-4%	-4%
ROE	49.6	54.4	-9%	-10%	52.5	50.0	5%	2%	102.1	104.4	-2%	-4%
USA	95.0	131.9	-28%	-31%	82.4	118.6	-31%	-35%	177.4	250.5	-29%	-33%
ROW	29.0	25.2	15%	10%	29.3	26.3	11%	5%	58.3	51.5	13%	8%

CER in this appendix for the period ended 31 August 2022 is calculated using exchange rates prevailing during the period ending 31 August 2023.

CER in this appendix for the year ended 28 February 2022 is calculated using exchange rates prevailing during the year ending 28 February 2023.

Nomenclature: ROE – rest of Europe; ROW – rest of world; yoy – year-on-year; CER – constant exchange rate