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18 October 2024

boohoo group plc

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

Business Update

- **New £222m debt refinancing successfully signed**
- **Review of options to unlock and maximise shareholder value**
- **H1 25 trading update and full year outlook**
- **CEO to step down**

boohoo Group plc (**AIM: BOO**), a leading online fashion group, announces that it has successfully signed a new £222m debt financing agreement providing the appropriate financing for the next phase of the Group's development.

Separately, given the transformation of the Group, the Board of Directors of boohoo Group (the "**Board**") have decided to undertake a review of options for each division to unlock and maximise shareholder value.

The Group also provides a trading update for the six-month period ended 31 August 2024 ("**H1 25**").

Additionally, the Group announces that John Lyttle has informed the Board of his intention to step down as CEO and will support an orderly transition to a successor.

New £222m debt refinancing successfully signed

boohoo Group has agreed a new £222m debt facility (the "**Facility**") with a consortium of its existing relationship banking group. The Facility comprises of a £125m revolving credit facility that runs to October 2026 and a £97m term loan that is repayable by August 2025. The cost of the facilities are compounded SONIA plus a margin of around 400 bps and reduces the overall interest payable by the Group.

Ashurst and Rothschild & Co advised the Group on the refinancing.

Unlocking and maximising shareholder value

The Board believes that the Group remains fundamentally undervalued following the developments of recent years, which have created a business with five core brands, addressing a diverse global customer base:

- **Debenhams:** Debenhams has been repositioned as a leading British online department store. It is fast growing and profitable, with a capital-light and highly cash generative model with significant brand awareness in the UK and c.5 million active customers. It is a marketplace with more than 10,000 brands across fashion, home and beauty.
- **Young Fashion Brands:** The Group has three online retail brands with strong brand identity in PrettyLittleThing, boohoo and boohooMAN. Collectively they serve more than 14 million customers with GMV in excess of £1bn in FY24 and are backed by a state of the art fully automated distribution centre. The brands also enjoy an impressive social media presence with a total of 48.2m followers across all platforms.
- **Karen Millen:** The Group has transformed Karen Millen into a digital first, premium global brand. The future growth potential is significant through maximising international, licensing and franchising opportunities and adoption of the marketplace strategy.

The Group has already executed on a series of decisive and robust strategic initiatives to drive operational efficiencies and optimise the cost base over the last 18 months. In addition, substantial strategic progress has been made including the reinvigoration of the Debenhams and Karen Millen brands. This includes the successful implementation of the Debenhams marketplace strategy, with plans to extend the marketplace model across all the brands.

The Board strongly believes there is potential to unlock shareholder value and is exploring options to deliver on this.

The Board remains committed to open and transparent engagement with all of its stakeholders and will communicate further as appropriate.

H1 25 Trading Update and Full Year Outlook

£ million (unaudited)	6 months to 31 August 2024	6 months to 31 August 2023	Change
Gross Merchandise Value (GMV) Pre Returns ^[1]	1,177	1,270	(7%)
UK	877	897	(2%)
US	164	200	(18%)
ROW	136	174	(21%)
GMV Post Returns ^[2]	802	861	(7%)
Revenue	620	729	(15%)
Adjusted EBITDA ^[3]	21	31	(10m)
% of revenue	3.4%	4.3%	(90%bps)

In the second half of FY25, the Group expects a higher GMV and a stronger adjusted EBITDA performance, when compared to H1 25, despite further investment into the brands to unlock shareholder value.

Whilst performance in the youth brands has remained impacted by the external environment, the Group continues to see considerable GMV growth for Debenhams external marketplace, with an additional 5,000 brands signed within the period.

The Group will publish its results for the six months ended 31 August 2024 in early November 2024.

CEO to step down

Following five years with the Group, John Lyttle has informed the Board of his intention to stand down as CEO. John will continue to work with the leadership team and Board over the coming months whilst a successor is found and to ensure a smooth transition.

Mahmud Kamani, Group Executive Chairman said:

"The Board is focused on ensuring it takes the right steps to drive boohoo Group in the interest of all its stakeholders. We are delighted to have agreed a new lending facility which shows the support of our existing banks and their confidence in the Group. The business has evolved over last few years and has an offer that is much wider than our original focus on young fashion. The time is now right to consider options with regard to corporate structure, with the aim of maximising shareholder value.

"I would like to personally thank John for the contribution he has made to the Group. John has built a talented and inspiring leadership team who will ensure we are best positioned for sustainable growth."

John Lyttle, Chief Executive Officer said:

"Over the last five years I have been proud to lead the Group and I believe there is huge potential in this business and I will continue to work with the Board to drive value for all shareholders whilst a successor is found."

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About boohoo Group plc

Founded in Manchester in 2006, boohoo Group is a fashion forward, inclusive and innovative business. The Group's brands are complementary, vibrant and scalable, delivering inspirational, on-trend fashion to our customers 24/7. The diversity of our brands - including the group's 5 core brands - boohoo, boohooMAN, PrettyLittleThing, Karen Millen and

diversity of our brands, including the groups of core brands, boohoo, boohoo.com, PrettyLittleThing, Nasty Girl and Debenhams, enable us to serve a broad customer base, globally. Since its acquisition in 2021, Debenhams has been transformed from a retailer into a digital marketplace with a capital-light, low-risk operating model and a focus on fashion, beauty as well as home. Boohoo Group is concentrated on driving sustainable, profitable growth with technology and automation increasing efficiency across the business.

[1] GMV pre returns is all merchandise sold to customers after cancellations and before returns, including VAT, carriage receipts and premier subscription income

[2] GMV post returns is all merchandise sold to customers after cancellations and after returns, including VAT, carriage receipts and premier subscription income

[3] Adjusted EBITDA is calculated as loss before tax, interest, depreciation, amortisation, share-based payment charges and exceptional items.

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