RNS Number : 7963I
Sosandar PLC
25 November 2025

Date:	25 November 2025
On behalf of:	Sosandar plc ('Sosandar' or 'the Company')
Embargoed until:	0700hrs

Sosandar plc
Half Year Results

Return to revenue growth, underpinned by strong own site performance and resilient margins
Trading in line with Full Year expectations

Sosandar PLC (AIM: SOS), the women's fashion brand, creating quality, trend-led products for women of all ages, is pleased to announce its financial results for the six months ended 30 September 2025 ('H1 FY26') and an update on current trading.

Financial Highlights:

- Growth in revenue of 15% year on year to £18.7m (H1 FY25: £16.2m)
- Own site revenue increased by 28% versus the prior year
- Sustained strong gross margin of 62.2% (H1 FY25: 62.2%), reflecting the strategic focus on margin enhancement
- Loss before tax of £1.1m (H1 FY25: £0.7m loss), in line with our expectations and reflecting traditional second half weighting of profitability alongside the impact of own stores and M&S cyber incident
- Strong net cash of £7.7m (£7.3m as at 31 March 2025)
- Trading is in line with FY26 full year expectations for both revenue and profit before tax*

** Sosandar believes that current market expectations for the year ending 31 March 2026 (as revised in July 2025) are revenues of £43.6 million and profit before tax of £0.4 million.*

Operational and Strategic Highlights:

- Own site performance driven by a meaningful uplift in site traffic, improved conversion rates, and increased order volumes from both new and existing customers
- Sosandar remains one of the top-selling brands across all third-party partners, including NEXT, delivering robust trading during the period and entering the key Autumn/Winter season with positive momentum
- Launched our licensed homeware range with NEXT in September, which has delivered a strong initial performance in line with our expectations
- As expected, stores continue to weigh on profitability until they mature; Chelmsford and Marlow, which have now been open for just over a year, delivered encouraging results and are on track to reach breakeven in year two

Post-period Trading Highlights (October and November to date):

- As anticipated, trading during the Autumn period has been strong, in line with expectations
- Strong year on year growth has also continued on Sosandar.com
- Trading through M&S has resumed following their cyber incident, with collaborative efforts underway to scale stock intake
- Further step up in gross margin to 67.2% in October and November to date (LY: 64.6%) reflecting improved intake margin on new season product
- Improved cash position of £9.5m as at 22 November 2025, reflecting the seasonal curve
- Capital reduction approved by the court in October. To date, the Company has bought back 5,000,000 shares, which are currently held in treasury

Ali Hall and Julie Lavington, Co-CEOs commented:

"We are really pleased with how the business has performed over the past six months. During this period, we delivered a return to revenue growth, supported by strong momentum through our own website which remains a key driver of both sales and customer engagement, alongside a resilient gross margin.

The Autumn/Winter season has delivered another robust trading performance, with customers continuing to respond positively to our unique collections across both occasion and everyday dressing.

Looking forward, the foundations have been laid for sustainable, profitable, cash generative growth."

Presentations

Sosandar is hosting a webinar for retail investors at 09:00 today. If you would like to attend, please register here: https://engageinvestor.news/SOS_HY26

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About Sosandar plc

Sosandar is a women's fashion brand in the UK targeting style conscious women who have graduated from lower quality, price-led alternatives. The Company offers this underserved audience fashion-forward, affordable, quality clothing to make them feel sexy, feminine, and chic. The business sells predominantly own-label exclusive product designed and tested in-house.

Sosandar's product range is diverse, providing its customers with an array of choice for all occasions across all women's fashion categories. The company sells through Sosandar.com and its own stores, and has a number of high value brand partnerships including with NEXT and Marks & Spencer.

Sosandar's success has been built on an exceptional product range, seamless customer experience and impactful, lifestyle marketing, all of which is underpinned by combining innovation with data analysis. Our growth strategy is focused on continuing to grow brand awareness and expand our addressable market and routes to market, reaching customers wherever they wish to shop. This is achieved both through direct to consumer channels and through chosen third-party partners.

Sosandar was founded in 2016 and listed on AIM in 2017. More information is available at www.sosandar-ir.com

Co-CEO's statement

The first half of the financial year has been a period of great progress as we have moved forward with our key priorities. As anticipated, we have returned to revenue growth, whilst maintaining strong margins, and continued to build the foundations for a more profitable, cash-generative business.

Financial performance

Group revenue for the six months to 30 September was £18.7m, a 15% increase on the same period last year, notwithstanding that the period included five months of no material revenue from M&S. Our own website performed particularly well, with sales up 28%, marking a clear return to growth.

Gross margin held firm at 62.2%, being 7 percentage points ahead of two years ago. The strong margin reflects the continued strategy of minimal price promotions on our own website.

We reported a pre-tax loss of £1.1m, compared with a £0.7m pre-tax loss last year, which is in line with our expectations given the traditional second half weighting of profitability. Profitability year on year was impacted by the performance of our own stores and the M&S cyber incident, as previously outlined, albeit compensated for by the strength of trading through our own website.

Overall, trading is in line with market expectations reflecting the usual weighting to the second half where revenue is stronger and margins are higher.

Importantly, we finished the half with net cash of £7.7m, up from £7.3m at 31 March 2025.

Our unique product range delivering what women want

Sosandar designs and produces every single womenswear product category; from knitwear, dresses, separates and denim to shoes, accessories, leather, PU, occasion wear, beach and swim. Our customers shop at Sosandar because they know they can find everything they need, whatever the moment calls for.

Our success lies in our ability to predict trends and truly connect with our customer. The Sosandar DNA is unmistakable - sexy, chic and feminine, with universal appeal across ages and sizes. It's this distinct handwriting that makes us stand out with our third-party partners and keeps our customers coming back season after season.

Routes to market

Own site
Sosandar's own site is our largest single route to market and the cornerstone of our brand, serving as the digital hub for engaging with Sosandar. The platform provides customers with access to our full product offering, while also showcasing the essence of the Sosandar lifestyle through our unique imagery.

Importantly, our site returned to revenue growth in the period with a 28% increase versus the prior year and sequential growth in both Q1 and Q2. This has been delivered through a meaningful uplift in site traffic, improved conversion rates and increased order volumes from both new and existing customers.

Third-party partners
Our partnerships remain a key strength for Sosandar. We continue to be one of the top selling brands across all third-party partners. This resulted in a robust trading performance in the period and good momentum entering the key Autumn/Winter trading period.

As previously announced, the M&S cyber incident impacted revenue throughout the first half. Sales have now resumed with M&S, and we are working together with them to continue to increase stock levels.

We are leveraging our strong brand equity and proven partnership model to pursue strategic licensing deals with third-party partners. These opportunities provide an attractive route to further growth, with minimal risk and no capital expenditure for Sosandar. In September, we successfully launched a licensed homeware range with NEXT, illustrating the natural appeal of the Sosandar brand and its ability to extend into new areas where our design and aesthetic resonate with customers.

Own stores
In the last year, we have opened six standalone retail stores across the UK.

To date, stores represent 5% of our total net revenue. Since we opened, 60% of customers shopping in-store are brand new to Sosandar, and we're also seeing a notable uplift in both traffic and online revenue in those areas where we have opened stores.

As expected, our stores continue to weigh on profitability until they mature. Despite this, our first two locations, Chelmsford and Marlow have recently passed their twelve-month anniversary and are delivering encouraging results. Both stores are expected to achieve breakeven in year two.

Two of the locations, both in shopping centres (Cardiff and Gateshead) have been challenging. One of the key learnings is that smaller market towns have consumers who shop more regularly in those locations meaning it has been quicker to build repeat customer visits resulting in higher revenue.

We remain focused on improving the performance of our six stores and progressing towards breakeven. Therefore we do not plan to open any further stores at this time.

Current trading and outlook

The strong trading in the first half has continued into October and November. Overall sales growth has continued to be strong, and we are particularly pleased with the year-on-year growth on our own website. In addition, trading through M&S has resumed. Gross margin has further strengthened, and we remain on track to deliver full year expectations.

Looking ahead, we have laid strong foundations for sustained, profitable growth. Our priorities are clear: to drive revenue growth and profitability, maintain our strong gross margin, and further strengthen our cash position.

FINANCIAL REVIEW

KPIs

	6 months ended 30 September 2025 £'000	6 months ended 30 September 2024 £'000	Change
Revenue	**18,690**	16,187	+15%
Gross Profit	**11,624**	10,066	+15%
Gross Margin	**62.2%**	62.2%	+10bps
PBT	**(1,090)**	(659)	-65%

Revenue and PBT

Revenue in H1 FY26 has increased substantially, largely reflecting 28% growth in revenue from our own website. Overall, revenue in H1 FY26 increased by 15% to £18.7m (H1 FY25: £16.2m) despite minimal revenue from M&S as a result of their cyber incident holding back our growth. The increase in revenue on our own website reflects equal increases in both visits to the site, and conversion. We invested more in marketing this year (versus last) and this is paying back on first order, which is resulting in greater profit contribution from this channel.

The pre-tax loss for H1 FY26 is £1.1m (H1 FY25: Loss of £0.7m) which was impacted by M&S and own stores, weighing on profitability in the near-term. It is important to note that the second half of the financial year is always stronger, with higher revenues and margins.

Gross Margin

The Gross Margin in H1 FY26 was maintained at a very solid 62.2%. This is flat against the previous year, and represents an increase of 7 percentage points compared to the same period two years ago (H1 FY24: 55.4%). The vast majority of this improvement is due to the reduction in price promotional activity on Sosandar.com. Gross Margin has always been stronger on our other channels, with our own site historically lower as a result of the much greater reliance on price promotions. Now that the vast majority of our sales are at full RRP (as through Concessions), the margin differential has closed substantially, resulting in the higher margin overall. There remains further growth potential as we look ahead to the second half, in part as we will benefit more greatly from the strength of Sterling against the Dollar, resulting in improvements to the intake margin on Autumn / Winter product.

Operating Costs

Total Operating Costs increased by £2.0m / 18% to £12.7m (H1 FY25: £10.7m).

This overall increase includes the operating costs associated with our own retail stores which were £1.3m for H1 FY26 (H1 FY25: £0.2m). Our first store opened in August 2024, with further openings through the second half of last year. Therefore, the increase in operating cost seen in H1 FY26 will be lower in H2 FY26.

The 28% increase in revenue on our own website reflects an increase in marketing spend during the period. The increase compared to the previous year is £0.7m and includes incremental spend on digital, notably meta and google as well as sending consumer brochures. The payback on the marketing spend has improved compared to previous years as a result of the gross margin being substantially higher. During the first half, average payback was on the first order.

Despite revenue overall increasing by 15%, the cost of fulfilment has remained broadly flat compared to the previous year. The successful move to the new warehouse provider in February 2025 has delivered greater efficiency resulting in lower cost per unit metrics. In addition, we have reduced our average postage rates for deliveries to consumers.

Balance Sheet

The balance sheet is robust with net assets as at 30 September 2025 of £17.0m compared with £17.7m at 30 September 2024. Cash at 30 September 2025 was £7.7m, up from £7.3m as at 31st March 2025. We continue to have zero debt and the cash position at the end of September is the lowest level across the financial year. This is reflective of the natural working capital cycle, whereby a large proportion of stock has been paid for ahead of it being sold from October onwards. This low point is slightly exacerbated by a managed decision to land more stock earlier to maximise the opportunity from demand generated in early autumn.

Inventory has reduced to £10.5m (H1 FY25: £12.2m) which reflects a planned reduction in stock holding coupled with strong sell through during the first half. The balance includes stock that has already landed for the autumn /winter season, which is in greater quantum compared with last year.

Receivables reduced marginally to £3.6m (H1 FY25: £3.9m), predominantly due to lower prepayments than last year. Trade receivables increased year on year reflecting stronger revenue through our concession and wholesale partners in September. During the period, there was no change to payment terms with any of our partners.

Current liabilities increased marginally to £8.3m (H1 FY25 £8.0m) due to lease liabilities including all six stores compared with two last year. Trade payables reduced to £7.5m (H1 FY25: £7.7m), with stock related creditors falling as payments were earlier compared to the previous year. This is because stock was handed over and therefore landed earlier. There was no material change to the average payment term with suppliers. Offsetting this reduction is an increase in contract liabilities, due to a higher provision for returns following strong sales in September.

Having a strong net cash position coupled with being cash generative in the period and the stronger half of the year still to come has allowed us to commence buying back our own shares. Prior to this, at our Annual General Meeting in September 2025 we received shareholder approval to purchase up to 10% of the Company's issued share capital and, in October 2025, the requisite Court approval for a capital reduction. At the date of this release, the Company has bought back 5,000,000 shares, which are currently held in treasury.

UNAUDITED CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2025

	Notes	6 Months to 30 Sept 2025 £'000	6 Months to 30 Sept 2024 £'000	Year ended 31 March 2025 £'000
Revenue	3	18,690	16,187	37,132
Cost of Sales		(7,066)	(6,121)	(14,067)
Gross profit/(loss)		**11,624**	**10,066**	**23,065**
Administrative expenses		(12,662)	(10,748)	(22,884)
Warehouse transition - one-off costs		-	-	(223)
Operating Loss		**(1,038)**	**(682)**	**(42)**
Finance income		60	62	109
Finance costs		(112)	(39)	(134)
Loss before taxation		**(1,090)**	**(659)**	**(67)**
Income tax credit/(expense)		-	-	(477)
Loss for the year		**(1,090)**	**(659)**	**(544)**
Other comprehensive income		-	-	-
Total comprehensive loss for the period		**(1,090)**	**(659)**	**(544)**

Earnings/(loss) per share:

Loss per share - basic & diluted, attributable to ordinary equity holders of the parent (pence)	5	(0.44)	(0.27)	(0.22)

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025

	Notes	As at 30 Sept 2025 £'000	As at 30 Sept 2024 £'000	As at 31 March 2025 £'000
Assets				
Non-current assets				
Intangible assets		815	459	747
Property, plant, equipment		1,573	1,201	1,793
Right of use asset		3,706	2,093	4,083
Deferred income tax asset		128	605	128
Total non-current assets		**6,222**	**4,358**	**6,751**
Current assets				
Inventories		10,518	12,165	11,090
Trade and other receivables		3,628	3,864	3,835
Cash and cash equivalents		7,747	6,951	7,284
Total current assets		**21,893**	**22,980**	**22,209**
Total assets		**28,115**	**27,338**	**28,960**
Equity and liabilities				
Equity				
Share capital	4	248	248	248
Share premium	4	52,619	52,619	52,619
Capital reserves		4,648	4,648	4,648
Other reserves		1,887	1,617	1,753
Reverse acquisition reserve		(19,596)	(19,596)	(19,596)
Retained earnings		(22,830)	(21,855)	(21,740)
Total equity		**16,976**	**17,681**	**17,932**
Current liabilities				
Trade and other payables		7,518	7,675	7,096
Lease liability		826	294	571
Total current liabilities		**8,344**	**7,969**	**7,667**
Non-current liabilities				
Lease liability		2,795	1,688	3,361
Total non-current liabilities		**2,795**	**1,688**	**3,361**
Total liabilities		**11,139**	**9,657**	**11,028**
Total equity and liabilities		**28,115**	**27,338**	**28,960**

UNAUDITED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE 6 MONTH PERIOD ENDED 30 SEPTEMBER 2025

	Notes	6 Months to 30 Sept 2025 £'000	6 Months to 30 Sept 2024 £'000	Year ended 31 March 2025 £'000
Cash flows from operating activities				
Loss before tax		(1,090)	(659)	(67)
Adjustments for:				
Share based payments		134	132	268
Depreciation and amortisation		642	266	802
Finance costs		112	39	134
Finance income		(60)	(62)	(109)
Disposal of intangibles		-	-	3
Disposal of tangibles		-	-	7
Working capital adjustments:				
Change in inventories		572	(1,245)	(170)
Change in trade and other receivables		(230)	(1,096)	(1,067)
Change in trade and other payables		770	2,559	2,020
Net cash flow from operating activities		**850**	**(66)**	**1,821**
Cash flow from investing activities				
Purchase of property, plant and equipment		(8)	(1,045)	(1,717)
Purchase of intangibles		(121)	(114)	(424)
Initial direct costs on right of use asset		-	-	(463)
Bank Interest paid		-	-	(1)

Bank interest paid			(1)
Net cash flow from investing activities	**(129)**	**(1,159)**	**(2,605)**
Cash flow from financing activities			
Lease payment	(308)	(199)	(354)
Bank interest received	50	62	109
Net cash flow from financing activities	**(258)**	**(137)**	**(245)**
Net change in cash and cash equivalents	**463**	**(1,362)**	**(1,029)**
Cash and cash equivalents at beginning of period	7,284	8,313	8,313
Cash and cash equivalents at end of period	**7,747**	**6,951**	**7,284**

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTH PERIOD ENDED 30 SEPTEMBER 2025

	Share capital	Share premium	Reverse acquisition reserve	Capital redemption reserve	Retained earnings	Other reserves	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 30 September 2024	**248**	**52,619**	**(19,596)**	**4,648**	**(21,855)**	**1,617**	**17,681**
Profit for the period	-	-	-	-	115	-	**115**
Share-based payments	-	-	-	-	-	136	**136**
Balance at 31 March 2025	**248**	**52,619**	**(19,596)**	**4,648**	**(21,740)**	**1,753**	**17,932**
Loss for the period	-	-	-	-	(1,090)	-	**(1,090)**
Share-based payments	-	-	-	-	-	134	**134**
Balance at 30 September 2025	**248**	**52,619**	**(19,596)**	**4,648**	**(22,830)**	**1,887**	**16,976**

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of those shares net of share issue expenses.

Other reserves represents the share based payments reserve which relates to the charge for share-based payments in accordance with International Financial Reporting Standard 2.

Retained earnings represent the cumulative loss of the Group attributable to equity shareholders.

Reverse acquisition reserve relates to the effect on equity of the reverse acquisition of Thread 35 Limited.

Capital redemption reserve represents the aggregate nominal value of all the deferred shares repurchased and cancelled by the Company. The reserve is non-distributable.

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

1. General Information

Sosandar Plc (the 'Company') is a public company limited by shares incorporated in England and Wales. Details of the registered office, the officers and advisers to the Company are presented on the Company Information page at the end of this report. The Company is listed on the AIM market of the London Stock Exchange (ticker: SOS).

The principal activity of the Group in the year under review was that of a clothing manufacturer and distributer via internet and mail order as well as retail stores.

The financial information set out in this Half Yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Company's statutory financial statements for the year ended 31 March 2025, prepared under International Financial Reporting Standards (**IFRS**"), have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain statements under Sections 498(2) and 498 (3) of the Companies Act 2006.

Copies of the annual statutory accounts and the Half Yearly report can be found on the Company's website at http://www.sosandar-ir.com/content/investors/annual-reports.asp website at http://www.sosandar-ir.com/content/investors/annual-reports.asp.

2. Basis of preparation and significant accounting policies

This Half Yearly report has been prepared using the historical cost convention, on a going concern basis and in accordance with "**IFRS**" as adopted by the European Union, using accounting policies which are consistent with those set out in the financial statements for the year ended 31 March 2025.

3. Revenue

The directors have considered the requirement of IFRS 15 with regards to disaggregation of revenue and do not consider this to be required as the group only has one operating segment which is retail sales.

The income recognition for delivery receipts, commissions on partner-fulfilled sales and wholesale revenue are in line with that of retail sales and linked to dispatch/delivery to customers.

Due to the nature of its activities, the group is not reliant on any individual major customers.

During the prior year, the Group expanded into international markets. The major geographical market remains the UK.

	Period ended 30-Sept 2025 £'000	**Year ended 30-Sept 2024 £'000**
UK	18,550	16,015
Rest of World	140	172
Total	**18,690**	**16,187**

Disaggregation of revenue based on distribution channels is as follows:

	Period ended 30-Sept 2025 £'000	**Period ended 30-Sept 2024 £'000**
Own Channels *	10,148	7,206
Third-Party Channels **	8,542	8,981
Total	**18,690**	**16,187**

* Own Channels includes Sosandar.com and own stores

** Third-Party Channels includes concession and wholesale

4. Share capital and reserves

Details of ordinary shares issued are in the table below:

Ordinary Shares (£0.01)				
Date	**Number of shares**	**Issue Price £**	**Total Share Capital £'000**	**Total Share Premium £'000**
At 31 September 2024	**248,226,513**	**0.001**	**248**	**52,619**
Shares issued:	-	-	-	-
At 31 March 2025	**248,226,513**	**0.001**	**248**	**52,619**
Shares issued:	-		-	-
At 30 September 2025	**248,226,513**	**0.001**	**248**	**52,619**

5. Earnings per share: profit / (loss)

Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period:

	6 Months to 30 Sept 2025	**6 Months to 30 Sept 2024**	**Year Ended 31 March 2025**
Loss after tax attributable to equity holders of the parent (£'000)	(1,090)	(659)	(544)
Weighted average number of ordinary shares in issue	248,226,513	248,226,513	248,226,513
Basic / Diluted loss per share (pence)	**(0.44)**	**(0.27)**	**(0.22)**

6. Post balance sheet events

On the 14th October 2025, the Court approved the Company's application to cancel the amount standing to the credit of its share premium account ("Capital Reduction"). The Capital Reduction became effective on the 16th October 2025 whereby the share premium account of the Company of £52,619k was cancelled. The Capital Reduction itself did not involve any distribution or repayment of capital by the Company and did not affect the rights attached to the Ordinary Shares or the total number of Ordinary Shares in issue.

Following the Capital Reduction and under the general authority granted by the Company's Shareholders, the Company purchased 5,000,000 Ordinary Shares at 5.7p per share representing approximately 2.01% of the Company's issued share capital. The Ordinary Shares purchased will be held in treasury.

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