BOOHOO GROUP PLC
ANNUAL REPORT
AND ACCOUNTS 2019

BOOHOO GROUP PLC, A LEADING ONLINE FASHION RETAIL GROUP

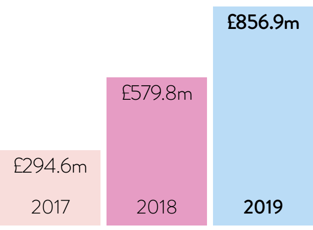
boohoo group plc is a leading online fashion retail group. Its brands boohoo, boohooMAN, PrettyLittleThing, Nasty Gal and Miss Pap target fashion-conscious 16 to 30 year olds in the UK and internationally.

AT A GLANCE

Read more on page 04

FINANCIAL HIGHLIGHTS

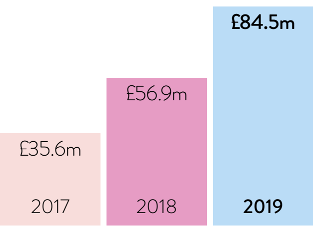
REVENUE



£856.9m

2018: £579.8m

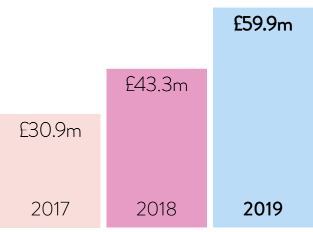
ADJUSTED EBITDA



£84.5m

2018: £56.9m

PROFIT BEFORE TAX



£59.9m

2018: £43.3m

CONTENTS

STRATEGIC REPORT

GOVERNANCE

FINANCIAL STATEMENTS

VISIT US ONLINE AT
WWW.BOOHOOPLC.COM

GROUP FINANCIAL AND OPERATIONAL HIGHLIGHTS

GROUP

Financial

- Revenue £856.9 million, up 48% (47% CER[1])
- Strong revenue growth across all geographies with UK up 37% and international up 64%
- Gross margin increased to 54.7% (2018: 52.8%)
- Adjusted EBITDA £84.5 million, 9.9% of revenue (2018: £56.9 million, 9.8%)
- Adjusted profit before tax £76.3 million (2018: £51.0 million)
- Strong balance sheet with net cash of £190.7 million (2018: £133.0 million), with robust operating cash flow of £111.9 million (2018: £76.2 million)

Operational

- Burnley distribution centre extension build and fit-out completed, with automation live in April 2019
- PrettyLittleThing's distribution centre successfully relocated to a larger facility in Sheffield

boohoo

Financial

- Revenue £434.6 million, up 16% (15% CER)
- Gross margin 52.9%, up 170bps

Operational

- 7.0 million active customers[2], up 9% on prior year
- Strong international growth, now 44% of total revenue
- Significant investments in customer service improving the customer proposition

	2019 £m	2018 £m	Change
Revenue	**856.9**	579.8	+48%
Gross profit	**469.0**	306.4	+53%
Gross margin	***54.7%***	*52.8%*	*+190bps*
Adjusted EBITDA[1]	**84.5**	56.9	+49%
% of revenue	***9.9%***	*9.8%*	*+10bps*
Adjusted EBIT[2]	**75.1**	50.4	+49%
% of revenue	***8.8%***	*8.7%*	*+10bps*
Adjusted profit before tax[3]	**76.3**	51.0	+49%
Profit before tax	**59.9**	43.3	+38%
Adjusted diluted earnings per share[4]	**4.15p**	3.23p	+29%
Diluted earnings per share	**3.22p**	2.71p	+19%
Net cash[5] at year end	**190.7**	133.0	+£57.7 million

1 Adjusted EBITDA is calculated as profit before tax, interest, depreciation, amortisation, share-based payment charges and exceptional items.
2 Adjusted EBIT is calculated as profit before tax, interest, share-based payment charges, amortisation of acquired PrettyLittleThing and Nasty Gal intangible assets and exceptional items.
3 Adjusted profit before tax is calculated as profit before tax, excluding share-based payment charges, amortisation of acquired PrettyLittleThing and Nasty Gal intangible assets and exceptional items.
4 Adjusted diluted earnings per share is calculated as diluted earnings per share, adding back amortisation of acquired PrettyLittleThing and Nasty Gal intangible assets, share-based payment charges and exceptional items.
5 Net cash is cash less borrowings.

PRETTYLITTLETHING

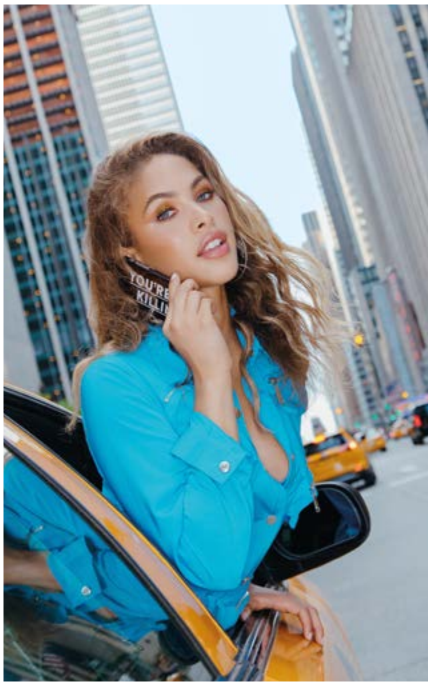
Financial
- Revenue £374.4 million, up 107% (107% CER)
- Gross margin 56.6%, up 140bps

Operational
- 5.0 million active customers, up 70% on prior year
- Customer proposition resonating with consumers, driving growth and increasing market share
- High profile celebrity associations driving traffic and international expansion, exceptionally well in the US

NASTY GAL

Financial
- Revenue £47.9 million, up 96% (100% CER)
- Gross margin 56.7%, down 290bps

Operational
- 0.9 million active customers, up 122% on prior year
- Extensive product range now comprises over 8,000 lines
- Strong growth in US home market with international appeal and revenue growing rapidly

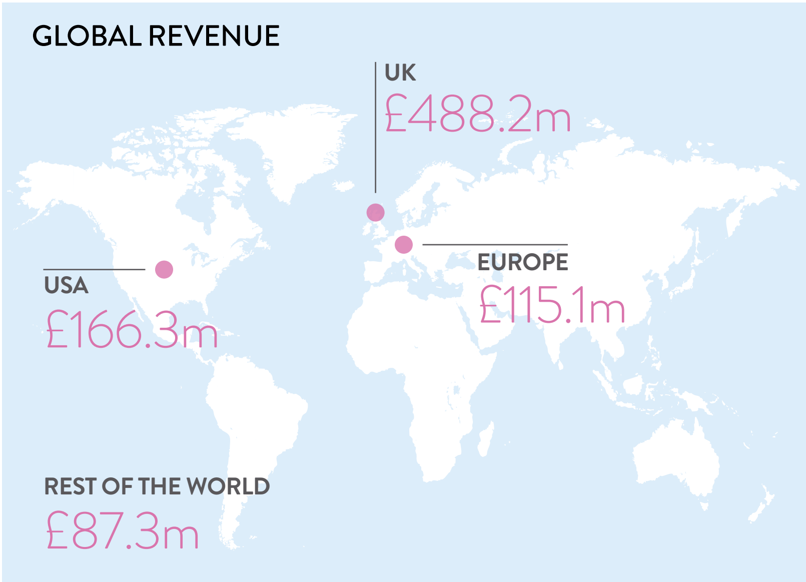


Notes:
1 CER designates Constant Exchange Rate translation of foreign currency revenue, which gives a truer indication of the performance in international markets by removing year-to-year exchange rate movements when local currency sales are converted to sterling.
2 Active customers defined as having shopped in the last year.

AT A GLANCE

A WINNING BUSINESS

boohoo group plc is a leading online fashion retail group, home to a portfolio of pure-play fashion brands with head offices and distribution centres in the UK, from which orders are sent to customers all over the world.



KEY CHARACTERISTICS

SUCCESSFUL

Our high growth rate shows boohoo understands what customers want. We operate in an efficient and profitable way, delivering value to our stakeholders. We invest to create a sustainable business.

RESPONSIBLE

We operate with responsibility towards all our stakeholders – including our customers, employees and partners – and in a sustainable way to reduce environmental impact.

INSPIRED

With a finger on the pulse of fashion, we spot the latest trends from all over the world.

GLOBAL

We operate in a global market, unhindered by borders, languages and physical presence.

CONNECTED

Through a large social media following, we connect with millions globally.

FAST

Hundreds of new products added daily and top sellers are re-bought within days.

WE HAVE

13m

ACTIVE CUSTOMERS
ACROSS OUR BRANDS

OUR BRANDS

boohoo

boohooMAN

NASTY GAL

PRETTYLITTLETHING

MISSPAP

PROFIT BEFORE TAX

UP BY

38%

REVENUE

UP BY

48%

GROUP STRUCTURE AND BRANDS

ABOUT OUR GROUP AND OUR BRANDS

boohoo group plc owns the brands boohoo, boohooMAN, PrettyLittleThing, Nasty Gal and Miss Pap and designs, sources, markets and sells clothing, shoes, accessories and beauty products targeted at 16-30 year old consumers in the UK and internationally. The group has a strong presence in the UK, US, Australia and Europe, and sells products to customers globally.

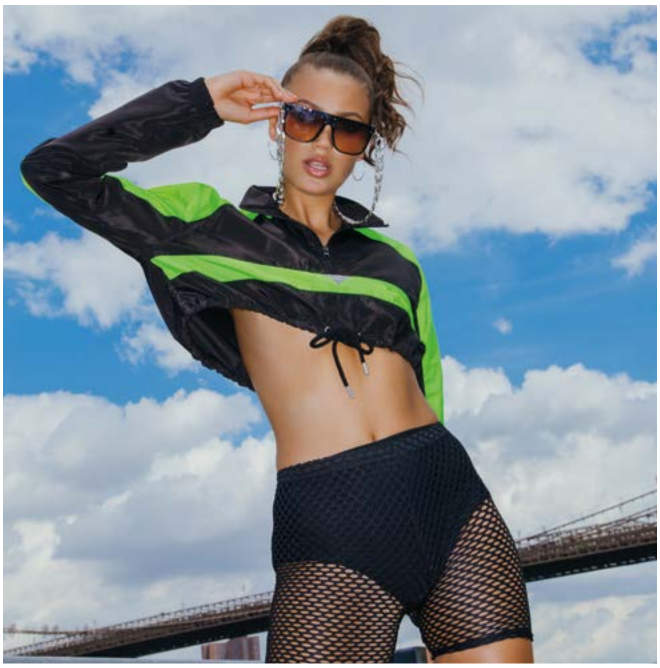
boohoo

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

Currently boohoo operates through English, French, German, Italian, Spanish and Russian language websites. Products are designed, sourced and subsequently distributed globally from a central UK warehouse. Hundreds of products are added to the website each week, uploaded via the company's on-site photography and art studio and displayed in gallery photos. The speed and agility of the company ensures it is first to market with the latest on-trend styles and fashion.

PRETTYLITTLETHING

The group acquired a 66% interest in PrettyLittleThing.com Limited in January 2017 and has an option to buy the non-controlling interest of 34% in 2022. Founded in 2012, PrettyLittleThing originated as an accessories-only website. Since then it has grown into a forward-thinking fashion brand aimed at bringing affordable style to young female fashion breakers and makers. It has experienced rapid growth since inception and continues to grow rapidly. The business is all about the right here, right now, not just anticipating trends but creating them, taking inspiration from the catwalk, celebrities and influencers and making sure products are available for the customer to shop online before they are available anywhere else. PrettyLittleThing now has five million active customers.



NASTY GAL

The group acquired the Nasty Gal brand (trademarks and customer lists) on 28 February 2017.

Founded by Sophia Amoruso in 2006, Nasty Gal is a bold and distinctive brand for fashion-forward, free-thinking young women, offering limited edition clothing to a global audience. The brand's largest market so far has been in the USA and it has a global reach with enormous potential for growth. Nasty Gal now has nearly one million active customers.

MISSPAP

The group acquired the Miss Pap brand (trademarks and customer lists) on 24 March 2019.

OUR STRATEGY AND OUR VALUES

POISED FOR FURTHER GROWTH

OUR VISION

The group's ambition and growth prospects are underpinned by forecast growth in both the domestic and international online fashion retail markets, a highly efficient product sourcing model and a robust infrastructure development plan.

Our vision is to be leading the e-commerce fashion market for 16 to 30 year olds, which we will drive through our strategic priorities: **Insight, Investment, Innovation and Integration.**

INSIGHT
creating a competitive customer proposition

INVESTMENT
delivering organic growth to increase market share

INNOVATION
driving customer engagement

INTEGRATION
integrating new brands

HOW WE DO IT

> We are entirely focused on our customers and every element of our model begins and ends with them. We engage, we listen, we learn, we create and repeat.

BUSINESS MANAGEMENT & MONITORING

Responsible business

We are passionate about running a sustainable business that is fair to all and kind to the environment.

Read more on pages 24 to 26

OUR STRATEGY

boohoo

boohoo's strategy is to be the young person's fashion best friend, offering the most up-to-date fashion at incredible prices with unbeatable choice, great quality and excellent service. The brand's core values are fun, fashion, social and inclusive. This translates into a product range for every young woman and man around the world.

PRETTYLITTLETHING

PrettyLittleThing's product strategy is to be a youthful trend leader in online women's fashion, offering a wide range of products at great prices, supported by an engaging global social media presence. The brand aims to help every girl feel like a celebrity with her clothes.

NASTY GAL

The Nasty Gal brand has strong consumer awareness, particularly in the USA, and an even greater global potential. Nasty Gal's product strategy is to create distinct, aspirational fashions drawing on the unique DNA of the brand's heritage.

OUR VALUES

PASSION

Each day we are inspired to be the best we can be. We're focussed and committed to giving our customers the experience they want.

AGILE

We are constantly evolving to stay one step ahead. We embrace change and grab new opportunities with both hands. We are lean, effective and efficient.

CREATIVE

We are unique and aspirational. We're not afraid of doing things our way, daring to be different. We are creative in thinking and design.

TEAM

We listen and respond to create a place where everyone's contribution is important. Building success through our people and sharing in it together. And we remember to have fun along the way.

Risk management

We monitor and control business risks with robust processes.

Read more on pages 20 to 23

Governance

We are committed to high standards of corporate governance and have adopted the QCA code.

Read more on pages 30-32

CHAIRMAN'S STATEMENT

A YEAR OF HIGH GROWTH AND INVESTMENT FOR THE FUTURE

"Our unique platform enables us to expand rapidly across multiple brands.

REVENUE

+48%

Further strong revenue growth +48%

CASH FLOW

+118%

Robust free cash flow at £65.1m /+118%

I am very pleased to report another highly successful year for the group. All of our brands have delivered a fantastic performance across all territories. We have gained market share in our domestic market and continued our international expansion at a substantial pace. The results speak for themselves with group revenue up 48% at £856.9 million, gross margin increased to 54.7% and profit before tax up 38% at £59.9 million.

We have made substantial capital investments in our infrastructure to service future growth, with £32 million spent on the Burnley distribution centre extension and automation. PrettyLittleThing relocated to a much larger third party-managed distribution centre in the summer, with little disruption to operations, which was a credit to the team. We have also invested in substantial new office facilities for boohooMAN nearby to boohoo's Manchester head office. We are proud to be one of North West England's larger employers, contributing to the regional economy.

We have developed a unique platform, through years of investment in technology and processes, supply chain relationships and with the know-how of a great team of people. This platform enables us to penetrate markets and expand rapidly across multiple brands, as we progress with our ambition to dominate the online fashion sector.

In September 2018 we announced that John Lyttle would be joining the group in March 2019 as CEO and that Carol and I would be taking on different roles within the group. I will assume the position of Executive Chairman with Carol as Co-founder and Executive Director. We are delighted that John has joined us, bringing his years of experience in fashion retail, and we are already seeing the benefits of John's input.

The boohoo group takes its social responsibility seriously and we are delighted to have supported a number of charities in the year through the group's and employees' own initiatives. We strive for high standards in ethics throughout our supply chain and our focus on sustainability has been sharpened. Further initiatives to improve sustainability and reduce environmental impact are planned in the year ahead and detailed in this report.

The success of any business depends on its people and we have a formidable team in the boohoo group. I would like to thank all our employees and partners for their contribution in making the group the great success that it is. We are very encouraged by the group's progress and excited by our prospects in the coming year as we continue to extend our reach into existing and new markets, never complacent and constantly challenging ourselves to be better at what we do.

Mahmud Kamani
Executive Chairman
24 April 2019

REVIEW OF THE BUSINESS

PERFORMANCE DURING THE YEAR

PROFIT

£59.9m

Profit before tax 38% increase from 2018 (£43.3m)

> Another outstanding year from all our brands across all regions.

OVERVIEW

	2019 £000	2018 £000	Change
Revenue	**856,920**	579,800	+48%
Gross profit	**468,994**	306,355	+53%
Gross margin	**54.7%**	52.8%	+190bps
EBITDA	**72,601**	53,663	+35%
% of revenue	***8.5%***	*9.3%*	*-80bps*
Profit before tax	**59,856**	43,313	+38%
Diluted earnings per share	**3.22p**	2.71p	+19%
Net cash[1] at year end	**190,726**	133,047	+£57.7m
Underlying:			
Adjusted EBITDA[2]	**84,546**	56,932	+49%
% of revenue	***9.9%***	*9.8%*	*+10bps*
Adjusted EBIT[3]	**75,074**	50,403	+49%
% of revenue	***8.8%***	*8.7%*	*+10bps*
Adjusted profit before tax[4]	**76,250**	51,031	+49%
Adjusted diluted earnings per share[5]	**4.15p**	3.23p	+29%

1 Net cash is cash less borrowings.
2 Adjusted EBITDA is calculated as profit before tax, interest, depreciation, amortisation, share-based payment charges and exceptional items.
3 Adjusted EBIT is calculated as profit before tax, interest, share-based payment charges, amortisation of acquired PrettyLittleThing and Nasty Gal intangible assets and exceptional items.
4 Adjusted profit before tax is calculated as profit before tax, excluding share-based payment charges and amortisation of acquired intangible assets and exceptional items.
5 Adjusted diluted earnings per share is calculated as diluted earnings per share, adding back amortisation of acquired intangibles, share-based payment charges and exceptional items.

"I am very excited to have joined the boohoo group at this key stage of its growth, with the group's disruptive and proven business model having delivered yet another excellent set of financial and operational results. In my short time within the business, I am delighted to have been able to meet a number of hugely talented people and have already been able to see many parts of the business. This has confirmed my belief and optimism that the group's investments into its brands and infrastructure have allowed it to develop a scalable, multi-brand platform that is well-positioned to disrupt, gain market share and capitalise on what is a truly global opportunity."

John Lyttle,
CEO

Group revenue for the year increased by 48% (47% CER) to £856.9 million (2018: £579.8 million). Revenue growth across all territories and brands was strong.

Adjusted EBITDA was £84.5 million (2018: £56.9 million), an increase of 49%, with improved gross margin across the group leading to an adjusted EBITDA margin of 9.9% (2018: 9.8%). Adjusted profit before tax was £76.3 million (2018: £51.0 million), an increase of 49%. Profit before tax was £59.9 million (2018: £43.3 million), an increase of 38%. Adjusted diluted earnings per share was 4.15p, up 29% on the prior year. Diluted earnings per share rose to 3.22p, an increase of 19% (2018: 2.71p).

The group has performed exceptionally well during the year. Revenues have increased across all our brands in all regions. Our focus on key international markets has been highly successful, producing growth of 64% and increasing international revenues to 43% of total revenue. PrettyLittleThing continues to perform exceptionally well, with a growth rate of 107%. Market share is increasing, driven by the customer proposition of great fashion at unbeatable prices, supported by an engaging social media presence and successful celebrity endorsements. Gross margins have improved as a result of stronger sell through, tighter control on stock cover and refinement of the customer proposition. Substantial investments have been completed to secure warehouse capacity for growth and improve the future efficiency of the Burnley warehouse with automation.

Cash flow generation was strong, with free cash flow up 118% to £65.1 million. Capital expenditure was £46.9 million as we invest in our infrastructure ahead of our growth curve. Our net cash balance at the period end increased to £190.7 million (2018: £133.0 million).

Distribution centres

During the year, the Burnley distribution centre extension build and fit-out was completed. Automation went live in April 2019, which will greatly improve picking efficiency and reduce costs in the financial year 2020 and beyond. We opened new welfare facilities to all Burnley employees and provided a bus service to the distribution centre from nearby towns. PrettyLittleThing's (PLT) distribution centre relocation to Sheffield was completed successfully during July and August, with a low level of disruption to operations. Costs associated with this relocation are considered exceptional and amounted to £6.7 million. The addition of the Sheffield facility greatly increases our sales capacity, will help underpin PLT's infrastructure needs and adds further operational flexibility for the group.
We continue to invest in our infrastructure, with our operations at Burnley and Sheffield representing significant stepping stones as we build towards creating a distribution network capable of generating £3 billion of net sales globally.

BOOHOO (INCLUDING BOOHOOMAN)

Performance

Revenue for the year increased to £434.6 million, up 16% on the previous year, with growth in all our key focus markets.

International growth continues to be strong and we are continuing to gain market share in the UK. Gross margin increased by 170bps to 52.9%, driven by improved stock control and refinement of the customer proposition.

Product

Our comprehensive size range offerings, the breadth of the product range and continuous fresh introductions have continued to drive growth. Hundreds of new styles are added daily and the very latest fashions appear within days or weeks of trends being spotted by our fashion experts and offered to our customers at affordable prices. boohooMAN has performed strongly with an extensive product range and increasing customer reach.

Marketing

Marketing activity included several high profile celebrity campaigns: Zendaya, Stefflon Don, French Montana, Dele Alli and Paris Hilton headed the cast and were instrumental in driving increased brand awareness. Other marketing activities continued using a successful formula of a mix of media, including social media influencers, reality TV ambassadors, bloggers, TV, outdoor, email, student events and digital acquisition channels. Our social media presence continues to grow and we now have 5.9 million followers on Instagram, 2.9 million Facebook fans and 0.5 million followers on Twitter.

Customer interaction

Active customer numbers over the last 12 months increased by 9% to 7.0 million. Conversion rate to sale decreased from 4.3% to 3.9% of sessions, when measured on website statistics alone. Order frequency increased 0.3%, with customers placing an order with us, on average, 2.14 times in 12 months, whilst the number of items per basket decreased 1% to 3.04.

REVIEW OF THE BUSINESS
CONTINUED

Refinements to the customer proposition included free returns, next day delivery, shortened delivery times and more overseas collection points. The cut-off time for next day delivery in the UK is 11pm and SMS messaging for delivery status has been introduced. We are trialling artificial intelligence in customer contact response. We have 17 country-specific websites and have plans to introduce more foreign language websites optimised for local criteria, in line with our aim to attain best-in-class customer service.

Technology
The principal technology projects completed include new payment solutions and more country returns portals, which give more returns flexibility and enable us to refund customers immediately after the courier collects their parcel. We have also introduced social logins for UK customers.

The website and app are subject to continuous improvement in content, functionality, personalisation and ease of use. During the year we added visual search to the website, which enables customers to search for similar items either from a photograph they have uploaded or from an image on the website. Our app has been downloaded by nearly two million customers, generating a considerable growth in the number of visits.

PRETTYLITTLETHING

Performance
PrettyLittleThing ("PLT") has had an enormously successful year, with revenues increasing by 107% to £374.4 million. All territories delivered strong growth and significant increases in market share and it is clear that there is both the demand and potential for this to continue. The relocation of the distribution centre to Sheffield in the summer was executed extremely well, with a low level of disruption to the business during the move. Exceptional costs associated with the move amounted to £6.7 million. Gross margin has increased 140bps to 56.6%, with stronger sell-through and refinements to the customer proposition.

Product
Renowned for having the latest and most relevant celebrity looks, PLT offers over 20,500 styles at affordable prices to its customers. PLT's "shape" ranges, which include Petite, Tall, Shape and Plus, have proved very popular in the year and have driven growth. Highly successful celebrity collaborations in the year included those with model Hailey Baldwin, UK radio presenter Maya Jama, American hip-hop stylist Karl Kani and US model Ashley Graham. The Karl Kani collaboration launched in January 2019 included PLT's first ever unisex product range.

Marketing
The PLT brand is promoted through a global multi-channel marketing approach which seeks to engage with customers across the world. Celebrity collaborations are supported by an influencer network which seeks to leverage the power of social media to engage with our customers, giving us a combined reach of over 350 million impressions globally. The PLT 'Royalty' programme, which has shown significant growth in the year, gives customers in the UK and Ireland free unlimited next day delivery and seeks to generate increased customer loyalty to the PLT brand. Brand awareness is also supported by more traditional marketing approaches such as PLT's sponsorship of the E! entertainment channel in the UK, Ireland, France and Australia, which directly appeals to PLT's target market, as well as out-of-home advertising including the now iconic fleet of PLT taxis operating in major cities throughout the UK.

Customer interaction
We support eight country-specific websites and have plans for further foreign language sites next year, following the success of the French language site, introduced in the previous financial year. For the UK market, we offer a wide range of free return options. We have also introduced new returns options in international markets, accelerating the point of refund to enhance the customer experience. Customers have the option of using a virtual customer service assistant for frequently asked questions, which greatly reduces response wait time as well as cutting costs.

Active customer numbers over the last 12 months increased by 70% to 5.0 million. Conversion rate to sale decreased from 3.7% to 3.3% of sessions, when measured on website statistics alone. Order frequency increased 12%, with customers placing an order with us, on average, 2.84 times in 12 months, whilst the number of items per basket increased 12% to 2.72. We have 1.9 million followers on Facebook, 0.3 million followers on Twitter, 10.5 million Instagram followers, as well as a presence on several other social media channels.

Technology
Investment in technology is paramount to PLT's success and we have a programme of work across our services and customer-facing applications. The separation of systems with our micro-service architecture has allowed our platform to be more adaptable to cope with the business's pace of change and the continuing growth of our customers' order volumes and website traffic. Through the global reach of the Cloud, we can roll out new services worldwide so they are hosted as close as possible to our customers and built in a way we can ensure high performance. This agility will allow us to continue to invest at pace, delivering new experiences and innovation to our customers.

Key highlights for this year have been the introduction of a new automated chatbot which provides customers with instant assistance on a number of contact categories. New payment methods have been launched, with further payment options planned for the coming financial year. Our iOS and android apps have been developed throughout the year to improve the customer experience and conversion rates.

NASTY GAL

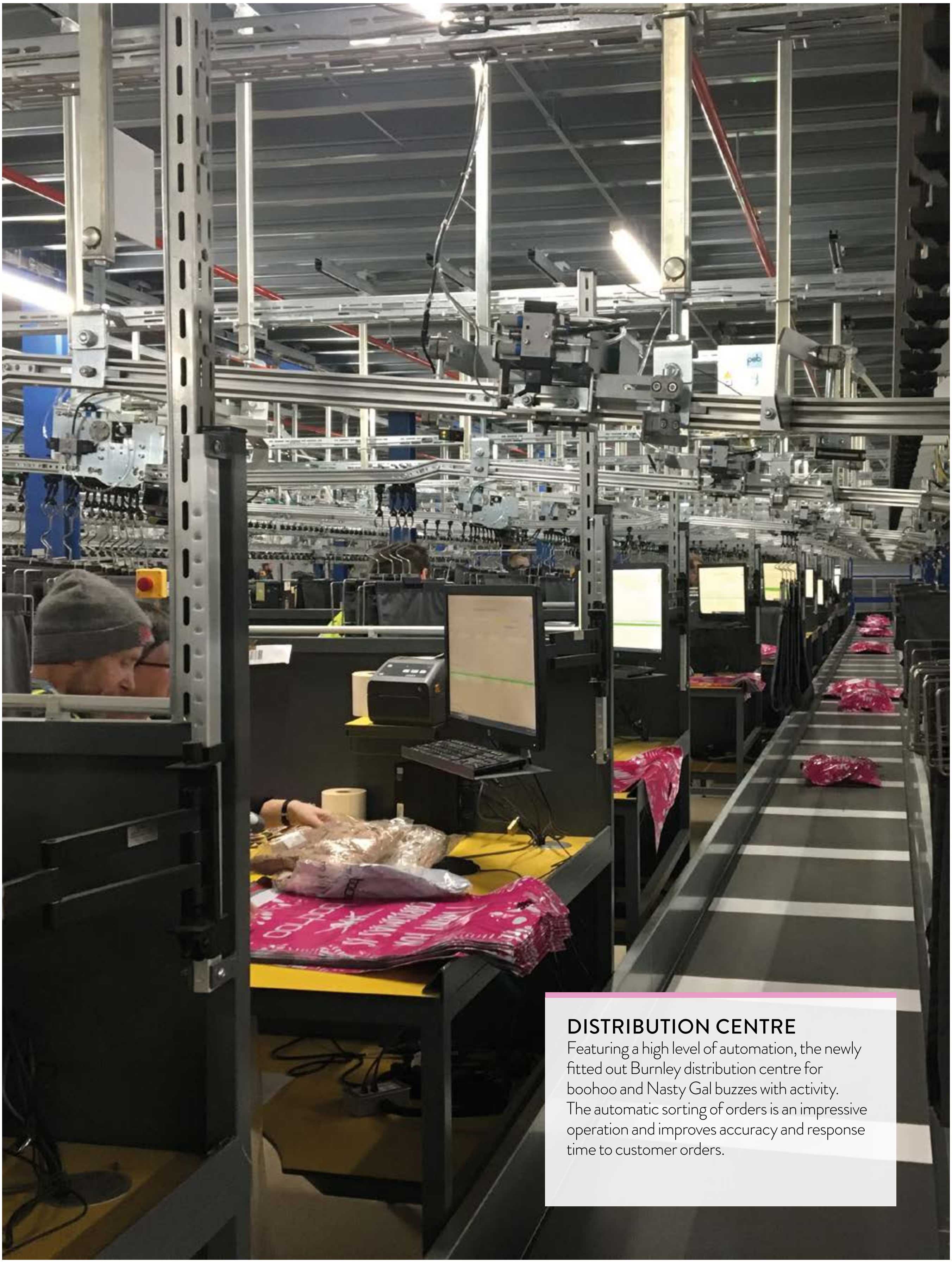
Performance
Revenue growth has been strong across all territories with a growth rate of 96%, increasing revenue to £47.9 million. In the brand's principal market, the USA, where the brand originated, growth has been very strong. The next largest market is the UK, where brand awareness has increased substantially and growth has been exceptionally high. Gross margin was 56.7%, a reduction on the previous year but in line with our proposition strategy.

Product
The product range has increased substantially to over 8,000 styles and targets price points higher than those of boohoo. The brand has its roots in Los Angeles and portrays a distinctive look for the confident girl who likes to express her personality through the clothes she wears. The appeal of the brand extends outside of the USA, as rapidly increasing sales in the UK have proven.

Marketing
The marketing strategy has focussed on building and extending the number of bloggers and influencers and staging key media events to re-engage customer interest and promote brand loyalty. Key influencers engaged during the year included Taylor le Shae and Emma Louise Connelly.

Customer interaction
Nasty Gal operates through six country and regional websites and Android and iOS apps in the UK, US and Australian markets.

On social media we have 3.6 million followers on Instagram, 1.3 million Facebook likes and 0.2 million followers on Twitter.



DISTRIBUTION CENTRE

Featuring a high level of automation, the newly fitted out Burnley distribution centre for boohoo and Nasty Gal buzzes with activity. The automatic sorting of orders is an impressive operation and improves accuracy and response time to customer orders.

FINANCIAL REVIEW

FROM STRENGTH TO STRENGTH

> The group has achieved a strong performance with revenues and profits increasing in all territories.

KEY PERFORMANCE INDICATORS

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 orders taken to internet sessions.
4 Calculated as gross sales including sales tax divided by the number of orders.

BOOHOO

	2018	2019	
ACTIVE CUSTOMERS[1]	6.4m	7.0m	+9%
NUMBER OF ORDERS	13.6m	14.9m	+10%
ORDER FREQUENCY[2]	2.13	2.14	+0.3%
CONVERSION RATE TO SALE[3]	4.3%	3.9%	-36bps
AVERAGE ORDER VALUE[4]	£39.25	£41.38	+5%
NUMBER OF ITEMS PER BASKET	3.06	3.04	-1%

PRETTYLITTLETHING

	2018	2019	
ACTIVE CUSTOMERS[1]	3.0m	5.0m	+70%
NUMBER OF ORDERS	7.5m	14.3m	+89%
ORDER FREQUENCY[2]	2.55	2.84	+11.7%
CONVERSION RATE TO SALE[3]	3.7%	3.3%	-47bps
AVERAGE ORDER VALUE[4]	£36.05	£40.41	+12%
NUMBER OF ITEMS PER BASKET	2.43	2.72	+12%

NASTYGAL

	2018	2019	
ACTIVE CUSTOMERS[1]	0.4m	0.9m	+122%
NUMBER OF ORDERS	0.6m	1.3m	+128%
ORDER FREQUENCY[2]	1.37	1.41	+2.9%
CONVERSION RATE TO SALE[3]	1.7%	2.5%	+71bps
AVERAGE ORDER VALUE[4]	£52.82	£49.83	-6%
NUMBER OF ITEMS PER BASKET	2.89	3.15	+9%

GROUP REVENUE BY BRAND

	2019 £000	2018 £000	Change	Change CER
boohoo	**434,565**	374,115	+16%	+15%
PrettyLittleThing	**374,445**	181,269	+107%	+107%
Nasty Gal	**47,910**	24,416	+96%	+100%
	856,920	579,800	+48%	+47%

GROUP REVENUE BY GEOGRAPHICAL MARKET

	2019 £000	2018 £000	Change	Change CER
UK	**488,199**	355,614	+37%	+37%
Rest of Europe	**115,124**	66,281	+74%	+67%
USA	**166,262**	92,690	+79%	+81%
Rest of world	**87,335**	65,215	+34%	+30%
	856,920	579,800	+48%	+47%

CONSOLIDATED INCOME STATEMENT

	2019 £000	2018 £000	Change
Revenue	**856,920**	579,800	+48%
Cost of sales	**(387,926)**	(273,445)	+42%
Gross profit	**468,994**	306,355	+53%
Gross margin	***54.7%***	*52.8%*	*+190bps*
Operating costs	**(384,687)**	(249,582)	
Other income	**239**	159	
Adjusted EBITDA	**84,546**	56,932	+49%
Adjusted EBITDA margin %	***9.9%***	*9.8%*	*+10bps*
Depreciation	**(6,972)**	(3,997)	
Amortisation of other intangible assets	**(2,500)**	(2,532)	
Adjusted EBIT	**75,074**	50,403	+49%
Adjusted EBIT margin %	***8.8%***	*8.7%*	*+10bps*
Adjusting items:			
Amortisation of acquired PrettyLittleThing and Nasty Gal intangible assets	**(4,449)**	(4,449)	
Equity-settled share-based payment charges	**(5,278)**	(3,269)	
Exceptional items – warehouse relocation	**(6,667)**	-	
Operating profit	**58,680**	42,685	+37%
Finance income	**1,320**	774	
Finance expense	**(144)**	(146)	
Profit before tax	**59,856**	43,313	+38%
Profit after tax for the year	**47,459**	36,000	+32%
Diluted earnings per share	**3.22p**	2.71p	+19%
Adjusted profit after tax for the year	**60,803**	42,310	+44%
Amortisation of acquired PrettyLittleThing and Nasty Gal intangible assets	**(4,449)**	(4,449)	
Share-based payment charges	**(5,278)**	(3,269)	
Exceptional items – warehouse relocation	**(6,667)**	-	
Adjustment for tax	**3,050**	1,408	
Profit after tax for the year	**47,459**	36,000	
Adjusted profit for the year attributable to shareholders of the company	**48,781**	37,610	+30%
Adjusted diluted earnings per share	**4.15p**	3.23p	+29%

FINANCIAL REVIEW
CONTINUED

Gross margin increased from 52.8% to 54.7%, due to improvements in the customer proposition, tighter stock control and reduced clearance.

Operating costs comprise distribution costs and administrative expenses excluding depreciation and amortisation and have increased by 180bps on revenue. The distribution cost element excluding depreciation and exceptional items has increased with revenue growth and increased on the prior year as a percentage of revenue by 146bps due to the higher proportion of international shipments. The administrative expense element, which includes marketing expenses, but excluding the exceptional item, share-based payment charges, depreciation, amortisation and amortisation of acquired intangibles, has risen due to the combination of revenue growth and the building of our infrastructure to support the future business expansion and increased by a small margin of 37bps on the prior year percentage of revenue.

Adjusted EBITDA, which is not a statutory measure, represents earnings before interest, tax, depreciation, amortisation, non-cash share-based payments charges and exceptional items. It provides a useful measure of the underlying profitability of the business. Adjusted EBITDA increased by 49% from £56.9 million to £84.5 million and, as a percentage of revenue, increased from 9.8% to 9.9%.

Adjusted profit after tax, as with Adjusted EBITDA, provides another more consistent measure of the underlying profitability of the business by removing non-cash amortisation of intangible assets relating to the acquisition of PrettyLittleThing and Nasty Gal (being their trademarks and customer lists), share-based payment charges and exceptional items.

TAXATION

The effective rate of tax for the year was 20.7% (2018: 16.9%), which is higher (2018: lower) than the blended UK statutory rate of tax for the year of 19.0% (2018: 19.1%), due to expenditure not deductible for tax purposes, the increase this year being principally depreciation on buildings and fit-out.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2019 £000	2018 £000
Intangible assets	**27,165**	30,877
Property, plant and equipment	**108,498**	71,994
Financial assets	**3,756**	2,445
Deferred tax asset	**4,034**	6,479
Non-current assets	**143,453**	111,795
Working capital	**(64,969)**	(30,923)
Net financial assets	**4,047**	5,466)
Cash and cash equivalents	**197,872**	142,575
Interest-bearing loans and borrowings	**(7,146)**	(9,528)
Deferred tax liability	**(2,102)**	(2,101)
Current tax liability	**(753)**	(4,505)
Net assets	**270,402**	212,779

Working capital has reduced primarily due to an increase in payables and accruals relating to our increased trading activity.

INTANGIBLE AND FIXED ASSET ADDITIONS

	2019 £000	2018 £000
Purchased intangible and fixed assets		
Intangible assets		
Patents and licences	**307**	9
Software	**2,930**	2,403
	3,237	2,412
Tangible fixed assets		
Distribution centre	**36,678**	33,753
Offices, office equipment, fixtures and fit-outs	**6,837**	9,991
Motor vehicles	**115**	228
	43,630	43,972
Total intangible and fixed asset additions	**46,867**	46,384

LIQUIDITY AND FINANCIAL RESOURCES

Operating cash flow was £111.9 million compared to £76.2 million in the previous year and free cash flow was £65.1 million compared to £29.9 million in the previous financial year. Capital expenditure was £46.9 million, which includes a £36.7 million investment in our distribution centres to support projected growth in trade. The closing cash balance for the group was £197.9 million and the net cash balance was £190.7 million.

CONSOLIDATED CASH FLOW STATEMENT

	2019 £000	2018 £000
Profit for the year	**47,459**	36,000
Depreciation charges and amortisation	**13,921**	10,978
Share-based payments charge	**5,278**	3,269
Loss on sale of fixed assets	**24**	–
Tax expense	**12,397**	7,313
Finance income	**(1,320)**	(774)
Finance expense	**144**	146
Increase in inventories	**(18,558)**	(14,078)
Increase in trade and other receivables	**(4,935)**	(5,393)
Increase in trade and other payables	**57,513**	38,780
Operating cash flow	**111,923**	76,241
Capital expenditure and intangible asset purchases	**(46,867)**	(46,384)
Free cash flow	**65,056**	29,857
Net proceeds from the issue of ordinary shares	**3,653**	51,531
Purchase of own shares by EBT	**(1,833)**	–
Proceeds from the sale of fixed assets	**59**	–
Finance income received	**1,249**	612
Finance expense paid	**(144)**	(146)
Tax paid	**(10,361)**	(7,227)
Repayment of borrowings	**(2,382)**	(2,382)
Net cash flow	**55,297**	72,245
Cash and cash equivalents at beginning of year	**142,575**	70,330
Cash and cash equivalents at end of year	**197,872**	142,575

TRENDS AND FACTORS LIKELY TO AFFECT FUTURE PERFORMANCE

The market for online fashion is forecast to continue to grow and, along with the increasing use of the internet globally, provides a favourable backdrop for the group with much opportunity for further growth. Customers throughout the world are seeking a wide choice of quality products at value prices lower than those available on the high street with the convenience of home delivery. The group's target market has a high propensity to spend on fashion and the market is resilient to external macroeconomic factors.

OUTLOOK

The continued strong growth of our brands across all geographic regions is highly encouraging. Our proven strategy offering the latest fashion at unbeatable prices, supported by excellent customer service, continues to resonate with consumers globally. Investments in our proposition and technology ensure we remain innovative and live up to our customers' expectations.

Our extended Burnley distribution centre now has a significant element of automation, which will enhance productivity and improve efficiency. Following the addition of the Sheffield facility for PrettyLittleThing, our distribution centres in Burnley and Sheffield represent significant stepping stones as we build towards creating a distribution network capable of generating £3 billion of net sales globally.

Trading in the first few weeks of the financial year has been encouraging. Group revenue growth for the financial year is expected to be 25% to 30% with an adjusted EBITDA margin of around 10% and capital expenditure in the region of £50 to £60 million. This guidance includes the adoption of IFRS 16, which is expected to increase EBITDA by £4 to £5 million and be broadly neutral at a profit before tax level.

Looking beyond the current year, we will continue to make investments across the group as part of our vision to lead the global fashion e-commerce market. Whilst this will require continued investments in people and infrastructure, we believe that the benefits of our multi-brand platform will continue to generate economies of scale, allowing us to target sales growth of 25% per annum, with an adjusted EBITDA margin of around 10% over the medium term.

RISK MANAGEMENT

HOW WE MANAGE RISK

On an annual basis the board reviews the principal risks and uncertainties facing the group and assesses the mitigating factors. This assessment is also undertaken whenever there is a perceived major change in the principal risks and uncertainties. The following are considered to be the principal risks and uncertainties, although these may not be exhaustive in that other unknown risks may have an adverse effect on the business.

STRATEGIC RISKS

RISK TYPE	RISK FACTORS	MITIGATION
COMPETITION RISK	› Competitors may be able to offer consumers like-for-like better quality, better value, superior customer service, more generous or superior delivery service, better website functionality or better brand image, thereby eroding market share › European customers may be deterred from purchasing from a UK company following the UK's decision to leave the EU	› Competitor activity and offerings are reviewed regularly to remain abreast of market developments and identify competitive advantages › Consumers' changing preferences are monitored internally and by market research to ensure product and service is relevant to demand › Developments in e-commerce trends are monitored to keep abreast of the latest developments and innovations › Performance targets control key deliverables (product quality, customer service and traffic)
FASHION AND CONSUMER DEMANDS RISK	› Failing to keep abreast of the latest trends in colour and style could lead to lost sales and erosion of market share › Failure to react quickly enough to fashion changes could lead to lost sales › Buying the incorrect quantities of product relevant to demand may result in lost sales opportunities or excess inventory	› Highly competent designers and buyers are adept at interpreting fashion and acquiring desirable product › Buyers and designers keep up to date with fashion changes through fashion shows, predictive agencies and fashion press › Product range planning ensures sufficient product offering to cover expected demand using the test-and-repeat model › Rapid response to fashion trends is achieved by using factories capable of short lead times › Buying, merchandising and marketing departments operate cohesively, with regular cross-functional communication

OPERATIONAL RISKS

SYSTEMS AND TECHNICAL RISK	› Hardware or software failure could disable the website or operational systems › Cyber-attack is an increasingly major risk › System capacity due to high transactional volumes may be compromised, leading to error or failure › Websites hosted by third party, which may be subject to business failure › Loss of or theft of consumer data could lead to loss of reputation and breach of data protection regulations	› Duplicate back-up system in remote location protects against hardware failure and to some extent software failure › Systems documentation and recovery procedures are in place and tested periodically › High security threshold and appropriate IT access and usage policies protect from virus and malicious attack and are regularly reviewed › System load planning is undertaken to ensure transaction volumes do not impinge on performance › Storage of personal data is tightly controlled and limited in accordance with data protection guidelines and PCI requirements, with additional mapping and controls introduced to ensure compliance with GDPR

OPERATIONAL RISKS CONTINUED

RISK TYPE	RISK FACTORS	MITIGATION
SUPPLY CHAIN RISK	› The business is dependent upon suppliers with whom relationships have been developed over time and whose loss through insolvency, disaster or denial of supply may be difficult to replace at short notice › Labour or environmental abuse in the supply chain could result in closure of supply or reputational damage	› Supply risk is spread over many suppliers with no major individual dependencies › Extensive and up-to-date knowledge of supplier base would enable alternative sources to be found relatively quickly › Levels of inventory are adequate to cover short periods of supply delay › Regular auditing of suppliers, unscheduled inspections and imposition of conformance agreements ensure adequate standards are maintained in the supply chain as far as possible
KEY FACILITIES	› Fire, flood, or other disaster could lead to part or total, temporary or permanent closure of facilities › Failure to adequately plan for warehouse capacity to cater for business expansion could restrict revenue growth	› Warehouse is protected by 24 hour security, access control, fire protection and sprinkler systems › Head office is protected by security alarm, access control, fire protection and sprinkler systems › Electric power continuity is protected by back-up generators › A comprehensive disaster recovery and business continuity plan supported by a disaster recovery committee exists › Long-range planning aims to ensure adequate warehouse facilities are available to keep pace with business growth
PEOPLE RISK	› Competitors are inclined to poach key staff and talented individuals › Employees may leave the company for better pay and prospects elsewhere	› Incentive schemes for senior managers are operated, including share ownership, bonus and incentive schemes linked to business performance › Succession planning aims to reduce key person dependencies
BREXIT RISK	› The UK's decision to leave the EU may increase costs › Exports to the EU following a no-deal Brexit may be impacted › Delays at ports could impact customer service	› Less than 10% of inventory is sourced from the EU and so any duty or tariff increases are not expected to be material. The group has a large portfolio of suppliers in many regions of the world and constantly changes sources to obtain the best prices and quality › Exports to the EU fall below the minimum threshold at which duty is payable by the consumer. Sales tax is already charged on EU sales and in the event of a no-deal Brexit, the group would continue to pay sales tax on imports to the EU › Nearly all shipments to the EU are by airfreight, which is not expected to suffer customs border control delays as much as might happen to road transport › The group has developed plans to manage imports and exports to/from the EU in the event of a no-deal Brexit

RISK MANAGEMENT
CONTINUED

REPUTATIONAL RISKS

RISK TYPE	RISK FACTORS	MITIGATION
NEGATIVE PERCEPTION OF THE BRANDS	› Adverse customer experience through poor product quality, product recall due to faulty manufacture or use of illegal substances in manufacture, labour abuses or environmental damage by third party suppliers could lead to reputational damage and customer boycott of the brand › Adverse customer experience through refund disputes or poor customer service could damage reputation	› A system of factory approvals is operated, ensuring that manufacturers agree to a set of acceptable standards › Compliance with manufacturers' agreements is monitored by periodic audit › Customer service levels and complaints are monitored and internet sites are reviewed for customer opinion

FINANCIAL RISKS

FINANCIAL RISK	› Poor business performance or lack of appetite for the sector may impede raising of capital › Exchange rate fluctuations may erode margins	› Regular budgeting and forecasting ensures working capital is sufficient for business requirements and rapid reaction to adverse business performance › Uncertainty due to fluctuating exchange rates is reduced by appropriate hedging policies

SOCIAL RESPONSIBILITY

FASHION WITH VISION

A VISION – "THE BOOHOO WAY"

The boohoo group has grown exponentially over the last few years and as our business keeps growing, so we continue to develop our thinking on social responsibility. We've made strong steps forward this year and evolved our strategy to define how we approach sustaining a responsible business in the years to come. This report contains a summary of our progress and ambition, focusing on the key areas of:

- Labour rights and ethical sourcing
- Environmental impact
- Charity and community

boohoo group plc has a number of existing initiatives underway, borne from our commitment to sustainability, ranging from clear policies on modern slavery and ethical supplier conduct, through to zero waste to landfill at all our UK sites. These are set out in detail below. But in the context of growing global inequality and increasing climate change impacts, we recognise that we can – and must – do more. To this end, and using our "test and learn" approach, in 2019 we will explore new partnerships and collaborations to help us learn more about how we can reduce our environmental impact and leverage our size to improve working conditions throughout our supply chains.

EXISTING INITIATIVES: PROGRESS TO DATE

Supply chain operations

We recognise that our supply chain is complex and goes beyond the "first tier", including sub-contractors, fabric and components suppliers and raw material suppliers. Since our last Modern Slavery Statement we have:

- Improved traceability beyond the first tier of the supply chain and devoted significant internal resource to strengthen our work in this area, including the development of a second tier sub-contractor database
- Developed our own supplier auditing framework, including unannounced visits, to ensure first and second tier suppliers are following regulations and acting in accordance with our code of conduct
- Appointed a Head of Internal Audit whose role includes assessment of the processes we use to audit our supply chain and the resources required to improve and implement best practice
- Ensured that all suppliers are now periodically asked to confirm the source of their materials and are subject to unannounced visits to verify manufacturing is from an approved source
- Continued to work with suppliers to ensure minimum wage compliance and transparency and this is an ongoing process
- Reduced the number of suppliers in our supply base to allow greater transparency and build supplier partnerships
- Worked with Leicester Council and the government Head of the Vulnerable Workers Team since November 2017, highlighting the health and safety issues and risks to those vulnerable workers in buildings not considered fit for purpose and at a risk of exploitation. Since 2016 we have been proactive in ensuring all suppliers have no presence in such areas and have supported suppliers by helping them move into suitable premises
- Updated and developed our supplier portal to provide links and information for suppliers, employers and employees regarding free workshops, courses, including English and numeracy, and available grants
- Developed a Human Resources pack for suppliers so they and their employees understand workers' rights and legislation, thereby reducing the risk of non-compliance
- Published an external whistle-blowing policy on the social responsibility section of our website; this allows suppliers, their employees or any third party to contact us confidentially to raise concerns about the supplier activities
- Ensured that all our own UK based auditors are now CPI lead auditor trained; and developed our own internal auditing procedures in addition to the third party audits all suppliers are expected to undergo to enable continued partnerships with boohoo

"GOOD BUSINESS IS GOOD BUSINESS"

I'm delighted to be taking an active role in our exciting new responsible business strategy. As we progress on this journey, we want to make sure we have a clear lens by which we make decisions about the raw materials we source for garments and packaging, about labour rights and about external partnerships to challenge us and help us evolve. We are proud of the work we have done to date, from reducing our energy consumption to working with charities and local communities, and encouraging our customers to recycle. We will be looking to accelerate our corporate community engagement programme through the boohoo foundation, ensuring that all of our activities, for example charitable efforts, reflect the core values of our organisation: Passion, Agility, Creativity and Team.

John Lyttle,
CEO

RECYCLE WITH REGAIN

boohoo partner with reGAIN and have joined its "recycling revolution". reGAIN recycles clothes and aims to make the process easier, faster and more efficient. reGAIN rewards recycling by encouraging consumers to turn unwanted clothes into discount coupons and diverts unwanted clothing from going to landfill in doing so.

Download the reGAIN app now and join in the recycling revolution.

reGAIN app
RECYCLING REWARDED

1. PUT UNWANTED ITEMS IN A BOX OR BAG (MINIMUM OF 10)
2. FIND A DROP OFF POINT NEAR YOU AND PRINT A FREE SHIPPING LABEL
3. BRING YOUR PARCEL TO THE DROP OFF POINT AND GAIN ACCESS TO ALL DISCOUNT COUPONS

Environmental protection
We require our suppliers to comply with all relevant environmental protection laws and regulations and as part of this we require compliance by all to the boohoo Restricted Substances Policy. All materials, components and finished products must comply with:

› International law on the restriction of hazardous substances
› REACH legislation
› The European Chemical Agency (ECHA) Restricted Substances List

boohoo requires verification from suppliers of compliance with REACH, to be submitted before goods are shipped or delivered. Accepted forms of verification include:

› Independent testing
› Certification from suppliers of raw materials and trimmings
› Declarations verified by independent audit

Animal welfare
At boohoo group plc we take animal welfare very seriously. We stand by our commitment never to use real fur, angora, cashmere, silk and mohair in any boohoo products nor any products that are obtained through cruelty to animals such as mulesing. Our policy doesn't just cover the use of animal skins, it sets standards for the use of any animal-derived product, and states clearly which products we will never use.

boohoo code of conduct
boohoo has a strong framework of practice and policies in place, and our Ethical Trade Policy is based on the Ethical Trade Initiative (ETI) base code, which sets worldwide standards of labour practice. We will continue to explore third party partnerships, to strengthen our ethical position (see 2019 aspirations, below).

Workplace and community
Our people are the key to our success and we are committed to investing in them through training and development and ensuring their welfare.

› We encourage diversity in the workforce: last year the percentage of males was 45% and females 55%, with 38% of our senior management positions held by women
› Our gender pay gap reporting in March 2019 for the group showed no difference in pay between male and female using the median results and a 6.9% difference using mean results (male average pay being the higher due to a greater proportion of males in the most senior roles), which is significantly below the national average as reported by ONS in October 2018.

Modern slavery
boohoo has a zero-tolerance approach to modern slavery. Our Modern Slavery Statement can be found on our website at http://www.boohooplc.com/boohoo-social-responsibility/modern-slavery.aspx. In addition we have aligned ourselves with Hope for Justice / SlaveryFreeAlliance charity foundation who will undertake work and investigation on our behalf to ensure there is no modern slavery in our supply chain and to support the work by ourselves and third party auditors to ensure our code of conduct is being adhered to.

Anti-bribery
boohoo has a strict anti-bribery policy, supported by regular training and reminders to employees and partners. Gift-giving and receiving to and from suppliers is monitored and controlled within reasonable low limits that are not considered to be influential in business operations.

Environment
To reduce the direct environmental impact of our UK operations we have a number of initiatives underway. These include:

› Monitoring and reporting all wastage, and recycling all paper and plastic waste at our Manchester site and all cardboard and plastic waste from our warehouse. At our warehouse we diverted 100% of waste (65 tonnes) from landfill in 2018, of which 68% was recycled
› Replacing lighting at head office and in our warehouse with motion-activated lighting and upgrading to LEDs where possible throughout our UK operations
› Using energy efficient storage heaters in offices not connected to the wet system
› Installing solar panels in one of our newer head office buildings and the Burnley warehouse with a view to rolling this out across the various sites
› The CO_2 output from heating and lighting in the offices and warehouse in the year was 3,677 tonnes (2018: 2,856 tonnes) and from employee air travel was 789 tonnes (2018: 418 tonnes).

Our customers
At boohoo we pride ourselves on our inclusive brand and its ability to celebrate and promote diversity. Our customers continue to inspire us and motivate us to supply the latest trends at the best prices around. We continue to develop our ranges to offer clothing to suit all and we work very closely with a range of celebrities, influencer and model agencies to ensure we are promoting diversity, as well as responsible and healthy body images.

We understand the importance of a great customer experience and getting products to our customers when they want them, without hassle. We offer free returns in the UK and several overseas markets and we make sure that our customer services team is available to help at all times through a range of different channels.

2019 ASPIRATIONS

The sustainability challenges faced by the fashion industry continue to grow in importance not just for consumers and stakeholders, but also for us as a business. We have taken some positive steps and we are constantly exploring many new initiatives to accelerate our sustainability journey.

Supply chain
We will continue to build on the great progress made to date in the transparency of our supply chain across the group. Through strengthening supplier partnerships we can build trust to gain further transparency lower down the supplier chain. Improved internal data management across the group will help us achieve this. We will work with and learn from our fabric suppliers to explore sustainable fibres in our supply chain and continue to remain open to collaboration with organisations who can help us on this journey.

We are delighted to have entered into partnership with Hope for Justice, who will help us to continue to improve the rights of workers throughout our supply base. We are also exploring partnerships with other third party bodies to assist us further in this important work protecting workers' rights.

Environmental impact
We aim to sign at least one partnership with a sustainable fashion initiative in the coming year, to help us to reduce the carbon, water and waste footprint of our supply chain. We are also considering investing in research into the use of fully biodegradable plastics in our packaging in the longer term, and will also be investigating what action we can take on microplastics.

Meanwhile, to reduce the direct environmental impacts of the raw materials that go into our garments, we plan to launch a collection using more sustainable fibres, such as recycled polyester using plastic bottles, and pre-consumption and post-consumption fabrics.

Number of employees of each gender at the year end:

	Male	Female
Directors of the parent company	**5**	2
Senior managers	**42**	27
Other employees	**1,005**	1,273
	1,052	1,302

Whilst all dispatch bags are currently recyclable, over the course of the next year all brands will be ensuring that all dispatch bags are made from 100% recycled film. We are working towards a closed-loop recycling system by ensuring reprocessing bags can be recycled and re-used. Consumers can also recycle these bags at home in the plastics stream, if they remove the barcode label. In addition, we are moving to the use of recycled and recyclable materials for our swing tags and woven labels in our garments. The swing tags will be attached to the garment using paper string which can be recycled. The swing tags and woven labels will be made from 100% recycled material.

To reduce our indirect impacts we will build on our existing 'ways to wear' posts which encourage customers to wear our clothes many times, and launch a further consumer awareness programme around washing at lower temperatures, and avoiding ironing and tumble drying where possible. For clothes at the end of their life, we will further promote our longstanding agreement with reGAIN to encourage more of our customers to return used garments for recycling. We're already seeing up to 9,000 garments being returned for recycling each month.

At the same time we will reduce the impact of our head office and warehousing operations by removing all single-use plastic drink bottles and single-use coffee cups from all our offices, and trialling 'swap shop' clothes events to encourage employees to swap and reuse garments.

In addition we hope to install solar panels to power our Burnley warehouse.

Structural support

To facilitate our increased commitment to and investment in sustainability we will be appointing a board sponsor for the Social Responsibility agenda, a new Group Head of Sustainability, and a new Internal Group Communications Manager. These new roles will work together with our newly appointed 'Junior Board', focused on driving sustainability through greater employee engagement, to align the business around new ways of working and collaborate to drive this agenda forward. We aim to develop a talent academy to support our people development more broadly, and will also ensure that everyone has input into our sustainability effort.

Community and education

We currently work with numerous charities including support for the homeless in Manchester, Pendleside Hospice, the Teenage Cancer Trust and CoppaFeel breast cancer awareness, as well as a number of charities local to our head office in Manchester and our Burnley distribution centre. In 2018 boohoo group raised £159,000 through colleague fundraising events and charitable donations and donated sample stock worth more than £1,430,000 to various charities for fundraising.

In the coming year we will build further on this work by incorporating a charitable foundation – the boohoo foundation. We will take a wider scale approach to the community swap shops scheme and will appoint a key charity that aligns with our values and enables us to give back to the community we work and live in.

In addition we aim to support some key education opportunities for students from a less well-off background. This builds on our paid internship scheme (29 interns last year and 25 this year) and our marketing skills programme with Nottingham Trent Year 2 Fashion Marketing and Branding students, culminating in six work experience opportunities.

We look forward to continuing to delight our customers, forging ever stronger bonds with our suppliers, celebrating and develop our employees and making accelerated progress on the sustainability agenda, through employing our core values of Passion, Agility, Creativity and Team.

On behalf of the board

John Lyttle
Neil Catto
24 April 2019

BOARD OF DIRECTORS

STRONG LEADERSHIP

MAHMUD KAMANI
GROUP EXECUTIVE CHAIRMAN
(Joint Chief Executive to 15 March 2019)

Mahmud founded boohoo with Carol Kane in 2006, leveraging over 30 years of experience in the fashion and clothing industry. Mahmud is an entrepreneur, with expertise encompassing all areas of the supply chain from sourcing to import and wholesale. Mahmud is an inspirational leader, having built a strong team and engendered loyalty from many long-serving employees.

CAROL KANE
GROUP CO-FOUNDER AND EXECUTIVE DIRECTOR
(Joint Chief Executive to 15 March 2019)

Carol has over 30 years of experience in the fashion industry. Starting her career as a designer, then fashion buyer, Carol has worked with Mahmud Kamani for the past 25 years supplying high street retailers. Carol co-founded boohoo in 2006 and since inception has worked on marketing, product and brand strategy both domestically and abroad.

JOHN LYTTLE
CHIEF EXECUTIVE OFFICER
(from 15 March 2019)

John joined the board on 15 March 2019. John spent eight years at Primark, a division of Associated British Foods, as Chief Operating Officer. During his tenure, turnover grew 158% to £7 billion. Prior to joining Primark, John held senior roles at Matalan and Arcadia group.

NEIL CATTO
CHIEF FINANCIAL OFFICER

Neil qualified as a chartered accountant with Ernst & Young and spent nine years working in their Manchester, Palo Alto and Reading offices. He was previously Finance Director of dabs.com plc and has held senior financial positions in BT plc and The Carphone Warehouse Group plc.

N Chairman of the Nomination Committee	N Member of the Nomination Committee
A Chairman of the Audit Committee	A Member of the Audit Committee
R Chairman of the Remuneration Committee	R Member of the Remuneration Committee

Other directors who served during the year:

PETER WILLIAMS
Chairman to 15 March 2019

Peter sat on the Nomination Committee as Chairman

DAVID FORBES
Non-executive director and Senior Independent Director to 26 October 2018

David sat on the Nomination and Remuneration Committees and was Chairman of the Audit Committee

IAIN MCDONALD
NON-EXECUTIVE DIRECTOR

R A N

Iain is the founder of Belerion Capital, a specialist technology & e-commerce company and was an early investor in a number of technology businesses including Asos, The Hut Group, Eagle Eye Solutions, Anatwine and Metapack. Iain is a non-executive director of one of the leading e-commerce businesses in Europe, the Hut Group, and also AIM-listed software business CentralNic. Prior to founding Belerion Capital, Iain was a partner of the William Currie Group, a technology and e-commerce private family office.

SARA MURRAY
NON-EXECUTIVE DIRECTOR AND SENIOR INDEPENDENT DIRECTOR

R A N

Sara is founder and CEO of buddi, a provider of mobile tracking devices. Sara was the founder and CEO of Inspop.com Limited (trading as confused.com) until 2002. Sara was a non-executive director of Schering Health care for five years and member of the governing board of Innovate UK (Technology Strategy Board). She is a Member of the Council of Imperial College London and was awarded an OBE for services to entrepreneurship and innovation in 2012.

PIERRE CUILLERET
NON-EXECUTIVE DIRECTOR

R A N

Pierre founded The Phone House in 1996, a large European mobile phone retailer. Between 2005 and 2014, Pierre was CEO of Micromania, the number one video game retailer in France. From 2011 to 2014, he was Senior Vice President of GameStop Europe. Other previous non-executive directorships include DIA, a €10 billion+ food retailer listed on the Madrid Stock Exchange, and fashion retailer Desigual. Pierre is currently Senior Advisor for Alantra in France and is a member of the advisory boards of Antwort Capital in Luxembourg and Diana Capital in Spain.

BRIAN SMALL
NON-EXECUTIVE DIRECTOR
(appointed 24 April 2019)

R A N

Brian was most recently CFO of JD Sports plc for nearly 15 years. Prior to this role, he was Operations Finance Director at Intercare Group Plc and has also been Finance Director of a number of other companies. He qualified as an accountant with Price Waterhouse in 1981.

BOARD GOVERNANCE

The board is committed to ensuring high standards of governance for the company. The company welcomed the changes to AIM Rule 26 in 2018 requiring all AIM-listed companies to adopt and comply with a recognised corporate governance code and publish a corporate governance statement on their website. The company has adopted the 2018 Quoted Companies Alliance Corporate Governance Code ("QCA Code"). The board believes that the QCA Code provides the most appropriate framework of governance arrangements for a public company of boohoo's size and complexity. The following link to the company's website sets out in detail the company's current corporate governance statement and approach to its compliance with the QCA Code:

http://www.boohooplc.com/~/media/Files/B/Boohoo/documents/boohoo-qca-amended-v2.pdf

At present the Board acknowledges that the governance arrangements are not in compliance with the QCA Code solely in respect of the appointment of a Chairman, as the role of Chairman is an Executive one and is held by the former Joint CEO.

This board structure is part of a longer-term succession plan designed to ensure an orderly transition of responsibilities following the appointment of a new Chief Executive .The arrangement will also enable the Executive Chairman and the Group Co-Founder and Executive Director to use their extensive commercial experience in developing the wider group and its strategy for the benefit of the company's stakeholders.

A Vice-Chairman is to be appointed who will lead the independent non-executive directors on matters where independence is required. Following this appointment the non-executive directors (including the Vice-Chairman) will form a majority on the Board.

In summary this structure enables the retention of key skill-sets within the company whilst facilitating the enhancement of the executive director base and the continuing development of the board and committee membership otherwise in line with the QCA Code's key principles.

THE BOARD

The directors' biographies appear on pages 28 and 29.

The board comprises eight directors, four of whom are executive directors and four of whom are non-executive directors, reflecting a blend of different experiences and backgrounds. It is the board's intention to appoint one further non-executive director to maintain the balance of the board. Each of Pierre Cuilleret, Iain McDonald, Sara Murray and Brian Small are considered to be "independent" non-executive directors under the criteria identified in the QCA Code. In addition, Sara Murray is the Senior Independent Director.

THE ROLE OF THE BOARD

The board as a whole is collectively responsible for the success of the group and provides entrepreneurial leadership of the group within the framework of effective controls, which enable risk to be assessed and managed. It sets out the group's values and standards and ensures that its obligations to shareholders and other stakeholders are understood and met.

The board has a formal schedule of matters reserved to it for decision, including approval of strategic plans and the annual operating plan, significant investments and capital projects, treasury and risk management policies. All directors take decisions objectively in the interests of the group.

Guidelines are in place concerning the content, presentation and timely delivery of papers by management to directors for each board meeting so that the directors have enough information to be properly briefed. Where issues arise at board meetings, the Chairman ensures that all directors are properly briefed and, when necessary, appropriate further enquiries are made. The division of responsibilities between the Executive Chairman and Chief Executive is clearly established and has been agreed by the board.

All directors have access to the advice and services of the Chief Financial Officer and Company Secretary, who are responsible for ensuring that the board procedures are followed and that applicable rules and regulations are complied with. In addition, procedures are in place to enable the directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the company's expense.

BOARD COMMITTEES

The company has three committees, namely Audit, Nomination and Remuneration Committees.

AUDIT COMMITTEE

Iain McDonald was the chairman of the Audit Committee until the appointment of Brian Small on 24 April 2019. The Committee has primary responsibility for monitoring the quality of internal controls, ensuring that the financial performance of the company is properly measured and reported on and reviewing reports from the company's auditors relating to the company's accounting and internal controls, in all cases having due regard to the interests of shareholders. The Audit Committee meets three times a year. Iain McDonald and Brian Small have recent and relevant financial experience. Sara Murray and Pierre Cuilleret are the other members of the Audit Committee. David Forbes was chairman of the Audit Committee until his resignation in October 2018.

The Audit Committee met three times during the year and also after the year end. Matters considered at these meetings included: reviewing and approving the annual report and financial statements for the year ended 28 February 2018, the half-year results to 31 August 2018 and the annual report and financial statements for the year ended 28 February 2019; discussion with the external auditors to confirm their independence and scope for audit work; considering the reports from the external auditors identifying any accounting or judgemental issues requiring the board's attention and the auditors' assessment of internal controls; reviewing and approving the group's tax strategy; reviewing the company's risk register and business continuity procedures; considering the work of the corporate social responsibility and supplier conformance functions; reviewing compliance with minimum pay legislation and fairness at work procedures; and considering the adequacy of the whistle-blowing facility, the anti-bribery training and monitoring and data protection policy and procedures.

The Audit Committee chairman has maintained dialogue with the auditors outside of the scheduled meetings and meets with the auditors without the presence of executive directors and members of the finance team.

The group's internal audit function, founded in late 2017, is overseen by and reports independently to the Audit Committee. During the year the Audit Committee has approved an Internal Audit Charter, providing that team with the authorisation to conduct a certain scope of work and the necessary independence to operate effectively. The specific authorisation to perform the work is the Annual Internal Audit Plan that is approved by the Audit Committee, with updates to the plan also agreed by the Audit Committee where necessary during the year. The scope of internal audit's coverage is based upon their group-wide risk assessment and in the year has included reviews of financial processes, GDPR, supplier compliance, product compliance and adherence to employment laws.

NOMINATION COMMITTEE

Sara Murray is the chairman of the Nomination Committee (Peter Williams was chairman until 15 March 2019), which will identify and nominate, for the approval of the board, candidates to fill board vacancies as and when they arise. The committee also considers matters of succession planning. The Nomination Committee meets at least once a year and otherwise as required. Pierre Cuilleret, Iain McDonald and Brian Small are the other members of the Nomination Committee. During the year, the committee considered and approved the appointment of John Lyttle as CEO and Brian Small as NED.

REMUNERATION COMMITTEE

The chairman of the Remuneration Committee is Iain McDonald. This committee reviews the performance of the executive directors and determines their terms and conditions of service, including their remuneration and the grant of share awards, having due regard to the interests of shareholders. The Remuneration Committee meets at least twice a year. Pierre Cuilleret, Sara Murray and Brian Small are the other members of the Remuneration Committee.

The responsibilities and activities of the Remuneration Committee are set out in more detail in the Directors' Remuneration Report.

EXECUTIVE COMMITTEE

The Executive Committee comprises the four executive directors and selected members of the senior executive management. The committee meets at least monthly and has the responsibility for dealing with the day-to-day management of the group and developing and executing strategy.

BOARD AND COMMITTEE MEETINGS

It is intended that the board meets at least eight times a year, the Audit Committee at least three times a year, the Nomination Committee at least once a year and the Remuneration Committee at least twice a year.

RISK MANAGEMENT AND INTERNAL CONTROL

The board has overall responsibility for the group's systems of internal control and risk management and for reviewing the effectiveness of those systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. Any system can only provide reasonable and not absolute assurance against material misstatement or loss.

The board confirms that there are ongoing procedures for identifying, evaluating and managing significant risks faced by the group and that it has reviewed these risks and the procedures with management before the financial year end.

The board has an internal risk management procedure to identify, with relevant management, the major business risks facing the group and to put in place appropriate policies and procedures to manage those risks. Internal and external risks, which are assessed on a continual basis, may be associated with a variety of internal or external sources, including control breakdowns, disruption in information systems, competition, inadequate financing, poor business performance, natural catastrophe and regulatory requirements. These involve a process of control, self-assessment and reporting that will be established to provide a documented trail of accountability, which will be reported to the board.

Management reports on its review of the risks and how they are managed to both the board and Audit Committee, whose role it is to review the key risks inherent in the business and the systems of control necessary to manage those risks.

The Audit Committee presents its findings to the board as appropriate. Management also reports to the board on major changes in the business and external environment which affect significant risks. Where areas for improvement in the systems are identified, the board considers the recommendations made by management and the Audit Committee.

Detailed policies ensure the accuracy and reliability of financial reporting and the preparation of the financial statements including the consolidation process. The board reviews the system of internal controls during the year to identify any significant failures or weaknesses.

PERFORMANCE EVALUATION

An internal evaluation of the board (including sub-committees and individual board members) was completed in early 2019, involving anonymous questionnaires formulated to enable the board to confirm that its performance and the contribution of each of the executive and non-executive directors demonstrate commitment to their respective roles and that the board members' respective skills complement each other and enhance the overall operation of the board. The evaluation confirmed that the board continued to operate effectively.

RELATIONS WITH SHAREHOLDERS

The company maintains an active dialogue with its shareholders through a planned programme of investor relations. This activity is a keystone of the company's corporate communications programme and is headed by the Chief Executive, Group Executive Chairman, Group Co-founder and the Chief Financial Officer, with support from an investor relations team and the Company Secretary. The board is informed of shareholder views as part of the regular reporting process and matters for discussion.

The programme includes formal presentations in London of the company's full-year and interim results and meetings between institutional investors, analysts and senior management on a regular basis. Regular communication with shareholders also takes place through the company's annual and interim report and via the company website (www.boohooplc.com), which contains up-to-date information on the group's activities.

The Annual General Meeting is an important opportunity for communication with both institutional and private shareholders and also involves a short statement on the company's latest trading position. Shareholders may ask questions of the full board, including the chairs of the Audit, Remuneration and Nomination Committees. The result of the proxy votes submitted by shareholders in respect of each resolution will be available on the company's website or on request to the Company Secretary.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

The table below shows the attendance of individual directors at board meetings and committee meetings of which they are members during the year.

	Board		Audit Committee		Remuneration Committee		Nomination Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Peter Williams	8	8	–	–	–	–	2	2
Mahmud Kamani	8	7	–	–	–	–	–	–
Carol Kane	8	8	–	–	–	–	–	–
Neil Catto	8	8	–	–	–	–	–	–
Pierre Cuilleret	8	8	3	3	3	3	3	3
David Forbes	6	6	2	2	3	3	2	2
Iain McDonald	8	8	3	3	3	3	3	3
Sara Murray	8	8	3	3	3	2	3	3

As at 24 April 2019, the board has met twice since the end of the financial year. Mahmud Kamani missed one board meeting due to illness.

AUDITORS' INDEPENDENCE

The Audit Committee reports to the board on the effectiveness, value and independence of the auditors on an annual basis. The Audit Committee also approves the extent of non-audit work undertaken by the auditors to ensure that it does not interfere with their independence and has established guidelines for the value of non-audit services permitted to be undertaken by the auditors. The board is satisfied with the independence and objectivity of the auditors, PricewaterhouseCoopers LLP, and is recommending their reappointment at the AGM.

The directors present their directors' report and annual report and financial statements for the year ended 28 February 2019.

CHANGE OF NAME

The company changed its name on 10 July 2018 from boohoo.com plc to boohoo group plc.

REGISTERED OFFICE

The registered office is 12 Castle Street, St Helier, Jersey, JE2 3RT.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of a holding company. The principal activity of its subsidiary undertakings is that of internet clothing retailers.

BUSINESS REVIEW

The directors are required by company law to set out a fair review of the business, its position at the year end and a description of the principal risks and uncertainties facing the group and to prepare the financial statements in accordance with applicable law and International Financial Reporting Standards ("IFRS") as adopted by the European Union. The strategic report on pages 2 to 27 provides this review and financial position and these are incorporated by cross-reference and form part of this report. The corporate governance report on pages 30 to 32 should be read as forming part of the directors' report.

RESULTS AND DIVIDENDS

Group profit after tax for the year to 28 February 2019 was £47.5 million (2018: £36.0 million). The audited financial statements for the year for the group and company are set out on pages 55 to 87.

The directors do not recommend the payment of a dividend (2018: no dividend) so that cash is retained in the group for capital expenditure projects that are required for the rapid growth and efficiency improvements of the business and for suitable business acquisitions.

DIRECTORS AND COMPANY SECRETARY

The biographies of the directors who held office throughout the year and subsequently are set out on pages 28 and 29. The Company Secretary is Keri Devine.

The interests of the directors in the shares of the company and their share options and awards are detailed in the remuneration report on page 47.

The company maintains directors' and officers' liability insurance which gives appropriate cover for any legal action brought against the directors. The company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of section 234 of the Companies Act 2006 and was in place during the year and up to the date of approval of the financial statements.

SHARE CAPITAL AND RESTRICTIONS ON SALE OF SHARES

The authorised and issued share capital of the company and details of shares issued during the year are shown in note 20. The issued share capital at 28 February 2019 was 1,163,143,830 shares of 1p.

Powers related to the issue and buy-back of the company's shares are included in the company's articles of association and such authorities are renewed annually by shareholders at the Annual General Meeting.

SHARE INCENTIVE PLAN TRUST

The Share Incentive Plan ("SIP") trust is used by the company to provide free shares as share incentives to its employees. The trustees are Link Asset Services, an independent UK professional body. The SIP trustee buys shares and holds them in trust for the benefit of employees who remain with the company for three years. The trust holds 2,969,091 shares as at 28 February 2019. The trustees may vote on the beneficiaries' shares in accordance with the beneficiaries' instructions.

DIRECTORS' REPORT
CONTINUED

SUBSTANTIAL SHAREHOLDERS

Shareholders holding more than 3% of the company's shares as at 3 April 2019:

Shareholder	Number of ordinary shares held	Percentage held
TA Associates	195,397,934	16.80%
Mahmud Kamani*	187,679,880	16.14%
Baillie Gifford & Co Limited	92,717,884	7.97%
Rabia Kamani*	65,109,839	5.60%
Nurez Kamani*	62,296,713	5.36%
OppenheimerFunds	54,782,290	4.71%
Standard Life Aberdeen	47,327,525	4.07%
Carol Kane*	46,330,421	3.98%
Franklin Resources	35,455,300	3.05%

Shareholders marked as * are considered to be a concert party.

ASSESSMENT OF PROSPECTS AND VIABILITY

The group's business activities together with the factors that are likely to affect the future development, performance, position and risks of the group are set out in the strategic report on pages 2 to 27.

The directors have considered the prospects of the group through an analysis of the markets for the group's product offering online in the UK and overseas and have concluded that potential growth rates remain strong as the markets continue to develop as more customers become comfortable with online shopping. This provides great opportunities for future expansion. There is a diverse supply chain with no key dependencies, enabling sourcing to be dynamic. Major expense categories relate to carriage and marketing services, which are widely diversified amongst suppliers. The business model affords a great deal of flexibility in responding to demand and economic changes: the wide range of products and relatively low buy quantities reduce inventory risk; a large customer base across many countries reduces specific economic and fashion dependencies; retail customers pay at the time of order with a small risk of default; and the high marketing expenditure is very controllable over a short time period. In addition, the group maintains a strong cash position, with a net cash balance of £190.7 million at the year end, which the directors consider is more than adequate for the planned investments and cash flow requirements of the group.

The group operates a regular budgeting, forecasting and long-range planning cycle, which is integrated with strategic plans and objectives. This planning cycle, in which the board is substantively involved, ensures, as far as is possible, that the profitability, cash flow and capital requirements of the business are sufficient to ensure its ongoing viability. Annual budgets, against which performance is compared, are prepared in advance of the next financial year. A cadence of weekly, monthly and quarterly forecasts is operated to monitor, control and report on performance in the current financial year. These forecasts form the basis upon which the board satisfies its requirements to update stakeholders with relevant financial performance and prospects. Once a year, three-year financial plans are prepared to assess the medium and longer-term prospects of the group and its finance requirements, based on its strategic plans.

The directors have reviewed the group's profitability in the three-year plans, the annual budgets and medium-term forecasts, including assumptions concerning capital expenditure and expenditure commitments and their impact on cash flow. The directors consider that a three-year plan is the appropriate period to project financial plans with a reasonable level of certainty in line with their current strategic objectives.

Based on their assessment of prospects and viability, the directors confirm that they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due in the three-year period ending February 2022.

GOING CONCERN

Having considered the prospects and viability as detailed above, the directors considered it appropriate to prepare the financial statements on the going concern basis, as explained in the basis of preparation in note 1 to the financial statements.

FINANCIAL RISK MANAGEMENT

Financial risk management is detailed in note 22 to the financial statements.

EMPLOYEE POLICIES

The quality, commitment and effectiveness of the group's employees are crucial to its continued success. Employee policies and programmes are designed to encourage employees to become interested in the group's activities and to reward employees according to their contribution and capability. Employee communications are a priority and regular briefings are used to disseminate relevant information. Employee surveys are undertaken to allow employees to express their views anonymously on many aspects of their work lives. Suggestion boxes are used to allow employees to voice their opinions for improvements and change. Employee share ownership is encouraged through free share schemes and employee share option plans.

Employment policies do not discriminate between employees or potential employees on the grounds of colour, race, ethnic or natural origin, sex, marital status, sexual orientation, religious beliefs or disability. If an employee were to become disabled whilst in employment and as a result was unable to perform his or her duties, every effort would be made to offer suitable alternative employment and assistance with retraining.

HEALTH AND SAFETY

The group is committed to providing a safe place of work for employees. Group policies are reviewed on a regular basis to ensure that policies regarding training, risk assessment, safe working and accident management are appropriate. There are designated officers responsible for health and safety and issues are reported at each board and executive meeting.

GREENHOUSE GAS EMISSIONS

The group measures its operational carbon footprint in order to limit and control its environmental impact. Only the impact of the group's direct activities are included, as the full impact of the entire supply chain of the large numbers of suppliers cannot be measured practically. The section on social responsibility on pages 24 to 27 is incorporated into this report by cross-reference.

STATEMENT ON DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the Annual General Meeting.

ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at 2 p.m. on 21 June 2019 at the offices of TLT Solicitors, Manchester. The notice of the meeting will be available to view on the group's website boohooplc.com at least 21 days before the meeting.

On behalf of the board

John Lyttle
Neil Catto
24 April 2019

DIRECTORS' REMUNERATION REPORT
ANNUAL STATEMENT BY THE CHAIRMAN OF THE REMUNERATION COMMITTEE

Dear shareholder,

I am pleased to present the report of the Remuneration Committee on behalf of the directors. This directors' remuneration report will be put to an advisory shareholder vote at the forthcoming Annual General Meeting on 21 June 2019.

Remuneration policy

The Remuneration Committee is committed to complying with the principles of good corporate governance in relation to the design of its remuneration policy and, as such, our policy will take account of the UK Corporate Governance Code and in particular the QCA Corporate Governance Code as adopted by the board. The Committee also considers other best practice guidance (for example, the QCA Remuneration Guidance and the Investment Association's Principles of Remuneration), as far as is appropriate to the group's management structure, size and listing.

Our approach to remuneration is governed by our directors' remuneration policy. The primary objectives of the policy continue to be to attract and retain the highest calibre directors and to design remuneration which promotes the long-term success of the group. In order to put these objectives into effect, we provide the opportunity for executives to receive short-term and long-term variable pay, dependent upon appropriate performance conditions, ensuring a clear link is established between shareholder value creation and the pay of our directors.

During the year the group announced the appointment of a new CEO, John Lyttle, with effect from 15 March 2019. This appointment will strengthen the position of the group and allow us to continue to expand and grow the business. The Committee reviewed the proposed remuneration package for John Lyttle and considered it appropriate to introduce a new long-term incentive plan ("LTIP") specifically for the new CEO. In overview, this LTIP will align the new CEO's interests with those of shareholders over a five-year performance period. Further details are included in the remuneration policy table and the "Implementation of remuneration policy for year ended 29 February 2020" section of this report (page 48).

The Committee also reviewed overall levels of pay and the operation of the incentive arrangements for executive directors to ensure they remain appropriate in light of the current business strategy and the interests of shareholders. The Committee concluded that the current overarching framework of base salary (plus modest pension and benefits provision), annual bonus and the operation of an LTIP remains best suited to the business.

Remuneration for the year ending 29 February 2020

The key points in relation to how we are implementing our policy for 2020, including details of the changes, are as follows:

- Maximum bonus opportunity, dependent upon stretching revenue and EBITDA growth targets, will continue to be up to 100% of salary for executive directors, up to 150% for John Lyttle and up to 200% for Mahmud Kamani and Carol Kane
- A new LTIP will be introduced for John Lyttle. At the end of a five-year performance period, starting on John's appointment date, John is expected, subject to the attainment of stretching market capitalisation growth targets, be issued shares in boohoo group plc. The maximum value that may be paid to John under this plan is capped at £50 million. Further details are provided on page 48
- Long-term share incentive awards will continue to be made to executive directors under an LTIP plan based on stretching three-year performance targets. Personal limits remain unchanged and are detailed in the remuneration policy. John Lyttle will not participate in these arrangements
- The founding shareholders and directors, Mahmud Kamani and Carol Kane, will continue not to be granted share-based LTIP awards or other share incentives as they have retained substantial shareholdings in the company

Performance and reward for the year ended 28 February 2019

For the year ended 28 February 2019, in relation to the annual bonus plan, the group achieved outstanding revenue growth at the upper end of the target range. EBITDA performance over the year also resulted in the achievement towards at the upper end of the target range. As a result, in combination, the executive directors received 100% of their bonus potential.

Encouraging equity ownership

We are committed to encouraging all our employees, as well as our senior executives, to be shareholders in the business. As part of facilitating this policy objective, we made awards to all employees under a UK HMRC-approved Share Incentive Plan during the 2015, 2016 and 2019 financial year ends and intend to make another award in the financial year ending 2020. Discounted options were issued under an HMRC-approved Save As You Earn ("SAYE") plan in the financial years ended 2016, 2017, 2018 and 2019, which have achieved a high level of participation by employees, and are intended to continue in subsequent years. We have a formal shareholding requirement for the executive directors to support the alignment of the interests of executive directors with those of shareholders.

Shareholder feedback

The Remuneration Committee recognises that dialogue with shareholders plays a key role in informing the design of the remuneration policy and welcomes any feedback that shareholders may have. The Remuneration Committee will consider shareholder feedback received in relation to the remuneration policy and the remuneration report at the AGM each year. Any such feedback, plus any additional feedback received from time to time, will be considered as part of the company's annual review of remuneration policy. Shareholders will be informed of any future changes in remuneration policy in the remuneration report. In addition, where such changes are considered to be major, having taken advice from relevant advisers, significant shareholders will be consulted in advance.

We hope you will support the advisory vote on the directors' remuneration report at the forthcoming Annual General Meeting, as the directors will do in respect of their own beneficial shareholdings.

Iain McDonald
Chairman of the Remuneration Committee

POLICY REPORT

Pay philosophy

The Remuneration Committee ("Committee") is responsible for determining, on behalf of the board, the group's pay philosophy and the policy on the remuneration of the executive directors, the Chairman and other senior executives of the group.

The aim of the remuneration policy is to ensure that high calibre senior executives are provided with remuneration which is designed to promote the long-term success of the group. The policy includes performance-related elements which are transparent, stretching and rigorously applied so as to encourage enhanced performance and to reward, in a fair and responsible manner, individual contributions to the success of the group. The remuneration policy is designed to be compatible with risk policies and systems and to be aligned to the group's long-term strategic goals. The policy framework is structured so as to adhere to the principles of good corporate governance and has been developed taking into account the principles of the UK Corporate Governance Code.

The performance-related variable pay component makes up a significant proportion of the overall package for senior executives and is designed to incentivise the delivery of the group's growth strategy and other strategic and business objectives. The interests of the executives are designed to align with the interests of shareholders through encouraging equity ownership and, in support of this, awards under the group's equity incentive plans are made where appropriate.

Consideration of employment conditions elsewhere in the group

When setting the remuneration policy for executive directors, the Committee takes into account the overall approach to reward for, and the pay and employment conditions of, other employees in the group, especially when determining annual salary increases. This process ensures that any increase to the pay of executive directors is set in an appropriate context and is appropriate relative to increases proposed for other employees. The Committee is also provided with periodic updates on employee remuneration practices and trends across the group.

The principle of encouraging our senior executives to be shareholders in the business is reflected across the group as a whole and a key aim of the remuneration policy is to encourage widespread equity ownership across the whole employee base. In support of this objective we operate an HMRC-approved Share Incentive Plan and an approved SAYE option plan.

Changes to the remuneration policy

Our pay philosophy and the broad structure of our remuneration policy will remain the same, since the Remuneration Committee believes it is serving the company well. The policy is as follows:

SUMMARY OF OUR REMUNERATION POLICY

The table below provides a summary of the key aspects of the group's remuneration policy for executive directors.

REMUNERATION POLICY TABLE FOR EXECUTIVE DIRECTORS

BASE SALARY	PURPOSE AND LINK TO STRATEGY	› To aid recruitment and retention › To reflect experience and expertise › To provide an appropriate level of fixed basic income
	OPERATION	› Normally reviewed annually, with any increase usually becoming effective 1 May › Set initially at a level required to recruit suitable executives reflecting their experience and expertise › Any subsequent increase influenced by: —Scope of the role —Experience and personal performance in the role —Average change in total workforce salary —Performance of the group —External economic conditions, such as inflation › Account taken of practice in comparable companies (e.g. those of a similar size and complexity) › No recovery or withholding provisions apply
	MAXIMUM OPPORTUNITY	› Annual increases will generally be restricted to those of the average of the wider workforce › Increases beyond those awarded to the wider workforce (in percentage of salary terms) may be awarded in certain circumstances such as where there is a change in responsibility or experience, or a significant increase in the scale or complexity of the role and/or size and value of the group
	FRAMEWORK USED TO ASSESS PERFORMANCE	› The Committee reviews the salaries of executive directors each year taking due account of all the factors described in the salary policy
ANNUAL BONUS	PURPOSE AND LINK TO STRATEGY	› To reward the annual delivery of short- to medium-term objectives relating to the business strategy
	OPERATION	› All bonus payments are at the discretion of the Committee › Not pensionable › Normally payable in cash following the end of the year based on targets set at the start of the year › Targets are set and/or reviewed annually › Recovery provisions apply in certain circumstances at the discretion of the Committee (including where there has been a misstatement of accounts, an error in assessing any applicable performance condition, or in the event of misconduct on the part of the participant)
	MAXIMUM OPPORTUNITY	› Up to 200% of salary for Mahmud Kamani and Carol Kane, up to 150% of salary for John Lyttle and up to 100% of salary for all other executive directors, dependent on performance
	FRAMEWORK USED TO ASSESS PERFORMANCE	› Bonuses are based on performance measures with appropriate targets set and assessed by the Committee at its discretion › Those financial measures which are identified as the key indicators of success against the strategy (e.g. EBITDA and revenue) will represent the majority of bonus, with any other measures (e.g. strategic and/or personal objectives), where appropriate, representing the balance › Performance is measured over a single financial year › 30% of maximum bonus will be payable for achievement of a threshold level of performance, rising to 100% of maximum bonus for reaching stretch target › Measures and weightings may change each year to reflect any year-on-year changes to business priorities at the discretion of the Committee

DIRECTORS' REMUNERATION REPORT
CONTINUED

LONG-TERM INCENTIVE PLAN ("LTIP")	PURPOSE AND LINK TO STRATEGY	› Intended to align the long-term interests of senior executives with those of shareholders › To incentivise the delivery of key strategic objectives over the longer term
	OPERATION	› Awards are normally granted in the form of nominal cost options; however, the structure of John Lyttle's LTIP will, on grant of his LTIP award, require him to pay an amount to the company on grant of the award. This investment is intended to reflect his commitment to the group › Ability to exercise is dependent on performance targets being met during the performance period and continued service of the directors › Recovery and withholding provisions apply in certain circumstances at the discretion of the Committee (including where there has been a misstatement of accounts, an error in assessing any applicable performance condition, or in the event of misconduct on the part of the participant)
	MAXIMUM OPPORTUNITY	› The maximum value that can be paid out under John Lyttle's LTIP is £50 million (satisfied in boohoo group plc shares valued at the end of the five-year performance period) › In respect of the LTIP applicable to other directors, the maximum limit contained within the plan rules is 150% of annual salary for executive directors and an award of up to 125% of annual basic salary in the ordinary course › Awards are at the discretion of the Committee and may be made at lower levels than this › Exceptionally, at the discretion of the Committee, awards may be made in excess of 150% of salary per annum
	FRAMEWORK USED TO ASSESS PERFORMANCE	› The performance measure attaching to John Lyttle's LTIP is based on the compound annual growth rate of the company's market capitalisation measured over a five-year performance period › Awards to other executives vest based on challenging targets measured over a three-year period and are dependent upon continued service › At least half of awards to other executives will normally be based on financial performance metrics (such as, *inter alia*, PBT or EPS) › Prior to each award the Committee will set threshold and stretch targets along with an intermediate vesting range. Details of this will be disclosed in the annual report on remuneration for the year in which the award was granted unless the targets are commercially sensitive, in which case they will be disclosed retrospectively
PENSION	PURPOSE AND LINK TO STRATEGY	› To aid recruitment and retention › To provide an appropriate level of fixed income
	OPERATION	› Executive directors may receive an employer's pension contribution or cash allowance
	MAXIMUM OPPORTUNITY	› Employer's defined contribution or cash allowance up to 5% of salary
	FRAMEWORK USED TO ASSESS PERFORMANCE	N/A

OTHER BENEFITS	PURPOSE AND LINK TO STRATEGY	› Provide competitive benefits package
	OPERATION	› Executive directors may receive benefits including health care, income protection and life assurance, as well as other standard group-wide benefits offered by the company from time to time › Executive directors are also eligible to participate in any all-employee share plans operated by the company on the same basis as for other eligible employees (and in line with relevant HMRC rules)
	MAXIMUM OPPORTUNITY	› The value of benefits may vary from year to year depending on the cost to the company
	FRAMEWORK USED TO ASSESS PERFORMANCE	N/A
SHAREHOLDING REQUIREMENT	PURPOSE AND LINK TO STRATEGY	› To support long-term commitment to the company and the alignment of executive director interests with those of shareholders
	OPERATION	› The Remuneration Committee has adopted formal shareholding guidelines that will encourage executive directors to build up over a five-year period, and then subsequently hold, a shareholding equivalent to a percentage of base salary. Adherence to these guidelines is a condition of continued participation in the equity incentive arrangements
	MAXIMUM OPPORTUNITY	› 150% of salary for executives and 150% of salary rising to 300% of salary for John Lyttle on maturity of his LTIP
	FRAMEWORK USED TO ASSESS PERFORMANCE	N/A

STRATEGIC REPORT
GOVERNANCE
FINANCIAL STATEMENTS

CHOICE OF PERFORMANCE MEASURES AND APPROACH TO TARGET SETTING

The performance measure selected for John Lyttle's LTIP is solely based on market capitalisation growth over a five-year period. The targets reflect the ambitious growth plans for the group and the LTIP performance measure ensures that John's interests are fully aligned with shareholders.

The performance metrics and targets that are set for the executive directors via the annual bonus plan and LTIP are carefully selected to align closely with the group's strategic plan and key performance indicators.

In terms of annual performance targets, the bonus is determined on the basis, primarily, of performance against financial measures which are identified as the key indicators of success against the strategy set annually. The precise metrics chosen, along with the weightings of each, may vary from year to year. The Committee will review the performance measures and targets each year and vary them as appropriate to reflect the priorities for the business in the year ahead.

In terms of the long-term performance targets, metrics for the LTIP awards will be set at the time of each grant but will normally include at least half based on financial performance in line with our key objectives of delivering returns to shareholders through achievement of our growth strategy. The Committee will disclose the targets for each award to the executive directors in advance in the annual report on remuneration unless the targets are commercially sensitive, in which case they will be disclosed retrospectively. The Committee will review the choice of performance measures and the appropriateness of the performance targets prior to each LTIP grant.

Challenging targets are set whereby modest rewards are payable for the delivery of threshold levels of performance, rising to maximum rewards for the delivery of substantial out-performance of our financial and operating plans.

DIFFERENCES IN REMUNERATION POLICY FOR EXECUTIVE DIRECTORS COMPARED TO OTHER EMPLOYEES

The Committee has regard to pay structures across the wider group when setting the remuneration policy for executive directors. The Committee, in particular, considers the general basic salary increase for the broader workforce when determining the annual salary review for the executive directors.

Overall, the remuneration policy for the executive directors is more heavily weighted towards performance-related pay than for other employees. Performance-related long-term incentives are provided for those employees considered to have the greatest potential to influence overall levels of performance and those whose retention within the group is regarded as important. That said, whilst the use of the LTIP is confined to the more senior management in the group, there is a commitment to encouraging widespread equity ownership through, for example, our use of an HMRC-approved Share Incentive Plan and SAYE share option scheme.

The level of performance-related pay varies within the group by grade of employee and is informed by the specific responsibilities of each role as appropriate.

SERVICE CONTRACTS AND LOSS OF OFFICE PAYMENTS

Service contracts normally continue until the executive director's agreed retirement date or such other date as the parties agree. The company's policy is that executive directors will be employed on a contract that can be terminated by the company on giving no more than one year's notice, with the executive director required to give up to one year's notice of termination.

A director's service contract may be terminated without notice and without any further payment or compensation, except for sums earned up to the date of termination, on the occurrence of certain events such as gross misconduct. The circumstances of the termination (taking into account the individual's performance) and an individual's duty and opportunity to mitigate losses are taken into account by the Committee when determining amounts payable on/following termination. Our policy is to reduce compensatory payments to former executive directors where they receive remuneration from other employment during the compensation period. The Committee will consider the particular circumstances of each leaver on a case-by-case basis and retains flexibility as to at what point, and the extent to which, payments would be reduced. Details will be provided in the relevant annual report on remuneration should such circumstances arise.

In summary, the contractual provisions are as follows:

Provision	Detailed terms
Notice period	Maximum of 12 months from both the company and the executive director
Termination payment	Payment in lieu of notice of base salary only, normally subject to mitigation and paid monthly[1] , subject to the discretion of the Committee In addition, any statutory entitlements would be paid as necessary
Change of control	There will be no enhanced provisions on a change of control

1 The Committee may elect to make a lump sum termination payment (up to a maximum of 12 months' base salary) as part of an executive director's termination arrangements where it considers it appropriate to do so.

Annual bonus on termination

There is no contractual entitlement to annual bonus on termination. At the discretion of the Committee, in certain circumstances a pro rata bonus may become payable at the normal payment date for the period of active service only.

LTIP on termination

Any share-based entitlements granted under the company's share plans will be determined on the basis of the plan rules. In determining whether an executive director should be treated as a good leaver under the plan rules, the Committee will take into account the performance of the individual and the reasons for his/her departure and, in the event of this determination being made, will set out its rationale in the following annual report on remuneration.

APPROACH TO RECRUITMENT AND PROMOTIONS

The remuneration package for a new executive director would generally be set in accordance with the terms of the company's remuneration policy in force at the time of appointment. In addition, with specific regard to the recruitment of new executive directors (whether by external recruitment or internal promotion), the remuneration policy will allow for the following:

- Where new joiners or recent promotions have been given a starting salary at a discount to the mid-market level, a series of increases above those granted to the wider workforce (in percentage of salary terms) may be awarded over the following few years, subject to satisfactory individual performance and development in the role
- The Committee may offer additional cash and/or share-based elements when it considers these to be in the best interests of the company and shareholders. Any such additional payments would aim to reflect the terms and value of remuneration relinquished when leaving the former employer
- The annual bonus would operate in accordance with the terms of the policy, subject to the overriding discretion of the Committee. Depending on the timing and responsibilities of the appointment it may be necessary to set different performance measures and targets in the first year
- For an internal executive appointment, any variable pay element awarded in respect of the former role would be allowed to pay out according to its terms, adjusted as relevant to take into account the appointment. In addition, any other ongoing remuneration obligations existing prior to appointment would continue
- For external and internal appointments, the Committee may agree that the company will meet certain relocation expenses as appropriate

For the appointment of a new chairman or non-executive director, the fee arrangement would generally be set in accordance with the fee policy in force at that time.

EXTERNAL NON-EXECUTIVE DIRECTOR POSITIONS

The company allows executive directors to hold external directorships subject to agreement by the Chairman on a case-by-case basis and, at the discretion of the Committee, to retain the fees received from those roles.

NON-EXECUTIVE DIRECTORS' LETTERS OF APPOINTMENT

The non-executive directors do not have service contracts with the company, but instead have letters of appointment. The letters of appointment are usually renewed every three years. Termination of the appointment may be earlier at the discretion of either party on one month's written notice for non-executive directors. None of the non-executive directors are entitled to any compensation if their appointment is terminated. Appointments will be subject to re-election at the Annual General Meeting by rotation.

NON-EXECUTIVE DIRECTORS' FEES

The non-executive directors' fees policy is described below:

FEES	PURPOSE AND LINK TO STRATEGY	› To recruit and retain high calibre non-executives
	OPERATION	› Fees are determined by the board, with non-executive directors abstaining from any discussion or decision in relation to their fees › Non-executive directors are paid an annual fee for all board duties, which will include an annual award of shares (with the value of shares normally determined at the market price in February of each year) › In relation to the cash element, fees are normally paid monthly › In relation to the share element, there will be certain restrictions which prevent the director selling these shares during the period of their appointment › Non-executive directors will not receive awards under any of the company's incentive arrangements or receive any pension provision › The fee levels are reviewed on a periodic basis, with reference to the time commitment of the role and market levels in companies of comparable size and complexity › In exceptional circumstances, if there is a temporary yet material increase in the time commitment for non-executive directors, the board may pay extra fees to recognise the additional workload › Non-executive directors shall be entitled to have reimbursed all expenses that they reasonably incur in the performance of their duties, including taxes payable thereon
	MAXIMUM OPPORTUNITY	› There is no cap on fees › Fees may be increased to ensure they continue to appropriately recognise the time commitment of the role, increases to fee levels for non-executive directors in general and fee levels in companies of a similar size and complexity

ANNUAL REPORT ON REMUNERATION

This section of the remuneration report contains details as to how the group's remuneration policy was implemented during the year ended 28 February 2019.

DISCLOSURE OF DIRECTORS' SINGLE-FIGURE TOTAL REMUNERATION FOR THE YEAR – AUDITED INFORMATION

The total single-figure remuneration of the directors during the year ended 28 February 2019 is set out below:

		Fixed remuneration				Variable remuneration		
		Base salary and fees £	Benefits £	Pension £	Other £	Annual bonus £	Long-term incentives £	**Total £**
Executive directors								
Mahmud Kamani	**2019**	**341,667**	**20,207**	**–**	**–**	**700,000**	**–**	**1,061,874**
	2018	287,500	5,201	–	–	600,000	–	892,701
Carol Kane	**2019**	**341,667**	**12,814**	**17,083**	**–**	**700,000**	**–**	**1,071,564**
	2018	287,500	12,240	14,375	–	600,000	–	914,115
Neil Catto	**2019**	**253,417**	**2,750**	**12,708**	**1,999**	**260,000**	**705,200**	**1,236,074**
	2018	217,500	2,601	10,875	–	225,000	2,483,883	2,939,859
Total executive directors	**2019**	**936,750**	**35,771**	**29,791**	**1,999**	**1,660,000**	**705,200**	**3,369,512**
	2018	792,500	20,042	25,250	–	1,425,000	2,483,883	4,746,675
Non-executive directors								
Peter Williams	**2019**	**70,000**	**–**	**–**	**25,000**	**–**	**–**	**95,000**
	2018	70,000	–	–	25,000	–	–	95,000
Pierre Cuilleret	**2019**	**40,000**	**–**	**–**	**10,000**	**–**	**–**	**50,000**
	2018	19,282	–	–	10,000	–	–	29,282
David Forbes	**2019**	**33,333**	**–**	**–**	**–**	**–**	**–**	**33,333**
	2018	50,000	–	–	10,000	–	–	60,000
Iain McDonald	**2019**	**40,000**	**–**	**–**	**10,000**	**–**	**–**	**50,000**
	2018	20,000	–	–	10,000	–	–	30,000
Sara Murray	**2019**	**40,000**	**–**	**–**	**10,000**	**–**	**–**	**50,000**
	2018	40,000	–	–	10,000	–	–	50,000
Total non-executive directors	**2019**	**223,333**	**–**	**–**	**55,000**	**–**	**–**	**278,333**
	2018	199,282	–	–	65,000	–	–	264,282
Total	**2019**	**1,160,083**	**35,771**	**29,791**	**56,999**	**1,660,000**	**705,200**	**3,647,845**
	2018	991,782	20,042	25,250	65,000	1,425,000	2,483,883	5,010,957

Figures in the single total figure remuneration include the following for the financial year:

BASE SALARY AND FEES	The amount of salary or non-executive directors' fees
OTHER	The value of SIP awards and SAYE options granted in the financial period for executive directors (SAYE option calculated as the 20% discount at grant on the three-year plan) and the value of free shares issued to non-executive directors as part of their fees
ANNUAL BONUS	The amount of performance-related bonus receivable. Further details of the performance outcome can be found below.
LONG-TERM INCENTIVES	The value of long-term incentives vesting based on performance ending in the year under review. Further details of the share options granted in 2016 and vesting on 30 June 2019 based on performance measured to 28 February 2019 can be found below. A share price of 175p (the closing share price on 28 February 2019) has been used for the purposes of valuing the gain
BENEFITS	The value of private medical insurance, income protection, life assurance, company car and driver services

ANNUAL BONUS

For the year ended 28 February 2019, Neil Catto's maximum potential bonus was 100% of basic salary and Mahmud Kamani's and Carol Kane's was 200%. 40% of the potential bonus related to a revenue target and 60% of the potential bonus related to an adjusted EBITDA target. Bonus entitlement targets were as follows:

Financial target range	Bonus entitlement %
Revenue target:	
Threshold £740 million	12.0%
Upper limit £850 million or more	40.0%
Adjusted EBITDA target:	
Threshold £72.5 million	18.0%
Upper limit £80.5 million or more	60.0%

The amount of bonus payable varies on a sliding scale between the threshold and upper limit shown above. For the financial year ended 28 February 2019, both revenue and adjusted EBITDA were at the upper limits, resulting in payments of 40% and 60% of bonus entitlement respectively. Bonuses payable were as follows:

Name	Bonus % of salary
Mahmud Kamani	200%
Carol Kane	200%
Neil Catto	100%

LONG-TERM SHARE INCENTIVES

As founder shareholders, neither Mahmud Kamani nor Carol Kane, both of whom have retained a significant equity stake in the company, received share option awards either on Admission or as part of any subsequent grants. Of the executive directors, only Neil Catto holds options under the LTIP subject to the achievement of performance conditions as follows:

Name	Option scheme	No. of ordinary shares under option	Exercise price pence	Date of grant	Exercise period
Neil Catto	2016 LTIP	404,822	1	30/06/16	30/06/19 to 30/06/26
	2017 LTIP	138,037	1	13/06/17	13/06/20 to 13/06/27
	2018 LTIP	128,744	1	28/06/18	28/06/21 to 28/06/28

The performance targets for the shares granted on 30/06/16 are based upon the achievement of two key criteria, three-year aggregate adjusted Earnings per Share (67%) and Total Shareholder Return (33%) over a three-year period. Minimum "threshold" and "stretch" targets have been established by the Committee against these criteria. The EPS element vests on a straight line basis between target intervals from 1.6p for a 25% vesting to 2.4p for 100% vesting for the EPS element of the performance criteria. The TSR element vests on a straight line basis between target intervals from 50% growth in TSR for a 25% vesting to 125% growth in TSR for a 100% vesting for the TSR element of the performance criteria.

The performance targets for the shares granted on 13/06/17 are based upon the achievement of two key criteria, three-year aggregate adjusted Earnings per Share (67%) and Total Shareholder Return (33%) over a three-year period. Minimum "threshold" and "stretch" targets have been established by the Committee against these criteria. The EPS element vests on a straight line basis between target intervals from 7.5p for a 25% vesting to 12p for 100% vesting for the EPS element of the performance criteria. The TSR element vests on a straight line basis between target intervals from 50% growth in TSR for a 25% vesting to 125% growth in TSR for a 100% vesting for the TSR element of the performance criteria.

The performance targets for the shares granted on 28/06/18 are based upon the achievement of two key criteria, three-year aggregate adjusted Earnings per Share (67%) and Total Shareholder Return (33%) over a three-year period. Minimum "threshold" and "stretch" targets have been established by the Committee against these criteria. The EPS element vests on a straight line basis between target intervals from 11.3p for a 20% vesting to 14.9p for 100% vesting for the EPS element of the performance criteria. The TSR element vests on a straight line basis between target intervals from 20.4% growth in TSR for a 25% vesting to 73.9% growth in TSR for a 100% vesting for the TSR element of the performance criteria.

ALL-EMPLOYEE SHARE INCENTIVE PLAN ("SIP")

The HMRC-approved all-employee Share Incentive Plan purchases shares and holds them in trust for the benefit of employees who remain with the company for three years. There are no performance criteria for the SIP shares. The directors hold the following options over shares under this scheme:

Name	No. of ordinary shares held in trust	Purchase price pence	Date of grant	Maturity date
Neil Catto	6,000	50	14/03/14	14/03/17
	3,571	28	19/06/15	19/06/18
	938	213	27/09/18	27/09/21

SAVE AS YOU EARN SHARE SCHEME ("SAYE")

The HMRC-approved all-employee Save As You Earn scheme allows employees to purchase shares at a 20% discount to market price at date of grant on the future option date. There are no performance criteria for the SAYE shares. The directors hold the following options over shares under this scheme:

Name	Estimated shares to be purchased at option date	Option price pence	Date of grant	Option date
Neil Catto	9,137	78.8	25/10/16	25/10/19

DIRECTORS' INTERESTS IN SHARES

The table below sets out the beneficial and non-beneficial interests in ordinary shares as at the year end.

Name of director	Beneficially owned at 28 February 2018	Free share award under NED remuneration policy	Shares acquired during the year	Shares disposed of during the year	Beneficially owned at 28 February 2019	As a % of share capital	Outstanding share options	Shares held under SIP	SAYE options granted	**Total interests in shares at 28 February 2019**
Mahmud Kamani	187,679,880	–	–	–	187,679,880	16.14%	–	–	–	**187,679,880**
Carol Kane	46,330,421	–	–	–	46,330,421	3.98%	–	–	–	**46,330,421**
Neil Catto	14,306	–	1,603,865	(1,553,398)	64,773	0.00%	671,603	10,509	9,137	**756,022**
Peter Williams	491,962	14,192	–	–	506,154	0.04%	–	–	–	**506,154**
Pierre Cuilleret	105,419	5,677	–	–	111,096	0.01%	–	–	–	**111,096**
Iain McDonald	434,419	5,677	–	–	440,096	0.04%	–	–	–	**440,096**
Sara Murray	12,244	5,677	–	–	17,921	0.00%	–	–	–	**17,921**

SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of the executive directors has a service contract, under which there is a 12-month notice period from both the company and the director.

Details of the remuneration of the non-executive directors is set out herein.

COMPOSITION OF THE REMUNERATION COMMITTEE

The members of the Committee during the year were Iain McDonald, Pierre Cuilleret, David Forbes (to October 2018) and Sara Murray. Executive directors are invited to attend meetings, if requested by the Committee, in order to provide information and advice, to enable the Committee to make informed decisions. Each director is, however, specifically excluded from any matter concerning his own remuneration. Representatives of PricewaterhouseCoopers LLP, the Committee's retained advisor, may also attend meetings by invitation. The Company Secretary attends meetings as secretary to the Committee.

ADVISERS TO THE REMUNERATION COMMITTEE

During the year, the Committee received advice from PricewaterhouseCoopers LLP. The total fees paid to PricewaterhouseCoopers LLP in respect of its services during the year were £22,000 (2018: £6,000). PricewaterhouseCoopers LLP is a signatory to the Remuneration Consultants Group Code of Conduct and operates voluntarily under this Code which sets out the scope and conduct of the role of executive remuneration consultants when advising UK listed companies. The Committee regularly reviews the external advisor relationship and is comfortable that PricewaterhouseCoopers' advice remains objective and independent. The Committee also received advice from KPMG in respect of the creation of the growth share plan for John Lyttle. KPMG's fees were £28,000.

DIRECTORS' REMUNERATION REPORT
CONTINUED

IMPLEMENTATION OF REMUNERATION POLICY FOR THE YEAR ENDING 29 FEBRUARY 2020 – UNAUDITED

Remuneration for the executive directors comprises the following elements, not all of which are currently provided to each executive director:

- base salary
- pension and other benefits
- annual bonus
- awards under the Long-Term Incentive Plans
- opportunity to participate in the all-employee Share Incentive Plan and Save As You Earn scheme

BASE SALARY

The salaries of the executive directors are as follows:

		From 1 May 2019	From 1 May 2018
Mahmud Kamani	Group Executive Chairman	**£450,000**	£350,000
Carol Kane	Group Co-founder and Executive Director	**£450,000**	£350,000
John Lyttle	CEO	**£615,000**	–
Neil Catto	CFO	**£300,000**	£260,000

PENSION AND OTHER BENEFITS

Carol Kane, John Lyttle and Neil Catto receive a company pension contribution of 5% of salary. Mahmud Kamani does not receive a company pension contribution. Carol Kane, John Lyttle and Neil Catto receive company health care benefits and life assurance. Carol Kane receives driver services and Mahmud Kamani driver services and a company car.

A one-off conditional award over shares will be made to John Lyttle in compensation for the loss of short and long-term incentive awards which lapsed on leaving his previous employer. The award will only vest provided John stays in role as CEO for a period of 12 months and will be over shares with a value of £637,326 (calculated based on the closing price of the company's shares on 14 March 2019).

ANNUAL BONUS

All of the executive directors are eligible to participate in the company-wide annual cash bonus plan. The Committee oversees the bonus plan, and any bonus payments are at the discretion of the Committee. The maximum bonus payable for the year ending February 2020 will be as follows: Mahmud Kamani and Carol Kane 200%, John Lyttle 150% and Neil Catto 100%. The maximum bonus payable to performance will be measured over the single financial year ending 29 February 2020. The performance targets are based on a combination of revenue and EBITDA metrics (as defined in the plan), with a 40/60 weighting respectively. This choice of metrics reflects that these measures have been identified as the key indicators of the group's success against its growth strategy. The amount of bonus payable will be calculated as a percentage of base salary modified by a factor linked to the revenue and EBITDA metrics, for which there is a sliding scale set between upper and lower thresholds. The bonus will be payable in cash immediately after the announcement of the financial results.

The annual bonus targets, in relation to the financial year ending 29 February 2020, are considered to be commercially sensitive. Details of the targets, performance against those targets, and any payments resulting, will be disclosed in next year's annual report on remuneration.

LONG-TERM INCENTIVE PLAN ("LTIP")

Awards will be made to Neil Catto and other members of our senior management team under the LTIP in line with the limits detailed in the remuneration policy. Neil Catto's award for the financial year ending 2020 has not yet been agreed but will be subject to performance targets relating to EPS and other financial measures measured over a three-year period. As founder shareholders, neither Mahmud Kamani nor Carol Kane, both of whom have retained a significant equity stake in the company, will receive LTIP awards. John Lyttle will be entitled to be issued shares in boohoo group plc at the end of a five-year performance period, starting on John's appointment date, subject to the attainment of stretching market capitalisation growth targets.
The maximum value that may be paid to John under this plan is capped at £50 million.

ALL-EMPLOYEE SHARE PLANS

The board granted free shares in the financial year 2019. It is intended to grant a further issue of free shares to all employees in the financial year ending 2020. The company offered HMRC-approved SAYE plans in each of the financial years ended from 2016 to 2019 and it is intended that a further SAYE grant is offered during 2020. The executive directors are eligible to participate in the schemes on the same basis as other employees.

REMUNERATION FOR NON-EXECUTIVE DIRECTORS

The non-executive directors all receive a fee and annual allocation of shares each year to cover all their duties.

The current annual remuneration is:

		From 1 March 2019		From 1 March 2018	
		Share awards	**Fees**	Share awards	Fees
Pierre Cuilleret	NED	**£10,000**	**£60,000**	£10,000	£40,000
Iain McDonald	NED and Chairman of Remuneration Committee	**£10,000**	**£70,000**	£10,000	£40,000
Sara Murray	NED, Chairman of Nomination Committee and SID	**£10,000**	**£80,000**	£10,000	£40,000
Brian Small	NED and Chairman of Audit Committee (from 24 April 2019)	**£10,000**	**£70,000**	–	–

The above remuneration will be reviewed annually by the board.

Iain McDonald
Chairman of the Remuneration Committee
24 April 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES
IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with applicable Jersey law and International Financial Reporting Standards, of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law, 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

John Lyttle
Neil Catto
24 April 2019

REPORT ON THE AUDIT OF THE GROUP AND COMPANY FINANCIAL STATEMENTS

OPINION

In our opinion, boohoo group plc's group and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 28 February 2019 and of the group's profit, the company's loss and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the annual report and financial statements (the "Annual Report"), which comprise: the Consolidated and Company statements of financial position as at 28 February 2019; the Consolidated and Company statements of comprehensive income, the Consolidated and Company cash flow statements, and the Consolidated and Company statements of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group and company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

OUR AUDIT APPROACH

Overview

MATERIALITY	› Overall group materiality: £3.0 million (2018: £2.2 million), based on 5% of profit before tax › Overall company materiality: £1.5 million (2018: £1.6 million), based on the lower of component and statutory materiality (statutory materiality based on 1% of total assets)
AUDIT SCOPE	› We have audited both of the group's material trading entities (boohoo.com UK Limited and Prettylittlething.com Limited) together with boohoo group plc (the parent company of the group) which account for 94% and 92% of consolidated revenue and profit before tax respectively
KEY AUDIT MATTERS	› Valuation of inventory › Valuation of provision for returns

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITORS' REPORT CONTINUED
TO THE MEMBERS OF BOOHOO GROUP PLC

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
VALUATION OF INVENTORY Refer to note 15 Inventories. The gross value of inventory at the year end was £67.9 million (2018: £52.4 million), against which a provision of £5.2 million (2018: £4.2 million) was recorded. The group operates in a dynamic and fast moving fashion market which inherently means there is a risk of inventory falling out of fashion and therefore becoming difficult to sell above cost. The provisioning policy is primarily based on the age of items, with additional amounts recognised against stock lines that management expects to be discounted. Stock items that management expects to sell at a discount via alternatives to its website are written down to reflect this discounted sales price. The quantity of individual inventory lines and the rate at which new lines are added, combined with the total value of gross inventory, makes the calculation of the related provision material to the financial statements.	We have reviewed management's provisioning policy, compared it to the prior year and assessed its appropriateness given our knowledge of the group. We have tested the validity of the data used as the basis for management's inventory provision calculation, including aged stock listing, and found it to be accurate and complete. We have reviewed the post year end financial information to identify any significant unprovided inventory write offs with none noted. We have tested management's calculation of the inventory provision based on the underlying data and group accounting policy and found this to be accurate.
VALUATION OF PROVISION FOR RETURNS Refer to note 18 Trade and other payables. Included in trade and other payables is a provision for returns relating to sales made pre year end that are expected to be returned post year end. The group offers a returns policy on all sales which is extended for faulty items. Management calculates the returns provision using historical returns data, combined with the gross value of sales made in the final two months of the year.	We have reviewed management's provisioning policy and found it to be consistent with the prior year and appropriate given the circumstances. In doing this we have reviewed the group's published returns policy and have ensured this is accurately reflected in the calculation. We have tested the validity of the inputs to management's provision for returns calculation and found these to be accurate and complete. This specifically included listings of sales and credit notes during the year. We have compared the year end provision to actual credit notes raised subsequent to the year end related to sales made prior to the year end and found no significant differences.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and company, the accounting processes and controls, and the industry in which they operate.

The group comprises the following entities: boohoo group plc, parent company of the group; boohoo.com UK Limited, Prettylittlething.com Limited and Nasty Gal Limited, which are trading entities that are based in the UK; and nine non-trading entities. The group audit team in the UK performed an audit of the complete financial information of boohoo group plc, boohoo.com UK Limited and Prettylittlething.com Limited, which we regarded as financially significant components of the group. These components accounted for 94% of the consolidated revenue and 92% of consolidated profit before tax for the group.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	GROUP	COMPANY
OVERALL MATERIALITY	£3.0 million (2018: £2.2 million)	£1.5 million (2018: £1.6 million)
HOW WE DETERMINED IT	5% of profit before tax	Based on the lower of component and statutory materiality (statutory materiality based on 1% of total assets)
RATIONALE FOR BENCHMARK APPLIED	Profit before tax is the key measure used both internally by the board and, we believe, through reading directors' presentations to analysts, externally by shareholders in evaluating the performance of the group.	Total assets is appropriate, as it is not a profit-oriented company. The company holds all investments in subsidiaries and therefore total assets is deemed the most appropriate benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £1.5 million and £2.8 million.

We agreed with the Audit Committee that we would report to it misstatements identified during our audit above £150,000 (group audit) (2018: £110,000) and £75,000 (company audit) (2018: £110,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

CONCLUSIONS RELATING TO GOING CONCERN

ISAs (UK) require us to report to you when:

› the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
› the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and the company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear and it is difficult to evaluate all of the potential implications on the group's and company's trade, customers, suppliers and the wider economy.

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the annual report and financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

› we have not received all the information and explanations we require for our audit; or
› proper accounting records have not been kept by the company; or
› proper returns adequate for our audit have not been received from branches not visited by us; or
› the company's financial statements are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants
Manchester
24 April 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 28 FEBRUARY 2019

	Note	**2019 £000**	2018 £000
Revenue	2	**856,920**	579,800
Cost of sales		**(387,926)**	(273,445)
Gross profit		**468,994**	306,355
Distribution costs		**(207,083)**	(126,757)
Exceptional distribution costs		***(6,162)***	–
Other distribution costs		***(200,921)***	*(126,757)*
Administrative expenses		**(203,470)**	(137,072)
Exceptional administrative expenses		***(505)***	–
Amortisation of acquired intangibles		***(4,449)***	*(4,449)*
Other administrative expenses		***(198,516)***	*(132,623)*
Other income	3	**239**	159
Operating profit		**58,680**	42,685
Finance income	4	**1,320**	774
Finance expense		**(144)**	(146)
Profit before tax	6	**59,856**	43,313
Taxation	10	**(12,397)**	(7,313)
Profit for the year		**47,459**	36,000
Profit for the year attributable to:			
Owners of the parent company		**37,772**	31,652
Non-controlling interests		**9,687**	4,348
		47,459	36,000
Total other comprehensive income for the year			
(Gain)/loss reclassified to profit and loss during the year		**(2,337)**	6,516
Fair value gain on cash flow hedges during the year[1]		**2,229**	12,981
Total comprehensive income for the year		**47,351**	55,497
Total comprehensive income attributable to:			
Equity attributable to owners of the parent company		**37,664**	51,149
Non-controlling interests		**9,687**	4,348
		47,351	55,497
Earnings per share	7		
Basic		**3.27p**	2.78p
Diluted		**3.22p**	2.71p

1 Net fair value gains on cash flow hedges will be reclassified to profit or loss during the two years to 28 February 2021.

All activities relate to continuing operations.
The notes on pages 59 to 79 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 28 FEBRUARY 2019

	Note	**2019 £000**	2018 £000
ASSETS			
Non-current assets			
Intangible assets	11	**27,165**	30,877
Property, plant and equipment	12	**108,498**	71,994
Financial assets	22	**3,756**	2,445
Deferred tax	14	**4,034**	6,479
		143,453	111,795
Current assets			
Inventories	15	**66,806**	48,248
Trade and other receivables	16	**22,576**	17,499
Financial assets	22	**5,883**	6,770
Current tax receivable		**3,186**	–
Cash and cash equivalents	17	**197,872**	142,575
Total current assets		**296,323**	215,092
Total assets		**439,776**	326,887
LIABILITIES			
Current liabilities			
Trade and other payables	18	**(154,351)**	(96,670)
Interest-bearing loans and borrowings	19	**(2,382)**	(2,382)
Financial liabilities	22	**(1,421)**	(837)
Current tax liability		**(3,939)**	(4,505)
Total current liabilities		**(162,093)**	(104,394)
Non-current liabilities			
Interest-bearing loans and borrowings	19	**(4,764)**	(7,146)
Financial liabilities	22	**(415)**	(467)
Deferred tax	14	**(2,102)**	(2,101)
Total liabilities		**(169,374)**	(114,108)
Net assets		**270,402**	212,779
Equity			
Share capital	20	**11,631**	11,496
Share premium		**606,086**	602,578
Capital redemption reserve		**100**	100
Hedging reserve		**7,803**	7,911
EBT reserve		**(2,174)**	(351)
Translation reserve		**–**	168
Reconstruction reserve		**(515,282)**	(515,282)
Non-controlling interest		**19,064**	8,761
Retained earnings		**143,174**	97,398
Total equity		**270,402**	212,779

The notes 1 to 26 form part of these financial statements.

These financial statements of boohoo group plc, registered number 114397, on pages 55 to 79 were approved by the board of directors on 24 April 2019 and were signed on its behalf by:

John Lyttle
Neil Catto
Directors

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £000	Share premium £000	Capital redemption reserve £000	Hedging reserve £000	EBT reserve £000	Translation reserve £000	Recon-struction reserve £000	Non-controlling interest £000	Retained earnings £000	Total equity £000
Balance at 28 February 2017	11,233	551,720	100	(11,586)	(761)	5	(515,282)	3,978	61,089	100,496
Profit for the year	–	–	–	–	–	–	–	4,348	31,652	36,000
Other comprehensive income:										
Loss reclassified to profit and loss in revenue	–	–	–	6,516	–	–	–	–	–	6,516
Fair value gain on cash flow hedges during the year	–	–	–	12,981	–	–	–	–	–	12,981
Total comprehensive income for the year	–	–	–	19,497	–	–	–	4,348	31,652	55,497
Issue of shares	263	50,858	–	–	410	–	–	–	–	51,531
Share-based payments credit	–	–	–	–	–	–	–	435	2,834	3,269
Excess deferred tax on share-based payments	–	–	–	–	–	–	–	–	1,823	1,823
Translation of foreign operations	–	–	–	–	–	163	–	–	–	163
Balance at 28 February 2018	11,496	602,578	100	7,911	(351)	168	(515,282)	8,761	97,398	212,779
Profit for the year	–	–	–	–	–	–	–	9,687	37,772	47,459
Other comprehensive income/(expense):										
Gain reclassified to profit and loss in revenue	–	–	–	(2,337)	–	–	–	–	–	(2,337)
Fair value gain on cash flow hedges during the year	–	–	–	2,229	–	–	–	–	–	2,229
Total comprehensive income for the year	–	–	–	(108)	–	–	–	9,687	37,772	47,351
Issue of shares	135	3,508	–	–	(1,823)	–	–	–	–	1,820
Share-based payments credit	–	–	–	–	–	–	–	616	4,662	5,278
Excess deferred tax on share-based payments	–	–	–	–	–	–	–	–	3,342	3,342
Translation of foreign operations	–	–	–	–	–	(168)	–	–	–	(168)
Balance at 28 February 2019	**11,631**	**606,086**	**100**	**7,803**	**(2,174)**	**–**	**(515,282)**	**19,064**	**143,174**	**270,402**

The notes on pages 59 to 79 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Profit for the year		**47,459**	36,000
Adjustments for:			
Share-based payments charge		**5,278**	3,269
Depreciation charges and amortisation		**13,921**	10,978
Loss on sale of fixed assets		**24**	–
Finance income		**(1,320)**	(774)
Finance expense		**144**	146
Tax expense		**12,397**	7,313
		77,903	56,932
Increase in inventories	15	**(18,558)**	(14,078)
Increase in trade and other receivables	16	**(4,935)**	(5,393)
Increase in trade and other payables	18	**57,513**	38,780
Cash generated from operations		**111,923**	76,241
Tax paid		**(10,361)**	(7,227)
Net cash generated from operating activities		**101,562**	69,014
Cash flows from investing activities			
Acquisition of intangible assets	11	**(3,237)**	(2,412)
Acquisition of property, plant and equipment	12	**(43,630)**	(43,972)
Proceeds from the sale of fixed assets		**59**	–
Finance income received		**1,249**	612
Net cash used in investing activities		**(45,559)**	(45,772)
Cash flows from financing activities			
Proceeds from the issue of ordinary shares		**3,653**	52,281
Share issue costs written off to share premium		**–**	(750)
Purchase of own shares by EBT		**(1,833)**	–
Finance expense paid		**(144)**	(146)
Repayment of borrowings		**(2,382)**	(2,382)
Net cash (used in)/generated from financing activities		**(706)**	49,003
Increase in cash and cash equivalents		**55,297**	72,245
Cash and cash equivalents at beginning of year		**142,575**	70,330
Cash and cash equivalents at end of year		**197,872**	142,575

Notes 1 to 26 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
(FORMING PART OF THE FINANCIAL STATEMENTS)

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 and changed its name from boohoo.com plc to boohoo group plc on 10 July 2018.

Basis of preparation

The consolidated financial statements of the group have been approved by the directors and prepared on a going concern basis in accordance with International Financial Reporting Standards as adopted by the European Union ("Adopted IFRSs"), IFRS IC Interpretations and the Companies (Jersey) Law 1991.

Standards, amendments and interpretations to standards that are effective and have been adopted by the group and/or company

IFRS 9, "Financial instruments" (effective 1 January 2018). It has been determined that all existing effective hedging instruments continued to qualify for hedge accounting under IFRS 9. The adoption of the standard has therefore had no effect on the financial statements. Changes to the classification, impairment and measurement of financial assets and liabilities have been considered and it has been concluded these changes do not impact the group.

IFRS 15, "Revenue from contracts with customers" (effective 1 January 2018). Revenue is recognised in the financial statements when the customer receives the goods ordered. Revenue from the purchase of annual delivery services is spread over the period of the service. The adoption of the standard has therefore had no impact on existing revenue recognition policies.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the group and/or company

The following standards have been published and are mandatory for accounting periods beginning after 1 March 2019 but have not been early adopted by the group or company and could have an impact on the group and company financial statements:

IFRS 16, "Leases" (effective 1 January 2019). The group has several property leases and some office machinery leases. These assets and liabilities will be capitalised on the balance sheet under IFRS 16, where the effect will be material with an estimated £16.0 million increase in assets and £16.3 million increase in liabilities as at 29 February 2020, whereas the effect on the income statement will not be material overall. The weighted average incremental borrowing rate used to measure lease liabilities at the date of initial application used in these estimates is 1.8%. The method to be used to establish the lease liability will be based on the lease payments over the remaining lease term at 1 March 2020 discounted at the incremental borrowing rate at that date.

A number of other new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 March 2019 and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the group.

The financial statements have been approved on the assumption that the group remains a going concern, as explained on page 34.

Measurement convention

The consolidated financial statements have been prepared under the historical cost convention, excluding financial assets and financial liabilities (including derivative instruments) held at fair value through profit or loss. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of consolidation

The group financial statements consolidate those of its subsidiaries and the Employee Benefit Trust. All intercompany transactions between group companies are eliminated.

Subsidiaries are entities controlled by the group. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In assessing control, the group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. Subsidiary undertakings acquired during the year are accounted for using the acquisition method of accounting. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The cost of the acquisition is the aggregate of the fair values of the assets and liabilities and equity instruments issued on the acquisition date. The excess of the cost of acquisition over the group's share of the fair values of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the assets, the difference is recognised directly in the statement of comprehensive income.

The Employee Benefit Trust is considered to be a special purpose entity in which the substance of the relationship is that of control by the group in order that the group may benefit from its control. The assets held by the trust are consolidated into the group.

1 ACCOUNTING POLICIES CONTINUED

Business combinations

The group uses the acquisition method of accounting for business combinations of entities not under common control. Separable identifiable assets and liabilities are measured initially at their fair values on the acquisition date. Any non-controlling interest is measured at either fair value or at the non-controlling interest's share of the acquiree's net assets. Acquisition costs are expensed as incurred. The excess of any consideration paid over the fair value of the net assets is recognised as goodwill and any shortfall of consideration paid against the fair value of net assets is recognised directly in the statement of comprehensive income.

Intangible assets

Trademarks and licences are stated at cost less accumulated amortisation and impairment losses, and are amortised over their expected lives of ten years and charged to administrative expenses. Customer lists are amortised over expected customer lifetime value of three years.

The costs of acquiring or developing software are recorded as intangible assets and stated at cost less accumulated amortisation and impairment losses. The costs include the payroll costs of employees directly associated with the project and other direct external material and service costs. Costs are capitalised only where there is an identifiable project that will bring future economic benefit. Other website development and maintenance costs are expensed in the statement of comprehensive income. Software costs are amortised over three to five years based on their estimated useful lives and charged to administrative expenses in the statement of comprehensive income.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where parts of an item of property, plant and equipment have different useful lives they are accounted for as separate property, plant and equipment. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of each item of property, plant and equipment is written off evenly over its estimated remaining useful life. Depreciation is charged to the statement of comprehensive income on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment, as follows: short leasehold assets over the life of the lease or 2%; buildings 2%; motor vehicles and computer equipment 33%; and fixtures and fittings 33%, 20%, 10% or 7%. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Financial instruments

Financial instruments are recognised at fair value and subsequently re-measured at fair value at the end of each reporting date.

Derivative financial instruments and cash flow hedges

The group holds derivative financial instruments to hedge its foreign currency exposures. These derivatives, classified as cash flow hedges, are initially recognised at fair value and then re-measured at fair value at the end of each reporting date. Hedging instruments are documented at inception and effectiveness is tested throughout their duration. Changes in the value of cash flow hedges are recognised in other comprehensive income and any ineffective portion is immediately recognised in the income statement. If the firm commitment or forecast transaction that is the subject of a cash flow hedge results in the recognition of a non-financial asset or liability, then at the time the asset is recognised, the associated gains or losses on the derivative that had been previously recognised in other comprehensive income are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or liability, amounts deferred in other comprehensive income are recognised in the statement of comprehensive income in the same period in which the hedged item affects net profit.

1 ACCOUNTING POLICIES CONTINUED

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Under IFRS 9, effective from 1 January 2018, the group elected to use the simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables and contract assets that result from transactions that are within the scope of IFRS 15, irrespective of whether they contain a significant financing component or not. Under the new accounting standard, the group continues to establish a provision for impairment of trade receivables when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default or delinquency in payments, are considered indicators that the trade receivable is impaired. In addition, IFRS 9 requires the group to consider forward-looking information and the probability of default when calculating expected credit losses. The measurement of expected credit losses reflects an unbiased and probability-weighted amount that is determined by evaluating the range of possible outcomes as well as incorporating the time value of money. The group considers reasonable and supportable customer-specific and market information about past events, current conditions and forecasts of future economic conditions when measuring expected credit losses. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows of the asset, discounted, where material, at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the income statement.

Trade and other payables

Trade and other payables are recorded initially at fair value. Subsequent to this they are measured at amortised cost.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Inventories are valued on a first in first out basis.

Cash and cash equivalents

Cash and cash equivalents, for the purpose of the cash flow statement and the statement of financial position, comprises cash in bank.

Revenue

Revenue is attributable to the one principal activity of the business. Revenue represents net invoiced sales of goods including postage and packing receipts, excluding value added tax. Revenue from the sale of goods is recognised when the customer has received the products, which is when it is considered that the performance obligations have been met, and is adjusted for actual returns and a provision for expected returns. Internet sales are paid by customers at the time of ordering using a variety of payment methods. Wholesale sales are paid in accordance with agreed credit terms with business customers. A provision for returns, based on historical customer return rates, is deducted from revenue.

Rebates

Retrospective rebates from suppliers are accounted for in the period to which the rebate relates to the extent that it is reasonably certain that the rebate will be received. Early settlement discounts are taken when payment is made.

1 ACCOUNTING POLICIES CONTINUED

Leasing commitments
Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

Finance costs
Interest payable is recognised in the statement of comprehensive income as it accrues in respect of the effective interest rate method.

Finance income
Interest receivable is recognised in the statement of comprehensive income as it is earned.

Pension costs
The group contributes to a Group Personal Pension Scheme for certain employees under a defined contribution scheme. The costs of these contributions are charged to the statement of comprehensive income on an accruals basis as they become payable under the scheme rules.

Share-based payments
The group issues equity-settled share-based payments in the parent company to certain employees in exchange for services rendered. These awards are measured at fair value on the date of the grant using an option pricing model and expensed in the statement of comprehensive income on a straight line basis over the vesting period after making an allowance for the estimated number of shares that are estimated will not vest. The level of vesting is reviewed and adjusted annually. Free shares awarded are expensed immediately.

Taxation
Tax on the profit for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax is provided for on the fair value of intangible assets acquired in subsidiaries.

Foreign currency translation
The results and cash flows of overseas subsidiaries are translated at the average monthly exchange rates during the period. The statement of financial position of each overseas subsidiary is translated at the year end rate. The resulting exchange differences are recognised in a translation reserve in equity and are reported in other comprehensive income.

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rates on the day of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the year end rate and exchange differences are recognised in the statement of comprehensive income.

Exceptional items
Items of expenditure or income that are material and out of the ordinary course of business are separately identified and labelled as “exceptional” so the reader of the financial statements can understand the underlying business performance as well as the exceptional items.

1 ACCOUNTING POLICIES CONTINUED

Significant estimates and judgements

The preparation of financial statements in conformity with IFRS as adopted by the EU 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:

Returns provision

The provision for sales returns is estimated based on recent historical returns and management's best estimates and is allocated to the period in which the revenue is recorded. Actual returns could differ from these estimates. The historic difference between the provision estimate and the actual results, known at a later stage, has never been, nor is expected to be, material. A difference of 1%pt in the percentage of sales returns rate would have an impact of +/- £10 million on reported revenue and +/- £4.5 million on operating profit.

Inventory valuation

Inventory is carried at the lower of cost or net realisable value. The judgement of net realisable value may be different from the future actual value realised, but that difference is not expected ever to be material. A difference of 1%pt in the provision as a percentage of gross inventory would give rise to a difference of +/- £0.6 million in gross margin.

Option to acquire the minority stake in PrettyLittleThing.com Limited

The company has an option to buy the 34% non-controlling interest in PrettyLittleThing.com Limited ("PrettyLittleThing", formerly 21Three Clothing Company Limited) for market value or a lesser sum, depending upon financial performance over the five years to 2022. The performance period for the option commenced on 1 March 2017 and has attracted an equity-settled share-based payment charge over the five-year performance period in accordance with IFRS 2, as detailed in note 23.

2 SEGMENTAL ANALYSIS

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 2019 is by business unit. This is based on the group's management and internal reporting structure, i.e. boohoo including boohooMAN, PrettyLittleThing ("PLT") and Nasty Gal.

The executive board assesses the performance of each segment based on revenue and gross profit after distribution expenses and before administrative expenses.

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
(FORMING PART OF THE FINANCIAL STATEMENTS)

2 SEGMENTAL ANALYSIS CONTINUED

	Year ended 28 February 2018			
	boohoo £000	PLT £000	Nasty Gal £000	Total £000
Revenue	374,115	181,269	24,416	579,800
Cost of sales	(182,394)	(81,175)	(9,876)	(273,445)
Gross profit	191,721	100,094	14,540	306,355
Distribution costs	(80,417)	(40,661)	(5,679)	(126,757)
Segment result	111,304	59,433	8,861	179,598
Administrative expenses – other	–	–	–	(132,623)
Amortisation of acquired intangibles	–	–	–	(4,449)
Other income	–	–	–	159
Operating profit	–	–	–	42,685
Finance income	–	–	–	774
Finance expense	–	–	–	(146)
Profit before tax	–	–	–	43,313

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

No analysis of the assets and liabilities of each operating segment is provided to the chief operating decision maker in the monthly management accounts, therefore no measure of segmental assets or liabilities is disclosed in this note. Non-current assets located outside the UK comprise offices in the USA with a net book value of £4.0 million.

Revenue by geographic region

	2019 £000	2018 £000
UK	**488,199**	355,614
Rest of Europe	**115,124**	66,281
USA	**166,262**	92,690
Rest of world	**87,335**	65,215
	856,920	579,800

3 OTHER INCOME

	2019 £000	2018 £000
Property rental income	**239**	159

4 FINANCE INCOME AND EXPENSE

	2019 £000	2018 £000
Finance income: Bank interest received	**1,320**	774
Finance expense: Loan interest paid	**(144)**	(146)

5 AUDITORS' REMUNERATION

	2019 £000	2018 £000
Audit of these financial statements	**10**	10
Disclosure below based on amounts receivable in respect of services to the group		
Amounts receivable by auditors and their associates in respect of:		
Audit of financial statements of subsidiaries pursuant to legislation	**138**	120
Other services relating to taxation	**96**	104
Other advisory services	**81**	52
	325	286

6 PROFIT BEFORE TAX

Profit before tax is stated after charging:	**2019 £000**	2018 £000
Operating lease rentals for buildings	**2,235**	1,509
Equity-settled share-based payment charges	**5,278**	3,269
Exceptional items – warehouse relocation	**6,667**	–
Depreciation of property, plant and equipment	**6,972**	3,997
Amortisation of intangible assets	**2,500**	2,532
Amortisation of acquired intangible assets	**4,449**	4,449

The exceptional items relate to the additional costs of relocation of all the inventory held by PrettyLittleThing to a third-party managed warehouse in July 2018.

7 EARNINGS PER SHARE

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

	2019	2018
Weighted average shares in issue for basic earnings per share	**1,154,130,568**	1,138,722,751
Dilutive share options	**20,304,294**	27,108,839
Weighted average shares in issue for diluted earnings per share	**1,174,434,862**	1,165,831,590

Earnings (£000)	**37,772**	31,652
Basic earnings per share	**3.27p**	2.78p
Diluted earnings per share	**3.22p**	2.71p

Earnings (£000)	**37,772**	31,652
Adjusting items:		
Amortisation of intangible assets arising on acquisitions	**4,449**	4,449
Share-based payment charges	**5,278**	3,269
Exceptional items – warehouse relocation	**6,667**	–
Adjustment for tax	**(3,050)**	(1,408)
Adjustment for non-controlling interest	**(2,335)**	(352)
Adjusted earnings	**48,781**	37,610
Adjusted basic earnings per share	**4.23p**	3.30p
Adjusted diluted earnings per share	**4.15p**	3.23p

Adjusted earnings and adjusted earnings per share gives a more consistent measure of the underlying performance of the business excluding non-cash accounting charges relating to the amortisation of intangible assets valued upon acquisitions, non-cash share-based payment charges and other exceptional items.

8 STAFF NUMBERS AND COSTS

The average monthly number of persons employed by the group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2019	2018
Administration	**1,303**	955
Distribution	**885**	1,220
	2,188	2,175

8 STAFF NUMBERS AND COSTS CONTINUED

The aggregate payroll costs of these persons were as follows:

	2019 £000	2018 £000
Wages and salaries	**62,505**	49,510
Social security costs	**6,419**	5,553
Post-employment benefits	**1,123**	647
Equity-settled share-based payment charges	**5,278**	3,269
	75,325	58,979

9 DIRECTORS' AND KEY MANAGEMENT COMPENSATION

	2019 £000	2018 £000
Short-term employee benefits	**10,616**	5,856
Post-employment benefits	**217**	131
Equity-settled share-based payment charges	**907**	454
	11,740	6,441

Directors' and key management compensation comprises the group directors and executive committee members. Directors' emoluments and pension payments of boohoo group plc are detailed in the directors' remuneration report on page 45.

10 TAXATION

	2019 £000	2018 £000
Analysis of charge in year		
Current tax on income for the year	**12,411**	9,294
Adjustments in respect of prior year taxes	**(54)**	(1,323)
Deferred taxation	**40**	(658)
Tax on profit on ordinary activities	**12,397**	7,313

The total tax charge differs from the amount computed by applying the blended UK rate of 19.0% for the year (2018: 19.08%) to profit before tax as a result of the following:

Profit on ordinary activities before tax	**59,856**	43,313
Profit before tax multiplied by the standard rate of corporation tax of the UK of 19.0% (2018: 19.08%)	**11,373**	8,273
Effects of:		
Expenses not deductible for tax purposes	**454**	375
Adjustments in respect of prior year taxes	**(54)**	(1,323)
Overseas tax differentials	**5**	9
Depreciation on ineligible assets	**619**	–
Depreciation less than capital allowances	**–**	(21)
Tax on profit on ordinary activities	**12,397**	7,313
Tax recognised in the statement of changes in equity		
Deferred tax credit on movement in tax base of share options	**3,342**	1,823

No current tax was recognised in other comprehensive income (2018: £nil).

A change to reduce the main rate of corporation tax to 17% from 1 April 2020 was announced in the Chancellor's budget on 16 March 2016. Changes to reduce the UK corporation tax rate to 17% from 1 April 2020 were substantively enacted on 15 September 2016. The prior year tax adjustment is in respect of tax incentives for research and development expenditure.

11 INTANGIBLE ASSETS

	Patents and licences £000	Trademarks £000	Customer lists £000	Computer software £000	Total £000
Cost					
Balance at 1 March 2017	310	25,070	5,826	9,208	40,414
Additions	9	–	–	2,403	2,412
Disposals	–	–	–	(567)	(567)
Balance at 28 February 2018	319	25,070	5,826	11,044	42,259
Additions	307	–	–	2,930	3,237
Disposals	–	–	–	(2,096)	(2,096)
Balance at 28 February 2019	**626**	**25,070**	**5,826**	**11,878**	**43,400**
Accumulated amortisation					
Balance at 1 March 2017	180	167	267	4,354	4,968
Amortisation for year	31	2,507	1,942	2,501	6,981
Disposals	–	–	–	(567)	(567)
Balance at 28 February 2018	211	2,674	2,209	6,288	11,382
Amortisation for year	74	2,507	1,942	2,426	6,949
Disposals	–	–	–	(2,096)	(2,096)
Balance at 28 February 2019	**285**	**5,181**	**4,151**	**6,618**	**16,235**
Net book value					
At 29 February 2017	130	24,903	5,559	4,854	35,446
At 28 February 2018	108	22,396	3,617	4,756	30,877
At 28 February 2019	**341**	**19,889**	**1,675**	**5,260**	**27,165**

Within the statement of comprehensive income, amortisation of acquired intangible assets (trademarks and customer lists) of £4,449,000 (2018: £4,449,000) is shown separately. The amount of amortisation included in distribution costs is £648,000 (2018: £629,000) and in administrative expenses is £1,852,000 (2018: £1,903,000).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
(FORMING PART OF THE FINANCIAL STATEMENTS)

12 PROPERTY, PLANT AND EQUIPMENT

	Short leasehold £000	Fixtures and fittings £000	Computer equipment £000	Motor vehicles £000	Land & buildings £000	Total £000
Cost						
Balance at 1 March 2017	1,121	15,605	2,484	285	17,896	37,391
Additions	1,156	19,911	1,593	228	21,084	43,972
Disposals	(54)	(72)	(540)	(74)	–	(740)
Balance at 28 February 2018	2,223	35,444	3,537	439	38,980	80,623
Additions	3,896	36,775	1,575	115	1,269	43,630
Exchange differences	–	–	–	–	(73)	(73)
Disposals	(94)	(375)	(592)	(123)	–	(1,184)
Balance at 28 February 2019	**6,025**	**71,844**	**4,520**	**431**	**40,176**	**122,996**
Accumulated depreciation						
Balance at 1 March 2017	437	2,702	1,511	122	600	5,372
Depreciation charge for the year	328	2,463	763	85	358	3,997
Disposals	(54)	(72)	(540)	(74)	–	(740)
Balance at 28 February 2018	711	5,093	1,734	133	958	8,629
Depreciation charge for the year	566	4,646	1,144	127	489	6,972
Exchange differences	–	–	–	–	(2)	(2)
Disposals	(94)	(364)	(592)	(51)	–	(1,101)
Balance at 28 February 2019	**1,183**	**9,375**	**2,286**	**209**	**1,445**	**14,498**
Net book value						
At 28 February 2017	684	12,903	973	163	17,296	32,019
At 28 February 2018	1,512	30,351	1,803	306	38,022	71,994
At 28 February 2019	**4,842**	**62,469**	**2,234**	**222**	**38,731**	**108,498**

The amounts of depreciation included in the statement of comprehensive income in distribution costs is £4,003,000 (2018: £2,440,000) and in administrative expenses is £2,969,000 (2018: £1,557,000). Depreciation of the automation equipment contained in the £37 million of additions to fixtures and fittings will commence in April 2019 when the assets are entered into service.

13 INVESTMENTS

The subsidiaries held and consolidated in these financial statements are set out below:

Name of company	Principal activity	Country of incorporation	Address	Percentage ownership
ABK Limited	Holding company	Jersey	12 Castle St, St Helier, Jersey	100%
boohoo.com UK Limited	Trading company	UK	49-51 Dale St, Manchester	100%
Boo Who Limited	Dormant company	UK	49-51 Dale St, Manchester	100%
boohoo.com USA Limited	Dormant company	UK	49-51 Dale St, Manchester	100%
boohoo.com USA Inc	Marketing office	USA	8431 Melrose Pl, Los Angeles	100%
boohoo.com Australia Pty Ltd	Marketing office	Australia	468 St Kilda Road, Melbourne	100%
boohoo France SAS	Marketing office	France	15, rue Bachaumont, Paris	100%
PrettyLittleThing.com Limited	Internet fashion retail	UK	Wellington Mill, Pollard Street East, Manchester	66%
21Three Clothing Company Limited	Dormant company	UK	Wellington Mill, Pollard Street East, Manchester	66%
PrettyLittleThing.com USA Inc	Marketing office	USA	1209 Orange Street, Delaware	66%
Nasty Gal Limited	Trading company	UK	49-51 Dale St, Manchester	100%
Nasty Gal.com USA Inc	Marketing office	USA	6600 W Sunset Boulevard, Los Angeles	100%
Shanghai Wasabi Frog Boohoo Ltd	Dormant company	China	49-51 Dale St, Manchester	100%

14 DEFERRED TAX

ASSETS	Depreciation in excess of capital allowances £000	Share-based payments £000	Total £000
Asset at 1 March 2017	232	4,262	4,494
Recognised in statement of comprehensive income	(72)	234	162
Credit in equity	–	1,823	1,823
Asset at 28 February 2018	160	6,319	6,479
Recognised in statement of comprehensive income	(73)	32	(41)
Debit in equity	–	(2,404)	(2,404)
Asset at 28 February 2019	**87**	**3,947**	**4,034**

LIABILITIES	Capital allowances in excess of depreciation £000	Business combinations £000	Total £000
Liability at 28 February 2017	–	(2,597)	(2,597)
Recognised in statement of comprehensive income	–	496	496
Liability at 28 February 2018	–	(2,101)	(2,101)
Recognised in statement of comprehensive income	(495)	494	(1)
Liability at 28 February 2019	**(495)**	**(1,607)**	**(2,102)**

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.

15 INVENTORIES

	2019 £000	2018 £000
Finished goods	**66,806**	48,248

The value of inventories included within cost of sales for the year was £393,766,000 (2018: £270,032,000). An impairment provision of £5,181,000 (2018: £4,150,000) was charged to the statement of comprehensive income. There were no write-backs of prior period provisions during the year.

16 TRADE AND OTHER RECEIVABLES

	2019 £000	2018 £000
Trade receivables	**14,201**	13,381
Prepayments	**5,126**	3,658
Accrued income	**386**	460
Taxes and social security receivable	**2,863**	–
	22,576	17,499

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.

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	2019 %	2018 %
60 – 90 days past due	**1**	1
91 – 120 days past due	**5**	5
Over 121 days past due	**90**	90

The provision for impairment of receivables is charged to administrative expenses in the statement of comprehensive income. The maturing profile of unsecured trade receivables and the provisions for impairment are as follows:

	2019 £000	2018 £000
Due within 30 days	**7,943**	7,411
Provision for impairment	**–**	(26)
Due in 31 to 90 days	**7,972**	6,304
Provision for impairment	**(1,714)**	(596)
Past due	**295**	339
Provision for impairment	**(295)**	(51)
Total amounts due and past due	**16,210**	14,054
Total provision for impairment	**(2,009)**	(673)
	14,201	13,381

17 CASH AND CASH EQUIVALENTS

	2019 £000	2018 £000
At start of year	**142,575**	70,330
Net movement during year	**55,350**	72,638
Effect of exchange rates	**(53)**	(393)
At end of year	**197,872**	142,575

18 TRADE AND OTHER PAYABLES

	2019 £000	2018 £000
Trade payables	**33,930**	34,203
Amounts owed to related party undertakings (note 21)	**–**	31
Other creditors	**1,730**	1,084
Accruals	**81,930**	41,378
Provision for liabilities	**18,912**	9,021
Deferred income	**8,453**	5,556
Taxes and social security payable	**9,396**	5,397
	154,351	96,670

The fair value of trade payables is not materially different from the carrying value.

The provision for liabilities comprises:

	Dilapidations £000	Returns £000	Total £000
Provision at 1 March 2018	750	8,271	9,021
Movements in provision charged/(credited) to income statement:			
Release of provision from prior year	–	(8,271)	(8,271)
Increase in provision in current year	800	17,362	18,162
Provision at 28 February 2019	**1,550**	**17,362**	**18,912**

19 INTEREST-BEARING LOANS AND BORROWINGS

This note provides information about the contractual terms of the group's interest-bearing loans and borrowings, which are measured at amortised cost.

	2019 £000	2018 £000
Non-current liabilities		
Secured bank loans	**4,764**	7,146
Current liabilities		
Current portion of secured bank loans	**2,382**	2,382

Terms and debt repayment schedule	Currency	Nominal interest rate	Year of maturity	2019 £000	2018 £000
Secured bank loan	GB£	LIBOR + 0.95%	2022	**7,146**	9,528

The loan is repayable in instalments over the five years to 2022. The loan is secured by a debenture comprising fixed and floating charges over all the assets and undertakings of boohoo.com UK Limited of £131.7 million (2018: £99.4 million), including all present and future freehold property, book and other debts, chattels and goodwill, both present and future.

Movement in financial liabilities	2019 £000	2018 £000
Opening balance	**9,528**	11,910
Interest accrued	**144**	146
Interest paid	**(144)**	(146)
Capital paid	**(2,382)**	(2,382)
Closing balance	**7,146**	9,528

20 SHARE CAPITAL AND RESERVES

	2019 £000	2018 £000
1,163,143,830 authorised and fully paid ordinary shares of 1p each (2018: 1,149,574,495)	**11,631**	11,496

During the year, a total of 13,574,314 shares were issued under the share incentive plans (2018: 3,451,205). On 27 February 2019, 31,223 (2018: 35,224) new ordinary shares were issued to non-executive directors as part of their annual remuneration.

The directors do not recommend the payment of a dividend so that cash is retained in the group for capital expenditure projects that are required for the rapid growth and efficiency improvements of the business and for suitable business acquisitions (2018: £nil).

21 RELATED PARTY DISCLOSURES

Related party	Company transacting with the related party	Nature of relationship	2019 £000	2018 £000
Amounts included in the statement of financial position				
Amounts owed to related party undertakings				
Kamani Commercial Property Limited	boohoo.com UK Limited	Common directors and shareholders	**–**	31
Amounts included in the statement of comprehensive income				
Purchases				
The Pinstripe Property Investment Co. Limited	PrettyLittleThing.com Limited	Common directors and shareholders	**–**	1,641
Kamani Construction Limited	boohoo.com UK Limited	Common directors and shareholders	**–**	173
Kamani Commercial Property Limited	PrettyLittleThing.com Limited	Common directors and shareholders	**23**	326
Admin costs – marketing				
The White Cube Creative Limited	boohoo.com UK Limited	Director of supplier is the husband of Carol Kane, boohoo group plc director	**86**	104
Kamani Global Investments Limited	boohoo.com UK Limited	Common directors and shareholders	**12**	–
Admin costs – office rental				
Kamani Commercial Property Limited	boohoo.com UK Limited	Common directors and shareholders	**675**	679
Kamani Commercial Property Limited	PrettyLittleThing.com Limited	Common directors and shareholders	**145**	80
Pinstripe Hong Kong Limited	boohoo.com UK Limited	Common directors and shareholders	**58**	40
Fixed asset purchases				
The Pinstripe Property Investment Co. Limited	boohoo.com UK Limited	Common directors and shareholders	**–**	115

The company has an option to buy the non-controlling interest of 34% of the share capital of PrettyLittleThing.com Limited (formerly 21Three Clothing Company Limited) on 14 March 2022 for market value or less, subject to performance criteria. Umar Kamani, the son of Mahmud Kamani, Executive Chairman and director of boohoo group plc, is a director and shareholder of PrettyLittleThing.com Limited. Related party transactions are considered to be on arm's length commercial terms.

22 FINANCIAL INSTRUMENTS

(a) Fair values of financial instruments

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date if the effect is material.

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date if the effect is material.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Interest-bearing borrowings

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Cash flow hedges

Fair value is calculated using forward interest rate points to restate the hedge to fair market value.

Fair values

	2019 £000	2018 £000
Financial assets		
Cash and cash equivalents	**197,872**	142,575
Cash flow hedges	**9,639**	9,215
Trade and other receivables	**17,450**	13,841
	224,961	165,631

	2019 £000	2018 £000
Financial liabilities		
Cash flow hedges	**1,836**	1,304
Trade and other payables	**145,898**	91,114
Interest-bearing loans and borrowings	**7,146**	9,528
	154,880	101,946

(b) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the group's receivables from customers and hedging and other financial activities.

The group faces minimal credit risk from trade receivables as customers pay for their orders in full at the time of purchase and third party sales are to a small number of large established corporations. The risk of default from related party undertakings is considered low.

(c) Liquidity risk

Financial risk management

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due.

The group's approach to managing liquidity is to use both short-term and long-term cash forecasts to assist in monitoring cash flow requirements.

22 FINANCIAL INSTRUMENTS CONTINUED

(d) Capital risk

Financial risk management

Capital risk is the risk that the group will not be able to continue as a going concern.

The group's approach to managing capital risk is to safeguard the group's ability to continue as a going concern by securing an appropriate mix of debt and equity funding, a strong credit rating and sufficient headroom. The capital structure is regularly reviewed to ensure it is appropriate to the group's strategic objectives. The funding requirements of the group are ascertained by regular cash flow forecasts and projections. At 28 February 2019 the group had capital of £461.1 million (2018: £345.8 million), comprising equity of £270.4 million (2018: £212.8 million) and net cash of £190.7 million (2018: £133.0 million).

(e) Foreign currency risk

Financial risk management

The group trades internationally and is exposed to exchange rate risk on purchases and sales, primarily in Australian dollars, euros and US dollars. The group's results are presented in sterling and are exposed to exchange rate risk on translation of foreign currency assets and liabilities.

The group's approach to managing foreign currency risk is to use financial instruments in the form of forward foreign exchange contracts to hedge foreign currency cash flows.

The fair value of forward foreign exchange contracts recognised in the statement of financial position within financial assets at 28 February 2019 was £9,639,000 (2018: £9,215,000) and within financial liabilities was £1,836,000 (2018: £1,304,000). The non-current element of the financial assets is £3,756,000 (2018: £2,445,000) and of financial liabilities is £415,000 (2018: £467,000). Cash flows related to these contracts will occur during the two years to 29 February 2021 and gains or losses will be recognised in the statement of comprehensive income during those periods. The amount recognised in other comprehensive income during the year is a profit of £2,229,000 (2018: £12,981,000) and the amount reclassified from other comprehensive income to profit and loss in revenue during the year is a gain of £2,337,000 (2018: loss of £6,516,000).

23 SHARE-BASED PAYMENTS

Summary of movements in awards

Number of shares	ESOP	LTIP	SIP	SAYE	Total	Weighted average exercise price pence
Outstanding at 28 February 2017	20,686,854	2,103,275	3,039,933	7,190,230	33,020,292	34.15
Granted during the year	4,867,500	1,144,134	–	1,685,365	7,696,999	191.77
Lapsed during the year	(2,263,415)	(513,217)	(78,562)	(559,597)	(3,414,791)	47.18
Exercised during the year	(4,451,205)	–	(920,583)	–	(5,371,788)	41.24
Outstanding at 28 February 2018	18,839,734	2,734,192	2,040,788	8,315,998	31,930,712	69.56
Exercisable at 28 February 2018	2,202,380	–	719,518	–	2,921,898	37.69
Granted during the year	8,132,705	1,462,212	1,878,814	1,395,314	12,869,045	148.40
Lapsed during the year	(1,616,806)	(747,445)	(22,512)	(736,837)	(3,123,600)	135.86
Exercised during the year	(9,243,008)	–	(977,752)	(4,331,306)	(14,552,066)	24.97
Outstanding at 28 February 2019	**16,112,625**	**3,448,959**	**2,919,338**	**4,643,169**	**27,124,091**	**123.25**
Exercisable at 28 February 2019	**2,579,226**	**–**	**1,070,540**	**33,644**	**3,683,410**	**24.32**

The group recognised a total expense of £5,278,000 during the year (2018: £3,269,000) relating to equity-settled share-based payment transactions.

23 SHARE-BASED PAYMENTS CONTINUED

Employee Stock Ownership Plan ("ESOP")

The 2014 ESOP allows the grant of options to selected employees and executive directors of the group, based on a predetermined aggregate EBITDA target for the three financial years 2015 to 2017. The 2015 ESOP allows the grant of options to selected employees and executive directors of the group. With the exception of Neil Catto (CFO) there are no performance criteria. Neil Catto's options are subject to achieving performance criteria based on a predetermined aggregate EBITDA target and a measure of Total Shareholder Return for the three financial years ending 2016 to 2018. The 2016, 2017 and 2018 ESOPs allow the grant of options to selected employees of the group, without any performance criteria. Options may be granted by either the board or the trustees of the Employee Benefit Trust.

Date of grant	1 March 2018 no. of shares	Granted during the year no. of shares	Lapsed during the year no. of shares	Exercised during the year no. of shares	**28 February 2019 no. of shares**	Exercise price pence	Exercise period
14/03/14	1,516,760	–	–	(664,890)	**851,870**	50.00	14/03/17 – 13/03/24
27/03/14	300,300	–	–	(226,980)	**73,320**	50.00	27/03/17 – 26/03/24
04/07/14	385,320	–	–	(385,320)	**–**	50.00	04/07/17 – 03/07/24
22/05/15	9,619,854	–	–	(7,965,818)	**1,654,036**	25.75	22/05/18 – 21/05/25
09/06/16	2,175,000	–	(245,000)	–	**1,930,000**	57.75	09/06/19 – 08/06/26
13/06/17	4,842,500	–	(725,000)	–	**4,117,500**	244.50	13/06/20 – 12/06/27
28/06/18	–	8,097,970	(646,806)	–	**7,451,164**	201.95	28/06/21 – 28/06/28
03/10/18	–	34,735	–	–	**34,735**	230.18	03/10/21 – 03/10/28
	18,839,734	8,132,705	(1,616,806)	(9,243,008)	**16,112,625**		

The ESOP options were valued using a Black-Scholes model. The inputs into the model were as follows:

Grant date	14/03/14	27/03/14	22/05/15	09/06/16	13/07/17	28/06/18	03/10/18
Share price at grant date	50.00	59.25	25.75	57.75	244.50	201.95	239.00
Exercise price	50.00	50.00	25.75	57.75	244.50	201.95	230.18
Number of employees	26	1	56	102	168	336	4
Shares under option	851,870	73,320	1,654,036	1,930,000	4,117,500	7,451,164	34,735
Vesting period (years)	3	3	3	3	3	3	3
Expected volatility	33.33%	33.25%	36.33%	36.75%	40.85%	44.17%	43.37%
Option life (years)	10	10	10	10	10	10	10
Expected life (years)	3	3	3	3	3.5	3.5	3.5
Risk-free rate	0.976%	1.067%	0.966%	0.523%	0.192%	0.723%	0.869%
Expected dividends expressed as a dividend yield	0%	0%	0%	0%	0%	0%	0%
Possibility of ceasing employment before vesting	26%	0%	16%	30%	30%	30%	30%
Expectations of meeting performance criteria	78%	78%	100%	100%	100%	100%	100%
Fair value per option (pence)	11.93	18.33	6.64	14.76	73.35	66.47	80.92

Expected volatility was found using a historical volatility calculator with reference to the share price of competitors over a three-year period for grant dates up to 2016 and from the company's share price volatility from 2017.

23 SHARE-BASED PAYMENTS CONTINUED

Long-Term Incentive Plan ("LTIP")

The LTIPs allow the grant of options to executive directors and senior management of the group, based on predetermined aggregate Earnings per Share and Total Shareholder Return targets for three financial years. Options may be granted by either the board or the trustees of the Employee Benefit Trust.

Date of grant	1 March 2018 no. of shares	Granted during the year no. of shares	Lapsed during the year no. of shares	Exercised during the year no. of shares	**28 February 2019 no. of shares**	Exercise price pence	Exercise period
30/06/16	1,743,433	–	(462,997)	–	**1,280,436**	1.00	30/06/19 – 29/06/26
13/06/17	990,759	–	(207,697)	–	**783,062**	1.00	13/06/20 – 12/06/27
28/06/18	–	1,209,698	(76,751)	–	**1,132,947**	1.00	28/06/21 – 28/06/28
03/10/18	–	252,514	–	–	**252,514**	1.00	03/10/21 – 03/10/28
	2,734,192	1,462,212	(747,445)	–	**3,448,959**		

The LTIP options were valued using a Black-Scholes model. The inputs into the model were as follows:

Grant date	30/06/16	13/06/17	28/06/18	03/10/18
Share price at grant date	57.25	244.50	201.95	230.18
Exercise price	1.00	1.00	1.00	1.00
Number of employees	5	13	14	5
Shares under option	1,280,436	783,062	1,132,947	252,514
Vesting period (years)	3	3	3	3
Expected volatility	37.06%	40.85%	44.17%	43.37%
Option life (years)	10	10	10	10
Expected life (years)	3	3.5	3.5	3.5
Risk-free rate	0.173%	0.192%	0.723%	0.869%
Expected dividends expressed as a dividend yield	0%	0%	0%	0%
Possibility of ceasing employment before vesting	41%	43%	34%	34%
Expectations of meeting performance criteria	97%	65%	75%	75%
Fair value per option (pence)	56.26	243.51	200.97	238.03

Expected volatility was found using a historical volatility calculator with reference to the share price of competitors over a three-year period for grant dates up to 2016 and from the company's share price volatility from 2017.

Share Incentive Plan ("SIP")

Under the terms of the SIP, the board or the trustees of the Employee Benefit Trust grant free shares to every employee under an HMRC-approved SIP. Awards must be held in trust for a period of at least three years after grant date and become exercisable at this date. There are no performance criteria.

Date of grant	1 March 2018 no. of shares	Granted during the year no. of shares	Lapsed during the year no. of shares	Exercised during the year no. of shares	**28 February 2019 no. of shares**	Exercise price pence	Exercise period
14/03/14	678,736	–	–	(246,331)	**432,405**	nil	14/03/17 – 13/03/24
02/04/14	40,782	–	–	(13,387)	**27,395**	nil	02/04/17 – 01/04/24
19/06/15	1,321,270	–	–	(710,530)	**610,740**	nil	19/06/18 – 18/06/25
27/09/18	–	1,878,814	(22,512)	(7,504)	**1,848,798**	nil	27/09/21 – 27/09/28
	2,040,788	1,878,814	(22,512)	(977,752)	**2,919,338**		

23 SHARE-BASED PAYMENTS CONTINUED

The SIP options were valued using a Black-Scholes model. The inputs into the model were as follows:

Grant date	14/03/14	02/04/14	19/06/15	27/09/18
Share price at grant date	50.00	54.75	28.00	213.10
Exercise price	nil	nil	nil	nil
Number of employees	78	5	178	1,971
Shares under option	432,405	27,395	610,740	1,848,798
Vesting period (years)	3	3	3	3
Expected volatility	33.33%	33.20%	35.89%	42.75%
Option life (years)	10	10	10	10
Expected life (years)	3	3	3	3.5
Risk-free rate	0.976%	1.143%	0.979%	0.883%
Expected dividends expressed as a dividend yield	0%	0%	0%	0%
Possibility of ceasing employment before vesting	44%	37%	30%	34%
Expectations of meeting performance criteria	100%	100%	100%	100%
Fair value per option (pence)	50.00	54.75	28.00	213.10

Expected volatility was found using a historical volatility calculator with reference to the share price of competitors over a three-year period up to 2016 and from the company's share price volatility from 2017.

Save As You Earn ("SAYE") scheme

Under the terms of the SAYE scheme, the board or the trustees of the Employee Benefit Trust grant options to purchase ordinary shares in the company to employees who enter into an HMRC-approved SAYE scheme for a term of three years. Options are granted at up to a 20% discount to the market price of the shares on the day preceding the date of offer and are exercisable for a period of six months after completion of the SAYE contract.

Date of grant	1 March 2018 no. of shares	Granted during the year no. of shares	Lapsed during the year no. of shares	Exercised during the year no. of shares	**28 February 2019 no. of shares**	Exercise price pence	Exercise period
29/06/15	4,338,909	–	–	(4,305,265)	**33,644**	21.40	29/06/18 – 28/12/18
25/10/16	2,373,090	–	(264,223)	(23,793)	**2,085,074**	78.80	25/10/19 – 24/04/20
13/11/17	1,603,999	–	(429,305)	(2,248)	**1,172,446**	169.00	13/11/20 – 12/05/21
31/10/18	–	1,395,314	(43,309)	–	**1,352,005**	189.88	31/10/21 – 01/05/22
	8,315,998	1,395,314	(736,837)	(4,331,306)	**4,643,169**		

The SAYE options were valued using a Black-Scholes model. The inputs into the model were as follows:

Grant date	29/06/15	25/10/16	06/11/17	31/10/18
Share price at grant date	27.25	119.25	209.25	212.90
Exercise price	21.40	78.80	169.00	189.88
Number of employees	1	297	539	570
Shares under option	33,644	2,085,074	1,172,446	1,352,005
Vesting period (years)	3	3	3	3
Expected volatility	35.78%	38.40%	41.67%	43.36%
Option life (years)	3.5	3.5	3.5	3.5
Expected life (years)	3	3	3	3
Risk-free rate	1.052%	0.277%	0.513%	0.760%
Expected dividends expressed as a dividend yield	0%	0%	0%	0%
Possibility of ceasing employment before vesting	17%	30%	43%	43%
Expectations of meeting performance criteria	100%	100%	100%	100%
Fair value per option (pence)	9.63	51.02	76.86	72.90

Expected volatility was found using a historical volatility calculator with reference to the share price of competitors over a three-year period for grant dates up to 2016 and from the company's share price volatility from 2017.

23 SHARE-BASED PAYMENTS CONTINUED

Share-based payment charge for option to acquire shares in PrettyLittleThing

Under the terms of the Shareholders Agreement relating to 21Three Clothing Company Limited (company name now changed to PrettyLittleThing.com Limited) ("PLT"), boohoo group plc has the option to acquire the remaining 34% of the share capital of PLT at any time after 28 February 2022. As there are performance conditions that determine the price boohoo will pay for the shares, if the option is exercised, this gives rise to a share-based payments charge in the accounts of PLT and hence in the group accounts also. This charge is not for the issue of shares in boohoo group plc, but for the shares that are already held by the directors of PLT and which boohoo has the option to acquire at the end of the option period in 2022, or sooner if the directors leave or default. The price payable for the shares could be based on 100% of the market value if maximum performance conditions are met, or £0.6 million plus 74% of the market value if none of the performance criteria are met. Performance between minimum and maximum is calculated on a pro-rata basis. The market value used in the calculation will take into account a minority interest discount of up to 30%. The performance criteria are a range of EBITDA targets and sales targets as follows:

	Minimum threshold		Maximum threshold	
Fiscal year ending	EBITDA	Sales	EBITDA	Sales
28/02/2018	£2,462,000	£57,789,000	£2,645,000	£62,412,000
28/02/2019	£3,201,000	£69,347,000	£3,702,000	£81,136,000
29/02/2020	£4,001,000	£79,749,000	£4,998,000	£101,420,000
28/02/2021	£4,801,000	£91,711,000	£6,498,000	£126,775,000
28/02/2022	£5,522,000	£100,882,000	£8,122,000	£154,665,000

The share price was calculated using a discounted cash flow method using a discount rate of 40% and perpetuity growth rate of 2.1% on management's four-year projections as at March 2017.

The option was valued using a Monte-Carlo simulation model. The inputs into the model were as follows:

Grant date	01/03/17
Share price at grant date, discounted for minority interest	£26,329
Minority interest discount factor	45%
Number of employees	2
Shares under option	340
Vesting period (years)	5
Expected volatility	60.00%
Option life (years)	5
Expected life (years)	5
Risk-free rate	0.42%
Expected dividends expressed as a dividend yield	0%
Possibility of ceasing employment before vesting	0%
Expectations of meeting performance criteria	Ranging from 15% to 90% depending on the year
Total option fair value	£206,764

Expected volatility was found using a historical volatility calculator with reference to the share price of comparators over a five-year period.

24 CAPITAL COMMITMENTS

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

	2019 £000	2018 £000
Property, plant and equipment	–	27,999

25 OPERATING LEASES

The group has lease agreements in respect of property, plant and equipment, for which the payments extend over a number of years. The totals of future minimum lease payments under non-cancellable operating leases due in each period are:

	2019 £000	2018 £000
Within one year	**1,966**	1,028
Within two to five years	**4,032**	3,066
In more than five years	**261**	792
	6,259	4,886

26 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 brand and trading name. 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 28 February 2019, there are no pending claims or proceedings against the group, which are expected to have a material adverse effect on its liquidity or operations.

COMPANY STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 28 FEBRUARY 2019

	Note	**2019 £000**	2018 (restated) £000
Administrative expenses		**(3,424)**	(2,532)
Operating loss		**(3,424)**	(2,532)
Finance income		**1,942**	1,402
Loss before tax		**(1,482)**	(1,130)
Taxation	3	**274**	190
Loss and total comprehensive loss for the year		**(1,208)**	(940)

The 2018 figures have been restated to exclude in administrative expenses the amortisation of intangible assets (£1,849,000), which were acquired by another group company and not by the company as previously stated. Taxation has been restated from £543,000 to £190,000.

The notes on pages 84 to 87 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AT 28 FEBRUARY 2019

	Note	**2019 £000**	2018 (restated) £000
ASSETS			
Non-current assets			
Investments	4	**312,195**	308,074
Total non-current assets		**312,195**	308,074
Current assets			
Other receivables	5	**60,264**	63,158
Current tax receivable		**275**	121
Cash and cash equivalents		**31,871**	28,518
Total current assets		**92,410**	91,797
Total assets		**404,605**	399,871
LIABILITIES			
Current liabilities			
Other payables	6	**(36)**	(36)
Total current liabilities		**(36)**	(36)
Net assets		**404,569**	399,835
Equity			
Share capital	7	**11,631**	11,496
Share premium		**606,086**	602,578
EBT reserve		**(2,174)**	(351)
Accumulated losses		**(210,974)**	(213,888)
Total equity		**404,569**	399,835

The 2018 figures have been restated to exclude intangible assets (£14,247,000), which were acquired by another group company and not by the company as previously stated. Other receivables have been restated from £47,062,000 to £63,158,000 and current tax receivable from £474,000 to £121,000.

The notes on pages 84 to 87 form part of these financial statements.

These financial statements of boohoo group plc, registered number 114397, on pages 80 to 87 were approved by the board of directors on 24 April 2019 and were signed on its behalf by:

John Lyttle
Neil Catto
Directors

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital £000	Share premium £000	EBT reserve £000	Accumulated losses £000	Total equity £000
Balance as at 1 March 2017	11,233	551,720	(761)	(215,061)	347,131
Issue of shares	263	50,858	410	–	51,531
Share-based payments credit	–	–	–	2,113	2,113
Loss for the year and total comprehensive loss (restated)	–	–	–	(940)	(940)
Balance at 28 February 2018 (restated)	11,496	602,578	(351)	(213,888)	399,835
Issue of shares	135	3,508	10	–	3,653
Purchase of shares by EBT	–	–	(1,833)	–	(1,833)
Share-based payments credit	–	–	–	4,122	4,122
Loss for the year and total comprehensive loss	–	–	–	(1,208)	(1,208)
Balance at 28 February 2019	**11,631**	**606,086**	**(2,174)**	**(210,974)**	**404,569**

The 2018 loss for the year and total comprehensive loss has been restated from £(2,436,000) to £(940,000). There is no change to the balance at 1 March 2017.

The notes on pages 84 to 87 form part of these financial statements.

COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2019

	2019 £000	2018 (restated) £000
Cash flows from operating activities		
Loss for the year	**(1,208)**	(940)
Adjustments for:		
Finance income	**(1,942)**	(1,402)
Tax income	**(274)**	(190)
Loss before tax before changes in working capital and provisions	**(3,424)**	(2,532)
Decrease/(increase) in other receivables	**2,935**	(33,591)
Decrease in other payables	**–**	(515)
Net cash outflow from operating activities	**(489)**	(36,638)
Cash flows from investing activities		
Interest received	**1,902**	1,301
Tax received/(paid)	**120**	(62)
Net cash inflow from investing activities	**1,533**	(35,399)
Cash flows from financing activities		
Proceeds from the issue of ordinary shares	**3,653**	51,531
Purchase of own shares by EBT	**(1,833)**	–
Net cash inflow from financing activities	**1,820**	51,531
Increase in cash and cash equivalents	**3,353**	16,132
Cash and cash equivalents at beginning of year	**28,518**	12,386
Cash and cash equivalents at end of year	**31,871**	28,518

The 2018 figures have been restated for the revised loss for the year and to exclude intangible asset amortisation of £1,849,000. Tax income has been restated from £543,000 to £190,000.

The notes on pages 84 to 87 form part of these financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS
(FORMING PART OF THE FINANCIAL STATEMENTS)

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 financial statements of the company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations, as adopted by the European Union and the Companies (Jersey) Law 1991. As at the year end, these are the standards, subsequent amendments and related interpretations issued and adopted by the International Accounting Standards Board ("IASB") that have been endorsed by the European Union.

These financial statements are prepared on a going concern basis as explained on page 34 of the directors' report, under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3 of the consolidated financial statements.

A summary of the more important policies adopted in dealing with items that are considered material to the company and are not specifically included in the policies in the notes to the consolidated financial statements are shown below. Further required disclosures are included in note 1 of the consolidated financial statements on page 59.

Income

Dividend income is recognised when the right to receive payment is established.

Investments

Investments are accounted for at cost unless there is evidence of a permanent diminution in value, in which case they are written down to their estimated realisable value. Any such provision, together with any realised gains and losses, is included in the statement of comprehensive income.

boohoo group plc is required to recognise share-based payment arrangements involving equity instruments where boohoo group plc has remunerated those providing services to the entity in this way. boohoo group plc makes contributions to boohoo.com UK Limited equal to the charge for the share-based payment arrangement, which is reflected as an increase in boohoo group plc's investment in boohoo.com UK Limited.

Significant estimates and judgements

The preparation of financial statements in conformity with IFRS as adopted by the EU 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:

Impairment of investment

The impairment of the carrying value of the investment in subsidiaries is calculated using forward-looking assumptions of profit growth rates, discount rates and timeframes, which require management judgement and estimates that cannot be certain.

2 DIRECTORS' EMOLUMENTS AND STAFF COSTS

Directors' emoluments and pension payments are detailed in the directors' remuneration report on page 45. Directors' emoluments incurred by the parent company are as follows:

	2019 £000	2018 £000
Short-term employee benefits	**2,628**	1,832

3 TAXATION

	2019 £000	2018 £000
Analysis of credit in year		
Current tax on income for the year	**(275)**	(122)
Adjustments in respect of prior year taxes	**1**	(68)
Tax on loss on ordinary activities	**(274)**	(190)

The total tax charge differs from the amount computed by applying the blended UK rate of 19% for the year (2018: 19.08%) to loss before tax as a result of the following:

Loss on ordinary activities before tax	**(1,482)**	(1,130)
Loss before tax multiplied by the standard blended rate of corporation tax of the UK of 19% (2018: 19.08%)	**(282)**	(216)
Effects of:		
Expenses not deductible for tax purposes	**7**	94
Adjustments in respect of prior year taxes	**1**	(68)
Tax on loss on ordinary activities	**(274)**	(190)

The company's profits for this financial year are taxed at an effective UK rate of 19%. There is no tax payable in Jersey.

4 INVESTMENTS

	Investments £000	Capital contribution £000	Total £000
Cost			
Balance at 1 March 2017	521,223	2,738	523,961
Additions	–	2,113	2,113
Balance at 28 February 2018	521,223	4,851	526,074
Additions	–	4,121	4,121
Balance at 28 February 2019	**521,223**	**8,972**	**530,195**
Impairment			
Balance at 1 March 2017	218,000	–	218,000
Balance at 28 February 2018	218,000	–	218,000
Balance at 28 February 2019	**218,000**	**–**	**218,000**
Net book value			
At 28 February 2017	303,223	2,738	305,961
At 28 February 2018	303,223	4,851	308,074
At 28 February 2019	**303,223**	**8,972**	**312,195**

The capital contribution represents the value of the share-based payment charges that are expensed in the subsidiary's financial statements for shares issued under the share option schemes in the company.

4 INVESTMENTS CONTINUED

At 28 February 2019 the company's subsidiaries were as follows:

Name of company	Principal activity	Country of incorporation	Address	Percentage ownership
ABK Limited	Holding company	Jersey	12 Castle St, St Helier, Jersey	100%
boohoo.com UK Limited	Trading company	UK	49-51 Dale St, Manchester	100%
Boo Who Limited	Dormant company	UK	49-51 Dale St, Manchester	100%
boohoo.com USA Limited	Dormant company	UK	49-51 Dale St, Manchester	100%
boohoo.com USA Inc	Marketing office	USA	8431 Melrose Pl, Los Angeles	100%
boohoo.com Australia Pty Ltd	Marketing office	Australia	468 St Kilda Road, Melbourne	100%
boohoo France SAS	Marketing office	France	15, rue Bachaumont, Paris	100%
PrettyLittleThing.com Limited	Internet fashion retail	UK	Wellington Mill, Pollard Street East, Manchester	66%
21Three Clothing Company Limited	Dormant company	UK	Wellington Mill, Pollard Street East, Manchester	66%
PrettyLittleThing.com USA Inc	Marketing office	USA	1209 Orange Street, Delaware	66%
Nasty Gal Limited	Trading company	UK	49-51 Dale St, Manchester	100%
Nasty Gal.com USA Inc	Marketing office	USA	6600 W Sunset Boulevard, Los Angeles	100%
Shanghai Wasabi Frog Boohoo Ltd	Dormant company	China	49-51 Dale St, Manchester	100%

The accounting reference date of all subsidiaries of boohoo group plc is 28 February, except for Shanghai Wasabi Frog Boohoo Ltd which has an accounting reference date of 31 December due to Chinese statutory requirements.

5 OTHER RECEIVABLES

	2019 £000	2018 (restated) £000
Prepayments and accrued income	**189**	137
Receivable from subsidiary undertaking	**60,075**	63,021
	60,264	63,158

The fair value of other receivables is not materially different to their carrying value. The directors believe that the receivable from the subsidiary undertaking of £60,075,000 as at 28 February 2019 is fully recoverable.

6 OTHER PAYABLES

	2019 £000	2018 £000
Accruals and deferred income	**36**	36

The fair value of other payables is not materially different to their carrying value.

7 SHARE CAPITAL

	2019 £000	2018 £000
1,163,143,830 authorised and fully paid ordinary shares of 1p each (2018: 1,149,574,495)	**11,631**	11,496

During the year, a total of 13,574,314 shares were issued under the share incentive plans (2018: 3,451,205). On 7 June 2017, 22,727,273 shares were issued in a private placing of shares, raising £50 million. On 27 February 2019, 31,223 new ordinary shares were issued to non-executive directors as part of their annual remuneration (2018: 35,224).

8 RELATED PARTY TRANSACTIONS

During the year, the company entered into transactions in the ordinary course of business with related parties as follows:

	2019 £000	2018 £000
Costs recharged by subsidiary undertakings	**(4,140)**	(2,975)
Interest recharged to subsidiary undertakings	**1,547**	1,117
	(2,593)	(1,858)

Administrative expenses incurred by boohoo.com UK Limited on behalf of the company were recharged to the company and interest on the company's loan to boohoo.com UK Limited was recharged at commercial rates to boohoo.com UK Limited.

FIVE YEAR GROUP STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED

	2015 £000	2016 £000	2017 £000	2018 £000	**2019 £000**
Revenue	139,851	195,394	294,635	579,800	**856,920**
Cost of sales	(54,806)	(82,483)	(133,806)	(273,445)	**(387,926)**
Gross profit	85,045	112,911	160,829	306,355	**468,994**
Distribution costs	(30,653)	(45,501)	(66,849)	(126,757)	**(207,083)**
Administrative expenses	(43,814)	(53,756)	(68,534)	(137,072)	**(203,470)**
Other income	–	1,392	4,862	159	**239**
Operating profit	10,578	15,046	30,308	42,685	**58,680**
Net finance income	490	628	637	628	**1,176**
Profit before tax	11,068	15,674	30,945	43,313	**59,856**
Taxation	(2,663)	(3,236)	(6,284)	(7,313)	**(12,397)**
Profit for the year	8,405	12,438	24,661	36,000	**47,459**
Other comprehensive income/(expense) for the year, net of income tax					
Net fair value gain/(loss) on cash flow hedges	802	(5,661)	(6,747)	19,497	**(108)**
Total comprehensive income for the year	9,207	6,777	17,914	55,497	**47,351**
Total comprehensive income attributable to:					
Equity attributable to owners of the parent	9,207	6,777	17,711	51,149	**37,664**
Non-controlling interests	–	–	203	4,348	**9,687**
Total equity	9,207	6,777	17,914	55,497	**47,351**
Earnings per share					
Basic	0.75p	1.11p	2.19p	2.78p	**3.27p**
Diluted	0.74p	1.10p	2.16p	2.71p	**3.22p**

FIVE YEAR GROUP STATEMENT OF FINANCIAL POSITION – UNAUDITED

	2015 £000	2016 £000	2017 £000	2018 £000	**2019** **£000**
Non-current assets	15,461	26,227	72,190	111,795	**143,453**
Current assets	70,031	84,081	116,933	215,092	**296,323**
Total assets	85,492	110,308	189,123	326,887	**439,776**
Equity attributable to the owners of the parent	66,373	73,427	96,518	204,018	**251,338**
Non-controlling interest	–	–	3,978	8,761	**19,064**
Current liabilities	19,119	36,271	74,425	104,394	**162,093**
Non-current liabilities	–	610	14,202	9,714	**7,281**
Total liabilities, capital and reserves	85,492	110,308	189,123	326,887	**439,776**

FIVE YEAR GROUP CASH FLOW STATEMENT – UNAUDITED

	2015 £000	2016 £000	2017 £000	2018 £000	**2019** **£000**
Net cash generated from operating activities	12,161	17,456	29,491	69,014	**101,562**
Net cash used in investing activities	(7,798)	(12,990)	(29,406)	(45,772)	**(45,559)**
Net cash generated from/(used in) financing activities	44,372	(331)	11,964	49,003	**(706)**
Net movement in cash and cash equivalents	48,735	4,135	12,049	72,245	**55,297**
Opening cash and cash equivalents	5,411	54,146	58,281	70,330	**142,575**
Closing cash and cash equivalents	54,146	58,281	70,330	142,575	**197,872**

SHAREHOLDER INFORMATION

REGISTERED ADDRESS OF COMPANY
Registered in Jersey, number 114397

12 Castle Street
St Helier
Jersey
JE2 3RT

HEAD OFFICE
49-51 Dale Street
Manchester
M1 2HF

COMPANY SECRETARY
Keri Devine

CORPORATE WEBSITE
www.boohooplc.com

NOMINATED ADVISOR AND JOINT BROKER
Zeus Capital
82 King Street
Manchester
M2 4WQ

Berkeley Square
Mayfair
London
W1J 6HE

JOINT BROKER
Jefferies Hoare Govett
Vintners Place
68 Upper Thames Street
London
EC4V 3BJ

INDEPENDENT AUDITORS
PricewaterhouseCoopers LLP
No.1, 1 Hardman Street
Manchester
M3 3EB

SOLICITORS
TLT LLP
3 Hardman Square
Manchester
M3 3EB

Pannone Corporate LLP
378-380 Deansgate
Manchester
M3 4LY

Ogier
Ogier House
The Esplanade
St Helier
Jersey
JE4 9WG

FINANCIAL PR
Buchanan
107 Cheapside
London
EC2V 6DN

COMPANY REGISTRARS
Link Asset Services (Jersey) Limited
12 Castle Street
St Helier
Jersey
JE2 3RT

PRINCIPAL BANKERS
HSBC Bank
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Design and Production
www.carrkamasa.co.uk

ckd

This report is printed on materials which are FSC® certified from well-managed forests.

These materials contain ECF (Elemental Chlorine Free) pulp and are 100% recyclable.

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC® C016486

12 CASTLE STREET
ST HELIER
JERSEY JE2 3RT UK