

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN (THIS "ANNOUNCEMENT") IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL. PLEASE SEE THE IMPORTANT NOTICES AT THE END OF THIS ANNOUNCEMENT.

THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE OR CONTAIN ANY INVITATION, SOLICITATION, RECOMMENDATION, OFFER OR ADVICE TO ANY PERSON TO PURCHASE AND/OR SUBSCRIBE FOR, OTHERWISE ACQUIRE OR DISPOSE OF ANY SECURITIES IN MULBERRY GROUP PLC OR ANY OTHER ENTITY IN ANY JURISDICTION. NEITHER THIS ANNOUNCEMENT NOR THE FACT OF ITS DISTRIBUTION, SHALL FORM THE BASIS OF, OR BE RELIED ON IN CONNECTION WITH ANY INVESTMENT DECISION IN RESPECT OF MULBERRY GROUP PLC.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

For immediate release

27 September 2024

Mulberry Group plc
Audited results for 52 week period ended 30 March 2024
and
Subscription of new Ordinary Shares to raise £10 million
and
Retail Offer to raise up to £0.75 million

Introduction

Mulberry Group plc (AIM: MUL) (the "**Company**", "**Mulberry**" or, together with its subsidiary undertakings, the "**Group**"), the British sustainable luxury brand, today announces its audited results for the 52-week period ended 30 March 2024 (the "**period**").

The Company also announces a subscription for 10,000,000 new ordinary shares of five pence each (the "**Ordinary Shares**") in the capital of the Company (the "**Subscription Shares**") by Challice (the "**Subscriber**"), the majority shareholder of Mulberry, at a price of £1.00 per Subscription Share (the "**Issue Price**") to raise gross proceeds of £10 million (the "**Subscription**"). This includes a right of clawback under the Subscription by other major shareholders on a pro rata basis.

In addition, the Company announces a separate offer to existing shareholders of the Company (the "**Shareholders**") (the "**Retail Offer**") of up to 750,000 new Ordinary Shares (the "**Retail Offer Shares**", and together with the Subscription Shares, the "**New Ordinary Shares**") at the Issue Price via RetailBook ("**RetailBook**").

The Subscription and the Retail Offer (together the "**Capital Raising**") will result in the Company raising total gross proceeds of up to approximately £10.75 million. The net proceeds of the Capital Raising will be used to strengthen the Group's balance sheet and provide financial flexibility to support plans being developed by Andrea Baldo, the new Chief Executive Officer ("**CEO**") and the management team to return the business to profitability and drive future growth.

Further details of the Capital Raising are set out below (including a right of clawback under the Subscription by other major shareholders on a pro rata basis).

FY24 Results Highlights

The Group's audited results for the 52 weeks ended 30 March 2024 show the following highlights:

- Group revenue for the year down 4% to £152.8m (2023: £159.1m). Positive revenue growth in the first six months of the period was offset by a challenging second half, with ongoing macro-economic uncertainty impacting consumer spending in the luxury retail sector
 - UK retail sales of £84.7m (2023: £87.7m)
 - Asia Pacific retail sales of £27.7m (2023: £28.9m)
 - Total international retail sales increased 8% to £50.0m (2023: £46.5m), driven by developments in Sweden, the US, Australia and New Zealand
 - Digital sales increased by 4% to £50.6m, representing 33% of Group revenue (2023: 30%)
- Gross margin of 70.1% (2023: 71.2%) reflecting actions taken during the year to manage inventory levels
- Underlying loss before tax of £22.6m (2023: profit before tax £2.5m) as a result of reduced revenue and margin in the period, along with increased operational costs
- Reported loss before tax of £34.1m (2023: profit before tax £13.2m)

Current Trading and Outlook

- Group revenue down 18% for the 25 weeks since the period end compared to the same period last year
- Retail revenue down 14%, with all regions continuing to be challenged by ongoing macro-economic uncertainty
- The Group's debt facilities have been increased to £27.5m with renegotiated covenants to reflect the current trading environment
- On 1st September 2024, Andrea Baldo joined the Board as Chief Executive Officer
- On 18 September 2024, the Group was awarded B Corp Certification, a major milestone in the brand's sustainability journey and a reflection of its purpose-led approach to progressive British luxury

CHRIS ROBERTS, CHAIRMAN, COMMENTED: *"Over the course of the year, the macro-economic environment presented significant challenges for the luxury sector, with markets across the globe facing a tightening of consumer spending. Whilst the financial performance for the year was disappointing, we believe that the combination of the appointment of a new CEO, our new debt facility and the capital raising announced today will put the Group on a firm footing to ensure we are well set up for future growth."*

"I, along with the wider Board have been highly impressed with Andrea's drive and tenacity in his first few weeks in post. We are confident in our long-term prospects as we move forward into this next chapter."

ANDREA BALDO, CHIEF EXECUTIVE OFFICER, COMMENTED: *"Mulberry is a beloved brand with a proud heritage, globally renowned for crafting beautiful, high-quality products from our Somerset factories. Since joining, I have been working closely with our teams in the UK and internationally to drive swift, decisive actions. In the short term, we are focused on enhancing operational efficiency and implementing targeted product, pricing and distribution strategies to regain market share in our core market of the UK. While these immediate measures are critical, I am now fully committed to conducting a comprehensive review to develop a refreshed strategy that will position the Group for both short-term recovery and long-term, sustainable growth."*

Enquiries:

Mulberry Group plc +44 (0) 20 7605 6793

Charles Anderson (*Group Finance Director*)

Houlihan Lokey Advisory Limited – Nominated Adviser +44 (0) 20 7839 3355

Tim Richardson

Peel Hunt LLP – Broker +44 (0) 20 7418 8900

James Thomlinson / George Sellar

Headland – Public Relations Adviser +44 (0) 20 3805 4822

Lucy Legh / Joanna Clark

mulberry@headlandconsultancy.com

The Capital Raising

Background to and rationale for the Capital Raising

The challenging trading conditions and decline in global luxury spend experienced by the Group in the second half of the period, as highlighted in the trading update announced by the Group on 1 May 2024, have continued into the current financial year.

In response, the Group has increased its debt facilities as well as renegotiated the covenants relating to this facility to provide greater financial headroom and flexibility to manage the challenging trading environment. However, the board of directors of the Company (the "**Directors**") have concluded that the ongoing cash headroom provided by the Group's banking facilities would remain very tight in the short term and that this, whilst manageable in a trading context, would severely restrict plans being developed by the new CEO, Andrea Baldo and the management team. The Directors have, therefore, concluded that additional funding is required to strengthen further the Group's balance sheet and provide financial flexibility to support these plans.

Having considered the limited alternatives available to the Group in this regard, the Directors have concluded that the Capital Raising offers the most effective way to raise the Group's immediate funding requirements whilst minimising cost, time to completion and maximising certainty. The Directors note that the number of Subscription Shares exceeds the existing authority of the Company to issue new Ordinary Shares on a non-pre-emptive basis, granted at the Company's annual general meeting held on 7 September 2023. Accordingly, in order to ensure that the net proceeds of the Subscription can be received by the Company as soon as possible, it has been structured using a cashbox structure. Whilst the Subscription is not, therefore, conditional upon the approval of the Shareholders, the Directors believe that the clawback arrangements built into the Subscription alongside the Retail Offer, which together provide all Shareholders with the opportunity to participate in the Capital Raising on the same terms as the Subscriber, provide protection to Shareholders from the dilutive impact of the Subscription.

The Directors have concluded that the Capital Raising is in the best interests of Shareholders and wider stakeholders and will promote the success of the Company.

Details of the Capital Raising

The Subscription

The Company has raised £10 million (before commissions, fees and expenses) by means of the Subscription at the Issue Price. The Issue Price represents a discount of approximately 14.9 per cent. to the closing middle market price of 117.5 pence per Ordinary Share on 26 September 2024, the last practicable date prior to this Announcement, and approximately 6.1 per cent. to the volume weighted average closing price of 106.5 pence per Ordinary Share over the previous 3 months to 26 September 2024. The Subscription Shares, in aggregate, will represent approximately 16.6 per cent. of the issued Ordinary Shares (the "**Existing Ordinary Shares**").

The Subscription is being effected by way of a cashbox subscription of new Ordinary Shares for non-cash consideration. The cashbox structure is expected to have the effect of providing the Company with the ability to realise distributable reserves approximately equal to the net proceeds of the Subscription less the nominal value of the Subscription Shares issued by the Company.

The Subscriber, the Company's majority Shareholder, will, pursuant to a subscription and transfer agreement (the "**Subscription and Transfer Agreement**"), subscribe for redeemable preference shares in Project HCJ Limited, a new Jersey-incorporated subsidiary of the Company ("**JerseyCo**"), in an amount equal to the gross proceeds of the Subscription.

The Company will allot and issue the Subscription Shares on a non-pre-emptive basis to the Subscriber in consideration for the transfer, pursuant to the terms of the Subscription and Transfer Agreements, of the redeemable preference shares in JerseyCo ("**JerseyCo Preference Shares**") that will be issued to the Subscriber.

Instead of receiving cash as consideration for the issue of the Subscription Shares, following completion of the Subscription, the Company will own the entire issued share capital of JerseyCo, whose only asset will be its cash reserves which will represent an amount equal to the net proceeds of the Subscription. The Company will then be able to access those funds by redeeming the JerseyCo Preference Shares.

The Subscriber's subscription is subject to a right of recall to satisfy valid applications to subscribe by other major Shareholders. The number of JerseyCo Preference Shares to be clawed back from the Subscriber's total allocation will be determined by the Company in its absolute discretion and may or may not be on a pro-rata basis amongst any other subscribers.

The Subscriber has a 56.1 per cent. interest in the Existing Ordinary Shares and representation on the Board and, therefore, is considered to be a related party to the Company for the purposes of the AIM Rules for Companies published by London Stock Exchange plc (the "**London Stock Exchange**") (the "**AIM Rules**"). Accordingly, pursuant to Rule 13 of the AIM Rules, the Subscription is a related party transaction.

Taking into account the background to and rationale for the Capital Raising as set out above, Andrea Baldo, Charles Anderson, Christophe Cornu, Julia Gilhart and Leslie Serrero, the Directors who are independent of the Subscriber, consider, having consulted with the Company's nominated adviser, that the terms of the Subscription are fair and reasonable in so far as Shareholders are concerned.

The Retail Offer (to be conducted via RetailBook)

In order to provide all Shareholders in the United Kingdom, other than those participating in the Subscription, with an opportunity to participate in the Company's fundraising plans, the Company intends to carry out the Retail Offer to raise up to a further £750,000 by the issue of up to 750,000 Retail Offer Shares at the Issue Price on the terms to be set out in a separate announcement to be made by the Company in due course. The Retail Offer may not be fully subscribed and is not underwritten. The Retail Offer is conditional upon, amongst other things, Admission (as defined below) becoming effective on or before 8.00 a.m. on 4 October 2024 (or such later time and/or date as the Company may decide but not being later than 8.00 a.m. on 31 October 2024). For the avoidance of doubt, the Retail Offer is not part of the Subscription.

Admission, settlement and CREST

Application will be made to the London Stock Exchange for the admission of the New Ordinary Shares to trading on the AIM market ("**AIM**") of the London Stock Exchange ("**Admission**"). It is expected that Admission will take place on or before 8.00 a.m. on 4 October 2024 and that dealings in the New Ordinary Shares on AIM will commence at the same time.

The Capital Raising is conditional upon Admission becoming effective and upon the Subscription and Transfer Agreement not being terminated in accordance with its terms. Following Admission, assuming the full take up of the New Ordinary Shares pursuant to the Capital Raising, the Company will have 70,827,458 Ordinary Shares in issue.

The New Ordinary Shares, when issued, will be fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of issue. If all of the New Ordinary Shares are issued, it would represent an increase of approximately 17.9 per cent. of the existing issued ordinary share capital of the Company.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement.

The person responsible for arranging the release of this Announcement on behalf of the Company is Charles Anderson, a director of the Company.

Chairman's Letter

Dear Shareholder,

Mulberry continues to be a well-loved British luxury brand, famous for its high-quality craftsmanship and innovative designs. However, against rising inflation and macro-economic headwinds, customers became even more selective in their discretionary purchasing and businesses in the luxury space have had to navigate through this. This was true for Mulberry, particularly during the second half. Historically, softness in one region would normally be offset by growth in another, however the slowdown during the period has been across all regions and has materially impacted our full year performance.

The Board do not believe it is prudent to pay a dividend for the period under review.

During the period, the management team has been supported by the board, strengthened further this year by the arrival in September 2023 of Ms Leslie Serrero as an independent non-executive director. Her experience in the luxury sector of facilitating growth strategies is already being brought to bear on our digital transformation plans, omni-channel strategy and customer engagement efforts.

On 9 July 2024, we announced the appointment of Andrea Baldo as Chief Executive Officer. Following our search process, it was clear that Andrea's international fashion brand expertise, creativity and strategic thinking meant he was absolutely the right person for this role. Andrea took up this role on 1 September 2024 and we look forward to his refreshed strategy for the Company.

Since the period end, trading conditions have remained challenging. We have increased our debt facilities to £27.5m, including a new £6.0m supplier trade finance line and renegotiated covenants to reflect the current trading environment. In addition, the Directors have concluded that it would be prudent to further strengthen the Group's balance sheet and provide financial flexibility to support the plans being developed by Andrea Baldo and the management team, to return the business to profitability and drive future growth. To facilitate this, on 27 September 2024, the Group has announced a subscription of new ordinary shares by Challice, the majority shareholder of Mulberry, to raise approximately £10m, as well as options to allow other Mulberry shareholders to participate in this capital raise should they so wish. Further details of the capital raise are set out in the Company's announcement on 27 September 2024.

I'd like to thank the whole Mulberry team for their hard work and commitment throughout the year and to you, our shareholders for your continued support.

Christopher Roberts

Chairman

27 September 2024

Strategic Report

Business Review

Overview

The latest financial year was a challenging one. A promising first half was followed by two quarters when Mulberry, like other luxury brands worldwide, faced an accelerated decline in consumer spending due to the adverse macro-economic environment. Footfall fell in the Chinese and South Korean markets while the UK continued to see lower discretionary purchasing and tourism remained approximately 8% lower than before the pandemic in 2019 and was 2% down on 2022.

Mulberry took appropriate action where required to manage these headwinds, reviewing all costs, tightening capital expenditure and embarking on a stock optimisation programme to manage inventory levels. Since period-end the Group has also increased debt facilities to £27.5m with renegotiated covenants to reflect the current trading environment.

Progress against strategy

Strategic investments in omni-channel distribution and international development continued during the period, to bring the business closer to its customers and reduce the risks associated with being heavily exposed to one or two markets. Following developments in Sweden, Australia and New Zealand, along with Mulberry's partnership with Nordstorm in the US led to positive growth.

Even as digital channels became proportionately more important, Mulberry continued to optimise its store and concession network with thoughtful refurbishments and where appropriate, closures. In China, the business integrated its online and in-store systems, advancing the omni-channel strategy and allowing it to better serve customers. In the UK, investment in the Regent Street store resulted in a 35% increase in sales at the site. However, retail sales fell in the market overall by 3%, reflecting tough trading conditions and the challenging consumer environment.

Mulberry took a targeted approach to growing brand awareness in markets. The Chinese market remains a big opportunity, although the business took a cautious approach given the prevailing macro-economic conditions. Retail sales were down 23% over the year. In response, Mulberry launched pop-ups to build brand awareness and sales without adding to the fixed-cost base. A pre-loved pop-up in Shenzhen in collaboration with Stefan Cooke and a collaboration with Chinese actress Juju, both performed well.

In the same vein, Mulberry launched pop-ups in Europe. In Italy, the initial six-month lease in Mall Firenze, Leccio, was extended, while in the UK three pop-ups performed well, helping the brand reach a younger buyer and drive brand awareness.

The business also launched product collaborations - a cost-effective way to not only test new ideas and materials, but also expand ranges in lifestyle and ready to wear as well as reach new customers. Three collaborations - with Paul Smith, Axel Arigato and Mira Mikati - ranged across bags and ready to wear, while the Stefan Cooke collaboration played well to sustainability credentials. Following its success at London's Fashion Week, this collaboration was extended in January and February to take in Tokyo and Beijing. Each collaboration not only helped us reach new consumers but also increased footfall in stores and website traffic, growing brand awareness.

In response to the depressed global luxury sector, the business reviewed costs, cut the number of product lines and took a thoughtful approach to launches to achieve a more focused product selection positioned carefully for the three core customers - heritage, international and younger. The business also embarked on a stock optimisation programme through carefully selected outlets that by year-end had reduced inventory levels by £15.1m to strengthen the balance sheet and bolster working capital.

Mulberry's Made to Last manifesto remains central to the core business strategy. In September 2023, the business amended its articles of association and in April 2024 Mulberry's science-based targets emissions reduction were approved by the Science Based Targets initiative (SBTi), a process we started in 2021. Tackling climate change requires ambitious action from the luxury sector. Mulberry's science-based targets prove that even in the challenging macro-economic backdrop, the business remains committed to sustainability and the ambitions set out in the Made to Last Manifesto. The business continues to work on its emissions reduction strategy, including installing new solar panels at the Somerset factories and by expanding and certifying the use of non-leather materials and refocusing its supply chain in Europe and the UK.

Circularity forms a critical part of Mulberry's Made to Last strategy. Pre-loved plays to this, growing to its biggest share during the year and for the first time featuring in the top 10 stores, while Mulberry's Lifetime Service Centre restored more than

10,000 bags last year. Under this initiative, customers have returned bags for repair that are over 30 years old, demonstrating the quality of the brand's product and its ability to repair and improve for future use.

Made to Last relates to more than sustainability – shaping Mulberry's governance and inclusivity too. The addition of Ms Leslie Serrero to the board strengthens governance. The Diversity, Equity and Inclusion committee, formed of employee representatives from around the business meets regularly to discuss external news, share personal experiences and the experiences of colleagues and feedback on elements of our DE&I Strategy.

Trading performance

Positive revenue growth in the first six months of the period was offset by a challenging second half, with ongoing macro-economic uncertainty impacting consumer spending in the luxury retail sector. This resulted in Group revenue declining 4% on the prior year.

Total international retail sales increased 8% in the period, driven by international growth in the US and mainland Europe following strategic developments in both markets. In the US, the Nordstrom partnership grew despite the tough market conditions. Its strong performance, along with double digit growth at Mulberry.com, helped to lift sales 17% to make the US the second biggest country by sales. Sales in Europe were up 41%, benefiting from the first full period of ownership of the three Swedish stores.

This growth was offset by a decline in the UK and Asia Pacific (excluding Australia), two markets that were particularly affected by a decline in consumer sentiment and discretionary purchasing. Businesses based in the UK also continue to lose out to mainland Europe due to the lack of VAT-free shopping policy, which continues to put tourists off from shopping in the UK.

Operating performance

Mulberry's design teams continued to read the market well and our core three customer demographics as demonstrated by the positive performance of new lines – the Clovelly, Pimlico, Lana and Islington bags – and new colours. New design tools helped the business to launch faster and test the market quickly at lower cost, making Mulberry more nimble and more efficient.

Further efficiencies came from reducing stock levels by £15.1m, which supported our cash position. The business also increased the proportion of full-price sales in its sales mix and achieved 20% year-on-year growth of full-price sales in lifestyle categories such as luggage, jewellery, eyewear and belts. With their lower price points, their success reflects the tough economic environment facing customers.

Financial performance

The adverse global macro-economic conditions increasingly undermined luxury buyers' confidence as the year progressed. This was clearly seen in Mulberry's performance. While the first half saw a 7% rise in group revenues to £69.7m, which was driven by international and UK growth, the Group ended the year down 4% at £152.8m. Full-year UK retail sales were down 3% to £84.7m, but international sales rose 8% to £50.0m, driven by the US – up 17% to £11.3m – and Europe – up 34% to £10.2m. In China, sales were £9.6m (2023: £12.6m). Group digital sales increased by 4%, reflecting their strength despite the challenging economic conditions.

Despite inflationary pressures, along with a static fixed-cost and lower production levels in response to lower demand, gross margin was slightly lower at 70.1% compared with 71.2% in the prior period. This was as a result of actions taken during the period to manage inventory levels and reduce working capital.

Mulberry made a pre-tax loss of £34.1m (2023: profit £13.2m), which includes a net impairment charge of £8.6m on retail stores as the expected future cashflows have been reduced based on current year performance and £1.2m of restructuring costs. The underlying loss was £22.6m (2023: profit £2.5m), as a result of reduced revenue and margin in the period, along with increased operational costs. This includes the full year impact of operating our new stores in Sweden, Australia and New Zealand. Further details can be found in the Financial Review.

Mulberry ended the year with net debt (comprising cash and cash equivalents, less overdrafts and borrowings) of £16.3m (2023: net cash of £0.7m), with available liquidity of £2.0m. Net debt comprises cash balances of £7.1m (2023: £6.8m) less bank borrowings of £23.4m (2023: £6.1m), excluding loans from related parties and non-controlling interests of £7.3m (2023: £5.5m).

Current trading and outlook

The macro-economic environment worldwide has not improved since the period-end 25 weeks ago and the business does not envisage a let up in the near term. Group revenue is down 18% over the first 25 weeks versus the same period last year, with retail sales down 14%, international sales down 16% and UK sales down 12%.

The Board and the management team continues to monitor conditions and take prudent action to protect margins and make progress towards becoming a global, sustainable luxury brand. In this regard and considering the current trading environment, we have taken and continue to take appropriate cost actions and manage our inventory levels accordingly.

These actions also included increased debt facilities, signed in July 2024. The Revolving Credit Facility (RCF) has been increased from £15.0m to £17.5m and re-negotiated covenants to reflect the current trading environment. The Group has also signed a new £6.0m supplier trade finance facility which is backed by UK Export Finance.

In addition, on 27 September 2024, the Group announced a subscription for new ordinary shares by Challice, the majority shareholder of Mulberry, to raise approximately £10m in order to support the Group. In addition, the Group announces a separate offer to existing shareholders of the Group of up to 750,000 new Ordinary Shares. The Directors believe that the clawback arrangements built into the subscription, alongside the retail offer, which together provide all Shareholders with the opportunity to participate in the Capital Raising on the same terms as the Subscriber. Further details of the capital raise are set out in the announcement on 27 September 2024.

The Made to Last Manifesto continues to be a core part of Mulberry's strategy. Since year end, Mulberry's science-based targets were accepted and in September the Group was awarded B Corp Certification – a significant milestone in the brand's journey.

Progress against our strategy

With Mulberry's rich heritage in leather craftsmanship and reputation for innovation, we strive to grow the Group through our four strategic pillars which focus on omni-channel distribution, international development, constant innovation and a sustainable lifecycle.

Strategic Pillar 1

Omni-channel distribution

Mulberry has worked hard over the past 12 months to ensure its omni-channel distribution strategy delivers what customers want, where they want it and when they want it. Progress is illustrated by the four percentage-point increase year-on-year in direct-to-customer sales to 88%, the highest to date. The lift is in part thanks to the acquisition in the prior period of stores in Sweden as well as in Australia and New Zealand and to new omni-hubs in the UK, which allow store space to be optimised and make order management more efficient. Since January, customers in the UK have also benefitted from an improved returns policy and process.

It's important that we also communicate directly with customers and we have seen customers contacting more through WhatsApp and setting up virtual appointments. Teams also communicate with customers over their preferred platform – text, WhatsApp or a phone call – and this has increased the amount of valuable feedback, giving additional customer insight.

As a result of these and other ongoing initiatives, digital sales played a bigger role in the mix, rising from 30% to 33% of total sales, with the first full-year contributions from the new platform in Korea – Naver.com – while Little Red Book in China helped raise the brand's profile. In the US, digital sales accounted for 71% of the total, up from 55% the previous year. In the UK, the introduction of staggered online payments in October 2023 resulted in the period end sales from these payment types accounting for more than 20% of the UK digital total, helping to maintain sales in line year-on-year in a challenging market.

The US website Mulberry.com also saw strong double-digit growth – up 22% – supported by a well-considered range and pricing, which places the brand among the best value players within the luxury market.

The Group has also found ways to improve omni-channel offerings for Mulberry Exchange and the repair service, which are both growing in popularity, through consolidating stock and ensuring the majority is available online with a 360° photographic view.

However, bricks and mortar stores remain important and continued to be carefully invested in. Regent Street was particularly rewarding, with its refurbishment delivering a 35% lift in sales as it attracted customers who had previously shopped in nearby Bond Street. However, the challenging UK high street affected the performance of our John Lewis concessions. Since the period end, 13 of the John Lewis concessions have closed.

Mulberry finished the year with 111 points of sale worldwide and 25 ecommerce sites and partnerships.

Strategic Pillar 2

International Development

The past year saw Mulberry continue to focus on growing across markets. This demands a bespoke approach to individual markets, with carefully planned store openings, refurbishments, partnerships, pop-ups and promotional campaigns tailored to local tastes.

Overall, international retail sales grew 8%, despite difficult trading in parts of Asia Pacific. Notable performances came from historically smaller markets including the US, Europe, Australia and New Zealand.

In the US, the expanded partnership with Nordstrom helped Mulberry grow in a lacklustre US luxury market. Full-year sales rose 17% to make the US the second biggest country after the UK.

Europe also performed well, delivering 41% growth, with every market up. Notable contributions came from Sweden, its first full year under ownership and the Netherlands, which delivered on 2022/23 investment. An initial six-month pop-up in the luxury

outlet The Mall Firenze, Leccio, gave us valuable insight into the Italian market, with the lease now extended further. Digital sales across the region rose 16%.

In Asia Pacific, a strong first quarter in China and South Korea was followed by a significant slow-down as well-documented macro-economic headwinds dampened demand. Sales at stores in Australia and New Zealand, in contrast, continued to grow throughout the year.

Strategic Pillar 3

Constant Innovation

Product innovation is a crucial part of how Mulberry continues to excite and inspire customers. New materials, collaborations and designs help reach new markets and retain the interest of existing customers. Careful investment over recent years in the design and production process means today the Group can introduce and test new elements faster and more efficiently.

New ranges in 2023/24 included the Clovelly, Pimlico, Lana and Islington bags. These all met or exceeded forecasts, helping to lift sales of new product lines to 8% in the final quarter.

Mulberry also launched new silhouettes and colours – notably for the perennially popular Bayswater, which celebrated its 20th anniversary, as well as the Mini Lily and the North South Tote. The performance of all the new lines was particularly strong internationally, which accounted for at least 50% of their sales.

Newness also came in the form of collaborations. Three projects – with Paul Smith, Axel Arigato and Mira Mikati – featured bags and ready to wear, helping to test expanded ranges. A fourth, with Stefan Cooke drew on Mulberry’s sustainability credentials to reimagine pre-loved bags for the luxury, high-fashion buyer. Launched in September 2023 during London’s Fashion Week, Vogue declared it “everything a collaboration should be” and subsequently was expanded in January and February for London, Tokyo and Beijing in partnership with London’s prestigious Dover Street Market.

In all cases, the collaborations raised brand awareness, attracted new customers and where relevant, helped Mulberry extend its’ range beyond bags and leather goods.

Strategic Pillar 4

Sustainable Lifecycle

Sustainability has always been a fundamental principle at Mulberry. It inspired the Made to Last Manifesto, launched in 2021 and this year was formally recognised by the Board in September 2023 through the amendment of articles of association to ensure all decisions balance business priorities and profit with their effect on people and the planet.

This formal commitment builds on a series of initiatives aimed at Mulberry achieving a net zero target by 2035. These include the validation of science-based targets for carbon emissions, offsetting partnerships with World Land Trust and Ecologi, sourcing 100% of leather from environmentally accredited tanneries since summer 2023 and cultivating a new approach to sourcing leather by building supply chain relationships with farmers committed to regenerative agriculture.

Closer to home, The Mulberry Exchange, buy-back and Lifetime Service Centre continued to grow organically, helping to give new life to pre-loved pieces. Mulberry’s collaboration with Stefan Cooke also saw pre-loved pieces reimaged for a new life. In total, resales grew 87% and became one of the top 10 stores with little to no new investment.

Throughout the year the Group undertook biodiversity assessments at the two Somerset factories, The Rookery and The Willows and installed solar panels that have so far produced 174.77 mWh of renewable energy at the latter. Meanwhile, packaging continues to be manufactured through the innovative CupCycling™ recycling process and to date over 4 million take-away coffee cups have been recycled into luxury Mulberry Green paper. Mulberry also donated pallets and bags of written-off leather, fabric, ready-to-wear and offcuts to universities, craft groups and schools.

The Group retained its status as a Living Wage Employer and strengthened diversity, equity and inclusion efforts by establishing employee resource groups, which are internal communities of Mulberry employees with shared identities and interests, brought together to drive activities and progression across the DE&I topics, formally supported by the business. With the appointment of Ms Leslie Serrero, the proportion of women on the Board rose to 33%.

Colleagues also found ways to support their local communities, volunteering more than 1,000 hours of their time to help their own chosen charities and community groups as well as the Mulberry’s charitable partners The Felix Project and Somerset

Community Foundation. To further the internal sustainability strategy, the Group has formed Made to Last Ambassadors, who are voluntary representatives and promoters of Made to Last and sustainability ambitions within Mulberry, aiding in helping to close communication gaps between business areas and act as a feedback mechanism for the sustainability team.

Collaboration in the industry remains important and we remain members of the British Fashion Council's Circular Fashion Innovation Network, the Textile Exchange, the Sustainable Leather Foundation, Leather Working Group, Better Cotton, the UN Fashion Charter for Climate Action and sit on the Sustainability Working Group of Walpole British Luxury.

Mulberry is also a member of the Sustainable Markets Initiative. This initiative, better known as Terra Carta, was launched by King Charles with a mission to build a coordinated global effort to accelerate the achievement of global climate, biodiversity and Sustainable Development Goal targets.

In May 2023, Mulberry was awarded Brand of the Year at the Draper's Sustainable Fashion Awards in recognition of the progress made towards the Made to Last manifesto goals, including the ongoing commitment to a Net Zero future and for the thriving apprenticeship program with Bridgwater and Taunton College which nurtures the next generation of craftspeople and manufacturing leaders and continues Mulberry's longstanding commitment to British manufacturing.

Financial review

Loss before tax

£m	52 weeks ended 30 March 2024	52 weeks ended 1 April 2023
Revenue	152.8	159.1
Cost of sales	(45.7)	(45.9)
Gross Profit	107.1	113.2
Net impairment (charge)/credit	(8.6)	11.5
Other operating expenses	(128.9)	(108.5)
Other operating income	1.3	0.8
Operating (loss)/profit	(29.1)	17.0
Share of results of associates	-	0.1
Finance expense	(5.0)	(3.9)
(Loss)/profit before tax	(34.1)	13.2

The table above summarises the Group Income Statement, showing the loss before tax for the period of £34.1m (2023: profit before tax £13.2m). Further details are discussed within this Financial Review.

£m	52 weeks ended 30 March 2024	52 weeks ended 1 April 2023
Underlying (loss)/profit before tax pre SaaS costs	(17.4)	6.5
SaaS costs	(5.2)	(4.0)
Underlying (loss)/profit before tax	(22.6)	2.5
Net Impairment (charge)/credit	(8.6)	11.5
Restructuring costs	(1.2)	-
Store Closure (charge)/credit	(1.6)	0.2
Australia and Sweden acquisition costs	-	(1.0)
Provision for IT costs	(0.6)	-
Gain on waiver of loan from non-controlling interest	0.5	-
Reported (loss)/profit before tax	(34.1)	13.2

The table above shows the reconciliation from the reported loss before tax in the period of £34.1m (2023: profit before tax £13.2m) to the underlying loss pre and post-SaaS costs.

The Group's underlying loss for the period of £22.6m (2023: profit £2.5m), was a result of reduced revenue and margin, along with increased operational costs. The operating expenses table within this financial review shows the operational costs increase of £20.4m to £128.9m for the period (2023: £108.5m). Underlying operating expenses increased by £7.1m to £108.0m (2023: £100.9m).

Reported loss before tax for the period of £34.1m (2023: profit £13.2m), includes adjusting items of a net £1.6m charge (2023: credit £0.2m) for the closure of a retail store, UK head office restructuring costs of £1.2m (2023: nil) and the net impairment charge of £8.6m (2023: credit £11.5m).

As reported last year, the Bond Street store was closed in February 2023 and the lease was assigned in April 2023. The £1.6m store closure charge included a contribution of £5.2m (2023: £nil) towards future rentals for the new assignee and a charge of £2.1m (2023: £nil) being the valuation of the financial guarantee for the remaining lease rentals. The financial guarantee has been recognised as a financial liability in the period as Mulberry Group plc is the ultimate guarantor to the superior landlord. These charges have been partially offset by the net positive impact of £5.8m on the release of the lease liability and the write-off of the right-of-use assets. In the prior period, the impairment credits were in relation to Bond Street and Regent Street, net of an impairment charge of £2.4m in respect of Korea goodwill.

Group revenue

		52 weeks ended 30 April 2024	52 weeks ended 1 April 2023	% Change
	£m			
	Digital	50.6	48.4	4%
	Stores	84.1	85.8	(2%)
Group	Retail (omni-channel)	134.7	134.2	0%
	Franchise and Wholesale	18.1	24.9	(27%)
	Group Revenue	152.8	159.1	(4%)
UK	Digital	33.8	33.8	0%
	Stores	50.9	53.9	(6%)
	Omni-channel - UK	84.7	87.7	(3%)
Asia Pacific	Digital	5.7	6.3	(10%)
	Stores	22.0	22.6	(3%)
	Omni-channel - Asia Pacific	27.7	28.9	(4%)
ROW	Digital	11.1	8.3	34%
	Stores	11.2	9.3	20%
	Omni-channel - Rest of World	22.3	17.6	27%
	Retail (omni-channel)	134.7	134.2	0%
Franchise and Wholesale	UK	1.4	3.4	(59%)
	Asia Pacific	3.7	4.2	(12%)
	Rest of world	13.0	17.3	(25%)
	Franchise and Wholesale	18.1	24.9	(27%)

Group revenue for the period decreased by 4% over the prior period, with increased revenues in the first half being more than offset by a challenging second half which saw revenues reduce by 12% over the same period last year.

Group	£m	H1			H2			FY		
		FY24	FY23	% Change	FY24	FY23	% Change	FY24	FY23	% Change
		Digital	20.3	16.3	25%	30.3	32.1	(6%)	50.6	48.4
Stores	39.4	35.3	12%	44.7	50.5	(11%)	84.1	85.8	(2%)	
Retail (omni-channel)	59.7	51.6	16%	75.0	82.6	(9%)	134.7	134.2	0%	
Franchise and Wholesale	10.0	13.3	(25%)	8.1	11.6	(30%)	18.1	24.9	(27%)	
Group Revenue	69.7	64.9	7%	83.1	94.2	(12%)	152.8	159.1	(4%)	

UK retail revenue was 3% below the prior period, with demand impacted by macro-economic uncertainty and inflationary pressures which affected consumer spending habits, particularly in the second half of the period. The second half saw a reduction in performance, with UK retail revenue 12% below the same period last year. UK digital revenue was in line with the prior period and represented 40% of UK retail revenue (2023: 39%), although in line with the overall trend, UK digital revenue in the second half declined by 6% against the prior period. Full price revenue as proportion of total retail omni-channel revenue remained in line with the prior period at 79%.

Asia Pacific retail revenue decreased by 4% over the prior period. This includes the first full period of revenue from the five stores in Australia which were acquired in the second half of the prior period. Excluding Australia, Asia Pacific retail omni-channel revenue declined by 18%. During the period all markets were impacted by the challenging macro-economic climate and reduced footfall.

Rest of world retail revenue, which includes the United States of America (USA) and Europe, increased by 27% compared to the prior period. The European region benefited from a full period of revenue from the Swedish business which was acquired in the previous period, equating to an increase of £1.4m. Retail revenue in the USA was 17% above the prior period, with digital revenue accounting for 46% of this increase, assisted by our partnership with Nordstrom and also revenue from our own Mulberry.com site.

As anticipated, franchise and wholesale revenue decreased by 27%, following the recategorisation to retail of a number of previously franchised stores as part of our strategy to sell direct to the consumer.

Gross Margin

£m	52 weeks ended 30 March 2024	52 weeks ended 1 April 2023	% Change
Revenue	152.8	159.1	(4%)
Cost of sales	(45.7)	(45.9)	-
Gross Profit	107.1	113.2	(5%)
Gross profit margin	70.1%	71.2%	

Gross margin during the period was 70.1% (2023: 71.2%), resulting in a 5% fall in gross profit relative to the prior period. This was predominantly as a result of actions taken during the period to optimise inventory levels and reduce working capital. As a result of a stock optimisation project undertaken in the first quarter of the period under review, production levels were reduced to reduce stock cover. This action saw inventory reduce by £15.1m over the period.

Other Operating Expenses

£m	52 weeks ended 30 March 2024	52 weeks ended 1 April 2023	% Change
Operating expenses	40.7	40.5	-
Staff Costs	42.8	39.7	8%
Depreciation and Amortisation	15.5	13.9	12%
Systems & Comms	8.8	7.0	26%
Foreign exchange loss/(gain)	0.2	(0.2)	200%
Underlying operating expenses	108.0	100.9	7%
Restructuring costs	1.2	-	-
SaaS Costs	5.2	4.0	30%
Store Closure Charge/(Credit)	1.6	(0.2)	900%
New initiatives – Sweden & Australia	7.1	3.8	87%
Provision for IT costs	0.6	-	-
Under recovery of overheads into inventory	5.2	-	-
	20.9	7.6	175%
Reported operating expenses	128.9	108.5	19%

Other operating expenses in the period increased by 19% to £128.9m (2023: £108.5m), with underlying operating expenses also increasing by 7%. This includes the full year impact of our stores in Sweden, Australia and New Zealand which resulted in operating expenses increasing by £3.3m. Staff costs have increased by £3.1m to £42.8m (2023: £39.7m) predominantly as a result of the impact of the real living wage rise in the period.

In line with our inventory policy, an element of fixed production overheads is absorbed into stock and expensed when the stock is sold. As production units were lower than previously planned, a greater proportion of the fixed overheads were expensed in the period. The impact of this increased overheads by £5.2m.

In light of the March 2021 IFRIC agenda decision to clarify the treatment of Software as a Service (SaaS) costs, during the period we expensed £5.2m (2023: £4.0m) of SaaS costs, in line with the accounting for configuration and customisation cost arrangements. We expect SaaS costs to reduce in the new financial period as a number of projects are due to go-live in the first half of the year. We also increased technology spend to £8.9m (2023: £7.0m) to support the investment in projects and systems.

Taxation

The Group reported a tax charge of £0.9m (2023: charge £1.8m). While the Group has made a loss overall there is a total tax charge for the year largely driven by overseas taxes and deferred tax charges. It is not possible to calculate a meaningful effective tax rate for the year (2023: 13%). UK corporation tax is calculated at 25% (2023: 19%) of the estimated taxable profit for the period. Taxation for the other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Balance Sheet

Net working capital, which comprises inventories, trade and other receivables and trade and other payables decreased by £14.7m to £25.3m at the period end (2023: £40.0m).

This decrease was predominantly driven by a reduction in inventory of £15.1m, principally due to the stock optimisation programme which aims to reduce and maintain stock covers across all lines through production planning and selling strategies.

At the period end, trade and other receivables were £15.5m (2023: £19.9m), the decrease due to the timing of rent and rates prepayments at the period end, as well as a reduction in trade receivables due to the timing of period end shipments. Trade and other payables at the period end decreased by £4.8m to £23.3m (2023: £28.1m) largely driven by timing and value of payments due.

Dividends

The Board has taken the decision that no dividend will be declared for the 52-week period to 30 March 2024 (2023: 1 pence per ordinary share) and that the Group's resources will be focussed on growing the business.

Cashflow

£m	52 weeks ended 30 March 2024	52 weeks ended 1 April 2023	% Change
Operating cash (outflow)/inflow	(10.5)	18.8	(156%)
Cash movement in working capital	16.0	(11.7)	237%
Cash generated from operations	5.5	7.1	(23%)
Income taxes paid	(0.4)	(2.4)	83%
Interest paid	(5.0)	(3.9)	(28%)
Net cash inflow from operating activities	0.1	0.8	(88%)
Acquisition of businesses	(0.3)	(3.2)	91%
Purchases of property, plant and equipment	(6.0)	(7.1)	15%
Acquisition of intangible assets	(3.8)	(3.9)	3%
Other	-	0.1	-
Net cash used in investing activities	(10.0)	(14.1)	29%
Proceeds from loans from non-controlling interests	3.9	0.3	1,200%
Investment from non-controlling interest	0.6	-	-
Proceeds from net borrowings	17.4	6.1	185%
Repayment of loans from non-controlling interests	(1.1)	-	-
Dividends paid	(0.6)	(1.8)	67%
Principle elements of lease payments	(9.8)	(10.3)	5%
Net cash generated by/(used in) financing activities	10.4	(5.7)	282%
Net increase/(decrease) in cash and cash equivalents	0.5	(19.0)	103%

The net increase in cash and cash equivalents of £0.5m (2023: decrease of £19.0m) included a £11.0m drawdown of the Group's revolving credit facility (RCF) and £1.7m of overdraft utilisation shown within proceeds from net borrowings.

As a result of the financial performance in the period there was a cash outflow of £10.5m (2023: inflow £18.8m). This cash outflow has been offset by a decrease in net working capital which had a cash benefit of £16.0m largely driven by the reduction in inventories of £15.2m as a result of the stock optimisation program.

During the period we continued to invest, including £9.8m (2023: £11.0m) of capital expenditure and £5.2m (2023: £4.0m) of SaaS costs shown within operating costs. This spend supports investment in our omni-channel distribution and international development, including the upgrade of our warehouse management systems and business planning tool.

Borrowing Facilities

The Group had bank borrowings related to drawdowns under its RCF of £15.0m at 30 March 2024 (1 April 2023: £4.0m). The borrowings shown in the balance sheet also include loans from minority shareholders in our Chinese subsidiaries of £7.3m (2023: £3.5m) and an overdraft of £8.4m (2023: £2.1m). During the period the Group acquired the 50% of the share capital of Mulberry Japan Co. Limited owned by Onward Holding Co Limited for 1 Yen. Pursuant to the acquisition agreement, part of the shareholder loan granted to Mulberry Japan Co. Limited was re-paid to Onward Holding Co Limited and the remaining loan to Mulberry Japan Co. Limited was waived resulting in a gain to the income statement of £0.5m.

The Group's net debt balance (comprising cash and cash equivalents, less overdrafts and borrowings) at 30 March 2024 was £16.3m (1 April 2023: net cash of £0.7m). Net debt comprises cash balances of £7.1m (2023: £6.8m) less bank borrowings of £23.4m (2023: £6.1m), excluding loans from related parties and non-controlling interests of £7.3m (2023: £5.5m). Net debt also excludes lease liabilities of £50.4m (2023: £55.3m) which are not considered to be core borrowings.

Since the period end the Group has amended its' RCF increasing the available funds from £15.0m to £17.5m and re-negotiated covenants to reflect the current trading environment. The facility continues to run until 30 September 2027 with security granted in favour of its lender. The Group has also signed a new £6.0m supplier trade finance facility which is backed by UK Export Finance. The facility is committed for a 2-year period. In December 2023 a new Australian \$0.5m overdraft facility was signed in Australia. In addition, the Group continues to have a £4.0m overdraft facility in the UK, which is renewed annually. Further details regarding the bank facilities and their projected utilisation are found in the Going Concern statement.

Key Performance Indicators

Key performance indicators (KPIs) help management to measure progress against the Group's strategy. Currently the focus is on financial KPIs, which include total revenue, gross margin and profit before tax, all of which are discussed within this financial review.

Significant transactions in the period

Bond Street lease reassignment

On 3 April 2023 the Group assigned the lease on its Bond Street store which closed in February 2023 and as a result disposed of the right-of-use asset and released the remaining lease liabilities. Additionally, the Group has incurred a charge for both the contribution towards lease rentals of the new assignee and for a financial guarantee covering the remaining period of the lease. The net charge of £0.5m is included in the Income Statement.

Investment in Mulberry Japan Co. Limited

On 27 June 2023 the Group, via its subsidiary Mulberry Trading Holding Company Limited, acquired the 50% share capital owned by its Joint Venture partner Onward Holding Co Limited, in Mulberry Japan Co. Limited for 1 Yen. Following the acquisition, the Group now owns 100% of Mulberry Japan Co. Limited.

Corporate Social Responsibility – Made To Last

Just over 50 years ago, Mulberry made its first bag. Then, as now, it was made to last. As part of our 50th anniversary celebrations, in 2021, we launched our Made to Last Manifesto, formalising our commitment to responsible innovation and to a sustainable philosophy that goes to the very heart of what we do throughout the business. From sourcing and manufacturing to our relationships with the communities around us, we continue to strive for the best sustainable practices. Our ambition is to bring a contemporary take on British heritage and a focus on responsible craft to create progressive luxury that is made to last.

Our sustainability strategy

Made to Last is also the name given to our business sustainability strategy. Since 2021, this strategy has driven our internal focus on the following:

1. Net Zero Future - the very centre of our strategy, aiming for net zero carbon emissions by 2035.
2. Regenerative Sourcing - we will source all materials responsibly, trial and introduce material innovations and transform to a regenerative and circular business model.
3. Net Zero Manufacturing - we will measure our impact so we can protect and enhance the environment and the livelihoods within our supply chain.
4. Product Circularity - we will strengthen our offers that aim for a fully circular product lifecycle, to reduce waste and encourage sustainable consumption.
5. Inclusive Communities - we will positively impact our communities and work for a more diverse, equitable and inclusive future.

We publish a standalone Sustainability Report setting out all our sustainability efforts, which you can read here at [Mulberry.com https://www.mulberry.com/gb/madetolast/responsibility-report](https://www.mulberry.com/gb/madetolast/responsibility-report). Below is a summary of this report.

1. Net Zero Future

Science-based targets

Since 2021, we have been working with the Carbon Trust to develop our science-based targets, which inform companies how much and how quickly they need to reduce their greenhouse-gas emissions to prevent the worst effects of climate change. They are aligned to the most recent climate science, which currently advises limiting global warming to less than 1.5 °C. We submitted our targets to the Science Based Targets initiative (SBTi) in February 2023 and in April 2024, our near-term science-based emissions reduction targets were approved.

Tackling climate change requires ambitious action from the luxury sector. Our science-based targets prove that even in the challenging macro-economic backdrop, Mulberry remains committed to sustainability and the ambitions set out in our Made to Last Manifesto.

We are proud to be one of the first companies to use the Forest, Land and Agriculture (FLAG) Science-Based Target-Setting Guidance to set science-based targets that include land-based emissions reductions and removals. Despite Mulberry's FLAG emissions only accounting for 6% of our total emissions*, we know our influence as a luxury brand can help reshape the leather industry by cultivating a new approach to sourcing leather by building direct relationships through the supply chain to connect us with farmers who are committed to regenerative agriculture.

Our approved science-based targets are:

- Mulberry commits to reduce absolute scope 1, 2 and 3 GHG emissions by 37.8% by FY2028 from a FY2019-20 base year.
- FLAG: Mulberry commits to reduce absolute scope 3 FLAG GHG emissions by 33.3% by FY2030 from a FY2019-20 base year. **
 - Mulberry Group plc also commits to no deforestation across its primary deforestation-linked commodities, with a target date of December 31, 2025.

*From our 2019-20 baseline footprint.

**The target includes FLAG emissions and removals.

Reporting

Global Carbon Footprint: During 2021, we worked with the Carbon Trust to measure our global carbon footprint across Scopes 1, 2 and 3, using FY2019–20 as a baseline. Scope 1 relates to emissions from operations in our direct control, while Scope 2 is indirect emissions from energy purchased. Scope 3 relates to indirect emissions from the value chain not in our control and not included in Scope 2, such as in raw materials and business travel.

We updated our global carbon footprint for FY2022–23, after a period of data gap analysis and collection. The data model created during this footprinting exercise will serve a template for the business to use each year as data visibility and accuracy improves across each of the Scopes and Categories of the Greenhouse Gas Protocol. As an obligation of setting science-based targets, Mulberry's annual global carbon footprint will be reported in its Sustainability Report, which is available on Mulberry's website.

UK Carbon Footprint: in line with SECR requirements we have carried out a UK carbon footprint calculation. Details of this can be found in the Directors' Report. We continue to offset the carbon emissions associated with our UK carbon footprint in partnership with World Land Trust, investing in their Carbon Balanced programme.

2. Regenerative Sourcing

Sustainable leather

Bovine leather features in more than 90% of the products we make. To address the environmental issues related to cattle farming, we are cultivating a new approach to sourcing leather by building supply chain relationships with farmers committed to regenerative agriculture. Since SS23, we have sourced 100% of our leather from tanneries with environmental accreditation¹, something which we began working on in SS18. We source finished leather directly from tanneries in the UK, Italy, Germany, Spain and Turkey.

Mulberry is a founding member of the Sustainable Leather Foundation (SLF). SLF provides a partnership platform for all stakeholders involved in the leather industry, as well as an audit and certification standard for organisations involved in the manufacture of leather, to measure their Environmental, Social and Governance performance against a set of recognised standards and limits. This industry standard includes a Social Audit Module, gathering data on wages & benefits, compulsory labour, worker age, working hours, staff development and representation ethical business practices and non-discrimination practices. Mulberry has a representative on SLF's Advisory Board, ensuring the ongoing evolution of the Social Audit Module meets the needs of brands and consumers.

Material innovation

We source a variety of fabrics, materials and other components to create our collections and look to ensure their credentials align with our low-impact materials strategy. Our approach so far has been to make rolling changes to our conventional materials, such as cotton, as we develop each seasonal range, to improve its sustainability credentials.

We continue to introduce new, innovative lower impact materials into our collections to replace conventional materials, such as Eco-Scotchgrain, as well as increasing the percentage of certified materials within each range, such as GOTS and Better Cotton.

Sourcing transparency

Our international supply chain is based on sourcing quality raw materials and finished products which meet our quality and environmental expectations. Alongside our UK manufacturing facilities, we source from a select Group of long-standing partners in Italy, Turkey, China and Vietnam. We work with countries that have established skills and heritage within the leather industry and that can support our high-quality standards and progressive new-product-development programmes.

All our suppliers have signed up to our Global Sourcing Principles, which set out our minimum requirements for conducting business, including those of international law such as the ILO's four fundamental principles for rights at work: no child labour, no forced labour, no discrimination and the right to freedom of association and collective bargaining. Mulberry conducts regular audits of our finished goods suppliers using third party independent auditors. The audits are carried out against the Ethical Trade Initiative (ETI) Basecode and our Global Sourcing Principles. Generally, audits are semi-announced, meaning the supplier is informed of a 2-week window in which the audit will take place. Where non-compliances are found against the ETI Basecode or our Global Sourcing Principles, a corrective action is agreed between the auditor and the supplier. Satisfactory completion of these corrective actions is assessed by Mulberry's trained internal auditors and/or the Sustainability department and verified by a third-party independent auditor where necessary.

¹ Tanneries with a valid Leather Working Group audit, Sustainable Leather Foundation audit or ISO:14001 accreditation

Each year, the Sustainability department send a Supplier Questionnaire to all Tier 1 and Tier 2 suppliers. This year we achieved a 76% response rate with over 90 responses recorded. To bolster transparency in the fashion industry, we now publicly share information identifying specific companies in our supply chain. This list will be updated annually.

3. Net Zero Manufacturing

Made in the UK

Our presence in the south-west of England harks back to our beginnings in 1971. The Rookery opened in Chilcompton in 1989 and is our centre of excellence for product development and home to our development team, artisan studio and Lifetime Service Centre. Our second UK factory, The Willows, opened in Bridgwater in 2013 and is our main production site in the UK, housing seven production lines. At The Willows and The Rookery, we employ more than 400 people. Craftspeople joining follow a comprehensive training programme that equips them with the skills needed to craft Mulberry bags, whether that's cutting leather, edge inking, stitching or quality inspection.

Both The Rookery and The Willows have been carbon-neutral since 2019 and our newly installed solar panels on the roof of The Willows generate renewable. Both sites work with waste service providers who ensure no unrecyclable waste goes to landfill and is recovered as energy instead. The cutting machines we use minimise our cutting waste and we donate any unusable leather offcuts to local craft groups, universities, schools and scrap stores. We regularly host educational tours for colleges and university classes to engage the next generation of talent in our heritage manufacturing in Somerset.

In response to employee feedback after the COVID-19 pandemic, we now operate a 4-day working week in our factories, giving a greater work/life balance to our Craftspeople.

4. Product Circularity

The Mulberry Exchange

Mulberry bags are designed to lead many lives, so in 2020 we launched The Mulberry Exchange, our resale platform through which customers can trade in their existing Mulberry bags for credit towards a new purchase. Once we have bought back these pre-loved pieces, we authenticate and rejuvenate each bag before finding them loving new homes.

Repairs and restoration

Our Lifetime Service Centre has been rejuvenating thousands of well-loved bags for over 35 years. We know that our customers cherish, keep and care for their Mulberry bags and we support their commitment by offering accessible artisanal repair services. The team within our Lifetime Service Centre at The Rookery factory are masters of restoration, breathing new life into thousands of pre-loved Mulberry pieces every year.

Waste and recycling

In the UK, we work with providers such as Biffa and First Mile to process any non-recyclable waste that would traditionally go to landfill, to create electricity for the National Grid. We send our mixed recycling for sorting so it can be reprocessed into new products.

We have a zero-tolerance policy on destroying quality goods. We divert unsold seasonal stock to our global network of outlet stores, hold sample sales for customers and also hold an annual employee sale of samples and stock, with proceeds added to our Somerset Community Fund, or other charitable causes.

We create our green carrier bags from CupCycling, an innovative technology that repurposes coffee cups into paper, while also separating the cups' plastic lining for recycling. Since we started, we have repurposed over 4million coffee cups that would otherwise have been sent to landfill.

All our customer packaging is recyclable or reusable and we are working with our partners and suppliers to eliminate all disposable plastic from Mulberry's business-to-business operations.

5. Inclusive Communities

Culture and wellbeing

All our employees are ambassadors for Mulberry and we encourage them to live our employee values, which we believe help foster a culture of wellbeing and acceptance, where everyone is celebrated for their individuality. In our culture and environment, all employees can thrive, irrespective of their gender identity, sexual orientation, marital and civil partnership status, parental status, race or ethnicity, religion or religious belief, political opinion, physical appearance, age or disability. All our employees can access our intranet - The Tree - where we post company information, updates and employee achievements and encourage communication.

Diversity, equity and inclusion

To ensure we are successful in creating this environment for our employees, our Diversity, Equity and Inclusion (DE&I) Committee meets regularly to discuss our DE&I Strategy, as well as current news, personal experiences and those of our colleagues. The committee also works with the marketing department to create a communications calendar, recognising key moments such as International Women's Day, Mental Health awareness, Pride and Black History Month. This helps us reflect on and celebrate the success of our diverse employees.

This year saw the launch of several Employee Resource Groups (ERGs) to ensure focussed discussion and awareness building on key topics. These are internal communities of Mulberry employees with shared identities and interests, brought to together to drive activities and progression across DE&I topics, formally supported by the business.

Gender equality

Since the publication of our last Gender Pay Gap Report, we are pleased to have seen a reduction in the mean hourly pay gap year on year of nearly 5%. We have continued to see a further increase in favour of women in our median pay gap from -5.2% last year to -15.9% this year. We have seen growth in the representation of women at a Senior Leadership level to 76% and we are pleased that Senior Leader representation is now in line with the percentage of women in our UK business (also 76%). We are confident that this increase in representation has aided the improvement in our mean pay gap year on year. Our workforce demographic means that the majority of employees, across Retail and Supply Chain, are on structured pay scales. Our corporate employees are on undefined pay scales, but we have utilised benchmarking to review salaries and believe this has also contributed to the improvements seen in our gender pay gap. As with last year, we continue to be ahead in comparison to industry data. The Office of National Statistics benchmark for full time employees median pay in April 2023 was 7.7% in favour of men, whereas Mulberry is -15.9% in favour of women.

Living Wage Employer

We are proud to be an accredited Living Wage Employer since 2020. This means that all UK employees will earn higher than the Government's minimum or National Living Wage. Living Wage is an independently calculated hourly pay rate based on the actual cost of living, calculated each year by the Living Wage Foundation. We continue to use available global benchmarks and insights to ensure our global employees earn a living wage comparable with their location.

Apprenticeships

Since 2006, we have operated a leather goods manufacturing apprenticeship programme in conjunction with Bridgwater and Taunton College, which we run at The Willows and The Rookery.

In 2017, we were Lead Employer in a national trailblazer Group, developing the Level 2 Leather Craftsperson Standard apprenticeship, which has since become industry-recognised, offering graded results for apprentices in the leather goods' industries.

Our Leather Goods Manufacturing apprenticeship programme continues to support the upskilling of workers into the leather goods industry and in the period saw us employ 4 new apprentices into the scheme. The programme has been reinvigorated to encourage cross functional learning across several departments within Mulberry, expanding the apprentices experience and providing more exposure to the business.

Our progress so far

Leather

- Since the Spring Summer 23 season, 100% of our leather, suede and nappa is sourced from tanneries with environmental accreditations
- Over 5 years, we worked with our tannery partners whilst they improved their environmental standards and achieved certification, stimulating positive change within the leather industry – as well as onboarding new tanneries with existing certificates
- We are a founding partner of the Sustainable Leather Foundation and members of Leather Working Group since 2012
- We are partnering with British Pasture Leather to build relationships with regenerative farmers and establish an end-to-end UK supply chain

Link to theme 2

Other low-impact materials

- All nylon sourced as 100%-certified recycled nylon or ECONYL since Spring 2020
- Continue to represent low impact materials throughout our collections, including bio-acetate and Eco-Scotchgrain

Link to theme 2

Carbon

- All UK operations carbon-neutral since 2019. This is achieved by supporting World Land Trust's Carbon Balanced programme which empowers local communities while tackling climate change and biodiversity loss
- In 2023, we invested in a 360kW solar photovoltaic array for the roof of The Willows, our second UK factory in Somerset. This will generate ten times more renewable electricity than the current system, which was installed during the factory build in 2013
- Signatory of UN Fashion Industry Charter for Climate Action
- In April 2024, our near-term science-based emissions reduction targets were approved by the Science Based Targets initiative (SBTi), a process which we started in 2021.
- We have conducted a detailed life cycle analysis on two of our most popular bags, the Lily and the Bayswater, to allow us to make more informed decisions about our Scope 3 reduction strategy

Link to theme 1, 3

Product circularity

- Launched circular resell and buy-back programme, The Mulberry Exchange, in February 2020
- Lifetime Service Centre restored more than 10,000 bags in FY2023-24
- Launched Mulberry x Stefan Cooke, a limited-edition capsule of pre-loved Mulberry pieces, artfully reimagined by the independent British design duo. The collection was launched at Stefan Cooke's SS24 show at London Fashion Week and comprised of a 27-piece collection of vintage Mulberry icons, recontextualised with Stefan Cooke's signature design codes of bold bow appliqué and statement slash motifs

Link to theme 4

Packaging

- Cupcycling introduced into customer packaging in January 2020, repurposing over 4.0 million coffee cups to make Mulberry Green paper
- All our paper and card is FSC certified
- All our customer packaging is recyclable or reusable and we are working with our partners and suppliers to eliminate all disposable plastic from Mulberry's business-to-business operations

Link to theme 4

People and community

- We grant all employees two days of paid volunteering each year. This equated to over 1,000 volunteering hours utilised by Mulberry employees in 2023
- We have raised £67,990 in the period for The Felix Project and their Empty Plate Emergency Appeal. This equates to 191,171 meals
- Ongoing partnership with World Land Trust, our environmental charity partner, funding their Carbon Balanced programme, which supports the REDD+ Project for Caribbean Guatemala: The Conservation Coast
- In September 2021, we began a long-term partnership and set up a charitable fund with Somerset Community Foundation to help people in Somerset through funding local charities, Groups and communities, inspiring giving and philanthropy. Since launching the partnership, we have donated over £45,000 to support local charities and community groups in and around Somerset
- We continue to manufacture over half of our bags in the UK and invest in our thriving apprenticeship programme and Next Generation retail concept
- The DE&I Committee launched Employee Resource Groups (ERGS), which are internal communities of Mulberry employees with shared identities and interests, brought together to drive activities and progression across the DE&I topics, formally supported by the business. Our ERGs are: Women at Mulberry, Pride, Mental Health and Wellbeing, Accessibility, Disability & Neurodiversity and Ethnicity and Culture
- Our ongoing partnership with Mentoring Matters uses our teams' insight and expertise to facilitate greater access to the fashion industry for underrepresented and marginalised groups, endeavouring to improve diversity and inclusion within the creative industries

Link to theme 5

GOING CONCERN

In determining whether the Group's accounts can be prepared on a going concern basis, the Directors considered the Group's business activities and cash requirements together with factors likely to affect its performance and financial position. The going concern period reviews the 12-month period from the date of this announcement to the end of September 2025.

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Strategic Report.

The Group had a net asset position of £10.9m at 30 March 2024, however, the net asset position decreased from £46.8m at 1 April 2023, reflecting losses in the year.

These losses reflect the Group being impacted by the challenging macroeconomic environment. These headwinds have continued since the period-end, placing further pressure on the Group's performance, however, the Group continues to take appropriate cost actions, manage inventory levels and drive commercial initiatives to improve profitability and cash generation.

Since the period end, the following actions have also been implemented:

- The appointment of a new Chief Executive Officer, Andrea Baldo, on 1 September 2024.
- Debt facilities increased to £27.5m, with covenants renegotiated to reflect the current trading environment. The Group continues to maintain a good working relationship with its bankers.
- The announcement on 27 September 2024 of a new subscription in ordinary shares by Challice, the majority shareholder, to raise not less than £10m to strengthen the balance sheet, including a right of clawback under the subscription by other shareholders on a pro-rata basis.

Borrowing facilities

The Group's net debt balance at 30 March 2024 was £16.3m (2023: net cash of £0.7m), with available liquidity of £2.0m. Net debt comprises cash balances of £7.1m (2023: £6.8m) less bank borrowings of £23.4m (2023: £6.1m). Bank borrowings related to drawdowns under its RCF of £15.0m (2023: £4.0m) and an overdraft of £7.1m (2023: £6.8m).

The RCF was drawn down by £17.5m at the date of this report. The Group had net debt of £16.0m at 27 September 2024, with available liquidity of £11.5m which includes £3.7m headroom on the overdraft facility and £4.8m on the supplier trade finance facility.

Since the period end the Group has amended its' RCF increasing the available funds from £15.0m to £17.5m and re-negotiated covenants (waived at period end date) to reflect the current trading environment. The facility continues to run until 30 September 2027 with security granted in favour of its lender.

The Group has also signed a new £6.0m supplier trade finance facility with its lender, which is backed by UK Export Finance. The facility is committed for a 2-year period. The Group continues to have access to a £4.0m overdraft facility which is not a committed facility and therefore not considered by the Directors as part of the going concern assessment. The Group overdraft is renewed annually in July.

Base case scenario

The Directors' base case scenario, which includes the proceeds from the shareholder subscription, assumes a 5% revenue reduction versus 2023/24 primarily driven by the ongoing adverse macro-economic conditions, especially in the UK and China. It also includes cost increases relating to inflationary cost pressures, offset by cost savings such as headcount reduction and the closure of certain stores, in light of the current trading environment, which were actioned and agreed before the start of the financial year. The Directors compared the base case scenario against external analysis which supported our strategic approach and revenue assumptions, including market opportunities.

Under this scenario, covenants will be met, however, it is anticipated the RCF will continue to be required between April 2024 and November 2024.

Downside scenario

The Directors have considered a downside scenario, which models out the risk in the UK and Asia Pacific, which are considered the main regions which could impact full-year revenue. This scenario includes a number of mitigating actions, with further actions available. The impact of this would result in a 9% reduction in Group revenue against the base case scenario at which point there is no covenant breach.

Reverse stress test

The Directors have prepared a reverse stress test scenario that models the decline in sales that the Group would be able to absorb before triggering a covenant breach. The reverse stress test shows that Group revenue could fall by 14% versus the base case scenario before a covenant breach in September 2025. It should be noted that the RCF is not forecast to be fully drawn down under the reverse stress test.

Under these circumstances, it is forecast that the decline in sales could in part be offset by an increase in mark-down sales and promotional activity. When this is included, Group revenue could fall by 23% versus the base case before a covenant breach in September 2025. Once further mitigating actions are applied, this increases to 43%.

Consideration of the key factors in the going concern assessment:

- Current trading in comparison to budget is outperforming the reverse stress scenario;
- Revenue in the reverse stress test scenario would be below the level achieved in 2023/24;
- The reduction in inventories during the period (£15.1m) demonstrates that inventory levels can be managed;
- If trading was to be challenging over the key trading periods, there is time to react and take further mitigating actions before a covenant breach in September 2025, including stock optimisation programmes to manage inventory levels and cost reduction activities, including store and concession closures where appropriate. We continue to maintain a good working relationship with our bankers.

Basis of going concern statement

Under the base case scenario, the Group is expected to have sufficient cash resources to meet their obligations over the going concern period. This includes having sufficient headroom against the Group's covenants.

The downside scenario includes sensitivities that reduce forecast cash generation due to a 9% reduction in Group revenue versus the base case. Under this scenario the Group continues to have sufficient headroom against the Group's covenants.

The reverse stress test shows that Group revenue could fall by 14% versus the base case before a covenant breach in September 2025, however, once additional mark-down sales and promotional activity and further mitigating actions are applied, this increases to 43%.

For these reasons and the assessment outlined above, the Directors remain confident that the Group has access to adequate resources to enable it to continue to operate as a going concern for the foreseeable future. Should there be an extreme and prolonged decline in trading performance which is over and above the current trading levels and the level of mitigating actions including promotional activity was not achieved, then the Group would breach its covenants during the going concern period. This gives rise to a material uncertainty, which may cast significant doubt on the Group and parent company's ability to continue as a going concern, meaning it may be unable to realise its assets and discharge its liabilities in the normal course of business. Notwithstanding this material uncertainty, the Directors consider it appropriate for the Group to continue to adopt the going concern basis of accounting in preparing the Annual Report and financial statements. As noted above, in the event of a decline in revenue, a number of mitigating items are available to the Group, including stock optimisation programmes to manage inventory levels and cost reduction activities, including store and concession closures where appropriate. We maintain a good working relationship with our bankers and shareholders, as demonstrated by the recent increase in debt facilities and the announcement on 27 September 2024 of a new subscription in ordinary shares by Challice, the majority shareholder, to raise not less than £10m that will strengthen the balance sheet.

Group income statement

52 WEEKS ENDED 30 MARCH 2024

	52 weeks ended 30 March 2024 £'000	52 weeks ended 1 April 2023 £'000
Revenue	152,844	159,129
Cost of sales	<u>(45,704)</u>	<u>(45,879)</u>
Gross profit	107,140	113,250
Impairment charge relating to intangibles	-	(2,366)
Impairment (charge)/credit relating to property, plant and equipment	(1,239)	850
Impairment (charge)/credit relating to right-of-use assets	(7,334)	12,949
Other operating expenses	(128,938)	(108,485)
Other operating income	<u>1,234</u>	<u>776</u>
Operating (loss)/profit	(29,137)	16,974
Share of results of associates	31	52
Finance income	1	11
Finance expense	<u>(5,019)</u>	<u>(3,887)</u>
(Loss)/profit before tax	(34,124)	13,150
Tax	<u>(860)</u>	<u>(1,753)</u>
(Loss)/profit for the period	<u><u>(34,984)</u></u>	<u><u>11,397</u></u>
Attributable to:		
Equity holders of the parent	(33,505)	13,243
Non-controlling interests	<u>(1,479)</u>	<u>(1,846)</u>
(Loss)/profit for the period	<u>(34,984)</u>	<u>11,397</u>
Basic (loss)/profit per share	(58.6p)	19.1p
Diluted (loss)/profit per share	(58.6p)	19.1p

All activities arise from continuing operations.

Group statement of comprehensive income

52 WEEKS ENDED 30 MARCH 2024

	52 weeks ended 30 March 2024 £'000	52 weeks ended 1 April 2023 £'000
(Loss)/profit for the period	(34,984)	11,397
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	<u>(1,105)</u>	<u>(483)</u>
Total comprehensive (expense)/income for the period	<u>(36,089)</u>	<u>10,914</u>
Attributable to:		
Equity holders of the parent	(34,773)	12,888
Non-controlling interests	<u>(1,316)</u>	<u>(1,974)</u>
Total comprehensive (expense)/income for the period	<u>(36,089)</u>	<u>10,914</u>

Group balance sheet

AS AT 30 MARCH 2024

	30 March 2024 £'000	1 April 2023 £'000
Non-current assets		
Intangible assets	8,700	6,015
Property, plant and equipment	18,754	19,817
Right-of-use assets	34,307	57,520
Interests in associates	206	254
Deferred tax asset	-	622
	<u>61,967</u>	<u>84,228</u>
Current assets		
Inventories	33,159	48,250
Trade and other receivables	15,453	19,901
Cash and cash equivalents	7,138	6,872
	<u>55,750</u>	<u>75,023</u>
Total assets	<u>117,717</u>	<u>159,251</u>
Current liabilities		
Trade and other payables	(23,354)	(28,143)
Current tax liability	(123)	(182)
Lease liabilities	(9,909)	(10,932)
Borrowings	(23,474)	(11,562)
	<u>(56,860)</u>	<u>(50,819)</u>
Net current (liabilities)/assets	<u>(1,110)</u>	<u>24,204</u>
Non-current liabilities		
Trade and other payables	(2,155)	-
Lease liabilities	(40,485)	(61,666)
Borrowings	(7,338)	-
	<u>(49,978)</u>	<u>(61,666)</u>
Total liabilities	<u>(106,838)</u>	<u>(112,485)</u>
Net assets	<u>10,879</u>	<u>46,766</u>
Equity		
Share capital	3,004	3,004
Share premium account	12,160	12,160
Own share reserve	(438)	(896)
Capital redemption reserve	154	154
Foreign exchange reserve	(430)	675
Retained earnings	2,955	38,110
Equity attributable to holders of the parent	17,405	53,207
Non-controlling interests	(6,526)	(6,441)
Total equity	<u>10,879</u>	<u>46,766</u>

The financial statements of Mulberry Group plc (company number 01180514) were approved by the Board of Directors and authorised for issue on 27 September 2024.

They were signed on its behalf by:

Charles Anderson
Director

Group statement of changes in equity

52 WEEKS ENDED 30 MARCH 2024

	Share capital £'000	Share premium account £'000	Own share reserve £'000	Capital redemption reserve £'000	Foreign exchange reserve £'000	Retained earnings £'000	Total £'000	Non- controlling interests £'000	Total equity £'000
Balance at 2 April 2022	3,004	12,160	(1,269)	154	1,158	27,006	42,213	(4,467)	37,746
Profit/(loss) for the period	-	-	-	-	-	13,243	13,243	(1,846)	11,397
Other comprehensive expense for the period	-	-	-	-	(483)	-	(483)	-	(483)
Total comprehensive (expense)/income for the period	-	-	-	-	(483)	13,243	12,760	(1,846)	10,914
Charge for employee share-based payments	-	-	-	-	-	23	23	-	23
Own shares	-	-	346	-	-	-	346	-	346
Exercise of share options	-	-	-	-	-	(346)	(346)	-	(346)
Impairment of shares in trust	-	-	27	-	-	(27)	-	-	-
Non-controlling interest foreign exchange	-	-	-	-	-	-	-	(128)	(128)
Dividends paid	-	-	-	-	-	(1,789)	(1,789)	-	(1,789)
Balance at 1 April 2023	3,004	12,160	(896)	154	675	38,110	53,207	(6,441)	46,766
Loss for the period	-	-	-	-	-	(33,505)	(33,505)	(1,479)	(34,984)
Other comprehensive expense for the period	-	-	-	-	(1,105)	-	(1,105)	-	(1,105)
Total comprehensive expense for the period	-	-	-	-	(1,105)	(33,505)	(34,610)	(1,479)	(36,089)
Charge for employee share-based payments	-	-	-	-	-	25	25	-	25
Impairment of shares in trust	-	-	458	-	-	(458)	-	-	-
Adjustment arising from investment by non-controlling interests	-	-	-	-	-	-	-	611	611
Adjustment arising from acquisition of non-controlling interests	-	-	-	-	-	(620)	(620)	620	-
Non-controlling interest foreign exchange	-	-	-	-	-	-	-	163	163
Dividends paid	-	-	-	-	-	(597)	(597)	-	(597)
Balance at 30 March 2024	3,004	12,160	(438)	154	(430)	2,955	17,405	(6,526)	10,879

Group cash flow statement

52 WEEKS ENDED 30 MARCH 2024

	52 weeks ended 30 March 2024 £'000	52 weeks ended 1 April 2023 £'000
Operating (loss)/profit for the period	(29,137)	16,974
Adjustments for:		
Depreciation and impairment of property, plant and equipment	6,191	3,487
Depreciation and impairment of right-of-use assets	16,654	(5,021)
Amortisation and impairment of intangible assets	1,760	4,041
Gain on lease modification and lease disposals	(6,100)	(441)
Loss on sale of property, plant and equipment	601	96
Business combination gain	-	(304)
Loss on disposal of intangible assets	29	-
Gain on waiver of loan from non-controlling interest	(504)	-
Share-based payments expense	25	23
Operating cash (outflow)/inflow before movements in working capital	(10,481)	18,855
Decrease/(increase) in inventories	15,188	(9,722)
Decrease/(increase) in receivables	4,495	(3,974)
(Decrease)/increase in payables	(3,707)	2,001
Cash generated from operations	5,495	7,160
Income taxes paid	(343)	(2,427)
Interest paid	(5,019)	(3,899)
Net cash inflow from operating activities	133	834
Investing activities:		
Interest received	1	15
Acquisition of businesses	(238)	(3,182)
Purchases of property, plant and equipment	(5,948)	(7,129)
Proceeds from disposal of property, plant and equipment	-	2
Acquisition of intangible assets	(3,835)	(3,919)
Dividend received from associate	-	40
Net cash used in from investing activities	(10,020)	(14,173)
Financing activities:		
Proceeds from loans from non-controlling interests	3,934	246
Investment from non-controlling interest	611	-
Proceeds from new borrowings	17,374	6,100
Repayment of loans from non-controlling interests	(1,171)	-
Dividends paid	(597)	(1,789)
Principle elements of lease payments	(9,802)	(10,261)
Net cash generated by /(used in) financing activities	10,349	(5,704)
Net increase/(decrease) in cash and cash equivalents	462	(19,043)
Cash and cash equivalents at beginning of period	6,872	25,669
Effect of foreign exchange rate changes	(196)	246
Cash and cash equivalents at end of period	7,138	6,872

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the Consolidated balance sheet position as shown above. Cash and cash equivalents does not include bank overdrafts that are not integral to the cash management of the Group.

1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

Mulberry Group plc is a public company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

These financial statements are presented in pounds Sterling because that is the currency of the primary economic environment in which the Group operates.

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards. The financial information set out in this document does not constitute the Group's statutory accounts for the period ended 30 March 2024 or the period ended 31 March 2023 but is derived from those accounts.

Statutory accounts for the period ended 31 March 2023 have been delivered to the registrar of companies. The auditors have reported on those accounts; their report was (a) unqualified, and (ii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Statutory accounts for the period ended 30 March 2024 will be delivered to the registrar of companies in due course. The auditors have reported on those accounts; their report was (i) unqualified, and (ii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The Auditor's report on these accounts did contain an emphasis of matter in relation to the fact that a material uncertainty existed that may cast doubt on the Group's ability to continue as a going concern. As set out above the directors have identified a material uncertainty which may cast significant doubt on the entity's ability to continue as a going concern, meaning it may be unable to realise its assets and discharge its liabilities in the normal course of business. Notwithstanding this material uncertainty, the Directors consider it remains appropriate to continue to adopt the going concern basis in the preparation of the financial statements.

The financial statements for the period ended 30 March 2024 (including the comparatives for the period ended 31 March 2023) were approved and authorised for issue by the Board of Directors on 27 September 2024.

This results announcement for the period ended 30 March 2024 was also approved by the Board on 27 September 2024.

Whilst the financial information included in this statement has been compiled in accordance with the recognition and measurement principles of UK-adopted International Accounting Standards, this statement does not itself contain sufficient information to comply with UK-adopted International Accounting Standards. Full Financial Statements that comply with IFRS are included in the 2024 Annual Report.

2. ADOPTION OF NEW AND REVISED STANDARDS

New and amended standards adopted by the Group

In the current period, the Group has applied a number of amendments to IFRS Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

At the date of approval of these financial statements, the Group has not applied any new and revised IFRS Standards that have been issued but are not yet effective.

The Directors do not expect that the adoption any Standards which have been issued but not yet effective to have a material impact on the financial statements of the Group in future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006.

For the period ended 30 March 2024, the financial period runs for the 52 weeks to 30 March 2024 (2023: 52 weeks ended 1 April 2023).

The financial statements are prepared under the historical cost basis except for financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below. The principal accounting policies adopted are set out below.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. As a result, they continue to adopt the going concern basis of accounting in preparing the financial statements.

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker (CODM), defined as the Board of Directors, to allocate resources to the segments and to assess their performance. Inter-segment pricing is determined on an arm's length basis. The Group also presents analysis by geographical destination and product categories.

(a) Business segment

The Group continues to extend its omni-channel network in order to support the Group's global growth ambitions. Mulberry has thus become increasingly reliant on individual market-level profitability metrics to enable them to make timely market-centric decisions that are operational and investment in nature. It is therefore appropriate for the segmental analysis disclosures to be a regional view of segments (being UK, Asia Pacific and Other International) to reflect the current business operations and the way the business internally reports and the information that the CODM reviews and makes strategic decisions based on its financial results.

The principal activities are as follows:

The Group designs, manufactures and manages the Mulberry brand for the segment and therefore the finance income and expense are not attributable to the reportable segments.

The accounting policies of the reportable segments are the same as described in the Group's financial statements. Information regarding the results of the reportable segment is included below. Performance for the segment is assessed based on operating profit/(loss).

5. ALTERNATIVE PERFORMANCE MEASURES

A reconciliation of reported (loss)/profit before tax to underlying (loss)/profit before tax is set out below;

	52 weeks ended 30 March 2024 £'000	52 weeks ended 1 April 2023 £'000
Reconciliation to underlying (loss)/profit before tax:		
(Loss)/profit before tax	(34,124)	13,150
Store closure charge/(credit)	1,576	(205)
Restructuring costs	1,241	-
Impairment charge/(credit) related to property, plant and equipment	1,239	(850)
Impairment charge/(credit) related to right-of-use assets	7,334	(12,949)
Project costs written off	647	-
Gain on waiver of loan from non-controlling interest	(504)	-
Impairment charge related to intangibles	-	2,366
Australia acquisition costs	-	806
Sweden acquisition costs	-	193
Underlying (loss)/profit before tax – non-GAAP measure	<u>(22,591)</u>	<u>2,511</u>
Adjusted basic (loss)/earnings per share	(40.1p)	5.8p
Adjusted diluted (loss)/earnings per share	(40.1p)	5.8p

In reporting financial information, the Group presents Alternative Performance Measures (“APMs”), which are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board of Directors. Some of these measures are also used for the purpose of setting remuneration targets. The Group makes certain adjustments to the statutory profit or loss measures in order to derive APMs. Adjusting items are those items which, in the opinion of the Directors, should be excluded in order to provide a consistent and comparable view of the performance of the Group’s ongoing business. Generally, this will include those items that are largely one-off and material in nature as well as income or expenses relating to acquisitions or disposals of businesses or other transactions of a similar nature. Treatment as an adjusting item provides stakeholders with additional useful information to assess the year-on-year trading performance of the Group.

Store closure charge/(credit)

During the period one international store was closed (2023: one UK and one international store). The lease on the UK store that had been closed in the prior period was assigned on 3 April 2023. The store closure charge/(credit) relates to the following items (released)/charged to the Income Statement :-

	52 weeks ended 30 March 2024 £'000	52 weeks ended 1 April 2023 £'000
Release of lease and other liabilities	(17,711)	(635)
Write-off of right-of -use assets	11,777	-
Contribution towards new lessee rentals	5,205	-
Financial guarantee for remaining lease rentals	2,155	-
Lease exit and redundancy costs	150	430
	<u>1,576</u>	<u>(205)</u>

The disposal of the leases resulted in net cash proceeds of £nil (2023:nil).

Impairment charge related to property, plant and equipment and right-of-use assets;

The fixed assets and right-of-use assets of retail stores are subject to impairment based on whether current or future events and conditions suggest that their recoverable amount may be less than their carrying value. The recoverable amount of each store is based on the higher of the value in use and fair value less costs to dispose. Value in use is calculated from expected future cash flows using suitable discount rates, management assumptions and estimates on future performance. The carrying value for each store is considered net of the carrying value of any cash contribution received in relation to that store. For impairment testing purposes, the Group has determined that each store is a separate cash-generating unit (CGU). Each CGU is tested for impairment if any indicators of impairment have been identified. The value in use of each CGU is calculated based on the Group's latest budget and forecast cash flows. Cash flows are discounted using the weighted average cost of capital ("WACC") and are modelled for each store through to their lease expiry or break date. No lease extensions have been assumed when forecasting. The Group also tests whether there should be any reversal of previously impaired assets. The results of this assessment are shown in the table below :-

	52 weeks ended 30 March 2024 £'000	52 weeks ended 1 April 2023 £'000
Impairment charge related to property, plant and equipment – 9 stores (2023: 1 store)	1,438	204
Reversal of impairment charge related to property, plant and equipment – 1 store (2023: 1 store)	<u>(199)</u>	<u>(1,054)</u>
Net impairment charge/(credit) related to property, plant and equipment	1,239	(850)
Impairment charge related to right-of-use assets – 9 stores (2023: 2 stores)	8,443	773
Reversal of impairment charge related to right-of-use assets – 1 stores (2023: 2 stores) (1)	<u>(1,109)</u>	<u>(13,722)</u>
Net impairment charge/(credit) related to right-of-use assets	7,334	(12,949)

- (1) The balance relates to a reversal of a previous impairment of our Regent Street store. This store has seen improved performance post the Bond Street closure, which we anticipate to continue.

Impairment charge related to intangibles

Goodwill represented the opportunity to grow by utilising an established distribution network in Korea. Acquired goodwill is regarded as having an indefinite life and under IAS36 is not subject to amortisation but is subject to annual tests for impairment. As a result of this assessment the Group incurred an impairment charge during the previous period of £2,366,000.

Australia acquisition costs

During the previous period the Group incurred costs of £806,000 (net of a business combination gain of £304,000) on the acquisition of 5 stores in Australia.

Sweden acquisition costs

During the previous period the Group incurred costs of £193,000 on the acquisition of 3 stores in Sweden.

6. OTHER OPERATING EXPENSES

	52 weeks ended 30 March 2024 £'000	52 weeks ended 1 April 2023 £'000
Other operating expenses have been arrived at after charging/(crediting):		
Impairment of intangible assets	-	2,366
Impairment of property, plant and equipment	1,239	(850)
Impairment of right-of-use assets	7,334	(12,949)
	<u>7,334</u>	<u>(12,949)</u>
Amortisation of intangible assets	1,760	1,675
Depreciation of property, plant and equipment	4,952	4,337
Depreciation of right-of-use assets	9,320	7,928
Net foreign exchange loss/(gain)	210	(158)
Store closure charge/(credit)	1,576	(205)
Staff costs	50,196	44,991
Other operating expenses	60,924	49,917
	<u>60,924</u>	<u>49,917</u>
	<u>128,938</u>	<u>108,485</u>

7. EARNINGS PER SHARE ('EPS')

	52 weeks ended 30 March 2024 pence	52 weeks ended 1 April 2023 pence
Basic (loss)/earnings per share	(58.6)	19.1
Diluted (loss)/earnings per share	(58.6)	19.1
Underlying basic (loss)/earnings per share	(40.1)	5.8
Underlying diluted (loss) earnings per share	(40.1)	5.8
	<u>(40.1)</u>	<u>5.8</u>

Earnings per share is calculated based on the following data:

	52 weeks ended 30 March 2024 £'000	52 weeks ended 1 April 2023 £'000
(Loss)/profit for the period for basic and diluted earnings per share	(34,984)	11,397
Adjusting items:		
Restructuring costs*	992	-
Store closure (charge)/credits*	2,266	(203)
Charge/(reversal credit) of impairment related to property, plant and equipment*	1,266	(650)
Charge/(reversal credit) of impairment related to right-of-use assets*	6,532	(10,342)
Project costs*	485	-
Gain on waiver of loan from non-controlling interest	(504)	-
Impairment charge for intangible assets	-	2,366
Australia acquisition costs*	-	728
Sweden acquisition costs	-	193
	<hr/>	<hr/>
(Loss)/profit for the period for underlying basic and diluted earnings per share	<u>(23,947)</u>	<u>3,489</u>

* These items are included net of £496,000 (2023: £2,731,000) of the corresponding tax expense.

	52 weeks ended 30 March 2024 Million	52 weeks ended 1 April 2023 Million
Weighted average number of ordinary shares for the purpose of basic EPS	59.7	59.6
Effect of dilutive potential ordinary shares: share options	<hr/> -	<hr/> -
Weighted average number of ordinary shares for the purpose of diluted EPS	<u>59.7</u>	<u>59.6</u>

The weighted average number of ordinary shares in issue during the period excludes those held by the Mulberry Group plc Employee Share Trust.

IMPORTANT NOTICES

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE CAPITAL RAISING. THIS ANNOUNCEMENT (THIS "**ANNOUNCEMENT**") ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(E) OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**UK PROSPECTUS REGULATION**") WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS) OR (B) FALL WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER; AND (2) OTHERWISE, PERSONS TO WHOM IT IS OTHERWISE LAWFUL TO COMMUNICATE IT TO (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN MULBERRY GROUP PLC.

THE NEW ORDINARY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA) (THE "**UNITED STATES**" OR THE "**US**") EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF THE UNITED STATES. THE NEW ORDINARY SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE OF THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATION S UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE NEW ORDINARY SHARES IS BEING MADE IN THE UNITED STATES OR ELSEWHERE.

THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

THIS ANNOUNCEMENT IS NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES. THIS ANNOUNCEMENT IS NOT AN OFFER OF SECURITIES FOR SALE OR SUBSCRIPTION INTO THE UNITED STATES. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM REGISTRATION. NO PUBLIC OFFERING IS BEING MADE IN THE UNITED STATES.

The distribution of this Announcement and/or the Subscription and/or issue of the New Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, Houlihan Lokey, Peel Hunt or any of their respective affiliates, agents, directors, officers, consultants, partners or employees ("**Representatives**") that would permit an offer of the New Ordinary Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such New Ordinary Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company, Houlihan Lokey and Peel Hunt to inform themselves about and to observe any such restrictions.

This Announcement or any part of it is for information purposes only and does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States, Australia, Canada, the Republic of South Africa or Japan or any other jurisdiction in which the same would be unlawful. No public offering of the New Ordinary Shares is being made in any such jurisdiction.

All offers of the New Ordinary Shares in the United Kingdom will be made pursuant to an exemption from the requirement to produce a prospectus under the UK Prospectus Regulation. In the United Kingdom, this Announcement is being directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not require the approval of the relevant communication by an authorised person.

The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Capital Raising or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not

be, obtained from the South African Reserve Bank or any other applicable body in the Republic of South Africa in relation to the New Ordinary Shares; and the New Ordinary Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of the United States, Australia, Canada, the Republic of South Africa or Japan. Accordingly, the New Ordinary Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Australia, Canada, the Republic of South Africa or Japan or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any such action.

Members of the public are not eligible to take part in the Subscription and no public offering of Subscription Shares is being or will be made.

This Announcement may contain, or may be deemed to contain, "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Houlihan Lokey Advisory Limited ("**Houlihan Lokey**"), which is authorised and regulated by the Financial Conduct Authority (the "**FCA**") in the United Kingdom, is acting exclusively for the Company and no one else in connection with the Capital Raising, and Houlihan Lokey will not be responsible to anyone other than the Company for providing the protections afforded to clients of Houlihan Lokey or for providing advice in relation to the Capital Raising or any other matters referred to in this Announcement. Neither Houlihan Lokey nor any of its affiliates owes or accepts any duty, liability, or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Houlihan Lokey in connection with the matters referred to in this announcement, any statement contained herein or otherwise

Houlihan Lokey's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any director of the Company or to any other person.

Peel Hunt LLP is authorised and regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Capital Raising, and Peel Hunt will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Capital Raising or any other matters referred to in this Announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Houlihan Lokey, Peel Hunt or by any of their respective Representatives as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The New Ordinary Shares to be issued pursuant to the Capital Raising will not be admitted to trading on any stock exchange other than the AIM market of the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.