

Date: 13 December 2022  
On behalf of: Sosandar plc ('Sosandar' or 'the Company')  
Embargoed until: 0700hrs

## Sosandar plc

### Half Year Results

*Continued revenue growth of +72%, delivering the Company's second six-month period of positive PBT. Momentum has continued into the second half of the financial year with record sales months in October and November, trading in line with market expectations\* for the full financial year.*

Sosandar PLC (AIM: SOS), one of the fastest growing fashion brands in the UK, creating quality, trend-led products for women of all ages, is pleased to announce its financial results for the six months ended 30 September 2022 and an update on current trading.

#### Post-period Trading Highlights

- Strong start to H2 FY23 with record sales months delivered in October and then November
- Black Friday saw record number of visits to Sosandar.com and the strongest sales week on record for our third party partners, with margins increasing on H1 FY23
- Products across all categories selling well, with fast-tracked categories including partywear, knitwear and outerwear particularly strong
- Net cash of £4.2m as at 30 Nov 2022

#### Half Year Financial Highlights

- Net revenue of £21.0 million, a 72% increase against the same period in the prior year (H1 FY22: £12.2m). This growth was split equitably between own site and third party partners
- PBT of £0.1m for H1 FY23, a substantial positive swing compared to (£1.1m) loss in H1 FY22, being the second six-month period of positive PBT following H2 FY22
- Gross margin at 54.4% (H1 FY22: 56.5%) signifying a more normal post Covid trading period, including a planned end of season sale in August
- Net cash of £4.2m as at 30 Sept 2022 (FY22: £7.0m) reflecting planned earlier delivery of autumn stock than the prior year to facilitate deliveries into third party partners. In addition, the Company is starting to import more via sea freight which changes the working capital cycle, realising significant cost benefit and reducing our environmental impact

#### Half Year Operational and Strategic Highlights

- Success of unique product offering and increasing brand awareness shown by growth across KPIs compared with the same period the year prior (H1 FY22):
  - Number of orders increased on Sosandar.com by 43% to 347,137, of which 80,935 were from brand new customers and 266,202 were from existing customers
  - Average order frequency up 8% to 2.41 times
  - Website visits up 25% to over 7.7m
  - Conversion rate increased to 4.5% (H1 FY22: 3.9%)
  - Strong Average Order Value up 4% to £90 (H1 FY22: £86)
  - Active customers up 33% to 254,601
- Successful fast track development of key products, with all identified lines meeting or exceeding internal expectations

- Strong trading with third parties M&S, Next, John Lewis and The Very Group across all product categories
- Launched a new partnership with N Brown Group Plc's JD Williams on a wholesale agreement in September 2022

### H1 FY23 KPIs (Own Site)

	Six months ended 30 Sept 2022	Six months ended 30 Sept 2021	Change
Web visits	<b>7,770,346</b>	6,212,484	25%
Conversion rate	<b>4.5%</b>	3.9%	60bps
Number of orders	<b>347,137</b>	242,991	43%
AOV	<b>£89.71</b>	£85.86	4%
Active customers	<b>254,601</b>	191,424	33%
Average Order Frequency	<b>2.41</b>	2.21	9%

### Ali Hall and Julie Lavington, Co-CEOs commented:

*"We are very pleased to be reporting a strong performance for the six months ended 30 September 2022, with trading in line with our expectations for full year growth. Our continued revenue growth has enabled us to reach a significant milestone in delivering another six months of profitability, achieving a substantial swing from a loss of £1.1m in the same period last year to a profit before tax of £0.1m for the current period.*

*This performance is a testament to the relevance of our strategy, unique and broad product offering and ever-increasing brand awareness, which has enabled us to continue to deliver for our customers, despite the challenging macroeconomic backdrop.*

*Second half trading to date has built on the momentum we saw in the first half. Pleasingly, throughout October and November we delivered two record months of sales with this culminating in an extremely successful Black Friday period which saw a record number of visits to Sosandar.com and the strongest sales week on record for our third party partners, with margins increasing compared with the first half of the financial year. In addition, whilst discounts were on offer, gross margins remained stable resulting in two further months of profitability.*

*Looking ahead, whilst the external environment remains challenging, it is important to note that as a business, we have successfully mitigated many of the headwinds we have faced over the past two years. We have a brilliant brand, highly differentiated product that is in demand across all our channels and a great team who constantly execute our strategy well. We continue to trade in line with market expectations for the full year and remain confident in the longer-term outlook for the business."*

*\* Sosandar believes that market expectations for the year ending 31 March 2023 are currently revenue of £42.8 million and PBT of £2.0 million.*

## Presentations

Sosandar is hosting a webinar for analysts at 09:30 hrs GMT today. If you would like to register, please contact [sosandar@almapr.co.uk](mailto:sosandar@almapr.co.uk)

The Company is also hosting a webinar for retail investors at 11:30 today. If you would like to attend, please register here: [https://bit.ly/SOS\\_H1\\_23\\_webinar](https://bit.ly/SOS_H1_23_webinar)

## Enquiries

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This announcement contains inside information for the purposes of the retained UK version of the EU Market Abuse Regulation (EU) 596/2014 ("UK MAR").

## About Sosandar plc

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

Sosandar's product range is diverse, providing its customers with an array of choice for all occasions across all women's fashion categories. The company sells through [Sosandar.com](http://Sosandar.com) and has brand partnerships in place with Next, John Lewis, Marks & Spencer, The Very Group and N Brown.

Sosandar's strategy is to continue growing brand awareness and expand its customer database, whilst also further driving its high levels of customer retention. This is achieved through its exceptional products, seamless customer experience and impactful, lifestyle marketing activities, all of which is underpinned by combining innovation with data analysis.

Sosandar was founded in 2016 and listed on AIM in 2017. More information is available at [www.sosandar-ir.com](http://www.sosandar-ir.com)

### ***Co-CEOs' Statement***

We are delighted with the continued momentum and progress that we have delivered in the six-month period to 30 September 2022. To deliver such a strong performance, with both continued revenue growth and our second six-month period of positive PBT, despite the numerous macroeconomic challenges impacting the sector, is testament to our unique product, the hard work of our team, the resilience of our strategy and the agility of our business model. As a result of this, and the strong trading performance we have seen in October, November and early December, we are pleased to be trading in line with market expectations for the full year.

We have seen significant progress across all key pillars of our growth strategy, including significantly broadening our product range, increasing the levels of customer engagement on our own site and further developing our network of third-party partners.

Demand for our unique, sexy and chic product continues to increase with new styles and our highly effective marketing strategy resonating well - driving strong growth with both new and repeat customers on our own site and through our third-party partners. Throughout the period we have invested in our infrastructure to ensure that we satisfy this demand and enable further scalable growth by remaining at the forefront of fashion innovation.

We would like to take this opportunity to extend our thanks to our team, partners and suppliers for their unwavering commitment and support of the business.

### ***Strong trading performance and continued improvement across all KPIs***

Despite the challenging macroeconomic environment, our well-planned approach, together with our distinctive product range and effective communication strategy has enabled us to deliver an extremely pleasing performance.

Total net revenue for the period increased 72% year-on-year to £21.0 million, with a substantial positive swing in PBT to £0.1m (H1 FY22: £1.1m loss), being the second six-month period of positive PBT following H2 FY22. This performance was driven by the success of our broadened product range as we identified and fast-tracked the development of key product areas, whilst also monitoring our cost base. The revenue growth delivered over the period was split equitably between our own site and our third party partners.

Pleasingly, as the scale of the business continues to increase, we are increasingly able to exploit a number of opportunities which result in a sustainable benefit to the gross margin. This, coupled with a more normal post Covid trading period, which included a planned end of season sale in August, has resulted in gross margin remaining strong at 54.4% (H1 FY22: 56.5%).

Our net cash position of £4.2m as of 30 September 2022, reflects our decision to order stock in early for the Autumn/Winter season to ensure that we can meet the significant demand across all of our sales channels. A large proportion of this stock was also brought in by sea freight which means that we take receipt of the stock a number of weeks earlier than we would if it came via air and thus requires payment earlier.

The continued improvement we have seen across all our KPIs is testament to the success of our strategy in accelerating sales growth by identifying and fast-tracking the development of key product lines. The number of orders increased by 43% year on year to 347,137, of which 80,935 were new orders and 266,202 were repeat orders. Our conversion rate increased to 4.5% from 3.9%, average

order frequency increased by 8% to 2.41 times per annum, and website visits were up 25% to over 7.7m. Average Order Value for the period has increased 4% to £90 as our product offering expands, representing good growth against H1 FY21 (£86).

It is clear our well-planned approach, together with our distinctive product range and effective communication strategy, has enabled us to continue to deliver for our customers.

### ***Unique product range is the key to our success***

Our long term vision is to dress women across the globe to feel sexy and chic. Our huge addressable market is united by a desire for on-trend, affordable, long lasting, lifestyle appropriate clothes. Sosandar's magic is the successful execution of distinctive product and powerful communication. This execution has captured the hearts and minds of our ever-growing customer base.

As a clothing brand our product is the key driver of our success. We create head-to-toe outfits at a mid-level price point that are long lasting, with a wide selection of choice that covers all occasions and unique prints that are designed in-house.

At the time of our Full Year Results in July we stated that we planned to fast-track development in categories where we knew our customers would be likely to spend – specifically in occasion-wear, beach and swim, and tailoring. Pleasingly, this has been extremely successful with all identified lines meeting or exceeding expectations. Across the period, every single product category was in growth, with holiday and beach wear, formal tailoring and partywear performing exceptionally well throughout summer and into September.

This strong momentum has continued into Autumn and Winter as consumers plan for the festive period with fast-tracked development of targeted categories including knitwear, formal tailoring, coats and partywear leading to a record breaking Black Friday for the Group across both Sosandar.com and via our third party partners. The successes so far in H2 FY23 serve to reaffirm confidence in our strategy as our product continues to match our consumers' needs and consistently delivering products they love.

### ***Sustained momentum with our third-party partners***

Whilst the growth of our own site is the anchor of our success, trading with our third party partners including M&S, Next, the Very Group and John Lewis has continued to be strong. Our relationships with our partners allow us to increase our reach among our core target demographic and deliver incremental revenue and EBITDA growth.

In line with the Group's strategy to identify and target the development of key product lines, the range and levels of inventory going to our concession partners has continued to increase. The positive result of this strategy can be seen in our sales performance across all our partners which serves to highlight that this is resonating with consumers.

Alongside our existing relationships, we were pleased to announce the new third-party partnership with JD Williams on a wholesale agreement basis in October this year. We are very pleased with the promising start to this partnership.

Looking ahead, we will continue to invest in our own site, the bedrock of the Sosandar lifestyle hub, whilst also exploring additional third-party partnerships in the UK and abroad.

## ***Current Trading and Outlook***

Following a strong H1 performance, trading in the second half of the financial year to date has been very encouraging. The positive momentum seen in the period under review has carried through into October and November with the Company reporting two further consecutive months of profitability. Record sales were achieved both from third parties and on our own site, with exceptional performance surrounding Black Friday activity which saw the single largest day in terms of visits to sosandar.com and the most successful sales week recorded for third parties. Positively, margins have improved during this period.

Achieving these results in the current macroeconomic environment validates our strategy, business model and relationship with our loyal customer base. Our continued revenue growth and second six-month period of positive PBT has been driven by an increased diversity of our product range, with strong growth both on our Own Site and through third parties.

Whilst there is no doubt that the current economic backdrop brings many challenges for businesses and consumers, our achievements to date have been down to our strategy, planning and ability to execute. We are confident that we will continue to manage our business appropriately to enable us to steer through the next set of challenges.

We know our customer incredibly well and as we have done over the past two years, our messaging in our communication with customers will reflect how our customers are thinking and feeling. We are continuing to see demand for stand-out, quality clothing and value for money – all of which are the key tenants of our proposition.

Whilst the current environment is unpredictable, we now have a proven track record of being able to navigate difficult times and we remain confident that, as we continue to invest in our product, platform and people we will achieve what we have set out for the current year. We are also confident in the longer-term outlook for the business.

## **FINANCIAL REVIEW**

### **KPIs**

	<b>6 months ended 30 September 2022 £'000</b>	6 months ended 30 September 2021 £'000	Change
Revenue	<b>20,950</b>	12,177	+72%
Gross Profit	<b>11,388</b>	6,880	+66%
Gross Margin	<b>54.4%</b>	56.5%	-210bps
PBT	<b>77</b>	(1,077)	

	<b>6 months ended 30 September 2022</b>	6 months ended 30 September 2021	Change
Sessions	<b>7,770,346</b>	6,212,484	+25%
Conversion rate	<b>4.5%</b>	3.9%	+56bps
Number of orders	<b>347,137</b>	242,991	+43%
AOV	<b>£89.71</b>	£85.86	+4%
Active customer base	<b>254,601</b>	191,424	+33%
Order Frequency	<b>2.41</b>	2.21	+9%

H1 FY23 has delivered another substantial increase across most key KPIs and has delivered a second consecutive period of positive PBT following the milestone performance in H2 FY22. PBT for the period is £0.1m, swinging from loss to profit compared to the previous year (H1 FY22: £1.1m loss), driven by the revenue growth, further increases across customer engagement KPIs and group-wide operational efficiencies.

## **Revenue**

Revenue for the period increased by 72% to £21.0m (H1 FY22: £12.2m) with record trading across all sales channels, making share gains across all categories. Further investment in stock in the period has enabled the Group to deliver against the demand from both own site consumers and third-party partners.

All key KPIs on Sosandar.com have increased during the period. Total orders increased by 43% to 347,137 (H1 FY22: 242,831) with engagement KPIs all stepping up significantly including conversion up 56bps to 4.47%, order frequency up 9% to 2.41 times and active customers up 33% to 254,601. The recruitment of quality new customers continues to be a key focus, with 80,935 orders being from first time customers to the brand during the period. The percentage of customers repeat ordering during the period increased to 44.0% (H1 FY22: 42.6%), with all these factors helping to drive the growth in PBT during the period.

## **Gross Margin**

The Gross Margin at 54.4% reduced by 210bps compared to the same period in the prior year, being impacted by a planned end of season sale during July and August. During the period, underlying margins were maintained in line with the prior year with some inflationary pressures on raw materials being offset by improved average freight rates and economies of scale through purchasing larger quantities to meet customer demand. In addition, margin has benefited from changes in product mix, with dresses, specifically occasion wear, being particularly strong. Aside from this mix shift, return rates have remained stable.

## **Operating Costs**

Total Operating Costs reduced as a percent of net revenue to 53%, compared with 65% in the same period of the prior year. The costs increased by 42% to £11.0m, including commissions retained by concession partners which increased to £2.4m in the period (H1 FY22 £1.1m), reflecting the growth in this channel.

The cost of fulfilment increased by 48% to £2.9m which is due to the increase in volume. As a percentage of revenue, this reduced to 14% (H1 FY22: 16%) as ongoing productivity initiatives drive improvements across the warehouse coupled with a higher proportion of bulk orders for third party partners. Operations costs increased by £1.0m in the period, as the team was strengthened to support the growth of the business, reducing to 15% of net revenue (H1 FY22: 18%) as the benefits of operating leverage become increasingly evident as we grow. In addition, more office space was taken on during the period to welcome all team members back to the office.

## **Balance Sheet**

Net assets increased to £10.9m at 30 September 2022 compared with £9.5m at 30 September 2021. Cash at 30 September 2022 was £4.2m (30 September 2021 £7.4m).

Inventory increased to £13.5m (H1 FY22: £6.0m) which reflects the planned investment following the equity raise in May 2021. This increase also includes higher stock in transit as there has been a shift to sea freight ahead of the autumn season, with title taken two months earlier than if air freight was being utilised, resulting in an acceleration of our working capital requirement.

Receivables increased to £2.3m (H1 FY22: £1.1m) due to the increase in revenue from third party partners.

Payables increased to £10.0m (H1 FY22 £5.3m) which reflects the shift towards using sea freight to bring stock into the UK, with earlier recognition of the liability than where airfreight is used. In particular, sea freight has been used for a large proportion of stock for the autumn / winter season which was in transit as at 30 September 2022.

There is a margin benefit from using sea freight compared with air which was used for the majority of purchases in the prior year, although it does mean that our balance sheet changes with more stock being held and higher creditors. Average payment terms with stock suppliers have continued to increase compared with the previous year as we have further cemented strategic relationships with key suppliers.

Net cash flow from operating activities for the six month period to 30 September 2022 was a net outflow of £2.5m, attributable to the investment in stock, in particular for the autumn / winter season.

## **BOARD COMMITTEE CHANGES**

Following the appointment of Lesley Watt as Independent Non-Executive Director and Mark Collingbourne stepping down from the Board effective 1 September 2022, the Company announces the following changes to the composition of its board committees which are effective immediately:

### ***Audit Committee***

Lesley Watt will succeed Bill Murray as chair of the audit committee, with Jon Wragg and Nick Mustoe making up the remainder of the committee.

### ***Remuneration Committee***

Andrew Booth will replace Nick Mustoe as chair of the remuneration committee, with Lesley Watt being newly appointed and Bill Murray remaining on the committee.

### ***Nomination Committee***

The Nominations committee will now be chaired by Jon Wagg, succeeding Adam Reynolds who will remain on the committee alongside Andrew Booth.



**UNAUDITED CONSOLIDATED STATEMENT OF INCOME AND OTHER  
COMPREHENSIVE INCOME  
FOR THE 6 MONTHS ENDED  
30 SEPTEMBER 2022**

	6 Months to 30 Sept 2022 £'000	6 Months to 30 Sept 2021 £'000	Year ended 31 March 2022 £'000
Notes			
Revenue	20,950	12,177	29,458
Cost of Sales	(9,562)	(5,297)	(12,962)
<b>Gross profit/(loss)</b>	<b>11,388</b>	<b>6,880</b>	<b>16,496</b>
Other operating income	-	-	-
Administrative expenses	(11,027)	(7,770)	(16,470)
Share-based payment	(156)	(101)	(255)
Depreciation and amortisation	(107)	(85)	(317)
<b>Operating profit/(loss)</b>	<b>98</b>	<b>(1,076)</b>	<b>(546)</b>
Finance costs	(21)	(1)	(8)
<b>Profit/(loss) before taxation</b>	<b>77</b>	<b>(1,077)</b>	<b>(554)</b>
Income tax credit/(expense)	-	-	412
<b>Group profit/(loss) for the year</b>	<b>77</b>	<b>(1,077)</b>	<b>(142)</b>
Other comprehensive income	-	-	-
<b>Total comprehensive profit/(loss) for the period</b>	<b>77</b>	<b>(1,077)</b>	<b>(142)</b>
<b>Earnings/(loss) per share:</b>			
Earnings/(loss) per share – basic and diluted, attributable to ordinary equity holders of the parent (pence)	5	<b>0.03</b>	<b>(0.51)</b>
		<b>(0.07)</b>	<b>(0.07)</b>

**UNAUDITED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2022**

	Notes	As at 30 Sept 2022 £'000	As at 30 Sept 2021 £'000	As at 31 March 2022 £'000
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		-	200	-
Property, plant, equipment and right of use asset		954	99	446
Deferred income tax asset		412		
<b>Total non-current assets</b>		<b>1,366</b>	<b>299</b>	<b>446</b>
<b>Current assets</b>				
Inventories		13,489	6,005	7,307
Trade and other receivables		2,347	1,100	2,495
Cash and cash equivalents		4,205	7,351	7,048
<b>Total current assets</b>		<b>20,041</b>	<b>14,456</b>	<b>16,850</b>
<b>Total assets</b>		<b>21,407</b>	<b>14,755</b>	<b>17,296</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	4	221	221	221
Share premium	4	47,089	47,044	47,089
Capital Reserves		4,648	4,648	4,648
Other reserves		1,068	758	912
Reverse acquisition reserve		(19,596)	(19,596)	(19,596)
Retained earnings		(22,577)	(23,589)	(22,654)
<b>Total equity</b>		<b>10,853</b>	<b>9,486</b>	<b>10,620</b>
<b>Current liabilities</b>				
Trade and other payables		9,899	5,269	6,761
Lease liability		116	-	38
<b>Total current liabilities</b>		<b>10,015</b>	<b>5,269</b>	<b>6,799</b>
<b>Non current liabilities</b>				
Lease liability		539	-	289
<b>Total non current liabilities</b>		<b>539</b>	<b>-</b>	<b>289</b>
<b>Total liabilities</b>		<b>10,554</b>	<b>5,269</b>	<b>7,088</b>
<b>Total equity and liabilities</b>		<b>21,407</b>	<b>14,755</b>	<b>17,708</b>

**UNAUDITED CONSOLIDATED STATEMENT OF  
CASHFLOWS  
FOR THE 6 MONTH PERIOD ENDED 30  
SEPTEMBER 2022**

		6 Months to 30 Sept 2022 £'000	6 Months to 30 Sept 2021 £'000	Year ended 31 March 2022 £'000
	Notes			
<b>Cash flows from operating activities</b>				
<b>Group profit/(loss) before tax</b>		77	(1,077)	(554)
Share based payments		156	101	255
Depreciation and amortisation		107	85	317
Finance costs		21	1	8
Working capital adjustments:				
Change in inventories		(6,182)	(3,139)	(4,441)
Change in trade and other receivables		148	(372)	(1,768)
Change in trade and other payables		3,138	2,365	3,906
<b>Net cash flow from operating activities</b>		<b>(2,535)</b>	<b>(2,036)</b>	<b>(2,277)</b>
<b>Cash flow from investing activities</b>				
Addition of property, plant and equipment		(235)	13	(36)
Addition of intangibles		-	8	-
Initial direct costs on right of use asset		-	-	(18)
Interest paid		(18)	-	(4)
<b>Net cash flow from investing activities</b>		<b>(253)</b>	<b>21</b>	<b>(58)</b>
<b>Cash flow from financing activities</b>				
Net proceeds from issue of equity instruments	4	-	5,481	5,526
Lease payment		(55)	(43)	(71)
<b>Net cash flow from financing activities</b>		<b>(55)</b>	<b>5,438</b>	<b>5,455</b>
<b>Net change in cash and cash equivalents</b>		<b>(2,843)</b>	<b>3,423</b>	<b>3,120</b>
Cash and cash equivalents at beginning of period		7,048	3,928	3,928
<b>Cash and cash equivalents at end of period</b>		<b>4,205</b>	<b>7,351</b>	<b>7,048</b>

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES  
IN EQUITY  
FOR THE 6 MONTH PERIOD ENDED 30  
SEPTEMBER 2022**

	Notes	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Other reserves £'000	Total £'000
<b>Balance at 30 September 2021</b>		<b>221</b>	<b>47,044</b>	<b>(19,596)</b>	<b>4,648</b>	<b>(23,589)</b>	<b>758</b>	<b>9,486</b>
Profit (Loss) for the period		-	-	-	-	935	-	<b>935</b>
Share-based payments		-	-	-	-	-	154	<b>154</b>
Issue of share capital	4	-	45	-	-	-	-	<b>45</b>
Costs on issue of share capital	4	-	-	-	-	-	-	-
<b>Balance at 31 March 2022</b>		<b>221</b>	<b>47,089</b>	<b>(19,596)</b>	<b>4,648</b>	<b>(22,654)</b>	<b>912</b>	<b>10,620</b>
Profit (Loss) for the period		-	-	-	-	77	-	<b>77</b>
Share-based payments		-	-	-	-	-	156	<b>156</b>
Issue of share capital	4	-	-	-	-	-	-	-
Costs on issue of share capital	4	-	-	-	-	-	-	-
<b>Balance at 30 September 2022</b>		<b>221</b>	<b>47,089</b>	<b>(19,596)</b>	<b>4,648</b>	<b>(22,577)</b>	<b>1,068</b>	<b>10,853</b>

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

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

Share based payments reserve relate to the charge for share-based payments in accordance with International Financial Reporting Standard 2.

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

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

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

## **NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION**

### **1. General Information**

Sosandar Plc is a company incorporated and domiciled in England and Wales. The Company's offices are in Wilmslow. The Company is listed on the AIM market of the London Stock Exchange (ticker: SOS).

The financial information set out in this Half Yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Company's statutory financial statements for the year ended 31 March 2021, prepared under International Financial Reporting Standards ("IFRS"), have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain statements under Sections 498(2) and 498 (3) of the Companies Act 2006.

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

### **2. Basis of preparation and significant accounting policies**

This Half Yearly report has been prepared using the historical cost convention, on a going concern basis and in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, using accounting policies which are consistent with those set out in the financial statements for the year ended 31 March 2022.

### **3. Segmental reporting**

In the opinion of the directors, the Group has one class of business, being that of a clothing manufacturer and distributor via internet and mail order. The Group's primary reporting format is determined by the geographical segment according to the location of its establishments. There is currently only one geographic reporting segment, which is the UK. All costs are derived from the single segment.

#### 4. Share capital and reserves

Details of ordinary shares issued are in the table below:

<b>Ordinary Shares (£0.01)</b>					
	<b>Date</b>	<b>Number of shares</b>	<b>Issue Price £</b>	<b>Total Share Capital £'000</b>	<b>Total Share Premium £'000</b>
<b>At 31 Mar 2021</b>		192,268,122	0.001	192	41,592
<b>Shares issued: Fundraise May 21</b>		28,840,210	0.001	29	5,739
<b>Shares issued: Warrants exercised Dec 21</b>		300,000	0.001	-	45
<b>Direct costs: Fundraise May 21</b>				-	(287)
<b>At 31 Mar 2022</b>		<b>221,408,332</b>	<b>0.001</b>	<b>221</b>	<b>47,089</b>
<b>Shares issued:</b>		-		-	-
<b>At 30 September 2022</b>		<b>221,408,332</b>	<b>0.001</b>	<b>221</b>	<b>47,089</b>

#### 5. Earnings per share: profit / (loss)

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

	<b>6 Months to 30 Sept 2022</b>	<b>6 Months to 30 Sept 2021</b>	<b>Year ended 31 March 2022</b>
Loss after tax attributable to equity holders of the parent (£'000)	77	(1,077)	(142)
Weighted average number of ordinary shares in issue	221,408,332	212,504,070	216,844,739
Fully diluted average number of ordinary shares in issue	221,408,332	212,504,070	216,844,739
<b>Basic and diluted earnings profit / (loss) per share (pence)</b>	<b>0.03</b>	<b>(0.51)</b>	<b>(0.07)</b>

#### 6. Post balance sheet events

The Company had no post balance sheet events.