

Date: 12 December 2023
On behalf of: Sosandar plc ('Sosandar' or 'the Company')
Embargoed until: 0700hrs

Sosandar plc

Half Year Results and Trading Update

Strong autumn trading, improved margins and tracking in line with full year market expectations

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 2023 and a post period trading update covering October and November.

Post-period Trading Highlights (October and November)

Autumn trading has been strong, and the Company is trading in line with full year market expectations. All channels have performed well with strong revenue growth, increased gross margin, positive pre-tax profit in both months and a record month of trading in November, with similar momentum in December to date.

- Revenue for October and November in excess of £10m, a 16% increase on the same period last year and a significant improvement on the 6% growth achieved in H1 FY24
- Gross margin up 430bps versus H1 FY23 from 55.4% to 59.8%, reflecting the planned reduction in price promotional activity
- Strong performance on own site and one of the top selling brands across all third-party partners including Next and M&S
- Substantial progress towards opening our first own stores, with locations identified ahead of planned launch early in FY25
- Sainsbury's brand-new fashion concept stores went live in early October with a wide range of Sosandar product selling well in all nine stores
- Signed new agreements with two large prestigious international third-party partners: The Iconic in Australia which has recently launched and The Bay in Canada, which is expected to launch during the latter part H2 FY24
- Balance sheet remains robust with cash position increasing to £7.3m at 30 November 2023

Half Year Financial Highlights

- Net revenue growth of 6.0% to £22.2m (HY23: £21.0m)
- Loss before tax of £1.3m (HY23: £0.1m profit)
- Gross margin increased to 55.4% (H1 FY22: 54.4%)
- Net cash of £7.0m as at 30 Sept 2023 (FY23: £10.6m)

Ahead of our considered move towards a multi-channel model aiming to significantly increase our addressable market, in Q2 FY24 we trialled a reduction in price promotional activity across our own site. The performance in the period reflects this trial which, as expected, resulted in a material improvement in average order value and margin with the anticipated reduction in site visits, orders and conversion. The planned roll out of our store estate over the medium term is specifically designed to deliver profitable growth as a result of less discounting and accelerate delivery of our medium-term target of £100m+ revenue and a 10% margin.

Operational and Strategic Highlights

- Successful launch with Global-e, a world leading platform, enabling the Company to transact and fulfil orders worldwide to over 60 countries in a cost-effective manner. Sales data is being used to inform future international opportunities based on where the Sosandar brand is performing well
- Product across all categories continued to resonate with customers with particularly strong sales of summer occasion wear and holiday clothing in H1 FY24, with partywear and knitwear being standout categories in autumn to date
- Trading with well-established third-party partners has continued to be strong with the success of the Sosandar product resulting in increased collaboration with our partners, including new partnership with Freemans launched in September
- The mobile app, which went live in July, has performed very well, with c70,000 downloads to date and generating already 10% of own site sales at higher conversion rates than through mobile web browsing

Ali Hall and Julie Lavington, Co-CEOs commented:

“Over the past six months, we have made significant steps on our journey to become a multi-channel retailer whilst also expanding the reach of the Sosandar brand. We are delighted to have launched new partnerships with Sainsbury’s and Freemans, signed our first agreements with two large prestigious international third-party partners and announced that we intend to open our first own stores in Spring 2024.

“Our product remains the key driver of our success and keeps our customers returning to us for their wardrobe needs. Throughout the period, we saw growth across all product ranges with particular success in our summer occasion wear and beach and swim ranges over the summer. In the lead up to Christmas we have seen extremely strong sales across all categories with party wear, dresses, tailoring, knitwear and smart trousers being standout items.

“Trading in the second half of the financial year to date has been encouraging, in line with full year market expectations, with November a record month of trading. This strong performance has been delivered across all our channels.

“Looking ahead, we believe that the future is very bright as we take the Sosandar brand to more customers across the UK and worldwide and move further towards reaching our strategic goal of delivering £100m+ revenues and a pre-tax profit margin of at least 10% in the medium term.”

** Sosandar believes that market expectations for the year ending 31 March 2024 are currently revenue of £46.8 million and PBT of £0.1 million.*

Presentations

Sosandar is hosting a webinar for analysts at 08:30 hrs GMT today. If you would like to register, please contact sosandar@almastrategic.com

The Company is also hosting a webinar for retail investors at 12:00 today. If you would like to attend, please register here: https://bit.ly/SOS_H124_webinar

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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 lower quality, price-led alternatives. The Company offers this underserved audience fashion-forward, affordable, quality clothing to make them feel sexy, feminine, and chic. The business sells predominantly own-label exclusive product designed and tested in-house.

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

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

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

Co-CEOs' Statement

Total net revenue for the period increased 6% year-on-year to £22.2 million. Trading with our now well-established third-party partners, including Marks & Spencer and Next, has been consistently strong throughout the period, with all product categories performing well at full RRP.

The period under review saw us take important steps towards becoming a true multi-channel retailer with the launch of a new partnership with Freemans, working with Sainsbury's towards the launch of their brand-new fashion concept stores which went live in early October, signing our first agreements with two large prestigious international third-party partners: The Iconic in Australia and The Bay in Canada, and announcing that we intend to open up our own stores from Spring 2024. Ahead of our considered move towards a multi-channel model aiming to significantly increase our addressable market, in Q2 FY24 we trialled a reduction in price promotional activity across our own site. The performance in the period reflects this trial which, as expected, resulted in a material improvement in average order value and margin with the anticipated reduction in site visits, orders and conversion. The planned roll out of our store estate over the medium term is specifically designed to deliver profitable growth as a result of less discounting and accelerate delivery of our medium-term target of £100m+ revenue and a 10% margin.

The movement back to a pre-tax loss in the period was driven by the expected reduction in revenue following the Q2 trial alongside higher overheads primarily related to staff as we invested to ensure that we have the right team in place to deliver the next stage of growth. We expect to remain profitable for the full year and beyond.

Pleasingly, as had been expected, gross margin increased by 100bps year on year. This includes the effect of an increase in the wholesale channel as a proportion of revenue. Excluding the wholesale channel, gross margin increased by 240bps. The trial in Q2 resulted in own site margin increasing by 570bps year on year in the quarter, which has continued to improve over the first two months of H2 FY24.

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

Creating product that women want to wear

As a clothing brand our product is the key driver of our success and keeps our customers returning to us for all their wardrobe needs. We create head-to-toe outfits at a mid-level price point that are high quality, long lasting, with a wide selection of choice that covers all occasions and unique prints that are designed in-house. Continuing to develop and invest in our product range is vital to taking further market share.

We saw growth across all product ranges with particular success in our summer occasion wear and beach and swim ranges over the summer. In the lead up to Christmas we have seen extremely strong sales across all categories with party wear, dresses, tailoring, knitwear and smart trousers being standout items.

Our routes to market

As stated above, our product is what makes Sosandar unique. As a clothing brand, without exceptional product the success we have delivered to date would not have been possible. In order to ensure that our customers can shop with Sosandar whichever way they wish, we need multiple routes to market in order to take full advantage of the £62bn UK clothing market. Working across our own site Sosandar.com, our newly launched app, third party partners and our own stores, it will become significantly easier for customers to interact with our well-established brand.

1) Our own site

Sosandar.com remains the bedrock of the Sosandar hub. It is where our customers access the complete Sosandar experience including the full extent of our diverse range. This site is continually updated with new product and content, and we are constantly working and investing to ensure that we maintain a seamless customer experience through this channel.

Over the past six months we have further invested in the functionality of our own site in order to enable more customers to buy from us, have more ways to shop and provide a more personalised experience.

We launched our mobile app in July, and since then its performance has performed very well, with c70,000 downloads to date and 10% of sales already being generated through the app. We recently launched with Global-e, the world's leading platform to enable and accelerate global, direct-to-consumer, cross-border ecommerce. This enables us to transact and fulfil orders worldwide to over

60 countries in a cost-effective manner and allows us to build knowledge to inform our future international strategy.

2) Sustained momentum with third party partners

Trading with our third-party partners including M&S and Next has continued to be exceptionally strong. Across our partners we sell at full RRP and we are very proud to continuously deliver best-selling results across their plethora of third-party brands.

Alongside our existing relationships, we were pleased to announce our new third-party partnership with Freemans, part of the Otto Group, on a wholesale agreement basis in September this year. We are very pleased with the promising start to this partnership.

Post period end, after spending a thorough amount of time researching the opportunities, we were delighted to announce new agreements with two large prestigious international third-party partners: The Iconic in Australia and The Bay in Canada, exceeding our previously stated target of launching with one such partner in FY24. Since then, we are delighted to have already launched with The Iconic and expect The Bay to launch in the latter part of H2 FY24. Third party partnerships, both domestically and internationally, remain a key facet of our higher margin multi-channel model and we have a strong pipeline of additional opportunities at various stages of delivery.

3) Becoming a fully integrated multi-channel business

Over the course of the past two years, consumer behaviours are changing and recent independent market reports* have validated our assumption that shopping habits have also changed, with 61% of consumers favouring in-store shopping, while 39% shop mostly online. While consumer preferences for shopping online or instore will of course oscillate, it is clear that the opportunity available to multi-channel retailers far exceeds that of a strictly online pureplay business and providing an instore offering is therefore an essential next step in Sosandar's growth journey.

In order to fully capitalise on this increasing growth opportunity, embracing a multi-channel strategy is key to capitalise on the sustained growth in footfall over the last two years**.

In the first two weeks of October, the Sainsbury's brand-new fashion concept stores launched with a wide range of Sosandar product selling well in all of the initial nine stores. This partnership was the strategic starting point for the evolution from pureplay to a multi-channel brand and will enable us to provide our large but underserved demographic with more opportunities to purchase our unique and diverse products.

By spring 2024, the Company expects to have opened its first stores in the UK in affluent towns with thriving high streets where Sosandar customers over-index. The same meticulous planning, risk mitigation, in-depth research and successful execution that we have continually demonstrated will also be applied to the controlled store roll out. Our own stores will deliver multiple benefits both to our total addressable market, profitability and to the brand as a whole. It will bring increased brand awareness, higher margins, more efficient marketing and overall lower returns rates as we take our in-demand product to more customers. The foundation of the anticipated success of this strategy is the same tried and tested formula we've applied since foundation; providing our customers with an exceptional product range that women want to buy and seamless customer experience.

Our multi-channel model is tailored to meet consumer shopping habits and allows to create a unified shopping experience for customers.

*Retail Economics UK Multi-channel Retail Report 2023: <https://www.retaileconomics.co.uk/retail-insights/thought-leadership-reports/uk-multi-channel-retail-2023-report-online-in-store>

**Store openings and closures H1 2023, PWC: <https://www.pwc.co.uk/industries/retail-consumer/insights/store-openings-and-closures.html>

Current Trading and Outlook

Trading in the second half of the financial year to date has been encouraging with November being a record month of trading. Net revenue for October and November was £10.2m, a 16% increase versus the prior year and a significant increase on the H1 FY23 exit rate of 6%. In addition, the effect of our planned reduction in price promotional activity is starting to be seen with a 58.1% gross margin being delivered on our own site in October and November, in comparison to 54.1% in the prior year, which continues to validate our planned multi-channel model.

This strong performance has been delivered across all our channels. In early November we achieved a new record day of trading on our own site. In addition, we also delivered new records through our third parties in November. This performance and continued demand shows the strength of our unique product range in the key trading period before Christmas and, whilst acknowledging the challenges that remain in the wider economy, we are trading in line with market expectations for the full year.

We are excited about the next stage of our growth journey as we provide our customers with more ways to engage and shop with Sosandar through our website, app, third party partners and eventually our own stores. At every stage of our journey so far we have evaluated and considered the opportunities available to us in detail, resulting in us executing to plan whilst also mitigating risk. Our success has been built on an exceptional product range, seamless customer experience and impactful, lifestyle marketing, all of which is underpinned by combining innovation with data analysis.

By spring 2024, we expect to have opened our first identified stores in the UK. In addition, we will continue to drive sales through our own site and app, further enhance our relationships with third-party partners and continue to develop our international strategy. All of these objectives will move us further towards reaching our strategic goal of delivering £100m+ revenues and a pre-tax profit margin of at least 10% in the medium term.

The Sosandar brand remains well placed to take advantage of the multiple opportunities available to us, and we believe that the future is very bright as we take the Sosandar brand to more customers across the UK and worldwide and continue on our journey to become one of the largest womenswear brands globally.

FINANCIAL REVIEW

KPIs

	6 months ended 30 September 2023 £'000	6 months ended 30 September 2022 £'000	Change
Revenue	22,163	20,950	+6%
Gross Profit	12,289	11,388	+8%

Gross Margin	55.4%	54.4%	+100bps
PBT	(1,349)	77	

Own Site KPIs	6 months ended 30 September 2023	6 months ended 30 September 2022	Change
Sessions	7,713,554	7,770,346	-1%
Conversion rate	3.6%	4.5%	-90bps
Number of orders	276,989	347,137	-20%
AOV	£99.26	£89.71	+11%
Active customer base	256,312	254,601	+1%

Revenue and loss before tax

H1 FY24 revenue increased by 6% to £22.2m with a loss before tax of £1.3m (H1 FY23 £0.1m). The period saw a managed reduction in price led promotional activity during Q2 which impacted KPIs on our own site, most notably reductions in sessions and conversion. This change was initially a trial which has subsequently been extended into H2 FY24 and is resulting in improved AOV and gross margin which will lead to mid-term sustainable improvement in profitability.

Revenue through our third-party partners continues to grow strongly, in particular with Next and Marks & Spencer. In addition, the wholesale agreement with Sainsbury's commenced in the period with Sosandar product being sold in nine physical stores from early October.

Gross Margin

The gross margin in H1 FY24 is 55.4% which increased by 100bps compared to the same period in the prior year. This improvement includes the impact of an increase in the proportion of revenue being generated through the wholesale channel. Excluding the wholesale channel, gross margin increased by 240bps. The trial in Q2 resulted in own site margin increasing by 570bps year on year in the quarter.

Operating Costs

Total operating costs increased by 21% to £13.3m (H1 FY23 £11.0m). The largest element of this increase is from commissions retained by our third-party partners which increased by 41% to £3.4m (H1 FY23 £2.4m), reflecting the continued revenue growth on our key partner sites. Excluding this increase, all other overheads increased by 15% from £8.6m to £9.9m. This includes the strengthening of the Sosandar team during the second half of FY23 to support the growth of the business across all sales channels and an increase in activity driven fulfilment costs.

Balance Sheet

Net assets increased to £17.2m at 30 September 2023 compared with £10.6m at 30 September 2022. Cash at 30 September 2023 was £7.0m (30 September 2022: £4.2m).

The cash balance was strengthened following the £5.4m equity raise in Feb 2023. The funds have been invested in greater levels of inventory in order to drive further growth, in particular with our third-

party partners including the new wholesale agreement with Sainsbury's. Our plan to open our own physical retail stores will be delivered from our existing financial resources.

Inventory increased to £14.2m (H1 FY23: £13.5m) which reflects the planned investment in stock to drive further growth. We have slightly more summer stock to carry over into next year following the managed reduction in orders through our own site in Q2. This is good stock and will complement new ranges which will be purchased in early FY25.

Receivables increased to £3.8m (H1 FY23: £2.3m) due to the increase in revenue from third party partners including the new partnership with Sainsburys. There has been no change to payment terms with any of our partners. All partners have continued to pay in full and on time throughout the period.

Payables decreased to £9.2m (H1 FY23 £10.0m) reflecting the timing of payments relating to the Autumn / Winter season compared to H1 2023. We consciously brought stock in earlier than last year in order to ensure our new season ranges launch on time, in particular with our third party partners which results in payments being slightly earlier. We have continued to increase the use of varied freight methods to balance lead time, cost and environmental considerations which is also leading to improved margins, in particular as freight rates have reduced year on year.

Non-current assets increased by £0.6m to £2.0m. Investment in the development and launch of the Sosandar app and ongoing costs for the ERP project result in intangibles being £0.4m (H1 FY23: £nil).

**UNAUDITED CONSOLIDATED STATEMENT OF INCOME AND OTHER
COMPREHENSIVE INCOME
FOR THE 6 MONTHS ENDED
30 SEPTEMBER 2023**

	6 Months to 30 Sept 2023 £'000	6 Months to 30 Sept 2022 £'000	Year ended 31 March 2023 £'000
Notes			
Revenue	22,163	20,950	42,451
Cost of Sales	(9,874)	(9,562)	(18,614)
Gross profit/(loss)	12,289	11,388	23,837
Other operating income	-	-	-
Administrative expenses	(13,342)	(11,027)	(21,654)
Share-based payment	(137)	(156)	(311)
Depreciation and amortisation	(141)	(107)	(235)
Operating profit/(loss)	(1,331)	98	1,637
Finance costs	(18)	(21)	(40)
Profit/(loss) before taxation	(1,349)	77	1,597
Income tax credit/(expense)	-	-	284
Group profit/(loss) for the year	(1,349)	77	1,881
Other comprehensive income	-	-	-
Total comprehensive profit/(loss) for the period	(1,349)	77	1,881
Earnings/(loss) per share:			
Earnings/(loss) per share – basic and diluted, attributable to ordinary equity holders of the parent (pence)	5	(0.60)	0.03
		0.03	0.84

**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)
Gross profit/(loss)	11,388	6,880	16,496
Other operating income	-	-	-
Administrative expenses	(11,027)	(7,770)	(16,470)
Share-based payment	(156)	(101)	(255)
Depreciation and amortisation	(107)	(85)	(317)
Operating profit/(loss)	98	(1,076)	(546)
Finance costs	(21)	(1)	(8)
Profit/(loss) before taxation	77	(1,077)	(554)
Income tax credit/(expense)	-	-	412
Group profit/(loss) for the year	77	(1,077)	(142)
Other comprehensive income	-	-	-
Total comprehensive profit/(loss) for the period	77	(1,077)	(142)

Earnings/(loss) per share:

Earnings/(loss) per share – basic and diluted, attributable to ordinary equity holders of the parent (pence)	5	0.03	(0.51)	(0.07)
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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	As at 30 Sept 2023 £'000	As at 30 Sept 2022 £'000	As at 31 March 2023 £'000
Assets			
Non-current assets			
Intangible assets	367	-	52
Property, plant, equipment	339	297	355
Right of Use asset	592	658	584
Deferred income tax asset	696	412	696
Total non-current assets	1,994	1,366	1,687
Current assets			
Inventories	14,216	13,489	12,361
Trade and other receivables	3,798	2,347	2,730
Cash and cash equivalents	6,981	4,205	10,576
Total current assets	24,996	20,041	25,667
Total assets	26,989	21,407	27,354

Equity and liabilities

Equity

Share capital	4	248	221	248
Share premium	4	52,619	47,089	52,619
Capital Reserves		4,648	4,648	4,648
Other reserves		1,360	1,068	1,223
Reverse acquisition reserve		(19,596)	(19,596)	(19,596)
Retained earnings		(22,126)	(22,577)	(20,773)
Total equity		17,157	10,853	10,620
Current liabilities				
Trade and other payables		9,198	9,899	8,355
Lease liability		111	116	148
Total current liabilities		9,309	10,015	8,503
Non current liabilities				
Lease liability		523	539	482
Total non current liabilities		523	539	482
Total liabilities		9,832	10,554	8,985
Total equity and liabilities		26,989	21,407	27,354

**UNAUDITED CONSOLIDATED STATEMENT OF
CASHFLOWS
FOR THE 6 MONTH PERIOD ENDED 30
SEPTEMBER 2023**

	Notes	6 Months to 30 Sept 2023 £'000	6 Months to 30 Sept 2022 £'000	Year ended 31 March 2023 £'000
Cash flows from operating activities				
Group profit/(loss) before tax		(1,349)	77	1,597
Share based payments		137	156	311
Depreciation and amortisation		141	107	235
Finance costs		18	21	40
Working capital adjustments:				
Change in inventories		(1,855)	(6,182)	(5,054)
Change in trade and other receivables		(1,068)	148	(235)
Change in trade and other payables		843	3,138	1,595
Net cash flow from operating activities		(3,133)	(2,535)	(1,511)
Cash flow from investing activities				
Addition of property, plant and equipment		(30)	(235)	(348)
Addition of intangibles		(324)	-	(52)
Initial direct costs on right of use asset		-	-	-
Interest paid		-	(18)	-
Net cash flow from investing activities		(354)	(253)	(400)

Cash flow from financing activities			
Net proceeds from issue of equity instruments	4	-	5,557
Lease payment		(107)	(117)
Net cash flow from financing activities		(107)	5,440
Net change in cash and cash equivalents		(3,596)	3,529
Cash and cash equivalents at beginning of period		10,577	7,048
Cash and cash equivalents at end of period		6,981	10,577

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES
IN EQUITY
FOR THE 6 MONTH PERIOD ENDED 30
SEPTEMBER 2023**

	Notes	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Other reserves £'000	Total £'000
Balance at 30 September 2022		221	47,089	(19,596)	4,648	(22,577)	1,068	10,853
Profit (Loss) for the period		-	-	-	-	1,804	-	1,804
Share-based payments		-	-	-	-	-	155	155
Issue of share capital	4	27	5,873	-	-	-	-	5,900
Costs on issue of share capital	4	(343)	-	-	-	-	-	-
Balance at 31 March 2023		248	52,619	(19,596)	4,648	(20,773)	1,223	18,369
Profit (Loss) for the period		-	-	-	-	(1,349)	-	(1,349)
Share-based payments		-	-	-	-	-	137	137
Issue of share capital	4	-	-	-	-	-	-	-

Costs on issue of share capital	4	-	-	-	-	-	-	-
Balance at 30 September 2023	248	52,619	(19,596)	4,648	(22,122)	1,360	17,157	

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 2023, 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 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 2023.

3. Segmental reporting

In the opinion of the directors, the Company has one class of business, being that of a clothing brand with distribution across multiple channels including online and physical stores. 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:

Ordinary Shares (£0.01)					
	Date	Number of shares	Issue Price £	Total Share Capital £'000	Total Share Premium £'000
At 31 Mar 2022		221,408,332	0.001	221	47,089
Shares issued: Fundraise Feb 23		26,818,181	0.001	27	5,873
Direct costs: Fundraise May 21				-	(343)
At 31 Mar 2023		248,226,513	0.001	248	52,619
Shares issued:		-		-	-
At 30 September 2023		248,226,513	0.001	248	52,619

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

5. Earnings per share: profit / (loss)

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

6 Months to 30 Sept	6 Months to 30 Sept	Year ended 31 March
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	2023	2022	2023
(Loss)/ Profit after tax attributable to equity holders of the parent (£'000)	(1,349)	77	1,881
Weighted average number of ordinary shares in issue	224,738,344	221,408,332	224,738,344
Fully diluted average number of ordinary shares in issue	224,738,344	221,408,332	224,738,344
Basic and diluted earnings profit / (loss) per share (pence)	(0.60)	0.03	0.84

6. Post balance sheet events

The Company had no post balance sheet events.