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Highlights

FINANCIAL HIGHLIGHTS

- Group revenue up 7% (8% CER*) to £69.7m (2022: £64.9m)
 - UK retail sales although impacted by the broader economic environment, increased 6% to £36.2m (2022: £34.1m)
 - International retail sales increased 34% (35% CER) to £23.5m (2022: £17.5m), supported by our strategy to bring in-house ownership of overseas stores including Sweden and Australia
 - Revenue in the US increased by 38% (42% CER) due to increased brand awareness
 - Asia Pacific retail sales (including the first full period of ownership of our Australian stores) increased by 13% (18% CER) to £13.5m (2022: £11.9m). Underlying retail sales decreased by 7% (3% CER) due to the challenging China macro-economic climate and reduced footfall across the region
- Gross margin of 69% (2022: 71%) was slightly below the prior period
- Underlying loss before tax of £12.3m (2022: underlying loss before tax £2.8m) included £3.3m (2022: £0.8m) of Software as a Service (SaaS) costs, the additional operational costs of our new stores in Sweden and Australia, and additional important investments for future growth in the Group
- Reported loss before tax of £12.8m (2022: loss before tax £3.8m)

OPERATING HIGHLIGHTS

- Digital sales represented 29% of total Group revenue in the period (2022: 25%), demonstrating the continuing trend towards omni-channel shopping in all regions
- Our collaborations with Paul Smith, Axel Arigato and Stefan Cooke drove further global awareness of the Mulberry brand
- New stores opened in Italy, China and South Korea
- Product innovation continued in the period with the launch of new bag families including the Islington and the Retwist
- Ongoing investment in projects to update the Group's legacy systems and build on our omni-channel capabilities

SUSTAINABILITY HIGHLIGHTS

- Continued focus on embedding sustainability and circularity across the entire business
- Mulberry Pre-Loved, our buy back and resale programme, generated sales above the same period last year
- 100% of leather (including all suede and nappa linings) for Bags, Mini Bags and Small Leather Goods is sourced from tanneries with an environmental accreditation. We continue to offset the carbon emissions related to leather purchases
- Lifetime Service Centre at The Rookery continues to restore more than 10,000 bags a year

*Constant Exchange Rates

Current Trading

- The wider macro-economic environment and geo-political climate continues to present some uncertainty, but we are well positioned to navigate this given our beautifully crafted product, made in our Somerset factories and sold at the best value price point in the luxury market
- Mulberry has a clear customer proposition and plan for growth and we remain confident in our ability to navigate this uncertainty and execute this strategy for the benefit of all our stakeholders
- Since period end, we launched two new bag families globally, the Lana and the Pimlico which are performing well
- Well prepared for the second half of the financial year, which is weighted in trading given the important festive trading period and further emphasised by our move from wholesale to retail



Financial Review



Revenue

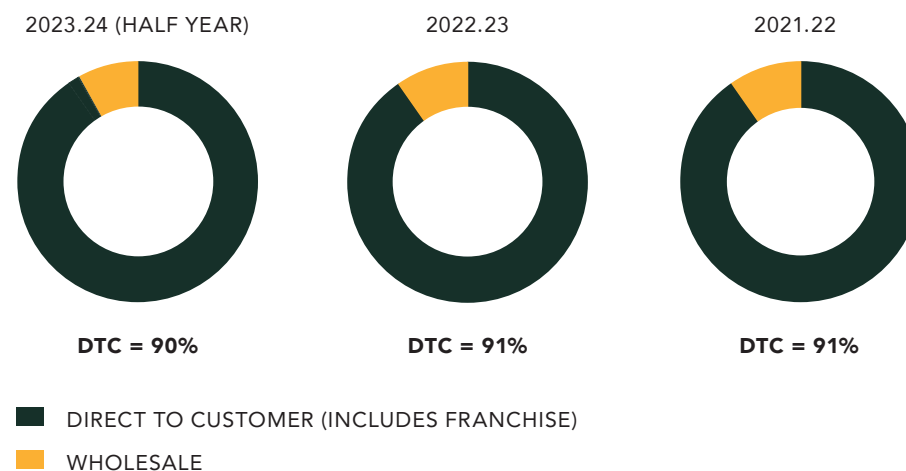
£ MILLION	26 WEEKS ENDED 30 SEPT 2023	26 WEEKS ENDED 1 OCT 2022	% CHANGE
DIGITAL	20.3	16.3	25%
STORES	39.4	35.3	12%
RETAIL (OMNI-CHANNEL)	59.7	51.6	16%
FRANCHISE AND WHOLESALE	10.0	13.3	(25%)
GROUP REVENUE	69.7	64.9	7%

£ MILLION	2023	2022	% CHANGE
DIGITAL	12.8	10.8	19%
STORES	23.4	23.3	0%
OMNI-CHANNEL - UK	36.2	34.1	6%
DIGITAL	2.9	2.7	7%
STORES	10.6	9.2	15%
OMNI-CHANNEL - ASIA PACIFIC	13.5	11.9	13%
DIGITAL	4.6	2.8	64%
STORES	5.4	2.8	93%
OMNI-CHANNEL - REST OF WORLD	10.0	5.6	79%
RETAIL (OMNI-CHANNEL)	59.7	51.6	16%

£ MILLION	2023	2022	% CHANGE
UK	1.0	1.8	(44%)
ASIA PACIFIC	2.1	2.6	(19%)
REST OF WORLD	6.9	8.9	(22%)
FRANCHISE AND WHOLESALE	10.0	13.3	(25%)

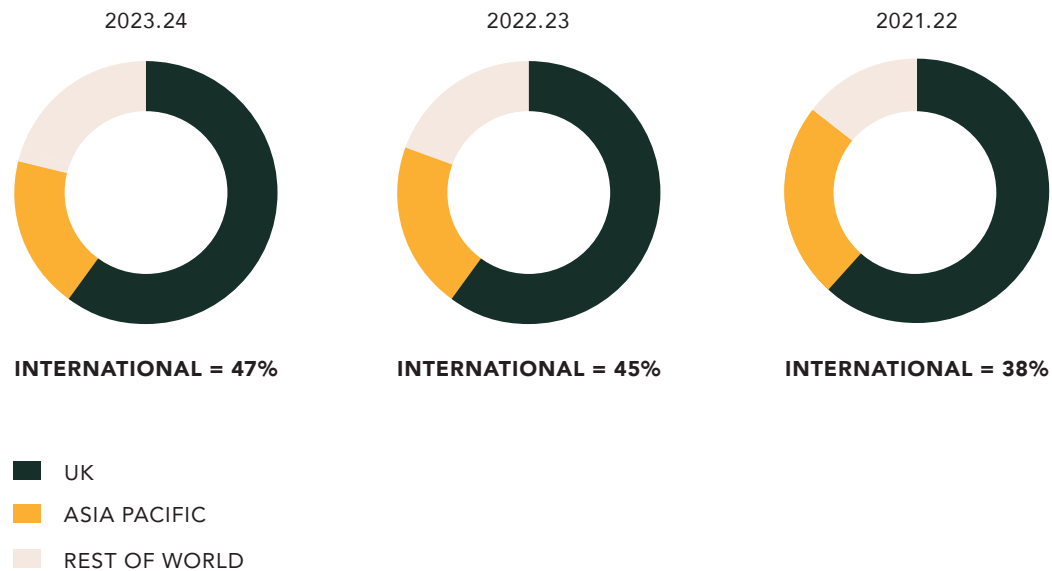
- Group revenue increased by 7% (8% CER) in the period, with growth in both Q1 (+8%) and Q2 (+7%) on the prior period. Retail omni-channel sales grew +16% in the period driven by our strategy to transition some wholesale partners to full ownership or concession agreements. UK store sales remained in line however UK digital sales were up 19% on the prior period, with average transaction value increasing by 9%
- Asia Pacific retail revenue increased 13% (18% CER), which includes the first full six-month period from the Australia retail stores which were acquired in the second half of last year. Excluding Australia, Asia Pacific retail revenue would have been down 7% due to the challenging China macro-economic climate and reduced footfall across all the markets
- Rest of World retail revenue, which includes Europe and the US, increased 79% (73% CER) with £1.7m relating to the business in Sweden which was acquired in September 2022. Revenue in the US also increased by 38% (42% CER) due to increased brand awareness in the market
- Franchise and wholesale sales decreased by 25%, with wholesale arrangements in Sweden and Australia converted to retail following the purchase of the business in the prior year

DIRECT TO CUSTOMER



International Revenue

INTERNATIONAL MIX (AS A PROPORTION OF GROUP REVENUE)



- International revenue increased to 47% of total Group revenue (2022:45%) driving revenue of £23.5m (2022: £17.5m)
- Asia pacific digital revenue increased by 7% where the first full six month period has been recognized following the acquisition of Australia in H2 of the last financial year
- Rest of world revenue increased by 79% to £10.0m (2022 £5.6m), digital sales improved by 64% mainly driven by our Nordstrom business in the US, which switched onto a hybrid retail model



China – Pre-Loved Pop-Up, Beijing

Omni-Channel Revenue

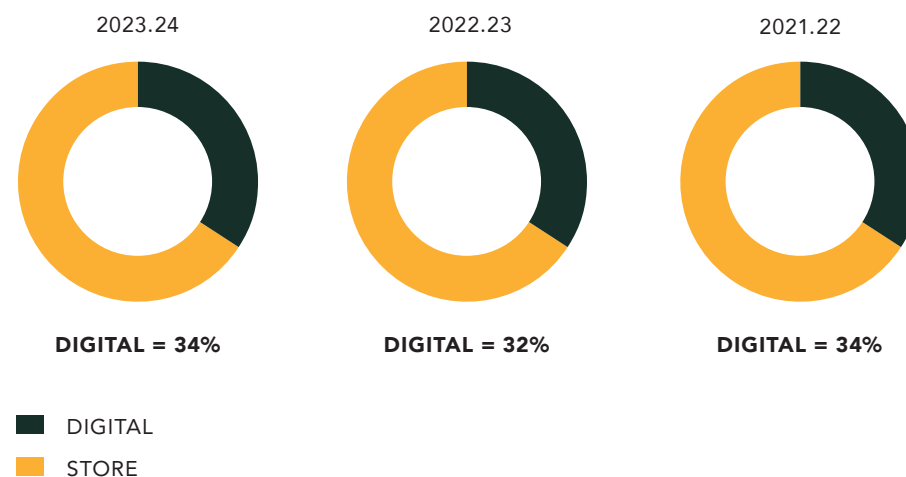
£ MILLION	2023	2022	% CHANGE
UK	12.8	10.8	19%
ASIA PACIFIC	2.9	2.7	7%
REST OF WORLD	4.6	2.8	64%
TOTAL DIGITAL	20.3	16.3	25%

UK	23.4	23.3	0%
ASIA PACIFIC	10.6	9.2	15%
REST OF WORLD	5.4	2.8	93%
TOTAL STORES	39.4	35.3	12%

TOTAL RETAIL (OMNI-CHANNEL)	59.7	51.6	16%
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- Global digital sales were 25% higher than HY 2022
- In Asia Pacific, digital sales grew by 7% to £2.9m (2022 £2.7m), supported by the full acquisition of Australia and Japan, and the development of strategic partnerships
- ROW digital sales have increased by 64% driven by the strong growth in the US and bringing the ownership of Sweden back in-house

DIGITAL MIX (AS A PROPORTION OF RETAIL REVENUE)



Group Income Statement

£ MILLION	UNAUDITED 26 WEEKS ENDED 30 SEPT 2023	UNAUDITED 26 WEEKS ENDED 1 OCT 2022	AUDITED 52 WEEKS ENDED 1 APRIL 2023
REVENUE	69.7	64.9	159.1
COST OF SALES	(21.6)	(18.9)	(45.9)
GROSS PROFIT	48.1	46.0	113.2
IMPAIRMENT CHARGE RELATING TO INTANGIBLES	-	-	(2.4)
IMPAIRMENT CREDIT RELATING TO PROPERTY, PLANT AND EQUIPMENT	-	-	0.9
IMPAIRMENT CREDIT RELATING TO RIGHT-OF-USE ASSETS	-	-	12.9
OTHER OPERATING EXPENSES	(58.9)	(48.6)	(108.4)
OTHER OPERATING INCOME	0.4	0.4	0.8
OPERATING PROFIT	(10.4)	(2.2)	17.0
SHARE OF RESULTS OF ASSOCIATES	0.0	0.0	0.1
FINANCE INCOME	0.0	0.0	0.0
FINANCE EXPENSE	(2.4)	(1.6)	(3.9)
PROFIT BEFORE TAX	(12.8)	(3.8)	13.2
TAX CHARGE	(0.6)	(0.2)	(1.8)
PROFIT FOR THE PERIOD	(13.4)	(4.0)	11.4

- Other operating expenses increased by 21% to £58.9m (2022: £48.6m) and underlying operating expenses increased by 9%
- The underlying operating cost increase has been driven by inflationary and real-living wage pay increases and we also increased technology spend to £4.2m (2022: £3.3m) to support the underlying costs associated with projects and systems investments
- 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 £3.3m (2022: £0.8m) of SaaS costs which would previously have been capitalised, in line with the accounting for configuration and customisation cost arrangements. We expect to incur further SaaS costs in the second half
- The acquisition of our stores in Sweden and Australia have increased costs during the period by £2.7m. The full year impact of these new initiatives will be included in the current period
- The Group's underlying loss before tax was £12.3m (2022: underlying loss before tax of £2.8m), included £3.3m (2022: £0.8m) of SaaS costs and the additional operational costs of our new stores in Sweden and Australia
- Reported loss before tax for the period was £12.8m (2022: loss before tax of £3.8m) and includes a store closure charge of £0.5m (2022: credit of £0.2m). The prior period included £1.2m acquisition costs relating to the business in Australia and Sweden

Group Balance Sheet

£ MILLION	UNAUDITED 26 WEEKS ENDED 30 SEPT 2023	UNAUDITED 26 WEEKS ENDED 1 OCT 2022	AUDITED 52 WEEKS ENDED 1 APRIL 2023
NON-CURRENT ASSETS	72.1	55.9	84.2
INVENTORIES	45.3	48.7	48.3
TRADE AND OTHER RECEIVABLES	15.3	18.0	19.9
CASH & CASH EQUIVALENTS	5.9	6.5	6.9
CURRENT TAX	(0.3)	0.4	(0.2)
CURRENT LIABILITIES	(60.9)	(38.0)	(50.6)
NON-CURRENT LIABILITIES	(44.2)	(57.8)	(61.7)
NET ASSETS	33.2	33.7	46.8

- Net working capital, which comprises inventories, trade and other receivables and trade and other payables decreased by £9.1m to £34.6m at the period end (2022: £43.7m). This decrease was driven by a reduction in inventories of £3.4m, as a result of optimisation of inventory levels. We are managing stock levels in light of the ongoing macro-economic uncertainty and cost increases
- At the period end, other trade receivables had decreased by £2.7m, principally due to wholesale customers being converted to direct-to-customer models. The increase in other trade payables of £3.0m is due to the timing of payments at the period end date and recognising a liability for contributions towards the new lessee rentals for the re-assigned Bond Street store
- Lease liabilities (current and non-current) reduced by £7.2m to £53.0m (2022: £60.2m) due to the release of the lease liability relating to the Bond Street store, which was re-assigned at the beginning of the period and regular lease payments made in the period

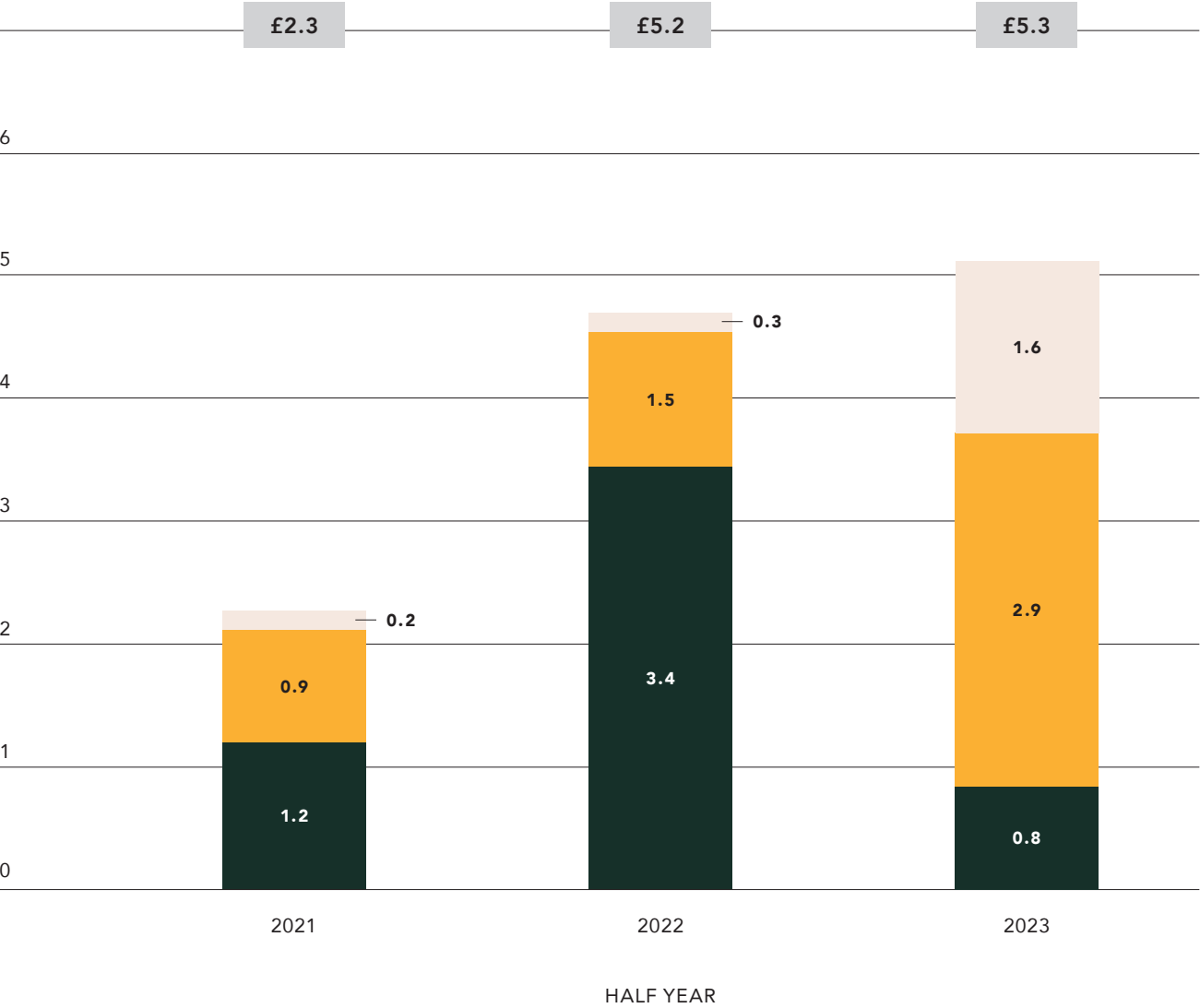
Group Cash Flow

£ MILLION	UNAUDITED 26 WEEKS ENDED 30 SEPT 2023	UNAUDITED 26 WEEKS ENDED 1 OCT 2022	AUDITED 52 WEEKS ENDED 1 APRIL 2023
OPERATING PROFIT FOR THE PERIOD	(10.4)	(2.2)	17.0
ADJUSTMENTS FOR:			
DEPRECIATION AND AMORTISATION	7.9	6.3	2.5
LEASE MODIFICATIONS AND DISPOSALS	(5.5)	(0.2)	(0.4)
LOSS ON SALE OF PROPERTY, PLANT & EQUIPMENT	-	-	0.1
GAIN ON ACQUISITION	-	-	(0.3)
WORKING CAPITAL	6.5	(15.1)	(11.7)
CASH (USED)/GENERATED FROM OPERATIONS	(1.5)	(11.2)	7.2
TAX	(0.1)	(2.8)	(2.4)
INTEREST PAID	(2.3)	(1.6)	(3.9)
NEW BORROWINGS	13.3	7.0	6.1
DIVIDENDS PAID	-	-	(1.8)
CAPEX NET OF PROCEEDS	(5.3)	(5.2)	(11.0)
ACQUISITION OF BUSINESSES	(0.3)	-	(3.2)
PAYMENT OF LEASE LIABILITIES	(4.6)	(5.8)	(10.3)
OTHER FINANCING ACTIVITIES	(0.1)	0.1	0.3
NET DECREASE IN CASH AND CASH EQUIVALENTS	(0.9)	(19.5)	(19.0)

- The net decrease in cash and cash equivalents of £0.9m (2022: decrease of £19.5m) included a £6.0m draw down of the Group's revolving credit facility (RCF). Operating cash outflow for the period was £3.9m (2022: £15.6m) driven by increased operating expenses but partially offset by the improvement in working capital
- During the period we continued to invest in capital expenditure of £5.3m (2022: £5.2m) of which £2.9m (2022: £2.0m) related to transformation projects and IT systems to support growth. £0.8m (2022: £3.2m) has been spent in the period on new and existing retail stores

Capital Expenditure

£ MILLION



- Capital expenditure in stores and digital during the period related to £0.2m refurbishments of UK stores, particularly Edinburgh, as well as £0.4m on Beijing China World renovation implementing the new store concept. The remaining £0.2m expenditure is within Korea relocation of Lotte Main and opening of Shinsegae Store
- Systems development capital expenditure has increased due to investment in our core foundations systems to support future growth

- STORE + DIGITAL
- SYSTEMS DEVELOPMENT
- FACTORIES

Strategy Overview



Strategy

— Our 4 Strategic Pillars

OUR AIM IS TO BUILD MULBERRY AS A SUSTAINABLE GLOBAL LUXURY BRAND THROUGH FOUR STRATEGIC PILLARS



Strategic Pillar 1 — Omni-Channel Distribution

STRATEGY:

With our 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

We continue to invest in further enhancements to our omni-channel approach. This includes selective store openings, continued roll-out of our new Mulberry store concept, and further enhancements to our digital network. Our new store concept enables us to better display and promote our collections through innovative customer-facing technology. It creates more space and supports our omni-channel proposition, and has helped to elevate our brand position, outperforming more traditional outlets

IN THE PERIOD:

- The period saw us invest in our ongoing digital transformation to enhance our omni-channel distribution. Our new omni-hubs in Glasgow, Bath and London's Regent Street take the majority of omni-orders. They also optimise store space and are already making order management more efficient. The payback is clear: digital sales as a proportion of the Group total omni-channel revenue continued to rise – up 4% to 29% in the period. We launched the Mulberry Mindset strategy in June to help staff provide memorable interactions for customers and build authentic relationships
- Refurbishments and pop ups in London, Europe and Asia also rewarded investment, helping us reach new audiences and lift sales

Strategic Pillar 2 — International Development

STRATEGY:

We are optimising our digital channels and global store network, and building brand awareness, with a particular focus on Asia Pacific, which continues to offer significant growth opportunities.

IN THE PERIOD:

- We continued to optimise our digital channels and global store network, focusing on the US and Asia Pacific with their strong growth opportunities, bringing more stores and concessions in-house to better control pricing and distribution
- In the US, increasing brand awareness, helped to drive sales up 38%. Asia Pacific retail sales, including the first full period of ownership of our Australian stores, increased by 13%. Underlying retail sales decreased by 7% due to the challenging China macro-economic climate and reduced footfall across the region. Of note was our Chinese Valentine's Day event at newly opened Nanjing Deji store with actress Zhu Zhu. This boosted sales and brand awareness, with the Bayswater bag performing particularly well
- In addition to Australia, the period saw the first full six-month contribution of stores and concessions in Sweden; the New Zealand store and stores and concessions in Japan became wholly owned in May and June respectively
- In Europe, our six-month pop up in the luxury outlet Mall Firenze, Leccio, is giving us valuable insight into the Italian market and performing well

Strategic Pillar 3

— Constant Innovation

STRATEGY:

We continue to work with new materials, and methods of creation and production, to adapt to changing customer tastes and to meet demand. At the same time, we are adding new services and transforming our supply chain to be agile to market trends, while reducing lead time to match the increase in digital demand.

IN THE PERIOD:

- Mulberry has a long tradition of innovation and collaboration as it adapts to changing customer tastes and reaching new markets. Further innovation came from new bag ranges – the Islington and the Retwist – as well as new silhouettes for the Bayswater, Mini Lily and North South Tote. Stand out performances came from Bayswater Powder Rose and Pale Grey. With the Pimlico and the Lana ranges launched since the period end, we expect bag sales to make up 79% of our total by the end of the current financial year
- Collaborations in the period included Swedish minimalist Axel Arigato, the heritage British designer Paul Smith and the award-winning Stefan Cooke. The Stefan Cooke collaboration included a pop-up during September's London Fashion Week and along with the April Axel Arigato collaboration, successfully drove greater awareness of Mulberry among younger generations. The Paul Smith collaboration also introduced us to new customers. All led to increased sales
- While bags and leather goods remain Mulberry's mainstay, we continue to explore opportunities in lifestyle categories. During the period we launched our lifestyle range and made further investments to extend this range in the second half of the year



Strategic Pillar 4

— Sustainable Lifecycle

STRATEGY:

Our Made to Last manifesto sets us apart, and we extend the life of all our products through our Lifetime Service Centre, Buy-Back offer, and The Mulberry Exchange for pre-loved bags. We aim for our business to be regenerative and circular across the entire supply chain by 2030, with sustainability in supply, craftsmanship, packaging, and distribution – themes important to our customers

IN THE PERIOD:

- In April, our collaboration with Axel Arigato highlighted our wear-forever ethos while in September, our capsule collaboration with Stefan Cooke, focusing on pre-loved, was heralded by Vogue as “a strong case for the coolest bag collaboration of the year”. Both brilliantly showcased our Mulberry Exchange platform, which ensures every Mulberry bag can have multiple lives. The Stefan Cooke collaboration contributed to the best-ever week for pre-loved on Mulberry.com. We saw significant growth on the previous financial year
- We remain carbon neutral across our UK operations and source 100% of our leather from environmentally accredited tanneries. Ongoing efforts to establish a hyper-local, hyper-transparent farm-to-finished-product model are further reducing our already lower-than-industry average carbon footprint. Meanwhile, we offset carbon emissions related to our leather purchases and business flights and we expect validation of our science-based greenhouse gas reduction targets by the end of this financial year.
- Sustainable materials continue to play an important role in our drive for Net Zero and this extends to our paper and packaging. Since 2020, more than 3.2 million coffee cups have been turned into Mulberry Green paper packaging and since 2011 all our cardboard and paper are Forest Stewardship Council certified



Strategic Pillar 4 — Sustainable Lifecycle

- Respect for people as well as the planet is embedded in all we do and we are proud to be a certified Living Wage employer and our hybrid working policy helps cut emissions and costs associated with commuting
- During the period we launched our Diversity, Equity and Inclusion (DE&I) committee to drive progress across all DE&I topics. To date, this includes partnering with Mentoring Matters, Flourish in Diversity and The Outsiders Perspective
- In recognition of all our efforts, in May, we won Brand of the Year at the Drapers Sustainable Fashion Awards, with the judges citing our Made to Last Manifesto, our thriving apprenticeship programme and our longstanding commitment to British manufacturing



Our aim is to build Mulberry as a sustainable global luxury brand through four strategic pillars:

- Omni-channel distribution
- International development
- Constant innovation
- Sustainable lifecycle

Since the period ended, we have renovated one of our key regional doors, Edinburgh and launched two 3rd party concessions internationally, SI Village in Korea and NK.com in Sweden.

In line with constant innovation, we have also launched two new bag families globally, the Lana and the Pimlico which are performing well.

The wider macro-economic environment continues to present some uncertainty, but we are well positioned to navigate this given our beautifully crafted product and our continued focus on embedding sustainability and circularity across the entire business.

We are focused on investing for our future growth despite the challenging economic and geopolitical backdrop and are well prepared for the second half of the financial year, which is weighted in trading given the important festive period, we will continue to focus on our move from wholesale to retail.



Appendix



Store Detail

		FREE STANDING	DEPARTMENT SHOP-IN-SHOP	TOTAL YTD 30 SEPT 2023	CHANGES FROM 1 APRIL 2023	TOTAL FULL YEAR 1 APRIL 2023
OWN STORES	UK	15	24	39	(1)	40
	EUROPE	5	3	8	0	8
	NORTH AMERICA	5	3	8	(1)	9
	ASIA PACIFIC	24	19	43	0	43
	TOTAL OWN STORES	49	49	98	(2)	100
FRANCHISE PARTNER STORES	EUROPE	3	1	4	(0)	4
	ASIA PACIFIC	2	2	4	(3)	7
	TOTAL FRANCHISE PARTNER STORE	5	3	8	(3)	11
TOTAL RETAIL FOOTPRINT		54	52	106	(5)	111

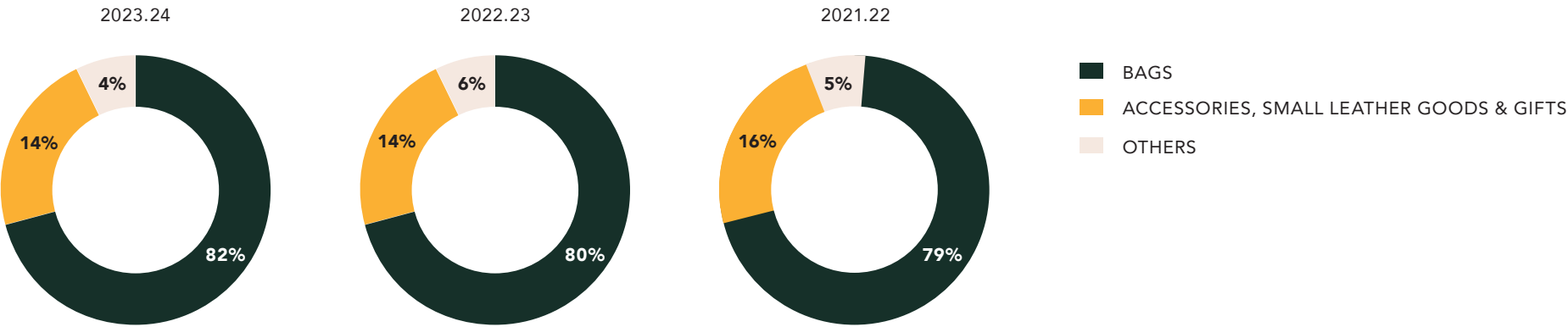


China - Shenzhen Store



Sweden – Stockholm Store

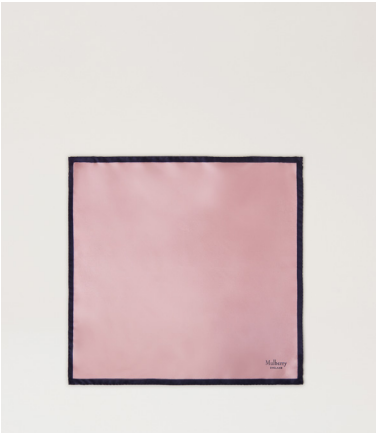
Revenue by Product



Bayswater
Malachite
Heavy Grain



Twist Knot Earrings
Gold & Silver
100% Brass



Logo Pocket Square
Powder Rose & Night Sky
Silk Twill

