The information contained within this announcement is deemed to constitute inside information as stipulated under retained EU law version of the Market Abuse Regulations (EU No. 596/2014) (the "UK MAR"), which is part of UK law by virtue of the European Union (withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

9 December 2021

Seraphine Group plc

("Seraphine" or the "Company")

Interim Results

Seraphine Group plc, the international digitally-led maternity and nursing wear brand, today issues its results for the six months ended 3 October 2021 (the "Period").

Summary Financial Results

	26 Weeks to 3 October 2021	26 Weeks to 4 October 2020	Change	Constant Currency ("CCY")
Financial KPI's				
Revenue	20.8m	15.7m	31.8%	37.2%
Own digital platform	17.7m	14.2m	24.6%	30.0%
Digital partnerships	1.8m	1.0m	83.2%	86.1%
Retail stores	1.2m	0.6m	120.2%	130.9%
Gross profit	13.6m	10.4m	31.5%	
Gross profit margin %	65.6%	65.8%	(20 bps)	
Adjusted EBITDA [1]	3.0m	3.3m	(8.3%)	
Adjusted EBITDA (pre-IFRS 16) [1]	2.5m	2.9m	(14.7%)	
Adjusted EBITDA (pre-IFRS 16) %	12.0%	18.6%		
Adjusted EBIT [2]	2.3m	2.6m	(11.4%)	
Adjusted EBIT (pre-IFRS 16) [2]	2.3m	2.8m	(17.8%)	
Adjusted PAT (post-IFRS 16) [4]	1.8m	2.0m	(12.0%)	
Adjusted EPS (pence)	3.5p	N/A		
Free cashflow [3]	1.3m	3.2m	(60.5%)	
Free cashflow conversion %	50.7%	109.5%		
Non-Financial KPI's				
Website traffic	7.7m	6.9m	12.2%	
Conversion rate	2.9%	2.6%	30 bps	
Total orders	226,183	178,061	27.0%	
Average basket value	£135	£131	3.3%	

1. Adjusted EBITDA is Operating (loss)/profit adding back Exceptional items, depreciation and amortisation, private equity fees and share based payments. IFRS 16 adjustment added back for pre-IFRS 16 adjusted EBITDA

2. Adjusted EBIT is Operating (loss)/profit adding back exceptional items and brand value amortisation. IFRS 16 adjustment added back for pre-IFRS adjusted EBIT

3. Free cashflow is adjusted EBITDA adjusted for net change in working capital, IFRS 16 adjustment and capital expenditure

4. Adjusted PAT is adjusted EBIT (post-IFRS 16) less ongoing finance costs and taxation at the company's effective tax rate

Period Financial Results

- Total revenue increased by 37.2% on a constant currency basis to £20.8m (H1 FY21: £15.7m), driven by:
  - Strong sales growth in North America +52.8% (CCY) and Europe +43.2% (CCY); and
  - Continued growth in UK home market of +16.7% (CCY)
- Stable gross profit margin 65.6% (H1 FY21: 65.8%)
- Adjusted EBITDA (pre-IFRS 16) £2.5m (H1 FY21: £2.9m)
- Supply chain issues in Q2 impacted momentum and marketing efficiency leading to lower EBITDA margins and impact to free cashflow

Operational Highlights

- Further expansion of own digital platform with dedicated market sites launched for Canada and Switzerland
- Successful launch of Zalando Partner Program, strengthening our Digital Partner portfolio
- Double digit website traffic growth of 12.2% to 7.7m and total orders up 27.0% to 226,183
- Recruited a variety of senior roles including Chief Information Officer, Financial Planning & Analysis Director, Head of Legal & CoSec in addition to strengthening our PR and HR teams

Post Period End

- Launched dedicated own digital platform market site for the Netherlands
- Extended Zalando Digital Partner Programme into Belgium and Switzerland
- Signed agreement with NEXT as a Digital Partner in the UK with planned launch in 2022
- Moved to a new, centrally located London Head Office, facilitating better access to talent as we grow

Current Trading and Outlook

- Positive reaction to marketing mix change with momentum rebuilding quickly: Last 8 weeks trading ending 28 November, including key Black Friday period, at +51% (CCY) sales growth, with own digital platform at +39% (CCY) and North American total sales at +81% (CCY).
- Digital Partner business trading well, with the Zalando partnership delivering a strong performance to date
- Retail store environment remains challenging and footfall still below pre-Covid levels
- Fully stocked for the remainder of the Autumn Winter 21 season with improvements being seen in supply chain for Spring Summer 22 in addition to extra contingency planning by management. Belgian based distribution centre is not impacted by road haulage issues being experienced in the UK.
- Increases in raw material and freight forwarding costs are having a marginal impact on intake margin, offset by market and channel mix changes at the gross margin level

David Williams, Chief Executive Officer of Seraphine, commented:

"We are today reporting sales growth for H1 in line with updated guidance. In the period, we delivered on key strategic milestones with the launch of Canada and Switzerland (and the Netherlands post period end) dedicated market sites on our own digital platform and successfully launched with a new key Digital Partner, Zalando.

Whilst the period was, as previously noted, impacted by the significantly delayed arrival of key seasonal stock from China, I am pleased to report that the actions taken to rebuild momentum are having a positive impact on current trading and we are therefore confident in delivering on our updated guidance for the full year."

For further information, please contact:

Seraphine Group plc	**via FTI Consulting**
David N Williams, Chief Executive Officer	
John Bailey, Finance Director	
FTI Consulting (PR adviser to Seraphine)	**+44 (0)20 3727 1000**
Alex Beagley	Seraphine@fticonsulting.com
Fiona Walker	
Rafaella de Freitas	

Notes to Editors

Seraphine is an international, digitally led, affordable luxury maternity and nursing wear brand with a diverse range of innovative maternity and nursing products serving an under-competed, needs based, global market.

Seraphine was founded in 2002 with the vision of creating desirable clothes which women would want to wear even if they were not pregnant, and this ethos remains true to this day. The Group has over 19 years' experience designing and developing maternity and nursing wear for women, from first trimester to post-partum and nursing products. The Company's broad product offering is underpinned by Seraphine's core "Continuity" range, which comprises timeless staple pieces which are repeated year-after-year for the relevant seasons and accounts for approximately 70% of the product range.

The Group has achieved global brand recognition through its rapidly growing digital platform. The Group currently exports products to customers in over 120 countries globally, with the Group's largest markets being Europe, North America and the UK.

Chief Executive's Report

I would like to welcome all new shareholders to Seraphine Group plc following our admission to the Main Market of the London Stock Exchange in July.

During the first half total revenue increased by 37.2% on a constant currency basis to £20.8 million (+31.8% at variable currency), with the Group experiencing strong revenue growth from North America of 52.8%, driven primarily by our own digital platform.

First quarter sales growth was particularly strong at over 50%, but, like many other retailers, second quarter growth was impacted by supply chain issues due to the significantly delayed arrival of the Group's core Continuity range as well as new season product from China. This impacted our ability both to satisfy existing customer demand but also to efficiently win new customers early in their pregnancy journey, resulting in a loss of momentum through the key trading month of September. The mitigating actions put in place by management, outlined in our Trading Update on 23 September 2021, have had a positive effect with momentum rebuilding quickly.

We remain focused on our strategy of bringing our innovative and stylish product to more customers worldwide, through our own digital channels and those of our partners. To that end, we successfully launched our new dedicated Canadian and Swiss websites in May (as well as the Netherlands, post period end, in October) and launched direct fulfilment of our own product via the Zalando Partner Program in Germany in July.

Channel Review

The quality and innovation of our product, breadth of choice and strong service proposition continues to attract new and expectant mothers worldwide, for whom we are there throughout their journey of motherhood. Our own digital platforms (eCommerce sites) remain the core of our business, delivering over 85% of sales in the period, and we continue to successfully replicate this in new markets efficiently and profitably. Our capital investment in the Canadian and Swiss sites totalled £30k and as expected we have observed an acceleration in sales in those markets since launch. We saw Group traffic growth of 12.2% to 7.7m, orders increase 27.0% to 226,183 and average basket value increase to £135 from £131. Our own digital offering is supplemented by new and existing Digital Partners, which contributed 9% of sales. The Zalando Partner Program has unlocked further growth in Germany, with direct fulfilment by Seraphine of sales taken through that channel. Post period end, we have expanded this partnership into Switzerland and Belgium. We have also signed an agreement with NEXT to distribute product through next.co.uk in the UK and expect to launch this in 2022.

Trading in our eight physical retail stores remains challenging, contributing 6% of total sales in the period. Whilst this represents 120% growth from the prior year, this was notably from a very low base due to Covid restrictions/lockdowns in the comparative period and we are not yet seeing footfall return to pre-Covid levels. Our European stores are trading close to our break-even target but the US store trading environment remains challenging. Our US concessions business continues to trade in line with expectations.

Digital Marketing

In the second quarter, our historically highly efficient and first order profitable digital marketing strategy was impacted by the lack of availability of key styles as a result of the aforementioned supply chain issues, impacting conversion rate and resulting in a higher blended CAC in the period of £16.50, compared to a historical average of around £13.30. Overall conversion rate in Q1 was strong at 3.0%, a trend we had expected to continue were it not for the stock issues, which resulted in a drop to 2.8% in Q2. With stock availability resolved and a rebalancing of our marketing investment in favour of demand creation channels, we are seeing blended CAC levels closer to historical levels since the period end.

Product Strategy

In the period we launched our dedicated Athleisure range, further strengthened our outerwear collection with the introduction of multi-climate coats and increased our size range to offer a more inclusive shopping experience for our global customer base. Product innovation continues to be at the heart of what we do at Seraphine and our innovation pipeline is extremely healthy, underpinned by Seraphine's Continuity range.

People

We successfully recruited a variety of senior roles to help support the next growth phase of the Company including a Chief Information Officer, Financial Planning & Analysis Director, and Head of Legal & CoSec. We also strengthened our PR and Human Resources teams and post period end moved to a new, centrally located London Head Office, facilitating better access to talent as we grow.

Current Trading and Outlook

In the 8 weeks to 28th November, we have delivered revenue growth of +51% (on a constant currency basis), with momentum rebuilding quickly as a result of the actions put in place by management in September. Our own digital platform grew at 39% (CCY) in the period and we continue to see strong total sales growth in North America of +81% (CCY), which has reacted particularly well. We plan to launch dedicated own digital platform sites in the Nordics in 2022.

Our Digital Partner business is trading well, with the Zalando partnership delivering a strong performance to date and an agreement signed with NEXT to launch in the UK in 2022.

Trading in our eight retail stores remains challenging and we have yet to see footfall return to pre-pandemic levels.

We are fully stocked for the remainder of the Autumn Winter 21 season, including the Christmas period. Despite the situation being much improved since the Summer, some supply chain disruption remains, and we have put in place additional contingency planning leaving us much better placed to manage any future supply chain impact. With our Distribution Centre being Belgian based, we are not affected by the current road haulage issues being experienced in the UK.

We remain confident in our previous guidance of sales growth for the full year of at least in line with H1 FY22 and Adjusted EBITDA (pre IFRS 16) of at least the level of FY21.

Financial Review

Revenue

During the first half total revenue increased to £20.8 million (+31.8% at variable currency), with the Group experiencing strong revenue growth from our own digital platform, with all existing sites increasing sales and the addition of new sites in Italy, Switzerland and Canada.

This growth was complemented by the launch of the Zalando Partnership Programme in June 2021, the re-opening of our retail stores and wholesale sales recovering post COVID-19. The North American market has performed strongly (+40.8% at variable currency) where growth is driven by own digital platforms including the launch of a dedicated Canadian site, complemented by the re-opening of the two New York stores and the two Macys concessions. The EU growth (+37.5% at variable currency) was also driven by own digital platforms, the launch of the Swiss site and Zalando Partnership Programme in Germany and the re-opening of the two Paris Stores. UK revenue (+16.7% at variable currency) growth was achieved from the digital platform and the re-opening of the four UK stores. Rest of World growth (+16.4% at variable currency) was driven by the Australian digital platform.

Gross Margin

The Company delivered gross profit of £13.6m (H1 1: £10.3m), achieving a gross profit margin of 65.6%. The level of gross profit has been slightly impacted by increased freight costs, arising from the disruption to sea freight from China.

Adjusted EBITDA pre-IFRS 16

The adjusted EBITDA pre-IFRS 16 margin of 12.0% is lower than the prior year at 18.6%, primarily due to supply chain disruption. The impact of the supply chain issues in the second quarter resulted in a loss of trade, which impacted the return on investment of customer acquisition and the ratio of fixed costs to sales.

Operating costs

Distribution costs for the period increased to £3.5m (H1 FY21: £2.3m), in line with expectations. The increase was principally a result of the variable nature of these costs, combined with a commensurate increase in revenue. Distribution costs increased as a proportion of revenue from 14.5% to 16.7%, as the Company experienced an increased share of orders from the United States, further developed its service proposition and faced both Covid and Brexit related surcharges on courier costs.

Customer acquisition spend increased as planned to £3.8m (H1 FY21: £2.4m), reflecting continued investment in the Company's new and existing own digital platform sites.

Retail store costs have increased in line with the reopening of stores post Covid.

Other operational costs have increased to £3.4m (H1 FY21: £2.5m). This relates to planned growth combined with lower rent concessions and government support and additional investment in resources to support the Company's transition to a plc.

Interest

Net interest costs increased £3.7m in the period to £3.9m (H1 FY21: £0.2m). This is predominantly driven by writing off the prepayment of £2.4m of facility fees and the repayment of shareholder loan notes and HSBC term loans from IPO proceeds. Shareholder interest costs up to the IPO were £1.3m.

Tax

For the current period, a tax rate of 19% has been used, which is in line with HMRC guidelines. The tax has been adjusted for non-deductible items, which includes shareholder loan facility fees, shareholder interests and exceptional items associated with the listing of Seraphine Group plc.

Exceptional costs

Items included within exceptional costs include all costs associated with the IPO

Loss per share

Basic loss per share was 30.7p

Cashflow

The operating cash flow for the period was £1.8m, excluding exceptional items. This compares to £3.6m in the equivalent prior period. Cash flow has been impacted by the working capital impact of supply chain delays to inbound stock.

Seraphine's outflow within investing activities up to 3 October 2021 was £0.8m compared with a prior year net outflow of £0.2m, as previously disclosed £0.6m of this outflow represents the first of two tranches of the earnout payment to the previous owners of the group, Bridgepoint Growth, Cecile Reinaud and Management.

Seraphine's net cash generated in financing activities up to 3 October 2021 was £2.7m, representing net cash flow from IPO proceeds after loan notes and bank debt repayments, compared to £1.7m outflow in the prior year.

The impact of the additional time needed to deliver product to the distribution centre has had a negative impact on the Company's free cashflow. The free cashflow for the period represented 50.7% of adjusted EBITDA (pre-IFRS 16). The management team will continue to prioritise and proactively manage our inbound stock position whilst supply chain issues remain and we therefore expect second half free cashflow to improve over first half but still be lower than historical levels.

Auditors' appointment

PricewaterhouseCoopers LLP was appointed as independent auditor to the Company and in accordance with section 485 of the Companies Act 2006, a resolution proposing their re-appointment will be put to the next Annual General Meeting.

This announcement does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares or other securities of the Company. Statements in this announcement reflect the knowledge and information available at the time of its preparation.

Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'on track', 'achieve' or other words of similar meaning. Such statements and forecasts involve risk and uncertainty because they are based on current expectations and assumptions but relate to events and depend upon circumstances in the future and you should not place reliance on them. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this announcement.

Subject to our obligations under the applicable laws and regulations of any relevant jurisdiction, in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Nothing in this announcement constitutes or should be construed as constituting a profit forecast.

CONDENSED CONSOLIDATED INCOME STATEMENT AND CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 26 weeks ended 3 October 2021

	Notes	26 weeks ended 3 October 2021 £	26 weeks ended 4 October 2020 £	Period ended 4 April 2021 £
TURNOVER	7	**20,785,693**	**15,770,512**	**34,168,688**
Cost of sales		(7,141,421)	(5,392,317)	(11,655,878)
GROSS PROFIT		13,644,272	10,378,195	22,512,810
Distribution costs		(3,467,247)	(2,281,545)	(5,023,244)
Administrative expenses		(10,049,571)	(6,321,953)	(14,504,459)
Other operating income		32,545	176,806	315,647
Exceptional items		(3,602,895)	439	(3,111,546)
OPERATING (LOSS) / PROFIT		(3,442,896)	1,951,943	189,208
Finance costs		(3,940,929)	(170,113)	(1,661,538)
(LOSS) / PROFIT BEFORE TAXATION		**(7,383,825)**	**1,781,830**	**(1,472,330)**
Income tax charge		441,903	(361,828)	(474,021)
(LOSS) / PROFIT FOR THE FINANCIAL PERIOD FOR THE GROUP		**(6,941,922)**	**1,420,002**	**(1,946,351)**
Exchange differences on retranslation of subsidiary undertakings		(1,545)	1,674	12,036
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		**(6,943,467)**	**1,421,676**	**(1,934,315)**
Basic loss per ordinary share (pence)	8	**(30.7)**	**-**	**(198.4)**
Diluted loss per ordinary share (pence)	8	**(30.7)**	**-**	**(198.4)**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 3 October 2021

	Notes	3 October 2021 £	4 October 2020 £	4 April 2021 £
ASSETS				
NON-CURRENT ASSETS				
Goodwill		15,896,583	5,693,822	15,896,583
Other intangible assets	9	39,380,072	10,016,598	41,390,058
Property, plant and equipment – Owned assets	10	196,409	262,463	223,504
Property, plant and equipment – Right-of-use	11	4,422,135	4,340,763	3,519,916
TOTAL FIXED ASSETS		59,895,199	20,313,646	61,030,061
CURRENT ASSETS				
Inventories		9,201,684	6,125,249	7,510,108
Trade and other receivables		1,488,175	946,761	1,189,441
Cash and cash equivalents		3,332,119	6,882,720	3,168,542
		14,021,978	13,954,730	11,868,091
TOTAL ASSETS		73,917,177	34,268,376	72,898,152
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables		(7,634,237)	(5,218,113)	(7,149,914)
Borrowings		(2,000,000)	(750,000)	(2,619,049)
Lease liabilities		(1,066,954)	(898,493)	(915,912)
		(10,701,191)	(6,866,606)	(10,684,875)
TOTAL ASSETS LESS CURRENT LIABILITIES		63,215,986	27,401,770	62,213,277
NON-CURRENT LIABILITIES				
Long-term provisions		(102,999)	(81,913)	(102,708)
Borrowings		-	(2,650,000)	(10,075,000)
Investor loan notes		-	-	(42,018,808)
Lease liabilities		(5,831,696)	(5,730,171)	(5,129,503)
Deferred tax liabilities		(7,455,212)	(1,703,332)	(7,847,115)
		(13,389,907)	(10,165,416)	(65,173,134)
NET ASSETS		49,826,079	17,236,354	(2,959,857)
EQUITY				
Called up share capital		509,020	-	97,500
Share premium account		59,436,003	-	877,500
Other reserve		672,750	-	-
Invested capital		-	17,236,354	-
Retained earnings		(10,791,694)	-	(3,934,857)
SHAREHOLDERS' FUNDS		49,826,079	17,236,354	(2,959,857)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 26 weeks ended 3 October 2021

	Issued capital	Share premium	Other reserve	Retained earnings	Invested capital	Total equity
	£	£	£	£	£	£
At 5 April 2020	-	-	-	-	15,814,678	15,814,678
Profit for the period	-	-	-	-	1,420,002	1,420,002
Exchange differences	-	-	-	-	1,674	1,674
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**17,236,354**	**17,236,354**
At 5 October 2020	**-**	**-**	**-**	**-**	**17,236,354**	**17,236,354**
Issue of ordinary shares	97,500	877,500	-	-	-	975,000
Arising on acquisition	-	-	-	-	(17,815,220)	(17,815,220)
Transactions with owners	97,500	877,500	-	-	(17,815,220)	(16,840,220)
Loss / profit for the period	-	-	-	(3,944,051)	577,698	(3,366,353)
Exchange differences	-	-	-	9,194	1,168	10,362
Total comprehensive income for the period	-	-	-	(3,934,857)	578,866	(3,355,991)
At 4 April 2021	**97,500**	**877,500**	**-**	**(3,934,857)**	**-**	**(2,959,857)**
					-	
Merger reserve on acquisition	(97,500)	(877,500)	975,000	-	-	-
Share for share swap issue	302,250	-	(302,250)	-	-	-
Shares issued	206,770	60,790,412	-	-	-	60,997,182
Share issue costs	-	(1,354,409)	-	-	-	(1,354,409)
Share based payments	-	-	-	86,630	-	86,630
Transactions with owners	**411,520**	**58,558,503**	**672,750**	**86,630**	**-**	**59,729,403**
Loss for the period	-	-	-	(6,941,922)	-	(6,941,922)
Exchange differences	-	-	-	(1,545)	-	(1,545)
Total comprehensive income for the period	**-**	**-**	**-**	**(6,943,467)**	**-**	**(6,943,467)**
At 3 October 2021	**509,020**	**59,436,003**	**672,750**	**(10,791,694)**	**-**	**49,826,079**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the 26 weeks ended 3 October 2021

	26 weeks ended 3 October 2021 £	26 weeks ended 4 October 2020 £	52 weeks ended 4 April 2021 £
OPERATING ACTIVITIES			
Group (loss)/profit for the period	(6,941,922)	1,420,002	(1,946,351)
Add back taxation	(441,903)	361,828	474,021
PROFIT BEFORE TAX	**(7,383,825)**	**1,781,830**	**(1,472,330)**
Adjustments for:			
Depreciation and amortisation charges	2,733,573	1,306,239	3,423,507
Impairment of right of use assets	-	-	188,537
Finance costs	3,940,929	170,113	1,573,185
Share based payments	86,630	-	-
Changes in:			
(Increase)/decrease in inventories	(1,691,576)	(110,522)	(1,495,381)
(Increase)/decrease in trade and other receivables	(664,692)	(20,191)	103,087
Increase/(decrease) in trade and other payables	1,460,152	639,745	1,496,552
Taxes paid	(245,530)	(187,489)	(770,778)
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	**(1,764,339)**	**3,579,725**	**3,046,379**
INVESTING ACTIVITIES			
Payments to acquire intangible fixed assets	(230,199)	(144,175)	(397,634)
Payments to acquire tangible fixed assets	(34,347)	(27,551)	(58,377)
Acquisition of subsidiary	(583,900)	-	(53,123,873)
NET CASH OUT FLOW FROM INVESTING ACTIVITIES	**(848,446)**	**(171,726)**	**(53,579,884)**
FINANCING ACTIVITIES			
Repayment of loans and borrowings	(12,694,049)	(1,300,000)	(4,700,000)
Loans drawn down	2,000,000	-	12,694,049
Interest paid on loans and borrowings	(250,378)	(64,566)	(111,324)
Fees paid on loans and borrowings	-	-	(381,000)
Net loan notes (repaid)/issued	(45,354,159)	-	40,889,901
Share issue	61,002,182	-	970,000
Cost of shares issued	(1,354,409)	-	-
Payment of lease liabilities	(481,536)	(299,225)	(716,183)
Interest on lease liabilities	(90,356)	(105,545)	(205,088)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	**2,777,295**	**(1,769,336)**	**48,440,355**
INCREASE / (DECREASE) IN CASH IN THE PERIOD	164,510	1,638,663	(2,093,150)
Cash and cash equivalents, beginning of period	3,168,542	5,248,043	5,248,043
Effect of foreign exchange rates on cash and cash equivalents	(933)	(3,986)	13,649
CASH AND CASH EQUIVALENTS, END OF PERIOD	**3,332,119**	**6,882,720**	**3,168,542**

NOTES TO THE FINANCIAL STATEMENTS
For the 26 weeks ended 3 October 2021

1. General information
Seraphine Group Plc ('the Company') and its subsidiaries ('the Group') is a global retailer and wholesaler of women's maternity wear through Seraphine online, retail standalone stores, franchise stores and digital partners. The Company is a public limited company which is listed on the London Stock Exchange (LSE) and is incorporated and domiciled in the UK. The address of its registered office is 265 to 267 Tottenham Court Road and 5 Great Russell Street London W1.

On 29 January 2021, Kensington Topco Limited, through its subsidiary Kensington Bidco Limited purchased 100% of the ordinary share capital of Stork Topco Limited and its subsidiaries. Prior to the acquisition of Stork Topco Limited, Kensington Topco Limited had no trading activity.

On 16 July 2021, as part of a capital reorganisation, all shares held in Kensington Topco Limited were transferred to Seraphine Group PLC by a share for share exchange. Following this reorganisation Seraphine Group PLC undertook an initial public offering (IPO) on London Stock Exchange for a proportion of its share capital.

As there were no changes in rights or proportion of control exercised because of the insertion of Seraphine Group PLC on top of the existing Kensington Topco Limited, the reorganisation does not constitute a business combination under IFRS 3 'Business Combinations'. Following guidance from IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', the integration of the Company has been prepared under merger accounting principles. This policy, which does not conflict with IFRS, reflects the economic substance of the transaction. Under these principles, the Group has presented its Financial Statements of the Group as though the current Group structure had been in place from the date Kensington Bidco Limited acquired Stork Topco Limited. The comparative and current year consolidated reserves of the Group are adjusted to reflect the statutory share capital, share premium and merger reserve of Seraphine Group PLC as if it had always existed. A merger reserve of £672,750 has been recognised as at 16 July 2021 to complete the equity position as a result of the application of merger accounting.

These Condensed Interim Financial Statements are the first set of financial statements presented for the newly formed Group and the prior period comparison for the 6 month period ended 4 October 2020 is that of the former Stork Topco Limited Group, the 12 month period ended 4 April 2021 is that of the former Kensington Topco Limited Group. Although there has been a capital reorganisation, the underlying structure of the Group is unchanged and as such the Unaudited Interim Condensed Consolidated Income Statement, Unaudited Interim Condensed Consolidated Statement of Comprehensive Income, Unaudited Interim Condensed Consolidated Statement of Financial Position, Unaudited Interim Condensed Consolidated Statement of Changes in Equity and Unaudited Cash Flow Statement have been presented on a consistent basis to the prior periods.

2. Basis of preparation
These interim unaudited consolidated financial statements for the 26 weeks to 3 October 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim consolidated financial statements have been reviewed, not audited, and do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The Annual Report and Accounts for Stork Topco Limited for the 52 weeks to 4 April 2021 have been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under s498 of the Companies Act 2006.

Statutory accounts for Stork Topco Limited for the period ended 4 April 2021, which received an unqualified audit opinion and did not include a statement under section 498 (2) or (3) of the Companies Act 2006, have been filed with the Registrar of Companies. The statutory financial statements for the period ended 4 April 2021were prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice - "UK GAAP").

The comparative figures for the period ended 4 April 2021 have been extracted from the financial statements prepared for the Company's admission onto the London Stock Exchange and were included in the Company's admission document. These represent the financial information upon which an Accountants Report was included by the Reporting Accountants.

The unaudited comparative figures for the period ended 4 October 2020 included in these interim accounts are therefore not consistent with the annual report and accounts as filed at Companies House.

The interim consolidated financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest £.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Prospectus.

3. New or amended Accounting Standards and Interpretations adopted

The Company has assessed the impact of the following accounting standards and amendments which are not yet effective and they are not expected to have a material impact on the Group's Interim Consolidated Financial Statements:

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in the
- current Accounting Estimates and Errors (Amendment – Definition of Material);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as
- Current or future reporting year. Non-Current);
- IFRS 3 Business Combinations (Amendment – Definition of Business);
- Conceptual Framework for Financial Reporting (Amendments to IFRS 3);
- Revised Conceptual Framework for Financial Reporting;
- IBOR Reform and its Effects on Financial Reporting – Phase 1 & 2;
- Annual Improvements to IFRS: 2018-2020 Cycle;
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous
- Contracts – Cost of Fulfilling a Contract);
- IAS 16 Property, Plant and Equipment (Amendment – Proceeds before Intended Use); and
- IFRS 17 Insurance Contracts.

4. Going concern

The Directors have considered Seraphine Group Plc and its subsidiary undertakings' (together "the Group") cash flows for period to June 2022 along with the current trading and forecast liquidity. The Directors have also considered the net asset position of £47.8m and the loss for the period to 3 October 2021 of £6.8m. The Directors have prepared their detailed forecasts and plans taking into account their experience of trading in the period to 3 October 2021, including the impact of COVID-19 on profitability and cash flows.

The Group has, at the date of approval of these interim consolidated financial statements, sufficient existing financing available for its estimated requirements for at least the next 12 months. The company has a £6,000,000 revolving credit facility with HSBC, of which £2,000,000 was drawn down at 3 October 2021 as well as the IFRS 16 lease liability.

Sensitivities have been run on the 3 sales channels: own digital platform, digital partnerships and stores, including stress testing the forecasts. In all sensitivities, the Group continues to have satisfactory liquidity throughout the forecast period.

The above, together with the ability to generate cash from trading activities provides the Directors with the confidence that the Group is well placed to manage its business risks successfully in the context of current financial conditions and the general outlook in the global economy. The Directors believe, after careful consideration of forecasted cash flows and expected trading performance that the Group will have sufficient cash to meets its liabilities as they fall due. The Directors have therefore concluded that it is appropriate to adopt the going concern basis for the preparation of these historical financial information.

5. Significant accounting policies

The interim financial statements have been prepared in accordance with the accounting policies set out in the Historical Financial Information in the registration document dated June 2021.

6. Reporting period

The Company was incorporated on 14 June 2021 and on 16 July 2021 it acquired the entire share capital of Kensington Topco Limited. The Seraphine Group Plc interim consolidated financial statements are prepared under merger accounting which means that the financial statements are presented as if the company, and the subsidiary undertakings, had been combined since 29 January 2021, the date in which Kensington Topco Limited's group acquired Stork Topco Limited.

These interim consolidated financial statements cover the 26 weeks ended 3 October 2021. The comparative period covering the 26 weeks to 4 October 2020 represent the unaudited accounts for Stork Topco Limited.

7. Segmental analysis

IFRS 8 requires operating segments to be determined based on the Group's internal reporting to the Chief Operating Decision Maker (CODM). The CODM has been determined to be the Board as it is primarily responsible for the allocation of resources to segments and the assessment of performance of the segments. It has been determined that there is one operating segment in the Group.

	26 weeks ended 3 October 2021 £	26 weeks ended 4 October 2020 £
UK	4,846,177	4,154,429
Europe	8,864,901	6,445,689
North America	6,084,409	4,319,757
Rest of World	990,206	850,637
	20,785.693	15,770,512

8. Loss per share

Both the basic and diluted profit per share have been calculated using the loss after tax attributable to shareholders of Seraphine Group plc as the numerator. The calculation of the basic loss per share is based on the loss attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period. Dilutive share options relate to employee option schemes which are likely to vest to the extent they are dilutive. Options contingent on performance conditions are only included where performance conditions would have been met up to the reporting date.

	3 October 2021 £	4 April 2021 £
Loss for the period attributable to ordinary shareholders	(6,811,922)	(1,934,315)
Weighted average number of ordinary shares	22,646,653	975,000
Weighted average number of dilutive ordinary shares	602,948	-
Total weighted average number of ordinary shares	23,249,601	975,000
Basic loss per ordinary share (pence)	(30.7)	(198.4)
Diluted loss per ordinary share (pence)	(30.7)	(198.4)

There were no potentially dilutive shares, options or warrants in issue, hence fully diluted earnings per share are identical to basic earnings per share.

9. Intangible assets

	Brand Value £	Trademarks £	Website and Business Systems £	Total £
Cost				
At 5 April 2020	**13,314,135**	**84,620**	**1,619,780**	**15,018,535**
Additions	-	4,165	140,010	144,175
Exchange differences	-	-	(74)	(74)
At 4 October 2020	**13,314,135**	**88,785**	**1,759,716**	**15,162,636**
Additions	-	5,815	247,644	253,459
Fair value adjustment on acquisition	27,938,765	-	-	27,938,765
Exchange differences	-	-	(1,279)	(1,279)
At 4 April 2021	**41,252,900**	**94,600**	**2,006,081**	**43,353,581**
Additions	-	4,353	225,846	230,199
Exchange differences	-	-	76	76
At 3 October 2021	**41,252,900**	**98,953**	**2,232,003**	**43,583,856**
Amortisation				
At 5 April 2020	**3,772,340**	**-**	**606,102**	**4,378,442**
Charge for the period	662,577	-	105,043	767,620
Exchange differences	-	-	(24)	(24)
At 4 October 2020	**4,434,917**	**-**	**711,121**	**5,146,038**
Charge for the period	2,083,569	-	167,655	2,251,224
Extinguished on acquisition	(5,433,478)		-	(5,433,478)
Exchange differences	-	-	(261)	(261)
At 4 April 2021	**1,085,008**	**-**	**878,515**	**1,963,523**
Charge for the period	2,062,645	-	177,600	2,240,245
Exchange differences	-	-	16	16
At 3 October 2021	**3,147,653**	**-**	**1,056,131**	**4,203,784**
Net book value				
At 3 October 2021	**38,105,247**	**98,953**	**1,175,872**	**39,380,072**
At 4 April 2021	**40,167,892**	**94,600**	**1,127,566**	**41,390,058**
At 4 October 2020)	**8,879,218**	**88,785**	**1,048,595**	**10,016,598**
At 5 April 2020	**9,541,795**	**84,620**	**1,013,678**	**10,640,093**

9. Intangible assets (continued)

The amortisation charge for Brand Value, Trademarks and Website and Business Systems for the period are recognised within administrative expenses.

As at 3 October 2021, the Brand Value intangible asset, which relates to Seraphine, has a remaining amortisation period of 9 years 3 months. Goodwill of £13,769,598 relates to the acquisition of Stork Topco Limited.

The average remaining amortisation period of the Website and Business systems is 3 years 6 months.

10. Property, plant and equipment – Owned assets

	Leasehold improve- ments £	Fixtures and fittings £	Total £
Cost			
At 5 April 2020	**373,760**	**748,512**	**1,122,272**
Additions	-	27,551	27,551
Exchange differences	4,520	(780)	3,740
At 4 October 2020	**378,280**	**775,283**	**1,153,563**
Additions	-	30,825	30,825
Exchange differences	(6,022)	(14,898)	(20,920)
At 4 April 2021	**372,258**	**791,210**	**1,163,468**
Additions	-	34,347	34,347
Exchange differences	(1,270)	454	(816)
At 3 October 2021	**370,988**	**826,011**	**1,196,999**
Amortisation			
At 5 April 2020	**254,643**	**564,895**	**819,538**
Charge for the period	28,820	43,784	72,604
Exchange differences	1,799	(2,841)	(1,042)
At 4 October 2020	**285,262**	**605,838**	**891,100**
Charge for the period	24,765	37,836	62,601
Exchange differences	(4,074)	(9,663)	(13,737)
At 4 April 2021	**305,953**	**634,011**	**939,964**
Charge for the period	23,776	37,000	60,776
Exchange differences	(794)	644	(150)
At 3 October 2021	**328,935**	**671,655**	**1,000,590**
Net book value			
At 3 October 2021	**42,053**	**154,356**	**196,409**
At 4 April 2021	**66,305**	**157,199**	**223,504**
At 4 October 2020	**93,018**	**169,445**	**262,463**
At 5 April 2020	**119,117**	**183,617**	**302,734**

11. Property, plant and equipment – Right-of-use

	Leasehold property £
Cost	
At 5 April 2020, 4 October 2020 and 4 April 2021	**4,806,778**
Additions	1,334,771
3 October 2021	**6,141,549**
Depreciation	
At 5 April 2020	**-**
Charge for the period	466,015
At 4 October 2020	**466,015**
Charge for the period	466,019
Lease modifications	166,291
Impairment	188,537
At 4 April 2021	**1,286,862**
Charge for the period	432,552
At 3 October 2021	**1,719,414**
Net book value	
At 3 October 2021	**4,422,135**
At 4 April 2021	**3,519,916**
At 4 October 2020	**4,340,763**
At 5 April 2020	**4,806,778**

12. Related party transactions

During the period the Company paid interest of £2,356,431, £1,093,772 accrued to the 4 April 2021, on the £41,586,171 Fixed Rate A Loan Notes 2026 to Mayfair Equity Partners LLP and the Directors, Sharon Flood, William Ronald, and paid interest of £75,695, £35,135 accrued to the 4 April 2021 on the £1,335,862 Fixed Rate B Loan Notes 2026 to the Directors, David Williams, John Bailey, Chelsey Oliver.

Statement of Directors' Responsibilities

The Directors confirm to the best of their knowledge that

a) The interim condensed consolidated financial information has been prepared in accordance with IAS 34 as adopted by the European Union; and
b) The Interim Report includes a fair view of the information as required by:

- DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first half of 2021 and their impact on the interim condensed consolidated financial information; and a description of the principal risks and uncertainties for the remaining second half of the year; and

- DTR4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first half of 2021 and any material changes in the related party transactions described in the last Annual Report.

The Directors of Seraphine Group PLC and their functions are listed below:

David Newton Williams	Chief Executive Officer
Chelsey Christine Oliver	Creative and Brand Director
John Philip Bailey	Finance Director
Sharon Emma Flood	Independent Non-Executive Chair
William David Gordon Ronald	Senior Independent Non-Executive Director, Chair of Remuneration Committee
Sarah Highfield	Independent Non-Executive Director, Chair of Audit Committee
Bertie Thomas Aykroyd	Non-Executive Director

By order of the Board

David Newton Williams
Chief Executive Officer

Date: