

11 September 2025

THG PLC

Interim results for the half-year ended 30 June 2025

H1 performance in line with guidance

Return to Group revenue growth in Q2 at +0.9%

Positive start to H2 with both businesses in growth

THG PLC ("THG" or the "Group"), announces its interim results for the half-year ended 30 June 2025 ("H1 2025").

Trading momentum from Q2 into Q3 continues to build positively, with the strategic model changes implemented across both THG Beauty and THG Nutrition throughout 2024 now bearing results. This momentum underpins confidence in full year and medium-term outlook.

The successful THG Ingenuity demerger at the start of H1 alongside the Q3 disposal of Claremont Ingredients to Nactarome Group for £103m, puts the Group on an accelerated path towards a net cash position, with the H1 2025 refinancing securing long-term committed facilities.

Key financial headlines

- Group revenue: £783.4m (-2.6% CCY YoY^[1])
- Gross margin: 41.1%^[2] (H1 2024: 42.6%), reflecting whey price impact. Gross margins expected to return to growth in H2
- Adjusted EBITDA: £24.0m (H1 2024: £37.1m), in line with August 2025 trading update. The result was weighted towards Q2, with Q3 expected to be meaningfully higher, reflecting positive H1 exit momentum
- Cash and available facilities of £279.4m following the H1 2025 refinancing which substantially reduced gross debt. This increases by c.£103m proforma for the received disposal proceeds of Claremont Ingredients
- Strongest trading performance of FY 2025 so far in Q3, with guidance unchanged:
 - THG Beauty expected to deliver H2 revenue growth of +1.0% to +3.0% (H1 2025: -5.9%)
 - THG Nutrition expected to deliver H2 revenue growth of +10.0% to +12.0% (H1 2025: +3.1%)

Matthew Moulding, CEO of THG, commented:

"I'm really pleased at how THG has gained momentum throughout the first half and into Q3. A slower start to the year in Beauty, alongside record whey prices in Nutrition, initially held back performance, but we saw clear improvement in Q2, in particular supported by Myprotein offline retail and licensing sales.

"As a business we've reaped the benefits of the recent extensive strategic initiatives across the Group, including the global rebranding of Myprotein throughout 2024. I'm especially pleased with the response to the new positioning of the Myprotein brand, reflected in the exciting breadth of partnerships we're delivering with other global brand owners and a return to new customer growth. Our Beauty business particularly in the UK demonstrated impressive resilience, securing market share gains in Q2, with a growing loyalty base and successful new brand launches supporting a return to revenue growth in Q3.

"Meanwhile the refinancing of our long-term debt, as well as the sale of Claremont Ingredients, significantly reduces the Group's net debt position whilst highlighting the value of some of the lesser known, smaller businesses in THG.

"I'd like to thank everybody in the business for their dedication and focus during this transformative period which sets us up well for our most profitable and cash generative period in H2. Our momentum is positive and Q3 will be our strongest trading period of the year so far, underpinning our confidence in the outlook."

H1 2025 Group trading performance

£m	H1 2025	H1 2024	YoY Growth	Continuing ^[3] CCY ^[4]
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				Change
THG Beauty	479.9	547.8	-12.4%	-5.9%
THG Nutrition	303.6	300.3	+1.1%	+3.1%
Total revenue	783.4	848.1	-7.6%	-2.6%
THG Beauty	190.4	223.4	-14.8%	
THG Nutrition	131.8	138.0	-4.5%	
Gross profit²	322.2	361.4	-10.8%	
Gross profit margin	41.1%	42.6%	-150bps	
THG Beauty	20.2	28.6	-29.4%	
THG Nutrition	12.0	19.6	-38.8%	
Adjusted EBITDA^[5]	24.0	37.1	-35.3%	
Adjusted EBITDA %	3.1%	4.4%	-130bps	
Adjusted items - cash	1.7	5.3	-67.9%	
Adjusted items - non-cash	3.7	9.4	-60.6%	
Operating loss	(30.0)	(30.7)	-2.3%	
Net debt^[6]	(321.4)	(350.5)		

All comparative figures are continuing CCY unless otherwise stated, all numbers and tables subject to rounding. H1 2024 has been restated to reflect the demerger of THG Ingenuity.

H1 2025 highlights

THG Beauty

- Resilient retail trading with Q2 2025 UK growth at its highest rate since Q1 2024, supporting market share gains^[7].
- The effect of withdrawing from certain sales activity in Europe and Asia, as well as various non-underlying items such as asset disposals including the luxury portfolio, contributed over 900bps of the revenue decline in H1, with these factors mainly annualising in Q3 2025.
- New brand launches driving growth and engagement, with over 70 launched year to date including Gucci Beauty. Revenue from new brands is expected to be +50% (vs 2024) with future personalisation developments supporting product discovery including integrating diagnostic technology and tailored product recommendations for specific looks and concerns.
- LOOKFANTASTIC loyalty members continued to grow in H1, reaching 3.2m members, with consumer preference surging by +54% (Q1 to Q2^[8]). This reflects the ongoing strategy to develop and deploy learnings from an evolved marketing measurement framework, focused on incremental efforts, demand generation and brand tracking to drive greater brand awareness and a higher quality of recurring customer.
- Own brand lifecycle investment is ongoing during 2025 / 2026 to improve formulations, range and product appeal. This investment and portfolio rationalisation constrained growth within certain brands which will continue into H2 although to a lesser extent.
- Medium-term target gross profit margins achieved in the period, slightly back from H1 2024 peak. Performance reflects change in business mix (towards retail) and UK market competitiveness.
- Adjusted EBITDA reduced YoY (H1 2025: £20.2m, vs H1 2024: £28.6m), primarily reflecting the revenue and gross profit result, partially offset by distribution cost efficiencies from increased UK participation. Lifecycle investment and B2B order phasing (across own brands and manufacturing) also contributed to the YoY movement.

THG Nutrition

- Revenue grew +3.1% to £303.6m (H1 2024: £300.3m), with Q2 the strongest growth since Q1 2022, driven by price as average selling prices ("ASPs") recovered to pre-rebrand levels. Growth has been broad-based with Myprotein recognised as the UK and Europe's No.1 Sports Nutrition brand based on sales across online and offline channels^[9].
- Myprotein activewear revenue participation increased as rebranded ranges sparked increased demand, with orders including activewear at a c.29% higher AOV.
- Continued offline retail momentum with new retail partnerships (+4 UK and +18 US) and development of existing relationships through category, product and doors penetration. Strategic listings in the US include the launch of a curated range across Walmart stores, bringing US doors to c.8,400 (2024: 1,500).
- Distribution of licensed products has expanded into new retail channels and touchpoints, with Myprotein continuing to forge innovative product and flavour partnerships with globally pre-eminent consumer food brands, including:
 - Q1 2026 launch of a multi-year deal to license out the Myprotein brand to a European leader in chilled and ambient food-to-go, sandwiches and salads, sold through major supermarkets, convenience shops, and food service outlets across the UK & Ireland.

- o Q4 2025 launch of a two-way product partnership with a global confectionery leader, licensing-in the most iconic confectionery flavours into Myprotein's products. A range of iconic confectionery products will also be available to purchase in the 'Brand Hub', recently added to the digital store to enable customers to discover major health and wellness and lifestyle brands, alongside Myprotein.
- Myprotein's move into both the offline and licensing space will see c.45 million units sold via these channels during 2025 through >40,000 global doors by the end of the year, enabling Myprotein to reach millions of new customers and further amplify brand awareness.
- Whey commodity prices were elevated YoY and have remained stable during H1, with strong global demand matching new supply capacity, therefore impacting gross margin (H1 2025: 43.4%, vs H1 2024: 45.9%).
- Distribution and payroll efficiencies helped to offset marketing investment in support of new customer acquisition and retention, with adjusted EBITDA of £12.0m (H1 2024: £19.6m) primarily impacted by the gross margin decline.

Group

- Group revenue of £783.4m, representing a reduction of -2.6%. The result was driven by a return to growth in THG Nutrition, offsetting a decrease in THG Beauty which was primarily a result of strategic model changes (disposal of certain operations, own brand investment and retail territory prioritisation).
- Adjusted distribution costs as a percentage of revenue continued to decrease to 12.7% (H1 2024: 13.6%) driven by basket economics and territory mix (higher UK participation), and an increase in offline revenues.
- Increased administrative costs as a percentage of revenue reflect a continued planned investment in marketing offsetting a managed reduction in salary and overhead costs. The Group's progression towards an evolved marketing measurement framework including media mix modelling and brand tracking is beginning to deliver improvements in brand awareness, customer reactivations and retention.
- The Group recorded an adjusted EBITDA of £24.0m (H1 2024: £37.1m), with a margin of 3.1% (vs 4.4% H1 2024), primarily reflecting substantially higher whey pricing YoY in Nutrition.
- Group operating loss (continuing) of £30.0m (H1 2024: £30.7m), including the impact of non-cash adjusting items totalling £3.7m (H1 2024: £9.4m).
- Group statutory profit for the period of £76.3m (H1 2024: loss of £121.2m), includes the result from discontinued operations and the gain on the demerger of THG Ingenuity at the start of FY 2025.
- Cash flows in respect of capital expenditure were £10.5m (H1 2024: £53.9m pre-demerge^[10]), with net finance costs and lease repayments £16.3m (£13.0m) and £10.3m (£22.4m) respectively, leading to a free cash outflow of £77.7m (H1 2024: £126.7m outflow) after the expected seasonal working capital outflow.
- With the support of our banking partners, in March 2025 we refinanced our long-term debt facilities including a €445m Term Loan B and £150m undrawn RCF until December 2029 and May 2029 respectively.
- Net debt⁶ of £321.4m (H1 2024: £350.5m), reduces to c.£220m proforma for the Claremont Ingredients disposal. Following the refinancing and THG Ingenuity demerger, gross debt reduced by £374m.

Outlook and guidance

- Confidence in delivery is growing ahead of the peak trading period, with:
 - o THG Beauty expected to deliver H2 revenue growth of +1.0% to +3.0% (H1 2025: -5.9%)
 - o THG Nutrition expected to deliver H2 revenue growth of +10.0% to +12.0% (H1 2025: +3.1%)
- As we now enter peak trading, THG Beauty has returned to growth, helped in part by annualising the impact of deprioritising selected low-margin European and Asia territories, alongside strengthening home market demand. Advent season has been the strongest launch in history across LOOKFANTASTIC and Cult Beauty edits.
- To drive market share gains across both D2C and offline retail, Myprotein will limit price increases in H2 2025, further supporting growth in new customers and enabling an acceleration of its installed base in global offline retail.
- Myprotein's structurally advantaged, vertically integrated business model means it is now driving revenue and gross margin growth in H2 (vs H1). Any pricing relief in whey protein is expected to be gradual.
- Guidance remains in line with the trading update published August 2025^[11] with LTM^[12] adjusted EBITDA to 30 June 2025 of £70.3m (inclusive of c.£5.0m of discontinued losses which will annualise out across H2) supporting the full year outturn.
- Supported by cash generation, net leverage and borrowing costs will continue to reduce over the medium-term with the Group making further progress towards a neutral net cash / net debt position, in line with its capital allocation strategy.

Analyst and investor conference call

THG will today host a conference call and webcast for analysts and investors at 9.00am (UK time) via the following links:

To register for the webcast, please use the below link:

<https://stream.brmedia.co.uk/broadcast/68aedc4233d75f0013a0948c>

To ask questions, you must dial in via conference line using the below details:

- USA Local: +1 786 697 3501
- USA Toll Free: 866 580 3963
- UK-Wide: +44 (0) 33 0551 0200
- UK Toll Free: 0808 109 0700
- Password: THG Interim Results

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Notes to editors

THG PLC is a global e-commerce group headquartered in Manchester, UK, operating through two leading consumer businesses: THG Beauty and THG Nutrition.

THG Beauty operates prominent online platforms including Lookfantastic, Dermstore and Cult Beauty, offering a valued route to market for over 1,000 third-party brands, alongside a specialist portfolio of owned brands.

THG Nutrition, led by Myprotein, the world's largest online sports nutrition brand, spans multiple health and wellness categories, delivering its products both directly to consumers and through strategic offline partnerships worldwide.

Cautionary statement

Certain statements included within this announcement may constitute "forward-looking statements" in respect of the group's operations, performance, prospects and/or financial condition. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words and words of similar meaning as "anticipates", "aims", "due", "could", "may", "will", "should", "expects", "believes", "intends", "plans", "potential", "targets", "goal" or "estimates". By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No responsibility or obligation is accepted to update or revise any forward-looking statement resulting from new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast. 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. Past performance cannot be relied upon as a guide to future performance and persons needing advice should consult an independent financial adviser. Statements in this announcement reflect the knowledge and information available at the time of its preparation.

Chief Financial Officer's Review

Total Group overview^[13]

H1 2025 £m	THG Beauty	THG Nutrition	Central	Total H1 2025
Revenue	479.9	303.6	-	783.4

Adjusted gross profit	190.4	131.8	-	322.2
Margin	39.7%	43.4%	-	41.1%
Adjusted EBITDA	20.2	12.0	(8.2)	24.0
Margin	4.2%	3.9%	-	3.1%

H1 2024 (Restated) ^[14] £m	THG Beauty	THG Nutrition	Central	Total H1 2024
Revenue	547.8	300.3	-	848.1
Adjusted gross profit	223.4	138.0	-	361.4
Margin	40.8%	45.9%	-	42.6%
Adjusted EBITDA	28.6	19.6	(11.0)	37.1
Margin	5.2%	6.5%	-	4.4%

The demerger of THG Ingenuity completed on 2 January 2025, the results above therefore have been restated to report only THG Beauty, THG Nutrition and central costs. Financial disclosure has been enhanced to include gross margin by business.

THG Beauty

THG Beauty reported revenue of £479.9m (H1 2024: £547.8m), -12.4% YoY, -5.9% continuing CCY, driven by:

- Discontinued categories and non-core operations: The exit of Australian beauty and subscription box services in Europe, as well as luxury clothing, were the biggest drivers of the revenue decline accounting for 530bps of the YoY movement. Currency accounted for a further 120 bps resulting in -5.9% continuing CCY.
- Lower margin territories: The next biggest contributor was the strategic decision to withdraw from lower margin territories in Asia and Europe which impacted growth by c. 260bps. The YoY revenue drag from these strategic exits is expected to annualise within Q3 2025 onwards.
- Own-brand portfolio: lifecycle investment is ongoing in own brands during 2025 / 2026 to improve formulations, range and product appeal. This investment and portfolio rationalisation constrained revenue growth within certain brands which will continue into H2 although to a lesser extent.
- Geographic mix: the UK market traded resiliently. The US retail market faced challenges due to cautious market sentiment in H1 stemming from tariff announcements. While not expected to materially impact US retail (primarily Dermstore) this contributed to overall consumer uncertainty alongside, although to a lesser extent, foreign exchange headwinds on the US Dollar.
- Investing in the customer proposition: in H1 2025, we have maintained a focus on driving brand awareness which drove UK market share growth in Q2.

Adjusted gross profit for the period was £190.4m (H1 2024: £223.4m) with a margin of 39.7% (H1 2024: 40.8%), in line with medium-term targets. THG Beauty margins have historically been consistent between c38% - c40%, with H1 2024 particularly strong. The gross margin movement YoY is driven by a combination of factors, but principally own-brand sales and US retail sales participation, with those two areas historically driving the highest margins.

Adjusted EBITDA for the period was £20.2m (H1 2024: £28.6m). The reduction in EBITDA was as a result of the revenue movements set out above, alongside the impact of the lifecycle investment ongoing during 2025/26 across our own brand portfolio to improve formulations, range and product appeal which accounted for the majority of the year-on-year reduction in adjusted EBITDA. The portfolio will benefit over the medium-term following these investment decisions.

THG Nutrition

THG Nutrition reported revenue of £303.6m (H1 2024: £300.3m), representing growth of +1.1% YoY, +3.1% continuing CCY. This performance highlights the progress of our offline strategy combined with a disciplined approach to pricing supporting improved online sales.

The core drivers of our revenue performance were:

- Offline channel expansion: our strategy to expand into offline channels is delivering growth. H1 2025 saw major new listings across Europe and continued momentum in Asia alongside expansion in the US.
- Brand licensing and partnerships: licensing income continued to grow, leveraging the strength of the Myprotein brand. New products were introduced, building on the success of previous launches and enhancing brand recognition in the offline market.
- Digital growth: pleasing performance across third-party e-commerce channels, including Amazon and TikTok Shop reflecting shifting consumer behaviours.
- ASPs: with the rebrand behind us, we have diligently managed our pricing to reflect whey price inflation, increasing ASPs.
- An improving D2C online sales performance against the prior year which was largely pricing led offsetting a reduction in Asia participation due to intentional strategy to prioritise margins in the region.

Adjusted gross profit margin was 43.4% (H1 2024: 45.9%). Adjusted EBITDA was £12.0m (H1 2024: £19.6m), with a margin of 3.9% (H1 2024: 6.5%). This was principally the result of two significant external headwinds:

- Record whey prices: the primary driver was the substantial YoY increase in the cost of whey, a key commodity. Global whey prices have remained at record highs, creating a significant margin impact during the period.

- Currency fluctuations: due to movements in the Japanese Yen, which have compounded for the last four years, the costs of undertaking business in Japan has increased substantially. Longer-term domestic supply is the primary solution, with short-term margin protection strategies resulting in lower orders and active customers.

Central costs

Central costs totalling £8.2m (H1 2024: £11.0m) relate primarily to the PLC Board remuneration, insurance, professional services fees, Group finance, Corporate Development and governance costs that are not recharged to the businesses as they principally relate to the operations of the PLC holding company. The costs have reduced YoY reflecting the cost saving plans implemented across the Group.

Geographical review of revenue

The following table provides an analysis of revenue by region (by customer location):

	H1 2025 £m	H1 2024 £m	Movement
UK	389.8	388.0	+0.5%
US	141.3	179.0	-21.1%
Europe	167.0	173.6	-3.8%
Rest of the world	85.4	107.4	-20.5%
Revenue	783.4	848.1	

The UK continues to be the largest market for the Group and both businesses at 49.8% of revenue (H1 2024: 45.8%). Discontinued categories - principally the luxury business that was sold in September 2024 - reduced UK sales by c. £15m year-on-year. This reduction was more than offset by sales growth in both THG Beauty and THG Nutrition with the latter delivering over 10% UK sales growth in the first half, whilst THG Beauty delivered low single digit sales growth with momentum improving across the period.

The US remains a key market for the Group, despite the recent headwinds experienced, with around one third of the YoY revenue reduction an active result of discontinuing categories. Own-brand beauty performance and challenging conditions in the beauty retail market given tariff disruption also impacted the US.

Europe and the rest of the world both saw YoY revenue decline driven by the discontinuation of certain markets within Europe and Asia for THG Beauty, and the exchange rate on the Japanese Yen (historically one of THG Nutrition's largest markets) necessitating margin protection strategies which has constrained orders and active customers.

Group financial review

Statutory results

	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 (restated) £m
Continuing operations		
Revenue	783.4	848.1
Cost of sales	(462.2)	(496.9)
Gross profit	321.2	351.1
Distribution costs	(104.0)	(116.6)
Administrative costs	(247.3)	(265.2)
Operating loss	(30.0)	(30.7)
Finance income	2.9	5.3
Finance costs	(39.5)	(31.0)
Loss before tax	(66.7)	(56.3)
Income tax credit/(charge)	0.6	(6.4)
Loss for the financial period from continuing operations	(66.1)	(62.7)
Discontinued operations		
Profit / (loss) for the financial period from discontinued operations, net of tax	142.4	(58.6)
Profit / (loss) for the financial period	76.3	(121.2)

H1 2024 restated for the impact of THG Ingenuity being classified as a discontinued operation.

Adjusted profit measures with reconciliation to statutory result

Management have presented alternative performance measures to provide stakeholders with additional helpful information on the performance of the business. These alternative performance measures are consistent with how the business performance is monitored and reported through internal Management reporting to the Board. To ensure that stakeholders can reconcile this to the statutory information presented, the below table has been included:

H1 2025	Management adjusted view £m	Adjusted items £m	Amortisation and depreciation £m	Share based payments £m	Statutory £m
Revenue	783.4	-	-	-	783.4
Cost of sales	(461.2)	(0.7)	(0.4)	-	(462.2)
Gross profit	322.2	(0.7)	(0.4)	-	321.2
Distribution costs	(99.2)	(0.4)	(4.4)	-	(104.0)
Administrative costs	(199.1)	(4.2)	(41.1)	(2.9)	(247.3)
Operating profit/(loss)	24.0	(5.3)	(45.8)	(2.9)	(30.0)

Management Adjusted Amortisation
and Share based

H1 2024	adjusted view £m	items £m	depreciation £m	payments £m	Statutory £m
Revenue	848.1	-	-	-	848.1
Cost of sales	(486.8)	(8.9)	(1.3)	-	(496.9)
Gross profit	361.3	(8.9)	(1.3)	-	351.1
Distribution costs	(115.3)	(0.9)	(0.4)	-	(116.6)
Administrative costs	(208.9)	(4.9)	(42.9)	(8.5)	(265.2)
Operating profit/(loss)	37.1	(14.7)	(44.6)	(8.5)	(30.7)

Revenue

Group statutory continuing revenue decreased by -7.6% to £783.4m (H1 2024: £848.1m) primarily driven by the strategic decision to exit non-profitable businesses and territories, the performance of the own-brand portfolio and challenging conditions in the US retail market across THG Beauty. This decline was partially offset by positive performance in other areas, including within THG Nutrition; substantial progress from offline channel expansion across Europe and Asia, continued growth in brand licensing income, and an improving D2C online sales performance.

Gross profit

Adjusted gross profit was £322.2m (H1 2024: £361.3m) equating to an adjusted margin of 41.1% (H1 2024: 42.6%), a reduction of 150bps compared to 2024.

This reflects a mixed performance across the two businesses. THG Nutrition continued to be impacted by significant external headwinds, primarily record-high whey commodity prices and adverse currency effects from the sustained weakness of the Japanese Yen. THG Beauty delivered a performance in line with historical trends, following a strong comparative period in H1 2024.

Gross profit on a statutory basis totalled £321.2m (H1 2024: £351.1m) and 40bps reduction in margin of 41.0% (H1 2024: 41.4%). Adjusted items impacting gross profit have reduced significantly from £8.9m in the prior half to £0.7m in H1 2025.

Distribution costs

Adjusted distribution costs of £99.2m (H1 2024: £115.3m, 90bps improvement) reflect continual efficiencies and improved rates and mix in the half, following the discontinuation of sales to territories further from our distribution network (which consequently had a higher distribution cost).

Distribution costs on a statutory basis reduced to £104.0m (H1 2024: £116.6m), being 13.3% (H1 2024: 13.8%) of revenue. This was expected following the subleases entered into post demerger giving rise to depreciation and aided by lower adjusted items YoY.

Administration costs

Adjusted administrative costs as a percentage of revenue totalled 25.4% of revenue (H1 2024: 24.6%). During the half, the Group has focused on cost rationalisation to right-size the cost base of the business post demerger; this resulted in reductions across administrative costs, albeit partially offset by the national insurance and national minimum wage changes. While administrative costs reduced on an absolute basis, driven by cost savings which more than offset inflationary pressures, the percentage of revenue increased YoY. The primary driver other than the inflation in national insurance has been strategic investment in marketing costs.

Administrative costs on a statutory basis totalled £247.3m (H1 2024: £265.2m), which have decreased due to the implementation of cost rationalisation plus a reduction in adjusted items.

Adjusted EBITDA and Adjusted EBITDA margin

	H1 2025 £m	H1 2024 £m
Reconciliation from operating loss to Adjusted EBITDA		
Operating loss	(30.0)	(30.7)
Adjustments for:		
Amortisation	8.6	10.3
Amortisation of acquired intangibles	21.7	23.5
Depreciation	15.5	10.7
Adjusted items - cash	1.7	5.3
Adjusted items - non-cash	3.6	9.4
Share-based payments	2.9	8.5
Adjusted EBITDA	24.0	37.1
Adjusted EBITDA %	3.1%	4.4%

Adjusted items

In order to understand the underlying performance of the Group, certain costs included within cost of sales, distribution and administrative have been classified as adjusted items. The adjusted items have decreased significantly YoY totalling £5.3m (H1 2024: £14.7m).

The adjusted items include the loss on discontinued categories as the Group finalised its strategic review of loss-making non-core operations, alongside restructuring costs, irrecoverable costs associated with a legal case and

impairment of assets no longer in use. For full details on each category of adjusted item see note 3 to the financial statements.

Depreciation and amortisation

Statutory depreciation and amortisation costs were £15.5m and £30.3m respectively (H1 2024: £10.7m and £33.8m). Included within amortisation is £21.7m (H1 2024: £23.5m) of amortisation on acquired intangibles (see below) relating to historic acquisitions.

Depreciation has increased due to the addition to right-of-use assets reflecting the subleases entered into following the demerger. Amortisation has remained largely consistent. Please note this commentary is covering the continuing basis and depreciation and amortisation costs were considerably higher in the now demerged Ingenuity business.

Amortisation on acquired intangibles £21.7m (H1 2024: £23.5m)

When an acquisition is made, the accounting standards (IFRS 3: Business Combinations) require that an exercise is undertaken to value any brands, trade names or other intellectual property (such as customer lists). Following recognition of these assets, they are amortised over a period of 2-20 years.

Given the number of significant acquisitions made in recent years, primarily within THG Beauty, we consider this amount should be viewed separately to other amortisation to ensure comparability to those who undertook fewer or no acquisitions. This is a non-cash cost.

Other amortisation, outside of amortisation on acquired intangibles remained largely consistent YoY.

Adjusted EBITDA and operating profit/(loss)

Adjusted EBITDA totals £24.0m (H1 2024: £37.1m). The reduction YoY is a result of the above-mentioned factors notably, the portfolio lifecycle investment in THG Beauty's own brand portfolio and the impact of continued high whey prices and adverse currency movements from the Japanese Yen within THG Nutrition.

The Group incurred an operating loss in the period of £30.0m (H1 2024: £30.7m). This is driven by the reduction in EBITDA offset by the reduction in adjusted items from £14.7m in H1 2024 to £5.3m in H1 2025.

Finance costs net of finance income

Finance costs net of finance income has increased to £36.7m (H1 2024: £25.7m) as a result of the refinance in H1 2025 and higher interest rates. The inherent cost increase is partially offset by a reduction in interest expense following the reduction in borrowings.

Loss before tax from continuing operations and tax rate

Loss before tax from continuing operations was £66.7m (H1 2024: £56.3m). The effective tax rate is 0.9% (H1 2024: -11.3%), based on a total tax credit of £0.6m (H1 2024: tax charge £6.4m). The effective tax rate differs from the average statutory rate of 25%. This is primarily due to a movement in deferred tax not recognised (-22.9%), and expenses not deductible (-0.9%). The non-deductible expenses principally comprise of the share-based payments charge and non-qualifying depreciation.

At 30 June 2025, the total net deferred tax liability is £54.0m (H1 2024: £53.4m). The deferred tax liability in respect of intangible assets recognised on consolidation was £112.8m (H1 2024: £123.8m). The deferred tax asset in respect of tax losses recognised was £34.2m (H1 2024: £26.8m). There were £56.0m of unrecognised deferred tax assets in respect of tax losses at the balance sheet date. This non-recognition has an impact on the income statement tax charge, and this is one of the primary reasons for the effective tax rate being below the statutory rate.

Discontinued operations

On 2 January 2025, the Group successfully completed the previously announced demerger of THG Ingenuity into a stand-alone, independent private company. THG Ingenuity has been recognised as a discontinued operation with H1 2024 results being restated to reflect this.

The profit on discontinued operations totalled £142.4m (H1 2024: loss of £58.6m) this includes the gain on distribution (see more detail within note 6.1 of the financial statements). The gain is calculated as the difference between the fair value and the book value of its net assets.

Profit / (loss) for the financial period

Total profit for the financial period of £76.3m (H1 2024: loss of £121.2m) culminating the results of continuing and discontinued operations as explained previously.

Earnings per share

Earnings per share were £0.06 per share (H1 2024 loss of £(0.08) per share). Loss per share on continuing operations was a loss of £(0.05) per share (H1 2024: loss of £(0.04) per share).

Cash flow statement

	£m	demerger ^[15] £m
Adjusted EBITDA	24.0	48.8
Working capital movements	(59.7)	(74.4)
Tax paid	(1.2)	(1.3)
Adjusted items	(3.6)	(10.5)
Net cash generated from operating activities	(40.5)	(37.4)
Purchase of property, plant and equipment	(2.5)	(16.8)
Purchase of intangible assets	(8.0)	(37.1)
Interest paid net of interest received	(16.3)	(13.0)
Lease repayments	(10.4)	(22.4)
Free cash flow	(77.7)	(126.7)
Disposal of discontinued categories and non-core operations	0.7	-
Repayments of bank borrowings	(181.7)	(1.8)
Proceeds from issuance of ordinary shares net of fees	21.8	-
Proceeds from the issue of convertible loans	67.5	-
Payments on distribution	(9.8)	-
Net decrease in cash and cash equivalents	(179.2)	(128.5)
Cash and cash equivalents at the beginning of the period	308.6	416.2
Cash and cash equivalents at the end of the period	129.4	287.7

The H1 2025 cash flow reflects THG PLC post demerger. This includes lighter capital expenditure with leases, capex and financing costs all in line with guided run rates. The H1 2024 cash flow includes THG Ingenuity as this was prior to the demerger. As such these are not like-for-like comparisons. The free cash flow in H1 2025 has therefore improved by £49.0m, as expected following the demerger of Ingenuity.

Free cash flow for the total Group was an outflow of £77.7m (Pre demerger H1 2024: outflow of £126.7m). This includes £10.5m (Pre demerger H1 2024: £53.9m) of capital expenditure, cash adjusting item payments of £3.6m (H1 2024: £10.5m), net interest of £16.3m (Pre demerger H1 2024: £13.0m) and lease repayments totalling £10.4m (Pre demerger H1 2024: £22.4m). The working capital profile is in line with expectations, with the cyclical nature of the business resulting in a working capital outflow in H1 each year, which reverses in H2.

There was a decrease in cash and cash equivalents for the period of £179.2m (Pre demerger H1 2024: £128.5m). The key driver for the decrease is the repayment of bank borrowings totalling £181.7m following the successful refinancing in the period. The remaining cash outflows as described above were offset by the equity placing which completed in March 2025 raising proceeds net of costs of £89.3m (both equity and convertible loan which will convert to equity in H2 2025).

The Group ended the period with c.£279m cash and available facilities at the end of the period. £89.0m of cash left the group with THG Ingenuity on 2 January 2025. The undrawn RCF totalled £150m.

There has been a reduction in the cash spend on capital expenditure and lease payments in H1 2025 following demerger reflecting the simplified Group with less leases and lower capital spend requirements.

Cash flows in respect of adjusting items largely relate to restructuring and the unwind of accrued costs which are not expected to recur.

Balance sheet

Cash and cash equivalents and net cash before lease liabilities

	30 June 2025 £m	30 June 2024 £m	31 December 2024 £m
Loans and other borrowings	(457.9)	(640.5)	(604.6)
Lease liabilities	(143.5)	(334.7)	(41.4)
Cash and cash equivalents	129.4	287.7	308.6
Sub-total	(472.0)	(687.5)	(337.3)
Adjustments:			
Retranslate debt balance at swap rate where hedged by foreign exchange derivatives	7.0	2.3	(8.3)
Net debt	(464.9)	(685.3)	(345.6)
Net debt before lease liabilities	(321.4)	(350.5)	(304.3)
Proforma net debt before lease liabilities including proceeds from the sale of Claremont Ingredients	(221.4)	n/a	n/a

At 30 June 2025, the Group held £129.4m in cash and cash equivalents (H1 2024: £287.7m, FY 2024 £308.6m).

As part of its ongoing strategy to reduce gross debt, the Group completed a refinancing of its debt facilities to 2029. The reduction in the Term Loan A and Term Loan B were partially offset by fees associated with the refinancing and a new asset-backed financing facility (net £182.6m reduction in borrowings from 31 December 2024).

The decrease in net debt YoY has been driven by the reduction in borrowings following the refinancing outlined above and the associated equity raise, alongside a reduction in lease liabilities. The majority of the Group's material leases left the Group as part of the demerger, as they relate to THG Ingenuity's operations.

Non-current assets

Property, plant and equipment totalled £60.9m (H1 2024: £263.4m, 31 December 2024: £64.9m). Intangible assets totalled £857.4m (H1 2024: £1,185.3m, 31 December 2024: £958.3m). Movements compared to H1 2024 are driven by

the demerger. Movements since 31 December 2024 are a result of the depreciation and amortisation charge (see earlier).

Right-of-use-assets totalled £130.6m (H1 2024: £286.8m, 31 December 2024: £29.3m). Movements compared to H1 2024 are driven by the demerger. The increase compared to the year end relates primarily to the subleases entered into as part of the demerger as set out in the shareholder circular.

Going concern

The Group remains in a strong cash position following the demerger with cash and cash equivalents totalling £129.4m (H1 2024: £287.7m, 31 December 2024 £308.6m). This is before the proceeds from the sale of Claremont Ingredients of £103m which has been received in early September 2025.

At 30 June 2025, the Group had a total of £150m in undrawn facilities.

Net debt before lease liabilities totalled £321.4m (H1 2024: net debt before lease liabilities £350.5m, 31 December 2024: £304.3m).

In making their assessment of going concern, the Directors reviewed financial projections until 30 September 2026 and concluded that the Group was a going concern.

Stress test scenarios were modelled to take into account severe but plausible impacts of a combination of the principal risks occurring including reducing sales for the two key businesses to levels significantly below historic actuals and current budgets. A reverse stress test was also separately modelled. The results of stress testing demonstrated that the combination of mitigating actions available including existing cash resources, level of discretionary spend and ability to utilise the RCF were sufficient for the Group to withstand such impacts.

Responsibility statement of the directors in respect of the condensed interim financial statements

We confirm that to the best of our knowledge:

- the condensed set of financial statements for the half year ended 30 June 2025 has been prepared in accordance with UK adopted IAS 34 Interim Financial Reporting;
- the interim management report includes a fair review of the information required by:
 - o DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the 2025 financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - o DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

Matthew Moulding
Chief Executive Officer
10 September 2025

Damian Sanders
Chief Financial Officer
10 September 2025

		30 June 2025	30 June 2024 (restated ^[16])
	Note	£'000	£'000
Continuing operations			
Revenue	2	783,425	848,069
Cost of sales		(462,227)	(496,922)
Gross profit		321,198	351,147
Distribution costs		(103,962)	(116,640)
Administrative costs		(247,285)	(265,160)
Operating loss		(30,049)	(30,653)
Finance income		2,892	5,344
Finance costs		(39,546)	(30,996)
Loss before taxation		(66,703)	(56,305)
Income tax credit/ (charge)	4	609	(6,376)
Loss for the financial period from continuing operations		(66,094)	(62,681)
Discontinued operations (THG Ingenuity)			
Profit / (loss) for the financial period from discontinued operations, net of tax	6.1	142,365	(58,549)
Profit / (loss) for the financial period		76,271	(121,230)
Other comprehensive income/ (expense):			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translating foreign operations, net of tax		(42,976)	6,802
Net loss on cash flow hedges		(8,184)	(3,866)
Total comprehensive income / (expense) for the financial period		25,111	(118,294)
Basic and diluted loss per share continuing operations (£)		(0.05)	(0.04)
Basic and diluted earnings / (loss) per share discontinued operations (£)		0.11	(0.04)
Basic and diluted earnings / (loss) per share (£)		0.06	(0.08)

**Earnings before interest, taxation, depreciation, amortisation, adjusted items and share-based payment charges
(Adjusted EBITDA)**

		30 June 2025	30 June 2024 (restated ¹⁶)
	Note	£'000	£'000
Operating loss		(30,049)	(30,653)
Adjustments for:			
Amortisation	6	8,569	10,336
Amortisation of acquired intangibles	6	21,727	23,492
Depreciation	6	15,502	10,727
Adjusted items - cash	3	1,672	5,336
Adjusted items - non-cash	3	3,677	9,351
Share-based payments	5	2,880	8,490
Adjusted EBITDA		23,978	37,079

Interim condensed consolidated statement of financial position as at 30 June 2025

		30 June 2025	30 June 2024 ^[17]	31 December 2024 Audited
	Note	£'000	£'000	£'000
Non-current assets				
Intangible assets	6	857,378	1,185,284	958,322
Property, plant and equipment	6	60,881	263,375	64,890
Right-of-use assets	6	130,628	286,786	29,327
Investments	7	-	1,400	-
Other non-current financial assets	7	2,907	8,413	4,590
Deferred tax asset		-	-	4,072
		1,051,794	1,745,258	1,061,201
Current assets				
Assets held for sale - Claremont Ingredients	6.2	39,906	-	-
Assets held for distribution - THG Ingenuity	6.1	-	-	762,369
Inventories		265,056	298,909	265,371
Trade and other receivables		121,266	244,830	147,272
Other financial assets	7	16,869	5,318	727
Cash and cash equivalents	7	129,411	287,711	308,622
		572,508	836,768	1,484,361
Total assets		1,624,302	2,582,026	2,545,562
Equity				
Ordinary shares		8,562	7,225	8,219

Interim condensed consolidated statement of changes in equity for the six months ended 30 June 2025[illegible]

in equity										
Balance at 30 June 2024	7,225	2,024,824	615	-	523	22,406	(26,548)	27,945	(1,143,800)	913,190

Interim condensed consolidated statement of cash flows for the six months ended 30 June 2025

		30 June 2025	30 June 2024
	Note	£'000	£'000
Cash flows from operating activities before adjusted cash flows			
Cash used in operations	8	(35,763)	(25,607)
Income tax paid		(1,194)	(1,327)
Net cash used in operating activities before adjusted cash flows		(36,957)	(26,934)
Cash flows relating to adjusted items	3	(3,560)	(10,458)
Net cash used in operating activities		(40,517)	(37,392)
Cash flows from investing activities			
Proceeds from disposal of non-core operations		720	-
Purchase of property, plant and equipment		(2,476)	(16,816)
Purchase of intangible assets		(8,015)	(37,121)
Interest received		2,892	5,407
Net cash used in investing activities		(6,879)	(48,530)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares net of fees		21,770	-
Proceeds from the issue of convertible loan		67,535	-
Interest paid		(19,209)	(18,364)
Repayment of bank borrowings and fees		(181,727)	(1,800)
Repayment of lease liabilities		(10,354)	(22,365)
Payments on distribution		(9,830)	-
Net cash flow used in financing activities		(131,815)	(42,529)
Net decrease in cash and cash equivalents		(179,211)	(128,451)
Cash and cash equivalents at the beginning of the period		308,622 ^[18]	416,162
Cash and cash equivalents at the end of the period		129,411	287,711

Notes to the interim condensed consolidated financial statements

1. Basis of preparation

a. General information

THG PLC (company number 06539496) is a public company limited by shares and incorporated in England and Wales. It has a premium listing on the London Stock Exchange and is the holding company of the Group. The address of its registered office is Icon 1, 7-9 Sunbank Lane, Ringway, Altrincham, Manchester, WA15 0AF. The Company is the parent and the ultimate parent of the Group, the financial statements comprises the results of the Company and its subsidiaries ("the Group").

The interim condensed consolidated financial statements of the Group for the six months ending 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 10 September 2025.

The annual financial statements for the year ended 31 December 2025 of the Group will be prepared in accordance with UK adopted IFRSs.

b. Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. The financial statements have been prepared on the historical cost basis, except for derivatives which are held at fair value. The Directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements of the Group.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024. As disclosed in note 1a, the annual financial statements of the Group will be prepared in accordance with UK adopted IFRSs.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025 (IFRS 9 and 9 Amendments in respect of the classification and measurement of financial instruments and IFRS 18 Presentation and Disclosure in Financial Statements) and a new policy to reflect the convertible loan agreement entered into by the Group on 24 March 2025.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. There were no new standards, interpretations or amendments that became effective in the period that had a material impact on the group.

Convertible loans are accounted for as a financial instrument. Where obligations are required to be met ahead of conversion, the convertible loan is recognised as a liability and measured at present value. Upon obligations being met, the liability is then derecognised and classified as equity. Management consider the conditions attached to the instrument entered into during the period to be met in H1 2025 and as such for this instrument, the liability classification was extinguished and recognised within equity at 30 June 2025.

Going concern

The Group remains in a strong cash position following the demerger with cash and cash equivalents totalling £129.4m (H1 2024: £287.7m, 31 December 2024 £308.6m). This is before the proceeds from the sale of Claremont Ingredients of £103m which were received in early September 2025.

At 30 June 2025, the Group had a total of £150m in undrawn facilities.

Net debt before lease liabilities totalled £321.4m (H1 2024: net debt before lease liabilities £350.5m, 31 December 2024: £304.3m). Once the sales proceeds from sale of Claremont Ingredients are received, net debt before lease liabilities would proforma reduce to c.£220m.

In making their assessment of going concern, the Directors reviewed financial projections until 30 September 2026.

Severe but plausible downside scenarios were modelled including the impacts of a combination of the principal risks occurring including reducing sales for the two key businesses to levels significantly below historic actuals and current budgets. A reverse stress test was also separately modelled. The results of stress testing demonstrated that the combination of mitigating actions

available including existing cash resources, level of discretionary spend and ability to utilise the RCF were sufficient for the Group to withstand such impacts.

For these reasons, the Directors continue to adopt the going concern basis in preparing these condensed interim financial statements.

c. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those applied to the Group's annual consolidated financial statements for the year ended 31 December 2024.

2. Segmental reporting and revenue

The Group's activities were divided into the following segments: THG Beauty and THG Nutrition. Following the demerger of THG Ingenuity on 2 January 2025, the THG Ingenuity segment has been recognised as a discontinued operation in line with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Refer to note 6.1 for further detail. The prior year segmental analysis has been re-presented to provide a like-for-like comparison.

The results of each business is reported to the Board of Directors and are treated as reportable operating segments. The following table describes the main activities for each reportable operating segment:

Segment	Activities
THG Beauty	Retailer of prestige beauty brands through online retail websites with digital leadership in key markets: the UK and the US.
THG Nutrition	Retailer of sports nutrition supplements and health and wellness products, led by the world's largest online sports nutrition brand, Myprotein.

Central costs relate primarily to the PLC Board remuneration, professional services fees, Group finance, M&A, risk (insurance) and governance costs that are not recharged to the businesses as they principally relate to the operations of the PLC holding company.

The Chief Operating Decision Maker (CODM) is the executive Board of directors, who make the key operating decisions for the business. The CODM receives daily financial information at the combined Group level, along with monthly information at a business level, and uses this information to allocate resources, make operating decisions and monitor the performance of each of the businesses.

The measure of the Group's profit or loss used by THG's management team is Adjusted EBITDA comprising operating loss adjusted for interest, tax, depreciation, amortisation, shared-based payments and adjusted items. This is reconciled to the nearest IFRS measure (loss before tax) in the below table.

H1 2025	THG Beauty £'000	THG Nutrition £'000	Central PLC £'000	H1 2025 Continuing operations £'000
Revenue	479,852	303,573	-	783,425
Adjusted gross profit	190,447	131,804	-	322,251
Margin %	39.7%	43.4%	-	41.1%
Adjusted EBITDA	20,221	11,968	(8,211)	23,978

Margin %	4.2%	3.9%	-	3.1%
Depreciation				(15,502)
Amortisation				(30,296)
Share-based payments				(2,880)
Adjusted items				(5,349)
Operating loss				(30,049)
Finance income				2,892
Finance costs				(39,546)
Loss before taxation				(66,703)

				H1 2024 Continuing operations (restated ¹⁶)
H1 2024 ^[19]	THG Beauty £'000	THG Nutrition £'000	Central PLC £'000	£'000
Revenue	547,720	300,349	-	848,069
Adjusted gross profit	223,382	138,009	-	361,391
Margin %	40.8%	45.9%	-	42.6%
Adjusted EBITDA	28,552	19,560	(11,033)	37,079
Margin %	5.2%	6.5%	-	4.4%
Depreciation				(10,727)
Amortisation				(33,828)
Share-based payments				(8,490)
Adjusted items				(14,687)
Operating loss				(30,653)
Finance income				5,344
Finance costs				(30,996)
Loss before taxation				(56,305)

Below is an analysis of revenue by region (by destination):

	Six months ended 30 June 2025	Six months ended 30 June 2024 (restated ¹⁶)
	£'000	£'000
UK	389,779	388,018
USA	141,270	179,014
Europe	167,004	173,646
Rest of the world	85,372	107,391
	783,425	848,069

3. Adjusted items

	Six months ended 30 June 2025	Six months ended 30 June 2024 (restated ¹⁶)
	£'000	£'000
Within Cost of sales		
Loss on disposal of discontinued and the exit of loss making categories	666	8,896
	666	8,896
Within Distribution costs		
Transportation, delivery and fulfilment costs	418	884
	418	884
Within Administrative costs		
Irrecoverable costs including associated legal fees	1,973	-
Restructuring costs	836	1,607
Impairment of assets - THG Experience	653	-
Loss on property portfolio restructure	803	345
Acquisitions - restructuring and integration	-	2,535
Loss on disposal of (or exit from) discontinued and loss making categories	-	385
Other costs following the outcome of strategic review	-	35
	4,265	4,907
Total adjusted items before tax	5,349	14,687
Tax impact	(1,018)	(1,066)
Total adjusted items	4,331	13,621
Cash adjusting items before tax	1,672	5,336

Loss on disposal of discontinued and the exiting of loss making categories

Consistent with the Group's ongoing commitment to simplify and streamline operations as part of the strategic review of loss-making categories and territories, two non-core brands and product offerings across THG Beauty were disposed of which generated sales proceeds of c.£0.7m. This has resulted in an inventory provision adjustment within cost of sales to reflect the consideration value. These costs are deemed to be one-off losses to enable and complete the exit of loss-making areas of the business.

The comparative position reflects adjustments of the same nature following the sale of THG Luxury on 11 September 2024.

Transportation, delivery and fulfilment costs

The conflict in Israel has resulted in pressures across the international network and travel routes, with increased costs being experienced as the war continues, which are not fully passed on to customers. The Group continues to insulate the customer from the full impact of these rising costs, with the residual expense therefore being over and above those incurred through the normal course of business.

Irrecoverable costs including associated legal fees

The Group has incurred an irrecoverable debt from a customer that entered liquidation. Despite proactively pursuing recovery through all available channels, including our trade credit insurance and subsequent legal action, the unique technical circumstances of the customer's restructuring ultimately rendered the debt irrecoverable. Given the unusual and non-recurring nature of this event, the associated costs have been presented as adjusted items. This is not expected to recur.

Restructuring costs

The Group continues to explore and implement corporate restructuring and evolve its internal operations where sustainable alternatives are identified. The costs incurred are attributable to employee-related severance as part of specific operational restructuring projects as efficiencies are implemented across the business. These projects, and the costs attached, are expected to be completed within a 12-month period.

Impairment of assets - THG Experience

An additional one-off impairment charge of £0.7m was recognised during the period for the THG Experience assets remaining within continuing operations that were previously impaired in 2024, following a further review of its carrying value.

Loss on property portfolio restructure

Consistent with the prior year, the Group continues to incur unavoidable costs relating to leased properties that were vacated following a Group review of properties held within its portfolio that are no longer in use. The costs relating to these sites are incurred over the remaining life of the lease and will continue to be classified as adjusted items.

4. Income tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of comprehensive income are:

	Six months ended 30 June 2025	Six months ended 30 June 2024 (restated ¹⁶)
	£'000	£'000
Current tax		
Tax charge for the period	1,245	2,787
Deferred tax		
Origination and reversal of temporary differences	(1,854)	3,589
Total income tax (credit) / charge	(609)	6,376

5. Share-based payments

The Group operates a share-based compensation plan, under which the Group receives services from employees as consideration for equity instruments (options) of the Company. The fair value of the employee services received in exchange for the grant of the equity instruments is recognised as an expense in the Statement of Comprehensive Income with the corresponding increase to equity.

No new plans were issued during the period. Refer to the 2024 Group Annual Report and Accounts for more information regarding previous issued plans.

	Six months ended 30 June 2025 £'000	Six months ended 30 June 2024 £'000
Expense arising from equity-settled share-based payment transactions	2,880	8,490

The following table shows the shares granted and outstanding at the beginning of the year and at half-year:

	2025 Number of shares
As at 1 January	88,454,894
Granted during the year	-
Exercised during the year	(15,921,458)
Forfeited during the year	(1,564,692)
As at 30 June	70,968,744

6. Non-current assets

	Intangible assets £'000	Property, plant and equipment £'000	Right-of-use asset £'000
1 January 2025	958,322	64,890	29,327
Additions	8,015	2,330	112,607
Impairment	-	-	(918)
Depreciation / Amortisation	(30,296)	(5,870)	(9,632)
Currency translation differences	(42,572)	9	(756)
Transfer to assets held for sale	(36,091)	(478)	-
30 June 2025	857,378	60,881	130,628

	Intangible assets £'000	Property, plant and equipment £'000	Right-of-use asset £'000
1 January 2024	1,207,383	273,171	303,635
Additions	36,227	17,545	3,747
Disposals	-	(276)	-
Non-cash loss on disposal of discontinued categories	(1,232)	(80)	(193)
Depreciation / Amortisation	(57,084)	(28,288)	(18,953)
Currency translation differences	126	(944)	(514)
Reversal of previous impairment	1,175	-	-
Transfers	(1,311)	2,247	(936)

The additions to the right-of-use asset relate primarily to the subleases entered into as part of the demerger as set out in the shareholder circular.

IAS 36 states that an entity is required to assess at each reporting date whether there are any indications of impairment, with an impairment test itself being carried out if there are such indications. In assessing whether there are impairment triggers at the reporting date, management has taken into account economic performance including macroeconomic factors that have impacted the markets in which the Group operates. As there has been a decline in revenue and EBITDA in H1 2025, management has undertaken an impairment review for both THG Nutrition and THG Beauty.

Key assumptions

Forecasts are based on assumptions from the Board-approved budget with projections covering a five-year period. The key assumptions within the cash flow forecasts are the future revenue growth and EBITDA margin. The projections are based on the best estimate of future cash flows, taking into account externally available expectations. The discount rate and long-term growth rate are consistent with those applied in the impairment review performed at 31 December 2024, and as disclosed in note 11 of the Group's annual accounts.

Sensitivities

Management has performed sensitivity analysis across revenue growth rates, EBITDA margin, terminal growth rate and discount rates.

No impairment has been recognised in respect of THG Nutrition or THG Beauty.

For THG Nutrition no reasonable plausible change either in isolation or in combination would result in an impairment.

THG Beauty has historically acquired several businesses and therefore has a higher intangible asset position as a result of the recognition of brands, intellectual property and goodwill under IFRS 3: Business Combinations. On performing sensitivity analysis on the key assumptions, the model is not sensitive to reasonably possible changes in assumptions in isolation, however, management consider that a combination of sensitivities would eliminate headroom. This does not reflect the potential mitigations including cost reduction and margin enhancement.

6.1 Discontinued operations

On 2 January 2025, the Group successfully completed the previously announced demerger of THG Ingenuity into a stand-alone, independent private company. The demerger was first announced on 17 September 2024 and received shareholder approval on 27 December 2024. Accordingly, at 31 December 2024, THG Ingenuity was classified as a disposal group held for distribution and accounted for as a discontinued operation in accordance with *IFRS 5: Non-current assets held for sale and discontinued operations*.

A dividend liability of £501.3m was recognised within the statement of financial position at 31 December 2024. The dividend liability was settled on the date of the demerger on 2 January 2025.

Included within the discontinued operations within the condensed consolidated income statement is the pre-tax gain on distribution (see more detail within note 12.2 of the Annual Report and Accounts 2024). The gain is calculated as the difference between the fair value of THG Ingenuity and the book value of its net assets. The total of £142.3m also includes final adjustments to the net asset book value as part of the completion accounts process in accordance with the demerger agreement executed in early H1 2025. The final settlement resulting from the completion accounts process was approved and settled in early H2 2025.

6.2 Assets and liabilities held for sale

On 6 August 2025, the Group announced that it has agreed to divest Claremont Ingredients from THG Nutrition (see further information in note 11). In accordance with *IFRS 5: Non-current assets held for sale and discontinued operations*, the relevant assets and liabilities were classified as held for sale on the Group statement of financial position at 30 June 2025. Claremont Ingredients do not represent a major line of business for the Group and therefore the criteria to disclose as a discontinued operation has not been met. Immediately before the classification as an asset for sale, the recoverable value was estimated and the Group concluded that no impairment was required and therefore the assets and liabilities continue to be recognised at book value. The expected profit on disposal will be c.£71m.

7. Financial assets and liabilities

	30 June 2025	30 June 2024	31 December 2024
	£'000	£'000	£'000
Assets as per balance sheet - financial assets			
Trade and other receivables excluding non-financial assets	76,177	138,674	70,770
Cash and cash equivalents	129,411	287,711	308,622
Investments	-	1,400	-
Assets as per balance sheet - held at fair value through OCI			
Derivative financial instruments designated as hedging instruments	19,776	13,431	5,317
Derivative financial instruments held at fair value through profit and loss	-	300	-
	225,364	441,516	384,709
Liabilities as per balance sheet - other financial liabilities at amortised cost			
Bank borrowings	457,882	640,522	604,567
Lease liabilities	143,504	334,728	41,370
Trade and other payables excluding non-financial liabilities	411,289	496,920	315,042
Dividend liability	-	-	501,331
Derivative financial instruments designated as hedging instruments	64,673	45,671	58,969
	1,077,348	1,517,841	1,521,279
Derivative financial instruments designated as hedging instruments			
FX forwards hedging foreign exchange risk on borrowings	(38,363)	(40,351)	(53,020)
Interest rate swaps	(7,059)	5,255	(1,303)
FX forwards hedging foreign exchange risk on highly probable future cash flows	525	2,855	669
	(44,897)	(32,241)	(53,654)

- Financial instruments included within current assets and liabilities, excluding borrowings, are generally short-term in nature and accordingly their fair values approximate to their book values. Bank borrowings are initially recorded at fair value net of direct issue costs.

The derivative financial instruments designated as hedging instruments have been recognised at fair value through Other Comprehensive Income. Hedging instruments are valued based on significant observable inputs and have been classified at Level 2 hierarchy level in line with *IFRS 13: Fair Value Measurement*.

- On 4 April 2025, the Group announced the completion of its debt refinancing to 2029 as part of a plan to de-lever as a simplified group. At 30 June 2025 the Term Loan B totals €445m maturing in December 2029. Term Loan A totals £35m which matures in Q4 2025.

Net debt consists of loans and lease liabilities, less cash and cash equivalents. For the purposes of the Group's net debt calculation, loans that are denominated in foreign currency are translated at the effective hedged rate where applicable. A reconciliation to the most directly comparable IFRS measure is included below:

	30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
Loans and other borrowings	(457,882)	(640,522)	(604,567)
Lease liabilities	(143,504)	(334,728)	(41,370)
Cash and cash equivalents	129,411	287,711	308,622
Sub-total	(471,975)	(687,539)	(337,315)
Adjustments:			
Retranslate debt balance at swap rate where hedged by FX derivatives	7,038	2,265	(8,306)
Net debt	(464,937)	(685,274)	(345,621)
Net debt before lease liabilities	(321,433)	(350,546)	(304,251)

8. Cash flow generated from operations

		Six months ended 30 June 2025 £'000	Six months ended 30 June 2024 £'000
	Note		
Loss before taxation from continuing operations		(66,703)	(56,305)
Profit / (loss) before taxation from discontinued operations		142,365	(61,793)
Profit / (loss) before taxation		75,662	(118,098)
Adjustments for:			
Depreciation	6	15,502	47,241
Amortisation	6	8,569	32,758
Amortisation - acquired intangibles	6	21,727	24,326
Share-based payment	5	2,880	8,490
Adjusted items	3	5,349	20,374
Gain on demerger	6.1	(142,365)	-
Net finance costs		36,654	33,682
Operating cash flow before adjusted items and before movements in working capital and provisions		23,978	48,773
(Increase) / Decrease in inventories		(2,611)	(10,464)
(Increase) / Decrease in trade and other receivables		19,301	27,922
Increase / (Decrease) in trade and other payables		(74,797)	(90,126)
Decrease in provisions		(1,614)	(1,697)
Foreign exchange loss		(20)	(15)
Cash used in operations before adjusted items		(35,763)	(25,607)

9. Provisions

	Dilapidations £'000	Other £'000	Total £'000
At 1 January 2025	12,077	6,303	18,380
Utilisation	(120)	(1,365)	(1,485)
Interest	227	-	227
Created	3,780	-	3,780
Released	(111)	-	(111)
FX on translation	(289)	-	(289)

At 30 June 2025	15,564	4,938	20,502
Current	4,595	3,202	7,797
Non-current	10,969	1,736	12,705

Dilapidations provisions relate to leased properties. Dilapidations provisions are made based on the best estimate of the likely committed cash outflow and discounted to net present value. Future costs are expected to be incurred over the term of the existing lease arrangements at the reporting date, which is a period of up to 20 years.

Other provisions relate to onerous contracts and unavoidable costs on vacated properties and a sponsorship agreement which has not delivered the expected commercial returns.

10. Related Party Transactions

Moulding Capital Limited ("Propco") is wholly owned by the Group's CEO. The Propco Group owns property assets occupied and utilised by THG and its operating businesses.

The amounts recognised on the Group's balance sheet and statement of comprehensive income in relation to the leases with Propco for continuing operations in the period are as follows:

	30 June 2025 £'000	30 June 2024 £'000
Right-of-use asset	28,703	149,784
Lease liability	26,099	170,456
Depreciation arising on right-of-use assets	2,639	4,712
Expense recognised in financing costs	694	3,488

The table below gives further detail around the leases in place for continuing operations H1 2025 (H1 2024: includes rent incurred by THG Ingenuity prior to the demerger):

Number of properties (H1 2025)	Number of properties (H1 2024)	Residual lease term	H1 2025 rent (£'000)	H1 2024 rent (£'000)
8	9	0-5 years	390	481
9	0	5-10 years	999	-
0	12	10-15 years	-	1,643
1	7	15-25 years	369	4,961
18	28		1,758	7,085

The following table sets out amounts payable to related parties which include balances in relation to lease agreements:

	Amount owed to related parties £'000
Aghoco 1422 Ltd	68
Allenby Square Ltd	51
THG Gadbrook PropCo Ltd	275
THG GJS PropCo Ltd	221
	615

On 24 March 2025, as part of the equity contribution surrounding the refinancing, the Group entered into a convertible loan agreement with FIC Shareco, a company also wholly owned by the Group's CEO. Following the conditions of conversion being met in H1 2025, the loan has been recognised within the condensed consolidated statement of changes in equity as the equity conversion option totalling £68.5m. The conditions for conversion were considered to be met following shareholder approval in advance of the period end.

This instrument will be extinguished in full by a conversion to Ordinary Shares on or after 4 December 2025.

Following the demerger on 2 January 2025, THG Ingenuity is no longer part of the THG PLC Group. THG Ingenuity is a key third party supplier to THG PLC, however management have concluded that under IAS 24: *Related Party Disclosures*, Ingenuity is not considered a related party.

11. Events after the reporting period

On 6 August 2025, the Group announced that it has agreed to sell Claremont Ingredients to the Nactarome Group for cash proceeds of c.£103m. This completed on 3 September 2025. This divestment is a part of the Group's strategy to simplify its operations and expedite progress towards a net cash balance sheet. The disposal has not led to any adjustments to the net assets at 30 June 2025. The expected profit on disposal will be c.£71m.

Principal risks and uncertainties

The Board considers that the principal risks and uncertainties which could impact the Group over the remaining six months of the financial year to 31 December 2025 to be unchanged from those set out in the Annual Report and Accounts for the year to 31 December 2024.

The applicable risks are summarised as follows:

- Cyber security and data privacy;
- THG Ingenuity reliance;
- Culture;
- Talent;
- Customer needs;
- Infrastructure, supply chain and critical partners;
- Climate change, environmental and social responsibility;
- Health and safety;
- Legal and regulatory compliance;
- Product safety and quality;
- Geopolitical and economic uncertainty; and
- Liquidity and funding.

These are set out in detail from page 75 in the Group's Annual Report and Accounts for the year to 31 December 2024, a copy of which is available on the Group's website, www.thg.com.

INDEPENDENT REVIEW REPORT TO THG PLC

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of financial position, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cashflows and the related explanatory notes. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP

London

10 September 2025

[1] YoY defined as year-on-year.

[2] Gross profit margin and gross profit adjusted for depreciation, amortisation and adjusted items (see CFO Report for reconciliation).

[3] Continuing excludes discontinued categories.

[4] CCY defined as constant currency basis.

[5] The non-GAAP measure which is defined as earnings before interest, taxes, depreciation, amortisation, share-based payment and adjusting items (see CFO Report for reconciliation).

[6] Net debt excluding lease liabilities.

[7] Market share gains source: Circana THG Total Market Share 30.03.2025 to 28.06.2025 vs 29.12.2024 to 29.03.2025.

[8] YouGov Brand Tracking April - June'25 and compares against January - March'25.

[9] Euromonitor International Limited; Consumer Health 2025 edition, retail value sales (RSP), all retail channels, 2024 data.

[10] H1 2024 cash flow includes THG Ingenuity.

[11] As previously announced, Group adjusted EBITDA for FY 2025 and FY 2026 is anticipated to be reduced by c.£5m and c.£10m respectively following the disposal of Claremont Ingredients.

[12] Last twelve months.

[13] The numbers in this report are subject to roundings throughout. This report includes a number of non-GAAP measures and alternative performance measures. Adjusted results are consistent with how business performance is measured internally and presented to aid comparability of performance. See more information within the reconciliations to statutory measures within this report.

[14] H1 2024 has been restated to reflect the demerger of THG Ingenuity and the removal of the discontinued categories. See more information and a reconciliation within the financial statements. No other adjustments have been made.

[15] The H1 2024 cash flow includes THG Ingenuity.

[16] Restated for discontinued operations, refer to note 6.1 for further detail.

[17] As at 30 June 2024, THG Ingenuity did not meet the criteria to be classified as held for distribution and therefore all amounts presented include THG Ingenuity. The criteria were met by 31 December 2024 and THG Ingenuity assets and liabilities were reclassified and presented as assets and liabilities held for distribution. The demerger completed on 2 January 2025 and as at 30 June 2025 assets and liabilities held for distribution are £nil.

[18] At 31 December 2024, the Group held £397.6m in cash and cash equivalents split between cash of £308.6m within continuing operations and £89.0m included within discontinued operations relating to THG Ingenuity. The £89.0m left the Group as part of THG Ingenuity on demerger on 2 January 2025.

[19] The segmental result for H1 2024 has been restated within the above table to provide a like-for-like comparison for the H1 2025. Restatements have been made to reflect the removal of discontinued categories as a separate segment and also the impact of THG Experience, previously reported with THG Beauty segment, which, in part, left the Group on demerger with THG Ingenuity. The combined result of these adjustments is that for H1 2024, segmental adjusted EBITDA has been restated as follows: THG Beauty by £(4.1)m, THG Nutrition by £(0.1)m and Central PLC by £(0.1)m with discontinued operations reflecting the balance.

[20] This differs to the Cash flows relating to adjusted items within the cash flow statement which also includes accruals unwinding from previous periods.

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