

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): **August 6, 2021**

QURATE RETAIL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-33982
(Commission
File Number)

84-1288730
(I.R.S. Employer
Identification No.)

12300 Liberty Blvd.
Englewood, Colorado 80112

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(720) 875-5300**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Series A common stock	QRTEA	The Nasdaq Stock Market LLC
Series B common stock	QRTEB	The Nasdaq Stock Market LLC
8.0% Series A Cumulative Redeemable Preferred Stock	QRTEP e D 0	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) o9p933

Item 2.02. Results of Operations and Financial Condition.

On August 6, 2021, Qurate Retail, Inc. (the "Company") issued a press release (the "Earnings Release") setting forth information, including financial information, which is intended to supplement the financial statements and related Management's Discussion and Analysis of Financial Condition and Results of Operations contained in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021, filed with the Securities and Exchange Commission (the "SEC") on August 6, 2021.

This information is incorporated by reference into the Company's Exhibit 99.1, insofar as they disclose historical information regarding the Company's results of operations or financial condition for the quarter ended June 30, 2021, are being furnished to the SEC.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 6, 2021

QURATE RETAIL, INC.

By: /s/ Wade Haufschild
Name: Wade Haufschild
Title: Senior Vice President



QURATE RETAIL, INC. REPORTS SECOND QUARTER 2021 FINANCIAL RESULTS

Company Sustains Revenue, Operating Income, and Adjusted OIBDA Growth Over Strong 2020 Performance

Englewood, Colorado, August 6, 2021 – Qurate Retail, Inc. ("Qurate Retail") (Nasdaq: QRTEA, QRTEB, QRTEP) today reported second quarter 2021 results⁽¹⁾.

"We are delighted to report sustained year-over-year revenue, operating income and adjusted OIBDA growth following our strong performance in 2020," said Mike George, CEO of Qurate Retail. "The quarter played out largely as we expected, with our businesses responding effectively to customers' evolving needs while managing continued supply chain headwinds and a tight labor market. We delivered strong increases in apparel and accessories and growth from our best customers at QxH, sustained momentum across our international businesses, and had record second quarter performance at Cornerstone Brands."

"Our results demonstrate that we are a stronger business today than when we entered the pandemic, with an expanded loyal customer base, leadership across multiple product categories, more extensive distribution and reach of our digital and video content, including the launch of our streaming service on Comcast, and an outstanding durable financial position. We're well positioned for growth, poised to take advantage of the accelerated trends toward online shopping, video streaming, social media, and all things for the home."

Second quarter 2021 operating results:

- Qurate Retail revenue increased 2% to \$3.5 billion
 - In constant currency⁽²⁾ revenue increased 1%
 - eCommerce revenue was flat at \$2.2 billion or 62% of total revenue
 - Qurate Retail reported diluted EPS of \$0.52
 - Adjusted diluted EPS⁽³⁾ of \$0.54
 - QxH revenue decreased 1%
 - QVC International revenue increased 11%
 - In constant currency, revenue increased 5%
 - Zulily revenue decreased 6%
 - Cornerstone revenue increased 18%
-

Zulily

Zulily revenue decreased reflecting comparisons to strong growth in the second quarter of 2020, as well as supply constraints and reduced marketing effectiveness. These factors were partially offset by sustained growth from its factory direct business. Operating income and adjusted OIBDA margin decreased primarily due to higher marketing expenses and fulfillment costs, lower product margins and comping the prior year recognition of a \$10 million reduction in product costs.

Capital Returns

From May 1, 2021 through July 31, 2021, Qurate Retail repurchased approximately 5.9 million shares of Series A common stock (Nasdaq: QRTEA) at an average cost per share of \$12.43 for total cash consideration of \$74 million. In August 2021, Qurate Retail's Board of Directors increased the repurchase authorization by \$500 million, and the total remaining repurchase authorization (pro forma for the increased authorization) as of August 1, 2021 is approximately \$780 million.

FOOTNOTES

- 1) Qurate Retail's CEO, Mike George, and Executive Chairman, Greg Maffei will discuss these headlines and other matters on Qurate Retail's earnings conference call that will begin at 8:30 a.m. (E.D.T.) on August 6, 2021. For information regarding how to access the call, please see "Important Notice" later in this document.
- 2) For a definition of constant currency financial metrics, see the accompanying schedules. Applicable reconciliations can be found in the financial tables at the beginning of this press release.
- 3) For definitions and applicable reconciliations of adjusted OIBDA, adjusted OIBDA margin, adjusted net income and adjusted diluted EPS, see the accompanying schedules.

**NOTES**

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Cash and Debt

The following presentation is provided to separately identify cash and debt information.

(amounts in millions)

	3/31/2021	6/30/2021
Cash and cash equivalents (GAAP)	\$ 739	\$ 950
Indemnification Asset^(a)	\$ 293	\$ 385
Debt:		
QVC senior secured notes ^(b)	\$ 4,450	\$ 4,450
QVC senior secured bank credit facility	75	77
Senior exchangeable debentures ^(c)	214	214
Total Qurate Retail Group Debt	\$ 4,739	\$ 4,741
Senior notes ^(b)	792	792
Senior exchangeable debentures ^(c)	1,194	1,193
Corporate Level Debentures	1,986	1,985
Total Qurate Retail, Inc. Debt	\$ 6,725	\$ 6,726
Unamortized discount, fair market value adjustment and deferred loan costs	305	462
Total Qurate Retail, Inc. Debt (GAAP)	\$ 7,030	\$ 7,188
Other Financial Obli		

NON-GAAP FINANCIAL MEASURES

To provide investors with additional information regarding our financial results, this press release includes a presentation of Adjusted OIBDA, which is a non-GAAP financial measure, for Qurate Retail, QVC (and certain of its subsidiaries), Zulily and Cornerstone together with a reconciliation to that entity or such businesses' operating income, as determined under GAAP. Qurate Retail defines Adjusted OIBDA as operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, restructuring, acquisition and other related costs and impairments. Further, this press release includes Adjusted OIBDA margin, which is also a non-GAAP financial measure. Qurate Retail defines Adjusted OIBDA margin as Adjusted OIBDA divided by revenue.

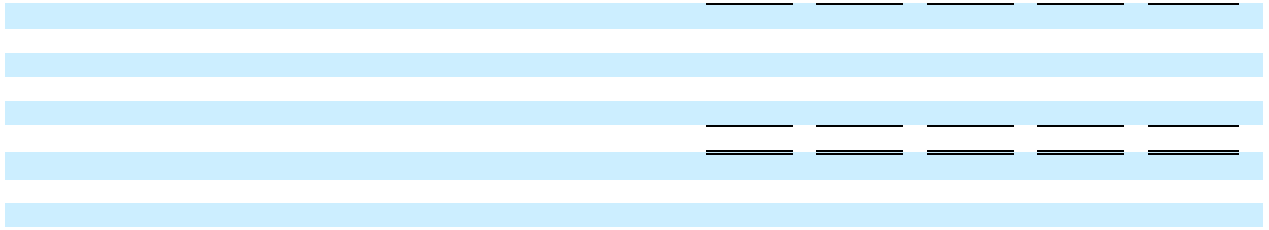
Qurate Retail believes Adjusted OIBDA is an important indicator of the operational strength and performance of its businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows management to evaluate performance and benchmarking between businesses.

Adjusted OIBDA margin is calculated as Adjusted OIBDA divided by revenue. It is not a measure of liquidity or solvency and should not be used as a substitute for GAAP financial measures. It is not intended to be compared to other companies' adjusted OIBDA margin. It is not a measure of performance and should not be used to evaluate management's performance. It is not a measure of profitability and should not be used to evaluate the company's profitability. It is not a measure of cash flow and should not be used to evaluate the company's cash flow. It is not a measure of debt service and should not be used to evaluate the company's debt service. It is not a measure of capital expenditures and should not be used to evaluate the company's capital expenditures. It is not a measure of working capital and should not be used to evaluate the company's working capital. It is not a measure of net income and should not be used to evaluate the company's net income. It is not a measure of earnings per share and should not be used to evaluate the company's earnings per share. It is not a measure of book value and should not be used to evaluate the company's book value. It is not a measure of market value and should not be used to evaluate the company's market value. It is not a measure of total return to investors and should not be used to evaluate the company's total return to investors. It is not a measure of any other financial metric and should not be used to evaluate the company's performance on any other financial metric.



SCHEDULE 3

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A table with five rows and five columns. The entire table area is obscured by light blue horizontal bars. The second and fourth rows have short black horizontal lines at the end of each cell, and the fourth row has double black horizontal lines at the end of each cell.

QURATE RETAIL, INC.
BALANCE SHEET INFORMATION
(unaudited)

	June 30, 2021	December 31, 2020
amounts in millions		
Assets		
Current assets:		
Cash and cash equivalents	\$ 950	806
Trade and other receivables, net	1,199	1,640
Inventory, net	1,428	1,301
Indemnification asset	385	345
Other current assets	465	473
Total current assets	4,427	4,565
Property and equipment, net	1,205	1,300
Intangible assets not subject to amortization	9,775	9,806
Intangible assets subject to amortization, net	848	779
Other assets, at cost, net of accumulated amortization	651	549
Total assets	\$ 16,906	16,999
Liabilities and Equity		
Current liabilities:		
Accounts payable	1,156	1,305
Accrued liabilities	1,123	1,418
Current portion of debt	1,922	1,750
Other current liabilities	201	231
Total current liabilities	4,402	4,704
Long-term debt	5,266	5,186
Deferred income tax liabilities	1,344	1,359
Preferred stock	1,260	1,249
Other liabilities	722	768
Total liabilities	12,994	13,266
Equity	3,771	3,598
Non-controlling interests in equity of subsidiaries	141	135
Total liabilities and equity	\$ 16,906	16,999

