



SUPERDRY



冒險魂

1H 22 Interim Results
26 Weeks ended 23 October 2021

20 January 2022

AGENDA

OVERVIEW

JULIAN DUNKERTON, CEO

FINANCIAL PERFORMANCE & OUTLOOK

SHAUN WILLS, CFO

STRATEGY UPDATE

JULIAN DUNKERTON, CEO



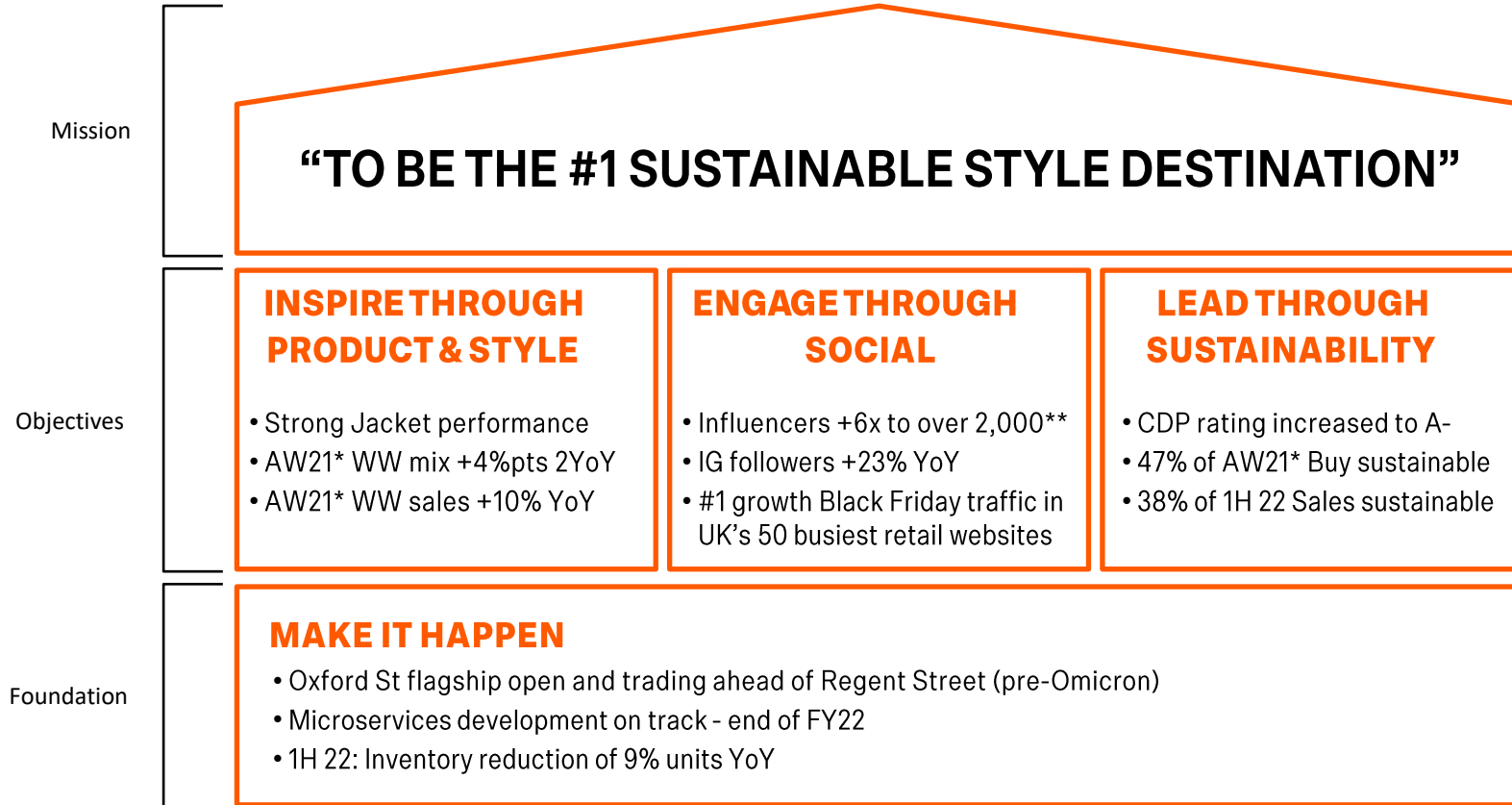
Julian Dunkerton
Founder and CEO



Shaun Wills
CFO

1H 22: STRATEGY OVERVIEW

CLEAR SIGNS OF BRAND AND FINANCIAL RECOVERY

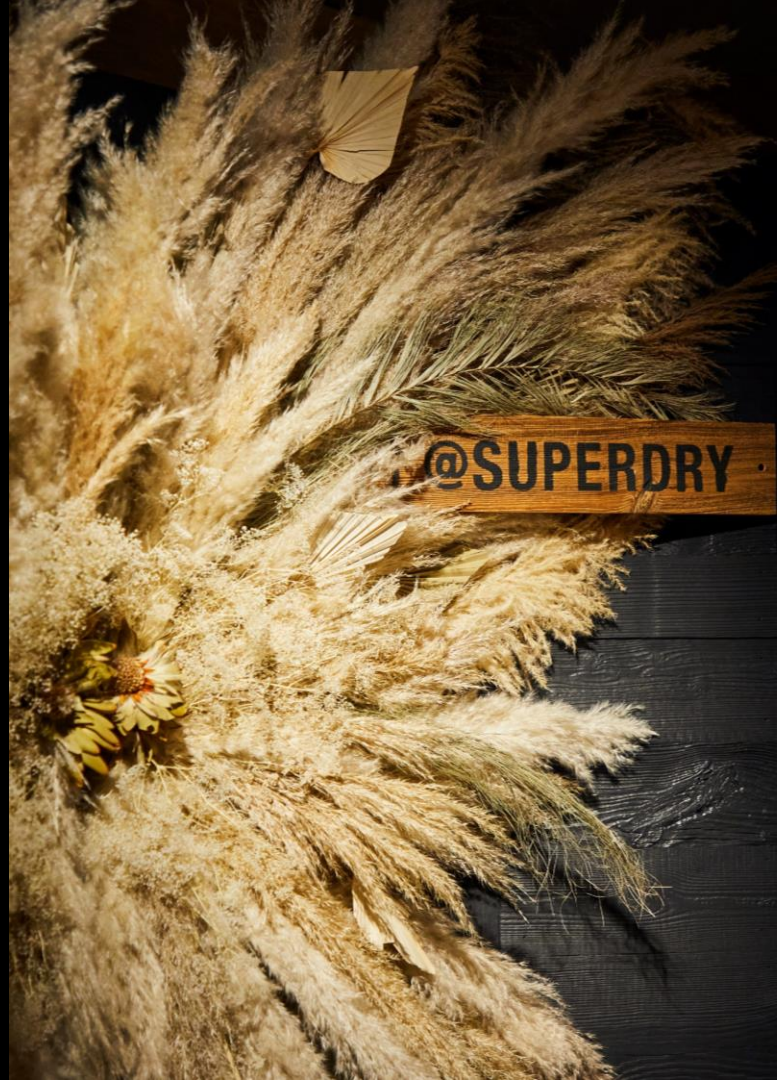


*AW21 defined as the period between weeks 19-34, 29 August 2021 to 18 December 2021

**As at the end of Dec-21

FINANCIAL PERFORMANCE & OUTLOOK

SHAUN WILLS, CFO



1H 22 FINANCIAL OVERVIEW

RETURN TO STATUTORY PROFIT

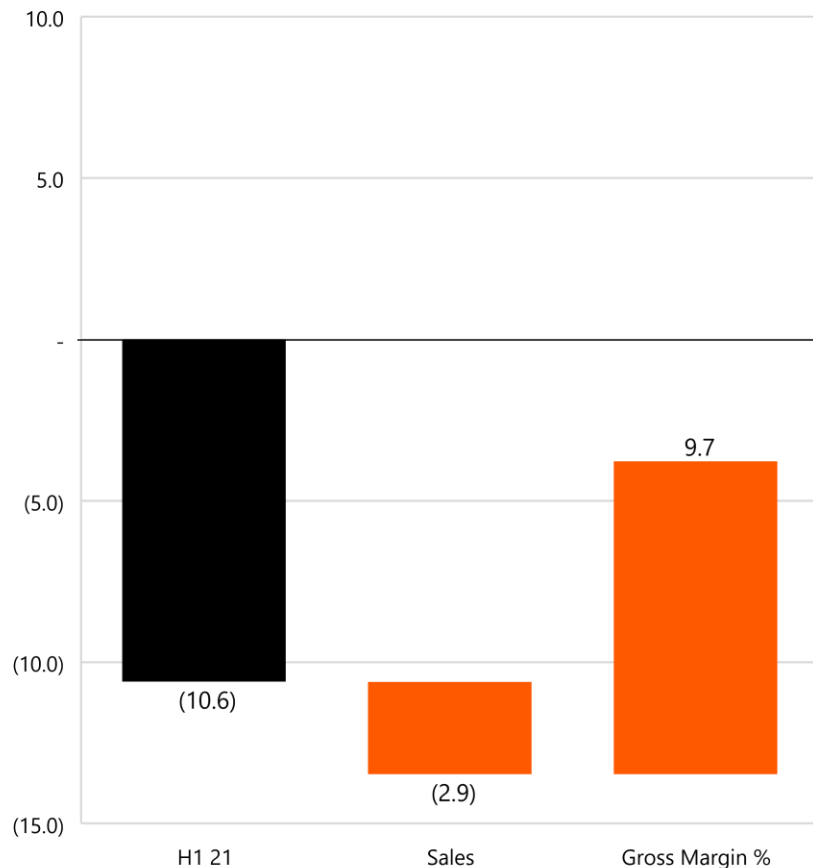
£m	1H 22	1H 21	1H 20
Group revenue	£277.2m	£282.7m	£369.1m
Gross margin (%)	55.2%	51.7%	56.3%
Adjusted loss before tax	£(2.8)m	£(10.6)m	£(2.3)m
Adjusting items	£6.8m	£(8.3)m	£(1.9)m
Statutory profit/(loss) before tax	£4.0m	£(18.9)m	£(4.2)m
Adjusted basic loss per share	(3.8)p	(10.5)p	(5.7)p
Statutory basic profit/(loss) per share	3.0p	(18.8)p	(7.9)p
Net working capital	£120.6m	£135.1m	£213.0m
Net (debt)/cash position	£(3.9)m	£34.1m	£(9.3)m

PROFIT
& LOSS



ADJUSTED PROFIT BEFORE TAX 1H 22 vs 1H 21

REDUCTION IN SALES DUE TO MOVE TO FULL PRICE AND TOUGH COMPARATIVES IN ECOMMERCE

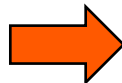
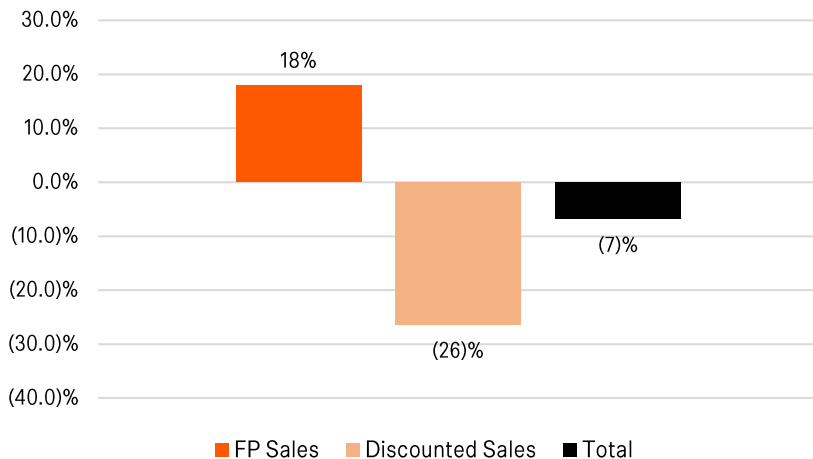


Revenue by Channel	1H 22 £m	1H 21 £m	Change £m	Mix Change
Stores	103.0	84.8	21.5%	+7%pts
Ecommerce	62.2	88.8	(30.0)%	(9)%pts
<i>Retail</i>	<i>165.2</i>	<i>173.6</i>	<i>(4.8)%</i>	
Wholesale	112.0	109.1	2.7%	+2%pts
Total Revenue	277.2	282.7	(1.9)%	

SALES & GROSS MARGIN

RATE IMPROVEMENT FROM FULL PRICE STANCE ACROSS RETAIL ESTATE INCREASING MARGIN, OFFSETTING REDUCTION IN SALES

Owned Retail* FP Sales YoY
1H 22 vs 1H 21

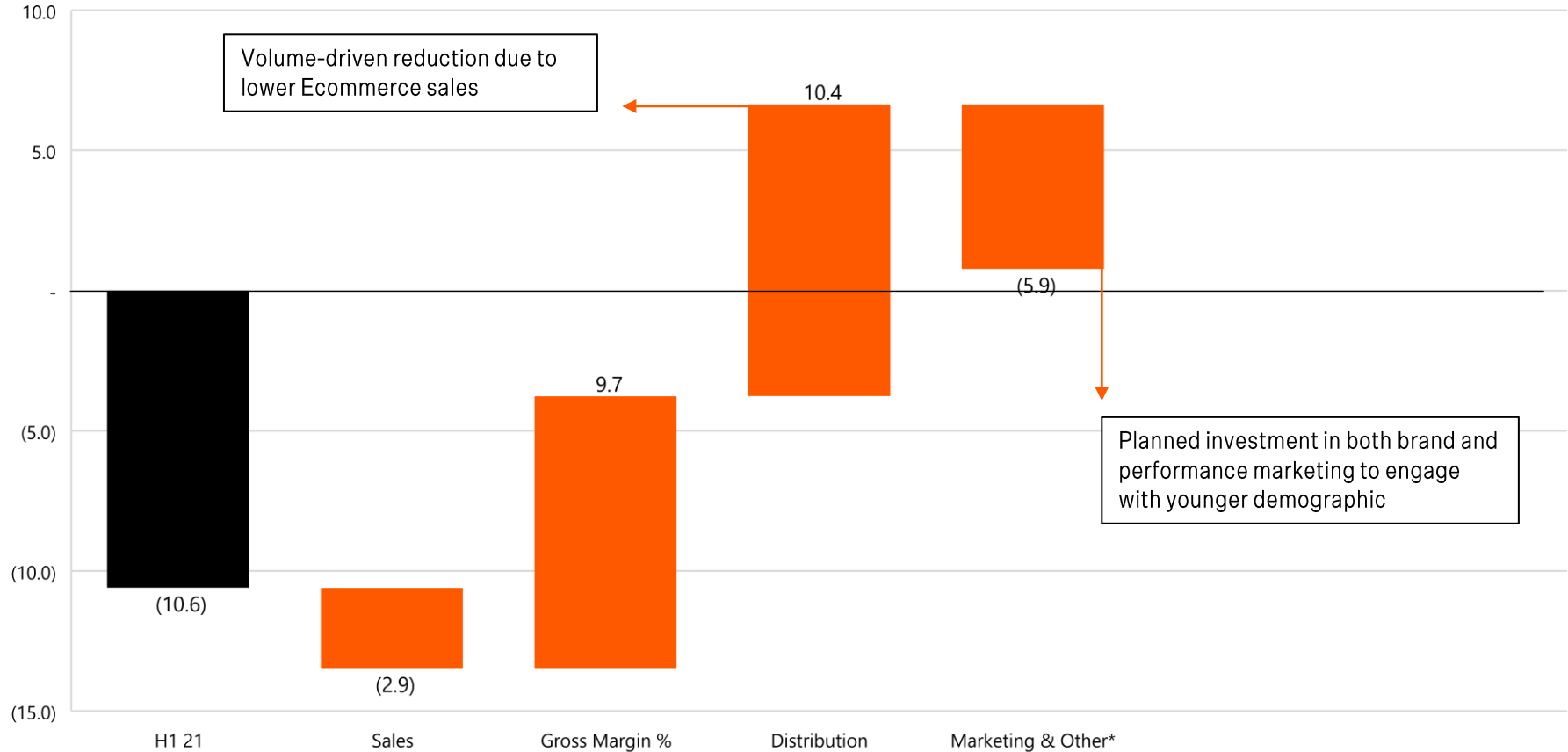


Gross Margin By Channel	1H 22	1H 21	Change
Stores	69.6%	64.5%	5.1%pts
Ecommerce	62.9%	55.2%	7.7%pts
<i>Retail</i>	<i>67.1%</i>	<i>59.7%</i>	<i>7.4%pts</i>
Wholesale	37.8%	39.0%	(1.2)%pts
Total Gross margin	55.2%	51.7%	3.5%pts

*Owned Retail relates to Stores and Owned Ecommerce sites, excludes outlets and third party websites 8

ADJUSTED PROFIT BEFORE TAX 1H 22 vs 1H 21

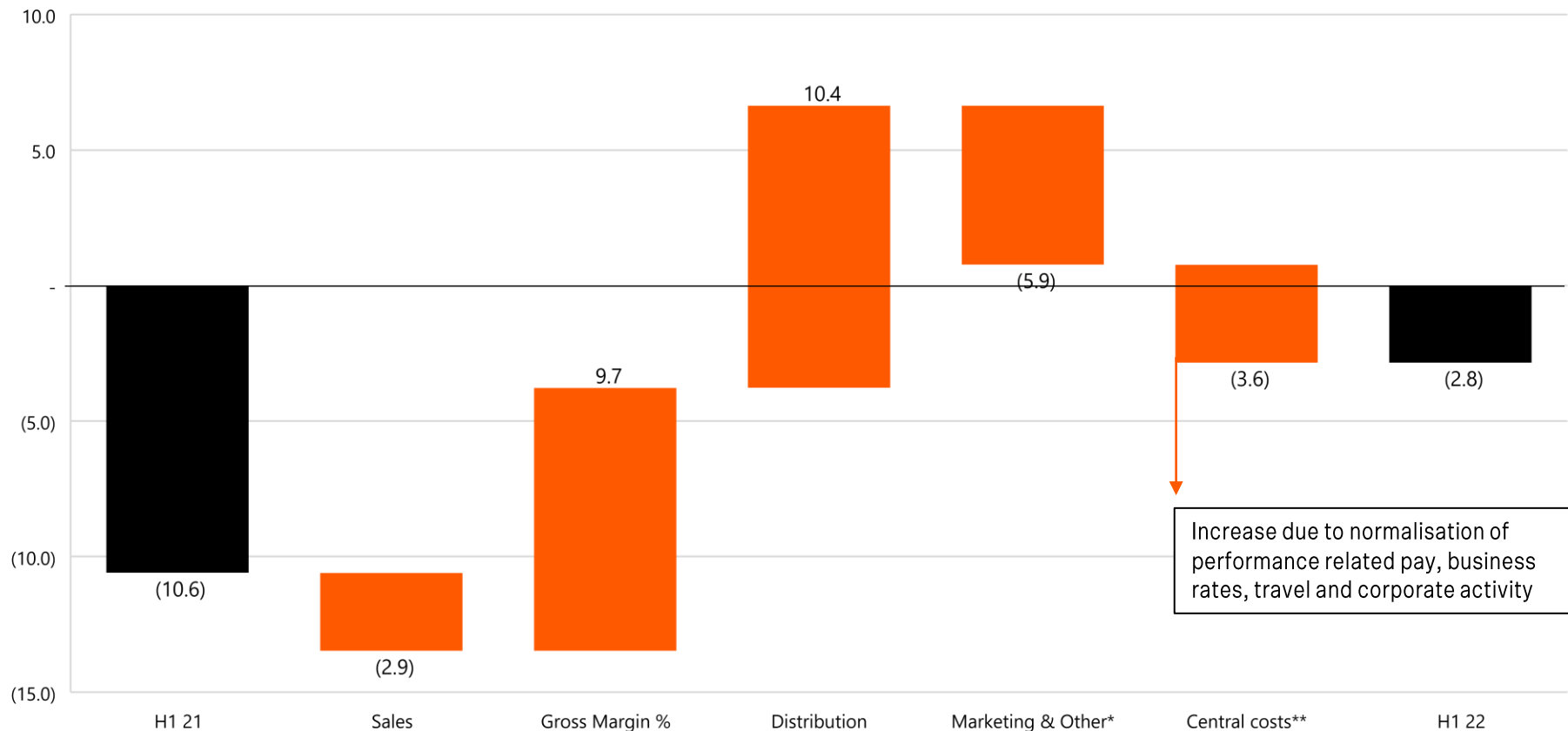
PLANNED INCREASE IN MARKETING SPEND MORE THAN OFFSET BY DISTRIBUTION SAVINGS



*Marketing & Other costs include those costs for Head office, Depreciation, Net interest and other income that do not fall in central costs as well as Store & Marketing costs

ADJUSTED PROFIT BEFORE TAX 1H 22 vs 1H 21

FULL PRICE STRATEGY DELIVERING HIGHER MARGIN, DRIVING IMPROVEMENT IN PROFITABILITY



*Marketing & Other includes costs directly attributable to one of the operating segments

**Central costs include unattributable costs, including for Head office and Depreciation costs, P&L on disposal, FX, Net interest and Other Income

BALANCE SHEET



SUPERDRY® 冒險魂

BALANCE SHEET

£m	1H 22	1H 21	1H 20	Vs 1H 21 %	Vs 1H 20 %
Fixed assets	28.1	35.5	65.6	(20.8)%	(57.2)%
Right of use assets	95.1	110.7	261.1	(14.1)%	(63.6)%
<i>Inventory</i>	<i>159.4</i>	<i>166.5</i>	<i>193.0</i>	<i>(4.3)%</i>	<i>(17.4)%</i>
<i>Receivables</i>	<i>109.4</i>	<i>112.1</i>	<i>135.3</i>	<i>(2.4)%</i>	<i>(19.1)%</i>
<i>Payables</i>	<i>(148.2)</i>	<i>(143.5)</i>	<i>(115.3)</i>	<i>3.3%</i>	<i>28.5%</i>
Net working capital	120.6	135.1	213.0	(10.7)%	(43.4)%
Net cash (net of borrowings)	(3.9)	34.1	(9.3)	(111.4)%	(58.1)%
Lease liabilities (Current & Non-Current)	(234.6)	(296.9)	(337.8)	(20.9)%	(30.6)%
Other*	86.7	84.2	58.4	3.0%	48.5%
Net Assets	92.0	102.7	251.0	(10.4)%	(63.3)%

Right of use assets

- Reduced due to depreciation, lease negotiations and exits

Net Working Capital

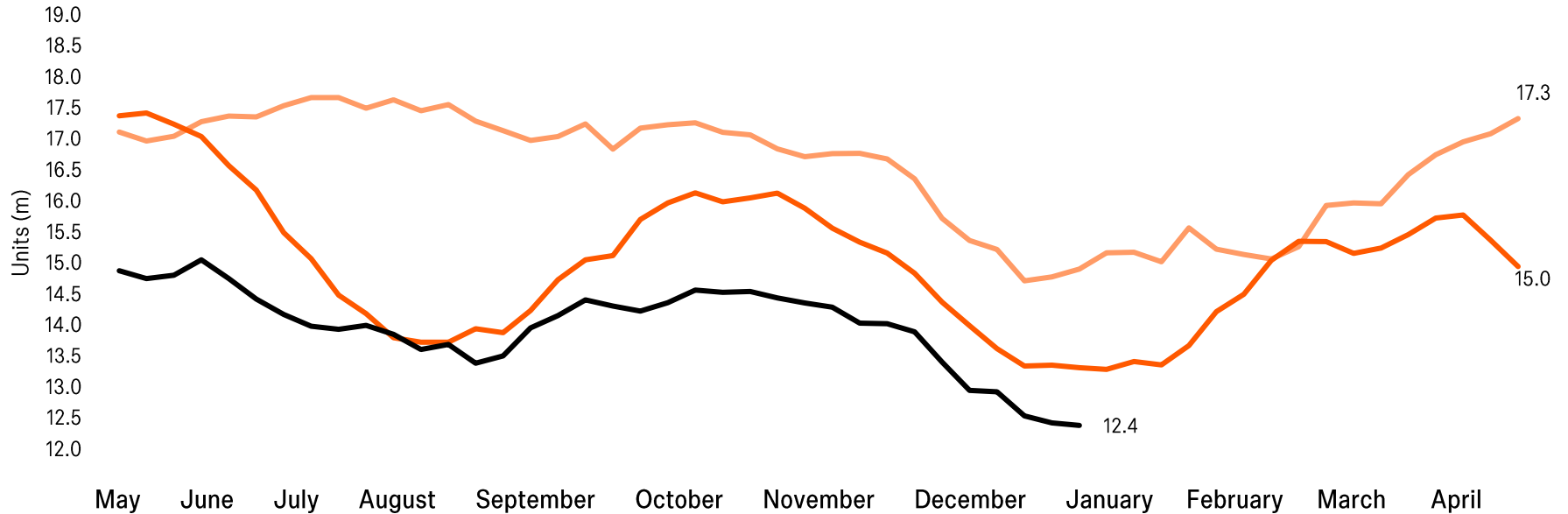
- Inventory
 - Unit reduction (9)% YoY
 - ACP higher due to AW mix, lower inventory £ decrease

INVENTORY

REDUCTION IN INVENTORY DESPITE REDUCED SALES AND DISRUPTION TO SUPPLY CHAIN

Total Closing Stock on hand

FY20 FY21 FY22



- ACP higher in stock due to AW weighting
- Despite disruption from pandemic, inventory units 9% lower than the last two years
- Targeting FY22 closing position to be 2m units lower than FY21

BALANCE SHEET

£m	1H 22	1H 21	1H 20	Vs 1H 21 %	Vs 1H 20 %
Fixed assets	28.1	35.5	65.6	(20.8)%	(57.2)%
Right of use assets	95.1	110.7	261.1	(14.1)%	(63.6)%
<i>Inventory</i>	<i>159.4</i>	<i>166.5</i>	<i>193.0</i>	<i>(4.3)%</i>	<i>(17.4)%</i>
<i>Receivables</i>	<i>109.4</i>	<i>112.1</i>	<i>135.3</i>	<i>(2.4)%</i>	<i>(19.1)%</i>
<i>Payables</i>	<i>(148.2)</i>	<i>(143.5)</i>	<i>(115.3)</i>	<i>3.3%</i>	<i>28.5%</i>
Net working capital	120.6	135.1	213.0	(10.7)%	(43.4)%
Net cash (net of borrowings)	(3.9)	34.1	(9.3)	(111.4)%	(58.1)%
Lease liabilities (Current & Non-Current)	(234.6)	(296.9)	(337.8)	(20.9)%	(30.6)%
Other*	86.7	84.2	58.4	3.0%	48.5%
Net Assets	92.0	102.7	251.0	(10.4)%	(63.3)%

Net Working Capital

- Receivables decreased due to stronger than anticipated collections
- Payables includes non-IFRS 16 rent creditor of £4.5m

Cash

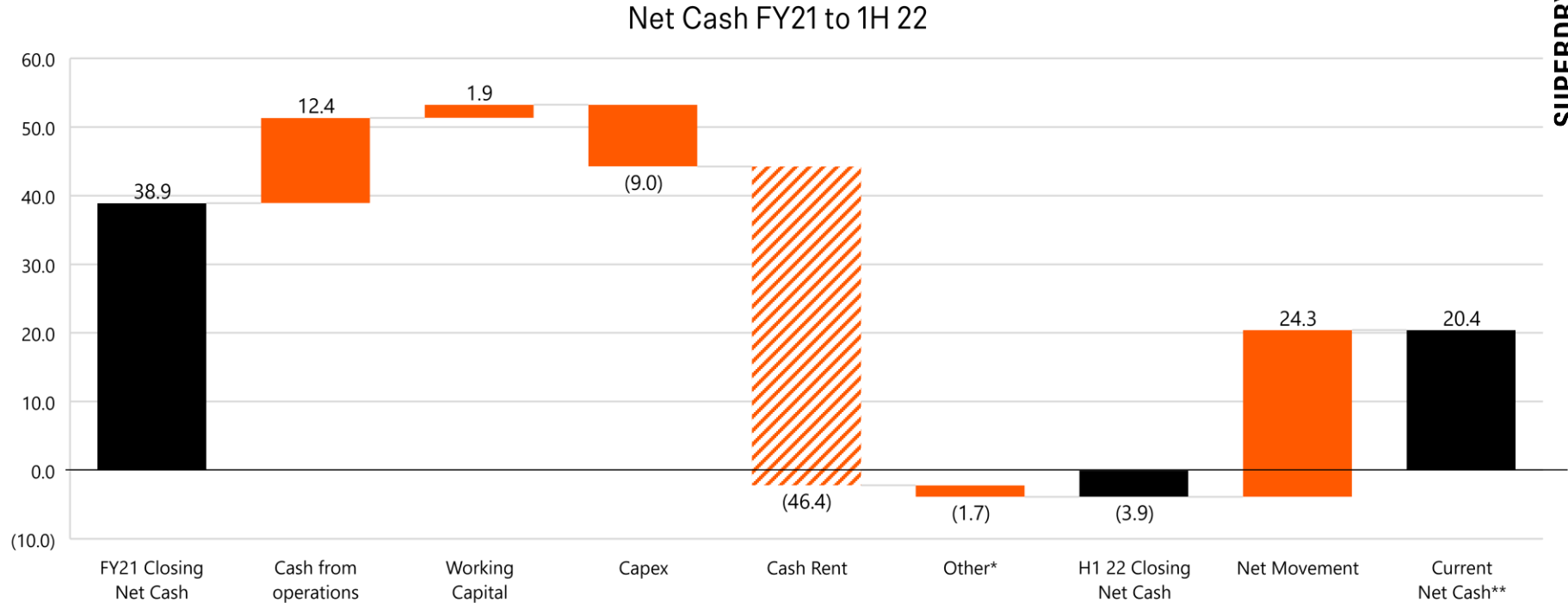
- See slide 15

Lease Liabilities

- Reduction due to store exits, lease negotiations (terms) and modifications (non-cash) and repayments
- Includes IFRS 16 Rent Creditor of £9.9m

CASH FLOW

MOVEMENT IMPACTED BY DEFERRED RENT UNWIND; STRONG CASH GENERATION THROUGH PEAK TRADING



- Partial unwind of deferred rent (~£10m) and expect to crystallise some of remaining deferred rent as permanent savings as negotiations continue
- Cash remains ahead of the pre-covid 1H 20 position (£(9.3)m net debt), which is more reflective of our normalised working capital cycle
- No interim dividend

*Other includes FX £(0.5)m, Interest £(1.2)m
 **Current Net Cash balance as at 17.01.2022

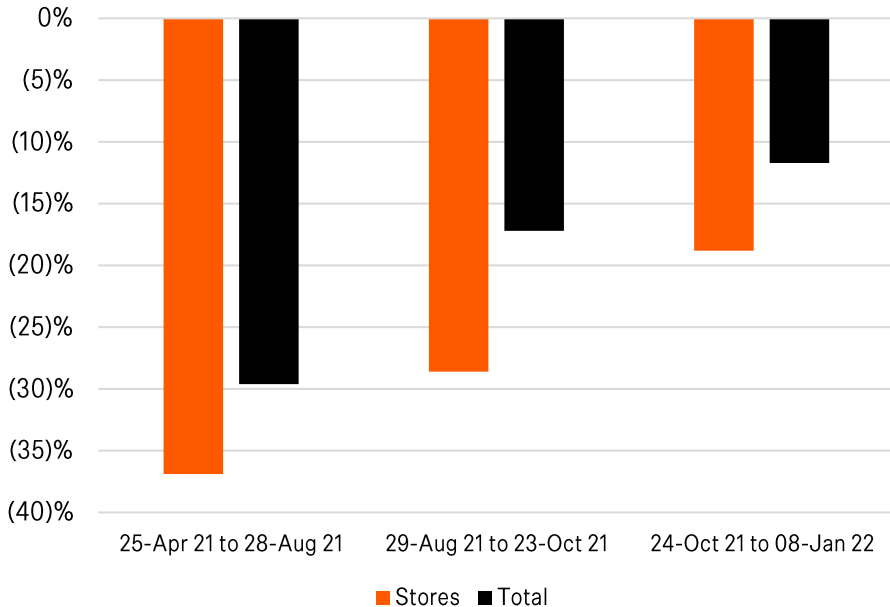
TRADING UPDATE



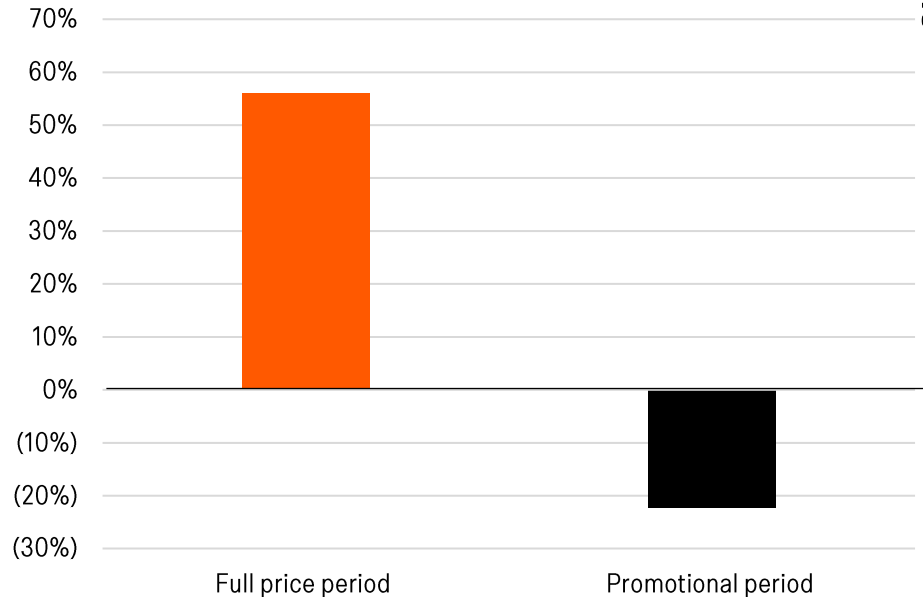
CURRENT TRADING

STORE FOOTFALL RECOVERING AND STRONG ECOMMERCE PERFORMANCE DURING FULL PRICE PERIODS

Trading update Revenue progression
FY22 vs FY20



Ecommerce Revenue vs FY20
Full-price vs promotional period



Full price				Black Friday		Full price		Post Christmas sales		
Wk27	Wk28	Wk29	Wk30	Wk31	Wk32	Wk33	Wk34	Wk35	Wk36	Wk37

SUMMARY

KEY FINANCIAL MESSAGES TO TAKE AWAY

- Sales impacted by Covid-19 impact and acceleration to full-price
 - *Continued improvement in run-rate*
- However, focusing on profitable trading
 - *Full price mix +12%pts vs FY20*
 - *Store GM +5.1%pts, Ecommerce GM +7.7%pts YoY*
- Adjusted PBT in line with 1H 20, despite disruption
- Inventory position continues to reduce YoY
- Lower cash through 1H 22 due to rent catch-up payments
 - *Net cash of £20.4m as at 17 Jan*
- Performance gives us confidence in achieving consensus FY22 APBT



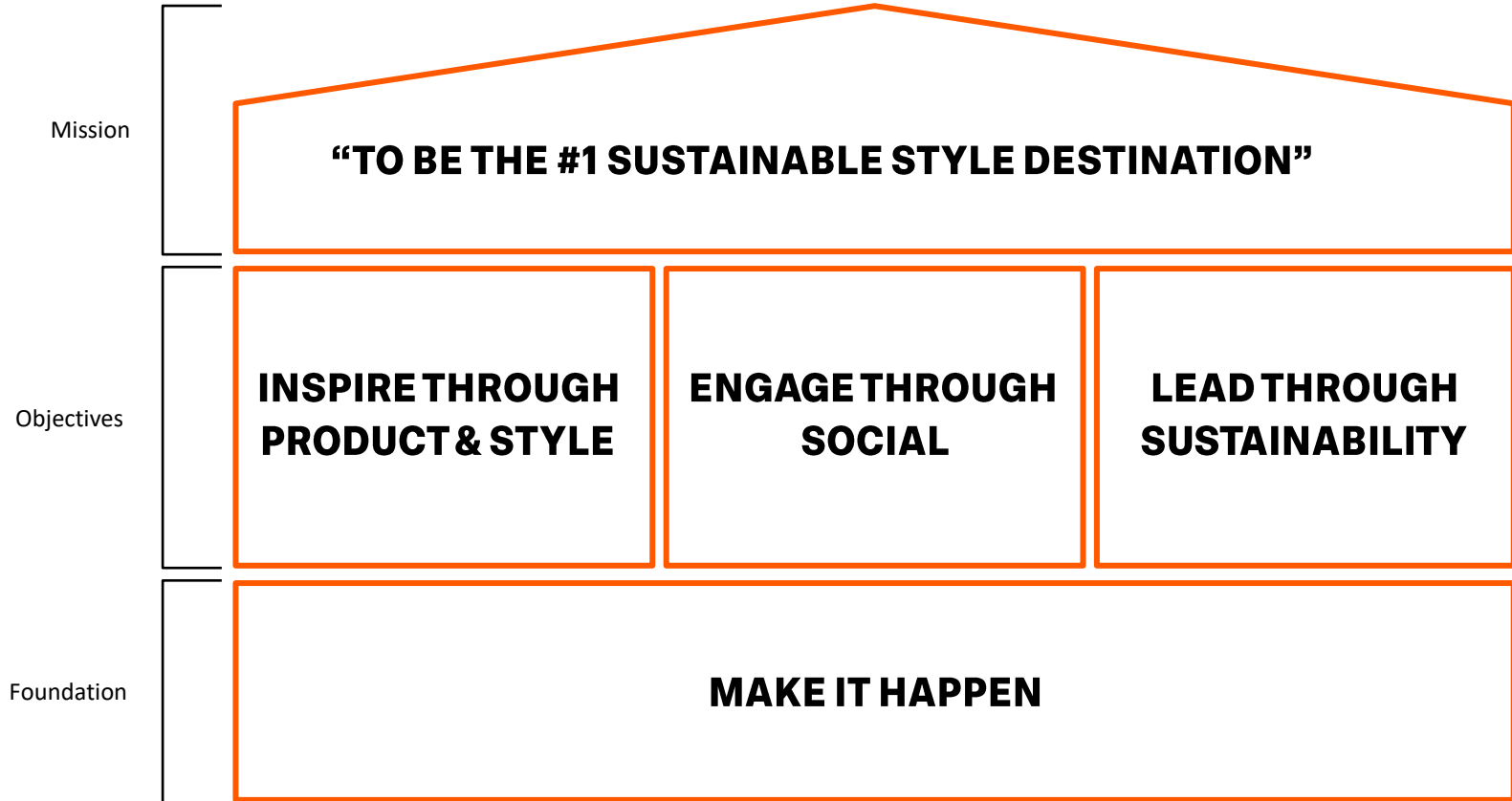
STRATEGY OVERVIEW

JULIAN DUNKERTON, CEO



RECAP: STRATEGY HOUSE

SAME STRATEGY, CLEARER MISSION





INSPIRE THROUGH PRODUCT & STYLE

INSPIRE THE RIGHT CONSUMERS THROUGH THE RIGHT EXPERIENCES
ONLINE AND IN STORE



SUPERDRY® 冒險魂

Category – leading with our core product

- Jacket sales +40% YoY in AW21
- Half of AW21 categories traded up YoY

Womenswear – product resonating with female customers

- Mix up in both Stores & Ecom, combined +4%pts in AW21 vs FY20
- Sales up +10% in AW21 YoY
- Studios mix, excluding jackets, is over-indexing

Style Choice – appealing to new and returning demographics

- Code collection ~20% of total mix, growing YoY
- Short order product seeing encouraging traction with teen consumers
- Studios mix +50% YoY

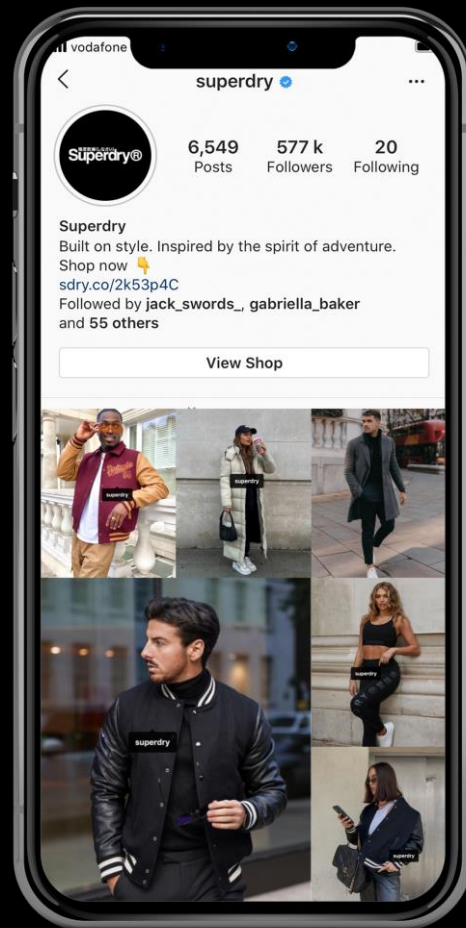
*Above stats relate to AW21 which is defined as the period between wk19-wk34

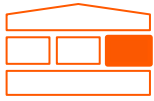


ENGAGE THROUGH SOCIAL

BUILDING ENGAGEMENT WITH A YOUNGER TARGET DEMOGRAPHIC

- Rapid growth in influencer base: +6x to >2,000 in Dec-21
- Instagram growth seen across all age groups, +23% YoY at 1H 22
- Largest growth in traffic vs UK's busiest retail websites over BF weekend*
- Launched TikTok in Oct-21 with predominately female followers





LEAD THROUGH SUSTAINABILITY

ESG FOCUS UNDERPINNING EVERYTHING WE DO

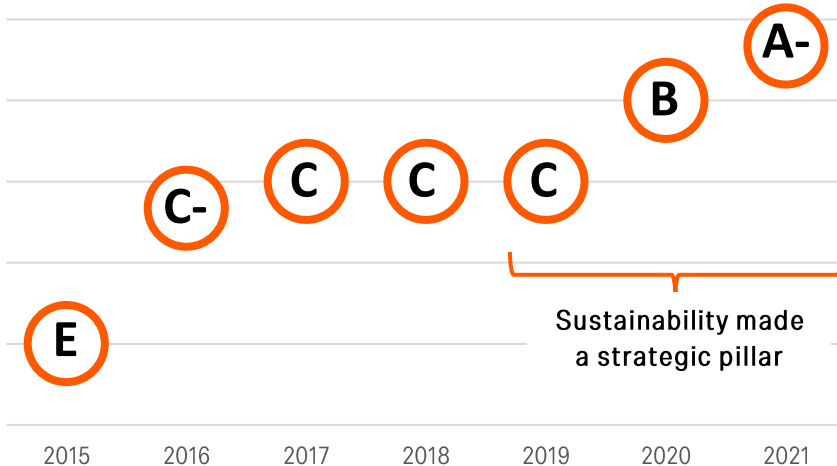
Sustainable product

- In 1H 22, 38% of sales were sustainable, +12%pts YoY
- AW21* Volume Buy 47% vs 37% YoY

Carbon Disclosure Project (CDP)

- Achieved A- rating: improved our grade consistently for the last 3 years
- Ahead of Discretionary Retail average**

Superdry CDP rating



*AW21 classified as the period of weeks 19-34; Retail only

**CDP Discretionary Retail Average is B-; Average for Europe across all sectors and companies is B



SUPERDRY® 冒險魂

Oxford Street flagship

Early performance encouraging

- Outperforming Regent Street for the same period in FY20 (pre-Omicron)

Oxford St delivering above UK average

- Highest ABV in the estate
- Conversion, ABS & ASP
- Studios sales mix - double the UK average
- Younger, more female demographic
- Broader range of options sold



SUPERDRY® STUDIOS x

SUPERDRY.

Cheltenham

SUPERDRY® STUDIOS+SPORT



Q&A



SUPERDRY® 冒險魂



SUPERDRY

®

冒險魂

VINTAGE