

SUPERDRY



冒險魂

H1 21 Interim Results
26 Weeks ended 24 October 2020

19 January 2021

INTRODUCTION

Julian Dunkerton, CEO



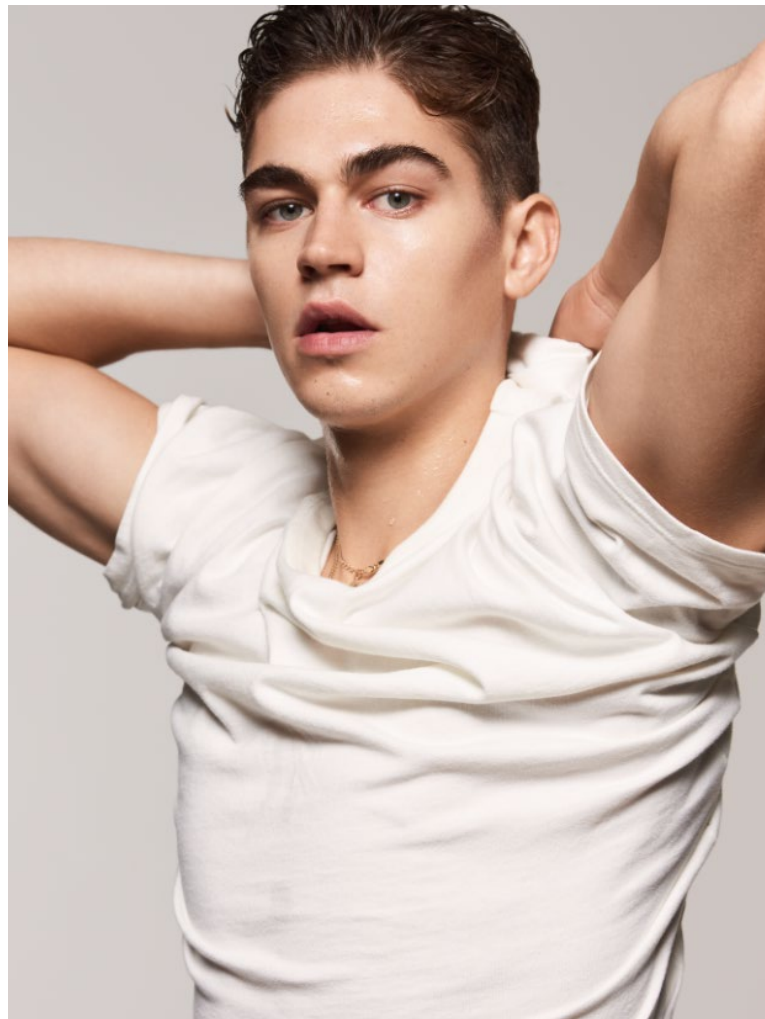
KEY H1 21 OPERATIONAL MILESTONES

Continued progress despite Covid-19



Brand Reset

- Product reset with full AW20 launch
- Social campaigns driving record engagement
- Key new signing
 - Neymar leading a portfolio of global influencers
- Sustainability focus in design-led products
- Strengthened leadership team



H1 21 FINANCIAL OVERVIEW

Strong liquidity and disciplined inventory management



Performance

- Maintained strong liquidity position
- Strong Ecommerce growth
- Significant rental savings:
Covid-19 waivers and underlying lease renewals
- Disciplined cost management
- Gross margin impacted by clearance activity
- Closing inventory down YoY





CURRENT TRADING FOR 11 WEEKS ENDING 9 JANUARY 2021

Further lockdowns continue to disrupt trading

Owned Stores (52.1)%

- 38% of trading days lost to lockdowns
- LFL decline of 30.8% - social distancing impacting footfall
- As at 9 January, 173 stores closed (72% of our portfolio)

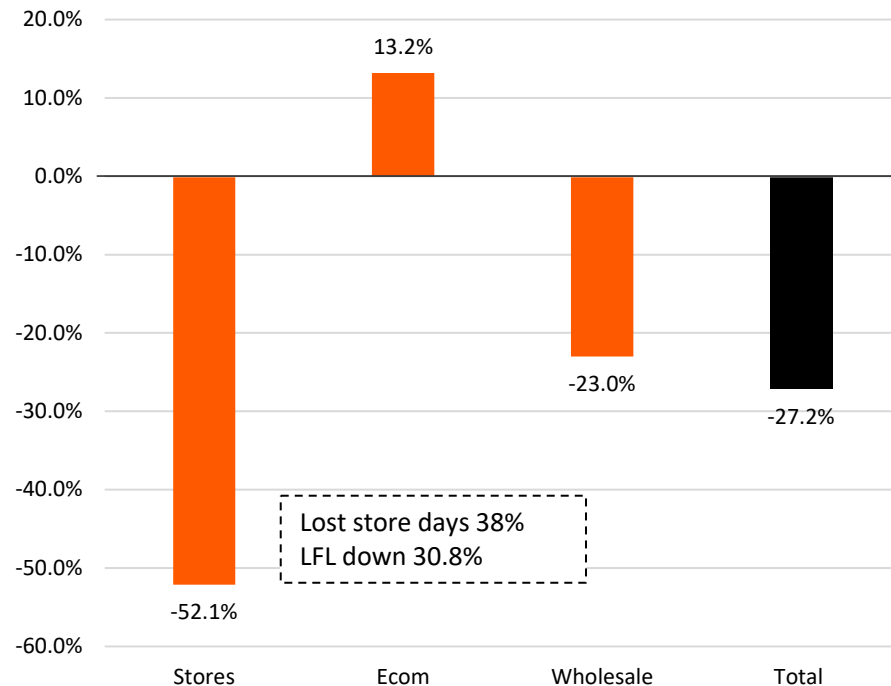
Ecommerce 13.2%

- Owned sites strongest performance, up 25.7%
- Black Friday sales* (9.8)%, protecting core and current stock - improvement in gross profit and contribution YoY

Wholesale (23.0)%

- Covid-19 driving lower forward orders and higher cancellations
- In Season Orders up 29%, driven by online partners

Revenue % YoY – 11 weeks ended 9 Jan



FINANCIAL RESULTS

Benedict Smith, Interim CFO



H1 21 FINANCIAL OVERVIEW

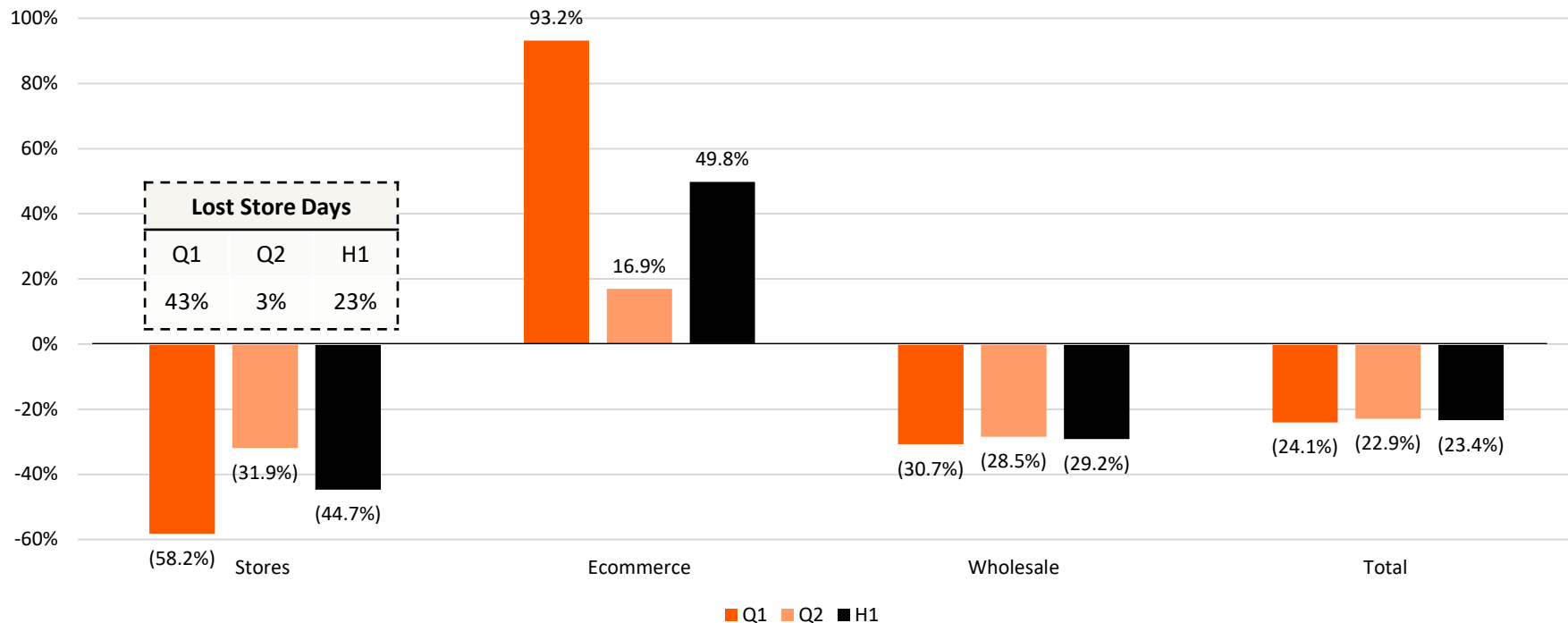
Trading performance significantly impacted by Covid-19

£m	H1 21	H1 20	%
Group revenue	£282.7m	£369.1m	(23.4)%
Gross margin (%)	51.7%	56.3%	(460)bps
Underlying loss before tax ¹	£(10.6)m	£(2.3)m	360.9%
Exceptional and other items excluded from underlying results	£(8.3)m	£(1.9)m	336.8%
Statutory loss before tax	£(18.9)m	£(4.2)m	350.0%
Underlying basic loss per share	(10.5)p	(5.7)p	84.2%
Statutory basic loss per share	(18.8)p	(7.9)p	138.0%
Proposed interim dividend per share	0.0p	2.0p	(100.0)%
Net cash/(debt) position	£34.1m	£(9.3)m	466.7%

GROUP REVENUE

H1 revenue decline reflects challenging trading environment due to continued Covid-19 disruption

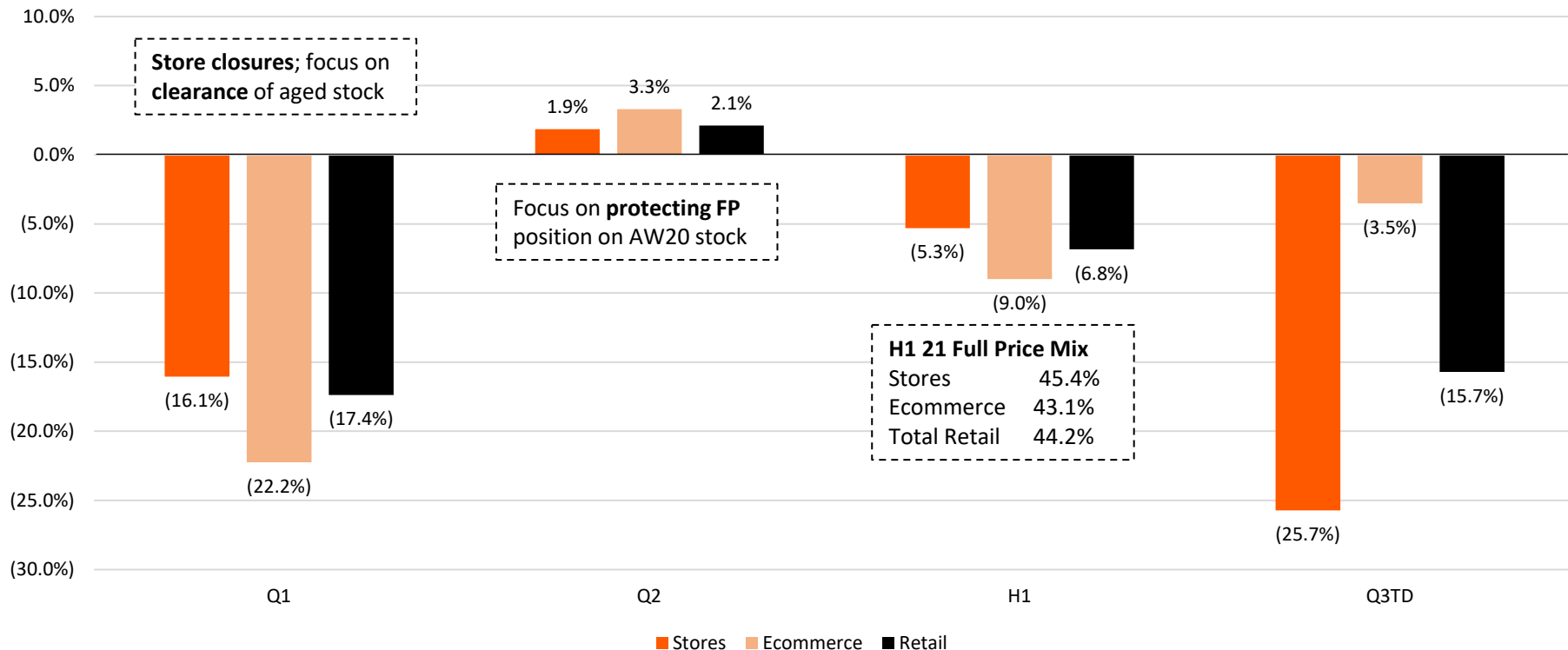
Revenue Performance Q1 vs Q2 vs H1



GROSS MARGIN – FULL PRICE SALES MIX

Focus on reverting to full price for AW20 collection, following discounting to clear aged stock in Q1

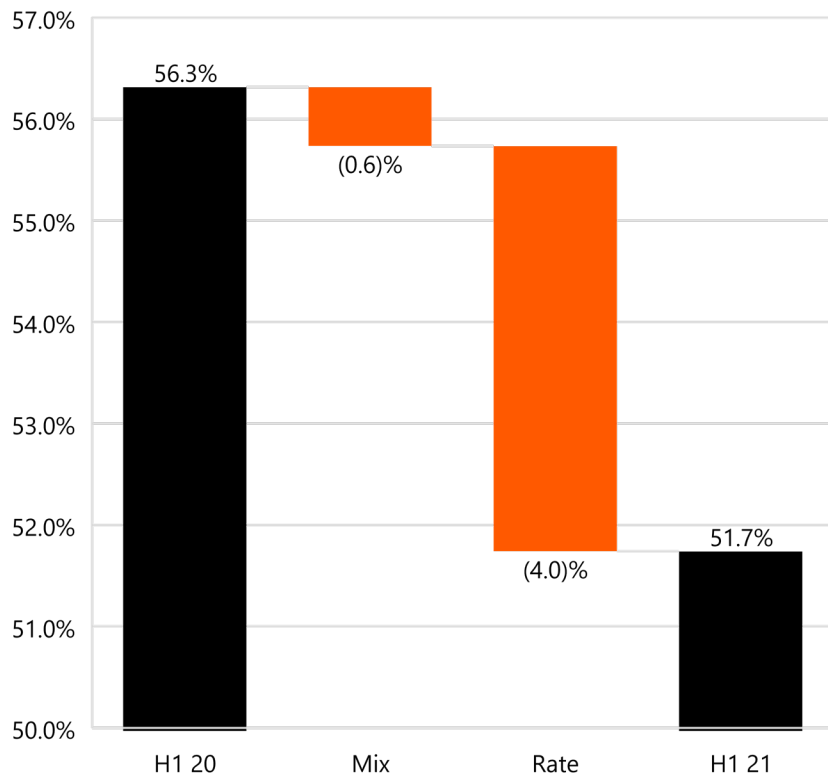
Full Price Sales Mix %pts change YoY



GROSS MARGIN

Margin decline due to Covid-19 related discounting to clear excess stock

GP % bridge H1 20 to H1 21



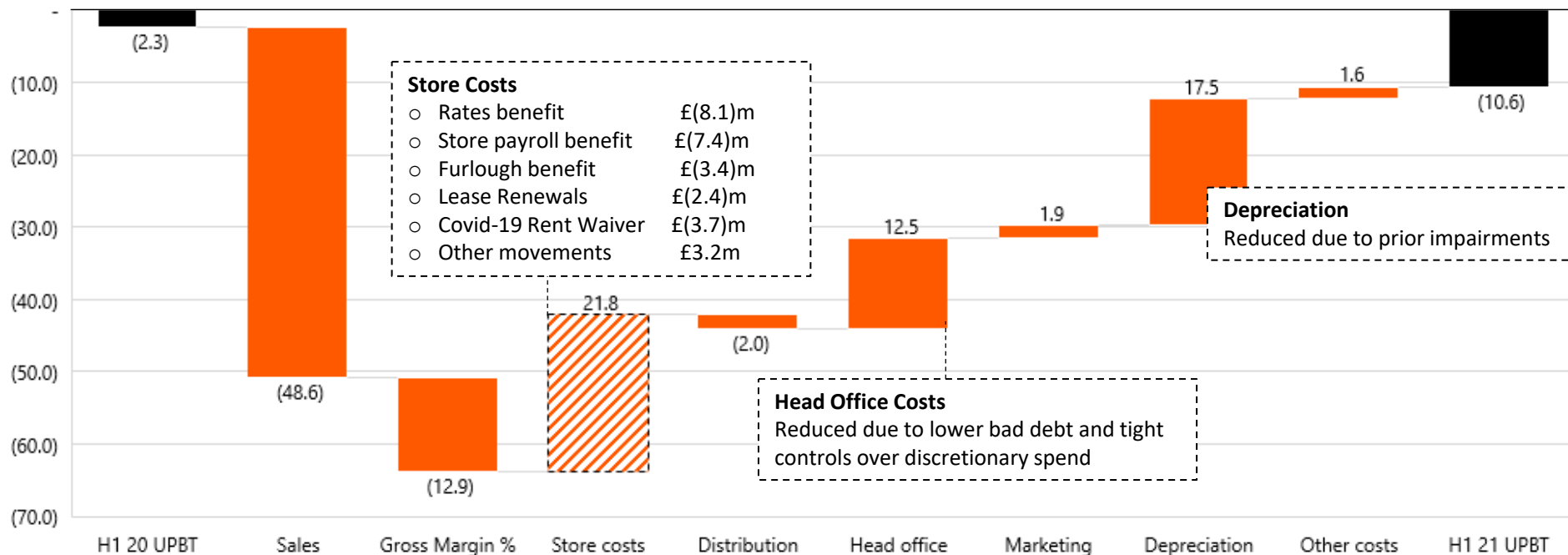
Gross Margin By Channel	HY21	HY20	Change
Retail	59.7%	66.3%	(6.6)%pts
Stores	64.3%	68.9%	(4.6)%pts
Ecommerce	55.2%	59.4%	(4.2)%pts
Wholesale	39.0%	42.3%	(3.3)%pts
Total Gross margin	51.7%	56.3%	(4.6)%pts

- Group margin deterioration of -460bps to 51.7%
- Full price mix down 6.8%pts YoY driving a reduction in rate of -400bps
- Modest impact of -60bps from channel mix as a result of increased Ecommerce offsetting a decrease in Store and Wholesale revenue
- Retail mix reduction of -660bps due to increased mix of lower margin Ecommerce sales in H1 21 vs H1 20

UNDERLYING PROFIT BEFORE TAX

Continued difficult trading due to Covid-19 offset by reduction in Store costs and Depreciation

UPBT Bridge H1 20 to H1 21



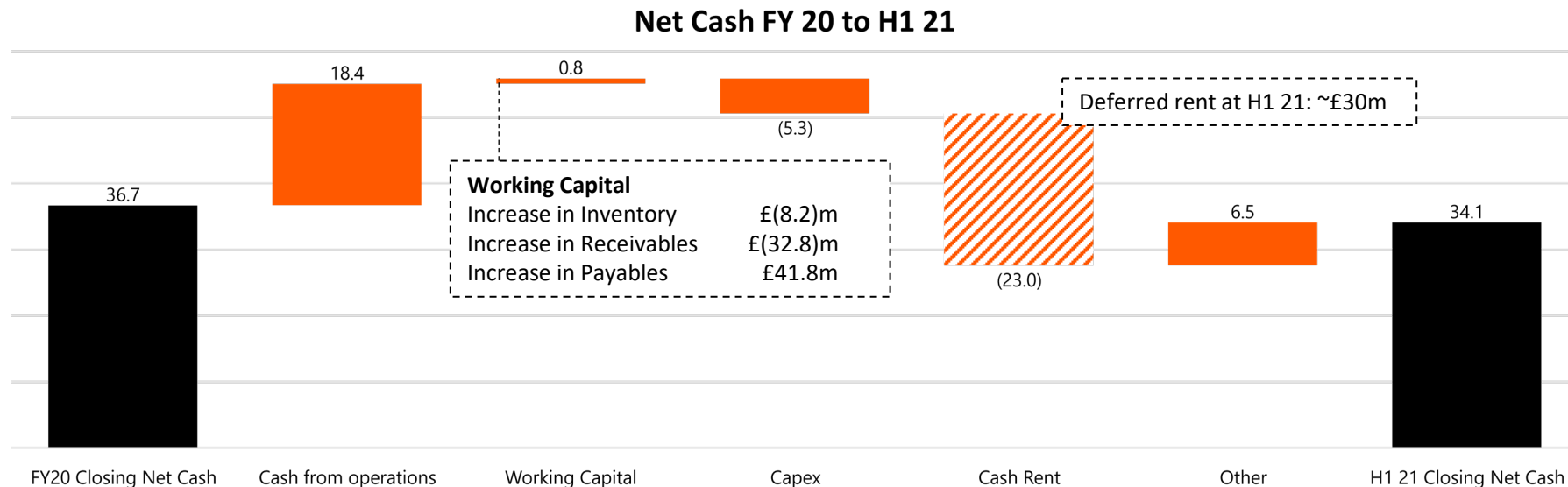
STORE COST SAVINGS

Decisive actions to preserve cash and access appropriate Government support

Savings	H1 21	H2 21e
Store payroll reduction	£7.4m	Additional £5.9m of payroll savings expected in H2 21
Lease renewals	£2.4m	Anticipated full year benefit ~£10m
Covid-19 H1 rent waiver	£3.7m	Expect further savings in H2+
Total Superdry actioned savings	£13.5m	
UK Rates benefit	£8.1m	One-off; currently expected to normalise from Apr-21 (£16m p.a.)
UK & EU Furlough benefit	£3.4m	One-off; expected to continue in line with lockdowns
Total Government support savings	£11.5m	
Total H1 21 Savings	£25.0m	
One-off	£15.1m	<i>Covid-19 waiver; Rates; Furlough</i>
Recurring (v FY20)	£9.9m	<i>Payroll savings (rebase costs); Lease Renewals</i>

CASH FLOW PRE-IFRS 16

Relentless focus on cash preservation; significant inventory reduction year on year

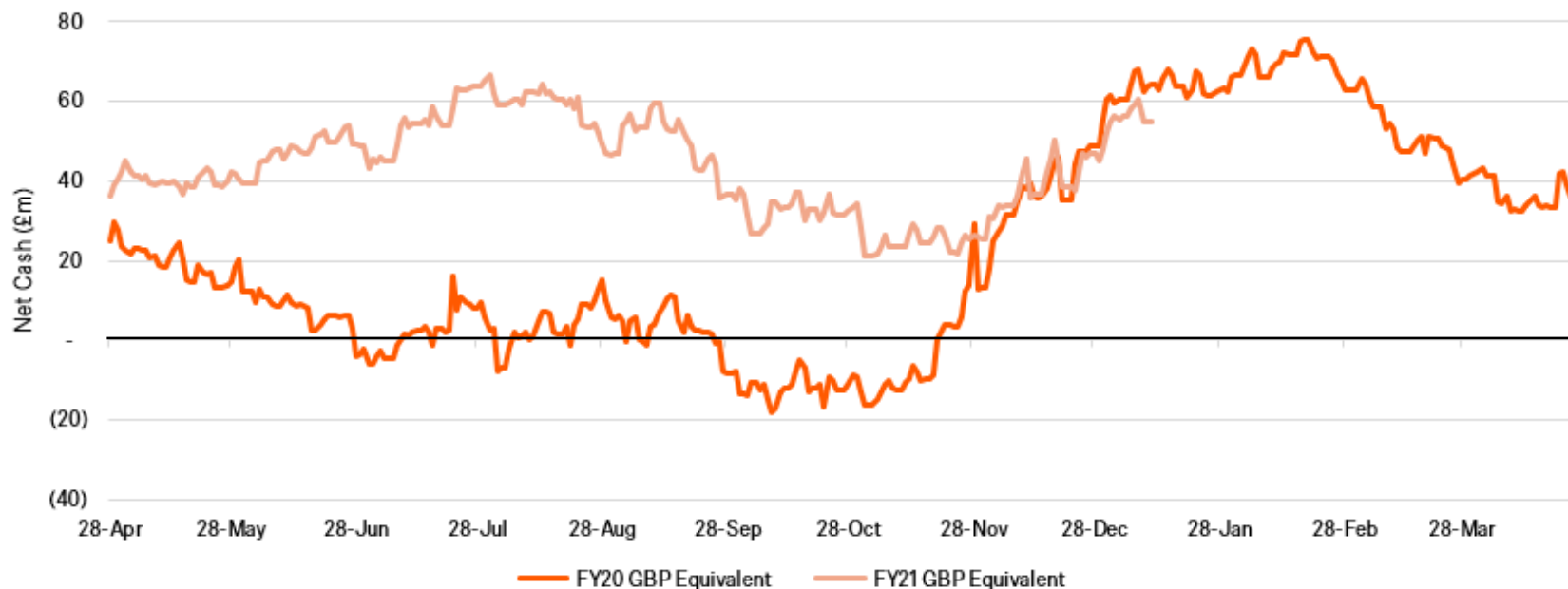


- Working capital improved £0.8m since FY20 y/e; inventory down £26.5m from H1 20 (£193.0m)
- Tax £4.5m, FX £2.6m and Interest £(0.6)m included within 'Other'
- No interim dividend proposed
- No drawdown on the ABL facility
- In line with closing FY20 cash and £43.4m ahead of H1 20 net debt £(9.3)m

CASH MANAGEMENT

Remained net cash positive throughout pandemic

Week ending cash FY21 vs FY20



- Net cash balance as at 9th January, £54.8m
- Total liquidity of £134.8m

FY21 OUTLOOK

No formal guidance given unprecedented uncertainty

In the balance of the year we anticipate:

Cash

- Positive closing net cash despite headwinds
- Closing inventory lower YoY

Owned Stores

- Prolonged closures and subdued footfall negatively impact revenue YoY
- Partial offset from rent waivers and furlough claims

Ecommerce

- Significant prior year promotional activity
- Decelerating revenue growth vs Q3 QTD

Wholesale

- Revenues broadly in line with market expectations



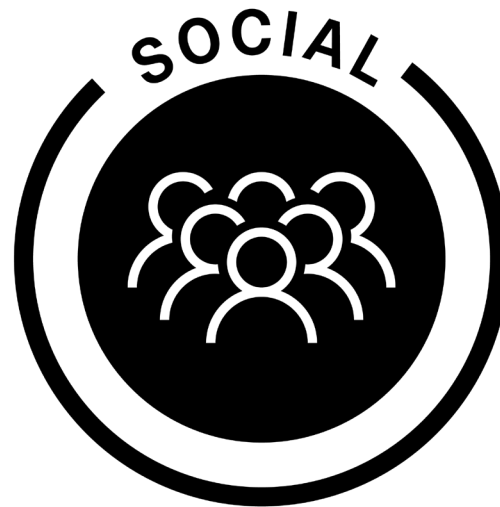
STRATEGY OVERVIEW

Julian Dunkerton, CEO



STRATEGIC IMPERATIVES

Focus on three core priorities





ORIGINAL & VINTAGE



Hero Campaign attracted record levels of engagement



Every AW20 padded outerwear jacket made from 100% recyclable materials



AW20 key trend: longline jackets
Joggers +15% YoY – in line with lockdown trends





SUPERDRY X



First TikTok campaigns launched
- Zara Larsson & vegan trainers



Unisex offering
- targeting younger demographic



Segmentation unlocking new
opportunities – sold into Nordstrom





SUPERDRY STUDIOS



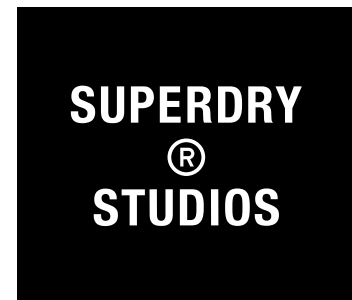
Distinct collection targeting 25-35+ year old consumer



Focus on quality, natural materials
- Sustainability at heart of design



Plans for standalone pilot store in Cheltenham in FY22



SPORT - PERFORMANCE



'Win Differently' Campaign
video elevating sport credibility



New specialist sport Wholesale
relationships

- Intersport in Scandinavia
- Kaiser Sport in Denmark
- JD Sport in Times Square, NY



New segmentation of Train / Run
/ Flex / Swim and Snow





SPORT - CODE



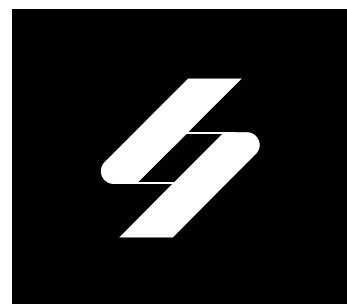
Product targeting key demographic
<25 year old consumers



Strong demand in USA



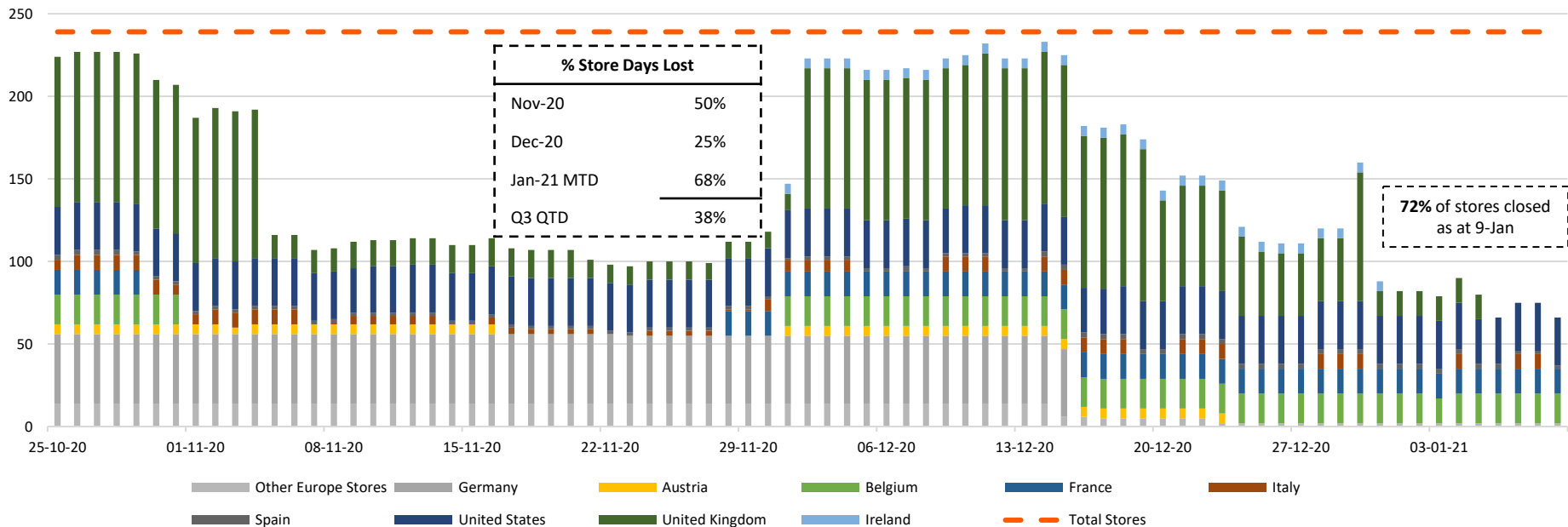
Best AW20 Style within Code –
'Sport Puffer' selling ~16k units



RETAIL STORES

Continued focus on rent negotiations, store closures significant impact on performance

Open Stores H2 21



- Peak trading materially impacted by lockdowns in key markets
- 53 rent negotiations completed for an average reduction 44%; 29 turnover-based
- FFS increased to 70 ahead of Black Friday
- Store resets continue, 33 completed

CABOT CIRCUS STORE RESET VIDEO

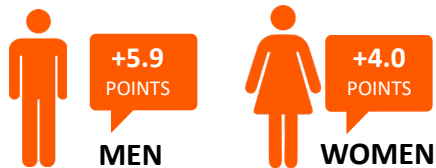
SUPERDRY



冒險魂



NPS* ahead of peers



INSTAGRAM FOLLOWERS UP

+7.8% SINCE AW20 LAUNCH
with largest growth seen across key
age demographic, 13-35 year olds

INCREASED FOLLOWERS TO

3.3M

+5%
GROWTH SINCE
THE START OF FY21

ACTIVE CUSTOMERS INCREASED

+
17%
YOY

EXISTING CUSTOMERS ARE BUYING

+
20%
more
YOY

OUR NEW CUSTOMERS ARE UP BY

+
52%
YOY



TRAFFIC VIA SOCIAL HAS INCREASED 60%,
DEMAND IS UP, RISING 50%YOY

ENGAGED 100+
INFLUENCERS
80M
FOLLOWERS



UK



FRANCE



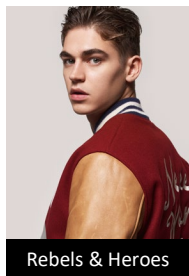
GERMANY



SWEDEN

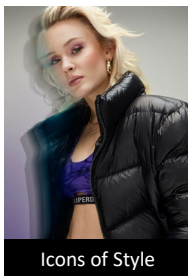


USA



Rebels & Heroes

5.7M
ENGAGEMENT



Icons of Style

3.0M
ENGAGEMENT



Vegan Trainers

5.4M
ENGAGEMENT



Black Friday

7.6M
ENGAGEMENT



GROW FUTURE
THINKING



DIGITAL

Ongoing journey to overhaul Ecommerce platform

Visual and navigational improvement

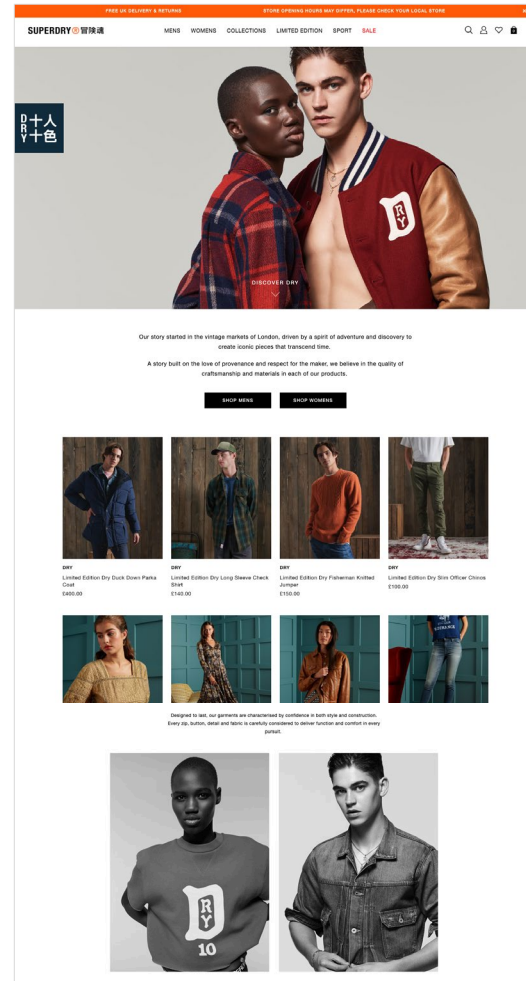
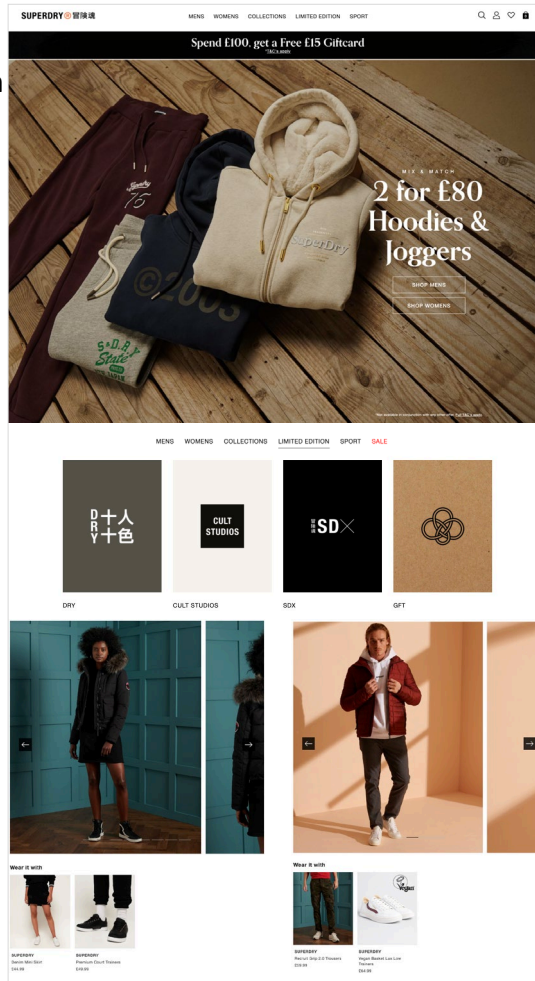
- Style choice segmentation
- Enhanced imagery, editorial content
- Intelligent search capability

Performance

- Additional option capacity (+110%)
- Increased simultaneous visitor capacity (+100%)

Commercial

- Promotional mechanics enabled
- Improved capability to re-target abandoned purchases





SUSTAINABILITY

Our ambition is to become the most sustainable listed global fashion brand on the planet

Organic and sustainable product

- Generating 38% of AW20 sales*

Zero waste

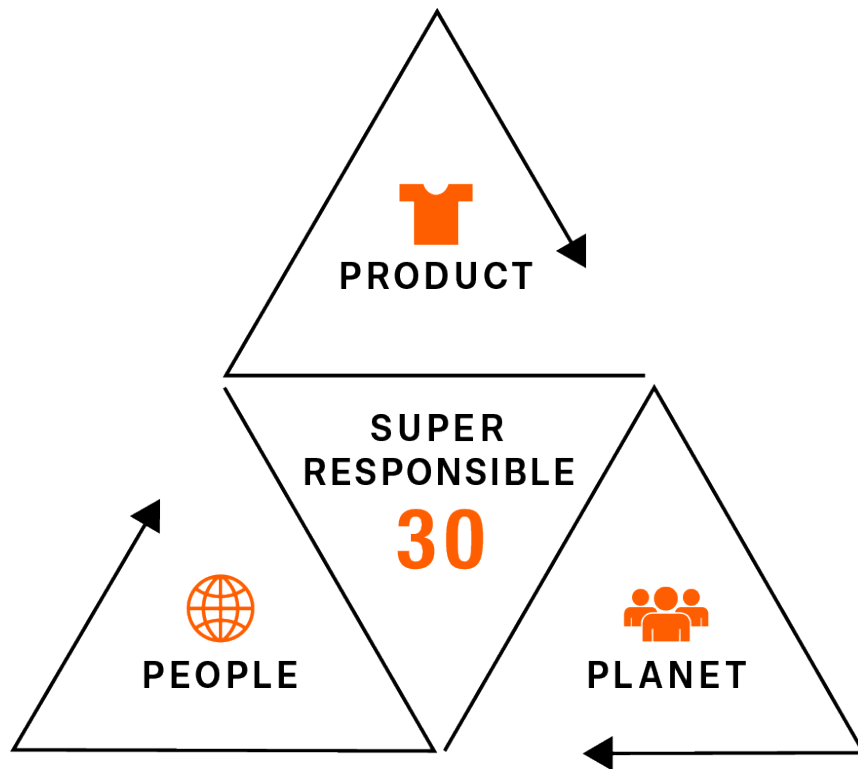
- New ecommerce and store bags

Net zero carbon emissions

- Improved CDP score > industry average

Respect and dignity

- Covid-19 support line for India factory workers



H2 21 FOCUS

Brand reset journey continues despite Covid-19



- Launch SS21 – embed short-order



- Neymar Jr organic underwear campaign



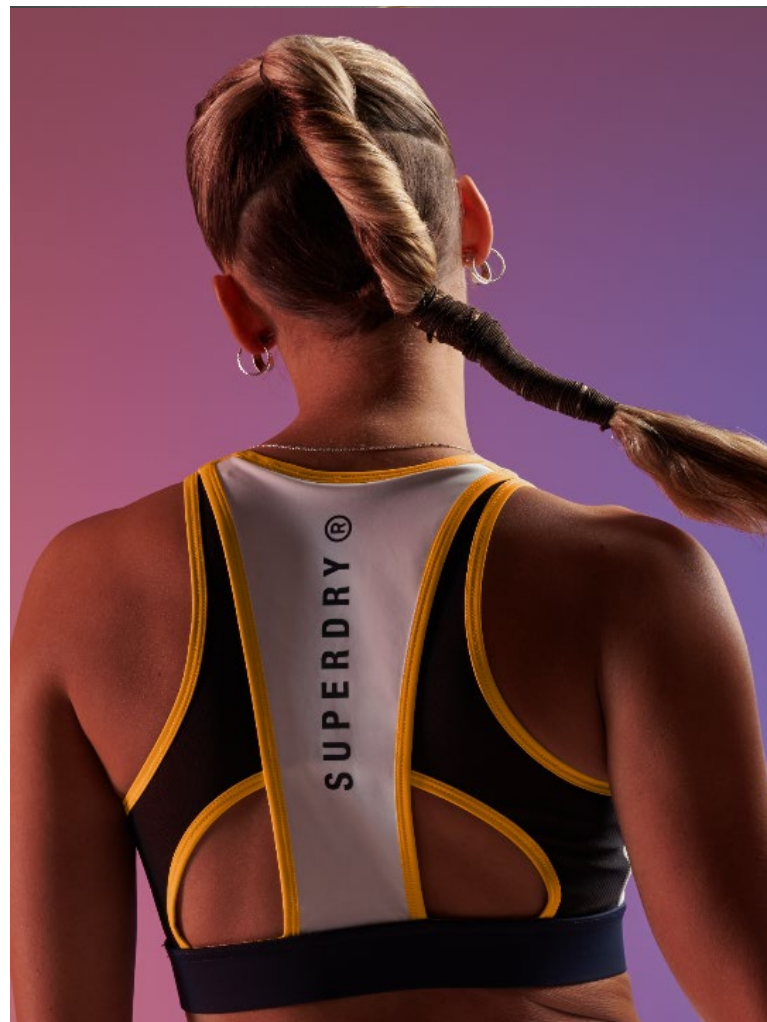
- Strategy led by sustainability



- Prioritised investment in digital activity and infrastructure



- Continued focus on cash preservation and working capital optimisation



THANK YOU

Q&A



SUPERDRY



冒險魂