SUPERDRY NORDIC AND BALTICS A/S

EMDRUPVEJ 26 1., 2100 KØBENHAVN Ø

ANNUAL REPORT

1 MAY 2018 - 30 APRIL 2019

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 8 November 2019

Nicholas John Gresham

CVR NO. 27 35 49 39

CONTENTS

COMPANY DETAILS

Company	SUPERDRY NORDIC AND BALTICS A/S Emdrupvej 26 1. 2100 Copenhagen Ø
	CVR No.: 27 35 49 39 Established: 18 September 2003 Registered Office: Copenhagen Ø Financial Year: 1 May 2018 - 30 April 2019
Board of Directors	Nicholas John Gresham, chairman Jonathan Leslie Wragg Carolyn Jane Pollard
Board of Executives	Carolyn Jane Pollard
Auditor	Deloitte Statsautoriseret Revisionspartnerselskab Dokken 8 6700 Esbjerg

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of SUPERDRY NORDIC AND BALTICS A/S for the financial year 1 May 2018 - 30 April 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's financial position at 30 April 2019 and of the results of the Company's operations for the financial year 1 May 2018 - 30 April 2019.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Gloucestershire, 8 November 2019

Board of Executives

Carolyn Jane Pollard

Board of Directors

Nicholas John Gresham Chairman	Jonathan Leslie Wragg	Carolyn Jane Pollard

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of SUPERDRY NORDIC AND BALTICS A/S

Opinion

We have audited the Financial Statements of SUPERDRY NORDIC AND BALTICS A/S for the financial year 1 May 2018 - 30 April 2019, which comprise income statement, balance sheet, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 30 April 2019 and of the results of the Company's operations for the financial year 1 May 2018 - 30 April 2019 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such Internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- *Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.*
- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.*

INDEPENDENT AUDITOR'S REPORT

- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.*
- *Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.*
- *Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management's Review.

Esbjerg, 8 November 2019

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33963556

Bo Klitten Kjærgaard
State Authorised Public Accountant
MNE no. mne34507

MANAGEMENT'S REVIEW

Principal activities
The Entity's activity is to engage in wholesaling of fashion clothes, shoes and other consumer goods in Scandinavia.

Development in activities and financial position
The company continues to be a wholesale agent for the Superdry brand. Operations in 2018/19 is as pure wholesale agent. A commission is now received from DKH Retail Ltd (a group company) on net sales made. This is invoiced in DKK which considerably reduces the FX risk.

Profit/loss for the year compared to future expectations
The company's earnings and economic development were as expected.

The company's achieved profit for the year 2018/19 is DKK 10 million. DKK 8.7 million in 2017/18. The result for 2018/19 is considered satisfactory.

The result is as expected since a progress in oprations was expected.

Significant events after the end of the financial year
No events have occurred after the end of the financial year of material importance for the company's financial position.

INCOME STATEMENT 1 MAY - 30 APRIL

	Note	2018/19 DKK	2017/18 DKK
GROSS PROFIT		**21,135,783**	**16,604,705**
Staff costs	1	-8,743,437	-8,743,751
Depreciation, amortisation and impairment		-849,589	-1,241,742
OPERATING PROFIT		**11,542,757**	**6,619,212**
Other financial income	2	2,238,657	4,543,568
Other financial expenses	3	-974,227	-61,975
PROFIT BEFORE TAX		**12,807,187**	**11,100,805**
Tax on profit/loss for the year	4	-2,856,343	-2,418,401
PROFIT FOR THE YEAR		**9,950,844**	**8,682,404**

PROPOSED DISTRIBUTION OF DIVIDEND

		2018/19	2017/18
Retained earnings		9,950,844	8,682,404
TOTAL		**9,950,844**	**8,682,404**

BALANCE SHEET AT 30 APRIL

ASSETS	Note	2019 DKK	2018 DKK
Intangible fixed assets acquired		159,086	271,382
Intangible fixed assets	5	**159,086**	**271,382**
Other plant, machinery, tools and equipment		1,917,965	2,433,981
Leasehold improvements		9,858	13,802
Tangible fixed assets	6	**1,927,823**	**2,447,783**
Rent deposit and other receivables		587,002	572,592
Fixed asset investments	7	**587,002**	**572,592**
FIXED ASSETS		**2,673,911**	**3,291,757**
Finished goods and goods for resale		0	1,481,382
Inventories		**0**	**1,481,382**
Trade receivables		0	354,520
Receivables from group enterprises		59,881,942	52,586,233
Other receivables		605,072	230,083
Corporation tax receivable		0	511,000
Prepayments and accrued income	8	442,422	401,826
Receivables		**60,929,436**	**54,083,662**
Cash and cash equivalents		**3,160,728**	**4,561,255**
CURRENT ASSETS		**64,090,164**	**60,126,299**
ASSETS		**66,764,075**	**63,418,056**

BALANCE SHEET AT 30 APRIL

EQUITY AND LIABILITIES	Note	2019 DKK	2018 DKK
Share capital	9	500,000	500,000
Retained profit		42,936,329	32,985,485
EQUITY	10	**43,436,329**	**33,485,485**
Provision for deferred tax	11	84,384	98,464
PROVISION FOR LIABILITIES		**84,384**	**98,464**
Lease liabilities		0	600,760
Long-term liabilities	12	**0**	**600,760**
Short-term portion of long-term liabilities	12	600,760	310,172
Bank debt		9,508	13,399
Trade payables		764,096	19,530
Payables to group enterprises		15,676,959	24,611,505
Joint tax contribution payable		4,711,880	2,692,457
Other liabilities		1,480,159	1,586,284
Current liabilities		**23,243,362**	**29,233,347**
LIABILITIES		**23,243,362**	**29,834,107**
EQUITY AND LIABILITIES		**66,764,075**	**63,418,056**

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	2018/19 DKK	2017/18 DKK	Note
Staff costs			**1**
Average number of employees 15 (2017/18: 16)			
Wages and salaries	8,031,224	8,288,204	
Pensions	383,914	107,500	
Social security costs	213,479	162,947	
Other staff costs	114,820	185,100	
	8,743,437	**8,743,751**	
Other financial income			**2**
Group enterprises	2,238,657	2,147,283	
Other interest income	0	2,396,285	
	2,238,657	**4,543,568**	
Other financial expenses			**3**
Other interest expenses	974,227	61,975	
	974,227	**61,975**	
Tax on profit/loss for the year			**4**
Calculated tax on taxable income of the year	2,870,423	2,692,470	
Adjustment of tax in previous years	0	-47,267	
Adjustment of deferred tax	-14,080	-226,802	
	2,856,343	**2,418,401**	

Intangible fixed assets — **5**

	Intangible fixed assets acquired
Cost at 1 May 2018	1,122,965
Cost at 30 April 2019	**1,122,965**
Amortisation at 1 May 2018	851,583
Amortisation for the year	112,296
Amortisation at 30 April 2019	**963,879**
Carrying amount at 30 April 2019	**159,086**

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Tangible fixed assets 6

	Other plant, machinery, tools and equipment	Leasehold improvements
Cost at 1 May 2018	5,478,792	1,268,921
Additions	369,583	0
Disposals	-258,577	0
Cost at 30 April 2019	**5,589,798**	**1,268,921**
Depreciation and impairment losses at 1 May 2018	3,044,812	1,255,119
Reversal of depreciation of assets disposed of	-150,836	0
Depreciation for the year	777,857	3,944
Depreciation and impairment losses at 30 April 2019	**3,671,833**	**1,259,063**
Carrying amount at 30 April 2019	**1,917,965**	**9,858**
Finance lease assets	611,454	

Fixed asset investments 7

	Rent deposit and other receivables
Cost at 1 May 2018	572,592
Additions	14,410
Cost at 30 April 2019	**587,002**
Carrying amount at 30 April 2019	**587,002**

Prepayments and accrued income 8

Costs	442,422	401,826
	442,422	**401,826**

Prepayments and accrued income contain prepayments, primarily rent, insurance and contingents relating to the following financial year.

Share capital 9

Specification of the share capital:

Shares, 500 in the denomination of 1,000 DKK	500,000	500,000
	500,000	**500,000**

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Equity 10

	Share capital	Retained profit	Total
Equity at 1 May 2018	500,000	32,985,485	33,485,485
Proposed distribution of profit		9,950,844	9,950,844
Equity at 30 April 2019	**500,000**	**42,936,329**	**43,436,329**

Provision for deferred tax 11

Provision for deferred tax comprises deferred tax on contract work in progress, inventory and intangible and tangible fixed assets.

The amount breaks down as follows:

	Carrying Value	Tax Value	Tax depre. or amort. above carrying value
Intangible fixed assets	159,086	0	159,086
Fixed assets	1,927,823	1,545,008	382,815
Lease liabilitets	-600,760	0	-600,760
Prepayments	442,422	0	442,422
	1,928,571	**1,545,008**	**383,563**
Hensættelse til udskudt skat			**84,384**

Deferred tax, beginning of year	-98,464	-325,266
Deferred tax of the year, income statement	14,080	226,802
Provision for deferred tax 30 April 2019	**-84,384**	**-98,464**

Long-term liabilities 12

	30/4 2019 total liabilities	Repayment next year	Debt outstanding after 5 years	30/4 2018 total liabilities	Current portion at the beginning of the year
Lease liabilities	600,760	600,760	0	910,932	310,172
	600,760	**600,760**	**0**	**910,932**	**310,172**

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Contingencies etc. 13

The Entity has entered into lease of a property. The lease is interminable by the lessor until 31.10.2024, after which the period of notice is six months. The annual rent is DKK 1,233k and the rent is indexed annually.

The Entity has entered into two other leases of property. These leases is terminated by September 1. 2019, but with 4 months notice. The rent during the notice periode i 521k.

The Entity has entered into an operating lease agreement.

The lease contract has a residual maturity of 10 months with a residual lease payment of 87k.

Joint liabilities

The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income amounts to DKK ('000) 0 at the balance sheet date.

Charges and securities 14

Bank loans are secured by way of a deposited letter of indemnity for DKK 6,000k nominal, see § 37 of the Danish Registration of Property Act, in trade receivables, inventories, operating equipment and tools, etc. The carrying amount of the assets charged is DKK 1,466 k at 30.04.2019.

The Entity has guaranteed a group enterprise's bank loans. The group enterprise's bank loans total DKK 0 at 30.04.2019.

Related parties 15

The Company's related parties include:

Controlling interest

Superdry Plc, Gloucestershire, United Kingdom

Transactions with related parties

The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

Consolidated financial statements 16

Name and registered office of the Parent preparing consolidated financial statements for the largest and smallest group:

Superdry Plc, Gloucestershire, United Kingdom

The group report for the foreign parent company can be ordered from the following address:

https://corporate.superdry.com/media/2479/superdry-ar2018-indexed-linked3.pdf

ACCOUNTING POLICIES

The Annual Report of SUPERDRY NORDIC AND BALTICS A/S for 2018/19 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles used last year.

Recognition and measurement
Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

INCOME STATEMENT

Gross profit
Gross profit or loss comprises revenue, changes in inventories of finished goods, cost of sales, other opreating income and external expenses.

Net revenue
Net revenue from sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Net revenue from sale of merchandise and finished goods is recognised in the Income Statement when the counterparty use the service.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables and commision for agents to achieve sales commission.

Other external expenses
Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

ACCOUNTING POLICIES

Financial income and expenses
Financial income and expenses include interest income and expenses including group enterprises, financial expenses of finance leases, realised and unrealised gains and losses arising from debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Intangible fixed assets consists of development projects
Development projects are measured at the lower of cost less accumulated amortisation and write-downs or the recoverable amount. Development projects are amortised over 10 years.

Tangible fixed assets
Other plants, fixtures and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.
The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life
Other plant, fixtures and equipment..	3-6 years
Leasehold improvements..	5 years

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as as depreciation and write-downs.

Lease contracts
Lease contracts relating to tangible fixed assets where the company bears all material risks and benefits attached to the ownership (finance lease) are recognised as assets in the balance sheet. The assets are at the initial recognition measured at calculated cost equal to the lower of fair value and present value of the future lease payments. The internal interest rate of the lease contract is used as discounting factor or an approximate value when calculating the present value. Finance lease assets are depreciated similarly to the company’s other tangible fixed assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability and the interest portion of the lease payment is recognised in the income statement over the term of the contract.

All other lease contracts are considered to be operating leases. Payments related to operating leases and other rental agreements are recognised in the income statement over the term of the contract. The company's total liability relating to operating leases and rental agreements is disclosed as contingencies etc.

ACCOUNTING POLICIES

Fixed asset constist of rent deposit
Rent deposit are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Impairment of fixed assets
The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, the inventories are written down to the lower value.

The cost is calculated at acquisition price with addition of transportation and similar costs.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Accruals, assets consists of prepayments amt accured income
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

ACCOUNTING POLICIES

Liabilities
Amortised cost of current liabilities usually corresponds to nominal value.

The capitalised residual lease liability on finance lease contracts is also recognised as financial liabilities.

Foreign currency translation
Transactions in foreign currencies are translated at yearly standard rate. Exchange differences arising between yearly standard rate and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.