



**SUPERDRY RETAIL DENMARK 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 12 November 2019**

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**Nicholas John Gresham**

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**COMPANY DETAILS**

<b>Company</b>	Superdry Retail Denmark A/S Emdrupvej 26, 1. 2100 Copenhagen Ø  CVR No.: 29 81 35 82 Established: 30 September 2008 Registered Office: Copenhagen Financial Year: 1 May 2018 - 30 April 2019
<b>Board of Directors</b>	Nicholas John Gresham, chairman Jonathan Leslie Wragg Carolyn Jane Pollard
<b>Board of Executives</b>	Carolyn Jane Pollard
<b>Auditor</b>	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 Retail Denmark 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, 12 November 2019

Board of Executives

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Carolyn Jane Pollard

Board of Directors

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Nicholas John Gresham  
Chairman

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Jonathan Leslie Wragg

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Carolyn Jane Pollard

## THE INDEPENDENT AUDITOR'S REPORT

*To the Shareholder of Superdry Retail Denmark A/S*

### REPORT ON EXTENDED REVIEW OF THE FINANCIAL STATEMENTS

#### **Conclusion**

*We have performed an extended review of the Financial Statements of Superdry Retail Denmark A/S for the financial year 1 May 2018 - 30 April 2019, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.*

*Based on the work performed 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 in accordance with the Danish Financial Statements Act.*

#### **Basis for Conclusion**

*We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review 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 rules and 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 Extended Review of the Financial Statements**

*Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.*

*An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.*

*The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.*

#### **Statement on the Management's Review**

*Management is responsible for the Management's Review.*

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

## THE INDEPENDENT AUDITOR'S REPORT

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

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

*Based on the work we have performed, we conclude that the 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 in the Management's Review.*

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

#### ***Violation of Danish Financial Statements Act legislation on the submission of annual report***

*The company has carried out the annual report for the period 1. May 2018 - 30 April 2019 late in relation to the provisions of the Danish Financial Statements Act § 138, whereby management may incur liability.*

Esbjerg, 12 November 2019

Deloitte  
Statsautoriseret Revisionspartnerselskab  
CVR no. 33 96 35 56

Bo Klitten Kjærgaard  
State Authorised Public Accountant  
MNE no. mne34507

## MANAGEMENT'S REVIEW

### **Principal activities**

*The principal activities comprise is to operate retail shops.*

### **Development in activities and financial position**

*There have been no changes to the company's areas of activity during the financial year.*

*A loss of DKK 9,168k was realised for the financial year 2018/19. The management expect improved results for the coming year.*

*The year's result compared to last year's expectations is not satisfactory and is due to the fact that the initiatives implemented have not been fully achieved. Work is continuing to improve earnings.*

### **Guarantee for capital**

*We, the undersigned Parent Company, Superdry Plc, company number 07063562, ultimate parent company for Superdry Retail Denmark A/S, CVR-nr. 29813582, hereby commit ourselves unconditionally by contributions - alternatively by waiver of claims or by infusion of capital - to secure the operations of the enterprise.*

*This Guarantee shall be in force until further notice and may be terminated at a coming Annual General Meeting of the Subsidiary to end on expiry of the following financial year.*

*Any contribution paid should be repayable through payment of excess available gains within the scope of Danish legislation. In case of liquidation of the enterprise, contributions cannot be paid out until all other creditors have been fully covered, however, before payment to the shareholders.*

### **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
<b>GROSS PROFIT</b> .....		<b>3,574,023</b>	<b>5,774,527</b>
Staff costs.....	1	-7,670,207	-7,889,096
Depreciation, amortisation and impairment.....		-5,951,339	-3,407,521
<b>OPERATING LOSS</b> .....		<b>-10,047,523</b>	<b>-5,522,090</b>
Other financial expenses.....	2	-1,706,512	-1,480,912
<b>LOSS BEFORE TAX</b> .....		<b>-11,754,035</b>	<b>-7,003,002</b>
Tax on profit/loss for the year.....	3	2,585,915	1,542,715
<b>LOSS FOR THE YEAR</b> .....		<b>-9,168,120</b>	<b>-5,460,287</b>
<b>PROPOSED DISTRIBUTION OF LOSS</b>			
Accumulated loss.....		-9,168,120	-5,460,287
<b>TOTAL</b> .....		<b>-9,168,120</b>	<b>-5,460,287</b>



**BALANCE SHEET AT 30 APRIL**

<b>ASSETS</b>	<b>Note</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Other plant, machinery, tools and equipment .....		1,279,403	2,401,651
Leasehold improvements.....		4,740,263	8,375,085
<b>Tangible fixed assets.....</b>	<b>4</b>	<b>6,019,666</b>	<b>10,776,736</b>
Rent deposit and other receivables.....		3,997,615	3,981,081
<b>Fixed asset investments.....</b>	<b>5</b>	<b>3,997,615</b>	<b>3,981,081</b>
<b>FIXED ASSETS.....</b>		<b>10,017,281</b>	<b>14,757,817</b>
Finished goods and goods for resale.....		6,732,121	9,858,625
<b>Inventories.....</b>		<b>6,732,121</b>	<b>9,858,625</b>
Receivables from group enterprises.....		5,256,553	2,537,523
Deferred tax assets.....		2,640,360	2,619,553
Other receivables.....		382,288	106,942
Joint tax contribution receivable.....		4,880,401	2,200,731
Prepayments and accrued income.....		1,484,783	1,382,565
<b>Receivables.....</b>		<b>14,644,385</b>	<b>8,847,314</b>
<b>Cash and cash equivalents.....</b>		<b>3,987,933</b>	<b>6,038,090</b>
<b>CURRENT ASSETS.....</b>		<b>25,364,439</b>	<b>24,744,029</b>
<b>ASSETS.....</b>		<b>35,381,720</b>	<b>39,501,846</b>

## BALANCE SHEET AT 30 APRIL

EQUITY AND LIABILITIES	Note	2019 DKK	2018 DKK
Share capital.....		1,000,000	1,000,000
Retained profit.....		-27,329,499	-18,161,379
<b>EQUITY.....</b>	<b>6</b>	<b>-26,329,499</b>	<b>-17,161,379</b>
Other provisions for liabilities.....		101,804	101,804
<b>PROVISION FOR LIABILITIES.....</b>		<b>101,804</b>	<b>101,804</b>
Trade payables.....		489,943	371,236
Payables to group enterprises.....		52,976,169	47,065,631
Other liabilities.....		2,945,803	3,157,054
Accruals and deferred income.....		5,197,500	5,967,500
<b>Current liabilities.....</b>		<b>61,609,415</b>	<b>56,561,421</b>
<b>LIABILITIES.....</b>		<b>61,609,415</b>	<b>56,561,421</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>35,381,720</b>	<b>39,501,846</b>
 Contingencies etc.	 7		
Charges and securities	8		
Uncertainty with respect to going concern	9		
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## NOTES

	2018/19 DKK	2017/18 DKK	Note
<b>Staff costs</b>			<b>1</b>
Average number of employees 23 (2017/18: 27)			
Wages and salaries.....	7,377,390	7,827,130	
Pensions.....	239,479	0	
Social security costs.....	53,338	61,966	
	<b>7,670,207</b>	<b>7,889,096</b>	
<b>Other financial expenses</b>			<b>2</b>
Group enterprises.....	1,664,374	1,427,040	
Other financial expenses.....	42,138	53,872	
	<b>1,706,512</b>	<b>1,480,912</b>	
<b>Tax on profit/loss for the year</b>			<b>3</b>
Calculated tax on taxable income of the year.....	-2,565,108	-2,200,731	
Adjustment of deferred tax.....	-20,807	658,016	
	<b>-2,585,915</b>	<b>-1,542,715</b>	
<b>Tangible fixed assets</b>			<b>4</b>
	Other plant, machinery, tools and equipment	Leasehold improvements	
Cost at 1 May 2018.....	4,276,233	12,981,672	
Additions.....	225,697	968,570	
<b>Cost at 30 April 2019.....</b>	<b>4,501,930</b>	<b>13,950,242</b>	
Depreciation and impairment losses at 1 May 2018.....	1,874,580	4,606,587	
Impairment losses.....	633,110	3,038,262	
Depreciation for the year.....	714,837	1,565,130	
<b>Depreciation and impairment losses at 30 April 2019.....</b>	<b>3,222,527</b>	<b>9,209,979</b>	
<b>Carrying amount at 30 April 2019.....</b>	<b>1,279,403</b>	<b>4,740,263</b>	
<b>Fixed asset investments</b>			<b>5</b>
		Rent deposit and other receivables	
Cost at 1 May 2018.....		3,981,081	
Additions.....		16,534	
<b>Cost at 30 April 2019.....</b>		<b>3,997,615</b>	
<b>Carrying amount at 30 April 2019.....</b>		<b>3,997,615</b>	

NOTES

	<b>Note</b>
<b>Fixed asset investments (continued)</b>	<b>5</b>
<b>Investments in subsidiaries (DKK)</b>	

Name and registered office	Equity	Profit/loss for the year	Ownership
SD 1 ApS, Copenhagen.....	-2,841,634	-455,934	100 %
SD 2 ApS, Copenhagen.....	-1,965,877	-116,037	100 %

<b>Equity</b>	<b>6</b>
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	Share capital	Retained profit	Total
Equity at 1 May 2018.....	1,000,000	-18,161,379	-17,161,379
Proposed distribution of profit.....		-9,168,120	-9,168,120
<b>Equity at 30 April 2019.....</b>	<b>1,000,000</b>	<b>-27,329,499</b>	<b>-26,329,499</b>

<b>Contingencies etc.</b>	<b>7</b>
<b>Unrecognized rental and lease commitments</b>	

The Entity has entered into lease of a property. The lease is interminable by the lessor until 31.01.2026, after which the period of notice is twelve months. The annual rent is DKK 8,067k and the rent is indexed annually.

For the other lease, the annual rent is based on revenue at 10% of gross revenue with a period of notice of 4 month. The annual rent is DKK 940k.

The Entity has entered into lease of a property. The lease is interminable by the lessor until 31.07.2023, after which the period of notice is twelve months. The annual rent is DKK 3,131k and the rent is indexed annually.

**Contingent liabilities**

The Company participates in a Danish joint taxation arrangement in which Supergroup Nordic and Baltics A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed companies and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

**Joint liabilities**

The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of SUPERDRY NORDIC AND BALTICS A/S, which serves as management company for the joint taxation.

<b>Charges and securities</b>	<b>8</b>
None.	

**NOTES****Note****Uncertainty with respect to going concern****9**

The going concern assumption is based on the receipt of a letter of comfort from group enterprise.

The letter of comfort has the following wording:

**Letter of comfort Superdry Retail Denmark A/S****Guarantee for capital**

We, the undersigned Parent Company, Superdry Plc, company number 07063562, ultimate parent company for Superdry Retail Denmark A/S, CVR-nr. 29813582, hereby commit ourselves unconditionally by contributions - alternatively by waiver of claims or by infusion of capital - to secure the operations of the enterprise.

This Guarantee shall be in force until further notice and may be terminated at a coming Annual General Meeting of the Subsidiary to end on expiry of the following financial year.

Any contribution paid should be repayable through payment of excess available gains within the scope of Danish legislation. In case of liquidation of the enterprise, contributions cannot be paid out until all other creditors have been fully covered, however, before payment to the shareholders.

**Consolidated financial statements****10**

Name and registered office of the Parent preparing consolidated financial statements for the 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/2654/superdry-annual-report-web-ready.pdf>

**ACCOUNTING POLICIES**

*The Annual Report of Superdry Retail Denmark 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.*

**INCOME STATEMENT****Gross profit or loss**

*Gross profit or loss comprises revenue, changes in inventories of goods for resale, cost of sales 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.*

*Where products with a high degree of individual adjustments are delivered, recognition in net revenue is made as and when the production progresses, the net revenue being equal to the sales value of the work performed for the year (the production method). This method is applied when the total costs and expenses regarding the contract and the degree of completion at the balance sheet date can be reliably assessed, and it is likely that the financial benefits will flow to the company.*

**Cost of sales**

*Cost of sales comprise costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.*

**Other external expenses**

*Other external expenses include 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.*

**Financial income and expenses**

*Financial income and expenses include interest expenses also to group enterprises, debt and transactions in foreign currencies as well as charges and allowances under the tax-on-account scheme etc. Financial 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****Tangible fixed assets**

*Production plant and machinery, 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.*

## ACCOUNTING POLICIES

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:

	<i>Useful life</i>
Other plants, fixtures and equipment.....	3-5 years
Leasehold improvements.....	5-7 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 other operating income or other operating expenses.

### **Fixed asset investments**

Investments in associates are measured in the company's balance sheet under the equity method.

Investments in associates are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill

Associates with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds accounts receivable, the residual amount is recognised under provision for liabilities to the extent that the company's has a legal or actual liability to cover the associates' deficit.

### **Impairment of fixed assets**

The carrying amount of 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 according to the weighted average cost. For practical reasons and unless there is a significant difference, the last purchase price is used. If the net realisable value is lower than cost, the inventories are written down to the lower value.

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.

### **Prepayments and accrued income**

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

## ACCOUNTING POLICIES

### **Cash and cash equivalents**

Cash comprises cash in hand and bank deposits.

### **Other provisions for liabilities**

Other provisions for liabilities include the expected cost of reinstate rented premises.

The provision for liabilities is measured and recognised on the basis of experience.

### **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.

### **Liabilities**

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs.

Amortised cost of current liabilities usually corresponds to nominal value.

### **Accruals, liabilities**

Accruals recognised as liabilities include payments received regarding income in subsequent years.

### **Foreign currency translation**

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date 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.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.