

Superdry Retail Denmark A/S
Central Business Registration No
29813582
Balticagade 24
8000 Århus C

Annual report 2015/16

The Annual General Meeting adopted the annual report on 30.09.2016

Chairman of the General Meeting

Name: Euan Angus Sutherland

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Entity details

Entity

Superdry Retail Denmark A/S
Balticagade 24
8000 Århus C

Central Business Registration No: 29813582

Registered in: Århus

Financial year: 01.05.2015 - 30.04.2016

Board of Directors

Euan Angus Sutherland, chairman

Stine Elmkvist

Lars Thygesen

Nicholas Barry Edward Wharton

Executive Board

Stine Elmkvist

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Frodesgade 125

Postboks 200

6701 Esbjerg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Superdry Retail Denmark A/S for the financial year 01.05.2015 - 30.04.2016.

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 Entity's financial position at 30.04.2016 and of the results of its operations for the financial year 01.05.2015 - 30.04.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Århus, 30.09.2016

Executive Board

Stine Elmkvist

Board of Directors

Euan Angus Sutherland
chairman

Stine Elmkvist

Lars Thygesen

Nicholas Barry Edward Whar-
ton

Independent auditor's reports

To the owners of Superdry Retail Denmark A/S

Report on the financial statements

We have audited the financial statements of Superdry Retail Denmark A/S for the financial year 01.05.2015 - 30.04.2016, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility 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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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 Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30.04.2016 and of the results of its operations for the financial year 01.05.2015 - 30.04.2016 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Esbjerg, 30.09.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Jørn Jepsen
State Authorised Public Accountant

Bo Klitten Kjærgaard
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The Entity's primary activity is to operate retail shops.

Development in activities and finances

The Entity realised a loss of DKK 3,042k for the financial year 2015/16, with subsidiaries affecting financial performance adversely.

The Entity is looking forward to 2016/17, when Management expects results to improve.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied for these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Non-comparability

Because the Company last year has changed its financial year, financial statements last year has been prepared for the period of change from 1 January 2014 to 30 April 2015.

It is not possible to compare this year's figures with last year's figures because of this change since the figures for this financial year cover 12 months whereas the comparative figures cover a 16-month period, but the figures in the balance sheet are comparable as the balance date is the same.

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.

Accounting policies

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

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

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

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

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Depreciation relating to plant and equipment comprise depreciation for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Accounting policies

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, net capital losses on securities, payables and transactions in foreign currencies etc.

Income taxes

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

The Entity is jointly taxed with the Parent and all of the Parent's other Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	4 years
Leasehold improvements	4 years

Plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity.

Accounting policies

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of legal or constructive obligation to cover the liabilities of group enterprises and are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Accounting policies

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred income

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.

Income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Gross profit		762,735	1,949,368
Staff costs	1	(2,270,159)	(2,490,271)
Depreciation, amortisation and impairment losses		<u>(260,345)</u>	<u>(496,166)</u>
Operating profit/loss		(1,767,769)	(1,037,069)
Income from investments in group enterprises		(1,408,010)	(941,012)
Other financial income from group enterprises		17,938	32,173
Financial expenses from group enterprises		(295,182)	(337,677)
Other financial expenses		<u>(41,726)</u>	<u>(69,726)</u>
Profit/loss from ordinary activities before tax		(3,494,749)	(2,353,311)
Tax on profit/loss from ordinary activities	2	<u>452,426</u>	<u>344,093</u>
Profit/loss for the year		<u>(3,042,323)</u>	<u>(2,009,218)</u>
Proposed distribution of profit/loss			
Reserve for net revaluation according to the equity method		0	(406,803)
Retained earnings		<u>(3,042,323)</u>	<u>(1,602,415)</u>
		<u>(3,042,323)</u>	<u>(2,009,218)</u>

Balance sheet at 30.04.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Other fixtures and fittings, tools and equipment		617,561	240,961
Leasehold improvements		4,082,864	512,360
Property, plant and equipment	3	<u>4,700,425</u>	<u>753,321</u>
Investments in group enterprises		0	233,167
Deposits		3,751,998	231,005
Fixed asset investments	4	<u>3,751,998</u>	<u>464,172</u>
Fixed assets		<u>8,452,423</u>	<u>1,217,493</u>
Manufactured goods and goods for resale		6,891,338	2,304,021
Inventories		<u>6,891,338</u>	<u>2,304,021</u>
Receivables from group enterprises		0	470,970
Deferred tax assets		1,375,000	0
Other short-term receivables		2,860,482	132,335
Income tax receivable		0	291,956
Prepayments		730,383	120,001
Receivables		<u>4,965,865</u>	<u>1,015,262</u>
Cash		<u>2,619,801</u>	<u>286,289</u>
Current assets		<u>14,477,004</u>	<u>3,605,572</u>
Assets		<u>22,929,427</u>	<u>4,823,065</u>

Balance sheet at 30.04.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Contributed capital	5	1,000,000	1,000,000
Retained earnings		<u>(7,151,714)</u>	<u>(4,109,391)</u>
Equity		<u>(6,151,714)</u>	<u>(3,109,391)</u>
Provisions for deferred tax		0	48,000
Provisions for investments in group enterprises		<u>1,613,759</u>	<u>438,916</u>
Provisions		<u>1,613,759</u>	<u>486,916</u>
Trade payables		511,559	236
Debt to group enterprises		17,218,472	6,907,824
Income tax payable		1,005,515	0
Other payables	6	1,224,336	537,480
Deferred income		<u>7,507,500</u>	<u>0</u>
Current liabilities other than provisions		<u>27,467,382</u>	<u>7,445,540</u>
Liabilities other than provisions		<u>27,467,382</u>	<u>7,445,540</u>
Equity and liabilities		<u>22,929,427</u>	<u>4,823,065</u>
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		
Consolidation	9		

Statement of changes in equity for 2015/16

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	1,000,000	(4,109,391)	(3,109,391)
Profit/loss for the year	0	(3,042,323)	(3,042,323)
Equity end of year	1,000,000	(7,151,714)	(6,151,714)

Notes

	2015/16 DKK	2014/15 DKK
1. Staff costs		
Wages and salaries	2,111,858	2,363,595
Other social security costs	55,343	62,990
Other staff costs	102,958	63,686
	2,270,159	2,490,271
	2015/16 DKK	2014/15 DKK
2. Tax on ordinary profit/loss for the year		
Current tax	970,574	(464,093)
Change in deferred tax for the year	(1,423,000)	122,200
Effect of changed tax rates	0	(2,200)
	(452,426)	(344,093)
	Other fix- tures and fittings, tools and equipment DKK	Leasehold improve- ments DKK
3. Property, plant and equipment		
Cost beginning of year	979,428	1,221,981
Additions	462,965	3,744,484
Cost end of year	1,442,393	4,966,465
Depreciation and impairment losses beginning of the year	(738,467)	(709,621)
Depreciation for the year	(86,365)	(173,980)
Depreciation and impairment losses end of the year	(824,832)	(883,601)
Carrying amount end of year	617,561	4,082,864

Notes

	Investments in group enterprises DKK	Deposits DKK
4. Fixed asset investments		
Cost beginning of year	905,000	231,005
Additions	0	3,520,993
Cost end of year	905,000	3,751,998
Impairment losses beginning of year	(671,833)	0
Share of profit/loss after tax	(1,408,010)	0
Investments with negative equity transferred to provisions	1,174,843	0
Impairment losses end of year	(905,000)	0
Carrying amount end of year	0	3,751,998

	Registered in	Corpo- rate form	Equity interest %
Subsidiaries:			
SD 1 ApS	Århus	ApS	100.00
SD 2 ApS	Århus	ApS	100.00

	Number	Par value DKK	Nominal value DKK
5. Contributed capital			
Ordinary shares	10,000	100.00	1,000,000
	10,000		1,000,000

	2015/16 DKK	2014/15 DKK	2013 DKK	2012 DKK	2011 DKK
Changes in contributed capital					
Contributed capital beginning of year	1,000,000	1,000,000	1,000,000	1,000,000	500,000
Increase of capital	0	0	0	0	500,000
Contributed capital end of year	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

The shares are not divided into classes.

Notes

	2015/16	2014/15
	DKK	DKK
6. Other short-term payables		
VAT and duties	723,239	19,588
Wages and salaries, personal income taxes, social security costs, etc. payable	292,492	223,521
Accrued interests	1	2
Other costs payable	208,604	294,369
	1,224,336	537,480

7. Unrecognised rental and lease commitments

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 7,700k and the rent is indexed annually.

8. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which Supergroup Nordic and Baltics A/S serves as the administration company from the 19 June 2014. Until 18 June 2014 Tabasco Clothing ApS served as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

The Entity has issued a letter of support to SD 1 ApS and SD 2 ApS.

9. Consolidation

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

SuperGroup PLC, Gloucestershire, United Kingdom

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

<http://www.supergroup.co.uk/investors/reports-and-publications>