



SD 1 APS

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

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COMPANY DETAILS

Company	SD 1 ApS Emdrupvej 26, 1. 2100 Copenhagen Ø CVR No.: 33 95 55 37 Established: 28 September 2011 Registered Office: Copenhagen Ø Financial Year: 1 May 2018 - 30 April 2019
Board of Directors	Nicholas John Gresham, chairman Carolyn Jane Pollard Jonathan Leslie Wragg
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 SD 1 ApS 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

Carolyn Jane Pollard

Jonathan Leslie Wragg

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholder of SD 1 ApS

Conclusion

We have performed an extended review of the Financial Statements of SD 1 ApS 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.

Esbjerg, 8 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 of the company is the operation of retail stores.

Development in activities and financial position

A loss of 456k was realised for the financial year 2018/19. The management expect improves results for the coming years.

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
GROSS PROFIT		849,364	242,825
Staff costs.....	1	-1,274,011	-1,069,522
Depreciation, amortisation and impairment.....		-35,267	-34,733
OPERATING LOSS		-459,914	-861,430
Other financial expenses.....	2	-124,616	-124,197
LOSS BEFORE TAX		-584,530	-985,627
Tax on profit/loss for the year.....	3	128,596	216,838
LOSS FOR THE YEAR		-455,934	-768,789
PROPOSED DISTRIBUTION OF DIVIDEND			
Retained earnings.....		-455,934	-768,789
TOTAL		-455,934	-768,789

BALANCE SHEET AT 30 APRIL

ASSETS	Note	2019 DKK	2018 DKK
Other plant, machinery, tools and equipment.....		44,490	60,038
Leasehold improvements.....		64,509	80,154
Tangible fixed assets.....	4	108,999	140,192
Rent deposit and other receivables.....		176,808	176,808
Fixed asset investments.....	5	176,808	176,808
FIXED ASSETS.....		285,807	317,000
Finished goods and goods for resale.....		593,513	727,516
Inventories.....		593,513	727,516
Deferred tax assets.....		0	84,742
Other receivables.....		106,779	77,486
Corporation tax receivable.....		637,647	372,983
Prepayments and accrued income.....		255,206	228,112
Receivables.....		999,632	763,323
Cash and cash equivalents.....		98,718	344,345
CURRENT ASSETS.....		1,691,863	1,835,184
ASSETS.....		1,977,670	2,152,184

BALANCE SHEET AT 30 APRIL

EQUITY AND LIABILITIES	Note	2019 DKK	2018 DKK
Share capital.....		80,000	80,000
Retained profit.....		-2,921,634	-2,465,700
EQUITY.....	6	-2,841,634	-2,385,700
Provision for deferred tax.....		51,326	0
Other provisions for liabilities.....		9,707	9,707
PROVISION FOR LIABILITIES.....		61,033	9,707
Trade payables.....		15,731	119,865
Payables to group enterprises.....		4,233,498	3,503,395
Other liabilities.....		509,042	904,917
Current liabilities.....		4,758,271	4,528,177
LIABILITIES.....		4,758,271	4,528,177
EQUITY AND LIABILITIES.....		1,977,670	2,152,184
Contingencies etc.	7		
Charges and securities	8		
Uncertainty with respect to going concern	9		
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	2018/19 DKK	2017/18 DKK	Note
Staff costs			1
Average number of employees 4 (2017/18: 4)			
Wages and salaries.....	1,214,899	1,049,457	
Pensions.....	34,865	0	
Social security costs.....	24,247	20,065	
	1,274,011	1,069,522	
Other financial expenses			2
Group enterprises.....	124,203	121,282	
Other financial expenses.....	413	2,915	
	124,616	124,197	
Tax on profit/loss for the year			3
Calculated tax on taxable income of the year.....	-264,664	-372,983	
Adjustment of deferred tax.....	136,068	156,145	
	-128,596	-216,838	
Tangible fixed assets			4
	Other plant, machinery, tools and equipment	Leasehold improvements	
Cost at 1 May 2018.....	369,972	922,745	
Additions.....	0	4,075	
Cost at 30 April 2019.....	369,972	926,820	
Depreciation and impairment losses at 1 May 2018.....	309,935	842,591	
Depreciation for the year.....	15,547	19,720	
Depreciation and impairment losses at 30 April 2019.....	325,482	862,311	
Carrying amount at 30 April 2019.....	44,490	64,509	
Fixed asset investments			5
		Rent deposit and other receivables	
Cost at 1 May 2018.....		176,808	
Cost at 30 April 2019.....		176,808	
Carrying amount at 30 April 2019.....		176,808	

NOTES

	Note
Equity	6

	Share capital	Retained profit	Total
Equity at 1 May 2018.....	80,000	-2,465,700	-2,385,700
Proposed distribution of profit.....		-455,934	-455,934
Equity at 30 April 2019.....	80,000	-2,921,634	-2,841,634

Contingencies etc. **7**
Unrecognised rental and lease commitments
 The Entity has entered into lease of a property with a notice of 6 months. The annual rent is DKK 1,071k and the rent is indexed annually.

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 Supergroup Nordic and Baltics A/S, which serves as management company for the joint taxation.

Charges and securities **8**
 None.

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 SD 1 ApS

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.

NOTES**Note****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/2479/superdry-ar2018-indexed-linked3.pdf>

ACCOUNTING POLICIES

The Annual Report of SD 1 ApS 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 expenses

Financial expenses include interest expenses also to group enterprises. 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

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>
<i>Other plant, fixtures and equipment.....</i>	<i>5 years</i>
<i>Leasehold improvements.....</i>	<i>5-7 years</i>

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

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.

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.

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.

ACCOUNTING POLICIES

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. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.

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.