

SD 1 APS
EMDRUPVEJ 26, 1., 2100 KØBENHAVN Ø
ANNUAL REPORT
1 MAY 2020 - 30 APRIL 2021

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 12 January 2022**

Ruth Patricia Daniels

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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 2020 - 30 April 2021
Board of Directors	Ruth Patricia Daniels, chairman Carolyn Jane Pollard Shaun Simon Wills
Executive Board	Carolyn Jane Pollard
Auditor	Deloitte Statsautoriseret Revisionspartnerselskab Dokken 8 6700 Esbjerg

BOARD OF DIRECTORS STATEMENT AND MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of SD 1 ApS for the financial year 1 May 2020 - 30 April 2021.

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 assets, liabilities and financial position at 30 April 2021 and of the results of the Company's operations for the financial year 1 May 2020 - 30 April 2021.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

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

Gloucestershire, 12 January 2022

Executive Board

Carolyn Jane Pollard

Board of Directors

Ruth Patricia Daniels
Chairman

Carolyn Jane Pollard

Shaun Simon Wills

INDEPENDENT AUDITOR'S EXTENDED REVIEW REPORT

To the shareholder of SD 1 ApS

REPORT ON EXTENDED REVIEW OF THE FINANCIAL STATEMENTS

Conclusion

We have performed an extended review of the financial statements of SD 1 ApS for the financial year 1 May 2020 - 30 April 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 30 April 2021 and of the results of the its operations for the financial year 1 May 2020 - 30 April 2021 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity 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 to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

INDEPENDENT AUDITOR'S EXTENDED REVIEW REPORT

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

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 2020 - 30 April 2021 late in relation to the provisions of the Danish Financial Statements Act § 138, whereby management may incur liability.

Esbjerg, 12 January 2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Bo Klitten Kjærgaard
State Authorised Public Accountant
MNE no. mne34507

MANAGEMENT COMMENTARY

Principal activities

The principal activities of the company is the operation of retail stores.

Development in activities and financial and economic position

The company's achieved profit for the year 2020/21 is DKK 747k. In 2019/20 the company had a loss of DKK 760k. The result for 2020/21 is considered satisfactory.

Change in Accounting estimates

Accounting estimates have been changed for Transfer Pricing position for FY 2019/20. Management has based the change upon group transfer pricing policy based on external advisors guidance and analysis of group entities and their activities and risks.

The changed accounting estimate has resulted in an increase in profit for the year and equity for FY 2020/21 of 788k relating to FY 2019/20 also effecting a decrease in payables to group enterprises so the balanceeffect is T.DKK 0.

Guarantee for capital

We, the undersigned Parent Company, Superdry Plc, company number 07063562, ultimate parent company for SD 1 ApS, CVR-nr. 33955537, 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.

In March 2020 the World Health Organization declared the global novel coronavirus disease 2019 (COVID-19) outbreak a pandemic, and the effect of this pandemic have had a huge impact on the results and financial condition of the Group and the Company. In addition, as of the date the financial statements were available to be issued, there is still uncertainty with respect long term impact.

INCOME STATEMENT 1 MAY - 30 APRIL

	Note	2020/21 DKK	2019/20 DKK
GROSS PROFIT	1	2,243,482	345,690
Staff costs.....	2	-1,177,952	-1,275,420
Depreciation, amortisation and impairment.....		-98,321	-34,906
OPERATING PROFIT		967,209	-964,636
Other financial expenses.....	3	-6,477	-6,225
PROFIT BEFORE TAX		960,732	-970,861
Tax on profit/loss for the year.....	4	-213,449	210,993
PROFIT FOR THE YEAR		747,283	-759,868
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		747,283	-759,868
TOTAL		747,283	-759,868

BALANCE SHEET AT 30 APRIL

ASSETS	Note	2021 DKK	2020 DKK
Other plant, machinery, tools and equipment		21,341	39,105
Leasehold improvements.....		74,179	46,074
Property, plant and equipment.....	5	95,520	85,179
Rent deposit and other receivables.....		181,316	181,316
Financial non-current assets.....	6	181,316	181,316
NON-CURRENT ASSETS.....		276,836	266,495
Finished goods and goods for resale.....		423,062	822,860
Inventories.....		423,062	822,860
Receivables from group enterprises.....		513,571	393,769
Deferred tax assets.....		0	86,931
Other receivables.....		1,215	243,834
Joint tax contribution receivable.....		112,442	337,400
Prepayments and accrued income.....		227,233	19,367
Receivables.....		854,461	1,081,301
Cash and cash equivalents.....		154,523	286,970
CURRENT ASSETS.....		1,432,046	2,191,131
ASSETS.....		1,708,882	2,457,626

BALANCE SHEET AT 30 APRIL

EQUITY AND LIABILITIES	Note	2021 DKK	2020 DKK
Share capital.....		80,000	80,000
Retained profit.....		-2,934,219	-3,681,502
EQUITY.....		-2,854,219	-3,601,502
Provision for deferred tax.....		32,912	0
Other provisions for liabilities.....		108,662	9,707
PROVISIONS.....		141,574	9,707
Corporation tax.....		93,606	0
Other liabilities.....		0	50,000
Non-current liabilities.....	7	93,606	50,000
Trade payables.....		684,873	21,621
Payables to group enterprises.....		2,962,232	4,988,374
Other liabilities.....		680,816	989,426
Current liabilities.....		4,327,921	5,999,421
LIABILITIES.....		4,421,527	6,049,421
EQUITY AND LIABILITIES.....		1,708,882	2,457,626
 Contingencies etc.	 8		
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EQUITY

	Share capital	Retained profit	Total
Equity at 1 May 2020.....	80,000	-3,681,502	-3,601,502
Proposed profit allocation.....		747,283	747,283
Equity at 30 April 2021.....	80,000	-2,934,219	-2,854,219

NOTES

			Note
Gross profit			1
Gross profit comprise compensation received from COVID-19 aid packages for the Temporary compensation for salaries for employees and fixed costs established as a result of the outbreak and spread and COVID-19 in 2020 and 2021, with DKK 157k for salaries for employees and DKK 315k for the fixed costs aid packages.			
Furthermore gross profit in FY 2020/21 is effected of the change in accounting estimates related to FY 2019/20 with DKK 1,010k.			
Staff costs			2
Average number of employees	5	5	
Wages and salaries.....	1,127,045	1,228,414	
Pensions.....	40,556	36,339	
Social security costs.....	10,351	10,667	
	1,177,952	1,275,420	
Other financial expenses			3
Other financial expenses.....	6,477	6,225	
	6,477	6,225	
Tax on profit/loss for the year			4
Calculated tax on taxable income of the year.....	93,606	-112,442	
Adjustment of deferred tax.....	119,843	-98,551	
	213,449	-210,993	
Property, plant and equipment			5
	Other plant, machinery, tools and equipment	Leasehold improvements	
Cost at 1 May 2020.....	381,058	926,820	
Additions.....	0	108,662	
Cost at 30 April 2021.....	381,058	1,035,482	
Depreciation and impairment losses at 1 May 2020.....	341,953	880,747	
Depreciation for the year.....	17,764	80,556	
Depreciation and impairment losses at 30 April 2021.....	359,717	961,303	
Carrying amount at 30 April 2021.....	21,341	74,179	

NOTES

		Note
Financial non-current assets		6
	Rent deposit and other receivables	
Cost at 1 May 2020.....	181,316	
Cost at 30 April 2021.....	181,316	
Carrying amount at 30 April 2021.....	181,316	

					7
Long-term liabilities					
	30/4 2021 total liabilities	Repayment next year	Debt outstanding after 5 years	30/4 2020 total liabilities	
Corporation tax.....	93,606	0	0	0	
Other liabilities.....	0	0	0	50,000	
	93,606	0	0	50,000	

Contingencies etc.	8
Unrecognized rental and lease commitments	
The Entity has entered into lease of a property with a notice of 6 months. The annual rent is DKK 1,125k and the rent is indexed annually.	

Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which SUPERDRY 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 also 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.

Charges and securities	9
None.	

NOTES

Note

Uncertainty with respect to going concern

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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 SD 1 ApS, CVR-nr. 33955537, 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

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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/3204/1jp_sd_ar2021_web.pdf

Special items

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Gross profit comprise compensation received from COVID-19 aid packages for the Temporary compensation for salaries for employees and fixed costs established as a result of the outbreak and spread and COVID-19 in 2020 and 2021, with DKK 157K for salaries for employees and DKK 315K for the fixed costs aid packages.

Change in Accounting estimates

Accounting estimates have been changed for Transfer Pricing position for FY 2019/20. Management has based the change upon group transfer pricing policy based on external advisors guidance and analysis of group entities and their activities and risks.

The changed accounting estimate has resulted in an increase in gross profit and equity for FY 2020/21 of 1,010k relating to FY 2019/20 also effecting a decrease in payables to group enterprises so the balance effect is T.DKK 0.

ACCOUNTING POLICIES

The Annual Report of SD 1 ApS for 2020/21 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.

Change in Accounting estimates

Accounting estimates have been changed for Transfer Pricing position for FY 2019/20. Management has based the change upon group transfer pricing policy based on external advisors guidance and analysis of group entities and their activities and risks.

The changed accounting estimate has resulted in an increase in profit for the year and equity for FY 2020/21 of 788k relating to FY 2019/20 also effecting a decrease in payables to group enterprises so the balanceeffect is T.DKK 0.

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.

Other operating income

Public grants are recognised when a final commitment has been received from the grantor and it is probable that the conditions of the grant will be fulfilled. Grants are recognised as income in the income statement as earned.

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 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.

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.

ACCOUNTING POLICIES

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.

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.....	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

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.

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