

SuperdryPlc

("Superdry" or "the Company")

10 January 2020

Trading update and full year outlook

Superdry announces today a trading update covering the 10 week period from 27 October 2019 to 4 January 2020 ("peak trading period").

Despite a strong Black Friday event, peak trading performance has been lower than expected as we continue our strategic transition to a full price stance.

Over this period the high street has seen unprecedented levels of promotional activity coupled with subdued consumer demand immediately after Christmas. These factors, combined with shortages of some better-selling product, driven by the need to reduce our inherited inventory position, adversely impacted our sales during peak trading.

We have been encouraged by initial customer reaction to the limited amounts of the new management team's Autumn/Winter 2019 stock. However, this has not been sufficient to offset weaker trading on older product.

In aggregate these factors have led to lower than anticipated retail sales of £23m since Black Friday, predominantly online. Whilst we are encouraged by response to the limited ranges that we have introduced, this challenge will remain until the new design philosophy and product can be fully implemented across the entire range, with full impact expected by the launch of Autumn/Winter 2020.

Our Wholesale performance has been impacted by certain timing issues during the quarter. While this shows a further £5m sales shortfall since Black Friday, we expect this to partially reverse during the balance of the financial year.

The benefit of strong gross margins and cost initiatives will not fully offset the profit impact of the aggregate shortfall in sales. Taking into account our revised sales expectations for the balance of the financial year, and the challenging trading environment in which we are operating, we now expect Underlying PBT⁽¹⁾ to be in the range of £nil - 10m.

Julian Dunkerton, Chief Executive Officer, said:

"Everyone at Superdry continues to work intensively to deliver the turnaround of the business. While we have always said it will take time, we continue to make progress in implementing our strategy. A key element of this is to focus on and return to full price sales and reduce promotional activity, and we halved the proportion of discounted sales over our peak trading period, benefitting both our margins and the Superdry brand. However this adversely affected our sales during the peak trading period given the level of promotional activity in the market. Despite this, our disciplined plan to reinvigorate the brand and return Superdry to sustainable long-term growth is on track."

Peak trading performance (10 weeks to 4 January 2020)

| | Change |
|-----------------|---------|
| Group revenue | (15.8)% |
| Channel revenue | |
| Store | (18.5)% |
| E-commerce | (9.3)% |
| Wholesale | (16.9)% |

| Full price sales mix ⁽²⁾ | FY20 | FY19 | YoY change |
|-------------------------------------|------|------|------------|
| Stores | 88% | 46% | +42%pts |
| Ecommerce | 44% | 27% | +17%pts |
| Retail | 73% | 39% | +34%pts |

FY20 Reporting calendar

- 7 May 2020 - **Q4 trading update** (including 13 week Q3 revenue figures)
- 9 July 2020 – **FY20 Preliminary results**

Notes:

- (1) 'Underlying PBT' before the impact of IFRS16, lower depreciation and the utilisation of the onerous lease provision.
- (2) Full price sales mix relates to the proportion of retail sales made at RRP in full price stores and owned websites only.

For further information:

Superdry

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Conference call

Superdry will be hosting a conference call for analyst and institutional investors at 09:00 hours today. A recording of the conference call will be available on www.corporate.superdry.com shortly afterwards.

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|-----------------|----------------------|
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Notes to Editors

Superdry is a global brand, obsessed with design, quality and fit and committed to relentless innovation. We design affordable, premium quality clothing, accessories and footwear which are sold around the world. We have a unique purpose to help our consumers feel amazing through wearing our clothes. We have a clear strategy for delivering continued growth via a disruptive multi-channel approach combining E-commerce, Wholesale and physical stores. We operate in 65 countries, including our development markets of North America and China and have over 4,800 colleagues globally

Cautionary statement

This announcement contains certain forward-looking statements with respect to the financial condition and operational results of Superdry. These statements and forecasts involve risk, uncertainty and assumptions because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. These forward-looking statements are made only as at the date of this announcement. Nothing in this announcement should be construed as a profit forecast. Except as required by law, Superdry has no obligation to update the forward-looking statements or to correct any inaccuracies therein.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain. The person responsible for this announcement on behalf of Superdry is Nick Gresham, Chief Financial Officer.