# H1 FY27 RESULTS

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Dr Martens

# AGENDA



**INTRODUCTION**
IJE NWOKORIE CEO

**H1 FY27 FINANCIAL RESULTS**
GILES WILSON CFO

**H1 UPDATE**
IJE NWOKORIE CEO

# INTRO

IJE NWOKORIE

01

# STRATEGIC PROGRESS IN A CHALLENGING H1

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## Strategic projects delivered

01

## Boots and DTC headwinds

02

## Strong financial discipline

03

# FINANCE REVIEW

## GILES WILSON

# 02

# DISCLOSURE CHANGES

FY27 REPORTING ALIGNS WITH THE NEW OPERATING MODEL

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## REPORTING STRUCTURE

2 REPORTABLE SEGMENTS

| | |
|---|---|
| US | Global Markets (ex US) |

Central: separate, unallocated costs

6 REVENUE-REPORTING CATEGORIES

| | |
|---|---|
| US | UK<br>DACH<br>Japan<br>Other Managed Markets<br>Partner Markets |

## OTHER DISCLOSURES

GROUP LEVEL

DTC:B2B revenue mix
Marketing costs

PRODUCT CLASSIFICATION

Mules move from Sandals to Shoes

c.4%pts FY26 revenue mix shift from Sandals to Shoes

GROSS MARGIN

Retail outbound freight costs reclassified from OPEX to COGS, £2.2m impact H1 FY27 (70bps headwind to gross margin)

No change to previously reported consolidated results

# SUMMARY

## DISAPPOINTING H1 REVENUE PERFORMANCE PARTIALLY OFFSET BY GOOD COST DISCIPLINE

+ Group revenue of £290.4m, down 9.2% CC
+ DTC:B2B revenue mix during the half was 54%:46%
+ Good performance in gross margin
+ Continued operating cost control
+ Adjusted PBT loss of £13.1m CC
+ Interim dividend in line with policy

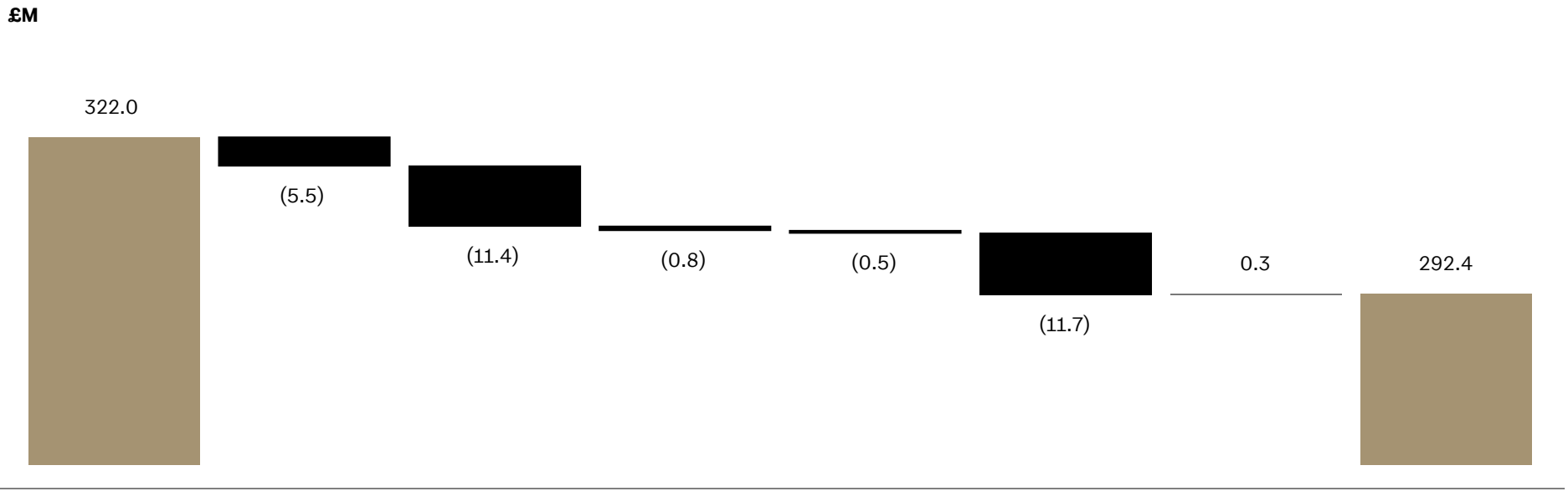
| £M | H127 Reported | H127 CC | H126 Reported |
|---|---|---|---|
| Pairs (m) | 4.2 | | 4.7 |
| Revenue | 290.4 | 292.4 | 322.0 |
| Adjusted EBIT[1] | (2.8) | (2.2) | 3.1 |
| Adjusted PBT[1] | (13.7) | (13.1) | (9.4) |
| EPS (p) | (0.6) | (0.6) | (1.0) |
| Adjusted EPS (p)[1] | (1.0) | (0.9) | (0.9) |
| DPS (p) | 0.85 | | 0.85 |
| Net bank debt | 158.9 | | 154.3 |

1. Alternative Performance Measure (APM) as defined in the Appendix

# REVENUE BRIDGE



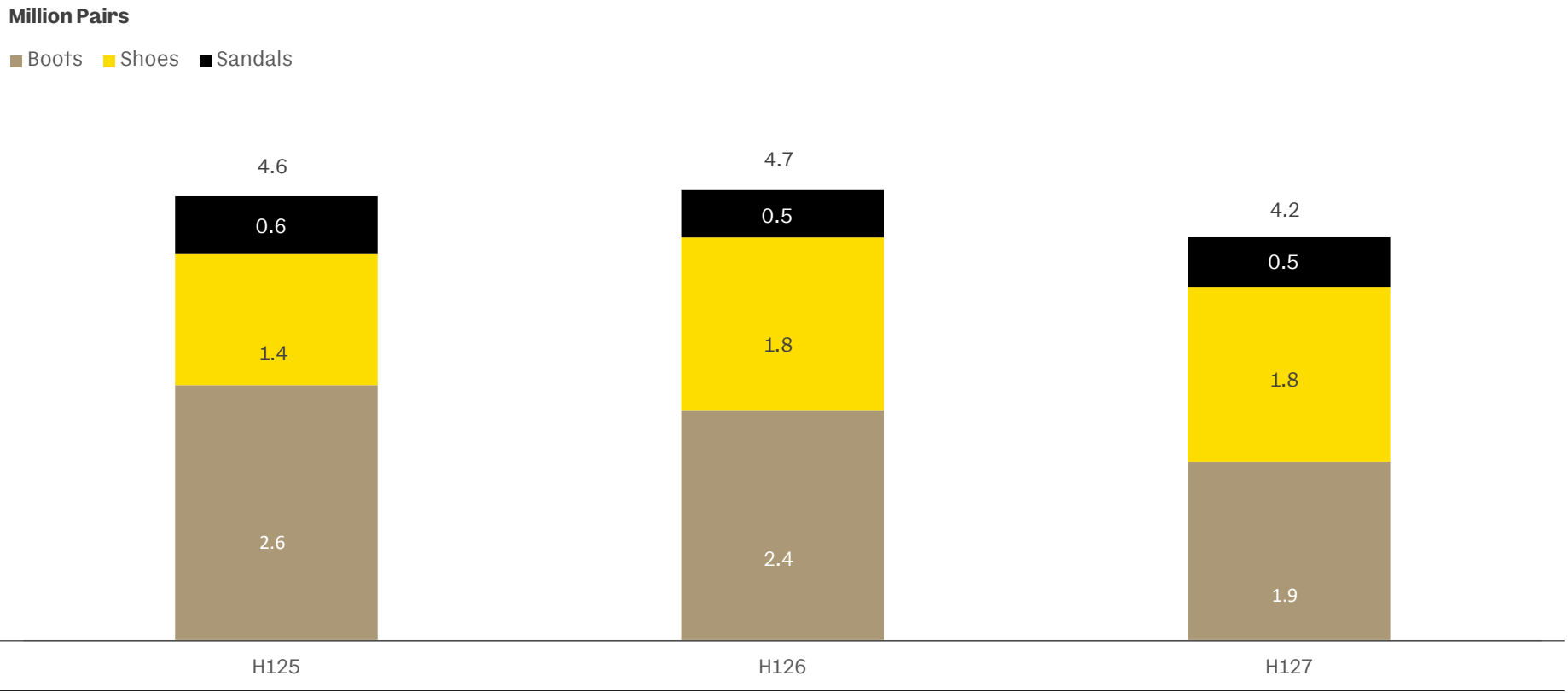
REVENUE DECLINE MAINLY DRIVEN BY EUROPE DTC AND BOOTS



# PAIRS BY PRODUCT CATEGORY

DECLINE IN PAIRS DRIVEN BY BOOTS

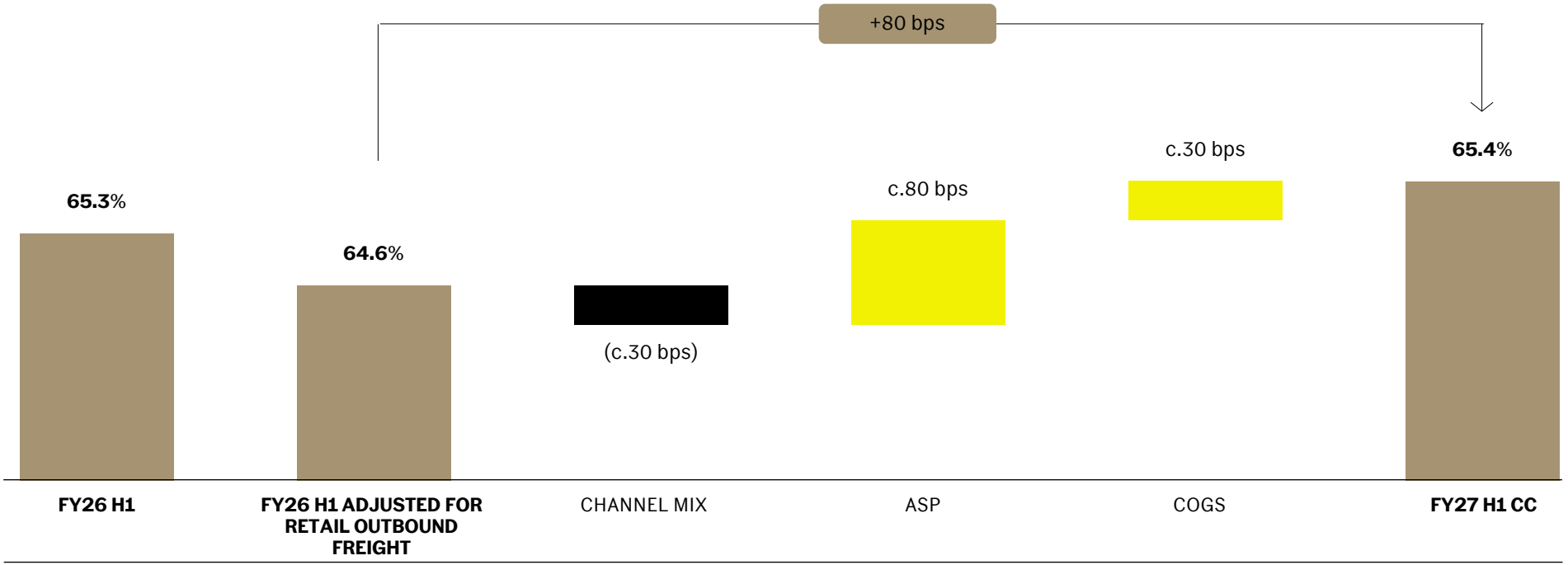




# GROSS MARGIN



GOOD GROSS MARGIN PERFORMANCE DRIVEN BY ASP AND COGS



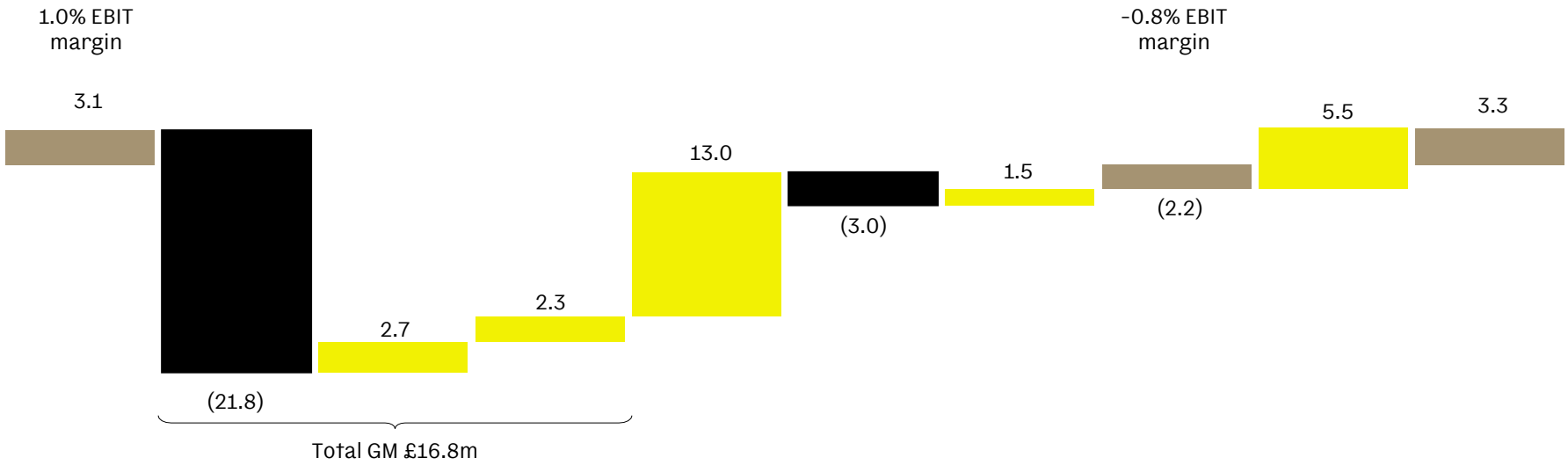

ASP: Average Selling Price

# EBIT BRIDGE



MARGIN IMPROVEMENT AND COST DISCIPLINE MAINLY OFFSETS LOWER VOLUMES

**£M**

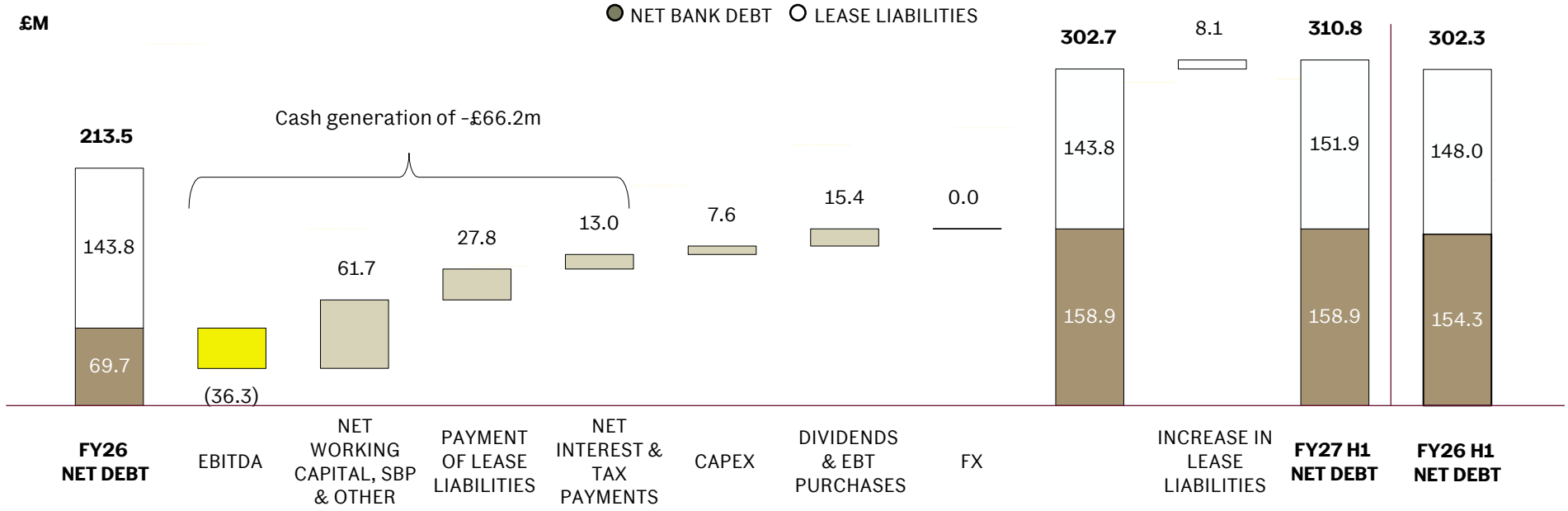



| **FY26 H1 ADJUSTED EBIT** | VOLUME | PRICE & MIX | GROSS MARGIN % | OTHER OPERATING COSTS* | MARKETING COSTS | D&A & OTHER | **FY27 H1 ADJUSTED EBIT CC** | EXCEPTIONALS, IMPAIRMENT AND CURRENCY GAINS/LOSSES | **FY27 H1 EBIT CC** |
|---|---|---|---|---|---|---|---|---|---|

*Adjusted for Retail Outbound Freight

# BALANCE SHEET

## STRONG BALANCE SHEET MAINTAINED




| | | | |
|---|---|---|---|
| **NET DEBT / EBITDA [1]** | **1.4X** | **2.2X** | **2.1X** |
| **AVE. LEASE TERM TO BREAK** | **2.4** | **2.4** | **2.5** |

FY26 net bank debt: Cash £180.3m, Debt £250m. FY27 H1 net bank debt: Cash £91.1m, Debt £250m.
1. On a covenant calculation basis

# H1 UPDATE

## IJE NWOKORIE

# 03

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# FROM CHANNEL FIRST

**“Build it and they will come”**



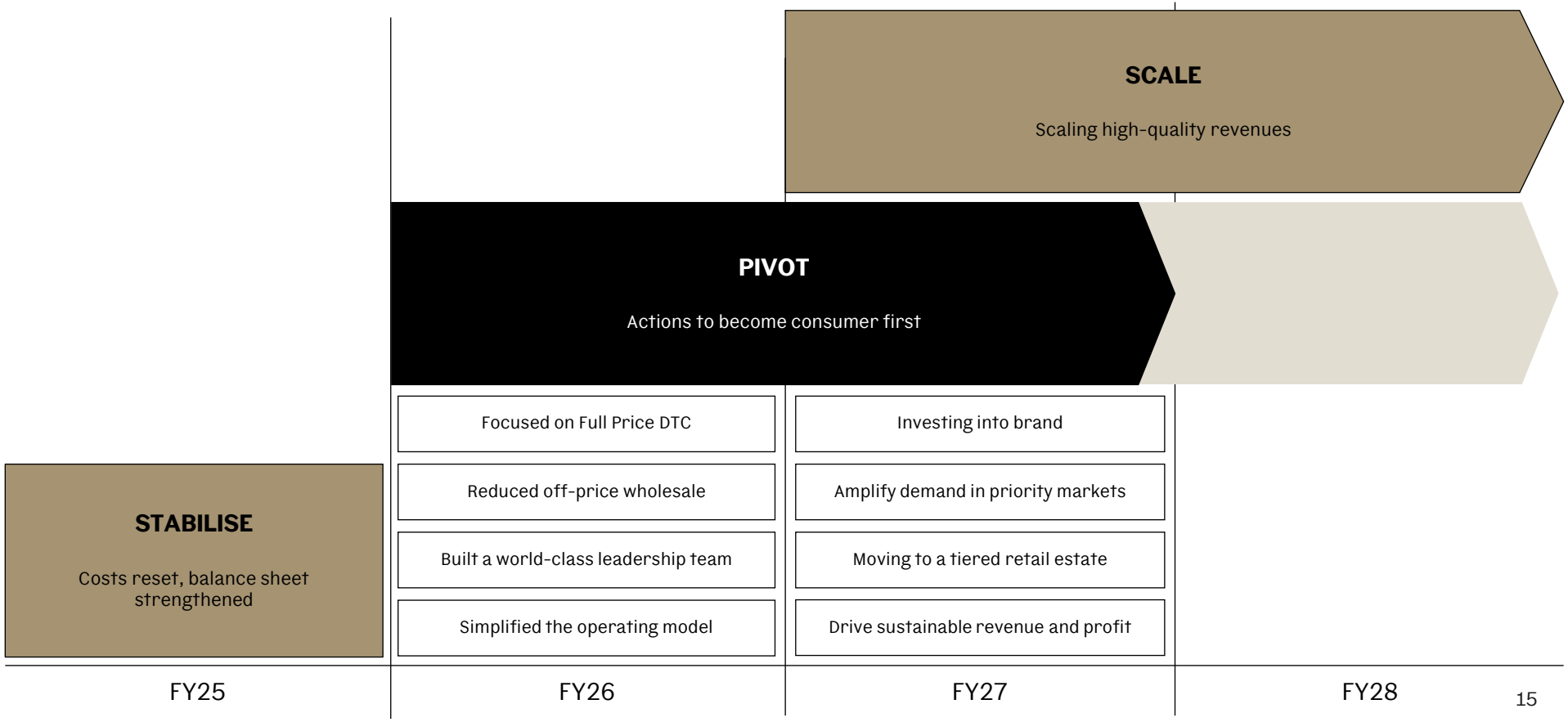
# TO CONSUMER FIRST

**“Earn the right with each wearer”**

# WE ARE BECOMING A CONSUMER-FIRST BUSINESS



WITH A MULTI-YEAR PLAN TO CREATE VALUE



# TO BE THE WORLDS MOST DESIRED



**OUR** **AMBITION**

# PREMIUM FOOTWEAR BRAND

# LEVERS FOR GROWTH STRATEGY



## Consumer

ENGAGE MORE CONSUMERS

## Product

DRIVE MORE PURCHASE OCCASIONS

## Markets

CURATE MARKET-RIGHT DISTRIBUTION

## Organisation

SIMPLIFY THE OPERATING MODEL

# MAINTAINING EXECUTIONAL FOCUS IN FY27

OUR FY27 STRATEGIC OBJECTIVES



| | |
|---|---|
| **Consumer**<br>Drive Full Price revenue mix in UK and DACH | Focused on the second half; trading in the peak months ahead will therefore be key to meeting this objective |
| **Product**<br>Successfully introduce an innovative new sandals range | Wholesale response encouraging ahead of SS27 launch |
| **Markets**<br>Launch new retail concepts in key cities globally | Four Brand Centres open ahead of peak with early trading indicators encouraging |
| **Organisation**<br>Unlock operating model and technology benefits | Strengthened our leadership team with key commercial, growth and design appointments |

# CONSUMER

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**Lead marketing with product, grounded in comfort, craft and confidence**

**Deliver a seamless omni-channel experience tailored to each consumer**

**Build post-purchase engagement to increase purchase frequency and consumer spend**

**01**

**02**

**03**


WITH
SOLES
Bouncing

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# GLOBAL VISIBILITY




LONDON




PARIS




MILAN




HONG KONG




NEW YORK

NEW YORK




TOKYO




BERLIN



# DR. MARTENS X CITADIUM PARIS








# DR. MARTENS X ABC MART JAPAN

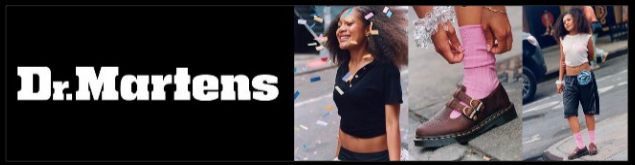
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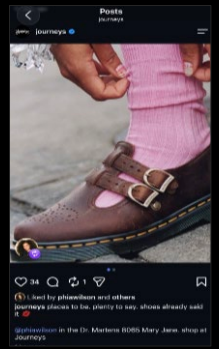

# DR. MARTENS X US WHOLESALE

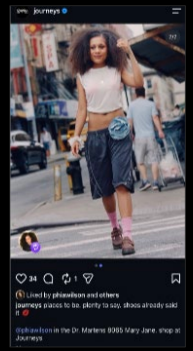
## JOURNEYS









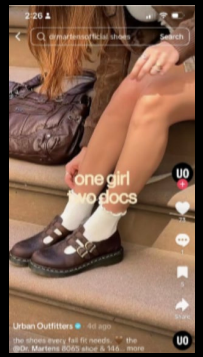



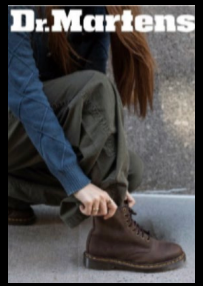


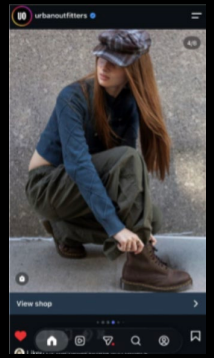


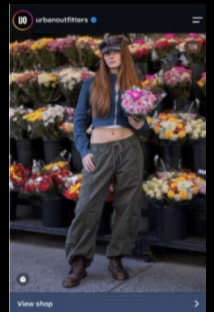


## URBAN OUTFITTERS



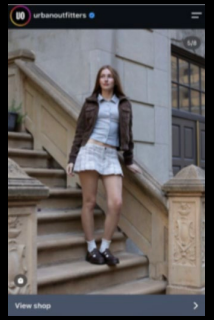



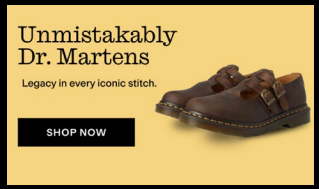



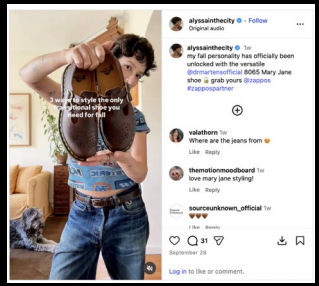


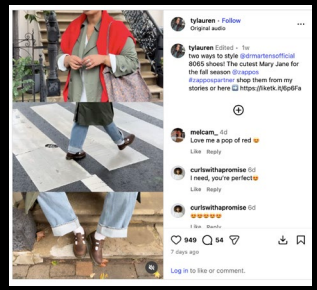


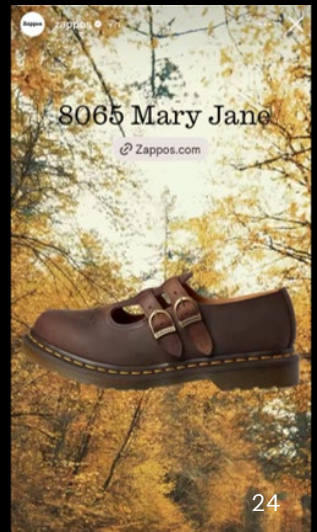



## ZAPPOS



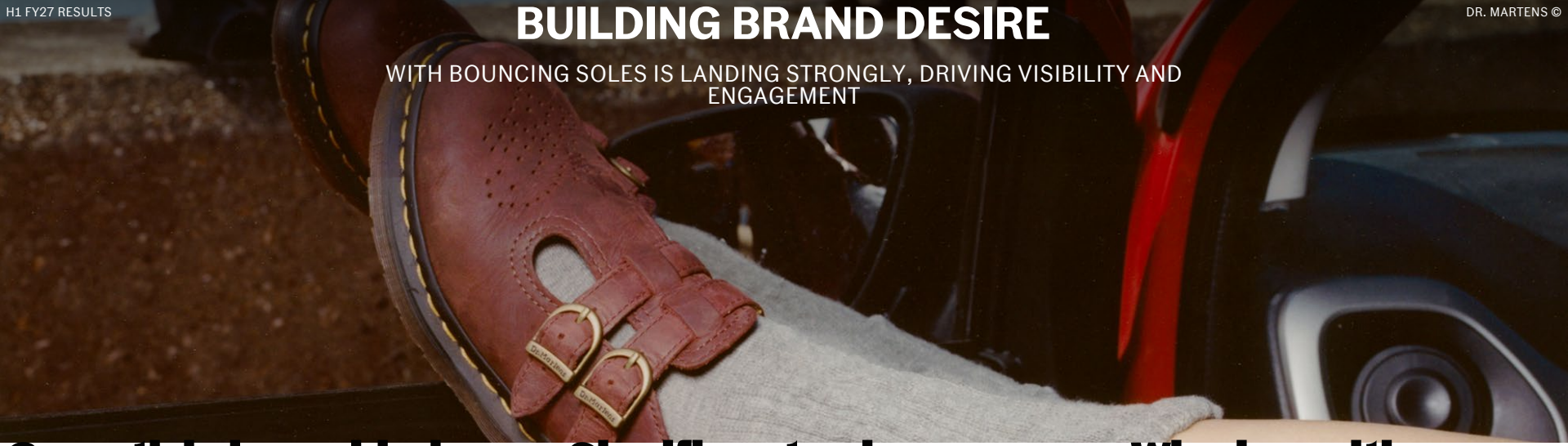



# BUILDING BRAND DESIRE

WITH BOUNCING SOLES IS LANDING STRONGLY, DRIVING VISIBILITY AND ENGAGEMENT



**Growth in brand-led traffic**

**Significant sales growth in Crazy Horse leather**

**Winning with Craft Curators with H1 mix +7ppts**

01

02

03


SHOP OUR SERVICES EXPLORE
SEARCH
DM'S WORLD
29 ARTICLES
WHAT MAKES A BOUNCING SOLE?
9:43
drmartens.com
Dr.Martens
SEARCH

# PRODUCT





**Reinforce premium positioning of our icons through elevated collections**

01

**Manage hero product families to optimise newness across diverse wearing occasions**

02

**Extend our offer in sandals, bags and other adjacent categories**

03

**Innovate to enhance comfort, lightness and sustainability**

04

# MIXED PERFORMANCE BY CATEGORY



## Boots down 20% in a hot summer



## Shoes up 1% on tough comparables



## Sandals up 5%; new range for SS27



## Bags and Accessories: DTC down, B2B growing



# FIXING BOOTS IS A WORK IN PROGRESS



## Core boots in decline

### Black Smooth



## With growth in specific lines

### Crazy Horse



### Lowell Chukka



### Buzz Hi



# MARKETS

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**Expand B2B through long-term product and marketing partnerships with top-tier accounts**

**01**

**Build a differentiated DTC footprint to elevate the brand, aligning operating models to each market**

**02**

**Enter new growth markets with capital-light distribution models**

**03**

# RETAIL STRATEGY

SCALING INTO A FOUR-TIERED RETAIL ESTATE



**c.5%**

## Beacon

An immersive brand destination where consumers experience the full expression of heritage, culture and creativity




**c.10%**

## Brand Centre

A destination to explore the full brand, offering depth, expertise, and elevated experience




**c.70%**

## Brand Store

Offering a clear, convenient, and engaging store that makes it easy to shop the best of the brand




**c.15%**

## Brand Outlet

Offering accessible entry to the brand, offering value without compromising identity



# FRANCE: PARIS LE MARAIS BRAND CENTRE

**Before**




**After: Opened 1 October**



# US : NEW YORK HERALD SQUARE BRAND CENTRE

**Before**



**After: Opened 23 October**



# GERMANY: MUNICH SENDLINGER BRAND CENTRE

**Before**




**After: Opened 5 November**



# US: LA CENTURY CITY BRAND CENTRE





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# SIGNIFICANT GROWTH IN ATV IN UPGRADED STORES



ATV of new Brand Centres significantly higher than comparable stores




COSTANERA CENTER, SANTIAGO, CHILE

# Capital-light expansion through distributors

Signed new distributor for Canada

We now have 3 stores in LATAM and ecommerce sites in Argentina, Mexico and Chile

# ORGANISATION

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**Simplify how we work to drive efficiency, scale and speed**

01

**Optimise the cost base to support strategic priorities**

02

**Build a culture of excellence, care, and accountability, strengthening organisational clarity, talent development and disciplined execution**

03

# ATTRACTING WORLD-CLASS LEADERS



GENERAL MANAGER, SOUTH KOREA

**Justin Lee Seungoh**

Previously: Nespresso, Samsung and Unilever



GLOBAL COMMERCIAL FINANCE DIRECTOR

**Kate Vacovec**

Previously: Yum! Brands (including Pizza Hut)



GLOBAL CUSTOMER DIRECTOR

**Katie Morton**

Previously: Fortnum & Mason and Burberry



GLOBAL MERCHANDISING AND PRODUCT DIRECTOR

**Nadia Svensson**

Previously: Adidas, Zalando and Kathmandu



GLOBAL PRODUCT DESIGN DIRECTOR

**Isadora Versiani**

Previously: Marc Jacobs and Tory Burch



# WHAT WE HAVE DELIVERED





+ With Bouncing Soles global brand platform
+ New ecommerce site
+ New store formats
+ New General Managers
+ Leadership team hires
+ Strong financial discipline
+ Deeper wholesale relationships
+ New generation of collaborations

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# More work to do in Boots and DTC

# WE HAVE CLEAR MEDIUM-TERM FINANCIAL TARGETS



AND WE ARE LEVERAGING OUR BRAND, FINANCIAL FUNDAMENTALS AND OPERATIONAL CONTROL



**01** Profitable revenue growth above the rate of the relevant footwear market

**02** Operational leverage to drive mid to high teens EBIT margin

**03** Underpinned by strong cash generation

# STRATEGIC PROGRESS IN A CHALLENGING H1

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## Strategic projects delivered

01

## Boots and DTC headwinds

02

## Strong financial discipline

03

# Q&A



# APPENDIX

**IR Contact Details / Strategy / Structure / Summary Financials / Capital Allocation / Revenue Breakdown / Retail Store Estate / Balance Sheet / Cash Flow / FX Translation Rates / Detailed Guidance / Alternative Performance Measures / Cautionary Statement**

# 05

# CONTACT DETAILS



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# LEVERS FOR GROWTH STRATEGY



## Consumer

### ENGAGE MORE CONSUMERS

+ Lead marketing with product, grounded in comfort, craft and confidence
+ Deliver a seamless omni-channel experience tailored to each consumer
+ Build post-purchase engagement to increase purchase frequency and consumer spend

## Product

### DRIVE MORE PURCHASE OCCASIONS

+ Reinforce premium positioning of our icons through elevated collections
+ Manage hero product families to optimise newness across diverse wearing occasions
+ Extend our offer in sandals, bags and other adjacent categories
+ Innovate to enhance comfort, lightness and sustainability

## Markets

### CURATE MARKET-RIGHT DISTRIBUTION

+ Expand B2B through long-term product and marketing partnerships with top-tier accounts
+ Build a differentiated DTC footprint to elevate the brand, aligning operating models to each market
+ Enter new growth markets with capital light distribution models

## Organisation

### SIMPLIFY THE OPERATING MODEL

+ Simplify how we work to drive efficiency, scale and speed
+ Optimise the cost base to support strategic priorities
+ Build a culture of excellence, care, and accountability, strengthening organisational clarity, talent development and disciplined execution

# A SIMPLIFIED, MARKET-BASED MODEL ALLOWS A FOCUS ON CONSUMERS

## Group functions

**Central Brand Team**

| Finance & Strategy | Technology | Supply Chain | People | Legal | Product | Marketing | Customer Experience | Sustainability |
|---|---|---|---|---|---|---|---|---|

| Led by a General Manager (GM) | | | | | | Led by the Americas President |
|---|---|---|---|---|---|---|
| **UK** | **DACH** | **France** | **Italy** | **Japan** | **South Korea** | **US** |

| Other Managed Markets | Partner Markets |
|---|---|
| Includes Iberia, Benelux, Nordics, China, Hong Kong | Includes Australia, LATAM, UAE and South East Asian Markets |

# SUMMARY FINANCIALS



| £m | H127 Reported | H127 Constant currency | H126 Reported | % change Reported | % change Constant currency |
|---|---|---|---|---|---|
| Pairs (m) | 4.2 | | 4.7 | -10.5% | |
| **Revenue** | **290.4** | **292.4** | **322.0** | **-9.8%** | **-9.2%** |
| Gross Margin | 189.7 | 191.3 | 210.3 | -9.8% | -9.0% |
| Gross Margin% | 65.3% | 65.4% | 65.3% | 0.0pts | 0.1pts |
| Opex[1] | (159.9) | (160.8) | (173.0) | -7.6% | -7.1% |
| Depreciation and Amortisation[2,3] | (32.6) | (32.7) | (34.2) | -4.7% | -4.4% |
| **Adjusted EBIT[1]** | **(2.8)** | (2.2) | **3.1** | | |
| Adjusted EBIT Margin%[1] | -1.0% | -0.8% | 1.0% | -2.0pts | -1.8pts |
| Net finance expense[3] | (10.9) | (10.9) | (12.5) | | |
| **Adjusted PBT[1]** | **(13.7)** | (13.1) | **(9.4)** | | |
| Exceptionals[1], investment transformation[1], impairment, gain on early lease termination and currency gains/losses | **5.2** | 4.8 | (1.6) | | |
| **PBT** | **(8.5)** | (8.3) | **(11.0)** | | |
| EPS (p) | (0.6) | | (1.0) | | |
| Adjusted EPS (p)[1] | (1.0) | | (0.9) | | |
| DPS (p) | 0.85 | | 0.85 | | |

1. Alternative Performance Measure (APM) as defined in the Appendix
2. Including other gains/losses.
3. Excludes adjusting items

# CAPITAL ALLOCATION FRAMEWORK

HIGHLY CASH GENERATIVE BUSINESS WITH >70% AVERAGE CASH CONVERSION



Target leverage: Net debt (inc. leases) to EBITDA of <1.5x through the year

**Investment into the business**

Investment into the brand
Capex into stores, systems and other investment projects

**Progressive dividend policy**

Target earnings payout of 25%-35%
Discipline and consistency of regular dividends for our shareholders

**Strategic Investments**

Other accretive investment opportunities

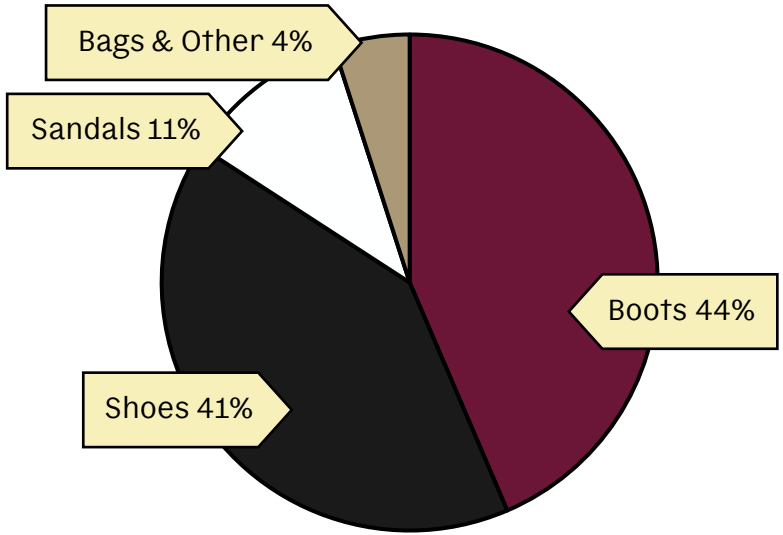
**Additional capital returns**

Excess capital returned to shareholders as appropriate

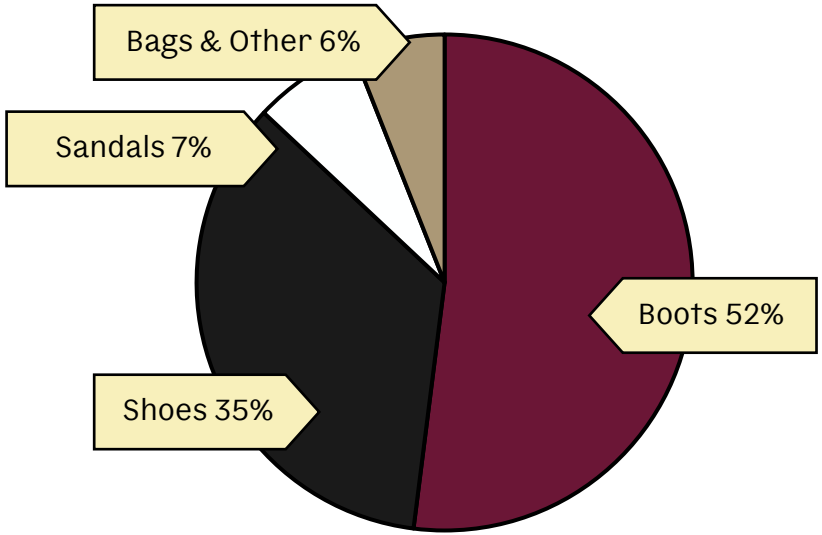
# REVENUE BY CATEGORY



**H1 FY27 Group Revenue**




**FY26 Group Revenue**




Note: FY26 Group Revenue pie has been updated to reflect the reclassification of Mules from Sandals to Shoes

# REVENUE BY CHANNEL



| £m | H127 Reported | H127 Constant currency | H126 Reported | % change Reported | % change Constant currency |
|---|---|---|---|---|---|
| DTC | 155.1 | 156.6 | 179.5 | -13.6% | -12.8% |
| B2B[1] | 135.3 | 135.8 | 142.5 | -5.1% | -4.7% |
| **Total** | **290.4** | **292.4** | **322.0** | **-9.8%** | **-9.2%** |
| DTC Mix | 53.4% | 53.6% | 55.7% | | |
| No. of directly-operated stores | 233 | | 244 | | |

1. Wholesale revenue including distributor customers.

# QUARTERLY REVENUE BY MARKET & CHANNEL

| | Q127 | | | | Q227 | | | | H127 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **YoY Change** | **Reported** | | **CC** | | **Reported** | | **CC** | | **Reported** | | **CC** | |
| Total Revenue | 113.4 | 2.7% | 114.2 | 3.4% | 177.0 | -16.4% | 178.2 | -15.8% | 290.4 | -9.8% | 292.4 | -9.2% |
| **Revenue by market** | | | | | | | | | | | | |
| US | 41.3 | 6.7% | 41.5 | 7.2% | 60.7 | -11.9% | 60.6 | -12.0% | 102.0 | -5.2% | 102.1 | -5.1% |
| UK | 16.6 | -20.6% | 16.5 | -21.1% | 25.5 | -21.5% | 25.5 | -21.5% | 42.1 | -21.2% | 42.0 | -21.3% |
| DACH | 9.7 | 29.3% | 9.6 | 28.0% | 23.8 | -11.2% | 23.9 | -10.8% | 33.5 | -2.3% | 33.5 | -2.3% |
| Japan | 8.5 | -2.3% | 9.3 | 6.9% | 9.5 | -17.4% | 10.4 | -9.6% | 18.0 | -10.9% | 19.7 | -2.5% |
| Other managed markets | 26.6 | -1.8% | 26.6 | -1.8% | 52.1 | -18.1% | 52.4 | -17.6% | 78.7 | -13.2% | 79.0 | -12.9% |
| Partner markets | 10.7 | 42.7% | 10.7 | 42.7% | 5.4 | -34.9% | 5.4 | -34.9% | 16.1 | 1.9% | 16.1 | 1.9% |
| **Revenue by channel** | | | | | | | | | | | | |
| DTC[1] | 75.3 | -7.5% | 76.1 | -6.5% | 79.8 | -18.7% | 80.5 | -17.9% | 155.1 | -13.6% | 156.6 | -12.8% |
| B2B[2] | 38.1 | 31.4% | 38.1 | 31.4% | 97.2 | -14.4% | 97.7 | -13.9% | 135.3 | -5.1% | 135.8 | -4.7% |

1. DTC revenue consists of revenue from the Group's direct-to-consumer (DTC) channels, which is ecommerce plus retail revenue, as defined in the Appendix
2. B2B consists of wholesale revenue including distributor customers

# PREVIOUS QUARTERLY REVENUE BY MARKET



| FY26 | Q1 | | Q2 | | Q3 | | Q4 | |
|---|---|---|---|---|---|---|---|---|
| £m | Reported | % Change Reported | Reported | % Change Reported | Reported | % Change Reported | Reported | % Change Reported |
| **Market:** | | | | | | | | |
| Group | 110.4 | -2.3% | 211.6 | 0.0% | 251.4 | -3.1% | 191.5 | -5.9% |
| US | 38.7 | 4.9% | 68.9 | -0.6% | 83.9 | -3.3% | 67.1 | -13.2% |
| Global markets (ex. US) | 71.7 | -5.7% | 142.7 | 0.2% | 167.5 | -3.0% | 124.4 | -1.4% |
| UK | 20.9 | -7.1% | 32.5 | -3.8% | 46.7 | -10.5% | 35.4 | 5.4% |
| DACH | 7.5 | -28.6% | 26.8 | 8.5% | 32.4 | 9.8% | 20.8 | -5.0% |
| Japan | 8.7 | -5.4% | 11.5 | 4.5% | 14.0 | -6.0% | 12.9 | -11.6% |
| Other Managed Markets | 27.1 | -1.1% | 63.6 | 1.4% | 66.1 | -4.1% | 50.5 | -1.2% |
| Partner Markets | 7.5 | 17.2% | 8.3 | -18.6% | 8.3 | 15.3% | 4.8 | -4.0% |

# DIRECTLY-OPERATED RETAIL STORE ESTATE



| | | 29 March 2026 | Opened | Closed | 27 September 2026 |
|---|---|---|---|---|---|
| **US:** | US | **57** | **-** | **(2)** | **55** |
| **UK:** | UK | **33** | **-** | **(2)** | **31** |
| **DACH:** | Germany | 18 | - | - | 18 |
| | Austria | 2 | - | - | 2 |
| | | **20** | **-** | **-** | **20** |
| **Japan:** | Japan | **48** | **-** | **-** | **48** |
| **Other managed markets:** | France | 19 | - | - | 19 |
| | Italy | 14 | - | - | 14 |
| | Spain | 4 | - | - | 4 |
| | Belgium | 2 | - | - | 2 |
| | Netherlands | 7 | 1 | (2) | 6 |
| | Sweden | 1 | - | (1) | - |
| | Ireland | 1 | - | - | 1 |
| | Denmark | 1 | - | - | 1 |
| | South Korea | 18 | - | - | 18 |
| | China | 7 | 1 | (1) | 7 |
| | Hong Kong | 8 | - | (1) | 7 |
| | | **82** | **2** | **(5)** | **79** |
| **Total** | | **240** | **2** | **(9)** | **233** |

# PARTNER AND FRANCHISE STORES



| | | 29 March 2026 | Opened | Closed | 27 September 2026 |
|---|---|---|---|---|---|
| Japan: | Japan | 25 | - | (1) | 24 |
| | | 25 | - | (1) | 24 |
| Other managed markets: | Italy | 1 | - | - | 1 |
| | Canada | 4 | - | - | 4 |
| | China | 2 | 8 | - | 10 |
| | | 7 | 8 | - | 15 |
| Partner markets: | Argentina | 1 | - | - | 1 |
| | Chile | 1 | 1 | - | 2 |
| | Australia | 21 | 1 | (2) | 20 |
| | New Zealand | 5 | - | - | 5 |
| | Taiwan | 12 | 1 | (13) | - |
| | Indonesia | 11 | 1 | - | 12 |
| | Thailand | 5 | - | (1) | 4 |
| | Malaysia | 3 | - | - | 3 |
| | Philippines | 5 | 1 | - | 6 |
| | | 64 | 5 | (16) | 53 |
| Total mono branded franchise and partner stores | | 96 | 13 | (17) | 92 |

# BALANCE SHEET



| £m | 27 September 2026 | 29 March 2026 | 28 September 2025 |
|---|---|---|---|
| Freehold property | 6.4 | 6.5 | 6.5 |
| Right-of-use assets | 141.1 | 131.3 | 135.8 |
| Other fixed assets | 63.9 | 66.7 | 71.6 |
| Inventory | 205.8 | 160.8 | 199.8 |
| Working capital[1] (excluding inventory) | (38.9) | (43.4) | (38.6) |
| Other[2] | 14.7 | 7.0 | 12.5 |
| **Operating net assets** | **393.0** | **328.9** | **387.6** |
| Pension surplus | 3.0 | 3.0 | - |
| Goodwill | 240.7 | 240.7 | 240.7 |
| Cash | 91.1 | 180.3 | 95.7 |
| Bank Debt | (250.0) | (250.0) | (250.0) |
| Unamortised bank fees | 3.0 | 2.4 | 3.1 |
| Lease Liabilities | (151.9) | (143.8) | (148.0) |
| **Net assets** | **328.9** | **361.5** | **329.1** |

1. Includes bank interest of £2.0m (FY26: £2.1m, H1 FY26: £2.2m).
2. Other includes investments, deferred tax assets, income tax assets, provisions, income tax payables, and deferred tax liabilities.

# CASH FLOW



| £m | H1 FY27 | H1 FY26 |
|---|---|---|
| EBITDA | 36.3 | 35.9 |
| Increase in inventories | (44.3) | (16.0) |
| Increase in debtors | (17.1) | (32.7) |
| (Decrease)/increase in creditors | (3.4) | 6.0 |
| Total change in net working capital | (64.8) | (42.7) |
| Share-based payments | 3.1 | 4.0 |
| Capex | (7.6) | (6.3) |
| **Operating cash flow[1]** | **(33.0)** | **(9.1)** |
| *Operating cash flow conversion[1,2]* | *-90.9%* | *-25.3%* |
| Net interest paid | (8.2) | (8.9) |
| Payment of lease liabilities | (27.8) | (28.0) |
| Tax paid | (4.8) | (4.4) |
| Repurchase of shares | (7.2) | - |
| Derivatives settlement | - | - |
| Dividends paid | (8.2) | (8.2) |
| **Net cash outflow** | **(89.2)** | **(58.6)** |
| Opening cash | 180.3 | 155.9 |
| Net cash exchange translation | - | (1.6) |
| **Closing cash** | **91.1** | **95.7** |

1. Alternative Performance Measure (APM) as defined in the appendix
2. Adjusted operating cash flow conversion1 is -114.4% (H1 FY26: -16.4%).

# FX TRANSLATION RATES



| | GBP/USD | | | GBP/EUR | | | GBP/JPY | | |
|---|---|---|---|---|---|---|---|---|---|
| | **FY27** | **FY26** | **% change** | **FY27** | **FY26** | **% change** | **FY27** | **FY26** | **% change** |
| **H1** | 1.34 | 1.34 | *0.0%* | 1.16 | 1.17 | *-0.9%* | 214 | 196 | 9.2% |
| H2 | - | 1.34 | - | - | 1.15 | - | - | 208 | - |
| **FY** | 1.34 | 1.34 | *0.0%* | 1.16 | 1.16 | *0.0%* | 214 | 202 | 5.9% |

# FY27 GUIDANCE

- Store estate to be broadly flat over the next two years
- Depreciation and Amortisation of around £70m
- Net finance costs of around £24m
- Blended tax rate of c.27%
- Capex of around £30m (including investment in store estate and London head office move)
- Net debt of around £200m, including lease liabilities, with net bank debt of around £50m
- FX revenue sensitivities are as follows: for every 1%pt movement in US dollar c.£3.0m; Japanese Yen c.£0.5m and Euro c.£2.5m



# ALTERNATIVE PERFORMANCE MEASURES



| Metric | Definition | Rationale |
|---|---|---|
| Gross margin | Revenue less cost of sales (mainly raw materials and consumables).<br><br>Revenue and cost of sales are disclosed in the Consolidated Statement of Profit or Loss. | Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies. |
| Gross margin % | Gross margin divided by revenue. | Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies. |
| Exceptional items | Costs or incomes considered significant in nature and/or quantum, and/or relate to activities which are outside the ordinary course of business, and are not reflective of<br>operational performance. | Excluding these items from profit metrics provides readers with helpful information on the underlying performance of the business because it aids consistency across periods and is consistent with how the business performance is planned by, and reported to, the Board. |
| Opex | Selling and administrative expenses less depreciation, amortisation, impairment, other gains/losses, exceptional items, investment in transformation and currency gains/losses. | Opex is used to reconcile between gross margin and EBIT. |
| EBITDA | Profit/loss for the period before income tax expense, finance expense, currency gains/losses, depreciation of right-of-use assets, depreciation, amortisation and impairment. | EBITDA was used as a key profit measure because it shows the results of normal, core operations exclusive of income or charges that are not considered to represent the underlying operational performance. EBIT is now considered a more relevant measure, but EBITDA continues to be reported for bank covenant purposes. |
| EBITDA % | EBITDA divided by revenue. | Was used to evaluate growth trends, establish budgets and assess operational performance and efficiencies. |
| EBIT | Profit/loss for the period before net finance expense and income tax expense. | EBIT is used as a key profit measure because it shows the results of normal, core operations exclusive of only income or charges that relate to capital and tax burdens. |
| EBIT % | EBIT divided by revenue. | Used to evaluate growth trends, establish budgets and assess operational performance and efficiencies. |
| Adjusted EBIT | EBIT before exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses. | Used as a key profit measure because it shows the results of normal, core operations exclusive of income or charges that relate to capital and tax burdens, exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses. This improves comparability between periods by eliminating the effect of non-recurring costs and large currency gains/losses. |

# ALTERNATIVE PERFORMANCE MEASURES (CONTINUED)



| Metric | Definition | Rationale |
|---|---|---|
| Adjusted EBIT margin | Adjusted EBIT divided by revenue. | Used to evaluate growth trends, establish budgets and assess operational performance and efficiencies. |
| Operating cash flow | EBITDA less change in net working capital, share-based payment expense and capital expenditure. | Operating cash flow is used as a trading cash generation measure because it shows the results of normal, core operations exclusive of income or charges that are not considered to represent the underlying operational performance. |
| Operating cash flow conversion | Operating cash flow divided by EBITDA. | Used to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditure and working capital requirements. |
| Adjusted operating cash flow conversion | Operating cash flow divided by EBITDA excluding the impact of exceptional items and investment in transformation on EBITDA and working capital. | Used to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditure and working capital requirements, exclusive of the impact of exceptional items and investment in transformation |
| Net debt | Net debt is calculated by subtracting cash and cash equivalents from bank loans (excluding unamortised bank fees) and lease liabilities. | To aid the understanding of the reader of the financial statements in respect of the claim of debt providers on the business. |
| Adjusted profit before tax | Profit/loss before tax and before exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses. | Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies on an underlying basis exclusive of exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses. |
| Adjusted profit after tax | Profit/loss after tax and before exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses. | Adjusted profit after tax is the denominator for the calculation of adjusted basic and diluted earnings per share. |
| Basic earnings per share | The calculation of earnings per ordinary share is based on earnings after tax and the weighted average number of ordinary shares in issue during the period. | A higher EPS indicates greater value because investors will pay more for a company's shares if they think the company has higher profits relative to its share price. |
| Adjusted basic earnings per share | The calculation of adjusted earnings per ordinary share is based on profit/loss after tax excluding exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses and the weighted average number of ordinary shares in issue during the period. | Helps evaluate basic earnings per share exclusive of exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses that are not considered to represent the underlying operational performance. |
| Adjusted diluted earnings per share | Calculated by dividing the profit/loss after tax attributable to ordinary equity holders of the parent excluding exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares that would have been issued on the conversion of all dilutive potential ordinary shares into ordinary shares. | Helps evaluate diluted earnings per share exclusive of exceptional items, investment in transformation, impairment of non-financial assets, gain on early lease termination and currency gains/losses that are not considered to represent the underlying operational performance. |

# CAUTIONARY STATEMENT



## CAUTIONARY STATEMENT RELATING TO FORWARD-LOOKING STATEMENTS

Announcements, presentations to investors, or other documents or reports filed with or furnished to the London Stock Exchange (LSE) and any other written information released, or oral statements made, to the public in the future by or on behalf of Dr. Martens plc and its group companies ("the Group"), may contain forward-looking statements.

Forward-looking statements give the Group's current expectations or forecasts of future events. An investor can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as 'aim', 'ambition', 'anticipate', 'estimate', 'expect', 'intend', 'will', 'project', 'plan', 'believe', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance or results of current and anticipated products, expenses, the outcome of contingencies such as legal proceedings, dividend payments and financial results. Other than in accordance with its legal or regulatory obligations (including under the Market Abuse Regulation, the UK Listing Rules and the Disclosure and Transparency Rules of the Financial Conduct Authority), the Group undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. The reader should, however, consult any additional disclosures that the Group may make in any documents which it publishes and/or files with the LSE. All readers, wherever located, should take note of these disclosures. Accordingly, no assurance can be given that any particular expectation will be met and investors are cautioned not to place undue reliance on the forward-looking statements.

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