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11 January 2021

Dr. Martens Limited
Announcement of Intention to Publish a Registration Document and Potential IPO on the main market of the London Stock Exchange

Dr. Martens Limited (the "**Company**", and together with its subsidiaries and subsidiary undertakings, the "**Group**" or "**Dr. Martens**"), the iconic global brand that has empowered rebellious self-expression for over 60 years, announces that it is considering an initial public offering (the "**IPO**" or the "**Offer**") and that it intends to publish today a registration document (the "**Registration Document**"). The Company is considering applying for admission of its ordinary shares to the premium listing segment of the Official List of the FCA and to trading on the main market of the London Stock Exchange ("**Admission**").

Dr. Martens Highlights:

- Dr. Martens is an iconic global brand and one of the most recognised footwear brands in the world, selling in excess of 11 million pairs of footwear annually in more than 60 countries with revenues of £672m in the year ended 31 March 2020
- Dr. Martens "perfectly" invented and launched its first boot in 1960, the eight-holed 1460 boot, with a yellow welt stitch, grooved sole and black and yellow heel loop, which remains largely unchanged today. The unique DNA of the 1460 is defined and preserved in the Originals product category which sits at the core of the product strategy and informs the aesthetics for all other footwear categories
- Dr. Martens started out as a humble work boot, but was quickly adopted by youth cultures as a symbol of their individual self-expression and rebellious spirit. Six decades on, wearers continue to adopt the brand to express their unique style and alternative spirit but do so through a modern lens

- Today, consumers continue to be attracted by Dr. Martens' unique DNA and uncompromising quality. Maintaining the high standards wearers expect is paramount for Dr. Martens. The Group's culture is rooted in an approach of "doing the right thing" and the Group's management and employees consider themselves custodians of the Dr. Martens brand
- Dr. Martens' management team believe that a direct-to-consumer (retail and e-commerce) channel strategy is crucial for enabling the brand and business to reach their full potential in scale, in a sustainable way. A direct-to-consumer channel strategy allows for more direct touchpoints with consumers, better showcase of the footwear and the brand, access to more data, and more controlled and strategic management of the brand
- The e-commerce channel has been one of the key contributors to Dr. Martens' substantial growth in recent years, and is expected to continue to be the main driver of growth over the coming years. The Group also sells its footwear through more than 130 own retail stores, which act as profitable and important consumer touchpoints, as well as concessions and through a business-to-business channel encompassing a high-quality network of strategic wholesale customers, distributors and franchisees. In the twelve months ended 31 March 2020 and the six months ended 30 September 2020, the Group's direct-to-consumer channel contributed 45% and 34%, respectively, of the Group's revenue (e-commerce (20% and 24%) and retail (25% and 11%)), while the business-to-business channel contributed 55% and 66%, respectively, of revenue
- Dr. Martens operates across three geographic regions that comprise the Group's three reporting segments: EMEA, Americas and APAC. In the twelve months ended 31 March 2020, EMEA contributed 43% of the Group's revenue, Americas 37% and APAC 20%
- Since its acquisition by IngreLux S.àr.l. ("**IngreLux**"), a Luxembourg company owned by funds advised by Permira, in 2014, Dr. Martens has made significant investments in professionalising the business and in its operational backbone and capabilities, shifting its focus to emphasise the direct-to-consumer channel, allowing it to grow rapidly in recent years, delivering a strong and improving financial profile
- In the twelve months ended 31 March 2020 ("**FY20**"), Dr. Martens generated revenue of £672.2 million and EBITDA (post-IFRS 16) of £184.5 million (FY20 EBITDA margin of 27.4%). In the period from FY18 to FY20, the Group achieved revenue CAGR of 39% and an EBITDA CAGR (on a pre-IFRS 16 basis) of 81%. Dr. Martens had Group revenue of £318.2 million in the six months ended 30 September 2020, growing 18% year-on-year, and EBITDA (post-IFRS 16) of £86.3 million for the same period, growing 30% year-on-year

Paul Mason, Chairman of Dr. Martens, said:

"Today marks an important milestone for Dr. Martens and is testament to the skill and hard work of our management team, as we build the business to match the scale and potential of our brand. We have made significant investment in the business over the last few years to strengthen the team, our operations and position ourselves for the next exciting stage of development, as a publicly listed company.

We're also committed to strong corporate governance and making sure we always do things the right way. This is clearly illustrated by the strength and diversity of our four Non-Executive Director appointments who bring a wealth of complementary skills and experience to help guide Dr. Martens in this new chapter. I am exceptionally proud of where we have come from, but more importantly where we can go in the future in growing the business and creating value for all our stakeholders."

Kenny Wilson, Chief Executive of Dr. Martens, added:

"The announcement of our intention to float reflects the great achievements of the Dr. Martens team and brand over the last seven years. Even more important is the significant global growth potential for Dr. Martens in the future. Our iconic brand appeals to a diverse range of consumers around the world who wear our footwear to express their individual style. We have invested massively to ensure that we deliver the best digital and store experiences to connect with our wearers, and through this we are driving our long term, sustainable growth.

It is the people of Dr. Martens who make the brand and the culture so unique, and I would like to extend a heartfelt thanks to them for their passion and effort in growing our business so significantly and in delivering through the testing times of the pandemic over the last year. We have an exciting future ahead of us both as a plc and also as we continue to build and develop the Dr. Martens brand."

Potential Offer Highlights:

Should Dr. Martens proceed with an IPO, the current expectation is that:

- The Company's shares would be admitted to the premium listing segment of the Official List of the FCA and to trading on the main market of the London Stock Exchange
- The Offer would comprise a secondary sell-down of existing ordinary shares by IngreLux and certain other existing shareholders – there would be no primary element to the Offer
- The Offer would be a targeted offering to institutional investors outside the United States pursuant to Regulation S and to QIBs in the United States pursuant to Rule 144A under the United States Securities Act of 1933 (the "**Securities Act**")
- Immediately following Admission, the Company would have a free float of at least 25% of issued share capital and expects that it would be eligible for inclusion in the FTSE UK indices. In addition, it is expected that Shares representing up to a further 15% of the Offer will be made available pursuant to an over-allotment option
- Any additional details in relation to the Offer, together with any changes to corporate governance arrangements would be disclosed in an Intention to Float announcement and/or the Prospectus, if and when published
- The Company has engaged Goldman Sachs International ("**Goldman Sachs**") and Morgan Stanley & Co. International plc ("**Morgan Stanley**") as Joint Global Co-ordinators, and

Barclays Bank PLC ("**Barclays**"), HSBC Bank plc ("**HSBC**"), Merrill Lynch International ("**BofA Securities**") and RBC Europe Limited ("**RBC Capital Markets**") as Joint Bookrunners in the event the Offer proceeds. Lazard & Co., Limited ("**Lazard**") is acting as Financial Adviser to the Company

A copy of the Registration Document will be submitted to the National Storage Mechanism and will be available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism once approved by the FCA. A copy of the Registration Document will also be available online at www.drmartensplc.com, subject to certain access restrictions.

Access to supplemental information for bona-fide, unconnected research analysts: Information in relation to the Company will be made available via a link to unconnected research analysts today. In addition, Dr. Martens may, subject to sufficient demand from unconnected research analysts, hold a presentation at 13:00 (London time) on 13 January 2021. Please contact David Myers (david.myers@drmartens.com) at the Company if you are a research analyst and would like to receive access to the information and/or to confirm your interest in attending a presentation. The Company reserves the right to not hold any presentation for unconnected research analysts.

Investment Highlights:

Iconic brand and iconic product

- At the heart of Dr. Martens is a truly iconic British brand with over 60 years of heritage which has stood the test of time. The Group’s boots are timeless cultural icons that are immediately recognisable, offering enduring appeal, legendary durability and cult status that surpass trends
- Without losing its distinctive British heritage, the brand has become a global icon with millions of wearers worldwide and displayed in the collections and exhibitions of cultural institutions such as the Victoria and Albert Museum and MOMA
- The brand remains a canvas for rebellious self-expression across generations and is adopted by a broad and diverse range of wearers, who identify with the brand’s spirit of rebelliousness and resilience and adopt the boots in their own individual style
- The 1460 is Dr. Martens’ most iconic product having been “perfectly” invented six decades ago. The 1460 is immediately recognisable with Dr. Martens’ distinctive features: trademark yellow welt stitch, grooved sole and black and yellow heel loop
- The unique DNA of the 1460 is defined and preserved in the 1461 and in the rest of the Originals product category. Originals sit at the core of the product strategy and represented 60% of the Group’s revenue in FY20. The Originals category inform the aesthetics for all other footwear categories: Fusion, Kids and Casual

Appeal to a broad global consumer base

- Dr. Martens appeals to a broad consumer base while retaining a distinctive identity and product. While the Group’s marketing strategy is influenced by alternative consumers who have their own individual style with a proud sense of “self-expression”, the brand resonates with and is worn by a much broader audience. This strategy is summarised by the phrase: “to talk to everyone, you need to talk to someone”
- Dr. Martens’ footwear appeals to a broad customer base with a balanced mix across gender,

age, income and geographic regions. For example, in the UK the split by gender of Dr. Martens wearers in the previous 24 months was 49% and 51% for female and male, respectively. By age, in the UK, it was 35%, 21% and 44% for 16 to 35 years old, 35 to 44 years old and 45 to 60 years old, respectively, which is closely aligned with the footwear market

- Dr. Martens' wearers enter the brand at a relatively young age compared to the overall footwear market, with over 50% of new entrants into the Dr. Martens' brand in the UK being under 35 years old and stick with the brand through their life

Wearers love their Docs

- Dr. Martens' consumers are highly engaged and have a strong preference for the brand, as demonstrated by the brand's leading NPS rank in all markets surveyed. For example, in the UK Dr. Martens' NPS is 61% higher than the average of Nike, Adidas, Vans, Timberland and Converse

- Consumers are loyal to Dr. Martens owning, on average, more than two pairs of Dr. Martens in all markets surveyed, with more than 60% of consumers considered repeat shoppers

- Wearers follow the brand through their life stages, with 72% of consumers who first bought Dr. Martens footwear more than five years ago saying they continued buying Dr. Martens and 67% didn't consider any other brand in their purchase decision

- Dr. Martens' footwear is highly versatile, worn by customers for "almost anything". For example, in the UK 36% of Dr. Martens customers say they wear their Dr. Martens for "almost everything" and 52% say they wear their Dr. Martens every week

Direct-to-consumer led model enabling Dr. Martens to control its own destiny

- Dr. Martens has focused on growing through direct-to-consumer channels, so it can enable control of brand engagement with wearers, and represent the best environment to showcase the brand. Dr. Martens has rapidly grown direct-to-consumer channels to comprise 45% of revenue in FY20, up from 26% in FY15

- Driving the direct-to-consumer acceleration is Dr. Martens' e-commerce channel which is its primary channel of focus and made up 20% of revenue in FY20, up from 7% in FY15. The scale of Dr. Martens' e-commerce business, as a percentage of revenue, is outstanding when compared to other leading global footwear players

- E-commerce enables the Group to offer consumers an extended footwear range and provides a channel to communicate directly with wearers. It therefore reinforces the brand as a strong point-of-sale and enhances Group profit margins given the profitability of the e-commerce business

- Dr. Martens' e-commerce platform is complemented by the retail channel, comprising 130 stores as at 30 September 2020 primarily located in key cities globally. The retail channel contributed 25% of revenue in FY20, up from 19% in FY15. Retail is an economically attractive channel with stores acting as profitable brand beacons and as a driver for e-commerce growth as new stores increase brand awareness

- Dr. Martens' wholesale channel provides physical distribution via third parties in locations or markets where the Group typically has a small number of stores or no stores. In many markets, wholesale presents a better route-to-market, via large, established third party store networks, and it also plays a significant role in increasing brand awareness globally, in particular in new markets. The Group has focused on optimising its wholesale account base and has prioritised its top wholesale account partners. Dr. Martens wholesale customers are now largely limited to best-in-class retailers who act as custodians of the brand and the Group is focused on expanding partnerships to make a more seamless experience with the Group's own direct-to-consumer network

Infrastructure built to scale

- Dr. Martens has built an integrated global supply chain so the business can scale sustainably across geographies and channels, in addition to reducing costs

- In July 2018, Dr. Martens strengthened its leadership team further, bringing on an experienced COO, Geert Peeters, to lead fundamental changes across the global supply chain function making it more modern, flexible, and sophisticated to support the growth of the business

- Dr. Martens has developed, and begun to implement, a comprehensive set of supply chain strategies that focus on de-risking supply by diversifying the supply base; developing solid capabilities to plan for consumer demand and align supply chain capacity; implementing robust demand and supply processes to accurately anticipate consumer demand; establishing and maintaining strong strategic relationships with suppliers; investing in a top-talent team; and enhancing the Group's IT systems to support management of a bigger, more complex supply chain

- Dr. Martens has de-risked its supply chain by diversifying both the supplier and factory base, outside of China, as well as establishing a detailed bottom-up supply chain cost savings programme. The Group has been able to continually scale production capacity to meet the volume growth, whilst at the same time reducing China production from 46% of pairs in FY19 to 32% in FY20

Track record of sustainable and profitable growth

- Dr. Martens has a powerful growth strategy which has historically led to profits growing at a faster rate than sales. In the period from FY18 to FY20 Dr. Martens grew the number of pairs sold at a CAGR of 27%. Over the same period, channel mix and product mix enabled revenue growth of 39% and, together with the delivery of the first phase of supply chain savings, enabled gross profit growth of 47%. Over the same period, EBITDA grew (on a pre-IFRS 16 basis) at a CAGR of 81%. Operating expenses have grown over the period, with a selling and administrative expenses CAGR of 33%, as the Group invested significantly in scaling and professionalising the business

- Dr. Martens has shown broad based growth across all channels and geographies. In the period from FY18 to FY20 the Group's e-commerce, wholesale and retail channel revenues grew at a CAGR of 77%, 34% and 30%, respectively, while the Americas, EMEA and APAC regions grew revenue at a CAGR of 47%, 39% and 27%, respectively

- The Group has strong profitability with FY20 EBITDA margin of 27% and strong cash flow generation, as evidenced by 77% operating cash flow conversion in FY20, reflecting the

Group's capital efficient growth model

Experienced management team – custodians of the brand

- Dr. Martens has appointed a highly experienced and dedicated management team with a proven track record, led by Kenny Wilson, CEO, who joined Dr. Martens in 2018 with more than 30 years of experience leading consumer brands. Other key hires over the last six years include a Chief Financial Officer, three regional presidents, a Chief Operating Officer, a Chief Product and Marketing Officer and a Chief Digital Officer

- Dr. Martens is focused on building organisational capabilities and providing a culture for success and believes that its philosophy PxWxR: Priorities x Who x Relationships is a critical enabler of success

- Dr. Martens' management team make decisions for the long-term success of the business and brand and believe that they act as custodians for the Dr. Martens' brand

Large market opportunity

- The Group believes that it has a significant opportunity to expand in the £341 billion global footwear market

- Dr. Martens worked with a third party advisor to quantify headroom for growth based on attributes of the Group's present customer base in the UK, France, Italy, Germany, United States, Japan and China. Based on consumer surveys, the Group identified 154 million consumers across these markets who have similar attitudinal profiles as the 16 million consumers who have bought Dr. Martens footwear in these countries in the last 24 months

- The number of pairs sold per capita highlights how underpenetrated Dr. Martens is in many large markets, for example, in the US and China in FY20 Dr. Martens sold 12 and less than 1 pairs of boots per 1,000 population, respectively, compared to 31 pairs per 1,000 population in the UK

- As Dr. Martens operates in markets over time, the brand tends to reach consumers with broader attitudinal profiles and so the Directors would anticipate that the opportunity in the seven markets assessed would increase even further over time as the attitudinal profiles of consumers broadens

<u>Group Strategy:</u>

Dr. Martens is focused on delivering sustainable and profitable growth and driving long term value for the brand and its shareholders. The Directors believe there is a medium term opportunity to grow the business substantially while delivering on their responsibility to act as brand custodians, always focusing on long-term value. The Group is aiming to deliver this by continuing to execute its tried and tested DOCS strategy:

- **Direct-to-consumer led growth – controlling our destiny:** Growing the brand through direct-to-consumer channels which enable control of the brand engagement with consumers, and represent the best environment to showcase the brand

    - Fuel e-commerce growth; drive retail growth; elevate the brand across all touch points

- **Operational excellence:** Continuing to professionalise and invest in operational infrastructure to unlock value and enable growth
    - Build a best-in-class integrated supply chain; transform IT into a key business enabler
- **Consumer connection:** Build meaningful relationships with consumers
    - Create deeper connections with more consumers; continue to sharpen the product strategy; accelerate its sustainability journey
- **Sustainable global growth:** Grow Dr. Martens in the right way
    - Prioritise resource towards key global markets; grow quality wholesale

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FURTHER INFORMATION ON THE GROUP

<u>Trading Information:</u>

Impact of the COVID-19 Pandemic

During the course of the COVID-19 pandemic, despite the majority of the Company's stores being closed for a number of months, Dr. Martens has continued to perform strongly. In the six months ended 30 September 2020, revenue increased by £49.5 million, or 18%, to £318.2 million, from £268.7 million in the six months ended 30 September 2019. Pairs sold in the period increased 14% to 5.5 million compared to 4.8 million for the same period last year. Revenue from the e-commerce channel increased by 99%, representing 24% of total revenue, offsetting a decrease of 47% in the retail channel, whilst revenue from the wholesale channel increased by 25%. EBITDA increased by £19.7 million, or 30%, to £86.3 million, from £66.6 million in the six months ended 30 September 2019, driven by both increased volumes as well as improved gross margin from unusually low levels of discretionary spend and deferral of a number of planned investments in the period to the second half of FY21 due to spending restrictions implemented in the early weeks of the COVID-19 pandemic.

Preliminary Trading Update for the three month period ended 31 December 2020

Dr. Martens continued to perform strongly in the three months ended 31 December 2020, despite continued store closures due to the COVID-19 pandemic. In line with expectations, Dr. Martens delivered revenue growth of 9% in the third quarter of FY21 compared to the same period last year. Direct-to-consumer channel revenue growth was 13% year-on-year, reflecting e-commerce revenue growth of 60% partially offset by a retail revenue decline of 33% following temporary store closures (mainly in EMEA) and other social distancing restrictions due to COVID-19. Wholesale revenue (including distributor and franchise revenue) was up 4% year-on-year.

On a year to date basis, represented by the nine months to 31 December 2020, Group revenue was up 14% year-on-year. Direct-to-consumer channel revenue growth was 10% year-on-year, as e-commerce revenue grew by 74% partially offset by a retail revenue decline of 40%. Wholesale revenue (including distributor and franchise revenue) grew by 16% year-on-year. As a result of the mix shift in the period, e-commerce revenue represented 30% of year to date revenue compared to 20% for the same period last year.

Dr. Martens Key Performance Indicators and Financial Information

The following key metrics are monitored by Dr. Martens to assess the financial and operating performance of its business:

	Year ended 31 March			**Six months ended 30 September**	
			(£000,000)		
	2018	**2019**	**2020**	**2019**	**2020**
				(unaudited)	
Financial KPIs					
Revenue	348.6	454.4	672.2	268.7	318.2
Gross profit	186.0	260.6	401.5	155.2	186.3
EBITDA..	50.0	85.0	184.5	66.6	86.3
EBITDA (pre-IFRS 16)	50.0	85.0	164.4	57.1	74.8
Operating cash flow(1)	43.9	55.0	141.6	10.5	69.2
Margins (%)					

	Year ended 31 March			Six months ended 30 September	
			(£000,000)		
	2018	**2019**	**2020**	**2019**	**2020**
				(unaudited)	
Gross margin (*unaudited*)	53.4%	57.3%	59.7%	57.8%	58.5%
EBITDA margin (*unaudited*)	14.3%	18.7%	27.4%	24.8%	27.1%
EBITDA margin (pre-IFRS 16) (*unaudited*)	14.3%	18.7%	24.5%	21.3%	23.6%
Non-financial KPIs					
Pairs (million)	6.9	8.3	11.1	4.8	5.5
Own stores	94	109	122	112	130
E-commerce mix	13%	16%	20%	14%	24%
Direct-to-consumer mix	40%	44%	45%	38%	34%

Note:
(1) FY20, H1 FY20 and H1 FY21 are on a post-IFRS 16 basis.

Set out below is a description of the Non-IFRS measures used by the Group:

- **EBITDA, EBITDA (pre-IFRS 16), EBITDA margin and EBITDA (pre-IFRS 16) margin.** The Group defines EBITDA as profit/(loss) for the year before income tax expense, finance expense, foreign exchange losses, depreciation of right of use assets, depreciation, amortisation and exceptional items. Exceptional items are material items that are considered exceptional in nature by virtue of their size and/or incidence. The Group defines EBITDA margin as EBITDA divided by revenue.

  The Group defines EBITDA (pre-IFRS 16) as EBITDA before adoption of IFRS 16. IFRS 16 was adopted by the Group on 1 April 2019. The Group used the modified retrospective transition approach. IFRS 16 does not allow comparatives to be restated if this method is used. Therefore EBITDA (pre-IFRS 16) is presented to enable consistent comparison between periods. The Group defines EBITDA (pre-IFRS 16) margin as EBITDA (pre-IFRS 16) divided by revenue.

- **Operating cash flow and operating cash flow conversion.** The Group defines operating cashflow as EBITDA less change in net working capital and capital expenditure. The Group defines operating cashflow conversion as operating cashflow divided by EBITDA.

Set out below is a description of the key performance indicators used by the Group:

- **Pairs sold.** The Group defines pairs sold as the number of pairs of boots and shoes sold.
- **Number of stores.** The Group defines number of stores as the Group's own stores on streets and malls operated under arm's length leases.
- **E-commerce mix.** The Group defines e-commerce mix as revenue from the company's own e-commerce websites as a percentage of total revenue.
- **Direct-to-consumer mix.** The Group defines direct-to-consumer mix as revenue from the direct-to-consumer channels (e-commerce and retail) as a percentage of total revenue.

Consolidated statement of comprehensive income

	Year ended 31 March			Six months ended 30 September	
			(£000,000)		
	2018	2019	2020	2019	2020
				(unaudited)	
Revenue	**348.6**	**454.4**	**672.2**	**268.7**	**318.2**
Cost of sales	(162.6)	(193.8)	(270.7)	(113.5)	(131.9)
Gross profit	**186.0**	**260.6**	**401.5**	**155.2**	**186.3**
Selling and administrative expenses	(145.8)	(192.6)	(259.0)	(107.8)	(121.5)
Operating profit	**40.2**	**68.0**	**142.5**	**47.4**	**64.8**
EBITDA	**50.0**	**85.0**	**184.5**	**66.6**	**86.3**
Exceptional items	(1.8)	(5.2)	(12.0)	(3.7)	(3.0)
EBITDA (post-exceptional items)	**48.2**	**79.8**	**172.5**	**62.9**	**83.3**
Depreciation, amortisation and forex gains/(losses)	(8.0)	(11.8)	(30.0)	(15.5)	(18.5)
Operating profit	**40.2**	**68.0**	**142.5**	**47.4**	**64.8**
Finance expense	(39.5)	(39.1)	(41.5)	(21.2)	(22.9)
Profit before income tax	**0.7**	**28.9**	**101.0**	**26.2**	**41.9**
Income tax expense	(6.4)	(11.7)	(26.2)	(8.9)	(12.4)
Profit/(loss) for the period/year attributable to the owners of the parent	**(5.7)**	**17.2**	**74.8**	**17.3**	**29.5**

Reconciliation of EBITDA to EBITDA presented on an IAS 17 basis:					
EBITDA	**50.0**	**85.0**	**184.5**	**66.6**	**86.3**
Expenses under IAS 17[(1)]	-	-	(20.1)	(9.5)	(11.5)
EBITDA presented on an IAS 17 basis	**50.0**	**85.0**	**164.4**	**57.1**	**74.8**

(1) Represents lease expense that would have been incurred if IAS 17 had applied to the periods to 30 September 2020 and 30 September 2019 (*unaudited*), and the year ended 31 March 2020

Consolidated statement of financial position

	As at 31 March			As at 30 September
			(£000,000)	
	2018	2019	2020	2020
Non-current assets				
Intangible assets	248.5	251.8	257.2	259.8
Property, plant and equipment	23.6	26.9	32.7	31.4
Right-of-use assets	-	-	82.0	79.6
Deferred tax assets	4.4	6.0	7.4	7.4

	As at 31 March			As at 30 September
	(£000,000)			
	2018	**2019**	**2020**	**2020**
	276.5	**284.7**	**379.3**	**378.2**
Current assets				
Inventories	39.8	53.9	90.0	128.0
Trade and other receivables	43.1	53.1	68.2	92.8
Income tax assets	-	-	0.3	0.8
Derivatives and financial assets	-	0.1	1.5	-
Restricted cash	-	-	-	4.2
Cash and cash equivalents	86.4	58.4	117.2	146.8
	169.3	**165.5**	**277.2**	**372.6**
Total assets	**445.8**	**450.2**	**656.5**	**750.8**
Current liabilities				
Trade and other payables	(45.9)	(53.2)	(88.9)	(141.8)
Borrowings – Bank	(4.1)	(3.2)	(20.0)	(20.0)
– Lease liabilities	-	-	(21.8)	(19.5)
Provisions	-	(1.5)	-	(0.8)
Derivatives and financial liabilities	(0.1)	-	-	(0.2)
Income tax payable	(5.5)	(6.6)	-	(1.2)
	(55.6)	**(64.5)**	**(130.7)**	**(183.5)**
Non-current liabilities				
Trade and other payables	(2.9)	(5.7)	-	-
Borrowings – Bank	(72.6)	(71.1)	(74.3)	(65.9)
– Redeemable preference shares	(343.4)	(316.4)	(312.9)	(330.1)
– Lease liabilities	-	-	(66.6)	(69.3)
Provisions	(0.7)	(0.9)	(1.5)	(1.6)
	(419.6)	**(394.1)**	**(455.3)**	**(466.9)**
Total liabilities	**(475.2)**	**(458.6)**	**(586.0)**	**(650.4)**
Net assets/(liabilities)	**(29.4)**	**(8.4)**	**70.5**	**100.4**
Equity attributable to owners of the parent				
Share capital	-	-	-	-
Share premium reserve	10.0	-	-	-
Hedging reserve	(0.1)	0.1	1.5	(0.2)
Capital reserve – own shares	-	-	-	(0.6)
Capital redemption reserve	-	(186.0)	(165.8)	(165.8)
Foreign currency translation reserve	4.3	7.4	10.1	8.0

	As at 31 March			As at 30 September
		(£000,000)		
	2018	2019	2020	2020
Retained earnings	(43.6)	170.1	224.7	259.0
Total equity	**(29.4)**	**(8.4)**	**70.5**	**100.4**

Consolidated statement of cash flows

	Year ended 31 March			Six months ended 30 September	
			(£000,000)		
	2018	2019	2020	2019	2020
				(unaudited)	
Cash flows from/(used in) operating activities	46.0	56.0	121.4	(3.3)	65.4
Cash used in investing activities	(16.4)	(17.1)	(21.9)	(9.4)	(11.6)
Cash flows used in financing activities	(9.3)	(69.3)	(44.0)	(35.2)	**(22.3)**
Net (decrease) / increase in cash and cash equivalents	20.3	(30.4)	55.5	(47.9)	31.5
Cash and cash equivalents at beginning of year	67.2	86.4	58.4	58.4	**117.2**
Effect of exchange on cash held	(1.1)	2.4	3.3	1.9	(1.9)
Cash and cash equivalents at end of year	**86.4**	**58.4**	**117.2**	**12.4**	**146.8**

	Year ended 31 March			Six months ended 30 September	
			(£000,000)		
	2018	2019	2020	2019	2020
				(unaudited)	
EBITDA	50.0	85.0	184.5	66.6	86.3
Change in net working capital	10.3	(12.9)	(21.0)	(46.7)	(8.9)
Capital expenditure	(16.4)	(17.1)	(21.9)	(9.4)	(8.2)
Operating cash flow	**43.9**	**55.0**	**141.6**	**10.5**	**69.2**
Exceptional items	(1.8)	(4.7)	(8.0)	(3.7)	(1.3)
Pension contribution in excess of charge	(0.4)	-	-	-	-
Net interest paid	(5.3)	(5.2)	(5.4)	(1.6)	(4.9)
Payment of lease liabilities	-	-	(20.4)	(9.5)	(10.7)
Taxation	(5.5)	(12.1)	(34.5)	(19.5)	(10.7)
Net cash foreign exchange[1]	(7.7)	3.1	3.7	1.9	(1.9)
Free cash flow	**23.2**	**36.1**	**77.0**	**(21.9)**	**39.7**
Preference share redemption	-	(60.0)	(35.0)	(35.0)	-

	Year ended 31 March			Six months ended 30 September	
			(£000,000)		
	2018	**2019**	**2020**	**2019**	**2020**
				(unaudited)	
Facilities drawn down	-	10.0	20.0	11.7	9.3
Repayment of amounts drawn down in relation to the above	-	(10.0)	-	-	(9.3)
Bank borrowings repayments	(4.0)	(4.1)	(3.2)	(0.8)	(6.7)
Other loans made	-	-	-	-	(3.4)
Net cash flow	19.2	(28.0)	58.8	(46.0)	29.6
Opening cash	67.2	86.4	58.4	58.4	117.2
Closing cash	**86.4**	**58.4**	**117.2**	**12.3**	**146.8**

(1) Including £1.9 million loss for the period ended 30 September 2020 (Sep 19: £1.9 million gain; Mar 20: £3.3 million gain; Mar 19: £2.4 million gain; Mar 18: £1.1 million loss) relating to cash and the balance mainly relating to working capital.

Board Information

Paul Mason (Chair)

Paul was appointed as chair of the Board in September 2015. He has extensive experience in retail and consumer brand businesses, having chaired six consumer businesses over the past 12 years. Paul has had a career spanning many different international brands and retail formats including Cath Kidston and Tommee Tippee. Prior to joining the Group, Paul was the chief executive officer of Somerfield PLC. In this role he led the successful re-engineering of the business and sold the company to Co-op in 2009. He also held positions as European president of Levis Strauss, chief executive officer of Matalan PLC and chief operating officer and chief executive officer of Asda following its acquisition by Walmart. Paul has a Bachelor of Arts from the University of Manchester.

Kenny Wilson (Chief Executive Officer)

Kenny Wilson was appointed Chief Executive Officer of Dr. Martens in July 2018. He has 30 years of experience in building and growing global consumer brands. Kenny spent 19 years at Levi Strauss & Co where he was a key player in expanding the Levi’s brand across the European region, as president, Levi’s brand EMEA and senior vice president, commercial operations. Prior to joining the Group, Kenny was chief executive officer at Cath Kidston for 7 years. Before that he was president, Europe for Claire’s Accessories, where he doubled profitability in two years and led a team that delivered impressive expansion across Europe. Kenny has a Master of Arts in English from Aberdeen University.

Jon Mortimore (Chief Financial Officer)

Jon Mortimore was appointed Chief Financial Officer of the Group in April 2016. He is an experienced CFO with over 30 years of experience. Prior to joining the Group, Jon was the chief financial officer of Avant Homes, which was successfully sold to a consortium of funds in 2015. Before that he was the chief financial officer of Travelodge and was the finance director for both WHSmith Retail and Hodder Headline. Jon has a Bachelor of Science from the University of East Anglia and is a Chartered Accountant.

Lynne Weedall (Senior Independent Non-Executive Director)

Lynne Weedall was appointed as the senior independent non-executive director of the Board in January 2021. Over 30 years, Lynne has led and advised boards and their teams on large, complex transformations from numerous executive and board non-executive roles in a wide variety of sectors and ownership models including FTSE 100, family owned, joint venture and founder led. Most notably she held the position of group human resource and strategy director for Carphone Warehouse plc as part of the leadership team that demerged Talk Talk plc, created a joint venture with Best Buy Inc. and re-listed Carphone Warehouse following the joint venture exit. She then went on to become group human resource director of the merged business, Dixons Carphone plc, as well as overseeing the merger integration. Most recently she was Group human resource director for Selfridges Group where she advised on Selfridges Group people strategy. Prior to these roles, Lynne held senior human resource and line management roles at Whitbread plc, BUPA and Tesco plc. She was appointed to the board of Greene King plc in 2012 as non-executive director and remuneration committee chair and remains an advisor to the new owners, CK Assets, post the sale in 2019. Alongside this, she now has a portfolio of non-executive roles including senior independent director at Treatt plc (an international natural extracts and ingredients manufacturer) and remuneration committee chair at both William Hill plc and Stagecoach plc. She is also a director of TruePoint, an international consultancy firm specialising in bridging the gap between purpose, strategy and execution.

Tara Alhadeff (Non-Executive Director)

Tara Alhadeff was appointed to the Board in May 2015. Tara joined Permira in 2008 and is a partner. At Permira she is responsible for brand investing and has extensive experience in the consumer sector. Tara is a member of the board of directors of Hana Group and Golden Goose and has experience as a member of the boards of several other companies including Iglo Group. Prior to joining Permira, Tara worked in investment banking at Morgan Stanley in New York and London. Tara has a Bachelor of Science in Economics from Cambridge University and a Master of Business Administration from Harvard.

Ije Nwokorie (Independent Non-Executive Director)

Ije Nwokorie was appointed to the Board as an independent non-executive director in January 2021. Ije has built a career balancing technology, creativity and leadership built on his experience of growing up in Nigeria, a world where commerce, culture and creativity are necessarily intertwined with everyday life. Ije has been the senior director for retail marketing EMEIA for Apple from January 2018. Prior to that, he spent 11 years at the global brand consultancy Wolff Olins, where he was chief executive officer of the group’s offices in London, Dubai, New York and San Francisco and helped some of the world’s most exciting businesses from eBay to EE build their brands for the digital age. He is also a board member of Charity Water and will become the Chair of Trustees for Chineke!, the first professional orchestra in Europe to be made up of majority black, Asian and ethnic minority musicians. Ije has a master’s degree in architecture from Columbia University. He has been named one of the UK’s 50 most creative leaders by Creative Review, by GQ as one of the UK’s most connected men and by the Powerlist as one of the 100 most influential people of African or African Caribbean heritage in the United Kingdom.

Robyn Perriss (Independent Non-Executive Director)

Robyn Perriss was appointed to the Board as an independent non-executive director in January 2021. Robyn has significant experience in both the technology and media industries, having served as finance director at Righmove plc, the UK’s largest property portal and a FTSE 100 business until June 2020. She has first-hand experience of high growth through digital disruption, whilst driving improvements in governance and strategic oversight by building capability within organisations. Robyn previously held senior roles at Rightmove including as financial controller and company secretary. Before joining Rightmove, Robyn was group financial controller at Auto Trader. Robyn joined Softcat plc, a leading provider of IT infrastructure to the corporate and public sectors, as an independent non-executive director and Audit Committee Chair in July 2019. She has recently embarked on a portfolio career and joined the board of Next 15 Communications Group plc, as an independent non-executive director in November 2020 and will assume the role of Audit Committee Chair in February 2021. She qualified as a Chartered Accountant in South Africa with KPMG and worked in both audit and transaction services. Robyn has a Bachelor of Commerce (Honours in Accounting) from the University of Kwa-Zulu Natal, South Africa.

Ian Rogers (Independent Non-Executive Director)

Ian Rogers was appointed to the Board as an independent non-executive director in January 2021. Ian is the chief experience officer at Ledger, overseeing their consumer-facing offer protecting digital assets under management. Prior to that, Ian was the chief digital officer at LVMH for five transformative years, working with a portfolio of nearly one hundred brands across fashion and leather goods, perfumes and cosmetics, wines and spirits, selective retail and hospitality, including Louis Vuitton, Dior, Sephora and Hennessy. Ian spent twenty years bringing digital music to the mainstream, first with Winamp (as webmaster, sold to AOL in 1999), then Mediacode (as president and chief technology officer, sold to Yahoo! in 2003) and at Beats Music (as chief executive officer, sold to Apple in 2014). Ian contributed to the 2015 launch of Apple Music including Beats 1, their digital streaming channel. Ian built some of the earliest music-related websites in the early 90s and started working with the Beastie Boys in 1993, a relationship which continues to today. Ian has a Bachelor of Arts in Computer Science (with honours, Phi Beta Kappa) from Indiana University.

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