



14 June 2021

### **Matalan results for the 52 weeks ended 27 February 2021**

Matalan, a leading omni-channel fashion and homeware retailer of family value, announces its results for the 52 weeks ended 27 February 2021.

#### **Financial highlights**

- Total revenue of £744.1m (2020: £1,129.4m)
- EBITDA profit post adoption of IFRS16 of £80.5m (2020: profit of £183.0m) <sup>1</sup>
- Restated EBITDA loss under IAS17 of £(21.5)m (2020: profit of £80.3m)
- Strong closing cash of £110.0m (2020: £61.2m)

<sup>1</sup> EBITDA is reported before and after the adoption of IFRS 16-Leases, to also reflect performance under the previous accounting standard IAS17-Leases.

#### **Performance overview**

##### ***Commenting on performance Steve Johnson, Executive Chairman of Matalan, said:***

“Today’s results reflect the severity of the impact Covid-19 has had on the business, with our stores enduring mandated closures in 7 out of the 12 months of the financial year. Whilst rapidly increased fulfilment capacity enabled both new and existing customers to switch into the online channel, which has now doubled its turnover over the last two years, this only partly mitigated the demand lost from the store closures. Despite this, such capacity enhancements and the newly created ability to fulfil online demand from store inventory will serve customers well as we move forwards and continue to develop our omni-channel capabilities.

The business diligently took the necessary steps to manage the financial impacts of such unprecedented and unforeseen circumstances. This included raising additional financing, tightly managing working capital, costs and capex, and working with our stakeholders to preserve cash. As such, liquidity has been well managed and resilient. Decisive action ensured we were not only able to manage through the lockdowns, but also be set up to trade well when the stores were permitted to re-open.

In line with Government guidelines, we began reopening our stores across the UK throughout April and early May and saw a strong and encouraging level of pent up demand from customers. As has been the case throughout the Covid-19 pandemic, when permitted to trade, our stores have performed well, with customers reassured by our large, safe and convenient out of town shopping environments. Alongside strong store performance since reopening, the complementary online channel has continued to grow strongly with click and collect remaining extremely popular. Whilst we have welcomed such a positive customer response, we are mindful that the initial demand levels are not indicative of what will undoubtedly be a tough retail landscape. We therefore proceed with caution, although are confident that the format and locations of our store estate, the sustainable growth opportunity within our online channel, and our value positioning within the market, leave us well placed to recover our performance.

Whilst focussed on the immediate period of recovery, there remain many opportunities to develop and grow the business by further enhancing customer choice and experience, alongside evolving our operating model to enable greater agility and efficiency. We will continue to pursue such opportunities.

I would like to thank our colleagues, suppliers and all other stakeholders for their continued commitment, resilience and support throughout what has been the most challenging year the retail sector has ever faced. We will continue to work together to navigate our recovery and the tangible opportunities ahead.”

**Ends**

**Enquiries:**

**FTI Consulting**            **020 3727 1000**  
Alex Beagley  
Georgina Goodhew  
Eleanor Purdon  
Fern Duncan

**About Matalan**

Matalan, a leading out of town fashion and homeware retailer, serves its customers through 230 stores in the UK, an e-commerce platform and 48 overseas franchise stores. The ultimate parent company of Matalan is Missouri Topco Limited, with the group being ultimately controlled by the Hargreaves family.