



19 July 2021

### **Matalan results for the 13 weeks ended 29 May 2021**

Matalan, a leading omni-channel fashion and homeware retailer of family value, announces its results for the 13 weeks ended 29 May 2021.

#### **Financial highlights**

- Total revenue of £221.8m (2021: £75.3m)
- EBITDA profit post adoption of IFRS16 of £41.8m (2021: loss of £(10.2)m) <sup>1</sup>
- Restated EBITDA profit under IAS17 of £15.9m (2021: loss of £(35.8)m)
- Strong closing cash of £141.8m (2021: £40.9m)

<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:***

“In line with Government guidelines, our stores reopened throughout April to a high level of pent up demand, with the response from customers to our convenient, large and safe shopping environments being extremely positive. As a result, stores have traded well and coupled with our online channel continuing to deliver strong growth, our performance across April and May was also ahead of the corresponding period two years ago.

A key focus for us during the spring was not only to welcome customers back into our stores but to sell through the large volume of residual winter stock we carried over into the year. We achieved our objective of cleansing our stock mix by the end of May as well as getting an enthusiastic reaction from customers to the new ranges as they landed. Ladieswear was notably strong as customers sought fresh Spring looks after several months of lockdown with our fantastic new dress ranges getting a particularly great reception.

We are pleased with the customer response to our stores re-opening. However the profile of demand continues to be volatile with ongoing uncertainty regarding the impact of the removal of the remaining Covid-19 restrictions, and what will undoubtedly be a tough retail and economic landscape this winter. Coupled with a choppy inbound supply chain, as territories around the globe continue to manage their own response to the pandemic, this means we remain cautious and measured in our planning for the months ahead.

Whilst our priority remains this immediate period of recovery, we have also developed an exciting growth plan that builds on our strong existing apparel-led proposition and transitions Matalan into being a truly multi-branded omnichannel lifestyle retailer. This strategy represents a customer led and multi-year evolution, taking what is already great about Matalan and driving the core business forward, building our capabilities, unlocking new growth and repositioning our brand.

Our initial focus will remain close to our core proposition, with detailed customer research and segmentation showing that we have clear opportunities both to appeal to new and existing customers with a wider offer in fashion and to significantly broaden our home offer into new and adjacent categories. In the near term this will be achieved by utilising our exceptional design and direct sourcing capabilities to refresh and extend our proprietary own label offer, as well as gradually introducing more carefully selected third party partnerships both in store but particularly online. In doing so we will always retain our absolute focus on delivering outstanding value for money for our customers.

Our plan also ensures that we invest in and develop our supply chain and digital capabilities further in order to both enhance our customers' experience and to boost our own operating agility and efficiency. One of the most tangible and visible steps on this journey is the introduction of greater automation into our Knowsley warehouse which will see phase one complete later this year, providing significant additional online capacity and improved service for our customers. Less visible but equally important, we are already well progressed in developing the first phase of ranging opportunities ahead of them landing for customers early next year.

My thanks go to all of our colleagues who continue to demonstrate every day their talent and their commitment to serving our customers and delivering on the 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 229 stores in the UK, an e-commerce platform and 49 overseas franchise stores. The ultimate parent company of Matalan is Missouri Topco Limited, with the group being ultimately controlled by the Hargreaves family.