

FATFACE

MADE FOR LIFE™

10th January 2022

FatFace Group (“FatFace or “the Group”) Trading Update for the Christmas Period of 5 weeks to 1 January 2022 and H1 Results for the 26 weeks to 27 November 2021

FATFACE HALF YEAR AND CHRISTMAS SALES BOOSTED BY DIGITAL GROWTH

Will Crumbie, CEO of FatFace, said:

“I’m delighted to be reporting an excellent set of Christmas trading results and I’d like to extend my thanks to all FatFace crew for their hard work throughout the peak period.

Looking back at our performance in the first half of the financial year, our focus on digital transformation supported by a highly productive store estate drove positive growth across the business with profitability returning to more normalised levels. Internationally, our US business continued to grow strongly and gives us a great platform for future growth.

As we look ahead, we will continue to execute our digital first strategy. We are on track and momentum is with us - we have a fantastic brand, a strong ESG agenda, and product ranges for the whole family to live life in.”

CHRISTMAS TRADING (5 weeks to 1 January 2022)

- Total sales growth of +22% (+3% on a 2-year like-for-like basis) with digital channels performing ahead of expectations.
 - Digital sales up +21% (+62% on 2 years) driven by average order value +14%
 - Business digital mix of 47%, up from 28% 2 years ago
 - International sales up +24% (+48% on 2 years) driven by focus on customer acquisition in the US market and strong own channel ecommerce growth
 - Most popular product categories included knitwear and nightwear
- In a highly promotional market FatFace maintained a full price proposition throughout the peak trading period.
- Strong focus on supply chain management and customer services helped mitigate the wider challenges impacting the sector.
- After the challenges of the pandemic, we closed all our stores on Boxing Day this year to allow our teams to enjoy a well-deserved break and spend time with loved ones over the festive season.

H1 RESULTS (26 weeks to 27 November 2021)

	£m	vs LY	vs 2 Years
Digital	48	32%	61%
Stores	77	81%	(8%)*
Total Sales	125	58%	4%

Operational Highlights

- Investment in digital transformation supported strong digital sales of +32% (+61% on 2 years) driven by increased traffic and new customer acquisition
- Business digital mix reaching 38%, up from 25% 2 years ago
- International business up 92% (+33% on 2 years). This is now 7% of the total business, driven by US ecommerce up 143% (+118% on 2 years) despite the challenges with supply chain delays and the pandemic
- Profitability (EBITDA) has returned to pre-pandemic levels, with a positive net cash position
- Launch of FatFace first ever baby collection extending the kidswear offer from new-born to 13-year-olds
- New partnerships with both M&S (online) and Next (baby range) increased brand reach and new customer acquisition

Sustainability

- Remain on track to meet our 2025 targets with two key milestones achieved in the half:
 - 100% cotton is now being sourced from sustainable sources
 - Achieved carbon neutrality across emission types 1 & 2
- Launched a new 75-year partnership with the National Forest supporting the goal to be carbon neutral
- A second-hand clothing offer, FatFace PreLoved, was also launched in partnership with Thrift+

ENDS

Notes

Digital is a combination of own channel ecommerce and our Partners

*Like-for-like stores includes UK, ROI and US, excluding travel locations

Media enquiries

Headland

Lucy Legh / Joanna Clark

Tel: +44 (0)20 3805 4822

Email: fatface@headlandconsultancy.com

About FatFace

FatFace is a British, family, lifestyle clothing brand that is Made for Life. With a unique heritage, FatFace creates product ranges across womens, mens, kids, footwear and accessories for the whole family to live life in. Our products are designed with purpose and built to last. Considered Style. Trusted Quality. Sustainably sourced.

FatFace is a multichannel retailer with a thriving international digital business as well as over 180 stores in the UK, 20 stores in the US and a highly engaged social community. FatFace is a brand with sustainability at its core with clear strategy around three key pillars – product, planet, and community. Devoted to style, dedicated to sustainability.