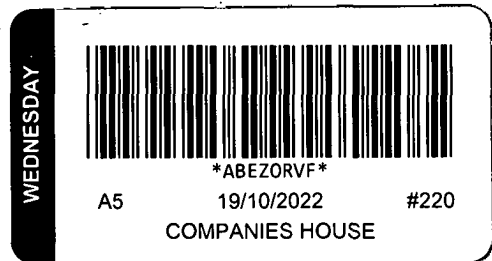


AFH Stores UK Limited

Annual Report and Financial Statements
For the period ended January 29, 2022

Registered Number: 06423604



AFH Stores UK Limited

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AFH Stores UK Limited

Company information

DIRECTORS

Anna Mollerstrom
Gregory Henchel

INDEPENDENT AUDITORS

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REGISTERED OFFICE

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AFH Stores UK Limited

Strategic Report

For the period ended January 29, 2022

The Directors present their Strategic Report and financial statements of AFH Stores UK Limited (the "Company") for the period ended January 29, 2022. The Company's fiscal year ends on the Saturday closest to January 31, typically resulting in a fifty-two week year, but occasionally giving rise to an additional week, resulting in a fifty-three week year. These financial statements represent the period January 31, 2021 to January 29, 2022. The comparative period is February 2, 2020 to January 30, 2021.

Principal activities and review of business

The Company is a specialty retailer that operates 22 stores and direct-to-consumer (DTC) operations, offering a broad assortment of apparel, personal care products and accessories for men, women and kids under the Company's two brand-based segments: Hollister, which includes the Company's Hollister and Gilly Hicks brands, and Abercrombie, which includes the Company's Abercrombie & Fitch and abercrombie kids brands. The brands share a commitment to offering products of enduring quality and exceptional comfort that allows customers to express their own individuality and style.

The Company has seen, and may continue to see, material adverse impacts as a result of COVID-19. The extent of future impacts of COVID-19 on the Company's business, including the duration and impact on overall customer demand, are uncertain as current circumstances are dynamic and depend on future developments, including, but not limited to, the duration and spread of COVID-19, the emergence of new variants of the coronavirus disease and the availability and acceptance of effective vaccines or medical treatments.

Key performance indicators & Future developments

Impact of COVID-19

In March 2020, the COVID-19 outbreak was declared to be a global pandemic by the World Health Organization. In response to COVID-19, certain governments imposed travel restrictions and local statutory quarantines and the Company experienced widespread temporary store closures. During periods of temporary store closures, reductions in revenue have not been offset by proportional decreases in expense, as the Company continues to incur store occupancy costs such as operating lease costs, net of rent abatements agreed upon during the period, depreciation expense, and certain other costs such as compensation, net of government payroll relief, and administrative expenses resulting in a negative effect on the relationship between the Company's costs and revenues.

Although local and global economies have begun to recover from the COVID-19 pandemic as many health and safety restrictions have been lifted and vaccine distribution has increased, certain adverse consequences of the pandemic continue to impact the macroeconomic environment and may persist for some time, including labour shortages and disruptions of global supply chains and temporary store closures.

The extent of future impacts of COVID-19 on the Company's business, including the duration and impact on overall customer demand, are uncertain as current circumstances are dynamic and depend on future developments, including, but not limited to, the emergence of new variants of coronavirus, such as the Delta and Omicron variants, and the availability and acceptance of effective vaccines, boosters or medical treatments.

As of January 29, 2022, all Company-operated stores were fully open for in-store service.

The Company plans to follow the guidance of local government to evaluate whether future store closures will be necessary.

The Company began its trading operations in late October 2008 and in fiscal 2021, its thirteenth year of retail operations, realized an operating profit equal to £ 3,928,000.

Strategic Report (continued)

For the period ended January 29, 2022

Section 172(1) statement

A director of a company must act in the way he/she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

- the likely consequences of any decision in the long term,
- the interest of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct and,
- the need to act fairly as between members of the company.

The following paragraphs summarise how the directors have fulfilled their duties for AFH Stores UK Limited:

Directors Decisions

The Directors passed the following written resolutions for the period ended 29 January 2022:

- 22 June 2021: approval of the annual accounts for the year ended 30 January 2021
- 22 June 2021: approval of change of shareholder
- 28 February 2022: approval of share capital decrease

Employees

The Company strives to create a culture that drives strategic and key business priorities forward, and also encourage its associates to create a positive impact in their global communities. The Company believes that the strength of its unique culture is a competitive advantage, and it intends to continue building upon that culture to improve performance across its business. Therefore, the Company believes that the attraction, retention, and management of qualified talent representing diverse backgrounds, experiences, and skill sets, and fostering a diverse, equitable and inclusive work environment are integral to its success

Business Relationships

No new relevant business relationships were started during the period end January 29, 2022.

Community and Environment

The Company strives to create a positive impact on its community by advancing sustainability efforts in its global home offices, stores network and supply chain. In Fiscal 2019, the Ultimate Parent Company became a participant of the United Nations Global Compact ("UNGC"), the world's largest corporate citizenship and sustainability initiative, and we publicly committed to the UNGC's Ten Principles in the area of human rights, labour, environment and anti-corruption. As part of the Company's commitment to the UNGC, the Company also announced specific sustainability targets that build on its existing global social and environmental sustainability programs, some of which have been in place for almost 20 years. These targets align with the United Nation's Sustainable Development Goals, which address global challenges such as poverty, inequality, climate change, environmental degradation, prosperity and peace and justice.

In Fiscal 2020, the Ultimate Parent Company reaffirmed its commitment to the UNGC's Ten Principles, and it closely tracked its performance against its previously announced sustainability targets. The Ultimate Parent Company made important progress in Fiscal 2020, achieving several sustainability targets ahead of its 2025 timeline, and establishing additional sustainability targets through 2030. In furtherance of its overall energy goals, the Ultimate Parent Company signed a 13-year, 100% renewable energy supply agreement for its global home office and two distribution centers in New Albany, Ohio, which is expected to begin in 2023.

Strategic Report (continued)

For the period ended January 29, 2022

Stakeholders

It is the policy of the Company to adhere to the highest standards of integrity and to apply these standards fairly and consistently in every area of the business throughout the world. Every associate, including every officer and director (collectively "associates"), shares an obligation to protect and strengthen the reputation of the business in all relationships with customers, associates, suppliers, competitors, investors, and governmental agencies.

Principal risks and uncertainties

We caution that any forward-looking statements contained in these financial statements involve risks and uncertainties and are subject to change based on various factors, many of which may be beyond our control.

COVID-19 poses various risks to the Company, some of which are detailed below. Any one of these risks, or a combination of risks, could result in further adverse impacts on the Company's business, results of operations, financial condition and cash flows. In addition, the following factors, categorized by the primary nature of the associated risk, could affect our financial performance and cause actual results to differ materially from those expressed or implied in any of the forward-looking statements.

Macroeconomic and industry risks include:

- COVID-19 has and may continue to materially adversely impact and cause disruption to our business;
- Changes in global economic and financial conditions, and the resulting impact on consumer confidence and consumer spending, as well as other changes in consumer discretionary spending habits could have a material adverse impact on our business;
- Failure to engage our customers, anticipate customer demand and changing fashion trends, and manage our inventory commensurately could have a material adverse impact on our business;
- Our failure to operate effectively in a highly competitive and constantly evolving industry could have a material adverse impact on our business;
- Our ability to attract customers to our stores depends, in part, on the success of the shopping malls or area attractions that our stores are located in or around;
- The impact of war, acts of terrorism, mass casualty events, social unrest, civil disturbance or disobedience could have a material adverse impact on our business; and
- The impact of extreme weather, infectious disease outbreaks, including COVID-19, and other unexpected events could result in an interruption to our business, as well as to the operations of our third-party partners, and have a material adverse impact on our business.

Strategic risks include:

- Failure to successfully develop an omnichannel shopping experience, a significant component of our growth strategy, or failure to successfully invest in customer, digital and omnichannel initiatives could have a material adverse impact on our business;
- Our failure to optimize our store network could have a material adverse impact on our business;
- Our failure to execute our growth strategy successfully and inability to conduct business in UK markets as a result of legal, tax, regulatory, political and economic risks could have a material adverse impact on our business; and
- Our failure to appropriately address emerging environmental, social and governance matters could have a material adverse impact on our reputation and, as a result, our business.

Strategic Report (continued)

For the period ended January 29, 2022

Principal risks and uncertainties (continued)

Operational risks include:

- Failure to protect our reputation could have a material adverse impact on our business;
- If our information technology systems are disrupted or cease to operate effectively, it could have a material adverse impact on our business;
- We may be exposed to risks and costs associated with cyber-attacks, data protection, credit card fraud and identity theft that could have a material adverse impact on our business;
- Our reliance on the Abercrombie & Fitch Co. group's distribution centers makes us susceptible to disruptions or adverse conditions affecting our supply chain;
- Changes in the cost, availability and quality of raw materials, labour, transportation, and trade relations could have a material adverse impact on our business;
- We depend upon independent third parties for the manufacture and delivery of all our merchandise, and a disruption of the manufacture or delivery of our merchandise could have a material adverse impact on our business; and
- We rely on the experience and skills of our store associates and Abercrombie & Fitch Co.'s senior executive officers and associates, and the failure to attract or retain this talent, effectively manage succession, and establish a diverse workforce could have a material adverse impact on our business.

Legal, tax, regulatory and compliance risks include:

- Fluctuations in our tax obligations and effective tax rate may result in volatility in our results of operations and could have a material adverse impact on our business;
- Our litigation exposure, could have a material adverse impact on our business;
- Failure to adequately protect Abercrombie & Fitch Co.'s trademarks could have a negative impact on our brand image and limit our ability to penetrate new markets which could have a material adverse impact on our business; and
- Changes in the regulatory or compliance landscape could have a material adverse impact on our business.

The factors listed above are not our only risks. Additional risks may arise, and current evaluations of risks may change, which could lead to material, adverse effects on our business, operating results and financial condition. These risk factors could cause actual results to differ materially from those expressed or implied in any of our forward-looking statements.

The Company does not use hedging as the majority of its transactions, especially the purchase and sale of its merchandise, are performed in its local currency. Furthermore, the Company functions as a limited-risk distributor with a formalized trade contract with Abercrombie & Fitch Europe Sagl based on the Organization for Economic and Cooperation Development (OECD) transfer pricing guidelines (the Agreement). Pursuant to the Agreement, the parties agree that the Company will purchase all necessary inventory from Abercrombie & Fitch Europe Sagl. The Company is not exposed to inventory risk as the Agreement includes price protection and the right to return inventory to Abercrombie & Fitch Europe Sagl for full reimbursement. Accordingly, any losses incurred by the Company on the sale of inventory would be recoverable under the terms of the Agreement.

As the Company's sales are all executed in cash or credit card, the Company is not exposed to significant credit risk. The credit card receivables on the Company sales are usually settled within a few days after the sale transaction.

In the Directors' view the Company's financial risk is mitigated due to the limited risk distributorship model under which it operates.

On behalf of the board,

Anna Mollerstrom
Anna Mollerstrom
Director

26 Aug 2022

Directors' Report

For the period ended January 29, 2022

The Directors present their annual report and the audited financial statements of the Company for the period ended January 29, 2022.

Results and dividends

The Company's profit for the financial period, after taxation, amounted to £4,134,000 (2021: profit of £5,246,000).

The Directors do not recommend the payment of a dividend (2021: nil).

A further review of the business and its principal risks is included in the Strategic Report

Directors

The Directors, who served during the period ended January 29, 2022, are given below:

Gregory Henschel
Anna Mollerström

Research and development

The Company is currently undertaking no research and development activities.

Employees

Management and associate development is considered vital to the future success of the Company. The Company aims to provide training relevant to individuals and their role in the business.

The Company has a policy of providing associates with information about the Company's performance and future plans within the business. Meetings are held between managers and associates to discuss the Company's daily and weekly targets and goals. Associates are also encouraged to present suggestions on how to improve procedures in their area.

The Company has a good safety performance record and places a high priority on ensuring that health and safety standards are maintained.

The Company gives every consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing associates become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled associates wherever appropriate.

Suppliers Policy

It is the Company's policy to pay suppliers in accordance with our normal terms and conditions of trading.

The Company is invested in improving the supply chain processes by partnering with vendors, suppliers, manufacturers, contractors and subcontractors and their respective agents who are expected to respect local laws and have committed to follow the standards set forth in the Company's Vendor Code of Conduct. The Vendor Code of Conduct details the Company's intentions to employ leading practices in human rights, labour rights, environmental responsibility and workplace safety.

Customers and Other

The Company engages with its customers through in-store and online interactions, loyalty programs, social media platforms, mobile applications, online surveys and customer reviews, and continues to evolve in response to the feedback it receives through these channels.

Directors' Report (continued)

For the period ended January 29, 2022

Corporate Governance

The Corporate Governance procedures applied by AFH Stores UK Limited are consistent with the Abercrombie & Fitch Co. Corporate Governance Guidelines (the "Guidelines") applied to Abercrombie & Fitch Co. (the "Ultimate Parent Company"). The Company has adopted certain Guidelines of the Ultimate Parent Company that are also applicable to promote the effective functioning of the Board and to assist the Board in the exercise of its responsibilities. These Guidelines should be interpreted in accordance with any applicable legal requirements and the Company's organizational documents.

These Guidelines are posted on the Company's Internet website: <https://corporate.abercrombie.com/our-company/corporate-governance/leadership>

Auditors

The auditors Arram Berlyn Gardner LLP, are deemed to be reappointed as auditors under Section 487 (2) of the Companies Act 2006.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who is a Director at the date of approval of this report confirms that:

- (1) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (2) the Director has taken all the steps that he/she ought to have taken as a Director in order to make him/her-self aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

AFH Stores UK Limited

Directors' Report (continued)

For the period ended January 29, 2022

Streamlined Energy and Carbon Report

The directors present their Streamlined Energy and Carbon Report ("SECR"). The emissions reported are for the accompanying 2021 Fiscal Year dating from January 31, 2021 through January 29, 2022. A&F reports each July on data from January to December of the prior calendar year. This is aligned to A&F's Carbon Disclosure Project ("CDP") reporting requirements.

Operational scopes

Scope	Category	Type	Metric Tons of CO2e	
			2020	2021
1	Fugitive	Refrigerant Gas	69	43
2	Purchased Electricity	Market-Based	1544	1401
Total			1613	1444

Organizational Boundaries

A&F has chosen "operational control" as the greenhouse gas ("GHG") reporting boundary, or limit of accountability. A&F is deemed to have operational control over an operation if the Company or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.

Quantification and Reporting Methodology

A&F's Inventory Management Plan sets out its framework of procedures for the accounting and reporting of GHG emissions that result directly or indirectly due to A&F operations and value chains. This accounting framework is informed by, and designed to conform to, the following standards and guidelines:

- ISO 14064-1:2018 Greenhouse Gases Standard provides a specification with guidance at the organizational level for quantification and reporting of greenhouse gas emissions and removals.
- The Greenhouse Gas Protocol Corporate Standard, developed by the World Resources Institute ("WRI") and the World Business Council for Sustainable Development ("WBCSD"), provides requirements and guidance for companies and other organizations preparing a corporate-level GHG emissions inventory.

Carbon equivalents are calculated using the 100-year time horizon global warming potentials ("GWP") relative to CO2 from the Intergovernmental Panel on Climate Change ("IPCC") Fifth Assessment Report, 2014 (AR5).

Targets

A&F has the following corporate goals for energy and carbon reduction:

- Global store Scope 1 and 2 GHG emissions reduction of 35% by 2030 from a 2019 baseline
- Total Scope 1 and 2 GHG emissions reduction of 47% by 2030 from a 2019 baseline

Directors' Report (continued)

For the period ended January 29, 2022

Intensity Measurement

Intensity Measurement	2020	2021
MTCO2e per GBP of annual turnover	0.000011	0.000009

Reduction Efforts

Since 2009, A&F has reported to CDP, an independent not-for-profit organization that provides a global system for companies and cities to measure, disclose, manage and share environmental information.

A&F utilizes CDP and other platforms to manage energy use more efficiently and cost-effectively within its home office, distribution centers and store operations. By using CDP and other platforms, A&F gains insight into current usage, as well as identifying areas of possible change and improvement. To meet A&F's 2030 commitments, renewable energy and operational energy reduction are two of its primary strategies.

A&F continues to evaluate and manage its store fleet through its ongoing global store network optimization initiative, which includes UK stores, and has taken actions to optimize store productivity by remodeling, right-sizing or relocating stores to smaller square footage locations, and closing legacy stores. The actions taken in 2021 continued to transform the Company's operating model and reposition the Company for the future as the Company continues to focus on aligning store square footage with digital penetration. Other measures such as EMS system upgrades to align store schedules, LED lighting and submeter installation have already been implemented.

On behalf of the board,

Anna Mollerstrom

Anna Mollerstrom
Director

26 Aug 2022

Independent Auditor's Report to the Members of AFH Stores UK Limited

Opinion

We have audited the financial statements of AFH Stores UK Limited (the "Company") for the period ended January 29, 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at January 29, 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the director's assessment of the company's ability to continue to adopt the going concern basis of accounting included, but were not limited to, the following procedures:

- We obtained and evaluated management's revenue forecasts.
- We obtained and evaluated information presented by the ultimate listed parent company Abercrombie & Fitch Co.
- We reviewed and considered the protection to the company offered by the Limited Risk Distribution model under which it operates whereby the company is not exposed to any inventory risk and is guaranteed a margin within the range of its transfer pricing agreement following The Organisation for Economic Co-operation and Development guidelines.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted this statement is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report to the Members of AFH Stores UK Limited (continued)

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud and error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report to the Members of AFH Stores UK Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the directors and other management, and from our general commercial and sector experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including, but not limited to, the Companies Act 2006, and taxation legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- understanding the business model as part of the control and business environment;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations and;
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence and enquiring with the company of actual and potential non-compliance with laws and regulations; and
- reading the minutes of meetings of those charged with governance.

AFH Stores UK Limited

Independent Auditor's Report to the Members of AFH Stores UK Limited (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

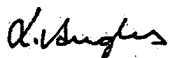
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment by for example forgery, or intentional misrepresentation or through collusion. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Hughes ACA (Senior Statutory Auditor)
for and on behalf of Arram Berlyn Gardner LLP

26 August 2022

Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

AFH Stores UK Limited

Statement of total comprehensive income

For the period ended January 29, 2022

	Note	2022 £'000	2021 £'000
Turnover	4	167,201	145,527
Cost of sales		<u>(79,413)</u>	<u>(61,714)</u>
Gross profit		87,788	83,813
Administrative expenses		(9,146)	(8,554)
Selling and distribution expenses		<u>(74,714)</u>	<u>(69,195)</u>
Operating profit	5	3,928	6,064
Interest receivable and similar income		10	6
Interest payable and similar charges		<u>(51)</u>	<u>(354)</u>
Net interest expense	7	(41)	(348)
Profit on ordinary activities before taxation		3,887	5,716
Tax on profit on ordinary activities	8	<u>247</u>	<u>(470)</u>
Profit for the financial period		4,134	5,246
Total comprehensive income for the financial period		<u>4,134</u>	<u>5,246</u>

The notes on pages 17 to 28 form an integral part of these financial statements.

AFH Stores UK Limited

Statement of financial position

As at January 29, 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	9	20,535	19,925
Current assets			
Inventory	10	7,496	7,032
Debtors	11	44,997	63,008
Cash at bank and in hand		22,709	21,545
		<u>75,202</u>	<u>91,585</u>
Creditors: amounts falling due within one year	12	<u>(38,004)</u>	<u>(55,538)</u>
Net current assets		<u>37,198</u>	<u>36,047</u>
Total assets less current liabilities		57,733	55,972
Provisions for liabilities	13	<u>(7,569)</u>	<u>(9,942)</u>
Net assets		<u>50,164</u>	<u>46,030</u>
Capital and reserves			
Called up share capital	15	23,901	23,901
Profit and Loss reserves	15	26,263	22,129
Total equity		<u>50,164</u>	<u>46,030</u>

The notes on pages 17 to 28 form an integral part of these financial statements.

The financial statements on pages 14 to 28 were approved and authorised for issue by the Board on 26 Aug 2022 and were signed on their behalf by:

Anna Mollerstrom

Anna Mollerstrom
Director

Registered Number: 06423604

AFH Stores UK Limited

Statement of changes in equity

As at January 29, 2022

	Notes	Called-up share capital £'000	Profit and loss reserves £'000	Total £'000
Balance as at February 2, 2020		23,901	16,883	40,784
Profit for the period		—	5,246	5,246
Total comprehensive income for the period		—	5,246	5,246
Balance as at January 30, 2021		23,901	22,129	46,030
Balance as at January 31, 2021		23,901	22,129	46,030
Profit for the period		—	4,134	4,134
Total comprehensive income for the period		—	4,134	4,134
Balance as at January 29, 2022	15	23,901	26,263	50,164

The notes on pages 17 to 28 form an integral part of these financial statements.

Notes to the financial statements

For the period ended January 29, 2022

1. General Information

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 3 Saville Row, 3rd Floor, London, W1S 3PB.

The Company is a wholly owned subsidiary of Abercrombie & Fitch Holding SAGL (the "Sole Shareholder"), member of a group (the "Group") headed by the Ultimate Parent Company, a Delaware company incorporated in the United States of America.

The nature of the company's operations and principal activities are set out in the Strategic Report.

2. Statements of compliance

The individual financial statements of AFH Stores UK Ltd have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of Preparation

These financial statements are prepared on the going concern basis, under the historical cost convention.

The Company's functional and presentation currency is the pound sterling.

The financial statements are presented rounded to the nearest £'000.

The preparation of financial statements in conformity with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

b) Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

As a result of the actions taken by management to preserve liquidity and mitigate risk during the COVID-19 outbreak and the pledged support from Abercrombie & Fitch Europe SAGL, the Company has adequate liquidity to operate for the next 12 months. Accordingly, these financial statements have been prepared on a going concern basis.

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of the following:

- i) the requirement to prepare a statement of cash flows (Section 7 of FRS 102 and para 3.17(d));

Notes to the financial statements (continued)

For the period ended January 29, 2022

3. Summary of significant accounting policies (continued)

c) Exemptions for qualifying entities under FRS 102 (continued)

ii) the requirements of Section 11 (FRS 102 paras, 11.42, 11.44, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) on the basis that The Ultimate Parent Company includes equivalent disclosures in its own consolidated financial statements;

iii) the non-disclosure of key management personnel compensation in total (FRS 102 para 33.7).

Furthermore, the Company is included in the consolidated financial statements of the Ultimate Parent, (Abercrombie & Fitch Co.) which are publicly available. A copy of the group financial statements can be obtained from Investor Relations Department, 6301 Fitch Path, New Albany, Ohio 43054, U.S.A. or at corporate.abercrombie.com, under the Investors, Financials, SEC Filings, section.

d) Foreign currency

Transactions in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

e) Revenue recognition

The Company recognizes revenue from product sales when control of the good is transferred to the customer, generally upon pick up at a Company location or point of acceptance of the goods by the customer for online sales.

The Company provides shipping and handling services to customers in certain direct-to-consumer transactions. Revenue associated with the related shipping and handling obligations is deferred until the obligation is fulfilled, typically upon the customer's receipt of the merchandise. The related shipping and handling costs are classified in selling and distribution expenses on the statement of total comprehensive income.

The Company maintains loyalty programs in which customers primarily have the opportunity to earn points toward future merchandise discount rewards based on qualifying purchases. The Company defers sales revenue equal to the relative selling price of the points issued to customers, taking into account expected future redemptions based on historical redemption patterns. Revenue associated with the issued points from the loyalty programs is recognized at the earlier of redemption or expiration, as net sales.

The Company accounts for gift cards sold to customers by recognizing an unearned revenue liability at the time of sale, which is recognized as turnover, at the earlier of redemption by the customer or when the Company determined the likelihood of redemption to be remote, referred to as gift card breakage. Gift card breakage is recognized proportionally with gift card redemptions. Gift cards sold to customers do not expire or lose value over periods of inactivity and the Company is not required by law to escheat the value of unredeemed gift cards to the jurisdictions in which it operates.

The Company makes a provision for sales returns through estimates based on historical experience and various other assumptions that management believes to be reasonable.

f) Government grants

Government grants arise from the UK Government COVID-19 Job Retention Scheme ("Furlough") and are disclosed in note 4. The income is recognized in the same period as the related expenditure.

Notes to the financial statements (continued)

For the period ended January 29, 2022

3. Summary of significant accounting policies (continued)

g) Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements and paid holiday arrangements.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

The Company operates an annual bonus plan for some employees. An expense is recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

h) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account. Current and deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

i) Tangible assets

Tangible assets are stated at historic purchase cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. The Company records a construction in progress asset for tangible assets for which the work has not yet been completed. Upon completion of the work these assets are reclassified to the proper tangible asset category. Tangible assets are only depreciated once they have been put into use. The depreciation of tangible fixed assets is recognized on the asset evenly over its expected useful economic life as follows:

Furniture, fixtures and equipment	the useful life of the asset, which ranges from three to ten years
Leasehold Improvements	the lesser of the useful life of the asset, which typically ranges from three to fifteen years, or the term of the lease
Dilapidations	the term of the lease
Leasehold acquisitions	the shorter of the useful life and the term of the lease starting from possession date

Notes to the financial statements (continued)

For the period ended January 29, 2022

3. Summary of significant accounting policies (continued)

i) Tangible assets (continued)

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss and included in 'Selling and distribution expenses'.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. On at least an annual basis, the Company reviews for indicators of impairment at a cash generating unit level. Considering the limited-risk distributor model described in *note 3 section k) Inventory* and in accordance with the Company's management of operations, the cash generating unit is defined as all stores aggregated to the country level. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Tangible fixed assets include also capitalized store supplies. These include, but are not limited to, hangers, frames, sign holders, security tags, back-room supplies, and construction materials. The Company develops an initial inventory of supplies necessary to support daily activities in stores. The portion of the initial inventory of supplies that is generally not readily consumed during normal store operations is capitalized. In lieu of amortizing the initial balances over their estimated useful lives, the Company expenses all subsequent replacements and adjusts the balance, as appropriate, for changes in quantities, cost, impairment or disposals. The list of qualifying items is periodically reviewed and revised as needed to support changing store operating practices.

Lastly, tangible fixed assets include items stored at a third party location. These items are expensed in the statement of total comprehensive income, when shipped to stores as replacements for damaged items.

j) Leases

Rentals paid under operating leases are charged to the statement of total comprehensive income on a straight-line basis in the period to which they relate.

Benefits received and receivable as an incentive under an operating lease are recognised on a straight-line basis over the term of the lease.

k) Inventory

The Company functions as a limited-risk distributor with a formalized trade contract with Abercrombie & Fitch Europe SAGL based on the Organization for Economic and Cooperation Development ("OECD") transfer pricing guidelines (the "Agreement"). Pursuant to the Agreement, the parties agree that the Company will purchase all necessary inventory from Abercrombie & Fitch Europe SAGL. The Company is not exposed to inventory risk as the Agreement includes price protection and the right to return inventory to Abercrombie & Fitch Europe SAGL for full reimbursement. Accordingly, any losses incurred by the Company on the sale of inventory would be recoverable under the terms of the Agreement.

Inventory is measured using the weighted average cost method. Cost includes all costs incurred in bringing each product to its present location and condition. The Company does not have an obsolescence reserve on its inventory due to its agreement with Abercrombie & Fitch Europe SAGL that allows it to return obsolete inventory to it for a full refund.

Notes to the financial statements (continued)

For the period ended January 29, 2022

3. Summary of significant accounting policies (continued)

l) Financial instruments

Basic financial assets, including trade and other receivables, cash, and bank balances are recognised at transaction price.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

Basic financial liabilities, including trade and other payables and loans from fellow group companies are recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers or other group companies. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

m) Dilapidations

The Company provides for expected future costs related to debranding on locations upon lease expiration under the terms of the underlying lease agreements. The provision is calculated based on management's best estimate of the cost required to bring the property to the condition required at the end of the lease under the agreement.

n) Equity

Share capital comprises ordinary shares classified as equity.

Dividends and other distributions to the Company's shareholder are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholder. These amounts are recognised in the statement of changes in equity.

Notes to the financial statements (continued)

For the period ended January 29, 2022

4. Turnover

Turnover is attributable to the continuing activity and it is generated from the sale of goods through the stores or through the e-commerce website, as well as gift card breakage as follows:

	2022	2021
	£'000	£'000
Web sales	91,749	118,464
Store sales	62,645	16,620
Gift card breakage	303	143
Other	12,504	10,300
	<u>167,201</u>	<u>145,527</u>

All turnover is derived in the United Kingdom.

Other includes £2M (2021: £3M) Furlough income received from the UK government in response to COVID-19. Other also includes employee discounts, returns reserve, refunds for Tax Free Commissions received during the year and shipping and handling revenues.

5. Operating profit

Operating profit is stated after charging/(crediting):

	2022	2021
	£'000	£'000
Depreciation of tangible fixed assets	4,694	6,188
Foreign exchange profit	(9)	(266)
Services provided by the Company's auditor		
- fees payable for the audit	72	75
Operating leases	<u>14,995</u>	<u>23,732</u>

AFH Stores UK Limited

Notes to the financial statements (continued)

For the period ended January 29, 2022

6. Staff costs

	2022	2021
	£'000	£'000
Wages and salaries	17,900	15,541
Social security costs	1,415	1,203
Pension costs	441	428
	<u>19,756</u>	<u>17,172</u>

The average number of employees including Directors during the period was as follows:

	2022	2021
Sales	2,043	2,586
Administration	59	24
	<u>2,102</u>	<u>2,610</u>

7. Net interest expense

	2022	2021
	£'000	£'000
Bank interest	10	6
Interest on intercompany loan	(51)	(354)
Net interest expense	<u>(41)</u>	<u>(348)</u>

Notes to the financial statements (continued)

For the period ended January 29, 2022

8. Tax on profit on ordinary activities

	2022	2021
	£'000	£'000
Current tax		
UK corporation tax on profits of the period	—	757
Adjustment in respect of previous periods	<u>68</u>	<u>(354)</u>
Total current tax	68	403
Deferred tax		
Origination and reversal of timing differences	117	236
Adjustment in respect of previous period	(36)	(4)
Effect of changes in tax rates	<u>(396)</u>	<u>(165)</u>
Total deferred tax	<u>(315)</u>	<u>67</u>
Tax (credit)/charge	<u>(247)</u>	<u>470</u>

Factors affecting the tax credit for the financial period

The tax (credit)/charge assessed for the period is lower (2021: lower) than the standard rate of corporation tax in the UK (19%) (2021: 19%). The differences are explained below:

	2022	2021
	£'000	£'000
Profit on ordinary activities before taxation	<u>3,887</u>	<u>5,716</u>
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 19% (2020: 19%)	739	1,086
Effects of:		
Expenses not deductible for tax purposes	(622)	(93)
Depreciation in excess of capital allowance	(630)	(236)
Adjustments in respect of previous periods	68	(354)
Net operating loss	513	—
Deferred tax timing differences	<u>(315)</u>	<u>67</u>
Tax on profit on ordinary activities	<u>(247)</u>	<u>470</u>

Notes to the financial statements (continued)

For the period ended January 29, 2022

9. Tangible assets

	Furniture fixtures and equipment	Leasehold improvements	Leasehold acquisition	Construction in progress	Dilapidations	Capitalized store supplies	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost:							
At January 30 2021	20,974	47,517	9,065	3,349	3,103	933	84,941
Additions	—	—	—	5,294	384	—	5,678
Transfers	1,993	1,630	—	(3,623)	—	—	—
Disposals	(1,049)	(3,681)	(750)	(84)	(832)	(180)	(6,576)
At January 29 2022	21,918	45,466	8,315	4,936	2,655	753	84,043
Accumulated depreciation:							
At January 30 2021	16,593	38,470	7,711	—	2,242	—	65,016
Charge for the period	983	2,448	804	—	459	—	4,694
Disposals	(999)	(3,659)	(750)	—	(794)	—	(6,202)
At January 29 2022	16,577	37,259	7,765	—	1,907	—	63,508
Net book value:							
At January 30 2021	4,381	9,047	1,354	3,349	861	933	19,925
At January 29 2022	5,341	8,207	550	4,936	748	753	20,535

10. Inventory

	2022	2021
	£'000	£'000
Finished goods and goods for resale	7,496	7,032

Notes to the financial statements (continued)

For the period ended January 29, 2022

11. Debtors

	2022	2021
	£'000	£'000
Trade debtors	1,065	1,920
Amounts owed by group undertakings	32,739	54,643
Other debtors	5,051	1,049
Corporation tax	523	—
Prepayments	3,972	4,064
Deferred tax (Note 14)	1,647	1,332
	44,997	63,008

Amounts owed by group undertakings for trade are interest free, unsecured and repayable on demand. The deferred tax balances are recoverable in more than one year.

12. Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Trade creditors	1,450	1,576
Amounts owed to group undertakings	13,411	18,894
Corporation tax	—	309
Other taxation and social security	2,883	10,862
Accruals and deferred income	20,260	23,897
	38,004	55,538

Amounts owed to group undertakings, other than the loan previously due to Abercrombie & Fitch (UK) Limited, are interest free, unsecured and repayable on demand. The loan bore interest at 2.5% per annum and was paid back in 2021. The Company has recognized an expense of £50,575 as interest payable in the statement of total comprehensive income for the period ended January 29, 2022 (2021: £354,028).

Notes to the financial statements (continued)

For the period ended January 29, 2022

13. Provisions for liabilities

	Dilapidation provision £'000	Deferred lease credits £'000	2022 £'000
At January 30 2021	5,208	4,734	9,942
(Release)/Additions	(956)	(2)	(958)
Reclassifications to short term	—	(1,415)	(1,415)
At January 29 2022	4,252	3,317	7,569

The dilapidation provision relates to amounts provided for the cost of restoring the store site at the end of the lease. Benefits received and receivable as an incentive under an operating lease are recognised on a straight-line basis over the term of the lease.

14. Deferred tax

	2022 £'000	2021 £'000
Short term timing differences	1,647	1,332
Total deferred tax assets	1,647	1,332
	£'000	£'000
At the beginning of the period	1,332	1,399
Deferred tax asset in profit and loss	(117)	(236)
Adjustment in respect of previous period	37	4
Effect of changes in tax rates	395	165
At the end of the period	1,647	1,332

15. Equity

Share capital comprises 23,901,000 ordinary shares with value of £1 each, allotted and fully paid.

Profit and loss reserves represent accumulated comprehensive income for the period and prior periods less dividends paid.

In this financial period the Directors of the Company do not recommend the distribution of any profits.

Notes to the financial statements (continued)

For the period ended January 29, 2022

16. Financial commitments

At January 29, 2022 the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2022	2021
	£'000	£'000
Less than one year	11,033	13,583
Two to five years	22,998	32,284
More than five years	11,551	16,334
	<u>45,582</u>	<u>62,201</u>

17. Related party transactions disclosure exemption

The Company has taken advantage of the exemption available in FRS102 Section 33 'Related Party disclosures' whereby it has not disclosed transactions with the Ultimate Parent or any wholly owned subsidiary.

18. Ultimate parent undertaking and controlling party

As of January 29, 2022, the Company's immediate parent is Abercrombie & Fitch Holding SAGL incorporated in Switzerland. The Company's ultimate parent undertaking and controlling party is Abercrombie & Fitch Co., a Delaware company incorporated in the United States of America. This is the parent of the largest and smallest group, which includes the results of the Company and for which group accounts are prepared. A copy of the group financial statements can be obtained from Investor Relations Department, 6301 Fitch Path, New Albany, Ohio 43054, U.S.A. or at <http://corporate.abercrombie.com/> investors. This address is the registered office of Abercrombie & Fitch Co.

19. Post balance sheet events

On 25 February 2022 the Company formalized a resolution to reduce the Issued Share capital from £ 23,901,000 (divided into ordinary shares of £1 each) to £1 (1 ordinary share of £1) by cancelling and extinguishing 23,900,999 issued ordinary shares of £1 each in the capital of the Company and the amount so cancelled be returned to the Company's sole member.