



Annual Performance Report

2023

Prepared for :

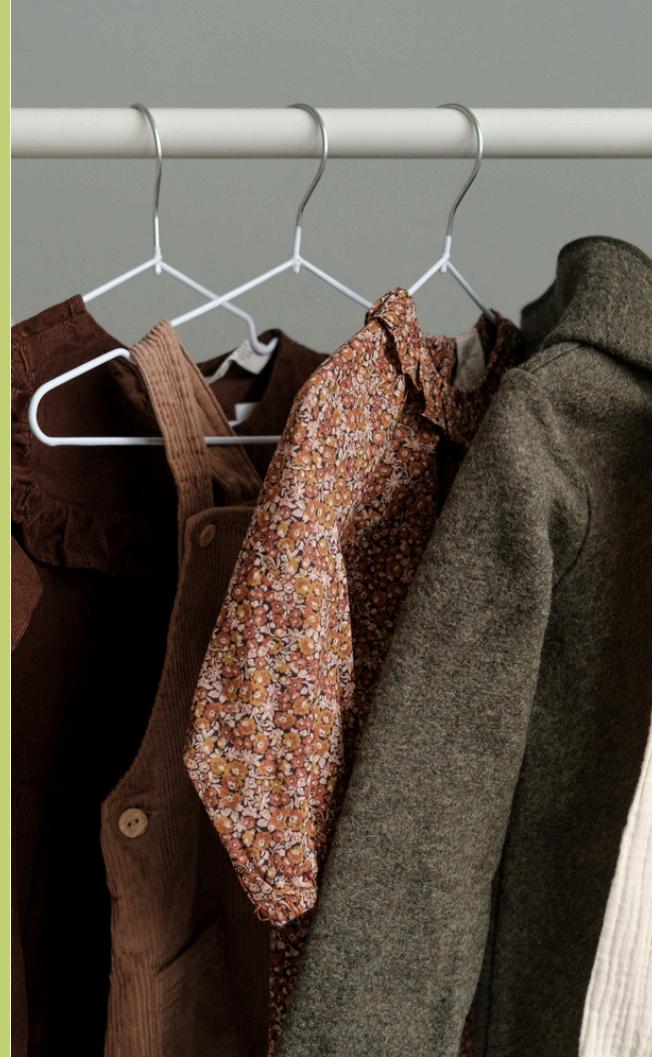
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Agenda

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- 4 Performance across Countries
- 5 Commitment to Sustainability





Letter from the CEO



Dear Shareholders,

We are delighted to share this report that will walk you through our company's performance in the year 2023. It will provide you a detailed overview of our sales and profit trends, an analysis of our portfolio, performance across countries, and our sustainability initiatives.

This report aims to provide you a clear understanding of the progress we have made working on our strategic goals. We feel humbled and honoured for your continuous support and confidence in the company. We wish you all a prosperous new year and promise to work dedicatedly to enhance your confidence in our business.

Warm Regards,

XYZ

CEO

Universal Export

Glancing at our Performance

Sales and Profit Analysis

Achieving an extra-ordinary performance in sales, we generated a revenue of £1,040 millions in 2023, with a substantial profit of £467 millions. Holding a profit of nearly 45% highlights our cost-effective management and pricing strategies. With our strong manufacturing capabilities and market reach, we have sold more than 62 million products in the last year.



Revenue Generated

£1040M

Net Profit

£467M

Profit Margin

44.92%

Products Sold

62M

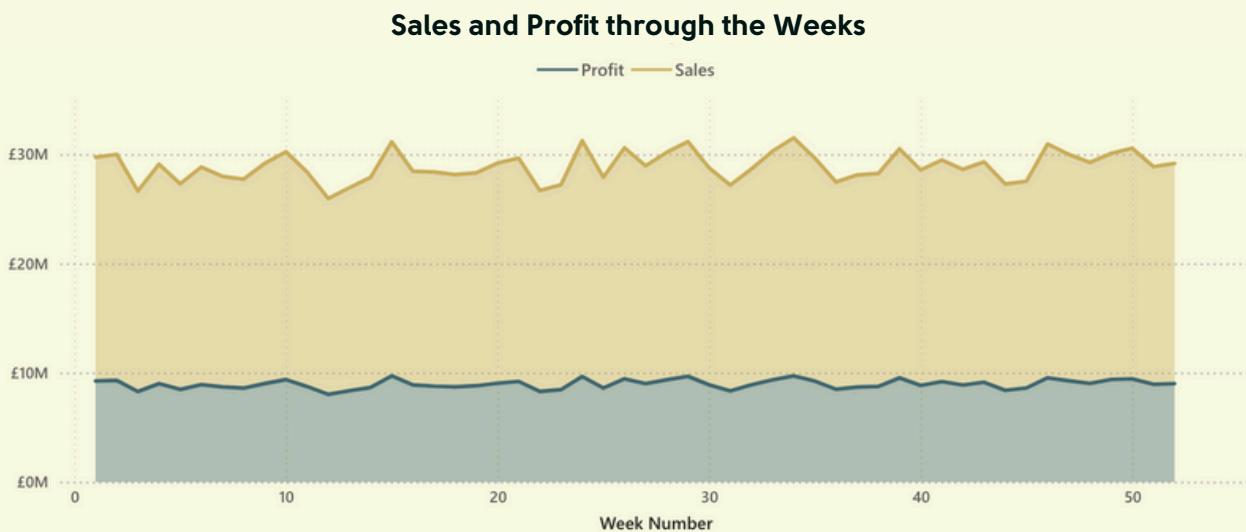


Monthly Trends

Our sales were relatively consistent throughout the year, with notable peaks in July and December. Selling above 5 million products each month (except February), we have generated congruous profit over all months. Our profit trend aligns closely with the sales level consistently, peaking analogously in July and December.

On observing the performance closely, we have found that our sales (and profit) are significantly higher in the middle weeks of almost all months, than on the weeks containing the last days of months.





Weekly Patterns

Showcasing fluctuations with more sales happening in the middle weeks of months, our sales and profit trends observe regular highs and lows, which can be attributed to specific pattern of customer orders.

Despite these fluctuations, our overall sales trend has been positive, with levels resiliently jumping up from temporary dips. This signifies our ability to adapt to the constantly changing market while maintaining our profitability.

Therefore, by demonstrating strength and resilience with consistent revenue generation, substantial profit margins, and navigate ably through market dynamics, we see our company favourably positioned for continued success in the new year. Furthermore, with our positive trajectory and congenial financial achievements, we are confident of making your investment worthwhile.



Strengths and Weaknesses

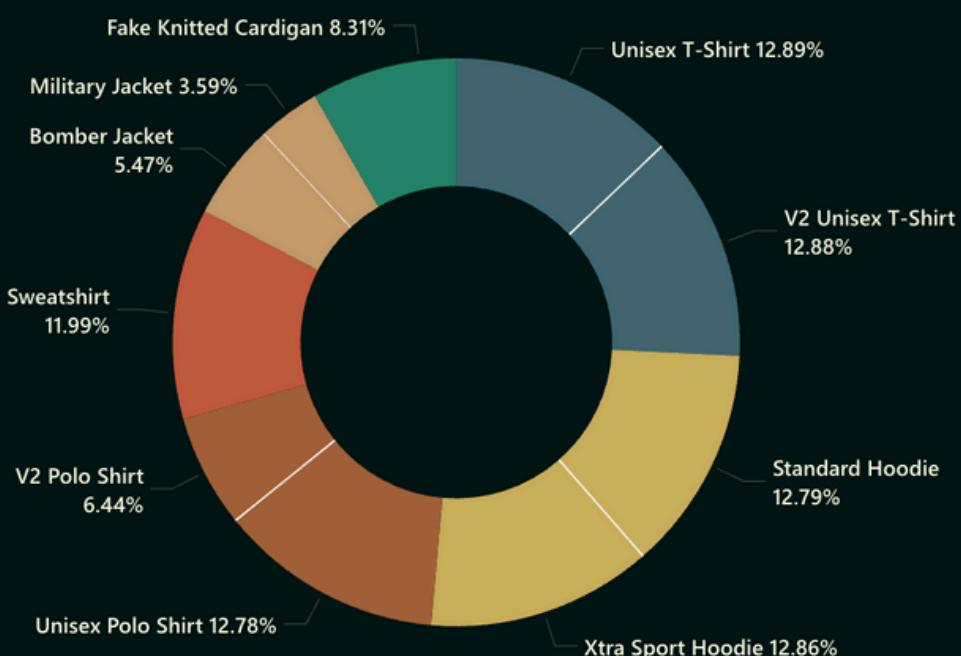
Product Portfolio Analysis

Saleability

In 2023, t-shirts, hoodies, and polo shirts were our top selling products, and they collectively constituted more than 70% of our sales. They were followed by sweatshirts and jackets, which constituted approximately 12% and 9% of the sale quantity respectively. Cardigans were our least selling products comprising a mere 8% of our total sales.

A deeper dive into the sales, characterising them according to the sub-categories highlighted that both types of t-shirts, and both types of hoodies are the most selling products individually as well. This is followed by the Unisex Polo Shirt, which constitutes the lion's share of the polo shirts sale.

Thus, t-shirts, hoodies, and Unisex Polo Shirts, constituting of 5 sub-categories, all hold nearly 13% of our sold items, while jackets and cardigans have been sold in a considerably lesser number.

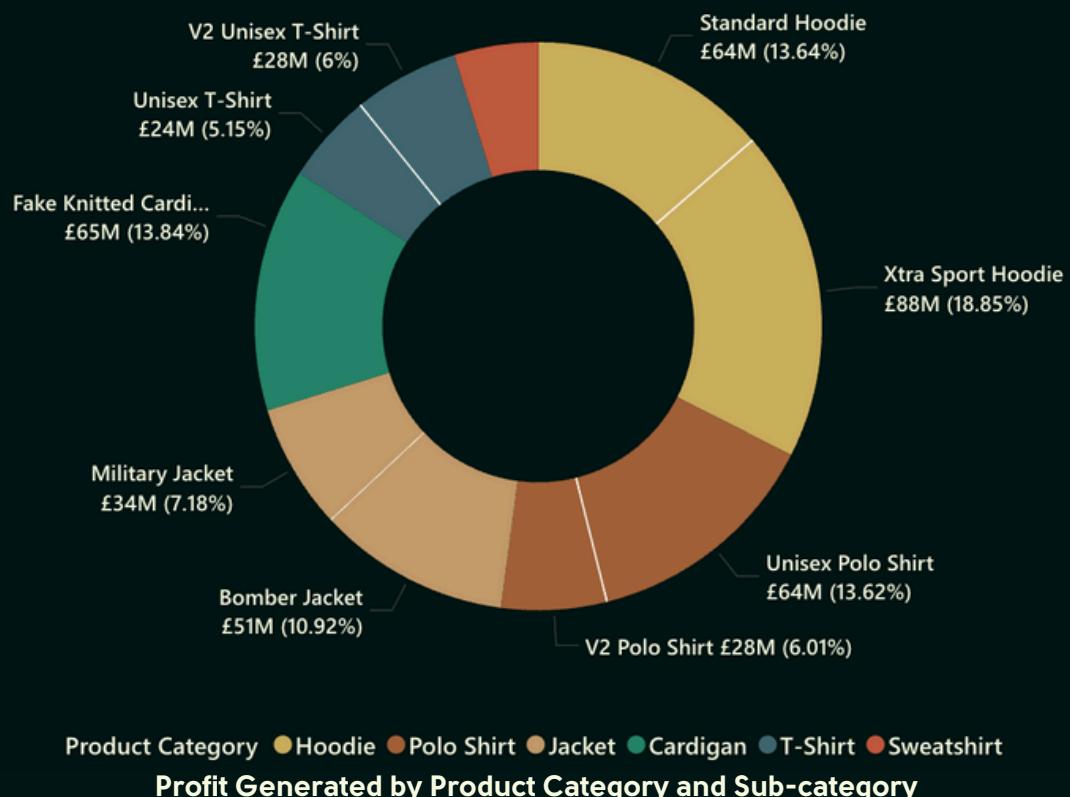


Product Category ● T-Shirt ● Hoodie ● Polo Shirt ● Sweatshirt ● Jacket ● Cardigan

Quantity of Products Sold by Category and Sub-category

Adding in Profitability

Analysing the profitability of our products, we found that hoodies alone brought in a profit of £152 millions, which is more than 32% of our total profit. Polo shirts and jackets brought almost 20% and 18% of the profit sequentially. These three most profitable categories altogether accounted for more than 70% of our total profit. Our polo shirts maintain a near consistent ratio of above 19% in both sales and profit.





Our Strengths and Weaknesses



Jackets which held just 9% of our sales, brought in a whopping 18% of our total profit. And cardigans holding 8% of the sales contributed nearly 14% to the profit of the company. Furthermore, looking at our 10 most profitable individual products, we found that all of them were jackets.

Strengths

Hoodies are the clear strengths of our portfolio recording strikingly high ratio of sales, but even higher ratio of profit, particularly our 'Xtra Sport Hoodies'. Even with a low 9% holding of the sales, jackets bring in £85 millions of profit. Additionally, polo shirts are also an asset to our portfolio consistently holding about one-fifth of our sales and profit.

Weaknesses

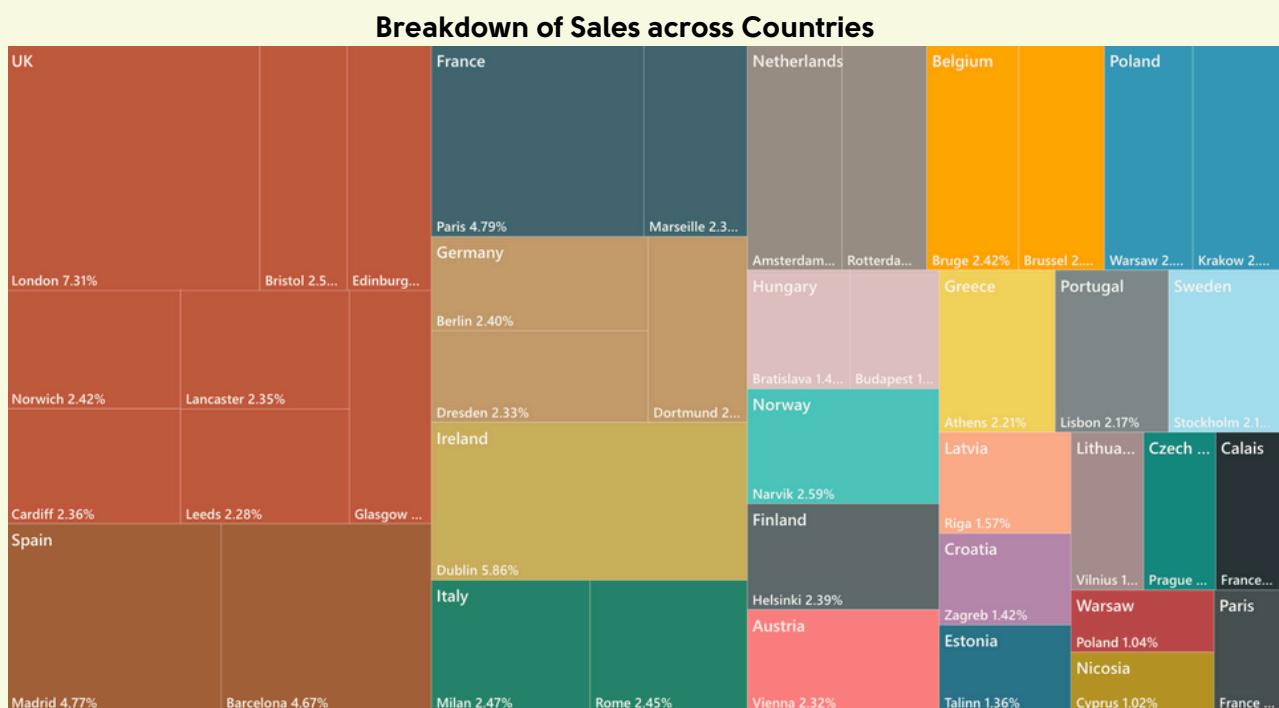
Sweatshirts are the clear weakness of our portfolio, holding a modest sale ratio but bringing in the least profit, and we will take steps to improve their performance. Also, comprising 25% of our sales, t-shirts merely account for 11% of our profit indicating scope of price revaluation. Also, we will take steps to boost our cardigans' sales as they have a good profit ratio but are not in much demand.

Performance across Countries

Analysing through Sales



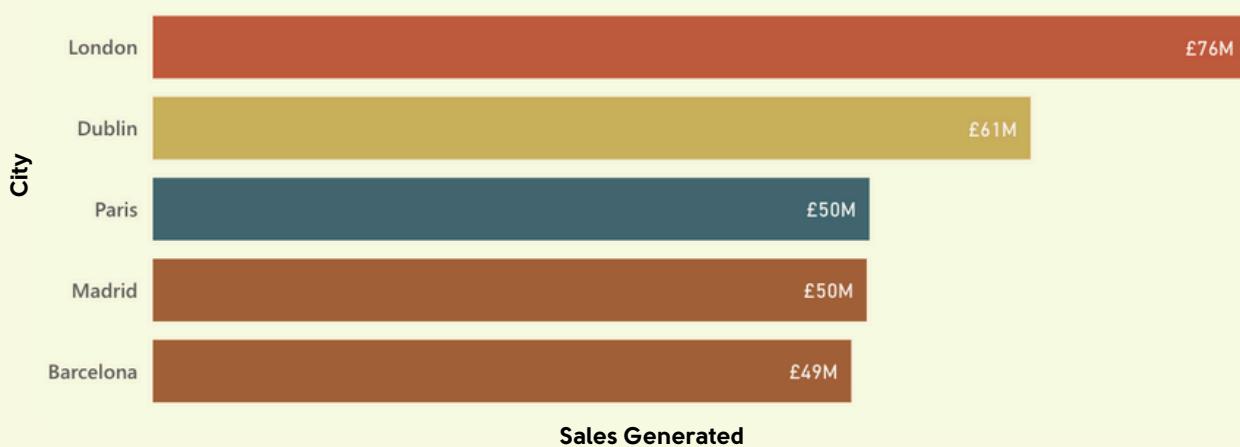
We are proud to inform you of our significant existence all across Europe, catering to customers from 25 countries of the continent. While our home country UK remains the prime customer base, we have secured a substantial customer base across Spain, France, Germany, and Ireland as well.



In 2023, UK contributed to about 24% of our sales with customer spread across 8 cities, in which London appeared to be our prime consumer, providing more than 7% of our sales.

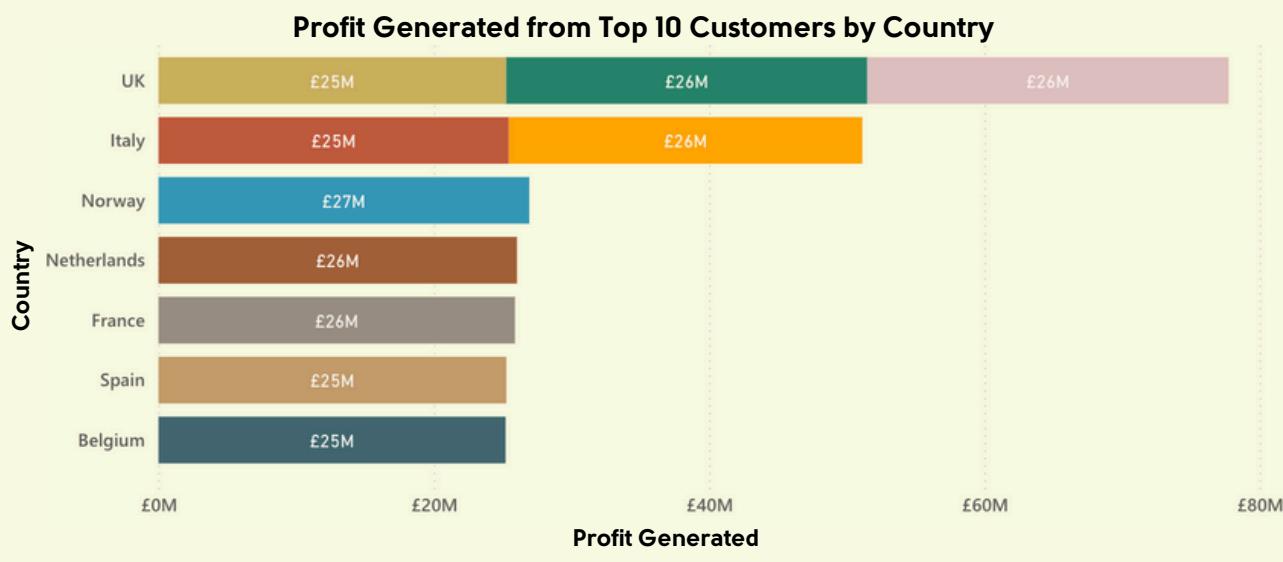
Customers from Spain accounted for above 9% of our sales, distributed rather evenly between the cities Madrid and Barcelona. France and Germany each contributed to about 7% of our sales, with Paris being a significant purchaser. Although we cater to customers only in Dublin from Ireland, it accounts for almost 6% of our sales, making Dublin our second prime consumer. Collectively, these top 5 countries contributed to more than 53% of our total sales in 2023.

Top 5 Purchasing Cities
 Country ● France ● Ireland ● Spain ● UK



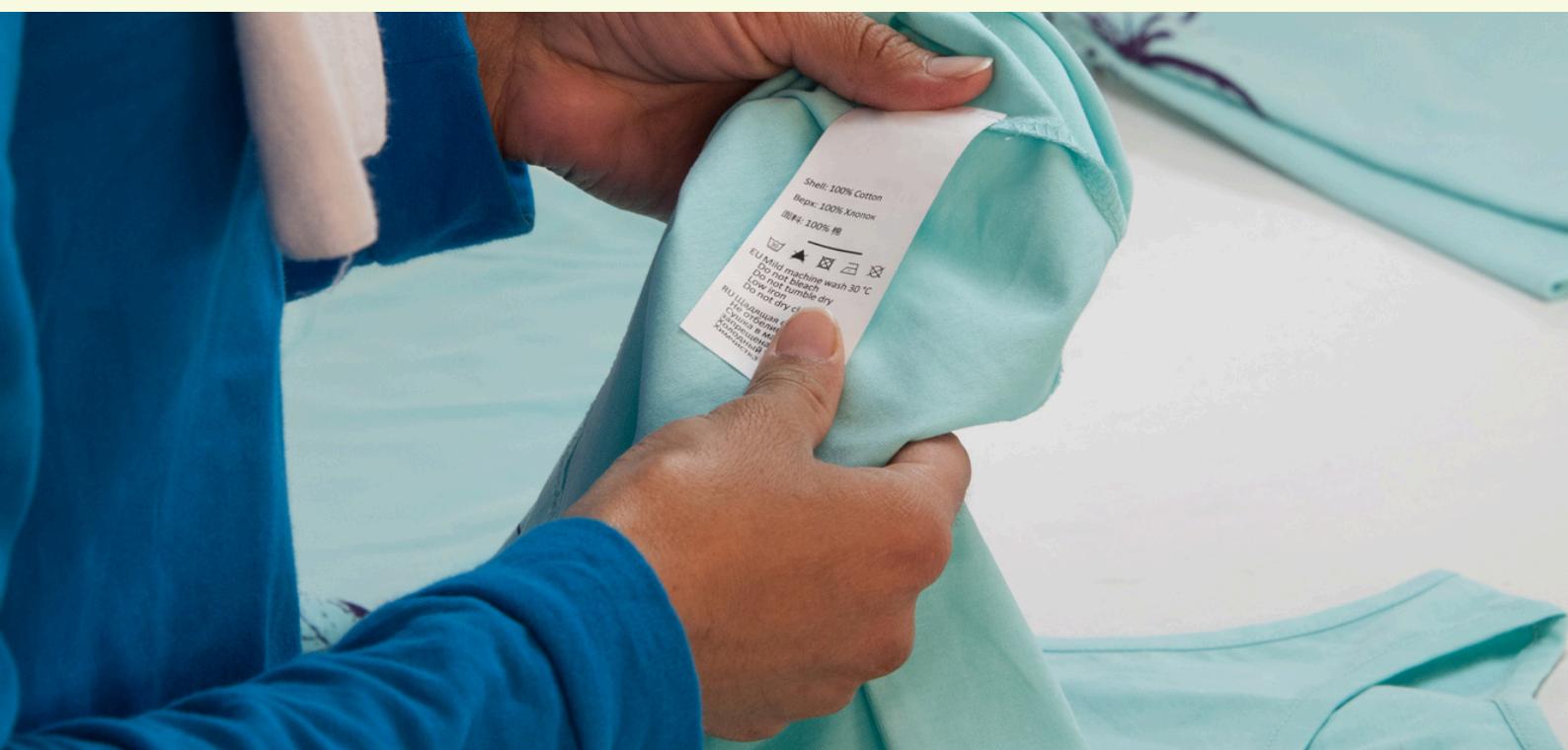
A closer look into the top 5 purchasing cities displayed a total sale of about £286 millions, confirming our account of the top countries mentioned above.





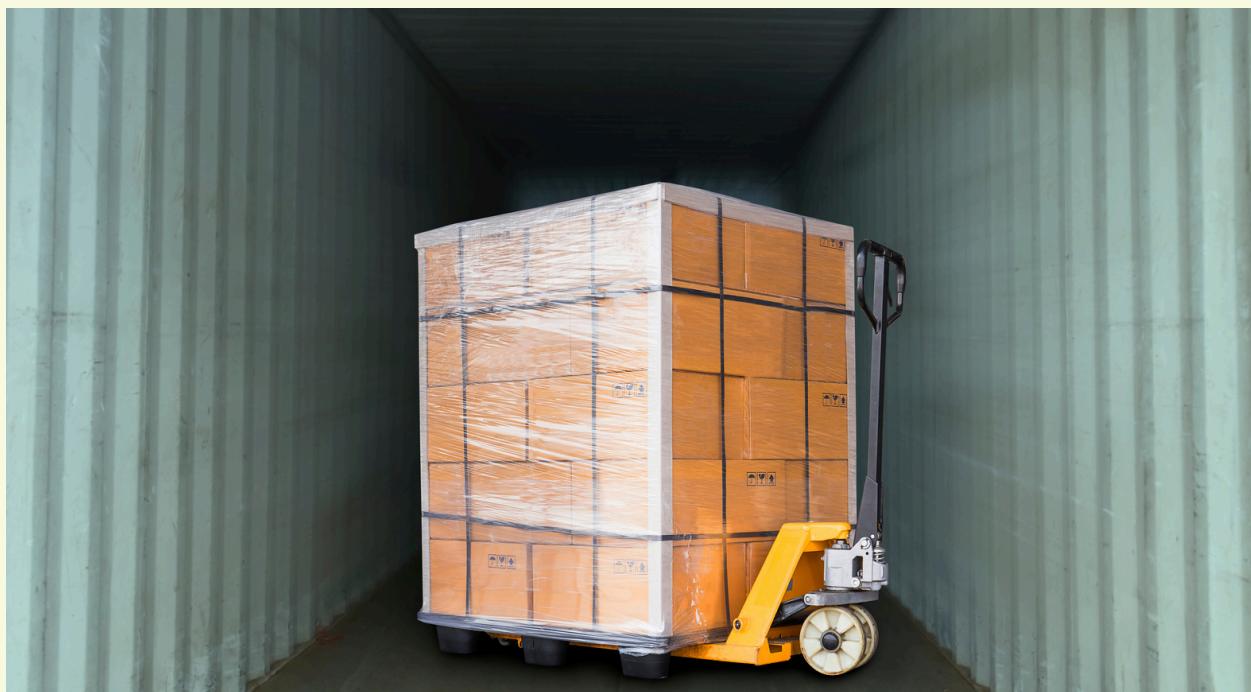
Customer details hidden for confidentiality

Furthermore, taking a look at the top 10 customers, we discovered a company of Norway as our largest consumer, contributing £27 millions to our sales. Holding three of our top 10 customers, UK accounted for more than £77 millions of our sales, while Italy provided more than £51 millions in sales through two top consumers. This indicates that we have gathered big customers even in the countries other than our top 5.



Commitment to Sustainability

Reducing Air Shipments

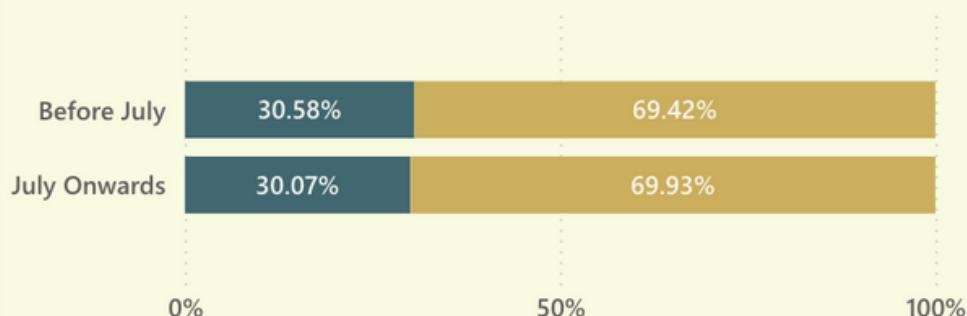


We are committed to sustainability, and as a part of our plan we reduced our exclusive air shipments starting July 2023. Due to this, we can observe a decrease in the exclusive air shipments in August and a major decline in September. Although, to meet certain requirements and commitments, there was an increase in exclusive air shipments the last quarter of the year.



Ratio of Products Delivered by Shipment Types

Shipment Types ● Exclusive Air Shipments ● Other Shipment Modes



Taking a look at the aggregated ratio of products delivered by exclusive air shipments, we observe a 0.51% decline in the ratio of products delivered using the mode in the second half of 2023. While 30.58% of products were delivered using exclusive air shipments before July, it reduced to 30.07% July onwards.



Even after reducing the air shipments, the company was able to record an increase of about 4% in profit in the second half of the year.

Thus, as part of our commitment, we aim to decrease our carbon footprint further by reducing exclusive air shipments, maintaining a balance between profitability and sustainability.



To sum it up:

- Our company generated a revenue (sales) of £1,040 millions, and £467 millions in profit, marking a profit of 44.92%.
- Hoodies and Jackets have proven to be the strength of our portfolio, contributing significantly to our sales and profit.
- Sales of our company were concentrated across major European cities, with UK generating the maximum revenue.
- Even though the sustainability plan had a very modest impact on the ratio of exclusive air shipments, the company increased its profit by 4% in the second half of the year.

At the end, thank you again for your confidence and support in our growth!