

TROUBADOUR

UPDATE FROM THE COMPANY (JUNE 2016)

Troubadour has had a stronger than expected start to 2016. We are currently over 50% ahead of our plan to do £713k in sales in 2016, which means we have experienced more than 110% growth on last year. Q2 2016 is our strongest quarter for online traffic in the history of our business and our conversion of traffic to online sales is up over 200% due to web changes we made at the beginning of the year.

In our recent sales shows in Florence and Paris we have seen a particularly strong response from store buyers including new and existing retail partners in more than a dozen countries. Retailers continue to buy into both our core leather offering and our newer fabric and leather assortment. The sales from these shows will appear in our financials from August 2016 through to January 2017 (as we only book sales upon shipment), but our ability to see this wholesale pipeline gives the team substantial confidence in our wholesale performance going forward.

The biggest constraint to our business in the first half of the year has been that a number of our most popular styles have been sold out repeatedly and the opportunity to have more sales is constrained as a result. However, once new stock arrives in August and September we expect a bump in sales as customers seek to buy previously sold out styles.

So far we have had a fantastic response from both existing and new investors. There have been many angel investors in our space who have approached us with interest and there have also been larger financial buyers who have expressed interest in being involved with Troubadour. We are very excited about where our business is headed and about the amazing partners who we have the opportunity to work with along the way.