

fashionette AG / Key word(s): Half Year Results/Half Year Report

fashionette AG delivers strong net revenue growth of 50.1% in the first half of 2022 – number of active customers exceeds one million for the first time

01.09.2022 / 07:30 CET/CEST

The issuer is solely responsible for the content of this announcement.

fashionette AG delivers strong net revenue growth of +50.1% in the first half of 2022 – number of active customers exceeds one million for the first time

- Consolidated net revenue growth of +50.1% year-on-year to EUR 73.4 million
- Increase in active customers to more than 1 million for the first time in company history
- Strong cash flow from operating activities of EUR 3.6 million in Q2 2022
- Outlook for 2022 affirmed: Expected net revenue between EUR 180 million and EUR 187 million translating into a year-on-year growth of +34% to +40% on consolidated basis and +16% to +21% on pro forma basis; expected adjusted EBITDA of EUR 5 million to EUR 7.5 million

Dusseldorf, 1 September 2022. fashionette AG ([ISIN DE000A2QEFA1](#) / [GSIN A2QEFA](#)), a leading European data-driven e-commerce group for premium and luxury fashion accessories, reports significant net revenue growth in the first half of 2022 despite the challenging economic environment with its financial results published today.

In the period from 1 January to 30 June 2022, the consolidated net revenue increased by +50.1% year-on-year to EUR 73.4 million (H1 2021: EUR 48.9 million). The total increase in net revenue of EUR 24.5 million includes EUR 20.6 million from the consolidation of Brandfield. With a net revenue share of 65.0% and growth of +14.5% to EUR 47.7 million, the DACH region (Germany, Switzerland, Austria) remained the most important geographical market segment for fashionette in the first half of 2022. The Benelux region's (Belgium, Netherlands, Luxembourg) share of net revenue increased by 16.8 percentage points to 24.4% in H1 2022 (H1 2021: 7.6%). Total net revenue in Benelux almost quintupled to EUR 17.9 million (H1 2021: EUR 3.7 million), mainly due to the acquisition of Brandfield. In the other countries, net revenue increased by +120.2% to EUR 7.8 million (H1 2021: EUR 3.5 million), with Brandfield accounting for 41.8% of net revenue. Overall, the share of net revenue attributable to countries outside the core region DACH and the Benelux region increased from 7.2% in the previous year to 10.6% in H1 2022.

In the first half of the year, the number of new customers increased by 210 thousand to 335 thousand, partly due to the acquisition of Brandfield. The number of active customers exceeded over 1 million for the first time in company history.

Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), mainly adjusted for non-recurring consulting costs, expenses not attributable to operating activities and write-downs of disclosed hidden reserves in inventories, increased by 2.5% to EUR 491 thousand (H1 2021: EUR 479 thousand) with an adjusted EBITDA margin of 0.7% (H1 2021: 1.0%), mainly due to external macroeconomic influences, especially the increase in inflation and the Ukraine crisis.

Georg Hesse, CEO of fashionette AG: *"Our performance in the challenging first half of 2022 is a good basis to enter the second half of the year, our seasonally strongest period of the year, with*

confidence. Despite the generally negative trend in the retail sector, which is characterized by various uncertainties, we were able to increase our net revenue and the number of our active customers - while also increasing our marketing efficiency. This encourages us to reconfirm our outlook for 2022. Our new customer growth is a clear indication for the accelerated shift of brick-and-mortar retail towards e-commerce in the European market segment for premium and luxury fashion accessories, especially in times of growing uncertainty among customers. After a capital-intensive phase, our focus is now to exploit our full growth potential, for which we have sufficient liquidity, and yet to continue to improve our cash flow."

Cash flow from operating activities amounted to EUR -7.1 million in the first half of 2022 (H1 2021: EUR -9.1 million), mainly driven by the associated build-up of working capital. In Q2 2022, a strong cash flow from operating activities of EUR 3.6 million was generated through working capital optimization. At the end of June 2022, the group's liquid assets amounted to EUR 9.6 million. In the view of the Management Board, fashionette AG thus has sufficient liquid assets to finance its further growth plans.

Outlook 2022 confirmed:

The Management Board confirms the guidance for 2022 published with the Annual Report 2021, expecting net revenue of EUR 180 million to EUR 187 million, corresponding to net revenue growth of +16% to +21% on a pro forma basis of EUR 155 million or +34% to +40% on a consolidated basis of EUR 134 million. Adjusted EBITDA is expected to reach approximately EUR 5 million to EUR 7.5 million.

The outlook is based on an assessment of the effects arising from the geopolitical situation and the state of the global economy. It currently assumes that there will be no further significant deterioration. The uncertainties arising from the development of the current geopolitical situation could have a significant impact on fashionette's operating and financial performance. Other factors to consider:

- A possible weakening of consumer sentiment and discretionary income due to macroeconomic conditions
- An inflationary environment that puts additional pressure on the disposable income of consumers

NON-FINANCIAL PERFORMANCE INDICATORS

	H1 2022	H1 2021	Δ
Number of orders (in thousands)	667	336	+98.5%
Average order value (in EUR)	183	255	-28.2%
Active customers (in thousands, LTM)	1,007	411	> +100%
New customers (in thousands)	335	125	> +100%

FINANCIAL PERFORMANCE INDICATORS

INCOME STATEMENT (condensed)

in EURk	H1 2022	H1 2021	Δ
----------------	----------------	----------------	----------

Net revenue	73,398	48,893	+50.1%
Cost of materials/Cost of merchandise purchased	44,368	30,519	+45.4%
Gross profit	29,030	18,374	+58.0%
Gross profit margin	39.6%	37.6%	+2.0PP
Distribution expenses	9,574	6,072	+57.7%
Marketing expenses	11,250	6,814	+65.1%
Personnel expenses	6,381	4,245	+50.3%
Other operating expenses	24,242	14,632	+65.7%
Other operating income	536	582	-7.9%
Reported EBITDA	-1,057	80	> -100%
Reported EBITDA margin	-1.4%	0.2%	-1.6PP
 Adjusted* EBITDA	 491	 479	 +2.5%
Adjusted* EBITDA margin	0.7%	1.0%	-0.3PP

*Adjusted EBITDA is excluding extraordinary costs and share-based compensation expenses.

CONDENSED BALANCE SHEET

in EURk	Jun-22	Dec-21	Δ
Non-current assets	21,988	22,789	-3.5%
Current assets	67,581	73,621	-8.2%
ASSETS	89,569	96,410	-7.1%
Equity	48,565	51,065	-4.9%
Non-current liabilities	13,747	15,181	-9.4%
Current liabilities	27,257	30,164	-9.6%
EQUITY AND LIABILITIES	89,569	96,410	-7.1%

CONDENSED CASH FLOW STATEMENT

in EURk	H1 2022	H1 2021	Δ
Cash flow from operating activities	-7,056	-9,092	-22.4%
Cash flow from investing activities	-572	-639	-10.5%
Cash flow from financing activities	-2,103	-761	> +100%
 Cash and cash equivalents at the end of the period	 -2,564	 21,334	 > -100%

Please note:

Figures are not audited, following IFRS standards. Adjusted EBITDA is excluding extraordinary costs and share-based compensation expenses. Rounding differences may occur.

Detailed financial information:

The half-year 2022 report including the forecast for the current financial year is available at ir.fashionette.com.

Conference call/webcast:

A conference call/webcast will be held in English for analysts, institutional investors and representatives of the press today, 1 September 2022 at 10:00 CEST. To register, please email ir@fashionette.com.

About fashionette AG:

fashionette AG is a leading European data-driven e-commerce group for premium and luxury fashion accessories. With its online platforms fashionette.com and brandfield.com, the fashionette group offers not only inspiration, but a curated assortment of premium and luxury handbags, shoes, small leather goods, sunglasses, watches, jewelry and beauty products from more than 350 brands, including own brands. Reinforcing more than ten years of fashion accessory experience, fashionette AG developed a compelling proprietary IT and data platform using cutting-edge technology and artificial intelligence to make personalized online shopping of premium and luxury fashion accessories available to all women in Europe. For more information about fashionette AG, please visit corporate.fashionette.com or the online platforms www.fashionette.com and www.brandfield.com.

fashionette AG**Investor Relations**

Armin Blohmann
ir@fashionette.com
Lierenfelder Strasse 45 | 40231 Dusseldorf | Germany
corporate.fashionette.com

Public Relations

Stefanie Küppenbender
presse@fashionette.de
Lierenfelder Strasse 45 | 40231 Dusseldorf | Germany
corporate.fashionette.com

01.09.2022 CET/CEST Dissemination of a Corporate News, transmitted by DGAP - a service of EQS Group AG.

The issuer is solely responsible for the content of this announcement.

The DGAP Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases.

Archive at www.dgap.de

Language: English

Company: fashionette AG

Lierenfelder Straße 45
40231 Düsseldorf
Germany

E-mail: ir@fashionette.com

Internet: corporate.fashionette.com

ISIN: DE000A2QEFA1

WKN: A2QEFA

Listed: Regulated Unofficial Market in Berlin, Dusseldorf, Frankfurt (Scale), Hamburg,
Hanover, Munich, Stuttgart, Tradegate Exchange

EQS News 1432729

ID:

End of News DGAP News Service

*

1432729 01.09.2022 CET/CEST