

PRESS RELEASE

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ABOUT YOU delivers robust Q2 2022/2023 results and confirms full-year guidance

- Q2 2022/2023 revenue grows by 8.9% YoY to EUR 430.6 million despite macroeconomic headwinds and declining consumer sentiment across Europe
- Steady growth of LTM¹ active customers to 12.3 million (+26.8%) outperforms overall e-commerce fashion market
- Segment DACH remains on a profitable growth path with revenue growth of 4.7% YoY despite a sharp decline in consumer confidence, especially in Germany
- Segment Rest of Europe (RoE) with strong revenue growth of 28.6% YoY driven by a partial recovery of the CEE markets and by continued investments in the newer Nordic and Southern European markets
- Segment Tech, Media and Enabling (TME) revenue increases by 17.0% YoY driven by new client wins and upselling of customers into other B2B products
- Group adjusted EBITDA² of EUR -42.8 million (margin: -9.9%) impacted by continued investments in strategic growth initiatives and a cost structure based on higher top-line growth expectations
- Revised guidance for FY 2022/2023 confirmed with revenue growth seen at 10% to 20% YoY and adjusted EBITDA in EUR -120 to -140 million range, break-even target on Group adjusted EBITDA level for 2023/2024 is reiterated

ABOUT YOU Holding SE (with its consolidated subsidiaries "ABOUT YOU" or "Group"), one of Europe's fastest-growing online fashion platforms of scale, today announced robust results for Q2 2022/2023 as the Group continued to deliver on its operational and strategic priorities despite growing macroeconomic uncertainty. ABOUT YOU confirmed its revised revenue guidance for FY 2022/2023, issued on 13 September 2022, reflecting macroeconomic headwinds and declining consumer sentiment across Europe that have resulted in higher inventory levels across the fashion industry and growing pricing pressure. Despite the impact of these developments on customer behaviour, ABOUT YOU grew its number of active customers by 26.8% to 12.3 million (LTM) and revenue by 8.9% year-on-year to EUR 430.6 million in Q2 2022/2023, outperforming the overall e-commerce fashion market.

Tarek Müller, Co-Founder and Co-CEO of ABOUT YOU: "We delivered an encouraging performance this quarter, despite a slowdown in the global fashion e-commerce market and continued macroeconomic uncertainty, demonstrating the resilience of ABOUT YOU's unique business model. We remain mindful of the potential impact of the ongoing market volatility and have revised our guidance for FY 2022/2023 accordingly. The current macroeconomic landscape presents an opportunity for the entire fashion e-commerce industry to focus on increased profitability over short-term growth and we expect a period of market consolidation. We are confident in our continued ability to outperform the market and we believe our solid cash position will allow us to bounce back even stronger once the market environment improves."

The impact of increased macroeconomic uncertainty on customer behaviour has resulted in a lower average order value, while an enhanced product offering led to an increase in the average order per customer. Average order value (LTM) decreased by 5.2% to EUR 55.5, driven by a slight increase in discount levels as well as higher return rates

¹ LTM: within the past twelve months

² EBITDA adjusted for (i) equity-settled share-based compensation expenses, (ii) restructuring costs, and (iii) one-time effects

compared to the previous year. As a result of an expanded product range, improved customer experience, and increased brand awareness, the average order frequency per active customer increased by 4.2% to 3.0.

In ABOUT YOU's Commerce business, the DACH segment achieved revenue growth of 4.7% year-on-year to EUR 206.7 million in Q2 2022/2023. The Austrian and Swiss markets have continued to grow strongly and gain considerable market share, while the German market was affected by a decline in consumer sentiment. Revenue in the RoE segment increased by 28.6% year-on-year to EUR 209.5 million in Q2 2022/2023, supported by large-scale media and branding campaigns that improved performance and brand awareness and resulted in healthy growth in the Nordic and Southern European markets.

The B2B business reported in the segment TME showed revenue growth of 17.0% year-on-year to EUR 46.2 million in Q2 2022/2023 driven by strategic progress in sales efforts and brand positioning of SCAYLE, even as many B2B customers saw their own online revenue adversely affected amid macroeconomic uncertainty and are confronted with strong comparables from last year. Revenue growth was further supported by upselling of customers into other B2B products which increased revenue from individual customers.

The current macroeconomic uncertainty created pressure on ABOUT YOU's profitability in Q2 2022/2023. Profitability was affected by a slowdown in revenue growth and a cost structure that was originally designed for business recovery from the second quarter onwards, resulting in an increased fulfillment cost-to-revenue ratio. The increase in the fulfillment cost-to-revenue ratio is a combination of temporary effects, which are expected to diminish in the coming quarters, and structural effects, which are expected to persist over the longer term. Consequently, the adjusted EBITDA in Q2 2022/2023 amounted to EUR -42.8 million (Q2 2021/2022: EUR -13.1 million), corresponding to an adjusted EBITDA margin of -9.9% (Q2 2021/2022: -3.3%).

Hannes Wiese, Co-Founder and Co-CEO of ABOUT YOU: "Economic headwinds have put more pressure on the fashion e-commerce market and made it harder to predict customer behaviour. We expect these challenging conditions to persist for a while, so we are taking swift and decisive measures to enable us to return to our growth trajectory over time and navigate the expected market volatility. We have a strong track record of delivery and our core business is resilient."

ABOUT YOU continues to focus on its target to break even on adjusted EBITDA in FY 2023/2024, in line with the strategy set out at the Group's listing. To navigate the current economic situation, ABOUT YOU is taking several decisive measures to improve stock positions and logistics as well as adapt marketing planning and hiring. These include:

- Adjusted ordering for Autumn/Winter 2022 and Spring/Summer 2023 collections
- Tightened and unified return on investment targets in marketing as well as reduced content and media costs
- Unit economics optimisation in logistics and increased partner business
- Slowdown in new hires with a focus on non-tech areas
- Roll-out of overhead efficiency program

ABOUT YOU confirmed its revised guidance for FY 2022/2023: On Group level, revenue growth for FY 2022/2023 is expected to be in the range of 10% to 20% year-on-year, equivalent to EUR 1,905 to 2,078 million. Adjusted EBITDA is expected to decrease to EUR -140 to -120 million³ (margin -7.3% to -5.8%).

All reporting documents including ABOUT YOU's half-year report are available on the Investor Relations website. The Group plans to publish its Q3 2022/2023 results on 10 January 2023.

³ Excluding potential M&A activities

	Q2 2021/2022	Q2 2022/2023	Growth YoY	H1 2021/2022	H1 2022/2023	Growth YoY
Group Key Customer Metrics						
Customer Reach Metrics LTM¹						
User sessions per month (in million)	111.1	139.8	25.8%	111.1	139.8	25.8%
Mobile sessions (in % of user sessions)	83.5%	86.2%	2.7pp	83.5%	86.2%	2.7pp
Customer Engagement Metrics LTM¹						
Active customers (in million)	9.7	12.3	26.8%	9.7	12.3	26.8%
Average order frequency (in #)	2.9	3.0	4.2%	2.9	3.0	4.2%
Number of orders (in million)	28.0	36.9	32.1%	28.0	36.9	32.1%
Average order value (in EUR incl. VAT)	58.5	55.5	(5.2)%	58.5	55.5	(5.2)%

(EUR million, unless stated otherwise)

	Q2 2021/2022	Q2 2022/2023	Growth YoY	H1 2021/2022	H1 2022/2023	Growth YoY
Financial Segment Information						
Group revenue	395.6	430.6	8.9%	817.7	934.8	14.3%
DACH	197.4	206.7	4.7%	415.6	445.8	7.3%
RoE	162.9	209.5	28.6%	349.0	439.0	25.8%
TME	39.5	46.2	17.0%	74.0	96.2	30.1%
Reconciliation	(4.2)	(31.8)	-	(20.9)	(46.2)	-
Adjusted EBITDA	(13.1)	(42.8)	-	(25.4)	(71.6)	-
DACH	7.8	0.9	-	25.1	10.8	-
RoE	(24.4)	(39.4)	-	(57.8)	(85.5)	-
TME	6.1	4.1	-	10.7	11.0	-
Reconciliation	(2.5)	(8.4)	-	(3.5)	(7.9)	-
Adjusted EBITDA margin	(3.3)%	(9.9)%	-	(3.1)%	(7.7)%	-
DACH	3.9%	0.4%	-	6.0%	2.4%	-
RoE	(15.0)%	(18.8)%	-	(16.6)%	(19.5)%	-
TME	15.4%	8.8%	-	14.5%	11.5%	-

(EUR million, unless stated otherwise)

	Q2 2021/2022	Q2 2022/2023	Growth YoY	H1 2021/2022	H1 2022/2023	Growth YoY
Key Group Financial Metrics						
Gross profit	154.2	168.4	-	330.5	383.2	-
Gross margin (% of Group revenue)	39.0%	39.1%	-	40.4%	41.0%	-
NWC (net working capital)	(46.7)	26.8	-	-	-	-
% of Group revenue LTM ¹	(3.2)%	1.5%	-	-	-	-
CAPEX (capital expenditure)	(8.2)	(10.0)	-	(19.2)	(23.2)	-
% of Group revenue	(2.1)%	(2.3)%	-	(2.3)%	(2.5)%	-
Profit / (loss) for the period (EAT)	(35.0)	(63.4)	-	(58.5)	(107.8)	-
Free cash flow	(30.7)	(110.4)	-	(23.5)	(134.8)	-

Please refer to ABOUT YOU's half-year report 2022/2023 for definitions.

ABOUT YOU

ABOUT YOU digitises the classic shopping stroll by creating an inspiring and personalised shopping experience on the smartphone. At ABOUT YOU, the focus is on the customers, who are supported in expressing themselves individually through fashion. On the website aboutyou.com and the multi-award winning ABOUT YOU app, customers find versatile inspiration and more than 500,000 items from over 3,500 brands. With more than 45 million unique active users per month, ABOUT YOU is one of the largest fashion and lifestyle platforms in Europe. It is currently active in 26 European markets. With SCAYLE, the fashion tech company also offers its own e-commerce infrastructure as a licensed product. The shares of ABOUT YOU are listed on the Frankfurt Stock Exchange and were admitted to the SDAX[®] index in September 2021.

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