

PRESS RELEASE

Hamburg, July 12, 2023

ABOUT YOU Achieves Profitability Already in Q1 2023/2024

- Significant improvements in adjusted EBITDA¹ to EUR 4.2 million (Q1 2022/2023: EUR -28.8 million) and positive free cash flow of EUR 10.8 million (Q1 2022/2023: EUR -24.4 million) in Q1 2023/2024
- Strategic and operational measures substantially increase profitability in all segments
- Commerce business increases profitability in DACH to adjusted EBITDA margin of 5.2% (Q1 2022/2023: 4.1%), significant improvement in Rest of Europe (RoE) to -5.3% (Q1 2022/2023: -20.1%)
- B2B segment Tech, Media, and Enabling (TME) improves adjusted EBITDA margin to 18.2% (Q1 2022/2023: 14.0%)
- Revenue growth of 0.6% YoY to EUR 507.1 million despite volatile macroeconomic environment and strong comparison base from Q1 2022/2023
- Number of active customers (LTM²) continues to rise to 12.8 million (+8.6% YoY) with an average order frequency of 3.1 (+4.6% YoY)
- Guidance for FY 2023/2024 confirmed: Group revenue growth between +1% and +11% YoY and expected to reach adjusted EBITDA break-even

ABOUT YOU Holding SE, one of Europe's fastest growing online fashion stores of scale, today announces a positive adjusted EBITDA in Q1 2023/2024, reaching break-even earlier than expected. Defying continued volatile market conditions, ABOUT YOU made significant progress on improving profitability and driving efficiency while increasing revenue, customers, and orders. For FY 2023/2024, ABOUT YOU confirmed its full-year guidance.

"In Q1 2023/2024, we managed to reach break-even ahead of plan in what continues to be a challenging market environment," states **Tarek Müller, Co-Founder and Co-CEO of ABOUT YOU**. "Early strategic and operational measures allowed us to further optimize our inventory, logistics, marketing planning, and hiring. We are now seeing the benefits of these measures as they are starting to take effect and deliver tangible results. Along with the achieved revenue growth, we have laid the foundation for long-term profitable growth of our Group in the last quarter."

Driven by disciplined cost reductions in marketing and administration, the Group achieved an adjusted EBITDA of EUR 4.2 million (Q1 2022/2023: EUR -28.8 million) with a margin of 0.8% (Q1 2022/2023: -5.7%) in Q1. The increase in free cash flow to EUR 10.8 million (Q1 2022/2023: EUR -24.4 million) was largely attributable to the improvement in EBITDA.

A 51.1% decline in marketing costs to EUR 51.3 million (Q1 2022/2023: EUR 104.9 million) was realized following a significant reduction in market entry campaigns. The cost-to-revenue ratio was also considerably reduced and now stands at 10.1% compared to 20.8% in Q1 2022/2023. In Q1, ABOUT YOU focused on performance marketing, influencer campaigns, and content creation for the ABOUT YOU app and website. Increased operational efficiencies and a slowdown in hiring, particularly in non-tech functions, saw administrative expenses fall 15.1% to EUR 24.2 million (Q1 2022/2023: EUR 28.5 million) and to 4.8% (Q1 2022/2023: 5.7%) relative to revenue. At the same time, the Group recorded a 9.3% increase in fulfillment costs to EUR 120.5 million (Q1 2022/2023: EUR 110.2 million) with a cost-to-revenue ratio of 23.8% (Q1 2022/2023: 21.9%) and a decline

¹ EBITDA adjusted for (i) equity-settled share-based compensation expenses, (ii) restructuring costs, and (iii) one-time effects

² LTM: within the last twelve months

in gross margin to 39.5% (Q1 2022/2023: 42.6%). The decline in gross margin weighed on profitability and was mainly due to discount levels remaining elevated in the fashion industry.

The Group improved profitability in all three reporting segments in Q1. In the Commerce business, the adjusted EBITDA margin in the DACH segment increased to 5.2% (Q1 2022/2023: 4.1%) with an adjusted EBITDA of EUR 13.0 million (Q1 2022/2023: EUR 9.9 million). Revenue in DACH was up 4.1% year-on-year to EUR 248.8 million (Q1 2022/2023: EUR 239.0 million), with double-digit growth in Austria and Switzerland overall. The German market grew in the single-digit percentage range. The Rest of Europe (RoE) segment improved adjusted EBITDA to EUR -12.1 million (Q1 2022/2023: EUR -46.0 million) with a significant increase in the adjusted EBITDA margin to -5.3% (Q1 2022/2023: -20.1%). At EUR 228.8 million (Q1 2022/2023: EUR 229.5 million), revenue almost reached the level of the same period last year, with diverging growth rates witnessed in the different European markets. These stemmed from country-specific factors such as inflation, the influence of cost-cutting measures, prior-year effects, and the respective markets' maturity.

The B2B segment Tech, Media, and Enabling (TME) increased its adjusted EBITDA margin to 18.2% (Q1 2022/2023: 14.0%) and adjusted EBITDA to EUR 8.8 million (Q1 2022/2023: EUR 7.0 million), supported by new enterprise customer wins through SCAYLE. Revenue was down 3.5% year-on-year to EUR 48.3 million (Q1 2022/2023: EUR 50.0 million) in Q1, despite strong demand in Tech. This was mainly caused by a reduction of marketing campaign budgets by brand partners in the Media segment as well as operational projects in the Enabling segment being suspended by several enterprise customers.

Group revenue grew by 0.6% year-on-year to EUR 507.1 million (Q1 2022/2023: EUR 504.1 million), despite the strong comparison base, as well as inventories in the fashion industry remaining at an elevated level, and subdued consumer sentiment due to cold weather in Europe.

However, the consumer sentiment in the eurozone recovered slightly during Q1, which benefited ABOUT YOU's customer and order metrics: 39.6 million orders were placed by 12.8 million active customers in the last twelve months (to May 31, 2023) (Q1 2022/2023 LTM: 34.9 million and 11.8 million respectively), corresponding to an average order frequency of 3.1 (Q1 2022/2023 LTM: 3.0). Despite the increased demand, the average order value declined slightly by 3.5% to EUR 54.8 (Q1 2022/2023 LTM: EUR 56.8), partly as a result of continued elevated discount levels.

Considering the significant improvement in profitability in Q1, the Group confirms its guidance to reach adjusted EBITDA break-even in FY 2023/2024. Furthermore, ABOUT YOU continues to expect Group revenue growth in the range of +1% and +11% year-on-year.

The Quarterly Statement for Q1 2023/2024 is available on the [Investor Relations website](#). ABOUT YOU will publish its Interim Financial Report for H1 2023/2024 on October 10, 2023.

	Q1 2022/2023	Q1 2023/2024	Change YoY
Group Key Customer Metrics			
Customer Reach Metrics LTM			
User session per month (in million)	143.3	138.6	(3.2)%
Mobile sessions (in % of user sessions)	86.1%	88.0%	1.9 pp
Customer Engagement Metrics LTM			
Active customers (in million)	11.8	12.8	8.6%
Average order frequency (in #)	3.0	3.1	4.6%
Number of orders (in million)	34.9	39.6	13.6%
Average order value (in EUR incl. VAT)	56.8	54.8	(3.5)%
<i>(EUR million, unless stated otherwise)</i>			
	Q1 2022/2023	Q1 2023/2024	Change YoY
Financial Segment Information			
Group revenue	504.1	507.1	0.6%
DACH	239.0	248.8	4.1%
RoE	229.5	228.8	(0.3)%
TME	50.0	48.3	(3.5)%
Reconciliation	(14.5)	(18.7)	-
Adjusted EBITDA	(28.8)	4.2	114.4%
DACH	9.9	13.0	31.7%
RoE	(46.0)	(12.1)	73.7%
TME	7.0	8.8	25.7%
Reconciliation	0.4	(5.5)	-
Adjusted EBITDA margin	(5.7)%	0.8%	6.5 pp
DACH	4.1%	5.2%	1.1 pp
RoE	(20.1)%	(5.3)%	14.8 pp
TME	14.0%	18.2%	4.2 pp
Key Group Financial Metrics			
Gross profit	214.8	200.1	(6.8)%
Gross margin (% of Group revenue)	42.6%	39.5%	(3.1) pp
NWC (net working capital)	(19.4)	30.8	259.1%
CAPEX (capital expenditures)	13.1	15.2	15.6%
Profit / (loss) for the period (EAT)	(44.4)	(23.8)	46.4%
Free cash flow	(24.4)	10.8	144.4%

Q1 2023/2024 ended on May 31, 2023.

Please refer to ABOUT YOU's Quarterly Statement for Q1 2023/2024 for definitions.

ABOUT YOU

ABOUT YOU digitizes the offline shopping stroll by creating an inspiring and personalized 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](https://www.aboutyou.com) and the multi-award winning ABOUT YOU app, customers find versatile inspiration and over 600,000 items from around 3,800 brands. With more than 45 million unique active users per month, ABOUT YOU is one of the largest online fashion stores in Europe. It is active in all key markets in Continental Europe and in total provides worldwide shipping options to around 100 countries. Through SCAYLE, ABOUT YOU offers its proprietary e-commerce technology as a software-as-a-service product for brands and retailers to grow their international D2C businesses. The shares of ABOUT YOU are listed on the Frankfurt Stock Exchange.

Media Contact

Laila Helmy | Corporate Communications

presse@aboutyou.com

+49 (0)40 638 569 212

Sinah Brending | Financial Communications

sinah.brending@aboutyou.com

+49 (0)40 638 569 359

Investor Relations Contact

Frank Böhme | Investor Relations

frank.boehme@aboutyou.com

+49 (0)40 638 569 359

Disclaimer

This publication constitutes neither an offer to sell nor a solicitation to buy securities.

Certain statements contained in this release may constitute "forward-looking statements" that involve a number of risks and uncertainties. Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal", or "target" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are based on assumptions, forecasts, estimates, projections, opinions, or plans that are inherently subject to significant risks, as well as uncertainties and contingencies that are subject to change. No representation is made or will be made by ABOUT YOU Holding SE that any forward-looking statement will be achieved or will prove to be correct. The actual future business, financial position, results of operations, and prospects may differ materially from those projected or forecasted in the forward-looking statements. Neither ABOUT YOU Holding SE nor any of their respective affiliates assume any obligation to update, and do not expect to publicly update, or publicly revise any forward-looking statements or other information contained in this release, whether as a result of new information, future events, or otherwise, except as otherwise required by law.