

PRESS RELEASE

Hamburg, January 11, 2024

ABOUT YOU: All-time High EBITDA and Free Cash Flow despite Targeted Investments in Customer Experience and Brand Awareness

- Profitability significantly improved in the third quarter with adjusted EBITDA¹ of EUR 19.8 million, driven by lower discount intensity and disciplined cost control
- Bottom line improved across all segments
- Positive free cash flow of EUR 93.1 million in the past quarter and EUR 60.4 million in the first nine months
- Revenue developed positively throughout the third quarter after a weak start due to unusually high temperatures with a revenue decline of 0.5% year-on-year to EUR 551.9 million – slightly positive growth dynamics of 0.6% to EUR 1,498.6 million in the first nine months
- Around 2 million orders placed during Black Weeks campaigns, reaching over 50 million social media users
- New exclusive collections co-created by supermodel Toni Garrn, creators Millane Friesen and Marie von Behrens, as well as designer Guido Maria Kretschmer
- Management Board expects to reach break-even at adjusted EBITDA level and to generate Group revenue growth around the lower end of the range of +1% to +11% year-on-year

Hamburg (January 11, 2024) – The ABOUT YOU Group, with one of the fastest-growing online fashion stores and, with SCAYLE, one of the most modern B2B divisions in Europe, remains focused on meeting its full-year guidance and closed another quarter above the adjusted operating break-even point. For the third quarter, the ABOUT YOU Group reports a significantly improved adjusted EBITDA of EUR 19.8 million with a 3.6% margin and a positive free cash flow of EUR 93.1 million.

"We thank our customers and colleagues for a successful November. We are proud to end the quarter with an all-time high adjusted operating profit in positive territory. To achieve our full-year guidance, we remain concentrated on efficiency measures, without neglecting targeted investments in our brand," says **Tarek Müller, Co-Founder and Co-CEO of ABOUT YOU**. "Despite the slight year-on-year decline in revenue, we demonstrate our ability to significantly increase profitability. Ultimately, our teams are well-prepared to unlock accelerated growth once the market environment brightens."

The ABOUT YOU Group's top-line performance showed an upward trend over the course of the quarter. Following a considerably delayed start to the fall/winter season in September due to unusually warm weather conditions in Central Europe, the trend gained momentum in November, particularly propelled by the Black Weeks campaigns in the online fashion store. During the two-week campaign period, ABOUT YOU reached more than 50 million users via social media and recorded around 2 million orders. Nevertheless, the late season start and persistently weak consumer sentiment led to a slight year-on-year decline in revenue of 0.5% to EUR 551.9 million in the third quarter.

The ABOUT YOU Group markedly improved its gross margin and fulfillment costs. The gross margin rose by 4.9 percentage points to 40.3%. Fulfillment costs fell sharply by 13.4% to EUR 112.4 million, lowering the

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

cost-to-revenue ratio to 20.4%, due to the absence of one-time costs for the expansion of the distribution network and more efficient cost structures.

Measures to successfully reduce marketing costs by 24.4% resulted in a total of EUR 68.6 million, corresponding to a significantly lower cost-to-revenue ratio of 12.4%. In addition to established performance and content marketing activities, ABOUT YOU launched new and predominantly digital initiatives to amplify brand awareness. For instance, the ABOUT YOU SHOPPERY campaign gave its customers in eight European markets the chance to become a millionaire by ordering from the online fashion store. For every euro ordered in one week in October, net of returns, these customers were automatically entered into a lottery for a chance to win EUR 1 million. ABOUT YOU will draw the lucky winner in February after the 100-day return window has ended. Moreover, ABOUT YOU has been inspiring customers at home with large-scale TV campaigns since the third quarter.

Additionally, ABOUT YOU's unique value proposition – exclusive collections in collaboration with influencers and other celebrities – made news in the third quarter: Supermodel and content creator Toni Garrn switched to the designer's side for ABOUT YOU to create her first fashion collection at the start of the fall/winter season in early September. Already established co-created lines, such as by the German creators Millane Friesen and Marie von Behrens, dropped new fall/winter collections. Designer Guido Maria Kretschmer released a new menswear collection, as well.

Such targeted investments in the brand, customer experience, and the product assortment make ABOUT YOU one of the most popular online fashion stores for Generations Y and Z. In the last twelve months ended November 30, 2023, the average order value increased to EUR 56.0 (+1.2% year-on-year) and the order frequency to 3.1 (+1.6% year-on-year). Within this period, ABOUT YOU recorded 38.4 million orders from 12.4 million active customers.

All reporting segments achieved a significant increase in bottom line in the third quarter. Adjusted EBITDA in the DACH segment surged to EUR 10.8 million, equating to an adjusted EBITDA margin of 4.3% and revenue of EUR 249.9 million. The German market was particularly weak due to the deterioration in consumer sentiment, with revenue in the DACH segment declining by 7.0% year-on-year.

In the Rest of Europe (RoE) segment, the adjusted EBITDA margin reached -4.5%, with an adjusted EBITDA increase to EUR -12.8 million and a 7.1% growth in revenue to EUR 285.2 million compared to the previous year. This enhancement was largely driven by double-digit growth rates in Central and Eastern Europe, buoyed by a gradual improvement in consumer sentiment and highly effective Black Weeks campaigns.

The B2B business doubled its adjusted EBITDA margin to an impressive 38.3% with adjusted EBITDA of EUR 19.7 million. At EUR 51.4 million, revenue was 3.6% down from the previous year's level. As partners substantially reduced their marketing expenditures in 2023 due to increased pressure on profitability, their retail media investments declined. As one of the fastest-growing software-as-a-service providers globally, SCAYLE continued to generate revenue growth fueled by its continually increasing number of brand and retail customers.

Based on the business results achieved in the first nine months and the continued volatile market environment, the ABOUT YOU Group's Management Board now expects Group revenue growth to come in around the lower end (previously: at the lower half) of the range of +1% to +11% year-on-year and confirms the guidance of reaching break-even at adjusted EBITDA level for FY 2023/2024.

All documents related to the quarterly results, including the quarterly statement, are available on the [Investor Relations website](#). ABOUT YOU will publish its FY 2023/2024 results on May 7, 2024. The publication of ABOUT YOU's ESG Report is scheduled for May 15, 2024.

	Q3 2022/2023	Q3 2023/2024	Change YoY	9M 2022/2023	9M 2023/2024	Change YoY
Group Key Customer Metrics						
Customer Reach Metrics LTM						
User sessions per month (in millions)	138.6	131.9	(4.8)%	138.6	131.9	(4.8)%
Mobile sessions (in % of user sessions)	86.7%	88.9%	2.2pp	86.7%	88.9%	2.2pp
Customer Engagement Metrics LTM						
Active customers (in millions)	12.5	12.4	(0.9)%	12.5	12.4	(0.9)%
Average order frequency (in #)	3.0	3.1	1.6%	3.0	3.1	1.6%
Number of orders (in millions)	38.2	38.4	0.7%	38.2	38.4	0.7%
Average order value (in EUR incl. VAT)	55.3	56.0	1.2%	55.3	56.0	1.2%

<i>(in EUR million, unless stated otherwise)</i>	Q3 2022/2023	Q3 2023/2024	Change YoY	9M 2022/2023	9M 2023/2024	Change YoY
Financial Segment Information						
Group revenue	554.9	551.9	(0.5)%	1,489.6	1,498.6	0.6%
DACH	268.7	249.9	(7.0)%	714.5	706.0	(1.2)%
RoE	266.3	285.2	7.1%	705.2	726.2	3.0%
TME	53.4	51.4	(3.6)%	149.6	144.5	(3.4)%
Reconciliation	(33.5)	(34.7)	–	(79.7)	(78.0)	–
Adjusted EBITDA	(43.1)	19.8	145.9%	(114.7)	11.0	109.6%
DACH	(4.2)	10.8	355.8%	6.5	27.8	324.0%
RoE	(46.8)	(12.8)	72.5%	(132.2)	(47.3)	64.2%
TME	8.3	19.7	137.0%	19.3	38.9	101.5%
Reconciliation	(0.4)	2.0	–	(8.4)	(8.4)	–
Adjusted EBITDA margin	(7.8)%	3.6%	11.4pp	(7.7)%	0.7%	8.4pp
DACH	(1.6)%	4.3%	5.9pp	0.9%	3.9%	3.0pp
RoE	(17.6)%	(4.5)%	13.1pp	(18.7)%	(6.5)%	12.2pp
TME	15.6%	38.3%	22.7pp	12.9%	26.9%	14.0pp
Key Group Financial Metrics						
Gross profit	196.4	222.6	13.3%	579.6	576.8	(0.5)%
Gross margin (% of Group revenue)	35.4%	40.3%	4.9pp	38.9%	38.5%	(0.4)pp
NWC (net working capital)	(7.3)	(46.5)	(538.8)%	(7.3)	(46.5)	(538.8)%
CAPEX (capital expenditures)	15.1	3.7	(75.6)%	38.2	31.0	(18.8)%
Profit / (loss) for the period (EAT)	(62.0)	(10.4)	83.3%	(169.8)	(80.2)	52.8%
Free cash flow	(32.8)	93.1	383.5%	(167.7)	60.4	136.0%

Q3 2023/2024 ended on November 30, 2023.

Please refer to ABOUT YOU's quarterly statement for definitions.

ABOUT YOU Group

The ABOUT YOU Group (ABOUT YOU Holding SE and its fully consolidated subsidiaries) is an internationally active e-commerce group with two strategic business units: The online fashion store ABOUT YOU SE & Co. KG forms the Group's business-to-consumer business. With more than 45 million monthly active users, ABOUT YOU is one of Europe's largest online retailers for fashion and lifestyle and the leading provider of a personalized shopping experience on the smartphone. In the multi-award-winning ABOUT YOU app and on aboutyou.com, customers find versatile inspiration and an assortment of over 600,000 items from around 3,800 brands. The Group's business-to-business activities are largely operated by SCAYLE GmbH. SCAYLE offers a modern, cloud-based enterprise shop system that enables brands and retailers to scale their digital business quickly and flexibly as well as to adapt to increasing customer needs. Over 140 online stores are powered by SCAYLE's technology. Leading brands and retailers such as DEICHMANN, FC Bayern, Fielmann, DEPOT, or Marc O'Polo choose the SCAYLE Commerce technology as a license model.

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