



B E S T S E C R E T

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INVESTOR RELATIONS CONTACT

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Strong finish to 2022 by BestSecret Group results in both double-digit revenue growth and double-digit profitability in a challenging market environment

Group exceeds billion-Euro revenue mark and underscores its outstanding position in the European online off-price fashion market

BestSecret Group (bond issuer: PrestigeBidCo GmbH - ISIN: XS1533933039, XS1533933112), a leading European members-only destination for off-price fashion, today announced its trading update for the year ended December 31, 2022. The Group achieved preliminary revenues of approximately EUR 1,050 to 1,055 million for the fiscal year 2022, thereby exceeding the billion-Euro mark for the first time in its history. This increase between 11 and 12 percent over the previous year's revenues of EUR 942.9 million was attributable to further growth in the number of active customers combined with robust order economics. After an exceptionally strong 2021, the Group's unique closed membership business model proved highly resilient in 2022 which was a year characterized by geopolitical and macroeconomic uncertainty, inflationary pressures and deteriorating consumer sentiment. The Group is well positioned to continue on its path to becoming the #1 online destination for off-price fashion in Europe.

The International segment was the main growth driver and contributed around 34 percent to the Group's total revenue. The markets outside Germany are anticipated to have recorded revenues of EUR 360 to 362 million, thereby exceeding the EUR 267.5 million recorded in 2021 by 34 to 35 percent. The operating segment Germany is expected to have achieved revenues of EUR 690 to 693 million (2021: EUR 675.4 million). The year-on-year growth of 2 percent is significantly above the market growth and is thus once again clear evidence of the strength of BestSecret's underlying business model and its ability to expand its market share.

Owing to the efficient operational execution, BestSecret is anticipated to have generated an adjusted EBITDA margin of around 13 percent in FY 2022. Adjusted EBITDA (including expected cost synergies from the fulfillment center network expansion) is forecast to have been between EUR 136 and 139 million which is on par with the strong comparative prior year base of EUR 138.7 million. The Group succeeded in generating this level of profit thanks to the strength of its viral customer growth model which allowed it to further expand its customer base while keeping marketing costs low. Furthermore, double-digit profit was generated despite higher procurement costs due to reduced overstock availability, increased return rates comparable to pre-pandemic levels, and higher shipping expenses due to the expansion of the international business.

Group cash and cash equivalents increased to EUR 152.5 million on December 31, 2022 (December 31, 2021: EUR 125.5 million). The revolving credit facility, which has a total size of EUR 110.0 million, was undrawn as of December 31, 2022. Following the successful refinancing of the senior secured notes at the beginning of the third quarter with upsized senior secured notes of EUR 350.0 million due 2027, the senior secured leverage ratio¹⁾ is estimated to have been approximately 1.4x on December 31, 2022 (December 31, 2021: 1.0x).

The financial information in this press release is based on preliminary estimated unaudited financial figures of PrestigeBidCo GmbH. Investors are cautioned that these estimates are preliminary in nature and based only upon information available to BestSecret Group as of the date of this press release. These estimates have not been audited, reviewed, or verified by the Group's independent auditors. Accordingly, such preliminary financial data may change. Therefore, investors are cautioned not to place undue reliance on these estimates. The bond report with the audited results for FY 2022 will be published on April 27, 2023.

1) The senior secured leverage ratio is calculated as senior secured net financial debt divided by LTM adjusted EBITDA.

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About Best Secret Group

BestSecret Group is a leading European members-only online destination for premium and luxury off-price fashion. With a permanent assortment of around 3,000 international brands, BestSecret Group provides its community members throughout Europe with highly desirable fashion at attractive discounts. Its unique business model, tech-focused mindset and strong commitment to sustainability enables BestSecret Group to offer its customers a premium shopping experience and provide its brand partners overstock clearing at scale with low visibility. BestSecret Group is anticipated to have generated revenues of EUR 1,050 to 1,055 million in 2022 and employs around 1,900 people from over 80 nations. The Group draws on a heritage of nearly 100 years in the textile and fashion industry and today is owned by Permira Funds and the founding families Schustermann and Borenstein.

This press release may contain forward-looking statements based on current assumptions and forecasts made by BestSecret Group Management and other information currently available to BestSecret. Generally, the words “believe”, “expect”, “intend”, “estimate”, “anticipate”, “project”, “will” and similar expressions identify forward-looking statements, which generally are not historical in nature. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. BestSecret does not intend, and does not assume any liability whatsoever, to update these forward-looking statements or to conform them to future events or developments.