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Strong first half of 2023 for BestSecret: 15% revenue growth and enhanced double-digit profitability margin

BestSecret Group (bond issuer: PrestigeBidCo GmbH - ISIN: XS2499278724, XS2499279029), a leading European online destination for off-price fashion, generated revenues of EUR 545.3 million in the first six months of 2023, up 14.8% over the EUR 475.1 million recorded in 6M 2022. Growth in the second quarter of the year exhibited a clear acceleration, owing to the Group's resilient business model and its remarkable ability to thrive in an intensely competitive market environment.

BestSecret's top line growth was mainly supported by its International segment, which grew by 36.7% and contributed EUR 214.1 million or close to 40% to Group revenue in the first six months of 2023 (6M 2022: EUR 156.6 million). Good customer base growth and a positive trend in customer order economics were the main drivers of this performance. The segment Germany recovered in the second quarter, displaying a positive growth momentum. For the six months period, the Group recorded an increase of 4.0% versus prior year in Germany with revenues reaching EUR 331.2 million (6M 2022: EUR 318.5).

Adjusted EBITDA for the first six months of 2023 benefited from the accelerated top line growth in the second quarter and an improved gross margin against the backdrop of a positive supply environment. With an increase of 34.6% versus prior year, adjusted EBITDA (including expected cost synergies from the fulfillment center network expansion for the six months period 2023) reached EUR 72.8 million in the first six months of the year (6M 2022: EUR 54.1 million). The corresponding adjusted EBITDA margin improved to 13.4% in 6M 2023 compared to 11.4% in the prior year period.

Following the successful EUR 50 million tap of the senior secured notes due 2027 at the end of the second quarter, Group cash and cash equivalents stood at EUR 180.8 million on June 30, 2023, compared to EUR 82.4 million one year earlier. The revolving credit facility, which has a total size of EUR 110 million, was undrawn throughout the first six months of 2023. Senior secured net financial debt was EUR 219.2 million on the reporting date (30.06.2022: EUR 177.6 million). The senior secured leverage ratio¹⁾ was 1.4x on June 30, 2023 and on par with the ratio on June 30, 2022.

The financial information in this press release is based on unaudited Group financial figures of PrestigeBidCo GmbH. The bond report for the first six months 2023 of PrestigeBidCo GmbH will be published on August 25, 2023. A conference call for investors and analysts will be held on the same day.

About BestSecret Group

BestSecret is a leading European online destination for off-price fashion. With a focus on premium and luxury apparel and a permanent assortment of around 3,000 international brands, the Group offers its customers in 27 countries across Europe highly desirable fashion at attractive discounts in a premium shopping environment. At the same time, BestSecret enables its brand partners to clear overstock at scale with minimum visibility and maximum brand equity protection and offers them a flexible combination of a wholesale model and Curated Platform. The unique business model is based on its closed character with an invitation-only customer membership, longstanding brand partner and customer relationships, a tech-focused mindset, and an inherently sustainable value proposition. BestSecret has a strong track record of profitable growth over many years. It generated revenues of EUR 1,051 million in 2022 and employs around 1,900 people from over 90 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.

1) The senior secured leverage ratio is calculated as senior secured net financial debt of EUR 219.2 million divided by LTM adjusted EBITDA of EUR 156.4 million.

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.