



MUNICH
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INVESTOR RELATIONS

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BestSecret Group delivered remarkable performance in 2023 and achieved double-digit revenue growth and double-digit profitability

The Group showcased exceptional resilience and strategic acumen amid challenging market environment

- Revenue grew 17% yoy to record level of EUR 1,226 million
- International share of revenue reached historic 40%
- Adjusted EBITDA margin improved to 15%
- Strong cash position of EUR 243 million at year end 2023 with record low leverage ratio

BestSecret Group (bond issuer: PrestigeBidCo GmbH - ISIN: XS2499278724, XS2499279029), a European premium and luxury destination in off-price fashion, achieved a revenue of EUR 1,226.0 million for the year ended December 31, 2023. This marked a 16.7 percent increase compared to the previous year's revenue of EUR 1,051.0 million. The growth was driven by an increase in the number of active customers combined with robust order economics and a successful international expansion. Despite the challenging backdrop of geopolitical and macroeconomic uncertainty, inflationary pressures, and declining consumer sentiment throughout 2023, the Group's unique business model, centered around closed membership and viral customer growth, once again proved highly resilient and successful.

The primary driver for growth was the International segment, which contributed 39.9 percent to the overall revenue of the Group, a significant increase from 34.0 percent reported one year earlier. The segment achieved revenues of EUR 489.2 million, which represented a 36.7 percent year-on-year growth compared to EUR 357.8 million recorded in 2022. The segment Germany generated revenues of EUR 736.8 million (2022: EUR 693.3 million). With a year-on-year growth of 6.3 percent, BestSecret's German business significantly outperformed the market, underscoring the strength of its business model and its ability to expand its market share.

BestSecret realized Adjusted EBITDA (including expected cost synergies from the fulfillment center network expansion) in the amount of EUR 183.7 million, marking a 33.4 percent improvement over the comparable prior year base of EUR 137.7 million. The adjusted EBITDA margin improved from 13.1 percent in FY 2022 to 15.0 percent in FY 2023¹⁾. Positive operational impacts came from a more favorable purchasing environment, an increased share of margin accretive brands in the assortment thanks to the successful implementation of the company's Elevation Strategy, and the expanded fulfillment center network, especially in the peak fourth quarter.

Group cash and cash equivalents increased to EUR 243.2 million on December 31, 2023 (December 31, 2022: EUR 152.5 million) on the back of strong earnings and continued working capital optimization efforts. The revolving credit facility, which has a total size of EUR 110.0 million, was undrawn as of December 31, 2023. The senior secured leverage ratio²⁾ improved to 0.9x on December 31, 2023 (December 31, 2022: 1.4x).

The financial information in this press release is based on audited Group financial figures of PrestigeBidCo GmbH.

1) Refers to Adjusted EBITDA for the issuer PrestigeBidCo GmbH. Adjusted EBITDA at the parent holding entity Best Secret Group SE includes additional administrative expenses for holding services which, in 2023, for the first time resulted in a tangible difference in adjusted EBITDA due to the transfer of central functions to the holding company in that year. Adjusted EBITDA for Best Secret Group SE reached EUR 175.0 million with an adjusted EBITDA margin of 14.3 percent.

2) The senior secured leverage ratio is calculated as senior secured net financial debt of EUR 156.8 million divided by LTM adjusted EBITDA of EUR 183.7 million.

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About BestSecret Group

BestSecret is a European premium and luxury destination in off-price fashion. With a focus on international premium and luxury brands, the Group offers its customers in 27 countries across Europe an instantly shoppable assortment of highly desirable fashion at exclusive prices 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. 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 its inherent contribution to more sustainability in the fashion industry. BestSecret has a strong track record of profitable growth over many years. It generated revenues of EUR 1,226 million in 2023 and employs around 2,000 people from more than 90 nations. The Group draws on a heritage of 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.