



BEST SECRET

Earnings Call Presentation

3M 2024

24 MAY 2024
PUBLIC INFORMATION





Disclaimer

IMPORTANT

The financial information included in this Presentation has been prepared in accordance with IFRS and is based on that of PrestigeBidCo GmbH as the Issuer of the Senior Secured Notes due 2027. This Presentation should be read with reference to the Bond Report of PrestigeBidCo GmbH for the period ended March 31, 2024.

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This Presentation contains non-IFRS financial measures and ratios, including EBITDA, Adjusted EBITDA, Capital Expenditure and Operating Net Working Capital that are not required by, or presented in accordance with, IFRS. We present non-IFRS financial measures because we believe that they are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. The non-IFRS financial measures may not be comparable to other similarly titled measures of other companies and should not be considered in isolation or be used as a substitute for an analysis of our operating result as reported under IFRS. Non-IFRS financial measures and ratios are not measurements of our performance or liquidity under IFRS and should not be considered as alternatives to net income/net loss for the period or any other performance measures derived in accordance with IFRS or any other generally accepted accounting principles or as alternatives to cash flow from operating, investing or financing activities. The non-IFRS financial measures may not give an accurate or complete picture of the Group's financial condition or results of operations for the periods presented and should not be relied upon when making an investment decision.

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Certain numerical figures set out in this presentation, including financial information presented in millions and percentages, have been subject to rounding adjustments. As a result, it is possible that figures may not add up exactly to the total stated, and the percentages presented may not precisely reflect the figures they corresponded to.



Strong revenue growth and enhanced profitability highlight exceptional resilience

€m	3M 2023	3M 2024	Change
Revenue	263.5	328.1	24.5%
<i>Germany</i>	159.3	184.5	15.8%
<i>International</i>	104.2	143.5	37.7%
Gross profit	106.9	138.5	29.5%
<i>Gross profit margin</i>	40.6%	42.2%	1.6pp
Fulfillment cost ratio	18.9%	18.2%	-0.7pp
Marketing cost ratio	1.3%	1.9%	+0.6pp
Adjusted EBITDA ¹⁾	30.0	47.2	57.33%
<i>Adjusted EBITDA margin</i>	11.4%	14.4%	3.0pp
CAPEX ²⁾	8.6	11.1	28.3%
Free cash flow	-36.3	-34.0	-6%
Operating net working capital ³⁾	205.8	197.0	-6.2%
Cash and cash equivalents	116.2	209.3	80.1%
Senior secured net leverage ratio ⁴⁾	1.6	0.9	-0.7pt

- A further increase in the number of active customers and good customer order economics resulted in a revenue increase of +24.5%.
- Strong increase in Germany (+15.8% yoy) combined with ongoing dynamic international growth (+37.7% yoy). The International segment reached a historic 44% share of the Group's revenue.
- Fulfillment cost ratio decreased to 18.2% of revenue thanks to the expanded fulfillment center network. Marketing cost ratio was at a low 1.9% of revenue thanks to our mainly viral customer growth.
- Improved double-digit adjusted EBITDA margin of 14.4% due to a more favorable purchasing environment since mid-2023, a higher share of PCII margin accretive fashion brands and the improved fulfillment cost ratio.
- Strong liquidity position due to very good earnings and continued NWC optimization.
- Senior secured net leverage ratio drops below 1x LTM adjusted EBITDA.

1) Exceptional items and run rate cost synergies from the fulfillment center network expansion amounted to €5.7m and €3.9m respectively in 3M 2024 (3M 2023: €3.3m; €4.0m).

2) Free cash flow is defined as cash flows from operating activities net of cash flows from investing activities and cash flows from financing activities.

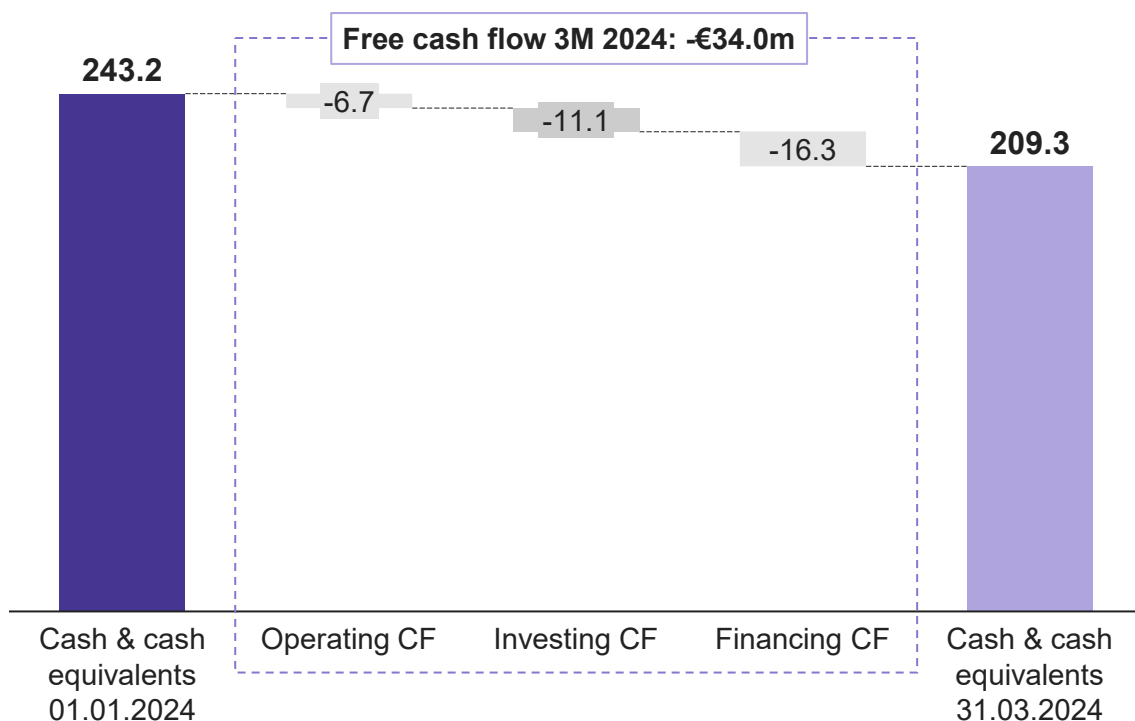
3) Operating net working capital is defined as the sum of the line items (i) inventory, (ii) prepayments for inventory, (iii) trade and other receivables, (iv) trade and other payables and (v) others, including refund liabilities and the right to recover possession for expected returns as well as financial liabilities in connection with supply chain financing.

4) Senior secured net leverage ratio is defined as the ratio of total principal amount of senior secured net financial debt to LTM adjusted EBITDA.



Free cash flow 3M 2024

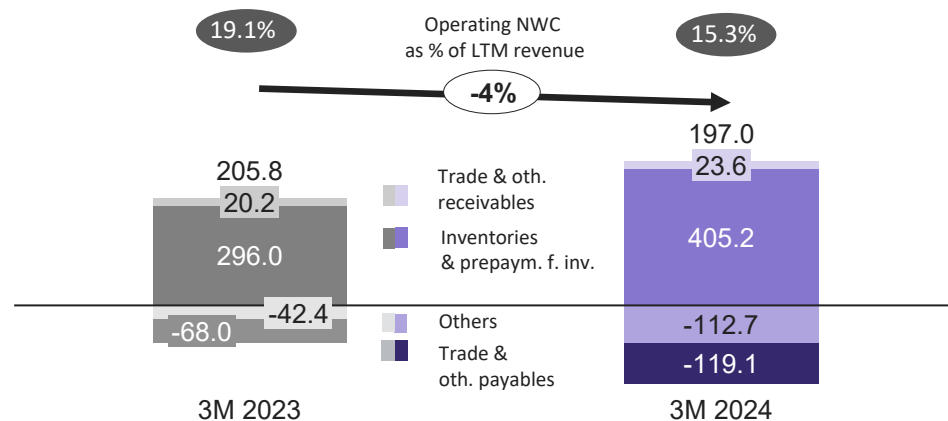
Liquidity position (€m)



- Negative free cash flow of -€34.0m (PY period: -€36.3m) due to NWC expansion from seasonal stock purchasing and business volume growth.
- Higher earnings on the back of good operating leverage positively influenced operating cash flow.
- Majority of investing cash flow for investments in tech & data to further improve the system backbone.
- Strong cash position of €209.3m at end of period (PY period: €116.2m) on the back of good operating performance and NWC optimization.
- Undrawn RCF on March 31, 2024 (same as PY period).

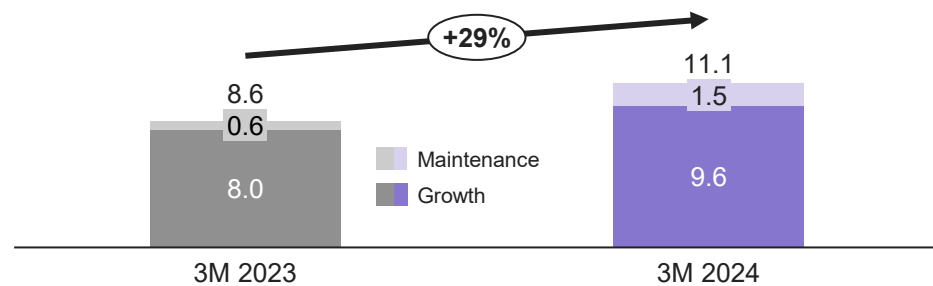
Operating net working capital and capital expenditure

Operating NWC (€m)



- Reduced operating net working capital from
 - Higher inventory level as well as higher trade and other receivables on the back of scaling business offset by
 - higher trade and other payables due to an increased number of invoices on the back of higher purchasing volumes and
 - higher “Others” due to increased NWC optimization through supply chain financing.

Capital Expenditure (€m)



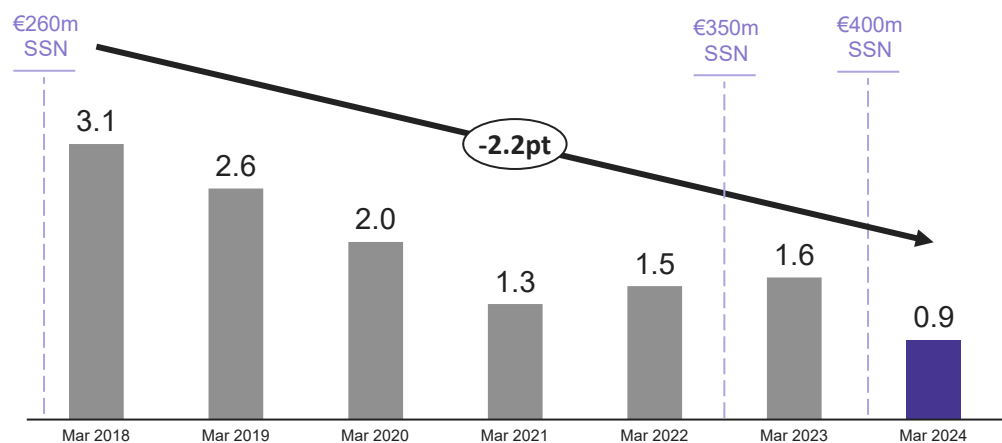
- Majority of growth CAPEX for investments in tech & data to further advance our system backbone.
- Maintenance CAPEX well below 1% of Group revenue.



Healthy capital structure

€m	31.03.2023	31.03.2024
Cash and cash equivalents	116.2	209.3
Senior Secured Notes (SSN)	350.0	400.0
RCF (total size €110m) ⁽¹⁾	0.0	0.0
Senior secured net financial debt ⁽²⁾	233.8	190.7
LTM Adjusted EBITDA	143.6	200.9
Ratio of senior secured net financial debt to LTM Adj. EBITDA ⁽³⁾	1.6	0.9

Senior secured net leverage ratio³⁾



1) €11.6m of the total credit facility amount were utilised for trade finance related instruments on March 31, 2024.

2) Principal amount. The balance sheet amount on the basis of IFRS was € 151.3m on March 31, 2024.

3) Net financial debt (principal amount, including lease liabilities) was € 367.9m on March 31, 2024. Net financial debt (balance sheet amount on the basis of IFRS, including lease liabilities) was € 328.5m on March 31, 2024.

Ratio based on principal amount of senior secured net financial debt. Using the IFRS balance sheet amount of senior secured net financial debt, the ratio was 0.8x on March 31, 2024.

Ratio based on principal amount of net financial debt is 1.8x on March 31, 2024. Using the IFRS balance sheet amount of net financial debt, the ratio was 1.6x on March 31, 2024.

Confirmation of outlook 2024

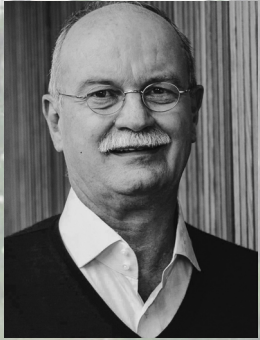
OWING TO BESTSECRET'S CONTINUED SUCCESS AND RESILIENCE, MANAGEMENT EXPECTS

- **A HIGH-TEENS PERCENT INCREASE IN REVENUE**
- **AN ADJUSTED EBITDA GROWTH SLIGHTLY ABOVE REVENUE GROWTH WITH A MODERATE IMPROVEMENT IN ADJUSTED EBITDA MARGIN**
- **POSITIVE FREE CASH FLOW**

Considering the high uncertainty arising from continued elevated inflation rates, geopolitical instability and lower private consumption growth rates, management cannot rule out that the future performance in 2024 will deviate from today's expectations.



Q&A and contact



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Q&A:

For questions during the call: Please dial *1
Technical problems: Please dial *0 for the operator



Investor Relations calendar 2024

Date	Event
August 13	Press release on key financial figures 6M 2024
August 23	Publication of 6M 2024 bond report with conference call for analysts and investors
November 13	Press release on key financial figures 9M 2024
November 26	Publication of 9M 2024 bond report with conference call for analysts and investors





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