



fashionette[®] —  BRANDFIELD

Q1 2022 Results Presentation

19 May 2022

fashionette AG

PRESENTING TODAY



Daniel Raab
CEO



Thomas Buhl
CTO / COO

Q1 HIGHLIGHTS

Q1 2022 **in line** with expectations laid out in **guidance**

Group Revenue **significantly increases** to €36m
Consolidated: +54.4% YoY

Highest AOV since the last 5 quarters:
184 EUR or
+5% growth YoY

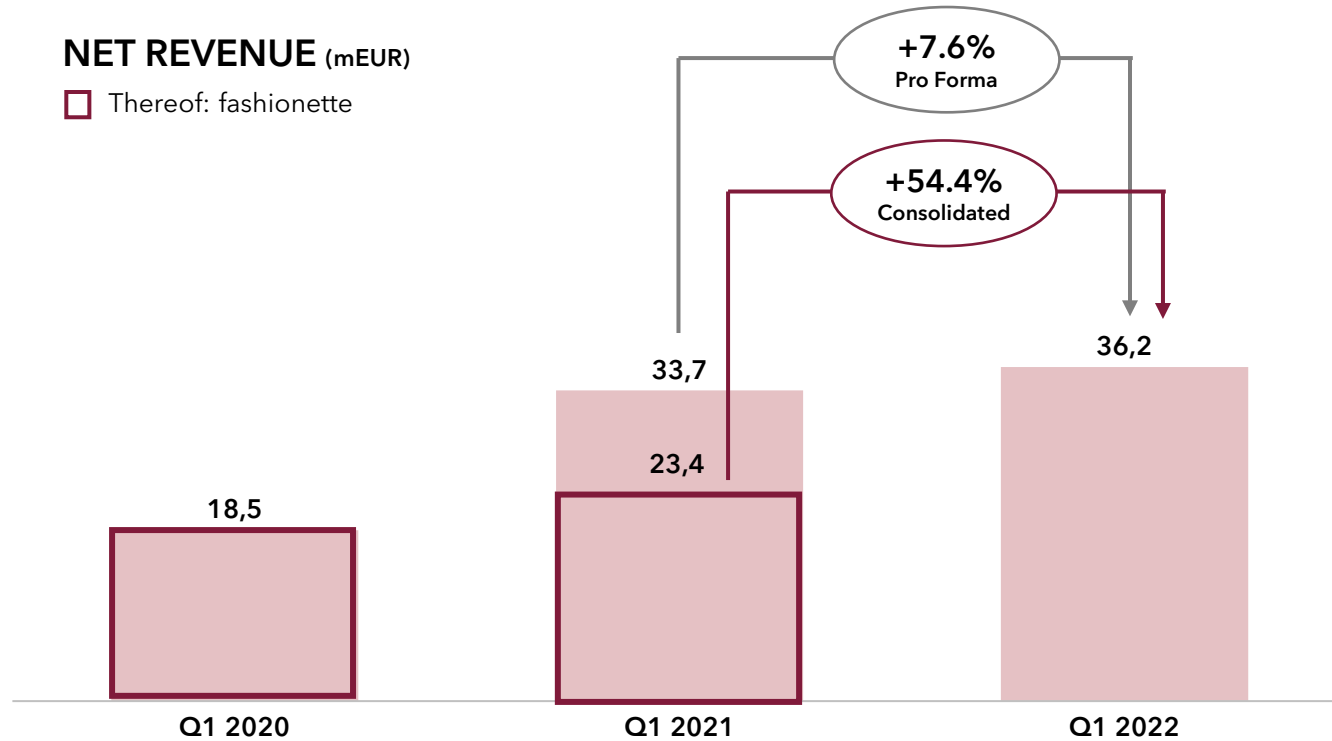
+19% growth YoY in the number of active customers

Available liquidity of **€7.3m** (end of Q1 '22)

STRONG REVENUE AMID CHALLENGING SECOND HALF OF THE QUARTER

NET REVENUE (mEUR)

□ Thereof: fashionette



Strong net revenue growth driven by **growing number of orders (+4.9% YoY)** and meaningfully **increasing AOV (+4.9% YoY)**

In the first **two months of 2022**, Net Revenue growth was **+15.7% (Pro Forma)**

KEY DRIVERS

 Strong start at **fashionette** with stellar growth in the key categories



+13% units sold



+35% units sold



+77% units sold



Brandfield benefitting from selection expansion and therefore growing AOV



+56% units sold



+6.7% AOV growth



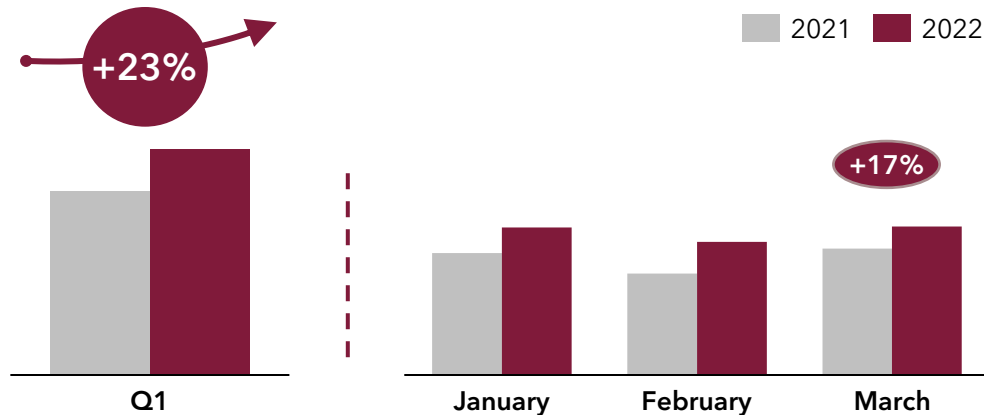
+19% SKUs

DECLINE IN TRAFFIC IMPACTS ORDER GROWTH, ESPECIALLY FOR THE NEW CUSTOMERS

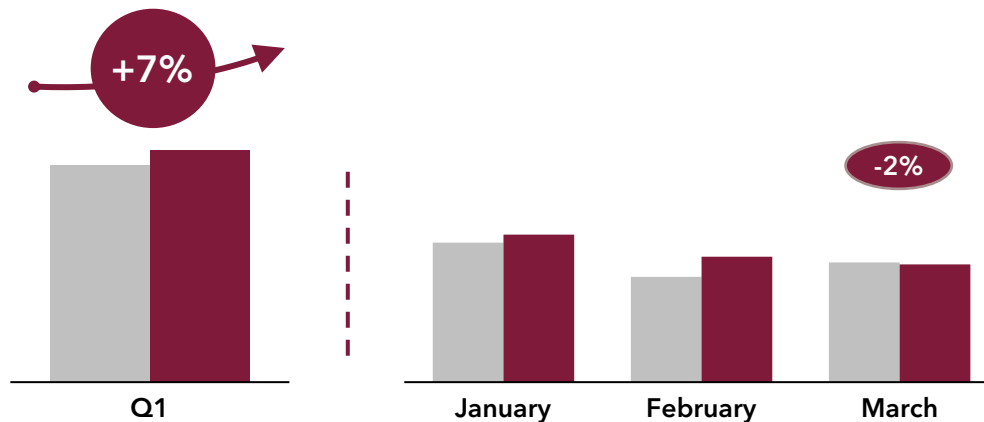
fashionette only

ORDERS FROM ...

... RETURNING CUSTOMERS (% GROWTH)



... NEW CUSTOMERS (% GROWTH)



January and February

- Returning customers: continuously strong growth throughout the quarter
- New customers: strong growth in January against high comps

Last week of February onwards: muted but still growing number of orders

- **Traffic after 24th February:** ~17% below average²

New customers have **lower AOV which grows over time**, supported by category expansion

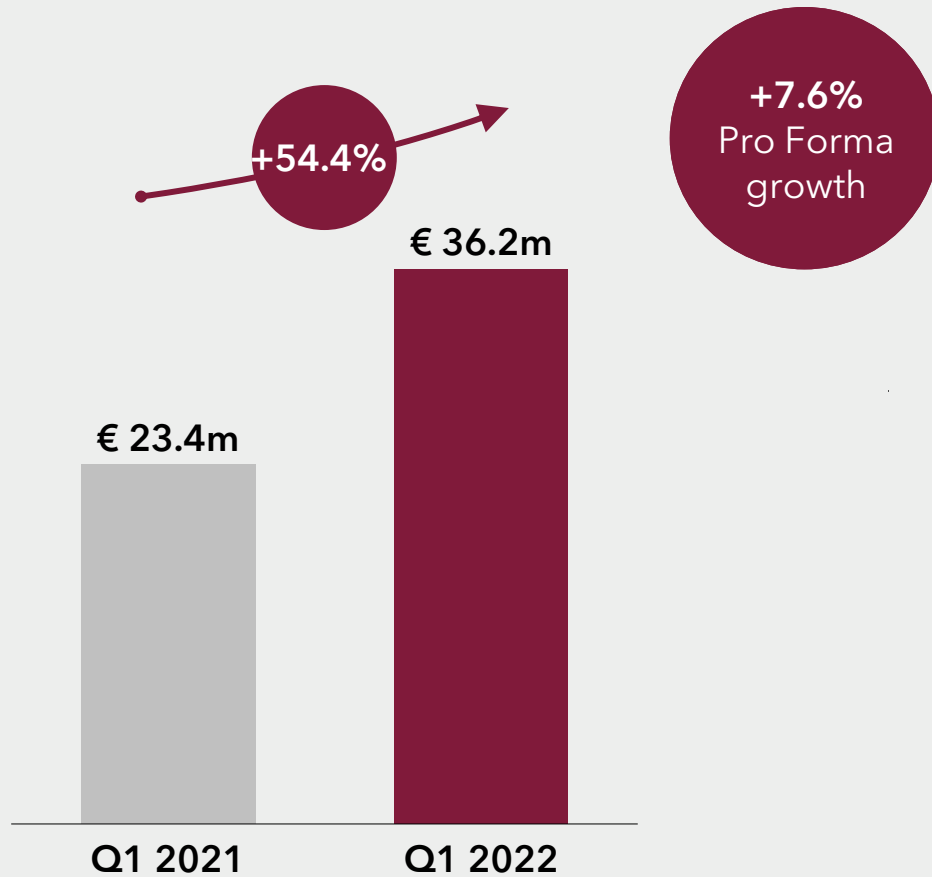
FINANCIAL UPDATE



DYNAMIC GROWTH IN Q1 AND 2M 2022

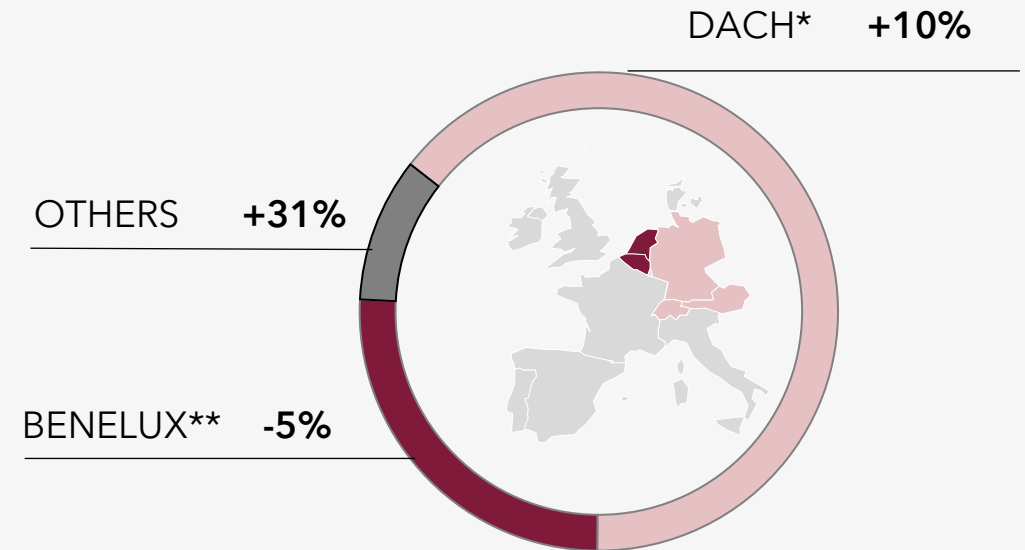
Consolidated

TOTAL NET REVENUE



Pro Forma

TOTAL NET REVENUE BY REGION (Q1)



KEY HIGHLIGHTS

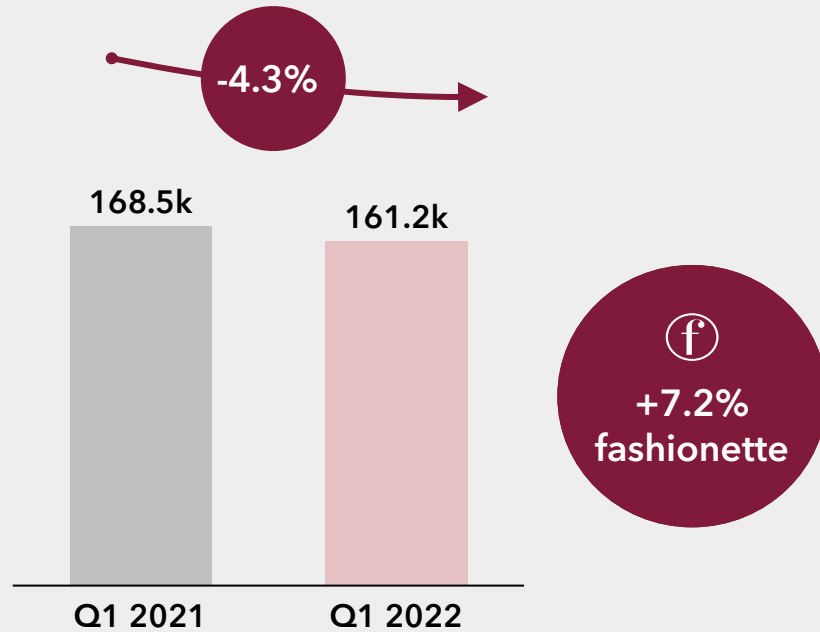
- Strong sales growth of **+15.7% (Pro Forma)** in 2M 2022
- Stellar growth of +19.2% in the number of active customers
- Benelux was impacted by lower sales from the Netherlands
- Others benefitted mostly from operations in France, United Kingdom, Italy and Sweden

* DACH: Germany, Austria, Switzerland. | ** Benelux: Belgium, Netherlands and Luxemburg.

CONTINUOUSLY RESILIENT CUSTOMER METRICS

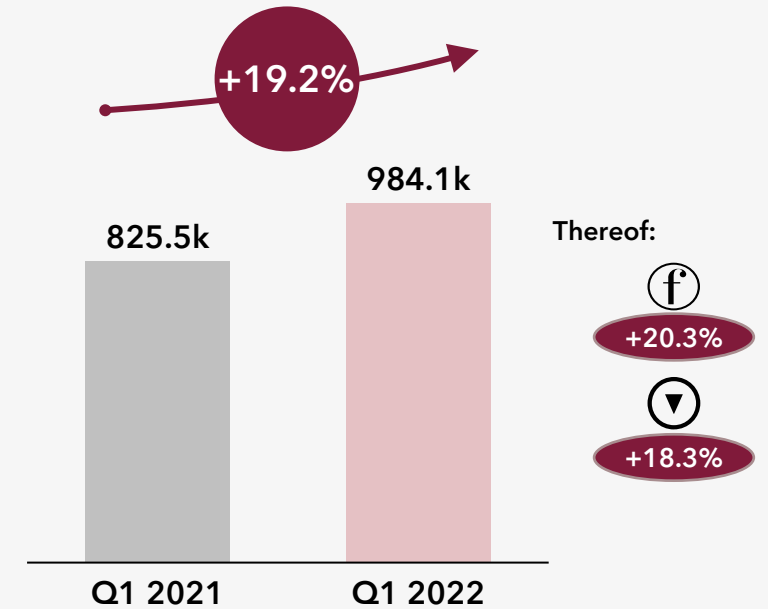
Pro Forma

NUMBER OF NEW CUSTOMERS



- Strong growth on fashionette's platform partially compensating slower acquisition of the new customers at Brandfield
- Consumer sentiment impacted conversion rates at Brandfield

NUMBER OF ACTIVE CUSTOMERS (LTM)

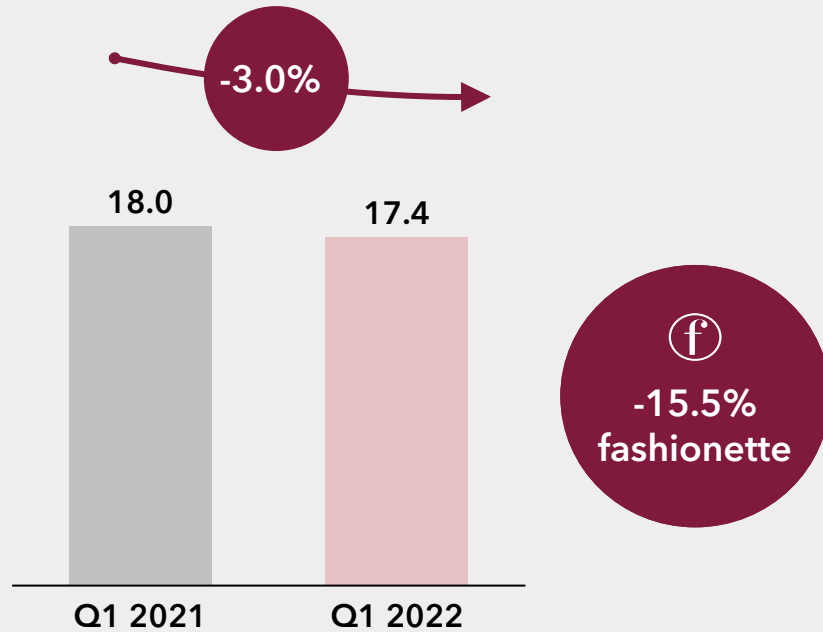


- Strong growth in the number of active customers on both platforms
- Strategic choices and investments into IT platform supported strong growth

GROWING EFFICIENCY IN MARKETING

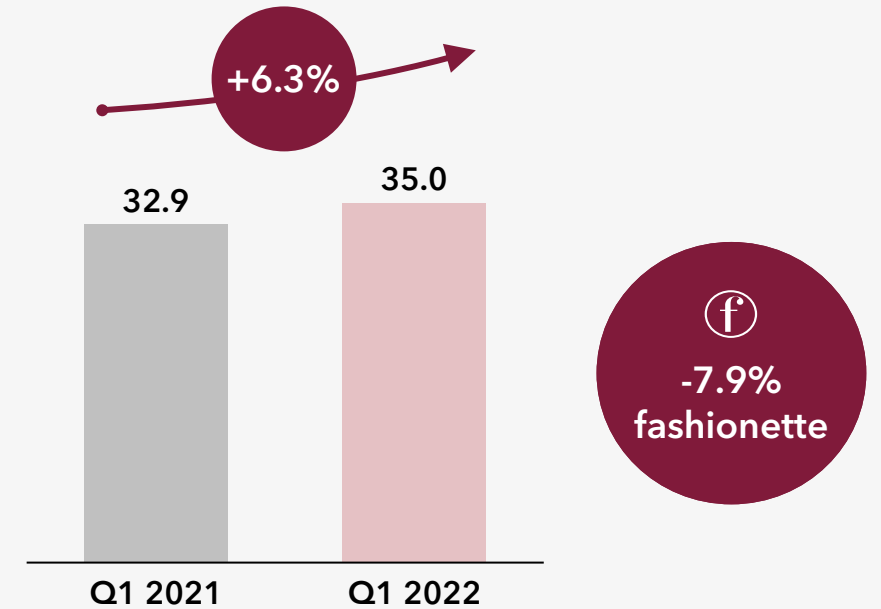
Pro Forma

MARKETING COST PER ORDER (€)



- Growing number of orders at fashionette leads to more efficient marketing cost per order
- Number of orders at Brandfield are impacted by slower acquisition of new customers

CUSTOMER ACQUISITION COSTS (CAC) (€)

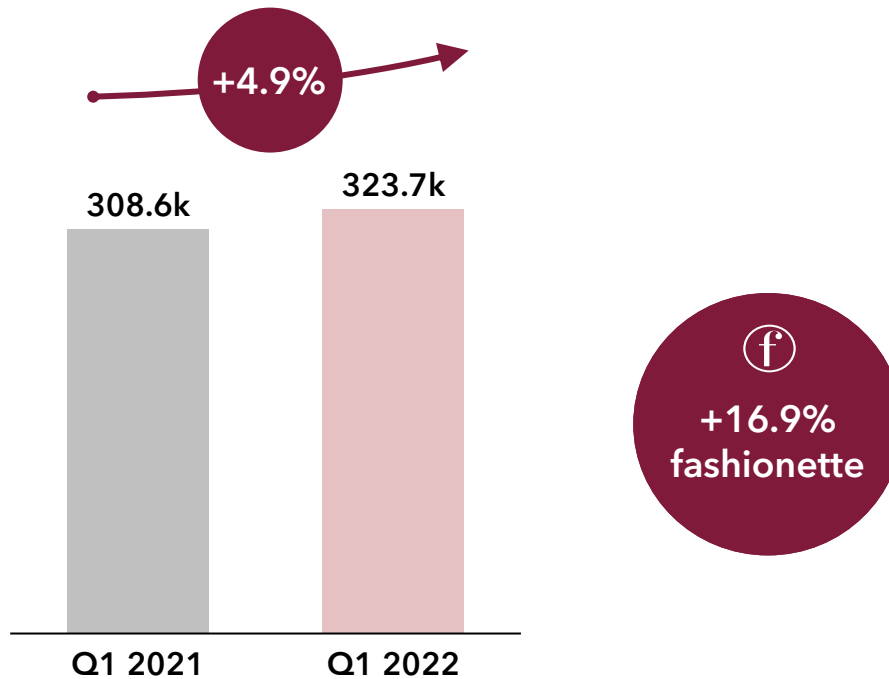


- fashionette gains efficiency in customer acquisition costs
 - EUR 53.70 in Q1'22 vs EUR 58.29 in Q1'21
- Lower number of new customers, impacts CAC at Brandfield

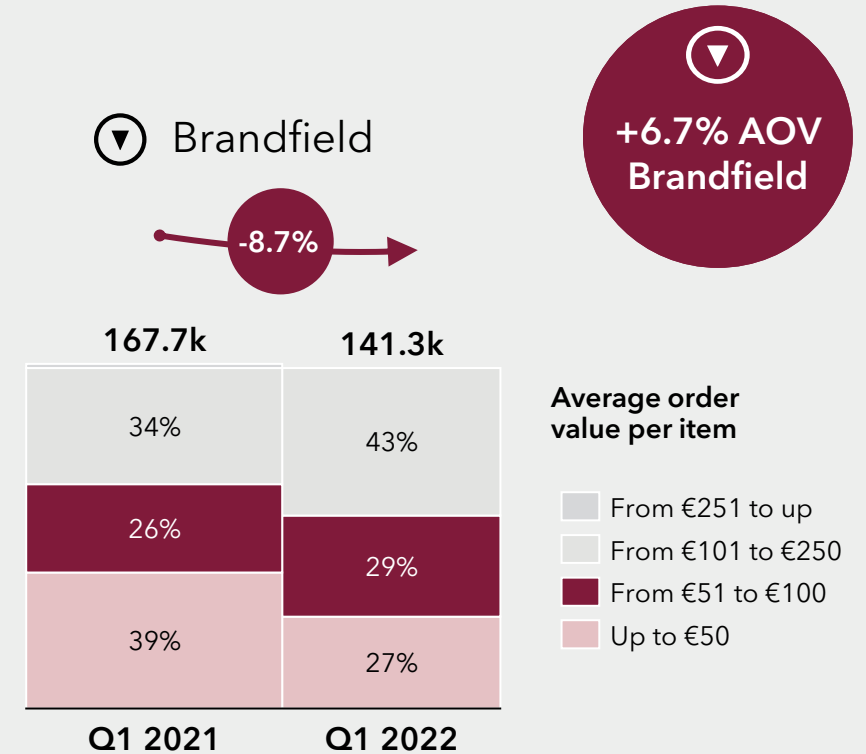
CONSUMER SENTIMENT WEIGHING ON NUMBER OF ORDERS

Pro Forma

NUMBER OF ORDERS



- **fashionette:** continuously strong growth in a number of orders (+16.9%) and units sold (+24.9%)
- **Brandfield:** number of orders are impacted by consumer sentiment affecting lower priced items



- **Selection expansion** at Brandfield results in:
 - Increasing share of handbags (14% vs 8% in Q1 '21)
 - +7% growth in AOV
 - +18% in active customers

FINANCIAL PERFORMANCE Q1 2022

Q1 Details

Pro Forma

	Q1 2021	Q1 2022
Returns (in % of total revenue)	38.5%	40.6%
<i>(in % of Net revenue)</i>		
Gross Margin	41.9%	41.0%
Distribution Cost Ratio	-12.1%	-13.2%
Profit Contribution I	29.8%	27.8%
Marketing Cost Ratio	-16.5%	-15.6%
G&A Ratio	-11.7%	-12.3%
Other Oper. Income Ratio	0.7%	0.6%
Adj. EBITDA Margin	2.3%	0.6%
Reported EBITDA Margin	0.7%	0.2%

Returns

Mainly driven by fashionette's category mix

Gross Margin

Gross margin remains strong despite a 92bps decline caused by category mix and increased competition. An increase in own brands revenue (+12% YoY) offsets some of the decline

Distribution Cost

Distribution cost per order increased only by 1% YoY for fashionette

Marketing Cost

Strong improvement on fashionette's platform largely compensating for increase in marketing cost at Brandfield

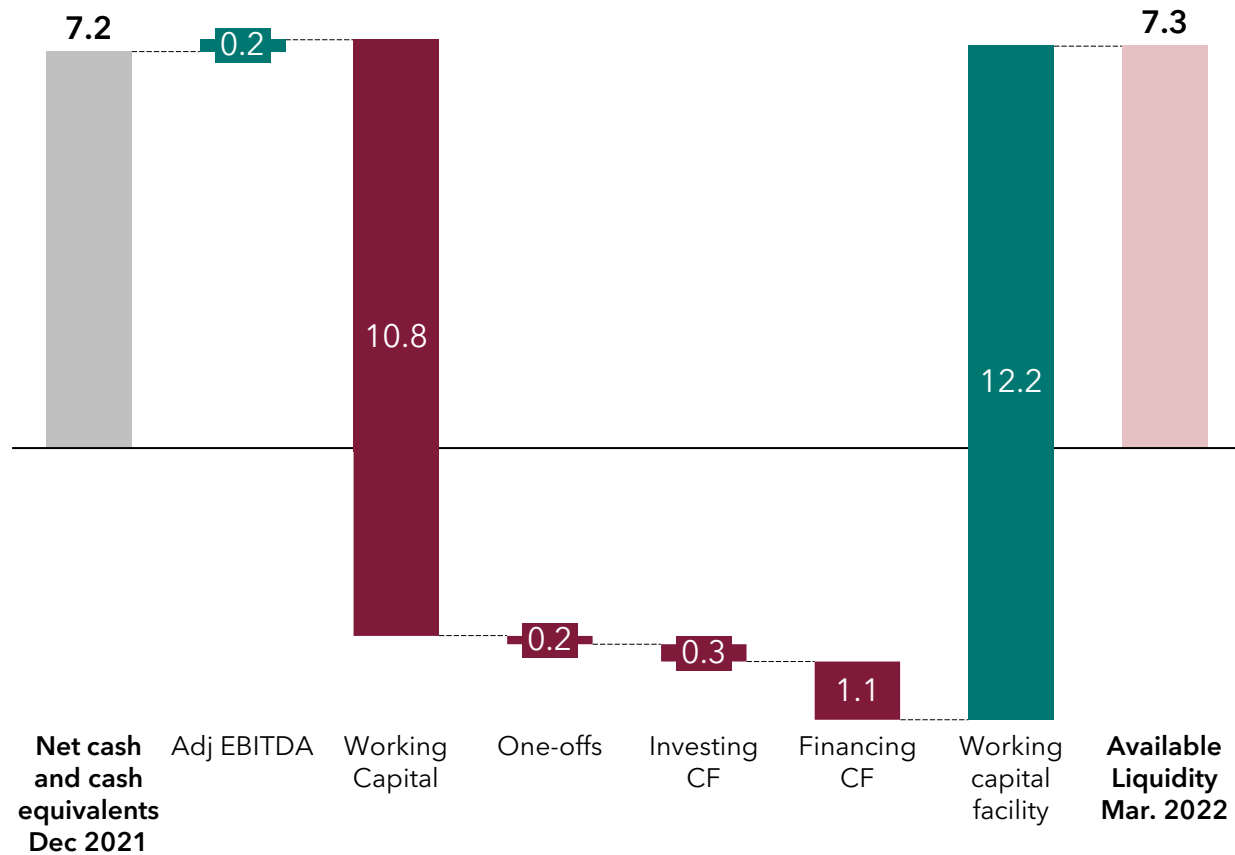
G&A Cost

Slight increase driven by personnel expenses connected with business expansion, annualizing in 2H '22

Reported EBITDA Margin

Adjusted for a non-cash IFRS impact (EUR 0.4m) in relation to acquisition of Brandfield

LIQUIDITY BRIDGE IN Q1 2022



Q1 Details

Operating cash flow

Inventory increase ahead of the summer season

Financing cash flow

Includes payment of EUR 0.5m for refinancing of Brandfield

Liquidity: €7.3 million

By the end of March 2022, net cash position was € -4.9 million with additional working capital facilities of € 13.0 million¹

Net Debt: Q1 is at 20.1mEUR

1. €13 million are adjusted for contingencies (Note 30 in the Annual Report 2021)

STRATEGIC UPDATE



OUR STRATEGIC PRIORITIES

f
+2 pp NPS
improvement

1 SELECTION EXPANSION

... WITHIN EXISTING CATEGORIES
... INTO ADJACENT CATEGORIES



- **PIM¹** - Optimized product descriptions to drive conversion. Available for all categories
- Attributes help in creating an **automated text** for product descriptions (powered by **AI**)
- **Semi-automated SKU creation**: with limited manual labor and faster route to listing

2 REGIONAL EXPANSION

... WITHIN EXISTING COUNTRIES
... INTO NEW GEOGRAPHIES



- **PIM¹** - seamless translation of the attributes, enabling expansion
- **Stock management** - stock migration process from fashionette to Brandfield
- **ITG** - partner with 200 locations worldwide, providing opportunity for expansion

3 CONTINUED INVESTMENTS

... INTO OUR IT PLATFORM
... INTO OUR CONTENT PRODUCTION



- **Data lakes** - inclusion of Brandfield's data into fashionette's data lake. Enabling marketing efficiency overtime
- **CRM** - Brandfield's CRM fueled by data insights from fashionette (results in 2Q '22)
- **Pricing** - fully automated "mark down" functionality improving cash flow (to be rolled out at brandfield later in 2022)

← SELECTIVE M&A →

Acquisition of Brandfield and consolidation from July 1, 2021

1. Product Information Management system
2. Net Promoter Score after checkout
fashionette FY 2021 - Investor presentation

OWN BRAND UPDATE

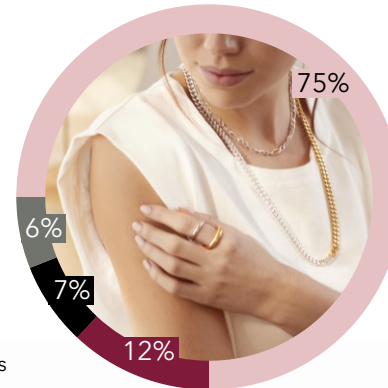
Own brand development in Q1...

11.4% Own Brand share in Q1 '22
+12.4% growth YoY
+18.9% Average Sales Price



...supported by key categories...

+7.4% Jewelry (Order Value)
+63.6% Handbags (Order Value)



% of order value for Q1 2022

Jewelry Watches
Handbags Others

ISABEL BERNARD PARIS

+28.4% Order Value
+11.7% in Average Item Price
+20.8% of revenue¹ done via
IsabelBernard.com

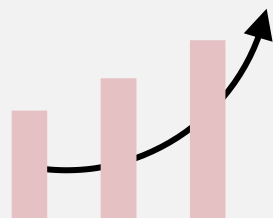


1. Based on Brandfield's order value for Q1 2022

SUSTAINABLE AND PROFITABLE GROWTH TO CONTINUE IN 2022

IFRS view

GROWTH (TOTAL NET REVENUE)



FY 2021

Cons.:
€ 133.8m

Pro Forma:
€ 154.8m

FY 2022

Cons.:
+ 34 to 40%

Pro Forma:
+ 16 to 21%

PROFITABILITY (ADJUSTED EBITDA)



FY 2021

Cons.:
€ 4.4m

Pro Forma:
€ 5.7m

FY 2022

€ 5m to € 7.5m

Key assumptions

- Outlook **remains unchanged**
- Although an increasingly **challenging external environment** introduces a greater degree of risk and uncertainties than normal
- Trading was impacted in the immediate weeks after the start of the war in Eastern Europe. Impact **was short-lived** and since end of March we have seen an improvement in consumer sentiment
- Continuous strict **working capital** management

We are confident that executing our growth strategies will enable us to deliver sustainable, profitable growth and value creation for our shareholders over the long-term

FINANCIAL CALENDAR AND EVENTS



FINANCIAL CALENDAR

- 24 Jun '22** Annual General Meeting
- 24 Aug '22** H1/Q2 Earnings call*
- 17 Nov '22** Q3 Earnings call*



UPCOMING EVENTS

- 20 and 23 May '22** Company Roadshow (Virtual)
- 25 Aug '22** Hamburg Investors Day, Montega (Hamburg)
- 19 Sep '22** Berenberg and Goldman Sachs 11th German Corporate Conference (Munich)



Q&A



THANK YOU

KPI OVERVIEW

Non-Financial Performance Indicators

Unaudited

	Pro Forma					2022	3M 2022	6M 2022	9M 2022	12M 2022
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021					
Number of orders (in thousands) ¹	309	311	283	494	1,396	324				324
Average order value (in EUR) ²	175	183	179	166	174	184				184
Active customers (in thousands, LTM) ³	825	873	917	976	976	984				984
New customers (in thousands) ⁵	168	165	147	280	760	161				161
Number of employees (average)					266					

Definitions

- 1 Number of orders - Defined as the number of customer orders placed on one of the Group's websites or third-party marketplaces in the measurement period after cancellations and irrespective of returns. An order is counted on the day the customer places the order. Orders placed and orders delivered may differ due to orders that are in transit at the end of the measurement period
- 2 Average order value - Defined as the order value divided by the number of orders in the measurement period
- 3 Active customer - Defined as the number of customers placing at least one not cancelled order in the last twelve months on one of the Group's websites or third-party marketplaces in the measurement period, irrespective of returns
- 4 New customers - Defined as the number of orders placed by customers which have placed the first not cancelled order on one of the Group's websites or third-party marketplaces in the measurement period, irrespective of returns

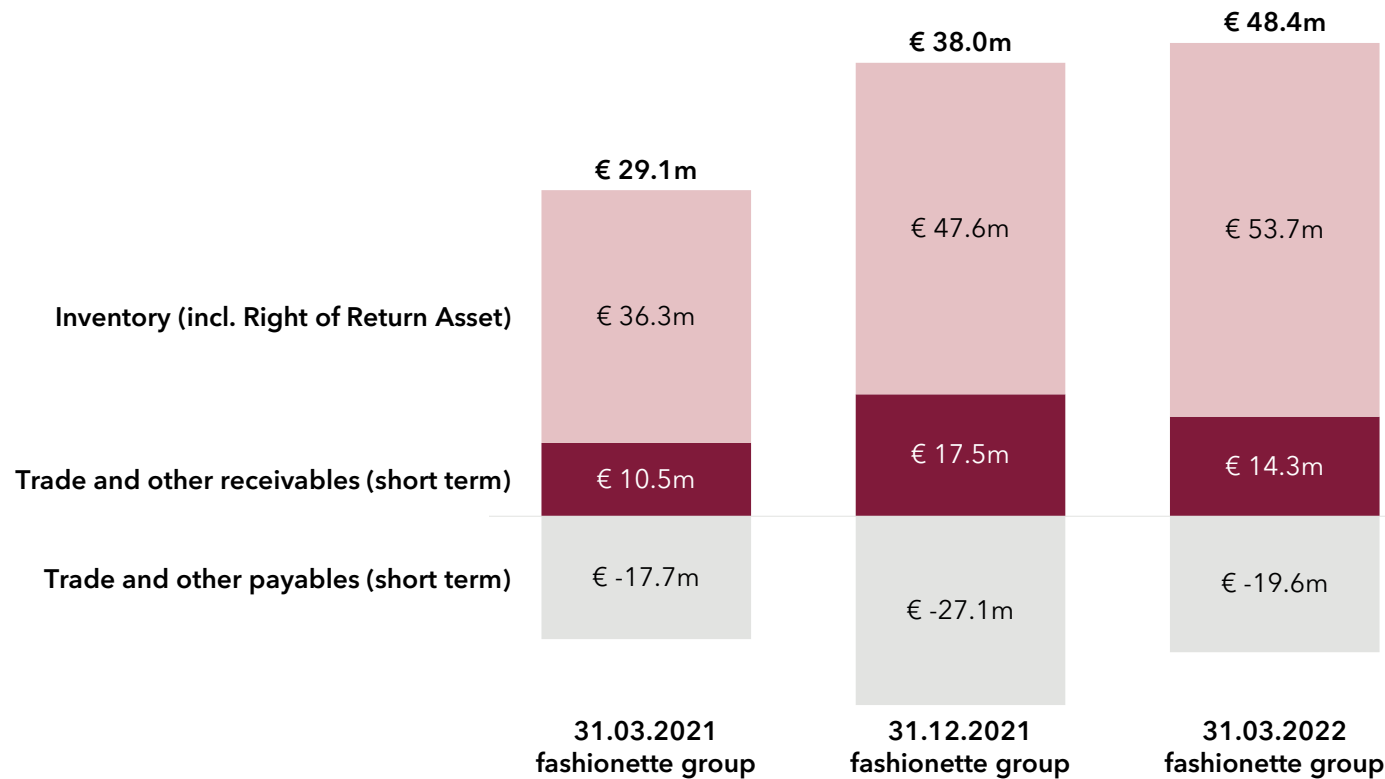
Please refer to IR publications for fashionette factbook



WORKING CAPITAL DEVELOPMENT

Pro Forma

WORKING CAPITAL (IFRS)



Note: All figures unaudited.

CASH FLOW

in kEUR	01.01.2021 - 31.03.2021	01.01.2022 - 31.03.2022
Profit (loss) for the period	-715	-1.569
Depreciation and amortization	415	664
Interest (income) expenses	395	426
Income taxes	447	185
Decrease (increase) in trade and other receivables	2.711	4.700
Decrease (increase) in inventories	-8.468	-7.132
Increase (decrease) in trade and other payables	-4.629	-7.673
Increase (decrease) in other provisions	8	3
Loss on sale of property, plant and equipment	0	0
Changes in other operating items	0	0
Other non-cash income (expenses)	67	0
Income tax paid	-762	-335
Cash Flow from operating activities	-10.532	-10.731
Acquisition of subsidiaries	0	0
Purchase of property, plant and equipment	-45	-48
Acquisition of intangible assets	-178	-270
Proceeds from sale of property, plant and equipment	0	0
Interest received	4	2
Cash flow from investing activities	-220	-315
Proceeds from borrowings	0	0
Repayments of borrowings	45	-450
Purchase of shareholder loan	0	0
Interest paid	-395	-429
Proceeds from issuance of shares	0	0
Payment of finance lease liabilities	-77	-174
Cash flow from financing activities	-428	-1.052
Net increase in cash and cash equivalents	-11.179	-12.098
Exchange rate and valuation-related changes in cash and cash equivalents	-3	0
Net cash and cash equivalents at the beginning of the period	34.154	7.178
Net cash and cash equivalents at the end of the period	22.971	-4.920

KPI DEFINITIONS

ACTIVE CUSTOMERS	Defined as the number of customers placing at least one not cancelled order in the last twelve months on one of the Group's websites or third-party marketplaces in the measurement period, irrespective of returns.
ADJ. EBITDA	Defined as earnings before interest, taxes, depreciation and amortization excluding extraordinary income / expenses.
AVERAGE ORDER VALUE	Defined as the order value divided by the number of orders in the measurement period.
CUSTOMER ACQUISITION COST	Defined as total marketing costs during a specific period divided by the number of new customers acquired during the same period. Customer acquisition cost is calculated at a high level of detail for each marketing activity.
EBITDA	Defined as earnings before interest, taxes, depreciation and amortization.
FREE CASH FLOW / CASH CONVERSION	Defined as free cash flow divided by adjusted net profit. Free cash flow consist of the cash flow from operating activities and the cash flow from investing activities. Adjusted net profit consist of net profit excluding extraordinary income / expenses.
MARKETING COST RATIO	Defined as total marketing costs divided by the order value for the measurement period. Total marketing costs consist of all marketing related costs including advertising expenses for all marketing channels, content production and related license fees as well as cost for marketing related tools and all other marketing related expenses. Total marketing costs do not include salaries.
NET REVENUE	Defined as gross revenue including dunning charges, marketing support less returns and credit notes.
NEW CUSTOMERS	Defined as the number of orders placed by customers which have placed the first not cancelled order on one of the Group's websites or third-party marketplaces in the measurement period, irrespective of returns.
NUMBER OF ORDERS	Defined as the number of customer orders placed on one of the Group's websites or third-party marketplaces in the measurement period after cancelations and irrespective of returns. An order is counted on the day the customer places the order. Orders placed and orders delivered may differ due to orders that are in transit at the end of the measurement period.
ORDER VALUE	Defined as the total amount spent (excluding VAT) on one of the Group's websites or third-party marketplaces by customers in the measurement period after cancelations and irrespective of return.
RETURN RATE (in % OF ORDER VALUE)	Defined as the total amount returned regarding orders placed by customers on one of the Company's websites in the measurement period divided by order value.

DISCLAIMER AND NOTES

BY VIEWING THIS PRESENTATION, YOU AGREE TO BE BOUND BY THE FOLLOWING TERMS AND CONDITIONS REGARDING THE INFORMATION DISCLOSED IN THIS PRESENTATION. THIS PRESENTATION HAS BEEN PREPARED BY FASHIONETTE AG (THE "COMPANY").

This disclaimer shall apply in all respects to the entire presentation (including all slides of this document), the oral presentation of the slides by representatives of the Company, any question-and-answer session that follows the oral presentation, hard copies of the slides as well as any additional materials distributed at, or in connection with this presentation. By attending the meeting (or conference call or video conference) at which the presentation is made, or by reading the written materials included in the presentation, you (i) acknowledge and agree to all of the following terms and conditions as well as restrictions and undertakings, and (ii) acknowledge and confirm that you understand the legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of the presentation. For the purposes of this notice, "presentation" means this document, its contents or any part of it.

This presentation is intended for information only, does not constitute a prospectus or similar document and should not be treated as investment advice. It does not, and is not intended to, constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities of the Company in any jurisdiction, nor shall it or any part of it form the basis of or be relied upon in connection with or act as any inducement to enter into any contract or commitment or investment decision whatsoever. Neither this presentation nor anything contained therein shall form the basis of, or be relied upon in connection with, any commitment or contract whatsoever. The Company assumes no liability for any claim which may arise from the reproduction, distribution or publication of the presentation (in whole or in part). This presentation is neither an advertisement nor a prospectus and recipients should not purchase, subscribe for or otherwise acquire any securities of the Company.

This presentation and any materials distributed in connection with this presentation are not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction. This presentation does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in the United States. The securities described herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in or into the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The information and opinions contained in this presentation are provided as at the date of this presentation, are subject to change without notice and do not purport to contain all information that may be required to evaluate the Company. The information in this presentation has not been independently verified. All numbers shown are as reported, unless otherwise stated. Parts of the financial information in this presentation are preliminary and unaudited. Certain financial information (including percentages) in this presentation has been rounded according to established commercial standards. As a result, the aggregate amounts (sum totals or sub totals or differences or if numbers are put in relation) may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing elsewhere in this presentation. No reliance may or should be placed for any purpose whatsoever on the information contained in this presentation or on its completeness, accuracy or fairness. None of the Company, its shareholders, or any other party accepts any responsibility whatsoever for the contents of this presentation, and no representation or warranty, express or implied, is made by any such person in relation to the contents of this presentation. The information in this presentation is of a preliminary and abbreviated nature and may be subject to updating, revision and amendment, and such information may change materially. None of the Company, its shareholders, or any other party undertakes or is under any duty to update this presentation or to correct any inaccuracies in any such information which may become apparent or to provide you with any additional information. Recipients should not construe the contents of this presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters. In particular, no representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on any projections, targets, ambitions, estimates or forecasts contained in this presentation and nothing in this presentation is or should be relied on as a promise or representation as to the future.

To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements may appear in a number of places throughout this presentation and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our prospects, growth, strategies, the industry in which the Company operates and potential or ongoing acquisitions or sales. All forward-looking statements herein are based on certain estimates, expectations and assumptions at the time of publication of this presentation and there can be no assurance that these estimates, expectations and assumptions are or will prove to be accurate. Furthermore, the forward-looking statements are subject to risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future including (without limitation) future market and economic conditions, the behaviour of other market participants, investments, expansion and the actions of public authorities and other third parties, many of which are beyond our control, that could cause actual results, performance or financial position to differ materially from any future results, performance or financial position expressed or implied in this presentation.

Accordingly, no representation or warranty (express or implied) is given that such forward-looking statements, including the underlying estimates, expectations and assumptions, are correct or complete. Forward-looking statements are not guarantees of future performance and that the development of our prospects, growth, strategies, the industry in which the Company operates, and the effect of acquisitions or sales on the Company may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, even if the development of the Company's prospects, growth, strategies and the industry in which the Company operates are consistent with the forward-looking statements contained in this presentation, those developments may not be indicative of our results, liquidity or financial position or of results or developments in subsequent periods not covered by this presentation. Nothing that is contained in this presentation constitutes or should be treated as an admission concerning the financial position of the Company. Readers are cautioned not to place reliance on these forward-looking statements. We do not undertake any obligation to publicly update any forward-looking statements or to conform them to events or circumstances after the date of this presentation.

The third parties whose data is cited in this presentation are neither registered broker dealers nor financial advisors and the permitted use of any data does not constitute financial advice or recommendations. This presentation contains forecasts, statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data on the Company's business and markets (together "**market data**") provided by third party sources as interpreted by us. Where market data is quoted, such information should not be interpreted as having been adopted or endorsed by the Company or any other person as being accurate. All statements in this presentation attributable to third party industry experts represent the Company's interpretation of data, research opinion or viewpoints published by such industry experts, and have not been reviewed by them. Each publication of such industry experts speaks as of its original publication date and not as of the date of this presentation. This market data is, in part, derived from published research and additional market studies prepared primarily as a research tool and reflects estimates of market conditions based on research methodologies including primary research, secondary sources and econometric modelling. The market data does not represent actual sales figures globally or in any given country; rather, the market data represents a statistical projection of sales in a given territory and is subject to the limitations of statistical error and adjustments at any time. The market data presented is based on statistical methods and extrapolation. In addition, market data and trend information as interpreted or used by the Company is based on certain estimates and assumptions of the Company and there can be no assurance that these estimates and assumptions as well as any interpretation of the relevant information by the Company are or will prove to be accurate.

Historical financial information contained in this presentation is mostly based on or derived from the financial statements for the respective period. The information contained in this presentation may comprise financial and similar information which is neither audited nor reviewed and should be considered preliminary and subject to change. Such financial information is not necessarily indicative for the operational results, the financial position and/or the cash flow of the Company's business neither in the past nor in the future and may, in particular, deviate from any historical financial information. Given the aforementioned uncertainties, (prospective) investors are cautioned not to place undue reliance on any of this information. No representation or warranty is given and no liability is assumed by the Company, express or implied, as to the accuracy, correctness or completeness of the information contained in this presentation.

Throughout the presentation, the Company presents unaudited financial information that is not required by or prepared in accordance with the IFRS standards. The Company tracks the Alternative Performance Measures to measure its general performance, achievement versus its (short- and mid-term) business plan and to make strategic decisions. It is used by the Company in monitoring, evaluating and managing its business and the Company believes the Alternative Performance Measures provide an enhanced understanding of the Company's underlying results and related trends. Further, the Company believes that the Alternative Performance Measures are frequently used by securities analysts, investors and other interested parties in evaluating companies in its industry and it may contribute understanding of the Company's business. The Alternative Performance Measures are no measurements of the Company's performance or liquidity under the German generally accepted accounting principles of the IFRS or any other generally accepted accounting principles and should not be considered as an alternative to net income/net loss for the year/period or any other performance measures derived in accordance with the International Financial Reporting Standards (IFRS) or any other generally accepted accounting principles or as alternatives to cash flow from operating, investing or financing activities.

The Alternative Performance Measures do not necessarily indicate whether cash flows will be sufficient for the Company's cash requirements and may not be indicative of its future results. Furthermore, the Alternative Performance Measures are not recognized under the International Financial Reporting Standard (IFRS), should not be considered as substitutes for an analysis of Company's operating results prepared in accordance with International Financial Reporting Standard (IFRS), and may not be comparable to similarly titled information published by other companies.

Further, the Company presents other operating, non-financial and financial information throughout this presentation which are key performance indicators, not derived from its financial statements, but based on data from the Company's management reporting systems ("**KPIs**"). The KPIs may not be comparable to similarly titled information by other companies. They are for illustrative purposes only, unaudited and based on management's estimates, judgements and experience. While the KPIs should not be considered as a substitute for an analysis of the Company's operating results prepared in accordance with the International Financial Reporting Standard (IFRS), the Company nevertheless believes that such data assists it in evaluating the efficiency of the Company's marketing efforts.