

## 2021 NINE-MONTH BUSINESS REVIEW

# REVENUES: €522.9 MILLION (UP 12.5%) INCLUDING AN EXPECTED MARKET DOWNTURN IN Q3

La Plaine Saint Denis, 21 October 2021 – Showroomprivé (SRP Group), a leading European online retailer for the *Digital Woman*, publishes its net revenues for the third quarter and first nine months ended 30 September 2021.

### Third quarter down 16.8% versus Q3 2020 but up 7.8% versus Q3 2019

#### An expected performance resulting from:

- An accounting cut-off effect<sup>1</sup>, without which the quarterly decline would be limited to 11.1%;
- A demanding 2020 comparison base due to the boost in e-commerce activity generated by the health crisis, amid a more normalised environment in 2021;
- An offering that remains selective, but with less renewal due to current supply shortages and the general production slowdown in 2020, temporarily reducing inventory volumes at brand partners in 2021;
- More calibrated marketing investment to reflect the context and maintain an efficient acquisition cost.

#### Growth drivers fulfilling their promise

- Excellent third quarter performance by SRP Media (up 90% compared to Q3 2020) in line with the first half 2021.
- Confirmed rebound of the Travel and Ticketing segment (up 280% compared to Q3 2020) with volumes already significantly above 2020.

### Nine-month revenues remain dynamic, up 12.5% compared to nine-months 2020

#### Performance supported by continued strong indicators:

- 81% of revenues generated by our loyal customer base;
- Revenue per buyer up 11.5% to €177.1 compared to nine-months 2020;
  - Average basket size up to €47.8 over nine months in line with the offer “premiumisation” strategy;
  - 3.2% increase in the number of orders compared to nine-months 2020.

### Outlook and ambitions for profitable growth in 2021 confirmed

- Strong first half financial performance;
- Target Full-year 2021 EBITDA above 2020 EBITDA, confirming the success of the profitability initiatives taken under the 2018-2020 Performance Plan and the strength of the business model, despite the expected revenue decline in the second half due to market conditions;
- Significant cash position of €95.2 million and net cash of €31.8 million at 30 September 2021 (excl. IFRS 16 impact).

Showroomprivé co-founders and co-CEOs Thierry Petit and David Dayan commented on these results: *“It will come as no surprise that the third quarter presented a less favourable environment for e-commerce compared to last year, with a return to greater consumption in physical stores, which impacts all players in the sector. However, the increase in e-commerce penetration remains a lasting trend. We have also been impacted by lower stock availability at our brand partners due to disruptions in the global production and supply chain. In this context, our third quarter revenue is, coherently down, but remains up compared to the same period in 2019. In the face of these exogenous disruptions, which may still persist for several months, we can rely on the strength of our organisation that is much more efficient and agile than two years ago thanks to the success of the 2018-2020 Performance Plan, a sound financial structure with a net cash position, and new growth drivers that are significant contributors to profitability. In view of our performance in the first nine months of the year, we are confident that our performance in 2021 will exceed that of 2020, further strengthening the Group’s fundamentals and putting us in a very favourable position to benefit from a more normalised economic environment.”*

<sup>1</sup> This is the difference in revenue between Q3 2020 and Q3 2021 as a result of delays in booking orders from one quarter to the next.

# Q3 AND 9-MONTH 2021 REVENUES

## Revenue analysis

	9-month 2019	9-month 2020	9-month 2021	Variation 2019-2021	Variation 2020-2021
<b>Net revenues (€m)</b>	<b>427.0</b>	<b>464.7</b>	<b>522.9</b>	<b>+22.5%</b>	<b>+12.5%</b>
Total Internet revenues	420.3	458.1	518.0	+23.2%	+13.1%
Other revenues <sup>2</sup>	6.7	6.5	5.0	-25.5%	-23.7%

  

	Q3 2019	Q3 2020	Q3 2021	Variation 2019-2021	Variation 2020-2021
<b>Net revenues (€m)</b>	<b>124.9</b>	<b>161.9</b>	<b>134.7</b>	<b>+7.8%</b>	<b>-16.8%</b>
Total Internet revenues	121.9	160.0	132.8	+8.9%	-17.0%
Other revenues <sup>2</sup>	3.0	2.0	1.8	-39.4%	-7.0%

**Group net revenues** were down 16.8% to €134.7 million for the third quarter of 2021 compared to Q3 2020, with Internet revenues down 17.0% to €132.8 million as a result of two factors:

- A demanding comparison base:
  - Q3 2020 saw a catch-up of revenues (accounting cut-off effect), due to deliveries of orders placed in the second quarter and delayed by the health situation, which increased an already demanding comparison base. Adjusted for this effect, the quarterly decline amounts to -11.1%;
  - The health environment boosted 2020 revenues as there has been a shift in consumption towards e-commerce. The current environment is less favourable than in 2020, although e-commerce penetration is up markedly on 2019.
- A market factor due to disruptions in global supply chains that have recently spread to all sectors, resulting in lower inventory availability.

The high-margin growth drivers on which the Group intends to capitalise over the years ahead are confirming their potential. SRP Media, which posted Q3 growth of 90% compared to Q3 2020, continues to develop strongly, thereby illustrating the Group's ability to monetise its powerful assets. The Travel and Ticketing segment is rebounding and in the space of a few months has already posted higher revenues than during the entire 2020 financial year.

Meanwhile, the development of the marketplace, still a limited contributor, is continuing with its testing and adjustment phase prior to future ramp-up.

Revenues from other activities (physical clearance of unsold inventory and online returns) amounted to €1.8 million, down €0.2 million due to more efficient returns management in addition to the reduction in unsold inventories. This non-strategic and relatively unprofitable revenue stream will always vary from one quarter to the next, as it is impacted by one-off clearance operations launched by the Group on the physical market.

**Over the first nine months of the year, net revenues amounted to €522.9 million, up 12.5%** compared to nine months 2020 due to the lead gained in the first half of 2021 (up 28.3%), absorbing the decline in the third quarter of 2021. The lasting effects of the Group's strategic repositioning allowed the Group to post third quarter revenues up 7.8% and nine-month revenues up 23.2% versus 2019.

<sup>2</sup> Other revenues comprise all physical clearance activities, from both returns handling and the rundown of surplus inventories and SRP Studio activities.

## Analysis of key performance indicators

	9-month 2019	9-month 2020	9-month 2021	Variation 2020-2021
<b>Gross Merchandise Volume (GMV)<sup>3</sup></b>	NA	653.8	<b>718.6</b>	+9.7%
<b>Cumulative buyers* (millions)<sup>4</sup></b>	9.5	10.3	<b>11.1</b>	+7.2%
<b>Buyers** (millions)<sup>4</sup></b>	2.6	2.6	<b>2.7</b>	+2.8%
of which repeat buyers***	2.1	2.1	<b>2.2</b>	+4.0%
as % of total buyers	80%	80%	<b>81%</b>	+1 pp
<b>Number of orders (millions)<sup>4</sup></b>	9.5	9.4	<b>9.9</b>	+6.1%
<b>Revenue per buyer (IFRS)<sup>4</sup></b>	147.8	158.8	<b>177.1</b>	+11.5%
Average number of orders per buyer	3.6	3.6	<b>3.7</b>	+3.2%
Average basket value (€)	40.7	44.2	<b>47.8</b>	+8.0%

\* All buyers who have made at least one purchase on the Group's platform since its launch

\*\* Member who made at least one order during the year

\*\*\* Member who made at least one order during the year and at least one order in prior years

The number of buyers increased slightly for the first nine months, with the total number of orders rising sharply to 9.9 million, demonstrating customer loyalty to the site.

The number of cumulative buyers has increased by about 0.8 million since 1 January 2021. However, acquisition of new buyers slowed in the third quarter on the back of a more difficult environment for marketing investments.

Meanwhile, the less buoyant e-commerce environment in the third quarter led to a decrease in the number of orders, explaining the decline in revenues during the period.

Revenue per buyer increased from €158.8 to €177.1 over the first nine months of the year. The increased selectivity of the offering initiated in 2019 followed by its gradual enhancement with new premium brand partners led to a €3.6 increase in the average basket size over the first nine months of the year to €47.8 (€48.3 in Q3).

## OUTLOOK

On the back of a demanding comparison base and external factors that weigh on short-term activity, the Group is committed to maintaining rigorous management of its operating expenses with the objective of **achieving full-year EBITDA higher than 2020 EBITDA**, demonstrating the merits of the initiatives taken to improve the Group's structural profitability and the robustness of the business model.

This performance will consolidate an already very solid financial structure with a significantly positive net cash position.

Beyond this financial year, thanks to the positioning of its offering, in line with the expectations of its target customer base, Showroomprivé remains perfectly positioned to take advantage in the medium term of a favourable underlying trend linked to the growing and irreversible penetration of e-commerce in consumer habits. The Group accordingly intends to actively pursue its development beyond the next quarter by leveraging:

- the power of its platform sustained by a strong membership base;
- continued action to extend and lock in major brands, particularly in the internet business, in order to increase market share whilst controlling gross margin;
- the transition of the purchasing model towards drop shipping;
- continued development of its growth drivers, such as SRP Media, the Marketplace, SRP Studio and the recovery in Travel and Ticketing segment;
- strict control and continuous optimisation of operating expenses. The Group will focus on managing inventory, continued streamlining of logistics and the further ramp-up of its automated logistics warehouse.

<sup>3</sup> Gross Merchandise Volume (GMV) is the total amount of transactions invoiced, including all taxes. It therefore comprises gross online sales, including sales on the Marketplace, other services and other revenues.

<sup>4</sup> Excluding Beauté Privée

## CHANGE OF GOVERNANCE

The Group has announced ([see press release available on the website](#)) a forthcoming change in governance.

Thierry Petit has announced that he will step down from his operational functions at the end of 2021, whilst staying on as a board member of Showroomprivé as Vice Chairman of the Board of Directors, as well as a core shareholder. David Dayan will stay on as Chairman and CEO and François de Castelnaud, currently Chief Financial Officer, will be appointed Deputy CEO as of 1 January 2022. They will be supported by an Executive Committee renewed in 2019 that has greatly contributed to the Group's improved financial performance in recent periods.

## UPCOMING INFORMATION

Annual results 2021: March 2022

## FORWARD-LOOKING STATEMENTS

This press release solely contains summary information and is not intended to be detailed. This press release may contain forward-looking information and statements relating to the Group and its subsidiaries. These statements include financial projections and estimates and their underlying hypotheses, statements with respect to plans, to objectives and to expectations relating to operations that are still to come, to future revenues and services, and statements with respect to future performance. Forward-looking statements can be identified by the words "believe", "anticipate", "objective" or similar expressions. Even if the Group believes that the expectations reflected by such forward looking statements are reasonable, investors and shareholders of the Group are advised of the fact that the information and forward-looking statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally out of the control of the Group, which could imply that the effective results and events can differ significantly and in an unfavourable manner from those that are communicated, implied or indicated by this information and these forward looking statements. These risks and uncertainties include those that are advanced or identified in the documents filed or that are to be filed with the Financial Markets Authority by the Group (in particular those detailed in chapter 3 of the universal registration document of the Company). The Group does not take on any commitment to publish updates of the forward-looking information, this whether subsequent to new information, to future events or to any other element.

## ABOUT SHOWROOMPRIVE.COM

Showroomprivé.com is a European player in event-driven online sales that is innovative and specialized in fashion. Showroomprivé proposes a daily selection of more than 3,000 partner brands over its mobile applications or its Internet site in France and in six other countries.

Listed on the Euronext Paris market (code: SRP), Showroomprivé achieved a gross internet business volume<sup>5</sup> with all taxes included of more than 962 million euros in 2020, and net revenue of 698 million euros. The Group employs more than 950 people.

For more information: <https://www.showroomprivigroup.com>



<sup>5</sup> Gross Merchandise Volume (GMV) is the total amount transactions invoiced, including all taxes. It therefore includes gross online sales, including sales on the Marketplace, other services and other revenues.

# CONTACTS

## **Showroomprivé**

Sylvie Chan Diaz, Investor relations  
investor.relations@showroomprive.net

Priscilla Le Minter, Communication  
priscilla.leminter@showroomprive.net  
+33 1 76 21 50 16

## **ACTUS finance & communication**

Grégoire Saint-Marc, Investor relations  
showroomprive@actus.fr  
+33 1 53 67 36 94

Manon Clairet, Press Relations  
mclairet@actus.fr  
+33 1 53 67 36 73

