

## 2022 ANNUAL RESULTS

## SHOWROOMPRIVÉ DEMONSTRATES THE RESILIENCE OF ITS BUSINESS MODEL IN A PARTICULARLY DEMANDING ENVIRONMENT

- Showroomprivé has reaped the benefit of the strategic priorities set in recent years, with its business model proving to be highly resilient
- Profitability maintained through active and agile management that has anticipated and weathered the cyclical shocks
- Cash flow from operating activities of €18.4 million and positive free cash flow of €2.2 million
- Growth over H2 2022 of 4.9% compared to H2 2021, resulting in €657.4m total 2022 revenue
- Strong performance of the growth levers (SRP Services, Travel & Leisure, Marketplace) that remain promising in 2023
- Effective integration of The Bradery in the second half of 2022 and confirmation of the transaction rationale of the acquisition
- Deployment of the ACE (Adapt, Consolidate, Expand) roadmap setting out the Group's medium-term strategic priorities and strengthening our profitable growth potential

**La Plaine Saint Denis, March 8, 2023** – Showroomprivé (SRP Group), a European group specializing in smart shopping, has announced its consolidated results for the year ended December 31, 2022, as approved by its Board of Directors on March 8, 2023.

**Confirmation of the resilience of SRP Group's business model: profitability maintained despite challenging environment and unfavorable comparison basis**

- 2022 performance adversely affected by a challenging market environment, including supply shortages, and a weaker than anticipated rebound in the second half related to the rise of inflation dampening economic activity.
- Growth of revenue and profitability compared to 2019, the last pre-covid year, as performances in 2020 and 2021 were boosted by the exceptional tailwind of the e-commerce growth.
- Sustainable profitability demonstrating the effectiveness of the 2018-2020 Performance plan.
- Rebound in the H2 with a growth of 4.9% supported by a normalization of comparable basis, the successful acquisition of The Bradery and the Group's agility, resulting in total 2022 revenue of €657.4m.
- Increase in the inventory level to contend the anticipated supply shortages, offset by an acceleration in inventory turnover and improved payment terms with brands.
- Optimization of the brand portfolio in relation to a more selective offering to highlight its premium credentials.
- Higher firm sales and dropshipping<sup>1</sup> to speed up delivery times, leading to a more balanced mix between all three sales models<sup>2</sup>.
- Marketplace revenue doubled in 2022 as its ramp-up gained pace.
- Further positive momentum in the Travel & Leisure segment (GMV growth of 69%), benefitting from the strong demand following the lifting of pandemic-related restrictions.
- Solid performance by SRP Services despite the reduction in advertisers' budgets as a result of the economic environment.

<sup>1</sup> Direct delivery by the supplier

<sup>2</sup> Firm sales, dropshipping, conditional sales

## Profitability maintained through agile management

### **Positive EBITDA<sup>3</sup> of €19.5 million vs. €48.2 million in 2021**

- Gross margin declined over the year to 37.2% (from 39.8% in 2021) as a result of the strategic policy of securing inventories in the first half, which led to higher purchasing prices and a strategy of quicker inventory turnover in the second half together leading to greater discounts. This approach helped to maintain the quality, depth and competitiveness of our offering for our members, while containing the impact on profitability thanks to the responsiveness of our team.
- Tight control over operating expenses curbing the decline in profitability, which stood at 36.6% of revenue (versus 35.4% in 2021) despite the impact of lower volumes.
- Continued growth of SRP Services with the development of new high value-added offerings leading to a positive impact on margins.

**Net income of €0.3 million, below that of 2021** as a result of the significant drop in business during the first half of the year.

## Sound financial structure maintained

- €201.5 million in shareholders' equity as of December 31, 2022
- Gross cash of €83.5 million with positive free cash flow of €2.2 million thanks to a strong cash generation
- Net cash of €25.5 million (€40.9 million excluding IFRS 16 lease liabilities)

## Deployment of the ACE roadmap with three strategic pillars ("Adapt, Consolidate & Expand") supporting profitable growth and cash generation over the medium term

Following a period of profound changes arising from the COVID-19 pandemic and the inflationary environment, the Group continues to adapt to consumers' expectations as well as the market demands. Showroomprivé aims at supporting brand partners' digitalization and promoting affordable and sustainable consumption.

To achieve this goal, Showroomprivé has defined its roadmap entitled ACE and is based on three strategic priorities.:

- **A**dapting the value proposition.
- **C**onsolidating and strengthening operational execution.
- **E**xpanding by activating the growth levers.

Leveraging a renewed governance, the Group will capitalize on the quality of the Group's platforms (showroomprivé, Beauté Privée, The Bradery), maintain the tight control over operating expenses and support the ramp-up of its promising segments (e.g. SRP Services, marketplace, international segment) with a view to deliver medium-term profitable growth and strong cash generation

## Strengthening the Executive Committee to achieve the Group's ambitions

In order to accelerate its new stage of profitable growth, Showroomprivé has renewed its Executive Committee in the second half of the year. The recent appointments will enable the Group to promote the "new Showroomprivé generation", talents that have contributed to the Group's growth in recent months, and to integrate new profiles with strong expertise.

## Targets on profitable growth

Despite persisting market uncertainties, Showroomprivé expects market conditions to improve in 2023 and intends to continue to focus on its profitability and business model optimization. The Group will step up its efforts to improve its gross margin with a heightened emphasis on purchasing terms and its inventory levels. This focus as well as a greater sale selectivity will be complemented by a rationalization of our logistic network and an optimization of third party providers.

The Group will continue to prioritize highly renowned brands in line with the current consumer trend to focus on the top names. The Group's profitability profile will also improve with the continued ramp-up of SRP Services and the Travel & Ticketing segment. Lastly, Showroomprivé will accelerate its development in its international market, concentrating its efforts on two priority areas that will serve as a basis for the acceleration of the other countries where the group is established.

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<sup>3</sup> EBITDA, according to the definition used by the Company, is calculated by deducting from net income: the amortization of assets recognized in relation to a business combination; the amortization and depreciation of intangible assets and property, plant and equipment; the cost of share-based payments, including the charge arising from expensing over time the fair value of bonus shares and stock options granted to employees; other non-recurring operating income and expenses; the net cost of debt and other financial income and expenses; and tax expense for the year

## 2022 KEY FIGURES

(in € millions)	2019	2021	2022	22/21 % chg.	22/19 % chg.
<b>GMV</b>	<b>851.1</b>	<b>992.5</b>	<b>939.6</b>	<b>-6.0%</b>	<b>9.6%</b>
<b>Net revenue</b>	<b>615.6</b>	<b>723.8</b>	<b>657.4</b>	<b>-9.2%</b>	<b>6.8%</b>
Total Internet revenue	603.1	716.2	649.8	-9.3%	7.7%
<b>Gross profit</b>	<b>187.5</b>	<b>288.1</b>	<b>244.7</b>	<b>-15.1%</b>	<b>30.5%</b>
Gross margin as a % of revenue	30.5%	39.8%	37.2%	-2.6 pt	6.7 pt
<b>Operating expenses</b>	<b>-234.3</b>	<b>-255.9</b>	<b>-240.5</b>	<b>-6.0%</b>	<b>2.6%</b>
As a % of revenue	38.1%	35.4%	36.6%	+1.2 pt	-1.5 pt
<b>EBITDA</b>	<b>-31.4</b>	<b>48.2</b>	<b>19.5</b>	<b>-59.5%</b>	<b>n/a</b>
EBITDA margin as a % of revenue	n/a	6.7%	3.0%	-3.7 pt	n/a
<b>Net income</b>	<b>-70.5</b>	<b>27.3</b>	<b>0.3</b>	<b>n/a</b>	<b>n/a</b>

The Board of Directors of SRP Group met on March 8, 2023 and approved the 2022 consolidated financial statements. The audit of the consolidated financial statements has been completed. The specific verifications required prior to issuance of the audit report are currently in progress.

Commenting on the Group's performance, **François de Castelnaud, the Group's Deputy CEO and Chief Financial Officer**, said:

*"While the challenging market conditions of 2022 disrupted our growth trajectory, they also served to highlight the strength of our financial profile. Thanks to our tight control over costs and our ability to develop high value-added services, our teams have been able to retain a satisfactory level of profitability despite the economic conditions that did not improve as rapidly as we had anticipated for the second half. We plan to double down our efforts by continuing to optimize our inventories, streamline our operating expenses and by allocating more resources to our growth levers in France and in our international markets."*

Talking about the Group's ambitions, **David Dayan, the Co-founder, Chairman and CEO of Showroomprivé**, added:

*"During 2022, a year in which consumer spending came under pressure, Showroomprivé displayed the agility necessary to meet customers satisfaction while maintaining its profitability. The Bradery's good start, the ramp-up of our Marketplace and the success of our new service offerings reflect our ability to return very quickly to profitable growth, which is a real strength. We have laid down our major strategic priorities in our ACE roadmap to set a clear path for future growth despite the still uncertain environment. There's no doubt that our sound financial base gives us a major advantage in rolling out our projects. These assets make us more motivated than ever to deliver on our brands and clients demands that be in terms of service, display, price competitiveness and reduced delivery time. We are driven by a desire to create value by establishing ourselves as a leading force across all our verticals, and we are confident in our ability to fully meet the expectations of all our stakeholders – our customers, our brands and our shareholders."*

## DETAILED COMMENTS BY INDICATOR TYPE

### Revenue

(in € thousands)	2019	2021	2022	% chg. 22-21 (%)	22/19 chg. (%)
Internet revenue					
France	504.1	595.2	532.3	-10.5%	5.6%
International	99.0	121.0	117.5	-2.7%	-18.7%
<b>Total Internet revenue</b>	<b>603.1</b>	<b>716.2</b>	<b>649.8</b>	<b>-9.3%</b>	<b>7.3%</b>
Other revenue	12.4	7.6	7.5	-1.2%	-39.1%
<b>Net revenue</b>	<b>615.6</b>	<b>723.8</b>	<b>657.4</b>	<b>-9.2%</b>	<b>6.8%</b>

The **Group's net revenue in 2022** stands at €657.4 million, down 9.2% from 2021 and down 11.4% on a like-for-like basis. Compared with a normalized basis, i.e. before the COVID-19 pandemic, 2022 revenue is up 6.8% from its 2019 level. While the Group anticipated some of the year's challenges (supply shortage, cost increase related to fret and logistic disruption at our suppliers end), it had to contend with a slower-than-expected rebound in consumer spending, which led to a slower than anticipated second-half growth in revenue (4.9%). On a like-for-like basis, H2 revenue was stable (up 0.6%). To address the consequences of this situation, especially regarding the inventory level, Showroomprivé's teams took the requisite measures to:

- increase inventory turnover by adopting an optimized pricing policy, without compromising the Group's core commitment to low prices;
- use a dynamic pricing system to boost returns;
- adapt operations at our logistics hubs to adjust for the increase in firm sales and the decline in conditional sales;
- raise shipping costs in line with market increases, while keeping them at competitive levels.

In parallel, the Group continued its premiumization with a focus on renowned brands and a rationalization of low profitable white-label brands, while securing the availability of leading products on its platform. In addition, the Group worked towards the reduction of delivery times. Firm purchases and dropshipping, which have the shortest delivery times, accounted for a larger share of the sales mix at 34% and 32% respectively, reducing conditional sales to 34%. Therefore, Showroomprivé has reached a balanced mix between its sales type, which is in line with the Group's long-term strategic priorities.

Internet sales in **France** declined 10.6% year-on-year but were up 5.6% compared to 2019. **The Bradery's** performance have been very encouraging with an annual growth of over 17%, of which seven months were consolidated by the Group. This performance demonstrates the relevance of the acquisition. **The Bradery's** performance was especially remarkable given the economic headwinds that affected the business and the transitional characteristic of 2022 for the business as it underwent a change of ownership and a period of operational integration. Overall, the Fashion segment has been impacted by a lower level of activity and reduced use of online platforms as bricks-and-mortar stores opened their doors again. A number of brands fell short of their performance levels in the previous year. The **Marketplace** business continued to gain momentum, recording very strong growth in its sales (+96%). The **Travel & Leisure** segment proved its relevance as a growth lever, recording strong growth (+69%) thanks to the strong consumer demand for travel and getaway breaks after two years of pandemic restrictions. Conversely, **Beauté Privée's** sales declined relative to 2021. Its performance was affected by the slower-than-anticipated roll-out of partnerships with the brands. The situation was exacerbated by a challenging platform migration in the previous year and by logistical issues during 2022 from our provider. **SRP Services**, our highly profitable business, posted a 6% increase in 2022, setting another record despite the economic conditions. Despite a weaker advertising market over the final few months of the year, SRP Media posted a growth of 4% over the full year, demonstrating its ability to retain top-tier advertisers. Lastly, SRP Studios' ramp-up continued, with another year of rapid growth (+43%).

Though also affected by the macroeconomic situation, **International** revenue continue to increase its weighing in the overall business and continue to assert its greater resilient than in France. The International share of total revenue moved up 1.2 points to 18%.

Revenue from **other activities**<sup>4</sup> (wholesale sales of unsold items or returned items) was stable at €7.5 million.

Compared to 2019, the last year prior to the COVID-19 pandemic, all the sales and profitability metrics showed a significant increase. This performance is a testament to the effectiveness of the new business model, introduced under the Performance 2018-2020 plan. It will be sustained and taken to the next level under the ACE roadmap, which lays down the long-term strategic pillars needed for profitable and cash generation.

<b>KPIs</b>	<b>2019</b>	<b>2021</b>	<b>2022</b>	<b>% chg.</b>
<b>Gross Merchandise Volume (GMV)</b>	851.1	992.5	939.6	-6.0%
<b>Cumulative buyers* (in millions)<sup>5</sup></b>	9.8	11.3	12.0	6.1%
<b>Buyers** (in millions)<sup>5</sup></b>	3.2	3.3	3.0	-8.8%
o/w which loyal buyers***	2.4	2.5	2.3	-8.2%
As a % of number of total buyers	76%	77%	77%	0 Bps
<b>Number of orders (in millions)<sup>5</sup></b>	13.4	13.7	11.4	-16.5%
<b>Revenue per buyer (IFRS)<sup>5</sup></b>	175.2	202.9	198.8	-2.0%
Average number of orders per buyer	4.2	4.2	3.9	-8.4%
Average basket size	41.4	48.2	51.5	7.0%

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

\*\* Member placing at least one order during the year

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

GMV totaled €932.6 million down around €60 million year-on-year. Showroomprivé responded to the lower level of volumes not only by having a tight control over its cost base but also by reinforcing its appeal to brands and customers.

We pursued the acquisition of new members and their conversion into buyers over the year with a 6.1% increase in cumulative buyers in 2022 to almost 12 million. Although our buyers were slightly less active this year, the loyal customer rate remained stable at a high level of 77%.

<sup>4</sup> This non-core revenue reflects occasional inventory sales launched by the Group on the physical market.

<sup>5</sup> Excluding Beauté Privée and The Bradery.

In line with the premiumization strategy, the average shopping basket rose to over €50, representing a year-on-year increase of more than €3 to €51.5. The increased basket size (+7%) has nevertheless not been able to compensate entirely the decrease in the average number of order by buyer (-8%) resulting therefore to a decrease in the revenue per buyer of 2%.

The market share of the Group<sup>6</sup> in the French market, including Showroomprivé, Beauté Privée and The Bradery, averaged around 25.1%. This market share has remained solid and even increased slightly compared to the previous year, despite fiercer competition.

In addition, the Group achieved record satisfaction scores during the period, with a delivered NPS of 55% (up 5 points versus 2021).

### Operational profitability

(in € millions)	2019	2021	2022	% chg. 22-21 (%)	% chg. 22-19 (%)
<b>Net revenue</b>	<b>615.6</b>	<b>723.8</b>	<b>657.4</b>	<b>-9.2%</b>	<b>6.8%</b>
Cost of sales	-428.0	-435.8	-412.7	-5.3%	
<b>Gross profit</b>	<b>187.5</b>	<b>288.1</b>	<b>244.7</b>	<b>-15.1%</b>	<b>30.6%</b>
<i>Gross margin as a % of revenue</i>	<i>30.5%</i>	<i>39.8%</i>	<i>37.2%</i>	<i>-2.6 pt</i>	<i>6.8 pt</i>
Marketing*	-24.7	-29.3	-24.8	-15.5%	0.2%
<i>as a % of sales</i>	<i>4.0%</i>	<i>4.0%</i>	<i>3.8%</i>	<i>-0.3 pt</i>	<i>-0.2 pt</i>
Logistics and fulfillment	-152.4	-163.5	-154.2	-5.7%	1.2%
<i>as a % of revenue</i>	<i>24.8%</i>	<i>22.6%</i>	<i>23.5%</i>	<i>0.9 pt</i>	<i>-1.3 pt</i>
Selling, general & administrative expenses	-57.2	-63.1	-62.0	-1.7%	8.3%
<i>as a % of revenue</i>	<i>9.3%</i>	<i>8.7%</i>	<i>9.4%</i>	<i>0.7 pt</i>	<i>0.1 pt</i>
<b>Total current operating expenses</b>	<b>-234.3</b>	<b>-255.9</b>	<b>-241.0</b>	<b>-5.8%</b>	<b>2.8%</b>
<i>As a % of revenue</i>	<i>38.1%</i>	<i>35.4%</i>	<i>36.7%</i>	<i>+1.3 pt</i>	<i>-1.4 pt</i>
<b>Recurring operating income</b>	<b>-46.8</b>	<b>32.2</b>	<b>4.0</b>	<b>-87.7%</b>	<b>n/a</b>
<b>EBITDA<sup>7</sup></b>	<b>-31.4</b>	<b>48.2</b>	<b>19.5</b>	<b>-59.5%</b>	<b>n/a</b>
o/w France	-24.6	41.7	19.9	-52.2	n/a
o/w International	-6.9	6.5	-0.4	n.m	n/a

The full-year 2022 gross profit stands at €244.7 million, a decrease of €43.4 million. As a percentage of revenue, it represents 37.2%, down 2.6 points from 39.8% in 2021. This contraction was mainly driven by:

- The policy of securing inventories in the first half, which resulted in higher purchasing prices;
- A deliberate strategy not to raise selling prices in order to stay true to the Group's value proposition consisting of always offering the best prices to customers;
- A policy of more rapid inventory turnover in the second half, leading to a higher level of discounts;

This approach helped to maintain the quality, depth, and competitiveness of the offering for members, with a controlled impact on profitability thanks to teams' agility, which enabled corrective measures to be taken rapidly.

Operating expenses came to 36.6% of revenues, up from 35.4% one year earlier. This represents an increase as a percentage of revenue, but a fall of 6.0% in absolute terms compared to 2021, reflecting the effectiveness of the strict cost control policy. Operating expenses showed a 1.5-point improvement compared to 2019, when they amounted to 38.1% of revenue. The tighter cost control in 2022 relative to 2021 reflected a combination of:

- **A reduction in marketing expenses to 3.8% of revenue from 4.0% in the previous year** thanks to a refocus of expenditure towards more targeted levers, in order to foster higher conversion rates (ROI), and a general rationalization of costs;
- **6.1% reduction in logistics costs relative to 2021 to 23.4% of revenue, up 0.8 points from 22.6% in the previous year**, due to the underutilization of the logistics network resulting from lower volumes, which drove this figure up as a percentage of revenue. The efforts made by the Group to streamline its network should pave the way for improved fixed cost absorption over the medium term;
- **1.4% reduction in selling, general and administrative costs to 9.5% of revenue, from 8.7% in the previous year** as a result of strict cost control.

EBITDA declined to €19.5 million from €48.2 million in 2021 as a result of the volume contraction and gross margin trends despite tight operating cost control and the ramp-up in the growth levers. The improvement in EBITDA relative to the loss of €31.4 million recorded in 2019 demonstrates the sustained effectiveness of the Performance 2018-2020 plan.

Despite the business contraction, this satisfactory level of EBITDA demonstrates the resilience of Showroomprivé's model, which has been able to maintain profitability while adapting to market trends.

<sup>6</sup> Source: FoxIntelligence, sample based on major sales event sites: bazarchic Beauté Privée, bricoprivé, private sport shop, showroomprivé, The Bradery, veepee, Zalando privé

<sup>7</sup> EBITDA, according to the definition used by the Company, is calculated by deducting from net income: the amortization of assets recognized in relation to a business combination; the amortization and depreciation of intangible assets and property, plant and equipment; the cost of share-based payments, including the charge arising from expensing over time the fair value of bonus shares and stock options granted to employees; other non-recurring operating income and expenses; the net cost of debt and other financial income and expenses; and tax expense for the year.

After amortization and provisions, operating income before non-recurring expenses was €4.2 million, compared to €32.2 million in the previous financial year.

### Net income

(in € millions)	2019	2021	2022	% chg. 22-21 (%)	% chg. 22-19 (%)
<b>Recurring operating income</b>	<b>-46.9</b>	<b>32.2</b>	<b>4.2</b>	<b>-86.9%</b>	<b>n/a</b>
Other operating income and expense	-21.6	-3.2	-2.5	-22.7%	n/a
<b>Operating income</b>	<b>-68.4</b>	<b>28.9</b>	<b>1.7</b>	<b>-94.1%</b>	<b>n/a</b>
Finance costs	-0.6	-1.1	-1.0	-9.9%	66.7%
<b>Profit before tax</b>	<b>-69.1</b>	<b>27.8</b>	<b>0.7</b>	<b>-97.5%</b>	<b>n/a</b>
Income tax expense	-1.3	-0.5	-0.4	-28.3%	-66.5%
<b>Net income</b>	<b>-70.5</b>	<b>27.3</b>	<b>0.3</b>	<b>-98.8%</b>	<b>n/a</b>

\* In accordance with the recommendations of the AMF, the amortization of intangible assets recognized in connection with a business combination is reported in "current operating income" within marketing expenses.

Other operating income and expenses of €2.5 million consists of various non-recurring charges of €1.8 million (acquisition costs related to The Bradery, fees, etc.) and €0.7 million cost of share-based payments.

Net financial costs remained under control at €1.0 million. The Group incurred a small tax charge of €0.4 million, stable compared to 2021.

**As a result, the Group's net income stands at €0.3 million in 2022.**

### Cash flow

(in € millions)	2021	2022
Cash flow from operating activities	+36.1	+18.4
Cash flow from investing activities	-12.8	-16.2
Cash flow from financing activities	-54.7	-18.2
<b>Net change in cash and cash equivalents</b>	<b>-31.3</b>	<b>-16.1</b>

**Cash flow from operating activities was €18.4 million** in 2022 compared with €36.1 million in 2021, largely as a result of the business contraction. However, this impact has been mitigated by the significant improvement in the negative WCR, in line with the policy implemented of optimized supplier payment conditions, and has resulted in a positive contribution of €5.7 million.

These cash flows from operations largely financed the investments related to the activities of the Group that accounted for €16.2 million, which included recurring capital expenditures and the acquisition of The Bradery in the first half of 2022.

Following the repayment of €13.1 million in debt (including IFRS 16 debt) and the €4.1 million share repurchase in August 2022, cash flow from financing activities came to €18.2 million.

### Balance sheet

ASSETS (in € millions)	Dec. 31, 2021		Dec. 31, 2022		
	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	
Total non-current assets	216.5	223.8	Total equity	205.1	201.5
Total current assets	220.4	224.7	Total non-current liabilities	54.6	43.5
<i>o/w Inventories and work in progress</i>	62.6	78.7	<i>o/w financial debt</i>	54.3	42.8
<i>o/w cash and cash equivalents</i>	99.6	83.5	Total current liabilities	177.2	203.4
			<i>o/w financial debt</i>	12.9	15.1
<b>Total assets</b>	<b>436.9</b>	<b>448.5</b>	<b>Total liabilities</b>	<b>436.9</b>	<b>448.4</b>

Shareholders' equity came to €201.5 million as of December 31, 2022.

The Group had gross cash and cash equivalents of €83.5 million as of December 31, 2022. The debt repayment during the year reduced the gross financial debt to €42.6 million as of December 31, 2022. Showroomprivé is therefore net cash positive of €40.9 million as of December 31, 2022 (excluding IFRS 16 lease liability).

Net financial debt included €15.4 million in lease liabilities (IFRS 16) as of December 31, 2022. Without this accounting item, net cash totaled €25.5 million.

The Group has a strong financial position that allows it to pursue its ambitions with confidence.

## OUTLOOK & STRATEGY

In an environment in which visibility remains very limited, Showroomprivé will continue to focus on profitability during 2023.

To achieve this goal, the Group aims to improve its gross margin by adopting a tougher negotiating strategy with brands and a more selective approach to opportunities. The Group will take advantage of the high inventory level in the market given the large number of unsold items held by brand partners after their lackluster summer and winter sales. Teams will particularly focus on prices and purchasing terms.

In parallel, the Group intends to increase the number of premium brand in its portfolio in order to meet the expectations of members that are less price sensitive in this category, in particular amid market uncertainties in which consumers are increasingly favoring well-known brands.

Showroomprivé will continue to streamline and optimize its logistics network, which represents a key lever for improving profitability in the medium term. In the shorter term, the Group will maintain its tight control over operating expenses.

In 2023, the Group's revenue should benefit from the development acceleration in the international markets following the consolidation of its business model in its home market over the last few years. Our growth levers such as the Travel & Leisure segment, the Marketplace and SRP Services, and especially SRP Media, will all contribute to the acceleration of the business momentum.

### An Executive Committee to carry out the Group's ambitions

In order to accelerate its new stage of profitable growth, Showroomprivé has renewed its Executive Committee in the second half of the year. It is now made of 14 members, which constitutes a new younger and diversified management. The recent appointments follow three key rationales: Promote the "new generation of Talents of Showroomprivé" who has greatly contributed to the growth of the Group over the last months; integrate new profiles with specific expertise; and reinforce the relationship with stakeholders. This Executive Committee will be in charge of the execution of the roadmap which defines the strategic orientations of Showroomprivé on the medium-term.

### A resilient business model and strong strategic priorities that will drive sales and profitability in the medium-term

With a healthy and resilient financial position, Showroomprivé is confident in its ability to move forward along a trajectory of virtuous and profitable growth. To achieve this, the Group has defined three key priorities in its **ACE** roadmap ("**Adapt, Consolidate & Expand**"):

- **Adapt the value proposition** to the latest market expectations while optimizing key assets
  - Develop a universe better aligned with the latest trends for members and a more premium concept for brands to help support future growth;
  - Extend the permanent offering by ramping up the Marketplace for the benefit of the leading brands;
  - Capitalize on Showroomprivé's strong reputation by expanding its brand portfolio, while maintaining a highly selective approach and offering increasingly innovative services;
  - Reinforce the ESG dimension, especially the environmental pillar, by pursuing the deployment of projects aimed at fulfilling our key measures.
- **Consolidate and strengthen all the operational efficiency levers** to unlock higher profitability
  - Convert the unique member base into regular, high-potential buyers;
  - Continue to improve customer service and in particular quality and delivery times, while seeking to minimize their environmental footprint;
  - Optimize and keep a tight control over operating expenses, with an emphasis on the rationalization of our logistic network and the optimization of Astrolab (our automated warehouse).
- **Extend and diversify our development model** by capitalizing on attractive growth levers able to unlock the full potential of the growing e-commerce penetration
  - Activate the full potential of the high growth and highly profitable segments in the like of the Travel & Leisure segment, by creating a dedicated, permanent universe, for instance;

- Provide global support for brands via SRP Services and harnessing the full potential for value creation from these activities, which high contribute to EBITDA;
- Accelerate the development of Beauté Privée and The Bradery by strengthening their member base and establishing a high-quality, targeted offering;
- Reinforce positions in key markets outside France (Spain, Italy, Belgium, Portugal) with the goal of achieving critical mass while maintaining a good level of profitability;
- Create a permanent universe for premium brands within the Marketplace.

To join the Showroomprivé Group of Shareholders

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# UPCOMING PUBLICATIONS

Q1 2023 revenue: April 20, 2023

## FORWARD-LOOKING STATEMENTS

This press release contains only summary information and is not intended to be comprehensive.

This press release may contain forward-looking information and statements about the Group and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements may be identified by the words “believe”, “expect”, “anticipate”, “goal” or similar expressions. Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, investors and the Group’s shareholders are advised that forward-looking information and statements are subject to numerous risks and uncertainties, many of which are difficult to predict and are generally beyond the control of the Group, which could cause actual results and developments to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in filings with the Autorité des Marchés Financiers (France’s financial markets authority) made or to be made by the Group (particularly those detailed in Chapter 4 of the Company’s registration document). The Group makes no commitment to publicly update its forward-looking statements, whether as a result of new information, future events or otherwise.

## ABOUT SHOWROOMPRIVÉ

Showroomprivé is an innovative European player in the online private sales industry, specialized in fashion. Showroomprivé offers a daily selection of more than 3,000 brand partners via its mobile apps or website in France and six other countries. Since its launch in 2006, the company has enjoyed rapid growth.

Showroomprivé is listed on Euronext Paris (code: SRP) and reported GMV of almost €950 million incl. VAT<sup>8</sup> in 2022, and net revenue of €657 million. The Group is headed by David Dayan, the co-founder, and employs over 1,000 people.

For more information: <http://showroomprivigroup.com>

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<sup>8</sup> Gross Merchandise Volume (GMV) is the total amount of transactions invoiced, including all taxes. It therefore includes gross online sales, including sales on the Marketplace, other services and other income

## INCOME STATEMENT

<i>(in € thousands)</i>	<b>2021</b>	<b>2022</b>	<b>% chg.</b>
<b>Net revenue</b>	<b>723,846</b>	<b>657,369</b>	<b>-9.2%</b>
Cost of goods sold	-435,776	-412,669	-5.3%
<b>Gross profit</b>	<b>288,071</b>	<b>244,699</b>	<b>-15.1%</b>
<i>Gross margin as a % of revenue</i>	39.8%	37.3%	-2.6 pt
Marketing <sup>1</sup>	-29,284	-24,755	-15.5%
<i>as a % of revenue</i>	4.0%	3.8%	-0.2 pt
Logistics and fulfillment	-163,517	-153,517	-6.1%
<i>as a % of revenue</i>	22.6%	23.4%	0.8 pt
Selling, general & administrative expenses	-63,086	-62,202	-1.4%
<i>as a % of revenue</i>	8.7%	9.5%	0.8 pt
<b>Total operating expenses</b>	<b>-255,885</b>	<b>-240,473</b>	<b>-6.0%</b>
<b>as a % of revenue</b>	<b>35.4%</b>	<b>36.6%</b>	<b>+1.2 pt</b>
<b>Recurring operating income</b>	<b>32,186</b>	<b>4,226</b>	<b>-86.9%</b>
Other operating income and expense	-3,244	-2,508	-22.7%
<b>Operating income</b>	<b>28,942</b>	<b>1,718</b>	<b>-94.0%</b>
Cost of debt	-1,125	-999	-11.2%
Other financial income and expenses	-18	-31	75.6%
<b>Profit before tax</b>	<b>27,799</b>	<b>688</b>	<b>-97.5%</b>
Income tax expense	-515	-369	-28.3%
<b>Net income</b>	<b>27,284</b>	<b>319</b>	<b>-98.8</b>
<b>EBITDA</b>	<b>48,206</b>	<b>19,510</b>	<b>-59.5%</b>
<i>EBITDA as a % of revenue</i>	6.7%	3.0%	-3.7 points

<sup>1</sup> In accordance with AMF recommendations, the amortization of intangible assets recognized in relation to a business combination is reported in "current operating income" in marketing expenses.

## PERFORMANCE INDICATORS<sup>1</sup>

	2021	2022	% chg.
<b>CUSTOMER METRICS</b>			
Cumulative buyers (in thousands)	11,298	11,990	+6.1%
<i>France</i>	8,877	9,397	+5.9%
<i>International</i>	2,421	2,593	+7.1%
Buyers (in thousands)	3,252	2,968	-8.8%
<i>France</i>	2,625	2,359	-10.2%
<i>International</i>	627	609	-2.9%
Revenue per buyer (€)	202.9	198.8	-2.0%
<i>France</i>	205.6	200.4	-2.5%
<i>International</i>	191.6	192.8	-0.6%
<b>ORDERS</b>			
Number of orders (in thousands)	13,703	11,448	-16.5%
<i>France</i>	11,058	8,934	-19.2%
<i>International</i>	2,644	2,514	-4.9%
Average number of orders per buyer	4.2	3.9	-8.4%
France	4.2	3.8	-10.1%
International	4.2	4.1	-2.1%
Average basket size (€)	48.2	51.5	+7.0%
<i>France</i>	48.8	52.9	+8.4%
<i>International</i>	45.5	46.7	+2.7%

<sup>1</sup> Excluding Beauté Privée and The Bradery

## BALANCE SHEET

<i>(in € thousands)</i>	Dec. 31, 2021	Dec. 31, 2022
<b>NON-CURRENT ASSETS</b>		
Goodwill	123,685	129,912
Other intangible assets	49,155	54,274
Property, plant and equipment	36,905	33,225
Other current assets	6,755	6,370
<b>Total non-current assets</b>	<b>216,500</b>	<b>223,781</b>
<b>CURRENT ASSETS</b>		
Inventory and work in progress	62,564	78,741
Trade and other receivables	20,311	20,235
Tax receivables	928	3,248
Other current assets	37,039	38,981
Cash and cash equivalents	99,551	83,477
<b>Total current assets</b>	<b>220,394</b>	<b>224,682</b>
<b>Total assets</b>	<b>436,894</b>	<b>448,463</b>
Borrowings and financial liabilities	54,317	42,801
Employee benefits	206	621
Other provisions	57	123
Deferred tax liabilities	29	-
<b>Total non-current liabilities</b>	<b>54,609</b>	<b>43,545</b>
Short-term financial debt	12,946	15,153
Trade and other payables	119,722	143,871
Other current liabilities	44,496	44,399
<b>Total current liabilities</b>	<b>177,164</b>	<b>203,423</b>
<b>Total liabilities</b>	<b>231,773</b>	<b>246,969</b>
<b>Total equity</b>	<b>205,121</b>	<b>201,495</b>
<b>Total equity and liabilities</b>	<b>436,894</b>	<b>448,463</b>

## CASH FLOW STATEMENT

<i>(in € thousands)</i>	2021	2022
Consolidated net income	27,284	319
<i>Adjustments and other</i>	17,624	15,738
<b>Cash flow from operations after net cost of debt and income tax</b>	<b>44,908</b>	<b>16,057</b>
<i>Elim. of tax income/(expense)</i>	515	369
<i>Elim. of net cost of financial debt</i>	1,125	999
<i>Impact of change in working capital requirement</i>	- 5,122	5,720
<b>Cash flow from operating activities before tax</b>	<b>41,426</b>	<b>23,145</b>
<i>Tax paid</i>	-5,285	-4,776
<b>Cash flow from operating activities</b>	<b>36,141</b>	<b>18,369</b>
Impact of changes in the scope of consolidation	-	-6,498
Acquisition of property, plant and equipment and intangible assets	- 12,040	-8,865
Changes in loans and advances	-1,029	-869
Disposal of property, plant and equipment and intangible assets	305	59
<b>Cash flow from investing activities</b>	<b>-12,764</b>	<b>-16,173</b>
Capital increase	72	-
Net disposal (acquisition) of own shares	-251	-4,134
Debt issues	49,675	-
Repayment of borrowings	- 102,993	-13,137
Net interest paid and other	- 1,240	-942
<b>Cash flow from financing activities</b>	<b>- 54,737</b>	<b>-18,214</b>
Impact of exchange rate fluctuations	78	-56
<b>Change in cash and cash equivalents</b>	<b>- 31,282</b>	<b>-16,074</b>

## RECONCILIATION OF NET INCOME TO EBITDA

<i>(in € thousands)</i>	2021	2022
<b>Net income</b>	<b>27,284</b>	<b>319</b>
Amortization of intangible assets recognized in relation to a business combination	1,134	1,426
Depreciation, amortization and impairment	14,886	13,858
<i>o/w related to logistics &amp; fulfillment</i>	4,638	4,126
<i>o/w related to selling, general &amp; administrative expenses</i>	10,247	9,732
Other financial income and expenses	3,244	2,508
Cost of debt	1,143	1,030
Income tax expense	515	369
<b>EBITDA</b>	<b>48,206</b>	<b>19,510</b>

## RECONCILIATION OF GROSS INTERNET SALES TO GMV

<i>(in € thousands)</i>	2021	2022
<b>Gross Internet sales</b>	<b>963,822</b>	<b>912,647</b>
VAT	-151,316	-142,109
Impact on revenue recognition	-112,583	-135,660
Non-Internet and other sales	23,920	22,492
<b>Net IFRS revenue</b>	<b>723,848</b>	<b>657,369</b>

<i>(in € thousands)</i>	2021	2022
<b>Gross Internet sales</b>	<b>963,822</b>	<b>912,647</b>
Other services and other income	28,704	26,991
<b>Gross Merchandise Volume</b>	<b>992,526</b>	<b>939,637</b>