SHOWROOMPRIVE

H1 2023 Results

July 2023

July 2023

KEY BUSINESS HIGHLIGHTS

+87%
Sales Growth

Strong performance of The Bradery

- 5-year anniversary of The Bradery
- 1m orders reached
- Strongest month ever in April 2023

c.14K
members

Launch of Beauté Privée community

- Creation of Beaute Privee's exclusive community to foster interaction between members
- Repositionning of Beaute Privee into an exclusive club where advice sharing, tutos, videos and products reviews are shared

July 2023
Full deployment

Unlimitail Joint Venture

- At the forefront the joint venture
- Acquisition of the Citrus Ad technology
- More than 500 clients will benefit of the solution as soon as July 2023

1. H1 2023 Results Overview

KEY FINANCIAL HIGHLIGHTS

- Group net revenues increased by 8.5% to €331.3m in H1 2023 in line with our expectations
  - 4th consecutive quarter of growth in line with our expectations
  - Stabilisation of the macro economy environment
  - Continued normalisation of comparable basis
- Very strong performance from The Bradery that records 87% growth y-o-y
  - First full 6-month contribution vs a 1-month contribution in 2022
  - Records 2 record month for the company (April and May) on the back of strong offer both qualitatively and quantitively and member recruitment
  - Excluding The Bradery's contribution, the group's growth stands at 2.4%
- EBITDA of €9.3m in line with our profitability ambition thanks to the measures initiated to improve and protect margins
- Albeit stabilised, market conditions remain challenging driving number of orders down (1.7%) despite stable number of buyers (+0.5%)
  - Revenue per buyer up by 1.6% driven by increase in average basket price (+3.8%)
  - While number of buyers in France has decreased slightly, number of buyers Internationally increased 8.2%

	H1 2022	H1 2023	22-23 % Chg
Gross Merchandise Volume*	431.9	497,7	*15.2%*
Net revenues (€m)**	305.4	331.3	*8.5%*
Total Internet revenues (€m)*	301.3	324.4	*7.7%*
o/w France	*245.9*	*262.8*	*6.9%*
o/w International	*55.4*	*61.7*	*11.3%*
EBITDA	*11.2*	*9.3*	*(17.4)%*
% margin	*3.7%*	*2.4%*	*(88)Bps*
Net Results	*1.6*	*(2.7)*	*n.m*
% margin	*0.5%*	*n.m*	*n.m*

Key KPIs (ex. TB & BP)	H1 2022	H1 2023	22-23 % Chg
Buyers (in millions)	1,910	**1,919**	*0.5%*
o/w France	*1,518*	***1,495***	*(1.5)%*
o/w International	*392*	***424***	*8.2%*
Revenue per buyer (€)	145.9	**148.1**	*1.6%*
Avg Number of orders	2.8	**2.8**	*(2.2)%*
Avg Basket size (€)	51.8	**53.8**	*3.8%*
Number of orders (m)	5,374	**5,283**	*(1.7)%*
Cumulative buyers (m)	*11,608*	**12,325**	*6.2%*

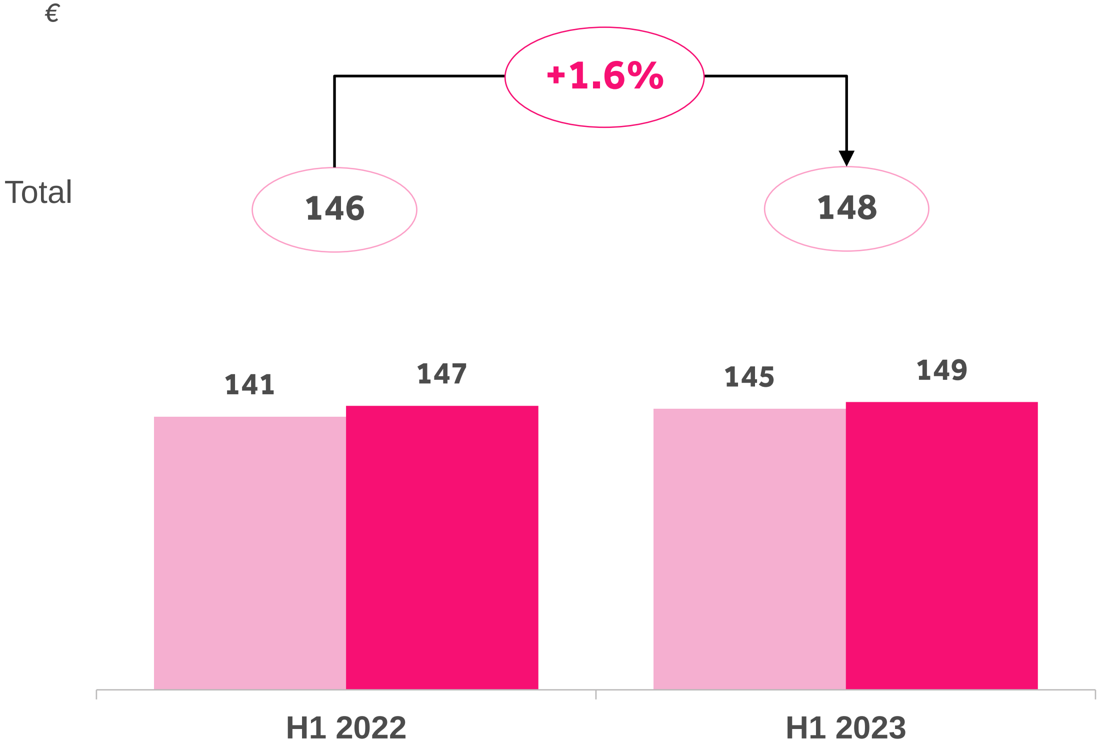
NOTES

- Gross Merchandise Volume ("GMV") represent, all taxes included the total amount of transaction invoiced and therefore include gross internet sales including sales on the marketplace, other services and other revenues

** From now on, all physical clearance activities will be recognised under Other revenues

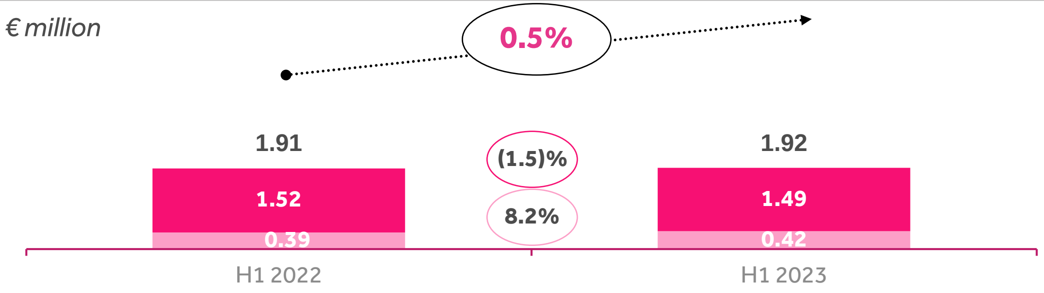
FOCUS ON CUSTOMER METRICS

Average Revenue Per Buyer by Geography

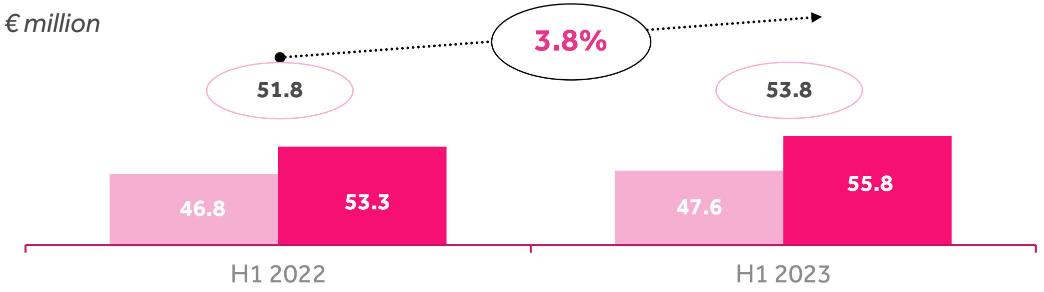


1.6% INCREASE Y-O-Y DRIVEN BY A GROWTH IN AVERAGE BASKET SIZE

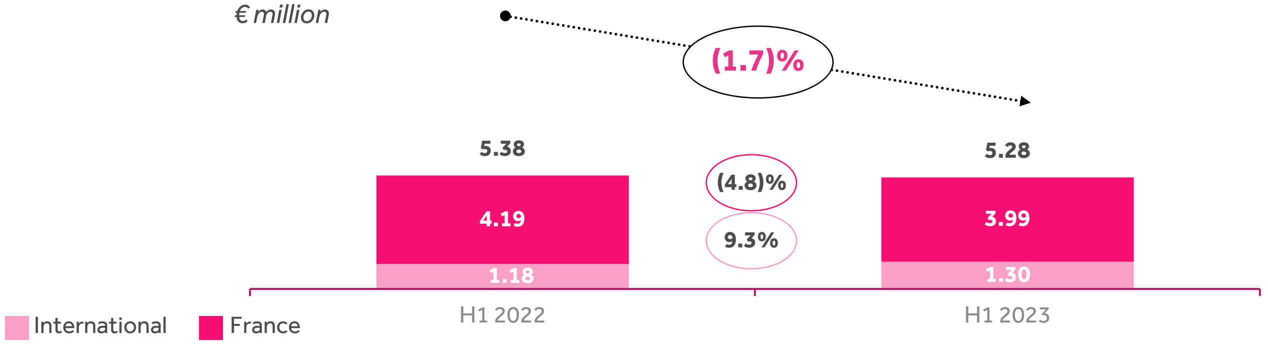
Active Buyers By Geography



Average Basket Size



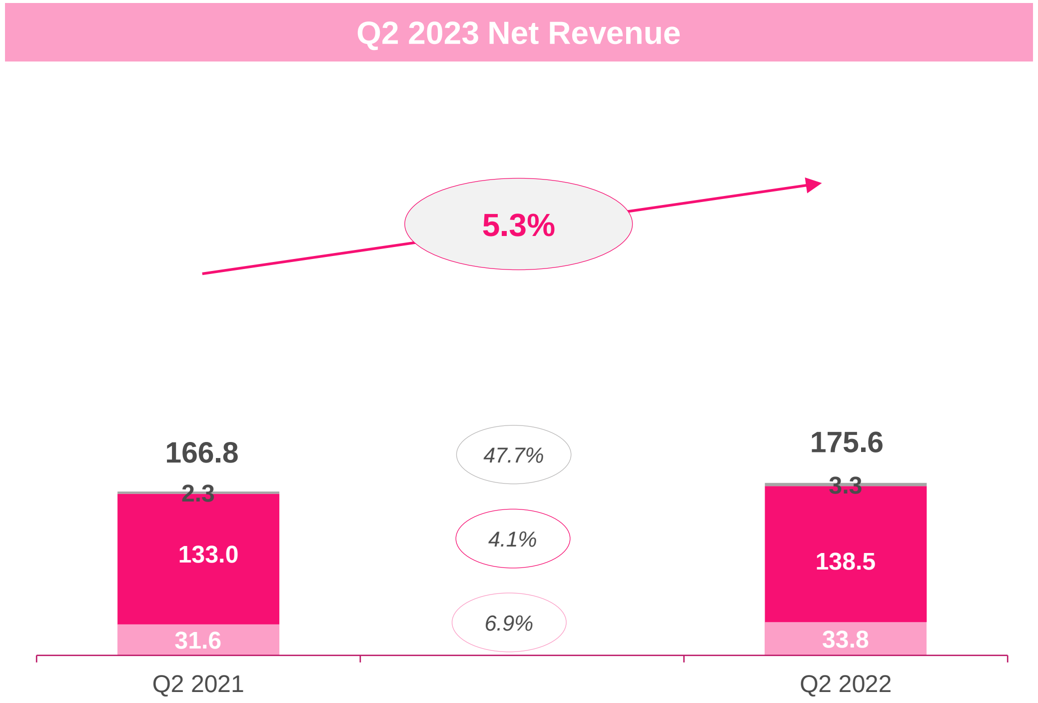
Total Orders

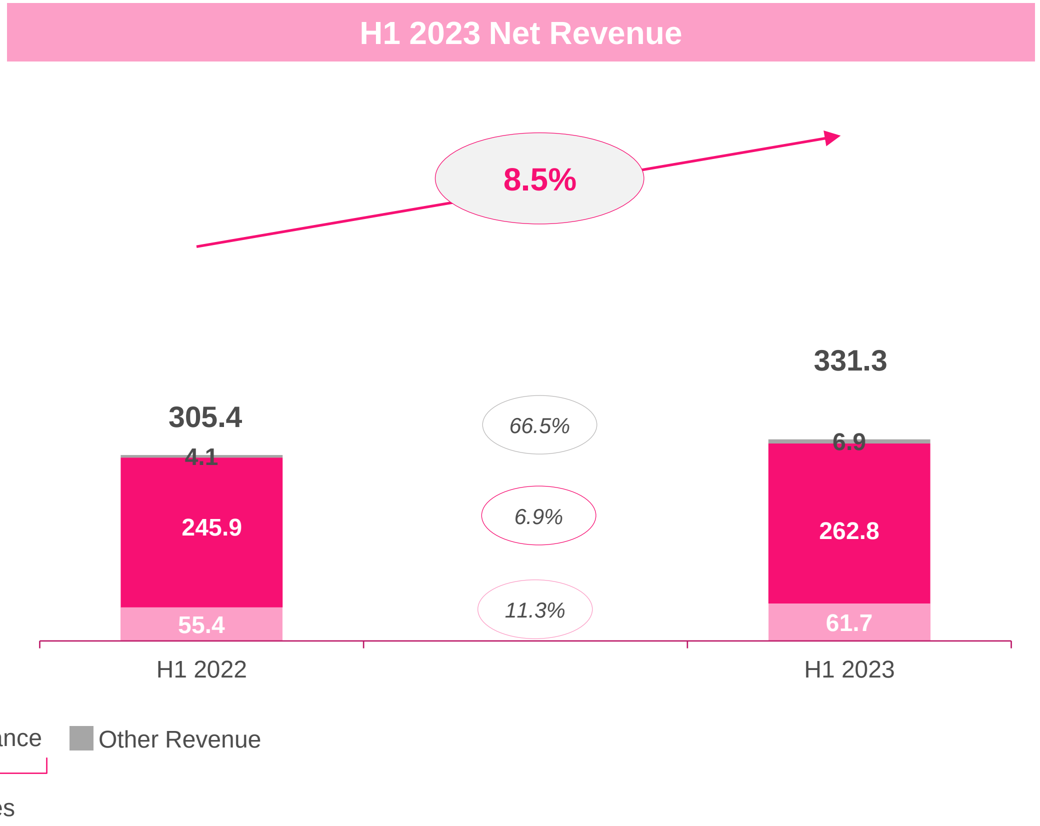


NET REVENUE PERFORMANCE – BY GEOGRAPHIES

Net Sales IFRS breakdown

€ million



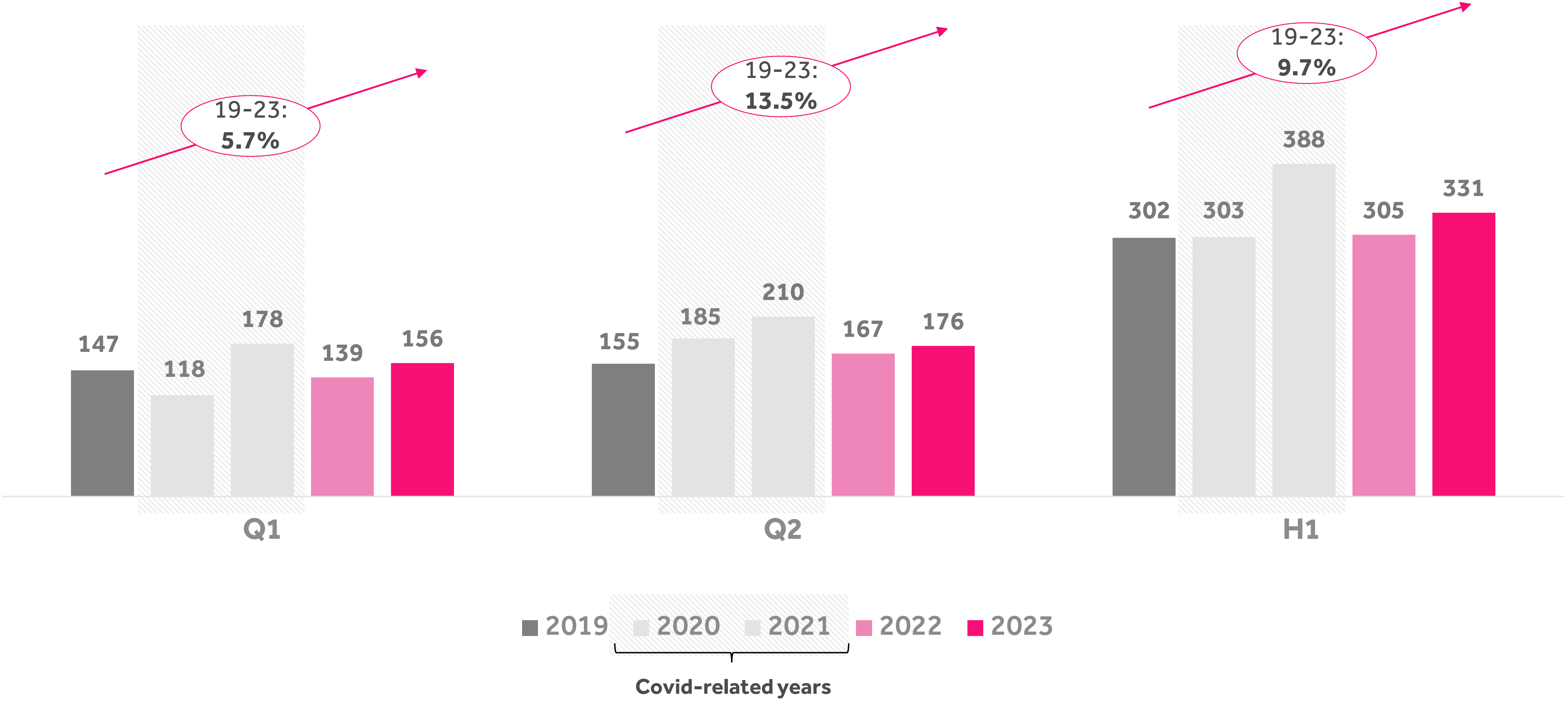


- **Continued growth over the Q2 2023 enabling an overall strong growth over the H1 2023**
- **International continues to fare better than France despite limited investment testifying that the segment is a strong growth lever**

RETURN TO A SATISFACTORY GROWTH TRAJECTORY

Net sales IFRS – BY QUARTERS

€ million



OVERVIEW OF H1 2023 PERFORMANCE

H1 2023 REVENUE GROWTH DRIVEN BY THE CONTRIBUTION OF THE BRADERY AND THE RELEVANCE OF OUR CORE BUSINESS DESPITE THE CHALLENGING ECONOMIC CONDITIONS

- Following a strong Q1 2023 growth year-on-year driven by a favourable comparable basis, SRP records 5.3% growth y-o-y over the Q2 2023, therefore ending H1 2023 at H1 2023 at 8.5% growth y-o-y
  - 2.0% revenue growth y-o-y on SRP Internet sales
  - (5.2)% revenue growth y-o-y on Beauté Privée
  - 87% revenue growth y-o-y on The Bradery on yearly like-for-like comparison

- The H1 2022 results reflect the normalisation of market conditions and confirm the growth trajectory since H2 2022
  - While H1 2022 was dampened by an inventory shortage, inventory level returned to a normalised level over H1 2023
  - Market conditions have remained broadly identical year-on-year with a consumer confidence level at record low and stabilised inflation
  - The measures undertaken as early as June 2022 enabled a return to growth and has restored business confidence
  - Full contribution of The Bradery over H1 2023 vs. 1 month in H1 2022 accelerating Group's overall revenue

GOOD BUSINESS MOMENTUM

SUCCESSFUL INITIATION OF OUR ACE ROADMAP

- Strong start of the year for our growth levers that are fulfilling all their promises
  - SRP Media has showed its resilience within a difficult market for advertisers with a flat performance y-o-y and is securing its future growth with the Unlimitail joint venture
  - The Marketplace continue its strong ramp up growing its GMV by 58%, and is reaping the rewards of the rationalisation and the refining of the model over H2 2022
  - The Travel & Ticketing segment continue to grow despite the market headwinds due to increased transportation fare that are weighing on consumers' budget with a GMV growth of 18%
  - Strong performance from our International segment that continues to outperform France with 11.3% growth on the internet revenues

- SRP has been able to capitalise on its assets to unlock new accounts while securing long lasting partners
  - The Fashion segment, representing 52% of revenues in H1 2023 recorded a strong rebound year on year while Home & Deco segment has been more challenging despite the strong performance of some key brand partners
  - Continued premiumisation of our Brand Partner with now over 67% of premium brand partners, a 15pt increase y-o-y
    - Reduction of the number of sales per month by 15% in order to provide greater visibility to top Brand partners
  - Launch of new marketing initiatives such as ShowroomBy that has proved highly effective in terms of ROI, fidelisation of buyers and visibility

OUR AGILE MODEL ABLE TO ADAPT TO MARKET CHALLENGES

FIRM SALE
DELIVERY IN 24-48 HOURS TO OUR CUSTOMERS
SHORT DELIVERY TIME
SRP OWN INVENTORY

Speedy execution and satisfying customer service

DROP & SALE
DELIVERY IN 24-48 HOURS AS STOCK READILY AVAILABLE
SHORT DELIVERY TIME
NO INVENTORY RISK

Speedy execution and satisfying customer service with no financial risk

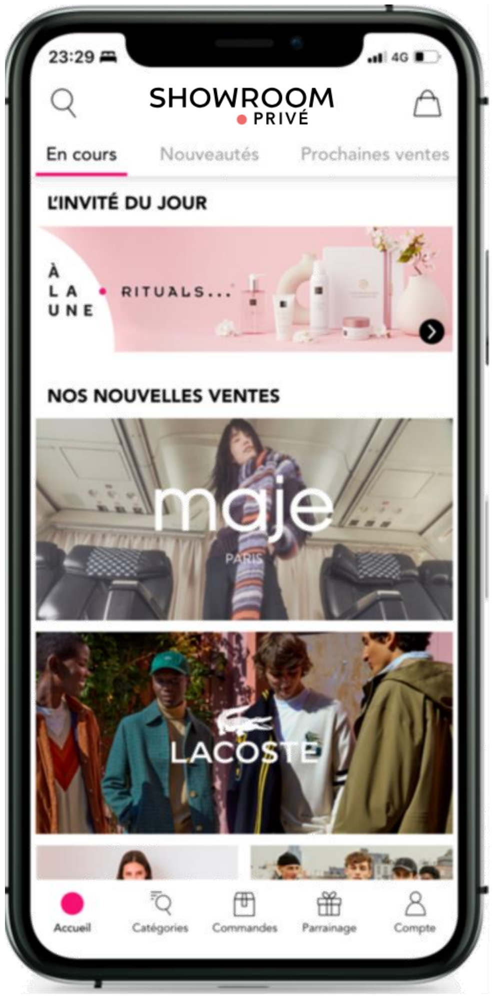
DROP-SHIPPING
RAPID DELIVERY ENSURED BY OUR PARTNERS
SHORT DELIVERY TIME
OPTIMIZED LOGISTICS COSTS

No inventory risk

CONDITIONAL SALE
DELIVERY WITHIN 3 WEEKS TO OUR CUSTOMERS
OPTIMIZATION OF OUR INVENTORY LEVELS
NO *DELOTAGE* (SPLITTING PACKS FOR INDIVIDUAL SALE)

REVENUE BREAKDOWN

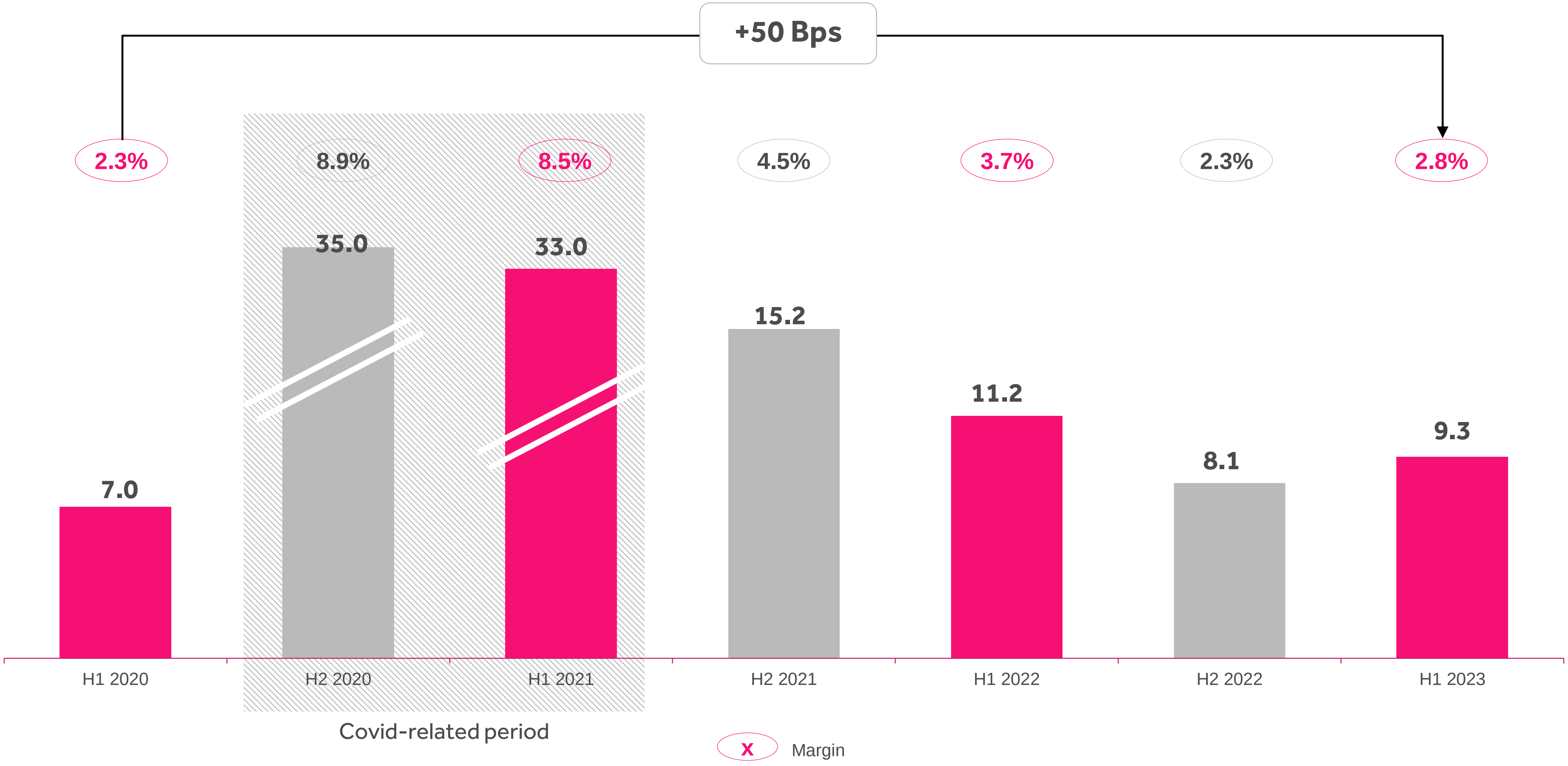
	FY 2021	H1 2022	FY 2022	H1 2023
Firm sale + Drop & sale	28%	27%	34%	37%
Drop-shipping	28%	32%	32%	32%
Conditional sale	44%	37%	34%	31%



RESILIENCE OF EBITDA MARGIN

EBITDA IFRS

€ million



2. H1 2022 Financial Results

H1 2023 P&L OVERVIEW

€ in millions	H1 2020	H1 2021	H1 2022	H2 2022	H1 2023	22 - 23 % Growth
Net Revenues	**302.7**	**388.3**	**305.4**	**351.9**	**331.3**	*8.5%*
Cost of Goods Sold	(190.4)	(230.7)	(186.0)	(226.7)	(203.4)	*9.4%*
Gross Margin	**112.4**	**157.6**	**119.5**	**125.2**	**127.9**	*7.1%*
As % Revenues	*37.1%*	*40.6%*	*39.1%*	*35.6%*	*38.6%*	*(51) bps*
Marketing	(7.7)	(10.9)	(9.7)	(10.7)	(9.8)	*1.6%*
As % Revenues	*2.6%*	*2.8%*	*3.2%*	*3.0%*	*3.0%*	*(20) bps*
Logistics & Fulfilment	(76.0)	(86.5)	(71.6)	(73.9)	(76.2)	*6.4%*
As % Revenues	*25.1%*	*22.3%*	*23.4%*	*21.0%*	*23.0%*	*(44) bps*
General & Administrative Expe	(30.3)	(35.2)	(27.0)	(31.6)	(32.6)	*20.9%*
As % Revenues	*10.0%*	*9.1%*	*8.8%*	*9.0%*	*9.8%*	*101 bps*
Total Opex	**(114.0)**	**(132.6)**	**(108.2)**	**(116.2)**	**(118.6)**	***9.6%***
As % Revenues	*37.7%*	*34.2%*	*35.4%*	*33.0%*	*35.8%*	*37 bps*
EBITDA	**7.0**	**33.0**	**11.2**	**8.3**	**9.3**	***(17.4%)***
% Margin	***2.3%***	***8.5%***	***3.7%***	***2.4%***	***2.8%***	***(88) bps***
Current Operating Profit	**(1.6)**	**25.0**	**3.3**	**0.9**	**1.2**	***n.m***
% Margin	*n.m*	*6.4%*	*1.1%*	*0.3%*	*0.4%*	*n.m*
Other Op. income and expense	(3.7)	(2.7)	(0.4)	(2.1)	(4.1)	*n.m*
Operating Profit	**(5.4)**	**22.3**	**2.9**	**(1.2)**	**(2.9)**	***n.m***
% Margin	***n.m***	***5.7%***	***0.9%***	***(0.3%)***	***(0.9%)***	***n.m***
Net Finance costs	(0.4)	(0.6)	(0.4)	(0.2)	(0.9)	*124.1%*
Other fin. income and expenses	0.0	0.1	(0.0)	(0.4)	0.8	*n.m*
Profit Before Tax	**(5.7)**	**21.9**	**2.5**	**(1.8)**	**(3.0)**	***n.m***
Income Tax	(0.9)	(1.3)	(0.9)	0.5	0.3	*(127.6%)*
Net Income	**(6.6)**	**20.6**	**1.6**	**(1.2)**	**(2.7)**	***(276.0%)***
% Margin	***n.m***	***5.3%***	***0.5%***	***(0.4%)***	***(0.8%)***	***n.m***

1 **Revenue increased 8.5% y-o-y as the comparison basis normalises and both SRP and consumers adapt to the stabilisation of the economic conditions**

- Strong Q1 2023 driven by a relatively favourable comparison basis
- Strong continuation from The Bradery that has recorded record performance

2 **Gross margin decline y-o-y but increase vs. H2 2022 in line with expectation and profitability growth ambitions**

- Slight lag effect in gross margin improvement allowing for greater improvement to be expected over H2 2023

3 **Marketing expenses below that of H1 2022 thanks to a more targeted spending strategy but also due to the postponing of a large Ad Campaign which will now be launched in H2 2023**

4 **Higher Opex due to the full year impact of the inflation-linked increase of costs**

- Full savings from our logistics centers rationalisation expected on H2 2023
- Greater G&A expenses mainly due to salary costs increase due to inflation

5 **SRP records a satisfactory €9.3m EBITDA given the challenging market conditions**

ON TRACK TO IMPROVE OUR PROFITABILITY

- Strong commercial measures undertaken from H2 2022 are reaping its first rewards with the significant improvement of gross margin
  - The very strict purchasing policies (profitability thresholds requirements) and subsequent negotiations has led to a significant improvement of profitability since the end of Q1 2023
  - Greater sales mix allowed for a better mix of gross margin improving overall profitability
- Marketing expenses kept largely under control as investments are more targeted and are made on a ROI-basis
  - First top of mind campaign tested over Q2 2023 ahead of a larger notoriety campaign to be launched over H2 2023
  - Targeted investments in our international market with high ROI results are encouraging
- First milestone achieved in the rationalisation of our logistics centers
  - Finalisation of renegotiations with 3PL to optimise logistic centers over H1 2023 allowing for savings to be recorded as soon as H2 2023
- While SRP further passed-though its transportation cost increase in March 2023, in line with competitors, SRP delivery cost remain very competitive and below market average
- G&A costs kept under control thanks to a very tight control over recruitment and despite increase in salary cost

CASH FLOW AND NET DEBT

EBITDA to net change in cash

€ millions

EBITDA	**9.3**	• **Satisfactory EBITDA as profitability preserved thanks to the agile business model**
Change in Working Capital	(12.6)	• Normalisation of firm purchases implies a reduction of the change in Working capital
Other	5.1	• Positive tax account
Cash Flow from Operations	**(1.8)**	• Slightly negative CFO due to investments made to support the deployment of the ACE roadmap
Cash Flow from Investment	**(4.3)**	• Strict control over investment
Cash Flow from Financing	**(2.7)**	• Increased cost of debt related to rate increases
Net change in cash	**(8.9)**	

Inventories position

€ millions

30-Jun-2022	**85.0**
31-Dec-2022	**78.7**
30-Jun-2023	**79.8**

Net debt position

€ millions

€ millions	**Jun-22**	**Dec-22**	**Jun-23**
Gross Cash	73.0	83.5	74.6
Gross Debt	69.1	58.0	56.8
Net Debt / (Cash) incx. IFRS 16	**(3.9)**	**(25.5)**	**(17.8)**
Net Debt / (Cash) exc. IFRS 16	**(20.3)**	**(40.9)**	**(32.0)**

4. Outlook

H2 2023 TOP PRIORITIES

1 Profitability improvement

- Continue to firmly negotiate offers to provide the best value for our customer while providing the best support and opportunity to our brand partners
- Efficiently manage the transition and implementation of our logistics centers rationalisation effort
- Maintain a tight control over operating expenses to pursue a profitable growth
- Tight control over G&A expenses, especially over recruitments to maintain a sustainable level of salary costs

2 Launch a new targeted Ad campaign to increase Brand awareness on a national scale

- **Targeted campaign to raise the top of mind with increased visibility in locations more favourable for mind availability**
- **Full deployment of Showroomprive new Brand identity with a modernized logo and new color codes in line with the evolving standards and taste of our clients**

3 Development effort in the sourcing of qualitative and premium offers

- In the wake of the retailers bankruptcies, a number of one-off opportunities will be made available
- However, the loss of long-term partners will result in the need of the sourcing of new highly revenue generative partners
- Particular focus on segments that are most impacted by challenging economic conditions

4 Further focus on the development of our other growth levers

- Accelerate penetration in International countries with targeted marketing investment
- Build on SRP Media's Joint Venture with Unlimitail to provide an enhanced solution to our client
- Foster Marketplace success to drive consistent growth

5 Launch of a large-scale initiatives to optimize external levers in order to increase traffic and boost activation of members' base

- A number of targeted initiatives have been identified in order to improve traffic efficiencies
- Improved CRM-based means to activate to re-active member base well and implementation of greater personalisation

Appendix

EBITDA TO NET RESULTS RECONCILIATION

EBITDA to Net Results – H1 2023

€ millions

	Jun-2022	Jun-2023
Net income for the period	**1,561**	**(2,803)**
Amortisation of assets recognized through business combination	567	818
Deprec. & Am. of tangible and intangible assets	7,350	7,271
o/w amort. in Logistics & Fulfillment	*2,272*	*2,059*
o/w amort. in G&A	*5,078*	*5,212*
Cost of share-based payments	55	1,787
Non recurring items	367	2,306
Net finance costs	794	854
Other financial income and expenses	(381)	(713)
Income taxes	908	(251)
Total Adjustments	**9,660**	**12,072**
Adjusted EBITDA	**11,221**	**9,269**