

# SHOWROOMPRIVE

**H1 2021 Results**

July 2021



# 1. H1 2021 Financial Results



# KEY BUSINESS HIGHLIGHTS

---

## A PROMISING START FOR ANOTHER STRONG YEAR

### Building on the 2018-2020 Performance Plan measures

- Over 300 new brands signed over H1 2021
- Continued premiumisation of the offer
- Strong ramp up of SRP Media

### Successful launch of SRP services and BeautéPrivé's new website

- Formal launch of SRP Services in June 2021
- Integration on Beauté Privé's platform onto Showroomprivé's and launch of new look & feel

### Sustained level of members engagement

- Continued testimony of our members' loyalty and our ability to convert members into buyers (+9% y-o-y)
- NPS at 49 (+6% y-o-y)

### Logistics optimisation enabled significant economy of scale

- First results of operational excellence deployed by the new COO
- Continued ramp up of Astrolab

### CSR at the heart of Showroomprivé's DNA

- CSR rating agencies ranked Showroomprivé with a favourable rating, well above peers and industry average

### Strong and healthy financial structure

- Strong revenue led by Core Business
- EBITDA margin boosted by SRP services activities
- Strong financial structure allowing a full reimbursement of the state-guaranteed loan while remaining cash positive

# KEY FINANCIAL HIGHLIGHTS

- Group net revenues increased by 28.3% to €388.3m in H1 2021 as Showroomprivé continues to build on a profitable growth trajectory
  - Q2 2021 has performed well delivering 13.7% growth to €209.9m
  - Strong H1 2021 driven by favourable comparable basis on Q1 2021 and growth in core business
  - Significant positive cut off effect boosted Q2 2021 results
- Core business continues to deliver profitable growth despite early scarcity of brands' inventory in selected segments
  - All segments performed well except Appliances that suffered from scarcity of stock
  - Upturn activity in the Travel & Ticketing segment over the Q2 2021 has slightly slowed down again as uncertainties arose re. Delta variant
- EBITDA of €33.0m driven by efficiencies from the 2018-2020 performance plan and strong business momentum
- Continued momentum with an increased number of buyers (+9%) driven by the ability to acquire new member (+56%), with a continued strong purchase pattern (higher number of orders (+15.5%) and higher average basket price (€47.5 vs €42.1 in H1 2020)

	H1 2020	H1 2021	% Variation
<b>Gross Merchandise Volume*</b>	444.1	<b>527.7</b>	18.8%
<b>Net revenues (in millions)**</b>	302.7	<b>388.3</b>	28.3%
<b>Total Internet revenues (in millions)*</b>	298.2	<b>385.1</b>	29.2%
<i>o/w France</i>	252.7	<b>322.3</b>	27.5%
<i>o/w International</i>	45.4	<b>62.9</b>	38.4%
<b>EBITDA</b>	7.0	<b>33.0</b>	367.9%
<i>% margin</i>	2.3%	<b>8.5%</b>	616bp
<b>Net Results</b>	(6.6)	<b>20.6</b>	n.m
<i>% margin</i>	n.m	<b>5.3%</b>	n.m

Key KPIs	H1 2020	H1 2021	% Variation
<b>Buyers (in millions)</b>	2,114	<b>2,305</b>	9.0%
<i>o/w France</i>	1,718	<b>1,868</b>	8.7%
<i>o/w International</i>	395	<b>437</b>	10.4%
<b>Revenue per buyer (€)</b>	127.8	<b>152.7</b>	19.5%
<i>Average Number of orders</i>	3.0	<b>3.2</b>	5.9%
<i>Average Basket size (€)</i>	42.1	<b>47.5</b>	12.8%
<b>Number of orders (in millions)</b>	6,413	<b>7,404</b>	15.5%
<b>Cumulative buyers (in millions)</b>	10,149	<b>11,029</b>	8.7%

## 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

# KEY FINANCIAL HIGHLIGHTS (1/3)

---

## STRONG GROWTH OVER H1 2021 AS A CONTINUUM OF THE PROFITABLE GROWTH STARTED IN 2020

- Showroomprivé is posting a strong H1 2021 results with 28.3% growth y-o-y to €388.3m, driven by:
  - +30.0% revenue growth y-o-y on SRP Internet sales
  - +18.8% revenue growth y-o-y on Beauté Privée
- Total internet revenues, which represent the Group's main activity (99% of total revenues) posted an increase of 29.2%
  - Despite the tightening of inventory available, the commercial team has been successful at signing new brand partners enabling attractive offers (over 300 new suppliers have joined Showroomprivé, totalling over 400 brands over H1 2021)
  - As opportunities arose, we entered into a number of firm sales resulting in a slight increase in the firm sales weight (21% in 2021 vs. 14% in 2020)
- SRP core business (Fashion & Goods) displays strong resilience while other segments continued to grow steadily
  - As restrictions eased and prospect of possible summer holidays arose, the Travel & Ticketing segment activity rose considerably
  - Slight under performance from Home Appliances segment is due to the high 2020 comparable and tensions around inventory availability
- SRP Media activity increased over 100% over the Q2 2021 vs Q2 2020 and while the revenue contribution remain marginal, those activities are highly contributive to the strong EBITDA performance posted

# KEY BUSINESS HIGHLIGHTS (2/3)

---

## DESPITE HIGHER COSTS, THE LOWERED HURDLE RATE ENABLES SHOWROOMPRIVE TO POST A STRONG EBITDA MARGIN

- Higher G&A costs driven by the strengthening of our commercial and IT forces, the increase in salaries due to performance bonuses and the normalisation of cost following the 2020 "chomage partiel"
  - However, as a percentage of Revenue, the rate is lower thanks to the optimisation undertaken under the 2018-2020 performance plan
- Logistics & Fulfilment costs have significantly reduced (282 bp) thanks to the operational excellence program put in place in the course of 2020 by the new COO
  - The continued shift towards Dropshipping when possible contributed largely to the cost reduction
  - Normalisation of the extra Covid cost born in 2020 during the first lockdown
  - Economies of scale reached thanks to higher volumes treated
  - Reduction of shipping cost as the ratio of pick-up vs Home delivery returned to standard level (70% / 30% ) vs. the first lockdown where the ratio tilted towards 10% / 90%
- Marketing cost has increased as expected due to the normalisation of ad cost across all online and offline media
  - Marketing also been initiated earlier this year to build on the success of 2020
- The strong revenue generation combined with controlled costs resulted in a record high EBITDA for a half year of €33.0m, a 368% growth y-o-y, representing 8.5% margin

# KEY BUSINESS HIGHLIGHTS (3/3)

---

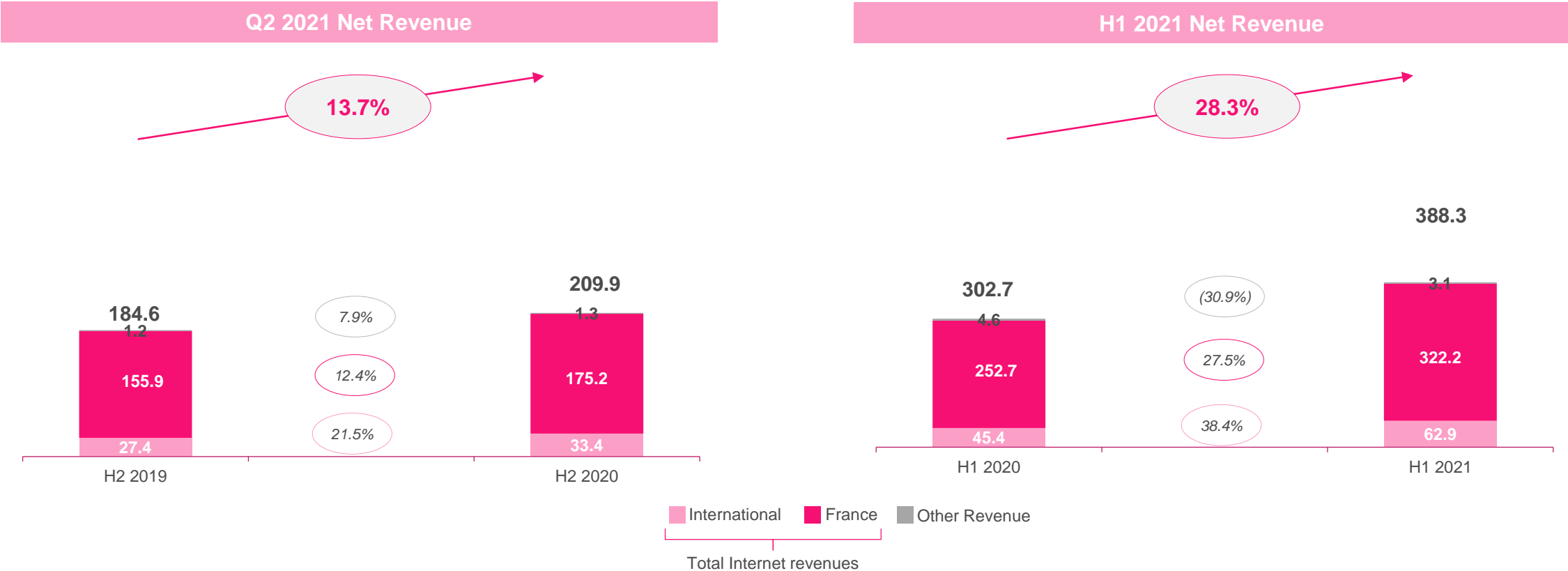
## FURTHER STRENGTHENING OF ITS FINANCIAL STRUCTURE

- Drawing on its strong cash flow generation and confidence over the future, the company reimbursed the entirety of the state guaranteed loan of €35m in June 2021
- As at 30-Jun-2021, the Company has a net cash position of €27.9m
  - Financial debt of €81.0m and cash of €108.8m

# NET REVENUE PERFORMANCE – BY GEOGRAPHIES

## Net Sales IFRS breakdown

€ million



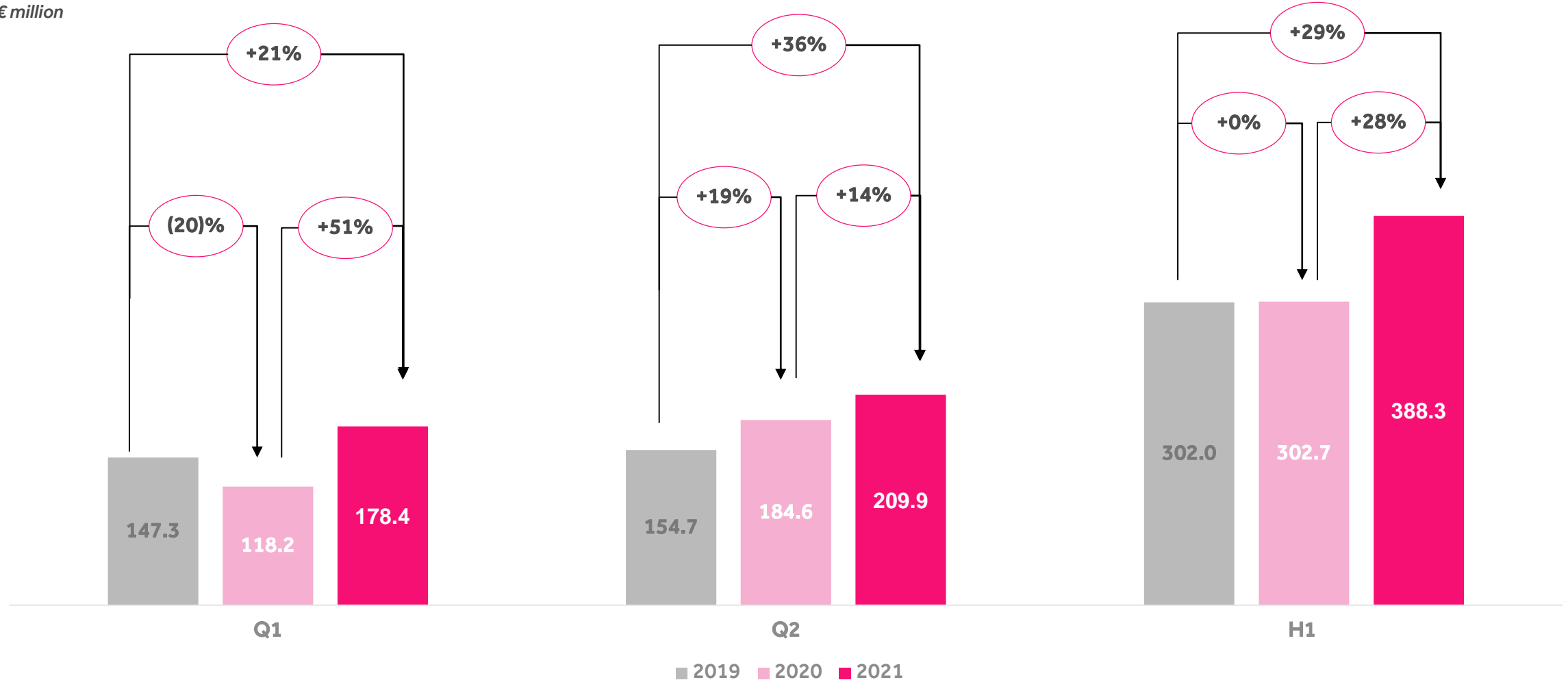
- Strong performance from the Core business over H1 2021 despite the slower growth recorded in Q2 2021
- Following a refocus on profitable growth, the International segment is recovering well and has significantly increased with 38.4% growth over the past semester and 21.5% over Q2 2020



# STRONG GROWTH CONTINUES

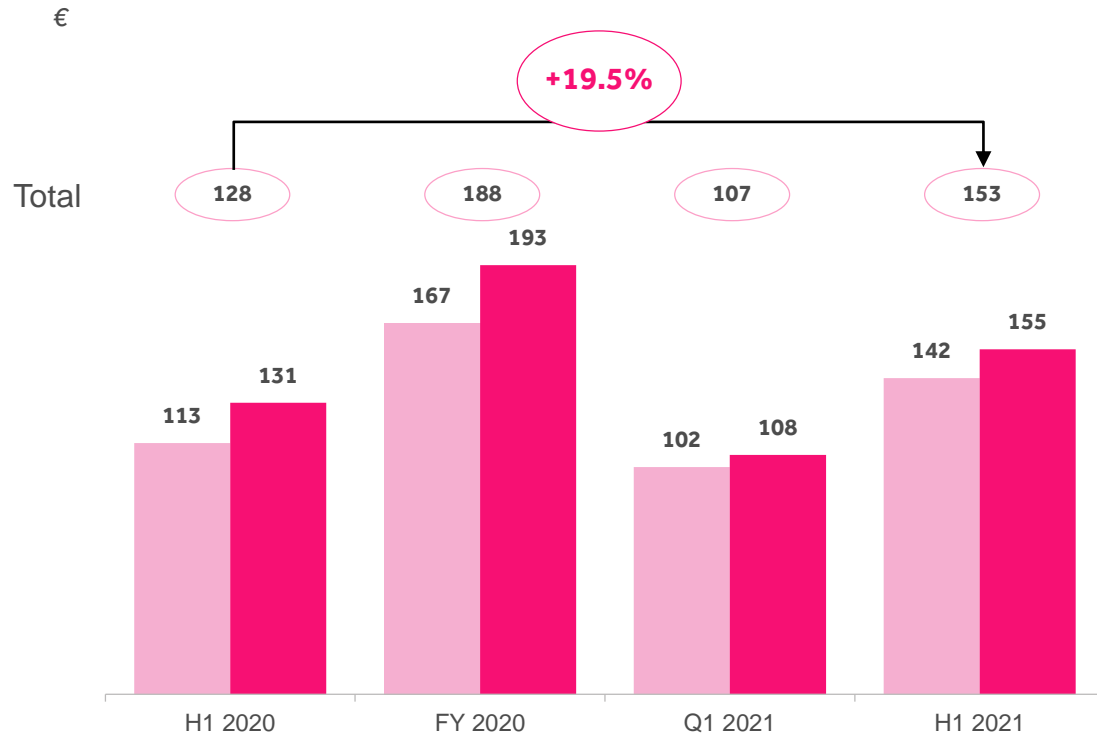
## Net sales IFRS – BY QUARTERS

€ million



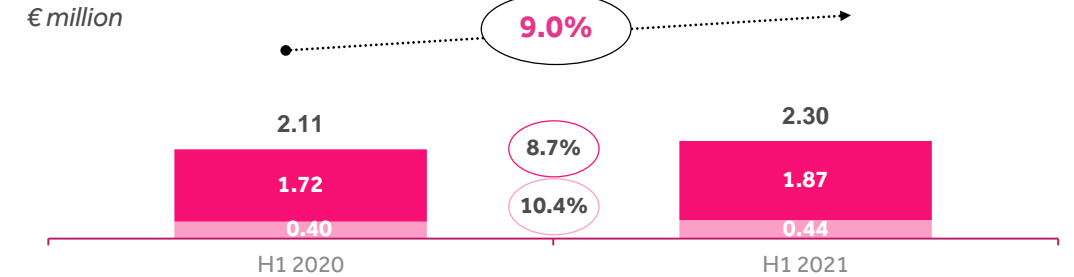
# FOCUS ON CUSTOMER METRICS

## Average Revenue Per Buyer by Geography

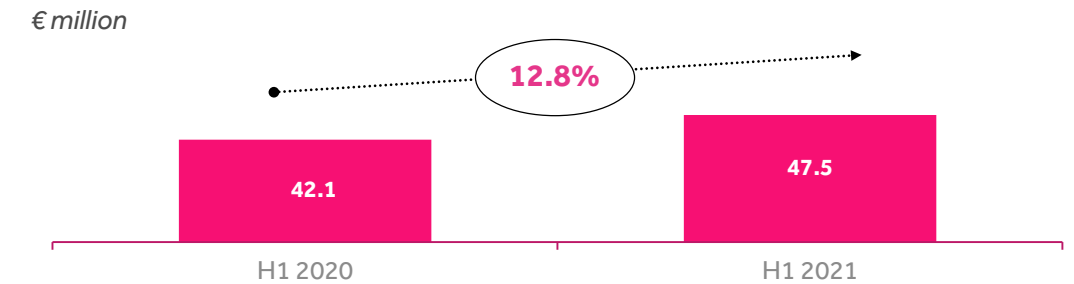


STRONG 19.5% GROWTH Y-O-Y  
AS ALL LIGHTS ARE IN THE GREEN.  
STRONG GROWTH FROM ALL DRIVERS

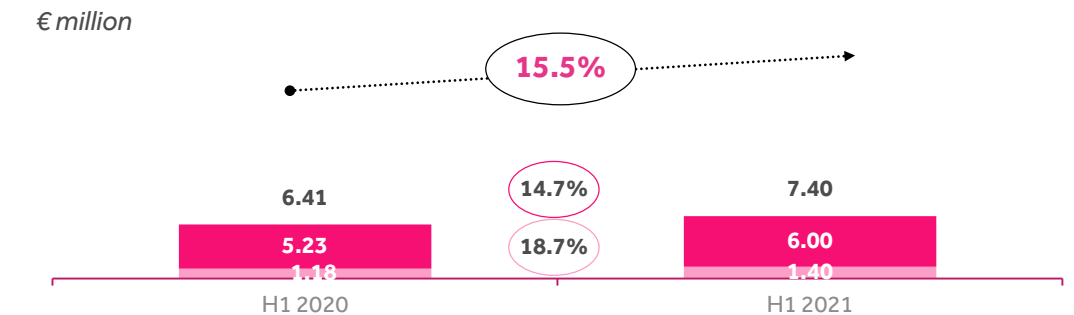
## Active Buyers By Geography



## Average Basket Size



## Total Orders

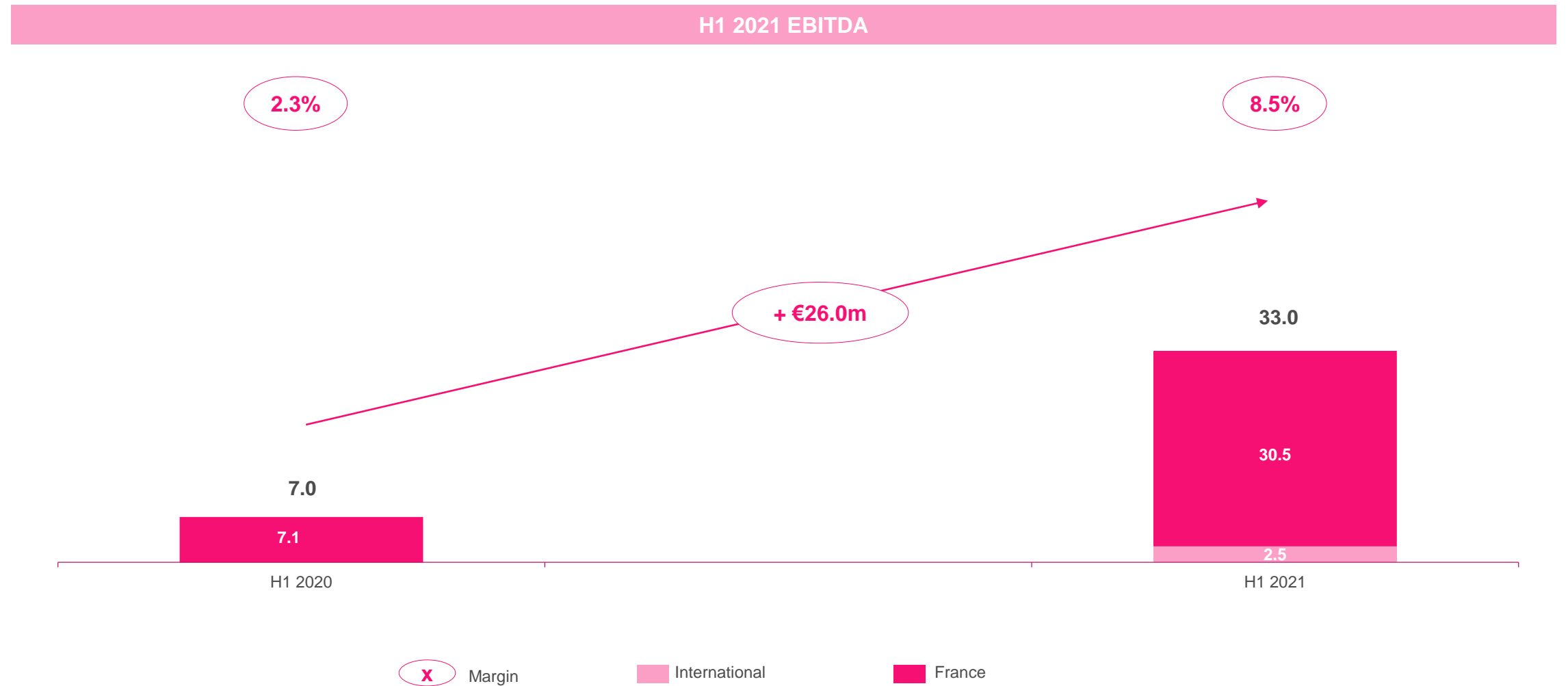


International France

# STRONG EBITDA MARGIN

## EBITDA IFRS

€ million



# 2020 P&L OVERVIEW

€ millions	H1 2020	H1 2021	% Growth
<b>Net Revenues</b>	<b>302.7</b>	<b>388.3</b>	<b>28.3%</b>
Cost of Goods Sold	(190.4)	(230.7)	21.2%
<b>Gross Margin</b>	<b>112.4</b>	<b>157.6</b>	<b>40.2%</b>
As % of Revenues	37.1%	40.6%	347 bps
Marketing	(7.7)	(10.9)	40.8%
As % of Revenues	2.6%	2.8%	25 bps
Logistics & Fulfilment	(76.0)	(86.5)	13.8%
As % of Revenues	25.1%	22.3%	(282 bps)
General & administrative expenses	(30.3)	(35.2)	16.3%
As % of Revenues	10.0%	9.1%	(93 bps)
<b>Total Opex</b>	<b>(114.0)</b>	<b>(132.6)</b>	<b>16.3%</b>
As % of Revenues	37.7%	34.2%	(351 bps)
<b>EBITDA</b>	<b>7.0</b>	<b>33.0</b>	<b>367.9%</b>
<b>% Margin</b>	<b>2.3%</b>	<b>8.5%</b>	<b>617 bps</b>
<b>Current Operating Profit</b>	<b>(1.6)</b>	<b>25.0</b>	<b>n.m</b>
% Margin	n.m	6.4%	n.m
Other operating income and expenses	(3.7)	(2.7)	(28.4%)
<b>Operating Profit</b>	<b>(5.4)</b>	<b>22.3</b>	<b>n.m</b>
<b>% Margin</b>	<b>n.m</b>	<b>5.7%</b>	<b>n.m</b>
Net finance costs	(0.4)	(0.6)	64.2%
Other financial income and expenses	0.0	0.1	n.m
<b>Profit Before Tax</b>	<b>(5.7)</b>	<b>21.9</b>	<b>n.m</b>
Income Tax	(0.9)	(1.3)	47.0%
<b>Net income</b>	<b>(6.6)</b>	<b>20.6</b>	<b>n.m</b>
<b>% Margin</b>	<b>n.m</b>	<b>5.3%</b>	<b>n.m</b>

- Strong half year growth driven by good performance from Core Business as a continuum to our profitable growth trajectory**
  - Strong Q1 driven by good momentum and first exposure of firm sales
  - Large positive cut off effects over Q2 2021 that will likely impact Q3 performance
  - Good performance of SRP Media and IRL and promising start of the Marketplace
- Gross margin growth thanks to positive contribution of SRP services and lower stock depreciation**
  - Q1 2021 does not bear the remaining stock depreciation born during Q1 2020
  - Higher firm sales over the half year
- Higher Marketing costs both in terms of absolute terms and as % of revenues as ad campaign started off earlier this year and ad costs returned to its normalised levels**
- Further improvement thanks to the efficiencies measures put in place and continued tight control over costs**
  - First results of the efficiencies measure put in place during 2020 and higher volumes allowed for economies of scale, notably thanks to Astrolab capacity
  - Normalisation of logistics cost as H1 2020 was hindered by additional costs billed by 3<sup>rd</sup> party provider for sanitary measures
  - Shipping cost decreased as rate of home delivery vs pick-up station returned to normalised levels (70% PU / 30% HD)
- Record EBITDA for a half year driven by strong core business activity**

# CASH FLOW AND NET DEBT

## EBITDA to net change in cash

€ millions

<b>EBITDA</b>	<b>33.0</b>	<ul style="list-style-type: none"> <li>Record EBITDA driven by efficiencies and strong business momentum</li> <li>Inflated by favourable cut off effect</li> </ul>
Change in Working Capital	(7.8)	<ul style="list-style-type: none"> <li>Stabilisation of the Working Capital</li> </ul>
Other	(2.1)	
<b>Cash Flow from Operations</b>	<b>23.1</b>	<ul style="list-style-type: none"> <li>Strong cash flow from operations</li> </ul>
<b>Cash Flow from Investment</b>	<b>(6.6)</b>	<ul style="list-style-type: none"> <li>No major investment in 2020 as investments in Astrolab has been completed</li> </ul>
Loan Repayment	(37.8)	<ul style="list-style-type: none"> <li>In June 2021, SRP reiterated its confidence in its outlook and its decision to repay the 35m state guaranteed loan</li> </ul>
Other	(0.7)	<ul style="list-style-type: none"> <li>No repayment from other bank debt due until 2022</li> </ul>
<b>Cash Flow from Financing</b>	<b>(38.5)</b>	
Other	0.0	<ul style="list-style-type: none"> <li>FX rate variation</li> </ul>
<b>Net change in cash</b>	<b>(22.0)</b>	

## Inventories position

€ millions

<b>30-Jun-2020</b>	<b>46.4</b>
<b>31-Dec-2021</b>	<b>60.9</b>
<b>30-Jun-2021</b>	<b>72.1</b>

## Net debt position

€ millions

	30-Jun-20	31-Dec-20	30-Jun-21
Gross Cash	118.3	130.8	108.8
Gross Debt without IFRS 16	100.0	100.0	63.7
Gross Debt	121.7	119.9	81.0
<b>Net Debt / (Cash)</b>	<b>3.4</b>	<b>(11.0)</b>	<b>(27.9)</b>
<b>Net Debt / (Cash) without IFRS</b>	<b>(18.3)</b>	<b>(30.8)</b>	<b>(45.2)</b>

## 2. H2 2021 Priorities



# H2 2021 TOP PRIORITIES

---

1

**Pursue profitable growth with extra care to protect margins in line with that announced**

- Build on marketing campaign of H1 2021 and work on the offering to strengthen the member base and further convert into repeat buyers
- Continue to leverage new prospection unit to improve the quality of the offer
- Maintain a tight control over operating expenses to pursue a profitable growth

2

**Reinforce and develop partnerships with brands using amongst other channels SRP services**

- In face of the scarcity of the inventory, there is a need to be a little bit more aggressive in sourcing new offering
- Leverage our portfolio of brand partners to cross-sell our services and build our credentials

3

**Significant marketing expenses planned to relaunch BeautéPrivé**

- Build on the launch of the sleek new BeautéPrivé's design and logo to promote the brand across all audience
- New platform in place enabling a better customer experience

4

**Focus on the development of the Travel & Ticketing segment, a potential significant growth driver amid the uncertainties around the potential evolution of the sanitary environment**

- Delta variant is raising a number of concerns and some expect further restrictions, restricting potential travel (both leisure and business)