



2022 HALF-YEAR RESULTS: GOOD B2C REVENUE RESISTANCE IN A DIFFICULT CONSUMER ENVIRONMENT

- Consolidated GMV of €104.3 million, down 1.6%, and consolidated net revenue down 1.0%
- Adjusted EBITDA of €3.1 million and net loss of €4.6 million
- Acceleration of strategic investments in line with the development plan:
 - > Continued strong growth of the brands owned by the Group (+12.6%) and acquisition of a minority stake in the French brand SAAJ
 - > Continued development of the offering with a strong increase in the number of products available, to 1.4 million, notably thanks to a marketplace offering that continues to expand
 - > Development of brand awareness supported by €3.3 million in television advertising
 - > Opening of 10 corners in department stores during the second quarter
- Confirmation of the customer relation excellence contributing to the resilience of the BtoC business: 1st place in the 2022 ranking of the best online retailers, compiled by the magazine Capital
- Very good performance of stores: +36% growth on a like-for-like basis
- Signature of an exclusive contract for the development of the ALDO brand in France starting in the second quarter
- Development of the BtoB Services activity: 20 new customers for the transport activity (TooPost) and 15 new brands for the *Fulfilment* activity for third parties (TooBone)
- Maintaining a solid financial structure with a cash position of €26 million, a net debt position of €0.6 million and a gearing of -1.8%

Grenoble, France, October 3rd 2022 – 5:45 pm CEST – Spartoo (ISIN: FR00140043Y1 – ticker: ALSPT), one of the leading online retailers for [fashion items](#) in Europe, today announced its Half-Year Results for the period ended June 30, 2022, as approved by the Board of Directors on September 29, 2022.

During the first half of 2022, the GMV¹ reached €104.3 million, down 1.6% compared to the same period last year, when GMV amounted to €106.0m.

¹ Gross Merchandise Value (GMV): total sales of products (including VAT) and services, net of returns

Boris Saragaglia, co-founder, Chairman and Chief Executive Officer of Spartoo, stated: *"The unique context of the first half of the year, impacted by the Covid peak in January, the start of the war in Ukraine in March and the acceleration of inflation, created a slowdown in demand. However, our investments in our inventory and the acceleration of our advertising expenses to develop Spartoo's brand awareness have enabled us to maintain the revenue of our B2C activities. In this context, the significant growth in revenue of our stores, popular with urban residents, and of our own brands JB Martin and GBB, is particularly satisfying. At the same time, we have continued to look for new investment opportunities in the brands owned by the Group, an objective that has been achieved by acquiring our first minority stake in the capital of the native eco-designed made in France digital brand SAAJ. The teams are also extremely mobilized in order to respond with agility to changes in consumer behavior linked to the acceleration of inflation."*

BtoC activity: development of the offering, ramping up of NewLife, extension of the retail network and confirmation of the customer relation excellence

Spartoo continued to expand its offering of its [footwear](#), [ready-to-wear](#), [bags](#) and [accessories](#) in the first half of 2022, proposing numerous brands, either directly available through the Group's inventory (Dr Martens, Converse, Adidas, etc.), or via its marketplace partners. As of June 30, 2022, Spartoo recorded more than 1.4 million unique references in Europe, mainly through the development of its marketplace offering. The Company has also increased its home decoration offering to more than 70,000 [home decoration products](#) at the end of September 2022, compared to 50,000 in March 2022.

Spartoo pursued its policy of securing supplies, in terms of volume and price, in an inflationary context, with an increase in inventory of 339,000 pieces, or €10.2 million, compared to June 2021. Permanent products represent 70% of the increase in inventory, thus securing the quality of the inventory.

Within the framework of its eco-responsible strategy, the [NewLife](#) website, a platform for buying and selling second-hand items, created during the first half of 2021, currently offers more than 70,000 second-hand references, compared to 50,000 at the end of 2021.

Spartoo continues to expand its retail network, with 10 new stores opening in the first half of 2022, mainly through corners in department stores. After a good momentum in 2021 since their reopening, having exceeded the activity levels recorded in 2019, the favorable trend has continued since the beginning of the year despite the deterioration of the economic environment, with a 36% like-for-like growth compared to the first half of 2021.

Regarding the brands owned by the Group, revenue grew by 12.6% compared to the first half of 2021, driven by both the organic development of its wholesale customers and the acceleration of their digitalization.

The average basket is up €2 (+3%), thanks in particular to a growing number of items per order.

The Group confirmed the good level of its customer satisfaction indicators, with a Truspilot score above 4/5 in France, and an NPS² above 70 points. In line with this performance, Spartoo was ranked first in the 2022 ranking of the best online retailers by the magazine Capital, the leading French business magazine. The score of 8.6/10 obtained in the "Multi-brand shoes" category, within

² NPS or Net Promoter Score indicator is used to measure the propensity and probability of recommendation of a brand, a product or a service by its customers

the "Fashion and accessories websites" section, stands out as the highest score awarded to an e-commerce website, all categories included.

This "customer satisfaction" oriented strategy ensures that Spartoo's business is highly resilient in an unfavorable consumer environment.

Decrease in third-party activity

During the first half of 2022, the transport agent activity decreased by approximately 15% compared to the first half of 2021. This decrease is linked to the loss at the end of 2021 of the two main customers following the cessation of their activity. The activity currently serves approximately 150 active customers. Since January 2022, more than 20 customers have been recruited, without compensating, to date, the revenue generated by the 2 main customers lost.

The integrated logistics and transport offer TooBone, launched in the first half of 2021 with the aim of ensuring the *Fulfilment* of brands, in B2C and B2B, in France and internationally, now has 50 partner brands.

Financial results: decrease in EBITDA mainly due to increased investments in advertising

The gross margin was €30.6 million for the period, down 3% compared to the first half of 2021, representing a rate of 41.4% as a percentage of revenue compared to 42.4% in the first half of 2021.

After taking into account a €3.3 million marketing investment in television to develop Spartoo's brand awareness and the increase in online investments to acquire new customers, in line with the development plan, the Group's adjusted EBITDA came to €-3.1 million compared to €2.7 million for the same period last year.

As of June 30, 2022, Spartoo reported cash and cash equivalents of €26.0 million, resulting in a net debt position of €0.6 million, compared to €9.3 million as of June 30, 2021. Gearing (net debt/equity), which is negative at -1.8%, also reflects the strength of Spartoo's financial structure.

Key performance indicators

Online activities / KPIs	30.06.2022	30.06.2021	Var.
Active customer base (000)	1,858	1,863	0%
Cost of acquiring new customers	€18.0	€12.3	-
Average basket net of return	€82	€80	3%
% of GMV from brands owned by the Group	9.8%	9.6%	0.2 pt
Customer recommendation score (/100)	>90%	>90%	-

Consolidated financial results (French GAAP):

Simplified income statement (in € millions)	30.06.2022	30.06.2021	Var.
Gross Merchandise Value	104.3	106.0	(1.6%)
B2C	94.8	94.8	0.0%
Third Party Service	9.5	11.2	(15.2%)
France	63.2	63.8	(1.0%)
International	41.1	42.2	(2.6%)
Revenue	73.9	74.6	(1.0%)
Gross margin	30.6	31.5	(3.0%)
in %	41.4%	42.4%	(1.0 pt)
Adjusted EBITDA	(3.1)	2.7	-
in %	(4.2%)	3.7%	-
EBIT	(4.6)	1.6	
in %	(6.2%)	2.2%	
Consolidated net profit/loss	(4.6)	1.0	
in %	(6.2%)	1.3%	
Earnings per share in €	(0.25)	0.07	
<i>Number of shares as of June 30, 2022: 18,228,088</i>			

Cash-flow statement (in € millions)	30.06.2022	30.06.2021
Cash flow from operations (*)	(3.5)	2.5
Operating cash flow (*)	(7.4)	0.3
Significant non-recurring items	-	(0.8)
Cash flow from investing activities	(0.8)	(2.2)
Cash flow from financing activities	1.3	(2.4)
Net increase/decrease in cash	(6.9)	(5.1)
Cash available at the opening	32.8	19.6
Effects of changes in exchange rates and other items	0.1	0
Cash & Cash Equivalents	26.0	14.6
Net debt	(0.6)	9.3
(*) excluding significant non-recurring items		

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Next financial publication
GMV and Full-Year Results 2022,
March 20, 2023 after market close

About Spartoo

With 10,000 brands and more than 1.4 million items, Spartoo offers one of the widest selections of fashion items ([footwear](#), [ready-to-wear](#), [bags](#)) in more than 30 countries in Europe, thanks to its team of more than 400 employees of nearly 30 different nationalities. In 2021, the Group generated a GMV (Gross Merchandise Value) of €214 million, 41% of which was generated internationally. With an integrated logistics platform and after-sales service, Spartoo stands out for its customer-centric approach, as evidenced by a very high customer satisfaction rate. The strategy is based on the strong synergies between the online sales model and the advantages of physical stores, which support loyalty and brand awareness. Capitalizing on its e-commerce know-how, Spartoo has also developed a complete range of services for professionals.

Visit the Group's websites:

www.spartoo.com

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