



fashionette^f
HALF-YEAR REPORT 2023

FOREWORD

As the new management, we have focused clearly on profitability since March 2023. This was implemented through **four** concrete steps:

- (1) Closure of the business unit Beauty
- (2) Closure of the business unit smartwatches
- (3) Start of the cost and efficiency program
- (4) Change in the pricing and purchasing strategy

We closed the business units because both Beauty and Smartwatches were not making a profit and we are consistently shedding loss-making divisions. The cost and efficiency program is comprehensive: it includes the reduction of software costs, the discontinuation of working with external consultants in many areas, the reduction of material costs and the relocation of our sites with the objective of reducing costs. The change in the pricing and purchasing strategy that calls for us to only buy higher priced items in the future and phase out low-priced suppliers is also part of our repositioning in the luxury sector. The full impact of these steps and measures will be seen in the second half of 2023 as well as in fiscal year 2024.

We are very satisfied with the implementation of the four steps so far. **Although revenue declined as expected in the first half of the year, we were able to achieve our key goals: Our operating result (adjusted EBITDA) has increased significantly, our operating cash flow has developed positively and we were able to significantly increase the margin on our products. Adjusted EBITDA reached EUR 1.48 million for the first time, the highest figure in two years.**

In view of this and the expected further improvement in earnings, **we are raising our earnings forecast for the full year 2023: We now expect an operating result (adjusted EBITDA) of EUR 5 million to EUR 6 million (previous forecast: EUR 2 million to EUR 3 million).**

And with the start of the **platform strategy at the end of September 2023**, we have laid the foundation for growing sales profitably again and thereby entering a category that is very important for us: Luxury Fashion. The preparations for this have already been completed, we will realize corresponding sales from the end of September 2023 and have connected quite a few partners from the luxury fashion sector to our platform.

Your Management Board

Dr. Dominik Benner (CEO)

Laura Vogelsang



UNSER
MANAGEMENT

20 HALF-YEAR REPORT 23



>350

Brands in the portfolio
in the first half of 2023



FASHIONETTE AG



FASHIONETTE AG

Table of CONTENTS

INTERIM MANAGEMENT REPORT

- [11 Business Development](#)
- [13 Economic Report](#)
- [17 Opportunity and Risk Report](#)
- [17 Forecast Report](#)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

- [21 Consolidated Statement of Financial Position](#)
- [22 Consolidated Statement of Comprehensive Income](#)
- [23 Consolidated Statement of Cash Flows](#)
- [24 Consolidated Statement of Changes in Equity](#)
- [25 Condensed Notes](#)

FURTHER INFORMATION

- [31 Assurance of the Legal Representatives](#)
- [32 Financial Calendar](#)
- [32 Imprint](#)

fashionette AG

KEY FIGURES

Continued operations

NON-FINANCIAL PERFORMANCE INDICATORS

	H1 2023	H1 2022
Number of orders (in thousands)	570	657
Average shopping cart (in EUR)	179	177
Active customers (in thousands, LTM)	1,029	1,002
New customers (in thousands)	288	329
Number of employees	262	264

FINANCIAL PERFORMANCE INDICATORS

	H1 2023	H1 2022
Net sales revenue (in EUR thousand)	59,871	68,298
Gross profit (in EUR thousand)	26,762	27,251
Gross profit margin (share in %)	44.7%	39.9%
Reported EBITDA (in EUR thousand)	1,031	-69
Reported EBITDA margin (share in %)	1.7%	-0.1%
Adjusted EBITDA (in EUR thousand)	2,807	919
Adjusted EBITDA margin (share in %)	4.7%	1.3%
Cash flow from operating activities (in EUR thousand)	-2,558	-6,041

Consolidated figures reported in accordance with IFRS, relating to the continued operations of fashionette AG (IFRS 5).

About FASHIONETTE AG

fashionette AG is a leading European, data-driven e-commerce Group for premium and luxury fashion accessories. On the online platforms fashionette.com and brandfield.com, the fashionette Group offers not only inspiration, but also a selected range of premium and luxury fashion accessories, such as handbags, shoes, small leather goods, sunglasses, watches, jewelry and beauty products from more than 350 brands, including its own brands. Based on more than ten years of experience in the field of fashion accessories, fashionette AG has developed an innovative proprietary IT and data platform which, with the help of state-of-the-art technologies and artificial intelligence, enables customers throughout Europe to make personalized online purchases of luxury fashion accessories. Further information on fashionette AG can be found at corporate.fashionette.com or on the online platforms www.fashionette.com and www.brandfield.com.

Explanation Continued operations

In light of the fact that two business units (Beauty, Smartwatches) were closed in the current fiscal year 2023, a supplementary, separate disclosure of the key revenue figures of the **continued operations** of fashionette AG is presented with reference to the applicable regulations (IFRS 5) (page 5). These include all key revenue figures adjusted for the activities of the Beauty and Smartwatches business units, which were discontinued as of Q2 2023.

In the subsequent overall view of the Half-Year Report (see page 7 ff.), the Group's figures are shown in full and no adjustments have been made.

fashionette AG

KEY FIGURES

Total Group

NON-FINANCIAL PERFORMANCE INDICATORS

	H1 2023	H1 2022
Number of orders (in thousands)	578	667
Average shopping cart (in EUR)	181	179
Active customers (in thousands, LTM)	1,033	1,007
New customers (in thousands)	291	335
Number of employees	262	264

FINANCIAL PERFORMANCE INDICATORS

	H1 2023	H1 2022
Net sales revenue (in EUR thousand)	62,000	73,398
Gross profit (in EUR thousand)	27,417	29,030
Gross profit margin (share in %)	44.2%	39.6%
Reported EBITDA (in EUR thousand)	-745	-1,057
Reported EBITDA margin (share in %)	-1.2%	-1.4%
Adjusted EBITDA (in EUR thousand)	1,483	491
Adjusted EBITDA margin (share in %)	2.4%	0.7%
Cash flow from operating activities (in EUR thousand)	-3,821	-7,056
Net cash and cash equivalents at the end of the period (in EUR thousand)	-2,990	-2,564

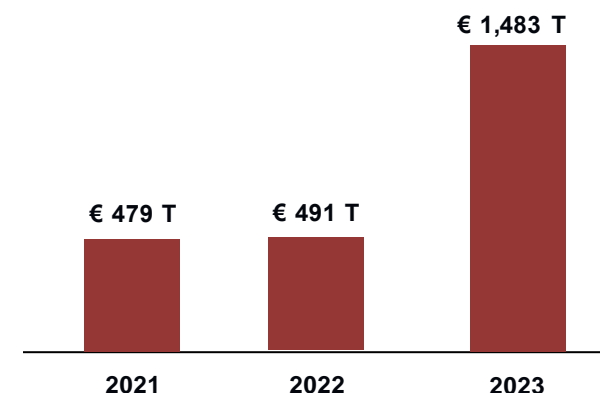
FINANCIAL POSITION

	H1 2023	H1 2022
Working capital (in EUR thousand)	36,590	43,962
Equity ratio (in % of total assets)	50,7 %	54,2 %
Cash flow from operating activities (in EUR thousand)	-3,821	-7,056
Cash flow from investing activities (in EUR thousand)	-959	-572
Cash flow from financing activities (in EUR thousand)	-1,947	-2,103

Unless explicitly stated otherwise, all figures in the Half-Year Report refer to consolidated figures reported in accordance with IFRS.

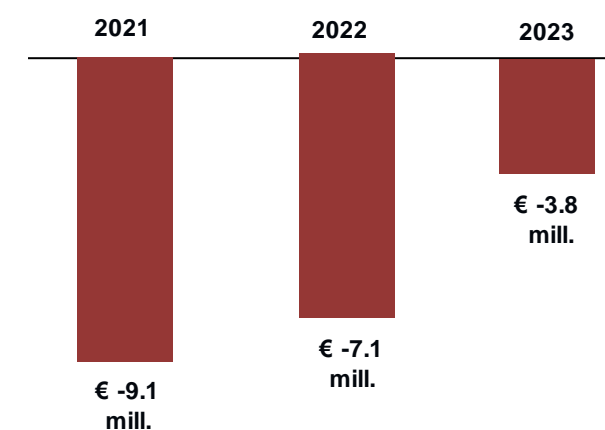
Development of EBITDA

(First half-year in each case, adjusted EBITDA)



Development of cash flow

(First half-year in each case, operating cash flow)



INTERIM GROUP MANAGEMENT REPORT

This Management Report comprises the IFRS Interim Group Management Report of fashionette AG as of June 30, 2023. In it, we report on the course of business as well as the situation and the probable development of the fashionette AG Group.

Unless explicitly stated otherwise, all figures in the Half-Year Report refer to consolidated IFRS figures. Brandfield also refers to Brandfield B.V. Groningen, NL, and Fastylo Holding B.V., Groningen, NL.



INTERIM GROUP MANAGEMENT REPORT

- [11 Business Development](#)
- [13 Economic Report](#)
- [17 Opportunity and Risk Report](#)
- [17 Forecast Report](#)

BUSINESS DEVELOPMENT

In the first six months of fiscal year 2023, fashionette AG's net sales revenue changed by -15.5% to EUR 62,000 thousand (H1 2022: EUR 73,398 thousand). The absolute decline in net sales amounted to EUR 11,398 thousand and resulted mainly from the strategy of increased sales of luxury products with higher margins, which was revised at the beginning of 2023, and the corresponding product portfolio revision with regard to unprofitable products. In the course of this, the Beauty and Smartwatches business units were discontinued in 2023. The Management Board is considering selling the remaining activities and assets of the Beauty and Smartwatches businesses in their entirety. The number of new customers decreased from 335 thousand to 291 thousand, while the number of active customers increased from 1,007 thousand to 1,033 thousand.

With a share of net sales of 64.4% (H1 2022: 65.0%), the DACH region remains an important region for fashionette. In the Benelux & other countries region, the share of net sales increased by 0.7 percentage points to 35.7% in the first half of 2023 (H1 2021: 35.0%). Absolute net revenue decreased by EUR 3,620 thousand to EUR 22,102 thousand (H1 2022: EUR 25,722 thousand) mainly due to the revised strategy since the beginning of 2023 of increased sales of luxury products with higher margins and the corresponding product portfolio revision regarding unprofitable products. In the course of this, the discontinuation of the Beauty and Smartwatches business units already took place in 2023. Brandfield's share of net sales in the Benelux & other countries region is 89.4% (H1 2022: 80.2%).

CONSOLIDATED RESULTS OF OPERATIONS (CONDENSED, IN EUR THOUSAND)	H1 2023	H1 2022	Δ
Net sales revenue	62,000	73,398	-15.5%
Cost of materials/cost of purchased goods	34,583	44,368	-22.1%
Gross profit	27,417	29,030	-5.6%
Gross profit margin	44.2%	39.6%	+4.6 PP
Other operating income (incl. own work capitalised)	1,355	536	>100.0%
Personnel expenses	6,146	6,381	-3.7%
Other operating expenses	23,370	24,242	-3.6
Reported EBITDA	-745	-1,057	-29.5%
Reported EBITDA margin	-1.2%	-1.4%	+0.2 PP

Earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted for non-recurring effects, increased to EUR 1,483 thousand (H1 2022: EUR 491 thousand). The adjusted EBITDA margin improved to 2.4 % (H1 2022: 0.7%). Reported EBITDA increased by EUR 312 thousand to EUR -745 thousand (H1 2022: EUR -1,057 thousand) with a reported EBITDA margin of -1.2% (H1 2022: -1.4%) and includes non-recurring effects of EUR 2,228 thousand (H1 2022: EUR 1,548 thousand).

The non-recurring effects are mainly one-time expenses for Management Board severance payments, special expenses for foreign sales, one-time consulting services and capital market-related expenses. As still listed in the Consolidated Financial Statements as of December 31, 2022, hidden reserves in inventories were disclosed in the context of the acquisition of the Brandfield Group in 2021. In the first half of 2022, EUR 723 thousand from the disclosure of hidden reserves was written off for the last time as cost of materials and adjusted as a non-recurring effect. These non-recurring effects are not taken into account in adjusted EBITDA.

The reconciliation to adjusted EBITDA and the distribution of the non-recurring effects to the items of the income statement are as follows:

RECONCILIATION TO ADJUSTED EBITDA (IN EUR THOUSAND)	H1 2023	H1 2022
Reported EBITDA	-745	-1,057
Non-recurring effects		
One-time consultancy expenses	668	322
Expenses not attributable to business activities	935	12
One-time special expenses for foreign sales	625	0
Share-based payment	0	491
Depreciation of hidden reserves on inventories	0	723
Total non-recurring effects	2,228	1,548
Adjusted EBITDA	1,483	491
Adjusted EBITDA margin	2.4%	0.7%

ECONOMIC REPORT

EARNINGS POSITION

In the first half of 2023, fashionette AG's net sales declined by -15.5% or EUR 62,000 thousand in absolute terms (H1 2022: EUR 73,398 thousand), primarily due to the strategy of increased sales of luxury products with higher margins, which was revised at the beginning of 2023, and the corresponding product portfolio revision with regard to unprofitable products. In the course of this, the Beauty and Smartwatch segments were already discontinued in 2023. Cost of materials fell by -22.1% to EUR 34,583 thousand (H1 2022: EUR 44,368 thousand), somewhat disproportionately to the decline in net sales. The gross operating profit margin (in H1 2022 adjusted for the effect of the amortization of hidden reserves on Brandfield inventories) increased by 4.6 percentage points to +44.2% in the first half of 2023 (H1 2022: +39.6%).

Other operating income increased by >+100.0% to EUR 1,355 thousand (H1 2022: EUR 536 thousand).

Personnel expenses decreased by 3.7% to a total of EUR 6,146 thousand (H1 2022: EUR 6,381 thousand). Share-based payments were not made in the first half of 2023 (H1 2022: EUR 491 thousand). The average number of employees (excluding working students) decreased by 0.8% to 262 (June 30, 2022: 264).

In the first half of 2023, amortization of intangible assets and depreciation of property, plant and equipment amounted to EUR 1,142 thousand (H1 2022: EUR 1,485 thousand). This includes EUR 537 thousand in amortization of Brandfield and EUR 320 thousand in amortization of capitalized brand names and customer relationships.

The effects of the initiated efficiency and cost program can be seen in other operating expenses. Other operating expenses fell by 3.6% to EUR 23,370 thousand (H1 2022: EUR 24,242 thousand). The individual items break down into selling expenses of EUR 9,791 thousand (H1 2022: EUR 9,574 thousand), marketing expenses of EUR 8,818 thousand (H1 2022: EUR 11,250 thousand), technology costs of EUR 1,143 thousand (H1 2022: EUR 1,106 thousand) and non-adjusted general and administrative expenses of EUR 3,618 thousand (H1 2022: EUR 2,312 thousand). As a percentage of net sales, selling expenses increased by 2.8 percentage points to 15.8%, technology costs increased by 0.3 percentage points to 1.8% and general and administrative costs increased by 2.7 percentage points to 5.8%. Marketing costs decreased by 1.1 percentage points to 14.2%.

RESULTS BY SEGMENT

The segments' share of net sales and profit can be summarized as follows:

SEGMENT REPORTING H1 2023 (IN EUR THOUSAND)	DACH	BENELUX & OTHERS	CONSOLI- DATION	FASHIONETTE GROUP
Net sales revenue (external)	39,898	22,102	-	62,000
Net sales between segments	206	1,135	-1,341	0
Net sales revenue (segment)	40,104	23,237	-1,341	62,000
Adjusted EBITDA	1,250	233	-	1,483
Adjusted EBITDA margin	3.1%	1.1%		2.4%

SEGMENT REPORTING H1 2022 (IN EUR THOUSAND)	DACH	BENELUX & OTHER	CONSOLI- DATION	FASHIONETTE
Net sales (external)	47,676	25,722	-	73,398
Net sales between the segments	65	318	-383	-
Net sales (segment)	47,741	26,040	-383	73,398
Adjusted EBITDA	633	-142	-	491
Adjusted EBITDA margin	1.3%	-0.5%	-	0.7%

Net revenue in the DACH segment decreased by EUR 7,778 thousand to EUR 39,898 thousand (H1 2022: EUR 47,676 thousand) in the first half of 2023. In the Benelux & Other segment, net revenue decreased by EUR 3,620 thousand to EUR 22,102 thousand (H1 2022: EUR 25,722 thousand). As a result of the merger with Brandfield, the share of net sales has shifted to non-German-speaking countries, mainly in the Benelux region. Adjusted EBITDA in the DACH segment increased by EUR 617 thousand year-on-year to EUR 1,250 thousand, and adjusted EBITDA in the Benelux & Other segment increased by EUR 375 thousand to EUR 233 thousand.

CASH FLOWS

In the first half of 2023, fashionette AG generated cash flow from operating activities of EUR -3,821 thousand (H1 2022: EUR -7,056 thousand), mainly due to a decrease in working capital of EUR -3,319 thousand, of which an increase in inventories of EUR 4,496 thousand (including prepayments made), a decrease in trade and other receivables of EUR 4,210 thousand and a decrease in trade and other payables of EUR 3,033 thousand.

Cash flow from investing activities amounted to EUR -959 thousand (H1 2022: EUR -572 thousand). The reduction compared to the previous year is mainly due to own work capitalized in the first half of 2023 for the online shop development (EUR 753 thousand).

Cash flow from financing activities of EUR -1,947 thousand (H1 2022: EUR -2,103 thousand) includes the repayment of loans of EUR 675 thousand (previous year: EUR 900 thousand), interest paid of EUR 901 thousand (previous year: EUR 854 thousand) and payments for leasing and rental liabilities of EUR 371 thousand (previous year: EUR 349 thousand). Of the interest paid of EUR 901 thousand, EUR 600 thousand (previous year: EUR 643 thousand) is accounted for by interest expenses for factoring and hire purchase, EUR 250 thousand (previous year: EUR 155 thousand) by interest expenses for long-term and short-term bank financing and EUR 51 thousand (previous year: EUR 56 thousand) by interest expenses in accordance with IFRS 16. Brandfield's share of the cash flow from financing activities in the first half of 2023 is EUR -166 thousand.

CONDENSED STATEMENT OF CASH FLOWS (IN EUR THOUSAND)	H1 2023	H1 2022
Cash flow from operating activities	-3,821	-7,056
Cash flow from investing activities	-959	-572
Cash flow from financing activities	-1,947	-2,103
Net increase or (decrease) in cash and cash equivalents	-6,726	-9,731
Net cash and cash equivalents at the beginning of the period	3,736	7,177
Effects of exchange rate changes on cash and cash equivalents	0	-10
Net cash and cash equivalents at the end of the period	-2,990	-2,564

In the first half of 2023, fashionette AG recorded an outflow of cash and cash equivalents of EUR 6,726 thousand (H1 2022: EUR 9,731 thousand). Net cash and cash equivalents amounted to EUR -2,990 thousand as of June 30, 2023 (December 31, 2022: EUR 3,736 thousand). As of the balance sheet date of June 30, 2023, there were utilizations of credit lines with banks of EUR 4,737 thousand (December 31, 2022: EUR 11,055 thousand). Non-current liabilities to banks amounted to EUR 9,780 thousand (December 31, 2022: EUR 11,082 thousand), of which EUR 2,025 thousand are due within one year (December 31, 2022: EUR 1,800 thousand). Liabilities from rental agreements totaled EUR 3,526 thousand (December 31, 2022: EUR 3,837 thousand).

Trade payables and other liabilities decreased by EUR 3,172 thousand to EUR 21,935 thousand (December 31, 2022: EUR 25,107 thousand) due to seasonal factors, short-term loans increased by EUR 3,671 thousand to EUR 7,541 thousand (December 31, 2022: EUR 3,870 thousand), of which EUR 2,025 thousand (December 31, 2022: EUR 1,800 thousand) was the current portion of refinancing Brandfield, EUR 4,720 thousand (December 31, 2022: EUR 1,305 thousand) was the current bank borrowings and EUR 796 thousand (December 31, 2022: EUR 732 thousand) was lease liabilities. Total current liabilities as of June 30, 2023, amounted to EUR 30,275 thousand (December 31, 2022: EUR 29,521 thousand) and the share of total capital increased to 36.0% (December 31, 2022: 33.7%).

FINANCIAL POSITION

The Group's asset, financial and earnings position are presented in the condensed balance sheet below:

ASSETS (IN EUR THOUSAND)	JUNE 30, 2023		DECEMBER 31, 2022	
Non-current assets	21,113	25.0%	21,291	24.3%
Current assets	63,177	75.0%	66,381	75.7%
Assets	84,290	100.0%	87,672	100.0%

LIABILITIES (IN EUR THOUSAND)	JUNE 30, 2023		DECEMBER 31, 2022	
Equity	42,710	50.7%	45,490	51.9%
Non-current liabilities	11,305	13.4%	12,661	14.4%
Current liabilities	30,275	36.0%	29,521	33.7%
Liabilities	84,290	100.0%	87,672	100.0%

At the end of the first half of 2023, the total assets of fashionette AG had decreased by 3.9% to EUR 87,290 thousand (December 31, 2022: EUR 87,672 thousand). Non-current assets decreased by 0.8% to EUR 21,113 thousand (December 31, 2021: EUR 21,291 thousand), mainly due to current depreciation and amortization (EUR -1,142 thousand) and, in the opposite direction, the addition from the capitalization of own work for the development of the online shops (EUR 753 thousand). The share of non-current assets in total assets rose to 25.0% (December 31, 2022: 24.3%).

Current assets decreased by EUR 3,204 thousand to EUR 63,177 thousand in the first half of 2023 (December 31, 2022: EUR 66,381 thousand). Inventories increased by EUR 3,543 thousand to EUR 40,221 thousand (December 31, 2022: EUR 36,678 thousand), while customers' right of return decreased by EUR 1,317 thousand to EUR 1,990 thousand (December 31, 2022: EUR 3,307 thousand). Trade and other receivables decreased by EUR 2,708 thousand to EUR 16,314 thousand (December 31, 2022: EUR 19,022 thousand) due to seasonal factors. Cash and cash equivalents decreased by EUR 3,306 thousand to EUR 1,747 thousand in the first half of 2023 (December 31, 2022: EUR 5,053 thousand), mainly due to the reduction of working capital. There are unused credit lines that the company can draw on.

At the end of the first half of 2023, equity decreased by EUR 2,780 thousand to EUR 42,710 thousand due to the accumulated loss as of June 30, 2023. The equity ratio decreased by 1.2 percentage points to 50.7% as of June 30, 2023.

Non-current liabilities decreased by EUR 1,356 thousand to EUR 11,305 thousand (December 31, 2022: EUR 12,661 thousand), mainly due to the repayment of loan liabilities in the amount of EUR 675 thousand and the reduction of lease liabilities in the amount of EUR 338 thousand. Deferred tax liabilities decreased by EUR 89 thousand to EUR 1,388 thousand (December 31, 2022: EUR 1,477 thousand). The share of non-current liabilities in total capital fell to 13.4% (December 31, 2022: 14.4%).

Opportunity and RISK REPORT

The main risks for fashionette AG have not changed since the publication of the Annual Report 2022. There are no known risks to the company as a going concern due to insolvency or overindebtedness.

FORECAST REPORT

Now that the fruits of the initiated cost and efficiency program are beginning to show, a positive earnings trend is emerging, which we will continue in the second half of 2023. The fourth quarter in particular is always important for fashionette AG and generates the highest sales and earnings contributions.

We see additional opportunities in the as yet unexploited synergy potential from the acquisition of Brandfield in 2021, such as the further mutual integration of our product range and the mutual listing of products in order to achieve more sales in the respective target countries.

In the process, fashionette AG continues to evolve. What remains constant, however, is our unwavering commitment to make personalized luxury fashion accessory shopping possible for all customers who want to complete, accentuate and individualize their outfits, and to continuously optimize the shopping experience for our customers.

A personalized shopping experience of high-end fashion accessories based on the principle of accessibility and individuality, together with a curated product selection across all our online platforms, will continue to make the difference, we believe.

Our proprietary technology platform provides us with the opportunity to further drive fashionette's profitable growth through data-driven decisions across all functions.

With a constant focus on the needs of our customers, fashionette AG is therefore pursuing the goal of further expanding the Group's share in the market segment for luxury accessories in order to become Europe's leading e-commerce Group for premium and luxury fashion accessories.

With the entry of the major shareholder The Platform Group GmbH & Co. KG last December and the appointment of Dr. Dominik Benner – Managing Partner and CEO of The Platform Group GmbH & Co. KG – as CEO of fashionette AG since March 1, 2023, the strategic further development of fashionette AG is underway. In particular, the start of the cost and efficiency program since March 2023 as well as the launch of the platform strategy as of the end of September 2023 are decisive in setting the course for the development of fashionette AG.

On July 25, 2023, an ad hoc announcement was made regarding the convening of an Extraordinary General Meeting on September 6, 2023, with the goal of passing a resolution on a capital increase of EUR 11,073,852.00 against a contribution in kind of The Platform Group GmbH & Co KG. In this regard, we refer to the published documents.

The objective of merging the activities of both companies is to create a new Group in the platform sector. Through further synergy effects, improved profitability and growth in numerous sectors, it is planned to develop this into Europe's largest platform Group under the name The Platform Group AG. Based on the financial figures of The Platform Group GmbH & Co. KG, this means direct profitability of the entire Group as well as a significant expansion of the business areas, also in the profitable B2B sector.

We are convinced that this strategy will maximize the value of the company in the long term.

REVENUE

The Management Board of fashionette AG continues to expect growth in revenue of 5% to 8% for fiscal year 2023 and thus confirms the forecast. The background to this is the start of platform activities at the end of September 2023, which will result in a corresponding increase in sales due to the first-time entry into the luxury fashion segment.

EARNINGS

Against the backdrop of the positive effects from the cost and efficiency program, the Management Board expects a better operating result than previously assumed and is thus increasing the earnings forecast. For the full year 2023, an operating result (adjusted EBITDA) of EUR 5 million to EUR 6 million is now assumed (previous forecast: adjusted EBITDA of EUR 2 million to EUR 3 million).

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the first half year ending June 30, 2023.

In accordance with IFRS as endorsed by the EU.



INTERIM CONSOLIDATED FINANCIAL STATEMENTS

- [21 Consolidated Statement of Financial Position](#)
- [22 Consolidated Statement of Comprehensive Income](#)
- [23 Consolidated Statement of Cash Flows](#)
- [24 Consolidated Statement of Changes in Equity](#)
- [25 Condensed Notes](#)

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONas of June 30, 2023
(unaudited)

in EUR thousand	Notes	06/30/2023	12/31/2022
Assets			
Property, plant and equipment		3,789	4,109
Intangible assets		5,935	5,780
Goodwill		9,554	9,554
Other financial assets including derivatives (non-current)		298	298
Deferred tax assets		1,537	1,550
Non-current assets		21,113	21,291
Inventories		40,221	36,678
Right of return		1,990	3,307
Tax refund claims		1,011	1,188
Trade and other receivables (current)		16,314	19,022
Advance payments		1,894	1,134
Cash and cash equivalents		1,747	5,053
Current assets		63,177	66,381
Total assets		84,290	87,672
Equity (7)			
Subscribed capital		6,200	6,200
Capital reserve		60,035	60,035
Other reserves		403	403
Retained earnings		-21,148	-14,889
Profit (loss)		-2,780	-6,259
Equity of the owners of the parent company		42,710	45,490
Equity		42,710	45,490
Debts			
Loans and borrowings (long-term)	(8)	9,780	11,082
Provisions for employee benefits (non-current)		85	49
Other provisions (non-current)		52	52
Deferred tax liabilities		1,388	1,477
Non-current debt		11,305	12,661
Tax liabilities		118	8
Loans and borrowings (current)	(8)	7,541	3,870
Trade payables and other liabilities (current)		21,935	25,107
Contractual liabilities		345	201
Other provisions (current)		336	336
Current liabilities		30,275	29,521
Debts		41,580	42,182
Total assets		84,290	87,672

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOMEfor the period from January 1 to June 30, 2023
(unaudited)

in EUR thousand	Notes	Jan. 1 - June 30, 2023	Jan. 1 - June 30, 2022
Sales revenue	(4)	62,000	73,398
Other income (including own work capitalized)		1,355	536
Cost of materials		-34,583	-44,368
Personnel expenses		-6,146	-6,381
Depreciation and amortization		-1,142	-1,485
Other expenses		-23,370	-24,242
Financial income		18	7
Financial expenses		-901	-855
Profit (loss) before taxes (EBT)		-2,770	-3,390
Income tax income and expenses		-11	290
Profit (loss) for the period		-2,780	-3,100
Other result			
Items that have been or may be subsequently reclassified to profit or loss			
Cash flow hedges-effective portion of fair value changes	(6)	0	109
Other comprehensive income after taxes		0	109
Overall result		-2,780	-2,991
Allocation of the profit (loss):			
Owner of the parent company		-2,780	-3,100
Allocation of the overall result:			
Owner of the parent company		-2,780	-2,991
Earnings per share (in EUR)			
Undiluted earnings per share		-0.45	-0.48
Diluted earnings per share		-0.45	-0.48

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1 January to June 30, 2023
(unaudited)

in EUR thousand	H1 2023	H1 2022
Profit (loss) for the period	-2,780	-3,100
Depreciation and amortization	1,142	1,485
Financial expenses (income)	883	848
Income tax expenses (income)	10	-290
Decrease (increase) in inventories	-4,496	-1,760
Decrease (increase) in trade receivables and other assets Demands	4,210	3,395
Increase (decrease) in trade payables and other liabilities	-3,033	-7,505
Increase (decrease) in other provisions	0	5
Other non-cash income (expenses)	0	502
Income taxes paid	243	-636
Cash flow from operating activities	-3,821	-7,056
Acquisition of property, plant and equipment	-170	-65
Acquisition of intangible assets	-807	-513
Interest received	18	6
Cash flow from investing activities	-959	-572
Repayment of loans and borrowings	-675	-900
Interest paid	-901	-854
Payments for lease liabilities	-371	-349
Cash flow from financing activities	-1,947	-2,103
Net increase or (decrease) in cash and cash equivalents	-6,726	-9,731
Effects of exchange rate changes on cash and cash equivalents	0	-10
Net cash and cash equivalents at the beginning of the period	3,736	7,177
Net cash and cash equivalents at the end of the period	-2,990	-2,564
Breakdown of cash and cash equivalents		
Cash equivalents	1,747	1,892
Liabilities to credit institutions due in the short term	-4,737	-4,456
Net cash and cash equivalents at the end of the period	-2,990	-2,564

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

as of June 30, 2023

in EUR thousand	Notes	Subscribed capital	Capital reserve	Reserve from hedging transactions	Transaction cost reserve	Retained earnings	Total equity
Balance on Dec. 31, 2022		6,200	60,035	159	244	-21,148	45,490
Profit (loss) for the period						-2,780	-2,780
Balance on June 30, 2023	(7)	6,200	60,035	159	244	-23,928	42,710

Condensed NOTES

1 General information

fashionette AG ("fashionette" or "the company") is a corporation incorporated in Germany. The company is registered in the Commercial Register of the Local Court of Düsseldorf under the number HRB 91139. The registered office of the company as of the reporting date of June 30, 2023, is located at Lierenfelder Straße 45, 40231 Düsseldorf, Germany.

fashionette AG is a stock corporation under the German Stock Corporation Act. The ordinary shares of fashionette have been listed on the stock exchange in Frankfurt/Main (Scale/Freiverkehr segment) since October 29, 2020.

These Condensed and unaudited Interim Consolidated Financial Statements for the six months ended June 30, 2023, comprise the company and its subsidiaries (together referred to as "the Group" or "fashionette").

fashionette is a leading European data-driven online platform for premium and luxury fashion accessories. Fashionette's goal is to provide a personalized online shopping experience in the premium and luxury fashion accessories sector to all customers in Europe.

With effect from July 1, 2021, the company acquired all shares in the following companies:

- Brandfield Holding B.V., Bornholmstraat 82, 9723 AZ Groningen, The Netherlands
- Brandfield B.V., Bornholmstraat 82, 9723 AZ Groningen, The Netherlands
- Fastylo Holding B.V., Bornholmstraat 86, 9723 AZ Groningen, The Netherlands
- Favorite Brands B.V., Bornholmstraat 86, 9723 AZ Groningen, The Netherlands

All companies were fully consolidated from the respective acquisition date and thus included in these Condensed and unaudited Interim Consolidated Financial Statements. With effect from January 1, 2022, Brandfield Holding B.V. and Brandfield B.V. merged into Brandfield B.V. and Fastylo Holding B.V. and Favorite Brands B.V. merged into Fastylo Holding B.V.

The members of the Management Board of the company, Georg Hesse and Thomas Buhl, resigned from the Management Board by mutual agreement with effect from the end of February 28, 2023, and entry in the Commercial Register on March 14, 2023. With effect from March 1, 2023, Dr. Dominik Benner has been appointed a new member of the Management Board and Chairman of the company. Dr. Dominik Benner is the Managing Partner and CEO of The Platform Group GmbH & Co. KG, Wiesbaden ("The Platform Group"), which has been the company's new major shareholder since December 2022.

Laura Vogelsang has been appointed a further member of the Management Board with effect from May 15, 2023. Laura Vogelsang, who has held various management positions at fashionette AG for several years, will use her expertise, particularly in the areas of risk and payment, as well as human resources, to support the Chairman of the Management Board, Dr. Dominik Benner, in quickly and successfully implementing the package of measures introduced to increase profitability.

2 Principles of preparation

The Condensed and unaudited Interim Consolidated Financial Statements of fashionette AG and its subsidiaries as of June 30, 2023, have been prepared in accordance with International Financial Reporting Standards (IFRS) for interim financial reporting as adopted by the EU (IAS 34). The Condensed Interim Consolidated Financial Statements do not contain all the information and disclosures required for the Consolidated Financial Statements at the end of the fiscal year and should therefore be read in conjunction with the Consolidated Financial Statements as of December 31, 2022.

Unless stated otherwise, all amounts have been rounded to the nearest thousand. As amounts are stated in thousands of euros, rounding in accordance with commercial principles can result in rounding differences. In some cases, such rounded amounts and percentages do not add up to 100% of the totals shown and the subtotals in the tables can differ slightly from the non-rounded figures.

3 Principles of accounting and valuation

The methods of accounting and valuation applied in the Consolidated Financial Statements as of December 31, 2022, were adopted unchanged. There was no early application of accounting standards that had been published but were not yet mandatory.

4 Sales revenues

In the first half of 2023, the Group generated revenues of EUR 62,000 thousand (H1 2022: EUR 73,398 thousand) from the sale of merchandise, mainly via its web shops. The revenues are divided between the regions DACH in the amount of EUR 39,898 thousand (H1 2022: EUR 47,676 thousand) and Benelux & Other in the amount of EUR 22,102 thousand (H1 2022: EUR 25,722 thousand).

5 Share-based payment

Expenses for the 2020 Stock Option Program amounted to EUR 0 thousand in the first half of the year (H1 2022: EUR 491 thousand). Further information on the 2020 Stock Option Program can be found in Note 7.

6 Hedging instruments (interest rate swaps)

fashionette is subject to interest rate risks that arise from entering into variable-rate liabilities. In order to reduce the volatility of interest payments, the risk management strategy provides for the conversion of interest payments into fixed interest payments by concluding payer swaps. To avoid accounting anomalies, fashionette relies on cash flow hedges for these swaps and the corresponding liabilities. The hedged risk is limited to the interest rate risk. The default risk from the financial liabilities is not designated as part of the hedging relationship. fashionette applies a hedge ratio of 1:1.

With regard to the assessment of the economic relationship between the hedged item and the hedging instrument, fashionette applies the "critical terms match" method. The corresponding reference interest rates, maturities, fixed interest rates and nominal amounts are taken into account. The retrospective determination of hedge ineffectiveness is based on the hypothetical derivative method. Potential sources of ineffectiveness arise from counterparty default risk and fashionette.

The nominal amount of the interest rate swap as at June 30, 2023, is EUR 2,950 thousand (December 31, 2022: EUR 3,250 thousand).

7 Equity

NEW VERSION OF CONDITIONAL CAPITAL 2020/I AS CONDITIONAL CAPITAL 2022/I

By resolution of the Annual General Meeting on June 24, 2022, Conditional Capital 2020/I was canceled and new Conditional Capital 2022/I was created.

The share capital of the company is to be conditionally increased by up to EUR 620,000.00 by issuing up to 620,000 new no-par value bearer shares (Conditional Capital 2022/I).

Conditional Capital 2022/I exclusively serves the purpose of issuing shares of the company from the Stock Option Program 2022 for members of the company's Management Board, members of the management of affiliated companies of the company as well as for employees of the company and of affiliated companies of the company. The term ends on June 23, 2027. This Conditional Capital is entered in the Commercial Register as Conditional Capital 2022/I.

With the new version of Conditional Capital 2020/I as Conditional Capital 2022/I, the current Stock Option Program 2020 has been canceled. The 2020 Stock Option Program has been classified as an equity-settled share-based payment plan in accordance with IFRS 2. As of December 31, 2022, a total of EUR 507 thousand was recognized in the capital reserve.

As of the cancellation date of the 2020 Stock Option Program, the share-based payment plan was recalculated in accordance with IFRS 2, taking the known and estimated achievement of agreed performance targets at the time of cancellation into account, and the resulting payments were transferred to the capital reserve until the end of the term of the 2020 Stock Option Program (accelerated exercise). Accordingly, EUR 0 thousand in share-based payments were added to the capital reserve in the first half of 2023. The beneficiaries and fashionette AG have mutually agreed that no claims can be asserted on the basis of the grant agreement concluded within the framework of the 2020 Stock Option Program.

8 Non-current and current loans and borrowings

Non-current and current loans and borrowings developed as follows in the first half of 2023.

LOANS AND BORROWINGS	06/30/2023	12/31/2022
	EUR thousand	EUR thousand
Non-current debt		
Unsecured bank loans	7,050	7,950
Leasing liabilities	2,730	3,132
Total non-current liabilities	9,780	11,082
Current liabilities		
1. Secured bank loans	4,720	1,305
2. Unsecured bank loans	2,025	1,800
3. Leasing liabilities	796	732
Total current liabilities	7,541	3,837

9 Events after the balance sheet date

As part of the cost and efficiency program, the decision was made to relocate company headquarters inside Düsseldorf. The company moved into a historic building with the address Am Falder 4, 40589 Düsseldorf, on August 10, 2023. A relocation was also carried out in Berlin in order to permanently reduce rental costs here as well.

With regard to financing, an operating credit line was repaid in full, so that the company's short-term liabilities are now significantly lower.

No other significant events occurred after the balance sheet date.

Düsseldorf, August 21, 2023

Dr Dominik Benner

Laura Vogelsang

Chairman of the Board

Member of the Management Board

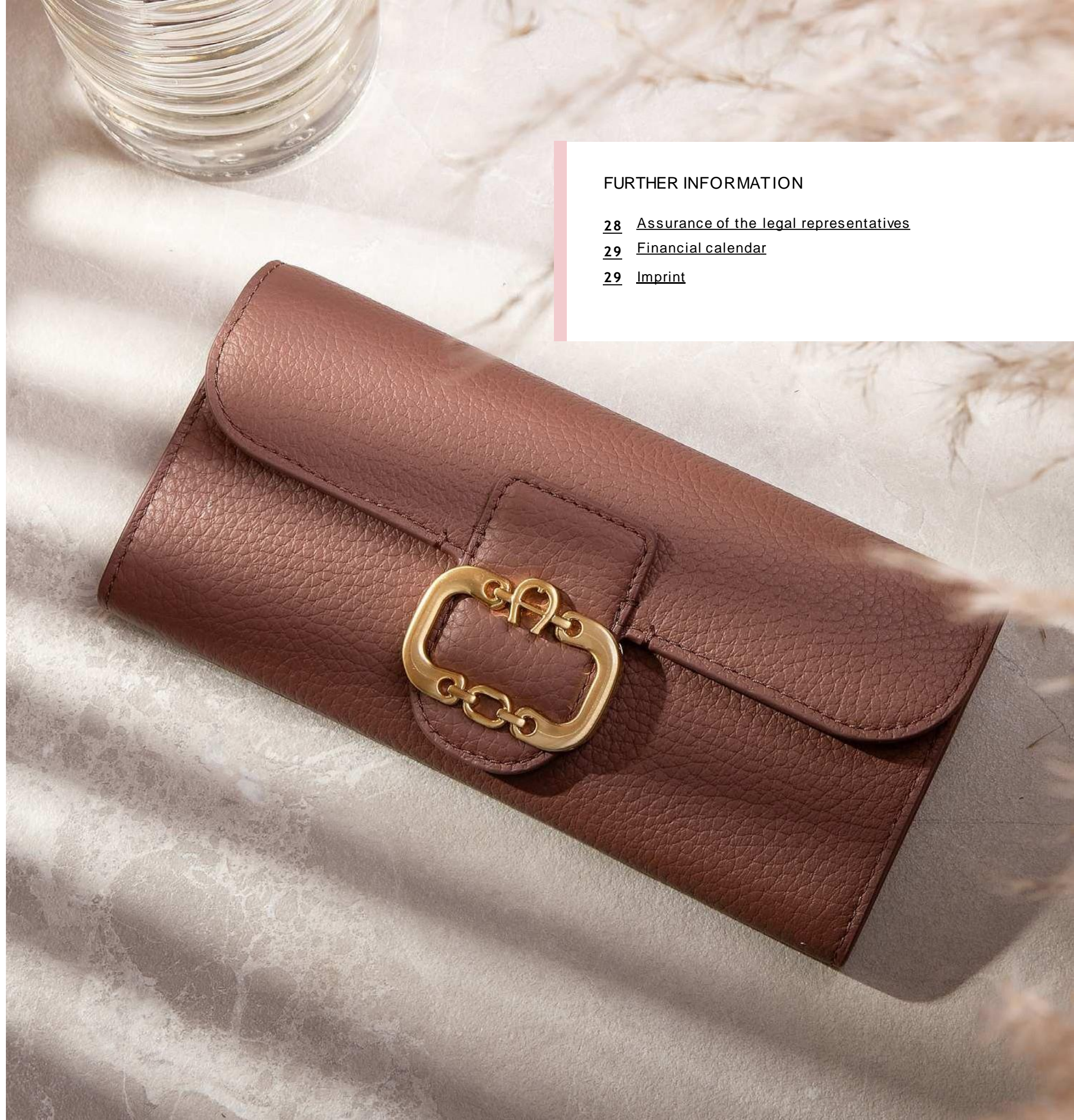
Further **INFORMATION**

FURTHER INFORMATION

[28 Assurance of the legal representatives](#)

[29 Financial calendar](#)

[29 Imprint](#)



Assurance of the legal REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the 2023 Condensed Interim Consolidated Financial Statements of fashionette AG give a true and fair view of the asset, financial and earnings position of the Group, and the Interim Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Düsseldorf, August 21, 2023

Dr. Dominik Benner

Laura Vogelsang

Chairman of the Management Board

Member of the Management Board

Imprint

CONTACT

fashionette AG
Schloss Elbroich
Am Falder 4
40589 Düsseldorf
Germany
corporate.fashionette.com
ir@fashionette.de

CONCEPT, DESIGN AND IMPLEMENTATION

ammerseearts / Philipp Megerle

IMAGE REFERENCE

fashionette picture pool

FINANCIAL CALENDAR 2023

September 6, 2023
Extraordinary General Meeting

November 15, 2023
Quarterly financial statements Q3 2023

11/2023
Analyst conference as part of the
German Equity Forum 2023,
Frankfurt/Main



IMPORTANT NOTICE

This document contains forward-looking statements. These statements reflect the current views, expectations and assumptions of the fashionette AG Management Board and are based on information currently available to the fashionette AG Management Board. Forward-looking statements do not guarantee the occurrence of future results and developments and are subject to known and unknown risks and uncertainties. Actual results and developments may therefore differ materially from the expectations and assumptions reflected in this document due to various factors. These factors include, in particular, changes in general economic conditions and the general competitive environment. In addition, developments on the financial markets and changes in exchange rates as well as changes in national and international laws, in particular with regard to tax regulations, as well as other factors influence the future results and developments of the company. fashionette AG assumes no responsibility, liability or guarantee whatsoever for the correctness of the forward-looking statements in this document or the assumptions on which they are based. fashionette AG undertakes no obligation to update the statements contained in this document. This Half-Year report has also been translated into English. The German version and the English translation are available for download on the Internet at www.corporate.fashionette.de.

In the event of any discrepancies, the German version of the Half-Year Report takes precedence over the English translation.