



Press Release

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Continued growth: bonprix increases sales to 1.76 billion euros in the 2020/21 fiscal year

- **Strong second half of the fiscal year compensates for pandemic-related slump in spring 2020**
- **High sales growth and increase in new customers in Eastern and Western European markets**
- **Positive growth forecast for the new business year 2021/22**

The bonprix Group continues to grow profitably for the twelfth year in a row. The Otto Group's international fashion company has successfully completed the challenging 2020/21 fiscal year (28 February 2021) and increased its revenue from 1.74 billion euros to 1.76 billion euros (IFRS). This corresponds to stable revenue growth of 1.4 percent in nominal terms and around 4 percent in currency-adjusted terms compared to the previous year – just as it was forecasted at the beginning of the second half of the fiscal year. The return on investment (EBIT margin) is also developing positively. bonprix is entering the new 2021/22 fiscal year with an ambitious target: The company wants to grow its revenues by at least a high single-digit percentage and will continue to focus on the expansion of digital technologies.

International development

For the vertically integrated fashion brand, the start of the challenging 2020/21 fiscal year was still characterized by slumps in demand and sales as a result of the onset of the Corona pandemic. By successful strategic and adaptive management of the market and product range portfolio, bonprix was able to increasingly compensate for these effects over the course of the fiscal year. "In the second half of the fiscal year in particular, we recorded an extremely positive development and made further strong gains in the fourth quarter. We are very satisfied with the single and double-digit growth rates in almost all markets and the overall result," said Dr. Kai Heck, Executive Director and Head of Finance at bonprix, commenting on the available figures.

Above-average sales growth was recorded in individual Western and Eastern European countries. The Italian market, where bonprix has been present since 1992, is a prime example. There bonprix recorded an increase in sales of around 25 percent to over 100 million euros for the first time, as well as over 60 percent more new customers compared to the previous year. "In Italy, we are noting an acceleration of digitalization in society as an effect of the pandemic and thus also a strengthening of the trend towards online shopping.

We are pleased that we were able to convince Italian customers so strongly with our products and services", says Dr. Kai Heck, explaining the positive business development.

In Switzerland, Belgium, the Czech Republic and Hungary, too, there are strong growth rates in the double-digit range – both in turnover and in the number of new customers.

Germany, bonprix's core market and largest market in terms of sales, also developed very positively, particularly in the second half of the fiscal year, with sales growth of 15 percent in the fourth quarter of the fiscal year alone. Overall, a pleasing increase of 3 percent over the previous year was achieved at a high sales level.

Business in the US with the local bonprix brand VENUS and in Russia continued to be challenging: Both countries had to struggle unfavorable currency developments and difficult market conditions. Swimwear, the main focus of the VENUS range, was in much lower demand, for example, due to pandemic-related restrictions on leisure and holiday activities. In both markets these effects led to sales being below the previous year's level, but in the US in particular a positive upward trend is already evident in the first quarter of 2021.

New to the bonprix country portfolio are the Spanish and Finnish markets. With the Finnish market, which has a strong affinity for online shopping, the fashion company is continuing to expand its successful activities in Northern Europe, taking advantage of the positive multiplication and synergy effects with the two existing Scandinavian markets of Sweden and Norway. Spain, in turn, is a highly relevant fashion market in Europe where bonprix sees great potential for its target group. Both markets are developing according to plan in the start-up phase.

New product range preferences due to home office and changing leisure time activities

The Corona pandemic has permanently changed the working and living environments of many people, which is clearly reflected in customer demand. This is where bonprix benefits from its broad product range. The entire fiscal year was characterized by a trend towards "casualization": Comfortable fashion for the home office and leisure time was particularly in demand. The children's fashion and home furnishings segments also recorded significant growth which continues to this day. The strong lingerie range continued to develop at a high level and was in great demand in all its diversity, with a focus on homewear and nightwear. Swimwear, business looks and festive wear, on the other hand, were less in demand.

Further development and digitalization

In the further development of bonprix's business model, the expansion of digital competence is being pushed further. For example, the company is increasingly taking advantage of the great potential artificial intelligence (AI) applications offer. One example of this is the so-called Learning Collection as a forecasting system for optimized product range design.

The recent migration of all data systems to the cloud facilitates the planning and implementation of further future-oriented business intelligence projects.

Furthermore, bonprix is investing in the further development of the content and internationalization of its successful app. New features, user-friendly navigation, more personalized content and expanded international availability should offer bonprix customers

even more shopping convenience in the future. The bonprix app is also the heart of the bonprix retail concept "fashion connect", which received a World Retail Award in the category "Best Customer Experience Initiative - Retailer" in September 2020. Here, too, the app's functionalities are continuously optimized to make the completely digitally assisted shopping process in the Hamburg store as convenient and intuitive as possible.

Outlook for the current fiscal year 2021/22

Dr. Richard Gottwald, Chairman of the Executive Board and responsible for the company's overall foreign sales, believes that the fact that bonprix was able to close the fiscal year successfully despite the major challenges posed by the Corona pandemic is primarily due to the fashion company's high level of responsiveness, its broad international positioning and its diverse product range: "We were able to react very agilely to the requirements in the markets throughout the fiscal year, which would not have been possible without the excellent cooperation across all divisions and countries. My special thanks go to the entire bonprix team and our business partners in Germany and worldwide."

bonprix has made a promising start to the current fiscal year with strong sales. Current market developments in the online business are giving the company additional tailwind. "Against the backdrop of the consequences of a global pandemic, the situation in the international retail business remains volatile. However, with our strong focus on the needs of our customers and the digital development of our business model, I believe we are well positioned to end the current fiscal year with growth in at least the upper single-digit range," says Dr Richard Gottwald, venturing a positive forecast.

About bonprix

As an internationally successful fashion retailer, bonprix reaches customers in around 30 countries. The company, which is part of the Otto Group and is based in Hamburg, was established in 1986 and now employs around 4,000 people worldwide. In fiscal year 2020/2021 (February 28, 2021), the bonprix Group generated sales of EUR 1.76 billion, making it one of the Otto Group's best-performing businesses. At bonprix, customers can enjoy fashion and shopping on all channels – online, via the catalogue or in one of its fashion stores. E-commerce accounts for the lion's share of sales with over 88 percent. In Germany, www.bonprix.de is one of the ten highest-grossing online shops and the number two in the fashion sector*. Selling only its own brands bpc, bpc selection, BODYFLIRT, RAINBOW and John Baner, bonprix offers customers outstanding value for money. Its range includes clothing for women, men and children, accessories, as well as home and living products.

**Source: Survey "E-Commerce Markt Deutschland 2020" by EHI Retail Institute/Statista*

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