

Press Release

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bonprix closes 2022/23 financial year with revenues of €1.76 billion – positive developments in numerous European markets

Against the backdrop of challenging macroeconomic conditions, international fashion company bonprix ended the 2022/23 financial year with revenues of €1.76 billion (IFRS). This corresponds to a decline in sales of around 9 percent compared to a strong previous year (€1.94 billion). A significant part of this was due to the company's withdrawal from the Russian market, which led to considerable extraordinary charges and reduced the total sales of the bonprix Group by around 3 percent. In addition, business in the home and core market of Germany was characterised by consumer restraint, which also led to a decline in sales – although there are clear signs of recovery here with the start of the new 2023/24 financial year. In contrast, the company recorded good sales developments in many other European countries with growth rates in more than ten markets. Since March, bonprix has been refining its profile as an international, digital fashion brand with a new logo and brand identity. There is also news in terms of personnel: Carolin Klar has been a member of the executive board team since the beginning of the current financial year.

Rising costs in many areas of life, inflation and the associated uncertainty among consumers have determined the consumer climate in the past year and also led to a slowdown in business development at bonprix. "Particularly in the first half of the financial year, we as a fashion company felt the effects of the difficult economic conditions, which affected the individual bonprix countries in different ways. Thanks to our flexible management of the market and product portfolio, we were already able to achieve significant improvements in the second half of the financial year. We are particularly satisfied with the positive developments in many of our European markets," comments Dr. Kai Heck, Managing Director responsible for finance at bonprix. For the 2023/24 financial year, which has already started, it is also important to analyse the macroeconomic influences on the international business in a differentiated manner and to derive targeted measures from this: "In this way, we also want to use and expand positive trends for us in the future, as it is currently the case on the German market," adds Kai Heck.

International business development in the 2022/23 financial year

An analysis of bonprix's more than 25 international markets reveals a mixed picture. Most European countries are at the same level as the previous year, while eleven markets show growth rates.

- Most of the Western and Northern European countries were able to record positive sales developments. These include Austria, Switzerland, the Netherlands and Sweden, all of which recorded single-digit increases. Business in Norway developed

particularly well, with a growth rate of over 10 percent. Finland, still a young market, grew disproportionately on a small turnover basis, even reaching triple digits.

- In Eastern Europe, Slovenia recorded a very pleasing growth in turnover of more than 20 percent and Hungary also achieved double-digit growth. Poland and Romania were in the good single-digit range.
- The Italian and French markets, on the other hand, were unable to match the high sales figures of the previous year. The complex market environment also continued to be challenging for the American brand VENUS: bonprix ended the financial year in the USA with a low double-digit decline in sales and continues to focus on the digital transformation of VENUS with digital marketing measures.
- In the first quarter of the 2022/23 financial year, bonprix ended its online business in Russia. The loss of almost 60 million euros in sales compared to the previous year reduced the total sales of the bonprix Group by around 3 percent.
- In its home and core market of Germany, bonprix – like the entire fashion industry – was confronted with a pronounced consumer reticence in response to rising prices and declining purchasing power and, with a decline in sales of around 8 percent, was at the market level of the local online trade.¹ Since the start of the new 2023/24 financial year, the German business has been showing a positive development with initial signs of recovery.

On the assortment side, there have been some pleasing developments in demand. After the years of the pandemic, customers once again had more opportunities to spend their leisure time, and interest in dresses, occasion wear and swimwear - important core assortments at bonprix - grew accordingly, especially in the second half of the 2022/23 financial year. A good development of demand also continued in the sports category due to a sustained outdoor trend.

News for the 2023/24 financial year

bonprix has started the current financial year with two central changes. A new visual appearance represents a milestone in the digital brand transformation of bonprix. The company presents itself in a contemporary way with a single-line, black logo which, together with the claim "Fashion made smarter", sums up bonprix's performance promise: a diverse, fashionable and increasingly sustainable range at attractive prices. Further steps of the brand relaunch will follow this year and will be visible to bonprix customers at the brand's touchpoints.

¹ Interaktiver Handel in Deutschland (2022). Verbraucherbefragung des bevh. <https://bevh.org/daten-studien/marktdaten>

There was a change in the bonprix management team: In March, Carolin Klar took over the position as Managing Director for Purchasing, Procurement and Corporate Responsibility, succeeding Rien Jansen, who retired on 28 February 2023. In her new position, Carolin Klar, previously Vice President Product Management at bonprix, has set herself clear focus topics. These include the digitalisation of the entire value chain in the area of purchasing, in order to be able to react even more flexibly to customer needs and market changes, as well as the opportunity-oriented advancement of the company's sustainability goals. One example of this is the company's first circular collection, which was launched on 20 April 2023.

Outlook

"The overall economic situation remains volatile. In managing our international business model, we will counter these general conditions with a high degree of flexibility and resilience. At the same time, we are concentrating on our strategic digitalisation topics as a foundation for sustained positive business development," says Dr Richard Gottwald, Chairman of the Executive Board at bonprix and responsible for international sales, providing an outlook for the current financial year. With a view to the brand relaunch, he adds: "In terms of our customer focus, the further development of bonprix into a digital fashion brand is elementary for us. I am even more pleased that the brand image, which has been changed since the beginning of the current financial year, is being perceived so positively as it represents an important strategic step for bonprix."

About bonprix

bonprix is an internationally successful fashion and e-commerce company. Founded in 1986 as a catalog retailer in Hamburg, Germany, bonprix now employs around 2,900 people worldwide. More than 16 million active customers in over 25 countries shop clothing and accessories for women, men and children as well as home and living products, primarily in the bonprix online shops and apps. As a vertical fashion brand, bonprix exclusively sells its own fashion with an excellent price-performance ratio.

In the fiscal year 2022/2023 (February 28, 2023), the bonprix Group generated sales of EUR 1.76 billion, making it one of the best-performing businesses within the Otto Group. In Germany, www.bonprix.de is one of the highest-grossing online shops and ranks third among online shops with fashion as their main product segment.*

**Source: Ranking of top-selling online stores "E-Commerce-Markt Deutschland 2022" by EHI Retail Institute/ecommerceDB*

Information and picture material

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