

WESTWING

Westwing reports successful first half-year 2018 with strong growth in DACH

- Revenue grew by 22% yoy to EUR 120m in H1 2018
- Improved adjusted EBITDA margin of 2% in H1 2018
- Westwing has been profitable on an adjusted EBITDA level for three consecutive quarters
- Larger and more cost-efficient logistics center to open in early 2019

“Our inspiration-based, curated business model as a “shoppable magazine” continues to excite our customers. With 85% of sales coming from customers who visit us on average 100 times per year, we have a unique advantage built into our business model which positions us for profitable growth and leads to strong fundamentals.”

Stefan Smalla, Founder & CEO Westwing

Munich, August 31, 2018. Westwing continued its strong growth path in the first half of 2018. Revenue increased to EUR 120m¹ (H1 2017: EUR 99m), which corresponds to an increase of 22% year-over-year. The adjusted EBITDA margin improved to 2%. Westwing has been operating on a profitable basis for three quarters in a row now, including profitable double-digit revenue growth in the seasonally weaker second quarter.

Westwing’s successful development in the first six months of 2018 was mainly driven by the strong growth in the DACH segment (Germany, Austria and Switzerland). Revenue in the DACH segment grew by 48% and accounted for approximately 50% of Westwing’s revenue. In the same period, the DACH segment’s adjusted EBITDA margin further increased to 5%.

“Our strong growth, especially in the DACH segment, was largely driven by the successful combination of our inspiration-based curated shopping themes, our permanent assortment, our private label, and our unique organic marketing model,” said Stefan Smalla. “We will focus on the systematic roll-out of this successful platform business model into our other European markets.”

Westwing’s strong growth in Europe is already reflected in Westwing’s need to expand its warehouse capacity. For this reason, Westwing will be opening a new logistics hub in Poland, which will be fully operational in early 2019, expanding on its existing warehouse there. It will replace the warehouse in Grossbeeren, Germany. The new and more cost-efficient logistics center will have 35,000 sqm of additional space, almost twice as large as Grossbeeren, meeting the requirements of the expanding Westwing business.

As a technology-driven company, Westwing enables its business with a state-of-the-art mobile-first eCommerce platform (73% of visits are already on mobile) including daily changing home & living themes, a continuous assortment of bestsellers, and a strong Westwing own label and private label offering that already comprises 5,000 products.

Reflecting the successful growth of the company, Westwing converted into a German stock corporation (Aktiengesellschaft – AG) on August 16, 2018. Westwing now operates under Westwing Group AG.

For more information, please visit our new corporate website at: www.westwing.com.

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About Westwing

Westwing is the leading brand and platform in Home and Living eCommerce in Europe with EUR 220m¹ of revenue in 2017. Through its 'shoppable magazine', Westwing inspires its loyal, mostly female customers with a curated product selection and combines that with gorgeous content. With unparalleled loyalty, Westwing is generating 85% of sales from customers who visit the company's sites and apps on average 100 times per year. Westwing's mission is: To inspire and make every home a beautiful home. The company was founded in 2011 and is headquartered in Munich. It is active in eleven European countries.

Press contact

Hannah Neumann

presse@westwing.de

Phone: +49 89 550544-210

¹ All numbers excluding discontinued entities of Brazil, Russia, Kazakhstan.