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## Takko Fashion reports strong net revenues for Q3 2022 and strong start to Q4 trading as discount fashion model proves highly resilient

- ✔ Strong revenue momentum and solid performance in Q3 despite continued macroeconomic uncertainty
- ✔ Net revenues of EUR 330.2 million represent growth of 6% compared to pre-pandemic levels
- ✔ Adjusted EBITDA at EUR 51.7 million also above pre-Covid levels
- ✔ Solid cash on balance sheet position at EUR 101.3 million
- ✔ Strong trading momentum at start of Q4

**Telgte, 30 December 2022.** Takko Fashion, one of the leading European fashion discounters, today announced strong revenue growth and solid profitability for the third quarter of its financial year 2022/2023, proving the resilience of its quality discount model in a macroeconomic climate marked by persistent inflation and consumer uncertainty.

For the quarter ending 31 October 2022, Takko Fashion generated net revenues of EUR 330.2 million, up 6% from pre-pandemic levels (Q3 2019/2020: EUR 311.1 million). Key revenue drivers included promotions around Takko Fashion's 40<sup>th</sup> anniversary as well as the positive development of the "Takko Friends" loyalty programme introduced in early 2022. While Q3 results were impacted by supply chain issues due to China's zero-Covid policy and relatively warm weather in Europe that constrained consumer spending on winter collections, Q4 was off to a strong start with 12% revenue growth compared to pre-pandemic levels as of quarter to date and even stronger sales growth with 17% in respect of the same period in 2021.

Takko Fashion reported continued solid profitability for Q3 with an adjusted EBITDA of EUR 51.7 million for the quarter (Q3 2019/2020: EUR 46.5 million) and an adjusted EBITDA margin of 16% (Q3 2019/2020: 15 %). LTMQ3 adjusted EBITDA came in at EUR 122.1 million. Given persistent cost pressures due to rising energy, transport and wage costs Takko Fashion's management continues to successfully manage Takko Fashion's liquidity and cost base.

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**Tjeerd Jegen, CEO of Takko Fashion:** "Our quality discount model with its comprehensive range of products for the entire family has once again proven its strength in the current macroeconomic conditions. Takko Fashion's business shows great resilience, and customer demand across our European markets remains strong. We are delighted that our revenue momentum accelerated further at the start of the fourth quarter, giving us confidence for our full-year outlook."

**Kurt Rosen, CFO of Takko Fashion, adds:** "Takko Fashion shows solid liquidity and a positive business development with strong revenue growth and solid profitability. We are well positioned to react flexibly to market challenges, helped by our long-standing and sustainable relationships with our suppliers. We continue to deliver on our strategic priorities, including our omnichannel growth plan with the relaunch of our newly designed online shop in December 2022 as well as its international rollout in the upcoming year."

Takko Fashion continues to show solid liquidity with a cash position on balance sheet of EUR 101.3 million, up from EUR 76.9 million from the comparable pre-Covid period (Q3 2019/2020).

## About Takko Fashion

Takko Fashion owns and operates almost 2,000 discount stores in 17 countries across Europe. In online as well as offline sales, the company offers quality fashion collections at an attractive price. As a member of the Fair Wear Foundation, the Partnership for Sustainable Textiles, and as a partner of the Better Cotton Initiative, Takko Fashion is committed to sustainable and responsible production conditions as well as improve cotton farming globally.

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