

PRESS RELEASE

Hamburg, 19 July 2018

ABOUT YOU becomes Hamburg's first unicorn Heartland A/S joins the fashion-tech start-up as a new investor

Heartland A/S, the investment holding company of one of Europe's largest fashion retail groups, Bestseller A/S, is joining ABOUT YOU as a new investor. The investment is part of a financing round of around USD 300 million valuing ABOUT YOU with over USD 1 billion. Thus the Otto Group's rapidly growing fashion-tech start-up becomes Hamburg's first 'unicorn'.

The financing round of approximately USD 300 million in fresh capital stems primarily from the investment by Heartland A/S, which acquires a double-digit percentage stake in ABOUT YOU. The existing shareholders German Media Pool and Seven Ventures, along with the three ABOUT YOU Managing Directors Tarek Müller, Sebastian Betz and Hannes Wiese, are also participating in the capital increase. Benjamin Otto, Managing Shareholder and member of the supervisory board of the Otto Group, will stay minority shareholder with his and his sister's GfH company. Otto Group remains as largest shareholder, however going forward ABOUT YOU will be managed as an Otto Group portfolio company. ABOUT YOU plans to use the fresh capital to fund future growth and the expansion into new markets.

Tarek Müller, Co-Founder and Co-Managing Director of ABOUT YOU GmbH: "We are delighted that Heartland A/S has come on board and at the confidence they have shown in us. This investment gives us a unique opportunity to accelerate our efforts to grow our customer base, to gain greater market share and to enter new markets even more rapidly than before. At the same time, we plan to double our current workforce of 450 here in Hamburg over the next three years."

Lise Kaae, CEO Heartland A/S: "We have followed ABOUT YOU closely over the past few years, and we see a company with sound leadership and solid potential. The current management team has done a great job, and we enter into the investment with confidence that they can develop the company even further."

Alexander Birken, CEO Otto Group: „In line with our collaborative group strategy, we are pleased to have found the perfect partner for the further growth of ABOUT YOU. ABOUT YOU will benefit enormously from this investment on its way to achieving its own very ambitious corporate objectives."

Dr Rainer Hillebrand, Deputy Chairman of the Otto Group Executive Board: “Heartland A/S coming on board confirms our confidence in ABOUT YOU – and also makes us just a little proud, as we have believed in the ABOUT YOU team and the success of its business model from the get go. The investment by Heartland A/S now gives ABOUT YOU further impetus to start the next phase on the way to reaching the billion-euro revenue mark.”

ABOUT YOU is one of Europe’s fastest-growing fashion-tech start-ups. For the 2018/2019 financial year the company is targeting a revenue increase from 283 million euros to between 450 and 480 million euros. The company is currently valued at over one billion US dollars, which creates Hamburg’s first unicorn, i.e. a non-listed digital start-up with a company valuation of more than one billion US dollars.

The planned investment by Heartland A/S in ABOUT YOU is subject to formal approval by the respective authorities.

About ABOUT YOU

ABOUT YOU is digitalizing the classic shopping stroll by creating an inspiring and personalized shopping experience on the smartphone. The platform is tailoring the site to each customer’s individual style. At ABOUT YOU, the focus is on the customer and as such, the infinite number of different personalities which find their expression through fashion and are supported by ABOUT YOU. In addition to a wide range of inspirations, women and men between 20 and 49 years of age will also find an assortment of more than 150,000 articles from over 1,000 brands at aboutyou.com. With more than 10 million monthly active users, ABOUT YOU is one of the largest fashion and lifestyle platforms in Europe. The fashion-tech company has made sales of €283 million in 2017/18 and is expecting sales of €450-480 million in the current financial year, which is equal to an annual transaction volume of more than €1,6 billion.

ABOUT YOU GmbH was founded in 2014 as a subsidiary of the Otto Group and is part of the Group’s portfolio today. The management team includes serial entrepreneurs and digital experts Tarek Müller (29, Marketing & Brands) and Sebastian Betz (27, Tech & Product) as well as former Roland Berger-strategist Hannes Wiese (36, Operations & Finance).

For further information on ABOUT YOU visit corporate.aboutyou.de.

About Otto Group

Founded in Germany in 1949, today the Otto Group is a globally operating retail and services group with around 51,800 employees. The Group includes 123 major companies and is present in over 30 countries in Europe, North and South America and Asia. Its business activities are grouped into three segments: Multichannel Retail, Financial Services and Service. In the 2017/18 financial year (to 28 February), the Otto Group generated turnover of 13.7 billion euros. It is one of the world’s largest online retailer. E-commerce, catalogue sales and over-the-counter retail form the three pillars of the Otto Group’s Multichannel Retail strategy. Its worldwide corporate activities, numerous strategic partnerships and joint ventures provide the Otto Group with excellent opportunities to transfer know-how and leverage areas of synergy potential. Group companies operate largely independently, guaranteeing flexibility, customer proximity and optimum target-group appeal in their respective national markets.

For further information on the Otto Group visit www.ottogroup.com.

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