



Media Release

First half-year results 2021: Social Chain AG increases revenue by 131 percent

- **First half-year results 2021:**
Revenue increases to USD 190m (H1 2020: USD 82m)
- **Growth driver Social Commerce:** Social Chain AG's core business grows by an above-average 157 percent to USD 168m (H1 2020: USD 65m)
- **Social Media Segment:** Agency business grows by 31 percent, business units with strong focus on events still suffering from the effects of Corona
- **CEO Wanja S. Oberhof:** "The first half of 2021 confirms Social Chain AG's positioning as an ambitious growth company in the future market of Social Commerce."

Berlin, 6 September 2021. The results for the first half of 2021 confirm the ambitious growth strategy of Social Chain AG (WKN: A1YC99). The Social Commerce company grew by 131 percent compared to the same period of the previous year. Group revenue rose to USD 190.1 million (H1 2020: USD 97.6 million). Revenue growth in the core business of Social Commerce was particularly strong. Here, Social Chain AG reported an increase in revenue of 157 percent to USD 168 million (USD 65.3 million). Despite growing fast, increased acquisition costs, a strategic portfolio adjustment and the switch to the IFRS accounting standard, the company achieved a breakeven EBITDA of USD -0.6 million (adjusted; H1 2020: USD -1.3 million) as planned. These figures are part of Social Chain AG's first half-year report on an IFRS basis, which was reviewed by an auditor. They are therefore only partially comparable with previous HGB and proforma consolidated reports. For the full year, Social Chain AG also expects positive EBITDA on an IFRS basis. Revenue target for 2021, which was recently raised to USD 416 million, is also confirmed.

Wanja S. Oberhof, CEO of Social Chain AG: "The first half of 2021 confirms Social Chain AG's positioning as an ambitious growth company in the future market of Social Commerce. Our business focus is clearly on a rapid broadening of our product range to ensure continued growth. We are able to achieve this through our own innovative products and brands, the acquisition of companies with Social Commerce-affine product portfolios and the continuous enhancement of our operational excellence in the combined interaction of e-commerce and social media. We have now grown to a size that makes us attractive as a Social Commerce Platform for a variety of partners: from innovative start-ups to producers and retailers who have so far been focused on traditional sales channels and who see new, additional revenue opportunities in Social Commerce – on an international scale.



The Social Chain AG®

One example of this is the acquisition of the tech lifestyle brand Vonmählen in the first half of 2021. Vonmählen designs, produces and markets high-quality tech accessories that are specifically tailored to the needs of the digital world. Vonmählen has been generating a major part of its revenue to date in the B2B business. With Social Chain AG's investment, Vonmählen will primarily continue to expand its B2C business, focusing on direct sales to end customers. Oberhof: "Consumer electronics, as produced by Vonmählen, are ideal products for Social Commerce. Electronics and telecommunications are already one of the top-selling product categories in e-commerce. Vonmählen's lifestyle products are ideally suited to be publicised, distributed and sold via social media.

Social Commerce Verticals “Food” and “Home & Living” driving growth

The strong growth in the first half of the year was mainly due to the Social Commerce verticals "Food" and "Home & Living". Oberhof: "The development in the food sector is particularly encouraging. Food will be one of the fastest growing e-commerce categories in the next few years. Most players in the market have only just begun to take advantage of the opportunities offered by digitalisation and social media whereas Social Chain AG is already very well positioned." Overall, Social Chain AG generated revenues of USD 168.1 million in the Social Commerce segment in the first half of the year, an increase of 157 percent compared to the first half of 2020 (USD 65.3 million).

The Social Media business reported revenue growth of 31 percent to USD 22.1 million in the first half of the year (H1 2020: USD 16.9 million). The social media agency business made a significant contribution reporting a 68 percent jump in growth to USD 18.5 million (H1 2020: USD 11.0 million). The event-related business areas Conventions and Production on the other hand, remained below their previous year's revenue due to Corona.

Social Chain AG's primary strategic focus on Social Commerce and Direct-to-Consumer Brands was also reflected in the realignment of the agency business in the US in the first half of the year. In June, Social Chain acquired 25 percent of mint marketing agency LLC, based in Los Angeles, including a call option on a further 26 percent for the acquisition of the majority. mint specializes in digital performance marketing for new consumer markets (B2C) and customer relations marketing. As part of the strategic shift, the stake in the A4D agency, which is focused on performance marketing, is designated for disposal. In addition to the switch to IFRS, this portfolio adjustment is the main reason for differences in the half-year figures now reported compared to previous HGB and proforma consolidated presentations. A4D is not part of the consolidation, comparing the first half of 2021 and 2020.

A detailed report on the first half of 2021 of the Social Chain AG can be found under www.socialchain.com in the Investor Relations section.

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The Social Chain AG: Social Commerce on a global scale

Social Chain AG is reshaping the world of brands and commerce. Our strategy and our actions are "Digital first – direct to customer": from branding to marketing to direct sales of our products in the categories Food, Home & Living, Beauty, and Fitness. Our online shops are the most efficient points of sale for our Direct-to-Consumer brands. More than 70 percent of Direct-to-Consumer sales are performed by our owned and operated online shops. Our communities, with over 86 million followers worldwide, inspire our customers and amplify our brand messages. We manage the expansion of our Social Commerce system of communities, brands, digital points of sale and logistics via our integrated proprietary technology platform: LINKS which analyses interests, purchase intentions and product satisfaction along the entire digital customer journey. The Social Chain AG's headquarters are in Berlin, with additional locations in Munich, London, Manchester, New York and Los Angeles. The company employs a total of around 850 people. The Social Chain AG shares are traded on XETRA and several German stock exchanges.

www.socialchain.com

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