

HYPEBEAST FY23/24 ANNUAL RESULTS

June 28 2024
150.HK

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FY2024 Reflection

Our Challenges

Unfavorable macroeconomic and shifting consumer spending patterns

Our Action

Proactive response with necessary adjustments to pivot our business.

Our Focus

Establish foundation for sustainable growth and long-term efficiency.

FY2024 Financial Overview

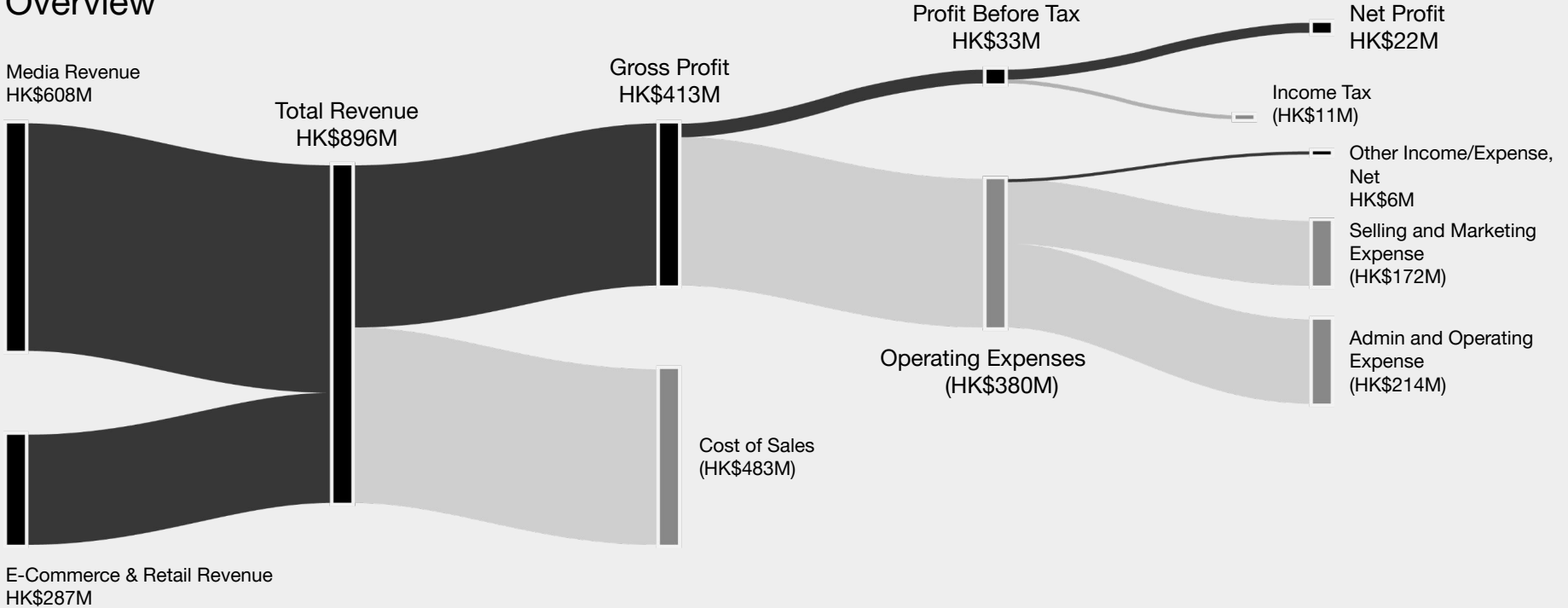


Chart Key

- Revenue Inflow
- Expense

Media Segment Highlights - YoY

Year ended 31 March 2023, 2024 (HK\$)

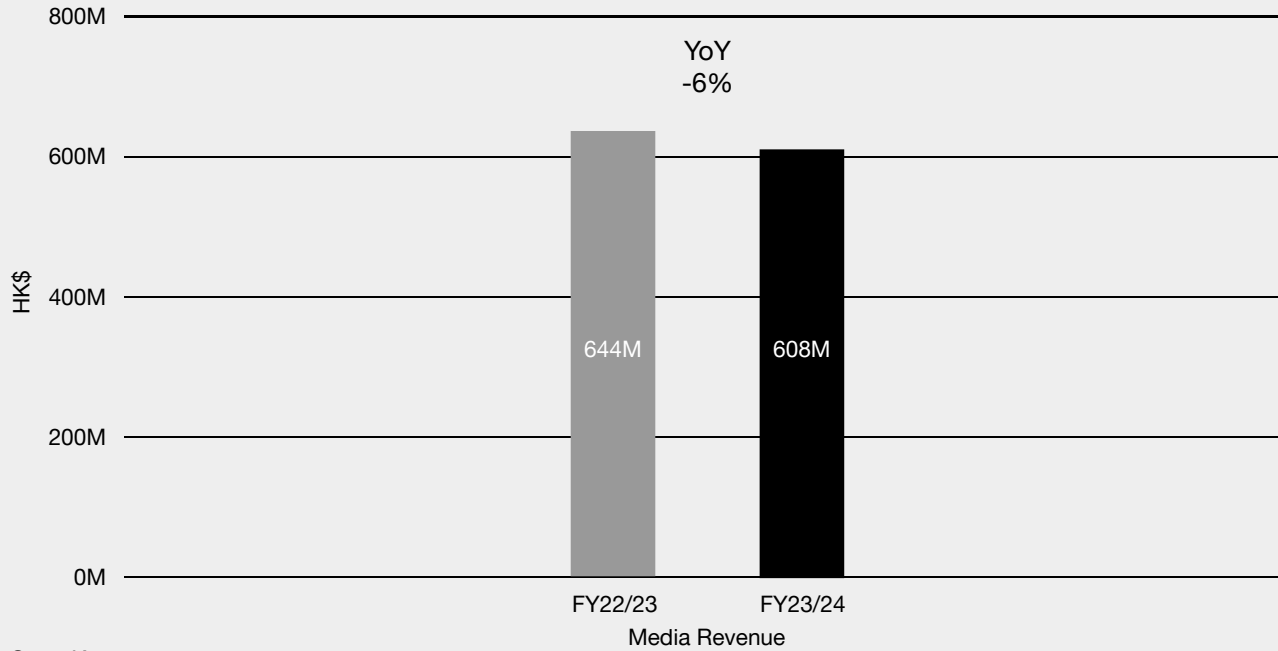


Chart Key

■ FY22/23

■ FY23/24

Media Segment Highlights - 1H versus 2H

Year ended 31 March 2024 (HK\$)

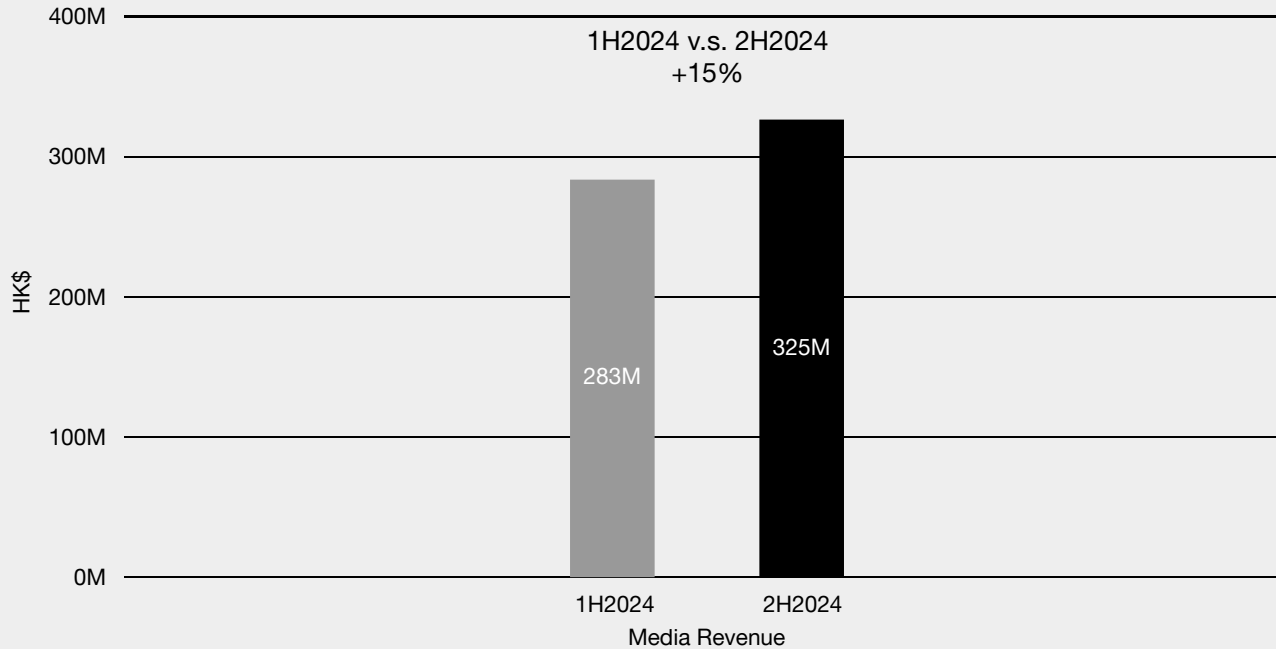


Chart Key

- 1H2024
- 2H2024

E-commerce & Retail Segment Highlights

Year ended 31 March 2023, 2024 (HK\$)

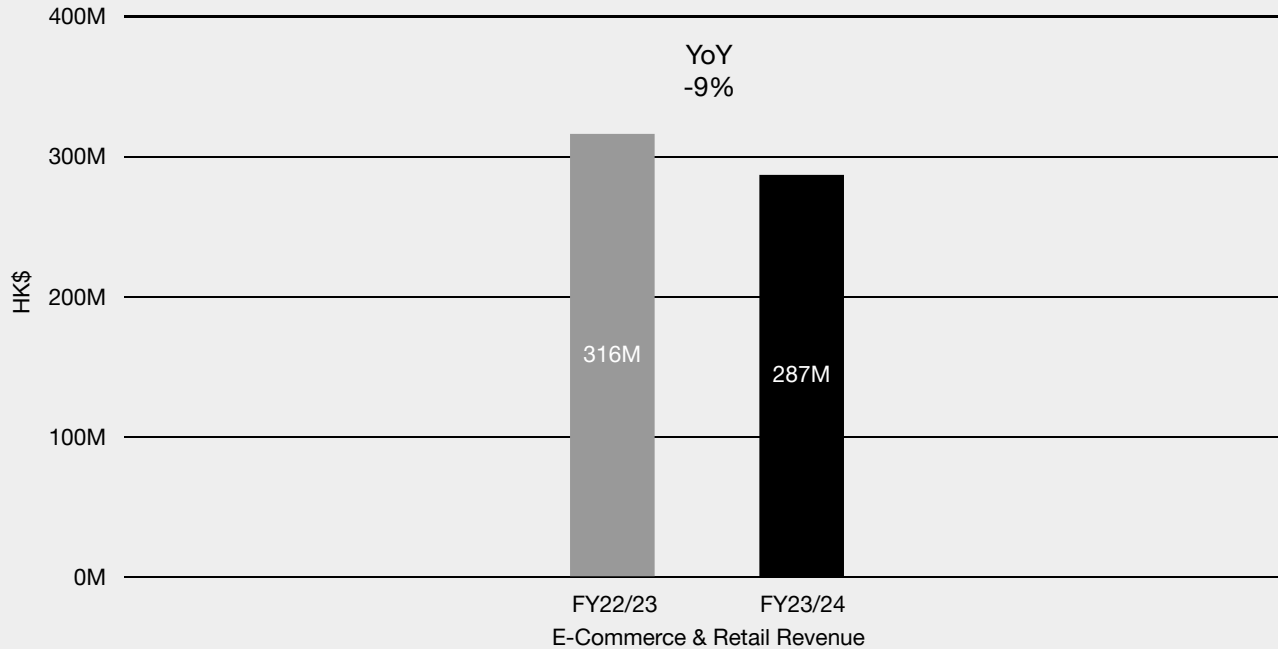


Chart Key

■ FY22/23

■ FY23/24

FY2024 Highlights



Hypegolf Korea Invitational



Hypefest Aranya



Hypebeast Flea London

FY2025 Strategic Priorities

Operational Efficiency

Prioritize operational efficiency and cost control to ensure profitability across all divisions.

Product Enhancement

Leveraging technology and AI for strategic product development and enhancement.

Community-Centric Approach

Ensure our products and experiences always resonate with our audience, in particular Gen Z.

Overall Growth Trend

Year ended 31 March 2023, 2024 (HK\$)

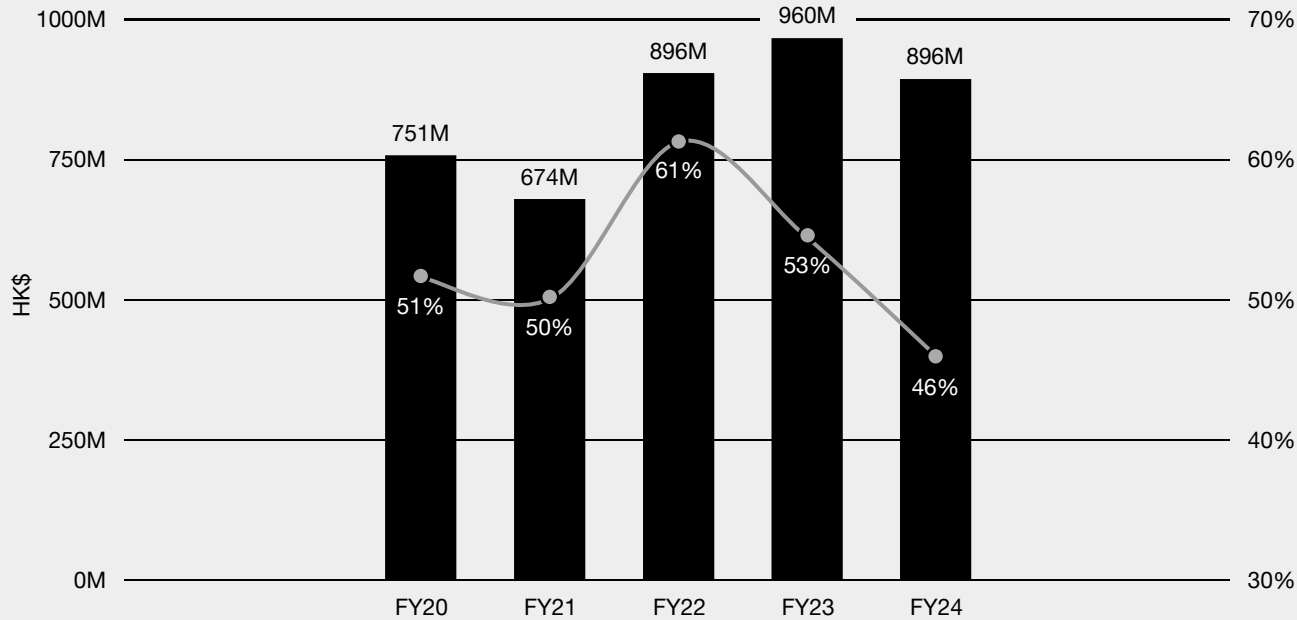


Chart Key

- Revenue
- Gross Profit Margin

FY2024 Financial Snapshot - YoY

HK\$'000	FY2023	FY2024	YoY% Change
Revenue	959,973	895,652	-7%
Media	644,205	608,272	-6%
E-commerce and Retail	315,768	287,380	-9%
Gross Profit (Gross Profit Margin)	505,418 53%	413,458 46%	-18%
S&M Expense (as % of Revenues)	(218,259) 18%	(172,355) 19%	-21%
A&O Expense (as % of Revenues)	(229,848) 24%	(213,636) 24%	-7%
EBITDA EBITDA Margin	60,099 6%	72,898 8%	21%

FY2024 Financial Snapshot - 1H versus 2H

HK\$'000	1H2024	2H2024
Revenue	440,007	455,645
Media	283,111	325,161
E-commerce and Retail	156,896	130,484
Gross Profit (Gross Profit Margin)	206,826 47%	206,632 45%
S&M Expense (as % of Revenues)	(91,815) 21%	(80,540) 18%
A&O Expense (as % of Revenues)	(124,579) 28%	(89,057) 19%
EBITDA EBITDA Margin	14,283 3%	58,615 13%

Balance Sheet Snapshot - Inventory

As at 31 March 2024 (HK\$)

Inventory Balance

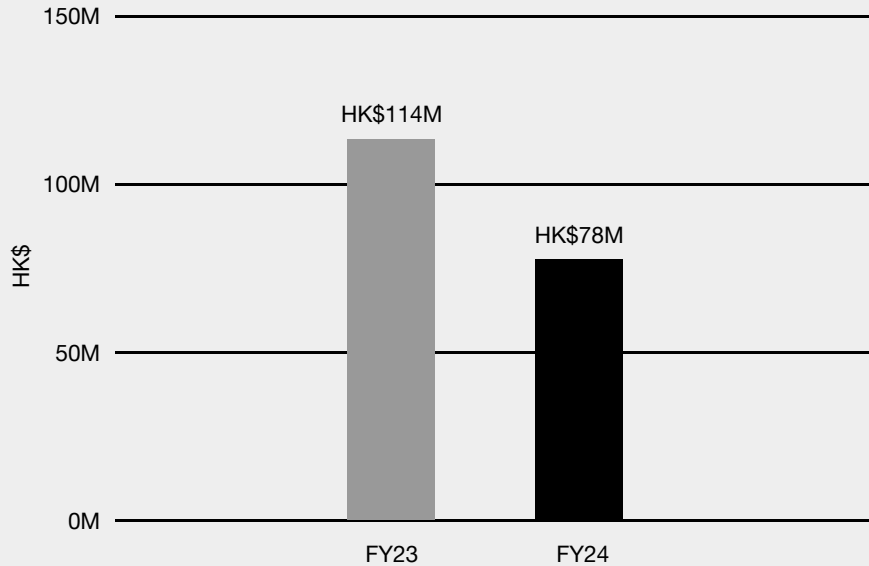
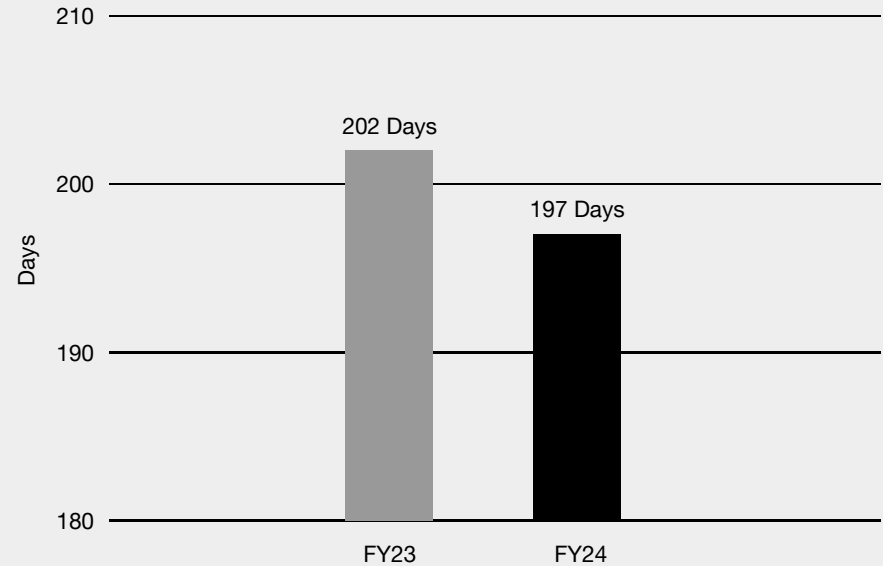


Chart Key

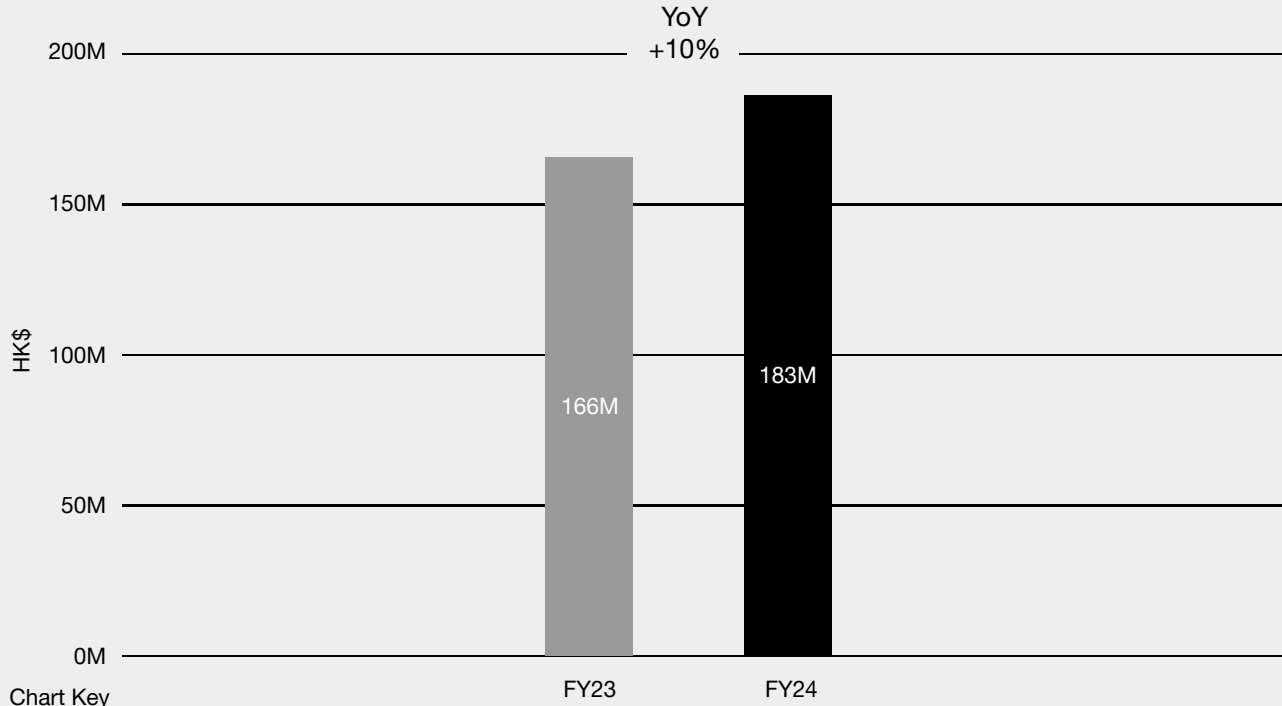
- FY23
- FY24

Inventory Turnover Day



Balance Sheet Snapshot - Bank and Cash

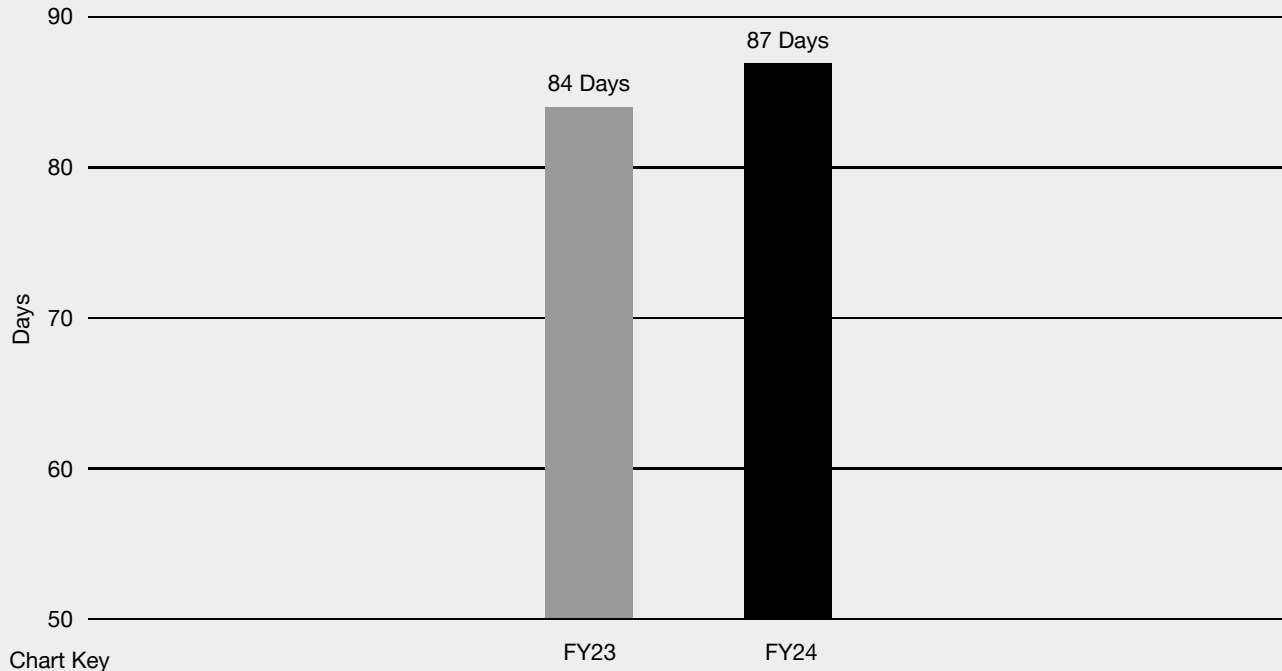
As at 31 March 2024 (HK\$)



■ FY23
■ FY24

Balance Sheet Snapshot - Accounts Receivable

As at 31 March 2024 (HK\$)



■ FY23
■ FY24

Media Segment Overview - YoY

Year ended 31 March 2023, 2024 (HK\$)

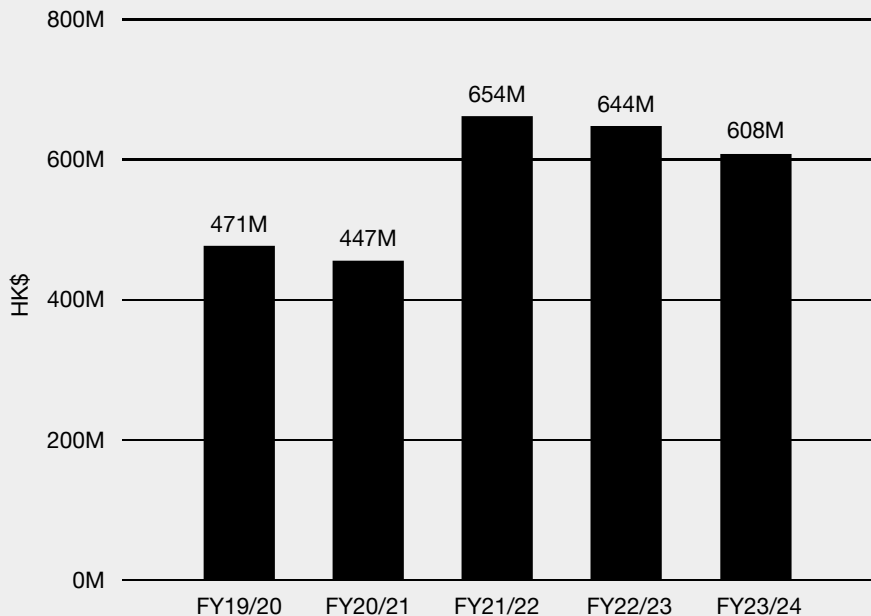


Chart Key

■ Revenue

HK\$'000	FY22/23	FY23/24	Change
Digital Media Revenue	HK\$435M	HK\$473M	9%
Creative Agency	HK\$209M	HK\$135M	-35%
Total Media Revenue	HK\$644M	HK\$608M	-6%
Gross Profit	HK\$375M	HK\$327M	-13%
Gross Profit Margin	58%	54%	-4pp

Media Segment Overview - 1H versus 2H

Year ended 31 March 2024 (HK\$)

Media Revenue

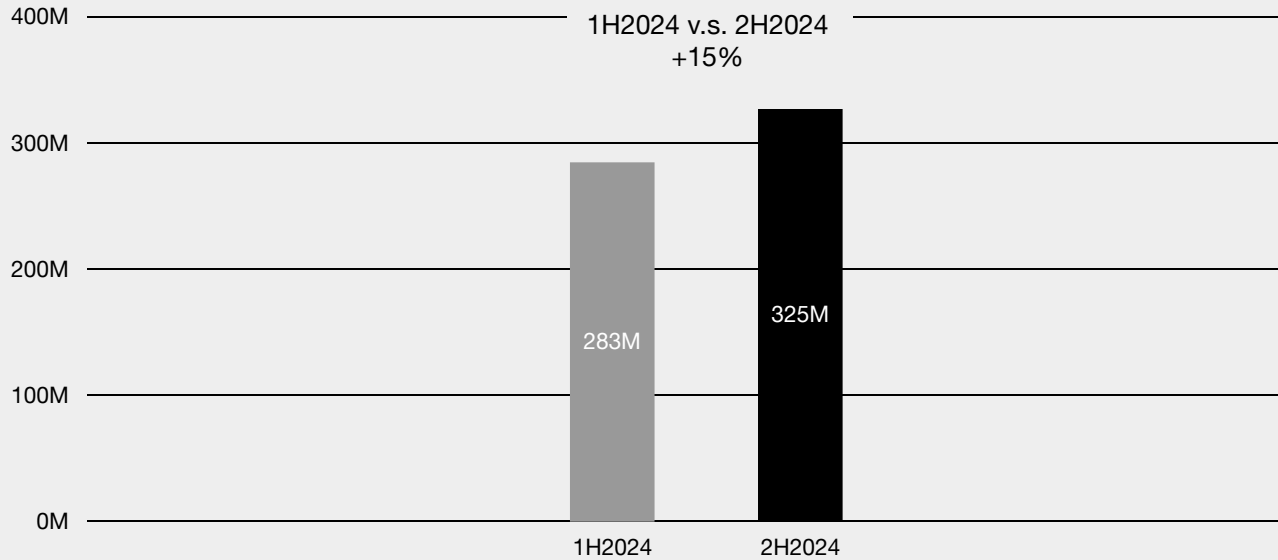


Chart Key

- 1H2024
- 2H2024

Media Segment Overview - 1H versus 2H

Year ended 31 March 2024 (HK\$)

Gross Profit & Gross Profit Margin

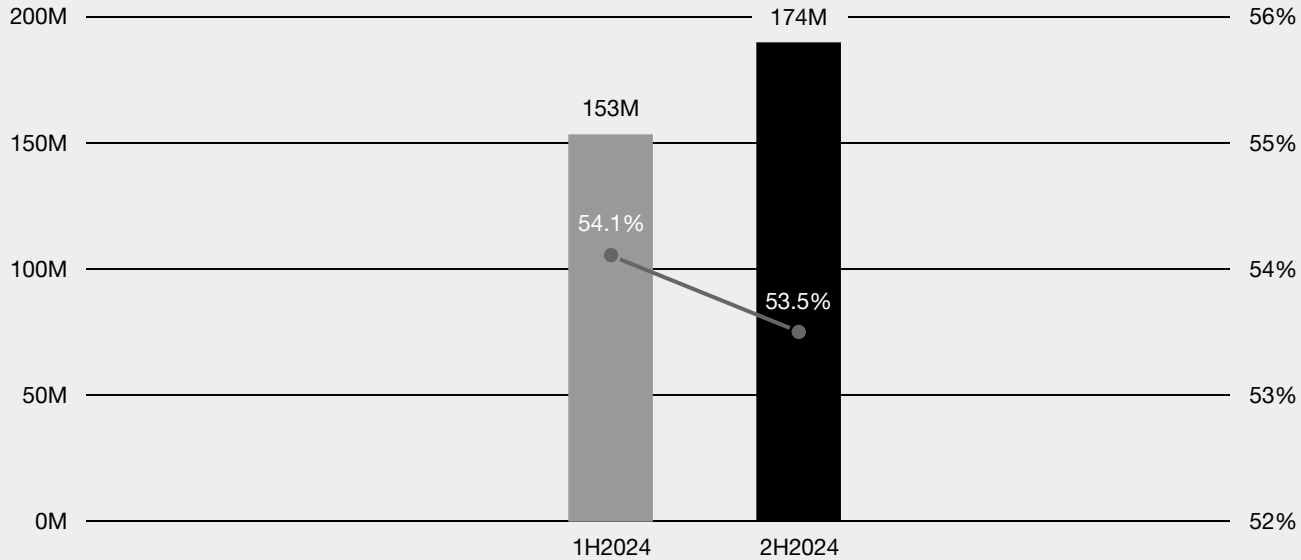


Chart Key

- 1H2024
- 2H2024

Media Revenue By Region



E-Commerce & Retail Segment Overview

Year ended 31 March 2023, 2024 (HK\$)

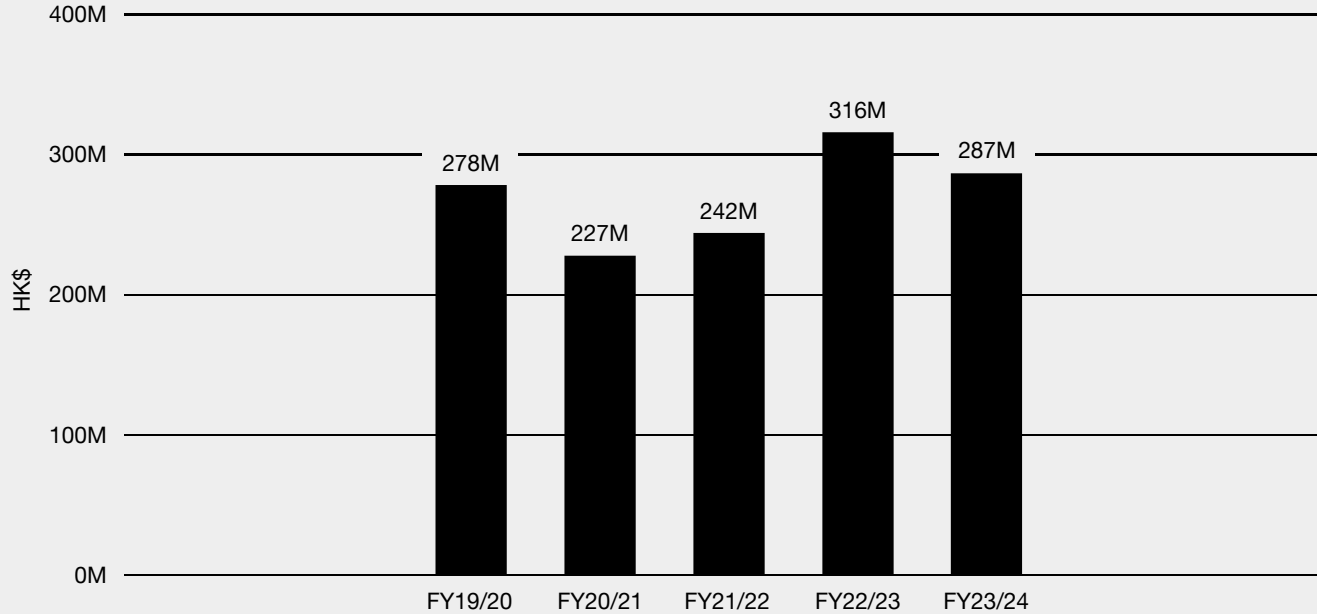


Chart Key

■ E-Commerce & Retail Revenue

E-Commerce & Retail Segment Overview - Average Order Value

HK\$'000	FY22/23	FY23/24	Change
No. of Orders	139,520	121,170	-13%
Order Conversion Rate	0.85%	0.98%	13 basis points
Average Order Value	HK\$1,860	HK\$2,000	7%
Average Unit Value	HK\$970	HK\$1,020	5%

E-Commerce & Retail Segment Profitability

Year ended 31 March 2023, 2024 (HK\$)

E-Commerce & Retail Gross Profit

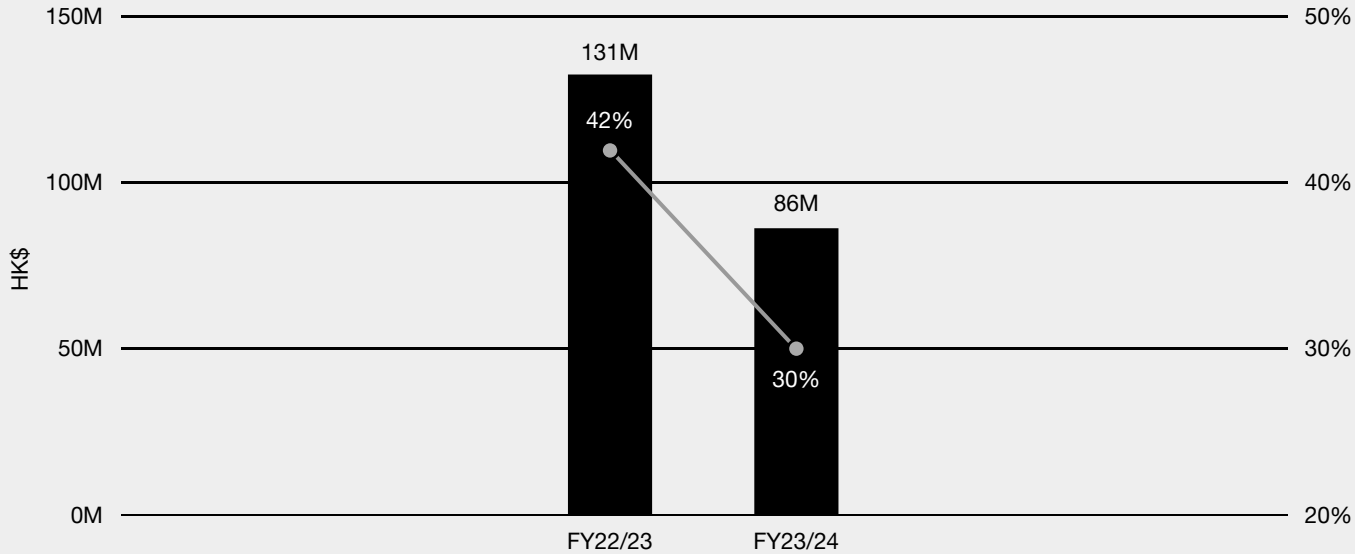


Chart Key

- E-Commerce & Retail Gross Profit
- E-Commerce & Retail Gross Margin

Future Prospect

Operational Efficiency
and Profitable Growth

Focus On Engagement
and Community

Strengthen Our
Hypebeast Ecosystem

Q&A

THANK YOU

APPENDIX

Extracts of Profit & Loss Statement

	FY22/23		FY23/24		% Change
	HK\$'000	US\$'000 ¹	HK\$'000	US\$'000 ¹	
Revenues	959,973	123,311	895,652	115,048	-7%
Gross Profit	505,418	64,922	413,458	53,109	-18%
<i>Gross Profit Margin</i>	53%	53%	46%	46%	
Selling & Marketing Expense	218,259	28,036	172,355	22,139	-21%
<i>(as % of Revenues)</i>	23%	23%	19%	19%	
Administrative & Operating Expenses	229,848	29,524	213,636	27,442	-7%
<i>(as % of Revenues)</i>	24%	24%	24%	24%	
EBITDA	60,099	7,720	72,898	9,364	21%
<i>EBITDA Margin</i>	6%	6%	8%	8%	
Profit / (Loss) for the Year	-5,069	-651	22,307	2,865	-540%
<i>Net Profit Margin</i>	-1%	-1%	2%	2%	
EPS (HKD/USD Cent)	-0.25	-0.032	1.09	0.140	-540%
EPS Diluted (HKD/USD Cent)	-0.25	-0.032	1.09	0.140	-540%

1. US\$ equivalents are used as illustration purposes only. 1.00 USD : 7.785 HKD

Extracts of Statement of Financial Position

	March 31, 2023		March 31, 2024		% Change
	HK\$'000	US\$'000 ¹	HK\$'000	US\$'000 ¹	
Non-Current Assets	144,692	18,586	118,120	15,173	-18%
Inventories	113,770	14,614	77,924	10,010	-32%
Trade and Other Receivables	186,579	23,966	189,960	24,401	2%
Cash and Cash Equivalents	166,021	21,326	183,492	23,570	10%
Trade and Other Payables	89,755	11,529	73,387	9,427	-18%
Bank Borrowings	2,724	350	-	-	n/a
Net Operating Working Capital ²	376,615	48,377	377,989	48,554	0%
CAPEX ³	-16,581	-2,130	-2,149	-276	-87%
FCF ⁴	-82,048	-10,539	68,428	8,790	-183%

1. US\$ equivalents are used as illustration purposes only. 1.00 USD : 7.785 HKD

2. Net Operating Working Capital is calculated as (Cash + Trade and Other Receivables + Inventories) - (Trade and Other Payables)

3. CAPEX refers to Property, Plant, and Equipment line of Cash Flow Statement

4. FCF is calculated as Net Cash (Used In)/Generated from Operating Activities - CAPEX

Extracts of Statement of Cash Flow

	FY22/23		FY23/24		% Change
	HK\$'000	US\$'000 ¹	HK\$'000	US\$'000 ¹	
Net Cash (Used In)/From Operating Activities	-65,467	-8,409	70,577	9,066	-208%
Net Cash From Investing Activities	1,217	156	-15,205	-1,953	-1349%
Net Cash Used In Financing Activities	-40,770	-5,237	-31,503	-4,047	-23%
Net (Decrease)/Increase in Cash and Cash Equivalents	-105,020	-13,490	23,869	3,066	-123%
Cash and Cash Equivalents at the Beginning of Year	284,269	36,515	166,021	21,326	-42%
Effect of Exchange Rate Changes	-13,228	-1,699	-6,398	-822	-52%
Cash and Cash Equivalents at the End of Year	166,021	21,326	183,492	23,561	10%

1. US\$ equivalents are used as illustration purposes only. 1.00 USD : 7.785 HKD

Website, Links & Contacts

Media

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hypebeast.com

Hypebae

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