

ASX Announcement
26 June 2023

Step One Clothing Limited FY23 Trading Update

Step One Clothing Limited (ASX:STP) (“Step One” or “the Company”), a leading online, direct to consumer, innerwear brand, today provides the following trading update for the year ending 30 June 2023.

At the conclusion of its Mid-Year Sale event, Step One provides the following EBITDA and revenue guidance for FY23:

- EBITDA for FY23 is expected to be in the range of \$11.0m to \$11.5m¹ (representing 22% to 27% above the prior year (FY22: \$9.0m) (and inclusive of a foreign exchange gain of approximately \$0.7m)
- Revenue for FY23 is expected to be approximately 10% below the prior year¹ (FY22: \$72.2m)

¹All numbers are unaudited and subject to variations in foreign exchange and trading conditions over the period remaining in FY23. FY22 EBITDA is proforma.

Key to the profitability outcome has been effective management of the advertising spend as Step One continues its focus on prioritising profitability.

Step One Founder and CEO, Greg Taylor said: “In the second half of FY23 we have continued to successfully pivot from prioritising top-line growth to concentrating on profitability in response to the ongoing challenging trading conditions in our key markets.”

“I continue to be confident in the significant opportunity ahead to build our position as a leading global brand for innovative, sustainable and quality innerwear products, which we are well positioned to take advantage of growth as macroeconomic conditions ease.”

Step One expects to publish its FY23 audited financial statements on 24 August 2023.

-ENDS-

This announcement was authorised for release by the Board of Step One Clothing Limited.

About Step One Clothing

Step One is a leading direct-to-consumer online retailer for innerwear. Step One offers an exclusive range of high quality, organically grown and certified, sustainable, and ethically manufactured innerwear that suits a broad range of body types. Step One has transformed the innerwear market with innovative designs and a cult-like following and has quickly grown into a multinational company operating in Australia, the US and the UK.

Further information can be found on the Company’s website <https://stepone.group/>.

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