

THREDUP

thredUP jumpstarts European expansion with acquisition of Remix

July 26, 2021

OAKLAND, Calif., July 26, 2021 /PRNewswire/ -- ThredUP Inc. (NASDAQ: TDUP), one of the largest online resale platforms for women's and kids' apparel, shoes, and accessories, today announced the initial phase of its international expansion strategy by entering into a definitive agreement to acquire Remix Global AD (Remix), one of Europe's leading fashion resale companies. The acquisition will accelerate thredUP's growth plans in Europe, where the secondhand market was estimated to be \$21 billion in 2020 and is expected to grow to \$39 billion by 2025*. The news comes on the heels of strong domestic growth for thredUP and Resale-as-a-Service® (RaaS®) expansion, including new deals with Vera Bradley, FARFETCH, LG, and Madewell.

The acquisition will accelerate thredUP's growth plans in Europe.

Much like thredUP's own proprietary operating platform, Remix has built custom 'single-SKU' logistics that can process millions of unique garments efficiently. With this acquisition, thredUP adds a complementary operational infrastructure and an experienced management team to springboard its expansion into Europe. thredUP plans to invest in Remix's product offerings, processing infrastructure, and go-to-market strategy to accelerate its marketplace growth. Remix will operate as an independent business unit under the thredUP umbrella, led by CEO Lyubomir Klenov. Klenov will lead thredUP's European expansion efforts as it continues to build out its presence across other key markets.

Learn more at [thredUP.com/europe](https://thredup.com/europe).

The Remix acquisition also allows thredUP the potential to extend its RaaS® platform beyond the United States, enabling brands and retailers to deliver customized resale experiences to their customers in Europe. A number of the world's leading brands and retailers already rely on thredUP's RaaS® platform to power their resale channels, and European expansion opens doors to potential future growth.

"Lyubomir and his team have built a strong, lean, customer-first business, and they know how to deliver resale operationally across multiple markets in Europe," said James Reinhart, Co-Founder and CEO at thredUP. "We're bullish about the massive opportunity in the European resale market and are thrilled about the chance to build on Remix's technology and operational expertise to help accelerate its growth."

"We've long admired thredUP's leadership in the United States and their dedication to building a mission-driven company that makes it easy to buy and sell secondhand," said Lyubomir Klenov, CEO of Remix. "Together, I believe we can build upon Remix's core operational engine, technology, and logistics to bring that scalable experience to the European market, where resale has only scratched the surface."

The acquisition is expected to close during the fourth quarter of 2021 and is subject to customary closing conditions and other deal specific closing conditions. The consideration is expected to be approximately \$28.5 million, subject to customary purchase price adjustments, and upon the closing thredUP will also grant the Remix management team \$6.5 million in restricted stock units to vest over four years. Total revenue for Remix in calendar year 2020 was \$33.9 million, and thredUP expects the acquisition to be accretive to its total revenue, dilutive to its gross margin and modestly accretive to its Adjusted EBITDA in the near term. Goodwin Procter LLP and Kinstellar are acting as legal advisors to thredUP.

*GlobalData 2021 Market Sizing and Growth Estimates for European Demand-Side Secondhand Market

About thredUP

thredUP is transforming resale with technology and a mission to inspire a new generation of consumers to think secondhand first. By making it easy to buy and sell secondhand, thredUP has become one of the world's largest resale platforms for women's and kids' apparel, shoes and accessories. Sellers love thredUP because we make it easy to clean out their closets and unlock value for themselves or for the charity of their choice while doing good for the planet. Buyers love shopping value, premium and luxury brands all in one place, at up to 90% off estimated retail price. Our proprietary operating platform is the foundation for our managed marketplace and consists of distributed processing infrastructure, proprietary software and systems and data science expertise. In 2018, we extended our platform with Resale-as-a-Service® (RaaS®), which facilitates modern resale for a number of the world's leading brands and retailers. thredUP has processed over 125 million unique secondhand items from 35,000 brands across 100 categories. By extending the life cycle of clothing, thredUP is changing the way consumers shop and ushering in a more sustainable future for the fashion industry.

About Remix

Remix Global AD (Remix) is one of Europe's leading fashion resale companies, operating in nine markets across Central and Eastern Europe. Founded in 2012, Remix has built an operational infrastructure with custom single-SKU logistics at its core that can process millions of unique garments efficiently. Having spent years working for global brands, the Remix founders were united by the opportunity to reduce the destructive environmental impact of the fast fashion industry, and shift consumers towards the circular economy. Learn more about Remix at remixshop.com/bg.

Forward Looking Statements

This release contains forward-looking statements. Forward-looking statements include all statements that are not historical facts. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "predict" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. Except as required by law, thredUP has no obligation to update any of these forward-looking statements to conform these statements to actual results or revised expectations.

Investor Contact

Lana Adair
The BlueShirt Group
ir@thredup.com

Media Contact

Christina Schultz

thredUP

media@thredup.com

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