LightInTheBox Holding

E-commerce platform for affordable lifestyle

LightInTheBox (LITB) is an e-commerce company that provides a wide range of affordable lifestyle products, with a focus on apparel. In response to intense online competition and low levels of profitability, management's new strategy has been to pivot away from a pure volume-driven, low-margin, cross-border retail model to an event-led model, while diversifying into a range of lifestyle own brands in growth categories that have more favourable levels of profitability. To date the results are encouraging, with three proprietary brands launched that have boosted revenue growth and improved profitability and cash generation.

Year end	Revenue ($m)	EBITDA (adj) ($m)	PBT ($m)	EPS ($)	EV/Adj EBITDA (x)	P/E (x)
12/24	255.3	(0.1)	(2.5)	(0.14)	N/A	N/A
12/25	224.3	9.9	8.2	0.45	1.5	5.0
12/26e	251.8	13.0	11.4	0.63	1.1	3.6
12/27e	281.0	18.0	16.4	0.90	0.8	2.5

Note: PBT and EPS are reported.

What do we like?

- **Proprietary brand momentum:** The company's 'brand matrix' strategy, which targets women aged 30 and over with apparel for a range of social and lifestyle occasions, has already led to the launch of three apparel brands since FY23. The reported revenue growth of 143% in FY25, such that the brands represented 17% of total revenue, indicates early success.
- **Event-driven legacy differentiation:** The legacy website is being deliberately repositioned away from commoditised products towards more bespoke, event-driven and print-on-demand offerings, which face lower competition and command premium pricing, according to management.
- **Revenue inflection:** Q425 delivered the first year-on-year revenue growth (+9%) since the strategic pivot began. With stable to low revenue growth for the legacy website, the existing and potential new proprietary brands are expected to be the engine room of future growth.
- **Profitability transformation:** FY25 gross margin of 65.0% was the highest since the company's listing in 2013, driven by a growing mix of higher-margin proprietary apparel products as well as a greater focus on profitability instead of revenue growth on LITB's legacy website. The higher gross margin of the proprietary brands provides a structural tailwind as the brand matrix scales. LITB recorded record FY25 net income of US$8.3m (FY24: net loss of US $2.5m), and Q425 represents the seventh consecutive profitable quarter.

Valuation: Large discount to peers

We find a high correlation between prospective EV/sales multiples and profitability for LITB's e-commerce peers. This analysis suggests a FY26e EV/sales multiple of 0.34x is appropriate for LITB, which would equate to an American depository share (ADS) price of US$6.80 prior to any potential discount for its size, liquidity, delisting risk, execution risk of generating sustainable profit, and corporate structure. The end FY25 gross cash position is equivalent to 74% of the current market value.

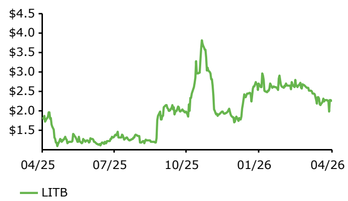
Initiation of coverage

Consumer

13 April 2026

Price	**$2.25**
Market cap	**$35m**
Net cash/(debt) at 31 December 2025 including lease liabilities	$20.5m
Shares in issue	15.7m
Free float	26.0%
Code	LITB
Primary exchange	NYSE
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(13.3)	(16.0)	15.2
52-week high/low		$4.1	$1.1

Business description

LightInTheBox Holding operates as an online retail company. In response to evolving market dynamics and consumer preferences, it is undergoing a strategic transformation from an e-commerce platform to a consumer lifestyle platform defined by what management believes are differentiated product offerings with strong emotional resonance.

Next events

Q126 results	May 2026
H126 results	August 2026

Analysts

Russell Pointon	+44 (0)20 3077 5700
Chloe Wong	+44 (0)20 3077 5700

consumer@edisongroup.com

Edison profile page

LightInTheBox Holding is a research client of Edison Investment Research Limited

Core investment drivers

The following factors are important drivers to LITB's investment case:

- **Strategic pivot:** The company is strategically pivoting from a cross-border e-commerce company with limited product differentiation in a highly competitive market to a consumer lifestyle company through the launch of its own proprietary and branded products. Management believes this will improve quality and growth prospects compared with the company's volatile growth record, and make it more profitable, having seldom reported an operating profit since listing in June 2013.
- **Revenue trajectory**: The dramatic revenue contraction, from US$629m in FY23 to US$224m in FY25, has been the primary source of investor concern and depressed the share price significantly through 2024 and 2025. Revenue trends have been a central preoccupation for investors in order to gauge whether the company's change in direction will lead to more sustainable growth and profitability. Therefore, the sequential quarter-on-quarter improvements in year-on-year revenue growth rates through FY25 and the return to positive growth in Q425 mark a meaningful inflection point.
- **Brand matrix validation**: Investors are looking for evidence of traction in the group's proprietary apparel brands, which have been launched at various stages since FY23. Financial disclosure for LITB's different businesses is limited, therefore the reported 143% growth in branded revenue to reach c 17% of group revenue in FY25 is an early positive signal that management's strategy is credible, and that it is able to identify profitable growth opportunities in growing markets. Further evidence of brand scaling and improving unit economics will be critical to a re-rating.
- **Gross margin expansion and proprietary brand mix**: Since management's strategic pivot began in earnest in 2024, gross margin has expanded significantly, from 47% in FY21 to 65% in FY25. This is directly attributable to the rising proportion of higher-margin proprietary brand revenues and the deliberate reduction of lower-margin, commoditised dropshipped products on the legacy website in favour of more event-driven and customisable products.
- **AI and operational efficiency**: The 58% reduction in the company's workforce since 2023, driven by AI automation across design, marketing, fulfilment and customer service, has structurally lowered the fixed-cost base and supported the recovery in profitability. The market has responded positively to announcements of AI deployment at scale, viewing it as a credible long-term competitive advantage for a company of LITB's size.
- **Profitability milestones**: Each successive profitable quarter contributes to the argument for a re-rating of the share price. The progression from persistent operating losses for most of LITB's history as a quoted company to seven consecutive profitable quarters by the end of FY25, culminating in a record quarterly net income of US$3.3m in Q425 and US$8.3 in FY25 should be positive for investor sentiment.

What could derail the story?

- **Corporate structure:** LITB is structured as a Cayman Islands-incorporated holding company, with no direct operating activities at the parent level. The group conducts its business through a network of wholly owned subsidiaries in Singapore, Hong Kong, mainland China, the US and Europe. This offshore holding structure is typical for internationally listed China-exposed businesses and enables foreign investors to gain economic exposure to the group's activities, albeit without direct ownership of the underlying operating entities. The company's principal executive offices are in Singapore.
- **Delisting risk:** LITB's ADSs are listed on the New York Stock Exchange (NYSE) and are subject to its listing requirements. In March 2024, the company was notified the share price was 'below criteria' as the average closing price had been less than US$1 over a consecutive 30-day trading period. In September 2024, management carried out an ADS ratio change to adjust the ratio to 12 ordinary shares for each ADS from two ordinary shares for each ADS, which led to the ADS price closing above the required US$1 price. In December 2024, the company was notified it was 'below criteria' again as its average total market capitalisation was less than US$50m over a 30-day trading period and its stockholders' equity was less than US$50m. In March 2025, management submitted, and had accepted, a remediation plan giving it until 26 June 2026 to address the issue. There is, however, no certainty that it will meet these requirements within the time frame, and failure to do so could result in delisting, which would have

a negative impact on liquidity and shareholder value. At the end of FY25, stockholders' equity was c negative US $4m, having improved from c negative US$13m as a result of the return to profitability in FY25. At the time of writing the company's market capitalisation is below US$50m.

- **Competitive intensity from scale players**: The cross-border e-commerce market is dominated by well-capitalised competitors, including Shein, Temu and Amazon in general merchandise and many other companies that focus on apparel. These platforms offer vastly greater product selection, have access to more globally well-known brands and enjoy superior customer acquisition budgets, and their continued expansion poses an existential risk to LITB's legacy commoditised product business.
- **Brand matrix scaling risk**: The three proprietary apparel brands remain at an early stage of development with likely limited established brand equity. At 17% of total revenue in FY25, they have grown quickly and have only just reached the scale required to offset the structural challenges on the legacy website, with the group reporting positive revenue growth in Q425 for the first time across FY24 and FY25. If brand growth disappoints, the company is unable to successfully develop and launch further brands, or repeat purchase rates deteriorate, LITB's investment case weakens materially.
- **Legacy business decline**: If the managed reduction of lower-margin legacy commodity products proceeds faster than the new brand matrix can compensate, total revenue could decline, putting pressure on operating margin and cash generation.
- **Agentic AI and e-commerce disintermediation**: The emergence of agentic AI purchasing assistants threatens the potential disintermediation of an e-commerce company's relationship with the customer, and shifts e-commerce from an emotionally-driven discovery model to a price-optimisation model on commoditised products. It will require e-commerce companies to build defensible differentiation including exclusive products and customisation.
- **Marketing cost inflation**: Selling and marketing costs remain significant at approximately 46% of revenue in FY25. The ratio has remained within 44–48% of revenue in recent years, but has increased significantly over the long term and has limited profit generation. Structural increases in digital advertising costs across platforms such as Meta and Google, or a deterioration in return on advertising spend as competition intensifies could limit the path to meaningful profit margin expansion.
- **Exposure to economic shocks:** Low levels of profitability (we forecast an FY26 operating margin of 4.5%) leaves the company exposed to external shocks in demand and operating costs that could negatively affect profitability.
- **Tariff and cross-border trade risk**: As a China-sourced, internationally distributing business, LITB is directly exposed to shifts in trade policy and tariff regimes, particularly US-China trade tensions. Changes in de minimis thresholds or the imposition of tariffs on low-value cross-border shipments could structurally disadvantage the business model.

Recent newsflow

LITB maintained active newsflow through FY25, with the profitability recovery narrative steadily strengthening:

- **FY25 results (March 2026)**: Record full-year net income of US$8.3m and record quarterly net income of US$3.3m in Q425 were reported on 24 March 2026. Total revenues of US$224.3m included Q4 revenues of US$63.0m, the first quarter of year-on-year revenue growth since the change in strategy. Gross margin reached 65% for the full year, the highest since the 2013 IPO. This was underpinned by branded apparel, which grew 143% and represented 17% of revenue.
- **Share repurchase programme extension**: The board extended and expanded its share repurchase programme to US$3.0m through June 2026, having repurchased 502,280 ADSs for approximately US$1.1m as of March 2026. This signals management confidence in the business.
- **AI deployment at scale**: Management confirmed that end-to-end AI automation has contributed to a 58% workforce reduction since 2023, with AI applied across product design (using tools including Midjourney for creative direction), trend identification and operations. This has driven measurable reductions in general and administration costs.
- **Q325 record profit (November 2025)**: Net income of US$2.8m in Q325 marked the sixth consecutive profitable quarter and a record at the time. Gross margin reached 66.9%, supported by the growing branded product mix and bespoke print-on-demand offerings within the legacy business. The year-on-year revenue decline of 3% reflected a further sequential improvement versus Q225's 15% decline and Q125's decline of 34%.

Upcoming catalysts

- **Q126 results (expected May 2026)**: Q1 is seasonally the weakest quarter due to post-Christmas demand softness and the Chinese New Year holiday. The company's focus on more event-driven and seasonal products is likely to further accentuate its seasonality in future. However, investors will be watching closely for the extent to which Q425's revenue growth momentum is maintained and for further data on branded product performance.
- **Brand matrix revenue milestone**: Management has flagged its intention to grow branded revenues towards 25% of total revenues and beyond. Evidence of this progression over the next two to three quarters would provide a meaningful re-rating catalyst, in the absence of a deterioration in its legacy business.
- **New brand launches**: The company has indicated it may expand the brand matrix further, with the potential for two or three new brand launches per year, as it seeks to leverage its shared design, supply chain and logistics infrastructure. An announcement of additional brand launches in adjacent categories would validate the scalability of the brand incubation model.
- **Tariff and trade policy developments**: Given the material exposure to US-China trade dynamics, any clarity on de minimis rules or cross-border tariff treatment for low-value e-commerce parcels could be a significant positive or negative catalyst.

Corporate structure

LITB is structured as a Cayman Islands-incorporated holding company, with no direct operating activities at the parent level. Instead, the group conducts its business through a network of wholly owned subsidiaries in Singapore, Hong Kong, mainland China, the US and Europe. This offshore holding structure is typical for internationally listed China-exposed businesses and enables foreign investors to gain economic exposure to the group, albeit without direct ownership of the underlying operating entities.

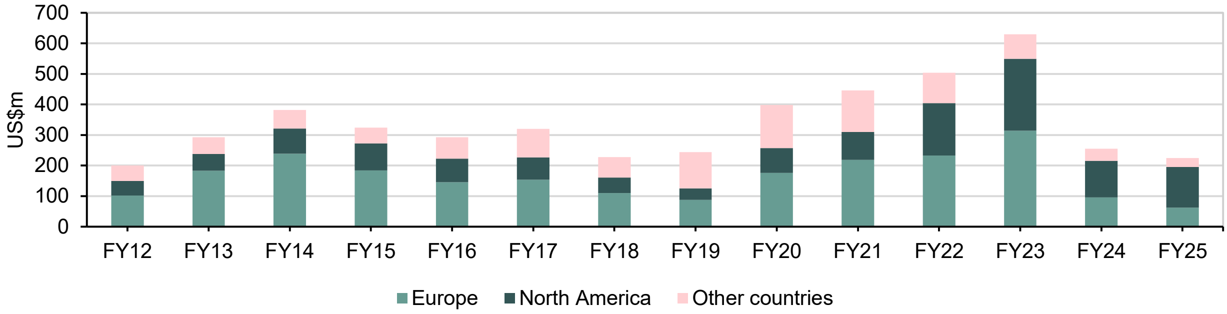
Operationally, the group is globally oriented, generating all revenues outside mainland China, although elements of procurement, technology and platform operations remain China-based. Cash management is centralised at the Cayman parent, with funding provided to subsidiaries via capital injections or intercompany loans, and upstream cash flows primarily sourced from non-People's Republic of China (PRC) entities, notably Hong Kong. Dividend upstreaming from PRC subsidiaries remains subject to regulatory constraints, including reserve requirements and foreign exchange controls, although this is not currently a key funding channel given the group's offshore earnings profile.

From an equity perspective, investors hold NYSE-listed ADSs representing ordinary shares in the Cayman Islands-based parent, rather than direct stakes in operating subsidiaries. As such, the investment case is inherently linked to the integrity of the holding structure and the enforceability of intercompany arrangements across jurisdictions. This introduces a layer of structural and regulatory risk, particularly in the context of evolving PRC oversight of offshore-listed companies, which remains a defining feature of the group's corporate framework.

Business strategy

LITB is a global online retailer focused primarily on apparel and lifestyle products, serving customers in more than 100 countries; however, it has become increasingly focused on the North American market, which represented 59% of revenue in FY25 versus 16% in FY19.

Exhibit 1: Geographic sources of revenue



Source: LightInTheBox accounts

LITB was founded in 2007 as a cross-border e-commerce platform, connecting its consumers with Chinese manufacturers, building its initial scale on a wide product catalogue and value-based offer. When the company was listed in June 2013, it was the first Chinese cross-border e-commerce company to list on the NYSE.

Historically, the company was positioned as a price-led cross-border retailer, but is currently undergoing a strategic shift to a consumer lifestyle company, with an increasing focus on branded products with differentiated product design that management believes generate higher emotional engagement with its customers. Effectively, LITB is attempting to move up the value chain through the introduction of proprietary branding and greater product customisation. The repositioning reflects broad structural pressures in e-commerce, including intensifying competition and commoditisation of the core product categories offered.

A notable feature of the business model is the geographic separation between revenue generation and its operations. The company generates most of its revenues from the US and Europe, while a meaningful proportion of its operations, including sourcing, product development and technology, are conducted through subsidiaries in China, Hong Kong and Singapore. The supply chain is outsourced with approximately 450 active suppliers, which offers flexibility and scalability.

The company has mainly grown organically; however, in December 2018 it acquired Ezbuy, a Singapore-based cross-border e-commerce company selling products from China, the US and South Korea to customers in Indonesia, Malaysia, Pakistan, Singapore and Thailand, for c US$29m. The acquisition broadened LITB's geographic exposure, whose main markets at the time were the US and Europe, and provided local warehousing, logistics and customer service in those markets. The founder of Ezbuy, Jian He, has been the CEO of LITB since November 2018. The acquisition provided an unquantified benefit to LITB's revenue in FY19 and FY20, but the company's low profitability since means the acquisition has not delivered a satisfactory return on investment. The strategic pivot away from price-led products to lifestyle brands and our forecasts of low-single-digit revenue growth for the legacy website (See Financials section) imply it is not expected to be a key growth driver for the business going forward.

From dropshipping...

For most of its history, the company competed on prices, breadth of product offer and logistics efficiency. However, the rise of scale-backed competitors, including Shein and Temu, rendered the commoditised dropshipping model unviable as the new competitors enjoyed superior capital resources and comparable supply chains. With an initial core focus on apparel, the company broadened its product offering into general merchandise, including electronics, home and garden, beauty and other lifestyle goods over time. The diversification was intended to reduce the company's reliance on apparel, increase customer loyalty and average basket size. The company began to retreat from the general merchandise categories from 2020 onwards in response to increased competition from the larger platforms that manifested itself in rising customer acquisition costs and margin pressure on low-value products. Historically, there has been no disclosure with respect to the relative size of the various product categories, so it is not possible to identify how the introduction of new categories, and the subsequent de-emphasising or exit of others, has contributed to the group's revenue growth and profitability in any particular year. However, in Exhibit 2 we can see that over the long term, the company grew revenue quickly, albeit with high levels of volatility, before the retrenchment in recent years as a result of the change in strategy.

...to lifestyle brands and more customisation

Beginning in FY22, management has adopted a dual-track strategy to navigate the more challenging competitive environment in its core offering while repositioning into branded products.

The first track involves repositioning the legacy LITB platform away from commoditised products and towards bespoke customisable offerings and a greater focus on events such as Christmas, Halloween, Oktoberfest and St Patrick's Day. The homepage continues to offer a broad range of products, but the company puts greater emphasis on events, with the company using targeted advertising to direct customers to event-based landing pages. With more bespoke and customised products, management believes the importance of price to customers is de-emphasised, and therefore it can command premium pricing.

The second track is the development of a brand matrix that is focused on incubating and developing brands for its core demographic, women aged 30 and over, sharing common infrastructure across design, supply chain and marketing channels. To date, the company has launched three brands:

- Ador, a premium fashion brand that targets women aged 35–55 with designer quality aesthetics and which has dual-shore design split between California in the US and China, was launched in early FY23.
- A women's golfing athleisure brand that combines high-performance utility with social lifestyle aesthetics was launched towards the end of FY23.
- A women's dress brand for special occasions such as weddings and parties was launched in February 2025.

We highlight that management has not disclosed the names of the last two brands it has launched, therefore investors are unable to assess the relative appeal and competitiveness of these brands.

The change in strategy pivots the company to markets with better structural growth opportunities and higher levels of profitability. Management's data suggest the markets will see the following CAGRs: the US female apparel market at 3.3% from FY23–32; the global women's gold apparel market at 6.3% from FY24–31; and global formal attire at 7% per annum from FY24–31.

LITB has enjoyed good success with the three brands launched so far, which reached U$36.9m revenue in FY25, representing 17% of total revenue. While impressive, the brands remain relatively small in a global context. Management may launch two or three new brands per year going forward, focused on the same demographic, which implies an uptick in the rate of development of new brands.

AI as a structural advantage

A key enabler of the transformation is the company's investment in AI-driven product development and operational efficiency. By integrating real-time consumer trend data with agile supply chain relationships, LIBT aims to compress the cycle from market insight to product launch. AI tools are used for creative direction, design prototyping, marketing channel allocation and customer segmentation. Its AI algorithms enable it to capture global trends in real time to drive customer conversions and repeat purchase rates.

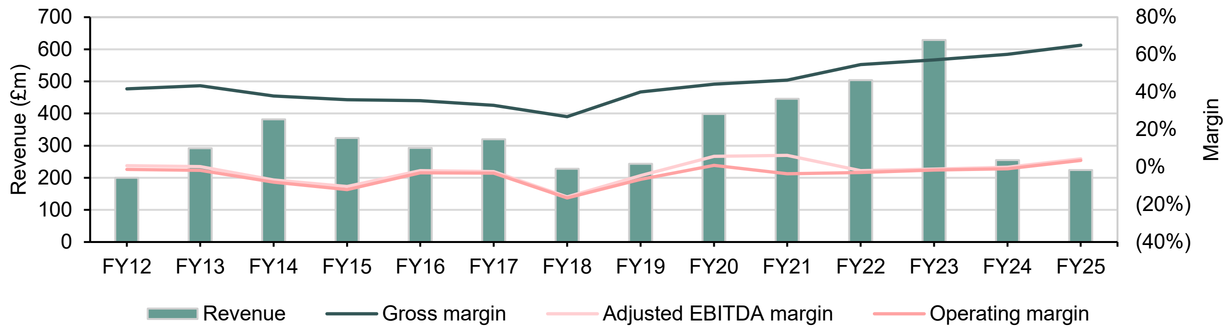
Critically, AI-driven automation has allowed the company to execute its strategic pivot with a structurally lower cost base: general and administration expenses fell 24% y-o-y in FY25, while R&D investment in AI capabilities continues. We believe this positions LITB to achieve better unit economics on its branded business than would otherwise be attainable at its current scale.

Financials

Income statement: A history of volatility and heavy operating losses

Before we look at how management's new strategy is leading to more positive financial results we show how the expanding geographic coverage, changes to the product offer and the acquisition of Ezbuy in FY18 have been reflected in LITB's long-term financials. This helps to put the strategic pivot in perspective and explain the company's share price performance over the long term. Prior to FY25, the company had reported operating losses and negative operating cash flow on a fairly consistent basis, and has negative net assets as a result of the accumulated losses.

Exhibit 2: Historical financials



Source: LightInTheBox accounts

There is a clear picture of volatility in the revenue base over the long term, with periods of high growth followed by significant declines. Revenue grew from c US$200m in FY12 to c US$227m in FY18, before the acquisition of Ezbuy and the more favourable environment for online retailers through the COVID-19 pandemic drove revenue to c US$629m in FY23. The intense competition across the e-commerce industry and the company's strategic pivot away from its legacy product offering is evident in the 59% decline in revenue in FY24 followed by a further 12% decline in FY25. Until FY20, the company disclosed the number of customers, revenue from repeat and new customers and average order size. However, it no longer provides such KPIs, as disclosed by other e-commerce operators; therefore, it is not possible to gauge the underlying health of the businesses, and we are reliant on management's commentary and looking at the company's overall reported financials.

The historical volatility in revenue was accompanied by a high level of variability in the gross margin, which started at c 42% in FY12 before troughing at c 27% in FY18 and improving to c 40% in FY19. Since FY19, management's greater focus on apparel sales and the more recent introduction of its proprietary brands have led to a significant increase in the gross margin to 65.0% in FY25, from 60.1% in FY24, 57.2% in FY23 and 54.6% in FY22. Over the long term, operating profits have been limited, with a loss in every year except FY20, which was helped by the COVID pandemic, as well as synergies post the acquisition of Ezbuy. FY25 saw a return to profitability as the change in strategy takes hold. The main reason for the lack of improvement in profitability over the long term was a significant increase in selling and marketing costs, reflecting the intensity of competition in e-commerce. This was partially offset by an improvement in general and administration costs, both relative to revenue.

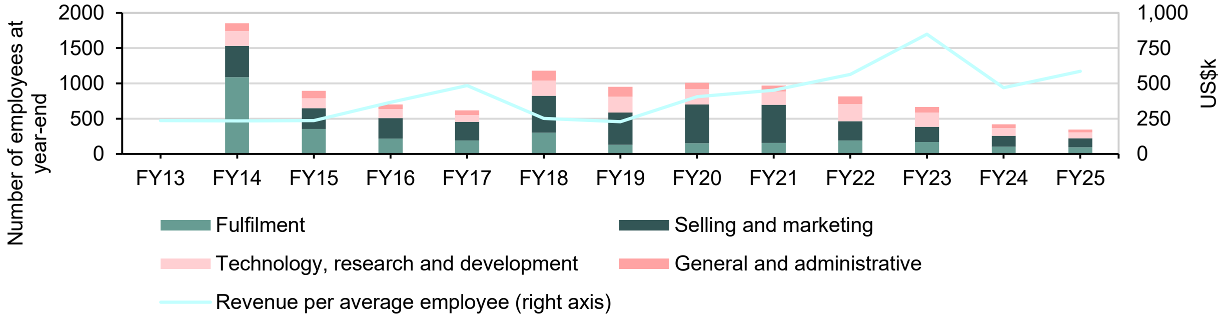
Exhibit 3: Cost and margin analysis

Relative to sales	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Gross margin	41.8%	43.5%	38.0%	36.0%	35.4%	33.0%	26.9%	40.1%	44.2%	46.3%	54.6%	57.2%	60.1%	65.0%
Fulfilment	5.0%	5.5%	6.3%	6.9%	5.8%	5.4%	6.6%	10.2%	7.0%	6.6%	6.1%	5.5%	7.4%	7.4%
Selling and marketing	26.7%	28.8%	27.5%	28.3%	20.9%	21.5%	22.2%	21.0%	28.2%	34.6%	44.2%	48.1%	43.8%	45.7%
General and admin.	11.2%	10.9%	12.3%	12.8%	11.8%	9.3%	14.5%	15.5%	8.3%	8.9%	7.2%	5.4%	10.1%	8.7%
Operating margin	(1.2%)	(1.7%)	(8.0%)	(12.1%)	(3.1%)	(3.2%)	(16.5%)	(6.6%)	1.0%	(3.6%)	(2.8%)	(1.7%)	(0.9%)	3.6%

Source: LightInTheBox accounts, Edison Investment Research

The change in staff numbers over time is testimony to the ebbs and flows in management's aspirations and the competitive environment.

Exhibit 4: Staff numbers by function and sales productivity



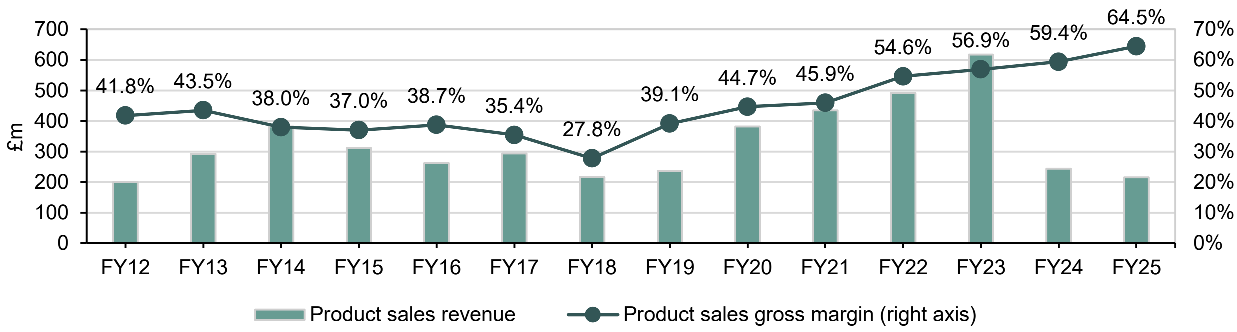
Source: LightInTheBox accounts, Edison Investment Research.

The company has two reportable operating segments:

- Product sales comprise LITB's products through its websites, mobile applications and other online platforms, as well as to third-party sellers that sell through its platforms and utilise its supply chain.
- Services and other comprise the provision of logistics services to companies and individual customers, which LITB began to offer in FY14.

Product sales represent the majority of LITB's revenue (96% in FY25) and gross profit (95% in FY25).

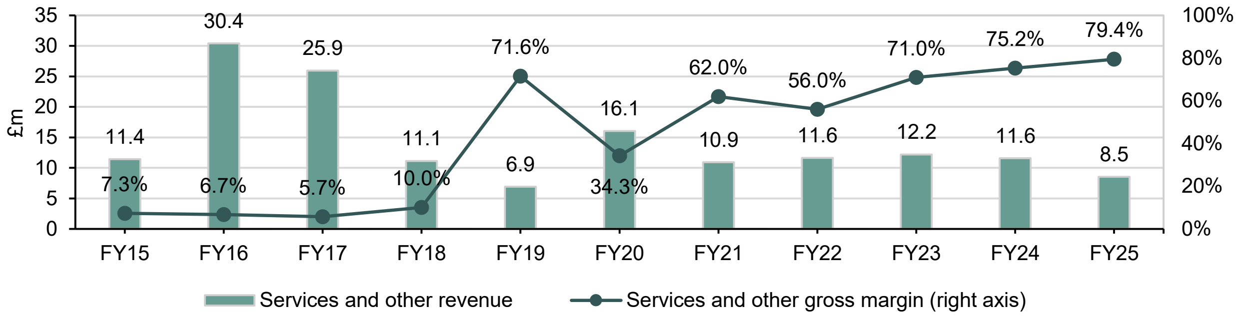
Exhibit 5: Product sales historical financials



Source: LightInTheBox accounts

Services and other has a higher gross margin than Product sales and has been on a declining trend since FY23 as management has strategically reduced external promotion of the activities.

Exhibit 6: Services and other historical financials



Source: LightInTheBox accounts

New strategy driving revenue growth and improved profitability

LITB's recent quarterly financial results show a clear picture of more positive trends in revenue and profitability as a result of the change in strategy. These including revenue growth of 9% in Q425, the first since the change in strategy in FY23, seven consecutive quarters of positive operating profit and an annual profit for the first time in the company's quoted history apart from FY20, which was helped by the COVID pandemic and synergies following the Ezbuy acquisition.

Exhibit 7: LightInTheBox's quarterly financials

£m	Q124	Q224	Q324	Q424	FY24	Q125	Q225	Q325	Q425	FY25
Product sales	**67.8**	**67.2**	**53.6**	**55.1**	**243.7**	**44.8**	**56.7**	**53.5**	**60.8**	**215.8**
Growth y-o-y	(53.1%)	(64.6%)	(64.7%)	(57.9%)	(60.5%)	(34.0%)	(15.6%)	(0.2%)	10.4%	(11.5%)
Product sales gross profit	**38.8**	**41.6**	**32.0**	**32.4**	**144.8**	**29.0**	**37.0**	**35.5**	**37.6**	**139.1**
Produce sales gross margin	57.1%	62.0%	59.7%	58.8%	59.4%	64.6%	65.4%	66.3%	61.9%	64.5%
Gross margin change y-o-y	1.5%	4.8%	0.5%	3.5%	2.5%	7.5%	3.3%	6.7%	3.1%	5.1%
Group revenue	**71.2**	**69.4**	**57.0**	**57.8**	**255.3**	**47.0**	**58.9**	**55.5**	**63.0**	**224.3**
Growth y-o-y	(51.8%)	(63.8%)	(63.1%)	(57.4%)	(59.4%)	(33.9%)	(15.1%)	(2.7%)	9.0%	(12.1%)
Group gross profit	**41.4**	**43.3**	**34.8**	**33.9**	**153.5**	**30.6**	**38.8**	**37.1**	**39.3**	**145.9**
Group gross margin	58.2%	62.4%	61.1%	58.7%	60.1%	65.2%	65.9%	66.9%	62.5%	65.0%
Gross margin change y-o-y	2.4%	5.0%	1.6%	3.1%	1.9%	6.9%	3.5%	5.8%	3.8%	4.9%
Fulfilment costs as % of revenue	8.1%	7.2%	7.3%	7.0%	7.4%	8.2%	7.4%	7.4%	6.8%	7.4%
Selling and marketing costs as % of revenue	46.0%	45.5%	43.0%	40.1%	43.8%	46.6%	47.3%	47.1%	42.3%	45.7%
General and admin. costs as % of revenue	10.2%	9.2%	10.3%	10.7%	10.1%	10.6%	8.2%	8.0%	8.4%	8.7%
Adjusted EBITDA	**(3.1)**	**1.2**	**0.8**	**1.0**	**(0.1)**	**0.6**	**2.3**	**3.3**	**3.7**	**9.9**
Adjusted EBITDA margin	(4.3%)	1.7%	1.5%	1.7%	(0.0%)	1.4%	4.0%	5.9%	5.9%	4.4%
Operating income	**(4.0)**	**0.6**	**0.5**	**0.6**	**(2.2)**	**0.1**	**1.9**	**2.6**	**3.4**	**8.0**
Operating margin	(5.6%)	0.9%	1.0%	1.1%	(0.9%)	0.3%	3.2%	4.7%	5.3%	3.6%

Source: LightInTheBox accounts

The re-basing of revenue in FY24 as the company significantly reduced the number of products available on the legacy website is clear. Through FY25, LITB has enjoyed a sequential (ie quarter-on-quarter) improvement in the rate of revenue decline as management highlighted a stabilisation in the legacy business in Q225 and Q325, so that by Q425 Products sales grew by over 10%. There is limited granularity on the individual drivers to the improvement in revenue beyond management highlighting the branded appeal business grew by 143% and accounted for 17% of total revenue in FY25. We can therefore determine the legacy Product sales revenue declined by c 22% through FY25.

The growth in the higher-margin proprietary brands and greater focus on profitability in the legacy businesses drove a continuous year-on-year improvement in gross margin in every quarter in FY25, as it did in every quarter in FY24. The lower gross margin in Q425 versus the first three financial quarters reflects the higher seasonality and contribution from the legacy business, which has a lower gross margin of c 60–65% versus over 70% for the brands.

The 490bp year-on-year improvement in the gross margin was the main source of the improvement in the operating margin, which increased by 450bp from a margin of -0.9% in FY24 to 3.6% in FY25. Relative to total revenue, fulfilment costs were stable and the company benefited from positive leverage of its general and administration expenses. These were more than offset by an increase in selling and marketing expenses relative to revenue, its most important operating costs at 45.7% of total revenue, which highlights that the company continues to operate in competitive markets. The model remains heavily dependent on digital marketing spend for customer acquisition and is therefore vulnerable to changes in the cost of advertising on platforms. LITB has now reported seven consecutive quarters of positive operating profit, and, as highlighted earlier, FY25 marked the company's first full-year operating profit since listing, except for FY20, which was helped by the COVID pandemic as well as synergies following the acquisition of Ezbuy.

We forecast double-digit revenue and over 40% profit growth in FY26 and FY27

In our forecasts, a combination of low-single-digit revenue growth for the legacy website, high rates of growth in branded products of 60% in FY26 and 40% in FY27, and stable Service and other revenue sum to c 12% revenue growth in FY26 and FY27.

For the legacy business there are two key drivers to consider. First, there is likely to be further rationalisation of the traditional third-party products offered as the company continues to focus on profitability, which could represent a headwind to revenue growth but could be more positive for margin. Second, management is optimistic the event-driven and custom-made products should generate growth. Therefore, the company's legacy website revenue will depend on the relative growth rates of these two drivers. There is no disclosure that helps with understanding the relative scale and growth rates of these revenue streams.

For the branded products, the higher rates of growth require the company to continue to attract more customers and improve customer loyalty. The three brands are in the early stages of their development, so there is some potential execution risk as management attempts to grow the brands, and there is no visibility for when new brands will be launched, with management expecting two or three new launches each year.

The forecast stronger revenue growth for branded products, which have a higher gross margin of 70% compared with non-branded product sales with a gross margin of 60–65%, should lead to an ongoing increase in the overall group margin so long as the profitability of the core website and the services business do not deteriorate. We forecast a 60–70bp improvement in the gross margin in both FY26 and FY7 taking it to 65.6% and 66.3%, respectively.

With respect to operating costs, we forecast fulfilment and selling and marketing costs will be stable relative to revenue in both years and the company will continue to benefit from leveraging its general and administration expenses.

These assumptions lead to more than 40% growth in operating profit in both FY26 and FY27, with an operating margin of 4.5% and 5.8%, respectively. This would represent the company's highest-ever level of profitability, and compares favourably to its peers, as we show in the Valuation section below.

Exhibit 8: Summary of financial forecasts

US$m	FY25	FY26e	FY27e
Revenue	**224.3**	**251.8**	**281.0**
Growth y-o-y	(12%)	12%	12%
- Product sales	215.8	243.3	272.5
- Service and other	8.5	8.5	8.5
Gross profit	**145.9**	**165.3**	**186.4**
- Product sales	139.1	158.5	179.7
- Service and other	6.8	6.7	6.7
Gross margin	65.0%	65.6%	66.3%
- Product sales	64.5%	65.2%	65.9%
- Service and other	79.4%	79.0%	79.0%
Fulfilment costs as % of revenue	7.4%	7.4%	7.4%
Selling and marketing costs as % of revenue	45.7%	46.0%	46.0%
General and admin. costs as % of revenue	8.7%	8.0%	7.4%
Adjusted EBITDA	**9.9**	**13.0**	**18.0**
Adjusted EBITDA margin	4.4%	5.2%	6.4%
Operating income	**8.0**	**11.4**	**16.4**
Operating margin	3.6%	4.5%	5.8%

Source: LightInTheBox accounts, Edison Investment Research

Cash flow generation has been weak despite limited capital intensity

FY25's positive net income meant that LITB generated positive operating and free cash flow.

The company's typical net losses since it has been listed led to negative operating cash flow in most financial years, such that the cumulative operating cash flow investment from FY12–24 was c US$86m. Positive operating cash flow has typically occurred in years when working capital movements have been favourable. Here, we should highlight the company includes cash flows with respect to right-of-use assets and operating leases, which broadly net off against each other, since the capitalisation of lease assets and liabilities was introduced from FY19.

The company is not capital intensive, with investment in property, plant and equipment typically well below 1% of sales.

Share buybacks have been a persistent feature with repurchases in every year since FY14 except in FY21 and FY22, reflecting management's belief that the share price has been undervalued, as well as the company's strong balance sheet with a net cash balance at the end of every financial year since listing. At the end of FY25, the repurchased treasury shares represented just under 13% of the outstanding shares.

LITB's closing gross cash position peaked at US$94.5m in FY22, and has since declined to US$25.9m at the end of FY25, as a result of the net losses and working capital movements. The end FY25 gross cash position is equivalent to c 74% of LITB's current market value, which implies the share price is discounting the improvement in profitability and cash generation in FY25 is not sustainable.

The company has historically had zero or limited debt excluding lease liabilities, which were US$4.7m at the end of FY25.

Exhibit 9: Summary cash flow

As % of sales	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Operating cash flow	3.7%	5.2%	(1.8%)	(11.7%)	(5.2%)	(4.6%)	(13.1%)	0.8%	7.4%	(0.4%)	7.1%	(3.3%)	(18.9%)	2.8%
- Net income	(2.1%)	(1.6%)	(7.8%)	(12.2%)	(3.0%)	(3.0%)	(26.2%)	0.4%	3.4%	3.0%	(11.2%)	(1.5%)	(1.0%)	3.7%
- Changes in operating assets and liabilities	2.8%	4.6%	4.2%	(2.1%)	(4.7%)	(3.1%)	1.1%	5.6%	5.6%	1.5%	8.7%	(2.2%)	(19.0%)	(1.5%)
- Right of use assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	(4.9%)	(0.0%)	0.1%	1.1%	0.9%	2.0%	1.8%
- Lease liabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	0.0%	(0.2%)	(1.0%)	(0.9%)	(2.0%)	(1.9%)
Capex	(0.1%)	0.0%	(0.1%)	(0.1%)	(0.6%)	(0.3%)	0.8%	(0.3%)	0.2%	(0.2%)	0.2%	0.0%	(0.1%)	(0.2%)

Source: LightInTheBox accounts, Edison Investment Research

Balance sheet: Accumulated net losses and negative net assets

Since FY12 LITB has accumulated net losses in the income statement of c US$194m, which led to a negative net asset position of c US$4.0m at the end of FY25. Within net assets, the accumulated deficit peaked at US$262.2m at the end of FY24 and reduced marginally to US$253.9m at the end of FY25 as a result of FY25's improved financial profit performance.

Valuation

LITB's combination of own brands (17% of FY25 revenue) and its legacy business means there is no perfect peer against which to compare the company's valuation. In the peer valuation table below we show consensus estimates for revenue growth, profitability and valuation measures for a number of different sets of peers: fashion e-commerce companies, other e-commerce companies and clothing brands. All figures are annualised to LITB's December year-end.

Exhibit 10: Peer valuations

				Sales growth (%)		Gross margin (%)		EBITDA margin (%)		EBIT margin (%)		EV/sales (x)		EV/EBITDA (x)		P/E (x)	
	Share price (local)	MV (US$m)	EV (local m)	FY26	FY27	FY26	FY27	FY26	FY27	FY26	FY27	FY26	FY27	FY26	FY27	FY26	FY27
ASOS PLC	215.50	347	667	(2)	1	47.7	48.8	6.9	7.8	1.1	1.5	0.28	0.28	4.0	3.5	N/A	N/A
Boohoo Group PLC	17.50	381	470	(8)	0	56.4	60.2	6.1	7.2	0.7	1.7	0.59	0.59	9.6	8.1	3.1	1.3
Boozt AB	102.70	708	5,902	3	6	38.1	38.1	9.0	9.5	5.8	6.4	0.69	0.65	7.6	6.8	16.9	14.4
Calida Holding AG	13.44	130	107	2	4	N/A	N/A	N/A	N/A	1.7	3.5	0.49	0.47	N/A	N/A	39.5	16.5
LuxExperience BV	8.76	1,202	797	37	7	46.3	47.1	(0.6)	N/A	(1.4)	1.4	0.31	0.29	N/A	N/A	N/A	46.5
SRP Groupe SA	0.67	93	90	(14)	2	N/A	N/A	N/A	N/A	(6.2)	(5.1)	0.19	0.18	N/A	N/A	N/A	N/A
Zalando SE	21.98	6,805	5,316	14	6	40.2	40.6	7.1	8.0	4.1	5.0	0.38	0.36	5.3	4.4	15.8	11.7
Global Fashion Group SA	0.44	117	13	2	4	47.4	47.9	2.7	4.2	(3.5)	(1.4)	0.02	0.02	0.7	0.4	N/A	N/A
Average - fashion e-commerce				**4**	**4**	**46.0**	**47.1**	**5.2**	**7.4**	**0.3**	**1.6**	**0.37**	**0.35**	**5.5**	**4.7**	**18.8**	**18.1**
Median - fashion e-commerce				**2**	**4**	**46.9**	**47.5**	**6.5**	**7.8**	**0.9**	**1.6**	**0.34**	**0.32**	**5.3**	**4.4**	**16.3**	**14.4**
Amazon.com Inc	238.38	2,563,599	2,529,865	12	12	51.0	52.1	22.6	24.7	12.3	13.6	3.14	2.81	13.9	11.4	30.6	25.1
Bike24 Holding AG	2.97	153	152	9	9	27.9	27.8	6.4	6.8	1.8	3.1	0.48	0.44	7.5	6.5	28.3	15.6
Revolve Group Inc	24.56	1,754	1,462	9	8	53.7	54.2	6.8	7.3	5.9	6.7	1.10	1.02	16.1	14.0	27.4	22.9
Vente-Unique.Com SA	14.00	160	116	6	6	59.0	59.0	N/A	N/A	4.7	4.8	0.53	0.50	N/A	N/A	16.3	12.6
Westwing Group SE	14.70	339	227	6	7	53.4	53.8	7.6	8.3	4.4	5.4	0.48	0.45	6.3	5.3	14.7	11.2
Platform Group SE & Co KgaA	2.58	62	175	87	11	32.4	32.8	8.2	8.1	7.4	7.2	0.18	0.16	2.2	2.0	1.1	0.9
Alibaba Group Holding Ltd	127.33	304,542	2,070,257	9	12	40.7	41.6	12.5	15.4	8.1	10.8	1.87	1.67	14.9	10.8	2.7	1.9
JD.com Inc	112.30	45,717	241,658	6	6	15.6	15.9	1.8	2.5	1.5	2.4	0.17	0.16	9.5	6.6	10.0	7.5
Jumia Technologies AG	6.92	857	790	20	23	59.2	59.1	(11.5)	0.6	(17.8)	(3.9)	3.49	2.83	N/A	464.9	N/A	N/A
MercadoLibre Inc	1,773.96	89,935	92,829	33	24	43.9	44.6	12.9	14.1	10.0	11.0	2.42	1.95	18.7	13.9	34.5	24.9
Average -other e-commerce				**20**	**12**	**43.7**	**44.1**	**7.5**	**9.8**	**3.8**	**6.1**	**1.39**	**1.20**	**11.1**	**59.5**	**18.4**	**13.6**
Median - other e-commerce				**9**	**10**	**47.5**	**48.3**	**7.6**	**8.1**	**5.3**	**6.1**	**0.81**	**0.76**	**11.7**	**10.8**	**16.3**	**12.6**
AKA Brands Holding Corp	10.65	115	206	5	5	58.4	58.9	3.3	4.1	(0.0)	0.8	0.33	0.31	9.8	7.5	N/A	N/A
JJill Inc	11.82	176	208	0	0	68.8	69.0	14.0	1.6	8.8	9.2	0.35	0.35	2.5	22.0	5.5	5.1
Oxford Industries Inc	42.80	637	745	1	3	61.8	62.3	N/A	N/A	3.8	4.3	0.50	0.48	N/A	N/A	18.0	14.4
Revolve Group Inc	24.56	1,754	1,462	9	8	53.7	54.2	6.8	7.3	5.9	6.7	1.10	1.02	16.1	14.0	27.4	22.9
Urban Outfitters Inc	68.60	5,872	5,176	9	7	36.1	36.5	12.0	12.3	9.8	10.0	0.78	0.73	6.5	5.9	11.7	10.7
Average - clothing brands				**5**	**5**	**55.8**	**56.2**	**9.0**	**6.3**	**5.7**	**6.2**	**0.61**	**0.58**	**8.7**	**12.4**	**15.7**	**13.3**
Median - clothing brands				**5**	**5**	**58.4**	**58.9**	**9.4**	**5.7**	**5.9**	**6.7**	**0.50**	**0.48**	**8.1**	**10.7**	**14.9**	**12.5**
LightInTheBox Holding Co Ltd	2.25	35	15	12	12	65.6	66.3	5.1	6.4	4.5	5.8	0.06	0.05	1.1	0.8	3.6	2.5

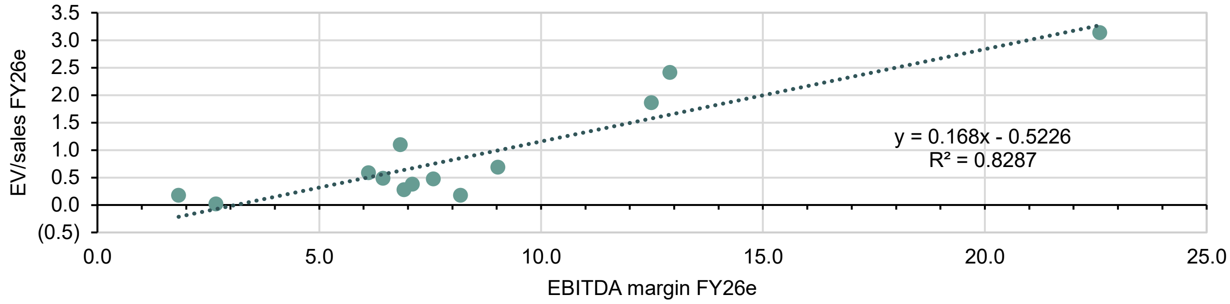
Source: LSEG Data & Analytics, Edison Investment Research. Note: Prices at 12 April 2026.

Our broad observations from the valuation table are:

- The fashion e-commerce companies are trading at low EV/sales multiples, with a median and average of c 0.35x, which reflects their relatively low levels of operating profitability. The profitability of the companies varies significantly, with some loss-making and the highest reporting an FY26e operating margin of 5.8%.
- The other e-commerce companies are trading at higher EV/sales multiples, with an FY26 average of c 1.4x and a median of 0.8x, and the companies typically operate with higher average levels of profitability than the fashion e-commerce companies, albeit there is a wide range of profitability in the group.
- The clothing brands sit between the above two sets of peers from a valuation perspective despite slightly better overall levels of profitability.

There is a high correlation between prospective FY26e EV/sales and FY26e EBITDA margin for the combined e-commerce companies with an R-squared of almost 0.83.

Exhibit 11: Correlation analysis of e-commerce peer multiples and profitability



Source: LSGE Data & Analytics, Edison Investment Research. Note: Prices at 6 April 2026.

Applying the line-of-best-fit equation to our FY26e EBITDA margin for LITB gives an implied EV/sales multiple for the company of 0.34x and a valuation of US$6.80 per ADS. In our calculation we assume all the treasury shares are cancelled. Our valuation is prior to any discount to reflect the company's small market capitalisation, low free float, risk of delisting, execution risk of generating sustainable revenue and profit growth, and its corporate shareholding structure.

Exhibit 12: Financial summary

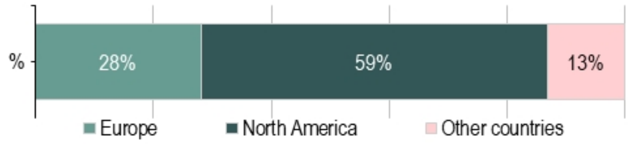
US$m	2020	2021	2022	2023	2024	2025	2026e	2027e
31-December	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP
INCOME STATEMENT								
Revenue	**398.2**	**446.1**	**503.6**	**629.4**	**255.3**	**224.3**	**251.8**	**281.0**
Cost of Sales	(222.0)	(239.4)	(228.5)	(269.5)	(101.8)	(78.4)	(86.1)	(94.1)
Gross Profit	176.2	206.7	275.1	359.9	153.5	145.9	165.7	186.9
Adjusted EBITDA	**22.8**	**27.9**	**(9.5)**	**(6.3)**	**(0.1)**	**9.9**	**13.0**	**18.0**
Depreciation and amortisation	(2.4)	(3.3)	(3.4)	(3.2)	(2.2)	(1.6)	(1.5)	(1.5)
Share-based payments	(3.6)	(1.4)	(0.3)	(0.4)	(0.3)	(0.1)	(0.1)	(0.1)
Reported operating profit	**3.9**	**(16.1)**	**(14.2)**	**(10.4)**	**(2.2)**	**8.0**	**11.4**	**16.4**
Net Interest	0.0	0.0	0.1	0.3	0.1	(0.0)	(0.0)	(0.0)
Exceptionals	12.9	39.3	(55.1)	0.5	(0.4)	0.3	0.0	0.0
Profit Before Tax (reported)	**16.8**	**23.3**	**(69.3)**	**(9.5)**	**(2.5)**	**8.2**	**11.4**	**16.4**
Reported tax	(3.4)	(9.8)	12.7	(0.0)	0.0	0.1	(0.1)	(0.2)
Profit After Tax (reported)	**13.3**	**13.5**	**(56.6)**	**(9.6)**	**(2.5)**	**8.3**	**11.3**	**16.2**
Minority interests	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (reported)	**13.4**	**13.8**	**(56.6)**	**(9.6)**	**(2.5)**	**8.3**	**11.3**	**16.2**
Basic average number of shares outstanding (m)	18.4	18.9	18.9	18.8	18.4	18.3	18.0	17.9
EPS - basic reported (US$])	0.72	0.70	(3.00)	(0.51)	(0.14)	0.45	0.63	0.90
EPS - fully diluted reported (US$)	0.71	0.73	(3.00)	(0.51)	(0.14)	0.45	0.63	0.90
Revenue growth (%)	63	12	13	25	(59)	(12)	12	12
Gross Margin (%)	44.2	46.3	54.6	57.2	60.1	65.0	65.8	66.5
Adjusted EBITDA Margin (%)	5.7	6.3	(1.9)	(1.0)	(0.0)	4.4	5.2	6.4
Operating Margin	1.0	(3.6)	(2.8)	(1.7)	(0.9)	3.6	4.5	5.8
BALANCE SHEET								
Fixed Assets	**73.2**	**111.5**	**48.8**	**41.3**	**42.4**	**37.9**	**37.9**	**37.9**
Intangible Assets	39.2	38.7	33.8	31.0	29.4	30.0	30.0	30.0
Tangible Assets	16.1	14.9	13.8	9.3	12.1	7.4	7.4	7.4
Investments & other	18.0	57.9	1.2	1.0	0.9	0.5	0.5	0.5
Current Assets	**84.8**	**83.9**	**116.0**	**85.0**	**27.0**	**34.1**	**51.5**	**73.9**
Stocks	9.9	12.0	14.3	5.8	3.6	4.9	5.5	6.0
Debtors	1.3	1.6	0.7	0.6	1.0	1.4	1.5	1.7
Cash & cash equivalents	65.5	59.6	94.6	71.7	19.7	25.9	42.6	64.4
Other	8.1	10.7	6.5	6.9	2.6	1.9	1.9	1.9
Current Liabilities	**(96.9)**	**(109.9)**	**(154.1)**	**(132.5)**	**(77.6)**	**(74.0)**	**(81.0)**	**(88.1)**
Creditors	(17.0)	(23.5)	(26.5)	(15.8)	(10.4)	(12.3)	(13.7)	(15.0)
Short term borrowings	(4.3)	(3.8)	(5.0)	(5.0)	(4.7)	(3.5)	(3.5)	(3.5)
Other	(75.6)	(82.6)	(122.6)	(111.6)	(62.4)	(58.2)	(63.8)	(69.6)
Long Term Liabilities	**(11.8)**	**(21.6)**	**(6.8)**	**(2.2)**	**(5.0)**	**(2.0)**	**(2.0)**	**(2.0)**
Long term borrowings	(8.2)	(7.9)	(6.6)	(1.9)	(4.8)	(1.9)	(1.9)	(1.9)
Other long term liabilities	(3.6)	(13.6)	(0.2)	(0.3)	(0.2)	(0.1)	(0.1)	(0.1)
Net Assets	**49.4**	**63.9**	**3.9**	**(8.4)**	**(13.2)**	**(4.0)**	**6.4**	**21.7**
Minority interests	(0.1)	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0
Shareholders' equity	**49.3**	**63.8**	**3.9**	**(8.4)**	**(13.2)**	**(4.0)**	**6.4**	**21.7**
CASH FLOW								
Operating cash flow	**29.3**	**(1.8)**	**35.8**	**(20.7)**	**(48.2)**	**6.2**	**19.2**	**24.2**
Capex	(1.6)	(1.0)	(0.7)	(1.1)	(2.2)	0.0	(1.5)	(1.5)
Other investing cash flows	(0.2)	(0.7)	2.7	0.1	(0.1)	0.0	0.0	0.0
Net share issuance	(2.7)	0.3	0.0	(2.3)	(1.2)	(0.7)	(1.0)	(1.0)
Other financing cash flows	(1.0)	(1.6)	(0.0)	(0.0)	0.7	0.0	0.0	0.0
Net cash flow	23.8	(4.8)	37.8	(24.1)	(51.0)	5.5	16.7	21.7
Opening cash	**40.4**	**65.5**	**59.6**	**94.6**	**71.7**	**19.7**	**25.9**	**42.6**
FX	1.3	(1.1)	(2.9)	1.2	(1.0)	0.7	0.0	0.0
Closing cash	**65.5**	**59.6**	**94.6**	**71.7**	**19.7**	**25.9**	**42.6**	**64.4**
Closing net debt/ (cash) excluding leases	**(65.4)**	**(59.5)**	**(94.5)**	**(71.7)**	**(19.1)**	**(25.2)**	**(41.9)**	**(63.7)**
Closing net debt/(cash) including leases	**(53.0)**	**(47.9)**	**(83.0)**	**(64.7)**	**(10.2)**	**(20.5)**	**(37.2)**	**(58.9)**

Source: LightInTheBox accounts, Edison Investment Research

Contact details

Principal executives offices are located at:
4 Pandan Crescent
#03-03 Logos eHub,
Singapore
128475
Telephone: +65 6305 9667
Website: Investor Relations Home | LightInTheBox Holding Co Ltd

Revenue by geography



Management team

Chairman: Zhi Yan

Zhi Yan has served as chairman of the board of directors and director since August 2024. Mr Yan has extensive investment and corporate management experience in various industries, including commercial property, wholesale markets, finance, real estate, logistics, commerce and aviation. Mr Yan is the founder, CEO and chairman of the board of directors of Zall Smart Commerce Group (HKSE Code: 2098). He is also a non-executive director and chairman of the board of directors of Wuhan Hanshang Group (SSECode: 600774), as well as an independent director of DouYu International Holdings Limited (Nasdaq: DOYU).

Chief executive officer: Jian He

Jian He has served as CEO and director since November 2018 and served as chairman of the board of directors from March 2023 to August 2024. Prior to joining LITB, he was the founder and CEO of Ezbuy, a Singapore-based leading cross-border e-commerce platform founded in 2010, which LITB acquired in December 2018. Prior to founding Ezbuy, he worked in the semiconductor industry for nine years, including at GlobalFoundries and SMIC.

Chief financial officer: Suhai Ji

Suhai Ji joined the company in February 2025 and was appointed as CFO in May 2025. Prior to joining LITB, he served as the CFO at several private and publicly listed companies, including EDDA Healthcare and Technology Holding Limited from April 2021 to March 2024, Zhaogang.com from November 2019 to January 2021, CDP Group from August 2017 to January 2019, Guanghua Education Group from June 2016 to August 2017 and Tarena International from September 2013 to March 2016.

Principal shareholders	%
Zall Development Group (controlled by Zhi Yan)	23.2%
Conner Growth Holding (controlled by Jian He)	22.6%
AOGANG International (Hong Kong) Corporation (controlled by Zhentao Wang)	11.4%
IDG Capital Partners	5.7%
Zhi Yan	5.2%
Jian He	1.8%

EDISON

General disclaimer and copyright

This report has been commissioned by LightInTheBox Holding and prepared and issued by Edison, in consideration of a fee payable by LightInTheBox Holding. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or sol icitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.