

LightInTheBox Holding

Proprietary brands provide momentum in Q126

Q126 results

LightInTheBox's (LITB's) Q126 results confirm its evolution from a low-margin cross-border e-commerce platform to a higher-quality, branded consumer platform capable of generating sustainable profit. The key takeaways from the results are strong growth for its proprietary brands, a stable gross margin and improved operational gearing as LITB continues to benefit from operating efficiencies and headcount reduction. These indicate the turnaround is gaining traction, which should be supportive for a re-rating towards peer-based multiples.

Year end	Revenue (\$m)	EBITDA (adj) (\$m)	PBT (\$m)	EPS (\$)	P/E (x)	EV/Adj EBITDA (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	5.7	3.0
12/26e	251.8	13.0	11.4	0.63	4.2	2.3
12/27e	281.0	18.0	16.4	0.90	2.9	1.6

Note: PBT and EPS are reported. EPS is per ADS.

Q126 strong revenue growth and operational gearing

For the second consecutive quarter, LITB reported double-digit revenue growth, increasing c 11% y-o-y to US\$52.0m. In absolute terms, all the revenue growth was from the proprietary apparel brands, which grew 81% to represent c 24% of total revenue in Q126 (vs c 15% in Q125). While the repositioning of the legacy website during Q125 provides a relatively easy comparative, with an overall revenue decline of c 34% for the group versus Q124, the legacy website's revenue was broadly stable in Q126 vs Q125. Services and other revenue, which is relatively immaterial at c 4% of group revenue, continued its decline, reducing c 14%. The overall gross margin of 65.0% was broadly stable versus Q125's 65.2%, with a slightly lower gross margin for Product sales and higher gross margin for Services and other. Further down the income statement, we see good operational leverage of fulfilment costs, which declined on a relative basis (ie relative to revenue for the second consecutive quarter), and G&A costs, which have declined on a relative basis for four consecutive quarters. These were partially offset by a further relative increase in selling and marketing, which, at 47.3% of sales versus 46.6% in Q125, remain the most important constituent of opex. These netted out to give a strong increase in adjusted EBITDA, which more than doubled to c US\$1.5m, and operating income, which increased more than eightfold to US\$1.1m. The positive net income helped move the negative net asset position to c US\$2.8m (end FY25: US\$4.0m).

Q126 results supportive of FY26 forecasts

The first quarter of the year is typically a seasonally small quarter from a financial perspective; however, Q126's results are supportive of our FY26 estimates. LITB generated c 21% of our FY26 revenue and c 11% of our adjusted EBITDA estimates in Q126, which are in line with or slightly better than Q125's contribution (revenue of c 21% and adjusted EBITDA of c 6%) to FY25's results.

Valuation: Peer multiples suggest strong upside

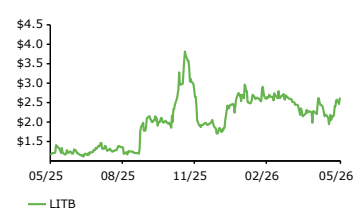
The update of the correlation analysis in our [initiation](#) suggests an appropriate EV/sales multiple for LITB is 0.34x FY26e sales, which is an ADS price of US\$6.24.

Consumer

14 May 2026

Price	\$2.60
Market cap	\$40m
Net cash/(debt) at 31 March 2026 including lease liabilities	\$10.9m
ADS in issue (net of 2.5m treasury)	15.5m
Free float	34.0%
Code	LITB
Primary exchange	NYSE
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	18.0	(3.5)	96.6
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

H126 results August 2026

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LightInTheBox Holding is a research client of Edison Investment Research Limited

Exhibit 1: 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	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.

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