

GLOBAL FASHION GROUP CONTINUES GROWTH WITH STRONG THIRD QUARTER AND GUIDANCE RECONFIRMED

Luxembourg, 13th November 2019 – Global Fashion Group S.A. (GFG), the leading online fashion and lifestyle destination in growth markets, has delivered its strongest growth in Net Merchandise Value (NMV) this year.

- **Net Merchandise Value (NMV) increased by 24.1% on a constant currency basis to €433.8m. Revenue growth was 18.7% on a constant currency basis as Marketplace share continues to grow, now at 22% of NMV.**
- **Active Customers reached 12.4 million, growing by 15.0% with NMV per Active Customer also continuing to increase, by 6.9% to €134.9.**
- **Number of orders grew by 20.8% to 8.5 million. Customers are purchasing 7.5% more often at 2.6 times per year with a 2.8% increase in their average order value.**
- **Adjusted EBITDA margin was (2.8)% delivering an improvement of 3.1 percentage points (pp) year-on- year.**

Christoph Barchewitz and Patrick Schmidt, GFG Co-Chief Executive Officers, said:

“We had a strong third quarter with a good step up in NMV. We have focussed on enhancing our market leading customer experience through broadening our assortment, enhancing our app functionalities and further cementing sustainability as a key pillar of our business - all through our ongoing excellent localised execution. In this way, we continue to invest across our early stage markets, strengthening our growth and path to profitability even further.”

GFG continues to evolve its assortment strategy with the launch of over 440 fashion & lifestyle brands in Q3 and the introduction of new categories and more exclusive brand collaborations and products. GFG also launched its first sustainable own brand, AERE, and appointed its first Chief Sustainability Officer to ensure sustainability is integrated into every part of the business.

Operational developments further enhanced the delivery experience offered in CIS through an expanded network of pick-up points. 45% of all orders shipped in Q3, were delivered via 300 own pick-up points and over 12,000 third-party pick-up points.

Innovations in app functionality have continued to deliver new levels of customer engagement and strengthened GFG’s app-first approach. Our apps were downloaded over 9 million times and generated 50% of NMV in Q3, up 7 percentage points compared to the same period last year.

Gross margin for the quarter was 40.5%, improving 4.3pp on Q3 last year. The rate of growth was flattered by soft performance in CIS in Q3 2018.

GFG’s Adjusted EBITDA margin was (2.8)% in the quarter, improving 3.1pp year on year, driven primarily by improved gross margin.

Following the receipt of €186m IPO proceeds in the quarter, GFG has €277m of cash on a pro-forma basis, including restricted cash and cash on deposit, as at 30th September 2019.

The overall guidance provided in the H1 management report is reconfirmed.

The Group forecasts NMV growth between 20-23% on a constant currency basis, growing to €1.7-€1.8bn. The Group forecasts revenue to grow to above €1.3bn, whilst continuing to make further progress towards Adjusted EBITDA break-even. We continue to forecast our 2019 capex investment to be around €80m, with €41m invested to date.

Key Performance Indicators

| | 9M 2018 | 9M 2019 | Q3 2018 | Q3 2019 |
|-----------------------------------|---------|---------|---------|---------|
| NMV EURm | 1,001.1 | 1,224.0 | 335.9 | 433.8 |
| <i>% Constant Currency Growth</i> | 22.5% | 23.0% | 23.7% | 24.1% |
| <i>% EUR Growth</i> | 6.3% | 22.3% | 7.1% | 29.2% |
| Active Customers m | 10.8 | 12.4 | 10.8 | 12.4 |
| <i>% Growth</i> | 15.0% | 15.0% | 15.0% | 15.0% |
| NMV / Active Customer EUR | 129.7 | 134.9 | 129.7 | 134.9 |
| <i>% Constant Currency Growth</i> | 6.9% | 6.9% | 6.9% | 6.9% |
| <i>% EUR Growth</i> | (5.2%) | 4.0% | (5.2%) | 4.0% |
| Number of Orders m | 19.6 | 24.3 | 7.1 | 8.5 |
| <i>% Growth</i> | 21.3% | 24.2% | 24.8% | 20.8% |
| Order Frequency | 2.5 | 2.6 | 2.5 | 2.6 |
| <i>% Growth</i> | 5.3% | 7.5% | 5.3% | 7.5% |
| Average Order Value EUR | 51.1 | 50.4 | 47.5 | 50.8 |
| <i>% Constant Currency Growth</i> | 1.0% | (0.9%) | (0.9%) | 2.8% |
| <i>% EUR Growth</i> | (12.4%) | (1.5%) | (14.2%) | 6.9% |

Key Financials

| | 9M 2018 | 9M 2019 | Q3 2018 | Q3 2019 |
|-----------------------------------|---------|---------|---------|---------|
| Revenue EURm | 799.3 | 928.3 | 264.6 | 325.1 |
| <i>% Constant Currency Growth</i> | 19.2% | 16.9% | 18.3% | 18.7% |
| <i>% EUR Growth</i> | 4.2% | 16.1% | 3.2% | 22.8% |
| Gross Profit EURm | 311.3 | 370.9 | 95.9 | 131.5 |
| <i>% Margin of Revenue</i> | 38.9% | 40.0% | 36.2% | 40.5% |
| Adjusted EBITDA EURm | (45.9) | (37.8) | (15.6) | (9.1) |
| <i>% Margin of Revenue</i> | (5.7%) | (4.1%) | (5.9%) | (2.8%) |
| Capex EURm | 26.3 | 40.8 | 11.6 | 16.2 |

Further Information

KPI definitions, financial definitions and reconciliations to IFRS figures are available in the Q3 2019 financial report.

To read GFG's full Q3 19 financial report, please visit

<https://ir.global-fashion-group.com/websites/globalfashion/English/1030/publications.html>

The report is also available on the officially appointed mechanism for the central storage of regulated information in Luxembourg (OAM) referred to in Article 20 of the Luxembourg Transparency Law.

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Forward looking information

This announcement contains forward-looking statements. Forward-looking statements should not be construed as a promise of future results and developments and involve known and unknown risks and uncertainties. Various factors could cause actual future results, performance or events to differ materially from those described in this announcement, and neither the Company nor any other person accepts any responsibility for the accuracy of the opinions expressed in this announcement or the underlying assumptions.

About Global Fashion Group

Global Fashion Group is the leading fashion and lifestyle retail destination in Asia Pacific, Latin America and CIS. We connect over 10,000 global, local and own brands to a market of more than one billion consumers through four established e-commerce platforms: THE ICONIC, ZALORA, dafiti and lamoda. Through an inspiring and seamless customer experience enabled by our own technology ecosystem and operational infrastructure, we are dedicated to being the #1 fashion and lifestyle destination in our markets. With 17 offices and 10 fulfilment centres across four continents, GFG proudly employs a dynamic and diverse team with deep local knowledge and expertise. In the 9 months of 2019, GFG delivered over 24.3 million orders to 12.4 million Active Customers. ISIN: LU2010095458.