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PRESENTATION

Operator
Good morning, ladies and gentlemen, and thank you for standing by. Welcome to the Global Fashion Group Q4 2019 Results Webcast and Conference Call. (Operator Instructions)

Christoph Barchewitz ***Global Fashion Group S.A. - Co-CEO & Director***
Good morning everyone here in the room in London and everyone joining us on the webcast as well.

Welcome to the presentation of Global Fashion Group's Results for the Fourth Quarter of 2019. I'm Christoph Barchewitz, Co-CEO of Global Fashion Group, and I'm here today with my co-CEO, Patrick Schmidt; and our CFO, Matthew Price.

We will start by taking you through our results released this morning. After that, we will open it up for Q&A. At 10:00 a.m. U.K. time or 11 a.m. CET, we will then kick off our Capital Markets Day, which you can join via a separate webcast available on our website.

I will start by giving you an overview of our key financial highlights and our business developments for the quarter. Matthew will then take you through the financial results in more detail and also present our guidance for 2020.

Please turn to Page 3, which provides a snapshot of our financial highlights. As usual, we will focus on constant currency growth rates today.

We generated net merchandise value of EUR 554 million during the quarter, up 23% year-on-year. Our continued commitment to the customer value proposition helped our active customer base grow 17%

over the same period to reach $13.1 million.

Our customers placed 10.3 million net orders in the quarter, 20% more than the same period last year.

This was our first ever profitable quarter. We ended the quarter with a gross margin of 40.4% and an adjusted EBITDA margin of 0.2%. At the end of Q4, we had a pro forma cash balance of EUR 301 million.

Let's turn to Page 4. These are our first full year results since IPO, and we have hit our guidance on every metric.

On NMV, we have delivered results at the upper end of our guidance in both absolute terms and constant currency growth. That has dropped through to revenue. And we've made further progress to breakeven, growing our adjusted EBITDA margin by 1.5 percentage points.

Finally, on Capex, we have spent slightly less than our guidance driven predominantly by phasing of CapEx for our new Brazilian fulfillment center.

Let's move on now to the key business developments behind our strong performance. Please turn to Page 5. In the fourth quarter of 2019, we executed our largest ever seasonal trading events. As a global business, this means engaging in multiple seasonal trading days throughout the period. These include Black Friday, Cyber Monday in all our markets as well as 10/10, 11/11, 12/12 in Southeast Asia specifically. As a result, we saw significant volumes over these seasonal trading days. Our systems handled over 70 million site visits and processed over 2 million orders. We used the opportunity to acquire about 400,000 new customers. NMV generated from these seasonal trading days grew by over 35% year-on-year.

Let me now turn to Page 6. We continue to build a differentiated assortment, which is a key part of providing an inspiring and seamless experience for our customers as well as a testament to our ability to partner with brands. We continued to be the exclusive online partner for major global brands, especially in markets that are difficult for brands to access.

We launched several major global brands in our regions in Q4. Let me call out a few of these. We launched Gap and Ralph Lauren in LATAM and Swatch in Russia. For these brands, we are now the only multi-brand online platform that sells them in most of these markets.

In CIS, we developed our beauty category by launching multiple brands, including from The Estée Lauder group. We've also previously spoken about our growing focus on sustainability and being on the front foot in reacting to and also shaping customer demand.

To that end, we have launched our first resale model for pre-loved goods by partnering with a luxury resale platform in Southeast Asia. Despite only launching in December, we already have over 5,000 pre-loved items listed on our marketplace platform.

On Slide 7, we highlight some of the latest technology innovations that support our ability to deliver superior customer experience. The rollout of many of these features has been facilitated by our strong culture of knowledge sharing across the group. For example, in Southeast Asia, we have rolled out 2 features, complete the look; and follow the brand on our local app, which we initially launched in Australia. Both these features are enjoying very healthy adoption rates of 10% or above in Southeast Asia.

We've also improved our search autocorrect function and added 2 new local payment methods. The introduction of these options is really important for enabling more customers to shop on our platforms. We also share knowledge in our size and fit technology. Following its launch in CIS, virtual try-on for footwear is now live in Australia.

Similarly, LATAM has added sizing recommendation to its apps, leveraging capabilities from our other regions. As you can see, our business has made great progress on multiple fronts in Q4.

Overall, we have made significant progress across key areas of the business during Q4. And I'd now like to talk about how these initiatives have impacted our performance.

Let's turn to Page 9. In the fourth quarter of 2019, NMV grew by 23% year-on-year to reach EUR 554 million. 22% of that was generated through our marketplace model, with growth predominantly coming from CIS. We achieved such strong NMV growth by delivering 10.3 million orders in the quarter, up 20.3% year-on-year. We maintained a profitable average order value of EUR 53.6, an increase of 2.1% year-on-year, again, driven by CIS.

Let's now turn to Page 10. Our active customer base grew 17% year-on-year to reach $13.1 million. Our customers also ordered more frequently with average order frequency reaching 2.6x over full year 2019. As a result, NMV per active customer grew over 5% year-on-year to reach EUR 136, demonstrating that our customer-led strategy is paying off. We see growing frequency and earning a bigger share of our customers' fashion spend as a key opportunity going forward.

Diving deeper into our regions on Page 11, we can see how the growth dynamics look across each of our segments. Active customers grew the fastest in APAC, increasing nearly 22% year-on-year. The APAC region has the largest population of all our segments, but includes markets with some of the lowest online fashion penetration. So we see significant potential in this region. Overall, APAC NMV grew in line with this at 20%, despite the impact of the bush fires on trading in Australia. The impact of the bush fires on consumer sentiment and logistic networks has been felt by our business especially in December during the worst of the crisis.

LATAM, which is already our largest by size of the customer base, grew active customers by a pleasing 18%. Helped by a 3.5% uplift in NMV per active customer, overall, NMV grew by nearly 24%.

CIS was again our strongest segment this quarter. From an NMV perspective, up by over 25%. Strong execution and continued success of the marketplace model has driven this despite a warm winter impacting some categories. We therefore saw NMV proactive customer in CIS grew by a very healthy 13.6%. All in all, we are very pleased with the strength of the growth across all regions and metrics.

I'll now hand over now to Matthew to take you through the financials in more detail.

Matthew Price ***Global Fashion Group S.A. - CFO & Director***

Good morning. Thank you very much, Christoph. I'm going to have a look at the financials.

We delivered another consistently strong quarter of revenue growth at 17.7%, achieving EUR 418 million of revenue. This resulted in full year revenues of EUR 1.3 billion, up 17.2% on a constant currency basis. Our gross profit grew to EUR 169 million from EUR 138 million and gross margin increased 1.6 percentage points to 40.4%.

Retail gross margin was stable as a result of focusing on currencies and sell-through rates and using data to optimize promotions. And marketplace added over 1 percentage point to gross margin as participation increased to 22% in Q4 from 17% in the prior year.

For the full year, we delivered EUR 540 million of gross profit at a margin of 40.1%, an expansion of 1.2 percentage points year-on-year.

I'm delighted that we had our first ever profitable quarter as a group,at an adjusted EBITDA level, delivering EUR 0.7 million of profit at a margin of 0.2%. This is an improvement of 1.3 percentage points on last year.

All this resulted in a full year adjusted EBITDA loss of EUR 37.1 million, a margin of minus 2.8%, up 1.5 percentage points year-on-year.

I'll now move on to Page 14 and describe the drivers of this improvement in profitability. For the full year, our gross margin expanded by 1.2 percentage points. We saw stable retail margins, enhanced by our extra marketplace share. At 24.1%, our fulfillment costs increased year-on-year by 1.1% of revenue. This is a result of very rapid marketplace development in CIS, where we carry out marketplace fulfillment ourselves. We record the total fulfillment costs in our cost line, but only the marketplace commission in our revenue line. As a percentage of NMV, our fulfillment cost ratio remained flat year-on-year.

Our marketing cost income ratio is stable, whilst delivering the fastest active customer growth in recent years. The tech and admin cost ratio improved by 0.2 percentage points year-on-year. And this resulted in an adjusted EBITDA margin of minus 2.8%, a 1.5 percentage point improvement.

We excluded EUR 21.2 million of adjusted items from this measure and the EUR 5.2 million of share-based payments.

Moving on now to look at CapEx and working capital on the next slide. We invested EUR 72 million of CapEx over the course of the year, up from EUR 42 million in 2018. This reflects fulfillment center investments, the majority of which is for the new fulfillment center in Brazil. Our investment in technology has also increased year-on-year to EUR 23 million in 2019. We ended the year with EUR 300 million of cash for future investments in the business, and this includes EUR 23 million of cash, either on deposit or restricted under the terms of our RCF.

We have not made any drawings on the EUR 50 million RCF and our EUR 5 million local working capital facility in the Philippines remains fully drawn. Negative year-end working capital is actually very similar to last year's level.

We saw consistently strong financial performance across all regions in the quarter. APAC revenue grew by 21.6%, slightly ahead of NMV growth due to increase in fashion service income across the region. Gross margin also grew there by 1.4 percentage points, which reflects this and the increased marketplace share.

LATAM revenue grew 19.3% in the quarter, slightly below NMV growth. Gross margin fell by 0.5 percentage points, driven predominantly by country mix in the region.

CIS revenue grew by 14%, significantly slower than NMV growth due to the increased marketplace participation. Gross margin improved by 3.6 percentage points from the increased marketplace participation and the improved retail margins.

Now to take you through guidance for 2020. We're currently cautious on our level of NMV growth, the impact on the Australian consumer of the bushfires together with a warm winter in Russia, means we're expecting the year to get off to a slightly slower start. As a result, our guidance is the constant currency growth of 17% to 20% for the year. This equates to at least EUR 2 billion of NMV at December 31, 2019 exchange rates, and we expect revenues of about EUR 1.5 billion at the same exchange rates.

We're not reflecting any uncertainty arising from the unfolding coronavirus situation in our guidance because it's very difficult to quantify. And we anticipate being adjusted EBITDA profitable, no later than 2021. We'll make continued progress towards this in 2020. We plan for CapEx of around EUR 55 million in 2020. This will then drop to no more than EUR 50 million a year thereafter.

So to sum up, we've delivered on the guidance we set out at IPO, we had another quarter of consistently strong top line growth. And we're pleased to report our first ever profitable quarter. And that concludes our Q4 presentation. We now look forward to taking your questions.

Yes. So I should have said, as you know, we're doing the Capital Markets Day immediately afterwards, so possibly some of the more strategic questions might be better informed to that time.

QUESTIONS AND ANSWERS

Tushar Jain ***Goldman Sachs Group Inc., Research Division - Research Analyst***

Sure. This is Tushar here from Goldman Sachs. Two questions. First of all, on the marketplace. CIS is clearly a contributor. Can you give us more color on how the other regions are developing in terms of the marketplace model?

And second question, can you just give us a little bit more color on the competitive environment in LATAM as well? I think that has been -- especially in Brazil has been quite tight. If you can give us a little more color on how the competition is evolving in LATAM and price investments.

Christoph Barchewitz ***Global Fashion Group S.A. - Co-CEO & Director***

Yes. I'll take those. So marketplace, you're absolutely right. CIS has really been powering away. I think the key here to understand is that because of the fulfilled by GFG model, it's actually quite a bit easier to basically transition brands from a wholesale model into that marketplace model. And I think that's really enabled us. And I think you know from the history that we had a bit of a slower start getting marketplace off the ground in CIS but it's now really accelerated significantly. And that's also helped by some brands that we historically had predominantly or only on wholesale now shifting nearly completely over to marketplace, which is enabled by that model. We don't offer that same fulfilled by model in the same setup in the other regions. And therefore, that's in a way a constraint to some degree. But we see marketplace growing faster than the overall NMV in all of the markets. It's just that the trajectory isn't particularly strong in CIS. We're not expecting for that to dramatically change, and we'll talk more about the marketplace also later in the Capital Markets Day.

When it comes to competition in LATAM and Brazil, particularly, there's certainly a lot of interest in e-commerce in LATAM right now, and we think it's finally materializing. We've been there coming up to 10 years. And we certainly see that the market overall is -- the penetration is moving faster, still in apparel, it's at 1%, maybe 1.5%, maybe 2%, depending on the source that you look at. So we think there's still a lot to solve from a customer value proposition. And the #1 topic that I would highlight is really returns because trying on the product and conveniently returning it is obviously a key pain point for the customer. From a competitive perspective, we see mainly competition from general merchandise players who are generally also quite differently positioned. And we're really deepening our positioning around the fashion credibility, including with some of the international brands. So Gap, Banana Republic, Ralph Lauren, some of those brands that we have exclusively in Brazil are really important to that proposition. We're really trying to differentiate further away from the general merchandise. But there is that competition from the general merchandise side, for sure.

Tushar Jain ***Goldman Sachs Group Inc., Research Division - Research Analyst***

I got a follow-up. For all those brands, you just have the exclusive, so they can't go to any other e-commerce or department store?

Christoph Barchewitz ***Global Fashion Group S.A. - Co-CEO & Director***
Yes. I mean it's usually -- and I think we've talked about this previously. We don't have exclusivity agreement from a legal perspective, but there is an agreement that says, I want to distribute this brand in Brazil, for example, only on your platform because you protect my brand, we do the marketing together, and we're reaching a certain consumer that I believe in. And so we get the factory exclusivity through that proposition.

Patrick Schmidt ***Global Fashion Group S.A. - Co-CEO & Director***
And maybe important to mention that most of these brands -- for example, in Brazil, actually don't have their own brand.com channel. And it seems to be quite hard for them to actually establish that in some of the markets, which I know for Europeans in London probably sounds a bit crazy, but that is something we've seen consistently and the alternative sort of lighter asset approach for this brand is to go with us given that, basically, we offer a turnkey solution even in CIS to the degree that we actually store the product and fulfill them directly to the customer for their brand.com customers as well as, obviously, for the lamoda customers.

Geoffrey Frith Ruddell ***Morgan Stanley, Research Division - MD***
Geoff Ruddell, Morgan Stanley. Can I start by asking about the adjustments to EBITDA? So obviously, you're talking about adjusted EBITDA. Can you talk about what the adjustments, the EUR 22 million, I think you called out, what those were? How much of that was cash? And also what we should be expecting in terms of adjustments in the coming year?

And then separately, the CapEx figure was lower than I was anticipating it being slightly this year. And certainly, the guidance for the coming year was lower as well. So how -- given -- are you not doing things you were going to? You talked about it being a phasing issue. But obviously, if it's lower this year and last year, then does that mean where we -- well, I guess, another question related to that is, where are we at -- with the Brazilian warehouse?

Matthew Price ***Global Fashion Group S.A. - CFO & Director***
Yes, sure. I'll take the first one and let Christoph talk to the Brazilian warehouse, although we've got some really good stuff, including a nice video of that later. We don't want to spoil the robots.

So the adjustments to EBITDA actually very straightforward. So I think we're kind of happy with them, and most of them are cash. So we clearly had share-based payments, which has always been out. IPO-related costs were about EUR 5 million. We were winding down Lost Ink, which was a business that we closed before IPO, that was actually EUR 7.5 million. We had some one-off tax adjustments that went both ways for 5 years, were EUR 14 million. And then we had a bit of non-trading income, which was EUR 6 million the other way.

Geoffrey Frith Ruddell ***Morgan Stanley, Research Division - MD***
What should we expect in the coming year?

Matthew Price ***Global Fashion Group S.A. - CFO & Director***

I think it's really just share-based payments. So I'm not really -- I think the year of IPO and a little bit of a sort of change in the -- which of the businesses we're in and out is something which has happened before. So I'm not really expecting anything very much.

Christoph Barchewitz ***Global Fashion Group S.A. - Co-CEO & Director***

And then to answer the second question, Geoff, on the Brazil fulfillment centers. So we obviously had initially guided to EUR 90 million CapEx at the time of IPO. We took that down to EUR 80 million later in the year, looking at the phasing of how that's falling. And then we've landed at EUR 72 million and that difference really between the EUR 80 million and the EUR 72 million is largely just a bit of CapEx dropping from basically December into January, February. So that's now happened. The Brazilian fulfillment center is from a timetable execution perspective completely on track. So we're not behind in terms of delivering that project. It's just how the payments basically sell relative to how we had planned. And I think it's also a little bit of a function of us being probably rather on the conservative side and how we plan on a cash and CapEx, in particular, going forward. And so I would expect that we close that project. The total investment will be about EUR 42 million and 2/3 of that is roughly happened already last year, and the rest is happening largely this quarter.

Michelle Wilson ***Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst***

Michelle Wilson from Berenberg. Appreciate it's difficult to quantify the potential impact from coronavirus. But could you give us a steer? And just how we should be thinking about potential impact on the demand side but also on the supply chain side?

Patrick Schmidt ***Global Fashion Group S.A. - Co-CEO & Director***

Sure. I think you're right. It is not easy to quantify. What we see is -- what we have seen so far is a slight drop in traffic and conversion rate in both Hong Kong, Taiwan, which are small market for us. We don't have a fulfillment center close by and in Singapore, where we -- which is a bigger market for us, still not material, ultimately. And that impact really has started in beginning of February when essentially, it was clear that this is not just something which is going to affect China, but ultimately, Singapore had a spike in cases during that time as well. I live in the region. So I see the queues in the supermarket. So it's clear that the spend is going from fashion to hand sanitizers and masks. I think that is going to probably continue for those regions for a while, whether that is going to impact other regions, which have very few cases at least officially, like, for example, Brazil or Russia, it's really hard to say or Australia. We're obviously, overall not as badly affected as Europe, for example, given the events from last week. So we're still relatively positive, but there's definitely going to be an impact, and we're obviously monitoring the situation quite closely.

Christoph Barchewitz ***Global Fashion Group S.A. - Co-CEO & Director***

Just to add on maybe on the supply chain. Certainly, that's an industry-wide problem, and everyone is talking about that. We haven't seen that much impact on the business. There's certainly a little bit of rescheduling of intake and things like that, that is happening. But I would say it's a bit elevated relative to what we usually see. It's not dramatic at this point. I think it is helped by the fact that we usually take a lot of inventory in before Chinese New Year. And so that -- for the basically European spring/summer season, that is on the way or largely in the fulfillment center already, especially in some markets, we have quite long lead times. So we don't see much of a supply problem for that season. How that then evolves when factories reopen and how that impacts? We think we have a couple of mitigants: one being very geographically diverse; two, working with 10,000 brands. So there's not a lot of dependency on any single brand or single factory, a single sourcing hub or anything like that. And marketplace, helping us as well to potentially backfill if there's a problem somewhere. But it's an industry-wide dislocation that we expect in disruption. You could also argue that there shouldn't be much of a supply problem, given that demand, in particular, in China has dropped so much. And -- so I think it's a question of what happens on a global basis there that we can't answer, but we monitor very closely, and we track very carefully, and we speak to all the brand partners in terms of what are they expecting and how their factories are doing and what their expectations are.

Patrick Schmidt ***Global Fashion Group S.A. - Co-CEO & Director***

And maybe just to add one more fact to that. Just to clarify, obviously, China is the most important country for us when it comes to supply chain. But given that we're dealing -- that we're in countries where import duties are -- just common players like, for example, in Brazil and Indonesia, we already have essentially local sourcing for both our own brands, but also for our third-party brands, given that it's basically not economical to import apparel from China or even from other countries into Brazil, that supply chain could be impacted as well, second-order effect but probably less so than coming straight from a factory out of China in the case of coronavirus.

Matthew Price ***Global Fashion Group S.A. - CFO & Director***

And if I can just give one number on the supply side because -- demand side, I think, it might help to contextualize it. Singapore and Hong Kong together are about 4% of NMV.

Michelle Wilson ***Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst***

And just on the distribution centers, if you were to have to close a distribution center, is there a region where you'd be particularly exposed to that? Or most regions serve by more than 1 DC?

Christoph Barchewitz ***Global Fashion Group S.A. - Co-CEO & Director***

Well, I mean, we have 10 fulfillment centers, as you know. Certainly, our largest one currently is the one outside Moscow. So if that were to close, certainly, that would have a very significant impact on the business. We are prepared for these types of things, and we've had in the past various external events that have put strain on fulfillment centers because of other illnesses or because of weather disruptions or other things. And so we have -- we believe, we have the protocols in place and the people in place who can respond to that, but in a very, very extreme scenario. Obviously, it could be that a fulfillment center can't be fully operational or can't be operational at all. The largest other ones are in Brazil, where, in a way, what helps us is said, we're now ramping up the new one. And so we have actually currently 3 fulfillment centers. And so it gives us a little bit more flexibility, also some double running costs, as Matthew mentioned. And then the third one is Australia. So the distributed setup, the independence of the different fulfillment centers, we believe it's actually something that defends us, protects us a little bit from potential fallout.

Patrick Schmidt ***Global Fashion Group S.A. - Co-CEO & Director***

And in the worst-case scenario, just to mention, obviously, only 20% of our sales come from marketplace. But more than 50% of our selection comes from marketplace. So if all the lights went out in all 10 fulfillment centers, the customer would certainly see it, but we would still have a large selection of products, in most countries, probably more than 50,000 products online. Many brands are actually on hybrid, meaning they're on wholesale and their own marketplace. So it would definitely affect us a lot, but we have a bit of a backup naturally because of our marketplace model.

Tobias Sittig ***MainFirst Bank AG, Research Division - Head of Equity Research Germany & Senior Equity Analyst***

Tobias Sittig from MainFirst. Just on your cash flow projections, could you give us an indication of the leasing payments that you expect for 2020? And also working capital, do you expect that to be broadly stable at the lower levels that we're currently seeing? Or do you expect any significant movements there?

Matthew Price ***Global Fashion Group S.A. - CFO & Director***

Yes. I mean we're giving -- might be worth waiting for Capital Markets Day to give an awful lot more color around cash flow going forward there. But I mean, our lease payments in the current year, cash -- forget all the IFRS 16 nonsense, were EUR 28 million. They go up a bit by inflation plus when we open a new fulfillment center, so it's going to be broadly stable into 2020. Working capital, I think, I'll hold till the CMD to provide some more data.

Unidentified Analyst -

You talked earlier about the Chinese supply chain. We've heard sort of anecdotally from other retailers that a lot of the Chinese factories, which shut down have very quickly turned on again. Is that something that you can elaborate?

Patrick Schmidt ***Global Fashion Group S.A. - Co-CEO & Director***

I mean I think it's important to remember that Chinese New Year basically means that factories are closed for minimum 2 weeks, sometimes 4 weeks and the ramp-up is always slow because many workers go home to their home village. And then they might return to another city, to another factory. So that ramp-up period post Chinese New Year, which usually is end of February, beginning of March is always slow. So when we look at the headline saying that all factories are closed beginning of February right after Chinese New Year, that would have happened anyway. We've seen some of our factories, we use ourselves for our own brands, open again. They definitely are not at 100% utilization just because not all workers are there and there are disruptions, but it's certainly starting again, for sure.

Unidentified Analyst -

And in terms of -- you said that a lot of your product is locally sourced. Can you actually quantify how much it is, please?

Patrick Schmidt ***Global Fashion Group S.A. - Co-CEO & Director***

It's very hard for us to quantify because it changes all the time. We are working with hundreds of factories just for our own brand, which is not a huge business. I will talk about that later during the Capital Markets Day as well. And then obviously, with 10,000 brands sourcing from probably each thousands of factories, you can imagine how complex the picture gets in regards to the country of origin, so to speak. What we can say is that for really material countries like Brazil, like Indonesia, a big part, and we're talking double digits here, is sourced locally.

Christoph Barchewitz ***Global Fashion Group S.A. - Co-CEO & Director***

And I mean, maybe just to clarify, also one point. We buy the vast majority of the product locally. It's just then, when you look at the supply chain where it was originally made, where the raw materials come from and the different components, that's very different between markets, and that's what makes it hard. But certainly, for example, Brazil, most of the brands are actually locally manufactured. And even all the clothe and all that stuff is basically made within the country. And so that's probably the market that's most protected from that or the least dependent on China. But we also see brands very quickly shifting volumes to other sourcing locations in Asia, Turkey, et cetera, et cetera. So that will also have an impact in all of this.

James Absolon ***Citibank – Commercial Banker***

James Absolon from Citibank. Just a quick question on the CapEx figure of EUR 55 million. You said you've done 2/3 of the CapEx spend on the Brazil fulfillment center, meaning that leaves about EUR 15 million. What's the additional EUR 30-odd million, which you're going to be spending this year? Can you give a flavor on what's that on?

Matthew Price ***Global Fashion Group S.A. - CFO***

Yes. So yes, I think it's a EUR 12 million still to go on the Brazil center. There's around EUR 20 million of tech CapEx that we expect to see and the rest will be other fulfillment assets and bits and pieces here. There's no major projects, but say, in Russia, we're constantly replenishing the delivery fleet and that kind of thing and small projects. But we think when you get a year where we haven't got a major fulfillment center expansion going on, total CapEx is about EUR 50 million, which is a little bit less than half, take the rest of the fulfillment.

Christoph Barchewitz ***Global Fashion Group S.A. - Co-CEO & Director***

Good. Well, thank you for the questions. We'll take a break here in London, and we'll reconvene at 10:00 a.m. U.K. time, 11 a.m. CET for everyone on the webcast, there's a separate webcast on our website to kick off the Capital Markets Day. Thank you.

Matthew Price ***Global Fashion Group S.A. - CFO & Director***

Thank you.