

#1
FASHION &
LIFESTYLE
DESTINATION IN
LATAM, SEA & ANZ

Q2 2023 RESULTS
PRESENTATION
10 August 2023



WEAK DEMAND IMPACTED VOLUMES AND PROFITABILITY IN Q2

€346.5m

NMV

(14.7)% yoy¹

42.0%

GROSS PROFIT MARGIN

(1.4)ppt yoy

(7.2)%

ADJ. EBITDA MARGIN

(5.7)ppt yoy

10.1m

ACTIVE CUSTOMERS

(19.0)% yoy

5.4m

ORDERS

(28.1)% yoy

2.4

ORDER FREQUENCY

(1.2)% yoy

Note: KPI definitions are included in the Appendix.

(1) Constant currency growth rate.

SEGMENT RESULTS & BUSINESS UPDATES



DELIVERING AGAINST OUR KEY PRIORITIES



- Broad and relevant assortment
- Inspiring and seamless digital experience
- Fast and convenient delivery



- Unlocking complex markets
- Offering flexible business models
- Unrivalled platform services



- Climate action
- Circularity and conscious consumption
- Fair and ethical sourcing

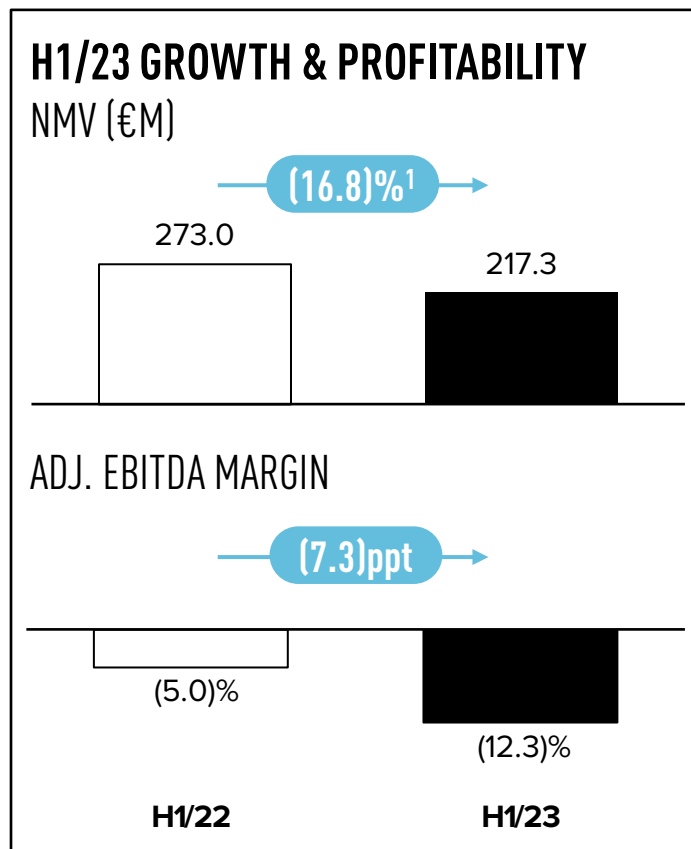
IMPLEMENTING COST ACTIONS ACROSS OUR MARKETS

CAREFUL
MANAGEMENT OF
INVENTORY LEVELS

CUSTOMER
ACQUISITION
DISCIPLINE

RESTRICT OVERHEAD
& CAPITAL
INVESTMENTS

LATAM: EXECUTING OUR STRATEGY IN A CHALLENGING MACRO ENVIRONMENT



Q2/23 KEY METRICS

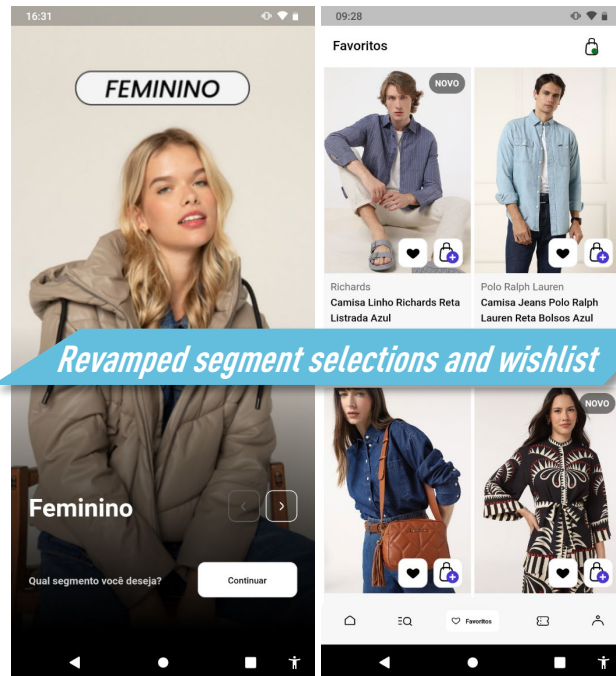
	Q2/22	Q2/23	△22-23
NMV (€M)	163.6	123.0	(19.0)% ¹
Revenue (€M)	99.4	71.8	(22.5)% ¹
Gross Margin (%)	46.0	46.2	0.2ppt
Active Customers² (M)	7.0	5.4	(23.7)%

(1) Constant currency growth rate. Bars are a graphical representation of values on a constant currency basis.

(2) Active Customers is a rolling 12-month KPI.

LATAM: NEW APP AND IMPROVED ASSORTMENT PRODUCTIVITY

ELEVATING CUSTOMER EXPERIENCE WITH THE NEW APP



Revamped segment selections and wishlist

LATEST ANDROID APP
July version

100% rollout
to Brazil user base

>10% uplift
Revenue per Session
on average since January

CURATING OUR ASSORTMENT BRAZIL, CHANGE ON H1/21-23

PLATFORM RATIONALISATION

>55% fewer
Retail & Marketplace brands

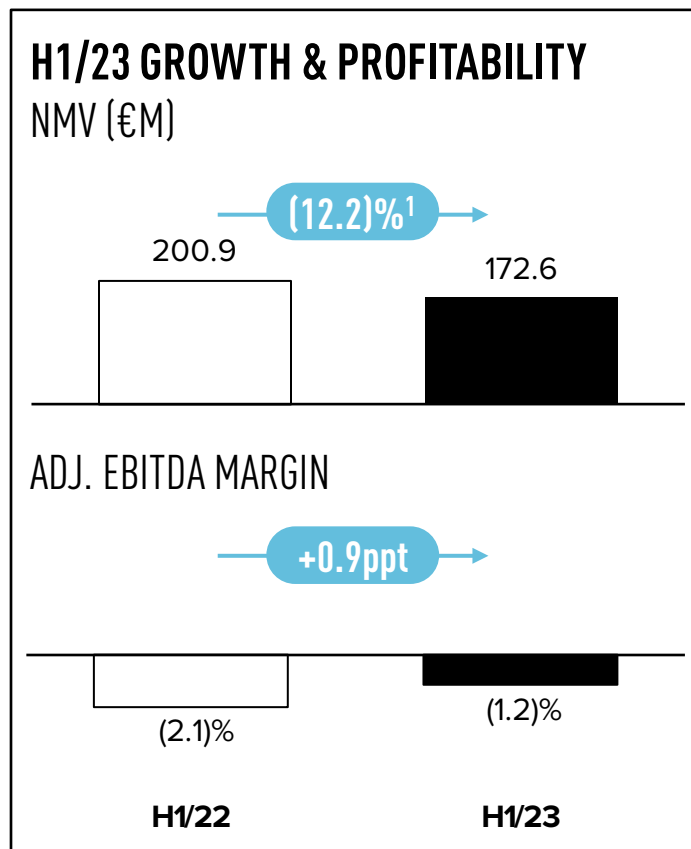
>40% fewer
total SKUs online

MORE PRODUCTIVE & EFFICIENT ASSORTMENT

65% higher
NMV per SKU

44% less
inventory

SEA: FOCUSING ON COST DISCIPLINE TO OFFSET FIXED COST DELEVERAGE



Q2/23 KEY METRICS

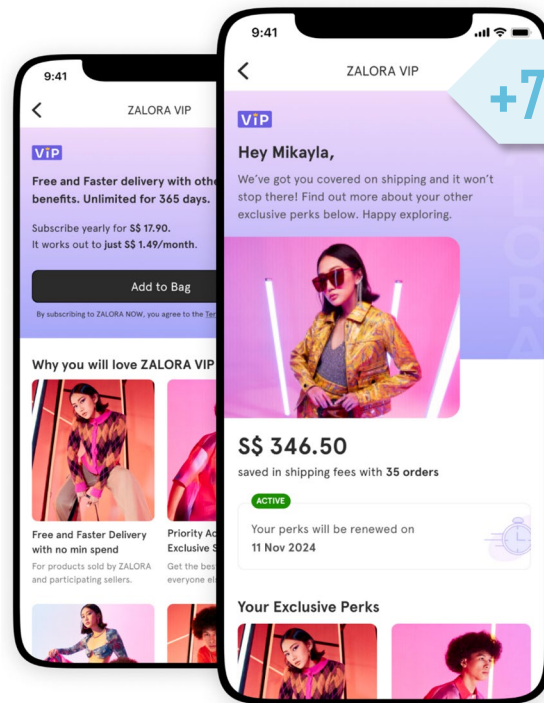
	Q2/22	Q2/23	△22-23
NMV (€M)	106.7	84.8	(16.9)% ¹
Revenue (€M)	73.7	54.5	(23.0)% ¹
Gross Margin (%)	37.4	42.0	4.6ppt
Active Customers² (M)	3.3	2.6	(22.0)%

(1) Constant currency growth rate. Bars are a graphical representation of values on a constant currency basis.

(2) Active Customers is a rolling 12-month KPI.

SEA: TARGETING OUR MOST VALUABLE, CORE FASHION CUSTOMERS

FASHION FOCUSED LOYALTY PROGRAMME REBRAND IN H1...



+70% ZVIP customer acquisition since rebrand

- ▶ Personalised app journey
- ▶ Free (& faster) delivery
- ▶ Early sale access and exclusive offers
- ▶ Priority customer service
- ▶ Cashback on all orders
- ▶ Offline events

...INCREASING CUSTOMER LOYALTY AND ENGAGEMENT AS OF H1/23



+5ppts
higher NPS
vs. non-members

CUSTOMER SATISFACTION

~3x
higher NMV spend
vs. non-members

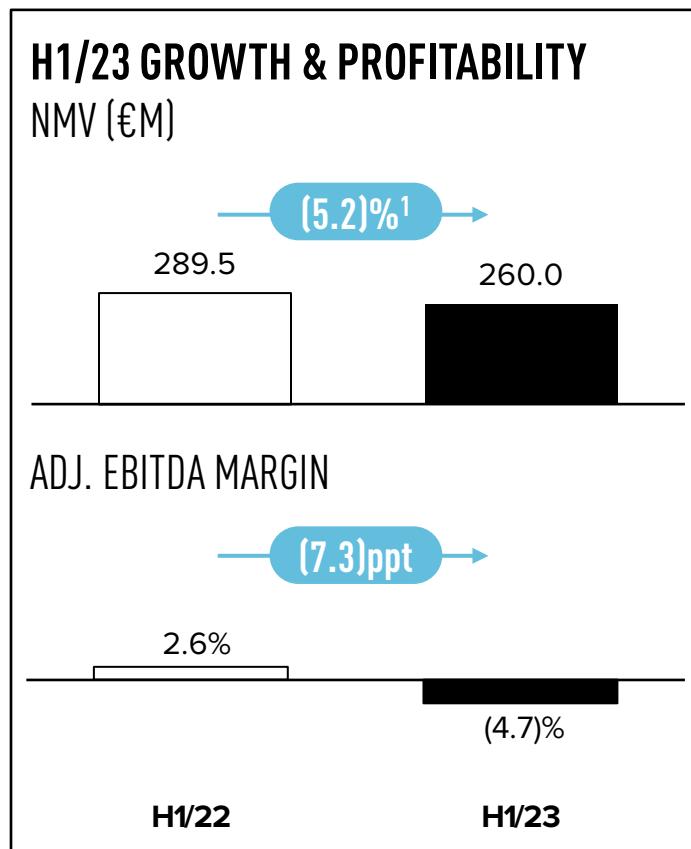
WALLET SHARE

13%
share of total
SEA NMV

TARGET CUSTOMERS

+5ppts
yoy

ANZ: OPERATING IN A VERY DISCOUNT LED MARKET



Q2/23 KEY METRICS

	Q2/22	Q2/23	△22-23
NMV (€M)	166.3	138.7	(9.0)% ¹
Revenue (€M)	122.9	98.2	(12.8)% ¹
Gross Margin (%)	45.0	39.4	(5.6)ppt
Active Customers² (M)	2.1	2.1	+1.7%

(1) Constant currency growth rate. Bars are a graphical representation of values on a constant currency basis.

(2) Active Customers is a rolling 12-month KPI.

ANZ: FOCUSING ON MARGIN RECOVERY WITH RETAIL DISCIPLINE AND PLATFORM ACCELERATION

TARGETED INITIATIVES TO ADDRESS RETAIL PRESSURE

PULL NEW SEASON STOCK FORWARD

GROW HIGH MARGIN OWN BRAND

Implementing
Retail Excellence
with stock
management &
efficiency plans

FULFILLED BY GFG ENABLING MARKETPLACE GROWTH

LAUNCHED IN H1/23

8 BRANDS LIVE

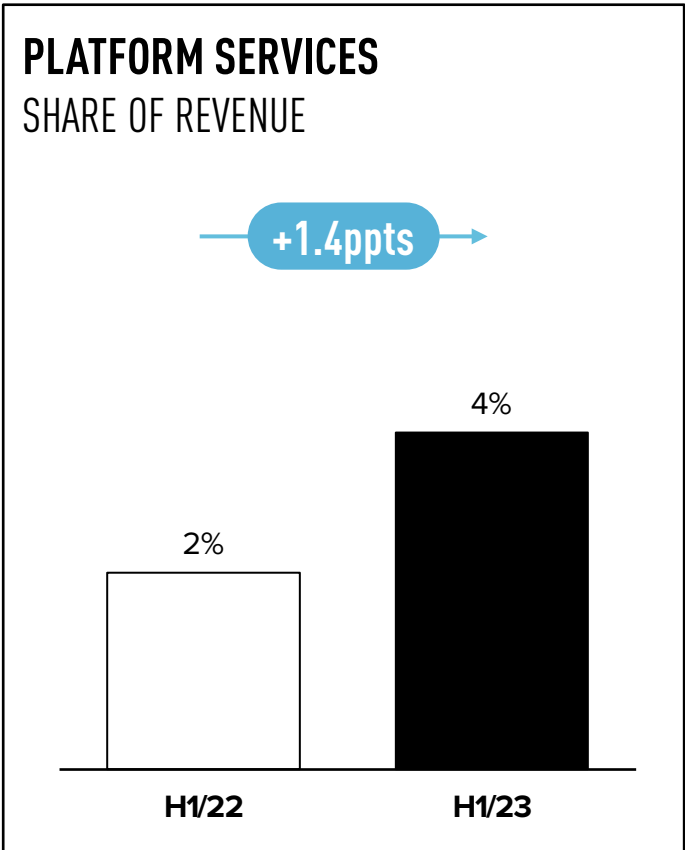
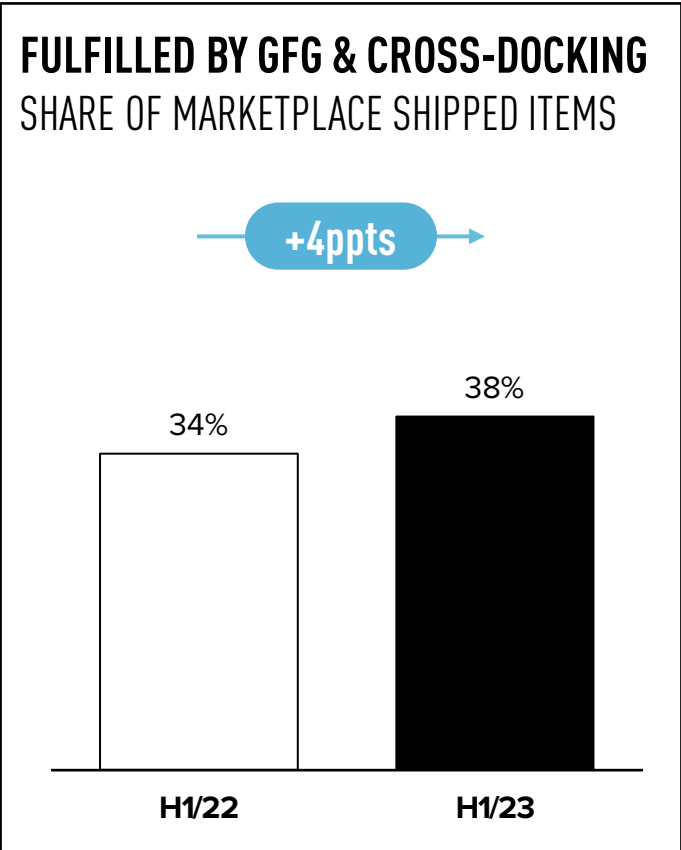
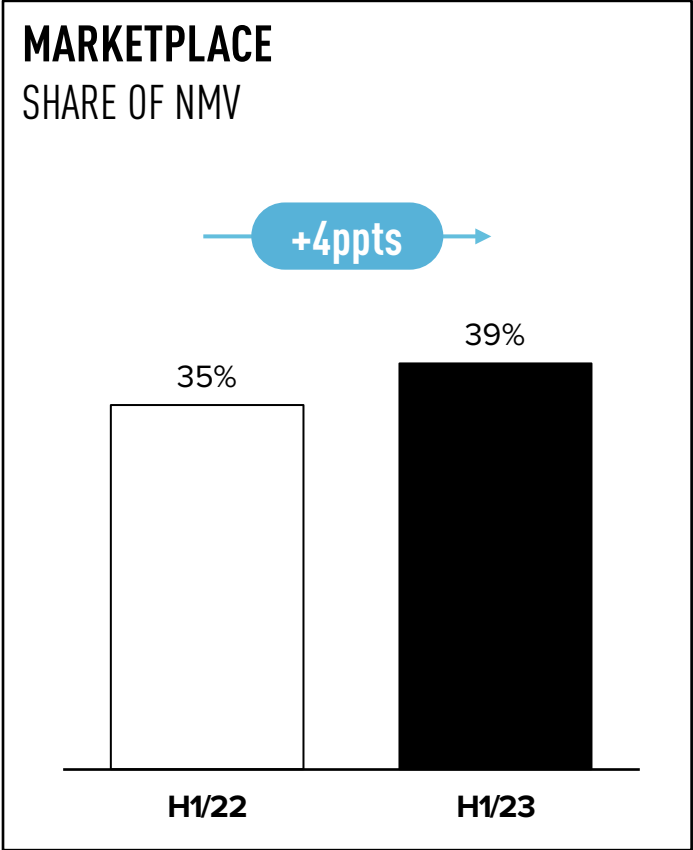
AUSTRALIAN BRANDS ALLIANCE

Call. CHANCERY
TUSSAH

PULL&BEAR

- ✓ More flexible business models to increase sales for our **BRAND PARTNERS**
- ✓ Maintaining balance as we scale to control the offer for our **CUSTOMERS**

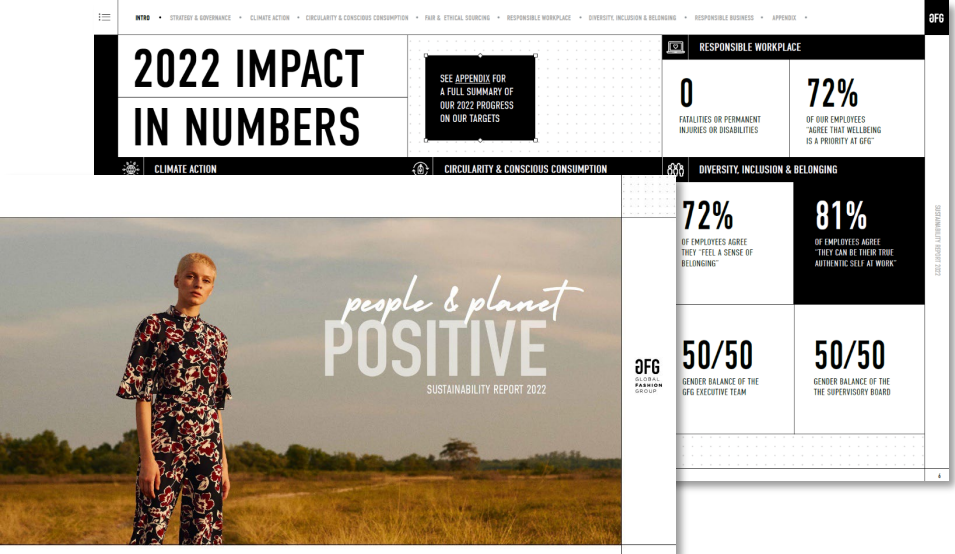
OUR PROGRESS AS A PLATFORM BUSINESS



Note: KPI definitions are included in the Appendix.

ENSURING OUR FUTURE IS PEOPLE & PLANET POSITIVE

PEOPLE & PLANET POSITIVE REPORT PUBLISHED APRIL 2023



- Sustainability website and report live online
- Details GFG’s sustainability agenda and how we plan to deliver on our six strategic objectives

2022 PROGRESS ON OUR 2030 GOALS

82% of directly purchased and own brand packaging is made from recycled or compostable materials

91% of waste is diverted from landfill

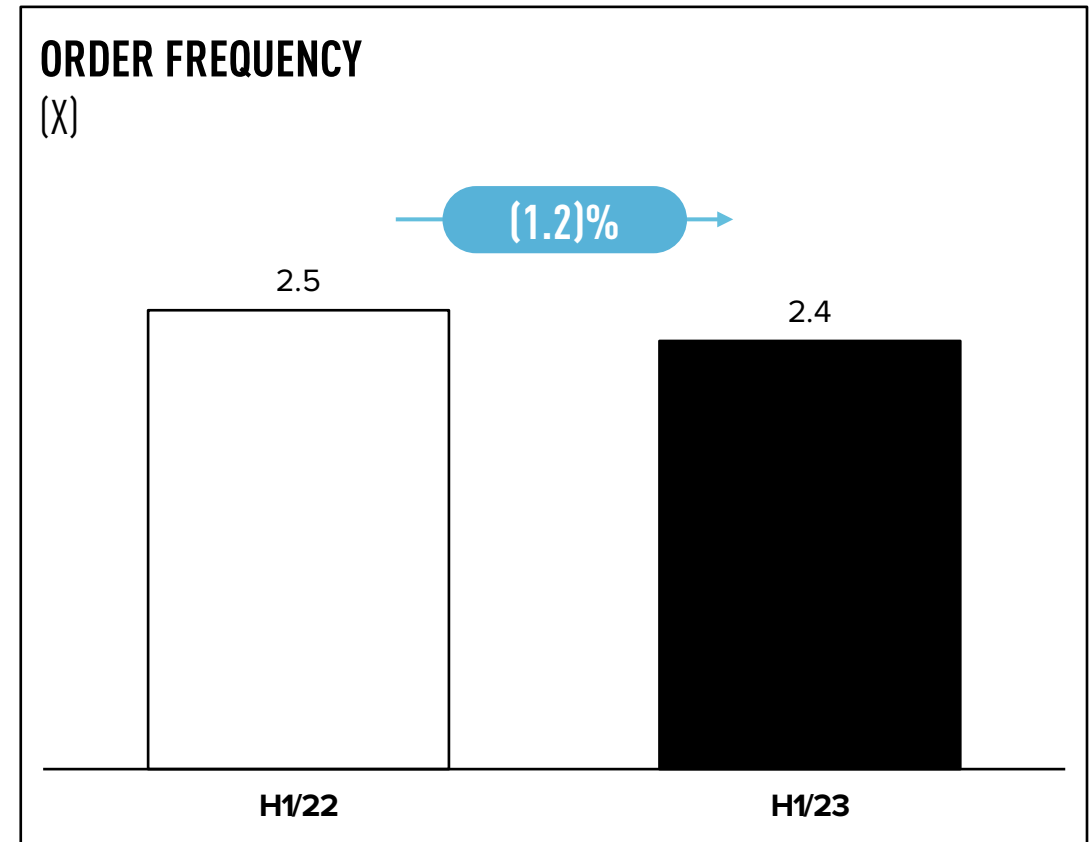
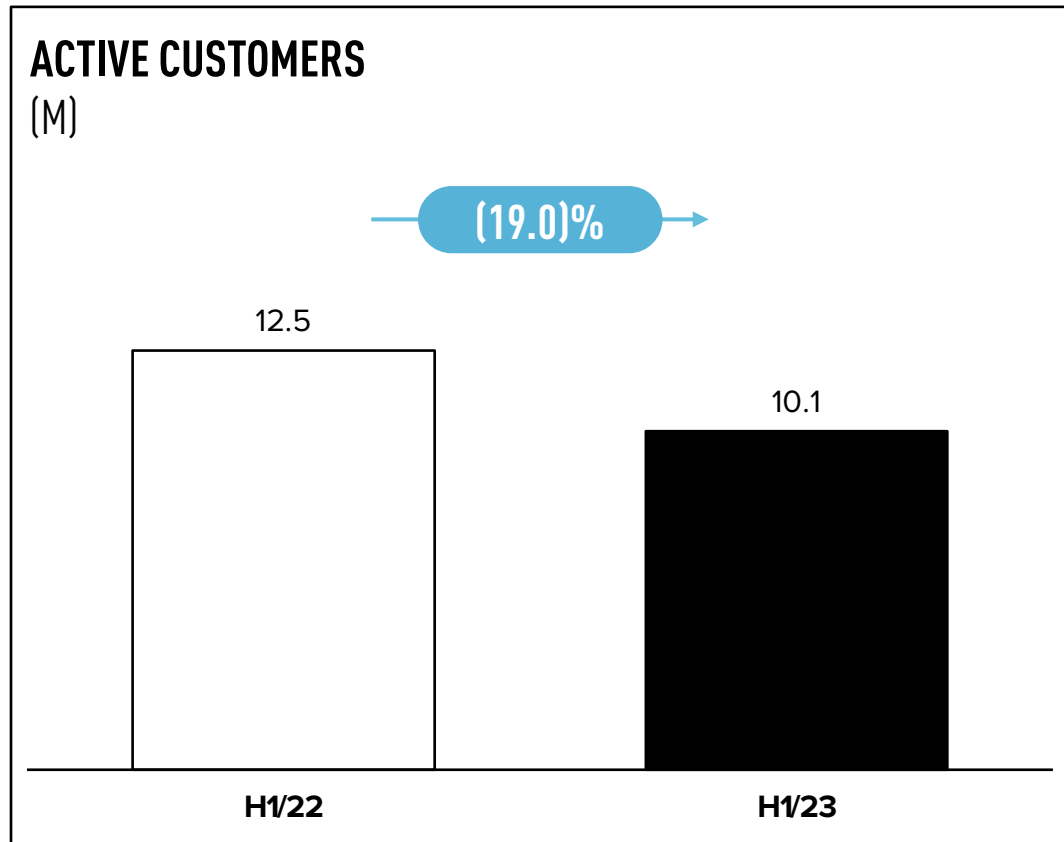
29% absolute reduction in carbon emissions since 2019



GROUP RESULTS & GUIDANCE

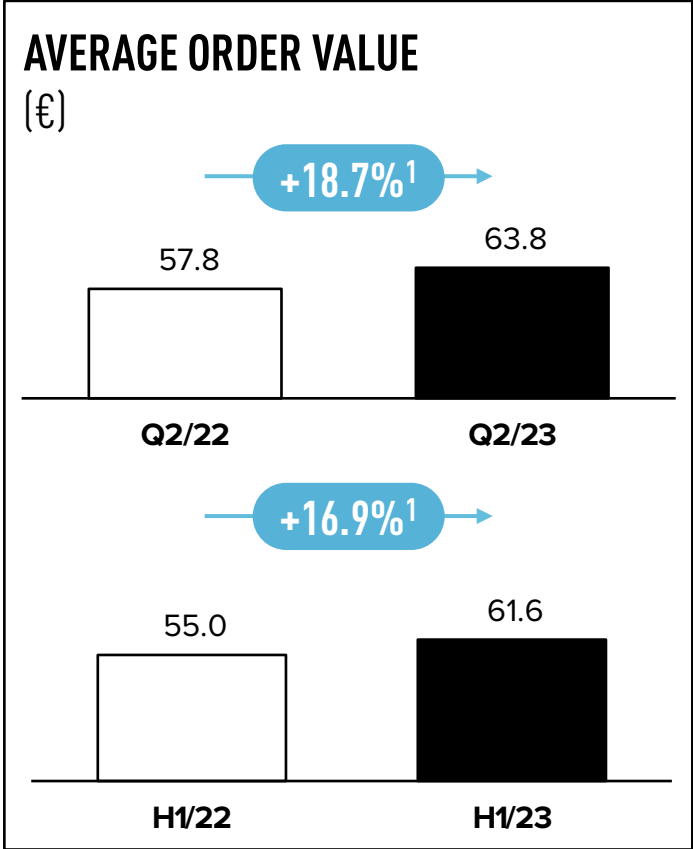
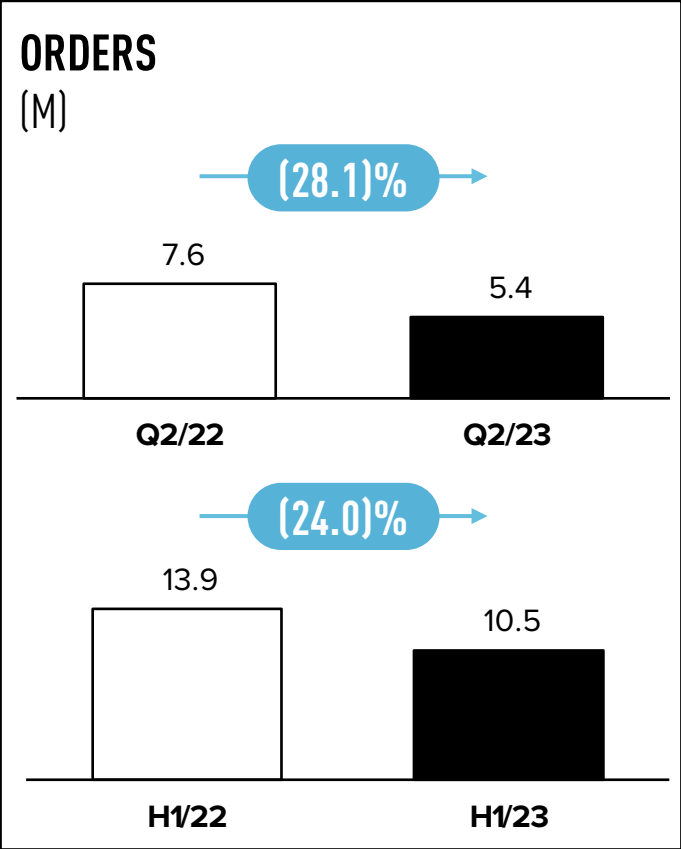
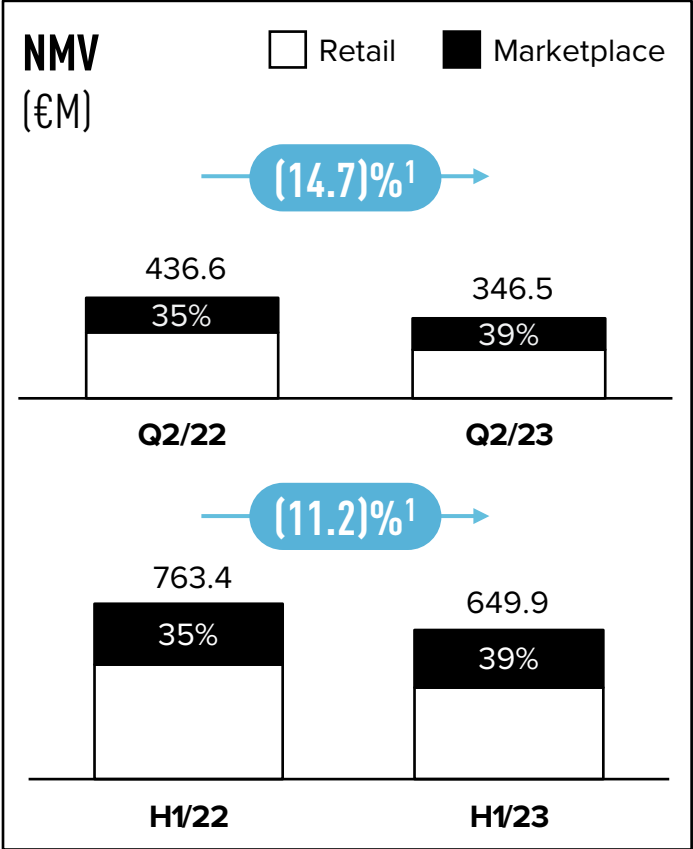


MAINTAINING ORDER FREQUENCY AS ACTIVE CUSTOMERS REFLECT WEAKER DEMAND



Note: KPI definitions are included in the Appendix.

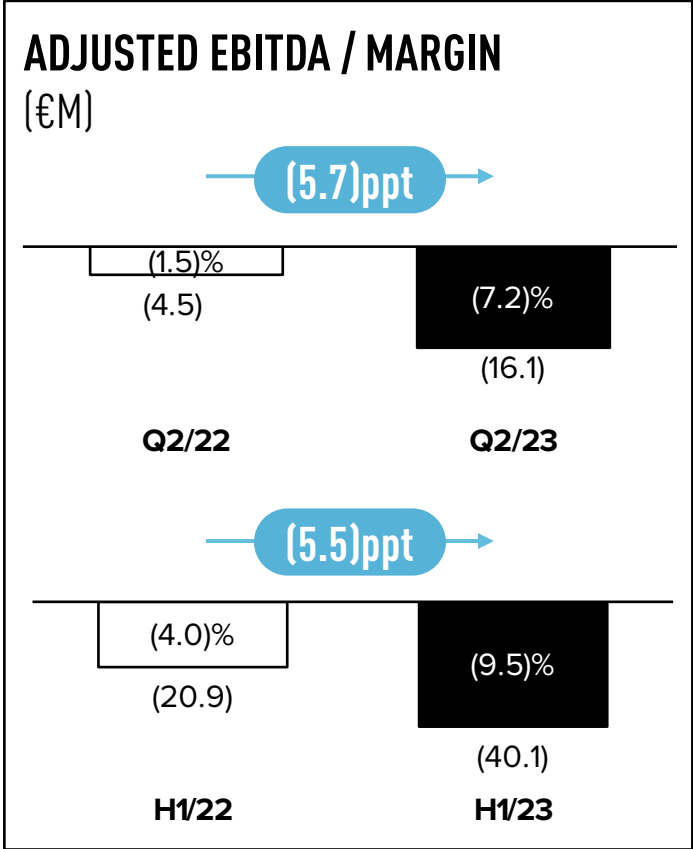
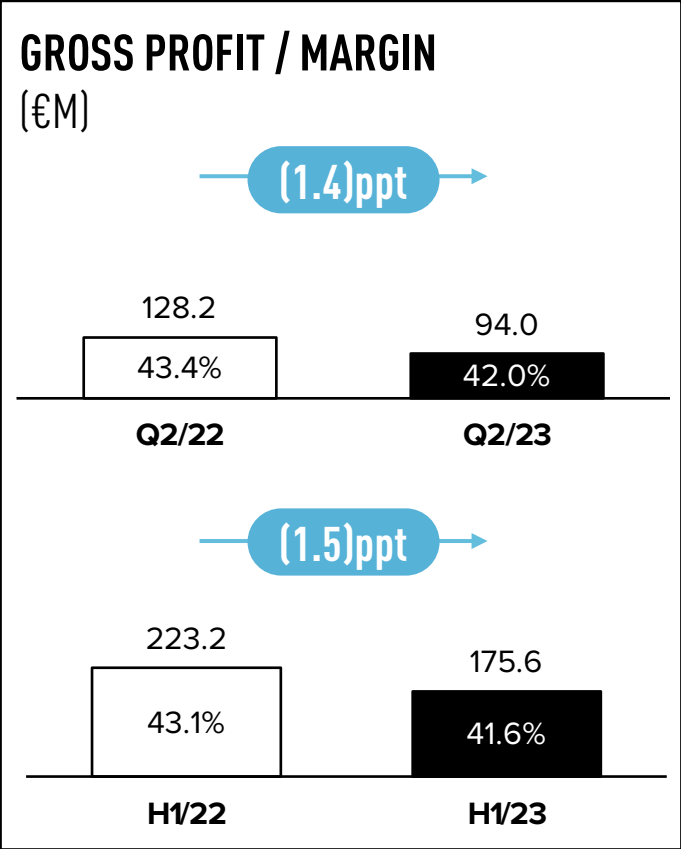
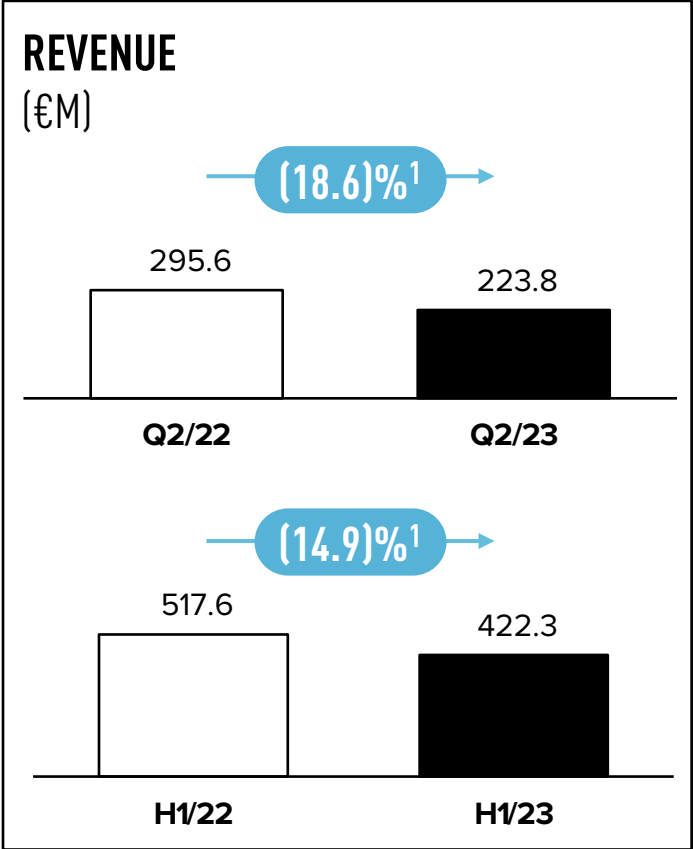
LOWER VOLUMES PARTIALLY OFFSET BY ORDER VALUE IMPACTED BY INFLATION



Note: KPI definitions are included in the Appendix.

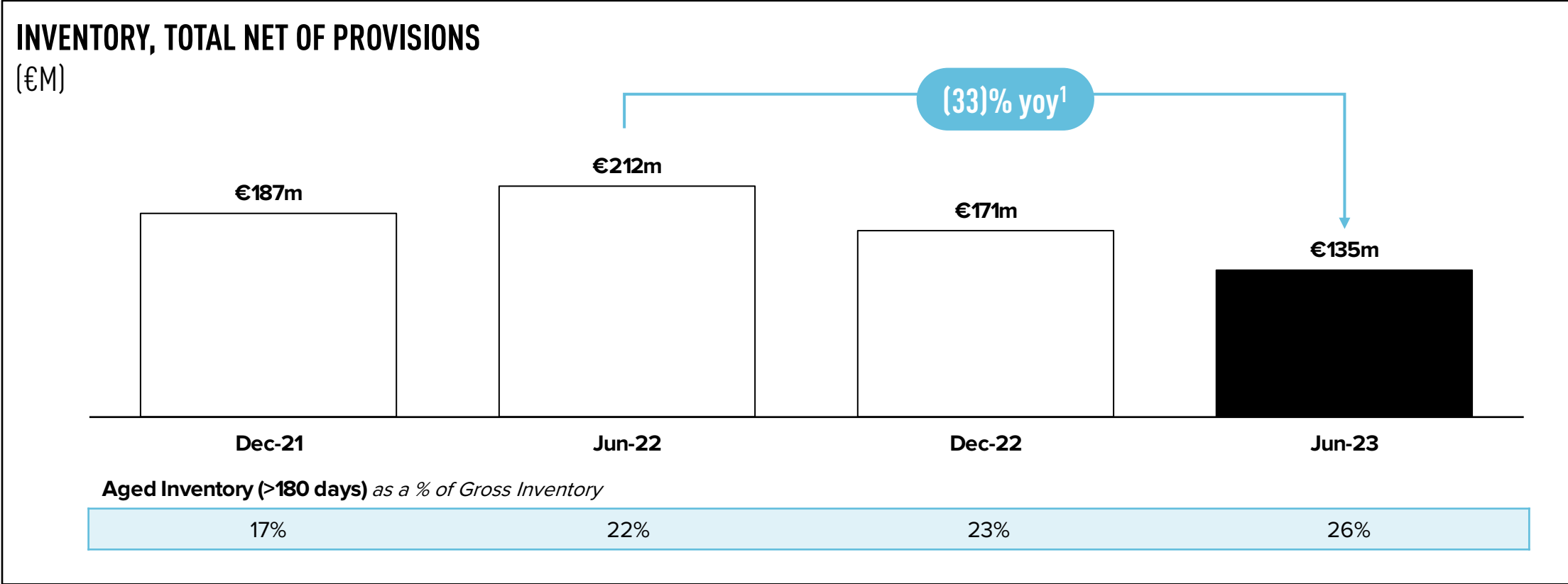
(1) Constant currency growth rate. Bars are a graphical representation of values on a constant currency basis.

MARGIN BENEFITS FROM PLATFORM TRANSITION OFFSET BY HIGHER DISCOUNTS AND FIXED COST DELEVERAGE



(1) Constant currency growth rate. Bars are a graphical representation of values on a constant currency basis.

CAREFUL MANAGEMENT OF INVENTORY WITH H1 IMPACTED BY LOWER DEMAND



(1) Constant currency growth rate.

APPLYING EFFICIENCY MEASURES TO ADDRESS CURRENT COST DELEVERAGE

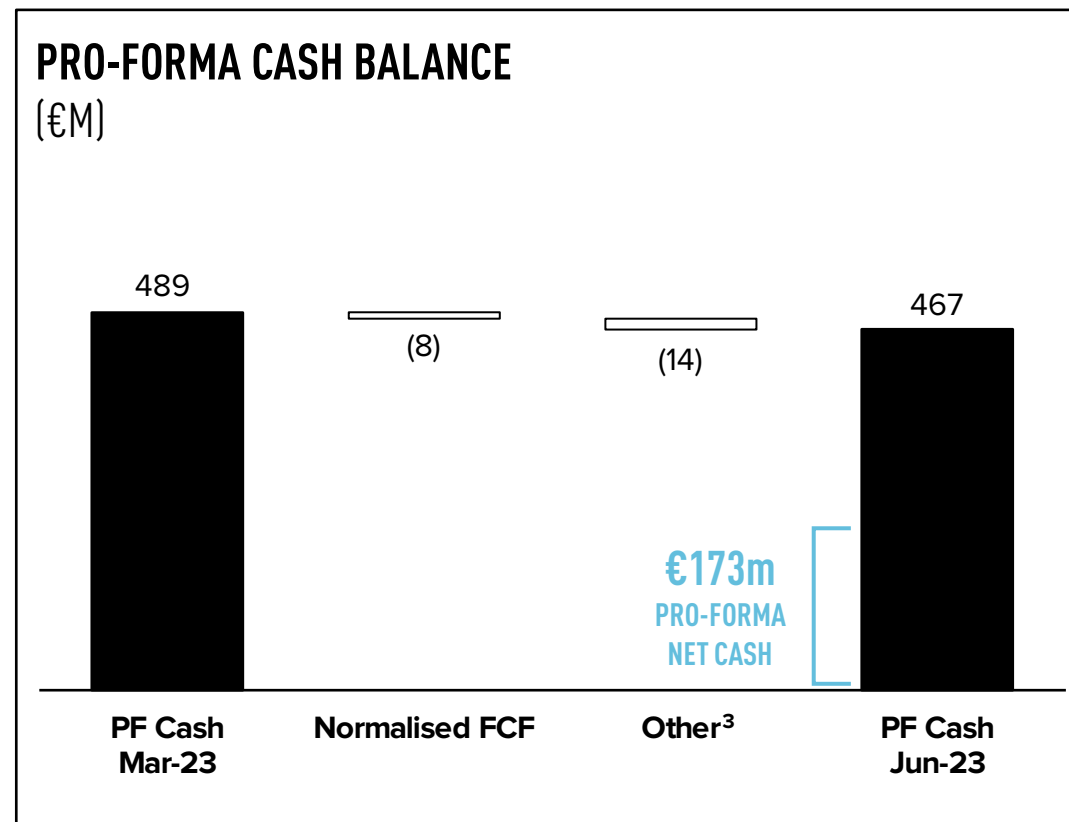
COSTS % OF NMV ¹	H1/19	H1/20	H1/21	H1/22	H1/23	△19-23
FULFILMENT	17.0%	15.6%	15.6%	16.0%	16.1%	(0.9)ppt
MARKETING	8.0%	6.8%	8.0%	6.9%	6.5%	(1.5)ppt
TECH & ADMIN	13.5%	12.9%	10.7%	12.2%	14.7%	1.2ppt
NMV GROWTH YOY²	23.8%	11.0%	36.9%	2.2%	(11.2)%	38.8%

(1) Excludes recurring and non-recurring costs including but not limited to share based payment charges, one off payroll and continuity incentives and one-off costs. Adjusted to exclude CIS business divested in 2022.

(2) Constant currency growth rate.

WEAKER ADJ. EBITDA COMPENSATED BY WORKING CAPITAL IMPROVEMENTS AND CAPEX DISCIPLINE

(€M)		Q2/22	Q2/23
FUNDING OPERATIONS	Adj. EBITDA	(4.5)	(16.1)
	Cash Lease Costs	(5.2)	(5.0)
	Working Capital	15.9	22.9
	TOTAL	6.2	1.8
CAPEX	Tech Capex	(8.2)	(5.9)
	PP&E Capex	(2.4)	(0.8)
	TOTAL	(10.6)	(6.7)
Other ¹	(4.3)	(2.8)	
NORMALISED FREE CASH FLOW excludes non-operating cash flows ²		(8.7)	(7.7)

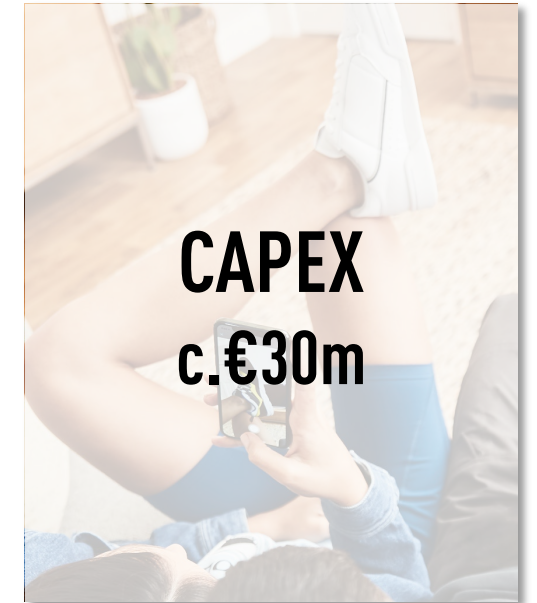


(1) Includes operating tax and interest cash flows.

(2) Cash flow before FX retranslation, factoring cash flows, change in provisions, change in restricted cash, external funding, interest income, convertible bond coupon payments, exceptional items and fair value movement on investment funds.

(3) Includes exceptional cash flows outside the ordinary course of business, changes in restricted cash, non-operational interest received, principal factoring repayments and net repayment of borrowings.

FY2023 GUIDANCE



**LONGER TERM
AMBITIONS:**

ADJ. EBITDA BREAKEVEN 2024
NORMALISED FREE CASH FLOW POSITIVE AT NMV OF €2.2 to 2.5bn

Note: At 30 June 2023 closing exchange rates.

Q&A



APPENDIX



FX SENSITIVITY

	€M IMPACT ON:			
	CURRENCY CHANGE	NMV	REVENUE	ADJ. EBITDA
Q2/23 vs. Q2/22				
ARGENTINA (ARS)	(57.6)%	(18.7)	(3.0)	(1.4)
AUSTRALIA (AUD)	(8.3)%	(12.8)	(4.6)	0.2
BRAZIL (BRL)	(2.8)%	(2.2)	(2.4)	0.2
OTHER	(1.3)%	(4.9)	(2.7)	0.3
IMPACT ON Q2/23 AT Q2/22 FX RATES	(7.5)%	(38.5)	(12.7)	(0.7)
H1/23 vs. H1/22				
ARGENTINA (ARS)	(53.3)%	(27.2)	(7.1)	(0.9)
AUSTRALIA (AUD)	(5.3)%	(14.5)	(5.9)	0.2
BRAZIL (BRL)	0.2%	0.8	(0.6)	(0.2)
OTHER	(0.9)%	(6.0)	(3.3)	0.6
IMPACT ON H1/23 AT H1/22 FX RATES	(4.9)%	(46.9)	(16.9)	(0.3)

ISSUED SHARE CAPITAL

SHARE INFORMATION

Type of Share Common shares in dematerialised form with a nominal value of €0.01

Stock Exchange Frankfurt Stock Exchange

Market Segment Regulated Market (Prime Standard)

Shares Outstanding **223,504,284**
(Excluding own shares held by the Company)¹

EMPLOYEE SHARE OPTION PROGRAMME

WEIGHTED AVERAGE EXERCISE PRICE	OUTSTANDING CALL OPTIONS ²
€0.01	170,901
€5.99	2,602,376
€10.27	3,236,776
€30.87	212,111
Total	6,222,164

LONG-TERM INCENTIVE PLAN³

Total awards at 30-Jun-23

9,872,412

(1) Based on 223,792,912 shares in issue, less 288,628 shares held in treasury or in trust for GFG. Issued share capital as of 30 June 2023.

(2) Based on number of employee stock options outstanding as of 30 June 2023, assuming all awards are settled via issuance of GFG shares.

(3) A maximum of 27,283,529 shares are expected to be awarded under the Long-Term Incentive Plan. A total of 7,559,878 shares have been issued under the 2019 and 2021 share plan.

CONVERTIBLE BOND 2021

PRICING TERMS

Outstanding Issue Size in the Public Market	€279.9 million
Status	Senior Unsecured
Maturity	7 Years
Bondholder Put	15 March 2026
Issuer Call	After Year 4 at 130% Trigger
Reference Share Price	€12.60
Denomination	€100,000 per bond (“Principal Amount”)
Issue Price	100% of the Principal Amount
Redemption Price	100% of the Principal Amount
Yield to Maturity	1.25%
Coupon	1.25%
Conversion Premium	42.5%
Conversion Price	€17.9550
Underlying Shares (m) ¹	15,588,972
Underlying Shares (% ISC) ²	6.97%

CONVERTIBLE BOND REPURCHASE 2022

- On 27 April 2022, the Group repurchased outstanding Convertible Bonds due 2028 via a modified Dutch auction procedure announced on 26 April 2022
- At the close, GFG agreed to purchase bonds representing EUR 95.1 million in aggregate principal amount (approximately 25% of the outstanding principal amount)
 - EUR 78,000 purchase price per EUR 100,000 nominal amount

(1) This number assumes no adjustments are made to the conversion price based on the terms and conditions of the bond. The maximum potential shares to be issued is approximately 29,761,905 shares.

(2) Issued share capital as of 30 June 2023.

GROUP TAX LOSS CARRY FORWARDS AS AT FY2022

€M		DEC-22	TIME LIMIT TO CARRY FORWARD
OPERATING ENTITIES <i>By regional segment</i>	LATAM	241	Predominantly Brazil (indefinitely)
	SEA	207	Majority in Singapore (indefinitely) and Malaysia (10 years)
	ANZ	73	Indefinitely
	TOTAL	521	
HOLDING ENTITIES	Luxembourg	2,832	Pre-2017: Indefinitely, Post: 17 years
	Germany	62	Indefinitely
	Other	28	Indefinitely
	TOTAL	2,922	
GROUP TOTAL TAX LOSS CARRY FORWARDS		3,445	

- Can be carried forward and offset against future taxable income subject to local tax rules and limitations
- Brazil is the only country with a specific restriction – brought forward tax losses can only be offset against 30% of taxable income per year
- Tax authorities in the countries we operate could challenge these tax losses significantly, reducing their availability in future periods

- Luxembourg tax losses relate to those recognised in the Luxembourg parent company pre-IPO
- To use future Luxembourg tax losses, they need to be certain post review by the tax authority and then Lux operational income is needed
- Given the holding entities have no operational business and limited income in Lux, GFG unlikely to have options for utilisation

KPI DEFINITIONS

ACTIVE CUSTOMERS

Active Customers is defined as the number of customers who have purchased at least one item after cancellations, rejections and returns in the last twelve months

ADJUSTED EBITDA

Adjusted EBITDA is EBITDA adjusted for share-based payment (income) / expenses, Group recharges, IAS 29 Hyperinflation EBITDA impact and other one-off costs, including impairment of goodwill, one off payroll costs, continuity incentives and project costs and changes to estimates for prior years tax

AVERAGE ORDER VALUE

Average Order Value is defined as the Net Merchandise Value (“NMV”) per order

NET MERCHANDISE VALUE

NMV is defined as the value of goods sold including value-added tax (“VAT”) / goods and services tax (“GST”) and delivery fees, after actual or provisioned rejections and returns

ORDERS

Orders are defined as the number of orders placed by customers after cancellations, rejections and returns

ORDER FREQUENCY

Order Frequency is defined as the average number of Orders per customer per year (calculated as the last twelve months' orders divided by Active Customers)

FINANCIAL CALENDAR – UPCOMING EVENTS

DATE	EVENT	LOCATION
19 September 2023	Berenberg & Goldman Sachs 12th German Corporate Conference	Munich
20 September 2023	Baader Investment Conference	Munich
9 November 2023	Q3 2023 Results	Virtual
15-17 November 2023	Morgan Stanley European Technology, Media & Telecom Conference	Barcelona

DISCLAIMER



Certain statements included in this document are forward-looking statements. Forward-looking statements can typically be identified by the use of words such as “expects”, “may”, “will”, “could”, “should”, “intends”, “plans”, “predicts”, “envisages” or “anticipates” or other words of similar meaning. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Global Fashion Group S.A. (“GFG”) and its group (the “GFG Group”). They are not historical or current facts, nor are they guarantees of future performance.

By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described in this document. These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable law or regulation, the GFG Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the GFG Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such forward-looking statement is based. Neither GFG nor any other person accepts any responsibility for the accuracy of the opinions expressed in this document or the underlying assumptions.