



**QFG**

GLOBAL  
FASHION  
GROUP

**#1  
FASHION AND  
LIFESTYLE  
DESTINATION IN  
GROWTH MARKETS**

**Q2  
2019**

**RESULTS PRESENTATION**

21 August 2019

# HIGHLIGHTS AND BUSINESS UPDATE



# HIGHLIGHTS Q2 2019

**€449 M**

NMV  
+23% yoy

**12.0 M**

ACTIVE CUSTOMERS  
+15% yoy

**8.9 M**

ORDERS  
+25% yoy

**€315 M**

PRO-FORMA CASH  
Including proceeds  
from IPO and restricted cash

**(0.9)%**

ADJ. EBITDA MARGIN  
On track for path to profitability

**GUIDANCE FOR  
2019 FULL YEAR  
CONFIRMED**

# DELIVERING AN INSPIRING CUSTOMER EXPERIENCE

## EXCLUSIVE GLOBAL COLLABORATIONS

LEVI'S x THE ICONIC

Sales during campaign

**>2.5x**

higher than same period last year



FILA x DAFITI

Sales increased

**>1.6x**

vs pre-collaboration period



## MODEST FASHION

ZALORAYA2019 – Hari Raya

- More than 50 designers and brands participating
- First male collection, designed by Malaysian celebrity, Syafiz Kylez
- Over 450K modestwear items sold in Q2



## SUSTAINABLE AND ETHICAL

Considered – Shop By Your Values

- New tool launched at THE ICONIC
- Launched one of the first global mainstream sustainability shops with over 400 brands
- Assortment curates by five sustainability values:
  - Sustainable Materials
  - Eco-Production
  - Fair Production
  - Animal-Friendly
  - Community Engagement

# DEEPENING BRAND RELATIONSHIPS

**MARKETPLACE GROWTH**  
SIGNIFICANT SHARE IN Q2

**19%**  
of NMV

**+ 5pp yoy**

**>60%**  
Marketplace items shipped from our fulfilment centres

**Controlling quality of customer experience**

**FASHION SERVICES – FULFILMENT**  
RAPIDLY ONBOARDING BRANDS IN CIS

Uplift in number of partner brands

**>2x**

**>25 brands**

June 30, 18      June 30, 19

**FASHION SERVICES – MEDIA**  
THE ICONIC SPORT CHALLENGE

- Sport campaign sponsored by 17 top-tier brands
- Brand investment grew more than 2x compared to last year’s campaign

# BUILDING OPERATIONAL SCALE

## ENHANCING DELIVERY EXPERIENCE IN SE ASIA

'ZALORA NOW' SUBSCRIPTION  
SERVICE LAUNCHED IN INDONESIA

>65K

ZNOW active  
customers

NPS

above rest of  
customer base



## EXPANSION OF PICK-UP-POINT NETWORK

GROWING SCALE IN CIS

>12K

third-party and own  
pick-up-points

>40%

of Q2 shipped  
orders delivered  
via pick-up-points



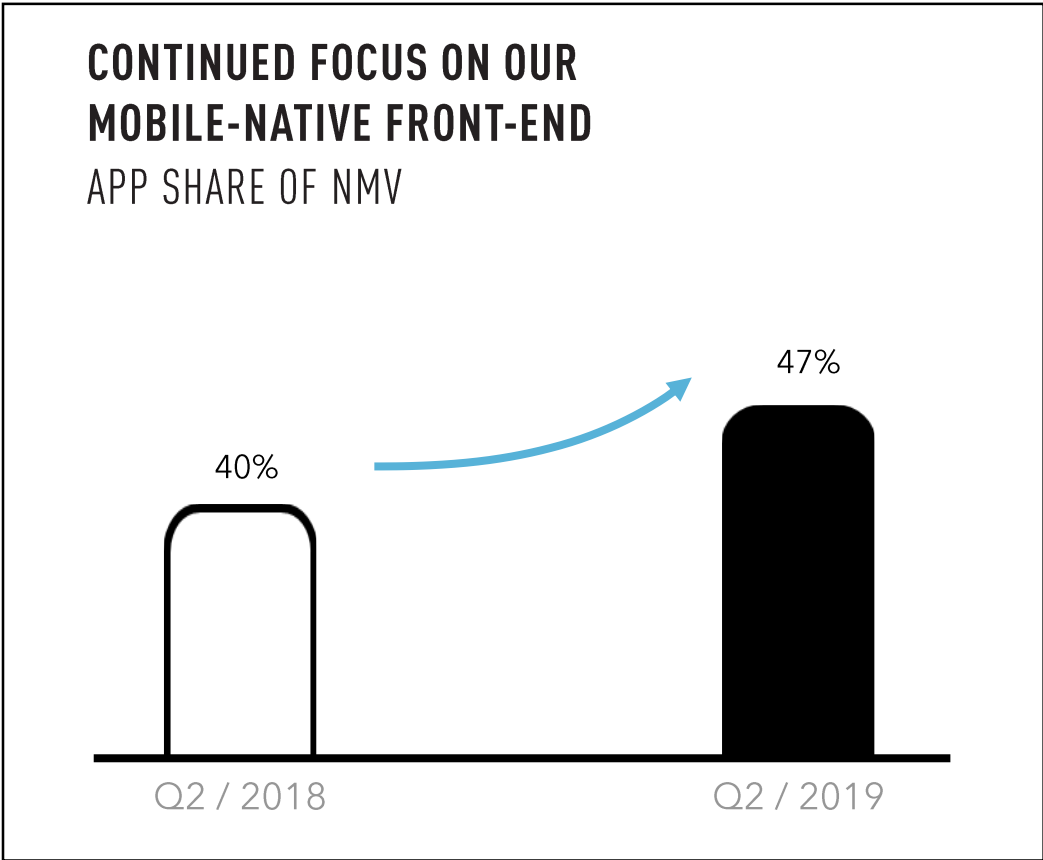
## NEW FULFILMENT CENTRE IN BRAZIL

CONSTRUCTION ON TRACK FOR  
OPENING IN 2020

- Solar powered
- Reduced water usage
- Energy-efficient



# FURTHER INNOVATIONS IN TECHNOLOGY



**USING APP-FUNCTIONALITY TO STEP-CHANGE SERVICE**  
VISUAL SEARCH IMPROVEMENTS IN SE ASIA

**>70%**  
increase in sessions using Visual Search

**>15%**  
uplift in conversion

ZALORA

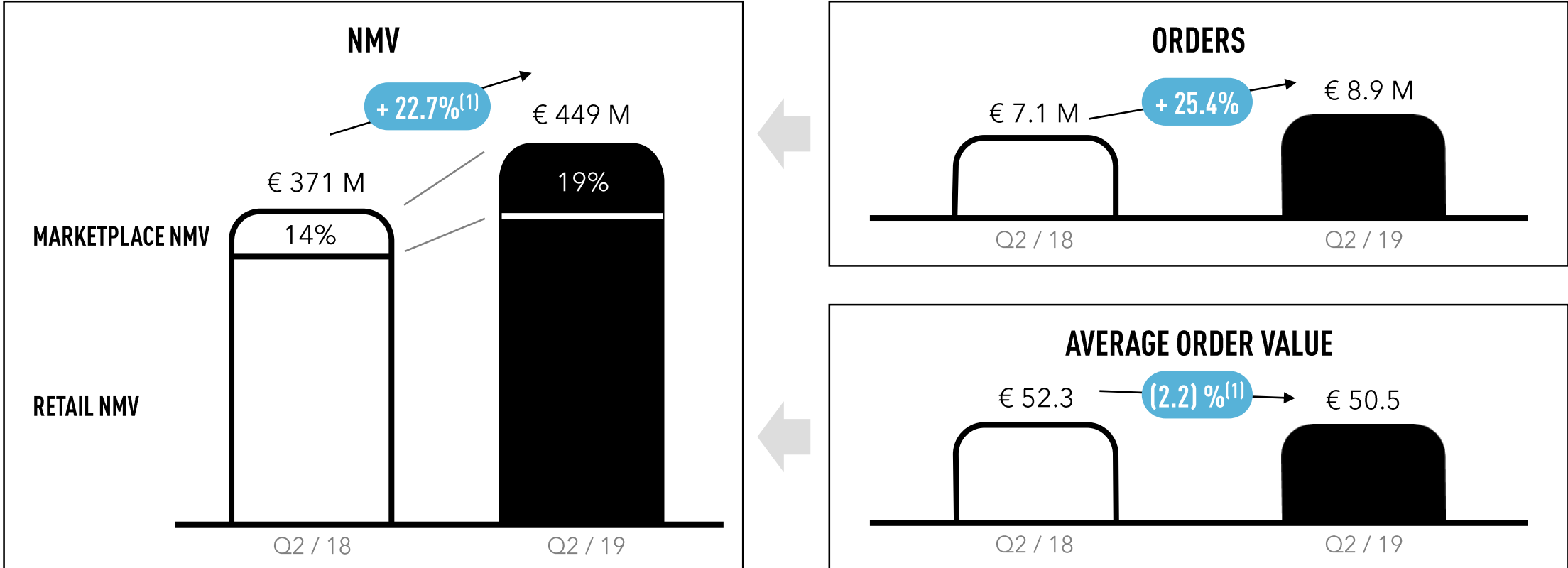
ZALORA Ruffles Wrap Mini Skirt Php 589.00 #PpL299100	ZALORA BASICS Basic Textured Mini Skirt Php 679.00

# OUR KPIs



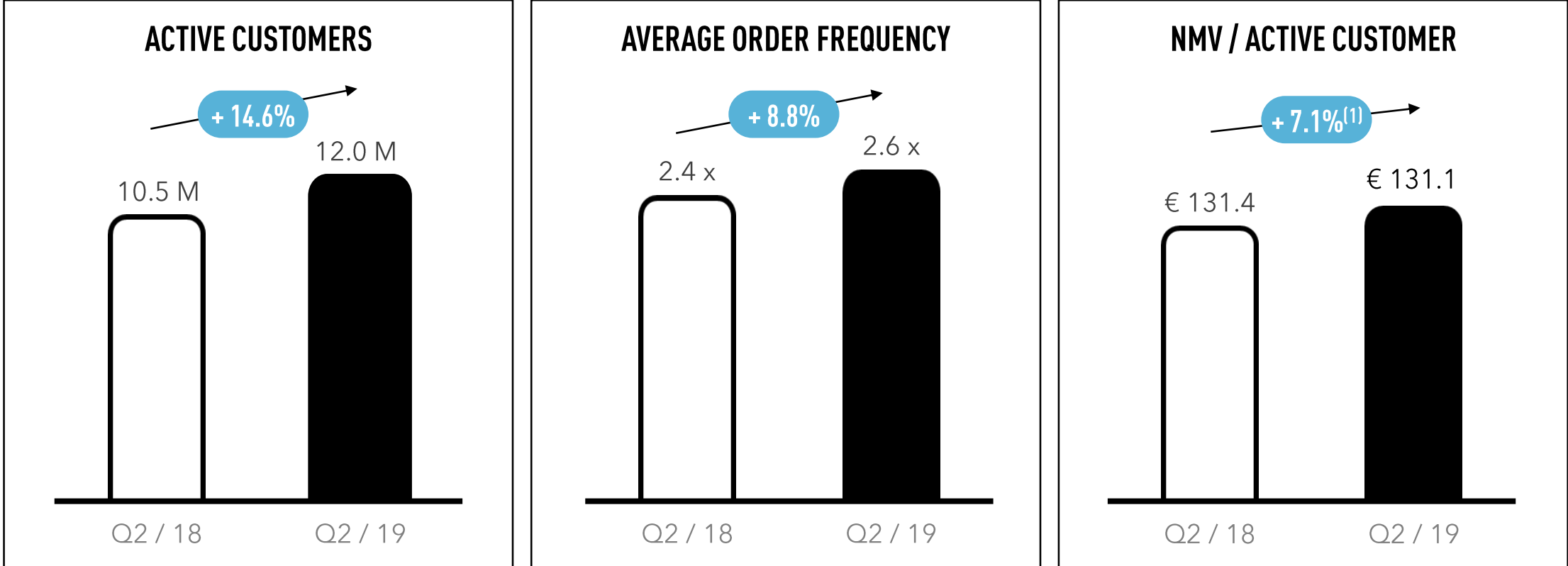


# STRONG NMV GROWTH DRIVEN BY 25% GROWTH IN ORDERS AT A PROFITABLE AVERAGE ORDER VALUE



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

# 15% GROWTH IN ACTIVE CUSTOMERS WITH ONGOING FREQUENCY GAINS DRIVING NMV / ACTIVE CUSTOMER



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

# ROBUST UNDERLYING GROWTH ACROSS ALL REGIONS

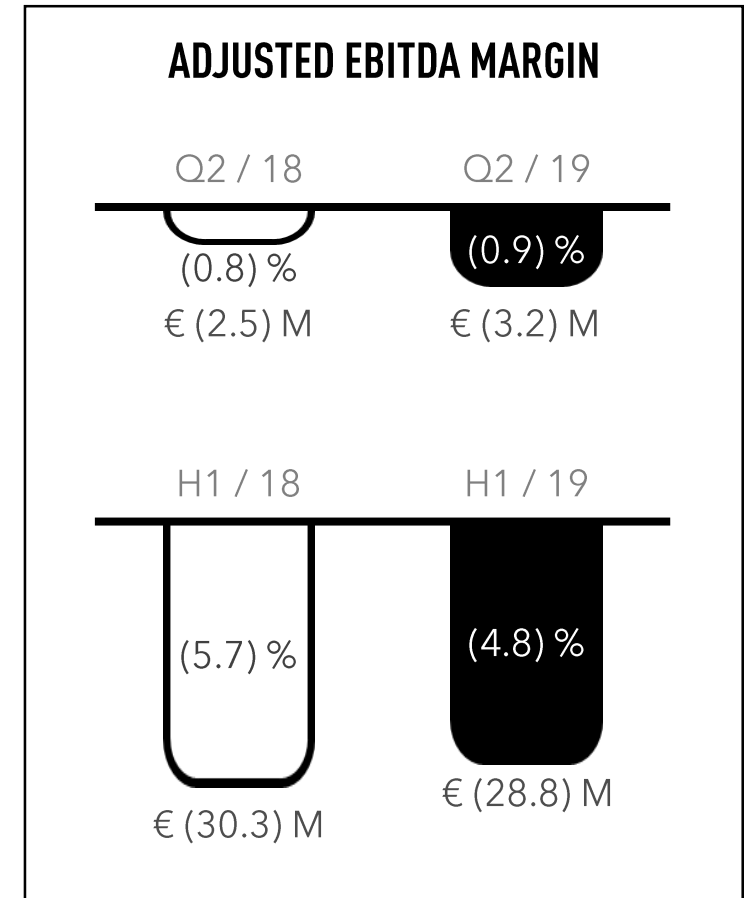
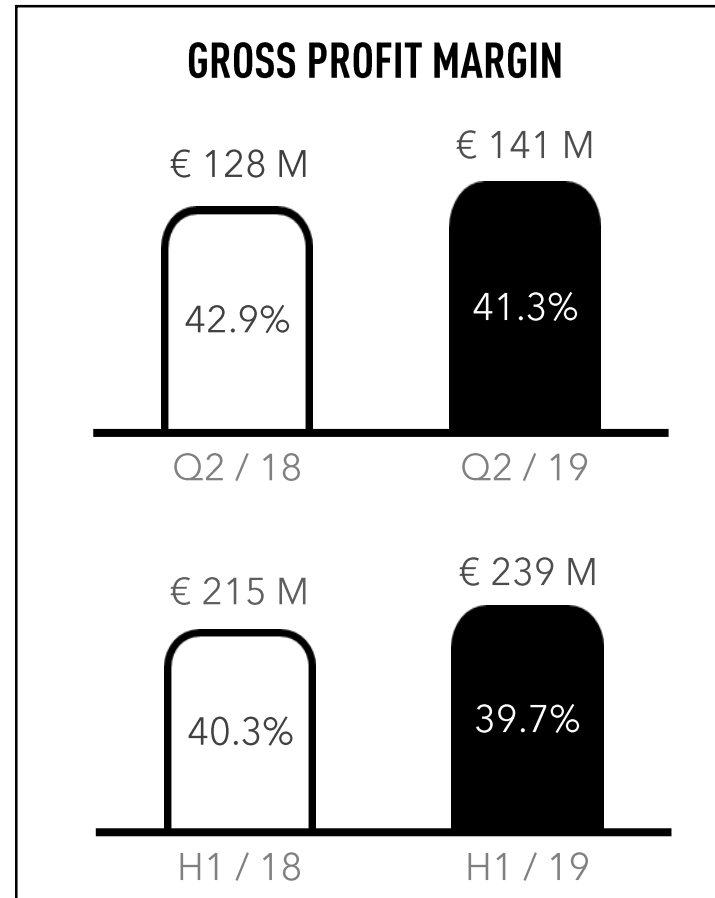
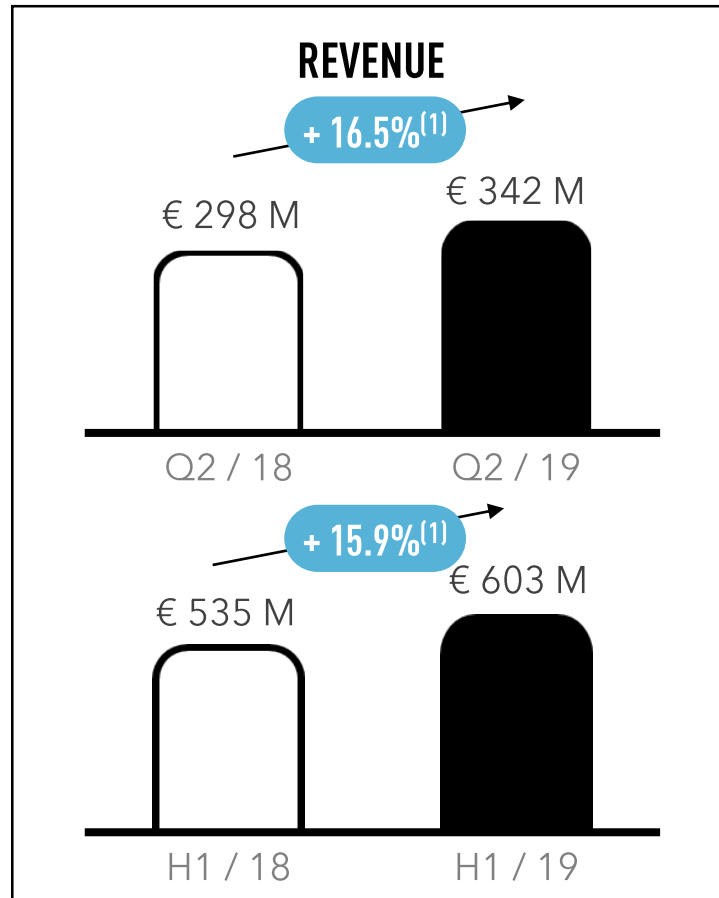
	ACTIVE CUSTOMERS (M)			NMV / ACTIVE CUSTOMER (€)			NMV (€M)		
	Q2/18	Q2/19	Δ (%)	Q2/18	Q2/19	Δ (%) <sup>(1)</sup>	Q2/18	Q2/19	Δ (%) <sup>(1)</sup>
<b>Group</b>	10.5	12.0	14.6	131.4	131.1	7.1	371.2	449.4	22.7
<b>APAC</b>	3.2	3.8	16.9	134.5	146.8	10.5	132.2	161.7	22.0
<b>LATAM</b>	4.7	5.4	15.2	104.7	95.2	4.1	123.6	148.6	27.7
<b>CIS</b>	2.6	2.8	10.5	176.8	179.1	7.6	115.5	139.0	18.0

(1) Constant currency growth rates

# FINANCIALS



# STRONG REVENUE GROWTH AND PROFITABILITY ON TRACK



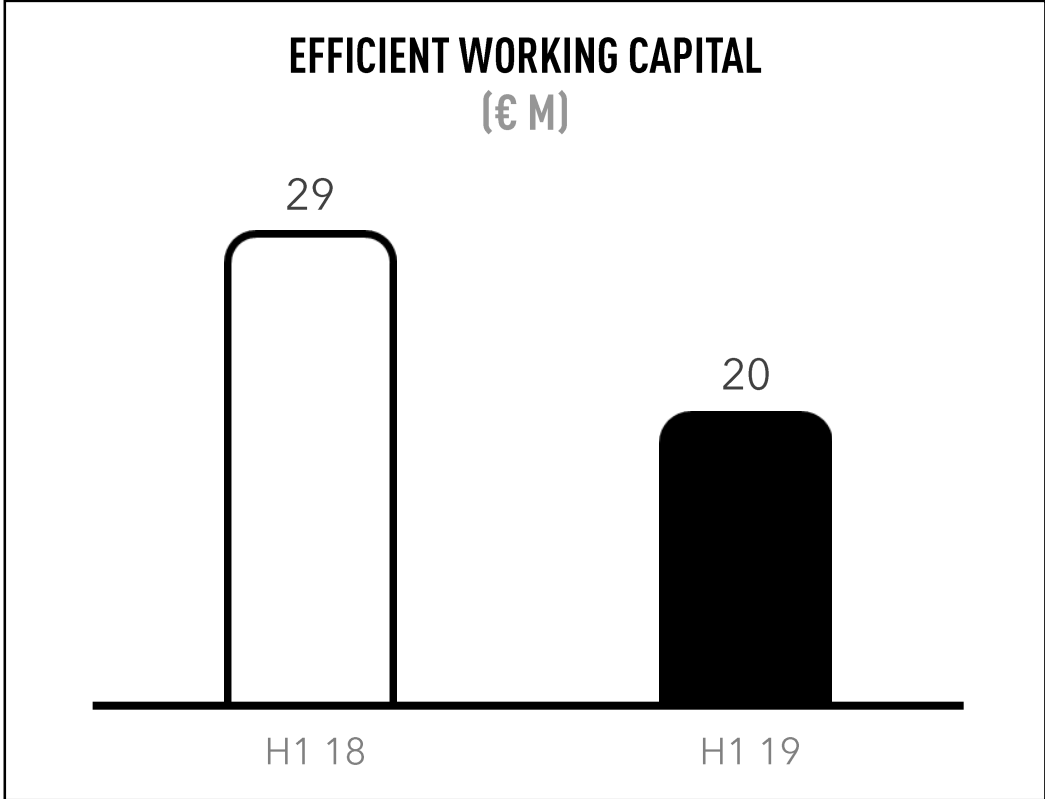
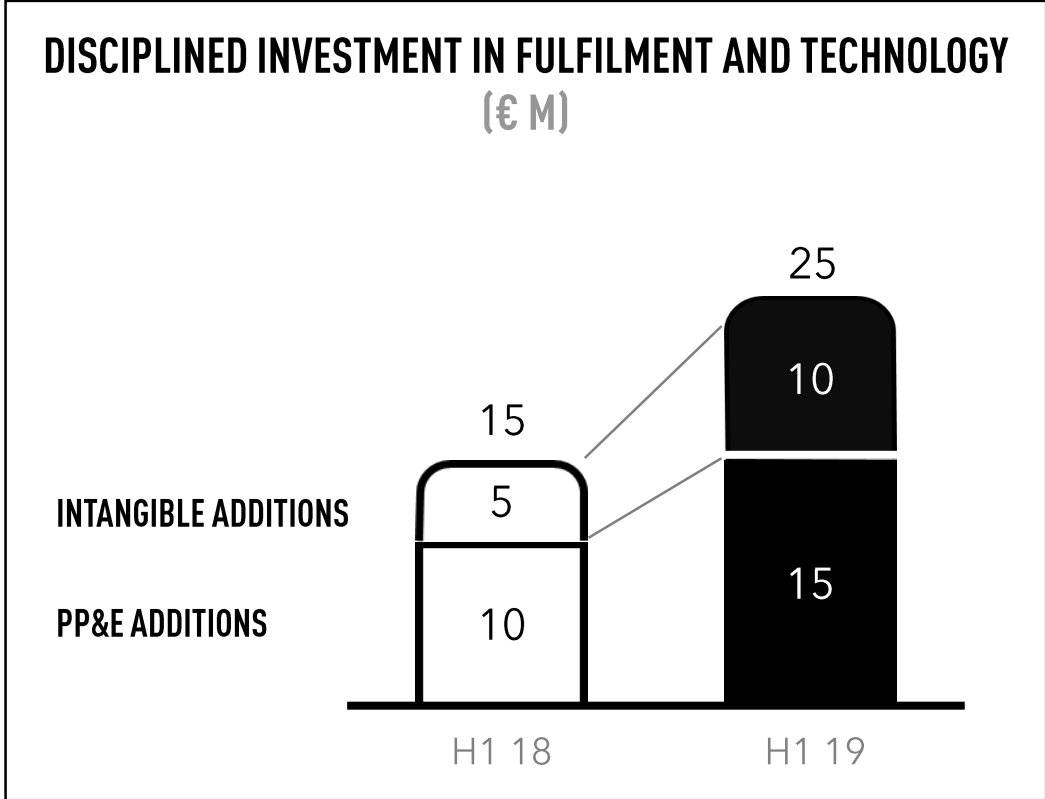
(1) Constant currency growth rate. Bars are a graphical representation of values on a constant currency basis.

# CONTINUED LEVERAGE OF MARKETING AND TECH & ADMIN COSTS AS WE SCALE THE BUSINESS

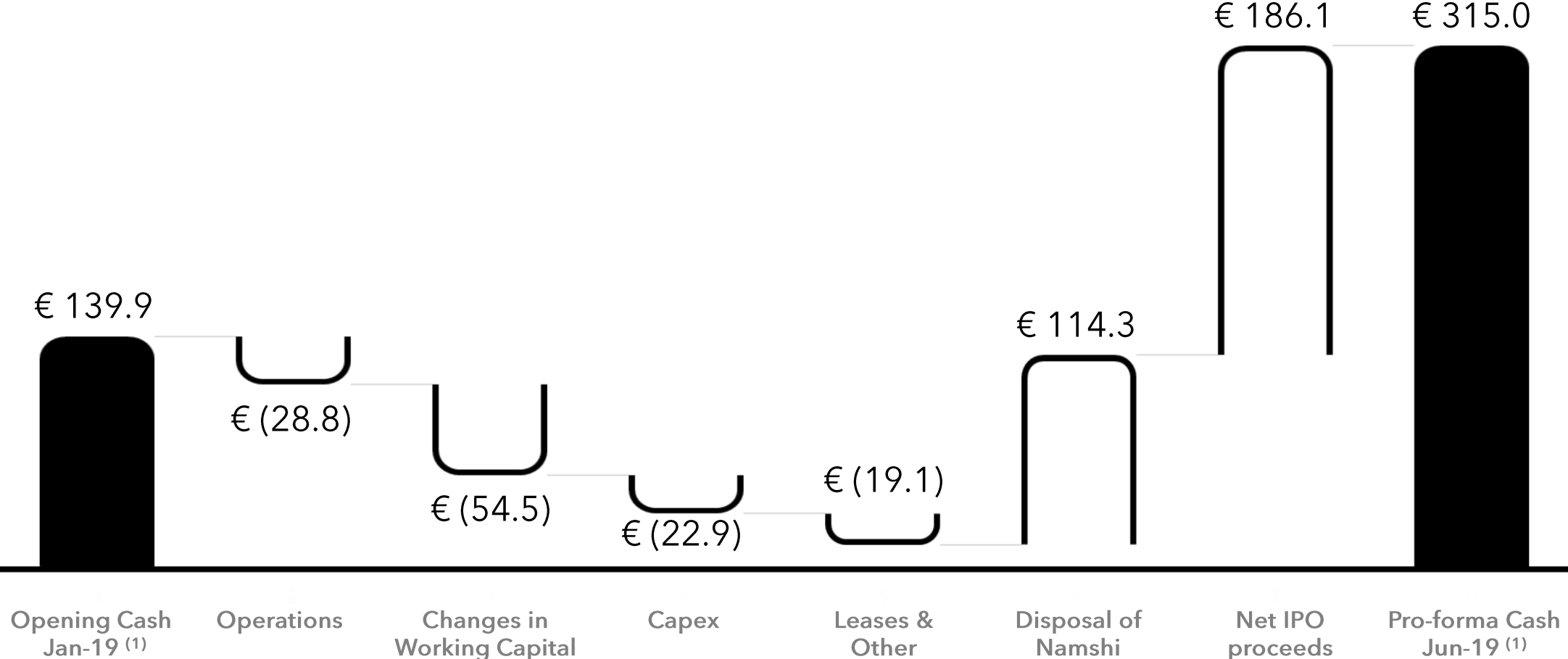
	H1			
	2018	2019	Δ	
GROSS PROFIT	40.3%	39.7%	(0.6)pp	Gross margin stable adjusting for one-off supplier recoverable in 2018
FULFILMENT COSTS	23.0%	24.7%	(1.7)pp	Increase due to changes to CIS fulfilment approach - optimisation ongoing
MARKETING COSTS <sup>(1)</sup>	10.4%	10.2%	+0.2pp	0.7pp leverage as we scale the business
TECH & ADMIN COSTS <sup>(1)</sup>	15.3%	14.8%	+0.5pp	
ADJUSTED EBITDA	(5.7)%	(4.8)%	+ 0.9 pp	Continued margin improvement on path to profitability

(1) Costs adjusted for one-off fees, mainly due to the IPO

# DISCIPLINED INVESTMENT IN CAPEX AND WORKING CAPITAL MANAGEMENT



# €315M OF CASH AVAILABLE TO INVEST IN THE BUSINESS



(1) Includes restricted cash and cash on deposit, primarily related to the RCF facility



# ONGOING GROWTH ACROSS ALL REGIONS

	REVENUE (€M)			GROSS MARGIN (%)		
	Q2/18	Q2/19	Δ (%) <sup>(1)</sup>	Q2/18	Q2/19	Δ (pp)
<b>Group</b>	297.8	342.4	16.5	42.9	41.3	(1.6)
<b>APAC</b>	110.2	130.6	18.1	36.3	36.5	0.2
<b>LATAM</b>	90.9	106.1	24.5	44.0	42.4	(1.6)
<b>CIS</b>	94.5	104.8	8.7	49.8	47.7	(2.1)

(1) Constant currency growth rates

# OUTLOOK



# WE RECONFIRM OUR 2019 GUIDANCE

## NMV

20 - 23% constant currency growth

€1.7 - 1.8bn

## REVENUE

Above €1.3bn

## ADJ. EBITDA MARGIN

(% Revenue)

Further progress towards breakeven

## CAPEX

Around €80m, due to phasing benefits and the results of continuously optimising our ongoing investment plans

# APPENDIX



# 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)
<b>Shares Outstanding (Excluding Treasury Shares)<sup>(1)</sup></b>	<b>194,422,328</b>

EMPLOYEE STOCK OPTION PROGRAM	
Weighted average exercise price (€)	Outstanding call options <sup>(2)</sup>
0.01	1,554,507
5.97	3,917,687
9.81	4,748,185
32.04	353,597
<b>Total</b>	<b>10,573,976</b>

(1) Based on 214,765,517 shares on issue, less 20,343,189 treasury shares, of which 20,054,561 treasury shares are held solely for cancellation as part of the share redistribution undertaken for GFG's IPO. Shares on issue shown as at 7-Aug-2019, following several capital increases that became effective after 30-Jun-2019. These capital increases were related to (i) a share redistribution for settlement of GFG's pre-IPO convertible preference shares; (ii) the IPO; and (iii) exercise of the IPO greenshoe option.

(2) Based on number of employee stock options outstanding as of 30-Jun-2019, assuming all awards are settled via issuance of GFG shares.

# FINANCIAL CALENDAR 2019 – UPCOMING EVENTS

## AUGUST 2019

M	T	W	T	F
			1	2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	23
26	27	28	29	30

## SEPTEMBER 2019

M	T	W	T	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30				

## OCTOBER 2019

M	T	W	T	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30	31	

## NOVEMBER 2019

M	T	W	T	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

DATE	EVENT	LOCATION
August 21 <sup>st</sup>	Q2 and H1 2019 Results	
September 19 <sup>th</sup>	Kinnevik Capital Markets Day	Stockholm
September 24 <sup>th</sup>	Berenberg and Goldman Sachs Eighth German Corporate Conference	Munich
November 13 <sup>th</sup>	Q3 2019 Results	
November 13 <sup>th</sup>	Morgan Stanley European Technology, Media & Telecom Conference	Barcelona

# 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.

## Net merchandise value

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 month's revenue divided by active customers).

## Average order value

Average order value is defined as the NMV per order.

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