GFG GLOBAL FASHION GROUP



2025

ANNUAL REPORT

GFG AT-A-GLANCE

WHO WE ARE

OUR VISION IS TO BE THE #1 FASHION & LIFESTYLE DESTINATION IN ANZ, LATAM & SEA.

OUR PURPOSE IS TO ENABLE TRUE SELF-EXPRESSION.

Global Fashion Group is the leading online fashion and lifestyle destination in ANZ, LATAM & SEA. We combine the scalability of a global platform with deep local expertise and place diversity at the core of our operations to deliver on our purpose of enabling true self-expression. Operating through three platforms – THE ICONIC in ANZ, dafiti in LATAM and ZALORA in SEA – we serve nine countries with a combined population of over 700 million people. With online fashion penetration still relatively low in GFG's markets compared to more mature ones, we are well-positioned to unlock our value potential by building our platforms' reputations and capturing fashion's shift to online.

AUSTRALIA & NEW ZEALAND	LATIN AMERICA	SOUTH EAST ASIA
THE ICONIC	dafiti	ZALORA
AUSTRALIA, NEW ZEALAND	BRAZIL, COLOMBIA	INDONESIA, PHILIPPINES, SINGAPORE, MALAYSIA, HONG KONG

HOW WE WIN

We are the leading online fashion and lifestyle destination in our markets through a combination of a superior customer experience and deep local expertise to act as the gateway for brands, all while operating responsibly.

BEST-IN-CLASS CUSTOMER EXPERIENCE

- **Broad & relevant assortment** from the most in demand global, local and own brands across multiple price points
- Innovative apps providing an **inspiring and seamless digital experience** for customers to discover and follow brands and curated content
- Logistics designed for **fast and convenient delivery** and easy returns

PARTNER OF CHOICE FOR BRANDS

- Local expertise to **unlock complex markets**
- Multiple **flexible business models** tailorable to brands' needs and scale
- **Complementary platform services** including infrastructure and intelligence tools to facilitate market entry and expansion

PEOPLE & PLANET POSITIVE

STRATEGIC PRIORITIES

- Climate action to mitigate our impact and adapt to a low carbon economy
- Circularity and conscious consumption in our contributions and by educating our customers
- Fair and ethical sourcing to ensure decent working conditions in our supply chain
- Diversity, inclusion and belonging to empower true self-expression
- Responsible workplace to ensure workplaces are free from harm and enrich lives
- Responsible business to act with intent and integrity

2025 HIGHLIGHTS

€1,042m
NET MERCHANDISE VALUE
+0.3% yoy (constant currency)

46%
GROSS MARGIN
+1.5ppt yoy

1.4%
ADJ. EBITDA MARGIN
+3.8ppt yoy

7m
ACTIVE CUSTOMERS
(4.0)% yoy

17m
ORDERS
(1.8)% yoy

2.4x
ORDER FREQUENCY
+2.3% yoy

Key Performance Indicators	2025	2024
Net Merchandise Value ("NMV") (€m)	1,041.6	1,099.6
Growth in Constant Currency (%)	*0.3*	*(6.6)*
Revenue (€m)	679.8	722.6
Growth in Constant Currency (%)	*(0.6)*	*(7.4)*
Gross Margin (%)	46.4	44.9
Adjusted EBITDA (€m)	9.3	(17.6)
Adjusted EBITDA Margin (%)	*1.4*	*(2.4)*
Normalised Free Cash Flow ("NFCF") (€m)	(31.6)	(41.5)
Capital Expenditure ("Capex") (€m)	13.1	29.4
Pro-Forma Cash (€m)	185.1	222.4
Pro-Forma Net Cash (€m)	143.2	164.1
Active Customers (m)	7.3	7.6
Number of Orders (m)	17.2	17.5
Order Frequency (x)	2.4	2.3
Average Order Value (€)	60.5	62.7

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1. TO OUR SHAREHOLDERS

1.1 LETTER FROM OUR MANAGEMENT BOARD

2025 marked an important step forward in our journey to profitable growth. Over the past three years, we have been in a reset phase where we executed with discipline across costs, inventory, customer acquisition and capital investment to strengthen our financial operating model. Taken against the backdrop of a post-COVID demand downturn and the strategic reshaping of the Group, these measures enabled us to deliver a positive Adjusted EBITDA for the full year 2025. Our performance was driven by a return to growth in ANZ and LATAM, which helped stabilise the Group's topline despite varying levels of consumer demand throughout the year. With a stronger foundation in place, our focus is on maintaining this discipline as we actively capture the growth opportunities ahead.

Delivering progress across all regions

ANZ completed its transition to a profitable growth engine by leveraging its brand equity and operational scale. The 'Got You Looking' brand reset drove tangible improvements in customer engagement, supported by enhancements to our delivery proposition. We are now deepening these customer relationships through our new loyalty programme launched in Q4 2025. We also scaled our inventory-light platform model through Marketplace and Fulfilled By to strengthen our customer offering and maximise infrastructure utilisation.

LATAM progressed through its reset with decisive actions such as the closure of our operations in Chile. With a focus on commercial discipline and closer collaboration with our top brand partners, we refined our assortment and availability to drive higher customer engagement. We also began to realise the benefits of AI in campaign development which accelerated our speed-to-market and improved overall marketing effectiveness.

SEA advanced its financial recovery against a backdrop of weak consumer demand by refocusing resources on our five core markets following the closure of the subscale Taiwan operations and leveraging strengths such as top brands and our Platform Services. We sharpened our customer proposition by rationalising the assortment and removing long-tail complexity. Our focus on inventory health combined with meaningful cost actions drove further improvements in Gross Margin and profitability. In September, we welcomed Felipe Garcia Alvarez as our new SEA CEO who will lead the next stage of SEA's turnaround with his deep expertise in fashion and ecommerce.

Building the next phase of profitable growth

To guide GFG's next phase, we are embracing our three strategic priorities: a best-in-class customer experience, partner of choice for brands and people & planet positive. The customer flywheel is central to this with loyalty, CRM and personalisation improvements designed to increase engagement and Order Frequency. Growing Marketplace and Platform Services remain key levers to support deeper brand partnerships and a stronger margin profile. Ongoing cost discipline remains critical with an efficiency mindset embedded across GFG to create further opportunities as we scale. AI deployment across all areas – marketing, content, search, pricing and internal productivity – will support greater relevance and efficiency. We also continue to progress our sustainability goals as outlined in our 2025 People & Planet Positive Report released alongside this report.

Our three regions contribute to the Group's goals from different stages and scale but with a shared commitment to profitable growth. ANZ is already steadily growing profitably and makes up half of the Group's NMV. LATAM and SEA have both delivered positive Adjusted EBITDA with growth plans underway.

We have a strong cash and liquidity position to support our plans. In 2025 and 2026, we reduced our convertible bond liability to only c.€9 million outstanding at attractive terms. We also expanded our available liquidity with ANZ's signing of c.€25 million of new credit facilities.

Thank you to our employees, brand partners, customers and shareholders for your continued support. We look forward to building on the stronger foundations established during our reset phase and delivering sustainable, profitable growth in the years ahead.

GFG Management Board



Christoph Barchewitz
CEO



Helen Hickman
CFO

1.2 REPORT OF THE SUPERVISORY BOARD

Overview of the Management Board and Supervisory Board

The Supervisory Board and Management Board performed their duties in accordance with:

- the statutory requirements applicable to Global Fashion Group ("GFG", the "Company" or the "Group");
- the Articles of Association of GFG (the "Articles of Association");
- the Rules of Procedure of the Supervisory Board dated 1 January 2022, as amended on 17 August 2022 (the "Supervisory Board Rules of Procedure");
- the Rules of Procedure of the Management Board dated 14 August 2023 (the "Management Board Rules of Procedure"); and
- the German Corporate Governance Code of 28 April 2022 (the "GCGC").

Through ongoing dialogue throughout 2025, the Management Board and Supervisory Board discussed strategy, financial performance and planning, capital allocation, business development, sustainability, governance and risk management. The Supervisory Board received regular and detailed written and verbal updates to ensure its direct involvement in all fundamental decisions impacting GFG. The Chairperson of the Supervisory Board was immediately notified of all important events.

The Boards remained in regular contact outside of Supervisory Board meetings. Before adopting any resolutions, the Management Board presented all matters requiring approval for discussion during Supervisory Board or Committee meetings. The Supervisory Board approved every transaction of fundamental importance to the Company including those involving members of the Management Board and related persons with GFG. The Chairperson of the Audit Committee discussed audit-related topics with the statutory auditor outside of Audit Committee meetings and without the involvement of the Management Board. For a detailed description of governance structure, composition principles and working practices, see Section 3.2 'Board Composition & Governance Structure'.

Meetings of the Supervisory Board and its Committees During 2025

The Supervisory Board met seven times (in person and virtually) during the regular Board cycle and in ad-hoc meetings and passed written resolutions. A sub-committee appointed by the Supervisory Board on 26 February 2025 passed one written resolution in connection with the convening of the Annual General Meeting of Shareholders ("AGM"). The Committees held the following number of meetings: 4 Audit, 6 Remuneration, 1 Nomination and 2 Sustainability.

Management Board members attended all Supervisory Board meetings to provide in depth reports on GFG's business, financials and execution of its strategy. The topics addressed and the scope of the reports met the legal requirements, principles of good corporate governance and requirements of the Supervisory Board Rules of Procedure. Individual attendance for all Supervisory Board and Committee meetings is detailed in the following table.

	Supervisory Board	Audit Committee	Remuneration Committee	Nomination Committee	Sustainability Committee	Total Attendance Rate
Cynthia Gordon	6/7	4/4	6/6	1/1	2/2	95%
Andreas Bernstrom (appointed 12 June 2025)	3/3					100%
Georgi Ganev (until 12 June 2025)	1/4			1/1		40%
Laura Weil	6/7	4/4	6/6		1/1 (appointed 1 June 2025)	94%
Carol Shen	7/7			1/1	2/2	100%
John Baker	7/7	4/4	6/6		1/1 (until 1 June 2025)	100%
Total % Attendance						**93%**

Key Activities of the Supervisory Board and its Committees

The Supervisory Board and / or its Committees discussed and reviewed the following topics during financial year 2025:

- Standalone and consolidated financial statements for the full financial year 2024, financial results for the first quarter and third quarter of 2025, unaudited financial statements for the first half of financial year 2025 and outlook for the remainder of the financial year;
- The Annual Report, the Corporate Governance Report and Remuneration Report and the Non-Financial Report ("People & Planet Positive Report") for financial year 2024;
- 2025 Group strategic priorities;
- 2025 budget, mid-term plan, liquidity forecast, and re-forecast;
- Certain repurchases of a portion of the outstanding convertible bonds due 2028;
- Strategic updates on the ANZ, LATAM and SEA regions;
- The Company's technology and information security strategy;
- Periodic strategic planning;
- Periodic capital markets, capital structure, and financing updates;
- Sustainability matters, including the review of the sustainability strategy, targets, and Corporate Sustainability Reporting Directive ("CSRD") double materiality framework and reporting;
- Management Board remuneration, including base remuneration and short and long-term incentive plans;
- Amendments to the Remuneration Policy as approved by the AGM;
- Amendments to the Company's share plan rules;
- The increase of the Company's share capital and issuance of shares from the authorised capital to refill the Employee Benefit Trust ("EBT");
- The issuance of shares from the EBT for the benefit of certain current and former employees in accordance with the Company's share plans;
- Agenda and process for the AGM;
- Reserved Matters in accordance with the Company's Authorities Matrix and the Supervisory Rules of Procedure;
- Periodic update on legal and governance, risk management and compliance matters;
- The Declaration of Compliance with the GCGC for financial year 2025;
- Annual review of the dividend policy;
- Annual self-review of efficiency of the Supervisory Board and its Committees; and
- The draft 2026 budget and mid-term plan for 2027-2028.

The Management Board discussed and reviewed the following topics during financial year 2025:

- Standalone and consolidated financial statements for the full financial year 2024, financial results for the first quarter and third quarter of 2025, unaudited financial statements for the first half of financial year 2025 and outlook for the remainder of the financial year;
- The Annual Report, the Management Board Report, the People & Planet Positive Report for financial year 2024;
- 2025 Group strategic priorities;
- 2025 Budget, mid-term plan and liquidity forecast, 2025 guidance and re-forecast;
- Certain repurchases of a portion of the outstanding convertible bonds due 2028;
- Strategic updates on the ANZ, LATAM and SEA regions;
- Gross margins, inventories and provisions;
- Periodic strategic planning;
- Periodic capital markets, capital structure and financing updates;
- Sustainability matters, including strategy, targets, and CSRD double materiality reporting;
- Review of the succession planning for the key leaders of the Group;
- Remuneration programme setting the short and long-term incentive plans for employees of the Group;
- Review and approval of the current authorised share capital of the Company and refill of the EBT;
- Assessment of short-term incentive target achievement for Group employees in financial year 2024;
- Short-term incentive compensation target setting for the employees of the Group for financial year 2025;

- Assessment of target achievement in relation to performance stock units allocated to eligible employees under the long-term incentive plan for financial year 2024;
- Amendments to the Company's share plan rules;
- Allocation of share options and performance options to eligible participants under the Company's amended share plan rules for financial year 2025 and determination of related long term incentive performance targets;
- Agenda and process for the AGM;
- Reserved Matters in accordance with the Company's Authorities Matrix and Management Board Rules of Procedure;
- Periodic governance, legal and regulatory and compliance updates;
- Review of the Risk Register;
- Declaration of compliance with the German Corporate Governance Code for financial year 2025;
- Annual review of the dividend policy;
- Review and approve the credit facilities with National Australia Bank; and
- Proposed 2026 Budget and mid-term plan for 2027-2028.

The Audit Committee discussed and reviewed the following topics during financial year 2025:

Area of Focus	Actions Taken in 2025
Financial Reporting	• Reviewed key accounting and financial reporting issues in each quarterly meeting • Reviewed and approved standalone and consolidated financial statements for financial year 2024; subject to the approval of the Supervisory Board • Reviewed and approved quarterly financial results for Q1 and Q3 2025 and H1 2025 interim consolidated financial statements • Reviewed inventories and provisions, cash investment strategy and financial controls status and progress • Significant issues in relation to the financial statements for financial year 2025 including asset impairment and impairment testing of goodwill and intangible assets, inventory & inventory allowances and tax provisions, tax contingencies & deferred tax assets.
External Auditor	• Received reports from the external auditor for financial year 2024 and H1 of financial year 2025 covering financial reporting, accounting and audit issues • Reviewed and pre-approved all audit and non-audit services rendered by the external auditor, including external auditor fees • Approved the 2025 external audit plan • Discussed compliance requirements and timeline regarding CSRD with the external auditor • Reviewed the assessment from the external auditor regarding the design and operating effectiveness of the internal control environment including the Group's main financial processes • Conducted the annual review of independence and quality of the external auditors
Internal Audit Activities	• Approved the Annual Internal Audit Plan for 2025 and 2026 and provided direction to risk coverage • Followed up on high priority actions with the Management Board
Risk Management	• Reviewed updates to risk assessments, risk registers and associated action, particularly regarding cybersecurity and technology and CSRD reporting requirements • Reviewed summary updates in relation to the enterprise risk management framework • Informed of risk transfer strategy with regards to central insurance buying • Reviewed and approved the 2025-2026 cyber and information security risk management programme and roadmap
Internal Controls	• Reviewed the annual internal controls self-assessment programme and methodology • Reviewed summary updates on programme progress
Others	• Review of CSRD reporting requirements and limited assurance process. • Reviewed quarterly reports on matters concerning legal compliance and governance matters • Review of the 2026 insurance broker strategy • Conducted annual self-assessment of the effectiveness of the Audit Committee

The Remuneration Committee discussed and reviewed the following topics during financial year 2025:

- Assessment of targets achievement for Management Board members in financial year 2024, regarding both short-term incentive compensation and performance stock units allocated under the long-term incentive plan;

- Remuneration Report for financial year 2024;
- Amendments to the Company's share plan rules and inclusion of alternative instrument in the form of share options and performance options;
- Amendments to the Remuneration Policy, as approved by the AGM;
- Annual compensation review for financial year 2025 for the Management Board;
- Short-term incentive compensation measures and target determination for Management Board members for financial year 2025;
- Allocation of performance options to Management Board members for financial year 2025 under the long-term incentive plan and determination of related performance measures and targets;
- The implementation of a new long-term incentive structure with multi-year grant aligning Management Board interests with shareholders to drive share price improvement;
- Review and approval of proposal to allow Management Board members to elect to exchange unvested RSUs / PSUs for share options in accordance with the Company's share plan rules;
- Review and approval of the current authorised share capital of the Company and refill of the EBT
- The total compensation outlook for the Management Board in financial year 2025;
- Management Board compensation principles for 2026; and
- Conducted annual self-assessment of the effectiveness of the Remuneration Committee.

The Nomination Committee discussed and reviewed the following topics during financial year 2025:

- Review of the structure and membership of the Committees of the Supervisory Board;
- Nomination Committee succession planning; and
- Conducted annual self-assessment of the effectiveness of the Nomination Committee.

The Sustainability Committee discussed and reviewed the following topics during financial year 2025:

- Approval of the People & Planet Positive Report for financial year 2024;
- Updates regarding GFG's People & Planet Positive strategy and 2025 targets;
- 2025 sustainability prioritisation plan;
- Reporting requirements and limited assurance by independent auditors regarding the CSRD;
- Periodic updates and progress reporting on the double materiality assessment required by the CSRD; and
- Conducted annual self-assessment of the effectiveness of the Sustainability Committee.

After confirming the auditor's independence via a written declaration, the Supervisory Board reviewed GFG's standalone and consolidated financial statements, management report and the auditor's reports for financial year 2025. Finding its review fully aligned with both the Audit Committee and the auditor, the Supervisory Board raised no objections and formally approved GFG's financial statements for financial year 2025.

The Supervisory Board would like to thank the Management Board and all employees of GFG for their commitment.

Luxembourg, 4 March 2026
The Supervisory Board of GFG



Cynthia Gordon
Chairman



John Baker
Member



Andreas Bernstrom
Member



Carol Shen
Member



Laura Weil
Member



2. GROUP MANAGEMENT REPORT

2.1 FUNDAMENTAL INFORMATION ABOUT THE GROUP

2.1.1 BUSINESS MODEL & GROUP STRUCTURE

Business Model

Global Reach, Local Roots Global Fashion Group ("GFG", the "Company" or the "Group") is the leading online fashion and lifestyle destination in nine countries across Australia and New Zealand ("ANZ"), Latin America ("LATAM"), and South East Asia ("SEA"). We connect more than 700 million consumers with thousands of brands through a one-stop-shop experience that combines global scale with deep local expertise.

Our Market-Leading Platforms We operate three established ecommerce platforms, each a market leader in its region:

- **THE ICONIC:** Australia and New Zealand
- **Dafiti:** Brazil and Colombia
- **ZALORA:** Indonesia, Philippines, Singapore, Malaysia and Hong Kong

Young, Diverse & Digitally Native Customers Our customer base is predominantly female, aged 15-45 and highly engaged with digital culture. With over 50 million followers across the top five social media platforms, our customers demonstrate high intent and openness to online purchasing. We drive engagement through inspiring content and seamless app experiences that resonate with their specific aesthetic, cultural and sizing preferences.

A Curated, Relevant Assortment We reflect the diversity of our markets by offering a broad, localised assortment across apparel, footwear, sportswear, accessories and beauty. Our offering blends global icons, local favourites and exclusive own brands, ensuring we meet price points and style preferences unique to every market we serve.

Hybrid Business Model We source and deliver products through two complementary models which often enables brands to utilise both simultaneously:

- **Retail Model:** GFG purchases and owns the inventory, handling the end-to-end sales process.
- **Marketplace Model:** Brand partners retain inventory ownership and list products directly on our platforms. In 2025, Marketplace share was 39% of Net Merchandise Value ("NMV").

Strategic Partner to Brands As the only online pure-play fashion platform of scale in our regions, we help brands overcome the complexities of local logistics, infrastructure and regulations. Beyond market entry, we accelerate partner growth through our Platform Services:

- **Operations by GFG:** Comprehensive fulfilment services for brand sales across external channels (i.e., brand websites or third-party marketplaces).
- **Marketing by GFG:** Targeted paid marketing solutions to amplify brand visibility.
- **Data by GFG:** Advanced analytics offering insights into customer behaviour, traffic and product performance.

Fashion-Specific Infrastructure Our operations are built for efficiency and scalability. We operate six regional fulfilment centres with a storage capacity of ~22 million items, capable of nearly doubling NMV without material additional investment. Our logistics network includes locally tailored customer support, diverse payment options and reliable last-mile delivery designed for regional complexities.

Proprietary Technology & Innovation Our technology ecosystem is a key competitive differentiator driven by a global team of 500+ experts. Key features include:

- **Scalable Architecture:** A custom-built platform that is globally integrated yet locally adaptable to meet specific business and regulatory needs.
- **AI-Driven Efficiency:** An AI-enabled workforce utilising proprietary tools to enhance productivity and decision-making.
- **Data Science:** Innovation-led planning and scheduling tools that align assortment buying with precise customer demand.

Our People GFG is powered by a diverse team of over 3,200 people who combine deep local expertise with global ambition. Uniting a passion for fashion with technological capability, our teams bridge the "art and science" of retail to deliver a compelling proposition for both customers and brands.

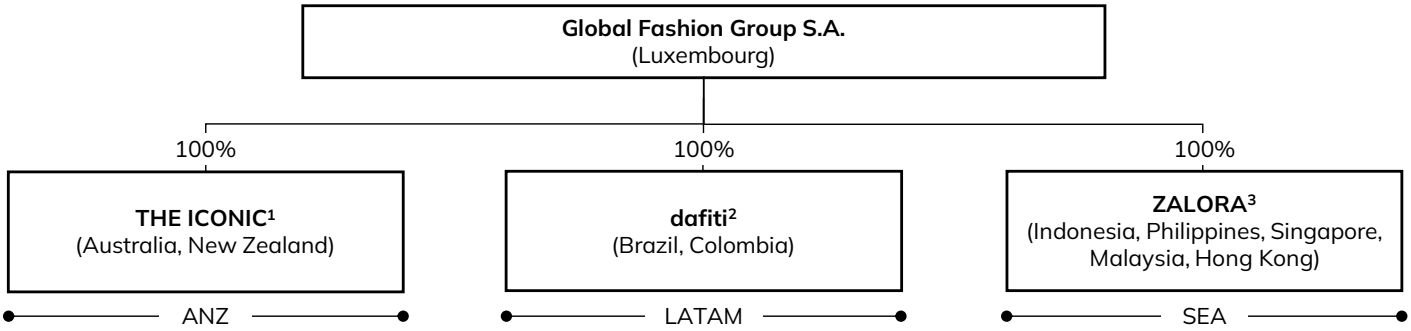
Group Structure

Global Fashion Group S.A. ("the Company") is a stock corporation (société anonyme) under the laws of the Grand Duchy of Luxembourg and registered in the Luxembourg Trade and Companies Register (RCS B 190.907). GFG is domiciled in Luxembourg

with its registered office located at 5, Heienhaff L-1736 Senningerberg. Please refer to Section 3.4 for composition of subscribed capital and own shares and Section 3.5 for shares awarded to employees.

Global Fashion Group S.A. is the parent company of the Group. The Group comprises all subsidiaries whose financial and business policies can be controlled by the Company, either directly or indirectly. The Group's business is conducted by the Company and its various subsidiaries.

As at 31 December 2025, 46 entities are consolidated in the consolidated financial statements of the Group. See Note 7 in the notes to the consolidated financial statements for more information.



[1] THE ICONIC operations are conducted by Internet Services Australia 1 Pty Ltd. in Australia and New Zealand.

[2] Dafiti operations are conducted by GFG Comercio Digital Ltda. in Brazil, and Bigfoot Colombia SAS in Colombia.

[3] ZALORA operations are conducted by PT Fashion Eservices Indonesia and PT Fashion Marketplace Indonesia in Indonesia, BF Jade E-Services Philippines Inc in Philippines, Jade E-Services Singapore Pte. Ltd. in Singapore, Jade E-Services Malaysia SDN BHD in Malaysia, and ZALORA (Hong Kong) Ltd. in Hong Kong.

Business Segments

The Group consists of three operating segments, which also represent its reportable segments:

- **ANZ** – GFG operates under THE ICONIC brand, launched in 2011, in Australia and New Zealand.
- **LATAM** – GFG operates under the dafiti brand, launched in 2011, in Brazil and Colombia.
- **SEA** – GFG operates under the ZALORA brand, launched in 2012, in Indonesia, the Philippines, Singapore, Malaysia and Hong Kong.

2.1.2 CORPORATE STRATEGY

Our vision is to be the #1 fashion and lifestyle destination in our markets. Our purpose is to enable true self-expression. To achieve our long-term vision and execute on our purpose, we focus on three strategic priorities which are all underpinned by our true local expertise.

1. Best-in-Class Customer Experience

Broad & Relevant Assortment

GFG offers a wide range of products from over 5,000 global and local brands, including our own brands with exclusive products. We cover all the major fashion categories selling some of the world's most loved brands as well as leading local brands in each of our markets. Apparel and footwear represent the majority of our business at 48% of NMV followed by sport at 26%. Premium brands, which are sold at a higher price point and drive better unit economics, are a top priority for the Group – the premium brand segment reached 16% of NMV in 2025.

Our Marketplace business model allows us to expand our assortment without taking on inventory risk. As a result, 83% of our top 30 global and local brand partners have adopted a hybrid partnership model, moving some of their products onto our Marketplace, allowing GFG to provide its customers the best service and fastest delivery for the best-selling SKUs, while still providing the benefit of a full assortment from its brand partners.

Inspiring & Seamless Digital Experience

After carefully curating the right brands and products, GFG engages and inspires customers through an inspiring, seamless digital experience, supported by excellent customer service and bespoke, continuously refreshed personalisation that evolves with each customer's needs. Our onsite and in-app journeys are appealing, intuitive and visually rich, bringing the unique features of our products to life and making discovery and purchase effortless.

Our apps are central to building loyalty and long-term engagement, which is why we have prioritised app-led growth versus browser. Compared to web experiences, apps typically deliver richer personalisation by leveraging push notifications for direct

re-engagement and integrating more deeply with device capabilities (i.e., saved preferences, location services and camera features). These advantages support higher frequency, stronger retention and improved conversion, making the app channel a key driver of sustainable growth. In 2025, 69% of our NMV was generated from our apps, up from 66% in 2024.

Fast & Convenient Delivery

GFG continuously evaluates and enhances its delivery and returns proposition to make the post-purchase experience as fast, convenient and reliable as possible. This supports higher customer satisfaction and increases the attractiveness of online shopping across our markets.

We operate six leased fulfilment centres across our footprint and own the proprietary technology that powers these facilities. Our logistics operations are run end-to-end by GFG, enabling consistent service quality, operational resilience and a smooth customer experience. Our well-invested infrastructure is supported by local teams to enable us to process high volumes at speed and meet customer expectations across diverse markets. Automation levels vary by fulfilment centre with higher degrees of automation in Australia and Brazil.

To meet different customer needs and urgency levels, we offer a range of delivery choices from standard delivery to same-day delivery in select cities. We prioritise making returns straightforward and reliable, recognising that convenience is a key driver of customer conversion and repeat purchase. Customers can choose flexible return options including home pick-up or drop-off at designated points, helping them complete returns with minimal friction. Return rates were stable at 29% in ANZ (2024: 29%) and 15% in SEA (2024: 15%). In LATAM, the return rate decreased to 11% in 2025 from 12% in 2024.

2. Partner of Choice for Brands

Unlocking Complex Markets

GFG provides the expertise and support that our brand partners need to expand into our markets. Our regions are vast and diverse, with complex regulations and import processes. Our local experts and fulfilment centres on the ground enable us to manage the supply chain effectively, both for GFG and our brand partners.

Offering Flexible Business Models

GFG offers flexible business models to suit the needs of our brand partners.

- **Retail:** We take ownership of a brand's stock and control all aspects of the sale process. Retail accounts for the majority of our NMV at 61% in 2025.
- **Marketplace:** We connect brands as sellers on our apps and websites while they retain full ownership of their inventory and control over pricing and sales strategies. In 2025, Marketplace contributed 39% to NMV, and we continue to expand its presence across our regions. Within Marketplace, we offer three fulfilment models – fulfilled by, cross-docking and drop shipment. Fulfilled by provides brands with a convenient and efficient way to process their Marketplace orders using GFG's fulfilment infrastructure.

Complementary Platform Services

GFG's Platform Services provides brand partners with a suite of operations, marketing and data analytics capabilities to support their offerings beyond GFG's Retail and Marketplace listings. For example, it enables brands to execute and optimise sales on their own websites or via third-party platforms.

In 2025, Platform Services accounted for 4% of Revenue, representing a direct incremental revenue stream. By enabling partners to leverage GFG's capabilities alongside their own, Platform Services strengthens brand relationships and creates opportunities for profitable growth and revenue expansion for GFG.

Specifically, Platform Services includes:

- **Operations by GFG** supports brand partners that lack local infrastructure and resources through services such as e-production, delivery, returns and our single stock solution for multi-platform fulfilment. The single stock solution enables brands to use GFG warehouses as a unified stock pool and fulfil orders efficiently across multiple channels and platforms.
- **Marketing by GFG** provides a complete suite of services to drive brand awareness, reach and engagement, both on and off our platforms.
- **Data by GFG** delivers insights into consumer behaviour, assortment trends, inventory performance and competitor benchmarking. This is particularly valuable in our markets where structured consumer data can be limited, as it helps brands make more informed commercial decisions.

3. People & Planet Positive

Our 2030 ESG strategy continues to guide our long-term agenda and commitment to being People & Planet Positive. We remain dedicated to six strategic priorities: Climate Action, Circularity & Conscious Consumption, Fair & Ethical Sourcing, Diversity, Inclusion & Belonging, Responsible Workplace and Responsible Business.

In 2025, we built on the target updates made in 2024 and focused on areas where we have the greatest influence and strengthened the foundations needed for credible delivery and disclosure. To ensure maximum impact, we continue to apply the following principles:

1. Maximising direct influence to reduce our environmental and social footprint
2. Aligning with business operations and geographical capabilities for targeted impact
3. Engaging regional business leaders to drive sustained progress in local markets over the next two to three years
4. Enhancing transparency and compliance to meet evolving reporting requirements, including our voluntary CSRD / ESRS-aligned readiness and mandatory regional compliance

Our transition to a platform business continued in 2025 with the expansion of our Marketplace and Platform Services. This reinforced our focus on scalable sustainability levers through how we design services, work with partners and support customers with credible information across our ESG Strategy.

In 2025, key focus areas included:

- Strengthening greenhouse gas ("GHG") reporting and updating our Science Based Targets initiative ("SBTi") targets which were approved by the Audit Committee in July 2025
- Embedding sustainability into core decision-making to drive stronger governance, clearer accountability and improved data quality
- Integrating sustainability into Platform Services, including establishing clear expectations for our brand partners
- Maturing packaging and recovery approaches in response to evolving Extended Producer Responsibility ("EPR") expectations across markets
- Ensuring a safe, inclusive and harm-free workplace for all employees
- Increasing scrutiny on "green" claims, due diligence expectations and credible product sustainability information reinforced the need to embed sustainability into our business practices to build trust, resilience and long-term value.

In 2026, we plan to review our 2030 ESG Strategy to ensure it aligns with our business evolution, the shifting compliance landscape and areas we can most directly control and influence. While the strategy will adapt, our "north star" commitments to GHG reduction, human rights and compliance will remain consistent with our long-term agenda.

A comprehensive update on our progress is available in our *People & Planet Positive Report* on our website.

2.1.3 OTHER NON-FINANCIAL INFORMATION

Other non-financial information, such as environmental, social, human rights and the fight against corruption, along with reporting against the EU Taxonomy is contained in our *People and Planet Positive Report* available on our website.

2.1.4 INTERNAL MANAGEMENT SYSTEM

The Management Board is responsible for steering the Group both on a segmental level (i.e., ANZ, LATAM and SEA) and at a consolidated Group level.

The Group's Key Performance Indicators include Net Merchandise Value, Revenue, Gross Margin, Adjusted EBITDA, Normalised Free Cash Flow, Capital Expenditure, Pro-Forma Cash, Pro-Forma Net Cash, Active Customers, Number of Orders, Order Frequency and Average Order Value.

2.1.5 EMPLOYEES

By the end of 2025, GFG's workforce totalled 3,212 employees, a 9.7% year-on-year decrease (2024: 3,558 including Chile). This reduction was driven by strategic restructuring to create a leaner and more cost efficient organisation, as well as the closure of operations in Chile. As a result, the average annual headcount decreased to 3,388, down from 3,922 (including Chile) in 2024.

2.2 REPORT ON ECONOMIC POSITION

2.2.1 MACROECONOMIC AND SECTOR-SPECIFIC ENVIRONMENT

GFG operates across nine countries in the online fashion and lifestyle sector. Our trajectory is shaped by a combination of global macroeconomic shifts, regional market trends and the ongoing digital transformation of retail.

Following three years of high inflation, 2025 marked a turning point. Easing inflationary pressure across our markets enabled central banks to initiate interest rate cuts and led to a cautious recovery in consumer confidence. However, this recovery was not uniform. Brazil, our second-largest market, was an exception as its central bank raised interest rates to combat persistent local inflation.

Despite general improvements, the global landscape remains volatile. Though we were not directly impacted, events such as ongoing U.S. tariff announcements highlight the unpredictable nature of trade and supply chains. Consequently, consumer demand remains fragile. Elevated living costs continue to constrain disposable income and promote a value driven purchasing mindset for consumers.

Regional Updates

- **ANZ:** Consumers were impacted by persistent inflation in specific service areas such as rent, insurance and energy that kept the cost of living high. This suppressed broader retail sales for most of 2025. However, consumer sentiment recovered strongly by the end of the year as inflation stabilised and on the prospect of future interest rate cuts.
- **LATAM:** Macroeconomic conditions remained challenging driven by rising interest rates in Brazil. Competitively, the region saw increased investment from large general merchandise players which is accelerating the consumer shift online for all ecommerce players.
- **SEA:** With slower GDP growth, demand continued to favour budget-friendly products and segments. The ecommerce market remains highly competitive as large international players expand in our markets.

Online penetration continued to grow with ecommerce projected to account for nearly half of global fashion and lifestyle sector sales. GFG operates in markets with lower online penetration compared to more developed countries. We are well positioned to capture on online penetration expansion organically and through the accelerated adoption of AI to drive business efficiency and create a stronger customer experience.

As GFG operates predominantly outside the Eurozone, our reported figures (such as NMV, Revenue and Adjusted EBITDA) are impacted by currency fluctuations against the Euro (EUR). However, our operational cash flow remains protected. In 2025, we operated with a 93.4% natural cash flow hedge as our local currency revenues are typically matched against local costs.

2.2.2 SIGNIFICANT EVENTS IN THE REPORTING PERIOD

Convertible Bond Repurchases

Over 2025, GFG completed two repurchases of its outstanding convertible bonds as detailed in the table below. As of the end of 2025, €40.9 million of the bonds remain outstanding and €81.8 million in aggregate principal amount of the bonds are held by the Group in treasury. Please refer to Section 2.3 for details regarding a post balance sheet event where bondholders exercised their right to require the Group to redeem an additional €31.8 million of outstanding bonds in March 2026.

Repurchase Settlement Date	Amount (€m)	Purchase Price per Bond (€)	% of Principal Amount as at the end of Dec-2024 (€54.7m)
6 June 2025	7.1	96,000	13.0%
29 October 2025	6.7	97,000	12.2%
Total Repurchases in 2025	**13.8**	**96,500 weighted average**	**25.2%**

Closure of Bigfoot Chile

On 25 March 2025, Bigfoot Chile SPA ceased operations in Chile due to significant challenges in the post-COVID period, including a challenging operating environment and heightened pressure from local competition. As a result, the entity has been classified as a discontinued operation in accordance with IFRS 5.

Credit Facilities

In December 2025, the Group, through THE ICONIC, signed new credit facilities totalling AUD45.0 million (€25.1 million) with National Australia Bank ("NAB"). This includes a AUD30.0 million (€17.1 million) revolving credit facility ("RCF") and AUD15.0 million (€8.0 million) in bank guarantee and letter of credit facilities. The facilities have an initial term until January 2028.

2.2.3 FINANCIAL PERFORMANCE

Note, the amounts shown for 2024 do not correspond to the results published for the year ended 31 December 2024 and reflect adjustments made in connection with the presentation of discontinued operations (Note 29).

Group Results of Operations

	For the Year Ended 31 December		
In €m	2025	2024	% Change
Revenue	679.8	722.6	(0.6)%[1]
Cost of sales	(364.3)	(398.2)	8.5%
Gross profit	**315.5**	**324.4**	(2.7)%
Selling and distribution expenses	(215.8)	(240.2)	10.2%
Administrative expenses	(143.4)	(161.2)	11.0%
Other operating income	9.0	8.8	2.3%
Other operating expenses	(4.9)	(4.1)	(19.5)%
Impairment of other financial assets	-	(0.3)	100.0%
Impairment of other non-financial assets and goodwill	(0.4)	(2.3)	82.6%
Loss before interest and taxes ("EBIT")	**(40.0)**	**(74.9)**	46.6%
Gain on repurchase of convertible bonds	-	12.3	100.0%
Finance income	3.6	9.9	(63.6)%
Finance costs	(19.2)	(18.6)	(3.2)%
Loss before tax from continuing operations	**(55.6)**	**(71.3)**	22.0%
Income tax expense	(0.1)	(6.6)	98.5%
Loss for the year from continuing operations	**(55.7)**	**(77.9)**	28.5%

[1] *Constant currency growth rate.*

Group Adjusted EBITDA Bridge

	For the Year Ended 31 December	
In €m	2025	2024
Loss before interest and taxes	(40.0)	(74.9)
Depreciation and amortisation	46.3	56.8
EBITDA	**6.3**	**(18.1)**
Share-based payments expenses	1.6	(0.6)
Group recharges and associated taxes	0.3	0.4
Net (reversal) / impairment charges	(0.3)	0.8
One-off costs and income[1]	1.4	(0.1)
Adjusted EBITDA	**9.3**	**(17.6)**

[1] *One-off costs and income include one-off payroll costs, changes in estimate of prior years' taxes and IFRS16 lease revaluations.*

Group Key Performance Indicators ("KPIs")

For KPI definitions, refer to Section 6.4 'Financial Definitions'.

	2025	2024
Net Merchandise Value ("NMV") (€m)	1,041.6	1,099.6
Growth at constant currency (%)	*0.3*	*(6.6)*
Revenue (€m)	679.8	722.6
Growth at constant currency (%)	*(0.6)*	*(7.4)*
Gross Margin (%)	46.4	44.9
Adjusted EBITDA (€m)	9.3	(17.6)
Normalised Free Cash Flow (€m)	(31.6)	(41.5)
Capital Expenditure (€m)	13.1	29.4
Pro-Forma Cash (€m)	185.1	222.4
Pro-Forma Net Cash (€m)	143.2	164.1
Active Customers (m)	7.3	7.6
Number of Orders (m)	17.2	17.5
Order Frequency (x)	2.4	2.3
Average Order Value (€)	60.5	62.7

Financial Performance of the Group

In 2025, the Group delivered a significant financial milestone by achieving positive Adjusted EBITDA for the full year. In a recovering macroeconomic environment, the Group moderated topline declines while executing a strategic shift toward higher margin revenue streams and ongoing cost discipline.

NMV growth returned to positive territory by increasing 0.3% on a constant currency basis to €1,041.6 million (2024: €1,099.6 million). This was supported by an increase in Average Order Value (up 2.1% on a constant currency basis) and an improvement in Order Frequency to 2.4 times per year (2024: 2.3 times).

Revenue decreased slightly by 0.6% year-on-year on a constant currency basis to €679.8 million (2024: €722.6 million).

Although Active Customers declined by 4.0% year-on-year to 7.3 million (2024: 7.6 million) and total Orders fell by 1.8% to 17.2 million (2024: 17.5 million), the trajectory marks a recovery compared to the 10.6% Orders decline in 2024.

Our strategy to expand Marketplace was a key driver of profitability. Marketplace share of NMV expanded 1.4 percentage points to 39.3%. This directly contributed to Gross Margin increasing by 1.5 percentage points year-on-year.

We maintained cost control over the year. Selling and distribution costs decreased by 10.2% and administrative costs fell by 11.0%. This discipline combined with Gross Margin expansion drove a €26.9 million year-on-year improvement in Adjusted EBITDA to reach €9.3 million (2024: €(17.6) million). The Adjusted EBITDA margin improved by 3.8 percentage points to 1.4% (2024: (2.4)%).

Adjusted EBITDA excludes share-based payments of €1.6 million (2024: €(0.7) million credit). The year-on-year variance of €2.3 million primarily reflects the impact of new grants, updates to expected forfeitures rates and vesting profiles and employer social charges accrued on awards. Adjusted EBITDA also excludes non-recurring items of €1.1 million (2024: €0.7 million) which consists of impairment charges, one-off payroll costs, IFRS 16 lease revaluations and adjustments to prior year tax provisions.

The Group's loss for the year from continuing operations decreased by 28.5% to €(55.7) million (2024: €(77.9) million). Finance income decreased to €3.6 million (2024: €9.9 million) as we reduced investment fund holdings subject to fair value gains. Finance costs increased by €0.6 million to €19.2 million (2024: €18.6 million) as higher foreign currency losses were partially offset by reduced interest expenses on lease liabilities and the convertible bond following its partial repurchase.

Following the Group's annual impairment assessment, the recoverable amounts of the ANZ and SEA Cash Generating Units ("CGUs") were determined to be higher than their carrying amounts. Consequently, no impairment charge on other non-financial assets was recognised. No impairment assessment was required for the LATAM CGU as no indicators of impairment were identified.

Financial Performance by Segment

The Group reports performance across our three main business segments – ANZ, LATAM and SEA – alongside 'Other' which includes Group technology, overheads and related business activities.

In 2025, Gross Margin improved year-on-year in all regions (ANZ 1.9, LATAM 1.0, SEA 1.7 percentage points). This expansion was driven by an increased share of Marketplace and Platform Services and a healthier inventory profile. All the regions also delivered improved and positive Adjusted EBITDA, supported by Gross Margin and ongoing cost efficiency measures.

In ANZ and LATAM, NMV and Revenue returned to positive growth during the year. ANZ achieved a 5.7% NMV increase and 3.1% Revenue increase on a constant currency basis compared to respective declines of 3.3% and 4.8% in 2024. LATAM delivered a similar recovery with a 6.1% NMV growth and 3.5% in Revenue, reversing the 1.8% decline seen across both metrics in 2024. In SEA, topline performance remained challenged with constant currency declines of 15.2% in NMV and 10.6% in Revenue.

2025 Segment Results of the Group

€m	ANZ	LATAM[1]	SEA	Total Fashion Business	Other[2]	Reconciliation[3]	Total
Revenue	344.7	190.9	150.9	**686.5**	28.4	(35.1)	**679.8**
% constant currency growth rate	*3.1%*	*3.5%*	*(10.6)%*	-	-	-	***(0.6)%***
Net Merchandise Value	508.7	310.5	222.4	-	-	-	**1,041.6**
% constant currency growth rate	*5.7%*	*6.1%*	*(15.2)%*	-	-	-	***0.3%***
Gross Profit	167.6	84.9	69.6	**322.1**	28.3	(34.9)	**315.5**
% Margin	*48.6%*	*44.5%*	*46.1%*	-	-	-	***46.4%***
Adjusted EBITDA	25.6	2.8	3.0	**31.4**	(22.1)	-	**9.3**
% Margin	*7.4%*	*1.5%*	*2.0%*	-	-	-	***1.4%***

[1] Results for LATAM exclude Chile, which was classified as a discontinued operation during the year ended 31 December 2025 (Note 29).

[2] The other column includes Group technology, overhead and other related business activities.

[3] The reconciliation column includes consolidation adjustments, including intercompany eliminations and amortisation of purchase price allocation assets.

2024 Segment Results of the Group

€m	ANZ	LATAM[1]	SEA	Total Fashion Business	Other[2]	Reconciliation[3]	Total
Revenue	357.9	196.7	172.9	**727.5**	34.1	(39.0)	**722.6**
% constant currency growth rate	*(4.8)%*	*(1.8)%*	*(17.1)%*	-	-	-	***(7.4)%***
Net Merchandise Value	515.2	312.0	272.3	-	-	-	**1,099.6**
% constant currency growth rate	*(3.3)%*	*(1.8)%*	*(17.2)%*	-	-	-	***(6.6)%***
Gross Profit	167.1	85.5	76.8	**329.4**	33.9	(38.9)	**324.4**
% Margin	*46.7%*	*43.5%*	*44.4%*	-	-	-	***44.9%***
Adjusted EBITDA	16.4	(6.9)	(2.6)	**6.9**	(24.5)	-	**(17.6)**
% Margin	*4.6%*	*(3.5)%*	*(1.5)%*	-	-	-	***(2.4)%***

[1] Results for LATAM exclude Argentina, which was classified as a discontinued operation during the year ended 31 December 2023 and sold on 4 July 2024 and Chile, which was classified as a discontinued operation during the year ended 31 December 2025 (Note 29).

[2] The other column includes Group technology, overhead and other related business activities.

[3] The reconciliation column includes consolidation adjustments, including intercompany eliminations and amortisation of purchase price allocation assets.

Cash Flows

The Group's liquidity and cash position is presented in the following summary consolidated statement of cash flows. In accordance with IFRS, these figures include cash flows from both continuing and discontinued operations (discontinued operations being the Chile and Argentina business).

	For the Year Ended 31 December	
	2025	**2024**
Net cash generated from / (used in) operating activities	7.5	(15.0)
Net cash (used in) / generated from investing activities	(9.8)	130.1
Net cash used in financing activities	(29.8)	(130.6)
Change in cash and cash equivalents	**(32.1)**	**(15.5)**
Exchange-rate related changes in cash and cash equivalents	(2.0)	0.2
Cash and cash equivalents at the beginning of the year	210.6	225.9
Cash and cash equivalents at the end of the year	**176.5**	**210.6**

In 2025, GFG generated positive net cash flows from operating activities of €7.5 million, a €22.5 million improvement compared to the net outflow of €15.0 million in 2024. This positive shift was primarily driven by stronger profitability and favourable working capital movements.

Net cash flow from investing activities was €(9.8) million (2024: €130.1 million). This year-on-year variance is largely due to a 2024 €161.9 million redemption from investment funds as part of our cash management strategy; a decrease in capital expenditure of €16.5 million and an increase of €5.5 million in cash flows from other securities, deposits and transfer of restricted cash.

For capital expenditure, we maintained a disciplined approach. We invested €1.7 million in property, plant and equipment (2024: €3.9 million), of which €0.8 million was related to our fulfilment centres. Additions to intangible assets decreased to €12.3 million (2024: €25.7 million), consisting primarily of €12.2 million in internally developed intangible assets (2024: €21.6 million). Net cash from financing activities included €9.5 million in bank repayments (2024: €74.5 million) offset by €9.1 million in proceeds (2024: €66.2 million) and €15.5 million in lease payments (2024: €16.5 million). We also completed a partial repurchase of our convertible bonds totalling €13.3 million alongside continued biannual coupon payments of 1.25%.

The Group closed 2025 with a Pro-Forma Cash position of €185.1 million (2024: €222.4 million) which includes €8.6 million of restricted cash (2024: €11.8 million) related to the Group's debt facilities.

Financial Position

Assets	For the Year Ended 31 December		
In €m	**2025**	**2024**	**Change (%)**
Non-current assets	214.2	237.8	(9.9)%
Current assets	316.1	399.7	(20.9)%
Total assets	**530.3**	**637.5**	**(16.8)%**

Equity and Liabilities	For the Year Ended 31 December		
In €m	**2025**	**2024**	**Change (%)**
Equity	155.6	211.2	(26.3)%
Non-current liabilities	75.7	122.4	(38.2)%
Current liabilities	299.0	303.9	(1.6)%
Total equity and liabilities	**530.3**	**637.5**	**(16.8)%**

Non-Current Assets

The Group's total assets decreased by €107.2 million or 16.8% compared to 31 December 2024. This reduction was primarily driven by improved efficiency in our working capital, specifically lower inventory and receivables, as well as a reduction in cash balances and amortisation of intangible assets.

- **Property, Plant and Equipment ("PP&E"):** PP&E decreased by €8.2 million to €33.8 million as depreciation charge of €8.5 million exceeded PP&E additions. There were no material additions to PP&E during the year.
- **Right-of-use Assets:** The net book value of right-of-use assets increased by €3.4 million to €40.2 million (2024: €36.8 million). Total lease liabilities of €49.2 million (2024: €48.1 million), net of lease repayments and interest, are split between non-current and current lease liabilities on the consolidated statement of financial position.
- **Intangible Assets:** Other intangible assets decreased by €15.7 million to €56.0 million. This movement reflected an amortisation charge of €25.1 million (2024: €30.9 million), which outweighed our continued investment in technology. We added €12.3 million (2024: €25.7 million) to the asset base, primarily related to internally developed technology.
- **Goodwill**: The net book value of Goodwill in ANZ decreased by €2.7 million to €51.6 million (2024: €54.3 million) due to negative foreign currency translation adjustments.

Current Assets

- **Inventory:** Inventories decreased by €14.5 million to €81.9 million (2024: €96.4 million), as a result of our strict control over intake and focused management of aged inventory (inventory >180 days).
- **Trade and Other Receivables:** Receivables decreased by €27.7 million to €21.1 million (2024: €48.8 million) due to increased factoring of receivables as part of the Group's working capital management.
- **Cash**: Cash and cash equivalents decreased from €210.6 million to €176.5 million. This reduction included the partial repurchase of €13.3 million of our convertible bonds, lease payments of €15.5 million and Capex investments of €13.1 million, which was partially offset by positive operating cash flows of €7.5 million. The year-end balance includes €6.2 million of restricted cash related to the Group's debt facilities (2024: €6.5 million).

Equity and Liabilities

- **Equity:** Total equity decreased by €55.6 million primarily reflecting the loss incurred for 2025.
- **Non-current liabilities** decreased to €75.7 million (2024: €122.4 million). This decrease was driven by the reclassification of the convertible bonds to current liabilities and the €13.3 million in Bond repurchases executed during the year. As of 31 December 2025, the non-current liability for the convertible bonds was €nil (2024: €48.6 million).
- **Current liabilities** decreased by €4.9 million to €299.0 million (2024: €303.9 million). As convertible bond holders have the right to redeem the bonds early on 15 March 2026, the full outstanding balance of €40.4 million is classified as current. This reclassification increase was offset by a decrease in trade payables and other financial liabilities of €17.0 million and non-financial liabilities of €14.4 million.
- **Lease Liabilities** Total lease liabilities of €49.2 million (2024: €48.1 million) are presented net of repayments and interest and are split between non-current and current lease liabilities on the consolidated statement of financial position.

2.2.4 REVIEW OF PARENT FINANCIAL STATEMENTS

Section 5 presents the results of the parent Company, Global Fashion Group S.A., for the year ended 31 December 2025. The most significant event during the period was the impairment of €158.2 million (2024: €114.5 million) on investments in affiliated undertakings, driven by a reduction in the net assets of subsidiaries. Additionally, the partial repurchase of the convertible bond reduced the debenture loan balance by €13.8 million compared to a €120.8 million reduction in 2024. All other transactions were conducted in the ordinary course of business with affiliates.

2.2.5 OVERALL ASSESSMENT OF THE ECONOMIC POSITION BY THE MANAGEMENT BOARD

The Management Board is pleased with GFG's progress toward profitable growth. Through disciplined execution, we have strengthened our operating and financial model to be more resilient in an environment of fluctuating consumer demand. We met our full-year guidance by delivering stable Group NMV and a positive Adjusted EBITDA which also marked an important milestone against one of our core financial ambitions.

We maintained a strong cash and liquidity position through proactive capital management which included repurchasing an additional €13.8 million of our outstanding convertible bond at a discount and securing approximately €25 million in new credit facilities for ANZ in December. Overall, we have established stronger financial foundations for GFG's future.

2.3 REPORT ON POST BALANCE SHEET EVENTS

On 6 January 2026, the Group announced that holders of its convertible bonds due 15 March 2028 had exercised their option under the Bonds' terms and conditions to require GFG to redeem all or part of the holders' Bonds at the principal amount on 15 March 2026. Redemption notices for an aggregate principal amount of €31.8 million were received and will be redeemed and settled on 16 March 2026 at par plus accrued interest. GFG will fund the redemption from its existing cash balance. Following settlement, the aggregate principal amount of Bonds outstanding and not held by the Issuer will be €9.1 million. The Bonds bear interest on their principal amount of EUR 100,000 per Bond at a rate of 1.25% per annum and have a maturity date of 15 March 2028.

2.4 REPORT ON RISKS AND OPPORTUNITIES

GFG is committed to a proactive risk management approach, anticipating future challenges and building resilience to maintain our competitive edge. The Management Board of GFG is responsible for setting the Group's risk management strategy relying on the Global and Regional Governance including Risk and Compliance (GRC) Committees and to implement and operate effective risk management processes, according to the Group Risk Policy and ERM Framework.

1. GFG operates a risk management approach anchored to the ISO 31000 standard. Through this approach risks are identified, analysed, evaluated and controlled in accordance with the Group's risk appetite and objectives.
2. Our risk management process not only addresses potential threats but also identifies opportunities that align with our business objectives. By capturing our complete risk universe with the various risk levels, we ensure that each risk is categorised and managed effectively with the appropriate resource support and executive level ownership.
3. GFG has implemented a range of controls over financial reporting which are reviewed through an annual programme of self-assessment, with further independent validation conducted by the Internal Audit team.

GFG acknowledges that risks are an ordinary and inherent part of conducting business and the realisation of shareholder value. GFG seeks to identify, understand and proactively manage risks in order to realise its business objectives and minimise uncertainty associated with those objectives. Risk management is an integral part of GFG's approach to good corporate governance and business practice.

GFG remains committed to maturing its risk management approach through periodic reviews of our Risk Management strategy, and ensures that the strategy remains fit for purpose, supporting the Management Board on risk oversight for strategic decision making and resources allocation. In financial year 2025, GFG further strengthened its risk management framework by enhancing its ability to identify and track emerging risks, including developments in global tariffs, climate-related reporting, and the assessment of employee workplaces. Throughout the Group's significant reorganisation, dedicated workstreams evaluated risk implications for key processes and employees to support more resilient operations. In addition, GFG restructured its Global GRC Committee and refined reporting from its Regional GRC Committees, promoting more focused and pragmatic risk discussions across its global businesses and supporting a continued improvement in overall risk awareness and culture.

2.4.1 RISK MANAGEMENT

GFG Risk Management Methodology

GFG adopts the ISO 31000:2018 methodology for Enterprise Risk Management. This risk management system can be broadly characterised into three parts:

1. Principles of Risk Management;
2. Risk Management Framework; and
3. Risk Management Process.

1. Principles of Risk Management

The purpose of risk management is the creation and protection of value. It improves performance, encourages innovation and supports the achievement of our objectives. This is the benchmark for risk management that GFG has set for itself and continuously refers back to during the risk management process.

GFG's risk management principles align with this benchmark and provide guidance on the characteristics of effective and efficient risk management, communicating its value and explaining its intention and purpose across the Group. At their essence the principles allow GFG to manage the effect of uncertainty on its objectives.

2. Risk Management Framework

The purpose of the framework is to assist GFG in integrating risk management into its significant activities and functions. The components of the framework and the way in which they interact are customised to the needs of the Group and driven through strong leadership and commitment across all levels of our operations. This includes a dedication to supporting all components of the framework through the provision of adequate capability and resources.

The framework emphasises that risk management is a core responsibility and articulates a 'PDCA' risk management cycle:

- P – Plan (Design)
- D – Do (Implement)
- C – Check (Evaluate)
- A – Act (Improve / Integrate)

This establishes a simple but effective cycle for risk management that emphasises the need for continuous adaptation and improvement.

3. Risk Management Process

The risk management process involves the systematic application of the risk management approach i.e., identifying, analysing, evaluating, treating, monitoring and reporting on risk. This process is completed on an annual cycle.

Risk Identification

GFG considers a range of factors to identify risks that may affect one or more objectives, including, but not limited to, threats and opportunities, changes in internal or external context, indicators of emerging risks, limitations and biases.

GFG holistically considers the cause, risk and consequence in order to form a complete understanding of the nature of a risk before factoring in any control measures that may already be in place to mitigate the risk. In this way the identification phase provides a full and current view on the risk environment.

Risk Analysis

Once identified, risks are then analysed to provide a meaningful assessment of the nature and characteristics of the risks, including an analysis of the likelihood and severity of the risk. This analysis is then plotted against a Groupwide matrix to track our most salient risks.

Risk Evaluation

Following analysis, risks are then evaluated to determine what additional actions should be taken (if any) to mitigate the risk and to formulate a risk treatment plan.

Risk Treatment

Risk treatment follows an iterative process including:

- Selecting adequate risk treatment options
- Implementing risk treatment
- Assessing the effectiveness of risk treatment
- Adjusting risk treatment, as required

Selecting the most appropriate risk treatment option(s) is achieved by balancing the benefit of the treatment against the cost and effort of implementation, also taking into consideration the Group's objectives and underlying risk appetite.

Risk Monitoring & Reporting

The risk management process is underpinned by monitoring and reporting, which ensures adequate oversight, transparency and the provision of the best available information upon which to base management decisions.

It is for these reasons that GFG is committed to monitoring and recording its risk management activities at every level of the Group.

GFG maintains risk management oversight by recording, tracking and reviewing all risks, risk sponsors, risk owners and risk treatments, and treatment owners on a regular basis. This ensures accountability, transparency, measurement, and review of progress against risk treatment plans.

The Group adopts a governance, risk and compliance (GRC) committee structure both regionally and globally, which oversees the risk management process and its outputs, including ensuring transparent reporting upstream and downstream. These committees meet periodically, are chaired by the relevant senior executive, and assume responsibility for delivering on the risk treatment plans.

This structure is further supported by the Group's Internal Audit function, which provides independent assurance over the risk management process. This additional layer of control ensures GFG is engaged in a cycle of continuous improvement and alleviates biases and subjectivities from its risk management practices.

The output of the annual risk assessment is also presented and approved by the GFG Management Board and by the GFG Audit Committee (a committee of the Supervisory Board), thereby ensuring both executive and board oversight to support delivery against the risk assessments and treatment plans.

2.4.2 RISKS REPORT

GFG is committed to the management of material risks. This section outlines the principal uncertainties identified through the risk review process in 2025. These are not set out in any particular order and GFG recognises that risks can and will evolve over time.

Strategic and External Risks

Country Risk: Geopolitical & Macroeconomic

The Group's businesses are concentrated across several regional markets that GFG considers as having great potential for growth in fashion ecommerce. With this comes exposure to a certain degree of country risk, as each territory has its own unique geo-political, socio-economic, and legislative / regulatory environment. In 2025, we observed election-driven policy shifts, persistent inflation and currency volatility which can further affect consumer demand, cross border trade and reported results.

Key mitigating activities / initiatives

- Continuous monitoring of the geo-political, socio-economic, and regulatory regimes within each territory
- Proactive engagement with thought leaders, industry peers, legal and regulatory authorities and other relevant bodies
- Remaining abreast of and having a voice in material developments impacting in country operations
- Prudent assessment of supply chain stability and overdependence

Competition

The fashion ecommerce industry is characterised by intense competition, and GFG's regions face increasing competitive pressure from local and established global online players, new entrants and traditional stores growing in the online space. This is further exacerbated by inflationary pressures driving increased price competition.

Key mitigating activities / initiatives

- Continuous assessment and evaluation of the competitive environment, remaining abreast of new market entrants, competitor performance and aspirations
- Continued focus on protecting the current position and unique selling points of the regional businesses
- Pooling of experience and sharing of best practice across the Group, leveraging operational efficiencies
- Growth of the GFG Marketplace and Platform Services offerings
- Building and developing strong long-term relationships with key brands and partners to unlock strong commercial exchange

People Risks

Talent Retention

The Group's risk to retaining talent is an ongoing focus as the business continues to seek efficiencies in our workforce planning to deliver a lean organisational structure. This is most prevalent in the retention of key skills and critical leadership roles. As an innovative and evolving organisation operating in diverse and competitive markets, GFG's success heavily relies on the knowledge, skills and experience of its people. The potential loss of high-performing, specialist technical expertise and experienced leaders could negatively impact the Group's performance and strategic objectives.

In addition, the rapid emergence and adoption of AI continues to reshape the scope and content of roles, altering the skills mix required in key functions and heightening competition for AI-literate talent. Failure to anticipate and manage this transition including timely upskilling, clear communication about role evolution and integration of AI into ways of working could negatively affect engagement and the Group's ability to attract and retain critical skills.

Key mitigating activities / initiatives

- Continued focus on talent management programmes focused on identifying, nurturing and retaining high-potential employees through targeted development and career progression
- Enhance employee engagement by regularly assessing employee engagement levels and address any concerns to foster a positive and motivating culture.
- Effective reward strategy - ensure compensation packages for top talent aligned to performance and contribution levels
- Invest in targeted leadership development initiatives to nurture current talent and build a strong pipeline of future leaders that ensure succession and continuity of critical roles
- Embed AI-related skills and capabilities in our talent strategy including targeted upskilling and reskilling programmes and refreshed role profiles and career paths

Operational Risks

Major Disruption to Critical Infrastructure

Risk of interruption to one or more business processes due to disruption to a fulfilment centre as well as critical technology services remains a possibility across the Group. Dependence on a single fulfilment centre in some regions creates a significant risk to disturb operation in the event of a catastrophic loss. There is further risk of failure of critical technology infrastructure underpinned by technical and system platforms that may impact the Group's operational performance.

Key mitigating activities / initiatives

- Cloud infrastructure to minimise risk and impact of outages
- Tech infrastructure built with high resilience, availability and monitoring over reliance over current and new suppliers.
- Business continuity and crisis management plans, as part of a wider Business Continuity Management System, stress and scenario testing and periodic review of exposures and controls at critical physical sites
- Risk transfer via insurance programmes
- Prudent on-site risk management inc. fire suppression, employee protocol, site surveillance and hazard management

Cyber and Information Security

Cyber and information security risk continues to be a pervasive risk across GFG that can result in inappropriate disclosure, unauthorised access and loss of information. The Group relies on its systems and platforms to guard various sensitive data and to better understand and serve its customers, vendors and employees. In 2025, GFG's cyber and information security efforts centred on managing an evolving risk landscape, particularly addressing the shifting attack surface driven by increased sophistication, third-party dependencies, and artificial intelligence-related risks. GFG develops its proactive and reactive controls to reflect its continuous improvement approach to managing cyber risks, supported by ongoing improvements in cyber maturity.

Key mitigating activities / initiatives

- GFG's operating regions run systems and applications on logically and physically segmented infrastructure with role-based access control and region-level isolation, providing natural risk isolation should there be a breach in one system
- Information Security and Data Governance framework, policy and oversight that are in line with NIST best practices in managing cybersecurity risks
- Continuous improvement with respect to security capabilities, practices and policies including ongoing programmes that deliver cyber awareness campaigns
- Periodic penetration testing to identify strengths and weaknesses
- Cyber self-assessment and objective validation
- Governance and security controls to manage AI-related risks, aligned with the Group's AI governance approach

Artificial Intelligence ("AI")

Artificial intelligence and advanced analytics are increasingly embedded across GFG's operations. Key applications include catalogue discovery, product ranking, personalised recommendations, pricing and promotion optimisation, advertising, seller operational excellence, employee productivity and third-party fraud detection.

While AI presents material opportunities to enhance customer experience and decision making, it also introduces risks. These include model errors or bias, data privacy and information security vulnerabilities, potential non-compliance with evolving AI

and data regulations and broader ethical and reputational concerns. To address these risks, GFG continues to develop its governance, controls and oversight to align AI risk management with its broader risk and control framework.

Key mitigating activities / initiatives

- Established a Hybrid Intelligence Committee and Group-level principles and governance for responsible AI use, aligned with existing risk management, data protection and ethics frameworks
- Formalised model risk and AI lifecycle management including risk-based approval, documentation, testing, monitoring and periodic review of critical AI use cases
- Applied information security, data privacy and data governance standards to AI solutions, including third-party due diligence and contractual safeguards for AI vendors and platforms
- Integrated AI-related risks into existing risk assessment, internal audit and compliance planning with a focus on high-impact use cases (i.e., customer-facing decisions, fraud controls and pricing)
- Rolled out training and awareness for relevant teams on responsible AI practices, data quality and the limitations and appropriate use of AI-generated outputs

Climate Risk

GFG continued to assess how climate-related risks and opportunities may affect its business model, operations and value chain, in line with evolving climate science and regulation. This assessment covers physical and transition risks over the short, medium and long term.

Physical risks stem from increasing climate volatility and more frequent extreme weather events, which may disrupt supplier operations, access to raw materials, logistics and warehousing, and therefore business continuity. For GFG, key physical hazards include extreme heat, flooding, windstorms and cyclones, and water scarcity in sourcing, production and logistics locations.

Transition risks arise from the shift to a lower-carbon economy and may affect GFG's regulatory compliance costs, access to materials, and the availability and price of energy and services. Key transition risks include carbon pricing and related fiscal measures, stricter greenhouse gas regulation in marine and aviation sectors, changing customer demand for more sustainable and circular products, and tightening regulation on emissions, energy use, circular production, product stewardship and waste.

Over the short, medium and long term, GFG must consider how climate change and the low-carbon transition will shape a climate-resilient business model and alignment with emerging disclosure requirements.

Key mitigating activities / initiatives

- Ongoing Groupwide Sustainability Governance including strategy and standards monitoring overseen by the Sustainability Committee of the GFG Supervisory board
- Continue integration of climate risk assessment activities as part of the Group's ERM framework while monitoring physical and transition risks
- Enhance the Group's climate action by adopting third party verified Science Based Targets updated and revised as of July 2025, driven by scientifically backed data, consistent and transparent reporting, to support our strategic transition and adaptation efforts
- Implement targets and programmes that increase the use of lower carbon transportation, lower impact material in own and third-party brands, promote sustainable assortment sales and circular solutions as well as increase the use of renewable energy and energy efficient resources across our operations and supply chain

Social Sustainability & Human Rights Risk

GFG works with third-party brands and produces its own brands through suppliers in certain regional markets. For GFG's own brands, there is a risk that social and environmental conditions in factories, mills or farms do not meet GFG's ethical trade standards. Specific risks include modern slavery, forced or child labour, inadequate health and safety, unfair wages and working hours, and inappropriate subcontracting that limits traceability.

Third-party brands sold on GFG's platforms may face similar risks in their supply chains, where GFG has more limited visibility and direct influence over standards and their enforcement.

Across both own and third-party brands, and despite existing verification processes, there is rising legislative, enforcement and reputational risk linked to sustainability-related claims at the point of sale, as expectations on evidence and disclosure increase.

In some markets, part of our workforce is employed through third-party labour service providers. Because these providers manage employment terms and conditions, there is a risk they may not meet GFG standards, including risks of non-payment of wages and benefits, retention of passports, recruitment fees and inadequate accommodation.

Key mitigating activities / initiatives

- Comprehensive GFG Corporate Sustainability strategy, governance and standards endorsed by the GFG Supervisory Board Sustainability Committee that involve monitoring of environmental and social factors including human rights and fair and ethical trading
- Rigorous ethical trade standards in place for the own brand supply chain, including standards review and auditing of factories before order placement
- Programmes which facilitate workers in our own brand supply chain raising grievances both within their place of employment and via independent mechanisms and remediation of issues identified
- ESG risk assessment of brands before onboarding and assessments of third-party brand performance against GFG's Human Rights Standards
- Risk assessment framework for labour service providers and auditing of those determined high risk, adoption of improvement plans or termination where applicable

The full details of or mitigating actions for climate and social risk are captured in our People & Planet Positive Report published on our website.

Financial Risks

Budget & Planning

The fashion ecommerce business in the developing markets in which GFG operates is highly volatile and subject to influence by a variety of variables and external factors. As such, business performance can be challenging to anticipate and accurately budget for. GFG recognises that a budget and forecast must continually evolve with the business.

Key mitigating activities / initiatives

- Strong budgeting disciplines and continuous process improvement
- Objective review and challenge of key assumptions
- Robust control framework and recourse mechanisms
- Focus on monitoring of key budget inputs and establishing output KPIs coupled with frequent review of performance

Funding & Liquidity

The Group continues to focus on disciplined cash management and operational efficiency, with the objective of reaching a position where cash inflows are broadly aligned with cash outflows. While progress is ongoing, becoming cash flow neutral remains a clear near-term financial milestone.

Key mitigating activities / initiatives

- Close monitoring of the utilisation of cash and cash forecasts as part of the financial management reporting process
- Execute local working capital facilities to manage local cash
- Focus on strong cost controls, to improve operating cash position

Compliance and Regulatory Risks

Compliance with Laws, Regulations and Standards

GFG operates across nine countries, each with a unique regulatory and legislative regime with varying levels of maturity, creating an inherent regulatory risk.

Key mitigating activities / initiatives

- Current legal and compliance capability in each region with oversight provided by the Executive Leadership, Group General Counsel, Regional and Group GRC Committees as well as the Internal Audit Function via established escalation processes
- Periodic in-depth review of material compliance obligations including continuous monitoring and review of changes to the regulatory environment GFG operates in, and assessment of the impact on the Group's operations

2.4.3 OPPORTUNITIES REPORT

While GFG faces several risks, there are also certain opportunities for the Group. The primary opportunities include the following:

Macroeconomic Developments: Growth opportunities in GFG's markets will be driven by several macroeconomic, demographic and operational tailwinds that will increase customer's online purchasing for fashion and lifestyle, including urbanisation, increasing customer engagement with mobile and other digital devices, and improved last-mile delivery capabilities. These tailwinds increase both the demand for fashion and lifestyle products and grow the share of ecommerce within this sector. As a pure play ecommerce business, GFG is well positioned to benefit from this pattern of activity.

Brand and Partnership Expansion: Significant scope exists for GFG to continue launching all relevant fashion and lifestyle brands across its regions and grow its market share. Adding new and exclusive brands and products further develops our assortment, creates differentiation and increases engagement with GFG platforms. Additionally, GFG has the opportunity to strengthen these partnerships through Platform Services increasing stickiness, while in turn improving customer assortment and efficiencies.

Any changes in customer purchasing behaviour in light of shifting priorities and necessities, have been internalised to ensure categories remain relevant and reflect emerging customer wants and needs.

Technology: Further innovation in technology will enable GFG to create an even more engaging shopping experience. A number of AI enabled use cases are used in our systems and platforms that will improve financial performance and customer retention as well as lead to employee efficiencies and more sustainable growth. Data analytics will continue to be used to create an assortment catalogue that is increasingly curated and personalised for each customer. A localised approach to front-end technology, which allows us to be closer to the customer, creates an effective environment for innovation to be developed locally and then shared across the Group once proven and successful. There are also opportunities for GFG to further centralise certain tools or platforms, thereby simplifying the IT landscape and reducing maintenance and costs, although over dependence is acknowledged as an associated risk.

Climate: GFG recognises clear opportunities to further differentiate itself as a leader in sustainability and climate responsibility within global fashion e-commerce. Building on the commitments set out in our People & Planet Positive Report, GFG is enhancing transparency on greenhouse gas emissions across the value chain and increasing the share of assortment incorporating more sustainable materials and circular principles. Key value-creation opportunities include: (i) expanding sustainable and circular assortments and re-commerce solutions to capture growing customer demand while helping reduce Scope 3 emissions Categories 1, 11 and 12; (ii) decarbonising inbound, last-mile and reverse logistics to lower operating costs and emissions, particularly in Scope 3 Categories 4 and 9; (iii) scaling renewable energy and resource-efficiency initiatives in own operations and the value chain to cut Scope 1, 2 and relevant Scope 3 emissions and improve resilience to energy price volatility; and (iv) reducing exposure to carbon-related costs through science-based targets and supplier decarbonisation. Collectively, these opportunities are expected to support long-term revenue growth, operational efficiency and regulatory readiness, while contributing to the decarbonisation of GFG's full value chain.

2.5 REPORT ON EXPECTED DEVELOPMENTS AND OUTLOOK

Over the past two years, GFG has delivered Gross Margin and Adjusted EBITDA margin improvements every quarter, proving our resilience ahead of a full topline recovery. In 2026, we expect the pace of recovery to vary by region and market, driven by their unique macroeconomic factors. We are well-positioned to pivot from stabilisation to profitable growth as demand returns.

Luxembourg, 3 March 2026

On behalf of the Supervisory Board of GFG,
Cynthia Gordon



3. CORPORATE GOVERNANCE REPORT

3.1 DECLARATION OF COMPLIANCE

Both the Management Board and Supervisory Board are committed to upholding the principles of good corporate governance, in accordance with the recommendations of the Federal German Government Commission on the German Corporate Governance Code of 28 April 2022 (the "GCGC"), which GFG has voluntarily decided to comply with.

In August 2025, the Supervisory Board and Management Board approved its declaration of compliance for GFG. The few deviations from the GCGC are described in the declaration. This is published within the Investor Relations – Corporate Governance section on our website. In this statement, GFG reports in accordance with Article 68 of the Luxembourg Law of 19 December 2002 on the business and companies' register as well as the companies' accounting and annual accounts (the "2002 Law").

The Company is a Luxembourg société anonyme (S.A.), which is listed solely on the Frankfurt Stock Exchange in Germany. The Company is not subject to the "Ten Principles of Corporate Governance" applicable to companies listed in Luxembourg. In addition, as a company incorporated and existing under the laws of Luxembourg, the Company is not required to comply with the respective GCGC applicable to German stock corporations. However, as the Company's shares are listed on the Frankfurt Stock Exchange, the Management Board and Supervisory Board have decided to follow, on a voluntary basis and to the extent consistent with applicable Luxembourg corporate law and Global Fashion Group's corporate structure, the recommendations of the GCGC regarding the principles of good corporate governance.

Compliance with the German Corporate Governance Code

The Management Board and the Supervisory Board diligently addressed compliance with the guidance of the GCGC in financial year 2025 and decided to issue a statement to a certain extent comparable to that required for stock corporations organised in Germany pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz) and commented on the limited number of exceptions. The joint declaration of conformity is published on the Company's website, as follows:

Declaration of Compliance with the German Corporate Governance Code

Global Fashion Group S.A. ("GFG" or the "Company") is a Luxembourg société anonyme (S.A.), which is listed solely on the Frankfurt Stock Exchange in Germany. GFG is not subject to the "Ten Principles of Corporate Governance" applicable to companies listed in Luxembourg. Furthermore, as a company incorporated and existing under the laws of Luxembourg, GFG is not required to report on compliance with the GCGC applicable to listed German stock corporations.

Nevertheless, as GFG regards the GCGC to be an important foundation for responsible corporate governance, the Management Board and Supervisory Board of GFG have decided to follow on a voluntary basis and to the extent consistent with applicable Luxembourg corporate law and GFG's corporate structure, the recommendations of the GCGC regarding the principles of good corporate governance.

The Management Board and Supervisory Board of the Company declare that GFG has decided to comply with the recommendations of the GCGC in its version dated 28 April 2022, published by the Federal Ministry of Justice in the official section of the Federal Gazette on 27 June 2022, with the following deviations since their announcement and will continue to comply with them to the same extent in the future:

Recommendation C.5 of the GCGC: One of the members of the Management Board is also the chairman of the Supervisory Board of a non-group listed company. The appointment to both the Management Board of GFG and the non-group listed company Supervisory Board Chairmanship were made before the GCGC that introduced this recommendation came into effect. The appointment as Chairman of a non-group listed company's Supervisory Board has not given rise to any conflicts or work management issues to date. The Supervisory Board of GFG considers the case-by-case assessment of the compatibility of both roles to be more appropriate.

Recommendation F.2 of the GCGC: In order to ensure high-quality financial reporting, the recommended publication periods may not in all cases be complied with. However, continuously works to improve its reporting processes and aims to meet the publication periods set out in the GCGC wherever possible.

Recommendation G.1 bullet point 1 and 3 of the GCGC: The Supervisory Board uses the Remuneration Policy to guide the specific mix of compensation. While annual bonuses and the size of grants under the 2019 and 2021 LTIP are defined as certain percentages of total compensation, there is no specific cap on compensation. Furthermore, once restricted stock units ("RSUs") or performance stock units ("PSUs"), share options, or performance options are vested and delivered, the actual value received is determined by the Company's share price, which is subject to market valuations. In the opinion of the Supervisory Board, such a cap would not be appropriate as it would interrupt the intended alignment of interests between the shareholders and the Management Board members. The Supervisory Board believes that Management Board members should, therefore, participate in any increase in the Company's value to the same extent as any other shareholder.

Recommendation G.3 of the GCGC: The Supervisory Board uses an appropriate peer group of relevant companies as one element in assessing the appropriateness of Management Board remuneration. Due to the rapidly changing set of market participants and business models in the markets in which GFG operates, the Supervisory Board does not disclose the peer group. To ensure continued relevance, the Supervisory Board regularly reviews and, where appropriate, adjusts the peer group and the underlying selection parameters, taking into account, among other factors, changes in market capitalisation and the Company's wider peer group. This periodic reassessment is intended to maintain a suitable comparison basis and to avoid an automatic upward trend in remuneration levels. The Supervisory Board currently does not intend to disclose the peer group.

Recommendation G.4 of the GCGC: The diversified footprint where GFG operates, combined with the large number of employees and its localised market approach to defining remuneration, makes it difficult for GFG to establish an average remuneration for GFG for the purposes of comparing the remuneration of the Management Board. GFG targets to provide remuneration packages that are both competitive externally and proportionate internally.

Recommendation G.7. of the GCGC: For the financial year 2025 variable remuneration components (STI and LTI) granted to Management Board members were generally performance-based, the Supervisory Board (i) granted a one-time, appointment-related allocation of share options to a newly appointed Management Board member (representing no more than 25% of that member's total option grant), and (ii) adopted a one-off Value Creation Plan ("VCP") under which awards vest based on continued service while the economic value of the options is linked to shareholder value only delivering value if, and to the extent that, the Company's share price exceeds the strike price; the Supervisory Board considers this deviation justified in financial year 2025 to strengthen alignment with shareholders, support long-term value creation and capital market confidence, and attract, retain, and incentivise key management talent therefore represents a temporary deviation from recommendation.

Recommendation G.8 of the GCGC: GFG Remuneration Policy 2025 contains a special derogation procedure by which the Supervisory Board can in exceptional circumstances, as defined in the policy, subsequently change the performance targets of the Management Board. Such derogation requires a resolution of the Supervisory Board. The Supervisory Board has not used this special derogation procedure in deviation to recommendation G.8 to date.

Recommendation G.11 of the GCGC: While the Supervisory Board may withhold unpaid short-term incentives (malus), current employment contracts for the Management Board do not include provisions to reclaim payments already made (clawback). Although such clauses are legally permissible in the relevant jurisdictions, the Company has chosen to rely on malus and long-term equity vesting to align interests, and will review the inclusion of clawback terms in future contracts.

Recommendation G.12 of the GCGC: The Company's share plan rules (latest version dated June 2025) give the Supervisory Board the discretion to accelerate vesting and / or the holding period of a portion of granted RSUs, PSUs, share options or performance options in case of early termination without cause or a change of control, redundancy, retirement, death, illness and other similar circumstances. The Supervisory Board believes this to be an adequate element of the Management Board members' variable compensation.

Recommendation G.13 of the GCGC: The employment contracts of the Management Board provide for (i) payment in lieu of notice (at the discretion of the Supervisory Board); (ii) payment of pro rata short-term incentive bonus; and (iii) vesting of granted RSU, PSUs, share options and performance options (as applicable) that are scheduled to vest within the 12 months following the early termination by the Company in case of a good leaver event. The combined aforementioned payments are subject to the severance cap recommended by the GCGC, except in case of a change of control where the payment could in certain situations exceed the recommended cap mainly driven by the value of the Company's share price at the time of the early termination.

Recommendation G.14 of the GCGC: The employment agreements of the Management Board Members provide for a partial acceleration of 75% of unvested equity in the event of a change of control, regardless of whether such change of control would lead to an early termination of their employment agreement.

3.2 BOARD COMPOSITION & GOVERNANCE STRUCTURE

The governance structure of the Company consists of the Management Board and the Supervisory Board.

The Management Board is responsible for managing the Company, and the Supervisory Board is responsible for carrying out the permanent supervision and control of the Management Board without being authorised to interfere with such management. The Management Board is vested with the broadest powers to act in the name of the Company and to take any actions necessary or desirable to fulfil the Company's corporate purpose with the exception of certain matters set out in the Articles of Association and the Management Board Rules of Procedure which require approval of the Supervisory Board or the Company's shareholders.

The Management Board and Supervisory Board cooperate closely for the benefit of the Company. The Chairperson of the Supervisory Board has regular contact with the Management Board and advises it on strategy, planning and business development and the Management Board informs the Chairperson of the Supervisory Board without delay of matters of fundamental importance for the Company.

The corporate governance rules of the Company that govern the Management Board and Supervisory Board are based on applicable Luxembourg laws, the Articles of Association and its internal regulations, in particular the Management Board Rules of Procedure, the Supervisory Board Rules of Procedure and the GCGC.

The Company's Code of Business Conduct and Ethics applies to all employees, directors and officers worldwide and contains the ethical and legal standards with which employees, directors and officers must adhere. Under the Code of Business Conduct and Ethics, employees, directors and officers are required to comply with all laws and policies including but not limited to, the Anti-Bribery and Anti-Corruption Policy, the Gifts and Hospitality Policy, the Sanctions Policy, the Conflict of Interest Policy, and the Insider Trading Compliance Policy. The details are set out in internal policies and guidelines.

Working Practices of the Management Board

The Management Board manages the Company in accordance with applicable laws, the Articles of Association and the Management Board's Rules of Procedure. It has a duty to act in the Company's best interests to enhance long-term value. The Management Board develops the Company's strategy in agreement with the Supervisory Board, ensures implementation and maintains appropriate risk management.

The Management Board must inform the Supervisory Board in a timely and comprehensive manner of all matters relevant to the Company. Additionally, it must inform the Chairman of the Supervisory Board without undue delay of any important events or business matters that may significantly impact the Company.

The Management Board operates as a collective body with joint responsibility for the overall management of the Company irrespective of the responsibility split of business areas. Its members work collaboratively and inform each other regularly about any significant measures and events within their areas of responsibility. The Management Board meets at least once per calendar quarter with additional meetings convened as required.

The members of the Management Board take responsibility for the areas assigned to them individually as defined in the Management Board's Rules of Procedure, which also sets a member age limit of 69. For the financial year 2025, responsibilities were allocated as follows:

GFG Management Board Responsibility Areas for Financial Year 2025

Christoph Barchewitz, CEO	Helen Hickman, CFO
• Regions: ANZ / SEA / LATAM	• Accounting
• Technology	• Financial Reporting and FP&A
• Strategic Brand Partnership	• Treasury
• People & Culture	• Tax
• Sustainability	• Internal Audit, Risk Management & Insurance
• Legal	• Investor Relations
• Strategy, M&A, Corporate Development	• Cybersecurity

Composition of the Management Board

According to the Articles of Association, the Management Board must be composed of at least two members. The Supervisory Board determines the number of Management Board members and appoints the members of the Management Board for a maximum term of three years. The Management Board does not currently have a chairman as the Management Board members rotate the role of Chairman among themselves.

During 2025, the Management Board consisted of two members with a leadership transition occurring early in the year:

- **1 January to 3 February 2025:** The Board consisted of Christoph Barchewitz (Group CEO) and Gunjan Soni (Group COO). Both had been reappointed in 2024 for a three-year term ending on 30 May 2027.
- **3 February 2025:** Gunjan Soni resigned from her role, and Helen Hickman (Group CFO) was appointed to the Management Board. Hickman's inaugural appointment ends on 30 May 2027.
- **3 February to 31 December 2025:** Following this transition, the Board comprised Christoph Barchewitz and Helen Hickman for the remainder of the year.

The Supervisory Board acknowledges that a diverse composition of management and supervisory bodies promotes new perspectives in decision-making and helps drive performance. In August 2022, the Supervisory Board formalised the previously disclosed diversity targets by the adoption of a Diversity Policy which confirms its commitment to diversity across both the Supervisory and Management Boards. The Diversity Policy is available on our website.

The Supervisory Board's target for at least one female representative to be appointed to the Management Board by 1 January 2025 was achieved early with the appointment of Gunjan Soni on 1 March 2023. This representation was maintained with Helen Hickman's subsequent appointment. The Supervisory Board and Management Board consider the executive management team and global employee base to be highly diverse with the Management Board maintaining a target of 50/50 gender balance on the GFG Executive team.

Throughout 2025, the Supervisory Board and Management Board worked together to maintain and update succession plans for Management Board members.

Working Practices of the Supervisory Board

The Supervisory Board advises and supervises the Management Board in its management of the Company. It is responsible for the permanent supervision and control of the Management Board. It works closely with the Management Board for the benefit of the Company and is involved in all decisions of fundamental importance to the Company.

The rights and duties of the Supervisory Board are governed by legal requirements, the Articles of Association, the Supervisory Board Rules of Procedure and the Management Board Rules of Procedure. The Supervisory Board appoints and removes the members of the Management Board and is responsible for ensuring that long-term succession planning is undertaken.

The work of the Supervisory Board takes place in meetings as well as separate committee meetings whose Chairs provide the entire Supervisory Board with regular updates on the committee's activities. Pursuant to the Supervisory Board Rules of Procedure, the Supervisory Board shall hold at least one meeting in each calendar quarter and additional meetings should be convened as necessary.

Composition of the Supervisory Board

In accordance with the Articles of Association, the Supervisory Board must consist of at least three members. Members are appointed, removed and have their term and compensation determined at the AGM. Appointments are limited to a maximum of five years, though members can be reappointed for successive terms. Members are subject to an age limit of 69 years.

The Supervisory Board Rules of Procedure sets targets for its composition and required skills profile. According to this profile, members of the Supervisory Board shall be diverse and have the necessary knowledge, abilities, expert experiences and Company sector familiarity to fulfil their duties properly. The competence profile of the Supervisory Board is available in the Corporate Governance section of the Company's website.

At least one member of the Supervisory Board must have knowledge in the field of accounting and auditing. The Supervisory Board's skills and experience profile includes expertise regarding sustainability issues relevant to the Company. Each member shall ensure that they have enough time to perform their mandate. At least three members of the Supervisory Board must have reasonable international experience. In addition, the Supervisory Board has defined a diversity target of about 50% female representation on the Supervisory Board until 1 January 2025 in the updated Diversity Policy adopted by the Supervisory Board on 17 August 2022.

At least three members must not have a board position, consulting or representation duties with main suppliers, lenders or other business partners of the Company, and Supervisory Board members shall not exercise directorships or similar positions or advisory tasks for material competitors of the Company. In addition, no fewer than two members shall be independent, and no more than two former members of the Management Board shall be members of the Supervisory Board.

At the AGM held on 12 June 2025 ("AGM 2025"), shareholders approved the following appointments to the Supervisory Board:

For a period ending at the expiration of the AGM approving the 2027 financial results:

- **Cynthia Gordon (Reappointment)** – Chairperson of the Supervisory Board, Chairperson of the Remuneration Committee and of the Nomination Committee and Member of the Audit Committee and Sustainability Committee
- **Carol Shen (Reappointment)** – Member of the Supervisory Board, Chairperson of the Sustainability Committee and Member of the Nomination Committee
- **John Baker (Reappointment)** – Member of the Supervisory Board, Chairperson of the Audit Committee, Member of the Remuneration Committee
- **Andreas Bernstrom (New Appointment)** – Member of the Supervisory Board and Member of the Nomination Committee

For a period ending at the expiration of the AGM approving the 2025 financial results:

- **Laura Weil (Reappointment)** – Member of the Supervisory Board, Member of the Audit Committee, Member of the Sustainability Committee and Member of the Remuneration Committee

The Chairperson of the Supervisory Board is an independent supervisory chair in line with the recommendations of the GCGC.

During financial year 2025, the Supervisory Board acted (amongst other methods) through the Audit Committee, Remuneration Committee, Nomination Committee and the Sustainability Committee. On 1 June 2025, John Baker and Laura Weil transitioned committee roles. Baker stepped down from the Sustainability Committee to replace Weil as Chair of the Audit Committee, while Weil assumed Baker's former seat on the Sustainability Committee. The following table summarises the composition of the Supervisory Board and its committees at 31 December 2025:

Board Member	Supervisory Board	Audit Committee	Remuneration Committee	Nomination Committee	Sustainability Committee
Cynthia Gordon	Chairperson	Member	Chairperson	Chairperson	Member
Georgi Ganev (until 12 June 2025)	Vice Chairperson			Member	
Laura Weil	Member	Member	Member		Member
Carol Shen	Member			Member	Chairperson
John Baker	Member	Chairperson	Member		
Andreas Bernstrom (appointed on 12 June 2025)	Member			Member	

Working Practices of the Audit Committee

The Chairperson of the Audit Committee has specific knowledge and experience in applying accounting principles and internal control procedures. Another member of the Audit Committee has expertise in the field of auditing. Neither the Chairperson of the Supervisory Board nor former members of the Company's Management Board whose term ended two years ago are eligible to be appointed as Chairperson of the Audit Committee. All members of the Audit Committee are financially literate and the chairperson has in-depth knowledge of the accounting and financial reporting principles required. All members of the Audit Committee are independent in accordance with the GCGC.

The Audit Committee oversees the accounting and financial reporting processes of the Company and the integrity of the financial statements and publicly reported results, the adequacy and effectiveness of the risk management and internal control frameworks and the choice, effectiveness, performance and independence of the internal and external auditors.

The Audit Committee also monitors the process of preparing financial information, reviews and discusses the audited financial statements with the Management Board members and the independent auditor and provides a recommendation to the Supervisory Board regarding whether audited financial statements should be included in the annual report. In addition, the Audit Committee reviews the half yearly and quarterly financial statements and prepares a recommendation for the appointment of the Independent Auditor to the Supervisory Board. The Audit Committee also reviews the performance of the Independent Auditor. All of the members of the Audit Committee are independent.

Working Practices of the Remuneration Committee

The Remuneration Committee assists the Supervisory Board with oversight of its responsibilities in connection with the design and administration of the remuneration system for the members of the Management Board. More specifically, the Remuneration Committee reviews and approves the Remuneration Policy and monitors its administration. In doing so, the Remuneration Committee sets the compensation of the Management Board members and the associated performance targets using peer benchmarking, corporate governance recommendations and industry best practices. All of the members of the Remuneration Committee are independent.

Working Practices of the Nomination Committee

The Nomination Committee assists the Supervisory Board with oversight of its responsibilities in connection with succession planning of the Supervisory Board and selection of candidates appointed to the Supervisory Board. Furthermore, the Nomination Committee assists the Supervisory Board with oversight of its responsibilities in connection with the succession planning of the Management Board. All members of the Nomination Committee are independent.

Working Practices of the Sustainability Committee

The Sustainability Committee assists the Supervisory Board with oversight of its responsibilities in connection with the Company's sustainability policies and practices. In particular, it makes recommendations to the Supervisory Board regarding the Company's policy and performance in relation to health and safety, diversity and inclusion and compliance with laws

concerning environmental and social matters and reviews their implementation. In addition, the Sustainability Committee reviews and approves the Company's sustainability strategy, objectives, key results and policies and approves for submission to the Supervisory Board the Company's annual sustainability report submitted to it by the Management Board. All members of the Sustainability Committee are independent.

3.3 ANNUAL GENERAL MEETING & SHAREHOLDERS

The shareholders of the Company exercise their rights, including their right to vote, at an AGM. Each share in the Company grants one vote. The AGM is required to be held within the first six months of the financial year, and the agenda along with the reports and documents required for the AGM are to be published on the Company's website (ir.global-fashion-group.com).

Certain matters set out in the Articles of Association require the approval of shareholders. Resolutions on matters that require shareholder approval are adopted at the AGM, including, increasing / reducing the Company's share capital or authorised capital, appointment and removal of members of the Supervisory Board and the independent auditors and resolutions on allocation of the remainder of any annual net profit.

To facilitate the personal exercise of their voting rights, GFG makes available a proxy who is bound by instructions and who may also be contacted during the AGM. The invitation to the AGM explains how instructions may be given ahead of the meeting.

3.4 TAKEOVER LAW

Composition of Subscribed Capital

As of December 31, 2025, the share capital of the Company amounts to €2,286,429.12, and is divided into 228,642,912 common shares with a nominal value of €0.01 each. The common shares are fully paid-up. The Company holds common shares in dematerialised form and all future common shares to be issued by the Company will be issued in dematerialised form.

Restrictions on Voting Rights or the Transfer of Shares

The Company's common shares in dematerialised form are freely transferable through book entry transfers in accordance with the legal requirements for dematerialised shares.

Each common share carries identical rights and obligations, save for the common shares held by the Company in treasury, from which the Company derives no rights. As of December 31, 2025, the Company held 278,773 common shares in treasury.

Equity Interests in the Company That Exceed 5% of Voting Rights[1]

As of 31 December 2025, the following shareholders have notified the Company of direct or indirect holdings reaching or exceeding the 5% voting rights threshold. These disclosures are made in accordance with Article 11 Section 6 of the Luxembourg Transparency Law and Section 40, Paragraph 1 of the German Securities Trading Act (WpHG):

Name of Shareholder	Details	GFG Shares	% of Shares Outstanding as of 3 February 2022 (Last Threshold Date)	Date Threshold Was Last Crossed / Met
Kinnevik A.B.	Indirectly holds voting rights through Invik S.A. who directly holds 79,093,454 shares	79,093,454	35.90%	18 December 2020
Zerena GmbH	Indirectly holds voting rights through Rocket Internet SE who directly holds 32,233,667 shares and MKC Brillant Services GmbH and Bambino 53. V V GmbH who together directly hold 506,749 shares	32,740,416	14.86%	3 February 2022
Crestbridge Management Company S.A.	Indirectly holds voting rights through Rocket Internet Capital Partners SCS who directly holds 12,752,225 shares and Rocket Internet Capital Partners (Euro) SCS who directly holds 7,330,020 shares	20,082,245	9.12%	1 July 2019

[1] During 2022-2024, UBS Group AG notified GFG several times of changes in its indirect holding of shares and other financial instruments above and below the 5% voting rights notification threshold. For the avoidance of doubt, UBS Group AG's indirect holding of shares in the Company remained below 5% in each of the notifications received. The latest notification of voting rights was published on 6 January 2025, where UBS Group AG notified GFG of a 4.92% indirect holding of shares and other financial instruments that triggered such voting rights notification. All UBS notifications can be found within the Financial News / Voting Rights sections on the GFG Website.

The Company received no notifications of direct or indirect holdings reaching or exceeding the 5% of the voting rights threshold during the 2025 financial year. The holdings listed above may have changed within the reportable thresholds without triggering further disclosure requirements.

Legal Requirements and Provisions of the Articles of Association Governing the Appointment and Dismissal of Members of the Management Board, and Amendments to the Articles of Association

In accordance with Article 13.1 of the Articles of Association, the Management Board must consist of at least two persons. Otherwise, the Supervisory Board determines the number of Management Board members. In accordance with Luxembourg Company Law and Article 15 of the Articles of Association, Management Board members are appointed by the Supervisory Board for terms not exceeding three years, though may be reappointed for successive terms. The Supervisory Board is entitled to revoke the appointment of a Management Board member for cause as stipulated in Article 15.3 of the Articles of Association.

Amendments to the Articles of Association

Changes to the Articles of Association must be agreed at a general meeting of shareholders. Unless a higher majority is required by binding legal requirements or the Articles of Association, resolutions proposed at the AGM are generally passed by a simple majority of votes cast in accordance with Article 11.2 of the Articles of Association. However, according to Article 11.5 of the Articles of Association, a vote passed by a majority of at least two thirds of the votes validly cast at a general meeting at which a quorum of more than half of the Company's capital is represented is required in order to amend the Articles of Association. Abstentions and nil votes shall not be taken into account.

The Company is authorised to amend the wording of the Articles of Association after carrying out capital increases from authorised capital or after the expiry of the corresponding authorisation, option, or conversion period.

Authority of the Management Board to Issue and Buy Back Shares

Authorised Capital

As at 31 December 2025, pursuant to Article 6.1 of the Articles of the Association, the Company's authorised capital, excluding the issued share capital, is €2,107,923.39 represented by 210,792,339 common shares with a nominal value of €0.01 each. Pursuant to Article 6.2 of the Articles of Association, during a period of five years from the date of any resolutions to create, renew or increase the authorised capital, the Management Board, with the consent of the Supervisory Board, is authorised to issue shares, to grant options to subscribe for shares and to issue any other instruments giving access to shares within the limits of the authorised capital to such persons and on such terms and subject to the limitations set out in the Special Report of the Management Board of the Company with respect to the authorised share capital dated 1 May 2023 (the "Special Board Report"). The issue of such instruments will reduce the available authorised capital accordingly.

The Special Board Report also sets out circumstances in which the powers under the authorised capital could be used if convening a general shareholders' meeting would be undesirable or not appropriate. For example, such circumstances could arise when there is a financing need or if the convening of a shareholders' meeting would lead to an untimely announcement of a transaction, which could be disadvantageous to the Company.

As at 1 January 2025, the issued share capital of the Company amounted to €2,256,429.12 and was divided into 225,642,912 common shares with a nominal value of €0.01 each. All of the Company's common shares are held in dematerialised form and are admitted to trading on the Frankfurt Stock Exchange.

On 5 May 2025, the Company issued 3,000,000 common shares to an employee benefit trust to satisfy the settlement of share incentives which have been granted to current and former employees of the Company and its subsidiaries.

As at 31 December 2025, the issued share capital of the Company amounts to €2,286,429.12 and is divided into 228,642,912 common shares with a nominal value of €0.01 each. All of the Company's common shares are held in dematerialised form and are admitted to trading on the Frankfurt Stock Exchange.

Pursuant to Article 6.3 of the Articles of Association, the Company's authorised capital may be increased or reduced by a resolution of a general meeting of shareholders adopted in the manner required for an amendment to the Articles of Association. The authorisations in Articles 6.2 and 6.3 of the Articles of Association may be renewed through a resolution of a general meeting of shareholders adopted in the manner required for an amendment of the Articles of Association and subject to the provisions of the Luxembourg Company Law, each time for a period not exceeding five years.

As at 31 December 2025, €40,900,000 of the convertible bonds due 2028 issued by the Company remain outstanding. Refer to Note 22 for detail on all bonds repurchased in 2024 and 2025. A portion of up to 29,761,905 common shares under the authorised share capital remains reserved for the conditional issuance of shares under the convertible bonds and may not be used for any other purposes.

Treasury Shares

According to Article 7.1 of the Articles of Association, the Company may, subject to compliance with the law, repurchase its own shares and hold them in treasury. As at 31 December 2025, the Company held 278,773 common shares in treasury. In line with Luxembourg Company Law, the voting rights attached to the common shares held in treasury by the Company are suspended. The Company's Annual General Meeting 2021 authorised the Management Board to repurchase up to 20% of the total number of common shares of the Company until 25 May 2026. No use was made of this authorisation for financial year 2025.

Without prejudice to the principle of equal treatment of shareholders in the same situation and the provisions of the Luxembourg Market Abuse Law, pursuant to Article 430-15 of the Luxembourg Company Law, the Company may acquire its own shares either itself or through a person acting in its own name but on the Company's behalf subject to the following statutory conditions:

- The authorisation to acquire shares is to be given by a general meeting of the shareholders, which determines the terms and conditions of the proposed acquisition and in particular the maximum number of shares to be acquired, the duration of the period for which the authorisation is given, which may not exceed five years, and in the case of acquisition for value, the maximum and minimum consideration;
- The acquisitions must not have the effect of reducing the net assets of the Company below the aggregate of the subscribed capital and the reserves, which may not be distributed under the law or the Articles of Association; and
- Only fully paid-up shares may be included in the transaction.

At the time each authorised acquisition is carried out, the Management Board must ensure that the statutory conditions set out above are complied with.

Where the acquisition of the Company's own shares is necessary in order to prevent serious and imminent harm to the Company, no authorisation will be required from a general meeting of the shareholders. In such a case, the next general meeting of the shareholders must be informed by the Management Board of the reasons for and the purpose of the acquisitions made, the number and nominal values, or in the absence thereof, the accounting par value of the shares acquired, the proportion of the subscribed capital which they represent and the consideration paid for them.

No authorisation will likewise be required from a general meeting of the shareholders in the case of shares acquired either by the Company itself or by a person acting in his / her own name but on behalf of the Company for the distribution thereof to employees. The distribution of any such shares must take place within twelve months from the date of their acquisition.

Pursuant to Article 430-16 of the Luxembourg Company Law, the acquisition of shares is also permitted in the following circumstances if such an acquisition would not have the effect of reducing the net assets of the Company below the aggregate of the subscribed capital and the Company's non-distributable reserves:

- Shares acquired pursuant to a decision to reduce the capital or in connection with the issue of redeemable shares;
- Shares acquired as a result of a universal transfer of assets;
- Fully paid-up shares acquired free of charge or acquired by banks and other financial institutions pursuant to a purchase commission contract;
- Shares acquired by reason of a legal obligation or a court order for the protection of minority shareholders, in particular, in the event of a merger, the division of the Company, a change in the Company's object or form, the transfer abroad of its registered office or the introduction of restrictions on the transfer of shares;
- Shares acquired from a shareholder in the event of failure to pay them up; and
- Fully paid-up shares acquired pursuant to an allotment by court order for the payment of a debt owed to the Company by the owner of the shares.

Generally, such acquired shares must be disposed of within a maximum period of three years after their acquisition or they must be cancelled. There are some statutory exceptions to this.

Material Agreements Entered Into by the Company Providing for a Change of Control Upon a Takeover Bid

The convertible bond is subject to the condition of a change of control. In the event of a change of control, each bondholder is entitled to convert their bonds at a preferential conversion price on the control acquisition date.

Compensation Arrangements Agreed by the Company with the Members of the Management Board or Employees in the Event of a Takeover Bid

In the event of a change of control, certain unvested LTIP awards granted to the Management Board will vest at the time of the change of control.

3.5 REMUNERATION REPORT & OTHER DISCLOSURES

3.5.1 OUR APPROACH

GFG's remuneration reporting for the Management Board and Supervisory Board is primarily prepared in accordance with Luxembourg's Law of 24 May 2011. To ensure responsible governance, the Company also voluntarily aligns with the German Corporate Governance Code 2019, amended in 2022 (the "GCGC"), subject to consistency with Luxembourg law and exemptions in our August 2025 Declaration of Compliance.

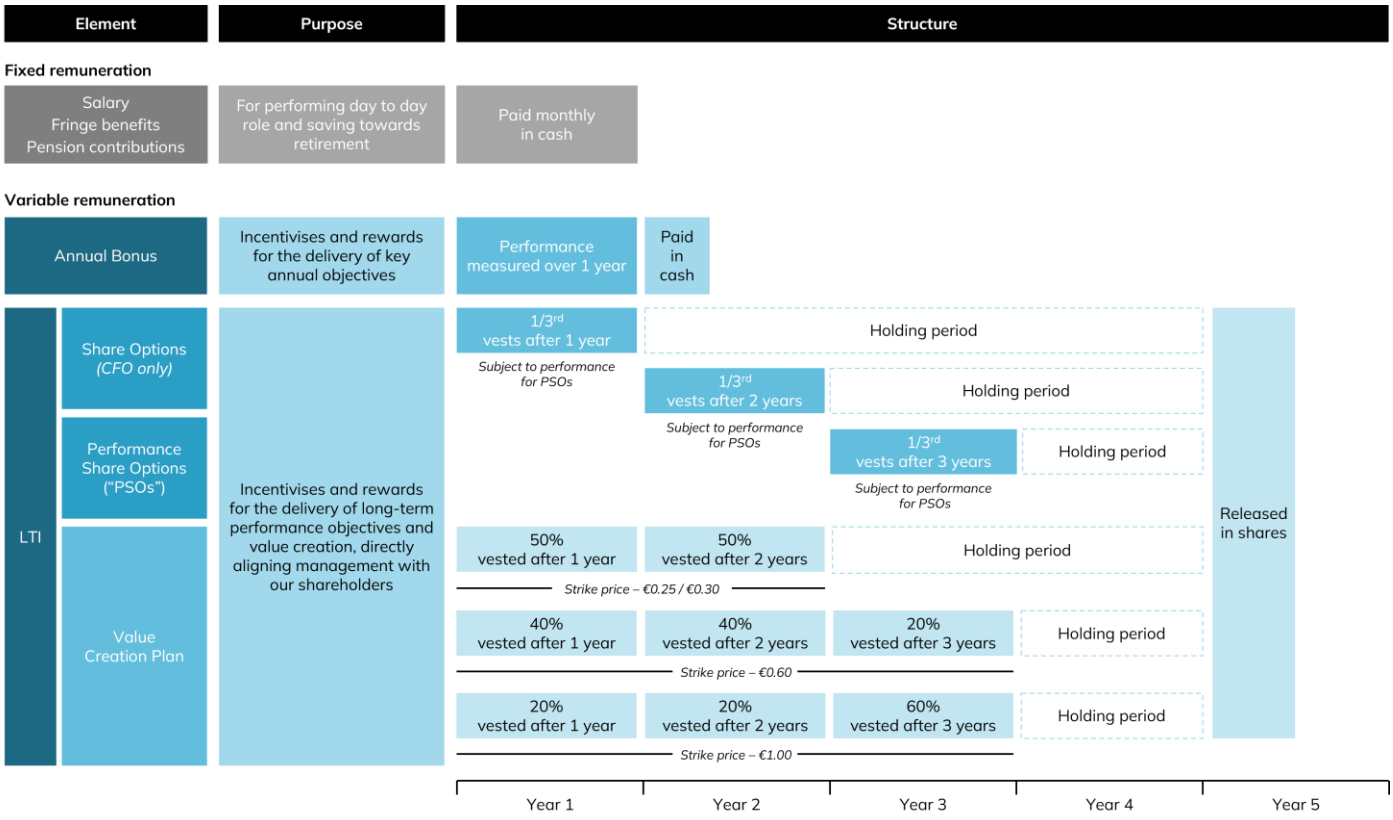
3.5.2 MANAGEMENT BOARD REMUNERATION REPORT

At the 2025 AGM, GFG shareholders approved the revised remuneration policy which includes the framework applicable to members of the Management Board. GFG's remuneration framework is designed to incentivise and reward performance that will drive long-term profitability and sustainable growth in shareholder value. It is built on the following key principles:

Balanced Package	**Long-term Alignment**	**Strategic Alignment**	**Competitiveness**
Appropriate balance between fixed and variable and short- and long-term elements of pay	Variable components align with and incentivise the delivery of long-term sustainable performance	Framework aligned with GFG's key strategic objectives and overall economic performance	Allows GFG to compete for talent in the key markets and industry in which it operates

In 2025, the Remuneration Committee recommended and the Supervisory Board approved a new one-time long-term incentive structure called the Value Creation Plan ("VCP"). Operating under the existing GFG share plan, the VCP aligns the Management Board with shareholder interests by rewarding them for substantially increasing the GFG share price. Under the VCP, value is only realised if the share price exceeds specific strike prices. To ensure long-term alignment, options are not released until four years from grant.

The following chart summarises the 2025 Management Board remuneration framework including the VCP:



The Remuneration Committee considers that this framework successfully:

- Provides an appropriate mix of fixed and variable remuneration.
- Incentivises the Management Board to deliver on critical in-year financial and non-financial goals.
- Directly aligns the Management Board with shareholder interests through a strong emphasis on long-term performance and value creation.

- Ensures long-term alignment through a four-year period between grant and release, ensuring voluntary compliance with the provisions of the GCGC.

Further details on the terms of the VCP award are provided later in this section. Technical details regarding the plan's operation can be found in our Remuneration Policy available in the Corporate Governance documents section of our website.

Management Board Remuneration for 2025

This section outlines the compensation and benefits provided to the Management Board for the 2025 financial year. All remuneration awarded during the period was agreed in accordance with the guidelines and procedures set out in the Company's Remuneration Policy.

Members of the Management Board are appointed by the Supervisory Board. Throughout 2025, the Management Board consisted of two members, with the composition changing as follows:

- **1 January to 3 February 2025:** Christoph Barchewitz (Group CEO) and Gunjan Soni (Group COO)
- **3 February to 31 December 2025:** Christoph Barchewitz (Group CEO) and Helen Hickman (Group CFO)

Christoph Barchewitz and Gunjan Soni were reappointed in 2024 for a three-year term ending on 30 May 2027. Following Gunjan Soni's resignation on 3 February 2025, Helen Hickman was appointed to the Management Board on the same date, with her inaugural term also ending on 30 May 2027.

Total Remuneration: Christoph Barchewitz (Chief Executive Officer)[1]
Year of appointment to the Management Board: 2019

	Benefits Granted			Benefits Received	
In €[2]	2025 (Min.)	2025 (Max.)	2024	2025	2024
Fixed remuneration	763,548	763,548	783,027	763,548	783,027
Fringe benefits	39,602	39,602	39,433	39,602	39,433
Total (fixed components)	**803,150**	**803,150**	**822,460**	**803,150**	**822,460**
Short-term incentive	-	858,992	880,906	678,603[3]	902,081
Long-term incentive[4]	-	1,545,088[5]	145,250	-	48,730
Total (variable components)	**-**	**2,404,080**	**1,026,156**	**678,603**	**950,811**
Pension supplement	76,355	76,355	78,303	76,355	78,303
Total remuneration	**879,505**	**3,283,585**	**1,926,919**	**1,558,108**	**1,851,574**

[1] Christoph Barchewitz was appointed as CEO on 01 March 2023 and reappointed to the Management Board in 2024.
[2] Remuneration for Christoph Barchewitz is denominated in British pounds using exchange rates of 1£/1.14€ and 1£/1.21€ for 2025 and 2024, respectively.
[3] Reflects an overall performance outcome of 118.5% of target.
[4] The Long-Term Incentive value comprises an award of Performance Share Options, granted on 27 March 2025, and an award under the VCP, granted on 1 July 2025. The value shown is based on the fair value for each award as determined at the relevant grant date. Subject to satisfying performance criteria, the Performance Share Options will vest in equal tranches on 30 April 2026, 30 April 2027 and 30 April 2028, with all tranches subject to a holding period until 30 April 2029. The VCP award comprises three tranches, with tranche 1 vesting quarterly over two years, and tranches 2 and 3 vesting quarterly over three years. The tranches have varying strike prices. Further details are provided in the "Long Term Incentive (LTIP) – Awards Granted During 2025" section.
[5] The total value excludes Options granted as part of the RSU/PSU-to-Option exchange. These transactions were accounted for as modifications of existing awards; accordingly, the forfeited RSUs/PSUs were replaced by the Option grants to maintain equitable value without increasing the total reported remuneration.

Total Remuneration: Helen Hickman (Chief Financial Officer)
Date of appointment to the Management Board: 3 February 2025

	Benefits Granted			Benefits Received	
In €[1]	2025 (Min.)	2025 (Max.)	2024	2025	2024
Fixed remuneration	292,600	292,600	-	292,600	-
Fringe benefits	16,995	16,995	-	16,995	-
Total (fixed components)	**309,595**	**309,595**	**-**	**309,595**	**-**
Short-term incentive	-	263,340	-	219,746[2]	-
Long-term incentive[3]	-	428,445	-	-	-
Total (variable components)	**-**	**691,785**	**-**	**219,746**	**-**
Pension supplement	23,408	23,408	-	23,408[4]	-
Total remuneration	**333,003**	**1,024,788**	**-**	**552,749**	**-**

[1] As the remuneration for Helen Hickman is denominated in British pounds, exchange rates of 1£/1.14€ have been used for 2025.
[2] Reflects a STI payout of overall performance outcome of 118.5% of target.
[3] The Long-Term Incentive value comprises an award of Share Options and Performance Share Options, both granted on 27 March 2025, and an award under the VCP, granted on 1 October 2025. The value shown is based on the fair value for each award as determined at the relevant grant date. The Share Options and Performance Share Options will vest in equal tranches on 30 April 2026, 30 April 2027 and 30 April 2028 (the latter being subject to satisfying the performance criteria), with all tranches subject to a holding period until 30 April 2029. The VCP award comprises three tranches, with tranche 1 vesting quarterly over two years, and tranches 2 and 3 vesting quarterly over three years. The tranches have varying strike prices. Further details are provided in the "Long Term Incentive (LTIP) – Awards Granted During 2025" section.
[5] Helen Hickman's pension contribution for February and March went directly into her DC Pension Pot, while the rest were paid out as a cash supplement.

Total Remuneration: Gunjan Soni (Chief Operating Officer)
Year of appointment to the Management Board: 2023, resigned 3 February 2025[1]

	Benefits Granted			Benefits Received	
In €[2]	2025 (Min.)	2025 (Max.)	2024	2025	2024
Fixed remuneration	120,450	220,979	518,300	220,979[3]	518,300
Fringe benefits	6,190	6,190	38,617	6,190	38,617
Total fixed components	**126,640**	**227,169**	**556,917**	**227,169**	**556,917**
Short-term incentive	-	108,405	466,470	-	-
Long-term incentive	-	-	103,750	9,100[4]	18,837
Total variable components	**-**	**108,405**	**570,220**	**9,100**	**18,837**
Pension supplement	12,045	12,045	51,830	12,045	51,830
Total remuneration	**138,685**	**347,619**	**1,178,967**	**248,314**	**627,584**

[1] Gunjan Soni resigned from the Management Board on 3 February 2025 and departed the business on 31 March 2025.
[2] Remuneration for Gunjan Soni is denominated in Singapore Dollars using exchange rates of 1S$/0.66€ and 1S$/0.71€ for 2025 and 2024 respectively.
[3] Includes partial payment in lieu of notice and leave encashment, in accordance with Gunjan Soni's exit agreement.
[4] The 2024 vested tranches came out of holding and were delivered and valued based on their release date fair value.

Management Board Remuneration Mix

		Benefits Granted		Benefits Received
Management Board Member	Remuneration Type	2025 Min.	2025 Max.	2025
Christoph Barchewitz	Fixed	100%	27%	56%
	Variable	0%	73%	44%
Helen Hickman	Fixed	100%	32%	60%
	Variable	0%	68%	40%
Gunjan Soni	Fixed	100%	69%	96%
	Variable	0%	31%	4%

Salary

In Q1 2025, the Remuneration Committee reviewed industry benchmarking for the Management Board and concluded that current base salaries were competitive and relevant to the peer group. On this basis, the Remuneration Committee approved an inflationary adjustment of 3.5% to the base salary of Christoph Barchewitz which is aligned with the adjustment applied across the broader workforce.

Separately, Gunjan Soni received a partial payment in lieu, equivalent to 1.5 months of base salary, related to her contractual nine-month notice period, upon stepping down from her role as Chief Operating Officer and member of the Management Board.

Fringe Benefits

In 2025, the Management Board members received contractual benefits that include health, life and income protection insurance.

Pension Contributions

For 2025, Christoph Barchewitz and Gunjan Soni received a cash supplement equal to 10% of base salary in lieu of participation in a pension arrangement. Helen Hickman received a corresponding cash supplement of 8% of base salary. These supplements were paid with the monthly base salaries and treated as taxable income.

2025 Annual Short-Term Incentive ("STI")

For 2025, the Management Board's STI was linked to performance against financial and non-financial targets. In line with the Remuneration Policy approved at the AGM, the on-target payout opportunity was 75% of base salary for the CEO, Christoph Barchewitz, and 60% of base salary for the CFO, Helen Hickman.

The performance metrics for 2025 were consistent with 2024 and included:

- **Financial Metrics (80% weighting)**
  - NMV growth (in constant currency): 20%
  - Adjusted EBITDA (absolute EUR): 40%
  - Normalised Free Cash Flow: 40%
- **Non-Financial Metrics (20% weighting)** – progress against GFG's strategic sustainability priorities, measured by:
  - % of units sold fulfilling sustainable product criteria
  - % of brands meeting GFG's human rights standards

Financial Metrics	Weighting	Target	Achievement	Weighted Payout
A combination of key financial metrics, aligned with GFG's short-term business priorities				
NMV	16% of total	0.8%	0.3%	14.3%
Adjusted EBITDA	32% of total	3.2	9.3	39.6%
Normalised Free Cash Flow	32% of total	(43.2)	(31.6)	43.3%

Sustainability Objectives	Weighting	Target	Achievement	Weighted Payout
Sustainability objectives for Management Board member focused on GFG's strategic sustainability priorities				
Climate Action	10% of total	12.0% (% of units sold that fulfil one or more Sustainable Product Criteria)	12.6%	11.0%
Fair & Ethical Sourcing	10% of total	32.0% (% of brands meeting GFG's human rights standards for brands)	32.2%	10.3%
Total 2025 annual bonus				**118.5% achievement**

Long Term Incentive Plan ("LTIP") – Awards Granted During 2025

During financial year 2025, the Management Board, comprising Christoph Barchewitz and Helen Hickman, received LTIP awards designed to reinforce GFG's long-term performance culture and align executive and shareholder interests.

Share Options: GFG Share Plan

Under the GFG share plan, awards were granted in the form of share options and performance share options. Awards are divided into three equal tranches which vest after one, two and three years, respectively. For performance share options, the vesting level for each tranche is determined by achievement of specific metrics and targets set at the start of each financial year. To ensure a long-term orientation, all tranches are subject to a four-year holding period from the date of grant.

As part of her appointment to the Management Board, Helen Hickman received a one-time grant of share options without performance conditions.

2025 Grant Tranches	Vesting Date	Performance Period
Tranche 1	2026	1 Jan to 31 Dec 2025
Tranche 2	2027	1 Jan to 31 Dec 2026
Tranche 3	2028	1 Jan to 31 Dec 2027

The table below summarises the LTIP awards granted to the Management Board in 2025:

		# Performance Share Options Granted (2025 Grant)	
Management Board Member	# Share Options Granted (2025 Grant)	'On Target'	'At Maximum'
Christoph Barchewitz	0	560,001	800,001
Helen Hickman	99,999	210,000	300,000

Awards are subject to malus and clawback provisions for four years from grant, with trigger conditions which include material misstatement, an error in assessing the performance condition, serious misconduct or material error on behalf of the participant, as well as other circumstances as considered appropriate by the Supervisory Board.

Share Options: Value Creation Plan ("VCP")

On the recommendation of the Remuneration Committee, the Supervisory Board implemented the VCP during 2025. The VCP is intended to align Management Board interests directly with those of shareholders by rewarding the achievement of stretching share price targets.

VCP awards were granted in the form of share options. The awards comprise three tranches, each with an increasing strike price and multi-year vesting programme. No additional performance conditions apply as the Supervisory Board considers the share price hurdles to be sufficiently stretching in their own right. VCP awards are also subject to malus and clawback terms consistent with other LTIP awards.

All VCP awards will be fully vested by 30 June 2028 and released four years from the date of grant. Participants will only be able to exercise awards for value prior to expiry and if the GFG share price exceeds the relevant strike price. All unexercised VCP awards will expire eight years from the date of grant.

Vesting Programme: Christoph Barchewitz (CEO)

Awards vest quarterly over the periods shown below

			% Vesting		
Tranche	Strike Price	Total Awards	1 July 2025 – 30 June 2026[1]	1 July 2026 – 30 June 2027	1 July 2027 – 30 June 2028
Tranche 1	€0.25	1,800,000	50%	50%	-
Tranche 2	€0.60	2,600,000	40%	40%	20%
Tranche 3	€1.00	2,800,000	20%	20%	60%
Total		**7,200,000**			

[1] *September and December 2025 vesting events deferred to March 2026 due to administrative processing factors.*

Vesting Programme: Helen Hickman (CFO)
Awards vest quarterly over the periods shown below

			% Vesting		
Tranche	**Strike Price**	**Total Awards**	**1 October 2025 – 30 June 2026[1]**	**1 July 2026 – 30 June 2027**	**1 July 2027 – 30 June 2028**
Tranche 1	€0.30	375,000	50%	50%	-
Tranche 2	€0.60	541,500	40%	40%	20%
Tranche 3	€1.00	583,500	20%	20%	60%
Total		**1,500,000**			

[1] December 2025 vesting event deferred to March 2026 due to administrative processing factors.

Long Term Incentive Plan – Outstanding Awards

The following tables provides detailed information on the outstanding units held by each Management Board member under the GFG share plan and the 2016 LTIP legacy plan. Awards granted during 2025, as described in the preceding sections, are recorded under the line item "Granted during the reporting period".

To reinforce long-term alignment, the Remuneration Committee and the Supervisory Board resolved to extend the holding period for certain awards granted to Christoph Barchewitz. This extension restricts his ability to trade prior to the revised delivery date. As a result, his 2019 and 2021 awards that were originally scheduled for delivery on 30 April 2025 will instead be delivered on 30 April 2027.

The Company did not apply any malus or clawback provisions with respect to awards held by Management Board members during the 2025 financial year.

LTIP Overview: Christoph Barchewitz[1]

	RSUs	**PSUs**	**Share Options**	**Performance Share Options**	**Share Options (VCP)**	**Stock Options**
Outstanding at the beginning of the reporting period	410,799	1,389,429	-	699,999	-	-
Granted during the reporting period	-	-	33,333[3]	1,900,001[2]	7,200,000	-
Vested during the reporting period	-	-	33,333	475,733	-	-
Delivered during the reporting period	-	-	-	-	-	-
Forfeited / expired during the reporting period	33,333[3]	1,100,000[3]	-	424,266	-	-
Exercised during the reporting period (2016 LTIP)	-	-	-	-	-	-
Outstanding at the end of the reporting period[5]	377,466	289,429	33,333	2,175,734	7,200,000	-
Exercisable at the end of the reporting period	**-**	**-**	**-**	**-**	**-**	**608,175[6]**

[1] Appointed to the Management Board in June 2019 and reappointed in August 2024.
[2] The total includes the like for like exchange of a portion of unvested PSUs to unvested Performance Options, in accordance with Clause 10 of the GFG share plan rules. The final number of performance options to vest will depend on the achievement of the pre-defined Performance Conditions over a one-year performance period.
[3] Represents the like for like exchange of a portion of unvested RSU/ PSUs to unvested Options/ Performance Options, in accordance with Clause 10 of the GFG share plan rules.
[4] Represents the non-vested portion of the Performance Options resulting from the performance conditions achieved vs. maximum potential.
[5] Includes all units under holding.
[6] Options with strike prices ranging from €5.37 to €7.99. No more options will be granted under this programme.

LTIP Overview: Helen Hickman[1]

	RSUs	PSUs	Share Options	Performance Share Options	Share Options (VCP)	Stock Options
Outstanding at the beginning of the reporting period	-	-	79,001	79,046	-	-
Granted during the reporting period	-	-	99,999	300,000[2]	1,500,000	-
Vested during the reporting period	-	-	39,002	22,645	-	-
Delivered during the reporting period	-	-	-	-	-	-
Forfeited / expired during the reporting period	-	-	-	6,878[3]	-	-
Exercised during the reporting period (2016 LTIP)	-	-	-	-	-	-
Outstanding at the end of the reporting period[4]	-	-	139,998	349,523	1,500,000	-
Exercisable at the end of the reporting period	**-**	**-**	**39,002**	**22,645**	**-**	**31,226[5]**

[1] Appointed to the Management Board in February 2025.
[2] The final number of performance options to vest will depend on the achievement of the pre-defined Performance Conditions over a one-year performance period.
[3] Represents the non-vested portion of the Performance Options resulting from the performance conditions achieved vs. maximum potential.
[4] Includes all units under holding.
[5] Options with strike prices ranging from €5.37 to €12.96. No more options will be granted under this programme.

3.5.3 SUPERVISORY BOARD REMUNERATION REPORT

The remuneration for members of the Supervisory Board is determined by the shareholders in accordance with the Articles of Association. The current remuneration system was confirmed and approved at the 2025 AGM. The following table outlines the applicable fee structure:

	Supervisory Board	Audit Committee	Sustainability Committee	Remuneration Committee	Nomination Committee
Chairman	EUR 42,000 (cumulative with Member fee)	EUR 40,000	EUR 20,000	EUR 25,000	EUR 10,000
Member	EUR 32,000	EUR 10,000	EUR 10,000	EUR 10,000	EUR 5,000

The fee structure for the Supervisory Board has remained broadly consistent since its last update in 2022, following the establishment of the Remuneration and Nomination Committee. On 1 June 2025, base fees increased by 5% for the Chair and 6.67% for members. Additionally, roles were rebalanced across the committees which impacted the allocation of committee fees among members.

Remuneration is paid in monthly instalments throughout the financial year. Alongside their fixed remuneration, GFG reimburses Supervisory Board members for all reasonable expenses related to their duties. The Group also provides Directors and Officers liability insurance for all members with no deductible payable.

The table below details the total individual compensation for the 2025 financial year:

Board Member	Supervisory Board Positions	Financial Year 2025 Fees (€)	Financial Year 2025 Total Fees (€)
Cynthia Gordon	Supervisory Board Member	31,167	127,333
	Supervisory Board Chair	41,167	
	Audit Committee Member	10,000	
	Remuneration Committee Chair	25,000	
	Sustainability Committee Member	10,000	
	Nomination Committee Chair	10,000	
Georgi Ganev	Supervisory Board Member	12,500	18,750 (Waived)[1]
	Supervisory Board Deputy Chair	4,167	
	Nomination Committee Member	2,083	
Laura Weil	Supervisory Board Member	31,167	67,000
	Audit Committee Chair [2]	13,333	
	Audit Committee Member	6,667	
	Remuneration Committee Member	10,000	
	Sustainability Committee Member[2]	5,833	
Carol Shen	Supervisory Board Member	31,167	56,167
	Sustainability Committee Chair	20,000	
	Nomination Committee Member	5,000	
John Baker	Supervisory Board Member	31,167	75,333
	Audit Committee Chair	26,667	
	Audit Committee Member [2]	3,333	
	Remuneration Committee Member	10,000	
	Sustainability Committee Member[2]	4,167	
Andreas Bernstrom	Supervisory Board Member	18,867	21,583 (Waived)[1]
	Nomination Committee Member	2,917	

[1] Georgi Ganev and Andreas Bernstrom waived their entitlement to remuneration for the reporting period. However, this waiver can be removed for future reporting periods.
[2] On 1 June 2025, John Baker stepped down as a member of the Sustainability Committee and Laura Weil was appointed as a member of the Sustainability Committee with the same effective date. On the same date, Laura Weil stepped down as the chair of the Audit Committee and John Baker was appointed chair with the same effective date.

3.6 FINANCIAL REPORTING & AUDIT OF THE FINANCIAL STATEMENTS

At the AGM 2025, Ernst & Young ("EY") were re-elected as the independent auditor of the standalone and consolidated financial statements. In preparation, EY presented a statement of compliance with the relevant ethical requirements on independence and disclosed that there are no business, financial, personal or other relationships between the auditor, its governing bodies and audit managers, on the one hand, and the Company and its directors, on the other, which could give cause to doubt the auditor's independence.



4. CONSOLIDATED FINANCIAL STATEMENTS

4.1 CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

		For the Year Ended 31 December	
In €m	Note	2025	2024[1]
Continuing operations			
Revenue	24	679.8	722.6
Cost of sales		(364.3)	(398.2)
Gross profit		**315.5**	**324.4**
Operating (expenses) / income:			
Selling and distribution expenses	25, 26	(215.8)	(240.2)
Administrative expenses	25, 26	(143.4)	(161.2)
Other operating income	27	9.0	8.8
Other operating expenses	27	(4.9)	(4.1)
Net impairment losses on financial assets[2]		-	(0.3)
Impairment of non-financial assets		(0.4)	(2.3)
Loss before interest and tax (EBIT)[3]		**(40.0)**	**(74.9)**
Gain on repurchase of convertible bonds	22	-	12.3
Finance income	28	3.6	9.9
Finance costs	28	(19.2)	(18.6)
Loss before tax from continuing operations		**(55.6)**	**(71.3)**
Income tax expense	30	(0.1)	(6.6)
Loss for the year from continuing operations		**(55.7)**	**(77.9)**
Net loss from discontinued operations	29	(6.5)	(7.2)
Loss for the year		**(62.2)**	**(85.1)**
Loss for the year attributable to:			
Equity holders of the parent		(60.3)	(82.5)
Non-controlling interests		(1.9)	(2.6)
Loss for the year		**(62.2)**	**(85.1)**
Loss per share:			
Basic and diluted, loss per share attributable to ordinary equity holders of the parent (€)	10	(0.3)	(0.4)
Loss per share for continuing operations:			
Basic and diluted, loss per share for continuing operations attributable to ordinary equity holders of the parent (€)	10	(0.3)	(0.4)

[1] The amounts shown do not correspond to the consolidated financial statements for the year ended 31 December 2024 and reflect adjustments made in connection with the presentation of discontinued operations (Note 29).

[2] Net impairment losses on financial assets are calculated by considering expected credit losses of financial assets and include write-offs, additions to provisions, usage of provisions and income from the reversal of provisions.

[3] EBIT is calculated as loss for the period before loss from discontinued operations, income taxes, finance income, finance costs and gain on repurchase of convertible bonds.

The accompanying Notes are an integral part of the consolidated financial statements.

4.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended 31 December	
In €m	2025	2024
Loss for the year	(62.2)	(85.1)
Other comprehensive income items that will or subsequently will be reclassified to profit or loss:		
Exchange differences on translation to presentation currency from continuing operations	3.1	0.1
Net other comprehensive income for the year, net of tax	**3.1**	**0.1**
Total comprehensive loss for the year, net of tax	**(59.1)**	**(85.0)**
Total comprehensive loss for the year attributable to:		
Equity holders of the parent	(57.9)	(82.2)
Non-controlling interests	(1.2)	(2.8)

The accompanying Notes are an integral part of the consolidated financial statements.

4.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

In €m	Note	31 December 2025	31 December 2024
Non-current assets			
Property, plant and equipment	11	33.8	42.0
Right of use asset	12	40.2	36.8
Goodwill	13	51.6	54.3
Other intangible assets	13	56.0	71.7
Other financial assets	16	32.6	33.0
Total non-current assets		**214.2**	**237.8**
Current assets			
Inventories	15	81.9	96.4
Trade and other receivables	16	21.1	48.8
Other financial assets	16	15.3	20.8
Income tax receivables		3.6	2.3
Other non-financial assets	14	17.7	20.8
Cash and cash equivalents	17	176.5	210.6
Total current assets		**316.1**	**399.7**
Total assets		**530.3**	**637.5**

The accompanying Notes are an integral part of the consolidated financial statements.

4.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Equity and Liabilities

In €m	Note	31 December 2025	31 December 2024
Equity			
Common share capital	18	2.3	2.3
Share premium	18	303.6	303.6
Treasury shares	18	(7.5)	(7.5)
Capital reserves	18	2,102.1	2,102.1
Other reserves	18	44.0	42.2
Share-based payments reserves	18,19	160.5	158.6
Convertible bond equity component	18,22	5.3	7.1
Accumulated deficit		(2,468.4)	(2,406.2)
Foreign currency translation reserve		14.6	11.5
Equity attributable to holders of the parent		**156.5**	**213.7**
Non-controlling interests	18	(0.9)	(2.5)
Total equity		**155.6**	**211.2**
Liabilities			
Non-current liabilities			
Lease liabilities	12	35.1	32.0
Other financial liabilities – convertible bonds	22	-	48.6
Provisions	21	4.9	4.7
Deferred tax liabilities	30	4.6	5.7
Non-financial liabilities	23	31.1	31.4
Total non-current liabilities		**75.7**	**122.4**
Current liabilities			
Borrowings	20	1.0	3.6
Lease liabilities	12	14.1	16.1
Trade payables and other financial liabilities	22	184.3	201.3
Other financial liabilities – convertible bonds	22	40.4	2.7
Provisions	21	9.5	11.5
Income tax liabilities	23, 30	10.6	15.2
Non-financial liabilities	23	39.1	53.5
Total current liabilities		**299.0**	**303.9**
Total liabilities		**374.7**	**426.3**
Total equity and liabilities		**530.3**	**637.5**

The accompanying Notes are an integral part of the consolidated financial statements.

4.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

		Equity Attributable to Shareholders of the Parent											
In €m	Note	Common Share Capital	Share Premium	Treasury Shares	Capital Reserves	Other Reserves	Share-Based Payments Reserves	Convertible Bond Equity Component	Accumulated Deficit	Foreign Currency Translation Reserve	Total	Non-Controlling Interests	Total Equity
As at 1 January 2025		**2.3**	**303.6**	**(7.5)**	**2,102.1**	**42.2**	**158.6**	**7.1**	**(2,406.2)**	**11.5**	**213.7**	**(2.5)**	**211.2**
Loss for the year		-	-	-	-	-	-	-	(60.3)	-	(60.3)	(1.9)	(62.2)
Other comprehensive income from continuing operations		-	-	-	-	-	-	-	-	*2.4*	*2.4*	*0.7*	*3.1*
Total other comprehensive income		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.4**	**2.4**	**0.7**	**3.1**
Total comprehensive (loss) / income for the year			-	-	-	-	-	-	(60.3)	2.4	(57.9)	(1.2)	(59.1)
Share-based payment expenses	19	-	-	-	-	-	1.9	-	-	-	1.9	-	1.9
Repurchase of convertible bond	18,22	-	-	-	-	1.8	-	(1.8)	-	-	-	-	-
Change in non-controlling shareholders	18	-	-	-	-	-	-	-	(1.9)	0.7	(1.2)	2.8	1.6
Proceeds from issued share capital and capital contributions	18	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2025		**2.3**	**303.6**	**(7.5)**	**2,102.1**	**44.0**	**160.5**	**5.3**	**(2,468.4)**	**14.6**	**156.5**	**(0.9)**	**155.6**

The accompanying Notes are an integral part of the consolidated financial statements.

4.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2024

		Equity Attributable to Shareholders of the Parent											
In €m	Note	Common Share Capital	Share Premium	Treasury Shares	Capital Reserves	Other Reserves	Share-Based Payments Reserves	Convertible Bond Equity Component	Accumulated Deficit	Foreign Currency Translation Reserve	Total	Non-Controlling Interests	Total Equity
As at 1 January 2024		**2.2**	**303.6**	**(7.5)**	**2,102.2**	**25.8**	**157.9**	**23.1**	**(2,323.1)**	**11.2**	**295.4**	**0.3**	**295.7**
Loss for the year		-	-	-	-	-	-	-	(82.5)	-	(82.5)	(2.6)	(85.1)
Other comprehensive loss from continuing operations		-	-	-	-	-	-	-	-	*(0.9)*	*(0.9)*	*(0.2)*	*(1.1)*
Other comprehensive income recycled to profit or loss		-	-	-	-	-	-	-	-	*1.2*	*1.2*	-	*1.2*
Total other comprehensive income / (loss)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.3**	**0.3**	**(0.2)**	**0.1**
Total comprehensive income/(loss) for the year		-	-	-	-	-	-	-	(82.5)	0.3	(82.2)	(2.8)	(85.0)
Share-based payment expenses	19	-	-	-	-	-	0.7	-	-	-	0.7	-	0.7
Adjustment for hyperinflation		-	-	-	-	-	-	-	(0.6)	-	(0.6)	-	(0.6)
Repurchase of convertible bond	18,22	-	-	-	-	16.0	-	(16.0)	-	-	-	-	-
Disposal of business	29	-	-	-	-	0.4	-	-	-	-	0.4	-	0.4
Proceeds from issued share capital and capital contributions	18	0.1	-	-	(0.1)	-	-	-	-	-	-	-	-
Balance as at 31 December 2024		**2.3**	**303.6**	**(7.5)**	**2,102.1**	**42.2**	**158.6**	**7.1**	**(2,406.2)**	**11.5**	**213.7**	**(2.5)**	**211.2**

The accompanying Notes are an integral part of the consolidated financial statements.

4.5 CONSOLIDATED STATEMENT OF CASH FLOWS

In €m	Note	For the Year Ended 31 December 2025	2024
Cash flows from operating activities:			
Loss for the year before tax from continuing operations		(55.6)	(71.3)
Loss before tax from discontinued operations, including loss on disposal[1]	29	(6.5)	(7.2)
Loss for the year before tax		**(62.1)**	**(78.5)**
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	11, 12	21.2	27.2
Amortisation of intangible assets	13	25.1	30.9
Impairment losses on non-financial assets	11, 12, 13	0.1	4.8
Impairment losses on other financial assets		-	0.3
Share-based payment expense / (income)	19	1.6	(0.7)
Right-of-use asset remeasurement		0.3	(0.6)
Fair value remeasurement	28	-	(0.8)
Interest income	28	(3.6)	(9.2)
Interest costs	28	11.0	13.1
Foreign currency loss		9.1	1.6
Other non-cash transactions		(3.0)	(0.9)
(Gain) / loss from disposal of property, plant and equipment and intangible assets		(0.5)	0.2
Loss from disposal of subsidiary	29	-	1.7
Gain on repurchase of convertible bonds	22	-	(12.3)
Changes in provisions	21	(0.3)	(5.2)
Cash from operations before changes in working capital		**(1.1)**	**(28.4)**
Decrease in inventories		9.4	10.4
Decrease / (increase) in trade receivables		26.7	(12.9)
(Decrease) / increase in trade payables		(19.2)	23.5
Changes in other receivables and other payables		3.0	1.7
Cash flows from / (used in) operations		**18.8**	**(5.7)**
Income tax paid	30	(7.5)	(10.9)
Interest received		3.6	9.1
Interest paid		(7.4)	(7.5)
Net cash flow from / (used in) operating activities		**7.5**	**(15.0)**

Note: Cash flows are presented for both continuing and discontinued operation in line with IFRS 5.

[1] The loss before tax from discontinued operations includes Argentina, which was classified as a discontinued operation during the year ended 31 December 2023 and Chile, which was classified as a discontinued operation in 2025 and therefore the amounts shown do not correspond to the consolidated financial statements for the year ended 31 December 2024.

4.5 CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

In €m	Note	For the Year Ended 31 December 2025	2024
Cash flow from investing activities:			
Purchase of property, plant and equipment		(1.7)	(3.9)
Proceeds from sale of property, plant and equipment		0.9	-
Acquisition of intangible assets and capitalised development expenditure		(12.3)	(25.7)
Cash inflow / (outflow) from other securities, deposits and transfer of restricted cash		3.3	(2.2)
Proceeds from redemption of investment in investment funds	16	-	161.9
Net cash flow (used in) / from investing activities		**(9.8)**	**130.1**
Cash flows from financing activities:			
Proceeds from borrowings and other financial liabilities	20	9.1	66.2
Repayment of borrowings	20	(9.5)	(74.5)
Coupon payments on convertible bonds	22	(0.6)	(1.5)
Repurchase of convertible bonds	18, 22	(13.3)	(104.3)
Payments under lease liabilities		(15.5)	(16.5)
Net cash flow used in financing activities		**(29.8)**	**(130.6)**
Cash and cash equivalents at the beginning of the year	**17**	**210.6**	**225.9**
Effect of exchange rate changes on cash and cash equivalents		(2.0)	0.2
Cash and cash equivalents at the end of the year	**17**	**176.5**	**210.6**

Note: Cash flows are presented for both continuing and discontinued operation in line with IFRS 5.

The accompanying Notes are an integral part of the consolidated financial statements.

4.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(1) Corporate Information

General Information

The consolidated financial statements present the operations of Global Fashion Group S.A. ("GFG S.A." or "the Parent") and its subsidiaries (together, "Global Fashion Group", the "Group", "GFG" or the "Company"). The Company was incorporated on 1 October 2014. GFG S.A. is a stock corporation (société anonyme) under the laws of the Grand Duchy of Luxembourg and is registered in the Luxembourg Trade and Companies Register (RCS B 190.907). GFG S.A. is domiciled in Luxembourg with its registered office located at 5, Heienhaff L-1736 Senningerberg.

Since 2 July 2019, the shares of the Company have been traded on the regulated market (Prime Standard) of the Frankfurt Stock Exchange.

The consolidated financial statements were approved and authorised for issue by the Supervisory Board on 3 March 2026. The shareholders will ratify the approval of the financial statements at the Annual General Meeting. The official version of the accounts is the ESEF version available with the Officially Appointed Mechanism ("OAM") tool.

Business Activities

Global Fashion Group is the leading online fashion and lifestyle destination in ANZ, LATAM and SEA. The Company connects customers with a wide assortment of global, local and own brands through a seamless and personalised digital shopping experience.

For more information on GFG's business model and the nature of our business activities, please refer to Sections 2.1.1 and 2.2 of our Group management report.

(2) Basis of Preparation

Statement of Compliance

These consolidated financial statements have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board ("IASB") and adopted by the European Union ("EU"). The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented except as further explained in Note 5.

The consolidated financial statements are prepared on a historical cost basis, unless otherwise stated. The consolidated financial statements have been prepared on a going concern basis of accounting.

The consolidated financial statements are presented in euro ("€"), unless otherwise stated and all values are rounded to the nearest million with a fractional digit in accordance with a commercial rounding approach, except when otherwise indicated. This may result in rounding differences as well as percentage figures presented may not exactly reflect the absolute figures they relate to.

(3) Summary of Material Accounting Policies

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent and its subsidiaries as of 31 December 2025 and 2024. Subsidiaries are those investees that the Company controls because (i) it has power to direct relevant activities of the investees that significantly affect their returns, (ii) has exposure, or rights, to variable returns from its involvement with the investees, and (iii) has the ability to use its power over the investees to affect the amount of investor's returns.

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests form a separate component of the Group's equity.

Subsidiaries are consolidated from the date on which control is transferred to the Group (acquisition date) and are deconsolidated from the date on which control ceases.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the owners of the Group and to the non-controlling interests.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup receivables, liabilities, and results relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. In such a case, the carrying amounts of the net assets attributable to the owners of the parent and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between this adjustment and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Foreign Currency Translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company as well as the presentation currency of the Group is the euro ("€"). In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that has the biggest influence on the sales prices for goods. This is typically determined by assessing which country's competitive forces and regulations impact the sales prices the most.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions as well as from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the statement of profit or loss.

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate on the date of that statement of financial position;
- non-monetary equity items in a foreign currency are translated using historic rates;
- income and expenses for each income statement are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income (foreign currency translation reserve).

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Transaction costs are not included in the fair value. They are accounted for as prescribed by the applicable accounting standard. The fair value of non-financial assets is determined as the best use from a market perspective which may differ from current use of the asset.

The Group uses measurement techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In the fair value measurement of financial assets and liabilities, the credit default risk is considered.

The fair values for assets and liabilities included in the consolidated financial statements are classified based on a three-level hierarchy. The classification is based on the input parameters of the lowest category that is material to the fair value measurement:

- Level 1: Fair values based on quoted prices in active markets.
- Level 2: Fair values that are determined on the basis of valuation techniques which use inputs that are substantially based on observable market data.
- Level 3: Fair values that are determined on the basis of valuation techniques which use inputs that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether the transfers have occurred between levels in hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity

develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Management has assessed that the carrying amounts of trade and other receivables, trade and other payables, other current financial assets and other current financial liabilities approximate fair value due to the short-term maturities of these instruments.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

A financial asset is recognised at the date when the Group becomes a party to the contractual provisions of the instrument. The Group's financial assets comprise of loans and trade and other receivables and financial assets at fair value through profit and loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades), are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

At initial recognition, all financial assets are measured at fair value plus, unless the financial asset is measured subsequently at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are included in current assets, except for those which maturities are greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Initial Classification and Subsequent Measurement

The Group classifies financial assets at initial recognition as financial assets measured at amortised cost, or financial assets measured at fair value through profit or loss.

Financial Assets Measured at Amortised Cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortised cost:

- The financial asset is held within the Group's business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

'Principal' is the fair value of the financial asset on initial recognition and 'interest' is consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (i.e., liquidity risk and administrative costs), as well as a profit margin. When assessing the contractual terms, the Group considers contingent events that would change the amount or timing of cash flows; terms that may adjust the contractual interest rate, including variable-rate features; prepayment and extension features; and terms that limit the Group′s claim to cash flows from specified assets (i.e., non-recourse features).

After initial recognition, the carrying amount of the financial asset measured at amortised cost is determined using the effective interest method, net of impairment loss.

Within the Group, such financial assets are represented by receivables against payment service providers, trade receivables, security deposits and other receivables.

Fair Value Through Profit or Loss Financial Assets ("FVTPL")

Financial assets with cash flows that do not meet the Soley Payments of Principal and Interest test ("SPPI") are classified and measured at fair value through profit or loss, irrespective of the business model. Any changes in fair value is recognised in profit or loss as "finance income" or "finance loss".

Within the Group, such financial assets are represented by investments in investment funds.

Impairment of Financial Assets

All financial assets to which impairment requirements apply carry a loss allowance estimated based on expected credit losses ("ECLs"). ECLs are a probability-weighted estimate of the present value of cash shortfall over the expected life of the financial instrument.

In the Group, the impairment requirements apply to financial assets measured at amortised cost.

Trade Receivables & Contract Assets

The Group uses a practical expedient to calculate the expected credit losses on its trade receivables and contract assets using a provision matrix. The Group uses historical credit loss experience (adjusted if necessary for changes in macroeconomic conditions) to estimate the lifetime expected credit losses.

The impairment provisions calculated using the above provision matrix are recorded on a separate allowance account.

All trade receivables are assessed for impairment using the simplified approach. Such trade receivables are recognised as fully impaired and written off. These balances were immaterial for the current and prior financial year. The write-off constitutes a derecognition event whereby the gross carrying amount of such trade receivables is reduced against the corresponding amount previously recorded on the allowance account.

Other Financial Assets

The ECLs for all other financial assets are recognised in two stages:

- For financial assets for which there has not been a significant increase in credit risk since initial recognition, the Group recognises credit losses which represent the cash shortfalls that would result if a default occurs in the 12 months after the reporting date or a shorter period if the expected life of a financial instrument is less than 12 months.
- For those financial assets for which there has been a significant increase in credit risk since initial recognition, a loss allowance reflects credit losses expected over the remaining life of the financial asset.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets of the Group to which the general approach applies are low credit risk as no significant increases in credit risk have occurred. Low credit risk only applies to cash, cash equivalents, restricted cash and cash on deposits, which is presented within other financial assets. This exposure is addressed by distributing its financial assets over multiple financial institutions with good credit ratings.

The Group recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised. See Note 32 for further information.

De-Recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Financial Liabilities

A financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are measured on initial recognition at fair value net of directly attributable transaction costs.

The Group's financial liabilities include trade and other liabilities and loans and borrowings.

The Group analysed the terms and conditions of financial instruments that are convertible into common shares of the Group to determine its appropriate classification under IAS 32 *Financial Instruments: Presentation* as equity, a financial liability or as a compound instrument that contains both a liability and an equity component. Please see Note 22 for further details.

Subsequent Measurement

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest rate ("EIR") method, as described below:

Loans & Borrowings

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as a finance expense in the statement of profit or loss. Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the reporting date. Fees paid to establish loan facilities are deferred and recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates. See Note 20 for further details.

Trade & Other Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the EIR. See Note 22 for details.

Supplier Financing Arrangements

The Group participates in supplier finance (reverse factoring) programmes under which participating suppliers may elect to receive early settlement of approved invoices from a third-party finance provider. The Group's original payment due dates to suppliers are not extended under these programmes, and the Group pays the finance provider on the original invoice due date. Balances outstanding under the Group's supplier financing arrangements are classified as trade payables and measured in accordance with the Group's policy for financial liabilities at amortised cost since the Group does not obtain extended credit and its substantive obligations are unchanged. See Note 22 for details. Cash flows related to liabilities arising from supplier finance arrangements that are classified in Trade payables in the consolidated statement of financial position are included in operating activities in the consolidated statement of cash flows.

De-Recognition

A financial liability is derecognised when the obligation under the liability is settled, cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Discontinued Operations

A discontinued operation is a component of an entity that either has been disposed of or abandoned, or is classified as held for sale. A disposal group which will be abandoned cannot be classified as a non-current asset held for sale, because the carrying amount will be principally recovered through use. The disposal group still needs to be either a separate major line of business or a geographical area of operations; part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or a subsidiary acquired exclusively with a view to resale and the disposal involves loss of control.

The key to determining at which point the disposal group should be treated as a discontinued operation is determining the date at which it ceases to be used and no longer has a remaining useful life. For the Group's operating disposal group, this will be the date that no further revenue will be generated and assets cease to be used, determining their remaining useful life to be nil. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 29. All other Notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

Cash & Cash Equivalents

In accordance with IAS 7, cash and cash equivalents include cash in hand, demand deposits held with banks and other short-term highly liquid investments with original maturities of three months or less, for which the risk of changes in value is considered to be insignificant and that are held for the purpose of meeting short-term cash commitments. See Note 17 for details.

To establish whether an investment instrument or investment in investment funds holding debt instruments is classified under IAS 7 as "Cash and cash equivalents", the Group assesses if:

- the period taken to redeem an investment from the trade date is two days or less;
- no restrictions or penalty charges on redemption apply;
- the weighted average life or weighted average maturity of an investment is less than or equal to 90 days or 0.25 years respectively; and
- volatility of returns over historic 12 months is capped by 1% limit.

Investment instruments which exceed the limits above, do not meet the criteria for IAS 7 classification per the professional judgement of the Group management, and will be accounted for under IFRS 9 as an "Other financial asset" and classified as a financial asset measured at fair value through profit or loss. See Note 16 for details.

Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, where required. Costs of minor repairs and maintenance are expensed when incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals, determined by comparing the net disposal proceeds with the carrying amount, are recognised in profit or loss for the year within other operating income or expenses.

Depreciation on items of property, plant and equipment is calculated using the straight-line method to reduce their cost to their residual values over their estimated useful lives. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The assets' residual values, methods of depreciation and useful lives are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Classes of Tangible Assets	Useful Lives in Years
Office / IT equipment	3–5
Leasehold improvements	3-10
Warehouse	10
Motor vehicles	5–8

Please refer to Note 11 for details.

Leases

At inception of a contract, the Group recognises a right-of-use asset and a lease liability for all leases, except for short term leases (leases with a lease term of 12 months or less), which are classified as operating leases and expensed through profit or loss over the period of the lease term.

The Group elected to use the exemptions proposed by IFRS 16 on lease contracts for which the lease terms end within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. The Group has leases of certain office equipment (i.e., printing and photocopying machines) that are considered low value, being below € 5,000.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the underlying asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate which is a weighted average based on underlying lease liabilities.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on consumer price index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that is reasonably certain to be exercised; and
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Please refer to Note 12 for details.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in other income in the statement of profit or loss due to its operating nature.

Goodwill

Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is allocated to the cash-generating units ("CGUs"), or groups of CGUs, that are expected to benefit from the synergies of the business combination.

The Company tests groups of CGUs to which goodwill has been allocated for impairment at least annually and whenever indicators of impairment exist. An impairment loss with respect to goodwill is not subsequently reversed.

Gains or losses on disposal of an operation within a cash generating unit to which goodwill has been allocated include the carrying amount of goodwill associated with the disposed operation, generally measured on the basis of the relative values of the disposed operation and the portion of the cash-generating unit which is retained.

Please refer to Note 13 for details.

Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets (trademarks and customer relationships) acquired in a business combination is their fair value at the acquisition date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Other development expenditure that do not meet these criteria, such as training and maintenance costs are recognised as an expense as incurred.

Expenditure incurred during the research phase of an intangible asset cannot be capitalised and is recognised as an expense.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the carrying amount may not be recoverable and the intangible asset may therefore be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets is recognised in the consolidated statement of profit or loss, in the expense category that best suits the function of the intangible assets.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss, when the asset is derecognised.

The Group's intangible assets have definite useful lives and primarily include capitalised software, licences and rights as well as trademarks and customer relationships.

Intangible assets are amortised using the straight-line method over their useful lives:

Classes of Other Intangible Assets	Useful Lives in Years
Acquired software licenses / rights	1–5
Internally developed software / website costs	3–5
Trademarks	15
Customer relationships	6–16

Please refer to Note 13 for further details.

Inventories

Inventories comprise raw materials and supplies, finished goods and merchandise. Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventory is calculated using the weighted average cost method or the first-in-first-out method.

Write-downs to net realisable value are made to allow for all risks from slow-moving or obsolescent goods and/or reduced saleability and are included within cost of sales. When the circumstances that previously caused inventory to be written down below cost no longer exist, the write down is reversed. See Note 15 for details.

Impairment of Non-Financial Assets

The Group assesses, at each reporting date, whether there is an indication that any non-financial asset may be impaired. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. If market capitalisation is lower than the carrying value of equity, the market considers the Group's value is less than the carrying value and an impairment trigger is met. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is tested for impairment at least annually and whenever there are indicators for impairment. Management tests impairment at a group of CGUs level with full allocation of corporate overhead costs.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use. For the purpose of impairment testing, goodwill was allocated to the Group's group of regional CGUs. A CGU is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets. Goodwill arising from business combinations is allocated to the group of CGUs that are expected to benefit from the synergies of the business combination.

In assessing value in use, the Discounted Cash Flow ("DCF") approach is used as the primary valuation method. The estimated future cash flows are discounted to their present value using a risk adjusted discount rate that reflects a current market-based assessment of the time value of money and the risks specific to the asset and its forecasts. We derive our discount rates using a capital asset pricing model.

The Group bases its value-in-use calculations on detailed budgets and forecasts, which are prepared separately for each of the Group's group of CGUs to which the individual assets are allocated. Internally developed budgets and forecasts generally cover a period of three years. These are then trended over an additional two years to reflect a five-year horizon. The terminal value of the group of CGUs is calculated using the terminal year cash flow which is capitalised in perpetuity using perpetuity growth

rates and discount rates. The selected growth rates are consistent with industry macro-economic forecasts in the regions where the group of CGUs operates. The present value of the expected cash flows of the groups of CGUs is determined by applying a discount rate that is commensurate with the risks and uncertainty inherent in the group of CGUs' forecasts.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the group of CGUs, and then to reduce the carrying amounts of the other assets in the group of CGUs on a pro rata basis.

A previously recognised impairment loss for non-financial assets other than goodwill is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Please refer to Note 13 for further details.

Prepayments

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition.

Treasury Shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised directly in equity. Please see Note 18 for further details.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A best estimate is made of the amount of the provision taking into account all identifiable risks arising from the obligation. Provisions with a residual term of more than twelve months are discounted. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement, net of any reimbursement. Refer to Note 21 for more details.

Share-Based Payments

The Group operates equity-settled and cash-settled share-based payment plans, under which Group companies receive services from directors and employees as consideration for equity instruments of the Company or one of its subsidiaries or a right to receive a share-based cash payment.

Equity-Settled Share-Based Payments

The total amount to be expensed for services received is determined by reference to the grant date fair value of the share-based payment award made. For share options granted, the grant date fair value is determined using the Black-Scholes option valuation formula. For equity settled restricted stock units issued as part of the 2019 share plan (see Note 19 for explanation), the grant date fair value is determined with reference to the observed publicly available share price of GFG S.A. on the relevant date.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of awards that will eventually vest, with a corresponding credit to equity. Estimated forfeitures are revised if the number of awards expected to vest differ from previous estimates. Differences between the estimated and actual forfeitures are accounted for in the period it occurs.

For awards with graded-vesting features, each instalment of the award is treated as a separate grant. This means that each instalment is separately expensed over the related vesting period. Some instalments vest only upon the occurrence of a specified exit event or 12 months after such an event and under the condition the employee is still employed with the Company. These instalments are expensed over the expected time to such vesting event and recorded as employee benefit expense. Exit conditions linked with continued service are considered non-market vesting conditions. No expense is recognised for awards that do not ultimately vest.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense that would have resulted had the terms not been modified, given the original terms of the awards are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Expenses for awards that are cancelled are accelerated. Replacement awards that are not designated as such are accounted for as new grant.

Cash-Settled Share-Based Payments

The fair value of the amount payable to employees with respect to cash-settled share-based payments are recognised as an expense over the vesting period. The fair value is measured initially and at each reporting date until the settlement date, with changes in fair value recognised as employee benefits expenses. The fair value is determined using the Black-Scholes model, or revalued using the latest publicly available share price of GFG S.A. for cash settled units issued as part of the 2018 Employee share option plan. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to the cash-settled awards.

Please refer to Note 19 for further details.

Convertible Bond

The Group has identified separate debt and equity components to the convertible bond compound instrument. As a financial liability, the debt component is initially valued based on the present value of future cash flows, net of directly attributable transaction costs. The financial liability is subsequently measured at amortised cost using the EIR method.

The equity component is recognised as the difference between gross proceeds from the convertible bond issuance and the fair value of the debt component and any bifurcated derivatives.

Upon repurchase of convertible bonds by the Group, the carrying amount of the equity component is reduced and reclassified from convertible bond equity component to other reserves.

The Group also identified several embedded derivatives within the convertible bonds. Please refer to Note 22 for further details.

Revenue Recognition

The Group generates revenues mainly from the sale of fashion and lifestyle products online through its retail websites. Revenue is recognised at a point in time when control of the asset is transferred to the customer, i.e., on delivery of the goods or services.

The Group entities generally offer customers a possibility to return any unused goods within a specified period of time (usually 30 days) and receive a full refund in form of cash or store credit. In such cases revenue is recognised only to the extent that is highly probable that a significant reversal will not occur when the uncertainty associated with the right of return is subsequently resolved. The remaining consideration is recognised as a refund liability. The Group determines the amount of revenue and the amount of refund liability using the expected value method, representing the sum of probability weighted outcomes. A corresponding right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

The Group evaluates whether it is principal or agent with respect to its performance obligations. When the Group is primarily obligated in a transaction, is subject to inventory risk, has latitude in establishing prices and selecting suppliers, the Group acts as principal and records revenue at the gross sales price. The Group records the net amounts as commissions earned if it is not primarily obligated and does not have latitude in establishing prices namely in its marketplace business (Note 24). Such amounts earned are determined using a fixed percentage of the transaction value, a fixed-payment schedule, or a combination of the two.

Coupons and loyalty points, except as those explained below, and discounts are deducted from the transaction price.

If as a part of sale transactions, the Group issues coupons or loyalty points to the customers which can either be used as an incremental discount to other available discounts in future transactions or that provide a customer loyalty status, are accounted for as a material right representing an additional performance obligation. The consideration received is allocated based on the relative stand-alone selling prices between the sold goods and the additional performance obligation.

The stand-alone selling price of the material right is estimated reflecting:

a) the discount that the customer would be entitled to, adjusted for any discount that the customer could receive without using the loyalty programme (i.e., any discount available to any other customer) and

b) the likelihood that the customer will use the loyalty points.

The amount allocated to loyalty points is deferred as a contract liability within trade and other payables. Revenue is recognised as the points are redeemed by the customer. Revenue related to breakage is recognised in line with redemptions, subject to the

variable consideration constraint (i.e., provided it is highly probable not to result in a significant reversal of the cumulative revenue recognised), with the remainder recognised on expiry of the points.

Refund Liabilities

Refund liabilities are estimated on the basis of historical returns and are recorded so as to allocate them to the same period in which the original revenue is recorded. These liabilities are reviewed regularly and updated to reflect management's latest best estimates, although actual returns could vary from these estimates.

Right of Return Assets

The Group estimates the expected returns of goods, based on historical return rates and reduces revenue by the full amount of sales that it estimates will be returned.

The Group also presents expected returns on a gross basis in the statement of financial position. In this context, a right to recover possession of goods from expected returns is recognised in other non-financial assets. The amount of the asset corresponds to the cost of the goods delivered for which a return is expected, taking into account the costs incurred for processing the return.

Contract Assets

A contract asset is initially recognised for revenue earned by the Group for which consideration is not yet unconditionally receivable from the customer.

Contract Liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group delivers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., delivers the related goods or services to the customer). The Group's contract liabilities represent advance payments for orders received but not shipped and unredeemed customer loyalty points.

Prepaid Stored-value Product Liabilities

Prepaid stored-value product liabilities arise when customers purchase or are issued gift cards or other stored-value instruments by the Group. These represent the Group's obligation to provide goods and/or services and/or cash in the future in accordance with the terms of the instrument.

Cost of Sales

Cost of sales consists of the purchase price of consumer products and inbound shipping charges. The inbound shipping charges to receive products from the suppliers of the Group are included in inventory, and recognised as cost of sales upon sale of products to the Group's customers. The cost of merchandise sold to the customers is calculated using the weighted average cost method or the first-in-first-out method.

Selling and Distribution Expenses

Selling and distribution expenses include fulfilment and marketing costs. Fulfilment costs represent costs incurred in operating and staffing the Group's fulfilment and customer service centres, including costs attributable to picking, packaging, and preparing customer orders for shipment, including packaging materials; payment processing and related transaction costs. Fulfilment costs also include outbound shipping costs, content and e-production costs, and amounts paid to third parties that assist the Group in fulfilment and customer service operations. Marketing costs consist primarily of targeted online advertising, including search engine marketing, social media and cross-channel campaigns, along with more traditional methods such as print advertising, broadcasting and sponsorship. Marketing costs also include are payroll and related expenses for personnel engaged in marketing.

Administrative Expenses

Administrative expenses include technology and other administrative expenses.

Technology and content expenses consist principally of technology infrastructure expenses, payroll related expenses for employees involved in application, product, research and development, systems support, and digital initiatives, as well as costs associated with the computer, storage, and telecommunications infrastructure used internally. Costs related to the development of software are capitalised if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the costs can be measured reliably.

Other administrative expenses comprise costs related to corporate and administrative functions, including professional fees and other office-related overheads.

Employee Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits (such as health services) are accrued in the period in which the associated services are rendered by the employees of the Group. Some employees are eligible for discount coupons. The cost of these coupons is included in employee benefits and subject to social security and tax contributions. The Company recognises a liability and an expense for bonus plans to employees and key management personnel based on a formula and specific performance targets when contractually obliged.

Fee Income from Supplier Financing Arrangements

The Group receives a fee from finance providers in connection with the supplier financing arrangements. Such fees are recognised as finance income when the Group's right to the fee is established.

Income Taxes

Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge comprises current tax and deferred tax and is recognised in profit or loss for the year, except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if financial statements are authorised prior to filing relevant tax returns. Taxes other than on income are recorded within operating expenses.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred taxes are recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred taxes are not accounted for if they arise from the initial recognition of an asset or liability in a transaction other than leases or business combinations that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred taxes are determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability, where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the Group is unable to control the reversal of the temporary difference for associates.

Deferred tax assets are recognised on deductible temporary differences and tax loss carry forwards arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities. The deferred tax assets and liabilities must relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis. Please see Note 30.

(4) Critical Accounting Estimates & Judgements in Applying Accounting Policies

Management makes estimates and assumptions that affect the amounts recognised in the financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Other disclosures to the Group's exposure to risk and uncertainties are included in the Capital Management and Financial Risk Management sections. Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Estimating Variable Consideration for Returns

The Group estimates variable considerations to be included in the transaction price for the sale of goods with rights of return. The Group determines the amount of revenue using the expected value method. The expected value method is the sum of probability weighted outcomes in a range of possible consideration amounts. Historical purchasing patterns and the refund entitlements of customers are used in estimating the expected consideration amounts.

The Group updates its assessment of expected returns regularly and the refund liabilities are adjusted accordingly. Estimates of expected returns are sensitive to changes in circumstances and the Group's past experience regarding returns may not be representative of the customers' actual returns in the future.

Determination of the Net Realisable Value of Inventories

The cost of inventories may not be recoverable if those inventories are damaged, if they have become wholly or partially obsolete, or if their selling prices have declined below the cost of inventory.

The provision for obsolete inventories reflects management's estimate of losses expected by the Group, calculated on the basis of experience as well as past and anticipated market performance. Estimates are based on information available as of the reporting date and management judgement about the expected sales volumes and margins after the reporting date. The expectation of volumes of loss-making sales and losses to be incurred is based on historical data adjusted for the results of management's analysis of retail industry developments and expected changes in customers' behaviour. Customer behaviour is analysed on a seasonal and geographical basis.

Each reporting date, management makes an assessment of slow moving inventory / non-moving inventory and makes adequate provision for such unsold inventory and makes adequate impairments for such unsold inventory reflecting the decline of the net realisable value.

The inventory balance is categorised depending on the season to which it relates to. The inventory valuation allowance reflects management's estimate of losses expected to be incurred by the Group as a result of sales of stock belonging to the particular season and sell-through rate.

Net realisable value is calculated as estimated selling price less the estimated costs necessary to make the sale. However, the extensive usage of discounts and frequent changes in prices with respect to market conditions makes estimation of selling prices on an item by item basis impracticable. For further information we refer to Note 15.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Statutory tax and customs legislation, which was enacted or substantively enacted at the end of the reporting period, is subject to varying interpretations when being applied to the transactions and activities of the Group. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be challenged by tax authorities. For further information, we refer to Note 30.

The Group operates in certain countries where the tax systems, regulations and enforcement processes have varying stages of development creating uncertainty regarding application of tax law and interpretation of tax treatments. The Group is also subject to regular tax audits in the countries where it operates. When there is uncertainty over whether the taxation authority will accept a specific tax treatment under the local tax law, that tax treatment is therefore uncertain. The resolution of tax positions taken by the Group, through negotiations with relevant tax authorities or through litigation, can take several years to complete and, in some cases, it is difficult to predict the ultimate outcome. Therefore, judgment is required to determine provisions for taxes.

In assessing whether and how an uncertain tax treatment affects the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, the Group assumes that a taxation authority with the right to examine amounts reported to it will examine those amounts and have full knowledge of all relevant information when making those examinations.

The Group has a process in place to identify its uncertain tax positions. Management then considers whether or not it is probable that a taxation authority will accept an uncertain tax treatment. On that basis, the identified risks are split into three categories (i) remote risks (risk of outflow of tax payments are 0% to 20%), (ii) possible risks (risk of outflow of tax payments are 21% to 49%) and probable risks (risk of outflow 50% or more). The process is repeated regularly by the Group.

If the Group concludes that it is probable or certain that the taxation authority will accept the tax treatment, the risks are categorised either as possible or remote, and it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. The risks considered as possible are not provisioned but disclosed as tax contingencies in the Group consolidated financial statements while remote risks are neither provisioned nor disclosed.

If the Group concludes that it is probable that the taxation authority will not accept the Group's interpretation of the uncertain tax treatment, the risks are categorised as probable, and it reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates by generally using the most likely amount method – the single most likely amount in a range of possible outcomes.

If an uncertain tax treatment affects both deferred tax and current tax, the Group makes consistent estimates and judgments for both. For example, an uncertain tax treatment may affect both taxable profits used to determine the current tax and tax bases used to determine deferred tax.

If facts and circumstances change, the Group reassesses the judgments and estimates regarding the uncertain tax position taken. Please refer to Note 31 for our analysis of uncertain tax positions.

Estimating the Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The primary inputs into the IBR calculations are available base rates such as local government bond yields. Company specific spreads are overlaid to the base rates, as well as corporate spreads and security adjustments as needed.

Critical Judgements in Determining the Lease Term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of warehouses, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate)
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate)
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the lease assets.

Impairment of Non-Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model and the cash flows projections cover a detailed three-year forecast. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the perpetual growth rate ("PGR") used for extrapolation purposes. These selected inputs are consistent with industry and macroeconomic forecasts in the regions where the group of CGUs operate. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the recoverable amount for the different groups of CGUs, including a sensitivity analysis, are disclosed and further explained in Note 13.

Fair Value Determination of Share-Based Payment Plans

Estimating the fair value for share-based payment transactions generally requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. For share options, this estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and risk-free rate. The Group initially measures the cost of cash-settled transactions with employees using the Black-Scholes model in order to determine the fair value of the liability incurred. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. For the measurement of the fair value of equity-settled transactions with employees, the Group uses the Black-Scholes model to value

options by reference to observable market inputs on the grant date. The options are then not remeasured at the end of each reporting period.

Since GFG became listed the share price input in those models are derived from the Company's quoted share price at the reporting date. Measurement is thus subject to the market driven volatility of the share price. Other inputs may not be directly observable and therefore still need to be estimated.

The assumptions used for estimating the fair value for share-based payment transactions are disclosed in Note 19.

Recognition of Development Costs as Internally Generated Intangible Assets

The Group capitalises costs for development projects in accordance with IAS 38 when certain criteria are met, including the demonstration of technical feasibility, intention to complete the asset and the ability to use or sell the asset to generate probable future economic benefit. Management applies judgement in assessing these criteria.

Climate Change

The Group has conducted a qualitative assessment of climate change risks, identifying both physical and transition risks in accordance with our 2030 sustainability targets. Detailed information on these risks is available in Section 4.2 Climate-related impact, risk and opportunities of the People and Planet Positive Report.

Based on the assessment, climate change is anticipated to have minimal impact on the Group's operations in the short term (up to 2030) but may become more significant in the medium to long term. Although the financial impacts of these risks and opportunities have not been fully quantified, they are not expected to materially affect the carrying amounts of assets and liabilities in the current financial statements.

Specifically, management evaluated whether climate change impacts should be incorporated into future cash flow projections used for goodwill impairment assessments. It was concluded that climate change is not expected to materially impact short to medium term cash flows.

Management will continue to evaluate the financial implications of these risks in future assessments.

Specific considerations include:

- **Income Taxes:** Currently, there are no known environmental taxes anticipated to significantly impact financial results. The Group will continuously monitor forecasted taxable profits and any climate-related legislative changes across regions that could affect income taxes.
- **Property, Plant & Equipment ("PPE"), Intangible Assets and Goodwill:** The Group has considered the physical risks posed by climate change over the short, medium, and long term and determined that climate change risks do not have an impact on the impairment tests performed this year. Management will continue to review these factors as potential impairment triggers.
- **Other Matters:** Currently, the Group does not foresee material financial impacts on inventory valuation or the measurement and recognition of financial instruments. Management will continue to assess the impact of climate change on the balance sheet moving forward.

(5) Changes in Material Accounting Policies

The accounting policies applied in these consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2024, unless otherwise stated.

The following standards, amendments and interpretations were effective 1 January 2025 but do not have a significant effect on the results or financial position of the Group:

Standard/Amendment	Effective Date	Effects
Amendments to IAS 21 – lack of exchangeability (issued 15 August 2023)	1 January 2025	No effect

The following standards and interpretations which are not yet effective are not expected to have a material effect on the results or financial position of the Group:

Standard / Amendment	Effective Date	EU Endorsement Status	Effects
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) (issued 18 December 2024)	1 January 2026	Endorsed	No effect expected
IFRS 18 – Presentation and Disclosure in Financial Statements (issued 9 April 2024)	1 January 2027	Endorsed	Presentational changes expected to the primary statements, including new required subtotals in the statement of profit or loss, and additional disclosures relating to management defined performance measures. The Group is currently assessing the impact of adopting this standard.
IFRS 19 – Subsidiaries without Public Accountability: Disclosures (issued 9 May 2024)	1 January 2027	Not yet endorsed	No effect expected
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024)	1 January 2026	Endorsed	No material effect expected
Annual Improvements Volume 11 (issued on 18 July 2024)	1 January 2026	Endorsed	No material effect expected
Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency (issued 13 November 2025)	1 January 2027	Not yet endorsed	No material effect expected

The Group plans to adopt new standards once effective.

(6) Segment Information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker ("CODM") and for which discrete financial information is available. Transfer prices between operating segments are on an arm's length basis.The segments are as follows:

- Australia & New Zealand ("ANZ");
- Latin America ("LATAM") including Brazil and Colombia;
- South East Asia ("SEA") including Malaysia, Indonesia, Singapore, Philippines and Hong Kong

Intercompany consolidation adjustments are included in the 'reconciliation' column, in order to arrive at the GFG consolidated financial statements. The column 'Other' includes Group technology, overheads and other business activities.

Group segments generate external revenue from fashion and lifestyle ecommerce products. Products are not disaggregated in CODM reporting.

Refer to Note 29 which contains details of the discontinued operations of the Argentina and Chile businesses and are no longer presented as part of segment reporting.

Reportable segment information for the year ended 31 December 2025 is set out below:

In €m	ANZ	LATAM[1]	SEA	Total Fashion Business	Other[2]	Reconciliation[3]	Total
Revenues from external customers	344.6	190.9	144.3	679.8	-	**-**	679.8
Intersegment Revenue	0.1	-	6.6	6.7	28.4	**(35.1)**	-
Total Revenue	**344.7**	**190.9**	**150.9**	**686.5**	**28.4**	**(35.1)**	**679.8**
Cost of sales	(177.1)	(106.0)	(81.3)	(364.4)	(0.1)	**0.2**	(364.3)
Gross Profit	**167.6**	**84.9**	**69.6**	**322.1**	**28.3**	**(34.9)**	**315.5**
Operating (expenses) / income:							
Selling and distribution expenses	(112.2)	(59.0)	(45.9)	(217.1)	-	**1.3**	(215.8)
Administrative expenses	(46.4)	(34.0)	(36.6)	(117.0)	(24.5)	**(1.9)**	(143.4)
Other (expenses) / income	(3.0)	(1.1)	1.9	(2.2)	(24.3)	**30.2**	3.7
EBIT	**6.0**	**(9.2)**	**(11.0)**	**(14.2)**	**(20.5)**	**(5.3)**	**(40.0)**
Depreciation and Amortisation	14.2	9.9	10.8	34.9	6.1	**5.3**	46.3
EBITDA[4]	**20.2**	**0.7**	**(0.2)**	**20.7**	**(14.4)**	**-**	**6.3**
Recurring items (see below)							1.9
Non-Recurring items (see below)							1.1
Adjusted EBITDA[5]	**25.6**	**2.8**	**3.0**	**31.4**	**(22.1)**	**-**	**9.3**
Reconciliation to loss before tax:							
Finance income							3.6
Finance costs							(19.2)
Depreciation and amortisation							(46.3)
Share-based payment expense							(1.6)
Group recharges and associated taxes							(0.3)
Change in estimate of prior year tax provision							0.7
One off payroll costs							(3.2)
IFRS 16 lease modifications							1.1
Reversal of impairment on fixed assets							0.3
Loss before tax from continuing operations							**(55.6)**
Recurring items:							
Share-based payment expense/ (credit)	0.3	(0.2)	-	0.1	1.5	-	1.6
Group recharges and associated taxes	4.8	2.1	2.3	9.2	(8.9)	-	0.3
Non-recurring items:							
Change in estimate of prior year tax provision	-	-	-	-	(0.7)	-	(0.7)
One off payroll costs	0.3	0.5	2.0	2.8	0.4	-	3.2
IFRS 16 lease modifications	-	-	(1.1)	(1.1)	-	-	(1.1)
Reversal of impairment of fixed assets	-	(0.3)	-	(0.3)	-	-	(0.3)

[1] Results for LATAM exclude Chile, which was classified as a discontinued operation during the year ended 31 December 2025 (Note 29).
[2] The other column includes Group technology, overhead and other related business activities.
[3] The reconciliation column includes consolidation adjustments, including intercompany eliminations and amortisation of purchase price allocation assets.
[4] EBITDA is calculated as loss before interest and tax adjusted for depreciation of property, plant and equipment and right-of-use assets, amortisation of intangible assets and impairment losses.
[5] Adjusted EBITDA is EBITDA adjusted for share-based payment expenses, impairment of goodwill and other non-financial assets, Group recharges and associated taxes, changes in estimates of prior year tax provision, IFRS 16 lease modifications and one-off payroll costs.

Reportable segment information for the year ended 31 December 2024 is set out below:

In €m	ANZ	LATAM[1]	SEA	Total Fashion Business	Other[2]	Reconciliation[3]	Total
Revenues from external customers	357.9	196.7	168.0	722.6	-	-	722.6
Intersegment Revenue	-	-	4.9	4.9	34.1	(39.0)	-
Total Revenue	**357.9**	**196.7**	**172.9**	**727.5**	**34.1**	**(39.0)**	**722.6**
Cost of sales	(190.8)	(111.2)	(96.1)	(398.1)	(0.2)	0.1	(398.2)
Gross Profit	**167.1**	**85.5**	**76.8**	**329.4**	**33.9**	**(38.9)**	**324.4**
Operating (expenses) / income							
Selling and distribution expenses	(121.8)	(65.2)	(54.4)	(241.4)	-	1.2	(240.2)
Administrative expenses	(49.7)	(39.1)	(41.3)	(130.1)	(26.6)	(4.5)	(161.2)
Other (expenses) / income	(4.5)	(3.7)	4.9	(3.3)	(29.8)	35.2	2.1
EBIT	**(8.9)**	**(22.5)**	**(14.0)**	**(45.4)**	**(22.5)**	**(7.0)**	**(74.9)**
Depreciation and amortisation	18.0	12.5	12.1	42.6	7.2	7.0	56.8
EBITDA[4]	**9.1**	**(10.0)**	**(1.9)**	**(2.8)**	**(15.3)**	**-**	**(18.1)**
Recurring items (see below)							(0.2)
Non-recurring items (see below)							0.7
Adjusted EBITDA[5]	**16.4**	**(6.9)**	**(2.6)**	**6.9**	**(24.5)**	**-**	**(17.6)**
Reconciliation to loss before tax:							
Finance income							9.9
Finance costs							(18.6)
Depreciation and amortisation							(56.8)
Share-based payment credit							0.6
Group recharges and associated taxes							(0.4)
Gain on repurchase of convertible bond							12.3
Change in estimate of prior year tax provision							4.3
One off payroll costs							(3.2)
IFRS 16 lease modifications							(1.0)
Impairment of goodwill and other assets							(0.8)
Loss before tax from continuing operations							**(71.3)**
Recurring items:							
Share-based payment expense / (credit)	0.3	(0.4)	(0.2)	(0.3)	(0.3)	-	(0.6)
Group recharges and associated taxes	5.3	2.5	2.5	10.3	(9.9)	-	0.4
Non-recurring items:							
Change in estimate of prior year tax provision	-	(0.3)	(4.0)	(4.3)	-	-	(4.3)
One off payroll costs	0.7	0.5	1.0	2.2	1.0	-	3.2
IFRS 16 lease modifications	1.0	-	-	1.0	-	-	1.0
Impairment of goodwill and other assets	-	0.8	-	0.8	-	-	0.8

[1] Results for LATAM exclude Argentina, which was classified as a discontinued operation during the year ended 31 December 2023 and sold on 4 July 2024 and Chile, which was classified as a discontinued operation during the year ended 31 December 2025 (Note 29).
[2] The other column includes Group technology, overhead and other related business activities.
[3] The reconciliation column includes consolidation adjustments, including intercompany eliminations and amortisation of purchase price allocation assets.
[4] EBITDA is calculated as loss before interest and tax adjusted for depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets.
[5] Adjusted EBITDA is EBITDA adjusted for share-based payment (income)/expenses, impairment of goodwill and other non-financial assets, Group recharges and associated taxes, changes to estimates for prior year tax, IFRS 16 lease modifications and one off payroll and office closure costs.

Information About Geographical Areas

Revenues from external customers by region are determined based on the location of the selling business.

Revenues from external customers include €344.6 million (2024: €357.9 million) in Australia, €153.6 million (2024: €163.0 million) in Brazil, €44.0 million (2024: €48.7 million) in Philippines, €37.3 million (2024: €33.7 million) in Colombia, €35.1 million in Indonesia (2024: €45.3 million) and €34.5 million (2024: €35.2 million) in Malaysia.

During 2025 and 2024, no revenues from external customers were generated in Luxembourg, the domicile of Global Fashion Group S.A.

Non-current assets include €35.7 million (2024: €41.7 million) in Brazil and €111.9 million (2024: €114.7 million) in Australia.

Non-current assets (excluding other financial assets and income tax receivables) for each region for which it is material are reported separately as follows:

In €m	2025	2024
ANZ	111.9	114.7
LATAM	37.0	42.8
SEA	24.9	37.0
Other	7.8	10.4
Total	**181.6**	**204.9**

No significant non-current assets are located in Luxembourg, the domicile of GFG S.A. No analysis of the assets and liabilities of each operating segment is provided to the Chief Operating Decision Maker in the monthly management accounts.

(7) Group Information

The consolidated financial statements include the assets, liabilities and financial results of the Company and its subsidiaries. The table below presents the list of the Company's subsidiaries.

			Ownership	
	Principal Activity	Registered Office	31 December 2025	31 December 2024
Bigfoot GmbH, Berlin, Germany	Investment Holding	Berlin	100%	100%
Jade 1076. GmbH, Berlin, Germany	General Partner	Berlin	100%	100%
Bambino 49. VV UG (haftungsbeschränkt), Berlin, Germany	Trustee	Berlin	100%	100%
Global Fashion Group SGP Services PTE Limited, Singapore, Singapore	Consultancy Services	Singapore	100%	100%
GFG eCommerce Technologies GmbH, Berlin, Germany	IT Services	Berlin	100%	100%
GFG Deutschland Holdings GmbH, Berlin, Germany	Holding	Berlin	96.96%	96.96%
Global Fashion Group UK Finance Limited, London, UK	Finance Holding	London	100%	100%
Global Fashion Group UK Services Limited, London, UK	Consultancy Services	London	100%	100%
Dafiti Latam GmbH & Co. Beteiligungs KG, Berlin, Germany	Holding	Berlin	99.14%	99.14%
VRB GmbH & Co. B-127 (Einhundertsiebenundzwanzig) KG, Berlin, Germany	Holding	Berlin	95.84%	95.84%
Bigfoot Chile SpA, Santiago, Chile	Online Retail	Santiago	95.31%	95.31%
VRB GmbH & Co. B-128 (Einhundertachtundzwanzig) KG, Berlin, Germany	Holding	Berlin	96.79%	96.79%
Bigfoot Colombia SAS, Bogota, Colombia	Online Retail	Bogota	96.79%	96.79%
GFG Comercio Digital Ltda, Sao Paulo, Brazil	Online Retail	Sao Paulo	99.13%	99.13%

	Principal Activity	Registered Office	Ownership	
			31 December 2025	31 December 2024
Juwel 145 V V UG (haftungsbeschränkt), Berlin, Germany	Trustee	Berlin	100%	100%
Zalora Group GmbH, Berlin, Germany	Holding	Berlin	100%	100%
VRB GmbH & Co. B-136. KG, Berlin, Germany	Holding	Berlin	97.86%	97.86%
Brillant 1257 GmbH & Co. Verwaltungs KG, Berlin, Germany	Holding	Berlin	90.99%	90.99%
Brillant 1257. GmbH & Co. Zweite Verwaltungs KG, Berlin, Germany	Holding	Berlin	91.77%	91.77%
Brillant Vietnam Co., Ltd, Ho Chi Minh City, Vietnam	Holding	Ho Chi Minh City	91.77%	91.77%
R-SC Vietnam Co., Ltd., Ho Chi Minh City, Vietnam	Consultancy Services	Ho Chi Minh City	91.77%	91.77%
Brillant 1257. GmbH & Co. Dritte Verwaltungs KG, Berlin, Germany	Holding	Berlin	94.49%	94.49%
PT Fashion Eservices, Jakarta, Indonesia	Online Retail	Jakarta	94.48%	94.48%
PT Fashion Marketplace, Jakarta, Indonesia	Online Retail	Jakarta	94.40%	94.40%
Brillant 1257. GmbH & Co. Vierte Verwaltungs KG, Berlin, Germany	Holding	Berlin	91.73%	91.73%
BF Jade E-Services Philippines Inc., Makati City, Philippines [1]	Online Retail	Makati City	100%	46.77%
Zalcore E-Services Inc., City of Muntinlupa, Philippines [2]	Online Retail	City of Muntinlupa	100%	-
Brillant 1257. GmbH & Co. Fünfte Verwaltungs KG, Berlin, Germany	Holding	Berlin	92.92%	92.92%
Jade E-Services Malaysia Sdn Bhd, Kuala Lumpur, Malaysia	Online Retail	Kuala Lumpur	92.92%	92.92%
Brillant 1257. GmbH & Co. Sechste Verwaltungs KG, Berlin, Germany	Holding	Berlin	94.77%	94.77%
Jade E-Services Singapore Pte Ltd, Singapore, Singapore	Online Retail	Singapore	94.77%	94.77%
Zalora South East Asia Pte Ltd, Singapore, Singapore	Online Retail	Singapore	94.77%	94.77%
RPL Fashion Trading Guangzhou Co., Ltd (China), Guangzhou, China	Online Retail	Guangzhou	94.77%	94.77%
Zalora Hong Kong Ltd, Hong Kong, China	Online Retail	Hong Kong	100%	100%
ZSEA Technology Services Company Limited, Vietnam	IT Services	Ho Chi Minh City	94.77%	94.77%
VRB GmbH & Co. B-129. KG, Berlin, Germany	Holding	Berlin	93.70%	93.70%
Internet Services Australia 1 Pty Ltd, Sydney, Australia	Online Retail	Sydney	93.70%	93.70%
GFG UK 1 Limited, London, UK	Holding	London	100%	100%
GFG Deutschland 1 GmbH, Berlin, Germany	Holding	Berlin	100%	100%
Global Fashion Group TRM Limited, London, UK	Holding	London	100%	100%
Tricae Comercio Varejista Ltda, Sao Paulo, Brazil	Online Retail	Sao Paulo	99.91%	99.91%
Kanui Comercio Varejista Ltda, Sao Paulo, Brazil	Online Retail	Sao Paulo	99.91%	99.91%
Zalora eFulfillment Services Sdn Bhd, Kuala Lumpur, Malaysia	Holding	Kuala Lumpur	64.95%	64.95%
E-Kilau Sdn Bhd, Kuala Lumpur, Malaysia	Holding	Kuala Lumpur	1.84%	1.84%
Zalora Taiwan Co. Ltd, Taiwan	Online Retail	Taiwan	94.77%	94.77%

	Principal Activity	Registered Office	Ownership 31 December 2025	Ownership 31 December 2024
GFG ME Management Services – FZCO, Dubai	Management Services	Dubai	100%	100%

[1] The Group purchased the non-controlling interest element of BF Jade e-Services Philippines Inc on 18 December 2025, as at 31 December 2025 the entity is wholly controlled by the Group. For the year 2024 and 2025, the non-controlling interest element of BF Jade e-Services Philippines Inc was the most significant element of the comprehensive loss for the year attributable to non-controlling interests. The entity was under the control of the Group by virtue of indirect control through a wholly owned trustee subsidiary for which the % ownership in this table does not take into account.

[2] The entity was incorporated in 2025.

At 31 December 2025 and 2024, the proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

(8) Balances & Transactions with Related Parties

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control/jointly control the other party or can exercise significant influence over the other party in making financial and operational decisions. Apart from the subsidiaries and associates included in the consolidated financial statements, the Group maintains relationships with other related parties as disclosed below.

Kinnevik Group is a related party to the Group as they have the ability to exercise significant influence as shareholders of the Group as well as their subsidiaries and joint ventures.

No transactions have been entered into with related parties during the twelve months ended 31 December 2025 and 2024 respectively.

Key Management Personnel

The aggregate compensation to key management personnel, being the Management Board and Supervisory Board of the Group (executive and non-executive and including the Chief Executive Officer and Chief Finance Officer) plus the members of the executive committee of the Group, was as follows:

In €m	For the Year Ended 31 December 2025	2024
Short-term employee benefits	5.0	4.4
Share-based payments charge	1.5	0.4
Total	**6.5**	**4.8**

Further details of directors' remuneration can be found in the remuneration report in section 3.5, along with directors' interest in issued shares and share options.

(9) Auditors' Remuneration

Included in administrative expenses is the independent auditor's remuneration, including expenses for audit and non-audit services, payable to the Company's auditor Ernst & Young S.A. and its affiliated companies as follows:

In €m	For the Year Ended 31 December 2025	2024
Audit and audit-related services:		
Audit of the parent company and consolidated financial statements	1.0	1.0
Audit of the Company's subsidiaries	1.1	1.2
Total fees	**2.1**	**2.2**

(10) Loss per Share

Basic earnings per share ("EPS") is calculated by dividing the loss for the year attributable to ordinary equity holders of the parent by the weighted average number of common shares outstanding during the year.

The following table reflects the earnings and share data used in the basic and diluted EPS calculations:

	For the Year Ended 31 December	
In €m	2025	2024
Continuing operations	(53.8)	(75.3)
Discontinued operations	(6.5)	(7.2)
Loss attributable to ordinary equity holders of the parent for basic earnings	**(60.3)**	**(82.5)**
Weighted average number of ordinary shares for basic and diluted EPS (m)[1]	223.5	223.8
Basic and diluted EPS from continuing operations (€)	(0.3)	(0.4)
Basic and diluted EPS from discontinued operations (€)	-	-
Total basic and diluted EPS (€)	**(0.3)**	**(0.4)**

[1] *The weighted average number of shares takes into account the weighted average effect of any changes in treasury shares during the year.*

Please see Note 18 for details on equity transactions.

For diluted loss per share, the weighted average number of common shares is equal to the number used in the basic EPS calculation, since potential voting rights are not dilutive due to the loss-making position of the Group during the current and prior year.

The Group has up to 29,761,905 (31 December 2024: 29,761,905) common shares under the authorised share capital reserved for the conditional issuance of shares under the convertible bond that could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share because they are antidilutive for the periods presented. The Group periodically transfers common shares to an Employee Benefit Trust ("EBT") in order to cover redemptions of Share Awards and Share Options. These, once vested, could potentially dilute basic earnings per share in the future but are not included in the calculation of diluted earnings per share because they are antidilutive for the periods presented. During the year ended 31 December 2025, 3,000,000 common shares were issued to the EBT to facilitate anticipated units being exercised under the share-based payment plan (31 December 2024: 1,850,000).

(11) Property, Plant & Equipment

In €m	Office / IT Equipment	Leasehold Improvements	Warehouse / Motor Vehicles	Assets in the Course of Construction	Total
Cost:					
At 1 January 2024	**28.7**	**6.5**	**81.9**	**2.1**	**119.2**
Additions	0.2	0.8	0.1	3.4	4.5
Disposals	(4.6)	(0.1)	(0.7)	-	(5.4)
Reclassifications	0.7	0.8	3.3	(4.8)	-
Currency translation differences	(0.9)	(0.6)	(8.3)	(0.1)	(9.9)
At 31 December 2024	**24.1**	**7.4**	**76.3**	**0.6**	**108.4**
Additions	0.3	0.3	0.3	0.8	1.7
Disposals	(1.7)	(2.6)	(2.1)	(0.3)	(6.7)
Reclassifications	0.6	0.1	0.4	(1.1)	-
Currency translation differences	(0.7)	(0.6)	(1.2)	-	(2.5)
At 31 December 2025	**22.6**	**4.6**	**73.7**	**-**	**100.9**
Depreciation and impairment:					
At 1 January 2024	**(24.8)**	**1.6**	**(38.6)**	**-**	**(61.8)**
Depreciation charge for the year	(2.0)	(3.2)	(6.2)	-	(11.4)
Disposals	4.9	0.1	0.7	-	5.7
Reclassifications	0.2	0.1	(0.3)	-	-
Currency translation differences	0.6	0.2	3.2	-	4.0
Impairment loss	-	(0.4)	(2.4)	(0.1)	(2.9)
At 31 December 2024	**(21.1)**	**(1.6)**	**(43.6)**	**(0.1)**	**(66.4)**
Depreciation charge for the year	(1.4)	(2.1)	(5.0)	-	(8.5)
Disposals	1.6	2.7	2.0	-	6.3
Currency translation differences	0.4	0.4	0.6	0.1	1.5
At 31 December 2025	**(20.5)**	**(0.6)**	**(46.0)**	**-**	**(67.1)**
Net book value					
At 31 December 2025	**2.1**	**4.0**	**27.7**	**-**	**33.8**
At 31 December 2024	**3.0**	**5.8**	**32.7**	**0.5**	**42.0**

(12) Leases

This note provides information for leases where the Group is a lessee. There are no material instances where the Group is a lessor.

(i) Amounts recognised in the statement of financial position

In €m	31 December 2025	31 December 2024
Right-of-use assets:		
Offices	4.4	6.2
Warehouse	35.5	30.2
Office equipment and other	0.3	0.4
Total right-of-use assets	**40.2**	**36.8**
Lease liabilities:		
Current	14.1	16.1
Non-current	35.1	32.0
Total lease liabilities	**49.2**	**48.1**

Please refer to Note 4 for critical judgements related to leases.

Additions to right-of-use assets during the year were €2.9 million (2024: € 6.3 million).

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	For the Year Ended 31 December	
In €m	2025	2024
Depreciation charge of right-of-use assets:		
Offices	2.1	4.1
Warehouse	10.3	11.4
Office equipment and other	0.3	0.3
Total depreciation charge of right-of-use assets	**12.7**	**15.8**
Interest expense (included in finance costs)	3.7	4.2
Total interest expense	**3.7**	**4.2**

As a result of the impairment review of assets performed as part of the annual impairment assessment, an impairment of €nil was recognised against the carrying value of right-of- use-assets for the year ended 31 December 2025 (2024: €1.7 million recognised in the LATAM and ANZ group of CGUs).

The total cash outflow for leases in 2025, including interest and payments, was €17.9 million (2024: €19.3 million).

(iii) The Group's leasing activities and how these are accounted for

The Group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Lease assets may not be used as security for borrowing purposes. Please refer to Note 3 for detailed accounting policies.

(iv) Variable Lease Payments

Various leases across the Group contain variable lease payment terms that are linked to an index or a rate, specific to the country that the lease is in. Variable lease payments are initially recognised as part of the lease liability using the index or rate as at the

date of commencement and the lease liability is subsequently remeasured to reflect the revised lease payments when there is a change in the cash flows.

(v) Residual Value Guarantees

To optimise lease costs during the contract period, the Group sometimes provides residual value guarantees in relation to property and equipment leases. As at 31 December 2025, the Group has no outstanding residual value guarantees (2024: nil).

(vi) Extension and Termination Options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

As at 31 December 2025, there were no potential future cash outflows that were excluded from the lease liability because it was not reasonably certain that the leases would be extended (or not terminated) (2024: nil).

(vii) Lease not yet commenced to which the lessee is committed

As at 31 December 2025 and 2024, the Group was not committed to any leases, which had not yet commenced.

Please refer to Note 32 for maturity analysis of lease liabilities.

(13) Goodwill & Other Intangible Assets

In €m	Goodwill	Internally Developed Intangible Assets / Website Costs	Software / Licenses / Rights	Trademark	Customer Relationships	Other	Total Other Intangible Assets
Cost:							
At 1 January 2024	**350.0**	**96.5**	**39.8**	**199.0**	**66.6**	**1.0**	**402.9**
Additions	-	21.6	0.3	3.8	-	-	25.7
Reclassifications	-	19.0[1]	(19.0)[1]	-	-	-	-
Disposals	-	(0.6)	(0.4)	-	-	-	(1.0)
Currency translation differences	(8.4)	(6.1)	(1.1)	(4.9)	(0.3)	-	(12.4)
At 31 December 2024	**341.6**	**130.4**	**19.6**	**197.9**	**66.3**	**1.0**	**415.2**
Additions	-	12.2	0.1	-	-	-	12.3
Disposals	-	(2.1)	(2.5)	-	-	-	(4.6)
Currency translation differences	(2.7)	(4.6)	(0.5)	(2.7)	(3.5)	-	(11.3)
At 31 December 2025	**338.9**	**135.9**	**16.7**	**195.2**	**62.8**	**1.0**	**411.6**

(13) Goodwill & Other Intangible Assets (Continued)

In €m	Goodwill	Internally Developed Intangible Assets / Website Costs	Software / Licenses / Rights	Trademark	Customer Relationships	Other	Total Other Intangible Assets
Depreciation and impairment:							
At 1 January 2024	**(293.9)**	**(58.2)**	**(32.3)**	**(169.1)**	**(62.9)**	**(1.0)**	**(323.5)**
Amortisation charge for the year	-	(19.0)	(4.6)	(5.3)	(2.0)	-	(30.9)
Impairment loss	-	-	(0.2)	-	-	-	(0.2)
Reclassifications	-	(17.5)[1]	17.5[1]	-	-	-	-
Disposals	-	0.3	0.5	-	-	-	0.8
Currency translation differences	6.6	4.1	1.6	4.2	0.4	-	10.3
At 31 December 2024	**(287.3)**	**(90.3)**	**(17.5)**	**(170.2)**	**(64.5)**	**(1.0)**	**(343.5)**
Amortisation charge for the year	-	(18.6)	(0.9)	(5.0)	(0.6)	-	(25.1)
Disposals	-	1.9	2.4	-	-	-	4.3
Currency translation differences	-	3.1	0.5	1.7	3.4	-	8.7
At 31 December 2025	**(287.3)**	**(103.9)**	**(15.5)**	**(173.5)**	**(61.7)**	**(1.0)**	**(355.6)**
Net book amount							
At 31 December 2025	**51.6**	**32.0**	**1.2**	**21.7**	**1.1**	**-**	**56.0**
At 31 December 2024	**54.3**	**40.1**	**2.1**	**27.7**	**1.8**	**-**	**71.7**

[1] *In 2024, the definition of 'Internally Generated Intangible Assets / Website Costs' was amended to include services from third parties involved in the development of Intangible Assets. In line with the amended definition, some capitalised costs from 2023 were reallocated to 'Internally Developed Intangible Assets' with a net book value of €1.5m.*

See Note 26 for the breakdown of amortisation expenses between selling & distribution and general administration.

As at 31 December 2025 and 2024, there were no intangible assets in which title was restricted.

Impairment Testing of Groups of CGUs Containing Goodwill and Other Non-Financial Assets

As part of the 2025 annual impairment assessment of goodwill and other assets in ANZ, management have assessed internal and external indicators of impairment, covering analyst commentary, internal budget comparisons, macroeconomic and industry analysis and no indicators of impairment were identified. An annual impairment assessment was performed for the region in respect of Goodwill in line with requirements and the results of the assessment are highlighted below.

Management have also assessed internal and external indicators of impairment for the LATAM and SEA CGUs, covering analyst commentary, internal budget comparisons, macroeconomic and industry analysis. Management has identified potential external indicators of impairment in the SEA CGU and, as a result, have re-estimated the recoverable amounts of this CGU. No indicators of impairment were identified for LATAM.

For the year ended 31 December 2025, the Group recognised €nil impairment charges (2024: €nil) in respect of the Group's investments in ANZ, LATAM and SEA.

For the purposes of impairment testing, goodwill was allocated to the Group's group of regional CGUs, as this is the level at which goodwill is monitored by management for internal reporting purposes. A CGU is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups.

The amount of goodwill allocated to each group of CGUs after the impairment testing was as follows:

In €m	31 December 2025	31 December 2024
ANZ	51.6	54.3
LATAM	-	-
SEA	-	-
Total	**51.6**	**54.3**

Impairment Approach for the Year Ended 31 December 2025

The recoverable amounts of each CGU is based on value-in-use, estimated using a DCF model. The model uses cash flow projections covering a detailed three-year forecast, followed by an extrapolation of expected cash flows over an additional two years using annual growth rate, as determined by management. The terminal value of the CGUs are calculated using the terminal year cash flow which is capitalised into perpetuity using the perpetuity growth rate and discount rates. These selected growth rates are consistent with industry and macro-economic forecasts in the regions where the CGUs operate. The present value of the expected cash flows of each CGU is determined by applying a discount rate that is commensurate with the risks and uncertainty inherent in the CGUs forecasts.

ANZ CGU

The CGU recoverable amount of the ANZ CGU of €113.4 million as at 31 December 2025 (2024: €89.3 million) has been determined based on a value in use of cash-generating unit calculated using the business plan of the CGU. The projected cashflows reflect the impact of the current macroeconomic and market challenges while considering the positive trends the execution of the business plan is delivering in the ANZ region. As a result of this management has not recognised any impairment in ANZ.

SEA CGU

The recoverable amount of the SEA CGU of €29.2 million as at 31 December 2025 (31 December 2024: €15.2 million) has been determined based on a value in use of cash-generating unit calculated using the business plan of the CGU. The projected cash flows reflect the impact of the ongoing macroeconomic and market challenges in the SEA region, including escalated cost of living pressures and decreases in consumer expenditure. As a result of this analysis, management has not recognised any impairment charge in SEA in 2025 (2024: €nil).

Key assumptions used in the estimation of the discount rates by CGU included specific risk premiums to account for the Group's size and take into account local inflation. The discount rates and growth rates used in deriving the CGUs recoverable amounts as at 31 December 2025 were as follows:

CGU	Discount Rate	Perpetual Growth Rate	2029/2030 Revenue Growth Rate
ANZ	15.4%	2.8%	3.1%
SEA	15.2%	2.4%	8.0%
GFG Group-level test	16.3%	2.8%	5.7%

The discount rates and growth rates used in deriving each CGU's recoverable amounts for the year ended 31 December 2024 were as follows:

CGU	Discount Rate	Perpetual Growth Rate	2028/2029 Revenue Growth Rate
ANZ	15.8%	2.8%	3%
SEA	15.6%	2.4%	10%
GFG Group-level test	16.4%	3.0%	7%

The key assumptions used in the estimation of the recoverable amounts of all three CGUs are:

- Discount rates – Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital ("WACC"). The WACC represents a weighted average of the cost of equity and cost of debt. The beta factor is evaluated at each measurement period based on publicly available market data for each CGU and its industry peers.
- Growth rates used to extrapolate cash flows beyond the forecast period – Rates are based on published industry research.
- EBITDA margin is expected to gradually increase over the forecast period.
- Capital expenditure ("capex") includes the planned expenditure by each CGU based on their medium-term plan. A maintenance capex assumption is applied for Capex outside of the unit's medium-term plan.

Sensitivity Analysis

Recoverable Amount Less Carrying Value (€m)	ANZ
Base case at 31 December 2025	43.2
Change in discount rate	
Increase by 2 pps	28.1
Decrease by 2pps	63.9
Change in perpetual growth rate	
Increase by 1 pps	44.2
Decrease by 1 pps	32.7
Change in projected EBITDA margin	
Increase by 5 pps	155.9
Decrease by 5 pps	(78.3)
Change in capital expenditure	
Increase by 5%	40.9
Decrease by 5%	45.6
Change in 2028/2029 Revenue growth rate	
Increase by 1%	56.6
Decrease by 1%	30.1

If the assumptions used in the impairment review were changed to a greater extent than as presented in the previous table, the changes would in isolation, lead to an impairment loss being recognised for the year ended 31 December 2025.

Change Required for Carrying Value to Equal Recoverable Amount	ANZ
Discount rates	8.0pps
Perpetual growth rate	Not applicable[1]
EBITDA margin	(3.0)pps
Capital expenditure	26.9%
2028/2029 Revenue growth rate	(3.3)%

[1] *There is no reasonable fluctuation of that assumption that could lead to an impairment for the CGU.*

(14) Other Non-Financial Assets

Other non-financial assets are as follows:

In €m	31 December 2025	31 December 2024
Prepayments	7.4	9.1
VAT and tax refunds	4.7	5.7
Right to recover returned goods	5.6	6.0
Other non-financial assets (current)	**17.7**	**20.8**

(15) Inventories

In €m	31 December 2025	31 December 2024
Raw materials and supplies	0.7	0.5
Finished goods and merchandise	88.3	105.2
Less: provisions on finished goods and merchandise	(7.1)	(9.3)
Total inventories	**81.9**	**96.4**

During 2025, the cost of inventories recognised as an expense and included in cost of sales amounted to €360.8 million (2024: €393.4 million). The net movement in inventory provisions included in cost of sales in 2025 was a credit of €1.7 million (2024: credit of €1.5 million).

(16) Receivables and Other Financial Assets

Trade receivables and other financial assets are as follows:

In €m	31 December 2025	31 December 2024
Non-current		
Restricted cash	-	-
Receivables from deposits	32.6	33.0
Other financial assets (non-current)	**32.6**	**33.0**
Current		
Trade and other receivables	21.8	49.6
Less: loss allowance (Note 32)	(0.7)	(0.8)
Trade and other receivables (current)	21.1	48.8
Other financial assets		
Restricted cash	6.2	6.5
Receivables from deposits	3.3	5.9
Receivables from employees	0.1	0.1
Contract Assets	2.6	4.4
Other financial receivables	3.4	4.2
Less: loss allowance	(0.3)	(0.3)
Other financial assets (current)	**15.3**	**20.8**

Non-current and current receivables from deposits / restricted cash include collateral to banks, suppliers and leasing partners and judicial deposits.

During the year, the Group sold €nil (2024: €161.9 million) of its investment in investment funds as part of the Group's cash management strategy. There is no investment in investment funds as at 31 December 2025. The gain in fair value of €nil million (31 December 2024: €0.8 million gain) was recognised under "Fair value changes to investments in investment funds" (refer to Note 28).

Note 3 explains the principles of recognition of impairment losses on financial assets.

The additions to the provision for impaired receivables have been included in net impairment losses of financial assets in the statement of profit or loss. Amounts charged to the allowance account are generally written off against the trade receivables, when there is no expectation of recovery.

Further details about the Group's impairment policies and the calculation of the loss allowance are provided in Note 32.

(17) Cash and Cash Equivalents

In €m	31 December 2025	31 December 2024
Short term deposits	-	-
Cash in bank	176.5	210.6
Cash and cash equivalents	**176.5**	**210.6**

For short-term deposits and cash at bank the Group applies a general approach in calculating ECLs. However, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date as, given their maturity, the 12-month and lifetime ECLs are the same. No loss allowance was recognised as of 31 December 2025 (2024: nil).

(18) Equity

Common Share Capital

As at 31 December 2025, the issued share capital was 228,642,912 common shares (2024: 225,642,912), with a nominal value of €0.01 per share. Each common share entitles the holder to one vote at Global Fashion Group's Annual General Meeting. The nominal value of all common shares is fully paid.

The table below details the share capital movements during the current and prior year:

	Number of Common Shares	Nominal Amount in € Per Share (par value 0.01)	Share Capital (€m)	Share Premium (€m)
At 1 January 2024	223,792,912	0.01	2.2	303.6
Common Share Capital issued	1,850,000	0.01	0.1	-
Balance as at 31 December 2024	**225,642,912**	**0.01**	**2.3**	**303.6**
Common Share Capital issued	3,000,000	0.01	-	-
Balance as at 31 December 2025	**228,642,912**	**0.01**	**2.3**	**303.6**

During the year, 3,000,000 (2024: 1,850,000) common shares were used to facilitate the units being exercised under the share-based payment plans. Please see Note 19 for more details.

Treasury Shares

The total number of common shares in treasury was 278,773 as at 31 December 2025 (2024: 278,773).

Authorised and Issued Share Capital

In the context of the share-based payment plans (see Note 19 for further details), the Board approved the future issuance of shares, from issued share capital, under the terms of the plan.

The tables below summarise the authorised and issued common share capital:

	2025			2024		
Share Capital	No.	Par Value per Share	€ m	No.	Par Value per Share	€ m
Authorised common shares	439,435,251	0.01	4.4	439,435,251	0.01	4.4
Issued common shares	228,642,912	0.01	2.3	225,642,912	0.01	2.3

Capital Reserves

There were no material changes to capital reserves in the current or prior year. The reserve represents the cumulative impact of acquisitions of the Group prior to the initial public offering ("IPO").

Other Reserves

This reserve represents the transfer from the convertible bond Equity Component reserve each time there is a repurchase as highlighted below.

Share-Based Payment Reserves

Share-based payment reserves relate to IFRS 2 reserves and amounted to €160.5 million as at 31 December 2025 (2024: €158.6 million). The share-based payment reserve is used to recognise the value of equity settled share-based payments provided to directors and employees (Note 19).

Convertible Bond Equity Component

On 15 March 2021, the Group issued €375.0 million of 1.25% fixed-rate convertible bonds and incurred transaction costs of €5.9 million. At inception, the equity component was recognised at €48.6 million, representing the residual value of net proceeds after deducting the value of the debt component.

During 2024 and 2025, the Group executed partial repurchases of its convertible bonds due to be redeemed on 15 March 2028:

- **2024**: Repurchased an aggregate principal amount of €123.6 million (approximately 71% of the principal amount outstanding as at 31 December 2023).
- **2025**: Repurchased an aggregate principal amount of €13.8 million (approximately 27% of the principal amount outstanding as at 31 December 2024).

Upon repurchase, the carrying amount of the equity component is reduced proportionately, with the corresponding amount reclassified from the convertible bond equity component to other reserves.

Convertible Bond Equity Component (€m)	2025	2024
Balance at 1 January	7.1	23.1
Reclassification to other reserves on convertible bond repurchase	(1.8)	(16.0)
Balance at 31 December	**5.3**	**7.1**

Non-Controlling Interest

As of 31 December 2024, non-controlling interests mainly consisted of third-party share ownership of BF Jade E-Services Philippines Inc. On 5 December 2025, a capital contribution of €1.6 million was made from a third-party shareholder (2024: nil). On 18 December 2025 the remaining shares were purchased to transfer full ownership of BF Jade eServices to GFG (2024: 46.8% ownership).

(19) Share-Based Payments

As at 31 December 2025, the Group's share-based payment arrangements are composed of:

a. Long-term Incentive Plan (previously referred to as 2019 share plan);
b. 2018 Employee Share Option Plan (ESOP 2018);
c. 2024 GFG Share Option Plan; and
d. 2025 GFG Executive Share Options Plan

The total share-based payment charge of €1.6 million (2024: €(0.6) million credit) is comprised of share-based payment and social charges of:

- €(0.7) million (2024: €(0.9) million) relating to the historical Long-term Incentive Plan;
- €nil million (2024: €nil million) relating to the 2018 Employee Share Option Plan;
- €1.8 million (2024: €0.3 million) relating to the 2024 GFG Share Option Plan; and
- €0.5 million relating to the 2025 GFG Executive Share Options Plan

The share-based payment expense increased by €2.2 million since 31 December 2024 (2024: reduced by €2.4 million since 31 December 2023) due to costs incurred from new awards issued during the year. All awards are subject to applicable employer social security charges based on rates that vary by geographic location and by each relevant participants' individual tax status. The Group has accounted for this by recognising a social charge liability on the portion of awards that have been expensed at the reporting date and which the Group would be liable to pay upon exercise. Such liabilities are released upon expiry or forfeiture of the grants.

(a) Long-Term Incentive Plan

Under this historical plan, the participants have been granted two different types of awards, Restricted Stock Units ("RSU") and Performance Stock Units ("PSU"). All units represent an entitlement to a share in Global Fashion Group S.A ('GFG shares'). The units do not have an exercise price. All units vest over two to three years and PSUs are additionally subject to non-market performance conditions that the Company has set for each year.

Stock Unit Awards	Number of Shares 2025	Number of Shares 2024
Outstanding at the beginning of the year	**5,580,620**	**9,871,307**
Granted during the year	400,287	738,575
Forfeited during the year	(2,006,693)	(2,684.753)
Vested during the year	(1,356,021)	(2,344,509)
Outstanding as at 31 December	**2,618,193**	**5,580,620**
Total awards vested as at 31 December	**899,128**	**978,319**

Forfeited shares represent units that an employee is no longer entitled to when they leave employment, as the shares are unvested at the leaving date and / or (for PSUs) when the applicable non-market performance conditions are not achieved over the relevant performance period.

The weighted average share price for units vested in the year was €0.26 (2024: €0.24).

The fair value of the awards granted is equal to the GFG share price quoted on the Frankfurt stock exchange. The weighted average fair value of the units granted during the year was €0.29 (2024: €0.23). The number of awards due to vest in 2026 is 961,849.

As at 31 December 2025, liabilities arising from applicable employer social charges of €0.2 million (2024: €0.4 million) were included within other financial liabilities (current).

(b) 2018 Employee Share Option Plan

The balance of the number of vested options outstanding and their related weighted average exercise prices are as follows for the year ended 31 December 2025:

Share Option Awards	Weighted Average Exercise Price 2025	Number of Options 2025
Outstanding at the beginning of the year	6.98	3,767,308
Exercised during the year	-	-
Expired during the year	7.68	(1,510,158)
Outstanding as at 31 December	6.48	2,257,150
Total awards vested as at 31 December	**6.48**	**2,257,150**
In-the-money awards vested as at 31 December	**-**	**-**

The balance of the number of vested options outstanding and their related weighted average exercise prices are as follows for the year ended 31 December 2024:

Share Option Awards	Weighted Average Exercise Price 2024	Number of Options 2024
Outstanding at the beginning of the year	8.09	4,070,643
Exercised during the year	0.99	(12,567)
Expired during the year	22.78	(290,768)
Outstanding at 31 December	6.98	3,767,308
Total awards vested as at 31 December	**6.98**	**3,767,308**
In-the-money awards vested as at 31 December	**-**	**-**

The weighted average fair value of options granted during the year was €nil (2024: €nil).

The weighted average remaining contractual life for the share options outstanding as at 31 December 2025 was 1.25 years (2024: 1.34 years).

The liabilities in relation to the 2018 Employee Share Option Plan is shown on the below table:

In €m	2025	2024
Expense arising from cash-settled share-based payment transactions	-	-
Liability arising from cash-settled portion of share-based payments	0.4	0.4
Liability arising from applicable employer social charges	-	0.2

Liabilities are included within trade payables and other financial liabilities and were classified as current as they are expected to be settled within one year from the reporting date. The intrinsic value of the liability is less than the carrying amount as of 31 December 2025.

(c) 2024 GFG Share Option Plan

During the year ended 31 December 2024, the Group launched a new long-term incentive plan, the 2024 GFG Share Option Plan. The significant majority of awards are equity settled with a small amount of cash settled awards for participants located in countries that either don't allow equity settled schemes or where tax laws are highly unfavourable for such options.

Under this plan, the participants were granted two different options. A No Cost Option ("NCO") representing the right to purchase shares in GFG at zero cost at a later date subject only to time-based vesting conditions, and a Performance No Cost Option ("PNCO") which is subject to the achievement of defined Group performance criteria as well as time based vesting conditions. The first tranches of these new options were awarded on 1 April 2024 and vest in instalments over a three-year period under graded vesting for NCOs and yearly for PNCOs. All options need to be exercised within 8 years of vesting, or these will be forfeited. The expense is recognised in the statement of profit or loss over the vesting period. Certain participants were also awarded Restricted Stock Units ("RSU") and Performance Stock Units ("PSU") which are not significant in number.

All awards are subject to applicable employer social charges based on rates that vary by geographic location and by participants' individual tax status. The Group recognises social charge liabilities on the portion of options awarded that have been expensed at the year end.

In 2025, 5,477,669 share awards were granted to participants of the 2024 GFG Share Option Plan. The weighted average fair value of the awards granted during the year was €0.30. The fair value of awards granted was calculated using the Black Scholes Model. The inputs used to determine fair value under the Black Scholes valuation model are as follows:

Inputs (in €)	**2025**
Weighted average fair values at measurement date	0.30
The expected life (years)	8
Risk free rate	2.26%
Expected volatility (%) (based on historical movements measured weekly)	80.4%
Exercise price	nil
Expected dividends	nil

The share-based payments expense in any given period therefore represents the value of all vested awards (remeasured at the latest applicable value for cash-settled instruments), the value of the graded portion of each award due to vest in the future and recognised in current accounting periods, and the applicable social charges attached to those awards.

The balance of the number of vested awards outstanding and their related weighted average exercise prices are as follows for the year ended 31 December 2025. The number of awards expected to vest in 2026 is 2,444,294. The weighted average share price for units exercised in the year was €0.31.

Share Option Awards	**Weighted Average Exercise Price 2025**	**Number of Options 2025**
Outstanding at the beginning of the year	-	3,670,020
Granted during the year	-	5,477,669
Exercised during the year	-	(70,233)
Forfeited during the year	-	(1,245,845)
Expired during the year	-	-
Outstanding as at 31 December	-	7,831,611
Total awards vested as at 31 December	**-**	**1,132,940**
In-the-money awards vested as at 31 December	-	-

The balance of the number of vested options outstanding and their related weighted average exercise prices are as follows for the year ended 31 December 2024. The number of awards expected to vest in 2025 is 1,203,173.

Share Option Awards	**Weighted Average Exercise Price 2024**	**Number of Options 2024**
Outstanding at the beginning of the year	-	-
Granted during the year	-	4,574,798
Exercised during the year	-	-
Forfeited during the year	-	(904,778)
Expired during the year	-	-
Outstanding as at 31 December	-	3,670,020
Total awards vested as at 31 December	**-**	**-**
In-the-money awards vested as at 31 December	-	-

(d) 2025 GFG Executive Share Options Plan

During the year ended 31 December 2025, the Group launched a new long-term incentive plan, the 2025 GFG Executive Share Options Plan.

Under this plan, the participants have been granted share options representing the right to purchase shares in GFG at an agreed strike price at a later date subject only to time-based vesting conditions. The first tranches of these new options were awarded on 1 July 2025 and will vest in instalments over a three-year period under graded vesting. All options need to be exercised within 8 years of vesting, or these will be forfeited. The expense is recognised in the statement of profit or loss over the vesting period.

All options are subject to applicable employer social charges based on rates that vary by geographic location and by participants' individual tax status. The Group recognises social charge liabilities on the portion of options awarded that have been expensed at the year end.

In 2025, 9,445,000 share options were granted to participants of the 2025 GFG Executive Share Options Plan. The weighted average fair value of the options granted during the year was €0.19. The fair value of options granted was calculated using the Black Scholes Model. The inputs used to determine fair value under the Black Scholes valuation model are as follows:

Inputs (in €)	**2025**
Weighted average fair values at measurement date	0.19
The expected life (years)	8
Risk free rate	2.88%
Expected volatility (%) (based on historical movements measured weekly)	71.3%
Exercise price	0.67
Expected dividends	nil

The share-based payments expense in any given period therefore represents the value of all vested awards (remeasured at the latest applicable value for cash-settled instruments), the value of the graded portion of each award due to vest in the future and recognised in current accounting periods, and the applicable social charges attached to those awards.

The balance of the number of vested options outstanding and their related weighted average exercise prices are as follows for the year ended 31 December 2025:

Share Option Awards	**Weighted Average Exercise Price 2025**	**Number of Options 2025**
Outstanding at the beginning of the year	-	-
Granted during the year	0.67	9,445,000
Exercised during the year	-	-
Forfeited during the year	-	-
Expired during the year	-	-
Outstanding as at 31 December	0.67	9,445,000
Total awards vested as at 31 December	**-**	**-**
In-the-money awards vested as at 31 December	-	**-**

The number of awards expected to vest in 2026 is 3,279,300.

(20) Borrowings

The table below summarises the uncommitted borrowing facilities of the Group as at 31 December 2025:

Financing Counterparty	Renewal Date	Term	Total Facility		Drawn as at 31 December 2025		Drawn as at 31 December 2024
			LCY m	€ m	LCY m	€ m	€ m
BPI	Jan-26	1 month	₱72.0	1.0	₱72.0	1.0	3.3
HSBC	Mar-26	1 year	$7.0	6.0	-	-	0.3
Total borrowings (current)				**7.0**		**1.0**	**3.6**

In December 2025, the Group through THE ICONIC signed a €17.1 million ($30.0 million AUD) revolving credit facility ("RCF") for a 2-year term with National Australia Bank ("NAB"). This new facility was undrawn on 31 December 2025 and could only be utilised from January 2026.

The table below summarises the changes in the Group's borrowings arising from financing activities:

Interest Bearing Bank Borrowings (current) (in €m)	2025	2024
1 January 2025	**3.6**	**(11.9)**
Principal repayments	(9.5)	(74.5)
Interest incurred	0.5	0.6
Interest paid	(0.5)	(0.6)
FX movement	(0.6)	-
New borrowings	9.1	66.2
Other	(1.6)	-
31 December 2025	**1.0**	**3.6**

In addition, the Group had the following bi-lateral facilities in place for the issuance of bank guarantees:

- Trade guarantee facility with Citibank is $15.0 million (31 December 2024: $15.0 million). The facility terms require all issued guarantees to be covered by 100% cash collateral plus a 10% uplift to provide cover for exchange rate movements where issuances are in currencies other than USD. The cash collateral is included within Other Financial Assets (current). As at 31 December 2025, the Group had utilised $2.5 million (€2.1 million) of this facility (31 December 2024: €5.0 million).
- Trade guarantee facility with HSBC of €15.0 million (31 December 2024: €15.0 million). The facility requires €6.0 million of cash collateral be maintained in an account with HSBC. The cash collateral is included within Other Financial Assets (current). As at 31 December 2025, the Group had utilised €8.2 million (31 December 2024: €9.8 million) of the guarantee facility.
- Trade guarantee and supplier finance facility with Santander of $8.0 million (€6.8 million) (31 December 2024: €nil). As at 31 December 2025, the Group had utilised $3.8 million (€3.2 million) (31 December 2024: €nil) of the facility.

(21) Provisions

Movements in provisions for liabilities and charges are as follows:

Carrying Amount (in €m)	**Tax Risks**	**Litigation Risks**	**Other**	**Total**
Carrying amount at 1 January 2024	**16.4**	**0.9**	**3.4**	**20.7**
Additions	-	-	0.8	0.8
Usage	(5.0)	-	-	(5.0)
Disposal of business	-	-	(0.2)	(0.2)
Currency translation differences	0.2	(0.3)	-	(0.1)
Carrying amount at 31 December 2024	**11.6**	**0.6**	**4.0**	**16.2**
Additions	-	0.2	0.3	0.5
Usage	(0.8)	-	-	(0.8)
Currency translation differences	(1.3)	(0.1)	(0.1)	(1.5)
Carrying amount at 31 December 2025	**9.5**	**0.7**	**4.2**	**14.4**

Provisions amounted to €14.4 million as of 31 December 2025 (2024: €16.2 million) where of €4.9 million are classified as non-current (2024: €4.7 million) mostly relating to restoration obligations and provisions for litigation and pensions, and €9.5 million as current (2024: €11.5 million).

Provision for tax risks relate to provisions for VAT, import duties (including penalties) and withholding tax. The provision mainly represents management's estimate of the amount payable in connection with a tax review relating to prior purchases of inventory and professional services invoices. Management currently estimates that the tax outflow is more likely than not and the provision has been classified as current. Please see Note 31 for further information.

Litigation risk. The amounts represent a provision for certain legal claims brought against the Group by customers and ex-employees. The provision charge is recognised in profit or loss within administrative expenses. In the managements' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided at 31 December 2025. The provision has been classified as current.

(22) Trade Payables & Other Financial Liabilities

In €m	**31 December 2025**	**31 December 2024**
Non-current		
Convertible bond debt component	-	48.6
Other financial liabilities – convertible bonds (non-current)	**-**	**48.6**
Current		
Trade payables	155.5	183.1
Other financial liabilities[1]	18.0	5.9
Refund liabilities	10.8	12.3
Trade payables and other financial liabilities (current)	**184.3**	**201.3**
Other financial liabilities – convertible bonds (current)	40.4	2.7
Trade payables and other financial liabilities	**224.7**	**204.0**

[1] During the year ended 31 December 2025, the Group reassessed how it classifies liabilities for gift cards that can be redeemed for Marketplace products. Following this review, the Group concluded that these balances meet the definition of financial liabilities rather than contract liabilities. As a result, €9.4 million was reclassified from non-financial liabilities to trade payables and other financial liabilities in respect of gift card balances redeemable on Marketplace products. This reclassification has been applied prospectively from the year ended 31 December 2025 onwards.

As at 31 December 2025, €12.6 million (2024: €nil) trade payables subject to supplier financial arrangements were outstanding and presented within current liabilities in trade payables of which €2.8 million had been paid to suppliers at 31 December 2025 (2024: €nil). The Group's original payment due dates to suppliers are not extended under these arrangements, and the Group pays the finance provider (or the supplier, where applicable) on the original invoice due date.

Refund liabilities, included in current other financial liabilities reflect the Group's obligation to refund its customers for returned goods.

The following table summarises the changes in the Group's convertible bond and other financial liabilities:

Convertible bond debt component (non-current and current) (in €m)	**2025**	**2024**
1 January	**51.3**	**165.8**
Principal repayment	(13.3)	(104.3)
Interest paid	(0.6)	(1.5)
Interest accrued	3.0	4.0
Gain on repurchase	-	(12.3)
Other	-	(0.4)
31 December	**40.4**	**51.3**

As at 31 December 2025, current other financial liabilities included €40.4 million (2024: €2.7 million) and non-current other financial liabilities included €nil million (2024: €48.6 million) related to the debt component of convertible bonds.

On 15 March 2021, the Group issued convertible bonds for gross proceeds of €375.0 million, with transaction costs of €5.9 million and with a fixed coupon rate of 1.25%.

The table below details repurchases of the convertible bonds for 2025 and 2024:

Date	**Principal Amount Repurchased (€m)**	**% of Outstanding Principal**	**Purchase Price per €100,000 Nominal (€)**	**Cash Outflow (€m)**	**Gain Recognised in Profit or Loss (€m)**
6 May 2024	2.8	~2% (as of December 2023)	€73,000	2.0	0.6
14 June 2024	9.8	~6% (as of December 2023)	€75,000	7.4	1.8
16 August 2024	110.0	~62% (as of December 2023)	€85,000	94.1	9.8
30 September 2024	1.0	~1% (as of December 2023)	€85,000	0.8	0.1
31 December 2024	**123.6**			**104.3**	**12.3**
6 June 2025	7.1	~14% (as of December 2024)	€96,000	6.8	-
29 October 2025	6.7	~13% (as of December 2024)	€97,000	6.5	-
31 December 2025	**13.8**			**13.3**	**-**

The original terms of the bonds have not changed for the remaining outstanding units. Unless previously converted, redeemed or repurchased and cancelled, the convertible bonds will mature and be redeemed at their principal amount on 15 March 2028. Bondholders have the right to convert their convertible bonds into new or existing no-par value common shares of GFG in dematerialised form (at the Company's discretion as to whether new or existing shares will be issued). Bondholders also have the right to redeem the convertible bonds early on 15 March 2026 for the principal amount plus accrued interest therefore the full outstanding balance has been classified as current at 31 December 2025. The Group has separately valued the debt and equity components with the liability measured at amortised cost.

As at 31 December 2025, the Group has outstanding non-current convertible bonds amounting to €nil (31 December 2024: €48.6 million) and current convertible bonds of €40.4 million (31 December 2024: €2.7 million). The fair value of the convertible bonds as at 31 December 2025 was 97.0% (31 December 2024: 86.3%) of the nominal value, approximately €45.9 million (31 December 2024: €47.2 million). The fair value of convertible bonds is classified as level 1 as the bonds are traded on the Frankfurt Stock Exchange.

The equity component was €5.3 million (31 December 2024: €7.1 million).

There are several embedded derivatives which may result in the convertible bonds being redeemed for a variable amount of cash or variable number of shares. These options are accounted for as at fair value with gains / losses reflected in the statement of profit or loss. However, the valuation of these options was €nil at date of issue as well as at 31 December 2025 (31 December

2024: €nil) due to there either being a low probability of relevant contingent events occurring, or the options always being out-of-the-money for the bondholders. The nature of these contingent events includes change in control and significant rise in share price over a 30-day period.

(23) Other Non-Financial Liabilities

In €m	31 December 2025	31 December 2024
Non-current:		
Other non-financial liabilities	31.1	31.4
Other non-financial liabilities (non-current)	**31.1**	**31.4**
Current:		
Liabilities from taxes	8.6	8.0
Accruals for personnel related expenses	16.4	17.4
Liabilities to employees	4.4	3.8
Social security liabilities	1.1	1.1
Contract liabilities	7.9	22.9
Other non-financial liabilities	0.6	0.1
Withholding tax payable	0.1	0.2
Other non-financial liabilities (current)	**39.1**	**53.5**
Income tax liabilities	10.6	15.2
Total non-financial liabilities	**80.8**	**100.1**

Liabilities to employees / accruals for personnel related expenses comprise bonus obligations, accrued vacation and salaries. Contract liabilities represent advance payments for orders received but not shipped, liabilities from store credit balances and unredeemed customer loyalty points. The contract liability opening balance was recognised as revenue during the year.

(24) Revenue

2025 (in €m)	ANZ	LATAM	SEA	Total
Sale of goods	297.4	164.1	100.9	562.4
Marketplace	40.0	23.7	24.9	88.6
Other	7.2	3.1	18.5	28.8
Total Revenue from external customers	**344.6**	**190.9**	**144.3**	**679.8**
2024 (in €m)	**ANZ**	**LATAM**	**SEA**	**Total**
Sale of goods	315.4	170.7	121.0	607.1
Marketplace	36.7	23.5	28.0	88.2
Other	5.8	2.5	19.0	27.3
Total Revenue from external customers	**357.9**	**196.7**	**168.0**	**722.6**

(25) Employee Benefit Expenses

Employee Benefit Expenses (in €m)	2025	2024
Wages and salaries[1]	121.6	135.0
Social security costs[2]	8.9	10.7
Share-based payment expense	1.6	(0.7)
Total	**132.1**	**145.0**

[1] Wages and salaries included within Selling and Distribution expenses €47.9m (2024: €54.5m) and Administrative expenses were €73.7m (2024: €80.5m).
[2] Social security costs included within Selling and Distribution expenses €2.6m (2024: €2.9m) and Administrative expenses were €6.3m (2024: €7.8m).

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits (such as health services) are accrued in the year in which the employees render the associated services.

The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension charge for the year, recognised within Wages and salaries, represents contributions made by the Group to the fund and amounted to €5.3 million (2024: €5.2 million).

The average number of persons employed by the Group during the year was as follows:

Average Number of Employees	2025	2024
ANZ	1,011	1,069
LATAM	1,146	1,185
SEA	1,088	1,367
Other[1]	143	158
Total	**3,388**	**3,779**

[1] "Other" includes employees of headquarters and other business activities.

(26)Depreciation and Amortisation Expenses

During the financial year, depreciation and amortisation expenses were categorised in expenses per function, as follows:

(in €m)	31 December 2025	31 December 2024
Included in selling and distribution expenses:		
Depreciation of property, plant & equipment	7.1	9.0
Depreciation of right-of-use assets	10.2	11.4
Amortisation of intangible assets	0.9	0.5
Included in general and administrative expenses:		
Depreciation of property, plant & equipment	1.4	2.1
Depreciation of right-of-use assets	2.5	3.8
Amortisation of intangible assets	24.2	30.0
Total	**46.3**	**56.8**

Total Selling and Distribution expenses for the year were €215.8 million (2024: €240.2 million). Total Administrative expenses for the year were €143.4 million (2024: €161.2 million). Employee benefit expenses (Note 25) and Depreciation and Amortisation are included within these balances per the consolidated statement of profit or loss.

(27) Other Operating Income and Expenses

Other Operating Income (in €m)	31 December 2025	31 December 2024
Gain on disposal of PPE	0.5	-
Income from subleasing warehouse space	2.9	2.7
Gain on lease modification	1.1	0.6
Other income	4.5	5.5
Total other operating income	**9.0**	**8.8**

The income from subleasing warehouse space relates to subleasing contracts in Brazil and Australia. The subleases have a duration of between 0 and a maximum of 2 years.

Other Operating Expenses (in €m)	31 December 2025	31 December 2024
Loss from disposal of intangible assets	0.1	0.4
Loss from disposal of PPE	0.1	0.1
Write-off of receivables	0.4	0.6
Other taxes	0.3	-
Other expenses	4.0	3.0
Total other operating expenses	**4.9**	**4.1**

(28) Finance Income / (Costs)

Financial Result (in €m)	Note	31 December 2025	31 December 2024
Interest income		3.6	9.1
Interest expenses		(4.1)	(4.4)
Interest expense on lease liabilities	12	(3.7)	(4.2)
Interest expense on convertible bond	22	(3.0)	(4.0)
Foreign exchange losses		(8.4)	(6.0)
Fair value changes to investments in investment funds		-	0.8
Total financial result		**(15.6)**	**(8.7)**

(29) Discontinued Operations

On 6 September 2023 it was announced Global Fashion Group would close operations in Argentina. As at 30 September 2023, BFOOT S.R.L (Arg) ceased to be used as no further revenue was generated from sale of inventory. In accordance with IFRS, the entity was treated as a Discontinued Operation from this date until it was sold on 4 July 2024.

On 25 March 2025, Bigfoot Chile SPA ceased operations in Chile due to significant challenges in the post-COVID operating environment and increased pressure from local competition. As a result, the entity has been classified as a discontinued operation in accordance with IFRS 5. Impairment charges of €2.6m were recognised against the carrying value of PPE, ROU assets and Intangible assets in Chile in December 2024 given the deterioration in trading performance, and the expectation that the business would be discontinued.

The results of discontinued operations for the year are presented below.

In €m	31 December 2025	31 December 2024
Revenue	3.0	20.9
Operating expenses	(8.3)	(28.0)
Operating loss (EBIT)	**(5.3)**	**(7.1)**
Finance income	-	2.2
Finance costs	(1.2)	(0.6)
Loss before tax from discontinued operations	**(6.5)**	**(5.5)**
Income taxes	-	-
Loss on disposal of BFOOT S.R.L. (Arg)	-	(1.7)
Loss for the year from discontinued operations	**(6.5)**	**(7.2)**

The net cash flows of discontinued operations for the year are as follows:

In €m	31 December 2025	31 December 2024
Operating	(9.1)	(4.7)
Investing	0.2	(0.2)
Financing	(0.1)	(0.6)
Net cash outflow	**(9.0)**	**(5.5)**

(30) Income Taxes

Income tax expense is as follows:

In €m	31 December 2025	31 December 2024
Current tax expense	(5.5)	(5.2)
Thereof prior period	*4.3*	*(1.0)*
Deferred tax	1.1	(1.4)
Income tax expense for the year	**(0.1)**	**(6.6)**

Income tax paid in 2025 amounts to €7.5 million (2024: €10.9 million).

Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

In €m	31 December 2025	31 December 2024
Loss before tax	**(61.1)**	**(76.9)**
Weighted average applicable tax rate (in %)	*30.11%*	***19.63%***
Tax calculated at domestic tax rates applicable to profits in the respective countries	18.4	**15.1**
Tax effect of items which are not deductible or assessable for taxation purposes:		
Share-based payment expenses	-	**-**
Other permanent differences	34.0	**6.4**
Income which is exempt from taxation	5.2	**57.3**
Expenses not deductible for tax purposes	(37.4)	**(63.6)**
Utilisation of previous unrecognised tax losses	3.5	**1.4**
Unrecognised tax loss carry forwards for the year	(30.6)	**(21.8)**
Adjustments in respect of prior years	4.3	**(1.0)**
Movements in other temporary differences	1.1	**(1.4)**
Other	1.4	**1.0**
Income tax expense for the year	**(0.1)**	**(6.6)**
Hereof income tax expense for the year from continued operations	(0.1)	(6.6)
Hereof income tax expense for the year from discontinued operations	-	-

Deferred Tax Effects Relating to Each Component of Other Comprehensive Income

In 2025 and 2024 the Group did not recognise any deferred tax (charge) / credit relating to components of other comprehensive income.

Tax Loss Carry Forwards

The Group has unrecognised potential deferred tax assets in respect of unused tax loss carry forward of approx. €3,975.1 million (2024: €3,973.2 million). The tax loss carry forwards expire as follows:

In €m	31 December 2025	31 December 2024
Tax loss carry forward expiring by the end of:		
Within one year	3.9	4.5
After one year but not more than five years	65.5	9.7
More than five years	1,115.5	1,079.7
Indefinite	2,790.2	2,879.3
Total tax loss carry forwards	**3,975.1**	**3,973.2**

Deferred income tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. Tax authorities in the countries in which we operate could challenge the Group's tax losses significantly reducing the availability of the tax losses in future periods.

Deferred Taxes

Differences between IFRS and statutory taxation regulations give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases.

In €m	1 January 2025	Exchange Differences	Transferred to Disposals	(Charged) / Credited to Profit or Loss	31 December 2025
Tax effect of deductible/(taxable) temporary differences and tax loss carry forwards					
Difference between tax and accounting value of:					
Trade name	(7.2)	0.2	-	1.4	(5.5)
Customer relationship	(0.3)	-	-	0.5	(0.8)
Technology	(1.2)	-	-	0.1	(0.2)
Other temporary differences	3.0	(0.2)	-	(0.9)	1.9
Net deferred tax asset / (liability)	**(5.7)**	**0.1**	**-**	**1.1**	**(4.6)**
Recognised deferred tax asset	11.6	(1.0)	-	(2.0)	8.5
Recognised deferred tax liability	(17.3)	1.1	-	3.1	(13.1)

In €m	1 January 2024	Exchange Differences	Transferred to Disposals	(Charged) / Credited to Profit or Loss	31 December 2024
Tax effect of deductible / (taxable) temporary differences and tax loss carry forwards					
Difference between tax and accounting value of:					
Trade name	(8.7)	0.2	-	1.3	(7.2)
Customer relationship	(0.9)	-	-	0.6	(0.3)
Technology	(1.3)	-	-	0.1	(1.2)
Tax loss carry forwards	2.2	(0.2)	-	2.0	-
Other temporary differences	4.3	-	-	(1.3)	3.0
Net deferred tax asset / (liability)	**(4.4)**	**-**	**-**	**(1.3)**	**(5.7)**
Recognised deferred tax asset	6.5	(0.2)	-	5.3	11.6
Recognised deferred tax liability	(10.9)	0.2	-	(6.6)	(17.3)

In the context of the Group's current structure, tax losses and current tax assets of different Group companies may not be offset against current tax liabilities and taxable profits of other Group companies and, accordingly, taxes may accrue even where there

is a consolidated tax loss. Therefore, deferred tax assets and liabilities are offset only when they relate to the same taxable entity.

The Company controls the reversal of temporary differences relating to taxes chargeable on dividends from subsidiaries or on gains upon their disposal ("outside basis differences"). Hence, for temporary differences the Company had €78.2 million (2024: €90.3 million) of unremitted earnings of subsidiaries for which no deferred tax liabilities were recognised.

International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12:

Pillar Two legislation has been enacted in most jurisdictions in which the Company operates, The legislation is effective for the Company's financial year beginning January 1, 2024, and will impose a minimum 15% effective tax rate.

The Group has assessed potential exposure to Pillar Two income taxes based on the most recent financial data. As of 31 December 2025, the Company can rely on transitional safe harbour relief in the majority of the subsidiary jurisdictions, while for other jurisdictions no material top-up tax exposure has been identified.

(31) Contingencies and Commitments

Litigation and Claims

From time to time, and in the normal course of business, the Group may be subject to claims and legal proceedings. As at 31 December 2025, the Group is involved in commercial disputes and operational proceedings with an aggregate potential exposure of approximately €2.0 million (31 December 2024: €0.1 million), representing the sum of all identified claims. These matters are at various stages of resolution. Based on current information and advice from external legal counsel, Management considers the likelihood of a material outflow of resources to be possible but not probable. Accordingly, no provisions have been recognised other than those included in these consolidated financial statements. The disclosed amount reflects the maximum potential exposure and does not represent Management's estimate of likely settlement outcomes. Management continues to monitor these matters closely and believes that no other material losses will be incurred beyond the amounts disclosed.

In addition, in line with standard business practice, various Group companies have given guarantees, indemnities and warranties in connection with disposals in recent years of subsidiaries and associates to parties outside the Group. The Group currently estimates that potential exposure related to such guarantees, indemnities and warranties could be up to €0.3 million (31 December 2024: €0.3 million) however, the ultimate liability for legal claims may vary from the amounts provided and is dependent upon the outcome of any potential litigation proceedings, investigations and / or possible settlement negotiations and as such, the potential liability has not been included in the consolidated financial statements.

Tax Contingencies

Our business is subject to the general tax environments in the countries in which we currently operate. Changes in tax legislation, administrative practices or case law – which might be applied retroactively – could increase our tax burden. Additionally, tax laws may be interpreted differently by the competent tax authorities and courts, and their interpretations may change at any time, which could lead to an increase of our tax burden. In some of the countries in which we currently operate, tax authorities may also use the tax system to advance their agenda. Accordingly, we may face unfounded claims in such countries. We have been audited several times by tax officials in various jurisdictions in which we operate. We believe that we are in compliance with applicable tax laws.

Legislators and tax authorities may change territoriality rules or their interpretation for the application of value-added tax ("VAT") or similar indirect taxes on transactions, which may lead to significant additional payments for past and future periods. In addition, court decisions are sometimes ignored by competent tax authorities or overruled by higher courts, which could lead to higher legal and tax advisory costs and create significant uncertainty. New taxes could also result in additional costs necessary to collect the data required to assess these taxes and to remit them to the relevant tax authorities. Besides this, the documentation obligations under applicable VAT and VAT-related laws are considerable. While we believe that we are in compliance with applicable tax laws it cannot be ruled out that tax authorities may take the position that certain of our companies may not fully comply, or, as the case may be, may have not fully complied with applicable tax regulations throughout all phases of their development.

Several of the Group's German entities rendered services in the past to their foreign subsidiaries, to support them with building their online businesses. The German tax authorities are challenging the input VAT recovery of some of these entities when costs have not yet been fully recharged to the other Group entities to which they are providing the services. In 2018, the German tax authorities generally agreed to the VAT position of the Group's German entities assuming the costs are recharged out within a reasonable time. The Group is continuing to review the execution of this proposal having regard to (i) any current tax disputes with the German tax authorities that could lead to double taxation from the recharges and (ii) commercial reasons for not undertaking the recharges.

The nature of the Group's business model, involving delivering goods and services to customers in territories where the Group may have limited physical presence, could lead to tax authorities challenging the allocation of taxable income resulting in a higher tax burden for the Group.

At 31 December 2025, potential tax risks, including the issues above, estimated by the Group amount to €39.8 million (2024: €62.3 million) including €16.7 million in relation to income tax and €23.1 million in relation to indirect tax (2024: €20.5 and €41.8 million), of which provisions of €17.4 million (2024: €20.6 million) including €7.7 million (2024: €9.0 million) in relation to income tax and €9.7 million (2024: €11.6 million) in relation to indirect tax have been recorded representing the probable amount of eventual claims and required payments related to those risks. Provisions in relation to income tax are recorded under 'Income tax liabilities' while provisions in relation to indirect tax are recorded under 'Provisions' on the statement of financial position.

Capital Commitments

As at 31 December 2025, the Group had no material contractual commitments for the acquisition of property, plant and equipment and intangible assets. The Group's capital expenditure is currently limited to essential maintenance required to support ongoing operations.

(32) Financial Risk Management

In the course of its ordinary business activities, the Group is exposed to market risk (primarily interest rate risk, foreign currency risk), credit risk and liquidity risk. In accordance with the Group's financial risk management these risks are identified, analysed and evaluated on a regular basis. It is the main objective of the Group's proactive risk management to decide on actions to avoid, contain or limit the defined maximum risk exposure from such risks. It is the Group's management responsibility to manage those risks. The management provides written principles for overall risk management and reviews and agrees policies for managing each of these risks, of which the material risks are summarised below.

Market Risk: Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprise interest rate risk, currency risk, and other price risk. Market risks arise from open positions in (a) foreign currencies, (b) interest bearing assets and liabilities, and (c) assets and liabilities measured at fair value, all of which are exposed to general and specific market movements. Management considered that the price risk related to investment funds is insignificant.

Interest Rate Risk: The interest rate risk involves the influence of positive and negative changes in market interest rates on the Group's financial position and cash flows. The Group does not have formal policies and procedures in place for management of interest rate risks as management considers this risk as insignificant due to the scope of debt financing operations of GFG.

Foreign Currency Risk: Currency risk is the risk that the fair value of financial assets or financial liabilities held in foreign currency or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Due to its international business activities, the Group is exposed to the risk of changes in foreign exchange rates in connection with trade payables and trade receivables resulting from purchase and sales transactions denominated in a different currency from the functional currency of the respective operation as well as intercompany financing. However, the Group maintains an effective natural hedge of 93.4% across most of the Group's cash flows as the Group's revenue streams are generated in local currencies matched by Group's costs mostly incurred in the respective local currencies.

At 31 December 2025, if the EUR had strengthened / weakened by +/- 10% against all other currencies with all other variables held constant, the hypothetical impact on profit before tax for the year would have been €(2.7) million (2024: €1.9 million) higher / lower, mainly as a result of foreign exchange gains / losses on translation of trade and other receivables, cash as well as trade and other payables and loan liabilities denominated in EUR.

In respect of currency risk, management sets limits on the level of exposure by currency and in total. The positions are monitored monthly. The Group does not use derivatives as hedging instruments to limit its exposure from foreign currency risks.

During 2025, there were significant fluctuations in some of the Group's key reporting currencies, as follows:

Currency/EUR	Closing FX Rate 31 December 2025	Closing FX Rate 31 December 2024	% Variance
AUD	1.8	1.7	5.2%
PHP	69.1	60.2	14.7%
IDR	19,552.2	16,691.8	17.1%

Credit Risk: Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group takes on exposure to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Group is exposed to credit risk primarily from trade receivables and cash and cash equivalents. In relation to cash and cash equivalents, the Group only deals with highly rated financial institutions and therefore the estimated credit loss is not material.

Customer credit risk is managed by each region subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to counterparties or groups of counterparties. Limits on the level of credit risk are approved regularly by management. Such risks are monitored on a revolving basis and are subject to an annual, or more frequent, review. The Group's management reviews ageing analysis of outstanding trade receivables and follows up on past due balances.

An impairment analysis is performed at each reporting date based on groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

At 31 December 2025, the exposure to credit risk for trade receivables by type of counterparty was as follows:

(in €m)	Gross Carrying Amount	Loss Allowance
From online payment providers	4.2	-
Logistics companies	2.4	-
Large corporate clients	5.1	(0.4)
Individual customers	2.1	(0.1)
Other	0.2	-
Total	**14.0**	**(0.5)**

At 31 December 2024, the exposure to credit risk for trade receivables by type of counterparty was as follows:

(in €m)	Gross Carrying Amount	Loss Allowance
From online payment providers	29.1	(0.1)
Logistics companies	3.3	(0.1)
Large corporate clients	14.8	(0.6)
Individual customers	2.3	-
Other	0.1	-
Total	**49.6**	**(0.8)**

The Group uses an allowance matrix to measure the ECLs of all types trade receivables, with the exception of the Indonesian operation who use specific identification for loss allowance. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2025:

In €m	Gross Carrying Amount	Loss Allowance	Loss Rate
Current (not past due)	7.1	-	-%
1-30 days past due	3.4	-	-%
31-60 days past due	1.4	-	-%
61-90 days past due	0.2	-	-%
More than 90 days past due	1.8	(0.5)	(27.8)%
Total	13.9	(0.5)	(3.6)%

The carrying amounts best represent the maximum exposure to credit risk.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2024:

In €m	Gross Carrying Amount	Loss Allowance	Loss Rate
Current (not past due)	44.8	(0.1)	(0.2)%
1-30 days past due	1.3	-	0.0%
31-60 days past due	2.7	-	0.0%
61-90 days past due	-	-	0.0%
More than 90 days past due	0.8	(0.7)	(87.5)%
Total	49.6	(0.8)	(1.6)%

The carrying amounts best represent the maximum exposure to credit risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Movement in Loss Allowance (in €m)	2025	2024
Balance at 1 January	**(0.8)**	**(0.7)**
Net remeasurement of loss allowance (as per income statement)	-	(0.1)
Balance at 31 December	**(0.8)**	**(0.8)**

Liquidity risk. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity by maintaining adequate reserves, capital funding (for example, the issued share capital as detailed in Note 18), banking facilities, reserve borrowing facilities (see further detail in Note 20) and convertible bonds, by continuously monitoring forecast and actual cash flows.

The Group seeks to maintain a stable funding base primarily consisting of shareholders´ issues of capital, then borrowing, trade and other payables.

The table below shows liabilities at 31 December 2025 and 2024 by their remaining contractual maturity. The amounts disclosed in the maturity table are the contractual undiscounted cash flows. When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the end of the reporting period. Foreign currency payments are translated using the spot exchange rate at the end of the respective reporting period.

The liquidity risk for the convertible bonds is limited due to the fixed coupon rate of 1.25%.

The maturity analysis of financial liabilities at 31 December 2025 was as follows:

Liabilities (in €m)	On-Demand and Less than 1 Year	1 to 5 Years	Over 5 Years	Total
Undiscounted borrowings	1.1	-	-	1.1
Trade payables and other financial liabilities	125.4	27.6	-	153.0
Other financial liabilities – convertible bonds	40.9	-	-	40.9
Undiscounted lease liabilities	6.6	17.6	-	24.2
Total future payments, including future principal and interest payments	**174.0**	**45.2**	**-**	**219.2**

As at 31 December 2025, the carrying value of borrowings, trade payables and other financial liabilities and lease liabilities, were €1.0 million, €184.3 million and €49.2 million respectively.

The convertible bonds had a carrying amount of €40.4 million at 31 December 2025, measured at amortised cost using the effective interest rate (EIR) method, and are presented within trade payables and other financial liabilities.

The maturity analysis of financial liabilities at 31 December 2024 was as follows:

Liabilities (in €m)	**On-Demand and Less than 1 Year**	**1 to 5 Years**	**Over 5 Years**	**Total**
Undiscounted borrowings	4.0	-	-	4.0
Trade payables and other financial liabilities	200.3	0.8	-	201.1
Other financial liabilities - convertible bonds	0.7	56.4	-	57.1
Undiscounted lease liabilities	16.3	34.6	1.5	52.4
Total future payments, including future principal and interest payments	221.3	91.8	1.5	**314.6**

As at 31 December 2024, the carrying value of borrowings, trade payables and other financial liabilities and lease liabilities, were €3.6 million, €252.6 million and €48.1 million respectively.

The convertible bonds had a carrying amount of €51.3 million at 31 December 2024, measured at amortised cost using the effective interest rate (EIR) method, and are presented within trade payables and other financial liabilities.

(33) Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. It is the primary objective of the Group's capital management to ensure that all the Group entities can operate on a going concern basis and maintain a sufficient capital structure to provide a long-term growth of the Group's value. The Group decides on adjustments of the capital in light of changes in economic and trading conditions. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt.

In €m	**31 December 2025**	**31 December 2024**
Equity attributable to equity holders of the parent	156.6	213.7
Total assets	530.3	637.5
Equity ratio	29.5%	33.5%

There were no changes made to the objectives, policies or processes during the period from incorporation up to 31 December 2025.

(34) Events After the Reporting Period

On 6 January 2026, the Group announced that holders of its convertible bonds due 15 March 2028 had exercised their option under the bonds' terms and conditions to require GFG to redeem all or part of the holders' bonds at the principal amount on 15 March 2026. Redemption notices for an aggregate principal amount of €31.8 million were received and will be redeemed and settled on 16 March 2026 at par plus accrued interest. GFG will fund the redemption from its existing cash balance. Following settlement, the aggregate principal amount of bonds outstanding and not held by the Issuer will be €9.1 million. The bonds bear interest on their principal amount of EUR 100,000 per bond at a rate of 1.25% per annum and have a maturity date of 15 March 2028.

There were no other events subsequent to the year end that would require disclosure in the consolidated financial statements.



5. PARENT FINANCIAL STATEMENTS

5.1 BALANCE SHEET

As at 31 December 2025

Assets

In €	Note	31 December 2025	31 December 2024
B. Formation expenses	3	**24,618.17**	**195,320.02**
C. Fixed assets		**271,143,135.88**	**375,492,397.26**
I. Intangible assets			
2. Concessions, patents, licenses, trademarks and similar rights and assets, if they were		-	-
a) acquired for valuable consideration and need not be shown under C.I.3		-	-
b) created by the undertaking itself		-	-
III. Financial assets	4	271,143,135.88	375,492,397.26
1. Shares in affiliated undertakings		271,143,135.88	375,492,397.26
D. Current assets		**1,030,733.45**	**10,621,873.01**
II. Debtors	5	829,132.58	1,614,464.26
1. Trade debtors		-	-
a) becoming due and payable within one year		-	-
2. Amounts owed by affiliated undertakings		211,680.21	932,654.37
a) becoming due and payable within one year		168,480.21	-
b) becoming due and payable after more than one year		43,200.00	932,654.37
4. Other debtors		617,452.37	681,809.89
a) becoming due and payable within one year		617,452.37	681,809.89
III. Investments	7	52,409.32	52,409.32
2. Own shares		52,409.32	52,409.32
IV. Cash at bank and in hand	6	149,191.55	8,954,999.43
E. Prepayments		**156,629.56**	**248,173.82**
Total assets		**272,355,117.06**	**386,557,764.11**

The accompanying notes are an integral part of the consolidated financial statements.

5.1 BALANCE SHEET (CONTINUED)

As at 31 December 2025

Capital, Reserves and Liabilities

In €	Note	31 December 2025	31 December 2024
A. Capital and reserves	7	**229,852,608.04**	**329,622,706.63**
I. Subscribed capital		2,286,429.14	2,256,429.14
II. Share premium account		3,568,605,553.56	3,568,635,553.56
III. Revaluation reserve		-	-
IV. Reserves		281,052,23	52,409.32
1. Legal reserve		228,642.91	-
2. Reserve for own shares		52,409.32	52,409.32
V. Profit or loss brought forward		(3,241,550,328.30)	(3,250,407,088.63)
VI. Profit or loss for the financial year		(99,770,098.59)	9,085,403.24
C. Creditors	8	**42,502,509.02**	**56,935,057.48**
1. Debenture loan		40,900,000.00	54,700,000.00
a) Convertible loans		40,900,000.00	54,700,000.00
i) becoming due and payable within one year		40,900,000.00	-
ii) becoming due and payable after more than one year		-	54,700,000.00
b) Non-convertible loans		-	-
i) becoming due and payable within one year		-	-
ii) becoming due and payable after more than one year		-	-
4. Trade creditors		162,734.65	170,137.89
a) becoming due and payable within one year		162,734.65	170,137.89
6. Amounts owed to affiliated undertakings		249,618.01	192,980.78
a) becoming due and payable within one year		249,618.01	192,980.78
b) becoming due and payable after more than one year		-	-
8. Other creditors		1,190,156.36	1,871,938.81
a) Tax authorities		58,958.35	73,790.22
b) Social security authorities		3,754,21	151,255.33
c) Other creditors		1,127,443.80	1,646,893.26
i) becoming due and payable within one year		1,127,443.80	1,646,893.26
D. Deferred income		-	**-**
Total capital, reserves and liabilities		**272,355,117.06**	**386,557,764.11**

The accompanying notes are an integral part of the consolidated financial statements.

5.2 PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2025

In €		Note	31 December 2025	31 December 2024
4.	**Other operating income**	9	**3,154,658.45**	**3,262,780.65**
5.	**Raw materials and consumables and other external expenses**	10	**(4,537,247.02)**	**(5,611,916.73)**
	a) Raw materials and consumables		(1,436.85)	(5,298.90)
	b) Other external expenses		(4,535,810.17)	(5,606,617.83)
6.	**Staff costs**	11	**(128,796.52)**	**(517,237.26)**
	a) Wages and salaries		(116,847.56)	(493,885.36)
	b) Social security costs		(11,948.96)	(23,351.90)
	ii) other social security costs		(11,948.96)	(23,351.90)
7.	**Value adjustments**	3	**(170,701.85)**	**(1,173,895.06)**
	a) in respect of formation expenses and of tangible and intangible fixed assets		(170,701.85)	(1,107,367.83)
	b) in respect of current assets		-	(66,527.23)
8.	**Other operating expenses**	12	**(1,279,926.87)**	**(457,143.05)**
11.	**Other interest receivable and similar income**	13	**62,180,260.48**	**132,241,594.42**
	a) derived from affiliated undertakings		61,616,685.69	112,122,443.89
	b) other interest and similar income		563,574.79	20,119,150.53
13.	**Value adjustments in respect of financial assets and of investments held as current assets**	4	**(158,220,218.81)**	**(114,495,550.00)**
14.	**Interest payable and similar expenses**	14	**(774,909.39)**	**(3,872,450.51)**
	a) concerning affiliated undertakings		(65,045.19)	(2,000,399.76)
	b) other interest and similar expenses		(709,864.20)	(1,872,050.75)
15.	**Tax on profit or loss**		**-**	**(77,659.72)**
16.	**Profit or loss after taxation**		**(99,776,881.53)**	**9,298,522.74**
17.	**Other taxes not shown under items 1. to 16.**	15	**6,782.94**	**(213,119.50)**
18.	**Profit or loss for the financial year**		**(99,770,098.59)**	**9,085,403.24**

The accompanying notes are an integral part of the consolidated financial statements.

5.3 NOTES TO THE PARENT FINANCIAL STATEMENTS

(1) General Information

Global Fashion Group S.A. (hereafter the "Company" or "GFG" SA) was incorporated on 1 October 2014 and organised under the laws of Luxembourg as Société Anonyme for an unlimited period of time.

The registered office of the Company is established at 5, Heienhaff, L-1736 Senningerberg, Grand-Duchy of Luxembourg and the Company is registered with the Register of Commerce of Luxembourg under B 190907. The Company is the parent of Group companies (together the "Group") which operate three online fashion platforms across three regions: THE ICONIC in Australia and New Zealand ("ANZ"), Dafiti in Latin America ("LATAM") and ZALORA in South East Asia ("SEA").

The purpose of the Company is the holding of participations in any form whatsoever in Luxembourg and foreign companies and in any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, management, control, and development of its portfolio.

The Company may further grant any form of security for the performance of any obligations of the Company or of any entity in which it holds a direct or indirect participation or right of any kind or which forms part of the same group of entities as the Company and lend funds, render services or otherwise assist any such entity in any other manner.

The Company may further provide all financial management services, including, but not limited to, treasury management services, currencies management services, interest rate and foreign exchange risk management to any entity in which it holds a direct or indirect controlling interest.

The Company may raise funds, especially through borrowing in any form, and may issue any kind of notes, securities or debt instruments, bonds and debentures and generally issue any securities options to subscribe for securities of any type.

A further purpose of the Company is the (i) acquisition by purchase, registration or in any other manner as well as the transfer by sale, exchange or otherwise of intellectual and industrial property rights, (ii) the granting of license on such intellectual and industrial property rights, and (iii) the holding and the management of intellectual and industrial property rights.

The Company shall not, and shall not be permitted to, engage in activities which require any license, authorisation, or registration under the law of 12 July 2013 on alternative investment fund managers, as amended.

The Company may carry out any commercial, industrial, financial, real estate, technical, intellectual property, or other activities which it may deem useful in accomplishment of these purposes.

On 6 September 2023 Global Fashion Group announced it would close operations in Argentina and the sale occurred 4 July 2024. Dafiti Argentina experienced worsening performance since 2020 due to multiple factors, including consistently high inflation, restrictive import controls and the exodus of international brands and vendors.

On 12 February 2025 Global Fashion Group announced it would close operations in Chile. The Dafiti Chile business has faced significant headwinds, particularly in the post-COVID period. The challenging operating environment and increasing pressure from local and cross-border competitors have made it increasingly difficult for the business to compete effectively. This has unfortunately resulted in a substantial decline in its scale and market share.

The Company had a branch in Denmark whose accounts are included in these financial statements until the dissolution of the branch on 27 November 2024. As a result of the dissolution, its assets and liabilities have been transferred to GFG S.A.

The accounting year of the Company begins on 1 January and terminates on 31 December of each year.

Since 2 July 2019, the shares of the Company are traded on the regulated market of the Frankfurt Stock Exchange (the “Listing”).

The Company also prepares consolidated financial statements, which are published according to the provisions of the Luxembourg law. The consolidated accounts are available at the registered office of the Company.

The financial statements were approved and authorised for issue by the Supervisory Board on 3 March 2026. The shareholders will ratify the approval of the financial statements at the annual general meeting.

Going Concern

As of 31 December 2025, the Company presents a negative working capital of EUR 41,386,138.78. This situation is structural and mainly results from the Company’s function as a holding entity and the Group’s centralised treasury and intragroup funding arrangements.

Management has assessed the Company’s ability to continue as a going concern for at least 12 months from the date of approval of these annual accounts. This assessment is supported by the Company’s ability and concrete plans to upstream liquidity from its subsidiaries in the short term through capital returns or intragroup loans, as reflected in management’s cash flow forecasts and subject, where applicable, to the required approvals and Luxembourg legal requirements.

Based on these forecasts, management considers that the Company will have sufficient liquidity to meet its obligations as they fall due. Therefore, these financial statements have been prepared on a going concern basis.

(2) Summary of Significant Accounting Policies

2.1 Basis of Preparation

The Financial statements have been prepared in accordance with the Luxembourg legal and regulatory requirements and according to generally accepted accounting principles applicable in Luxembourg. The accounting policies and valuation principles are, apart from those enforced by the law, determined and implemented by the Supervisory Board.

Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002 on the accounting and financial statements of undertakings as subsequently amended (“the Law”), determined and applied by the Supervisory Board.

The financial statements of the Company are prepared under the historical cost convention and the going concern assumption.

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Supervisory Board to exercise their judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the financial statements in the year in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the financial statements therefore present the financial positions and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 Significant Accounting Policies

The main valuation rules applied by the Company are the following:

Formation Expenses

Formation expenses, including costs relating to equity raising are written off on a straight-line basis over a period of 5 years. The formation expenses relating to issuance of convertible bonds are amortised during the period started with the issuance of convertible bonds and ending on the put option date (Note 3).

Intangible Assets

Intangible assets are valued at purchase price including the expenses incidental thereto or at production cost, less cumulated depreciation, less amounts written off and after value adjustments. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

The depreciation rates and methods applied are as follows:

Category	Depreciation Rate	Depreciation Method
Concessions, patents, licenses, trademarks and similar rights and assets	33.33%	Linear
Software	20.00%	Linear

Financial Assets

Shares in affiliated undertakings, loans to these undertakings and securities or other financial instruments held as fixed assets are valued at acquisition cost nominal value (loans) including the expenses incidental thereto.

Where the Supervisory Board considers that financial assets have suffered a durable depreciation in value, additional value adjustment is recorded to reflect this loss. These value adjustments are not continued of the reasons for which were made have ceased to apply.

Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Own Shares

Own shares are initially measured at acquisition cost and recognised as an asset with a corresponding non-distributable reserve created from share premium and retained earnings. Own shares are subsequently re-measured at the lower of cost or market value using the average cost. Transferred or cancelled shares are valued using the average cost method. They are subject to value adjustments where their recovery is compromised. These value adjustments are reversed when the reasons for which the value adjustments were made have ceased to apply.

Foreign Currency Translation

These financial statements are expressed in Euro (“EUR").

The transactions expressed in a currency other than EUR are translated into EUR at the exchange rate effective at the time of the transaction.

The translation at the balance sheet date is made according to the following principles:

- Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year;
- Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet

date. The unrealised exchange losses are recorded in the profit and loss account. Solely the exchange gains are recorded in the profit and loss account at the moment of their realisation;

- Income and charges expressed in a currency other than EUR are translated into EUR at the exchange rate prevailing at the transaction date;
- Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account and the net unrealised exchange gains are not recognised.

Consequently, only realised foreign exchange gains and losses and unrealised foreign exchange losses are taken into account in the profit and loss account.

Prepayments

This asset item includes expenditures incurred during the financial year but relating to a subsequent financial year.

Cash at Bank and In Hand

Highly liquid investments with an original maturity of three months or less are considered to be cash at bank and in hand.

Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or to the date on which they will arise.

At the close of business, each year, the Supervisory Board determines whether provisions should be set up to cover foreseeable liabilities and charges. Previous year's provisions are reassessed every year.

Provision for taxation corresponding to the difference between the tax liability estimated by the company and the advance payments for the financial years for which the tax return has not been filed are recorded under "tax debts".

Provisions may also be created to cover charges which originates in the financial year under review or in previous financial year.

Debts

Debts are recorded at their reimbursement value. The debt origination and further amendments costs are included in formation expenses.

Deferred Income

Deferred income includes income received during the financial year but relating to a subsequent financial year.

Expense Recognition

Expenses are charged in the year they are incurred, and they are stated on an accrual basis.

Other Operating Income

The Company’s income principally comprises of consultancy and technical fees charged to affiliated companies. Income is recognised as earned.

Convertible Bonds

Convertibles bonds are recorded at their nominal value and the relevant portion of issuance costs are recorded under formation expenses.

Presentation of the comparative financial data

The provisions of the Grand-Ducal Regulation of 12 September 2019, determining the content of the standardised chart of accounts referred to in Article 12 of the Commercial Code, have been transposed into these financial statements.

(3) Formation Expenses

The movements for the year were as follows:

In €	Total as at 31 December 2025	Total as at 31 December 2024
Gross book value – opening balance	**9,773,539.02**	**9,773,539.02**
Additions for the year	-	-
Gross book value – closing balance	**9,773,539.02**	**9,773,539.02**
Accumulated value adjustment – opening balance	**(9,578,219.00)**	**(8,470,851.16)**
Allocations for the year	(162,395.60)	(666,024.39)
Reversal of unamortised costs related to partial bond repurchase	(8,306.25)	(441,343.45)
Accumulated value adjustment – closing balance	**(9,748,920.85)**	**(9,578,219.00)**
Net book value – closing balance	**24,618.17**	**195,320.02**

Formation expenses relate to the transaction's costs qualifying as IPO (occurred in July 2019) related costs for a consideration of EUR 4,203,912.00 and the convertible bonds issuance expenses (occurred in March 2021) for a consideration of EUR 5,569,627.02 which have been capitalized and amortised over a 5 year period.

As at 31 December 2024, the formation expenses related to the IPO have been fully amortised.

The Company completed several repurchases of its outstanding convertible bonds over 2024. In total, GFG repurchased €123.6 million in 2024, representing 33% of the principal amount at issuance. In 2025, GFG repurchased €13.8 million, representing 4% of the principal amount at issuance.

The formation expenses related to the convertible bonds issuance expenses have been reduced by EUR 170,701.85.

(4) Shares in Affiliated Undertakings

The movements for the year are as follows:

In €	Total as at 31 December 2025	Total as at 31 December 2024
Gross book value – opening balance	**3,008,704,741.08**	**3,000,704,741.08**
Additions for the year	55,789,902.09	8,000,000.00
Return of contributed capital	(1,918,944.43)	
Disposals for the year	-	-
Gross book value – closing balance	**3,062,575,698.74**	**3,008,704,741.08**
Accumulated value adjustment – opening balance	**(2,633,212,343.82)**	**(2,518,716,793.82)**
Allocation for the year	(158,220,219.04)	(114,495,550.00)
Disposals for the year	-	-
Accumulated value adjustment – closing balance	**(2,791,432,562.86)**	**(2,633,212,343.82)**
Net book value – closing balance	**271,143,135.88**	**375,492,397.26**

The additions in the year relate to the investments in Global Fashion Group SGP Services Pte. Ltd for a total amount of EUR 55,789,902.09 (2024: EUR 8,000,000.00).

The Company received a return of capital contribution in respect of its investment in GFG eCommerce Technologies GmbH totalling EUR 2,593,909.49. EUR 1,918,944.43 reduced the carrying amount of the investment, and the excess of EUR 674,965.06 was recognised as other income.

For the year-ending 31 December 2025, an impairment of EUR 55,789,902.09 (2024: EUR 8,000,000.00) was booked in relation to the investment in Global Fashion Group SGP Ptd. Ltd.

As at 31 December 2025, the investment in Global Fashion Group UK Finance Limited shows an impairment of EUR 102,430,316.72 (2024: EUR 106,495,550.00). The impairment mainly reflects the reduction in the subsidiary's net assets resulting from centralised cash pooling and related intragroup funding within the Group.

Name	Country	Last Balance Sheet Date	Ownership	Net Equity at the Last Balance Sheet Date €	Result for the Last Financial Year €	Carrying Value as at 31 December 2025 €	Carrying Value as at 31 December 2024 €
Bigfoot GmbH	Germany	31.12.2025	100%	(673,135,377.70)	11,710,969.71	86,823,829.91	86,823,829.91
Global Fashion Group UK Finance Limited	United Kingdom	31.12.2025	100%	(184,294,305.04)	39,561,401.67	184,294,305.97	286,724,622.92
GFG eCommerce Technologies GmbH	Germany	31.12.2025	100%	2,752,891	(29,829.14)	25,000.00	1,943,944.43
						271,143,135.88	**375,492,397.26**

In €

			31 December 2025		
Name	**Country**	**Ownership**	**Gross Book Value**	**Accumulated Value Adjustments**	**Net Book Value**
Bigfoot GmbH	Germany	100%	2,170,175,277.38	(2,083,351,447.47)	86,823,829.91
Global Fashion Group UK Finance Limited	United Kingdom	100%	697,814,964.69	(513,520,658.72)	184,294,305.97
Global Fashion Group SGP Services Pte. Ltd.	Singapore	100%	194,560,456.44	(194,560,456.44)	-
GFG eCommerce Technologies GmbH	Germany	100%	25,000.00	-	25,000.00
GFG Ireland Finance Designated Activity	Germany	100%	0.23	(0.23)	-
			3,062,575,698.74	**(2,791,432,562.86)**	**271,143,135.88**

In the opinion of the Supervisory Board, the investments in the above companies do not present further permanent impairment as of 31 December 2025.

In €

			31 December 2024		
Name	**Country**	**Ownership**	**Gross Book Value**	**Accumulated Value Adjustments**	**Net Book Value**
Bigfoot GmbH	Germany	100%	2,170,175,277.38	(2,083,351,447.47)	86,823,829.91
Global Fashion Group UK Finance Limited	United Kingdom	100%	697,814,964.69	(411,090,342.00)	286,724,622.69
Global Fashion Group SGP Services Pte. Ltd.	Singapore	100%	138,770,554.35	(138,770,554.35)	-
GFG eCommerce Technologies GmbH	Germany	100%	1,943,944.43	-	1,943,944.43
			3,008,704,740.85	**(2,633,212,343.82)**	**375,492,397.26**

(5) Debtors

As at 31 December 2025, the debtors' balances were the following:

In €	Within One Year	After More Than One Year	Total 31 December 2025
Trade debtors	-	-	-
Amounts owed by affiliated undertakings[1]	168,480.21	43,200.00	211,680.21
Other debtors[2]	617,452.37	-	617,452.37
Total debtors	**785,932.58**	**43,200.00**	**829,132.58**

As at 31 December 2024, the debtors' balances were the following:

In €	Within One Year	After More Than One Year	Total 31 December 2024
Trade debtors	-	-	-
Amounts owed by affiliated undertakings[1]	-	932,654.37	932,654.37
Other debtors[2]	681,809.89	-	681,809.89
Total debtors	**681,809.89**	**932,654.37**	**1,614,464.26**

[1] As at 31 December 2025, amounts owed by affiliated undertakings are mainly composed of management recharges levied on GFG Comercio Digital Ltda of EUR nil (2024: EUR 717,215.74), Dafiti Latam GmbH & Co. KG of EUR 43,200.00 (2024: EUR 43,200.00), Jade eServices Singapore Pte Ltd of EUR 52,137.00 (2024: EUR 5,179.00), Internet Services Australia 1 PTY Limited of EUR nil (2024: EUR 164,416.00), and Global Fashion Group SGP Services Pte Ltd of EUR 116,343.21 (2024: EUR nil).

[2] As at 31 December 2025, other debtors are mainly composed of (i) VAT receivables for an amount of EUR 3,028,837.10 (2024: EUR 2,441,373.25), VAT prepayment for an amount of EUR 4,644,437.50 (2024: EUR 4,644,437.50), offset with VAT payables of EUR (5,677,116.02) (2024: EUR (5,262,500.38)), and VAT payables of prior years of EUR (1,389,300.11) (2024: EUR (1,197,975.02) (ii) and the advance of the net worth tax paid for an amount of EUR nil (2024: EUR 45,193.20), and Receivables from Corporate Income Tax of EUR 10,593.90 (2024: 10,593.90).

(6) Cash at Bank and in Hand

As at 31 December 2025, cash at bank and in hand consists of current account balances amounting to EUR 149,191.55 (2024: EUR 8,954,999.43).

(7) Capital & Reserves

In €	Subscribed Capital	Share Premium Account	Legal Reserve	Reserves for Own Shares	Profit or Loss Brought Forward	Profit or Loss for the Financial Year	Total
As at 31 December 2024	**2,256,429.14**	**3,568,635,553.56**	**-**	**52,409.32**	**(3,250,407,088.63)**	**9,085,403.24**	**329,622,706.63**
Prior year result allocation	-	-	228,642.91	-	8,856,760.33	(9,085,403.24)	-
Capital increase	30,000.00	-	-	-	-	-	30,000.00
Increase / (decrease) in share premium	-	(30,000.00)	-	-	-	-	(30,000.00)
Loss for the year	-	-	-	-	-	(99,770,098.59)	(99,770,098.59)
As at 31 December 2025	**2,286,429.14**	**3,568,605,553.56**	**228,642.91**	**52,409.32**	**(3,241,550,328.30)**	**(99,770,098.59)**	**229,852,608.04**

The movements on the capital and reserves items during the year were as follows:

Subscribed Capital

As of 31 December 2024, the subscribed capital was composed of 225,642,914 common shares with a par value of EUR 0.01 per share.

On 05 May 2025, the Management Board resolved to increase, conditional to the receipt of the subscription price and the subscription certificate by the Company, the Company's share capital by an amount of thirty thousand euro (EUR 30,000,00) so as to raise it from its then current amount of two million two hundred and fifty six thousand four hundred and twenty nine euro and fourteen cents (EUR 2,256,429.14) up two million two hundred and eighty six thousand, four hundred and twenty nine euro and twelve cent (EUR 2,286,429.14) through the issue of three million (3,000,000) common shares in dematerialised form with a nominal value of one cent (EUR 0.01) each. GFG issued the 3,000,000 shares to the employee benefit trust.

As of 31 December 2025, the subscribed capital is composed of 228,642,914 common shares with a par value of EUR 0.01 per share.

The table below details the share capital movements during the year:

	Number of Common Shares	Nominal Amount in €m (par value 0.01)	Share Capital (€m)	Share Premium (€m)
At 1 January 2025	**225,642,914**	**n/a**	**2.2**	**3,568**
Additions of the year	3,000,000	0.01	-	-
Disposals for the year	-	-	-	-
Balance as at 31 December 2025	**228,642,914**	**n/a**	**2.2**	**3,568**

Each common share entitles the holder to one vote at Global Fashion Group's Annual General Meeting. The nominal value of all common shares is fully paid.

Share Premium Account

As of 31 December 2025, the share premium amounts to EUR 3,568,605,553.56 (2024: EUR 3,568,635,553.56).

Share premium decreased by EUR 30,000.00 due to the issuance of three million (3,000,000) common shares in dematerialised form with a nominal value of one cent (EUR 0.01) each.

Reserves for Own Shares

As at 31 December 2025, the Company holds 278,733 of its own shares (2024: 278,733) for a total amount of EUR 52,409.32 (2024: EUR 52,409.32) included in the assets shown in the balance sheet.

Legal Reserve

The Company is required to appropriate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

As at 31 December 2025, the legal reserve amounts to EUR 228,642,91 (2024: EUR nil).

(8) Creditors

As at 31 December 2025 and 2024, amounts due and payable for the accounts shown under "Creditors" were as follows:

In €	Within 1 Year	Within 2-5 Years	After 5 Years	Total 31 December 2025
Convertible bonds	40,900,000.00	-	-	40,900,000.00
Trade creditors	162,734.65	-	-	162,734.65
Amounts owed to affiliated undertakings[1]	249,618.01	-	-	249,618.01
Tax and social security debts	62,712.56	-	-	62,712.56
Other creditors	1,127,443.80	-		1,127,443.80
Total creditors	**42,502,509.02**	**-**	**-**	**42,502,509.02**

In €	Within 1 Year	Within 2-5 Years	After 5 Years	Total 31 December 2024
Convertible bonds	-	54,700,000.00	-	54,700,000.00
Trade creditors	170,137.89	-	-	170,137.89
Amounts owed to affiliated undertakings	192,980.78	-	-	192,980.78
Tax and social security debts	225,045.55	-	-	225,045.55
Other creditors	1,646,893.26	-	-	1,646,893.26
Total creditors	**2,235,057.48**	**54,700,000.00**	**-**	**56,935,057.48**

[1] As at 31 December 2025, amounts owed by affiliated undertakings are mainly composed of management recharges levied on Internet Services Australia 1 PTY Limited of EUR 249,617.00 (2024: nil), and Global Fashion Group SGP Services Pte Ltd of EUR 1.00 (2024: EUR 192,980.78).

On 15 March 2021, the Group issued convertible bonds for net proceeds of €369.1 million (nominal value is €375.0 million), with a fixed coupon rate of 1.25%. Unless previously converted, redeemed or repurchased and cancelled, the convertible bonds will be redeemed at their principal amount on 15 March 2028. Bondholders also have the right to convert their convertible bonds into new and / or existing (at the discretion of the Company) no-par value common shares in dematerialised form. Bondholders also have the right to redeem the options early on 15 March 2026 for the principal amount plus accrued interest (the "put option"). As the Group does not have the right to defer settlement of the put option beyond March 2026, the outstanding principal is classified as a current liability as of 31 December 2025.

Summary of Convertible Bond Repurchases

Transaction Date	Principal Repurchased (€m)	% of Prior Year-End Outstanding	Remaining Principal Outstanding (€m)
27 April 2022	95.1	25%	279.9
25 August 2023	74.6	27%	205.3
31 August 2023	27.0	10%	178.3
6 May 2024	2.8	2%	175.5
14 June 2024	9.8	5%	165.7
16 August 2024	110.0	62%	55.7
30 September 2024	1.0	1%	54.7
6 June 2025	7.1	13%	47.6
29 October 2025	6.7	12%	40.9

As at 31 December 2025, other creditors mainly included provisions for audit costs for an amount of EUR 839,791.69 (2024: EUR 643,157.57), convertible bonds interest provision for an amount of EUR 178,254.51 (2024: EUR 200,442.00) and other accruals.

(9) Other Operating Income

The other operating income consists of recharged legal and consulting costs to Group companies, amounting to EUR 1,742,472.00 (2024: EUR 2,192,409.00) to Internet Services Australia 1 PTY Limited, EUR 500,940.00 (2024: EUR 644,534.00) to Jade eServices Singapore Pte Ltd and EUR nil (2024: EUR 425,837.65) to Global Fashion Group SGP Services Pte. Ltd. and reversal of liability balances amounting to EUR 911,246.45 (2024: EUR nil).

(10) Raw Materials & Consumables and Other External Expenses

The raw materials and consumables and other external expenses were as follows:

In €	31 December 2025	31 December 2024
Raw materials and consumables	**(1,436.85)**	**(5,298.90)**
- Other external fees	(1,436.85)	(5,298.90)
Other external expenses	**(4,535,810.17)**	**(5,606,617.83)**
- Legal fees	(498,382.55)	(875,953.64)
- Accounting and audit fees	(1,055,478.10)	(1,107,145.62)
- Other external fees	(621,762.63)	(879,014.78)
- Other operational expenses	(2,360,186.89)	(2,744,503.79)
Total raw materials and consumables and other external expenses	**(4,537,247.02)**	**(5,611,916.73)**

(11) Staff

The Company employed one employee during the year (2024: one employee).

(12) Other Operating Expenses

The other operating expenses were as follows:

In €	31 December 2025	31 December 2024
Director's fee	(377,704.91)	(307,133.40)
Software licenses	(184,944.72)	(150,009.65)
Cash discounts granted	(61.50)	-
Other operational expenses	(717,215.74)	-
Total other operating expenses	**(1,279,926.87)**	(457,143.05)

(13) Other Interest Receivable and Similar Income

As at 31 December 2025, other interest and similar income mainly relate to dividend income from Global Fashion Group UK Finance Limited for EUR 53,745,728.03 (2024: EUR 111,998,338.64) and GFG eCommerce Technologies GmbH amounting to EUR 7,195,992.60 (2024: EUR nil), the excess of return of capital contribution in respect of its investment in GFG eCommerce Technologies GmbH of EUR 674,965.06 (see note 4) (2024: EUR nil), the gain on repurchase of convertible bonds of EUR 484,955.99 (2024: EUR 19,855,857.38), bank interest of EUR 5,336.45 (2024: EUR 242,506.75) and foreign exchange gain of EUR 73,282.35 (2024: EUR 20,786.40).

(14) Interest Payable and Similar Expenses

As at 31 December 2025, other interest and similar expenses included interest on intercompany loans of EUR 65,045.19 (2024: EUR 2,000,399.76), interest on the convertible bonds of EUR 646,990.00 (2024: EUR 1,821,419.29) and foreign exchange losses of EUR 62,874.20 (2024: EUR 51,420.18).

(15) Taxation

The Company is subject to all the taxes relevant to commercial companies in Luxembourg.

The Company is in scope of the OECD Pillar Two model rules ("the P2 Model Rules" or "P2 Rules"). The P2 Rules have been enacted in Luxembourg. The legislation is effective for the Company's financial year beginning January 1, 2024 and imposes a minimum 15% effective tax rate. The Group has assessed the application of the Pillar Two rules for financial year 2025 and has concluded that no tax liability should be booked in the accounts.

The management of the Company recognises that the Company has EUR 3,369,671,690 of carried forward tax losses available at 31 December 2025. These losses lead to a potential deferred tax asset of EUR 804,340,632 calculated at a tax rate of 23.87%.

An amount of EUR 1,094,668,307 can be carried forward for seventeen years following the tax year in which the losses arose. An amount of EUR 2,275,003,383 can be carried forward indefinitely.

(16) Auditor's Fees

Art. 65 paragraph (1) 16° of the Law of December 19th, 2002 on the register of commerce and companies and the accounting and financial statements of undertakings (the "law") requires the disclosure of the independent auditor fees. In conformity with the law, these details have been omitted as the Company prepares consolidated accounts in which this information is disclosed, and these consolidated accounts and the related consolidated management report and auditors' report thereon have been lodged with the Luxembourg Trade Registry.

(17) Related Parties Transactions

The Company conducts transactions with affiliated entities of GFG Group on normal commercial terms and conditions. These transactions may include loans granted / received to / from Group entities (Notes 5 and 8), intercompany recharges in connection with delivery / reception of services and other operations.

(18) Off Balance Sheet Commitments

Guarantees Issued

The Company has provided counter guarantees in relation to three bank trade service facilities that are in place to provide liquidity support and secure payment obligations to suppliers and landlords of some of its direct or indirect subsidiaries:

Trade guarantee facility with Citibank of $15 million (31 December 2024: $15 million). The facility terms require all issued guarantees to be covered by 100% cash collateral plus a 10% uplift to provide cover for exchange rate movements where issuances are in currencies other than USD. The cash collateral is held in GFG TRM, a subsidiary of the Company. As at 31 December 2025, $2.5 million (€2.1 million) of this facility were utilised (31 December 2024: $5.3m €5.0 million).

Trade guarantee facility with HSBC of €15 million (31 December 2024: €15 million). The facility requires €6.0 million (31 December 2024: €6 million) of cash collateral to be maintained in an account with HSBC. As at 31 December 2025, €8.2 million (31 December 2024: €9.8 million) of this guarantee facility were utilised. The cash collateral is held in GFG TRM, a subsidiary of the Company.

Trade services facility (including trade guarantees) with Santander of $8 million. As at 31 December 2025, $2.9 million (€2.5 million) (31 December 2024: €Nil) of this facility were utilised.

Long-Term Incentive Plans

The Company is committed through awards to members of the management and other employees under terms and conditions of share-based compensation plans to issue shares of the Company or to settle awards in cash. The issuance of shares or the settlement in cash is subject to the achievement of service and conditions as set out in the plans below:

ESOP 2018

With respect to the existing ESOP (Employee Share Option Plan) 2018, the Company is committed to issue a maximum number of 2,257,150 (2024: 3,767,308) shares at an average exercise price of €6.48 (2024: €5.65), of which 2,257,150 (2024: 3,767,308) options are vested as of 31 December 2025. Exercise requires the payment of the agreed exercise price.

LTIP 2019

In September 2019, the Company launched a new Long Term Incentive Plan. All units vest over two to three years and Performance Stock Units (PSUs) are additionally subject to non-market performance conditions that the Company will set for each year.

In 2025, 400,287 (2024: 738,575) share units were granted to participants of the 2019 share plan. 2,006,693 (2024: 2,684,753) units were forfeited and 1,356,021 (2024: 2,344,509) units were exercised during the year. The fair value of the awards granted is equal to the GFG share price quoted on the Frankfurt stock exchange. The weighted average fair value of the units granted during the year was €0.29 (2024: €0.23). The number of awards due to vest in 2025 is 961,849.

2024 GFG Share Option Plan

During the year ended 31 December 2024, the Group launched a new long-term incentive plan, the 2024 GFG share option plan. The significant majority of options are equity settled with a small amount of cash settled options for participants located in countries that either don't allow equity settled schemes or where tax laws are highly unfavourable for such options.

Under this plan, the participants were granted two different options. A No Cost Option ("NCO") representing the right to purchase shares in GFG at zero cost at a later date subject only to time-based vesting conditions, and a Performance No Cost Option ("PNCO") which is subject to the achievement of defined Group performance criteria as well as time based vesting conditions. The first tranches of these new options were awarded on 1 April 2024 and are vesting in instalments over a three-year period under graded vesting for NCOs and yearly for PNCOs. All options need to be exercised within 8 years of vesting, or these will be forfeited. The expense is recognised in the statement of profit or loss over the vesting period.

All options are subject to applicable employer social charges based on rates that vary by geographic location and by participants' individual tax status. The Group recognises social charge liabilities on the portion of options awarded that have been expensed at the year end.

In 2025, 5,477,669 (2024: 4,574,798) share options were granted to participants of the 2024 GFG Share Option Plan. The weighted average fair value of the options granted during the year was €0.30 (2024: €0.23). 1,245,845 (2024: 904,778) units were forfeited and 70,233 (2024: nil) units were exercised during the year. The fair value of the awards granted is equal to the GFG share price quoted on the Frankfurt stock exchange. The number of awards due to vest in 2026 is 2,444,294 (2024: due to vest in 2025 is 1,203,173).

2025 GFG Executive Share Options Plan

During the year ended 31 December 2025, the Group launched a new long-term incentive plan, the 2025 GFG Executive Share Options Plan.

Under this plan, the participants have been granted share options representing the right to purchase shares in GFG at an agreed strike price at a later date subject only to time-based vesting conditions. The first tranches of these new options were awarded on 1 July 2025 and will vest in instalments over a three-year period under graded vesting. All options need to be exercised within 8 years of vesting, or these will be forfeited. The expense is recognised in the statement of profit or loss over the vesting period.

All options are subject to applicable employer social charges based on rates that vary by geographic location and by participants' individual tax status. The Group recognises social charge liabilities on the portion of options awarded that have been expensed at the year end.

In 2025, 9,445,000 share options were granted to participants of the 2025 GFG Executive Share Options Plan. The weighted average fair value of the options granted during the year was €0.19. The fair value of options granted was calculated using the Black Scholes Model. The number of awards expected to vest in 2026 is 3,279,300.

Support Letters

The Company issued several letters of support to its subsidiaries.

(19) Advances and Loans Granted to the Members of the Administrative Managerial and Supervisory Bodies

There are no advances, loans or commitments given on their behalf by way of guarantee of any kind granted to the members of the management and supervisory bodies during the financial year.

(20) Subsequent Events

On 6 January 2026, the Company announced that bondholders of its convertible bonds due 15 March 2028 had exercised their put option and submitted redemption notices for an aggregate principal amount of €31.8 million, to be redeemed and settled on 16 March 2026 at par plus accrued interest and funded from cash (remaining outstanding: €9.1 million).



6. ADDITIONAL INFORMATION

6.1 RESPONSIBILITY STATEMENTS

Consolidated Financial Statements

To the best of our knowledge and in accordance with international financial reporting standards as adopted by the European Union, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025 and of the results of its operations for the year then ended. The Group management report (Section 2) includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

Parent Financial Statements

To the best of our knowledge and in accordance with Luxembourg legal and regulatory requirements and generally accepted accounting principles applicable in Luxembourg, the accompanying parent financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and of the results of its operations for the year then ended. The Group management report (Section 2) includes a fair review of the development and performance of the business and the position of Global Fashion Group S.A., together with a description of the principal risks and uncertainties that Global Fashion Group S.A. faces.

3 March 2026
GFG Management Board
Christoph Barchewitz (CEO) and Helen Hickman (CFO)

6.2 INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of Global Fashion Group S.A.

Opinion

We have audited the consolidated financial statements of Global Fashion Group S.A. and its subsidiaries (the "Group" or "GFG") from section 4.1 to section 4.6, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue Recognition and Returns Allowances

Risk Identified

The Group's revenue is mainly generated from retail sales of fashion products to direct customers through GFG's applications and websites. For retail sales, revenue corresponds to the amount of the consideration GFG expects to receive as exchange for transferring the promised goods or services net of sales deductions including returns, taxes and duties. Historical rejections and returns rates are used to anticipate future rejections and returns in order to deduct such anticipated returns from revenue leading to net revenue. The customers have the option to return merchandise free of charge within the revocation period granted in the various countries in which GFG operates.

GFG's management estimates expected returns based on assumptions and judgments in particular based on customer demographics by country, timing and method of payments, product category and service level, taking into consideration the seasonal effects and historical trends.

Due to the high transaction volume of the sales of merchandise, the generally possible risk of fictitious revenue and the uncertain estimate of expected returns, we consider the occurrence and measurement of revenue from the delivery of merchandise to be a key audit matter.

Our Answer

Our audit procedures over revenue and related returns allowances included, among others:

- We documented our understanding of the revenue recognition process, performed walkthroughs over each class of revenue transactions and evaluated the design and implementation of the related controls, and tested their operating effectiveness.
- We understood and assessed IT controls in place for the systems in scope, assisted by our information technology specialists. We tested the operating effectiveness of controls around management of access rights, and evaluated respective ISAE reports from the respective service providers
- We tested the end-to-end reconciliation from the ecommerce platform to the general ledger.
- We assessed the compliance requirements and accounting treatment of revenue recognition in accordance with IFRS 15.
- We tested on a sample basis the credit notes issued during the year, in addition to those issued subsequent to year end and assessed the reversal of revenue and whether it is supported by adequate evidence.
- We performed sales cutoff testing and checked that the revenue is recognised when goods have been delivered to customers.
- We read the terms of coupons issued and discounts allowed and we tested the allocation of cash received from the customers between the fair value of goods sold and coupons issued.
- We tested the arithmetical accuracy of the computation of the provision on sales returns.
- We tested the assumptions associated with the provision for sales returns based on historical fact patterns and trends in each of the significant locations.
- We tested the accuracy of customer bill generation on a sample basis and tested a sample of the credits and discounts applied to customer bills.
- We traced cash receipts for a sample of customers back to the customer invoices and to the general ledger to cover the completeness over the revenue and related returns.
- We vouched from general ledger a sample of transactions to the related customer invoices and delivery slips in order to cover the existence of revenue and related returns.
- We performed a correlation testing between sales, receivables and cash and we obtained audit supporting evidence (delivery slips, invoices, payment receipts) for a test of sales based on mathematical statistical assumptions regarding the existence of revenue.
- We performed substantive analytical procedures on revenue based on our industry knowledge, forming an expectation of revenue based on key performance indicators.
- We assessed the adequacy of the expected credit loss of trade receivables, its computation methodology, and analysed individual significant long outstanding balances.
- We assessed the adequacy of the Group's disclosures in respect of the accounting policies on revenue recognition, revenue and receivables disclosures as disclosed in Note 3 and Note 24 to the consolidated financial statements.

2. Inventories and Inventory Allowances

Risk Identified

The merchandise inventory of GFG is continuously subject to risks associated with existing and potential future excess stocks, which are sold with high discounts. Write downs on estimated future excess stocks as well as existing excess stocks are calculated at the end of the reporting period and recognised in the consolidated financial statements.

Significant judgement is required in assessing the appropriate level of the provision for slow moving and / or obsolete inventory. Such judgements include management's expectations of forecast inventory demand, supply chain, fulfilment, plans to dispose of inventories at a lower cost. As a result, we consider the measurement of inventories and inventory allowances to be a key audit matter.

Our Answer

Our audit procedures over inventories and inventory allowances included, amongst others:

- We assessed the compliance of GFG's accounting policies in relation to inventory and inventory allowances with International Financial Reporting Standards as adopted by the EU.
- We observed physical inventory counts at major locations to ascertain the condition of inventory and performed testing on a sample of items to assess the cost basis and net realisable value of inventory.
- We checked the clerical accuracy of the computation of provision for slow moving and obsolete inventories as at 31 December 2025 and we assessed the assumptions used.
- We have also read the inventory management report to identify slow moving or obsolete inventories.
- We obtained a detailed analysis by category of the inventory provision and checked its clerical accuracy based on past historical experience and data.
- Within the scope of the inventory valuation, GFG's management considers the expected sell through of merchandise for various sales channels and seasons. We compared the timing of the sell through using past data with actual sales and examined any significant deviations or irregularities in detail.
- We assessed the adequacy of the Group's disclosures in respect of the accounting policies on inventories and the inventory allowances in Note 3 and Note 15 to the consolidated financial statements.

3. Non-identification of Impairment on Goodwill and Other Intangible Assets

Risk Identified

GFG accounted for a material amount of goodwill generated from business combinations on its statement of financial position. Goodwill is carried at cost less accumulated impairment losses, if any and is allocated to cash-generating units or Group of cash-generating units ("CGUs"). In addition, GFG accounted for a material amount of intangible assets consisting of trademarks and customer relationships arising from business combinations.

As of 31 December 2025, goodwill amounts to € 51.6 million and other intangible assets to € 56.0 million.

These amounts are material to the consolidated financial statements. In addition, the impairment assessment process includes significant judgements and is based on assumptions derived from the Group's business plan which are affected by expected future market or economic conditions. As a result, we consider the measurement of goodwill and intangibles assets to be a key audit matter.

Our Answer

Our audit procedures over non-identification of impairment on Goodwill and other intangible assets included, amongst others:

- We assessed the Group's determination of cash generating units ("CGUs") based on our understanding of the nature of the Group and its operations, and assessed whether this was consistent with the internal reporting of the business.
- We assessed the historical accuracy of management's estimates and budget.
- We evaluated the key assumptions of the cash flow forecasts from the business plan, taking into account our knowledge of the business and relevant external information.
- We involved our valuation experts to assist us with our assessment of the WACC, expected inflation rates and terminal growth rates and the other management assumptions used in the model by comparing to the relevant assumptions to the relevant industry trends and economic forecast.
- We recomputed the value in use of each CGU prepared by Management and compared with the carrying value in order to determine whether an impairment exists. When applicable we tested the clerical accuracy of the computation of the impairment.
- We assessed the Group's sensitivity analysis on the CGUs in two main areas being the discount rate and growth rate assumptions.

- We assessed the adequacy of the Group's disclosures in respect of the accounting policies on goodwill and intangible assets in Note 3 and Note 13 to the consolidated financial statements.

4. Recognition of Income and Indirect Tax Contingencies and Tax Positions

Risk Identified

Income and indirect tax positions were significant to our audit because the assessment process is complex and involves a high degree of judgment and the amounts involved are material to the consolidated financial statements as a whole. Legislators and tax authorities may change territoriality rules or their interpretation for the application of value-added tax ("VAT") or similar indirect taxes on transactions, which are considered as uncertain tax positions and may lead to significant additional payments for past and future periods. In addition, court decisions are sometimes ignored by competent tax authorities or overruled by higher courts, which could lead to higher legal and tax advisory costs and create significant uncertainty.

Moreover, the nature of the Group's business model, involving delivering goods and services to customers in territories where the Group may have limited physical presence, could lead to tax authorities challenging the allocation of taxable income resulting in a higher tax burden for the Group. Management exercises judgment in assessing the level of provision required for both indirect and income taxation when such taxes are based on the interpretation of complex tax laws. The future actual outcome of the decisions concerning these tax exposures may result in materially higher or lower amounts than the amounts included in the accompanying consolidated financial statements.

Our Answer

Our audit procedures over recognition of direct and indirect tax contingencies and tax positions, amongst others:

- We assessed the management's assumptions and estimates in relation to uncertain tax positions, and we considered the advice received by management from external parties to support their position. We have involved our tax specialists, where relevant, to consider management's assessment of the tax positions and related provision/liability accruals when necessary.
- We further assessed the recoverability of indirect tax receivables and the completeness of indirect tax payables in light of current laws and regulations and their related interpretations.
- We also assessed the adequacy of the Group's disclosures in respect of the tax contingencies and tax positions as set out in Notes 30 and 31 of the accompanying consolidated financial statements.

Other Information

The Supervisory Board is responsible for the other information. The other information comprises the information included in the group management report from section 2.1 to section 2.5 and the corporate governance report from section 3.1 to section 3.6 but does not include the consolidated financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Supervisory Board and Those Charged with Governance for the Consolidated Financial Statements

The Supervisory Board is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Supervisory Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Supervisory Board is also responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the consolidated financial statements, the Supervisory Board is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Supervisory Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "Réviseur D'Entreprises Agréé" for the Audit of the Consolidated Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Supervisory Board.
- Conclude on the appropriateness of Supervisory Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on Other Legal and Regulatory Requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 12 June 2025 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 7 years.

The group management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The accompanying corporate governance report in section 3 is the responsibility of the Supervisory Board. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2025 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Group, it relates to:

- Financial statements prepared in valid xHTML format;
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2025, identified as "5493001035L29EQRO222-2025-12-31-1-en", have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

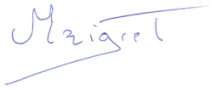
We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Ernst & Young

Société anonyme

Cabinet de révision agréé



Gabriel De Maigret

Luxembourg, 3 March 2026

6.3 INDEPENDENT AUDITOR'S REPORT ON THE PARENT FINANCIAL STATEMENTS

To the shareholders of Global Fashion Group S.A.

Opinion

We have audited the financial statements of Global Fashion Group S.A. (the "Company" or "GFG"), which comprise the balance sheet as at 31 December 2025, and the profit and loss account for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Shares in Affiliated Undertakings

Risk Identified

Global Fashion Group S.A. ("GFG"), as ultimate holding Company of the Group, holds a number of shares in affiliated undertakings, which are operating mainly in emerging markets in the fashion industry. As described in Note 2 to the financial statements, the shares in affiliated undertakings are valued at cost less any durable impairment in value. At least annually, the Company evaluates the carrying value of the investments. Impairment losses are measured and recorded based on the difference between the estimated recoverable amount and the carrying amount of the asset. Impairment of shares in affiliated undertakings is considered a key audit matter due to historical impairment, business industry and locations of these investments. Impairment is reversed when the existing reasons for which the value adjustments were made have ceased to apply.

Our Answer

Our audit procedures over the impairment of the shares in affiliated undertakings included, among others::

- Obtaining and reading the latest capital call to which GFG subscribed or the shareholders' agreements to confirm the acquisition cost of each investment and the movement during the year.
- Obtaining and reading the latest financial statements of each investment in order to identify whether any going concern issue or liquidity issue exists at the investment level and ultimately if the investment is recoverable.
- Assessing the valuation model prepared by Management and its impairment test for the determination of the recoverable amount of the investments.
- Recomputing the estimated value of equity interests of the investments prepared by Management and comparing the carrying value of the investments to the estimated value of equity interests in order to determine whether an impairment or a reversal of impairment exists.

We also assessed the adequacy of the Company's disclosures in respect of the accounting policies on impairment as disclosed in Note 2 of the financial statements.

Other Information

The Supervisory Board responsible for the other information. The other information comprises the information included in the management report from section 2.1 to section 2.5 and the corporate governance report in section 3.1 to section 3.6 of the annual report but does not include the financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Supervisory Board and of Those Charged with Governance for the Financial Statements

The Supervisory Board is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Supervisory Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Supervisory Board is also responsible for presenting the financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the financial statements, the Supervisory Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Supervisory Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the "Réviseur D'Entreprises Agréé" for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Supervisory Board.
- Conclude on the appropriateness of Supervisory Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess whether the financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on Other Legal and Regulatory Requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 12 June 2025 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 7 years.

The management report from section 2.1 to section 2.5 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

The accompanying corporate governance statement in section 3.1 to section 3.6 of the annual report is the responsibility of the Supervisory Board. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the financial statements of the Company as at 31 December 2025 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Company it relates to:

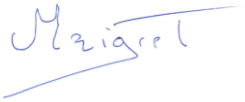
- Financial statements prepared in valid xHTML format;

In our opinion, the financial statements of the Company as at 31 December 2025, identified as "5493001035L29EQRO222-2025-12-31-1-en", have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Gabriel De Maigret
Luxembourg, 3 March 2026

6.4 FINANCIAL DEFINITIONS

Note that the Group discloses a number of Additional Performance Measures ("APMs") which are not required by or presented in accordance with IFRS. Management believes that by providing these non-IFRS financial measure investors can better understanding of the business and its results of operations and evaluate how the business is executing its strategy.

In line with IFRS 5 disclosure requirements, all financial KPIs related to the Statement of Profit or Loss are presented excluding Argentina and Chile (as discontinued operations) for the current and comparative year. All non-financial KPIs are also presented excluding Argentina and Chile for the current and comparative year.

1. Active Customers

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

2. Adjusted EBITDA

Adjusted EBITDA is calculated as loss before interest and tax adjusted for depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets, and adjusted for share-based payment expenses, impairment of goodwill and other non-financial assets, Group recharges and associated taxes, changes to estimates for prior year tax, IFRS 16 lease modifications and one off payroll and office closure costs.

Adjusted EBITDA is reconciled in the Note 6 to the consolidated financial statements and in section 2.2.3 Financial Performance.

Adjusted EBITDA is a supplemental non-IFRS measure of our operating performance that is not required by, or presented in accordance with, IFRS. Adjusted EBITDA is not a measurement of our financial performance under IFRS and should not be considered as an alternative to loss for the year, loss before income tax or any other performance measure derived from IFRS. We caution investors that amounts presented in accordance with our definition of Adjusted EBITDA may not be comparable to similar measures disclosed by other companies, because not all companies and analysts calculate Adjusted EBITDA in the same manner. We present Adjusted EBITDA because management considers it to be an important supplemental measure of the Group's operating performance. Management believes that investors' understanding of our performance is enhanced by including non-IFRS financial measures as a reasonable basis for understanding the Group's ongoing results of operations. By providing this non-IFRS financial measure, together with a reconciliation to the nearest IFRS financial measure, management believes that investors' understanding of the business and its results of operations are enhanced, as well as assisting investors in evaluating how well the business is executing its strategic initiatives.

Adjusted EBITDA provides a basis for comparison of business operations between current, past and future periods by excluding items that management does not believe are indicative of core operating performance.

Adjusted EBITDA, a non-IFRS measure, may not be comparable to other similarly titled measures used by other companies.

3. Average Order Value

Average Order Value is defined as the NMV (see below for definition) per order.

4. Capital Expenditure

Capital expenditure ("capex") shows additions to intangible assets and additions to property, plant and equipment, excluding additions to IFRS 16 right-of-use assets.

The current year and prior year figures below are presented excluding Argentina and Chile:

In €m	2025	2024
Property, plant & equipment	0.8	3.7
Goodwill & other intangibles	12.3	25.7
Total capex	**13.1**	**29.4**

5. EBITDA

EBITDA is calculated as loss before interest and tax adjusted for depreciation of property, plant and equipment and right-of-use assets, amortisation of intangible assets and impairment losses.

EBITDA is reconciled with the Note 6 to the consolidated financial statements and in Section 2.2.3 Financial Performance.

EBITDA provides a basis for comparison of our business operations between current, past and future periods by excluding items that management does not believe are indicative of core operating performance. EBITDA, a non-IFRS measure, may not be comparable to other similarly titled measures used by other companies.

6. Gross Margin

Gross margin is defined as revenue less cost of sales, expressed as a percentage of revenue. Management uses gross margin to assess the underlying trading performance of the Group and its operating segments.

7. 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. Retail NMV is the net merchandising value for goods sold through our retail business. Marketplace NMV is the net merchandising value for goods sold through our Marketplace business.

NMV is used as a complete measure of the merchandise volumes being sold on GFG's platforms through both Retail and Marketplace business models. Revenue, on the same basis, only takes into account the commission on a Marketplace transaction and is therefore disconnected from true volume. As Retail and Marketplace volumes carry similar levels of profitability, management believes it is important to allow users of the Annual Report to understand the Group's progress on this measure.

NMV is a non-financial measure, as it includes sales taxes not recorded in revenue and Marketplace price information that cannot be reconciled to the financial statements.

In €m	2025	2024
Retail NMV	632.6	683.6
Marketplace NMV	409.0	416.0
Total NMV	**1,041.6**	**1,099.6**
Retail share of NMV	*61%*	*62%*
Marketplace share of NMV	*39%*	*38%*

8. Net Working Capital

Net working capital is calculated as inventories plus current trade and other receivables less current trade payables and other financial liabilities excluding current liabilities from the convertible bond and share-based payments.

In €m	2025	2024
Inventory	81.9	96.3
Trade and other receivables (current)	21.1	48.8
Trade payables and other financial liabilities	(224.7)	(204.0)
Convertible bond liability (Note 22)	40.4	2.7
Liabilities related to SBP (Note 23)	1.0	1.3
Net working capital	**(80.3)**	**(54.8)**

9. 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).

10. Pro-Forma Cash and Pro-Forma Net Cash

Pro-forma cash is defined as cash and cash equivalents at the end of the year, short term duration bonds and securitised funds plus restricted cash and cash on deposits.

In €m	2025	2024
Cash and cash equivalents	176.5	210.6
Restricted cash & receivables from deposits	8.6	11.8
Investment funds	-	-
Pro-forma cash	**185.1**	**222.4**

Pro-forma net cash is defined as pro-forma cash less principal convertible bond debt and third-party borrowings.

In €m	2025	2024
Pro-forma cash	185.1	222.4
Convertible bond debt	(40.9)	(54.7)
Third-party borrowings	(1.0)	(3.6)
Pro-forma net cash	**143.2**	**164.1**

11. Normalised Free Cash Flow

Normalised Free Cash Flow ("NFCF") represents operating cash flows excluding discontinued operations, exceptional items, changes in factoring principal, interest and tax on investment income and convertible bond interest.

In €m	2025	2024
Adjusted EBITDA	9.3	(17.6)
Cash lease costs[1]	(17.8)	(18.6)
Working capital[2]	3.4	38.1
Total funding operations	**(5.1)**	**1.9**
Intangible capital expenditure	(12.3)	(25.7)
PPE capital expenditure	(0.8)	(3.7)
Total capital expenditure	**(13.1)**	**(29.4)**
Other[3]	(13.5)	(14.0)
Normalised free cash flow	**(31.6)**	**(41.5)**

[1] Including payments under lease liabilities per Section 4.5 and interest payments under lease liabilities which are presented within interest paid.

[2] Including movements in inventories, trade receivables, trade payables and other receivables and other payables, per Section 4.5. and excluding principal factoring repayments.

[3] Including income tax paid and interest paid per Section 4.5. Excluding exceptional cash tax items and interest payments under lease liabilities.

6.5 INFORMATION RESOURCES

Further information including GFG corporate news, reports and publications can be found in the Investor Relations section of our website at ir.global-fashion-group.com.

CONTACT

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