

QFG GLOBAL
FASHION
GROUP

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

**Q1 2023 RESULTS
PRESENTATION**
27 April 2023



2023 FOCUS ON COST ACTIONS WHILST MARKETS ARE UNCERTAIN

MARKETS ENTERING 2023

UNCERTAIN MACRO

INFLATION

CONSUMER SENTIMENT

ONLINE PENETRATION PLATEAU

GFG INITIATIVES IN PLACE

CAREFUL MANAGEMENT OF INVENTORY LEVELS

DRIVE MARKETPLACE & PLATFORM SERVICES

RESTRICT CAPITAL INVESTMENT AND OVERHEADS

DISCIPLINED CUSTOMER ACQUISITION

IMPROVE PROFITABILITY IN LOW GROWTH ENVIRONMENT

CONTINUATION OF Q4 2022 TRENDS WITH SOME GROSS MARGIN INVESTMENT

€303m
NMV
(6.7)% yoy¹

41.1%
GROSS PROFIT MARGIN
(1.7)ppt yoy

(12.1)%
ADJ. EBITDA MARGIN
(4.7)ppt yoy

10.7m
ACTIVE CUSTOMERS
(17.7)% yoy

5.1m
ORDERS
(19.1)% yoy

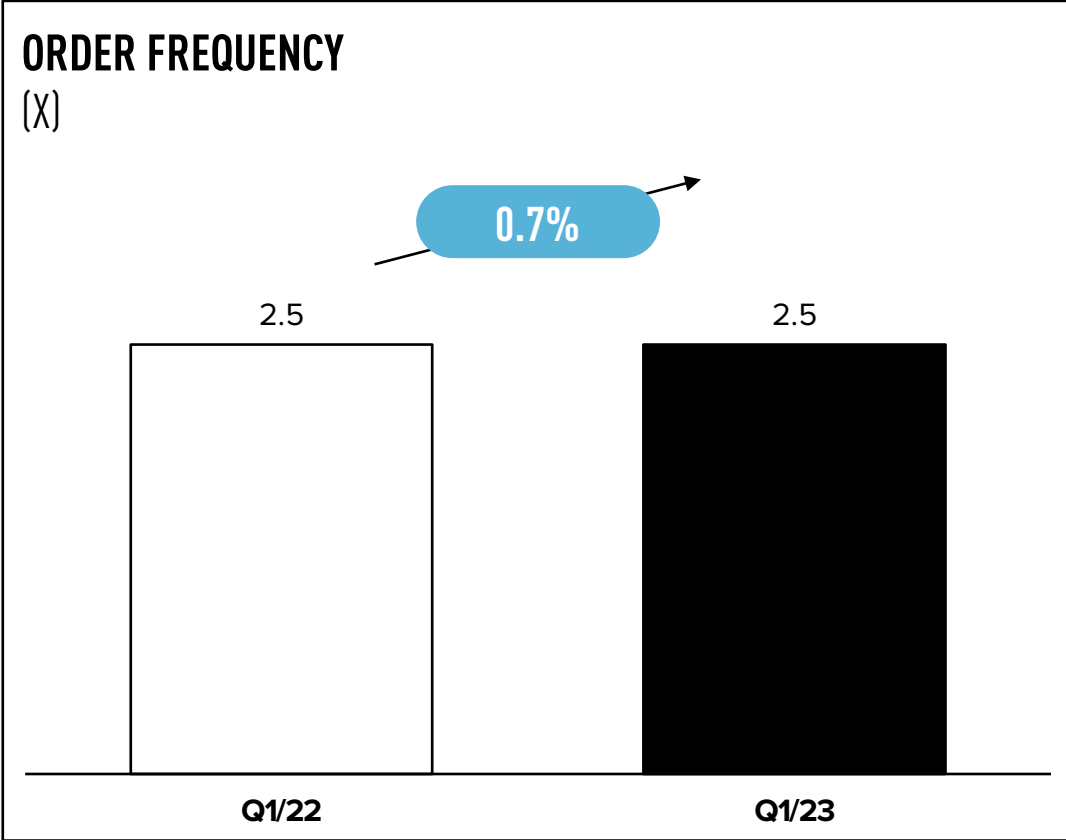
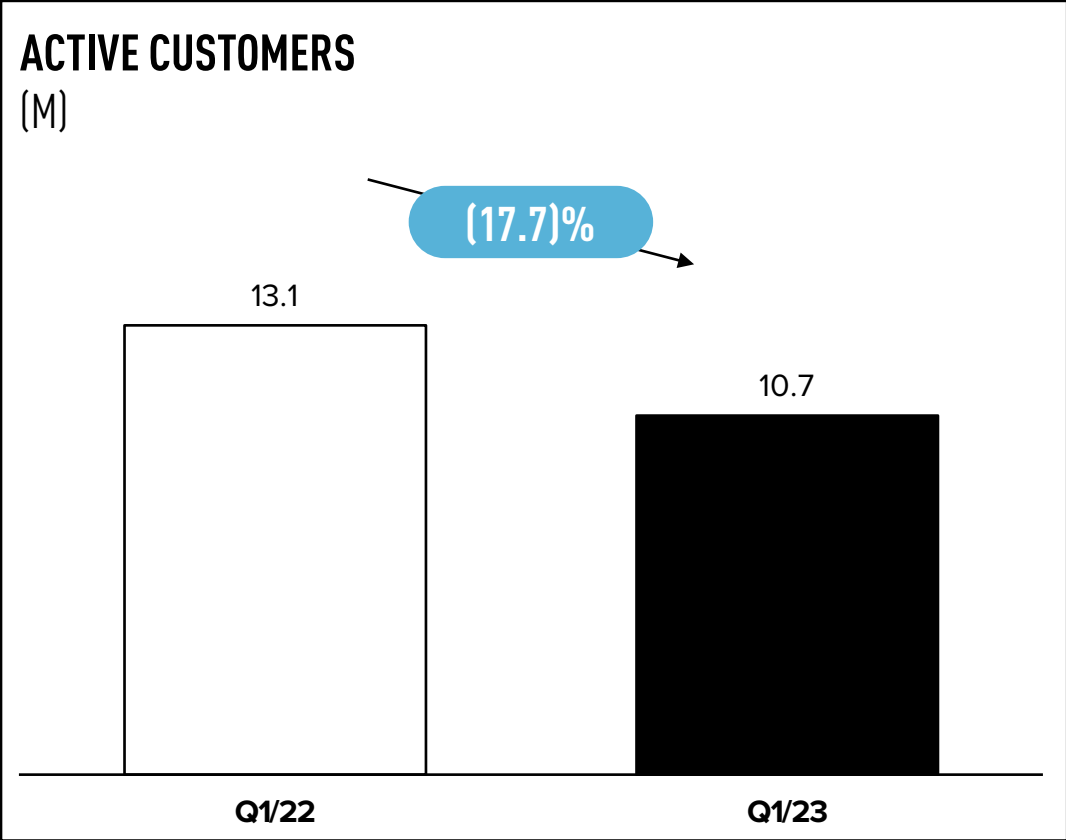
2.5
ORDER FREQUENCY
0.7% yoy

Note: KPI definitions are included in the Appendix.
(1) Constant currency growth rate.

KEY METRICS

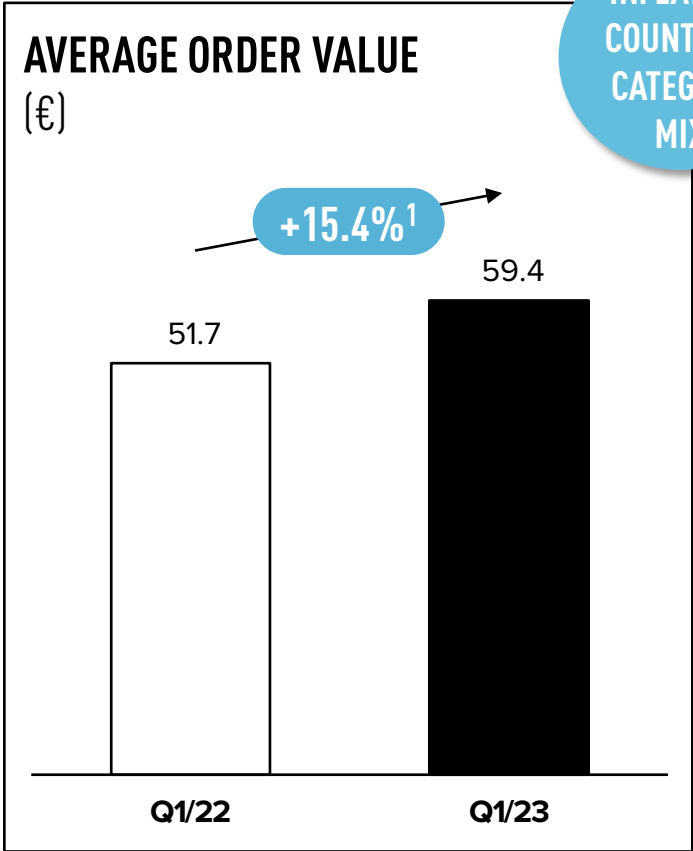
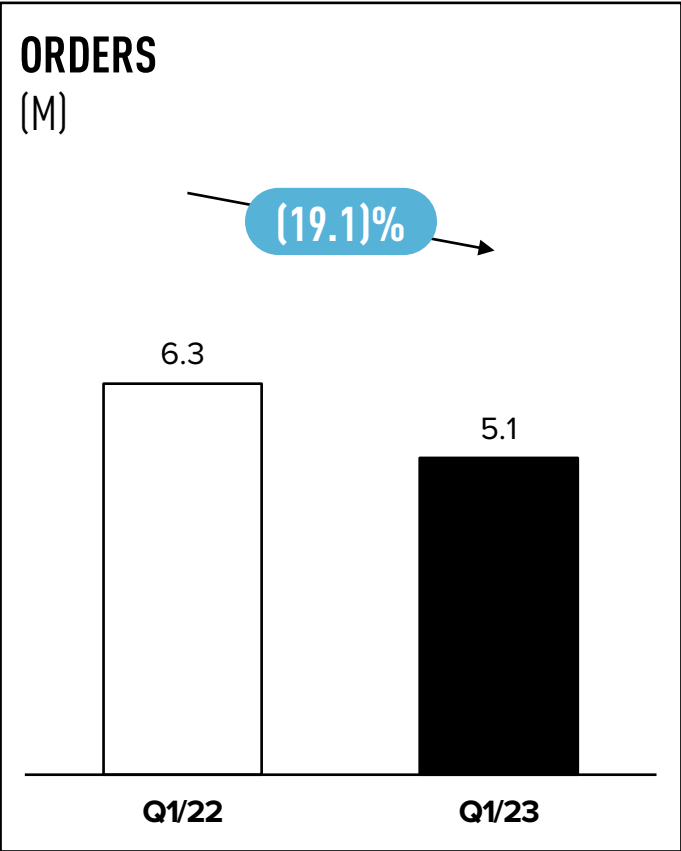
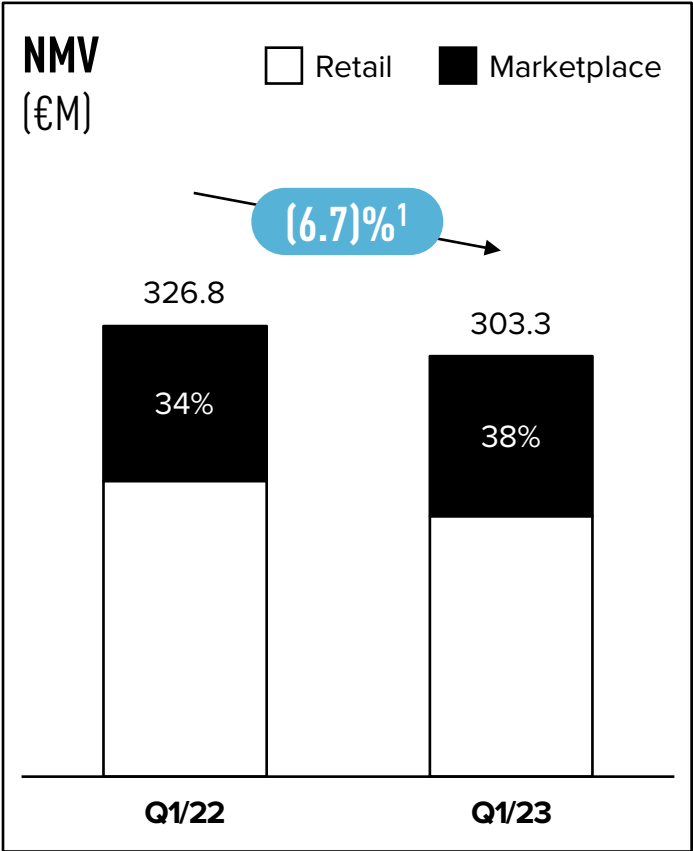


CUSTOMER NUMBERS REFLECT REDUCED MARKETING INVESTMENT AND THE RUN-THROUGH OF A LARGE COVID COHORT



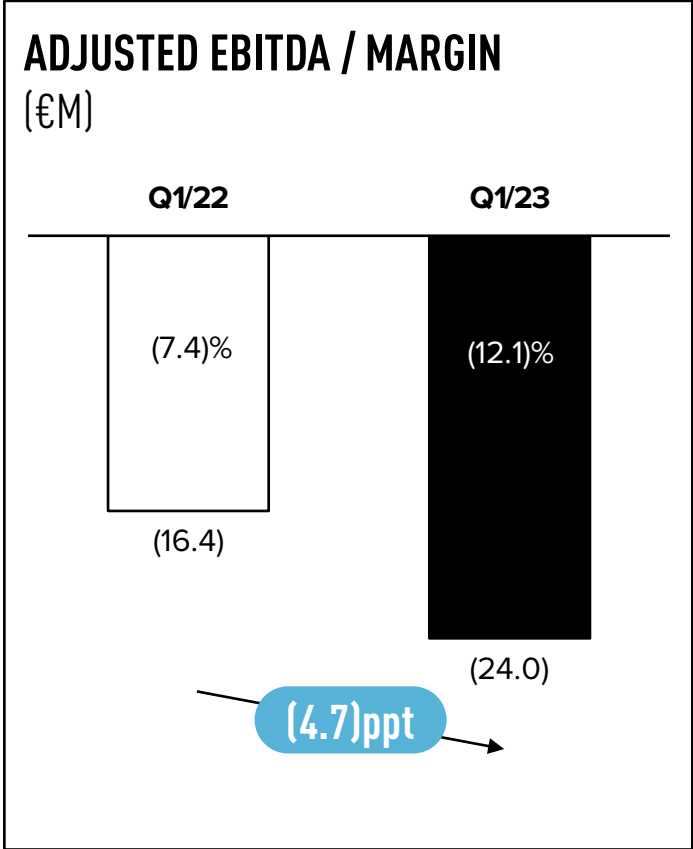
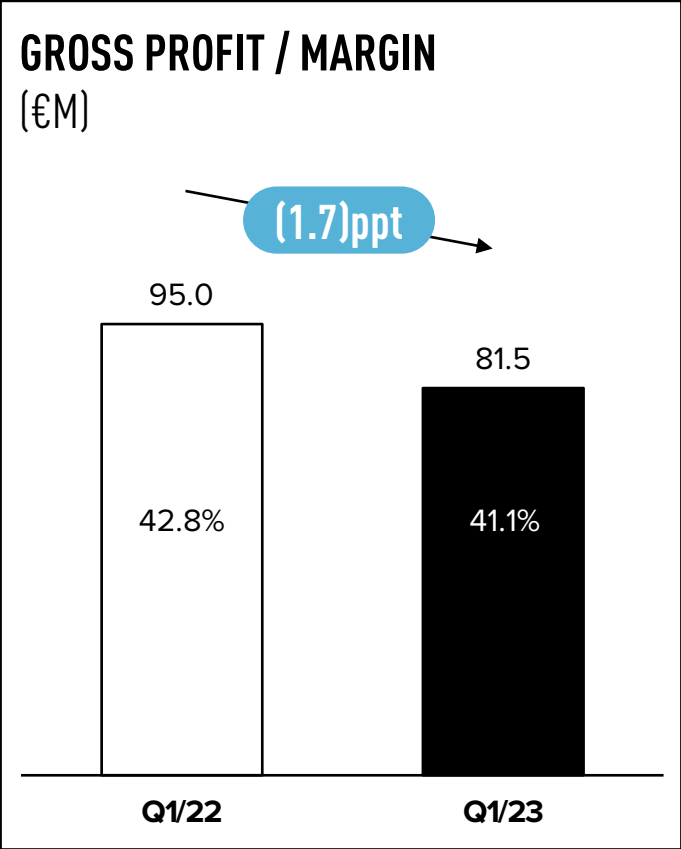
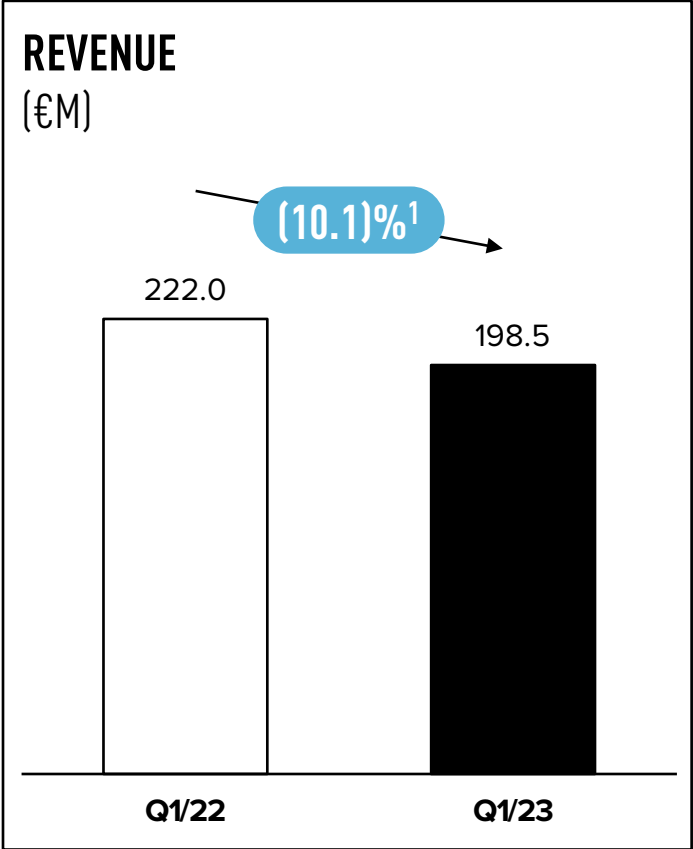
Note: KPI definitions are included in the Appendix.

LOWER VOLUMES OFFSET BY STRONGER ORDER VALUE



Note: KPI definitions are included in the Appendix.
 (1) Constant currency growth rate. Bars are a graphical representation of values on a constant currency basis.

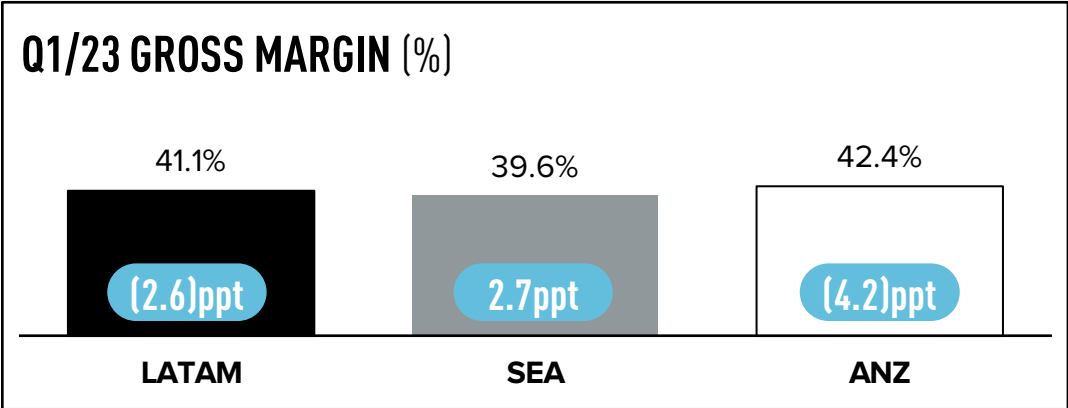
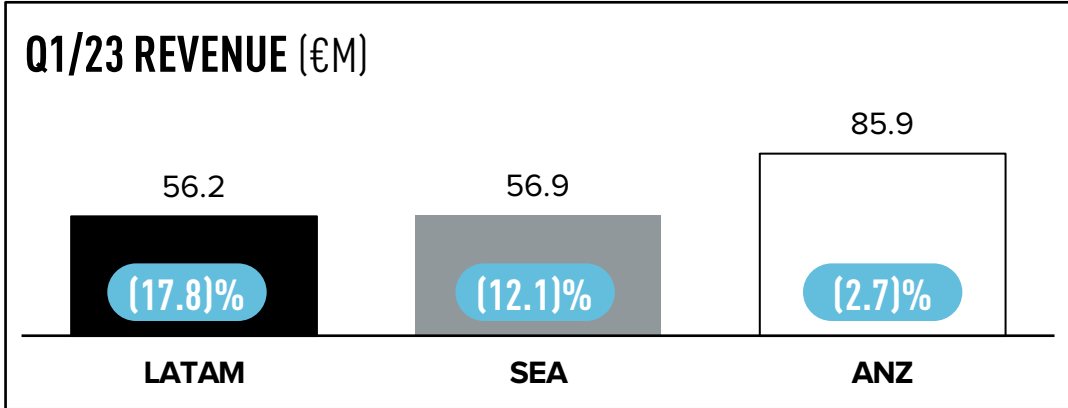
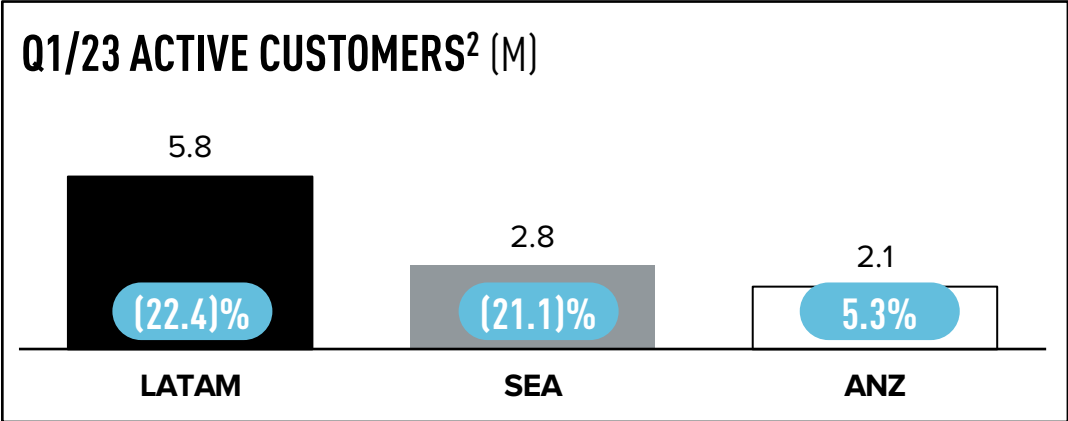
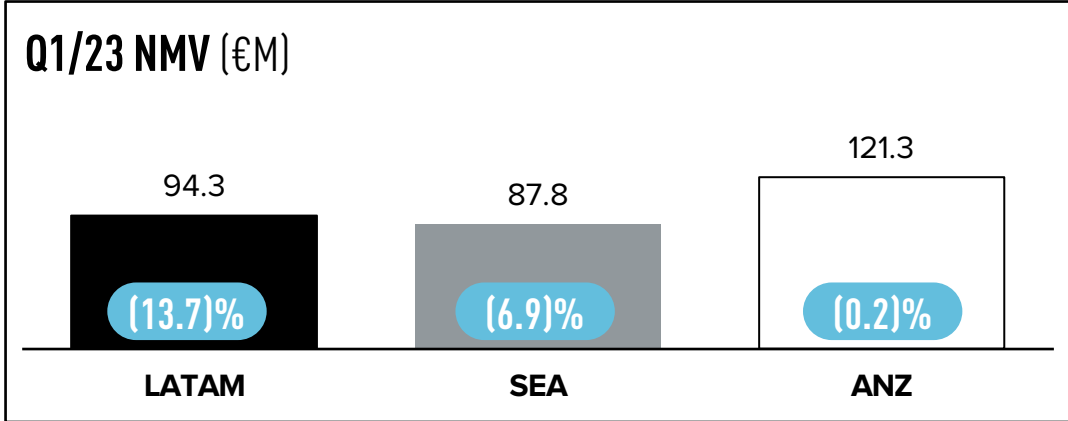
GROSS MARGIN IMPACTED BY CONSUMER SENTIMENT; LOWER ORDER VOLUMES CREATE FIXED COST DE-LEVERAGE



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

SUBDUED DEMAND ACROSS OUR MARKETS AND HIGHER GROSS MARGIN INVESTMENT IN ANZ

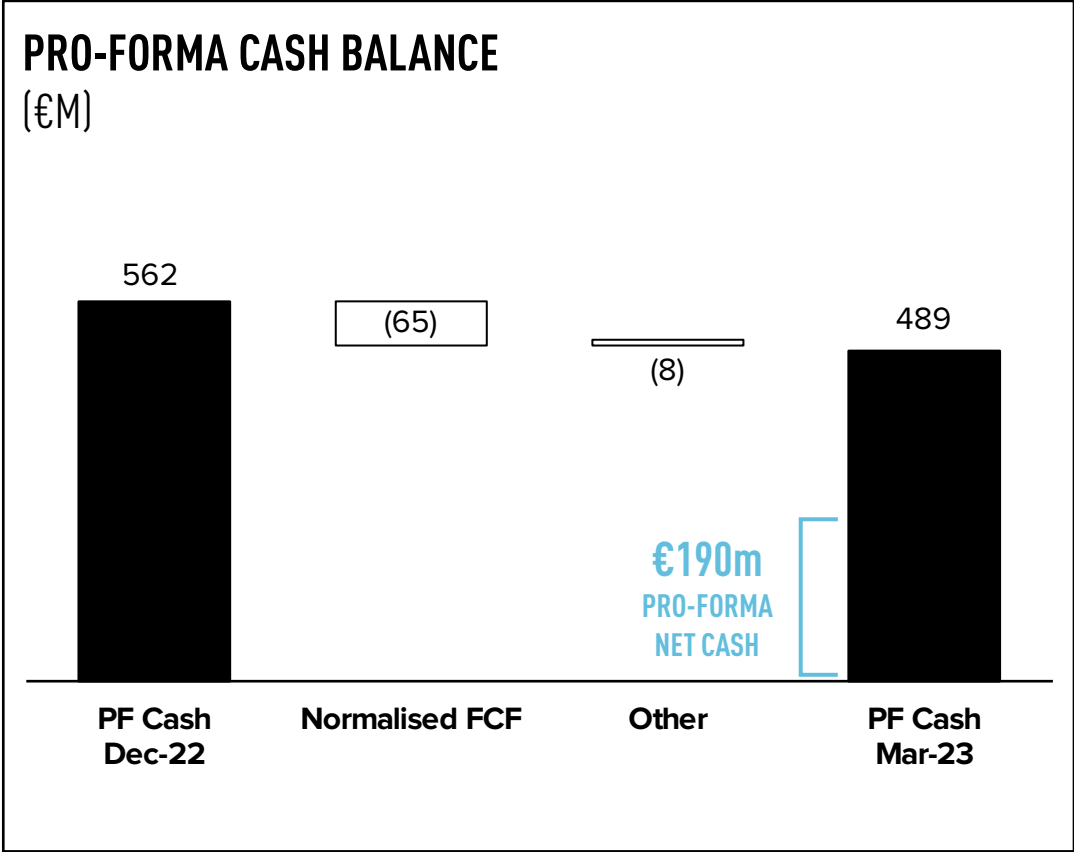
Change on Q1/22¹



(1) NMV and Revenue changes are at constant currency growth rates.
 (2) Active Customers is a rolling 12-month KPI.

STRONG QUARTER-END CASH REFLECTING Q1 SEASONALITY

(€M)		Q1/22	Q1/23
FUNDING OPERATIONS with Retail inventory to scale	Adj. EBITDA	(16)	(24)
	Cash Lease Costs	(5)	(5)
	Working Capital	(42)	(25)
	TOTAL	(63)	(54)
CAPEX to invest our tech and fulfilment assets	Tech Capex	(8)	(6)
	PP&E Capex	(4)	(2)
	TOTAL	(12)	(8)
Other		(2)	(3)
NORMALISED FREE CASH FLOW excludes non-operating cash flows ¹		(77)	(65)



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

OUTLOOK



FY2023 GUIDANCE RECONFIRMED



**LONGER TERM
AMBITIONS:**

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

Note: At 31 December 2022 closing exchange rates.

Q&A



APPENDIX



FX SENSITIVITY

		€M IMPACT ON:		
CURRENCY	△ Q1/23 vs. Q1/22	NMV	REVENUE	ADJ. EBITDA
ARGENTINA (ARS)	(45.8)%	(3.1)	(1.2)	0.6
AUSTRALIA (AUD)	(1.4)%	(1.7)	(1.3)	(0.0)
BRAZIL (BRL)	4.9%	2.9	1.8	(0.4)
OTHER	(0.3)%	(1.1)	(0.7)	0.3
IMPACT ON Q1/23 AT Q1/22 FX RATES	(1.4)%	(3.0)	(1.3)	0.5

ISSUED SHARE CAPITAL

SHARE INFORMATION

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

Stock Exchange Frankfurt Stock Exchange

Market Segment Regulated Market (Prime Standard)

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

EMPLOYEE SHARE OPTION PROGRAMME

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

LONG-TERM INCENTIVE PLAN³

Total awards at 31-Mar-23

9,961,228

(1) Based on 223,792,912 shares in issue, less 288,628 shares held in treasury or in trust for GFG. Issued share capital as of 31 March 2023.

(2) Based on number of employee stock options outstanding as of 31 March 2023, assuming all awards are settled via issuance of GFG shares.

(3) A maximum of 27,283,529 shares are expected to be awarded under the Long-Term Incentive Plan, in the first three years in which the plan operates, of which 5,230,701 have already been issued.

CONVERTIBLE BOND 2021

PRICING TERMS

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

CONVERTIBLE BOND REPURCHASE 2022

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

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

(2) Issued share capital as of 31 March 2023.

KPI DEFINITIONS

ACTIVE CUSTOMERS

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

ADJUSTED EBITDA

Adjusted EBITDA is EBITDA adjusted for share-based payment (income) / expenses, Group recharges, IAS 29 Hyperinflation EBITDA impact and other one-off costs, including Ukrainian support costs, one off consulting income, one off payroll costs and changes to estimates for prior year tax

AVERAGE ORDER VALUE

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

NET MERCHANDISE VALUE

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

ORDERS

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

ORDER FREQUENCY

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

FINANCIAL CALENDAR – UPCOMING EVENTS

DATE	EVENT	LOCATION
25 May 2023	BofA Ecommerce Consumer Virtual Fieldtrip	Virtual
13 June 2023	Barclays European Internet & Emerging Tech Conference	London
10 August 2023	Q2 2023 Results	Virtual
19 September 2023	Berenberg & Goldman Sachs 12th German Corporate Conference	Munich
20 September 2023	Baader Investment Conference 2023	Munich

DISCLAIMER



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