

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

**Q2 2022 RESULTS**  
**PRESENTATION**  
18 August 2022



# Q2 12% NMV GROWTH AND PROFITABILITY DISTORTED BY CIS



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

# H1 BUSINESS UPDATE



# DELIVERING AGAINST OUR KEY PRIORITIES



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







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



- Transforming our operations
- Influencing the fashion ecosystem
- Positive contribution to communities

# CUSTOMER EXPERIENCE IMPROVEMENTS IN LATAM

## KEY INITIATIVES PROGRESS

Key Initiative	Status
Increase <b>exclusivity and relevance</b> of the <b>assortment</b> in trend, premium, sport and accessories	
Improve ease and inspiration of discovery with <b>new front-end</b>	
Drive <b>marketing efficiency</b> across acquisition, retention and reactivation	
Ensure seamless <b>faster delivery</b> for more customers	

## ENSURE SEAMLESS FASTER DELIVERY FOR MORE CUSTOMERS

Customer Experience Performance Metric	H1/22 YoY Performance
<b>Net Promoter Score (NPS)</b> <i>% promoters less % detractors</i>	<b>15ppt improvement</b>
<b>Click to Receive</b> <i>Average time for customer to receive their order</i>	<b>16% faster</b>
<b>Click to Return</b> <i>Time between request and refund return</i>	<b>33% faster</b>

**Improvements across all key customer experience metrics**

# GROWING OWN BRAND IN ANZ



### OWN BRAND DIFFERENTIATES THE ICONIC IN THE MARKET

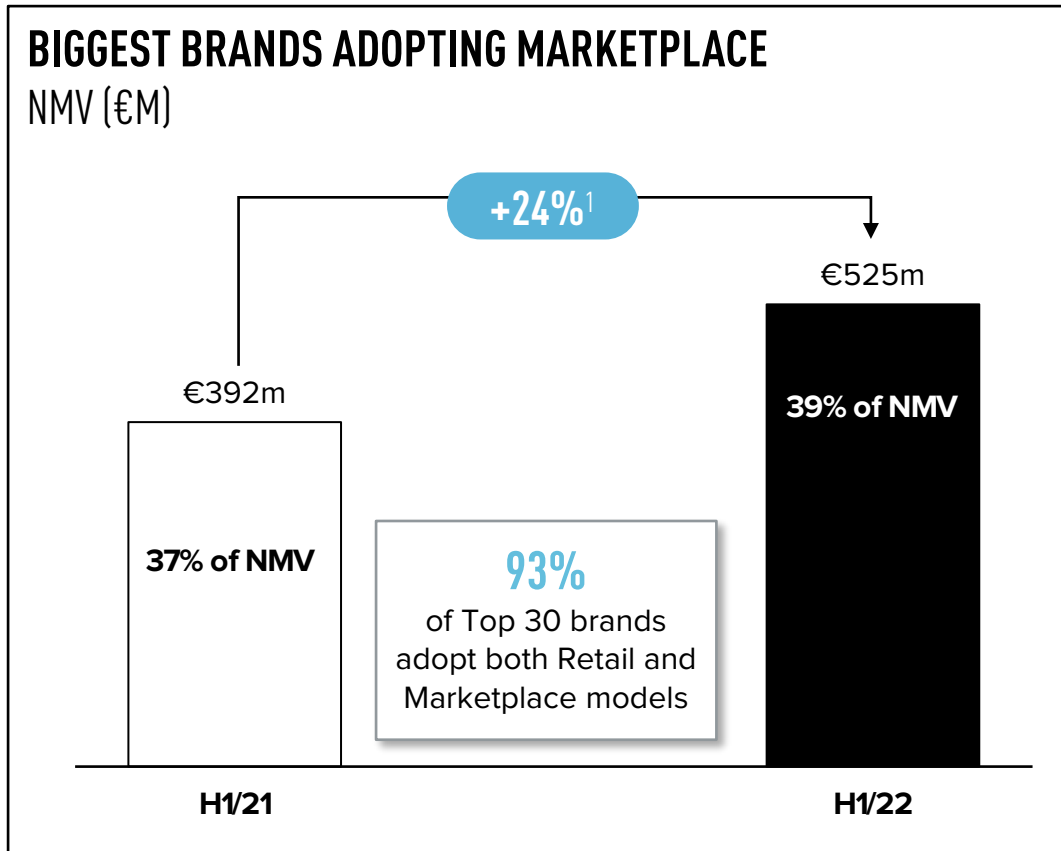
- Product exclusivity enhances **customer loyalty** increasing **order frequency**
- >**20%** of own brand SKUs made from **sustainable materials**
- Higher gross margin
- **Top 5 brands** at THE ICONIC includes three own brands

**12% share**  
of total NMV in H1/22

**c.3X more**  
NMV from Own Brand since H1/19

Focused on **building exclusive and scalable brands** and **sustainable & responsible sourcing**

# MARKETPLACE CREATES BRAND PARTNERSHIP OPPORTUNITIES



### SEA: STRENGTHENING BRAND PARTNERSHIPS

Without Size Refill  
**Zalora** Retail source

With Size Refill  
**Adidas** Marketplace source

**SIZE REFILL**  
Now live on Marketplace

Includes backfill for sold out sizes leading to higher customer NPS, lower costs and less waste

**10,000 SKUs** live as of H1<sup>2</sup>

(1) Constant currency growth rate.

(2) Example of a Size Refill SKU count would be if a shoe has four sizes (32-38) and sizes 32/34 are stocked via Retail, and sizes 36/38 are stocked via Marketplace, the shoe is counted as one hybrid SKU.

# LOCALISED APPROACH DRIVING ROLLOUT OF LEADING BRANDS

NEW BRAND LAUNCHES IN H1/22

## KEY LOCAL PARTNERSHIPS

## EXTENDING LEADING GLOBAL BRAND PARTNERSHIPS

LATAM

CARRANO FASHIONSPARK.   
KEVIN SINTONIA

A | X  
ARMANI EXCHANGE

COTTON:ON TOPSHOP  
TOPMAN

SEA

  
AKEMI UCHI

ANA  
&  
AORA

  
LUXELLE

AMERICAN EAGLE & other Stories  
STRATHBERRY

ANZ

city chic  
STYLED IN 12-24

SAN SLOANE

VERONIKA MAINE

BALLY DAY  
BIRGER et MIKKELSEN

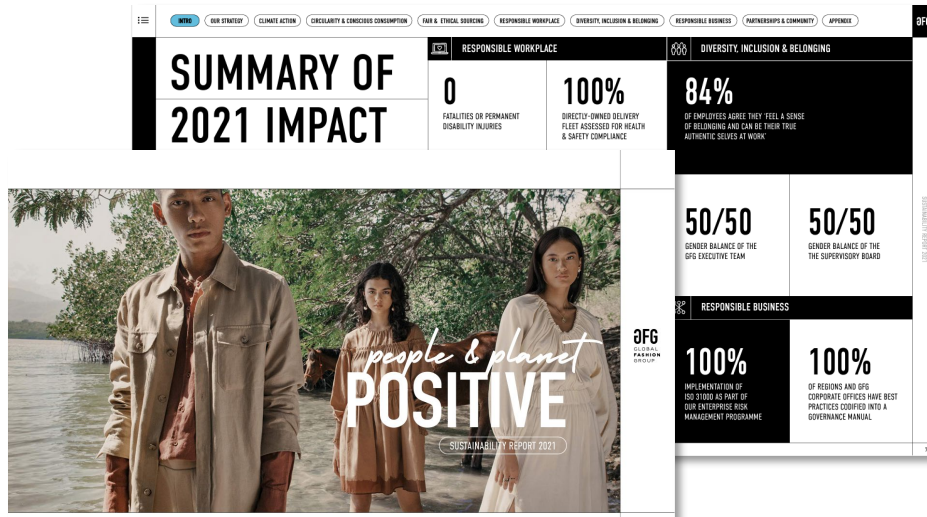
OLEHENRIKSEN®

PHILIPP PLEIN STAUD



# ENSURING OUR FUTURE IS PEOPLE & PLANET POSITIVE

## PEOPLE & PLANET POSITIVE REPORT APRIL 2022



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

(1) From a 2019 base year.

## 2030 SCIENCE BASED TARGETS APPROVED MAY 2022

**50% reduction**  
in Scope 1 & 2 emissions<sup>1</sup>



SCIENCE  
BASED  
TARGETS

**90% reduction per million NMV**  
in Scope 3 emissions from purchased goods and services & upstream and downstream transportation

**60% of NMV**  
from products using majority sustainable materials & eco-production methods

} **Operational Target**

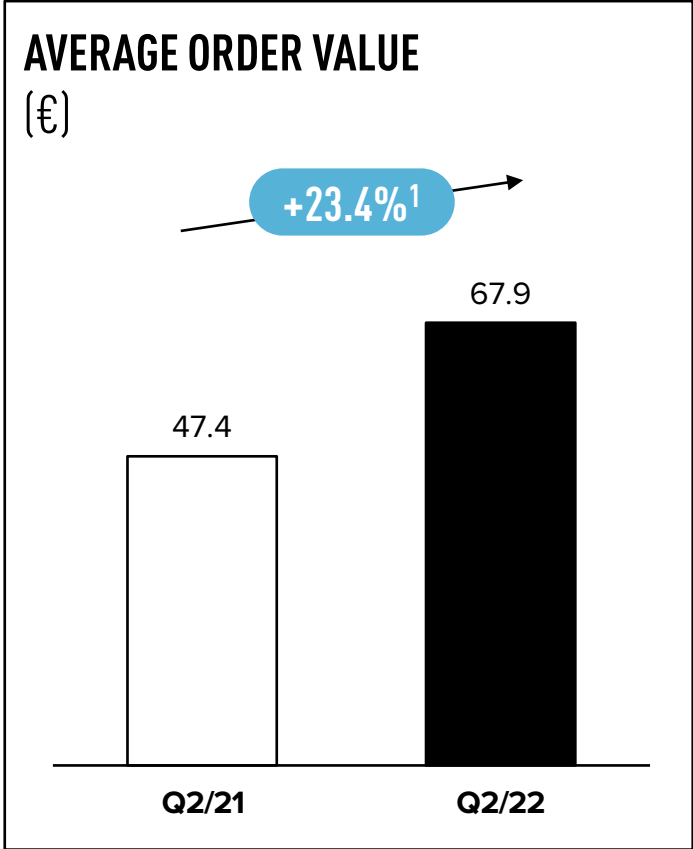
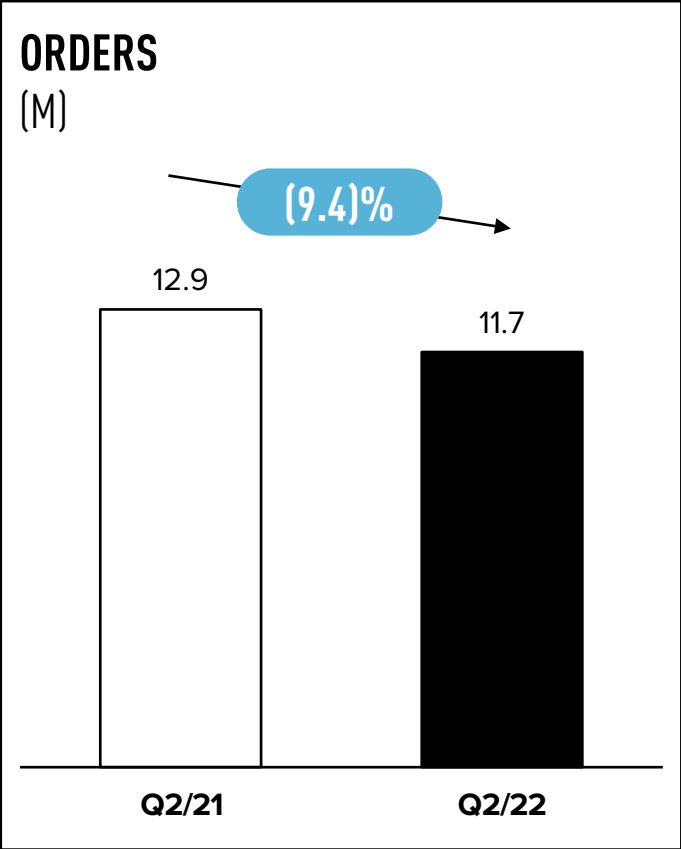
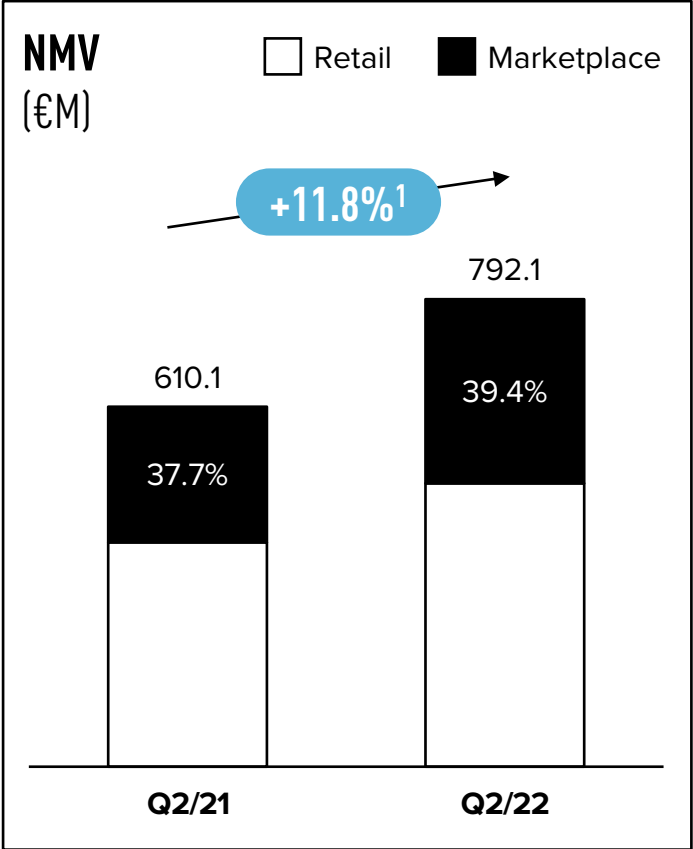
# SELF SUFFICIENCY IS THE PRIORITY FOR CIS

- Operational and financial self-sufficiency
  - Actively managing costs with a significant reduction in marketing activity, other costs and investments
  - No financial investments have been made into and no distributions have been taken from the region
- Support our Ukrainian employees
- Evaluate a range of further options

# KPIS



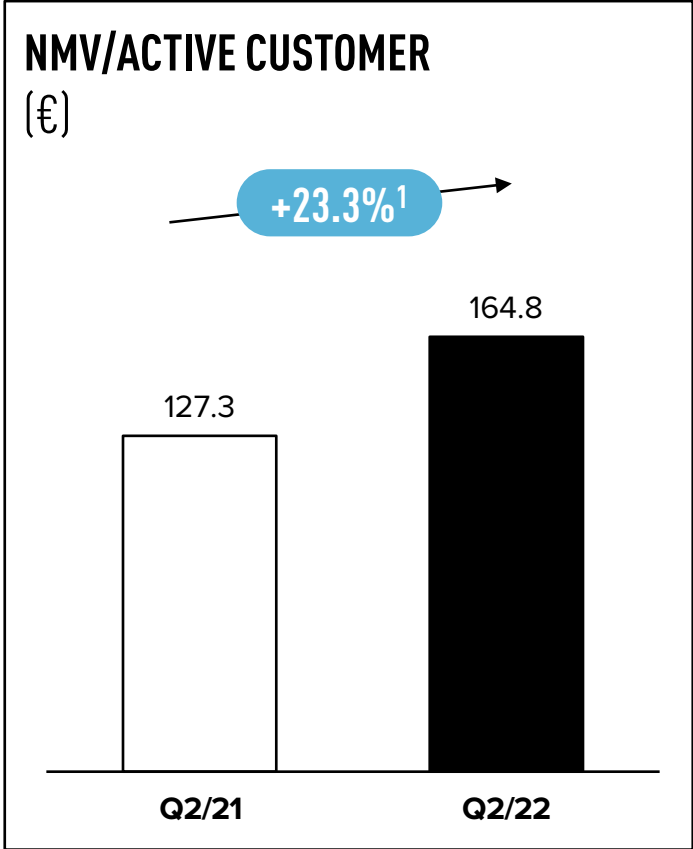
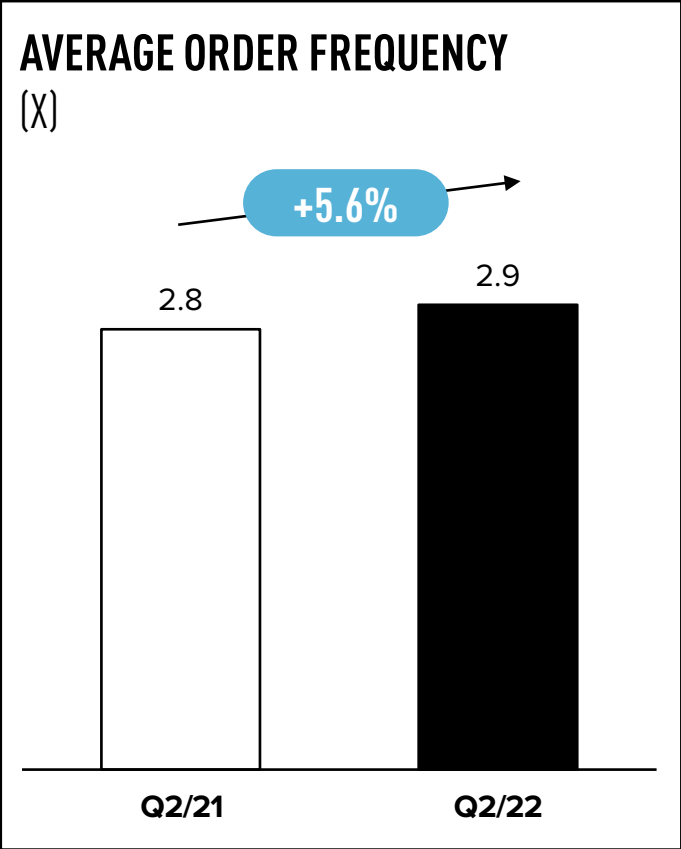
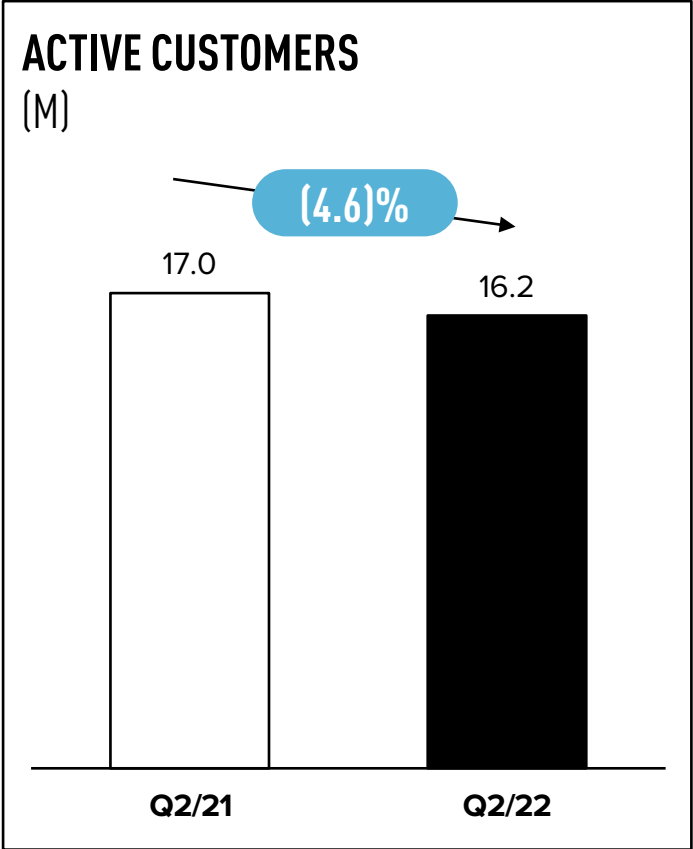
# GROWTH DRIVEN BY AVERAGE ORDER VALUE



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.

# ORDER VALUE AND FREQUENCY DRIVING NMV / ACTIVE CUSTOMER



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.

# STRONG GROWTH IN ANZ, WEAKER MACRO IN LATAM & SEA

	NMV (€M)			ACTIVE CUSTOMERS <sup>2</sup> (M)			NMV/ACTIVE CUSTOMER <sup>2</sup> (€)		
	Q2/21	Q2/22	Δ (%) <sup>1</sup>	Q2/21	Q2/22	Δ (%)	Q2/21	Q2/22	Δ (%) <sup>1</sup>
<b>GROUP</b>	610.1	792.1	11.8	17.0	16.2	(4.6)	127.3	164.8	23.3
<b>LATAM</b>	169.9	163.6	(14.9)	8.1	7.0	(13.2)	74.1	81.9	7.1
<b>CIS</b>	202.3	355.5	39.1	3.5	3.7	5.3	206.2	289.8	30.8
<b>SEA</b>	104.9	106.7	(6.2)	3.5	3.3	(5.1)	109.1	124.6	9.9
<b>ANZ</b>	133.1	166.3	19.1	1.8	2.1	15.9	249.5	288.2	12.3

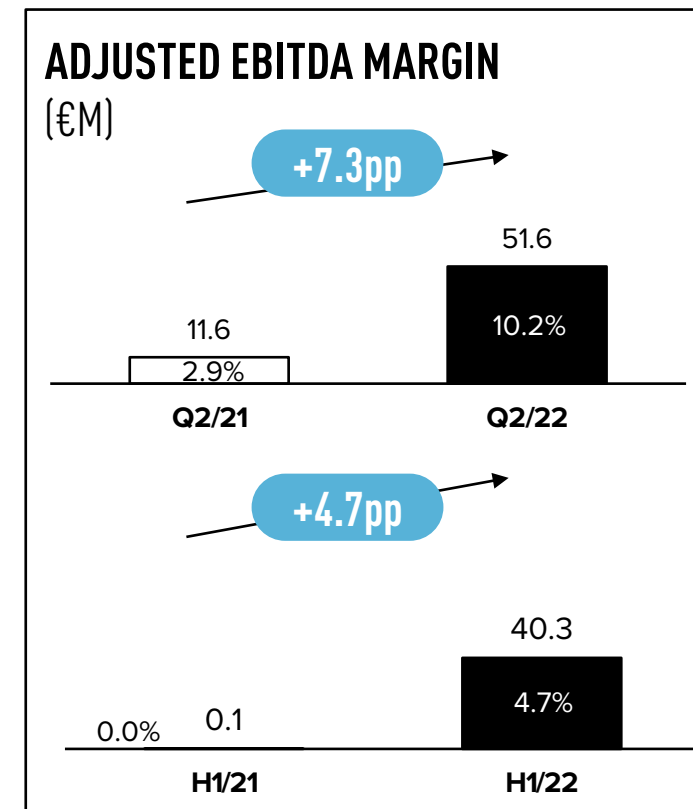
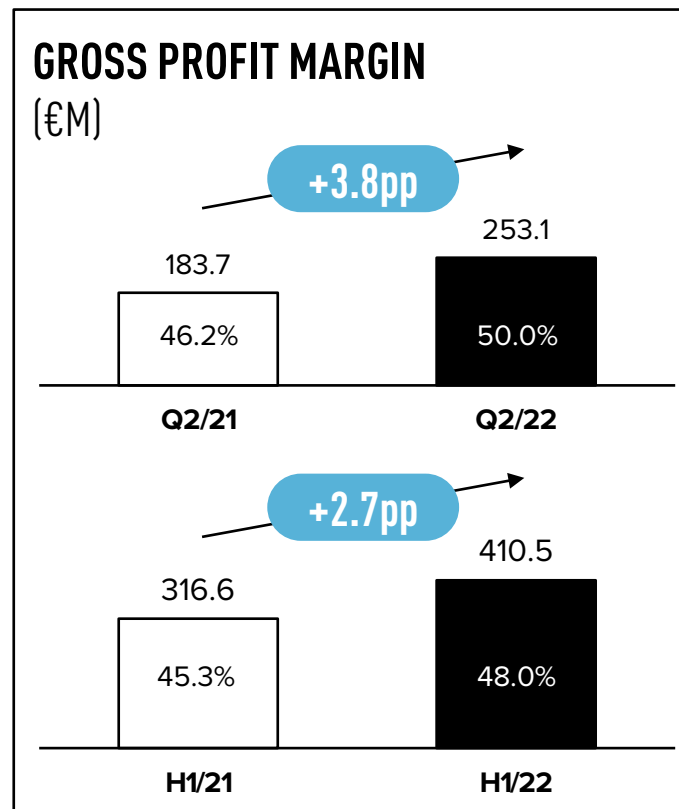
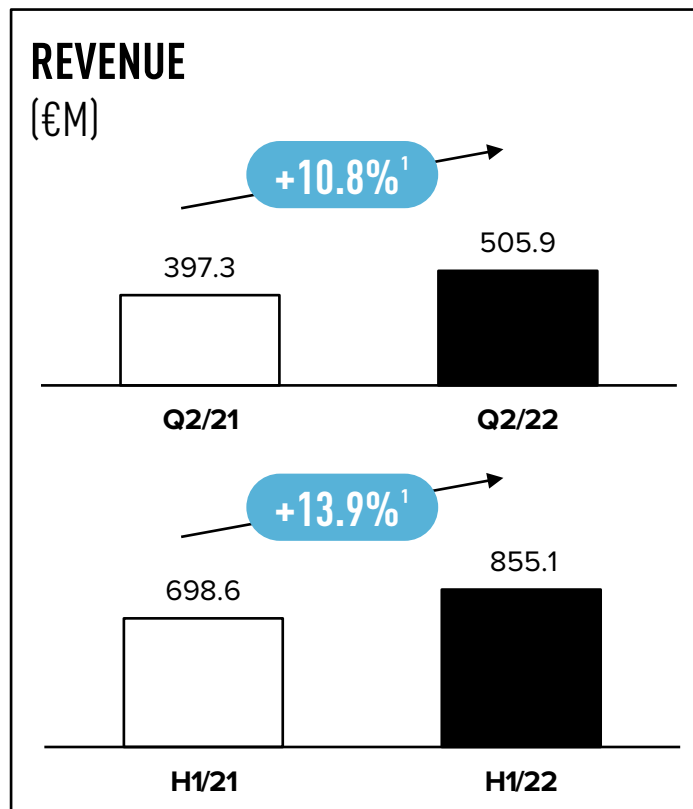
(1) Constant currency growth rate.

(2) Active Customers and NMV / Active Customer are rolling 12-month KPIs.

# FINANCIALS



# ADJ. EBITDA DRIVEN BY GROSS MARGIN IMPROVEMENT ALONGSIDE COST ACTIONS



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 IN LATAM, SEA AND ANZ WELL-CONTROLLED

	REVENUE (€M)			GROSS MARGIN (%)		
	Q2/21	Q2/22	Δ (%) <sup>1</sup>	Q2/21	Q2/22	Δ (pp)
<b>GROUP</b>	397.3	505.9	10.8	46.2	50.0	3.8
<b>LATAM</b>	97.2	99.4	(9.8)	48.2	46.0	(2.2)
<b>CIS</b>	127.5	210.3	31.0	50.6	59.4	8.8
<b>SEA</b>	73.6	73.7	(8.0)	36.8	37.4	0.6
<b>ANZ</b>	99.0	122.9	18.3	45.6	45.0	(0.6)

(1) Constant currency growth rate.

# LATAM, SEA & ANZ PROFITABILITY REFLECTS COST ACTIONS ALONGSIDE INVESTMENT INTO LONG-TERM GROWTH

	REVENUE (€M)			ADJUSTED EBITDA (€M)		
	H1/21	H1/22	Δ (%) <sup>1</sup>	H1/21	H1/22	Δ (€M)
<b>GROUP</b>	698.6	855.1	13.9	0.1	40.3	40.2
<b>LATAM</b>	164.3	167.5	(8.1)	(3.1)	(8.4)	(5.3)
<b>CIS</b>	226.1	337.5	36.1	13.1	61.2	48.1
<b>SEA</b>	137.8	138.5	(6.1)	(4.7)	(2.8)	1.9
<b>ANZ</b>	170.4	212.4	20.9	4.2	5.4	1.2

(1) Constant currency growth rate.

# EXCLUDING CIS, GROSS MARGIN GROWING, SCALE EFFICIENCIES BEING DELIVERED & REDUCED MARKETING INVESTMENT

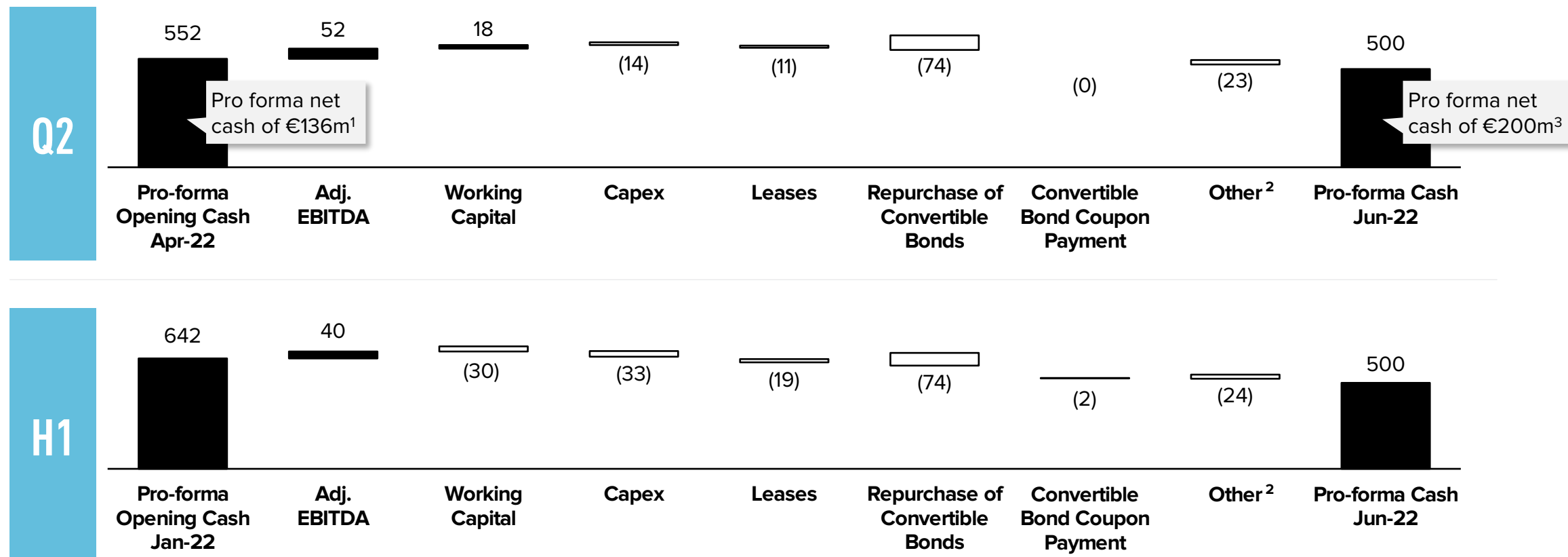
		GROUP				GROUP EXCLUDING CIS	
		H1/19	H1/20	H1/21	H1/22		△19-22 <sup>2</sup>
% REVENUE	GROSS PROFIT	39.7%	41.8%	45.3%	48.0%	5.0pp	Driven by increase in Marketplace and a robust Retail margin
	ADJUSTED EBITDA	(4.8)%	(2.2)%	0.0%	4.7%	2.9pp	Profitability driven by Gross Profit and scale efficiencies
% NMV	FULFILMENT COSTS <sup>1</sup>	18.9%	17.9%	16.5%	15.8%	(6.0)pp	Scale efficiencies and increase in Marketplace participation
	MARKETING COSTS <sup>1</sup>	7.8%	6.1%	7.4%	5.6%	(3.6)pp	H1/20 impacted by COVID, H1/22 marketing efficiencies
	TECH & ADMIN COSTS <sup>1</sup>	11.3%	10.2%	8.6%	9.0%	(5.4)pp	Operating leverage in Admin, alongside planned Tech investment

(1) Excludes recurring and non-recurring costs including but not limited to share based payment charges, changes to estimates for prior year tax charges and changes in legal provisions and one-off costs.

(2) Change represents H1/19 to H1/22 for the Group excluding CIS.

# STRONG QUARTER-END CASH

(€M)



(1) Pro forma net cash at opening Apr-22 is after Convertible Bond of €375 million and other third-party borrowings of €41 million.  
 (2) Other includes movement in provisions, net proceeds from borrowings, fair value changes in investment funds, finance costs and FX.  
 (3) Pro forma net cash at closing Jun-22 is after Convertible Bond of €280 million and other third-party borrowings of €20 million.

# OUTLOOK



# FY2022 GUIDANCE

<b>NMV</b>	<b>10% – 15% growth c.€2.9 – €3.0bn</b>	<ul style="list-style-type: none"><li>• Reflects current uncertainty across our markets</li><li>• LATAM, SEA &amp; ANZ expect similar dynamics to H1 - no longer lapping pandemic peaks, which is offset by a more challenging macroeconomic backdrop</li><li>• CIS based on a more conservative view for both sales and profitability</li><li>• For H2, all ranges provided are based on FX rates per the end of Q2 except for a planning RUB to EUR exchange rate of 70</li></ul>
<b>REVENUE</b>	<b>c.€1.9bn</b>	
<b>ADJ. EBITDA</b>	<b>3.0% – 5.0%</b>	<ul style="list-style-type: none"><li>• Managing costs to reflect demand environment</li></ul>
<b>CAPEX</b>	<b>c.€65m</b>	<ul style="list-style-type: none"><li>• €33m spent in H1</li></ul>

# Q&A



# APPENDIX





# GROUP PERFORMANCE DETAIL BY REGION

	NMV (€M)			GROSS MARGIN (%)			ADJ. EBITDA (€M)		
	H1/21	H1/22	Δ (%) <sup>1</sup>	H1/21	H1/22	Δ (pp)	H1/21	H1/22	Δ (€M)
<b>GROUP</b>	1,060.0	1,335.3	16.5	45.3	48.0	2.7	0.1	40.3	40.2
<b>LATAM, SEA &amp; ANZ<sup>2</sup></b>	698.5	763.4	(2.2)	43.5	43.1	(0.4)	(13.1)	(20.9)	(12.2)
<b>LATAM</b>	278.7	273.0	(11.6)	46.5	45.1	(1.4)	(3.1)	(8.4)	(5.3)
<b>CIS</b>	361.5	571.9	44.1	49.1	55.5	6.4	13.1	61.2	48.1
<b>SEA</b>	190.8	200.9	(1.2)	36.2	37.2	1.0	(4.7)	(2.8)	1.9
<b>ANZ</b>	229.0	289.5	22.7	46.5	45.7	(0.8)	4.2	5.4	1.2

(1) Constant currency growth rate.

(2) Includes Group overhead costs.

# FX SENSITIVITY

CURRENCY	Δ Q2/22 vs. Q2/21 (%)	NMV IMPACT (€M)	REVENUE IMPACT (€M)	ADJ. EBITDA IMPACT (€M)
RUB	26.4%	74.0	42.4	11.2
BRL	21.8%	17.6	11.3	(0.2)
OTHER	1.8%	11.9	10.0	0.3
<b>IMPACT ON Q2/22 AT Q2/21 FX RATES</b>	<b>16.4%</b>	<b>103.5</b>	<b>63.7</b>	<b>11.3</b>

CURRENCY	Δ H1/22 vs. H1/21 (%)	NMV IMPACT (€M)	REVENUE IMPACT (€M)	ADJ. EBITDA IMPACT (€M)
RUB	9.8%	50.7	29.3	8.3
BRL	18.1%	25.2	16.3	(0.8)
OTHER	1.2%	13.8	11.9	0.5
<b>IMPACT ON H1/22 AT H1/21 FX RATES</b>	<b>7.7%</b>	<b>89.7</b>	<b>57.5</b>	<b>8.0</b>

# 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** **220,004,284**  
(Excluding own shares held by the Company)<sup>1</sup>

## EMPLOYEE SHARE OPTION PROGRAMME

Weighted average exercise price	Outstanding call options <sup>2</sup>
€0.01	183,468
€6.00	2,648,218
€10.32	3,190,934
€30.87	212,111
<b>Total</b>	<b>6,234,731</b>

## LONG-TERM INCENTIVE PLAN<sup>3</sup>

Total awards at 30-June-22 9,228,222

(1) Based on 220,292,912 shares in issue, less 288,628 shares held in treasury or in trust for GFG. Issued share capital as of 30 June 2022. The total issued share capital as at the date of this results announcement is 220,292,912 following the issuance of 3,000,000 shares on 3 February 2021.

(2) Based on number of employee stock options outstanding as of 30 June 2022, assuming all awards are settled via issuance of GFG shares.

(3) A maximum of 19,283,529 shares are expected to be awarded under the Long-Term Incentive Plan, in the first three years in which the plan operates, of which 5,232,232 have already been issued.

# CONVERTIBLE BOND 2021

## PRICING TERMS

<b>Outstanding Issue Size</b>	<b>€279.9 million</b>
Status	Senior Unsecured
Maturity	7 Years
Issuer Call	After Year 4 at 130% Trigger
<b>Reference Share Price</b>	<b>€12.60</b>
Denomination	€100,000 per bond (“Principal Amount”)
Issue Price	100% of the Principal Amount
Redemption Price	100% of the Principal Amount
<b>Yield to Maturity</b>	<b>1.25%</b>
<b>Coupon</b>	<b>1.25%</b>
<b>Conversion Premium</b>	<b>42.5%</b>
<b>Conversion Price</b>	<b>€17.9550</b>
Underlying Shares (m) <sup>1</sup>	15,588,972
Underlying Shares (% ISC) <sup>2</sup>	7.09%

## CONVERTIBLE BOND REPURCHASE 2022

- On 27 April 2022, the Group successfully 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)
- This repurchase reflected the strength of our liquidity position and the Board’s confidence in delivering our long-term strategy within the funding available

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

(2) Issued share capital as of 30 June 2022.

# 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 payments, Group recharges, IAS 29 Hyperinflation EBITDA impact and other one-off costs (see Interim Management Report for details). IAS 29 Hyperinflation EBITDA impact has only been adjusted from 1 January 2022 onwards

## 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
20 September 2022	Berenberg & Goldman Sachs German Corporate Conference	Munich
21 September 2022	Baader Investment Conference	Munich
8 November 2022	Q3 2022 Results	Virtual
15 November 2022	Morgan Stanley Technology Conference	Barcelona
5 December 2022	Berenberg European Conference	London

# DISCLAIMER



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

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