

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

**Q2 RESULTS**  
**PRESENTATION**

**20 August 2020**



# Q2 2020 HIGHLIGHTS

**€488.3m**

**NMV**

**+22.8% yoy<sup>1</sup>**

**14.6m**

**ACTIVE CUSTOMERS**

**+21.6% yoy**

**10.6m**

**ORDERS**

**+18.8% yoy**

**42.7%**

**GROSS PROFIT MARGIN**

**+140bps yoy<sup>1</sup>**

**+2.8%**

**ADJ. EBITDA MARGIN**

**+370bps yoy<sup>1</sup>**

**€263m**

**PRO-FORMA CASH<sup>2</sup>**

(1) Constant currency growth rate.

(2) Includes restricted cash of €20m related to the RCF facility in place at the end of the period and approximately €10.5m drawn on local working capital facilities (Q1 20: €20m and €7.9m respectively).



# BUSINESS UPDATE





# DRIVING LONG-TERM DEVELOPMENT THROUGH COVID-19

## 1. INSPIRING AND SEAMLESS CUSTOMER EXPERIENCE

- Accelerated new customer acquisition
- Pivoted assortment with customer demand – added new categories
- Marketing and social media evolved to support customer

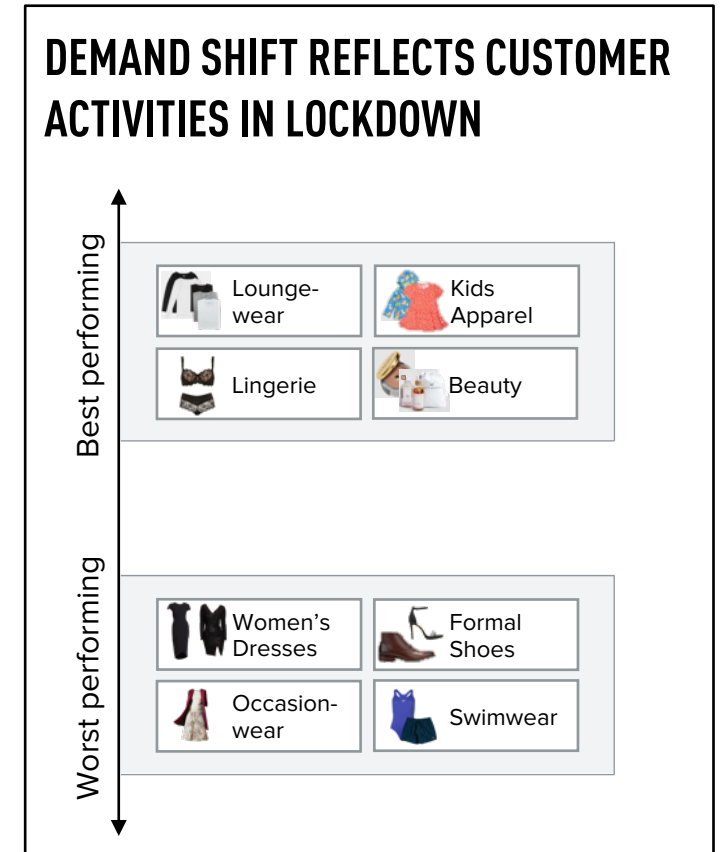
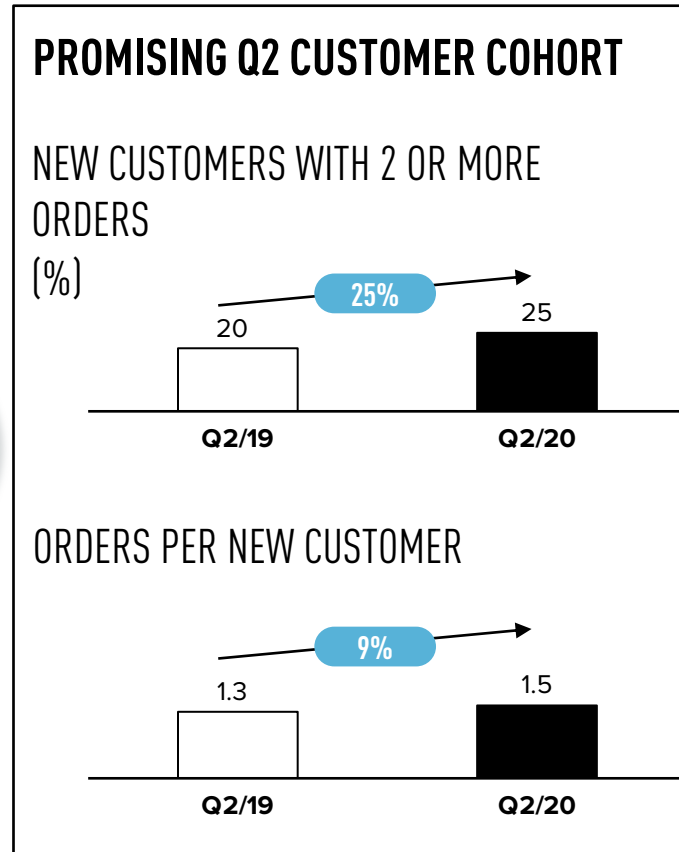
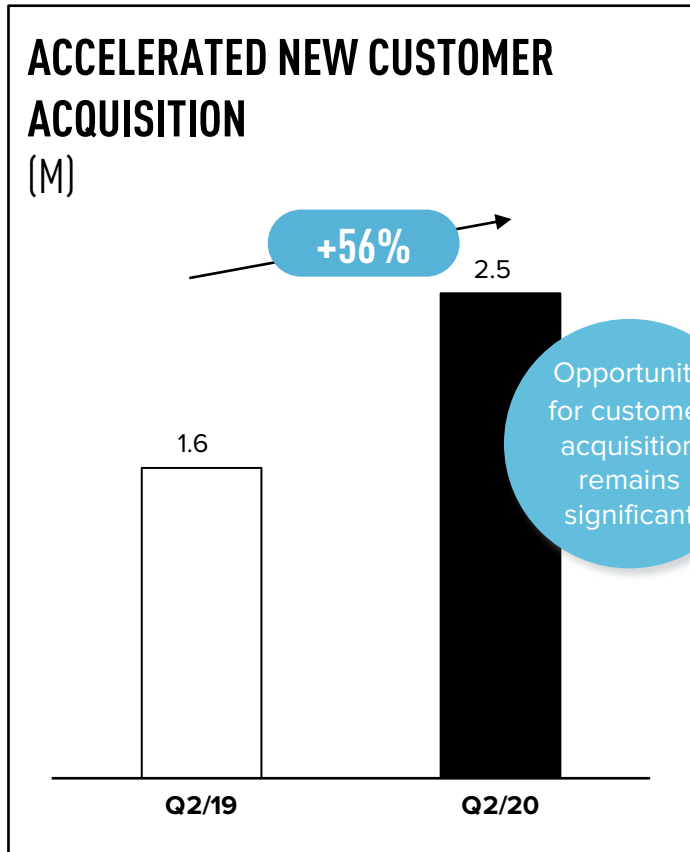
## 2. STRATEGIC PARTNER TO LEADING BRANDS

- Accelerated expansion of digital channels by brands
- Significant increase in Marketplace breadth, depth and participation
- Intention to maintain at least 30% Marketplace share

## 3. SCALABLE OPERATIONS AND PROPRIETARY TECHNOLOGY

- Increasing capacity of Fulfilment Centres while maintaining safe working environment
- Own last mile fleet more flexible with integrated response
- 58% of NMV ordered via apps

# 1. INSPIRING AND SEAMLESS CUSTOMER EXPERIENCE



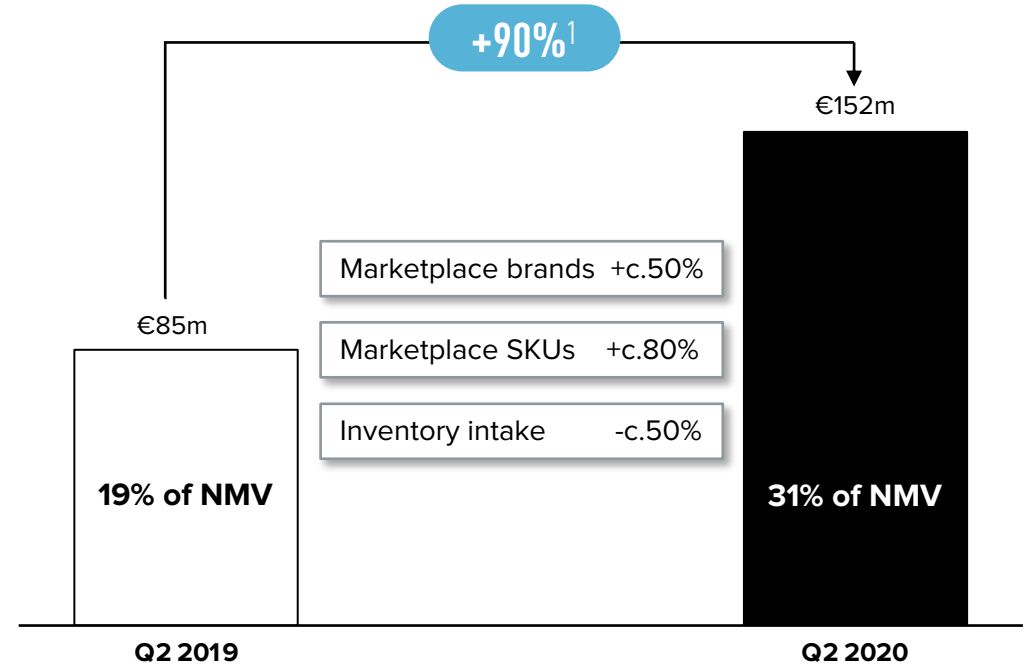
# 2. STRATEGIC PARTNER TO LEADING BRANDS

## BRANDS LAUNCHED IN Q2

Marketplace NMV of top-30 brands tripled YoY

LATAM	<b>BOSS</b> HUGO BOSS			<b>J=</b> JORGE BISCHOFF
CIS	SMCP SANDRO, MAJE, CLAUDIE PIERLOT	<b>COTTON:ON</b>	<b>ellesse</b>	<b>patagonia</b>
SEA	<b>L'OCCITANE</b> EN PROVENCE	<b>OLAY</b>	<b>TED BAKER</b> LONDON	
ANZ	SIMONE PÉRÈLE PARIS	FRENCH CONNECTION	<b>Aje.</b>	<b>DRDENIM</b>

## MARKETPLACE MORE BRANDS, MORE SKUS, MORE ITEMS



(1) Constant currency growth rate.

# 3. SCALABLE OPERATIONS AND PROPRIETARY TECHNOLOGY

## FULFILMENT CENTRE UPDATE

- All major regional FCs remained operational throughout
- Brazil Fulfilment Centre investment substantially completed, first orders shipped and automation testing ongoing
- New / expanded Fulfilment Centres in Argentina, Chile, and Colombia, adding over 70% capacity
- H2 plans to complete moves for Indonesia and Philippines FCs, increasing capacity by more than 50%



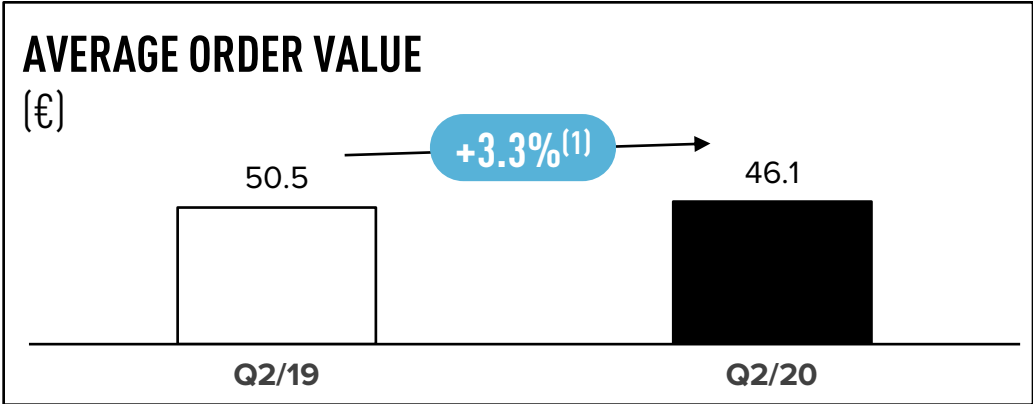
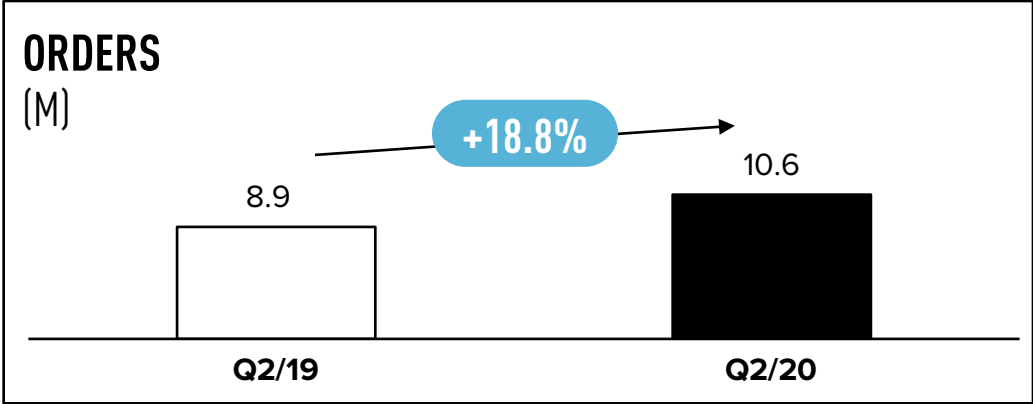
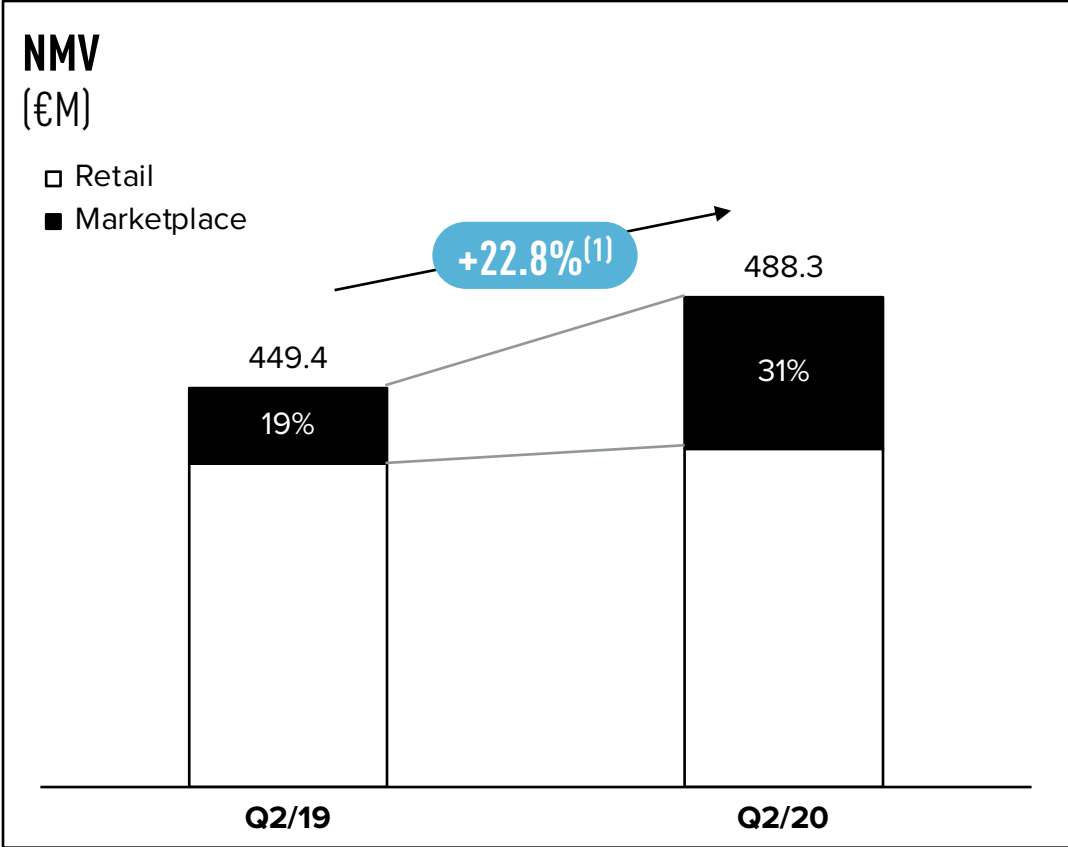


# KPIS



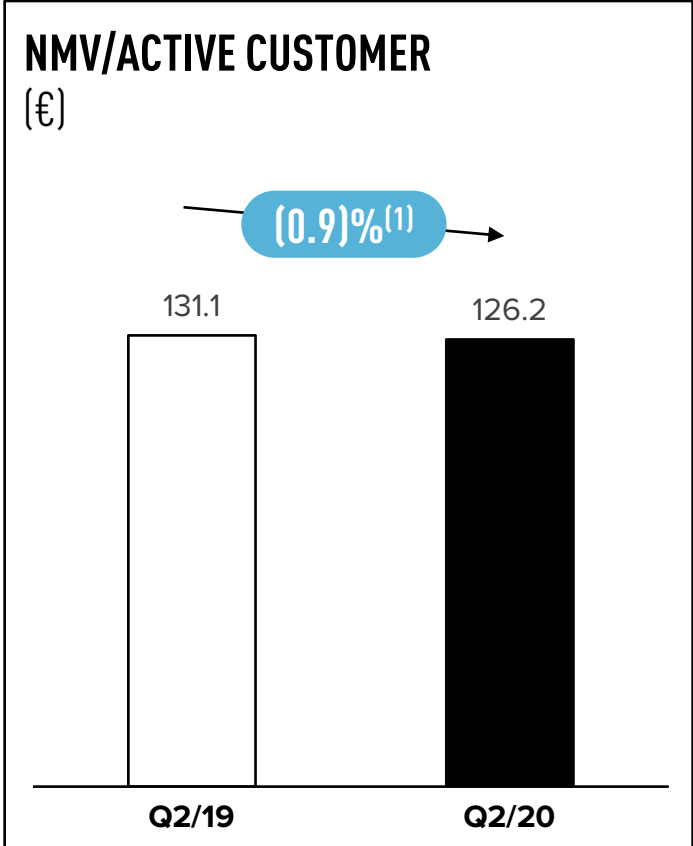
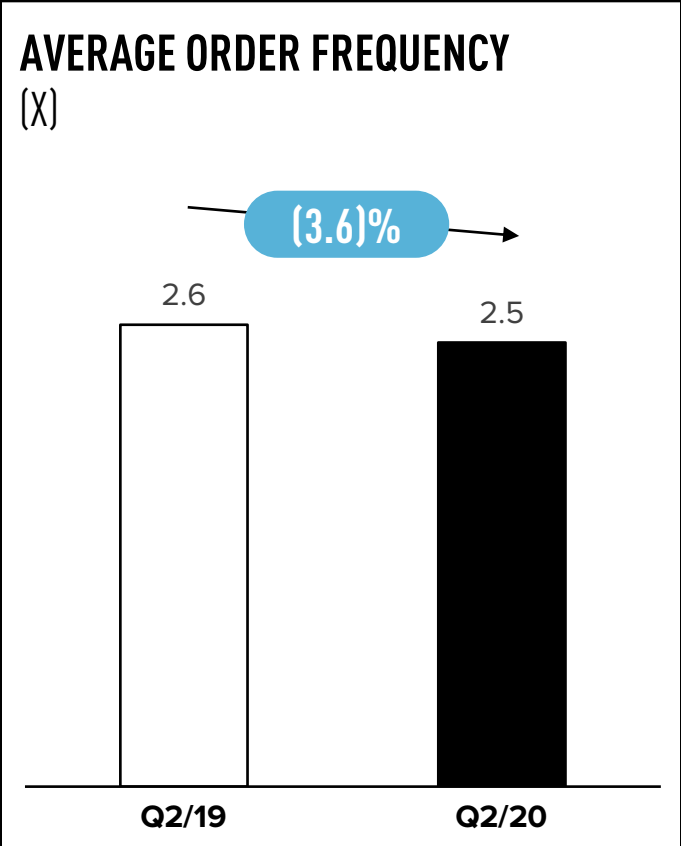
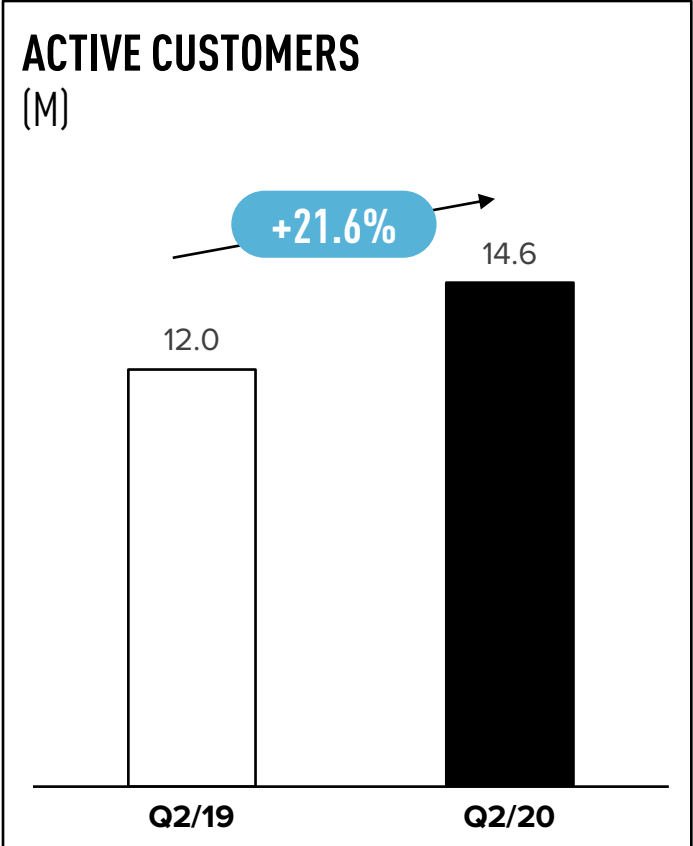


# NMV MOSTLY DRIVEN BY INCREASING ORDERS AS A RESULT OF SIGNIFICANT NEW CUSTOMER ACQUISITION



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

# CUSTOMERS MOVING ONLINE IN RECORD NUMBERS



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



# ACTIVE CUSTOMER GROWTH ABOVE 20% IN THREE REGIONS

	ACTIVE CUSTOMERS (M)			NMV (€M)			NMV/ACTIVE CUSTOMER (€)			
	Q2/19	Q2/20	Δ (%)	Q2/19	Q2/20	Δ (%) <sup>(1)</sup>	Q2/19	Q2/20	Δ (%) <sup>(1)</sup>	
Group	12.0	<b>14.6</b>	21.6	449.4	<b>488.3</b>	22.8	131.1	<b>126.2</b>	(0.9)	
LATAM	5.4	<b>6.7</b>	24.2	148.6	<b>146.1</b>	26.8	95.2	<b>81.9</b>	(5.1)	
CIS	2.8	<b>3.4</b>	20.3	139.0	<b>184.6</b>	45.2	179.1	<b>196.8</b>	8.5	
APAC	SEA <sup>(2)</sup>	2.3	<b>2.9</b>	29.1	70.9	<b>83.2</b>	17.5	101.8	<b>102.8</b>	(2.2)
	ANZ	1.5	<b>1.6</b>	4.0	90.9	<b>74.3</b>	(14.8)	214.7	<b>207.5</b>	(0.4)

(1) Constant currency growth rates.

(2) Philippines FC was closed for c.40 days from mid-March to the end of April.

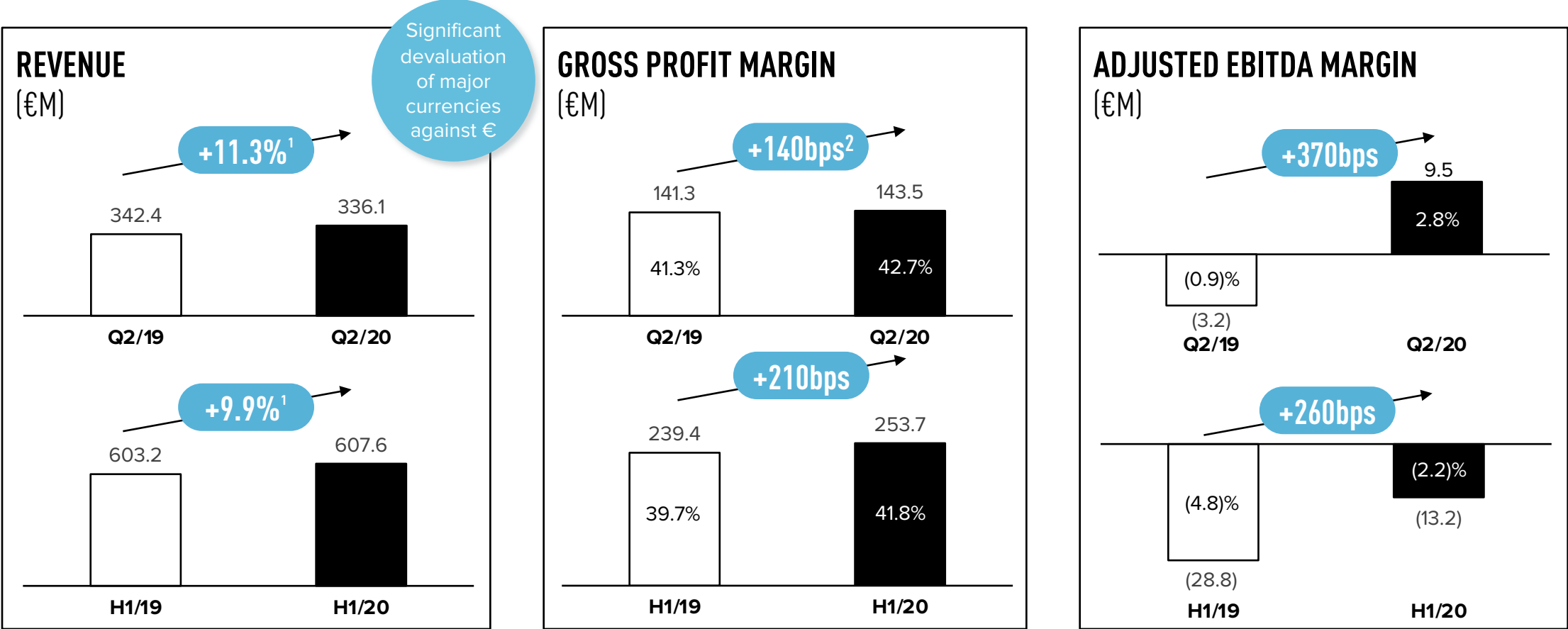


# FINANCIALS





# STRONG REVENUE AND GROSS MARGIN GROWTH DRIVE SECOND EVER PROFITABLE QUARTER



(1) Constant currency growth rate. Bars are a graphical representation of values on a constant currency basis.  
 (2) The 140bps improvement in Gross Margin was driven by higher Marketplace share and disciplined trading in the Retail business.

# IMPROVED GROSS MARGIN IN MOST REGIONS

		REVENUE (€M)			GROSS MARGIN <sup>2</sup> (%)		
		Q2/19	Q2/20	Δ (%) <sup>1</sup>	Q2/19	Q2/20	Δ (bps)
Group		342.4	<b>336.1</b>	11.3	41.3	<b>42.7</b>	140
LATAM		106.1	<b>92.2</b>	16.1	42.4	<b>45.3</b>	290
CIS		104.8	<b>122.1</b>	27.2	47.7	<b>47.9</b>	20
APAC	SEA	61.5	<b>67.9</b>	12.9	30.1	<b>29.7</b>	(40)
	ANZ	69.8	<b>54.0</b>	(19.3)	42.8	<b>43.3</b>	50

(1) Constant currency growth rates.

(2) The 140bps improvement in Gross Margin was driven by higher Marketplace share and disciplined trading in the Retail business.

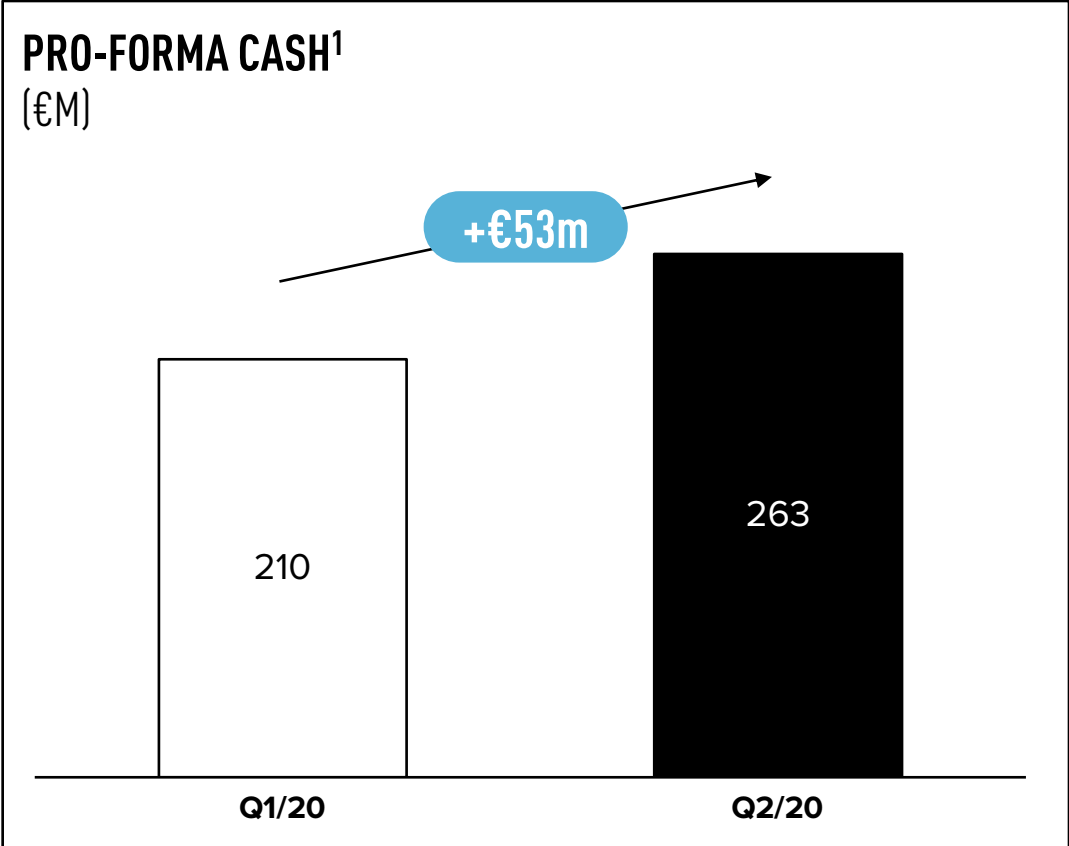
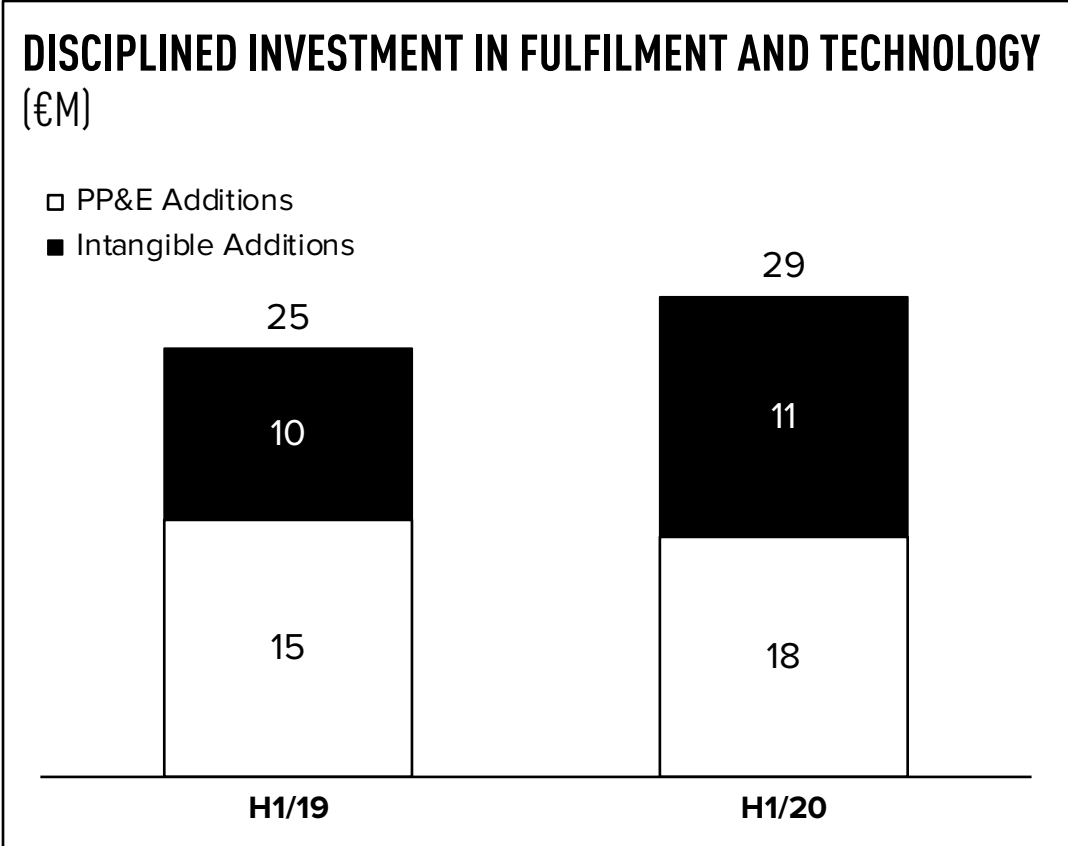


# SIGNIFICANT IMPROVEMENT IN ADJ. EBITDA MARGIN DRIVEN BY GROSS MARGIN AND LEVERAGE OF MARKETING

	H1			
	2019	2020	Δ	
<b>GROSS PROFIT</b>	39.7%	<b>41.8%</b>	210bps	Improvement driven by a significant increase in Marketplace share and trading the Retail business carefully during lockdown
<b>FULFILMENT COSTS</b>	24.7%	<b>25.3%</b>	(60)bps	Increase due to higher proportion of MP orders, of which 71% were fulfilled by GFG; fulfilment CPO down by 9%
<b>MARKETING COSTS<sup>1</sup></b>	10.2%	<b>8.6%</b>	160bps	Significant leverage due to removal of spend as a result of COVID-19, CAC at historic lows during the period
<b>TECH &amp; ADMIN COSTS<sup>1</sup></b>	14.8%	<b>14.5%</b>	30bps	Tech investment offsetting reduction in admin CIR
<b>ADJUSTED EBITDA</b>	(4.8)%	<b>(2.2)%</b>	260bps	Continued margin improvement, Q2 profitable

(1) 2019 costs adjusted for one-off fees, mainly due to GFG's IPO

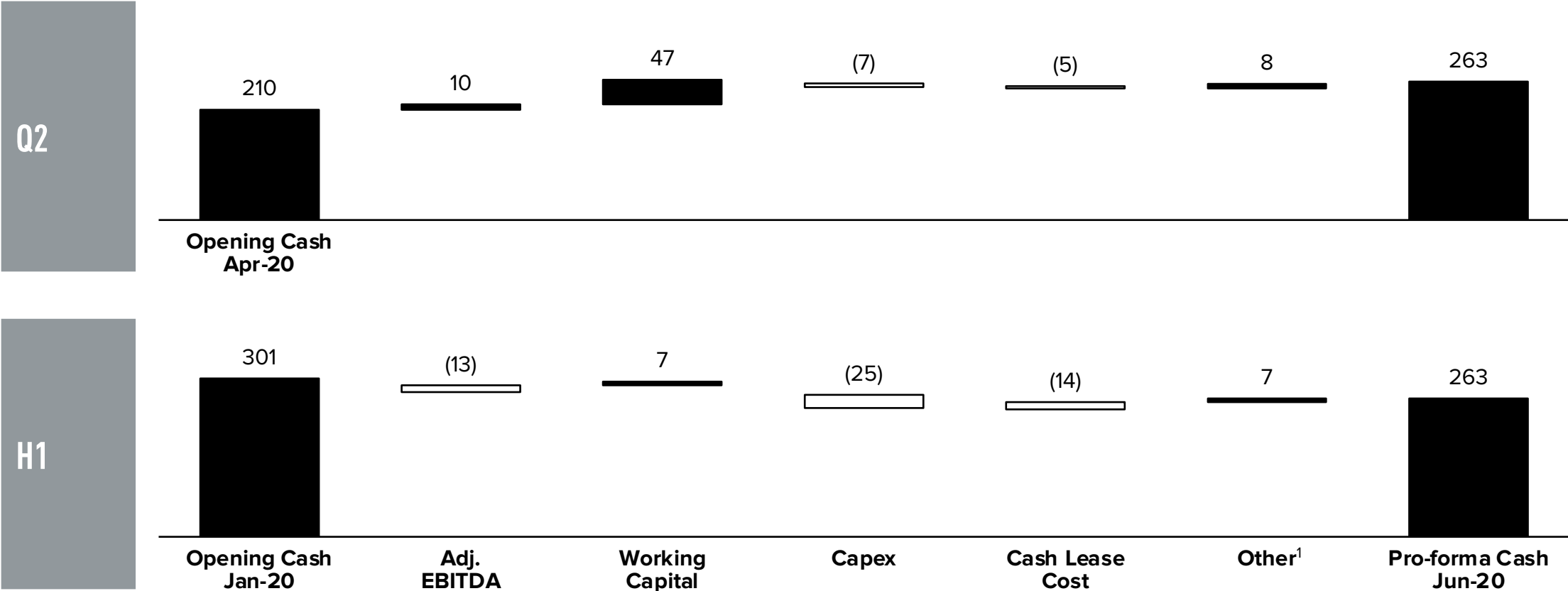
# DISCIPLINED CAPEX AND SIGNIFICANT CASH INFLOW



(1) Includes restricted cash of €20m related to the RCF facility in place at the end of the period and approximately €10.5m drawn on local working capital facilities (Q1 20: €20m and €7.9m respectively).

# STRONG CASH GENERATION IN Q2

(€M)



(1) Includes: Q2 - FX translation €3m. H1 - One-off VAT receipt €8m, FX translation €(9)m.



# OUTLOOK





# 2020 GUIDANCE

	2019	2020 (CMD)	2020 (NEW)	2020 GUIDANCE
NMV	+23% €1.78bn	17-20% >€2.0bn	c. 20% c.€1.9bn	<ul style="list-style-type: none"> <li>• Constant currency growth of c. 20%</li> <li>• FX changes in BRL and RUB impacting reported EUR result</li> </ul>
REVENUE	+17% €1.35bn	c. €1.5bn	c. €1.3bn	<ul style="list-style-type: none"> <li>• Slower than NMV reflecting the fast growth of MP</li> <li>• FX changes in BRL and RUB impacting reported EUR result</li> </ul>
ADJ. EBITDA MARGIN	(2.8)%	Profitable by 2021	Approaching Breakeven	<ul style="list-style-type: none"> <li>• Intend to be Adj. EBITDA profitable no later than 2021</li> <li>• Making significant progress in 2020 despite currency headwinds</li> </ul>
CAPEX	€72m	c. €55m	No more than €45m	<ul style="list-style-type: none"> <li>• Investment for Brazil FC substantially completed in H1</li> <li>• No need for significant spend on new CIS FC in FY20</li> </ul>



# Q&A





# APPENDIX



# FX SENSITIVITY

CURRENCY	ABSOLUTE CHANGE H1/20 vs H1/19 [%]	REVENUE IMPACT [€M]	ADJ. EBITDA IMPACT [€M]
RUB	(4.4)%	(10)	(2)
BRL	(20.4)%	(31)	(1)
OTHER	(5.2)%	(14)	(0)
IMPACT ON H1/20 at H1/19 FX RATES		<b>(55)</b>	<b>(2)</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)
<b>Shares Outstanding (Excluding own shares held by the Company)<sup>1</sup></b>	<b>194,604,888</b>

EMPLOYEE SHARE OPTION PROGRAMME	
Weighted average exercise price (€)	Outstanding call options <sup>2</sup>
0.01	1,260,409
5.95	3,611,673
9.85	4,300,937
32.04	353,595
<b>Total</b>	<b>9,526,614</b>

2019 LONG-TERM INCENTIVE PLAN <sup>3</sup>	
Awarded at 30-Jun-20	7,669,819

(1) Based on 194,787,266 shares in issue, less 182,378 shares held in treasury or in trust for GFG.

(2) Based on number of employee stock options outstanding as of 30-Jun-2020, assuming all awards are settled via issuance of GFG shares.

(3) A maximum of 9,283,529 shares are expected to be awarded under the 2019 Long Term Incentive Plan, in the first three years in which the plan operates.



# FINANCIAL CALENDAR – UPCOMING EVENTS

## AUGUST 2020

M	T	W	T	F
3	4	5	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26	27	28
31				

## SEPTEMBER 2020

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

## OCTOBER 2020

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

DATE	EVENT	LOCATION
August 20	Q2 2020 Results	Virtual
September 2/3	UK Roadshow	Virtual
September 9	Goldman Sachs Global Retail Conference	Virtual
September 10	Copenhagen Roadshow	Virtual
September 17	Citi Small/Mid-Cap Conference	Virtual
September 21	Berenberg/Goldman Sachs German Corporate Conference	Virtual
September 23	Baader Investment Conference	Virtual

# 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.

## AVERAGE ORDER VALUE

Average order value is defined as the NMV per order.

## NET MERCHANDISE VALUE

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

## ORDERS

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

## ORDER FREQUENCY

Order frequency is defined as the average number of orders per customer per year (calculated as the last twelve months' orders divided by active customers).

# DISCLAIMER

A photograph of three young men sitting on a wooden bench in an indoor basketball court. The man on the left is wearing a white cap and a dark hoodie, smiling broadly. The man in the middle has curly hair and is wearing a dark long-sleeved shirt with a small logo, also smiling. The man on the right is wearing a black bucket hat and a dark t-shirt with a blue logo, holding an orange basketball. The background is a blue wall.

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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.