

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

**CAPITAL MARKETS DAY**  
3 March 2020



# AGENDA

PATRICK SCHMIDT, CO-CEO	WHO WE ARE	3
	WHERE WE PLAY	6
	HOW WE WIN	16
	SUPERIOR CUSTOMER EXPERIENCE	18
CHRISTOPH BARCHEWITZ, CO-CEO	PARTNER OF CHOICE FOR BRANDS	33
	OPERATIONS & PLATFORM POWERED BY ART & SCIENCE	45
MATTHEW PRICE, CFO	OUR FINANCIALS	60
	FINANCIAL OVERVIEW	62
	OUR GROWTH MODEL	70
	OUR MEDIUM-TERM FINANCIAL MODEL AND GUIDANCE	81
	APPENDIX	85



# WHO WE ARE





**OUR VISION IS  
TO BE THE #1  
FASHION AND  
LIFESTYLE  
DESTINATION IN  
OUR MARKETS**

**OUR PURPOSE IS  
TO ENABLE TRUE  
SELF-EXPRESSION**





# HOW WE BUILD THE LEADING ONLINE FASHION AND LIFESTYLE DESTINATION IN OUR MARKETS

## TRUE LOCAL EXPERT



**SUPERIOR CUSTOMER EXPERIENCE**



**PARTNER OF CHOICE FOR BRANDS**



**OPERATIONS & PLATFORM POWERED BY ART & SCIENCE**

## PEOPLE AND PLANET POSITIVE

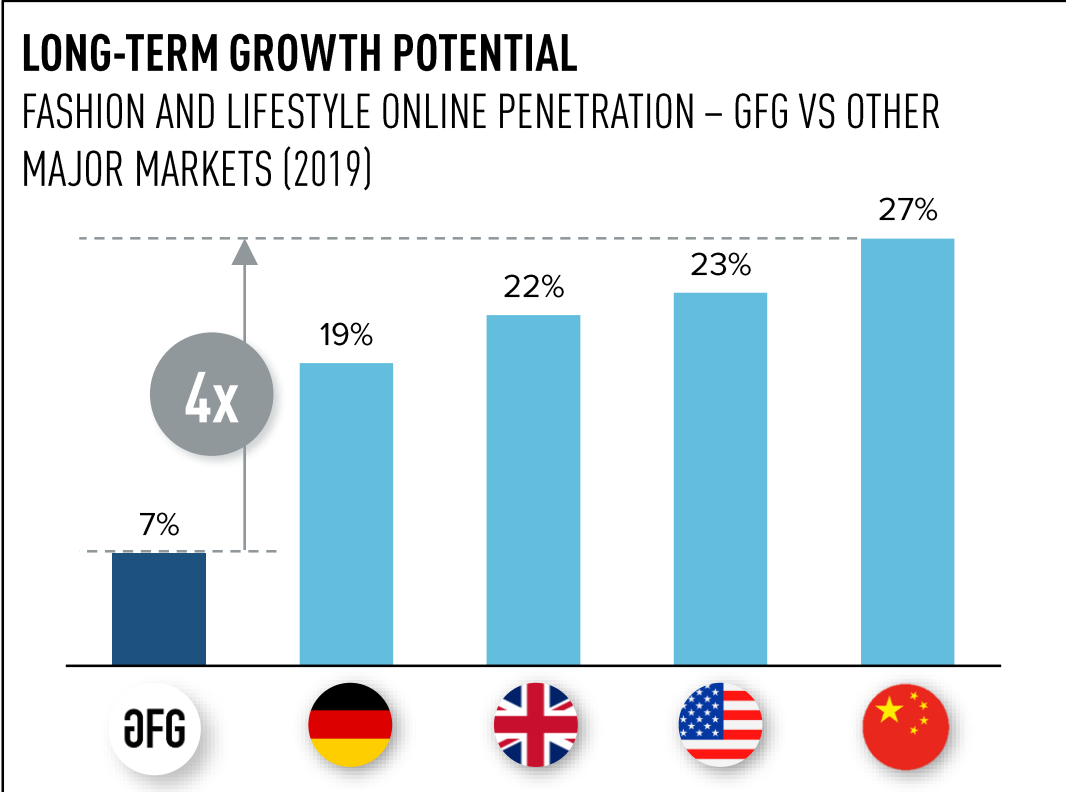
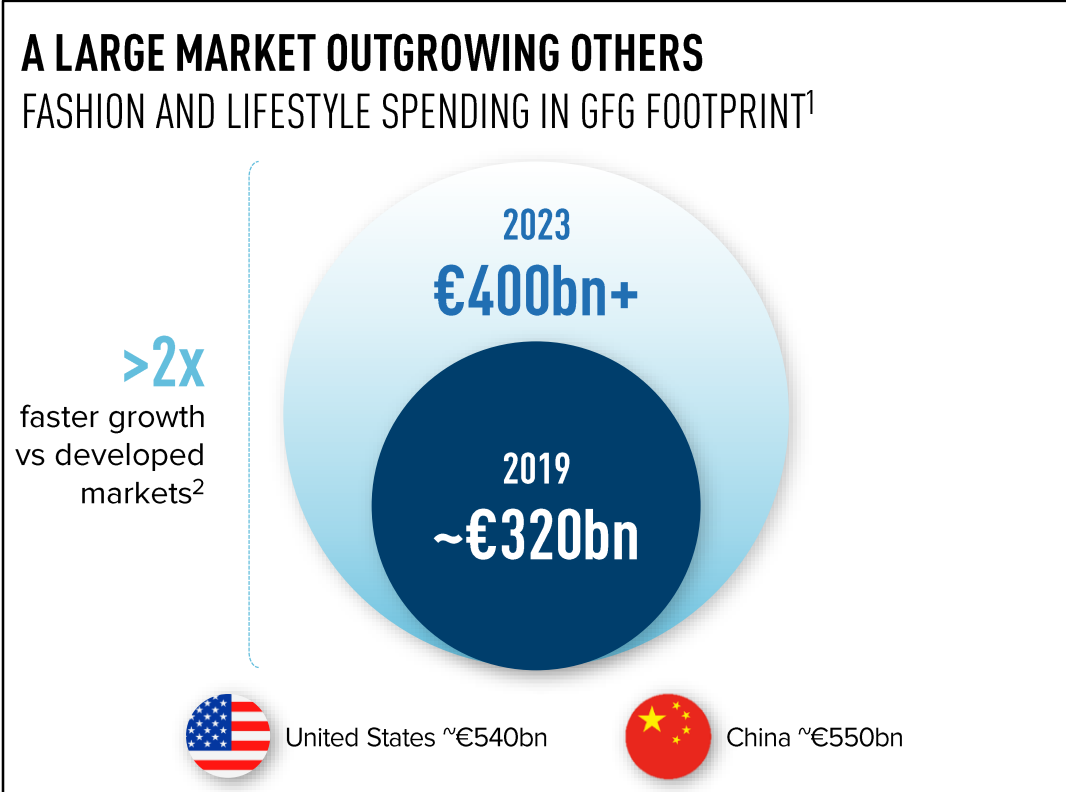


# WHERE WE PLAY





# OUR MARKET IS LARGE WITH LONG-TERM RUNWAY FOR GROWTH






Source: GFG calculations based on data from Euromonitor International Ltd: Apparel and Footwear 2020 edition, Beauty and Personal Care 2019 edition, Personal Accessories and Eyewear 2020 edition. Fashion and lifestyle market size refers to the aggregation of Apparel and Footwear, Beauty and Personal Care, and Personal Accessories and Eyewear. Retail value RSP incl. Sales Tax, Fixed 2019 ex rates, Current Prices.

(1) GFG footprint refers to the fashion and lifestyle market in the 17 countries where it operates.

(2) Based on fashion and lifestyle market CAGR from 2019-2023 in GFG footprint compared to Western Europe and United States.

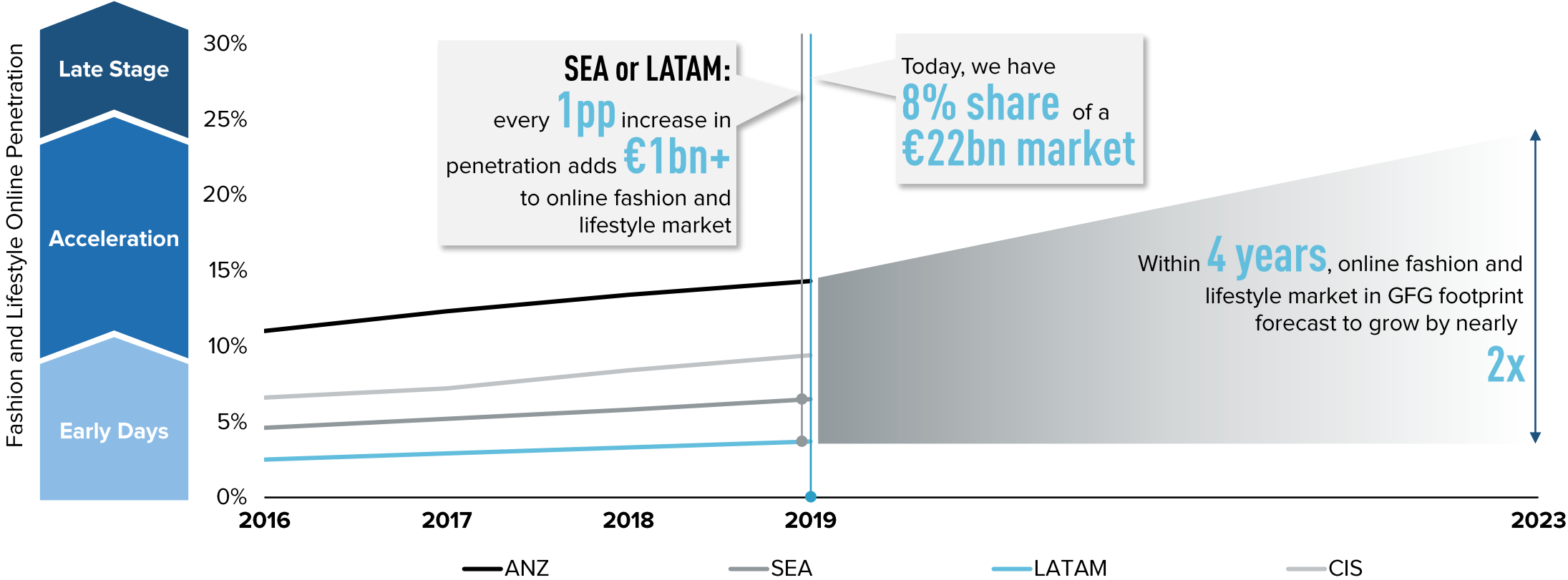
# ONE BILLION PEOPLE LIVE IN OUR REGIONS AND ARE MOVING ONLINE

	APAC		LATAM	CIS
	SEA	ANZ		
Countries	7	2	4	4
People	450m	30m	330m	210m
Smartphone Penetration	95%+	100%+	85%+	120%+
<b>FASHION &amp; LIFESTYLE MARKET</b>	<b>€100bn</b> ZALORA	<b>€30bn</b> THE ICONIC	<b>€100bn</b> dafiti	<b>€80bn</b> lamoda
				

Source: GFG calculations based on data from WCIS; Euromonitor International Ltd: Apparel and Footwear 2020 edition, Beauty and Personal Care 2019 edition, Personal Accessories and Eyewear 2020 edition. Fashion and lifestyle market size refers to the aggregation of Apparel and Footwear, Beauty and Personal Care, and Personal Accessories and Eyewear. Retail value RSP incl. Sales Tax, Fixed 2019 ex rates, Current Prices. Smartphone penetration calculated as smartphone devices divided by population.



# PENETRATION IS GROWING, WITH GREATEST UPSIDE IN OUR BIGGEST MARKETS



Source: GFG calculations based on data from Euromonitor International Ltd: Apparel and Footwear 2020 edition, Beauty and Personal Care 2019 edition, Personal Accessories and Eyewear 2020 edition. Fashion and lifestyle market size refers to the aggregation of Apparel and Footwear, Beauty and Personal Care, and Personal Accessories and Eyewear. Retail value RSP incl. Sales Tax, Fixed 2019 ex rates, Current Prices.

# SEA DEEP DIVE: STRUCTURAL TAILWINDS SUPPORT LONG-TERM ONLINE GROWTH

## FASTEST GROWING AND MOST CONNECTED GEN Z CONSUMERS

10m

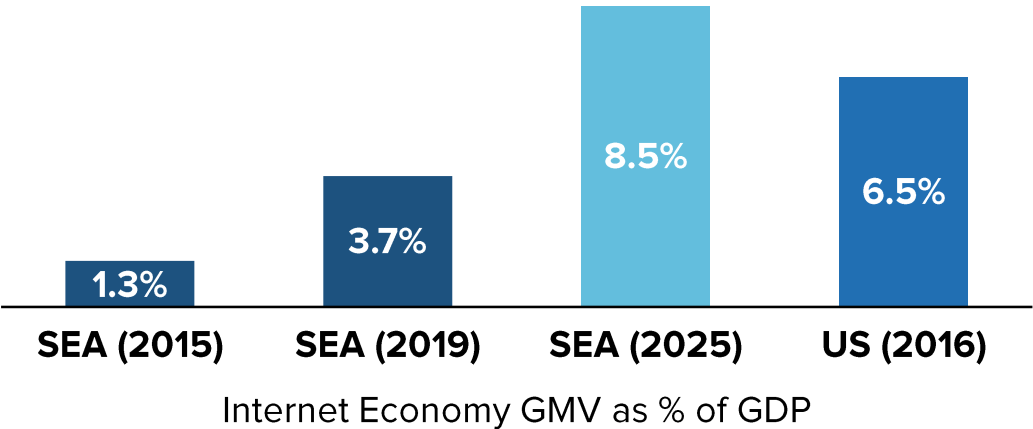
people will join the “mobile age” each year for the next 15 years

TOP 10

Indonesia, the Philippines & Malaysia are among top 10 countries in the world by time spent on mobile Internet

## AN ECONOMIC POWERHOUSE

- By 2030, SEA expected to become the world’s 4th largest economic bloc
- Ecommerce on track to exceed \$150bn by 2025



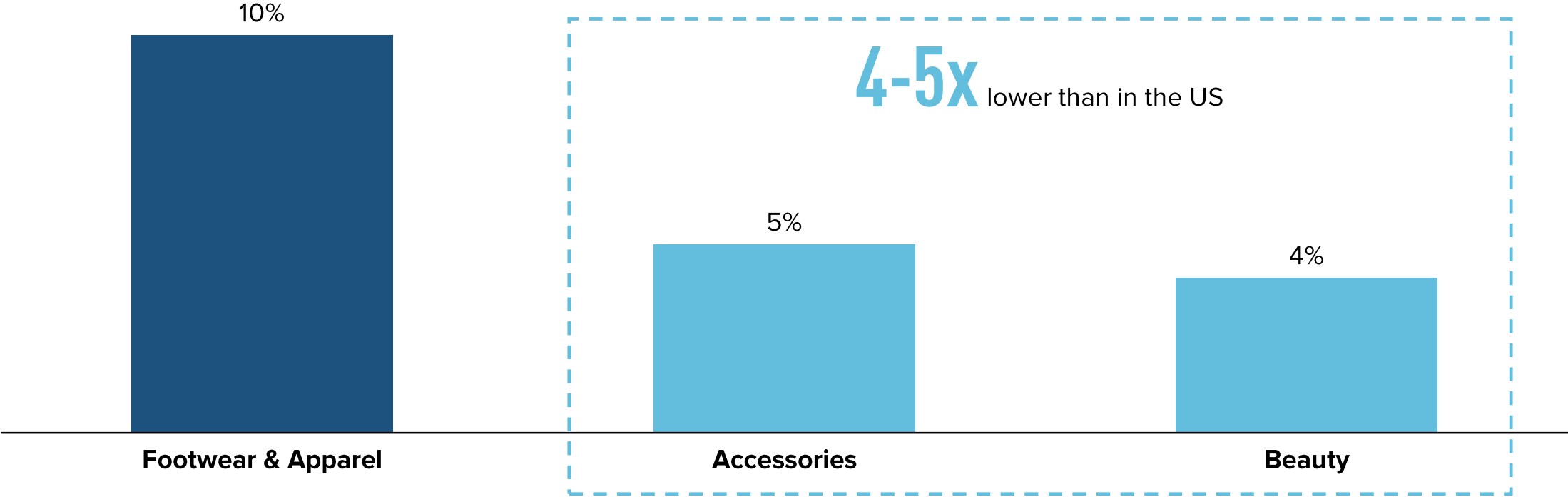
Source: Google & Temasek / Bain, e-Conomy SEA 2019. Based on a multi-year research program leveraging Bain analysis, Google Trends, Temasek research, industry sources and expert interviews to shed light on the Internet economy in Southeast Asia.

Note: Research includes Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.



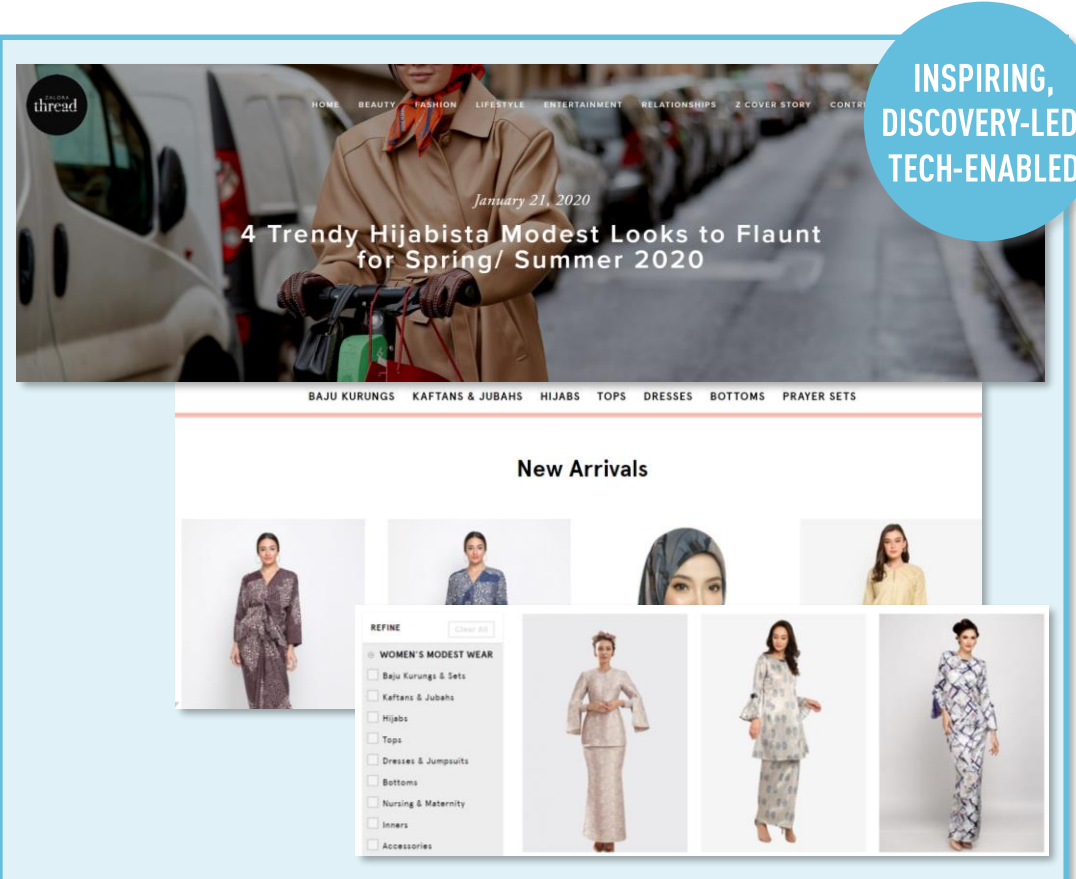
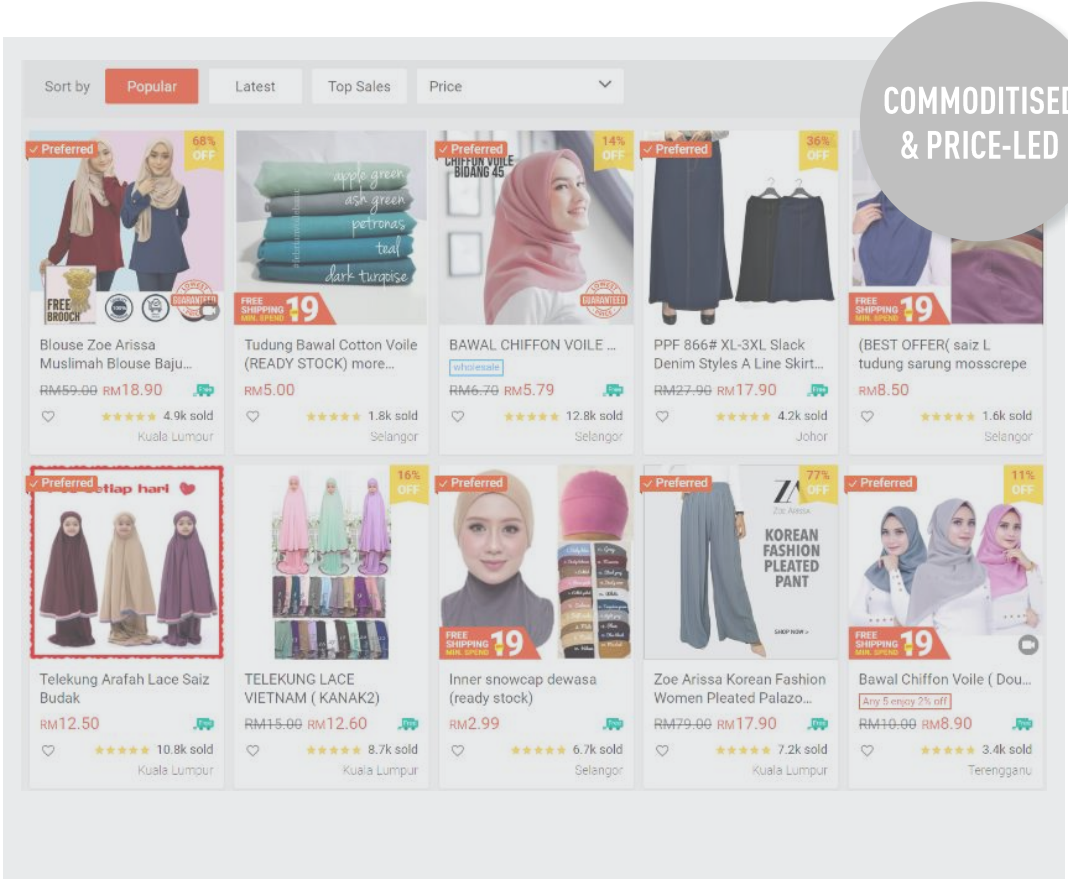
# CATEGORY EXPANSION IS ANOTHER SOURCE OF PENETRATION UPSIDE IN OUR MARKETS

## 2019 ONLINE PENETRATION BY CATEGORY



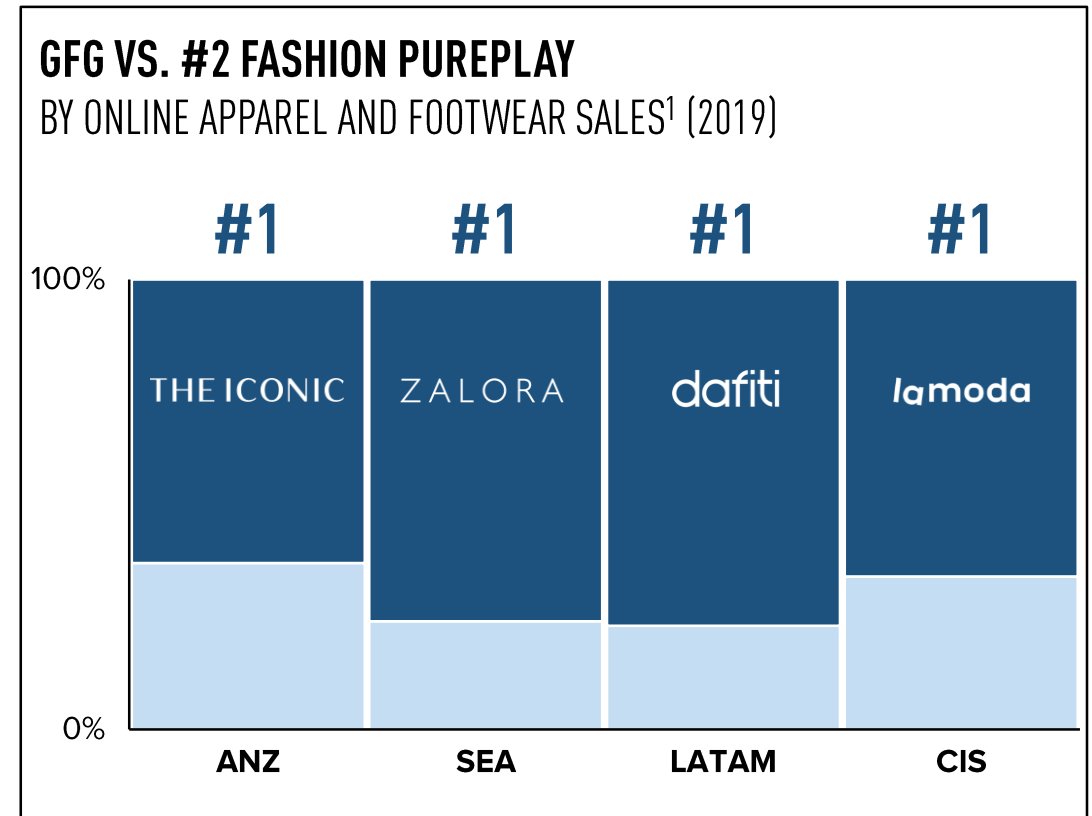
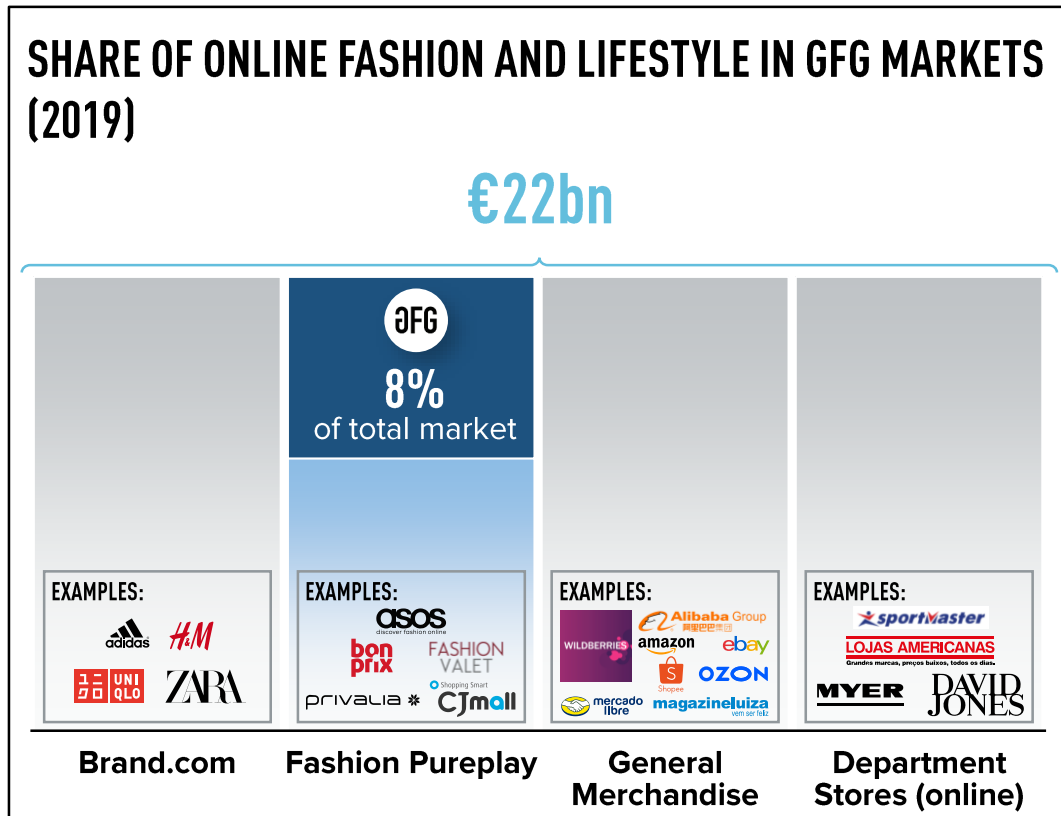
Source: GFG calculations based on data from Euromonitor International Ltd: Apparel and Footwear 2020 edition, Beauty and Personal Care 2019 edition, Personal Accessories and Eyewear 2020 edition. Fashion and lifestyle market size refers to the aggregation of Apparel and Footwear, Beauty and Personal Care, and Personal Accessories and Eyewear. Retail value RSP incl. Sales Tax, Fixed 2019 ex rates, Current Prices.

# FASHION PUREPLAY AND GENERAL MERCHANDISE DOMINATE THE MARKET, BUT WITH DIFFERENT PROPOSITIONS





# WE ARE THE CLEAR #1 WITHIN ONLINE FASHION PUREPLAY

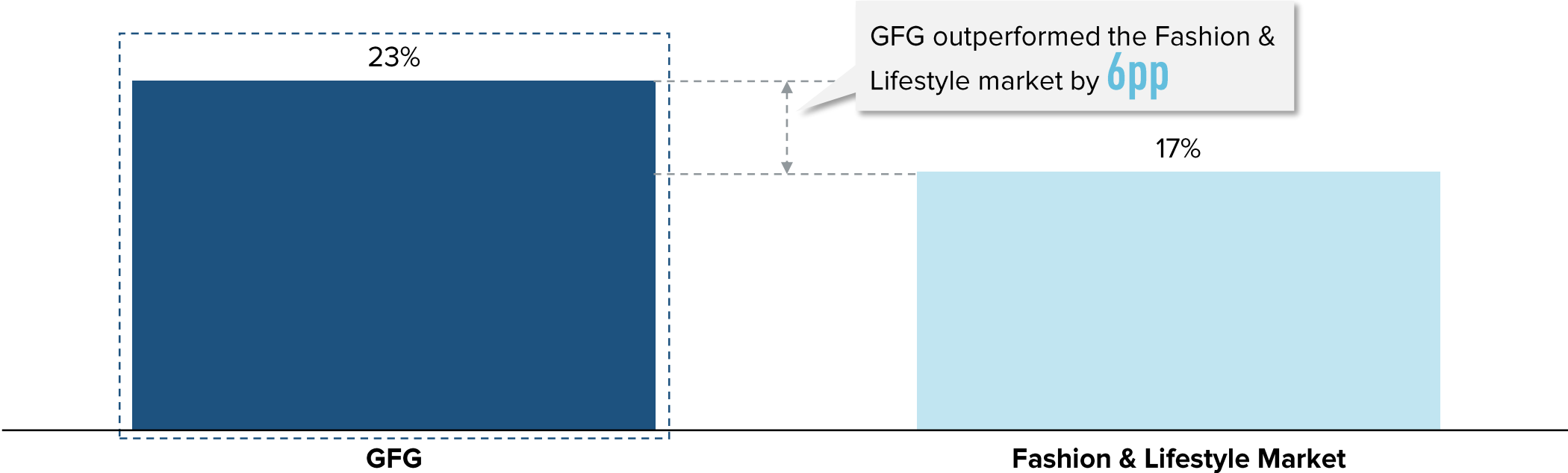


Source: GFG calculations based on data from Euromonitor International Ltd: Retailing 2020 edition, Retail value RSP incl. Sales Tax, Fixed 2019 ex rates, Current Prices. Ranking position based on estimated by Euromonitor online sales of apparel and footwear products in researched GFG countries in 2019, including specialist fashion and lifestyle apparel and footwear online retailers only.

(1) Based on GFG markets only.

# WE HAVE OUTPERFORMED THE MARKET BY A CLEAR MARGIN

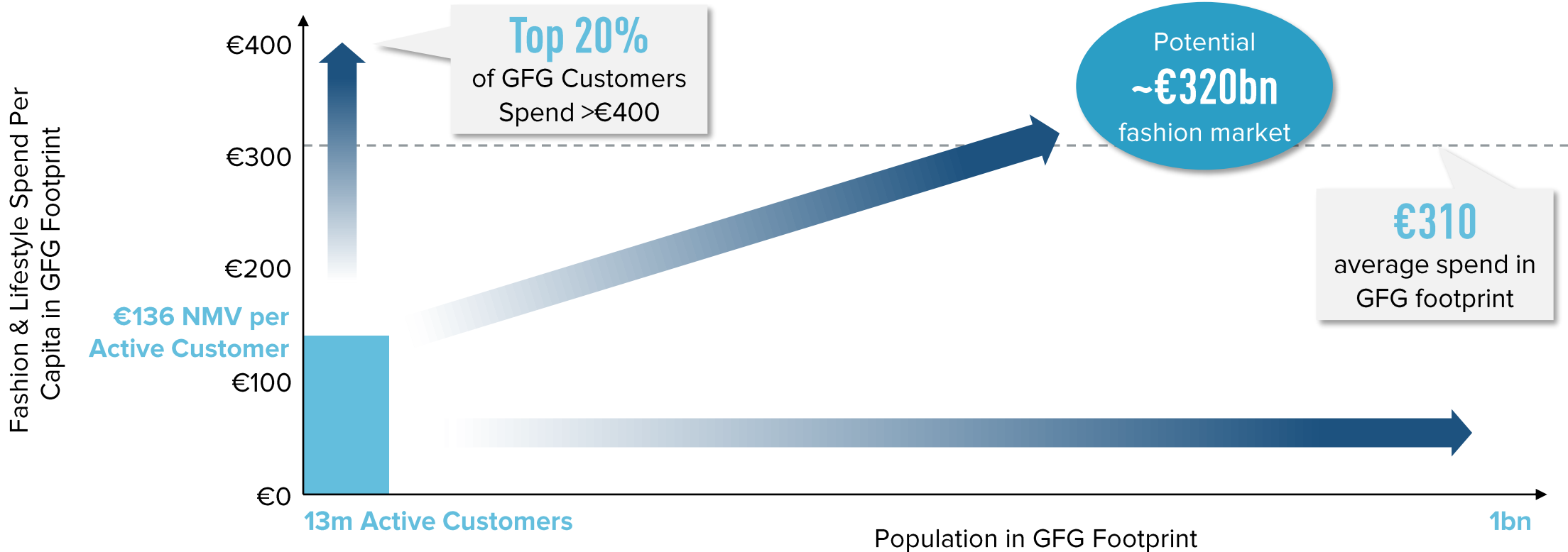
## 2017-2019 NMV GROWTH<sup>1</sup> – GFG VS ONLINE FASHION AND LIFESTYLE MARKET



Source: GFG calculations based on data from Euromonitor International Ltd: Apparel and Footwear 2020 edition, Beauty and Personal Care 2019 edition, Personal Accessories and Eyewear 2020 edition. Fashion and lifestyle market size refers to the aggregation of Apparel and Footwear, Beauty and Personal Care, and Personal Accessories and Eyewear. Retail value RSP incl. Sales Tax, Fixed 2019 ex rates, Current Prices.

(1) Based on constant currency growth.

# YET WE ARE ONLY AT THE BEGINNING OF REACHING OUR MARKET POTENTIAL



Source: GFG calculations based on data from Euromonitor International Ltd: Apparel and Footwear 2020 edition, Beauty and Personal Care 2019 edition, Personal Accessories and Eyewear 2020 edition, Economies and Consumers 2019. Fashion and lifestyle market size refers to the aggregation of Apparel and Footwear, Beauty and Personal Care, and Personal Accessories and Eyewear. Retail value RSP incl. Sales Tax, Fixed 2019 ex rates, Current Prices.  
Note: Based on data for 2019.



# HOW WE WIN





# HOW WE WIN

BY OFFERING A  
**SUPERIOR CUSTOMER  
EXPERIENCE;**

BY BEING THE  
**PARTNER OF CHOICE FOR  
BRANDS;** AND

WITH OUR  
**OPERATIONS & PLATFORM,  
POWERED BY ART & SCIENCE**





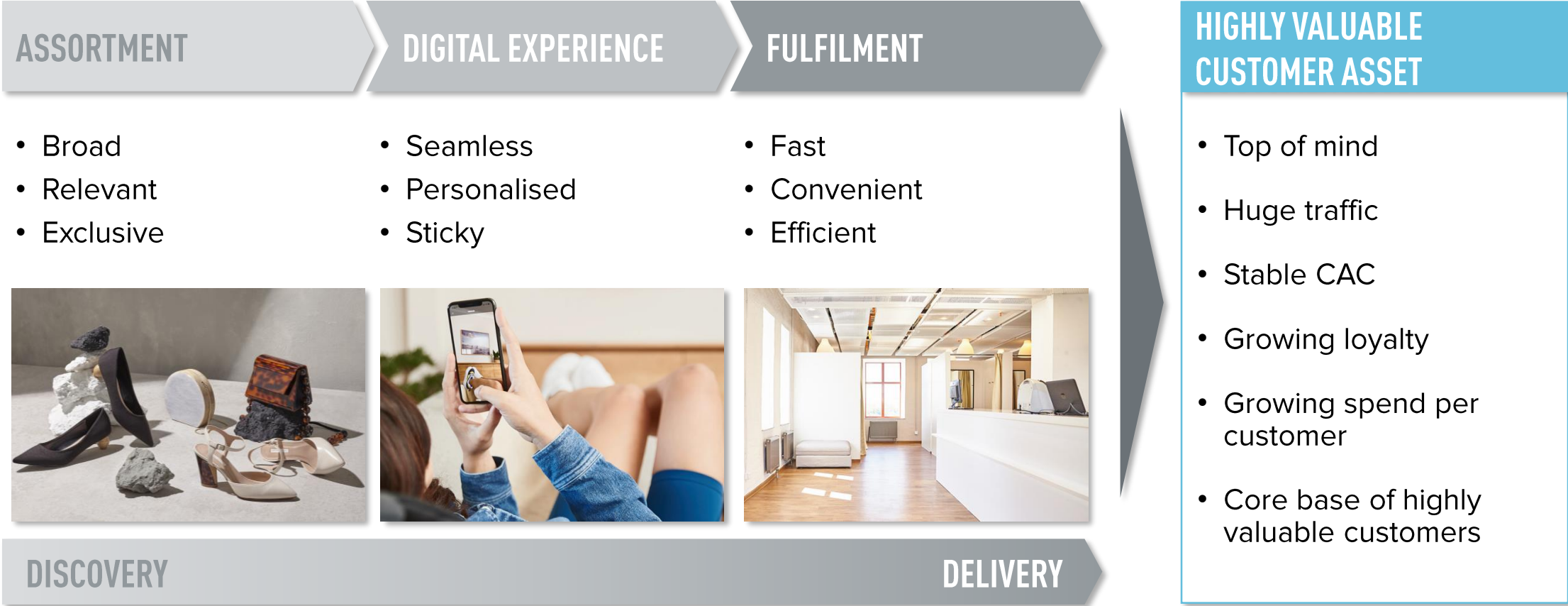
# HOW WE WIN

BY OFFERING A  
**SUPERIOR CUSTOMER  
EXPERIENCE;**

BY BEING THE  
PARTNER OF CHOICE FOR  
BRANDS; AND  
WITH OUR  
OPERATIONS & PLATFORM,  
POWERED BY ART & SCIENCE



# WE CREATE AN INSPIRING AND SEAMLESS SHOPPING EXPERIENCE FOR OUR CUSTOMERS – FROM DISCOVERY TO DELIVERY





# WE OFFER A BROAD, RELEVANT & UNPARALLELED ASSORTMENT ACROSS FASHION AND LIFESTYLE CATEGORIES

## ASSORTMENT CATEGORY SPLIT

2019 NMV SHARE

100-400k

SKUs in major markets<sup>1</sup>



APPAREL (39%)



FOOTWEAR (25%)



SPORT (17%)



ACCESSORIES (11%)



KIDS, BEAUTY & OTHER (8%)

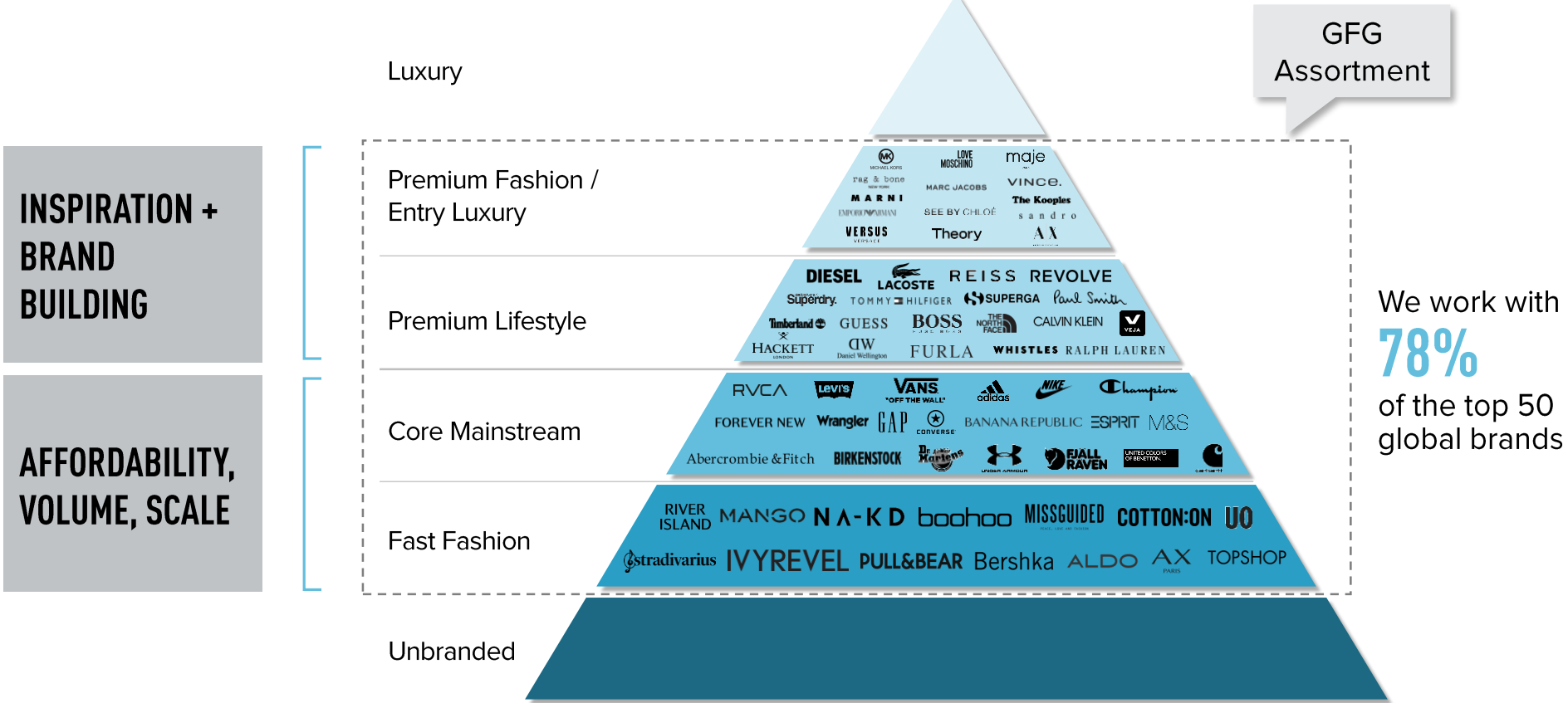
## ROLLOUT OF NEW CATEGORIES ACROSS REGIONS

	ANZ	SEA	LATAM	CIS
KIDS				
PREMIUM				
SPORT				
BEAUTY				
HOME				

Note: Category splits based on FY2019 NMV share, excluding VAT/GST and delivery fees.

(1) Based on Australia, Brazil and Russia.

# WE ARE A HOUSE OF BRANDS INSPIRING ACROSS A WIDE PRICE SPECTRUM



Note: Based on a selection of GFG brands, list not comprehensive.

# OUR ASSORTMENT IS ROUNDED OUT WITH OUR OWN BRANDS

## OWN BRANDS FILL WHITE SPOTS AND ADD EXCLUSIVITY

SELECT EXAMPLES OF LOCAL EXPERTISE



**ANZ**  
Feminine & playful  
Affordable  
Trend-driven female



**ANZ**  
Sustainable & timeless  
Quality  
Conscious consumer



**LATAM**  
Skate  
Affordable  
Urban Gen Z

**MODEST FASHION**

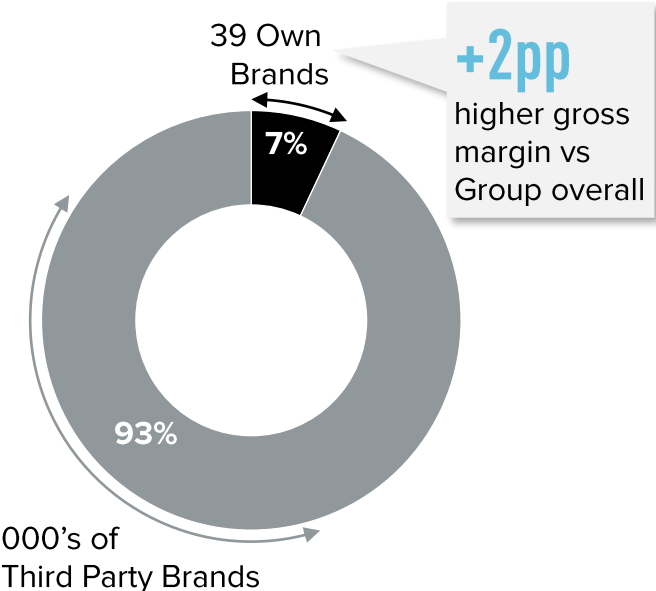


**SEA**  
Stylish & modest  
Affordable quality  
Conservative



## A SMALL BUT MARGIN ACCRETIVE PART OF OUR PORTFOLIO

OWN BRAND SHARE OF NMV (2019)



# WE EMPOWER OUR CUSTOMERS TO SHOP BY THEIR VALUES

## 'CONSIDERED' X THE ICONIC (ANZ)

- One of the first global mainstream **sustainability shops** (launched in Apr-2019)
- **470+** brands
- **12%+** of SKUs
- **1 in 5 visitors** that use site filters engage with Considered filters



## ADDITIONAL CIRCULARITY INITIATIVES

- Resale of **second-hand items** via Marketplace in SEA
- Partnership in ANZ to **repair damaged returns** for people in need
  - **50k+** items in 2019



## 'AERE' IS OUR FIRST SUSTAINABLE OWN BRAND

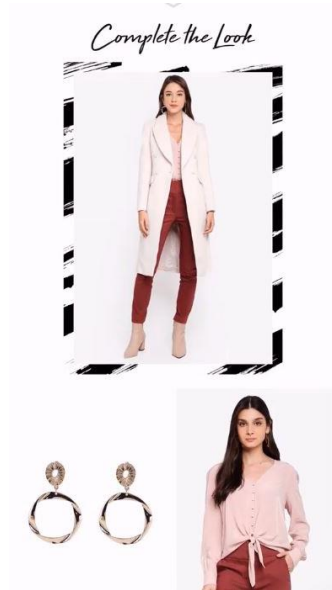
- ANZ collection made from **100% linen**
- Timeless, easy to wear pieces for women and men
- **200 SKUs**





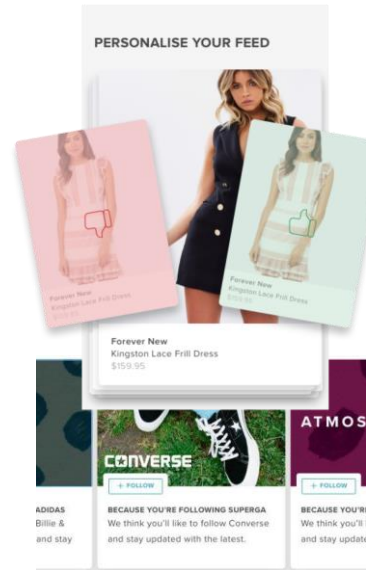
# APP CREATES A TRULY PERSONALISED EXPERIENCE FOR OUR CUSTOMERS

CONTENT & ADVICE THAT **INSPIRE** OUR CUSTOMERS...



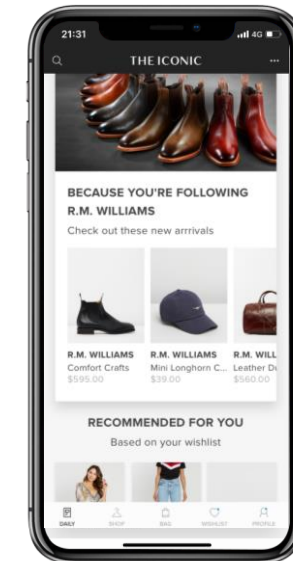
E.G. COMPLETE THE LOOK

... TOOLS TO **CURATE** WHAT THEY WANT TO SEE...



E.G. SWIPE TO LIKE, FOLLOW THE BRAND

... CREATING A TRULY **PERSONALISED** EXPERIENCE



UNIQUE, PERSONALISED FEED

# APP INNOVATION MAKES OUR PLATFORMS A HABIT

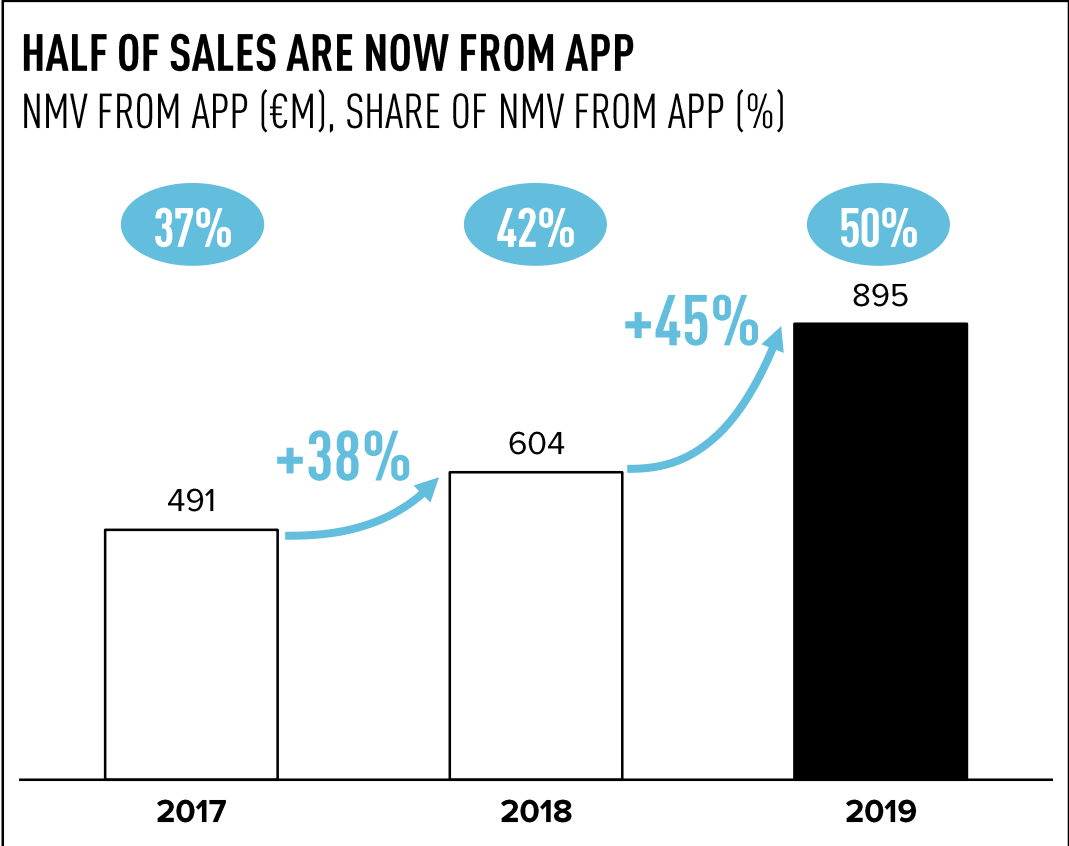
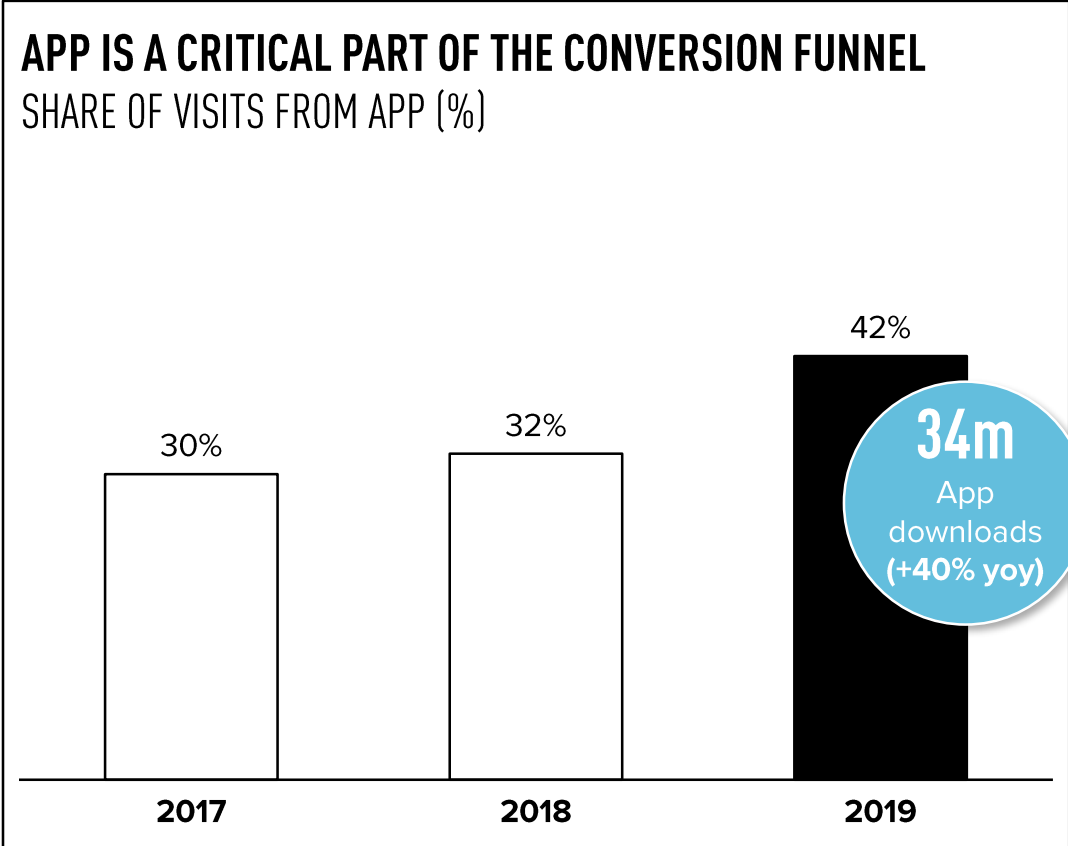


	STORIES	VISUAL SEARCH	FIND SIMILAR	VIRTUAL TRY-ON	WEAR IT WITH	FOLLOW THE BRAND	SWIPE TO LIKE	FEED	WISHLIST BOARDS
--	---------	---------------	--------------	----------------	--------------	------------------	---------------	------	-----------------

ANZ		✓	✓	✓	✓	✓	✓	✓	✓
SEA		✓	✓		✓	✓		✓	
LATAM								✓	
CIS	✓	✓	✓	✓		✓		✓	

**945m**  
App visits  
in 2019

# CUSTOMERS LOVE SPENDING TIME AND SHOPPING ON OUR APPS



Note: Growth rates are shown on a constant currency basis and therefore exclude the effect of foreign currency movements.



# WE CONTINUE TO REDUCE THE FRICTION OF SHOPPING ONLINE

## NEW LOCAL PAYMENT METHODS ADDED IN SEA AND LATAM



Mobile wallet



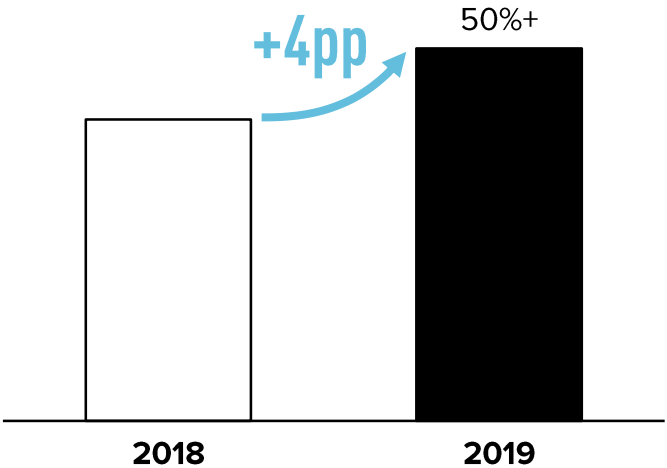
Payment gateway



Offline post-payment

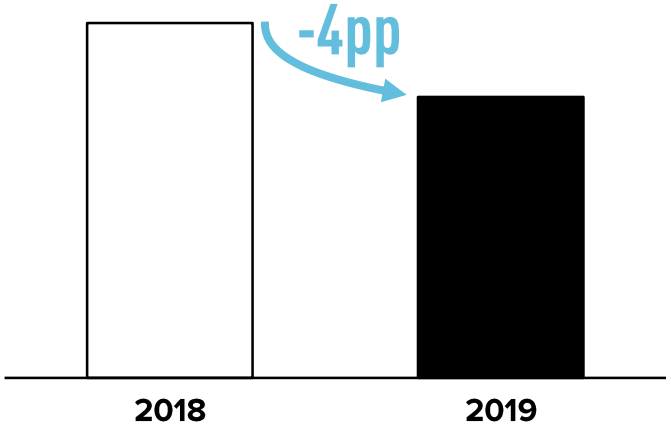
## MORE ORDERS ELIGIBLE FOR VERY FAST DELIVERY

% of Shipped Orders Eligible For Same / Next Day Delivery



## REDUCED RETURNS DUE TO SIZE / FIT

% of Returned Items Due To Size / Fit in SEA



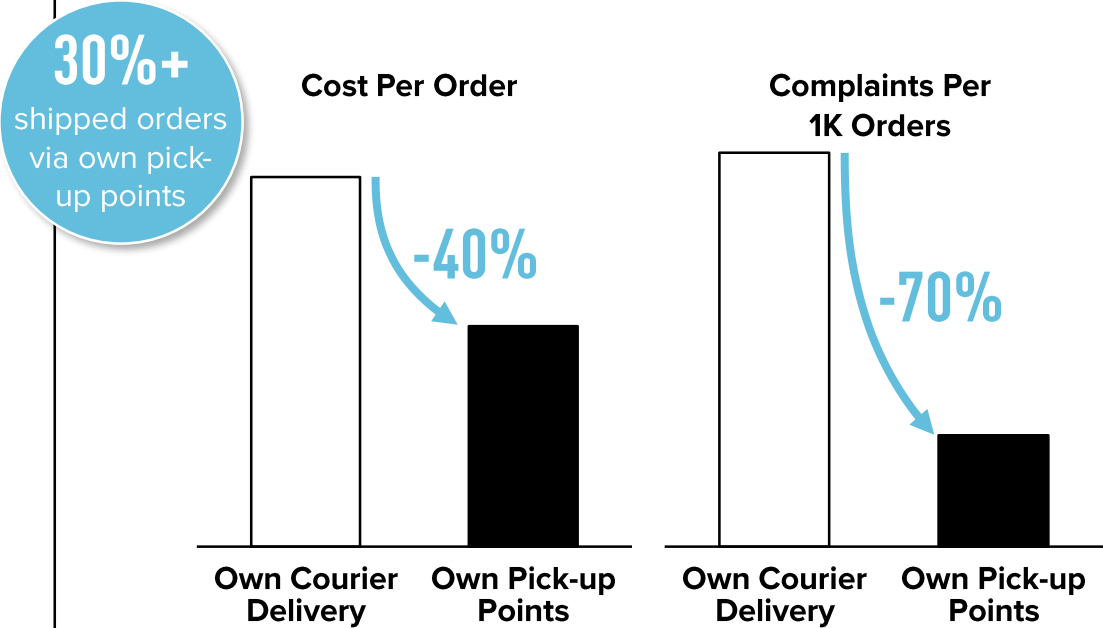
# CIS DEEP DIVE: PICK-UP POINT NETWORK ENHANCING DELIVERY CONVENIENCE

## CIS MARKET-SPECIFICS ADDRESSED WITH OWN PICK-UP POINT NETWORK

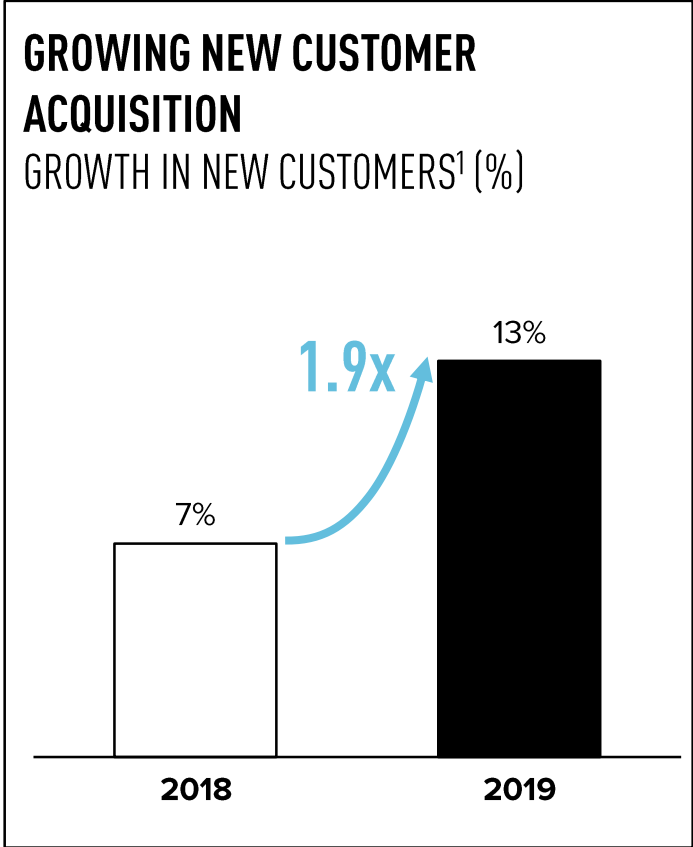
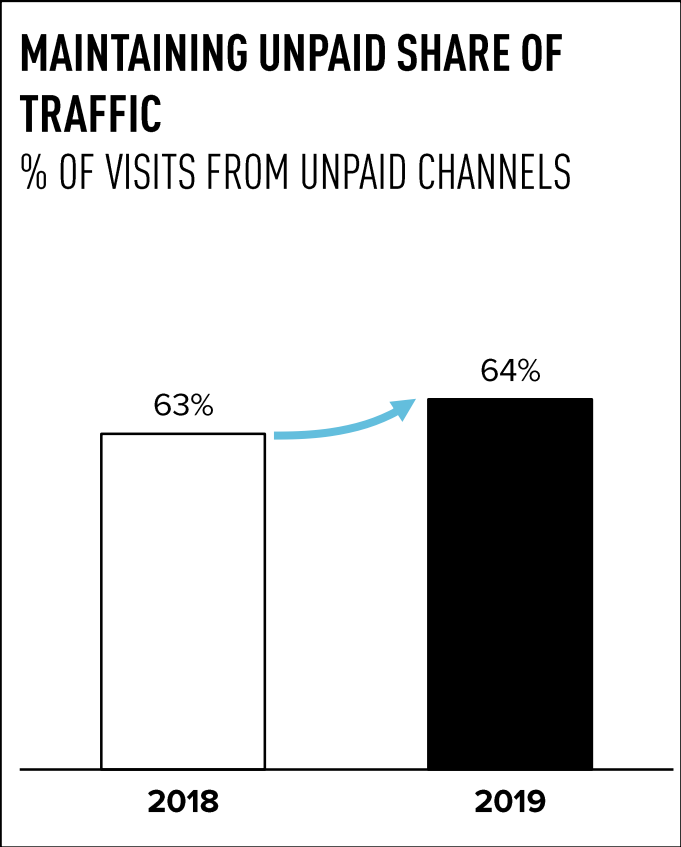
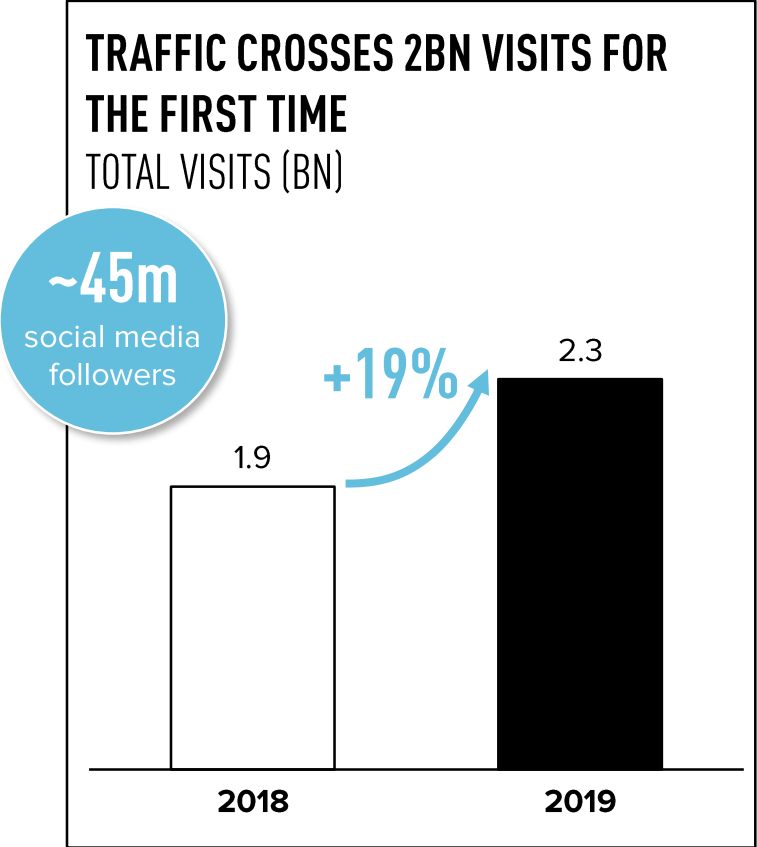
- Try-on is key for CIS fashion e-commerce – 80%+ of CIS orders
- But try-on “at the door” is complex to operate
- Solution: develop network of **300+ own try-on pick-up points**



## IMPROVED ORDER ECONOMICS & CUSTOMER SATISFACTION OWN COURIER DELIVERY VS OWN PICK-UP POINTS – 2019

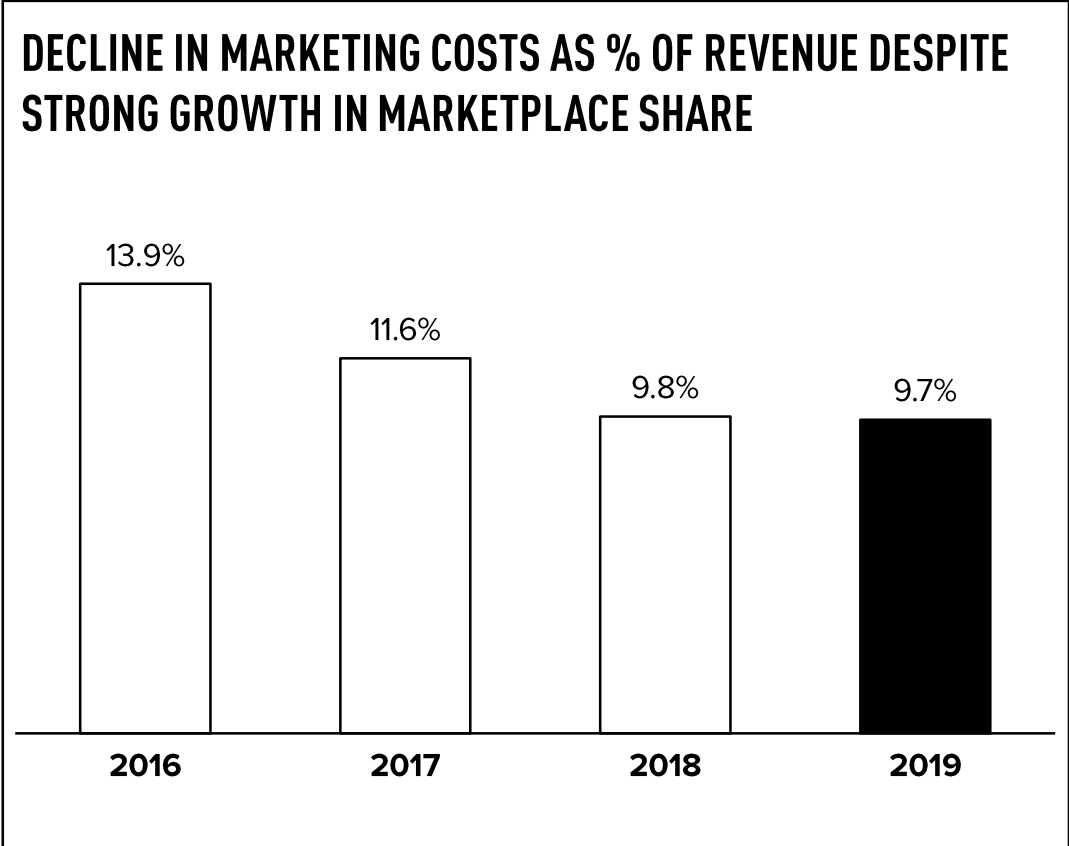
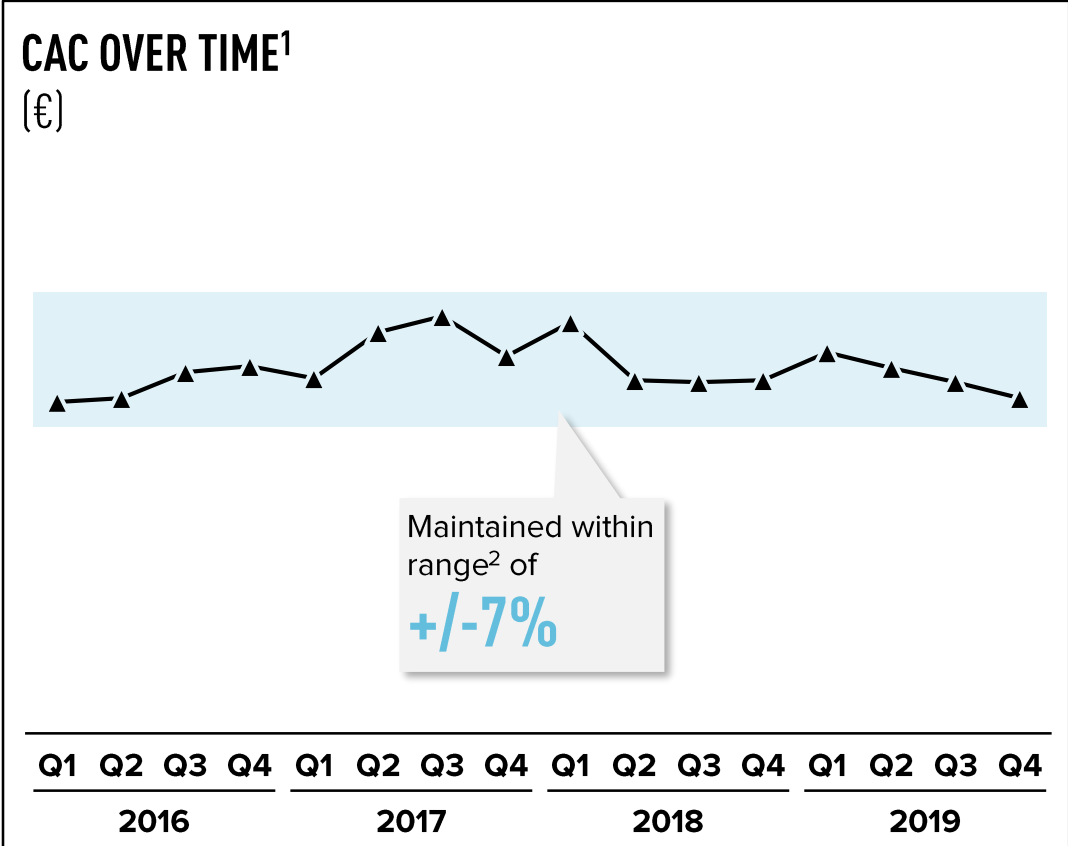


# WITH 80% AIDED BRAND AWARENESS, WE ARE TOP OF MIND, DRIVING TRAFFIC AND NEW CUSTOMERS



(1) Based on number of customers who purchased at least one item for the first time in the period, after cancellations, returns and rejections. Excludes reactivated customers.

# CUSTOMER ACQUISITION COSTS MANAGED WITHIN A CLEAR CORRIDOR

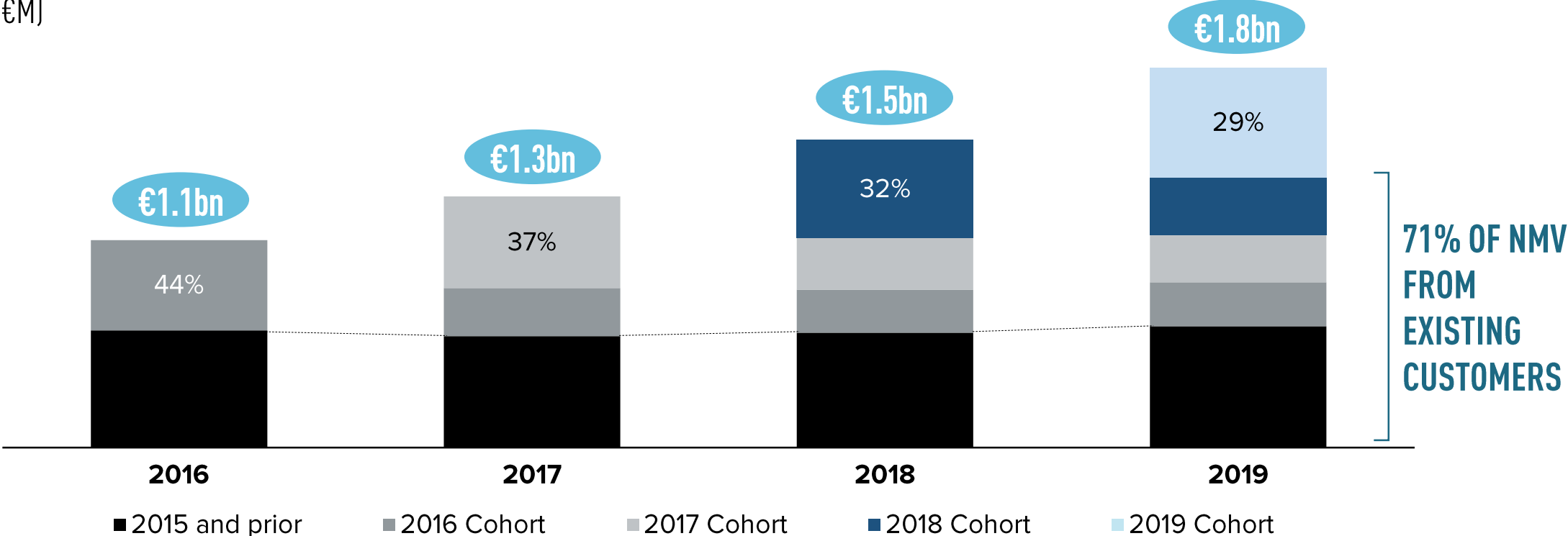


(1) Values are expressed in constant currency, based on 31 December 2017 FX rates, to exclude the effect of FX changes.  
 (2) Based on midpoint of range between maximum and minimum value.



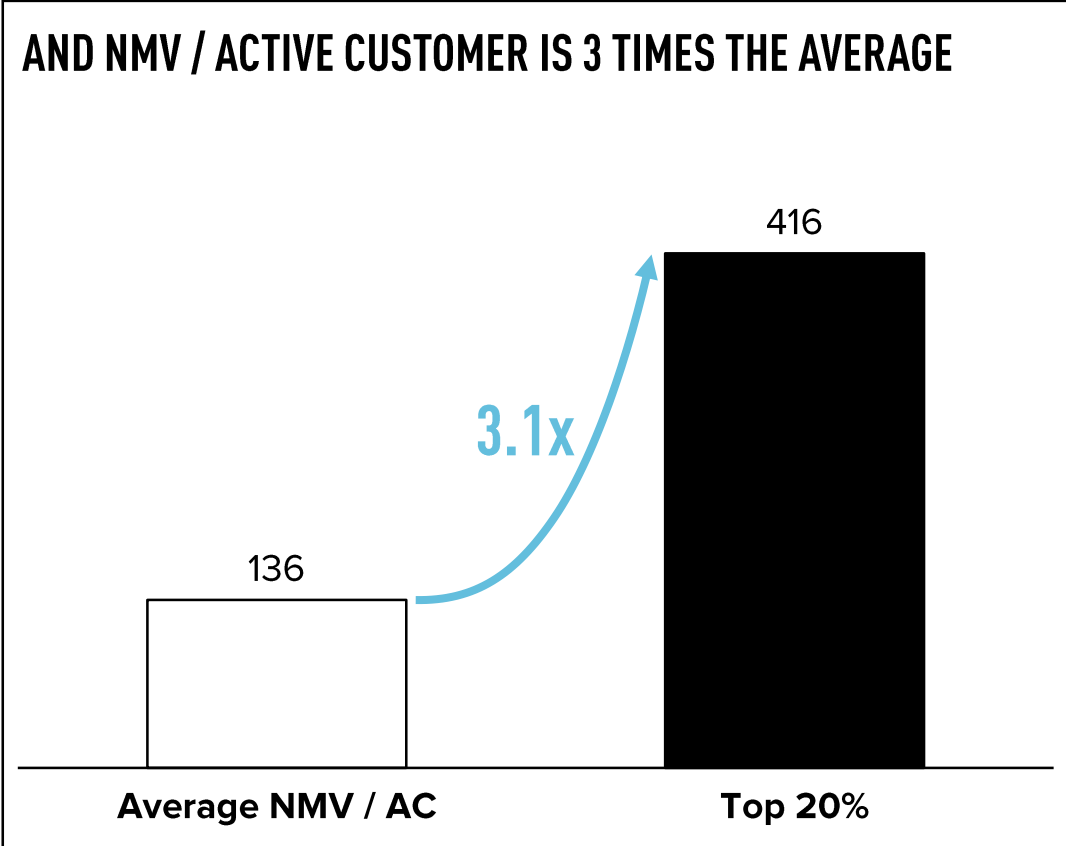
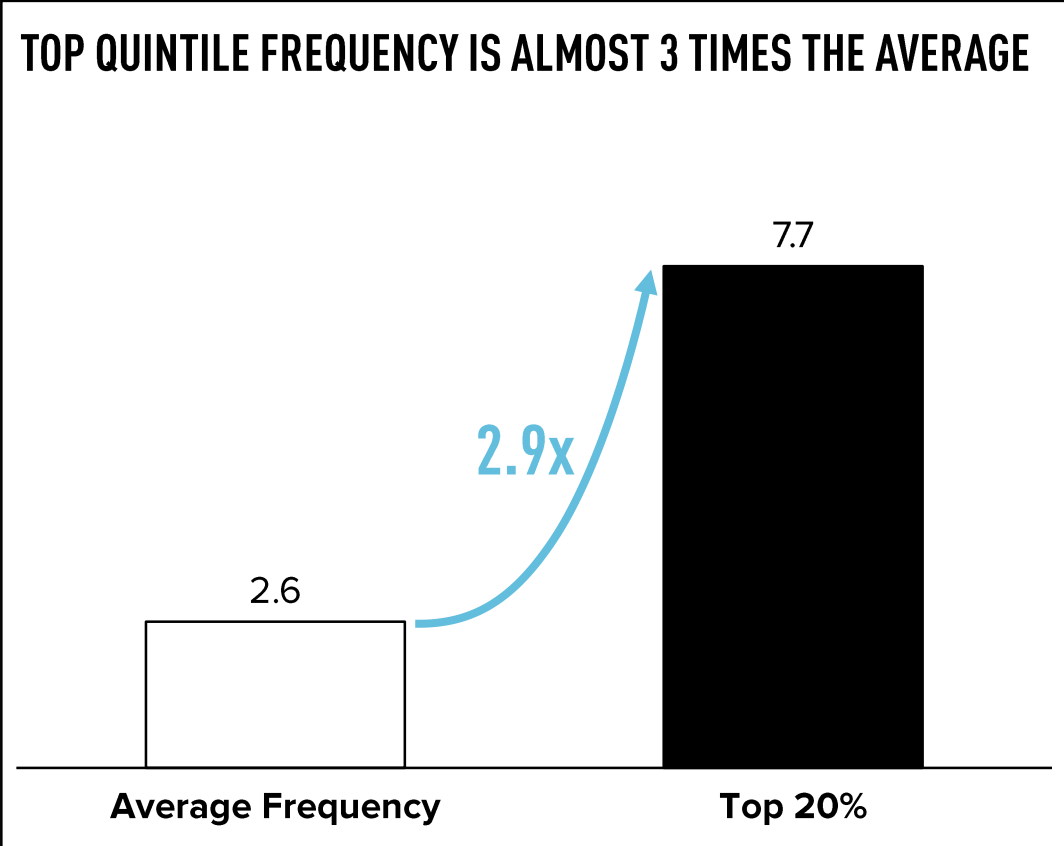
# HIGH CUSTOMER LOYALTY, WITH GROWING SHARE OF NMV FROM EXISTING CUSTOMERS

**NMV BY COHORT<sup>1</sup>**  
(€M)



Source: Company information. To ensure comparability between periods we have adjusted values for prior periods for acquisitions, disposals and corporate restructurings.  
(1) Values are expressed in constant currency, based on 31 December 2017 FX rates, to exclude the effect of FX changes.

# OUR TOP QUINTILE OF CUSTOMERS SHOP OVER 7 TIMES A YEAR WITH US AND SPEND MORE PER ORDER



Source: Unaudited Management Information.  
Note: Top 20% of customers defined as 20% of active customers with highest order frequency.

# HOW WE WIN

BY OFFERING A  
SUPERIOR CUSTOMER  
EXPERIENCE;

BY BEING THE  
**PARTNER OF CHOICE FOR  
BRANDS;** AND

WITH OUR  
OPERATIONS & PLATFORM,  
POWERED BY ART & SCIENCE



# WE ARE THE PARTNER OF CHOICE FOR BRANDS IN OUR MARKETS

## LARGE REACH

- Unlocking complex markets
- Highly localised approach



## FLEXIBLE BUSINESS MODELS

- Tailored to brands
- Enhancing platform scalability



## FASHION AS A SERVICE

- Fulfilment services
- Media solutions
- Data analytics



## DEEP BRAND RELATIONSHIPS

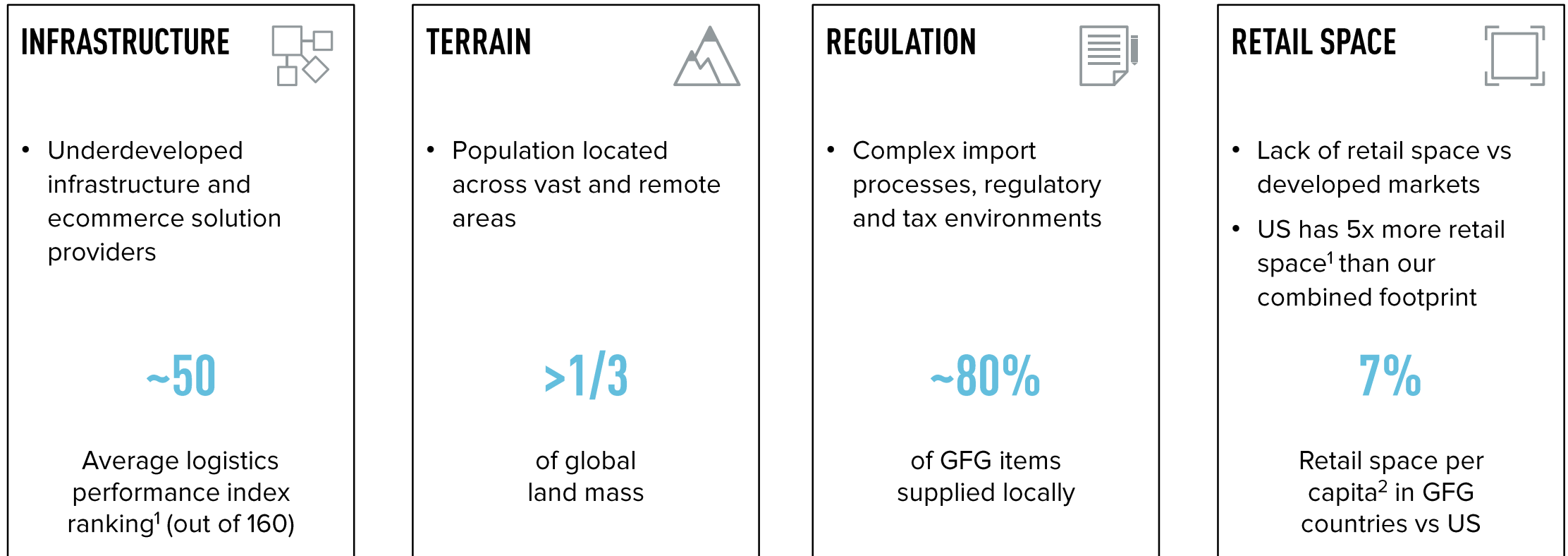
- Huge brand portfolio
- Growing volumes on Marketplace
- Growing brand investment in B2B Fashion Services

## CUSTOMER ACCESS

## SAFE BRAND-BUILDING



# WE UNLOCK A HUGE, GROWING MARKET THAT IS COMPLEX FOR BRANDS TO ACCESS



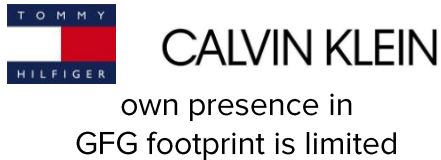
Source: GFG calculations based on data from Economist Intelligence Unit via SNL, World Bank International Logistics Performance Index (LPI) 2018, The World Bank: Land area: Food and Agriculture Organization.

(1) Based on median LPI ranking of GFG countries.

(2) Including clothing stores, shoe stores, and perfumeries/beauty stores.

# OUR LOCAL CAPABILITIES MAKE US THE NATURAL DIGITAL PARTNER FOR PVH

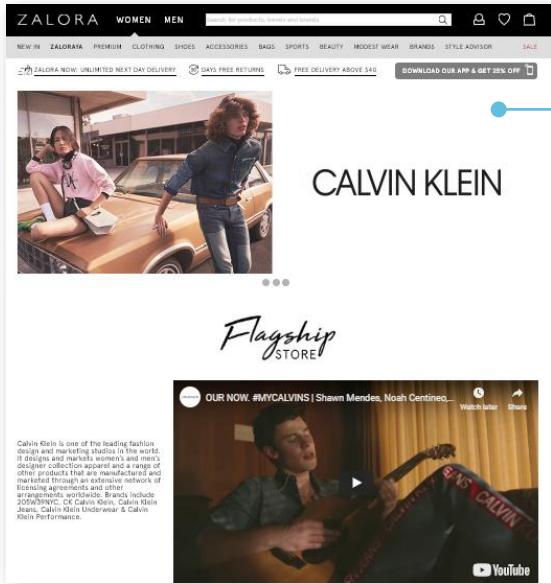
## LOCAL FRONT-END & LOCAL OPERATIONS SUPPORT GLOBAL BRANDS



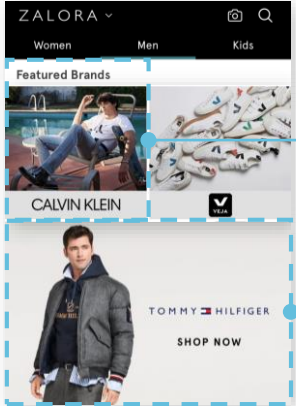
THE ICONIC  
ZALORA  
dafiti  
lamoda  
**17 countries**

	APAC	LATAM	CIS
Mobile App <sup>1</sup>	x	x	x
Dedicated Website <sup>2</sup>	x	x	✓
Shipping To Region <sup>3</sup>	x	x	✓

## BRAND EQUITY MAINTAINED THROUGH BRANDED STORE FRONTS AND SERVICES



Exclusive marketing collaborations  
'Featured Brand' on app



Source: Company public information.  
 (1) Based on availability of apps with local content and in local language.  
 (2) Based on availability of local language, local domain, and local content. In CIS, only available in Russia.  
 (3) Based on availability of delivery to the country. In CIS, only available in Russia.

# WE OFFER BRANDS MULTIPLE PARTNERSHIP MODELS, TAILORED TO THEIR REQUIREMENTS

	RETAIL	MARKETPLACE		
		FULFILLED BY GFG	CROSS-DOCKING	DROP SHIPMENT
FRONT-END	GFG (including payment, customer service, returns)			
PRODUCT OWNERSHIP	GFG owns product & pricing	Brand owns product & pricing; books full retail value GFG take rate dependent on fulfilment model		
STORAGE	GFG		Brand	
PICKING & PACKING	GFG		Brand picks & packs; GFG manages delivery, incl. order consolidation <sup>1</sup>	Brand
DELIVERY	GFG (own or 3 <sup>rd</sup> party)			Brand
	CIS, SEA (SOME)		ARGENTINA, CHILE, COLOMBIA, SEA (SOME)	ANZ, BRAZIL, SEA (SOME)
	High		TAKE RATE / LEVEL OF SERVICE PROVIDED BY GFG	
			Low	

(1) GFG consolidates mixed orders at own fulfilment centre in Argentina, Chile and Colombia.

# THESE BUSINESS MODELS ENHANCE THE SCALABILITY OF OUR BUSINESS

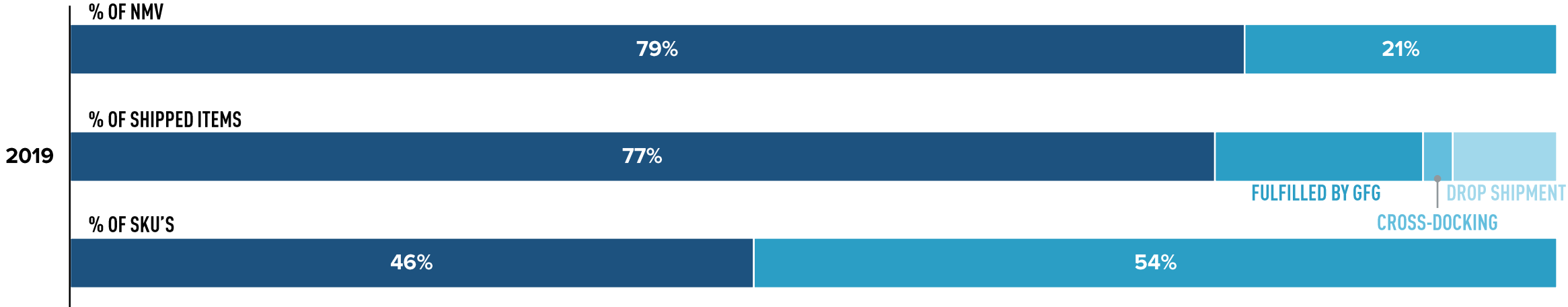
## RETAIL

- Best model for core and low risk products
- Attractive gross margins



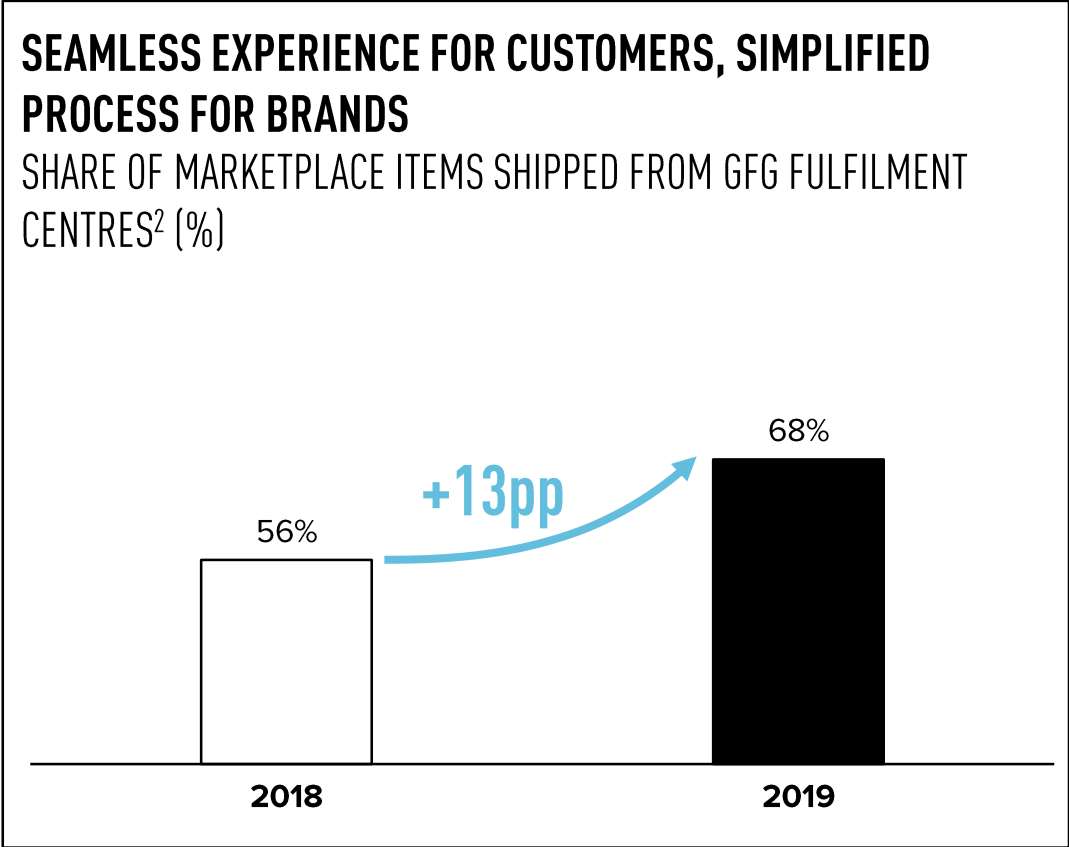
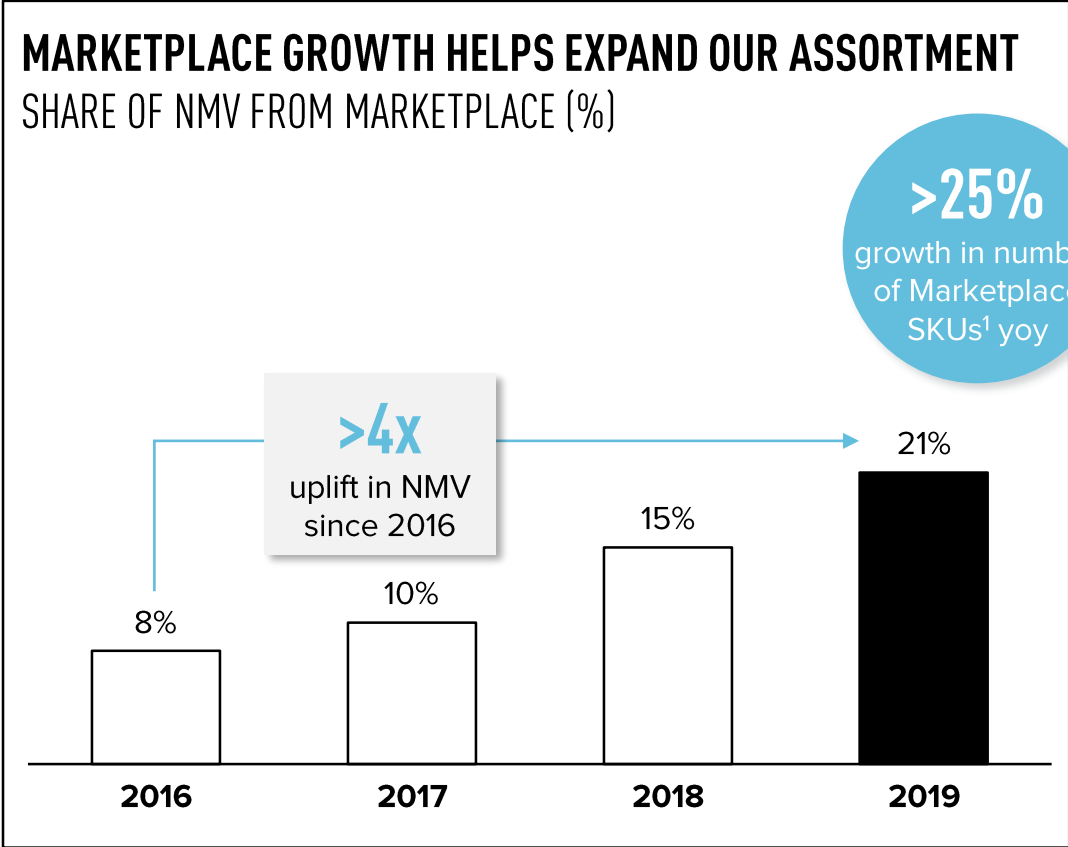
## MARKETPLACE

- Best model for new brands, new categories and long tail
- No inventory risk
- No working capital required





# MARKETPLACE CONTINUES TO GROW SHARE, SUPPORTED BY OUR FULFILMENT CAPABILITIES



(1) Sum of SKUs live in each Region as at YE-2019 vs YE-2018.  
 (2) Includes items 'Fulfilled by GFG' and fulfilled via cross-docking.

# OUR B2B FULFILMENT SERVICES DEEPEN BRAND RELATIONSHIPS

GROWING NUMBER OF GLOBAL BRANDS TAKING UP THE SERVICE



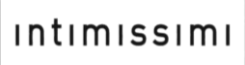
**CALZEDONIA**

**+60%**  
more brand partners vs 2018



maje

**TEZENIS**



ZARINA

s a n d r o



**CONVERSE**



PARIS

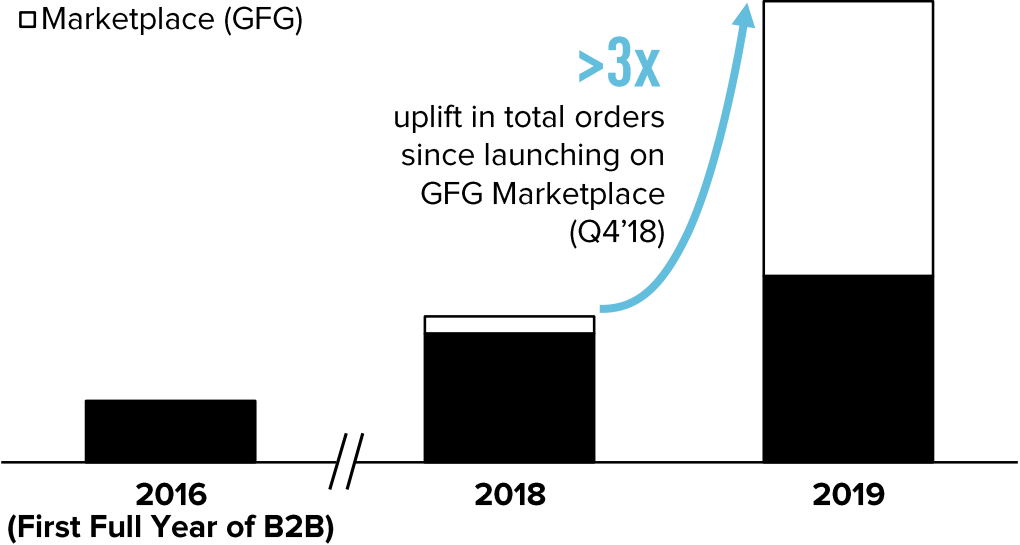
**havaianas.**

... AND MORE

B2B FULFILMENT ENABLES GROWTH ACROSS BRAND.COM AND GFG MARKETPLACE

ORDERS DELIVERED BY GFG FOR A GLOBAL BRAND GROUP IN CIS

■ B2B Fulfilment (Brand.com)  
□ Marketplace (GFG)



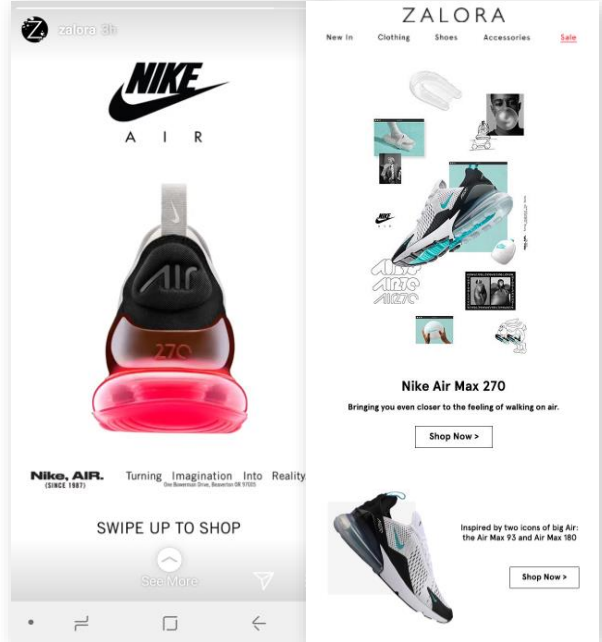
# OUR B2B MEDIA SOLUTIONS STRENGTHEN BRANDS' ACCESS TO OUR AUDIENCE

## BUILDING OUT A FULL SUITE OF MEDIA SOLUTIONS, READY TO SCALE

	LIVE GFG SOLUTIONS
ONSITE BANNERS	✓
NEWSLETTERS	✓
SOCIAL MEDIA	✓
EXTERNAL MEDIA	✓
EVENTS / CAMPAIGNS	✓
SHOP IN SHOP	✓
EDITORIAL	✓
SPONSORED PRODUCT	FULL ROLLOUT TO COME...
RECOMMENDED ITEMS	

## NIKE X ZALORA 360° CAMPAIGN – CASE STUDY AIR MAX DAY GENERATES STRONG ROI

- Includes onsite, newsletter, social media, and paid channels
- >1.5x uplift in sales and impressions during launch



# OUR TOP 20 STRATEGIC BRAND RELATIONSHIPS ARE WELL-DEVELOPED ACROSS OUR MARKETS AND BUSINESS MODELS

## TOP 20 BRANDS / BRAND GROUPS BY NMV IN 2019



## CORNERSTONE OF OUR BRAND PORTFOLIO

**>20%**  
of Group NMV

**90%**  
of brands on both Retail and Marketplace

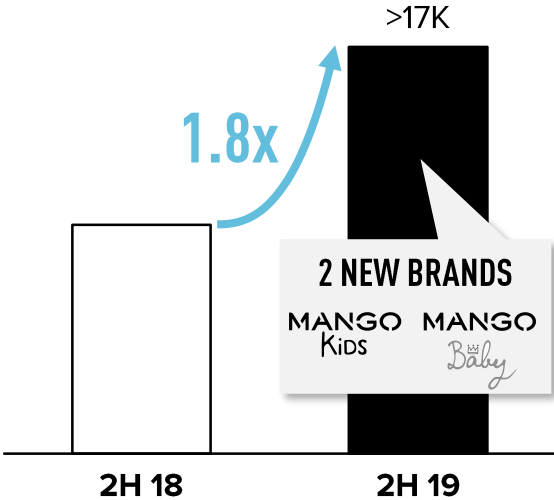
**70%**  
of brands receive B2B Fashion Services

**~90%**  
availability across our markets

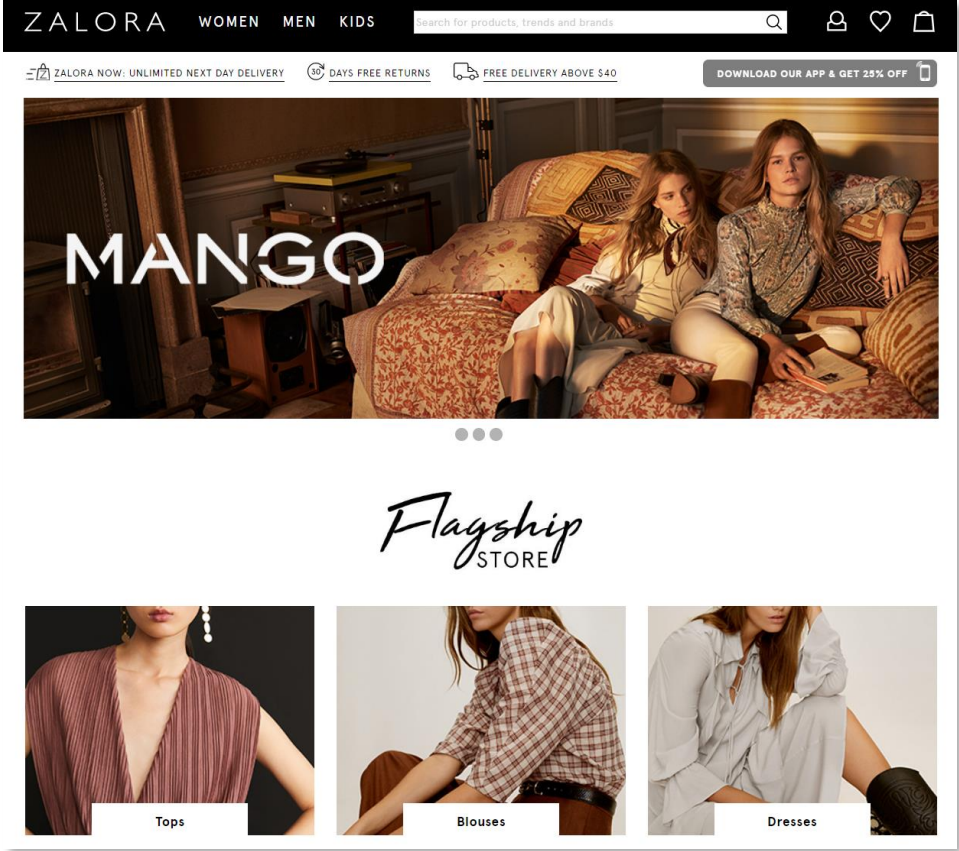
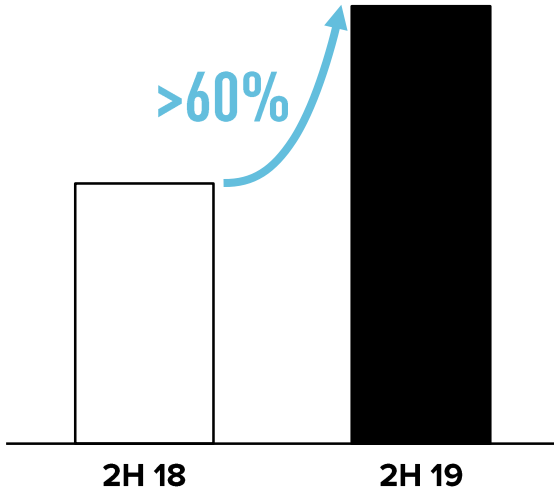
# OUR PARTNERSHIP WITH MANGO IN SEA DEMONSTRATES OUR ABILITY TO SCALE BRANDS

Shift from retail partnership to consignment model in 2019

WIDER ASSORTMENT  
NO. OF SKU'S

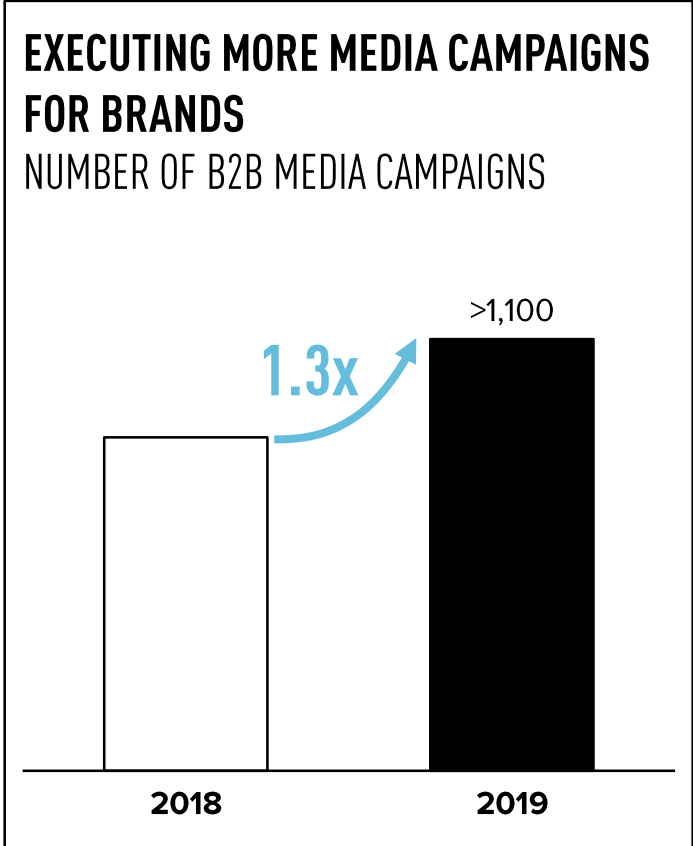
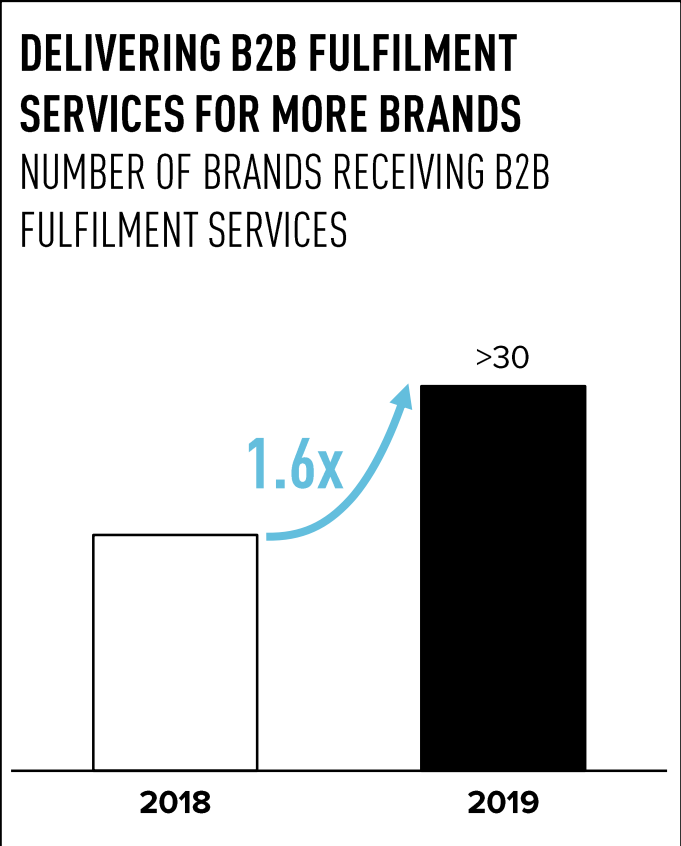
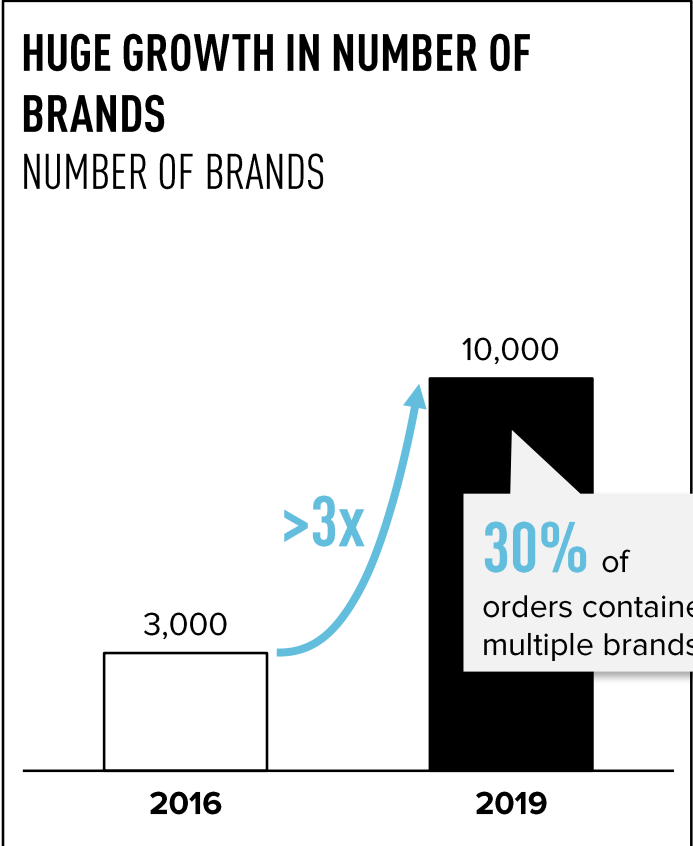


STRONG SALES GROWTH  
NMV





# OUR BRAND PORTFOLIO CONTINUES TO GROW AND KEY RELATIONSHIPS STRENGTHEN



# HOW WE WIN

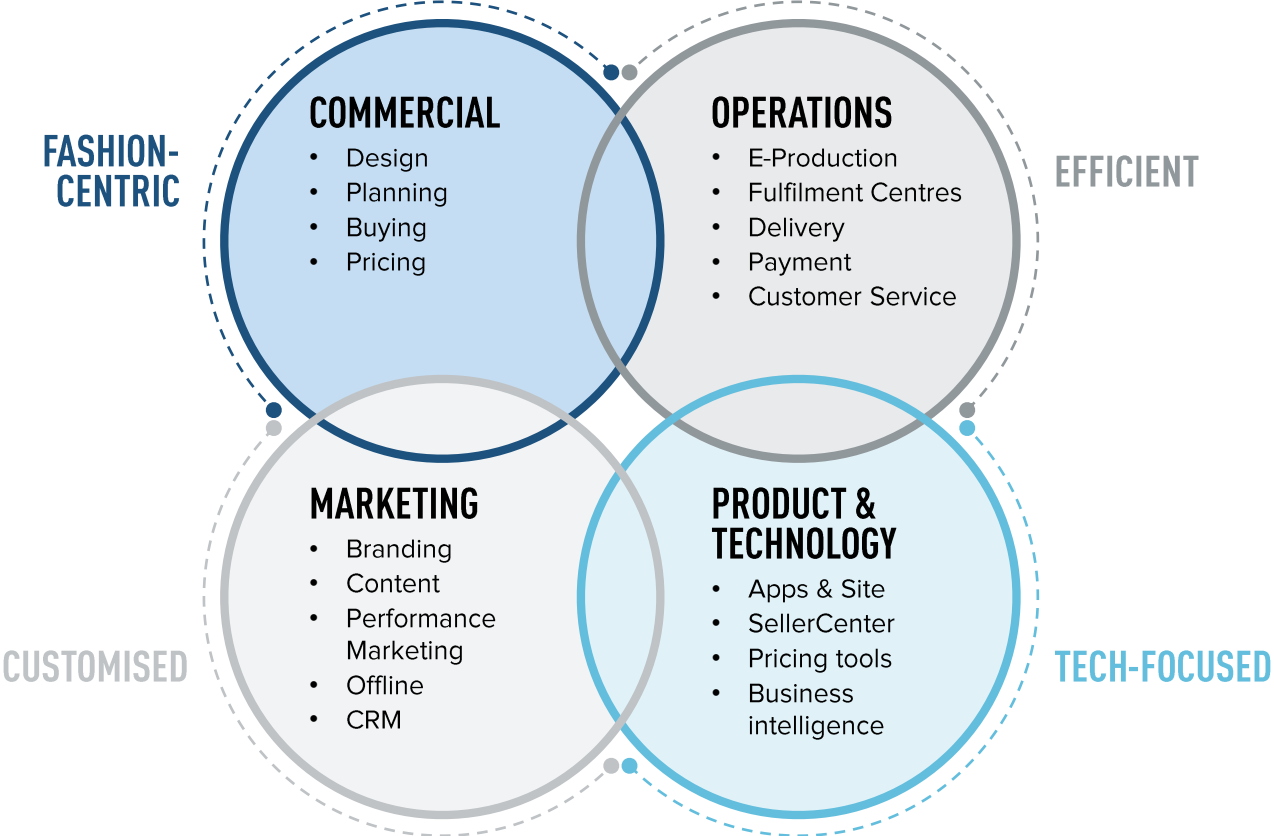
BY OFFERING A  
SUPERIOR CUSTOMER  
EXPERIENCE;

BY BEING THE  
PARTNER OF CHOICE FOR  
BRANDS; AND

WITH OUR  
**OPERATIONS & PLATFORM,  
POWERED BY ART & SCIENCE**



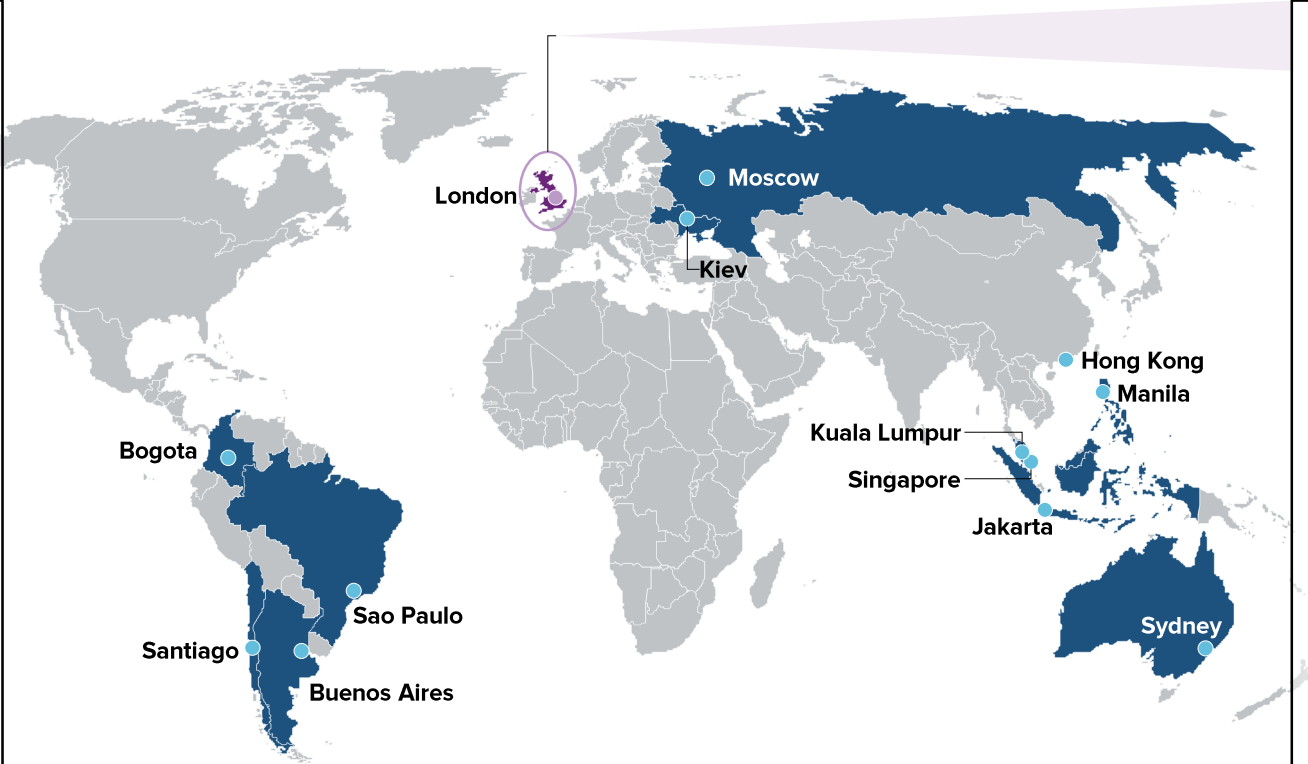
# THE ART AND SCIENCE OF BUILDING THE #1 FASHION & LIFESTYLE DESTINATION IN GROWTH MARKETS



# COMMERCIAL OFFICES IN EVERY MARKET CREATE LOCALLY RELEVANT OFFERING; A CENTRAL TEAM LEVERAGES GLOBAL SCALE

## LOCAL COMMERCIAL TEAMS

- Manage relationships with brands in market
- Optimise assortment based on **local supply and demand**
- Manage **planning and merchandising locally** based on customers requirements
- **Set prices and manage inventory**, supported by global tech solution



## GLOBAL BRAND PARTNERSHIPS TEAM

- Attracts **new brands** to GFG and facilitates launch
- Manages **strategic partnerships** with key global brands
- **Leverages global scale and improves commercial terms** which are then passed onto local teams



# WE ARE ACTIVELY MANAGING THE IMPACT OF OUR BUSINESS ON PEOPLE AND THE ENVIRONMENT

## COMMITTED TO TRANSPARENCY AND INSPIRING CHANGE

All factories we work with are subject to:

- Full traceability for direct suppliers
- Audit
- Grading system for non-compliances, tracked remediation steps
- Quarterly performance reporting



## 2022 TARGETS TO REDUCE OUR IMPACT

**100%** of **own brand water footprint** mapped with reduction plans

**100%** **offset of carbon** from own operations

**100%** of regions with a **sustainable fashion edit**

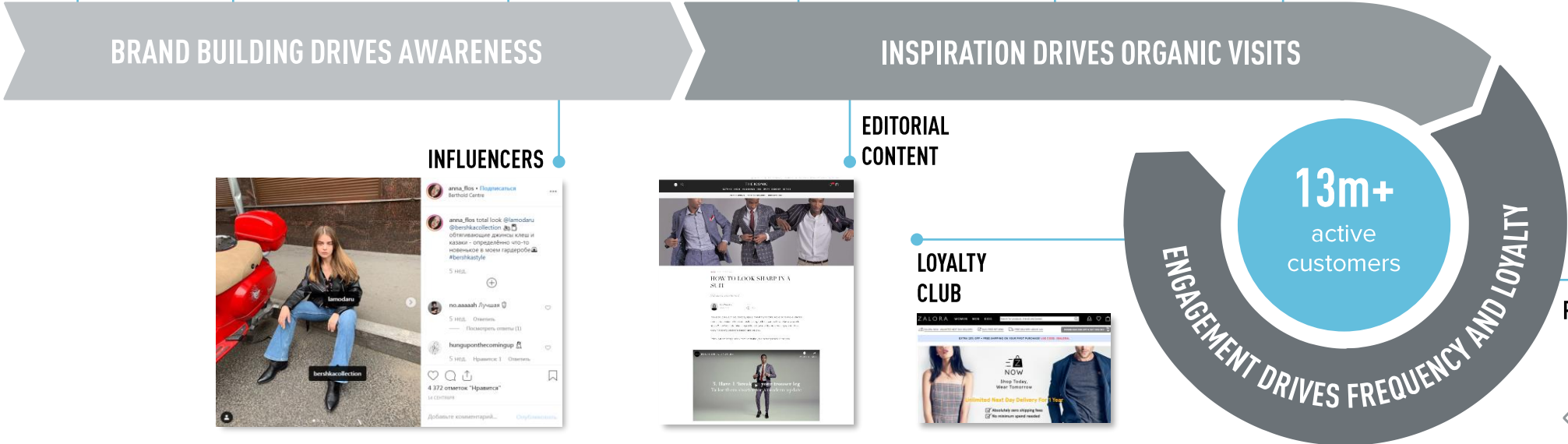
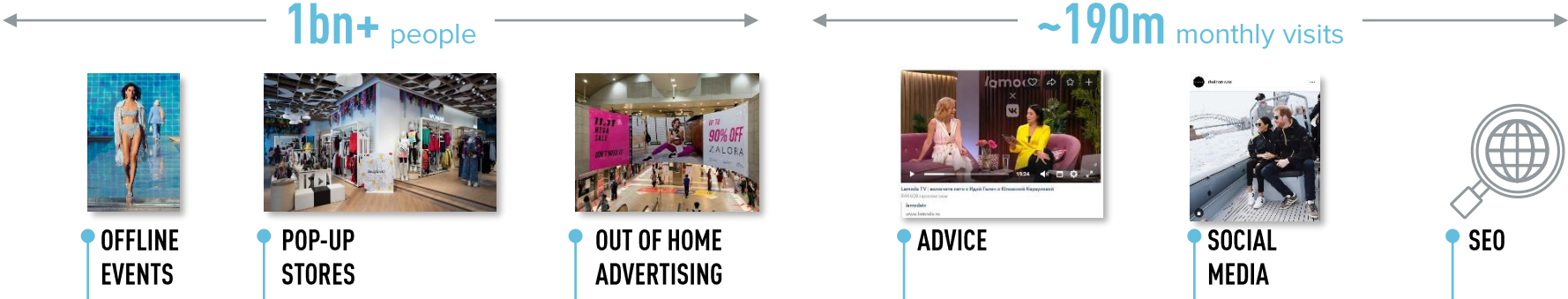
**100%** of countries using **sustainable packaging**

**50%** of **own brand factories** participated in training programs

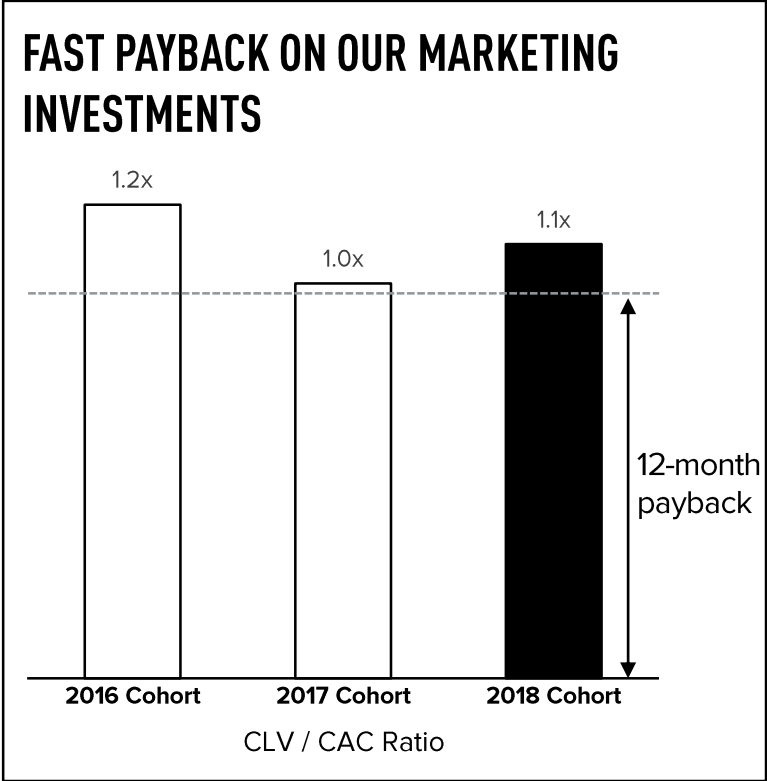
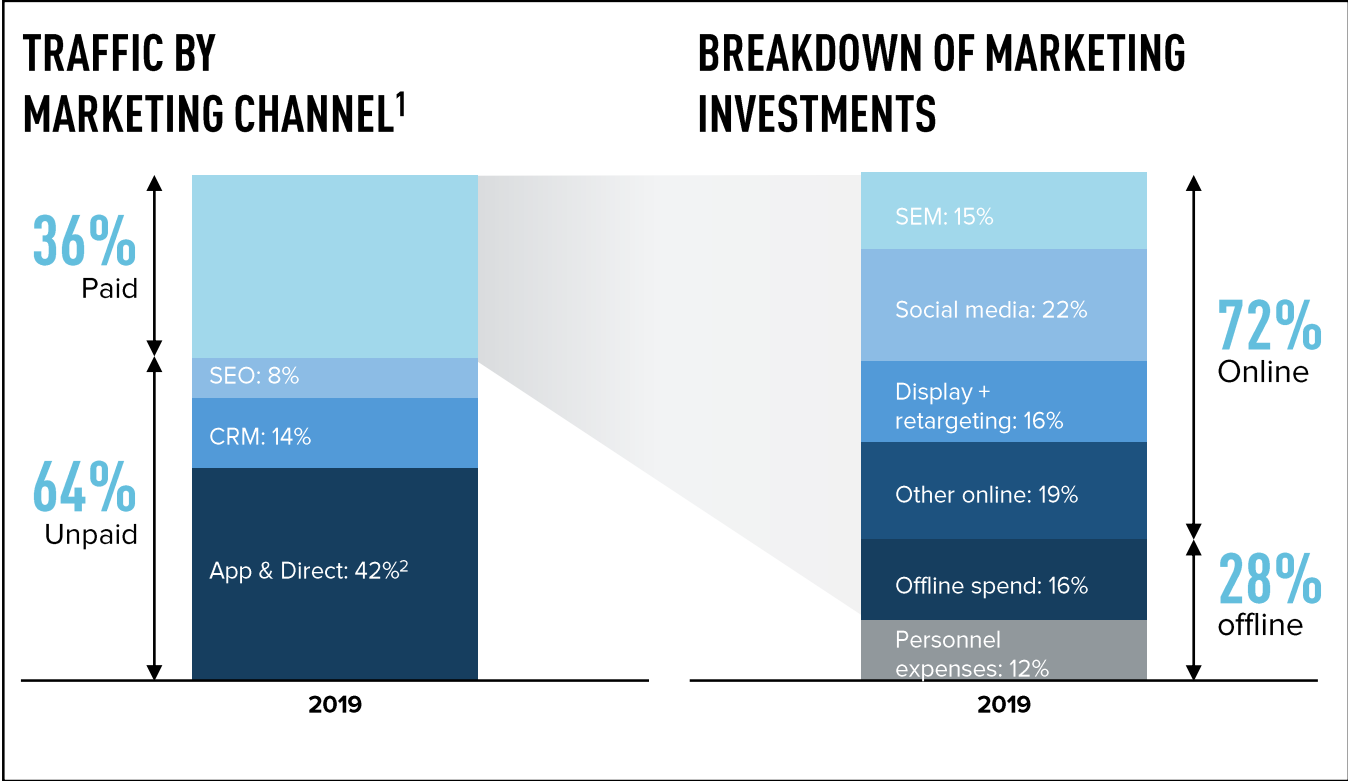
**50%** of waste from warehouses **recycled**



# MARKETING FOCUSED ON BRAND-BUILDING, INSPIRATION AND ENGAGEMENT



# FOCUS ON ORGANIC TRAFFIC SUPPORTS ATTRACTIVE CUSTOMER ACQUISITION PAYBACK



Source: Company information.  
 (1) Traffic is defined as the total number of visits on any GFG platform (app, mobile site and desktop).  
 (2) Also includes other unpaid traffic.

# WE OPERATE ALL MAJOR PARTS OF THE FASHION ECOMMERCE VALUE CHAIN TO ENSURE A SEAMLESS CUSTOMER EXPERIENCE

## SOURCING



## EPRODUCTION



## FULFILMENT



**10**

Fulfilment centres

**830k+**

Daily item output capacity

## PAYMENT



**35+**

Localised payment methods

## DELIVERY & RETURNS



**20%+**

Deliveries with own fleet

**30k+**

Pick-up points

## CUSTOMER SERVICE



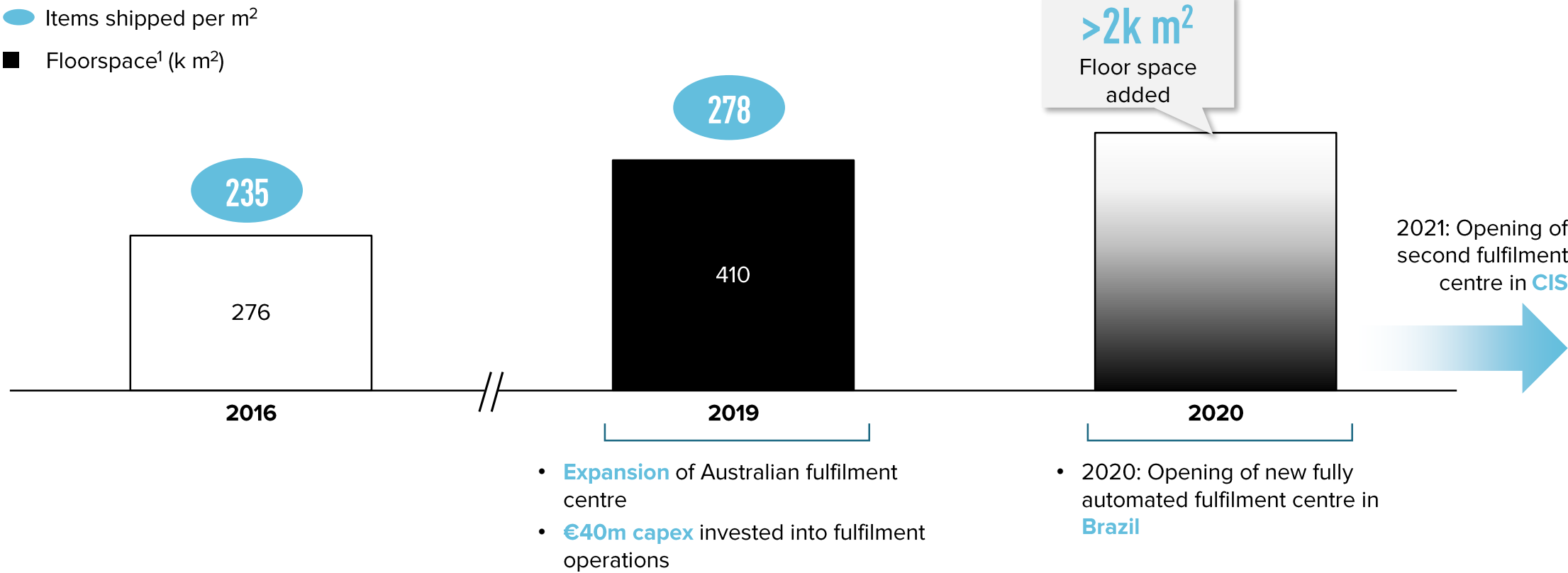
**24/7**

Support in 11 languages

Note: Based on FY2019.



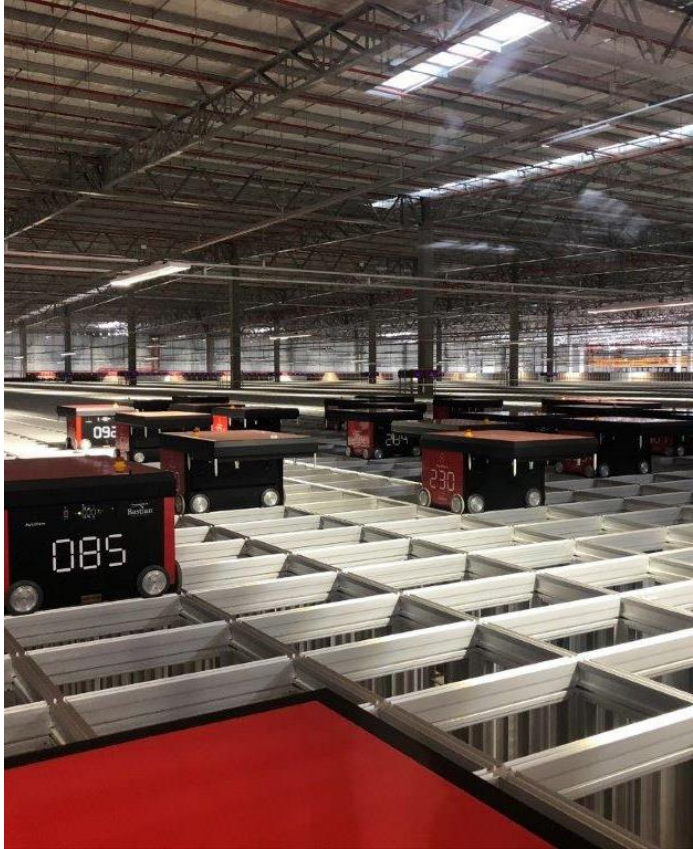
# BUILDING FULFILMENT CENTRE CAPACITY TO MEET GROWTH IN A STEADY, EFFICIENT WAY



Source: Company information.  
 (1) Including mezzanine floorspace.

# BRAZIL: NEW AUTOMATED FULFILMENT CENTRE TO RAMP UP UNTIL Q4

<b>FLOORSPACE</b>	<b>45,000 sqm</b> (Phase 1) Extension up to 65,000 sqm possible
<b>CAPACITY</b>	<b>6.7 million items</b> 70% in automated storage system
<b>OUTPUT</b>	<b>100,000 items</b> outbound daily NMV capacity of over <b>€1.5bn</b> p.a.
<b>AUTOMATION</b>	“Goods-to-person” automation technology Improving picking & putaway productivity
<b>FINANCIAL IMPACT<sup>1</sup></b>	Capex of €42m, phased ~70% / 30% over 2019 / 2020 Transition and double running costs of ~€9m over 2020 / 2021



(1) Based on Budget 2020 FX rates.

# CIS: SECOND FULFILMENT CENTRE PLANNED TO ACCOMMODATE EXPECTED GROWTH

<b>TIMING</b>	Phase 1 expected to ramp-up over H2 2021 / H1 2022
<b>FLOORSPACE</b>	<b>40,000 sqm</b> (Phase 1) Extension up to <b>100,000 sqm</b> possible (Phases 2-3)
<b>CAPACITY</b>	Up to <b>12 million items</b> in storage over 6 mezzanine levels
<b>OUTPUT</b>	c. <b>350,000 items</b> outbound daily (Phase 1), bringing total CIS NMV capacity to nearly <b>€1.5bn</b> (Phase 1)
<b>AUTOMATION</b>	Proven approach of “goods-to-person” automation, including pocket sorter technology

**PARTNERSHIP WITH RUSSIAN POST AGREED IN HEADS OF TERMS**

- Built-to-suit facility with long-term lease
- Financing of automation and equipment via long-term lease
- Insignificant upfront investment by GFG
- Fulfilment centre operated by Lamoda (like existing facility)
- Russian Post able to sell capacity to B2B customers
- Partnership includes collaboration on delivery innovation

**TAILORED SOLUTION WITH FULL OPERATIONAL CONTROL IN A “PAY AS YOU GO” MODEL**

# OUR DELIVERY MODEL PROVIDES BEST IN CLASS CUSTOMER EXPERIENCE IN ALL OUR MARKETS

<b>DELIVERY METHODS</b>	Courier delivery to door	✓	<ul style="list-style-type: none"> <li>• Available in all regions</li> <li>• Must-have for customer convenience</li> </ul>
	Own / outsourced pick-up points	30k+	<ul style="list-style-type: none"> <li>• Reduces frictions for ecommerce adoption and delivery cost per order</li> <li>• Try-on in &gt;300 own CIS points</li> </ul>
	Lockers <sup>1</sup>	7k+	<ul style="list-style-type: none"> <li>• Allows GFG to quickly expand coverage</li> <li>• Caters to those who prefer automated solutions</li> </ul>
<b>DELIVERY SERVICES</b>	Same day and next day order <sup>2</sup>	50%+	<ul style="list-style-type: none"> <li>• Fast delivery despite underdeveloped retail infrastructure</li> </ul>
	Try-on <sup>3</sup>	30%+	<ul style="list-style-type: none"> <li>• Major differentiator in CIS, meeting local shopping habits and market standards</li> </ul>

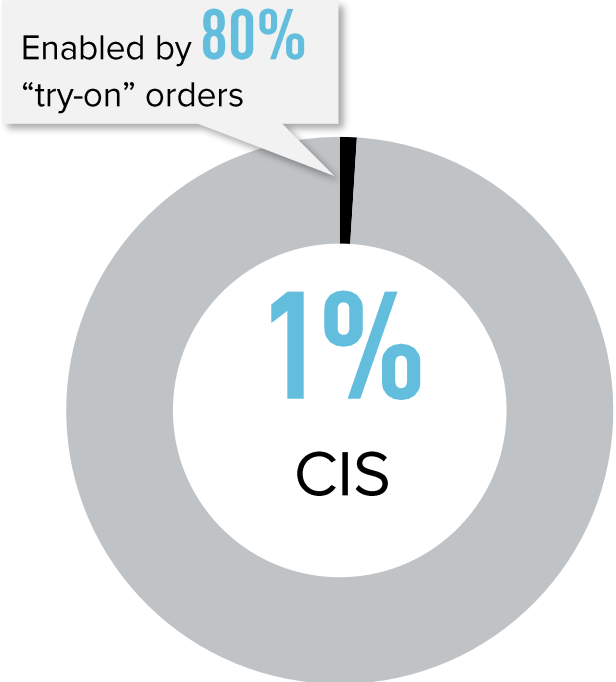
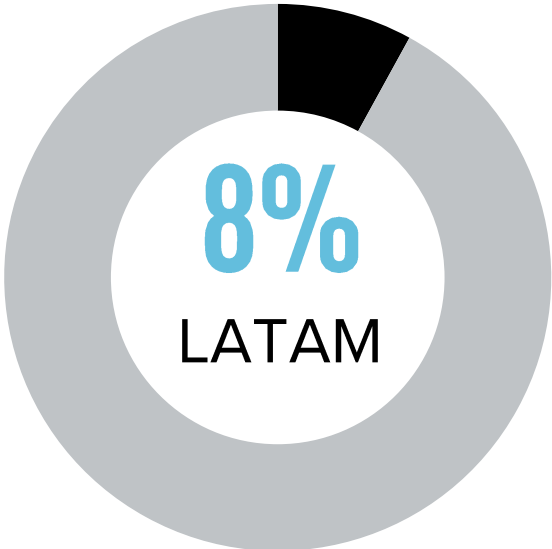
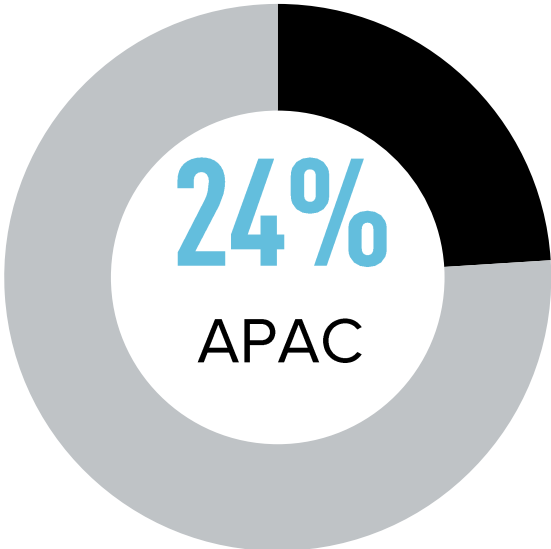


(1) As at YE-2019.  
 (2) Based on % of 2019 shipped orders eligible for this delivery method.  
 (3) Based on 2019 shipped orders.








# TAILORED APPROACH TO EACH MARKET ENABLES RETURN RATES WELL BELOW INDUSTRY LEVELS

RETURNS BY SEGMENT  
(% OF 2019 SHIPPED ITEMS)



Note: Excludes item rejections, which were 1% in APAC, 1% in LATAM and 66% in CIS.

# GREAT PROGRESS IN GLOBAL ROLLOUT OF PROPRIETARY FASHION-TAILORED TECHNOLOGY SOLUTIONS


	APAC	LATAM	CIS	
 <b>SEARCH</b>	✓	✓	→	<ul style="list-style-type: none"> <li>&gt;9m search queries per day</li> </ul>
 <b>RECOMMENDATION</b>	✓	✓	→	<ul style="list-style-type: none"> <li>&gt;1k recommendations per minute</li> </ul>
 <b>VISUAL SEARCH</b>	✓	✓	✓	
 <b>VIRTUAL TRY-ON</b>	✓	→	✓	
 <b>PRICING ENGINE</b>	✓	→	→	

AI tagging improves discoverability

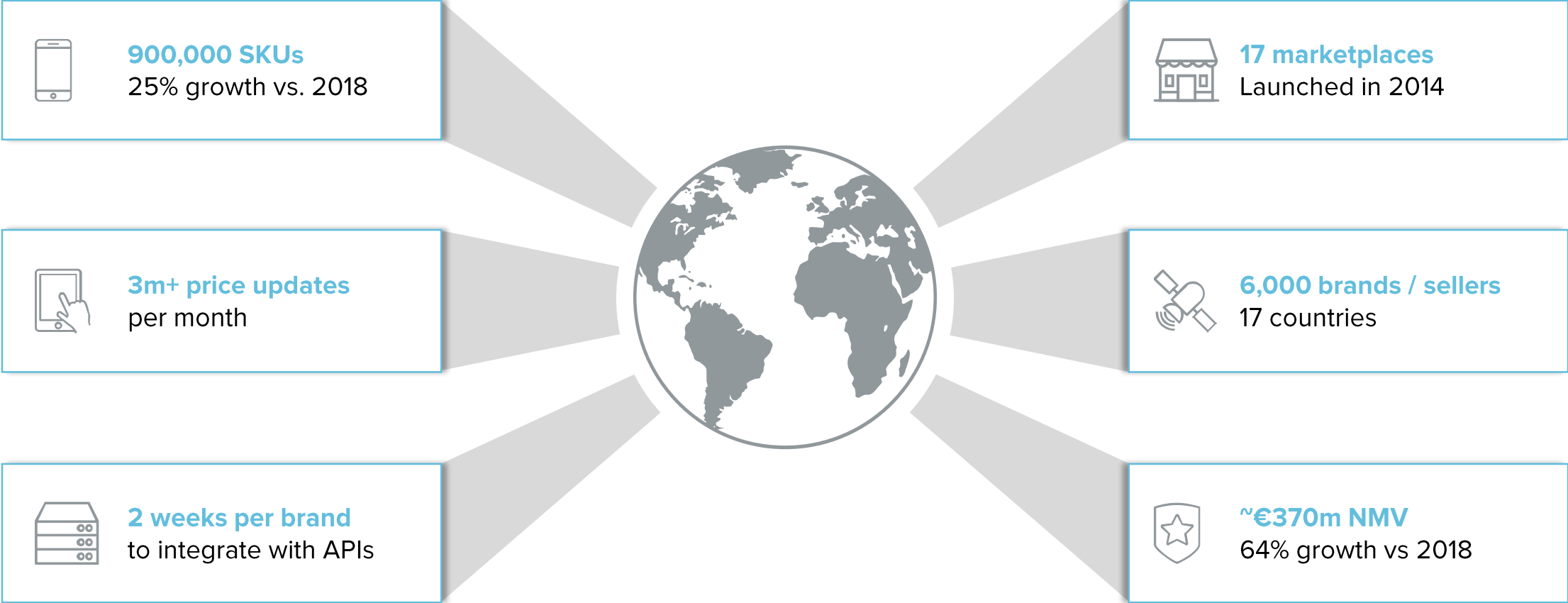
**MACHINE LEARNING POWERS FURTHER INNOVATION MERCHANDISING**

- Size generator tool to forecast size mix
- Brand profitability dashboards

→ = to come



# PROPRIETARY MARKETPLACE PLATFORM POWERS OVER 6,000 BRANDS / SELLERS



# FULL CONTROL OF THE FASHION ECOMMERCE VALUE CHAIN VS COMPETITORS ENABLES US TO DELIVER SUPERIOR EXPERIENCE

	DESIGN	SOURCING	FASHION EPRODUCTION	LOCAL PAYMENT METHODS	FULFILMENT (INC. DELIVERY)	CUSTOMER AFTERCARE
<b>∅FG</b>						
GENERAL MERCHANDISE						
BRAND.COM		n/a				
SOCIAL MEDIA						

(1) Difficulty in guaranteeing product authenticity.



# OUR FINANCIALS





# OUR FINANCIALS

FINANCIAL OVERVIEW

OUR GROWTH MODEL

OUR MEDIUM-TERM  
FINANCIAL MODEL AND  
GUIDANCE





# OUR FINANCIALS

## FINANCIAL OVERVIEW

OUR GROWTH MODEL

OUR MEDIUM-TERM  
FINANCIAL MODEL AND  
GUIDANCE





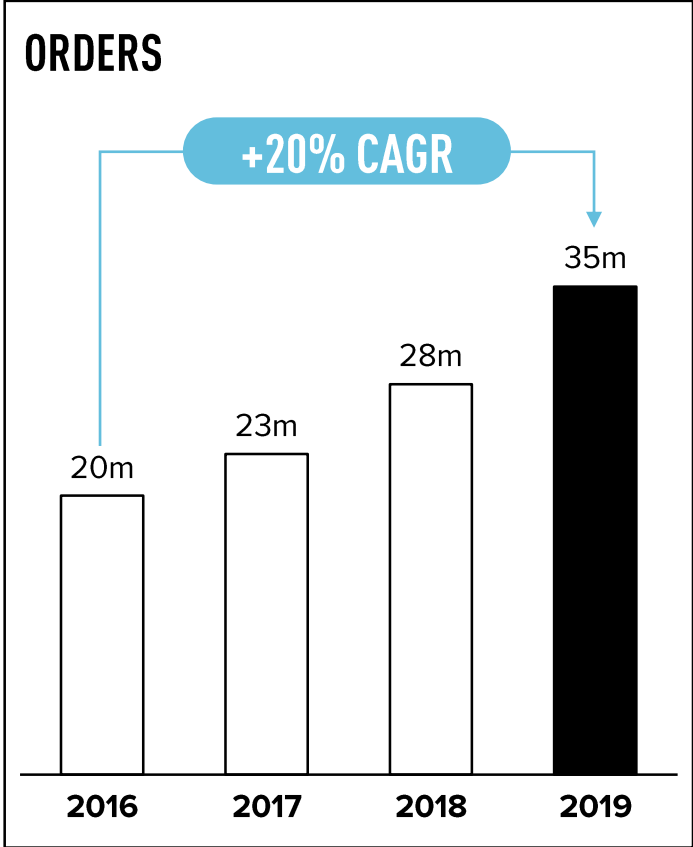
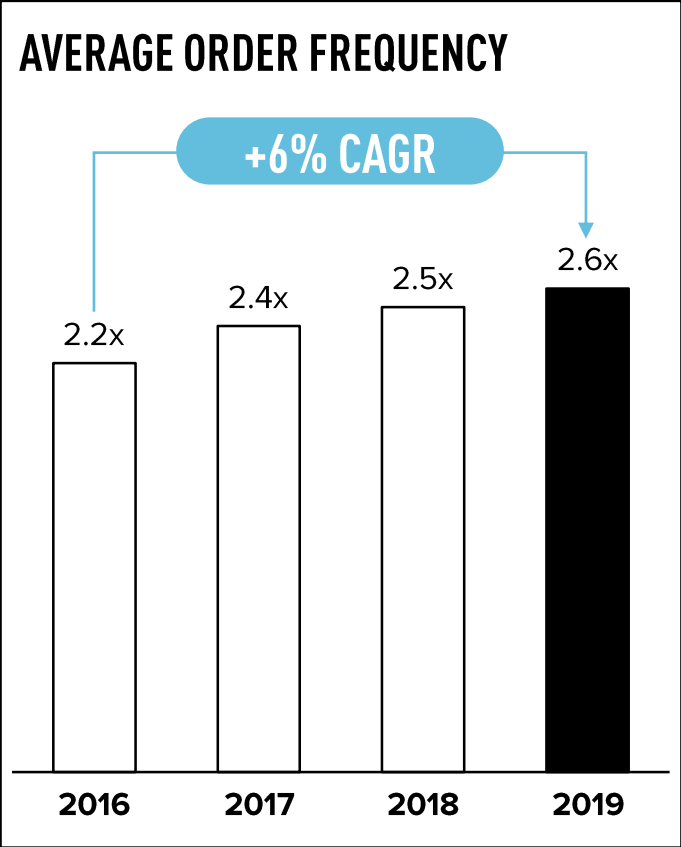
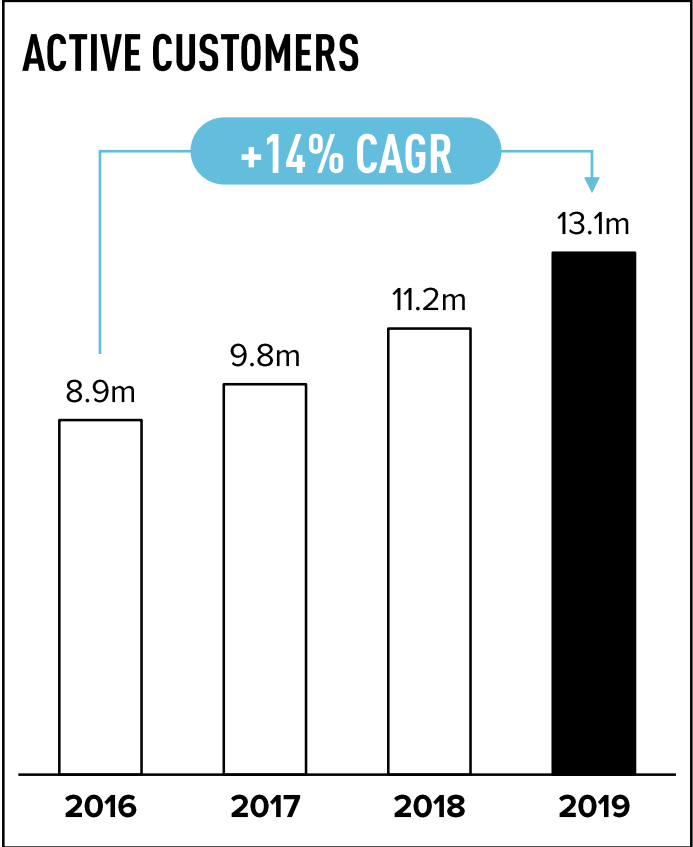
# CLEAR FINANCIAL STRATEGY TO WIN

- 1 Seize **market opportunity** & **gain market share** – long-term NMV growth of 20%+
- 2 **Optimise Marketplace** alongside **Retail** to **expand selection**, **lower inventory risk** and **increase gross margin**
- 3 Continue to **drive attractive unit economics**, **customer acquisition payback** and **customer loyalty**
- 4 **Capture operating leverage** in technology and admin expenses
- 5 Invest in tech and fulfilment infrastructure to **drive customer loyalty & efficiencies**

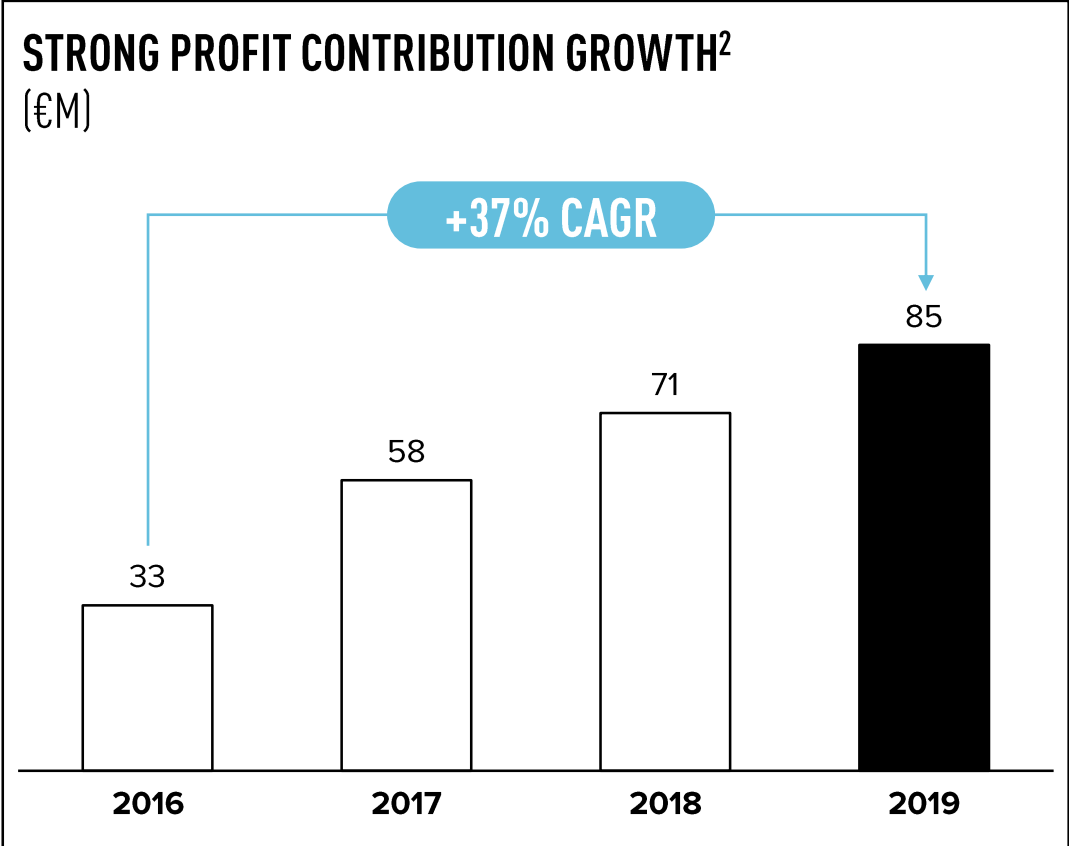
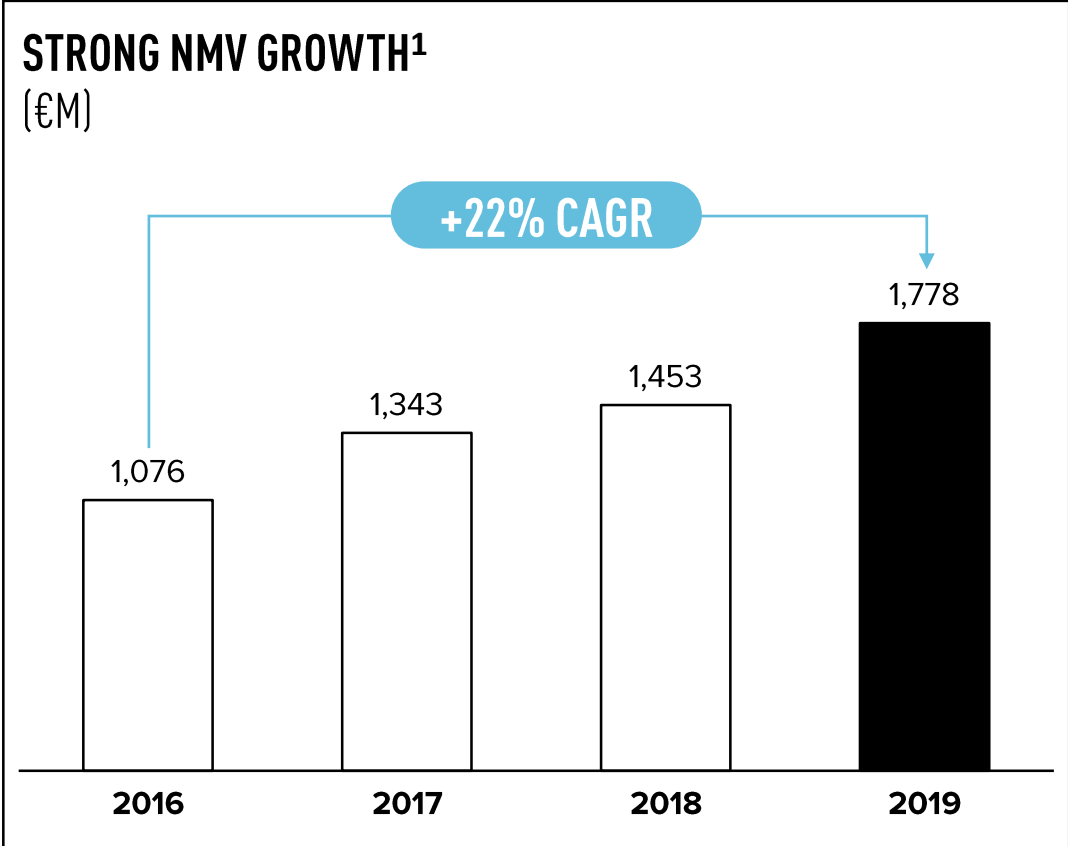




# STRONG GROWTH IN CUSTOMERS, FREQUENCY AND ORDERS



# STRONG NMV GROWTH AND IMPROVING PROFIT CONTRIBUTION



(1) Growth rates are shown on a constant currency basis and therefore exclude the effect of foreign currency movements.  
 (2) Contribution Margin is Gross Profit less fulfilment and marketing expenses.

# RESULTING IN SIMULTANEOUS TOP-LINE GROWTH AND MARGIN EXPANSION

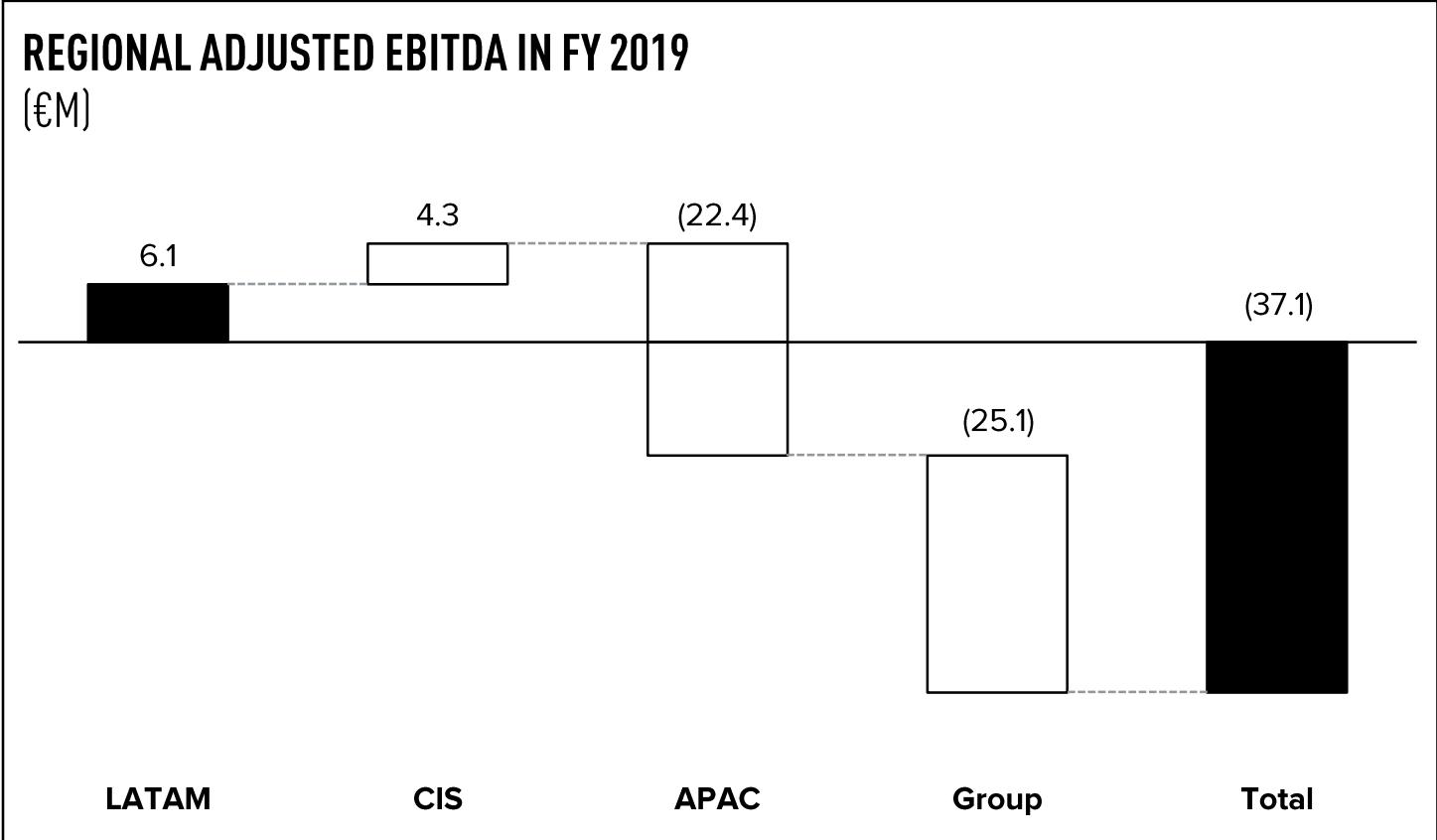
	2016	2017	2018	2019
<b>NMV<sup>1</sup></b> ○ % Constant currency growth <sup>2</sup>	€1,076m	€1,343m +20.5%	€1,453m +22.5%	€1,778m +23.0%
<b>REVENUE</b> ○ % Constant currency growth <sup>2</sup>	€887m	€1,095m +20.1%	€1,156m +18.7%	€1,346m +17.2%
<b>ADJ. EBITDA MARGIN<sup>3</sup></b> ○ pp margin increase vs. previous period	(14.7)% Pre IFRS 16	(8.9)% Pre IFRS 16 +5.8pp	(4.3)% Post IFRS 16 +4.6pp	(2.8)% Post IFRS 16 +1.5pp

(1) Value of goods sold after cancellations, rejections and returns including VAT/GST and delivery fees.

(2) Growth rates are shown on a constant currency basis and therefore exclude the effect of foreign currency movements.

(3) Adjusted 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, and adjusted for share-based payment (income)/expenses as well as one-off fees related to the IPO, one-off tax adjustments, non-trading income and costs relating to the wind-down of Lost Ink Limited.

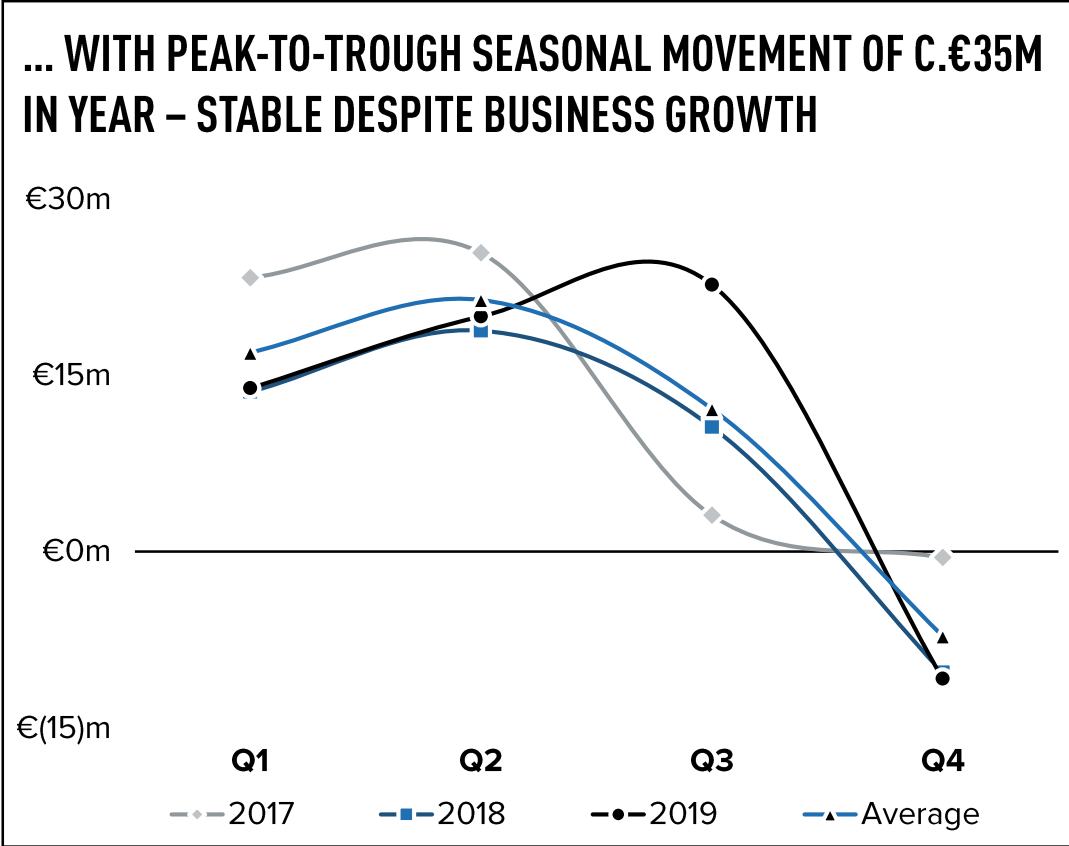
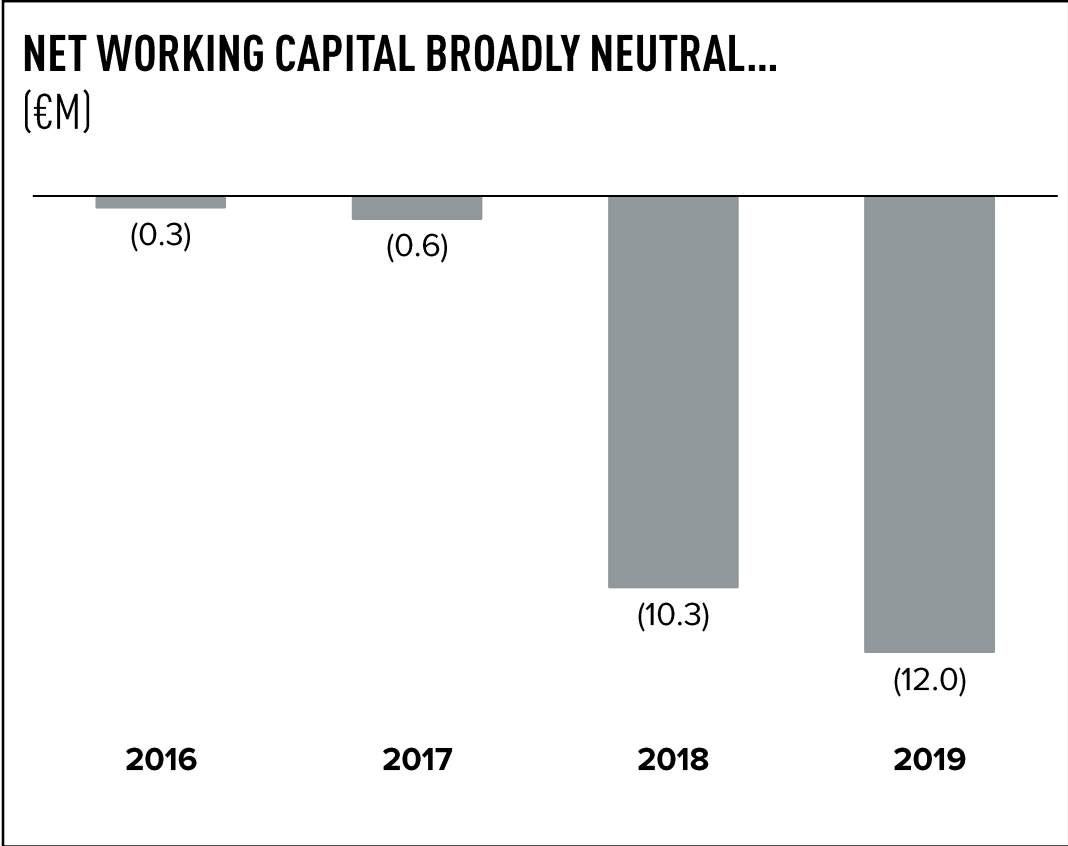
# NOW ADJUSTED EBITDA PROFITABLE IN REGIONS REPRESENTING OVER 80% OF GROUP REVENUE



- LATAM, CIS and Australia within APAC have positive Adjusted EBITDA
- Profitable regions account for >80% of revenue (2018: >50% of revenue)
- SEA remains Adjusted EBITDA negative, but showed significant year on year improvement in 2019

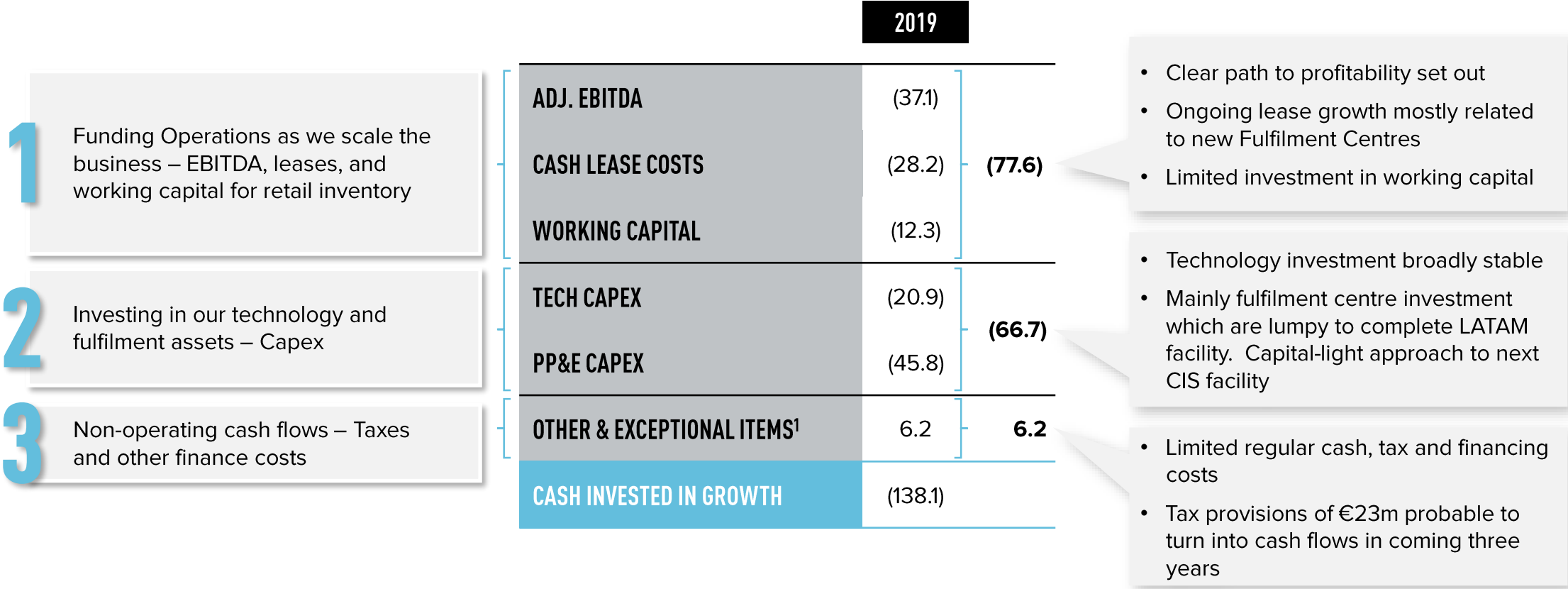


# OVERALL WORKING CAPITAL NEUTRAL WITH SOME SEASONALITY



Note: IFRS working capital impacted by balance sheet currency revaluations, and by IFRS 15 adoption.

# CLEAR VIEW OF HOW WE ARE INVESTING



(1) This includes finance costs and taxes of €(5.0)m, foreign exchange translation differences of €8.2m, €14.8m movement in provisions, €5.2m inflow from securities, deposits and non RCF related cash, exceptional items of €(26.4)m and €9.4m of other cash inflows.

# OUR FINANCIALS

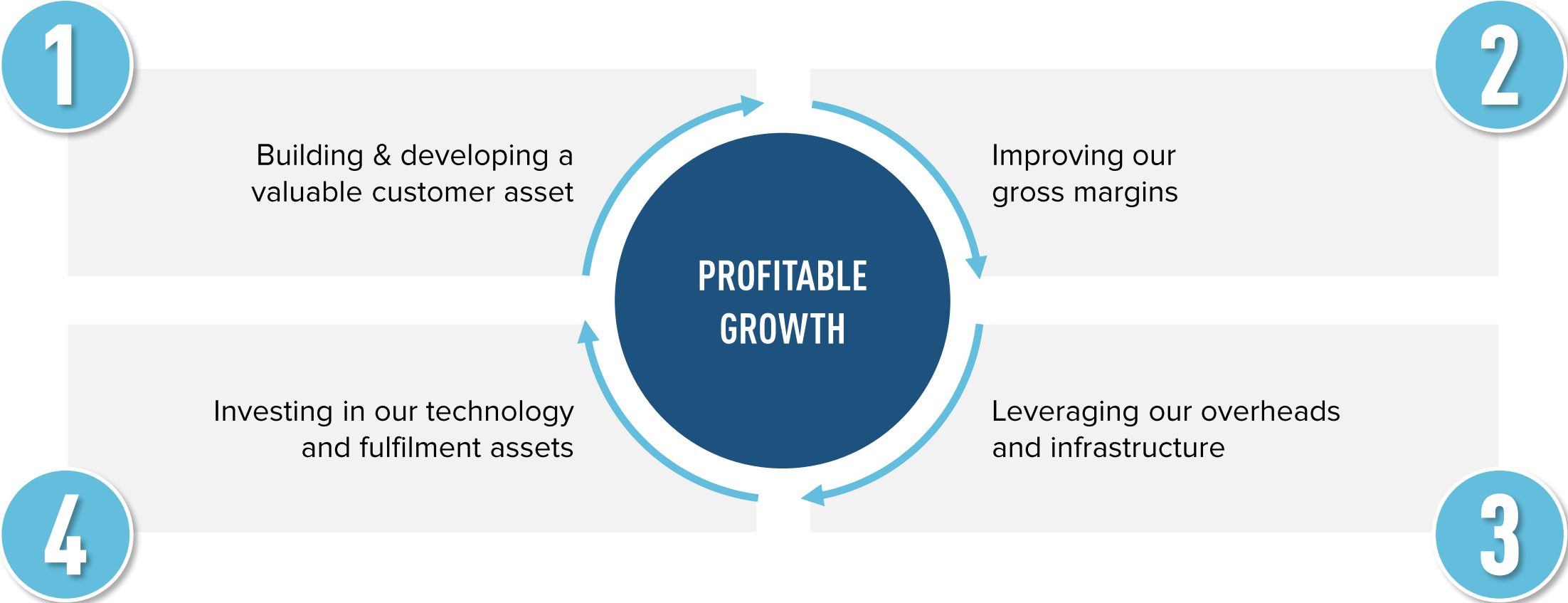
FINANCIAL OVERVIEW

**OUR GROWTH MODEL**

OUR MEDIUM-TERM  
FINANCIAL MODEL AND  
GUIDANCE



# OUR GROWTH MODEL





# A CLEAR PROCESS FOR BUILDING OUR CUSTOMER ASSET

## PROFITABLE NEW CUSTOMER ACQUISITION



## WELL- ESTABLISHED COHORT BEHAVIOUR IN YEARS AFTER ACQUISITION



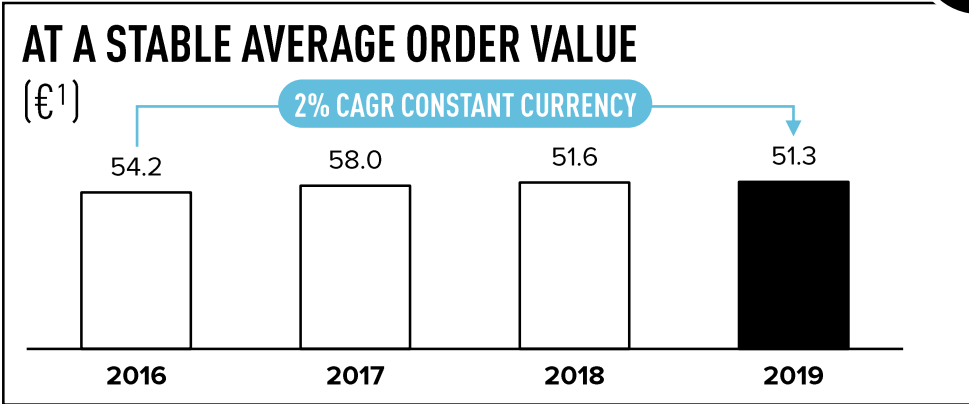
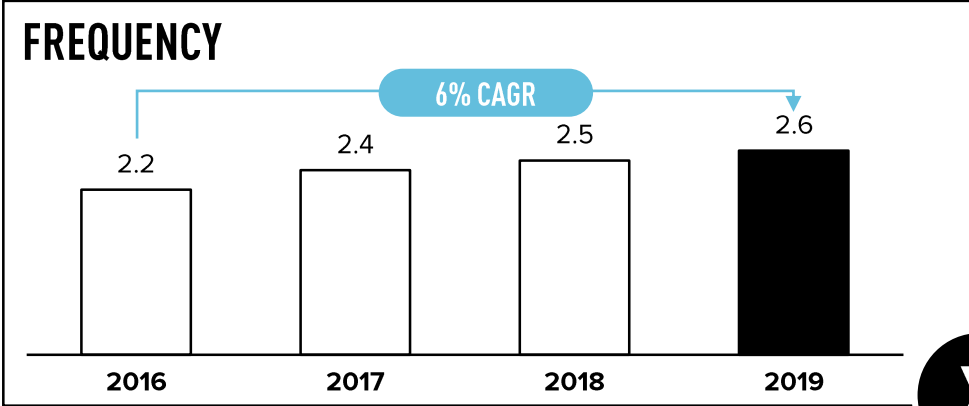
## GROWING THE VALUE OF A CUSTOMER OVER TIME

- Customers consistently acquired at a 12-month payback
- Delivering leverage on marketing CIR

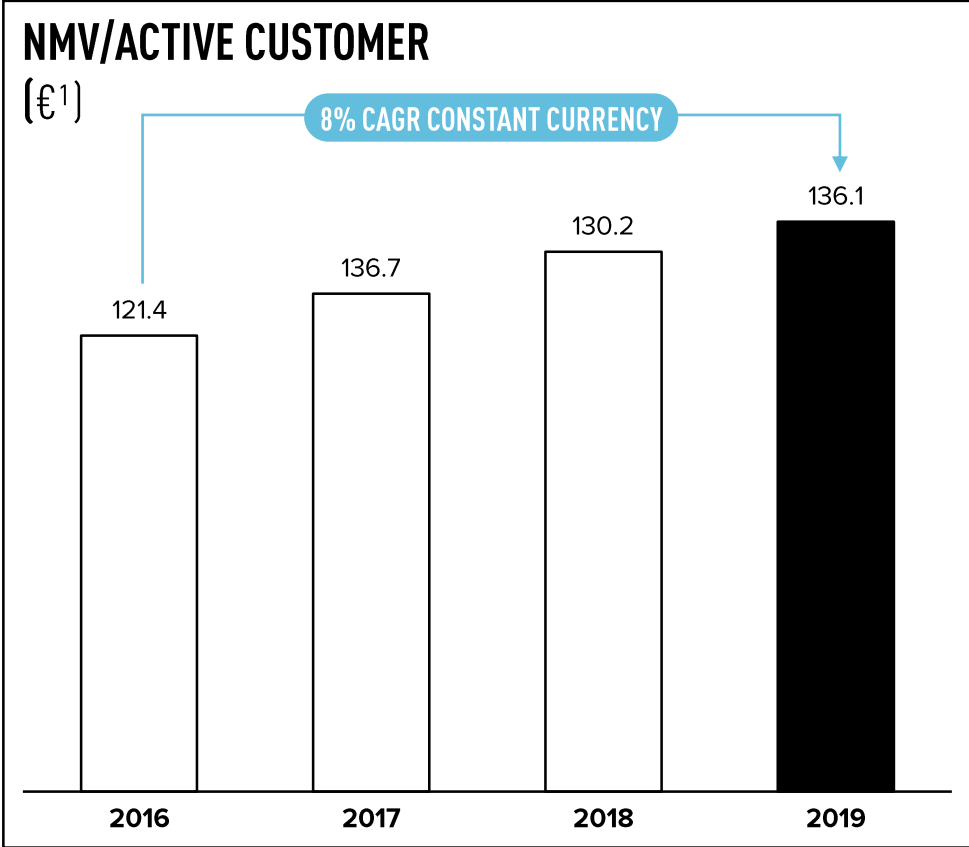
- Existing customers now 71% of NMV
- Clear track record of customer cohort retention across multiple years

- Focus on frequency to drive value – taking a larger share of customers’ fashion spending
- Profitable basket sizes well-established

# GROWING THE VALUE OF A CUSTOMER OVER TIME

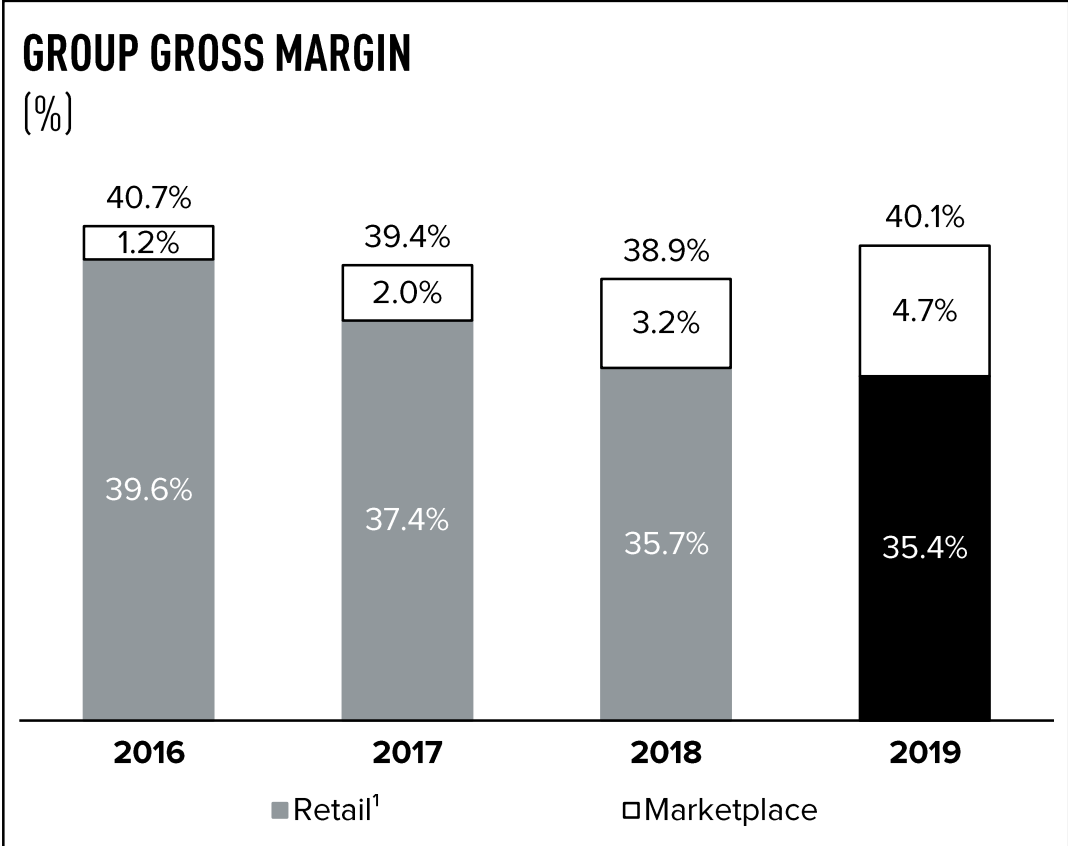


**X** DELIVERING OVER TIME



(1) Heights of bars in the charts are expressed in constant currency, based on 31 December 2017 FX rates, to exclude the effect of FX changes.

# GROSS MARGINS BENEFIT FROM MARKETPLACE TAILWIND WORTH 1 PP A YEAR

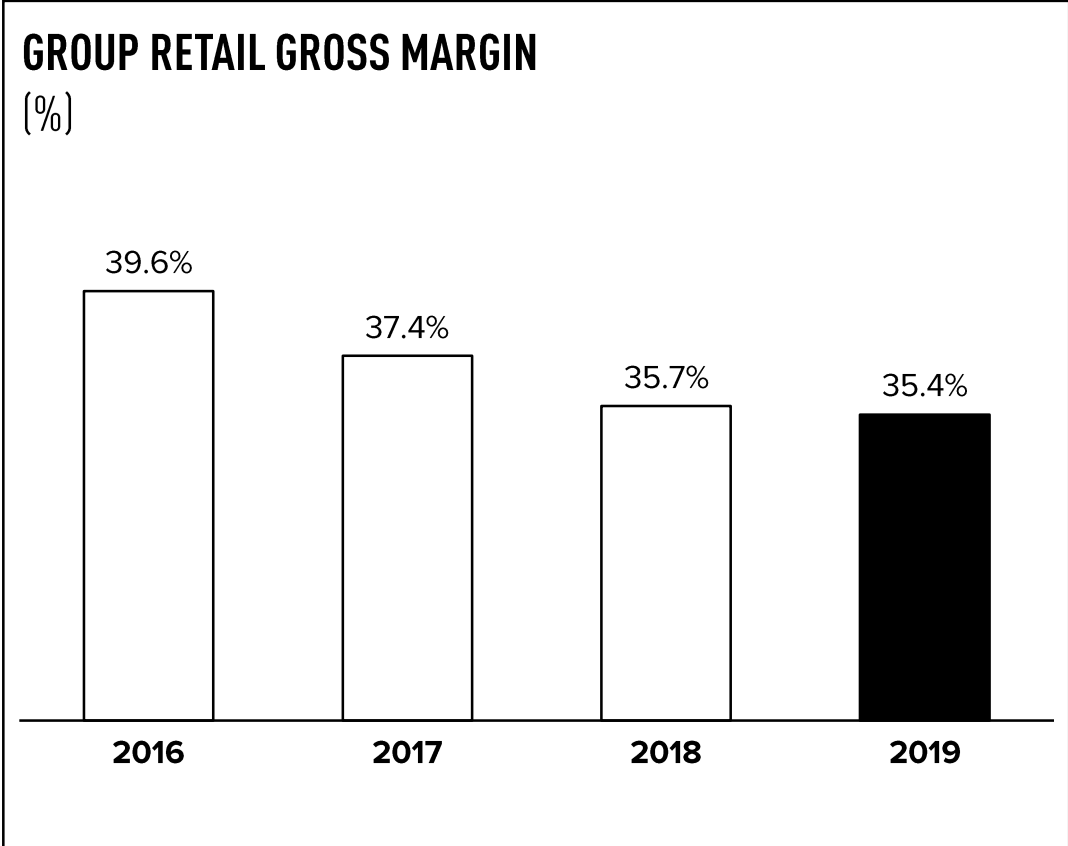


**...WITH SEVERAL DRIVERS, NOT JUST MARKETPLACE**

- Marketplace growth worth c. 1pp a year to gross margin
- Price is a key point for customers in our markets and so need to keep optimising margins:
  1. Data tools for pricing and sell-through built by our Group Tech team
  2. Upweighting premium brands in the assortment
  3. Optimising the promotions / marketing trade-off
  4. Scale benefits as we grow with brands

(1) Includes fashion services.

# IMPROVED PLANNING AND DATA TOOLS STABILISED RETAIL MARGINS



**...STABILISED ACROSS 2019 & STRENGTHENED IN H2**

- Focus on sell-through rates of current season product:
  - Current season sell-through improved in all but one region in Q4
  - Best two regions improved sell-through by +6pp and +8pp
- Intake margins controlled well



# MARKETPLACE FULFILMENT IN INCOME STATEMENT

## ILLUSTRATIVE 2019 P&L OF MARKETPLACE<sup>1</sup>

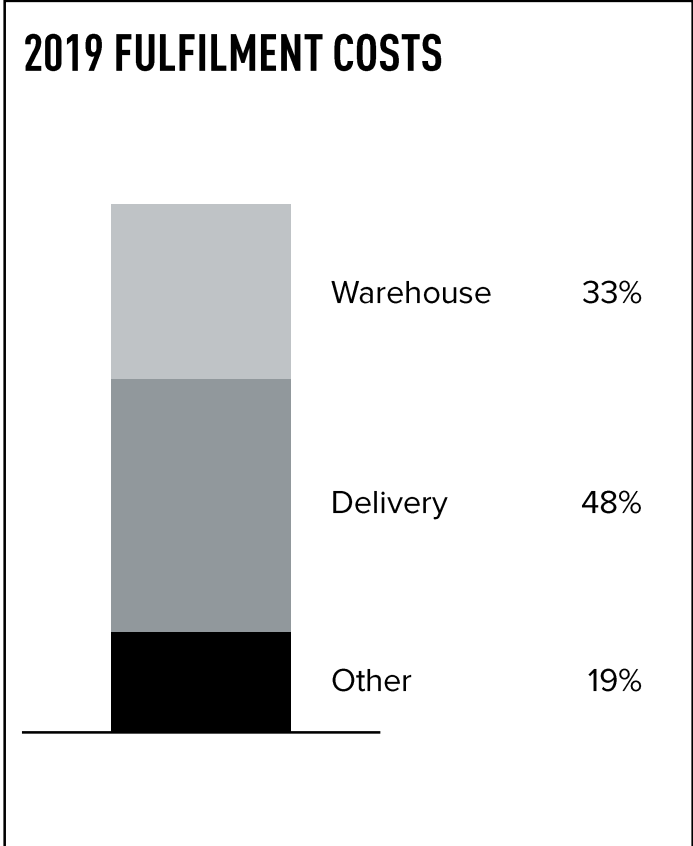
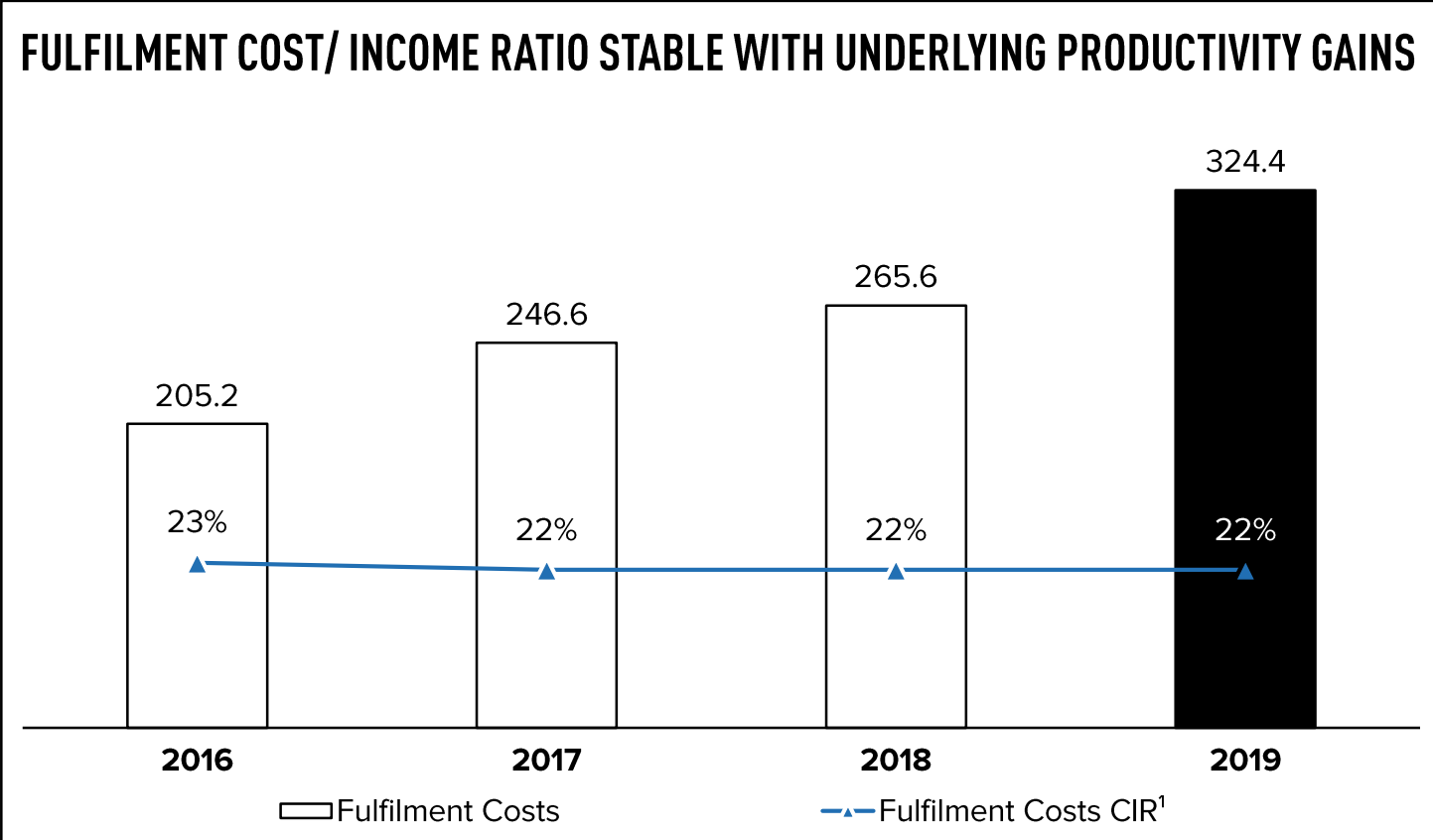
	GFG	RETAIL	MARKET PLACE
<b>SHARE OF NMV</b>	100%	79%	21%
<b>RETAIL MARGIN / TAKE-RATE</b>	-	35%	32%
<b>FULFILMENT COSTS</b>			
<b>% REVENUE</b>	24%	22%	50%
<b>% NMV<sup>2</sup></b>	22%	23%	16%
<b>PROFIT AFTER FULFILMENT</b>			
<b>% REVENUE</b>	16%	13%	50%
<b>% NMV<sup>2</sup></b>	14%	13%	16%

- Profitability of Marketplace is higher than Retail as a percentage of Revenue and of NMV
- “Fulfilled by GFG” Marketplace inflates fulfilment CIR as percentage of Revenue, but not as share of NMV
- Illustration:
  - If the Group achieves 30% Marketplace share it would see gross margin increase by 3pp of Revenue, and 1pp would be spent on higher fulfilment CIR

(1) Based on Unaudited information & simplified for presentation.

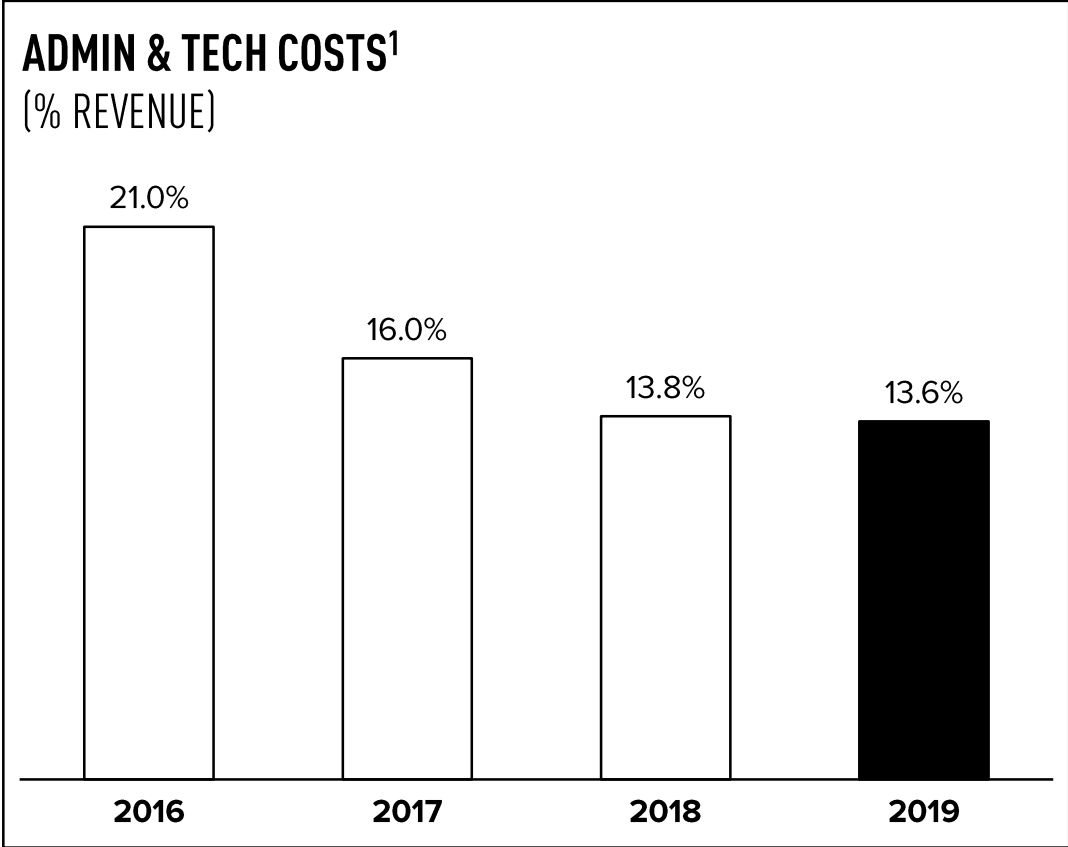
(2) Cost Income Ratio shown as a proportion of NMV Product Value (excluding VAT and excluding shipping fees).

# WE REINVEST FULFILMENT PRODUCTIVITY GAINS INTO SERVICE



(1) Cost Income Ratio (CIR) shown as NMV Product Value (excluding VAT and excluding shipping fees).

# LOCALISED CAPABILITY IS ALREADY AT SCALE – ONGOING LEVERAGE OPPORTUNITY

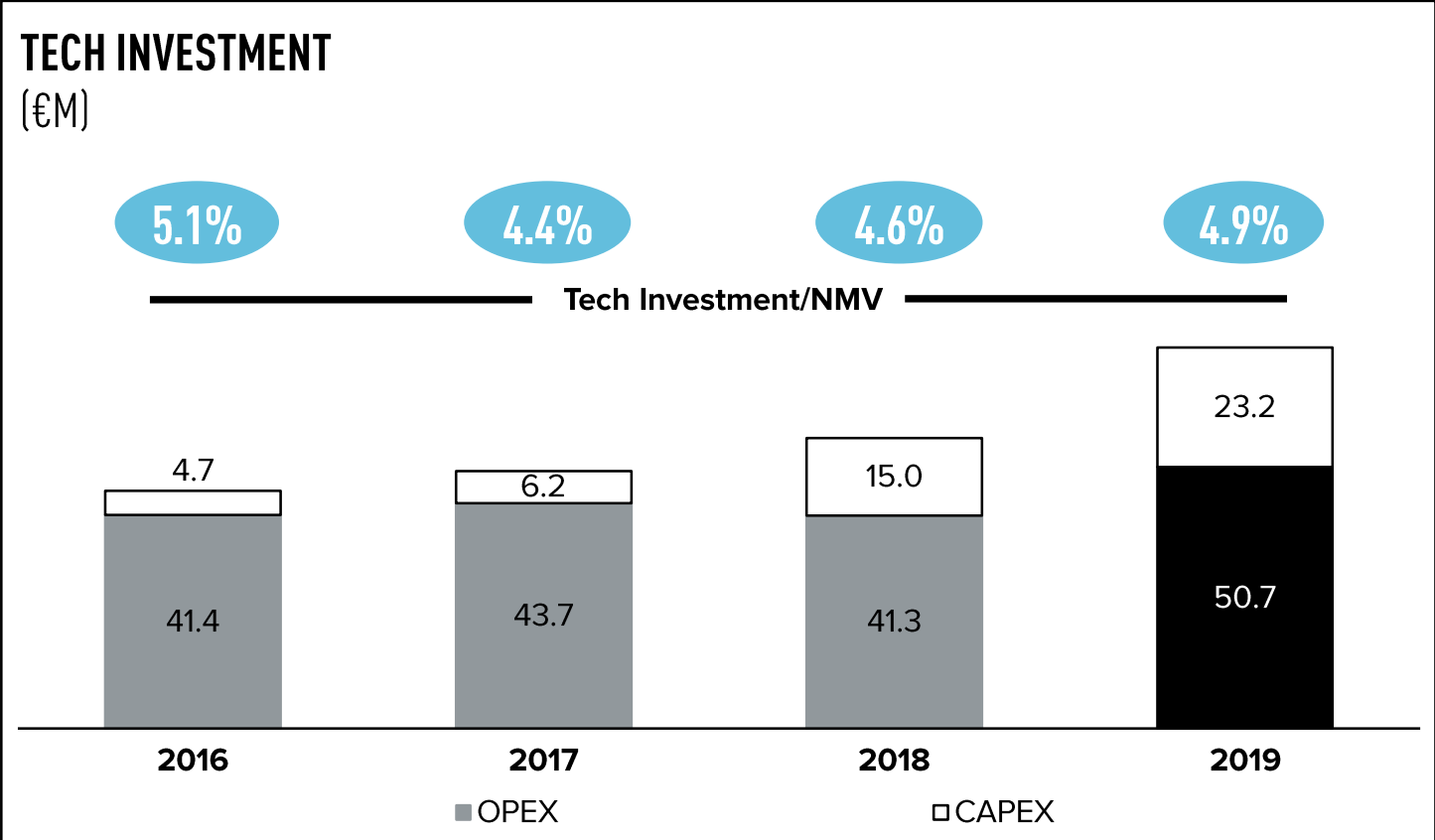


**...WITH MULTIPLE DRIVERS TO DEVELOP OVER TIME**

- We have the right regional footprint and capacity to deliver next phase of growth with limited increase in admin costs.
- Want to keep investing in our technology at a consistent CIR

(1) Excluding Admin and Tech exceptional costs and share-based payment expenses.

# WE INVEST €70M IN OUR TECHNOLOGY – ~5% OF NMV

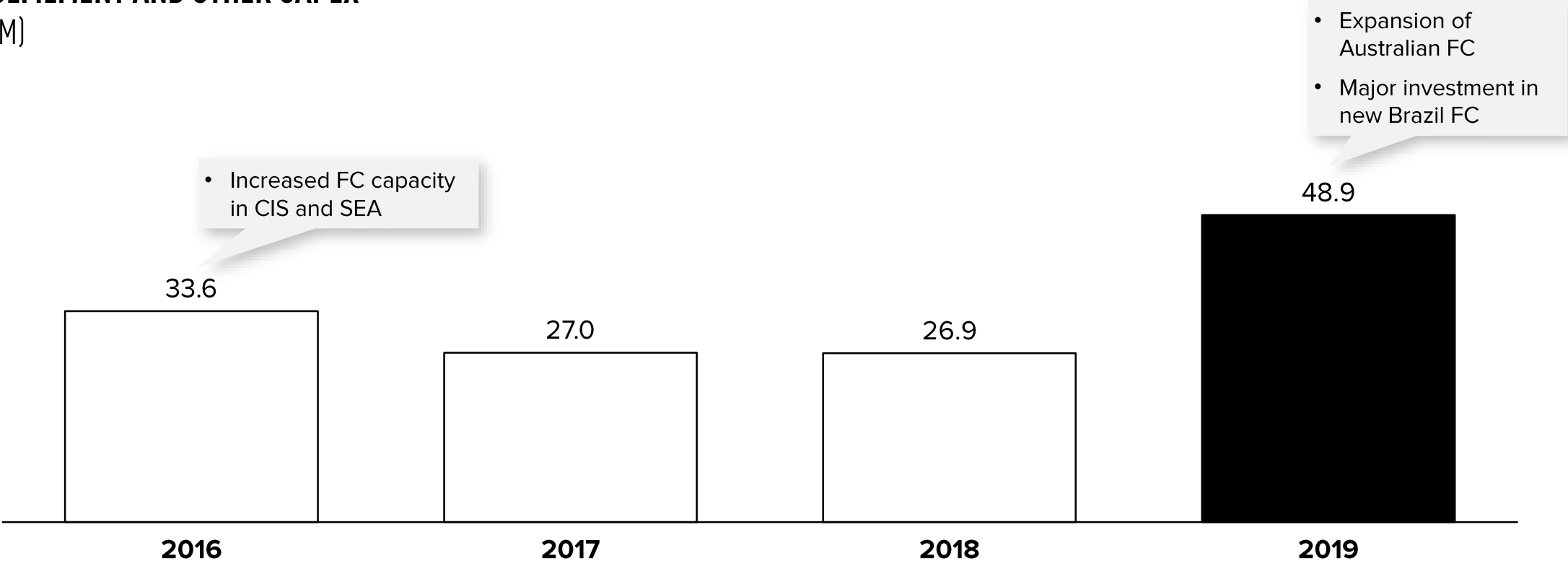


- Majority of tech is localised in markets – 90% of tech people are in our regional businesses
- Group Tech focused on global marketplace tool, pricing and other data-driven tools that power the localised apps



# FULFILMENT AND OTHER CAPEX IS LUMPY BUT UNDERLYING IS AROUND €20-25M

FULFILMENT AND OTHER CAPEX (€M)



# OUR FINANCIALS

FINANCIAL OVERVIEW

OUR GROWTH MODEL

**OUR MEDIUM-TERM  
FINANCIAL MODEL AND  
GUIDANCE**



# AFTER BREAKEVEN, THE NEXT STEP IS TO ACHIEVE AT LEAST A 6% ADJUSTED EBITDA MARGIN IN 3-4 YEARS TIME

	2019		MEDIUM-TERM	KEY ASSUMPTIONS
NMV GROWTH	23.0%	➔	20%+	<ul style="list-style-type: none"> <li>NMV growth 20%+ constant currency after 2020</li> </ul>
MARKETPLACE SHARE	21.0%	➔	30%	<ul style="list-style-type: none"> <li>Marketplace share aspiration of 30% of NMV</li> </ul>
GROSS MARGIN	40.1%	➔	↑	<ul style="list-style-type: none"> <li>Ongoing growth in gross margin with Marketplace tailwind</li> </ul>
FULFILMENT COSTS	(24.1)%	➔	↗	<ul style="list-style-type: none"> <li>Modest growth in Fulfillment CIR due to Marketplace mix</li> </ul>
MARKETING COSTS	(9.7)%	➔	↘	<ul style="list-style-type: none"> <li>Modest further leverage in the marketing CIR</li> </ul>
TECH & ADMIN COSTS	(13.6)%	➔	↓	<ul style="list-style-type: none"> <li>Ongoing leverage on Tech &amp; Admin costs as achieve scale</li> </ul>
ADJUSTED EBITDA	(2.8)%	➔	6%+	<ul style="list-style-type: none"> <li>6%+ in 3-4 years time</li> </ul>
CAPEX	(72.1)	➔	Less than €50m	<ul style="list-style-type: none"> <li>Capex less than €50m after 2020</li> </ul>

# 2020 GUIDANCE

## CORONAVIRUS UNCERTAINTY NOT REFLECTED IN GUIDANCE

	2019	2020	2020 GUIDANCE
<b>NMV</b>	23% €1.78bn	17-20% >€2.0bn	<ul style="list-style-type: none"> <li>• Constant currency growth of 17-20%</li> <li>• Expect slower start to year – Australia bushfires, warm Russian winter</li> </ul>
<b>REVENUE</b>	€1.35bn 17.2%	c. €1.5bn	<ul style="list-style-type: none"> <li>• Slightly slower growth than NMV reflecting Marketplace share increase</li> </ul>
<b>ADJ. EBITDA MARGIN</b>	(2.8)%	Profitable by 2021	<ul style="list-style-type: none"> <li>• Intend to be Adj. EBITDA profitable no later than 2021. Will make continued progress in 2020</li> </ul>
<b>CAPEX</b>	€72m	c. €55m	<ul style="list-style-type: none"> <li>• Completion of Brazil fulfilment centre</li> <li>• Reflecting capital-light approach to CIS fulfilment centre</li> </ul>

Note: Euro value guidance for NMV and Revenue based on Exchange rates at 31 December 2019.



# MULTIPLE DRIVERS OF LONG-TERM AND SUSTAINABLE GROWTH

**1** Huge, growing **market** shifting online from a low base

**2** Using technology to develop new ways of optimising the **customer experience**

**3** Improved ways of working with **brand partners**

**4** Further efficiencies from **operations**

**5** Clear **financial strategy** to win



# APPENDIX





# STRONG, EXPERIENCED AND DIVERSE TEAM COMBINING GLOBAL EXPERTISE WITH DEEP LOCAL KNOW-HOW

## SENIOR LEADERSHIP



**Patrick Schmidt**  
Co-CEO  
Kuala Lumpur



**Christoph Barchewitz**  
Co-CEO  
London



**Matthew Price**  
CFO  
London

### APAC



**Erica Berchtold**  
Sydney



**Gunjan Soni**  
Singapore



**Philipp Povel**  
Sao Paolo



**Florian Jansen**  
Moscow

### LATAM

### CIS

### TECHNOLOGY

### BRANDS

### SUSTAINABILITY

### PEOPLE

### LEGAL & GRC



**Karthik Subramanian**  
Kuala Lumpur



**Melanie Smallwood**  
London



**Jaana Quaintance-James**  
Sydney



**Nicolle Strauss**  
Kuala Lumpur



**Yana Valletta**  
London

## LOCAL, DIVERSE TEAM

Dynamic and diverse team of  
**>12,500 people**

**98%+** of our people based in  
countries of operation

**19 offices** across four continents

# APPENDIX: CASH INVESTED IN GROWTH

	€m
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	105.0
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	277.3
<b>MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>172.3</b>
LESS NET IPO PROCEEDS	(186.1)
LESS NAMSHI PROCEEDS	(114.3)
LESS RELEASE OF RCF RESTRICTED CASH	(10.0)
<b>CASH INVESTED IN GROWTH</b>	<b>(138.1)</b>



# 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.

