

**QFG** GLOBAL  
FASHION  
GROUP

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

**COMPANY  
PRESENTATION**

**November 2024**



# WHO WE ARE



# WE OPERATE 3 FASHION & LIFESTYLE ECOMMERCE PLATFORMS ACROSS 11 COUNTRIES



LATIN AMERICA

dafiti

BRAZIL  
COLOMBIA  
CHILE

SOUTHEAST ASIA

ZALORA

INDONESIA  
PHILIPPINES  
SINGAPORE  
MALAYSIA  
TAIWAN  
HONG KONG

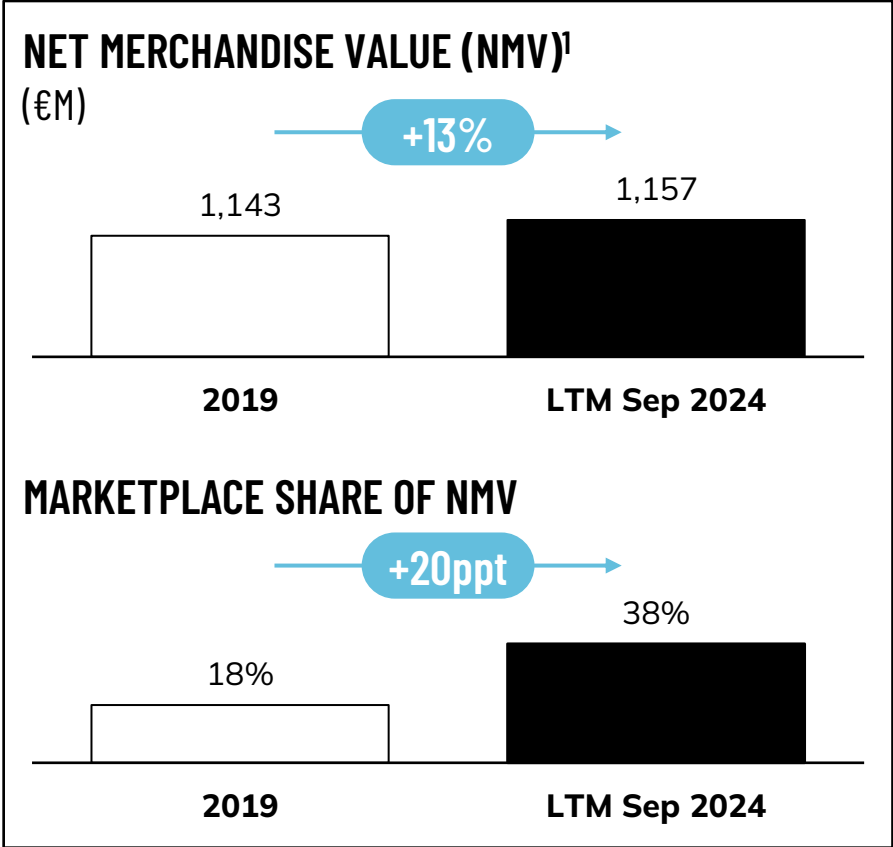
AUSTRALIA NEW ZEALAND

THE ICONIC

AUSTRALIA  
NEW ZEALAND

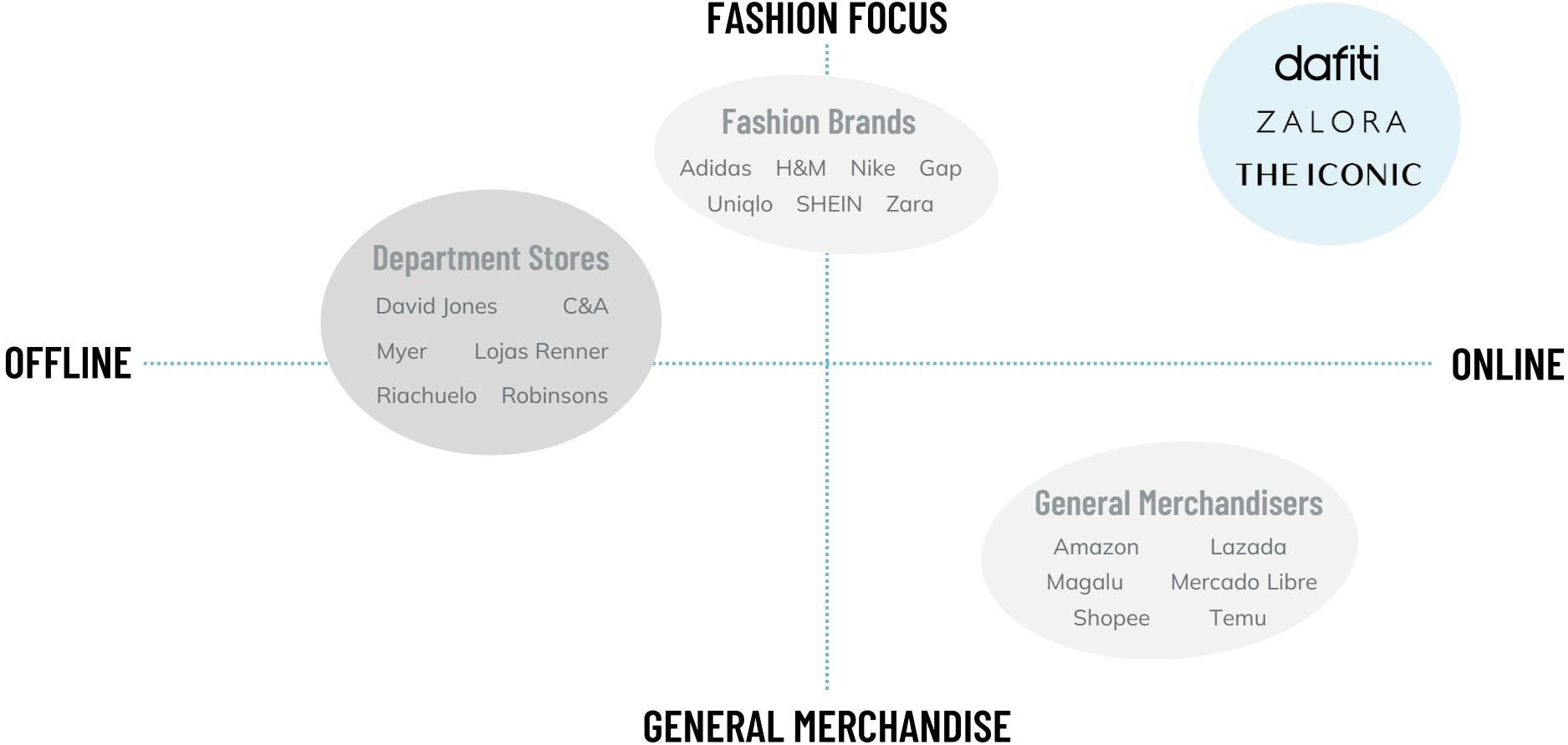
# WE HAVE ESTABLISHED LEADING MARKET POSITIONS

	GROUP	LATAM	SEA	ANZ
LTM SEPTEMBER 2024	<b>oFG</b> GLOBAL FASHION GROUP	dafiti	ZALORA	THE ICONIC
NMV (€M)	1,157	367	290	499
ADJ. EBITDA MARGIN (%)	(3.8)	(7.8)	(0.9) <small>LTM June 2024</small>	(1.4)
ORDERS (M)	18.5	7.2	6.0	5.3
ACTIVE CUSTOMERS (M)	8.0	3.9	2.2	1.9



(1) Growth rate is in constant currency. Bars are a graphical representation of values on a constant currency basis.

# WE ARE THE ONLY LOCAL MULTI-BRAND FASHION ECOMMERCE PLATFORM OF SCALE IN OUR MARKETS



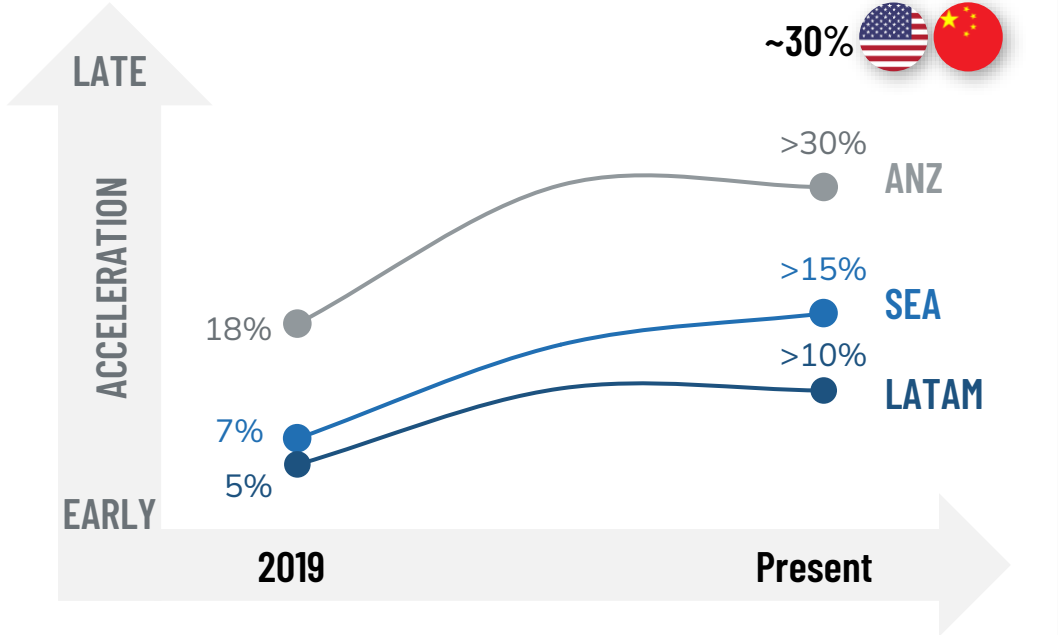
# ONLINE ADOPTION WILL CONTINUE TO DRIVE LONG-TERM GROWTH

## SUBSTANTIAL OPPORTUNITY TO GROW ONLINE

### FASHION & LIFESTYLE ONLINE PENETRATION

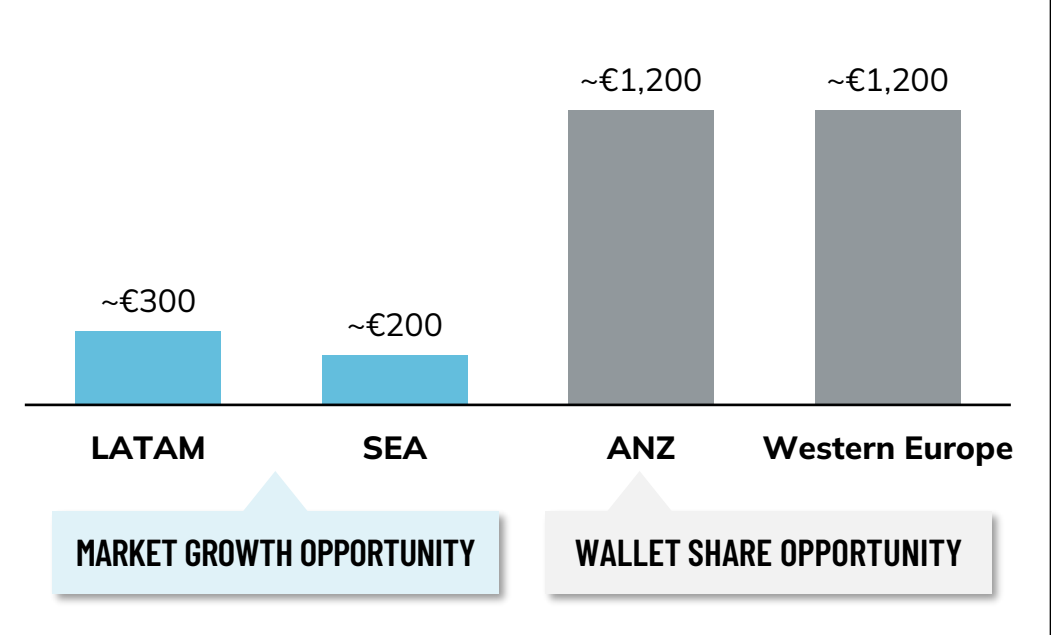
Weighted to GFG's 2023 NMV By Country

Long-term  
~50%



## OUR MARKETS HAVE VARYING DISPOSABLE INCOME LEVELS

### ANNUAL PER CAPITA FASHION & LIFESTYLE SPEND



# OUR REGIONS ARE AT DIFFERENT GROWTH STAGES PRESENTING MULTIPLE OPPORTUNITIES

		LATAM		SEA		ANZ	
2023		dafiti		ZALORA		THE ICONIC	
<b>FASHION &amp; LIFESTYLE MARKET SIZE</b>							
TOTAL	ONLINE	~€95bn	~€10bn	~€110bn	~€20bn	~€40bn	~€10bn
TOTAL POPULATION		290m		460m		30m	
TARGET POPULATION <sup>1</sup> (% of total)		~60m ~20%		~90m ~20%		~25m ~80%	
ACTIVE CUSTOMERS (% of target)		4m 7%		2m 3%		2m 10%	
<b>THE OPPORTUNITY</b>		LARGE market that is moving online				HIGH fashion spend per capita	

(1) Share of population based on target income levels. Company estimates based on World Bank income segmentation data.

# WE OFFER CUSTOMERS A BROAD & RELEVANT ASSORTMENT



**6,000+**  
global and local brands

**FASHION & LIFESTYLE**  
categories

**OWN BRANDS**  
enrich the assortment

**EXCLUSIVE**  
offerings

**BROAD SEGMENTS**  
mainstream to premium

Note: Category mix represents % of FY2023 NMV excluding VAT / GST and delivery fees.



# WELL-INVESTED INFRASTRUCTURE AND FLEXIBLE OFFERING

## 7 LOCAL FULFILMENT CENTRES ENABLE FAST DELIVERIES AT LARGE SCALE

REGION	# OF FCS	RETURN RATES <sup>1</sup>	
		2019	2023
LATAM	3	9%	10%
SEA	3	22%	15%
ANZ	1	31%	27%

**>25m**

Total Item Storage Capacity

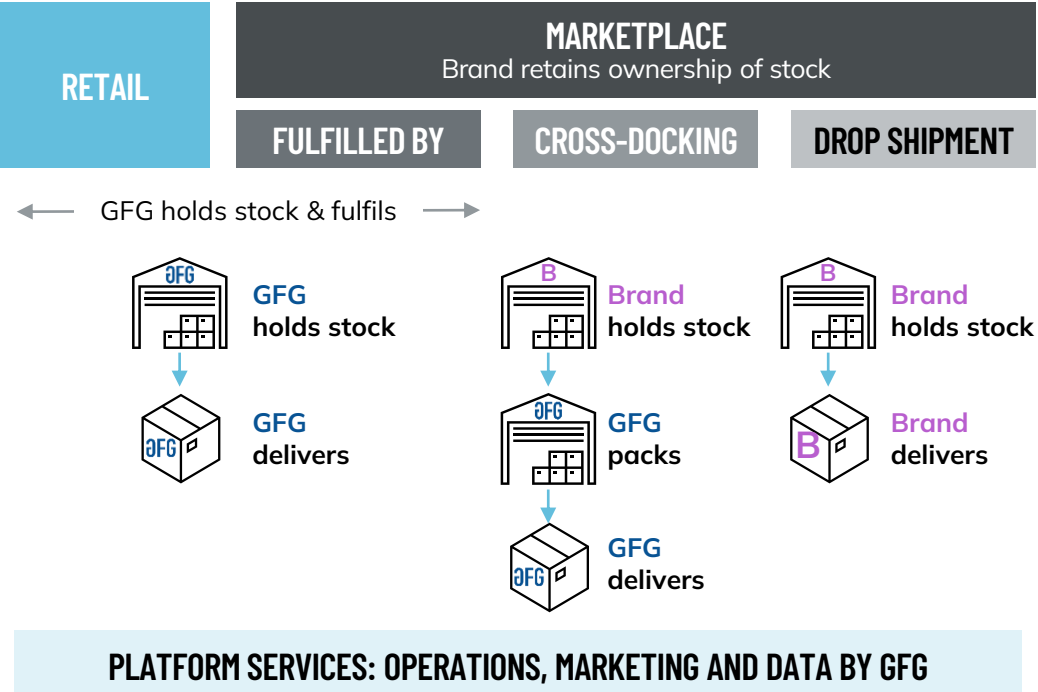
**€2bn+**

NMV Capacity of Current Footprint

**>40m**

Items Shipped<sup>2</sup>

## 3 BUSINESS MODELS TAILORED TO BRANDS' NEEDS



(1) Return rate defined as % of NMV before returns and rejections.  
 (2) Items shipped in 2023 includes Retail and Marketplace items from Fulfilled by GFG and cross-docking models.

# WE PARTNER WITH THE TOP GLOBAL & LOCAL BRANDS WHO EMBRACE OUR HYBRID MODELS

## TOP 30 BRANDS / BRAND GROUPS BY NMV 2023<sup>1</sup>



**BIRKENSTOCK**



*colcci*



**COTTON:ON**

**COUNTRY ROAD**



**GAP**

**GUESS**

**H&M Group**



**LUXOTTICA**

**MANGO**



**SANTA LOLLA**

**SKECHERS**

**tapestry**



**VIZZANO**

**WOLVERINE**

**40%**  
of Group NMV

**83%**  
of brands on both  
Retail and Marketplace

**93%**  
of brands use  
Platform Services<sup>2</sup>

(1) Excludes own brands.  
(2) Using at least one service in at least one of GFG's markets.

# OUR FINANCIALS



# CLEAR FINANCIAL STRATEGY TO ACHIEVE OUR AMBITIONS



Focus on disciplined customer acquisition and developing existing customer relationships



Develop Retail, Marketplace and Platform Services

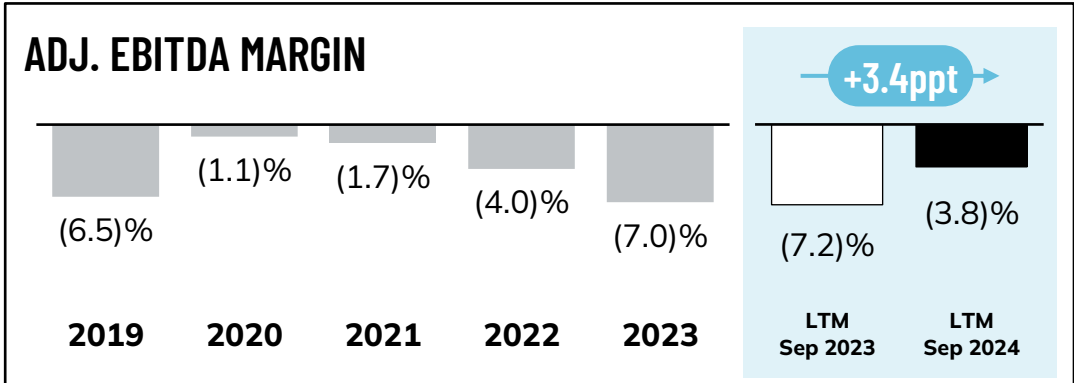
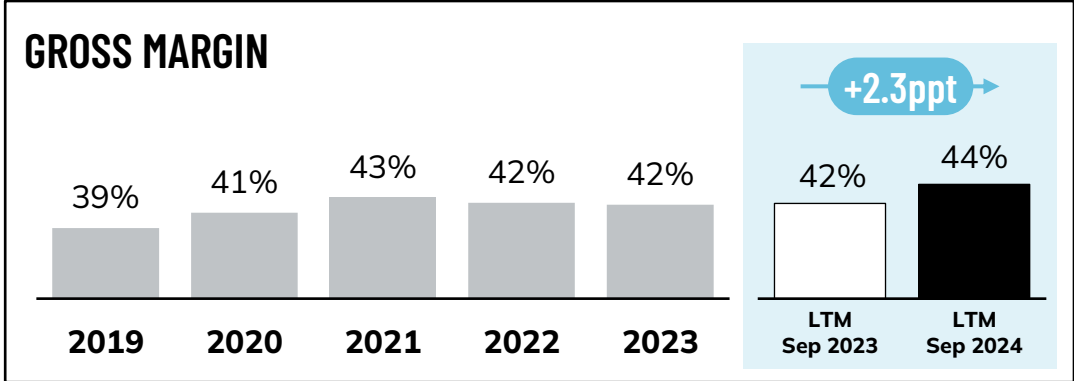
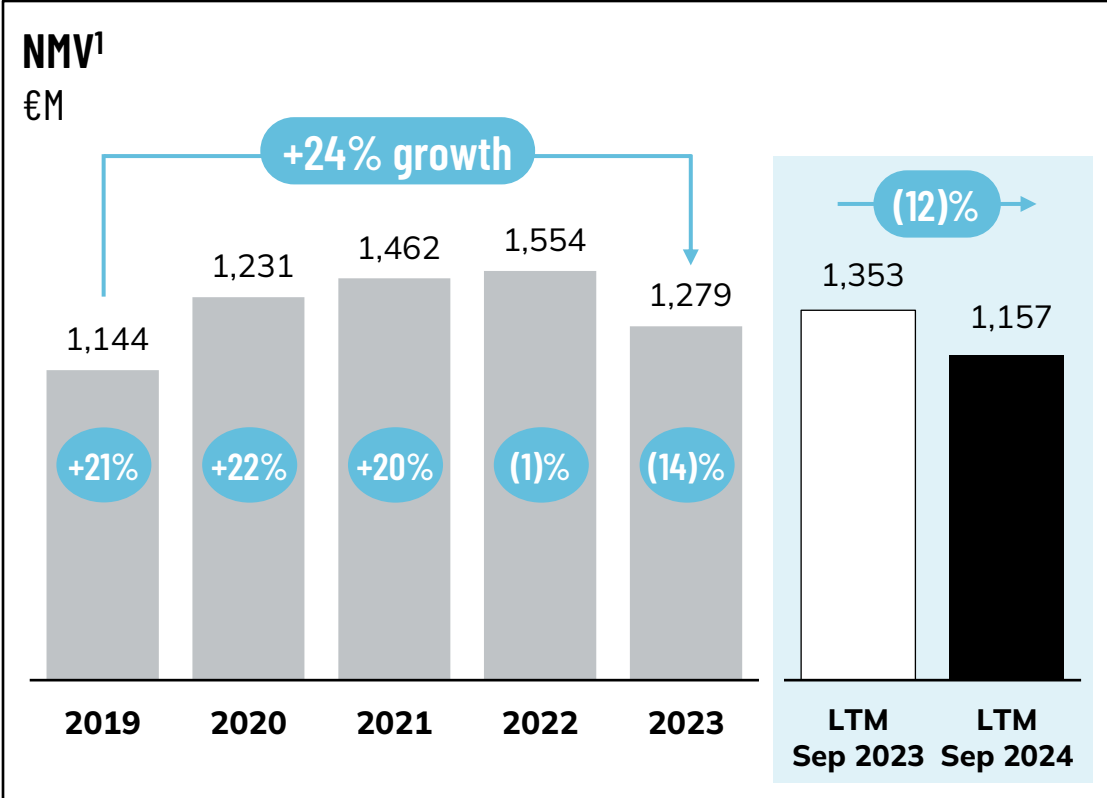


Deliver scale benefits from our overhead footprint and infrastructure as we grow



Drive the flywheel and continue to innovate with select strategic investments

# IMPROVING MARGIN EVOLUTIONS DESPITE MARKET HEADWINDS



(1) Growth rate is in constant currency. Bars are a graphical representation of values on a constant currency basis.

# YTD Q3/24: IMPROVEMENTS IN CONSUMER DEMAND, GROSS MARGIN AND COST EFFICIENCY DRIVE SIGNIFICANT PROFIT GAINS

**€788m**

NMV  
(10.9)% yoy<sup>1</sup>

**44.6%**

GROSS PROFIT MARGIN  
+3.1ppt yoy

**(5.7)%**

ADJ. EBITDA MARGIN  
+4.2ppt yoy

**8.0m**

ACTIVE CUSTOMERS  
(13.5)% yoy

**12.5m**

ORDERS  
(15.6)% yoy

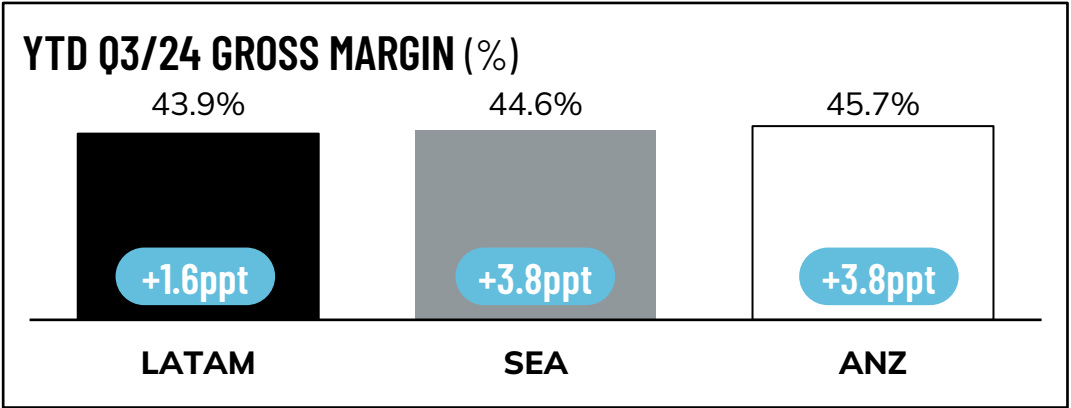
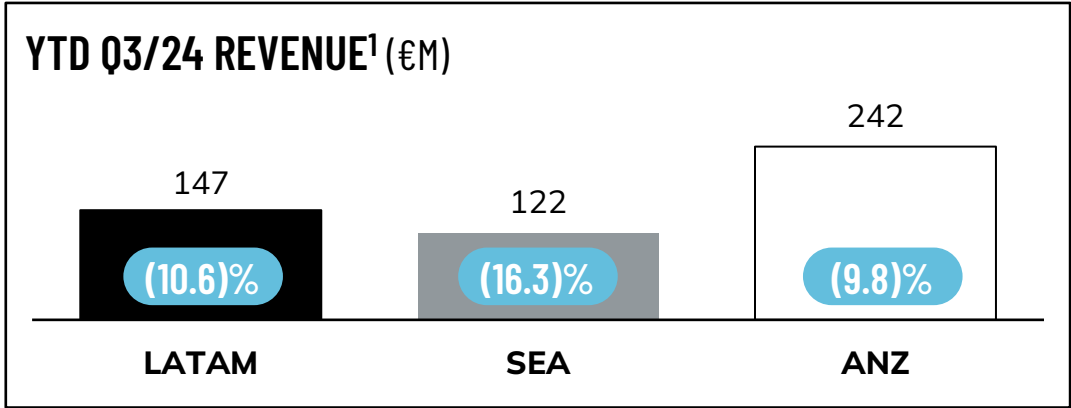
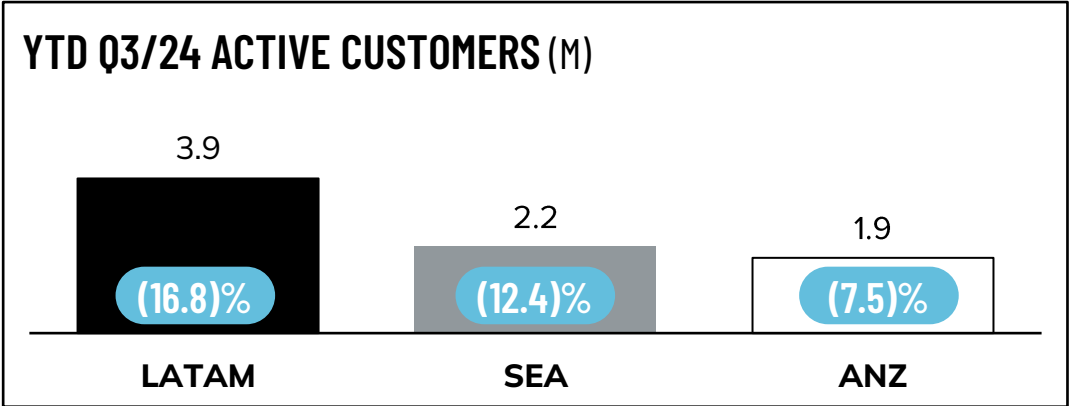
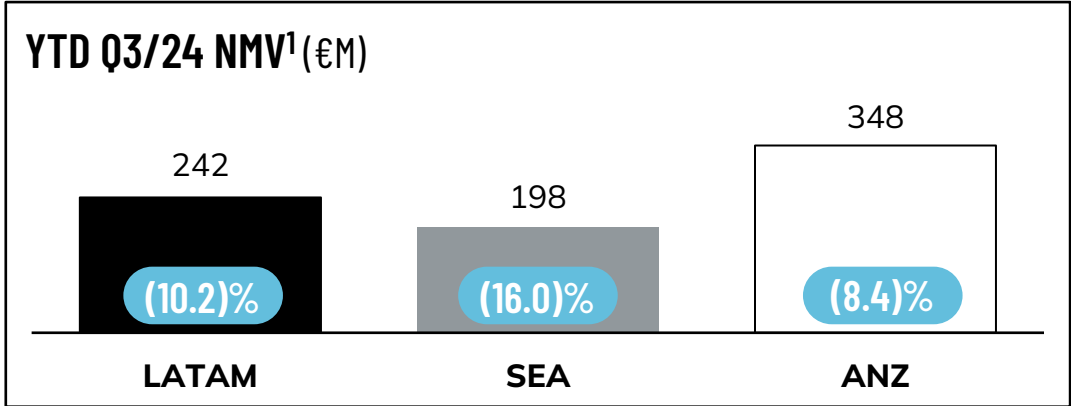
**2.3**

ORDER FREQUENCY  
(3.9)% yoy

(1) Constant currency growth rate.

# IN Q3, LATAM & ANZ ACHIEVED SLOWEST RATE OF NMV DECLINE SINCE EARLY 2021 AND 2023, RESPECTIVELY

Change on YTD Q3/23



(1) Growth rate is in constant currency. Bars are a graphical representation of values on a constant currency basis.

# CONTINUED FOCUS ON COST REDUCTIONS POSITION US FOR PROFITABILITY ONCE NMV RECOVERS

COSTS (€M)	H1/23	H1/24	△23-24
FULFILMENT	101	83	(18)
MARKETING	41	36	(5)
TECH & ADMIN <sup>1</sup>	95	83	(12)
INTANGIBLE CAPEX & CASH LEASES <sup>2</sup>	21	23	2
<b>TOTAL COST BASE</b>	<b>259</b>	<b>225</b>	<b>(34)</b>
<b>COST BASE △ YOY<sup>3</sup></b>	<b>(7.1)%</b>	<b>(11.4)%</b>	
<b>NMV △ YOY<sup>3</sup></b>	<b>(11.7)%</b>	<b>(14.2)%</b>	

Primarily driven by cost actions

(1) Admin costs exclude share-based payments.

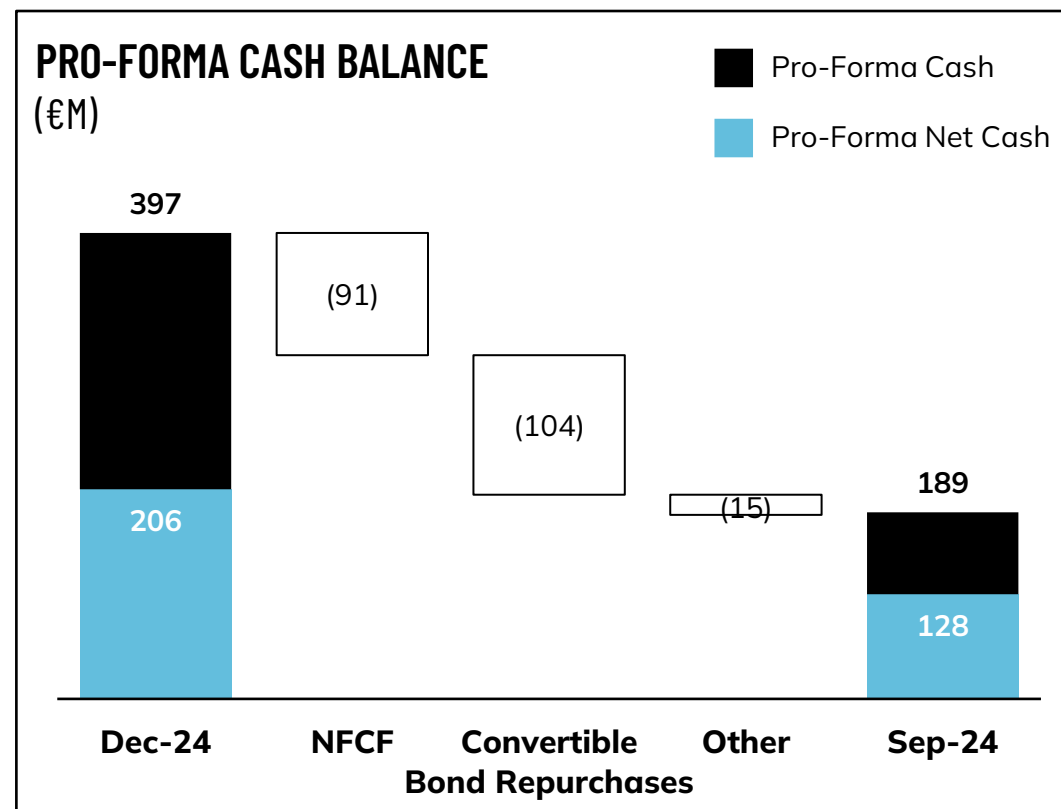
(2) Intangible Capex includes both intangible and tech capex. Cash leases represents cash lease payments net of sublease income.

(3) Constant currency growth rate.



# STRONG ADJ. EBITDA IMPROVEMENTS AHEAD OF PEAK TRADING QUARTER

(€M)		YTD Q3	
		2023	2024
FUNDING OPERATIONS	Adj. EBITDA	(59)	(29)
	Cash Lease Costs	(15)	(14)
	Working Capital	2	(12)
CAPEX	Intangible Capex	(18)	(22)
	PP&E Capex	(3)	(3)
	<b>TOTAL CAPEX</b>	<b>(22)</b>	<b>(25)</b>
Other NCF		(8)	(10)
<b>NORMALISED FREE CASH FLOW<sup>1</sup> ("NFCF")</b>		<b>(100)</b>	<b>(91)</b>



(1) 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. These excluded cash flows are represented by Other.

# UPDATED FY 2024 GUIDANCE

	Previous <i>as of 6 March 2024</i>	Updated <i>as of 16 October 2024</i>
NMV <sup>1</sup>	<b>(5)-(15)% yoy</b> Implies €1,100-1,200m	<b>(8)-(12)% yoy</b> Implies €1,100-1,160m
Adj. EBITDA	<b>€(25)-(45)m</b>	<b>€(16)-(28)m</b>

## FINANCIAL PRIORITIES

- Continued platform transition and inventory efficiency focus
- Cost reduction from 2023 actions and incremental savings implemented
- Capex and leases around 2023 levels
- Working capital cash inflow, significantly less than in 2023

(1) NMV growth rate is on a constant currency basis at 31 December 2023 closing exchange rates. Implied NMV absolute values are subject to FX fluctuations for forecast months. Consequently, NMV absolute values in March were based on 31 December 2023 closing exchange rates and October is based on actualised FX up to 31 August 2024 closing exchange rates.

# OUR PATH TO POSITIVE ADJ. EBITDA AND BREAKEVEN NORMALISED FREE CASH FLOW

## 1 PLATFORM TRANSITION

<b>MARKETPLACE</b> share of NMV	<b>~45%</b>
<b>FULFILLED BY GFG &amp; CROSS-DOCKING</b> share of Marketplace shipped items	<b>~50%</b>
<b>PLATFORM SERVICES</b> share of Revenue	<b>5-10%</b>

## 2 MARGIN IMPROVED

<b>GROSS PROFIT</b> % of Revenue	<b>~47%</b>
<b>ONGOING COST EFFICIENCY</b>	
<b>ADJ. EBITDA</b> % of Revenue	<b>~6%</b>

## 3 CAPITAL EFFICIENCY

<b>CAPEX</b> % of Revenue	<b>~3%</b>
<b>NEUTRAL WORKING CAPITAL</b>	
<b>LEASES</b>	<b>Stable</b>

# Q&A



# APPENDIX

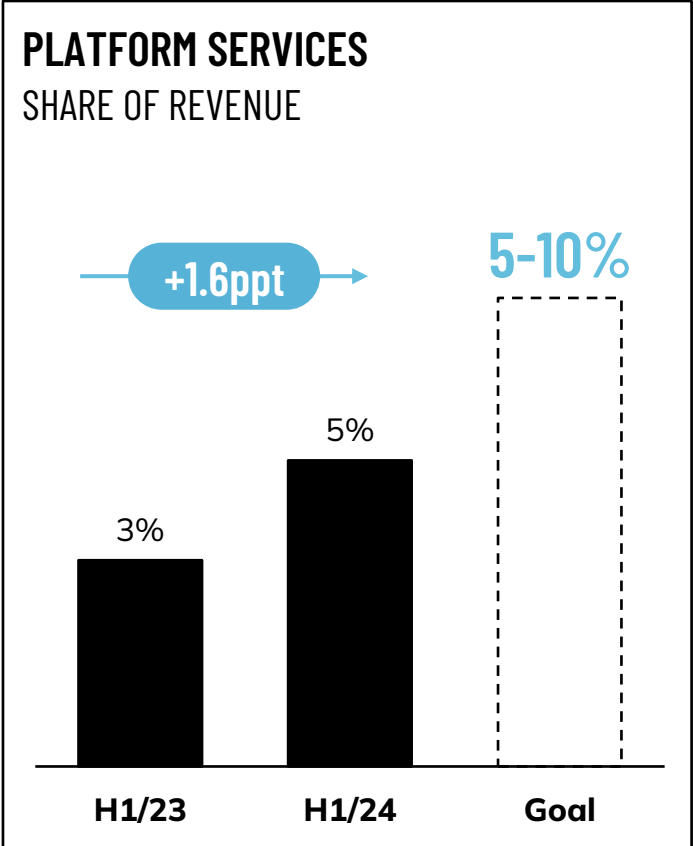
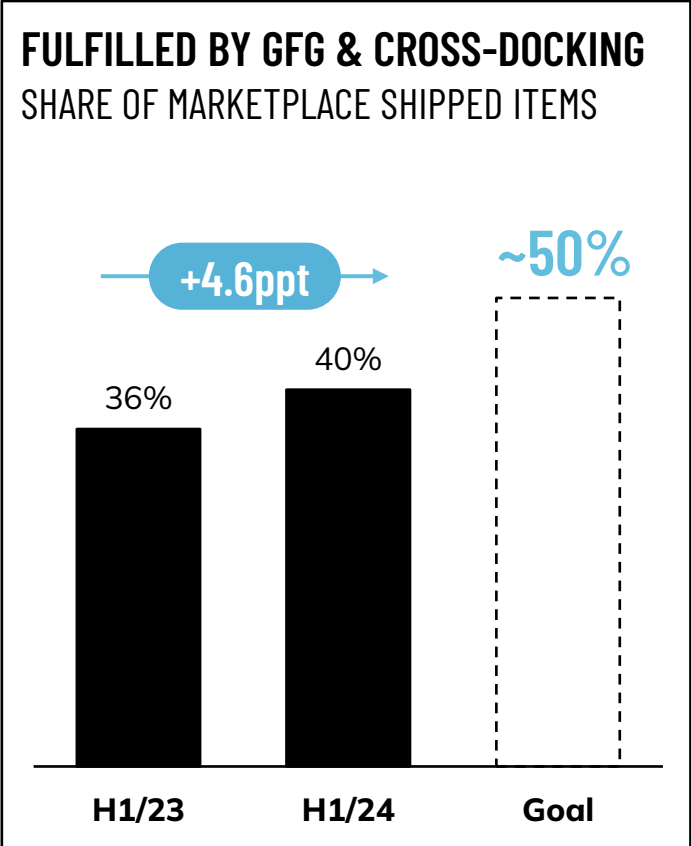
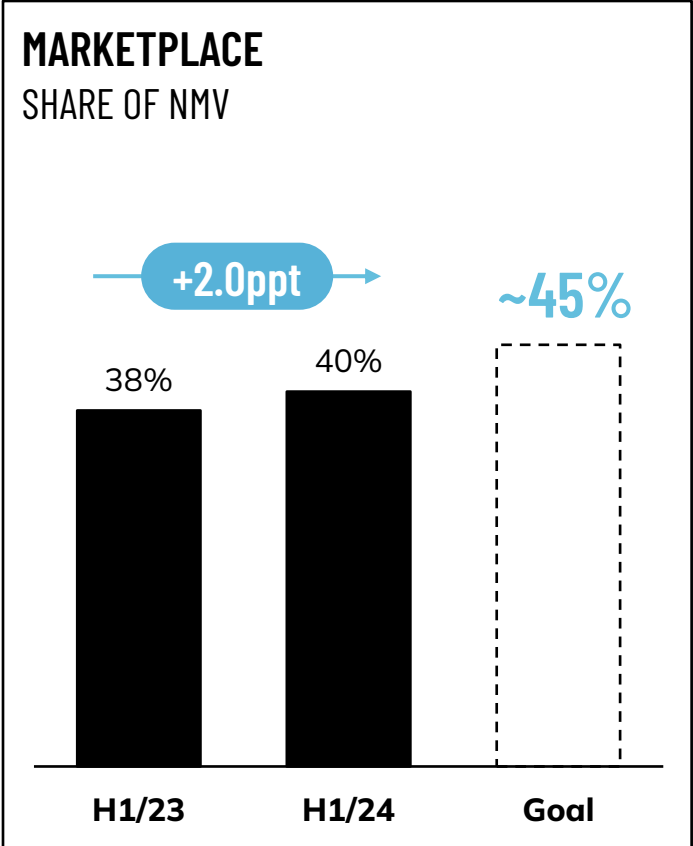


# NMV MIX BY REGION

Based on 2023 NMV	GROUP	LATAM	SEA	ANZ
<b>Category</b>				
Apparel	34%	22%	28%	46%
Footwear	13%	18%	10%	11%
Sport	26%	36%	28%	18%
Accessories	13%	8%	20%	13%
Other	14%	16%	14%	12%
<b>Business Model</b>				
Marketplace % of NMV	38%	38%	50%	31%
Retail % of NMV	62%	62%	50%	69%
Platform Services % of Revenue	4%	2%	12%	2%
<b>Brand Segment</b>				
Mainstream	26%	42%	22%	19%
Premium	18%	4%	17%	27%
Lifestyle	19%	19%	20%	19%
Trend	15%	11%	13%	18%
Sport	22%	24%	28%	17%
<b>Brand Type</b>				
Global	55%	42%	75%	51%
Local	39%	57%	23%	37%
Own	6%	1%	2%	12%

Note: NMV mix represents % of FY2023 NMV excluding VAT / GST and delivery fees except for Marketplace and Retail. Business model NMV mix includes VAT / GST and delivery fees.

# PROGRESS AS A PLATFORM BUSINESS



# OPERATING COST RATIOS

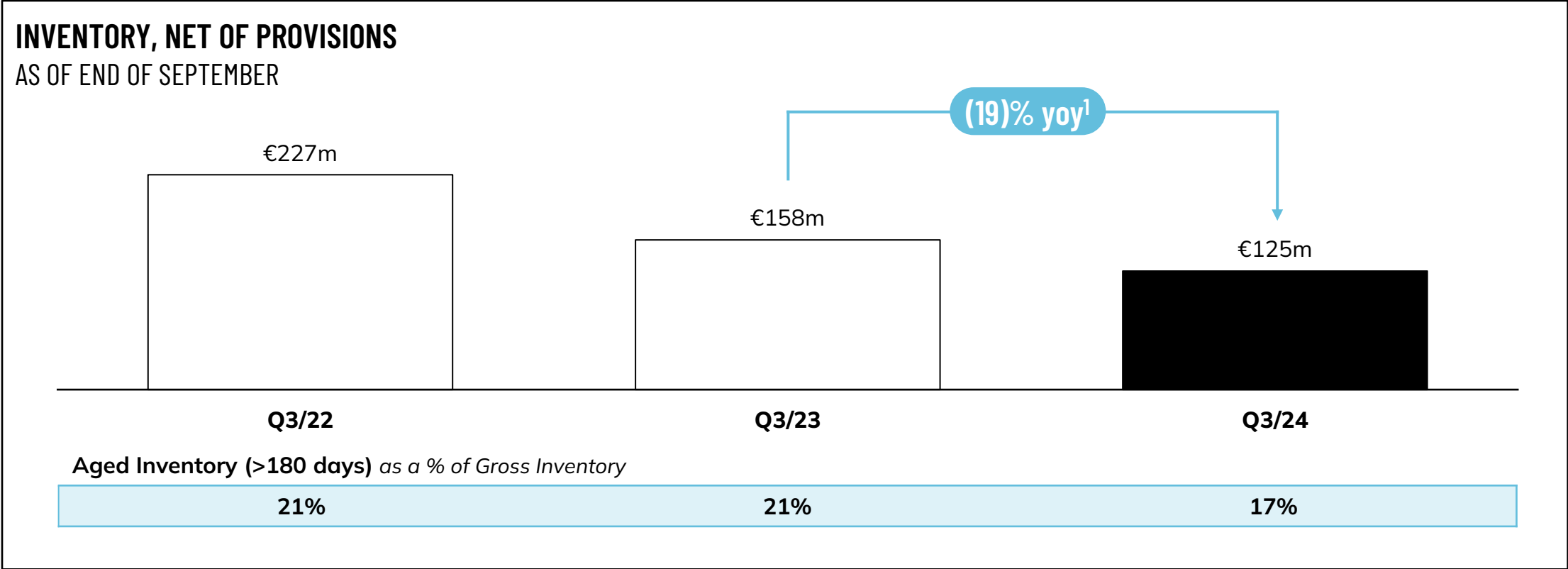
COSTS % OF NMV	H1/21	H1/22	H1/23	H1/24	△21-24
FULFILMENT	15.6%	16.0%	16.1%	15.8%	+0.1ppt
MARKETING	8.1%	7.0%	6.6%	6.9%	(1.1)ppt
TECH & ADMIN <sup>1</sup>	11.1%	12.6%	15.2%	15.9%	+4.9ppt
<b>NMV GROWTH YOY<sup>2</sup></b>	<b>35.8%</b>	<b>2.1%</b>	<b>(11.7)%</b>	<b>(14.2)%</b>	<b>(22.9)%</b>

(1) Admin costs exclude share-based payments.

(2) Constant currency growth rate.



# MAINTAINING A HEALTHY INVENTORY POSITION

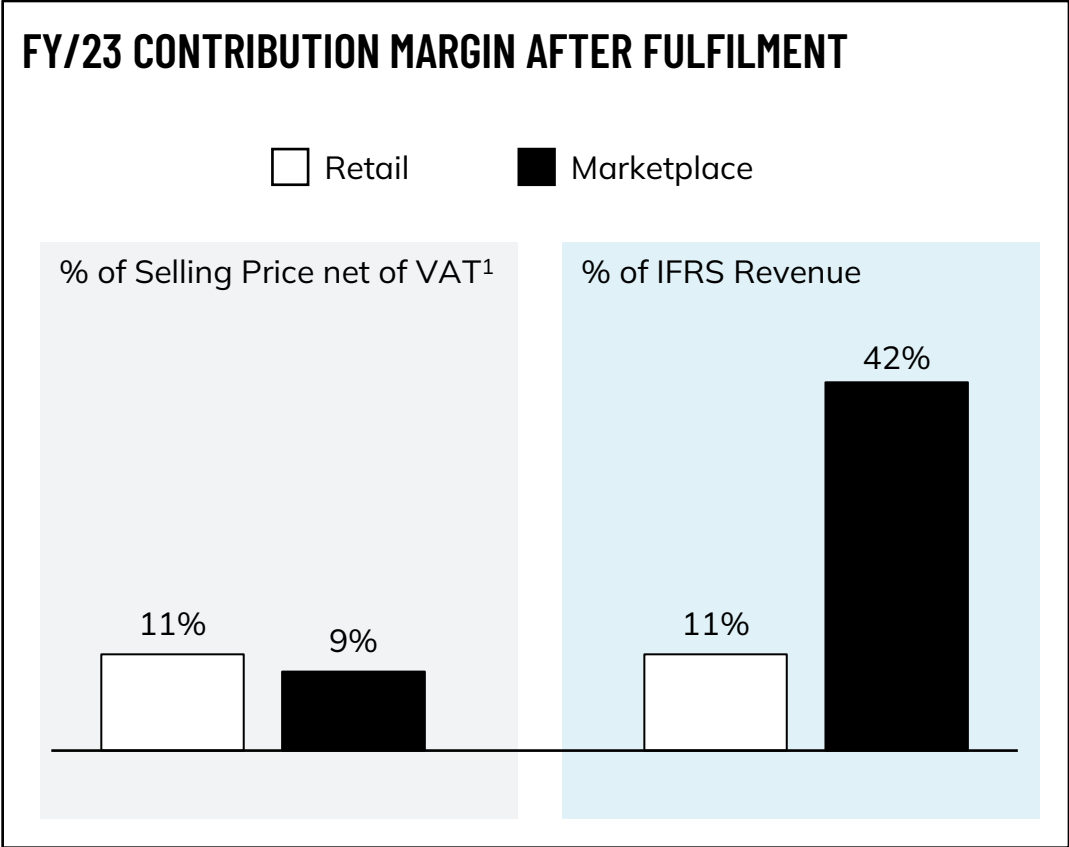
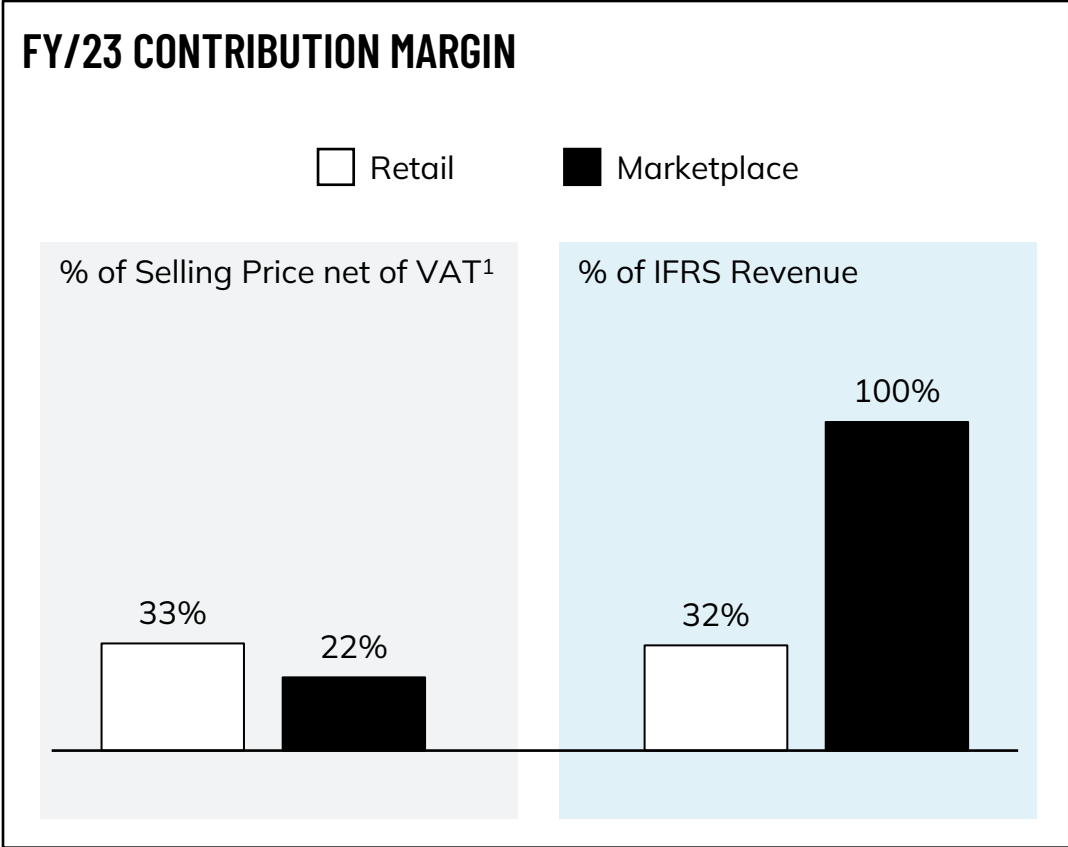


Note: All historical figures exclude CIS and Argentina and therefore differ from the net inventory reported in the Annual and Interim Reports.  
(1) Constant currency growth rate.

# OVERVIEW OF GFG'S BUSINESS MODELS

	RETAIL	MARKETPLACE	PLATFORM SERVICES
<b>Revenue Recognition</b>	Product value sold	% commission of product value sold	Service fees
<b>COGS</b>	Intake & freight costs	None	Variable fulfilment costs for single stock solution offering
<b>Inventory Owner</b>	GFG	Brand	Brand (for Operations by GFG)
<b>Working Capital Impact</b>	<ul style="list-style-type: none"> <li>• Significant with inventory generally funded by payables</li> <li>• Seasonal increases</li> </ul>	<ul style="list-style-type: none"> <li>• Light with no inventory impact</li> <li>• No additional working capital required to scale</li> </ul>	<p style="text-align: center;">↑ Same dynamics as Marketplace ↓</p>
<b>Fulfilment Assets Capital</b>	Required	Leverages same assets as Retail	
<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Higher reported Revenue</li> <li>• Retain substantial control over pricing, volume and customer service</li> </ul>	<ul style="list-style-type: none"> <li>• Higher Gross Margin</li> <li>• Access to larger brand inventory gives ability to grow much faster than Retail</li> </ul>	<ul style="list-style-type: none"> <li>• Higher Gross Margin</li> <li>• Creates incremental revenue streams and drives stronger brand and customer relationships</li> </ul>

# RETAIL AND MARKETPLACE HAVE SIMILAR UNDERLYING MARGINS BUT VERY DIFFERENT IFRS PRESENTATIONS



(1) Marketplace Margin as % of Selling Price net of VAT, also referred to as Marketplace Commission, includes the fees relating to fulfilment services for sales on our platform by Marketplace brands.

# CONVERTIBLE BONDS DUE 2028

## GFG CONVERTIBLE BONDS ISSUED MARCH 2021

Issue Size	€375.0m
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 <sup>1</sup>	15,588,972
Underlying Shares (% ISC) <sup>2</sup>	6.91%

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

(2) Based on issued share capital as of 30 September 2024.

## REPURCHASES

(€M)	Q2 2022	Q3 2023	Q2 2024	Q3 2024
Outstanding Issue Size	279.9	178.3	165.7	54.7
Total Repurchased	95.1	101.6	12.6	111.0
Purchase Price	78%	73%	74.6% <i>weighted avg.</i>	85%
Process Type	Tender <i>modified Dutch auction</i>	€74.6m Bilateral  €27.0m Tender <i>modified Dutch auction</i>	Bilaterals	Bilaterals

**€320.3m total repurchased as of Q3 2024**

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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.

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