

GLOBAL FASHION GROUP DELIVERS 23% NMV GROWTH IN Q1 2022

Luxembourg, 26 April 2022 - Global Fashion Group S.A. ("GFG"), the leading online fashion and lifestyle destination in growth markets, reported quarterly Revenue and NMV growth of 17.9% and 22.9% respectively, and gross margin and Adj. EBITDA improvements.

| | Q1 2021 | Q1 2022 |
|-----------------------------------|---------------|---------------|
| Revenue ¹ (€m) | 301.3 | 349.2 |
| <i>% Constant Currency Growth</i> | <i>26.6%</i> | <i>17.9%</i> |
| <i>% € Growth</i> | <i>11.0%</i> | <i>15.9%</i> |
| NMV ¹ (€m) | 449.9 | 543.2 |
| <i>% Constant Currency Growth</i> | <i>37.8%</i> | <i>22.9%</i> |
| <i>% € Growth</i> | <i>20.9%</i> | <i>20.8%</i> |
| Gross Profit (€m) | 132.9 | 157.4 |
| <i>% Margin of Revenue</i> | <i>44.1%</i> | <i>45.1%</i> |
| EBIT (€m) | (35.7) | (34.2) |
| Adjusted EBITDA (€m) | (11.5) | (11.3) |
| <i>% Margin of Revenue</i> | <i>(3.8)%</i> | <i>(3.2)%</i> |

1. NMV is the value of both Retail and Marketplace merchandise being sold through our platforms. Revenue is the Retail value plus the commission earned on a Marketplace transaction and is therefore disconnected from true volume.

Q1 2022 Highlights (growth rates at constant currency)

- **Net Merchandise Value¹ growth of 22.9% (Q1/21: 37.8%)**
- **Revenue growth¹ of 17.9% (Q1/21: 26.6%)**
- **Marketplace NMV grew 35.8% yoy (Q1/21: 98.5%), achieving 39.2% share of total NMV (Q1/21: 35.9%)**
- **Gross Margin 45.1% (Q1/21: 44.1%) and Adj. EBITDA Margin (3.2)% (Q1/21: (3.8)%)**
- **Active Customers up 0.3%, Order Frequency increasing 8.4% and NMV per Active Customer up 22.5% to €148.2**

Christoph Barchewitz and Patrick Schmidt, Co-CEOs of GFG, said:

"We release our Q1 2022 results in difficult times. The safety of our Ukrainian colleagues remains paramount and we continue to support them and the broader humanitarian response as best we can through an increased pledge of €5 million.

While this context has made for an unsettling start to the year, our team has delivered good Q1 results. Our customer and financial metrics continued to develop positively and we remain confident in achieving our long-term strategy as the leading fashion & lifestyle destination in growth markets."

Outlook

The continued level of uncertainty in CIS means we are currently unable to provide guidance for FY2022. For our other three regions, we expect the demand environment that we have seen since H2 2021 to continue and progressively improve into H2 2022.

Business Review

In Q1, GFG delivered NMV of €543.2 million, up by 22.9% yoy. GFG has 16.8 million Active Customers, up 0.3% yoy meaning the Active Customers' CAGR since Q1 2019 was 13%. NMV per Active Customer was up by 22.5% as a result of higher Order Frequency, up 8.4% and Average Order Value, up 17.0%. The Average Order Value increase was driven by country mix and inflation, most notably in CIS.

Marketplace NMV increased by 35.8% yoy reaching 39.2% of NMV, as more brand partners choose this channel to reach GFG's growing customer base. The Group continues to see Marketplace scale faster than Retail growth.

The stabilisation of LATAM's performance is evident as the region continues to unlock its potential with improved assortment, a new customer front-end and takes steps towards improved delivery and returns processes. CIS delivered NMV growth of 50% with high demand throughout the quarter which has slowed over the last couple of weeks. SEA delivered 5% NMV growth as COVID restrictions prevented the region from returning to pre-pandemic levels of demand. Conversely, ANZ benefitted from the lifting of restrictions and the growth in "going out" categories delivering strong NMV growth of 28%.

GFG has a strong funding position with Pro Forma cash² of €552m and Pro Forma net cash of €136m (excluding the Convertible Bond and other third party debt) at the end of the Quarter.

The Group released its [2021 People & Planet Positive Report](#) in April which includes GFG's 2021 achievements and future Science Based Targets.

2. Pro-forma cash is defined as cash and cash equivalents at the end of the period, short term duration bonds and securitised funds plus restricted cash and cash on deposits. Pro-forma net cash is pro-forma cash excluding third party borrowings and convertible bond debt.

Update on GFG Operations in CIS

GFG is deeply saddened by the war in Ukraine and we stand alongside all those whose lives have been affected. Our focus continues to be on our Ukrainian colleagues, who we are in regular communication with and continue to support as best we can by maintaining salaries and offering additional financial and employment support. This also includes an increased pledge of €5 million, for both our team in the country and the broader humanitarian response.

Lamoda is a local fashion and lifestyle e-commerce retailer with centralised operations across Belarus, Kazakhstan, Russia and Ukraine. It employs approximately 9,000 people across the region and they make up a significant part of GFG. While business as usual is not an option given the

ongoing humanitarian crisis and the significant uncertainties and operational challenges in the region, we will continue to support them.

We have pared back our operations across the region and pivoted our focus from growth towards financial self-sufficiency. A variety of factors have contributed to a significant reduction of our imports, marketing activity and investments as well as the suspension of the development of Lamoda's second fulfilment centre in Russia. We will strive to do everything we can to provide job continuity and support to our people in each country where we operate.

In April, we repaid local financial indebtedness of around €20 million, leaving Lamoda debt free. In the normal course of business, GFG guarantees certain trade liabilities for Lamoda and other regions. Currently, GFG guarantees around €40 million of such Lamoda trade liabilities, which we will continue to manage carefully through the seasonality. GFG does not expect to make additional financial investments into, or take distributions from Lamoda whilst this situation endures.

Clearly the operational realities of our CIS business have changed in fundamental ways and we are working diligently to evaluate a range of further options, whilst ensuring the safety and wellbeing of our employees.

Key Performance Indicators

| | Q1 2021 | Q1 2022 |
|-----------------------------------|----------------|--------------|
| Active Customers (m) | 16.7 | 16.8 |
| <i>% Constant Currency Growth</i> | <i>25.8%</i> | <i>0.3%</i> |
| NMV / Active Customer (€) | 121.9 | 148.2 |
| <i>% Constant Currency Growth</i> | <i>3.6%</i> | <i>22.5%</i> |
| <i>% € Growth</i> | <i>(10.5)%</i> | <i>21.6%</i> |
| Number of Orders (m) | 9.8 | 10.3 |
| <i>% Growth</i> | <i>32.5%</i> | <i>5.1%</i> |
| Order Frequency | 2.7 | 2.9 |
| <i>% Growth</i> | <i>0.6%</i> | <i>8.4%</i> |
| Average Order Value (€) | 46.0 | 52.9 |
| <i>% Constant Currency Growth</i> | <i>4.0%</i> | <i>17.0%</i> |
| <i>% € Growth</i> | <i>(8.8)%</i> | <i>15.0%</i> |

FURTHER INFORMATION

KPI and financial definitions, including alternative performance measures are available in the [2021 Annual Financial Report](#).

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Forward-looking Information

This announcement contains forward-looking statements. Forward-looking statements should not be construed as a promise of future results and developments and involve known and unknown risks and uncertainties. Various factors could cause actual future results, performance or events to differ materially from those described in this announcement, and neither the Company nor any other person accepts any responsibility for the accuracy of the opinions expressed in this announcement or the underlying assumptions.

About Global Fashion Group

[Global Fashion Group](#) is the leading fashion and lifestyle destination in growth markets across LATAM, CIS, SEA and ANZ. From our people, to our customers and partners, we exist to empower everyone to express their true selves through fashion. Our four e-commerce platforms: dafiti, lamoda, ZALORA and THE ICONIC connect an assortment of international, local and own brands to more than one billion consumers from diverse cultures and lifestyles. GFG's platforms provide seamless and inspiring customer experiences from discovery to delivery, powered by art & science that is infused with unparalleled local knowledge. Our vision is to be the #1 online destination for fashion & lifestyle in growth markets, and we are committed to doing this responsibly by being people and planet positive across everything we do.
(ISIN: LU2010095458.)

For more information visit: www.global-fashion-group.com