

Global Fashion Group

FY25 results

All three regions in profit for first time

Not only did Global Fashion Group (GFG) deliver better-than-expected adjusted EBITDA in FY25, but the results also represent an important milestone as it is the first full financial year profit for the current group structure, with all three regions positive at the same time. The performance was broad based with year-on-year improvements in gross margin for all three regions, helped by the expected continuing increase in Marketplace revenue and despite mixed trends for growth and KPIs among the regions. The higher gross margin was complemented by leveraging fulfilment and technology and administration costs while keeping marketing constant on a relative basis. Management is optimistic about generating further profit growth in FY26.

Year end	Revenue (€m)	EBITDA (adj) (€m)	PBT (€m)	EPS (€)	EV/EBITDA (x)
12/24	743.5	(20.5)	(74.0)	(35.19)	1.1
12/25	679.8	9.3	(52.6)	(22.73)	N/A
12/26e	693.2	21.4	(24.5)	(11.67)	N/A
12/27e	703.9	33.7	(12.7)	(6.07)	N/A
12/28e	732.0	43.8	(3.4)	(1.64)	N/A

Note: EBITDA, PBT and EPS are normalised before share-based payments and exceptional items.

FY25 profit better than expected

The group as a whole continued to see improving trends in order frequency (positive for the first time in FY25), active customers (less negative) and average order value, which continued to improve at constant currency rates. While this is encouraging at the group level, it is important to observe what is happening at the regional level given their different scales and dynamics. Australia and New Zealand continued to be the engine of customer growth and profitability with an adjusted EBITDA margin of 7.4% in FY25 (FY24: 4.6%). Active customer trends in Latin America remain volatile but management's focus on its best customers and profitability in a competitive market led to constant currency top line growth and an adjusted EBITDA profit for the first time. South-East Asia is in the early stages of a hoped-for turnaround following the appointment of a new regional CEO. As a result, it will take time to see better momentum in customer numbers and revenue. In the interim, the focus on costs led to a first-time adjusted EBITDA profit and limited capital requirements helped to improve normalised free cash consumption.

Guiding to further profit growth in FY26

Management has indicated that trading in the first two months of FY26 is a little weaker, more notably in its most important countries, Australia and Brazil. As was the case for [FY25's](#) guidance, management guides to a central case of zero constant currency net merchandise value growth in FY26, a range of -4% to 4% (ie €990–1,070m). Despite the headwinds at the top line, management is confident of making further progress on profitability with guided adjusted EBITDA of €15–25m, versus FY25's €9.3m, and free cash flow. We introduce estimates for FY28.

Valuation: Significant discount to peers

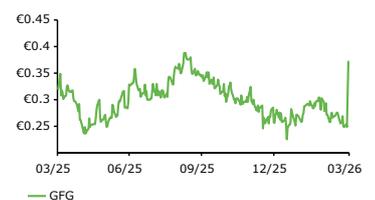
Achieving profitability closer to fashion e-commerce peers in the medium term would support a re-rating. The peer median multiple is 5.9x EV/EBITDA in FY26.

Retail

6 March 2026

Price	€0.37
Market cap	€72m
Net cash/(debt) at 31 December 2025 (including IFRS 16 liabilities of €49.2m)	€94.0m
Shares in issue	228.4m
Free float	41.5%
Code	GFG
Primary exchange	FSE
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	9.0	13.8	11.2
52-week high/low		€0.4	€0.2

Business description

Global Fashion Group is a leading online fashion and lifestyle destination with three e-commerce platforms across nine countries in Australia and New Zealand (THE ICONIC), Latin America (Dafiti) and South-East Asia (ZALORA).

Next events

Q126 results	30 April 2026
H126 results	13 August 2026

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Global Fashion Group is a research client of Edison Investment Research Limited

Exhibit 1: Financial summary

	€m	2024	2025	2026e	2027e	2028e
Year end 31 December		IFRS	IFRS	IFRS	IFRS	IFRS
INCOME STATEMENT						
Net Merchandise Value		1,142.2	1,041.6	1,064.4	1,103.9	1,151.4
Revenue		743.5	679.8	693.2	703.9	732.0
Cost of Sales		(409.7)	(364.3)	(363.2)	(364.7)	(375.3)
Gross Profit		333.8	315.5	330.0	339.2	356.7
Adjusted EBITDA		(20.5)	9.3	21.4	33.7	43.8
EBITDA		(24.0)	6.3	19.4	31.7	41.8
Depreciation and amortisation		(58.1)	(46.3)	(41.7)	(42.5)	(43.2)
Normalised operating profit		(78.6)	(37.0)	(20.3)	(8.7)	0.6
Amortisation of acquired intangibles		0.0	0.0	0.0	0.0	0.0
Exceptionals		(4.2)	(1.4)	0.0	0.0	0.0
Share-based payments		0.7	(1.6)	(2.0)	(2.0)	(2.0)
Reported operating profit		(82.1)	(40.0)	(22.3)	(10.7)	(1.4)
Net Interest		(7.7)	(15.6)	(4.2)	(4.0)	(4.0)
JVs and associates (post tax)		0.0	0.0	0.0	0.0	0.0
Exceptionals		12.3	0.0	0.0	0.0	0.0
Profit Before Tax (norm)		(74.0)	(52.6)	(24.5)	(12.7)	(3.4)
Profit Before Tax (reported)		(77.5)	(55.6)	(26.5)	(14.7)	(5.4)
Reported tax		(6.6)	(0.1)	(2.4)	(1.3)	(0.5)
Profit After Tax (norm)		(81.3)	(52.7)	(26.7)	(13.9)	(3.7)
Profit After Tax (reported)		(84.1)	(55.7)	(28.9)	(16.1)	(5.9)
Minority interests		2.6	1.9	0.0	0.0	0.0
Discontinued operations		(1.0)	(6.5)	0.0	0.0	0.0
Net income (normalised)		(78.7)	(50.8)	(26.7)	(13.9)	(3.7)
Net income (reported)		(82.5)	(60.3)	(28.9)	(16.1)	(5.9)
Basic average number of shares outstanding (m)		223.8	223.5	228.6	228.6	228.6
EPS - normalised (c)		(35.19)	(22.73)	(11.67)	(6.07)	(1.63)
EPS - normalised fully diluted (c)		(35.19)	(22.73)	(11.67)	(6.07)	(1.63)
EPS - basic reported (€)		(0.4)	(0.3)	(0.1)	(0.1)	(0.0)
Dividend (€)		0.0	0.0	0.0	0.0	0.0
Revenue growth (%)		N/A	(9)	2	2	4
Gross Margin (%)		44.9	46.4	47.6	48.2	48.7
Adjusted EBITDA Margin (%)		(2.8)	1.4	3.1	4.8	6.0
Normalised Operating Margin (%)		(10.6)	(5.4)	(2.9)	(1.2)	0.1
BALANCE SHEET						
Fixed Assets		237.8	214.2	199.2	183.4	166.9
Intangible assets		126.0	107.6	99.0	89.8	80.0
Tangible assets		42.0	33.8	27.4	20.8	14.1
Right of use assets		36.8	40.2	40.2	40.2	40.2
Investments & other		33.0	32.6	32.6	32.6	32.6
Current Assets		399.7	316.1	276.5	278.2	290.8
Stocks		96.4	81.9	81.9	81.9	81.9
Debtors		48.8	21.1	21.1	21.1	21.1
Cash & cash equivalents		210.6	176.5	136.9	138.6	151.2
Other		43.9	36.6	36.6	36.6	36.6
Current Liabilities		(303.9)	(299.0)	(268.6)	(268.6)	(268.6)
Creditors		(201.3)	(184.3)	(194.3)	(194.3)	(194.3)
Tax and social security		(15.2)	(10.6)	(10.6)	(10.6)	(10.6)
Short-term borrowings		(6.3)	(41.4)	(1.0)	(1.0)	(1.0)
Leases		(16.1)	(14.1)	(14.1)	(14.1)	(14.1)
Other		(65.0)	(48.6)	(48.6)	(48.6)	(48.6)
Long-Term Liabilities		(122.4)	(75.7)	(75.7)	(75.7)	(75.7)
Long-term borrowings		(48.6)	0.0	0.0	0.0	0.0
Leases		(32.0)	(35.1)	(35.1)	(35.1)	(35.1)
Other long-term liabilities		(41.8)	(40.6)	(40.6)	(40.6)	(40.6)
Net Assets		211.2	155.6	131.3	117.3	113.4
Minority interests		2.5	0.9	0.9	0.9	0.9
Shareholders' equity		213.7	156.5	132.2	118.2	114.3
CASH FLOW						
Op Cash Flow before WC and tax		(20.4)	(15.8)	15.2	27.7	37.8
Working capital		22.7	19.9	10.0	0.0	0.0
Exceptional & other		(8.0)	14.7	6.2	6.0	6.0
Tax		(10.9)	(7.5)	(2.4)	(1.3)	(0.5)
Net operating cash flow		(16.6)	11.3	29.0	32.4	43.3
Capex		(29.6)	(14.0)	(14.0)	(14.0)	(14.0)
Acquisitions/disposals		0.0	0.0	0.0	0.0	0.0
Net interest		1.6	(3.8)	(4.2)	(4.0)	(4.0)
Equity financing		0.0	0.0	0.0	0.0	0.0
Dividends		0.0	0.0	0.0	0.0	0.0
Leases		(16.5)	(15.5)	(12.7)	(12.7)	(12.7)
Other		45.6	(10.1)	(37.8)	0.0	0.0
Net cash flow		(15.5)	(32.1)	(39.6)	1.7	12.6
Opening net debt/(cash) excluding leases		(206.3)	(164.1)	(143.2)	(135.9)	(137.6)
FX		0.2	(2.0)	0.0	0.0	0.0
Other non-cash movements		42.0	22.9	7.3	(1.7)	(12.6)
Closing net debt/(cash) excluding leases		(164.1)	(143.2)	(135.9)	(137.6)	(150.2)
Closing net debt/(cash) including leases		(116.0)	(94.0)	(86.7)	(88.4)	(101.0)

Source: Global Fashion Group, Edison Investment Research

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