FARFETCH (FTCH US)

Name:	Farfetch Inc. (FTCH US)	GMV:	USD 4.3bn
Price:	USD 12.54	Revenue:	USD 2.3 bn
Market Cap:	USD 4.7bn	Exp. Growth:	26%
52 Wk H:	USD 62.5	EBITDA:	NA
52 Wk L:	USD 12.3	EV / Sales:	2.0x
Shares Out:	328.3mn	Dividend:	NA
CEO:	Jose Neves	Net Debt/(Cash):	USD (551mn)
HQ:	London, UK	Sector:	Consumer Disc.

Thesis & Recommendation:

1. Farfetch is the leading luxury e commerce player globally. As luxury spend grows and moves online, Farfetch will continue to capture share.
2. Farfetch has adopted a marketplace model which has allowed it to scale quicker than its competitors. The advantages towards brands are huge as brands can better manage inventory and pricing and generate higher margins.
3. Key growth drivers and catalysts include the launch of Beauty, new contracts for Farfetch Platform Solutions, a larger presence in China and the continued success of New Guards Group. Management is best in class and will continue to drive the company forward.
4. Farfetch was a Covid winner but since then the stock has corrected over 80%. We believe this offers an attractive entry point for long term investors.
5. In our base case, we think the risk reward is asymmetric and we expect the stock to more than double by 2025. We also believe the bull case is very achievable due to strategy and quality of Farfetch's management.

Market and Company Background:

In 2022, the global luxury market is projected to reach USD 343bn in value. According to Bain & Company, the market is expected to grow at a 5-year CAGR of c. 5%. Within the luxury market, only 12% of spend was online pre-COVID. Online luxury retail is expected to grow at a CAGR of 23% as online penetration becomes a bigger piece of the pie.

Within luxury e-commerce, several players exist and the market continues to be relatively fragmented. Typically, the business models within this space can be categorized as follows:

Exhibit 1: Luxury E-commerce Business Models

Luxury e-commerce model		Examples
Pureplay multi-brand e-tailers, marketplaces, online wholesalers, online shopping malls	**Multi-brand online shop where a wide range of luxury brands can be purchased** The major players also provide fulfilment, technology, logistics, payment, customer analytics, and other services, with a few owning inventory	**Farfetch** Net-a-Porter Tmall Luxury Pavilion JD.com Luxury Amazon Luxury Stores
Pureplay specialist multi-brand e-commerce sites	**Multi-brand online shop with a specialist focus on luxury brands (most of these are marketplaces)** Types of specialist shops include: • Niche – focusing on specific luxury product categories, consumers and/or geography • Discount sites – flash sales, outlets, and other discounts • Reseller of previously owned luxury goods – a growing area as companies respond to increasing consumer demand for sustainability • Rental	LVMH's Sephora VeePee Rue La La/Gilt The RealReal SSENSE Richemont's Watchfinder RenttheRunway
Mono-brand e-commerce sites	**Owned and operated by major luxury brand owners**	louisvuitton.com gucci.com
Multi-brand e-commerce sites	**Owned and operated by major luxury brand companies (not many companies follow this model)**	LVMH's 24s.com
Luxury department store multi-brand e-commerce sites	**"Bricks-and-mortar" luxury department stores e-commerce**	bergdorfgoodman.com selfridges.com

Source: Deloitte 2021

It is important to understand the distinction between the online marketplace and consignment business- both can be categorized as multi-brand online shops.

1. **Consignment Models**: E-commerce players buy inventory from brands at wholesale prices and sell them at retail prices. They tend to be more profitable but hold significant inventory risk making it more challenging to scale. Prime example in this space is YOOX Net-a-Porter (YNAP)
2. **Platform/Marketplace Models**: E-commerce player that acts as a "connector" between brands and customers. Here brands earn a take rate on the total sale and do not hold inventory. While this requires scale to become profitable, it scales much faster than traditional online retailers. Brands are moving away from wholesalers (due to risk of overstocking and in turn promotions) and moving towards marketplaces where they have control of SKU counts and pricing. This allows brands to effectively control their brand equity.

Farfetch Background:

Portuguese entrepreneur, Jose Neves founded Farfetch in 2007. Jose wanted to create a technology platform that would enable boutiques and brands to sell their products anywhere in the world. In September 2019, Farfetch raised USD 1bn dollars in an IPO.

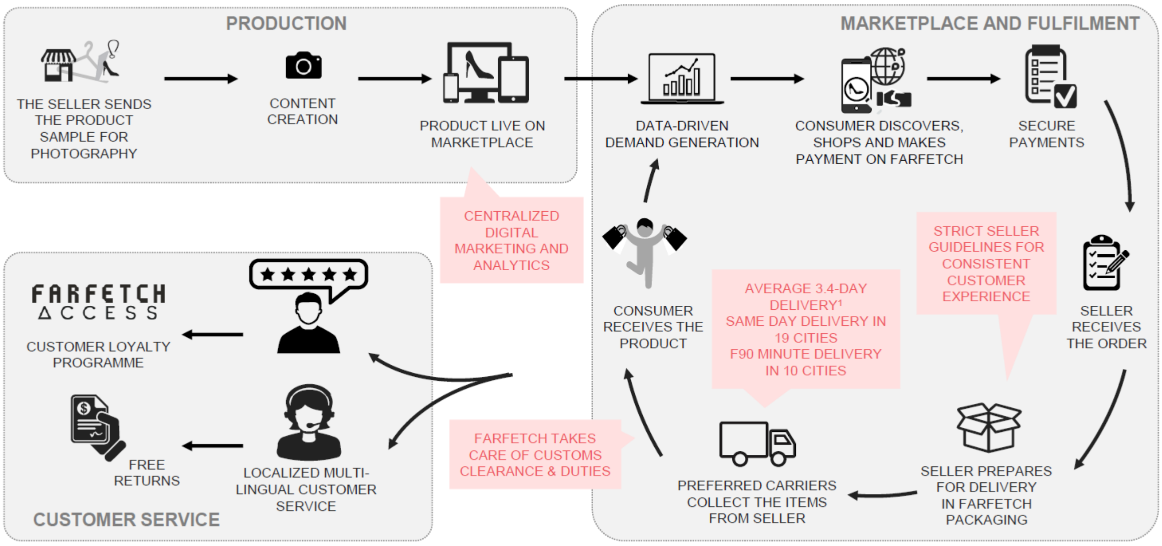
Today, Farfetch can be broken down into the following segments:

1. **Digital Platform** (87% of GMV, 72% of Revenue): This business generates a majority of revenue from a c.33% take rate on all GMV transacted on Farefetch.com. Additionally, Farfetch Platform Solutions (FPS) generates a take rate from brands and websites (examples: Harrods.com) to operate either their website, store or both. FPS will likely be a larger contributor in 2022 and onwards.
2. **Brand Platform** (11% of GMV, 24% of Revenue): This business is comprised of the New Guards Group NGG). Farfetch acquired NGG in 2019 for USD 675mn after realizing that the data they were collecting from Farfetch.com would allow them to efficiently incubate hot and in demand brands (example: Off White).
3. **In Store** (2% of GMV, 4% of Revenue): This business is mostly made up of luxury department store Browns. Farfetch uses Brown's to understand consumer habits and test out its Store of the Future concept.
4. **Stadium Goods** (Undisclosed): Farfetch acquired sneaker and streetwear marketplace for USD 250mn in 2018.

Business Model:

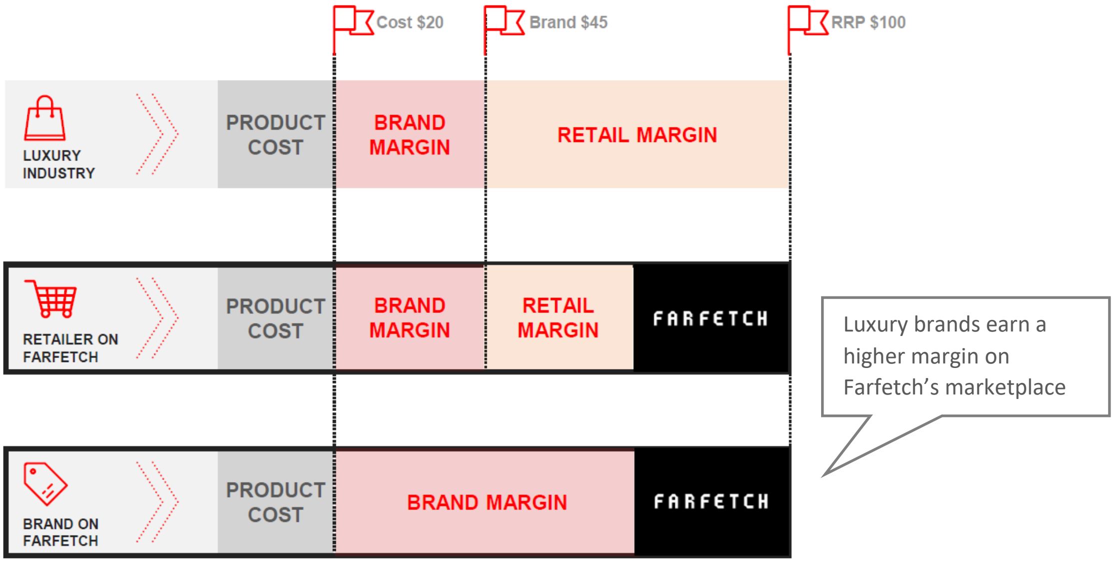
Farfetch's marketplace makes up a bulk of revenue and GMV and is reported under digital platform revenue. Farfetch connects directly to brands/boutiques/department stores' inventory. Farfetch facilitates the transaction, order and delivery of the products. This allows brands to generate additional revenues streams, manage inventory effectively and set pricing standards. In the last 10 years, several brands have suffered due to mismanaging inventory and promoting their brands (ie. Ralph Lauren, Coach). As brands shift away from traditional department stores, they allocate more stock towards e tailers like Farfetch. Unlike wholesalers, Farfetch receives a lower take rate and therefore brands generate higher margins selling on Farfetch.

Exhibit 2: Farfetch Business Model



Source: 2018 Company Presentation

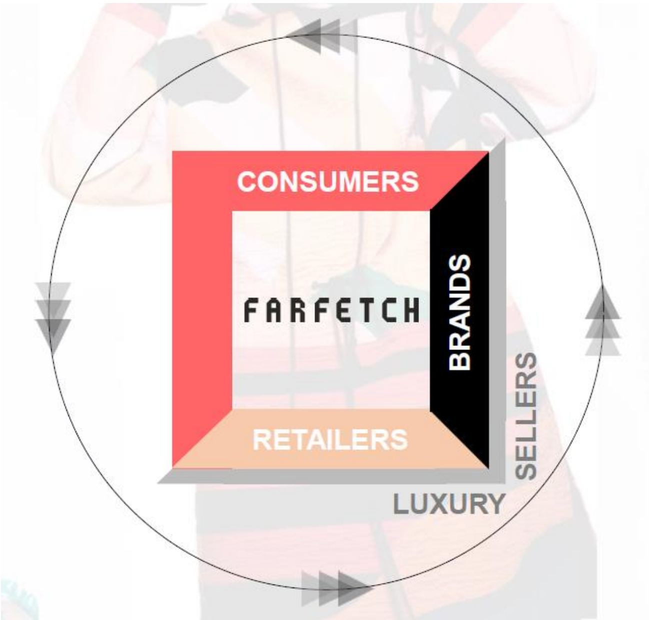
Exhibit 3: Farfetch Unit Economics



Source: Farfetch 2018

Farfetch also allows retailers to reach customers around the globe where they might not already have a presence. During the pandemic, hundreds of brands with limited to no online sales joined Farfetch in order to salvage their businesses. This further accelerated Farfetch's flywheel which is driven by: **more brands bring more customers and in turn more brands.**

Exhibit 4: Farfetch Network Effects

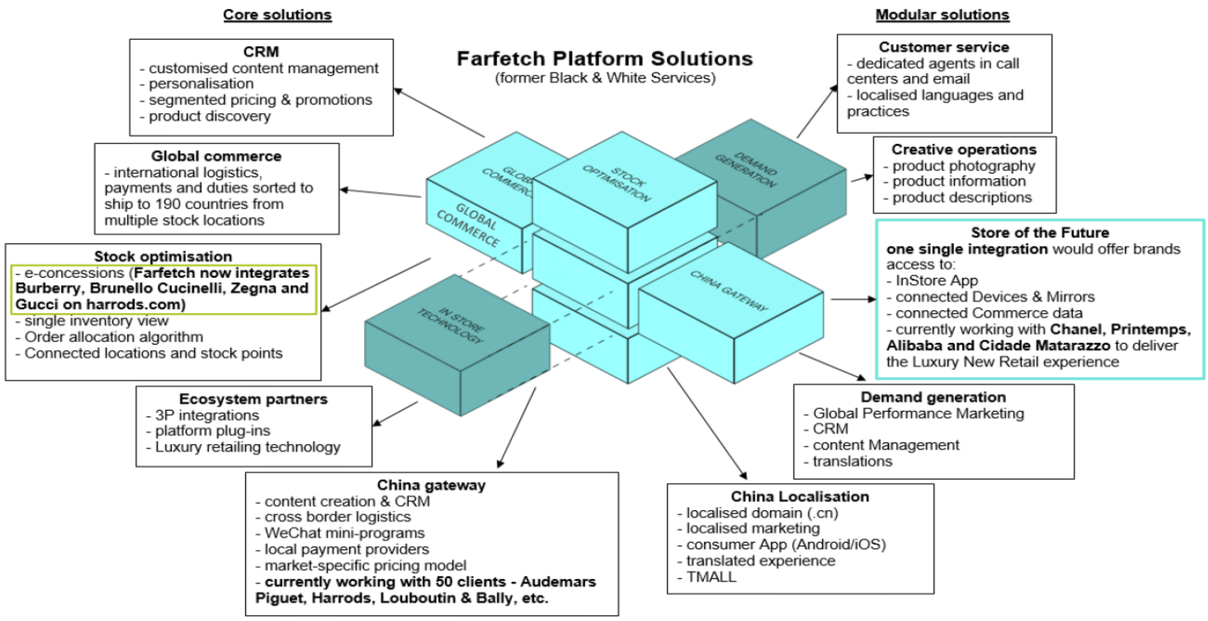


Source: Farfetch 2018

Today, Farfetch has close to 4mn active users, over 3500 brands, over 1,300 luxury sellers and sells in over 50 countries.

Farfetch Platform Solutions (FPS) leverages Farfetch's know how of e commerce through a white label enterprise solution for brands and boutiques to build or operate their own e commerce portal. Essentially, FPS is a Shopify for luxury brands and boutiques. This will likely be a significant driver of growth in 2022 as Farfetch continues to invest behind this business.

Exhibit 5: Farfetch Platform Solutions



Source: Bernstein Research 2022

Store of the Future is a futuristic omnichannel retail concept that Farfetch has been testing for the last 5 years. Essentially, Farfetch leverages QR Code and RFID technology to digitize the retail experience. Farfetch signed an agreement with Chanel in 2018 to continue to develop this project. Currently, Farfetch exhibits this concept in their Brown's store in London. While early, we believe this is an early steppingstone for Farfetch to be well positioned for the future of the Metaverse. When AR and VR technology advances to a level where trying on clothes at home becomes seamless it is likely to lead to higher purchase conversion rates making Farfetch a huge beneficiary.

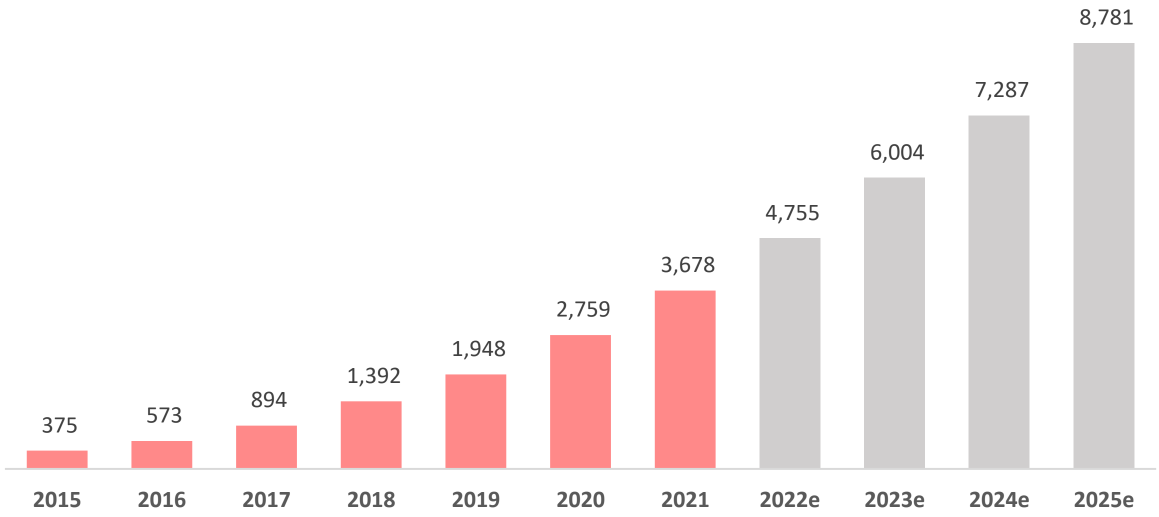
Store of the Future:

After around ten years of running Farfetch, Jose Neves realized that their ability to generate data on fashion trends was a huge differentiator. Through their acquisition of New Guards Group, Farfetch build an inhouse brand incubator that they could sell both online and offline. The initial market reaction was negative as investors preferred Farfetch hold no inventory. Since then, NGG has delivered strong results growing from USD 164mn in 2018 to USD 468mn in 2021. This has also allowed Farfetch to capture a higher share of revenues and profits.

Farfetch's new segment is Farfetch Media Solutions (FMS). This business is growing quickly (from a small base) and is very high margin. FMS is an advertising business which can compared to Amazon Ads. Here brands can pay to advertise their brands on Farfetch's platform.

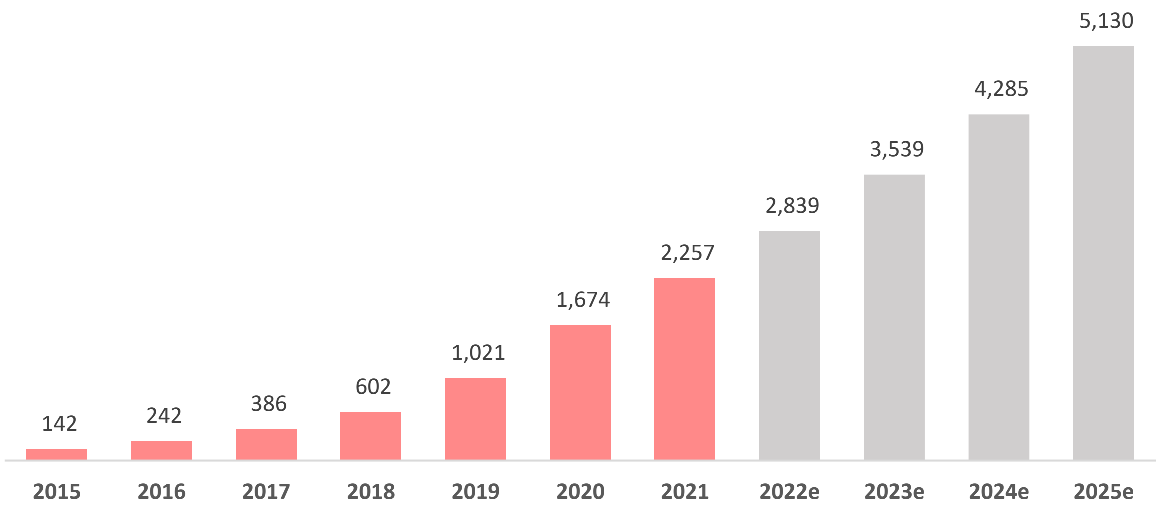
Performance and Traction:

Exhibit 6: Farfetch Digital GMV (USD mn)



Source: Farfetch financials & Safehouse estimates

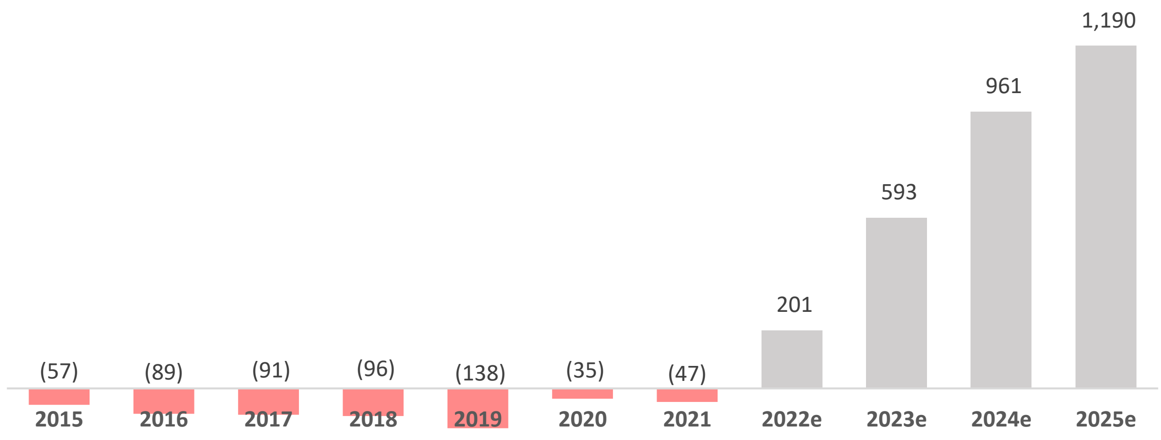
Exhibit 7: Farfetch Revenue (USD mn)



Source: Farfetch financials & Safehouse estimates

For the last 5 years, Farfetch has steadily grown revenues and GMV while maintaining healthy take rates. In Q4, 2021 Farfetch announced an increase in take rates across 66% of their brands- this shows Farfetch has pricing power.

Exhibit 8: Farfetch EBITDA (USD mn)



Source: Farfetch financials & Safehouse estimates

Farfetch has not been EBITDA profitable since inception yet today the company is at an inflection point. The company expects to generate positive EBITDA moving forward. Based on our estimates, we believe Farfetch can generate c. 10% EBITDA margins by 2025.

Key Growth Drivers:

1. **Existing Platform Growth**: According to Bain & Company, global luxury retail should grow by a CAGR of 5% for the coming 5 years, reaching c. USD 400bn by 2025. Online retail is expected to grow at a 5 year CAGR of 23%. According to Farfetch management, the company should grow GMV c. 20-30% (ex. Beauty and new FPS contracts). This would imply that Farfetch would realize market share of 8% of luxury online retail by 2025.
2. **Farfetch Platform Solutions**: The company recently announced that it will be taking over Reebok's online and offline retail. Jose Neves has said that Reebok will be a multi hundred-million-dollar opportunity in 2023. He also mentioned that 2022 is "the year of FPS" with several contracts in the pipeline. This segment has lower take rates but is higher margin and will be a large contributor to earnings growth.
3. **China**: The most important country in the luxury world. In 2021, Farfetch announced a strategic partnership with Alibaba and Richemont. Alibaba and Richemont invested USD 1.1bn total into Farfetch with USD 300mn each directly into the business and an additional USD 250mn each for 25% each of Farfetch China JV. Not only was this a creative way to raise capital but it is also very strategic in nature. The company has not disclosed many details as of yet but we would imagine that Farfetch would be able to leverage Alibaba's infrastructure (Farfetch already sells on Baba's Tmall). So far, this JV accounts for 10% of total China GMV for Farfetch which is surpassing their internal targets.
4. **Beauty**: As Farfetch continues to build scale, the next obvious step is category expansion. Farfetch will be debuting Farfetch Beauty in Q2 of 2022. Beauty makes a lot of sense for Farfetch because of the overlap across customers and brands, the recurring nature of the business and the fact that there are no clear online winners in the global beauty category (Sephora/Ulta are mostly retail). Farfetch recently acquired Violet Grey, a leading beauty e commerce player. Farfetch will continue to leverage its existing logistics and fulfilment

network which should continue to scale as they generate more orders and large basket sizes. If Farfetch is successful, this could be a multibillion-dollar GMV opportunity.

5. **Resale**: Although very small for Farfetch, this is a promising category supported by secular tailwinds. Farfetch entered the preowned market through the acquisition of Luxclusif. Unlike other resale platforms, Farfetch provides customers credit to use on the Farfetch platform in return for listing the products on Farfetch's resale and other resale platforms. This helps the company generate more GMV, yet this is also harder to scale. For now, this does not seem to be a core focus for Farfetch.

Management & Culture:

We believe management is the most important driver of shareholder value. We judge all company management through four key pillars:

1. **Track Record**: Since 2015, Jose Neves has grown GMV c. 16x from USD 142mn to c. USD 2.3bn. While the stock has been under pressure in recent months, the company has continued to perform well- delivering on targets and launching new growth initiatives. Jose Neves' compensation is directly linked to share price performance. Jose has also surrounded himself with best-in-class senior executives and board members. Natalie Massenet (Net a Porter founder) sits on the board of Farfetch today.
2. **Incentives**: Jose's incentives are aligned with shareholders due to this large ownership in the business. Today, Jose owns USD 700mn worth of shares. In order for Jose to receive all his performance stock units, Farfetch would need to reach USD 250 per share (c. 15x from today's price).
3. **Capital Allocation**: Whether through his acquisitions of New Guards Group and Stadium Goods or through his capital raise through Alibaba and Richemont, Jose has proven to be a smart and shrewd capital allocator.
4. **Company Culture**: According to Glassdoor, Farfetch is rated 4.3 / 5 stars which is very high. Jose Neves also has a 97% approval rating with c. 500 reviews.

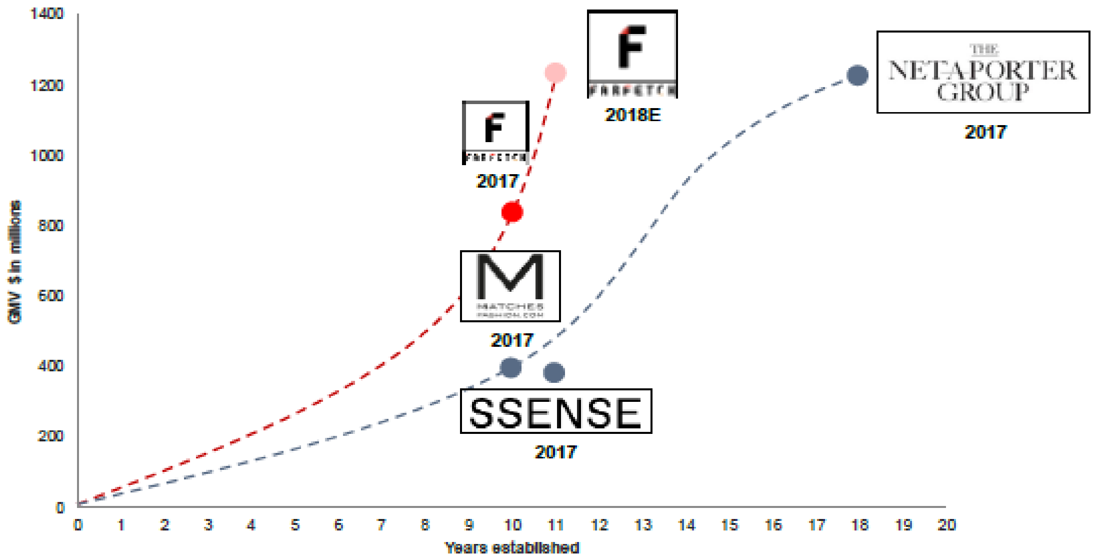
Competition:

It is important to note that Farfetch is the clear leader in terms of GMV, SKU count and active customers in luxury e commerce. That lead has been widening.

1. **Amazon**: In September 2020, Amazon launched its Luxury Store Experience. The company debuted with brands such as Oscar de la Renta, Altuzarra and Rodarte. The traction has been minimal. We have seen no effect whatsoever of Amazon's presence in online luxury. We believe this is due to the small number of brands on their platform and the fact that people do not associate Amazon with luxury.
2. **Mytheresa**: Listed in early 2021 at a valuation of c. USD 2bn. The company operates on a consignment model catering to ultra-luxury and limited pieces. The company has a unique selling proposition and has a high NPS. While we like the company, we think it is unlikely to pose a major threat to Farfetch. Today, Mytheresa generates revenue (GMV=revenue) of USD 750mn vs. USD 4.2bn of GMV for Farfetch. The company is planning on slowly shifting towards a marketplace.
3. **Yoox Net a Porter**: Prior to the rise of Farfetch, YNAP was the clear market leader. Operating on a consignment basis the company did not scale as quickly as Farfetch. It took Net a Porter 20 years reach USD 1.2bn in GMV while it took Farfetch 10 years to reach that level. On our

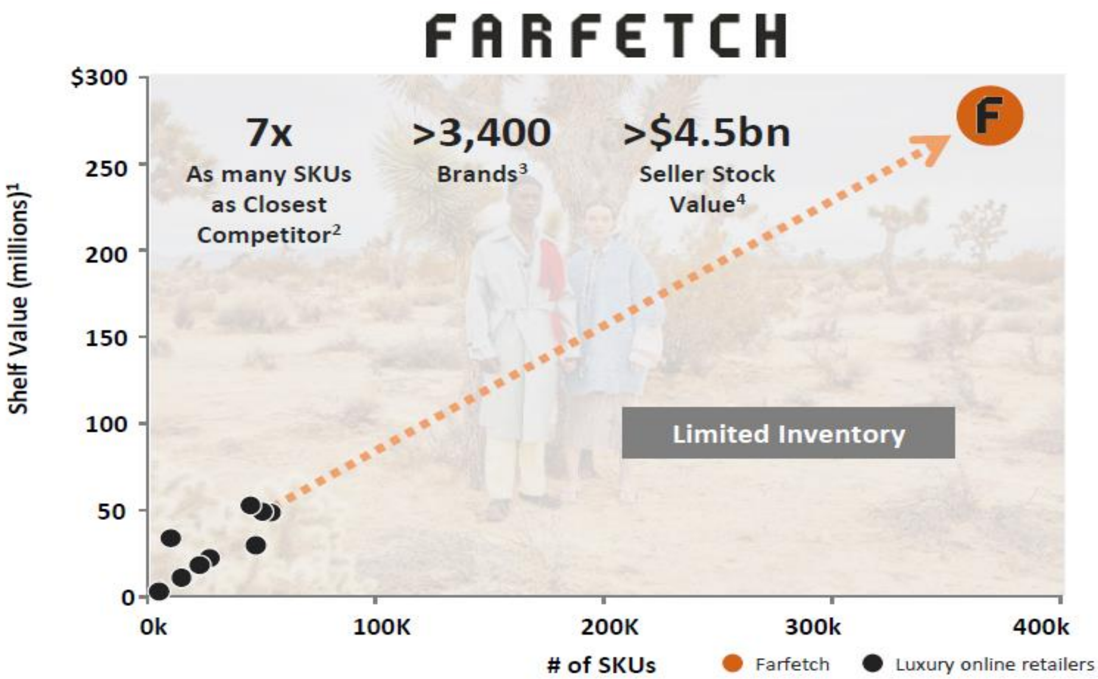
estimates, we believe Farfetch is almost double the size of Net a Porter today. Recently, Richemont (YNAP owner) has been having discussions with Jose Neves to sell YNAP or collaborate with Farfetch. This would cement Farfetch as the clear leader in luxury e commerce. YNAP has been unprofitable since inception and is now beginning to shift its business towards a marketplace- this transformation will take time.

Exhibit 9: Farfetch Growth vs Peers



Source: 2017 Company Presentati

Exhibit 10: Farfetch Inventory Range



Source: 2020 Company Presentation

Valuation:

(mn USD)	Bear	Base	Bull	Comments
Digital Platform GMV	6,965	8,781	10,358	
NGG + Browns	872	943	1,059	
2025e GMV	**7,837**	**9,724**	**11,417**	*30% of luxury spend will be online*
Implied Market Share	**6.5%**	**8.1%**	**9.5%**	*Total luxury market is estimated to be USD 437bn*
2025e Revenue Core	4,380	5,130	5,858	
2021-2025 CAGR	18%	23%	27%	
2025e Beauty GMV	-	300	500	*It took FTCH 5 years to get to USD 300mn for the core luxury business*
2025e Beauty Revenue	-	90	153	*Assume same take rate as core business*
2025e FPS GMV	250	1,000	1,500	*Bear case assums USD 250 because FTCH already signed Reebok*
2025e FPS Revenue	25	100	150	*Assume 10% take rate since*
Total Farfetch Revenue	4,405	5,320	6,161	
Target EV / Sales Mutliple	0.5x	1.5x	3.0x	*Currently trading at 1.5x EV/Sales, historical average is 5x*
Implied EV	2,203	7,980	18,483	
Less 2025 Net Debt	(514)	(987)	(2,402)	
Implied Market Cap	**2,717**	**8,967**	**20,884**	
2025e Share Price (USD)	**8.3**	**27.3**	**63.6**	
Upside/ (Downside)	-34%	119%	411%	
Fair Value Today (USD)	5.7	18.7	43.4	*Discounted at 10% discount rate*
Upside/ (Downside)	-55%	50%	249%	
DCF Based Target Price (USD)	7.6	16.0	34.3	*Discounted at 10% and does not include Beauty and FPS*
Upside/ (Downside)	-39%	29%	175%	
EV/EBITDA Based Target Price (USD)	7.6	18.9	52.7	*Does not include Beauty and FPS*
Upside/ (Downside)	-39%	52%	323%	*Bear @ 10x, Base @ 15x, Bull @ 20x*

Source: Safehouse Research

The recent correction in growth equities presents a unique opportunity for patient and long-term investors. Within the bucket, we believe Farfetch is an outlier and even as multiples have compressed, we feel that the risk reward remains attractive. We have done our best to remain conservative in our scenario analysis. We are cognizant that volatility, low liquidity, and weak overall market sentiment will likely determine price movements in the short run, yet we expect that fundamentals will prevail over the long run.

Our base case assumes GMV grows at a CAGR of over 20% until 2025e. It is important to note that our estimates are more conservative than the sell side. The largest variability in our numbers will come from the new segments like FPS and Beauty. The company mentioned that 2022 will be a transformational year for FPS and therefore we are looking out for announcements of new contracts. This may lead us to revise our numbers upwards. We also assign no value to the potential collaboration/sale of Net a Porter to Farfetch.

We expect the stock to deliver upside of c. 100-400% over the coming years giving investors an asymmetric risk reward.

Risks:

1. Slowdown in spending on luxury goods
2. Impact of Apple's IDFA on customer acquisition costs
3. Top 10 retailers account for 13% of Farfetch's GMV
4. China regulation or slowdown as China is expected to be the company's largest market over time.

Additional Info:

-The company has one of the best cap tables we have seen in the consumer tech universe:

Tencent Holdings owns 16.6mn shares

Richemont owns 9.4mn shares (in the form of convertibles)

Alibaba owns 9.4mn shares (in the form of convertibles)

Artimus (Kering HoldCo) owns 1.8mn shares

-We also believe that Farfetch will be one of the biggest beneficiaries of the Metaverse. A huge pain point for online shoppers is not knowing what size is best and having to return clothes that are either too big or too small. As AR and VR advances, we expect online shopping will transform as well. Customers will eventually be able to make smarter purchasing decisions online ultimately increasing purchase conversion rates. Farfetch has already been a leader in this space through its work with the Store of the Future.

-As the largest luxury e commerce platform with close to 4mn users, Farfetch has pricing power. We believe their position will only strengthen as the platform scales. We believe this will give Farfetch the ability to increase take rates (something we did not account for in our projections). Farfetch still provides brands a significantly higher margin than wholesalers but ultimately provides brands more value.

Financial Projections:

Revenue Build	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e	2025e
Digital Platform GMV	375	573	894	1,392	1,948	2,759	3,678	4,755	6,004	7,287	8,781
% y/y		52.9%	56.0%	55.6%	39.9%	41.7%	33.3%	29.3%	26.3%	21.4%	20.5%
Fulfilment	**29**	**49**	**74**	**98**	**128**	**213**	**333**	**390**	**493**	**598**	**721**
% y/y		69.5%	52.9%	31.8%	30.8%	66.6%	55.9%	17.4%	26.3%	21.4%	20.5%
% platform service GMV	**8%**	**9%**	**9%**	**8%**	**7%**	**8%**	**10%**	**9%**	**9%**	**9%**	**9%**
Platform service GMV	346	525	820	1,294	1,820	2,546	3,345	4,364	5,512	6,688	8,060
% y/y		51.5%	56.3%	57.8%	40.6%	39.9%	31.4%	30.5%	26.3%	21.4%	20.5%
1P platform GMV (estimated)	4	24	39	110	206	392	541	718	954	1,219	1,497
% y/y		486.4%	62.3%	178.6%	86.9%	90.8%	37.8%	32.8%	32.8%	27.8%	22.8%
3P platform GMV (estimated)	342	500	781	1,184	1,614	2,154	2,805	3,646	4,558	5,469	6,563
% y/y		46.2%	56.0%	51.7%	36.3%	33.4%	30.2%	30.0%	25.0%	20.0%	20.0%
% of Platform GMV	99%	95%	95%	91%	89%	85%	84%	84%	83%	82%	81%
Third party take rate	30.0%	31.3%	32.9%	32.0%	30.7%	29.8%	30.1%	30.0%	30.0%	30.0%	30.0%
Digital Platform Services Revenue	**107**	**181**	**296**	**489**	**701**	**1,033**	**1,386**	**1,812**	**2,321**	**2,860**	**3,466**
% y/y		69.4%	63.8%	65.0%	43.4%	47.3%	34.1%	30.8%	28.1%	23.2%	21.2%
% of total	75%	75%	77%	81%	69%	62%	61%	64%	66%	67%	68%
Browns in-store GMV											
% y/y											
Browns in-store	**7**	**13**	**15**	**16**	**28**	**38**	**71**	**75**	**80**	**84**	**90**
% y/y		83.6%	21.8%	1.0%	77.1%	35.9%	89.0%	6.0%	6.0%	6.0%	6.0%
% take rate											
Brand Platform GMV-Revenue (NGG)					**164**	**390**	**468**	**561**	**645**	**742**	**853**
% y/y						138%	20%	20%	15%	15%	15%
Total revenue	**142**	**242**	**386**	**602**	**1,021**	**1,674**	**2,257**	**2,839**	**3,539**	**4,285**	**5,130**
% y/y		70.1%	59.4%	56.1%	69.5%	63.9%	34.8%	25.8%	24.7%	21.1%	19.7%
Adjusted evenue	114	194	312	505	893	1,461	1,924	2,448	3,046	3,686	4,409
% y/y		70.3%	61.0%	61.8%	77.0%	63.6%	31.7%	27.2%	24.4%	21.0%	19.6%
Digital Platform											
Digital Platform Services Revenue	107	181	296	489	701	1,033	1,386	1,812	2,321	2,860	3,466
Fuilfilment	29	49	74	98	128	213	333	390	493	598	721
Digital platform revenue	135	229	371	587	829	1,246	1,718	2,202	2,814	3,458	4,187
					(481)						
Cost of revenue	(66)	(118)	(174)	(295)	(457)	(686)	(988)	(1,115)	(1,305)	(1,599)	(1,934)
Gross profit	**69**	**112**	**197**	**292**	**372**	**560**	**730**	**1,087**	**1,509**	**1,859**	**2,253**
% margin (ex fulfilment)	**64.9%**	**61.8%**	**66.3%**	**59.7%**	**53.0%**	**54.2%**	**52.7%**	**60.0%**	**65.0%**	**65.0%**	**65.0%**
bps change		-317bps	457bps	-668bps	-662bps	119bps	-152bps	730bps	500bps	0bps	0bps
Cost of Fulfillment	(29)	(49)	(74)	(98)	(128)	(213)	(333)	(390)	(493)	(598)	(721)
Demand generation expense	(34)	(48)	(69)	(97)	(151)	(199)	(292)	(373)	(466)	(559)	(661)
% digital service revenue	32%	27%	23%	20%	22%	19%	21%	21%	20%	20%	19%
Order contribution	**35**	**63**	**127**	**194**	**221**	**361**	**438**	**715**	**1,043**	**1,300**	**1,592**
% contribution margin	**33.0%**	**35.0%**	**43.0%**	**39.8%**	**31.5%**	**35.0%**	**31.6%**	**39.4%**	**44.9%**	**45.4%**	**45.9%**
bps change		207bps	795bps	-322bps	-830bps	353bps	-334bps	780bps	550bps	50bps	50bps
Brand Platform											
Revenue					164	390	468	561	645	742	853
Cost of revenue					(89)	(199)	(226)	(281)	(316)	(356)	(410)
Gross profit					**75**	**191**	**242**	**281**	**329**	**386**	**444**
% margin					**46%**	**49%**	**52%**	**50.0%**	**51.0%**	**52.0%**	**52.0%**
In-store											
Revenue	7	13	15	16	28	38	71	75	80	84	90
Cost of revenue			(7)	(9)	(15)	(18)	(26)	(38)	(39)	(41)	(43)
Gross profit			**8**	**7**	**13**	**20**	**45**	**38**	**41**	**44**	**47**
% margin			**53.0%**	**43.2%**	**46.8%**	**53.1%**	**63.1%**	**50.0%**	**51.0%**	**52.0%**	**52.0%**
Technology expense											
Technology expense				(68)	(84)	(115)	(131)	(170)	(180)	(178)	(187)
% revenue				13.5%	9.4%	7.9%	6.8%	7.0%	5.9%	4.8%	4.2%
% total				57%	52%	43%	37%	50%	51%	52%	52%
Capitalized development costs				(51)	(78)	(151)	(228)	(170)	(173)	(165)	(172)
% revenue				10.1%	8.8%	10.4%	11.8%	7.0%	5.7%	4.5%	3.9%
% total				43%	48%	57%	63%	50%	49%	48%	48%
Total				(119)	(163)	(267)	(359)	(341)	(354)	(343)	(359)
% revenue				20%	16%	16%	16%	12%	10%	8%	7%

Income Statement	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e	2025e
Revenue	**142**	**242**	**386**	**602**	**1,021**	**1,674**	**2,257**	**2,839**	**3,539**	**4,285**	**5,130**
% y/y		70.1%	59.4%	56.1%	69.5%	63.9%	34.8%	25.8%	24.7%	21.1%	19.7%
Adjusted Revenue	114	194	312	505	893	1,461	1,924	2,448	3,046	3,686	4,409
% y/y		70.3%	61.0%	61.8%	77.0%	63.6%	31.7%	27.2%	24.4%	21.0%	19.6%
	(66)	(118)	(181)	(304)	(561)						
Cost of Revenue	(70)	(125)	(181)	(304)	(561)	(903)	(1,240)	(1,433)	(1,661)	(1,996)	(2,387)
% sales	61.3%	64.7%	58.1%	60.2%	62.8%	61.8%	64.5%	58.5%	54.5%	54.1%	54.1%
Gross profit	**73**	**117**	**205**	**298**	**460**	**771**	**1,017**	**1,405**	**1,878**	**2,289**	**2,743**
% margin	**51.0%**	**48.3%**	**53.1%**	**49.5%**	**45.0%**	**46.1%**	**45.0%**	**49.5%**	**53.1%**	**53.4%**	**53.5%**
% adjusted margin	**63.9%**	**60.4%**	**65.7%**	**59.1%**	**51.5%**	**52.8%**	**52.8%**	**57.4%**	**61.7%**	**62.1%**	**62.2%**
bps change		-349bps	531bps	-653bps	-766bps	129bps	5bps	457bps	427bps	42bps	13bps
Selling, general and administrative expenses	(130)	(206)	(296)	(472)	(870)	(1,351)	(1,481)	(1,840)	(2,062)	(2,341)	(2,589)
% sales	91.4%	84.9%	76.7%	78.3%	85.2%	80.7%	65.6%	64.8%	58.3%	54.6%	50.5%
Demand generation expense	(34)	(48)	(69)	(97)	(151)	(199)	(292)	(373)	(466)	(559)	(661)
% of sales				19.3%	16.9%	13.6%	15.2%	15.2%	15.3%	15.2%	15.0%
Technology expense				(68)	(84)	(115)	(131)	(170)	(180)	(178)	(187)
% of sales				13.5%	9.4%	7.9%	6.8%	7.0%	5.9%	5.9%	5.9%
Depreciation and amortization				(24)	(114)	(217)	(251)	(318)	(320)	(350)	(375)
% of sales				4.7%	12.7%	14.9%	13.1%	13.0%	10.5%	9.5%	8.5%
Share based payments				(54)	(158)	(292)	(196)	(245)	(244)	(258)	(242)
% of sales				10.7%	17.7%	20.0%	10.2%	10.0%	8.0%	7.0%	5.5%
General and administrative				(229)	(346)	(504)	(592)	(686)	(822)	(958)	(1,080)
% of sales				45.4%	38.7%	34.5%	30.7%	28.0%	27.0%	26.0%	24.5%
Other items				-	(16)	(24)	(19)	(49)	(30)	(37)	(44)
% of sales				0.0%	1.8%	1.7%	1.0%	2.0%	1.0%	1.0%	1.0%
(loss)/Gain on items held at fair value			(3)	-	22	(2,644)	2,024				
Impairment losses						(39)	(12)				
Share of profit of associates	-	0	0	0	0						
Operating loss	**(57)**	**(89)**	**(94)**	**(173)**	**(388)**	**(3,263)**	**1,548**	**(435)**	**(184)**	**(53)**	**154**
% margin	**-40.4%**	**-36.6%**	**-24.5%**	**-28.8%**	**-38.0%**	**-195.0%**	**68.6%**	**-15.3%**	**-5.2%**	**-1.2%**	**3.0%**
										-71%	-394%
Finance income	0	9	3	38	34	25	13				
Finance costs	(5)	(2)	(20)	(18)	(19)	(109)	(86)				
Net finance costs	(4)	7	(18)	20	15	(84)	(74)	18	16	23	39
% Net Debt		6%	-5%	2%	6%	-9%	-10%	4%	4%	4%	4%
% sales	-3%	3%	-5%	3%	1%	-5%	-3%	1%	0%	1%	1%
Loss before tax	**(62)**	**(81)**	**(112)**	**(153)**	**(373)**	**(3,347)**	**1,474**	**(417)**	**(168)**	**(30)**	**194**
Income tax expense	1	(0)	(0)	(2)	(1)	14	(3)				
% rate											
Loss after tax	**(61)**	**(81)**	**(112)**	**(156)**	**(374)**	**(3,333)**	**1,471**	**(417)**	**(168)**	**(30)**	**194**
% y/y		33%	38%	39%	140%	791%	-144%	-128%	-60%	-82%	-752%
(Loss)/Profit attributable to:											
Equity holders of the parent	(61)	(81)	(112)	(156)	(385)	(3,351)	1,467	(417)	(168)	(30)	194
Non-controlling interests	-	-	-	-	12	18	4				
%											
Weighted-average diluted shares outstanding	172	189	223	264	319	344	472	473	473	473	473
Change		17	35	41	54	25	129	0	-	-	-
EPS	**(0.36)**	**(0.43)**	**(0.50)**	**(0.59)**	**(1.21)**	**(9.74)**	**3.10**	**(0.88)**	**(0.36)**	**(0.06)**	**0.41**
EBITDA	**(57)**	**(89)**	**(94)**	**(150)**	**(274)**	**(3,046)**	**1,799**	**(117)**	**136**	**298**	**529**
% margin							80%	-4.1%	3.8%	6.9%	10.3%

Balance Sheet	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e	2025e
Non-Current Assets											
Trade and other receivables		5	9	10	12	58	31	39	49	59	71
Deferred tax assets						14	13	13	13	13	13
Intangible assets		43	74	103	1,363	1,279	1,360	1,212	1,065	880	677
PP&E		16	27	38	68	89	97	97	97	97	97
Right of use assets		-	-	-	115	179	196	196	196	196	196
Investments/Other		-	0	1	22	8	18	18	18	18	18
Investments in associates		0	0	0	2	2	0	0	0	0	0
Total non-current assets		**64**	**110**	**152**	**1,583**	**1,630**	**1,715**	**1,575**	**1,438**	**1,263**	**1,072**
Current Assets											
Inventories		14	51	61	128	145	256	295	342	411	492
Trade and other receivables		17	18	94	195	210	375	471	588	711	852
Current tax assets						2	10	10	10	10	10
Short term investments							100	100	100	100	100
Derivative financial assets						30	8	8	8	8	8
Cash and cash equivalents		150	384	1,045	322	1,573	1,363	1,075	1,028	1,199	1,617
Total current assets		**181**	**453**	**1,199**	**645**	**1,961**	**2,112**	**1,960**	**2,076**	**2,440**	**3,079**
Total Assets		**245**	**563**	**1,351**	**2,228**	**3,591**	**3,827**	**3,535**	**3,515**	**3,703**	**4,151**
Non-Current Liabilities											
Provisions		4	5	13	24	129	61	61	61	61	61
Deferred tax liabilities		-	-	-	220	182	156	156	156	156	156
Lease liabilities		-	-	-	101	165	181	181	181	181	181
Employee benefit obligations						26	13	13	13	13	13
Derivative financial liabilities						2,996	872	872	872	872	872
Interest-bearing loans and borrowings		17	-	-	-	635	516	516	516	516	516
Put and call option liabilities						349	837	837	837	837	837
Other liabilities		15	5	15	78	5	13	13	13	13	13
Total Non-Current Liabilities		**37**	**10**	**29**	**422**	**4,488**	**2,649**	**2,649**	**2,649**	**2,649**	**2,649**
Current Liabilities											
Trade and other payables		84	137	194	448	666	806	932	1,080	1,298	1,552
Provisions						27	15	15	15	15	15
Current tax liabilities						3	5	5	5	5	5
Current lease liabilities		-	-	-	18	26	34	34	34	34	34
Derivative financial liabilities						17	21	21	21	21	21
Employee benefit obligations						38	8	8	8	8	8
Interest-bearing loans and borrowings		3	-	-	-	-	-	-	-	-	-
Put and call option liabilities							8	8	8	8	8
Other liabilities		2	19	-	2	1	10	10	10	10	10
Total Current Liabilities		**89**	**156**	**194**	**468**	**779**	**907**	**1,033**	**1,181**	**1,399**	**1,653**
Total Liabilities		**126**	**166**	**223**	**890**	**5,267**	**3,556**	**3,682**	**3,829**	**4,047**	**4,301**
Equity											
Equity attributable to owners of the parent		119	397	1,128	1,269	(1,845)	89	(329)	(497)	(526)	(333)
Non-controlling interests		(0)	-	-	69	169	182	182	182	182	182
Total Equity		**119**	**397**	**1,128**	**1,338**	**(1,676)**	**271**	**(147)**	**(315)**	**(344)**	**(151)**
Total equity and liabilities		**245**	**563**	**1,351**	**2,228**	**3,591**	**3,827**	**3,535**	**3,515**	**3,703**	**4,151**
Net debt/(cash)		(115)	(379)	(1,029)	(245)	(933)	(734)	(446)	(399)	(570)	(987)
Net debt/(cash)/EBITDA		na	na	na	na	na	na	na	na	na	na

Cash Flows	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e	2025e
Profit (loss) before tax	(62)	(81)	(112)	(153)	(373)	(3,347)	1,474	(417)	(168)	(30)	194
Add: loss on items held at fair value						2,644	(2,024)				
Add: Finance cost						84	74				
Depreciation	2	2	4	7	29	39	50				
Amortization / Other	1	4	7	16	67	178	202				
Right of use assets (IFRS 16)	-	-	-	-	19						
Depreciation and amortization	**3**	**7**	**11**	**24**	**114**	**217**	**251**	**318**	**320**	**350**	**375**
Impairment of non-current assets / Other	-	0	-	-	5	39	12				
Non-cash employee benefits	5	15	17	54	138	168	220				
Net (income)/loss on sale of non-current assets	(0)	0	0	1	(0)						
Share of profits of associates	-	(0)	(0)	(0)	(0)						
Net finance costs/(income)	0	(0)	(1)	(20)	(15)						
Net exchange differences	2	2	12	8	(23)						
(increase)/decrease in the fair value of derivatives/warrants	-	0	0	(1)	(0)						
Cashflow pre Working Capital	**(52)**	**(57)**	**(74)**	**(88)**	**(154)**	**(195)**	**7**	**(99)**	**152**	**320**	**569**
Increase in receivables	(4)	(10)	(1)	(72)	(51)	(16)	(165)	(105)	(126)	(134)	(152)
Increase in inventories	(3)	(6)	(35)	(10)	(30)	(16)	(105)	(40)	(47)	(69)	(81)
Increase in payables	14	19	47	57	114	280	115	126	148	218	254
Changes in Working capital	**8**	**4**	**12**	**(25)**	**33**	**248**	**(154)**	**(19)**	**(25)**	**15**	**21**
Increase in non-current receivables	(5)	(1)	(4)	(1)	4	(1)	14				
Increase in other liabilities	12	8	7	(1)	7	60	(44)				
(Decrease)/increase in provisions						85	(68)				
Decrease in derivative financial instruments						(15)	6				
Interest paid	(0)	(1)	(1)	(1)	11						
Income taxes paid	(1)	(0)	(0)	(1)	(16)	(65)	(41)				
Net cash from operating activities	**(37)**	**(47)**	**(59)**	**(116)**	**(116)**	**116**	**(282)**	**(118)**	**127**	**335**	**590**
Acquisition of subsidiary	(12)	-	0	-	(461)	(12)	(27)				
Capex relating to PP&E	(9)	(6)	(13)	(21)	(40)	(27)	(29)	(170)	(173)	(165)	(172)
Capex relating to Intangibles	(7)	(13)	(19)	(51)	(73)	(94)	(168)				
Interest received	0	2	3	9	-	3	3				
short-term investments							(100)				
Equity investments	-	-	(0)	(0)	(21)	(3)	(10)				
Sale of PP&E	0	-	-	-	-						
Dividends						0					
Net cash from investing activities	**(28)**	**(17)**	**(29)**	**(64)**	**(595)**	**(133)**	**(331)**	**(170)**	**(173)**	**(165)**	**(172)**
Payment for acquisition of non-controlling interest	-	(5)	-	-	-		481				
Net proceeds from issue of shares	78	147	322	860	9	113	37				
Net Repayment of loan notes	(0)	(0)	(22)	-	(5)	(54)	(33)				
Net proceeds from issue of loan notes	-	19	-	-	-			-	-	-	-
Transaction cost							(25)				
Repayment of lease liabilities	-	-	-	-	(19)	(19)	(26)				
Dividends paid to holders of non-controlling interests						(21)	(23)				
Proceeds from borrowings, net of issue costs						1,242					
Settlement of equity-based awards							(6)				
Net cash from financing activities	**77**	**161**	**300**	**860**	**(15)**	**1,261**	**405**	**-**	**-**	**-**	**-**
Net increase/(decrease) in cash	**12**	**97**	**212**	**680**	**(726)**	**1,245**	**(208)**	**(288)**	**(47)**	**171**	**418**
Effect of exchange rate changes and others	**(3)**	**(20)**	**22**	**(19)**	**3**	**6**	**(3)**				
FCF	**(47)**	**(53)**	**(72)**	**(137)**	**(155)**	**89**	**(311)**	**(288)**	**(47)**	**171**	**418**