

# Global Fashion Group Announces the Sale of Jabong to Flipkart Group

26 JULY 2016, LUXEMBOURG

## SUMMARY

*Global Fashion Group (GFG) has entered into a definitive agreement to sell Jabong, its Indian business, to Flipkart Group for US\$70 million in cash. The transaction is a decisive step in GFG's strategy to refocus its business on core markets and further accelerate its path to profitability.*

**F**ounded in 2014 through the merger of six growth-markets oriented businesses, GFG is the pre-eminent International fashion and accessories e-commerce and marketplace group. Its current operations include Lamoda in Russia and the former CIS, Dafiti in Latin America, Namshi in the Middle East, The Iconic in Australia and New Zealand, Zalora in South East Asia, and Jabong in India. For the 12 months ended March 31, 2016, GFG generated €977m in Net Revenues and €(255)m in Adjusted EBITDA.

Following a strategic review of its Indian operation, the GFG Board concluded that Jabong's position as India's leading fashion e-commerce destination would be best served through a business combination with a local player. Having reviewed multiple options over a period of several months, the GFG Board has resolved to sell Jabong to Flipkart Group.

With Net Revenues of €126m and Adjusted EBITDA of €(56)m for the 12 months ended March 31, 2016, Jabong represented 13% of GFG's Net Revenue and ca. 22% of Adjusted EBITDA loss.

Romain Voog, CEO of GFG, commented: "Over the last 12 months, all of GFG's operations have significantly improved their customer experience and economics. Through the sale of Jabong, we are achieving a milestone in our strategy to refocus and invest in our core markets that show both, significant growth and revenue potential but also a clear and predictable path to profitability. With a strengthened balance sheet, we are now uniquely positioned to continue investing to deliver unparalleled shopping experience and best in class service to our customers and partner brand-owners across all of our countries".

Lorenzo Grabau, Chairman of GFG and CEO of Kinnevik, GFG's largest shareholder, further added: "We are grateful to the Jabong team for the great work carried out over the last several years to build such an attractive Indian fashion e-commerce company. We are pleased with the outcome of Jabong's strategic review and will now focus all our energy and capital in driving the growth of Lamoda, Dafiti, Namshi, The Iconic and Zalora across their 24 countries of operation".

The transaction is subject to customary closing conditions and is expected to close during the third quarter.



#### RELEVANT LINKS

**GF** Global Fashion Group  
<http://www.global-fashion-group.com>

**J** Jabong  
<http://www.jabong.com>

 <http://www.flipkart.com/about-us>

#### IMAGES



**JABONG**  **COM**

SPOKESPEOPLE



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ABOUT GLOBAL FASHION GROUP

Global Fashion Group (GFG) is dedicated to bringing fashion online in emerging markets and active across 24 countries. We want to become the No. 1 fashion destination in our markets and deliver best-in-class services to our customers and partners.



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