



FARFETCH

For the Love of Fashion

First Quarter 2019 Results

IMPORTANT NOTICE

This presentation, and the accompanying oral presentation, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation and the accompanying oral presentation that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our expected financial performance including guidance for the second quarter 2019 and the financial year ended December 31, 2019, as well as statements that include the words “expect,” “intend,” “plan,” “believe,” “project,” “forecast,” “estimate,” “may,” “should,” “anticipate” and similar statements of a future or forward-looking nature. These forward-looking statements are based on management’s current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to: purchasers of luxury products may not choose to shop online in sufficient numbers; our ability to generate sufficient revenue to be profitable or to generate positive cash flow on a sustained basis; the volatility and difficulty in predicting the luxury fashion industry; our reliance on a limited number of retailers and brands for the supply of products on our Marketplace; our reliance on retailers and brands to anticipate, identify and respond quickly to new and changing fashion trends, consumer preferences and other factors; our reliance on retailers and brands to make products available to our consumers on our Marketplace and to set their own prices for such products; our reliance on information technologies and our ability to adapt to technological developments; our ability to acquire or retain consumers and to promote and sustain the Farfetch brand; our ability or the ability of third parties to protect our sites, networks and systems against security breaches, or otherwise to protect our confidential information; our ability to successfully launch and monetize new and innovative technology; our dependence on highly skilled personnel, including our senior management, data scientists and technology professionals, and our ability to hire, retain and motivate qualified personnel; Mr. Neves has considerable influence over important corporate matters due to his ownership of us, and our dual-class voting structure will limit your ability to influence corporate matters, including a change of control; and the other important factors discussed under the caption “Risk Factors” in our annual report on Form 20-F filed with the SEC on March 1, 2019, as such factors may be updated from time to time in our other filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. In addition, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements that we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation and the accompanying oral presentation are inherently uncertain and may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Accordingly, you should not rely upon forward-looking statements as predictions of future events. In addition, the forward-looking statements made in this presentation and the accompanying oral presentation relate only to events or information as of the date on which the statements are made in this presentation and the accompanying oral presentation. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Unless otherwise indicated, information contained in this presentation concerning our industry, competitive position and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data, and our experience in, and knowledge of, such industry and markets, which we believe to be reasonable. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in the estimates made by independent parties and by us.

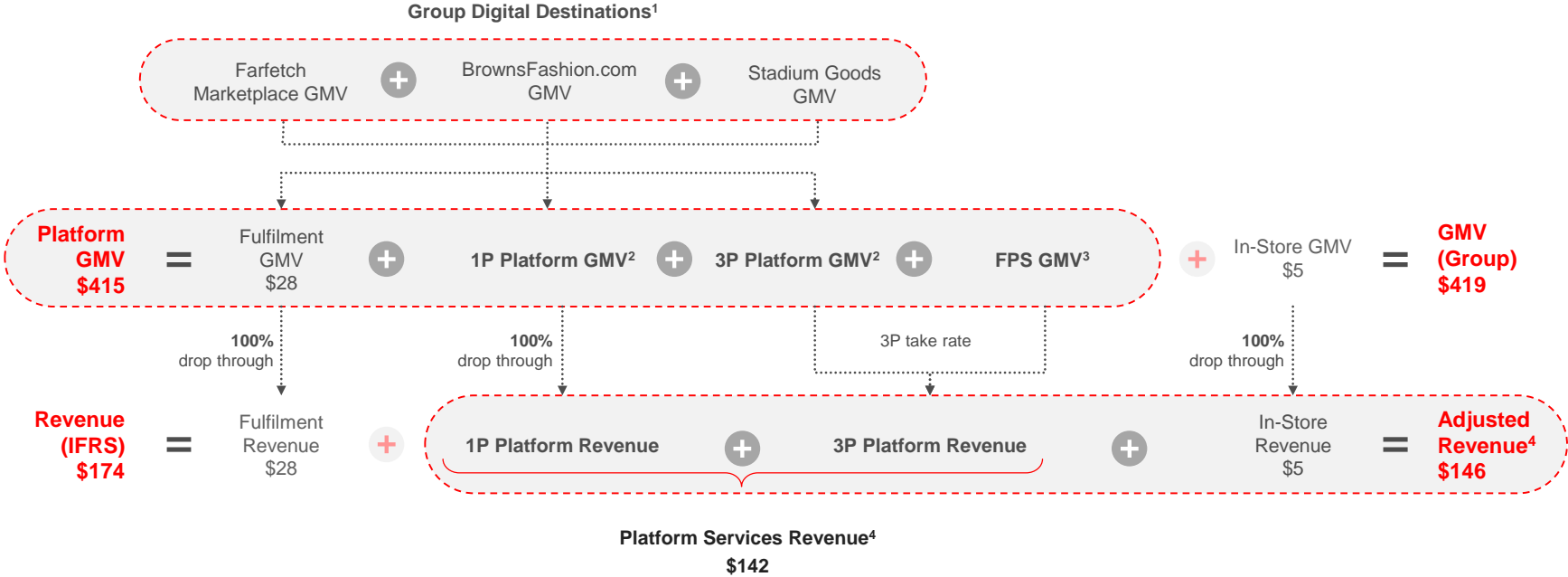
This presentation, and the accompanying oral presentation, includes certain financial measures not presented in accordance with the International Financial Reporting Standards (IFRS) including but not limited to, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Adjusted Revenue, Platform Services Revenue, Platform Gross Profit, Platform Order Contribution, and Platform Order Contribution Margin. These financial measures are not measures of financial performance in accordance with IFRS and may exclude items that are significant in understanding and assessing the Company’s financial results. Therefore, these measures should not be considered in isolation or as an alternative to loss after tax, revenue, gross profit or other measures of profitability, liquidity or performance under IFRS. You should be aware that the Company’s presentation of these measures may not be comparable to similarly-titled measures used by other companies, which may be defined and calculated differently. See the appendix for a reconciliation of these non-IFRS measures to the most directly comparable IFRS measure.

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Certain figures in this presentation may not recalculate exactly due to rounding. This is because percentages and/or figures contained herein are calculated based on actual numbers and not the rounded numbers presented.

GMV & Revenue Build

Q 1 ' 1 9 (U S D m)



Note: GMV is inclusive of product value, shipping and duties and net of returns, value added taxes and cancellations.

¹ Includes GMV from all our directly owned and operated sites and related apps.

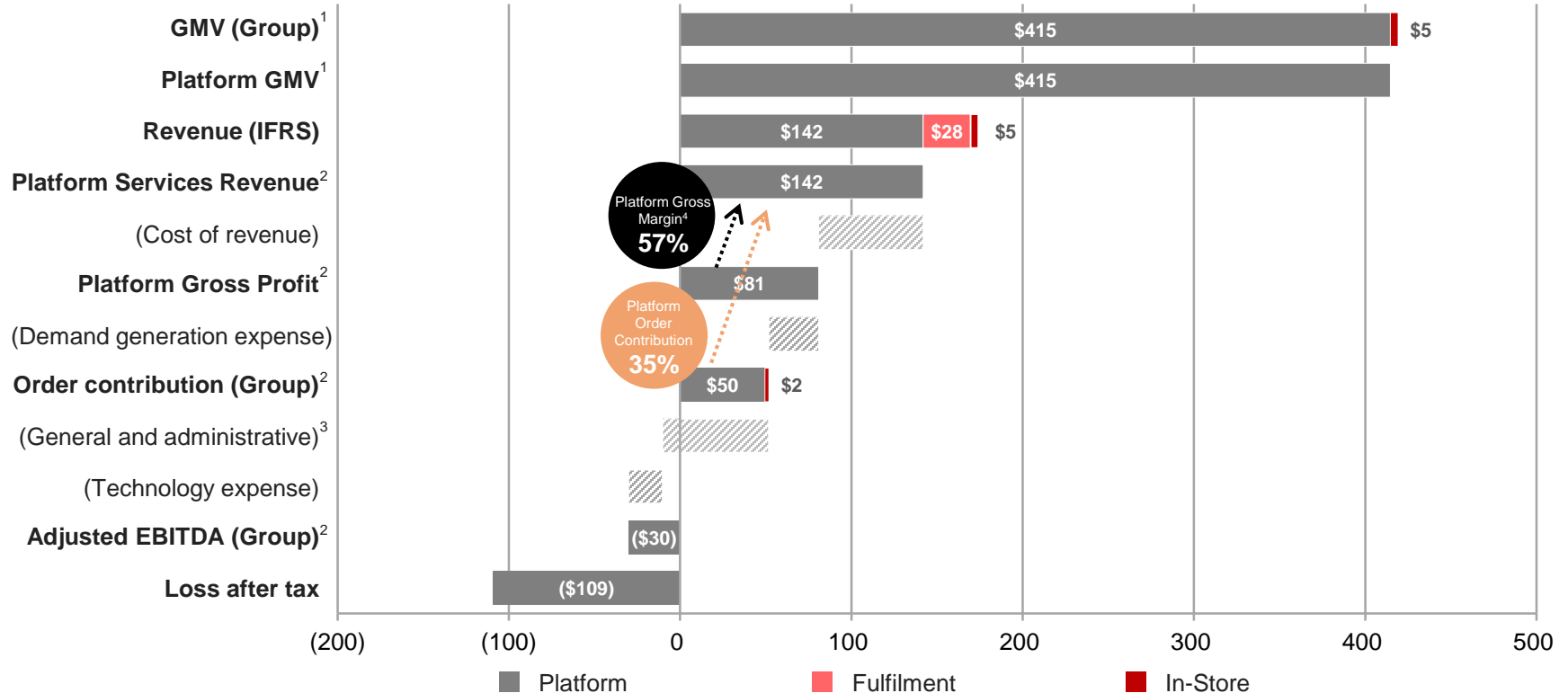
² Also includes BrownsFashion.com and Stadium Goods.

³ FPS GMV includes Farfetch Platform Solutions GMV and other GMV.

⁴ Non-IFRS financial measures, please refer to reconciliations to IFRS measures in the Appendix.

Results of Operations

Q 1 ' 1 9 (U S D m)



¹ GMV is inclusive of product value, shipping and duties and net of returns, value added taxes and cancellations.

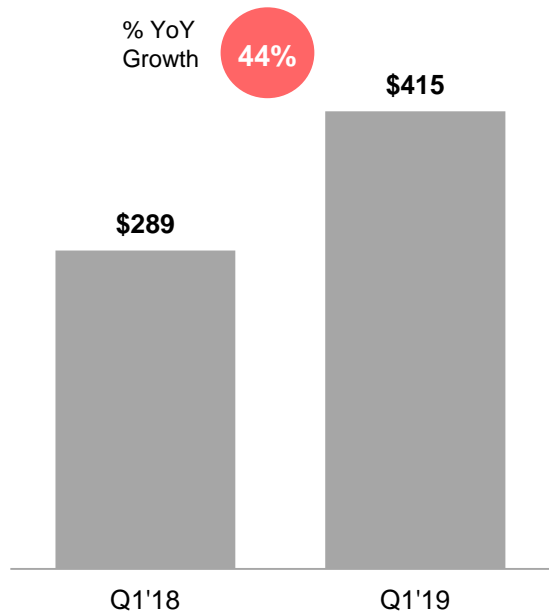
² Non-IFRS financial measures, please refer to reconciliations to IFRS measures in the Appendix.

³ Excludes other items (outside the normal scope of our ordinary activities or non-cash items).

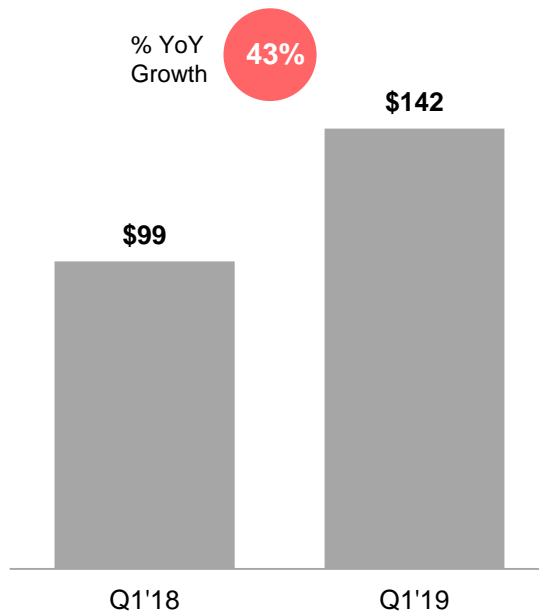
⁴ Defined as Platform Gross Profit (which is defined as gross profit, excluding In-Store Gross Profit) as a percentage of Platform Services Revenue.

Driving Platform GMV, Platform Services Revenue and Platform Gross Profit Growth

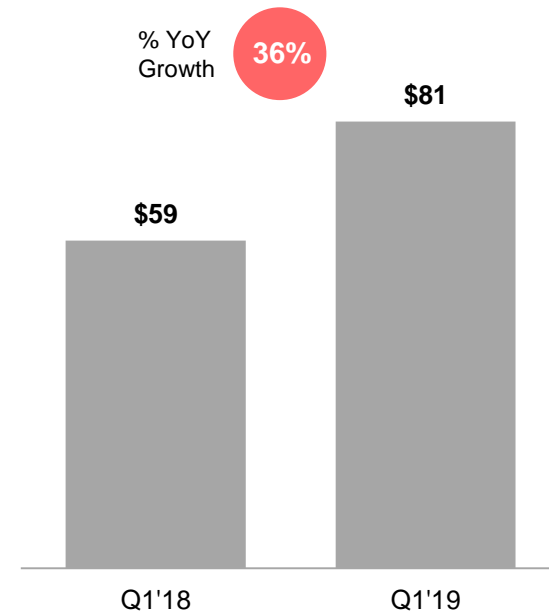
PLATFORM GMV (USD m)



PLATFORM SERVICES REVENUE¹ (USD m)



PLATFORM GROSS PROFIT¹ (USD m)



¹ Non-IFRS financial measures, please refer to reconciliations to IFRS measures in the Appendix.

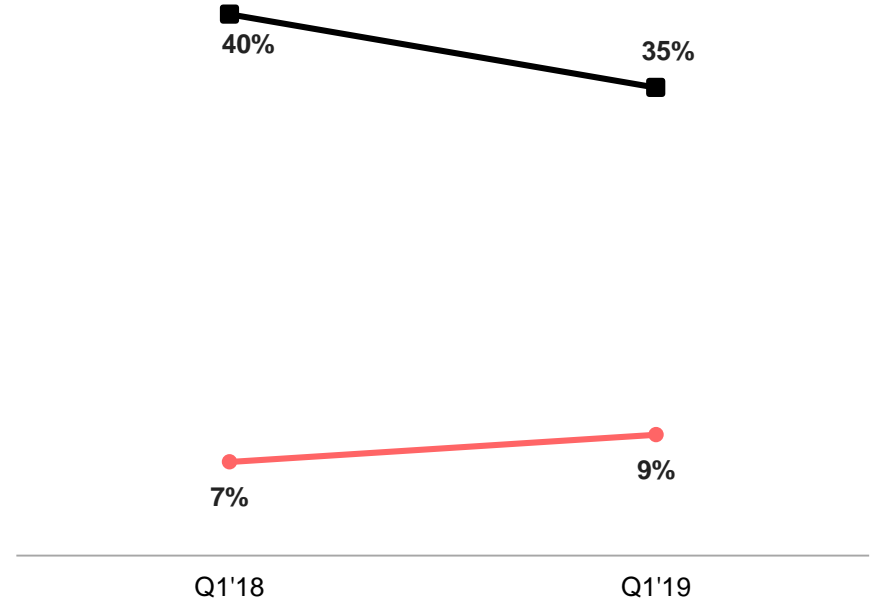
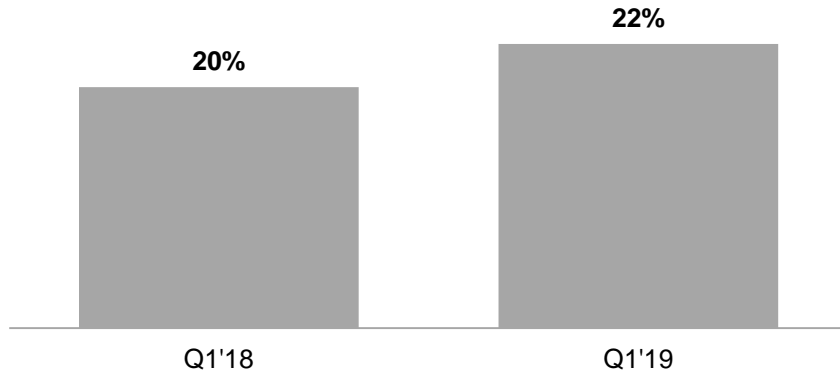
Platform Order Contribution Margin

DEMAND GENERATION % OF PLATFORM SERVICES REVENUE¹

PLATFORM ORDER CONTRIBUTION MARGIN¹, 1P PLATFORM GMV % OF PLATFORM GMV

YoY decline

+261 bps



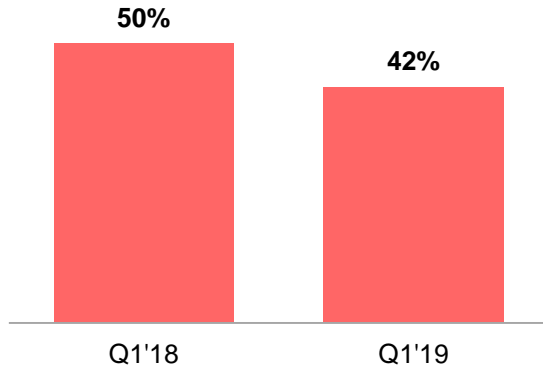
■ Platform Order Contribution Margin

■ 1P Platform GMV % of Platform GMV

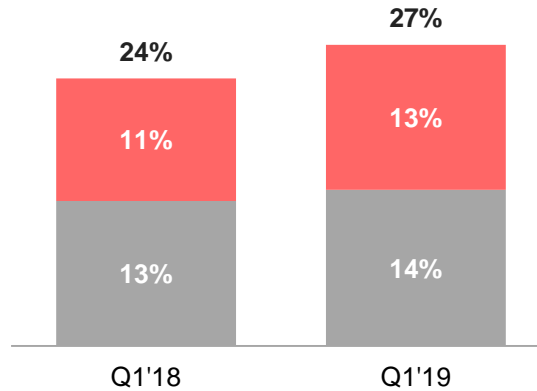
¹ Non-IFRS financial measures, please refer to reconciliations to IFRS measures in the Appendix.

Cost Base

GENERAL AND ADMINISTRATIVE¹

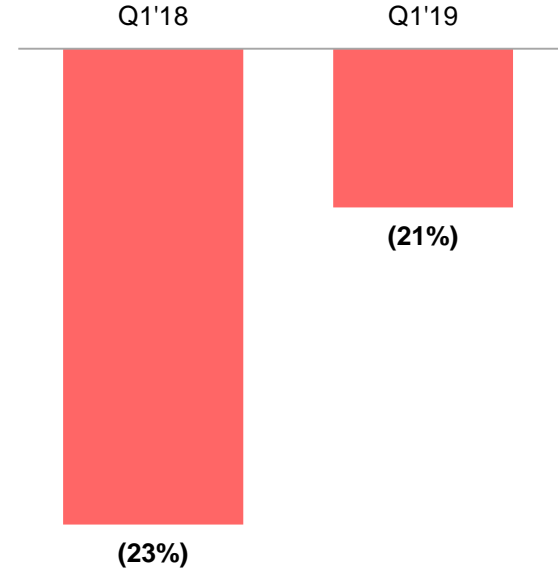


TOTAL TECHNOLOGY INVESTMENT^{2,3}



■ Capitalized Technology Expense, % Adjusted Revenue (Group)
■ P&L Technology Spend, % Adjusted Revenue (Group)

ADJUSTED EBITDA MARGIN³



● % Adjusted Revenue (Group)

● % Adjusted Revenue (Group)


¹ Excludes other items (outside the normal scope of our ordinary activities or non-cash items).

² Total Technology Investment consists of technology expense plus capitalized cash payments for intangible assets.

³ Non-IFRS financial measures, please refer to reconciliations to IFRS measures in the Appendix.

Outlook

	Q2'18A	Q1'19A	Q2'19E	FY'19E
Platform GMV Growth, YoY %	57%	44%	c. 40% - 42%	c. 41%
Adjusted EBITDA Margin	(21%)	(21%) ¹	c. (19%) - (21%) ¹	c. (16%) - (17%) ¹

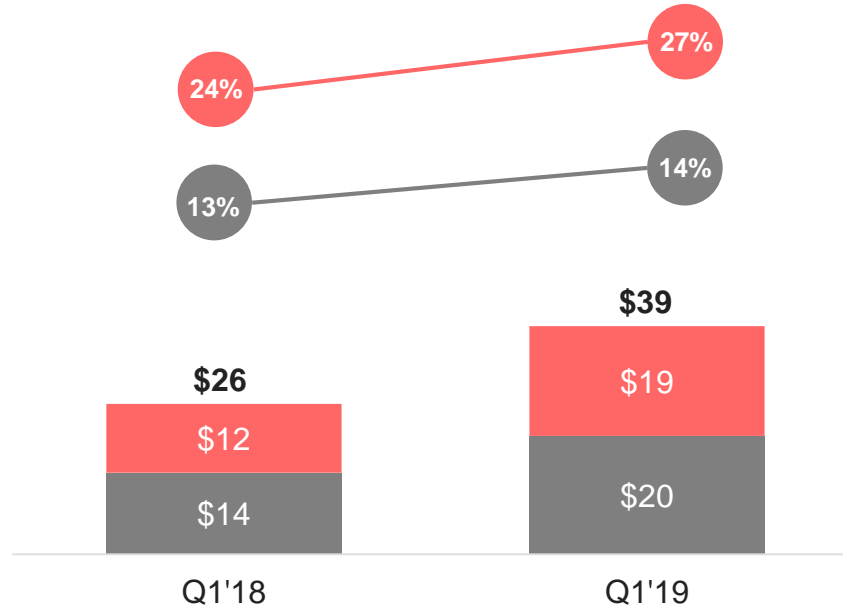


¹ Includes the impact from the adoption of IFRS 16 Leases on January 1, 2019, from which time costs related to right-of-use assets, previously included in general and administrative expense, are recognised in depreciation and amortization expense.

APPENDIX

Technology Spend Breakdown

TOTAL TECHNOLOGY INVESTMENT¹ (USDm)



■ Technology P&L Expense² ● P&L Spend (% Adj. Revenue³) ■ Capitalized Technology Expense ● Total Technology Investment¹ (% Adj. Revenue³)

¹ Total Technology Investment consists of technology expense plus capitalized cash payment for intangible assets.

² Excludes amortization or previously capitalized technology.

³ Non-IFRS financial measures, please refer to reconciliations to IFRS measures in the Appendix.

Reconciliation of Non-IFRS Measures

(U S D m)	Q1'18	Q1'19
Loss after tax	\$ (51)	\$ (109)
Net finance costs	15	23
Income tax expense	1	1
Depreciation and amortization	5	14
Share based payments	7	39
Other items ¹	-	2
Share of results of associates	-	(0)
Adjusted EBITDA	\$ (24)	\$ (30)

(U S D m)	Q1'18	Q1'19
Revenue	\$ 126	\$ 174
Less: Platform Fulfilment Revenue	(23)	(28)
Adjusted Revenue	103	146
Less: In-store Revenue	(4)	(5)
Platform Services Revenue	\$ 99	\$ 142

DEFINITIONS

- Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Adjusted Revenue and Platform Services Revenue are supplemental measures of our performance that are not required by, or presented in accordance with, IFRS. Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Adjusted Revenue and Platform Services Revenue are not measurements of our financial performance under IFRS and should not be considered as an alternative to loss after tax, revenue or any other performance measure derived in accordance with IFRS.
- We define Adjusted EBITDA as loss after taxes before net finance costs/ (income), income tax (credit)/expense and depreciation and amortization, further adjusted for share based compensation expense, other items (represents items outside the normal scope of our ordinary activities) and share of results of associates. We define Adjusted EBITDA Margin as Adjusted EBITDA calculated as a percentage of Adjusted Revenue. We define Adjusted Revenue as revenue less Platform Fulfilment Revenue. We define Platform Services Revenue as Adjusted Revenue less In-Store Revenue.
- We caution investors that amounts presented in accordance with our definitions of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Adjusted Revenue and Platform Services Revenue may not be comparable to similar measures disclosed by other companies, because not all companies and analysts calculate Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Adjusted Revenue and Platform Services Revenue in the same manner.

¹ Represents other items, which are outside the normal scope of our ordinary activities or non-cash items, including \$2.5m related to legal and advisory fees in respect of acquisitions in first quarter 2019. There were no such items in first quarter 2018. Other items is included within selling, general and administrative expenses.

Reconciliation of Non-IFRS Measures (continued)

(U S D m)	Q1'18	Q1'19
Gross Profit	\$ 61	\$ 83
Less: In-Store Gross Profit ¹	(2)	(2)
Platform Gross Profit	59	81
Less: Demand Generation Expense	(19)	(31)
Platform Order Contribution	\$ 40	\$ 50

(U S D m)	Q1'18	Q1'19
Earnings per share	\$ (0.20)	\$ (0.36)
Share based payments ²	0.02	0.12
Amortization of acquired intangible assets	-	0.01
Other items ³	-	0.01
Share of results of associates	-	-
Tax effect of adjustments	-	-
Adjusted EPS	\$ (0.18)	\$ (0.22)

DEFINITIONS

- Platform Order Contribution is defined as Platform Gross Profit less demand generation expense. Platform Gross Profit, and Platform Order Contribution are not a measurements of our financial performance under IFRS and do not purport to be alternatives to gross profit or loss after tax derived in accordance with IFRS.
- We believe that Platform Gross Profit and Platform Order Contribution are useful measures in evaluating our operating performance because they take into account demand generation expense and are used by management to analyze the operating performance of our platform for the periods presented. We also believe that Platform Gross Profit and Platform Order Contribution are useful measures in evaluating our operating performance within our industry because they permit the evaluation of our platform productivity, efficiency and performance.
- Adjusted EPS is defined as earnings per share further adjusted for share based payments, amortization of acquired intangible assets, other items (outside the normal scope of our ordinary activities), share of results of associates, and the related tax effects of these adjustments. Adjusted EPS provides a basis for comparison of our business operations between current, past and future periods by excluding items that we do not believe are indicative of our core operating performance. Adjusted EPS may not be comparable to similarly titled metrics of other companies.

¹ In-Store Gross Profit is In-Store Revenue less the direct cost of goods sold relating to In-Store Revenue.

² Represents share based payment expense on a per share basis.

³ Represents other items on a per share basis. Other items are outside the normal scope of our ordinary activities or non-cash items, including \$2.5m related to legal and advisory fees in respect of acquisitions in first quarter 2019. There were no such items in first quarter 2018. Other items is included within selling, general and administrative expenses.