



9 months report 2021 results

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Financial summary 9M 2021

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Revenues decreased by EUR 24.3 m or 36% compared to the same period of the previous year (9M 2021: EUR 44.1 m / 9M 2020: EUR 68.4 m).

- Revenues decreased in Europe by EUR 7.4 m to EUR 17.5 m (9M 2020: EUR 24.9 m), revenues in China decreased by EUR 16.9 m to EUR 26.6 m (H1 2020: EUR 43.6 m)
- 9M 2020 included a surge in demand in Europe at the start of lockdown and sales of hygiene articles in China at EUR 7.0 m which was not repeated in 9M 2021
- European revenues were affected by the relocation of the Groups' main warehouse limiting supplies for certain products March – May 2021, which has now been completed
- In the German-speaking region, the focus was increasingly placed on improving margins, for which loss of sales was accepted
- Contributing factors in China included a VAT refund of only EUR 40 k in the first nine months of 2021 (9M 2020: EUR 3.8 m)
- Revenues in China were further impacted by limited availability of stock for direct shipping from Europe in March and due to decreased inventory levels in China to shore up group liquidity

Adj. EBIT declined from EUR -7.5 m to EUR -10.6 m year-over-year.

- 9M 2020 EBIT was negatively affected by lower VAT refund, adding EUR 3.8 m less to the previous year EBIT
- Distribution and administrative cost decreased but less than proportional to the decline in revenue, compounding the effect of a decreased gross margin at 18.2% (9M 2020: 21.4%)

Liquidity decreased over the first nine months to EUR 6.8 m on September 30, 2021 (Dec. 31, 2020: EUR 8.5 m)

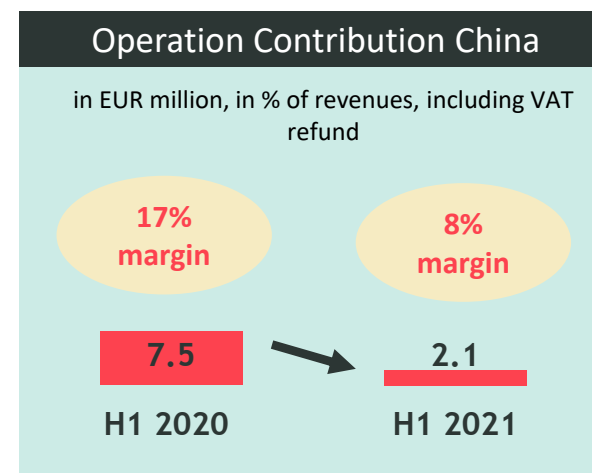
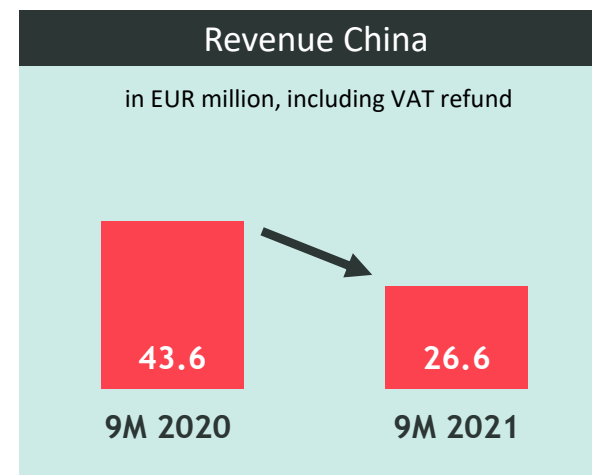
- Main reasons: Net loss for the period of EUR 10.3 m following the effects outline above
- Successfully executed capital increase in March 2021 resulted in a net cash inflow of EUR 1.1 m
- Additional capital increase executed in Q3 shores up liquidity for continued development (net cash inflow of EUR 5.7 m)

The Executive Board confirms the adjusted forecast for the financial year 2021 published in the half-year financial statements.

Business Highlights and Strategy

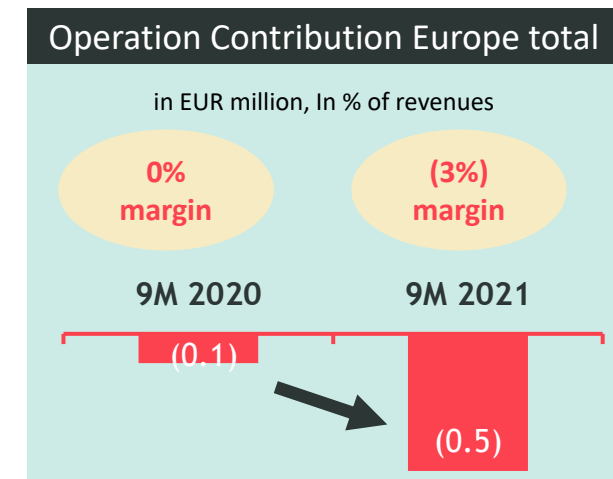
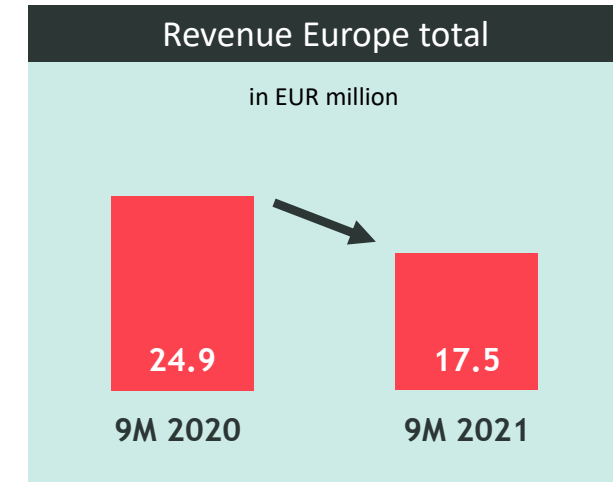
China: Long-term one-off effects and limited stock impact sales

- Revenue decreased by EUR 16.9 m to EUR 26.6 m in the first nine months of 2021 compared to the same period of the previous year
- Contribution Margin decreased by 5.4 m
- Revenue decline caused by different one-off effects
 - In H1 2020 unusually high sales revenues were recorded from the sale of hygiene products to corporate customers
 - Additional impact from VAT refunds in reference period 2020 at EUR 3.8 m (9M 2021: EUR 40 k), also impacting margin
 - Negative impact due to limited availability of certain products in the context of relocation of the main group's main warehouse
 - Discontinuation of duty-paid delivery from Germany to China due to lack of air freight capacity from Europe to China in mid-August

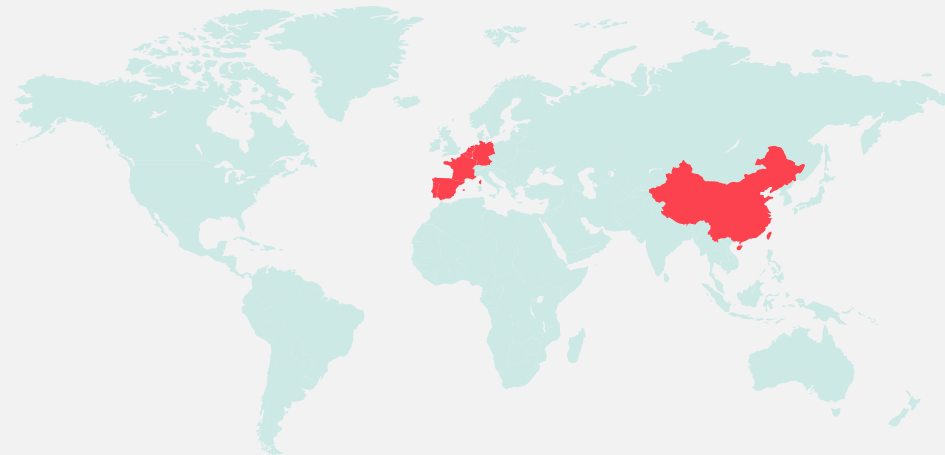


Europe: Operational constraints due to warehouse move and increased focus on improving margin lead to decline in sales

- Relocation of the Group's main warehouse to Halle/Saale March – May 2021
- The relocation of the warehouse caused limited availability of certain products which impacted sales during the period
- The positive effect on revenues of increased orders at the start of lockdowns in Europe in 9M 2020 was not repeated in 9M 2021
- Increased focus on improving margin in the German-speaking region, for which loss of sales was accepted



Progress is being made on key projects to improve profitability and to further scale the business



- | | |
|---|--|
| <ul style="list-style-type: none">• Relocation of German warehouse completed• New corporate identity implemented• Consultation process on the discontinuation of the Bebitus business• Evaluation funding of net working capital | <ul style="list-style-type: none">• Building capacity and competence in China• Enhancement of business model (export from China)• Launch of further platforms in China: WeChat Mini Program and BabyTree• Changes of the management to ensure lean structures |
|---|--|

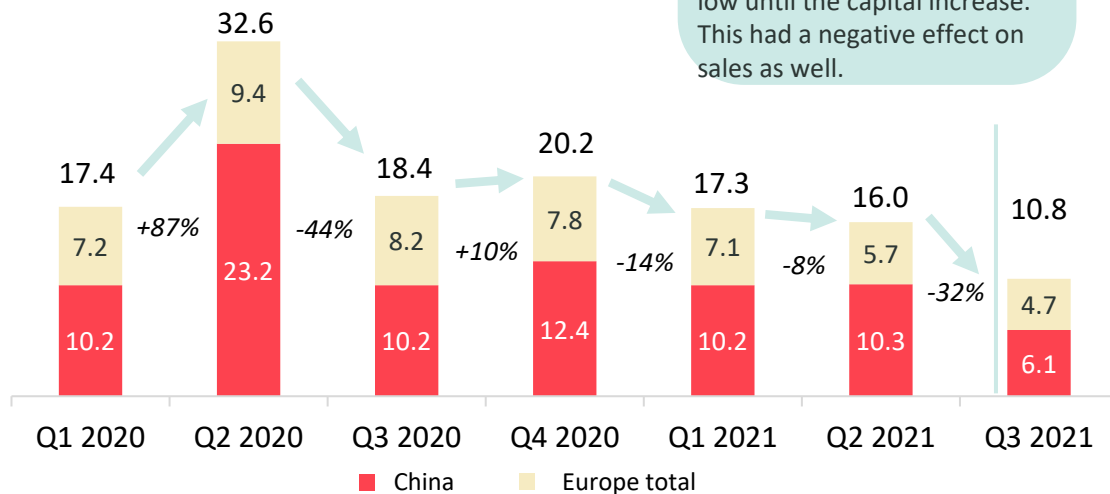
Revenue development 9M year over year

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Revenues by quarter year over year

in EUR million, Group total

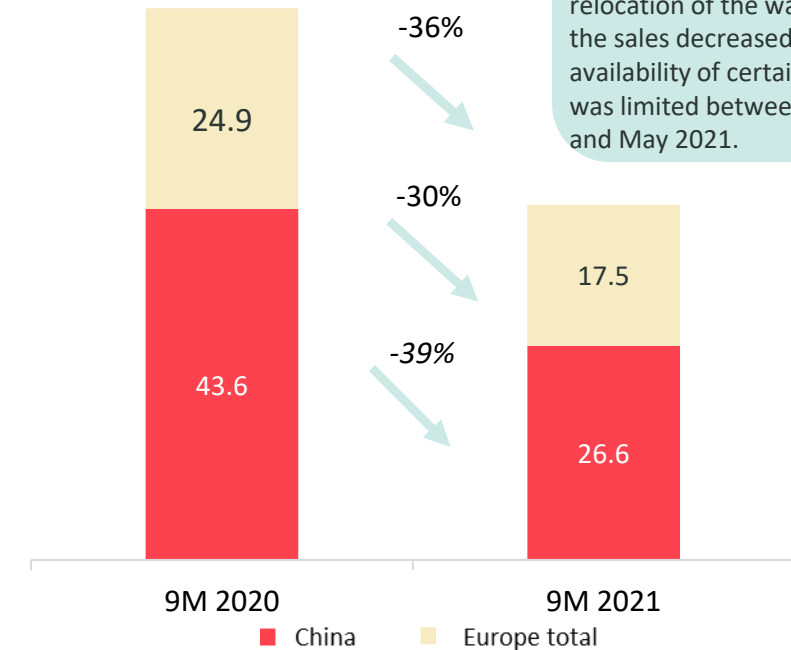
China: As a result of Covid-19 the group sold hygiene articles to corporate customers in 2020. This led to an incline in sales. This effect was not repeated in 2021. China segment is also affected by the relocation of the warehouse, the inventory level in the Chinese warehouses were kept low until the capital increase. This had a negative effect on sales as well.



9M Revenues year over year

in EUR million, Group total

Europe: The positive effect on revenues of increased orders at the start of lockdowns in Europe in H1 2020 was not repeated in 2021. Due to the relocation of the warehouse the sales decreased, as the availability of certain products was limited between March and May 2021.



*Europe total includes both the B2C business in DACH as well as the Bebitus Business in Spain, Portugal and France

Sales mix affects margin; previous year's nine months influenced by positive one-off effect (VAT refund)

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	9M		Comments
	2020	2021	
Revenues	68.4	44.1	Pandemic related sales effects (hygiene articles to corporate customers, lockdowns) not repeated in 9M 2021
Gross profit	21.4%	18.2%	
Fulfilment costs ¹⁾	(8.2)%	(9.0)%	4.2pp below the margin of the 9M 2020. 4.6pp of the decline in Gross Profit and Operating Contribution Margin is due to the VAT refund in the previous year and the customer mix shifting to private consumers instead of businesses.
Marketing costs ²⁾	(3.3)%	(4.4)%	
Operating contribution	7.4	1.7	
Operating contr. Margin	10.9%	3.7%	In addition, the share of deliveries from the local Chinese warehouses has increased, which leads to less Gross Profit, but more favorable fulfilment costs than for the direct delivery from Germany to Chinese customers. 9M 2020 incl. EUR 3.85 m positive effect from VAT refund;
Adj. Other SG&A ³⁾	(14.9)	(12.3)	
Adj. Other SG&A ³⁾	(21.8)%	(27.8)%	
Adj. EBIT (EUR)	(7.5)	(10.6)	
Adj. EBIT (%)	(10.9)%	(24.0)%	

Segments in China and Europe affected by changes coming out of lockdown and the relocation of main warehouse

	EUR million % of revenues	9M	
		2020	2021
Revenues (EUR m)	Europe total	24.9	17.5
	China	43.6	26.6
	excl. VAT refund	39.7	26.6
	Total Group	68.4	44.1
Operating Contribution (EUR m; % of revenues)	Europe total	(0.1)	(0.5)
	Europe total	(0)%	(3)%
	China	7.5	2.1
	China	17.2%	8.0%
	excl. VAT refund	3.7	2.1
	Total Group	7.4	1.7
	Total Group	10.9%	3.7%

Comments on 2021/9M

- Revenue in Europe and China decreased, as they were affected by ongoing one-off effects (VAT refunds, Covid-19, relocation of warehouse)
- Figures for the Group and Europe include Bebitus due to the ongoing consultation process
- Profitability in Europe impacted by relocation of warehouse which was completed in Q2 of 2021
- Projects to increase profitability ongoing (increasing the margin in Germany)
- Profitability development in China impacted by VAT refund and discontinuation of duty-paid delivery

Inventory and net working capital decreased over 9M 2021

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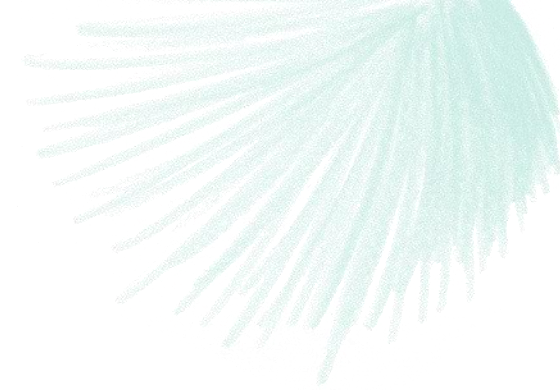
Inventory

In EUR million

	8,0	7,3	8,1	8.0	9,8	5,6	7,3	4,1	4,9
	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
Days inventory (DIO)	33	36	46	60	57	40	46	30	53
Accrued advertising revenues + vendors with credit balance (EUR million)	1.8	1.9	1.1	1.3	0.9	0.7	0.8	0.8	0.9
Net Working Capital (EUR million)	6.3	5.4	4.1	10.5	6.2	2.2	2.9	1.4	(0.2)
as % of LTM* revenues	5.6%	6.6%	5.2%	11.0%	6.8%	2.5%	3.3%	2.0%	-0.3%

Note:
 Net Working Capital (NWC) defined as inventories, prepayments, trade receivables, accrued advertising subsidies, vendors with credit balance, net VAT assets/liabilities minus trade payables and deferred revenues. Figures include Bebitus; without remeasurement according to IFRS 5
 * LTM = last twelve months

Outlook 2021

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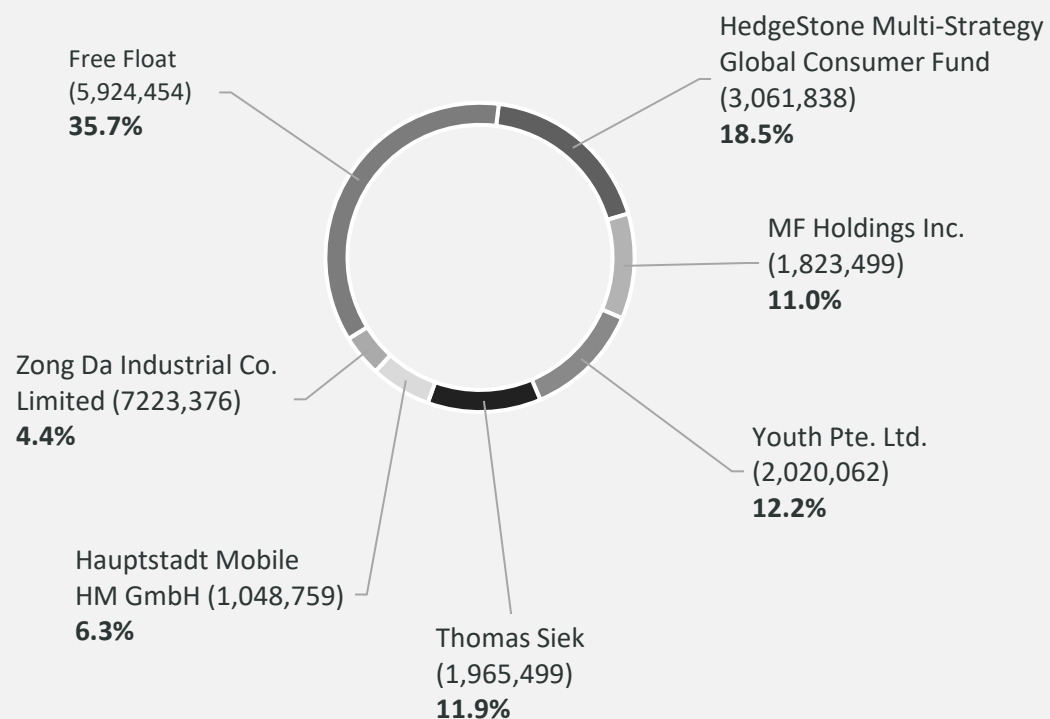
	2021 updated Outlook
Revenue	Slight increase
Adj. EBIT	<ul style="list-style-type: none">• Significant decline, however• adj. EBIT break-even target for full year 2022
Operating CF	low two-digit million range
NWC	improved cash conversion cycle for Chinese business very strong overall improvement

**Any
Questions?**

Appendix



Current Shareholder Structure



Basic share data

WKN	WNDL20 / WNDL12
ISIN	DE000WNDL227 DE000WNDL128
Market place	Frankfurt Stock Exchange / Stuttgart Stock Exchange
Type of share	No-par value bearer shares
Initial listing	May 6, 2015
Designated Sponsor	Pareto Securities
Number of shares	16,567,487

Supervisory Board members

Clemens Jakopitsch (Chairman)
Christian Reitermann
Maurice Reimer

As of 6 October 2021

Disclaimer: The shareholder structure pictured above is based on the number of shares in voting rights announcements published most recently and company information. windeln.de SE assumes no responsibility for the correctness, completeness or currentness of the figures. Total number of shares: 16,567,487.

Free Float > 3 %

ISINs: DE000WNDL201 and DE000WNDL128

Key performance indicators quarter over quarter from continuing operations (incl. Bebitus)

Excl. pannolini, Feedo and Bebitus	Q1 '19	Q2'19	Q3' 19	Q4 ' 19	Q1' 20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
Site Visits (in thousand) ¹	10,266	9,962	9,620	8,997	7,559	10,056	9,640	8,842	5,901	6,920	6,723
Mobile Visit Share (in % of Site Visits) ²	78.5%	73.3%	76.7%	85.3%	84.9%	84.6%	86.1%	87.0%	84.5%	86.2%	87.9%
Mobile Orders (in % of Number of Orders) ³	61.3%	60.4%	62.7%	60.3%	60.5%	63.7%	65.3%	66.3%	68.8%	67.2%	68.8%
Active Customers (in thousand) ⁴	490	455	438	404	389	396	384	389	392	368	346
Number of Orders (in thousand) ⁵	201	179	187	172	156	159	145	173	147	129	108
Average Orders per Active Customer (in number of Orders) ⁶	2.0	1.9	1.9	1.8	1.8	1.7	1.6	1.6	1.6	1.6	1.6
Orders from Repeat Customers (in thousand) ⁷	145	131	133	124	107	101	91	106	89	80	64
Share of Repeat Customer Orders (in % of Number of Orders) ⁷	54.51%	58.69%	63.30%	72.08%	70.96%	68.91%	67.62%	65.41%	62.09%	62.05%	61.51%
Gross Order Intake (in kEUR) ⁸	17,821	16,376	16,210	16,514	14,730	14,570	12,792	15,739	12,822	11,151	9,092
Average Order Value (in EUR) ⁹	88.81	91.69	86.72	95.87	94.51	91.58	88.49	90.81	87.11	86.75	84.51
Returns (in % of Gross Revenues from orders) ¹⁰	3.4%	2.6%	2.9%	2.3%	4.5%	1.7%	2.7%	2.2%	2.4%	1.7%	2.4%

Definitions of key performance indicators

- 1) We define Site Visits as the number of series of page requests from the same device and source in the measurement period. Visits to our online magazine are included until mid of Q3 2020. A visit is considered ended when no requests have been recorded in more than 30 minutes. The number of site visits depends on a number of factors including the availability of the products we offer, the level and effectiveness of our marketing campaigns and the popularity of our online shops. Measured by Google Analytics (Bebitus, Windeln.cn, Windeln.de and Windeln.ch) / TMall / JD. For TMall each request on the site is considered a visit.
- 2) We define mobile visit share (as % of site visits) as the number of visits via mobile devices (smartphones and tablets) to our mobile optimized websites and mobile apps divided by the total number of site visits in the measurement period. Site visits of our online magazine are excluded. Measured by Google Analytics (Bebitus, Windeln.cn, Windeln.de and Windeln.ch) / TMall / JD. For TMall each request on the site is considered a visit.
- 3) We define mobile orders (as % of number of orders) as the number of orders via mobile devices to our mobile optimized websites and mobile apps divided by the total number of orders in the measurement period. Measured by Google Analytics (Bebitus, Windeln.cn, Windeln.de and Windeln.ch) / TMall / JD. For TMall each request on the site is considered a visit.
- 4) We define active customers as the number of unique customers placing at least one order in one of our shops in the twelve months preceding the end of the measurement period, irrespective of returns.
- 5) We define number of orders as the number of customer orders placed in the measurement period, irrespective of returns. An order is counted on the day the customer places the order.
- 5) Orders placed and orders delivered may differ due to orders that are in transit at the end of the measurement period or have been cancelled. Every order which has been placed, but for which the products in the order have not been shipped (e. g., the products are not available, or the customer cancels the order), is considered "cancelled". Cancellations are deducted from the number of orders.
- 6) We define average orders per active customer as number of orders divided by the number of active customers in the last twelve months.
- 7) We define orders from repeat customers as the number of orders from active customers who have placed at least one previous order, irrespective of returns. The share of repeat customer orders represents the number of orders from repeat customers in the last twelve months divided by the number of orders in the last twelve months.
- 8) We define gross order intake as the aggregate Euro amount of customer orders placed in our web shops in the measurement period minus cancellations. The Euro amount includes value added tax and excludes marketing rebates.
- 9) We define average order value as gross order intake divided by the number of orders in the measurement period.
- 10) We define returns (as % of gross revenues from orders) as the returned amount in Euro divided by gross revenues from orders in the measurement period. Gross revenues from orders are defined as the total aggregated Euro amount spent by our customers minus cancellations but irrespective of returns. The amount does not include value added tax.

Footnotes to page 9

- 1) Fulfilment costs consist of logistics and warehouse rental expenses which are recognized within selling and distribution expenses in the consolidated statement of profit and loss
- 2) Marketing costs mainly consist of advertising expenses, including search engine marketing, online display and other marketing channel expenses, as well as costs for the marketing tools of the Group and are recognized within selling and distribution expenses in the consolidated statement of profit and loss
- 3) Other selling, general and administration expenses (other SG&A expenses) consist of selling and distribution expenses, excluding marketing costs and fulfilment costs, and administrative expenses as well as other operating income and expenses. Adjusted other SG&A expenses exclude expenses and income in connection with share-based compensation, the cancelled warehouse move planned for 2020 (was adjusted in 2020), one-time foreign exchange effects from the deconsolidation of windeln.ch AG (was adjusted in 2020), and expenses in connection with the intended disposal of the Bebitus business. Latter contains impairments due to the classification as assets held for sale as well as other costs in connection .

Income statement 9M 2021

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kEUR	9M 2020 R ¹	9M 2021
Revenues	68,443	44,142
Cost of sales	-53,799	-36,122
Gross profit	14,644	8,020
<i>% margin</i>	21.4%	18.2%
Selling and distribution expenses	-19,504	-13,539
Administrative expenses	-5,319	-4,696
Other operating income	726	135
Other operating expenses	-213	-116
EBIT	-9,666	-10,196
<i>% margin</i>	-14.1%	-23.1%
Financial result	-44	-88
EBT	-9,710	-10,284
<i>% margin</i>	-14.2%	-23.3%
Income taxes	-4	-7
Profit or loss for the period	-9,714	-10,291
<i>% margin</i>	-14.2%	-23.3%
EBIT	-9,666	-10,196
Effects of deconsolidation	-207	-
Share-based compensation	85	26
Expenses in connection with the intended disposal of Bebitus business	2,070	-437
Costs of warehouse move	250	-
Adjusted EBIT	-7,468	-10,607
<i>% margin</i>	-10.9%	-24.0%

1 Retrospective adjustment of comparative figures for 2020 due to changed presentation of Bebitus business, which was presented as discontinued operation so far. Also, comparative figures were adjusted due to a correction of an error in connection with IFRS 2.

Bridge to adjusted EBIT: Major effect in the amount of EUR -437k in connection with intended disposal of Bebitus in 9M 2021

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	9M	
EUR million % of revenues	9M 2020	9M 2021
Reported EBIT	(9,666)	(10,196)
Reported EBIT	(14.1)%	(23.1)%
Effects of deconsolidation	(207)	-
Share-based compensation	85	26
Expenses in connection with the intended disposal of Bebitus business	2,070	(437)
Costs of warehouse move	250	-
Adjusted EBIT	(7,468)	(10,607)
Adjusted EBIT	(10.9)%	(24.0)%

Balance sheet September 30, 2021

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kEUR	December 31, 2020	September 30, 2021
Intangible assets	2,017	1,672
Fixed assets	1,385	1,065
Other financial assets	108	108
Other non-financial assets	121	100
Deferred tax assets	6	7
Total non-current assets	3,637	2,952
Inventories	4,079	4,930
Prepayments	435	13
Trade receivables	718	783
Miscellaneous other current assets ¹	2,555	2,295
Cash and cash equivalents	8,530	6,775
Total current assets	16,317	14,796
Assets held for sale	1,089	-
Total assets	21,043	17,748

kEUR	December 31, 2020	September 30, 2021
Issued capital	10,982	16,567
Share premium	173,714	174,847
Accumulated loss	-174,482	-184,773
Cumulated other comprehensive income	-11	-7
Total equity	10,203	6,634
Total non-current liabilities	1,738	1,297
Other provisions	138	67
Financial liabilities	603	569
Trade payables	3,490	5,881
Deferred revenue	2,210	1,227
Miscellaneous current liabilities ²	2,661	2,073
Total current liabilities	9,102	9,817
Total equity & liabilities	21,043	17,748

1 Miscellaneous other current assets include income tax receivables, other current financial assets and other current non-financial assets.

2 Miscellaneous other current liabilities include income tax payables, other current financial liabilities and other current non-financial liabilities.

Thank you!

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