

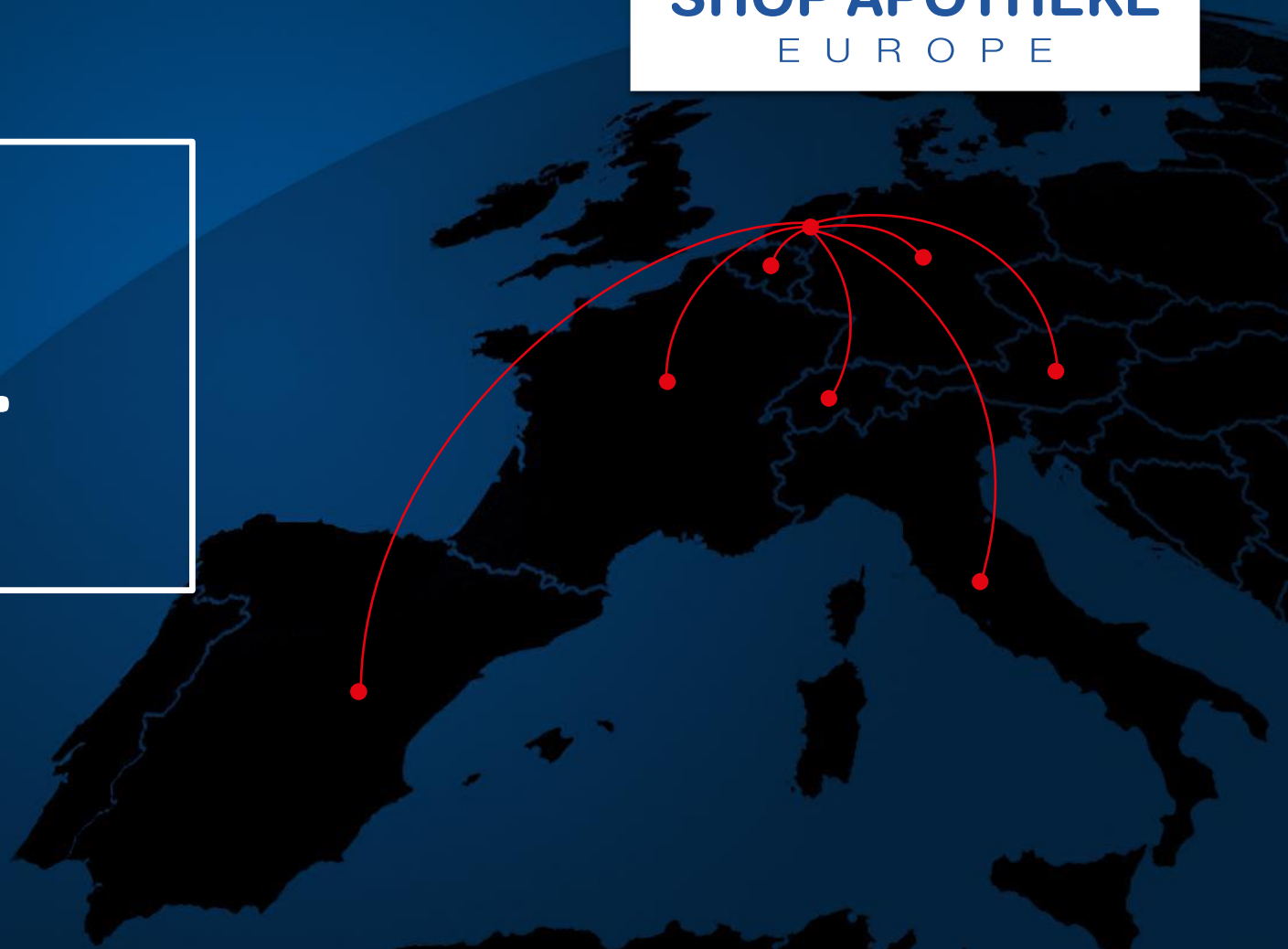


**SHOP APOTHEKE**  
EUROPE

# FY 2019 EARNINGS CALL. PRESENTATION.

**SHOP APOTHEKE EUROPE**  
STEFAN FELTENS, CEO  
JASPER EENHORST, CFO

17 MARCH 2020



# TODAY'S PRESENTERS.



**STEFAN FELTENS**  
CEO SHOP APOTHEKE EUROPE



**JASPER EENHORST**  
CFO SHOP APOTHEKE EUROPE



**SHOP APOTHEKE**  
EUROPE

# TODAY'S AGENDA.



**FINANCIAL  
PERFORMANCE**



**UPDATE ON BUSINESS AND  
STRATEGY**



**Q+A**

# UPDATE ON CORONA SITUATION.



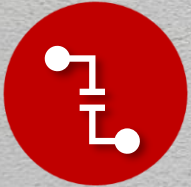
Temporary but unabated surge of orders.



No major supply chain issues so far – exceptions: disinfectants + protective wear.



Heightened hygiene and tight monitoring in place to protect workforce and operations.



Dynamic situation with high degree of uncertainty.

# HIGHLIGHTS.

## FY 2019.



### **Delivered on our ambitious top line guidance:**

Consolidated revenues up + 30% to EUR 701 million (28% organic growth).



### **EBITDA margin better than our guidance and last year, driven by better gross profit margins:**

Adj. EBITDA margin  $-1.9\%$  (guidance  $-2.0$  to  $-2.3\%$ ), in Q4  $-1.0\%$  (Q4/18:  $-3.0\%$ ).



**Cash position:** EUR 113.2 million as of Dec 31, 2019 after EUR 58.8 as of Dec 31, 2018 (including short-term securities).



### **Brand and tech platform integration successfully completed, Rx sales up 12%:**

The Europa Apotheek customers migrated to shop-apotheke.com.



### **New distribution centre – on track:**

Target-capacity more than doubled to 35 million parcels per year.



**United Nations**  
Global Compact

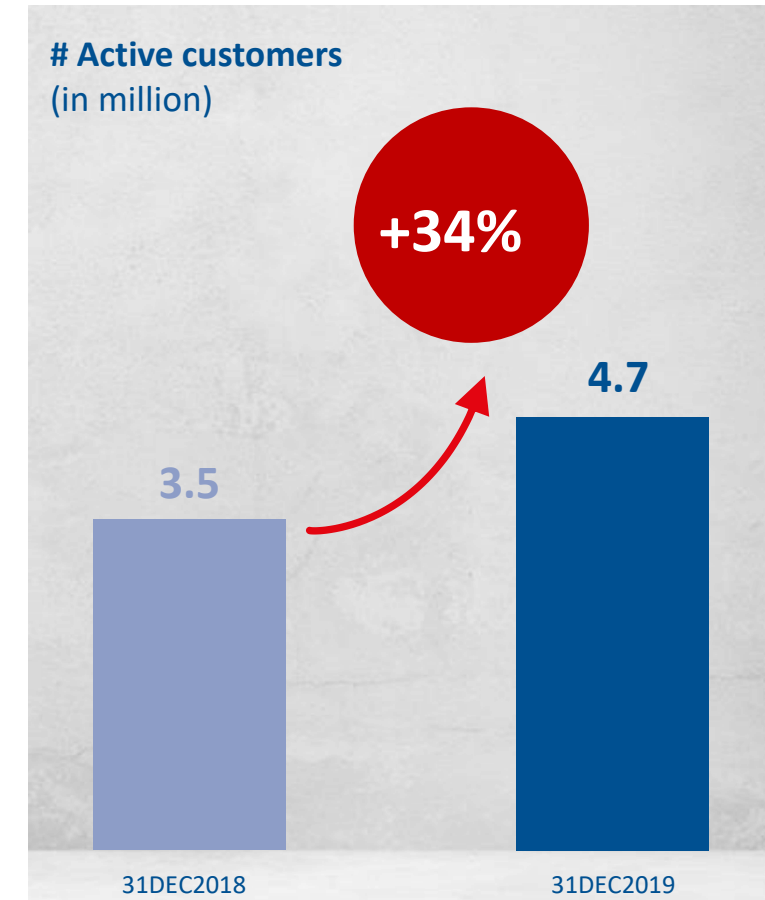
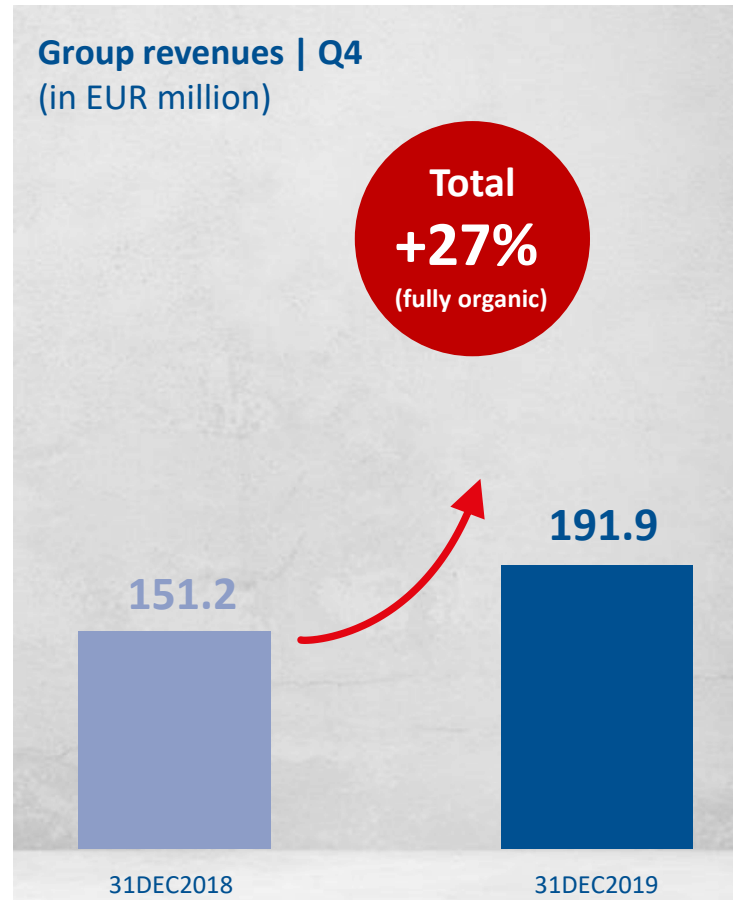
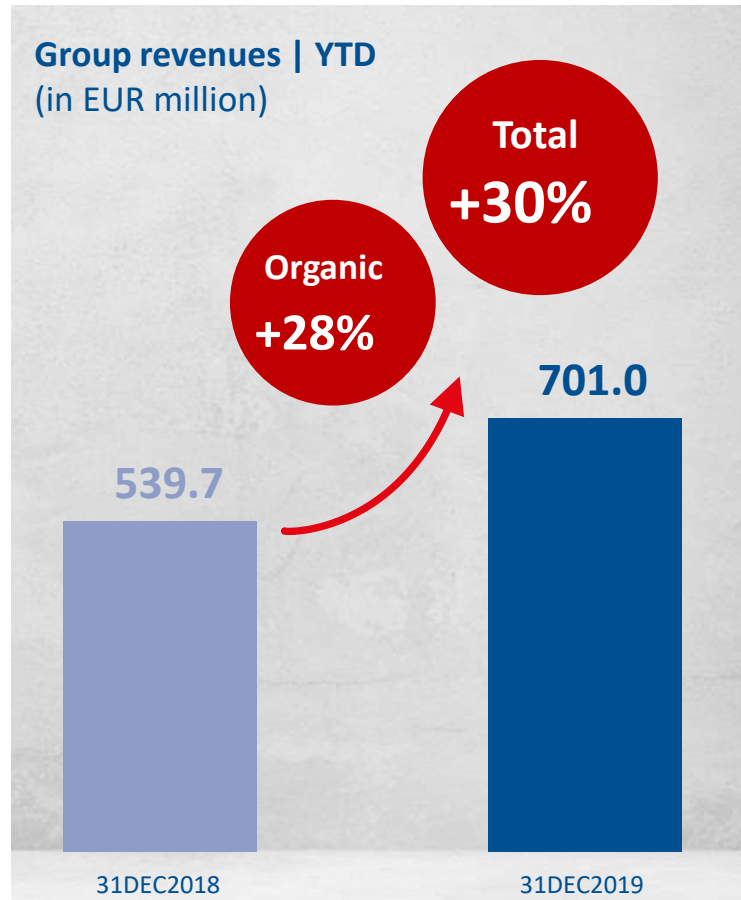
SHOP APOTHEKE EUROPE  
BECAME A UN GLOBAL  
COMPACT SIGNATORY.  
**STEPS TAKEN.**

**10 PRINCIPLES ON HUMAN RIGHTS, LABOUR,  
ENVIRONMENT AND ANTI-CORRUPTION.**

# KEY FINANCIALS.

## IMPRESSIVE ORGANIC TOPLINE GROWTH.

## 4.7 MILLION ACTIVE CUSTOMERS.



# OUR CUSTOMERS ARE HIGHLY ENGAGED.

~ 70

NPS-SCORE.



SUCCESSFUL LOYALTY PROGRAM WITH HIGHLY ENGAGED CUSTOMERS AND HIGHER BASKETS.

~ 5

PRODUCTS

ON AVERAGE PER ORDER WITH EUR 66.85 SHOPPING BASKET (2018: EUR 72.44).

~ 81%

OF ALL ORDERS ARE FROM EXISTING CUSTOMERS.

<1%

VIRTUALLY NO RETURNS.

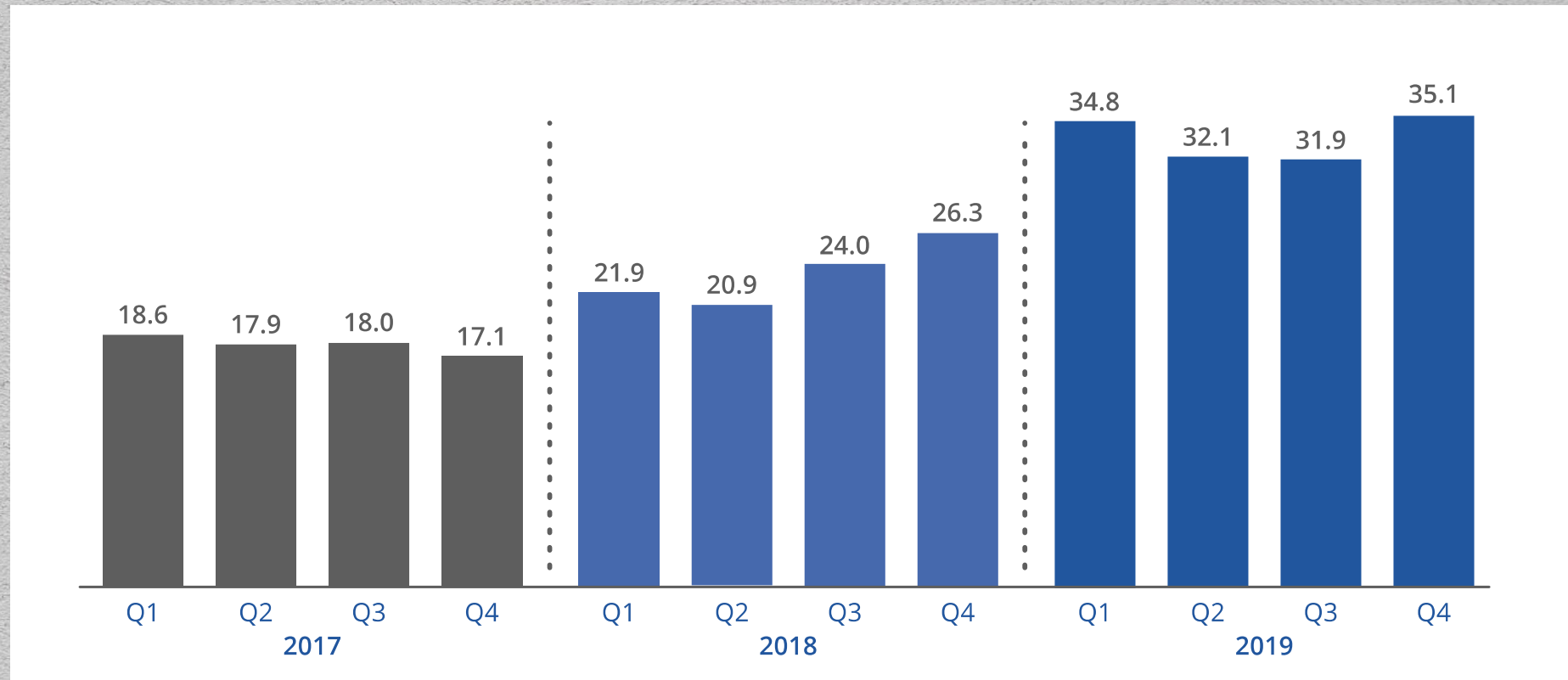




KPIs.

# STRONG WEB TRAFFIC GROWTH YEAR OVER YEAR.

Web traffic  
(in million)



Source: SHOP APOTHEKE EUROPE.

KPIs.

# SHARE OF REPEAT ORDERS ABOVE 80%.

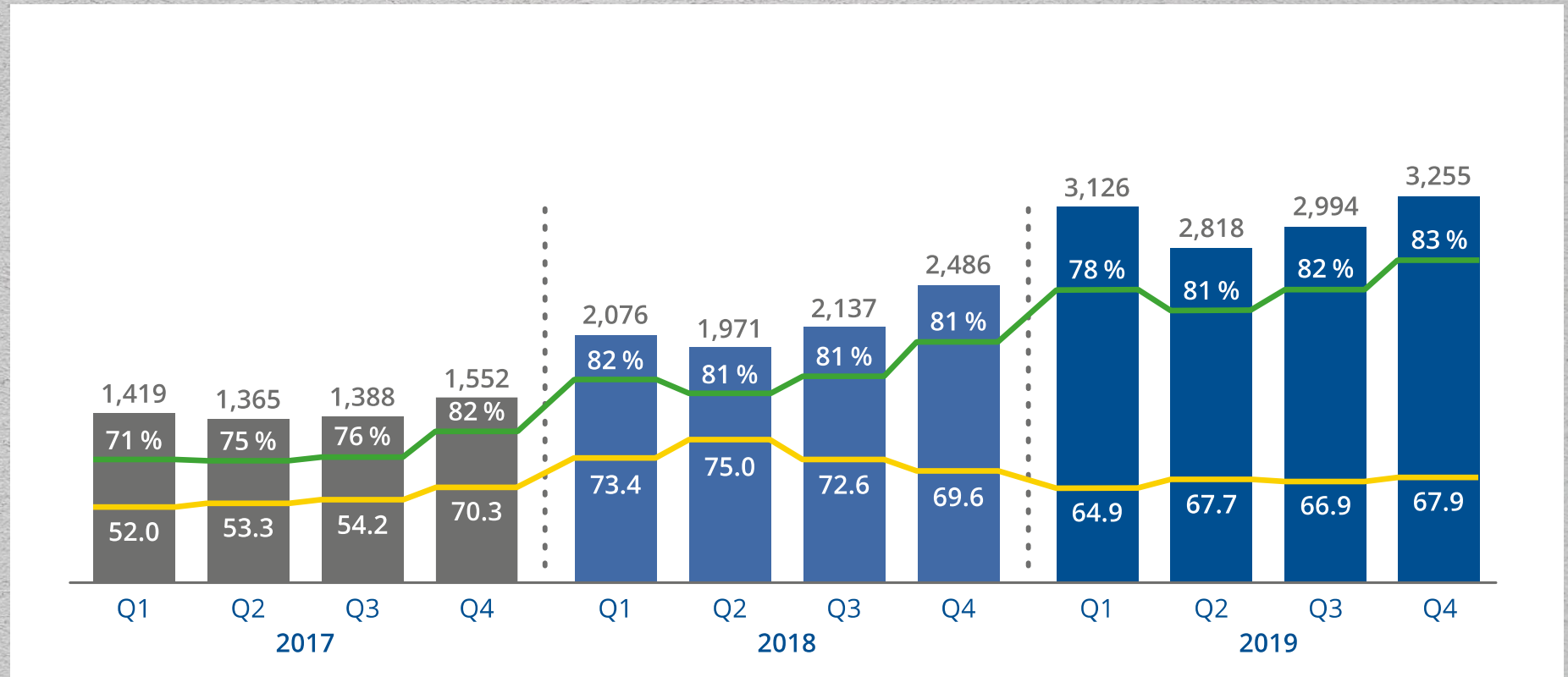
**Number of orders**  
(in '000)



**Share of repeat orders**  
(in %)



**Average basket size**  
(in €)



Source: SHOP APOTHEKE EUROPE.

## KEY FINANCIALS.

# ADJUSTED EBITDA MARGIN UP, DRIVEN BY GROSS MARGIN IMPROVEMENT.

(in millions of euros)

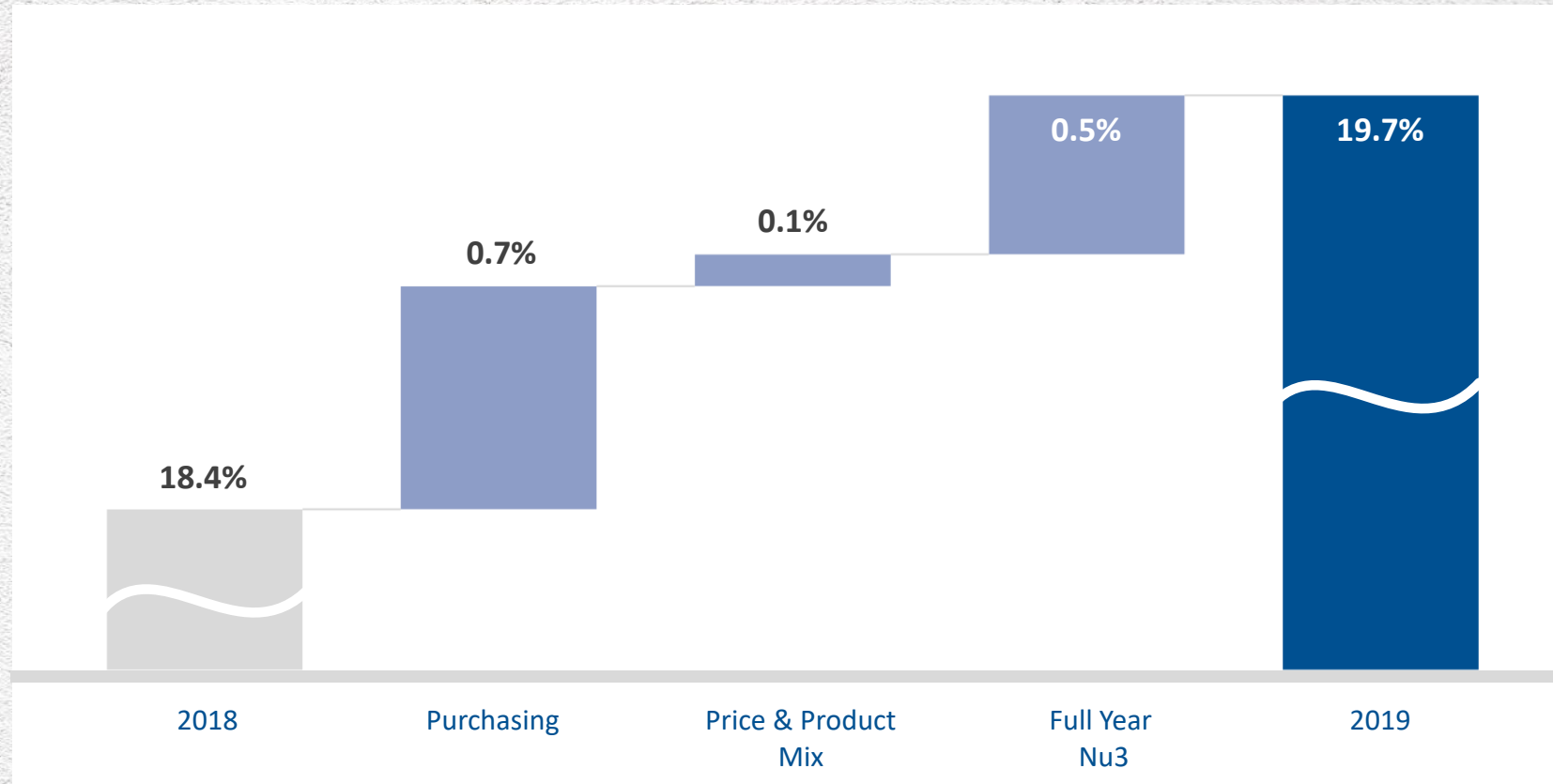
	Full Year			Quarter 4		
	2018	2019	Better/ (Worse)	2018	2019	Better/ (Worse)
Sales	540	701	30%	151	192	27%
Gross profit margin	18.4%	19.7%	1.3 pp	18.2%	19.9%	1.7 pp
Selling & distribution as percentage of sales	-17.2%	-18.6%	(1.4) pp	-17.0%	-17.7%	(0.7) pp
Administrative costs as percentage of sales	-3.4%	-3.0%	0.4 pp	-4.3%	-3.2%	1.1 pp
Adj. EBITDA	-11.8	-13.6	(15%)	-4.5	-1.8	60%
Adj. EBITDA margin	-2.2%	-1.9%	0.3 pp	-3.0%	-1.0%	2.0 pp
EBITDA	-15.6	-18.6	(19%)	-5.4	-4.2	22%

EBITDA adjustments in Q4 2019 include €1.4M related to external consulting spend related to project Venlo 2020

KEY FINANCIALS.

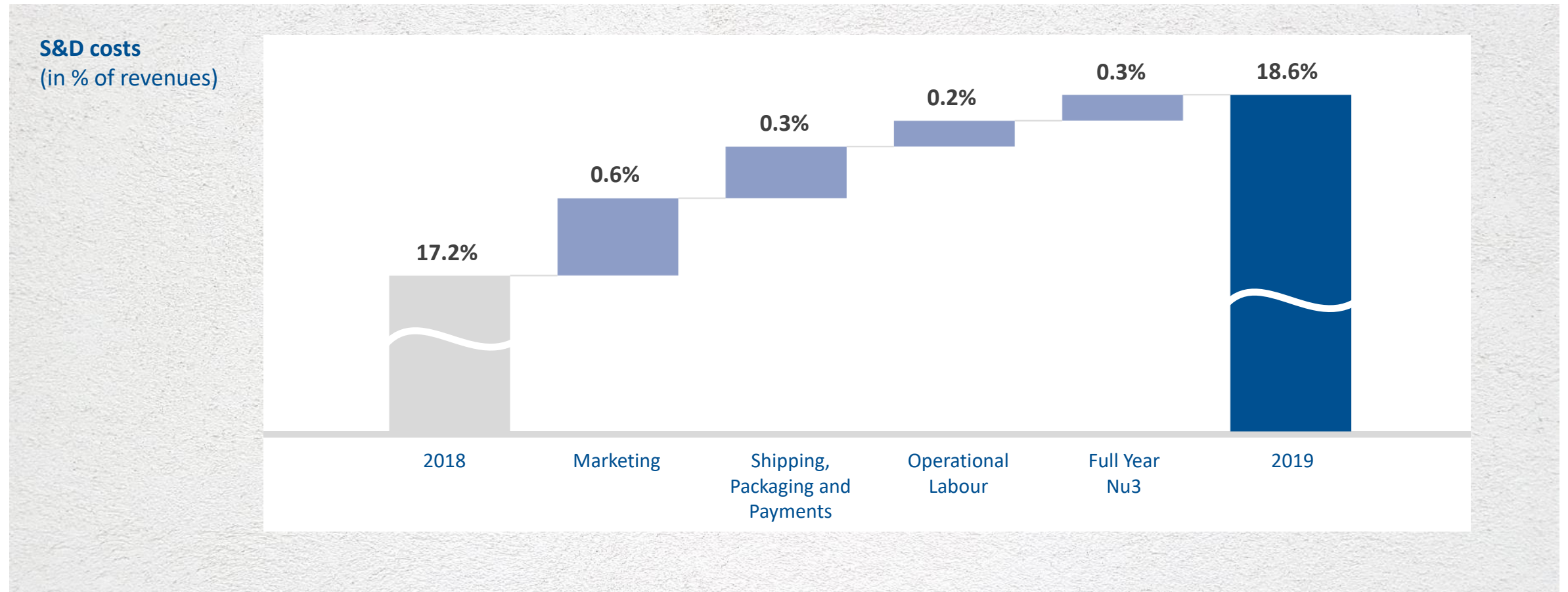
GROSS MARGIN UP,  
DRIVEN BY IMPROVED PURCHASING CONDITIONS.

Gross margin  
(in % of revenues)



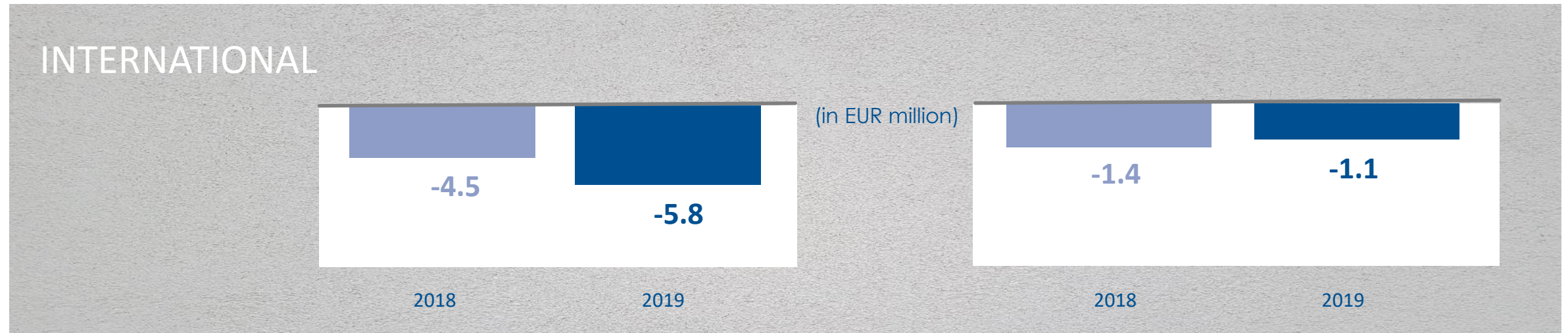
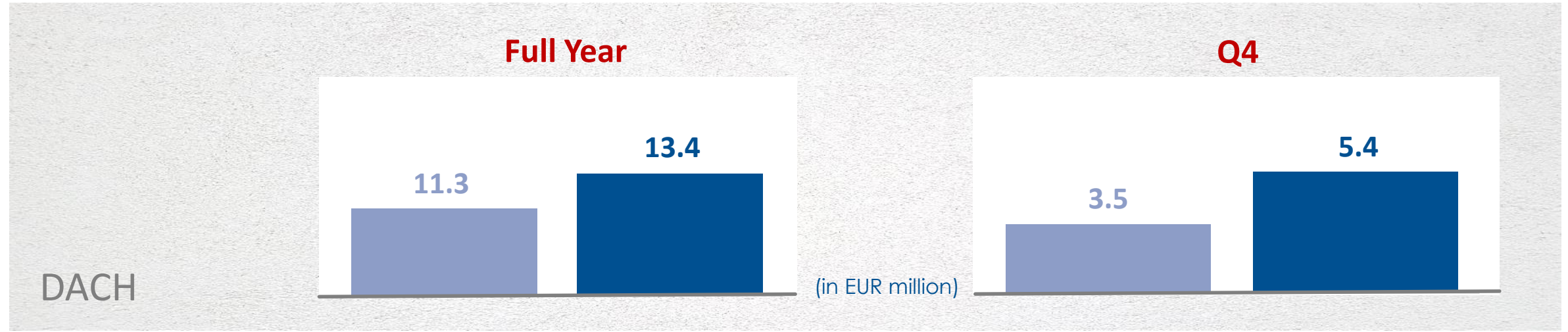
## KEY FINANCIALS.

**HIGHER S&D COSTS; PURPOSEFUL INVESTMENTS IN SMART MARKETING TO DRIVE STRONG ORGANIC GROWTH.**



# KEY FINANCIALS.

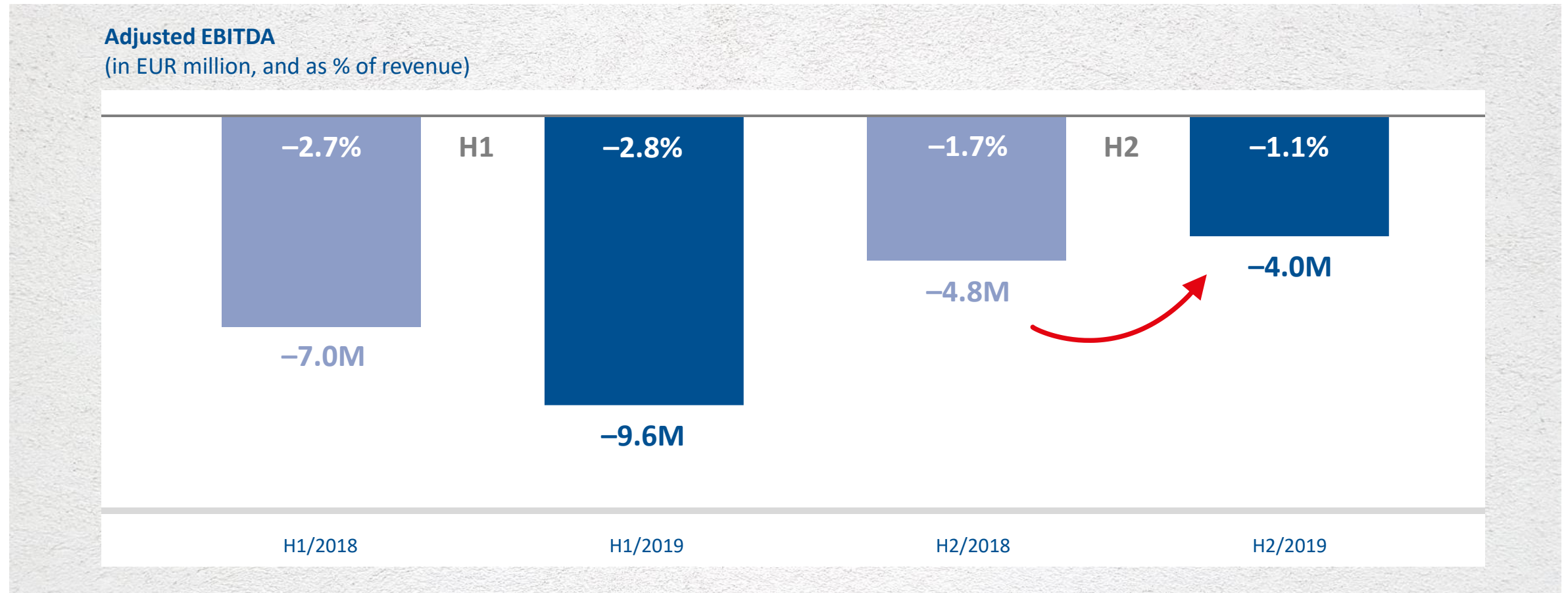
## ADJUSTED SEGMENT EBITDA.



# KEY FINANCIALS.

## ADJUSTED EBITDA MARGIN

### UP VS. FIRST HALF OF 2019 AND LAST YEAR.





**SHOP APOTHEKE**  
EUROPE

# TODAY'S AGENDA.



FINANCIAL  
PERFORMANCE



UPDATE ON BUSINESS AND  
STRATEGY



Q+A



## AT A GLANCE. SHOP APOTHEKE EUROPE TODAY.

COMBINING OTC, BPC,  
FUNCTIONAL FOOD & RX OFFERINGS.

SPECIAL PATIENT CARE PROGRAMMES.

PREPARED FOR E-SCRIPTS.

7 COUNTRIES.

4.7 MILLION ACTIVE CUSTOMERS.


701 M € REVENUE 2019.

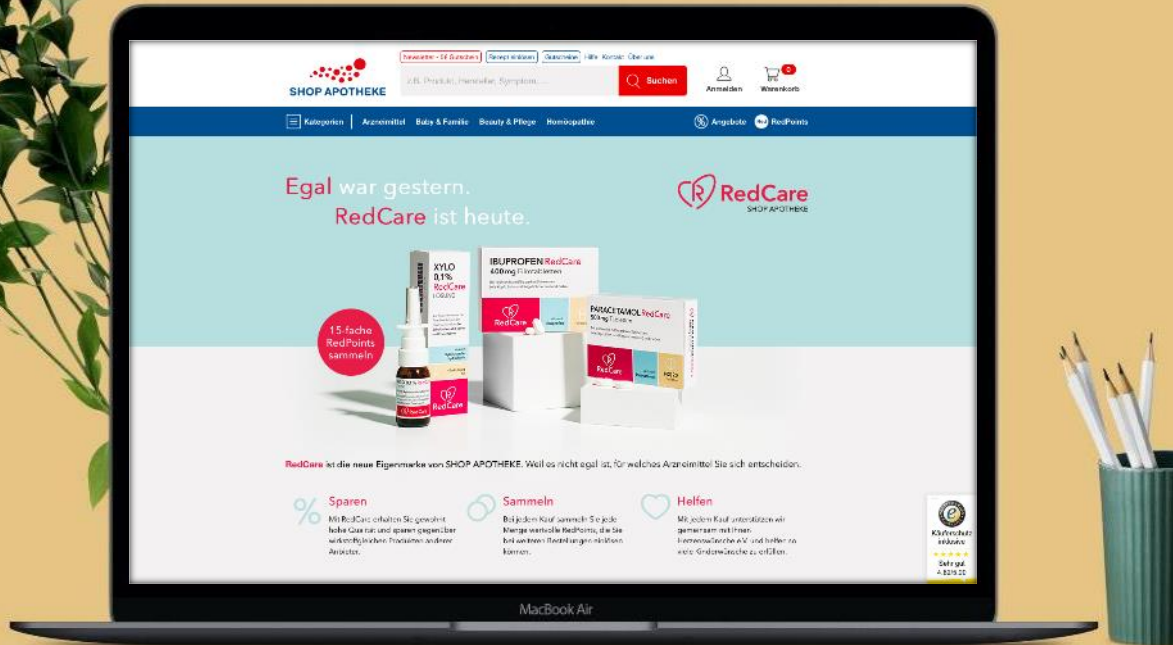


FROM A PURE  
E-PHARMACY  
RETAILER ...



... TO A  
CUSTOMER  
CENTRIC  
E-PHARMACY  
PLATFORM.





## CUSTOMER-CENTRIC SERVICES. WHAT'S NEXT?

NEW IN 2020:  
MARKETPLACE.

NEW IN 2020:  
ONLINE DOCTOR SERVICE.


EXPANSION IN 2020:  
OWN BRANDS.

ROLLOUT IN 2020:  
SAME-DAY DELIVERY.

e-Script

A digital e-Script form is shown, featuring a handwritten signature and a green checkmark. The form contains patient and medication information. The patient's name is 'Maximilian Maximilian' and the medication is 'Medikament, Mutter Pharma GmbH'. The form also includes a date '18.01.2024' and a time '11:00:00'. The form is displayed on a screen, and a hand in a white lab coat is pointing at it.

DRIVEN  
BY THE LAUNCH  
OF E-SCRIPTS.

A close-up photograph of two hands in a dark suit, one above the other, cupping a glowing blue icon of a person's head and shoulders. The background is a dark blue pattern of many smaller, faint icons of people.

E-SCRIPT  
PREPARATIONS  
WITH A CLEAR FOCUS  
ON PATIENTS AND  
THEIR NEEDS.



VENLO 2020:  
**MORE THAN  
DOUBLE THE SPACE  
FOR LOGISTICS.**  
MUCH HIGHER  
DEGREE OF  
AUTOMATION.



TODAY.  
20,000 sqm  
on one level.



TOMORROW.  
40,000 sqm  
plus 8,000 sqm  
on second level.

LOOKING FORWARD.

## WE RE-ITERATE OUR FY 2020 AND LONG-TERM GUIDANCE.



Sales in 2020 to increase by around 20%.



Adjusted EBITDA break-even in FY 2020 re-confirmed (2019: – 1.9%).



Long-term target profitability in excess of 6% EBIT re-confirmed.



**SHOP APOTHEKE**  
EUROPE

# TODAY'S AGENDA.



FINANCIAL  
PERFORMANCE



UPDATE ON BUSINESS AND  
STRATEGY



Q+A



# CONSOLIDATED SEGMENT FINANCIALS.

## Segment information - non adjusted and adjusted

2019	DACH	International	Total
	EUR 1,000	EUR 1,000	EUR 1,000
Revenue	615,424	85,587	701,010
Cost of sales	-499,112	-64,217	-563,329
<i>Adjusted cost of sales</i>	-499,112	-63,997	-563,109
<b>Gross profit</b>	<b>116,311</b>	<b>21,370</b>	<b>137,682</b>
<i>Adjusted gross profit</i>	<i>116,311</i>	<i>21,590</i>	<i>137,902</i>
% of revenue	18.9%	25.2%	19.7%
Other income	647	89	736
<i>Adjusted other income</i>	<i>64</i>	<i>89</i>	<i>153</i>
Selling & distribution	-103,247	-27,511	-130,758
<i>Adjusted S&amp;D</i>	<i>-103,025</i>	<i>-27,511</i>	<i>-130,536</i>
Segment EBITDA	13,711	-6,052	7,659
<i>Adjusted segment EBITDA</i>	<i>13,350</i>	<i>-5,832</i>	<i>7,519</i>
Administrative expenses			-26,241
<i>Adjusted AE</i>			<i>-21,091</i>
<b>EBITDA</b>			<b>-18,582</b>
<i>Adjusted EBITDA</i>			<i>-13,572</i>
Depreciation			-14,864
<i>Adjusted depreciation</i>			<i>-14,607</i>
<b>EBIT</b>			<b>-33,445</b>
<i>Adjusted EBIT</i>			<i>-28,179</i>
Net finance cost and income tax			-2,824
<b>Net loss</b>			<b>-36,270</b>
<i>Adjusted net loss</i>			<i>-31,003</i>

## Segment information - non adjusted and adjusted

2018	DACH	International	Total
	EUR 1,000	EUR 1,000	EUR 1,000
Revenue	491,078	48,632	539,710
Cost of sales	-403,328	-37,064	-440,392
<b>Gross profit</b>	<b>87,750</b>	<b>11,568</b>	<b>99,318</b>
% of revenue	17.9%	23.8%	18.4%
Other income	156	40	196
Selling & distribution	-78,082	-16,287	-94,369
<i>Adjusted S&amp;D</i>	<i>-76,605</i>	<i>-16,132</i>	<i>-92,736</i>
Segment EBITDA	9,825	-4,680	5,145
<i>Adjusted segment EBITDA</i>	<i>11,301</i>	<i>-4,524</i>	<i>6,777</i>
Administrative expenses			-20,704
<i>Adjusted AE</i>			<i>-18,530</i>
<b>EBITDA</b>			<b>-15,559</b>
<i>Adjusted EBITDA</i>			<i>-11,753</i>
Depreciation			-13,171
<b>EBIT</b>			<b>-28,730</b>
<i>Adjusted EBIT</i>			<i>-24,924</i>
Net finance cost and income tax			-4,879
<b>Net loss</b>			<b>-33,609</b>
<i>Adjusted net loss</i>			<i>-29,803</i>

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS.

For the year ended 31 December 2019.

	Notes	Period ended 31.12.2019	Period ended 31.12.2018
		EUR 1,000	EUR 1,000
Revenue	5	701,010	539,710
Cost of sales		-563,329	-440,392
<b>Gross profit</b>		<b>137,682</b>	<b>99,318</b>
Other income	6	736	196
Selling and distribution	7	-143,392	-105,564
Administrative expenses	8	-28,470	-22,679
<b>Operating result</b>		<b>-33,445</b>	<b>-28,730</b>
Finance income	10	1,333	24
Finance expenses	10	-10,171	-5,983
Share of profit of associates and joint ventures	16	104	97
<b>Result before tax</b>		<b>-42,180</b>	<b>-34,591</b>
Income tax	11	5,910	982
<b>Result after tax</b>		<b>-36,270</b>	<b>-33,609</b>
<b>Attributable to:</b>			
Owners of the company		-36,270	-33,609

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION.

For the year ended 31 December 2019.

	Notes	31.12.2019	31.12.2018
		EUR 1,000	EUR 1,000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	13,178	11,924
Intangible assets	14	199,850	199,892
Deferred tax assets	11	120	973
Other financial assets	19	2,500	0
Investments in equity-accounted joint ventures	16	1,105	1,002
Investments in associates		402	400
Investments in equity-instruments		10	10
		217,165	214,201
<b>Current assets</b>			
Inventories	17	56,688	43,349
Trade and other receivables	18	40,894	33,580
Other financial assets	19	50,581	34,422
Cash and cash equivalents	20	62,653	24,338
		210,815	135,689
<b>Total assets</b>		<b>427,980</b>	<b>349,890</b>

	Notes	31.12.2019	31.12.2018
		EUR 1,000	EUR 1,000
<b>Equity and liabilities</b>			
Shareholders' equity	21		
Issued capital and share premium		341,192	292,045
Reserves/accumulated losses		-108,429	-78,069
		232,763	213,976
<b>Non-current liabilities</b>			
Loans and Borrowings	22	131,512	72,411
Deferred tax liability	11	3,904	10,841
		135,417	83,252
<b>Current liabilities</b>			
Trade and other payables	23	32,004	28,436
Loans and Borrowings	23	7,522	6,488
Amounts due to banks	24	10,167	9,805
Other liabilities	23	10,108	7,933
		59,801	52,662
<b>Total equity and liabilities</b>		<b>427,980</b>	<b>349,890</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS.

For the year ended 31 December 2019.

Notes	Period ended 31.12.2019	Period ended 31.12.2018
	EUR 1,000	EUR 1,000
<b>Cash flow from operating activities</b>		
Operating result	-33,445	-28,730
Adjustments for:	14,864	13,170
- Depreciation and amortisation of non-current assets		
- Corporate income tax	4	0
- Net foreign exchange differences	-28	-794
- Movements in provisions	0	0
- Share-based payment charge for the period	2,967	1,450
<b>Operating result adjusted for depreciation and amortisation, taxes and provisions</b>	<b>-15,639</b>	<b>-14,904</b>
<b>Movements in working capital</b>		
-(Increase)/decrease in trade and other receivables	-7,314	-5,174
-(Increase)/decrease in inventory	-13,339	128
-(Increase)/decrease in trade and other payables	5,926	5,425
<b>Working capital movement</b>	<b>-14,727</b>	<b>379</b>
<b>Net cash (used in)/generated by operating activities</b>	<b>-30,366</b>	<b>-14,525</b>
<b>Cash flow from investing activities</b>		
Investment for property, plant and equipment	-4,003	-2,804
Investment for intangible assets	-10,739	-9,051
Investment for other financial assets	-18,658	-21,913
Investment associates	0	-400
Investment equity instruments	0	-10
Acquisition of subsidiary, net of cash acquired	0	-4,379
<b>Net cash (used in)/generated by investing activities</b>	<b>-33,400</b>	<b>-38,557</b>

Notes	Period ended 31.12.2019	Period ended 31.12.2018
	EUR 1,000	EUR 1,000
<b>Cash flow from financing activities</b>		
Interest received	1,333	324
Interest paid	-7,402	-4,002
Payment of earn-out obligations Farmaline	-1,100	-1,100
Capital increase	49,148	0
Issue convertible bond	58,592	73,499
Issue other long-term liability	3,965	0
Cash-out lease payments	-2,456	-2,221
<b>Net cash (used in)/generated by financing activities</b>	<b>102,080</b>	<b>66,500</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>38,314</b>	<b>13,418</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>24,338</b>	<b>10,920</b>
<b>Net foreign exchange difference</b>	<b>0</b>	<b>0</b>
<b>Cash and cash equivalents at the end</b>	<b>62,653</b>	<b>24,338</b>