



SHOP APOTHEKE
EUROPE

Q2 2020 EARNINGS CALL. PRESENTATION.

SHOP APOTHEKE EUROPE

STEFAN FELTENS, CEO
JASPER EENHORST, CFO

06 AUG 2020



TODAY'S PRESENTERS.



STEFAN FELTENS
CEO SHOP APOTHEKE EUROPE



JASPER EENHORST
CFO SHOP APOTHEKE EUROPE



PRESENTING FOR THE FIRST TIME FROM OUR NEW HEADQUARTERS.

TODAY'S AGENDA.



FINANCIAL
PERFORMANCE



UPDATE ON BUSINESS
AND STRATEGY



Q+A

HIGHLIGHTS.

Q2 2020.



Accelerated growth driven by excellent execution.

Growth of 37% in H1 to EUR 465M; in Q2 growth increased to 42% - fully organic.



Record number of new customers.

Active customer base up 1.3M YOY to 5.5M; in Q2 +500,000 customers.



Adj. EBITDA margin 2.7% in Q2 and 2.4% in H1.

H1 adj. EBITDA EUR 11.3M YOY up EUR 20.9M; operating cash flow positive EUR 5.8M.



E-Script progressing as planned.

Internal preparations on track; gematik reported to be on schedule as well.



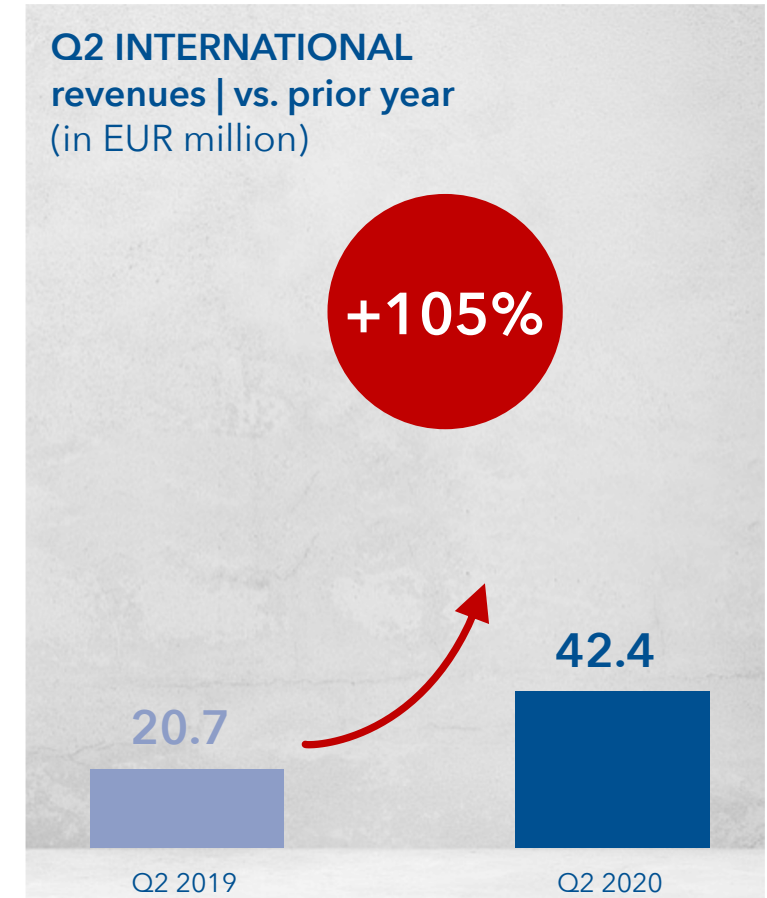
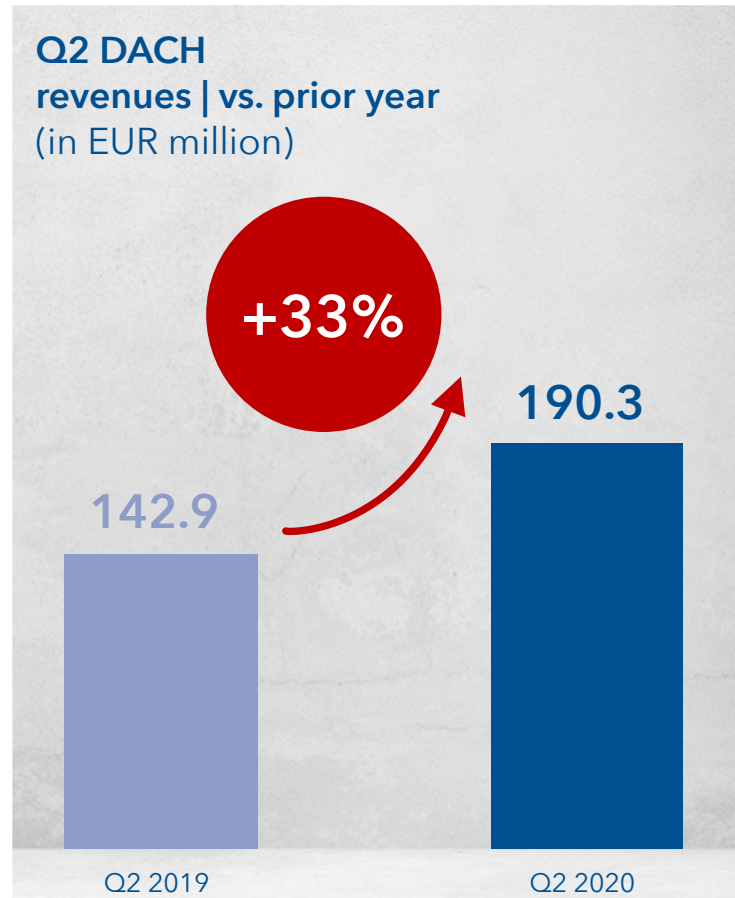
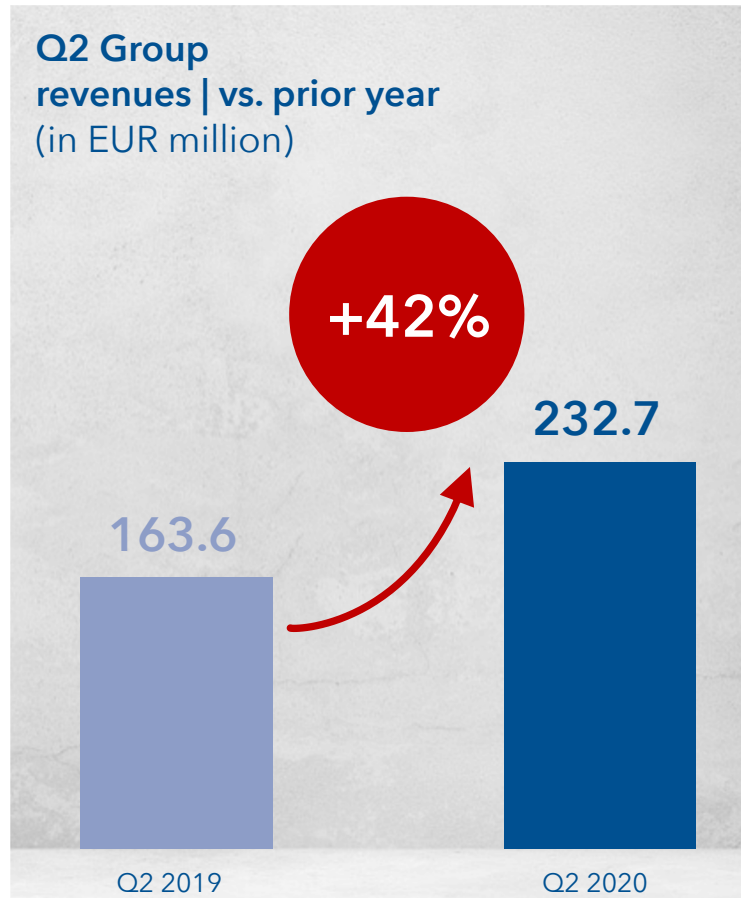
Launch of other strategic initiatives in H2.

Roll-out same-day delivery, launch of marketplace, expand own brand portfolio.

KEY FINANCIALS.

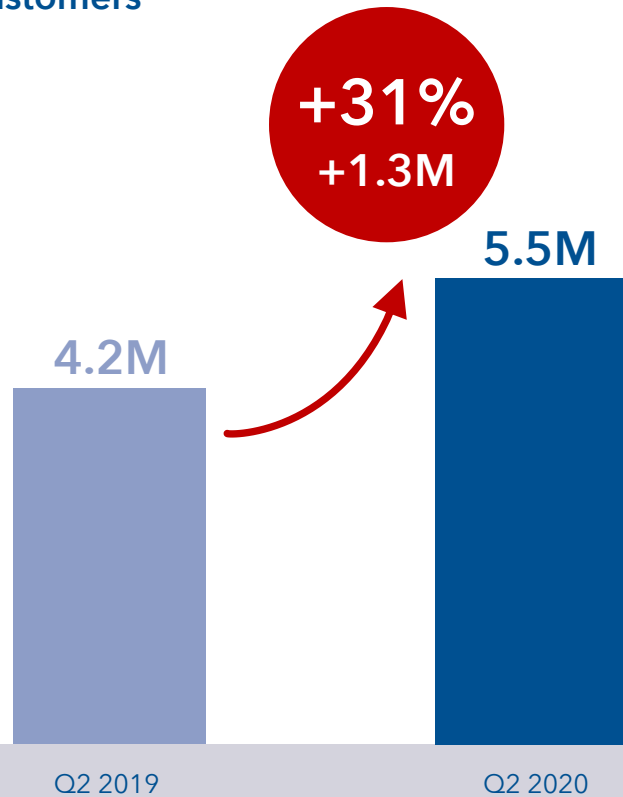
IMPRESSIVE FULLY ORGANIC TOPLINE GROWTH.

ACTIVE CUSTOMERS +500,000 in Q2, +1,300,000 YOY.



EXPANSION OF ACTIVE CUSTOMER BASE. PLUS 500,000 IN Q2.

Active customers
(in million)



70

NPS-SCORE.

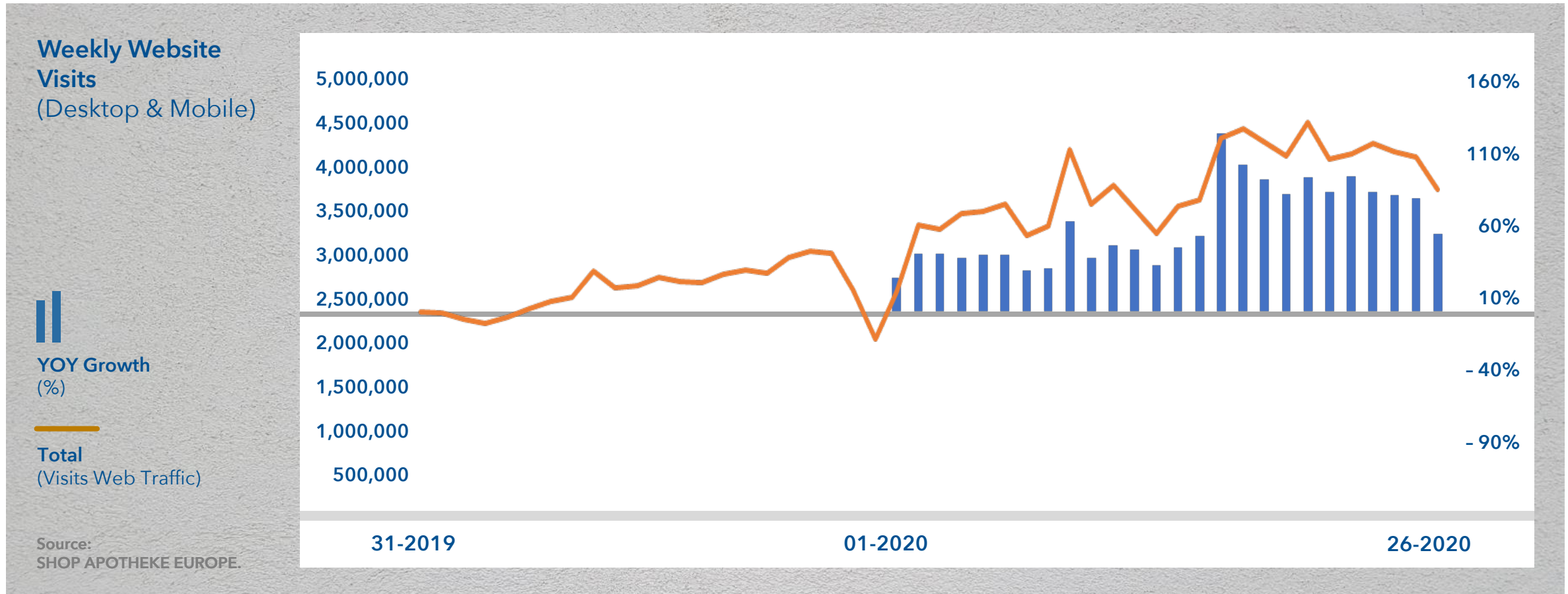
€ 65.52

AVERAGE SHOPPING BASKET VALUE
(Q2 2019: EUR 67.74).



KPIs.

STRONG WEB TRAFFIC GROWTH ACCELERATED.



KPIs.

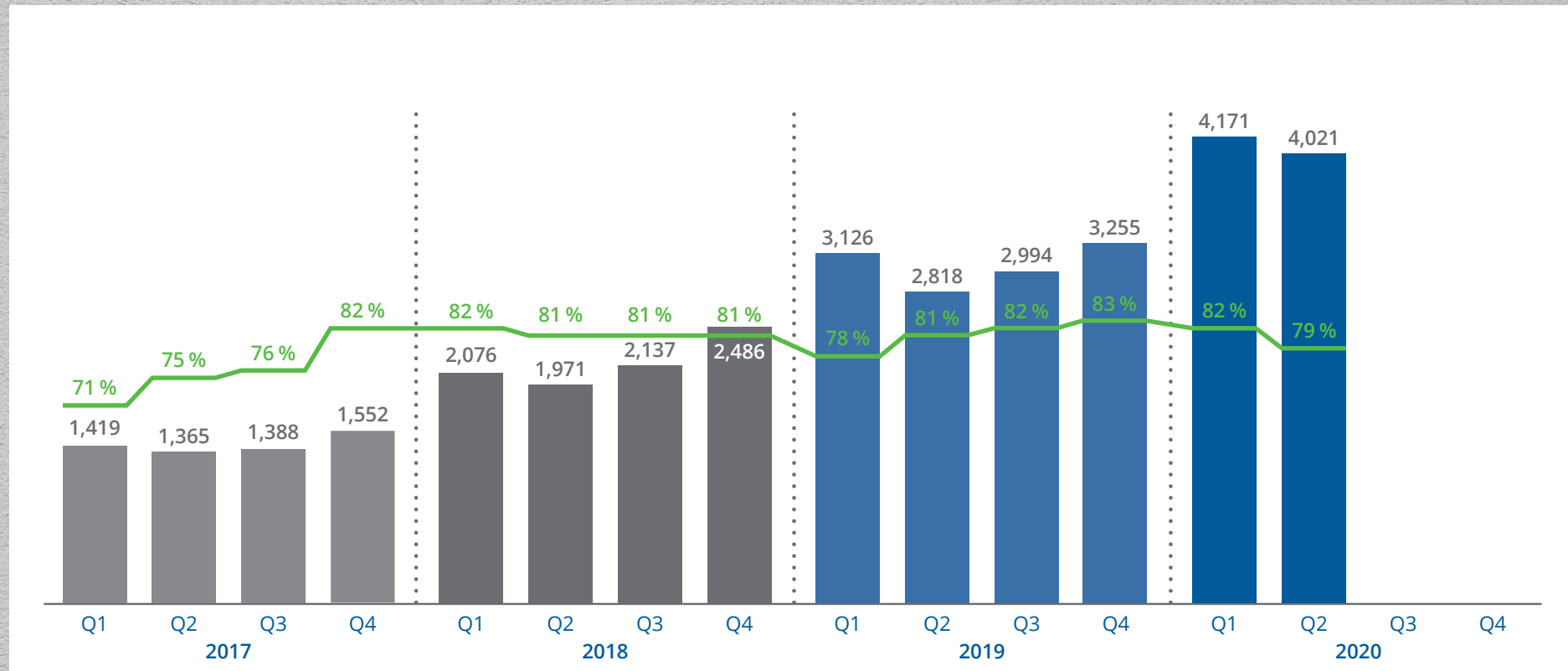
SHARE OF REPEAT ORDERS REMAINS HIGH DESPITE RECORD NUMBER OF NEW CUSTOMERS.

Number of orders
(in '000)



Share of repeat orders
(in %)

Source:
SHOP APOTHEKE EUROPE.



KEY FINANCIALS.

ADJ. EBITDA FROM EUR -10 M LAST YEAR TO EUR +11 M NOW.

(in millions of euros)

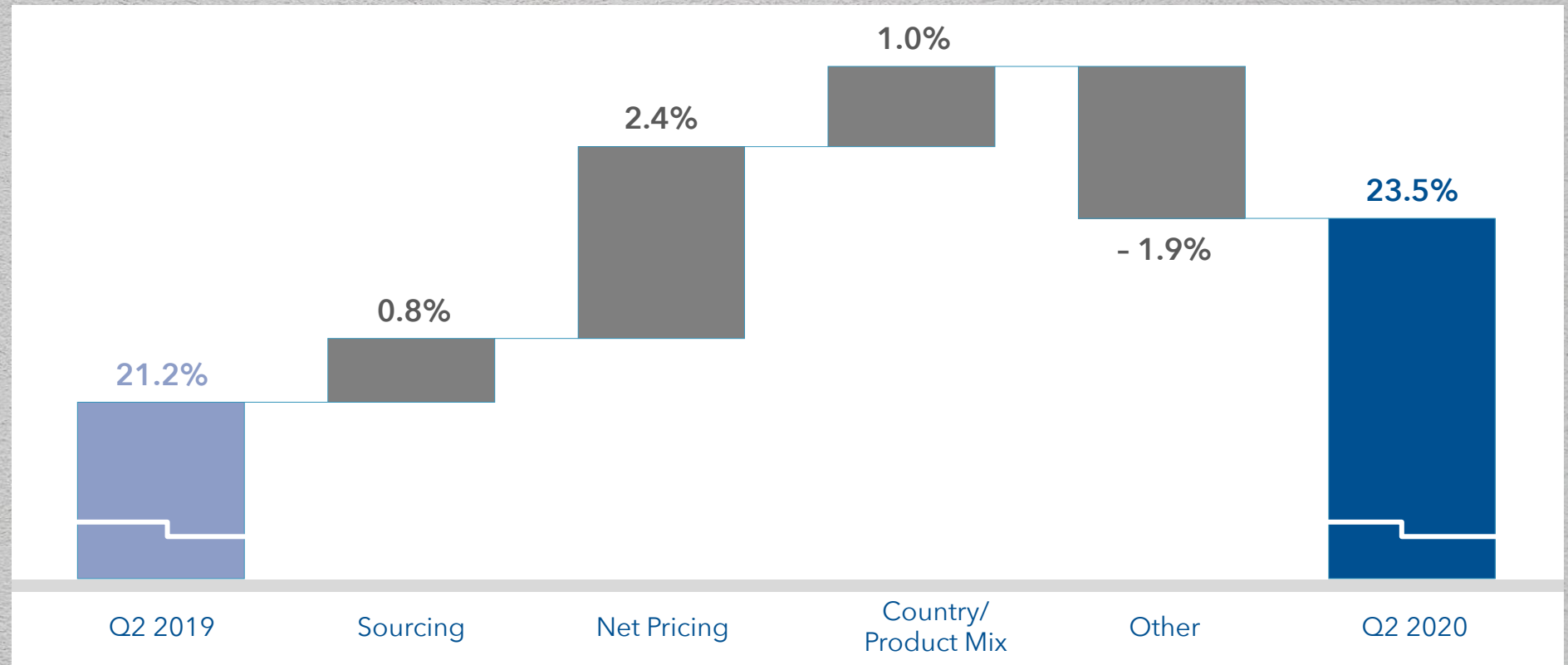
	Q2 Last year and this year			H1 Last year and this year		
	Q2 2019	Q2 2020	Better/ (Worse)	H1 2019	H1 2020	Better/ (Worse)
Sales	164	233	42%	338.3	464.7	37%
Gross profit margin	21.2%	23.5%	2.3 pp	19.9%	22.5%	2.6 pp
Selling & distribution as percentage of sales	-18.7%	-18.1%	0.6 pp	-19.8%	-17.5%	2.3 pp
Administrative costs (adj.) as percentage of sales	-2.9%	-2.7%	0.2 pp	-2.9%	-2.6%	0.3 pp
Adj. EBITDA	-0.5	6.3	6.9	-9.6	11.3	20.7
Adj. EBITDA margin	-0.3%	2.7%	3.0 pp	-2.8%	2.4%	5.2 pp
EBITDA	-1.3	5.4	6.7	-11.0	9.3	20.3

Adjustments in H1 2020 of € 2 million are mainly related to the non-cash employee stock option program.

KEY FINANCIALS.

GROSS MARGIN UP 2.3PP VS. LAST YEAR.

Gross margin
(in % of revenues)

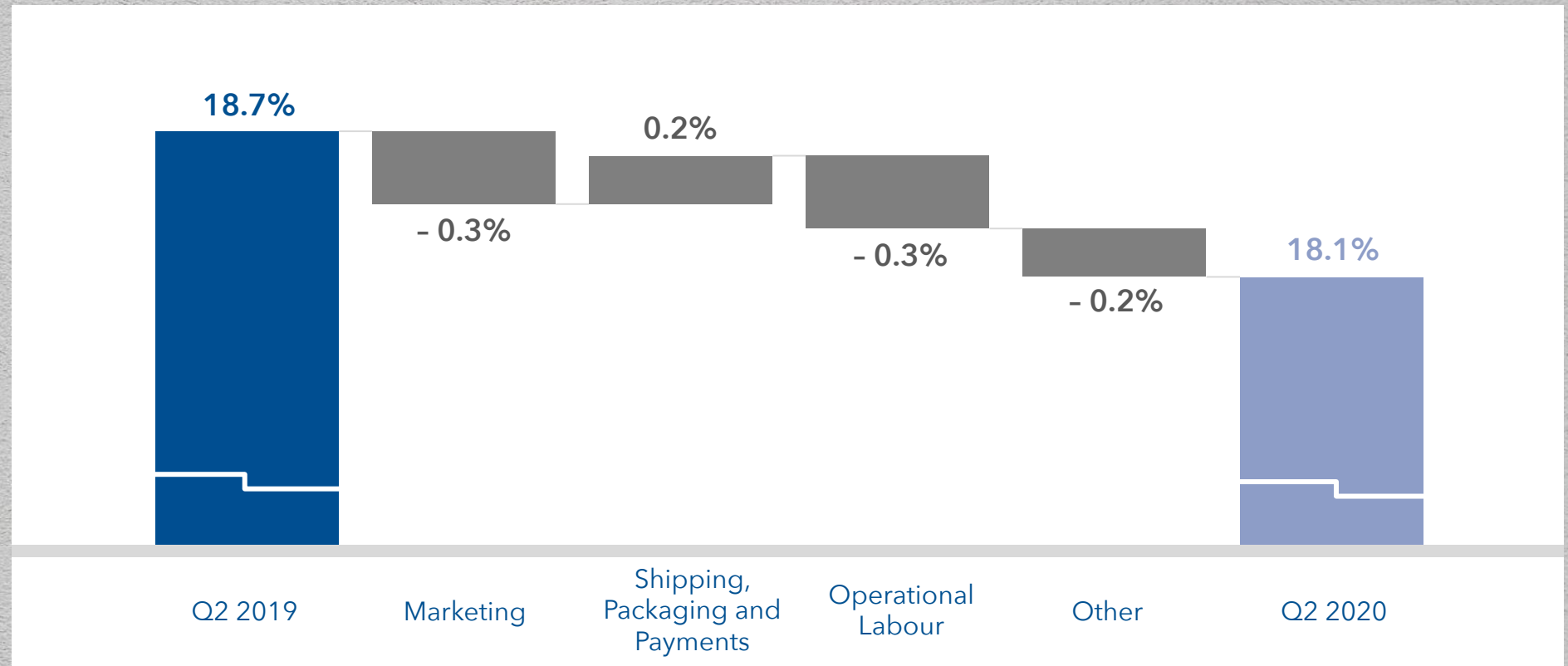


KEY FINANCIALS.

S&D IMPROVED 0.6PP VS. LAST YEAR.

STEP UP INVESTMENTS IN GROWTH WITH SCALE EFFECTS STILL VISIBLE.

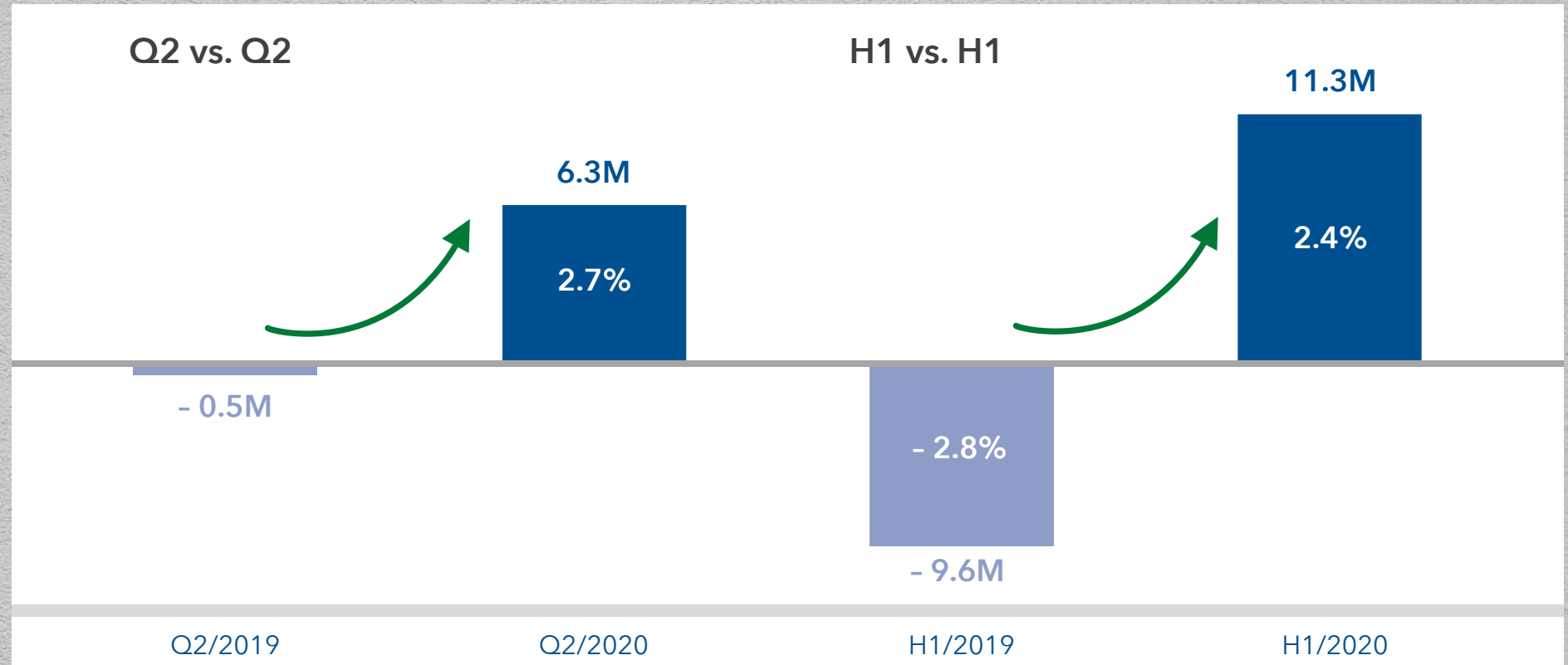
S&D costs
(in % of revenues)



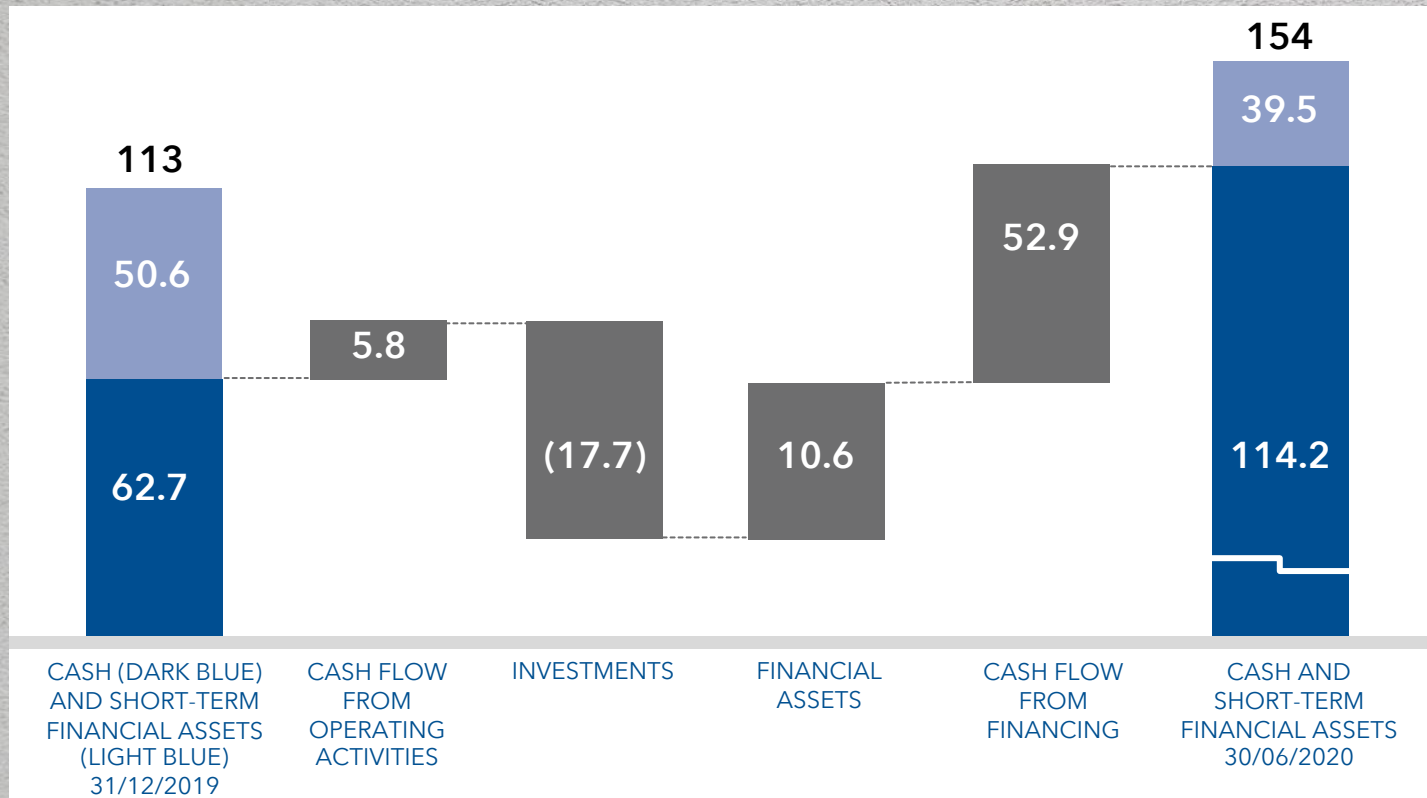
KEY FINANCIALS.

EBITDA: POSITIVE AHEAD OF SCHEDULE.

Adjusted EBITDA
(in EUR million
and % of revenue)



KEY FINANCIALS. SOUND BALANCE SHEET.



Positive operating cash flow of EUR 5.8 million in H1 despite inventory increase.

Investments of EUR 17.7 million in new logistics center, other PP&E and IT.

Cash and short-term financial assets: EUR 153.7 million.

TODAY'S AGENDA.



FINANCIAL
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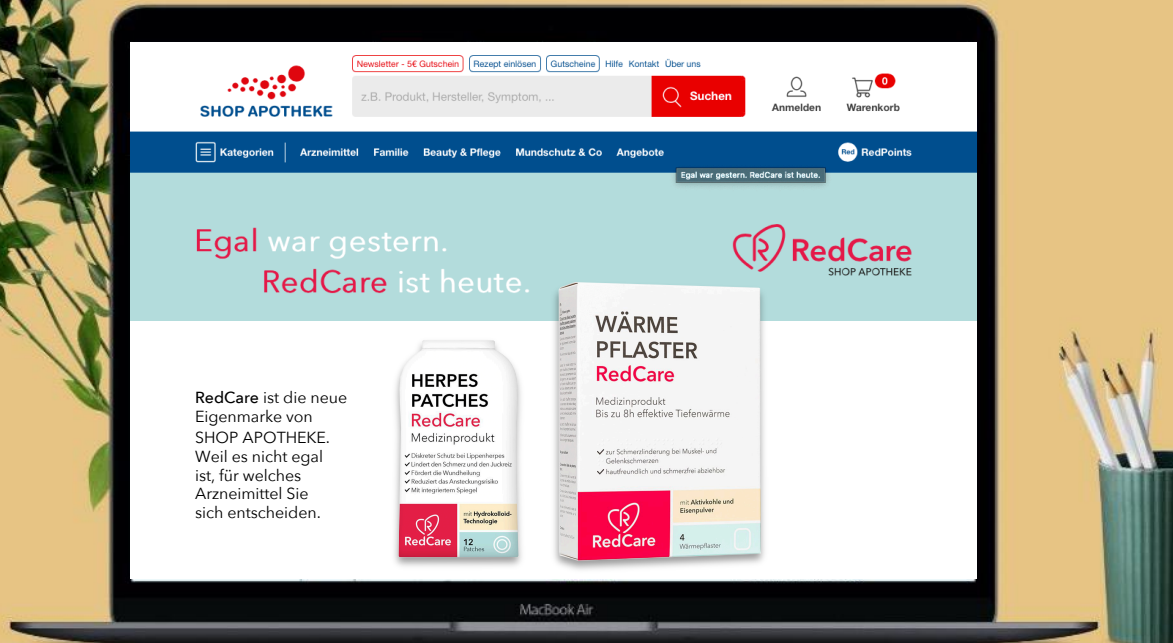
Q+A

FROM A PURE
E-PHARMACY
RETAILER ...



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





CUSTOMER-CENTRIC SERVICES. WHAT'S NEXT?

ROLLOUT IN 2020:

✓ SAME-DAY DELIVERY.

NEW IN 2020:

MARKETPLACE.

NEW IN 2020:

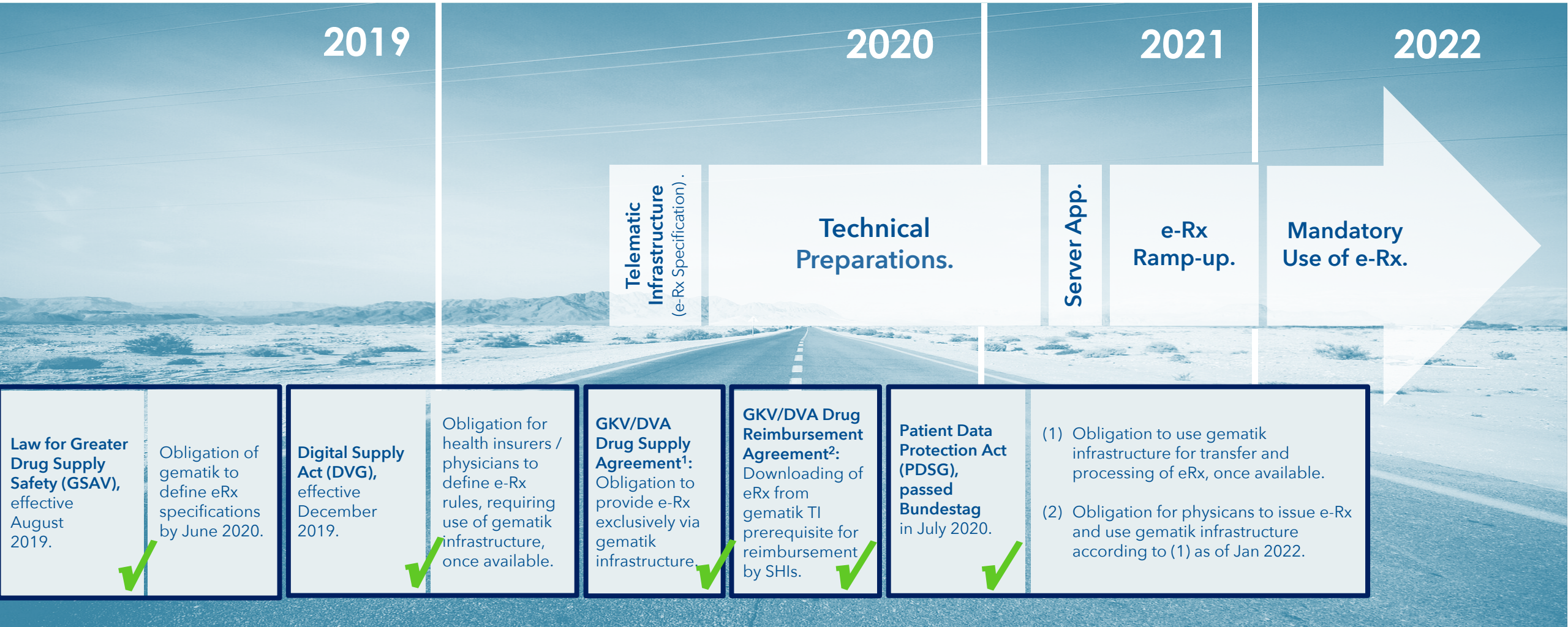
✓ ONLINE DOCTOR SERVICE.

EXPANSION IN 2020:

✓ OWN BRANDS.

THE ROAD TO E-RX IN GERMANY.

GEMATIK INFRASTRUCURE ON TRACK.



¹Rahmenvertrag über die Arzneimittelversorgung according to §300(3) SGB V; ²Arzneimittelabrechnungsvereinbarung according to §300(3) SGB V.

LOOKING FORWARD.
LOOKING AHEAD TO H2.



Full-year sales growth at least 30% (previously: at least 20%).



Full-year adj. EBITDA margin 1% - 2% (previously: positive).



Continued growth investments in additional capacity and customer acquisition.



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

TODAY'S AGENDA.



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Q+A

CONSOLIDATED SEGMENT FINANCIALS.

Segment information H1 2020 - non adjusted and adjusted

30.6.2020	DACH	INTERNATIONAL	TOTAL
	EUR 1,000	EUR 1,000	EUR 1,000
Revenue	391,114	73,547	464,661
Cost of sales	-305,903	-54,275	-360,178
Adjusted cost of sales	-305,903	-54,275	-360,178
Gross profit	85.211	19.272	104.484
Adjusted gross profit	85.211	19.272	104.484
% of revenue	21.8%	26.2%	22.5%
Other income	12	2	14
Selling & distribution	-61,415	-19,839	-81,254
Adjusted S&D	-61,415	-19,839	-81,254
Segment EBITDA	23,808	-565	23,243
Adjusted segment EBITDA	23,808	-565	23,243
Administrative expenses	-8,859	-5,089	-13,948
Adjusted AE	-7,175	-4,787	-11,962
EBITDA	14,949	-5,654	9,295
Adjusted EBITDA	16,633	-5,352	11,281
Depreciation	-4,329	-2,486	-6,815
EBIT	10,620	-8,140	2,480
Adjusted EBIT	12,304	-7,838	4,466
Net finance cost and income tax			-7,601
Adjusted net finance cost and income tax			-7,601
Net loss			-5,120
Adjusted net loss			-3,135

Segment information H1 2019 - non adjusted and adjusted

30.6.2019	DACH	INTERNATIONAL	TOTAL
	EUR 1,000	EUR 1,000	EUR 1,000
Revenue	297,959	40,317	338,276
Cost of sales	-240,739	-30,176	-270,915
Gross profit	57,220	10,141	67,361
% of revenue	19.2%	25.2%	19.9%
Other income	15	2	17
Selling & distribution	-53,503	-13,570	-67,073
Adjusted S&D	-53,503	-13,570	-67,073
Segment EBITDA	3,732	-3,427	305
Adjusted Segment EBITDA	3,732	-3,427	305
Administrative expenses	-7,433	-3,921	-11,354
Adjusted AE	-6,492	-3,425	-9,917
EBITDA	-3,701	-7,348	-11,049
Adjusted EBITDA	-2,760	-6,852	-9,612
Depreciation	-4,749	-2,505	-7,254
EBIT	-8,450	-9,853	-18,303
Adjusted EBIT	-7,509	-9,357	-16,866
Net finance cost and income tax			-3,024
Net loss			-21,327
Adjusted net loss			-19,890

CONSOLIDATED STATEMENT OF PROFIT AND LOSS.

	Period ended 30.6.2020	Period ended 30.6.2019
	EUR 1,000	EUR 1,000
Revenue	464,662	338,276
Cost of sales	-360,178	-270,916
Gross profit	104,484	67,360
Other income	14	16
Selling and distribution	-87,047	-73,239
Administrative expenses	-14,970	-12,442
Result from operations	2,481	-18,304
Finance income	174	78
Finance expenses	-8,085	-3,755
Net finance costs	-7,911	-3,677
Result before tax	-5,430	-21,981
Income tax	310	653
Result after tax	-5,120	-21,328
Attributable to:		
Owners of the company	-5,120	-21,328

CONSOLIDATED STATEMENT OF FINANCIAL POSITION.

	30.6.2020	31.12.2019
	EUR 1,000	EUR 1,000
Assets		
Non-current assets		
Property, plant and equipment	49,591	13,178
Intangible assets	203,207	199,850
Deferred tax assets	120	120
Other financial assets	1,682	2,500
Investments in equity-accounted joint ventures	1,105	1,105
Investments in associates	402	402
Investments in equity-instruments	10	10
	256,117	217,165
Current assets		
Inventories	76,956	56,688
Trade and other receivables	58,090	40,894
Other financial assets	39,478	50,581
Cash and cash equivalents	114,236	62,653
	288,761	210,816
Total assets	544,878	427,981

	30.6.2020	31.12.2019
	EUR 1,000	EUR 1,000
Equity and liabilities		
Shareholders' equity		
Issued capital and share premium	410,225	341,192
Reserves/accumulated losses	-110,901	-108,429
	299,324	232,763
Non-current liabilities		
Deferred tax liability	3,578	3,905
Loans and Borrowings	159,457	131,512
	163,035	135,417
Current liabilities		
Trade and other payables	55,548	32,004
Loans and Borrowings	8,911	7,522
Amounts due to banks	36	10,167
Other liabilities	18,023	10,108
	82,519	59,801
Total equity and liabilities	544,878	427,981

CONSOLIDATED STATEMENT OF CASH FLOWS.

	Period ended 30.6.2020	Period ended 30.6.2019
	EUR 1,000	EUR 1,000
Cash flow from operating activities		
Result from operations	2,481	- 18,304
Adjustments for:		
- Depreciation and amortisation of non-current assets	6,841	7,254
- Corporate income tax	236	- 5
- Net foreign exchange differences		0
- Share-based payment charge for the period	1,186	1,303
Operating result adjusted for depreciation and amortisation, taxes and provisions	10,744	- 9,751
Movements in working capital		
- (Increase)/decrease in trade and other receivables	- 5,745	- 4,008
- (Increase)/decrease in inventory	- 20,268	579
- (Increase)/decrease in trade and other payables	21,075	17,550
Working capital movement	- 4,938	14,120
Net cash (used in)/generated by operating activities	5,805	4,369
Cash flow from investing activities		
Investment for property, plant and equipment	- 9,791	- 1,154
Investment for intangible assets	- 7,921	- 7,017
Investment for other financial assets	10,626	- 15,588
Investment for acquisitions	0	0
Acquisition of subsidiary, net of cash acquired	0	0
Net cash (used in)/generated by investing activities	- 7,086	- 23,759

	Period ended 30.6.2020	Period ended 30.6.2019
	EUR 1,000	EUR 1,000
Cash flow from financing activities		
Interest received	174	78
Interest paid	- 5,131	- 2,480
Payment of earn-out obligations Farmaline	0	- 1,100
Capital increase	63,381	49,147
Capital increase exercised ESOP	- 4,340	0
Issue convertible bond	0	58,592
Issue other long-term liability	- 18	- 18
Cash-out lease payments	- 1,203	- 1,047
Net cash (used in)/generated by financing activities	52,863	103,172
Net increase/(decrease) in cash and cash equivalents	51,583	83,781
Cash and cash equivalents at the beginning of the period	62,653	24,338
Cash and cash equivalents at the end of the period	114,236	108,119



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.**