



First quarter 2017 results

May 9, 2017



Disclaimer



This document and its related communication (“Presentation”) have been issued by windeln.de SE and its subsidiaries (“Company”) and do not constitute or form part of and should not be construed as any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company in the U.S.A or in any other country, nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision relating thereto, nor does it constitute a recommendation regarding the securities of the Company. Nothing in this Presentation constitutes tax, legal or accounting advice; investors and prospective investors should seek such advice from their own advisors. Third parties whose data is cited herein are neither registered broker-dealers nor financial advisors and the use of any market research data does not constitute financial advice or recommendations. Securities may not be offered or sold in the U.S.A. absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended; neither this Presentation nor any copy of it may be taken or transmitted or distributed, directly or indirectly, to the U.S.A., its territories or possessions or to any US person.

This Presentation has been carefully prepared. However, no reliance may be placed for any purposes whatsoever on the information contained herein or on its completeness. No representation or warranty, express or implied, is given by or on behalf of the Company or its directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in this Presentation and no liability whatsoever is accepted by the Company or its directors, officers or employees nor any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith. This Presentation is subject to amendment, revision and updating. Certain statements and opinions in this Presentation are forward-looking, which reflect the Company’s or its management’s expectations about future events. Forward-looking statements involve many risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied herein or could adversely affect the outcome and financial effects of the plans and events described herein and may include (without limitation): macroeconomic conditions; behavior of suppliers, competitors and other market participants; inadequate performance with regard to integration of acquired businesses, anticipated cost savings and productivity gains, management of fulfillment centers, hazardous material/ conditions in private label production or within the supply chain, data security or market knowledge; external fraud; actions of government regulators or administrators; strike; or other factors described in the “risk” section of the Company’s annual report. Forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements.

This Presentation may include supplemental financial measures that are or may be non-GAAP financial measures. These supplemental financial measures should not be viewed in isolation or as alternatives to measures of the Company’s net assets and financial positions or results of operations as presented in accordance with IFRS in its consolidated financial statements. Other companies that report or describe similarly titled financial measures may calculate them differently.

By attending, reviewing, accepting or consulting this Presentation you will be taken to have represented, warranted and undertaken that you have read and agree to comply with the contents of this notice.

Continuous strong international growth and focus on structural business improvements



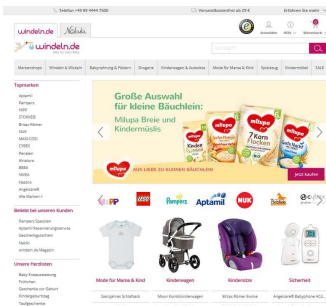
- **Progress on structural improvements of the business**
 - German online shop switched to new group-wide shop IT platform
 - Outsourcing of customer service to Hungary completed
 - PostNL as additional distribution partner for orders to China
- **Revenues EUR 51.9m (+10.3% growth year over year)**
 - Strong growth from International Shops segment (+35.6% yoy) and region China (+8.6% yoy)
 - Lower revenues in the DACH region (-6.6% yoy) due focus on profitability (SKU reduction, lower marketing)
- **Operating contribution margin at 1.9% slightly lower than in previous year**
 - Low gross profit margin of 23.3% reflects high consumables product share (esp. China)
 - Marketing cost ratio at 6.0% at lowest level since start of European internationalization in 2015
- **Adj. EBIT at EUR -7.2m (-14.0%) at same level as in previous year**
 - Overall, in line with our expectation given that measures to improve costs only materialize over time
 - Other adj. SG&A EUR 8.2m (15.8% of revenues) on relative basis lower than previous year (EUR 7.8m; 16.5%) despite costs for temporarily parallel customer service operations during outsourcing and STAR costs
 - No significant adjustments of EBIT other than share based compensation (primarily from acquisitions)
- **Liquidity position remains strong with EUR 48.2m**
 - Operating cash flow of EUR -7.1m compared to EUR -9.6m in Q4 2016
- **Unchanged mid-term guidance avg. 15+% annual revenue growth and adj. EBIT break-even in course of 2019**
 - +7 to +8% EBIT impact from full implementation of STAR measures and approx. 2% p.a. from growth

We continue to improve our business



New shop system

- ✓ Identical system platform for all windeln.de shops
- ✓ Improved, responsive design: website adapts easily on mobile devices
- ✓ Modern architecture based on microservices



Customer experience; efficiency

Tmall Global award

- ✓ Award for “most popular international brand”
- ✓ Received for strong performance on B2C platform Tmall Global (Alibabas e-marketplace)



Competitiveness in China

Post NL

- ✓ Additional partner cross-border e-com. China
- ✓ Better service for customers
- ✓ More efficient logistics service



Customer experience; cost efficiency

Customer service

- ✓ Outsourcing of customer service to Hungary completed
- ✓ Improving service level, scalability and operational efficiency

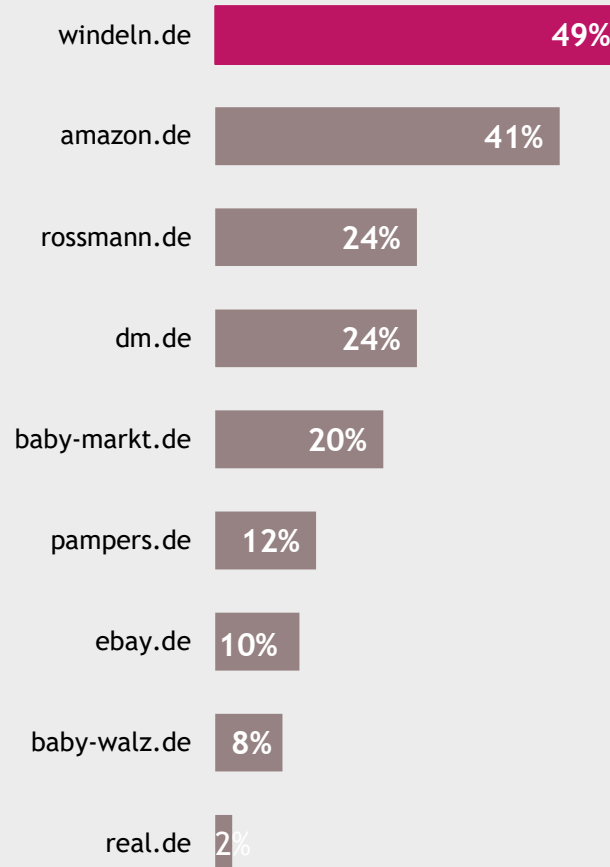


Customer service; cost efficiency

windeln.de with highest online shop awareness for diapers in Germany



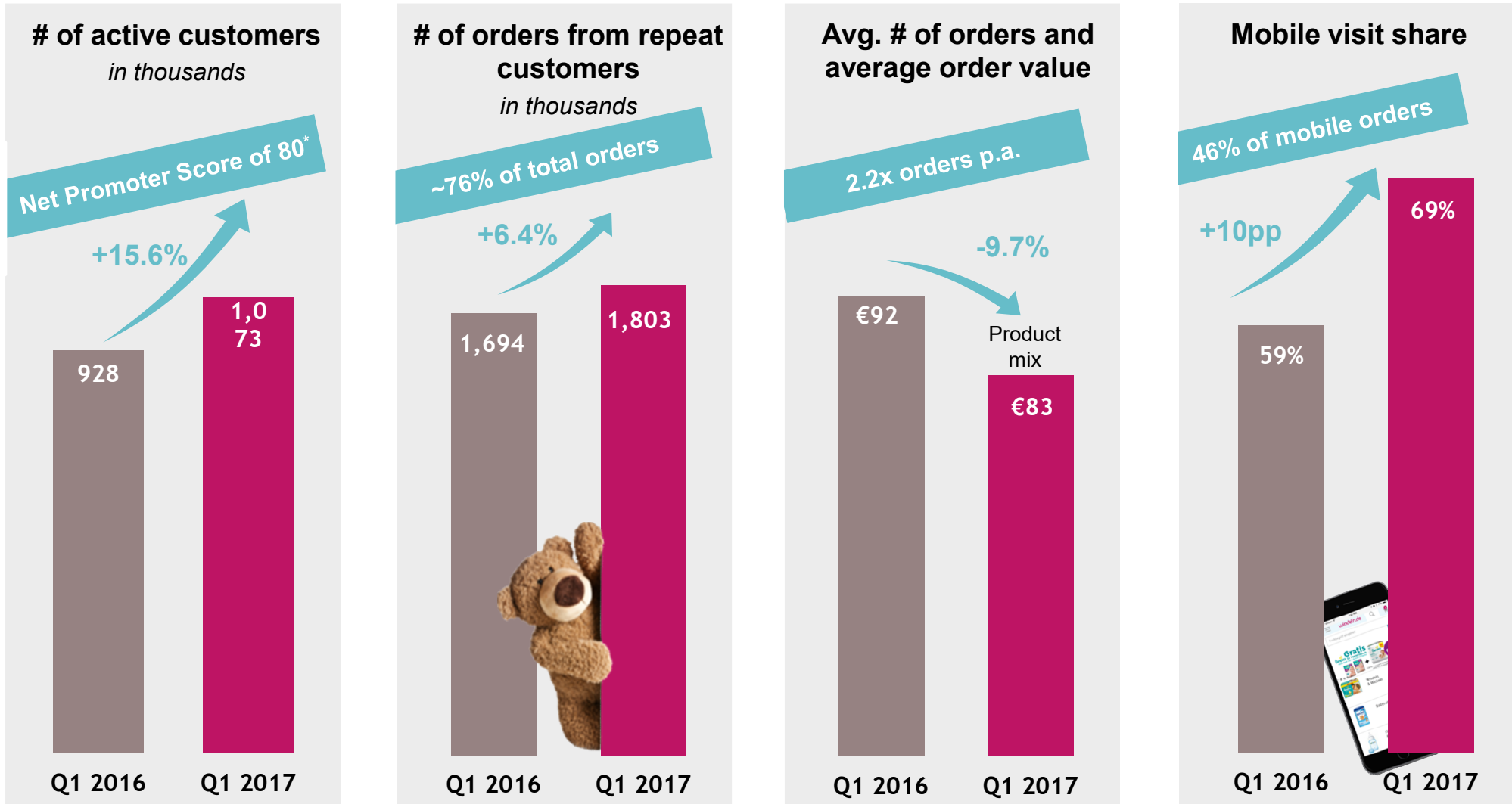
Online-Shop awareness for diapers¹⁾



Source: INNOFACT AG Research & Consulting, April 2017, n=400

*1) Which Internetshops do you know where you can purchase diapers? (Welche Internetshops / Anbieter im Internet, bei denen Sie Windeln einkaufen können, kennen Sie - wenn auch nur dem Namen nach?)

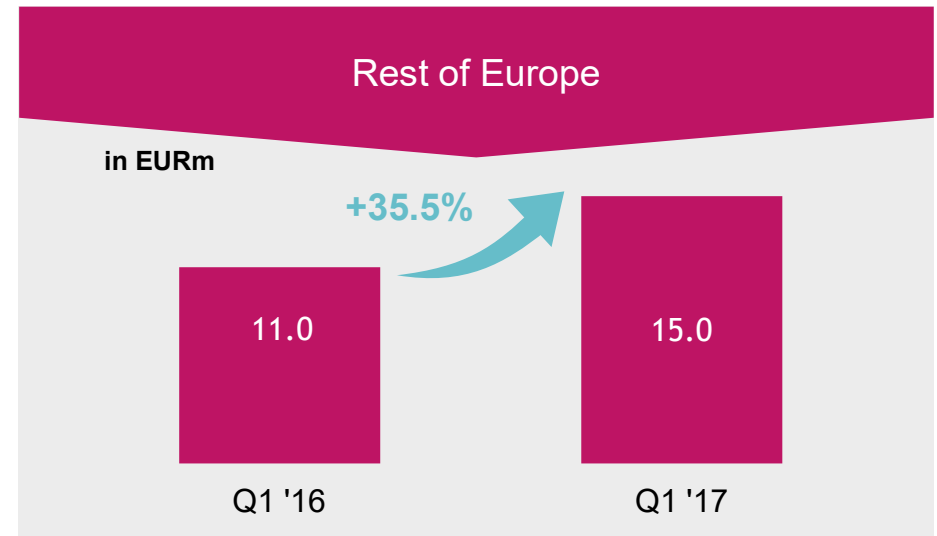
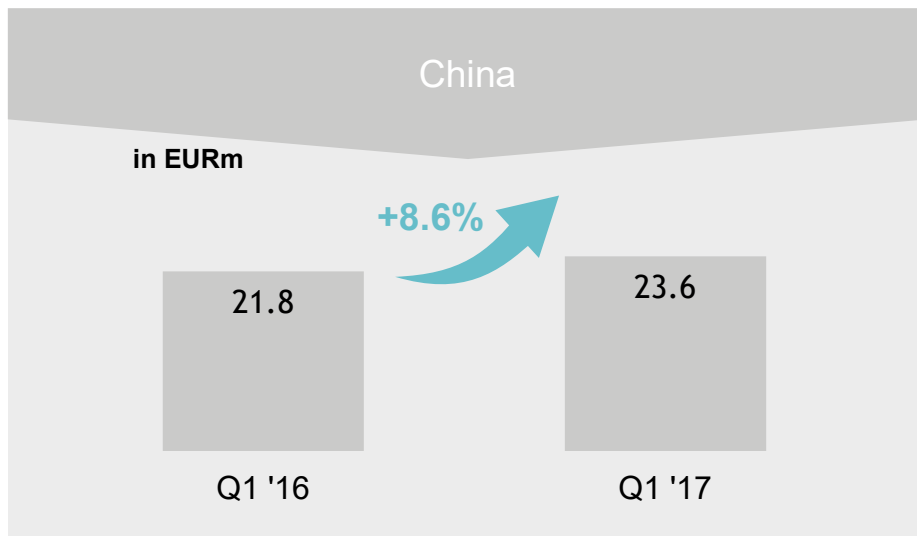
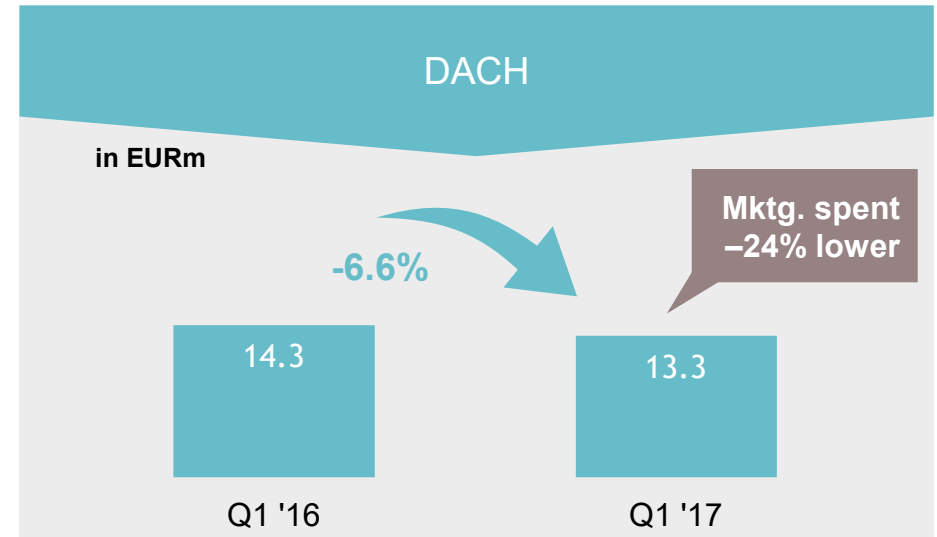
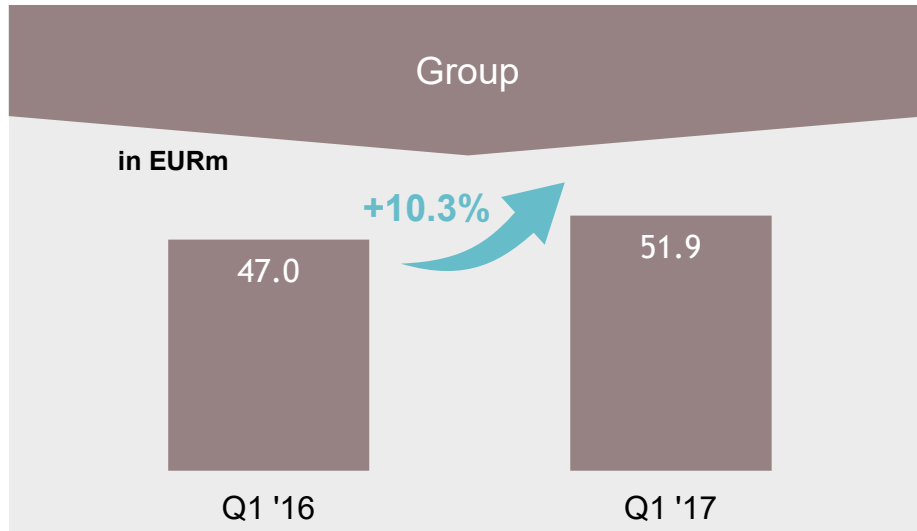
More than one million customers in Europe and China



Note: Continuing operations shown (i.e. excluding discontinued segment Shopping Clubs). See appendix for definition of KPIs.

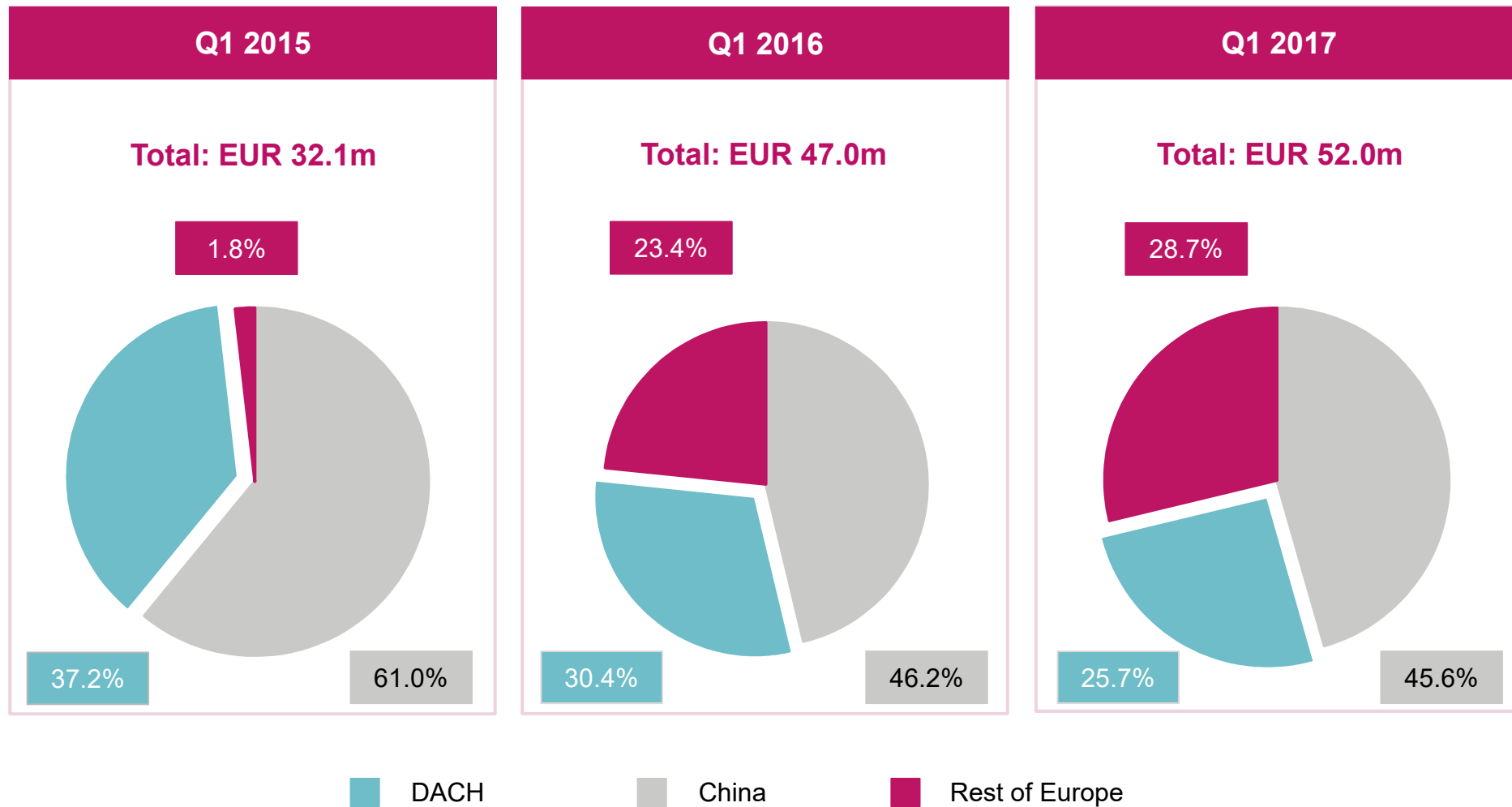
*Net Promoter Score (NPS) measures loyalty that exists between a provider and a consumer. NPS can be as low as -100 (everybody is a detractor) or as high as +100 (everybody is a promoter). windeln.de (Europe) shown.

International business as growth driver



Note: Regional split based on net merchandise value (same calculation methodology as in 2015).

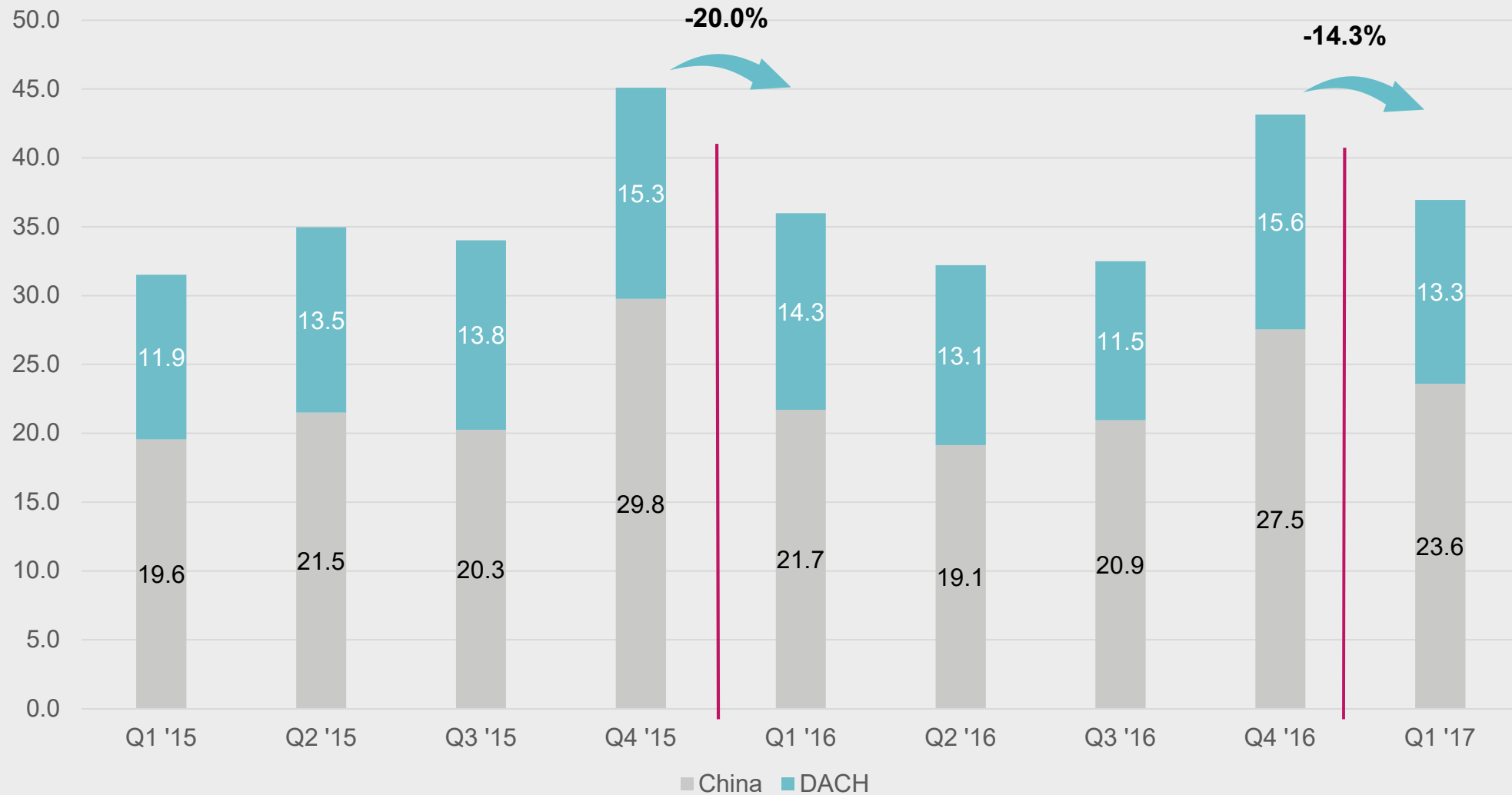
International business now accounts for approx. 75% of our revenues



Revenues in Q1 typically lower than in Q4



China and DACH quarterly revenues (EURm)

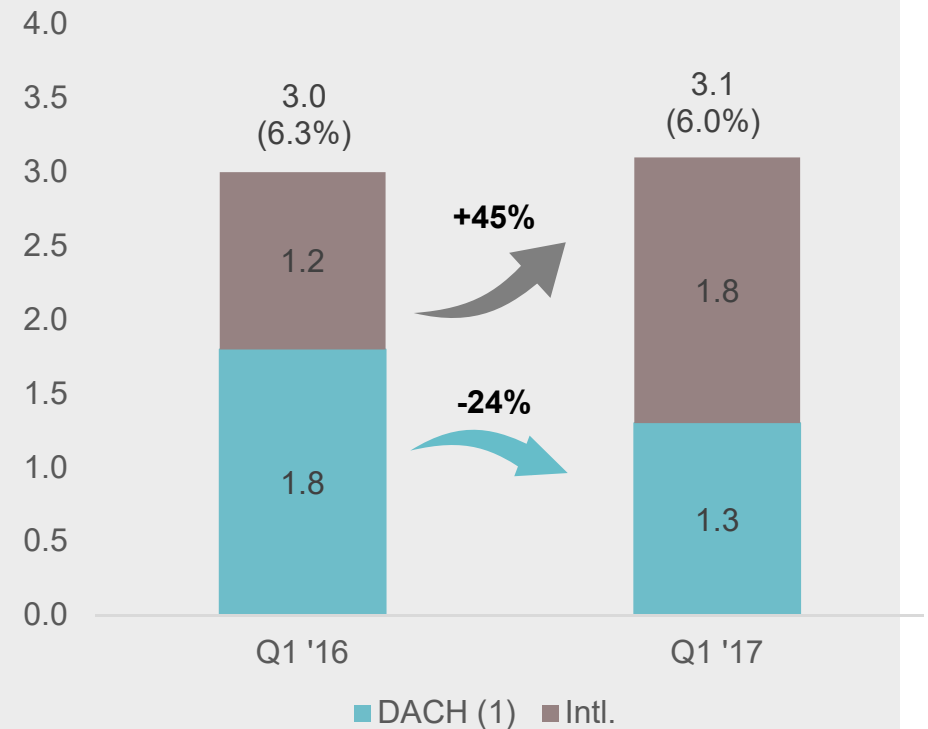


Focus on profitability in Germany



- Increase revenue share of non-consumable products & cross-selling
 - Nakiki shop
 - Customer relationship management
 - Private label
- Assortment discipline
 - Reduction in # of suppliers/SKUs
 - Increase in margin per category
- Increased free-shipping minimum order value
- Lowering of marketing expenses

Marketing costs (EURm, % of revenues)



1) Includes marketing costs for windeln.de (EU) and windeln.ch.

Group EBIT at same level as in previous year

	Q1 2016	Q4 2016	Q1 2017
Revenues EUR m	47.0	57.1	51.9
% of Revenues			
Gross profit (IFRS)	28.1%	23.6%	23.3%
Fulfilment costs ¹	(19.0)%	(15.6)%	(15.4)%
Marketing costs ²	(6.3)%	(6.5)%	(6.0)%
Operating contribution	2.8%	1.9%	1.9%
Other SG&A ³	(16.5)%	(14.8)%	(15.6)%
Adjusted EBIT ⁴	(13.8)%	(12.9)%	(14.0)%

Comments on Q1

- ▶ High share of consumables (esp. China)
- ▶ PostNL as additional distribution partner to China
- ▶ Marketing spent lowered in German business
- ▶ Absolute other SG&A amount in Q1 (EUR 8.2m) lower than in Q4 (EUR 8.4m) despite additional expenses for parallel operations of customer service during outsourcing
- ▶ In line with our expectation; same level as in previous year despite additional costs due to STAR implementation; overall low level of operational EBIT adjustment items

Note: Adjusted continuing operations shown (i.e. excluding discontinued segment Shopping Clubs).

1 Consist of logistics and rental expenses, which are recognized within selling and distribution expenses in the consolidated statement of profit and loss. Adjusted fulfilment costs exclude costs in connection with the reorganization of the Swiss and Spanish warehouses.

2 Recognized within selling and distribution expenses and consist mainly of advertising expenses, including search engine marketing, online display and other marketing channel expenses, as well as costs for our marketing tools.

3 Defined as 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 in connection with share-based compensation as well as expenses and income in connection with the IPO, with acquisitions and integration of new subsidiaries and expenses in connection with the expansion of the Group as well as for expenses for reorganization, internal restructuring measures and ERP system change.

4 Excludes share-based compensation and IPO related expenses, acquisition and integration and expansion costs as well as costs for reorganization and restructurings under corporate law as well as one-time costs for ERP system change.

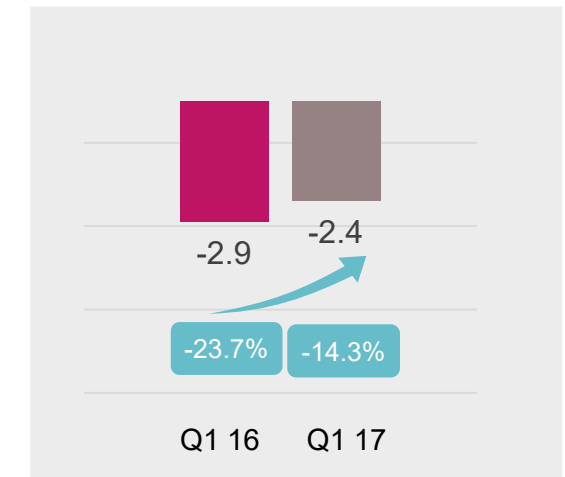
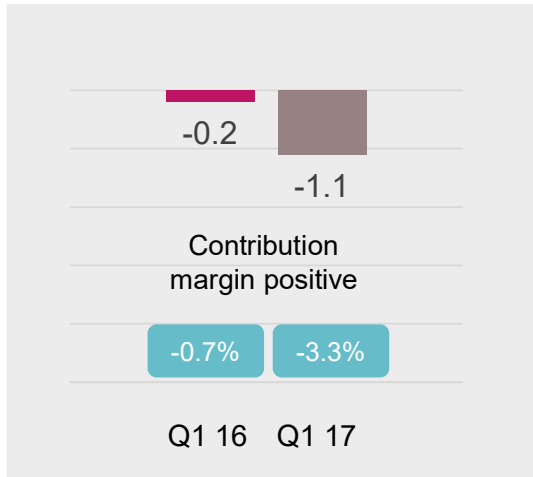
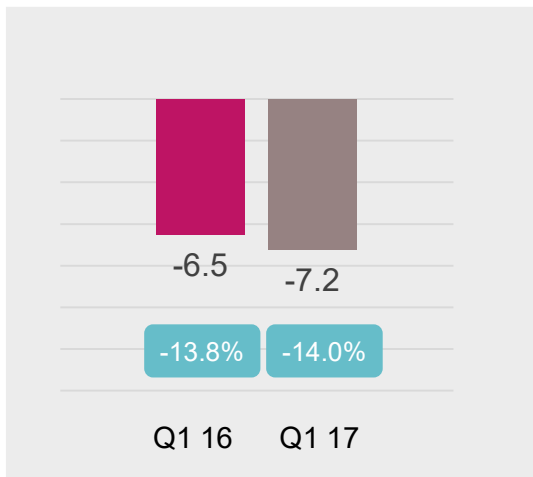
Continuous margin improvement at International Shops



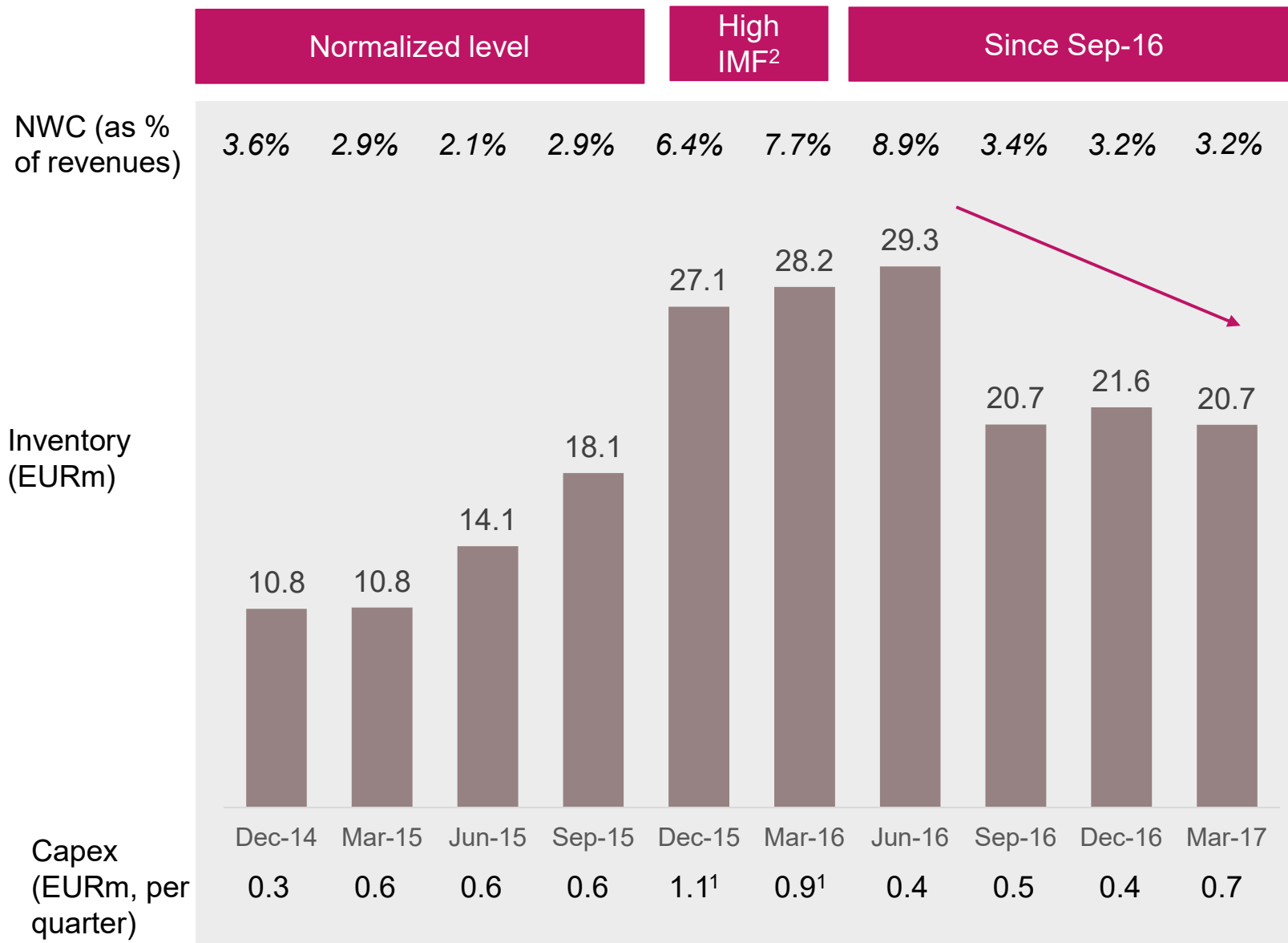
Revenues (EURm; in %)



Adj. EBIT (EURm; in %)



We continue to monitor our net working capital



Inventory measures last 12 months

- Stop of Nakiki flashsale
- Selldown of excess Nakiki and windeln.de inventory
- Reduction of # of brands/SKUs
- Monitoring max. days of inventory by category

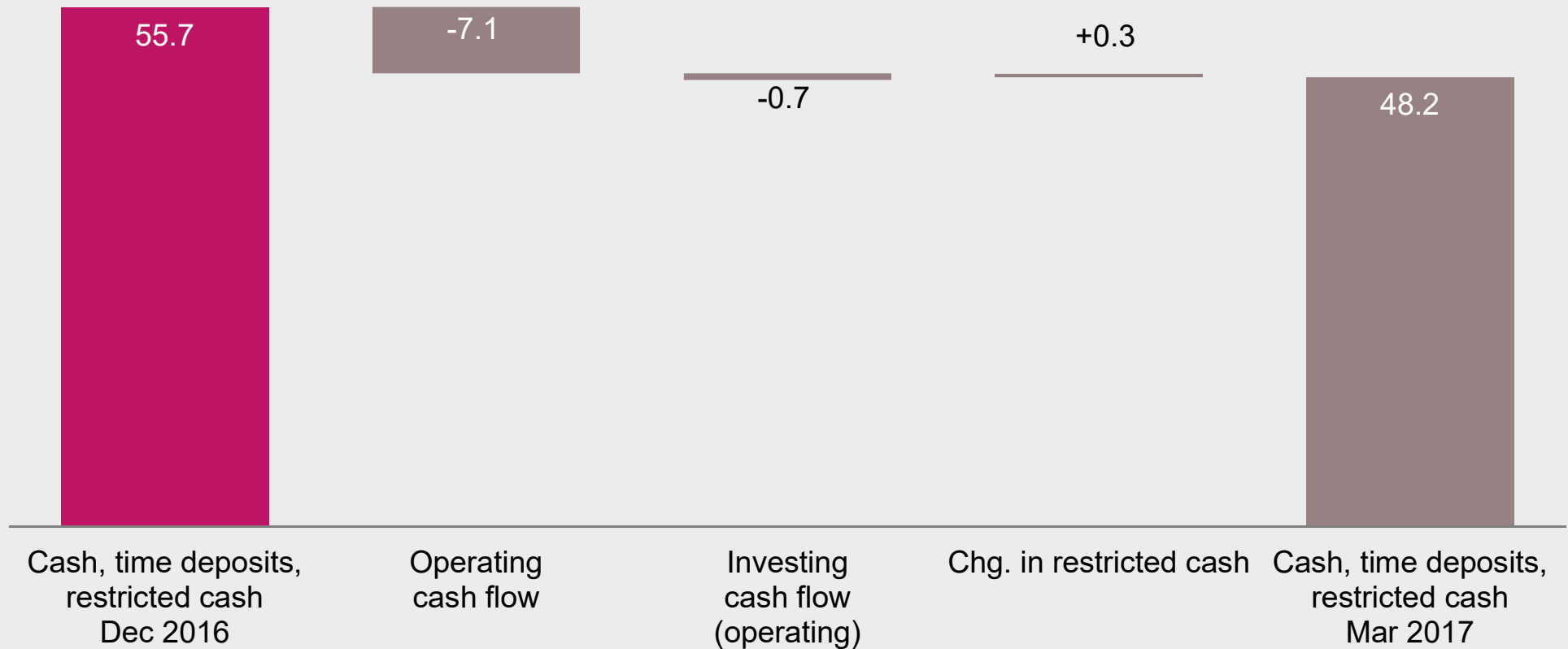
¹ Includes Capex related to ERP (AX) introduction
² Infant Milk Formula .

Liquidity position remains strong



Liquidity bridge (31 March 2017)

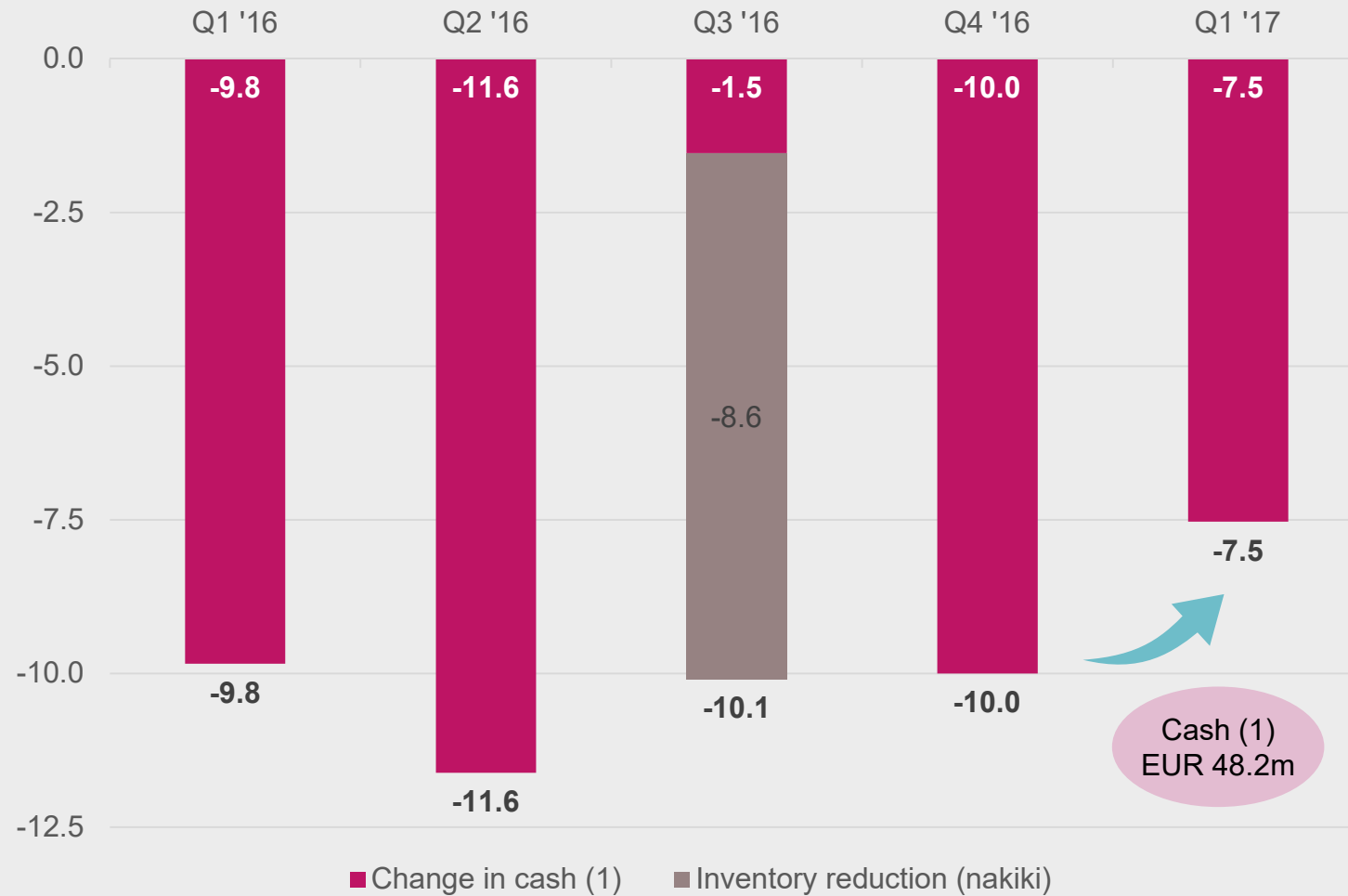
In EURm



Cash out lower in Q1 2017



Change in cash Q4 2015 to Q1 2016; cash as of 31-March 2017 (EUR m) (1)

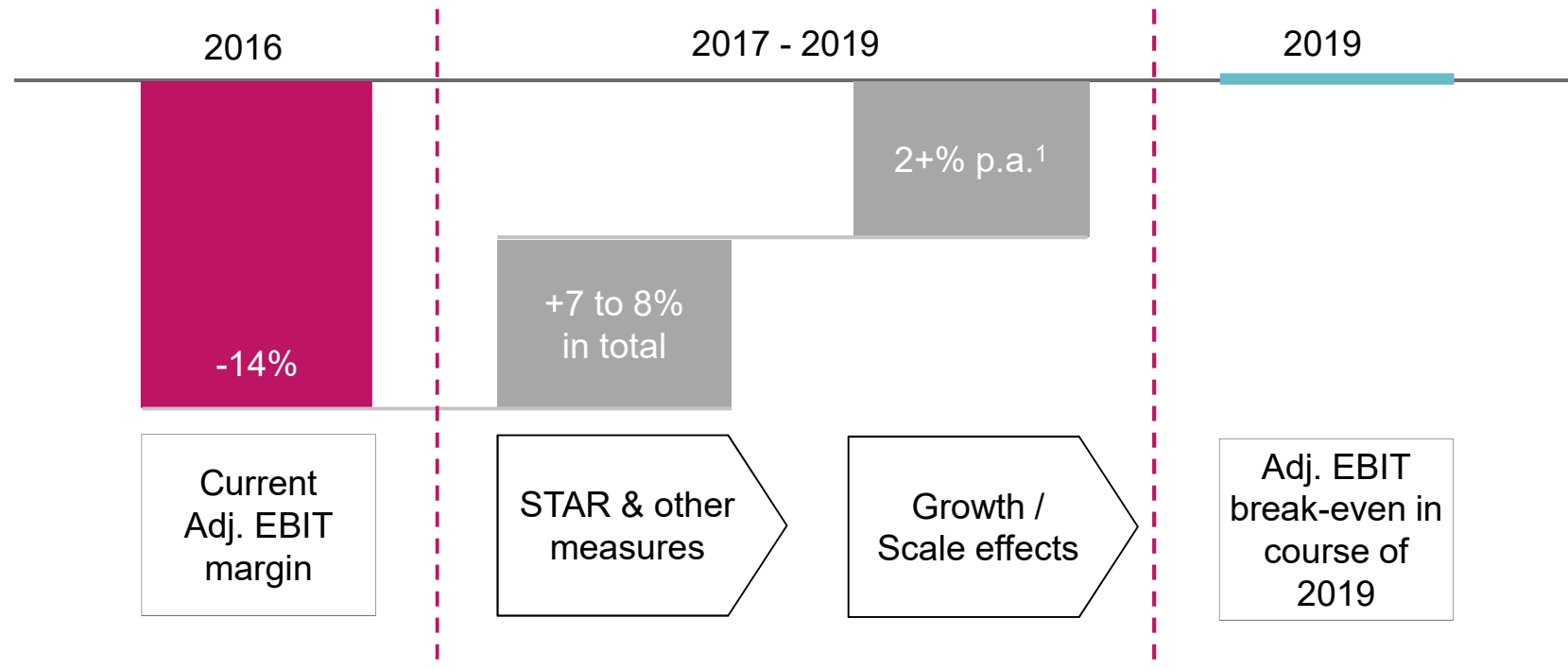


(1) Includes cash and cash equivalents, time deposits and restricted cash. As of 31-March 2017 the numbers are as followed: cash and cash equivalents EUR 44.1m, time deposits EUR 3.8m and restricted cash EUR 0.3m

No change to our mid-term outlook



Adj. EBIT margin in %



- We continue to execute on STAR measures
- We expect to grow on average at least 15% annually

¹ Illustrative impact for 15+% annual revenue growth at flat operating expenses.



Questions



Appendix



Key performance indicators quarter over quarter (continuing operations)

Consolidation
of FeedoConsolidation
of Bebitus

	Q1 '14	Q2 '14	Q3 '14	Q4 '14	Q1 '15	Q2 '15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1 '17
Site Visits (in thousand) ¹	5,089	6,261	7,463	8,798	9,897	10,524	12,771	18,532	21,346	22,106	23,030	27,507	26,037
Mobile Visit Share (in % of Site Visits) ²	37.7%	45.4%	49.4%	50.0%	55.5%	57.4%	54.1%	55.2%	58.6%	62.0%	65.3%	66.7 %	68.6%
Mobile Orders (in % of Number of Orders) ³	27.2%	32.3%	35.0%	36.0%	39.9%	40.3%	38.4%	39.0%	42.6%	43.9%	46.2%	48.7 %	46.3%
Active Customers (in thousand) ⁴	302	332	382	442	496	546	670	859	928	965	998	1,065	1,073
Number of Orders (in thousand) ⁵	231	257	301	349	365	377	459	603	594	532	537	674	630
Average Orders per Active Customer (in number of orders) ⁶	2.5	2.5	2.5	2.6	2.6	2.5	2.5	2.4	2.4	2.3	2.3	2.2	2.2
Orders from Repeat Customers (in thousand) ⁷	176	198	232	270	284	293	349	432	440	391	387	458	468
Share of Repeat Customer Orders (in % of Number of Orders) ⁸	80.9%	81.8%	82.1%	82.1%	81.9%	81.8%	80.7%	77.6%	77.4%	76.9%	76.2%	76.6 %	75.6%
Gross Order Intake (in € thousand) ⁹	20,642	23,489	28,116	34,265	35,446	37,677	41,649	56,363	54,522	47,886	47,066	55,022	52,210
Average Order Value (in €) ¹⁰	89.5	91.3	93.5	98.2	97.2	99.9	90.8	93.5	91.9	90.0	87.6	81.6	82.9
Returns (in % of Net Merchandise Value) ¹¹	4.0%	4.3%	5.8%	3.5%	4.1%	5.1%	4.8%	3.6%	6.3%	5.8%	5.1%	3.9 %	3.9%

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 and include visits to our online magazine. 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.
- 2) We define Mobile Visit Share (in % of Site Visits) as the number of visits via mobile devices (smartphones and tablets) to our mobile optimized websites divided by the total number of Site Visits in the measurement period. We have excluded visits to our online magazine. Until the end of 2016 we have also excluded visits from China because the most common online translation services on which most of our customers who ordered in our German shop for delivery to China relied to translate our website content were not able to do so from their mobile devices, and therefore very few of such customers ordered from their mobile devices. As we have started a customized website for our Chinese customers in December 2016 we include visits from China from Q1 2017 onwards. Measured by Google Analytics.
- 3) We define Mobile Orders (in % of Number of Orders) as the number of orders via mobile devices to our mobile optimized websites divided by the total Number of Orders in the measurement period. From Q1 2017 onwards we include orders from China. Measured by Google Analytics.
- 4) We define Active Customers as the number of unique customers placing at least one order in one of our shops in the 12 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. 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”. Cancelled orders are not included in the Number of Orders.
- 6) We define Average Orders per Active Customer as Number of Orders in the last twelve months divided by the number of Active Customers.
- 7) We define Orders from Repeat Customers as the number of orders from customers who have placed at least one previous order, irrespective of returns.
- 8) We define Share of Repeat Customer Orders as the number of orders from Repeat Customers divided by the Number of Orders in the last twelve months.
- 9) We define Gross Order Intake as the aggregate Euro amount of customer orders placed in the measurement period minus cancellations. The Euro amount includes value added tax and excludes marketing rebates.
- 10) We define Average Order Value as Gross Order Intake divided by the Number of Orders in the measurement period.
- 11) We define Returns (in % of Net Merchandise Value) as the Net Merchandise Value of items returned divided by Net Merchandise Value in the measurement period. From Q2 2016 onwards including Bebitus and Feedo.

Selected business segments and geographic data



Business segments						
KEUR	2016	2015 R ¹	yoy growth	Q1 2017	Q1 2016 R ¹	yoy growth
Revenues (continuing)	194,756	160,994	21.0%	51,879	47,039	10.3%
German Shop	138,986	140,255	-0.9%	35,341	34,795	1.6%
International Shops	55,870	20,739	169.4%	16,597	12,244	35.6%
Reconciling item	-100	-	-	-59	-	-
Shopping Clubs	14,830	17,608	-15.8%	-	5,093	-100.0%
Adj. EBIT² (continuing)	-26,712	-9,329		-7,245	-6,468	
German Shop	-1,632	5,630		-1,159	-231	
% margin	-1.2%	4.0%		-3.3%	-0.7%	
International Shops	-11,439	-5,392		-2,373	-2,903	
% margin	-20.5%	-26.0%		-14.3%	-23.7%	
Reconciling item	-13,641	-9,567		-3,713	-3,334	
Shopping Clubs	-4,878	-5,810		-	-1,226	
% margin	-32.9%	-33.0%		-	-24.1%	

Geographic region (Total)						
KEUR	2016	2015 R ¹	yoy growth	Q1 2017	Q1 2016 R ¹	yoy growth
Revenues (continuing)	194,756	160,994	21.0%	51,879	47,039	10.3%
DACH ³	54,512	54,498	0.0%	13,343	14,281	-6.6%
China ⁴	89,383	91,068	-1.9%	23,640	21,766	8.6%
Rest of Europe ⁵	50,861	15,428	229.7%	14,896	10,992	35.5%



¹ Restatement of 2016 comparative numbers includes separate disclosure of continued and discontinued operations.

² Adjusted to exclude share-based compensation, acquisition and integration and expansion costs as well as costs for reorganization and restructurings under corporate law as well as one-time costs for ERP system change.

³ Our "DACH" geographic region consists of that part of our business that generates product and services revenues from customers ordering for delivery to Germany, Austria and Switzerland.

⁴ Our "China" geographic region consists of that part of our business that generates product and services revenues from customers ordering for delivery to China.

⁵ Our "Other/rest of Europe" geographic region consists of that part of our business that generates product and services revenues from customers ordering for delivery to countries other than Germany, Austria, Switzerland and China.

Income statement (continuing operations)



kEUR	2016	2015 R ¹	Q1 2017	Q1 2016 R ¹
Revenues	194,756	160,994	51,879	47,039
Cost of sales	-142,984	-118,405	-39,779	-33,808
Gross profit	51,772	42,589	12,100	13,231
<i>% margin</i>	26.6%	26.5%	23.3%	28.1%
Selling and distribution expenses	-68,413	-43,117	-16,124	-16,936
Administrative expenses	-18,804	-23,395	-5,112	-6,310
Other operating income	971	5,093	260	87
Other operating expenses	-839	-545	-62	-77
EBIT	-35,313	-19,375	-8,938	-10,005
<i>% margin</i>	-18.1%	-12.0%	-17.2%	-21.3%
Financial result	864	-2,980	-15	49
EBT	-34,449	-22,355	-8,953	-9,956
<i>% margin</i>	-17.7%	-13.9%	-17.3%	-21.2%
Income taxes	-16	5	3	0
Profit or loss from continuing operations	-34,465	-22,350	-8,950	-9,956
<i>% margin</i>	-17.7%	-13.9%	-17.3%	-21.2%
EBIT	-35,313	-19,375	-8,938	-10,005
Share-based compensation	5,597	10,940	1,654	2,766
Acquisition, integration and expansion costs	633	-576	118	458
IPO related expenses	-	-430	-	-
Reorganization	984	-	-79	248
Costs of restructuring under corporate law	139	112	-	65
One-time costs of ERP system change	1,248	-	-	-
Adjusted EBIT	-26,712	-9,329	-7,245	-6,468
<i>% margin</i>	-13.7%	-5.8%	-14.0%	-13.8%

¹ Restatement of 2015 and 2016 comparative numbers includes separate disclosure of continued and discontinued operations, changes from retrospective purchase price adjustments in accordance with IFRS 3, and changes from error corrections according to IAS 8.

Balance sheet and cash flow statement



Consolidated statement of financial position		
kEUR	March 31, 2017	December 31, 2016 R ³
Total non-current assets	36,155	35,520
Inventories	20,668	21,645
Prepayments	334	374
Trade receivables	2,199	2,508
Miscellaneous other current assets ¹	9,873	10,326
Cash and cash equivalents	44,112	51,302
Total current assets	77,186	86,155
Total assets	113,341	121,675
Issued capital	26,318	26,318
Share premium	161,599	159,993
Treasury shares	-370	-370
Accumulated loss	-114,423	-105,473
Cumulated other comprehensive income	124	-233
Total equity	73,248	80,235
Total non-current liabilities	7,054	7,004
Other provisions ³	292	424
Financial liabilities	106	64
Trade payables	16,157	17,517
Deferred revenue ³	4,908	4,555
Miscellaneous current liabilities ²	11,576	11,876
Total current liabilities	33,039	34,436
Total equity & liabilities	113,341	121,675

Consolidated statement of cash flows				
kEUR	2016	2015	Q1 2017	Q1 2016
Net cash flows from/used in operating activities	-31,224	-22,244	-7,139	-9,033
Net cash flows from/used in investing activities	-6,113	-16,271	-81	-869
Net cash flows from/used in financing activities	-39	93,356	24	-19
Cash and cash equivalents at the beginning of the period	88,678	33,830	51,302	88,678
Net increase/decrease in cash and cash equivalents	-37,376	54,841	-7,196	-9,948
Cash and cash equivalents at the end of the period	51,302	88,678	44,112	78,730

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.

³ Restatement of 2016 comparative numbers from adoption of IFRS 15: recognition of loyalty bonuses within deferred revenues as part of contract liabilities.

Outstanding earn-out payments for feedo and bebitus acquisition



	Bebitus	Feedo
Purchase price paid (in 2015)	Cash: EUR 5,099k	Cash: EUR 7,000k Shares: 153,937
Earn out period	2015 – 2017	2015 – 2018
Fair value of outstanding earn out payments (as of 31-Mar-2017)	EUR 16,734k <ul style="list-style-type: none"> Contingent purchase price consideration: EUR 3,369k Equity-settled share-based payment: EUR 11,032k Short-term benefit to management: EUR 2,333k 	EUR 3,080k (before claim EUR 5,208k) <ul style="list-style-type: none"> Contingent purchase price consideration: EUR 419k (before claim EUR 2,333k) Equity-settled share-based payment: EUR 2,661k (before claim EUR 2,875k)
Outstanding earn-out payments (by period)	<ul style="list-style-type: none"> 2015: Cash 2016: Shares => Payout for 2015/16: not paid out yet; in discussions <ul style="list-style-type: none"> 2017: Shares 	<ul style="list-style-type: none"> 2015: Cash and Shares 2016: Shares => Payout for 2015/16: EUR 184k cash and 312,428 windeln.de shares <ul style="list-style-type: none"> 2017: Shares 2018: Shares

Overview of STAR measures



1 Focus of business model

- Stop flashsale of Nakiki

2 Focus of products

- Reduction of brands/SKUs
- Accelerate private label

3 Leverage European footprint

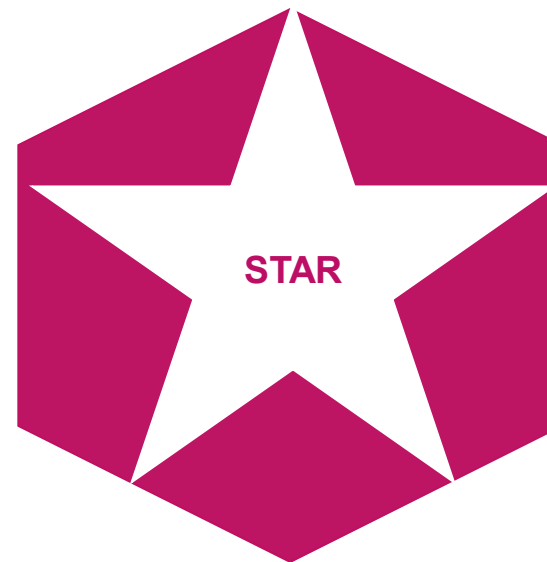
- Central purchasing
- Relocate central warehouse
- Integrate Feedo & Bebitus
- Relocate customer service

6 Enhance management team

- New COO / BU heads
- New head of product mgmt.

5 Improve China business

- Tmall shop
- Regional warehouse
- Other China initiatives



4 Create operational excellence

- Automation
- Cautious hiring policy

