



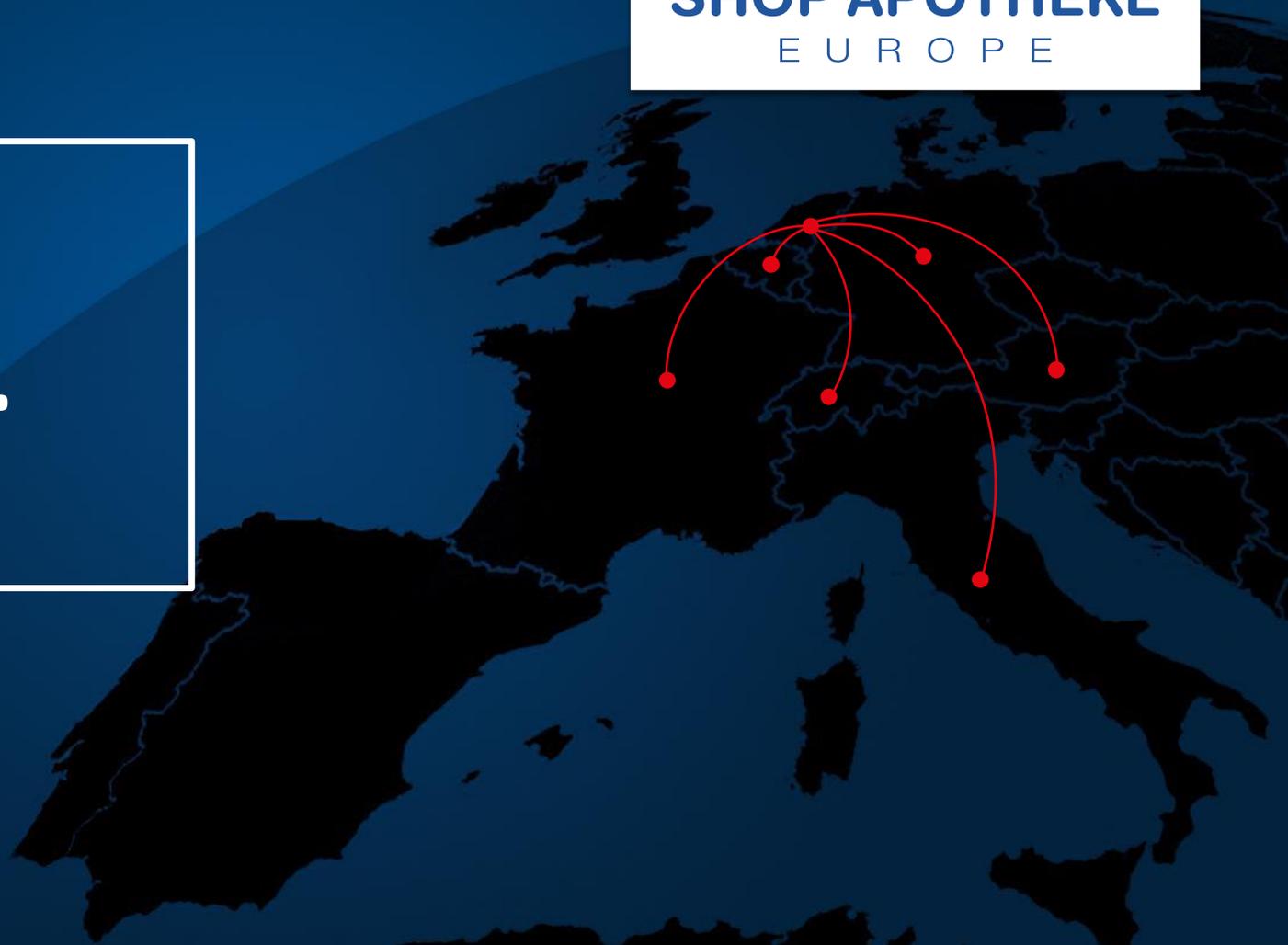
**SHOP APOTHEKE**  
EUROPE

# Q3 2020 EARNINGS CALL. PRESENTATION.

**SHOP APOTHEKE EUROPE**

STEFAN FELTENS, CEO  
JASPER EENHORST, CFO

05 NOV 2020



# TODAY'S PRESENTERS.



**STEFAN FELTENS**  
CEO SHOP APOTHEKE EUROPE



**JASPER EENHORST**  
CFO SHOP APOTHEKE EUROPE



PRESENTING TODAY  
FROM OUR NEW  
HEADQUARTERS  
IN SEVENUM.



**SHOP APOTHEKE**  
EUROPE

# TODAY'S AGENDA.



**FINANCIAL  
PERFORMANCE**



**UPDATE ON BUSINESS AND  
STRATEGY**



**Q+A**

# HIGHLIGHTS.

## Q3 2020.



### **Accelerated growth – fully organic – driven by excellent execution.**

Growth of 39.7% to EUR 238.7M in Q3 and of 38.1% to EUR 703.3M YTD.



### **Record number of new customers.**

Active customer base up 400,000 in Q3 and 1.4M YOY to 5.9M customers.



### **Adj. EBITDA margin 1.8% in Q3 and 2.2% YTD.**

9M adj. EBITDA at EUR 15.5M, YOY improvement of EUR 27.2M; operating cash flow EUR +10.9M.



### **Successful early conversion/redemption of the EUR 135M 4.5% convertible bonds initiated in Q3.**

Substantial improvement of SAE's equity ratio and significant lower financing costs.



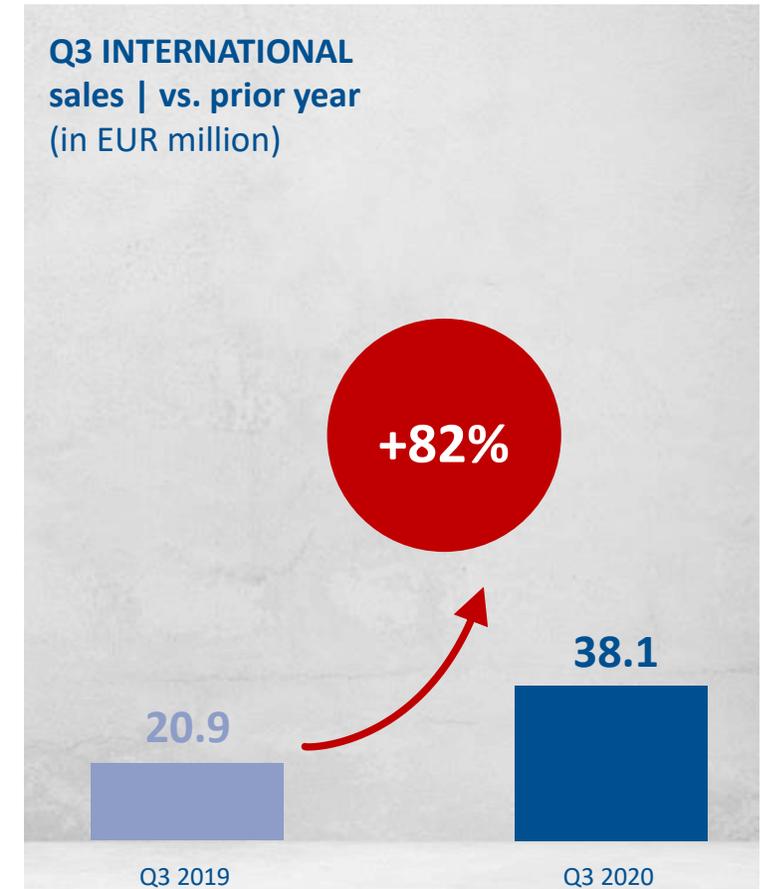
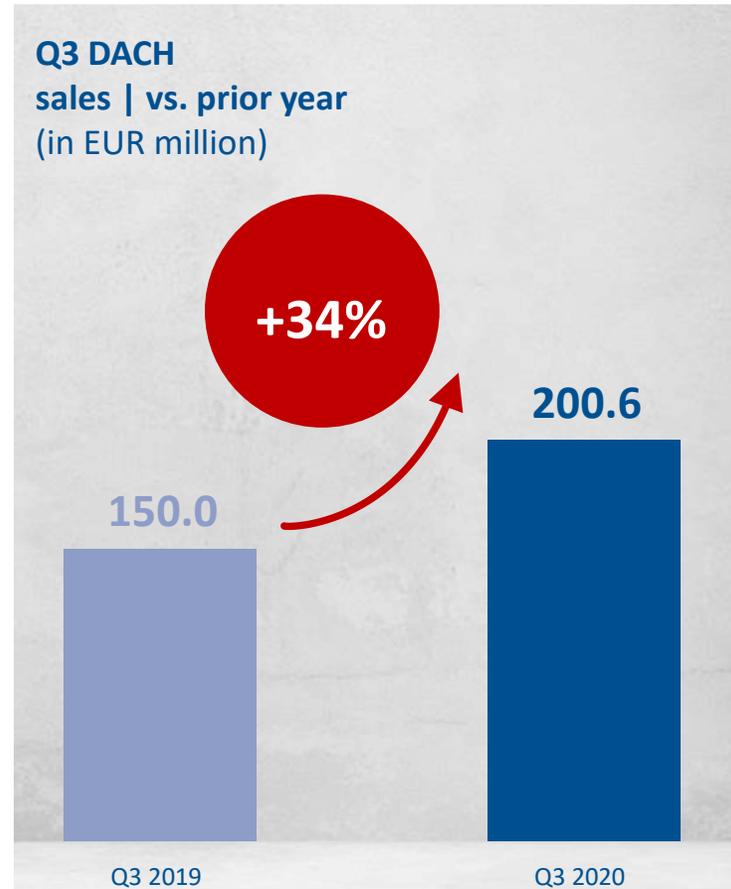
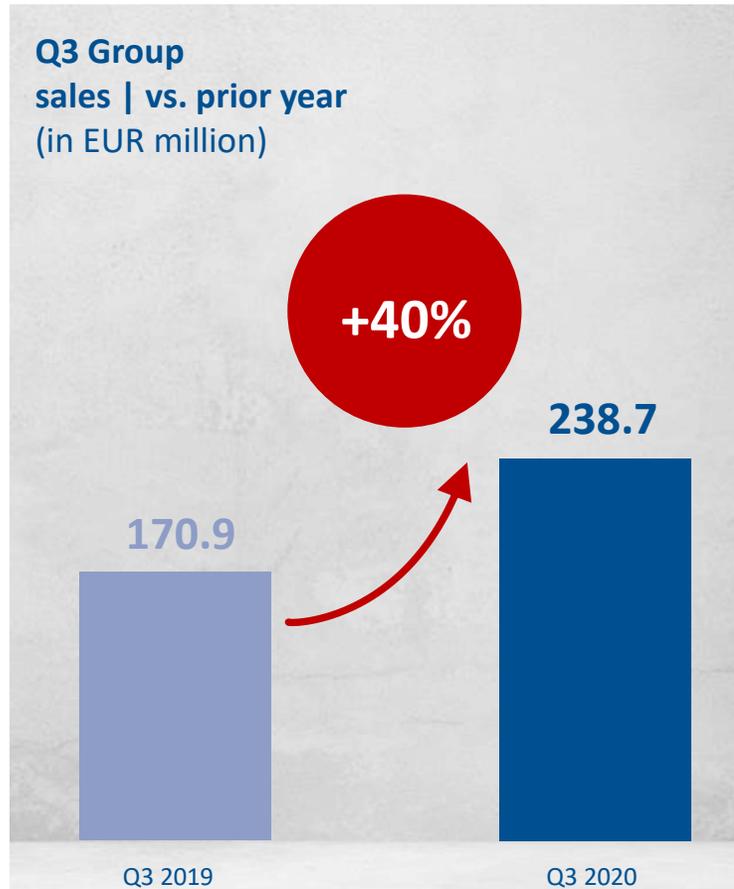
### **Focus strategic initiatives.**

Venlo 2020, e-Rx, SHOP APOTHEKE NOW!, portfolio expansion.

## KEY FINANCIALS.

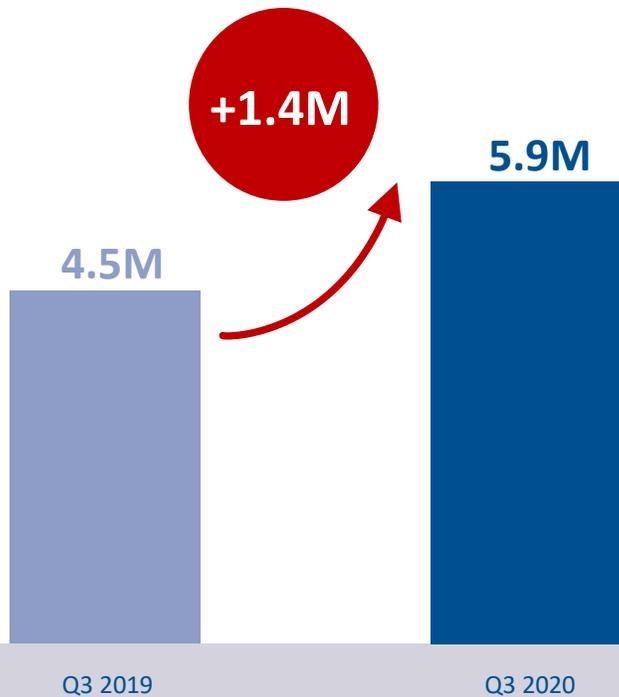
# IMPRESSIVE FULLY ORGANIC TOPLINE GROWTH.

ACTIVE CUSTOMERS +400,000 in Q3, +1,400,000 YOY.



# EXPANSION OF ACTIVE CUSTOMER BASE. PLUS 400,000 IN Q3 (RX & OTC).

# Active customers  
(in million)



NPS-SCORE. (Q2 2020: 70)

70



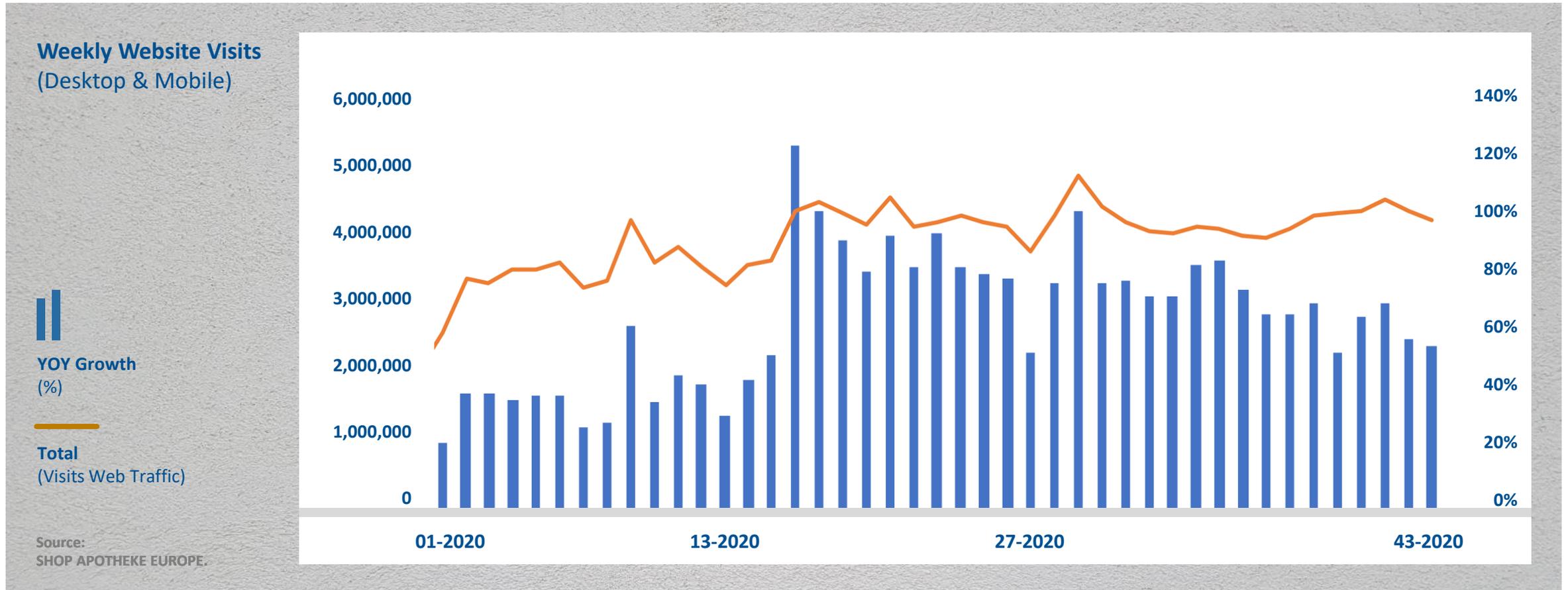
AVERAGE SHOPPING BASKET VALUE. (Q3 2019: EUR 66.91)

€ 66.87

KPIs.

# STRONG WEB TRAFFIC GROWTH

## MOST POPULAR PHARMACY WEBSITE IN GERMANY.\*



\* Source: Traffic rank Similarweb, July 2020 (health category worldwide): SHOP APOTHEKE.COM (#55); MEDPEX (#102); DOCMORRIS (#144).

KPIs.

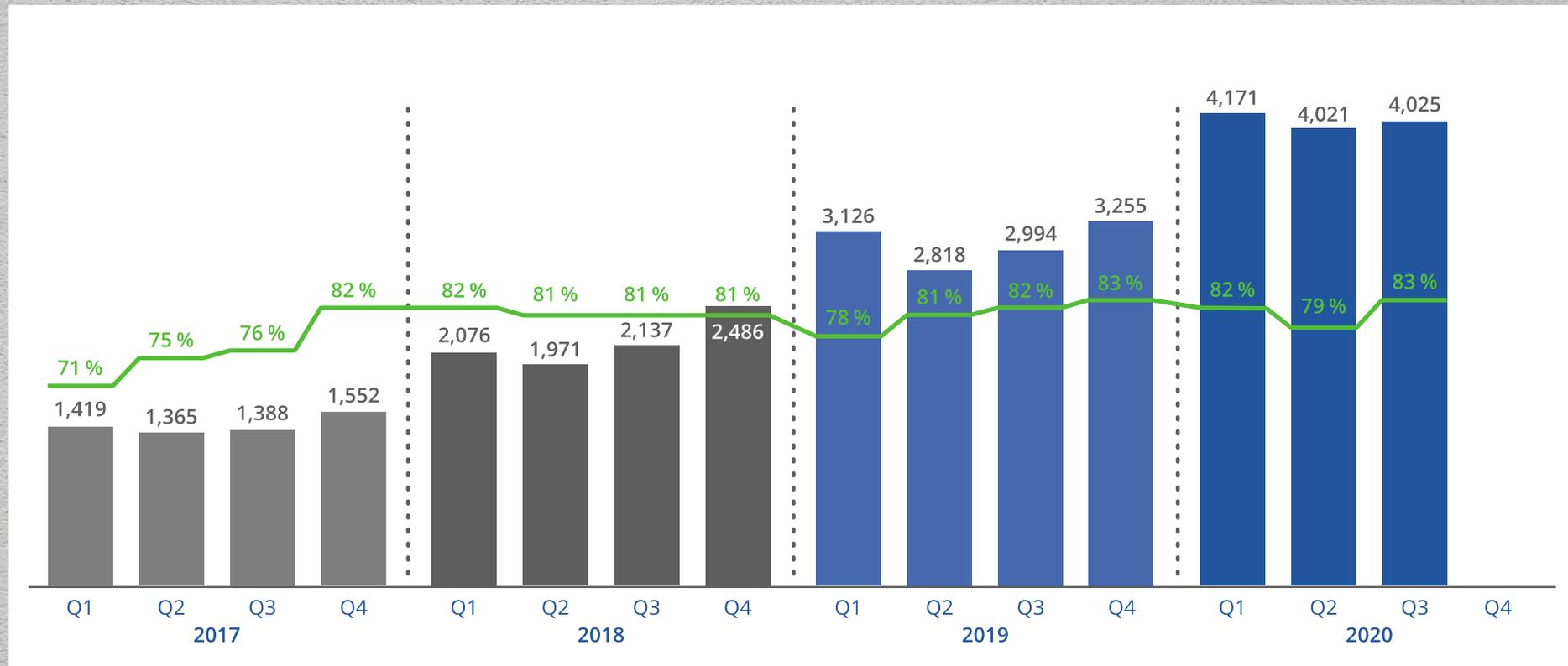
# SHARE OF REPEAT ORDERS REMAINS HIGH DESPITE LARGE NUMBERS OF NEW CUSTOMERS.

Number of orders  
(in '000)



Share of repeat orders  
(in %)

Source:  
SHOP APOTHEKE EUROPE.



## KEY FINANCIALS.

# ADJ. EBITDA FROM EUR —11.7M LAST YEAR TO +15.5M NOW.

(in EUR million)

### Q3 last year and this year

	Q3 2019	Q3 2020	Better/ (Worse)
Sales	170.9	238.7	40%
Gross profit margin	18.9%	21.9%	3.0 pp
Selling & distribution as percentage of sales	-17.4%	-17.6%	(0.2) pp
Administrative costs (adj.) as percentage of sales	-3.0%	-2.6%	0.4 pp
Adj. EBITDA	-2.1	4.2	6.3
Adj. EBITDA margin	-1.2%	1.8%	3.0 pp
EBITDA	-3.3	2.8	6.1

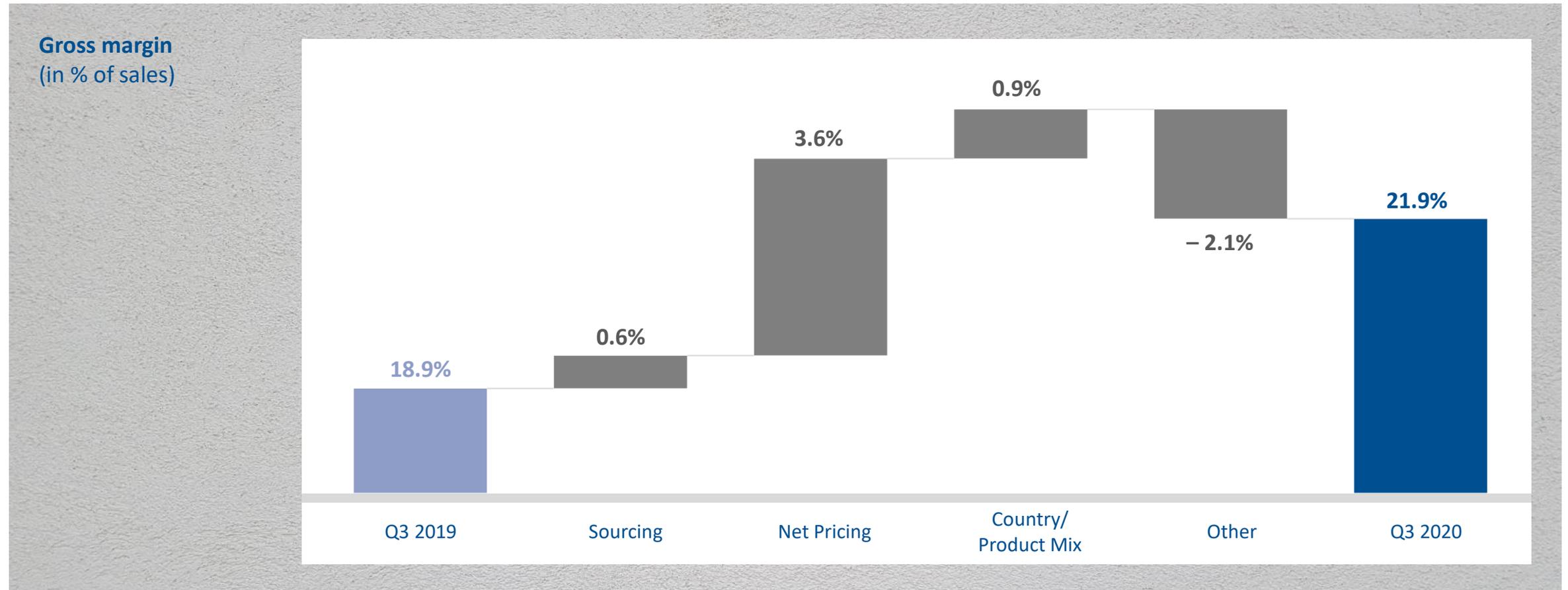
### 9M last year and this year

	9M 2019	9M 2020	Better/ (Worse)
Sales	509.2	703.3	38%
Gross profit margin	19.6%	22.3%	2.7 pp
Selling & distribution as percentage of sales	-19.0%	-17.5%	1.5 pp
Administrative costs (adj.) as percentage of sales	-2.9%	-2.6%	0.3 pp
Adj. EBITDA	-11.7	15.5	27.2
Adj. EBITDA margin	-2.3%	2.2%	4.5 pp
EBITDA	-14.4	12.1	26.5

Adjustments in 9M 2020 of EUR 3.4M are mainly related to the non-cash employee stock option programme.

# KEY FINANCIALS.

## GROSS MARGIN UP 3.0 PP VS. LAST YEAR.

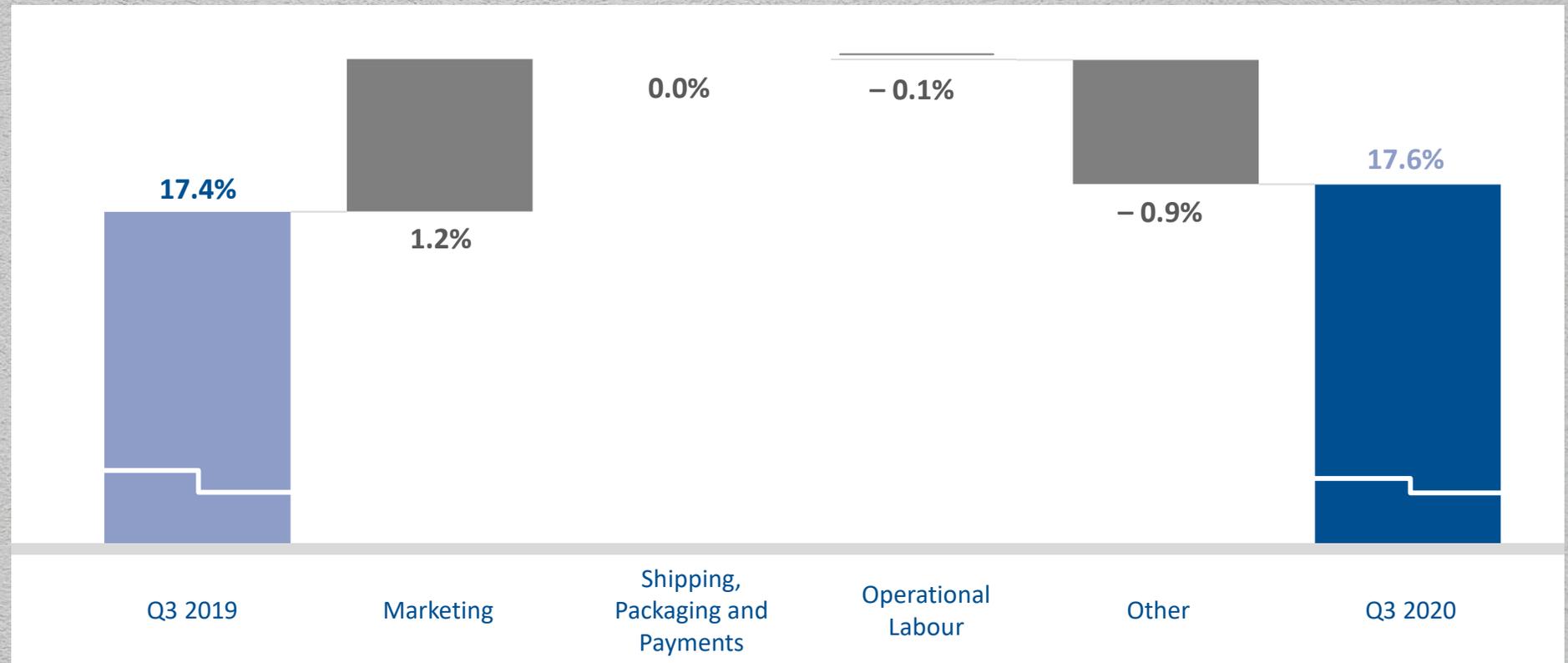


KEY FINANCIALS.

MARKETING EXPENSES UP, REFLECTING GROWTH INVESTMENTS.

OPERATIONAL COSTS WELL CONTROLLED.

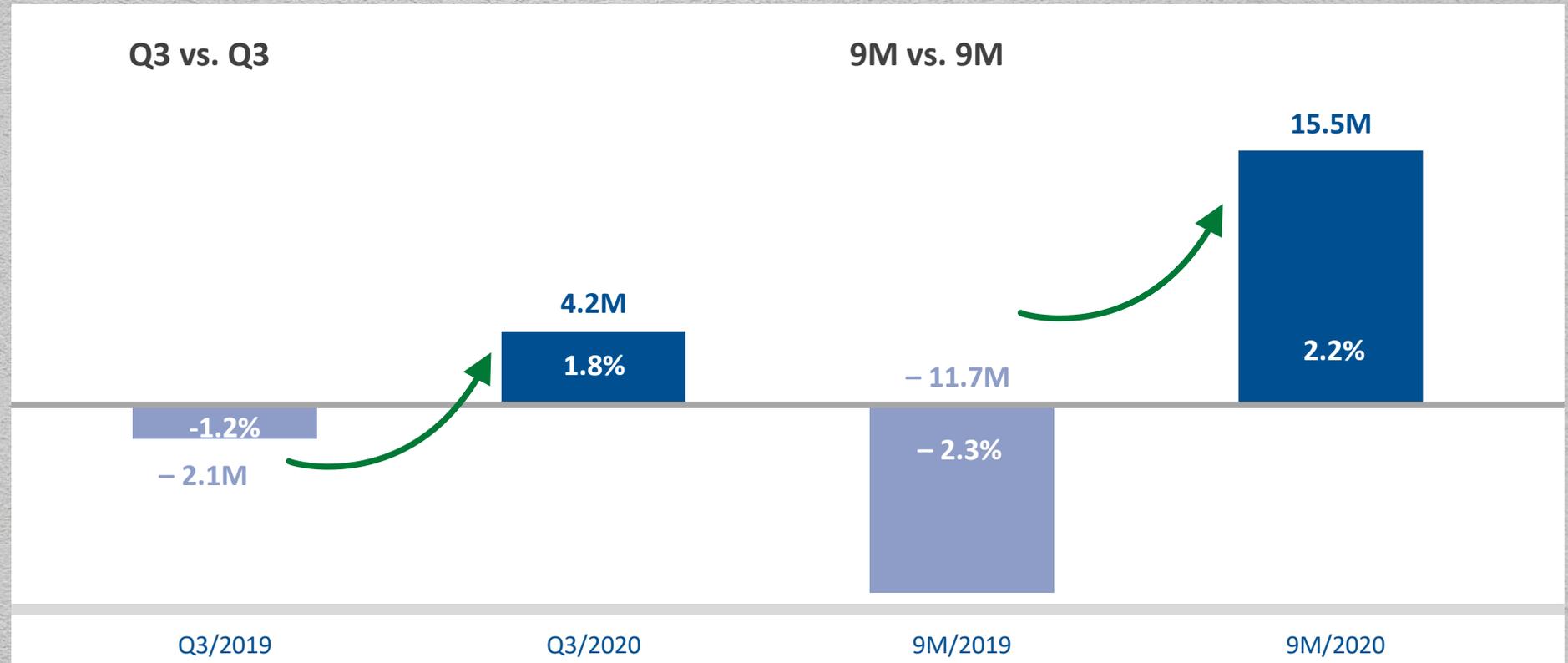
S&D costs  
(in % of sales)



# KEY FINANCIALS.

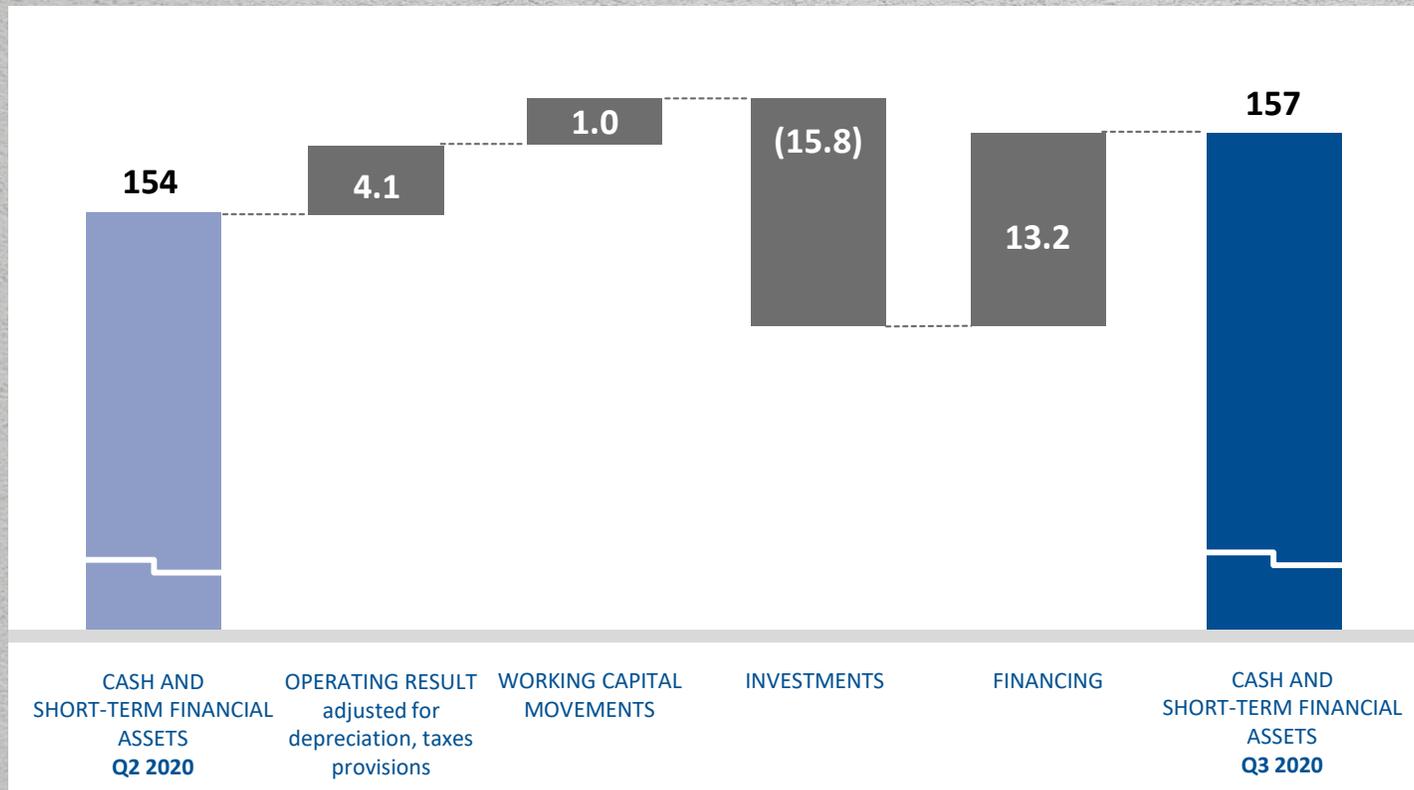
## EBITDA UP EUR 27.2 M YEAR OVER YEAR.

Adjusted EBITDA  
(in EUR million  
and % of sales)



## KEY FINANCIALS.

# CASH BALANCES UP DUE TO A POSITIVE CASH FLOW IN Q3.



Cash from operations in Q3 a positive EUR 5.1 million.

Investments on track. In Q3 EUR 15.8 million mainly in the new logistics centre in Sevenum and IT.

Cash from financing in Q3 a positive EUR 13.2 million. Mainly related to ESOP minus interest payments.



**SHOP APOTHEKE**  
EUROPE

# TODAY'S AGENDA.



FINANCIAL  
PERFORMANCE



UPDATE ON BUSINESS AND  
STRATEGY



Q+A

FROM A PURE  
E-PHARMACY  
RETAILER ...



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



FOCUSSING ON OUR  
CUSTOMERS' NEEDS  
TO INCREASE  
CUSTOMER LOYALTY &  
PROFITABILITY.



VENLO 2020:  
**NEW LOGISTICS CENTRE  
TO MEET  
THE HIGHER FUTURE  
DEMAND EXPECTED  
DUE TO E-SCRIPT.**



INTRODUCING A NEW LEVEL OF AUTOMATION.  
CAPACITY OF **> 35 MILLION PARCELS** PER YEAR.

VENLO 2020:

## AMPLE CAPACITY FOR OUR AMBITIOUS GROWTH PLANS.



TODAY:  
20,000 sqm  
on one level.



TOMORROW:  
40,000 sqm  
plus 8,000 sqm on 2nd level.



PARCELS SENT 2019:  
> 39,000 A DAY.



TOMORROW:  
> 100,000 A DAY.



NEW LOGISTICS CENTRE  
FULLY ON SCHEDULE.

## A SEAMLESS MOVE TO GUARANTEE OPTIMAL OPERATIONS.

- **OCTOBER 21, 2020:**  
SHIPPING OF FIRST PARCELS TO ITALY.
- **JANUARY 2021:**  
INTRODUCTION OF A SIGNIFICANTLY  
HIGHER LEVEL OF AUTOMATION.
- **Q2 2021:**  
COMPLETION OF THE  
ENTIRE LOGISTICS CENTRE.



VENLO 2020

**INSPIRING OPEN  
SPACE ENVIRONMENT  
FOR OUR EMPLOYEES.**



VENLO 2020.

## CREATING A SUSTAINABLE BUILDING.

FOCUS ON SUSTAINABILITY.

REDUCING OUR ENVIRONMENTAL  
FOOTPRINT.

“VERY GOOD” ACCORDING  
TO THE DUTCH BREEAM CERTIFICATION  
STANDARDS.



## CUSTOMER-CENTRIC SERVICES KEY STRATEGIC INITIATIVES.

### OWN BRANDS.

EXTENSION OF REDCARE PRODUCTS.

### MARKETPLACE.

- SHOP APOTHEKE NOW!
- PORTFOLIO EXPANSION.

### ONLINE DOCTOR SERVICE.

CO-OPERATION WITH ZAVA IN GERMANY.

### E-SCRIPT.

INTERNAL PREPARATONS FULLY ON TRACK.



## E-RX FIRST: ALREADY PREPARED TO GET STARTED.

DEDICATED TEAM OF EXPERTS.  
TASK FORCE "E-RX FIRST" ESTABLISHED 2019.

DEEP INHOUSE EXPERTISE.  
ALMOST 20 YEARS OF RX EXPERIENCE  
(EUROPA APOTHEEK / SMART).

TECHNOLOGY ALREADY IN USE  
HUNDREDS OF ONLINE PRESCRIPTIONS FILLED EVERY DAY THROUGH  
OUR CO-OPERATION WITH ZAVA.

EXTENSION OF PARTNERSHIPS.  
JOINED TK PILOT.

LOOKING FORWARD.

## 2020 SALES AND EBITDA GUIDANCE RAISED AGAIN.



Full-year sales growth at least **35%** (up from previously: at least 30%).



Full-year adj. EBITDA margin around **2%** (up from previously: 1-2%).



Continued investments in growth: capacity, IT and customer acquisition.



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



**SHOP APOTHEKE**  
EUROPE

# TODAY'S AGENDA.



FINANCIAL  
PERFORMANCE



UPDATE ON BUSINESS AND  
STRATEGY



Q+A



NOW IT'S TIME FOR  
Q&A.

# CONSOLIDATED SEGMENT FINANCIALS.

## Segment information Q3 2020 - non adjusted and adjusted

30.9.2020	DACH	International	Unaudited interim consolidated
	EUR 1,000	EUR 1,000	EUR 1,000
Revenue	591,696	111,649	703,345
Cost of sales	-463,027	-83,457	-546,484
Gross profit	128,669	28,192	156,861
% of revenue	21.7%	25.3%	22.3%
Other income	12	2	14
Selling & distribution	-92,824	-30,407	-123,231
Adjusted S&D	-92,824	-30,407	-123,231
Segment EBITDA	35,857	-2,213	33,644
Adjusted segment EBITDA	35,857	-2,213	33,644
Administrative expenses	-13,700	-7,877	-21,577
Adjusted AE	-10,794	-7,357	-18,151
EBITDA	22,157	-10,090	12,067
Adjusted EBITDA	25,063	-9,570	15,493
Depreciation	-6,904	-3,970	-10,874
EBIT	15,253	-14,060	1,193
Adjusted EBIT	18,159	-13,540	4,619
Net finance cost and income tax			-10,651
Net Result			-9,458
Adjusted net Result			-6,032

## Segment information Q3 2019 - non adjusted and adjusted

30.9.2019	DACH	International	Unaudited interim consolidated
	EUR 1,000	EUR 1,000	EUR 1,000
Revenue	447,935	61,219	509,154
Cost of sales	-363,559	-45,935	-409,494
Gross profit	84,376	15,284	99,660
% of revenue	18.8%	25.0%	19.6%
Other income	77	10	87
Selling & distribution	-76,714	-20,013	-96,727
Adjusted S&D	-76,477	-20,013	-96,490
Segment EBITDA	7,739	-4,719	3,020
Adjusted Segment EBITDA	7,976	-4,719	3,257
Administrative expenses	-11,364	-6,007	-17,371
Adjusted AE	-9,806	-5,183	-14,989
EBITDA	-3,625	-10,726	-14,351
Adjusted EBITDA	-1,830	-9,902	-11,732
Depreciation	-7,187	-3,799	-10,986
EBIT	-10,812	-14,525	-25,337
Adjusted EBIT	-9,017	-13,701	-22,718
Net finance cost and income tax			-5,072
Net Result			-30,409
Adjusted net Result			-27,790

# UNAUDITED CONSOLIDATED STATEMENT OF PROFIT AND LOSS.

	Period ended 30.9.2020	Period ended 30.9.2019
	EUR 1,000	EUR 1,000
Revenue	703,345	509,154
Cost of sales	-546,483	-409,494
<b>Gross profit</b>	<b>156,862</b>	<b>99,660</b>
Other income	14	87
Selling and distribution	-132,474	-106,065
Administrative expenses	-23,208	-19,019
<b>Result from operations</b>	<b>1,194</b>	<b>-25,337</b>
Finance income	190	261
Finance expenses	-11,306	-6,317
Net finance costs	-11,116	-6,056
<b>Result before tax</b>	<b>-9,922</b>	<b>-31,392</b>
Income tax	464	984
<b>Result after tax</b>	<b>-9,458</b>	<b>-30,408</b>
<b>Attributable to:</b>		
Owners of the company	-9,458	-30,408

# UNAUDITED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION.

	30.9.2020	31.12.2019
	EUR 1,000	EUR 1,000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	58,792	13,178
Intangible assets	206,561	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
	<b>268,673</b>	<b>217,165</b>
<b>Current assets</b>		
Inventories	72,982	56,688
Trade and other receivables	51,638	40,894
Other financial assets	39,852	50,581
Cash and cash equivalents	116,728	62,653
	<b>281,200</b>	<b>210,816</b>
<b>Total assets</b>	<b>549,872</b>	<b>427,981</b>

	30.9.2020	31.12.2019
	EUR 1,000	EUR 1,000
<b>Equity and liabilities</b>		
<b>Shareholders' equity</b>		
Issued capital and share premium	414,611	341,192
Reserves/accumulated losses	- 114,006	- 108,429
	<b>300,604</b>	<b>232,763</b>
<b>Non-current liabilities</b>		
Deferred tax liability	3,415	3,905
Loans and Borrowings	160,300	131,512
	<b>163,715</b>	<b>135,417</b>
<b>Current liabilities</b>		
Trade and other payables	57,159	32,004
Loans and Borrowings	9,887	7,522
Amounts due to banks	37	10,167
Other liabilities	18,471	10,108
	<b>85,553</b>	<b>59,801</b>
<b>Total equity and liabilities</b>	<b>549,872</b>	<b>427,981</b>

# UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS.

	Period ended 30.9.2020	Period ended 30.9.2019
	EUR 1,000	EUR 1,000
<b>Cash flow from operating activities</b>		
Result from operations	1,194	-18,304
Adjustments for:		
- Depreciation and amortisation of non-current assets	11,002	7,254
- Corporate income tax	226	-5
- Share-based payment charge for the period	2,395	1,303
Operating result adjusted for depreciation and amortisation, taxes and provisions	14,817	-9,751
<b>Movements in working capital</b>		
-(Increase)/decrease in trade and other receivables	-10,744	-4,008
-(Increase)/decrease in inventory	-16,294	579
-(Increase)/decrease in trade and other payables	23,134	17,550
Working capital movement	-3,904	14,120
Net cash (used in)/generated by operating activities	10,913	4,369
<b>Cash flow from investing activities</b>		
Investment for property, plant and equipment	-19,558	-1,154
Investment for intangible assets	-13,978	-7,017
Investment for other financial assets	10,626	-15,588
Acquisition of subsidiary, net of cash acquired	0	0
Net cash (used in)/generated by investing activities	-22,910	-23,759

	Period ended 30.9.2020	Period ended 30.9.2019
	EUR 1,000	EUR 1,000
<b>Cash flow from financing activities</b>		
Interest received	190	78
Interest paid	-6,423	-2,480
Payment of earn-out obligations Farmaline	0	-1,100
Capital increase	63,381	49,147
Capital increase exercised ESOP	11,508	0
Issue convertible bond	0	58,592
Issue other long-term liability	-27	-18
Cash-out lease payments	-2,558	-1,047
Net cash (used in)/generated by financing activities	66,071	103,172
Net increase/(decrease) in cash and cash equivalents	54,075	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	116,728	108,119