



SHOP APOTHEKE
EUROPE

FY 2020 EARNINGS CALL PRESENTATION.

SEVENUM, 03 MAR 2021



TODAY'S PRESENTERS.

STEFAN FELTENS, CEO.

JASPER EENHORST, CFO.



PRESENTING TODAY
FROM OUR **NEW**
HEADQUARTERS AND
LOGISTICS CENTRE
IN SEVENUM.



OUR MISSION.
**WE ENABLE EVERYONE
TO LIVE THE HEALTHIEST
LIFE POSSIBLE.**

TODAY'S AGENDA.



FINANCIAL
PERFORMANCE



UPDATE ON BUSINESS
AND STRATEGY



Q+A



HIGHLIGHTS 2020.

- **ACCELERATED GROWTH – FULLY ORGANIC – DRIVEN BY EXCELLENT EXECUTION.**

GROWTH OF 38.0% TO EUR 265M IN Q4 AND OF 38.1% TO EUR 968M FOR THE FULL YEAR.

- **BREAK-EVEN ACHIEVED: ADJ. EBITDA MARGIN 2.3% IN Q4 AND 2.2% FOR FY 2020.**

2020 ADJ. EBITDA AT EUR 21.6M, YOY IMPROVEMENT OF EUR 35.2M.

- **RECORD NUMBER OF NEW CUSTOMERS.**

ACTIVE CUSTOMER BASE UP 0.4 M IN Q4 AND UP 1.6M DURING 2020 TO 6.3M CUSTOMERS.

- **FINANCIAL PROFILE SIGNIFICANTLY STRENGTHEND.**

POSITIVE OPERATING CASH FLOW (EUR +17.8M AFTER EUR -30.7M IN 2019) AND SUCCESSFUL REPLACEMENT OF CONVERTIBLE BONDS.

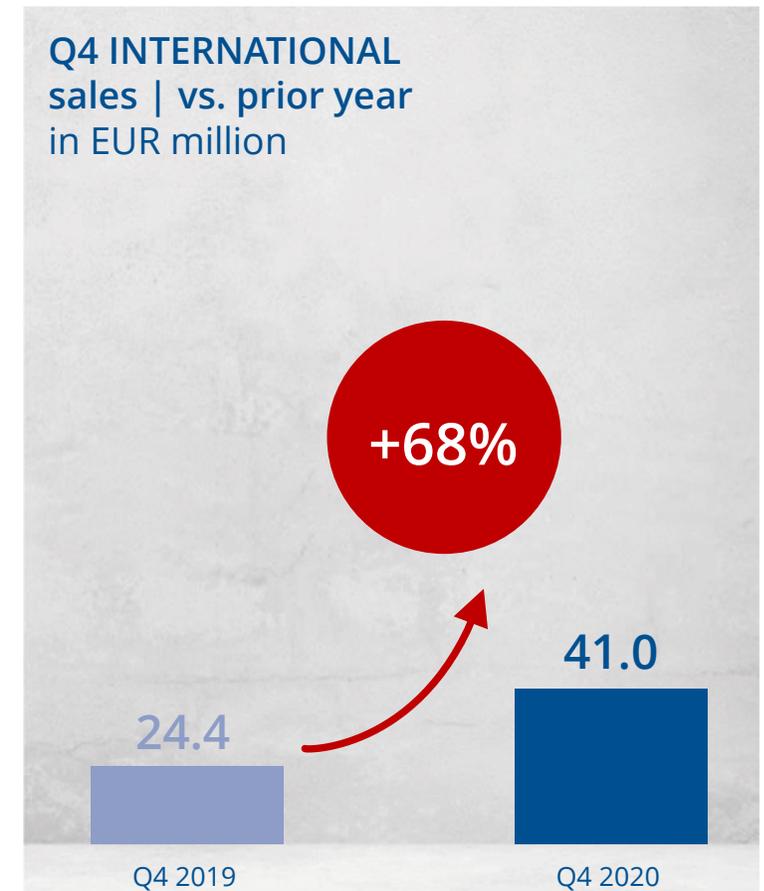
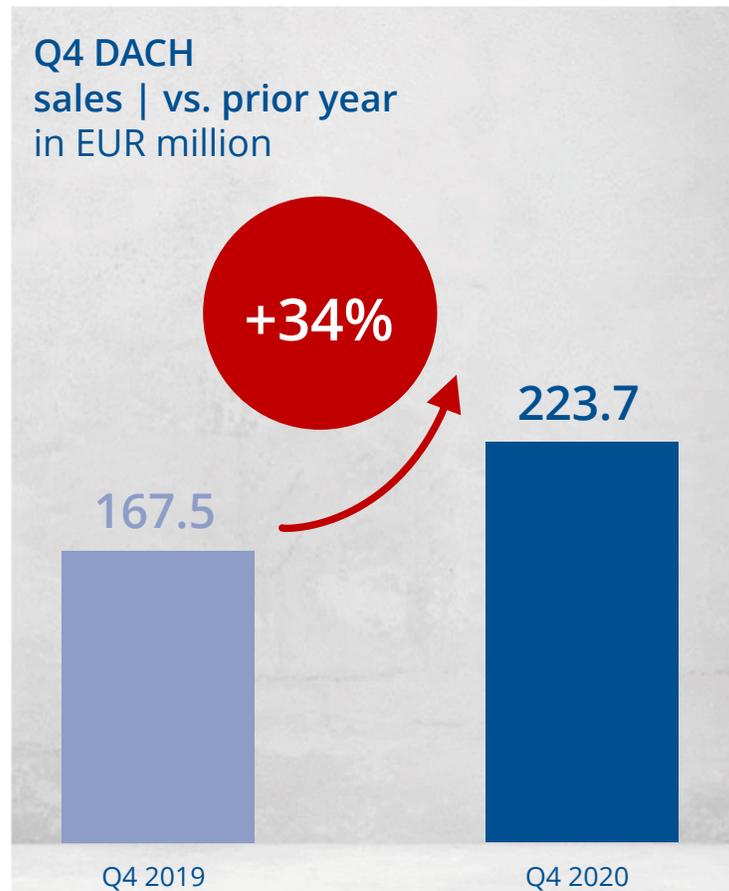
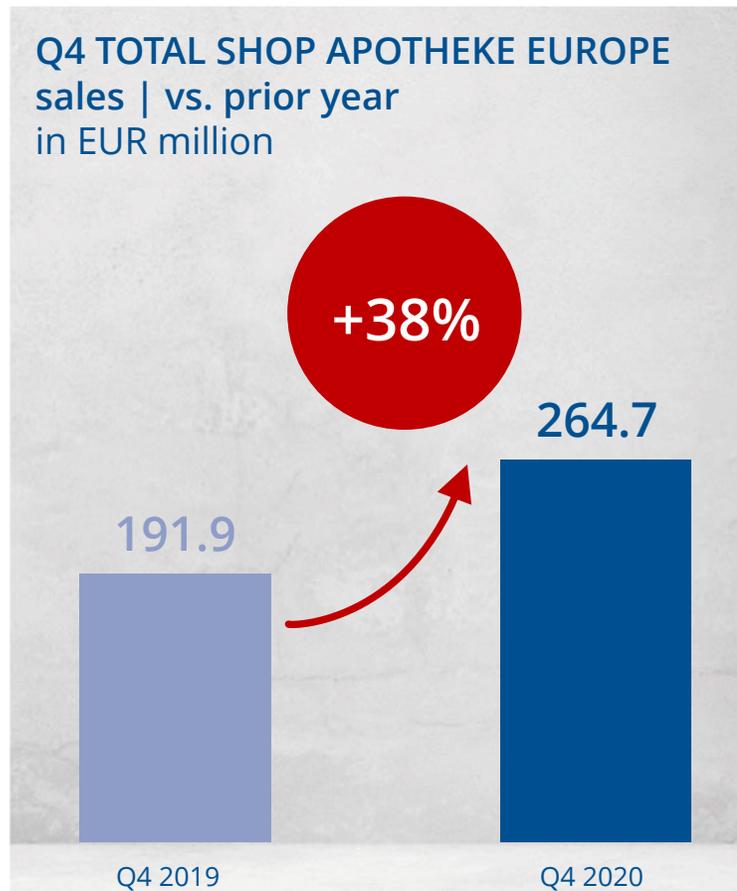
- **FOCUSED STRATEGY EXECUTION.**

E-RX, NEW LOGISTICS CENTRE, NOW!, ONLINE DOCTOR SERVICE COOPERATION, OWN BRAND, MEDICATION MANAGEMENT.

KEY FINANCIALS.

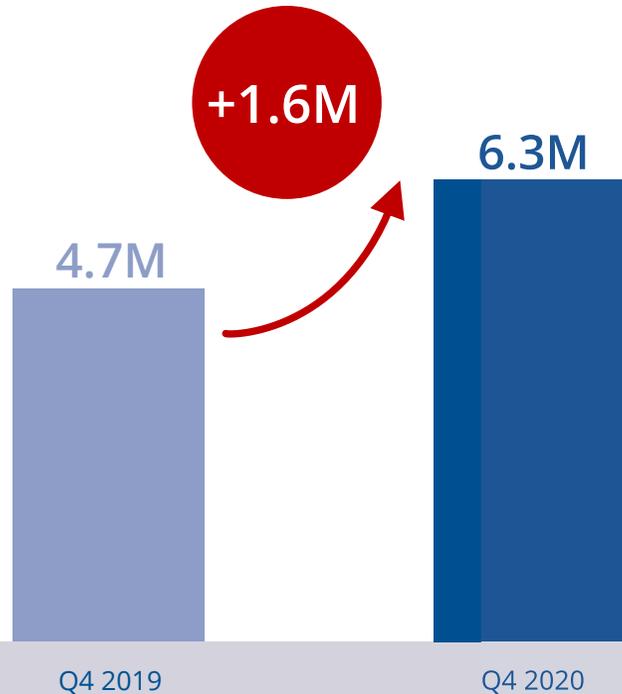
STRONG GROWTH, FULLY ORGANIC.

ACTIVE CUSTOMERS +400,000 IN Q4 AND +1,600,000 FY.



ACTIVE CUSTOMER BASE UP 1.6 MILLION. WITH A BEST-IN-CLASS CUSTOMER SATISFACTION.

Number of active customers in million



NET PROMOTER SCORE (NPS). (Q3 2020: 70)

70



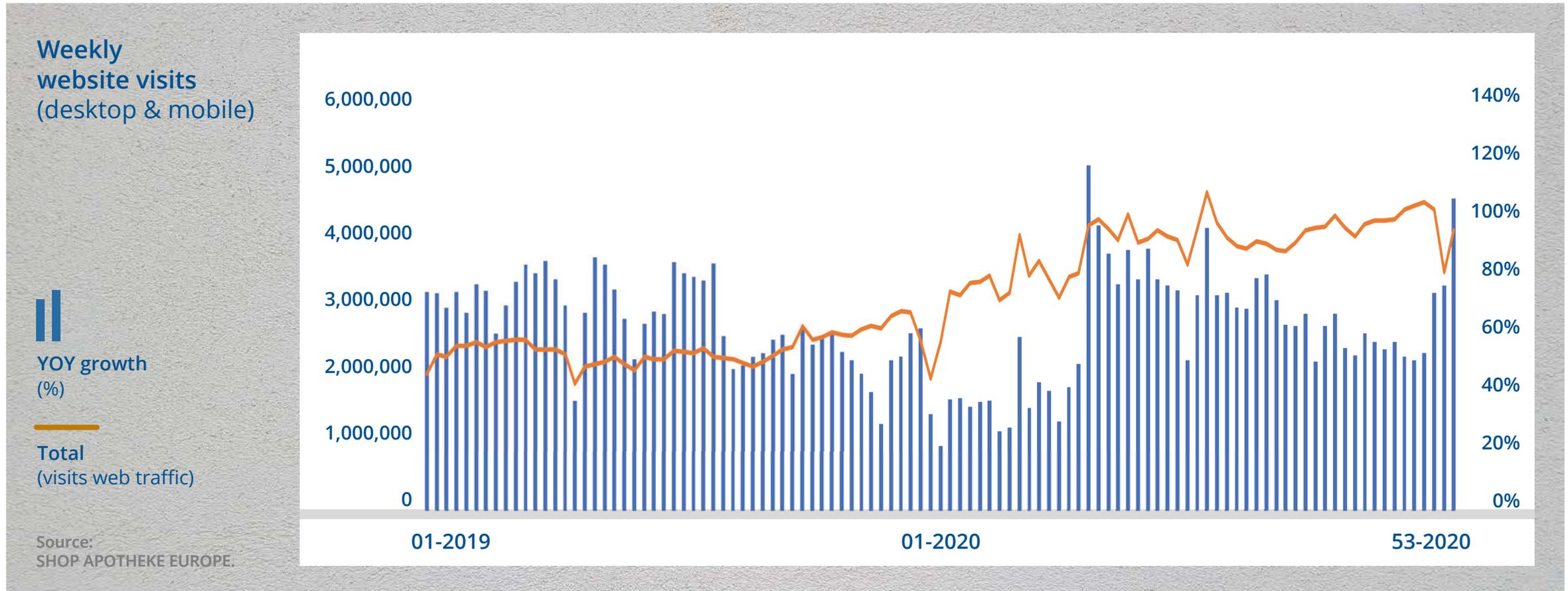
AVERAGE SHOPPING BASKET VALUE. (Q4 2019: EUR 67.98)

€ 68.02

KPIs.

STRONG WEB TRAFFIC GROWTH.

MOST POPULAR PHARMACY WEBSITE IN GERMANY.*



* Source: Traffic rank Similarweb, January 2021 (health category Germany): SHOP-APOTHEKE.COM (#3)

KPIs.

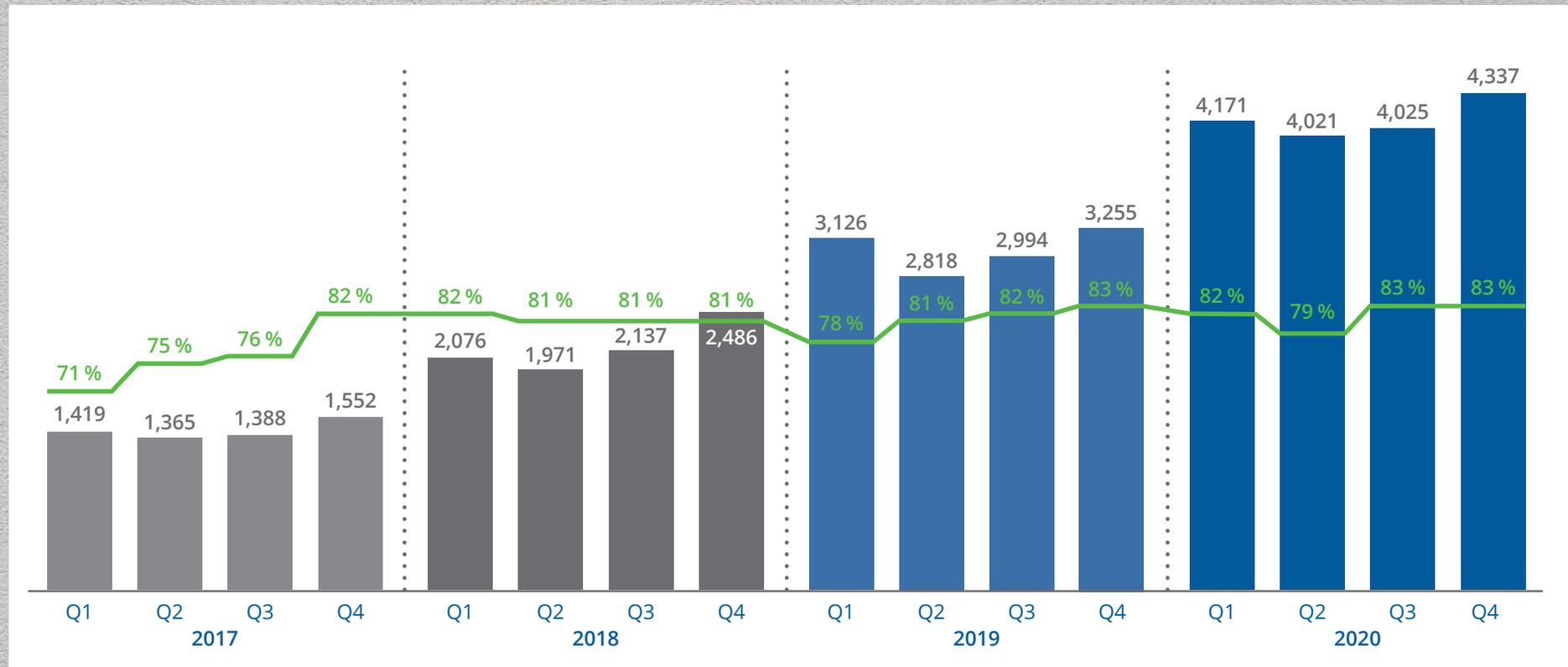
SHARE OF REPEAT ORDERS AT TARGETED LEVEL.

Number of orders in thousands



Share of repeat orders in percentage of total

Source: SHOP APOTHEKE EUROPE.



KEY FINANCIALS.

ADJ. EBITDA FROM EUR –13.6M LAST YEAR TO EUR +21.6M NOW.

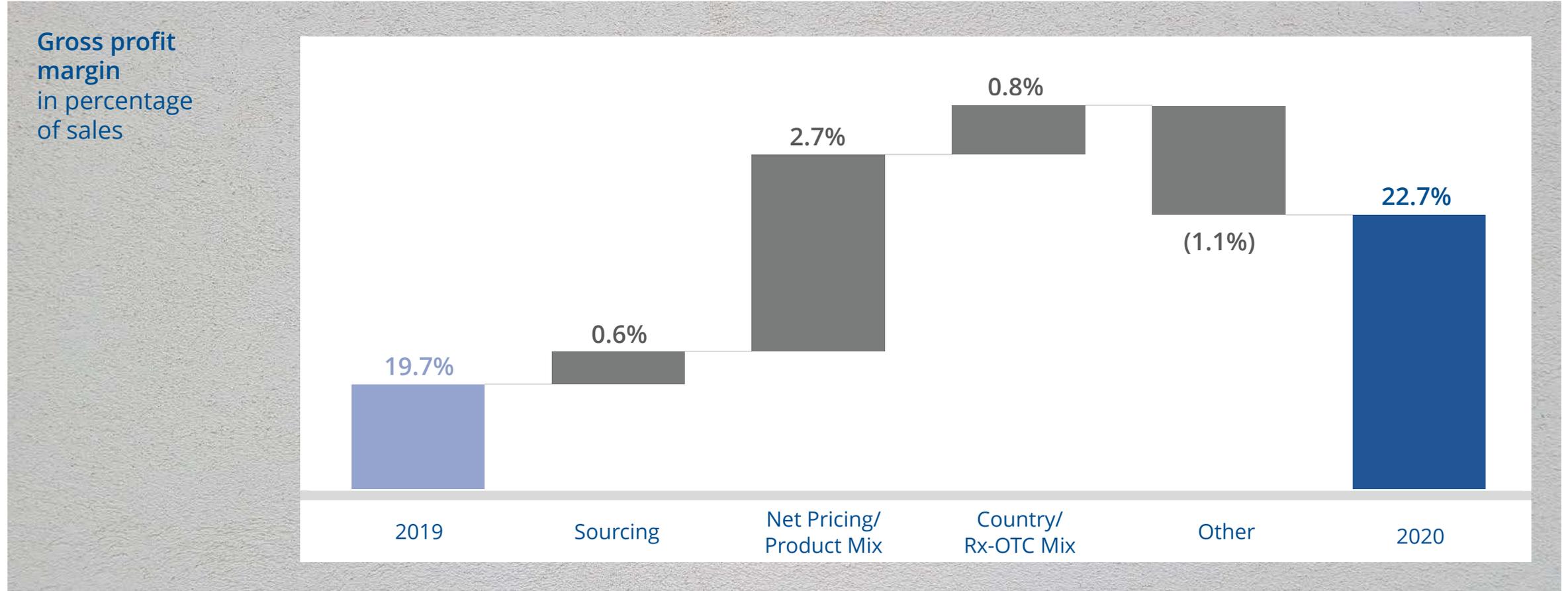
in EUR million

| | Q4 | | | Full Year | | |
|---|---------|---------|--------------------|-----------|--------|--------------------|
| | Q4 2019 | Q4 2020 | Better/ (Worse) | 2019 | 2020 | Better/ (Worse) |
| Sales | 191.9 | 264.7 | 38% | 701 | 968.1 | 38% |
| Gross profit margin | 19.8% | 23.6% | 3.8 pp | 19.7% | 22.7% | 3.0 pp |
| Selling & distribution as percentage of sales | -17.7% | -18.4% | (0.7) pp | -18.6% | -17.8% | 0.6 pp |
| Adj. administrative costs as percentage of sales | -3.2% | -3.0% | 0.2 pp | -3.0% | -2.7% | 0.3 pp |
| Adj. EBITDA | -1.8 | 6.1 | 7.9 | -13.6 | 21.6 | 35.2 |
| Adj. EBITDA margin | -1.0% | 2.3% | 3.3 pp | -1.9% | 2.2% | 4.1 pp |
| EBITDA | -4.2 | 3.1 | 7.3 | -18.6 | 15.2 | 33.8 |

Adjustments in 2020: EUR 6.4M. Concerned only non-cash employee stock option cost and one-off costs related to projects, mainly new logistics centre.

KEY FINANCIALS.

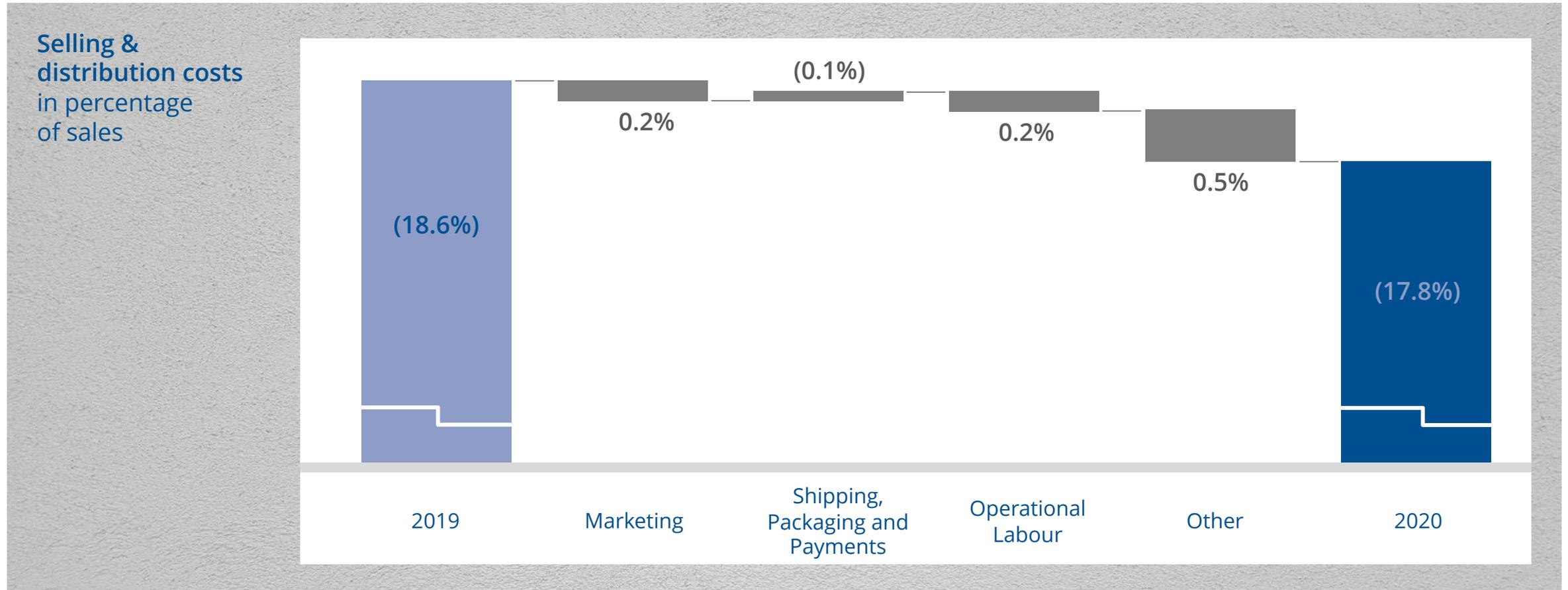
GROSS MARGIN IMPROVED BY 3.0 PERCENTAGE POINTS.



KEY FINANCIALS.

EXPENSES IMPROVED BY 0.8 PERCENTAGE POINTS.

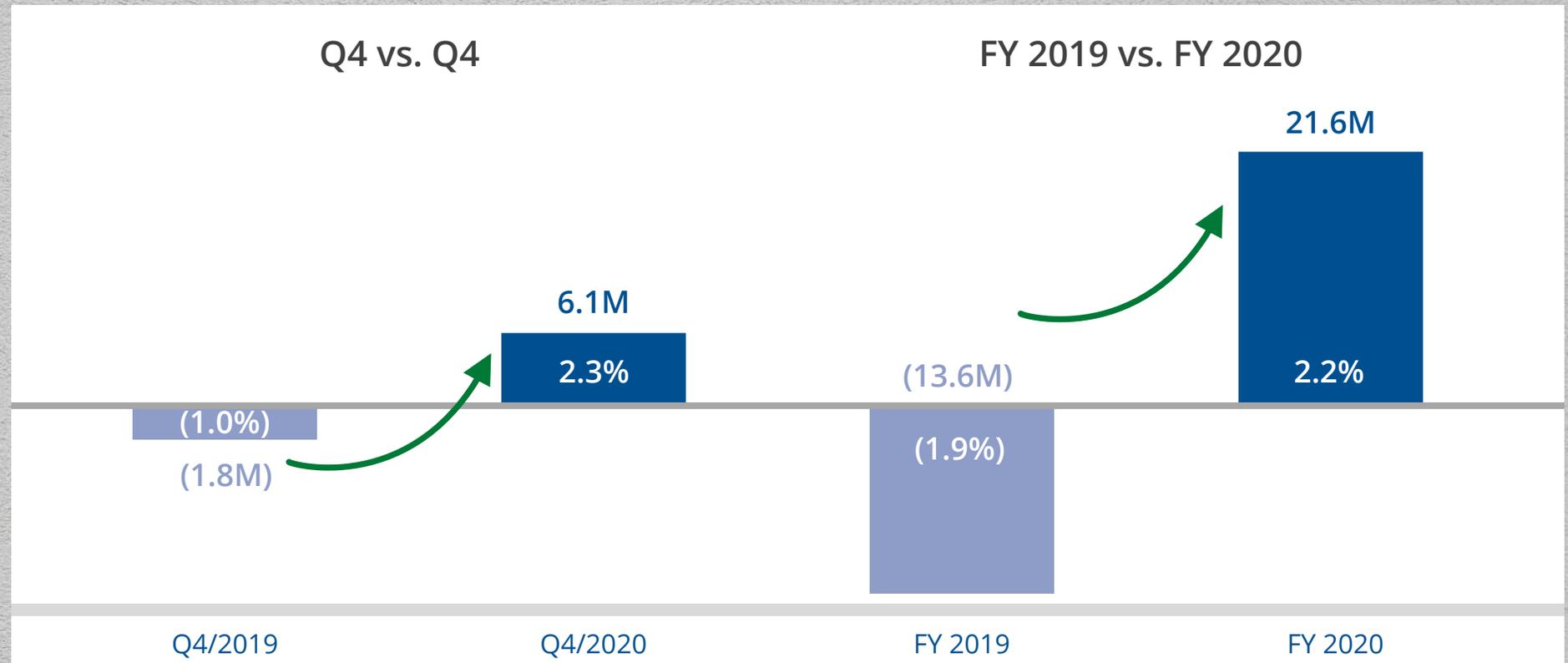
OPERATIONS WELL-CONTROLLED DURING SURGE IN DEMAND.



KEY FINANCIALS.

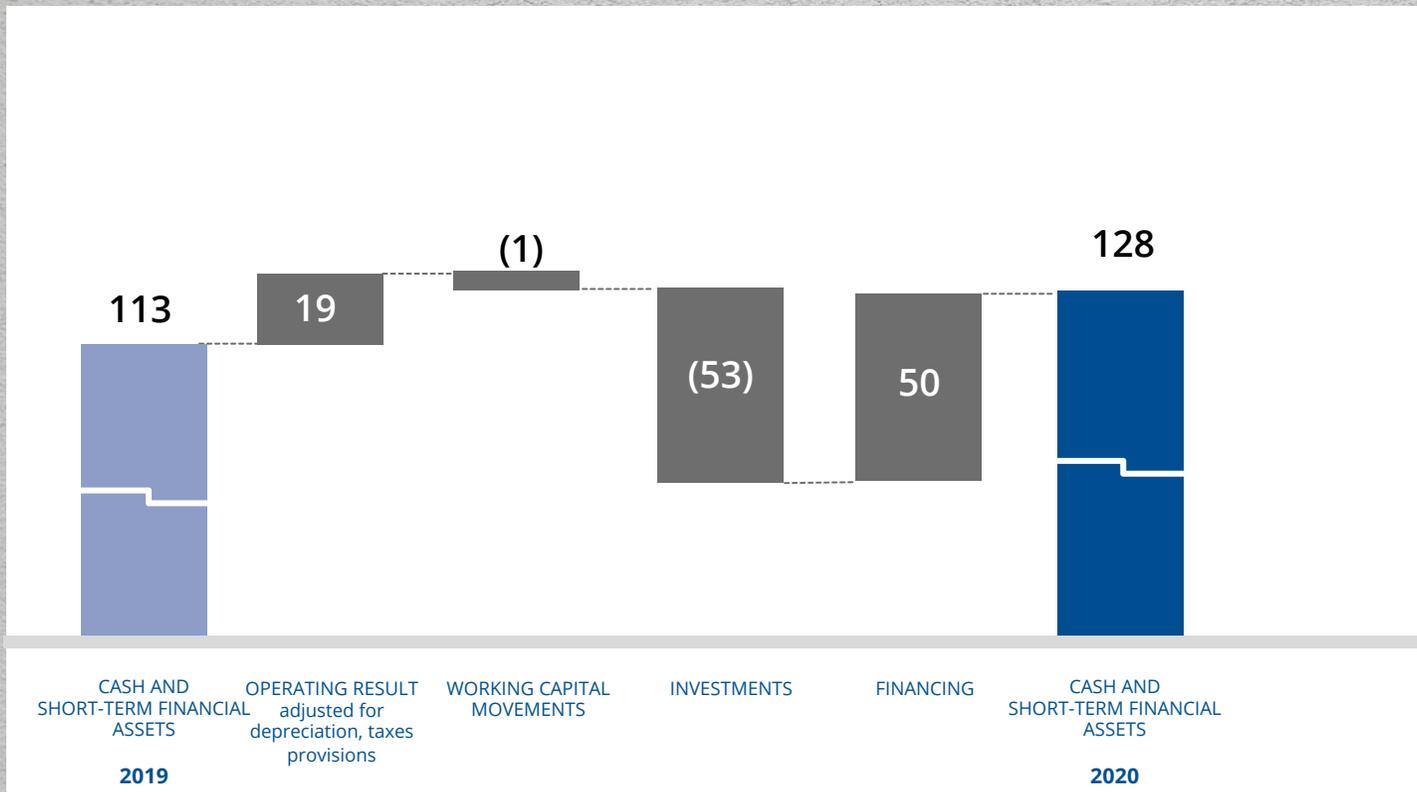
ADJ. EBITDA UP 35.2M IN ONE YEAR; MARGIN IN Q4 UP 3.3PP.

Adjusted EBITDA
in EUR million
and as percentage
of sales



KEY FINANCIALS.

WE ENDED THE YEAR WITH EUR 128M OF CASH, UP EUR 15M.



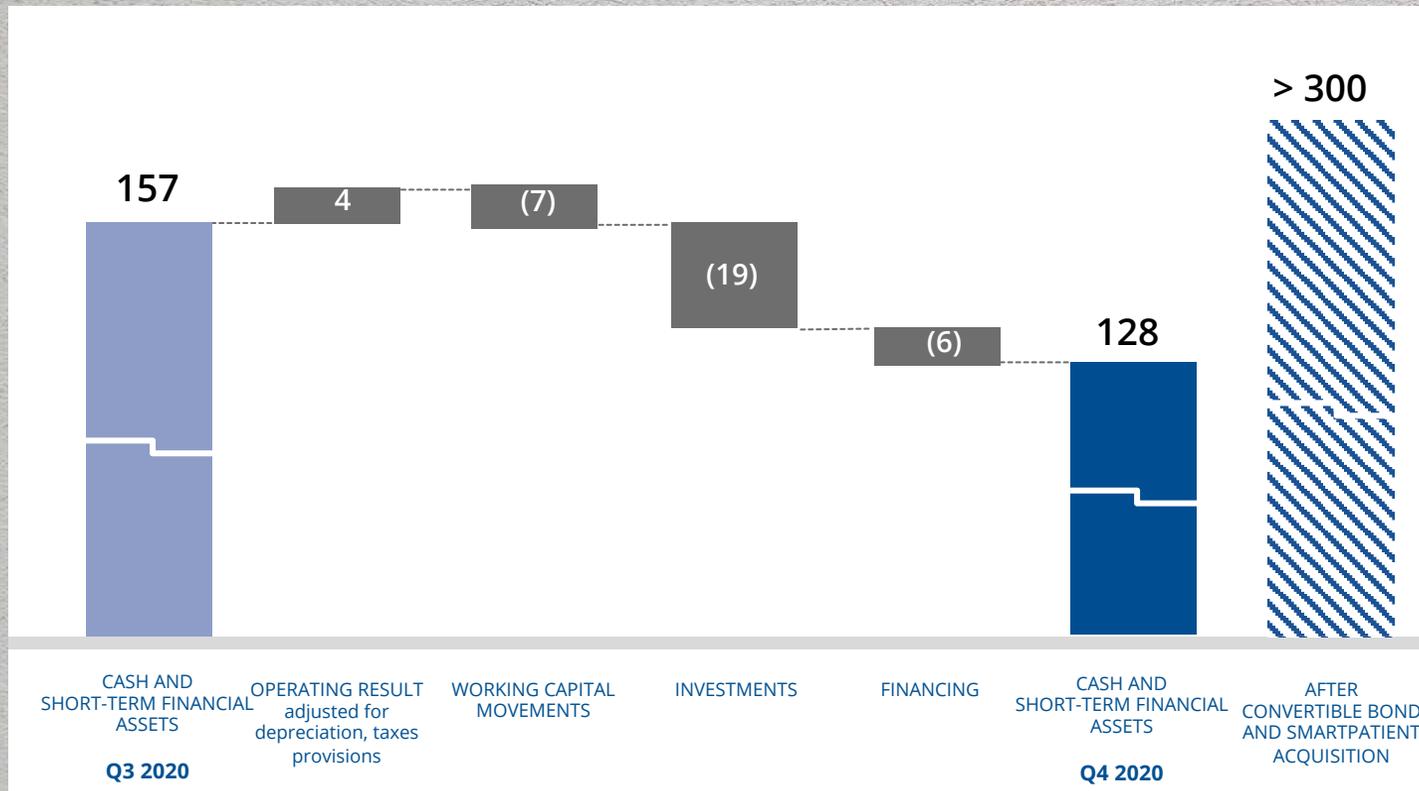
Operating cash flow a positive EUR 18M in 2020.

Investments EUR 53M. New logistics centre / head-office in NL and continued investments in IT.

Financing cash flow a positive EUR 50M. The net of April 7 capital raise, interest, and earlier redemption of 2023 convertible bond.

KEY FINANCIALS.

SOLID CASH POSITION FURTHER STRENGTHENED AT THE START OF 2021.



Cash from operating results in Q4 a positive EUR 4M; **working capital** minus EUR 7M from seasonality

Investments elevated from achievement of next milestones of new logistics centre in Sevenum.

At the start of the new year

- acquisition of Smartpatient
- placement of EUR 225M convertible bonds with zero coupon.

TODAY'S AGENDA.



FINANCIAL
PERFORMANCE



UPDATE ON BUSINESS
AND STRATEGY



Q+A

FROM A PURE
ONLINE RETAILER ...



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



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



KEY STRATEGIC BUSINESS OBJECTIVES FOR 2021.

- E-RX.
- ESG.
- OTHER STRATEGIC INITIATIVES.

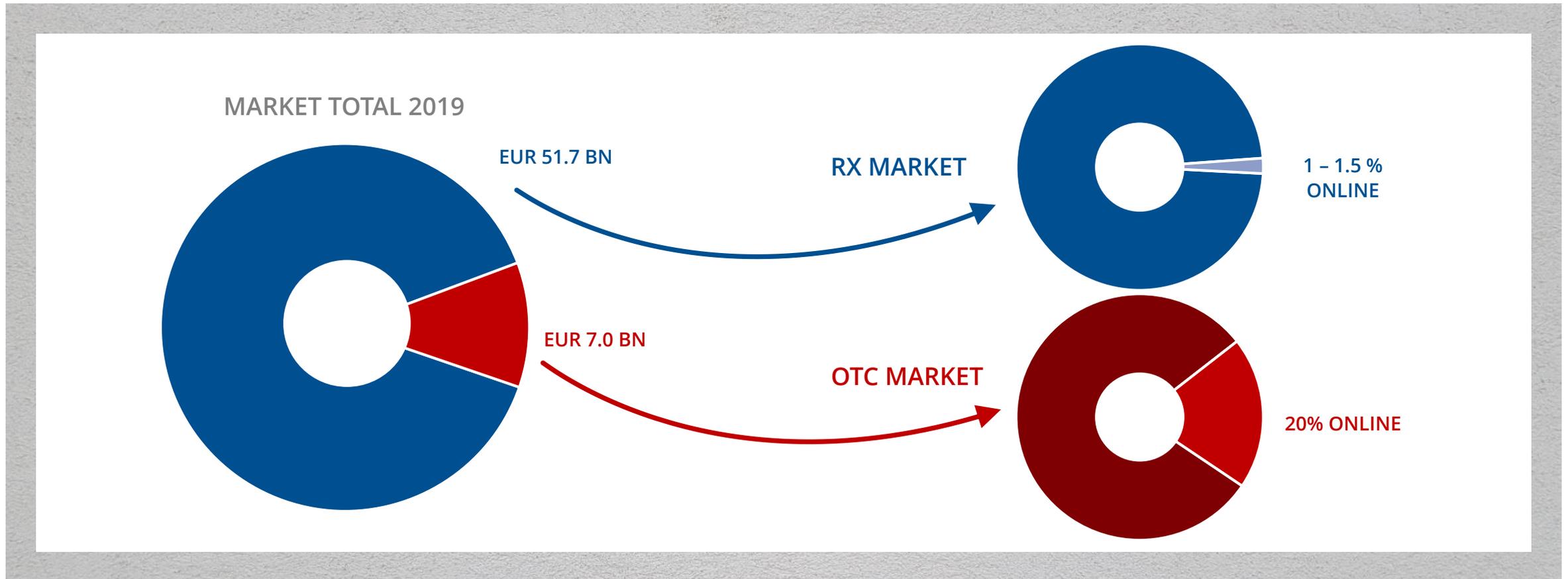
R_xfirst

ATTAINING E-RX POLE POSITION.

- **DEDICATED TEAM OF EXPERTS.**
TASK FORCE *E-RX FIRST* ALREADY ESTABLISHED 2019.
- **DEEP INHOUSE EXPERTISE.**
ALMOST 20 YEARS OF RX EXPERIENCE
RX MAIL ORDER AND PATIENT CARE PROGRAMMES.
- **ACQUISITION OF MY|THERAPY APP.**
LEADING MEDICATION MANAGEMENT.
- **TECHNOLOGY ALREADY IN USE.**
HUNDREDS OF ONLINE PRESCRIPTIONS FILLED
EVERY DAY THROUGH OUR CO-OPERATION WITH
ONLINE DOCTOR SERVICE ZAVA.
- **EXTENSION OF PARTNERSHIPS.**
INSURANCES, NOW! PHARMACIES, ONLINE DOCTOR.

READY TO GET STARTED JULY 1 IN GERMANY.

LARGE POTENTIAL FOR OUR BUSINESS. ONLINE PENETRATION OF THE RX MARKET STILL VERY LOW IN GERMANY.





Rxfirst

- **CUSTOMER-CENTRICITY.**
- **CONVENIENCE.**
PATIENTS DO NOT HAVE TO LEAVE THEIR HOMES TO ORDER AND RECEIVE THEIR PRESCRIBED MEDICATIONS.
- **FLEXIBILITY.**
CUSTOMERS HAVE RANGE OF CHOICES ON HOW TO FILL THEIR PRESCRIPTIONS.
- **BROADEST ASSORTMENT.**
ONE-STOP SHOP FOR RX, OTC AND BPC.
- **MEDICATION MANAGEMENT.**
SMARTPATIENT (MY | THERAPY APP)/SMART PROGRAMMES.

PROVIDE BEST-IN-CLASS EXPERIENCE
LEVERAGING OUR 20 YEARS OF EXPERIENCE IN E-COMMERCE,
RX MAIL ORDER AND PATIENT CARE.



smart
patient



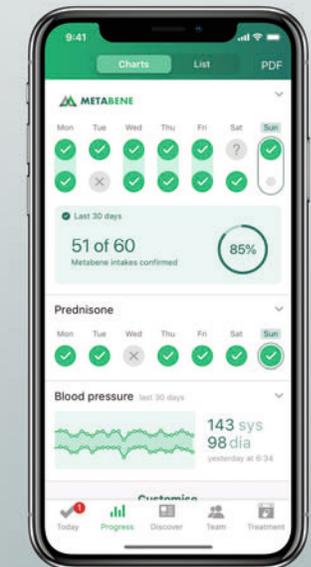
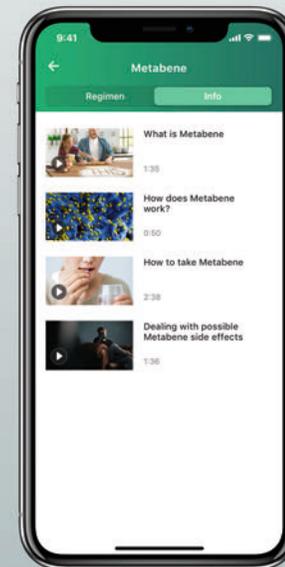
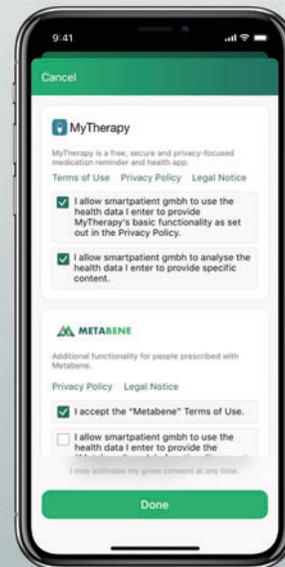
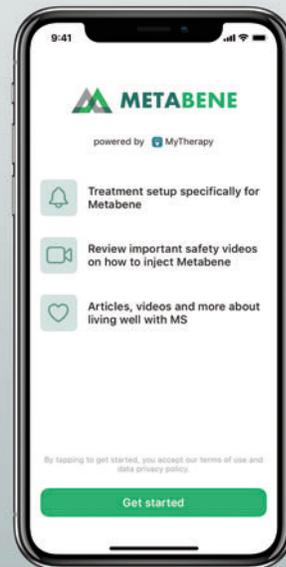
ACQUISITION OF SMARTPATIENT.

- MUNICH-BASED SPECIALIST FOR **DIGITAL MEDICATION MANAGEMENT.**
- 1.4 MILLION RX PATIENTS ACTIVELY USING SMARTPATIENT'S **MY|THERAPY APP** TO **BETTER MANAGE THEIR MEDICATIONS AND IMPROVE ADHERENCE/PERSISTENCE.**
- THIS LEADS TO **BETTER HEALTH OUTCOMES,** THEREBY INCREASING CUSTOMER LOYALTY.

SMARTPATIENT IS THE LEADING EXPERT IN DIGITAL HEALTH SERVICE OFFERINGS.

MEDICATION MANAGEMENT IS KEY TO OUR TRANSFORMATION INTO A CUSTOMER-CENTRIC E-PHARMACY PLATFORM.

MEDICATION MANAGEMENT: CONFIGURABLE EXPERIENCES WITHIN THE SAME APP.



EASY ACCESS.

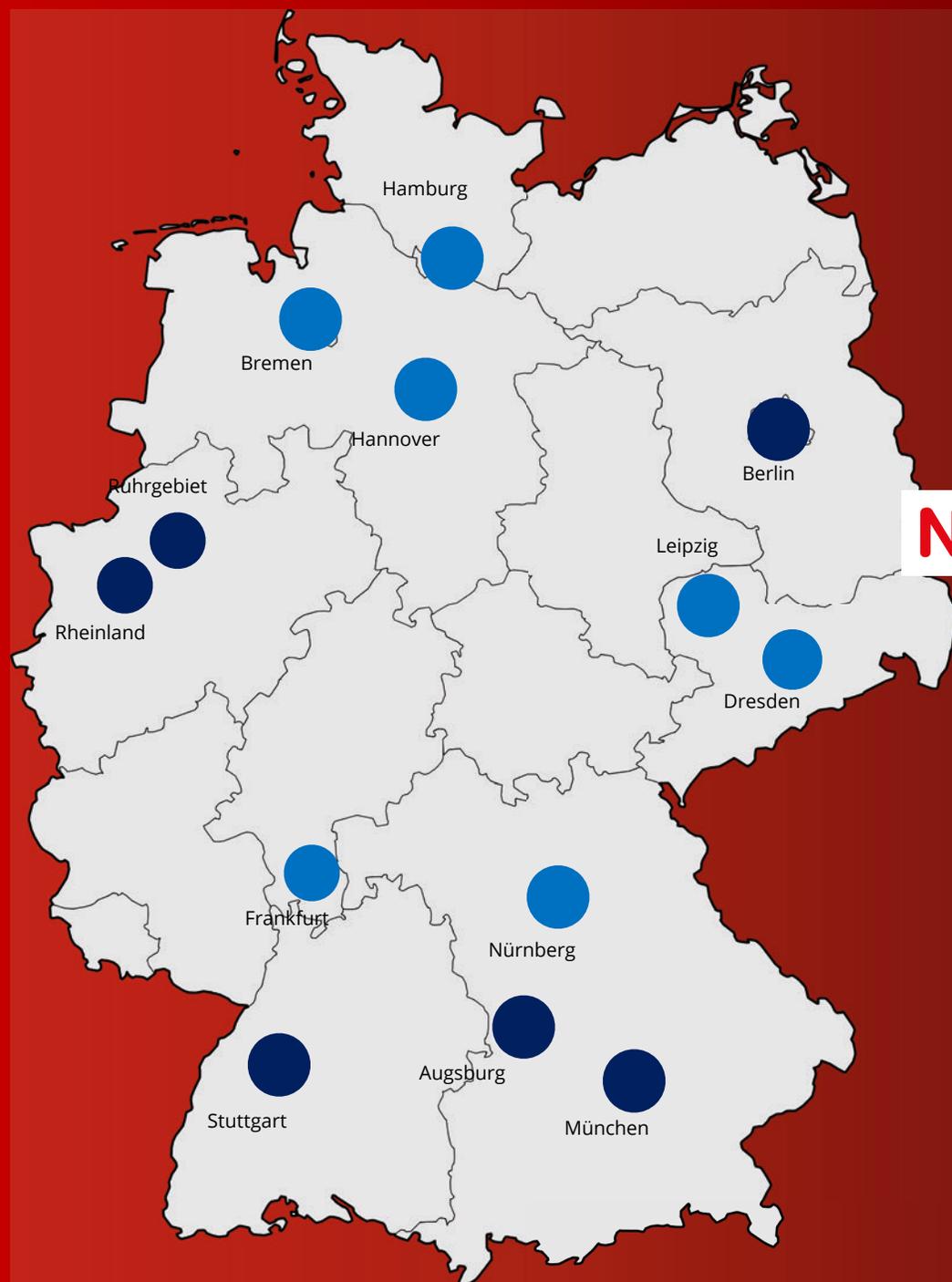
CUSTOM ONBOARDING.

MODULAR CONSENTS.

DRUG-SPECIFIC CONTENTS.

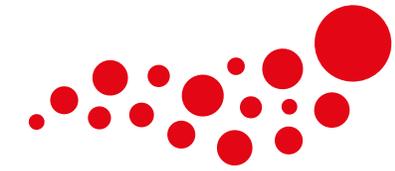
TIPS FOR DISEASE MANAGEMENT.

BRANDED ELEMENTS.



NOW!

SAME-DAY DELIVERY SERVICE.



SHOP APOTHEKE NOW!

Schnell. Abends. Garantiert.

MEETING HIGHER FUTURE DEMAND.

OUR NEW LOGISTICS CENTRE IN SEVENUM.

- **OCTOBER 21, 2020:**
SHIPPING OF FIRST PARCELS TO ITALY.
- **JANUARY 2021:**
START OF AUTOMATION.
SHIPPING ALL INTERNATIONAL ORDERS FROM SEVENUM.
- **SUMMER 2021:**
COMPLETION OF THE ENTIRE LOGISTICS CENTRE.

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

BECAUSE we care

PLANETARY CARE.



PATIENT CARE.



EMPLOYEE CARE.



IN 2020 AND BEYOND: OUR SUSTAINABILITY STRATEGY.

WE ARE COMMITTED TO DO THE RIGHT THINGS WITH A CLEAR INTERNAL STRUCTURE, TARGETS AND RESPONSIBILITIES. BECAUSE WE CARE.

CREATING A SUSTAINABLE FUTURE.

WHAT WE ACHIEVED IN 2020.



- UN GLOBAL COMPACT PARTICIPANT, JAN 2020.
- JOINED LEADERS FOR CLIMATE ACTION WELL BELOW 2°, MAR 2020.
- UPGRADED BY MSCI ESC RATING TO TRIPLE B, JUL 2020.
- SHOP APOTHEKE EUROPE CLIMATE NEUTRAL, OCT 2020.
- **REDUCING CO₂: BETTER BY 15% PER ORDER/PARCEL**
FROM 2019 TO 2020 (1.09KG → 0.93KG CO₂ PER ORDER).
- INTERNAL PROGRAMMES ROLLED-OUT ON HEALTHY CUSTOMERS,
PEOPLE AND PLANET.
- DONATIONS TO CHARITY ORGANIZATION
HERZENSWÜNSCHE (FOR SERIOUSLY ILL CHILDREN),
CUSTOMERS CAN CHOOSE INSTEAD OF RX BONUS.
- ANNUAL REPORT 2020 ACCORDING TO GRI REPORTING STANDARDS.



GUIDANCE 2021.

CONTINUED FAST GROWTH AND MARGIN IMPROVEMENTS.



Full-year organically driven sales growth: around 20% or more.



Full-year adjusted EBITDA margin: in the range of 2.3% – 2.8%.



Full-year CAPEX: around 3.5% of sales.



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

TODAY'S AGENDA.



FINANCIAL
PERFORMANCE



UPDATE ON BUSINESS
AND STRATEGY



Q+A

CONSOLIDATED SEGMENT FINANCIALS.

For the year ended 31 December 2020

Segment information in million EUR on adjusted and adjusted

| 2020 | DACH | International | Total |
|---------------------------------|-----------|---------------|-----------|
| | EUR 1,000 | EUR 1,000 | EUR 1,000 |
| Revenue | 815.400 | 152.662 | 968.062 |
| Cost of sales | 635.757 | 112.778 | 748.535 |
| Adjusted cost of sales | 635.757 | 112.778 | 748.535 |
| Gross profit | 179.643 | 39.884 | 219.527 |
| Adjusted gross profit | 179.643 | 39.884 | 219.527 |
| % of revenue | 22,0% | 26,1% | 22,7% |
| Other income | 55 | 10 | 65 |
| Adjusted other income | 55 | 10 | 65 |
| Selling & distribution | 130.299 | 41.642 | 171.941 |
| Adjusted S&D | 130.299 | 41.642 | 171.941 |
| Segment EBITDA | 49.399 | 1.748 | 47.651 |
| Adjusted segment EBITDA | 49.399 | 1.748 | 47.651 |
| Administrative expenses | 20.622 | 11.832 | 32.454 |
| Adjusted AE | 15.268 | 10.763 | 26.031 |
| EBITDA | 28.777 | 13.580 | 15.197 |
| Adjusted EBITDA | 34.131 | 12.511 | 21.620 |
| Depreciation | 10.208 | 5.856 | 16.064 |
| Adjusted depreciation | 10.208 | 5.856 | 16.064 |
| EBIT | 18.569 | 19.436 | 867 |
| Adjusted EBIT | 23.923 | 18.367 | 5.556 |
| Net finance cost and income tax | | | 15.904 |
| Net loss | | | 16.771 |
| Adjusted net loss | | | 10.348 |

Segment information in million EUR on adjusted and adjusted

| 2019 | DACH | International | Total |
|---------------------------------|-----------|---------------|-----------|
| | EUR 1,000 | EUR 1,000 | EUR 1,000 |
| Revenue | 615,424 | 85,587 | 701,011 |
| Cost of sales | 499,112 | 64,217 | 563,329 |
| Adjusted cost of sales | 499,112 | 63,997 | 563,109 |
| Gross profit | 116,312 | 21,370 | 137,682 |
| Adjusted gross profit | 116,312 | 21,590 | 137,902 |
| % of revenue | 18.9% | 25.0% | 19.6% |
| Other income | 647 | 89 | 736 |
| Adjusted other income | 64 | 89 | 154 |
| Selling & distribution | 103,247 | 27,511 | 130,758 |
| Adjusted S&D | 103,025 | 27,511 | 130,536 |
| Segment EBITDA | 13,711 | 6,052 | 7,659 |
| Adjusted segment EBITDA | 13,350 | 5,832 | 7,519 |
| Administrative expenses | 17,142 | 9,099 | 26,241 |
| Adjusted AE | 13,778 | 7,313 | 21,091 |
| EBITDA | 3.431 | 15.151 | 18,582 |
| Adjusted EBITDA | 428 | 13.145 | 13,572 |
| Depreciation | 9.710 | 5.154 | 14,864 |
| Adjusted depreciation | 9.531 | 4.916 | 14,607 |
| EBIT | 13.141 | 20.305 | 33,445 |
| Adjusted EBIT | 9.959 | 18.062 | 28,179 |
| Net finance cost and income tax | | | 2,824 |
| Net loss | | | 36,270 |
| Adjusted net loss | | | 31,003 |

CONSOLIDATED STATEMENT OF PROFIT AND LOSS.

For the year ended 31 December 2020

| | Notes | Period ended 31.12.2020 | Period ended 31.12.2019 |
|--|-------|----------------------------|----------------------------|
| | | EUR 1,000 | EUR 1,000 |
| Revenue | 5 | 968,062 | 701,010 |
| Cost of sales | | 748,534 | 563,329 |
| Gross profit | | 219,528 | 137,682 |
| Other income | 6 | 65 | 736 |
| Selling and distribution | 7 | 185,596 | 143,392 |
| Administrative expenses | 8 | 34,863 | 28,470 |
| Operating result | | 866 | 33,445 |
| Finance income | 10 | 93 | 1,333 |
| Finance expenses | 10 | 15,204 | 10,171 |
| Share of profit of associates and joint ventures | 16 | 45 | 104 |
| Result before tax | | 15,932 | 42,180 |
| Income tax | 11 | 839 | 5,910 |
| Result after tax | | 16,771 | 36,270 |
| Attributable to: | | | |
| Owners of the company | | 16,771 | 36,270 |
| Earnings per share | 12 | EUR | EUR |
| Basic and diluted per share 31 December | | 1.17 | 2.78 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION.

For the year ended 31 December 2020

| | 31.12.2020 | 31.12.2019 |
|--|----------------|----------------|
| | EUR 1,000 | EUR 1,000 |
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 74,545 | 13,178 |
| Intangible assets | 204,661 | 199,850 |
| Deferred tax assets | 120 | 120 |
| Other financial assets | 1,730 | 2,500 |
| Investments in equity-accounted joint ventures | 1,151 | 1,105 |
| Investments in associates | 605 | 402 |
| Investments in equity-instruments | 10 | 10 |
| | 282,822 | 217,165 |
| Current assets | | |
| Inventories | 81,240 | 56,688 |
| Trade and other receivables | 44,591 | 40,894 |
| Other financial assets | 37,771 | 50,581 |
| Cash and cash equivalents | 90,485 | 62,653 |
| | 254,087 | 210,815 |
| Total assets | 536,909 | 427,980 |

| | 31.12.2020 | 31.12.2019 |
|-------------------------------------|----------------|----------------|
| | EUR 1,000 | EUR 1,000 |
| Equity and liabilities | | |
| Shareholders' equity | | |
| Issued capital and share premium | 552,019 | 341,192 |
| Reserves/accumulated losses | 126,881 | 108,429 |
| | 425,138 | 232,763 |
| Non-current liabilities | | |
| Loans and Borrowings | 32,810 | 131,512 |
| Deferred tax liability | 4,347 | 3,904 |
| | 37,157 | 135,417 |
| Current liabilities | | |
| Trade and other payables | 53,147 | 32,004 |
| Loans and Borrowings | 5,384 | 7,522 |
| Amounts due to banks | 39 | 10,167 |
| Other liabilities | 16,044 | 10,108 |
| | 74,614 | 59,801 |
| Total equity and liabilities | 536,909 | 427,980 |

CONSOLIDATED STATEMENT OF CASH FLOWS.

For the year ended 31 December 2020

| | Period ended 31.12.2020 | Period ended 31.12.2019 |
|--|----------------------------|----------------------------|
| | EUR 1,000 | EUR 1,000 |
| Cash flow from operating activities | | |
| Result before tax from operations | 866 | 33,445 |
| Adjustments for: | | |
| Depreciation and amortisation of non-current assets | 16,064 | 14,864 |
| Corporate income tax | 329 | 4 |
| Net foreign exchange differences | 234 | 29 |
| Share-based payment charge for the period | 4,405 | 2,967 |
| Operating result adjusted for depreciation and amortisation, taxes and provisions | 19,040 | 15,639 |
| Movements in working capital | | |
| (Increase)/decrease in trade and other receivables | 3,697 | 7,314 |
| (Increase)/decrease in inventory | 24,552 | 13,339 |
| (Increase)/decrease in trade and other payables | 27,012 | 5,564 |
| Working capital movement | 1,237 | 15,089 |
| Net cash (used in)/generated by operating activities | 17,802 | 30,728 |
| Cash flow from investing activities | | |
| Investment for property, plant and equipment | 38,235 | 4,003 |
| Investment for intangible assets | 15,100 | 10,739 |
| Investment for other financial assets | 13,078 | 18,658 |
| Net cash (used in)/generated by investing activities | 40,257 | 33,400 |

| | Period ended 31.12.2020 | Period ended 31.12.2019 |
|---|----------------------------|----------------------------|
| | EUR 1,000 | EUR 1,000 |
| Cash flow from financing activities | | |
| Interest received | 93 | 1,333 |
| Interest paid | 7,241 | 7,402 |
| Interest paid convertible bond | 5,776 | 0 |
| Payment of earnout obligations Farmaline | 0 | 1,100 |
| Capital increase | 63,381 | 49,148 |
| Capital increase exercised options | 12,357 | 0 |
| Issue convertible bond | 0 | 58,592 |
| Movement other long-term liability | 37 | 3,965 |
| Movement in bank overdraft | 10,128 | 362 |
| Cashout lease payments | 2,362 | 2,456 |
| Net cash (used in)/generated by financing activities | 50,286 | 102,442 |
| Net increase/(decrease) in cash and cash equivalents | 27,832 | 38,314 |
| Cash and cash equivalents at the beginning of the period | 62,653 | 24,338 |
| Net foreign exchange difference | 0 | 0 |
| Cash and cash equivalents at the end | 90,485 | 62,653 |

* The comparative figures of the cash flow statement for financial year 2019 have been adjusted. Last year's numbers showed the movement in bank overdraft of EUR 362 thousand as part of the movements in working capital. According to IAS 7.8 the bank overdraft position is an integral part of the financing activities of the company and as such presented in cash flow from financing activities. The figures 2019 and 2020 have been presented accordingly.



THANK YOU.