



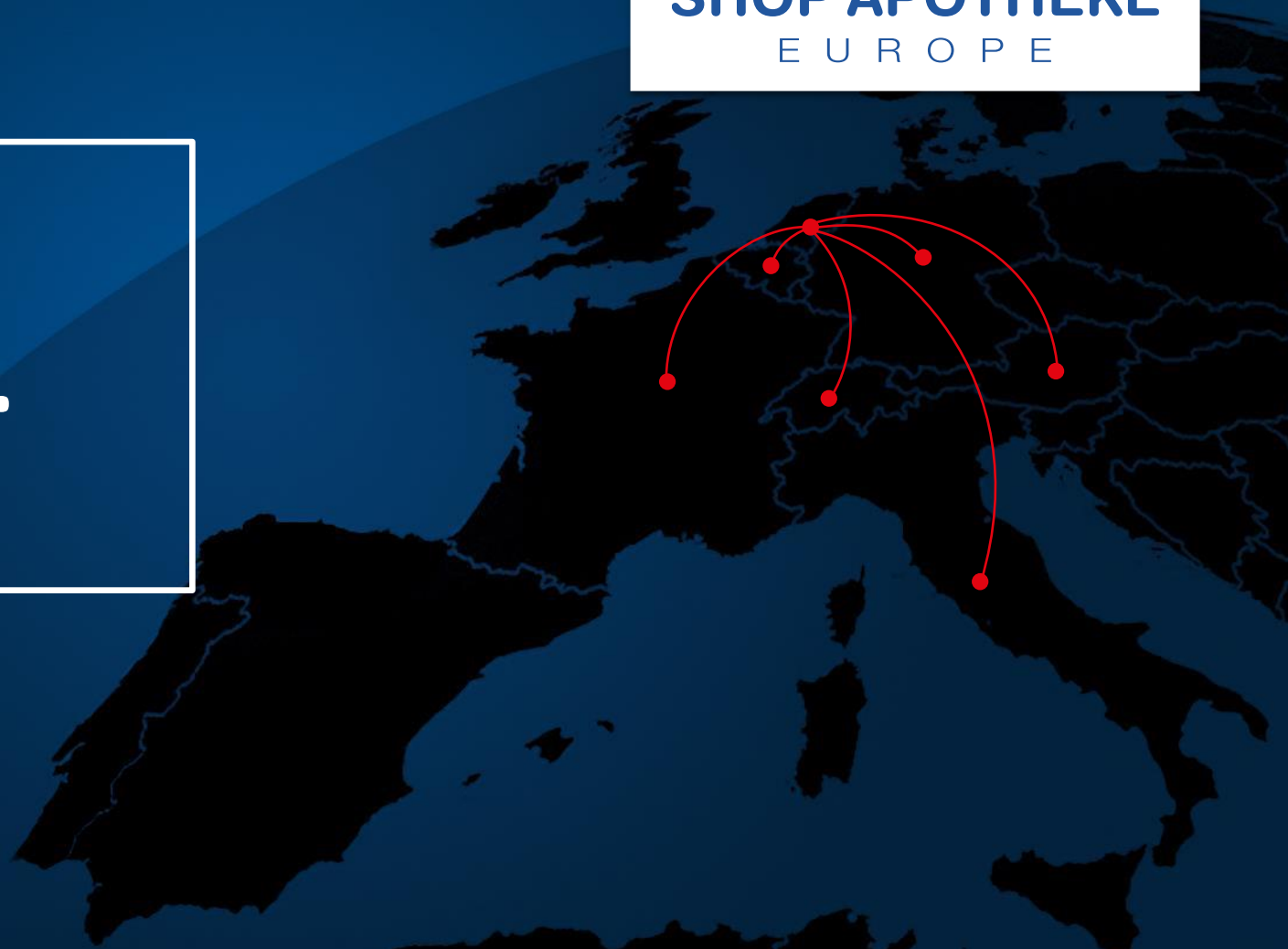
SHOP APOTHEKE
EUROPE

Q1 2020 EARNINGS CALL. PRESENTATION.

SHOP APOTHEKE EUROPE

STEFAN FELTENS, CEO
JASPER EENHORST, CFO

14 MAY 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

HIGHLIGHTS.

UPDATE ON CORONA SITUATION.



Elevated demand throughout mid-May.



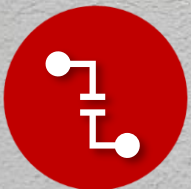
No major supply chain issues so far and in the foreseeable future.



Re-start of growth investments in new customer acquisition in April.



Continued heightened hygiene and tight monitoring to protect workforce and operations.



Dynamic situation with high degree of uncertainty.

HIGHLIGHTS.

Q1 2020.



Strong start into the year was accelerated by additional demand in March:

Consolidated revenues up + 33% to EUR 232 million (fully organic), Rx up by 23%.



Gross profit driven by improved sourcing conditions and better net pricing:

Gross profit increased by + 53% to EUR 49.9 million, margin improved by + 2.8pp to 21.5%.



EBITDA break-even reached ahead of schedule:

Adj. EBITDA EUR + 4.9 million (Q1 2019: EUR – 9.1 million), margin 2.1% (– 5.2%).



Positive operating cash flow:

Cash flow from operating activities EUR + 12.2 million (Q1 2019: EUR – 2.3 million)

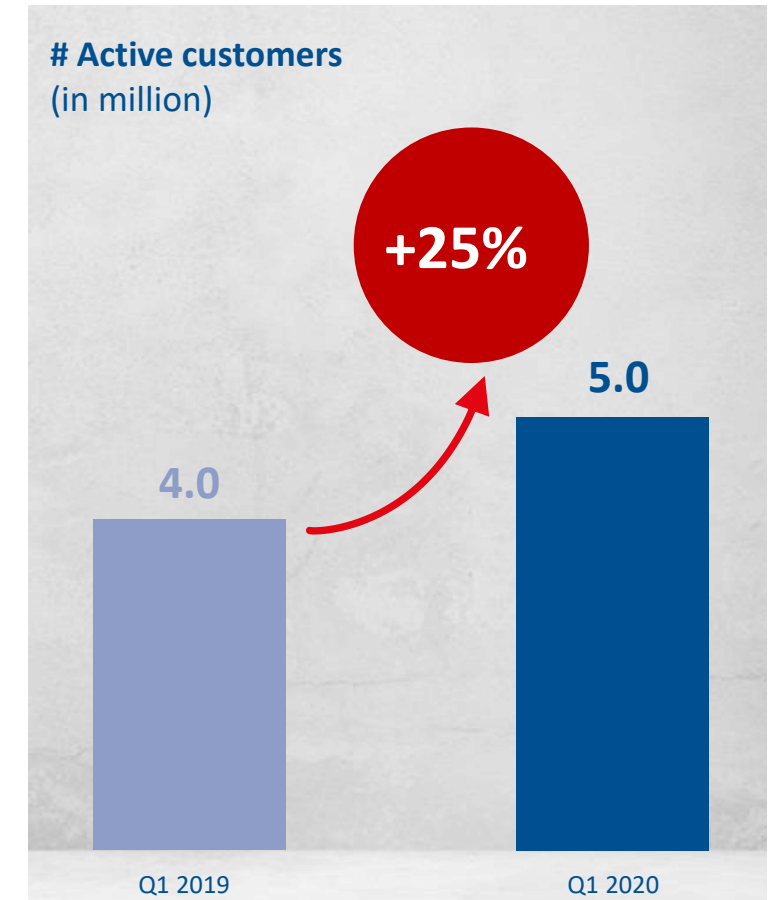
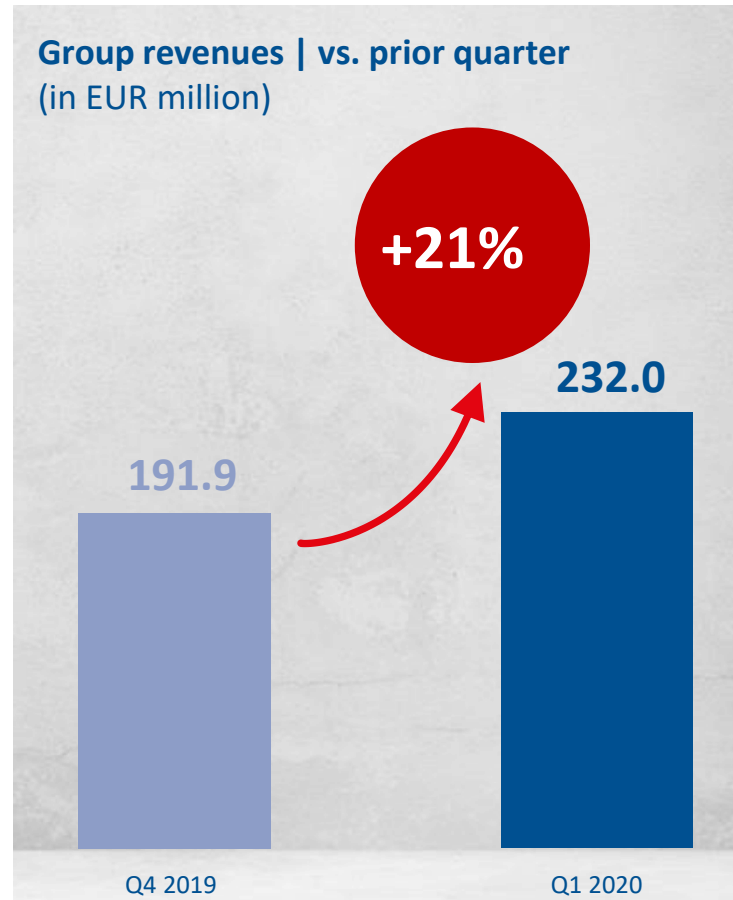
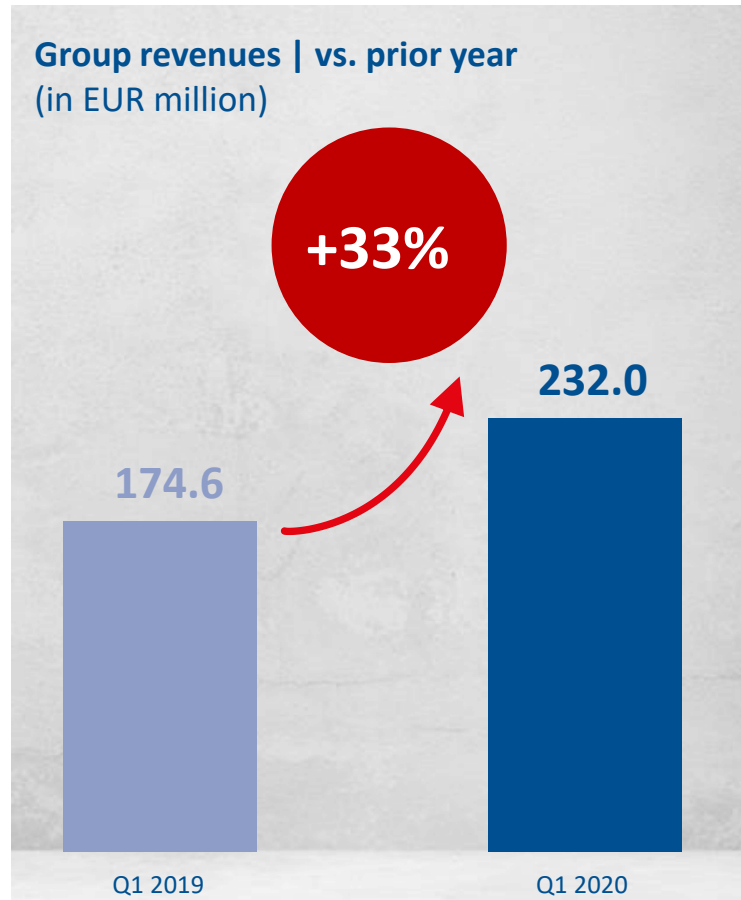


New online doctor service started:

Cooperation with Zava, one of the leading online doctor services in Europe.

KEY FINANCIALS.

IMPRESSIVE ORGANIC TOPLINE GROWTH. 5 MILLION ACTIVE CUSTOMERS.



OUR CUSTOMERS ARE HIGHLY SATISFIED.

~ 70

NPS-SCORE.



SUCCESSFUL LOYALTY PROGRAM
WITH HIGHLY ENGAGED CUSTOMERS AND HIGHER
BASKETS.

65.15 €

AVERAGE SHOPPING BASKET VALUE
(Q1 2019: EUR 64.92).

~ 82%

OF ALL ORDERS ARE FROM
EXISTING CUSTOMERS.

<1%

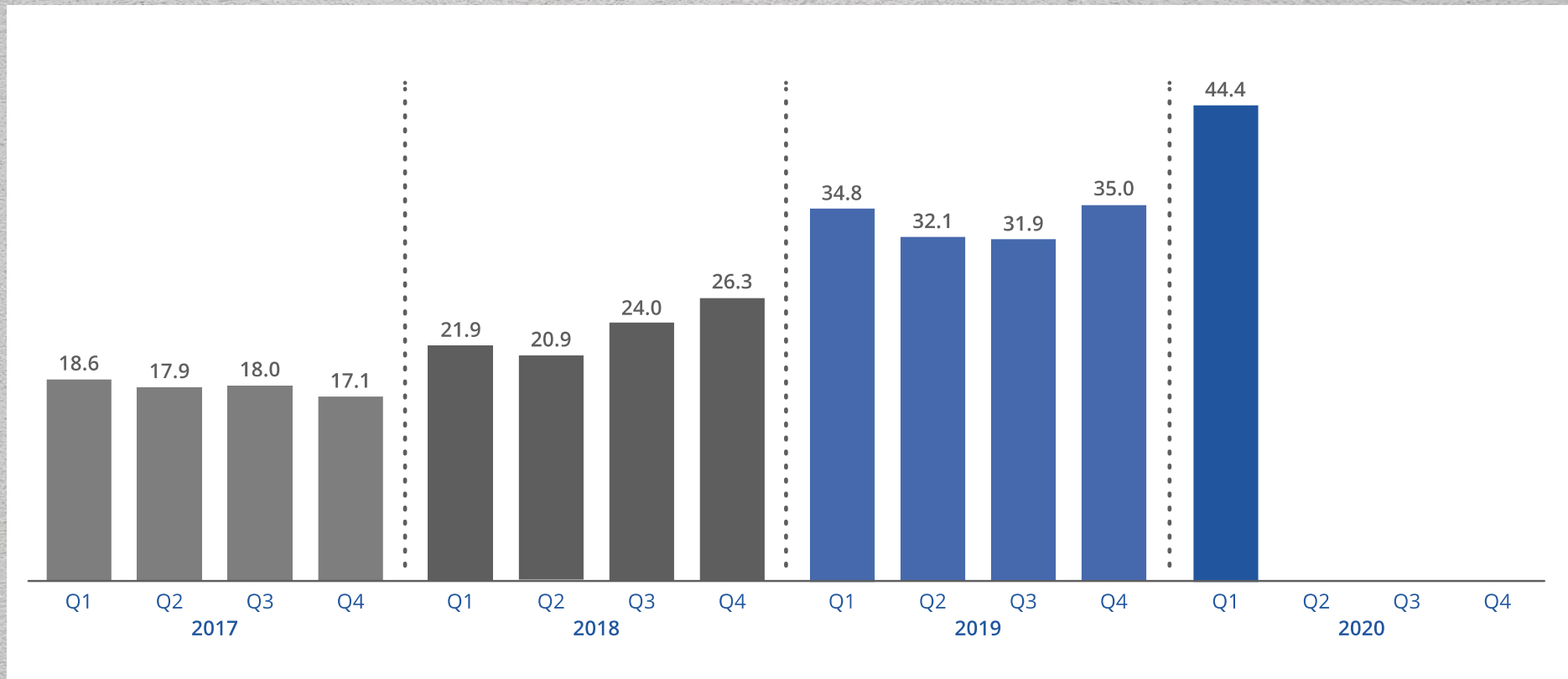
VIRTUALLY NO RETURNS.



KPIs.

STRONG WEB TRAFFIC GROWTH CONTINUED.

Web traffic
(in millions)



Source:
SHOP APOTHEKE EUROPE.

KPIs.

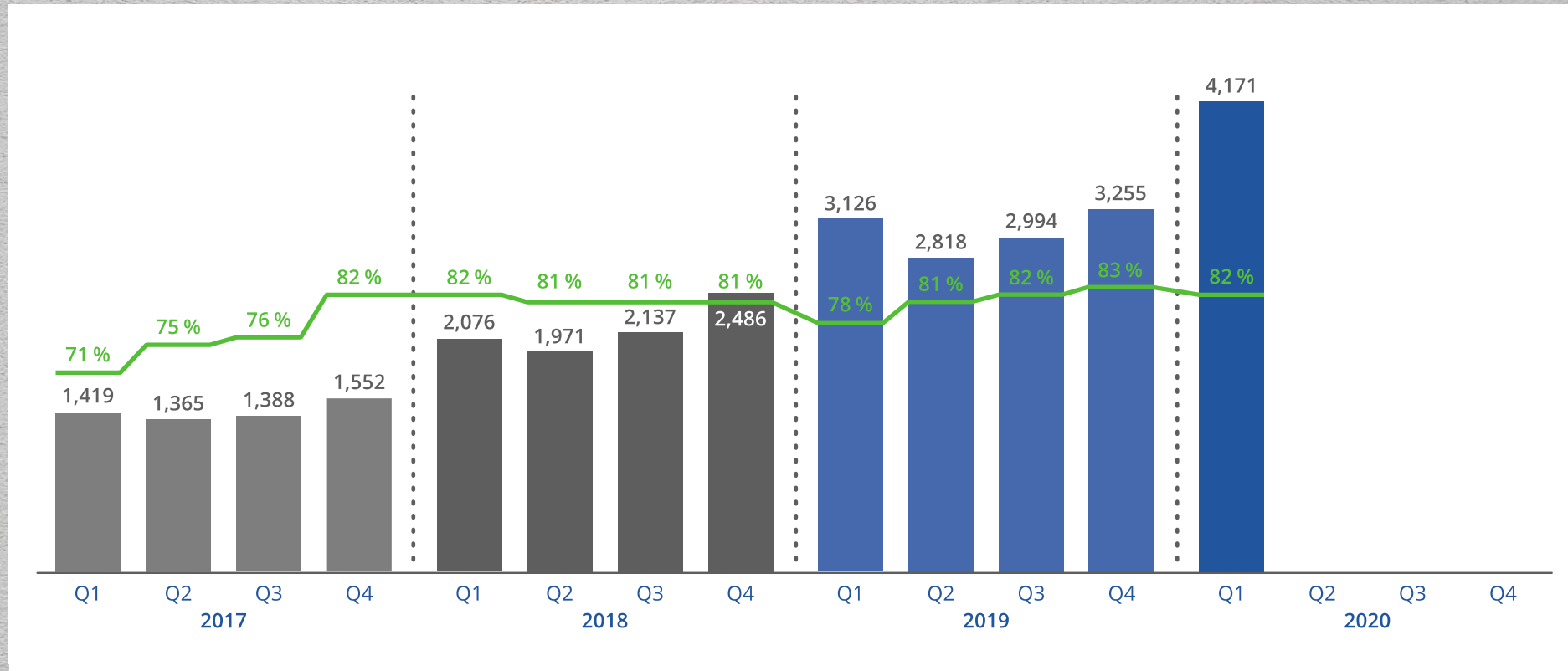
SHARE OF REPEAT ORDERS ABOVE 80%.

Number of orders
(in '000)



Share of repeat orders
(in %)

Source:
SHOP APOTHEKE EUROPE.



KEY FINANCIALS.

EUR 14 MILLION YEAR-OVER-YEAR EBITDA IMPROVEMENT.

(in millions of euros)

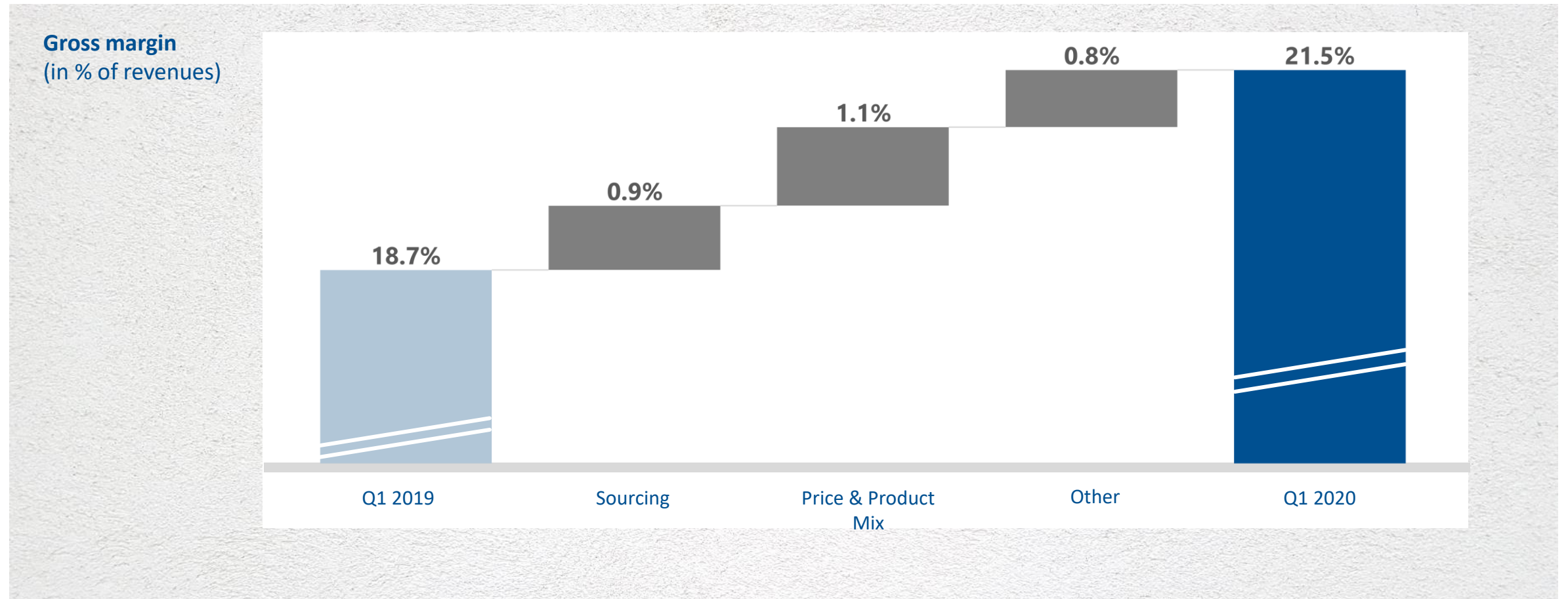
	Q1 Last Year and This Year			Past Q4 vs. This Q1		
	2019	2020	Better/ (Worse)	Q4 2019	Q1 2020	Better/ (Worse)
Sales	175	232	33%	192	232	21%
Gross profit margin	18.7%	21.5%	2.8 pp	19.9%	21.5%	1.6 pp
Selling & distribution as percentage of sales	-20.9%	-16.9%	4.0 pp	-17.7%	-16.9%	0.8 pp
Administrative costs as percentage of sales	-3.0%	-2.5%	0.5 pp	-3.2%	-2.5%	0.7 pp
Adj. EBITDA	-9.1	4.9	14.0	-1.8	4.9	6.7
Adj. EBITDA margin	-5.2%	2.1%	7.3 pp	-1.0%	2.1%	3.1 pp
EBITDA	-9.8	3.9	13.7	-4.2	3.9	8.1

Adjustments in Q1 2020 of €1.1 million are mainly related to the non-cash employee stock option program

KEY FINANCIALS.

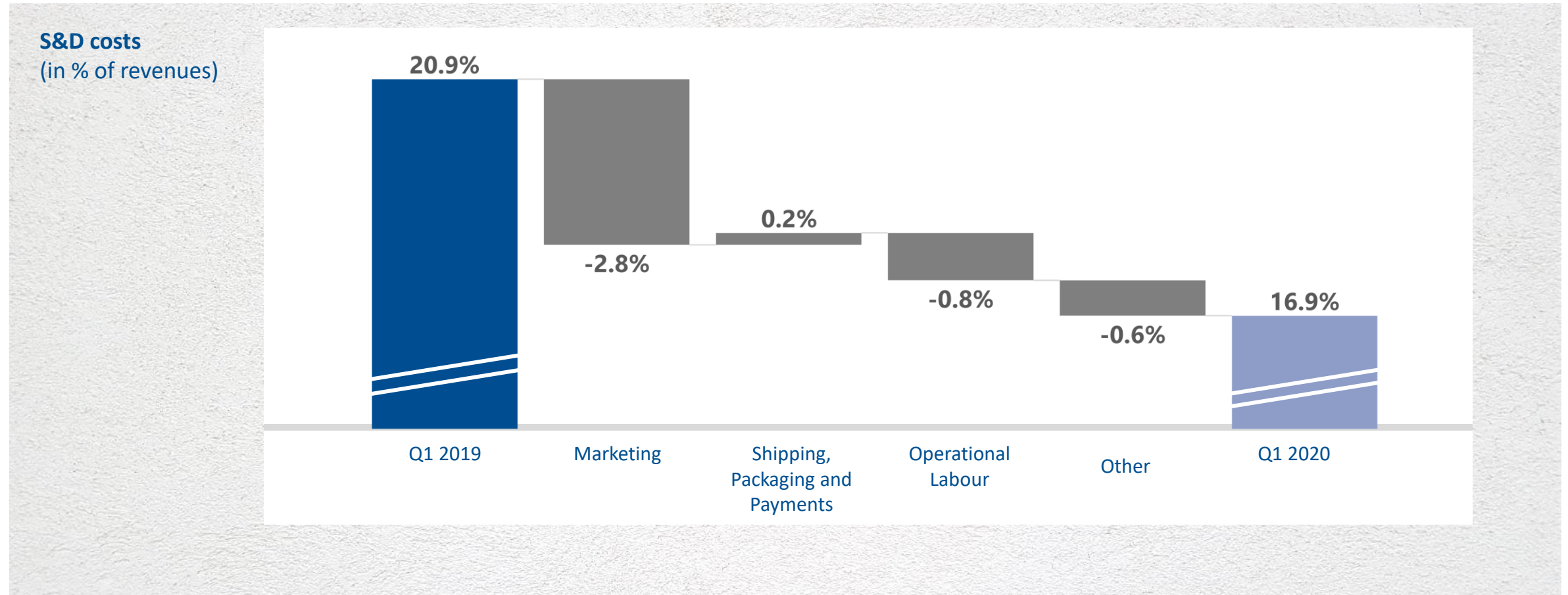
GROSS MARGIN UP, DRIVEN BY SOURCING IMPROVEMENTS.

HIGHER AVERAGE NET PRICE IMPACTED BY FEWER VOUCHERS AND MIX.



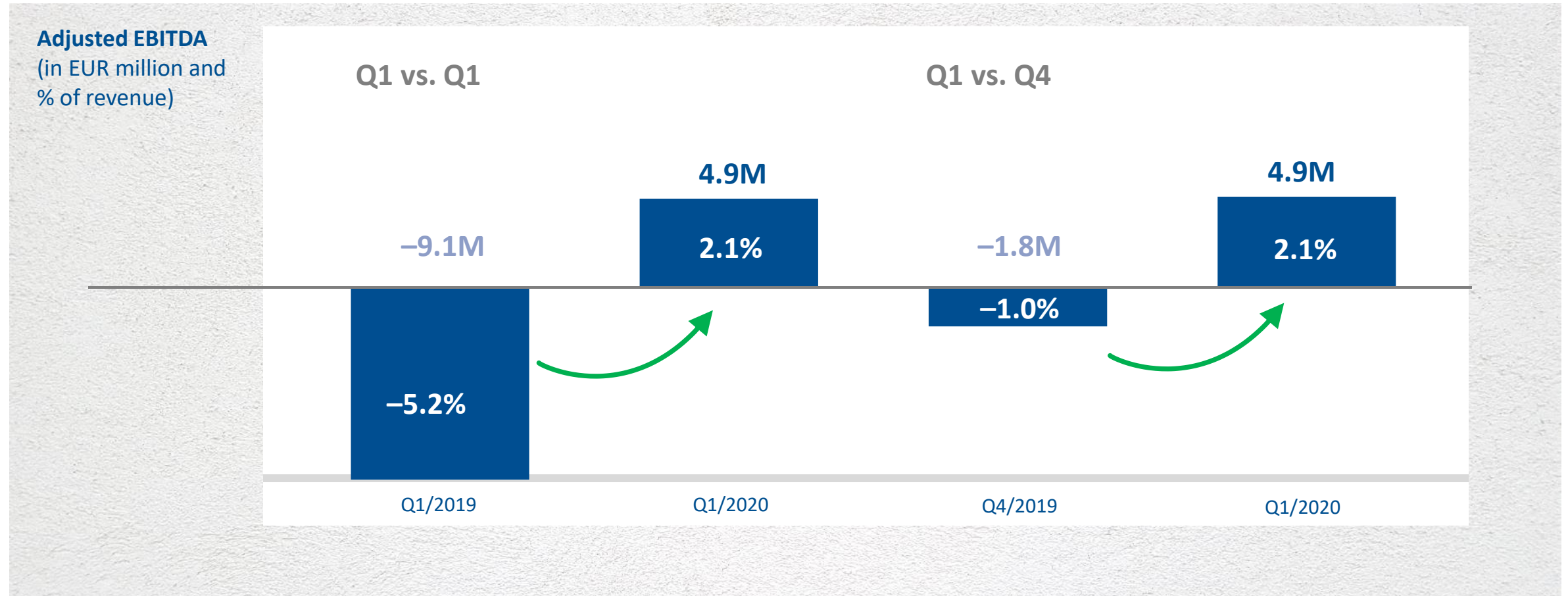
KEY FINANCIALS.

MARKETING REDUCED DURING CORONA-DEMAND AFTER PEAK IN Q1 2019; LABOUR BETTER 0.8%.



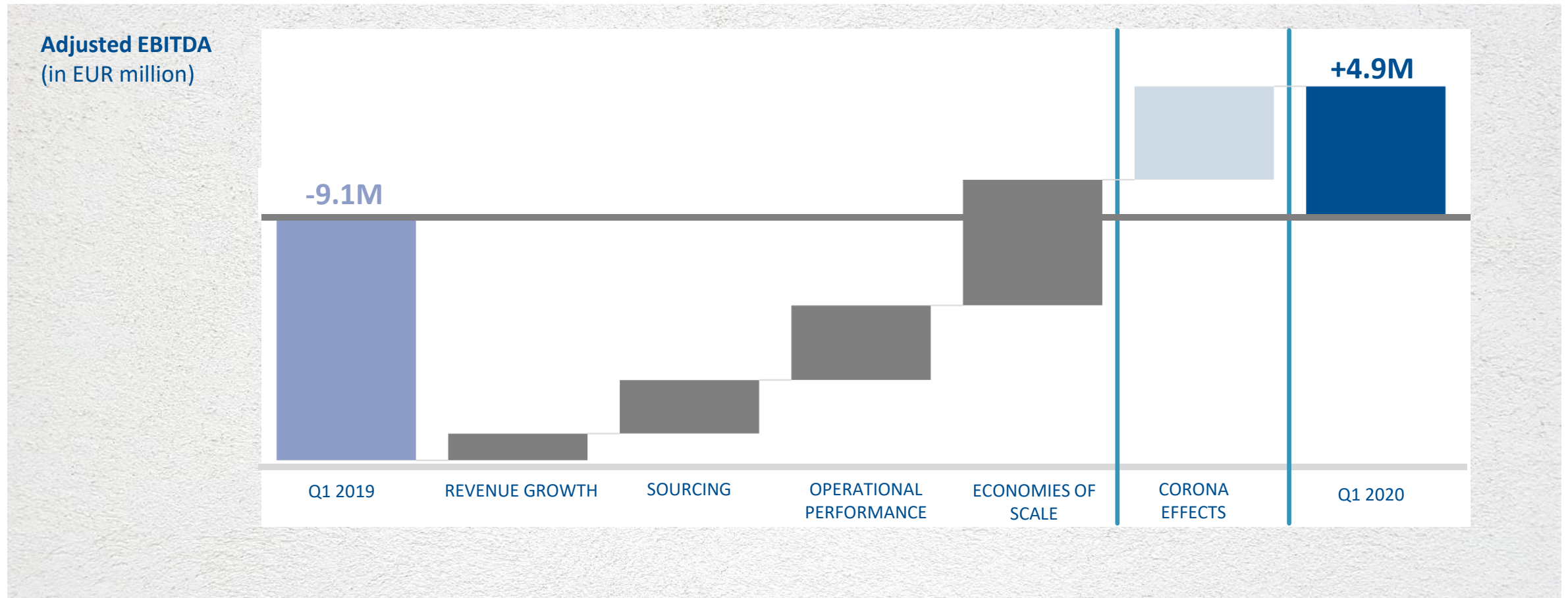
KEY FINANCIALS.

ADJUSTED EBITDA BREAK-EVEN REACHED AHEAD OF SCHEDULE.



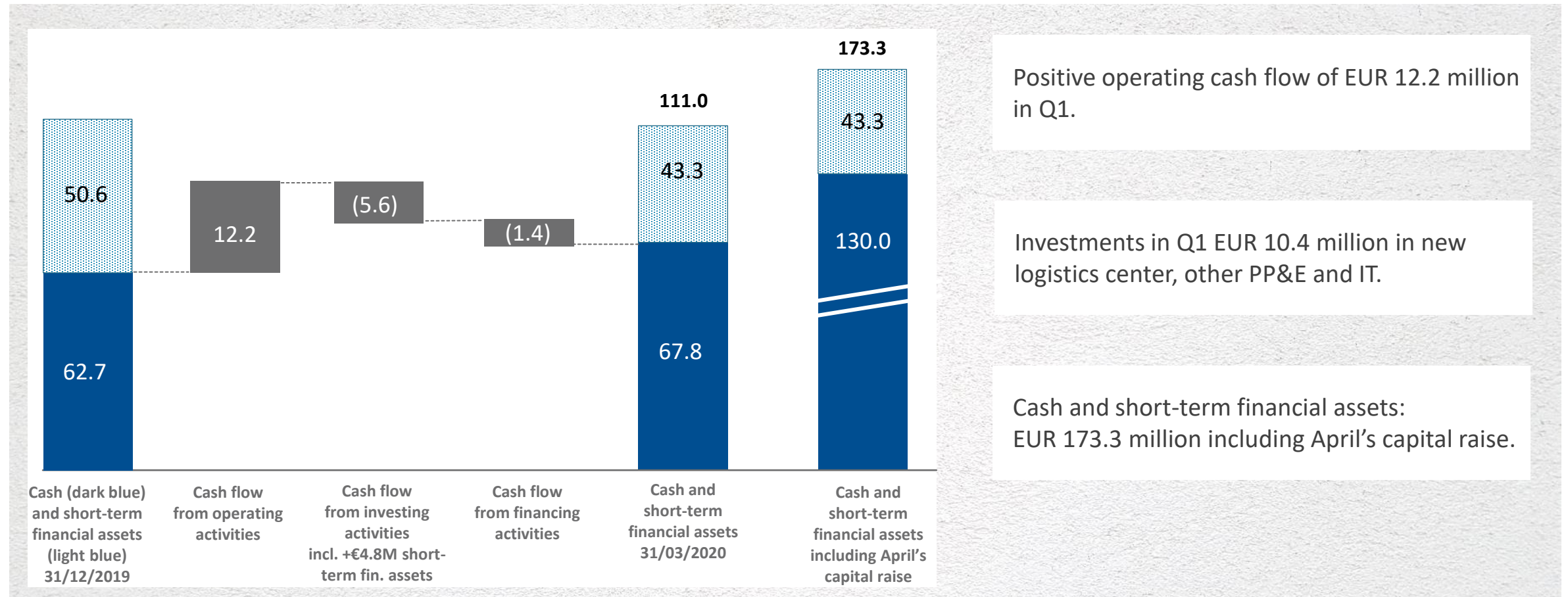
KEY FINANCIALS.

ADJ. EBITDA POSITIVE EVEN WITHOUT IMPACT OF CORONA.



KEY FINANCIALS.

SOUND BALANCE SHEET.



Positive operating cash flow of EUR 12.2 million in Q1.

Investments in Q1 EUR 10.4 million in new logistics center, other PP&E and IT.

Cash and short-term financial assets: EUR 173.3 million including April's capital raise.



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TODAY'S AGENDA.



FINANCIAL
PERFORMANCE




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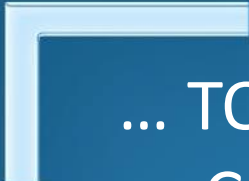


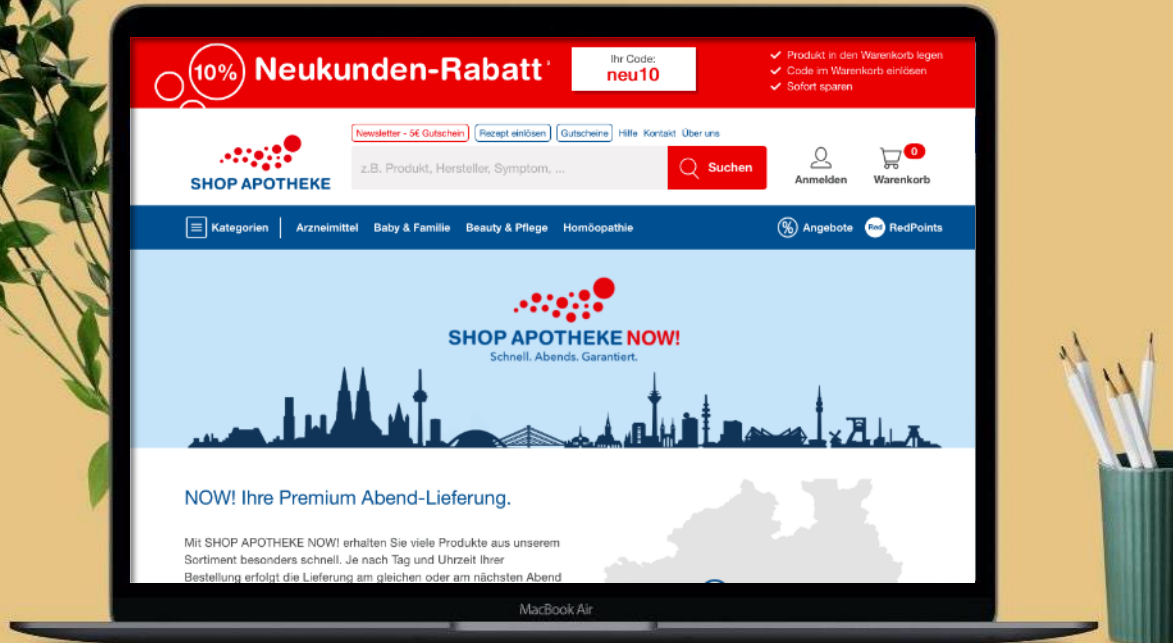
Q+A

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.

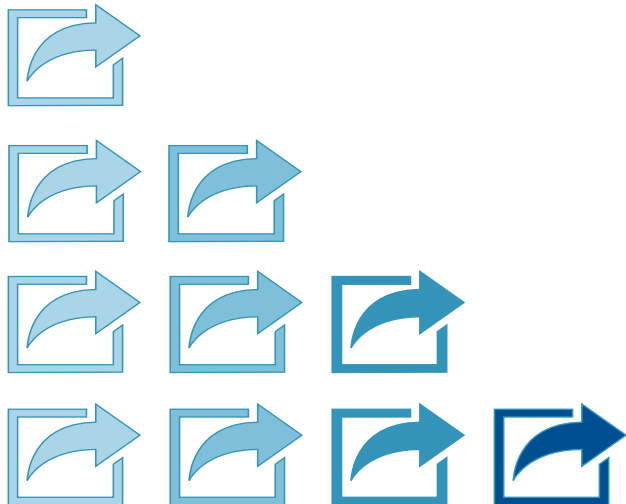
NEW IN 2020:
✓ ONLINE DOCTOR SERVICE.

EXPANSION IN 2020:
✓ OWN BRANDS.

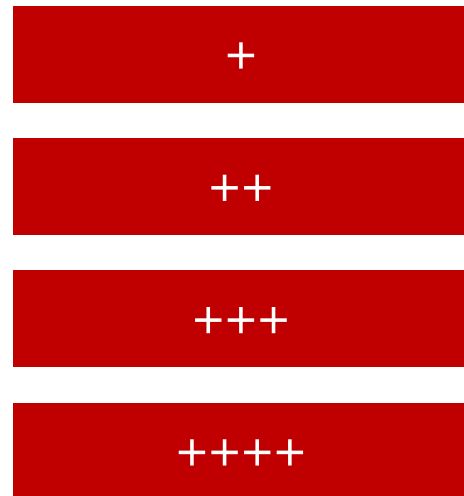
CUSTOMER-CENTRIC SERVICES. INCREASING CUSTOMER LOYALTY VALUE.



USE OF SERVICES



CLV



THE ROAD TO E-RX IN GERMANY.

2019

2020

2021

2022



Safer Pharmaceutical Care Act (GSAV) entered into force in August 2019

eRx introduced in the BMV (Federal Master Agreement)

Draft Law of Patient Data Protection Act (PDSG), expected to become effective in autumn

LOOKING FORWARD.

WE SLIGHTLY LIFT OUR EXPECTATION FOR ADJ. 2020 EBITDA; FULL UPDATE ON GUIDANCE WITH H1.



Sales in 2020 to increase by at least 20%.



Adjusted EBITDA in FY 2020 now expected to be positive (previously: break-even).



Full update on 2020 guidance with the half-year report.



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



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EUROPE

TODAY'S AGENDA.



FINANCIAL
PERFORMANCE



UPDATE ON BUSINESS AND
STRATEGY



Q+A

CONSOLIDATED SEGMENT FINANCIALS.

Segment information Q1 2020 - non adjusted and adjusted

31.3.2020	DACH	International	Total
	EUR 1,000	EUR 1,000	EUR 1,000
Revenue	200,830	31,156	231,986
Cost of sales	-159,156	-22,919	-182,075
Adjusted cost of sales	-159,189	-22,919	-182,108
Gross profit	41,673	8,237	49,911
Adjusted gross profit	41,641	8,237	49,878
% of revenue	20.8%	26.4%	21.5%
Other income	4	1	5
Selling & distribution	-30,346	-8,878	-39,224
Adjusted S&D	-30,345	-8,878	-39,223
Segment EBITDA	11,331	-640	10,692
Adjusted segment EBITDA	11,300	-640	10,660
Administrative expenses	-5,168	-1,664	-6,832
Adjusted AE	-4,328	-1,394	-5,722
EBITDA	6,165	-2,305	3,860
Adjusted EBITDA	6,971	-2,033	4,938
Depreciation	-2,535	-816	-3,352
EBIT	3,630	-3,121	508
Adjusted EBIT	4,436	-2,851	1,586
Net finance cost and income tax			-5,466
Adjusted net finance cost and income tax			-5,466
Net loss			-4,958
Adjusted net loss			-3,880

Segment information Q1 2019 - non adjusted and adjusted

31.3.2019	DACH	International	Total
	EUR 1,000	EUR 1,000	EUR 1,000
Revenue	155,011	19,635	174,646
Cost of sales	-127,050	-14,979	-142,029
Gross profit	27,960	4,657	32,617
% of revenue	18.0%	23.7%	18.7%
Other income	1	0	1
Selling & distribution	-29,620	-6,883	-36,502
Adjusted S&D	-29,620	-6,883	-36,502
Segment EBITDA	-1,659	-2,226	-3,885
Administrative expenses	-4,565	-1,342	-5,906
Adjusted AE	-4,011	-1,179	-5,190
EBITDA	-6,223	-3,568	-9,791
Adjusted EBITDA	-5,670	-3,405	-9,075
Depreciation	-2,724	-801	-3,524
EBIT	-8,947	-4,368	-13,315
Adjusted EBIT	-8,394	-4,206	-12,599
Net finance cost and income tax			-1,406
Net loss			-14,721
Adjusted net loss			-14,005

CONSOLIDATED STATEMENT OF PROFIT AND LOSS.

	Period ended 31.3.2020	Period ended 31.3.2019
	EUR 1,000	EUR 1,000
Revenue	231.986	174.646
Cost of sales	-182.075	-142.029
Gross profit	49.911	32.617
Other income	4	1
Selling and distribution	-42.072	-39.498
Administrative expenses	-7.335	-6.435
Result from operations	509	-13.315
Finance income	80	48
Finance expenses	-5.701	-1.496
Net finance costs	-5.621	-1.448
Result before tax	-5.112	-14.763
Income tax	155	42
Result after tax	-4.957	-14.721
Attributable to:		
Owners of the company	-4.957	-14.721

CONSOLIDATED STATEMENT OF FINANCIAL POSITION.

	31.3.2020	31.12.2019
	EUR 1,000	EUR 1,000
Assets		
Non-current assets		
Property, plant and equipment	47,061	13,178
Intangible assets	200,595	199,850
Deferred tax assets	120	120
Other financial assets	2,500	2,500
Investments in equity-accounted joint ventures	1,105	1,105
Investments in associates	402	402
Investments in equity-instruments	10	10
	251,795	217,165
Current assets		
Inventories	55,849	56,688
Trade and other receivables	50,106	40,894
Other financial assets	43,276	50,581
Cash and cash equivalents	67,752	62,653
	216,983	210,816
Total assets	468,778	427,981

	31.3.2020	31.12.2019
	EUR 1,000	EUR 1,000
Equity and liabilities		
Shareholders' equity		
Issued capital and share premium	341,192	341,192
Reserves/accumulated losses	- 112,935	- 108,429
	228,257	232,763
Non-current liabilities		
Deferred tax liability	3,741	3,905
Loans and Borrowings	162,601	131,512
	166,342	135,417
Current liabilities		
Trade and other payables	42,842	32,004
Loans and Borrowings	10,707	7,522
Amounts due to banks	4,282	10,167
Other liabilities	16,348	10,108
	74,178	59,801
Total equity and liabilities	468,778	427,981

CONSOLIDATED STATEMENT OF CASH FLOWS.

	Period ended 31.3.2020	Period ended 31.3.2019
	EUR 1,000	EUR 1,000
Cash flow from operating activities		
Result from operations	508	-13,315
Adjustments for:		
- Depreciation and amortisation of non-current assets	3,352	5,723
- Corporate income tax	0	0
- Share-based payment charge for the period	442	692
Operating result adjusted for depreciation and amortisation, taxes and provisions	4,302	-6,900
Movements in working capital		
-(Increase)/decrease in trade and other receivables	-4,212	-5,597
-(Increase)/decrease in inventory	839	-5,415
-(Increase)/decrease in trade and other payables	11,193	15,584
Working capital movement	7,820	4,572
Net cash (used in)/generated by operating activities	12,122	-2,328
Cash flow from investing activities		
Investment for property, plant and equipment	-7,402	-196
Investment for intangible assets	-2,979	-3,517
Investment for other financial assets	4,755	-261
Investment for acquisitions	0	0
Acquisition of subsidiary, net of cash acquired	0	0
Net cash (used in)/generated by investing activities	-5,626	-3,974

	Period ended 31.3.2020	Period ended 31.3.2019
	EUR 1,000	EUR 1,000
Cash flow from financing activities		
Interest received	80	48
Interest paid	-879	-1,449
Payment of earn-out obligations Farmaline	0	-1,100
Capital increase	0	0
Issue convertible bond	0	1,059
Issue other long-term liability	-9	-702
Cash-out lease payments	-592	0
Net cash (used in)/generated by financing activities	-1,399	-2,144
Net increase/(decrease) in cash and cash equivalents	5,097	-8,445
Cash and cash equivalents at the beginning of the period	62,653	24,338
Cash and cash equivalents at the end of the period	67,750	15,893



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.**