ZOOPLUS AG
Q1 2020 RESULTS

INVESTOR & ANALYST PRESENTATION

14 May 2020 – Munich – Dr. Cornelius Patt, CEO, Andreas Maueröder, CFO

zooplus

SAFE HARBOR STATEMENT

This document includes supplemental financial measures that are or may be non-GAAP financial measures. These supplemental financial measures should not be viewed in isolation as alternatives to measures of zooplus' financial condition, results of operations or cash flows 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.

This document contains statements related to our future business and financial performance and future events or developments involving zooplus that may constitute forward-looking statements. We may also make forward-looking statements in other reports, in presentations, in material delivered to stockholders and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of zooplus' management, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond zooplus' control, affect zooplus' operations, performance, business strategy and results and could cause the actual results, performance or achievements of zooplus to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends. Further information about risks and uncertainties affecting zooplus is included throughout our most recent annual and interim reports, which are available on the zooplus website, investors.zooplus.com. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of zooplus may vary materially from those described in the relevant forward-looking statement as being expected, anticipated, intended, planned, believed, sought, estimated or projected. zooplus neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

PET FOOD IS AN ESSENTIAL CATEGORY TO PET OWNERS – COMPETING CHANNELS (GROCERY, SPT) OPERATIONAL

ZOOPLUS PRIORITIES DURING COVID-19

KEY PILLARS OF ZOOPLUS CRISIS MANAGEMENT

SAFETY FIRST FOR TEAM & PARTNERS

PRIORITY FOR OUR LOYAL CUSTOMER BASE

AVAILABILITY OF PRODUCTS AND SERVICES

FINANCIAL STABILITY OF OUR BUSINESS

Q1 2020 RESULTS PRESENTATION

Q1 2020 Investor & Analyst Call

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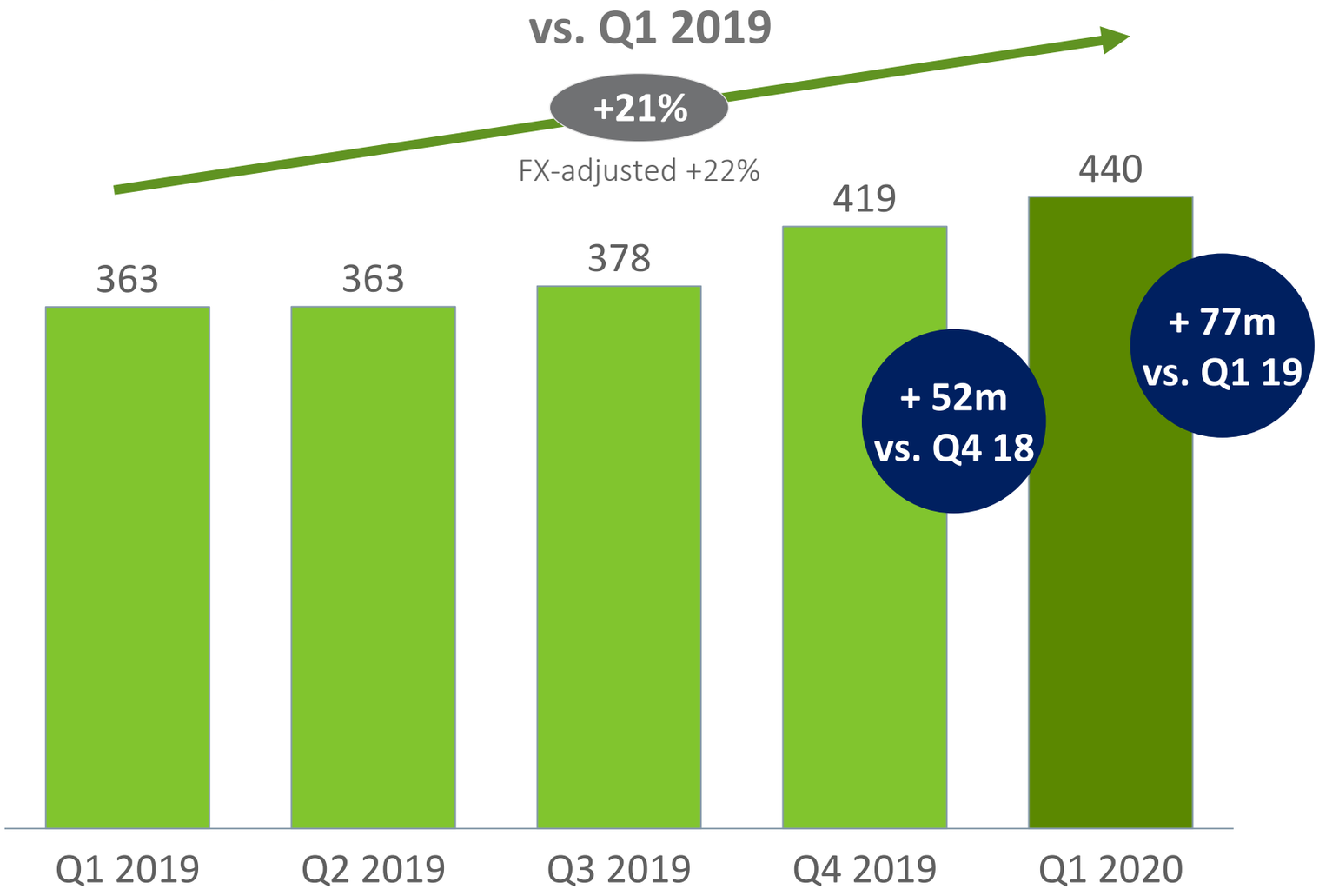
SALES VOLUME INCREASED BY EUR 77m IN Q1 2020 GROWTH ACCELERATED

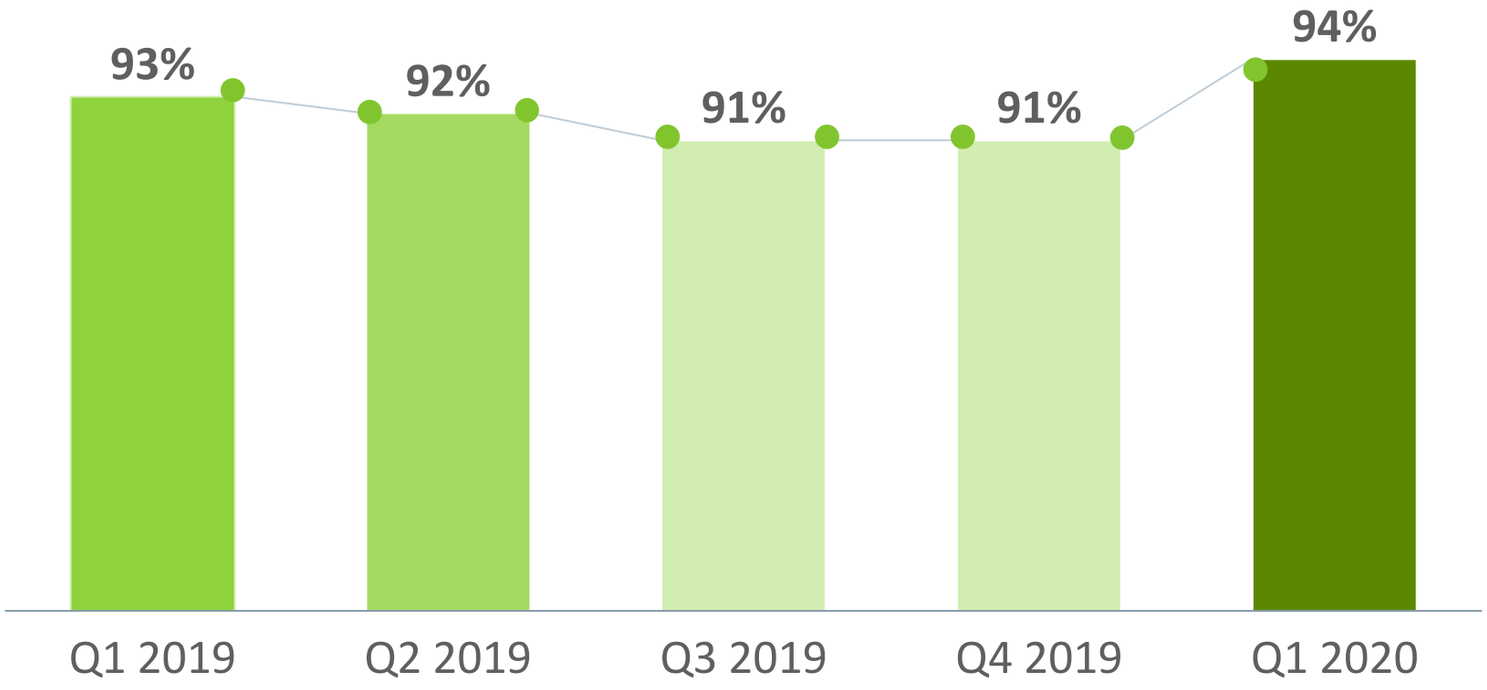
SALES (in € m)



- zooplus benefits from strong online demand in the pet supplies segment in Q1 2020
- Strong y-o-y development affirms successful efforts on improving customer activation and sales retention combined with solid sales execution
- Demand remains robust well into the first part of Q2 2020, with April growing +17% y-o-y

SALES RETENTION RATE CLIMBS TO 94% IN Q1 2020 ROBUST DEMAND FROM LOYAL CUSTOMERS

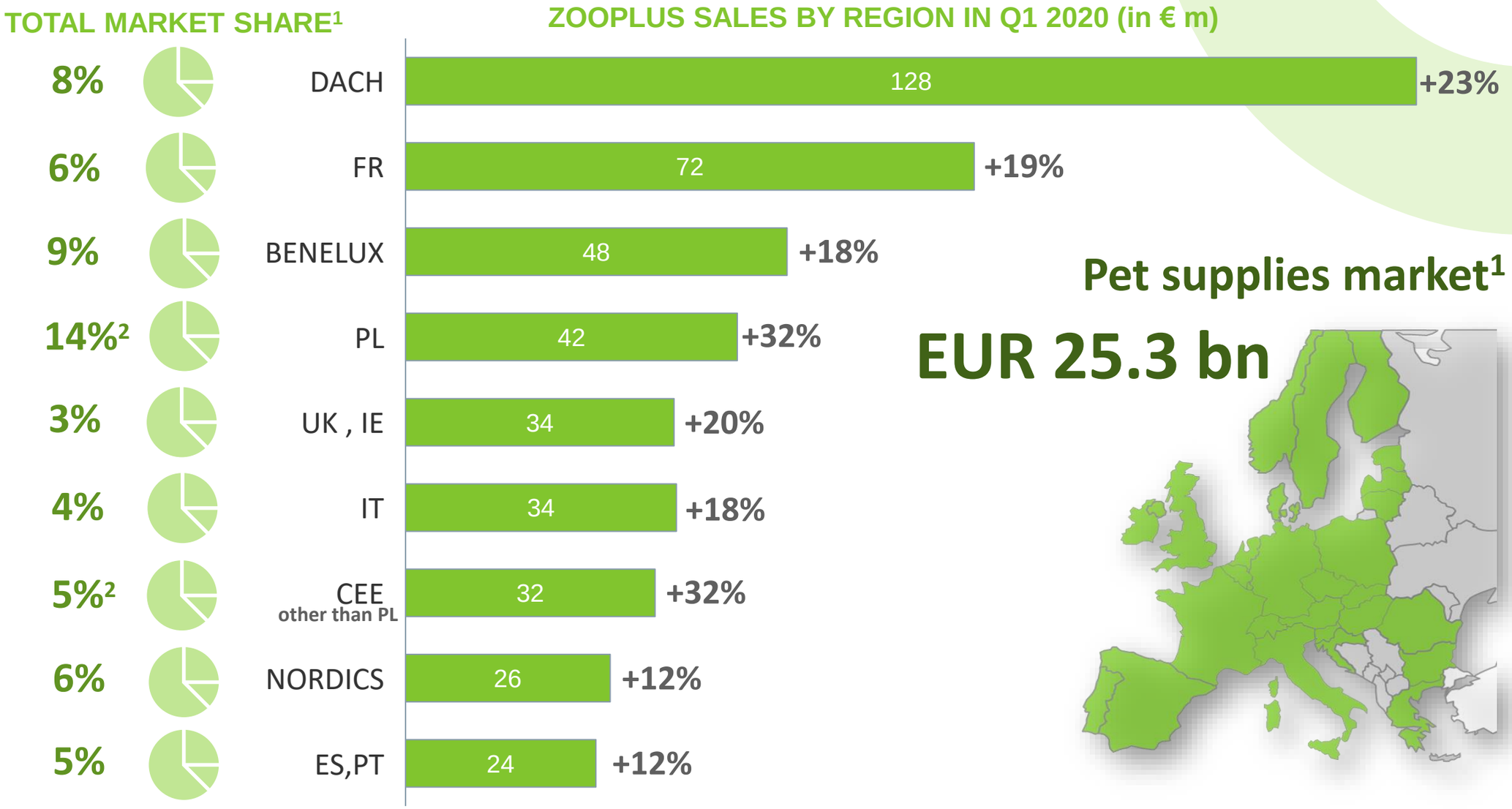
SALES RETENTION RATE[1]



- Loyal customer business in Q1 2020 boosting sales retention rate
- Corona crisis driving demand of pet food across all cohorts
- Positive development also reflecting successful initiatives to improve early stage loyalty and reactivation
- Decline of sales retention rate halted in mid 2019, first signs of improvement as of end of Q3 2019

1) Sales retention 12 months rolling (net, non-BMF)

ZOOPLUS IS ONLINE MARKET LEADER IN EUROPE - GAINING SHARE FROM OFFLINE



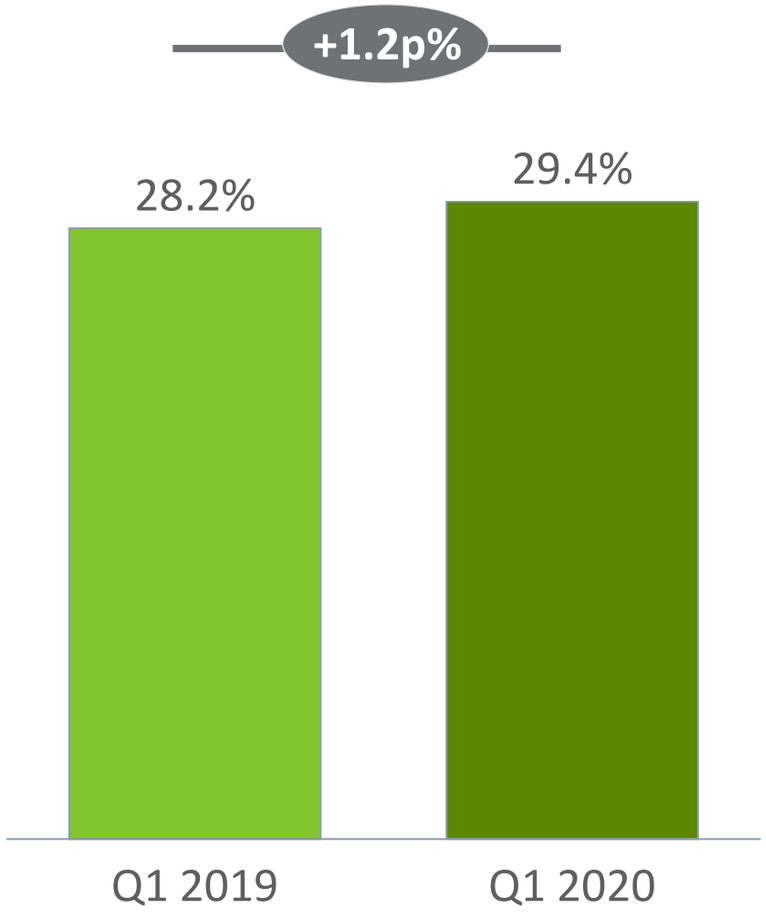
Pet supplies market[1]

EUR 25.3 bn

1) Total net market = online + offline market, based on Euromonitor International 2020 and management estimates as of March 2020 in relation to zooplus FY 2019 sales figures; 2) change vs . prior disclosure due to updated market data reflecting an overall larger total market in Poland and CEE; zooplus continues to outperform total market growth in respective markets.

GROSS MARGIN IMPROVES IN Q1 2020 VS. PY

GROSS MARGIN[1]

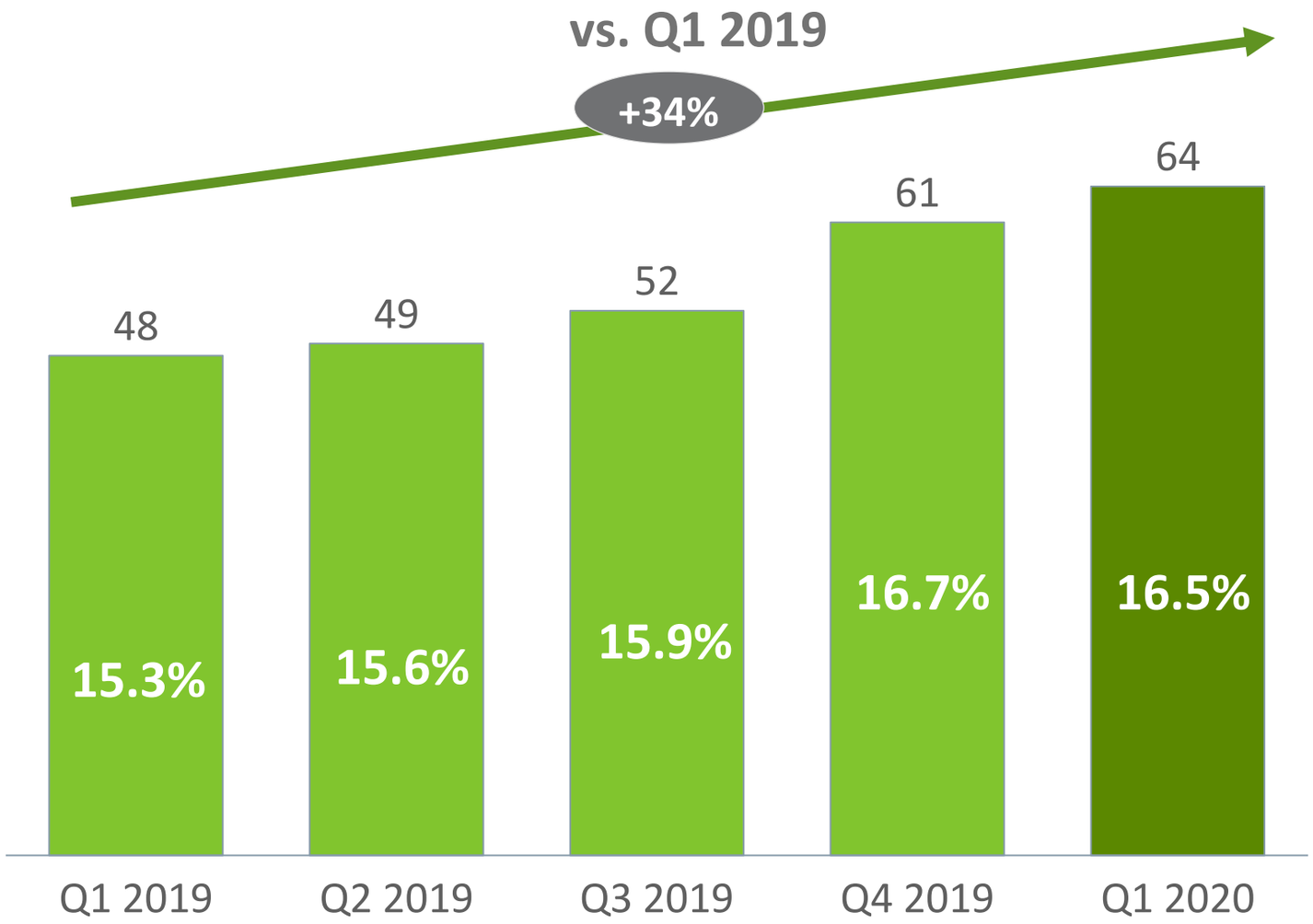


- Continued retail price stabilization across food segments
- Solid Yield Management focusing on loss leaders (avoidance) supports development of gross margin
- Continued growth trend in own brand sales improves product mix and margins

1) Gross margin = sales – cost of goods (as a % of sales)

OWN BRANDS PORTFOLIO CONTINUES TO OUTPERFORM

OWN BRAND SALES & SALES SHARE FOOD & LITTER (in € m)



- High-margin business in the mid to premium segment contributing to gross margin expansion
- Growth index own brands / food 1.4 in Q1 2020

LOYALTY TOOLS DRIVING REACTIVATION AND EARLY STAGE CUSTOMER RETENTION

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SaverPlan

Aiming at customers seeking value for money

Locking in a permanent discount for all orders as part of the paid SaverPlan membership

~ 45% of total group sales; Uplift in average customer sales of up to 40% after subscribing to Saver Plan

zooPoints

Aiming at customers seeking engagement

1 € spent on zooplus
= 1 zooPoint for reward shop

Up to 20% uplift on average sales and #orders, customers redeeming vs. non-redeeming, high usage rate and reach

zooplus APP

Aiming at customers seeking seamless experience

App rating

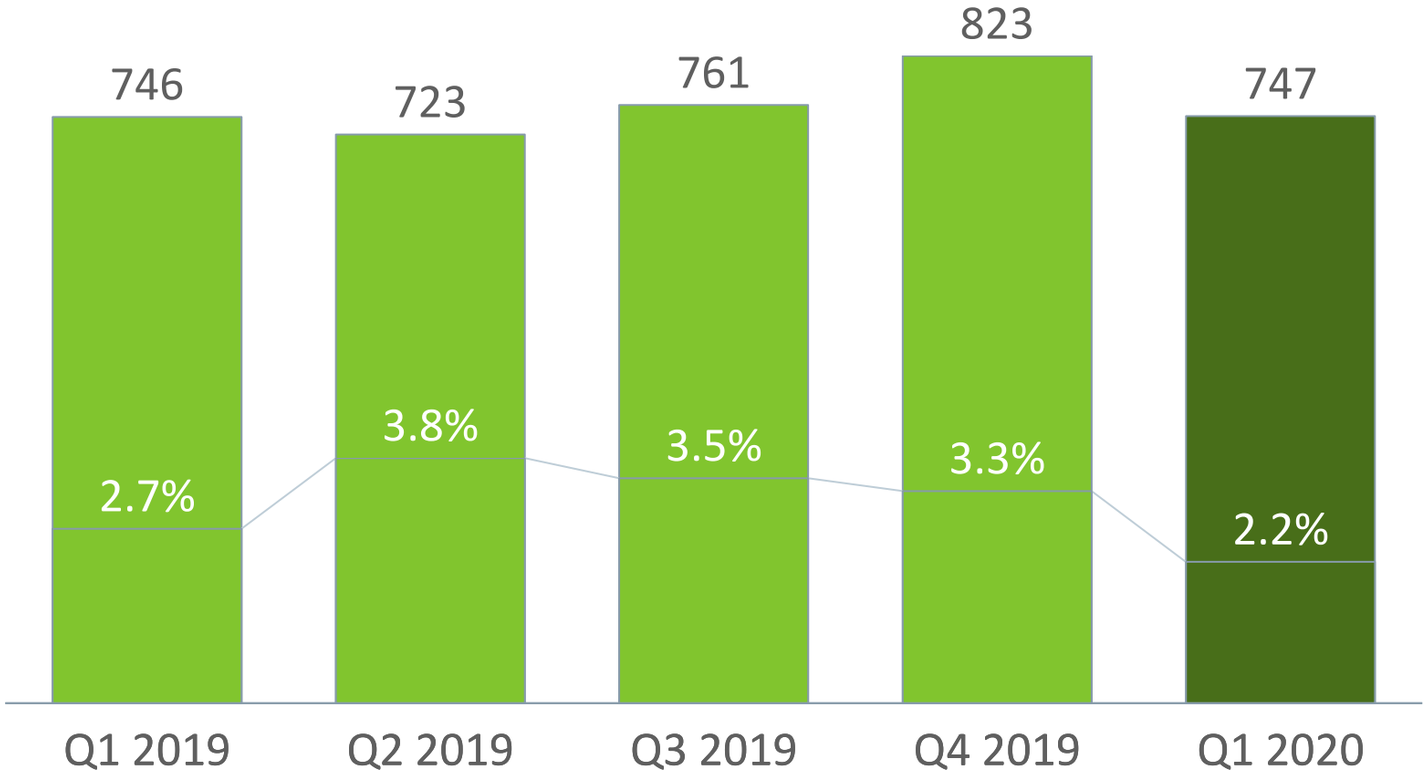
★ ★ ★ ★ ★

4.8 stars out of 5

Shifting customers to sticky mobile traffic allows for a more personalized user experience, 14% order share in FY 2019

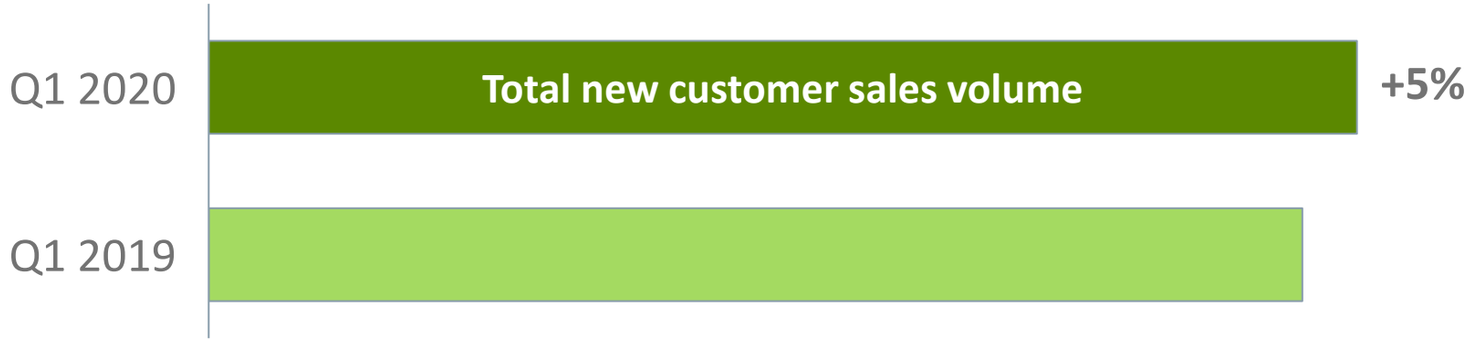
NEW CUSTOMER GROWTH IN LINE WITH EXPECTATION – FOCUS ON EFFICIENCY AND ACCOUNT QUALITY

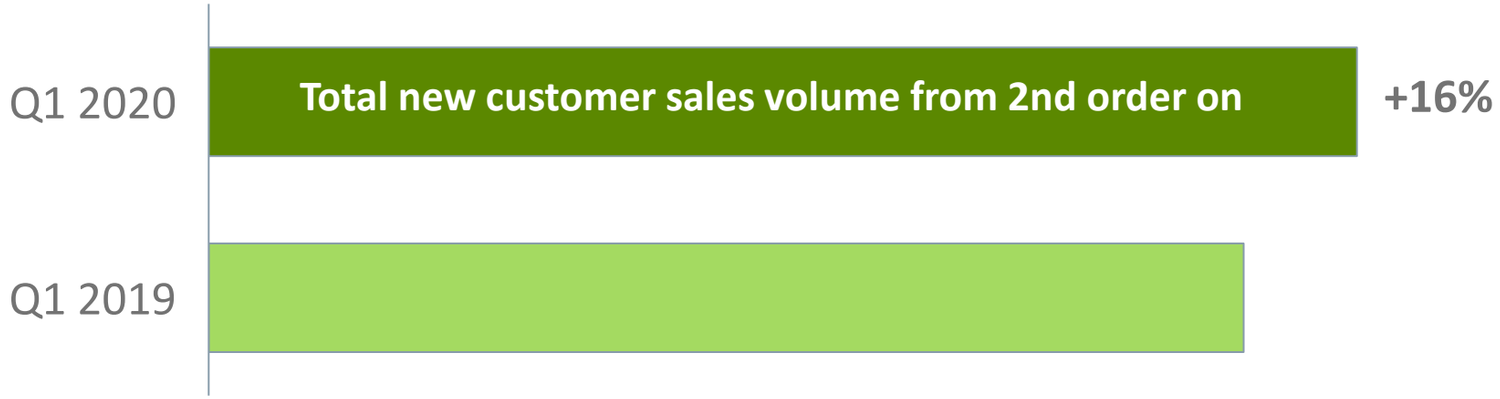
REGISTERED NEW CUSTOMERS (in k) IN RELATION TO MARKETING SPEND (% OF SALES)



- New customer acquisition confirms offline to online migration trend
- Strong organic new customer growth from March on confirms zooplus' positioning as Europe's leading online specialist retailer for pet supplies
- Efficiency focus on marketing to rebalance CAC and CLV

FOLLOW ON ORDERS CONFIRM IMPROVED SALES VALUE OF NEW CUSTOMERS





- Improved early stage cohort behavior compared to Q1 2019 cohort reflecting better customer proposition and refined retention & loyalty driving measures
- Total new customer sales volume increasing y-o-y
- Consecutive order sales volume with strong increase signalizing better account retention and higher baskets

WE ARE THE ONLY CATEGORY SPECIALIST WITH A PAN-EUROPEAN LOGISTIC NETWORK

RECORD ORDER INTAKE (+60% ABOVE AVERAGE AT PEAK)

DESIRE TO PROTECT THE LOVED ONES SECURING HEALTH & WELLBEING

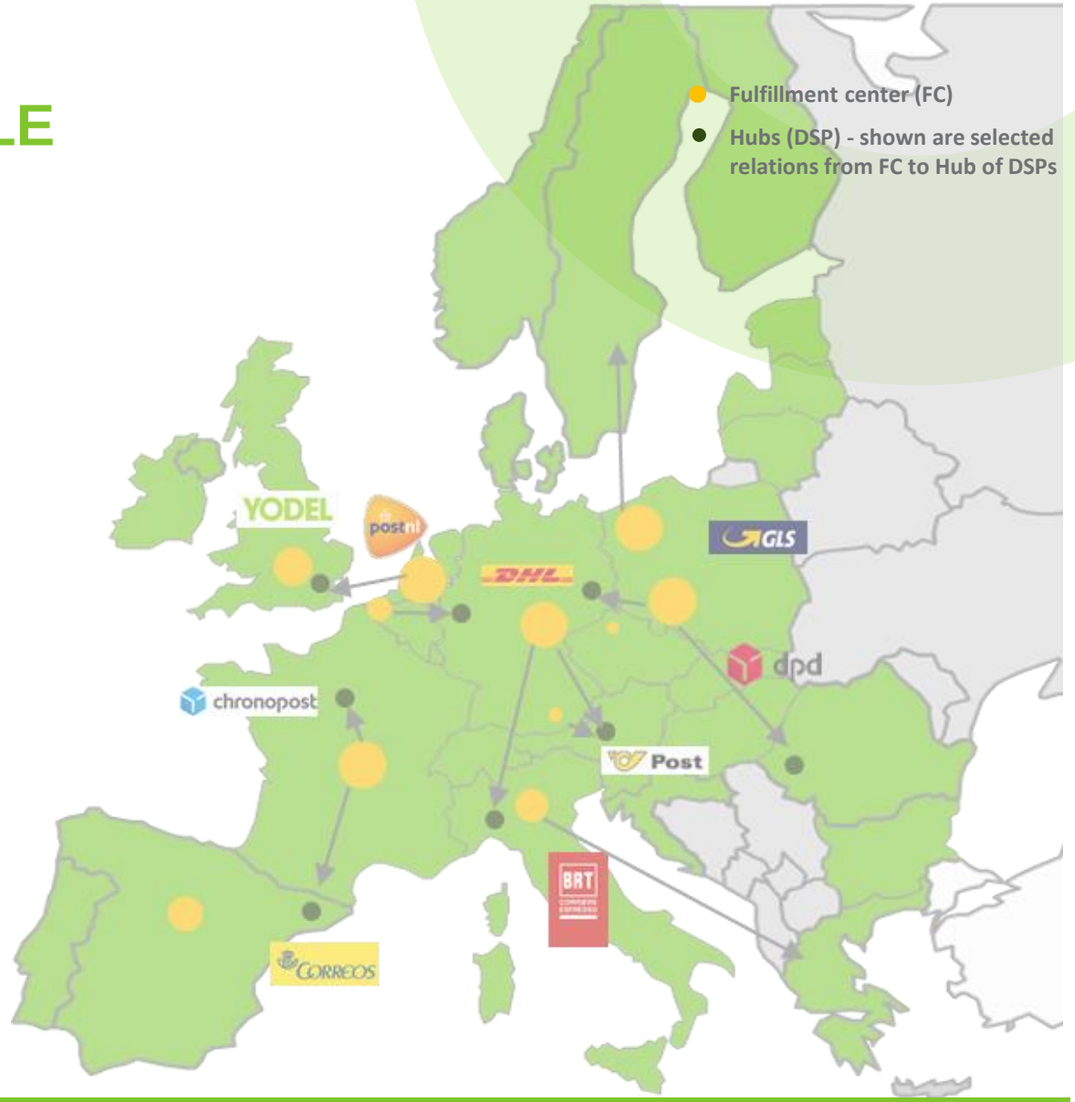
ISSUES OF AVAILABILITY OF CONSUMER STAPLES

*extra days on top of normal network output

WE ARE THE ONLY CATEGORY SPECIALIST WITH A PAN-EUROPEAN LOGISTIC NETWORK

RESILIENCE ADVANTAGE OF ZOOPLUS: SCALE

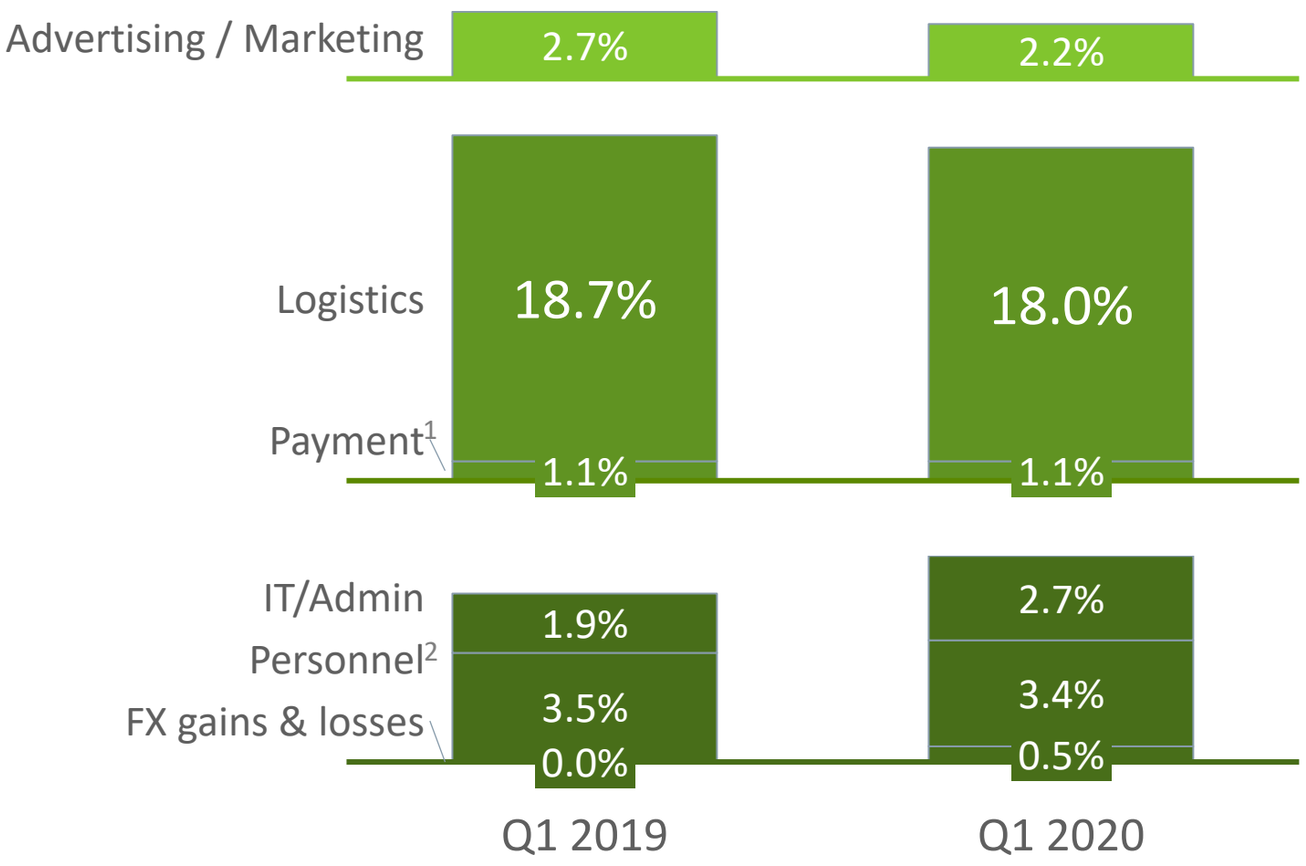
- TECH DRIVEN CAPACITY & REPLENISHMENT
- FCs RUNNING AT FULL OUTPUT
- SHELF SPACE FOR STOCKING UP
- PRODUCT AVAILABILITY
- COMPETITIVE DELIVERY TIME



11 FULFILMENT CENTERS ACROSS EUROPE KEEPING DISRUPTION AT A MINIMUM

STEERING TOWARDS MORE EFFICIENT TERRITORY IN MARKETING & LOGISTICS

COST STRUCTURE (IN % OF SALES)

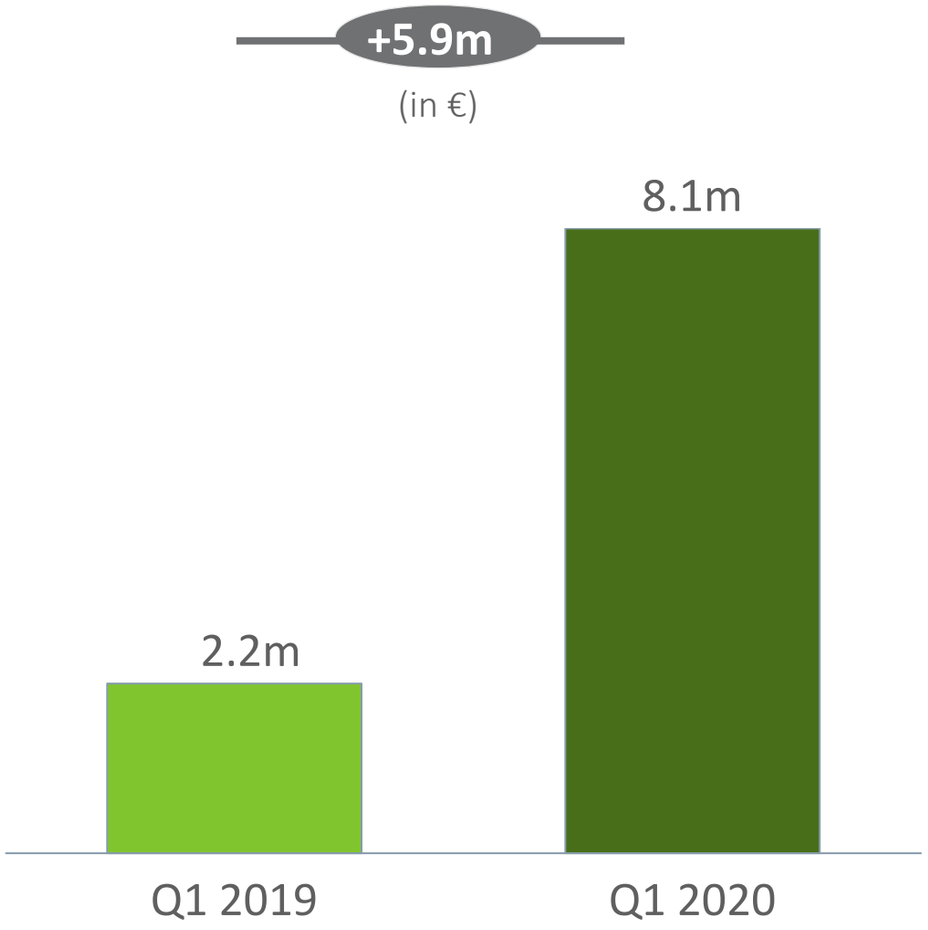


- Reduced marketing spend vs. PY – move into more efficient territory
- Larger baskets prompting for higher value per parcel, offsetting additional cost for stock shifting between FCs to safeguard local availability and higher FC capacity costs
- Increase in IT/ Admin cost base reflecting higher non operating expenses for strategic projects

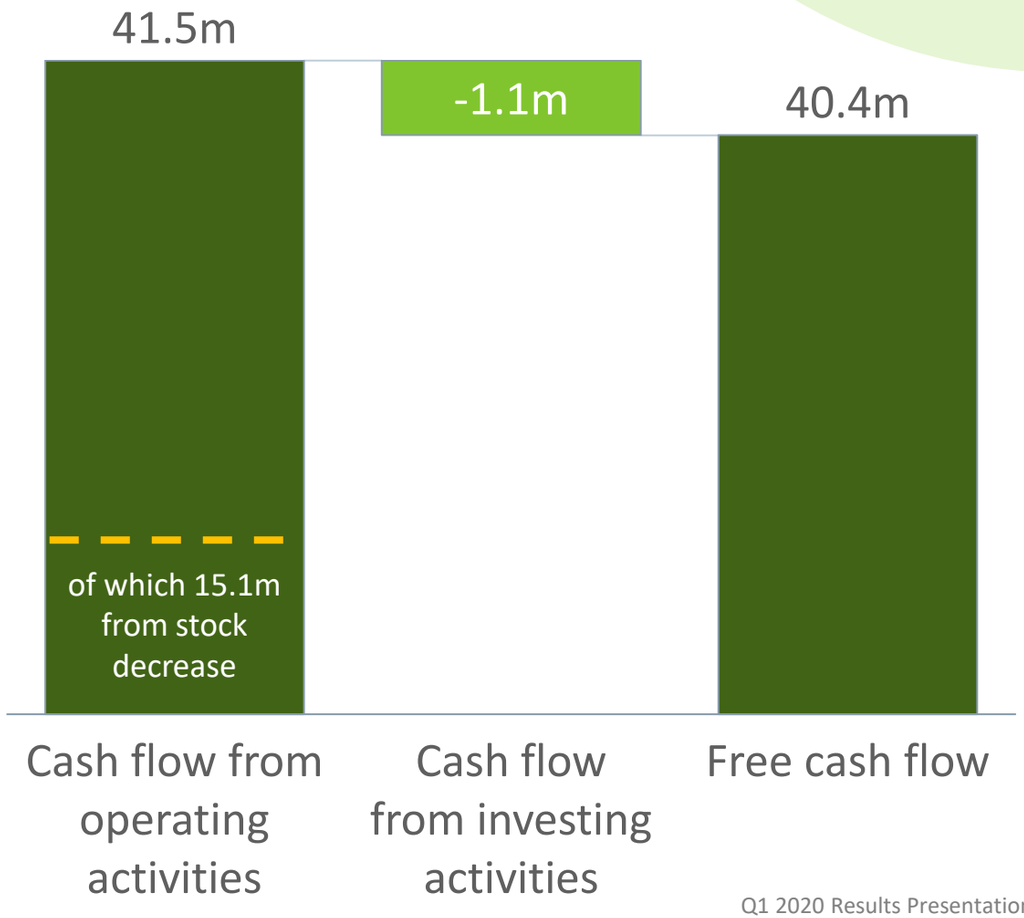
1) Impairment expenses on financial assets reclassified to payment
2) Including LTI & SOP; own work capitalized reclassified to personnel

EBITDA DRIVEN BY YIELD MANAGEMENT & EFFICIENCY, SOLID FREE CASHFLOW IN Q1 2020

EBITDA (in €)



CASH FLOW 2020 (in €)



GUIDANCE 2020

Updated on May 7, 2020

Q1 2020 Investor & Analyst Call

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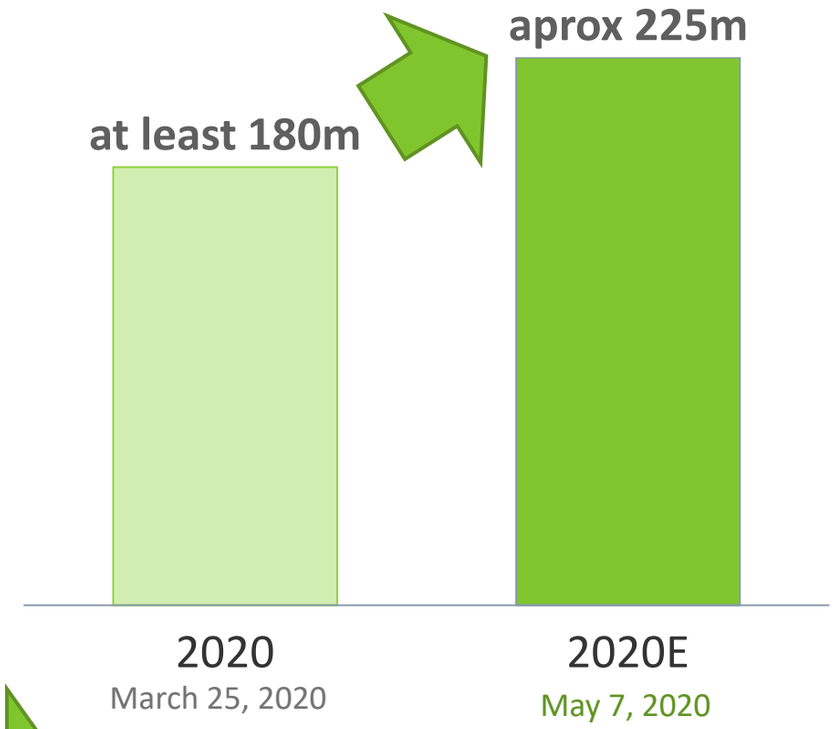
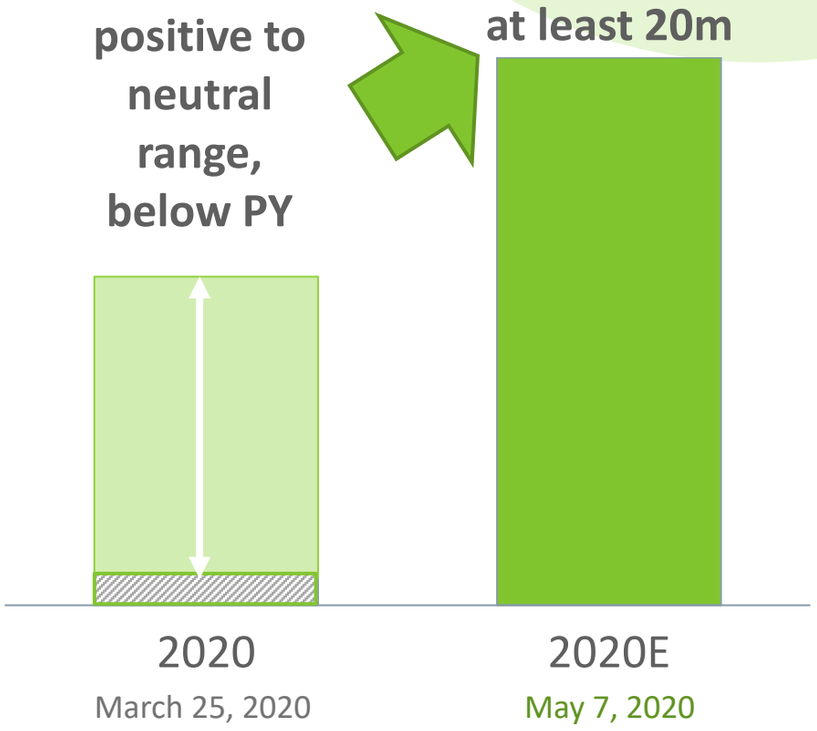
UPDATED FINANCIAL YEAR 2020 OUTLOOK
ZOOPLUS INCREASES TARGETS AMIDST ROBUST CONSUMER DEMAND

SALES GROWTH (in €)



EBITDA (in €)



UPDATED THE FINANCIAL YEAR 2020 OUTLOOK ON MAY 7, 2020

Q&A

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ZOOPLUS RECAP ON COVID-19
OPERATIONAL EXCELLENCE IN A TIME OF CRISIS

RECORD ORDER INTAKE
(+60% above average at peak*)

RECORD No. OF INQUIRIES
(+60% above average handled at peak**)

94% REVENUE RETENTION RATE

STRATEGIC MEASURES

- MARKETING & ACQUISITION
- DELIVERY DELAY UPDATES
- BULKY ACCESSORIES
- FOCUS ON LIQUIDITY

PROTECT

LOYAL CUSTOMER BASE

OPERATIONAL MEASURES

- DAILY SYNC WITH PARTNERS
- INCREASED SAFETY MEASURES
- FCs RUNNING AT FULL OUTPUT
- RESTOCKING & AVAILABILITY

MAINTAINING A LOYAL CUSTOMER BASE IS A KEYSTONE FOR FUTURE GROWTH

* Compared to Jan-Feb 2020 average of highest weekly order intake; ** Compared to daily average handled customer inquiries.

PROFIT & LOSS
Q1 2020

P&L

in € m	Q1 2020		Q1 2019*	
	abs	%	abs	%
Sales	***439.9***	*100.0%*	***363.2***	*100.0%*
Other income	1.2	*0.3%*	1.3	*0.4%*
Other gains/losses - net	-2.1	*-0.5%*	0.2	*0.1%*
Cost of materials	-310.6	*-70.6%*	-260.9	*-71.8%*
Personnel costs	-15.0	*-3.4%*	-12.6	*-3.5%*
Other expenses	-105.3	*-23.9%*	-88.9	*-24.5%*
thereof logistics / fulfillment	*-79.2*	*-18.0%*	*-68.0*	*-18.7%*
thereof marketing	*-9.8*	*-2.2%*	*-9.8*	*-2.7%*
thereof payment	*-4.7*	*-1.1%*	*-4.0*	*-1.1%*
thereof other costs	*-11.6*	*-2.6%*	*-7.1*	*-2.0%*
Earnings before depreciation, interest and taxes (EBITDA)	**8.1**	***1.8%***	**2.2**	***0.6%***
Depreciation	-7.0	*-1.6%*	-6.3	*-1.7%*
Financial income	0.0	*0.0%*	0.0	*0.0%*
Financial expenses	-0.4	*-0.1%*	-0.4	*-0.1%*
Earnings before taxes (EBT)	**0.7**	***0.2%***	**-4.5**	***-1.2%***
Taxes on income	-1.2	*-0.3%*	1.0	*0.3%*
Consolidated net result	**-0.5**	***-0.1%***	**-3.5**	***-1.0%***
Differences from currency translation	-0.1	*0.0%*	0.0	*0.0%*
Hedge reserve	0.8	*0.2%*	-0.3	*-0.1%*
Items that may be relclassified subsequently to profit or loss	0.7	*0.2%*	-0.3	*-0.1%*
Comprehensive income	0.2	*0.0%*	-3.8	*-1.0%*
Earnings per share in €				
basic	-0.07	-	-0.50	-
diluted	-0.07	-	-0.50	-

*The previous year's figures have been adjusted. Gains and losses from foreign currency valuation in the amount of EUR 952,357.61 and EUR – 777,273.84 were reclassified from other income or other expenses to other gains/(losses) - net.

BALANCE SHEET AS OF MARCH 31 2020

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Assets

in € m		March 31st. 2020	Dec. 31st. 2019	Δ abs
A.	**Non-current assets**			
I.	PP&E	5.6	5.5	0.1
II.	Intangible assets	12.2	12.8	-0.6
III.	Right-of-use assets	77.6	81.0	-3.4
IV.	Deferred tax assets	2.3	3.6	-1.3
	Total non-current assets	**97.7**	102.9	**-5.2**
B.	**Current assets**			
I.	Inventories	102.6	117.7	-15.1
II.	Advance payments	0.0	0.0	0.0
III.	Accounts receivable	29.7	27.7	2.0
IV.	Other current assets	54.3	47.7	6.6
VI.	Tax receivables	0.6	0.6	0.0
VII.	Derivative financial instruments	0.8	0.0	0.8
VIII.	Cash and cash equivalents	118.3	64.3	54.0
	Total current assets	**306.3**	258.1	**48.2**
		404.0	361.0	**43.0**

Equity and Liabilities

in € m		March 31st. 2020	Dec. 31st. 2019	Δ abs
A.	**Equity**			
I.	Capital subscribed	7.1	7.1	0.0
II.	Capital reserves	103.3	102.8	0.5
III.	Other reserves	-1.3	-2.0	0.7
IV.	Profit/Loss carried forward	-7.7	-7.2	-0.5
	Total equity	**101.4**	100.8	**0.6**
B.	**Non-current liabilities**	**57.1**	61.8	**-4.7**
C.	**Current liabilities**			
I.	Accounts payable	142.6	125.1	17.5
II.	Borrowings	20.0	0.0	
III.	Derivative financial instruments	0.0	0.4	-0.4
IV.	Other current liabilities	34.4	31.8	2.6
V.	Contract liabilities	17.7	14.0	3.7
VI.	Tax liabilites	0.2	0.2	0.0
VII.	Lease liabilities	21.5	20.4	1.1
VIII.	Provisions	9.1	6.5	2.6
	Total current liabilities	**245.5**	198.4	**47.1**
		404.0	361.0	**43.0**

CASH FLOW STATEMENT Q1 2020

in € m	Q1 2020	Q1 2019*
EBT	**0.7**	**-4.5**
Cash flow from operating activities	41.5	11.9
Cash flow from investing activities	-1.1	-1.4
Free cash flow	**40.4**	**10.5**
Cash flow from financing activities	14.1	-4.9
Currency effects on cash and cash equivalents	-0.5	0.0
Net change of cash and cash equivalents	**54.0**	**5.6**
Cash on hand, bank deposits	118.3	65.2

The previous year's figures have been adjusted. Please refer to section 2.1.1 of the notes to the consolidated financial statements in the Annual Report 2019.

Q&A

Q1 2020 Investor & Analyst Call

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