

ROCKET INTERNET

# Rocket

**We enable entrepreneurship**

Q1 2020 Results for Rocket Internet SE  
& Selected Companies

28 May 2020

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Economic ownership figures included in this presentation include, where applicable, economic interests held through entities over which Rocket Internet has no control.

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# Agenda

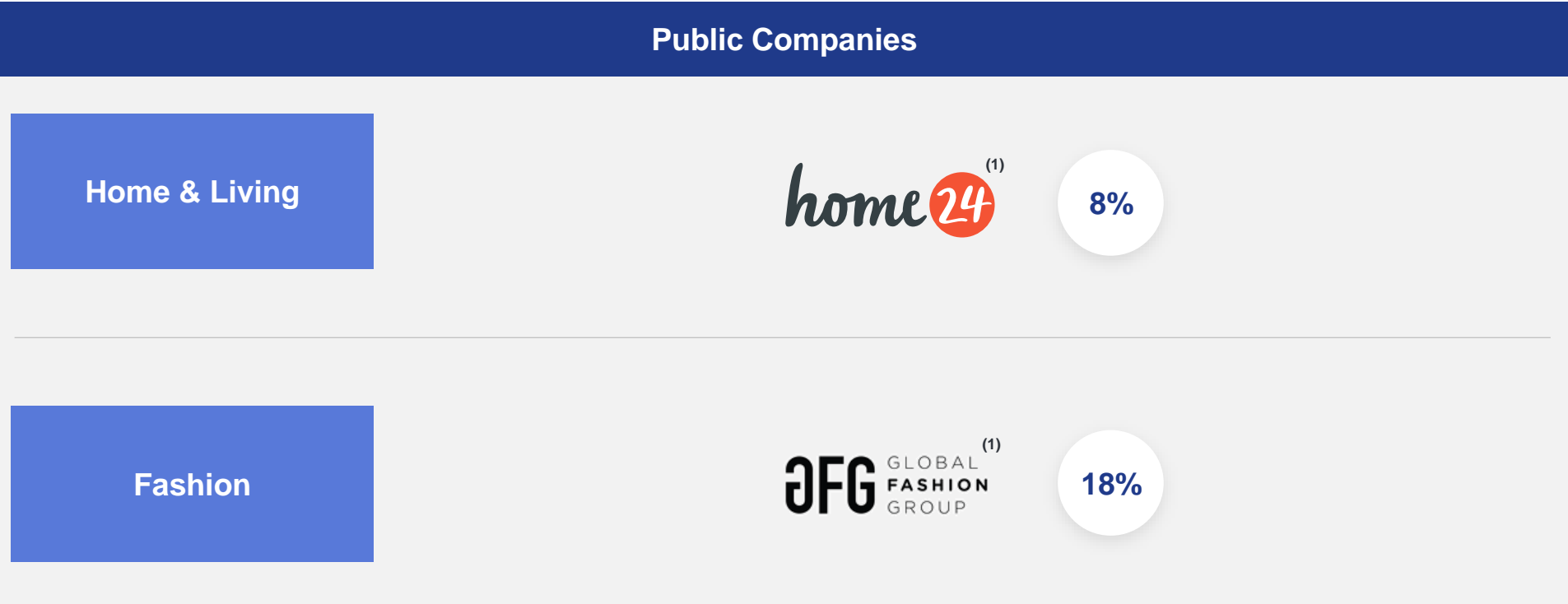
## Topic

**Q1 2020 Results for Selected Companies**

Q1 2020 Results for Rocket Internet SE

Summary Remarks

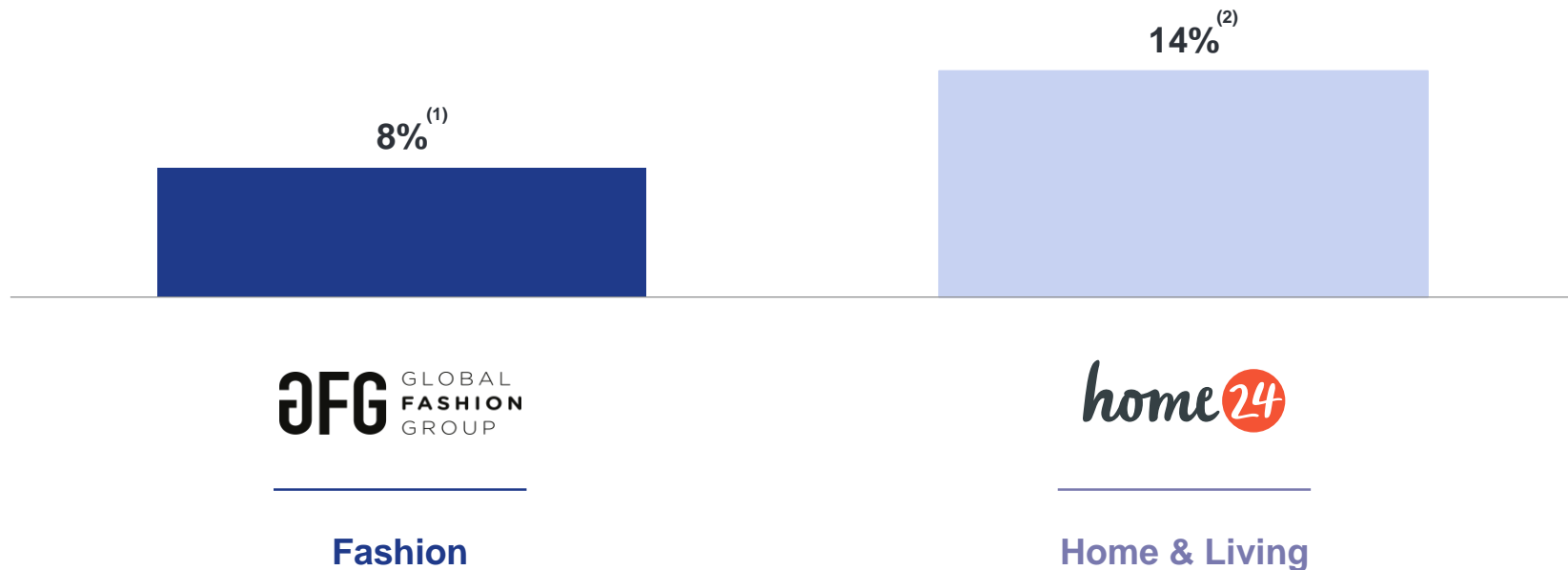
# Rocket Internet's Selected Companies



Note(s):  
(1) Percentages indicate Rocket Internet's total economic ownership held directly, and, where applicable, indirectly through entities over which it may have no control. Rocket Internet economically holds the following number of shares in the below companies as of April 30, 2020:  
home24: 2.1m shares  
Global Fashion Group: 38.9m shares

# Continued Topline Growth

## Topline Growth Q1 2020 vs. Q1 2019



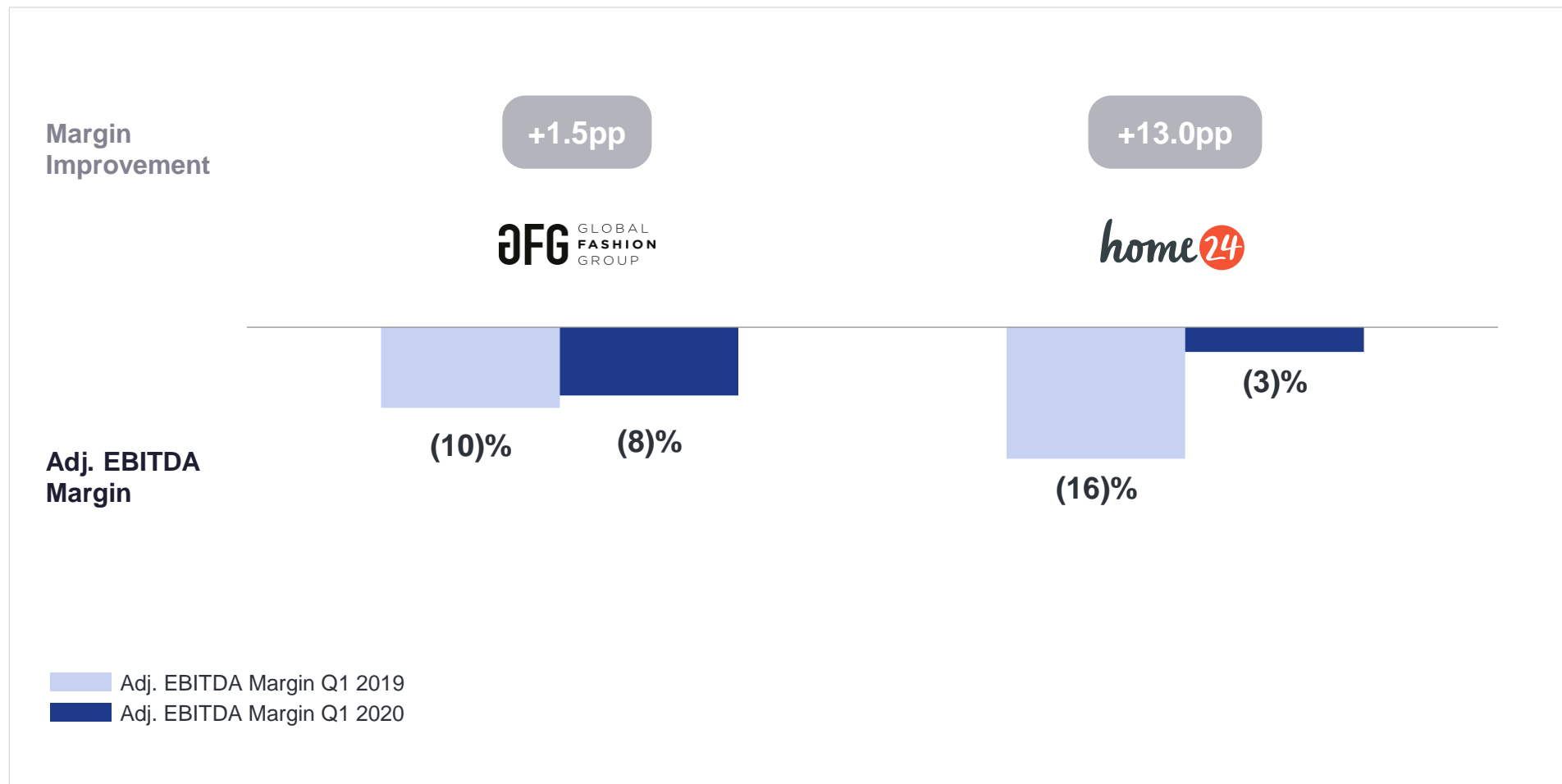
Source: GFG Q1 2020 results, home24 Q1 2020 results.

Note(s): Rocket Internet does not have control over the network companies shown above.

(1) At a constant currency basis reflecting a growing proportion of transactions coming through the Marketplace, which accounted for 25% of Q1 NMV.

(2) At constant FX.

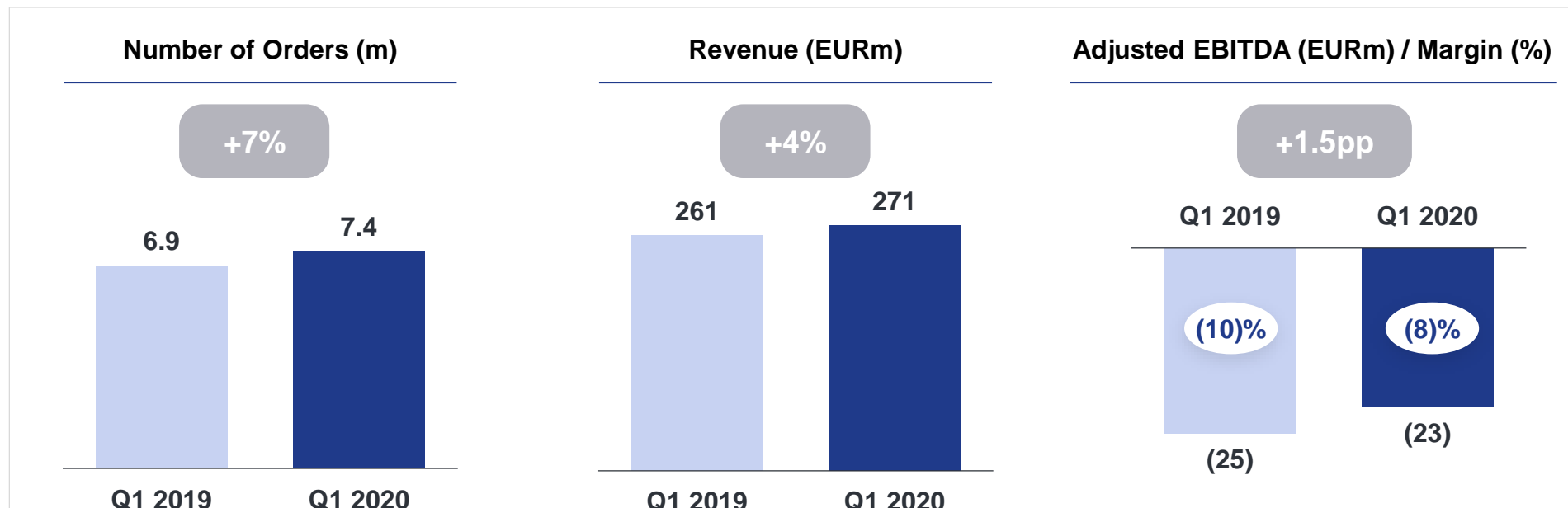
# Adj. EBITDA Margins Overall Continue to Improve at Selected Companies



Source: GFG Q1 2020 results, home24 Q1 2020 results.

Note(s): Rocket Internet does not have control over the network companies shown above.

# GFG Delivers Ongoing Growth in Q1 with Improved Profitability Despite COVID-19 Impact

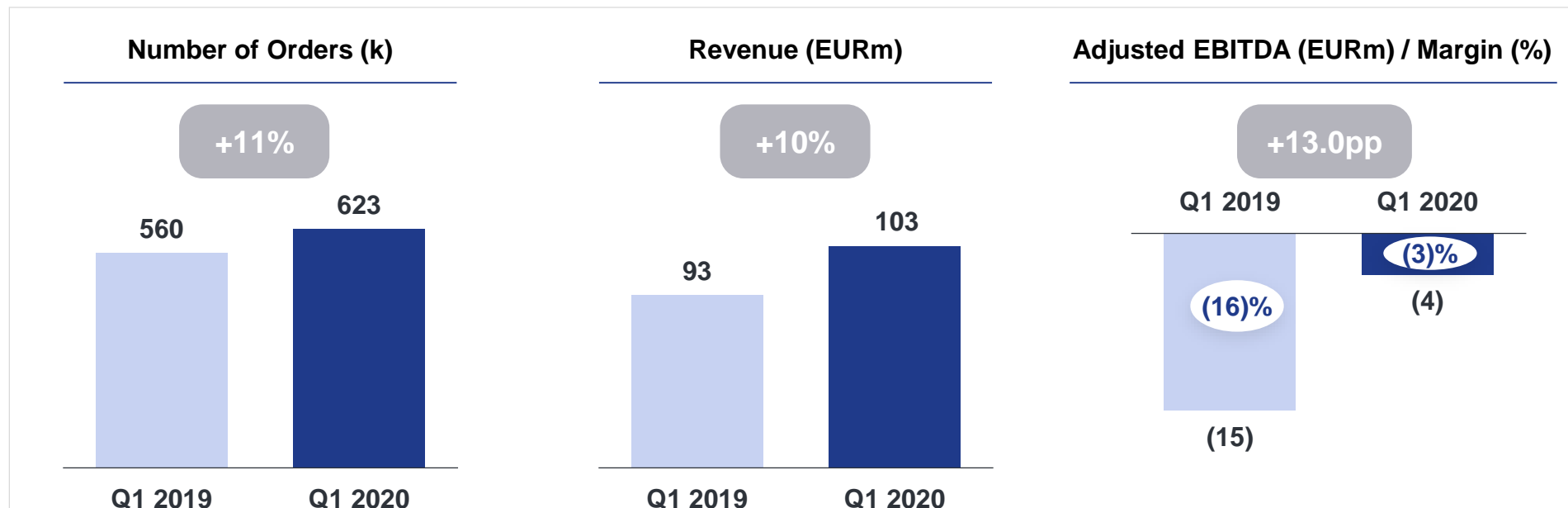


## Company Highlights

- **Revenue reached EUR 271 million** in Q1 2020, **growing 8% YoY** on a constant currency basis, as the company continues to expand its assortment across the group with the launch of new brands and enhanced sustainability offerings
- **Profitability improved to an adj. EBITDA margin of -8% in Q1 2020** driven primarily by a higher gross margin, partially offset by an increased fulfilment cost income ratio, reflecting the accounting treatment of marketplace revenue
- In Q1 2020, **number of orders grew by 7% to 7.4m**, with a 5.2% increase in the average order value. Customers purchased 2.7% more frequently at 2.6 times per year, the 10th consecutive quarter in which the group have increased frequency

Source: GFG Q1 2020 results presentation.

# home24 Shows Strong Growth and Profitability Increase in Q1 2020



## Company Highlights

- home24 reached **currency-adjusted revenue growth of 14% in Q1 2020 to EUR 103 million** compared to Q1 2019, despite a 10% reduction in marketing expenses
- Significant improvement of the adjusted EBITDA margin of 13 percentage points in Q1 2020**, with adjusted EBITDA margin of -3% compared to -16% in Q1 2019
- Online order intake benefits from an increase in demand: accelerated year-over-year growth in April of 88% in Europe and 39% in Brazil

Source: home24 Q1 2020 results.



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## New Incubations



**20**

**New Business Models  
Launched  
Since 2018**

# Tinvio is a Digital B2B Procurement and Communication Platform



## Simplifying the Ordering Process for Merchants and Suppliers



Real-time communication with all suppliers in one app



Simple ordering system – ordering with just a few clicks



Digitalization of the order book for real-time controlling and reporting



Innovative, fully digitalized invoicing

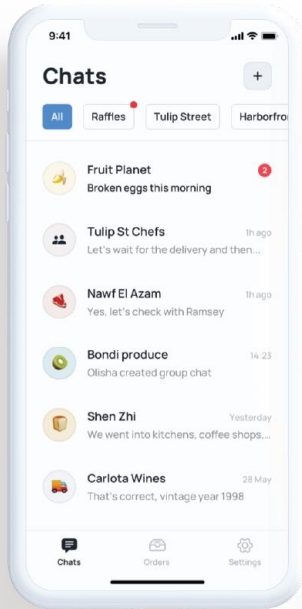


Centralized order tracking

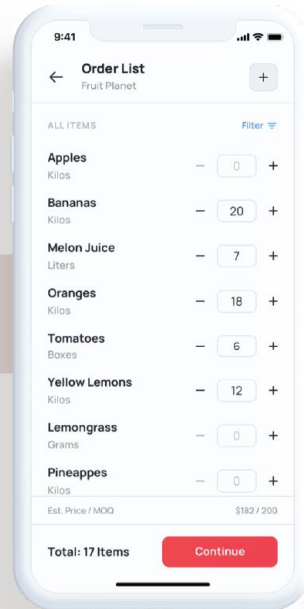


**Tinvio  
won over  
1,000  
Partners  
in Asia**

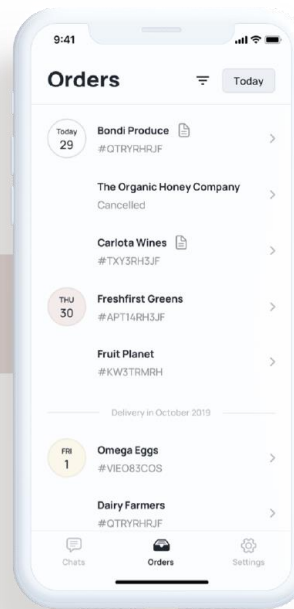
# Making Ordering Intuitive and Simple



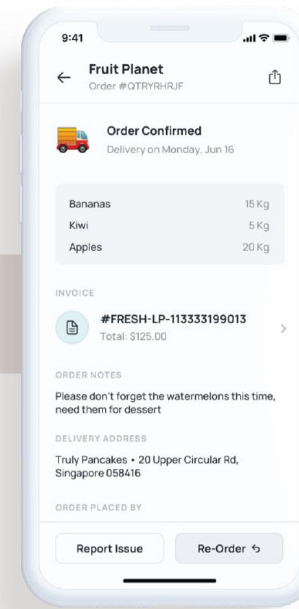
Chats with  
suppliers



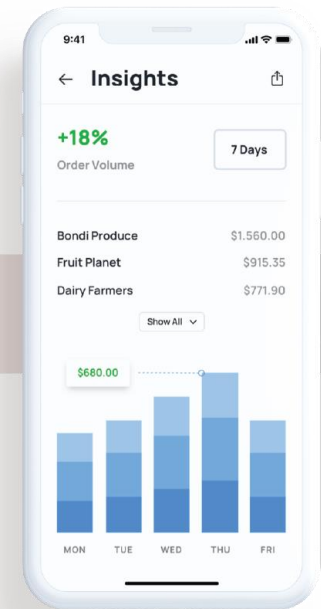
Orders



Order  
Overview



Digital  
Processing



Reports &  
Analysis

# Other Private Companies



**200+**  
**Private Companies**

As of end of April 2020, Corona/ Covid-19 is a developing situation with to date unknown duration and very significant negative economic impact. The recent Corona/ Covid-19 outbreak and related post year-end market conditions may have a significant impact on the Total Fair Value for the Private Companies. Such events are beyond the Company's control, and the likelihood that they may occur and the effect or the estimate of their impact on the Total Fair Value cannot be predicted.

**Total Cost<sup>1</sup>**  
(as of Mar 31, 2020)

**c. EUR 0.4bn<sup>2</sup>**

**Total Fair Value<sup>3</sup>**  
(as of Mar 31, 2020)

**c. EUR 1.0bn<sup>2</sup>**

***Valuations are subject to significant limitations and should not be read as an indication for the price that third parties would be willing to pay in a future financing round, a potential trade sale or a potential initial public offering***

Source: Unaudited management information.

Note(s):

(1) Acquisition costs according to applicable local GAAP (e.g. HGB, Lux-GAAP) as per Mar 31, 2020.

(2) Includes investment costs incurred and fair value attributable to Rocket Internet directly and indirectly through entities over which Rocket Internet has no control, where applicable.

(3) Fair value as per Mar 31, 2020. Fair value is only an indication that is subject to certain assumptions. The fair value may change significantly over time and should not be read as a guarantee of the proceeds we may receive in the event of an exit from a network company. The actual proceeds we may receive in the event of an exit from and/or partial disposal of a network company can be significantly different. In an event such as a sale and/or partial disposal of a network company to a third party or an IPO, we may receive no proceeds or only a share in the proceeds that is significantly lower than the current fair value. In most of our private companies other shareholders or other stakeholders have or will have the right to request shares to be issued to them at a value lower than fair market value or even at nominal value. By way of example, instances in which shareholders may get further shares could be in addition to financing rounds or IPOs at a lower valuation than previous financing rounds, i.e. downrounds, in which case certain shareholders may even be allocated a multiple of their respective original investment as preferred return, the breach of warranties given by the relevant company to other investors in connection with their investment, the conversion of shareholder loans or the contribution by employees or other parties of their shares or interests in subsidiaries of the relevant company against issuance of new shares in the company (i.e. roll-up). Further economic dilution might result from liquidation preferences, phantom shares, options, warrants and minority stakes or interests held by employees and other parties in subsidiaries of the relevant company. In general, we are often not in the position to block the issuance of further shares in the relevant company, which is why our economic interest is subject to continuous changes.

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# Agenda

## Topic

Q1 2020 Results for Selected Companies

**Q1 2020 Results for Rocket Internet SE**

Summary Remarks

# Q1 2020 Results Rocket Internet SE – Consolidated IFRS Income Statement

EURm	Q1 2019	Q1 2020
<b>Revenue</b>	<b>15.1</b>	<b>19.9</b>
Other operating income	10.8	8.7
Cost of materials and cost of financial services	(3.3)	(2.3)
Employee benefit expenses	(8.6)	(10.7)
Other operating expenses	(12.2)	(16.2)
Share of profit/(loss) of associates and joint ventures	(15.2)	(48.3)
<b>EBITDA</b>	<b>(13.5)</b>	<b>(48.9)</b>
Depreciation, amortization and impairment of non-current assets	(1.3)	(2.7)
<b>EBIT</b>	<b>(14.8)</b>	<b>(51.6)</b>
<b>Financial result</b>	<b>156.6</b>	<b>(103.5)</b>
Finance costs	(7.4)	(150.5)
Finance income	164.0	47.0
<b>Profit/loss before tax</b>	<b>141.8</b>	<b>(155.2)</b>
Income taxes	(2.3)	(6.3)
<b>Profit/loss for the period</b>	<b>139.5</b>	<b>(161.5)</b>
Loss attributable to non-controlling interests	(0.8)	(1.1)
<b>Profit/loss attributable to equity holders of the parent</b>	<b>140.3</b>	<b>(160.4)</b>
<b>Earnings per share (in EUR)</b>	<b>0.93</b>	<b>(1.18)</b>

Source: Unaudited interim consolidated financial statements.

# Q1 2020 Results Rocket Internet SE – Consolidated IFRS Balance Sheet

Assets EURm	Dec 31 2019	Mar 31 2020
<b>Non-current assets</b>		
Right-of-use assets	45.7	44.7
Investment properties	19.3	19.2
Property, plant and equipment	3.6	3.5
Intangible assets	1.9	0.4
Investments in associates and joint ventures	365.6	379.3
Non-current financial assets	1,086.8	1,077.6
Other non-current non-financial assets	1.3	1.6
<b>Total non-current assets</b>	<b>1,524.1</b>	<b>1,526.4</b>
<b>Current assets</b>		
Inventories	0.1	0.1
Trade receivables	4.6	4.3
Other current financial assets	949.2	1,286.3
Other current non-financial assets	3.1	2.9
Income tax assets	5.4	8.6
Cash and cash equivalents	1,665.1	1,325.2
<b>Total current assets</b>	<b>2,627.5</b>	<b>2,627.4</b>
<b>Total assets</b>	<b>4,151.7</b>	<b>4,153.7</b>

Equity and Liabilities EURm	Dec 31 2019	Mar 31 2020
<b>Equity</b>		
Subscribed capital	150.8	137.3
Treasury shares	(324.1)	(33.8)
Capital reserves	2,765.6	2,492.6
Retained earnings	1,371.8	1,211.4
Other components of equity	2.5	7.8
Equity attributable to equity holders of the parent	<b>3,966.4</b>	<b>3,815.2</b>
Non-controlling interests	11.7	10.2
<b>Total equity</b>	<b>3,978.2</b>	<b>3,825.4</b>
<b>Non-current liabilities</b>		
Lease liabilities	52.1	50.9
Other non-current financial liabilities	63.8	67.8
Other non-current non-financial liabilities	0.3	0.4
Deferred tax liabilities	0.8	2.2
<b>Total non-current liabilities</b>	<b>117.0</b>	<b>121.3</b>
<b>Current liabilities</b>		
Lease liabilities	4.8	4.8
Trade payables	17.1	15.7
Other current financial liabilities	11.9	158.5
Other current non-financial liabilities	13.9	15.7
Income tax liabilities	8.8	12.3
<b>Total current liabilities</b>	<b>56.5</b>	<b>207.0</b>
<b>Total liabilities</b>	<b>173.5</b>	<b>328.3</b>
<b>Total equity and liabilities</b>	<b>4,151.7</b>	<b>4,153.7</b>

Source: Unaudited interim consolidated financial statements.

# Strong Cash Reserves

## Financial Strength at Rocket Internet SE as of Apr 30, 2020

Net Cash <sup>(1)</sup>	Public Stock		Loans Granted <sup>(4)</sup>
	Liquid Stock <sup>(2)</sup>	Low Liquidity Stock <sup>(3)</sup>	
EUR 1.9b	EUR 0.5b	EUR 0.1b	EUR 0.7b

As of end of April 2020, Corona/ Covid-19 is a developing situation with to date unknown duration and very significant negative economic impact. The recent Corona/ Covid-19 outbreak and related post year-end market conditions may have a significant impact on the Loan Portfolio Granted. Such events are beyond the Company's control, and the likelihood that they may occur and the effect or the estimate of their impact on the Loan Granted cannot be predicted.

Source: Unaudited management information.

Note(s):

- (1) Net cash represents gross cash minus commitments made.
- (2) Value of holdings in liquid public stocks attributable to Rocket Internet directly and indirectly through entities over which Rocket Internet has no control, where applicable, using closing share prices as of April 30, 2020, including e.g. United Internet and Tele Columbus as well as other publicly listed technology shares and other participations in publicly listed companies.
- (3) Value of holdings in low liquidity public stocks attributable to Rocket Internet directly and indirectly through entities over which Rocket Internet has no control, where applicable, using closing share prices as of April 30, 2020, including e.g. Global Fashion Group, home24 and Westwing, as well as other publicly listed technology shares and other participations in publicly listed companies.
- (4) Value of loans granted by Rocket Internet (economically attributable) to companies, as of April 30, 2020.



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# Financial Calendar

Date	Event
September 24, 2020	H1 2020 Results for Rocket Internet & Selected Companies
November 24, 2020	9M 2020 Results for Rocket Internet & Selected Companies and Capital Markets Day

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# Agenda

## Topic

Q1 2020 Results for Selected Companies

Q1 2020 Results for Rocket Internet SE

**Summary Remarks**

# **Q1 2020 Results**

**for Rocket Internet SE & Selected Companies**