

ROCKET INTERNET

Rocket

We enable entrepreneurship

Q1 2020 Results for Rocket Internet SE
& Selected Companies

28 May 2020

Disclaimer

This document is being presented solely for informational purposes and should not be treated as giving investment advice. It is not intended to be (and should not be used as) the sole basis of any analysis or other evaluation. All and any evaluations or assessments stated herein represent our personal opinions. We advise you that some of the information is based on statements by third persons, and that no representation or warranty, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of this information or opinions contained herein.

This presentation contains certain forward-looking statements relating to the business, financial performance and results of Rocket Internet SE, its subsidiaries and its participations (collectively, “Rocket”) and/or the industry in which Rocket operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, “expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets” and similar expressions. The forward-looking statements contained in this presentation, including assumptions, opinions and views of Rocket or cited from third party sources, are solely opinions and forecasts which are uncertain and subject to risks. Actual events may differ significantly from any anticipated development due to a number of factors, including without limitation, changes in general economic conditions, in particular economic conditions in the markets in which Rocket operates, changes affecting interest rate levels, changes in competition levels, changes in laws and regulations, environmental damages, the potential impact of legal proceedings and actions and Rocket’s ability to achieve operational synergies from acquisitions. Rocket does not guarantee that the assumptions underlying the forward-looking statements in this presentation are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or any obligation to update the statements in this presentation to reflect subsequent events. The forward-looking statements in this presentation are made only as of the date hereof. Neither the delivery of this presentation nor any further discussions of Rocket with any of the recipients thereof shall, under any circumstances, create any implication that there has been no change in the affairs of Rocket since such date. Consequently, Rocket does not undertake any obligation to review, update or confirm recipients’ expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of the presentation.

Neither Rocket Internet SE nor any other person shall assume any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or the statements contained herein as to unverified third person statements, any statements of future expectations and other forward-looking statements, or the fairness, accuracy, completeness or correctness of statements contained herein, or otherwise arising in connection with this presentation.

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

Agenda

Topic

Q1 2020 Results for Selected Companies

Q1 2020 Results for Rocket Internet SE

Summary Remarks

Rocket Internet's Selected Companies

Public Companies

Home & Living

home⁽¹⁾24

8%

Fashion

GF⁽¹⁾ GLOBAL
FASHION
GROUP

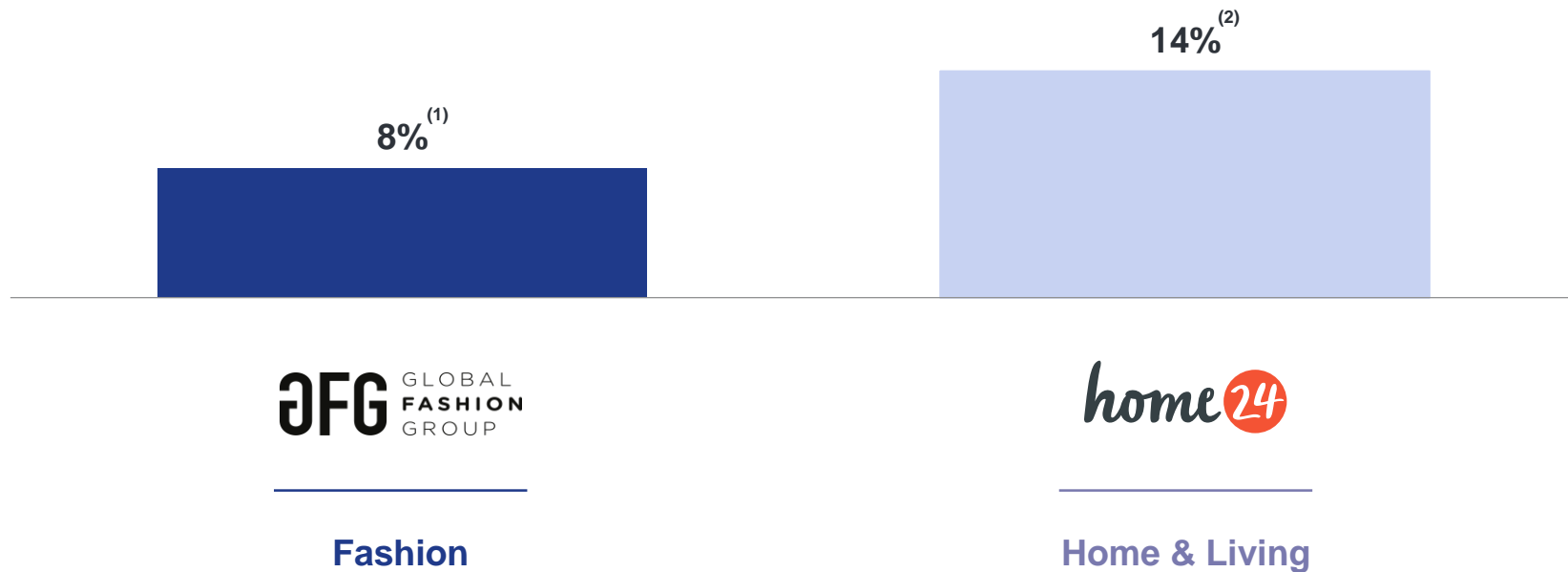
18%

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



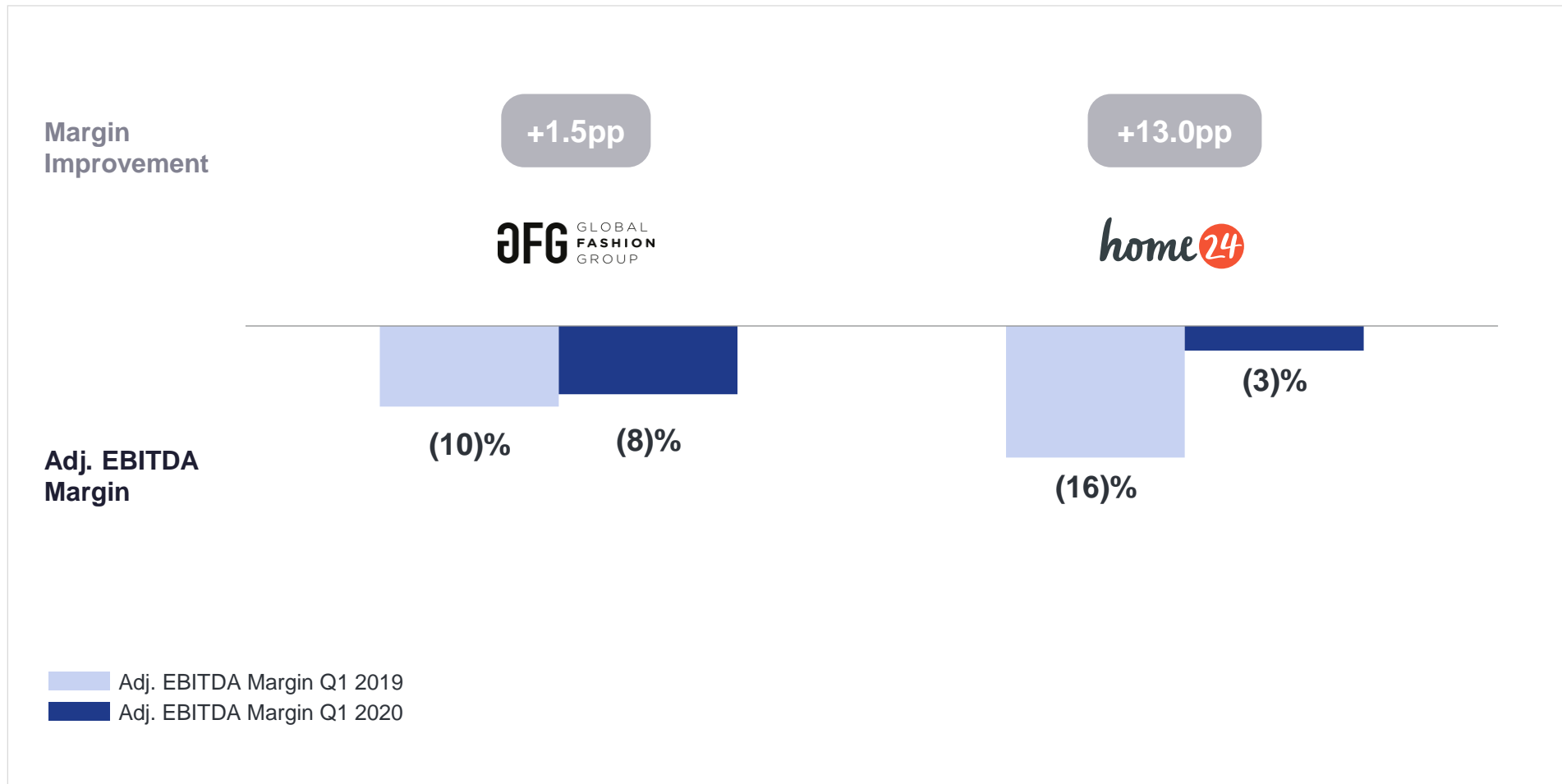
Source: GFG Q1 2020 results, home24 Q1 2020 results.

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.

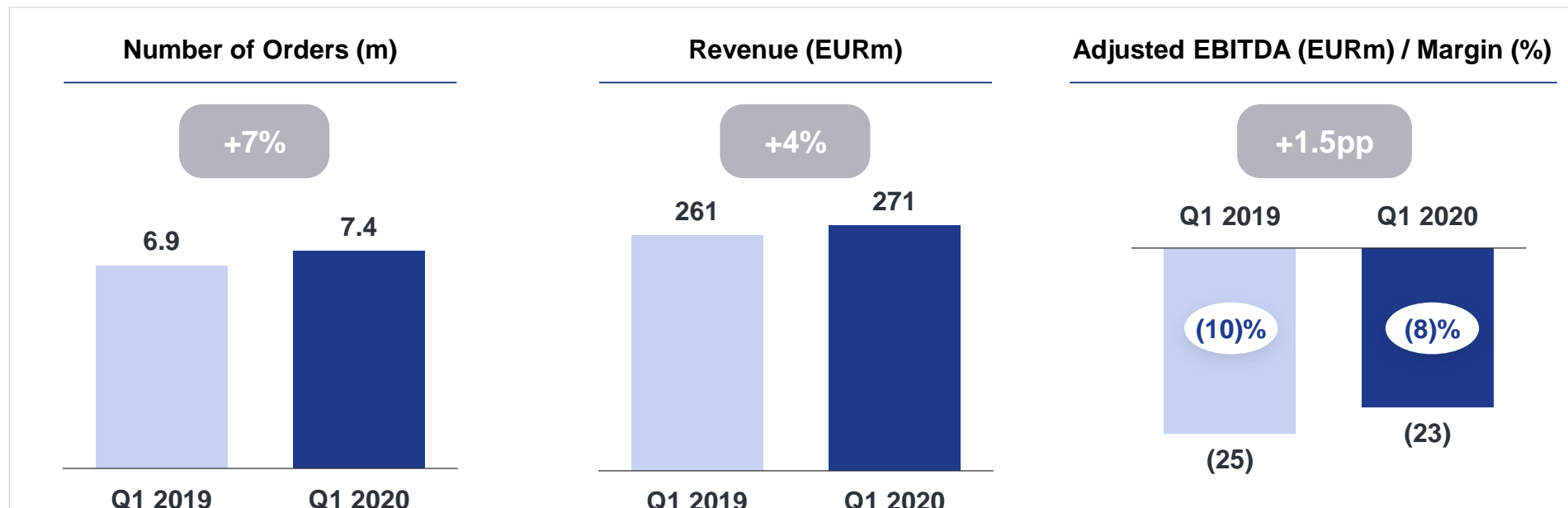
Adj. EBITDA Margins Overall Continue to Improve at Selected Companies



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

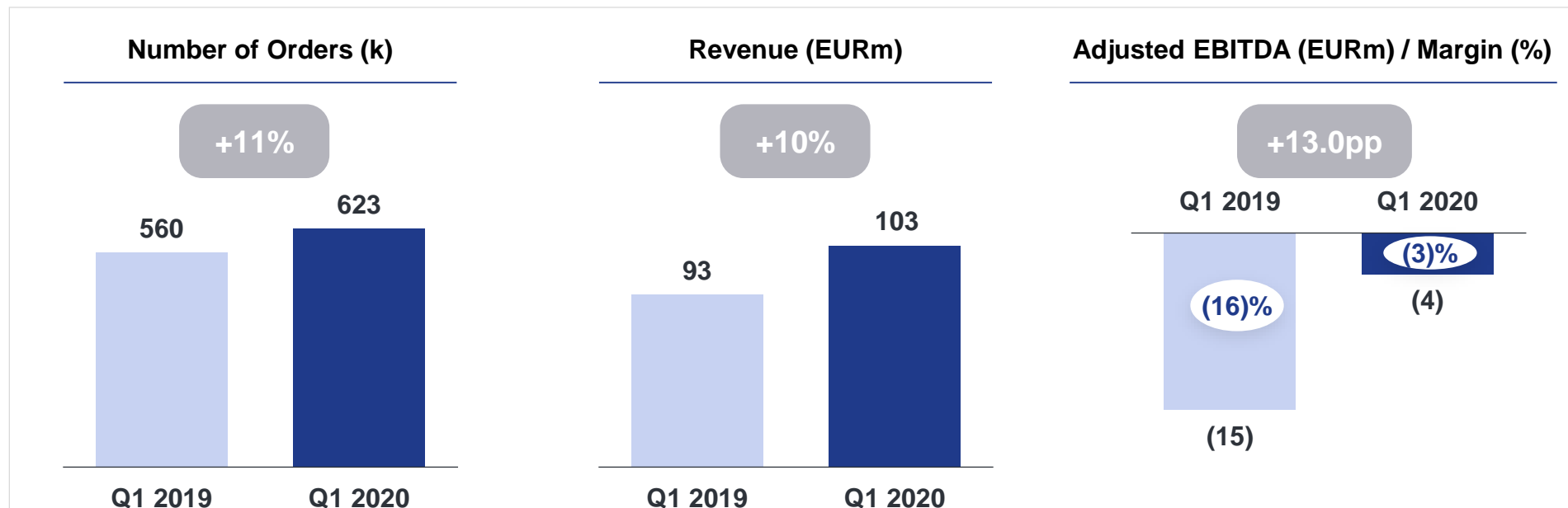


Company Highlights

- **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.

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

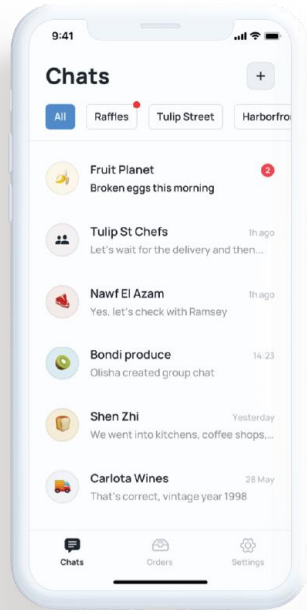


Centralized order tracking

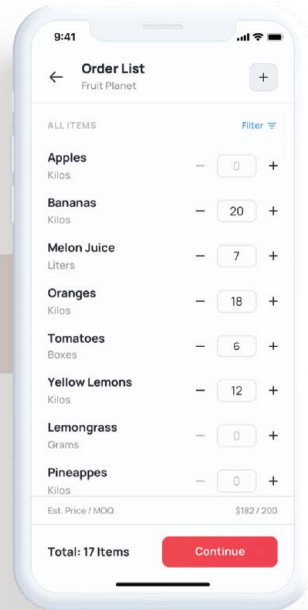


Tinvio
won over
1,000
Partners
in Asia

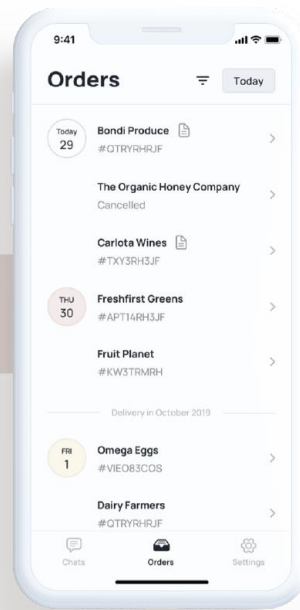
Making Ordering Intuitive and Simple



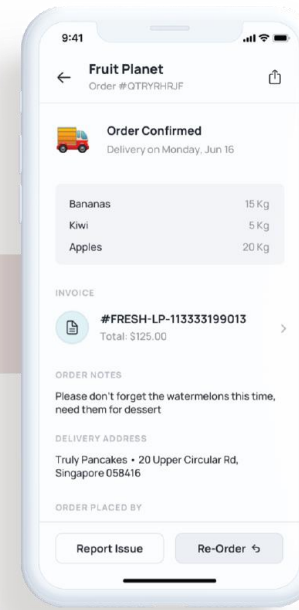
Chats with suppliers



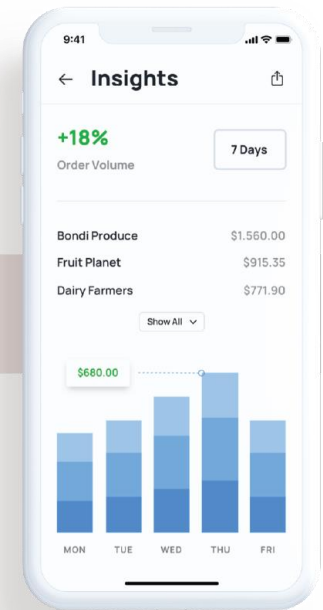
Orders



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 Cost¹
(as of Mar 31, 2020)

c. EUR 0.4bn²

Total Fair Value³
(as of Mar 31, 2020)

c. EUR 1.0bn²

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.

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
Revenue	15.1	19.9
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)
EBITDA	(13.5)	(48.9)
Depreciation, amortization and impairment of non-current assets	(1.3)	(2.7)
EBIT	(14.8)	(51.6)
Financial result	156.6	(103.5)
Finance costs	(7.4)	(150.5)
Finance income	164.0	47.0
Profit/loss before tax	141.8	(155.2)
Income taxes	(2.3)	(6.3)
Profit/loss for the period	139.5	(161.5)
Loss attributable to non-controlling interests	(0.8)	(1.1)
Profit/loss attributable to equity holders of the parent	140.3	(160.4)
Earnings per share (in EUR)	0.93	(1.18)

Source: Unaudited interim consolidated financial statements.

Q1 2020 Results Rocket Internet SE – Consolidated IFRS Balance Sheet

Assets EURm	Dec 31 2019	Mar 31 2020
Non-current assets		
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
Total non-current assets	1,524.1	1,526.4
Current assets		
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
Total current assets	2,627.5	2,627.4
Total assets	4,151.7	4,153.7

Equity and Liabilities EURm	Dec 31 2019	Mar 31 2020
Equity		
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	3,966.4	3,815.2
Non-controlling interests	11.7	10.2
Total equity	3,978.2	3,825.4
Non-current liabilities		
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
Total non-current liabilities	117.0	121.3
Current liabilities		
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
Total current liabilities	56.5	207.0
Total liabilities	173.5	328.3
Total equity and liabilities	4,151.7	4,153.7

Source: Unaudited interim consolidated financial statements.

Strong Cash Reserves

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

Net Cash ⁽¹⁾	Public Stock		Loans Granted ⁽⁴⁾
	Liquid Stock ⁽²⁾	Low Liquidity Stock ⁽³⁾	
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.

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

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