

cool  
blue

# YEARBOOK 2019.

It all adds up.

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Substantial Stuff.

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# HELLO.

I'm the guy on the right.

I'm proud to present the Coolblue Yearbook 2019. For the first time not in print, but digitally. Go Green.

In this book, we highlight our developments and achieved results of 2019: the year of solar panels, white goods as a service, and electric vans. A year in which we opened many new stores. And the year in which we said goodbye to co-founders Paul and Bart. Luckily, we also found many new friends. And together with all Coolbluers, we celebrated our 20th anniversary.

2019 was by all accounts a record year. In terms of revenue and profitability, but more importantly: in terms of customer satisfaction. Needless to say, I am excited about 2020. It will be another year in which we will open new stores, launch new propositions, and make even more customers happy.

Last but not least, I want to thank our customers for making us a little bit better every day. Our shareholders, for their support. And all Coolbluers, for everything they do to make our customers smile. Thank you.

Pieter

CEO





# 02.

## COOLBLUE STATS. Scantastic.

We love data. If we cannot measure it, we cannot improve it. That is why we have 85 Data Analysts at Coolblue who measure and analyze everything: from the number of returns to the number of Coolbluers called Tim.

# 2018.



# 2019.





# 03.

## THE COOLBLUE STORY.

Anything for a smile.

Coolblue is more than just an e-commerce company. We are a customer journey agency with supporting infrastructure to build all-in-one solutions for our customers. We do this in the Netherlands and Belgium, online and in 12 stores, and in 2019 we generated € 1.5 billion revenue.

# CREATING VALUE.

Worth it.

We are more than just an e-commerce company. We are a customer journey agency, with our own infrastructure. We build product journeys from start to end, that make customers happy. Per product type, we organize an infrastructure based on the underlying needs of the customer. This goes beyond just competing on picture, price, and button. This way, we achieve our 2 goals: we create value and set the bar for customer-centric entrepreneurship. In practice, we see that they reinforce each other in our efforts to create the most customer-centric product journey.



# THE MOST CUSTOMER-CENTRIC PRODUCT JOURNEY.

Ticket to success.

To ensure that we offer the most customer-centric product journey, we have built our own infrastructure, such as stores, a delivery service, installation service, and repair service. This enables us to offer all-in-one solutions based on the underlying needs of our customers. With this infrastructure, we are able to either add value or reduce costs in every step of the product journey. As a result, we are not only customer centric, but also profitable.

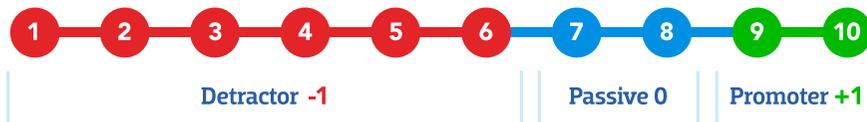


# CUSTOMER-CENTRIC ENTREPRENEURSHIP.

Going the extra smile.

To set the bar for customer-centric entrepreneurship, we need to have a high customer satisfaction rate. Every day, we measure our customer satisfaction using the Net Promoter Score (NPS). In order to achieve a high NPS, we have to understand the customer's expectations and exceed them. This works: in 2019, we had an average NPS of 68. On top of our customer satisfaction, we also measure the amount of money we earn. We express our profitability in EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization.

"How likely are you to recommend  
our service to a friend?"



**NPS = % Promoters - % Detractors**



# CULTURE.

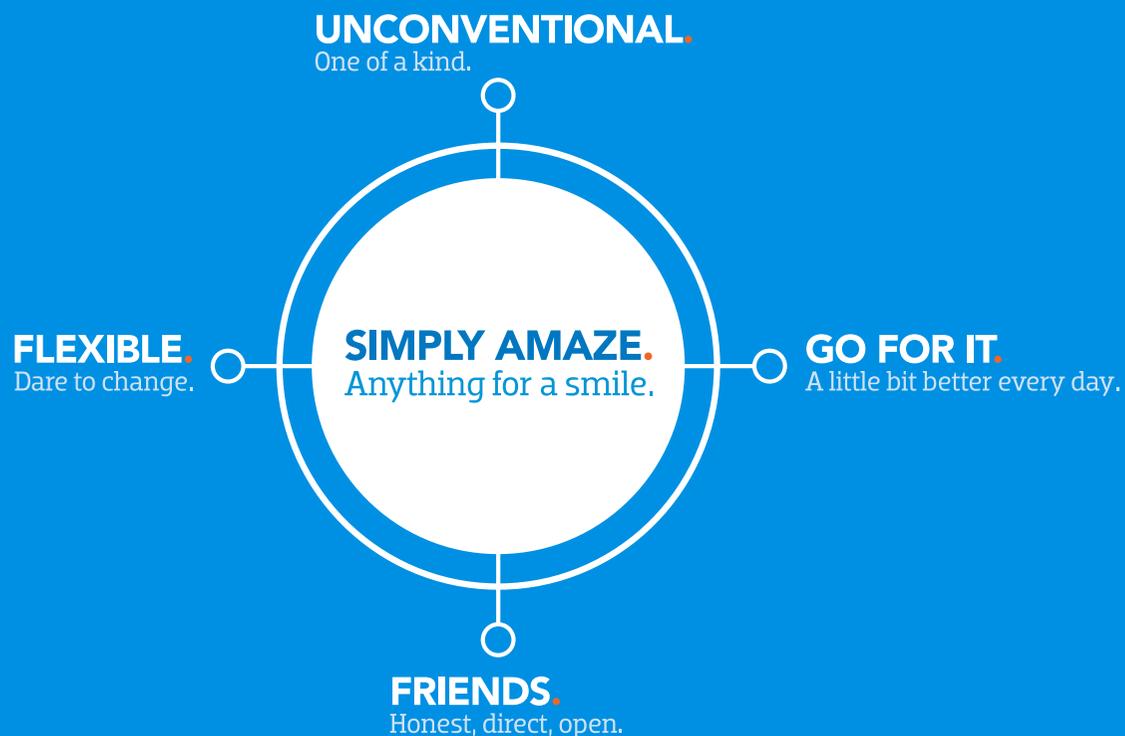
## Company ingredient #1.

It is important that all Coolbluers understand why we do things the way we do them. That is why we want to help them embrace our culture and consistently convey our values.

These are our core values. They describe who we are and what we represent. What unites us and how we interact.

We wrote down these values in 2011 with the help of every Coolbluer. A little bit of everyone. Now, years later, these values still are a perfect fit. This is no coincidence, because these values allow us to see whether someone would match with us, or not. This way, we can prevent disappointing each other.

Our core values also help us make choices for the future. We use these values for every decision, no matter how small, to see if it would suit us or not.





## UNCONVENTIONAL.

One of a kind.

We are proud of our real, unconventional Coolbluers. That is why they appear on our website and in our commercials. Just the way they are.

Being unconventional means that Coolbluers can and dare to be themselves; whether they are outgoing or a little more quiet. This might seem contradictory, but it is precisely this unconventionality that unites us.

We are all doing this for the first time, so we do not always have the right answer straight away. But that does not stop us from trying. We need to be unconventional to do what nobody has done before.

People who are true to themselves are hard to copy. That is why we always ask ourselves with everything we create: does this really suit us? Or can any other company easily copy it? If we cover our logo and the remainder cannot be recognized as Coolblue, it needs to be more unconventional.



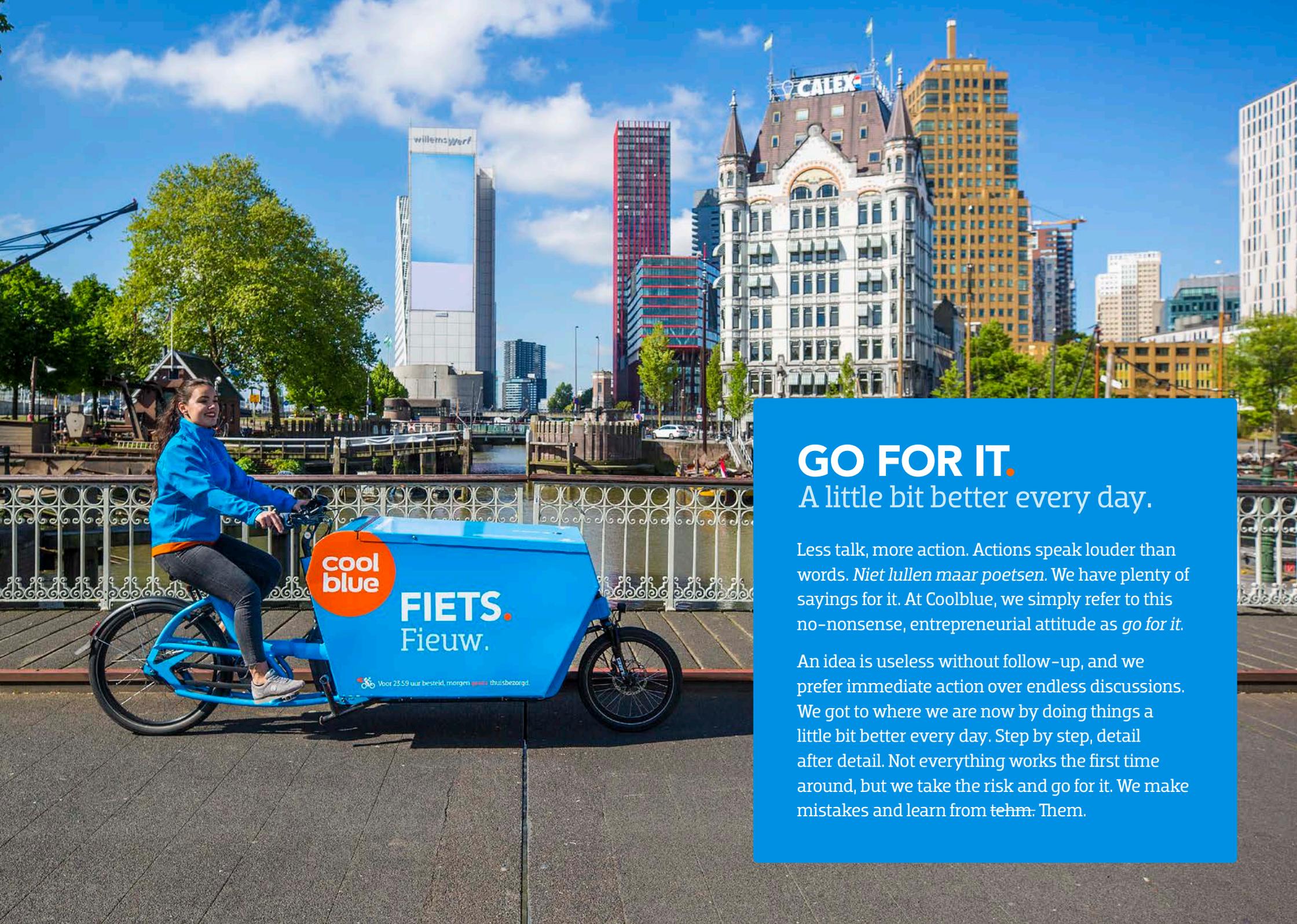
## FRIENDS.

Honest, direct, open.

There are few companies where so many colleagues are friends as well. That is our strength. Because friends want what is best for each other. Because 2 heads are better than 1. And simply because it is fun.

People take notice. Like our repeat customers. Or our suppliers who see us as long-term partners. We are always honest and direct, in good times and bad. We keep our promises, and we are open to feedback.

Friendship can only prosper between equals. That is why ties are the least-common item worn at Coolblue. Why Coolbluers honestly speak their minds. And why we are always honest, direct, and open to our customers.



## GO FOR IT. A little bit better every day.

Less talk, more action. Actions speak louder than words. *Niet lullen maar poetsen*. We have plenty of sayings for it. At Coolblue, we simply refer to this no-nonsense, entrepreneurial attitude as *go for it*.

An idea is useless without follow-up, and we prefer immediate action over endless discussions. We got to where we are now by doing things a little bit better every day. Step by step, detail after detail. Not everything works the first time around, but we take the risk and go for it. We make mistakes and learn from ~~them~~. Them.

## **FLEXIBLE.** Dare to change.

We are changing all the time. Either because we can or because we have to. Coolblue has had a flexible structure from the start, to support our rapid growth. Whoever says 'this is how we have always done it' is not doing it right.

This flexibility shows in Coolbluers who are not worried about a sudden change of plans or team. It shows in Coolbluers who continue to learn outside of their own expertise. And in the systems we build that can handle twice the expected load.

Our flexibility also shows in our obsessive focus on customer satisfaction. A washing machine that needs to go to the attic instead of the basement? Done. There is an exception to every rule. Returning something 'just because' is fine, too.





# 04.

## A YEAR IN REVIEW.

Dear diary.

We look back on the most important improvements of 2019 and discuss how they led to our increased NPS and EBITDA. We also look ahead to 2020.

## Customer-centric product journeys

In 2019, we strongly emphasized building customer-centric product journeys. We will give 3 examples: washing machines, televisions, and solar panels.



# WASHING MACHINES.

Drum roll.

## The challenge

When buying a washing machine, the delivery is a great challenge for customers. They have to be home to open the door when the delivery drivers arrive, because they cannot transport the 80-kilogram appliance themselves. Nor can it be delivered at their neighbor's. The appliance also has to be placed in a specific location in the house. This usually means it has to go up or down several stairs. And once it is placed, it has to be connected to the various water pipes before it can run properly. Because of these underlying needs of the customer, we founded CoolblueDelivers, the most customer-friendly delivery service in the Netherlands and Belgium. Over 2019, we have further expanded this service.



## The infrastructure

In order to provide this service, we have built a nation-wide infrastructure, consisting of 241 vans, 11 depots (of which 2 have been refurbished in 2019), 897 delivery drivers, and a training center where we train our delivery drivers to become actual experts. Our service allows customers to choose a time slot for delivery, so that we can deliver their order when it best suits them. The washing machine is delivered by real Coolblue delivery drivers, lifted up to the 4th floor if necessary, and installed by them. If the customer wants us to, we take their old appliance with us and process it in an environmentally friendly way. Over the course of 2019, we have made further improvements to this infrastructure, to make the product journey for white goods even more customer friendly. On the following pages, we will elaborate on the most important improvements.



**241.**  
Delivery vans.



**11.**  
Depots.



**897.**  
Delivery drivers.



## Improved built-in propositions for white goods

On top of installing white goods, we have started building them in on a large scale in both the Netherlands and Belgium in 2019. We have trained 69 employees to become build-in experts to provide this service. This offers our delivery drivers an attractive growth opportunity.

Our Belgian customers can now also choose a time slot and select evening delivery, because we have expanded our real-time route planning system.





## Improved service propositions for white goods

### Service with components during delivery

To further improve our delivery service for washing machines, we now bring along the external components required for the installation of the appliance. These components, ranging from stacking kits to y-shaped drain sets, have been developed by our own BlueBuilt brand with feedback of our customers in mind. They can be purchased while the washing machine is delivered by our delivery drivers. Should the customer need an additional component, the delivery driver can simply create a new order on location, and instantly supply the components stored in the van.

## Washing machines as a service

Washing machines always break down at an inconvenient time, meaning it is unplanned and unbudgeted for. That is why we launched a subscription service in 2019. We provide the customer with a washing machine that always works, for a low, monthly fee. Should the washing machine break down, we make sure the customer has one that works within 48 hours.





## Washing machine refurbishment

As a service, we take our customers' old appliances with us. Because we do so, we have become the largest collecting party of white goods in the Benelux. To make optimum use of the value of the collected white goods, we researched the possibilities for refurbishing washing machines. This has proven to be a success. We make these products available to people with a smaller budget via thrift stores.

# TELEVISIONS.

Watch me.

## The challenge

When it comes to buying a television online, there are 2 main choices to be made: the image quality and the right size. Our physical stores allow our customers to compare the various types of image quality and have a look at the sizes. Customers can also estimate the size with the Coolblue App: by using augmented reality, they can virtually place televisions in their living room. Once the customer has chosen their television, we deliver it and, optionally, install the television with our delivery and installation service Coolblue TV Installation.



## The infrastructure

We have greatly upscaled our TV infrastructure in 2019 to facilitate this service. It now consists of 12 stores (of which 5 were opened in 2019), a delivery and installation service with 52 delivery drivers and installation experts, and 17 specially designed TV vans. We have further improved this infrastructure over the course of 2019 to make our television product journeys even more customer friendly. On the following pages, we will elaborate on the most important improvements.



12.  
Stores.

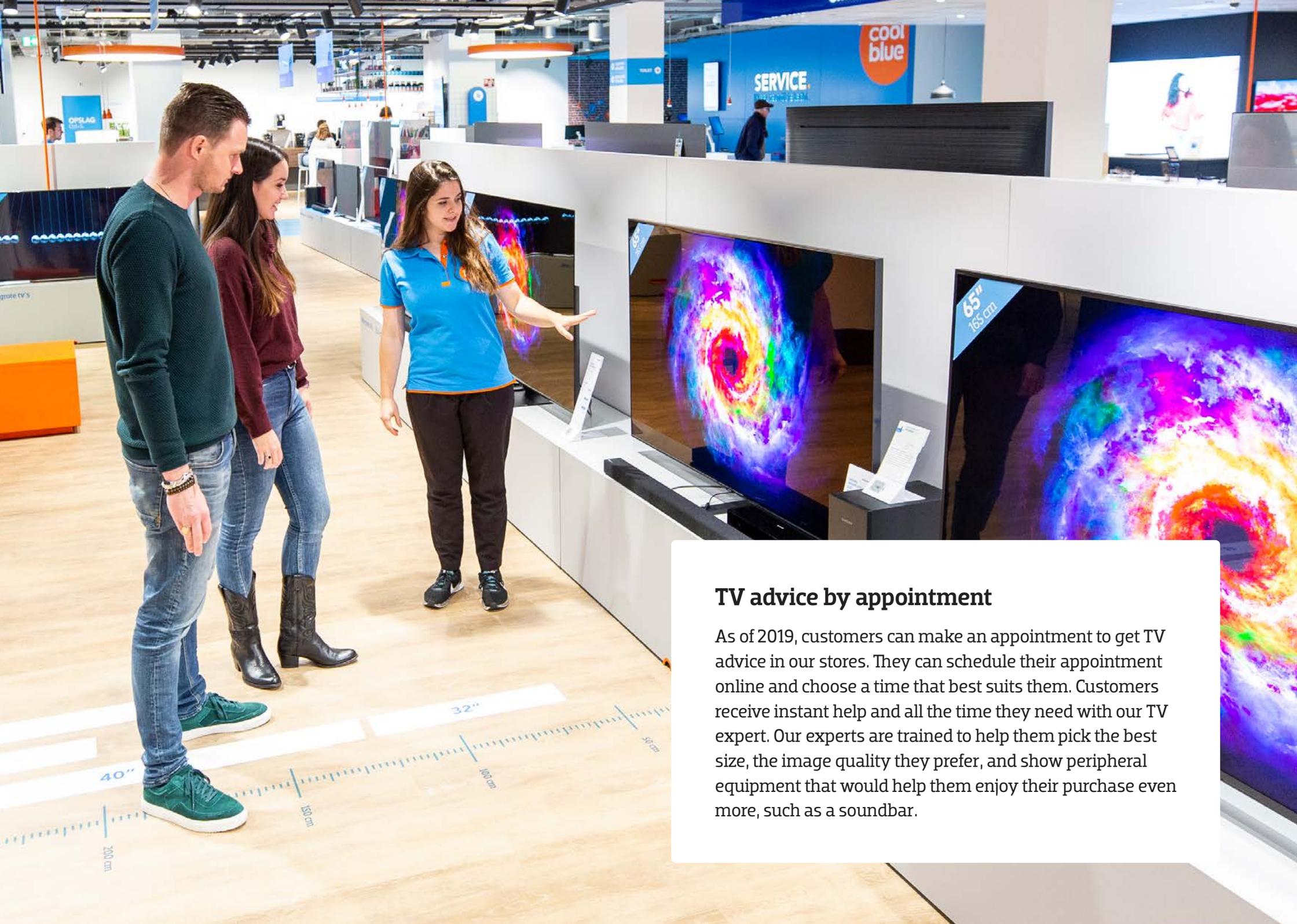


52.  
Drivers.



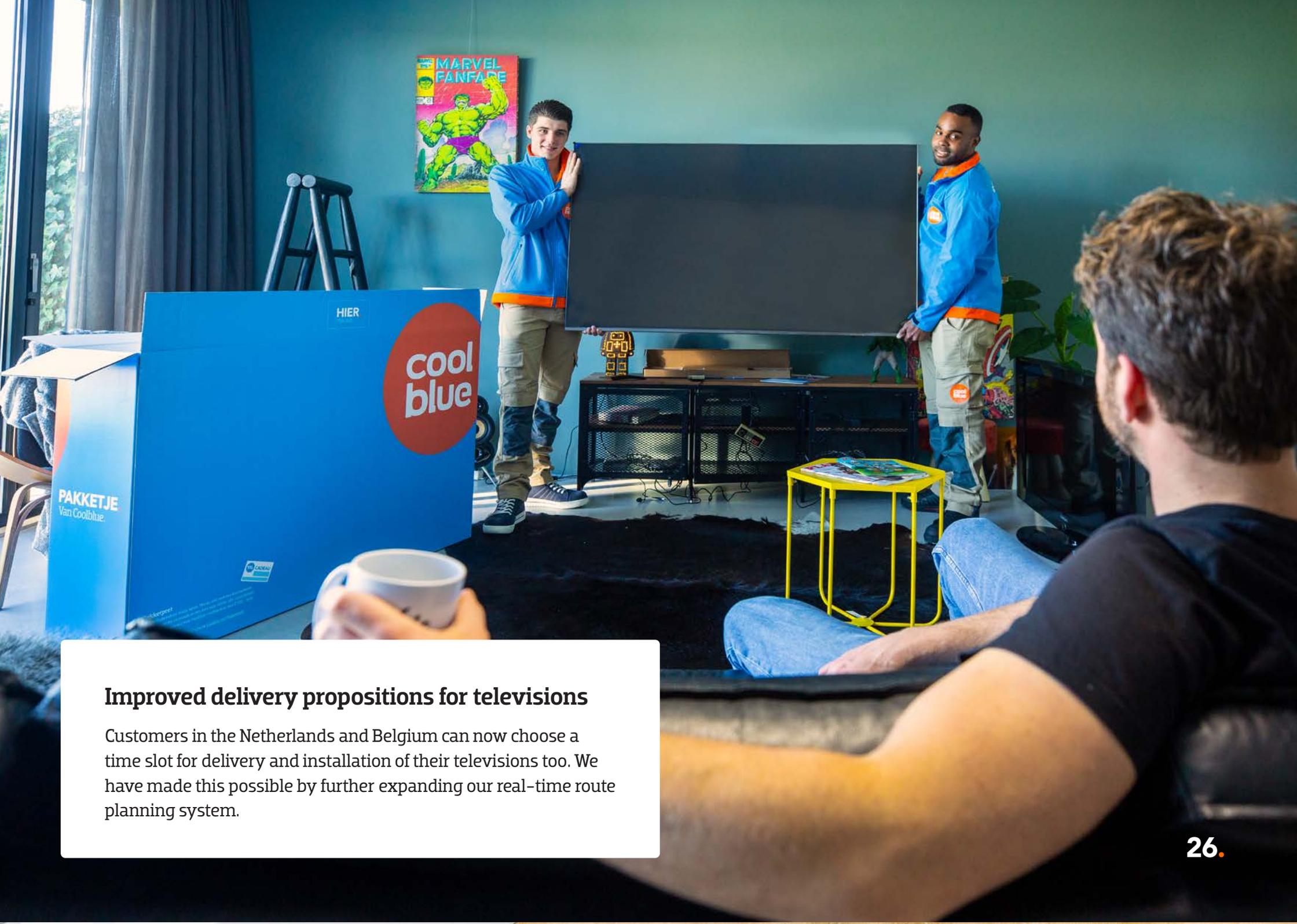
17.  
Delivery vans.





## TV advice by appointment

As of 2019, customers can make an appointment to get TV advice in our stores. They can schedule their appointment online and choose a time that best suits them. Customers receive instant help and all the time they need with our TV expert. Our experts are trained to help them pick the best size, the image quality they prefer, and show peripheral equipment that would help them enjoy their purchase even more, such as a soundbar.



## Improved delivery propositions for televisions

Customers in the Netherlands and Belgium can now choose a time slot for delivery and installation of their televisions too. We have made this possible by further expanding our real-time route planning system.

# SOLAR PANELS.

Sunny side up.

## The challenge

Customers are aware that buying solar panels is the smart thing to do. At the same time, we see that the market is still fragmented, consisting of many new and unknown parties. This means that the market offers room for a reliable party that offers customer-centric product journeys from start to finish. This is why we have launched Coolblue Solar Panels. We provide personal advice and have our own experts install the panels on the customer's roof, at a time chosen by the customer. On top of that, we also help our customers with their Tax refund.



## The infrastructure

To provide the optimum service, we have built a new infrastructure, consisting of 11 vans, 40 installation experts and 28 advice experts, solar roof design software, and a Suniversity, our internal training center for Coolbluers to become solar panel installation experts. We aim to greatly expand this infrastructure in 2020. For example, we are currently looking for 1,000 installation experts. In 2019, we have taken various steps to facilitate this growth. We will name 2 examples in the pages to follow.



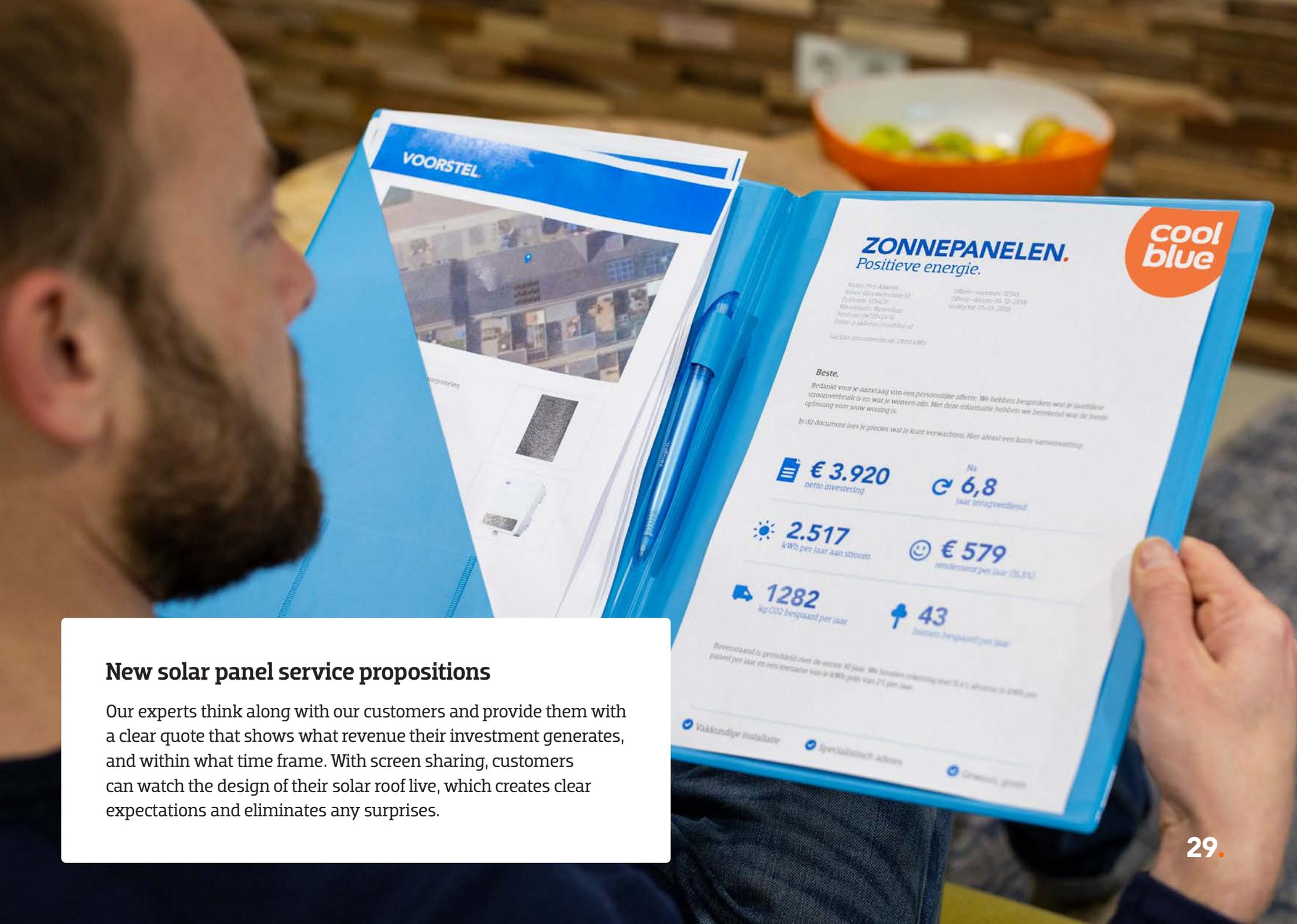
**11.**  
Solar vans.



**40.**  
Installation experts.

**315.**  
Solar roofs.





## New solar panel service propositions

Our experts think along with our customers and provide them with a clear quote that shows what revenue their investment generates, and within what time frame. With screen sharing, customers can watch the design of their solar roof live, which creates clear expectations and eliminates any surprises.



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blue



HUIS.  
Staat.

## Suniversity

The biggest challenge in this market is finding solar panel installation experts. We have a considerable competitive advantage, because we can recruit from 897 delivery drivers who are already working for us. We can train the suitable delivery drivers to become solar panel installation experts at our own Suniversity.

# OTHER COOLBLUE DEVELOPMENTS.

More is more.

Of course, we have made smaller and larger improvements in other parts of our organization as well.

## **New package-sorting machine in Tilburg**

The new package-sorting machine, installed in October, checks the content and weight of each package. This machine is able to prevent errors, thanks to further automatization of the process, which improves the quality of delivery.



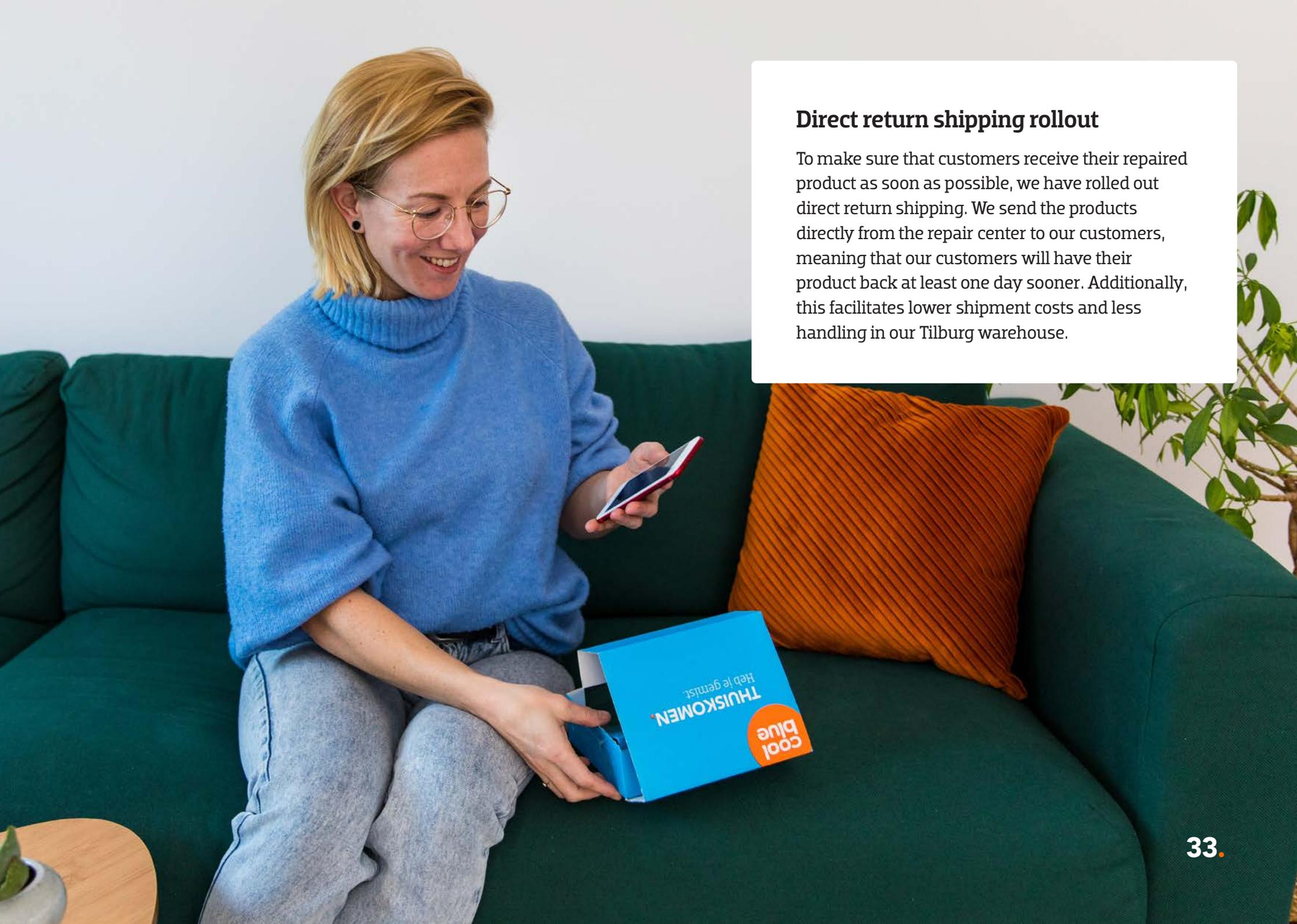


- Authorized Apple Service Provider stores
- Stores

## Authorized Apple Service Provider

We are one of the largest Apple resellers in the Benelux. As a logical addition to this, we have started providing repair service as Authorized Apple Service Provider in 7 of our stores. In these stores, customers can have their iPhone or iPad repaired within warranty. Customers can have their device repaired within the hour, even without an appointment. To meet this demand, we have hired 53 repair experts who we will train to become specialized Apple repair experts. These improvements allow us to offer the best Apple journey.





## Direct return shipping rollout

To make sure that customers receive their repaired product as soon as possible, we have rolled out direct return shipping. We send the products directly from the repair center to our customers, meaning that our customers will have their product back at least one day sooner. Additionally, this facilitates lower shipment costs and less handling in our Tilburg warehouse.



## New stores

To offer even more of our clients personal service in our stores, we have opened 5 new stores in 2019, in Tilburg, Haarlem, Ghent, Arnhem, and Utrecht Central Station. The store we opened in Haarlem is our first store in a busy shopping street. The pop-up store at Utrecht Central Station was temporary, and helped with managing the peak during the holiday season even better.



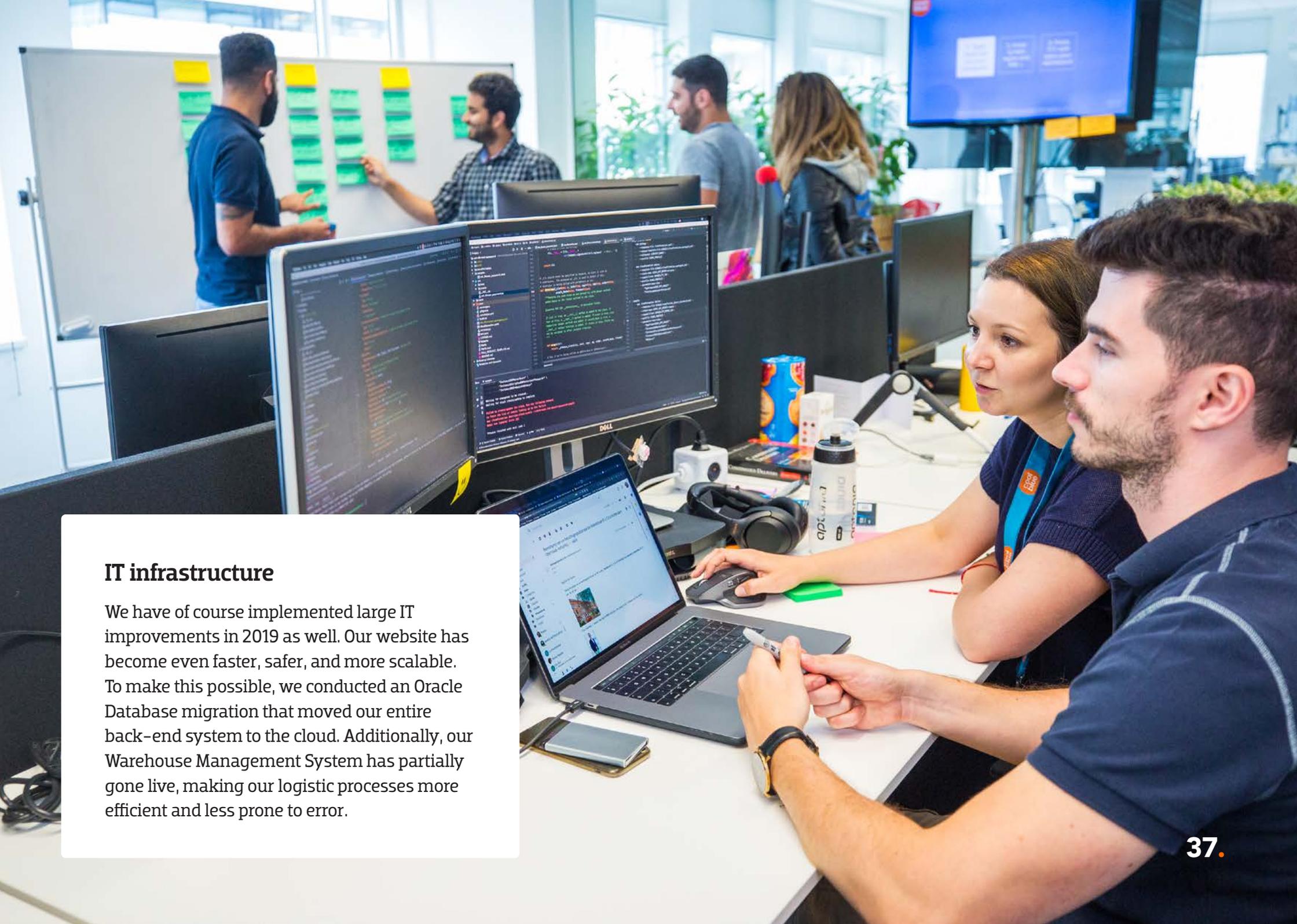
## CoolblueBikes expansion

In 2019, we greatly upscaled CoolblueBikes. We have opened 3 additional hubs in Tilburg, Haarlem, and Arnhem. On top of this, we have hired 59 new bike delivery drivers. We now employ a total of 120 bike delivery drivers for CoolblueBikes. As a result, we were able to deliver 321,000 packages by bike. This is an increase of 170%.

## Multilinguality improvements

The complete Coolblue customer journey is available in 3 languages: Dutch, English, and French. We have improved our multilinguality even further and applied a more efficient structure to the translation process. The improvements in the French and English customer journey have proven to be successful: our revenue for these languages has increased by 222%.





## IT infrastructure

We have of course implemented large IT improvements in 2019 as well. Our website has become even faster, safer, and more scalable. To make this possible, we conducted an Oracle Database migration that moved our entire back-end system to the cloud. Additionally, our Warehouse Management System has partially gone live, making our logistic processes more efficient and less prone to error.



## RESULTS.

### Fruits of our labor.

We continuously strive to improve our customer satisfaction and our profitability. The various customer journey improvements we implemented in 2019 have contributed to an increase in both NPS and EBITDA. We look back on our results and the investments made in 2019, and share our outlook for 2020.

### NPS results

In order to keep setting the bar for customer-centric entrepreneurship, we always strive to improve our NPS. Thanks to various improvements to our customer journeys, we have increased our NPS from 67 to 68. On top of the improvements mentioned before, we have additionally introduced other improvements, such as the launch of Apple Pay or the introduction of the Bancontact App in Belgium.



## Income Statement & Balance Sheet Performance

In 2019, our revenue increased by € 129 million to € 1.48 billion (+ 10%), compared to € 1.35 billion in 2018. With this growth, we outperformed the market for consumer electronics, that increased by 4.7% in the Netherlands and by 1.1% in Belgium (GfK 2019).

### EBITDA increased faster than revenue

The adjusted EBITDA, our measure of profitability, increased from € 26.9 million in 2018 to € 34.5 million in 2019, resulting in an EBITDA of € 48.3 million. The adjusted EBITDA increased with 28%, almost three times our revenue growth. The adjusted EBITDA for 2019 excludes the impact of the change in accounting principle of IFRS 16.

Our focus on product journeys and infrastructures for every product type has paid off. The gross profit margin increased to 14.0% (2018: 12.7%) by improving purchase conditions, the rationalization of our product assortment and optimal cross sell opportunities. We focused on offering an improved range of products and services which suit our customers best. For instance, by developing products ourselves when customers are not happy with the current assortment, and by setting up reasonable return agreements with our suppliers.

Employee expenses increased by 20.5% mainly caused by growth of CoolblueDelivers, Stores and Solar Panels. Other operating expenses, adjusted for the impact of IFRS 16, increased due to the opening of new stores, increased software costs and cloud hosting expenditure. We have increased our investments in marketing on TV and Radio and invested in the startup of solar panels.

In conclusion, our net profit increased from € 12.1 million in 2018 to € 15.2 million in 2019. While our profitability is still relatively low, we are pleased with the developments shown in 2019. Based on these developments, we expect an increasing profitability in 2020.

## Working capital development

The main developments in our working capital are explained by the decreased inventory level, decreased other receivables, and increased trade payables. Our inventory decreased in 2019 as a result of strong focus on inventory management. The other receivables decreased because of our improved collection process of receivables from suppliers. Improved payment conditions with suppliers resulted in increased trade payables. We finance our growth by reinvesting our profits and optimising our working capital. Our working capital was -/- € 170.8 million at the end of 2019 compared to -/- € 78.0 million at the end of 2018.



## Investments

In 2019, we invested € 14.5 million in tangible fixed assets (2018: € 5.9 million). This mainly relates to investments in our infrastructure: new stores, our warehouse in Tilburg, and IT hardware. We invested € 10.7 million in intangible fixed assets (2018: € 9.4 million). This relates to a part of the software development costs of our website and back-office systems, such as a new warehouse management system.

## Improved statement of financial position

The net result for 2019 resulted in a solvability of 13% (2018: 14%), while the current ratio (excluding receivable from shareholder) remained stable at 1.0 (2018: 1.0). We did not pay out any dividends and strengthened our equity position instead. The receivable from the shareholder is available on demand. Our shareholder Mondhoekie B.V. completed a refinancing in 2019, which resulted in an increased credit facility for a 2-year period with an extension option for another 2 years.



# 5 YEARS OF COOLBLUE.

	2015	2016	2017	2018	2019
NPS	63	63	66	67	68
Adjusted EBITDA (€ million)	8.3	19.3	21.9	26.9	34.5

## Income statement

EBITDA (€ million)	8.2	17.4	21.1	27.1	48.3
Revenue (€ million)	554.7	857.2	1,193.5	1,353.6	1,482.6
Gross margin %	10.9%	11.4%	11.8%	12.7%	14.0%
Profit after income tax (€ million)	3.1	8.9	9.1	12.1	15.2

## Balance Sheet

Working capital excluding receivable from shareholder (€ million)	(49.9)	(65.5)	(100.0)	(78.0)	(170.8)
Solvability %	9%	10%	11%	14%	13%

## Other Indications

Operational cashflow (€ million)	38.1	31.2	53.3	(3.9)	135.4
Investments tangible fixed assets (€ million)	5.0	8.7	12.1	5.9	14.5
Investments intangible fixed assets (€ million)	5.3	7.5	9.1	9.4	10.7
Coolbluers year end (including temporary staff)	1,614	2,676	3,561	3,628	4,623



## LOOKING AHEAD.

### 2020 vision.

2019 was great, and 2020 is going to be even better. We will give a little peek into the plans for the coming year.

#### **New stores**

We will be opening various new stores in 2020. This facilitates more brand visibility and enables us to give our customers even more product interaction and service possibilities. Of these stores, 2 will be opened in Brussels and Leiden. Other locations will be announced later on in 2020.

#### **New propositions**

We will be expanding CoolblueDelivers, CoolblueBikes and Coolblue TV Installation even further by, among other things, hiring an additional 1,200 delivery drivers and 200 installation experts. Furthermore, we will expand our smart home installation service. On top of the smart thermostats and doorbells, we will also start installing multi-room WiFi, smart lighting, and smart smoke detectors at our customers' home.

## New projects

We will launch many new and exciting projects in 2020. These projects will add even more value, both for our existing and future customers. We will reveal these additions to our infrastructure as 2020 progresses.

## Further increase NPS

2020 will entail various improvements that will make our product journeys even more customer centric. Among other things, we will implement various self-service options. This will enable customers among other things to cancel orders or change address details themselves, without having to contact customer service. We expect these improvements to contribute to a further increase in NPS in 2020.

## Further increase EBITDA

We expect our Sales and EBITDA to grow in 2020. The drivers behind this are, among other things, the further expansion of the solar panel delivery and installation service, the rollout of product subscriptions in Belgium, and the aforementioned new stores and new propositions. We expect that these developments will result in an increasing net profit in 2020.

## Investments

Next to investing in new stores, we are going to expand our infrastructure by further developing our website and back-office systems. We will also expand our delivery and (built-in) installation services, and continue to roll out our new Warehouse Management System. Lastly, we will continue to invest in research and software development, which is prioritized on the roadmaps of our departments.





# 05.

## COOLBLUE AS AN EMPLOYER. It's working.

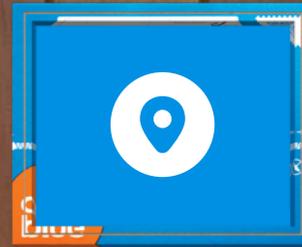
We started as a group of friends, and we are still a group of friends. A group of clever, ambitious people who are nuts about their trade. Unconventional Coolbluers who are all honest, direct, and open, make an effort to be a little bit better every day, and do anything for a smile.



## OUR COOLBLUERS.

All for one.

In order to offer the infrastructure needed, we employ a large number of Coolbluers. In total, we have 4,623 Coolbluers working with us, with a total of 63 different nationalities. We welcome new friends every month, ranging from customer service employees to developers, and from bike delivery drivers to e-commerce specialists.



## The most fun place to work

Our Coolbluers work at various locations, spread across the Netherlands and Belgium. We have 12 physical stores, 11 depots, 1 central warehouse, and offices in Rotterdam and Antwerp. Our offices have unconventional meeting rooms. Each meeting room tells a part of our story of entrepreneurship and radiates the Coolblue culture. Take *De Dijk* meeting room, which is a replica of the cafe where Coolblue's first business plan was written down.





## COOLBLUE CAREERS.

Don't stop me now.

We believe in careers rather than jobs. That is why we strongly emphasize training and growth. Additionally, we face a tight labor market and at the same time have a high need for more employees to meet our customers' demands. We distinguish ourselves from the rest of the labor market by giving Coolbluers both plenty of freedom and responsibility from their first day onwards, enabling them to make their own decisions. Additionally, we provide them with all kinds of educational and career opportunities. This works: we see that many employees grow into new positions.



## Students & career starters

We offer students various career opportunities. They can start working with us while they are still in school, for instance at our customer service, in our stores, our warehouse, and at CoolblueBikes and CoolblueDelivers. Every student working with us can count on an internship for their graduation project. After they have graduated, we help them in their search for their first job. We do so by organizing the Blue Career Day several times a year, so Coolbluers can get an idea of the various positions at Coolblue.

We also offer first jobs in the form of a Starter Job. Starters are offered a flying start in e-commerce, data, or logistics, which enables them to shape their own career. The e-commerce Starter Job, for example, teaches Coolbluers how to run an online store. They work in several positions and compose a personal path, based on their strengths and ambitions.



## Training courses

To ensure that Coolbluers develop themselves both personally and professionally, we have founded an institution for internal training courses: Coolblue University. We offer 82 training courses and 160 e-learnings, taught by specialized internal and external trainers. Take the training package for newly promoted managers, in which we prepare them for their new position over the course of 10 days. In addition, we have also founded the Suniversity. This is where we train delivery drivers to become solar panel installers.

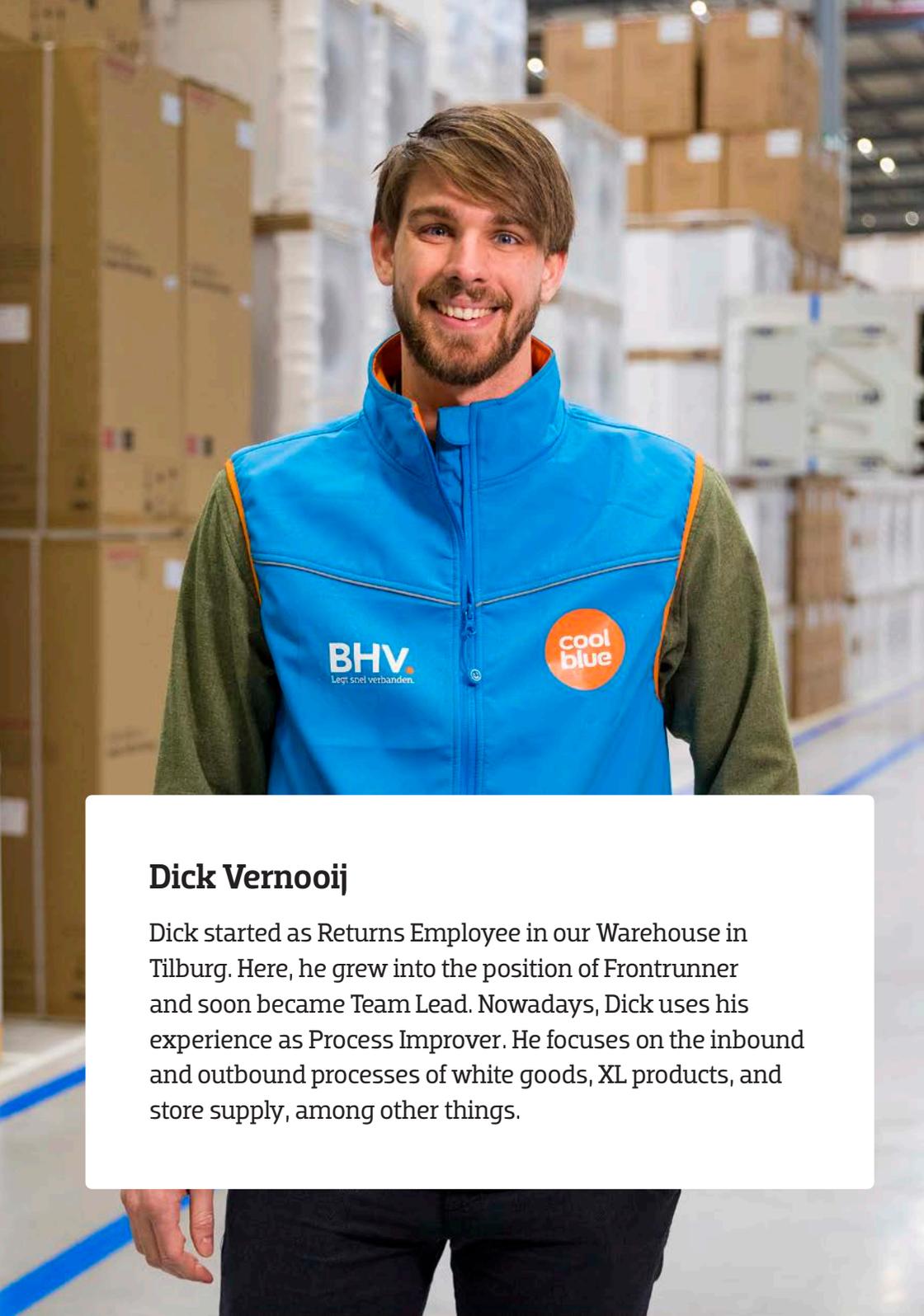
## Next Steps

In 2019, 814 Coolbluers have grown into a new position. We share the success stories of Dion, Dick, and Ellen.



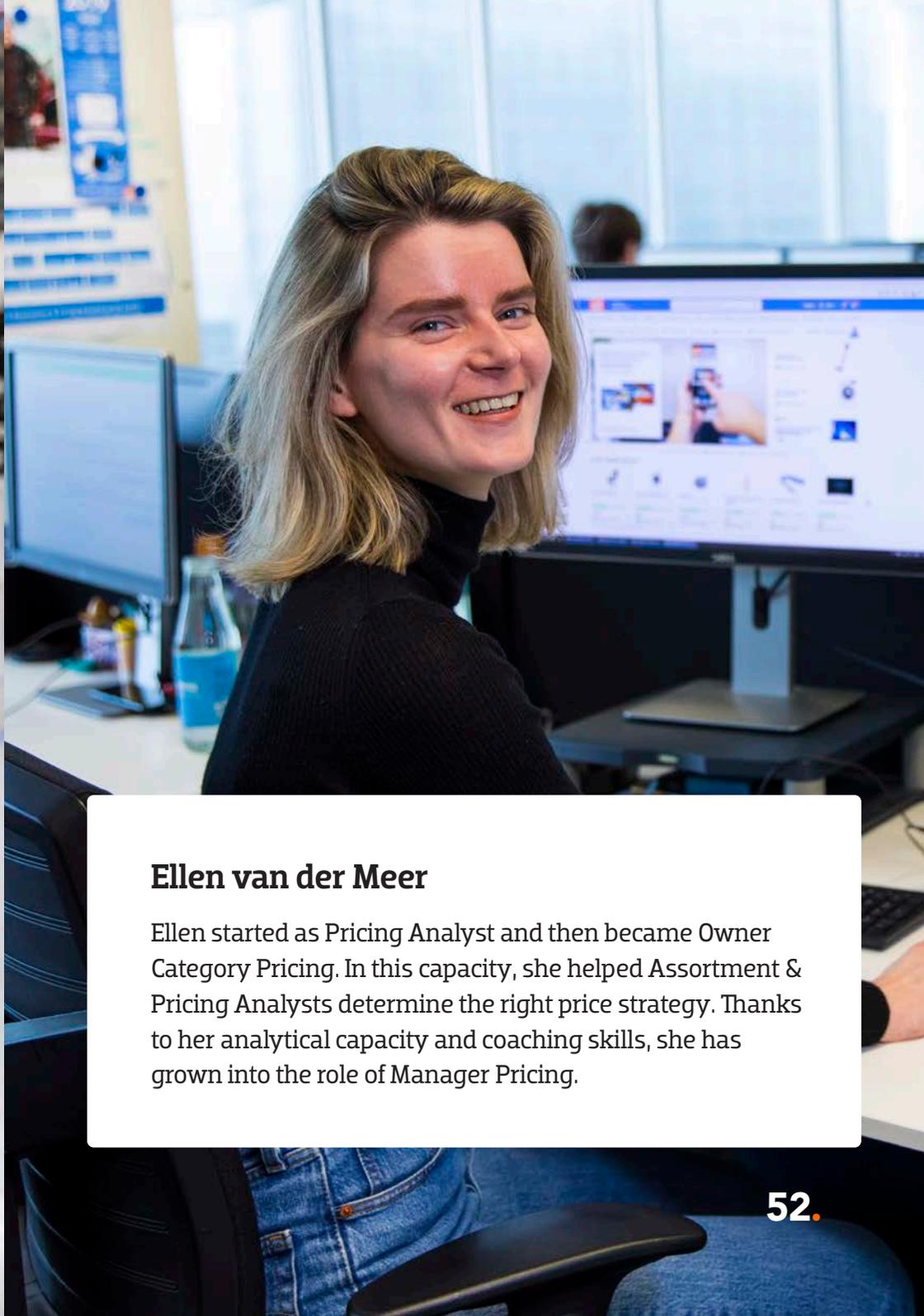
### **Dion Nijland**

Dion started working at Coolblue as Delivery Driver in Apeldoorn. He followed the training at our Suniversity and now works as Solar Panel Installer.



## Dick Vernooij

Dick started as Returns Employee in our Warehouse in Tilburg. Here, he grew into the position of Frontrunner and soon became Team Lead. Nowadays, Dick uses his experience as Process Improver. He focuses on the inbound and outbound processes of white goods, XL products, and store supply, among other things.



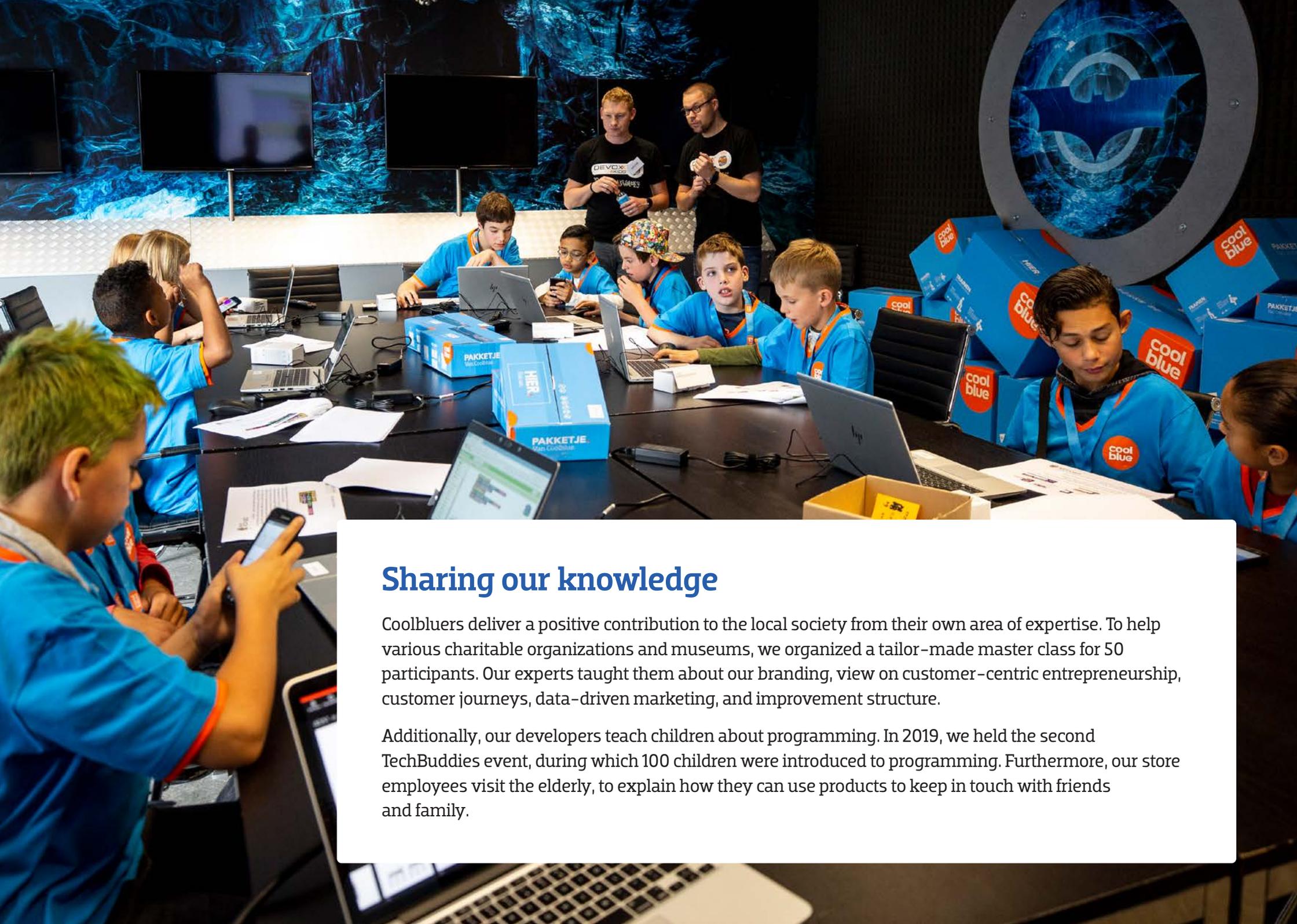
## Ellen van der Meer

Ellen started as Pricing Analyst and then became Owner Category Pricing. In this capacity, she helped Assortment & Pricing Analysts determine the right price strategy. Thanks to her analytical capacity and coaching skills, she has grown into the role of Manager Pricing.



## **GO SOCIAL.** Best supporting role.

We like to go the extra mile for our friends inside and outside Coolblue. For example by sharing our knowledge and resources, and engaging our people.



## Sharing our knowledge

Coolbluers deliver a positive contribution to the local society from their own area of expertise. To help various charitable organizations and museums, we organized a tailor-made master class for 50 participants. Our experts taught them about our branding, view on customer-centric entrepreneurship, customer journeys, data-driven marketing, and improvement structure.

Additionally, our developers teach children about programming. In 2019, we held the second TechBuddies event, during which 100 children were introduced to programming. Furthermore, our store employees visit the elderly, to explain how they can use products to keep in touch with friends and family.



## Office Tour

We organize a behind-the-scenes tour around our office for those who are interested. These tours are very popular and are always fully booked. In 2019, we have expanded this tour on a thematic level. In addition to the general tour, we now also give tours that specifically focus on our customer service and our brand. We have also started giving these tours to secondary-school students and college students from around Rotterdam and Tilburg.



## Giveaways

In 2019, we organized giveaways to support organizations with a social mission. For one of these giveaways, people could nominate their favorite social organization for a free solar roof. In the end, we gave away 3 solar roofs: to a petting zoo, a scouting club, and a day-plan home. Together with Fonds Bijzondere Noden Rotterdam (FBNR), we have also provided over 150 underprivileged families with new, energy-efficient washing machines. In addition, we sponsor sport performances by Coolbluers who raise money for fighting illnesses.



# PEOPLE STATISTICS.

You can count on me.



**73,177.**  
Job applications.



**105,000.**  
Hours of training courses.



**4,623.**  
Employees.



**814.**  
Next steps.





# 06.

## GO GREEN. Eco-logical.

*Go Green* seamlessly connects with the most customer-centric product journey. We structure our operations efficiently, optimize the value of our waste, and try to encourage our customers to buy energy-efficient products. We distinguish between 3 focus areas: assortment, consumption, and waste management.

# ASSORTMENT.

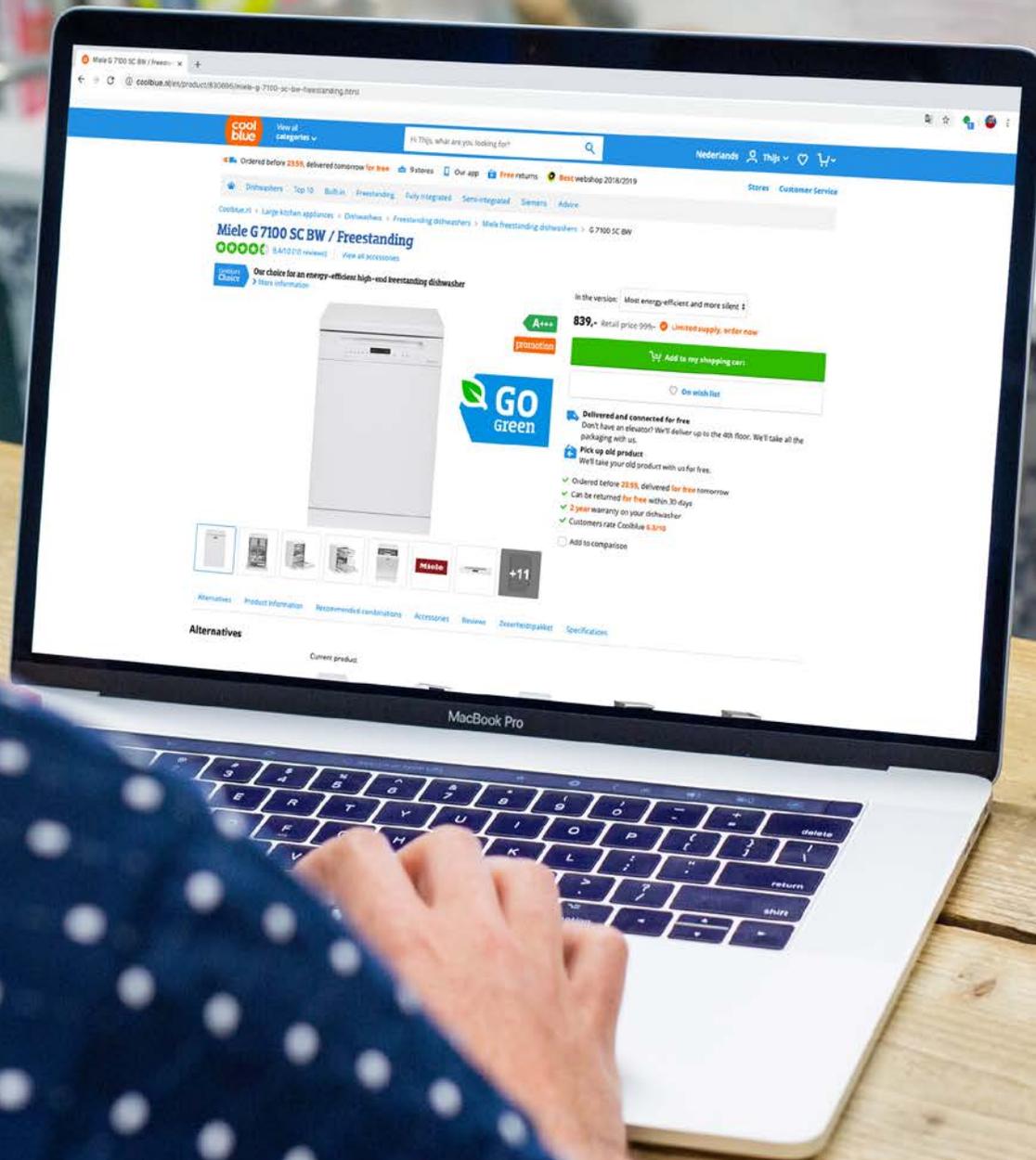
## Check it out.

We want to offer the most customer-centric product journey, that is why we should make it easy for customers to make sustainable choices.

### Promoting energy-efficient products

We help our customers make eco-friendly choices by providing better insight into the product's energy consumption. We for instance calculate the savings potential for washing machines throughout their lifespan. Customers are more inclined to choose a more sustainable model as a result. After purchase, we also help customers with advice on our website about how to use their appliance in the most energy-efficient manner possible.

To further help our customers, we now use the Go Green label for the 5 most energy-consuming product groups. This label indicates which products are the most energy efficient and simultaneously meet our high customer-satisfaction demands.



## Coolblue Solar Panels

In 2019, we started selling and installing solar panels. We offer expert advice and the solar panels are installed by our own Coolbluers. This way, we help customers generate their own electricity and save hundreds of euros on their electricity bills each year.



## Returns and repairs

Offering the most customer-centric product journey enables our customers to determine beforehand whether a product meets their needs. In 2019, our return rate for products that were ordered but did not meet the expectations was 3.5%, which is considered low.

## High-quality product range

We offer our customers a high-quality product range. An example hereof is that we ask suppliers to create products based on our customers' feedback (built to order). We do this ourselves as well, with our own BlueBuilt brand. If customers repeatedly indicate that they are unhappy with a product, we remove it from our product range and replace it with another product.

## Tailored product advice

We continuously improve our advisory content for our customers, helping them make the right choice from the start. For example, we help our customers choose the television that best suits their needs, by means of augmented reality, our stores, and personal advice. Furthermore, we display additional images of the products on our website. Customers can also ask our customer service for product advice.





## Delivery service with own delivery drivers and installers

We deliver televisions and white goods to our customers via CoolblueDelivers. By using specially designed vans, we limit the damages that may occur during transport. We separate the waste packaging material upon delivery and take it back with us. To reduce emission, we have installed a new route planning system that ensures a higher stop density. And in case a customer wants to exchange their product for another, we deliver the new product ourselves and take the old one with us at the same time. By doing so, we save an extra trip and make our customers happy.

## Second Chance

We offer our customers Second Chance products. These returned products have been checked by us and are still in good condition. We sell these products at a fitting discount, rather than throwing them away. In 2019, the majority of our returned products were sold again as new or Second Chance products.

## Repairs in store and on location

Repairing products allows us to extend their lifespan and decrease the waste flow. We have built a nation-wide repair network, repair smartphones and tablets in our stores, and have now even become Authorized Apple Service Provider. Additionally, we increasingly repair customers' products at their homes, such as washing machines and laptops. This requires less transport, and is more convenient for the customer. Even when the warranty has expired, we still actively offer our customers to have their products repaired instead of replacing them. We have noticed that customers increasingly use this service.



# CONSUMPTION.

Less is more.

By improving our infrastructure and making it more sustainable, we can keep lowering our consumption.

## Positive energy

Our warehouse in Tilburg has a solar roof the size of 16 soccer fields that we started using in 2019. The solar roof makes our warehouse more than energy neutral: it makes it energy positive. This positive development has inspired us to start offering solar panels to our customers.



## Cardboard consumption

Despite having sent more packages, we have saved over 20% on the consumption of cardboard in 2019. This is because we have optimized the packaging dimensions of our packaging machine, which saves both cardboard and transport. On top of that, we no longer send 15% of our products in Coolblue packaging, but in the manufacturer's packaging. Our own BlueBuilt products have been designed to be shipped without any additional packaging, except for the address label.

Of the materials we use in our cardboard, 75% has been recycled. All our cardboard bears the FSC logo, the certification of responsible forestry. Lastly, all our shipment packaging is now free of plastic.





## CoolblueBikes

In 2019, we delivered no less than 321,000 packages with CoolblueBikes. This is 170% more than in 2018. Tilburg, Haarlem, Arnhem, Brussels, and Ghent are now part of our bike cities, where we deliver a large part of the packages that are suitable for bike delivery by bike. In total, we exhausted 120,000 kilograms of carbon dioxide less than when using regular delivery.



cool  
blue

TV-BUS.  
Seriebezorgers.

 Deze bus rijdt op  
100% positieve energie.

## Electric vans

Our first electric vans have been put to use in Amsterdam and Rotterdam. They are used to deliver a substantial amount of all our televisions in these cities.

# WASTE.

## Bin there.

We try to produce increasingly less waste and at the same time get more value out of the waste we have.

### Waste separation

Of the waste in our depots and warehouse, 97% is successfully separated, including cardboard, Styrofoam, wood, and plastic. We also separate all the waste we produce at our offices and in our canteens.

### Less cardboard from our suppliers

In 2019, we have started a pilot with our largest suppliers. They now send new product stock in reusable containers. This has proven to be successful: we have significantly decreased the stream of incoming cardboard.





## Recycling and refurbishing old products

In total, we have collected approximately 15 million kilograms of old appliances from our customers. That is equal to 5,550 elephants. Customers can return old appliances via our stores, delivery drivers, and delivery partners. We ensure that the products are processed in an eco-friendly manner. We even give part of the products we collect a new life by refurbishing them. These refurbished products are sold via thrift stores to households with a smaller budget.

## LOOKING AHEAD 2020. Evergreen.

2020 will be another year of wonderful developments for *Go Green*. We will reveal a few of our plans here.

### Repairs & Refurbishment expansion

We aim to give 15% of our eco-friendly white goods returns a second life. To achieve this, we will expand our Repair & Refurbishment department considerably, for which we will recruit many new repairers and technicians.

### New packaging material

We will start using new packaging materials to save more room and materials in our shipping process. One of these new materials is a new shipping bag for our bike deliveries. It will allow us to save 80% of the carton currently used and deliver 10% more packages per bike.





## CoolblueBikes

We are going to make sure that CoolblueBikes will double in size again in 2020. We will for instance start biking in all cities with a Coolblue store. Additionally, we will expand the number of bikes per location, and start offering evening delivery.

## Electric cars

We are going to replace our lease and pool cars with electric models. We expect more than half of those vehicles to drive electric.



# 07.

## THE RULEBOOK. Challenge accepted.

Growth comes with risks and challenges.  
That is why we continued to optimize our risk  
management in 2019.

A woman with dark hair, wearing a black t-shirt, blue jeans, and a grey denim jacket, is walking towards the camera in a bright, modern office hallway. The wall behind her is made of light-colored wood and features large, blue, 3D block letters that read "VRIENDEN" and "Eerlijk, direct, open." in the background, another woman is sitting at a desk working on a laptop. The office has large windows, a blue accent wall, and various office equipment like a monitor and a plant.

# VRIENDEN

## Eerlijk, direct, open.

## RISK & OPPORTUNITY MANAGEMENT.

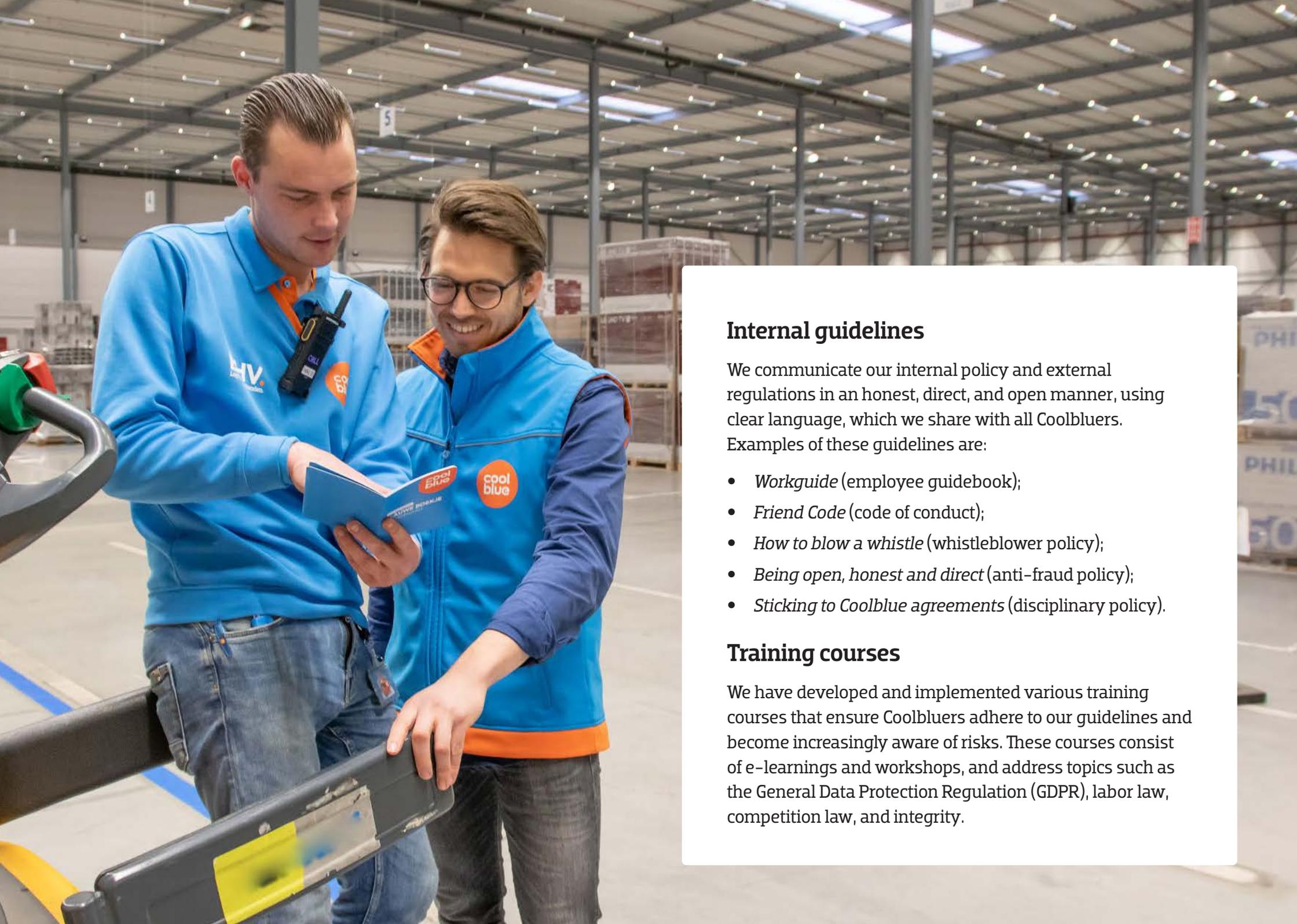
Truth and dare.

An important success factor in reaching our goals is how we consciously deal with risks. Throughout Coolblue, you can find the words *honest*, *direct*, *open* written on the walls. This means we are upfront with each other about our expectations, which helps us avoid surprises and unnecessary risks.



## Risk culture

Together, we strive for a culture of integrity, where regulatory compliance is a given. We commit to an operational management style that ensures we manage and contain risks responsibly. This approach allows us to learn from our mistakes, so we can get a little bit better every day. Our Management Team has an exemplary role concerning risk management and compliance with our internal policies and external regulations. They bear the final responsibility, but carry out these tasks in cooperation with other Coolbluers. Our Risk & Compliance, Security, and Legal departments help all Coolbluers review and manage risks.



## Internal guidelines

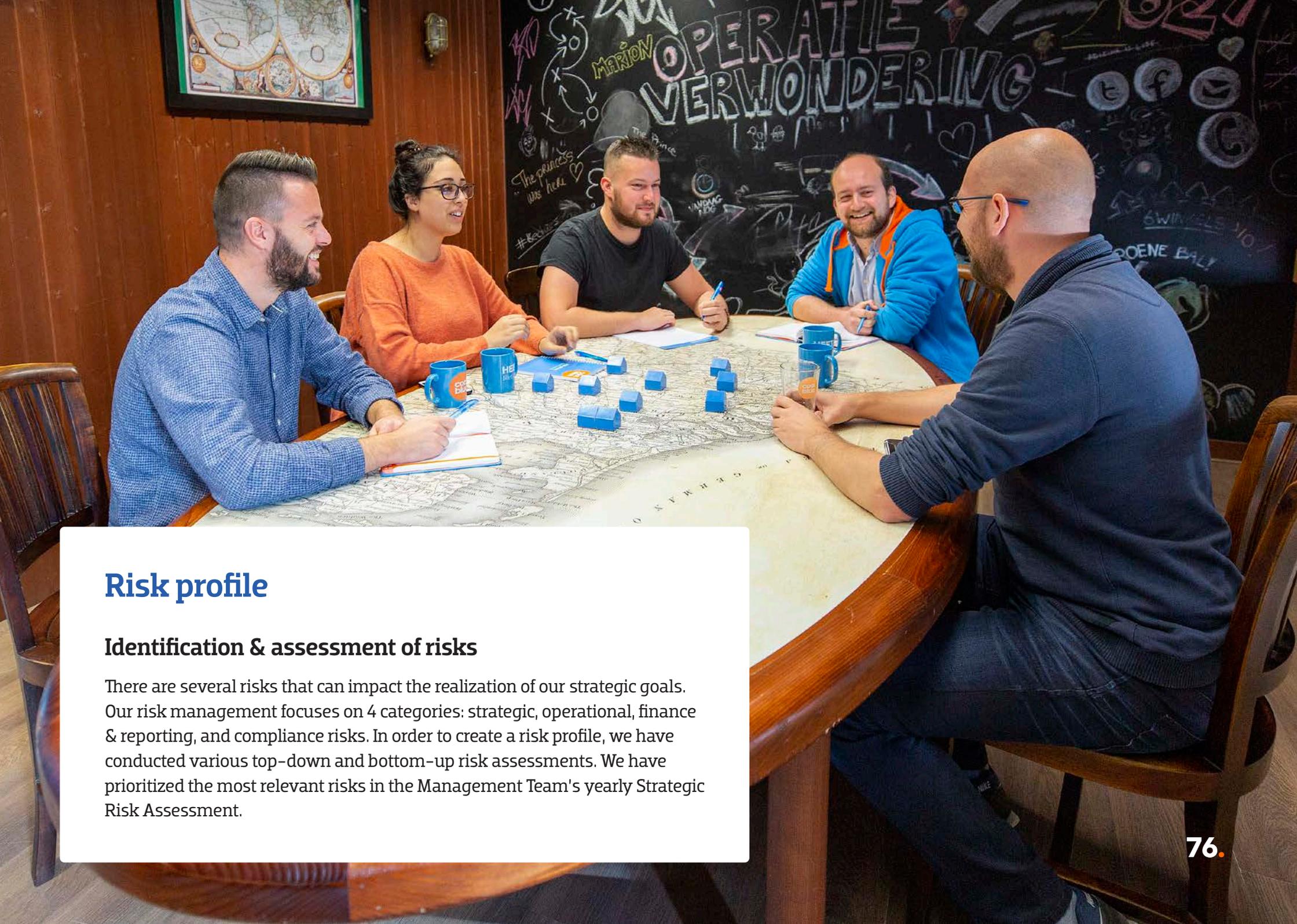
We communicate our internal policy and external regulations in an honest, direct, and open manner, using clear language, which we share with all Coolbluers.

Examples of these guidelines are:

- *Workguide* (employee guidebook);
- *Friend Code* (code of conduct);
- *How to blow a whistle* (whistleblower policy);
- *Being open, honest and direct* (anti-fraud policy);
- *Sticking to Coolblue agreements* (disciplinary policy).

## Training courses

We have developed and implemented various training courses that ensure Coolbluers adhere to our guidelines and become increasingly aware of risks. These courses consist of e-learnings and workshops, and address topics such as the General Data Protection Regulation (GDPR), labor law, competition law, and integrity.



## Risk profile

### Identification & assessment of risks

There are several risks that can impact the realization of our strategic goals. Our risk management focuses on 4 categories: strategic, operational, finance & reporting, and compliance risks. In order to create a risk profile, we have conducted various top-down and bottom-up risk assessments. We have prioritized the most relevant risks in the Management Team's yearly Strategic Risk Assessment.

The general risk profile has not undergone any significant changes since 2018. The only change is the addition of a new risk, being 'continuity of processes and systems'. Each of the risks has been analyzed based on their likelihood, impact, and risk appetite. We define 'likelihood' as the probability of an event occurring and as such obstructing the realization of our strategic goals. 'Impact' indicates the extent to which the risk would negatively affect these goals. Lastly, 'risk appetite' is our willingness to take certain risks to achieve our goals. The lower the appetite, the better our risk management has to be arranged.

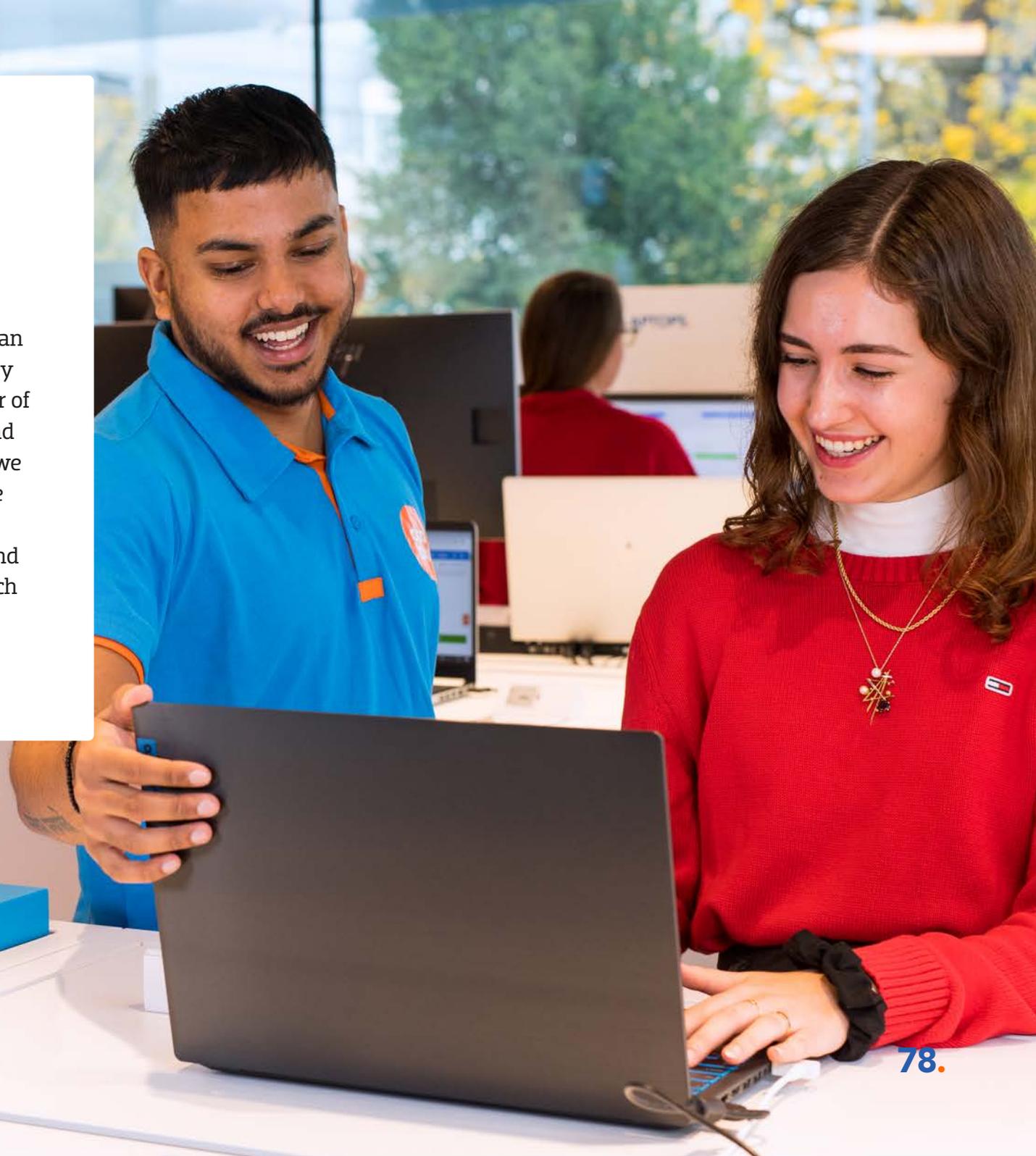
In this chapter, we describe how these risks have developed over 2019 and what remedial measures we have taken.



# Strategic risks

## 1. Reputation

Our growth has led to a bigger emphasis on our brand reputation. We face increasing press coverage in relation to our business. Privacy is an important topic due to legislative and regulatory changes in 2018, such as the GDPR. The number of privacy rules and guidelines keeps growing, and they are only becoming more strict. Naturally, we constantly work to incorporate these legislative changes. Over the course of 2019, we have also witnessed an increase in the misuse of our brand identity. We have further improved our approach to tackling these fake websites to prevent consumers from being duped by parties that unlawfully use our name.



## 2. Competition

We operate in a highly competitive market. Despite the competition, we have a relatively high risk appetite in this respect: we see it as an opportunity to go the extra mile for our customers. We constantly improve our customer-centric product journeys by investing in the quality of our service and new propositions, which gives us a strong competitive advantage.



# Operational risks

## 3. Integrity and security of information

We do everything in our power to prevent data leaks and to minimize their impact. For example, we do not save credit card details of our customers. Vulnerabilities in our own or leased software are automatically detected, which allows us to prevent potential problems. We also constantly make Coolbluers more aware of IT security and privacy risks. To ensure excellent availability of our internal systems, we are transferring all systems and applications to the cloud, which guarantees continuity and scalability.

With the introduction of the IT General Control Framework, we will standardize and reinforce our IT governance. The introduction of the IT General control framework ensures that we are better able to control our information risks.



## 4. Continuity of processes and systems

A significant disruption to the availability of our systems or business processes can cause reputational and financial damage. We have identified our critical operations and risks, drawn up a plan to maintain or restore critical operations during a crisis, and created an escalation and communication plan. Furthermore, we have started testing the documentation of our business continuity management. As a result, we are able to safeguard the continuity of our critical business processes and resources, such as our buildings, systems, and data.





## 5. Attracting and retaining qualified Coolbluers

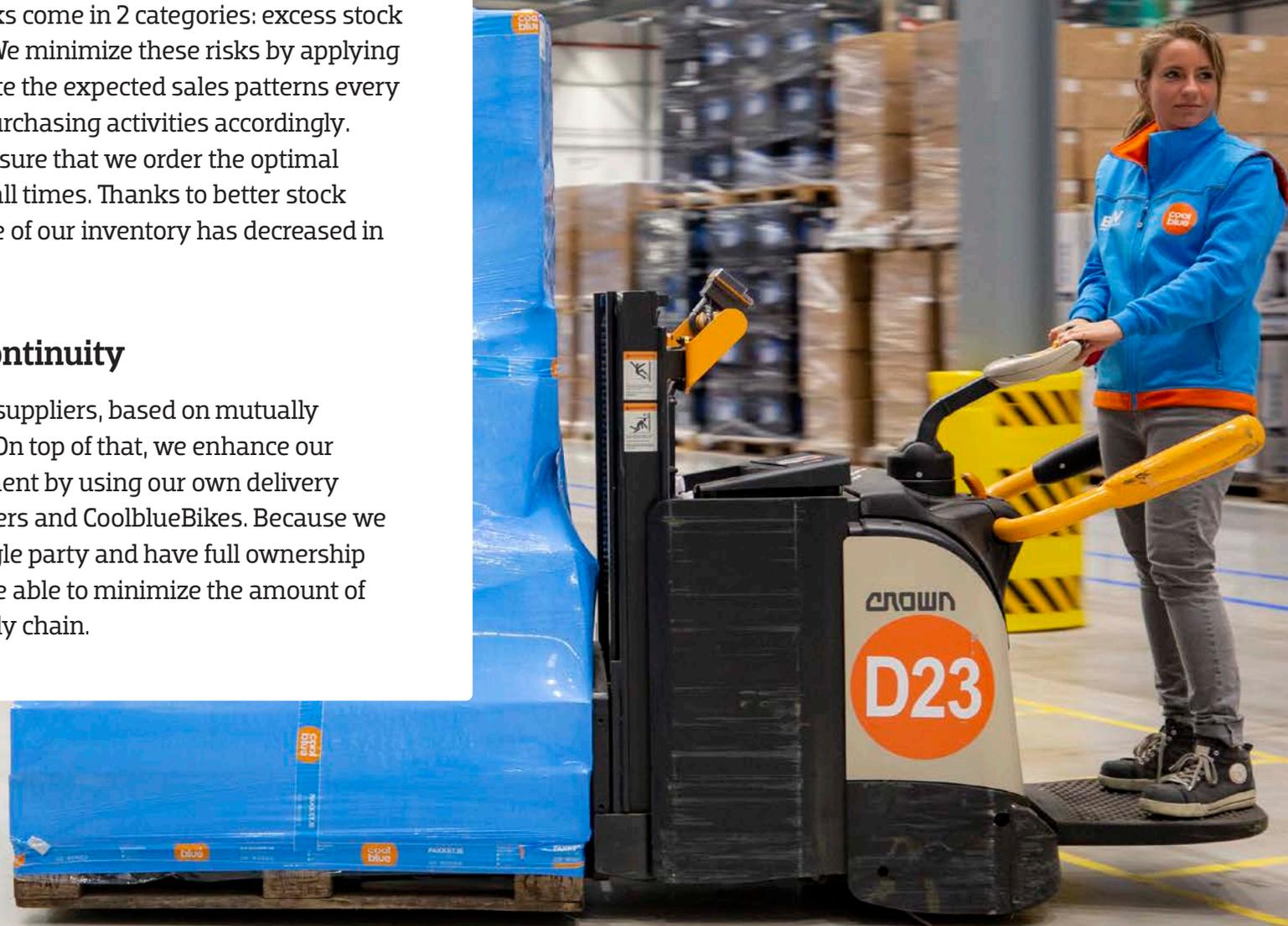
Qualified and intelligent people are key to our success. In order to be an attractive employer, we offer long-term career opportunities with various growth possibilities, on top of an unconventional company culture. Instead of limiting ourselves to the Dutch and Belgian labor markets, we look for suitable candidates on a global scale. We do this in various ways, from setting up large recruitment campaigns to organizing masterclasses and in-house days to attract recently graduated talent. Once we have attracted talent, we of course like to retain it, which is why we offer Coolbluers training courses and career opportunities.

## 6. Stock management

Stock management risks come in 2 categories: excess stock and insufficient stock. We minimize these risks by applying algorithms that calculate the expected sales patterns every day and aligning our purchasing activities accordingly. This way, we can make sure that we order the optimal number of products at all times. Thanks to better stock management, the value of our inventory has decreased in 2019.

## 7. Supply chain continuity

We work with multiple suppliers, based on mutually favorable agreements. On top of that, we enhance our supply chain management by using our own delivery services: CoolblueDelivers and CoolblueBikes. Because we do not depend on a single party and have full ownership of these services, we are able to minimize the amount of disruptions to our supply chain.



## Finance & reporting risks

### 8. Finance and liquidity

Our operations are financed by our operating cash flow, a negative working capital, and reinvestment of our profits. We have implemented debtor management, stock management, and treasury procedures so that we are always able to meet our payment obligations.



## Compliance risks

### 9. Regulatory compliance

Our Risk & Compliance, Security, and Legal departments closely follow the developments in law and regulation, thereby assuring our compliance. We do the same for any internal developments, such as solar panels as a new business.

We made sure that we complied with all legal requirements as soon as the GDPR came into effect on 25 May 2018. This was ensured by, among others, the Data Protection Officer (DPO) and the Legal Department. All Coolbluers who work with personal data are required to follow our GDPR training. We monitor attendance of the course with our training tool.

### 10. Safety, health, and environment

We do everything in our power to ensure the safety of our customers and employees. Within our Safety, Health, Environment, and Quality department (SHEQ), we are constantly working on improvements regarding these topics. Coolbluers who work in our Warehouse take health and safety courses, our solar panel installers are required to complete courses on working on rooftops, and our Safety Coordinators ensure optimum safety under all working conditions.



## Enhancement of our risk management system

We continuously work on optimizing our risk management operations, especially by making Coolbluers more aware of risks.

## Improved internal control environment

Further improving our internal control environment is one of our points of focus. This is demonstrated, among other things, by our monthly risk reports and the availability of flowcharts describing our significant processes, risks, and controls.

## Improved authorization and IT change management

We have improved the authorizations of our back-office system Vanessa, limiting access to production for Tech employees to a 'need-to-know' basis. Furthermore, we have developed an IT Risk Control Framework that increases our insight into how risks are managed.

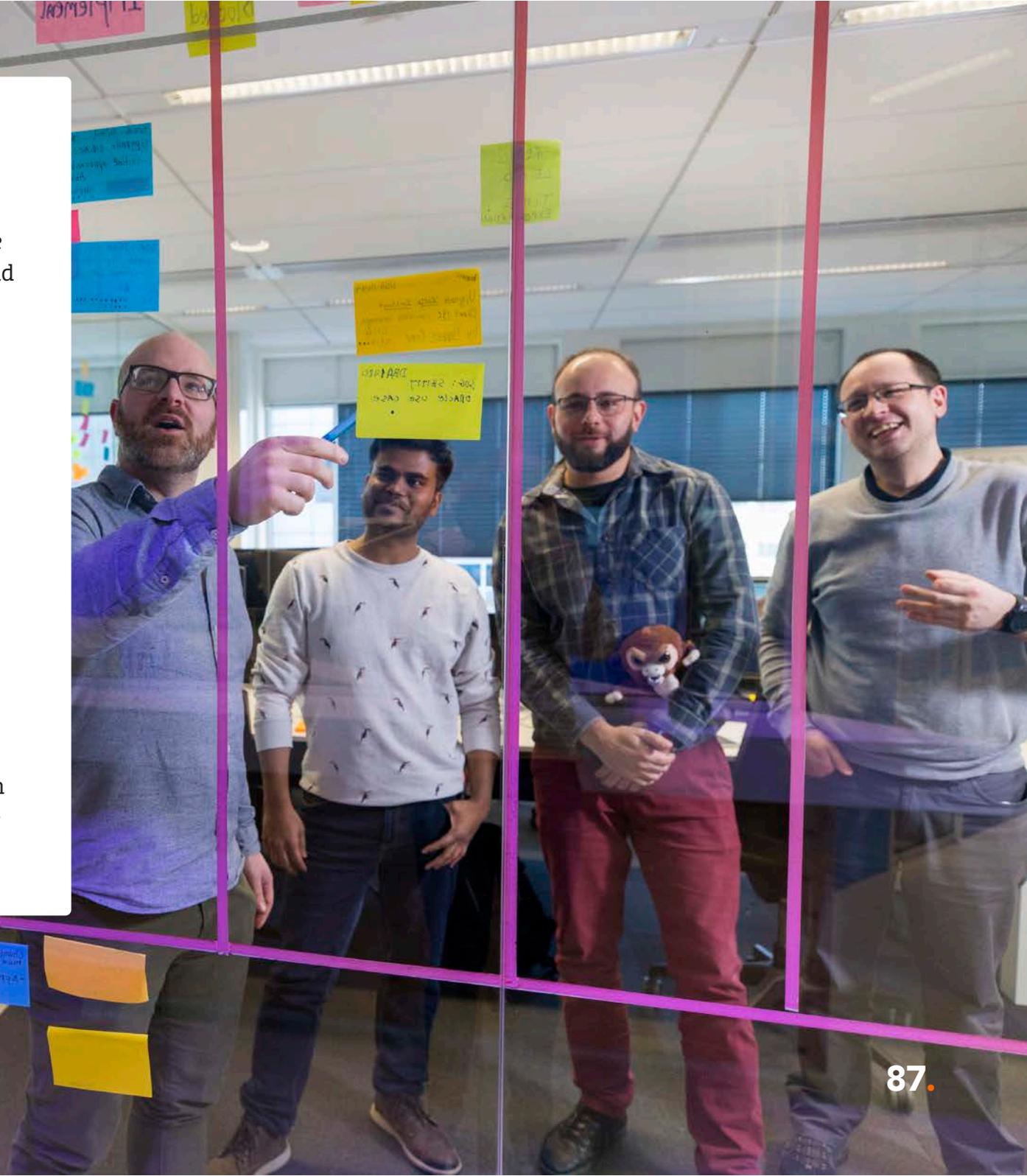


## Looking ahead to 2020

In 2020, we want to further optimize our risk management operations and work toward a more transparent documentation of processes, risks, and incidents.

### Continued expansion of our risk management tool

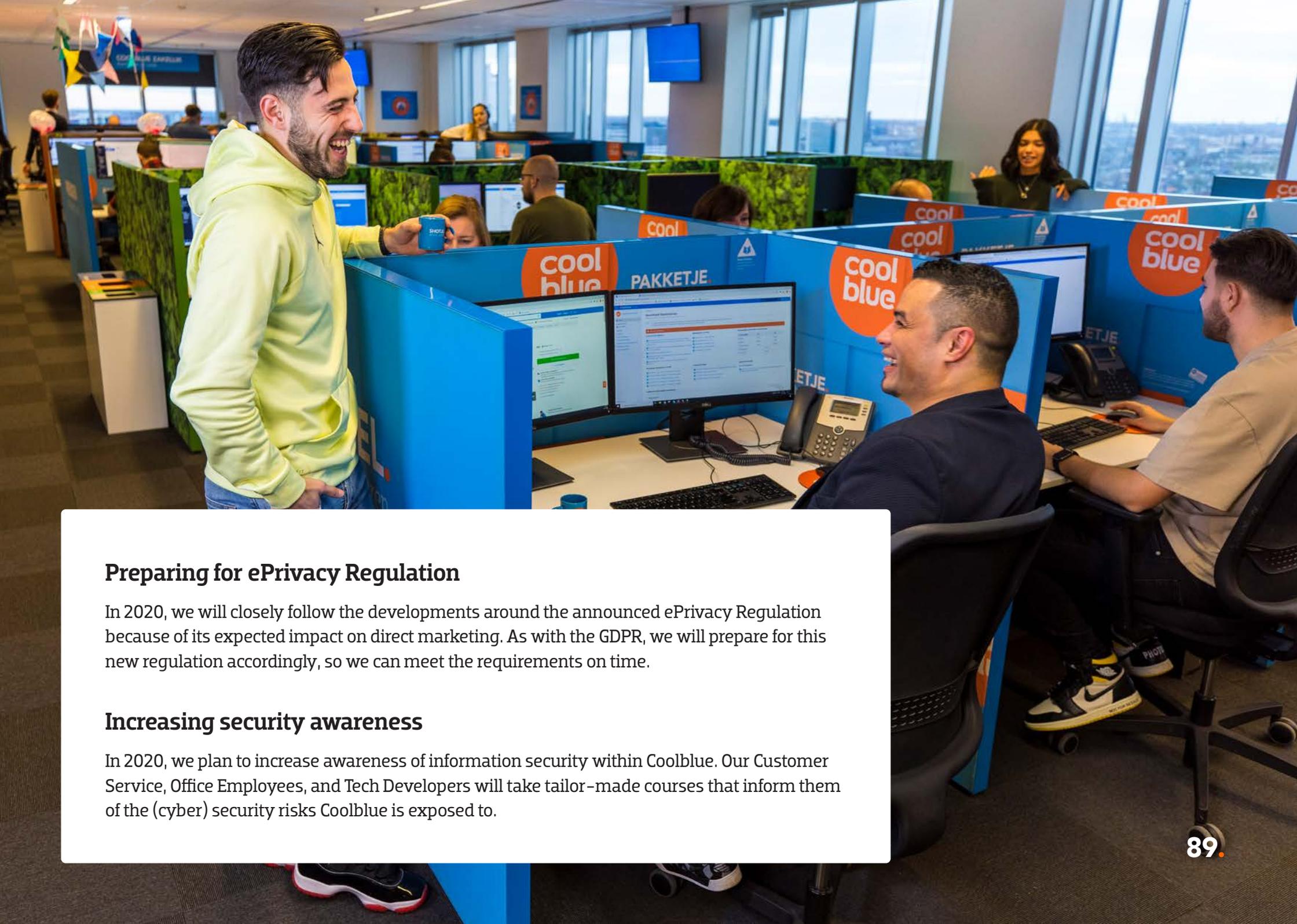
We will continue to expand the risk management tool within our entire organization, but most specifically in our legal, tax, and security departments. By doing so, we expect to create a coherent and complete overview of the most significant risks in our operational management processes. This ever up-to-date overview will also allow us to track the progress and follow-up of oversight measures more efficiently. Furthermore, we intend to better integrate our IT control framework into the rest of the organisation to provide a more coherent overview of our whole control landscape.





## Risk workshops

In 2020, our Risk & Compliance department will further facilitate risk workshops for the relevant departments. Our goal is to identify and analyze the risks for our departments and use this information to set appropriate risk limits and controls. We plan to expand the risk workshop to our tech departments to increase the awareness and insight into our technology & cyber risks, for which the threat landscape has increased significantly.



## Preparing for ePrivacy Regulation

In 2020, we will closely follow the developments around the announced ePrivacy Regulation because of its expected impact on direct marketing. As with the GDPR, we will prepare for this new regulation accordingly, so we can meet the requirements on time.

## Increasing security awareness

In 2020, we plan to increase awareness of information security within Coolblue. Our Customer Service, Office Employees, and Tech Developers will take tailor-made courses that inform them of the (cyber) security risks Coolblue is exposed to.

# CORPORATE GOVERNANCE.

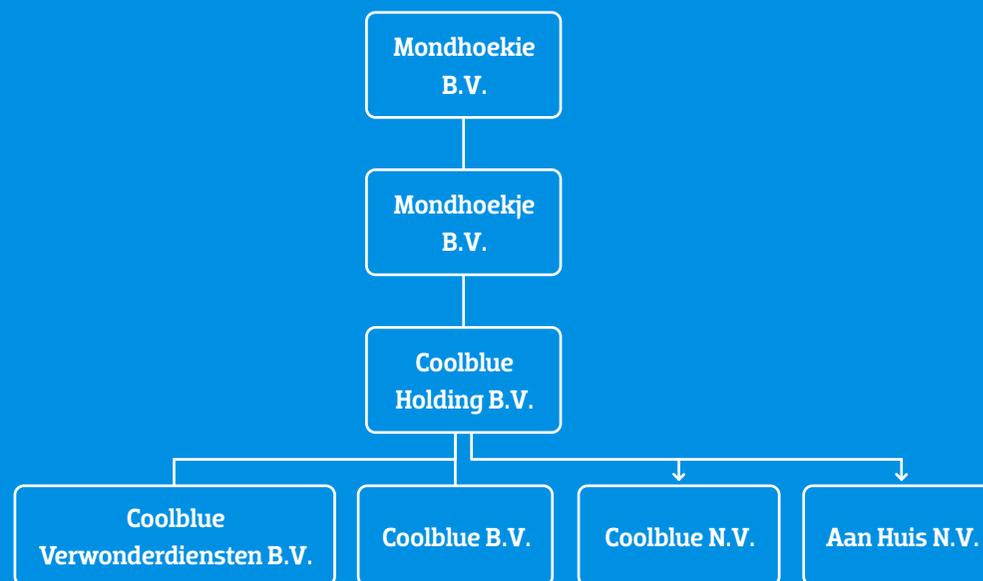
In good company.

## Ownership

Pieter Zwart B.V., HAL Investments B.V., and management are the shareholders in Mondhoekie B.V. the ultimate parent of Coolblue. Pieter has a majority share in the parent company.

## Structure

Coolblue Holding B.V., a private company with limited liability (*besloten vennootschap*) under Dutch law, is fully owned by Mondhoekie B.V. For the sake of transparency, we try to keep our corporate structure as simple as possible. The chart on the right shows an overview of the various group companies.





## Management Team

Coolblue's Management Team is made up of the Managing Board and the 12 Heads of Department, such as Stores, Shipping & Delivery, and Category Teams. The Managing Board consists of CEO Pieter Zwart and CFO Daphne Smit. They are both legally authorized to represent Coolblue.

The Management Team is responsible for the day-to-day operations of their respective domains, and for Coolblue's future development. They have the necessary means, along with the responsibility, to make their domain a little bit better every day.

We acknowledge the importance of diversity in a working environment, which is why we strive for an equal composition of men and women as members of the Management Board. However, when it comes to the selection criteria for candidates, competencies are key.

## Pieter Zwart

**Age:** 42

**Position:** CEO

**Working at Coolblue since:** 1999

**Education:**

Business Administration at Erasmus University Rotterdam.

**Responsibilities at Coolblue:**

Category teams, Customer Service, B2B, Marketing, Pricing & Assortment, Branding, Stores, and the website.

**What can you do a little bit better since 2019?**

I became better at playing tennis. I am not yet at Daphne's level, but I am getting there.



## Daphne Smit

**Age:** 34

**Position:** CFO

**Working at Coolblue since:** 2014

**Education:**

International Business Administration at Erasmus University Rotterdam.

**Prior to Coolblue:**

Trainee, Account manager, and Credit Analyst at Rabobank.

**Responsibilities at Coolblue:**

Responsibilities at Coolblue: Finance, Business Analysis, Legal, HR, Warehousing, Delivery, Returns & Second Chance, Facilities, Purchasing, Procurement, and Recruitment.

**What can you do a little bit better since 2019?**

I have tried to push my musical boundaries by picking up the drum sticks and learning to play the drums.



## Remuneration

The Management Board's salaries are determined by the Supervisory Board. Members of the Management Team receive a fixed salary and are not entitled to bonuses, options, or shares in the company as part of their remuneration. CEO Pieter and CFO Daphne are shareholders in Mondhoekie B.V. Any shares they have acquired, have been acquired on commercial terms.

## Corporate Governance Code

Although we are not legally obliged to follow the Dutch Corporate Governance Code, we acknowledge the importance of good governance. We actively monitor relevant developments in the Corporate Governance Code and incorporate the principles that are relevant to us as a private company.





# 08.

## STATEMENT SUPERVISORY BOARD.

Our ultimate support group.



Hi all,

Coolblue is a rapidly expanding, inventive organization. This means the Supervisory Board has an interesting and challenging assignment.

### **Activities of the Supervisory Board**

We met with the Management Team of Coolblue 5 times throughout 2019 and had frequent interactions in between. During these meetings, we discussed recurring topics such as customer satisfaction (NPS), strategy, market developments, and financial and operational results.

Additionally, we addressed specific topics such as the shareholders structure, the financing structure, the opening of new (pop-up) stores, the launch of new propositions (think solar panels and products-as-a-service), expansion opportunities, and personnel developments. During these meetings, numerous subjects were introduced by a presentation, given by the responsible Manager. We greatly appreciate the explanations given by these managers, because it provided us with a better insight into Coolblue's layers of management. While we mostly meet in Rotterdam, our December meeting took place in the warehouse in Tilburg. It was a pleasure to get a tour by the Warehouse Manager to see the improvements since our last visit in 2017 and to feel the positive Coolblue energy during the peak season.

## Audit Committee

The Audit Committee supports the Supervisory Board in the supervision of financing, reporting, internal controls, and risk management.

The Audit Committee has met 3 times in 2019, with the CFO, Head of Finance, and the external auditor present as well. During these meetings, the following topics were discussed: the financial statements of 2018, the audit planning for 2019, the findings of the interim audit and internal control findings in 2019, reporting structures, reporting standards (e.g. the impact of IFRS 16), operational risk management, business continuity management, fraud, and compliance with laws and regulations (GDPR).

## Closing thoughts

Generally speaking, the Supervisory Board is again very satisfied with Coolblue's growth and results and the progress made concerning the quality of everything that Coolblue does.

We are pleased to see that Coolblue has taken its corporate social responsibility to the next level, both from a social and an environmental perspective. Last year, solar panels were placed on the roof of the warehouse in Tilburg. Today, many households in the Netherlands are having Coolblue install solar panels on their roofs. By doing so, Coolblue helps Dutch households to make their energy consumption green. We believe the electrification of our society offers multiple expansion opportunities which will be pursued with the Coolblue business rigor, discipline, and a big smile. Moreover, we are pleased to observe that much focus is given to attracting and educating (young) employees who are given numerous possibilities to continue to grow. In doing so, Coolblue does not just offer them a job, but a career with perspective.

We look back on an eventful year and would like to wholeheartedly thank every Coolbluer for their unwavering dedication, enthusiasm, and entrepreneurship. We look forward to an even greater 2020.

On behalf of the Supervisory Board,

Jaap van Wiechen  
*Chairman*

Harold Goddijn  
Bert Groenewegen  
Theo Kiesselbach

## Members of the Supervisory Board

The Supervisory Board consists of a group of experienced entrepreneurs and investors. The board is an independent body that supervises the policy and daily order of business at Coolblue. In addition, the board and its individual members serve as a friendly, yet critical sounding board to the Management Team.

Each board member is committed to the interests of Coolblue, the customers, and all other involved parties. The board serves Coolblue and is free from the influence of external parties and independent of secondary interests.

The Supervisory Board currently consists of 4 members, each with their own experience or expertise relating to different aspects and activities of Coolblue. The composition of the Supervisory Board has not seen any changes in 2019. Over time, Coolblue intends to add a fifth member to the board.

### Jaap van Wiechen

*Jaap van Wiechen (47) is a member of the Executive Board of HAL Holding N.V. and serves as a member of the Supervisory Board of Boskalis and Atlas Services Group. Jaap acts as chairman of the Supervisory Board and is a member of the Audit Committee.*

### Harold Goddijn

*Harold Goddijn (59) is the co-founder and CEO of TomTom. Previously, he co-founded Psion Nederland before becoming Executive Director at Psion Computers Plc.*

### Theo Kiesselbach

*Theo Kiesselbach (54), a German national, is a retail expert. He started his professional career at McKinsey & Co. Afterward, he held executive roles in a number of German retail companies. Until May 2018, he was CEO of Grandvision. In 2019, he moved to Singapore and established an advisory and investment company.*

### Bert Groenewegen

*Bert Groenewegen (56) is the current CFO of Nederlandse Spoorwegen and member of the Supervisory Board of Teslin Participaties Coöperatief UA. Bert's previous positions include CFO at Exact Holding, CFO/CEO at PCM Uitgevers, and CFO at Ziggo. Bert is chairman of the Audit Committee.*



# 09.

**THE NUMBERS  
GAME.**  
Count me in.

# Consolidated Financial Statements

## Consolidated income statement

For the year ended December 31, 2019

€ '000	Notes	2019	2018
<b>Operations</b>			
Sale of goods	6	1,418,060	1,289,266
Marketing fees		64,524	64,309
<b>Revenue</b>		<b>1,482,584</b>	<b>1,353,575</b>
Cost of sales	7	(1,274,550)	(1,181,355)
<b>Gross profit</b>		<b>208,034</b>	<b>172,220</b>
Employee benefits expenses	8	(111,791)	(92,798)
Depreciation, amortization and impairment	9	(28,616)	(12,063)
Other operating expenses	10	(47,960)	(52,295)
<b>Operating profit</b>		<b>19,667</b>	<b>15,064</b>
Finance income	11	960	358
Finance expenses	11	(879)	-
<b>Profit before tax from operations</b>		<b>19,748</b>	<b>15,422</b>
Income tax expense	12	(4,587)	(3,362)
<b>Profit for the year</b>		<b>15,161</b>	<b>12,060</b>
Attributable to:			
Equity holders of the parent		15,161	12,060
<b>Profit for the year</b>		<b>15,161</b>	<b>12,060</b>
EBITDA		48,284	27,127
Adjusted EBITDA		34,514	26,922

## Consolidated statement of financial position

As at 31 December 2019 (before appropriation of result)

€ '000	Notes	2019 31 December	2018 31 December
<b>Assets</b>			
<i>Non-current assets</i>			
Property, plant and equipment	13	27,118	19,819
Right-of-use assets	14	69,841	-
Intangible assets	15	21,976	18,366
Financial fixed assets	16	1,191	-
		120,126	38,185
<i>Current assets</i>			
Inventories	17	86,093	110,609
Trade and other receivables	18	134,149	152,145
Cash and cash equivalents	19	134,609	29,878
		354,851	292,632
<b>Total assets</b>		<b>474,977</b>	<b>330,817</b>
<b>Equity and liabilities</b>			
<i>Equity</i>			
Issued capital		20	20
Share premium		1,838	1,838
Legal reserve		18,960	15,750
Other reserves		23,972	15,122
Unappropriated result		15,161	12,060
	20	59,951	44,790
<i>Non-current liabilities</i>			
Provisions	21	83	95
Interest-bearing loans and borrowings	22	58,234	-
Other non-current liabilities		-	741
Deferred tax liabilities	23	3,030	2,647
		61,347	3,483
<i>Current liabilities</i>			
Trade and other payables	24	339,232	282,545
Interest-bearing loans and borrowings	22	14,448	-
		353,680	282,545
<b>Total equity and liabilities</b>		<b>474,977</b>	<b>330,817</b>

## Consolidated statement of cash flows

For the year ended 31 December, 2019.

€ '000	Notes	2019	2018
<b>Operating activities</b>			
Profit before tax		19,748	15,422
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation and impairment of property, plant and equipment	13	7,064	6,301
Depreciation and impairment of right-of-use assets	14	14,530	-
Amortization and impairment of intangible assets	15	7,022	5,763
Interest (income)/ expense		(81)	(358)
<i>Working capital adjustments:</i>			
(Increase)/decrease in trade and other receivables and prepayments	18	11,537	(2,129)
(Increase)/decrease in inventories	17	24,516	(19,882)
Increase/(decrease) in trade and other payables	24	53,213	1,354
		<u>137,549</u>	<u>6,471</u>
Movement provisions and other non-current liabilities	21	(741)	(466)
Income tax (paid) / received		(1,416)	(2,150)
Interest (paid) / received		15	5
Net cash flows from operating activities		<u>135,407</u>	<u>3,860</u>
<b>Investment activities</b>			
Investments in and disposals from property, plant and equipment	13	(13,713)	(7,817)
Investments in and disposals from software	15	(10,731)	(9,415)
Net cash flows used in investment activities		<u>(24,444)</u>	<u>(17,232)</u>
<b>Financing activities</b>			
(Increase)/decrease receivable from shareholder	18	7,149	(49,518)
Payment of principal portion of lease liabilities	22	(14,260)	-
Interest paid/(received)	22	879	-
Net cash flows from/(used in) financing activities		<u>(6,232)</u>	<u>(49,518)</u>
<b>Net increase in cash and cash equivalents</b>		<u><b>104,731</b></u>	<u><b>(62,890)</b></u>
Cash and cash equivalents at 1 January	19	29,878	92,768
Cash and cash equivalents at 31 December	19	134,609	29,878

**THE END.**

You can put me down now.