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SHOP APOTHEKE EUROPE grows more than twice as fast as the overall Continental European market in 2016. Accelerated growth projected for 2017 as well.

- Revenues increased by 41% to EUR 177.4 million in 2016
- Gross margin stable at 20.5% despite accelerated growth; adjusted EBITDA margin improved from -4.2% to -3.3%
- Long-term loans repaid as planned with proceeds from the IPO
- Revenues from international operations more than tripled to EUR 30.4 million thanks to the early integration of FARMALINE that was acquired in September 2016
- Profitability in the German core market grew while revenues increased by 26%
- Excellent start into the 2017 fiscal year; accelerated growth and further improvements in profitability expected

Venlo, the Netherlands, March 27, 2017 – SHOP APOTHEKE EUROPE N.V., Europe's leading online OTC pharmacy (OTC = over the counter = non-prescription medications), has achieved its ambitious 2016 growth targets. With corporate revenues increasing by over 41% to EUR 177.4 million (previous year: EUR 125.6 million), SHOP APOTHEKE EUROPE grew more than twice as fast as the overall Continental European market, which went up 17%*. Strong growth in international revenues – boosted by the rapid integration of the FARMALINE online pharmacy acquired in September 2016 – has further accelerated growth and strengthened SHOP APOTHEKE EUROPE's leading position in the dynamically growing European online pharmacy market.

The number of orders rose from 2.8 million to 4 million during the reporting period. At 73.4%, the share of orders placed by existing customers remained at a consistently high level while the return rate continues to remain at less than 1% and site visits increased to 42 million in 2016.

SHOP APOTHEKE EUROPE's gross profit increased in line with revenues, up from EUR 25.7 million in 2015 to EUR 36.3 million in 2016. The gross margin remained stable at 20.5% despite the company's accelerated growth and new customer acquisition through coupon promotions in the fourth quarter 2016 which had a negative margin impact. Due to the successful customer acquisition initiatives, the number of active customers increased substantially from 1.3 million at the end of 2015 to 1.8 million at the end of 2016.

The consolidated adjusted EBITDA MARGIN (earnings before interest, taxes, depreciation and non-recurring effects from the IPO and the integration of FARMALINE) improved by 0.9% to -3.3% from -4.2% the previous year. Consolidated adjusted EBITDA was EUR -5.8 million compared to EUR -5.3 million in 2015. The adjusted EBIT (earnings before taxes and interest) for fiscal year 2016 was EUR -9.1 million with an EBIT margin of -5.1% compared to EUR -7.4 million or -5.9% respectively in 2015. Improvements were accomplished primarily in relative administrative costs (including depreciations): Due to economies of scale and increased efficiency, they increased at a lower rate than revenues from EUR 6.7 million (adjusted for one-off costs of EUR 1.7 million mostly related to the IPO) to EUR 7.4 million (EUR 9.1 million excluding one-off costs).

Adjusted for non-recurring costs related to the application of IFRS (International Financial Reporting Standards) to the repayment of shareholder loans as announced prior to the IPO, which negatively impacted interest income by EUR 6.9 million, the net loss for 2016 was EUR 10.7 million (after EUR 9.1 million during fiscal year 2015). The repayment of shareholder loans means that SHOP APOTHEKE EUROPE is now debt-free.

Revenues for SHOP APOTHEKE EUROPE's profitable core segment "Germany" increased by 26% to EUR 145.6 million (previous year: EUR 115.7 million). Increases in efficiency, economies of scale, progress in process automation and the high share of repeat orders made by existing customers led to a 1.5% improvement in the sales and distribution cost ratio to 18.9% (previous year: 20.4%) in the company's German core market. In line with this development, the "Germany" segment's gross margin increased from 20.1% in fiscal year 2015 to 20.4%; segment EBITDA** grew by EUR 3.2 million from EUR 0.8 million in fiscal year 2015 to 4 million in fiscal year 2016, corresponding to a margin of 2.7% versus 0.7% the previous year.

In the international regions – which as of now include Austria, France, Belgium, the Netherlands, Spain and Italy – SHOP APOTHEKE EUROPE has more than tripled its sales. Revenues in the "International" segment increased by 262% to EUR 30.4 million (previous year: EUR 8.4 million). The gross margin of the "International" segment improved by a significant 3.4% from 15.0% in 2015 to 18.4%. The substantial increase in international business volume is mainly due to organic growth as well as to the acquisition of FARMALINE in September 2016. Following the integration of the Belgian online pharmacy, SHOP APOTHEKE EUROPE has further expanded its market position in all relevant European markets. The integration of FARMALINE was completed ahead of schedule in Q4 2016. Due to one-time costs for the accelerated integration of FARMALINE, adjusted segment EBITDA** stood at EUR -3.9 million, EUR 1.6 million less than the EUR -2.3 million posted the previous year. Relative to sales, the segment's adjusted EBITDA margin improved to -12.8% from -26.9% the previous year.

The segment "Germany Services," which includes web shop services, posted gross income of EUR 4.1 million prior to the deduction of EUR 2.6 million worth of intra-company services. That is a rise in income of 20.6% compared to fiscal year 2015 (EUR 3.4 million). Due to internal development projects, the segment's high gross margin declined slightly from 91.3% the previous year to 89.7% in fiscal year 2016, however, it returned to previous-year levels in Q4 2016. Segment EBITDA** was EUR 1.0 million for the reporting period, slightly below the previous year's figure of EUR 1.2 million.

Dr. Ulrich Wandel, CFO of SHOP APOTHEKE EUROPE, comments: "2016 was a very successful year of growth for SHOP APOTHEKE EUROPE. We entered very promising international target markets, further improved our excellent market position with fast integration of FARMALINE and are in pole position to achieve accelerated growth in the coming years with the growth financing raised during our IPO in October 2016. We also structurally improved key expense positions in relation to revenues. This means we have taken a big step towards reaching our next goal, generating positive EBITDA on a group-level mid-term."

The Management Board of SHOP APOTHEKE EUROPE expects an increase in the company's revenues from 45% to 55% in fiscal year 2017, primarily driven by the growing international business. The management also expects positive impulses from a strong market environment: In its latest market research study, SEMPORA has increased its estimate for the average annual growth rate for the online pharmacy market 2016-2020 from 23.7% to 24.7%. While SHOP APOTHEKE EUROPE's growth strategy is focused on further strengthening its market leadership in the relevant European markets, the Management Board expects that effects of scale, improvements in efficiency and further automation will continue to have a positive impact on the bottom line in fiscal year 2017. This projection is supported by the predicted continuation of the company's profitable growth course in its German core market. Along with the anticipated growth, the group's gross margin is expected to increase during the current fiscal year. Management also expects an improvement of the EBITDA margin to -2% to -3% on a group-level.

*according to market research by SEMPORA 2017

**Segment EBITDA: Defined as earnings before interest, taxes and depreciation as well as company-level administrative costs.

PUBLICATION OF ANNUAL REPORTS

SHOP APOTHEKE EUROPE has today published its annual accounts 2015 and its annual report 2016 on a special annual report landing on its website with the following link: <https://shop-apotheke-europe.com/en/investorrelations/publikationen/geschaeftsberichte.html>

The annual general meeting of shareholders of the Company will take place on 16 May 2017 at 13:00 CEST at Van der Valk Hotel Venlo, Nijmeegseweg 90, 5916 PT Venlo, The Netherlands. The convocation for the annual general meeting, including the agenda, the accompanying explanatory notes and other information/documentation, will be published on the Company's website by 3 April 2017.

ABOUT SHOP APOTHEKE EUROPE.

SHOP APOTHEKE EUROPE is Continental Europe's leading online OTC pharmacy with a portfolio that focuses on OTC medication and pharmacy-related beauty and care products (BPC). The Company operates online pharmacies in Germany, Austria, France, Belgium, Italy, Spain and the Netherlands. In Germany, the TÜV-certified shop-apotheke.com is the market leader in terms of traffic. SHOP APOTHEKE EUROPE delivers a broad range of more than 100,000 original products to 1.8 million active customers quickly and at attractive prices. In addition, SHOP APOTHEKE EUROPE provides comprehensive and consistent pharmaceutical services.

SHOP APOTHEKE EUROPE generated EUR 177 million in revenues in the financial year of 2016. Headquartered in Venlo (the Netherlands), SHOP APOTHEKE EUROPE also has offices in Cologne, Düsseldorf, Paris and Tongeren, Belgium. The online pharmacy has been listed on the regulated market of the Frankfurt Stock Exchange (Prime Standard) since 13 October 2016.

KEY PERFORMANCE INDICATORS

	2016	2015
Site visits	41,841,536	25,496,383
Mobile visits	17,997,761	8,946,672
Mobile share	43%	35%
Number of orders	3,949,886	2,801,358
Repeat orders	73.4%	73%
Return rate	0.76%	0.7%
# Active customers	1,809,028	1,266,706
Average cart size	52.24 €	52.31 €

FINANCIAL CALENDAR 2017

May 15, 2017	Publication of the First Quarter Results 2017
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May 16, 2017	Annual General Meeting
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July 26, 2017	Publication of the Half-Year Report 2017
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November 9, 2017	Publication of the Third Quarter Results 2017
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CONFERENCES 2017

May 17-18, 2017	Citi's European Internet and Digital Conference, London
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May 22-24, 2017	Berenberg European Conference USA 2017, Tarrytown, NY
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August 29-31, 2017	Commerzbank Conference, Frankfurt
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September 6-8, 2017	Citi Global Technology Conference, New York
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September 18-20, 2017	Berenberg & Goldman Sachs German Corporate Conference, Munich
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December 04-07, 2017	Berenberg European Conference, London
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DISCLAIMER.

This announcement does not constitute a public offer or an offer to subscribe to any securities in any jurisdiction. The offer was made exclusively on the basis of the company's securities prospectus that had been published in connection with the offer. The shares have already been sold.

This announcement contains forward-looking statements that relate to the future course of business and future financial performance, as well as future transactions or developments concerning SHOP APOTHEKE EUROPE. The bases of these statements are current expectations and assumptions of SHOP APOTHEKE EUROPE's management, of which a large number are outside SHOP APOTHEKE EUROPE's sphere of influence. These statements are therefore subject to a variety of risks and uncertainties. If such risks and uncertainties occur, or if the underlying expectations do not materialize or the assumptions made are not correct, the actual events, both positive and negative, may differ materially from those events contained in the forward-looking statements. SHOP APOTHEKE EUROPE assumes no obligation to update these forward-looking statements or to correct them in the event of occurrences or developments other than those anticipated. Such updates or corrections are not intended.