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**cool
blue**

YEARBOOK 2017.
True story.



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HELLO.

From the other side.

The year 2017 can be summarized in a single word: *rationalization*. For the first time ever in the history of Coolblue, we were able to quit doing things. We quit printing our mini-catalog, selling phone plans, offering an excessive assortment, delivering air in oversized boxes, shipping from 2 different warehouses, and keeping too much stock.

At the same time, 2017 was also a year of many new things. We learned new skills, such as multilingualism. Opened new channels, such as the app. And we opened up new physical locations, including the first 2 stores based on our new store concept Coolblue XXL, in The Hague and Amsterdam, and our new headquarters in Belgium.

In short, 2017 was a record year. For both revenue and profitability. But most importantly: for customer satisfaction.

This was achieved thanks to all Coolbluers, together. And I would like to thank all of you. Thank you!

With a smile,

Pieter

COOLBLUE AT A GLANCE.

Leveling up the company.

We love data. If we can't measure it, we can't improve it. That is why we have 36 Business Analysts at Coolblue who measure and analyze everything. From the number of website visits to the total amount of Coolbluers called Tim.

2016.



63

NPS (average)



2,676

Coolbluers (19 Tims)



29

Nationalities



87

Delivery trucks



96

Meeting rooms



8

Stores



5

Depots CoolblueDelivers

857M

Total revenue

615M

Revenue NL

242M

Revenue BE

19.3M

Adjusted EBITDA

8.9M

Net Profit

149M

Website visits

61K

M² warehouse space

2017.



66

NPS (average)



3,561

Coolbluers (34 Tims)



45

Nationalities



150

Delivery trucks



104

Meeting rooms



9

Stores



8

Depots CoolblueDelivers

1.2B

Total revenue

884M

Revenue NL

309M

Revenue BE

21.9M

Adjusted EBITDA

9.1M

Net Profit

180M

Website visits

94K

M² warehouse space

THE COOLBLUE STORY.

Anything for a smile.

We are a customer journey agency. Not an internet company, retailer, or webshop. We organize complete journeys that make our customers happy-while making a profit.

GOALS.

I love it when a plan comes together.

Coolblue was founded by 3 students in Rotterdam back in 1999. In a short period of time, we have grown into one of the leading online players in the Dutch and Belgian markets. 18 years ago, we wrote down our business plan on the back of a beer coaster. This plan consisted of 2 goals: earn money and become the leading company in customer-centric entrepreneurship.

These goals remain unchanged. The driving force behind our success is the equal importance of these 2 goals, which constantly interact. For example, free shipping leads to happy customers, but it also increases costs. Although these goals might lead to tension in the short run, they only serve to strengthen each other in the long run.

Satisfied customers are extremely important to us. Better yet, we obsess over them. Satisfied customers ensure our continued growth. It is not just about repeat business, the true value of satisfied customers depends on the extent to which they are willing to recommend us. That is why, before we decide on anything, we always take customer satisfaction into account.

NPS & EBITDA

We can only do things a little bit better every day if we measure everything. We also believe a high Net Promoter Score (NPS) is essential to customer-centric entrepreneurship. That is why we measure our NPS every single day. The NPS tells us how loyal our customers are in their willingness to recommend us to their relatives or friends. In 2017, our NPS averaged 66. We also keep close track of our profitability. That number is expressed in EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization).



CUSTOMER JOURNEY AGENCY.

Always business class.

We have translated our goals into a business strategy. This means we do not just compete in products, pricing, or delivery, but also create a competitive edge by organizing complete customer journeys that make customers happy.



We do not simply create customer journeys by instinct, it is a rational process. By analyzing our data, we are able to discover intrinsic customer needs and develop unique customer journeys around them. This affects various propositions, which we are always looking to optimize. We have listed 4 examples of this: delivery optimization, sales process optimization, product return ratio, and supply chain optimization.





1. Delivery optimization

We measure why customers buy new washing machines. For example, we found that washers often break down while in use and that a new one is ordered within 24 hours. These appliances are heavy and difficult to install, so customers like for them to be delivered and installed, while the old one is disposed of. It is precisely this part of the customer journey to which we can add value. That is why we started our own white goods delivery service, CoolblueDelivers.



2. Sales process optimization

When it comes to televisions, we observed a relatively low online channel share compared to other product types. For the customer, it is difficult to compare picture quality and size online. That is why physical stores are essential to the sales process of a television. They allow customers to compare and experience different models, but also to receive advice from experts.



3. Product return ratio

We measure how often and why customers return a product. For example, SSDs (Solid State Drive) are often returned because customers have difficulties installing them in their laptops. To remedy this, we added a video tutorial to our order confirmation this year. Thanks to this solution, the number of SSD returns has been cut in half. This has led to both satisfied customers and a persistent competitive advantage.



4. Supply chain optimization

We also analyze what customers are looking for. Based on our findings, we have our suppliers manufacture unique laptops for us that meet the price point and specifications the customer desires. These models can only be purchased at Coolblue. The same market data also helps us calculate how many of these optimized models we are going to sell.

CULTURE AND PEOPLE.

In good company.

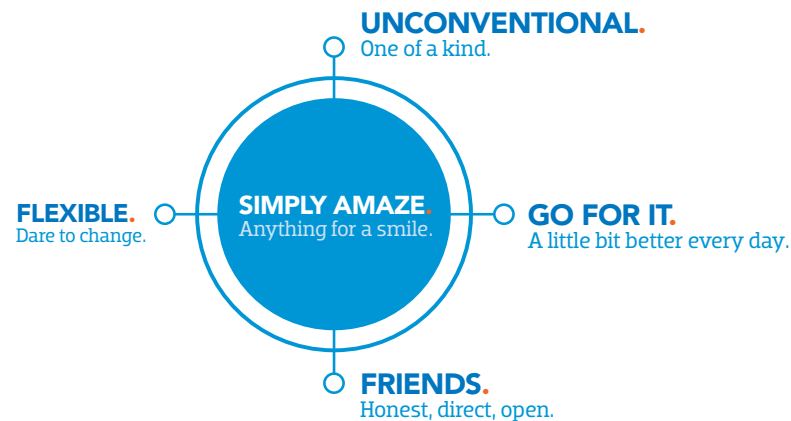
Coolblue is a fast-growing company that is already over 3,500 employees strong. Together, we work towards 2 common goals on a daily basis: making customers happy and making a profit.

CULTURE.

If it fits, I sits.

Our culture is the key to our success. We started out 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.

We are constantly welcoming new Coolbluers. That is why it is important that everyone understands why we insist on doing things our own way—to help them embrace our culture and consistently convey our values.



These are our brand values. They describe who we are and what we stand for. What binds us together and how we treat one another.

We first wrote down these values in 2011, with the help of every Coolbluer. Now, years later, they are still a perfect fit. This is not just a coincidence. In order to prevent disappointments, we use these values to judge whether we are a good match.

Our brand values also help us make decisions for the future. We can apply them to any decision, big or small, to check whether it suits us or not.

UNCONVENTIONAL.

One of a kind.

Being unconventional means that everyone should be able to be themselves. Whether you have an outspoken personality or a modest one. This might seem contradictory, but it is precisely this unconventionality that unites us.

At Coolblue, you do not have to be the smartest kid in class. We are all doing this for the first time, so we do not always have the right answer straight away. But we want to give it a try. That is why we need bold people to do things that have not been done before.

People who are true to themselves are hard to copy. That is why we only do things that suit us. Before we do anything, we ask ourselves: is this really a good fit for us? We also consider whether something can easily be copied by another company. If we were to cover our logo and not recognize it as Coolblue, it is not authentic enough.

We are proud of our real, unconventional Coolbluers. That is why they appear in our commercials and on our websites. As they are. Including tattoos.





FRIENDS.

Honest, direct, open.

There are but few companies where so many people are both colleagues and friends. This is our strength. Because friends all want what is best for one another. Because two heads are better than one. Because friends always tell the truth. And because it is simply more fun.

And people take notice. Our customers, who always come back. Our suppliers, who regard us as long-time partners. We are always honest and direct, in good times and bad. We never go back on a promise, and we are open to feedback.

Equals make the best friends. That is why neckties are the least worn item at the office. And why colleagues can tell Pieter how they really feel about his new jacket. It is also why we treat our customers as friends. Without the "how's it hanging," of course.

GO FOR IT.

A little bit better every day.

Less talk, more action. Actions speak louder than words. We have plenty of proverbs for it. But at Coolblue, we simply refer to this no-nonsense entrepreneurial attitude as *go for it*.

An idea is worthless without follow-up. We prefer immediate action above endless discussions. We got to where we are now today by doing things a little bit better every day. Step by step, detail after detail. Things do not always go right 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 was designed with flexibility in mind in order to support our rapid growth. Whoever says "we always do it like this" is not doing it right.

This flexibility shows. Coolbluers are rarely upset by sudden changes to their plans or teams. Before anything can happen, they have already developed new systems that can handle twice the load. And they keep learning new things outside their own expertise.

Flexibility is also important when it comes to our obsessive focus on customer satisfaction. A washing machine that needs to go to the attic instead of the basement? Sure thing. A returned product that arrives a day late? Not a problem. Exceptions are meant to be made.

SIMPLY AMAZE.

Anything for a smile.

Simply amaze. A phrase that seems to contradict itself. But that is precisely what makes it so Coolblue. Both unconventional and down-to-earth.

The word *simply* speaks volumes. Simply a good website, one where customers can quickly and easily place an order. We then simply package their order and ship it to the customer. For free, of course.

To *amaze* means to exceed expectations. Going the extra mile to surprise our customers. To make them smile. Smiles are actually pretty common, but they often require something amazing.



PEOPLE.

Friend zone.

Coolblue is an open, ambitious organization. New colleagues start out each month, and they are given plenty of responsibility right from the start.

Because our most important processes are organized in-house, we are able to improve them step by step while maintaining considerable flexibility. That is why we employ a great number of experts, which works wonders on both an operational and strategic level. This allows us to both create distinctive competencies and learn from the process at the same time.

The greatest workplace in the Netherlands and Belgium

Our colleagues are spread across various locations throughout the Netherlands and Belgium. We currently operate out of 9 stores, 8 depots, 2 warehouses, and 2 offices in Rotterdam and Berchem. All locations are easy to reach by both public transport and car. Plus, we provide our Coolbluers with healthy, freshly prepared meals in our cafeterias. Our healthiest options are labeled 'Coolblue's healthy choice,' which make it a piece of cake to eat healthily.

Our office is filled with plain, regular desks. Yet, the way they contrast with our meeting rooms is what makes our work environment special. These are not just standard rooms, but rooms with themes that connect to Coolblue. Each room represents a chapter of our entrepreneurial story. Like the De Dijk room: a replica of the bar where the business plan of Coolblue was drafted. These meeting rooms embody the Coolblue culture, making sure that our employees feel right at home.

Onboarding

Coolblue is not just a workplace, it is a place where employees can develop themselves both personally and professionally. New employees become an important part of the team right from the start, and they are quickly given plenty of responsibility. We created an onboarding program in which new employees are introduced to each part of the organization throughout their first month. They visit the main office, the warehouse, and 1 of our physical stores. We have also set up our own training academy, the Coolblue University, where Coolbluers can study to become a little bit better every day. We currently offer 27 training courses and 107 e-learning, taught both by internal and external specialized trainers.



EVENTS.

Blue carpet.

Throughout the year, we host several events for current and prospective colleagues and others who are interested in Coolblue.

E-commerce Masterclass

In 2017, we hosted the first Coolblue E-commerce Masterclass. For this event, we invited 50 (near-)graduate talents from all over the Netherlands to intern with us for 3 days and learn all there is to know about e-commerce. Throughout the Masterclass, Coolbluers and Friends of Coolblue share their best insights via lectures and field trips. The theme for 2017 was 'Customer Journeys,' with guest speakers from Google, Facebook, and Blendle.

Show & Tell

Several times per year, we host a Show & Tell event where guest speakers are invited to share informative presentations with Coolbluers.

In-house day

Every year, we host multiple inhouse days. During these days, 25 selected (near-)graduates are invited to familiarize themselves with various entry-level e-commerce jobs at Coolblue.

Behind the Scenes

This event is hosted for anyone who is interested in a peek behind the curtains at the Tech department of Coolblue. We use it to share knowledge, insights, and experiences. Each edition revolves around a different tech-related theme.

Office Tour

During our Office Tour, we provide fans that are interested in Coolblue with a guided tour of the greatest office in the Netherlands: our headquarters in Rotterdam. These tours are led by Coolbluers.

RECRUITMENT.

Gotta catch 'em all.

Personal growth at Coolblue

'A little bit better every day' is one of our core values. As such, we expect Coolbluers to keep developing themselves and aim for the sky. And thanks to our rapid growth, there are plenty of opportunities to do so. Coolblue also facilitates this by hosting consultation hours to discuss opportunities. During these sessions, we help Coolbluers to take the next step in their career and advise them on how to do this.

True stories

Below, we included 4 examples of Coolbluers who took a next step in their career.

Maurits Roodhuijzen started out as a Customer Service Employee at Coolblue in 2015. After that, he went on to become a Project Employee at Team Facilities. All the while he developed competencies that are essential in his current position as Go Green Guy, which is responsible for making Coolblue greener.

Cindy Gordon started out as Team Lead Inventory Control in 2015. It did not take long before she moved on to Team Purchase Administration as a Team Lead. For several months now, she has been a Customer Journey Specialist at the Mobile App domain.

Wesley van Nes started out as a Delivery Employee at CoolblueDelivers in 2017. After only a few months he moved up to Project Manager Last Mile Delivery. His hands-on experience at the home of the customer makes him invaluable for this position.



From left to right: Cindy Gordon, Maurits Roodhuijzen, Wesley van Nes, Hanneke Schoormans.

Hanneke Schoormans started out as a Media Consultant for laptops, tablets, and desktops in 2016. Thanks to her rapid growth in relationship management she first made the leap to Apple Boss, before becoming Manager of the Vendor Management Team.

Job openings

Each month, we welcome plenty of new Coolbluers and we are always looking for new employees in order to support our rapid growth. By the end of 2017, we still had 96 job openings.

All current job openings are available at [CareersatCoolblue.com](https://careersatcoolblue.com), [WerkenbijCoolblue.nl](https://werkenbijcoolblue.nl), and [WerkenbijCoolblue.be](https://werkenbijcoolblue.be).

RECRUITMENT STATISTICS.

You can count on me.



58,690
Applicants.



885
New employees.

96

Job openings
year-end 2017.



We are still looking for...



1,000

Delivery Employees.

50

Developers.



398

Hired via referral
(buddy bonus).



A YEAR IN REVIEW.

Never forget.

We implemented lots of improvements in 2017 that contributed to our NPS and EBITDA. Here, we look back on our achievements and look forward to next year.

OUR MARKET.

Slice of the pie.

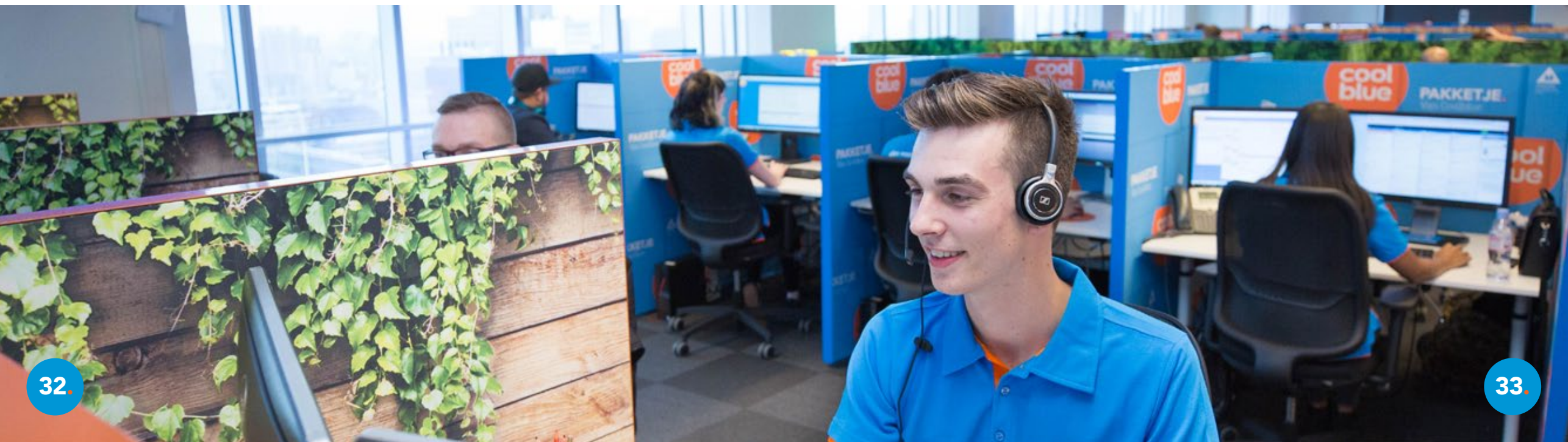
Consumer behavior is shifting from offline to online. The Dutch retail market for non-food grew by 2% compared to last year, during which offline sales decreased by 2%, while online sales increased by 14% according to the GfK Group (2017). This behavior is shifting faster in the Netherlands than in Belgium (BeCommerce Market Monitor, 2017). Not only do customers purchase their products online more frequently, the online market is also used as a research channel before purchasing a product either online or offline. Therefore, among other things, we developed an app that increases the ease of shopping in order to use this shift to our advantage.

Consumer trust in online shopping is still growing, but so are expectations. For example, customers would like simpler product returns and the ability to choose a time of delivery. For this reason, we organized our company in a way we are able to systematically improve our customer journeys.

CUSTOMER JOURNEY IMPROVEMENTS.

Well-traveled.

Coolblue is organized into domains, each one responsible for a specific part of the customer journey, ranging from Payments & ordering to Shipping & deliveries. Each domain is committed to executing, improving, and developing their part of the customer journey. All required knowledge and tools are available in each domain. A domain consists of a Domain Boss, Business Analyst, Customer Journey Specialists, Product Owner, Developers, and in some cases an operational department. We will highlight the most important developments of the past year per domain.



Sales marketing

Each purchase is the result of a customer journey that brings multiple channels, campaigns, devices, our physical stores, and customer service together. To generate as many sales as possible, we show the right message, to the right person, at the right time, on the right device. We do this based on historical data and the results of hundreds of A/B experiments, which we perform continuously. Next, in order to assign the correct value to the deployment of our sales marketing tools, we employ a data-based attribution model. This allows us to evaluate the added value of individual customer interactions. Each journey leads to better brand recognition and an increased chance of repeat purchases.

Improvements to the attribution model

Throughout the past year, we greatly improved our attribution model. This enables us to better optimize our sales marketing costs, communication, and results.

Shift in marketing spending

There was a shift in marketing expenses in 2017. We spent less on offline channels because we determined we were able to easier reach our goals via their online counterparts.

Assortment & cross-sell

Making customers happy with the best choice starts with building the right assortment.

Further implementation of Coolblue's Choice

Our Assortment & cross-sell domain performed an assortment rationalization. Based on the feedback from our customers and our own product knowledge, we removed products from our assortment matrix that are not the best choice for them. Following that, we filled the empty slots in our matrix with products for which we detected a greater need among our customers. This resulted in both an improved assortment quality and an elimination of redundant product choices. In turn, it becomes easier for the customer to choose, while the number of product returns decreases. This corresponds with the idea behind Coolblue's Choice, which is used to help customers choose the most suitable product for their needs.

The logo for 'Coolblue's Keuze' is displayed within a blue shield-shaped graphic. The text 'Coolblue's' is in a smaller, white, sans-serif font, and 'Keuze' is in a larger, bold, white, sans-serif font.

Introduction product bundles

In June, we introduced composed products. These are combinations of products that have been put together by our experts in order to offer the best product experience, such as a bundle consisting of a camera, memory card, spare battery, and camera bag. This allows the customer to buy a complete, ready-to-use set of products in a single purchase. To illustrate, 10% of all single-lens reflex cameras we sold in 2017 were part of a product bundle.



A photograph of a man in a red sweater, a technician in a blue jacket, and a young child in a yellow shirt looking at a washing machine. The technician is kneeling and pointing at the machine, while the man and child look on. The washing machine is white and has a digital display. There are bottles of detergent on top of the machine.

Discontinuance of mobile phone plans

In 2017, the Dutch regulations surrounding the sales of mobile phones with an accompanying phone plan were changed. We made a strategic decision to cease sales of all phone plans because, in the current market, these always resulted in a long, unpleasant customer journey. This decision has a negative impact on profitability, but it lowers the level of complexity throughout various parts of the organization, which ultimately increases scalability. That is why, starting February 1, we shifted our focus to the sales of contract-free phones.

New insurance plans

We updated our insurance plans to better suit the products we offer. We now sell dedicated insurance plans for mobile phones, washing machines, and laptops. The insurance plans are also featured more prominently on the website and are now accompanied by clearer details about their coverage. This resulted in an increase of 400% in insurance plan sales compared to last year.

Search, navigate & select

With the help of our Search, navigate & select domain, we ensure that the search and navigation functionalities of our website are always fully optimized.

Coolblue-as-a-shop

In early 2017, Coolblue consisted of more than 300 different domain names. Throughout the year, we started introducing Coolblue-as-a-shop. This allows the customer to navigate the website more easily, while it enables us to better monitor their visits. By the end of 2017, about 50% of all transactions were made via Coolblue.nl and Coolblue.be.

Improved search engine

We implemented an improved search engine on our website. Customers are now able to perform product type-wide searches, which leads to more relevant results. Search terms can now also be autocompleted in our search bar.

Advisory content & product data

The Advisory content & product data domain ensures that all of the products we add to our assortment are accompanied by correct information. We create extensive advisory pages and straightforward product pages containing pros and cons, product specifications, and various images.

Improved advisory content

We greatly improved our advisory content for numerous product types throughout 2017. For example, by adding instruction manuals and videos to our customer journey. By now, we have already collected and uploaded over 17,000 instruction manuals. With help of in-house product photography, we also added additional images to our product pages. Finally, we created a new CMS (Content Management System) for advisory content.

Customer service

Via our Customer service domain, we make sure our customer service works as efficiently as possible. In 2017, we processed 2.8 million customer interactions at our customer service department. This equals 500 interactions per hour.

Reduced number of customer interactions

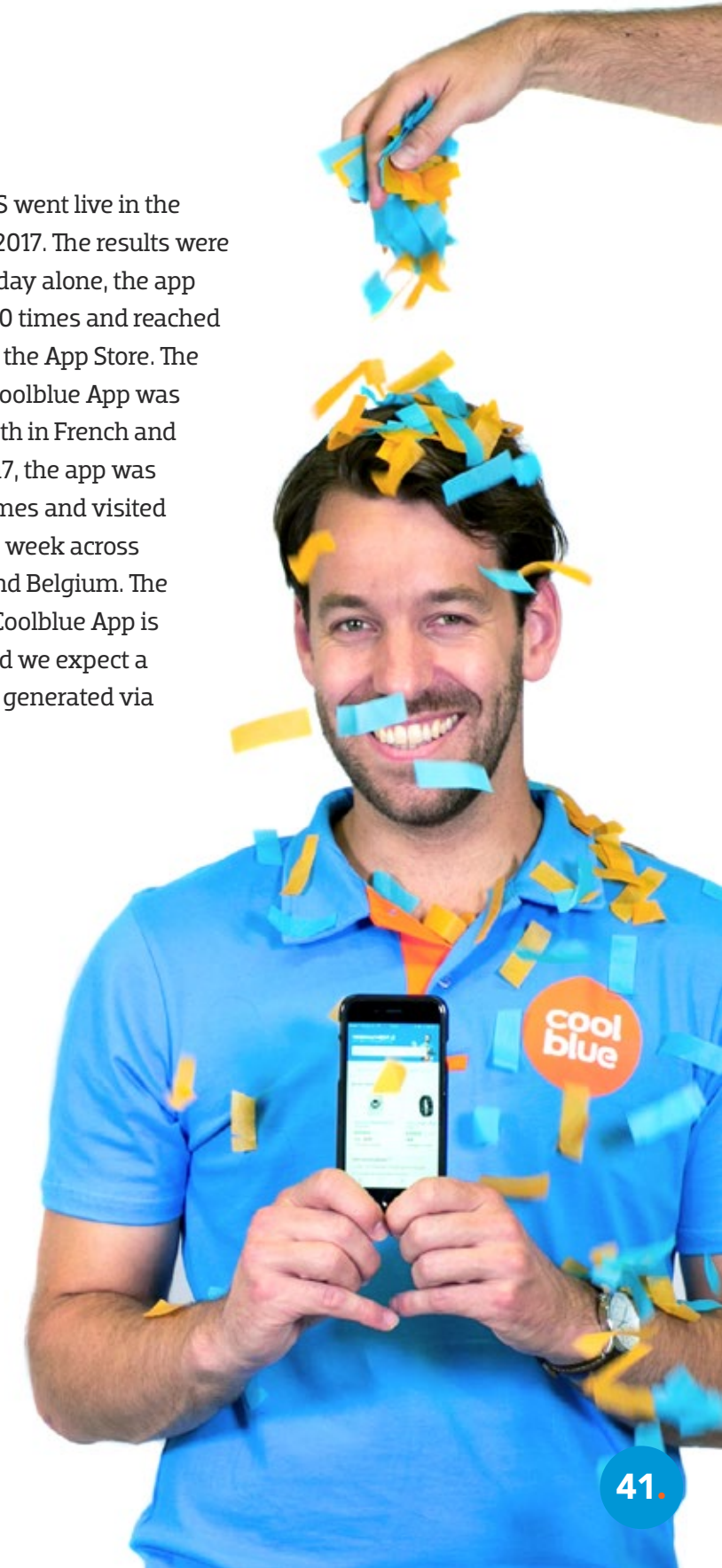
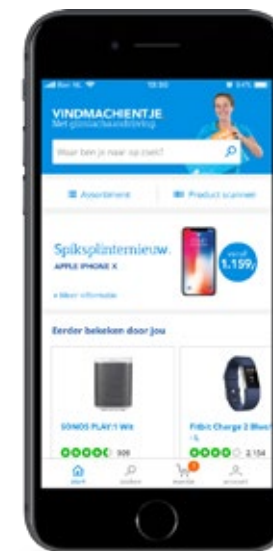
We rolled out a *contact ratio drivers dashboard* in 2017. This dashboard enables us to look up both the number of customer interactions and the reason why per domain. This way, we can prevent unnecessary interactions. We also introduced an online return form, which helped cut product-returns-specific interactions by 50%. Thanks to this, the total contact ratio has been reduced by 18% in 2017.

Bilingual customer service in Belgium

We started offering our Belgian customers in Flanders and Wallonia a bilingual customer service (Dutch and French).

Mobile app

The Coolblue App for iOS went live in the Netherlands in August 2017. The results were impressive: on the first day alone, the app was downloaded 20,000 times and reached the number one spot in the App Store. The Belgian version of the Coolblue App was launched in October, both in French and Dutch. By the end of 2017, the app was downloaded 150,000 times and visited about 50,000 times per week across both the Netherlands and Belgium. The Android version of the Coolblue App is set to launch in 2018 and we expect a strong increase in sales generated via the app.





Stores

We believe in personal contact with our customers. Customers can visit our stores for expert advice, to pick up online orders, and to receive after-sales service. Each time we open up a new store, we observe an increase in online revenue in that particular area.

Launch of Coolblue XXL

In addition to our existing stores, we launched a new store concept in 2017: Coolblue XXL. Customers can visit these supersized stores to see, feel, and taste over 1,250 products. This year, we opened up the first 2 stores based on this concept in The Hague and Amsterdam. As a result, we now have 9 stores in total.

NPS record of 70

We helped over half a million customers in our stores this year. At the same time, we also managed to increase our NPS to a new all-time record of 70. Expanded opening hours and improved waiting times were important contributors to this result.

Payments & ordering

Our Payments & ordering domain helps us to ensure that our ordering and payment processes are kept as efficient and simple as possible.

Fast checkout

Customers are able to use the *fast checkout* for even faster, easier payments. The number of transactions via this faster route has increased to more than 60%. We have also started making arrangements for the launch of our *social login* next year, which will enable customers to log in to Coolblue using their Facebook account.

Green payments

To further improve the customer-friendliness of our Belgian customer journey, we started accepting ecocheques in 2017. Belgian customers can now pay for environmentally friendly products using ecocheques.

Digital invoices

We also completely switched from paper invoices to digital ones, which saves about 1 million printed invoices per year.

Storing, picking & packing

By storing all stock in our own warehouses we ensure we are able to uphold our promise of 'ordered today, delivered tomorrow.'

Combining warehousing activities in Tilburg

In 2017, we started grouping our Tilburg and Capelle warehousing activities in Tilburg. This process will be completed by April 2018 at the latest. Combining our activities in Tilburg is more efficient logistics-wise, as it makes for a more pleasant work environment, and is better for both the customer and the environment. All our employees at Capelle will be offered a different position in the organization.

Expansion of the Tilburg warehouse

We added 3 extra halls to the Tilburg warehouse this year, measuring a combined 33,000m². Our warehouse now measures 88,000m² in total, in addition to the mezzanine of 8,000m².

Package machine acquisition

A third improvement is our new packing machine with a capacity of 2,000 packages per hour. This machine can adjust the height of the package based on the size of the product. This saves at least 23% in volume, which means fewer delivery trucks are needed. It also saves 90% in filler materials. This development has improved both the effectivity and capacity of the filling process.

Shipping & deliveries

The Shipping & deliveries domain ensures we are able to offer the best delivery propositions. Via our own delivery service, CoolblueDelivers, we amaze customers even beyond the front door with our personalized service.

CoolblueDelivers

CoolblueDelivers has been significantly expanded. By now, we take care of nearly all white goods deliveries ourselves and utilize 8 depots, 600 delivery employees, and 150 Coolblue delivery trucks throughout the Netherlands and Belgium. In 2017, we delivered over 250,000 major appliances in total.

Delivery

We also implemented countless minor improvements at Shipping & deliveries. For example, we lowered the price of our VandaagNog delivery proposition and started supplying our physical stores using our own delivery service. This has improved the availability of products in our stores.



Returns & second chance

Whenever we receive a product return, we first check the state it is in. Depending on certain factors, we sell it as a Second Chance product on our website – at a discount.

Aggregation of Second Chance products

We created a separate page on the website for our Second Chance products because they were difficult to find. Thanks to this aggregation page, we sold a total of 185,000 products.

Longer return window

We improved our satisfaction guarantee by increasing the return window from 14 to 30 days. A longer return window is much more customer-friendly; the customer is given more time to try out his or her purchase.

Repairs

We started our own repair service for Samsung and Apple smartphones. We started out small, by repairing our colleagues' phones. Before offering our repair service to customers, we first improved every step throughout the process. Currently, customers can hand in their phones at the repair desk in our store in The Hague and we will repair them within 2 hours. Alternatively, customers can ship their phones to Coolblue and we will repair and return them within 48 hours. In 2018, we are going to expand our repair service to other Coolblue stores in the Netherlands.



Wallonia

In 2017, we introduced a complete French customer journey in Wallonia, including website content, jokes on our blue boxes, and bilingual advice in our Zaventem store. We also set up a French customer service in Berchem. Customers can now select their preferred language at the beginning of each phone call. Via this customer journey, we have established a base to offer our website in additional languages in the future.

Vlogging

We produced more than 1,000 videos in 2017, including social videos, display videos, tag-ons, product videos, and TV commercials. Additionally, we set up a new domain responsible for vlogging. We started vlogging about various product groups, with the help of 5 expert vloggers. Their vlogs support our experts and customers in a complete customer journey.



NPS RESULTS.

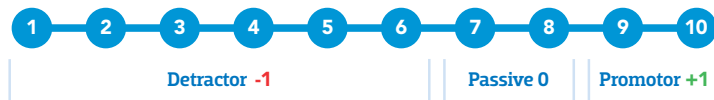
Made you smile.

As a leading company in the field of customer-centric entrepreneurship, we are completely focused on NPS (Net Promoter Score). And throughout the organization, we continuously strive to improve it.

Contact ratio drivers dashboard and increased NPS

With help of the *contact ratio drivers dashboard*, we are able to better map the services we need to improve in each area (product returns, stores, customer service) in order to increase our NPS. The dashboard enables us to collect specific feedback per product type or individual customer interaction. For example, this has taught us that certain product types and payment methods prompt more customer service interactions than others. Using this information we improved our NPS for each sub-area compared to last year. As a result, our overall NPS has risen to 66: an increase of 5% compared to 2016.

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



NPS = % Promoters - % Detractors

+5%



NPS 66.



INCOME STATEMENT & BALANCE SHEET PERFORMANCE.

Go figure.

Each development and improvement throughout the past year has affected the results of Coolblue. Read all about their impact here.

Increased EBITDA

In 2017, our revenue increased with 39% to € 1.2 billion (2016: € 857 million). We achieved a gross profit margin of 11.8% (2016: 11.4%) by improving our purchase conditions and assortment. Employee benefit expenses increased with 45.8%, although only by 32.8% if we exclude CoolblueDelivers. Other operating expenses increased mainly due to the expansion of our warehouse in Tilburg, the opening of 2 new XXL stores, and the addition of new depots for CoolblueDelivers.

Our adjusted EBITDA increased to € 21.9 million (2016: € 19.3 million). The adjusted EBITDA of 2017 excludes exceptional costs for the grouping of our warehouses. The exceptional item for 2016 relates to a financial reward for all our employees, to celebrate our friendship with HAL Investments. The EBITDA increased from € 17.4 million in 2016 to € 21.1 million in 2017.

In conclusion, our net profit increased from € 8.9 million in 2016 to € 9.1 million in 2017. As mentioned before, 2017 was the year of rationalization, which can have a negative impact on short term results. But, we also invested in future growth by developing an app, adding multilingualism to the website, opening new stores, merging of our warehouses and more. Combined with economies of scale, we expect that our profitability will substantially increase in the long-run.



Improved working capital

We effectively finance our growth by maintaining a negative working capital, which was minus € 91.4 million at the end of 2017 (2016: minus € 54.8 million). This means we are able to sell most of our products before settling the vendor payments. This improvement is mainly the result of our decreased inventory value, thanks to our improved inventory management.

Investments

In 2017, we invested € 12.1 million in tangible fixed assets (2016: € 8.7 million). This mainly relates to the new XXL stores in Amsterdam and the Hague, the warehouse extension in Tilburg, and the new headquarters for Belgium. We invested € 9.1 million in intangible fixed assets (2016: € 7.5 million). This relates to the development of our websites and back-office systems, such as a new warehouse management system.

Improved statement of financial position

Our increased business resulted in higher balance sheet totals. A lower inventory level is offset by higher receivables, cash, and higher trade payables. Adding our net result, our solvability increased to 11% (2016: 10%), while the current ratio remained stable at 1.0 (2016: 1.0). We did not pay out any dividends and strengthened our equity position instead.

5 years of Coolblue

in (€) millions

Income statement	2017	2016	2015	2014	2013
Revenue	1,193.5	857.2	554.7	360.9	251.3
Gross margin %	11.8%	11.4%	10.9%	13.4%	14.1%
EBITDA	21.1	17.4	8.2	10.8	8.9
Adjusted EBITDA	21.9	19.3	8.3	10.8	8.9
Profit/Loss after income tax	9.1	8.9	3.1	6.6	5.6
Balance sheet					
Working capital	(91.4)	(54.8)	(44.6)	(20.4)	(16.5)
Primary working capital	(35.3)	(14.2)	(22.1)	(9.9)	(9.2)
Solvability	11%	10%	9%	13%	22%
Other indicators					
Operational cashflow	53.5	25.6	34.2	12.8	14.1
Investments tangible fixed assets	12.1	8.7	5.0	2.1	4.3
Investments intangible fixed assets	9.1	7.5	5.3	0.8	0.4
Visits (website only)	181.1	149.0	118.0	90.2	74.9
Headcount year end					
(including temporary staff)	3.561	2.676	1.614	1.032	645
NPS average	66	63	63	62	62

LOOKING AHEAD 2018.

To infinity and beyond.

We have several great developments planned for 2018. Here is a small preview of our plans for the coming year.

Increasing revenue

We expect our total revenue to increase in 2018. One of the drivers behind this growth is a predicted increase in app revenue. We also plan to hire new colleagues, including 1,000 new delivery employees so we can expand our delivery service even further.

Increasing NPS

At the end of 2017, we implemented our *contact ratio drivers dashboard*. This dashboard allowed us to better map the services we need to improve in each domain (product returns, stores, customer service) in order to increase our NPS. By collecting specific feedback on a product level, for example, we are able to help customers earlier on in the customer journey. By accompanying the order confirmation with product-specific instructions, for instance.

Thanks to the *contact ratio drivers dashboard*, we know which improvements are going to help improve our NPS while reducing customer interactions. As a result, we expect to reach a total NPS of 70 in 2018.



Improving delivery propositions

We are going to implement numerous improvements throughout all domains. We expect to further optimize our delivery propositions by offering our customers improved delivery time-slots. In addition to white goods, we are also going to deliver televisions—including relevant installation services. Meanwhile, all of our domains continually perform research and development, which is prioritized via roadmaps.

Coolblue-as-a-shop

We are going to continue rolling out Coolblue-as-a-shop. We will be closing all individual webshops so our customers can start using our improved customer journey via Coolblue.nl and Coolblue.be. We expect this will generate a strong increase in Search Engine Optimization (SEO) and conversion.

Increasing our market share in Wallonia

We launched our first French customer service in 2017 and expect this will lead to increased revenue, especially in Wallonia. By setting up a dedicated Wallonia team and expanding our product assortment, we also aim to expand our market share in Wallonia in 2018.

Focused brand awareness

We aim to improve the top-of-mind brand awareness for Coolblue across multiple product groups. The main focus will be on major domestic appliances, televisions, laptops, and Apple products.



CORPORATE SOCIAL RESPONSIBILITY.

Take care.

We strive to maintain a sustainable business model. We take our responsibility and want to leave a positive imprint on society and the environment. At Coolblue, we have divided this into 2 topics: Society and Go Green.

SOCIETY.

I'm in.

Society is all about the way we treat our customers, colleagues, suppliers, shareholders, the government, and everyone else.

Customers

We are a model company in the field of customer-oriented entrepreneurship and are obsessed with customer satisfaction (NPS).

We also know customers are increasingly more mindful of their ecological footprint. They do not just expect the best customer journey and expert advice, they also expect us to do our part when it comes to society and the environment. We contribute by being transparent about our ecological footprint and by making our packaging materials more sustainable.

We will tell you more about this in the 'Go Green' section.

Colleagues

There are many different types of Coolbluers: from Delivery Employees to Developers. We strive to be a great employer to all of them. By helping our international Developers and their families relocate to the Netherlands, for example. Our Delivery Employees are truly part of Coolblue: including an employment contract and the perks that come with it. In addition to a safe and inspiring work environment, our colleagues expect our help with personal development and advancement.

Suppliers

To prevent unnecessary transport and efforts, we optimize the supply chain together with our suppliers. Working closely together allows us to keep the product return ratio as low as possible. For example, by removing products from our assortment and providing suppliers with feedback on how to improve their products, or by sharing advice on environmentally friendly packaging material. Plus, we monitor the work environments of the factories that produce our private label products.





Social initiatives

In 2017, we created a policy in which we commit ourselves to improving society in 3 ways: *a little bit better every day, go for it, and friends*. We will continue to roll out this policy throughout 2018.

A little bit better every day

Each Coolblue location or department possesses its own competencies, which they apply to add value to society. For example, our Recruitment Department teaches job interview skills and the Tilburg warehouse organizes one-day internships to help increase chances on the job market. Our Store Employees in Eindhoven share their expertise by teaching the elderly how to use a smartphone, and our Developers teach coding classes. Additionally, our Business Analysts and Online Marketers teach local startups the tricks of the trade.

Likewise, we organize educational events at the main office such as the Behind the Scenes event (7 times in 2017) and our Office Tour (23 times in 2017).

Go for it

We sponsor individual sports achievements of Coolbluers who participate in organized fundraisers in order to battle a disease. Coolbluers are given € 100 in sponsor money for their participation. A relatively small, but important contribution.

Friends

We donate money and products to charities that have a clear mission. Financial sponsorship of an organization or initiative can only be requested by *Algemeen nut beogende instelling* (ANBI), located near a Coolblue location. Before we proceed to sponsorship, we check whether the organization in question matches our activities and brand values.

GO GREEN.

A little bit greener every day.

We measure our impact on the environment via both quantitative and qualitative metrics and try to minimize our impact accordingly by taking green measures. These measures are always motivated by 3 considerations: consumption, waste management, and sales.

Consumption

By consumption, we refer to everything that is needed to get a product to our customers, like electricity, diesel, and cardboard boxes. We measure our consumption by keeping track of our consumption statistics. In order to reduce our consumption, we have equipped our Coolblue delivery trucks with a speed limiter. These limiters help our trucks to operate more fuel efficient, resulting in reduced emissions. Another green measure we implemented in 2017 is the introduction of our new packaging machine, which automatically adjusts the height of the shipping box based on product size. This has resulted in 23% less volume in cm^3 , less filling material, more packages per truck, and less leftover packaging material for the customer.



Waste management

Going green also includes sustainable waste management. This refers to everything we need to dispose of, including waste that is returned to us by our customers. Small products are collected at recycling points in our stores, for example. We have installed collection points for batteries, LED and energy-saving lamps, laptops, and mobile phones in all our stores. We also track the waste flows from our warehouses, stores, and depots. In total, we have processed more than 11 million kilograms of waste. We achieved a waste sorting rate of 97%, which means we threw out less than 3% residual waste.

White goods collection

When delivering major household appliances, we offer to take the old device with us and recycle it. Throughout 2017, we collected and processed nearly 9.1 million kilograms of white goods (about 120,000 products).

Second chance products




Another green measure initiated by Coolblue is the proposition of Second Chance products. This category consists of returned products which we check for potential damage and sell at a discount on our website instead of discarding them.

Sales

We stimulate the sales of energy-efficient products as much as we can. By displaying energy labels on our website, for example. We also award a select number of products with the Coolblue's Green Choice label. In our stores, our experts recommend energy-efficient products.

Processing waste

In 2017, we processed 11.390.640 kilograms of waste in an eco-friendly manner:

	White goods	80%	9,095,523 kg
	Separated	17%	1,942,734 kg
	Residual waste	3%	352,383 kg



Green decision making

Our NPS and EBITDA goals are critical to everything we do at Coolblue. The same goes for our green initiatives. Moreover, sustainability factors are always considered in our decision making. Fortunately, NPS and EBITDA synergize perfectly with running a green company. Green measures contribute to a higher NPS, for example. Sustainability is becoming increasingly more important to customers and is considered in the purchasing process. And we listen to our customers. For example, Many of them shared feedback about small products being shipped in outer boxes that were too big. Big boxes are clunky, take up lots of space during transport, and require more filling material. On account of this feedback, we started shipping soft, non-fragile products in shipping bags.

Other than contributing to NPS, green measures also help increase EBITDA. Green initiatives are able to improve the efficiency of Coolblue, save costs, or generate new sources of revenue. Such as the speed limiter in our delivery trucks, which makes them more fuel-efficient.

LOOKING AHEAD 2018.

To infinity and beyond.

We are going to continue this green trend in 2018. By improving the way we help our customers in making a green choice, for example. We plan to add more eco-friendly products to our assortment and clearly indicate whether products include recycled materials. We will use the Coolblue's Green Choice label, among other things, to communicate this. Additionally, we are examining how to make the last-mile-delivery more eco-friendly.

Finally, we drafted a plan of action in order to make the logistical processes at Coolblue more sustainable. This plan outlines how Coolblue is going to realize a CO2 reduction of at least 20% within 5 years, relative to the zero point established in 2015. The goal is to limit the impact of Coolblue on the environment and earn our first Lean & Green star in 2018.



THE RULEBOOK.

Quality control.

The rapid growth of Coolblue brings along plenty of challenges and risks. That is why, throughout the past year, we further professionalized our risk management department.

RISK & OPPORTUNITY MANAGEMENT.

You shall not pass.

Coolblue is a transparent organization, filled with ambitious colleagues. Everyone is given plenty of freedom to make decisions themselves. Throughout the office, you can find the words 'honest, direct, open' written on the walls. This means we are honest with each other about our expectations. It also helps us to avoid surprises or unnecessary risks.

Risk culture

We strive to create a culture of integrity, in which regulatory compliance is a given for all colleagues. In addition to discussing it with each other, we also convey our culture via these guidelines:

- *Workguide* (employee guidebook);
- *Friend Code* (code of conduct);
- *How to deal with sticky situations?* (whistleblower policy);
- *What happens if I cheat?* (anti-fraud policy);
- *What if I do not stick to the Coolblue agreements?* (disciplinary procedure).

To ensure that everyone at Coolblue adheres to our guidelines, we developed various training courses that focus on (labor) law and integrity. The courses consist of e-learning and workshops.



Risk profile

There are multiple risks, both internal and external, that can impact the realization of our strategic goals. We mapped all of these risks and identified the most important ones in our annual Strategic Risk Assessment.



We obtained this insight by analyzing the likelihood, impact, and so-called risk appetite of each identified risk. Risk appetite refers to our willingness to take certain risks in order to meet our strategic goals. A low appetite

means we need to take extra precautions, risk-management-wise. A high appetite, on the other hand, means we can do with fewer precautions and reduced internal control.

Strategic risks

1. Competition

Coolblue holds a significant market share thanks to our appealing delivery propositions, excellent customer service, and loyal customers. Even so, we continuously invest in the quality of our service and tirelessly work to further improve our NPS. As such, we do not expect any difficulties as a result of a potential increase in the number of competitors.

2. Reputation

An outstanding reputation is critical to our business model and continual growth. It is what separates us from the competition. Fortunately, we have a great deal of experience when it comes to communicating with our surroundings. This includes a team of experts dedicated to preventing reputation risk. In addition, our security department is responsible for warning the public of fraudulent websites and taking them offline.

Operational risks

3. Integrity and security of information

Our security department ensures our data is properly secured. We are constantly raising awareness among our colleagues about security risks and do everything in our power to prevent personal information from falling into the wrong hands. Coolblue does not store any personal information other than required to order, deliver and return packages.

4. Recruiting and retaining qualified employees

Qualified and intelligent people are essential to the success of Coolblue. We continuously analyze the labor market and adjust our terms of employment accordingly, in order to prevent employee shortages. And we do not just limit ourselves to the Dutch and Belgian labor markets: we look for suitable candidates on a global scale. Furthermore, we organize masterclasses and in-house days in order to attract new graduate talent.

Once we have found new talent, we aim to keep it. That is why we offer plenty of opportunities for personal development to all of our colleagues. Through training courses at our own Coolblue University, for example.

5. Supply chain management

By collaborating with multiple suppliers, based on beneficial annual agreements, we are not dependent on a single party. Additionally, we contribute to our supply chain management by using our own delivery service: CoolblueBezorgt. By taking ownership of our deliveries, we do not have to depend on external parties. Thanks to this, we are able to keep disruptions in our supply chain to an absolute minimum.

6. Stock management

We developed a method of forecasting that allows us to maintain our stock according to sales patterns. This provides us with a better overview of our current stock and the perceived risk at a product level. By applying this knowledge we actively prevent stock surpluses.

Finance & Reporting risk

7. Finance and liquidity

With help of proper stock management, prompt invoices to our suppliers, and efficient debtor management, we maintain a strong focus on working capital management. This gives us the assurance that we are always able to meet all of our payment obligations. Our operations are financed by a large operating cash flow and a negative working capital, which is a good thing. It means we are able to sell the bulk of our products before we even have to pay our suppliers.

Compliance risks

8. Regulatory compliance

We comply with all laws, codes, and regulations, and closely follow the latest developments. Special attention was given to the General Data Protection Regulation (GDPR), the newly introduced European regulations concerning data protection and privacy. In 2017, we appointed a Data Protection Officer (DPO) and hired a product owner GDPR who makes sure these regulations are adhered to.

9. Product quality and employee safety

We do everything within our power to ensure the safety of our customers and employees. That is why we set up a Quality, Environment, Safety, and Health (QESH) department. Likewise, we test whether our private label products meet all of our quality standards.

Risk management system

The management team of Coolblue leads by example when it comes to risk management and adhering to our guidelines. Ultimately, they are responsible for these directives, but they carry them out along with the rest of Coolblue. For example, the Risk & Compliance department is responsible for all risk management and compliance policies. This department also helps Coolbluers evaluate and manage risk.

Throughout 2017, we made great strides with respect to the professionalization of risk control. For example, we drafted and formalized multiple new policies and inventoried all the core processes and relevant responsibilities at Coolblue.

The most important results of the annual Strategic Risk Assessment, the evaluation of the internal risk management, and assessment of the control systems are all shared with the Audit Committee of the Supervisory board and discussed with our external auditor.

Looking ahead 2018

From 2018 onwards, we will start employing a long-term risk roadmap. This means, among other things, that we are going to further expand the risk management team and introduce *Risk Management Tooling* at Coolblue.

Starting May 25, 2018, the European GDPR will officially take effect. This regulation will influence the registration and surveillance of data processing. Moreover, it will affect the data privacy of both customers and colleagues. Finally, it is expected that the proposed European ePrivacy Directive will be implemented in 2018 or 2019—updating cookie and tracking legislation.



CORPORATE GOVERNANCE.

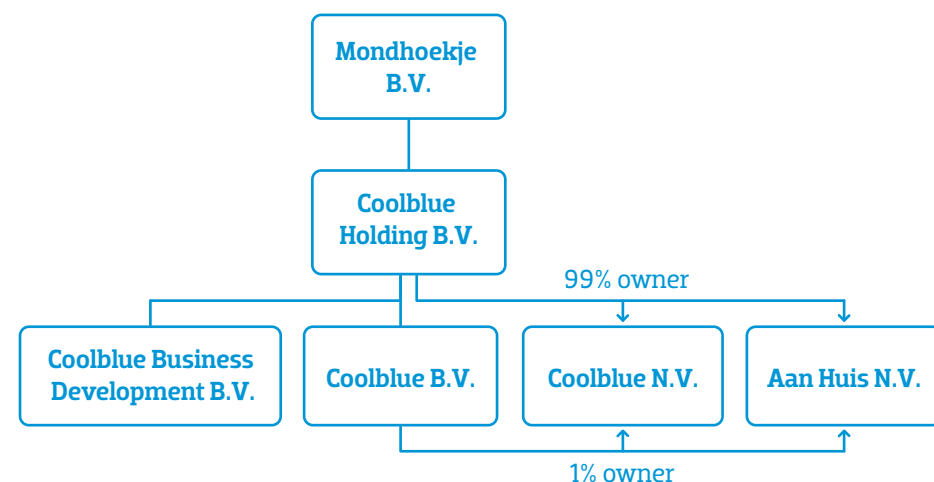
Family tree.

Structure

Coolblue Holding B.V., a *Besloten Vennootschap* under Dutch law, is fully owned by Mondhoekje B.V. In 2016, the shareholders of Mondhoekje sold a minority stake of 20% to HAL Investments B.V. In 2017, another 10% of the shares was sold to HAL Investments B.V. The majority of the shares in Mondhoekje B.V. are still owned by the 3 founders of Coolblue.

To maintain transparency, we try to keep our corporate structure as simple as possible. You can check out the chart below for an overview of the various group companies.

Aan Huis N.V., through which the activities of CoolblueDelivers in Belgium are conducted, was established late November 2016. No activities take place in Coolblue Business Development B.V.



Management Team

The managing board of Mondhoekje B.V. consists of key management CEO Pieter Zwart and COO Maarten Keller. Together with CCO Jasper Hoogeweegen and CFO Daphne Smit, they form the Management Team. Each member of this team is legally authorized to represent Coolblue.

Coolblue strives to have an equal composition of men and women amongst the members of the Management Team. But, the competencies are key in the selection criteria for future candidates.





Pieter Zwart

Age: 40.

Position: CEO of Coolblue.
Founded the company together with Paul de Jong and Bart Kuijpers.

Education: Business Administration at Erasmus University Rotterdam.

Responsibilities at Coolblue:
Customer service, Sales marketing, Branding, and Tech.

What do you feel is the best example of an obsessive focus on customer satisfaction?

I like the handwritten postcards best; those truly make me smile. Customer service and Store employees mail these to customers after a call or purchase.

Maarten Keller

Age: 42.

Position: COO.

Education: Economics at Erasmus University Rotterdam.

Prior to Coolblue: Founder and Non-executive Director at Interhealth B.V., Managing partner at ESJ Corporate Finance, and Consultant at Deloitte.

Responsibilities at Coolblue:
Purchasing, Media consultancy, Warehousing, Delivery, Returns & second chance, and Repairs.

What do you feel is the best example of an obsessive focus on customer satisfaction?

Our delivery employees always go the extra mile. For example, when they found out that a customer ordered a dishwasher on his birthday, they decorated it with streamers and balloons and started singing 'happy birthday' upon arrival. That is what I call simply amazing.





Jasper Hoogeweegen

Age: 41.

Position: CCO.

Education: Business Administration at Maastricht University and Finance & Control at Erasmus University Rotterdam.

Prior to Coolblue: Case Team Leader at Bain & Company and Retail Project Manager at Royal Dutch Shell.

Responsibilities at Coolblue: Category teams, Assortment, Pricing, Email marketing, Stores, and B2B.

What do you feel is the best example of an obsessive focus on customer satisfaction?

The fact that you can both listen what a new headset sounds like and see how it looks on you thanks to the accompanying mirror in the Coolblue XXL stores. Convenient!

Daphne Smit

Age: 32.

Position: CFO.

Education: International Business Administration at Erasmus University Rotterdam.

Prior to Coolblue: Trainee, Account manager, and Credit Analyst at Rabobank.

Responsibilities at Coolblue: Finance, Business analysis, Legal, HR, Facilities, Procurement, and Recruitment.

What do you feel is the best example of an obsessive focus on customer satisfaction?

I think it is great that we already offer help before the customer has even asked for it. For example, if you order a suitcase at Coolblue you will receive an instructional video about setting the lock in the order confirmation.





Remuneration

The salaries of the Management Team are decided 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 is one of the shareholders in Mondhoekje B.V. Meanwhile, the COO, CFO, and CCO all hold depository receipts of shares in the capital of Coolblue. These depository receipts have all been acquired on commercial terms.

Corporate Governance Code

Although Coolblue is 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 deemed relevant for us as a private company.

SUPERVISORY BOARD REPORT.

Support group.

Hi all,

Coolblue is a rapidly expanding and young organization with some characteristics of a new enterprise. This means we, the Supervisory Board, have a fun, challenging assignment.

The Supervisory Board was set up by Coolblue in 2016 and consists of a group of experienced entrepreneurs and investors. The Board is an independent body that supervises Coolblue regarding its daily order of business and governance. In addition, the Supervisory Board and its individual members serve as a friendly, yet critical soundboard to the Management Team.

The Supervisory Board is committed to the interests of Coolblue, its customers, and all other stakeholders. The Supervisory Board serves Coolblue, free from the influence of external parties and independent from secondary interests.

Members of the Supervisory Board

The Supervisory Board currently consists of 4 members, each with their own experience or expertise relating to different aspects and activities of Coolblue. The general appointment term for all members is 4 years.

The Supervisory Board welcomed a new member, Bert Groenewegen, who officially joined the Supervisory Board on June 1, 2017. Prior to this, he already attended official meetings as an observer. Besides the addition of Bert, the composition of the remained the same. Over time, Coolblue intends to add a fifth member to the Supervisory Board.

Coolblue strives to have an equal composition of men and women amongst the members of the Supervisory Board. As such, for the future fifth member, the Supervisory Board would like to add a woman. But, the competencies are key in the selection criteria for future candidates.

Activities

After an extensive onboarding program at the end of 2016, we fully committed ourselves to the job in 2017. In the first few meetings, a lot of information was exchanged between the Supervisory Board and Coolblue in order to better understand the company and to get to know each other better. During subsequent meetings, we collaboratively focused on the matters at hand.

In 2017 we met with the Management Team of Coolblue 5 times. During these meetings, we discussed recurring topics such as customer satisfaction, strategy, market developments, talent development, and financial and operational results.

Additionally, we addressed specific topics, such as international expansion, entering the market in Wallonia, marketing effectiveness, assortment rationalization, potential margin improvements, the grouping of warehouses and CoolblueDelivers. During these meetings, numerous subjects were accompanied by a presentation, conducted by the relevant Domain Boss or manager. The presence of the relevant responsible manager is highly appreciated by the Supervisory Board as this gives insight in the layers of management at Coolblue.

Once a year the Supervisory Board evaluates its own performance and the performance of the Management Team. This first evaluation will take place in 2018. The conclusions of this evaluation will be shared with the members of the Supervisory Board and the Management Team.

Audit Committee

The Audit Committee supports the Supervisory Board in the supervision of finances, financial reports, internal controls, and risk management.

The Audit Committee convened 3 times in 2017, in the presence of the CFO, Manager Finance & Control, and the external auditor. During these meetings, the following topics were discussed: the financial statements audit for 2016, the audit planning for 2017, the findings of the interim control review in 2017, the control over financial and operational risks, and (cyber) security.

Closing thoughts

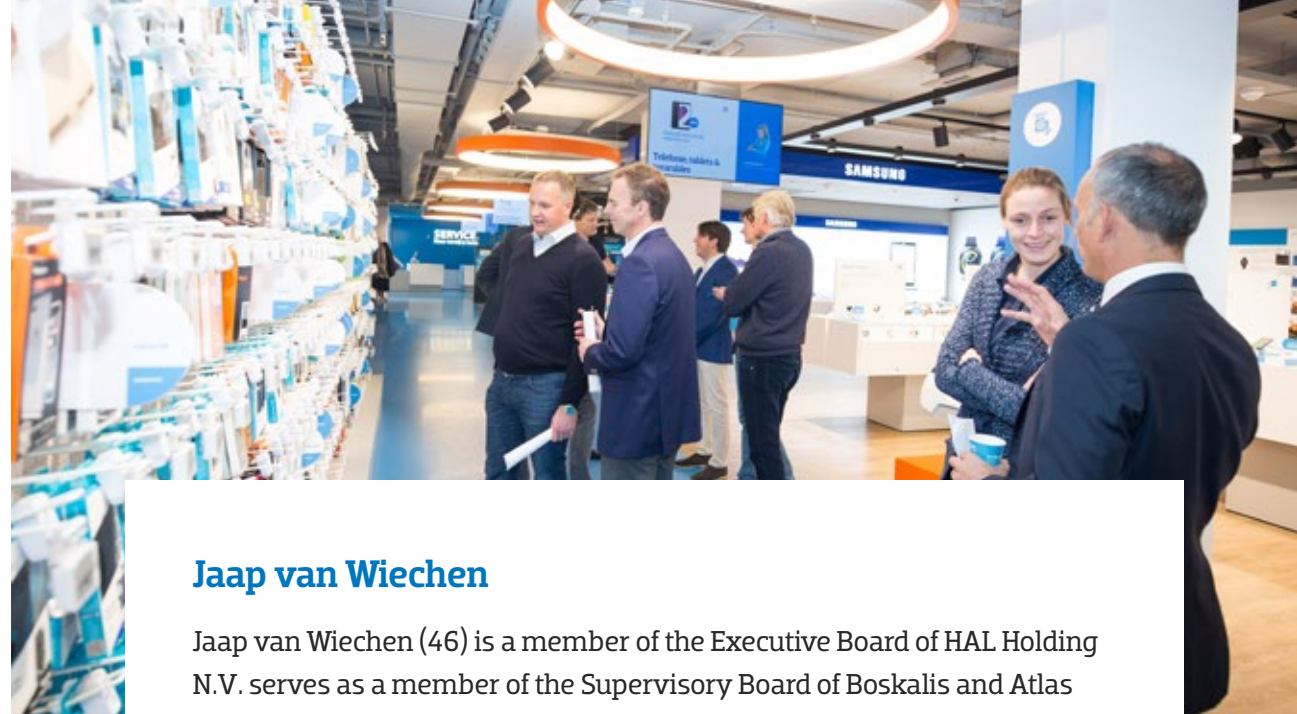
Overall the Supervisory Board is greatly satisfied with the growth and results of Coolblue and the progress made concerning professionalization. Additionally, the Board is happy to serve as a soundboard for a company that focuses on customer journeys and is going through an interesting growth-journey itself.

While we are able to provide Coolblue with our knowledge and experience, we always leave the meetings with newfound inspiration. We look back on an eventful year and would like to thoroughly thank every Coolbluer for their unwavering dedication, enthusiasm, and entrepreneurship. We look forward to an even greater 2018.

On behalf of the Supervisory Board,

Jaap van Wiechen
Chairman

Harold Goddijn
Bert Groenewegen
Theo Kiesselbach



Jaap van Wiechen

Jaap van Wiechen (46) is a member of the Executive Board of HAL Holding N.V. serves as a member of the Supervisory Board of Boskalis and Atlas Services Group. Jaap acts as the chairman of the Supervisory Board and is a member of the Audit Committee.

Harold Goddijn

Harold Goddijn (57) 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 (52), a German national, is the CEO of GrandVision. He started his professional career at McKinsey & Co. Afterward, he held executive roles in a number of German retail companies before joining GrandVision.

Bert Groenewegen

Bert Groenewegen (54) is the current CFO of Nederlandse Spoorwegen and member of the Supervisory Board of Todlin N.V. Bert's previous positions include CFO at Exact Holding, CFO/CEO at PCM Uitgevers, and CFO at Ziggo. Bert is the chairman of the Audit Committee.

THE NUMBERS GAME.

Count me in.

An annual report would not be complete without statistics. On the following pages you will find the consolidated financial statements of Coolblue Holding B.V. 2017.

Consolidated Financial Statements

Consolidated income statement

For the year ended December 31, 2017

in € millions	2017	2016
Operations		
Sale of goods	1,138.8	826,4
Marketing fees	54,6	30,8
Revenue	1,193.5	857,2
Cost of sales	(1,052.5)	(759,8)
Gross profit	140,9	97,4
Employee benefits expenses	(74,4)	(51,1)
Depreciation and amortization	(9,6)	(6,5)
Other operating expenses	(45,4)	(29,0)
Operating profit	11,6	10,9
Finance expense	-	-
Finance income	0,2	0,2
Profit before tax from continuing operations	11,8	11,1
Income tax expense	(2,7)	(2,2)
Profit for the year	9,1	8,9
Attributable to:		
Equity holders of the parent	9,1	8,9
Profit for the year	9,1	8,9
EBITDA	21,1	17,4
Adjusted EBITDA	21,9	19,3

Consolidated statement of financial position

For the year ended December 31, 2017

in € millions	2017 31 December	2016 31 December
Assets		
<i>Non-current assets</i>		
Property, plant and equipment	20,3	14,0
Intangible assets	14,7	9,4
Financial fixed assets	-	1,5
	<u>35,0</u>	<u>24,9</u>
<i>Current assets</i>		
Inventories	90,7	95,0
Trade and other receivables	88,5	64,8
Cash and cash equivalents	92,8	56,1
	<u>272,0</u>	<u>215,9</u>
Total assets	307,0	240,8
Equity and liabilities		
<i>Equity</i>		
Issued capital	-	-
Share premium	1,8	1,8
Legal Reserve	12,7	8,5
Other reserves	9,1	4,4
Unappropriated result	9,1	8,9
	<u>32,7</u>	<u>23,7</u>
<i>Non-current liabilities</i>		
Provisions	2,4	1,7
Other non-current liabilities	1,2	0,9
	<u>3,6</u>	<u>2,6</u>
<i>Current liabilities</i>		
Trade and other payables	270,7	214,5
	<u>270,7</u>	<u>214,5</u>
Total equity and liabilities	307,0	240,8

Consolidated statement of cash flows

For the year ended December 31, 2017

in € millions	2017	2016
Operating activities		
Profit before tax	11,8	11,1
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and impairment of property, plant and equipment	5,7	3,4
Amortization and impairment of intangible assets	3,8	3,1
Interest income	(0,2)	(0,2)
<i>Working capital adjustments:</i>		
Increase in trade and other receivables and prepayments	(23,5)	(25,6)
(Increase)/decrease in inventories	4,3	(32,1)
Increase in trade and other payables	54,6	66,4
	<u>56,5</u>	<u>26,1</u>
Net cash flows from operating activities	56,5	26,1
Investment activities		
Movement provisions and other non-current liabilities	0,3	0,3
Income tax (paid) / received	(2,8)	(0,8)
Interest (paid) / received	0,0	0,1
Other movements in financial fixed assets	1,5	(0,4)
Net cash flows from investment activities	55,4	25,2
Financing activities		
Investments and disposals in property, plant and equipment	(9,8)	(8,1)
Investments and disposals in software	(9,0)	(7,5)
Net cash flows used in investment activities	(18,8)	(15,6)
Financing activities		
Dividend (paid) / received	-	-
Net cash flows from/(used in) financing activities	-	-
Net increase in cash and cash equivalents	36,6	9,6
Cash and cash equivalents at 1 January	56,1	46,5
Cash and cash equivalents at 31 December	92,8	56,1

A large orange circle is positioned in the top right corner of the image, partially overlapping the blue background.

cool
blue

THE END.
Kthxbai.