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nutrition and
weight
management



1Q18 Results

20 of April of 2018



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The 2018 General Shareholders' Meeting approved the payment of a final dividend for 2017, which came to €0.12/share, to be paid on 7 May. This leads to a total dividend for 2017 of €0.32/share, reaching a payout rate of 97.6% and bringing per-dividend yield to 8.76%⁽¹⁾.

A solid balance sheet: a net cash position of €13.32m (+156% vs end 2017), which does not include the €5m pending repayment by the Spanish Tax Authority. If this figure were included, our net cash position would have stood at €18.3m.

An EBITDA margin of 28.4%, which is double the industry average in the US⁽²⁾. The EBITDA margin will continue to improve throughout the year until it reaches the goal of remaining within the 30%-35% range.

The accounts have been affected by Easter, which fell in April in 2017, and bad weather, which has delayed the flow of people to our stores, leading us to believe that the second quarter will be better than usual.

	1Q17	1Q18	Variation
Sales	25.007	23.430	-1.577
EBITDA	8.505	6.662	-1.842
EBITDA Margin	34,0%	28,4%	
Net Income	5.875	4.465	-1.410
Centres	2.360	2.368	8
Countries	33	33	0
Net Cash Position	5.191 ⁽³⁾	13.320	8.129

In Thousand of euros

(1) Based on Naturhouse's share price at the close of business on 31 March 2018 (€3.65/share) and using the two interim dividends for 2017 as a benchmark (total amount €0.32/share)

(2) Watcher, GNC, Vitamin Shoppe, Nutrisystem and Herbalife

(3) Net cash position for the end of 2017

	1Q17	1Q18	Variation
Total Sales	25.007	23.430	-1.577
Procurements	-7.295	-6.713	582
Gross profit	17.713	16.717	-996
<i>Gross profit margin</i>	<i>70,8%</i>	<i>71,3%</i>	<i>0,0%</i>
Personnel	-4.738	-5.235	-497
Other operating expenses	-4.591	-4.997	-406
Other Income	122	178	57
EBITDA	8.505	6.662	-1.842
<i>EBITDA Margin</i>	<i>34,0%</i>	<i>28,4%</i>	<i>0,0%</i>
Amortization & Impairments	-268	-351	-83
EBIT	8.237	6.311	-1.926
<i>EBIT Margin</i>	<i>32,9%</i>	<i>26,9%</i>	<i>0,0%</i>
Financial results	-24	-18	6
Share of profit (loss) of associated (Ichem)	176	177	1
EBT	8.389	6.470	-1.918
Taxes	-2.522	-2.005	517
Minorities	7	0	-7
Net profit	5.875	4.465	-1.410
<i>Net profit margin</i>	<i>23,5%</i>	<i>19,1%</i>	

In thousands of euros

Note 1: EBITDA definition: *operational result + amortisation of fixed assets + impairment and results due to disposal of fixed assets.*

Sales according to country

	1Q17	1Q18	%
France	10.508	9.858	-6,2%
Spain	4.912	4.888	-0,5%
Italy	5.705	5.329	-6,6%
Poland	3.211	2.753	-14,3%
Rest countries	671	603	-10,1%
Total	25.006	23.430	-6,3%
International Segmen	20.094	18.543	-7,7%

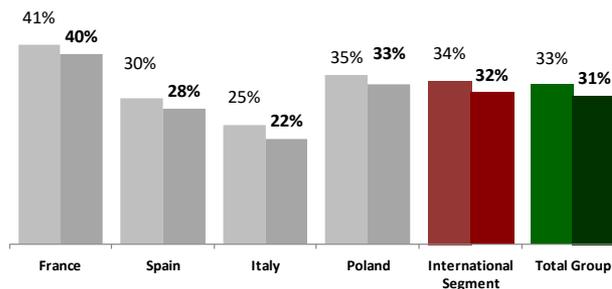
In thousands of euros

EBITDA development according to country

	1Q17	1Q18	%
France	4.358	4.133	-5,2%
Spain	1.303	732	-43,8%
Italy	1.837	1.371	-25,4%
Poland	1.227	620	-49,5%
Rest	-220	-194	11,8%
TOTAL	8.505	6.662	-21,7%
International Segm	7.202	5.930	-17,7%

In Thousands of euros

EBITDA margin development according to country (%)



☐ Turnover at the end of 1Q18 stands at €23.4 million, having been affected by Easter, which took place in April in 2017 compared to March in 2018; the bad weather, which means the flow of people to stores is being delayed; and the continued downturn in sales in Poland.

Spain has ended the year with almost the same level of sales as in 1S17, despite the Easter effect and the bad weather. We remain committed to a solid recovery.

Our sales performance in France and Italy is down because of timing, both in terms of public holidays and the delayed flow of people to our stores due to the bad weather. We therefore believe that the second quarter should be better than usual.

With regards to Poland, the country is expected to recover in 2S18, with the measures put in place starting to bear fruit.

As for remaining countries, it must be highlighted that the US and UK are performing favourably and we expect them to continue in the same vein, bolstered by the fact we are starting to sell products online in both markets.

☐ EBITDA came to €6.7m, due to our sales performance; increased spending on advertising and the schedule change for some campaigns (+€0.32m vs 1Q17); the compensation payments related to moving the Barcelona headquarters to Madrid, completed on 31 December 2017 (+€0.6m vs 1Q17); and the cost of growth in new countries (€-0.2m vs 1Q17).

☐ Our EBITDA margin stands at 28%, which is higher than the sector average in the US. We hope to end the year with an EBITDA margin within the forecast range (30%-35%).

☐ Net Profit stood at €4.4m, due to the aforementioned reasons.

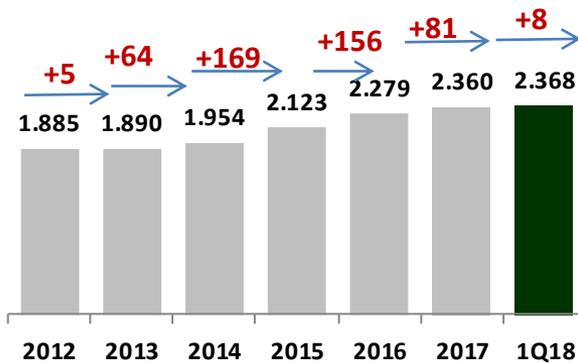
(1) New countries: Germany, UK, USA, Lithuania and Croatia.

(2) An average taken from GNC, Weight Watchers, Vitamin Shoppe, Nytrisystem and Herbalife.

2,368 centres, a new record.

+8 net openings at the end of 1Q18, highlighting the excellent performance of master franchise countries in Eastern Europe. **Directly-operated stores have been opened in locations with no prior Naturhouse presence but where sufficient demand has been identified for our services, as a prior step to future franchises.**

Total centres



Breakdown of net openings:

- 7 new franchises mainly due to the current situation in Poland.
- +8 net openings:
 - +15 directly-operated stores: We continue to maintain our goal of transferring a considerable number of these stores to franchise status in 2018 (especially in Spain and Poland).

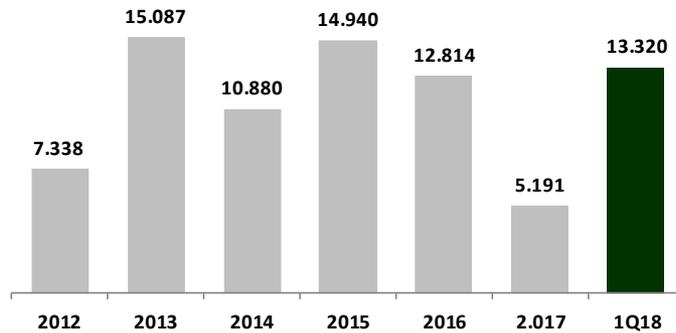
- ✓ France (+1): In the process of signing several franchise stores following the company's presence at the Paris Franchise Fair.
- ✓ Poland (+1): we hope to continue adding further centres in 2018.
- ✓ Spain: 4 centres lost due to the weakness of some regions, which are lagging behind in terms of economic recovery.
- ✓ Other countries: excellent performance of centres in Eastern Europe.

1,873 centres are franchises, 249 are directly-operated stores and 246 are master franchises

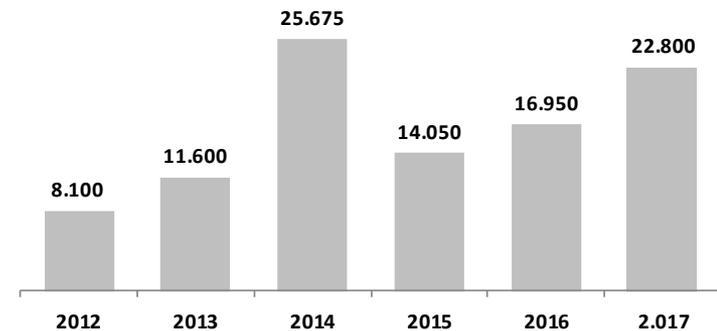
	2017			1Q18			2018 Net Openings		
	Total	DOS	Franchise	Total	DOS	Franchise	Total	DOS	Franchise
France	643	37	606	644	38	606	1	1	0
Spain	589	89	500	585	90	495	-4	1	-5
Italy	475	56	419	475	57	418	0	1	-1
Poland	348	29	319	349	42	307	1	13	-12
Rest of Countries	71	23	48	69	22	47	-2	-1	-1
Masterfranchise Countries	234	0	234	246	0	246	12	0	12
Total	2.360	234	2.126	2.368	249	2.119	8	15	-7

Excellent performance of our net cash position, thus guaranteeing one of the most attractive dividends on the Spanish Stock Exchange

Net cash position



Dividends



Figures in thousands of euros

Note 1: Data from 2012, 2013 and 2014 include SAS Naturhouse in all periods

Our net cash position at the end of 1Q18 stands at €13.3m, despite awaiting the €5m repayment from the Spanish Tax Authority. If this figure were included, Naturhouse's net cash position for 1Q18 would stand at €18.3m.

The payment of the final dividend for 2017 of €0.12/share, to be paid on 7 May, has been approved. This means the total dividend for 2017 will come to €0.32/share, with a payout rate of 97.6% and per-dividend yield of 8.76%⁽³⁾.

(1) Definition of Net Cash position: *cash and equivalents – current debt – non-current debt*

(2) Based on Naturhouse's share price at the close of business on 31 March 2018 (€3.65/share) and using the two interim dividends for 2017 as a benchmark (total amount €0.32/share)

	2017	1Q18
Intangible assets	1.687	1.648
Property, plant & equipment	5.035	4.833
Non current financial assets	1.038	987
Investment in associated companies	3.136	3.385
Deferred tax assets	324	158
Non current Assets	11.220	11.011
Inventories	4.449	4.885
Trade receivables	4.373	6.336
Current tax assets	9.373	6.235
Other current assets (anticipated spendings)	1.095	1.091
investment in related companies	1	0
Cash & equivalents	8.326	16.406
Current assets	27.617	34.953
TOTAL ASSETS	38.837	45.964
Equity	24.503	29.197
Non current provisions	1.143	758
Non current borrowings	3.080	3.038
Long term accrued expenses	362	383
Non current liabilities	4.585	4.179
Current borrowings	55	48
Suppliers	4.790	7.372
Suppliers related companies	3.560	3.148
Current tax liabilities and other payables	1.344	2.020
Current liabilities	9.749	12.588
TOTAL LIABILITIES	38.837	45.964

In Thousands of euros

Our main goal is to continue creating value for our shareholders and to remain at the forefront of the Spanish Stock Exchange in terms of our dividend policy

□ A focus on growth

- ✓ Increase the number of franchises and the average sale per customer for our main markets.
- ✓ Transfer directly-operated stores to franchises, especially in Spain and Poland.
- ✓ Add new countries through master franchise contracts.
- ✓ Open directly-operated stores in locations in which Naturhouse does not have a presence and where sufficient demand for our services has been identified as a prior step to future franchises.
- ✓ Introduce new products.

□ Online strategy

- ✓ Pilot programmes in the US and UK. These countries' level of development and commercial culture has led to the launch of online stores.
- ✓ We hope these two new online channels will lead to quicker progress in developing the two markets compared with the length of the process for our main countries.

□ We will maintain the strength of our balance sheet and our considerable cash generating ability.

Material facts for the period

- 23 February 2018: Final dividend 2017
- 23 February 2018: Annual Corporate Governance Report
- 23 February 2018: Board Members' Compensation Report
- 23 February 2018: Corporate Social Responsibility Report
- 23 February 2018: 2017 Results
- 15 March 2018: Call for the General Shareholders' Meeting 2018
- 20 April 2018: Result of the votes on the proposals from the General Shareholders' Meeting 2018



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