



Eurocash Group

Consolidated 3Q 2021 Financial Results



Agenda

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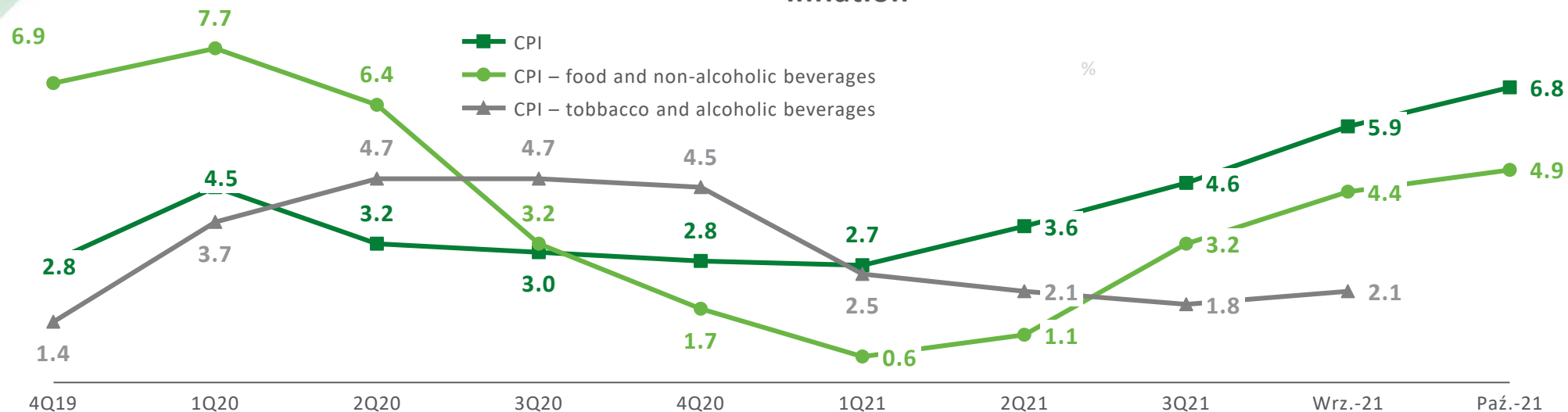


01.

Executive summary



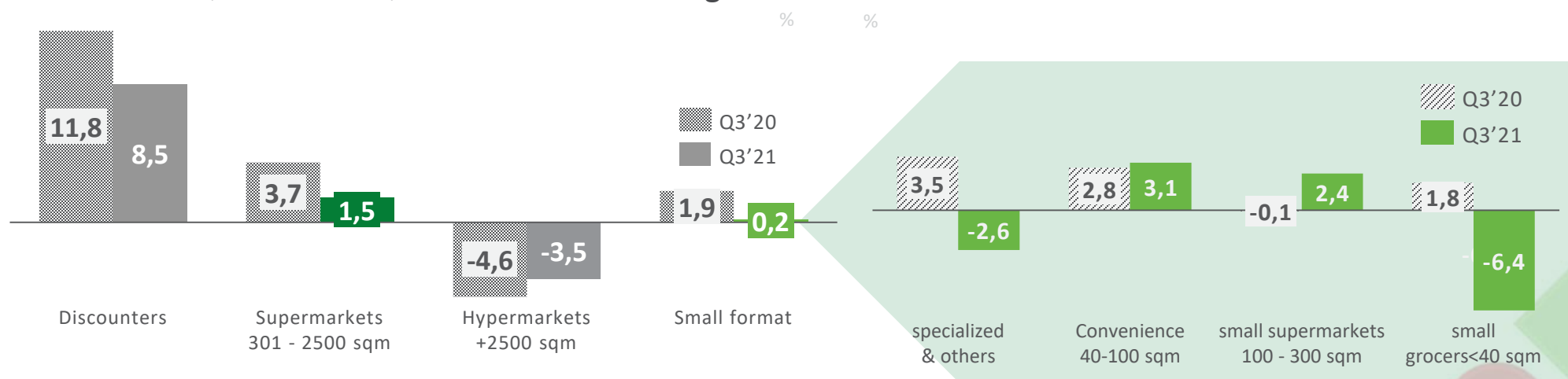
Inflation



raising inflation and announced excise tax increase – supportive market conditions

2021 Q3 vs. 2020 Q3 Polish food market growth*

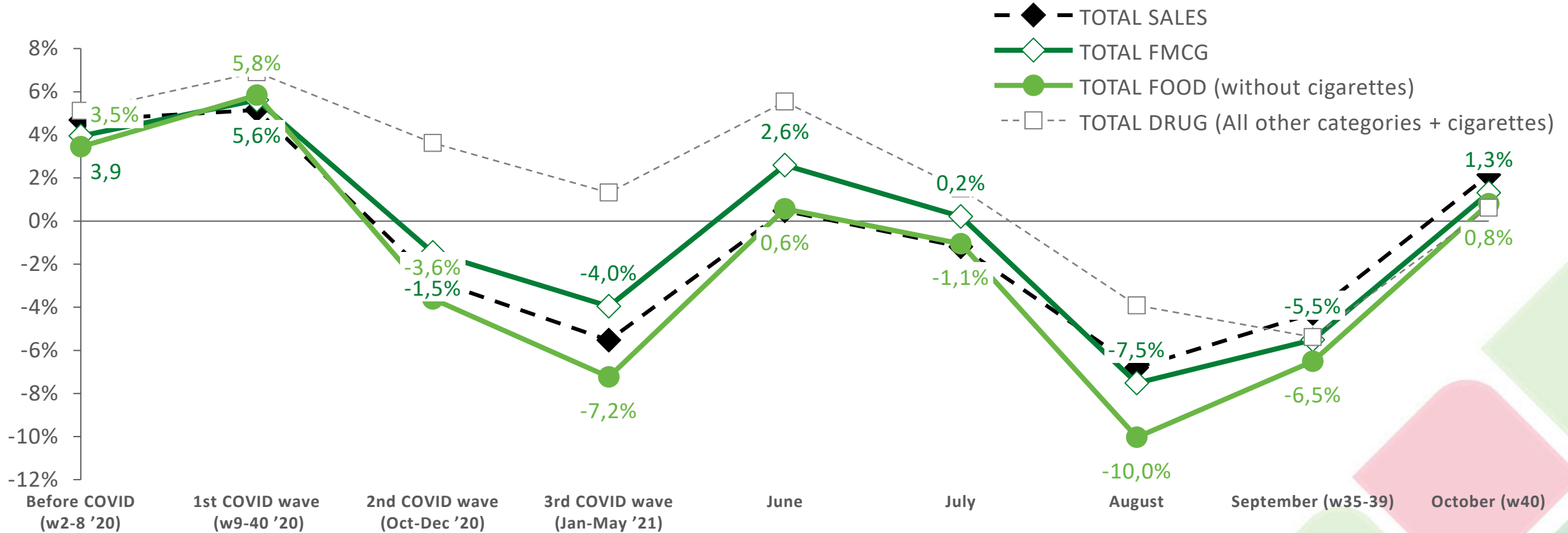
2021 Q3 vs. 2020 Q3 small format stores growth*



sales flow from smaller to bigger stores – Eurocash Cash&Carry drop covered by Distribution



Sales growth YoY (stores 0-500 sqm)



rebound in October sales, better traffic and customers coming back to smaller stores – October Cash&Carry LfL +0.5%



Group EBITDA increased by 5% in 3Q 2021 YoY

solid operational CASH FLOW at level of PLN 254 m, stable net debt position

Wholesale – record high online sales

- Eurocash.pl responsible for 43% of sales
- Cash&Carry drop covered by Tobacco & Distribution
- Cash&Carry positive LFL in October 2021

Sales +0.05% YoY
EBITDA +2,5% YoY

Retail – higher profitability and margins

- segment EBITDA and margins increase
- closure process of 59 own stores started in Q4 2021 to improve 2022 Group EBITDA

Sales +2.2% YoY
EBITDA +10,8%% YoY

Projects – Frisco, Duży Ben and IPH strong expansion

- Frisco opening in Cracow
- 2050 IPH POSes installed in stores
- Duży Ben LfL +8.5% YoY

Sales +22.36% YoY
EBITDA -101.2% YoY

rising inflation and next year excise tax increase giving tail wind to Eurocash Group

01. Executive summary 3Q 2021/consolidated financial results

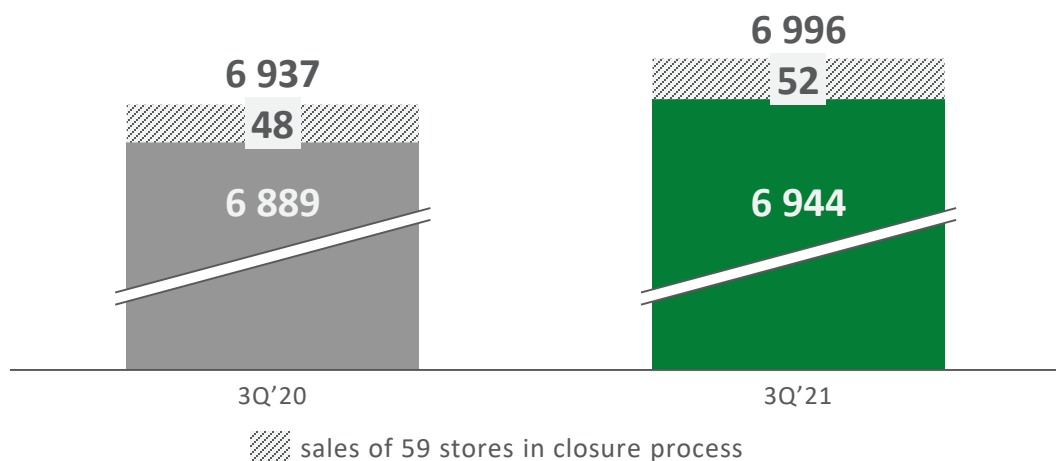


m PLN

3Q 2020-2021 sales

3Q 2021 sales evolution

m PLN

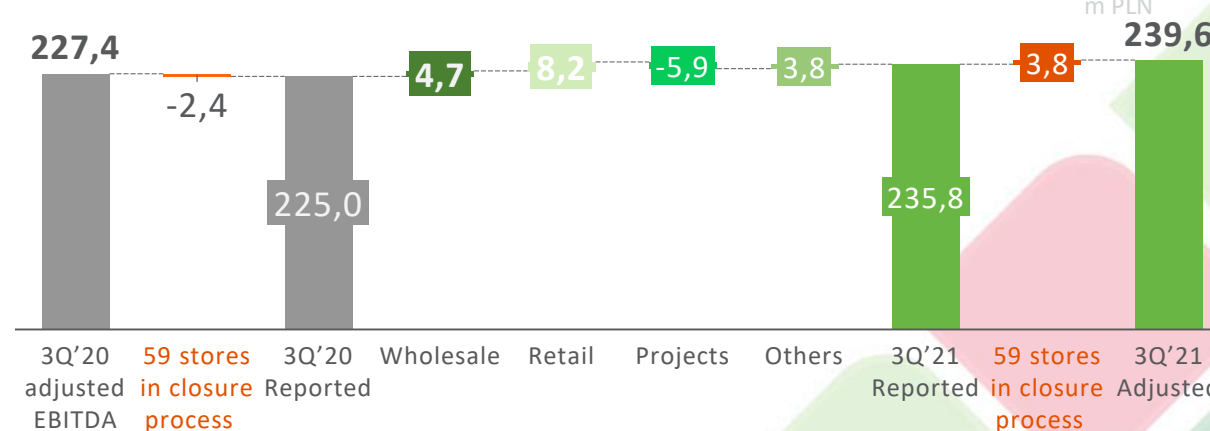


m PLN

3Q 2020-2021 EBITDA

3Q 2020-2021 EBITDA evolution

m PLN



EBITDA increase thanks to ongoing wholesale segment improvement and better retail performance

59 stores worst performing stores to be closed in Q4 –strong increase of 2022 EBITDA



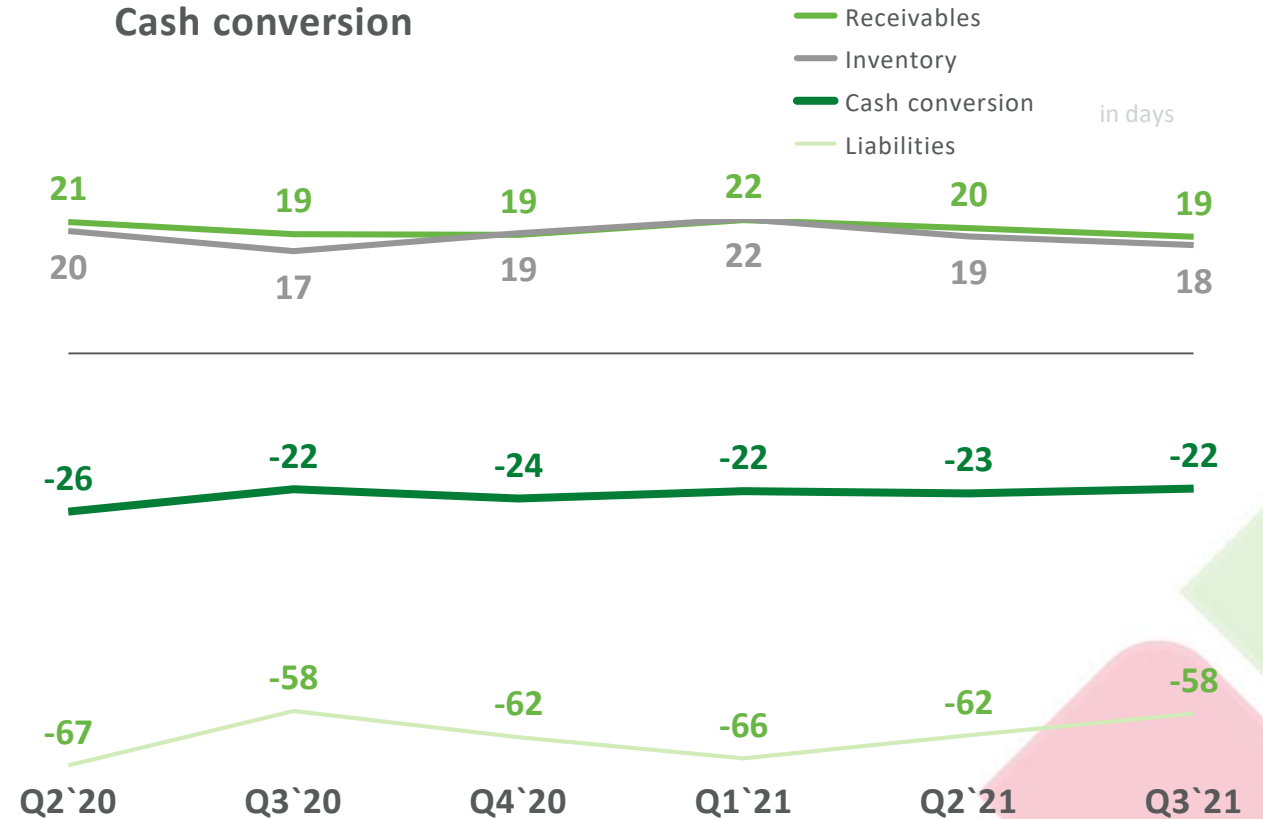
m PLN

Q3 2021 cash flow

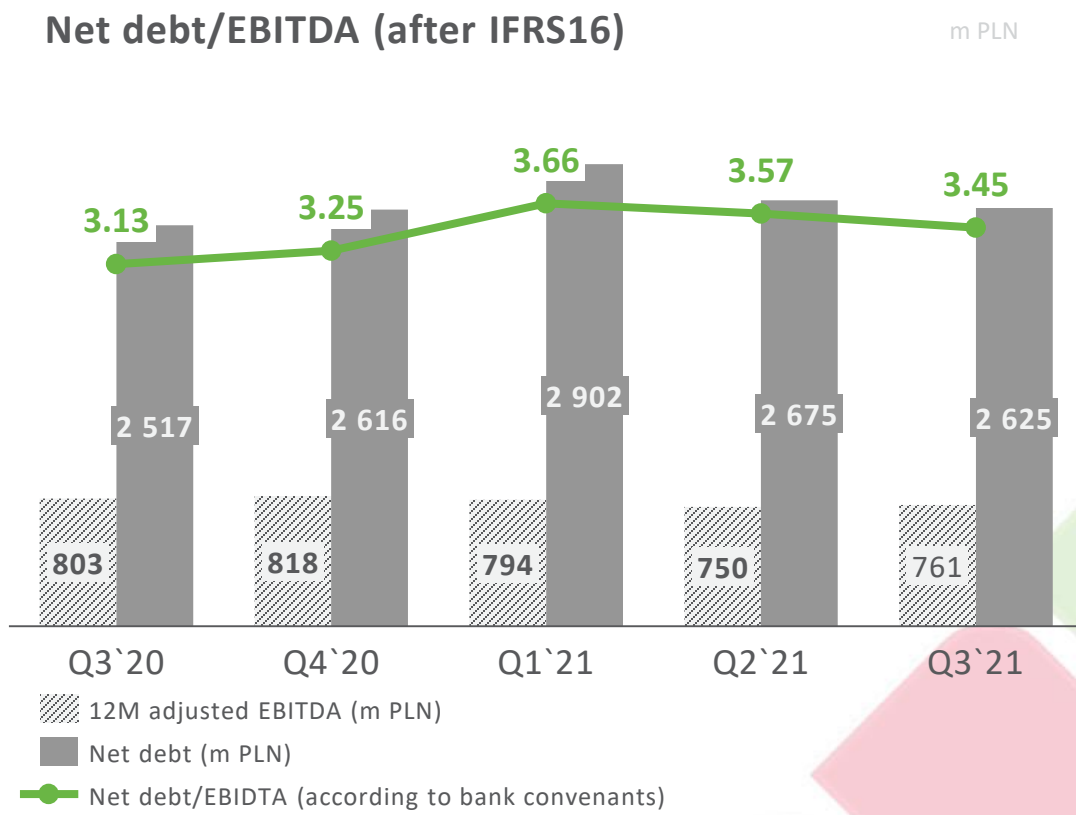
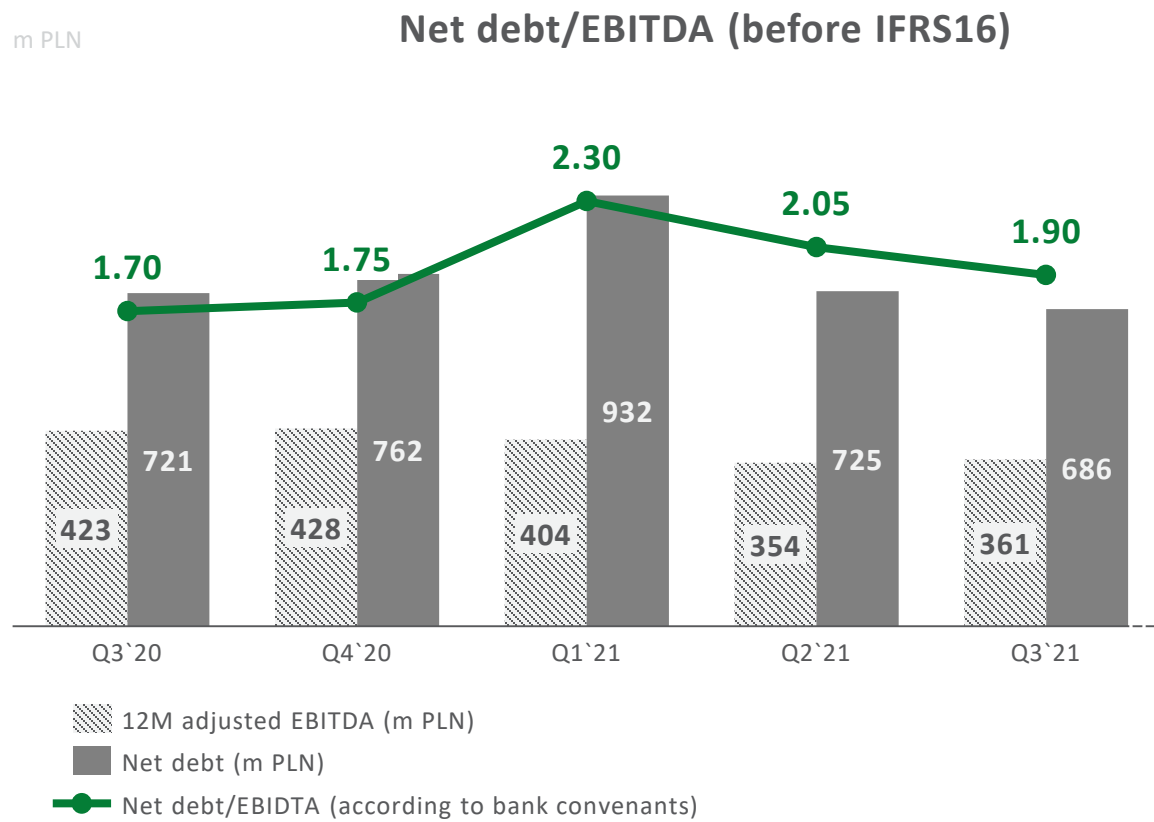
	Q3 2020	Q3 2021
Operating cash flow	218,1	253,9
Gross profit (loss)	54,1	58,7
Depreciation	137,2	141,8
Change in working capital	20,2	(6,6)
Other	6,7	60
Cash flow from investments	(20,7)	(44,2)
Cash flow from financing activities	(270,1)	(190,4)
Total cash flow	(72,6)	19,3

**healthy cash flow level sustained,
continued investment strategy and M&A**

Cash conversion



Cash conversion -22 days



safe level of the net debt / EBITDA ratio before and after IFRS16 fulfilling banking covenants



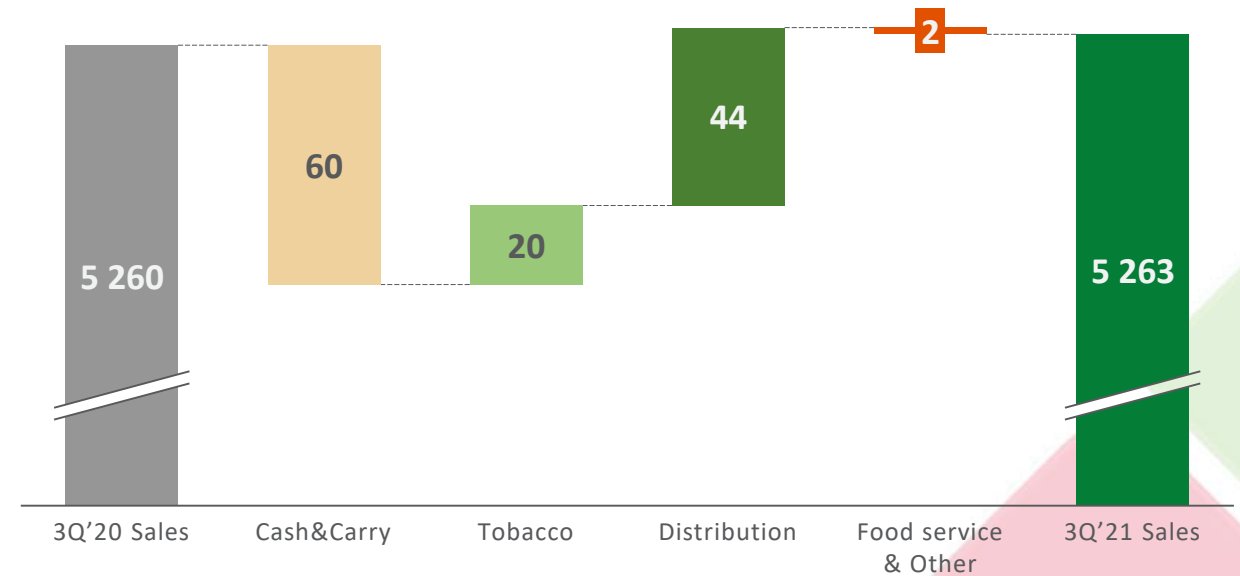
m PLN

3Q 2020-2021 sales



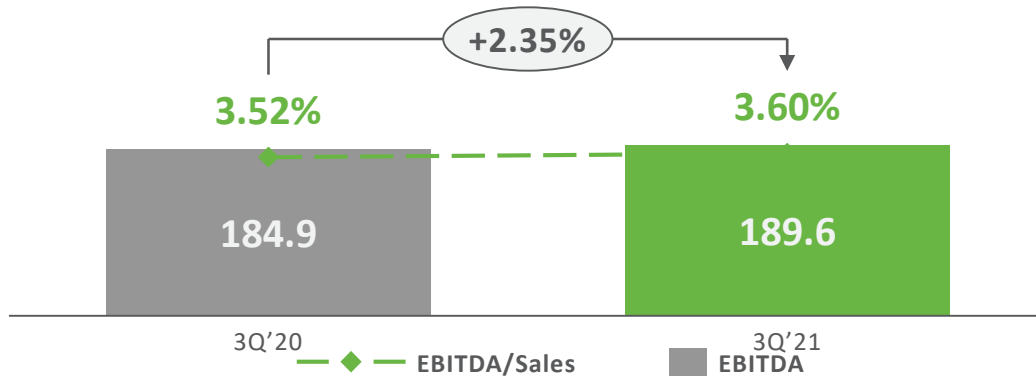
3Q 2021 sales evolution

m PLN



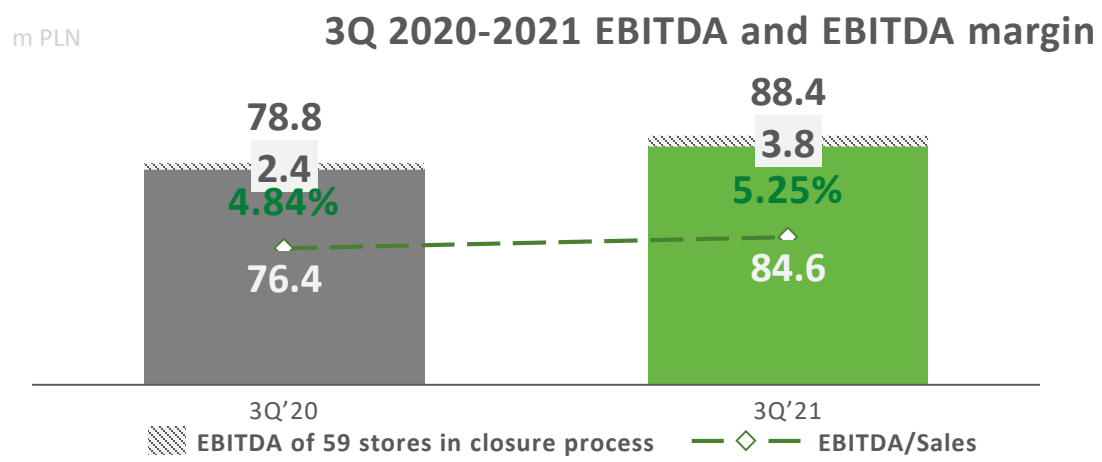
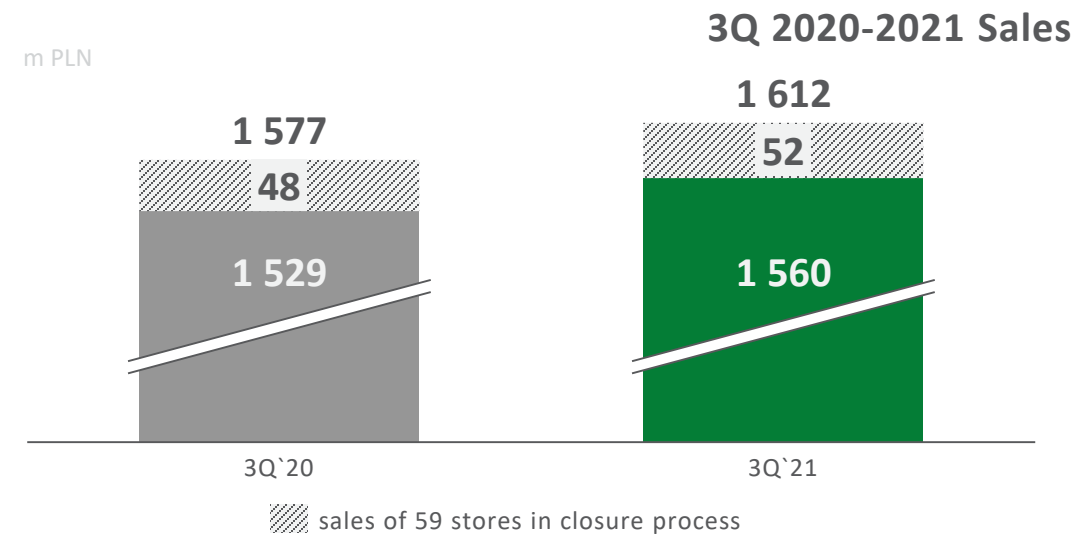
m PLN

3Q 2020-2021 EBITDA and EBITDA margin

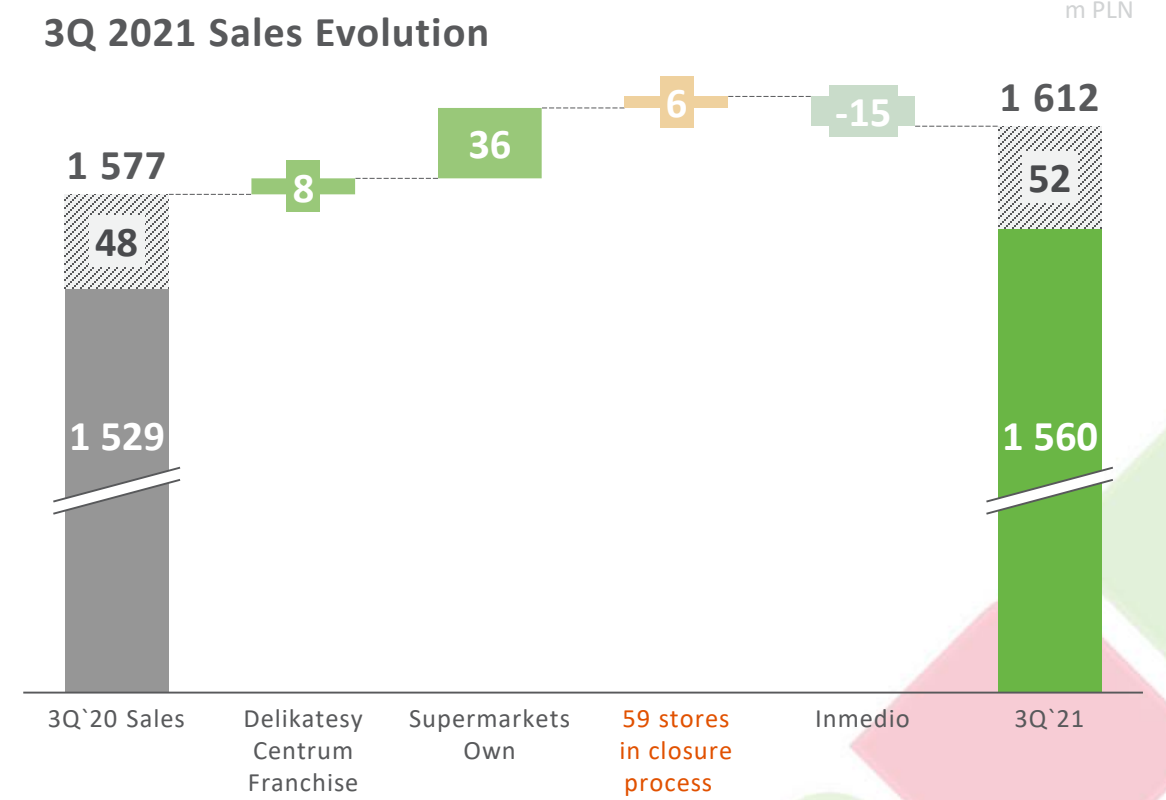


wholesale segment margin improvement thanks to digitalization

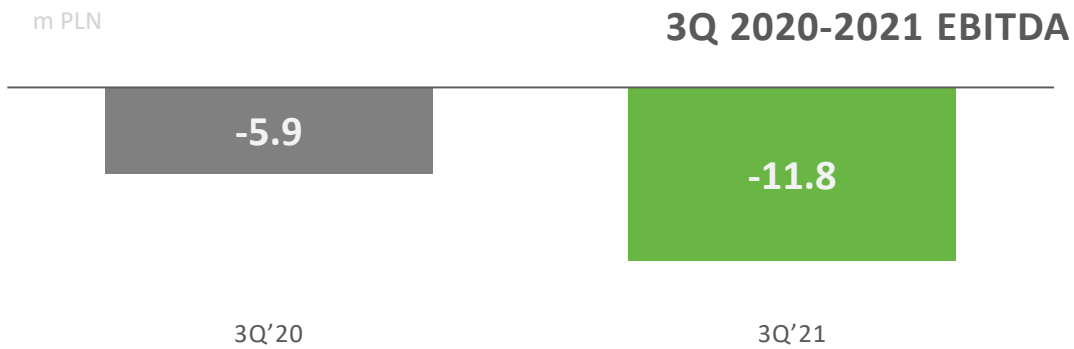
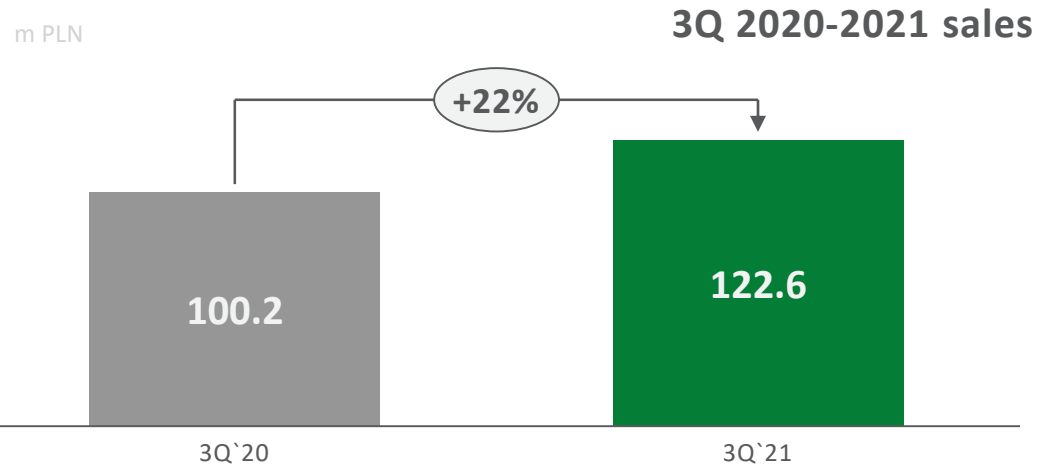
Cash&Carry drop covered by Tobacco & Distribution



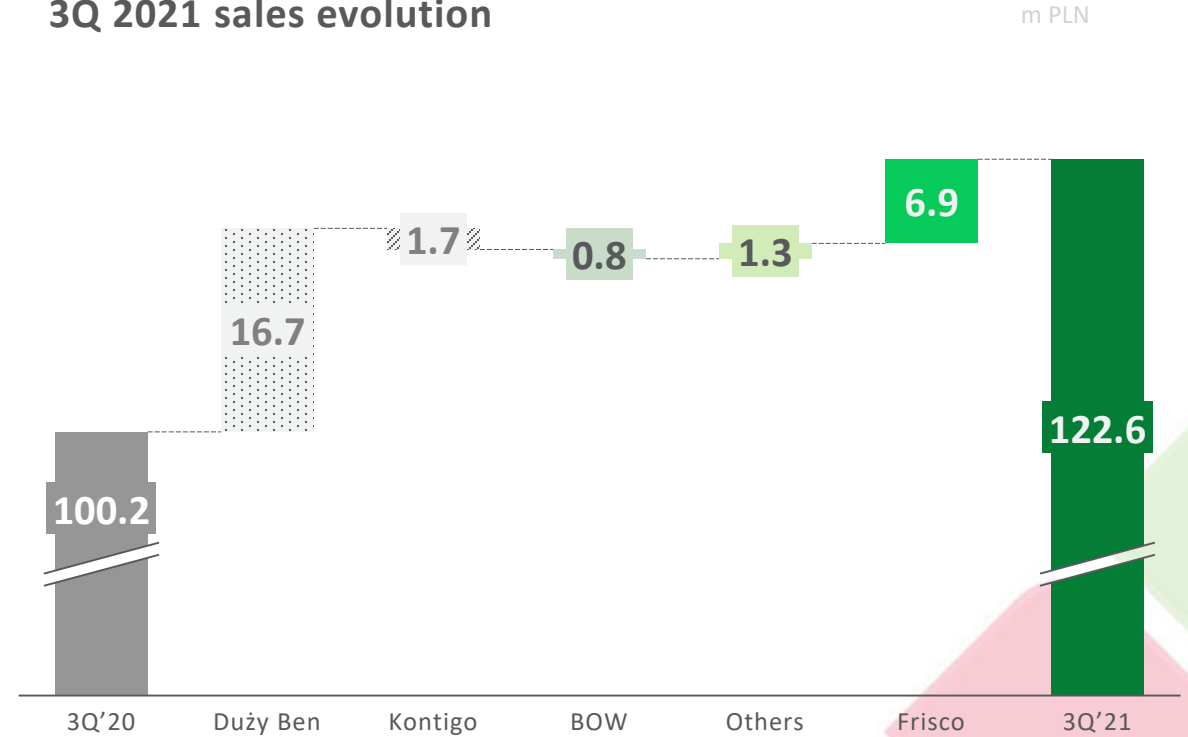
increasing EBITDA YoY, PLN 3.8 m - 59 own stores to be closed in Q4 impact on 3Q'21 EBITDA



Retail sales growth driven by own supermarkets, weak impact of 59 stores in closure process on segment sales



3Q 2021 sales evolution



Frisco gaining new cities – strong expansion moving on

Duży Ben expansion phase and sales growth

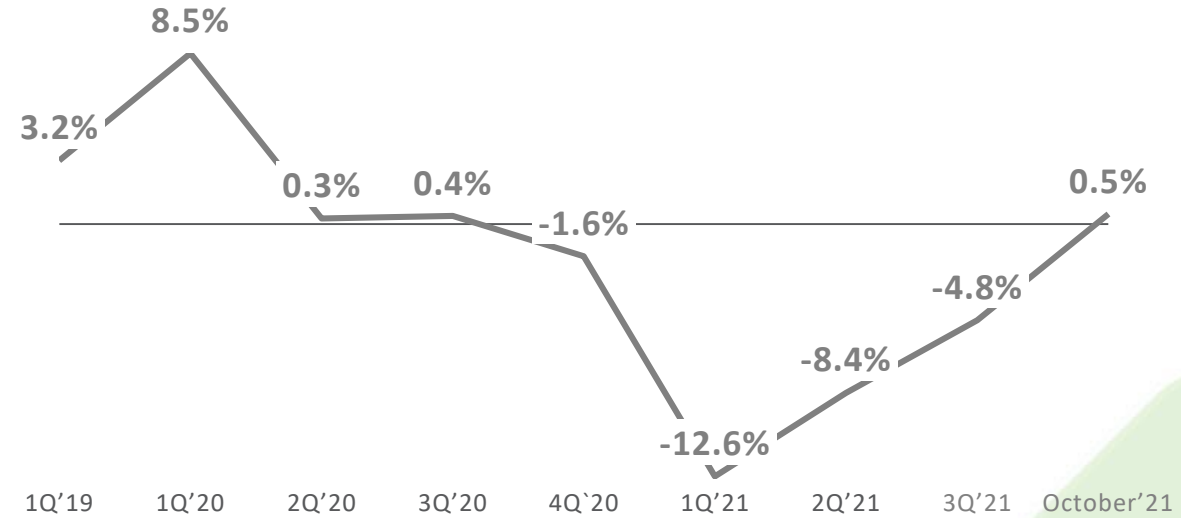


02.

Operational data



EUROCASH LfL
CASH & CARRY



eurocash.pl	30.09.2020	30.09.2021
No. users	14 500	26 123
% of wholsale sales done via platform*	31%	43%

Cash&Carry gaining positive LfL in October
43% of wholesale sales done via Eurocash.pl



Main KPIs

	162 partner stores (Rogala+FHC-2)		965 franchise stores		439 own stores	
	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021
average store size (sqm)	336	333	219	220	356	352
Sales per store (k PLN)	559	602	430	441	417	395
sales per sqm (k PLN)	1.7	1.8	2.0	2.0	1.2	1.1
LFL	3.9%	10.4%	1.4%	1.3%	-7.6%	-2.6%



process of 59 stores closure started in Q4



supermarket online

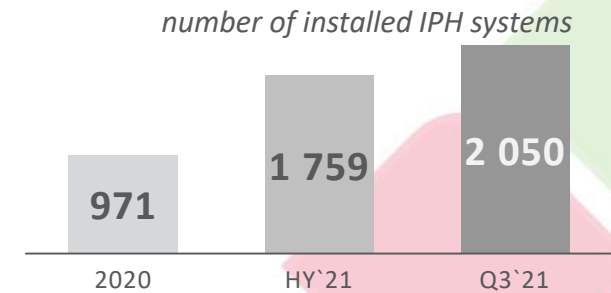
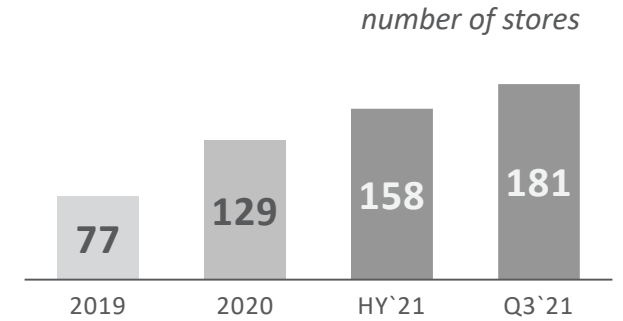


City	Sales 9M YTD (PLN m)	Sales Q3 (PLN m)
Warsaw	179,2	52,4
Wroclaw	13,8	4,3
Poznan	1,3	0,98
Cracow	0,1	0,1



Sales Q3'21: 46,56 m PLN

LFL Q3: 8,5%



IPPH is a platform that digitally connects retailers with franchise network organizers, producers and consumers.



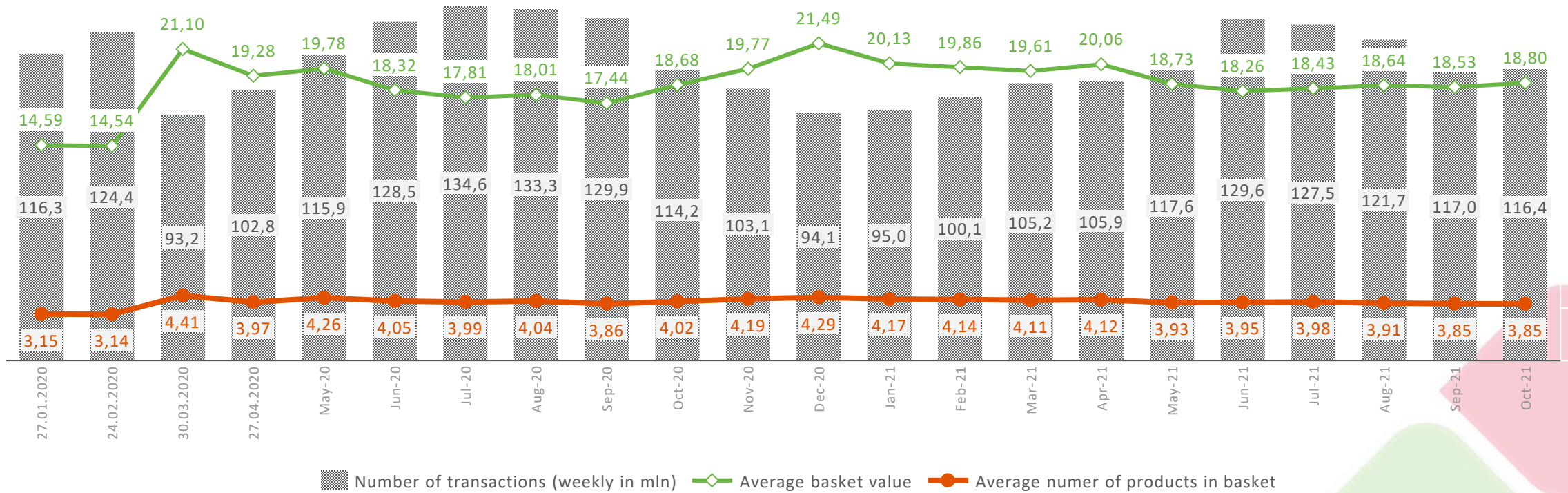
03.

Appendix



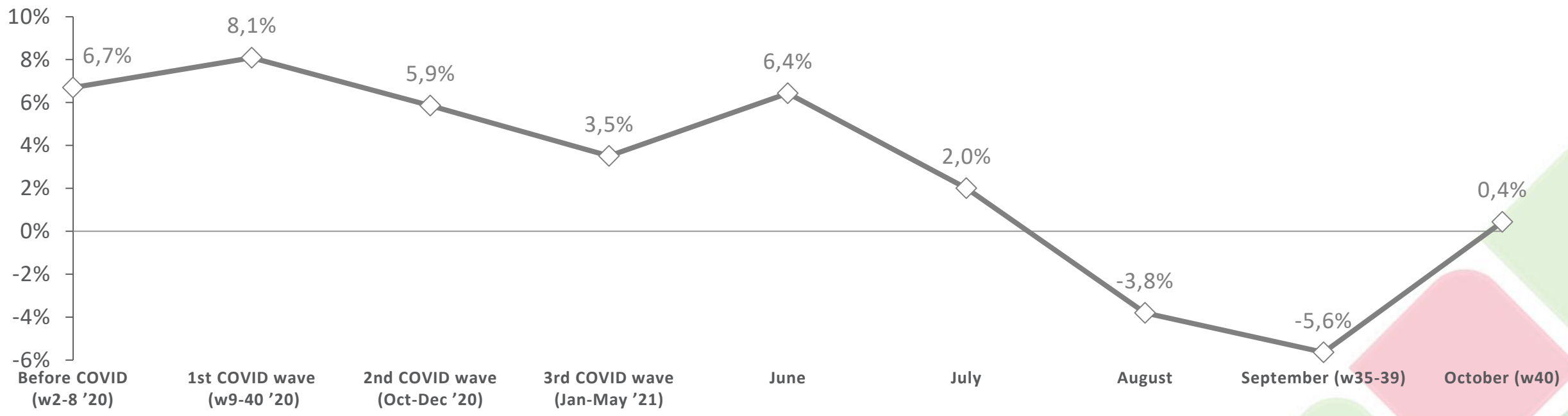


Transaction Value Groceries 0-500 sqm (incl. Alcohol Stores)**





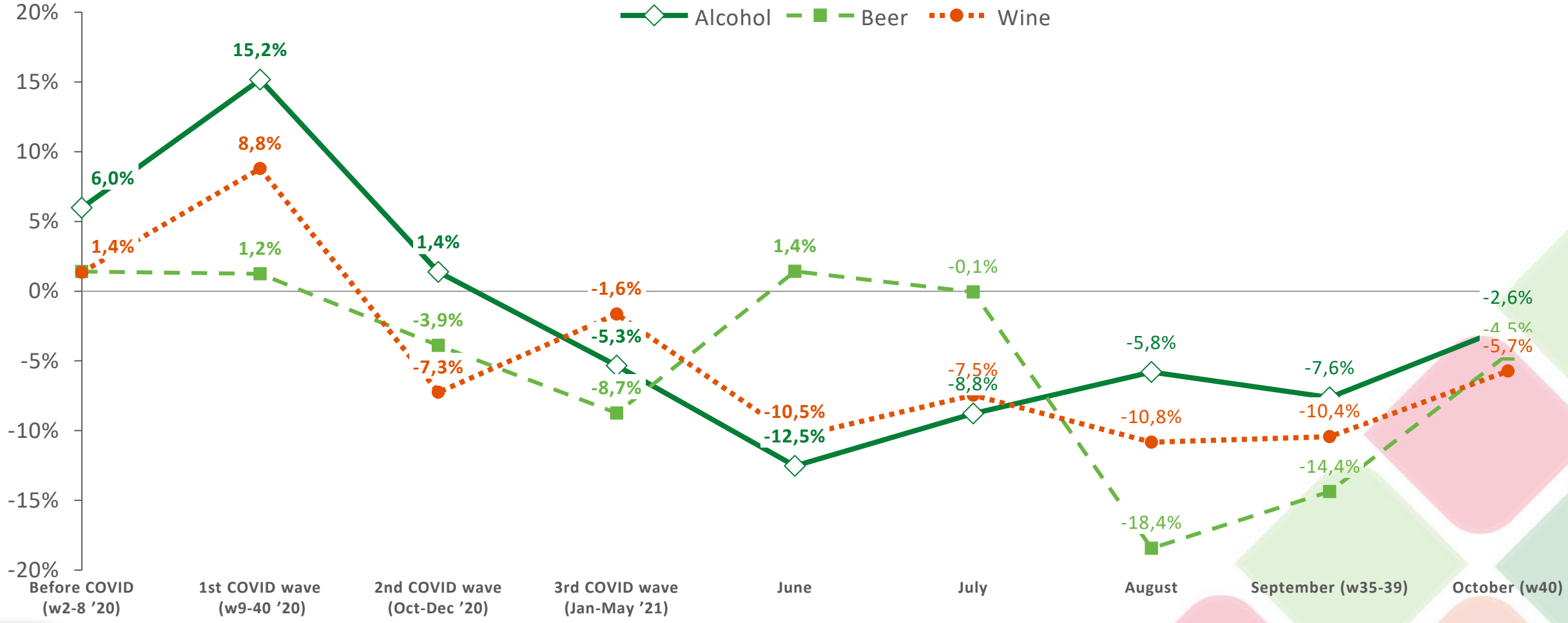
Sales growth YoY (stores 0-500 sqm) *Tobacco products*



Eurocash Service stable sales growth YoY

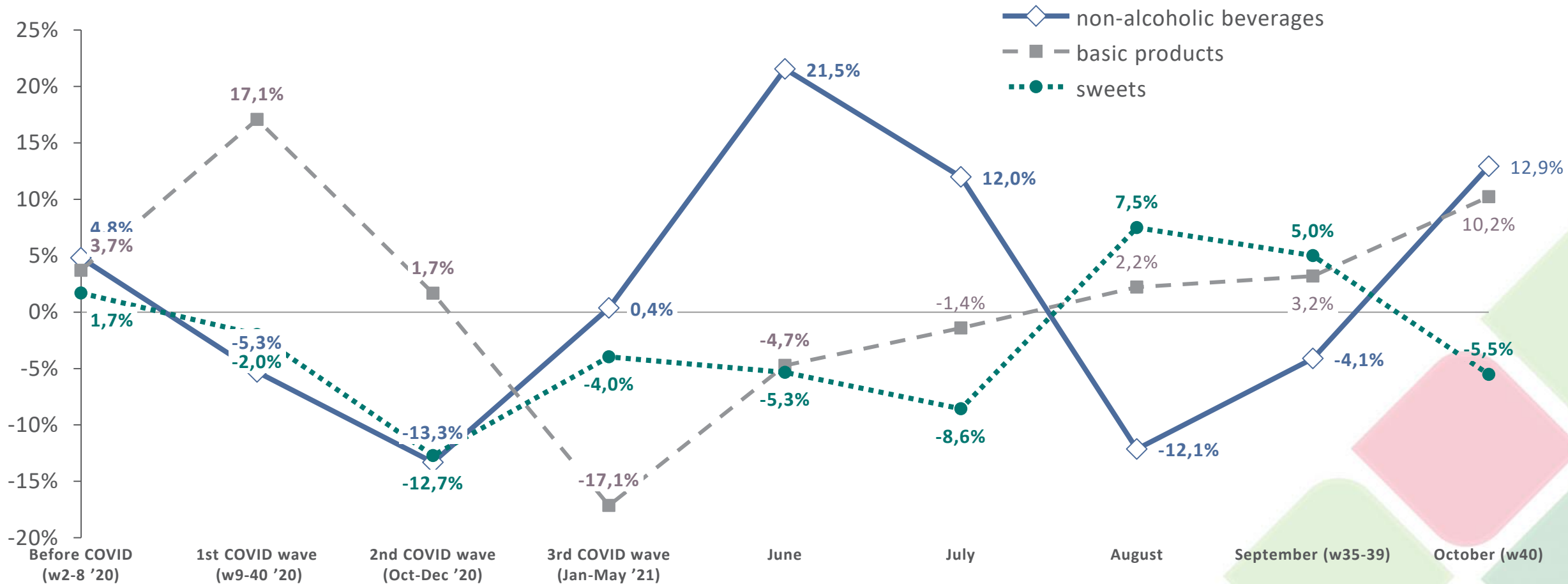
Sales growth YoY (stores 0-500 sqm)

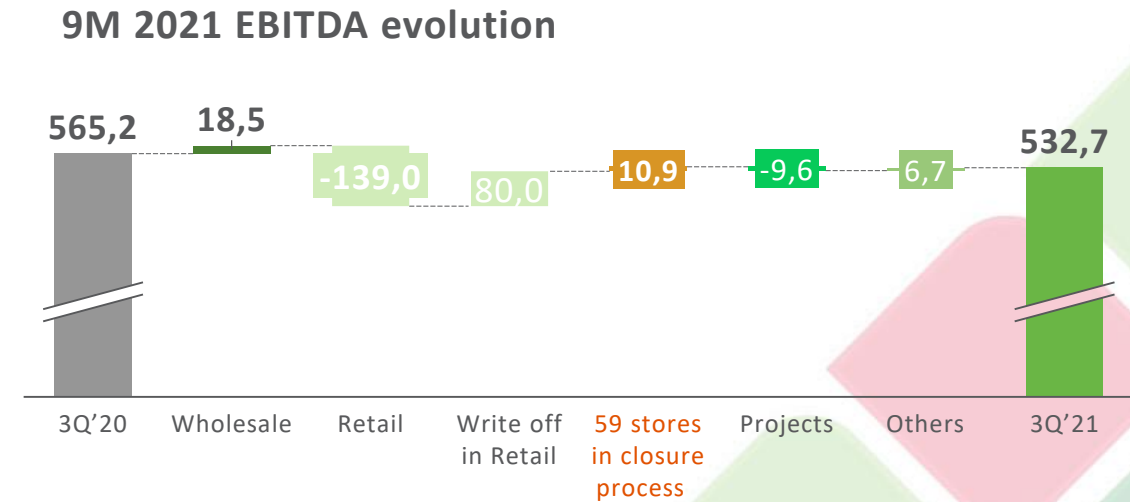
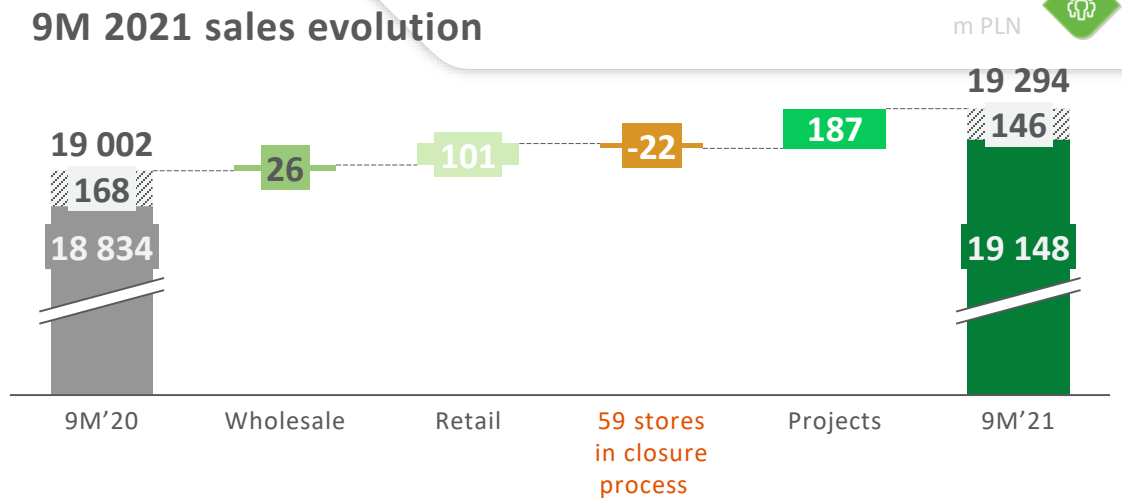
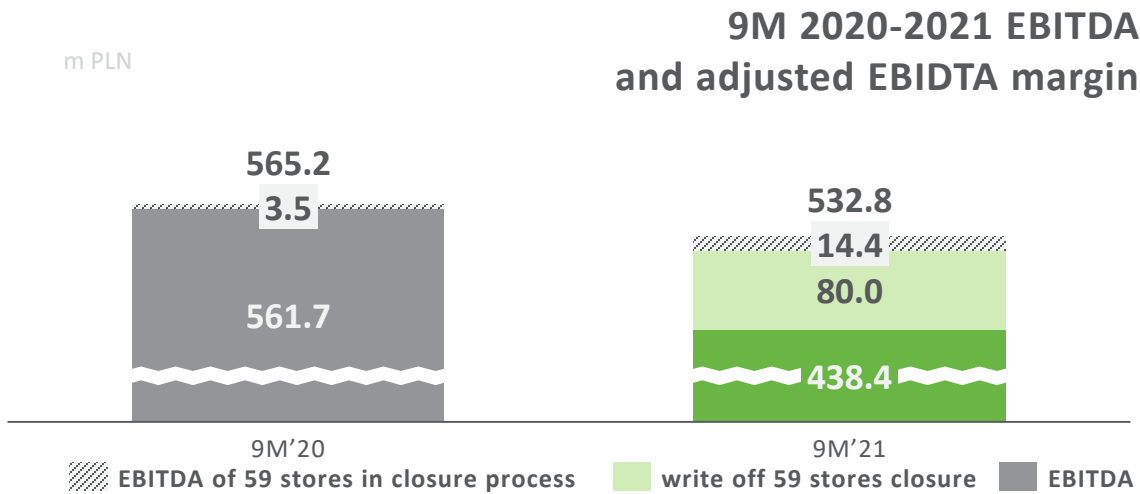
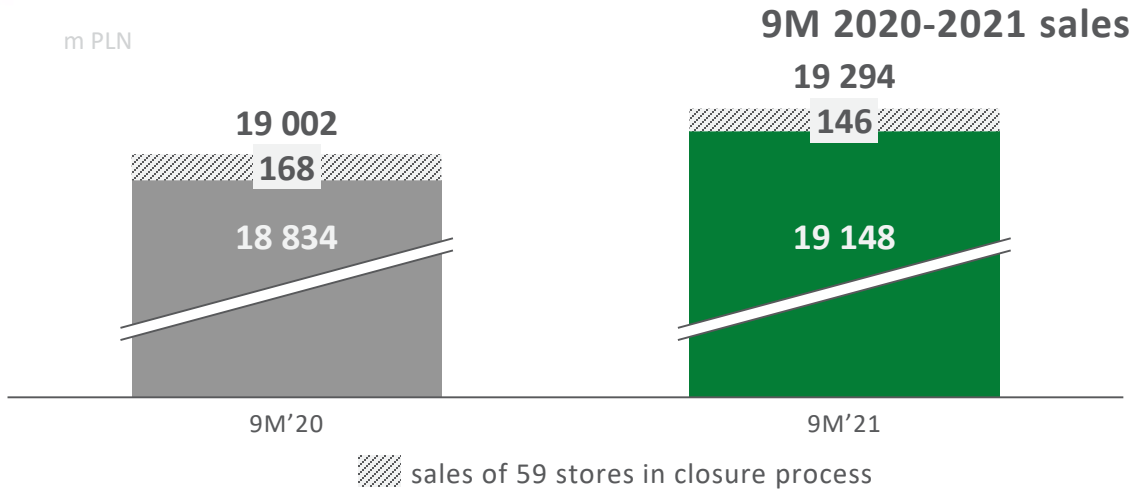
Alcohol





Sales growth YoY (stores 0-500 sqm) Non-alcoholic beverages, basic, sweets





9M EBITDA affected by PLN 80 m write off due to clouseres of 59 own stores

weaker 9M YoY sales dynamics due to poor market conditions in HY'20 and poor performance of 59 own stores



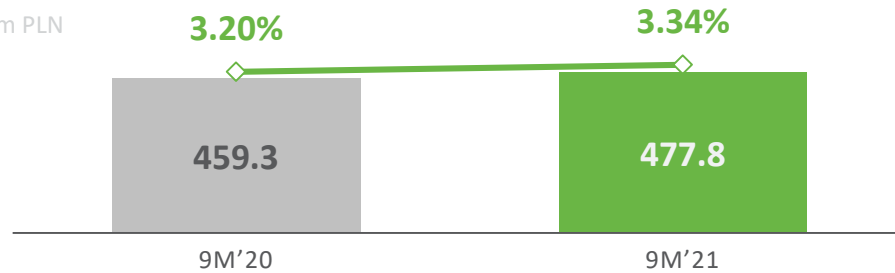
m PLN

9M 2020-2021 sales



9M 2020-2021 EBITDA and EBITDA margin

m PLN

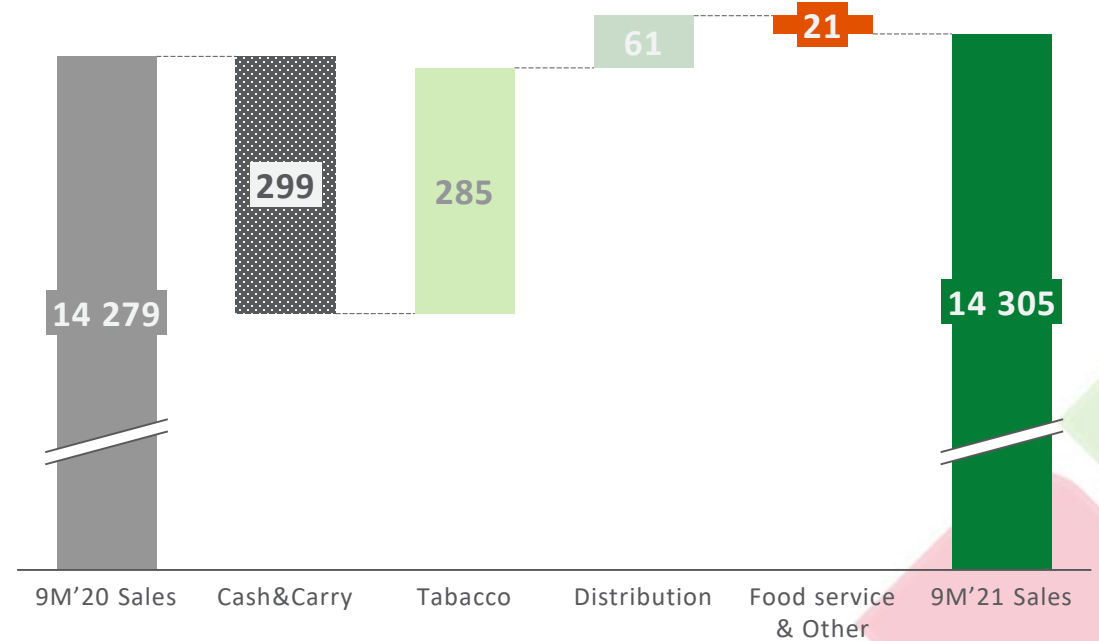


■ EBITDA ◇ EBITDA/Sales

EBITDA increase thanks to digitalization process

9M 2021 sales evolution

m PLN



Eurocash Cash&Carry drop covered by Tabacco & Distribution



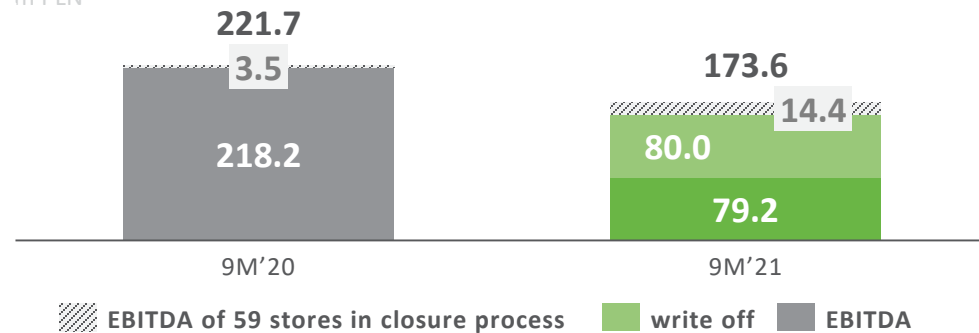
m PLN

9M 2020-2021 sales



9M 2021-2022 EBITDA and EBITDA margin

m PLN



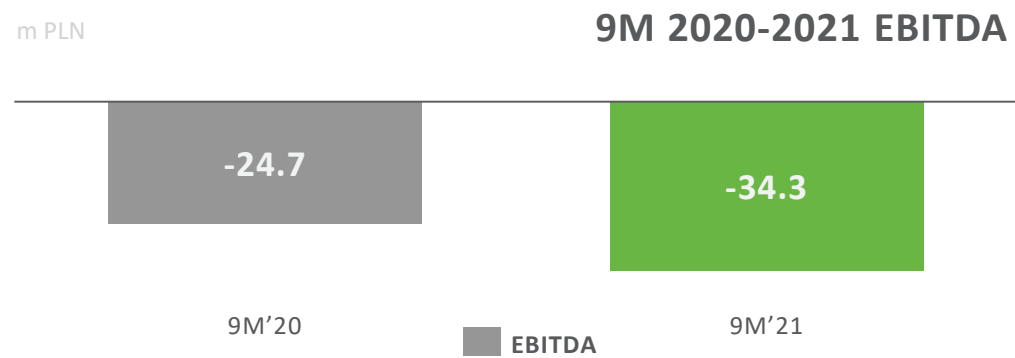
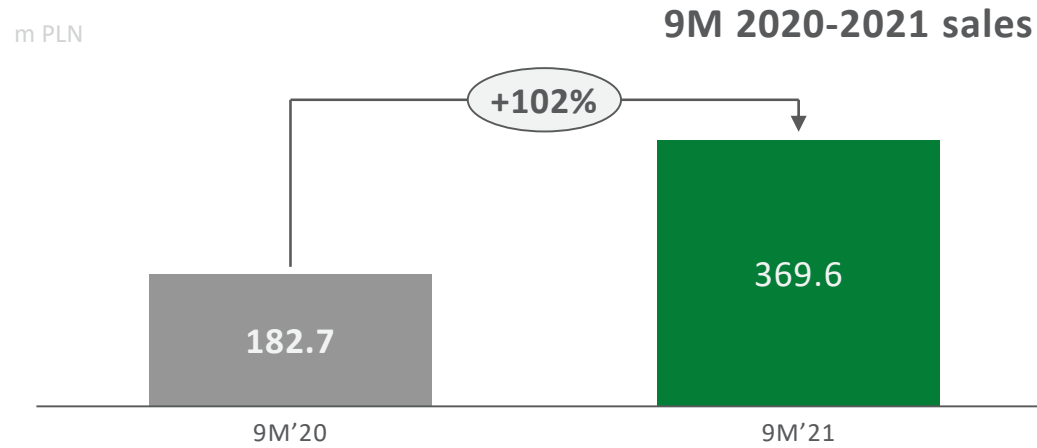
PLN 80 m write off in Q2 due to closure of 59 stores and PLN 14.4 m negative impact of those stores on 9M segment EBITDA

9M 2021 sales evolution

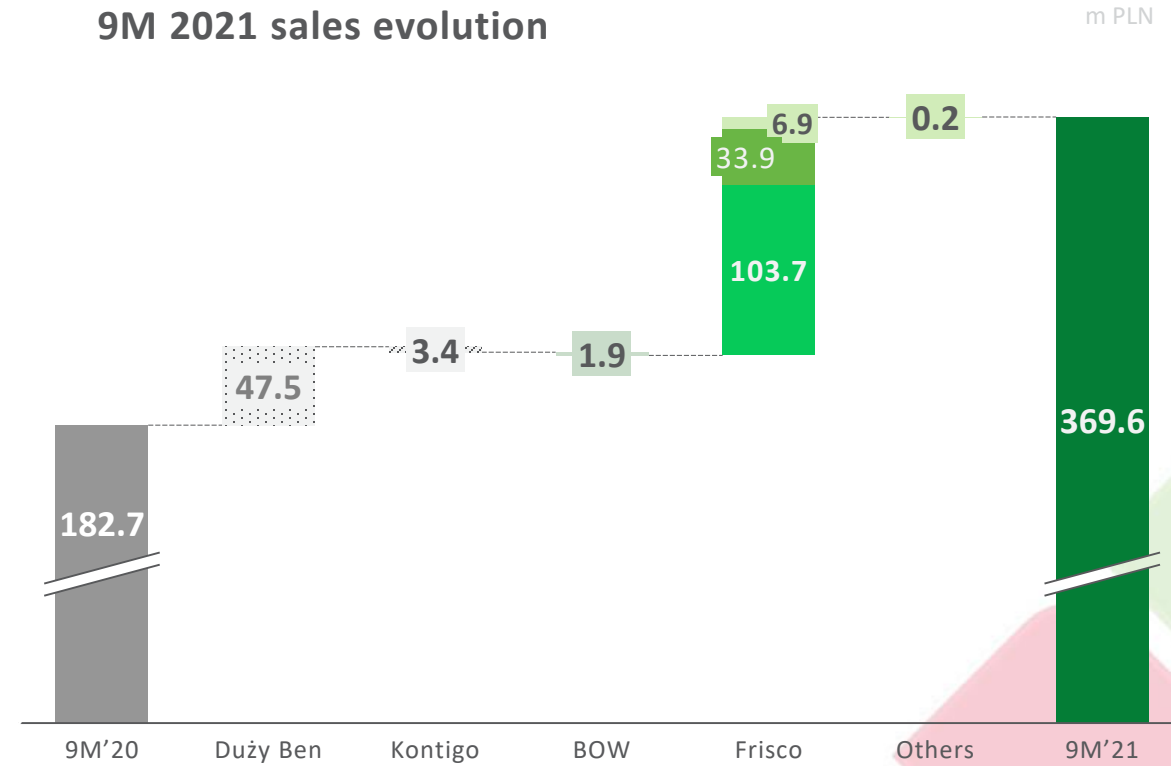
m PLN



PLN 22 m negative impact of 59 own stores on segment sales



9M 2021 sales evolution



Sales increase thanks to Frisco growth

First year of Frisco full consolidation in Group sales:

- PLN 6,9 m Frisco sales increase in Q3 2021
- PLN 33,9 m Frisco sales increase in HY 2021
 - PLN 103.7 m sales in HY 2020