



# Eurocash Group

## Consolidated Q2 & HY 2021 Financial Results



# Agenda

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# 01.

## Executive summary



## Group sales +2% YoY, + PLN 100 m operating cash flow YoY

### Wholesale – small format decline & further digitalization

- weak HY for small format according to Nielsen and CMR data
- slight Cash&Carry decrease offset by Distribution and Food Service rebound

**Sales +0,26% YoY  
EBITDA +5% YoY**

### Retail – own stores weak performance

- 59 own stores to be closed till the end of the year
- partnership stores good performance, Inmedio strong sales rebound

**Sales +1,5% YoY  
EBITDA -104% YoY**

### Projects – all formats expansion & sales increase

- Frisco in Poznań, HY Warsaw LfL 22%
- Duży Ben with 158 stores at the end of June 2021

**Sales +199,37% YoY  
EBITDA -19% YoY**

**PLN 94 m net loss in Q2'21 due to PLN m 80 write off in retail segment and weak own stores performance**

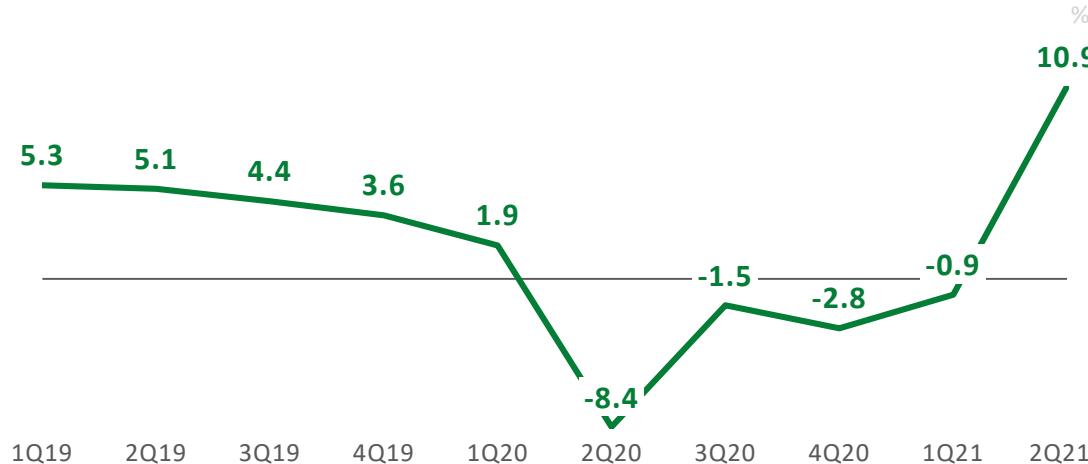


## 02.

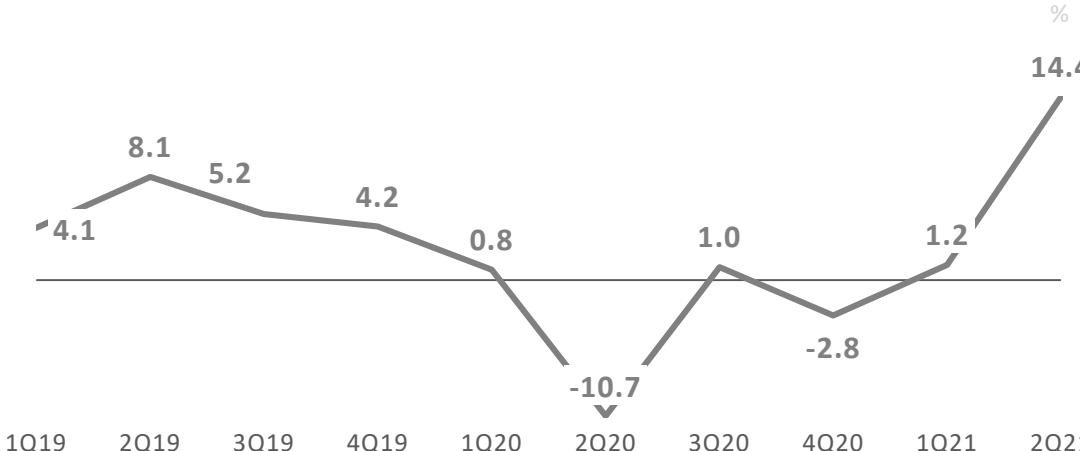
# Macro environment



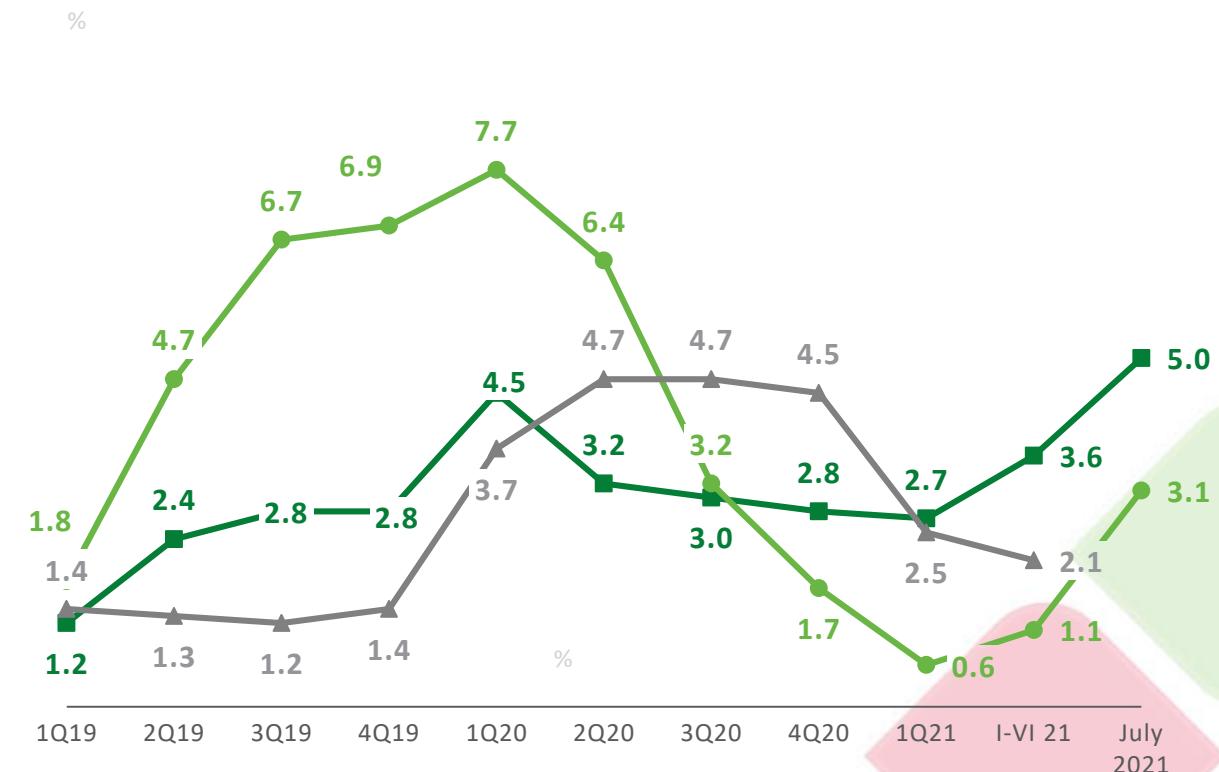
### Polish GDP growth



### Retail sales growth in Poland



### Inflation



CPI

CPI – food and non-alcoholic beverages

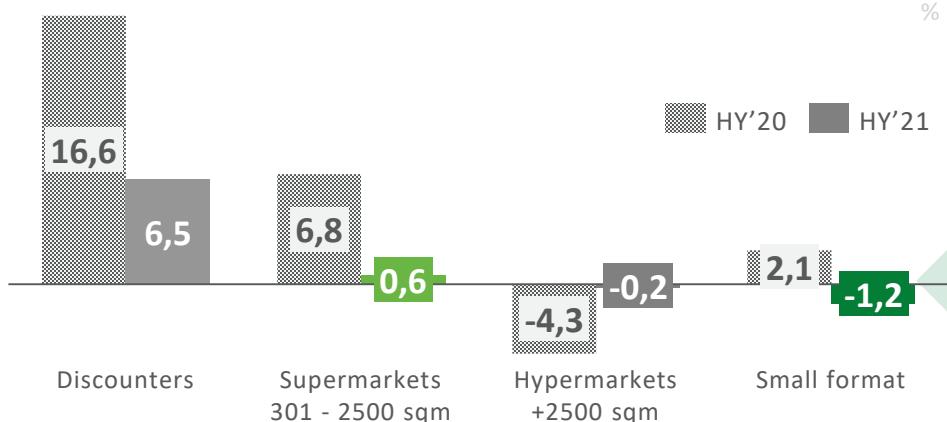
CPI – tobacco and alcoholic beverages



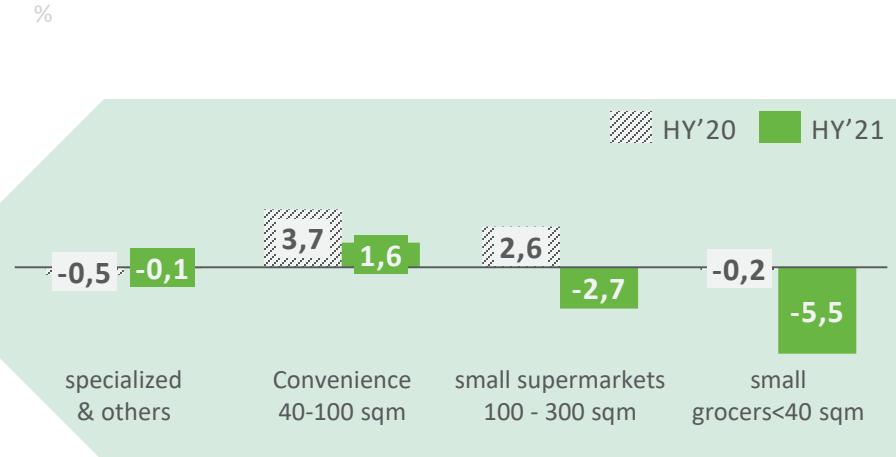
## 03. Market data



### 2021 HY vs. 2020 HY Polish food market growth\*

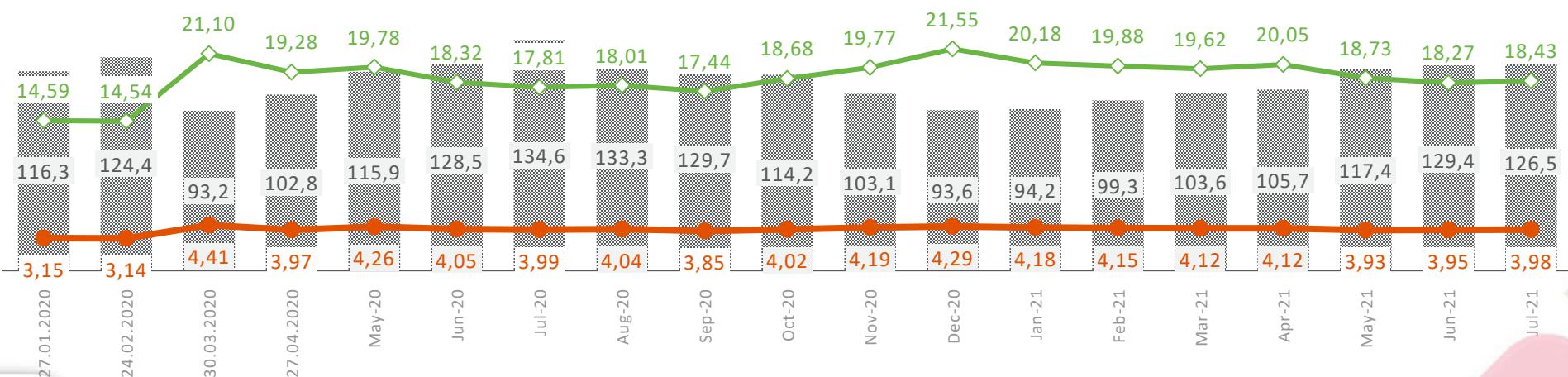


### 2021 HY small format stores growth\*



second quarter of weak small format performance

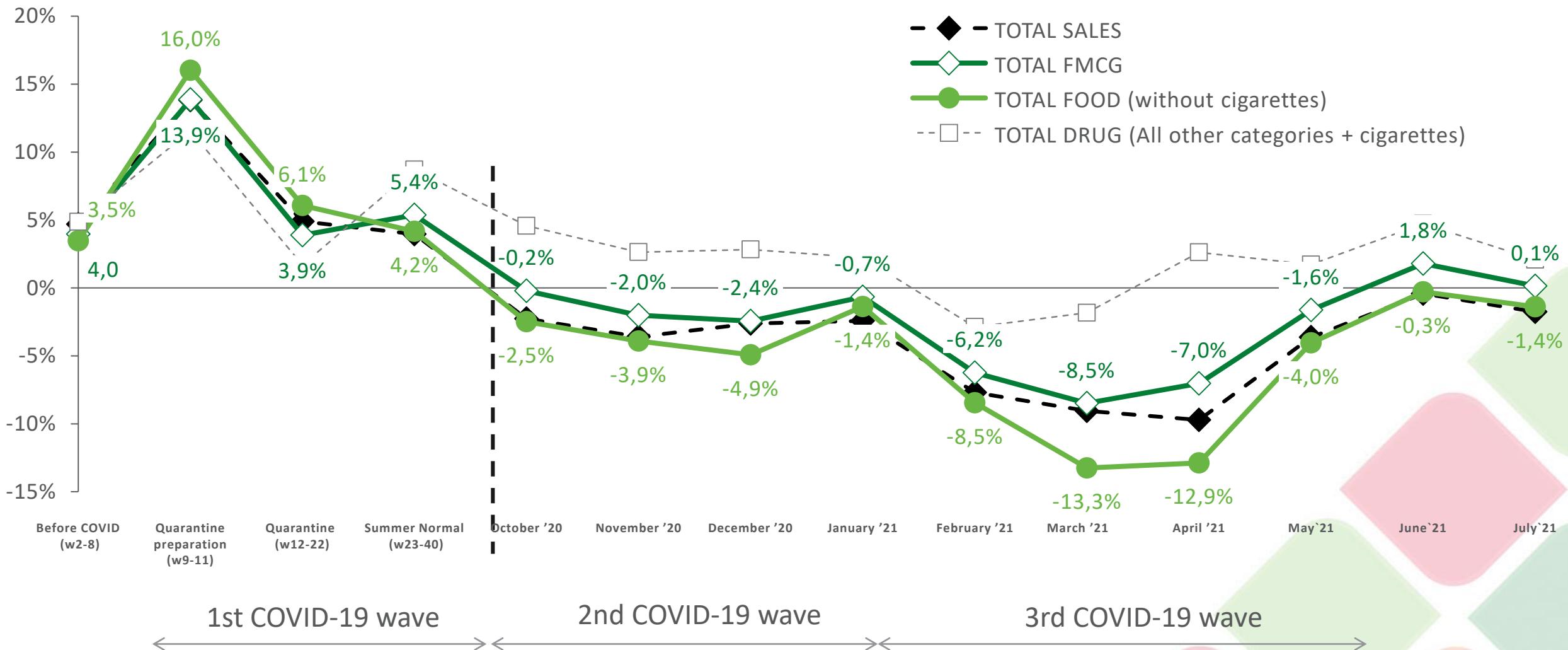
### Transaction Value Groceries 0-500 sqm (incl. Alcohol Stores)\*\*



stable number of transactions and basket value

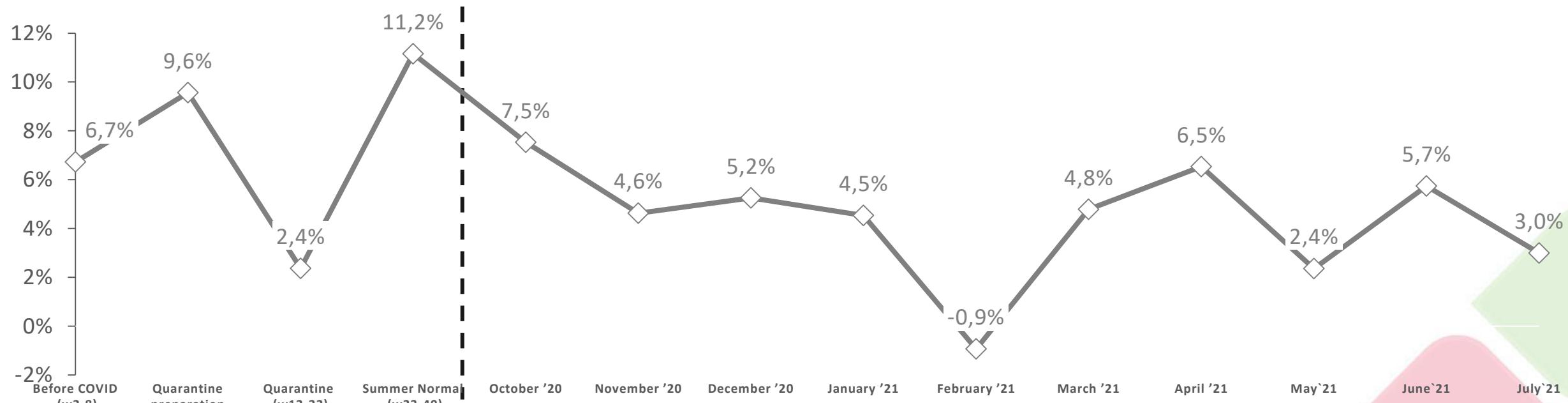


## Sales growth YoY (stores 0-500 sqm)





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



1st COVID-19 wave

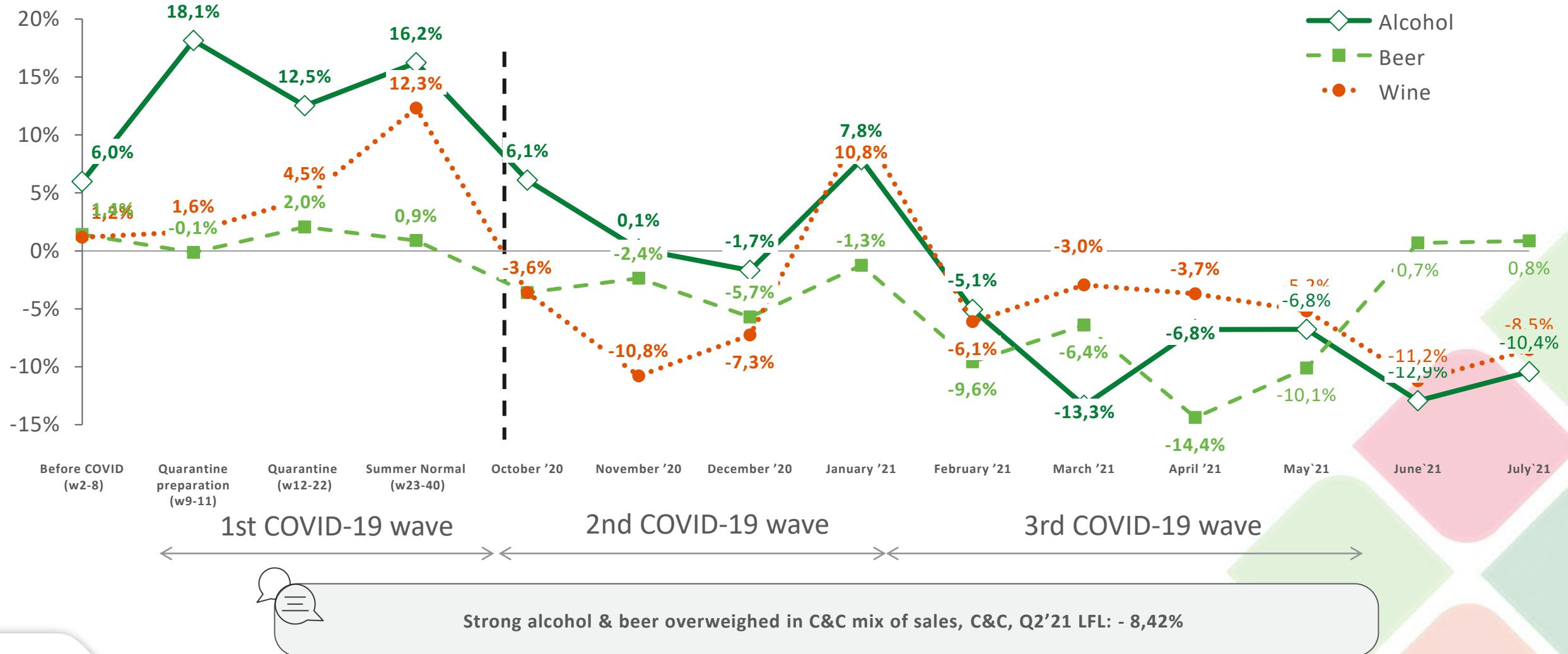
2nd COVID-19 wave

3rd COVID-19 wave


 Eurocash Serwis stable results YoY



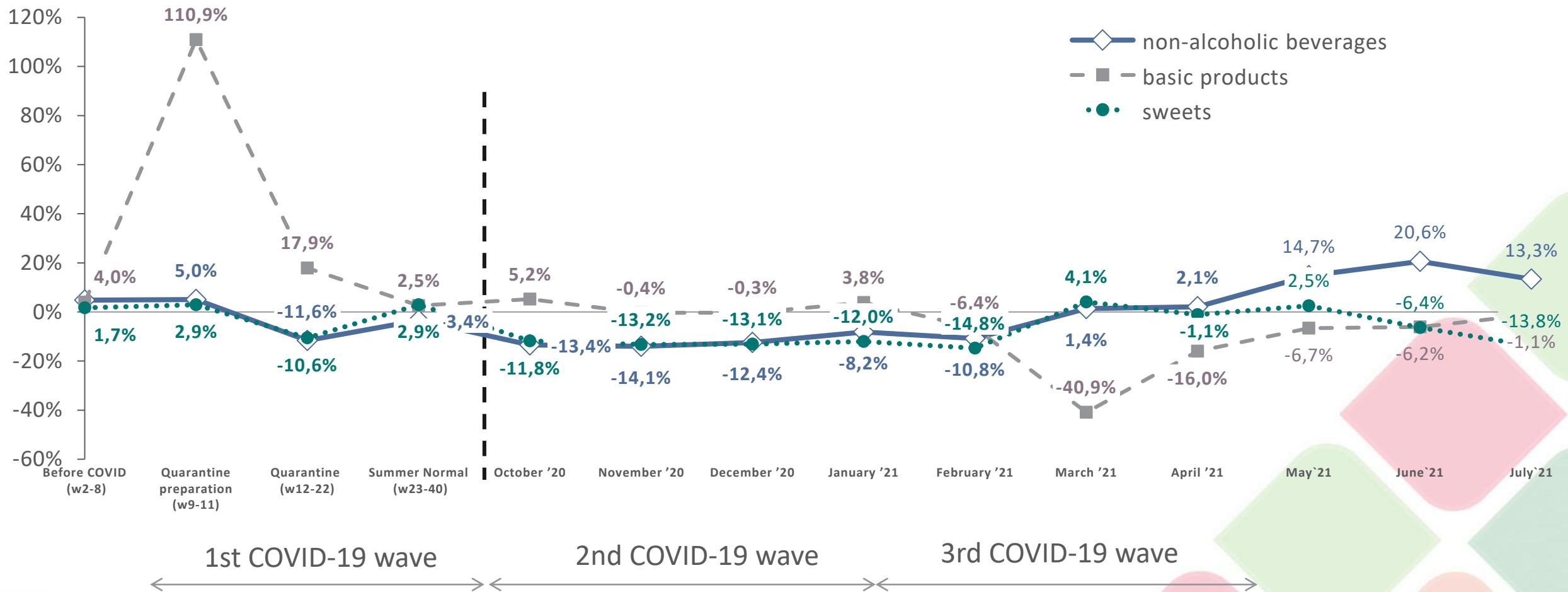
## Sales growth YoY (stores 0-500 sqm) Alcohol





## Sales growth YoY (stores 0-500 sqm)

### *Non-alcoholic beverages, basic, sweets*

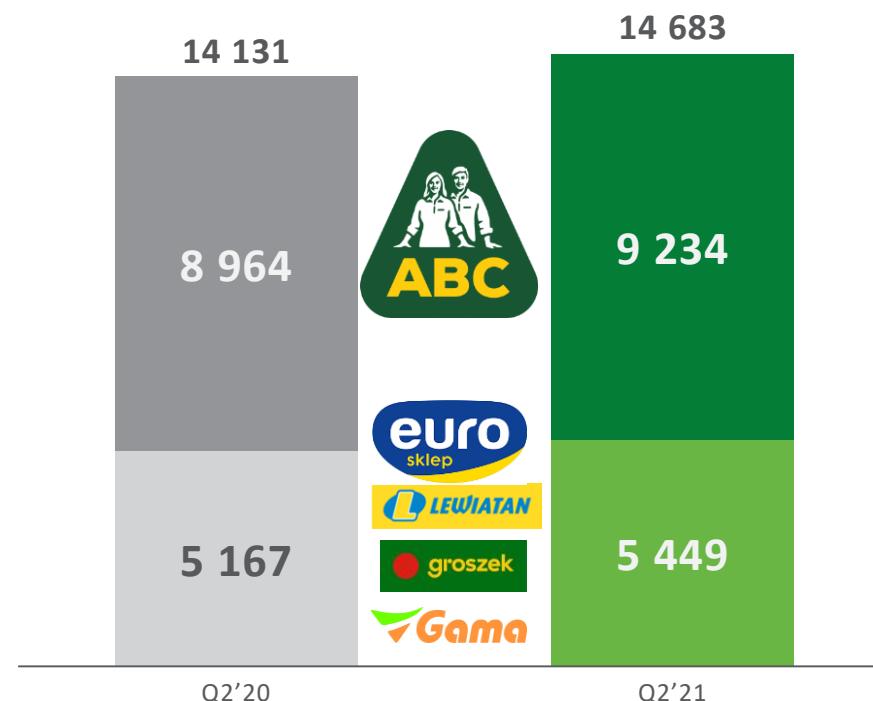




## 04. Wholesale segment



### Chain of franchise stores organized by the Eurocash Group



increasing number of „soft” franchise  
in wholesale segment



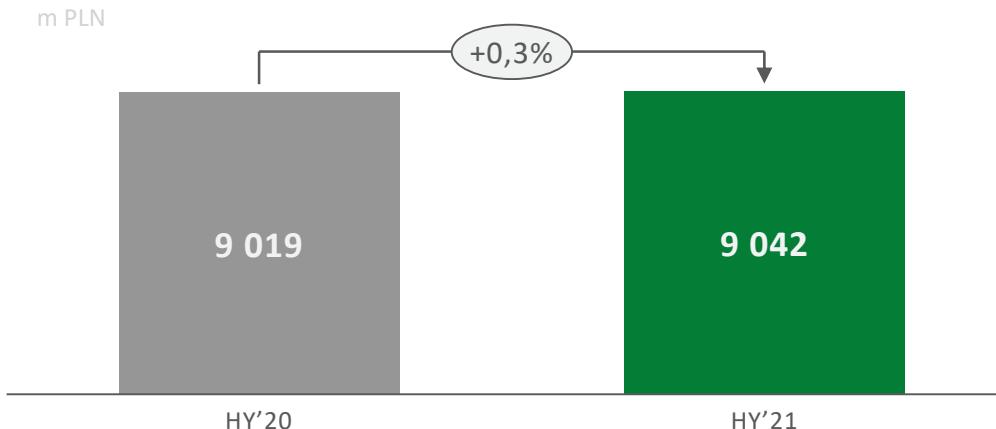
	January 2021	June 2021
Number of users (ths)	23.5	25.7
% sales* done via Eurocash.pl	36.1%	36.7%



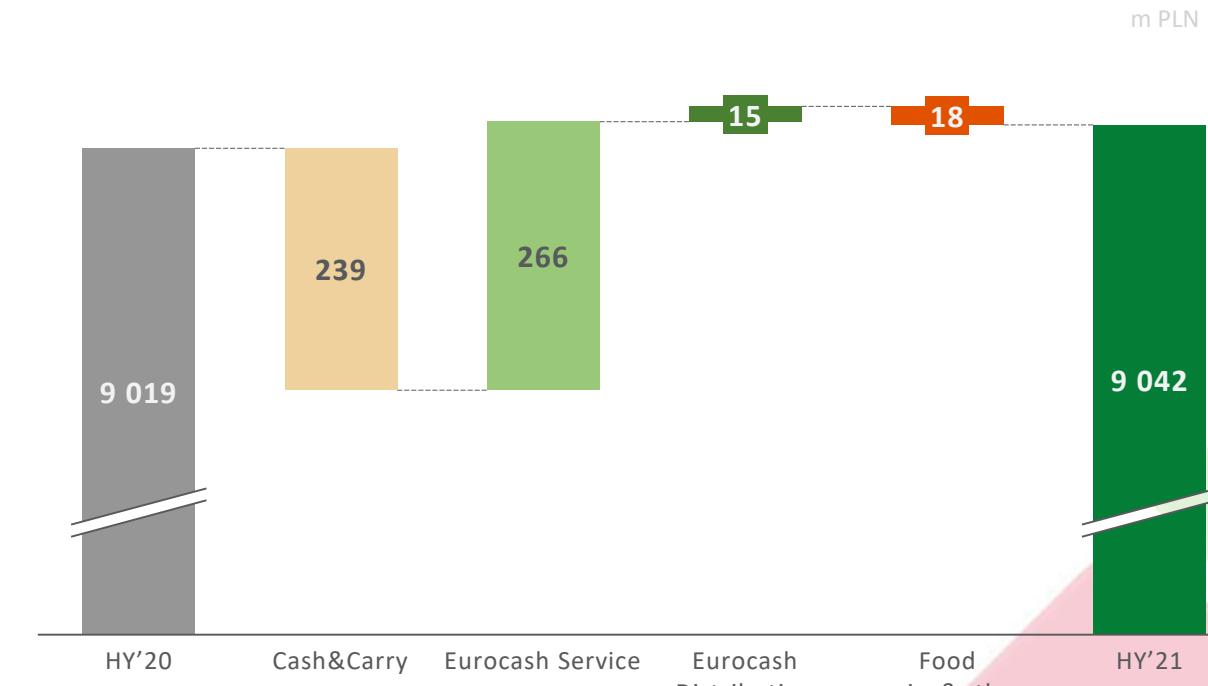
ongoing focus on digitalization in wholesale  
segment, increasing number of Eurocash.pl users



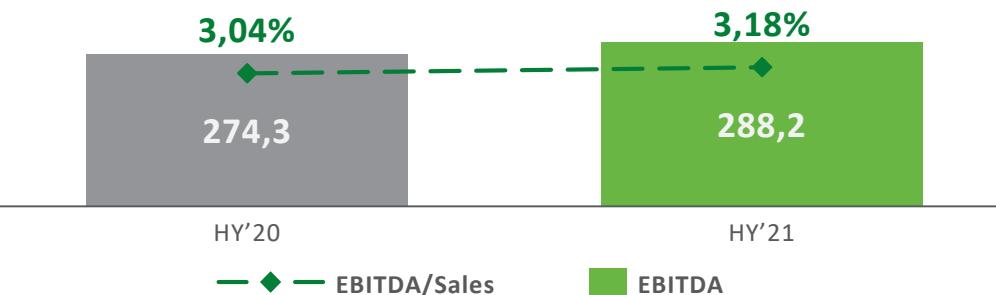
## HY 2021 sales



## HY 2021 sales evolution



## HY 2021 EBITDA and EBITDA margin



**HY'21 flat sales due to weak market conditions, higher EBITDA thanks to strong Eurocash Distribution performance and Food Service rebound**

**Cash&Carry sales decrease offset by Eurocash Service strong YoY growth and Food Service rebound in Q2'21**



## 05. Retail segment

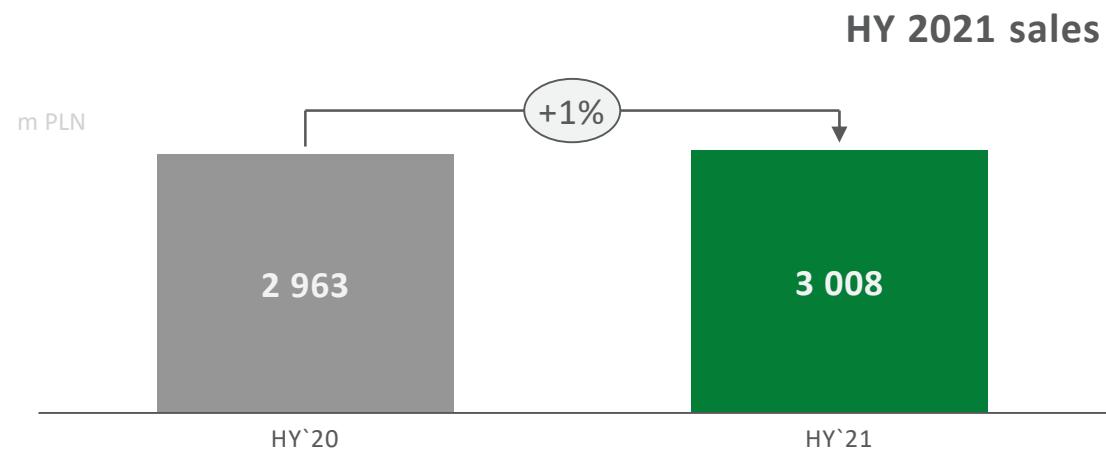


## Main KPIs

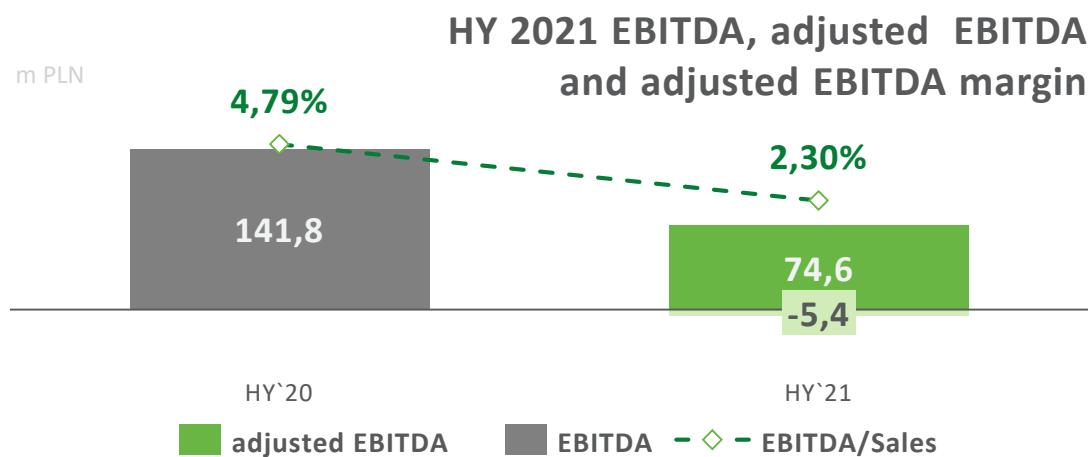
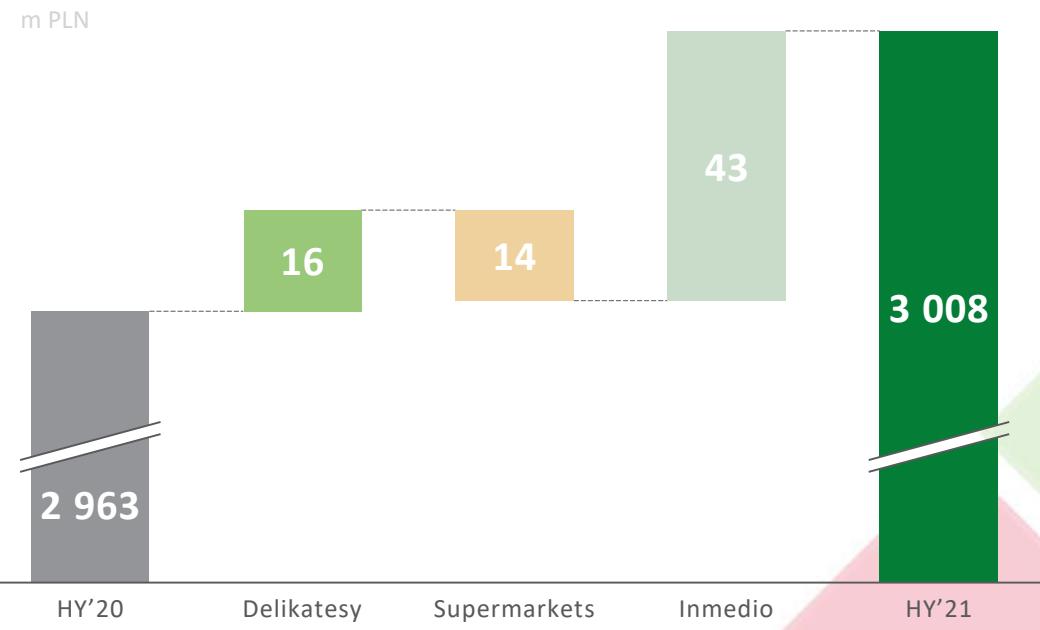
	158 partner stores (Rogala+FHC-2)		973 franchise stores		429 own stores	
	HY 2020	HY 2021	HY 2020	HY 2021	HY 2020	HY 2021
average store size (sqm)	330	332	219	221	357	353
Sales per store (k PLN)	532	549	400	394	439	395
sales per sqm (k PLN)	1.6	1.7	1.8	1.8	1.2	1.1
LFL	8.0%	3.7%	5.5%	-2.2%	-2.5%	-7.6%



weak HY for small format according to Nielsen and CMR data,  
59 own stores to be closed



## HY 2021 sales evolution



 weak segment performance due to own stores results  
59 own stores to be closed till the end of 2021 ->  
PLN 80 m write-off in 2Q'21

 Delikatesy Centrum LFL: -1,17%,  
wholesale LFL: 0,33%  
Inmedio strong sales rebound in Q2



## 06. Projects segment



## HY 2021



- Sales Warsaw: 126,7m PLN,
- Sales Wrocław: 10,5 m PLN
- Sales Poznań: 0,37m PLN

**+32.7% sales YoY**



Poznań  
hybrid warehouse  
2Q 2021

Warsaw  
automated hybrid  
warehouse

Wrocław  
hybrid warehouse



Kontigo

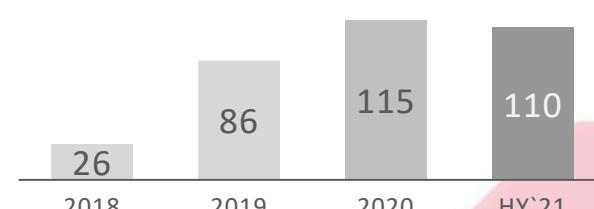
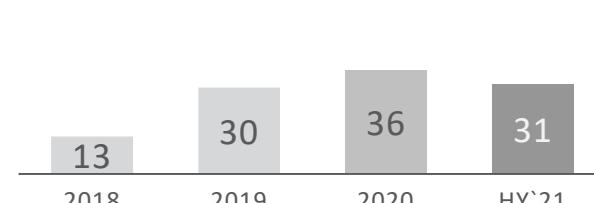


- Sales: 77,4m PLN
- LFL 13,3%
- BEP=120 stores

- Sales: 15,8 m PLN
- LFL -8%
- BEP=50 stores

- Sales: 14,8m PLN
- LFL -6%
- BEP= 150 cars

## Number of stores

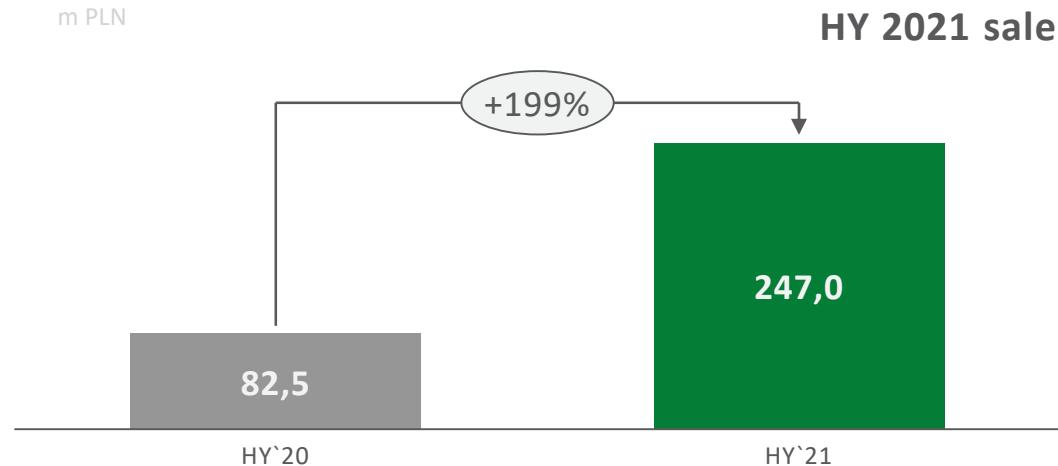


Strong expansion in Duży Ben and Frisco, slower in Kontigo and ABC on wheels due to pandemic.

## 06. Projects segments

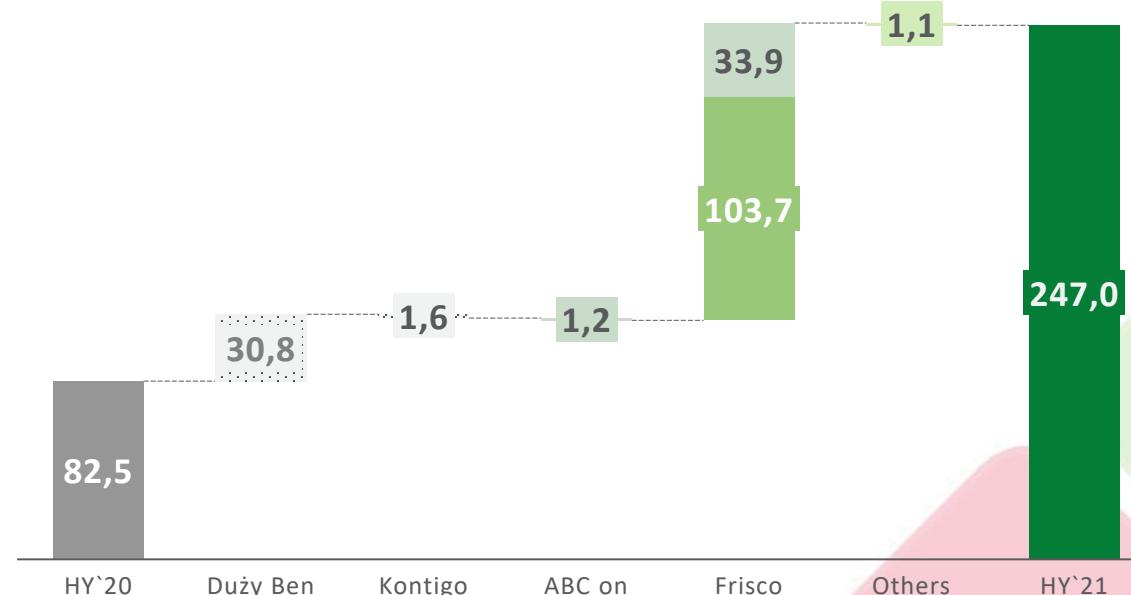


m PLN

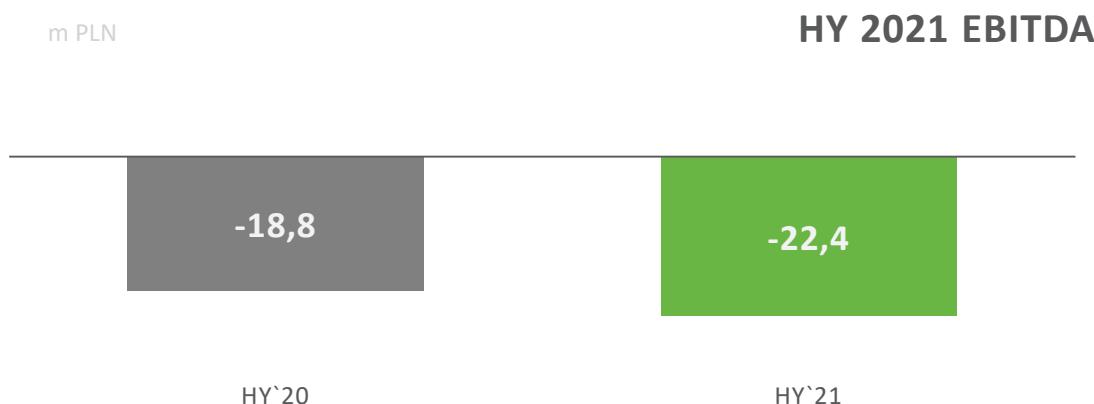


### HY 2021 sales evolution

m PLN



m PLN



Frisco and Duży Ben strong expansion

First year of Frisco full consolidation in Group sales:

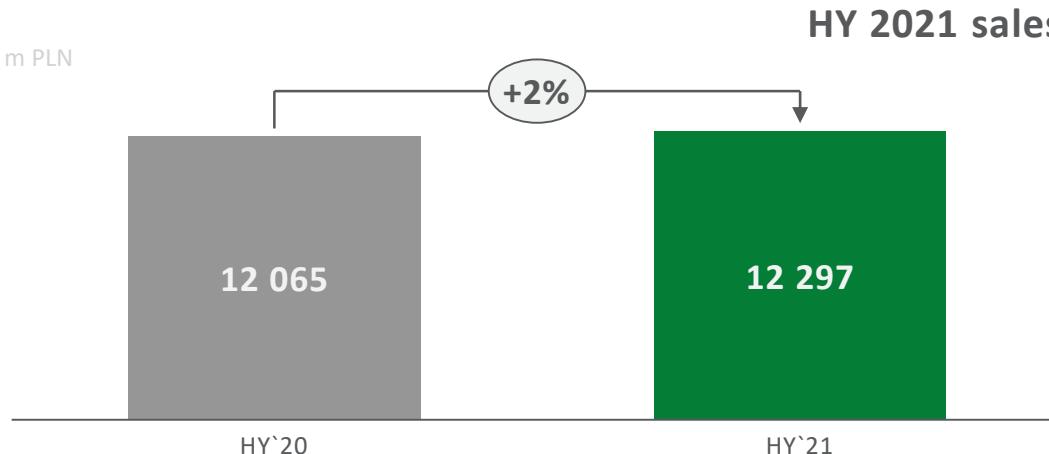
- PLN 103.7 m Frisco sales in HY 2020
- PLN 33.9 m Frisco sales increase YoY



## 07. Consolidated financial results

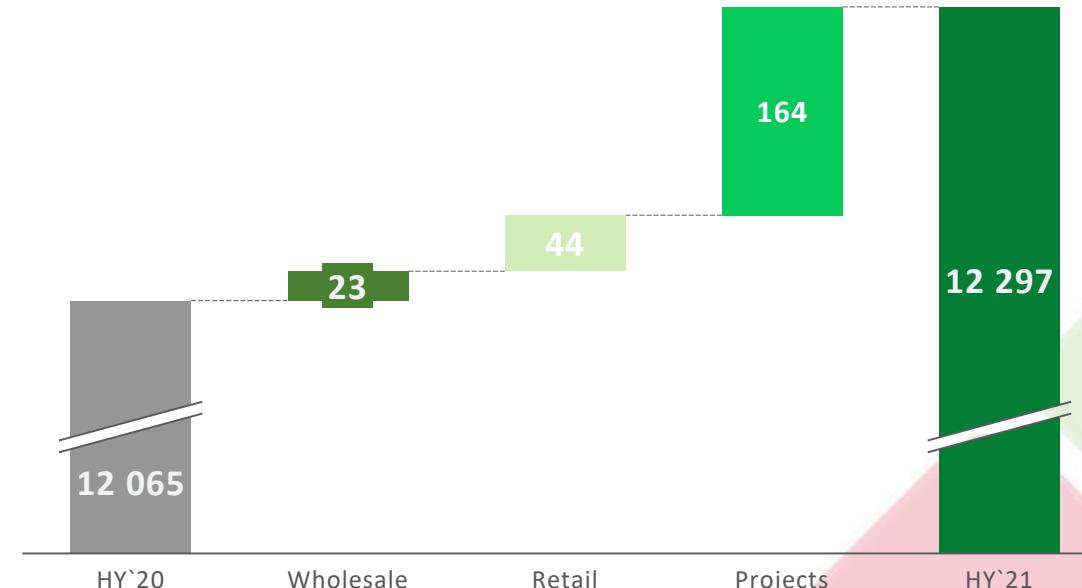


m PLN

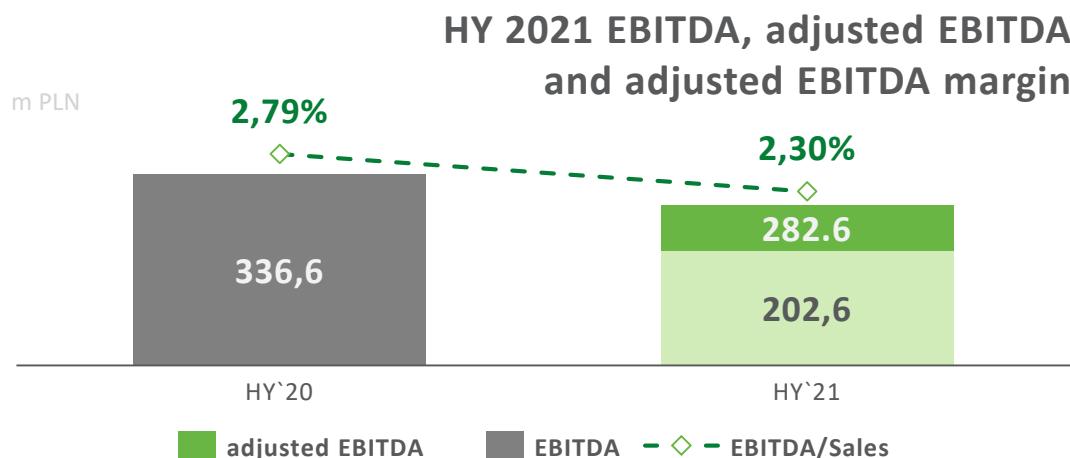


### HY 2021 sales evolution

m PLN



m PLN

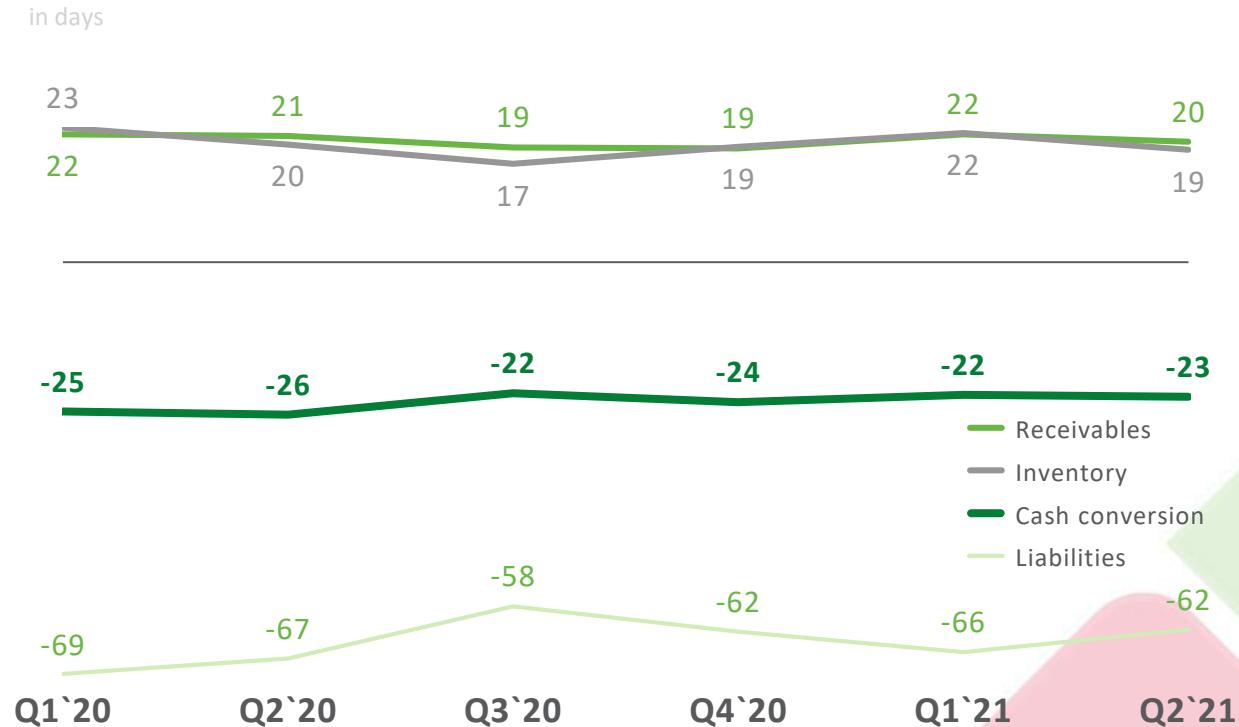


**Q2'21 EBITDA decrease due to PLN 80 m write – off in retail segment and weak Delikatesy Centrum own stores performance**

**sales increase due to Eurocash Service strong growth, Food Service & Inmedio rebound and Frisco expansion**

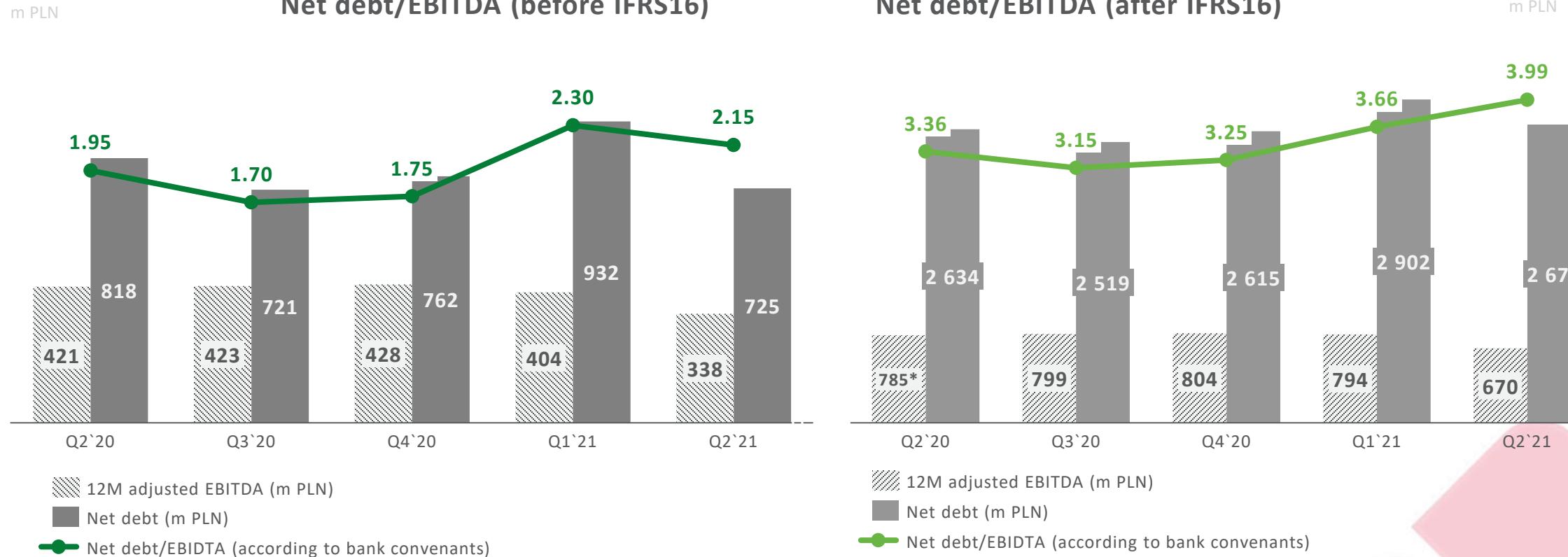


	<b>HY 2021 cash flow</b>	
	m PLN	
	<b>HY`21</b>	<b>HY`20</b>
<b>Net operating cash flow</b>	322,99	220,62
Net profit (loss) before tax	(132,95)	(11,72)
Depreciation	294,26	274,86
Change in working capital	71,56	(19,08)
Other	90,12	(23,43)
<b>Net investment cash flow</b>	(81,10)	(225,88)
<b>Net financial cash flow</b>	(244,88)	60,81
<b>Total cash flow</b>	(2,99)	55,55

**HY 2021 cash conversion**

safe level of cash flow, allowing the continuation of the investment strategy, including M&A

stable cash conversion level of -23 days



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

\*Impact of IFRS16 on EBITDA amounted in 2019 is: PLN 376 m. This value has been added to 12M EBITDA in each quarter of 2020 & 2021.



# Thank you!

IR contact

Magdalena Kupiec

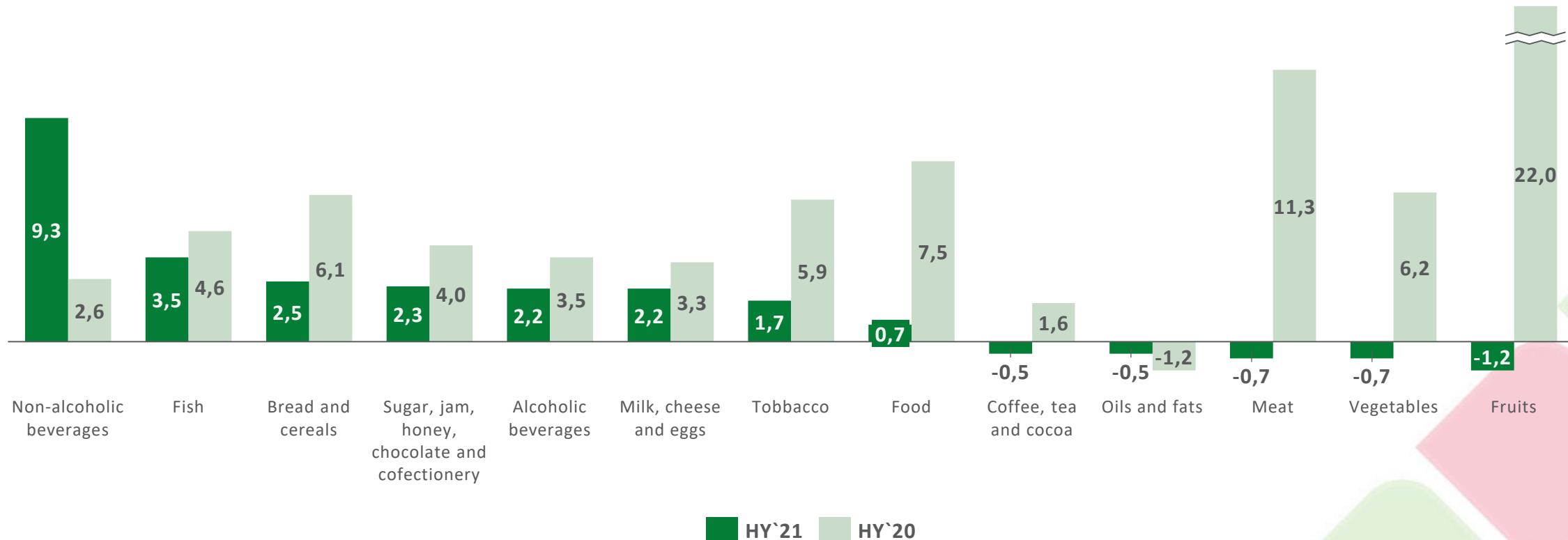
Email: [magdalena.kupiec@eurocash.pl](mailto:magdalena.kupiec@eurocash.pl)  
tel. +48 784 472 068

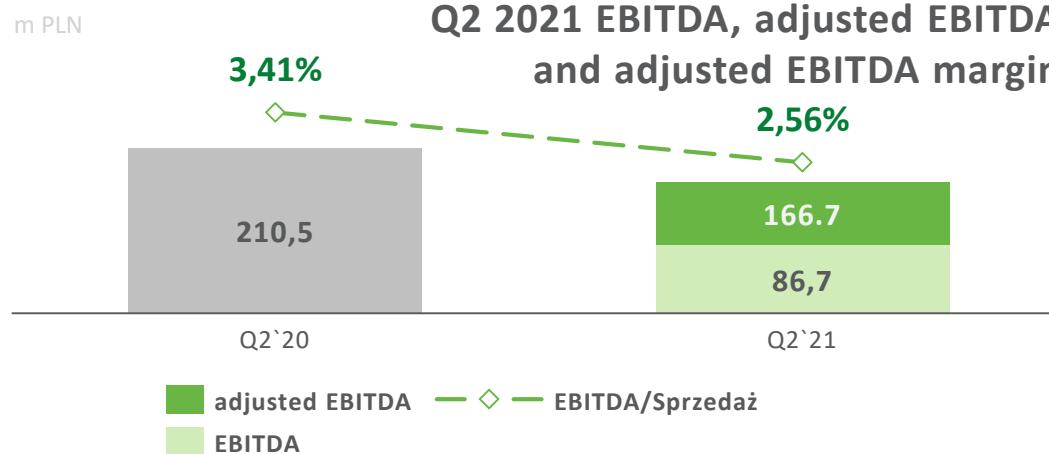
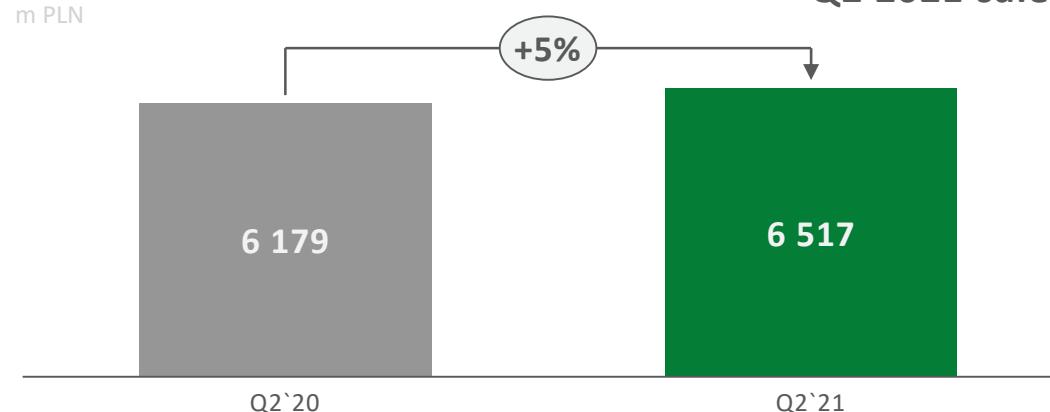


## 08. Appendix



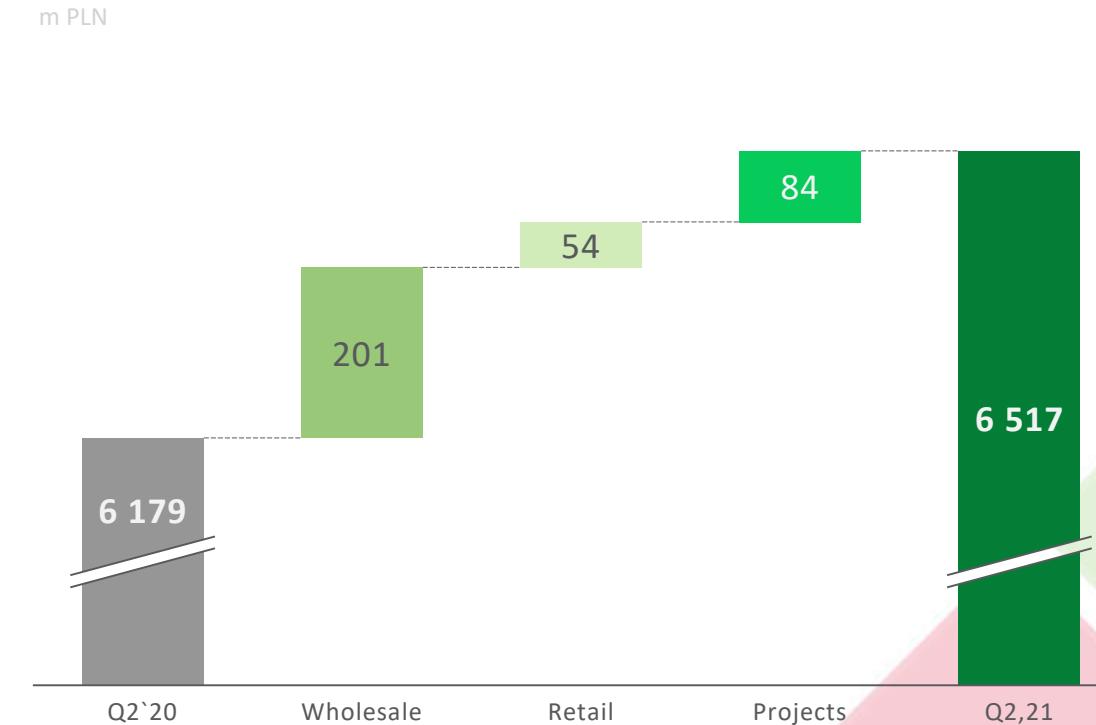
### Inflation by category 2021 HY vs. 2020 HY



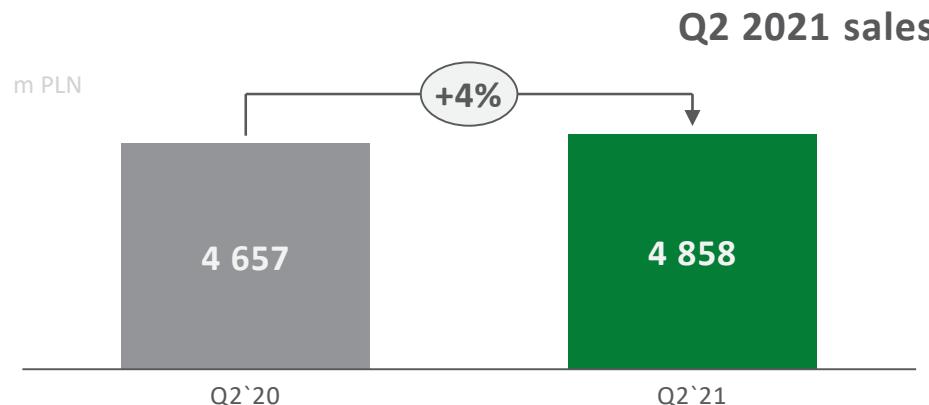


Q2'21 EBITDA decrease due to PLN 80 m write – off in retail segment and weak Delikatesy Centrum own stores performance

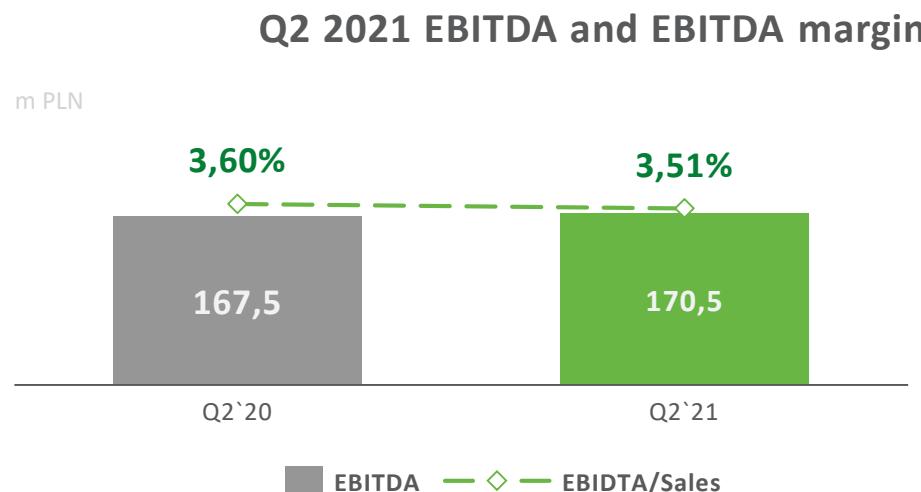
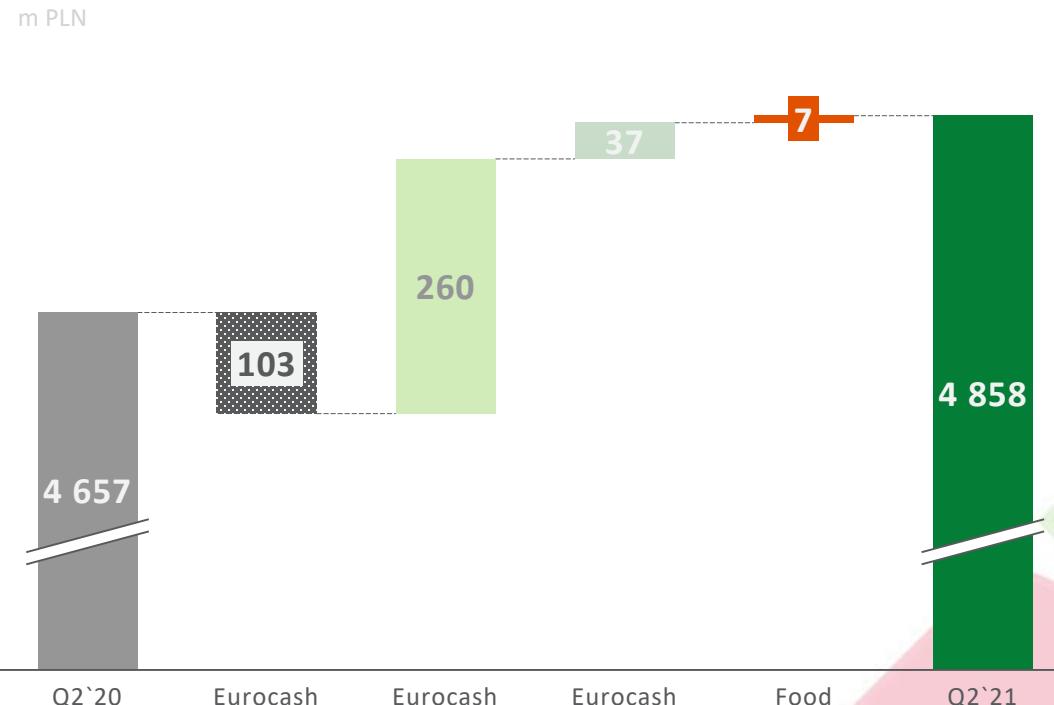
## Q2 2021 sales evolution



sales increase due to Eurocash Service strong growth, Food Service & Inmedio rebound and Frisco expansion

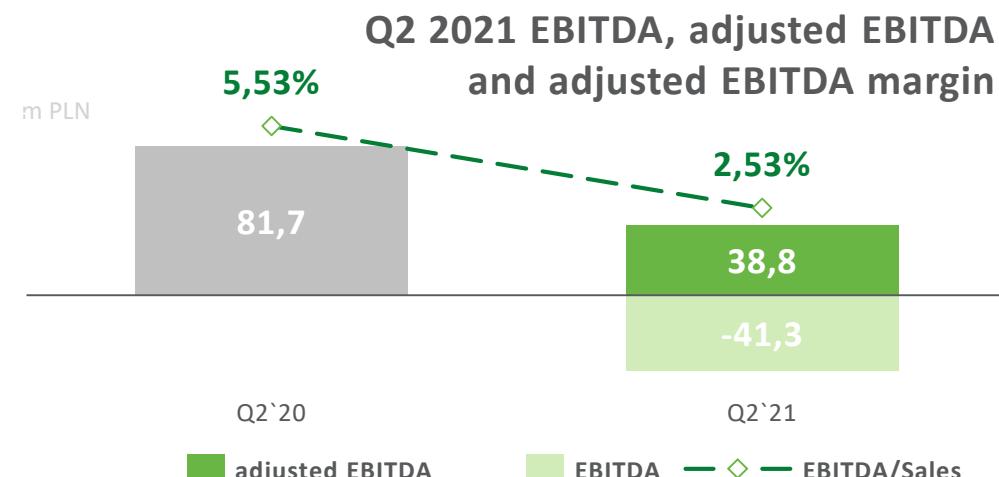
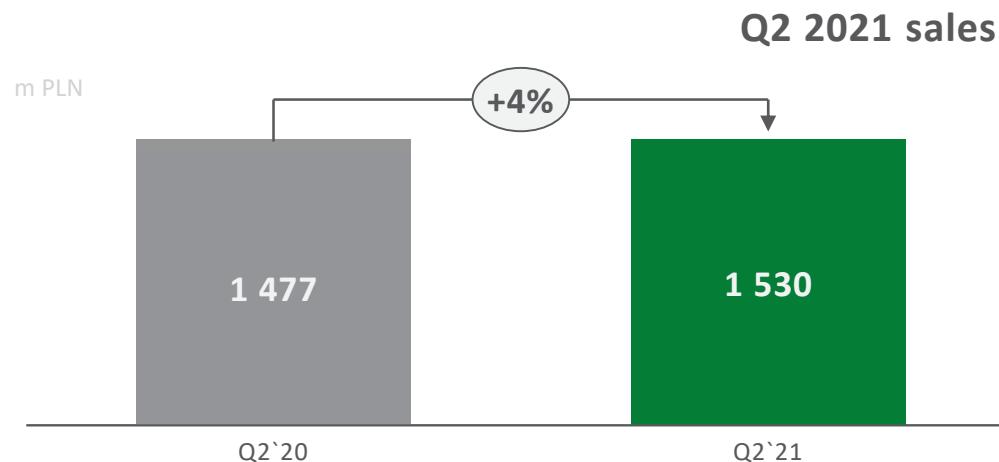


## Q2 2021 sales evolution



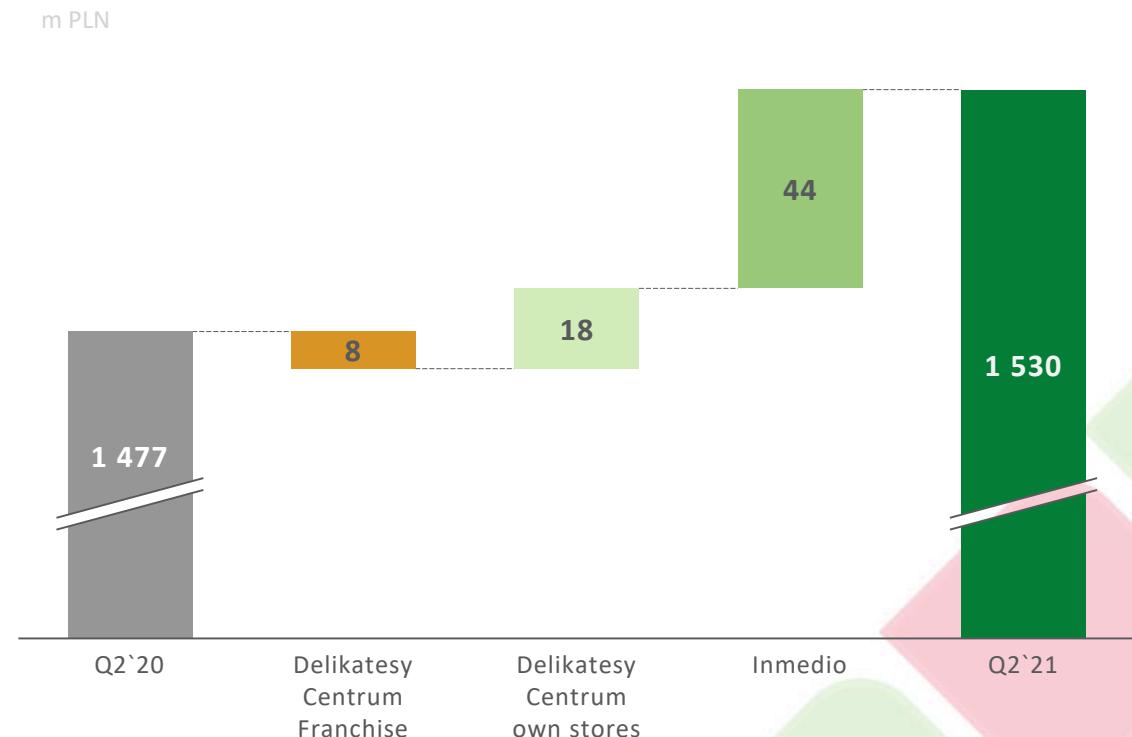
weaker Cash&Carry Q2 YoY performance offset by strong Eurocash Service and Distribution results and Food Service rebound YoY

Eurocash Service strong YoY growth, Food Service rebound, Cash& Carry sales decrease due to lack of traffic on streets (lockdown in April)



weak segment performance due to own stores results  
59 own stores to be closed till the end of 2021 ->  
PLN 80 m write-off in 2Q'21

## Q2 2021 sales evolution

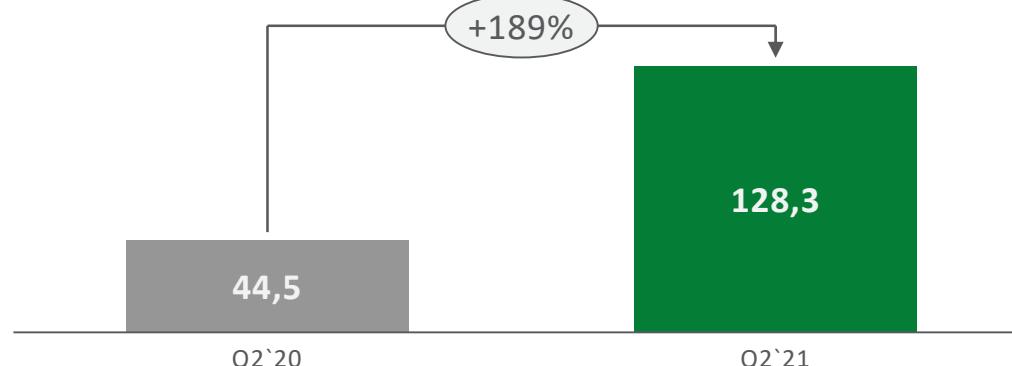


Delikatesy Centrum LFL: 1,54%,  
Delikatesy Centrum wholesale LFL: -1,72%  
strong Inmedio rebound YoY



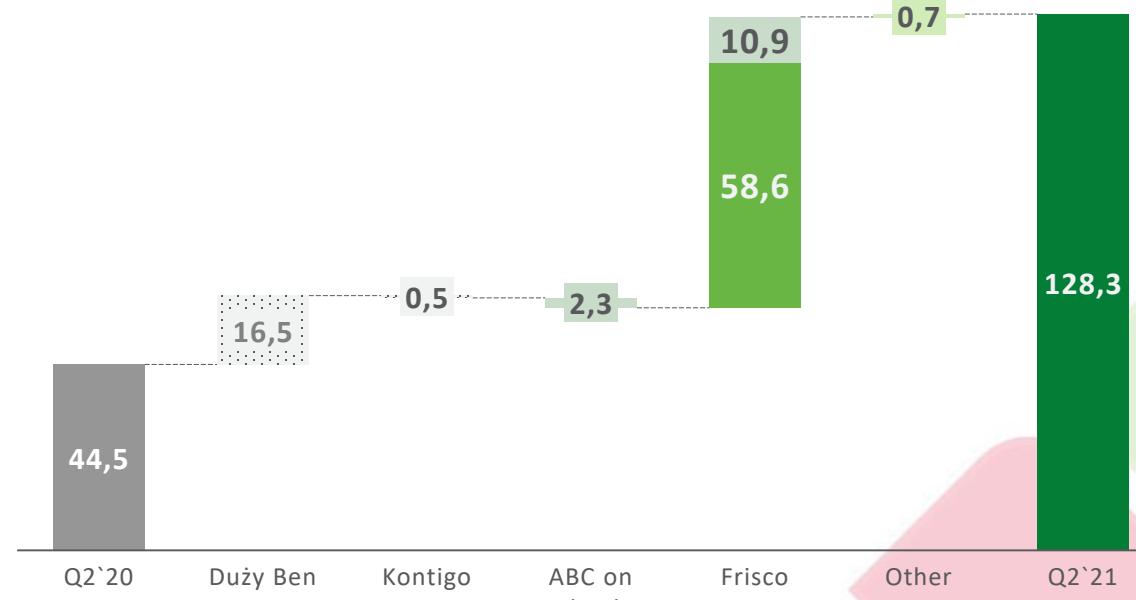
m PLN

### Q2 2021 sales



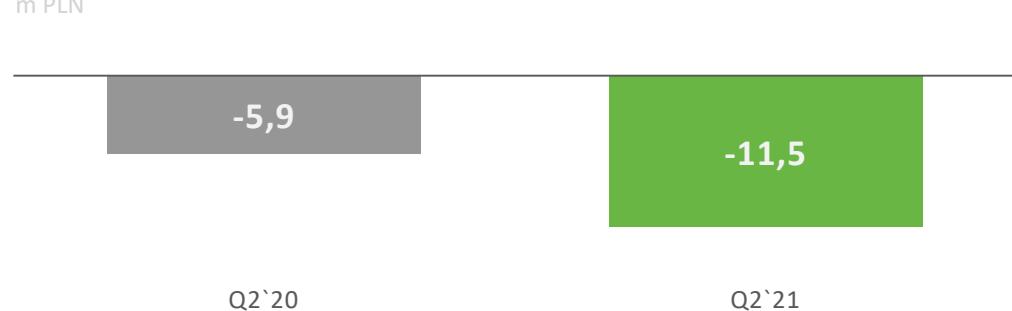
### Q2 2021 sales evolution

m PLN



m PLN

### Q2 2021 EBITDA



Frisco and Duży Ben strong expansion

First year of Frisco full consolidation in Group sales:

- PLN 58.6 m Frisco sales in Q2 2020
- PLN 10.9 m Frisco sales increase YoY