



Eurocash Group

3Q 2022 Financial Results



The highest to date EBITDA for the quarter: 177m PLN and LTM: 516m PLN (pre-IFRS16)

- Strategic target for 2025: PLN 1bn
- 3Q2022 status:

516m PLN

- Strategic target: x1,5 net debt / EBITDA
- In 3Q2022 the reduction of net debt and increase of EBITDA:

x1,48

- Expansion of IPH platform
- Cooperation with Comp SA
- Strategic target: 12,000 stores integrated on the platform in 2025

4.7 ths POS – 3Q *pro forma*

- No. of stores within Eurocash networks
- Includes owned, franchised and partnered stores
- Strategic target: +500 net stores annually 2023-2025

16,786
+171 stores added in 3Q2022



Wholesale - strong quarter in all Wholesale formats

- Nearly 4% of the EBITDA margin (IFRS16) in 3Q22 due to operating leverage
- Double-digit increases in sales of each wholesale format in 3Q22 and cumulatively

**Sales 3Q22 +14% y/y
EBITDA +48m PLN y/y**

Retail - another good quarter with 5.1% EBITDA margin achieved

- +16% LfL of DC's own stores, +21% LfL Inmedio in 3Q22
- PLN 102m EBITDA, +21% y/y
- PLN 2.49bn revenues LTM own DC stores

**Sales 3Q22 +26% y/y
EBITDA +18m PLN y/y**

Projects - Duży Ben's expansion and Frisco's growing sales

- Frisco: +47% sales y/y, PLN 85m in 3Q22
- Duży Ben with 277 stores, +26% increase in LfL sales in 3Q22

**Sales in 3Q22 +52% y/y
EBITDA -6m PLN y/y**

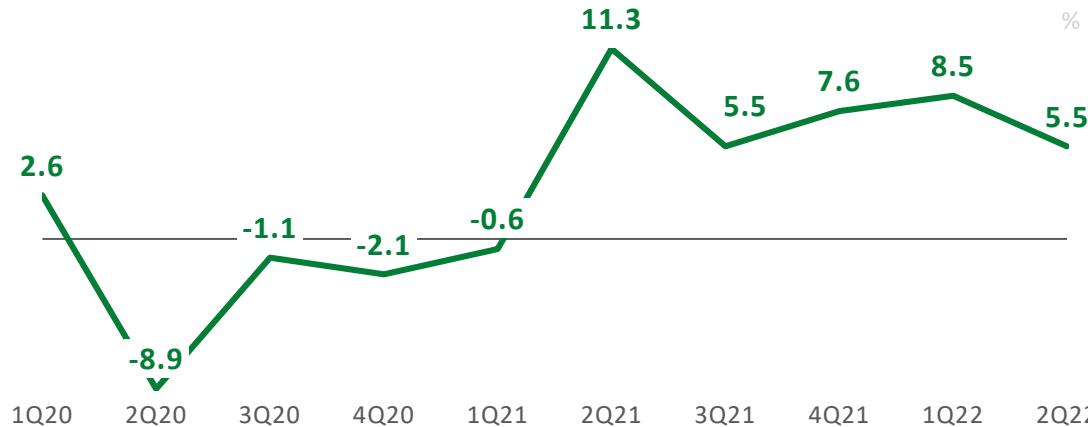


01.

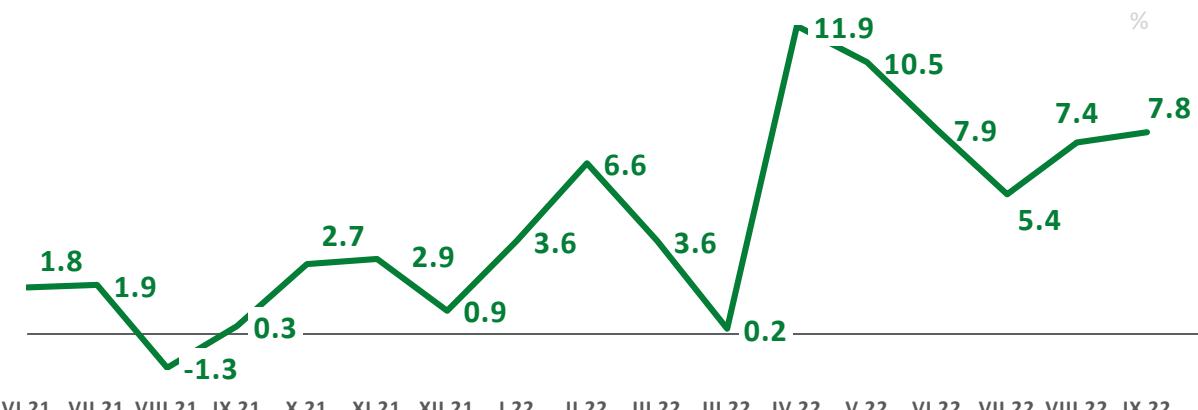
Macro & market



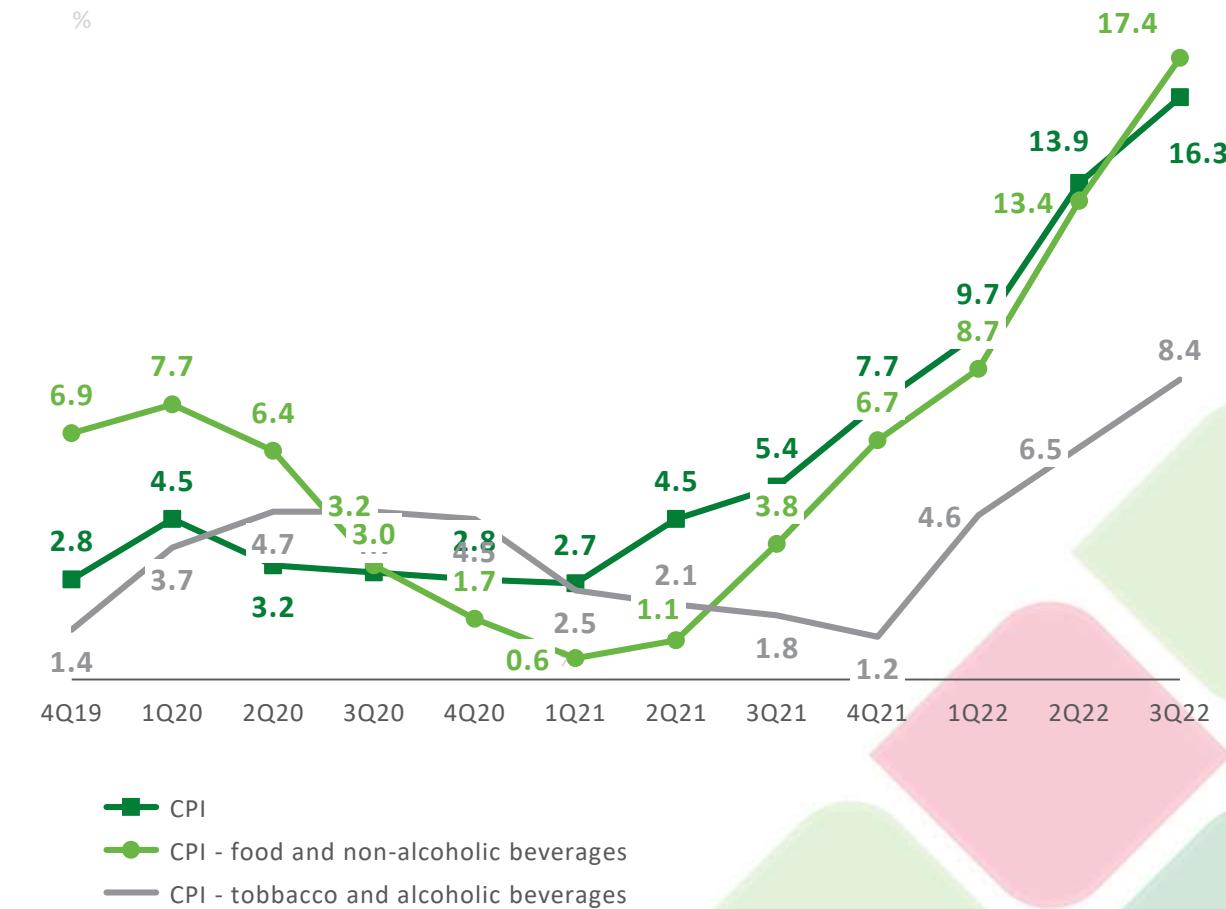
Polish GDP growth



Retail sales growth in Poland – food, beverages and tobacco

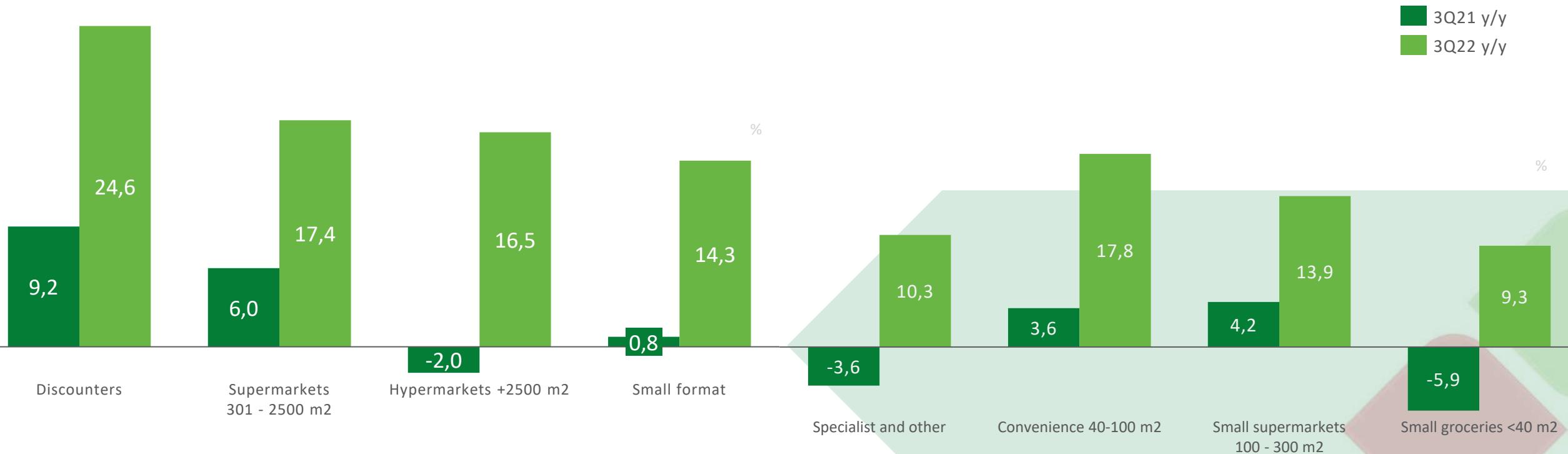


Inflation



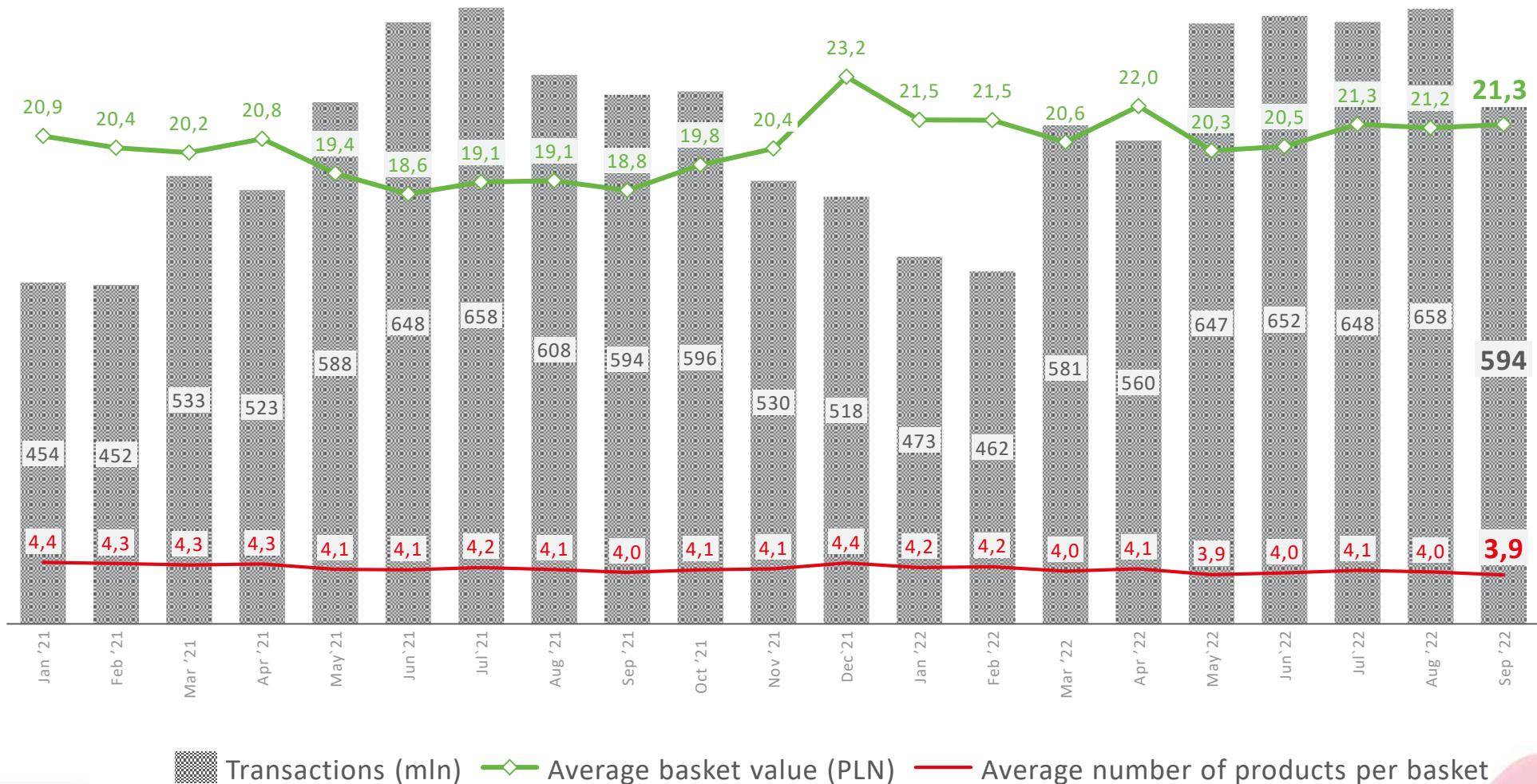


Food market growth in 3Q2022 by distribution channels, including small-format stores



Results improvement in all formats.
The least prospective shops with the smallest area (less than 40 m²)

Market data - Transactions and shopping cart in shops 0-500 m²

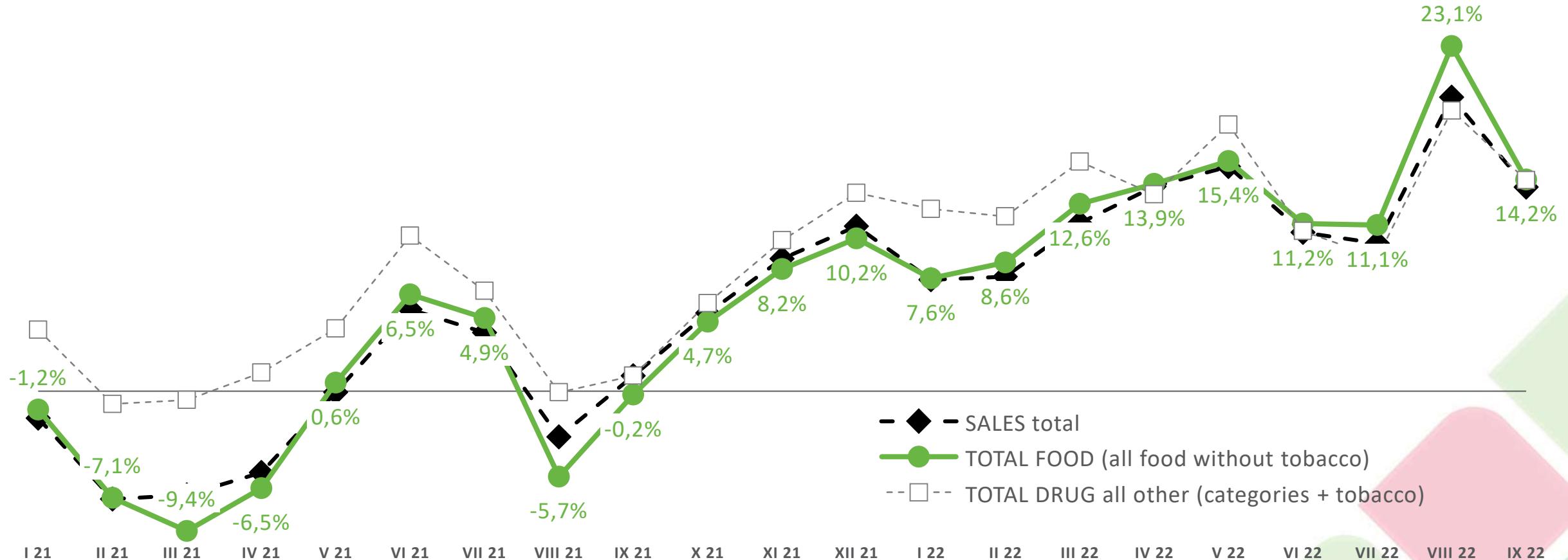


Stable basket value in
3Q22 and lower number of
transactions in September
(weather effect)

■ Transactions (mln) ■ Average basket value (PLN) ■ Average number of products per basket



Double-digit sales growth y/y in 2Q2022 (stores 0-500 m²)

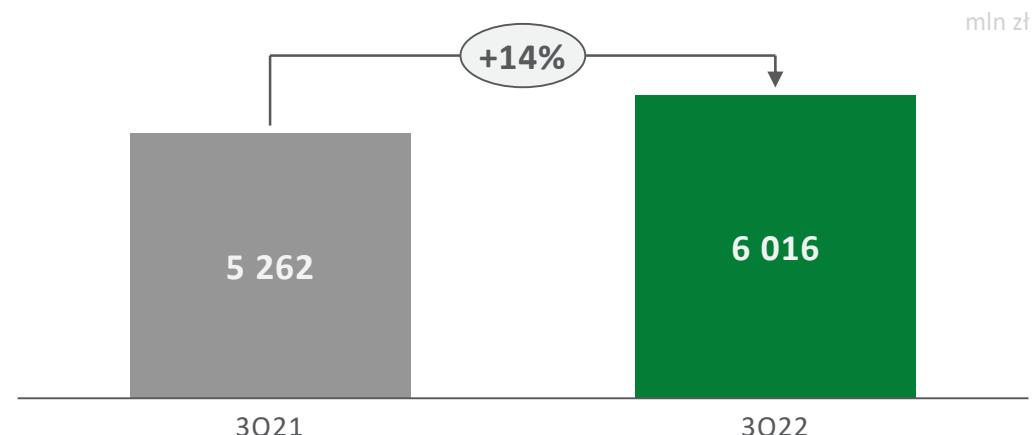




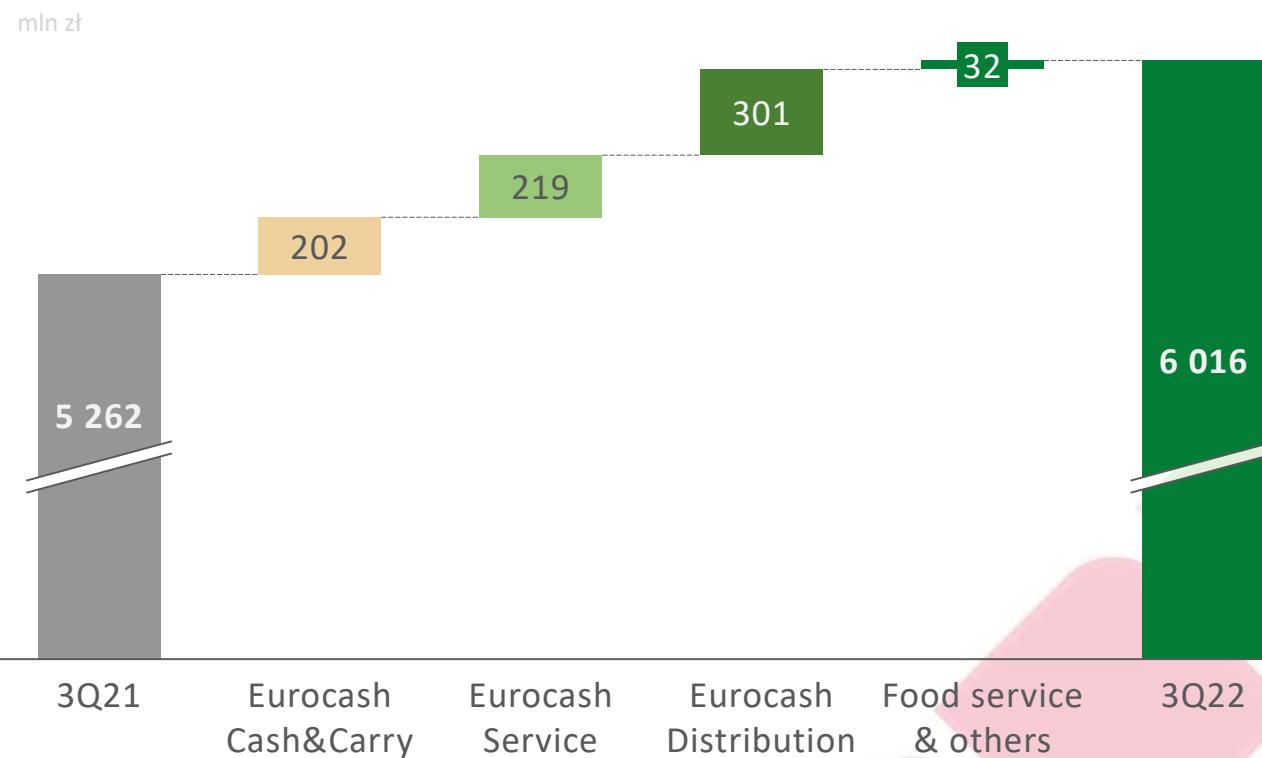
02. Wholesale segment



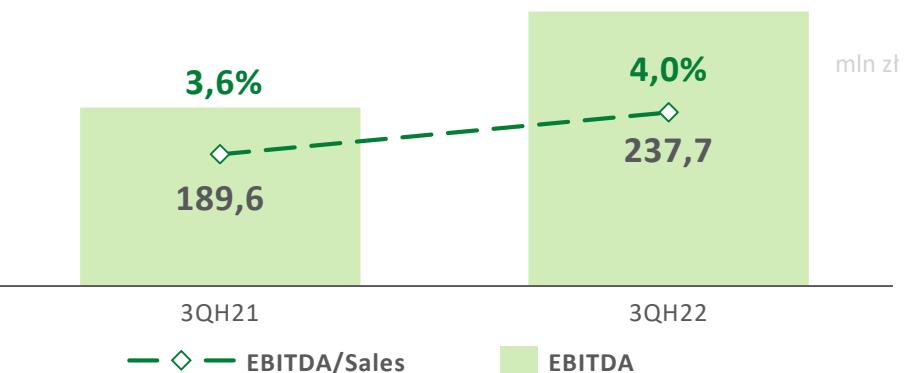
Sales evolution in 3Q2022 y/y



Sales evolution by formats in 3Q2022 y/y



EBITDA and EBITDA margin evolution of in 3Q2022 y/y

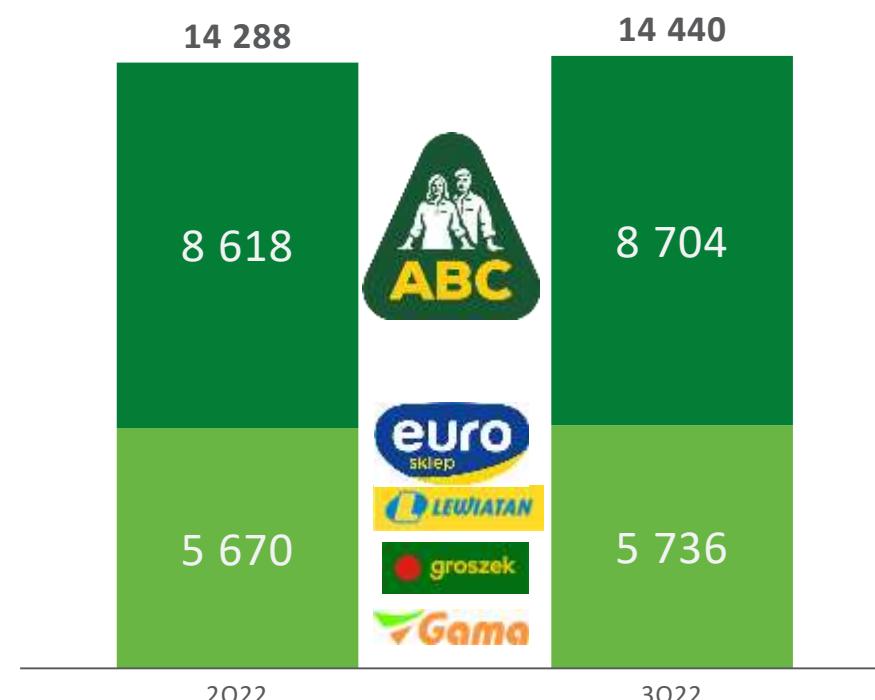


PLN 0,75bn increase in revenues generated +48m EBITDA at 6,5% margin => operating leverage

Strong quarter in all Wholesale formats



**Eurocash Group's franchise & partnership stores
within Wholesale segment**



Steadily growing number of partner and franchise stores



	September 2021	September 2022
Number of users (ths)	26,9	40,6
% sales done via Eurocash.pl	44%	55%

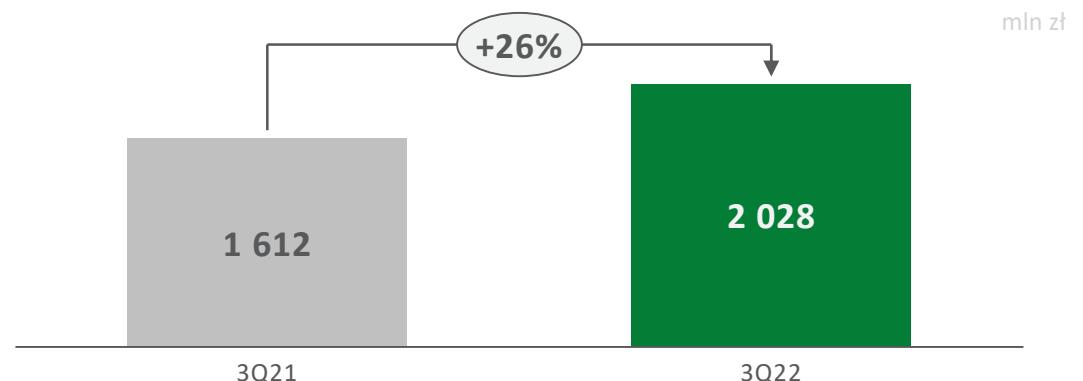
Progressive digitization of wholesale through the constant increase in the number of Eurocash.pl users



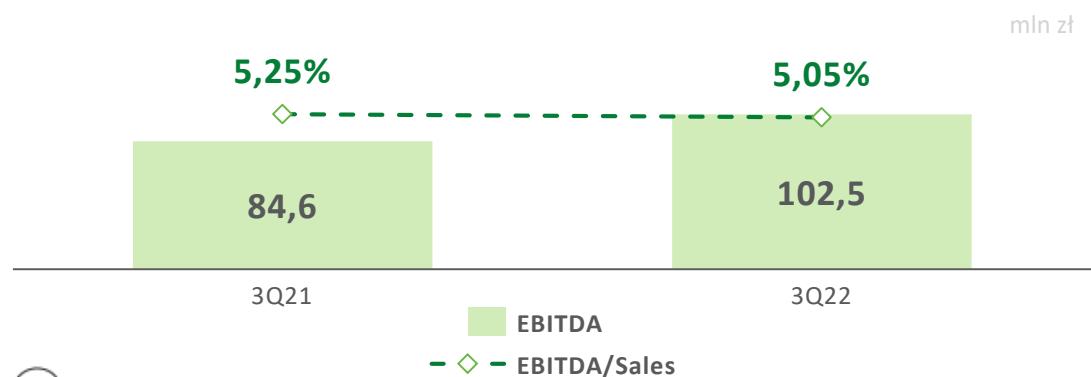
03. Retail segment



Sales evolution in 3Q2022 y/y

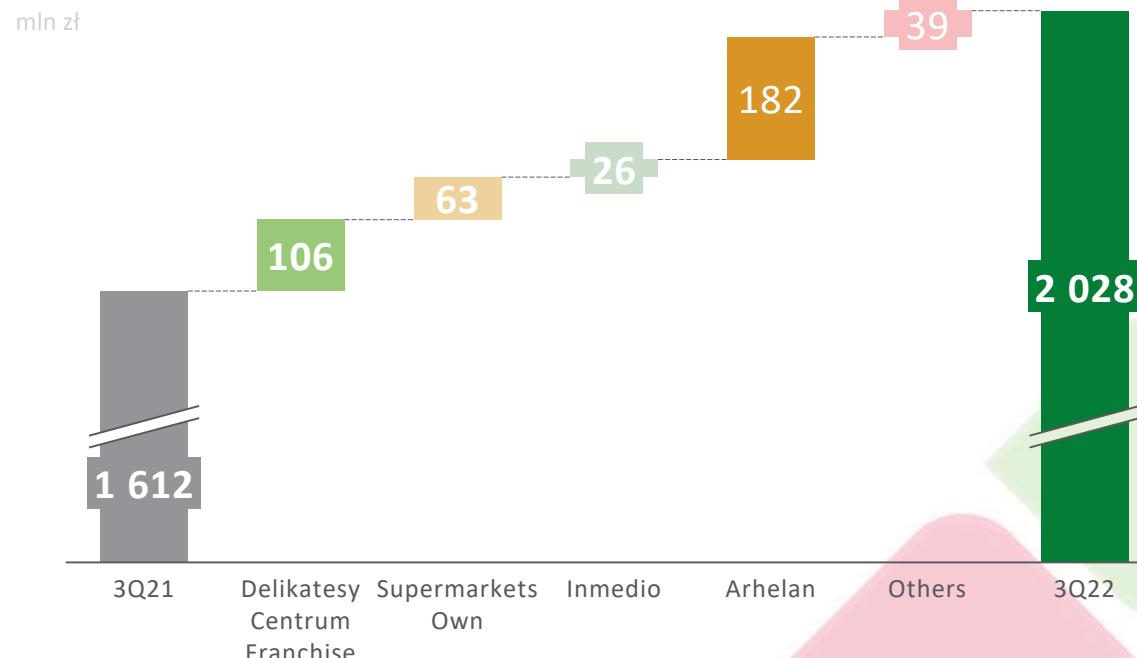


EBITDA and EBITDA margin evolution of in 3Q2022 y/y



Fifth consecutive quarter of EBITDA improvement, with a stable margin of over 5%; visible impact of IFRS16 - depreciation grew slower than sales.

Sales evolution by formats in 3Q2022 y/y



Own stores of Delikatesy Centrum with LfL at +16% y/y and Inmedio LfL at 21% y/y



04. Projects segment

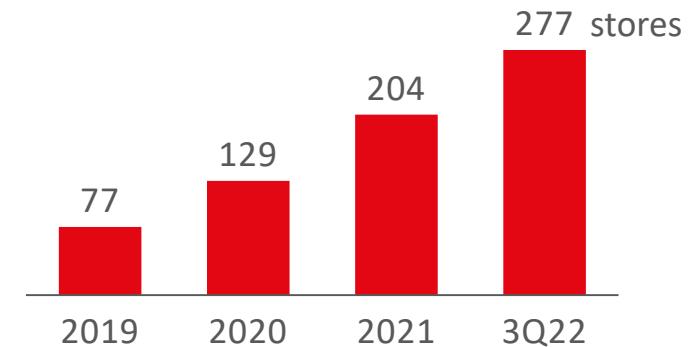


- Sales 3Q22: +47% r/r to PLN 84,9 m
- Average basket 3Q22: 297 PLN

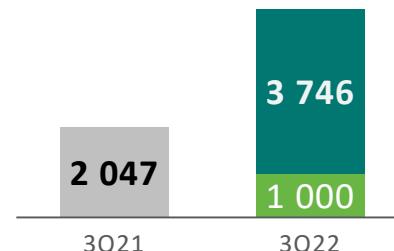
City	3Q22	3Q21	% growth
Warsaw	55,9	48,5	15%
Others	24,3	7,5	224%
Total	80,2	56,0	43%

Number of active clients

- Sales 3Q22: +73% r/r to PLN 80,6 m
- LFL 3Q22: +25,7%
- Profitable stores: 127 out of 277

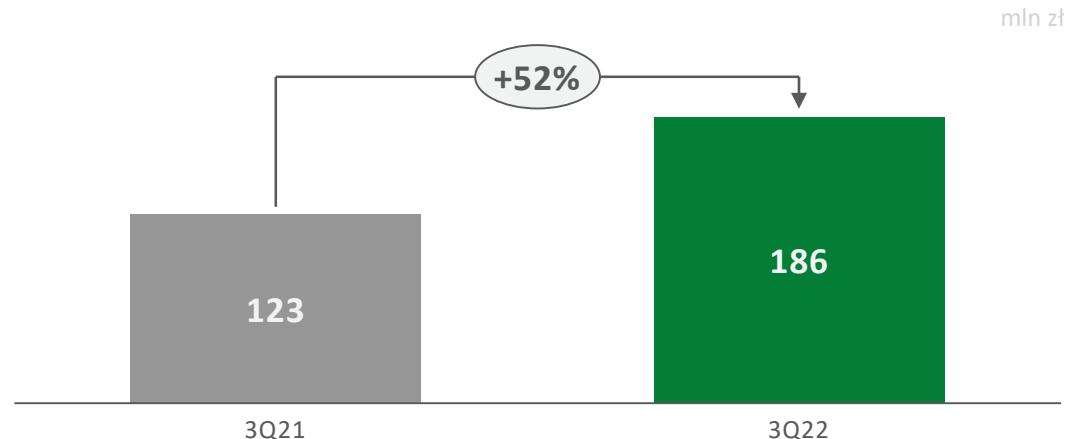


- 3,746 stores on the platform connecting sellers with network organizers, producers and consumers; additional 1,000 due to the partnership with Comp SA

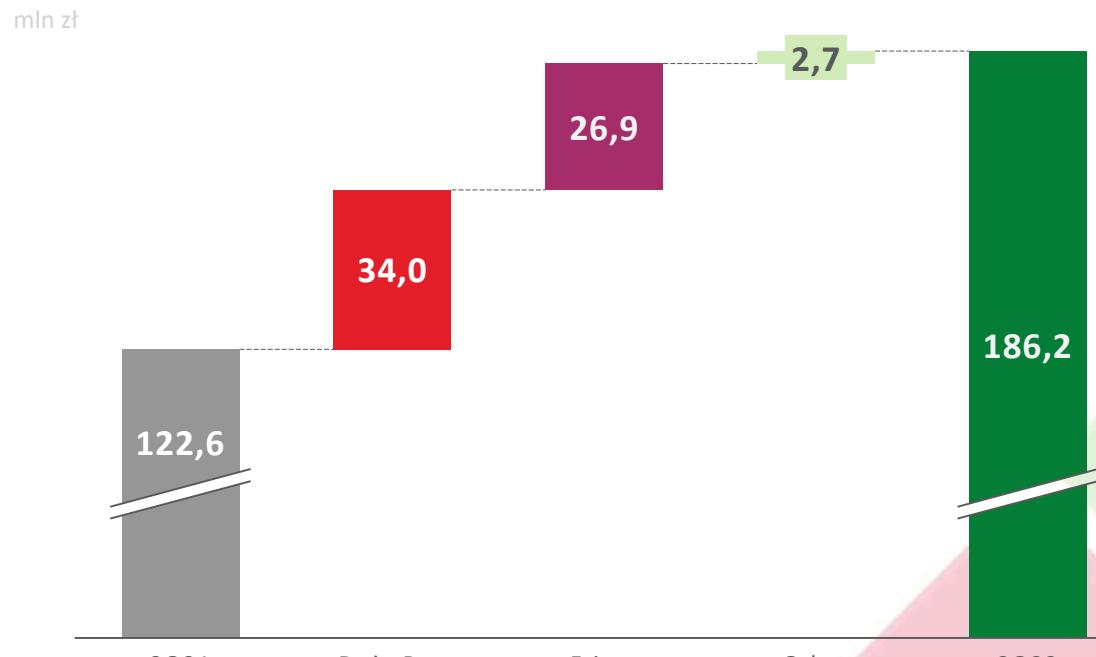




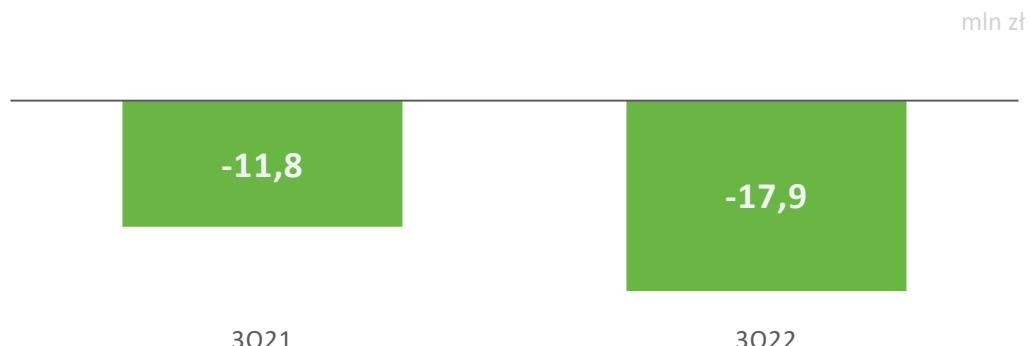
Sales evolution in 3Q2022 y/y



Sales evolution by formats in 3Q2022 y/y



Evolution of EBITDA in 3Q2022 y/y



Sales increased by over 50% and EBITDA was encumbered with the costs of Ben's new stores and acquisition of Frisco customers

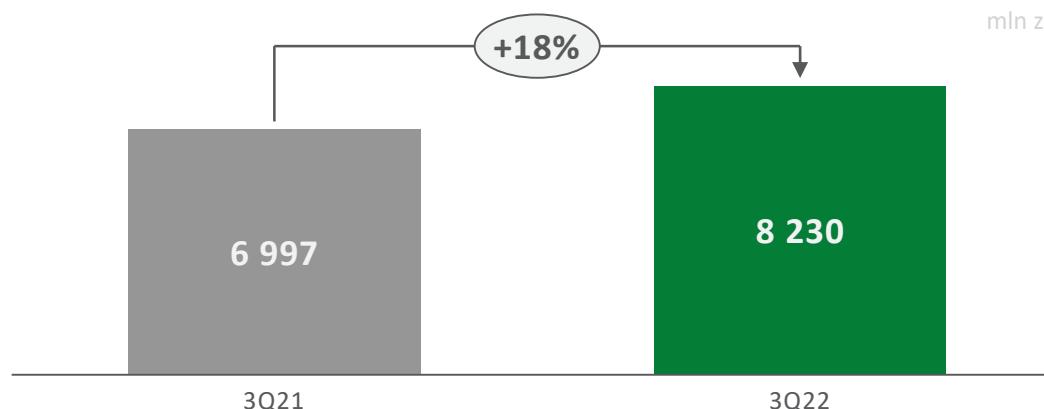
Frisco and Duży Ben's dynamic sales expansion



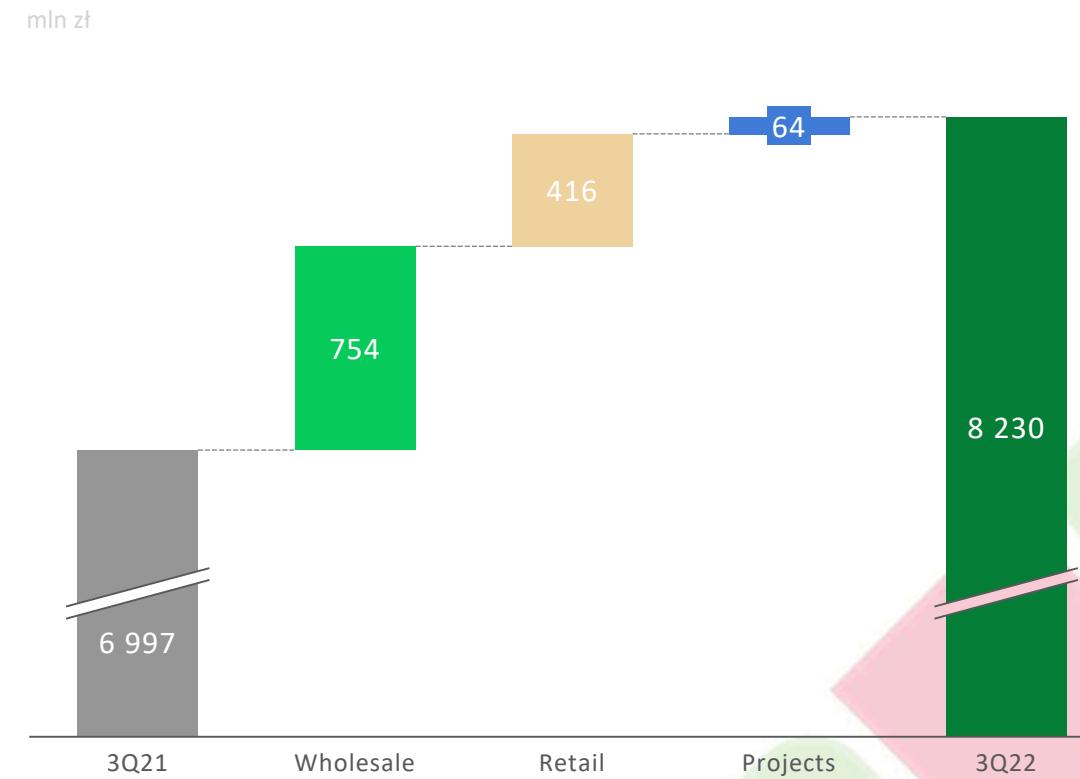
05. Consolidated financial results



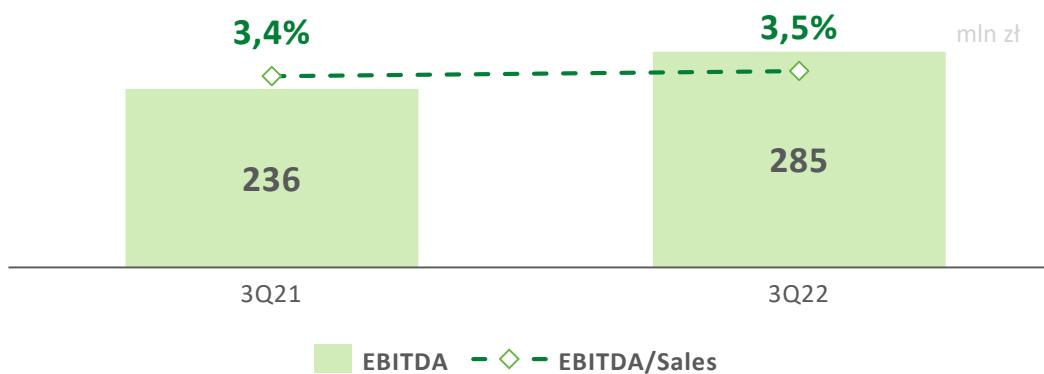
Sales evolution in 3Q2022 y/y (sales of products)



Sales evolution by formats in 3Q2022 y/y



Improvement of EBITDA and EBITDA margin in 3Q2022 y/y



Another quarter of results improvement,
both on sales and EBITDA level

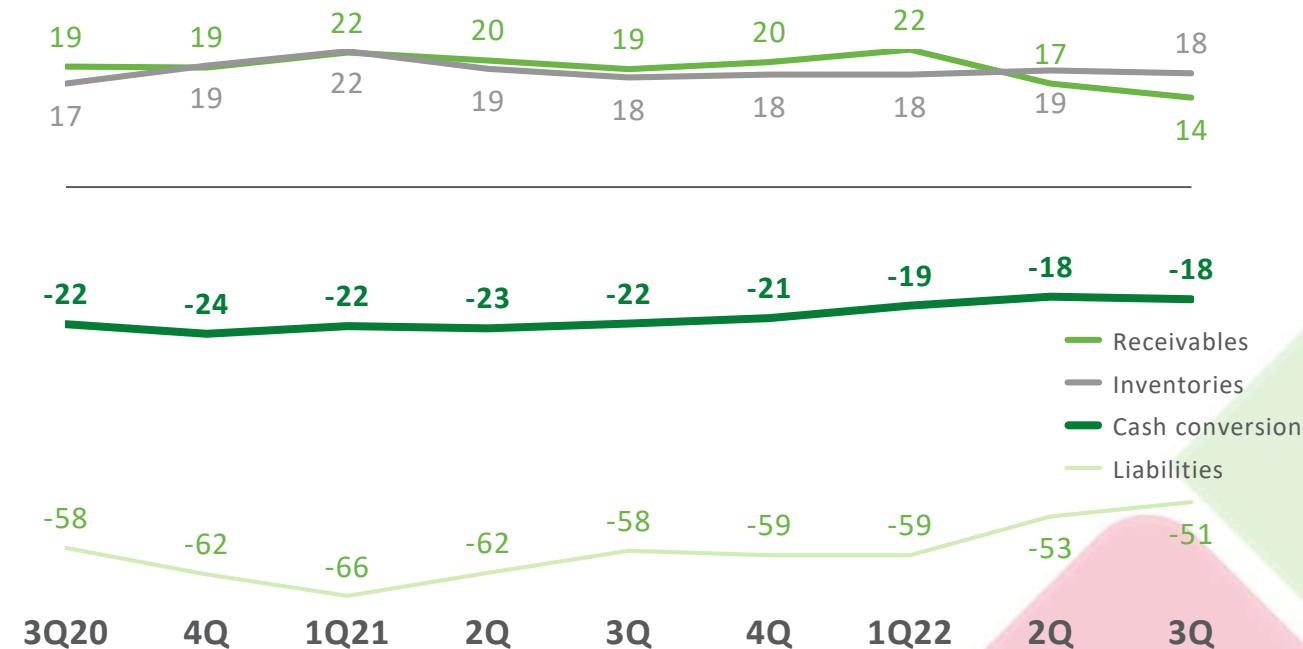
Positive contribution of all segments, resulting in an
above-inflationary increase in the Group's revenues



	Increase in financial expenses			
	mln zł			
	2021	1Q22	2Q22	3Q22
financial expenses	127,4	48,7	65,3	93,3
financial income	28,6	7,4	13,0	21,0
net financial expenses	98,7	41,3	52,3	72,3
net financial expenses - quarterly	24,7	41,3	52,3	72,3

Cash conversion cycle

in days



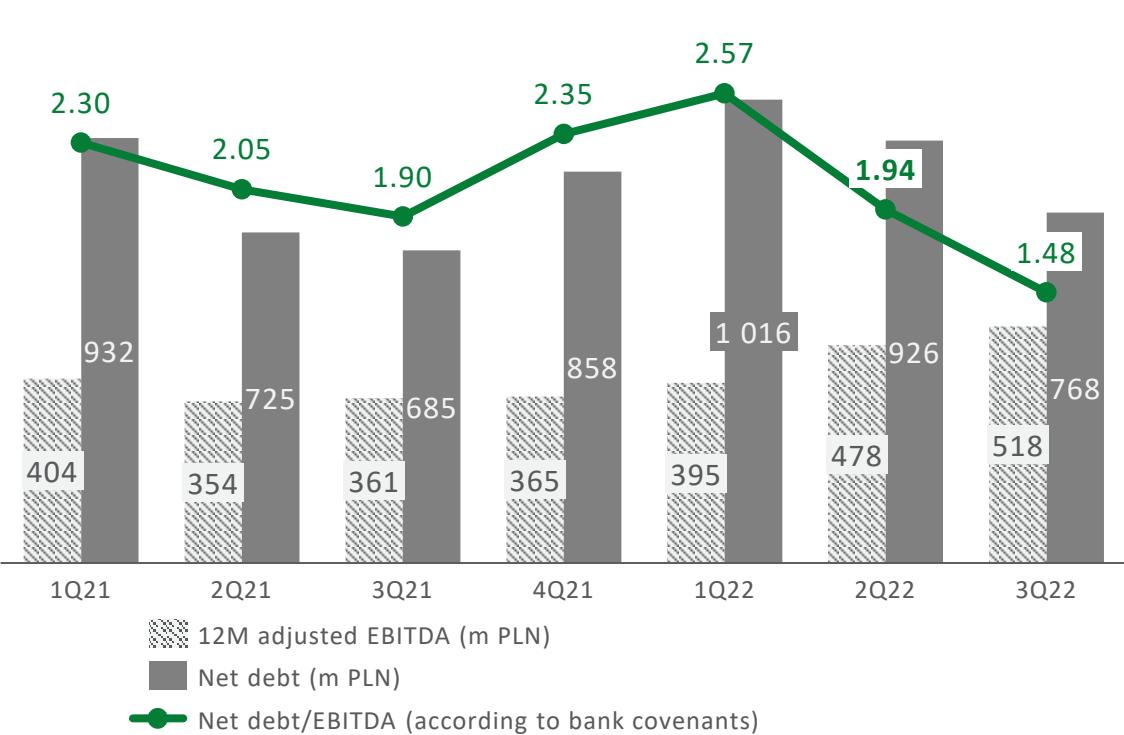
In the environment of rising interest rates, the primary capital allocation objective is to deleverage and reduce financing costs

In Q3, a stable cash conversion cycle with dynamically growing sales and seasonal higher liabilities.



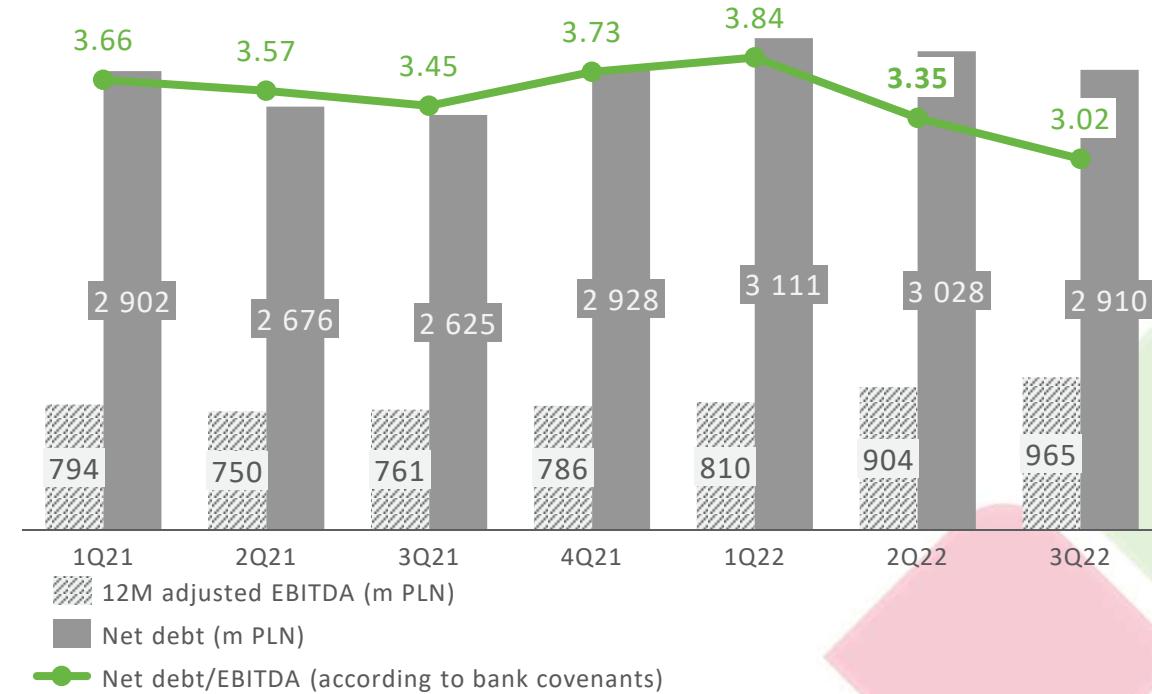
Net debt/EBITDA (before IFRS16)

mln zł



Net debt /EBITDA (after IFRS16)

mln zł



Significantly reduced net debt/EBITDA ratio before
and after IFRS16, in the high interest rate environment