



EUROCASH
GRUPA

Siat Nowoczesnego
Przedsiębiorcy



Eurocash Group

Consolidated Q4 & FY 2019 Financial Results



Agenda

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01.

Executive summary



Group sales increased by 9% in 2019 YoY EBITDA normalized* increased by 11%

Wholesale – efficiency improvement and healthy topline growth

- Eurocash Distribution merged with Eurocash Alcohol
- 12 thousand of Eurocash.pl users

Sales +6% YoY
EBITDA +9% YoY
Cash & Carry LFL +3% YoY

Retail – integration completed

- Delikatesy Centrum team & systems built
- 100% Frisco acquisition in June 2020

Sales +19% YoY
EBITDA +23% YoY
Delikatesy Centrum LFL +4% YoY

Projects – Duży Ben close to BEP

- Duży Ben with 77 stores at the end of 2019
- ABC on wheels with 86 cars at the end of 2019

Sales +105% YoY
EBITDA +29% YoY
Duży Ben LFL +20% YoY

*normalized, excluding one-offs



Group sales increased by 7% in 4Q 2019 YoY

EBITDA normalized* increased by 20% in 4Q 2019 YoY

- **Wholesale - solid 4Q sales growth by 6,4% YoY**



LFL at the level of 6,2%



Tobacco sales increased by 21,4%

- **Retail – integration completed**



last quarter of retail centralization



100% acquisition agreement signed

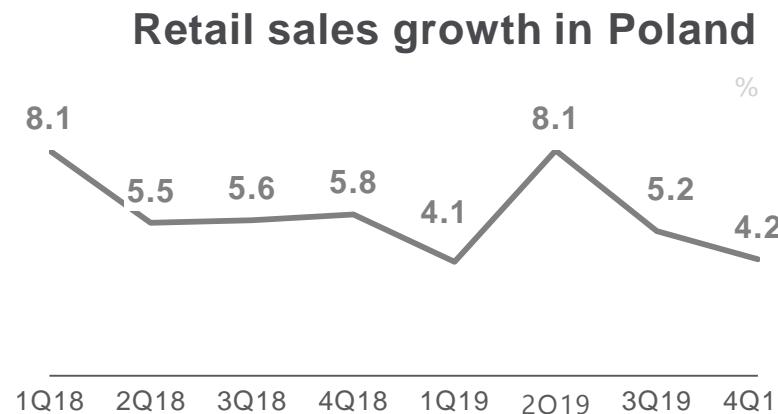
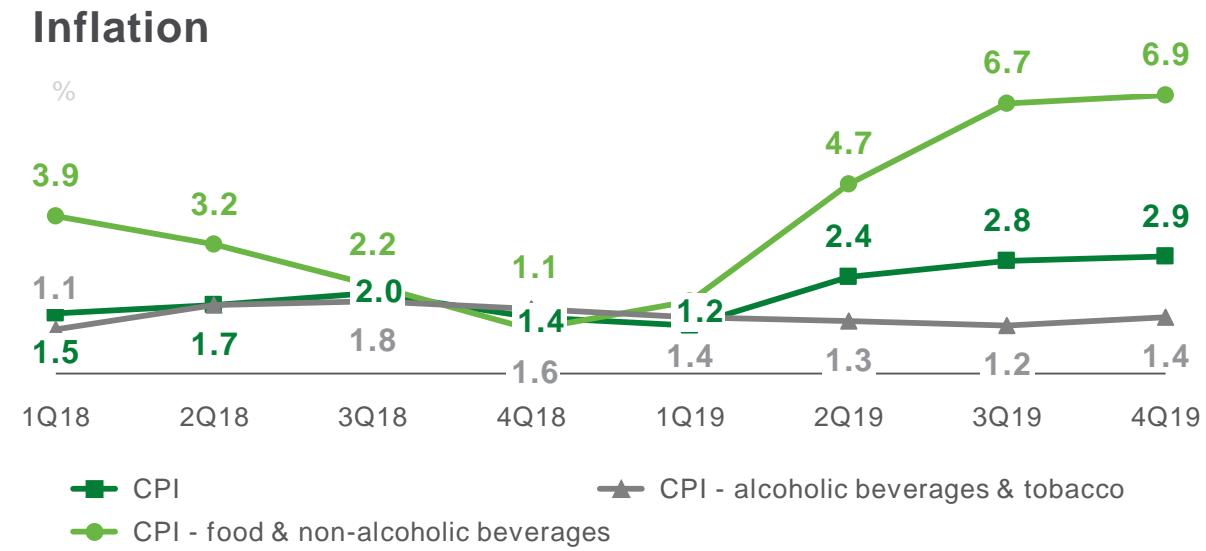
- **Projects – sales improvement by 155% YoY**

further Duży Ben, Kontigo and ABC on wheels expansion

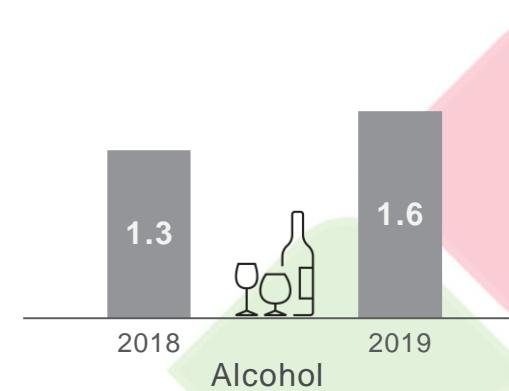
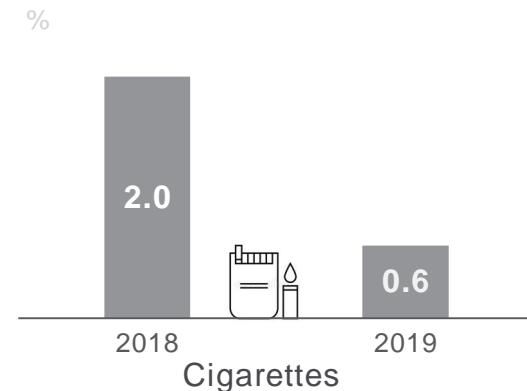
*normalized, excluding one-offs



02. Macro environment

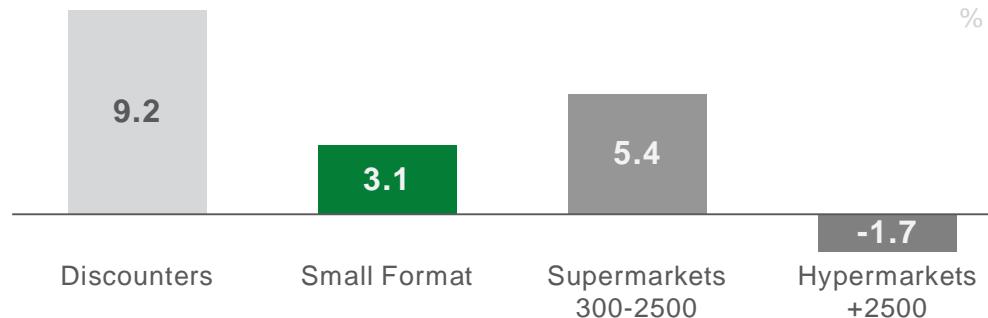


Inflation by category

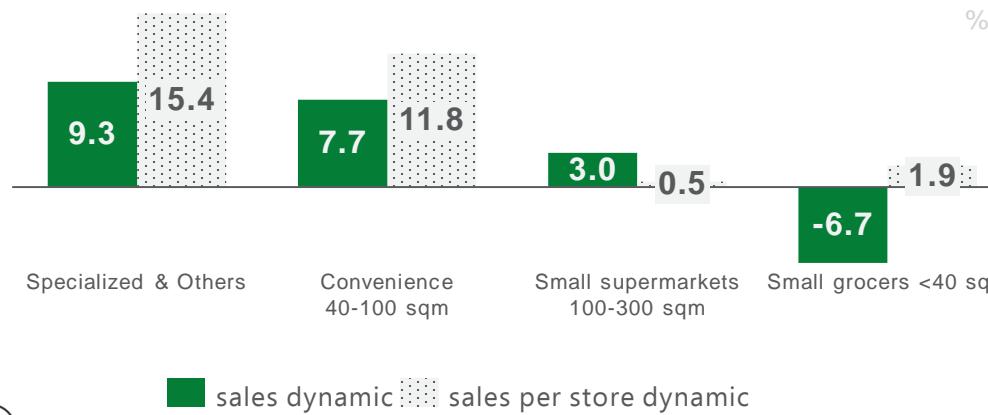




2019 polish food market growth

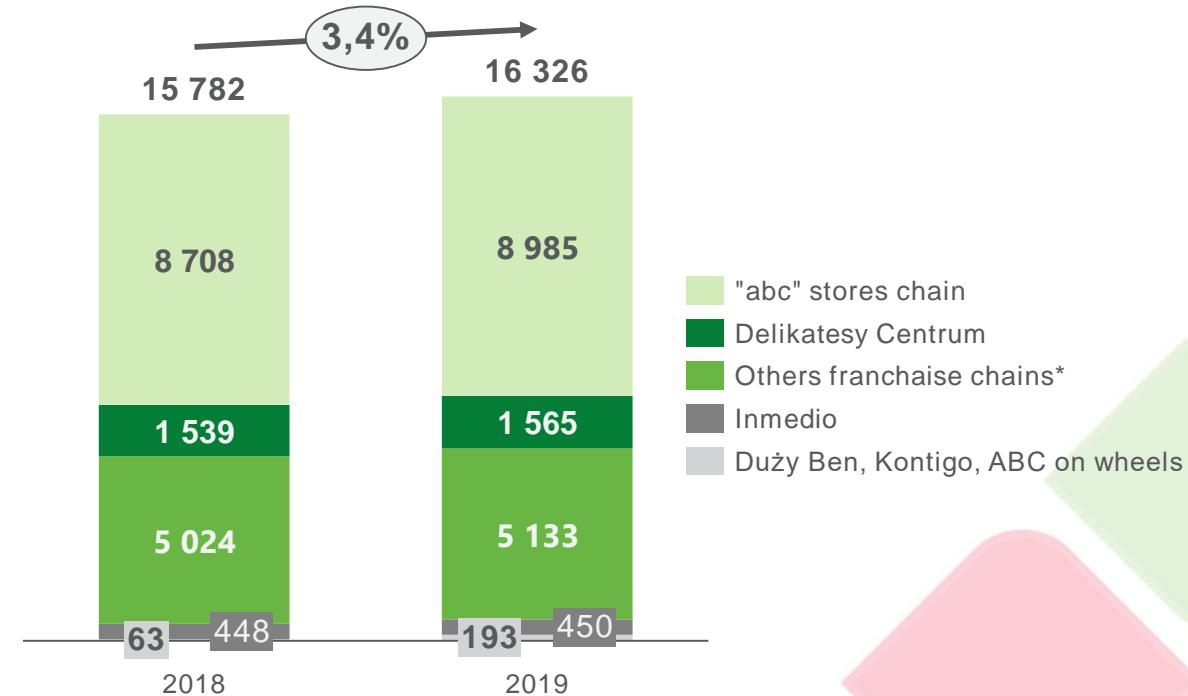


2019 small format stores growth



Strong sales per store dynamic increase

Number of stores under Eurocash supported brands

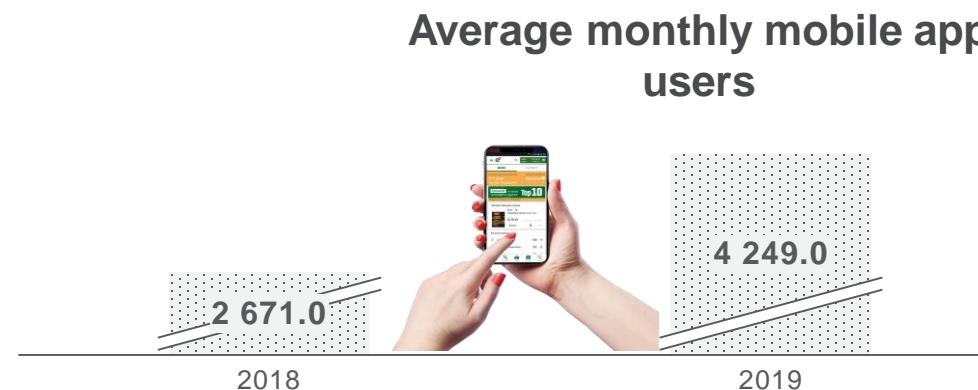
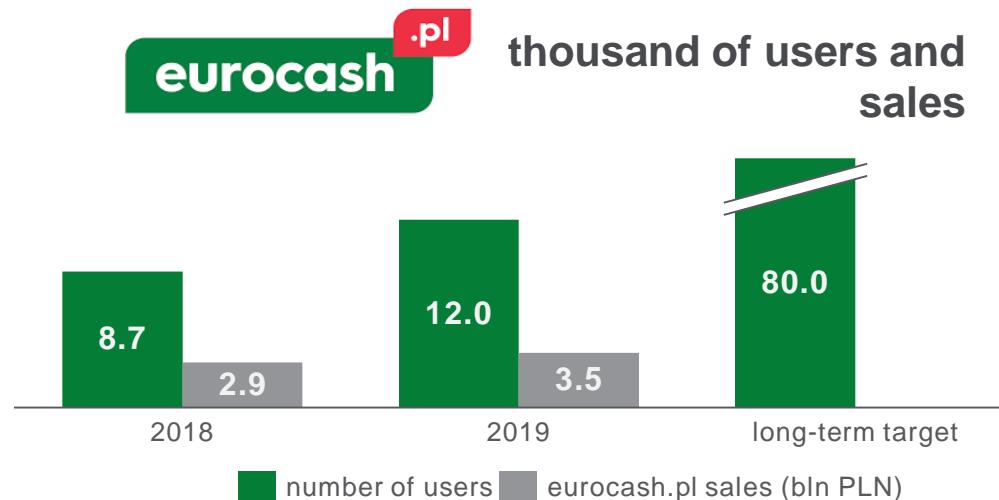


Number of stores under Eurocash brands increased by 3,4% in 2019

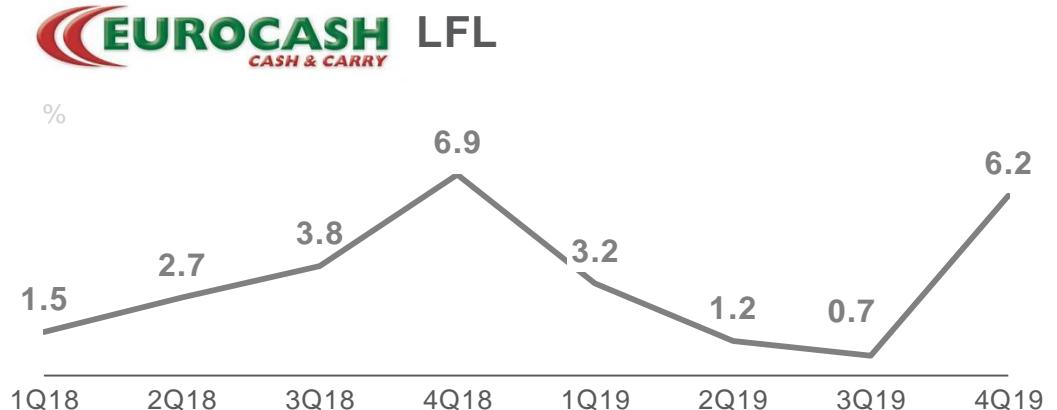


03. Wholesale segment

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82% of Eurocash clients using eurocash.pl
3.5 bln PLN of sales via Eurocash.pl

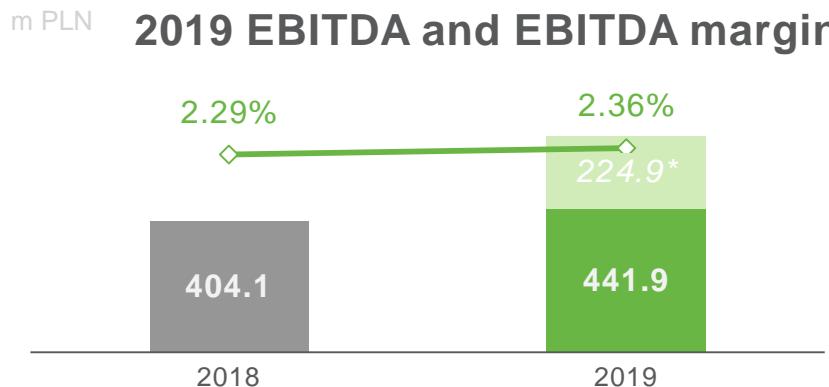
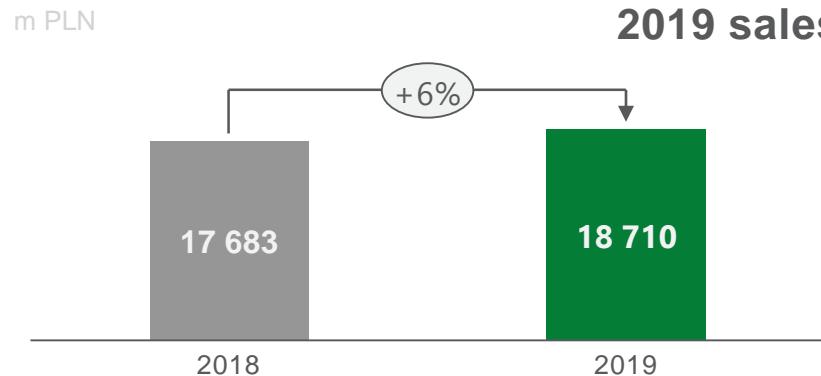


Eurocash Distribution merged with Eurocash Alcohol



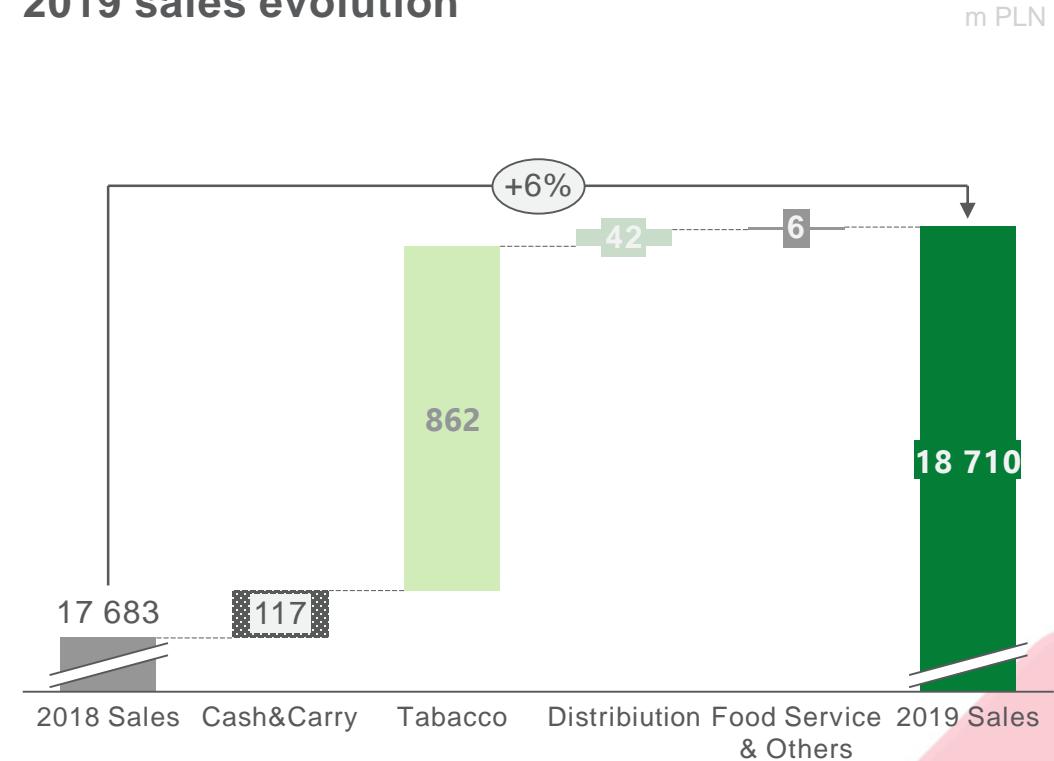
Eurocash Distribution merged with Eurocash Alcohol, efficiency increased

03. Wholesale segment



Next year of sales increase
and better segment efficiency

2019 sales evolution



Tobacco sales increase
stable growth in distribution and Cash&Carry



04. Retail segment

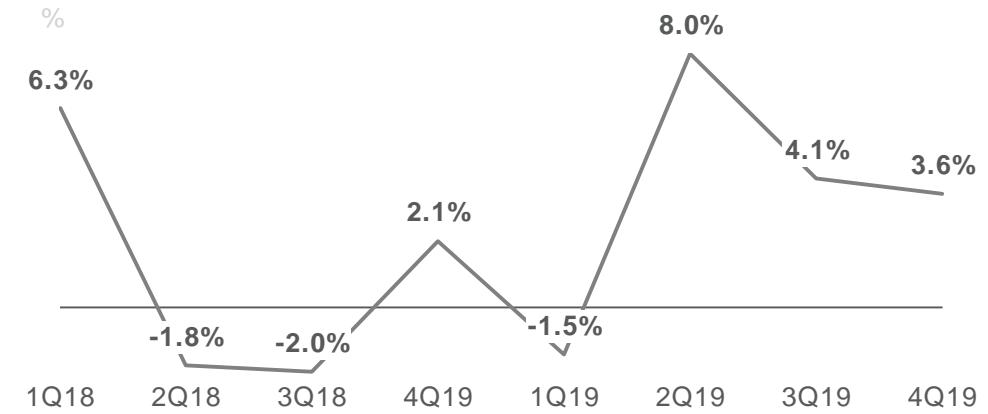


Retail integration completed, rebranding on stream

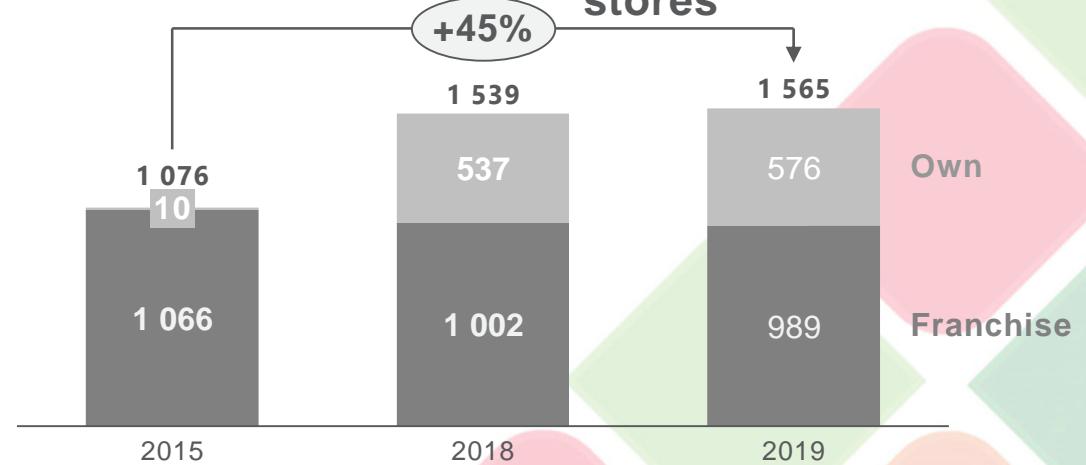


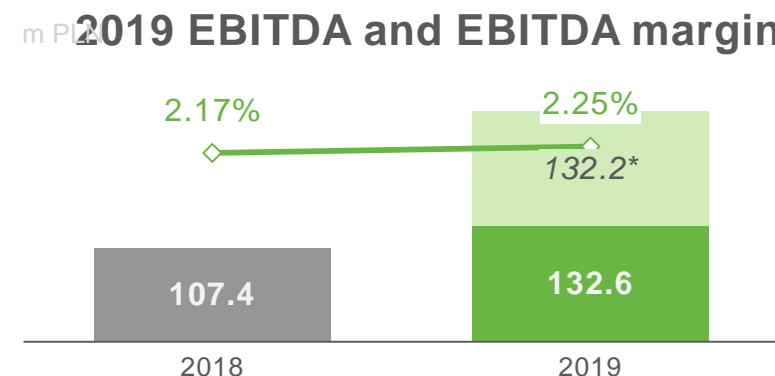
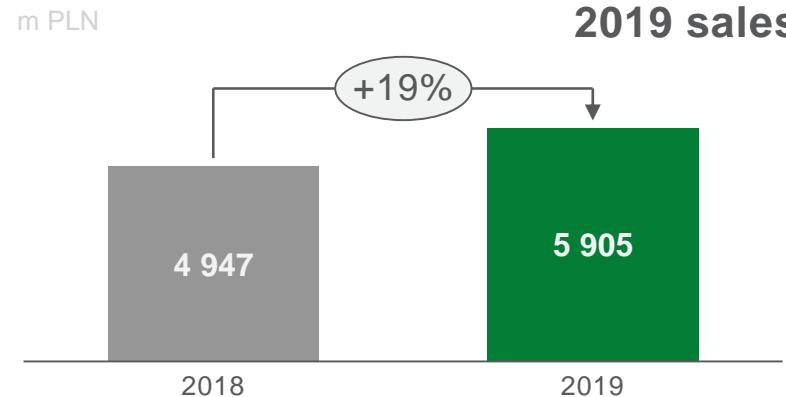
Retail integrated.
1Q2020 – first quarter of retail
working as one business unit

LFL Delikatesy Centrum Retail



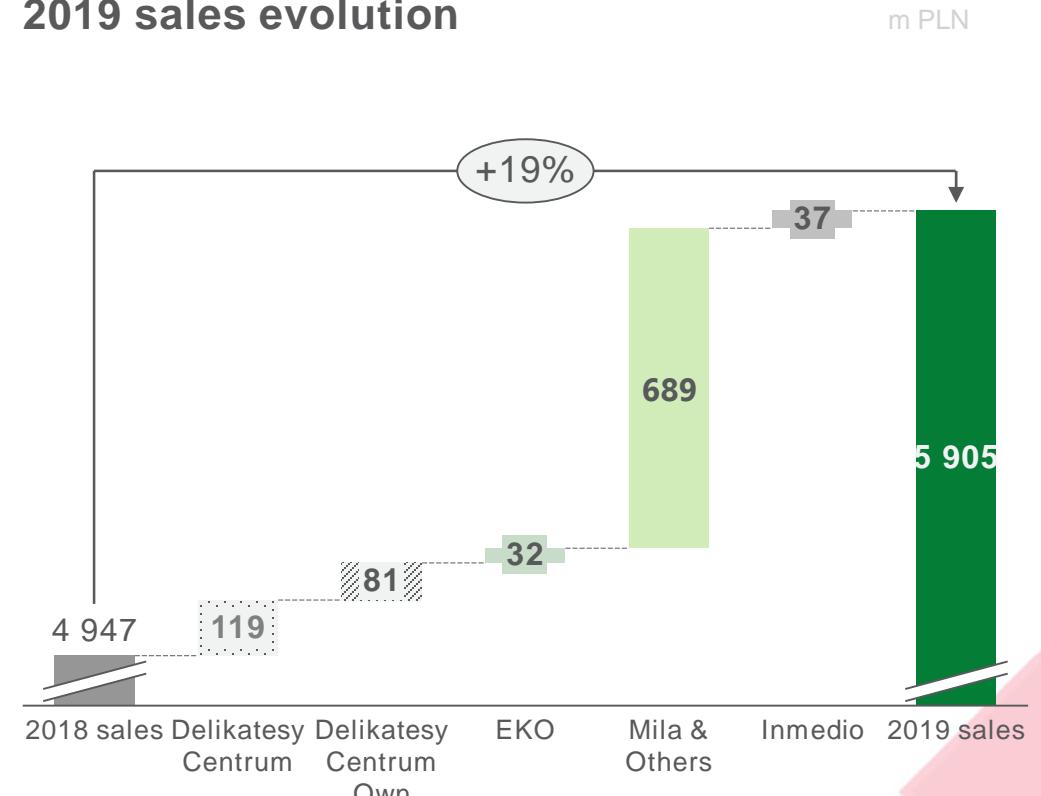
Number of Delikatesy Centrum
stores





Integration of all companies
into one common structure

2019 sales evolution



Delikatesy Centrum LFL – 3.6%
Mila consolidated as of June 2018



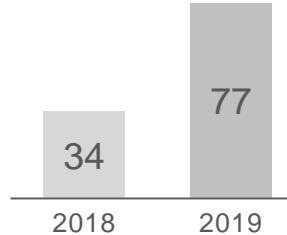
05. Projects segment



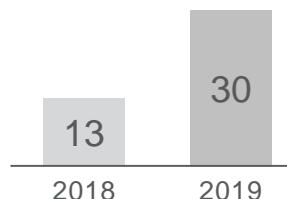
2019

- 2019 sales: 52 m
- LFL 20%
- BEP=120 stores

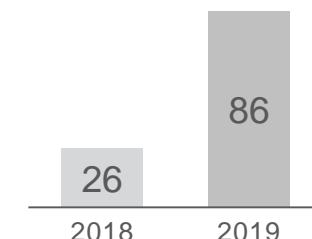
Stores & plans



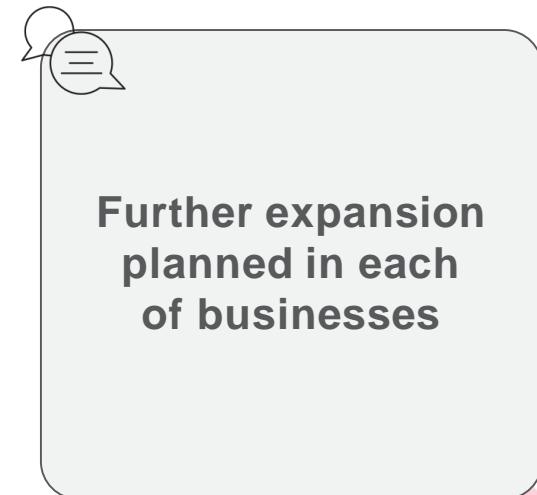
- 2019 sales: 30 m
- LFL 21%
- BEP=100 stores



- 2019 sales: 14 m
- BEP= 240 cars


 \sum

Sales: PLN 105 m (+105% yoy)
EBITDA: PLN -47,20 m (-29% yoy)





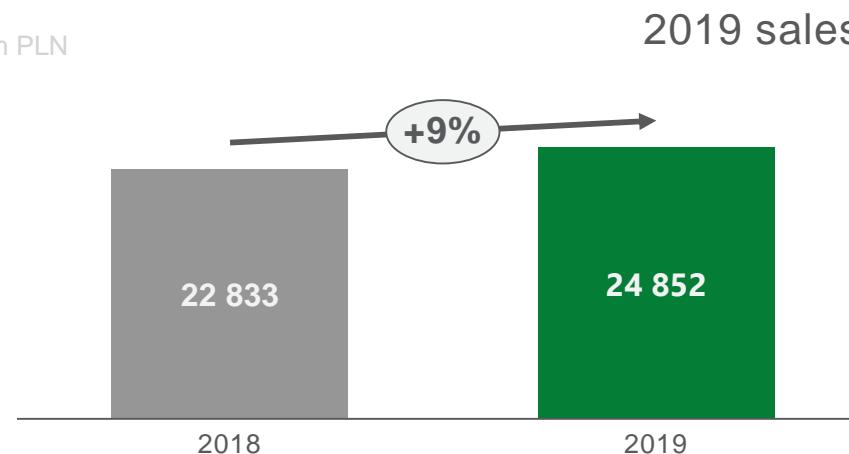
06.

Consolidated financial results

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m PLN



m PLN

2019 EBITDA and EBITDA margin

1.83%

1.73%

364.1*

418.6

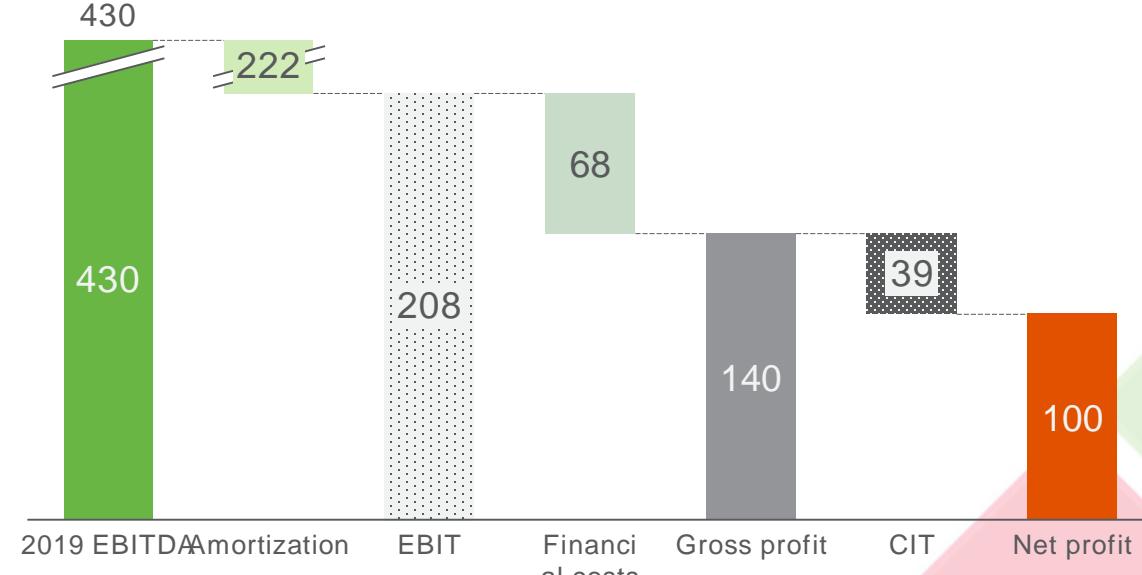
430.0

2018

2019

2019 net profit

m PLN



 Sales increase driven by wholesale segment and further development of retail segment

 Net profit 10% decrease YoY due to one-offs

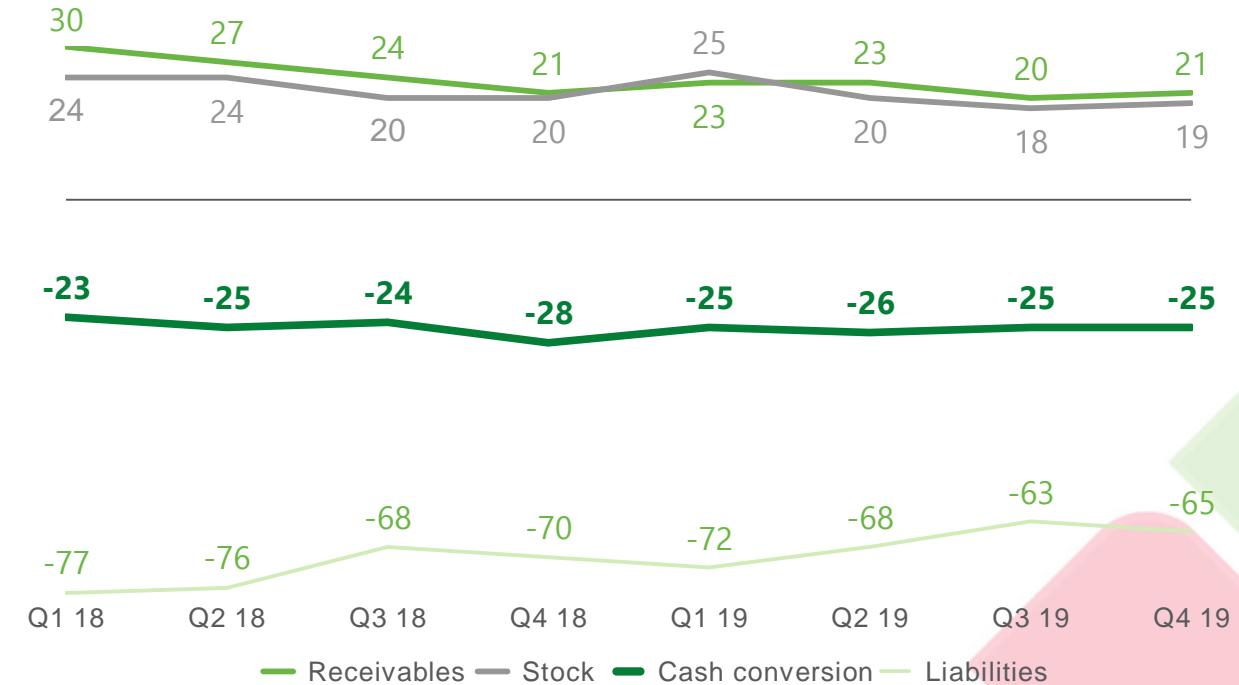


m PLN

2019 cash flow 2019 cash conversion

in days

	2019	2019 before IFRS16	2018
<i>PLN m</i>			
Net operating cash flow	683	319	499
<i>Net profit (loss) before tax</i>	113	140	156
<i>Depreciation</i>	550	222	204
<i>Change in working capital</i>	(14)	(14)	175
<i>Other</i>	34	(28)	(37)
Net investment cash flow	(300)	(300)	(379)
Net financial cash flow	(433)	(69)	(126)
Total cash flow	(50)	(50)	(6)



Changes in cash rotation due to different sales mix, fast growing tobacco distribution and introduction of new regulations

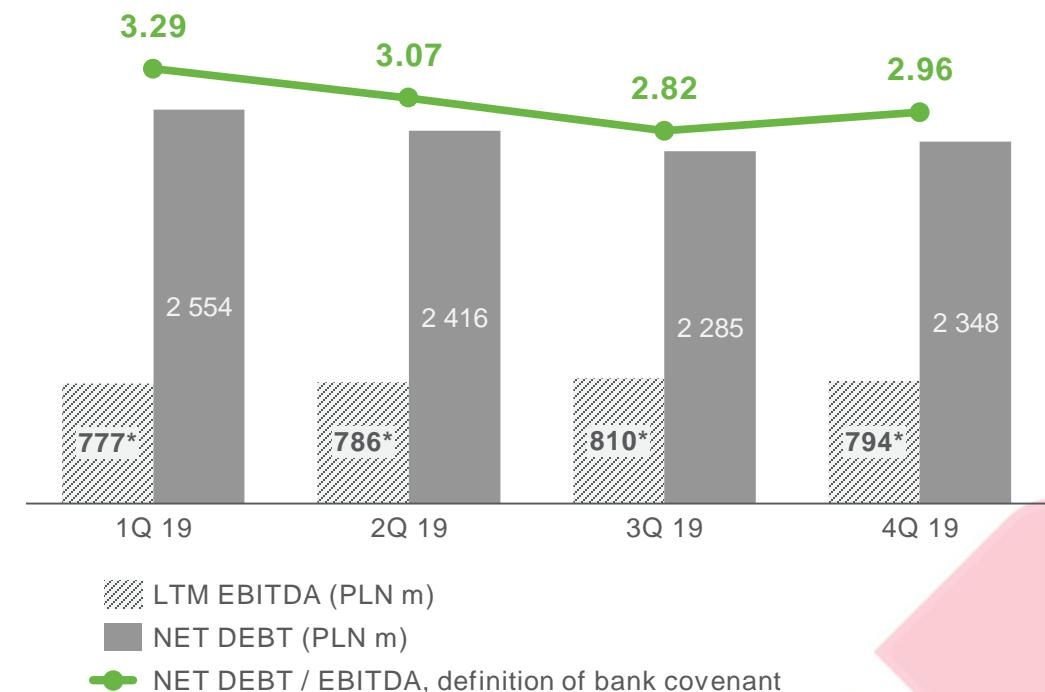
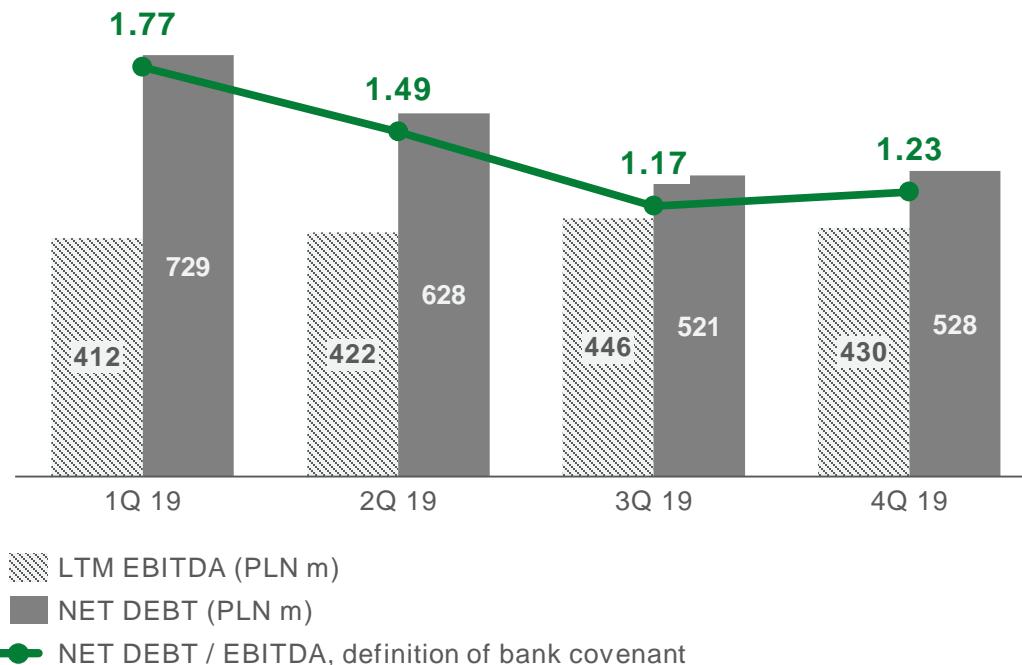
Cash flow at the level allowing to continue investment strategy (including M&A)



m PLN

Net debt/EBITDA (before IFRS16) Net debt/EBITDA (after IFRS16)

m PLN



Stable and safe net debt position before and after IFRS16



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Thank you

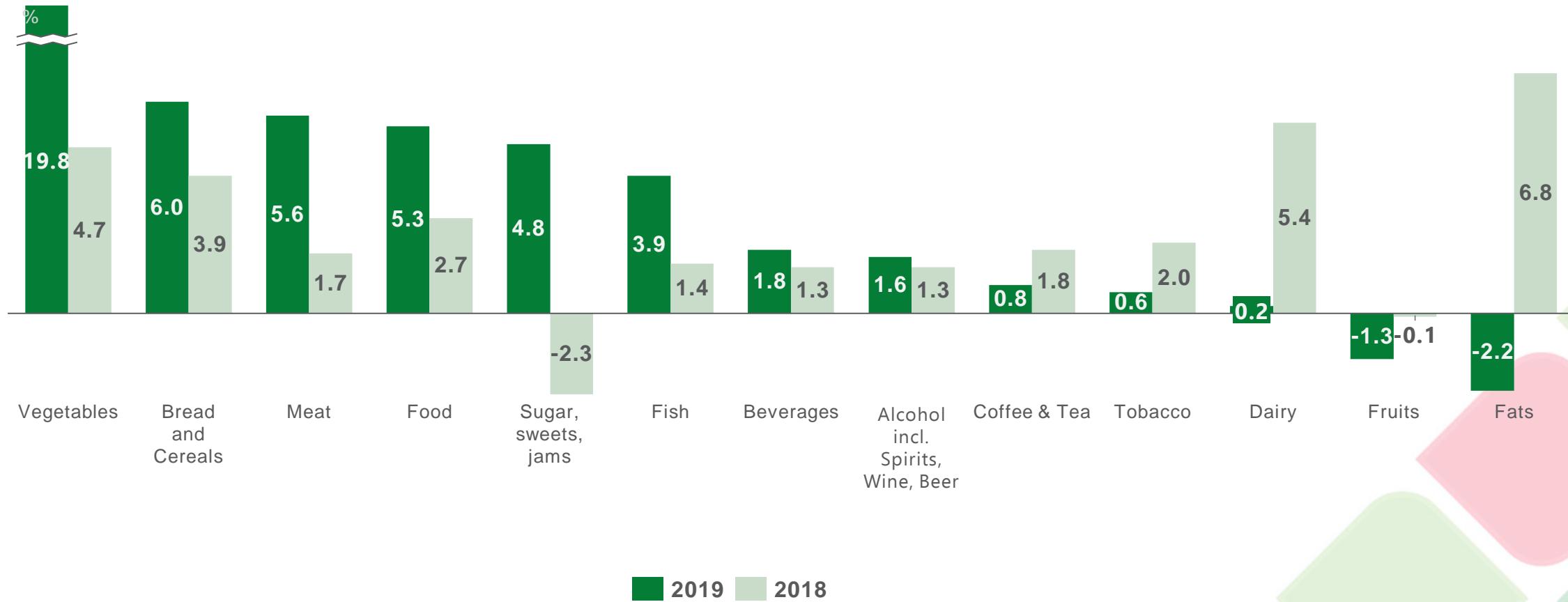
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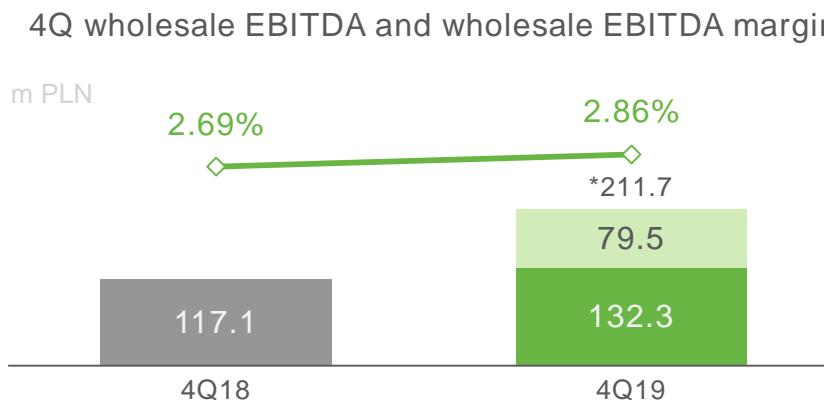
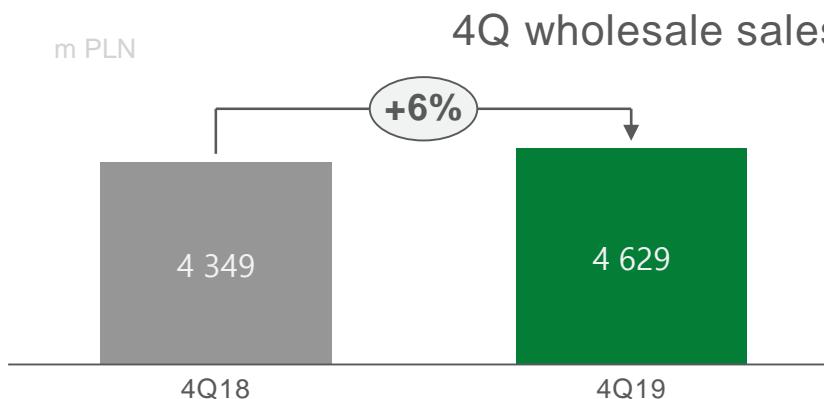


07. Appendix



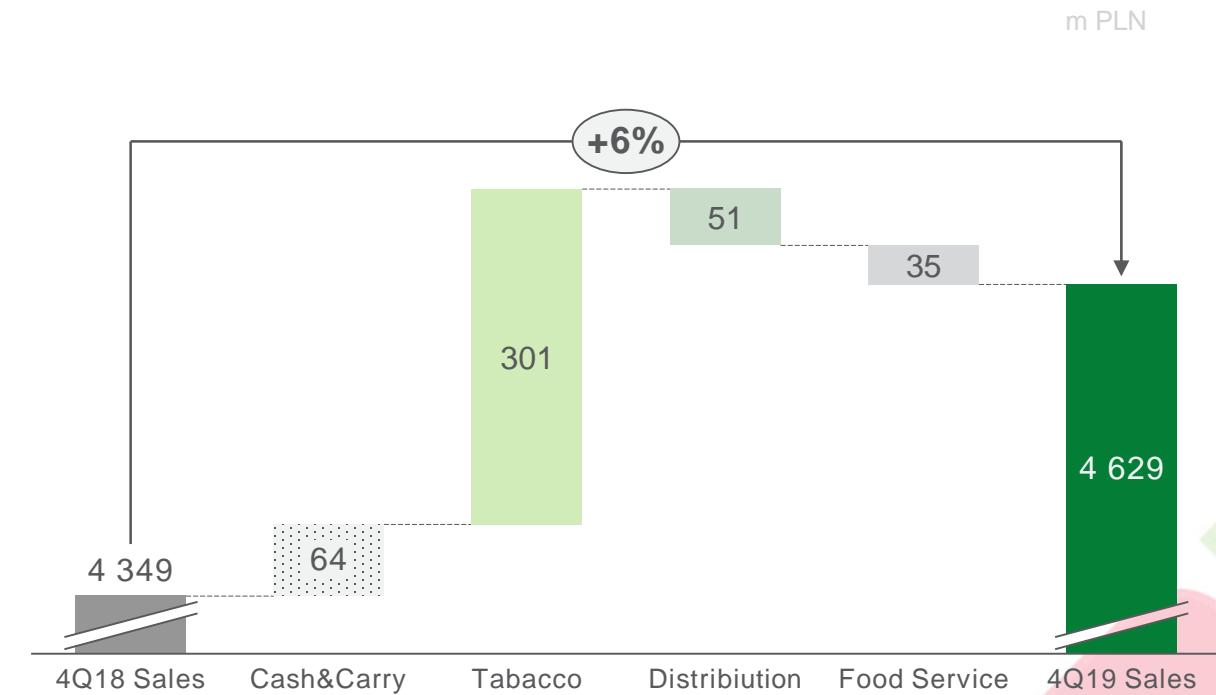
Inflation by category 2018 vs. 2019





Next quarter of sales increase
and better segment efficiency

4Q wholesale sales evolution

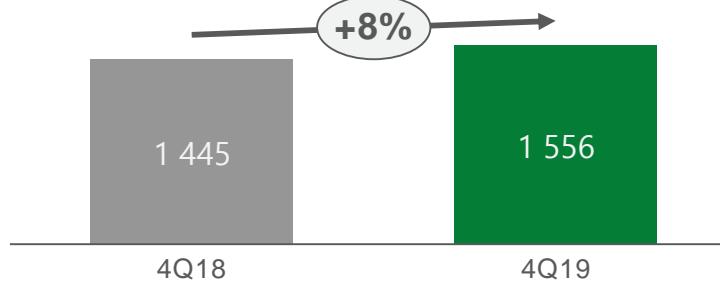


Tobacco sales increase
stable growth in distribution and Cash&Carry

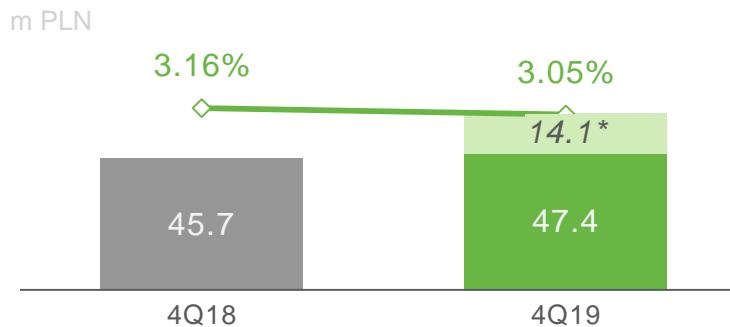


m PLN

4Q retail sales

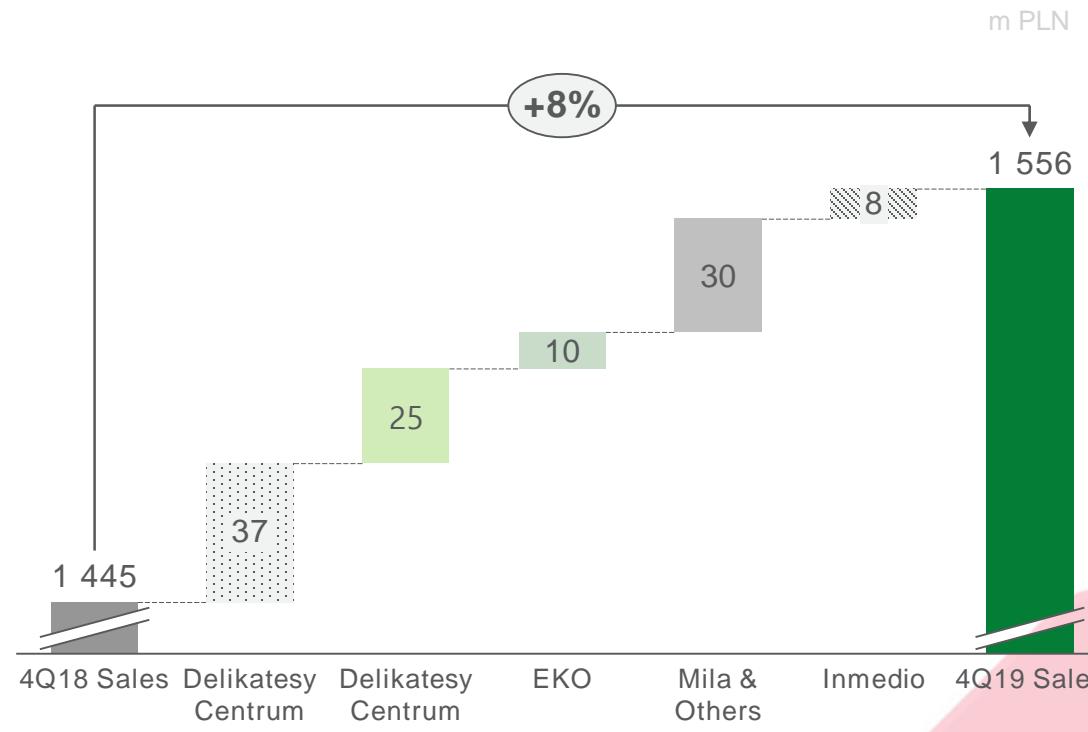


4Q retail EBITDA and EBITDA retail margin



Last quarter of retail integration

4Q retail sales evolution

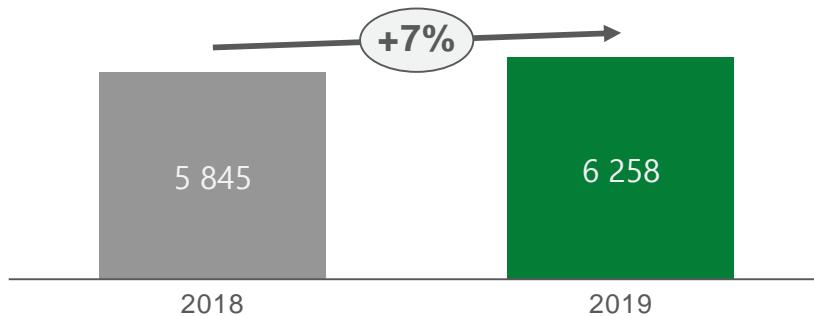


Mila cosnsolidated as of June 2018

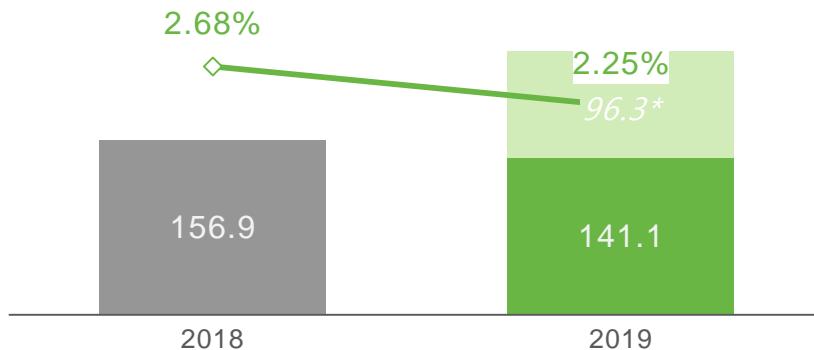


m PLN

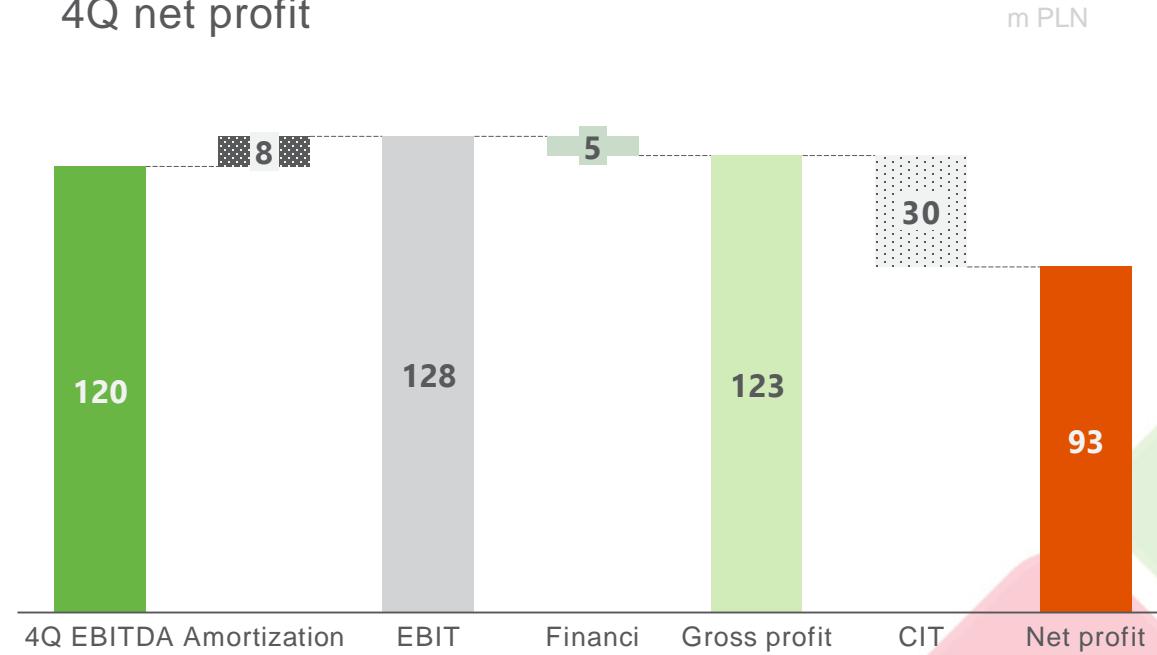
4Q sales



m PLN 4Q EBITDA and EBITDA margin



4Q net profit



Sales increase driven by wholesale segment and further development of retail segment

Net profit decrease YoY due to one-offs



IFRS16 Impact 4Q cash flow

PLN m	4Q 2018	4Q 2019 before IFRS16	Y/Y Change	% of Sales 4Q 2018	% of Sales		4Q 2019 Sales 4Q 2019
					4Q 2019 before IFRS16	4Q 2019 Sales 4Q 2019	
Net sales	5 845	6 258	7,1%			6 258	
Gross profit	809	857	6,0%	13,8%	13,7%	857	13,7%
EBITDA	156,8	141,1	-10,1%	2,7%	2,3%	237,4	3,8%
EBIT	102,3	80,0	-21,8%	1,8%	1,3%	88,5	1,4%
Net profit	55,9	43,8	-21,8%	1,0%	0,7%	47,3	0,8%

PLN m	2018	2019 before IFRS16	Y/Y Change	% of Sales 2018	% of Sales		2019 Sales 2019
					2019 before IFRS16	2019 Sales 2019	
Net sales	22 833	24 852	8,8%			24 852	
Gross profit	2 882	3 243	12,5%	12,6%	13,0%	3 243	13,0%
EBITDA	418,6	430,0	2,7%	1,8%	1,7%	794,1	3,2%
EBIT	214,4	208,4	-2,8%	0,9%	0,8%	244,5	1,0%
Net profit	111,7	100,7	-9,9%	0,5%	0,4%	79,1	0,3%

PLN m	4Q 2019	4Q 2019 before IFRS16	4Q 2018
Net operating cash flow	155	59	198
<i>Net profit (loss) before tax</i>	57	52	77
<i>Depreciation</i>	149	61	55
<i>Change in working capital</i>	(91)	(91)	92
<i>Other</i>	41	37	(26)
Net investment cash flow	(61)	(61)	36
Net financial cash flow	(105)	(9)	(190)
Total cash flow	(11)	(11)	43