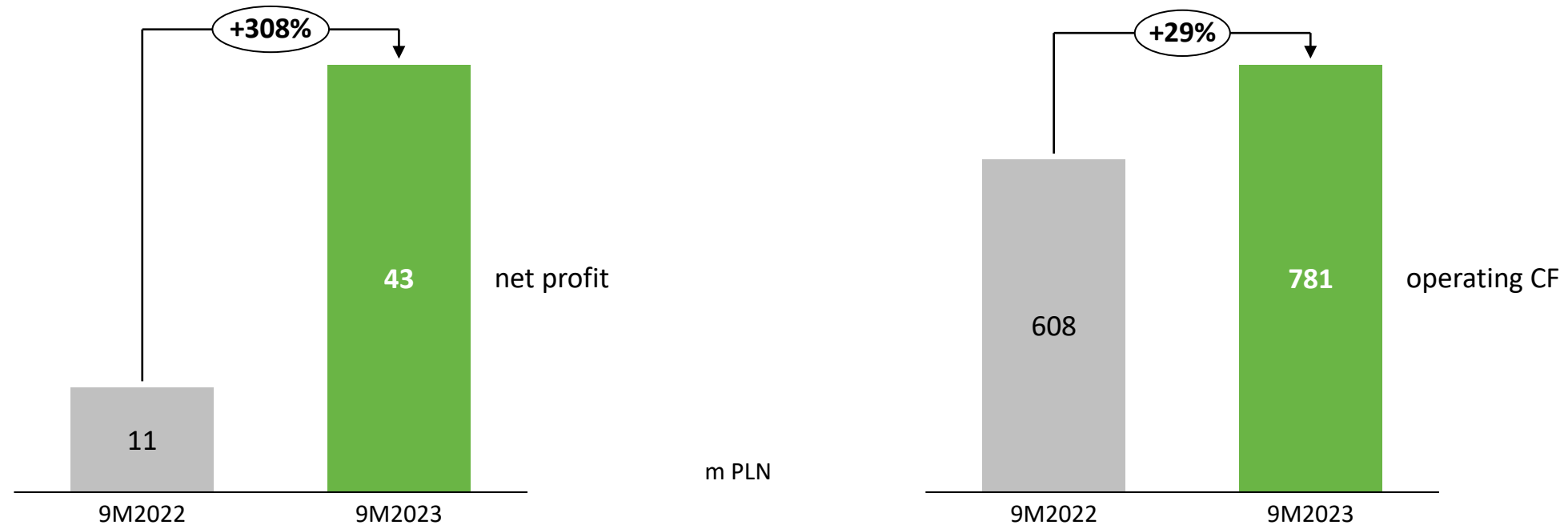


Eurocash Group

9M and 3Q2023 Financial Results

10.11.2023

9M2023 – significant increase of net profit and operating cash flow



Cash balance doubled at the end of 3Q23 vs. 3Q22: PLN 271m vs. PLN 128m (after payment of PLN 50m dividend on June 29th, 2023)



Cash rotation cycle improved in 3Q23 by nearly 2 days y/y reaching -20 days



Net debt / EBITDA (before IFRS16) below x0,9

9M2023 – 7% increase in EBITDA amid low retail sales in Poland



EBITDA for the last 12 months: PLN 588m (IAS17)

9M2023 EBITDA: PLN 739m, +47m y/y (IFRS16)

Margins – challenging environment vs high 2022 base, yet an improvement vs 2Q2023



- Sales margin -0,30pp y/y YTD. In 3Q23 -0,1pp y/y and +0,35pp vs 2Q23
- -0,1pp lowered EBITDA margin y/y YTD, but +0.1pp growth in 3Q23 y/y and +0,3pp q/q

Sales Margin
+0,35pp 3Q/2Q23
to 13,4%

Cash flow – strong cash generation YTD and in 3Q23



- DPO improved by 1 day to -52 days while increasing sales and more effective stock turnover
- OCF +29% y/y, PLN +173m to PLN 781m YTD

OCF/EBITDA x1,1

Segments – EBITDA growth of Wholesale, Retail and Projects in 9M23



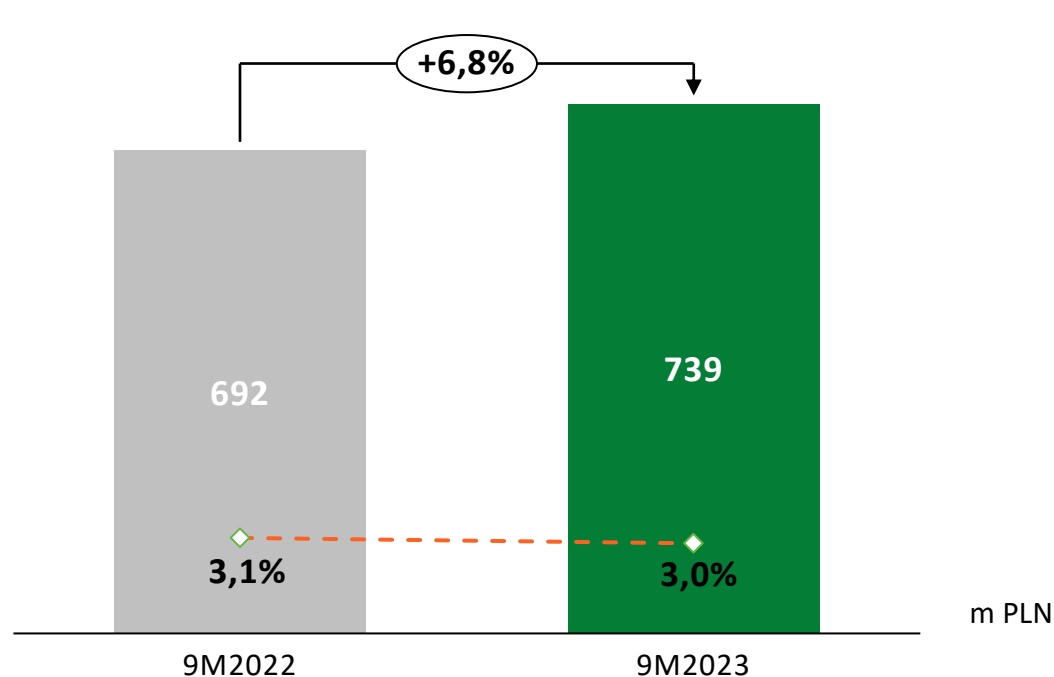
- Wholesale: +9% sales y/y with varying formats' contribution; +6% EBITDA growth
- Retail: over 6% LfL of DC stores and +8% EBITDA growth in 9M23
- Projects: PLN +10m improvement of EBITDA and over-inflationary sales growth

9M23 Group Sales +8% y/y
EBITDA +47m y/y

9M2023 – continued sales and EBITDA increases

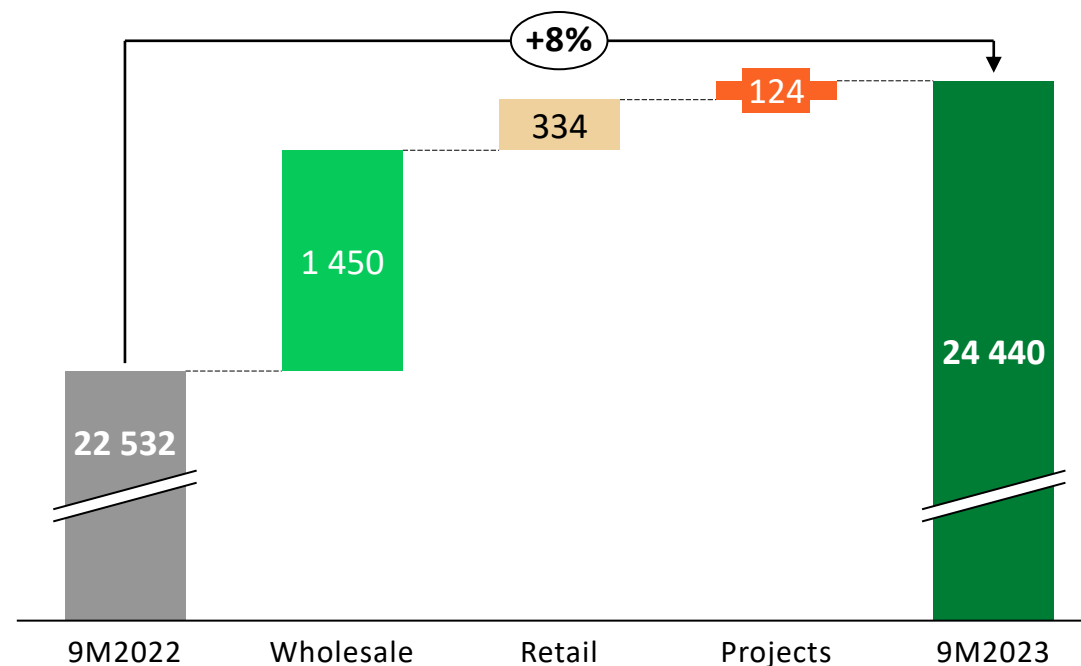


**7% EBITDA growth and
a stable margin in 9M2023**



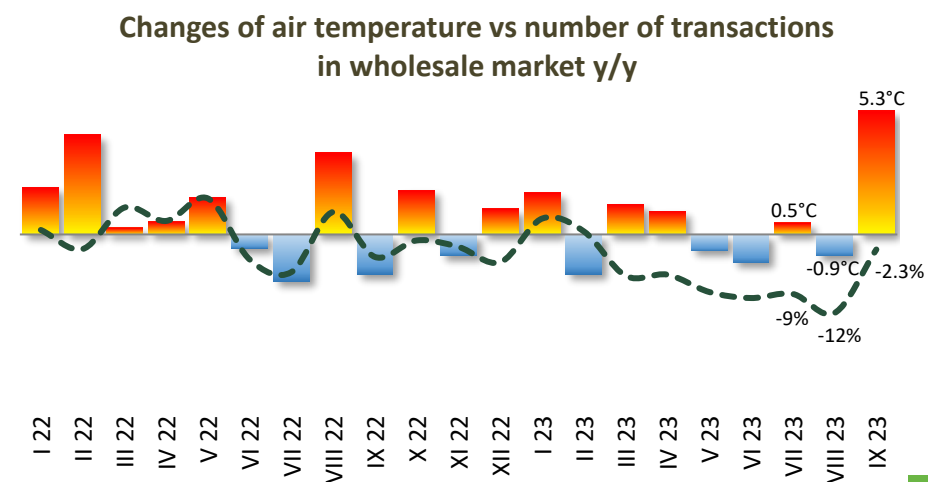
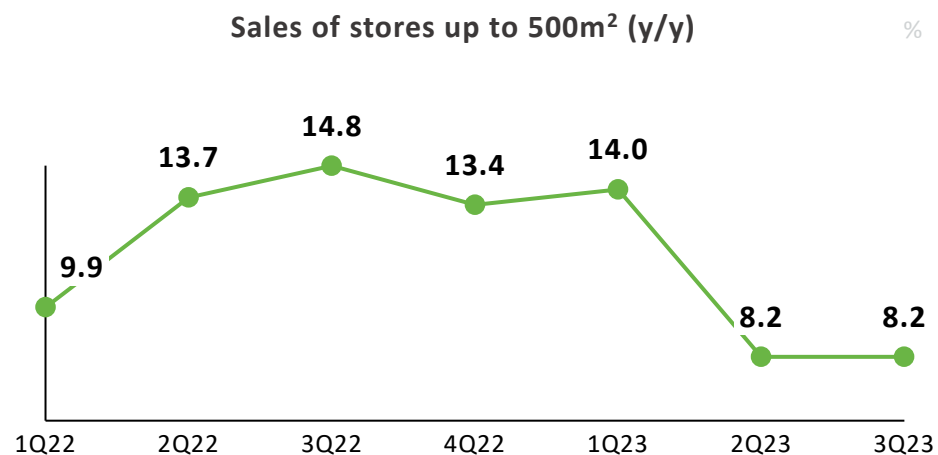
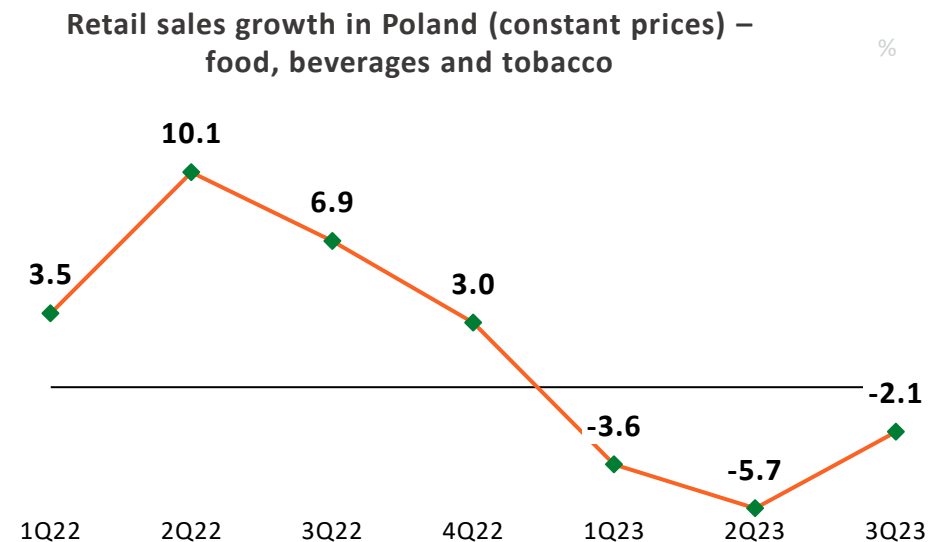
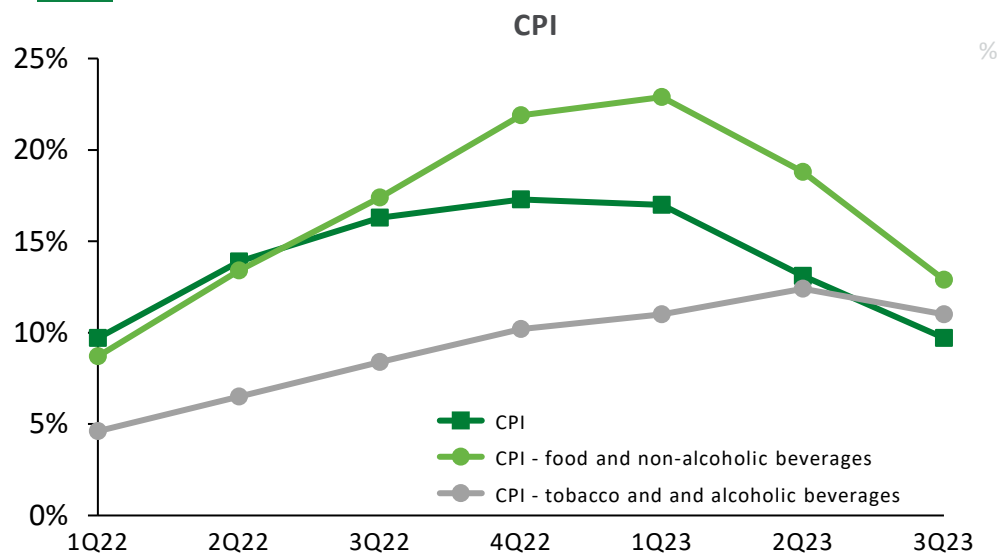
7% increase in EBITDA delivered on a high basis of 9M23.
The margin on sales decreased by 0.3pp
while keeping operating costs in check:
SG&A decreased 0.4pp in relation to revenues.

**Sales evolution
by segment in 9M2023**



Normalization of revenue growth amid weak retail
sales and slowing inflation in Poland.
Still high dynamics of Projects growth (+23%)

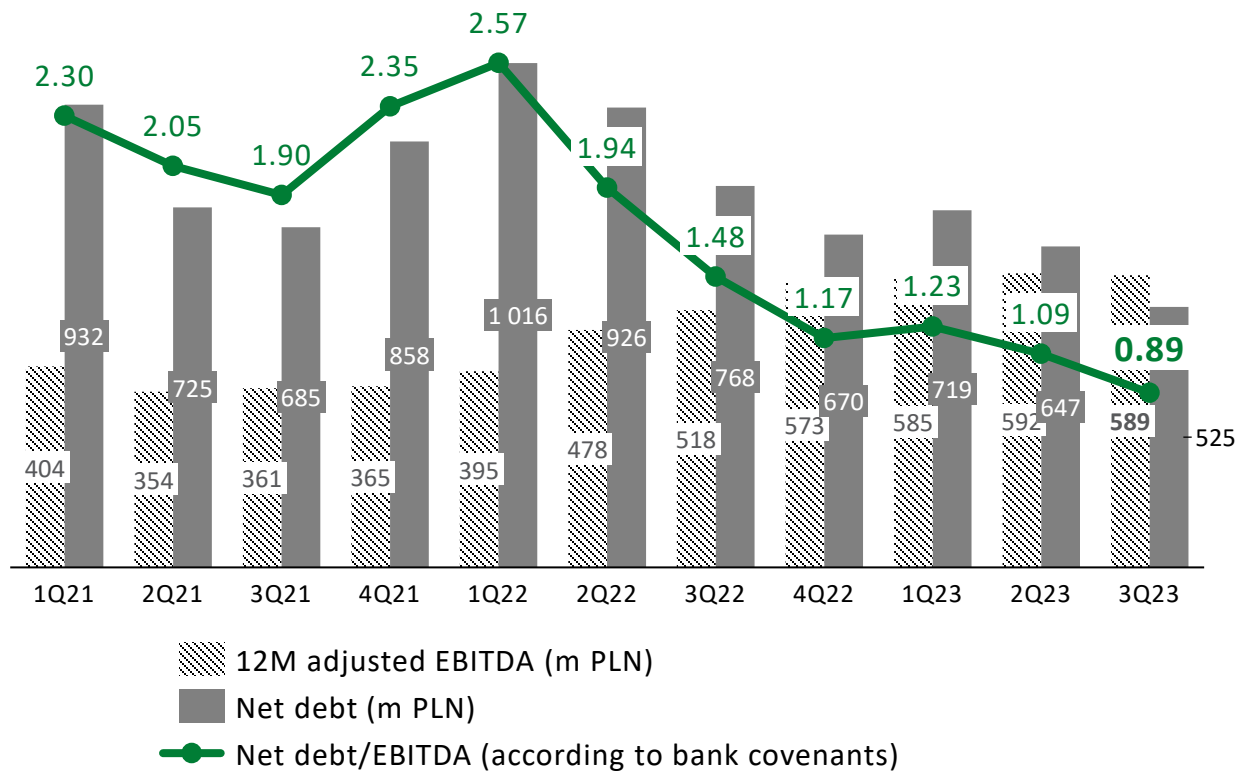
Still high inflation and a decline in grocery retail sales in 3Q23



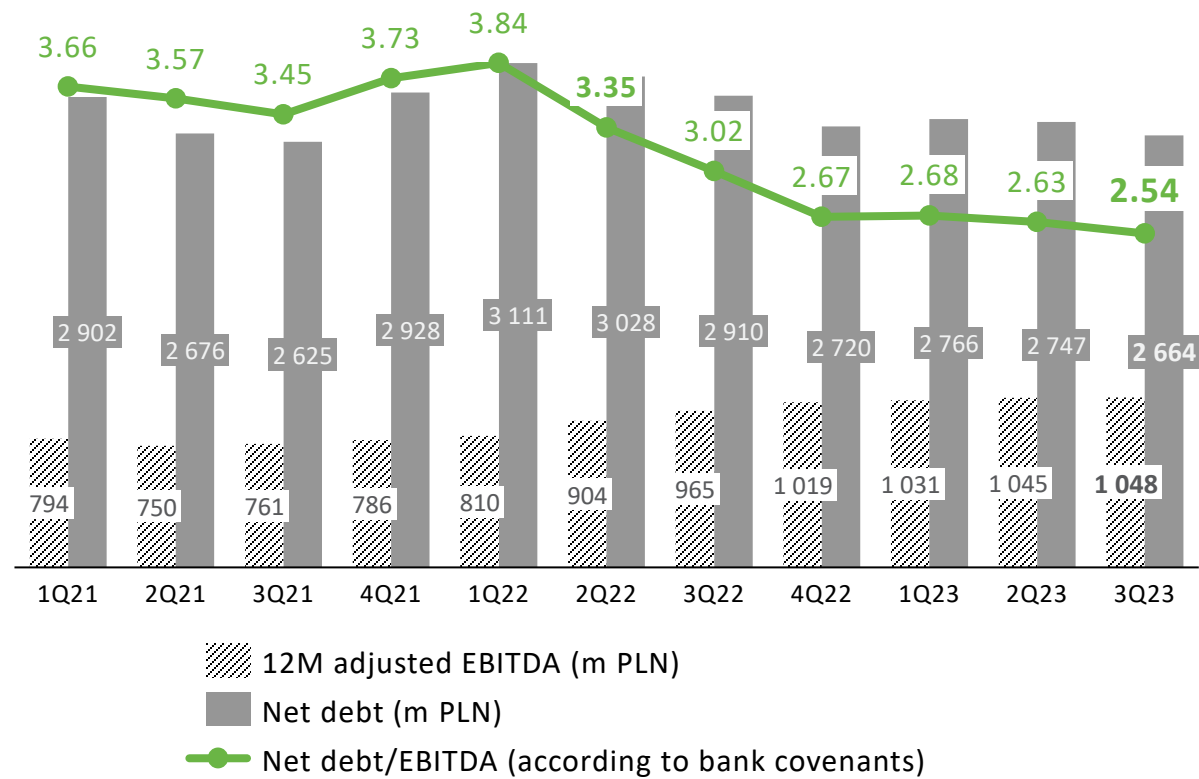
Improved debt profile



Net debt/EBITDA (before IFRS16)



Net debt/EBITDA (after IFRS16)



**Further reduction of the net debt/EBITDA ratio (before IFRS16)
to the level below x0,9 – within the strategic objective.**

Financial costs and working capital

Still high interest rates in 3Q23
and a negative impact of EURPLN

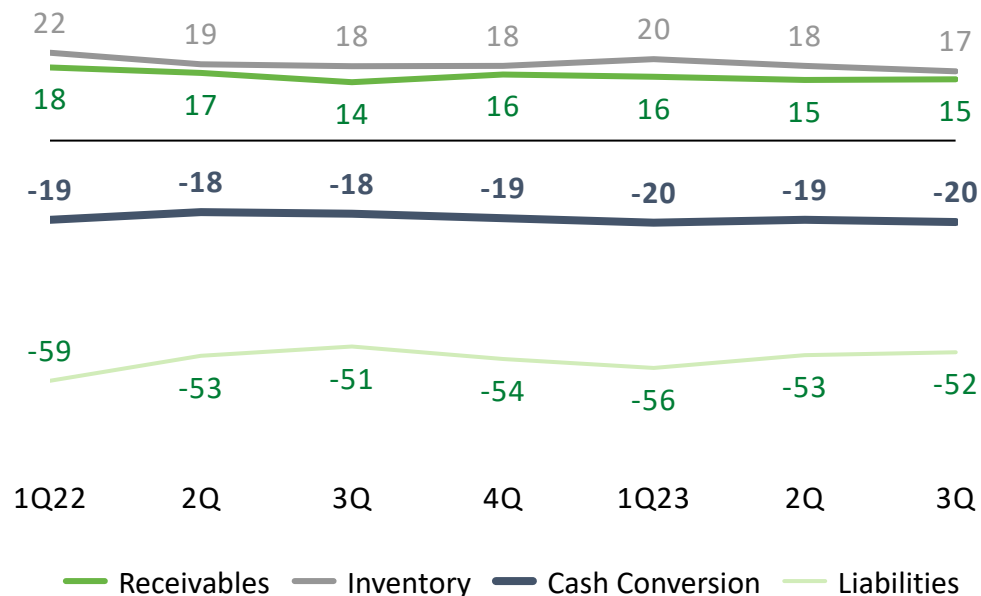
m PLN

| | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 |
|-------------------------------|------|------|------|------|------|------|
| Financial expenses | 65,3 | 93,3 | 72,8 | 78,7 | 75,9 | 98,1 |
| Financial income | 13,0 | 21,0 | 17,3 | 16,7 | 33,4 | 9,9 |
| Net financial expenses | 52,3 | 72,3 | 55,5 | 62,0 | 42,6 | 88,2 |

Further reduction of financial costs will be related to decreasing the level of debt and possible lowering of interest rates. In 3Q23 negative impact of PLN weakening (4,64 EURPLN at the end of September)

Cash conversion cycle

In days



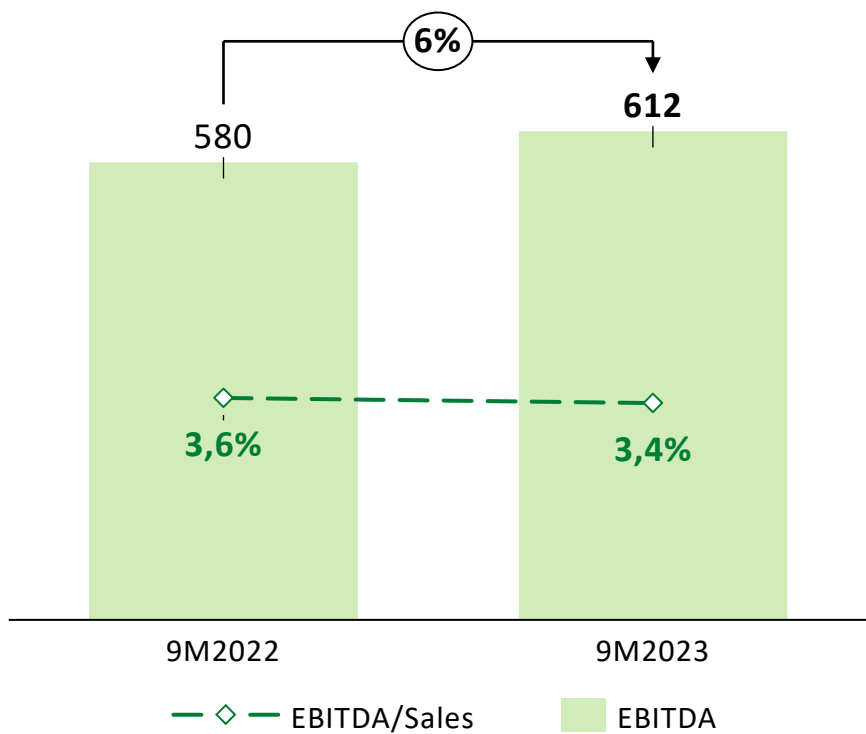
Cash conversion cycle y/y improved by nearly 2 days, mainly thanks to inventory & payables management. Cash from operating activities YTD: PLN +173mn y/y, and +24mn y/y in 3Q2023

Wholesale



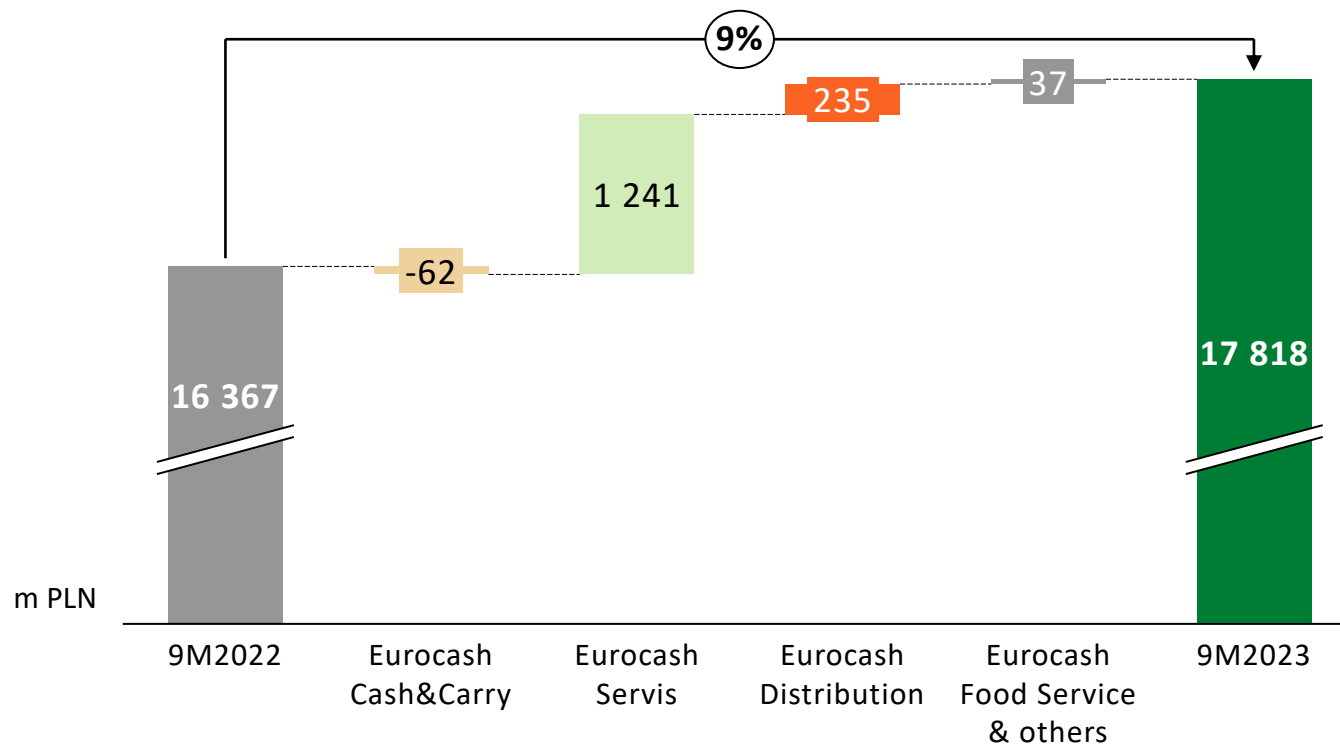
Wholesale – 9M2023

EBITDA evolution in 9M2023 y/y



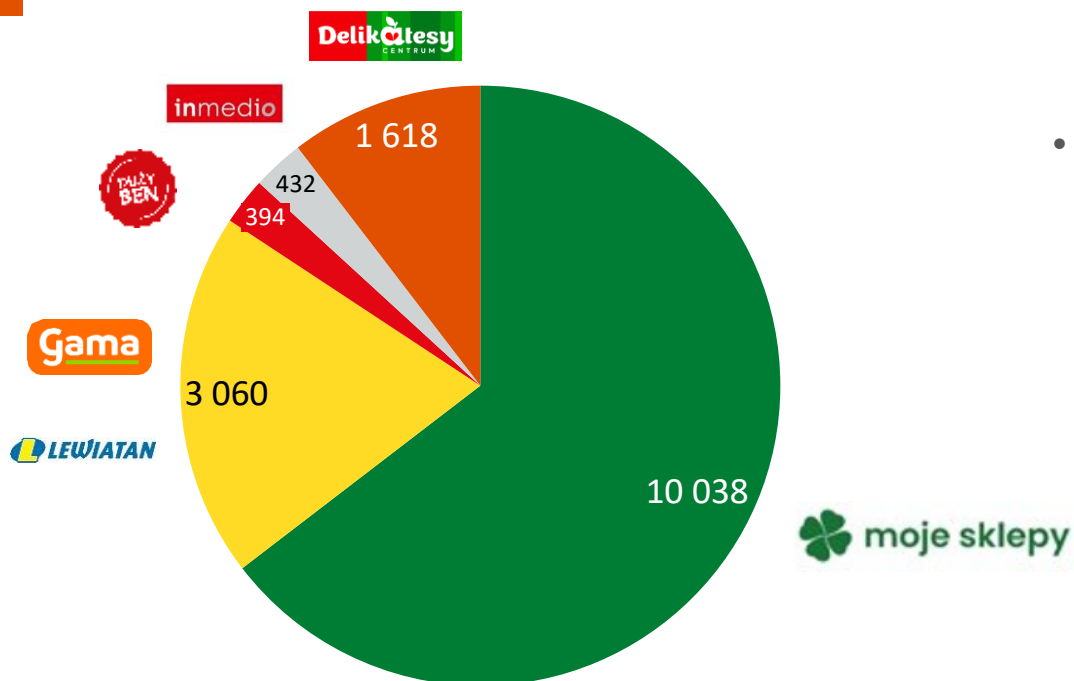
A larger share of EC Serwis in sales dilutes the EBITDA margin.






Sales evolution by formats in 9M2023 y/y



Very strong revenues of EC Serwis +19% and Food Service +23%, a stable contribution of Distribution +4% and weaker quarters of Cash & Carry -2% versus high base of 2022.

15,542 Eurocash stores: franchise, partner, own



-  Duży Ben
-  inmedio
-  Delikatesy Centrum and other small supermarkets
-  abc, Groszek and Euro Sklep stores (EC Sieci Partnerskie)
-  Gama and Lewiatan stores

- The "my stores" concept and mobile application integrate promotional and loyalty activities of three store chains for the consumer. At the same time, it groups a unique network for suppliers with almost PLN 20 billion in annual sell-out.



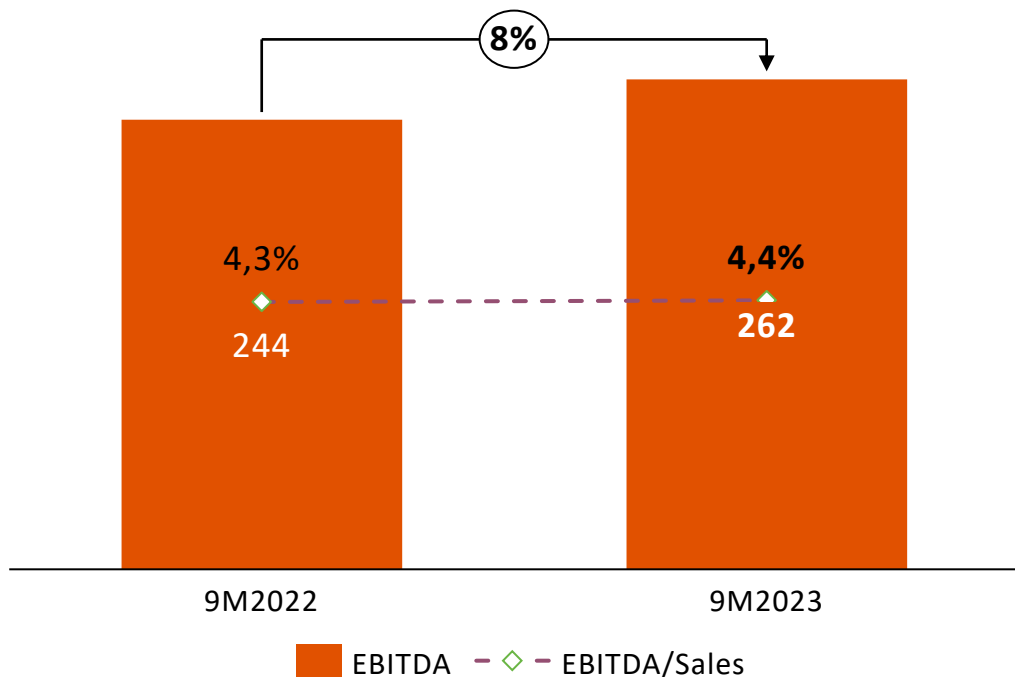
- As part of the 2023-2025 strategy, we implement closer cooperation with franchise stores in a customer-centric model (marketing initiatives, POS network)

Retail



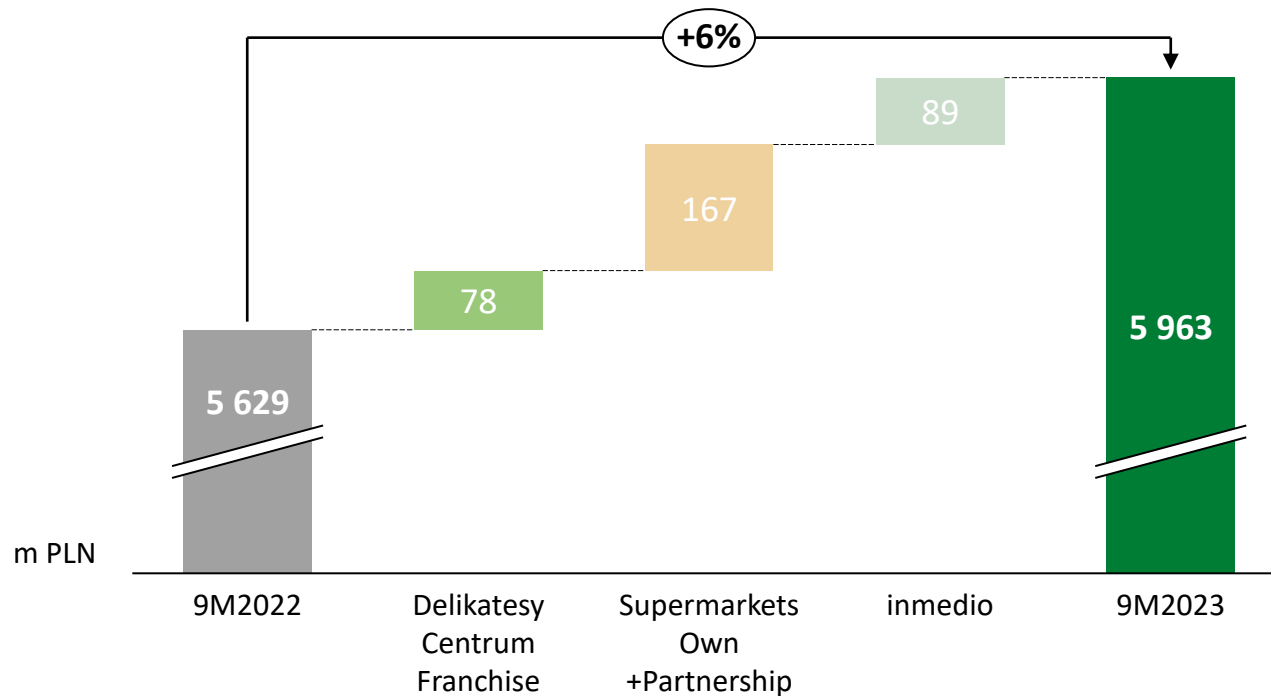


EBITDA evolution in 9M2023 y/y



Improvement of EBITDA y/y while investing in price and a better contribution of 3Q vs 2Q23.

Sales evolution by formats in 9M2023 y/y



+6,4% LfL across the DC brand stores, including +5,6% in 3Q23 -> +1,1pp q/q
High sales growth of inmedio stores +21%.

Promotions & refreshed Delikatesy Centrum communication

- Daily promotion in the DC mobile application: Łappacz. Deeper promotion to increase the number of visits.
- Vouchers for subsequent purchases when shopping with Delikarta and the mobile application
- More frequent promotional leaflet: twice a week
- Additional communication of discounts and low prices on shelves



DEEPER DISCOUNT FOR
MOBILE APP USERS
WITH STRONG SENSE
OF URGENCY



VOUCHER ACTION FOR
DELIKARTA USERS WITH
STRONG SAVINGS TO
INCREASE LOYALTY



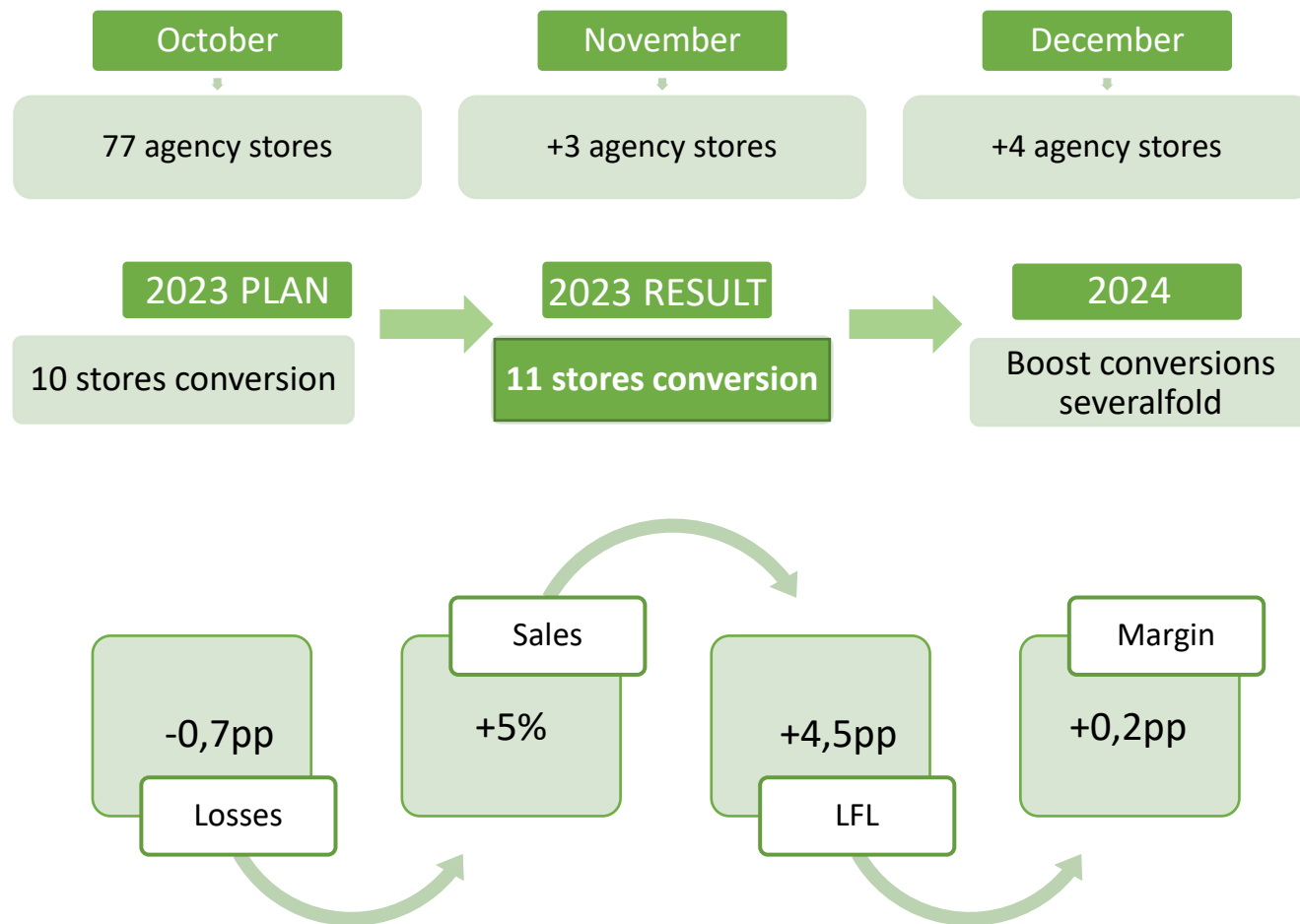
ADDITIONAL PROMOTIONAL
LEAFLET (MON-WED) TO BOOST FREQUENCY
IN THE FIRST PART OF THE WEEK



NEW- IN-STORE PRICE & PROMO
COMMUNICATION TO UNDERLINE
ATTRACTIVE PRICING



Delikatesy Centrum: conversion of selected own stores into agency ones



- 2019 – first conversions
- 2020 – conversion of 16 stores and COVID pause
- 2021 – increased conversions
- 2022 – 10 converted stores
- 2023 – return to converting 3Q2023 – 11 stores

KPIs improved vs own stores average

Projects

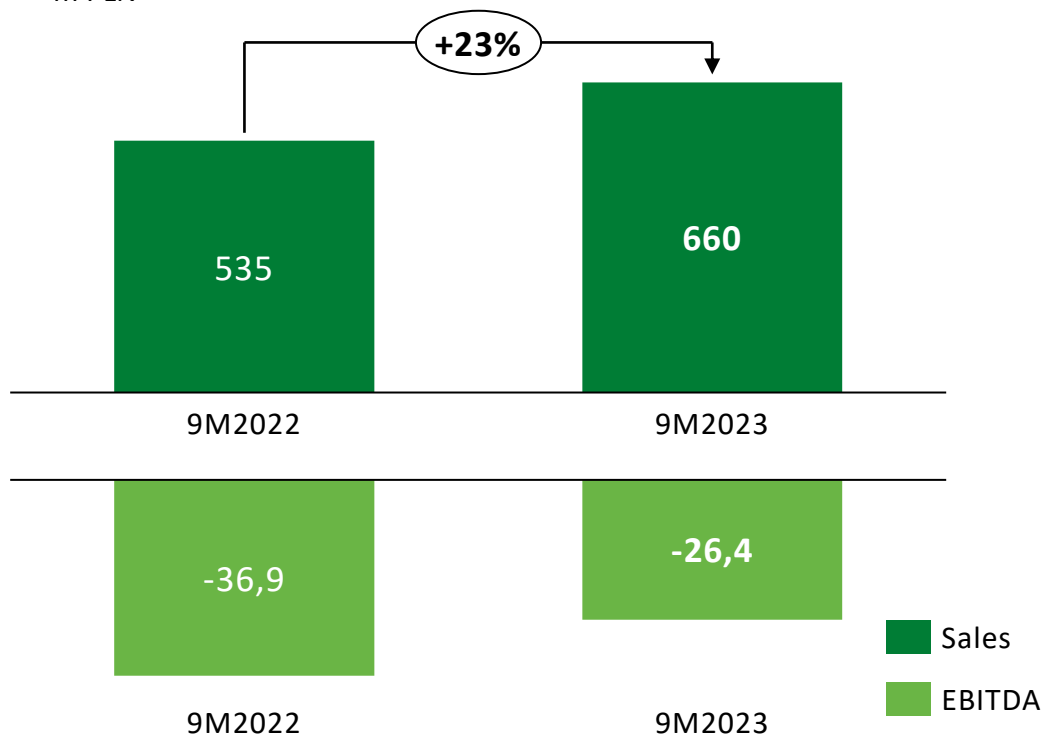


Projects – 9M2023



Evolution of sales and EBITDA in 9M2023 y/y

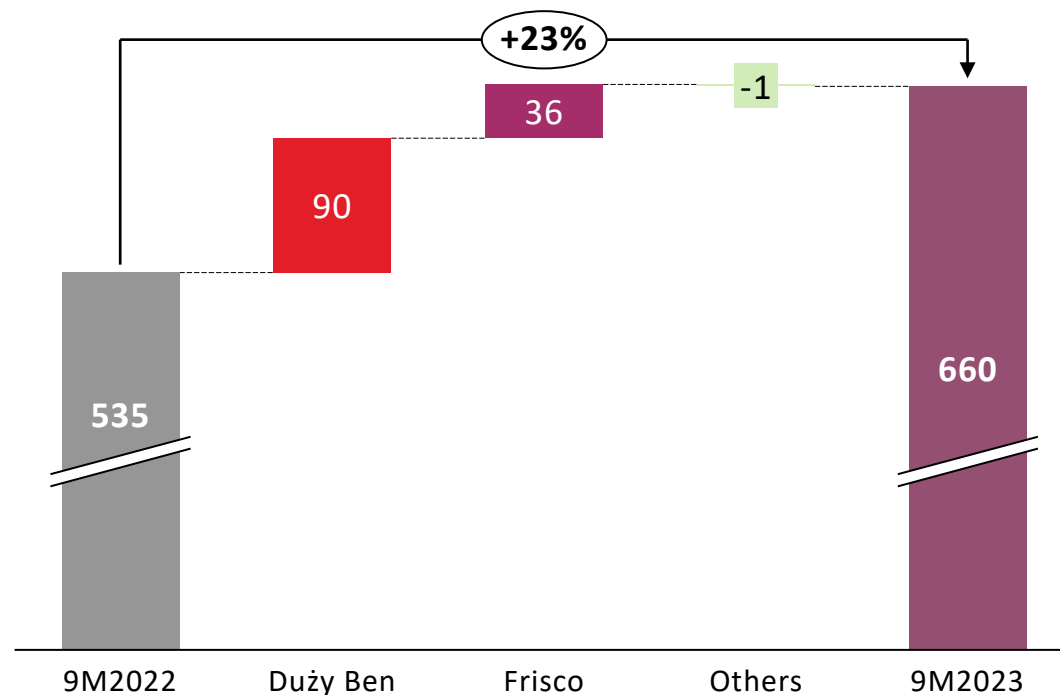
m PLN



Increase in sales by 23% with improved EBITDA, which includes the costs of new Duży Ben stores and Frisco customer acquisition.

Sales evolution by formats in 9M2023 y/y

m PLN



Dynamic sales expansion of Frisco and Duży Ben while inflation is decreasing.

Projects - dynamic development of key formats

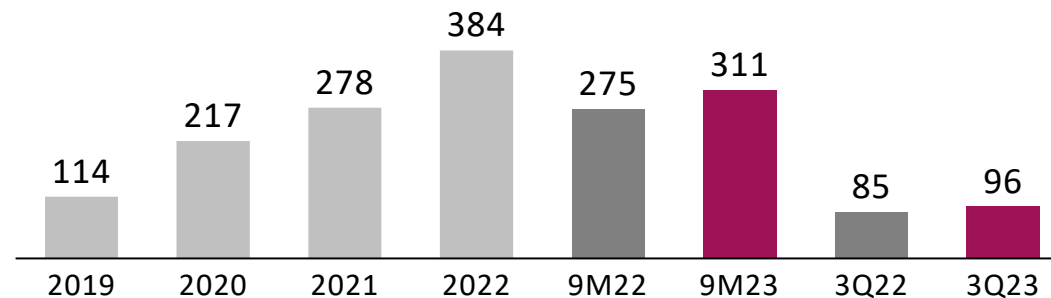
frisco.

↑ Sales 3Q23: **+13% y/y to PLN 105 m** Number of active clients: **-5% y/y to 80 ths.**

↑ Average basket in 3Q23: **+9%, PLN 324 vs PLN 297 in 3Q22**

End of test operation in Bydgoszcz
2nd automated warehouse in Warsaw:
Launch by the year-end

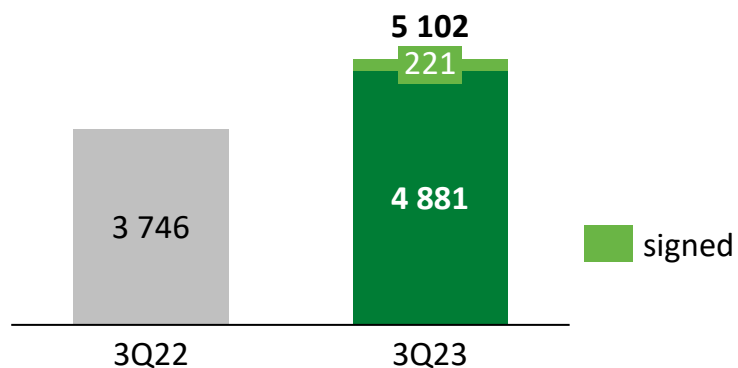
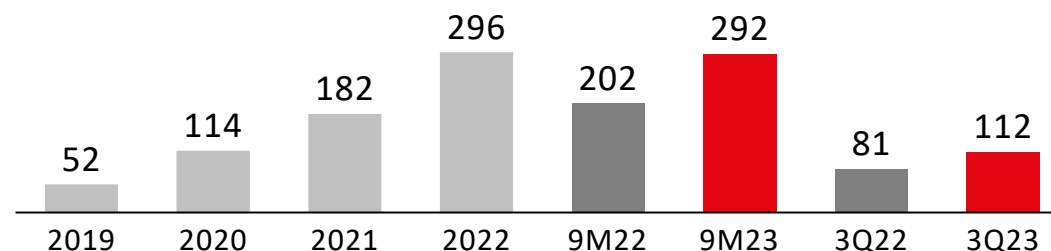
Sales (m PLN)



↑ Sales 3Q23: **+39% r/r to 112 m PLN**

↑ LFL 3Q23: **+7%**
46% stores with a positive contribution

Sales (m PLN)



Nearly 4.9 thousand stores integrated within POS platforms, connecting sellers with chain organizers, producers and consumers. (another 200 signed awaiting integration)

Q&A



Thank you



Appendix

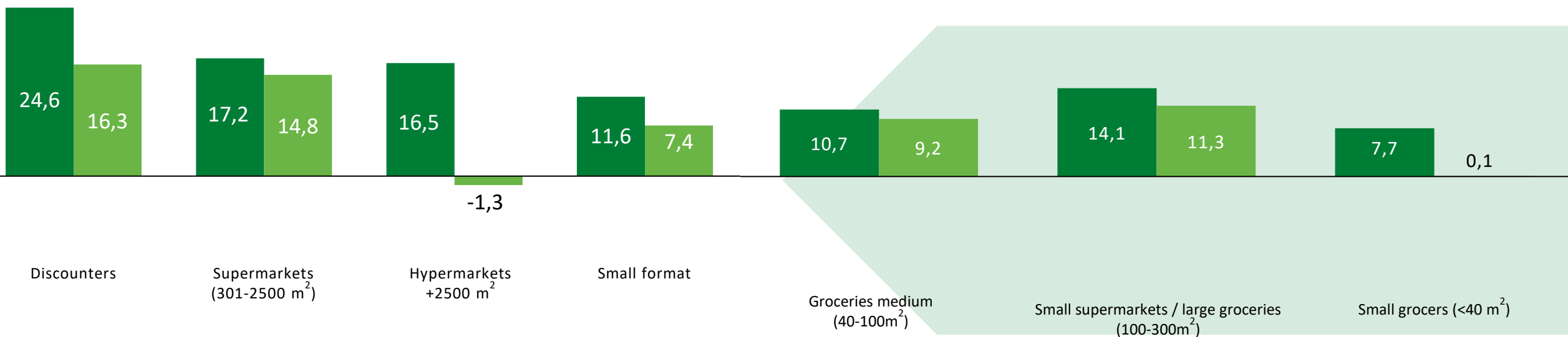


Market data – growth of all retail formats apart from hypermarkets

% growth of the food market in 3Q2023 and 3Q2022 y/y
by distribution channels, including small-format stores



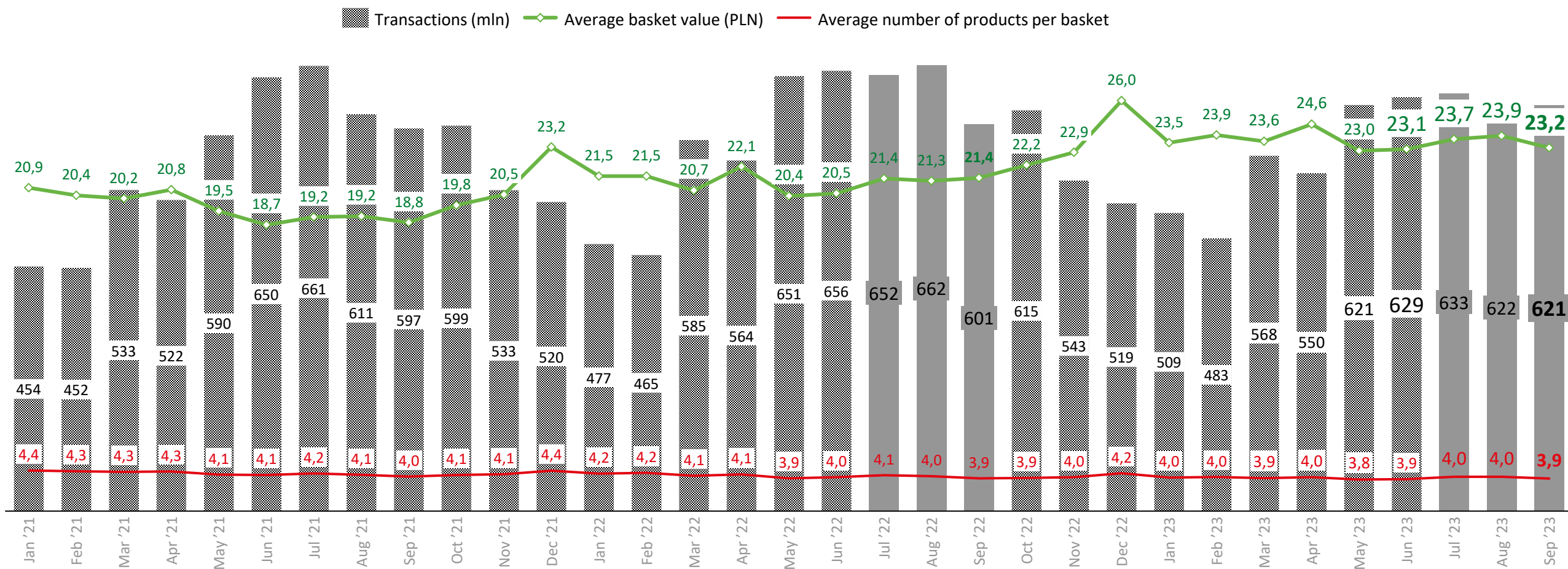
3Q22 y/y
3Q23 y/y
%



Increases above food inflation only in the discounters and supermarkets channels.
Visible high base effect and refuges inflow in 2022.
The least promising stores with the smallest area (less than 40m²) and hypermarkets.

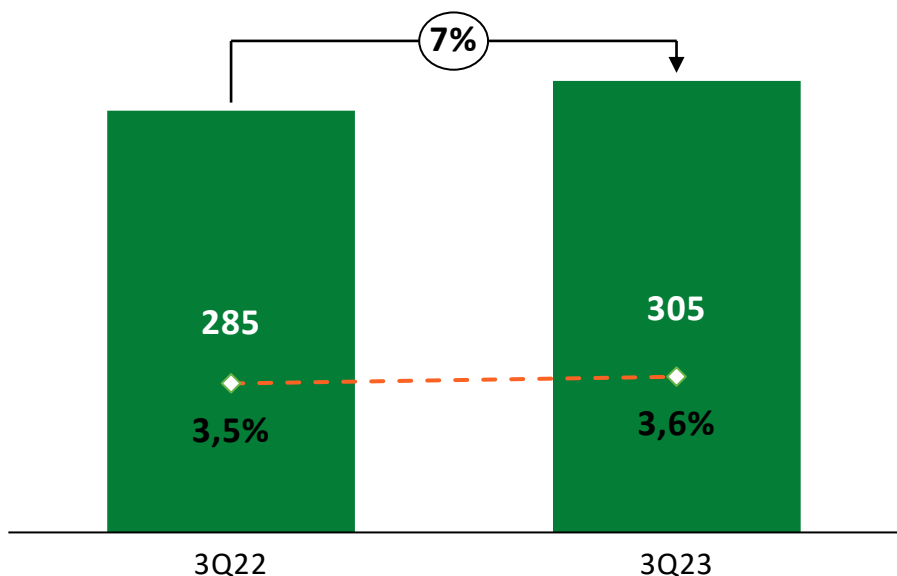
Market data – transactions and basket in shops 0-500 m²

Seasonally higher number of transactions in 3Q23, but lower vs. 3Q22. Warm and strong y/y September.
Stable number of products and basket value growing inflationary (+10,5% y/y in 3Q23).



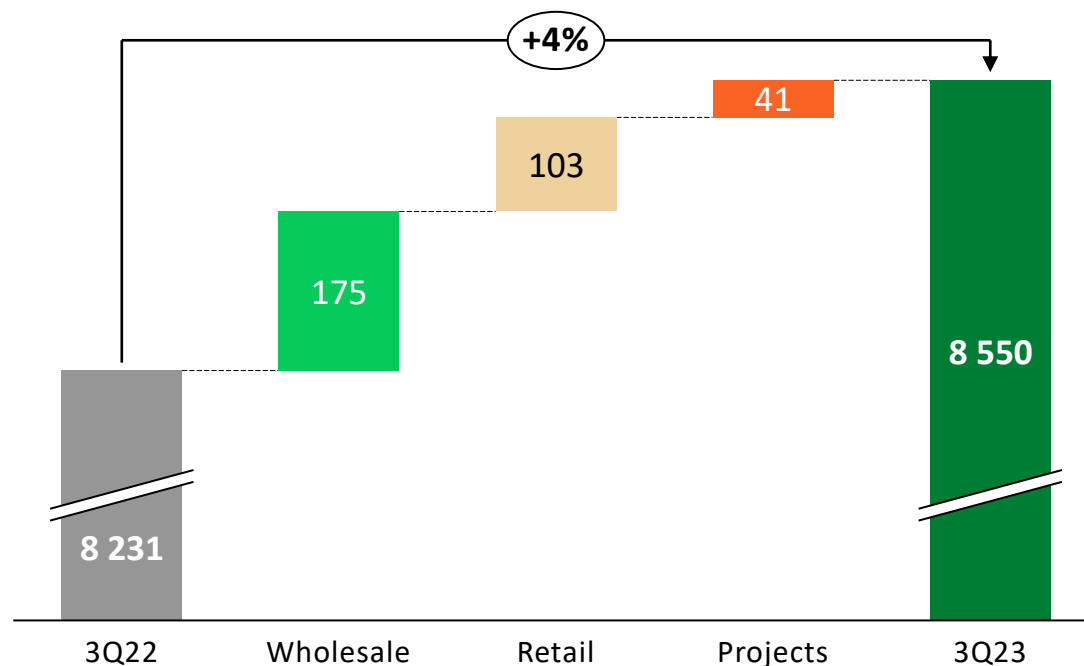
3Q2023 – 8th quarter of sales and EBITDA growth

7% EBITDA growth and
a stable EBITDA margin in 3Q2023



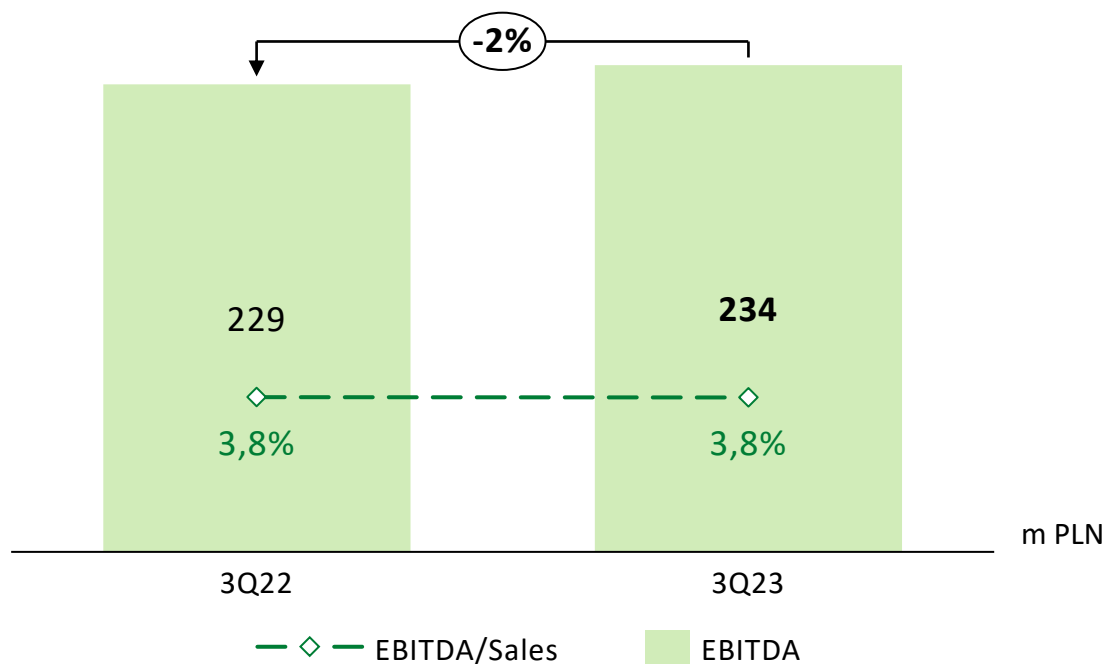
7% EBITDA increase achieved on a high 3Q22 basis, with growing sales and EBITDA margin, and at the same time with a slight decrease in sales margin (investment in price).

Sales evolution
by segment in 3Q2023



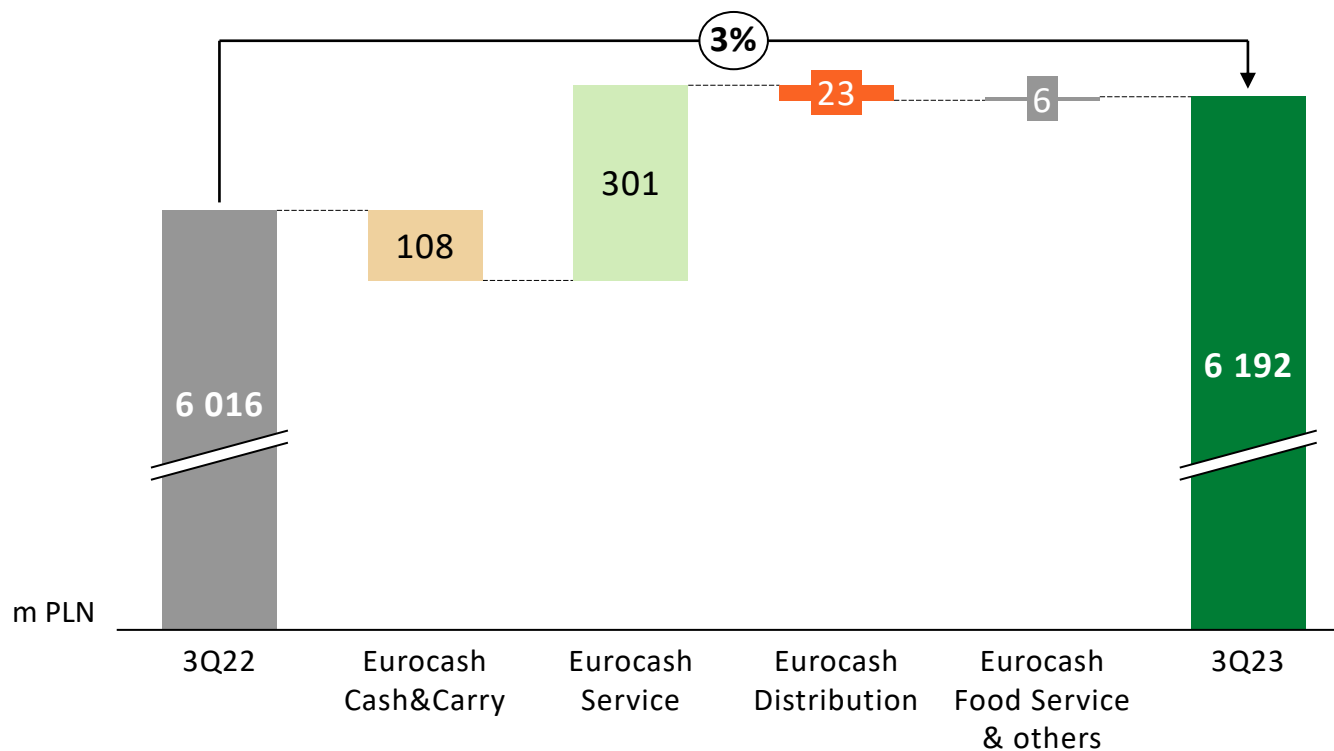
Normalization of revenue growth in the environment of low retail sales in Poland and slowing inflation (high base effect in 3Q22).

Evolution of EBITDA in 3Q2023 y/y



EBITDA increase by 2% in an environment of higher costs and slowing sales growth, as well as a demanding 3Q22 base (refugees, additional demand from independent stores).

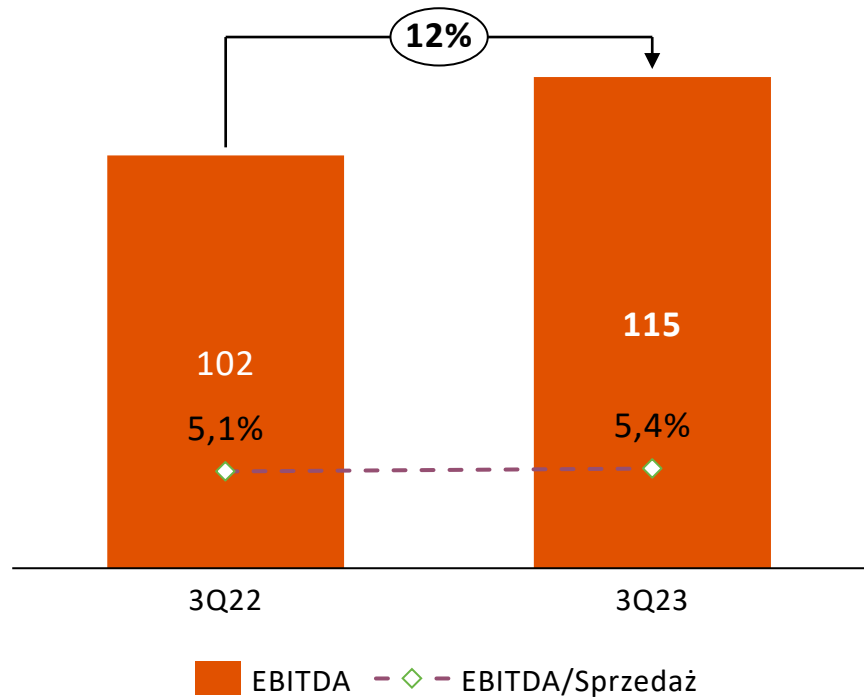
Sales evolution by formats in 3Q2023 y/y



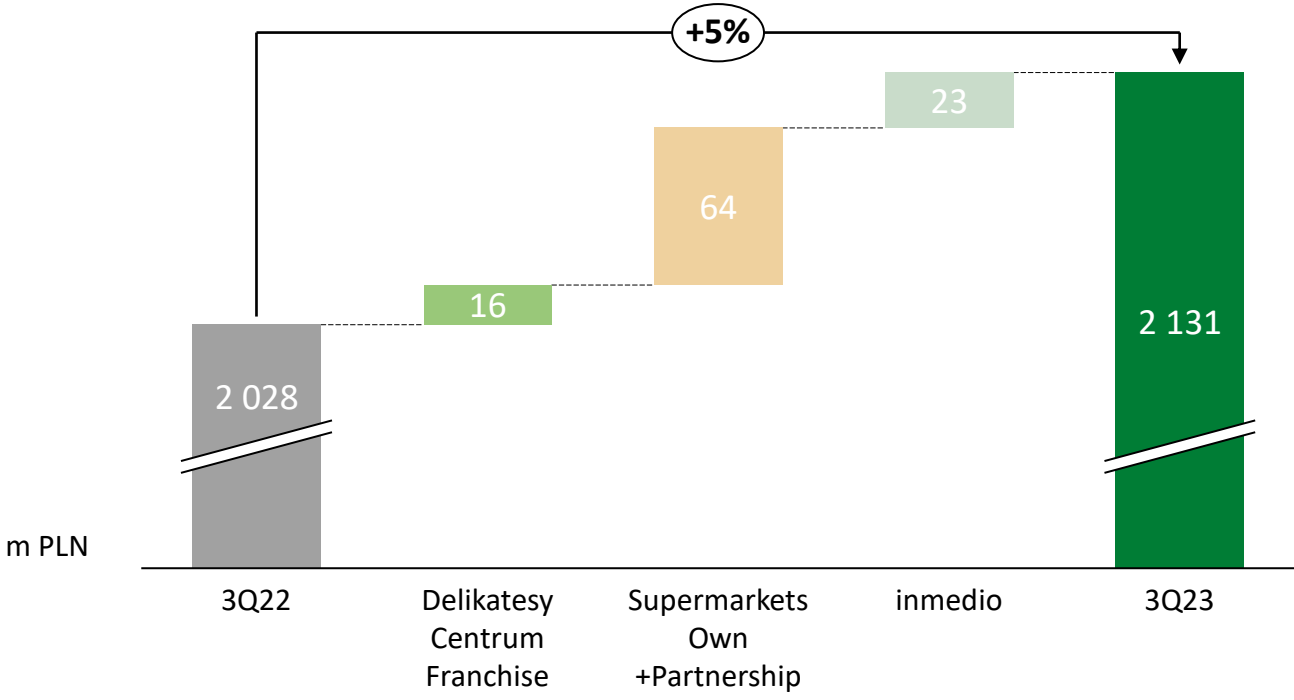
Strong revenues of EC Serwis +13%, slowdown in the Distribution formats -1% and Cash & Carry -8% (mainly declines among independent stores). Normalization of sales growth on a high base in 2022.



Evolution of EBITDA and EBITDA margin in 3Q2023 y/y



Sales evolution by formats in 3Q2023 y/y



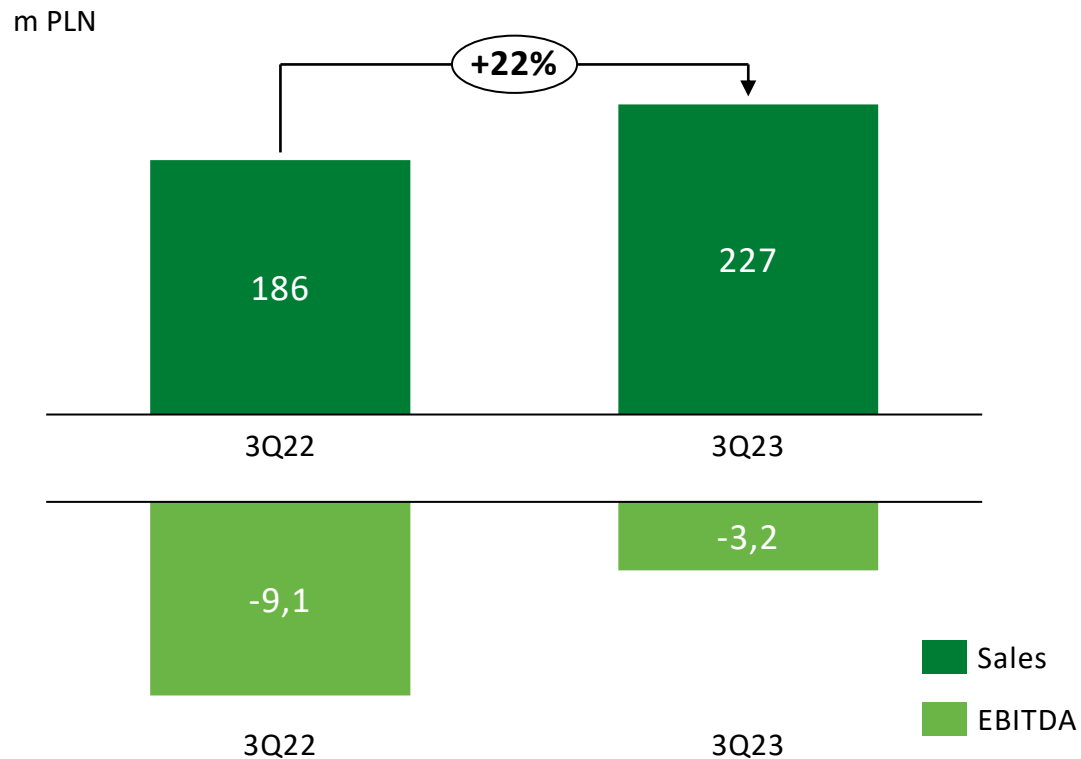
Improved EBITDA result y/y due to higher contribution from partner stores (Rogala, FHC2, MD Projekt) and cost optimization in DC.

Normalization of sales growth after a high base in 3Q22. +5.6% LfL of DC stores in the quarter.

Projects – 3Q2023

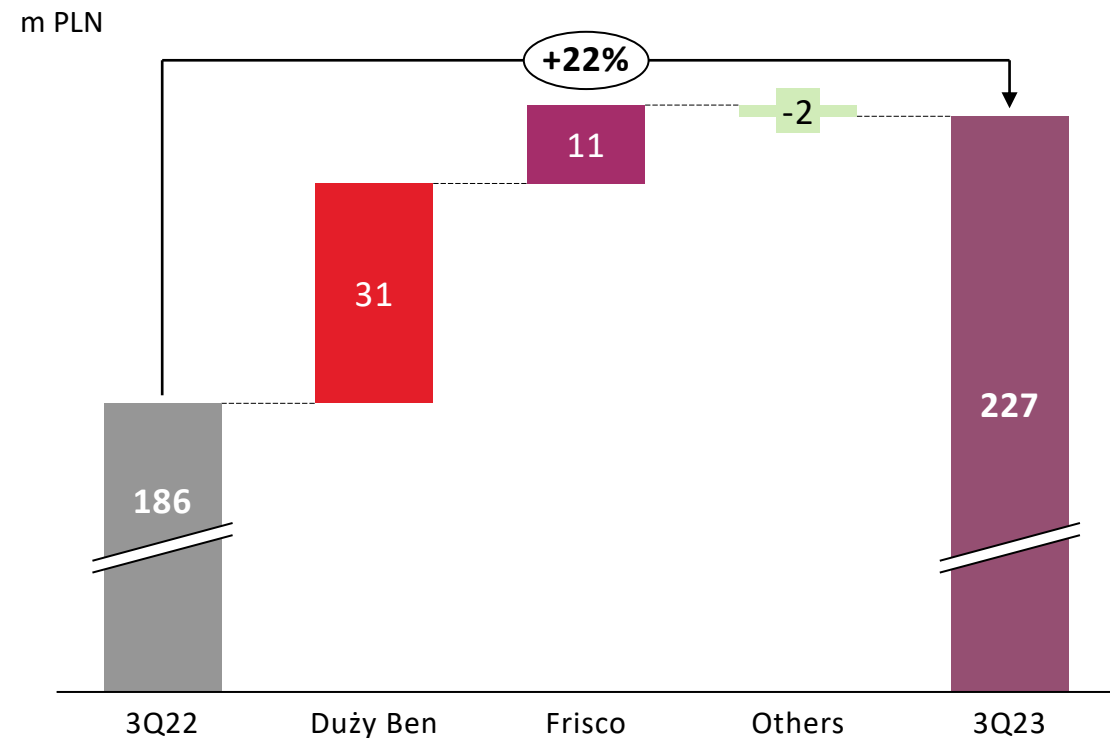


Evolution of sales and EBITDA in 3Q2023 y/y



Increase in sales by 22% with improved EBITDA, which includes the costs of new Duży Ben stores and Frisco customer acquisition.

Sales evolution by formats in 3Q2023 y/y



Further dynamic sales expansion of Frisco and Duży Ben.