



dino
najbliżej Ciebie

Q1 2017
Financial results
24th May 2017

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Our achievements in 1Q 2017



+11 stores in 1Q 2017



+25% store pipeline y-o-y



+13% LFL y-o-y



+29% sales y-o-y



+0.3pp gross margin y-o-y

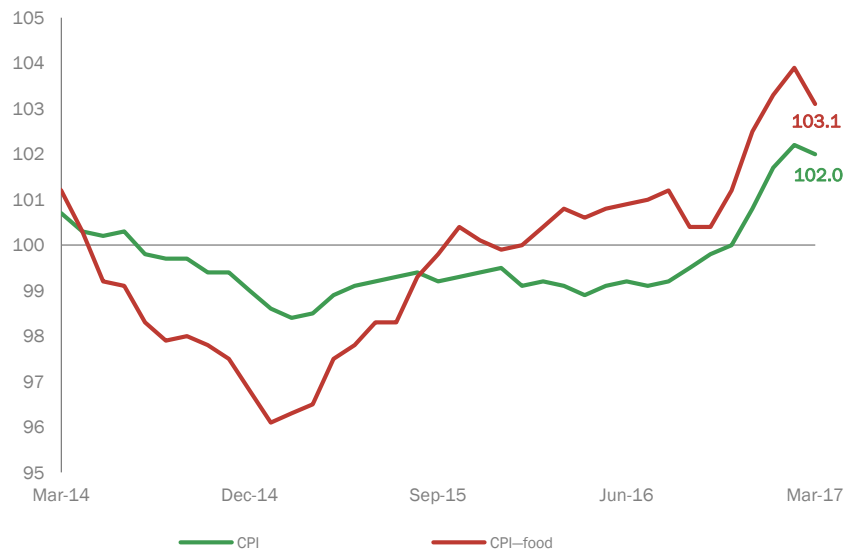


+29% EBITDA y-o-y

Supportive market conditions

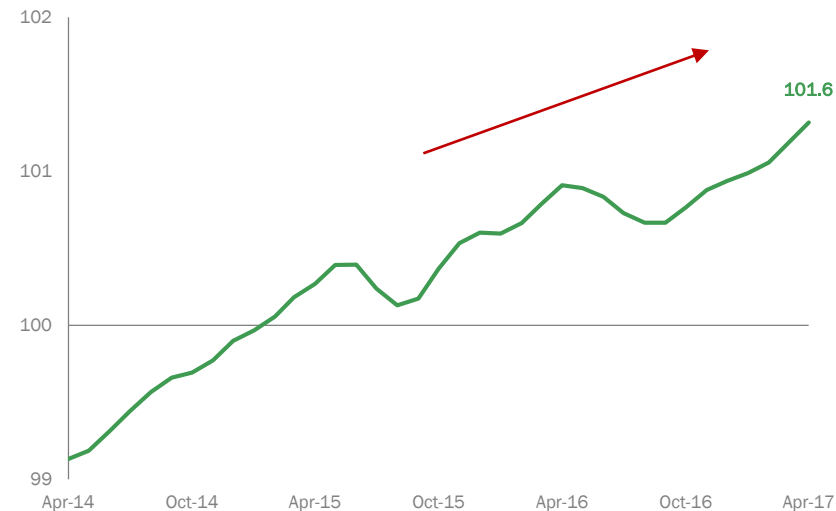
Recovering inflation

Inflation in Poland



Improvement in consumer sentiment

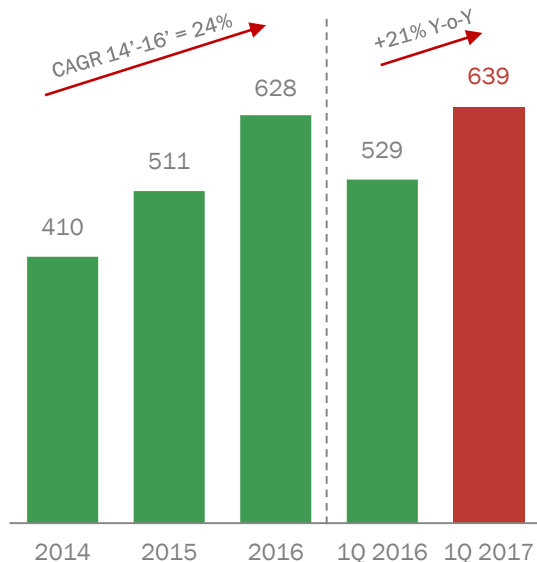
Consumer confidence index in Poland (100=long-term average)



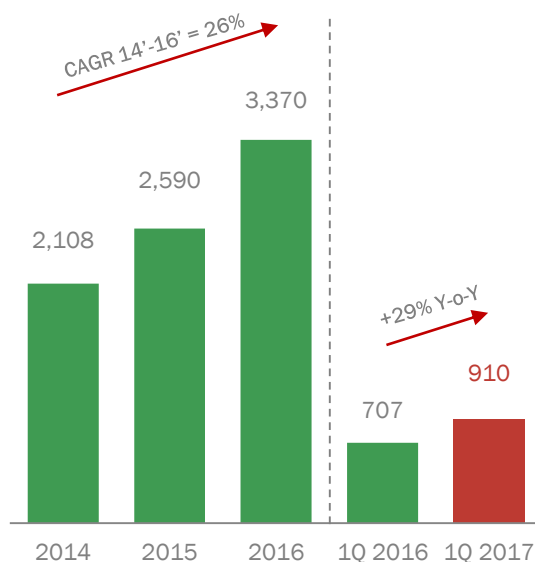
Source: Central Office of Statistics (GUS); Organisation for Economic Co-operation and Development

Operational & financial highlights

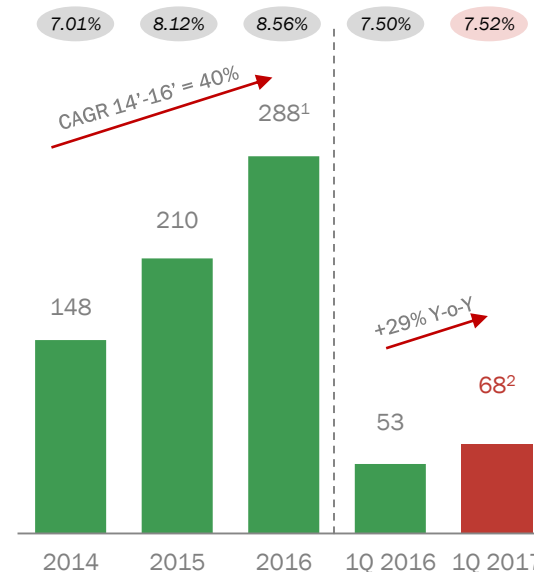
Number of stores (end of period)



Sales dynamics (PLNm)



EBITDA (PLNm) and margin



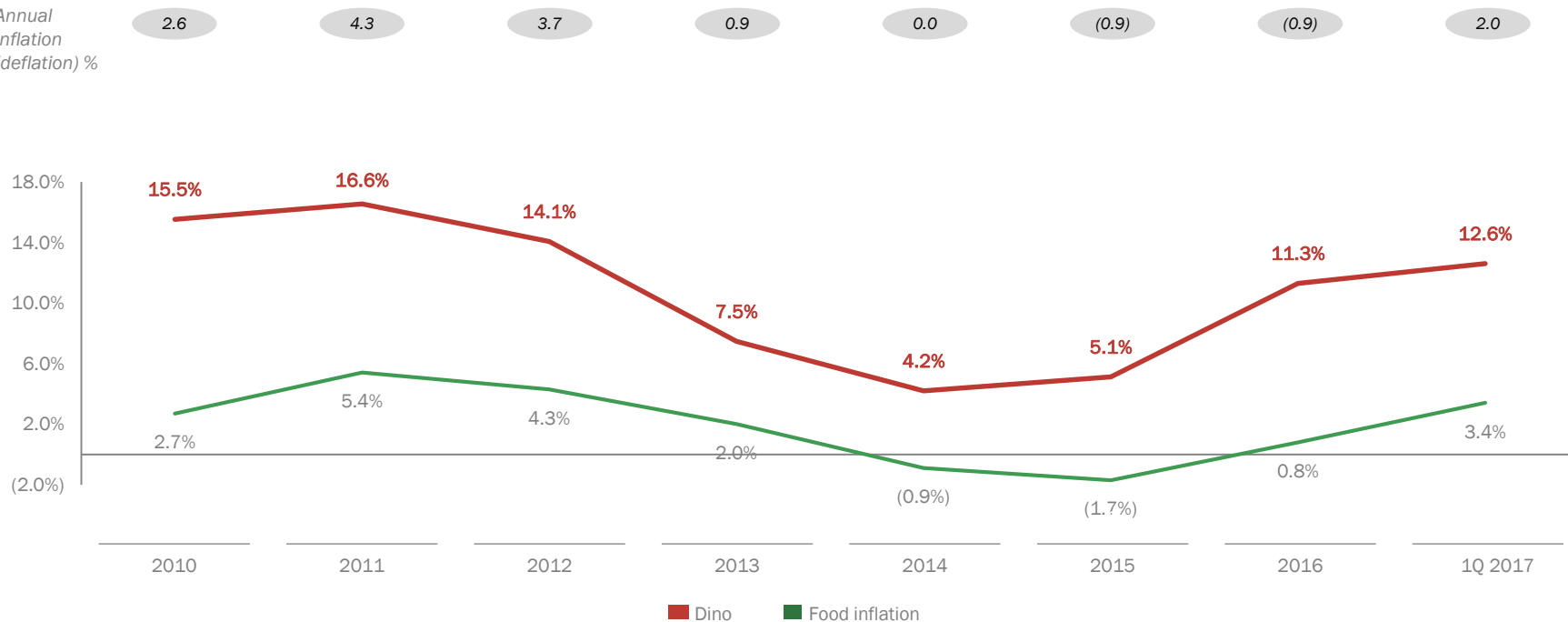
Source: Company financial statements

Notes:

1. Adjusted for the IPO-related one-off expenses of PLN7.5m
2. Adjusted for the IPO-related one-off expenses of PLN3.0m

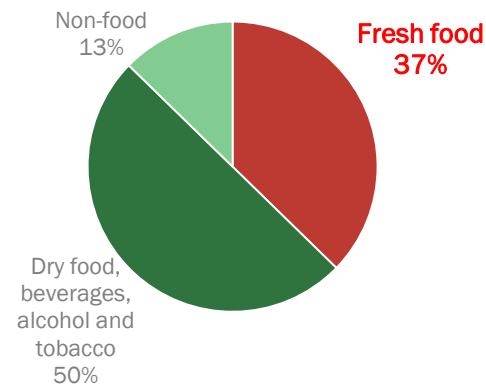
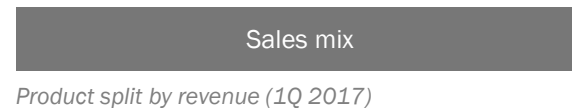
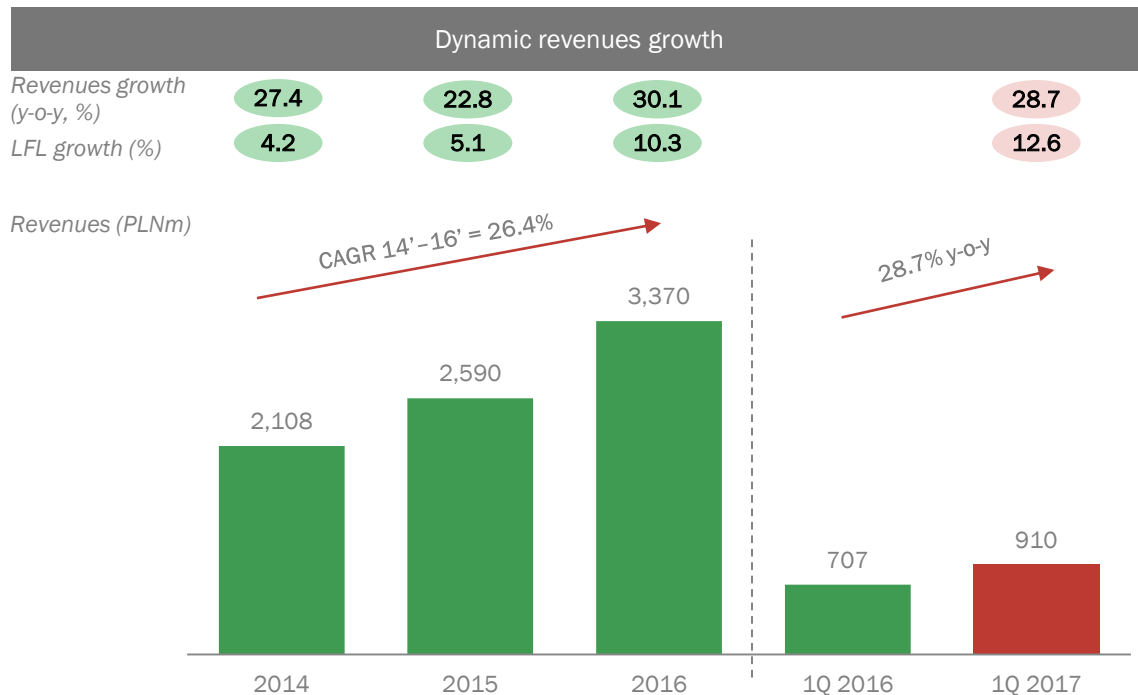
Delivering leading LFL growth

Annual
Inflation
(deflation) %



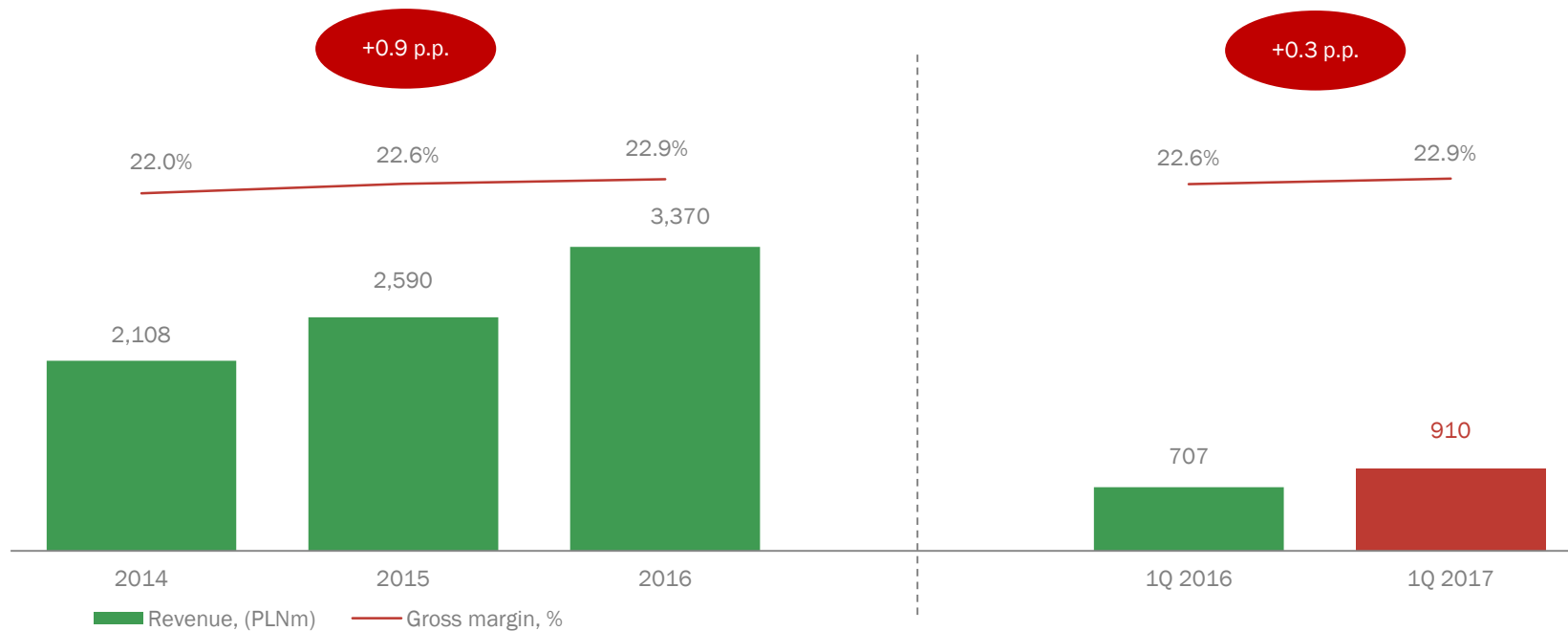
Source: Company information, Central Office of Statistics (GUS)

Revenues



Gross margin

Steady increase in gross margin

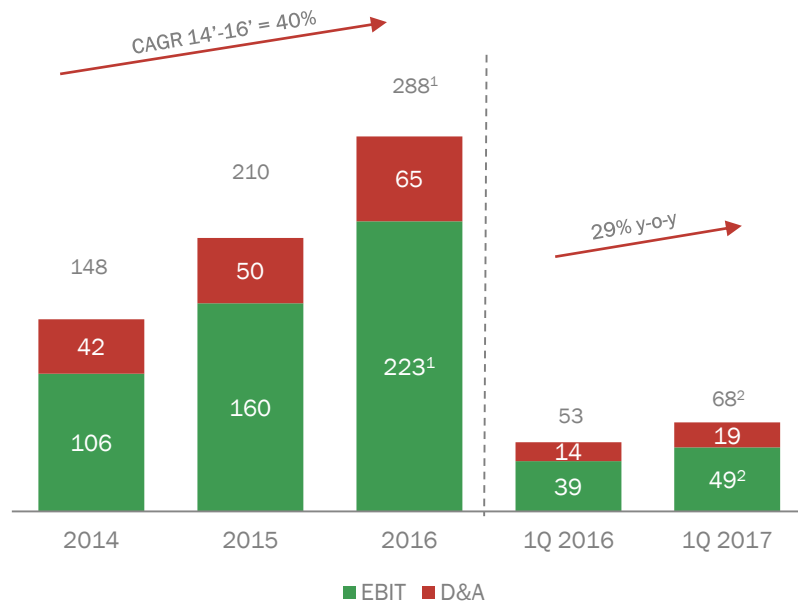


Source: Company financial statements

EBITDA

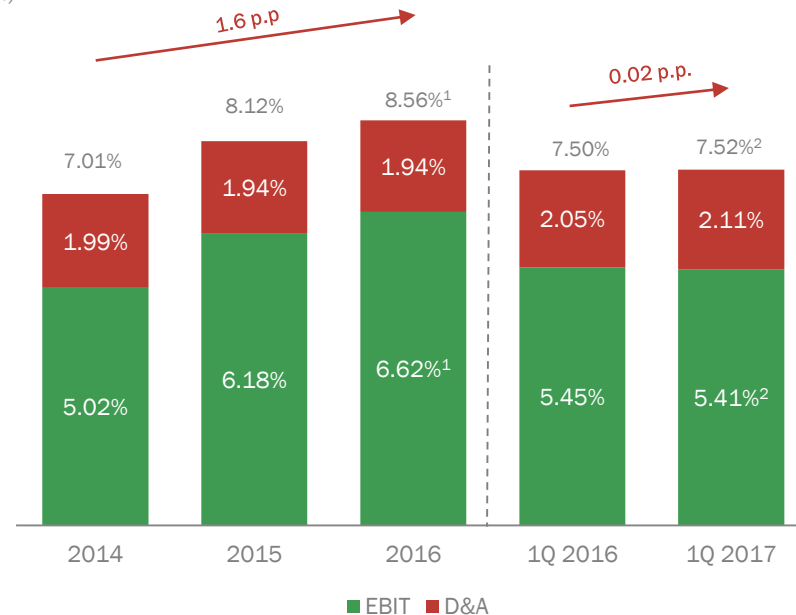
EBITDA growth

(PLNm)



EBITDA margins

(%)



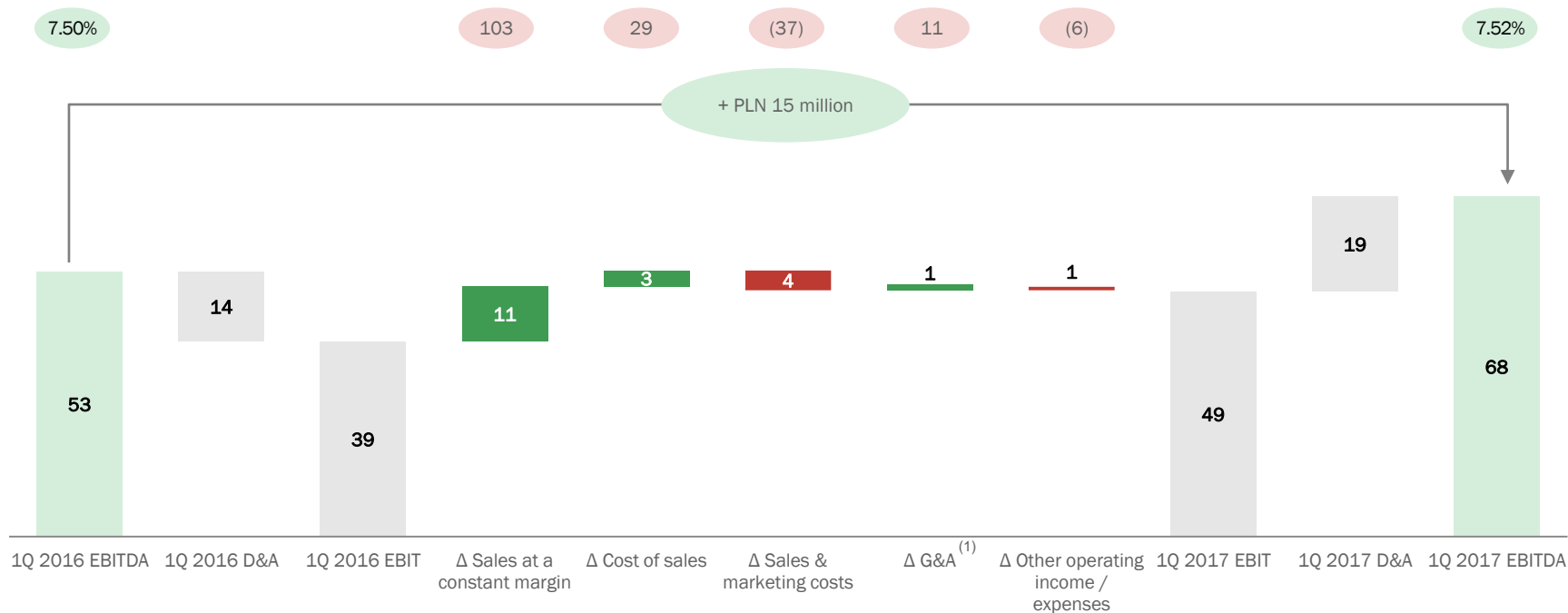
Source: Company financial statements

Notes:

- Adjusted for the IPO-related one-off expenses of PLN7.5m
- Adjusted for the IPO-related one-off expenses of PLN3.0m

Q1 2017 EBITDA bridge

(PLNm)



(1) Excluding one-off IPO costs of PLN 3.0m

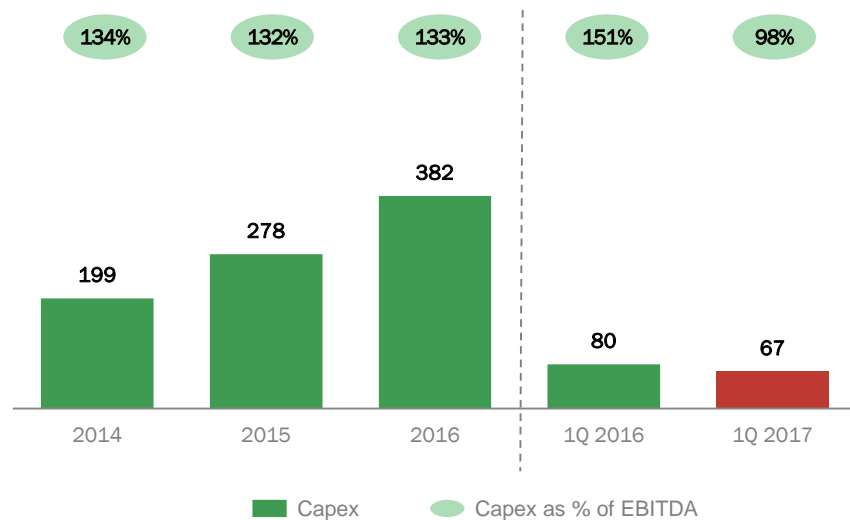
EBITDA Margin (%)

Contribution to growth in EBIT (%)

Operating cash flow

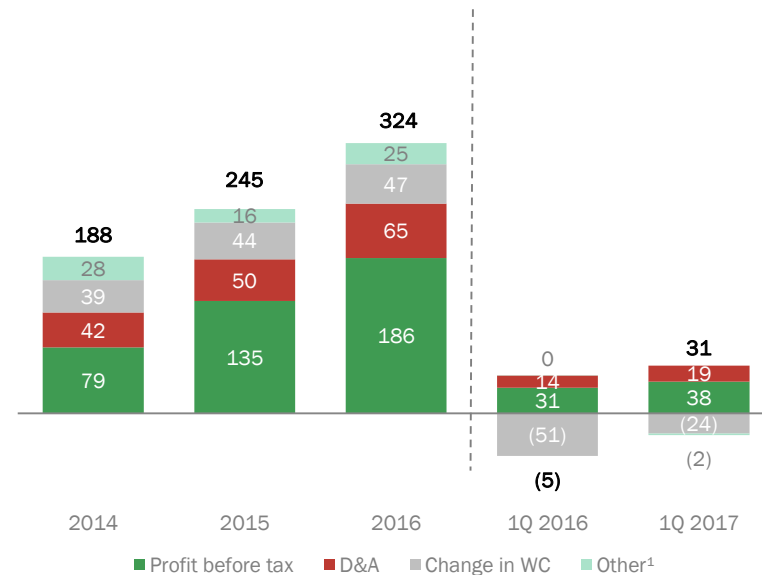
Capex

(PLNm)



OCF structure

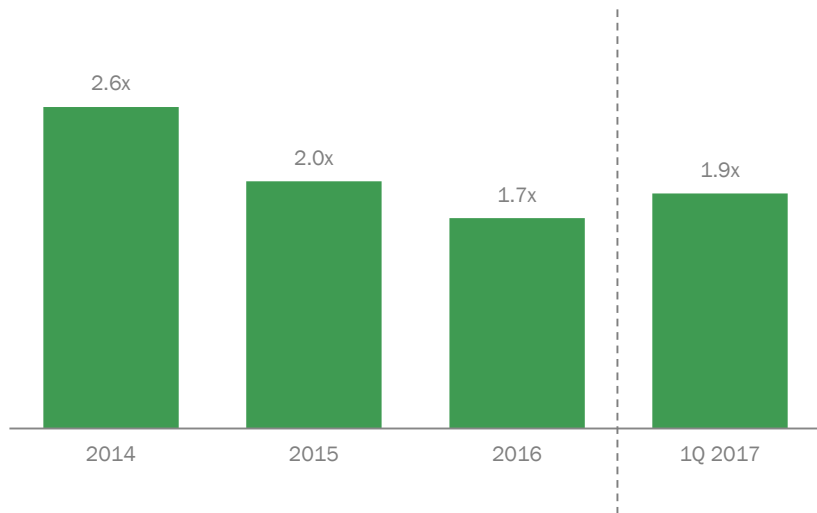
(PLNm)



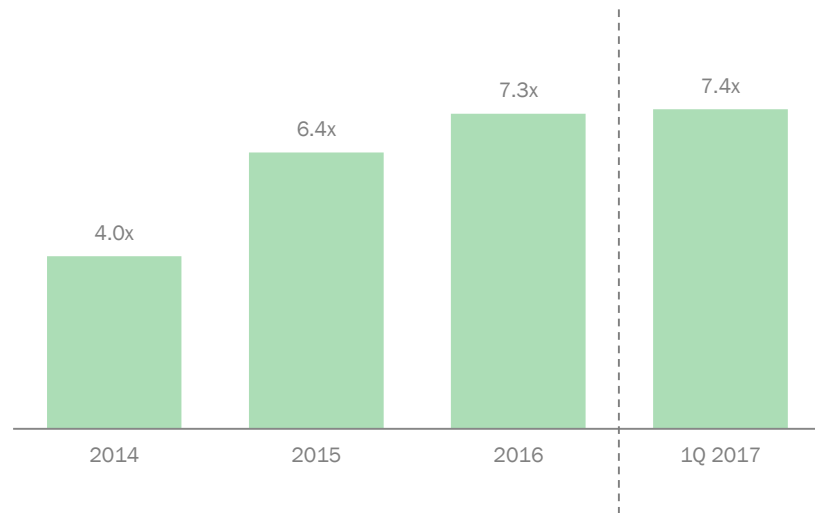
Source: Company financial statements
 (1) Net interest expense, tax expense, change in accruals and provisions, investment activity gains and other adjustments

Balance sheet

Net debt / EBITDA⁽¹⁾



Interest coverage ratio⁽²⁾



Source: Company financial statements

(1) Net debt to EBITDA defined as net debt divided by EBITDA for the last twelve months

(2) Interest coverage ratio defined as EBIT divided by financial expenses for the last twelve months

Store roll-out



+11
1Q 2017

No. of newly opened stores



+20%
1Q 2017
y-o-y

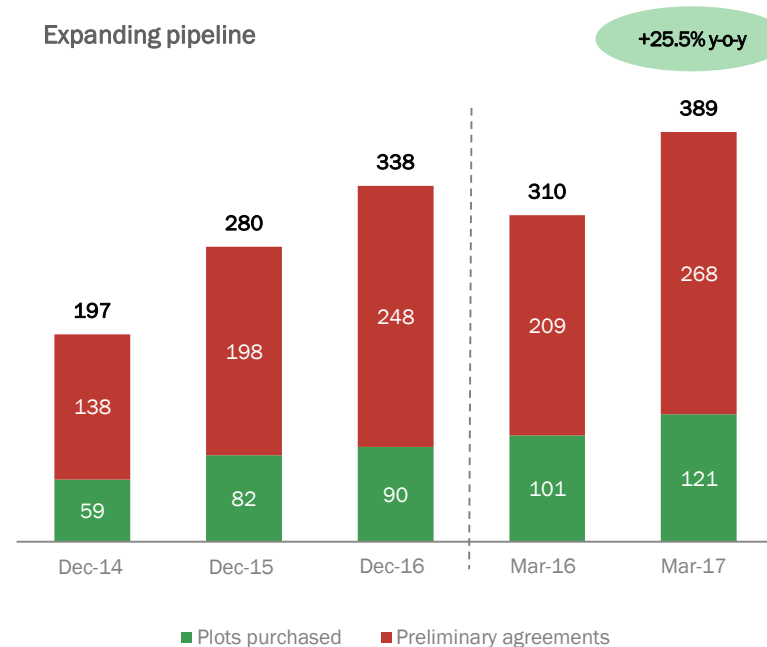
No. of purchased plots



+28%
1Q 2017
y-o-y

No. of preliminary agreements

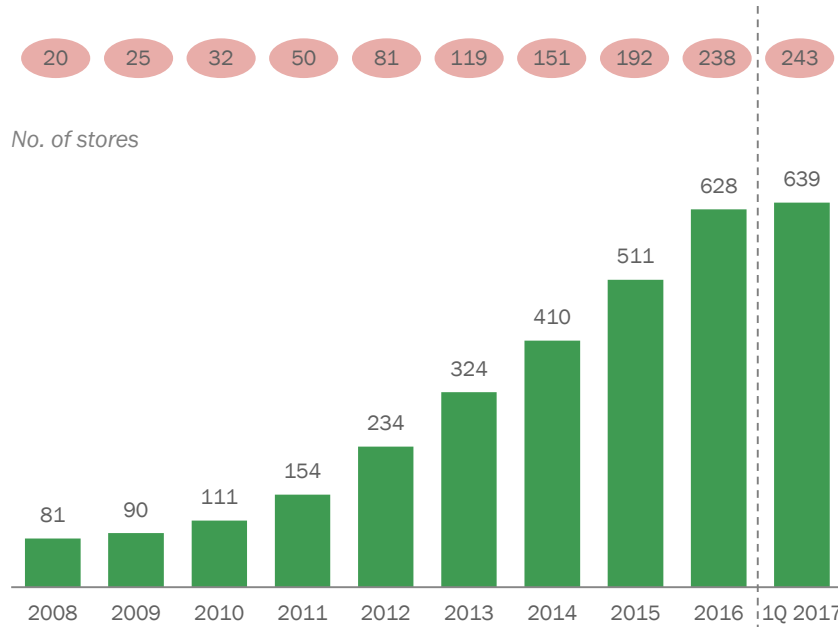
Expanding pipeline



Store roll-out

Network expansion to date

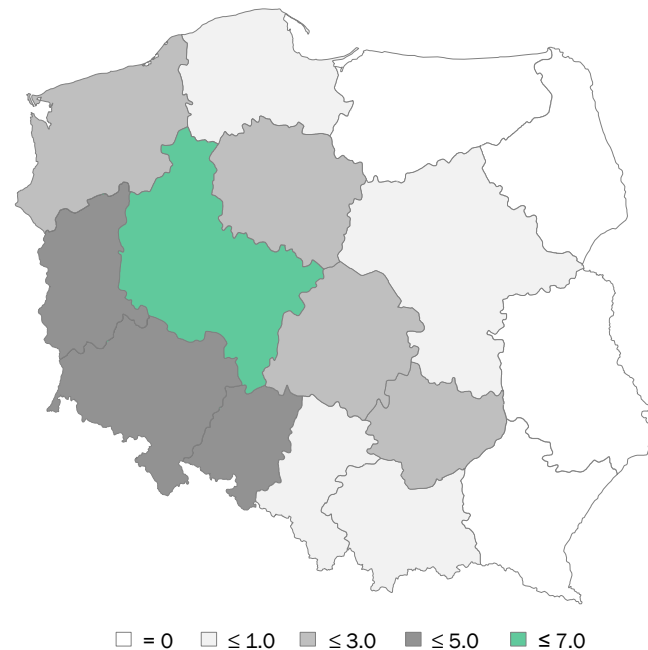
Net sales area ('000 m²)



Source: Company information

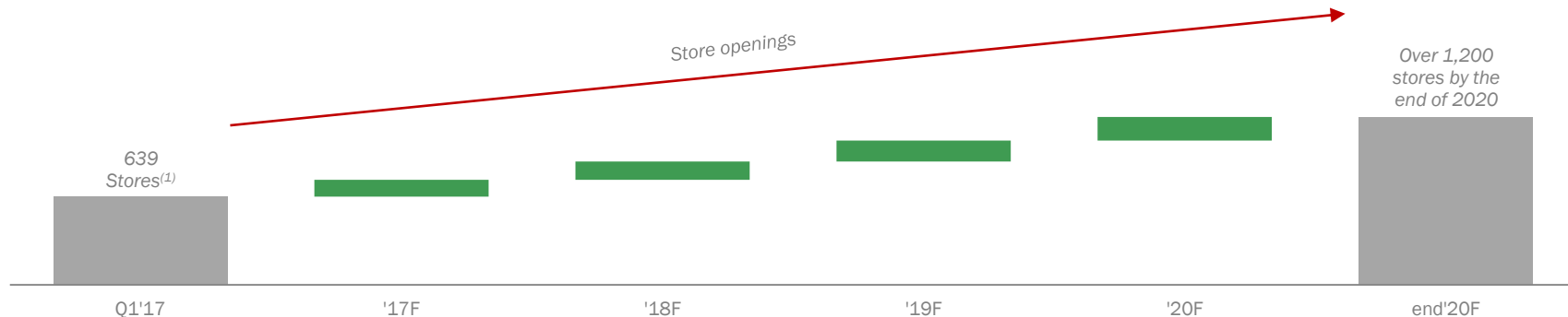
Regional coverage

Stores per 100k inhabitants



Strategy update

1 Organic store roll-out



2 LFL growth

12.6%
LFL growth in 1Q 2017
(vs 3.4% food inflation)

3 Improving profitability

+ 0.3 pp
Gross margin improvement
in 1Q 2017

Source: Company information

(1) As at the end of Q1 2017

Q&A



Company financial statements (1/5)

Profit and loss statement

(PLNm)	2014	2015	2016	1Q 2017 ⁽¹⁾	1Q 2016 ⁽¹⁾	Y-o-y +/- (%),%
Sales	2,107,984	2,589,576	3,369,517	910,335	707,363	28.7%
Cost of sales	(1,644,080)	(2,004,710)	(2,599,005)	(701,744)	(547,725)	28.1%
Gross profit	463,904	584,866	770,512	208,591	159,638	30.7%
Other operating income	1,522	3,120	2,616	476	1,022	(53.4%)
Selling and marketing costs	(324,634)	(391,580)	(505,855)	(149,746)	(113,285)	32.2%
Administrative expenses and general overheads	(31,338)	(35,354)	(49,434) ⁽²⁾	(12,903) ⁽²⁾	(8,603)	50.0%
Other operating expenses	(3,667)	(998)	(2,250)	(96)	(194)	(50.5%)
Operating profit	105,787	160,054	215,589	46,322	38,578	20.1%
Financial income	168	99	473	98	34	188.2%
Financial expenses	(26,662)	(24,922)	(29,607)	(8,415)	(7,769)	8.3%
Profit before tax	79,293	135,231	186,455	38,005	30,843	23.2%
Income tax	(13,156)	(13,059)	(35,245)	(7,550)	(7,456)	1.3%
Net profit from continuing operations	66,137	122,172	151,210	30,455	23,387	30.2%

Source: Company financial statements

(1) Unaudited

(2) Not adjusted for one-offs related to the IPO (PLN 7.5m in 2016 and PLN 3m in 1Q 2017)

Company financial statements (2/5)

Balance sheet

(PLN '000)	2014	2015	2016	1Q 2017 ⁽¹⁾	1Q 2016 ⁽¹⁾
Assets					
Property, plant and equipment	798,948	1,024,199	1,337,207	1,386,389	1,090,826
Intangible assets	90,700	92,253	93,072	92,510	91,952
Other non-financial assets (long term)	1,885	-	-	-	-
Deferred tax assets	37,049	34,311	26,867	21,919	30,352
Total non-current assets	928,582	1,150,763	1,457,146	1,500,818	1,213,130
Inventories	182,286	212,146	276,541	290,707	221,320
Trade and other receivables	18,796	21,687	33,665	19,155	9,382
Income tax receivables	48	105	613	603	113
Other non-financial assets	13,515	20,742	22,447	32,395	28,618
Cash and cash equivalents	23,739	33,920	66,428	36,425	13,818
Total current assets	238,384	288,600	399,694	379,285	273,251
Total assets	1,166,966	1,439,363	1,856,840	1,880,103	1,486,381
Equity and liabilities					
Equity (attributable to the equity holders of the parent entity)	410,073	532,235	683,476	713,962	555,653
Share capital	9,804	9,804	9,804	9,804	9,804
Reserve capital	316,048	393,019	510,720	790,168	510,720
Retained earnings	84,221	129,412	162,952	(86,010)	35,129
Non-controlling interests	-	-	-	-	-
Total equity	410,073	532,235	683,476	713,962	555,653

Company financial statements (3/5)

Balance sheet

(PLN '000)	2014	2015	2016	1Q 2017 ⁽¹⁾	1Q 2016 ⁽¹⁾
Interest-bearing loans, borrowings and finance lease liabilities	285,962	361,774	452,378	487,167	370,010
Other liabilities	-	-	300	270	-
Provisions for employee benefits	533	758	1,115	1,115	758
Deferred tax liabilities	1,572	588	5,498	6,206	3,410
Accruals	76	73	87	81	67
Total long-term liabilities	288,143	363,193	459,378	494,839	374,245
Current liabilities					
Trade and other payables	337,620	429,195	574,426	531,859	367,473
Current portion of interest-bearing loans and finance lease liabilities	118,187	101,504	110,173	112,531	178,255
Income tax liabilities	4,608	3,368	10,268	4,241	7
Accruals	8,286	9,796	13,227	14,831	10,676
Provisions for employee benefits	49	72	5,892	7,840	72
Total current liabilities	468,750	543,935	713,986	671,302	556,483
Total liabilities	756,893	907,128	1,173,364	1,166,141	930,728
Total equity and liabilities	1,166,966	1,439,363	1,856,840	1,880,103	1,486,381

Company financial statements (4/5)

Cash flow					
(PLN '000)	2014	2015	2016	1Q 2017 ⁽¹⁾	1Q 2016 ⁽¹⁾
Cash CF operating activities					
Profit before tax	79,293	135,231	186,455	38,005	30,843
Adjustments for	109,185	110,163	137,868	(6,959)	(36,334)
Depreciation and amortization	41,880	50,177	65,202	19,176	14,492
Gain/(loss) from investing activities	417	193	1,574	21	(9)
Change in the balance of receivables	59,041	(10,808)	(15,592)	13,657	7,331
Change in the balance of inventories	25,464	(29,860)	(64,395)	(14,166)	(9,175)
Change in the balance of payables except loans and borrowings	(45,513)	84,204	127,224	(23,678)	(49,114)
Interest income	(153)	(60)	(440)	(19)	-
Interest expenses	26,486	24,955	29,658	8,471	7,652
Change in the balance of accruals	2,975	3,859	4,928	(4,489)	(3,497)
Change in the balance of provisions	249	114	6,178	1,948	-
Income tax paid	(1,639)	(12,599)	(16,507)	(7,918)	(4,052)
Other	(22)	(12)	38	38	38
Net CF from operating activities	188,478	245,394	324,323	31,046	(5,491)

Source: Company financial statements
 (1) Unaudited

Company financial statements (5/5)

Cash flow					
(PLN '000)	2014	2015	2016	1Q 2017 ⁽¹⁾	1Q 2016 ⁽¹⁾
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment and intangibles	374	925	1,112	79	648
Purchase of property, plant and equipment and intangibles	(170,722)	(243,487)	(311,732)	(82,976)	(84,807)
Sell of other financial assets	-	-	-	-	-
Interest received	153	60	440	19	7
Net CF from investing activities	(170,195)	(242,502)	(310,180)	(82,878)	(84,152)
Cash flows from financing activities					
Payment of financial lease liabilities	(24,456)	(30,024)	(43,902)	(9,760)	(9,464)
Proceeds from loans and borrowings	111,653	141,770	219,061	57,489	98,814
Repayment of loans and borrowings	(72,771)	(79,502)	(127,136)	(17,430)	(12,150)
Interest paid	(26,486)	(24,955)	(29,658)	(8,470)	(7,659)
Net CF from financing activities	(12,060)	7,289	18,365	21,829	69,541
Net increase/(decrease) in cash and cash equivalents	6,223	10,181	32,508	(30,003)	(20,102)
Cash and cash equivalents at the beginning of the period	17,516	23,739	33,920	66,428	33,920
Cash and cash equivalents at the end of the period	23,739	33,920	66,428	36,425	13,818

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