

# LPP

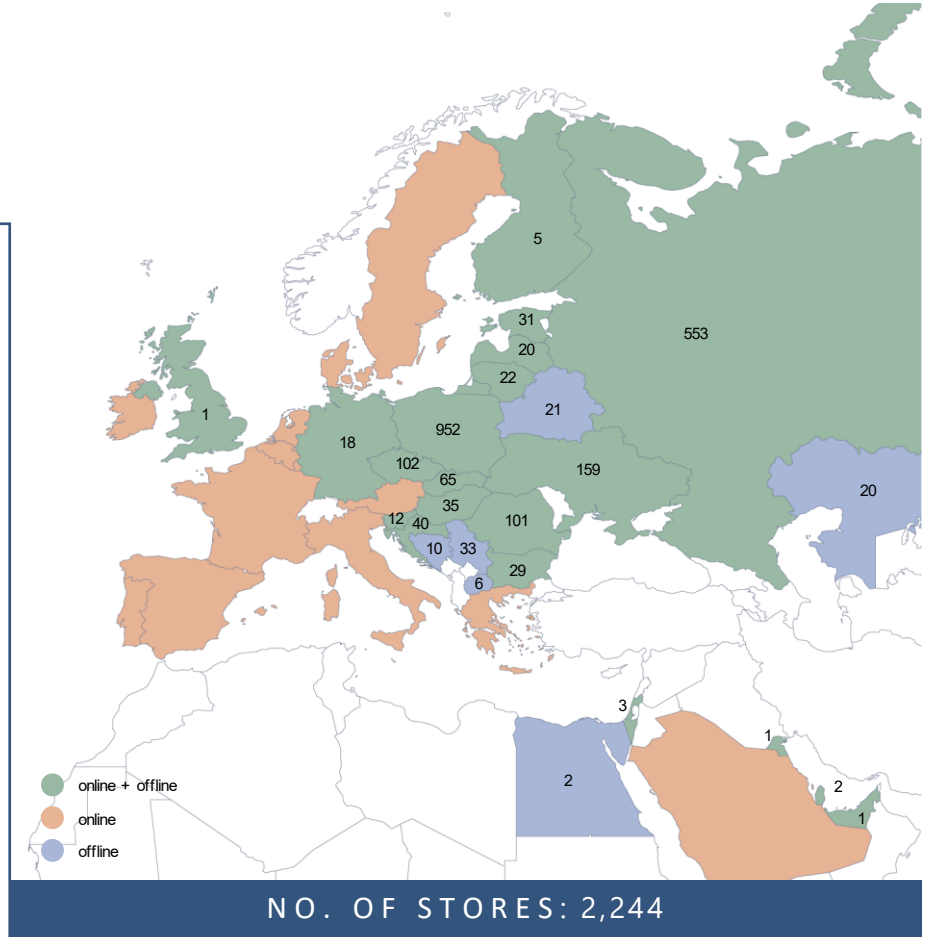
## FACT SHEET 4Q21/22

LPP is a Polish clothing producer. Based in Gdańsk, the Company has 30 years of experience in designing and selling clothes and accessories. The Company owns five well-known fashion labels: Reserved, Cropp, House, Mohito and Sinsay, each in mainstream price range. Each brand has its own features and target Group.

LPP is now present in 39 countries around the world via its online and offline operations, including stores on highstreets of London and Munich.

Revenues from foreign sales constitute 61% of Group sales.

The Company does not have own factories. The majority of production is sourced from suppliers from the Far East. Part is produced in Europe, including Poland.



### SHAREHOLDERS

As at 31.01.2022	# shares	%	# votes	%
Semper Simul Foundation	578,889	31.3%	1,978,889	60.8%
Sky Foundation	227,898	12.3%	227,898	7.0%
Free-float	1,045,636	56.4%	1,045,636	32.2%
<b>TOTAL</b>	<b>1,852,423</b>		<b>3,252,423</b>	

Semper Simul Foundation is linked to the CEO Marek Piechocki, while Sky Foundation is linked to the founder of LPP, Jerzy Lubianiec.

### INVESTMENT THESIS

- Development of value for money segment.
- Developing omnichannel.
- Efficient business model.
- Dividend payments.
- A responsible company.

### SHARE PRICE PERFORMANCE

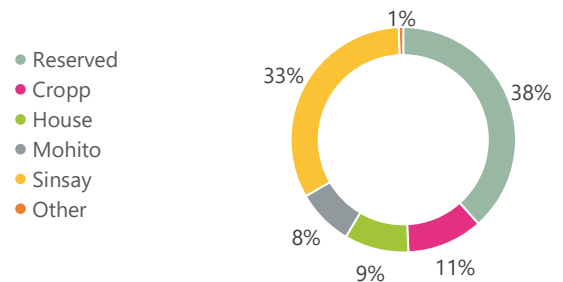


### STOCK DATA

Price (31.01.2022)	15,890	EPS (2021/22)	518,76
Min (1Y)	7,680	DPS (2021/22)	350.00
Max (1Y)	18,770	Div yield (%)	2%
Mkt Cap (PLN m)	29,435	Ticker	LPP
Free-float (PLN m)	14,984	Bloomberg	LPP PW
Book value (PLN m)	3,272	Reuters	LPPP.WA

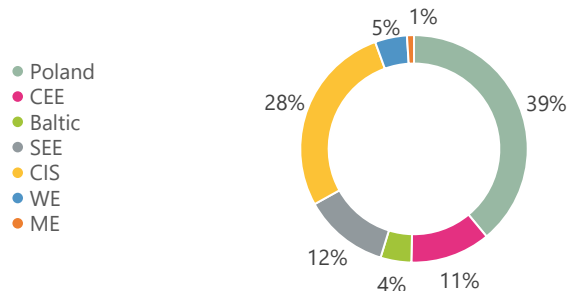
### REVENUE SPLIT BY BRANDS

2021/22



### REVENUE SPLIT BY REGIONS

2021/22



RESERVED

CROPP

house

MOHITO

sinsay

## NETWORK

	4Q19/20	1Q20/21	2Q20/21	3Q20/21	4Q20/21	1Q21/22	2Q21/22	3Q21/22	4Q21/22	2019/20	2020/21	2021/22
<b>NO. OF STORES</b>												
Reserved	454	441	442	440	440	440	440	448	447	454	440	447
Cropp	360	356	372	366	369	373	386	388	398	360	369	398
House	318	316	329	328	332	340	354	360	368	318	332	368
Mohito	283	276	277	277	278	278	281	289	286	283	278	286
Sinsay	324	335	354	386	434	483	558	638	743	324	434	743
Outlets	7	7	5	5	3	3	2	2	2	7	3	2
<b>TOTAL</b>	<b>1,746</b>	<b>1,731</b>	<b>1,779</b>	<b>1,802</b>	<b>1,856</b>	<b>1,917</b>	<b>2,021</b>	<b>2,125</b>	<b>2,244</b>	<b>1,746</b>	<b>1,856</b>	<b>2,244</b>
<b>FLOORSPACE (thm<sup>2</sup>)</b>												
Poland	530.0	521.7	534.0	551.5	566.9	584.4	619.6	645.0	677.2	530.0	566.9	677.2
Europe	370.7	375.9	403.6	417.5	432.6	442.0	457.9	505.2	522.8	370.7	432.6	522.8
CIS	321.8	336.8	358.8	374.4	426.1	476.5	529.0	590.2	678.1	321.8	426.1	678.1
ME	8.4	8.4	8.4	8.4	9.9	8.8	10.0	10.0	10.0	8.4	9.9	10.0
<b>TOTAL</b>	<b>1,230.9</b>	<b>1,242.7</b>	<b>1,304.9</b>	<b>1,351.8</b>	<b>1,435.4</b>	<b>1,511.7</b>	<b>1,616.5</b>	<b>1,750.4</b>	<b>1,888.1</b>	<b>1,230.9</b>	<b>1,435.4</b>	<b>1,888.1</b>

## CONSOLIDATED INCOME STATEMENT (IFRS 16)

PLN m	4Q19/20	1Q20/21	2Q20/21	3Q20/21	4Q20/21	1Q21/22	2Q21/22	3Q21/22	4Q21/22	2019/20	2020/21	2021/22
<b>Revenues</b>	<b>3,509.3</b>	<b>1,178.6</b>	<b>2,129.3</b>	<b>2,445.7</b>	<b>2,094.4</b>	<b>2,350.3</b>	<b>3,643.1</b>	<b>3,913.4</b>	<b>4,122.8</b>	<b>9,899.2</b>	<b>7,848.1</b>	<b>14,029.7</b>
COGS	1,633.7	610.8	1,116.0	1,061.5	975.8	1,045.0	1,623.2	1,631.1	1,623.0	4,753.5	3,764.1	5,922.4
<b>Gross profit on sales</b>	<b>1,875.6</b>	<b>567.8</b>	<b>1,013.3</b>	<b>1,384.2</b>	<b>1,118.6</b>	<b>1,305.3</b>	<b>2,019.9</b>	<b>2,282.3</b>	<b>2,499.7</b>	<b>5,145.7</b>	<b>4,083.9</b>	<b>8,107.2</b>
SG&A costs	1,386.5	815.8	966.9	1,035.9	1,029.1	1,200.7	1,372.3	1,457.6	1,930.3	4,213.1	3,847.6	5,960.9
Other operating activity	-76.3	-12.6	-14.2	-47.1	-9.5	-17.4	-52.6	-7.4	-590.0	-126.9	-83.3	-667.3
<b>EBIT</b>	<b>412.8</b>	<b>-260.5</b>	<b>32.3</b>	<b>301.2</b>	<b>80.1</b>	<b>87.2</b>	<b>595.0</b>	<b>817.3</b>	<b>-20.6</b>	<b>805.7</b>	<b>153.0</b>	<b>1,479.0</b>
Net financials	-16.0	-158.5	33.7	-60.7	-84.1	-38.1	-26.0	-38.0	-144.9	-140.5	-269.5	-247.0
<b>Pre-tax profit</b>	<b>396.8</b>	<b>-419.0</b>	<b>66.0</b>	<b>240.5</b>	<b>-4.0</b>	<b>49.1</b>	<b>569.0</b>	<b>779.3</b>	<b>-165.5</b>	<b>665.2</b>	<b>-116.5</b>	<b>1,232.0</b>
Tax	86.3	-57.0	96.7	-6.4	40.4	27.6	109.9	151.8	-10.8	244.2	73.6	278.5
Minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>310.5</b>	<b>-362.0</b>	<b>-30.6</b>	<b>246.9</b>	<b>-44.4</b>	<b>21.5</b>	<b>459.1</b>	<b>627.6</b>	<b>-154.7</b>	<b>421.0</b>	<b>-190.1</b>	<b>953.5</b>
<b>EBITDA</b>	<b>776.4</b>	<b>17.6</b>	<b>308.1</b>	<b>563.0</b>	<b>337.4</b>	<b>344.4</b>	<b>863.8</b>	<b>1,112.3</b>	<b>306.2</b>	<b>1,899.5</b>	<b>1,226.1</b>	<b>2,626.6</b>

## EFFICIENCY

	4Q19/20	1Q20/21	2Q20/21	3Q20/21	4Q20/21	1Q21/22	2Q21/22	3Q21/22	4Q21/22	2019/20	2020/21	2021/22
Sales / m2 per month	723	320	562	614	495	535	773	778	750	671	500	715
Gross profit on sales / m2 per month	386	154	267	347	264	297	429	454	455	349	260	413
Costs of own stores / m2 per month (IAS17)	196	148	150	160	144	141	167	156	166	201	151	161
SG&A costs /m2 per month (IAS17)	291	223	244	247	237	273	300	293	359	287	238	309
Gross profit margin	53.4%	48.2%	47.6%	56.6%	53.4%	55.5%	55.4%	58.3%	60.6%	52.0%	52.0%	57.8%
EBITDA margin	22.1%	1.5%	14.5%	23.0%	16.1%	14.7%	23.7%	28.4%	20.2%	19.2%	15.6%	18.7%
EBIT margin	11.8%	-22.1%	1.5%	12.3%	3.8%	3.7%	16.3%	20.9%	-0.5%	8.1%	1.9%	10.5%
Net margin	8.8%	-30.7%	-1.4%	10.1%	-2.1%	0.9%	12.6%	16.0%	-3.8%	4.3%	-2.4%	6.8%
ROE (4Q)	13.9%	6.1%	-2.2%	5.5%	-6.0%	6.5%	24.6%	32.7%	30.1%	13.9%	-6.0%	30.1%

## CONSOLIDATED BALANCE SHEET (IFRS 16)

PLN m	4Q19/20	1Q20/21	2Q20/21	3Q20/21	4Q20/21	1Q21/22	2Q21/22	3Q21/22	4Q21/22	2019/20	2020/21	2021/22
<b>Non-current assets</b>	<b>5,870.7</b>	<b>5,961.1</b>	<b>5,664.0</b>	<b>5,538.7</b>	<b>5,620.6</b>	<b>5,783.1</b>	<b>6,147.5</b>	<b>6,761.6</b>	<b>7,027.7</b>	<b>5,870.7</b>	<b>5,620.6</b>	<b>7,027.7</b>
Fixed assets	2,312.4	2,379.7	2,294.7	2,407.0	2,439.8	2,573.4	2,754.1	3,038.9	2,760.5	2,312.4	2,439.8	2,760.5
Right of use assets (IFRS16)	3,000.2	2,960.7	2,808.2	2,526.4	2,589.1	2,608.6	2,732.3	3,017.2	3,412.3	3,000.2	2,589.1	3,412.3
Intangibles (incl. goodwill)	413.3	417.6	417.1	418.8	397.2	399.8	401.4	394.9	405.1	413.3	397.2	405.1
<b>Current assets</b>	<b>3,735.1</b>	<b>4,065.0</b>	<b>3,744.1</b>	<b>4,467.5</b>	<b>4,733.2</b>	<b>4,952.7</b>	<b>5,323.1</b>	<b>6,238.4</b>	<b>7,107.5</b>	<b>3,735.1</b>	<b>4,733.2</b>	<b>7,107.5</b>
Inventory	1,921.1	1,992.4	1,641.7	1,643.4	2,074.4	2,239.3	2,311.0	2,961.6	3,864.1	1,921.1	2,074.4	3,864.1
Trade receivables	143.8	155.7	155.2	189.2	158.1	203.5	162.3	224.1	246.1	143.8	158.1	246.1
Cash and equivalents	1,361.5	1,639.2	1,763.5	2,055.4	1,277.9	1,243.3	1,594.9	1,692.5	1,354.9	1,361.5	1,277.9	1,354.9
<b>Total assets</b>	<b>9,605.9</b>	<b>10,026.1</b>	<b>9,408.0</b>	<b>10,006.2</b>	<b>10,353.8</b>	<b>10,735.9</b>	<b>11,470.5</b>	<b>13,000.0</b>	<b>14,135.2</b>	<b>9,605.9</b>	<b>10,353.8</b>	<b>14,135.2</b>
<b>Equity</b>	<b>3,247.5</b>	<b>2,876.9</b>	<b>2,757.8</b>	<b>3,021.8</b>	<b>3,068.4</b>	<b>3,103.2</b>	<b>2,785.2</b>	<b>3,477.3</b>	<b>3,272.1</b>	<b>3,247.5</b>	<b>3,068.4</b>	<b>3,272.1</b>
<b>Long-term liabilities</b>	<b>3,159.3</b>	<b>3,189.0</b>	<b>3,095.8</b>	<b>2,970.3</b>	<b>3,114.2</b>	<b>3,134.0</b>	<b>3,232.6</b>	<b>3,521.3</b>	<b>3,983.2</b>	<b>3,159.3</b>	<b>3,114.2</b>	<b>3,983.2</b>
Interest bearing debt	462.9	454.7	506.8	496.8	484.7	477.9	460.7	446.4	438.8	462.9	484.7	438.8
Financial leases (IFRS16)	2,568.0	2,596.7	2,476.3	2,361.3	2,523.7	2,543.8	2,663.2	2,946.1	3,428.2	2,568.0	2,523.7	3,428.2
Provisions	1.5	1.5	1.5	1.5	1.8	1.8	1.8	1.8	1.4	1.5	1.8	1.4
Other long-term liabilities	126.9	136.1	111.2	110.7	104.0	110.4	106.8	126.9	114.7	126.9	104.0	114.7
<b>Short-term liabilities</b>	<b>3,199.1</b>	<b>3,960.2</b>	<b>3,554.4</b>	<b>4,014.0</b>	<b>4,171.2</b>	<b>4,498.8</b>	<b>5,452.7</b>	<b>6,001.4</b>	<b>6,879.9</b>	<b>3,199.1</b>	<b>4,171.2</b>	<b>6,879.9</b>
Interest bearing debt	109.5	907.2	520.7	456.6	521.1	484.8	554.6	538.1	535.0	109.5	521.1	535.0
Financial leases (IFRS16)	680.2	715.8	700.5	651.0	654.0	690.9	716.5	779.3	749.1	680.2	654.0	749.1
Trade liabilities	2,100.8	2,166.2	2,246.8	2,802.7	2,837.1	3,111.9	3,511.4	4,341.6	5,067.7	2,100.8	2,837.1	5,067.7
Provisions	89.6	59.8	37.6	51.3	35.1	87.7	81.5	77.3	160.3	89.6	35.1	160.3
Other short-term liabilities	219.1	111.3	48.7	52.4	123.9	123.5	588.7	265.1	367.8	219.1	123.9	367.8
<b>Total liabilities</b>	<b>9,605.8</b>	<b>10,026.1</b>	<b>9,408.0</b>	<b>10,006.1</b>	<b>10,353.8</b>	<b>10,735.9</b>	<b>11,470.5</b>	<b>13,000.0</b>	<b>14,135.2</b>	<b>9,605.8</b>	<b>10,353.8</b>	<b>14,135.2</b>

## INDEBTEDNESS (IAS17)

PLN m	4Q19/20	1Q20/21	2Q20/21	3Q20/21	4Q20/21	1Q21/22	2Q21/22	3Q21/22	4Q21/22	2019/20	2020/21	2021/22
<b>Net debt</b>	<b>-789.1</b>	<b>-277.3</b>	<b>-736.0</b>	<b>-1,102.0</b>	<b>-272.1</b>	<b>-280.5</b>	<b>-579.6</b>	<b>-708.0</b>	<b>-381.0</b>	<b>-789.1</b>	<b>-272.1</b>	<b>-381.0</b>
Cash	1,361.5	1,639.2	1,763.5	2,055.4	1,277.9	1,243.3	1,594.9	1,692.5	1,354.9	1,361.5	1,277.9	1,354.9
Debt	572.4	1,361.9	1,027.5	953.4	1,005.8	962.8	1,015.3	984.5	973.9	572.4	1,005.8	973.9
<b>Net debt/EBITDA (4 quarters)</b>	<b>-0.6</b>	<b>-0.3</b>	<b>-0.9</b>	<b>-1.0</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-0.2</b>

## TURNOVER RATIOS

	4Q19/20	1Q20/21	2Q20/21	3Q20/21	4Q20/21	1Q21/22	2Q21/22	3Q21/22	4Q21/22	2019/20	2020/21	2021/22
<b>Cash cycle (days)</b>	<b>-7</b>	<b>-15</b>	<b>-25</b>	<b>-68</b>	<b>-81</b>	<b>-63</b>	<b>-53</b>	<b>-67</b>	<b>-67</b>	<b>-1</b>	<b>-39</b>	<b>-55</b>
Receivables (days)	5	11	7	6	7	7	5	4	5	5	7	5
Inventory (days)	146	288	147	139	171	186	126	145	189	146	194	183
Liabilities (days)	158	314	178	214	260	256	184	217	261	152	239	244

## CONSOLIDATED CASH FLOW (IFRS 16)

PLN m	4Q19/20	1Q20/21	2Q20/21	3Q20/21	4Q20/21	1Q21/22	2Q21/22	3Q21/22	4Q21/22	2019/20	2020/21	2021/22
<b>Operating CF</b>	<b>828.8</b>	<b>-283.0</b>	<b>755.8</b>	<b>685.2</b>	<b>-83.5</b>	<b>404.3</b>	<b>1,378.5</b>					