

LPP

FACT SHEET

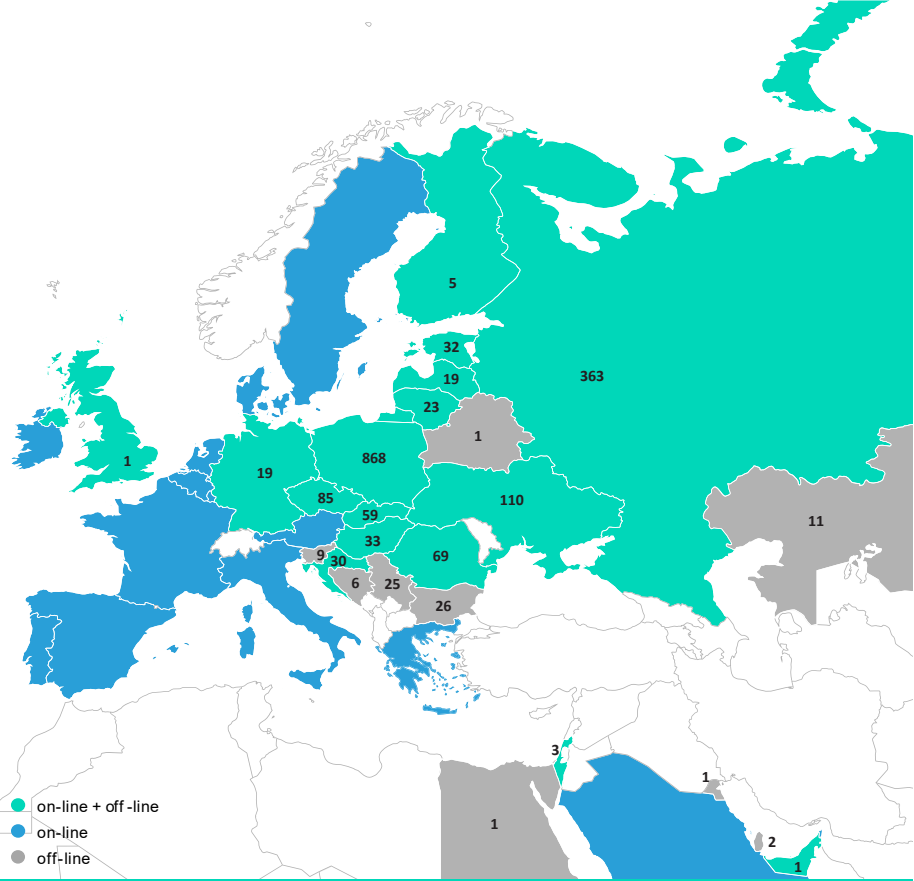
3Q20/21

LPP is a Polish clothing producer. Based in Gdańsk, the Company has almost 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 38 countries around the world via its on-line and off-line operations, including stores on highstreets of London, Berlin and Munich.

Revenues from foreign sales constitute more than 50% 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 20.12.2020	# shares	%	# votes	%
Semper Simul Foundation	746,488	40.3%	2,146,488	65.9%
Sky Foundation	51,338	2.8%	51,338	1.6%
Free-float	1,054,597	56.9%	1,054,597	32.5%
TOTAL	1,852,423		3,252,423	

Semper Simul Foundation is linked to the CEO Marek Piechocki, while Sky Foundation is linked to Chairman of the Supervisory Board, Jerzy Lubianiec.

INVESTMENT THESIS

- Omnichannel development.
- Coping with COVID-19.
- Efficient business model.
- Stable financial situation (net cash IAS17).
- A socially responsible company.

SHARE PRICE PERFORMANCE



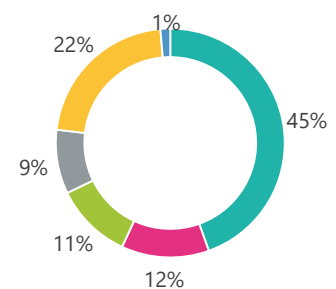
STOCKDATA

Price (31.10.2020)	5,240	EPS (2019/20)	229.52
Min (1Y)	4,450	DPS (2019/20)	0.00
Max (1Y)	8,885	Div yield (%)	0.0
Mkt Cap (PLN m)	9,707	Ticker	LPP
Free-float (PLN m)	5,526	Bloomberg	LPP.PW
Book value (PLN m)	3,022	Reuters	LPPP.WA

REVENUE SPLIT BY BRANDS

9 M 20 / 21

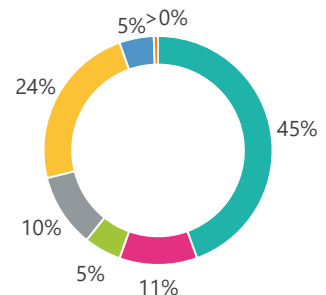
- Reserved
- Cropp
- House
- Mohito
- Sinsay
- Other



REVENUE SPLIT BY REGIONS

9 M 20 / 21

- Poland
- CEE
- Baltic
- SEE
- CIS
- WE
- ME



NETWORK

	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19/20	1Q20/21	2Q20/21	3Q20/21	2017	2018	2019/20
NO. OF STORES												
Reserved	451	464	451	453	453	454	441	442	440	468	464	454
Cropp	362	373	365	374	362	360	356	372	366	381	373	360
House	326	332	320	326	319	318	316	329	328	333	332	318
Mohito	291	296	289	289	290	283	276	277	277	294	296	283
Sinsay	256	272	274	288	302	324	335	354	386	233	272	324
Outlets	28	28	25	22	20	7	7	5	5	34	28	7
TOTAL	1,714	1,765	1,724	1,752	1,746	1,746	1,731	1,779	1,802	1,743	1,765	1,746
FLOORSPACE (tho m²)												
Poland	507.2	529.5	513.9	521.2	529.7	530.0	521.7	534.0	551.5	514.0	529.5	530.0
Europe	261.8	279.4	287.4	327.1	337.8	370.7	375.9	403.6	417.5	232.8	279.4	370.7
CIS	259.0	275.4	277.1	278.9	292.1	321.8	336.8	358.8	374.4	247.3	275.4	321.8
ME	7.3	7.1	7.1	7.1	8.4	8.4	8.4	8.4	8.4	6.6	7.1	8.4
TOTAL	1,035.4	1,091.3	1,085.4	1,134.3	1,168.0	1,230.9	1,242.7	1,304.9	1,351.8	1,000.6	1,091.3	1,230.9

CONSOLIDATED INCOME STATEMENT

PLN m	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19/20	1Q20/21	2Q20/21	3Q20/21	2017	2018	2019/20
Revenues	2,043.9	2,372.7	1,827.7	2,214.1	2,348.2	3,509.3	1,178.6	2,129.3	2,445.7	7,029.4	8,046.8	9,899.2
COGS	1,000.6	952.1	1,034.7	901.3	1,183.8	1,633.7	610.8	1,116.0	1,061.5	3,302.3	3,645.5	4,753.5
Gross profit on sales	1,043.4	1,420.6	793.0	1,312.8	1,164.3	1,875.6	567.8	1,013.3	1,384.2	3,727.1	4,401.3	5,145.7
SG&A costs	898.8	921.3	874.0	948.6	1,004.0	1,386.5	815.8	966.9	1,035.9	3,099.9	3,532.2	4,213.1
Other operating activity	-15.4	-66.0	-19.1	-11.7	-19.8	-76.3	-12.6	-14.2	-47.1	-48.7	-112.5	-126.9
EBIT	129.2	433.3	-100.2	352.5	140.5	412.8	-260.5	32.3	301.2	578.4	756.6	805.7
Net financials	-19.2	-12.7	-16.6	-10.8	-97.1	-16.0	-158.5	33.7	-60.7	-14.8	-32.9	-140.5
Pre-tax profit	110.0	420.6	-116.9	341.8	43.4	396.8	-419.0	66.0	240.5	563.7	723.7	665.2
Tax	18.4	108.3	-2.3	136.3	23.8	86.3	-57.0	96.7	-6.4	122.9	218.5	244.2
Minorities										-0.1		
Net income	91.6	312.3	-114.6	205.5	19.6	310.5	-362.0	-30.6	246.9	440.9	505.2	421.0
EBITDA	217.4	524.2	132.2	594.9	396.0	776.4	17.6	308.1	563.0	871.9	1,105.7	1,899.5

EFFICIENCY

	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19/20	1Q20/21	2Q20/21	3Q20/21	2017	2018	2019/20
Sales / m2 per month	663	751	567	667	685	723	320	562	614	628	662	671
Gross profit on sales / m2 per month	338	445	238	396	340	386	154	267	347	332	358	349
Costs of own stores / m2 per month (IAS17)	207	207	201	203	203	196	148	150	160	214	207	201
SG&A costs / m2 per month (IAS17)	295	292	277	283	294	291	223	244	247	280	291	287
Gross profit margin	51.0%	59.9%	43.4%	59.3%	49.6%	53.4%	48.2%	47.6%	56.6%	53.0%	54.7%	52.0%
EBITDA margin	10.6%	22.1%	7.2%	26.9%	16.9%	22.1%	1.5%	14.5%	23.0%	12.4%	13.7%	19.2%
EBIT margin	6.3%	18.3%	-5.5%	15.9%	6.0%	11.8%	-22.1%	1.5%	12.3%	8.2%	9.4%	8.1%
Net margin	4.5%	13.2%	-6.3%	9.3%	0.8%	8.8%	-30.7%	-1.4%	10.1%	6.3%	6.3%	4.3%
ROE (4Q)	20.8%	19.0%	19.3%	18.4%	15.4%	13.9%	6.1%	-2.2%	5.5%	19.3%	19.0%	13.9%

CONSOLIDATED BALANCE SHEET

PLN m	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19/20	1Q20/21	2Q20/21	3Q20/21	2017	2018	2019/20
Non-current assets	2,238.1	2,417.8	5,320.5	5,393.4	5,636.4	5,870.7	5,961.1	5,664.0	5,538.7	2,041.4	2,417.8	5,870.7
Fixed assets	1,648.3	1,818.3	1,861.9	1,992.0	2,139.6	2,312.4	2,379.7	2,294.7	2,407.0	1,478.2	1,818.3	2,312.4
Right of use assets (IFRS16)			2,889.0	2,868.2	2,955.7	3,000.2	2,960.7	2,808.2	2,526.4			3,000.2
Intangibles (incl. goodwill)	368.1	376.7	384.6	394.7	402.2	413.3	417.6	417.1	418.8	351.2	376.7	413.3
Current assets	2,951.5	2,963.1	2,750.2	3,197.3	3,357.9	3,735.1	4,065.0	3,744.1	4,467.5	2,289.5	2,963.1	3,735.1
Inventory	1,608.8	1,590.4	1,370.0	1,984.8	2,023.0	1,921.1	1,992.4	1,641.7	1,643.4	1,475.2	1,590.4	1,921.1
Trade receivables	129.0	121.7	177.1	167.3	154.5	143.8	155.7	155.2	189.2	199.6	121.7	143.8
Cash and equivalents	851.2	1,045.0	991.8	862.9	920.8	1,361.5	1,639.2	1,763.5	2,055.4	514.8	1,045.0	1,361.5
Total assets	5,189.6	5,380.8	8,070.7	8,590.7	8,994.3	9,605.9	10,026.1	9,408.0	10,006.2	4,330.8	5,380.8	9,605.9
Equity	2,555.3	2,860.5	2,786.0	2,878.6	2,939.1	3,247.5	2,876.9	2,757.9	3,021.9	2,443.4	2,860.5	3,247.5
Long-term liabilities	315.3	346.1	2,618.8	2,609.2	2,708.3	3,159.3	3,189.0	3,095.8	2,970.3	324.4	346.1	3,159.3
Interest bearing debt	101.9	88.6	75.2	61.9	47.6	462.9	454.7	506.8	496.8	141.8	88.6	462.9
Financial leases (IFRS16)			2,432.1	2,431.3	2,544.0	2,568.0	2,596.7	2,476.3	2,361.3			2,568.0
Provisions	0.8	1.0	1.0	1.0	1.0	1.5	1.5	1.5	1.5	0.8	1.0	1.5
Other long-term liabilities	212.6	256.6	110.4	115.0	115.7	126.9	136.1	111.2	110.7	181.8	256.6	126.9
Short-term liabilities	2,319.0	2,174.1	2,665.9	3,103.0	3,346.9	3,199.1	3,960.2	3,554.4	4,014.0	1,563.0	2,174.1	3,199.1
Interest bearing debt	224.1	203.2	322.7	175.0	277.3	109.5	907.2	520.7	456.6	56.5	203.2	109.5
Financial leases (IFRS16)			586.5	599.0	631.9	680.2	715.8	700.5	651.0			680.2
Trade liabilities	1,810.2	1,557.4	1,566.6	2,056.0	2,178.8	2,100.8	2,166.2	2,246.8	2,802.7	1,325.3	1,557.4	2,100.8
Provisions	77.6	107.1	73.9	62.3	106.1	89.6	59.8	37.6	51.3	53.5	107.1	89.6
Other short-term liabilities	207.0	306.4	116.2	210.7	152.8	219.1	111.3	48.7	52.4	127.7	306.4	219.1
Total liabilities	5,189.6	5,380.8	8,070.7	8,590.7	8,994.3	9,605.9	10,026.1	9,408.0	10,006.2	4,330.8	5,380.8	9,605.9

INDEBTEDNESS

PLN m	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19/20	1Q20/21	2Q20/21	3Q20/21	2017	2018	2019/20
Net debt	-525.1	-753.2	-593.9	-625.9	-596.0	-789.1	-268.5	-727.3	-1,093.2	-316.5	-753.2	-789.1
Cash	851.2	1,045.0	991.8	862.9	920.8	1,361.5	1,639.2	1,763.5	2,055.4	514.8	1,045.0	1,361.5
Debt	326.0	291.8	397.9	236.9	324.9	572.4	1,370.7	1,036.2	962.2	198.3	291.8	572.4
Net debt/EBITDA (4 quarters)	-0.5	-0.7	-0.5	-0.5	-0.5	-0.6	-0.2	-0.9	-1.0	-0.4	-0.7	-0.6

TURNOVER RATIOS

	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19/20	1Q20/21	2Q20/21	3Q20/21	2017	2018	2019/20
Cash cycle (days)	0	-3	0	-6	-2	-7	-15	-25	-68	33	16	-1
Receivables (days)	6	5	7	7	6	5	11	7	6	9	7	5
Inventory (days)	140	151	129	167	152	146	288	147	139	146	153	146
Liabilities (days)	146	159	136	181	161	158	314	178	214	122	144	152

CONSOLIDATED CASH FLOW

PLN m	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19/20	1Q20/21	2Q20/21	3Q20/21	2017	2018	2019/20
Operating CF	429.8	310.9	121.9	514.5	383.2	828.8	-283.0	755.8	685.2	893.2	1,212.0	1,848.3
D&A	88.2	90.9	232.4	242.4	255.5	363.6	278.1	275.8	261.8	293.4	349.2	1,093.8
Investing CF	-192.3	-84.8	-123.7	-180.8	-246.7	-310.3	-104.1	-117.7	-141.4	-383.9	-704.4	-861.5