



1Q25 results presentation

GDAŃSK, 12 JUNE 2025

LPP

RESERVED

CROPP

HOUSE

MOHITO

sinsay

Disclaimer

This presentation (the "Presentation") was prepared by LPP SA (the "Company") with due care. Still, it may contain certain inconsistencies or omissions. The Presentation does not contain a complete or thorough financial analysis of the Company and does not present its standing or prospects in a comprehensive or in-depth manner. Therefore, anyone who intends to make an investment decision with respect to the Company should rely on the information disclosed in the official reports of the Company, published in accordance with the laws applicable to the Company. This Presentation was prepared for information purposes only and does not constitute an offer to buy or sell any financial instruments.

The Presentation may contain 'forward-looking statements'. However, such statements cannot be treated as assurances or projections of any expected future results of the Company. Any statements concerning expectations of future financial results cannot be understood as guarantees that any such results will actually be achieved in future. The expectations of the Management Board are based on their current knowledge and depend on many factors due to which the actual results achieved by the Company may differ materially from the results presented in this document. Many of those factors are beyond the awareness and control of the Company or the Company's ability to foresee them.

Neither the Company, nor its directors, officers, advisors or representatives of any such persons are liable on account of any reason resulting from any use of this Presentation. Additionally, no information contained in this Presentation constitutes any representation or warranty of the Company, its officers or directors, advisors or representatives of any of the above persons. The Presentation and the forward-looking statements speak only as at the date of this Presentation. These may not be indicative of results or developments in future periods. The Company does not undertake any obligation to review, confirm or release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this Presentation.

The information contained in this material constitutes a translation of the original content prepared in Polish, and in the event of any discrepancies between the English and Polish versions, the Polish version is the binding and effective version.



01

| Summary 1Q25



Very good 1Q

01

Recovery of profit growth path

almost PLN 1bn EBITDA, i.e. +18% YoY

02

Very good sales growth

total sales increase YoY of +24% in CC, incl. e-commerce growth of +27% in CC

03

Cost efficiency

Improved SG&A/sales ratio by nearly 1pp. YoY

04

Focus on profitability

Update the 2025 opening plan to 1,200 stores of all brands – ensuring a good quality stores network in the long term



Consistent business growth

+4.3%

LFLs in stores

positive
in Sinsay and
Reserved brands

**PLN
1.4bn**

e-com sales

+27% YoY in CC

136

open stores

including 112
in Sinsay brand

**Albania
and Kosovo**

Sinsay's debut

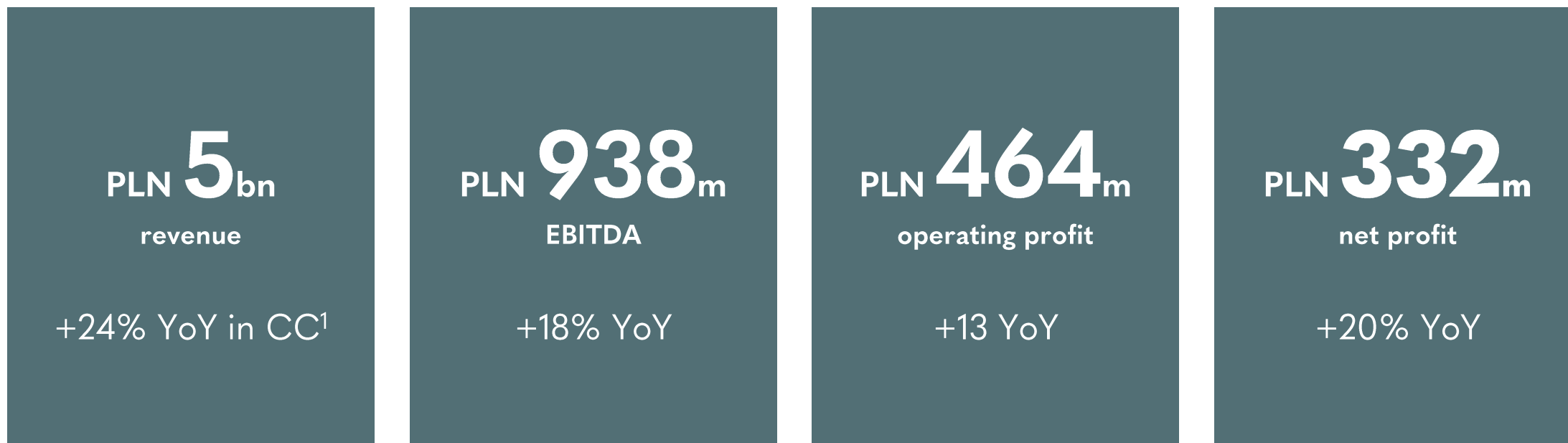
- 2 stores in Albania
- 3 stores in Kosovo
- opening of other brands' stores in Kosovo in June

PLN 330

advance on dividend

- payment in April
- proposed annual amount of PLN 660 per share (+8% YoY)

Back to quarterly profit growth

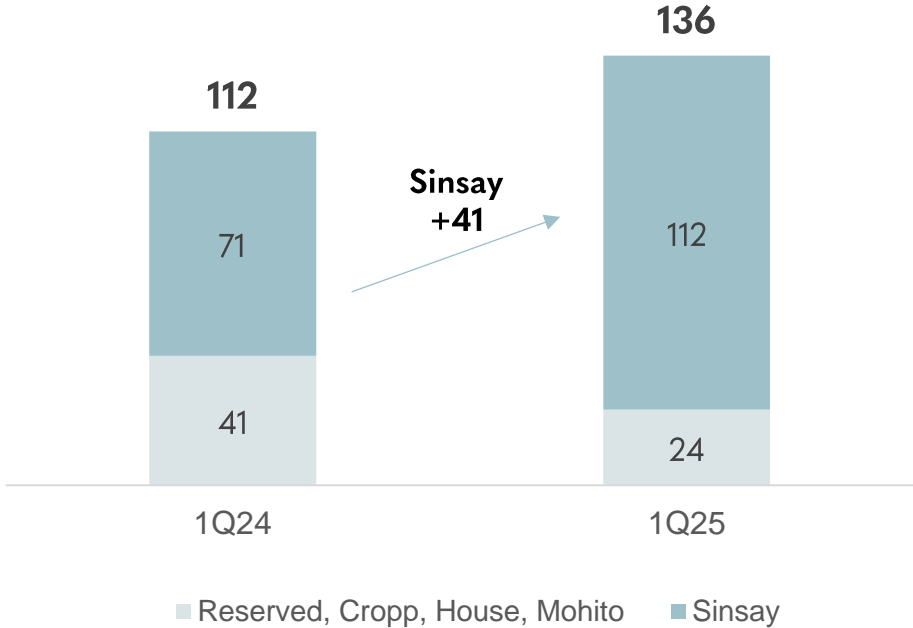


¹Growth reported on core business: +22%. Growth reported including sales to trade agents in 1Q24: +15%.

Steady development of the Sinsay chain

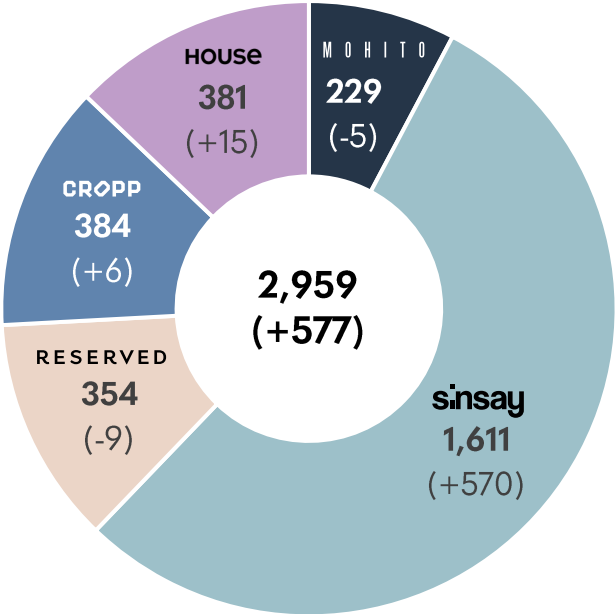
NO. OF NEW STORES

(gross)

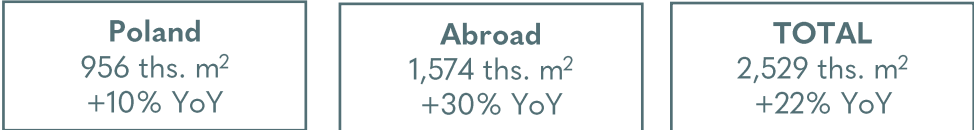


NO. OF STORES BY BRANDS

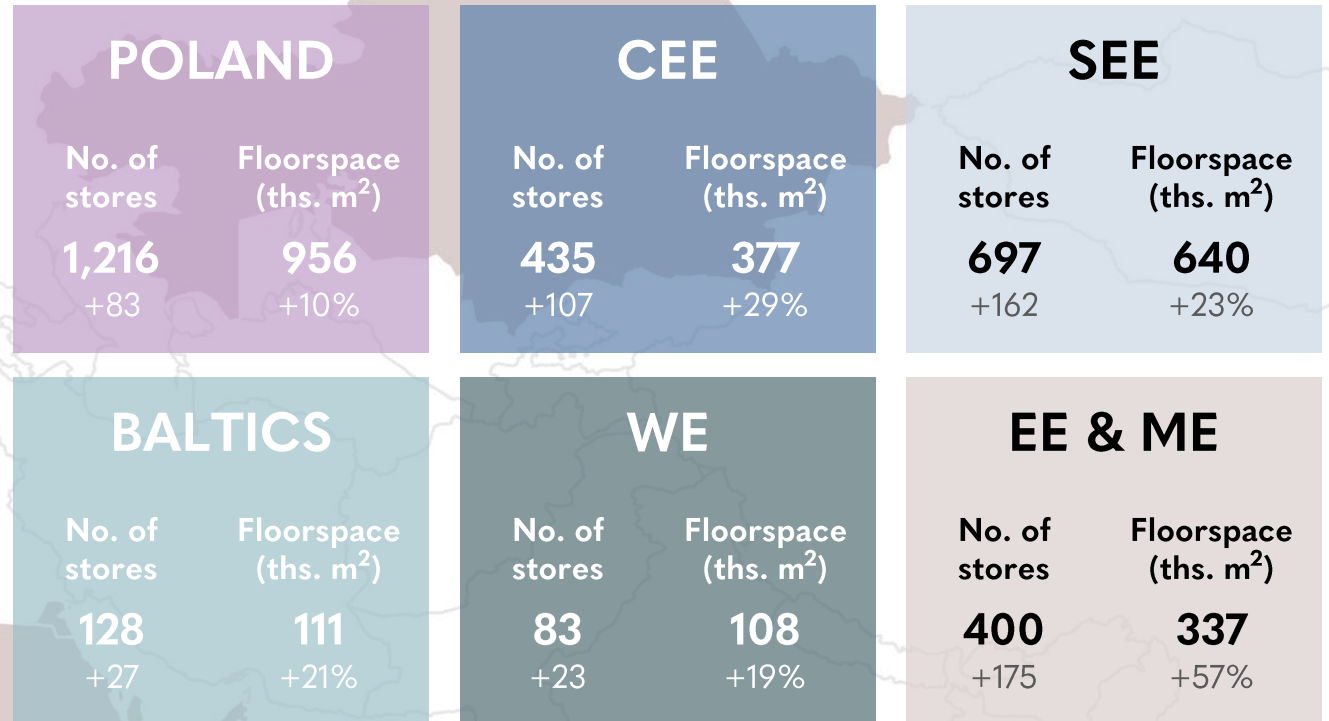
(net, as at 30.04.2025)



FLOORSPACE



Dynamic growth in key regions

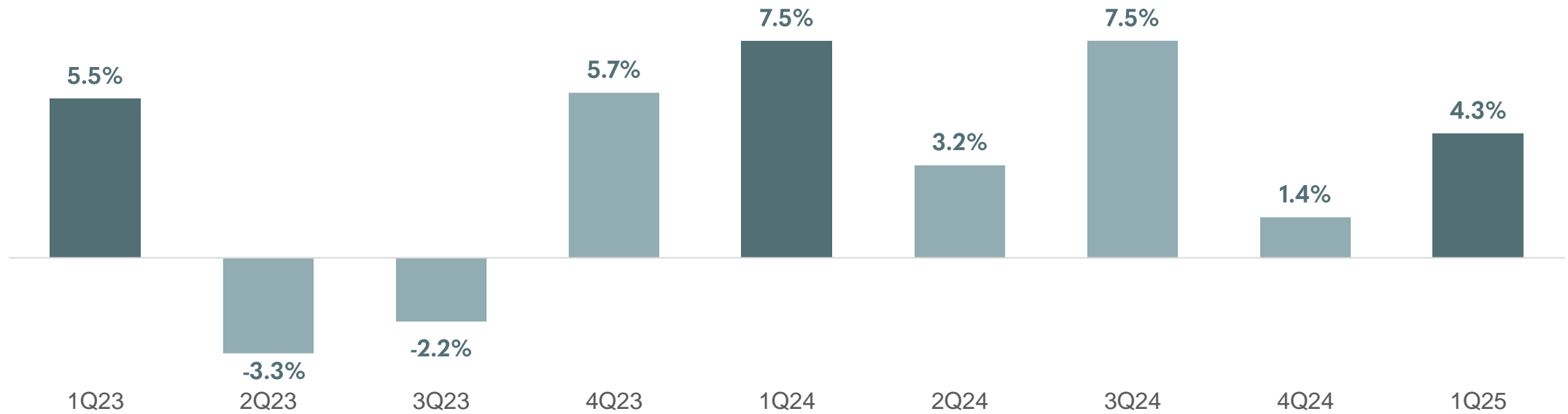


02

| 1Q25 Financial results

Robust sales in LFL stores

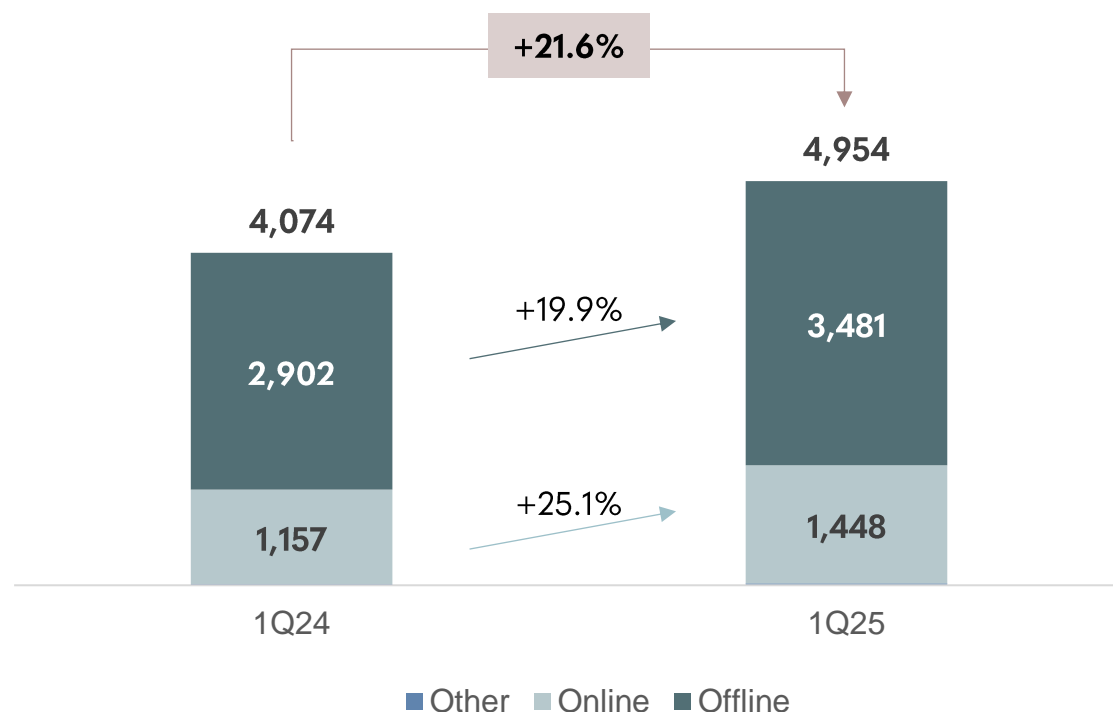
COMPARABLE SALES (LFL)



Strong sales growth in both channels

GROUP REVENUES¹

PLN m

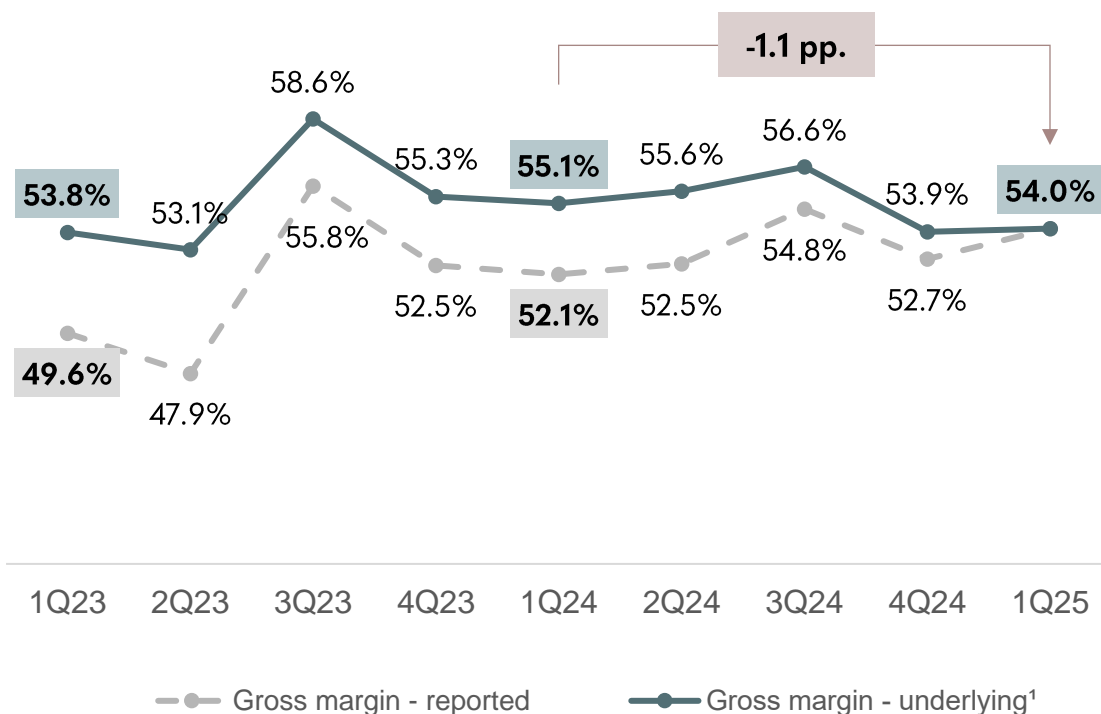


¹ Figures for 1Q24 do not include sales to trade agents (PLN 232m).

- Impact of currency exchange rates: -2.5pp.
- Online sales in 1Q25 accounted for 29.2% of Group revenue (26.9% in 1Q24).
- Launch of the Sinsay brand mobile app in the Italian market.
- Share of the app in online sales:
 - Sinsay ca 80% (+20 pp. YoY).
 - Reserved ca 60% (+6 pp. YoY).

Maximising the value of gross margin

QUARTERLY GROUP GROSS PROFIT MARGIN

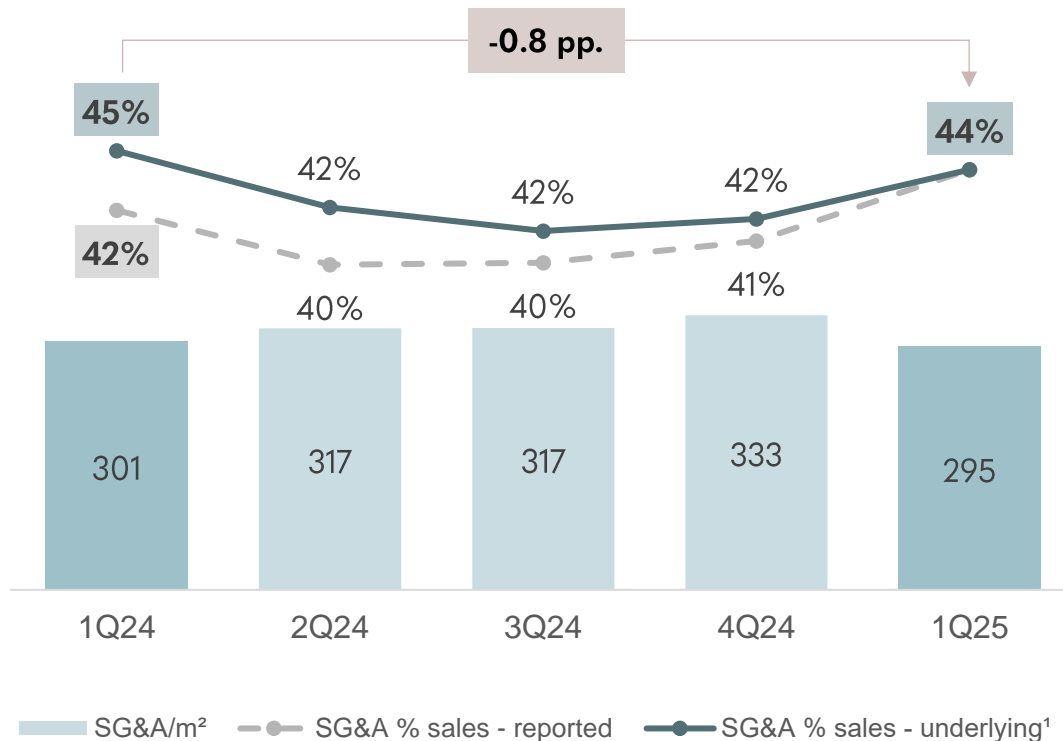


- Earlier and deeper discounting to accelerate the turnover of goods ordered for higher number of openings.
- Higher share of Sinsay brand in revenues.
- Collections ordered at a higher USD/PLN exchange rate, the positive effect of zloty appreciation will be visible in 2H25.

¹ For comparability, 2023 and 2024 figures have been cleared for the impact of transactions with trade agents during the transition period

Focus on the efficiency of our resources

SG&A COSTS/M²



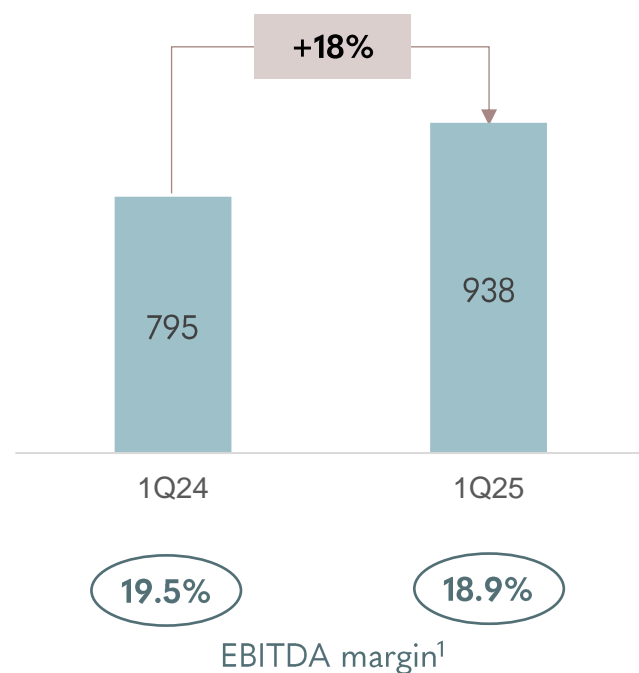
¹ For comparability, 2024 figures have been cleared for the impact of transactions with trade agents during the transition period

- Growth in SG&A costs slower than sales growth.
- Decline in SG&A costs per m² by 2.1% YoY → stabilisation of the cost base in 1Q25, optimisation in subsequent periods.
- Increase in SG&A costs by 19.5% YoY, mainly due to intensive growth (costs of new stores) and higher volumes of goods (logistics costs).

EBITDA close to PLN 1 billion and double-digit profit growth

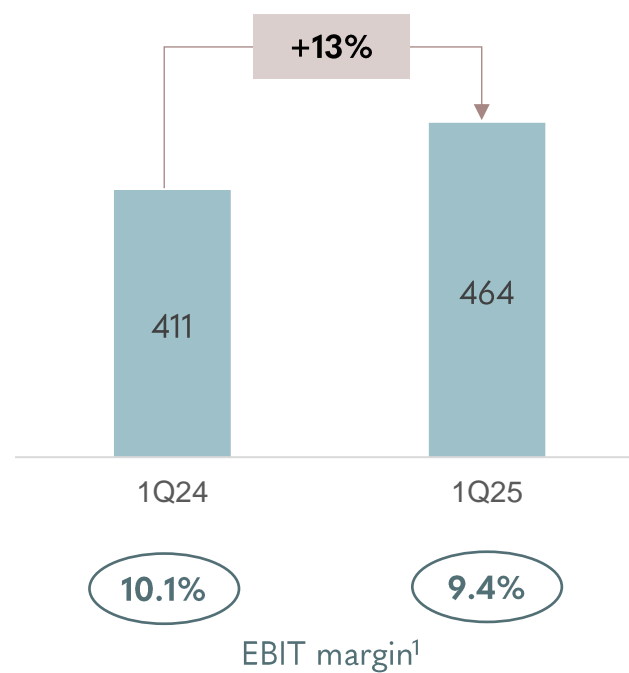
EBITDA

PLN m



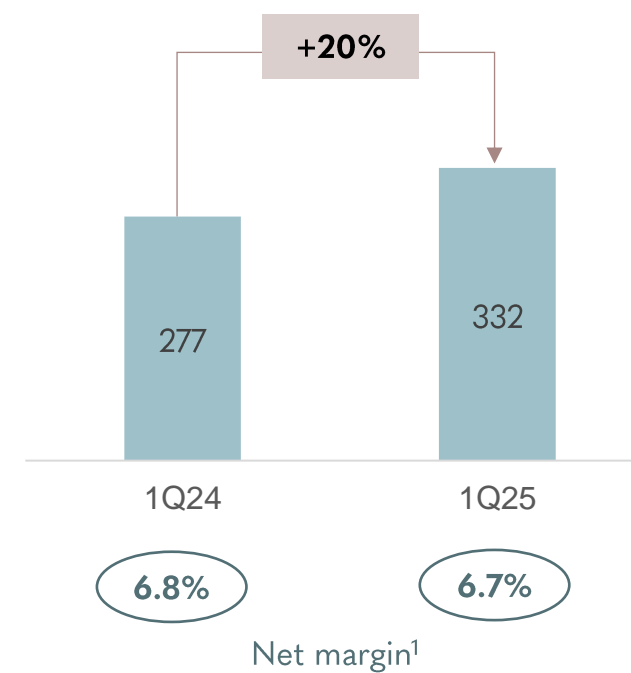
EBIT

PLN m



NET PROFIT

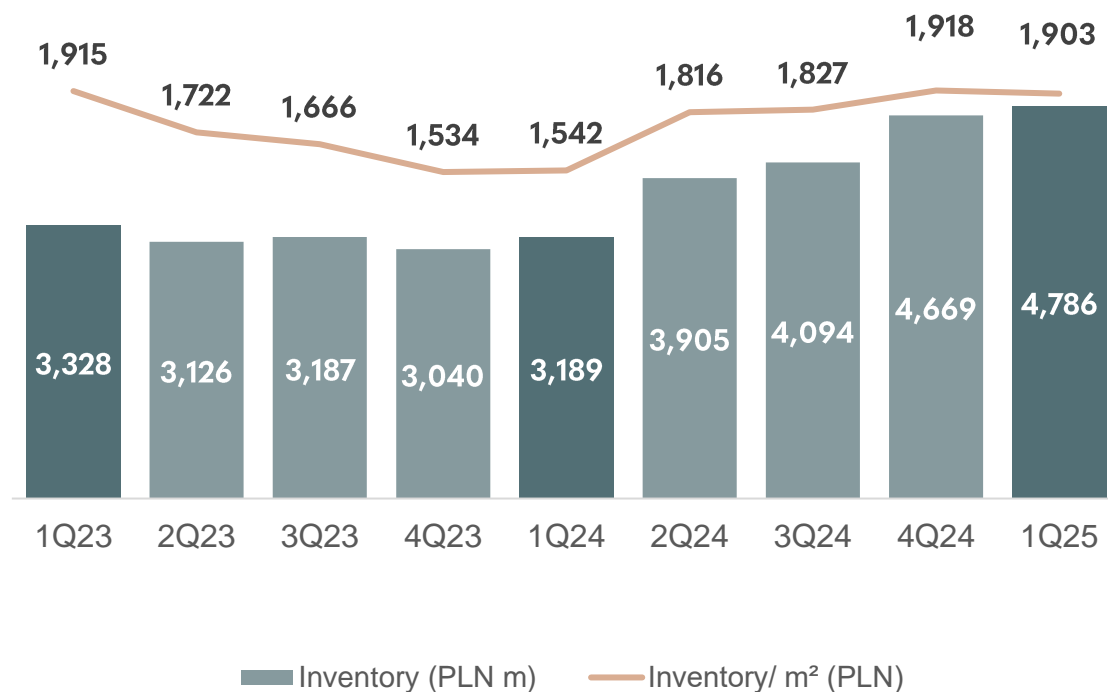
PLN m



¹ For comparability, 1Q24 figures have been cleared for the impact of transactions with trade agents during the transition period. Reported data for 1Q24: EBITDA margin: 18.5%, EBIT margin: 9.5%, Net margin: 6.4%.

Inventory driven by fast growth

INVENTORY AND INVENTORY/M²



- Increase in the level of inventory in 1Q25 mainly due to:
 - order of goods for openings of new stores, some of which are postponed,
 - stocking of new e-commerce warehouses.
- Inventory turnover in 1Q25 was 187 days (136 days in 1Q24).
- Inventory structure at the of 1Q25: over 70% is the Spring/Summer 2025 collection, ca 6% 2024 collection, ca 18% the Autumn/Winter 2025 collection. The remaining part covers all-year models.

Favourable working capital

WORKING CAPITAL

(PLN m)

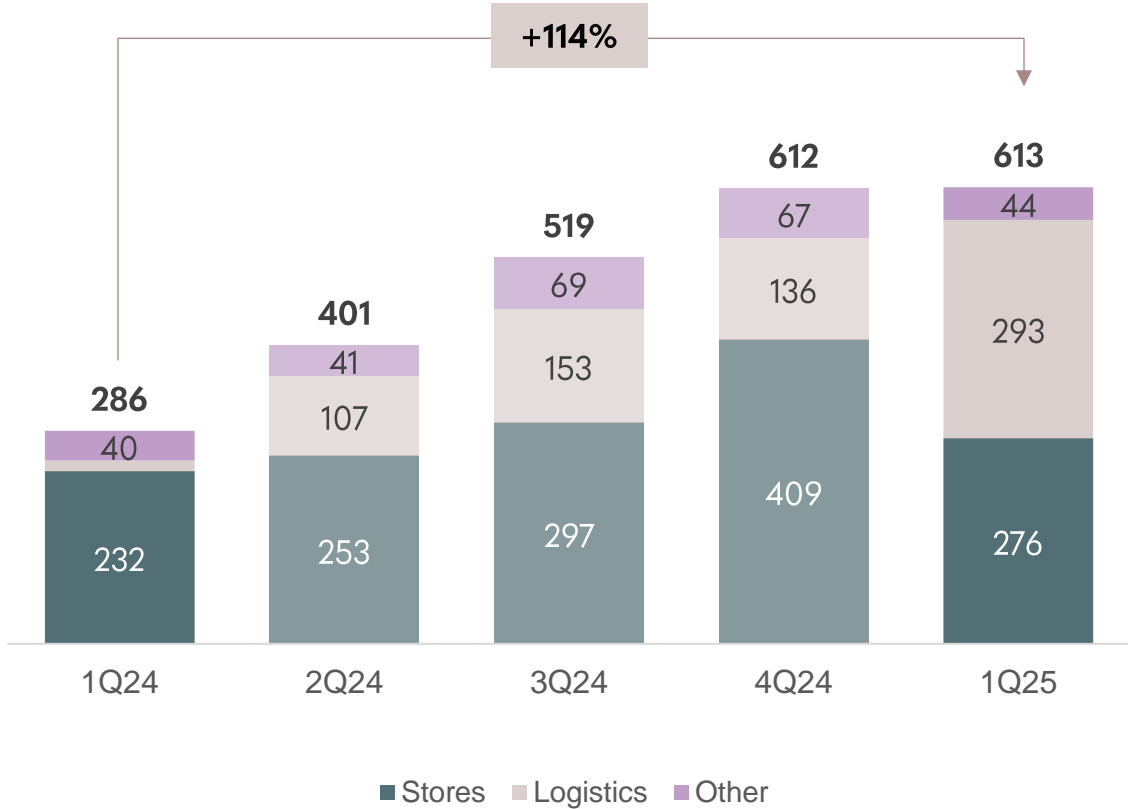


- Cash cycle at a favourable negative level of -27 days:
 - slower inventory turnover (increase from 136 to 187 days),
 - reduction of payment term for receivables (from 18 to 14 days),
 - extension of payment terms for trade liabilities (from 184 to 228 days).

Implementation of investment projects in line with the plan

CAPEX

PLN m

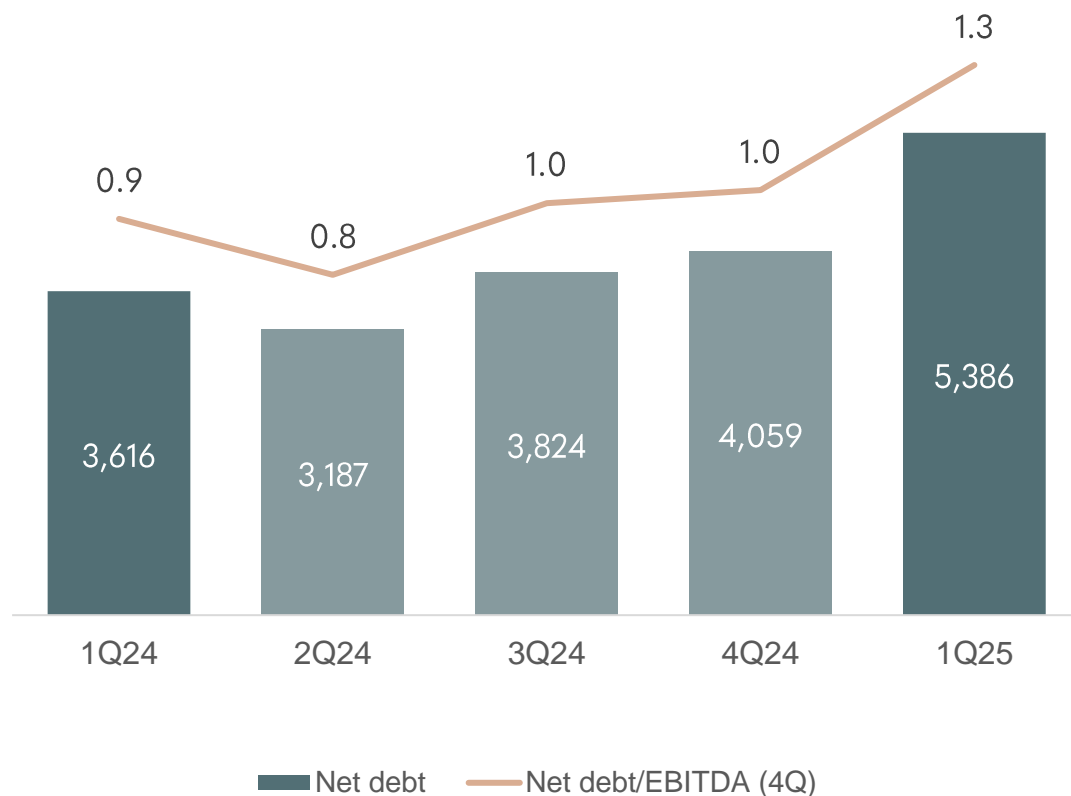


- Expenditure on stores amounted to PLN 276m due to dynamic openings of Sinsay brand stores.
- Logistics expenditure (PLN 293 m) mainly includes:
 - expansion of DC in Brześć Kujawski,
 - continued investment into robotic solutions.

Safe debt level

NET DEBT

(PLN m, IFRS16)



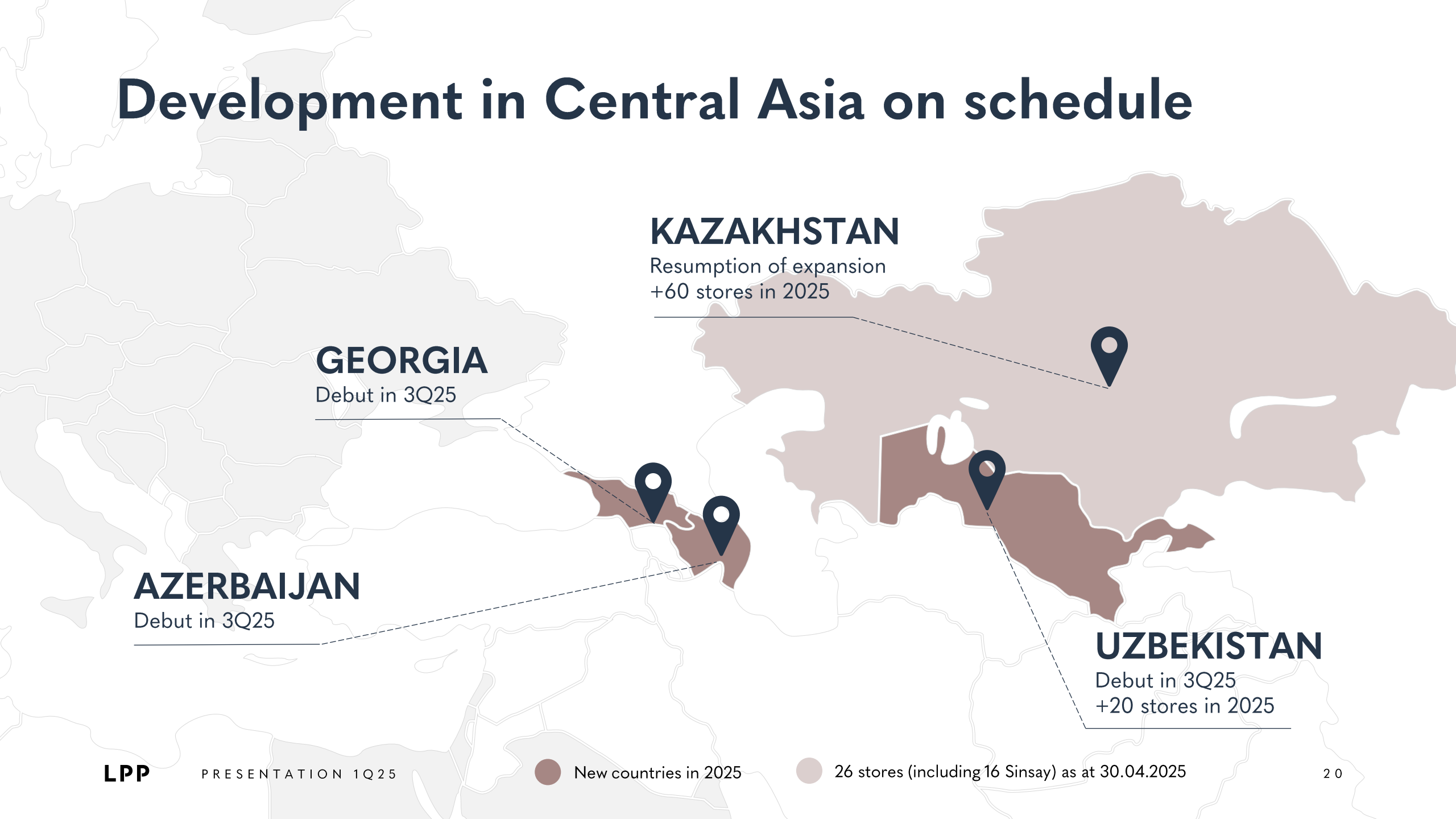
- At the end of 1Q25, net debt according to IFRS16 amounted to PLN 5.4bn, including PLN 5.0bn due to leases.
- Net debt includes PLN 1.0bn in money market funds at the end of 1Q25 (PLN 0.8bn in 1Q24).
- Use of reverse factoring amounted to PLN 3.6bn in 1Q25 vs. PLN 2.6bn in 1Q24.

03

| Plan for 2025



Development in Central Asia on schedule



GEORGIA

Debut in 3Q25

KAZAKHSTAN

Resumption of expansion
+60 stores in 2025

AZERBAIJAN

Debut in 3Q25

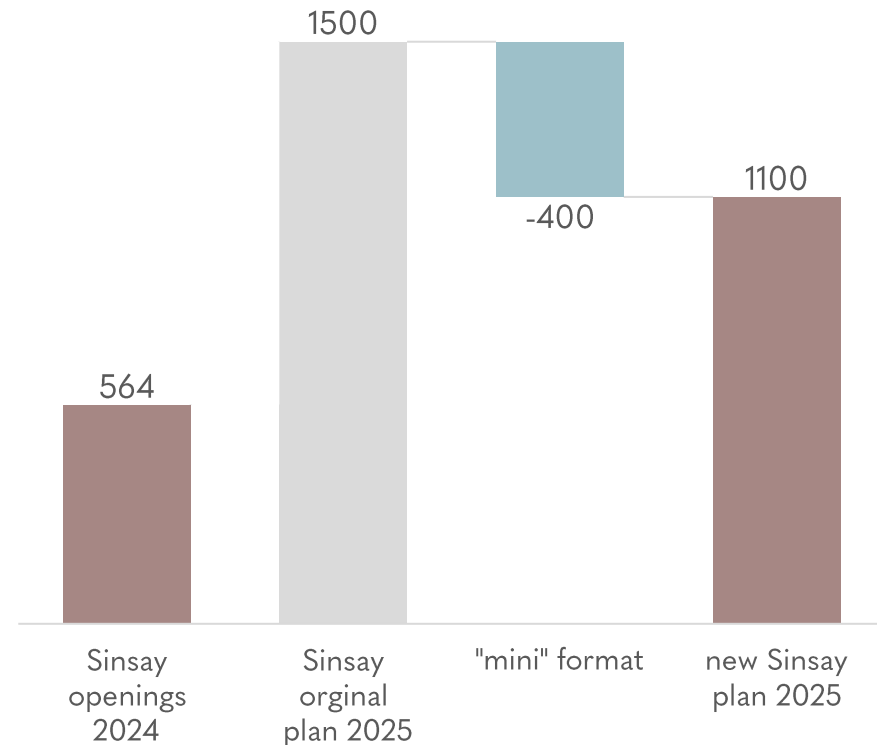
UZBEKISTAN

Debut in 3Q25
+20 stores in 2025

Optimisation of the smallest „mini“ format

- Sinsay mini, i.e. 450m² – 550m² stores
 - Positive profitability, however slightly below the average for the entire chain
 - A fast rollout of the format in its current form could dilute profitability in the longer term
 - Optimisation of the product mix and resumption of projects in subsequent periods
- The strategic direction remains unchanged, i.e.:**
- Sinsay as the growth engine
 - openings in smaller towns
 - growth while maintaining profitability

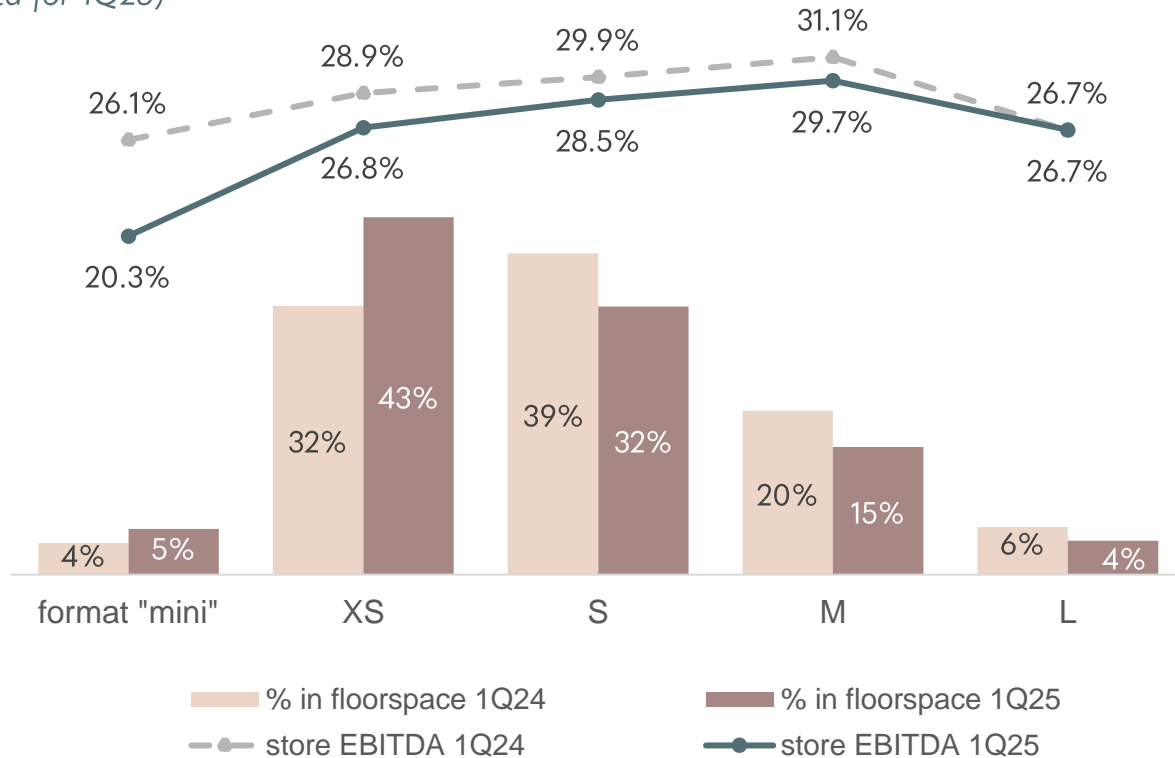
SINSAY STORE OPENINGS PLAN FOR 2025



Focus on quality

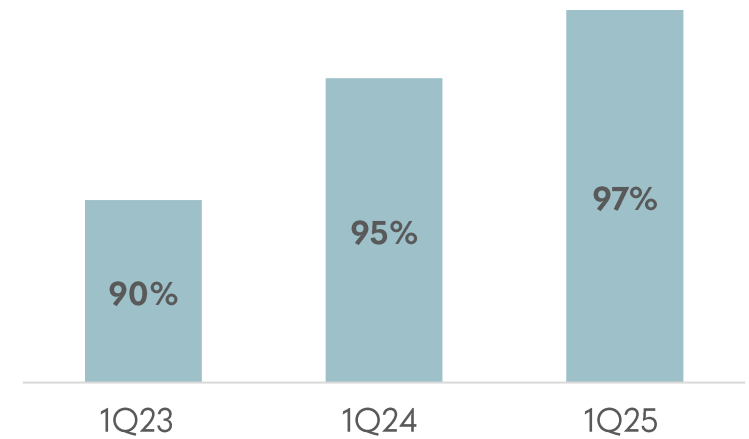
PROFITABILITY BY STORE SIZE^{1,2}

(data for 1Q25)



SHARE OF PROFITABLE SINSAY STORES²

(data for 1Q25)



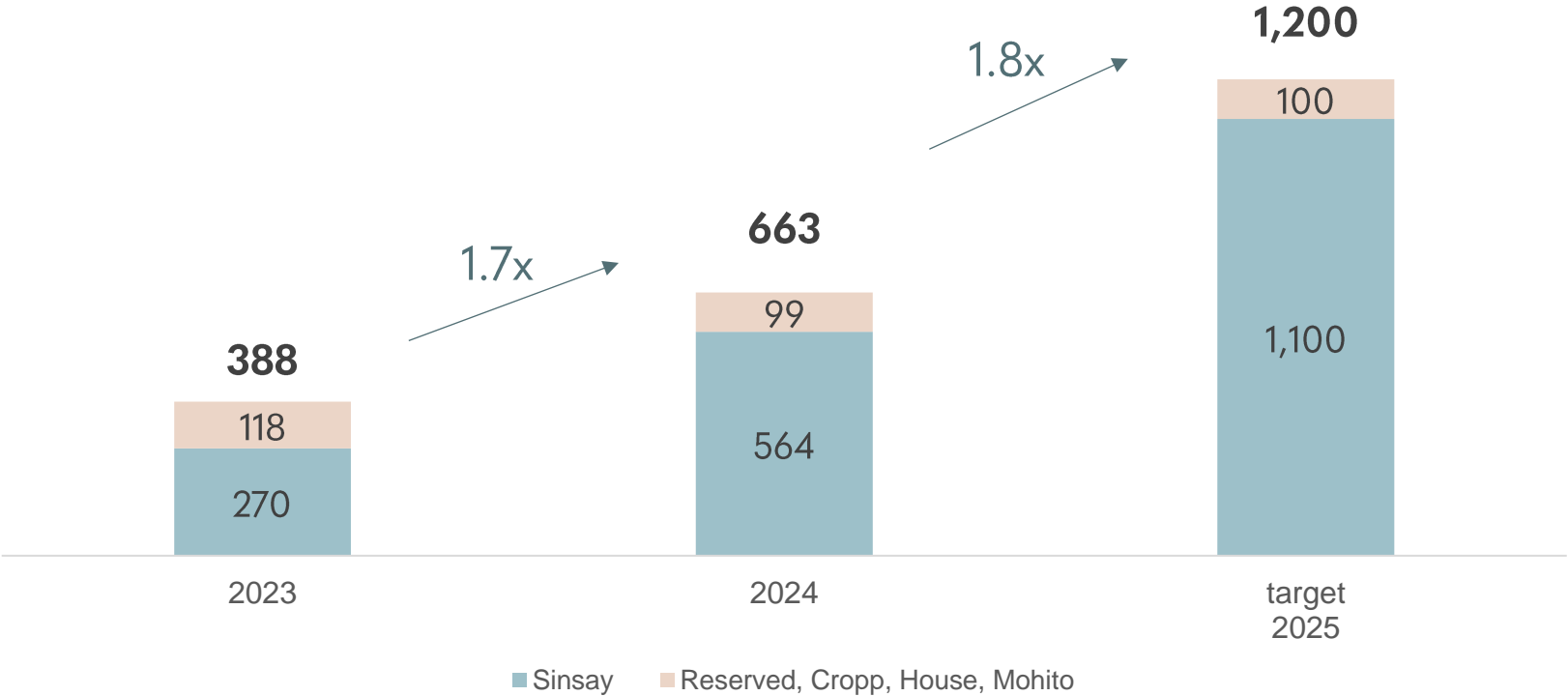
¹ „mini“ < 550, XS 550 - 950 m², S 950 - 1,230 m², M 1,230 - 1,630 m², L > 1,630 m²

²Results for stores operating over 6 months

Good portfolio of projects to double the pace of openings YoY

NO. OF NEW STORES

(gross)



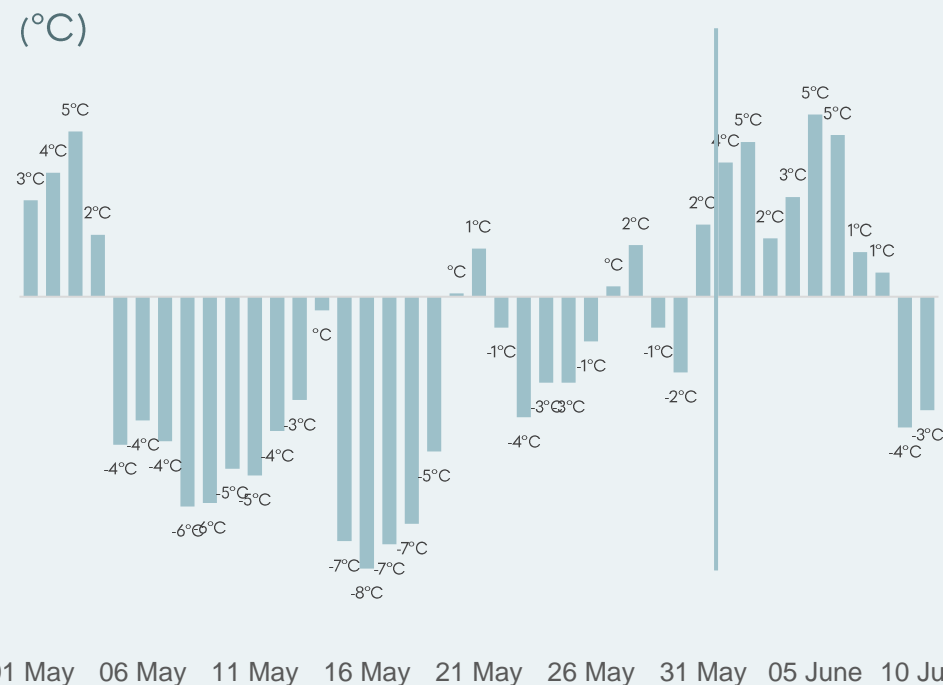
Total floorspace growth in 2025 ca +25-30% YoY:

- Sinsay +45-50% YoY
- Heritage brands max +5% YoY

Outlook for 2Q

- Start of 2Q affected by record low temperatures
- 13% YoY growth in Group's revenues in constant currency from 1 May to 10 June (impact of currency exchange rates ca -1.5pp.)
- Significant recovery in sales since 4 June.
- Launch of seasonal sell-offs in the second half of June.
- Planned opening of ca 300 new stores of all brands.

TEMPERATURE DEVIATION FROM HISTORIC AVERAGE FOR MAY – WARSAW



Source: <https://www.weatherandclimate.info/>

2025 targets

	2024	2025	2025 update
Sales from core business ¹ , PLN bn	19.4	ca 25 - 26	ca 23 - 24
including:			
Offline	13.9	ca +30% YoY	ca +20 - 25% YoY
Online	5.4	ca +25% YoY	ca +20 - 25% YoY
Gross profit margin ¹	55.2%	53% - 54%	<i>no change</i>
SG&A % sales ¹	42.6%	41% - 42%	<i>no change</i>
EBITDA margin	21.1%	19% - 20%	<i>no change</i>
Net margin	9.0%	7% - 8%	<i>no change</i>
Capex (PLN bn)	1.8	3.5	3.1
Net debt/ EBITDA	1.0	ca 1.6	<i>no change</i>

¹ For comparability, 2024 figures have been cleared for the impact of transactions with trade agents during the transition period



Key takeaways

01

Recovery of profit growth path

almost PLN 1bn EBITDA, i.e. +18% YoY

02

Very good sales growth

total sales increase YoY of +24% in CC, incl. e-commerce growth of +27% in CC

03

Cost efficiency

Improved SG&A/sales ratio by nearly 1pp. YoY

04

Focus on profitability

Update the 2025 opening plan to 1,200 stores of all brands – ensuring a good quality stores network in the long term



04

| Q&A



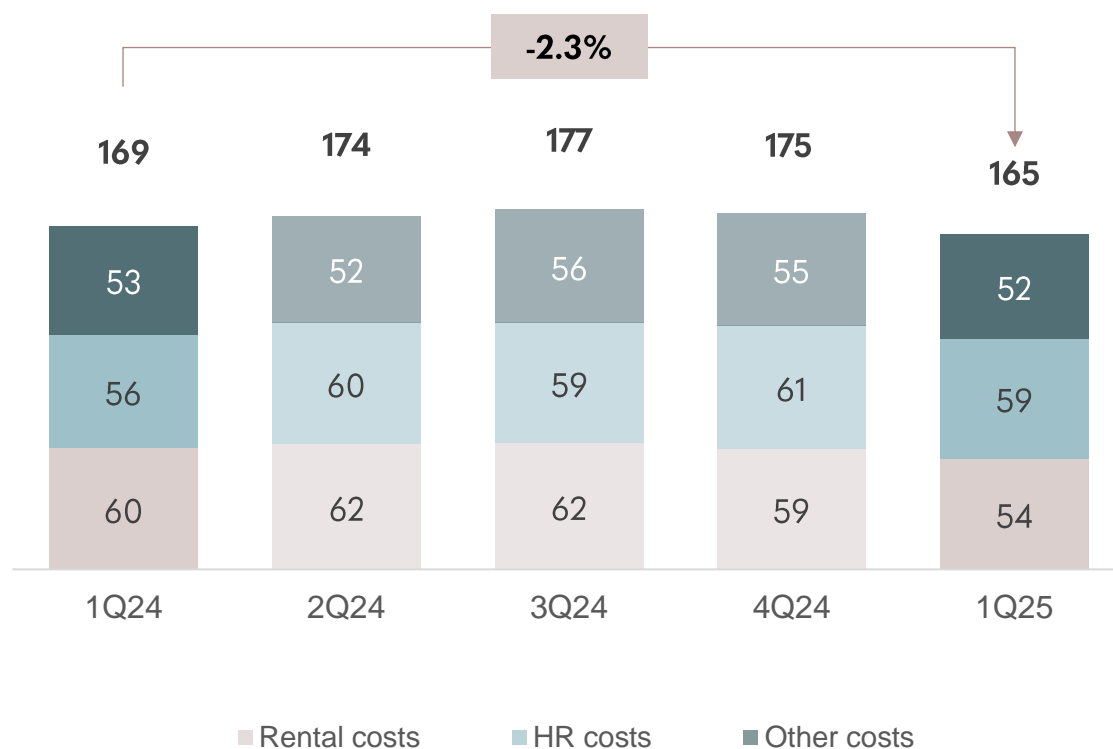
05

| Back-up



Lower costs of stores

COST OF OWN STORES/M²



- Lower YoY rental costs/m² → higher number of opened Sinsay stores at a lower rent.
- YoY growth in personnel costs/ m² → growth of minimum wage, remuneration review.
- Stable other costs/m² YoY → optimisation of energy consumption and third-party service costs.

Financial results

PLN m, IFRS16	1Q24	2Q24	3Q24	4Q24	1Q25	YoY
Revenues	4,306	5,005	5,212	5,671	4,954	15.0%
Revenues ¹	4,074	4,731	5,050	5,551	4,954	21.6%
Gross profit margin	52.1%	52.5%	54.8%	52.7%	54.0%	1.9pp.
Gross profit margin ¹	55.1%	55.6%	56.6%	53.9%	54.0%	-1.1pp.
SG&A costs	1,823	2,009	2,096	2,331	2,179	19.5%
SG&A % sales	42.3%	40.1%	40.2%	41.1%	44.0%	1.6pp.
SG&A % sales ¹	44.7%	42.5%	41.5%	42.0%	44.0%	-0.8pp.
EBIT	411	611	731	662	464	12.9%
EBIT margin	9.5%	12.2%	14.0%	11.7%	9.4%	-0.2pp.
EBIT margin ¹	10.1%	12.9%	14.5%	11.9%	9.4%	-0.7pp.
Net profit	277	443	577	450	332	19.9%
Net margin	6.4%	8.9%	11.1%	7.9%	6.7%	0.3pp.
Net margin ¹	6.8%	9.4%	11.4%	8.1%	6.7%	-0.1pp.
EBITDA	795	1,018	1,157	1,134	938	18.0%
EBITDA margin	18.5%	20.3%	22.2%	20.0%	18.9%	0.5pp.
EBITDA margin ¹	19.5%	21.5%	22.9%	20.4%	18.9%	-0.6pp.

¹ For comparability, 2024 figures have been cleared for the impact of transactions with trade agents during the transition period

Glossary

Poland	Retail sales in Poland and other sales of LPP SA.
Other countries	Region including: CEE (Czech Republic, Slovakia, Hungary), Baltic (Lithuania, Latvia, Estonia), SEE (Bulgaria, Romania, Croatia, Serbia, Slovenia, Bosnia and Herzegovina, Northern Macedonia, Greece, Albania, Kosovo), WE (Germany, United Kingdom, Finland, Italy), Eastern Europe (Ukraine, Belarus, Kazakhstan) and activity in ME (Egypt, Qatar, Kuwait, United Arab Emirates, Israel, Saudi Arabia, Bahrain). Excl. Sales to Trade agents.
Revenues GK LPP	Total revenues of LPP GROUP
Omnichannel sales	Total of offline, online sales (excl. other sales and sales to Trade agents).
LFL sales	Sales in traditional stores that have been in operation for the last 12 months. Calculations are performed according to the currencies in the countries of sale, i.e. in local currencies
Sales from core business	Total of offline, online and other sales (excl. sales to Trade agents).
EBITDA	EBIT + depreciation from cash flow statement.
Average monthly revenues/ m²	Quarterly revenues of segment or brand / average working total floorspace/ 3.
Average monthly costs of own stores/ m²	Quarterly costs of own stores / average working floorspace of own stores (i.e., excluding all franchise stores which represent ca 1.6% of the working floorspace) / 3.
Average monthly SG&A (PLN)/ m²	Quarterly SG&A costs/ average working total floorspace excluding stores located in ME/ 3.
Inventory/ m²	End of period group inventory/ total floorspace without foreign franchise stores.
Cash turnover cycle	Receivables (in days) plus inventories (in days) minus liabilities (in days). Calculations on average amounts of receivables, inventories and liabilities.
Revenues in constant currencies (CC)	Reference to current revenue with recalculation of the comparative period to constant currencies (current exchange rate).
EBIT from core business	EBIT from LPP GROUP operations excluding results on sales to Trade agents during the transition period.

Contact

LPP SA HQ

ul. Łąkowa 39/44, 80-769 Gdańsk
Tel. +48 58 76 96 900
Email: lpp@lpp.com

CONTACT FOR INVESTORS

Email: LPP.investor.relations@lpp.com

CONTACT FOR MEDIA

Email: media@lpp.com



discoverlpp



company/lpp-sa



discoverlpp



discoverlpp

