



2Q25 results presentation

GDAŃSK, 25 SEPTEMBER 2025

LPP

RESERVED

CROPP

HOUSE

MOHITO

sinsay

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Q1

Summary 2Q25



Consistent business growth

+1.6%

LFLs in stores

positive
in Reserved brand

PLN **1.4** bn

e-com sales

+16% YoY in CC

296

open stores

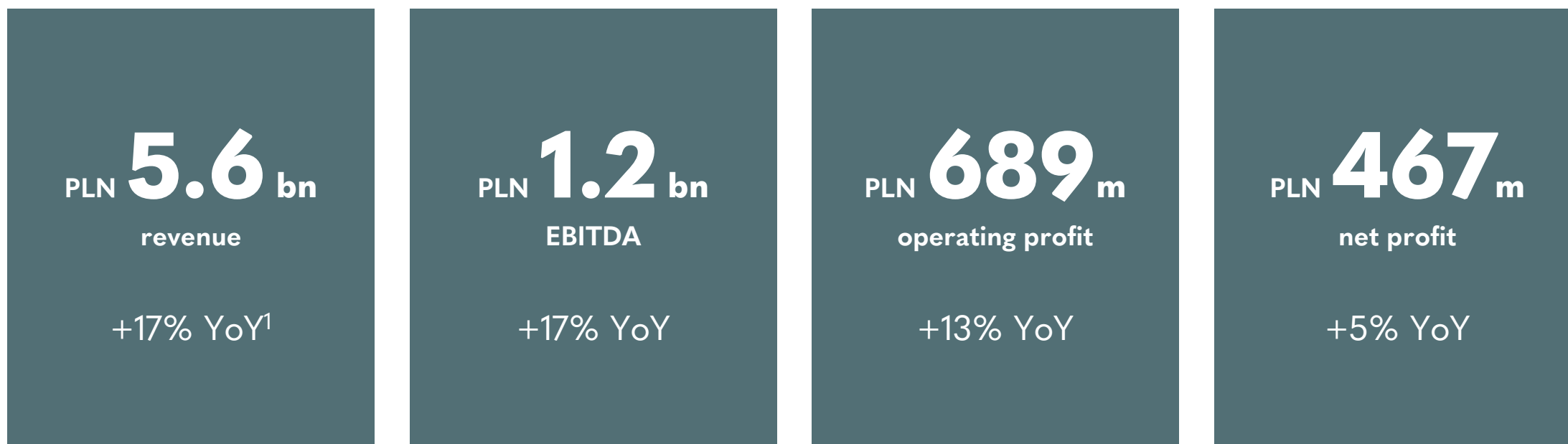
including 253 in
Sinsay brand

Uzbekistan

**debut of Sinsay
stores**

- First store opened in early August
- +20 stores in 2025

Continued quarterly profit growth

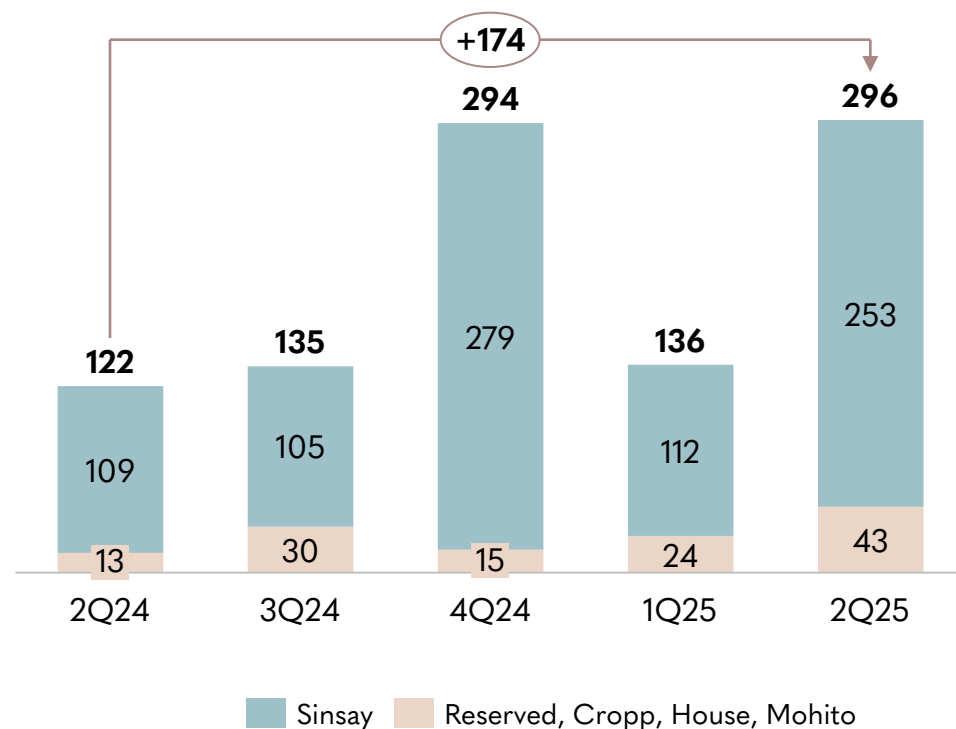


¹Growth reported on core business in constant currency: +19%. Growth reported including sales to trade agents in 2Q24: +11%.

Steady development of the Sinsay chain

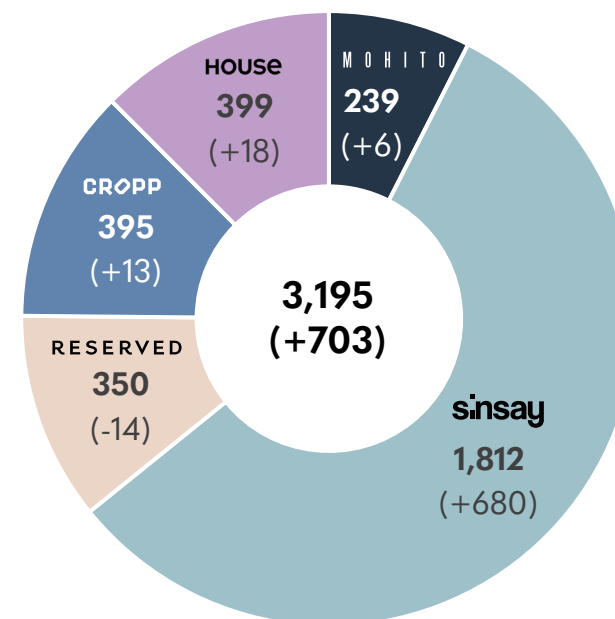
NO. OF NEW STORES

(gross)



NO. OF STORES BY BRANDS

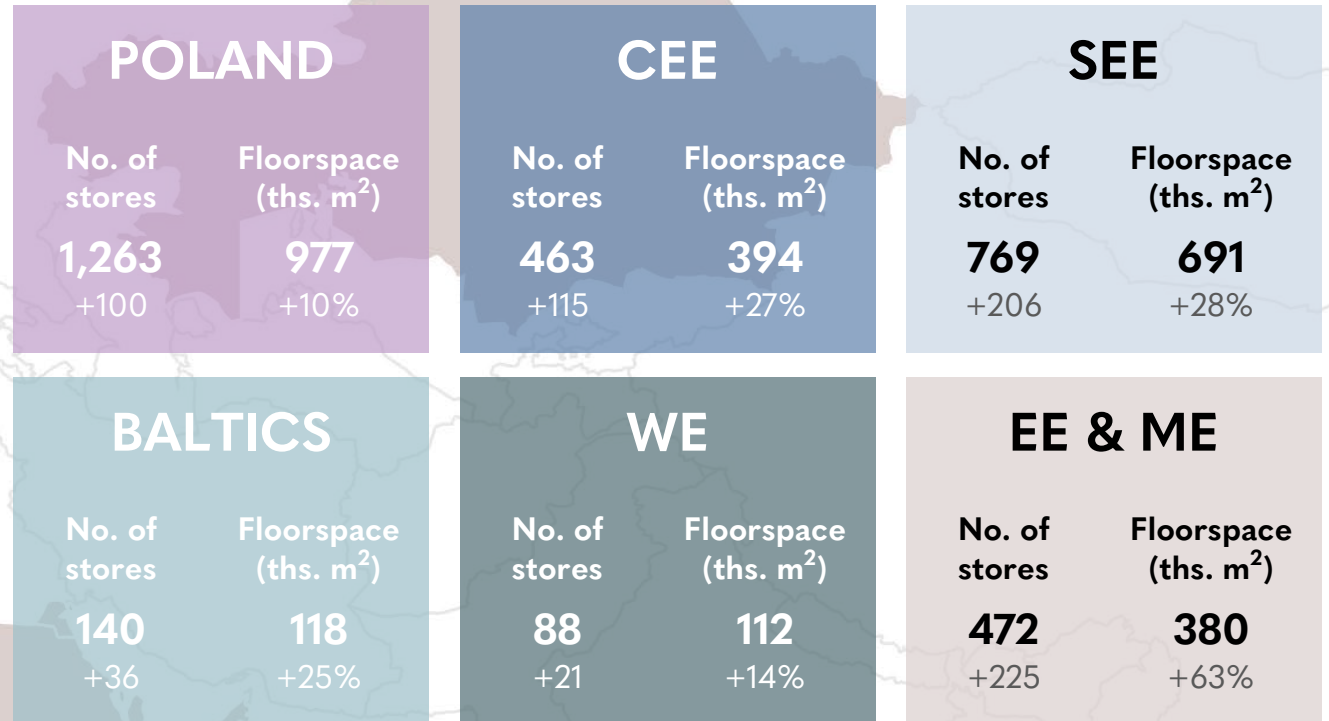
(net, as at 31.07.2025)



FLOORSPACE



Dynamic growth in key regions



As at 31.07.2025

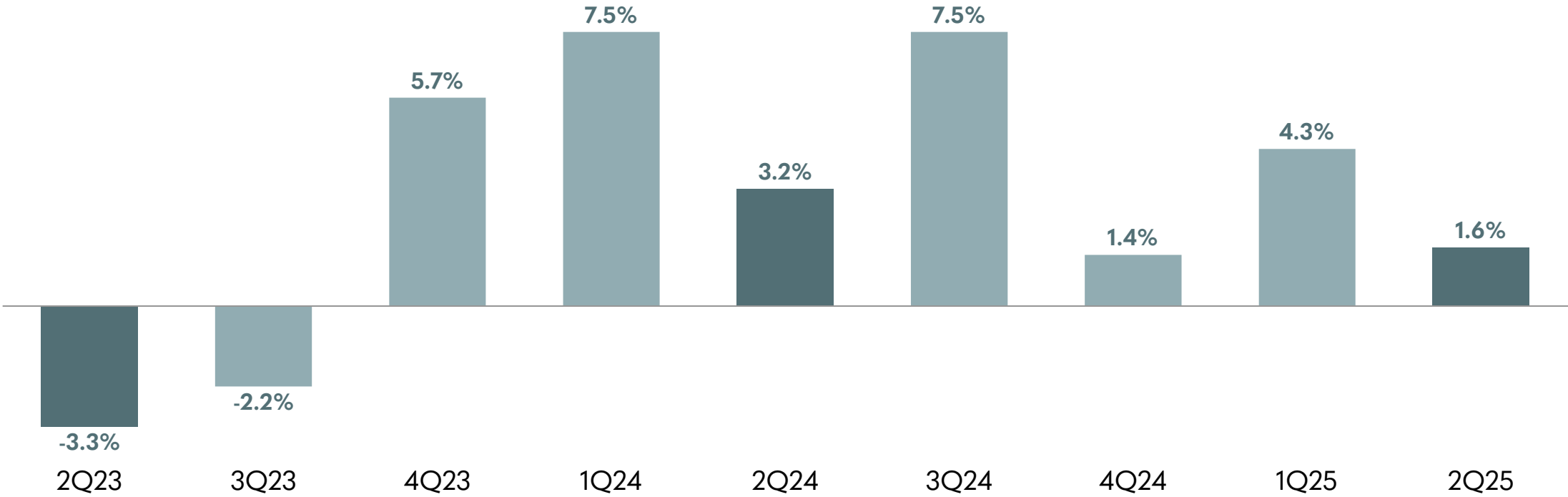
02

| 2Q25 Financial results



Positive sales dynamics in LFL stores

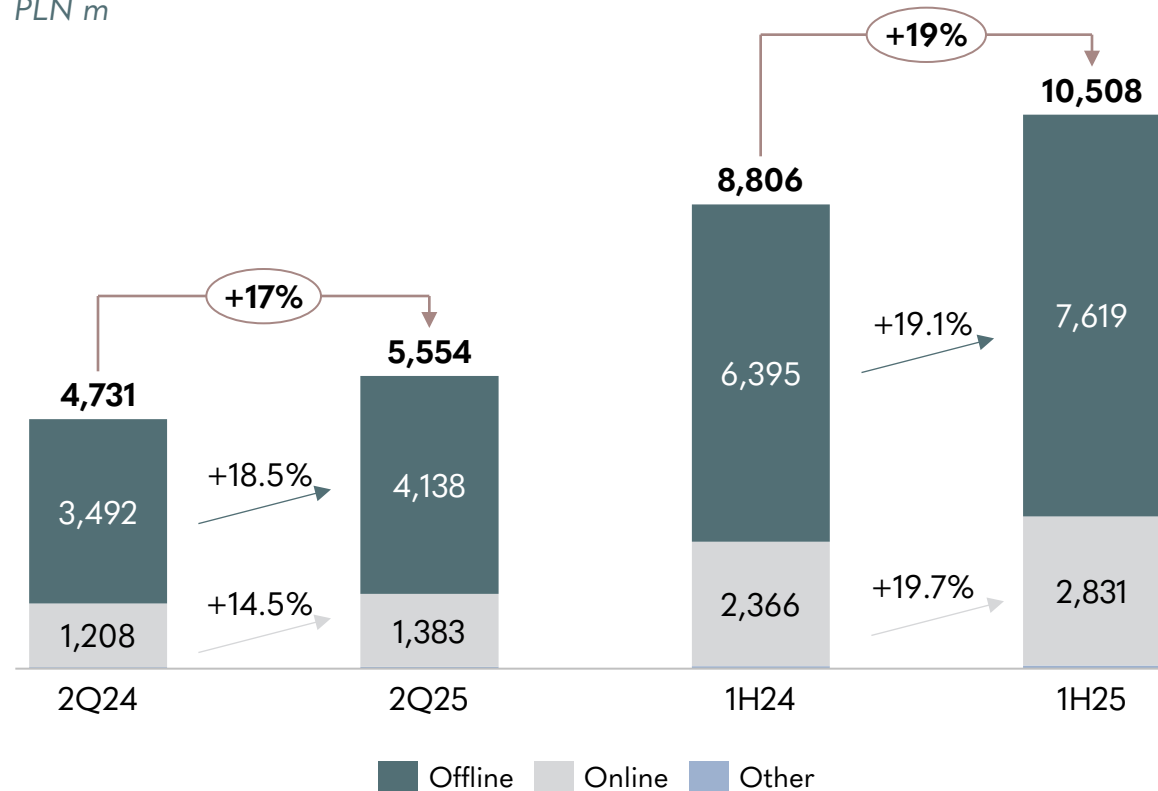
COMPARABLE SALES (LFL)



Double-digit sales growth in both channels

GROUP REVENUES¹

PLN m

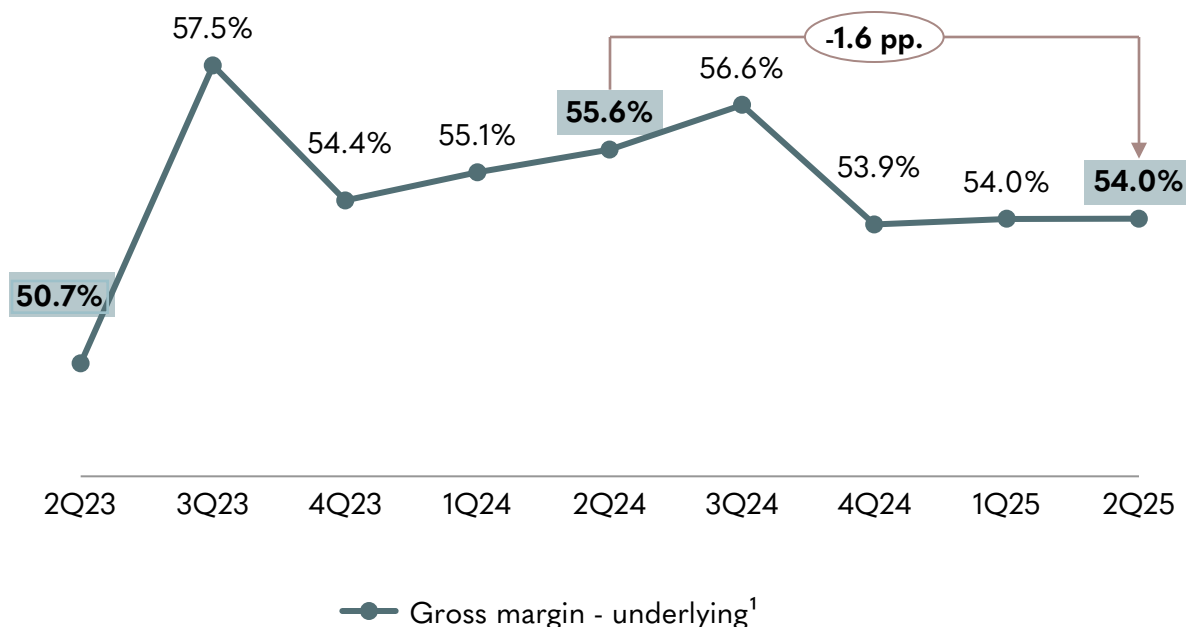


¹Figures for 2024 do not include sales to trade agents (2Q24: PLN 274m, 1H24: PLN 505m)

- Impact of currency exchange rates in 2Q25: -2.0pp.
- Double-digit sales growth in 2Q25 both in Poland (+10.6% YoY) and abroad (+23.3% YoY).
- Online sales in 2Q25 accounted for 24.9% of Group revenue (24.1% in 2Q24).
- Share of the app in online sales:
 - Sinsay ca 80% (+15 pp. YoY),
 - Reserved ca 60% (+6 pp. YoY).

Robust gross margin in the challenging environment

QUARTERLY GROUP GROSS PROFIT MARGIN

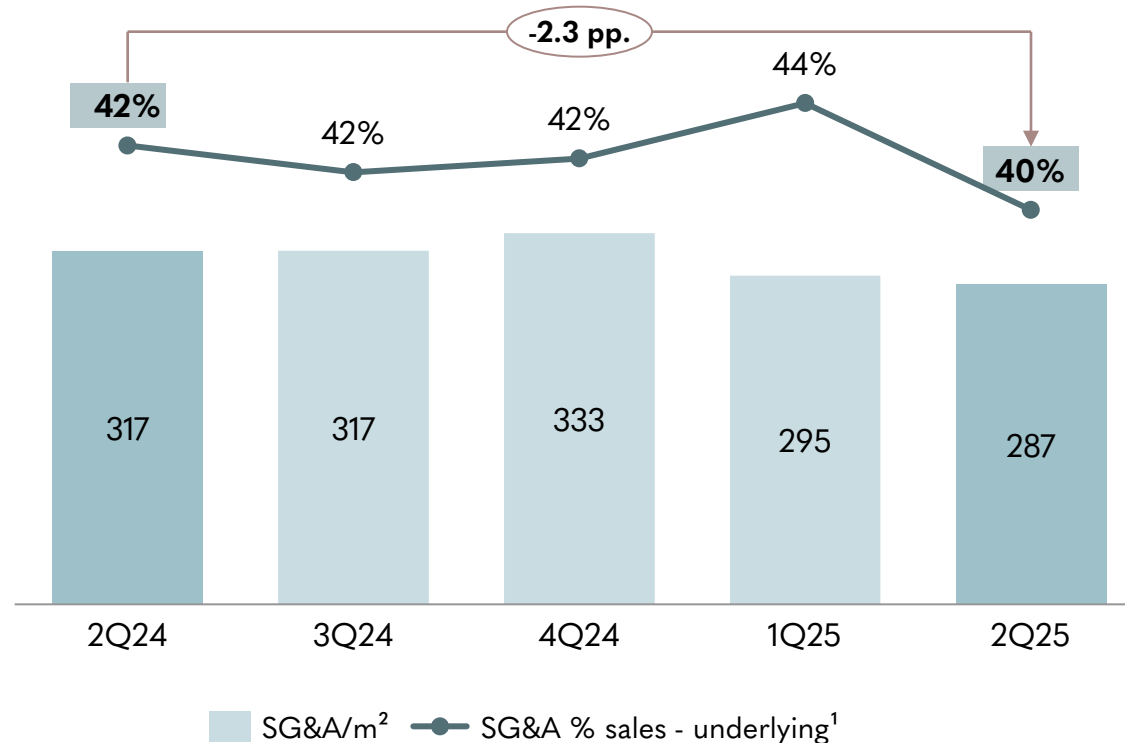


¹For comparability, 2023 and 2024 figures have been cleared for the impact of transactions with trade agents during the transition period.

- Higher share of Sinsay brand in revenues.
- Active gross margin management in Sinsay brand (higher YoY promotions) in order to accelerate the turnover of goods.
- Collections ordered at a higher US\$/PLN exchange rate, the positive effect of zloty appreciation will be visible in 2H25.

Efficient management of SG&A costs

SG&A COSTS/ M²



- Growth in SG&A costs slower than sales growth.
- Decline in SG&A costs per m² by 9.4% YoY → implemented automation in logistics, lower YoY expenditure on store marketing and performance marketing.
- Increase in SG&A costs by 11.0% YoY, mainly due to intensive growth (costs of new stores) and higher volumes of goods (logistics costs).

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

Events affecting 2Q results

WAREHOUSE FIRE IN ROMANIA

- Neutral impact of the event on 2Q results.
- Other operating activities recognise:
 - **PLN 351m** in other operating costs (PLN 58m write-down on fixed assets and PLN 293m of losses in current assets),
 - **PLN 351m** in other operating income as the provision for compensation from the insurer.
- In addition, under its **Business Interruption** policy, the Company expects compensation for lost profits and additional costs incurred.

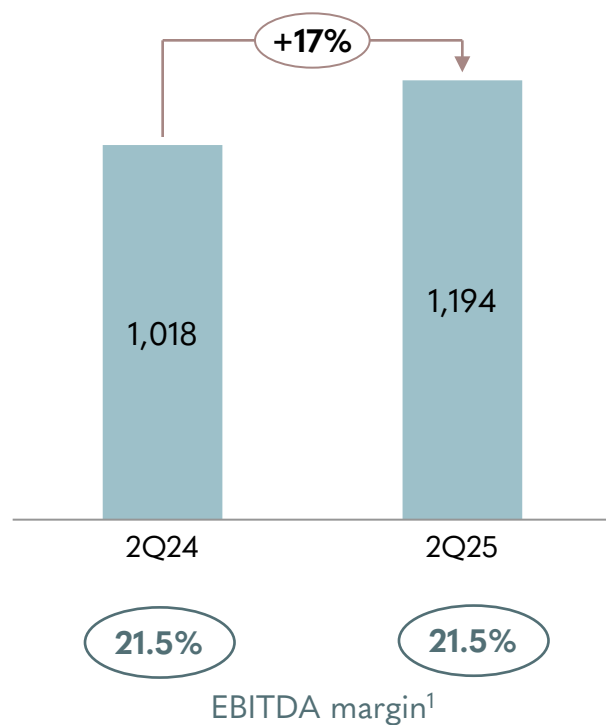
UPDATE OF THE BALANCE RECEIVABLES AFTER DISPOSAL OF RUSSIAN BUSINESS

- Extension of the time limit for repayment of receivables for goods recognised under other operating costs in the amount of **PLN 30m** until 2029.
- In net financial activity, the negative impact of the discount related to the repayment of receivables for the stores sold is recognised in the amount of **PLN 35m**.

Profit growth in the second quarter

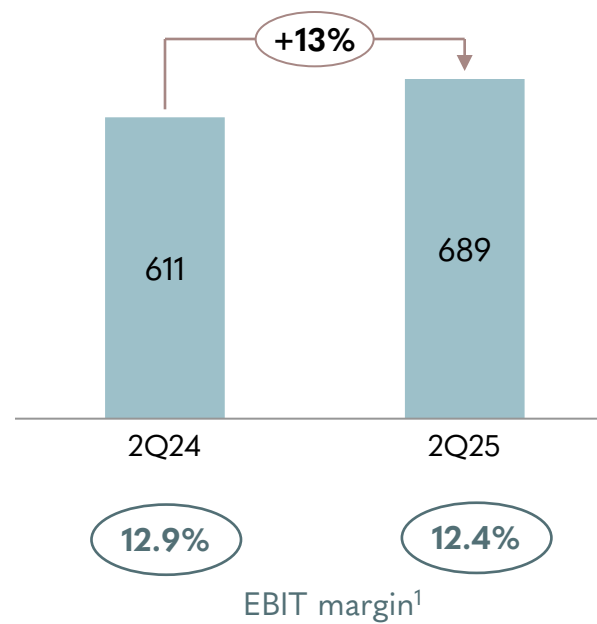
EBITDA

PLN m



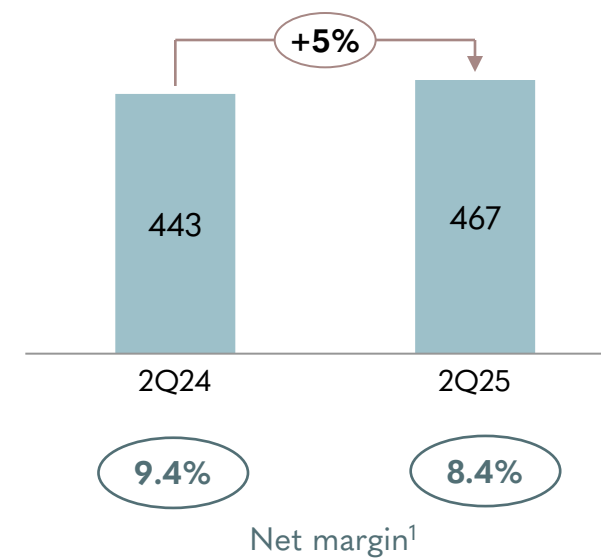
EBIT

PLN m



NET PROFIT

PLN m

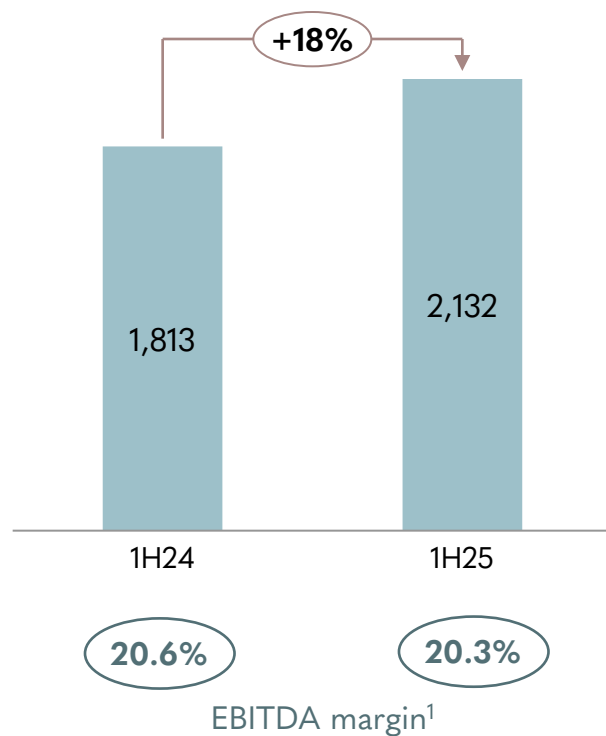


¹ For comparability, 2024 figures have been cleared for the impact of transactions with trade agents during the transition period. Reported data for 2024: EBITDA margin: 20.3%, EBIT margin: 12.2%, Net margin: 8.9%.

Improved YoY results in the Spring/Summer season

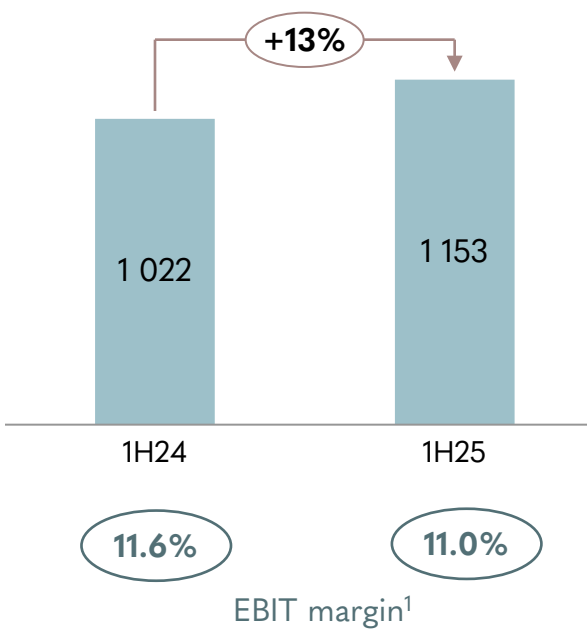
EBITDA

PLN m



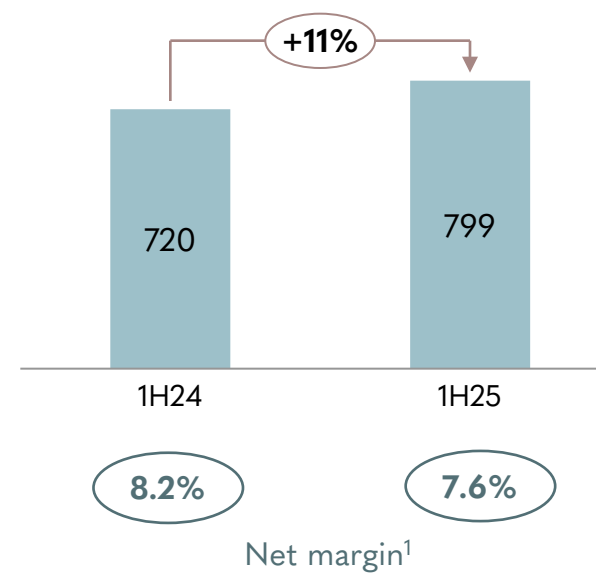
EBIT

PLN m



NET PROFIT

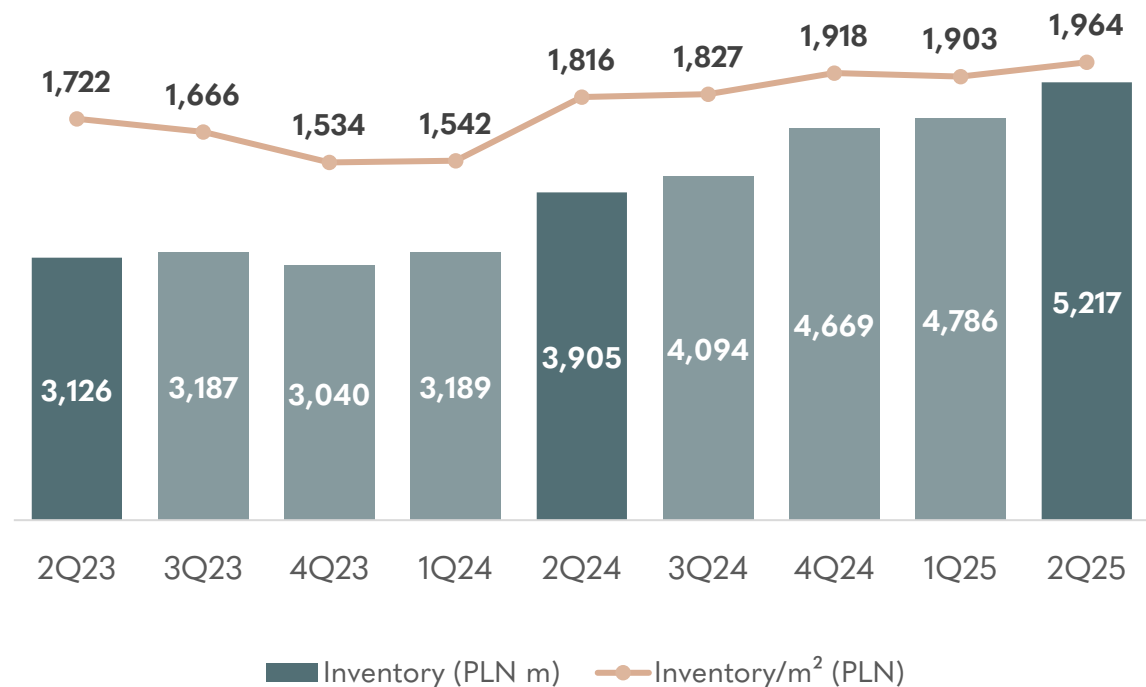
PLN m



¹ For comparability, 2Q24 figures have been cleared for the impact of transactions with trade agents during the transition period.
Reported data for 1H24: EBITDA margin: 19.5%, EBIT margin: 11.0%, Net margin: 7.7%.

Secured inventory for Autumn/Winter 2025

INVENTORY AND INVENTORY/M²

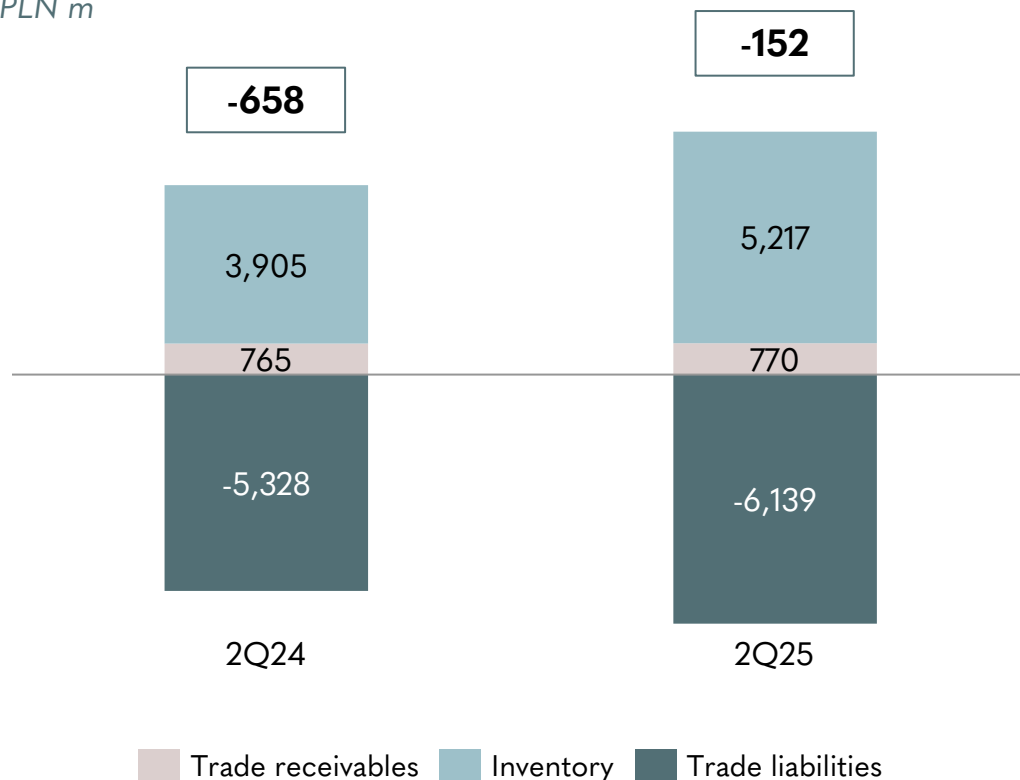


- In 2Q25, the increase in the level of inventory mainly due to ordered goods for dynamic openings of new Sinsay traditional stores and a broader brand offering dedicated to e-commerce.
- Inventory turnover in 2Q25 was 176 days (134 days in 2Q24).
- Inventory structure at the end of 2Q25: over 75% is the Autumn/Winter 2025 collection, ca 15% the Spring/Summer 2025 collection. The remaining part covers all-year models.

Favourable working capital

WORKING CAPITAL

PLN m



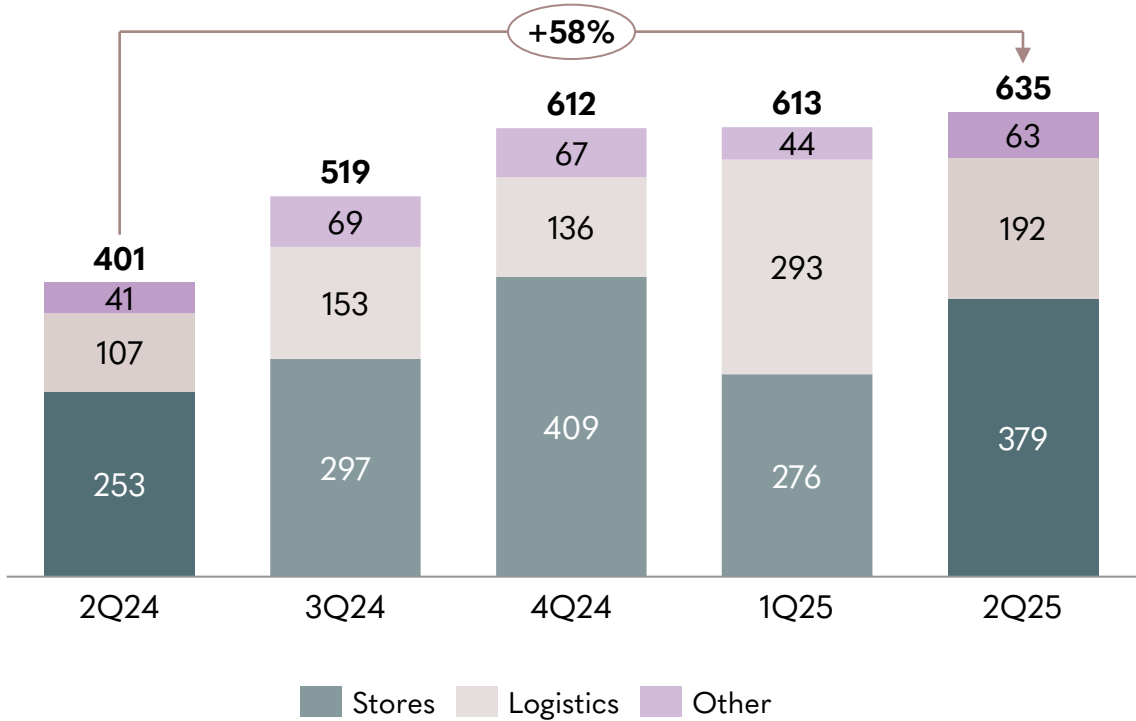
- Cash cycle at a favourable negative level of -20 days:
 - slower inventory turnover (increase from 134 to 176 days),
 - reduction of payment term for receivables (from 15 to 13 days),
 - extension of payment terms for trade liabilities (from 185 to 209 days).

¹ For comparability in 2Q25, trade receivables include the value of trade receivables from trade agents (PLN 568m).

Implementation of investment projects in line with the plan

CAPEX

PLN m

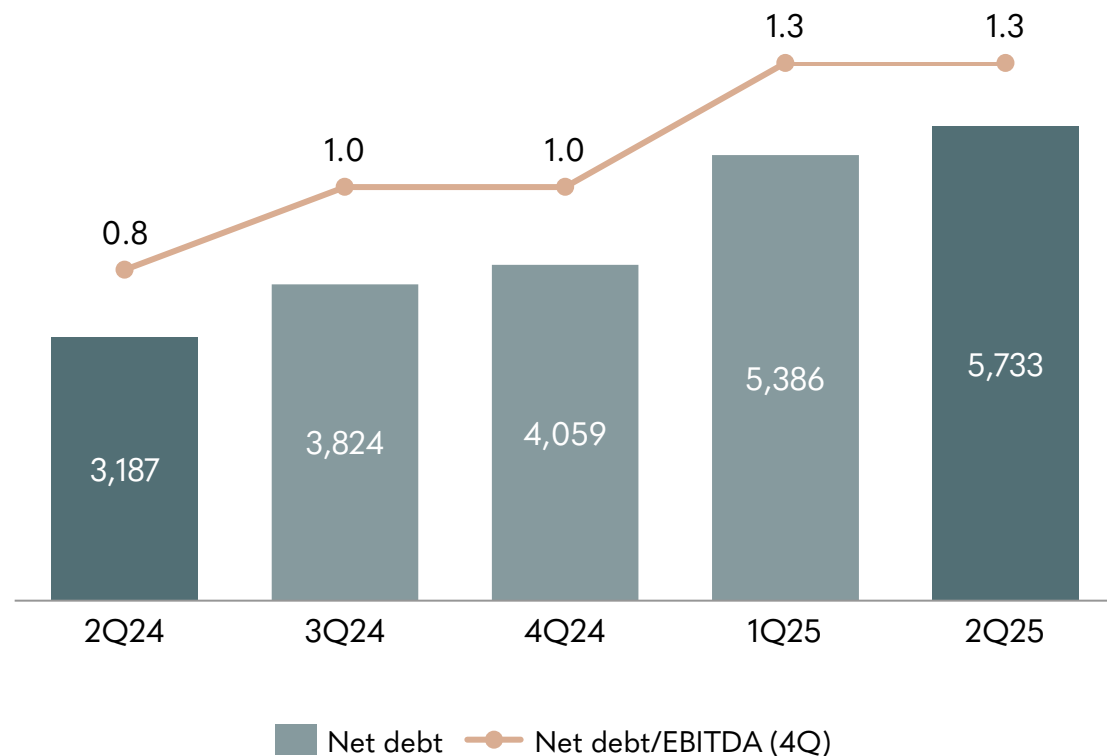


- Expenditure on stores amounted to PLN 379m (+50% YoY) due to dynamic openings of new traditional stores, mainly of Sinsay brand.
- Logistics expenditure (PLN 192m) mainly related to the expansion of the Distribution Center in Brześć Kujawski and investment in robotic solutions.

Safe debt level

NET DEBT

(PLN m, IFRS16)



- At the end of 2Q25, net debt according to IFRS16 amounted to PLN 5.7bn, including PLN 5.0bn due to leases.
- Net debt includes PLN 0.9bn in money market funds at the end of 2Q25 (PLN 0.8bn in 2Q24).
- Use of reverse factoring amounted to PLN 3.8bn in 2Q25 vs. PLN 3.0bn in 2Q24.

03

| Plan for
2025



Strong “Back to School” period

- Earlier interest in school products than in the previous year.
- Classic models, multipacks and licensed products were popular.
- Very good sales of autumn clothes (tracksuits, sweatshirts, jeans, fleece jackets).
- In Sinsay brand, a growing share of sales of school accessories (i.e. backpacks, notebooks, markers).

OMNICHANNEL
+35% YoY

OFFLINE
+33% YoY

ONLINE
+40% YoY

data for the period 18.08.2025 - 7.09.2025 in constant currency

Outlook for 3Q

- 22% YoY increase in Group sales in constant currency in the period 1 August - 21 September (exchange rate impact of ca -1.5pp.).
 - Positive dynamics in LFL stores,
 - 24% YoY growth in online sales.
- Positive response to the Autumn/Winter 2025 collection
- Planned opening of 200-250 new stores of all brands in 3Q25.
- Dividend payment reduced by the amount of advance payment (October 2025).



2025 targets

	2024 actuals	1H25 actuals	2025
Sales from core business ¹ , PLN bn	19.4	10.5	ca 23 - 24
including:			
Offline	13.9	+19% YoY	ca +20 - 25% YoY
Online	5.4	+20% YoY	ca +20 - 25% YoY
Gross profit margin ¹	55.2%	54%	53% - 54%
SG&A % sales ¹	42.6%	42%	41% - 42%
EBITDA margin	21.1%	20%	19% - 20%
Net margin	9.0%	8%	7% - 8%
Capex (PLN bn)	1.8	1.2	3.1
Net debt/ EBITDA	1.0	1.3	ca 1.6

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



Key takeaways

01

Continued profit growth

Another quarter with profit growth at every level: EBITDA, EBIT, net profit.

02

Strong sales in a challenging environment

Growth in total YoY sales by +19% in CC, including growth in e-commerce +16% in CC.

03

Cost efficiency

Improved SG&A/sales ratio by over 2 pp. YoY.

04

Business development in accordance with the plan

Network expansion and financial results well on track to meet annual targets.



044

A decorative background featuring two orange ceramic pumpkins. The larger one in the background contains green rosemary. The smaller one in the foreground is a lid-shaped pumpkin. They are set on a bed of green grass next to a rustic wooden log.

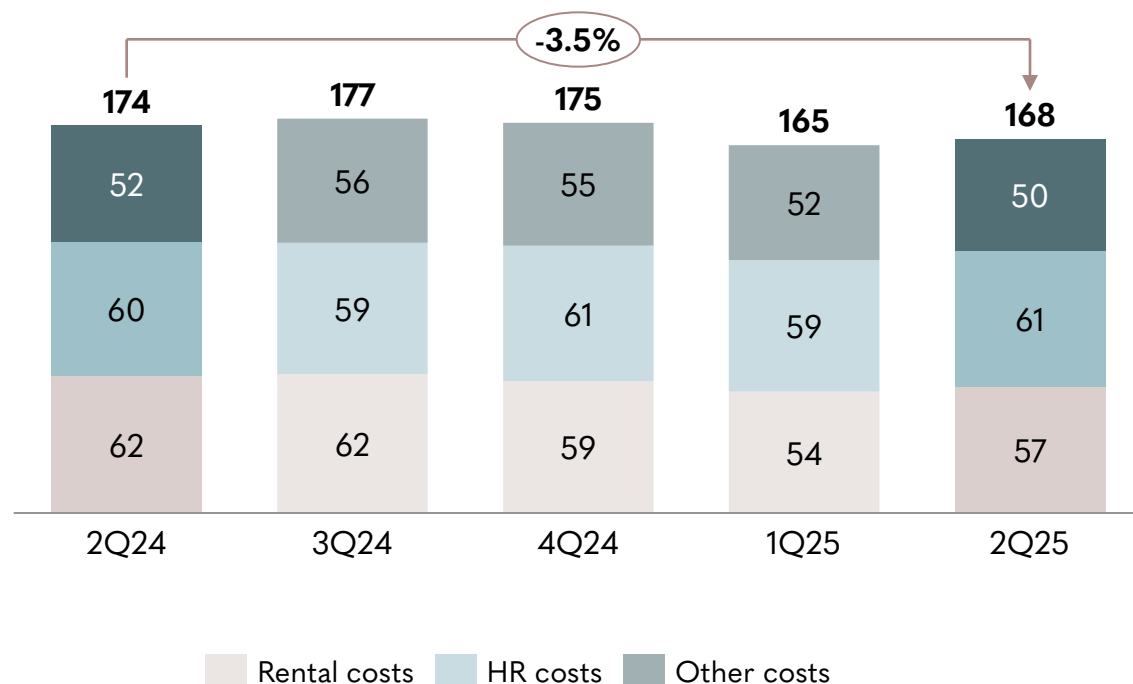
| Q&A



| Back-up

Lower costs of own stores

COST OF OWN STORES/ M²



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

Financial results

PLN m, IFRS16	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	YoY
Revenues	4,306	5,005	5,212	5,671	4,954	5,554	11.0%
Revenues ¹	4,074	4,731	5,050	5,551	4,954	5,554	17.4%
Gross profit margin	52.1%	52.5%	54.8%	52.7%	54.0%	54.0%	1.5pp.
Gross profit margin ¹	55.1%	55.6%	56.6%	53.9%	54.0%	54.0%	-1.6pp.
SG&A costs	1,823	2,009	2,096	2,331	2,179	2 230	11.0%
SG&A % sales	42.3%	40.1%	40.2%	41.1%	44.0%	40.2%	0.1pp.
SG&A % sales ¹	44.7%	42.5%	41.5%	42.0%	44.0%	40.2%	-2.3pp.
EBIT	411	611	731	662	464	689	12.8%
EBIT margin	9.5%	12.2%	14.0%	11.7%	9.4%	12.4%	0.2pp.
EBIT margin ¹	10.1%	12.9%	14.5%	11.9%	9.4%	12.4%	-0.5pp.
Net profit	277	443	577	450	332	467	5.4%
Net margin	6.4%	8.9%	11.1%	7.9%	6.7%	8.4%	-0.4pp.
Net margin ¹	6.8%	9.4%	11.4%	8.1%	6.7%	8.4%	-1.0pp.
EBITDA	795	1,018	1,157	1,134	938	1,194	17.3%
EBITDA margin	18.5%	20.3%	22.2%	20.0%	18.9%	21.5%	1.2pp.
EBITDA margin ¹	19.5%	21.5%	22.9%	20.4%	18.9%	21.5%	0.0pp.

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

Events affecting 2Q results

PLN m	2Q25
Other operating activity	-81
Other operating income including:	355
<i>due to fire</i>	351
Other operating costs including:	436
<i>due to compensation</i>	351
<i>revaluation of receivables</i>	30
Financial activity	-175
Financial revenues including:	-38
<i>reversal of discount</i>	-21
Financial costs including:	137
<i>discount</i>	14

WAREHOUSE FIRE IN ROMANIA

- The impact resulting from the fire of the logistics warehouses leased by LPP Logistics in Romania was recognised in other operating activity.
- The amount of PLN 351m was reported in other operating costs:
 - PLN 58m - write-down on fixed assets,
 - PLN 293m - losses in current assets.
- The same amount (PLN 351m) was recognised in other operating income as the provision for compensation from the insurer. Thus, the event had a neutral impact on 2Q results.
- In addition, under its Business Interruption policy, the Company expects compensation for lost profits and additional costs incurred.

UPDATE OF THE BALANCE RECEIVABLES AFTER DISPOSAL OF RUSSIAN BUSINESS

- Extension of the time limit for repayment of receivables for goods recognised under other operating costs in the amount of PLN 30m until 2029.
- In connection with the aforementioned delay in payment for goods and driven by a prudent approach, the Company also assumes a delay in repayment of receivables for stores.
Total impact recognised under financial activity in the amount of -PLN 35m:
 - -PLN 21m - reversal of discount in financial income,
 - PLN 14m - discount in financial costs.

Receivables for sale of the Russian company in the balance sheet as at 31.07.2025

Statement of financial position PLN m	31.07.2025
Non-current assets	11,601
6. Long-term receivables	733
Current assets	7,776
4. Short-term receivables	431

PLN 568 m receivables for the goods sold (discounted amount).
The total amount recognised under long-term receivables.
Extension of the repayment period for receivables due by 2029.

PLN 246m receivables for the stores sold (discounted amount):

- PLN 165m - long-term receivables,
- PLN 81m - short-term receivables.

US\$ 95m – the remaining amount payable under the contract.

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 14 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



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