

allegro

Platform for growth

Business overview

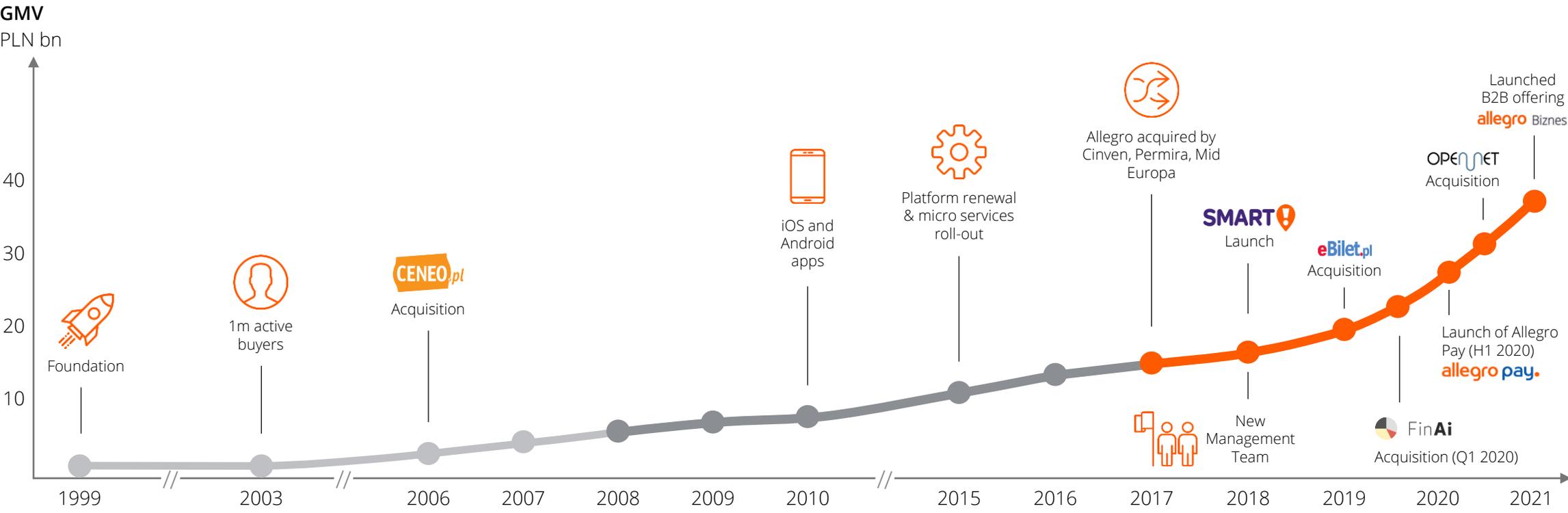
September 2021



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20+ years in business with a strong track record of consumer and merchant innovation with technology and process excellence



Source: Company information

The Allegro platform – 3P business model with 1P user experience



1. Defined as B2C merchants with offers within last 12 months (with unique tax ID) as of Dec-2020
2. Corresponds to 3P Marketplace revenue and 1P Retail revenue
3. Advertising revenue includes Allegro marketplace advertising and part of Ceneo revenues
4. Active Buyer as of Jun-2021 is defined as a unique e-mail address that has made at least one transaction in the last 12 months

Number 1 commerce platform in Poland with exceptional growth, profitability and cash flow at scale

Attractive market



14.6%
Online penetration in Poland¹

Go-to commerce platform



#1
Largest online player in Poland²

Platform experience



+78.5
Customer service NPS³

Strong financials



42%
2018–2020 Revenue CAGR

PLN 1,750m
EUR 394m⁴
2020 Adj. EBITDA⁵

#1 allegro

Marketplace
EUR 7.9bn GMV 2020⁴

#1 allegro

Internet brand⁶

#1 CENEO.pl

Price comparison⁷

1. Up from 10.3% in 2019. Source: Euromonitor

2. Source: Euromonitor, as of 2020

3. Source: Company information, Customer Service NPS score for Q2'21

4. Translated at EUR/PLN of 4.4459, an average exchange rate in 2020

5. EBITDA adjusted to exclude transaction costs (incl. legal and advisory fees related to the IPO), monitoring costs, market strategy preparation costs, employee restructuring costs, regulatory proceeding costs, group restructuring costs, donations to various public benefit organizations, certain bonuses for employees, the Management Investment Plan, funds spent on protective equipment for employees, and the incentive programs for employees; total adjustment in 2020 of PLN 163m

6. Source: Gemius as of Jun-20

7. Source: Google Analytics as of Dec-19

Experienced management team with a unique consumer centric KPI driven culture



Darren Huston
Chairman



François Nuyts
CEO



Jon Eastick
CFO

Business			Technology		Corporate			Ceneo.pl
CCO	Customer Experience Director	Corporate Development Director	CTO	CDO	HR Director	General Counsel	Strategy Director / Chief of Staff	Managing Director Ceneo.pl

Leading business experience prior to Allegro

- Accenture
- Allianz
- Amazon
- BCG
- Booking.com
- Booksy
- Citibank
- Credit Suisse
- Deloitte
- Kellogg's
- KPMG
- Liberty Global
- L'Oréal
- McKinsey & Company
- Microsoft
- Onet.pl
- P&G
- PKO BP
- PWC
- Starbucks
- TVN
- Unilever
- WP

Unique Culture Attracting Top Talent



74%
Engagement Index 2021¹



89%
Recommend Allegro as a great place to work²



~40%
Employees are engineers

1. New tech industry comprised of companies with over 1,000 employees globally
2. In a survey conducted in April 2021, approximately 89% of the Group's employees said they would recommend Allegro as a great place to work

Allegro's commitment to ESG

Customers & merchants



- One of the world's top ten e-commerce websites¹, enabling easy 24/7 access to widest possible selection of products
- Growth platform for merchants
- Cooperation in Protection of Rights Program
- Buyers Protection Program
- Allegro Academy – digital entrepreneurship education program for 1m unique users

Economy



- The largest non-food retailer in Poland
- Employer of choice, developing Polish tech talents. Over 3,150 employment in 2020 with nearly 1,500 to be recruited in 2021
- Polish taxpayer: total of PLN 0.9bn of VAT + CIT paid in FY 2020

Society



- PLN 490m Allegro contribution to fight COVID-19²
- PLN 19.4m raised for charitable and social initiatives³
- Diversity & inclusion culture: 87% of employees perceiving Allegro as a inclusive workplace where people are respected
- Education projects for startups, students and children

Environment



- Updated CSR & Sustainability Strategy for 2020-2023
- 28% YoY reduction in total GHG emissions in relation to GMV in 2020
- More environmentally friendly delivery options such as lockers and pick-up points
- Allegro Naturalnie & Lokalnie: new categories of products that promote sustainable and local choices

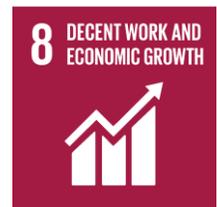
Governance



- Published Allegro.eu 2020 ESG Report in accordance with international reporting standards Global Reporting Initiative, including TCFD, SFDR, SDGs and audited externally
- Stay Safe / Stay Fair – compliance and ethical standards for all employees
- Joined the UN Global Compact, the world's largest initiative of businesses working for sustainable development



Delivering on key UN development goals



1. According to SimilarWeb

2. As of FY 2020. Includes PLN 325m delivery costs savings for buyers using the free Smart! package, PLN 155m Merchant Support Program, PLN 6.9m donations (direct support to 40 hospitals, 77 employee initiatives, donations to buy 2 COVID laboratories and 24 respirators), and PLN 3.3m for employees sanitary protection and work-from-home support

3. Raised through charity initiatives Charytatywni.Allegro.pl

Our investment story

1

Allegro serves a large, resilient and underpenetrated market

2

Go-to commerce platform in Poland

3

Strong value proposition across ecosystem enhanced by flywheel dynamics

4

Customer and merchant centric innovation platform

5

Complemented by multiple avenues for further growth

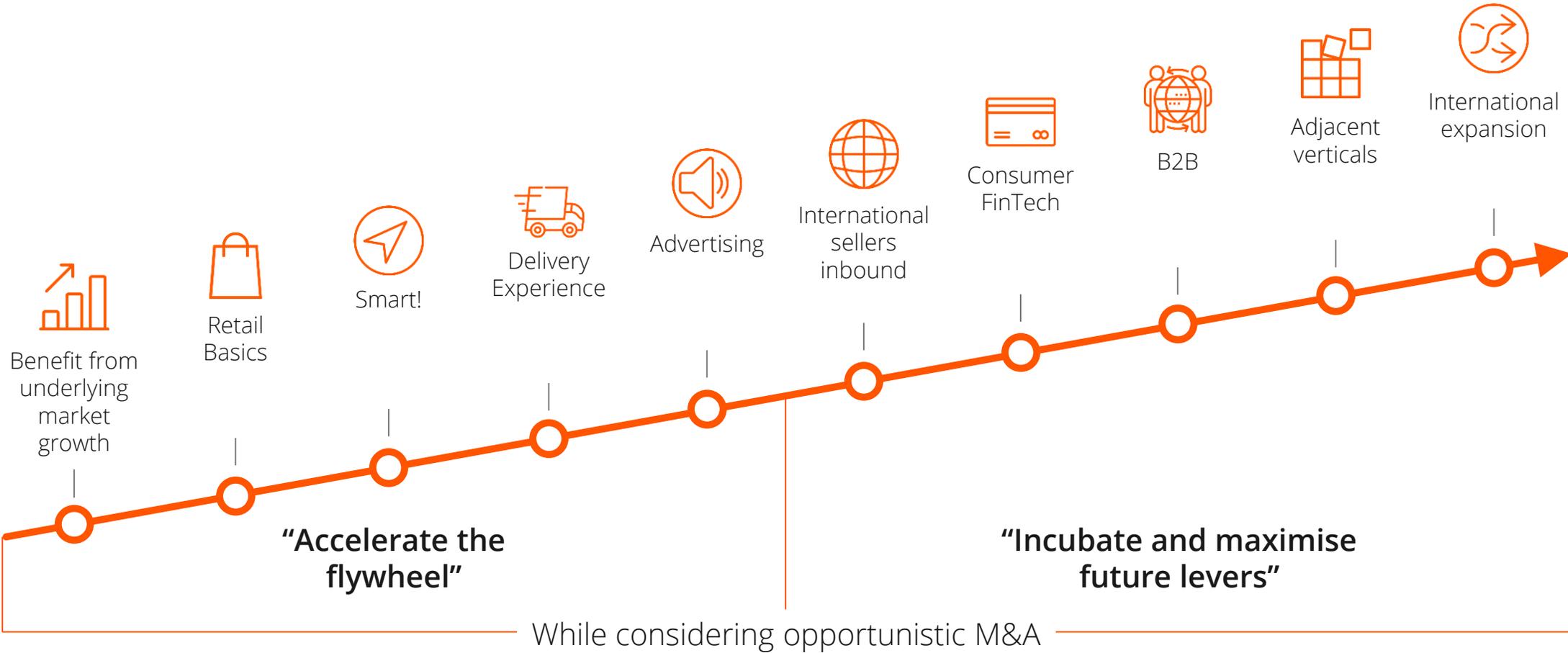
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Attractive combination of growth, profitability and cash conversion at scale

7

Unique culture nurtured by highly experienced management team

Allegro development roadmap



Source: Company information

1 Large and resilient macro environment...

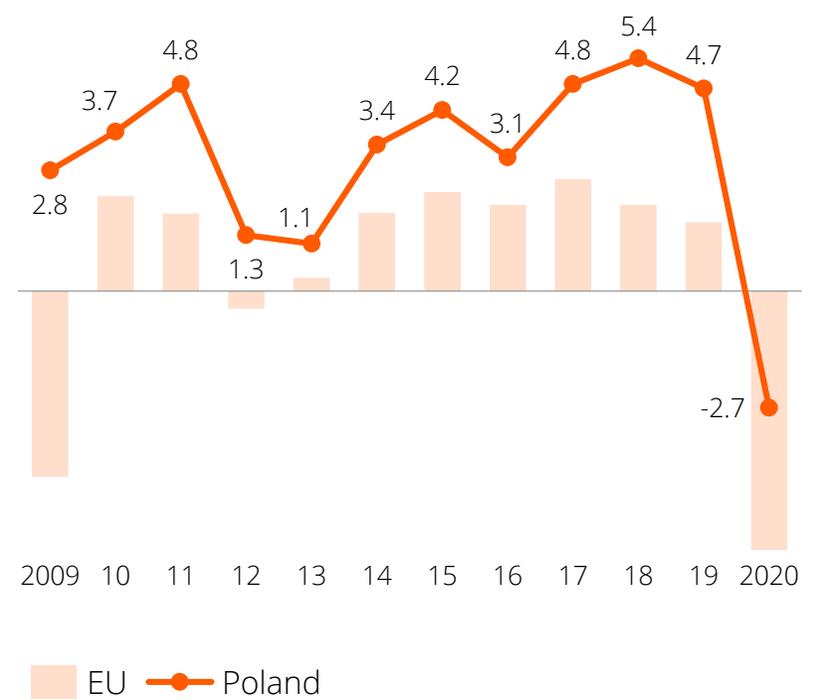
One of the largest countries in Europe and the largest economy in CEE...

2020¹



... consistently outperforming European Union's average growth

Real GDP growth¹, %

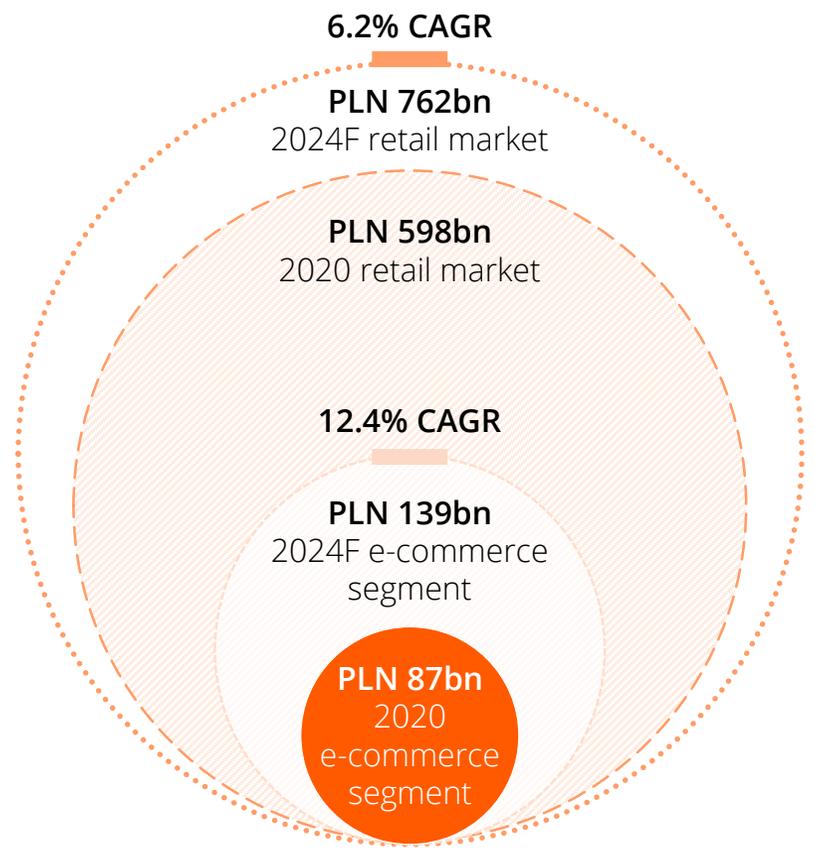


Maintained relative GDP growth resilience vs EU during the pandemic

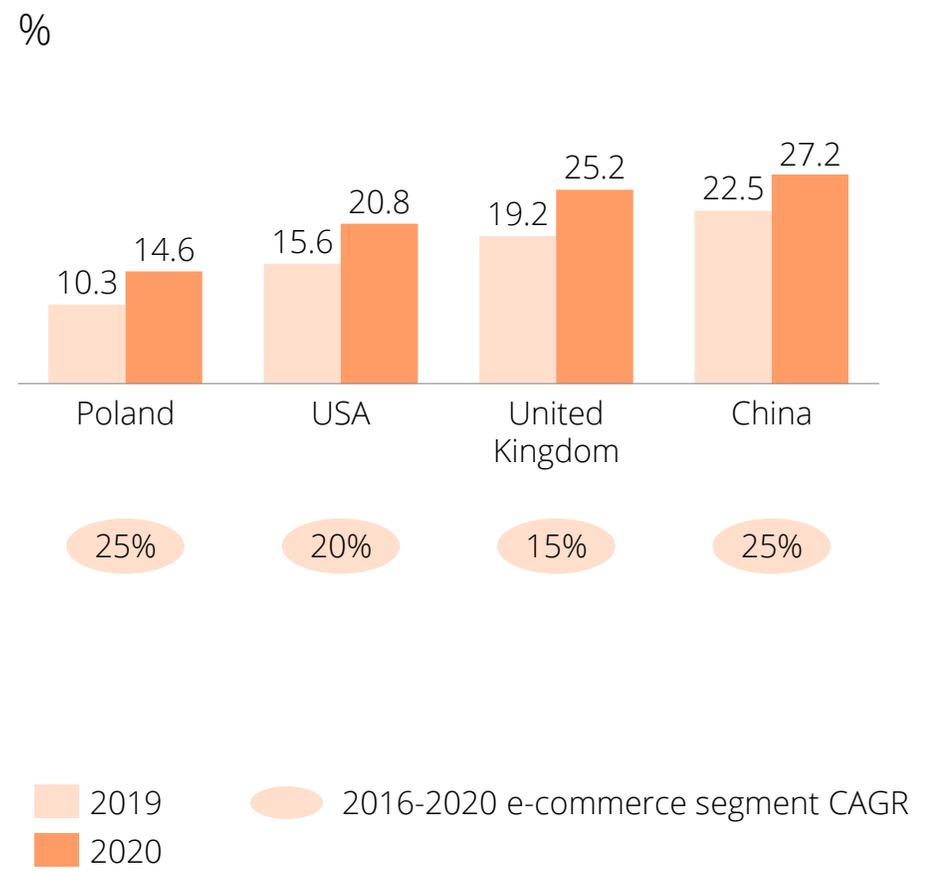
1. Eurostat
2. World Bank, as of 2020
Source: Eurostat, World Bank, OECD

1 ... with an underpenetrated e-commerce segment benefiting from secular growth trends

Polish retail and e-commerce segment overview¹



Internet retail market penetration¹

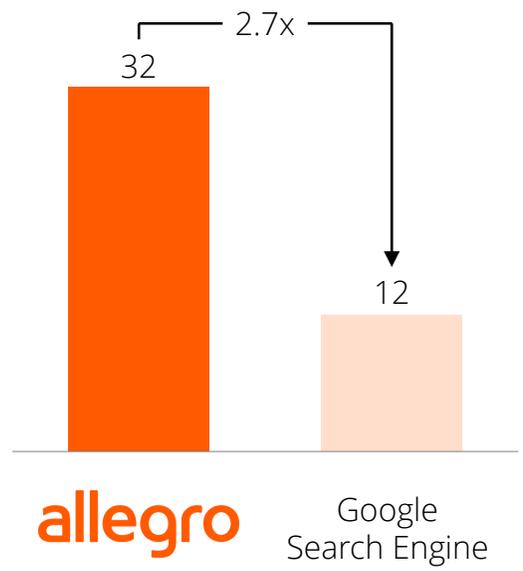


Note: Addressable retail market and e-commerce segment excludes sales of motor vehicles, motorcycles and vehicle parts, fuel, foodservice, rental and hire, wholesale industries and C2C
 1. Euromonitor data and forecasts as of Mar-2021

2 Go-to commerce platform in Poland...

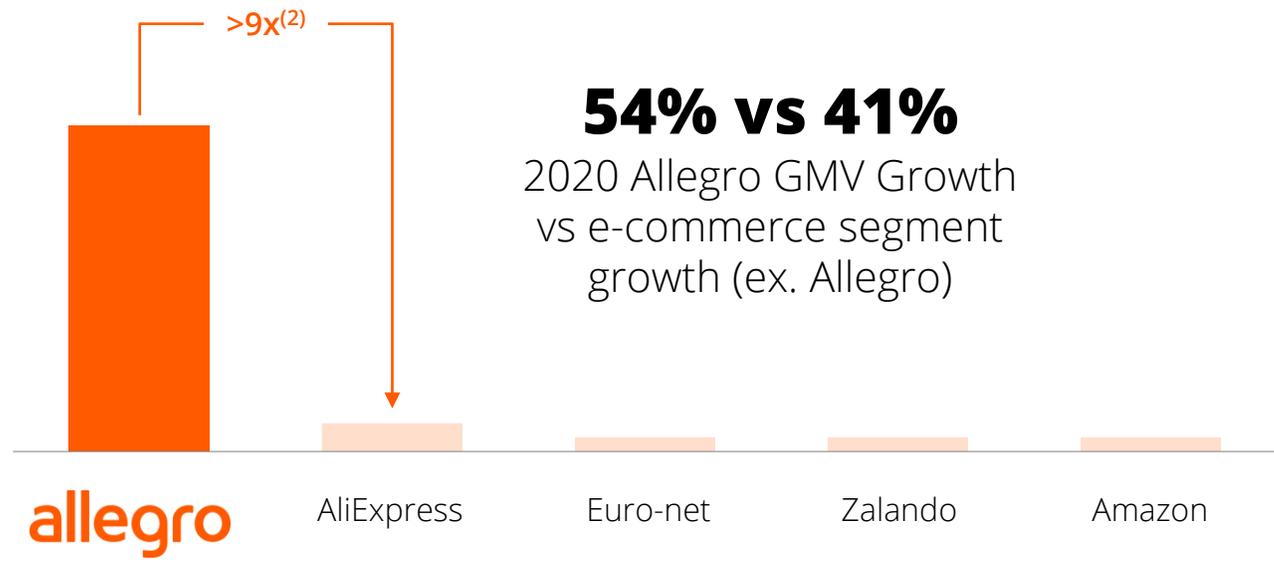
Primary consumer touchpoint when buying an item online in Poland

% of respondents, as of June 2021¹



GMV several times higher than closest competitor and increasing e-commerce segment GMV share

2020 GMV, PLN bn²



1. Based on ATENA Research & Consulting as of Jun-21

2. Source: Euromonitor e-commerce data, as of Mar-2021. Data for non-store retailing / e-commerce share by global brand owner

2 ... with sustainable long-term growth opportunity

Over **20m¹** internet users visit the site every month...



... which is equivalent to **63%** of Polish 16+ population¹...

... of which **13.2m** are annual active buyers²

Addressable retail market penetration³

100% = PLN 598bn



Up from ca. 3.3% retail market penetration pre-COVID

allegro

1. Based on Polish population aged 16 and above. Represents 76% of total internet users in Poland. Source: GUS, as of 2020
2. As of Jun-21
3. As of 2020, Euromonitor

3 Allegro ecosystem creates a powerful flywheel

ca. 50%
YoY growth in number of Active Offers¹



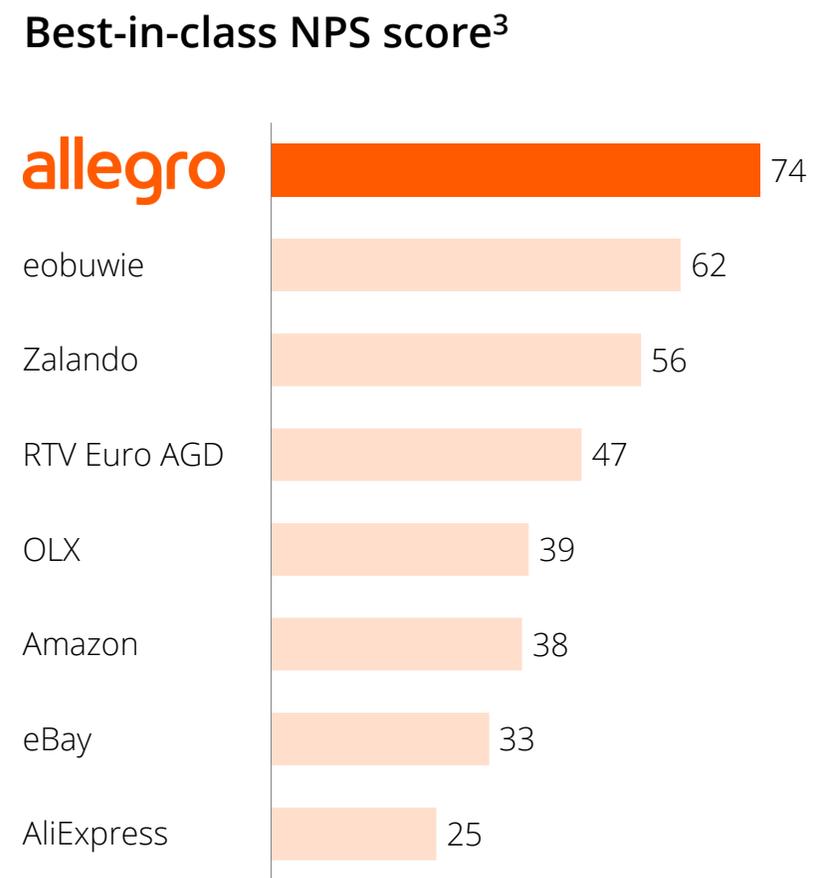
+7.2%
YoY growth in number of Active Buyers vs Jun-20²

1. As of Dec-2020
2. As of Jun-21

Source: Company information

3 Leadership in Retail Basics: The main reason why Polish buyers love to shop on Allegro

Selection	Price	Convenience
		
~200m Active offers ¹	>80% Products at lowest price in the market ²	~75% Products delivered within 48h ²



1. As of Dec-20; active offers increased significantly to June 2021
2. As of Jun-20; 1-to-2 days delivery share increased significantly to June 2021
3. NPS – net promoter score, Source: Kantar – latest published; Company data. Competitive NPS research was ordered by Allegro and conducted by Kantar Polska in July 2021. Interviews were conducted online (CAWI method) on a random sample of online shoppers in Poland (ca. 500 interviews for each brand)

3 Platform of choice for merchants

Largest
Customer
Base



382m

Average
monthly
visits in
2020¹

Ease
of Use



Dashboard for
real-time
monitoring
and
automation

Platform
Drivers to
Increase GMV

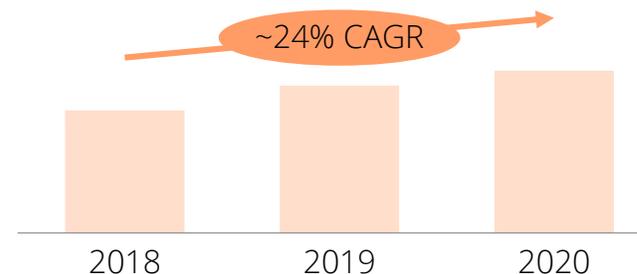


~60%

Smart! free
delivery
penetration
across all
offers¹

GMV per Active B2C Merchant²

PLN k



YTD big merchant wins (as of Q2'21)

- Jula
- CD Projekt RED Gear
- Time Trend
- Kontigo
- Apart
- S.C. Johnson
- Decathlon
- FILA

1. As of Jun-20

2. As of Dec-20. Defined as B2C merchants with unique tax ID and at least one offer during the last 12 months. LTM GMV / active merchant (period end) are for Allegro.pl marketplace only (excluding eBilet)

4 We have transformed the delivery experience in less than 3 years

Selected KPIs	2017	June 2020	June 2021 update
• Coverage of offers with delivery promise	No Promise	92%	➔
• Delivery promise accuracy	No Promise	90-95%	➔
• 1 to 2 day delivery %	Not tracked	~75%	➔
• Track & trace captured by Allegro	17%	91% (98% in Smart!)	➔
• Pick-up points and lockers in network	~2,500	~25,000	➔
• Free delivery %	12%	53%	➔
• % of delivery volumes on Allegro contracts and tools	~10-15%	~70%	➔

4 Stepping up investments in delivery experience to increase the share of next-day and further drive the marketplace flywheel

Allegro Fulfilment roll-out

- Fit-out and recruitment for the first phase complete with first shipments planned for Q4 2021
- Pilot with selected merchants launched in Sept. 2021, to be widened at the start of 2022

Lockers network

- First APMs deployed in Q2 with launch of deliveries planned for Q4 2021
- Core roll out team in place with nationwide team recruitment ongoing
- Positive market reception on design and eco-solutions. Site acquisition ramping up with installation in progress

Merchant delivery incentives

- Providing merchant incentives for Next Day delivery by refunding co-financing payments
- Driving YTD improvement in 1-2 day deliveries share

Driving higher GMV and Revenue

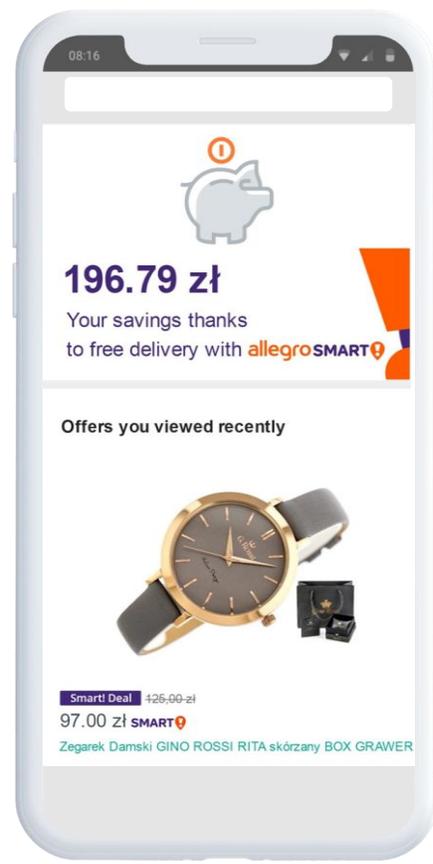
- Incremental selection with fast delivery
- Additional domestic sellers added
- Higher offer conversion
- Incremental revenue from logistics services
- Supports international merchants acquisitions
- More next day delivery options

Driving Delivery Cost Savings

- Lower first mile costs
- Increased package consolidation
- Control over key ESG inputs: mileage, eco-packaging
- Accretive vertical integration within e-commerce value chain



4 Smart! is a subscription loyalty program with a “great value for money” proposition, eliminating key e-shopping barriers of delivery cost and returns



- Free delivery and free returns program
- Smart! deals every day
- Exclusive Smart! shopping events, pre-sales, premieres
- 3-months interest free credit with Allegro Pay
- Allegro Family allows multiple buyer accounts to share one subscription
- Great value for money at PLN 49 per annum subscription, or PLN 10.99 per month¹

Monthly subscription cost is similar to the price of a single locker parcel delivery, with more savings from annual subscription

+90
Smart! delivery TNPS³

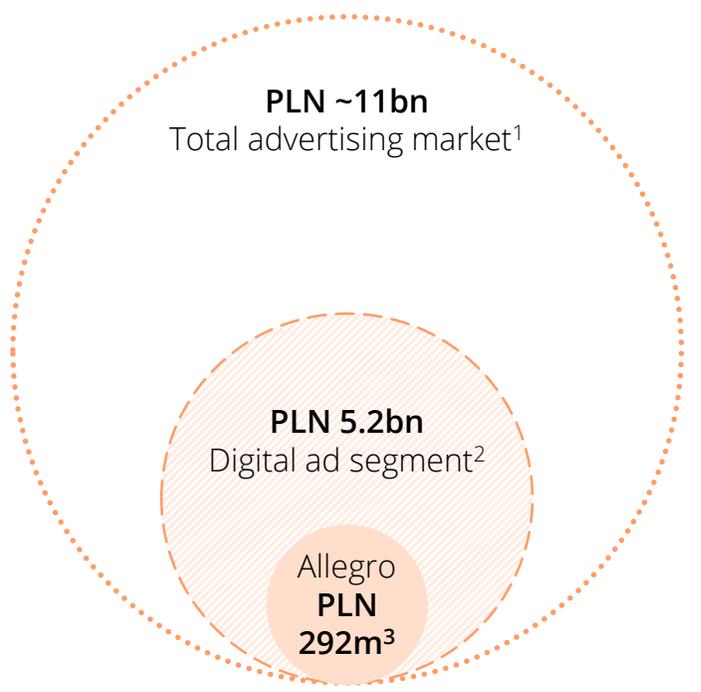
2.5x
Order frequency vs Non-Smart! Customers²

>2m
Smart! Customers with significant potential upside²

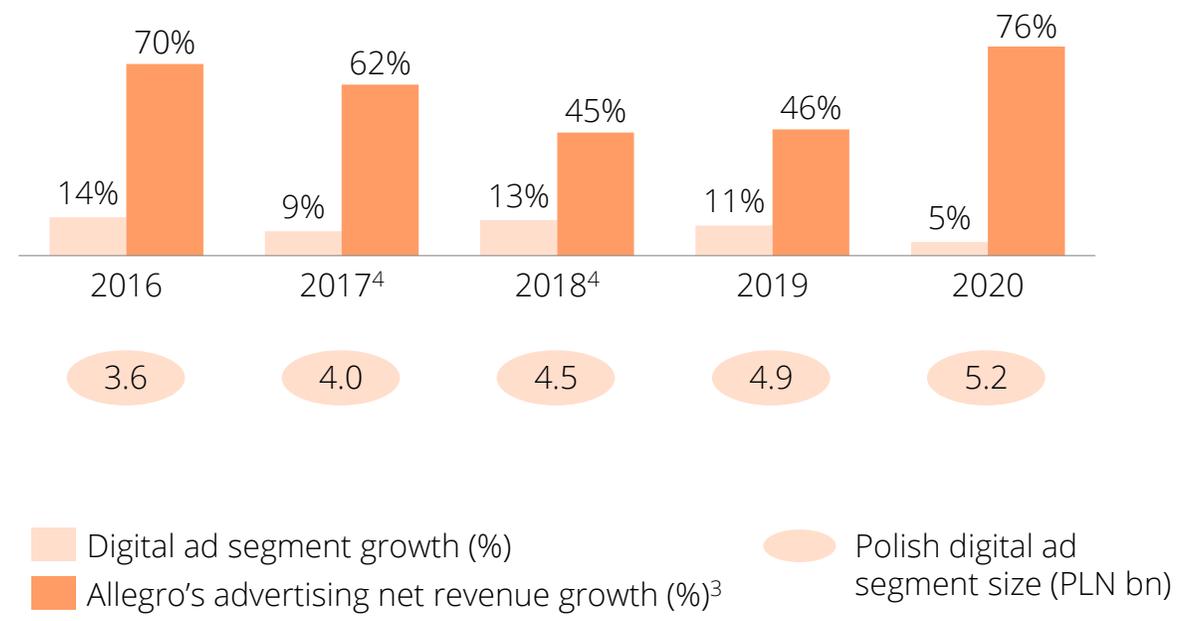
1. As of Jun-21
 2. As of Jun-20
 3. TNPS score for Q2'21

5 Allegro has been consistently outperforming the highly profitable digital advertising market

Advertising opportunity in Poland 2020



Digital ad segment in Poland and Allegro advertising revenue growth



1. Total advertising market size estimate for Poland for 2020 is based on Magna Global Advertising Spend (Dec 2020). Advertising spending in Poland decreased by -7.2% in 2020 on the back of shrinking economy
 2. Digital advertising market size estimate for Poland in 2020 based on IAB AdEx
 3. Allegro.pl advertising revenue, excluding Ceneo ad revenue
 4. 2017 figures adjusted to include the first 17 days of January 2017 that are not reflected in the consolidated financial statements

5 FinTech roll-out: scaling up Allegro Pay eligibility



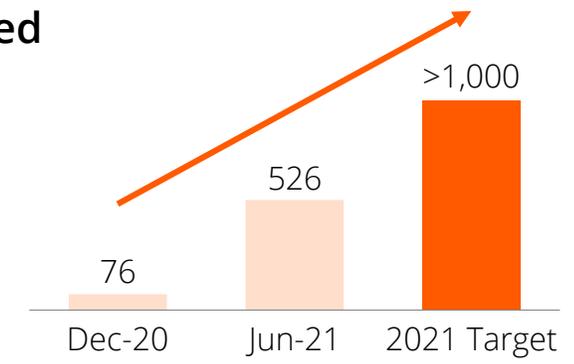
Key features:

- Pre-approved purchasing limit up to PLN 4,200 granted to eligible consumers
- <1 min to sign-up
- 1-click buy directly from product page
- Buy now, pay within 1 or 3 months¹ at zero rate or use convenient instalments
- Mass eligibility to all Allegro customers launched from September 2021

Rapid acceleration towards delivery of 2021 growth targets²

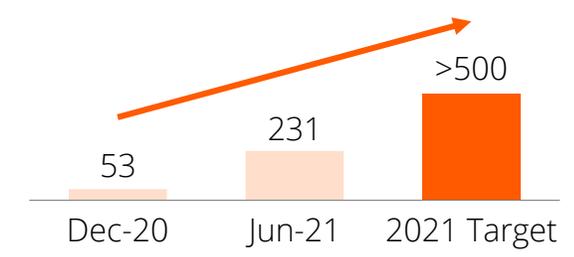
Loan advanced

PLN m



Gross loans balance

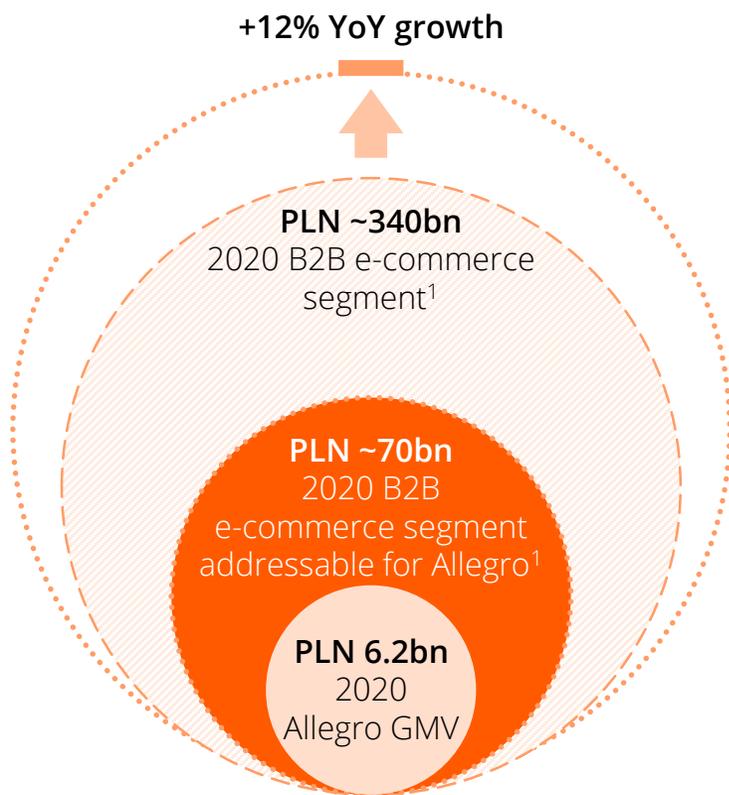
PLN m



1. Smart! subscribers enjoy a 3-months interest free credit
2. As of Jun-21

5 Allegro Biznes: addressing high potential B2B opportunity

Polish B2B segment overview¹



Allegro B2B GMV²

PLN bn



B2B platform launched in February

- B2B GMV growth solidly outperforming total marketplace growth since launch
- B2B buyers NPS of 75.8³ with promoters focusing on wide selection, quick shopping and transaction safety
- The number of offers with B2B discounts doubled since platform launch

1. B2B e-commerce market data and addressable market based on Allegro B2B team analysis
 2. Allegro PLN 6.2bn represents 2020 B2B billings defined as purchases with VAT invoice issued
 3. B2B Buyers NPS score for Q2'21

5 Allegro international platform: international merchant expansion is driving better prices and broader selection

International Inbound

- Simplified onboarding procedures and hiring dedicated KAM teams leading to a significant acceleration in international merchants acquisition
- Ca. 5 thousand international merchants present on Allegro¹
- Fast-growing international selection available on the platform

International Outbound

- Since 8 June merchants can ship to all EU countries² through an integrated logistics carrier brokered by Allegro
- Expanding selection for customers outside of Poland. Combined with merchant arranged deliveries, over 35 million offers are now available for EU exports

International organic expansion

- Launching Allegro platform in new countries
- Support with local merchant onboarding and DEX capabilities

International M&A

- Pursuing value accretive cross border acquisitions

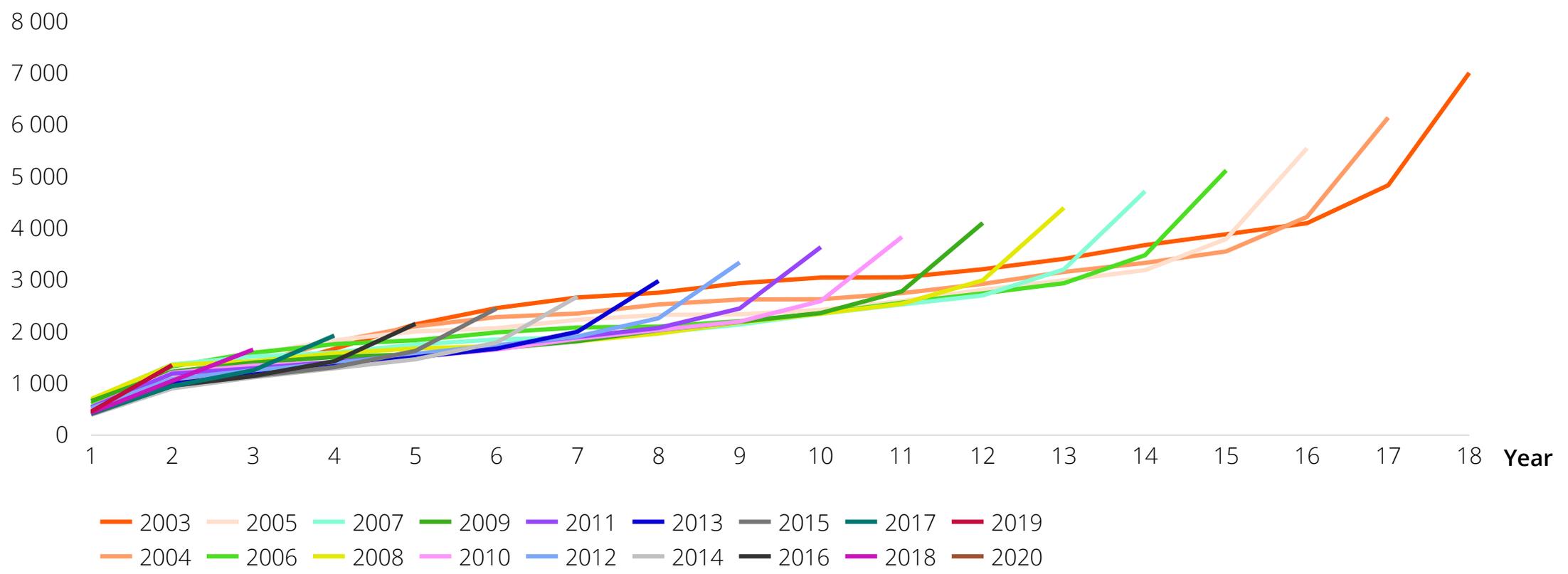
1. As of Jun-21

2. Except Malta and Cyprus

6 Our buyer cohorts have been consistently growing spend for ~20 years...

Annual GMV per active buyers¹ by cohort

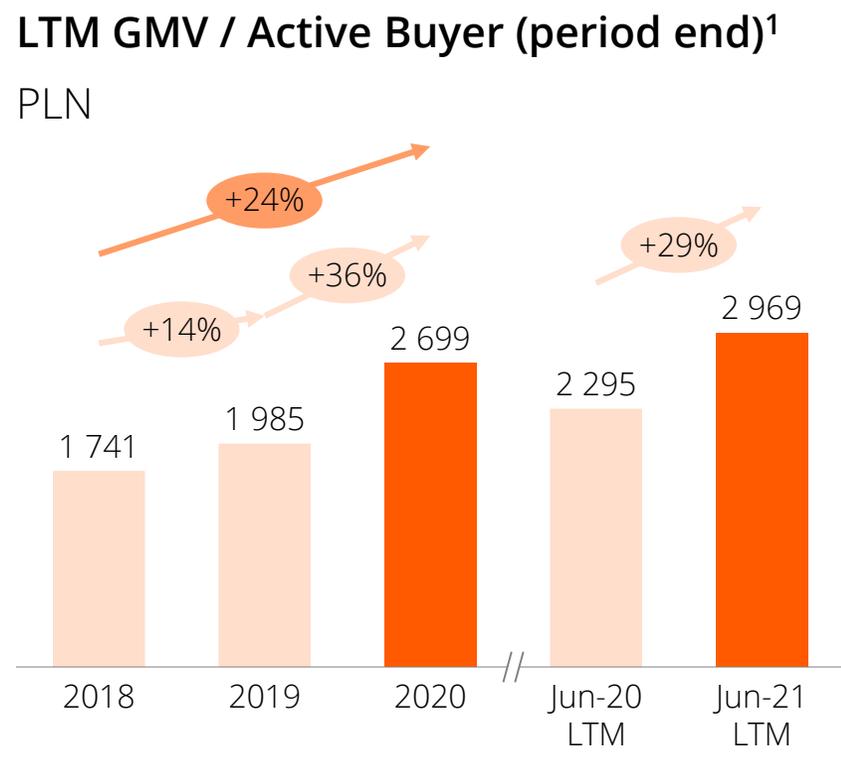
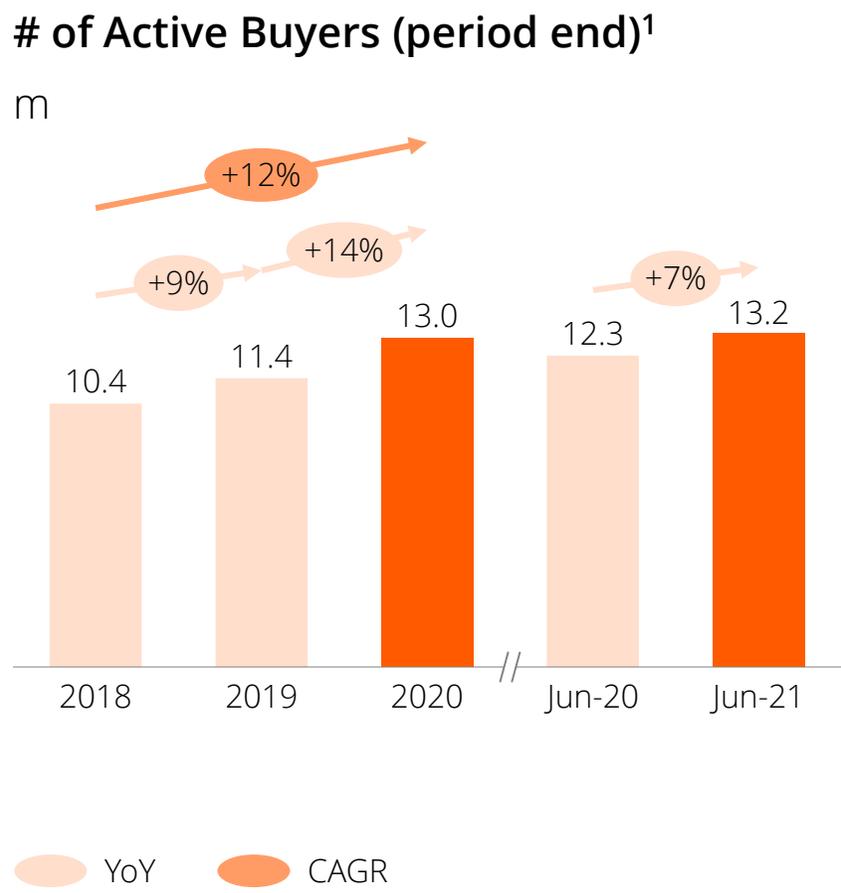
GMV per buyer PLN



1. Active Buyer (period end) is defined as a unique e-mail address that has made at least one transaction in the last 12 months

Source: Company information

6 Our active consumer base has been growing and spending more...

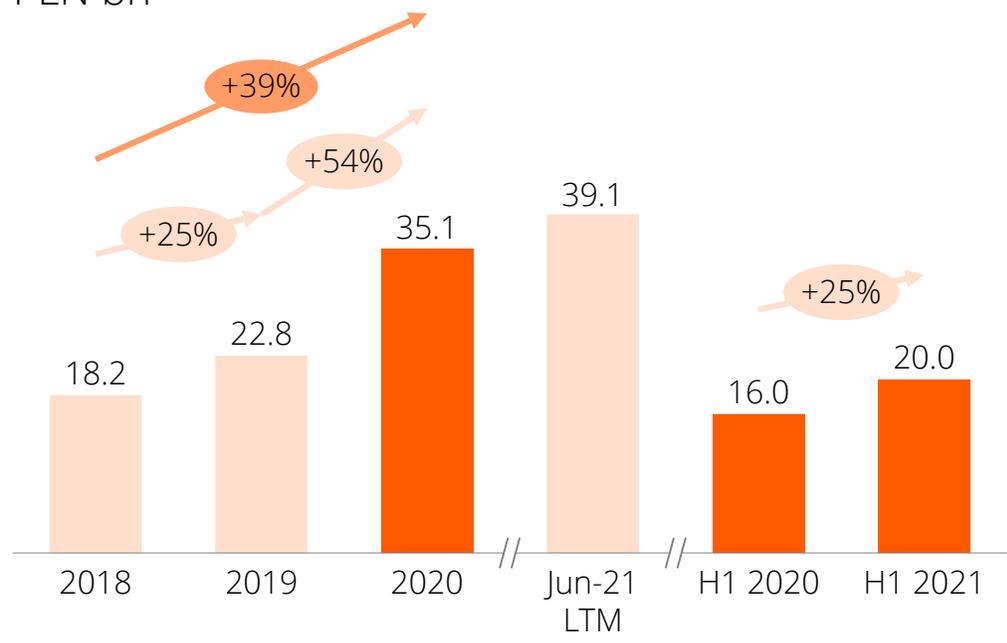


1. Active Buyer (period end) is defined as a unique e-mail address that has made at least one transaction in the last 12 months. Active Buyers (period end) and LTM GMV / Active Buyer (period end) are for Allegro.pl marketplace only (excluding eBilet)

6 ... accelerating GMV and revenue growth

GMV¹

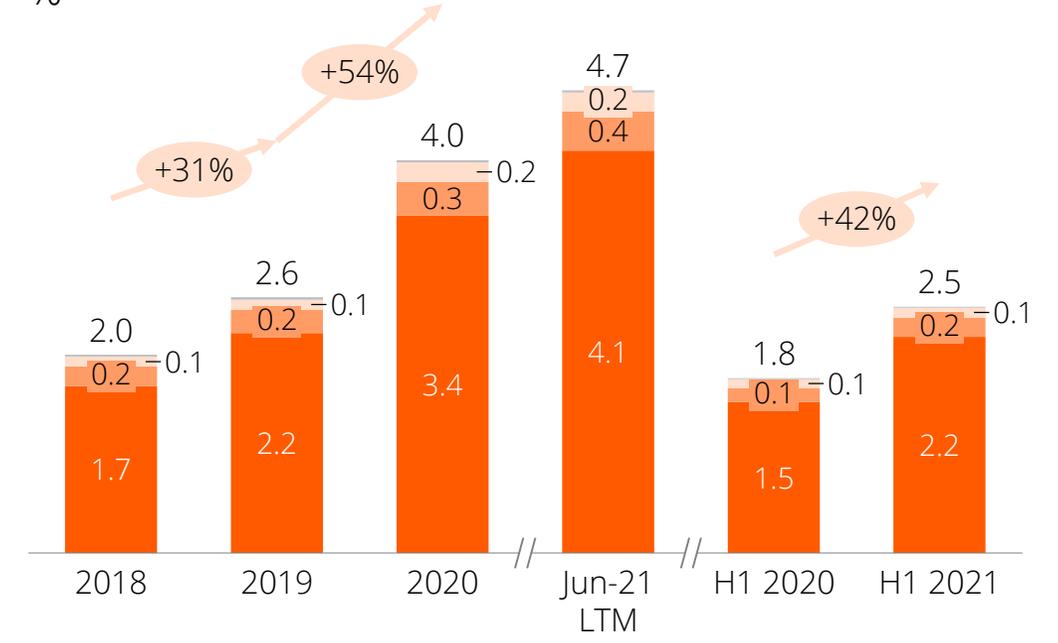
PLN bn



○ YoY ● CAGR

Revenue evolution

%



○ YoY

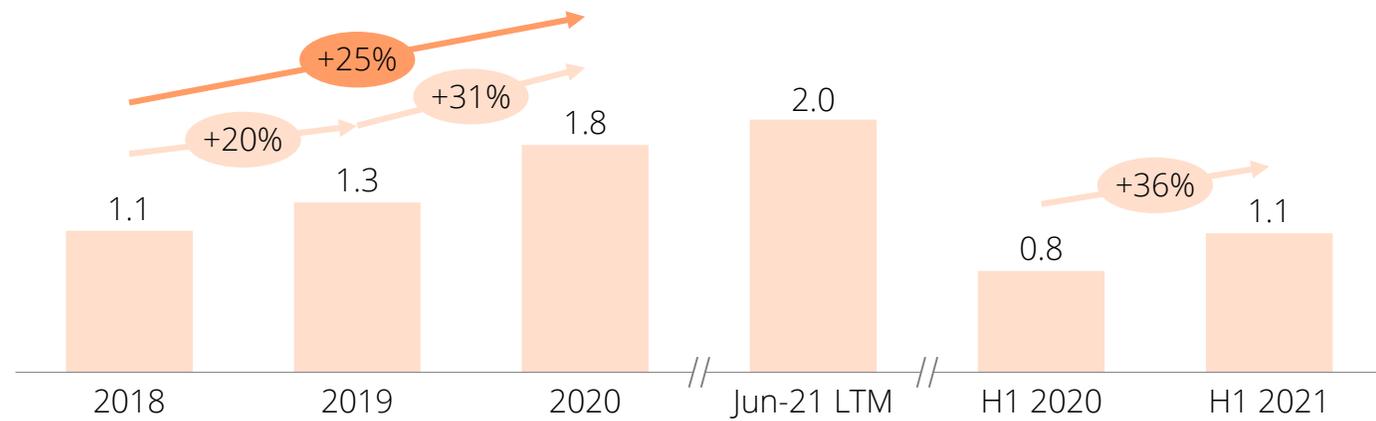
■ Marketplace² ■ Price Comparison (Ceneo)
■ Advertising³ ■ Other⁴

1. GMV of Allegro Group: Allegro.pl marketplace and eBilet
 2. Corresponds to 3P Marketplace revenue and 1P Retail revenue
 3. Advertising revenue includes Allegro marketplace advertising and part of Ceneo revenues
 4. Other revenue is primarily from hosting services and financial services

6 Our superior financial profile has driven strong profitability

Adjusted EBITDA¹

PLN bn



% Margin

2018	2019	2020	Jun-21 LTM	H1 2020	H1 2021
56.4%	51.6%	43.8%	42.9%	45.6%	43.5%

% GMV²

2018	2019	2020	Jun-21 LTM	H1 2020	H1 2021
6.1%	5.9%	5.0%	5.2%	5.0%	5.5%

YoY
 CAGR

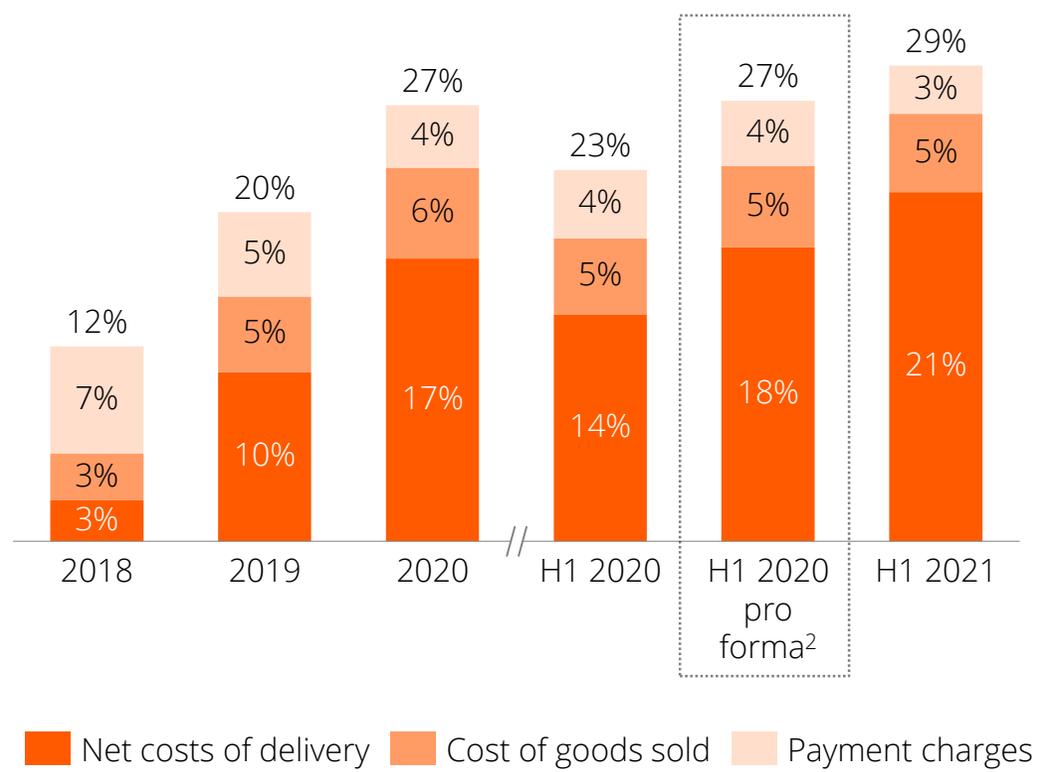
1. Adjusted EBITDA defined as EBITDA pre transaction costs, management fees (monitoring fees), stock-based compensation, restructuring costs and other one-off items

2. GMV of Allegro Group: Allegro.pl marketplace and eBilet

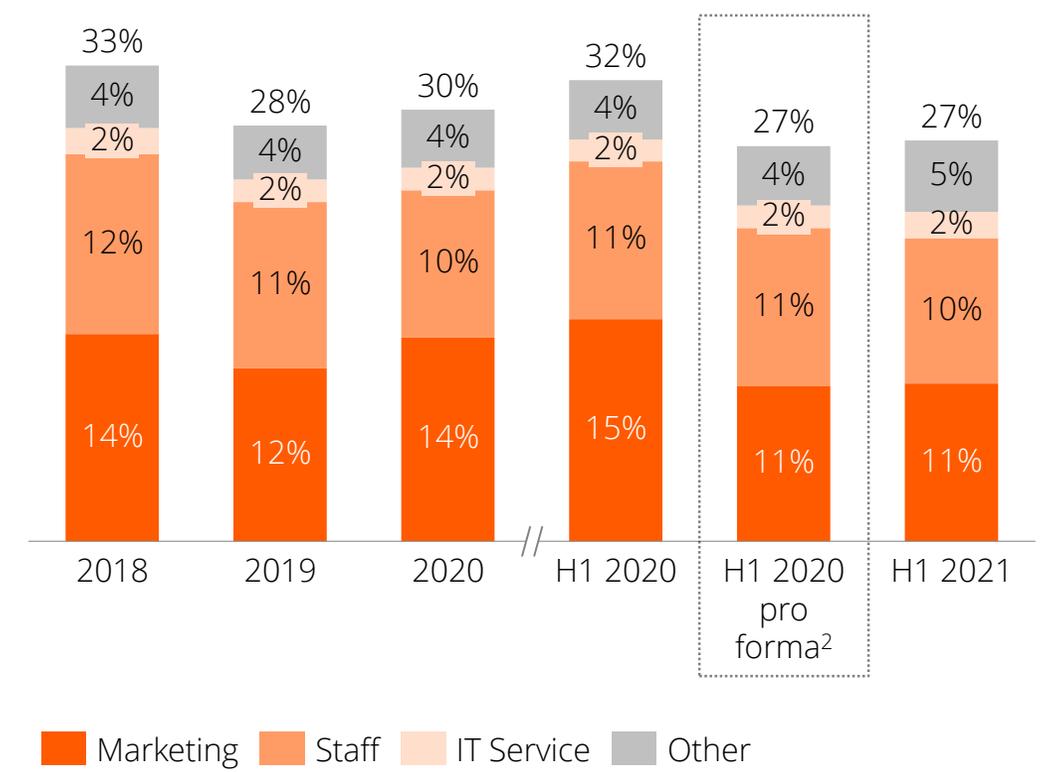
Source: Company information

6 Our cost structure has evolved as we have invested in our business

Cost of sales as % revenue



SG&A as % revenue¹



Note: H1 2020 Pro forma figures adjusted for one-off promotional costs of free Smart! deliveries that were booked in marketing expenses. At the onset of the COVID-19 pandemic in Poland all buyers on Allegro marketplace were offered free deliveries and returns using the Smart! program for free for three months between mid-March and mid-June 2020. This offer ran down to zero active free subscriptions by mid-July 2020

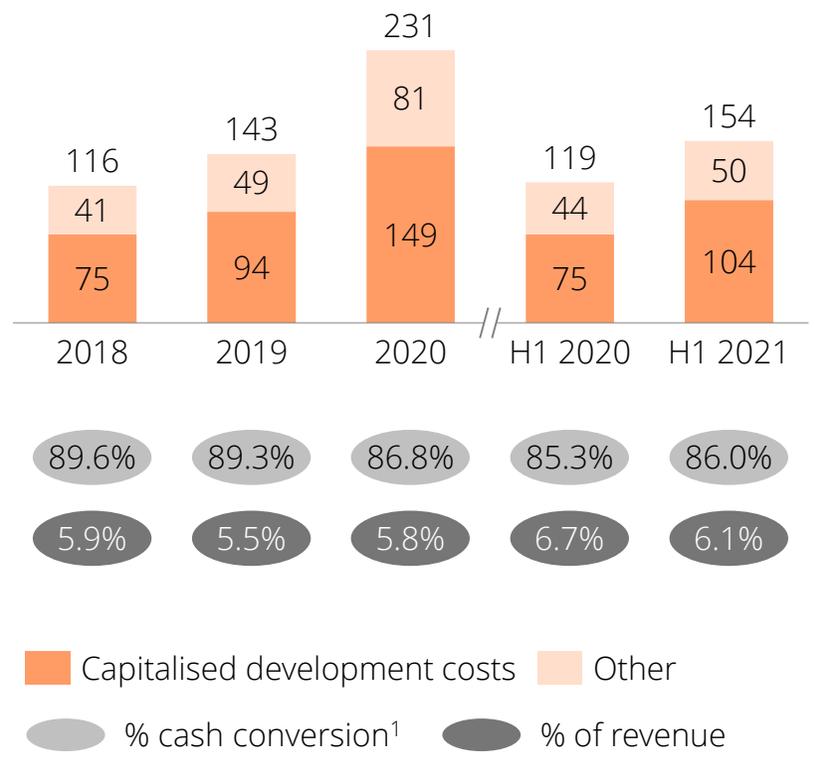
1. In calculating the above percentages of revenue, category expenses are after deduction of amounts relating to items included in the adjustments made to arrive at Adjusted EBITDA

2. H1 2020 pro forma figures are adjusted for PLN 81.2m one-off promotional costs of free Smart! deliveries that were booked in marketing expenses. At the onset of the COVID-19 pandemic in Poland all buyers on Allegro marketplace were offered free deliveries and returns using the Smart! program for free for three months between mid-March and mid-June 2020. This offer ran down to zero active free subscriptions by mid-July 2020

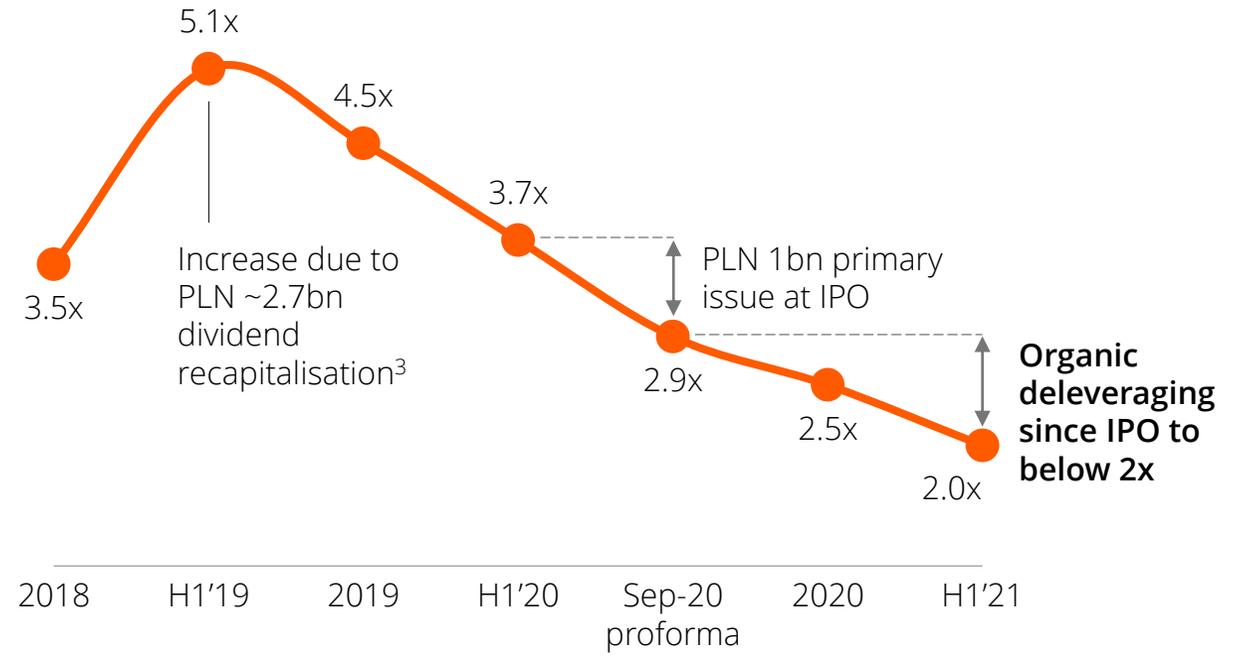
6 Our asset-light model results in limited capex driving best in class cash flow conversion and rapid deleveraging

Capital expenditures by type

PLN m



Net leverage² over time



1. Defined as (Adjusted EBITDA - Capex) / Adjusted EBITDA. Adjusted EBITDA and CAPEX have been derived from the consolidated financial statements
 2. Defined as Net Debt (Borrowings + Lease liabilities - Cash and Cash Equivalents) / LTM Adjusted EBITDA. Borrowings, Lease liabilities, Cash and cash equivalents and Adjusted EBITDA have been derived from the consolidated financial statements
 3. Referred to as Repayment of share premium in the consolidated financial statements

6 Q2 2021 key results

GMV

PLN 10,440m Q2'21
+10.6% YoY

PLN 20,036m H1'21
+25.2% YoY

Active Buyers¹

13.2m Q2'21
+7.2% YoY

GMV per Active Buyer

PLN 2,969 Q2'21
+29.4% YoY

Take Rate²

10.46% Q2'21
+1.53pp YoY

10.45% H1'21
+1.36pp YoY

Revenue

PLN 1,308m Q2'21
+28.4% YoY

PLN 2,518m H1'21
+42.3% YoY

Adjusted EBITDA

PLN 560m Q2'21
+23.8% YoY

PLN 1,096m H1'21
+35.6% YoY

Adjusted EBITDA margin

42.8% Q2'21
-1.6pp YoY

43.5% H1'21
-2.1pp YoY

Cash Conversion³

83.3% Q2'21
+0.0pp YoY

86.0% H1'21
+0.7pp YoY

1. GMV for the twelve months preceding the end of a period (excluding eBilet's tickets sales) divided by the number of Active Buyers at the end of such period

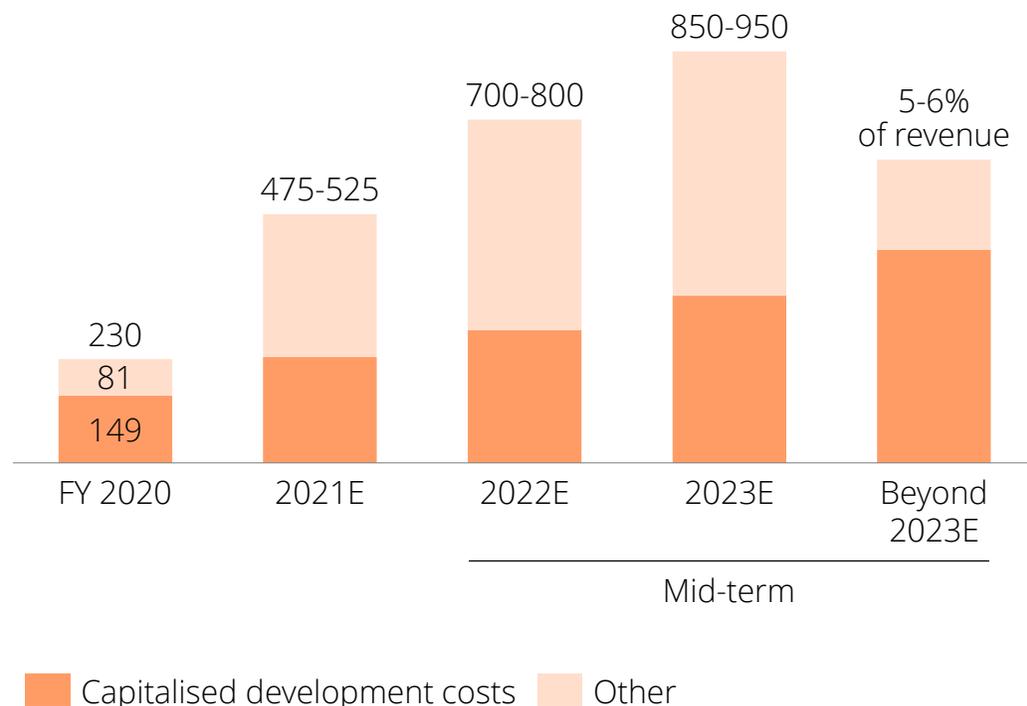
2. Defined as 3P Marketplace Revenue / (GMV - 1P GMV)

3. Defined as (Adjusted EBITDA - Capex) / Adjusted EBITDA

6 Investing in functionality development and Delivery Experience

Capital expenditures¹ by type

PLN m



- Accelerated investment in functionality development in 2021 to support growth rate on larger post-COVID business
- 2021 increase in Other capex items for IT equipment & software, new offices fit-out, and lockers
- Continuation of investments in increased development and more ambitious Delivery Experience infrastructure roll-out plan assumed for 2022-23E
- Mid-term capex returning to 5-6% of revenue once Delivery Experience roll-out is largely completed
- Long-term capital intensity dependent on customer impact, project IRRs and competitive situation

1. Presented values are related to cash flow from investing activities and do not include leased assets (which are presented in balance sheet and financing cash flow)

Source: Company information

6 Expectations: Allegro.eu has beaten and raised three times since its IPO

	Expectations at IPO (Oct 2020)			2020 results and current expectations		
	FY 2020	FY 2021	Medium Term	2020 Actual	FY 2021	Medium Term
GMV	Mid 40s% YoY growth	High 20s% / Low 30s% 2019-2021 CAGR	Low-mid 20s% YoY growth	54% YoY growth 	Mid-point 36% 2019-21 CAGR 	Mid 20s% Growth 
Revenue	Broadly in-line with H1 2020 growth (52% YoY)	Mid 30s % 2019-2021 CAGR	Marginally > GMV Growth	54% YoY growth 	Mid-point 42% 2019-21 CAGR 	Marginally > GMV Growth 
Adjusted EBITDA¹	H2 2020 more in-line with 2019 growth (20% YoY)	More in-line with 2019 growth (20% YoY)	Broadly = GMV Growth	31% YoY growth 	High teens-low 20s% YoY growth 	Broadly = GMV Growth 
CAPEX²	PLN 230-270m	PLN 425-475m	PLN 550-650m (in 2022E); mid-term ~5% of revenue	PLN 230.5m	PLN 475-525m	PLN 700-950m in 2022-23E; then 5-6% of revenue ³

- 2021 expectations include reserves for potential intensification of competition
- Updated capex plans include lockers roll-out and more ambitious delivery acceleration plan than at IPO

 Overdelivered  Upgraded  Maintained

1. Adjusted EBITDA defined as EBITDA pre transaction costs, management fees (monitoring fees), stock-based compensation, restructuring costs and other one-off items
 2. Represents cash capex presented in cash flow from investing activities and does not include leased assets (which are presented in balance sheet and financing cash flow)
 3. After Delivery Experience roll-out

Key takeaways

Polish **commerce champion**: #1 across online and offline¹

Increased investments in team and tech have accelerated **platform innovation** and **growth**

3P business model with **1P experience** across retail basics, delivery experience, Smart! and user experience

Progressing on the **delivery experience** projects to **drive faster delivery** and additional **logistics revenues**

Allegro Pay scale-up on track

Allegro still at the beginning of its journey – **significant headroom** ahead

Unique combination of **growth, profitability** and **cash conversion** at scale

1. non-food

Source: Company information



Thank you