

Allegro Group GMV accelerates to +11.1% for Q2, as Active Buyers cross 20 million in the region

Financial highlights

Consolidated Group

- **Group gross merchandise value (GMV)**, including International Operations, accelerated by 2.2pp QoQ to +11.1%, while **consolidated Adjusted EBITDA** grew by **31.5% YoY** in Q2. Both came in better than expected.
- **Active buyers surpassed 20 million** across the group's regional footprint, including over 5 million customers outside Poland.

Poland

- **GMV from Polish Operations** exceeded PLN 15bn in Q2 as growth **accelerated to 11.6% YoY**, more than double the pace of nominal retail sales in the country.
- **Revenue¹ in Poland stepped up growth to +23.8% YoY**, reaching PLN 2.3bn in Q2 with advertising revenue up 30% YoY.
- Accelerating revenue growth went hand-in-hand with continued cost management, **boosting Adjusted EBITDA from Polish operations by almost 35% YoY** — or three times faster than GMV — to over PLN 908m in Q2.²
- **Adjusted EBITDA margin** came in at 6.03% of GMV in Q2, **ahead of Allegro's midterm aspiration**.
- Strong profitability and improved cash conversion helped **cut leverage to almost 1x**, unlocking lower margin on borrowings from September.
- The market's most convenient combo of wide selection at great prices attracts more and more shoppers. Allegro's **active buyers base in Poland hit 14.9m in Q2**. The average **GMV per active buyer was 5.6% higher YoY** at PLN 3,870 per annum.
- **More than 6 million users** now benefit from free delivery under the Allegro Smart! program in Poland, which saw its strongest QoQ rise in subscribers in over 4 years.
- **Allegro Pay has over 2 million users**. The value of loans originated by Allegro's fintech arm rose to PLN 2.7bn, financing 13.9% of GMV in Q2.

International

- **2Q marks a year since the launch of Allegro.cz and was the first full quarter for Allegro.sk**. The platforms changed the e-commerce landscape on both markets, with their current selection at an unmatched level of over 220m offers in each of the countries.

¹ The sum of Total Revenue and Other Operating Income.

² Allegro has included certain alternative performance measures in this Press release that are not measures defined within the International Financial Reporting Standards. Definitions of alternative performance measures used by Allegro can be found in the Group's interim report, page 14-16, available at <https://about.allegro.eu/financial-results>.

- More than **2.5m Czech and Slovak consumers are active buyers** on Allegro's new platforms, while Allegro One Boxes debuted in Czechia. **Allegro Smart! is already regional**, helping cut costs for consumers in Poland, Czechia, Slovakia, and Slovenia.
- New platforms **expanded Allegro's addressable market** by 16 million people. Future launches seen adding 15 million more consumers, starting from **Allegro.hu in Hungary still this year**.

Outlook

- Allegro is expecting Q3 GMV growth for **Polish operations** in a 10-11% range YoY, with revenue projected to rise by 16-18%, and Adjusted EBITDA up by 11-13% YoY. Q3 GMV for **International Operations** is expected to fall by 3-6% YoY. Due to contraction in retail sales in the MALL Segment, revenue may decline by 26-28% YoY, while the Adjusted EBITDA loss is planned at PLN 150-160m. CAPEX is foreseen at PLN 140-150m in Poland and PLN 35-45m in International Operations during Q3. **Consolidated** GMV is expected to grow by 9-10% YoY, with revenue to expand by 8-10% in Q3. The group's Adjusted EBITDA growth is predicted at 5-8% YoY, with CAPEX seen coming in at PLN 175-195m.

"The second quarter was full of milestones for Allegro. We continue to grow our business and boost profitability in Poland, while we gradually expand abroad," said **Roy Perticucci, Allegro CEO**. "The number of active buyers on Allegro passed 20 million across the region, with around 5 million from outside Poland already shopping with us. After another quarter of strong growth, more than 6 million Polish consumers now benefit from free deliveries under the Allegro Smart! program and Allegro Pay has over 2 million users. These two key differentiators of our marketplace are great examples of how we work backwards from the consumer perspective to design and deliver great experiences. Allegro Delivery is the newest idea in our quest to make e-shopping ever simpler and more convenient. It aims to bring carrier selection decisions into a single interface where the customer only needs to pick their preferred locker or a home delivery. All carriers are welcome to join. The program provides an opportunity for even more efficient cooperation between our logistics partners and us, helping all sides boost volumes."

The CEO added: "The second quarter marked a year since the launch of Allegro.cz in Czechia and was the first full quarter for Allegro.sk in Slovakia. The two platforms continue to transform e-commerce in both countries. Their unmatched selection of over 220m offers has translated into over 2.5 million active buyers in those countries. We are now preparing our entry to Hungary later this year. The report on Allegro's economic impact showed we are a key flywheel of the Polish economy, helping to generate around 1% of Poland's gross domestic product and with roughly 1% of Poland's workforce supported by Allegro's value chain. We go step-by-step with the international expansion of our model, planning to echo our positive impact in every country where we operate."

Poland Update: Allegro beats profitability expectations, continuing as the country's go-to online shopping platform

Around 80% of Poles who shop online via marketplaces start with Allegro, according to the [customer journey report](#). Overall, every third Polish consumer looking for their next online purchase goes to Allegro first, thanks to unmatched selection and best possible prices. The

platform's appeal helped the number of active buyers in Poland rise to nearly 15 million in the second quarter, as Allegro met or exceeded all of its Q2 financial expectations for Polish operations. Hundreds of millions of attractively priced offers from more than 153 thousand merchants on Allegro boosted the average annual GMV spending among active buyers by 5.6% YoY. In effect, the platform's overall GMV in Poland accelerated YoY growth to 11.6% in Q2 — more than double the pace of the country's nominal retail sales growth. Continuous cost management and co-financing improvements supported Q2 Adjusted EBITDA growth, which reached almost 35% YoY. This pushed Allegro's GMV margin beyond midterm aspirations at 6% and brought the leverage down to nearly 1x.

Allegro Smart! booked its strongest QoQ subscriber growth in over four years, with the total number of free delivery beneficiaries surpassing 6 million in Poland. The number of Allegro Pay users went beyond 2 million, as Allegro's fintech arm helped finance 13.9% of GMV in Q2 — almost 2pp more than a year earlier. The Allegro brands are always meant as bywords for convenient e-shopping, and they now include Allegro Delivery, an innovative way of combining the strength of Allegro's logistics partnerships for the sake of consumer convenience. One by Allegro and ORLEN Paczka are the first partners in the new program. The joint network spans around 18 thousand pick-up points across Poland, including over 3,800 Allegro One Boxes by end-Q2.

International Update: Successful marketplace rollouts in Czechia and Slovakia pave the way for further expansion

A year has passed since the launch of Allegro.cz in Czechia and Allegro.sk in Slovakia has just closed its first full quarter. The two new platforms are home to more than 220 million offers and over 2.5 million active buyers. A growing pool of over 53 thousand merchants contributed to the unmatched selection in Czechia and Slovakia, while GMV from local Czech and Slovak merchants was up by more than half QoQ. This supported solid progress in traffic, with 79 million visits and 5.1 million items sold on the two new platforms in Q2, overall leading to YoY growth in GMV from International Operations.

Smart! subscriptions in Czechia maintained strong double-digit growth, with over 100 thousand users already in Slovakia. The program shows how Allegro is gradually implementing its successful brands internationally. Another one is the One Box APM network which recently debuted in Czechia with over 140 machines and counting. They are now equipped with terminals allowing for Cash on Delivery (COD) payment, which caters to Czech customers' needs. Allegro continues to transform Czech legacy brands MALL and CZC into effective Allegro merchants. Minimising low-margin retail sales at MALL translated into lower GMV for the legacy brands, but also into a smaller Adjusted EBITDA loss YoY. New platforms in Czechia and Slovakia expanded Allegro's addressable market by 16 million people, with 15 million more to be added thanks to future launches as part of the group's asset-light expansion model. Every new launch will cost less while driving coverage and new GMV. Next step — Hungary.

Financial Update

"Allegro continued to accelerate its group GMV growth and maintain excellent profit margins in the Polish business during the second quarter," said **Jon Eastick, Allegro CFO**. "Polish revenues were up 23.8% YoY in the quarter, giving us room to invest more into marketing and our team, as well as new software functionality and the expansion of our Allegro One delivery solutions. Polish consumers increased their average annual spend on Allegro by 5.6% YoY, and there are signs that customers are spending more per purchase in most categories. The strength of our Polish Operations enabled the group to further reduce its leverage down to 1.04x group Adjusted EBITDA by end-June, giving us the financial flexibility to confidently invest into Allegro's international expansion. The new marketplaces in Czechia and Slovakia improved our growth profile in International Operations, with Q2 GMV up by 34.4% QoQ, including a first contribution from Slovakia. We are investing up to 20% of our Polish Adjusted EBITDA into the step-by-step expansion of our international operations."

About Allegro

Founded in Poland almost 25 years ago, Allegro now operates a leading online marketplace across Central and Eastern Europe. Based in Luxembourg and listed on the Warsaw Stock Exchange after the largest IPO in the bourse's history, Allegro solidifies its position as the largest online marketplace of European origin. The platform connects millions of buyers from across Eastern and Central Europe as well as the EU with thousands of international merchants who provide hundreds of millions of offers. Allegro has already established itself as the go-to marketplace for consumers in Poland and the flywheel of the Polish economy, helping to generate around 1% of the country's gross domestic product (GDP) and its total workforce. It wants to echo the positive impact in every country where it operates, aiming to become the most loved online shopping destination in Europe.