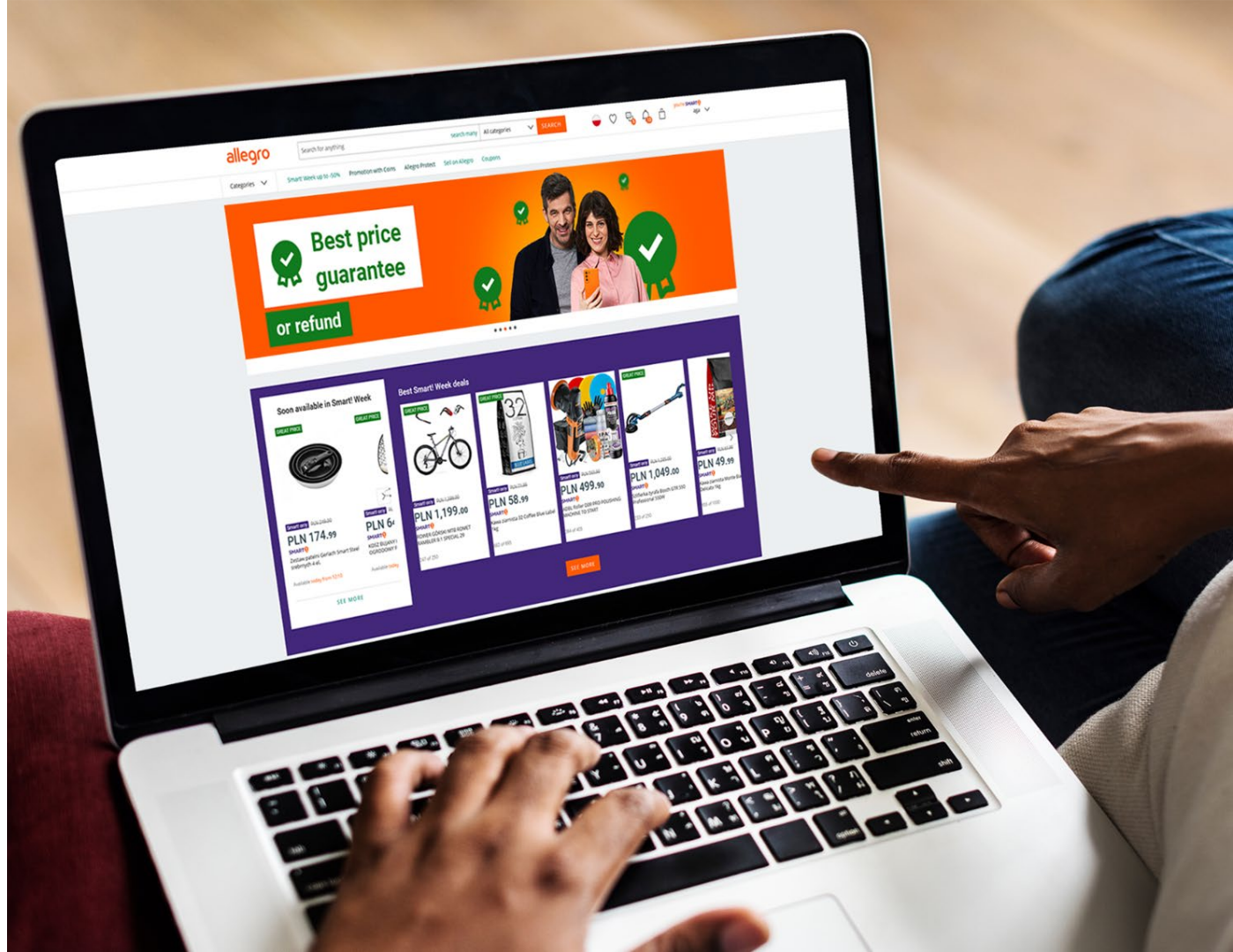


allegro

Allegro.eu Q1 2023

Results presentation



25 May 2023

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Agenda

Highlights

Financial results:

Polish Operations

Mall Segment

Group

Management outlook

Q&A

Highlights

Allegro delivers resilient growth and improving margin despite retail sales slowdown

Q1 2023 Financial Highlights

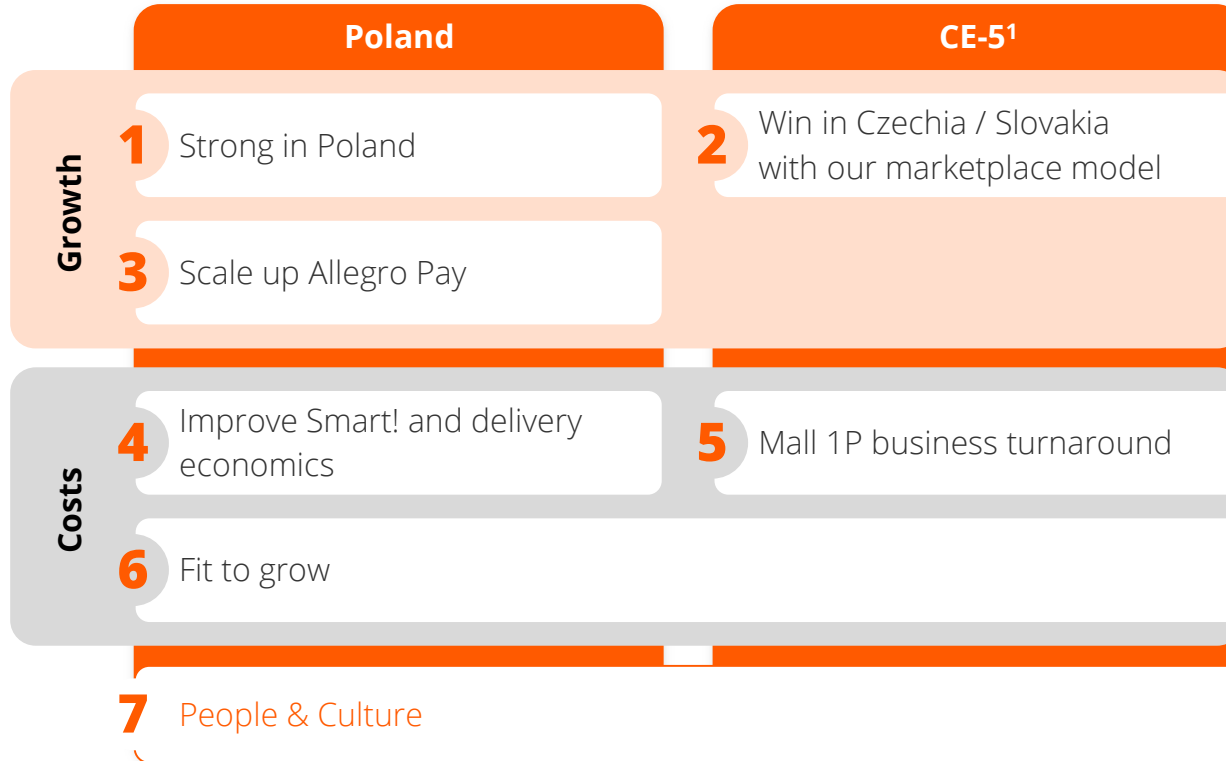
Strong performance in Poland despite challenging macro underlines resilient demand for Allegro's wide selection at attractive prices	Consolidated ¹ GMV: 21.4% YoY (+14.0% YoY ex. Mall Segment ²) Consolidated revenue: +66.7% YoY (+22.7% YoY ex. Mall Segment)
Continued growth in Active Buyers and average annual spend per buyer as structural shift to online continues	Active Buyers (ex. Mall Segment): +5.9% YoY (+787k), +1.1% QoQ (+161k) GMV per Active Buyer (ex. Mall Segment): +9.7% YoY, +1.9% QoQ
Monetization: Q3 co-financing changes supported the Take Rate; advertising revenue grew over 3.4x faster than GMV	Take Rate (ex. Mall Segment) up to 11.02% in Q1'23 (+0.57pp YoY) Advertising revenue (ex. Mall Segment): +48.0% YoY, up to 1.5% of GMV in Q1'23
Adjusted EBITDA from Polish Operations lifted by GMV and advertising growth, monetization and continued "Fit-to-grow" cost control focus	Consolidated Adj. EBITDA: +14.7% YoY in Q1'23 Adj. EBITDA (ex. Mall Segment) +29.7% YoY in Q1'23 Adj. EBITDA / GMV margin (ex. Mall Segment) 4.87%, +0.59pp YoY
Strong growth at Allegro Pay , despite mid-March pivot to shorter interest free credit for Smart! buyers to drive fintech monetization	Nearly PLN 1.8bn loans originated: +82% YoY Loan book +4.0% YoY and -2.4% QoQ
Soft launch of allegro.cz on May 9th , as Mall's legacy 1P business continues to struggle in the face of declining consumer demand	Mall Segment YoY GMV change: -0.5% YoY ³ Mall Segment Adj. EBITDA: -PLN 69.7m (including PLN 16.3m of start-up losses related to 3P marketplace preparation) vs -PLN 40.2m pro-forma a year ago
Continued deleveraging as profitability improved despite a seasonal working capital outflow	Down to 2.8x in Q1'23 (vs 2.9x in Q4'22, 3.4x in Q3'22 and 3.5x in H1'22)

1. Consolidated growth rates include the impact of first time consolidation of the Mall Segment (Mall Group and WE|DO) since Q2 2022

2. Mall Group a.s. and WE|DO s.r.o. (CZ) and their operating direct and indirect subsidiaries as of FY 2022: WE|DO s.r.o. (SK), Internet Mall a.s., Internet Mall Hungary Kft, Mimovrste, spletna trgovina d.o.o., Internet Mall Slovakia s.r.o., Internet Mall d.o.o., Netretail Sp. z o.o. in liquidation, m-HU Internet Kft., E-commerce Holding a.s., CZC.cz s.r.o., AMG Media a.s. These entities comprise the "Mall Segment" reportable in the Group's financial statements

3. Pro-forma YoY change

Management continues to work on the Seven Priorities



Framework to report progress across the organization

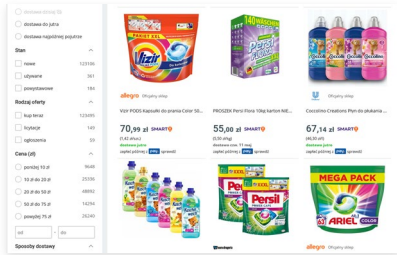
1. CE-5: Croatia, Czechia, Hungary, Slovakia, Slovenia

Focus on customers in difficult times facilitates progress on Strong in Poland

PRIORITY 1

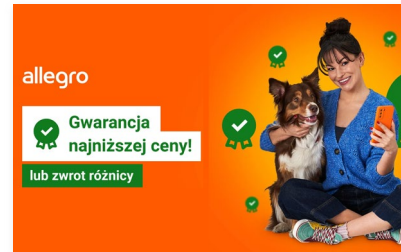
Retail basics

Grow selection



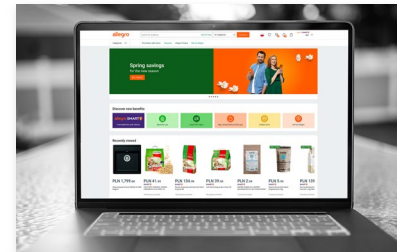
- High double-digit growth of Active Products, with over-proportionate growth in under-indexed categories: Supermarket, Health & Beauty and Fashion
- Added more than 170 new Key Accounts and >30 new Key Brands to the platform in Q1

Competitive pricing



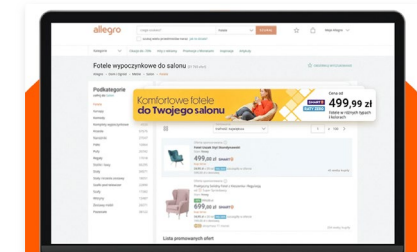
- Launched Lowest Price Guarantee campaign in April, following a successful pilot in Q1
- New program launched (AlleObniżka) supporting merchants to be price competitive
- Even more attractive deals for increasingly price-conscious buyers during Feb and March AllegroDays campaigns

Improve convenience



- New simplified allegro.pl main page introduced with more personalized content based on recently viewed and watchlisted offers
- Machine learning routing of cases implemented simplifying and speeding up the help process
- Approx. 1/3 frontline customer care tasks automated thanks to AI/ML¹ solutions

Advertising



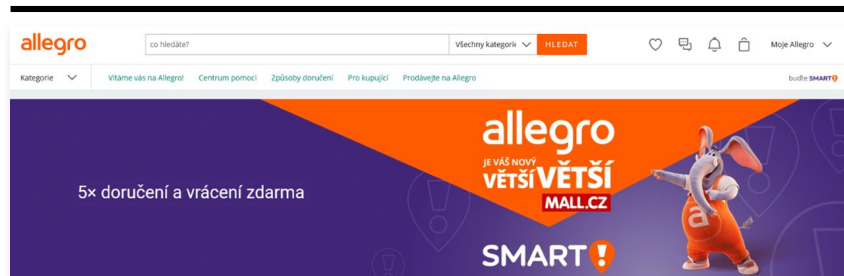
- Strong pricing holding up on Allegro Ads vs market slowdown
- Strong acceleration of new advertisers acquisition: +50% YoY in Q1'23
- Expanded home page carousel driving more inventory vs Q1'22

1. Artificial Intelligence / Machine Learning

3P Czech platform soft launch. Strong performance of Allegro Pay

PRIORITY 2

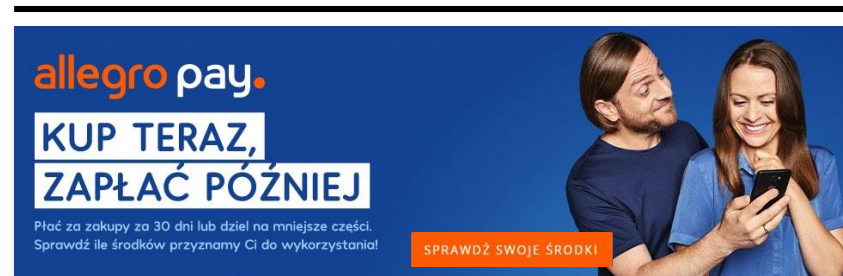
3P marketplace soft launch in Czechia



- allegro.cz started serving customers on 9 May 2023 starting a new phase in international marketplace expansion
- Gradually developing marketing investment over the course of the year
- Developing a playbook for further international launches

PRIORITY 3

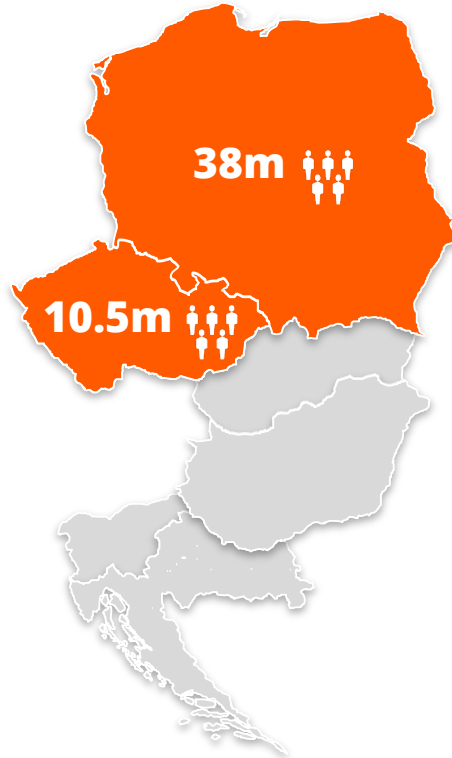
Allegro Pay



- +82% YoY growth in originated loans to PLN 1,760m
- Non-performing loans under tight control
- Loan book up by only 4% YoY to PLN 379.4m
- 75% YoY growth in GMV financed to PLN 1,422m
- Reduction in BNPL interest-free period from 3M to 2M to improve cash generation and increase share of paid installment loans
- Announced merchant contribution at 0.35% of financed GMV effective from July

allegro.cz soft launch extends 3P marketplace TAM to nearly 50m people

allegro.cz soft launch on 9th May



Proprietary marketplace
translated and integrated for
Czech market

Mall and CZC listing
~300k offers

Great prices: majority of
products with best price
points in CZ eCommerce

~400k Mall customers
already Smart! enabled



**~20k+ experienced Allegro
merchants** selling cross border

**Widest selection of ~100m
offers** (10x more than
competitors)

Smart!: >54m+ offers
with Smart! free delivery

**local payment and delivery
methods** with logistics integrated
with Mall's WE|DO capabilities

Gradually build traffic with investment proportionate to customer response

Increasing efficiency across Smart! & Delivery, Mall 1P turnaround and Fit to Grow

PRIORITY 4

Smart!



- Stable churn as customers gradually switch to new Smart! pricing terms¹
- Announced co-financing changes effective from July, to partially offset increasing delivery costs from logistics partners

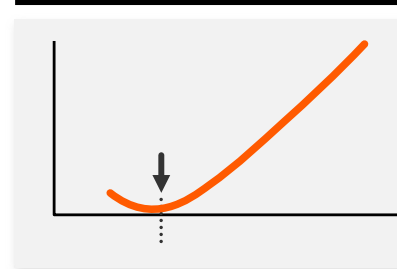
Delivery experience



- >2,700 APMS² installed, with steadily improving utilization and NPS for One Box deliveries
- Continuous work on Machine Learning engine improvement to further increase Next Day delivery promise

PRIORITY 5

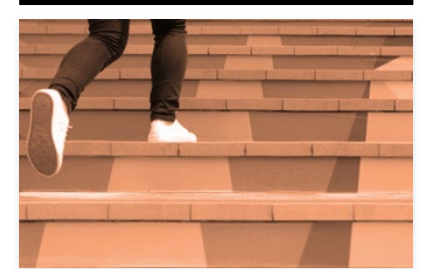
Mall 1P turnaround



- Strong focus on cost optimisation, with progress in overhead / SG&A savings, while defending the topline
- Ongoing closure of unprofitable offline outlets across CE-5
- Strong progress in top sellers' availability and cheaper selection
- Continued improvements in service quality and customer convenience
- Preparing for new sales channel as allegro.cz merchant

PRIORITY 6

Fit to grow



- Reviewed all cost categories across Poland +CE-5
- Strict spending control in place
- Q1 savings in line with plans
- Key wins in staff, contractors, IT and warehouse management costs
- Announced fee netting for selected merchants effective from July to improve net working capital and the convenience of billing

1. In November 2022 Minimum Order Value was increased to PLN 45 for lockers and Pick Up, Drop Off points and PLN 65 for courier, up from PLN 40, and annual subscription fee increased to PLN 59.90, up from PLN 49

2. APM - Automated Parcel Machine

Financial results

Q1 2023 key results: Polish Operations¹

GMV

PLN 12,339m Q1'23
+14.0% YoY

Active Buyers²

14.2m Q1'23
+5.9% YoY

LTM GMV / Active Buyer³

PLN 3,582 Q1'23
+9.7% YoY

Take Rate⁴

11.02% Q1'23
+0.57pp YoY

Revenue

PLN 1,708m Q1'23
+22.7% YoY

Adjusted EBITDA

PLN 600.6m Q1'23
+29.7% YoY

Adj. EBITDA / GMV margin

4.87% Q1'23
+0.59pp YoY

Cash Conversion⁵

81.5% Q1'23
+16.35pp YoY

1. The sum of "Allegro", "Ceneo" and "Other" reportable segments

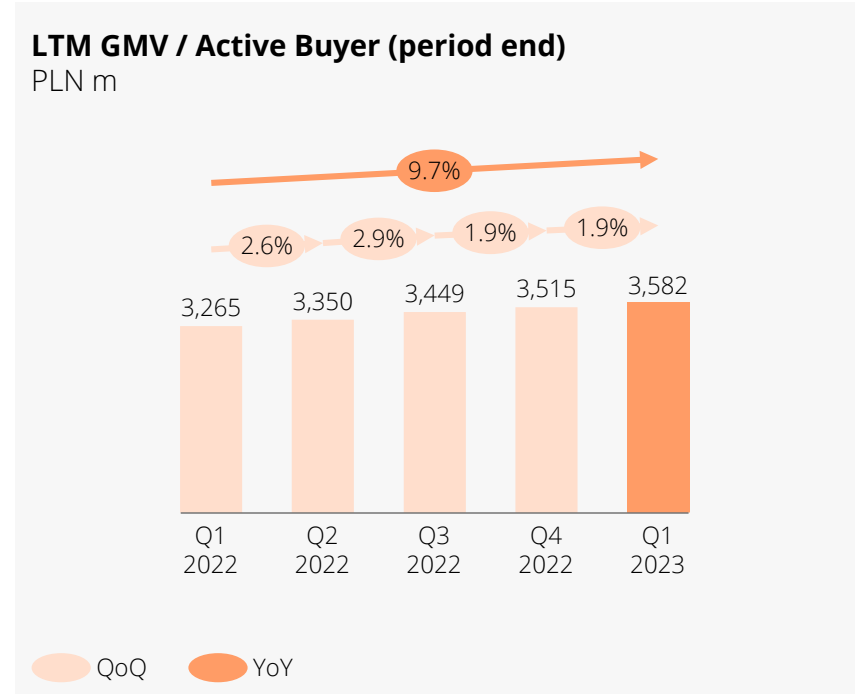
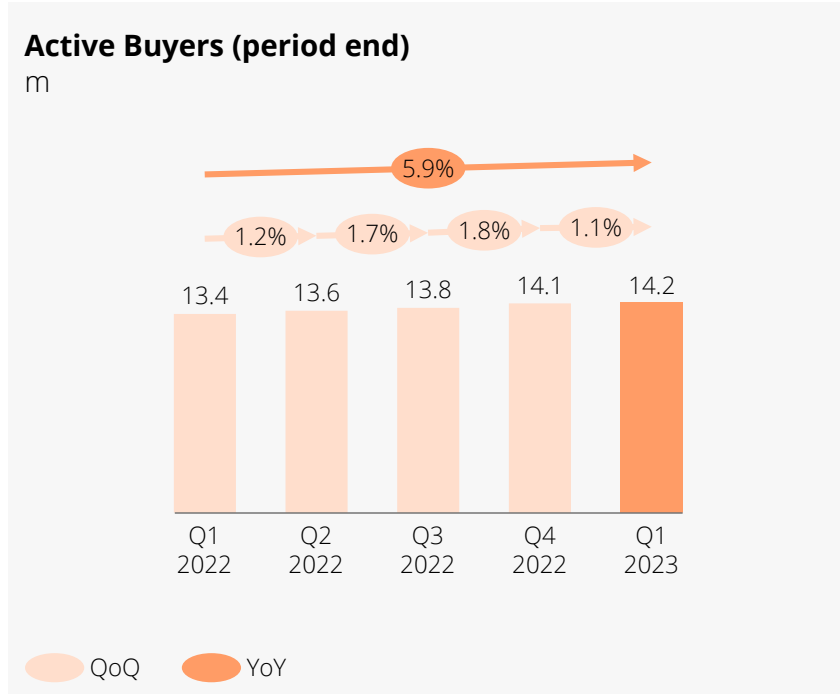
2. Active Buyer represents, as of the end of a period, each unique email address connected with a buyer that has made at least one purchase on any of Allegro.pl, Allegrolokalnie.pl or eBilet.pl in the last twelve months (LTM)

3. Represents LTM GMV divided by the number of Active Buyers as of the end of a period

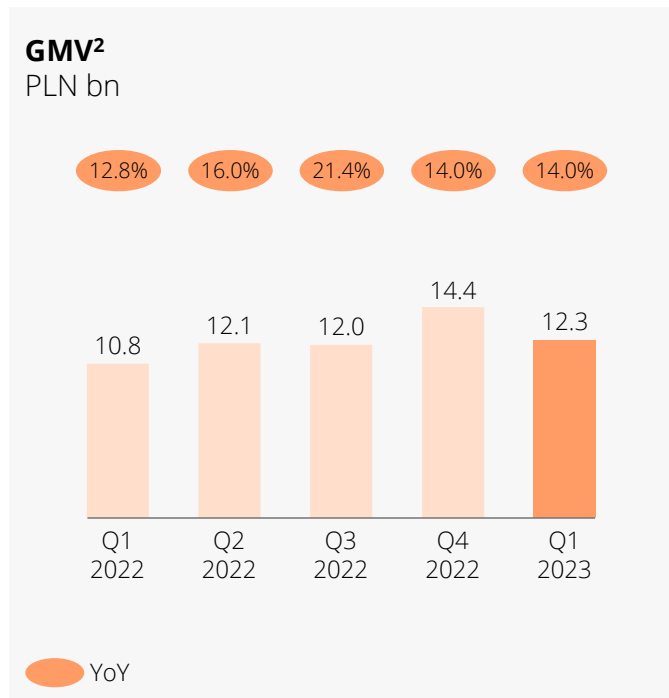
4. Defined as 3P Marketplace Revenue / (GMV - 1P GMV)

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

787k new Active Buyers added YoY, with average annual spend up by nearly 10% YoY



Q1 GMV maintained the 14% YoY growth rate from Q4, despite Polish retail sales growth slowing by nearly 11pp¹ during Q1



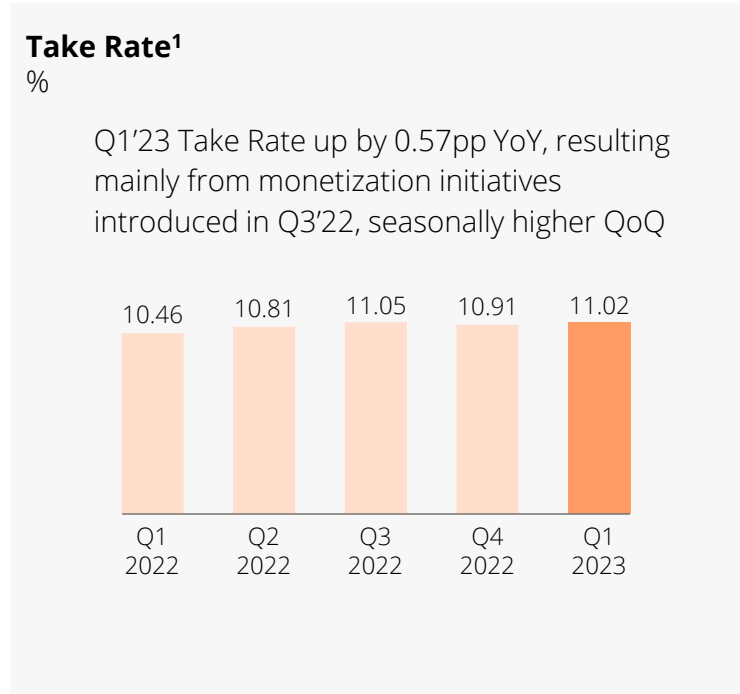
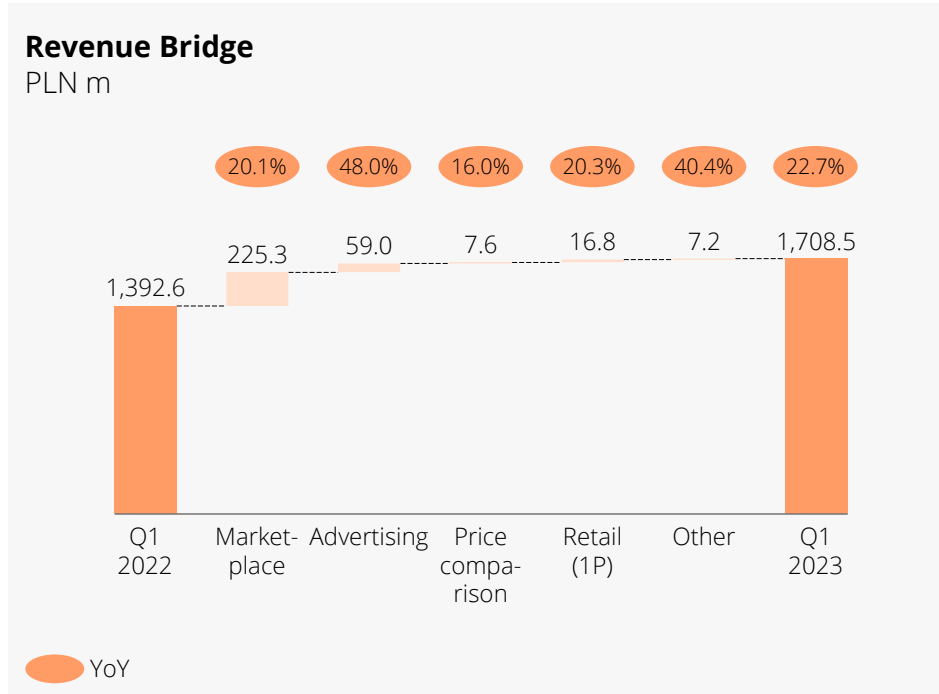
- LTM GMV³ of PLN 50.9bn, up by 16.1% YoY and advancing by over PLN 1.5 bn QoQ
- QoQ pick up in transaction growth offsets strong trend to trade-down by consumers
- Growth maintained across all categories, with acceleration in Electronics, Auto and Health & Beauty, and the biggest deceleration vs Q4 in Home & Garden and Sport & Leisure
- Home & Garden comping vs Ukraine war related spending (eg. tents, power generators)
- 47% of Smart! users already on new pricing terms as of Q1 2023, with Smart! price changes having minimal impact on spend and churn
- eBilet contributed 0.3pp to Q1 YoY growth rate, driven by strong demand for big event tickets

1. Growth of retail nominal sales reported by the Polish Statistical Office (GUS) down from 15.5% YoY in December 2022 to 4.8% YoY in March 2023

2. GMV of Allegro Polish Operations: Allegro.pl marketplace and eBilet

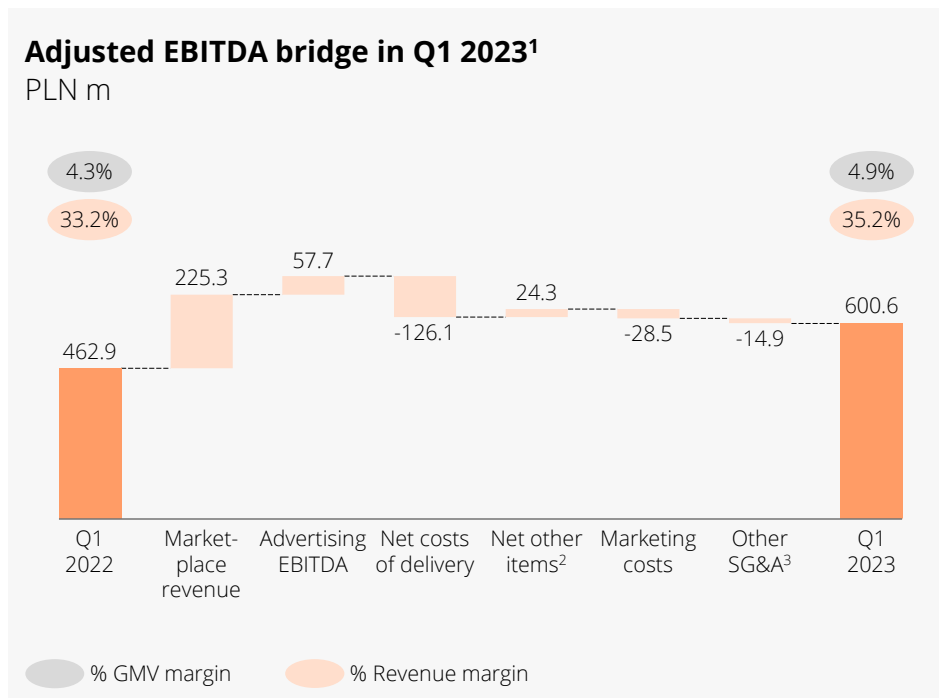
3. LTM - in the last twelve months

Revenue growth driven by marketplace, advertising and retail



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

Adjusted EBITDA up by 29.7% YoY in Q1 mainly driven by co-financing increases and growing advertising contribution combined with improving SG&A efficiency



- GMV growth at higher take rates drive marketplace revenue growth
- Continued growth in contribution of margin-accretive advertising revenue
- Net costs of delivery up by 0.61pp of GMV YoY⁴ driven by increasing Smart! GMV share and cost indexation since November, with courier share down by nearly 5pp YoY and by approx. 2pp QoQ in Q1 2023
- Delivery cost indexation driving 8.3% YoY rise in delivery cost per unit, net of delivery mix shift
- Tight cost control, with adjusted SG&A⁵ growth slowing to 10.0% YoY (vs 37.5% YoY in Q1'22)
- Employment decreased by 1% QoQ in Q1

1. All amounts calculated after excluding items treated as adjustments to EBITDA

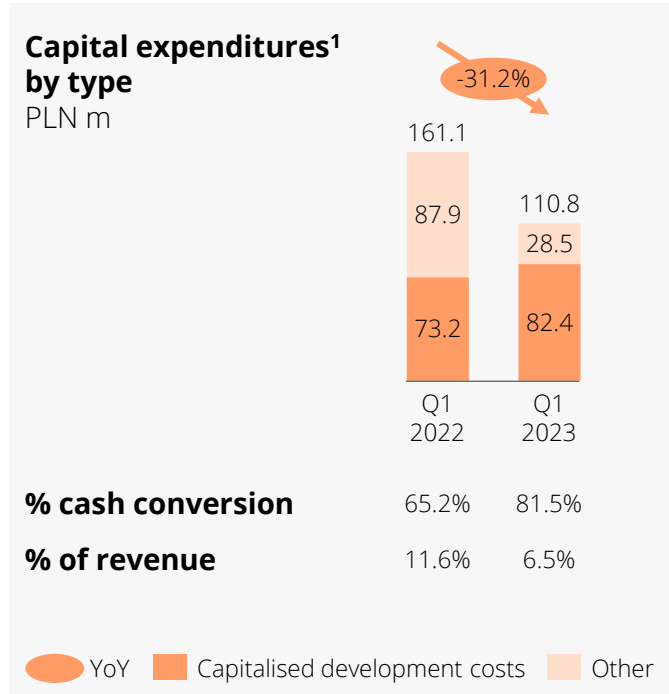
2. Other revenue, price comparison revenue, retail margin and payments charges. Includes the impact of PLN 21.9m reclassification described in footnote number 4

3. Other SG&A incl. staff costs, IT costs, net impairment costs and other expenses (where not included in advertising EBITDA contribution)

4. Including PLN 21.9m of Smart! delivery subsidies reclassified from 1P cost of sales to net cost of delivery in Q4 2022

5. SG&A costs adjusted in line with EBITDA adjustments

Capital investment down in Q1 driven by capex controls, efficiency improvement and prioritization of development projects



- Refocus of Delivery Experience projects to improving APMs utilisation to drive economics
- Office development projects already completed in 2022
- Fit-to-grow project increased capex controls
- Capitalized development spend stabilizing along with brake on staff growth since Q2'22
- PLN 9.9m related to tech team working on Czech soft launch charged to Mall segment capex

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)

Q1 2023 key results: MALL Segment¹

GMV

PLN 800m Q1'23
-0.5% YoY pro-forma²

Active Buyers³

4.2m Q1'23 pro-forma²
-2.5% YoY pro-forma²

LTM GMV / Active Buyer⁵

PLN 937 pro-forma²
+0.5% YoY pro-forma²

Take Rate⁶

12.88% Q1'23
N/A⁸

Revenue

PLN 614m Q1'23
-2.7% YoY pro-forma²

Adjusted EBITDA

- PLN 69.7m Q1'23
N/A⁴

Adj. EBITDA / GMV margin

-8.71% Q1'23
-3.71pp YoY pro-forma²

1P Gross margin⁷

12.1% Q1'23
N/A⁸

1. Mall Group a.s. and WE|DO s.r.o. (CZ) and their operating direct and indirect subsidiaries as of FY 2022: WE|DO s.r.o (SK), Internet Mall a.s., Internet Mall Hungary Kft, Mimovrste, spletna trgovina d.o.o., Internet Mall Slovakia s.r.o., Internet Mall d.o.o., Netretail Sp. z.o.o. in liquidation, m-HU Internet Kft., E-commerce Holding a.s., CZC.cz s.r.o., AMG Media a.s. These entities comprise the "Mall Segment" reportable in the Group's financial statements

2. Estimates of pro-forma prior year comparative information for the same Mall organizational structure, together with WE|DO, as acquired by Allegro in April 2022

3. Represents, as of the end of a period, each unique email address connected with a buyer that has made at least one purchase on any of mall.cz, mall.sk, mall.hu, www.mimovrste.com, mall.hr, czc.cz in the preceding twelve months

4. Not applicable, as the pro-forma comparative was a negative number with Adjusted EBITDA loss of (-PLN 40.2m) in the comparable pro-forma period for Q1 2022

5. Represents LTM GMV divided by the number of Active Buyers as of the end of a period

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

7. Defined as (Retail revenue - cost of goods sold) / Retail revenue

8. Comparative pro-forma information for prior year not available

Continuously declining consumer demand delaying Mall 1P business turnaround

Mall Segment results

Income Statement		
PLN m (unaudited)	Q1 2022 pro-forma¹	Q1 2023
GMV	804.0	799.9
% YoY		-0.5%
of which 3P	104.8	135.7
% YoY		29.6%
of which 1P	699.2	664.2
% YoY		-5.0%
Revenue	631.1	613.8
% YoY		-2.7%
EBITDA	-49.7	-68.1 ²
Adjusted EBITDA	-40.2	-69.7³
Capex	17.0	20.8 ⁴

- Like-for-Like loss was PLN 53.4m excluding PLN 16.3m of 3P marketplace start-up expenses
- Revenue decline reflects lower 1P GMV with falling consumer discretionary spending across the Mall Segment footprint
- 3P GMV increased by nearly 30% YoY in Q1'23, reaching 17% share
- Better price competitiveness and top seller availability, with introduction of Smart! supporting transaction growth
- Restructuring underway with 80% of retail outlets closed and legacy tech team reduced during Q1
- Capital investment in Q1 includes PLN 9.9m for 3P marketplace development

1. Historical data for Mall based on pro-forma for the same organizational structure as acquired by the Group

2. Of which PLN 22.6m of costs related to 3P marketplace start-up expenses, including one-off additional integration bonus for employees

3. Including PLN 16.3m of 3P marketplace start-up expenses, adjusted for one-off additional integration bonus for employees which is excluded from the Adjusted EBITDA impact

4. Including PLN 9.9m of capitalized development expenses related to 3P marketplace soft launch preparation in Czechia

Q1 2023 key results: Consolidated Group

GMV

PLN 13,139m Q1'23
+21.4% YoY

Adjusted EBITDA

PLN 530.9m Q1'23
+14.7% YoY

Take rate

11.04% Q1'23
+0.59pp YoY

Revenue

PLN 2,321m Q1'23
+66.7% YoY

Adj. EBITDA / GMV margin

4.04% Q1'23
-0.24pp YoY

Cash Conversion¹

75.2% Q1'23
+10.0pp YoY

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

Continued deleveraging down to 2.84x despite seasonal working capital outflow driven by rising LTM EBITDA and extended scope of consumer loan sales

PLN m (unaudited)	Pro-forma ¹		
	1-Apr-22	31.12.2022	31.03.2023
LTM ² Adjusted EBITDA Polish Operations	1,995.8	2,309.4	2,447.1
LTM ² Adjusted EBITDA Mall Segment	N/A	(156.8)	(226.5)
Adjusted EBITDA LTM ²	1,995.8	2,152.7	2,220.6
Borrowings at amortized cost	6,856.2	6,453.5	6,437.2
Lease liabilities	458.9	690.2	717.5
Cash	(800.8)	(877.6)	(846.1)
Net Debt	6,514.4	6,266.1	6,308.6
Leverage	3.26x	2.91x	2.84x
Equity	10,910.6	8,981.3	9,096.3
Net debt to Equity	59.7%	69.8%	69.4%

- Continued deleveraging from strong EBITDA growth in Q1'2023 and lower YoY capex spend partly offset by significant working capital outflow in Mall Segment as a result of settlements with suppliers following Q4 peak season
- All PLN 6.5bn of Gross Debt due in October 2025
- PLN 1.0bn of undrawn revolving facilities available
- PLN 4,125m of gross floating rate debt hedged to fixed to mid 2024 at WIBOR rate 1.32% (3.61 pp benefit on total blended cost of borrowing of 5.89%)
- Focus on further deleveraging in 2023

1. Estimate of pro-forma leverage immediately after the completion of the Mall Group acquisition

2. LTM – last twelve months. For Mall segment since consolidation in Q2 2022

Management outlook

Q1 2023 completed slightly above expectations, Q2 2023 outlook

	Polish Operations			Mall Segment ³			Group consolidated		
	Q1'23E	Q1'23 Actual	Q2'23E	Q1'23E	Q1'23 Actual	Q2'23E	Q1'23E	Q1'23 Actual	Q2'23E
GMV	13-14% YoY growth	+14.0% YoY	11-12% YoY growth	1-2% YoY pro-forma decline ⁴	-0.5% pro- forma ⁴	3-6% YoY decline ⁴	20-21% YoY growth	+21.4% YoY	10-11% YoY growth
Revenue	20-22% YoY growth	+22.7% YoY	16-18% YoY growth	2-4% YoY pro-forma decline ⁴	-2.7% pro- forma ⁴	8-11% YoY decline ⁴	64-66% YoY growth	+66.7% YoY	9-11% YoY growth
Adjusted EBITDA¹	20-23% YoY growth	+29.7% YoY	13-16% YoY growth	PLN 75-80m loss	PLN 69.7m loss	PLN 110-120m loss	3-6% YoY growth	+14.7% YoY	3-8% YoY growth
CAPEX²	PLN 100- 110m	PLN 110.8m	PLN 110- 120m	PLN 20-30m	PLN 20.8m	PLN 35-40m	PLN 120- 140m	PLN 131.6m	PLN 145- 160m

1. Adjusted EBITDA defined as EBITDA pre group restructuring and development costs, stock-based compensation and other one-off items

2. Represents cash capex and does not include leased assets (which are presented in balance sheet)

3. GMV and revenue for Q1'23 YoY change expectations and actuals for the Mall Segment are calculated on a pro-forma basis

4. Including positive impact from PLN/CZK FX rate changes

Q & A

Thank you