Allegro.eu
Q3 2021
Results presentation

9 November 2021
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Agenda

1. Highlights
2. Financial results
3. Summary
4. Q&A
1 Allegro GMV growth accelerates to 19.9% in Q3 with full year expectations unchanged

Growth driven by solid progress on business inputs with Allegro Pay and delivery projects reaching important milestones:

- GMV growing to PLN 9,897m, +19.9% YoY for Q3 and to PLN 29,933m, +23.4% YoY for 9M 2021
- Revenue for Q3 was PLN 1,234m, up by 32.9% YoY, and reached PLN 3,752m, +39.0% for 9M 2021
- Active Buyers grew to 13.3m in Q3, +5.6% YoY and +0.8% QoQ, reflecting successful retention of clients acquired during the pandemic
- LTM GMV per Active Buyer increased to PLN 3,067, +24.5% YoY, and +3.3% QoQ, underpinned by retail basics execution and rising Smart! penetration
- Consistently high Customer Service NPS\(^1\) score of 77.4 in Q3
- Adjusted EBITDA for Q3 was PLN 472m, +15.5% YoY, and for 9M PLN 1,567m, +28.8% YoY
- Adjusted net profit up +128.1% YoY in Q3 and +102.2% in 9M 2021
- Capex grew by 120.0% YoY in Q3 and by 54.8% YoY in 9M, reaching 8.4% of Q3 and 6.8% of 9M revenue in line with plans
- Continued organic deleveraging down to 1.8x as at Q3

On track to meet 2021 expectations

Allegro announced an agreement to acquire Mall Group a.s. and WE | DO CZ s.r.o., nearly doubling TAM, targeting completion by late H1 2022

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1. NPS – net promoter score
Source: Company information
## Q3 2021 key results

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q3’21</th>
<th>YoY Change</th>
<th>9M’21</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GMV</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLN 9,897m</td>
<td>+19.9%</td>
<td></td>
<td>PLN 29,933m</td>
<td>+23.4%</td>
</tr>
<tr>
<td>Active Buyers</td>
<td>13.3m</td>
<td>+5.6%</td>
<td>49.6m</td>
<td>+2.7%</td>
</tr>
<tr>
<td>GMV per Active Buyer¹</td>
<td>PLN 3,067m</td>
<td>+24.5%</td>
<td>PLN 7,130m</td>
<td>+18.5%</td>
</tr>
<tr>
<td>Take Rate²</td>
<td>10.29%</td>
<td>+0.90pp</td>
<td>10.40%</td>
<td>+1.20pp</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLN 1,234m</td>
<td>+32.9%</td>
<td></td>
<td>PLN 3,752m</td>
<td>+39.0%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>PLN 472m</td>
<td>+15.5%</td>
<td>PLN 1,567m</td>
<td>+28.8%</td>
</tr>
<tr>
<td>Adjusted EBITDA / GMV margin</td>
<td>4.77%</td>
<td>-0.18pp</td>
<td>5.24%</td>
<td>+0.22pp</td>
</tr>
<tr>
<td>Cash Conversion³</td>
<td>78.1%</td>
<td>-10.40pp</td>
<td>83.6%</td>
<td>-2.74pp</td>
</tr>
</tbody>
</table>

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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

Source: Company information
Key business developments for Q3 2021

1. Benefit from underlying market growth
2. Retail Basics
3. Delivery experience
4. Smart!
5. Advertising
6. International sellers inbound
7. Consumer FinTech
8. B2B
9. Adjacent verticals
10. International expansion

“Accelerate the flywheel”

While considering opportunistic M&A

“Incubate and maximise future levers”

- Retail Basics
- Delivery experience
- Smart!
- Allegro Pay
- International
- ESG

Source: Company information
1 Retail Basics: consumer-centric approach to providing the best selection, price, and convenience

Further selection growth

• Crossed the >250m offers milestone
• In Q3 we added Dada and Sprandi local brands and a regional retailer Duka

Price leadership

• Continuously improving coverage of price benchmarking processes
• Strong take-up of the price support program Allegro Ceny: 6X merchants QoQ in Q3
• Sequential improvement in price defect metrics

Improving convenience

• New, faster and highly automated commission refund process now fully rolled-out
• Allegro Family driving new buyers acquisition and reactivation, unlocking multiple UX\(^1\) benefits for buyers
• First 1-click payment solution from Polish banks launched first on Allegro

1. UX – user experience
Source: Company information
1 Improvement in next day delivery; started commercial pilot of One Fulfillment and launched APM network One Box, complemented by same day courier acquisition

**Improving delivery speed**
- Significant improvement of next day delivery share by nearly 8pp YoY thanks to continued tech innovation and Fast Delivery Subsidy program for merchants
- Improved visibility of next day delivery promise in search filters and results
- XPC acquisition on 11 October: a local same-day delivery company, to complement fulfillment and lockers services in driving faster deliveries

**Fulfillment**
- **One Fulfillment** by Allegro – commercial pilot with a limited merchants pool went live on 13 September creating a new, comprehensive logistics service for merchants
- Further commercial scaling allowing more merchants planned from Jan 2022
- Development, recruitment and fit-out in progress for automation phase and high capacity operations, targeted for H1 2022

**Last Mile**
- **One Box** by Allegro – over 600 green APMs available for the customers from 3 November, and a total of 3,000 planned by the end of 2022
- Customer-friendly integration embedded in the Allegro app, all the way from order to pick-up
- **One Punkt** by Allegro – partner PUDO network developed by Allegro now spanning 800 points across Poland

Source: Company information
Further improving Smart! for customers and substantially growing the user base

Growing the user base

- Continuation of Smart! For Start campaign supporting substantial growth in Smart! user base and driving conversion to paid membership
- Record GMV performance of Smart! Week campaign (Sep 27-3 Oct), boosted by Smart! For Start customers:
  - >1.5 million promotional offers
  - Price cuts of up to 70%

Improving Smart! for customers

- Single PLN 40 MOV\(^2\) across all delivery methods driving simplification of Smart! customer shopping funnel
- Over 160 million offers now available in Allegro Smart! with rising share of 1-2 day deliveries, >25 million offers available for next-day delivery, and several million available on the same day
- 3 years of Smart! program: PLN 3bn savings by customers on free deliveries and significant sales boost for merchants to drive the marketplace flywheel

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1. Smart! For Start trial users were offered unlimited free deliveries and returns during the Smart! Week
2. MOV – minimum order value
Source: Company information
Allegro Pay: raising 2021 loans issued guidance with acceleration driven by full customer eligibility

2. Net promoter score
3. Buy now pay later

- Allegro Pay now open to all customers wishing to apply for up to PLN 4,200 purchasing limit
- Leveraging PSD2 access to widen credit checking capabilities to include new Allegro Active Buyers
- NPS reached sector-leading 93 in Q3
- Record-setting Smart! Week for Allegro Pay, with very high demand for financing solutions
- Incrementality estimate from A/B test results: at least 35% higher spend from Allegro Pay borrowers
- BNPL selected for majority of transactions, with short tenors driving up ROI on loan book
- Expected credit losses still <2%
- Agreement with AION to take instalment loans off-balance sheet now under implementation

2. Net promoter score
3. Buy now pay later

Source: Company information

Loans issued
PLN m, cumulative

Gross loans balance
PLN m

<table>
<thead>
<tr>
<th></th>
<th>Dec-20</th>
<th>Mar-21</th>
<th>Jun-21</th>
<th>Sep-21</th>
<th>Revised 2021 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial 2021 guidance of &gt;1,000</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Dec-20</th>
<th>Mar-21</th>
<th>Jun-21</th>
<th>Sep-21</th>
<th>2021 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net of receivables sold to Aion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>&gt;500</td>
</tr>
</tbody>
</table>
Agreement with AION to take instalment loans off-balance sheet allowing for Allegro Pay growth acceleration and improved returns on investment

Key terms

• Receivables Purchase Agreement signed between Allegro Pay and Aion Bank on 11 October
• The total balance of outstanding loans to be financed targeted to reach PLN 2bn within the 2-year agreement
• Funding expected to be used for instalment loans with BNPL\(^1\) exposure remaining on the balance sheet
• 1st PLN 100-200m tranche to be sold by 2021 year-end, with project now in the implementation phase
• Sold loans expected to be de-recognized from the Group’s balance sheet
• No change from the customer perspective with continued issuance and servicing of the loans by Allegro Pay

Key benefits

• Dedicated external funding for continued fast loan origination and multi-year scaling of Allegro Pay
• Virtually eliminates consumption of net working capital for instalment loans, while fast-rotating BNPL\(^1\) loans remain on balance sheet
• Some positive net margin expected to be retained in Group EBITDA on sold instalment loans
• Accelerated Allegro Pay driving marketplace GMV and revenues, leveraging observed 35%+ incrementality
• Utilizing off-balance sheet financing significantly increases our ROIC\(^2\) from Allegro Pay and enables faster growth

1. Buy now pay later
2. Return on Invested Capital
Source: Company information
Strategic rationale for the acquisition of Mall Group announced on 4 November

- Nearly doubles Allegro’s TAM in highly attractive countries
- Scattered competitive landscape provides opportunity to create best-in-class consumer proposition
- Leverage Allegro’s large merchant base to turbocharge Mall’s 3P marketplace
- Instant access to massive customer base with significant upside for wallet share expansion
- Access to critical cross-border fulfilment and Last Mile infrastructure and operations
- Strong cultural alignment and opportunity to bolster the team with further international talent
- Enhanced scale with an enlarged footprint provides amplified platform growth opportunities

1. Based on e-commerce segment share (% of GMV 2020) as defined by Euromonitor

Source: Company information; Retail TAM sourced from Euromonitor, which excludes sales of motor vehicles, motorcycles and vehicle parts, fuel, foodservice, rental and hire, wholesale industries and C2C
Mall Group transaction highlights

**Transaction summary**
- Allegro to acquire 100% of Mall Group a.s. ("Mall Group") and WE|DO CZ s.r.o. ("WE|DO") from selling shareholders PPF, EC Investments and Rockaway Capital

**Acquisition perimeter**
- Comprises the e-commerce and logistics businesses and brands of Mall Group based in Czech Republic, Slovakia, Hungary, Slovenia, Croatia and Poland
- In FYE Mar-21, Mall Group achieved GMV of EUR 915m (PLN 4.2bn), gross margin of 14% and breakeven EBITDA

**Valuation**
- Enterprise Value of EUR 925m (+ an up to EUR 50m price adjustment) or PLN 4.3bn for 100% of Mall Group shares on a cash and debt free basis
  - This equates to ~1.0x LTM Mar-21 GMV and ~7.2x LTM Mar-21 Gross Profit
- Equity Value of EUR 881m (or PLN 4.1bn) after an adjustment of EUR 44m for debt and debt-like items

**Financing**
- 53.7% of equity value paid via cash consideration of EUR 474m (or PLN 2.2bn) to be financed with cash in hand and new debt
- 46.3% of equity value settled via stock consideration of EUR 407m (or PLN 1.9bn)
  - Share volume to be issued is fixed based on 3M VWAP of PLN 55.98; volume to be issued capped at 33.6m shares
  - Allegro shares issued to sellers are subject to a 12-months lock-up period
  - Allegro has discretion to pay all or part of stock consideration in cash instead of issuing shares
- Allegro pro-forma leverage post-transaction expected to be <3.0x as of the end of H1 2022
- Further details concerning transaction structure and financing included in appendix

**Closing conditions**
- Closing subject to merger control / regulatory approvals
- Closing expected in H1 2022

Note: Financials converted from EUR to PLN at EUR 1 = PLN 4.6208 as of 29-Oct-2021; Mall Group businesses Mall Pay, Mall TV and Vivantis, as well as Košik are excluded from the transaction perimeter

1. SPA has been concluded by and between Allegro.eu and Allegro.pl as the buyers and the following entities as the sellers: (i) EC Investments a.s. (owning 40% of the shares in Mall Group a.s.), (ii) BONAK a.s. (owning 40% of the shares in Mall Group a.s.), entity belonging to the PPF capital group, (iii) Rockaway e-commerce a.s. (owning 20% of the shares in Mall Group a.s.), and (iv) Titancoin International a.s. (owning 100% of the ownership interest in WE|DO CZ s.r.o.), entity belonging to EC Investments (40% of shares), PPF capital group (40% of shares) and Rockaway capital group (20% of shares)
2. As % of GMV
3. Mall Group EBITDA FYE Mar-21 of PLN 14m (FYE Mar-21 EBITDA incl. WE|DO of PLN 3m). Mall Group (target perimeter) and WE|DO financials based on management accounts as per IFRS
4. Total of EUR 975m equivalent to PLN 4,505m converted from EUR to PLN at EUR 1 = PLN 4.6208 as of 29-Oct-2021
5. Variable price adjustment payment is conditioned on Mall Group delivering on its budget for FYE Mar-22
6. Based on Enterprise Value (incl. transaction costs)
7. Representing 3.5% of Allegro.eu total issued capital
8. For details please refer to Current Report
9. Leverage defined as Net debt / PF LTM EBITDA
# Allegro’s mid term ambitions to transform and grow Mall Group (2022-2025)

<table>
<thead>
<tr>
<th><strong>Marketplace transformation</strong></th>
<th>3P GMV share rising from 10% in Sep-21 to at least 2/3rd of GMV</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GMV</strong></td>
<td>Mid-term growth at ~30% CAGR, accelerated by the deployment of Allegro's marketplace across Mall Group's markets</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>Single-digit mid-term CAGR, driven by shift towards growing 3P take-rate and advertising revenue while 1P operations are relatively stable</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>2 years of investment in retail basics and marketplace transformation; climbing towards 2.5-3.0% of GMV thereafter</td>
</tr>
<tr>
<td><strong>Capex and FCF</strong></td>
<td>PLN ~300m p.a. capex driving FCF-negative profile over the first 2 years; Capex stabilizing at 1-2% of GMV and FCF turning positive in outer years</td>
</tr>
<tr>
<td><strong>Transaction costs</strong></td>
<td>PLN ~52m(^1) transaction costs expected at closing</td>
</tr>
</tbody>
</table>

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1. Of which PLN 8m accrued to H1 2021
Source: Company information
1 Continued ESG effort reflected in MSCI ESG rating upgrade to A, up from BB

Selected Q3 achievements

• MSCI ESG Ratings upgraded Allegro.eu to A from BB
• Publication of the Allegro.eu’s Annual ESG Report, in accordance with international reporting standards1: https://raportesg.allegro.pl/en/
• Commitment to decarbonisation initiatives: Allegro joined the Science Based Targets initiative (SBTi), a group of businesses committed to reduce their emissions in line with climate science
• Allegro.eu Board of Directors approved the target of >50% of Directors to be independent within 5 years
• In October, after the quarter end, Allegro signed Diversity & Inclusion Declaration

1. Global standards for sustainability reporting (GRI Standards) audited externally
Source: Company information
Average annual spend per buyer up 24.5% YoY and crossed PLN 3,000, while Active Buyers returned to growth in Q3, up 5.6% YoY and 0.8% QoQ

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).

Source: Company information
GMV growth accelerated to 19.9% YoY in Q3 with 2-year CAGR at 34%

GMV growth accelerated to 19.9% YoY in Q3 with 2-year CAGR at 34%

- LTM GMV up by 30.9% YoY, reaching PLN 40.8bn
- YoY growth driven by retail basics and increasing Smart! GMV share reflected in buyer engagement
- eBilet continued recovery contributing +0.5pp to YoY GMV growth in Q3 and -0.1pp for YTD
- Low COVID-19 infection rates and no offline retail lockdowns in Q3 of both years still delivers 2 year GMV CAGR of 34%

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

Source: Company information
Revenue grows strongly ahead of GMV growth in Q3, up by 32.9% YoY

1. Corresponds to 3P Marketplace revenue and 1P Retail revenue
2. Advertising revenue includes Allegro marketplace advertising and Ceneo advertising revenues
3. Other revenue is primarily from hosting services and financial services

Source: Company information

Revenue
PLN m

<table>
<thead>
<tr>
<th>Quarter</th>
<th>PLN m</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2020</td>
<td>928.7</td>
<td>32.9%</td>
</tr>
<tr>
<td>Q3 2021</td>
<td>1,233.9</td>
<td>39.0%</td>
</tr>
<tr>
<td>9M 2020</td>
<td>2,698.8</td>
<td></td>
</tr>
<tr>
<td>9M 2021</td>
<td>3,752.2</td>
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</tbody>
</table>

Quarterly revenue structure
PLN m

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Marketplace</th>
<th>Price comparison (Ceneo)</th>
<th>Advertising</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2020</td>
<td>928.7</td>
<td>86.9% (4.0%)</td>
<td>85.6%</td>
<td>87.0%</td>
</tr>
<tr>
<td>Q4 2020</td>
<td>1,299.0</td>
<td>9.1% (4.9%)</td>
<td>9.1%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Q1 2021</td>
<td>1,210.2</td>
<td>0.5% (4.1%)</td>
<td>8.7%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Q2 2021</td>
<td>1,308.1</td>
<td>0.4% (3.1%)</td>
<td>8.7%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Q3 2021</td>
<td>1,233.9</td>
<td>0.8% (2.9%)</td>
<td>8.9%</td>
<td>8.7%</td>
</tr>
</tbody>
</table>

1. Corresponds to 3P Marketplace revenue and 1P Retail revenue
2. Advertising revenue includes Allegro marketplace advertising and Ceneo advertising revenues
3. Other revenue is primarily from hosting services and financial services

Source: Company information
Marketplace and advertising drive Q3 revenue growth

Revenue Bridge
PLN m

<table>
<thead>
<tr>
<th></th>
<th>Q3 2020</th>
<th>Marketplace</th>
<th>Advertising</th>
<th>Price comparison</th>
<th>Retail (1P)</th>
<th>Other</th>
<th>Q3 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>928.7</td>
<td>318.9</td>
<td>31.1</td>
<td>-1.9</td>
<td>32.6</td>
<td>4.4</td>
<td>1,233.9</td>
</tr>
</tbody>
</table>

Take Rate\(^1\) %

- Take rate up by 0.9pp YoY and down by 0.17pp QoQ, in line with expectations
- Usual seasonal drop expected for Q4

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

Source: Company information
Moderate increase in cost of sales as % of revenue, driven by rising number of Smart! subscribers

- Net costs of delivery up by 60% YoY due to rising number of Smart! users, higher transactions per user, with YoY share of courier deliveries up 10.8pp in Q3
- CoGS growth reflects increase in 1P revenue growth and its bigger role in supporting price and selection for buyers
- Payment charges continue to decline as % of revenue from cheaper payments mix and volume-driven discounts

---

1. PLN 3.3m of delivery costs related to free Smart! users included in marketing costs for Q3 2020, down from PLN 71.7m in Q2 2020, PLN 9.5m in Q1 2020, and nil in 2021

Source: Company information
1.6pp YoY increase in SG&A costs as % of revenue to support innovation roadmap

SG&A as % revenue\(^1\)

- SG&A costs net of adjustments increased by 40% YoY in Q3 driven by rising marketing and staff costs
- Marketing costs growth driven largely by pay-per-click expenses up by 31% YoY to drive traffic and GMV performance
- Underlying staff costs up by 39% YoY as headcount grew by 33% YoY in Q3 to drive further innovation capacity and execute the growth strategy

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1. In calculating the percentages, category expenses are after deduction of amounts relating to items included in the adjustments made to arrive at Adjusted EBITDA
2. PLN 3.3m of delivery costs related to free Smart! users included in marketing costs for Q3 2020, down from PLN 71.7m in Q2 2020, PLN 9.5m in Q1 2020, and nil in 2021

Source: Company information
Adjusted EBITDA at PLN 472m in Q3 2021, up by 15.5% YoY with Adjusted EBITDA to GMV margins up 0.22pp for 9M YoY at 5.24%
EBITDA adjustments during Q3 2021

<table>
<thead>
<tr>
<th>Reconciliation of Adjusted EBITDA (PLN m)</th>
<th>YTD Q3 2021</th>
<th>YTD Q3 2020</th>
<th>Change %</th>
<th>Q3 2021</th>
<th>Q3 2020</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA</td>
<td>1,567.2</td>
<td>1,216.5</td>
<td>28.8%</td>
<td>471.7</td>
<td>408.5</td>
<td>15.5%</td>
</tr>
<tr>
<td>Monitoring costs</td>
<td>-</td>
<td>2.8</td>
<td>(100.0%)</td>
<td>-</td>
<td>1.1</td>
<td>(100.0%)</td>
</tr>
<tr>
<td>Regulatory proceeding costs</td>
<td>0.8</td>
<td>2.6</td>
<td>(70.5%)</td>
<td>0.2</td>
<td>0.7</td>
<td>(65.5%)</td>
</tr>
<tr>
<td>Group restructuring and development costs</td>
<td>18.6</td>
<td>2.8</td>
<td>563.0%</td>
<td>10.2</td>
<td>0.1</td>
<td>10447.9%</td>
</tr>
<tr>
<td>Donations to various public benefit organisations</td>
<td>2.3</td>
<td>4.5</td>
<td>(48.5%)</td>
<td>-</td>
<td>0.8</td>
<td>(100.0%)</td>
</tr>
<tr>
<td>Bonus for employees and funds spent on protective equipment</td>
<td>1.0</td>
<td>2.9</td>
<td>(67.2%)</td>
<td>0.4</td>
<td>0.4</td>
<td>(5.9%)</td>
</tr>
<tr>
<td>Allegro Incentive Plan (AIP)</td>
<td>12.5</td>
<td>14.6</td>
<td>(14.1%)</td>
<td>3.8</td>
<td>14.6</td>
<td>(74.0%)</td>
</tr>
<tr>
<td>Management Investment Plan</td>
<td>-</td>
<td>52.2</td>
<td>(100.0%)</td>
<td>-</td>
<td>45.3</td>
<td>(100.0%)</td>
</tr>
<tr>
<td>Transaction costs</td>
<td>-</td>
<td>60.8</td>
<td>(100.0%)</td>
<td>-</td>
<td>60.8</td>
<td>(100.0%)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,532.1</td>
<td>1,073.3</td>
<td>42.7%</td>
<td>457.1</td>
<td>284.7</td>
<td>60.5%</td>
</tr>
<tr>
<td>Amortisation and Depreciation</td>
<td>(381.0)</td>
<td>(345.2)</td>
<td>10.4%</td>
<td>(133.9)</td>
<td>(117.0)</td>
<td>14.5%</td>
</tr>
<tr>
<td>Amortisation</td>
<td>(320.8)</td>
<td>(298.1)</td>
<td>7.6%</td>
<td>(110.7)</td>
<td>(100.7)</td>
<td>10.0%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(60.1)</td>
<td>(47.1)</td>
<td>27.7%</td>
<td>(23.2)</td>
<td>(16.3)</td>
<td>42.5%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1,151.1</td>
<td>728.1</td>
<td>58.1%</td>
<td>323.1</td>
<td>167.8</td>
<td>92.6%</td>
</tr>
<tr>
<td>Net Financial result</td>
<td>(44.6)</td>
<td>(436.1)</td>
<td>(89.8%)</td>
<td>57.6</td>
<td>(252.4)</td>
<td>N/A</td>
</tr>
<tr>
<td>Profit / (loss) before Income tax</td>
<td>1,106.6</td>
<td>292.0</td>
<td>278.9%</td>
<td>380.7</td>
<td>(84.7)</td>
<td>N/A</td>
</tr>
<tr>
<td>Income tax expenses</td>
<td>(216.7)</td>
<td>(134.0)</td>
<td>61.7%</td>
<td>(56.3)</td>
<td>(47.0)</td>
<td>20.0%</td>
</tr>
<tr>
<td>Net profit / (loss)</td>
<td>889.9</td>
<td>158.0</td>
<td>463.2%</td>
<td>324.4</td>
<td>(131.7)</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Company information

1. In 2021 includes mainly expenses in respect of international expansion advisory fees
2. AIP in prior year related to IPO grants with 2021 charge related to recurring employee incentive plans
3. IPO-related one-offs in prior year
4. 50 bps margin reduction in Q3 triggered PLN 105.9m non-cash financial gains from amortized cost valuation, with prior year impacted by IPO related refinancing
5. Low effective tax rate in Q3 caused by non-taxable, non-cash financial gain of PLN 105.9m
120% YoY capex acceleration in Q3, reflecting investments in Allegro One Lockers

Capital expenditures¹ by type
PLN m

- Other capex growth driven by Allegro’s flagship projects in Delivery Experience: One Fulfillment and One Box APMs³ by Allegro – aimed at faster deliveries and incremental revenue from logistics
- Significant lockers deliveries and installation acceleration to continue in Q4
- Investment in larger Tech Team drives capitalisation of projects delivering new functionality and platform development to support future growth
- New office fit-outs ongoing in Q3 and over next few quarters

% cash conversion²
<p>|</p>
<table>
<thead>
<tr>
<th>% of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>88.5%</td>
</tr>
<tr>
<td>86.4%</td>
</tr>
<tr>
<td>5.1%</td>
</tr>
<tr>
<td>6.1%</td>
</tr>
</tbody>
</table>

1. Presented values are related to cash flow from investing activities and does not include leased assets (which are presented in balance sheet and financing cash flow)
2. Defined as (Adjusted EBITDA – Capex) / Adjusted EBITDA
3. Automated parcel machines
Source: Company information
Further organic deleveraging to 1.8x

- Lower leverage triggered 50 bps drop in interest rate from August
- External financing from Aion bank expected to release PLN 100-200m from working capital by 2021 year-end and provide PLN 2bn over 2 years for Allegro Pay

Mall acquisition EV EUR 925m funding:
- Own cash EUR 298m
- EUR 220m from new debt
- EUR 407m in new shares at PLN 56 per share issued to sellers (3.3% dilution)
- Proforma post completion leverage <3.0x (end H1 2022)
- PLN bonds under consideration for long term funding diversification

---

**[PLN m]**

<table>
<thead>
<tr>
<th></th>
<th>Sep-20 Proforma¹</th>
<th>Jun-21</th>
<th>Sep-21</th>
</tr>
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<tbody>
<tr>
<td>Adjusted EBITDA LTM</td>
<td>1,600.8</td>
<td>2,037.6</td>
<td>2,100.7</td>
</tr>
<tr>
<td>Borrowings at amortised cost</td>
<td>5,437.4</td>
<td>5,445.8</td>
<td>5,344.0</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>77.4</td>
<td>162.4</td>
<td>236.3</td>
</tr>
<tr>
<td>Less Cash</td>
<td>(851.6)</td>
<td>(1,570.7)</td>
<td>(1,788.5)</td>
</tr>
<tr>
<td>= Net Debt</td>
<td>4,663.2</td>
<td>4,037.5</td>
<td>3,791.8</td>
</tr>
<tr>
<td>Leverage</td>
<td>2.9x</td>
<td>2.0x</td>
<td>1.8x</td>
</tr>
<tr>
<td>Equity</td>
<td>7,779.2</td>
<td>8,737.9</td>
<td>9,116.8</td>
</tr>
<tr>
<td>Net debt to Equity</td>
<td>60%</td>
<td>46%</td>
<td>42%</td>
</tr>
<tr>
<td></td>
<td>(Source: Company information)</td>
<td></td>
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</tr>
</tbody>
</table>
On track to meet expectations for 2021 with focus on GMV growth through leading on value proposition for consumers and merchants

<table>
<thead>
<tr>
<th></th>
<th>2020 Actual</th>
<th>FY 2021 Last update</th>
<th>FY 2021 Update</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMV</td>
<td>54% YoY growth</td>
<td>High teens-Low 20s% YoY growth</td>
<td>Unchanged</td>
<td>• Q4 growth headwind from lock-downs in 2020</td>
</tr>
<tr>
<td>Revenue</td>
<td>54% YoY growth</td>
<td>Low 30s% YoY growth</td>
<td>Unchanged</td>
<td>• Take Rate seasonally lower in Q4, incl. lower “Co-fi” yield on Smart! courier</td>
</tr>
<tr>
<td>Adjusted EBITDA¹</td>
<td>31% YoY growth</td>
<td>High teens-Low 20s% YoY growth</td>
<td>Unchanged</td>
<td>• Driving Smart! penetration</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Smart! courier delivery mix up in Q4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Investing in teams to support innovation</td>
</tr>
<tr>
<td>Capex</td>
<td>PLN 230m</td>
<td>PLN 475-525m</td>
<td>Unchanged</td>
<td>• Rolling out One Box and One Fulfillment by Allegro</td>
</tr>
</tbody>
</table>

• Improved competitive offers having limited impact

Update on Outlook for 2022
• Priority to invest in GMV growth through retail basics and scaling Allegro Pay, Allegro APM and Allegro fulfilment operations
• Operating margins may therefore be softer in 2022 while further growth in absolute Adjusted EBITDA is a key financial objective

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

Source: Company information
Summary

Q3 GMV growth accelerated to 20% YoY as anticipated

Crossing PLN 3,000 average annual spend per buyer with Active Buyers returning to QoQ growth

Allegro Pay roll-out scaling strongly and external financing arranged

Speeding up delivery times with Last Mile projects passing key milestones

Maintaining guidance while investing in the leading value proposition for consumers and merchants

Continued investment in people to execute ambitious development roadmap

Mall Group acquisition to come in 2022, doubling TAM and bringing a major new long-term growth lever

Source: Company information
Questions & Answers
Thank you