



## **A successful defense strategy in a challenging global environment**

In the first half of 2021, **JUMBO Group** stood financially strong, demonstrating a positive trend in sales and profitability, exceeding the levels recorded in the first half of 2019.

However, such results were achieved in a difficult, misinterpreted and ever-changing environment, both in terms of health and of operational and cost data.

In total, during the first half of the year (**January-June 2021**) **Jumbo Group's** sales amounted to EUR 313.78 million, increased by **+ 12.54%** compared to the corresponding period last year (EUR 278.82 million).

- In **Greece** sales increased by **+ 4%**
- In **Cyprus** sales increased by **+ 17%**
- In **Bulgaria** sales increased by **+ 18%**
- In **Romania** sales increased by **+ 35%**.

In the **first half of 2021**, Jumbo Group's gross profitability amounted to **EUR 166.52 million**, recording an **increase of + 14.88%** (EUR 144.95 million in the first half of 2020) and **its gross profit margin** stood at **53.07%** while during last year's corresponding period it stood at **51.99%** due to inventory management.

During the same period, **operating costs' containment** significantly contributed so that the **Net Consolidated Profits after taxes** stood at **EUR 67.18 million** compared to **EUR 49.81 million** in the corresponding last year's period, increased by **+ 34.88%**.

It is to be noted that in the first half of 2019, net consolidated profits after taxes stood at 64.13 million euro.

**Cash available** and other current financial assets amounted to **EUR 755.45 million** versus **EUR 665.15 million** as at 31.12.2020 due to the decrease in purchases by 18% compared to the same last year's period.

### **Complex conditions dominating the power supply chain**

Despite the extremely positive performance, recorded in the first half of 2021 as a result of the defense strategy that was and - still is - applied, the **unprecedented reality** builds up a **complex puzzle** that can be only solved by strong players.

- The on-going **price increases in raw materials and energy** at a double-digit number and the increase of **freight cost**, which in the case of Jumbo have been increased tenfold and still remain at unsustainable levels, constitute the factors that lead to spiraling pressure in terms of costs
- Closure or the operation under restrictions of ports, even when a single Covid-19 case was recorded, aggravate the situation even further in the already disrupted supply chain. Delays in delivery increase product shortages, especially in those of a strictly seasonal nature.

In this environment of high uncertainty with constantly changing parameters, Jumbo has two constants regarding the course of its development:

1. Remaining loyal to its shareholders-partners orientation, maintaining its policy for dividend distribution every year.
2. Preserving Jumbo's brand towards the consumer regarding the price - product relation, choosing even not to repurchase certain product categories.



### **Next steps to take**

Although the Group has not cut down on its investments, lack of products leads to postponing operation of the new stores and warehouses as well as the operation of the online store in Romania.

The new privately owned store in **Craiova**, Romania, is an exception, since it is expected to operate until the end of **2021**, for which the company has already proceeded with the recruitment of the staff.

Postponing the operation of the new premises strengthens the management's assessment that the year 2021 will be another year without possible growth compared to the healthy past.

Regarding 2022 and - especially - during the first months – the conditions are likely to worsen, before the supply and demand leads the market to a normality, most likely resulting in 2022 to be another lost year.

As of **June 30, 2021**, JUMBO Group had **80** stores, **52** in Greece, **5** in Cyprus, **9** in Bulgaria and **14** in Romania. In addition, the online store [www.e-jumbo.gr](http://www.e-jumbo.gr) operates in Greece and Cyprus.

Through partnerships, the Group has a presence with **30** stores bearing the JUMBO brand, in 6 countries (Albania, Kosovo, Serbia, Northern Macedonia, Bosnia and Montenegro).

### **"Green" investment strategy**

In the context of its Sustainable Development policy and taking advantage of its strong liquidity, the JUMBO Group continues to invest in improving its building facilities aiming at the **reduction of carbon dioxide emissions** from electricity consumption.

In particular:

- a three-year program regarding the replacement of conventional lamps with LED lamps for 19 buildings in Greece and Cyprus is expected to be completed in 2021.
- in 2021 started a three-year program for the installation of photovoltaic systems for self-consumption in 25 buildings in Greece and Cyprus, with an installed capacity that will exceed 8.4MWp.

The total production of the systems in Greece and Cyprus is expected to exceed **12,593.3MWh** per year.

The use of photovoltaic systems makes a significant saving in the Carbon dioxide emissions (**CO<sub>2</sub>**) of **8,069 tons per year**.



### Earnings before interest, taxes, depreciation and amortization (EBITDA)

Amounts in mil. €	The Group		The Company	
	30/6/2021	30/6/2020	30/6/2021	30/6/2020
Earnings After Tax	67,18	49,81	35,57	30,58
Taxes	15,04	11,24	9,98	7,99
Interest	2,68	1,92	2,47	2,51
Depreciation	18,35	18,44	11,94	12,08
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b>	<b>103,24</b>	<b>81,40</b>	<b>59,96</b>	<b>53,15</b>
Investment results	0,00	0,01	0,00	(0,01)
<b>Earnings before interest, tax, investment results, depreciation and amortization</b>	<b>103,24</b>	<b>81,41</b>	<b>59,96</b>	<b>53,14</b>
Turnover	313,78	278,82	247,78	237,97
<b>Margin of Earnings before interest, tax investment results depreciation and amortization</b>	<b>32,90%</b>	<b>29,20%</b>	<b>24,20%</b>	<b>22,33%</b>

#### Note

The term EBITDA refers to earnings before interest, taxes, depreciation and amortization and alongside with the Earnings before interest, tax, investment results, depreciation and amortization Margin, it constitutes the ratios of measuring the Company's and the Group's operational performance. The Company and the Group reclassified in the results of the interim period 1.1 - 30.6.2020 the provision for a tax deduction of 25% for regulated debts through their timely repayment, as arising from the application of the favorable regulation provided by the legislation for the affected companies, amounting to € 6.176.878, from the tax income for the period, in other operating income.

#### NET DEBT

Amounts in mil. €	The Group		The Company	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Long term loan liabilities	199,35	199,19	199,35	199,19
Long term lease liabilities	89,21	98,09	71,89	80,14
Short-term loan liabilities	0,10	-	-	-
Short-term lease liabilities	7,90	8,55	6,13	6,67
Short term restricted bank deposits	(12,70)	(12,70)	-	-
Other current financial assets	(312,22)	(272,23)	(200,00)	(200,00)
Cash and cash equivalents	(430,53)	(380,22)	(240,52)	(109,70)
<b>Net Debt</b>	<b>(458,89)</b>	<b>(359,32)</b>	<b>(163,14)</b>	<b>(23,70)</b>

#### Note

The net debt for the Company and the Group is represented by the total lease liabilities and borrowings less the amount of cash and cash equivalents and other current financial assets and is used by the Management of the Company and the Group as a measure of liquidity.