

EG Group posts resilient Q2 performance

BLACKBURN, UK: September 1, 2022 – EG Group is pleased to announce a trading update for the second quarter of 2022, representing the three months and half year results to June 30, 2022.

Q2 performance highlights

- Group EBITDA for Q2 2022 remained consistent with the previous year, increasing by 0.2% to \$381m on a constant currency basis. On a reported basis, Group EBITDA decreased by 6.5% to \$355m year-on-year, primarily attributable to adverse foreign currency movements, alongside the impact of ongoing inflationary and cost-of-living pressures on customer behaviour
- Foodservice operations continued to grow, with gross profit increasing by 11% year-on-year to \$177m, driven by the contribution of the Group's 2021 acquisitions and the pipeline of outlets opening across Continental Europe and UK&I regions. 33 Foodservice outlets were opened in the quarter, bringing the total number of Group outlets to 1,889
- Grocery & Merchandise gross profit remained consistent despite inflation impacting retail prices and was broadly consistent with the prior year, increasing by 0.4% to \$346m
- There is continued volatility around wholesale fuel costs due to the ongoing dislocation in energy markets from geopolitical events. Fuel margins were flat on a quarter-on-quarter basis

Q2 financial summary (constant currency)

\$m	Q2			YTD		
	2021	2022	Var (%)	2021	2022	Var (%)
Total revenue	6,717	8,965	+33.5%	12,236	16,173	+32.2%
Group EBITDA	380	381	+0.2%	645	662	+2.7%
Grocery & Merchandise gross profit	345	362	+5.1%	635	662	+4.3%
Foodservice gross profit	160	197	+23.4%	273	378	+38.5%
Fuel gross profit	478	545	+14.1%	893	1,045	+17.0%
Total revenue LFL	6,697	8,547	+27.6%	12,140	15,631	+28.8%
Group EBITDA LFL	378	361	(4.5)%	637	641	+0.6%
Grocery & Merchandise gross profit LFL	344	358	+4.1%	631	654	+3.7%
Foodservice gross profit LFL	160	163	+2.0%	271	302	+11.3%
Fuel gross profit LFL	477	520	+9.1%	887	1,015	+14.4%

Q2 financial summary (reported)

\$m	Q2			YTD		
	2021	2022	Var (%)	2021	2022	Var (%)
Total revenue	6,717	8,306	+23.7%	12,236	15,217	+24.4%
Group EBITDA	380	355	(6.5)%	645	625	(3.1)%
Grocery & Merchandise gross profit	345	346	+0.4%	635	640	+0.8%
Foodservice gross profit	160	177	+10.7%	273	352	+28.9%
Fuel gross profit	478	511	+7.0%	893	993	+11.1%
Total revenue LFL	6,697	7,931	+18.4%	12,140	14,719	+21.2%
Group EBITDA LFL	378	334	(11.7)%	637	602	(5.5)%
Grocery & Merchandise gross profit LFL	344	342	(0.6)%	631	632	+0.2%
Foodservice gross profit LFL	160	146	(8.9)%	271	280	+3.3%
Fuel gross profit LFL	477	488	+2.3%	887	965	+8.7%

\$m	Mar-22	June-22	Var (\$)
Net Debt	(9,351)	(9,403)	(52)
Liquidity headroom	1,349	971	(378)

Group financial position

- At June 30, 2022 the Group had liquidity headroom of \$971m, after \$466m of cash and cash equivalents were utilised for the OMV settlement on May 1, 2022
- Total net leverage at June 2022 of 5.9x consistent with March 2022

M&A

- The Group's acquisition of 285 forecourts located in Southern Germany from the OMV Group completed on May 1, 2022, following 'anti-trust' clearance from the German Federal Cartel Office on the condition of the sale of 48 sites, of which 24 were EG sites and 24 were OMV stations. At the end of Q2 2022, two sites were disposed of, with the remaining 46 sites being divested in Q3 2022

Leadership update

- EG Group has appointed Michael Bradley as Group Chief Financial Officer from September 2022 to replace Paul Altschwager, who has informed the Board that he will step down as Group CFO and leave EG Group in July 2023 following a transition to Michael.
- Michael joins from High Speed Two (HS2), Britain's new high speed rail line, where he has been CFO since 2018. He brings more than 25 years of experience to the role, operating at Board level, supporting businesses in both the public and private sectors, where he has led Finance, IT and Business wide Transformation in large complex organisations

ESG

- The Group's first ESG report is being prepared and due to be published during Q4 2022
- The Group's proprietary branded ultra-fast electric vehicle charging proposition, "EV Point", was launched in August 2022 at the Group's flagship Frontier Park site in Blackburn, United Kingdom
- Early trials have seen a significant percentage of EV customers completing purchases in the Group's Foodservice and Grocery & Merchandise outlets whilst charging their vehicle, demonstrating the value created by EG's highly complementary multi-proposition site operations

Zuber Issa CBE, co-founder and co-CEO of EG Group, commented:

"Despite a backdrop of challenging market conditions, we continued to perform resiliently in the second quarter of the year, supported by our geographically diverse portfolio and complementary Foodservice, Grocery and Merchandise, and Fuel operations.

"The cost-of-living squeeze remains front of mind for all of us, and the Group is laser-focused on supporting our employees and helping customers with value for money at this time. EG's robust performance over the quarter has demonstrated our adaptability, and while the economic outlook remains uncertain, we look forward to the second half of the year confident in our ability to outperform the wider market.

"Alongside acting as a responsible global convenience retailer, we recognise our role in contributing to a more sustainable future. We are pleased to be trialling our own-branded ultra-fast electric vehicle chargers in the UK and plan to introduce them to additional locations by the end of this year. This investment further supplements our existing network of approximately 250 electric charging points across 98 sites in the UK and Ireland, Germany and France. We also continue to explore the delivery of other low carbon fuels alongside our planned EV roll-out.

"Finally, we have announced today that Michael Bradley has been appointed as Group CFO, replacing Paul Altschwager who is stepping down. I would like to thank Paul for his contribution and look forward to working with Michael who has broad expertise and experience across various business sectors."

- ENDS -

About EG Group

Founded in 2001 by the Issa Family, United Kingdom-based EG Group is a leading independent convenience retailer, which has established partnerships with global brands, as well as a focused portfolio of proprietary brands. The business has an established pedigree of delivering an excellent fuel, grocery and merchandise, and food service proposition in all the markets in which it operates.

EG Group currently employs more than 50,000 colleagues working in 6,660 sites across the UK&I, Europe, USA and Australia.

The business is regularly recognised for innovation and investment in convenience retail assets, the employees and the systems. Zuber Issa and Mohsin Issa, Founders and co- CEOs, EG Group, were jointly named the 2018 EY Entrepreneur of the Year in the UK.

Further information at www.eg.group

Forward looking statements

Certain statements contained in this release are forward looking statements, and may discuss our future plans or our expectations regarding our business performance.

Forward looking statements are not guarantees of future business performance or that future events will occur, and inherently involve certain risks, uncertainties and assumptions which are difficult to predict and outside of the control of management. Therefore, actual outcomes and results may differ materially from what is expressed in any forward looking statements, and we cannot assure you that the results or developments expressed in these statements will be realized or even if realized, will have the expected consequences to, or effects on, us or our business, prospects, financial condition, results of operations or cash flows.

You should not place undue reliance on these forward-looking statements, which speak only as of the date of this release. Other than as may be required under applicable law, we disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

For further information please contact:

FGS Global

Rollo Head: 07768 994987

Jenny Davey: 07901 513610

James Thompson: 07947 796965

EGGroup-LON@fgsglobal.com

EG Group

Daniela Carette, Director of Group Finance

ir@eg.group