

Resilient Q2 performance supports positive outlook

BLACKBURN, UK August 26, 2021 – EG Group is pleased to announce a trading update for the second quarter of 2021, representing the three months and half year results to June 30, 2021.

Q2 performance highlights

- Group EBITDA for Q2 2021 increased by 23.7% to \$380m on a reported basis year-on-year, and 23.4% on a like-for-like basis, reflecting a strong performance against the prior year which was significantly impacted by COVID-19 lockdown restrictions and temporary foodservice closures in the UK
- Strong performance in Foodservice operations, with Q2 2021 gross profit growing by 231% year-on-year and 219% on a like-for-like basis, supported by continued customer demand for “to-go” and “delivery” services and reflecting an extraordinary year-on-year performance uplift due to the significant impact of Covid-19 restrictions in the same period last year
- Continued resilience in Grocery & Merchandise, with Q2 2021 gross profits increasing 24% year-on-year reflecting increased footfall with lockdown restrictions having been relaxed in many of the Group’s operating countries
- Fuel gross profit increased year-on-year by 9%, with Group Fuel sales volumes growing by 19% vs Q2 2020, partially offsetting a softening of Fuel margins against the market-led exceptional Fuel margins recorded last year
- Transition plans underway to facilitate completion of the Asda forecourts business
- Completion of the acquisition of LEON Restaurants and strong progress made on the integration into the Group with a pleasing performance in Q2 2021 and plans to open a further c.10 LEON restaurants in 2021

Q2 financial summary

\$m	Q2			YTD		
	2020	2021	Var (%)	2020	2021	Var (%)
Total revenue	4,130	6,511	+57.7%	9,852	11,839	+20.2%
Group EBITDA	307	380	+23.7%	557	645	+15.7%
Grocery & Merchandise gross profit	283	351	+23.7%	588	645	+9.8%
Foodservice gross profit	46	153	+231.4%	91	263	+188.7%
Fuel gross profit	438	478	+9.1%	876	893	+2.0%
<i>Total revenue LFL</i>	<i>4,130</i>	<i>6,502</i>	<i>+57.5%</i>	<i>9,851</i>	<i>11,762</i>	<i>+19.4%</i>
<i>Group EBITDA LFL</i>	<i>307</i>	<i>379</i>	<i>+23.4%</i>	<i>557</i>	<i>636</i>	<i>+14.1%</i>
<i>Grocery & Merchandise gross profit LFL</i>	<i>283</i>	<i>351</i>	<i>+23.7%</i>	<i>588</i>	<i>645</i>	<i>+9.8%</i>
<i>Foodservice gross profit LFL</i>	<i>46</i>	<i>147</i>	<i>+218.6%</i>	<i>91</i>	<i>218</i>	<i>+139.3%</i>
<i>Fuel gross profit LFL</i>	<i>438</i>	<i>478</i>	<i>+9.1%</i>	<i>876</i>	<i>893</i>	<i>+2.0%</i>

\$m	Mar-21	Jun-21	Var (%)	Mar-21	Jun-21	Var (%)
Net Debt	8,928	9,105	(2.0%)	8,928	9,105	(2.0%)
Liquidity headroom	1,090	1,709	+56.8%	1,090	1,709	+56.8%

Group financial position

- Net leverage at June 2021 of 6.0x, unchanged from March 2021
- Total Group liquidity including undrawn working capital facilities, at June 30, 2021 stood at \$1,709m (including the drawdown of funds of \$730m which will facilitate the completion of the OMV forecourts acquisition)

M&A update

- Following the remedies agreed during the CMA process for the acquisition of Asda, discussions are at an advanced stage for the divestment by EG of 27 UK petrol filling stations, expected to complete in Q4 2021
- German anti-trust authorities are currently reviewing EG Group's agreement to acquire 286 filling stations in Germany from OMV Group, with the transaction expected to complete in H2 2021

Governance and leadership update

- Executive Risk & Disclosure Committee (that will report to the Audit Committee) held its first meeting on August 13, 2021
- Amina Batool has been recruited as Group Head of ESG & Sustainability, joining at the end of September from Kingfisher plc, with additional prior experience from The Co-operative Group

Zuber Issa CBE and Mohsin Issa CBE, co-founders and co-CEOs of EG Group, commented:

"We continued to make good progress in the second quarter, with a particularly strong performance from our Foodservice business, driven by growth in customer demand for take away and delivery services and the easing of COVID restrictions across many of our countries. The Group's latest performance is further validation of our successful global strategy."

"We are also pleased to have completed the acquisition of LEON Restaurants and look forward to expanding its offering with c.10 new restaurant openings planned this year, including the brand's first ever Drive-Thru. The resilience of our business model has been demonstrated during the pandemic, and we have emerged as an even stronger business as we enter the second half of the year with confidence."

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About EG Group

Founded in 2001 by the Issa Family, United Kingdom based EG Group is a leading convenience retailer who has established partnerships with global brands. The business has an established pedigree of delivering a world class Grocery & Merchandise, Foodservice and Fuel offer.

EG Group currently employs in excess of 45,000 colleagues working in more than 6,000 sites across USA, UK&I, Continental Europe and Australia.

Zuber Issa CBE and Mohsin Issa CBE, founders and co-CEOs, EG Group, were honoured in the Queen's Birthday Honours List 2020, for their contribution to business and charity. They were also jointly named the 2018 EY Entrepreneur of the Year in the UK.

For more information see the Group's website: www.eurogarages.com.

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 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.

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