

# Preliminary Sales 2020

Lisbon, January 12, 2021

**Jerónimo  
Martins**

**2020 ends with a strong performance reflecting actions more focused than ever on consumer needs, in a particularly challenging context. Consolidated sales grew 3.5% (+6.7% at constant exchange rates) to 19.3 billion euros.**

SALES

Million Euros	2020	2019	Δ% (Euro)	Δ% (w/o FX)
Net Sales	19,293	18,638	+3.5	+6.7
Biedronka	13,465	12,621	+6.7	+10.4
Pingo Doce	3,869	3,945	-1.9	-
Recheio	847	1,007	-15.9	-
Ara	854	784	+8.9	+24.4
Hebe	245	259	-5.4	-2.2
Others	14	23	-40.5	-



**Biedronka** – sales in local currency grew 10.4% (+10.4% in Q4) with LFL of 7.1% (+6.9% in Q4).



**Hebe** – sales were down by 2.2% (-13.9% in Q4) in local currency with LFL of -10.3% (-12.5% in Q4).

**Pingo Doce** – sales decreased by 1.9% (-0.8% in Q4) with LFL (excl. fuel) of -2.2% (-2.0% in Q4).

**Recheio** – registered a sales reduction of 15.9% (-16.7% in Q4) with LFL of -15.9% (-16.3% in Q4).

**Ara** – sales increased, in local currency, by 24.4% (+22.7% in Q4) with LFL of 10.2% (+11.1% in Q4).



**Message from the Chairman and CEO – Pedro Soares dos Santos**

‘The unprecedentedly challenging 2020 has put us to the test and summoned us to give our very best. In a pandemic context marked by very high uncertainty, our teams have surpassed themselves and ensured remarkable growth at Group level, while reinforcing competitiveness in all banners.

Throughout the year, we remained true to our promise of quality at the best price, even when restrictions in Portugal and Colombia sharply reduced the high traffic that our stores were used to. We believe that investing in competitiveness in an adverse context was a fundamental decision that will reinforce the confidence of our consumers.

These were twelve months of overcoming thanks to the dedicated work carried out by our teams, especially by all those in the stores and in distribution centres, who did their best to serve consumers in highly unpredictable and strongly pressured circumstances.

In this exceptionally difficult context, that demanded a high level of resilience from our teams in the front line, the Board of Directors approved, as a token of recognition for their commitment and sense of mission, the distribution, by the occasion of Christmas, of a value equivalent to c.€20 million at the Group level.

We entered 2021 with confidence that we will continue to count on the energy and commitment of all.’



SALES  
PERFORMANCE

(Million Euro)	2020		2019		Δ %		Q4 20		Q4 19		Δ %	
		% total		% total	excl. FX	Euro		% total		% total	excl. FX	Euro
Biedronka	13,465	69.8%	12,621	67.7%	10.4%	6.7%	3,555	69.8%	3,384	68.0%	10.4%	5.1%
Pingo Doce	3,869	20.1%	3,945	21.2%		-1.9%	1,025	20.1%	1,033	20.8%		-0.8%
Recheio	847	4.4%	1,007	5.4%		-15.9%	208	4.1%	249	5.0%		-16.7%
Ara	854	4.4%	784	4.2%	24.4%	8.9%	238	4.7%	224	4.5%	22.7%	6.5%
Hebe	245	1.3%	259	1.4%	-2.2%	-5.4%	65	1.3%	79	1.6%	-13.9%	-18.0%
Others & Cons. Adjustments	14	0.1%	23	0.1%		-40.5%	4	0.1%	6	0.1%		-36.3%
<b>Total JM</b>	<b>19,293</b>	<b>100%</b>	<b>18,638</b>	<b>100%</b>	<b>6.7%</b>	<b>3.5%</b>	<b>5,095</b>	<b>100%</b>	<b>4,976</b>	<b>100%</b>	<b>6.8%</b>	<b>2.4%</b>

In Q4, the **Group's sales** reached €5.1 bn, 2.4% above the previous year (+6.8% at constant exchange rates), with a LFL growth of 3.5%.

In the year, sales were €19.3 bn, 3.5% above the previous year (+6.7% at constant exchange rates), with a LFL of 3.5%.

In **Poland**, in the last quarter of the year, food inflation registered an average value of 1.7%, slowing from the 3.2% registered in Q3 (4.7% for the year).

In Q4, and in an increasingly severe epidemiological context, new restrictions on the circulation of people were established, including limits to consumers inside stores, closure of shopping centres in November and from December 28, closure of restaurants and schools operating with teaching at distance.

Although the restrictions in force had an impact on impulse buying, they also drove some mitigating factors, including more meals at home due to the closure of schools.

**Biedronka** created strong sales momentum. To the speed of action, the flexibilization of schedules and the adaptation of the operation to ensure more convenience and availability to consumers, the Company added superior execution in delivering quality at the best price. The banner entered Q4 well prepared to maintain the preference of Polish consumers who, in turn and in more challenging circumstances, continued to show signs of resilience, and within the recommended confinement rules celebrated the festive season.

The banner, in Q4, increased sales by 10.4% (+5.1% in euros to €3.6 bn) with LFL at 6.9% incorporating a zero basket inflation (evolving from 1% in Q3, having reached 2.1% in the year)

In the year, Biedronka achieved remarkable growth of 10.4% (+6.7% in euros), including a LFL of 7.1%, which led sales to reach €13.5 bn. Its market share has been strengthened.

In 2020, the Company maintained its expansion plan and opened 129 new stores (113 net additions), ending the year with a total of 3,115 locations. The remodeling programme included 267 stores.

**Hebe**, in Q4, saw its sales impacted by further restrictions, in November and the last days of December, with the closure of shopping malls, where it has near half of its stores. Although its stores remained open, they suffered from the lack of traffic. In the period, sales fell 13.9% (-18.0% in euros) with an LFL of -12.5%.

In the year, sales amounted to €245 mn, a decrease of 2.2% in local currency and -5.4% in euros.

Hebe opened 22 new stores and closed the pharmacy business in Q3, ending the year with a network of 266 locations.

In **Portugal**, in a quarter in which restrictions were reinforced in the context of the management of the pandemic, food inflation remained low, having registered values slightly above 2% in October and November.

The containment measures in force in Q4 were, for the food retail sector, the most restrictive since the beginning of the pandemic. As of the second weekend of November, in most of the country's municipalities (including Lisbon and Oporto), a mandatory curfew was imposed at 1pm during weekends with the obligation to close food stores of more than 200 sqm, significantly affecting the economic activity.

**Pingo Doce**, in this conditioned context, reinforced its commercial and communication dynamics and maintained its expansion, mitigating the impact of lost trading hours on the weekends and delivering quarterly sales broadly in line with Q4 19. The LFL (excl. fuel) was -2.0%.

In the year, sales were €3.9 bn, a decrease of 1.9% with a LFL (excl. fuel) of -2.2%.

Pingo Doce opened 13 stores (of which four under the convenience concept Pingo Doce & Go) and carried out 20 refurbishments.

**Recheio** recorded another quarter affected by the absence of tourist activity and the impact of the restrictions imposed over the weekend on restaurants. Sales fell 16.7% with a LFL of -16.3%.

In the year, sales were €847 mn, -15.9% compared to 2019, both in total and LFL sales.

In **Colombia**, in Q4, after the phased lifting throughout September of the lockdown restrictions in place, the country focused on reopening the economic activities, although at the end of the year, measures to control the pandemic have been reintroduced, particularly in the Bogota region.

**Ara**, which focused on protecting the competitiveness of its value proposition over the long period of confinement, saw its LFL reacting immediately with the progressive normalization of consumers' daily lives.

In the last quarter of the year, sales, in local currency, grew by 22.7% (+6.5% in euros) with a LFL of 11.1%.

In the year, Ara registered an increase of 24.4% (+8.9% in euros) to €854 mn with a LFL of 10.2%.

In 2020, the banner opened 56 stores (47 net additions) and ended the year with a network of 663 locations.

**Summarizing**, Biedronka led the growth in the food retail sector in Poland, proving the effectiveness of its speed of response from the first moment of the pandemic, as well as the flexibility of the operation and creativity used to reinforce the competitiveness of its value proposition.

Hebe operated under particularly challenging conditions due to the pandemic, registering good performance in the months with less restrictions and very good performance of its online operation.

Despite the severity of the restriction measures in Portugal, Pingo Doce and Recheio maintained a strong commercial dynamic and spirit of initiative, continuously reinforcing their capacity to mitigate the negative effects from the pandemic.

In Colombia, Ara proved the assertiveness of its value proposition, with its return to sales growth happening immediately as containment measures were lifted.

In the context of the stress test provided by the pandemic along 2020, all banners ended the year with reinforced models and even more prepared to face an operational context that will remain very demanding in 2021.

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## FINANCIAL CALENDAR

FY 2020 Results: 3 March 2021 (after the market close)

General Shareholders Meeting: 8 April 2021

Q1 2021 Results: 28 April 2021 (after the market close)

H1 2021 Results: 28 July 2021 (after the market close)

9M 2021 Results: 27 October 2021 (after the market close)

## DISCLAIMER

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## APPENDIX SALES GROWTH

	Total Sales Growth							LFL Growth						
	Q1 20	Q2 20	H1 20	Q3 20	9M 20	Q4 20	2020	Q1 20	Q2 20	H1 20	Q3 20	9M 20	Q4 20	2020
Biedronka														
Euro	12.6%	3.4%	7.8%	6.4%	7.3%	5.1%	6.7%							
PLN	13.2%	8.7%	10.9%	9.3%	10.3%	10.4%	10.4%	11.1%	4.8%	7.8%	6.0%	7.2%	6.9%	7.1%
Hebe														
Euro	14.6%	-16.6%	-1.7%	3.5%	0.1%	-18.0%	-5.4%							
PLN	15.2%	-11.8%	1.2%	6.4%	3.0%	-13.9%	-2.2%	-1.7%	-26.6%	-14.8%	1.7%	-9.4%	-12.5%	-10.3%
Pingo Doce														
Excl. Fuel	3.5%	-8.8%	-2.9%	-1.2%	-2.3%	-0.8%	-1.9%	2.8%	-10.2%	-4.0%	-2.5%	-3.5%	-3.1%	-3.4%
Recheio														
Excl. Fuel	4.3%	-7.1%	-1.6%	-0.1%	-1.1%	0.4%	-0.7%	3.5%	-8.5%	-2.8%	-1.5%	-2.3%	-2.0%	-2.2%
Recheio	0.2%	-26.7%	-14.4%	-17.5%	-15.6%	-16.7%	-15.9%	0.1%	-26.9%	-14.5%	-17.7%	-15.7%	-16.3%	-15.9%
Ara														
Euro	38.9%	0.5%	18.8%	-5.6%	9.9%	6.5%	8.9%							
COP	52.3%	16.7%	33.4%	10.9%	25.1%	22.7%	24.4%	34.3%	1.1%	16.6%	-1.7%	9.8%	11.1%	10.2%
Total JM														
Euro	11.0%	-1.3%	4.6%	2.7%	3.9%	2.4%	3.5%							
Excl. FX	12.0%	3.1%	7.3%	5.4%	6.6%	6.8%	6.7%	9.5%	-0.7%	4.2%	2.2%	3.5%	3.5%	3.5%

## STORE NETWORK

Number of Stores	2019	Openings				Closings		2020
		Q1 20	Q2 20	Q3 20	Q4 20	2020		
Biedronka	3,002	11	23	18	77	16		3,115
Hebe	273	8	3	1	10	29		266
Pingo Doce	441	1	2	6	4	1		453
Recheio	42	0	0	0	0	0		42
Ara	616	19	4	10	23	9		663

Sales Area (sqm)	2019	Openings				Closings/ Remodellings		2020
		Q1 20	Q2 20	Q3 20	Q4 20	2020		
Biedronka	2,021,345	8,394	16,694	12,708	51,991	-9,205		2,120,337
Hebe	66,805	2,109	703	240	2,378	2,897		69,338
Pingo Doce	513,272	102	2,496	3,771	4,207	712		523,136
Recheio	133,826	0	0	0	0	-102		133,928
Ara	207,982	6,235	1,502	3,622	7,812	3,335		223,818

## NOTES

### 1. DEFINITIONS

Like for Like (LFL) sales: sales made by stores that operated under the same conditions in the two periods. Excludes stores opened or closed in one of the two periods. Sales of stores that underwent profound remodelling are excluded for the remodelling period (store closure).