Full Year 2020 RESULTS

Lisbon, 3 March 2021

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The performance analysis in this release is presented under IFRS16, unless otherwise stated. The Financial Statements excluding the effect of the IFRS16 are presented in Appendix 1 of this release.

We ended 2020 as a stronger company with a further reinforced balance sheet

Strong operating performance in Q4, with Biedronka delivering double digit results growth and Ara materially improving EBITDA. In Portugal, Pingo Doce and Recheio's profitability was held back by increased margin investment to mitigate the impact of further restrictions and protect value propositions.

- CONSOLIDATED SALES increased 3.5% to €19.3 bn (+6.7% at constant exchange rates) with LFL at 3.5%. In Q4, sales grew 2.4% to €5.1 bn (+6.8% at constant exchange rates) with LFL at 3.5%.

- GROUP EBITDA, excluding IFRS16, reached €1,024 mn. Including IFRS16, EBITDA decreased 1.0% in the year (+1.9% at constant exchange rates) to €1,423 mn. In Q4, EBITDA grew 1.6% (+6.2% at constant exchange rates) to €394 mn.

  Biedronka - EBITDA grew 5.7% (+9.3% in local currency) with a margin at 9.3% versus 9.4% in 2019. In Q4, EBITDA grew 5.6% (+10.9% in local currency) with an EBITDA margin at 9.5%, in line with Q4 19.

  Distribution in Portugal - EBITDA declined 21.0%. The EBITDA margin was 5.4% (6.5% in 2019). In Q4 EBITDA declined 20.1% and the margin was at 5.3% (6.4% in Q4 19).

  Ara - EBITDA losses reduced from €-28 mn in 2019 to €-20 mn in 2020, an 18.9% improvement in local currency. In Q4, EBITDA reached €2 mn versus €-3 mn in Q4 19.

- NET PROFIT, excluding IFRS16, was at €361 mn, 16.6% below 2019. Including IFRS16, net profit declined 19.9% to €312 mm.

- EPS of €0.50. Excluding Other Profits and Losses (non-recurrent), EPS was at €0.55, 12.6% below the previous year.

- CASH FLOW amounted to €516 mn, versus €494 mn in 2019.

- NET CASH POSITION of €509 mn (€196 mn in 2019). Including capitalised operating leases, the Group ended the year with net debt at €1.752 mn.

- GROUP PRE-TAX ROIC, excluding IFRS16, was 29.7%. Including the application of IFRS16, Pre-Tax ROIC was at 16.5% (16,3% in 2019).

- The Board of Directors will propose to the General Shareholders Meeting distributing 50% of profits (excluding IFRS16 impact) as DIVIDEND, a payment of €181 mn, equivalent to €0.288 per share (gross value).

MESSAGE FROM THE CHAIRMAN AND CEO

PEDRO SOARES DOS SANTOS

'In a year made extraordinarily demanding by the Covid-19 pandemic, the Group recorded a solid operating performance and further strengthened its balance sheet.

Many challenges were overcome by our teams, especially those working in our stores and distribution centres who are at the forefront of the operations. To all our people, once again, a note of special recognition for their commitment and effort.

We lived up to the difficult circumstances, aware of the social role played by our business and unfaltering in the mission to provide customers with quality food products and solutions at a low price. We did it, respecting all stakeholders as well as our commitment to sustainable development goals. Never before have we been summoned to be closer to our consumers, our people, our suppliers, especially small producers in the primary sector and to the communities that our businesses serve. Since the first moment of the pandemic, we responded to the multiple challenges facing our businesses while providing support where it was needed: in hospitals and nursing homes, in research funding and in food aid.

We entered 2021 with a renewed confidence in the ability of each of our banners to better anticipate the impacts of the pandemic on our operations. These impacts will continue, to affect the operational context, at least in the first half of 2021. Looking ahead, despite ongoing challenges, we expect to continue to grow in a profitable, sustainable way.

The strength of our balance sheet allows us to remain true to our long-term vision, while taking the necessary actions to guarantee our competitiveness and consumer preference and protect the profitability of all our banners.'

OUTLOOK 2021

The macroeconomic prospects for 2021 depend heavily on the evolution of the pandemic at a global level and in the geographies where we operate. This evolution depends in turn on the success of the ongoing large-scale vaccination. There is still uncertainty about the possible implementation of further confinement measures, at least in the first half of the year. There is also uncertainty about the effect of these measures on consumer behaviour in the countries where we operate.

Our banners entered 2021 with clear strategic priorities: i) to grow sales by focusing on consumers and their needs; ii) to invest in their value proposition to defend and further build competitive advantages; iii) to protect profitability through cost discipline and continuous improvements in operational processes, and iv) to maintain a long-term perspective that ensures we will continue to follow a responsible path with our consumers, our people, our suppliers, and the communities of the countries where we operate.

As in 2020, amongst our geographies, **Poland** is expected to be the one with the strongest domestic private consumption. Food inflation should remain low despite the impact of the retail tax and the sugar tax on drinks introduced in January.

Biedronka will remain focused on guaranteeing, on a day-to-day basis, the preference of consumers. The Company's strategy is to combine price leadership with an evolution of its offer that fuels sales growth and consolidates its differentiation in the Fresh categories.

Our largest Company will continue to carry out efficiency projects in store operations and logistics. These projects will allow Biedronka to capture further growth opportunities and, together with the enhanced planning capabilities to manage under the pandemic, will help protect profitability in 2021, despite low food inflation and a higher tax burden.

Hebe will continue to consolidate its store network and focus its growth strategy on the development of its online operation. This operation is expected to continue to gain momentum, allowing Hebe to enter new markets.

In **Portugal**, the expected recovery for 2021 is still highly uncertain and dependent on the evolution of the health crisis, the vaccination programme, and its impacts on the domestic market and the tourism flow.

For our distribution chains in Portugal, restrictions on the circulation of people, limits on the number of customers inside stores, and restrictions on the operation of restaurants and hotels represent particularly challenging conditions given the high-traffic nature of these businesses. Therefore, any easing of these restrictions should have a positive and immediate impact on our businesses.

Pingo Doce will continue to invest to defend its performance in the face of current restrictions, while strengthening its business model ahead of the return to a more normal operating environment. In this context, the banner maintains its vision on the central role of Fresh, Take Away and Restaurants in the Company's differentiation and growth strategy.

Recheio expects a slow recovery of the HoReCa channel. The Company will look for opportunities to continue to grow in the Traditional Retail segment. The Company has significant competitive advantages in this segment which grew during the pandemic.

In **Colombia**, the reopening of the economy is expected to lead to a recovery in 2021, despite the fragile consumer demand.

Ara, which strengthened its value proposition in the last year, entered 2021 well prepared to accelerate in its growth path. The company benefits from a renewed cost structure that will allow it to continue to improve EBITDA.

The **capex** programme maintains a central role in the Group's capital allocation priorities. In 2021, if restrictions implemented in our markets do not impact execution, investments are expected to reach c.€700 mn of which c.60% are in Biedronka.

This plan includes the addition of c.100 locations (net) to the Biedronka network (c.50% in the smaller format), and the remodelling of 250-300 stores. In Portugal, Pingo Doce expects to open c.10 stores and remodel c.15 locations. Ara expects to add more than 100 new locations to its store network.

Supported by the 2020 solid performance and by the strength of our balance sheet, we entered 2021 aware of the challenges, with well-defined strategic priorities and an unwavering focus on cash generation as a guarantee of our ability to invest in strengthening our competitive positions. At the same time, we maintain the flexibility to take advantage of growth opportunities consistent with our strategic vision.

UPDATE COVID-19 IMPACT

The close interaction between the Group's Executive Management Team and the Operating Companies was maintained in Q4 to provide on-going support to our operations. This coordination allowed us to be more agile in making decisions and adjusting short-term action plans in response to the evolution of the Covid-19 pandemic.

Our priorities have remained unchanged since the beginning of the health crisis: i) the safety of our people and of the consumers who visit us; ii) the stability of the supply chain, preserved through special measures – adopted in the beginning of the pandemic and still in force – to support suppliers and producers in the primary sector, and iii) the ability to offer good quality products at low prices.

To manage operations effectively during the pandemic and to respond to the different restrictions implemented at each moment in each country, it was necessary, among other actions, to reinforce cleaning procedures, provide protective equipment to our people, and adjust some operational standards to the constantly changing environment. In consolidated terms, these actions increased costs by €64 mn, out of which €41 mn impacted EBITDA (of which €9 mn in Q4) and €22 mn were booked as Other Profits and Losses. This last figure includes €19 mn granted, at the end of the year, to the teams in the front lines, as a token of recognition for their commitment and sense of mission. It also incorporates €3 mn of provisions for trade receivables due to the rise in credit risk associated with the pandemic.

The rigorous review of existing processes carried out by all Companies made it possible to limit the impact of these extra costs on profitability.

In **Poland**, measures to restrict mobility were gradually lifted during Q2. From June to the end of September there were no specific containment measures applied to the Food Retail sector, although we continued to see lower circulation of people. In mid-October, new restrictions were put in place, including limits on the number of customers inside stores (five people per checkout for stores up to 100 sqm and one person per 15 sqm for stores with a higher area), closure of shopping centres in November and from December 28 on, closure of restaurants, and schools operating with remote teaching.

Whenever necessary, **Biedronka** implemented extended store opening hours to ensure a safe environment for its consumers and teams.

In **Portugal**, restrictive measures to manage the pandemic were tightened in Q4. The rules implemented in this period for the Food Retail sector were the most restrictive since the beginning of the health crisis. It is worth mentioning the mandatory curfew imposed at 1 pm on weekends, with the obligation to close food stores with more than 200 sqm. This curfew, which applies to Lisbon, Oporto, and most of the country, has been in place since the second weekend of November. The in-store limit of five customers per 100 sqm was maintained throughout Q4. Since mid-September, there is also a ban on sales of alcoholic beverages after 8 pm.

At **Pingo Doce,** the limits on the number of customers inside the stores reduced the number of visits. These restrictions also reduced traffic in restaurants, take away and cafes. The resulting impact was further compounded in Q4 by the reduced hours of operation on weekends. **Recheio** continued to see its performance strongly penalized by the significant drop in the activity of the HoReCa channel, amplified by the lack of tourists.

In **Colombia**, confinement measures remained very restrictive until the end of August, including curfew hours and occasional bans on commercial activity. With the country focused on the reopening of the economy, restrictions were gradually lifted throughout September. The operational environment in Q4 reflected the return to some normality, although measures to control the pandemic were reintroduced at the end of the year, particularly in the Bogota region.

KEY PERFORMANCE FIGURES

CONSOLIDATED RESULTS

(Million Euro)	2020		2019		Δ	Q4 20		Q4 19		Δ
Net Sales and Services	**19,293**		**18,638**		**3.5%**	**5,096**		**4,976**		**2.4%**
Gross Profit	4,227	21.9%	4,076	21.9%	3.7%	1,110	21.8%	1,085	21.8%	2.4%
Operating Costs	-2,804	-14.5%	-2,639	-14.2%	6.3%	-717	-14.1%	-697	-14.0%	2.8%
EBITDA	**1,423**	**7.4%**	**1,437**	**7.7%**	**-1.0%**	**394**	**7.7%**	**387**	**7.8%**	**1.6%**
Depreciation	-734	-3.8%	-715	-3.8%	2.6%	-189	-3.7%	-187	-3.8%	1.3%
EBIT	**689**	**3.6%**	**722**	**3.9%**	**-4.5%**	**205**	**4.0%**	**201**	**4.0%**	**1.9%**
Net Financial Costs	-180	-0.9%	-159	-0.9%	13.7%	-40	-0.8%	-32	-0.6%	27.2%
Gains in Joint Ventures and Associates	0	0.0%	0	0.0%	n.a.	0	0.0%	0	0.0%	n.a.
Other Profits/Losses	-50	-0.3%	-14	-0.1%	n.a.	-29	-0.6%	-8	-0.2%	n.a.
EBT	**459**	**2.4%**	**549**	**2.9%**	**-16.5%**	**135**	**2.7%**	**161**	**3.2%**	**-15.9%**
Income Tax	-136	-0.7%	-128	-0.7%	5.8%	-41	-0.8%	-29	-0.6%	39.1%
Net Profit	**323**	**1.7%**	**421**	**2.3%**	**-23.3%**	**94**	**1.8%**	**131**	**2.6%**	**-28.2%**
Non-Controlling Interests	-11	-0.1%	-31	-0.2%	-65.7%	-1	0.0%	-8	-0.2%	-84.2%
Net Profit Attributable to JM	**312**	**1.6%**	**390**	**2.1%**	**-19.9%**	**93**	**1.8%**	**123**	**2.5%**	**-24.6%**
EPS (€)	0.50		0.62		-19.9%	0.15		0.20		-24.6%
EPS without Other Profits/Losses (€)	0.55		0.63		-12.6%	0.18		0.21		-11.6%

BALANCE SHEET

(Million Euro)	2020	2019
Net Goodwill	620	641
Net Fixed Assets	3,967	4,140
Net Rights of Use (RoU)	2,154	2,318
Total Working Capital [1]	-2,864	-2,793
Others	133	94
Invested Capital	**4,010**	**4,400**
Total Borrowings	524	732
Financial Leases	11	17
Capitalised Operating Leases	2,262	2,368
Accrued Interest	-3	3
Cash and Cash Equivalents [1]	-1,041	-949
Net Debt [1]	**1,752**	**2,172**
Non-Controlling Interests	249	254
Share Capital	629	629
Reserves and Retained Earnings	1,379	1,346
Shareholders Funds	**2,257**	**2,229**

[1] Net Debt amount was restated in 2019. Cash in hand previously considered in Total Working Capital was restated to Cash and Cash Equivalents heading.

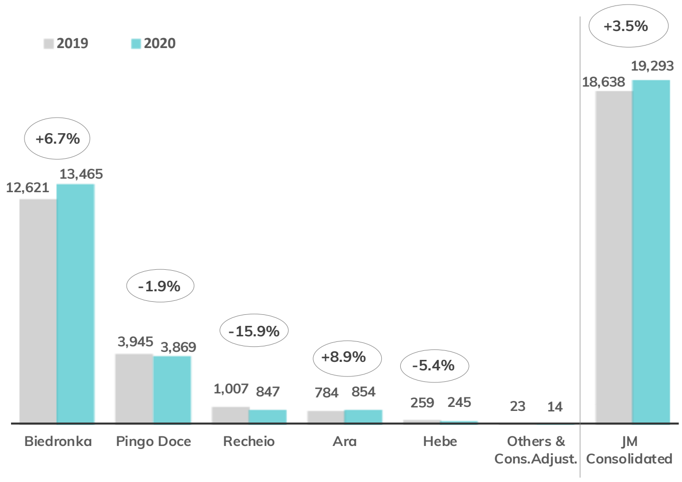
CASH FLOW

(Million Euro)	2020	2019
EBITDA	1,423	1,437
Capitalised Operating Leases Payment	-270	-259
Interest Payment	-153	-163
Other Financial Items	0	0
Income Tax	-174	-155
Funds From Operations	**826**	**861**
Capex Payment	-510	-577
Change in Working Capital	246	220
Others	-46	-10
Cash Flow	**516**	**494**

SALES PERFORMANCE

In 2020, the solid sales performance resulted from the Group commitment to deliver quality products at the best price at all times, even when pandemic-related restrictions reduced the high intensity of traffic to which our banners are accustomed.

Sales (Million Euro)



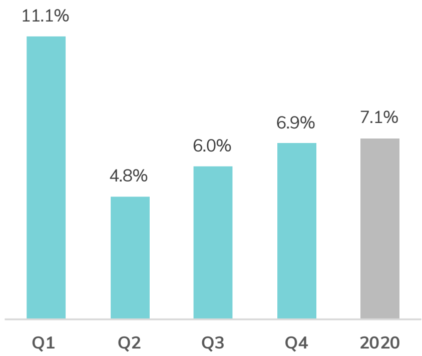
The **Group's sales** were €19.3 bn, 3.5% above the previous year (+6.7% at constant exchange rates), with LFL of 3.5%. In Q4, sales were €5.1 bn, 2.4% above Q4 19 (+6.8% at constant exchange rates) with LFL of 3.5%.

In **Poland**, the consumer became more cautious with the start of the pandemic crisis. However, it showed some resilience and customers continued to react to attractive commercial proposals combining good price with quality.

2020 was the last year of the progressive implementation, initiated in 2018, of the regulation that bans the opening of stores on Sunday. This regulation resulted in six fewer days of sales compared to the previous year.

The country's food inflation declined throughout the year. Over the twelve months, average food inflation was 4.7% (+1.7% in Q4).

Biedronka LFL



In the first months of the pandemic crisis, **Biedronka** anticipated market constraints with flexible schedules and commercial assertiveness, creating a strong sales momentum maintained throughout the rest of the year. The result was an increase in consumer preference and market share.

Price gained even more relevance and Biedronka maintained its promotional strategy. The Company developed 35 campaigns for attraction and differentiation and launched around 200 commercial leaflets, delivering, in a difficult year for families, on its promise and positioning of low prices.

Innovation and quality remained a priority. Biedronka launched 196 new Private Brand products in addition to specific developments for in&out campaigns.

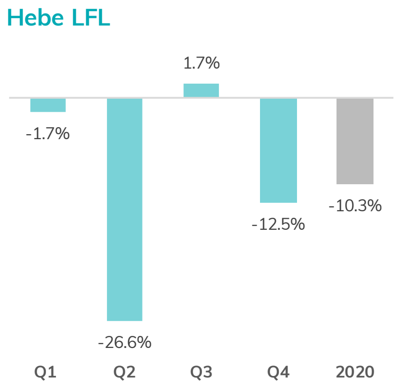
The Company concluded, in 2020, 78 ecodesign packaging projects for its Private Brand, having implemented, among other environmental goals, the elimination of PVC from the packaging of more than 40 Private Brand products.

The focus on customer service led to the continued implementation of the self-checkouts project, which also contributes to the efficiency of the operation. At the end of the year, this project was running in over 1,100 stores with 3,750 installed machines.

In the year, sales grew by 6.7% (+10.4% in local currency) to €13.5 bn. LFL growth was 7.1%, including basket inflation of around 2%.

In the last quarter of the year, Biedronka grew sales by 5.1% (+10.4% in local currency) to €3.6 bn, with a LFL of 6.9% and basket inflation close to zero.

The Company carried out, in the year, 267 renovations and opened 129 stores (113 net additions), ending 2020 with a network of 3,115 locations.



Hebe suffered a significant reduction in sales due to the effects of restrictive measures, including the closure of shopping malls, where it has near half of its stores, in April, November and part of March. The stores although remaining open had low traffic, reflecting the fall in mobility.

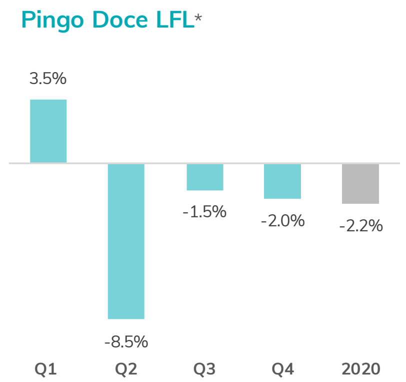
The significant reduction in social activities also impacted sales of cosmetics. The banner saw rapid performance improvements whenever confinement measures were eased. The strong growth of its online operation, launched in July 2019, also played a relevant role in mitigating the impacts of the measures imposed.

Sales reached €245 mn, a decrease of 5.4% compared to the previous year. In local currency, sales decreased by 2.2% with LFL at -10.3%.

In Q4, with shopping centres closed in November, sales fell 13.9% (-18.0% in euros) with the LFL at -12.5%.

The Company opened 22 stores and closed the 28 establishments that operated exclusively as pharmacies, ending the year with a network of 266 locations.

In **Portugal**, the consumer environment was pressured by the effects of the measures implemented to control the pandemic, with clear signs of trading down in Food Retail observed since the beginning of the pandemic. Food inflation was 2.1% in the year.



* Excl. Fuel

Pingo Doce was particularly exposed to the reduction in mobility, because of its very high sales density and number of visits. The lack of traffic also impacted restaurants, cafes and the Take Away category. These effects where further compounded, as of November, by the mandatory closing of stores on weekend afternoons.

The Company decided to protect its value proposition regardless of the circumstances. It invested in commercial actions and communication, progressively increasing its ability to mitigate the impacts of confinement measures on sales.

Aware of the fragile economic situation of many families, Pingo Doce maintained its strong promotional dynamic and launched more than 180 promotional campaigns, developing numerous immediate discount actions with *Poupa Mais* loyalty card.

Our banner was able to maintain the pace of innovation, while responding to short-term challenges. It launched 259 new Private Brand products and carried out 20 reformulations with the aim of reducing salt, sugar and fats. The promotion of healthy eating habits, a fundamental pillar of the Company's strategy, was further reinforced during the year with the launch of a set of actions, recipes and products under the name *Juliana*, a project to promote and incentivise the adoption of the Portuguese Mediterranean diet.

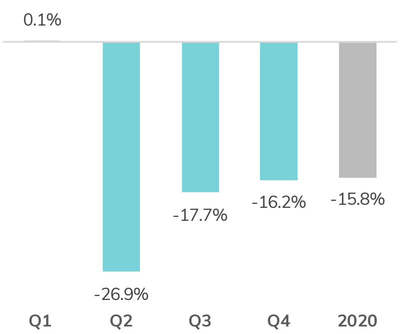
At Pingo Doce, in an initiative that was extended to Recheio, microplastics were eliminated from its entire Private Brand range in personal hygiene, cosmetics and detergents categories, in a total of 520 products with these characteristics.

Pingo Doce sales fell by 1.9% to €3.9 bn, including a LFL (excluding fuel) of -2.2%. Basket inflation, at -1.0%, was below that of food inflation in the country.

In Q4, sales fell 0.8% with a LFL (excluding fuel) of -2.0%.

The Company opened 13 new stores and carried out 20 renovations, ending the year with a network of 453 locations.

Recheio LFL



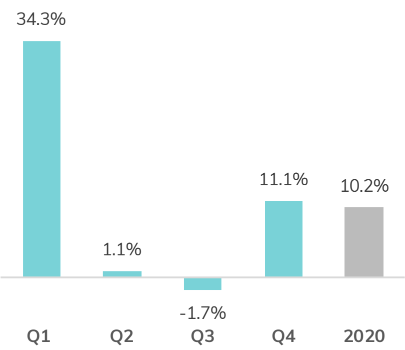
Recheio's activity was strongly affected by the dramatic drop in sales to the HoReCa channel, which represented more than 35% of the banner' sales. In addition to the impact of the containment measures that forced, in certain periods, the closure of hotels, restaurants and cafes, there was a relevant reduction in out-of-home food consumption. This consumption suffered from the lack of tourists and lower demand by local consumers.

The Company fought to defend its competitiveness in all segments, with Traditional Retail registering a very positive performance.

Recheio recorded sales of €847 mn, a reduction of 15.9% in relation to 2019, with the LFL reaching -15.8%. In the Q4, sales fell 16.7% with an LFL of -16.2%.

In **Colombia**, the confinement measures remained in force from the beginning of April until the end of August, with a very significant impact on the country's economy and a loss of purchasing power for Colombian families. In September, the country began a phased lifting of restrictive measures. Curfew hours ended in most municipalities and there was a return to higher levels of mobility.

Ara LFL



Ara focused on protecting the competitiveness of its value proposition during the lockdown period. Its sales reacted positively to the progressive normalization in mobility.

Reinforcing price competitiveness, the Company also continued to invest in the development of its Private Brand offering. This portfolio includes more than 600 products, representing 44% of total sales, and involving almost two hundred local suppliers.

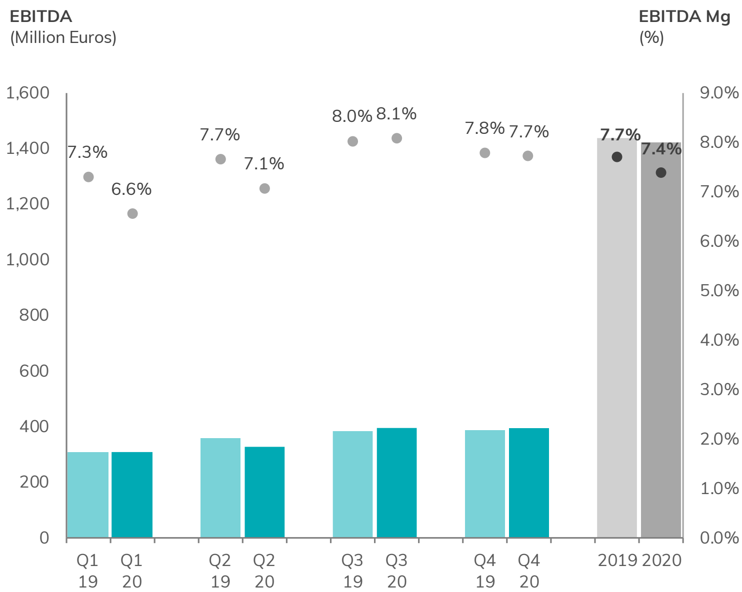
In the year, the banner registered sales growth of 8.9% (+24.4% in local currency) to €854 mn, with a LFL of 10.2%. In Q4, sales in local currency grew by 22.8% (+ 6.6% in euros) with LFL of 11.1%.

The Company opened 56 new stores in the year (47 net additions), ending 2020 with a network of 663 locations.

RESULTS PERFORMANCE

The Group's **EBITDA** amounted to €1,423 mn, 1.0% below 2019. At constant exchange rates, EBITDA grew by 1.9%. The respective margin was 7.4% (7.7% in 2019).

EBITDA & EBITDA Margin - JM Consolidated



The margin's performance results from two forces. On one hand, the negative impact of operational deleveraging in the businesses with pressured turnover. On the other hand, the additional pandemic-related direct costs incurred by the banners. The latter are estimated at €41 mn. In Q4, the Group's EBITDA reached €394 mn, 1.6% above Q4 19 (+6.2% at constant exchange rates), with a 7.7% margin (7.8% in Q4 19). The good performance of Q4 reflects the solid growth in sales and the continued implementation of cost containment programs in all Companies.

Biedronka recorded an EBITDA of €1,252 mn, 5.7% above the previous year (+9.3% at constant exchange rate). EBITDA margin was 9.3% versus 9.4% in 2019.

In Q4 EBITDA grew 5.6% (+10.9% in local currency) with a margin at 9.5%, in line with Q4 19.

The solid LFL growth, the effective management of the sales mix and the increased cost discipline, allowed the Company to maintain a strong promotional dynamic and protect its profitability.

Pingo Doce recorded an EBITDA of €223 mn, 15.4% below the previous year, with a margin of 5.8% (6.7% in 2019). This margin reduction reflects additional costs related to the pandemic and the negative sales performance which did not allow dilution of fixed costs. The Company also maintained a strong commercial dynamic, which was intensified in Q4 when further restrictions were implemented. This response allowed it to reinforce its value proposal even in difficult circumstances.

Recheio reached an EBITDA of €33 mn, 45.6% below the previous year as a result of the drop in sales. The EBITDA margin was 3.9% (6.0% in 2019).

The combined EBITDA margin of Pingo Doce and Recheio was 5.4% in the year (6.5% in 2019) and 5.3% in Q4 (6.4% in Q4 19).

Hebe´s EBITDA amounted to €19 mn, a decrease of 7.6% relative to the previous year, reflecting the negative impact of the epidemic on sales. In Q4, EBITDA was €8 mn, down from the €11 mn recorded in Q4 19.

Ara recorded a reduction in EBITDA losses from €-28 mn in 2019 to €-20 mn in 2020, benefiting from the devaluation of the Colombian peso and the 18.9% reduction in losses in local currency. In the second quarter of the year, the Company began to adapt its operations to the very challenging environment, initiating a rigorous restructuring and a cost optimization program which mitigated the impacts of the pandemic on the profitability of the banner. As a result, the Company maintained the trend of decreasing EBITDA losses that started in 2019.

In Q4, the EBITDA reached €2 mn versus €-3 mn in Q4 19.

Net financial costs were €180 mn, having increased from the €159 mn recorded in 2019. These costs include the recognition of exchange conversion losses in the amount of €21 mn, related to value adjustments in the capitalization of operating leases in Poland denominated in euros.

Other profits and losses amounted to €-50 mn, reflecting restructuring costs and write-offs related to adjustments in Ara's network of stores and the closure of Hebe's pharmacies. It also includes the pandemic-related increase in provisions for trade receivables and for stock depreciation as well as the distribution to our people who worked in the front lines of a recognition amounting to c.€19 mn.

The **capex** reached €470 mn, of which 64% was absorbed by Biedronka.

Cash flow generated in the year reached €516 mn, above the €494 mn generated in 2019. This good performance reflects the soundness of the various businesses, the careful management of working capital, and a decrease in capex payments resulting from the reduction of the investment program executed.

The ***net cash position***, excluding liabilities for capitalized operating leases, was €509 mn.

In a particularly challenging year, the ***Pre-Tax ROIC*** remained stable at 16.5% (16.3% in 2019).

It should also be noted that at these troubled times and when having to deal with so many new sources of pressure, our businesses also made relevant progress in their initiatives to make a positive difference for all stakeholders.

Actions to support employees were, as always, our first priority. The Companies adopted, since the beginning of the pandemic, measures to protect the team members potentially more vulnerable to an infection. Existing support mechanisms were strengthened and publicized to make sure that we could support families of employees experiencing emergency situations.

To support the communities most affected by the pandemic, Biedronka increased the number of stores that collaborate with food banks and other institutions by more than 300. Our main Company also made its annual allocation of part of its profits to the Biedronka Foundation. Launched in March 2020, the foundation's mission is to improve the quality of life of elders in need, a demographic group that is growing with the ageing of Poland's population. In 2020, this contribution, included in the Group's EBITDA, was c.€11 mn.

As early as March, Pingo Doce started supporting health professionals working in public hospitals to fight the pandemic, delivering more than 220 thousand snacks to 31 hospitals and public health units. This action was repeated in December. In the days leading up to Christmas, Pingo Doce also offered a Christmas basket to 19,700 professionals who have been working to fight the pandemic in more than 30 hospitals.

Having been permanently at the consumer's side, creating saving opportunities in all the countries where they operate, the Group's banners also supported their suppliers, reducing payment terms for small producers and executing specific campaigns to promote local products.

Biedronka created a program through which small producers can get in touch with the Company if they need to sell their products. At the end of 2020, the program already had the participation of more than140 new small producers.

Pingo Doce immediately took the lead in supporting Portuguese production, increasing purchases of products that were particularly affected by the contraction in demand and promoting them to consumers, ensuring the sales of those products, while protecting producers' margins.

Along the same lines, and in order to mitigate the impact of the pandemic on its national suppliers, Recheio launched a campaign to support Portuguese products - "For our sake, buy what Portugal has", incentivising its clients to buy domestic products.

In a year in which we were called to be closer to our customers, employees, suppliers, and communities, we mobilized efforts and resources and made a difference.

In the environmental area, the Group has already started to follow the TCFD (Task Force on Climate-related Financial Disclosures) recommendations regarding the report of financial impacts associated with climate change.

As a result of our commitment to fight climate change, for the second year in a row, Jerónimo Martins obtained a global score of "A-" in the CDP Forests 2020, for all evaluated commodities: palm oil, soy, beef and paper and wood, being the only food retailer in the world to obtain the leadership level for all commodities.

DIVIDEND DISTRIBUTION PROPOSAL

The Group ended 2020 well prepared, with an unquestionably solid financial position and with strengthened competitive positions that will allow it to deal with the challenges of an environment that, in 2021, will still be impacted by the Covid-19 pandemic.

Therefore, the Board of Directors will propose to the Annual General Shareholder's Meeting, the distribution of €181 mn in dividends, in line with the Group's policy.

This proposal corresponds to a gross dividend of €0.288 per share, excluding the 859 thousand own shares in the portfolio, representing a payout of c.50% of consolidated net earnings (excluding the effects of IFRS16).

The proposed dividend distribution preserves the Group's full flexibility to accelerate its expansion plans and take advantage of any potential non-organic growth opportunities while maintaining a strong balance sheet.

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FINANCIAL CALENDAR

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

Statements in this release that are forward-looking are based on current expectations of future events and are subject to risks and uncertainties that can cause actual results to differ materially from those expressed or implied by such statements. The risks and uncertainties, which have increased as a result of the Covid-19 pandemic, relate to factors that are beyond Jerónimo Martins' ability to control or estimate precisely, and include but are not limited to, general economic conditions, actions taken by governmental authorities to address Covid-19 effects and their impacts over the economy, competition, industry trends, credit markets, foreign exchange fluctuations and regulatory developments.
Except as required by any applicable law or regulation, Jerónimo Martins assumes no obligation to update the information contained in this release or to notify a reader in the event that any matter stated herein changes or becomes inaccurate.

Jerónimo Martins

APPENDIX

1. Financial Statements

INCOME STATEMENT BY FUNCTIONS

(Million Euro)	IFRS16 2020	IFRS16 2019	Excl. IFRS16 2020	Excl. IFRS16 2019
Net Sales and Services	**19,293**	**18,638**	**19,293**	**18,638**
Cost of Sales	-15,067	-14,563	-15,067	-14,563
Gross Profit	**4,227**	**4,076**	**4,227**	**4,076**
Distribution Costs	-3,203	-3,031	-3,289	-3,104
Administrative Costs	-334	-322	-336	-324
Other Operating Profits/Losses	-50	-16	-50	-16
Operating Profit	**639**	**706**	**552**	**631**
Net Financial Costs	-180	-159	-32	-29
Gains/Losses in Other Investments	0	2	0	2
Gains in Joint Ventures and Associates	0	0	0	0
Profit Before Taxes	**459**	**549**	**520**	**604**
Income Tax	-136	-128	-146	-137
Profit Before Non Controlling Interests	**323**	**421**	**374**	**467**
Non-Controlling Interests	-11	-31	-13	-34
Net Profit Attributable to JM	**312**	**390**	**361**	**433**

INCOME STATEMENT (Management View)

	(Excl. IFRS16)					(Excl. IFRS16)				
(Million Euro)	**2020**		**2019**		**Δ**	**Q4 20**		**Q4 19**		**Δ**
Net Sales and Services	**19,293**		**18,638**		**3.5%**	**5,096**		**4,976**		**2.4%**
Gross Profit	4,227	21.9%	4,076	21.9%	3.7%	1,110	21.8%	1,085	21.8%	2.4%
Operating Costs	-3,203	-16.6%	-3,031	-16.3%	5.7%	-817	-16.0%	-796	-16.0%	2.6%
EBITDA	**1,024**	**5.3%**	**1,045**	**5.6%**	**-2.0%**	**293**	**5.8%**	**288**	**5.8%**	**1.8%**
Depreciation	-422	-2.2%	-397	-2.1%	6.1%	-111	-2.2%	-104	-2.1%	7.6%
EBIT	**602**	**3.1%**	**648**	**3.5%**	**-7.0%**	**182**	**3.6%**	**185**	**3.7%**	**-1.5%**
Net Financial Costs	-32	-0.2%	-29	-0.2%	10.2%	-7	-0.1%	-6	-0.1%	27.5%
Gains in Joint Ventures and Associates	0	0.0%	0	0.0%	n.a.	0	0.0%	0	0.0%	n.a.
Other Profits/Losses	-50	-0.3%	-15	-0.1%	n.a.	-29	-0.6%	-9	-0.2%	n.a.
EBT	**520**	**2.7%**	**604**	**3.2%**	**-13.9%**	**145**	**2.8%**	**170**	**3.4%**	**-14.6%**
Income Tax	-146	-0.8%	-137	-0.7%	6.6%	-42	-0.8%	-30	-0.6%	39.8%
Net Profit	**374**	**1.9%**	**467**	**2.5%**	**-19.9%**	**103**	**2.0%**	**139**	**2.8%**	**-26.4%**
Non-Controlling Interests	-13	-0.1%	-34	-0.2%	-61.0%	-2	0.0%	-9	-0.2%	-78.3%
Net Profit Attributable to JM	**361**	**1.9%**	**433**	**2.3%**	**-16.6%**	**101**	**2.0%**	**130**	**2.6%**	**-22.8%**
EPS (€)	0.57		0.69		-16.6%	0.16		0.21		-22.8%
EPS without Other Profits/Losses (€)	0.63		0.70		-10.2%	0.19		0.22		-10.6%

BALANCE SHEET

(Million Euro)	(Excl. IFRS16) 2020	(Excl. IFRS16) 2019
Net Goodwill	620	641
Net Fixed Assets	3,967	4,140
Total Working Capital [1]	-2,861	-2,788
Others	115	86
Invested Capital	**1,842**	**2,079**
Total Borrowings	524	732
Financial Leases	11	17
Accrued Interest	-3	3
Cash and Cash Equivalents [1]	-1,041	-949
Net Debt [1]	**-509**	**-196**
Non-Controlling Interests	255	257
Share Capital	629	629
Reserves and Retained Earnings	1,467	1,389
Shareholders Funds	**2,351**	**2,275**

[1] Net Debt amount was restated in 2019. Cash in hand previously considered in Total Working Capital was restated to Cash and Cash Equivalents heading.

CASH FLOW

	(Excl. IFRS16)	
(Million Euro)	**2020**	**2019**
EBITDA	1,024	1,045
Interest Payment	-26	-30
Other Financial Items	0	0
Income Tax	-174	-155
Funds From Operations	**824**	**861**
Capex Payment	-510	-577
Change in Working Capital	246	220
Others	-44	-9
Cash Flow	**516**	**494**

EBITDA BREAKDOWN

(Million Euro)	IFRS16				Excl. IFRS16			
	2020	Mg	2019	Mg	2020	Mg	2019	Mg
Biedronka	1,252	9.3%	1,185	9.4%	979	7.3%	918	7.3%
Pingo Doce	223	5.8%	264	6.7%	160	4.1%	200	5.1%
Recheio	33	3.9%	60	6.0%	28	3.3%	55	5.5%
Ara	-20	n.a.	-28	n.a.	-53	n.a.	-62	n.a.
Hebe	19	7.6%	20	7.7%	-4	n.a.	0	n.a.
Others & Cons. Adjustments	-84	n.a.	-63	n.a.	-86	n.a.	-66	n.a.
JM Consolidated	**1,423**	**7.4%**	**1,437**	**7.7%**	**1,024**	**5.3%**	**1,045**	**5.6%**

FINANCIAL RESULTS

(Million Euro)	IFRS16		Excl. IFRS16	
	2020	2019	2020	2019
Net Interest	-20	-23	-20	-23
Interests on Capitalised Operating Leases	-127	-132	-	-
Exchange Differences	-28	2	-6	0
Others	-7	-6	-7	-6
Financial Results	**-180**	**-159**	**-32**	**-29**

SALES BREAKDOWN

(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%	22.8%	6.6%
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%		-39.7%	4	0.1%	6	0.1%		-33.6%
Total JM	**19,293**	**100%**	**18,638**	**100%**	**6.7%**	**3.5%**	**5,096**	**100%**	**4,976**	**100%**	**6.8%**	**2.4%**

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	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%
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%	-16.2%	-15.8%
Ara														
Euro	38.9%	0.5%	18.8%	-5.6%	9.9%	6.6%	8.9%							
COP	52.3%	16.7%	33.4%	10.9%	25.1%	22.8%	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

WORKING CAPITAL

(Million Euro)	IFRS16		Excl. IFRS16	
	2020	2019	2020	2019
Inventories	982	1,048	982	1,048
in days of sales	19	21	19	21
Customers	36	61	36	61
in days of sales	1	1	1	1
Suppliers	-3,190	-3,234	-3,190	-3,234
in days of sales	-60	-63	-60	-63
Trade Working Capital	**-2,172**	**-2,125**	**-2,172**	**-2,125**
in days of sales	**-41**	**-42**	**-41**	**-42**
Others	-693	-668	-689	-663
Total Working Capital [1]	**-2,864**	**-2,793**	**-2,861**	**-2,788**
in days of sales	**-54**	**-55**	**-54**	**-55**

[1] Cash in hand previously considered in Total Working Capital was restated to Cash and Cash Equivalents heading.

CAPEX

(Million Euro)	2020	Weight	2019	Weight
Biedronka	302	64%	388	57%
Pingo Doce	91	19%	143	21%
Recheio	10	2%	25	4%
Ara	30	6%	98	14%
Others	37	8%	25	4%
Total CAPEX	**470**	**100%**	**678**	**100%**

BORROWINGS DETAIL

(Million Euro)	2020	2019
Long Term Borrowings	**364**	**309**
as % of Total Borrowings	69.5%	42.2%
Average Maturity (years)	6.7	3.3
Short Term Borrowings	**160**	**424**
as % of Total Borrowings	30.5%	57.8%
Total Borrowings	**524**	**732**
Average Maturity (years)	5.1	1.7
% Total Borrowings in Euros	0.0%	6.8%
% Total Borrowings in Zlotys	41.7%	46.1%
% Total Borrowings in Colombian Pesos	58.3%	47.1%

2. Notes

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).

3. Reconciliation Notes

INCOME SATEMENT

Following ESMA guidelines on Alternative Performance Measures from October 2015

Income Statement in this release (Management View)	Consolidated Income Statement by Functions (in Consolidated Financial Statements)
Net Sales and Services	Net sales and services
Gross Profit	Gross profit
Operating Costs	Includes headings of Distribution costs and Administrative costs, excluding the amount of Depreciations and amortisations (in the note 3.2. Segments Reporting)
EBITDA	
Depreciation	Value reflected in the note 3.2. Segments Reporting
EBIT	
Net Financial Costs	Net financial costs
Gains in Joint Ventures and Associates	Gains (losses) in joint ventures and associates
Other Profits/Losses	Includes headings of Other operating profits/losses; Gains in disposal of business (when applicable) and Gains/Losses in other investments (when applicable)
EBT	Profit before taxes
Income Tax	Income tax
Net Profit	Profit before non-controlling interests
Non-Controlling Interests	Non-Controlling interests
Net Profit Attributable to JM	Jerónimo Martins Shareholders

Jerónimo Martins

BALANCE SHEET

Following ESMA guidelines on Alternative Performance Measures from October 2015

Balance Sheet in this release	Consolidated Balance Sheet (in Consolidated Financial Statements)
Net Goodwill	Amount reflected in the note 9. Intangible assets
Net Fixed Assets	Includes the headings Tangible and Intangible assets excluding the Net goodwill (above note) and Financial leases (below note)
Net Rights of Use (RoU)	Includes the heading of Net rights of use excluding the Financial leases (2020: €12.4 mn; 2019: €17.1 mn) according with IAS 17 in place before IFRS16 adoption
Total Working Capital	Includes the headings Current trade debtors, Accrued income and Deferred costs; Inventories; Biological assets; Trade creditors, Accrued costs and Deferred income; Employee benefits; and also, the value of €-14.9 mn related to 'Others' due to its operational nature. Excludes the value of €-0.3 mn related to Interest accruals and deferrals (note 18.3 Net financial debt).
Others	Includes the headings Investment property; Investments in joint ventures and associates; Other financial investments; Non-Current trade debtors, Accrued income and Deferred costs; Deferred tax assets and liabilities; Income tax receivable and payable; Provisions for risks and contingencies. Excludes the value of €-14.9 mn related to 'Others' due to its operational nature, as well as, when applicable, Collateral deposits associated with financial debt (note – Debtors, accruals and deferrals)
Invested Capital	
Total Borrowings	Includes the heading Borrowings current and non-current
Financial Leases	Value reflected in the headings of Lease liabilities current and non-current, excluding the liabilities with financial leases (note below)
Capitalised Operating Leases	Including the headings of Financial leases (2020: €11.5 mn; 2019: €16.5 mn) according with IAS 17 in place before IFRS16 adoption
Accrued Interest	Includes the heading Derivative financial instruments as well as the heading related to Interest accruals and deferrals (in note 18.3 Net financial debt)
Cash and Cash Equivalents	Includes the heading Cash and cash equivalents, as well as, when applicable, Collateral deposits associated with financial debt (note 14. Debtors, accruals and deferrals)
Net Debt	
Non-Controlling Interests	Non-Controlling interests
Share Capital	Share capital
Reserves and Retained Earnings	Includes the heading Share premium, Own shares, Other reserves and Retained earnings
Shareholders' Funds	

Jerónimo Martins

CASH FLOW

Following ESMA guidelines on Alternative Performance Measures from October 2015

Cash Flow in this release	**Consolidated Cash Flow Statement** (in Consolidated Financial Statements)
EBITDA	Includes the headings Cash generated from operations before changes in working capital, including headings which did not generate cash flow, and excluding profit and losses that do not have operational nature (€10.9 mn)
Capitalised Operating Leases Payment	Included in the heading Leases paid, excluding the amount of €4.1 mn related with the payment of financial leases according with previous accounting standards
Interest Payment	Includes the headings of Loans interest paid, Leases interest paid and Interest received
Income Tax	Income tax paid
Funds from Operations	
Capex Payment	Includes the headings Disposal of tangible and intangible assets; Disposal of financial and investment property; Acquisition of tangible and intangible assets; Acquisition of financial investments and investment property. It also includes acquisitions of tangible assets classified as finance leases under previous accounting standards (€0.0 mn)
Change in Working Capital	Includes Changes in working capital added from headings which did not generated cash flow in the amount (€-56.5 mn)
Others	Includes the headings disposal of business (when applicable), profit and losses which generated cash flow, although not having operational nature, in the amount of €45.6 mn
Cash Flow	Corresponds to the Net changes in cash and cash equivalents, deducted from Dividends paid and received, Net change in loans and change in Collateral deposits associated to financial debt. It also includes acquisitions of tangible assets classified as finance leases (€0.0 mn) and deducted from the payment of financial leases (€4.1 mn), both according with previous accounting standards