Couche-Tard & Żabka:

Q2 and H1 2026 financial results of Żabka Group
Strategic Combination with Żabka for European Convenience Retail Leadership

July 31, 2026

Moderator:

Good afternoon and welcome to the Couche-Tard and Żabka, creating the next generation convenience retail platform. After the speaker's remarks, there'll be a question and answer session. This webcast will be recorded and an archive of the webcast will be posted on the company website. By participating in the Zoom call, you are agreeing that recordings made during the event may be shared by Żabka Group. For those of you who are joining us via Zoom, if you wish to ask a question during this time, we ask that you please use the raised hand function at the bottom of your Zoom screen. Or if you've dialed in, please press star nine. If you already have a question, please do this now. Once it's your turn, the moderator will introduce you. Please then unmute yourself and ask your question. I'd now like to hand the call over to Filip Paszke.

Filip Paszke:

Thank you. Hello everyone and welcome. My name is Filip Paszke. I'm the director of Żabka Group responsible for corporate development and capital markets. This call was initially scheduled to discuss our Q2 results, though we intend to spend most of our time today on the transformative transaction that was just announced this morning. We are pleased to be joined by the senior leadership from Couche-Tard, who will be sharing their perspectives on the announced transaction. I would now like to hand over to Mr. Tomasz Suchański, CEO of Żabka Group.

Tomasz Suchański:

Thank you, Filip. My name is Tomasz Suchański. I'm CEO and chairman of the board of Żabka Group, and I'm joined today by Marta Wrochna, our group CFO, Tomasz Blicharski, our chief strategy and development officer, and my successor in the role of the CEO. We are very pleased to be joined today by Alex Miller, CEO of Couche-Tard, who in a few moments will share his perspectives on the highly strategic combination between our two companies that we announced this morning. Before we move on to the transaction, I would like to invite our CFO, Marta, to share a brief update on our strong Q2 results.

Marta Wrochna-Łastowska:

Thank you, Tomasz. Good morning, everyone. Let's start with the key financial highlights for the second quarter of 2026. We delivered another solid quarter with growth across sales, profitability, cash flow, and net profit. Sales to end customers reached 9.2 billion, up 13.2% year-on-year. Like-for-like growth was 4%, improving versus the first quarter. We also continued to expand the network. At the end of June, we operated more than 13,000 stores across Poland and Romania, with 1,368 gross openings over the last 12 months, including 300 free new stores open in Poland and 40 stores open in Romania in the second quarter of this year. Like-for-like growth ahead of the market in Poland and trapic expansion helped us to accelerate our market share growth even further. Profitability also improved. Adjusted EBITDA exceeded 1.2 billion Polish złoty, up 16.2% year-on-year, and the margin increased to 13.3 by 34 basis points.

This reflects continued efficiency improvement, disciplined cost management, and the strong performance of our Polish operations. Reported EBITDA was 1,163 million Polish złoty, also up 16.1% year-on-year after the recognition of 51 million of noncash LTIP related costs. Finally, we delivered a strong free cash flow of over 1.2 billion, and we continued to strengthen the balance sheet. Net debt to adjusted EBITDA decreased to 0.7 times, down 0.5 times year-on-year. Looking on the key financial metrics, I would highlight a few points. First, the top line growth remained solid. Sales-to-end customers increased by 13% in the second quarter and 14 and 12.6 in the first half of this year. This was supported by continued network expansion and an improvement in like-for-like versus the first quarter. Second, gross profit and adjusted EBITDA both grew faster than sales, more than 16%, with the gross margin up 47 basis points and EBITDA margin up 36 basis points versus the last year.

This improvement was driven mainly by stronger terms of trade, growing sales of QMS, and continued efficiency gains in logistics and store openings. And third, on franchisee margin, we see a year-on-year decrease in the second quarter. And as you recall, there was an increase in the first quarter of this year. As we have discussed before, quarterly movements in franchisee margin may be affected by seasonality, calendar effects, and inventory phasing. Therefore, the year-to-date view is more representative of the underlying trends. For the first half of this year, franchisee margin was slightly above last year, reflecting the growing share of QMS, our strategic category, and commitment to build a relationship with our franchisees. The last point is net profit. Below EBITDA, we also saw a clear improvement. Net financial cost declined year-on-year, supported by lower leverage and improved margin on our debt following bond issuance last year and refinancing completed in September last year.

This helped adjusted net profit increase to 366 million Polish złoty in the quarter, up 66% year-on-year. On the cash flow, the second quarter again shows the strength of our cash generation. Free cash flow reached 1.2 billion Polish złoty in the second quarter with conversion above 130%. This was supported by higher EBITDA, disciplined CapEx, and a strong working capital inflow. As you remember, Q2 is structurally and seasonally a strong quarter from a working capital and cash flow generation perspective, which contributed to these results. CapEx remained focused on growth and efficiency projects with capital allocation staying disciplined. And finally, strong cash generation translated into further balance sheet improvement. Net debt to adjusted EBITDA excluding leases decreased to 0.7 times as at the end of June compared to 1.2 times a year ago, on the back of higher EBITDA and stronger working capital dynamics in the quarter. As a result, net financial debt excluding leases decreased by almost one billion Polish złoty year-on-year to 2.3 billion.

Our liquidity position also remained very strong with cash of more than 1.6 billion Polish złoty as at the end of the quarter. And given this position, we decided to accelerate the repayment of 100 million under the SFA loan, which was originally scheduled for the fourth quarter of this year. So to wrap up, the key takeaway is that our cash generation continues to support growth, financial flexibility, and further deleveraging. Given this strong balance sheet position, we feel confident and fully ready to proceed with dividend payment, which is planned for today. I will now hand over to Tomasz to cover the transaction in more details.

Tomasz Suchański:

Thank you, Marta. Before we move to the transaction, I would like to take a moment to share my reflections on the remarkable journey Żabka has taken to date. I'm incredibly proud of what we have achieved at Żabka. Over the past 25 years, we have transformed the business from a single chain of corner stores to Poland, leading convenience ecosystem, growing ourselves at 23% CAGR. We have over 13,000 modern convenience stores today, and we are continuing to expand our network, adding 1,300 plus new stores per annum. We have delivered significant innovation in our modern convenience proposition, including our recent street food rollout. We have added successfully to our digital offering across e-grocery, meals, and our consumer application. In 2024, we entered Romania, our first international market, and currently we have 250 stores and growing. I'm very proud of what we have built at Żabka, and I think today's announcement with Couche-Tard is a recognition of the strength of our business.

This would not have been possible without the commitment, passion, and hard work of everyone who has contributed to this journey. A special thanks goes to our employee base here in Poznań and across all of Poland and Romania, as well as Żabka franchisees who deliver excellent service to the consumer day in and day out. We also thank CVC and Partners Group, who have been excellent partners over many years as we have grown and transformed the company to the European leader it is today. I will now pass it to Tomasz Blicharski to share a few remarks. Tomasz.

Tomasz Blicharski:

Thank you, Tomasz. I'm Tomasz Blicharski, Chief Strategy and Development Officer and the incoming CEO of Żabka Group. Pleased to be here with you. Żabka today is Europe's leading convenience retail platform serving time-sensitive customers across physical and digital channels and designed around one simple mission: helping our customers free up their free time. We have a network of over 13,000 modern convenience stores in Poland and Romania. We're adding over 1,300 stores per year with a disciplined payback of roughly one year, and our state generates a robust mid-to-high single-digit lifeline. More importantly, we see a long runway for continued expansion and plan to sustain this pace of growth, targeting more than 1,300 new stores opening annually over the medium term. In our current markets, our business has generated $8.5 billion in sales and $1.1 billion in adjusted EBITDA in 12 months to March '26. And our ambition remains exactly as it was at IPO to double sales to end customers between 2023 and 2028. Now, at the halfway point, we are firmly on track to deliver on that commitment. Today, almost 18 million customers live within 500 meters of Żabka store. And we serve approximately 4.3 million customer missions every day. Importantly, Żabka is much more than just the physical store network. Over the years, we have built a powerful digital platform, including eGrocery and meals. We have the Żabka app at the center of how we engage with our customers. As a management team, we're very excited for the next chapter of Żabka in partnership with Couche-Tard. I echo Tomasz' sentiment that today's announcement is a powerful recognition of the strength of the Żabka business, the power of our brand, and our people. We believe the combination of Żabka and Couche-Tard will create a leading pan-European convenience platform with aligned strategic priorities. Our partnership will allow us to accelerate the delivery of long-term ambitions benefiting from the enhanced scale, capabilities, and growth opportunities.

Having spent time with the Couche-Tard team, I believe we have a highly complementary culture built on a commitment to the innovation, convenience, and customer centricity. The quality and dedication of our people have been core to the success of Żabka. We are committed to continue investing in our people and creating even greater value for customers, franchisees, and the communities we serve. We're excited about the opportunities ahead of and look forward to working closely with our partners in Couche-Tard. With that, it is my great pleasure to welcome Alex, who will share their perspective on the transaction and the opportunities we see together going forward. Over to you, Alex.

Alex Miller:

Thank you, Tomek. What you've just heard from the Żabka team captures exactly why we're here. This is a transformational investment for Couche-Tard, the largest acquisition in our history and one of the most important milestones in our growth journey. For us, this is a unique and extraordinary opportunity to invest in a business we deeply admire, one that is already operating at the leading edge of where we believe convenience is heading. What stands out most is the quality of the platform, the strength of the people, and how closely Żabka aligns with the future we're building through our Core + More strategy. They are strong at their core, highly productive stores, deep customer relevance, high frequency, and an entrepreneurial franchise model with solid economics.

But what makes this combination especially powerful and compelling for us is their leading capabilities in food, digital engagement, loyalty, and personalization. In many respects, Żabka embodies the true potential of Core + More. And culture matters here, too. Part of our DNA is welcoming strong businesses into our organization, while preserving what made them successful in the first place. That mindset is very much at the heart of this partnership. So, for the next few moments, I'll walk you through five things. First, an introduction to Couche-Tard, followed by an overview of the transaction and the rationale behind it. We'll discuss the financial framework, our approach to execution and integration, and then we'll open it up for questions.

Many of you know us as Circle K through the nearly 400 service stations we've operated across Poland since 2012. What you may not know is that Circle K is part of a much larger global network. Today, we operate roughly 17,300 sites across 27 countries and 29 business units, coast to coast in Canada, in 48 of the 50 US states, and with leading positions across many European markets. That global scale, reach and operating expertise is part of what we bring to the partnership. That global network you just saw didn't happen by accident. It was built through partnership over four decades. And a defining chapter in that journey was 2012, when we expanded into Europe with the acquisition of Statoil Fuel & Retail, a leading Scandinavian fuel and convenience retailer. That's the acquisition that first brought us to Poland. And those stores were later rebranded to Circle K, the global brand we launched in 2015.

We've continued that momentum ever since. We acquired Topaz in Ireland and more recently, TotalEnergies across Germany and the Benelux. But the key to our success has never been simply adding stores. It's that we bring on the best leadership, talent, and ideas from each of these businesses and scale them across our network. That same approach, humility, respect for local expertise, and a commitment to learning in both directions is exactly how we'll approach Żabka. This is about bringing together two complimentary convenience leaders that share the same priorities. Convenience leadership, digital innovation, operational discipline, a growth mindset, and a focus on value creation, but that bring different complimentary strengths.

Couche-Tard adds global scale, mobility expertise, procurement leverage, and a proven global operating model. What Żabka brings is genuinely best in class. Food, an expanded quick meals solutions offer, accounting for roughly one in five transactions, which is a level of food penetration that's rare at this scale. Digital and loyalty, a digital first data-rich ecosystem anchored by the Żabka app, and a leading loyalty program, and advanced personalization and retail media capabilities. Innovation, from Żabka Nano autonomous stores to AI enabled operations, they built the kind of tech-powered convenience experience that's driving the industry forward. Put those together and you have a platform positioned to accelerate growth and innovation across Europe and beyond.

Let me summarize the key terms. This is an all cash offer for up to 100% of Żabka at Polish złoty, $32 per share, implying an equity value of roughly $8.6 billion US. We'll proceed through a voluntary tender offer expected to launch in August. And we already have irrevocable commitments from CVC, Partners Group, and key Żabka managers representing approximately 57% of shares. So, we are establishing control upon completion. We're targeting close by end of Q4 2026, subject to customary conditions and regulatory approvals. The case for this combination really comes down to three things. First, Żabka is an established leader in a large growing central and Eastern European market, and its geographies and capabilities compliment our own.

But this isn't simply about adding stores. It's about adding a differentiated growth platform that accelerates exactly where we want to go. Second, a historically strong financial profile with a pathway for continued compounding, a capital efficient franchise model with attractive unit economics, 25 plus years of consistent growth and meaningful white space still ahead. And third, disciplined execution. A high quality management team with a deep bench and a proven operating model powered by data, scale and AI across the value chain. Taken together, these are what give us real confidence in the value this creates over the long term.

The scale of the opportunity really comes through in the numbers. A few summary points drawn from the proforma and key takeaways. Significantly expanded footprint. The combination would operate roughly 30,300 stores, extending our reach into dense neighborhood convenience formats we don't have today. A step change in European presence and scale. Europe and other regions jumps to about 60% of the combined store base, up from roughly 30% for Circle K alone. A genuine step change in a priority region. Increased diversification outside of fuel. A meaningfully higher share of merchandise and service revenue, which strengthens the resilience and quality of our earnings mix. And last, higher margin, higher growth, and focused on Core + More. Proforma revenue of $83.9 billion and adjusted EBITDA of approximately 7.8 billion before synergies, with a stronger blended margin.

Finally, I want to close on what matters most in all of this, and that is people. Our guiding principle through integration is continuity. And that starts with keeping employees, franchisees, and customers at the center of every decision we make. Practically, that means Żabka will continue to operate independently with no disruption to day-to-day business, led by its existing management team who are reinvesting alongside us and remain responsible for executing Żabka's strategy and growth. We deeply respect the expertise, innovation, and customer focus of the Żabka team and its franchisees. And we see this partnership as creating new opportunities for them, not disruption.

We'll support that with a clear governance structure that preserves local accountability and dedicated integration teams focused on capturing best practices and long-term value on both sides. But through the line is simple. Protect what makes Żabka special and keep its people and customers front and center.

Tomasz Blicharski:

Thank you, Alex. That concludes our presentation. We will now move to Q&A.

Moderator:

Thank you. If you wish to ask a question, we ask that you please use the raised hand function at the bottom of your Zoom screen, or if you've dialed in, please press star, nine. Our first question will come from Richard Trainor with Bernstein. Please unmute your line and go ahead.

Richard Trainor:

Hi there. First question on the deal, is the price being offered high enough for the public market shareholders of Żabka?

Richard Trainor:

I guess we'll determine if it is, Michael, or excuse me, Richard. That's for them to decide.

Richard Trainor:

Fantastic. And one more, if I may. Where will the synergies come from in this deal?

Richard Trainor:

The synergies are going to come from all the things you just heard us describe. We see Żabka, for us in our core plus more strategy, we talk about more, which food, owned brands, private brands, merchandise supply chain, digital solutions, all the things you heard me reference in the commentary. Those are things that Żabka is extremely good at and I think leading in our industry. We will be looking to apply those things across the Couche-Tard base.

Richard Trainor:

Thank you very much.

Moderator:

Thank you very much. Our next question will come from Michał Potyra from UBS. Please unmute your line and go ahead.

Michał Potyra:

Hi, morning everyone, and thank you for this opportunity. I have two questions, if I may. So the first one is, I understand there is a commitment from shareholders representing 57% of the shares committed to the tender. I wanted to ask, is there a level of additional shareholder acceptance for the offer to succeed? And are you considering to buy a controlling stake in Żabka, but keep it listed as well, or only 100% is what interests you? Thank you.

Alex Miller:

Yeah, I think as we outlined, we have irrevocable commitments for 57% ownership of Żabka, which gives us a controlling stake. We will then proceed with the tender offer and we will see what percentage tenders in that process. We are open to continuing to run Żabka as a public company listed here on the Polish Stock Exchange. We are also open to tendering all of those shares and bringing Żabka inside the broader Couche-Tard group.

Michał Potyra:

So there is no clear answer, I understand, right? From what you just said?

Filip Paszke:

I mean, Michał, there is no conditions. No conditions are planned for in terms of thresholds other than Alex just described, irrevocables for 57%, and then it's up for the market to decide whether to tender the shares or not.

Michał Potyra:

Thank you. One more, if I may, just to make things clear because you mentioned, but I didn't got that really, about the dividend. So the bid price will be 32 after the dividend is paid, right? So the dividend is on top.

Marta Wrochna-Łastowska:

Yes. Yeah, we will pay the dividend as planned today, and share price as announced.

Michał Potyra:

Thank you, I just wanted to clear that. Thanks.

Moderator:

Thank you. As a reminder, if you would like to ask a question, please use the raised hand feature. Or if you've dialed in, please press star nine. Once you've been invited to ask your question, please unmute and ask your question. Our next question will come from Elena Jouronova with JP Morgan. Please unmute your line and go ahead.

Elena Jouronova:

Hello. Can you hear me?

Filip Paszke:

Yes, we can.

Marta Wrochna-Łastowska:

We can hear you well, Elena.

Elena Jouronova:

Hello. Well, congrats on this, first and foremost. Secondly, a bit of a follow-up from Michał's question. So in the event that minority investors choose not to tender shares and remain the shareholders of Żabka, is it more likely that Couche-Tard would prefer to increase the price of the tender offer, or you're very happy to just, as you said, run it as a public business and reconsider in the future? What's your appetite to potentially increase that tender offer price if no one wants to sell it or no one except for the 57% that's already secured?

Alex Miller:

The tender offer will be done at 32 Polish złoties per share, and we will let shareholders decide if they wish to tender. As I stated earlier, we are open and willing to continue to run Żabka as a public company listed here on the Polish Stock Exchange. We're also very open to, should the tender come in over the threshold, we would de-list Żabka and bring them inside the Couche-Tard group.

Elena Jouronova:

Understood. Thank you. How do you plan to change the board of directors? How many board seats will Couche-Tard have, post the acquisition of the controlling stake? And what are your initial thoughts about capital allocation and financial leverage of Żabka as it stands currently?

Tomasz Blicharski:

Elena, I think it's way too early to answer these questions. Obviously some of the things that you mentioned are conditional on the shareholding percentage that Couche-Tard holds after that tender is done. So we'll surely come back on this at a later stage.

Elena Jouronova:

Well, that's fair, but then on financial leverage from how the balance sheet looks like right now, does Couche-Tard consider this as adequate financial leverage, or potentially considers levering up more in order to fund growth expansion?

Tomasz Blicharski:

Yeah, I think just coming back to it, I think that really depends on the outcome of the situation. I think obviously Couche-Tard very well knows our kind of current leverage and they feel comfortable with the current leverage, given they decided to proceed with their transaction, and I think it's fair to stop at this moment.

Elena Jouronova:

Thank you. And sorry, one more for me, probably more question to Żabka's management team. So with the change of core shareholder for the company, how does that change the appetite for growth? Should we be thinking that a company may consider expansion outside of the Eastern European region? And I appreciate you might say it's too early to tell, but I guess for those investors who will decide to tender or not tender the shares, this is an important question.

Tomasz Blicharski:

Yeah. I mean, one thing that we identified early on in our discussions with Couche-Tard colleagues is that they have very similar values, and also approach to business and growth is certainly one of the key features that both them and us effectively share. And that's on one hand. Secondly, I mean obviously with our international expansion, we continue with our strategy on focusing at the moment on Romania and putting as many stores with good quality in that market. We just crossed 250th store in Romania, I think today or something around that day. And we continue to be committed to Romanian markets and growing that. We'll certainly also continue growing the business in Poland. We still open approximately 1,300 stores in the last 12 months, and I don't see that changing. As to future plans, I think I will answer as you suggested, so this is relatively too early to say.

Moderator:

Thank you. Thank you. I'll just pause for a moment to allow any more questioners to form in the queue. Okay, we have another question from Michał Potyra with UBS. Please unmute your line and go ahead.

Michał Potyra:

Hi, thank you. Thank you for the opportunity again. Maybe just switching gears a little bit and looking at your second quarter numbers. If you could perhaps comment a little bit more firstly on the gross margin expansion drivers, what was causing that and should we expect that sort of momentum to continue? And a second question also, if you could comment a little bit more on the changes in the franchisee margin, which dropped. Thank you.

Marta Wrochna-Łastowska:

Michał, thank you for this question. In terms of the gross margin, I think the drivers are in line what we have seen over the recent quarters. So we have seen improvement in terms of terms of trade with our suppliers given the increasing scale of our business. We have seen also the efficiencies across the entire organization, we have improved the processes within the logistics, the store costs. We have lower cost of store maintenance given that we insource some of our store maintenance operations. And in general, the scales also help us. As you know, inflation is also lower in terms of costs, so it also impact positively our gross margin. So in terms of the guidance for the full year, we do not change it, and we expect to deliver comfortably the guidance on the EBITDA margin, which we shared with you previously. And in terms of the franchisees, I think that we should, as I mentioned during the presentation, and you know that there are some movements related to the seasonality and also the calendars related to the margin and the level of stock at our stores, and given that, it is much better, as we explained, to look from the longer term perspective. So, therefore, we look more for year-to-date figures, and when you look on that, you see that there is an increase of approximately 10 basis points in the franchisee costs in the first half of 2026 compared to last year. And we believe that this results from two things. First of all, it's the increase in the QMS. So, you know that we pay more for QMS to our franchisees, given that this is strategic category for us, and also requires more labor from the franchisees, and secondly, we make sure that franchisee feel comfortable, and we are focused also on their engagement. So, given that, we expect that we may see similar leg values for the second half of this year as we have seen for the first half of the year.

Michał Potyra:

Thank you. Am I still on? Not sure.

Marta Wrochna-Łastowska:

Yes, we can hear you.

Michał Potyra:

Hello? Oh, yeah. Great. Great. If I have my just two other questions. I know it's early, but perhaps you could give a little bit color on the July trading, please. I remember the weather was not very helpful last year, but seems to be very supportive this year, so it would be nice to hear some color on that. And then perhaps also more of a question regarding your full year outlook. Looking at the first six months, it seems that you were able to improve your EBITDA margin quite a bit, and the run rate is visibly ahead, your full year range. So, I'm wondering, is there room for you to upgrade that, or no changes at this stage? Thank you.

Tomasz Blicharski:

Michał, thanks for the question. I think at this stage, what we can certainly confirm is we maintain our full year guidance, both in terms of like-for-like for the year, and in terms of profitability that we shared before, that's all we can comment at this stage.

Michał Potyra:

Thank you. And anything about July, please?

Tomasz Blicharski:

I think July was included in my comment previously.

Michał Potyra:

Okay, thank you.

Moderator:

Thank you. Our next question will come from Janusz Pieta with mBank. Please unmute your line and go ahead.

Janusz Pięta:

Hello.

Tomasz Blicharski:

Hello.

Janusz Pięta:

Hi, hi. Two question, one strategic one. When it comes to international expansion, so is it like a story for two, three years from now, or is it a more medium-term story excluding Romania? And the second one, on the Q2 results and incentive program, I guess the cost went up a bit quarter-on-quarter, so could you give us a bit more color on that and how it should evolve in the next quarters?

Marta Wrochna-Łastowska:

Yeah, from the perspective of the second question is, the second quarter was a little bit different due to some of the accounting reasons, and we can explain that, Janusz, offline if you wish. But in the next quarters, we expect to have similar costs as we used to have. So, this increased costs are more a one-off in the second quarter of this year, and will be not recurring for the next quarters.

Tomasz Blicharski:

Yeah. And on strategic international expansion plans, so the first question you've asked, I think I can only repeat my comment from answering prior questions. So, effectively, we're fully committed to making Romania grow as fast as possible at this stage, and we'll determine on the next steps on our international journey at a later stage.

Janusz Pięta:

So, with the international expansion, you will be waiting until Romania is on the breakeven, and then you will look at other markets, or is it something that you can do at the same time?

Tomasz Blicharski:

I think at this stage, what I want to say is that our full focus at the moment is on Romania, and we really want to expand in Romania as fast as possible. I think we have early success there, we mentioned that a few times during last quarters, we see very positive momentum there. We operate close to 250 stores, we have a positive momentum both in terms of sales and profitability of these stores, but we understand that it is very important for us at this stage to make sure that we get to the next level before we commit to any additional plans. And I think we maintain here our prior position that we have taken on that matter.

Janusz Pieta:

Thank you.

Moderator:

Thank you. Our next question will come from Volodymyr Shkuropat with Kepler Cheuvreux. Please unmute your line and go ahead.

Volodymyr Shkuropat:

Hi. On the new growth engines segment, your adjusted EBITDA loss was lower quarter-on-quarter, could you explain how much of that improvement came from Romania, or was it mostly the digital customer offering segment? Also, could you give us some indication of the current Romania loss run rate and the level of the segment losses we should assume for the second half of this year?

Marta Wrochna-Łastowska:

Yeah. So, in terms of the segment, as you may expect, we continue to invest in Romania. And it is very important for us, so therefore, as you can imagine, given the higher number of stores, and the fact that most of the stores are in the ramp up period, there is a higher investment in Romania this year compared to last year. In terms of the guidance, I think that the guidance for the group in terms of both sales as well as margin and net profit results, it includes both segments, Poland and Romania, and new growth engines, and we do not guide specifically for each of them.

Volodymyr Shkuropat:

Thank you. And one more, if I may. On the like-for-like, could you give us more color about monthly progression of like-for-like in the second quarter? I understand that April was weaker and May was stronger, but also what was the exit rate in June in the second quarter?

Tomasz Blicharski:

I think we have had some variability in Q2, mostly on the back of weather and different weather patterns that we had compared to the prior year. So, I think that drove a lot of the variability. In terms of the exit rate, I think what we see on our end is that we are in line or we are expecting to meet the full year guidance, mid to high single digit. And we obviously make this confirmation based on what we already know, right?

Volodymyr Shkuropat:

Thank you. And to clarify, this mid single digit to high single digit, in your terms, this mid single digit, it starts from 4%, am I right?

Tomasz Blicharski:

Not sure if we ever gave this clarification, I think it's up to you to determine where mid-starts. But yeah, I think it's difficult to get more detail than this, given that we have never, I think, clarified it more than this.

Volodymyr Shkuropat:

Okay, fair enough. Thanks.

Moderator:

Well, this concludes today's call, thank you everyone for joining. You may now disconnect.