

Żabka Group after the first three quarters of 2025: growth outpacing the market, continued expansion momentum and significant profitability improvement

Robust sales growth and rapid network expansion, underpinned by operational efficiency, are boosting net profitability and enabling effective deleveraging.

The Żabka Group maintains a strong pace of growth. As at the end of the third quarter of 2025, the number of stores in Poland and Romania reached 12,099, representing an increase of almost 11% year on year. As part of the accelerated rollout, the Group plans to open over 1,300 new outlets in Poland and Romania in 2025.

Despite unfavourable weather conditions, like-for-like sales rose 5.5% in the first nine months. Additionally, sales growth was driven by the ongoing expansion of the network in Poland and Romania, as well as the continued development of the DCO segment. Consequently, sales to end customers grew by 14.1%, to PLN 23.27 billion, with consolidated revenue rising to PLN 20.23 billion.

Adjusted EBITDA increased by 16.5% to PLN 2.93 billion as at the end of September 2025, reflecting network expansion, LfL performance, and disciplined cost control. Adjusted EBITDA margin widened by 0.3pp, to 12.6%. Adjusted net profit for the first nine months of 2025 came in at PLN 649 million, an increase of 54.6% year on year, resulting in an adjusted net profit margin of 2.8% (compared with 2.1% a year earlier).

Supported by stable cash generation and consistent debt reduction, the net financial debt to adjusted EBITDA post-rent ratio decreased by 0.4x year on year, reaching 1.0x at the end of the third quarter of 2025, a level that supports recommending a dividend in line with the Group's updated strategy.

Tomasz Suchański, CEO of Żabka Group, commented:

"Our results after the first three quarters of 2025 confirm that the strategy outlined at the IPO is delivering tangible outcomes and is helping us grow Żabka Group's value with determination and consistency. We are maintaining steady growth across all key business areas, leveraging the synergies between network expansion, digitalisation, and product innovation. Our expansion is gaining further momentum – we are well on track to exceed our revised target of more than 1,300 new openings this year and to reach approximately 16,000 stores in Poland and Romania by the end of 2028. We continue to strengthen Żabka Group's position as an efficient modern convenience

ecosystem that addresses customers' everyday needs, supports sustainable development, and creates long-term value for shareholders."

Tomasz Blicharski, Group Chief Strategy & Development Officer, added:

"Our effective business model enables us to consistently reinforce our market position and increase market share, which, according to Nielsen, reached 10.7% at the end of September 2025. We are maintaining a rapid expansion pace, taking advantage of the wide availability of high-quality locations and tapping the potential to convert traditional retail into a modern convenience format. Our business model resonates in the market, driving strong interest from prospective franchisees. In Romania, the Froo network is expanding rapidly, becoming one of the fastest-growing convenience formats in the market. Like-for-like sales growth is supported by even better tailoring of our store format to customer preferences and Point of Sales assisted product promotion. Additionally, we are accelerating development of our DCO segment, by introducing own parcel delivery service and entering into fintech space, as well as rolling out our eGrocery services in a new city, Wrocław."

Marta Wrochna-Łastowska, CFO of Żabka Group, said:

„We are pleased with our results in the first nine months of the year, driven by sustained strong performance of our core business. Our operational efficiency and rigorous cost management allowed us to improve our adjusted EBITDA margin, despite unfavourable weather conditions, underpinning our confidence in ability to deliver a modest improvement of our full-year adjusted EBITDA margin towards the upper end of the 12–13% range. We also significantly strengthened our capital structure and reduced financing costs. Following the successful bond issuance in May, we improved our terms of financing in September by extending maturities and lowering margins of our debt facility, which combined with tax efficiencies, allowed us to reach adjusted net profit margin of 2.8% after the first nine months of the year. This trajectory positions us well to deliver on our full-year guidance, with our adjusted net profit margin approaching our target of 3% already in 2025."

Key information regarding Żabka Group's performance in 9M 2025:

- Revenue for the first three quarters of 2025 increased by 14.1% to PLN 20.23 billion. In the third quarter alone, revenue amounted to PLN 7.44 billion, representing an increase of 13.1% year on year. Growth was fuelled by organic expansion, driven by solid LfL performance and the continued rollout of the Żabka store network in Poland, as well as by strong results from the New Growth Engines (NGE) – the Group's operations in Romania and its digital channels (DCO).
- Sales to end customers for the first nine months of 2025 reached approximately PLN 23.27 billion, up 14.1% year on year. In the third quarter, sales increased by 13.6% to nearly PLN 8.52 billion.

- Despite adverse weather in 2025, like-for-like sales rose 5.5%, including 4.5% growth in the third quarter. The momentum was supported by an enhanced product offering, especially in the QMS segment.
- Driven by continued strong sales growth and the implementation of cost-efficiency programmes, adjusted EBITDA for the third quarter increased by 14.3% year on year to PLN 1.28 billion. Over the nine-month period, adjusted EBITDA rose by 16.5% to PLN 2.93 billion. Adjusted EBITDA margin improved to 15.0% in the third quarter (compared with 14.9% a year earlier) and to 12.6% for the first nine months (versus 12.3% in the prior year).
- The Żabka Group increased its market share, further strengthening its position as the largest convenience network in Europe. During the first nine months of 2025, the Group opened 1,127 new stores, 130 more than in the same period of 2024. As a result, at the end of September the total number of outlets in Poland and Romania reached 12,099, representing a 11% increase year on year. According to its updated expansion plans, the Żabka Group estimates the combined market potential of Poland and Romania at approximately 27,000 stores.
- The New Growth Engines segment (NGE), including digital businesses and operations in Romania, generated sales to end customers of approximately PLN 1.12 billion in the nine months of 2025, marking an increase of 42.5% year on year. Since its launch in May 2024, the Froo network has expanded to 122 outlets, of which 67 stores were opened in the first three quarters of 2025. The DCO business achieved a positive EBITDA, mainly due to improved performance in eGrocery and D2C meals business.
- Adjusted net profit for the first three quarters of 2025 amounted to PLN 649 million, an increase of 54.6% year on year. In the third quarter, it reached PLN 505 million, compared with PLN 341 million a year earlier (+48%).
- Free cash flows remained stable at PLN 1.8 billion, slightly down (5.4%) year on year. In the third quarter, free cash flow totalled PLN 639 million, compared with PLN 647 million in the prior year (-1.2%).
- Capital expenditure (CAPEX) for the first nine months of 2025 totalled PLN 1.08 billion, an increase of 3.1% year on year. Investments focused on network expansion and the development of the DCO, including Maczfit, Dietly.pl, Nano, Żabka Jush, and delio.
- Over the past year, the Żabka Group reduced its net debt to adjusted EBITDA post-rent ratio by 0.4x year on year, reaching 1.0x at the end of September 2025, supported by solid cash generation and growth in adjusted EBITDA.

Q3 2025 and 9M 2025 highlights

PLN million	Q3 2025	Q3 2024	Change	9M 2025	9M 2024	Change
Revenue	7,440	6,578	+13.1%	20,230	17,726	+14.1%
Gross profit on sales	1,514	1,345	+12.6%	3,655	3,174	+15.2%
EBITDA	1,226	1,093	+12.2%	2,773	2,472	+12.2%
Adjusted EBITDA*	1,279	1,119	+14.3%	2,932	2,518	+16.5%
Net profit/(loss)	463	319	+45.2%	530	377	+40.5%
Adjusted net profit**	505	341	+48.0%	649	420	+54.6%

Selected KPIs and performance metrics

(all margins calculated in relation to Sales to End Customers)

	Q3 2025	Q3 2024	Change	9M 2025	9M 2024	Change
Consolidated sales to end customers, PLN million***	8,517	7,499	+13.6%	23,268	20,392	+14.1%
Number of Stores (EoP) including in Romania				12,099 122	10,906 26	+10.9% +369.2%
Lfl growth	4.5%	6.0%	-1.5pp	5.5%	8.6%	-3.2pp
Gross store openings including in Romania				1,127 67	997 26	+13.0% +157.7%
EBITDA Margin	14.4%	14.6%	-0.2pp	11.9%	12.1%	-0.2pp
Adjusted EBITDA margin*	15.0%	14.9%	+0.1pp	12.6%	12.3%	+0.3pp
Net profit margin	5.4%	4.2%	+1.2pp	2.3%	1.8%	+0.4pp
Adjusted net profit margin**	5.9%	4.5%	+1.4pp	2.8%	2.1%	+0.7pp

* Adjusted EBITDA calculated as EBITDA pre-Rent and margins calculated based on Sales to End Customers.

** Adjusted net profit includes net profit plus EBITDA adjustments, net of tax effect.

*** Represents sales to end customers from Zabka stores, as well as of New Growth Engines, And does not represent the Company's revenue.

Strategy update

In line with the strategy update published on 30 September 2025, the Żabka Group plans a significant acceleration of its store network expansion. The target for new openings in 2025–2028 has been raised to over 1,300 outlets per year, compared with 1,300 in 2025 and 1,000 per year for 2026–2028 under the previous plan. This puts the network on track to reach around 16,000 stores by the end of 2028, about 1,500 more than projected at the time of Żabka's first-time listing on the Warsaw Stock Exchange. While organic expansion remains as the core of its growth strategy, The Żabka Group does not rule out mergers and acquisitions that could enhance its position or extend its footprint into new markets.

The Board of Directors is going to recommend distributing 50% of 2025 net profit as dividends, and 50–70% of net profit in subsequent years, subject to market conditions and planned investments. In the longer term, the Group may also launch share buyback programmes.

About the Żabka Group

The Żabka Group is the Ultimate Convenience Ecosystem with a mission to create value by simplifying people's everyday lives.

The Group serves a growing number of consumers who are looking for convenience and promotes a responsible approach towards products, packaging, customers, franchisees, suppliers and the broader environment.

Żabka Group's ecosystem encompasses Poland's leading convenience retail network operating under Żabka brand and a store chain in Romania under Froo brand, which together comprised 12,099 stores at end-September 2025. The network is complemented by a chain of unmanned, autonomous outlets operating under the Żabka Nano banner, enabling customers to shop 24 hours a day, seven days a week.

The Group also has an advanced, continually evolving digital customer offering. Its Maczfit operation delivers restaurant-quality prepared meals to consumers seeking convenient and healthy food, while Dietly is the leading online D2C meal solutions marketplace. The Group's eGrocery business is operated through two brands: Jush! and Delio. Since October 2024, the Company's shares have been listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie, WSE).

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