Half-Year Results 2021

21 JULY 2021

Michael Mueller, CEO
Beat Fellmann, CFO

AGENDA

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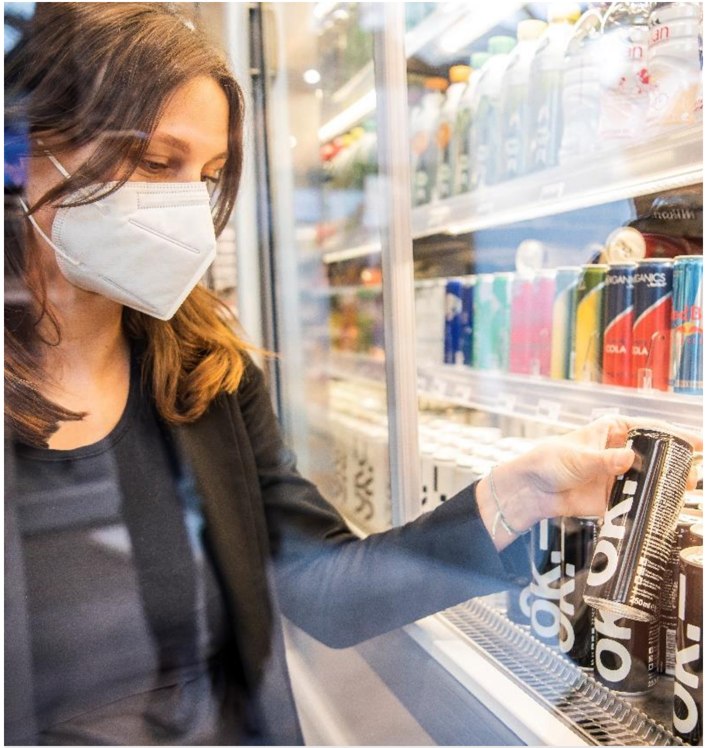
Key Takeaways

KEY TAKEAWAYS HY 2021 (1/2)



- Valora confirms expectation to return to pre-crisis profitability with its operating units within the next 6-9 months
- For 2021, EBIT of 25-35 mCHF expected and 70 mCHF (+/- ~10%) for 2022
- Confirmation of long-term guidance, which is expected to be reached with a COVID-19 related delay of 18-24 months
- Limited impact of continued working-from-home on footfall and sales anticipated to be largely offset by:
  - Sustainable cost improvement and a favourable category mix with more food in the short term
  - Increase in public transportation commuters in the medium term
- Positive EBIT of 7.4 mCHF in HY 2021 compared to -1.9 mCHF in HY 2020
  - Adjusted for the positive effect from the German governmental COVID-19 support programme («Überbrückungshilfe III») of 13.1 mCHF, an operating growth of +16.4 mCHF for the recovery period of March to June 2021 has been realised
- HY 2021 net revenue at -19.0% compared to pre-crisis level (HY 2019) strongly impacted by governmental restrictions and -0.2% lower compared to HY 2020, when January and February were not affected by COVID-19
  - From March to June, recovery started to gain traction after significant release of governmental restrictions with +13.8% net revenue growth vs. HY 2020

KEY TAKEAWAYS HY 2021 (2/2)

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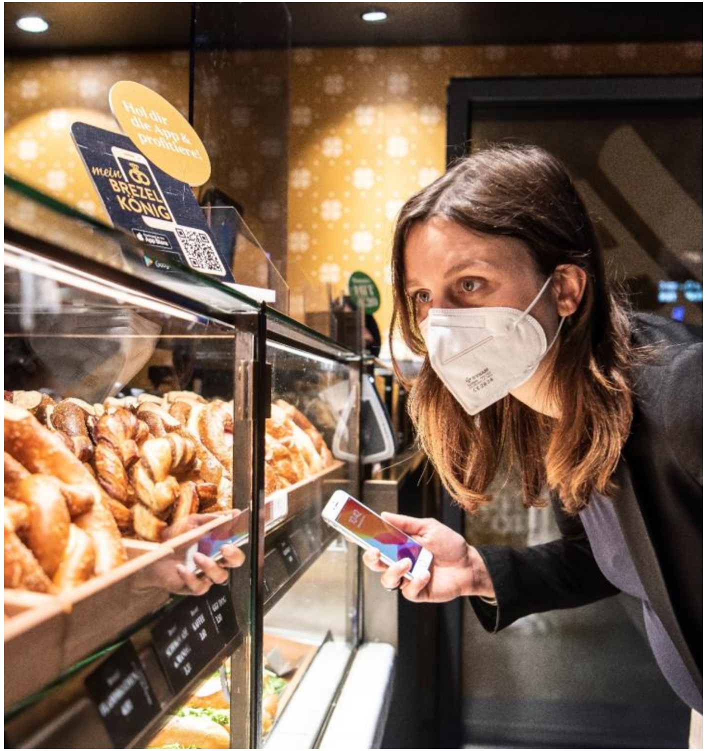

- Strong balance sheet confirmed
  - Improved equity ratio before lease liabilities of 50.9% (FY 2020: 47.3%)
  - Stable net debt, thanks to neutral free cash flow with a solid leverage ratio of 2.4x EBITDA well below covenant ceiling
  - Capacity from capital increase in Nov. 2020 remains available for M&A & capex
- Resilience of business model and stability of partner network confirmed even during the prolonged and more severe than expected crisis during HY 2021
  - Disciplined cost management across all areas of business
  - Continued financial support to franchise and agency partners (churn rate of partners maintained on pre-crisis level)
  - Short-time working schemes helped to avoid lay-offs significantly
- Continued investment along all strategic initiatives
  - Continued investment in SBB refurbishment
  - Progress in in-house development of digital solutions, with significantly stronger team and higher related expenses compared to HY 2020
  - Intensified M&A activity with a focus on expanding the network in existing geographies and strengthening core business
  - New cooperation with Moveri, doubling Swiss service station business
- Valora strongly believes in the value creation potential of its established foodvenience strategy

Post-Crisis Recovery

STRONG FUNDAMENTALS FOR POST-CRISIS RECOVERY

- Third consecutive half-year with significant impact of government restrictions on mobility and sales development at transportation hubs and city centers that account for ~2/3 of pre-crisis (2019) sales
- However, recovery gained traction over the last weeks since governments in all Valora geographies started to ease restrictions based on progress in vaccination programmes; US B2B sales with strongest recovery in the Group as indicator for further recovery in Europe
- Reduced commuting activity based on expected increase in working-from-home expected to have limited effect on footfall as higher total commuter flows will compensate in the medium term
- Vaccination success strengthens confidence and positively stimulates buyer behavior; growth in public transportation expected to return as soon as commuters feel safe (vaccination) and road congestions increase again
- The operating leverage of the recovery will be the strongest in Food Service, which suffered the most during the crisis

Valora expects sustainable recovery of footfall to pre-crisis level at public transportation hubs and city center locations

SALES DEVELOPMENT BY POS CLUSTER

~50% OF PRE-CRISIS SALES IN TRANSPORTATION HUBS HAVE BEEN MOST SEVERELY IMPACTED

		Transportation hubs (incl. airports)	**City centers**	**Shopping malls**	**Other** (Agglomeration, service stations, etc.)
RETAIL	External sales development **HY** 2021 vs. 2020	**-6%**	**-4%**	**+3%**	**-5%**
	2021 vs. 2019	**-25%**	**-19%**	**+3%**	**-12%**
	Sales share FY 2019:	~50%	~10%	~30%	~10%
FOOD SERVICE (B2C)	External sales development **HY** 2021 vs. 2020	**-28%**	**-29%**	**-49%**	**n/m**
	2021 vs. 2019	**-56%**	**-54%**	**-67%**	**n/m**
	Sales share FY 2019:	~50%	~40%	~10%	<1%

RECOVERY SINCE EASING OF RESTRICTIONS

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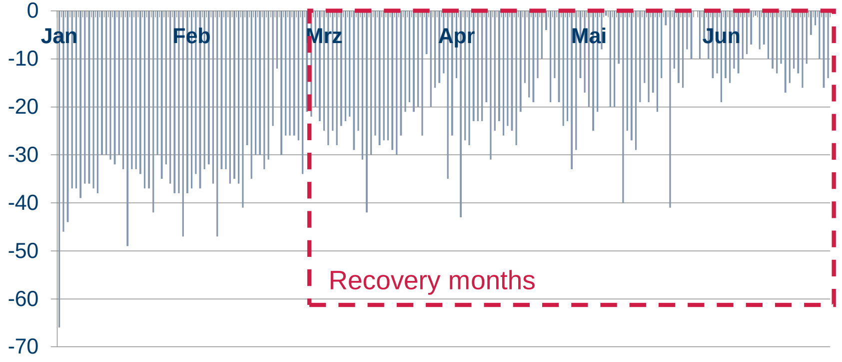
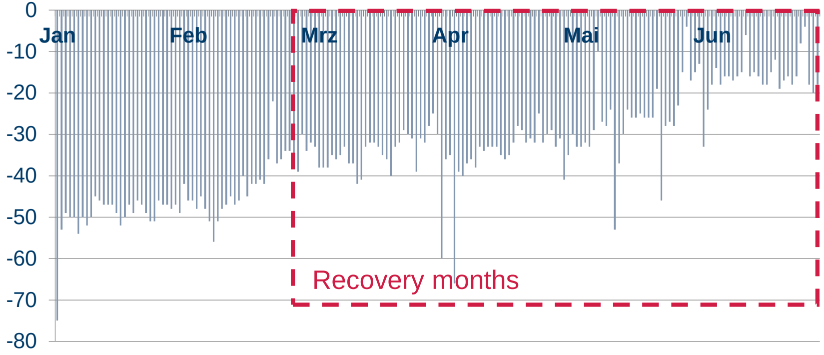
Mobility trend (transit stations) in Switzerland…



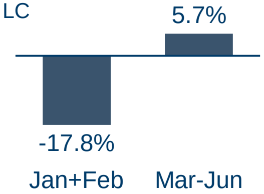
… and Germany during HY 2021:



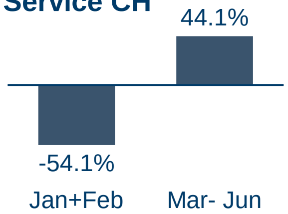
Source: Google LLC *"Google COVID-19 Community Mobility Reports"* Note: Baseline = Median of 5-week period (Jan 3 – Feb 6, 2020)

External sales development during hard lockdown months (Jan+Feb) and recovery months (March-June) in 2021 vs. 2020:

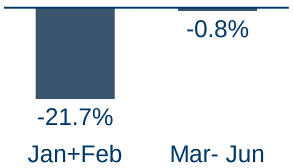
Retail CH
in LC



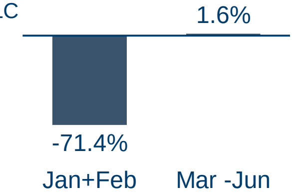
Food Service CH
in LC



Retail DE/LU/AT
in LC



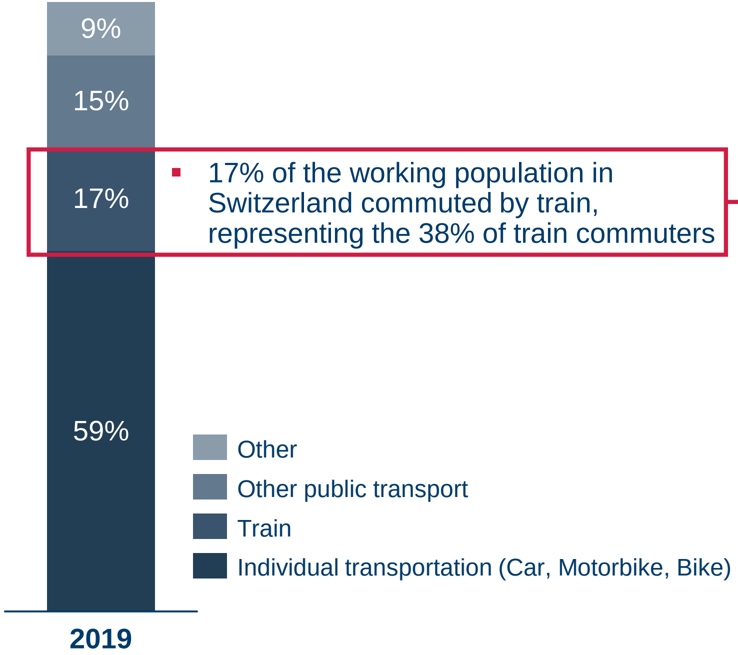
Food Service DE (B2C)
in LC



COMMUTING ON PUBLIC TRANSPORT IN SWITZERLAND

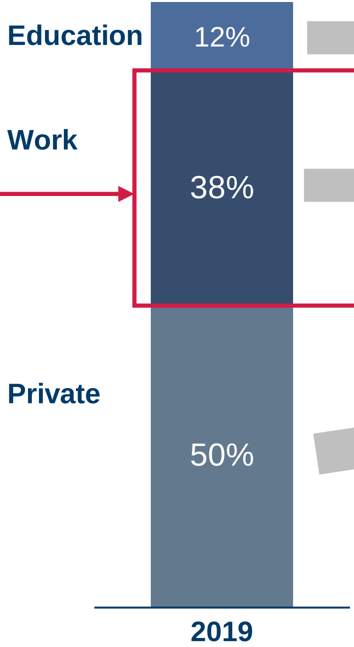
PRE-CRISIS ONLY 38% OF TRAIN PASSENGERS COMMUTED FOR WORK

Split of working population by way of commuting



- 17% of the working population in Switzerland commuted by train, representing the 38% of train commuters

Share of train passengers by purpose



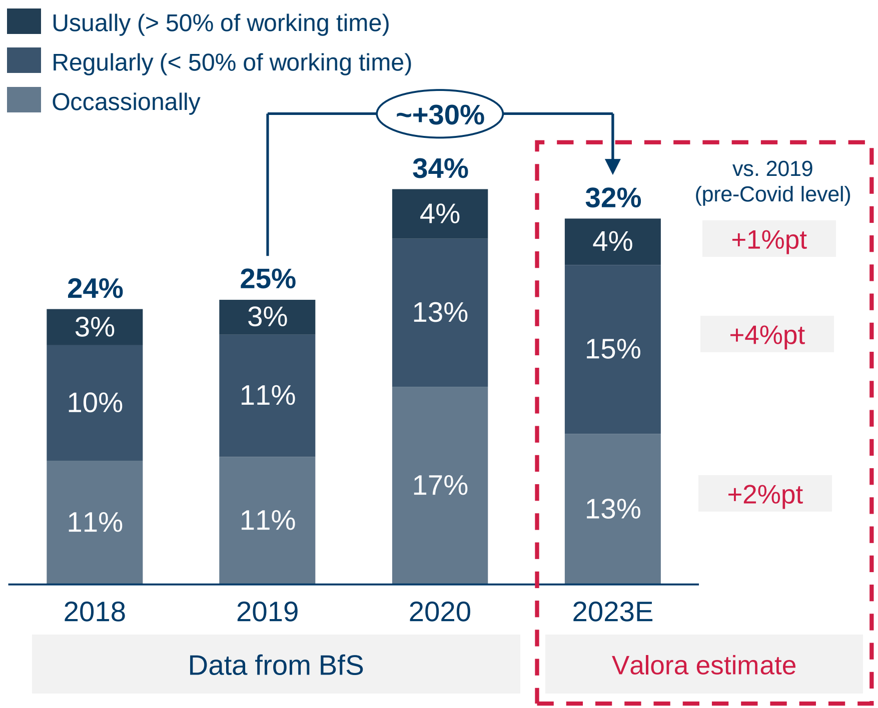
Valora view for the medium term

- Return to physical attendance with no impact on passenger volume
- Most affected by working-from-home trend but with compensating effects from new commuters (in particular due to population growth)
- Private travels (for leisure and shopping) to recover faster post-COVID and with no impact on passenger volume in the mid-term
- New public train offerings for leisure to even increase passenger volume

Source: Swiss Federal Statistical Office (Bundesamt für Statistik, BfS)

EXPECTED INCREASE OF IMPORTANCE OF WORKING-FROM-HOME

Split of workforce working from home



Source: Swiss Federal Statistical Office (Bundesamt für Statistik, BfS)

Our view for the medium term

- Pre-crisis (in 2019) 25% of the working population were working fully or partly from home
- During the pandemic in 2020, the share of people working-from-home increased to 34%
- Going forward we estimate that this trend will level off at ~32%, which means ~30% more people working-from-home compared to 2019
- Our assumptions in detail for working-from-home:
  - Usually (> 50% of working time): 4 days at home / week
  - Regularly (<50% of working time): 2 days at home / week
  - Occasionally: 1 day at home / week

We expect working-from-home trend will level off at ~32% in 2023

NEW COMMUTERS EXPECTED TO COMPENSATE EFFECT OF INCREASED WORKING-FROM-HOME

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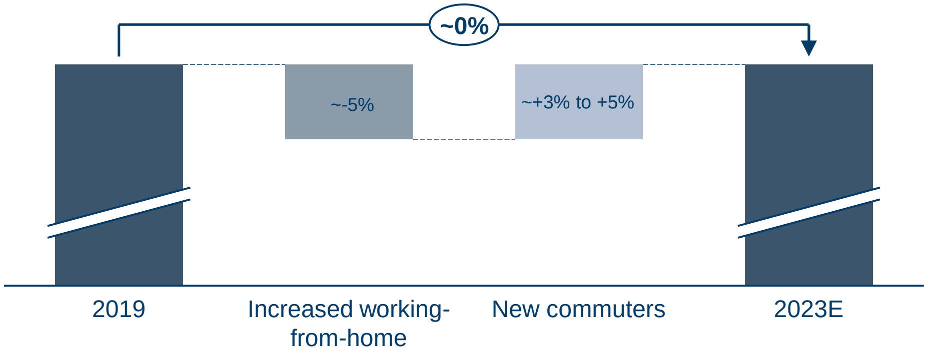
Train commuters

Illustrative example for Switzerland



25%	Share of people who can work-from-home	~32% (Valora estimate)
17.0%	Share of working commuters	~17.3% (Valora estimate; based on 50% historical growth)
+1.0% p.a. (2010-2020)	Population growth	+0.8% p.a. (2020-2025; BfS estimate)

Source: Swiss Federal Statistical Office (Bundesamt für Statistik, BfS)

Working-from-home

- Pre-crisis commuters did on average 6.4x journeys by train per week
- Although the share of people working-from-home is expected to increase from 25% in 2019 to ~32% in 2023, the impact on train commuters being only ~-5% during that time

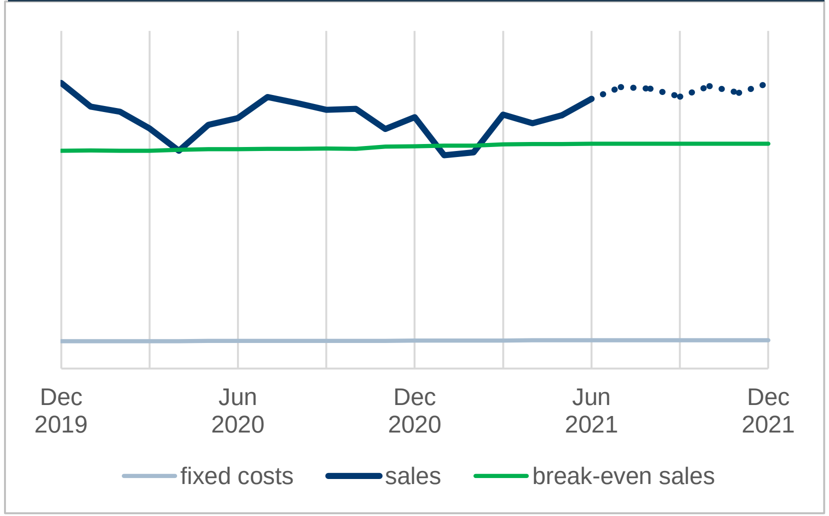
New commuters

- The negative effect of working-from-home is expected to be compensated by the increase of:
  - Population growth of +0.8% p.a. (2020-2025) expected by BfS (historically 1.0% p.a. between 2010-2020), which is a key driver of the continuously increasing passenger volume
  - Constantly increasing share of public transportation commuters in the workforce with 17.0% in 2019 and an estimated share of ~17.3% by 2023

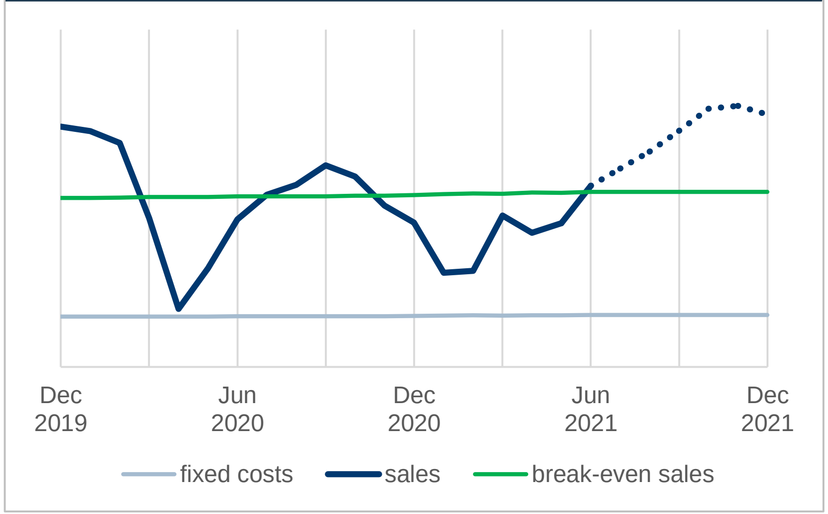
FOOD SERVICE WITH SUBSTANTIAL OPERATING LEVERAGE IN RECOVERY

FOOD SERVICE WITH LOWER RELATIVE BREAK-EVEN SALES THAN RETAIL

Retail – Operating Leverage



Food Service – Operating Leverage



Food Service with high incremental EBIT impact on sales changes (at existing capacities), thanks to high GP margin >70%

Half-Year 2021 Results

FINANCIAL REVIEW HY 2021

- Year-on-year **EBIT** increase of +9.2 mCHF to **7.4 mCHF**
- EBIT growth of +29.5 mCHF in March to June – period comparably impacted by the COVID-19 crisis in both years – attributable to:
  - Operating business (+16.4 mCHF) – both divisions contributed to the positive development
  - Funds received from the «Überbrückungshilfe III» (+13.1 mCHF)
- January and February with strong results in HY 2020 were also COVID-19 affected in HY 2021 – leading to an adverse YOY effect on EBIT of -20.3 mCHF
- **Highly disciplined cost management continued**, however, cost reductions partly offset by lower rent concessions, SBB rent increases and higher expenses related to digital innovations and M&A projects; costs -2.2% below HY 2020 and 59.1 mCHF or -14.5% below pre-crisis level
- **Strong balance sheet and financial stability confirmed** with leverage ratio of 2.4x EBITDA and equity ratio of 50.9% well below financial covenant ceiling creating flexibility for organic investments and M&A along strategic priorities; the incremental capacity from the capital increase in November 2020 remains fully available for strategic projects

HY 2021 STILL IMPACTED BY COVID-19

HY 2021 figures vs. HY 2020 figures restated

GROUP*		RETAIL	FOOD SERVICE
External Sales 1,030 mCHF -5.1%	GP Margin 43.8% +0.2%pts	External Sales 870 mCHF -3.7%	External Sales 150 mCHF -14.4%
EBITDA** 39.3 mCHF +8.6 mCHF	EBIT 7.4 mCHF +9.2 mCHF	EBITDA** 36.2 mCHF +7.7 mCHF	EBITDA** 7.3 mCHF +4.6 mCHF
Free Cash Flow -0.1 mCHF -11.6 mCHF	Leverage Ratio 2.4 x -0.2x vs. FY 2020	EBIT 19.0 mCHF +8.9 mCHF	EBIT -6.6 mCHF +4.2 mCHF

* Including other for Corporate

** EBITDA is EBIT plus amortisation of intangibles assets and the depreciation of PPE. EBITDA is not considering depreciation on right-of-use assets arising from lease agreements (IFRS 16 effect).

RECOVERY IN LINE WITH EASING OF RESTRICTIONS

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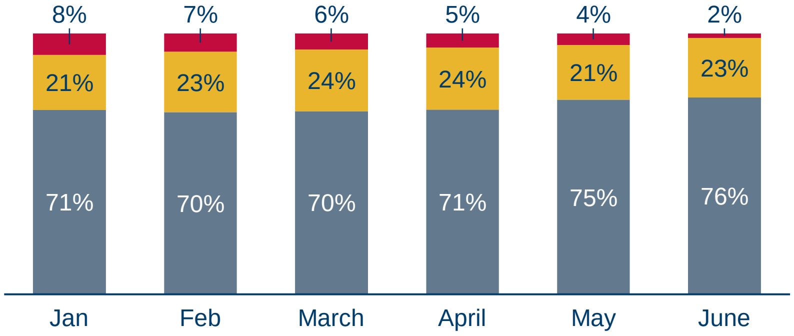
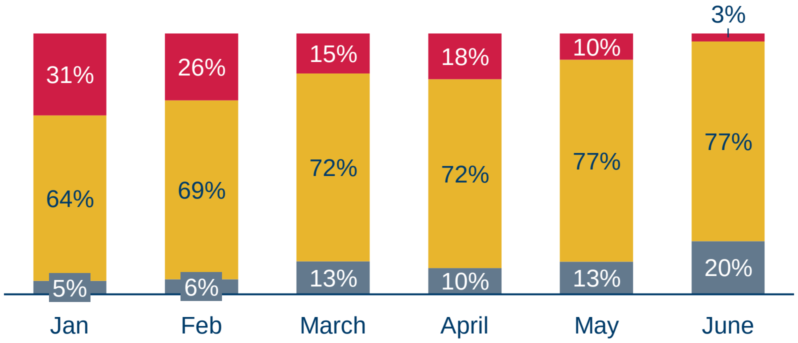
Retail – POS (2,017 as per June 2021)

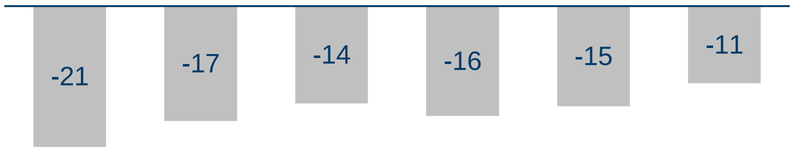


Food Service (B2C) – POS (627 as per June 2021)

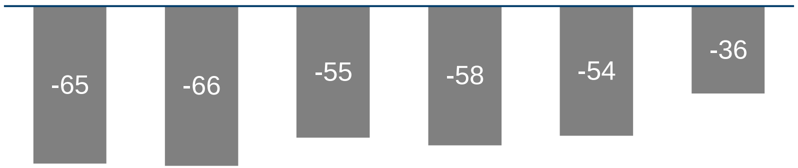


Closed stores Reduced opening hours Normal operation

Retail – External sales HY 2021 vs. HY 2019 (in % in LC)



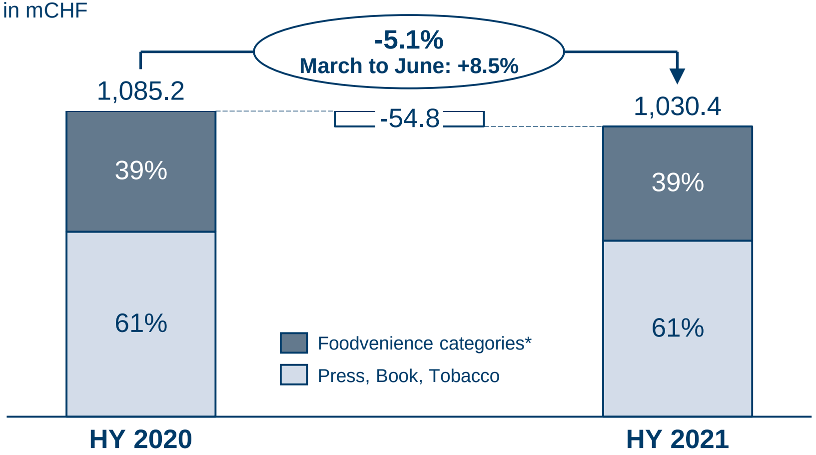
Food Service (B2C) – External sales HY 2021 vs. HY 2019 (in % in LC)



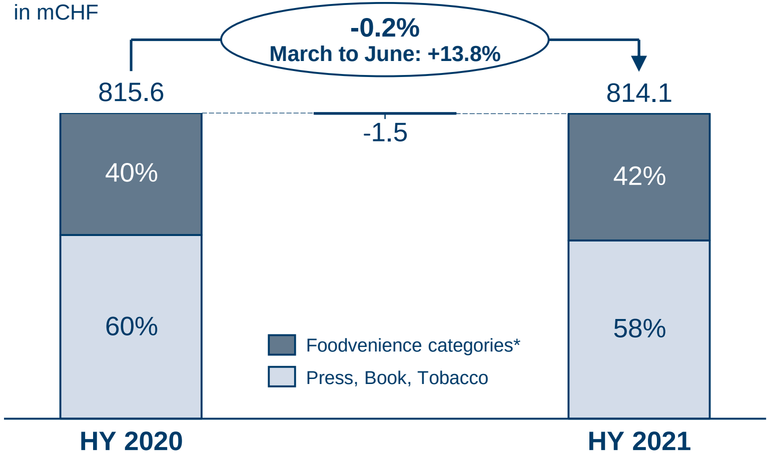
EXTERNAL SALES / NET REVENUE

IMPACTED BY TWO ADDITIONAL COVID-19 MONTHS | RECOVERY GAINING TRACTION FROM MARCH TO JUNE

External sales – Valora Group
in mCHF



Net revenue – Valora Group
in mCHF



* Foodvenience categories include Food, Services, Non-Food and exclude Press, Books and Tobacco

- Sales overall slightly below HY 2020 figures due to lower footfall related to governmental restrictions to contain the virus and two additional COVID-19 impacted months January / February
- From March to June, recovery started to gain traction, with YOY growth of +8.5% in external sales and +13.8% in net revenue
- Stable category mix in external sales, since BackWerk franchise outlets in the out-of-home food market in Germany were strongly affected by government restrictions in the first half of 2021
- +2 %-pts increase of foodvenience share in net revenue thanks to Retail CH and FS B2B

NET REVENUE

POSITIVE DEVELOPMENT IN BOTH DIVISIONS FROM MARCH TO JUNE, +13.8% IN TOTAL

Division | Country in mCHF	HY 2020	HY 2021	∆ in %	∆ % in LC
Retail	**697.4**	**697.0**	**-0.1%**	**-0.8%**
CH	516.0	519.2	+0.6%	+0.6%
DE/LU/AT	181.4	177.7	-2.0%	-4.7%
Food Service	**112.3**	**106.9**	**-4.8%**	**-6.3%**
Other	5.9	10.2	+72.7%	72.7%
Valora Group	**815.6**	**814.1**	**-0.2%**	**-1.0%**

LC = Local Currency

Retail CH

- Slight YOY increase of +0.6%
- +8.6% growth from March to June, most categories showing a positive development
- Net of effects from changes in operating models, food external sales increased by +10.3% in the period from March to June

Retail DE/LU/AT

- Sales decrease of -4.7% in LC, driven by January and February
- Growth of +8.6% in LC from March to June, all categories contributed

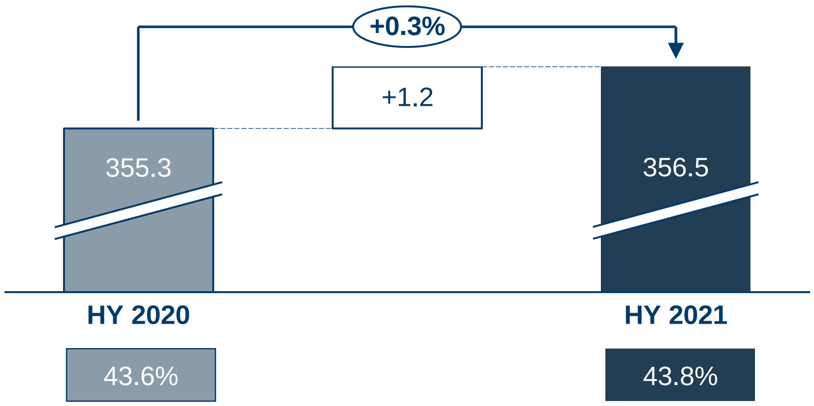
Food Service

- Decrease of -6.3% in LC for HY 2021
- Growth of +38.8% in the period from March to June
  - Increased sales of +39.6% at Food Service CH
  - Food Service DE with a decline of -2.7% in LC – corresponding to a slight increase of +1.6% in LC in external sales – out-of-home food market in Germany more affected by government restrictions than in Switzerland during the first half of 2021
  - Food Service B2B with strongest growth rate of +58.8% in LC – with record sales at Ditsch USA having already fully recovered

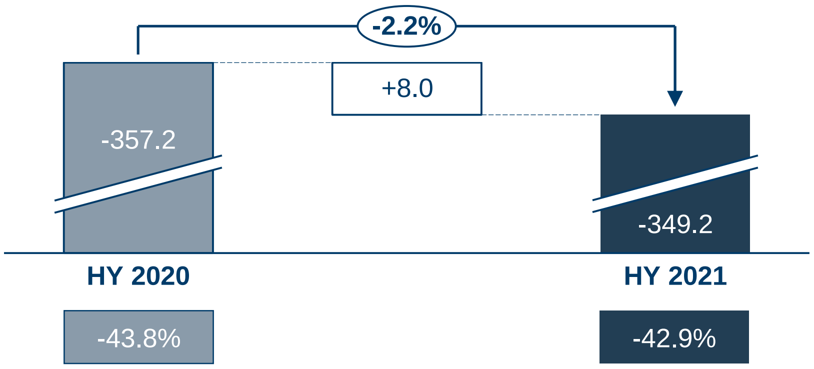
GROSS PROFIT VS. OPERATING COSTS

STABLE GP MARGIN AND IMPROVED OPERATING COST RATIO

Gross profit – Valora Group
in mCHF; GP margin in %



Operating costs – Valora Group
in mCHF; Cost ratio in %



- Stable gross profit
- Corresponding to YOY growth of +19.5% for March to June

- Highly disciplined cost management continued across all units
- Cost reductions partly offset by lower rent concessions, higher SBB rent and higher expenses related to digital innovations and M&A projects
- Besides governments' short-time-working programmes, the Group also made use of «Überbrückungshilfe III»
- Moreover, Valora continued to support its franchise and agency partners to secure their economic viability

GROSS PROFIT

GROUP GROSS PROFIT MARGIN STABLE THANKS TO STRONG RETAIL CH DEVELOPMENT

Division | Country in mCHF	HY 2020	HY 2021	Δ in %	Δ % in LC	Gross Profit Margin	Δ GP Margin
Retail	**264.9**	**274.5**	**+3.6%**	**+2.9%**	**39.4%**	**+1.4%pts**
CH	202.7	213.5	+5.3%	+5.3%	41.1%	+1.8%pts
DE/LU/AT	62.2	61.0	-2.0%	-4.7%	34.3%	-0.0%pts
Food Service	**86.4**	**78.1**	**-9.6%**	**-11.0%**	**73.0%**	**-3.8%pts**
Other	4.0	4.0	-1.7%	-1.7%	38.9%	n.m.
Valora Group	**355.3**	**356.5**	**+0.3%**	**-0.5%**	**43.8%**	**+0.2%pts**

LC = Local Currency

Retail CH

- Gross profit growth of +5.3% in HY 2021
- Corresponding YOY growth from March to June of +14.7%
- +1.8 %-pts margin improvement driven by positive sales-mix effects and supported by resilient promotional income

Retail DE/LU/AT

- HY 2021 with sales-driven decline in gross profit of -4.7% in LC
- Corresponding YOY growth from March to June of +9.9%
- GP margin could be maintained

Food Service

- HY 2021 with gross profit decline of -11.0% due to additional COVID-19 impacted months January and February
- Corresponding YOY growth from March to June of +36.0%
- GP margin decrease by -3.8 %-pts to 73.0% driven by portfolio mix effects, particularly a higher share of B2B sales

OPERATING COSTS (INCL. D&A)

HIGHLY DISCIPLINED COST MANAGEMENT CONTINUED ACROSS ALL UNITS

Division | Country in mCHF	HY 2020 restated	HY 2021	Δ in %	Δ % in LC	Cost Ratio*	Δ Cost Ratio
Retail	**-254.9**	**-255.5**	**+0.3%**	**-0.4%**	**-36.7%**	**-0.1%pts**
CH	-194.6	-204.4	+5.1%	+5.1%	-39.4%	-1.7%pts
DE/LU/AT	-60.3	-51.1	-15.2%	-17.5%	-28.7%	+4.5%pts
Food Service	**-97.1**	**-84.7**	**-12.8%**	**-14.3%**	**-79.2%**	**+7.3%pts**
Corporate / Other	-5.2	-9.0	+72.4%	+72.6%	n.m.	n.m.
Valora Group	**-357.2**	**-349.2**	**-2.2%**	**-3.1%**	**-42.9%**	**+0.9%pts**

* Cost Ratio defined as Net Operating Costs (incl. D&A) in % of Net Revenue

LC = Local Currency

Retail CH

- Cost increase of +5.1% due to substantially lower rent concessions (-12.7 mCHF) and higher SBB rent

Retail DE/LU/AT

- Further cost reduction of -17.5% in LC
- Major effects resulted from decreased personnel expenses, rent concessions and «Überbrückungshilfe III»

Food Service

- Cost reduction of -14.3% in LC – compared to an already streamlined basis in the first half of 2020
- Additional savings based on lower personnel expenses, higher rent concessions and «Überbrückungshilfe III»

Other

- Cost increase of -3.8 mCHF particularly due to increased digital innovations expenses and M&A projects

COSTS ALMOST -60 MCHF BELOW PRE-CRISIS LEVEL

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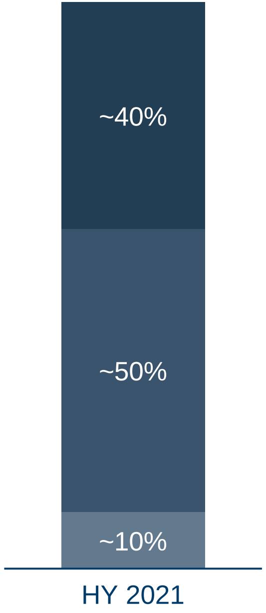
>60% OF LOST GROSS PROFIT MITIGATED BY LOWER COST

Cost reduction vs. HY 2019
(14% of costs, 59 mCHF)



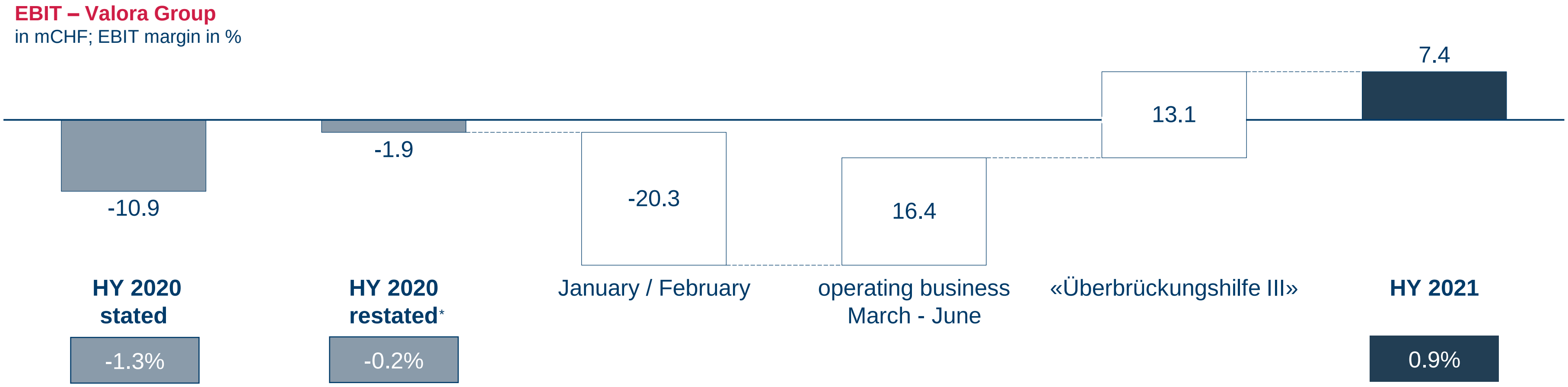
Key cost measures

Personnel (incl. agency & franchise)	▪ Short-time work ▪ Optimised working hours ▪ Offsetting effect of temporary partner support
Other operating expenses*	▪ Variable operating expenses ▪ Reduced administration costs ▪ «Überbrückungshilfe III»
Rent**	▪ Lower variable rent ▪ Higher rent after SBB tender ▪ Rent concessions for lockdown phase – however lower than in HY 2020

* Including D&A w/o amortisation of the right-of-use asset
** Including amortisation of the right-of-use asset related to rental costs

HY 2021 EBIT OF 7.4 mCHF

OPERATING BUSINESS RESUMING GROWTH FROM MARCH TO JUNE



- January and February with strong results in HY 2020 were also COVID-19 affected in HY 2021 – leading to an adverse YOY effect on EBIT of -20.3 mCHF
- EBIT growth of +29.5 mCHF from March to June – comparable period impacted by the COVID-19 crisis in both years – attributable to:
  - Operating business (+16.4 mCHF) resuming growth as sales recovery gains traction
  - Funds related to «Überbrückungshilfe III» (+13.1 mCHF)

* In the first half-year 2020, there was a lack of clarity pertaining to the booking of COVID-19-related rent concessions. For the first half-year, Valora recorded the rent concessions linearly over the duration of the reduction and reported them proportionally in the published 2020 half-year results. In Q3 2020, the IFRS standard was specified so the previously negotiated COVID-19 rent concessions have to be booked fully at the time at which the contract was concluded. Accordingly, the first half-year 2020 (HY) has been adjusted retrospectively.

EBIT

POSITIVE DEVELOPMENT IN ALL UNITS | RETAIL DE/LU/AT EBIT MARGIN ABOVE PRE-CRISIS LEVEL

Division | Country in mCHF	**HY 2020 restated**	**HY 2021**	**Δ in %**	**Δ % in LC**	**EBIT Margin**	**Δ EBIT Margin**
Retail	**10.1**	**19.0**	**+88.2%**	**+86.1%**	**2.7%**	**+1.3%pts**
CH	8.1	9.1	+11.9%	+11.9%	1.8%	+0.2%pts
DE/LU/AT	2.0	9.9	+405.6%	+377.6%	5.6%	+4.5%pts
Food Service	**-10.8**	**-6.6**	n.m.	n.m.	**n.m.**	n.m.
Corporate / Other	-1.2	-5.0	n.m.	n.m.	n.m.	n.m.
Valora Group	**-1.9**	**7.4**	**n.m.**	**n.m.**	**0.9%**	**+1.1%pts**

Retail CH

- EBIT growth of +1.0 mCHF, despite substantially lower rent concessions and increase in SBB rents
- Increase of +4.1 mCHF in the period from March to June
- ROCE of 14.1% and 24.8% excluding goodwill

Retail DE/LU/AT

- Even excluding the positive effect from «Überbrückungshilfe III»
  - EBIT growth of +4.8 mCHF from March to June
  - EBIT margin of 2.8% above HY 2019 pre-crisis level (2.5%)
- ROCE of 12.4% and 30.0% excluding goodwill

Food Service

- Increase in EBIT of +4.2 mCHF
- Even excluding positive effect from «Überbrückungshilfe III»: EBIT increase of +10.7 mCHF in the period from March to June

NET PROFIT

IMPROVEMENT OF +4.6 MCHF

Group net profit / loss in mCHF

Net Profit / EPS in mCHF		HY 2020 restated	HY 2021	Δ in %
EBIT		**-1.9**	**7.4**	**n.m.**
Financing activities, net		-13.0	-10.3	-20.7%
Earnings before taxes		**-14.9**	**-2.9**	**n.m.**
Income taxes		6.5	-0.9	n.m.
Group net profit / loss		**-8.4**	**-3.8**	**n.m.**
EPS Group	in CHF	**-2.12**	**-0.87**	**n.m.**
Average number of outstanding shares	in # (thousand)	3’942	4’382	+11.2%

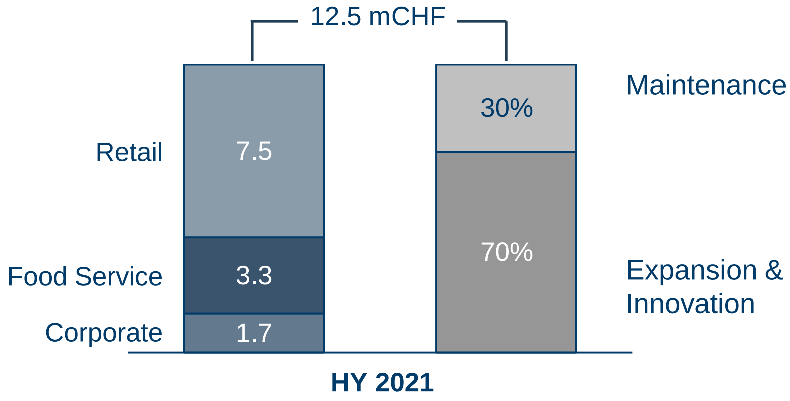
- Improved net financial result, particularly thanks to a positive exchange rate impact and lower IFRS 16 related interest
- Income taxes of -0.9 mCHF include effect from fully taxable «Überbrückungshilfe III»
- The tax income in 2020 was positively impacted by the release of a provision and deferred taxation
- Higher number of average outstanding shares as a result of the Group’s capital increase in November 2020

* In the first half-year 2020, there was a lack of clarity pertaining to the booking of COVID-19-related rent concessions. For the first half-year, Valora recorded the rent concessions linearly over the duration of the reduction and reported them proportionally in the published 2020 half-year results. In Q3 2020, the IFRS standard was specified so the previously negotiated COVID-19 rent concessions have to be booked fully at the time at which the contract was concluded. Accordingly, the first half-year 2020 (HY) has been adjusted retrospectively.

CAPEX

CONTINUED INVESTMENTS IN EXPANSION AND INNOVATION | PHASING EFFECTS

Capex – Valora Group
in mCHF

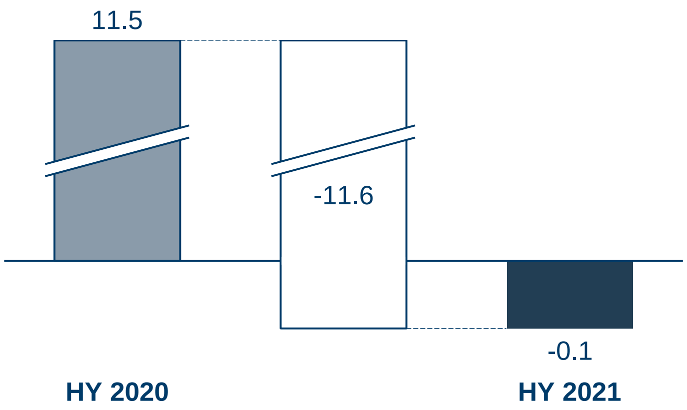


- Capex of 12.5 mCHF with the continuous refurbishment of SBB locations as a major project
- ~50% reduced capex compared to HY 2020, driven by prioritisation and phasing of investments
- Catch-up in second half of 2021

FREE CASH FLOW

CASH OUTFLOW FROM INVESTING ACTIVITIES FINANCED BY CASH INFLOW FROM OPERATING ACTIVITIES

Free cash flow
in mCHF

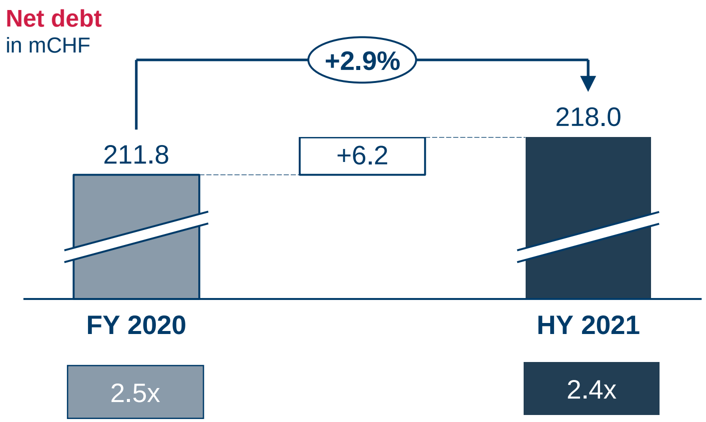


Free Cash Flow in mCHF	**HY 2020 restated**	**HY 2021**	**Δ in %**
EBIT	**-1.9**	**7.4**	**n.m.**
D&A (excluding depreciation of right-of-use asset)	32.6	32.0	-1.8%
Depreciation of RoU - IFRS 16 effect	75.6	79.1	+4.6%
Payments rents / leasing (net) - IFRS 16 effect	-68.3	-77.0	+12.7%
Interest - IFRS 16 effect	-9.1	-8.1	-10.8%
Elimination of other non-cash items	2.4	2.0	-16.3%
NWC and current assets & liabilities	20.2	-9.0	n.m.
Interest, tax expense (net)	-4.9	-7.1	+45.1%
CF from operating activities	**46.6**	**19.2**	**-58.8%**
CF from investing activities (net)	**-35.1**	**-19.3**	**-45.1%**
Free Cash Flow (before M&A)	**11.5**	**-0.1**	**n.m.**

- Cash flow from operating activities decreased to 19.2 mCHF
  - Positive impact from EBIT(DA) increase offset primarily by NWC effects
  - Solid NWC management also in HY 2021, but HY 2020 included the extraordinary strict NWC management and the one-time inflow from renegotiated payment terms
- Cash flow from investing activities was reduced by -45.1% to -19.3 mCHF based on focused capex and phasing effects

BALANCE SHEET

STRENGTH UNCHANGED



Balance Sheet in mCHF	FY 2020	HY 2021	Δ in %
Total assets	**2'445.9**	**2'328.1**	**-4.8%**
thereof right-of-use asset & sublease net investment	*999.3*	*979.9*	*-1.9%*
Cash, cash equivalents	229.7	149.9	-34.8%
Goodwill and intangible assets	643.6	643.5	0.0%
Other assets (incl. right-of-use asset & sublease net investment)	1'572.5	1'534.7	*-2.4%*
Interest bearing debt	441.5	367.9	-16.7%
Other debt (incl. financial lease liabilities)	1'319.3	1'274.2	-3.4%
Shareholders' equity	685.0	686.0	+0.1%
Equity ratio	**47.3%**	**50.9%**	**+3.6%pts**
Equity ratio incl. lease liability	28.0%	29.5%	+1.5%pts
EBITDA	**83.4**	**92.1**	**+10.4%**
Net debt	**211.8**	**218.0**	+2.9%
Net debt incl. lease liability	1'239.5	1'228.2	-0.9%
Leverage ratio	**2.5x**	**2.4x**	**-0.2x**
Leverage ratio incl. lease liability	5.2x	4.9x	-+0.3x
ROCE	**1.3%**	**2.2%**	**+0.9%pts**

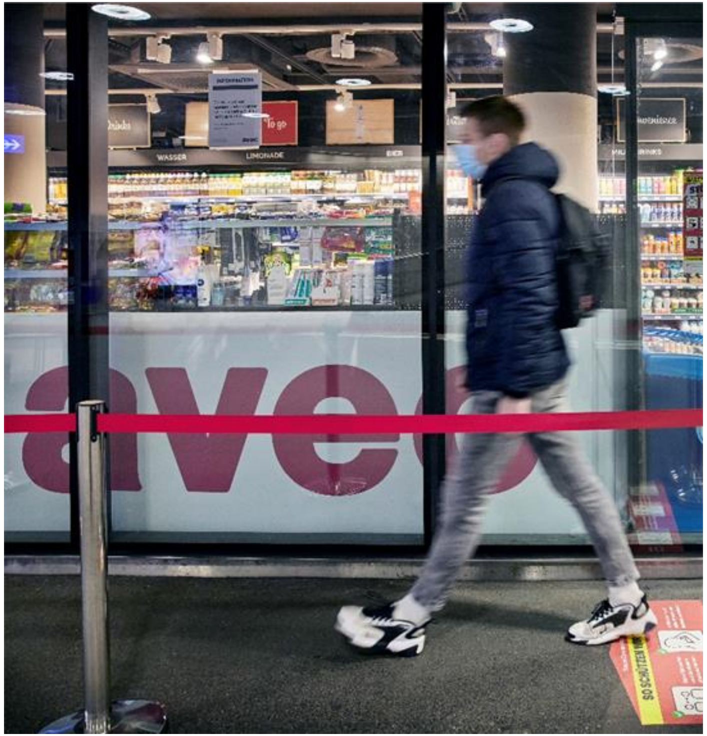
Please refer to appendix for more details on alternative performance measures

- Improved equity ratio of 50.9% compared to 47.3% as of 31 December 2020
- Net debt fairly stable, supported by neutral free cash flow and by the suspension of a dividend payment for the 2020 financial year
- Leverage ratio of 2.4x EBITDA remained well below the covenant ceiling
- Lower amount of cash and cash equivalents after the repayment of the Schuldscheindarlehen II (72 mEUR) in April 2021 as scheduled
- The incremental capacity from the Group's capital increase in November 2020 remains fully available for strategic projects
- Favourable maturity profile with no maturity before 2023 and 150 mCHF unused CFA provide financial flexibility and stability

Financial Outlook

SHORT-TERM OUTLOOK

EXPECTATIONS FOR 2021 CONFIRMED AS COMMUNICATED ON 24 FEB 2021



- ✓ Tough start into 2021
- ✓ Step-by-step easing of restrictions – process expected to take longer than anticipated with a material recovery of footfall not before June 2021
- ✓ Easing of restrictions to stimulate mobility and out-of-home consumption comparable to development between waves in 2020
- ✓ Food category sales expected to recover significantly above average with an especially strong positive impact on sales and gross margin in foodvenience
- ✓ H1 result heavily impacted but H2 should be substantially better than H2 2020
- ✓ Operating units return to pre-crisis profitability expected within next 6-9 months
- ✓ Tight cost management is maintained, benefiting from experience and measures already implemented in 2020
- ✓ Refurbishment of SBB locations shall continue as fast as meaningfully and expansion of digital competence and solutions shall not be jeopardised

Further specification:

EBIT of 25 to 35 mCHF expected for 2021
(no additional adverse COVID-19 restrictions)

MID- AND LONG-TERM OUTLOOK

ESTABLISHED FOODVENIENCE STRATEGY WITH CONTINUED HIGH VALUE CREATION POTENTIAL

Assumptions for overall outlook

- COVID-19 vaccination programmes continuing to prove their effectiveness, restrictions being eased considerably with the concomitant recovery in footfall and sales, and no significant restrictions to contain possible future virus waves
- Above average catch-up effect in the food category with a positive influence on foodvenience turnover and gross profit margin – strongest operating leverage of recovery in Food Service
- Flexibility of the Groups’ cost base as additional key driver – no material further rent concessions and short-time working compensation

Mid-term outlook

- EBIT of 70 mCHF (+/- ~10%) expected for 2022

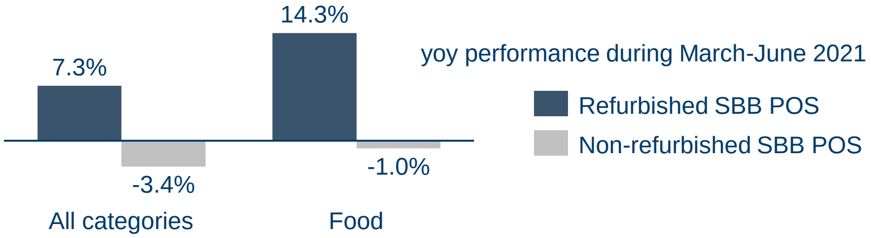
Long-term outlook

- Valora confirms long-term guidance set in 2019
- Operational target achievement (initially set for 2025) with delay of 18 to 24 months due to the COVID-19 crisis and continued uncertainty on timing of air travel and public transport recovery

Update on Strategic Priorities

UPDATE ON SBB REFURBISHMENTS

- The SBB refurbishment program has been delayed by roughly one year because of the COVID-19 crisis with scheduled completion by approx. the end of 2022
  - As of end of HY 2021 92 POS have been refurbished or newly opened across the SBB network
- The results of the refurbishments are highly promising with a better performance of the refurbished stores, particularly in food during the recovery period from March-June 2021
  - The refurbished SBB stores achieved year-on-year growth of +14% in food sales, while the not yet refurbished stores recorded fairly stable sales during that period



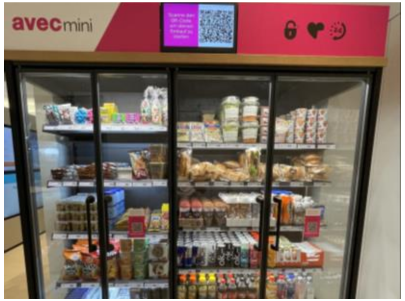
- In addition, 17 Retail POS (mainly k kiosk) have been refurbished and newly opened in HY 2021 beyond the SBB network in Switzerland

DIGITAL CONVENIENCE SOLUTIONS TO IMPROVE CUSTOMER EXPERIENCE

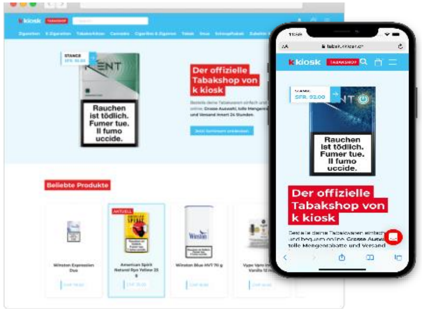
valora

24/7 Service Store

avec mini



k kiosk tobacco shop



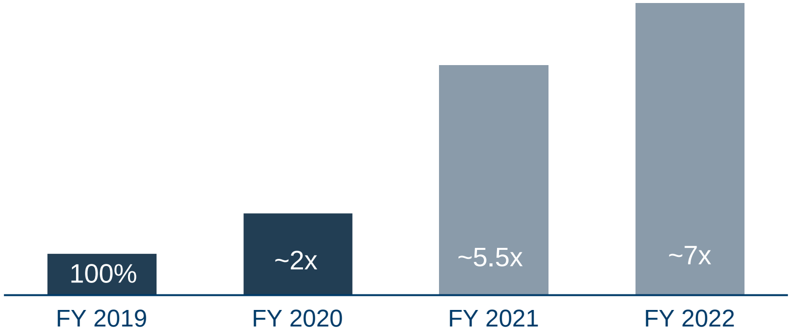
https://tabak.kkiosk.ch/

Brezelkönig app

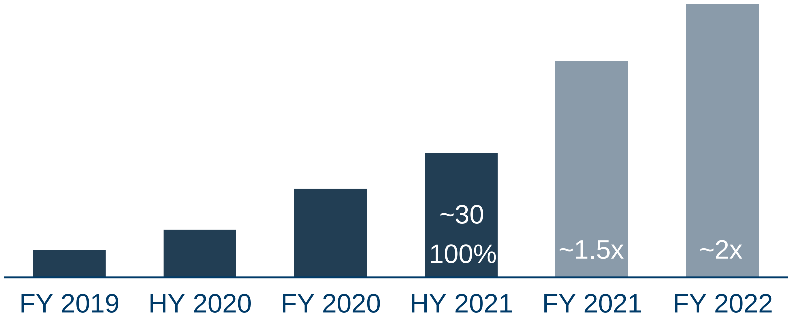
- Valora continued to invest significantly (even above pre-crisis levels) in digital initiatives by hiring new talents and by further pushing **in-house development** of new solutions that improve the customer experience and operations of our core business
- The automated store pilot at ETH Hönggerberg had been very successful as well as the **24/7 hybrid avec store** at Zurich Hardplatz, while new locations – including for the first time in cooperation with DB in Germany **(24/7 Service Store)** – will be tested; the team is preparing the scaling of the solution
- The delivery solution **avec now** is now successfully present at 6 locations in Switzerland
- Valora plans to expand its automated store initiative in smaller formats in the form of «automated shelves» (i.e. **avec mini** for e.g. office spaces, **avec shelf** for shop-in-shop concepts); expansion of conventional **vending machines** operated at existing POS or independently also planned
- During HY 2021, the Valora digital team launched the new, in-house developed **online k kiosk tobacco store** as a further distribution channel in the tobacco category, and the **Brezelkönig app** to offer an attractive loyalty scheme to customers

SIGNIFICANT INVESTMENTS IN DIGITAL INITIATIVES

(Expected) Development of Opex and Capex spending:



(Expected) Development of FTEs:



- Continued investment in digital opportunities during pandemic (even above pre-crisis level) to further strengthen technological expertise
- Significant investment (opex and capex) planned for the coming years by hiring new talents and by further pushing in-house development of new solutions that improve the customer experience and operations of our core business
- In-house digital investments increase incremental revenue and promotional potential and offer additional opportunities to enter new markets

STRENGTHENING SERVICE STATIONS FOOTPRINT IN SWITZERLAND THANKS TO A NEW PARTNERSHIP WITH MOVERI

valora

Deal overview	▪ Taking over operation of 39 service station stores from 1 January 2022 currently operated by shop and more AG from Moveri ▪ Long-secured rental contract
Deal rationale	▪ Convenience shops are attractive at service stations and complement Valora's foodvenience business ideally as ~70%* of customers shop at service stations without buying fuel; they come by because of the store's location and the convenience assortment – Increase market share of foodvenience and strengthening avec brand at service stations beyond Tamoil – Service stations proved to be very attractive also during the COVID-19 crisis – Strengthen position as a promotion platform for industry partners ▪ Diversification of service station network in German-speaking Switzerland
Substantial long-term synergies	▪ Central operations, purchasing, promotions and supply functions offer yearly single-digit million synergy potential ▪ Profiting from Moveri's nationwide leading service station know-how

* Source: Based on own Tamoil/avec service store sales slips analysis (YTD June 2021)

GEOGRAPHICAL DIVERSIFICATION OF THE SERVICE STATION NETWORK IN SWITZERLAND

Expanding avec network with Moveri

- Doubling avec stores at service stations in Switzerland from currently 61 to ~100 and almost doubling related net revenue
  - Expected net revenue of the 39 stores in 2022: > 60 mCHF
- Partnership with Moveri strengthens market position at service stations especially in German-speaking Switzerland
  - Current avec stores at Tamoil service stations with strong presence in the western part of Switzerland and greater Zurich area
  - With the Moveri partnership, Valora now strengthens its service station footprint at highly frequented locations in the northwestern and eastern part of the country including the Zurich area
- The shop and more AG stores, currently mostly operated under APERTO, will be converted into avec convenience stores in the future
- As a consequence, avec network as a whole will expand to ~300 POS (after completion of SBB roll-out) and the higher-margin food share in the Group’s category mix will increase further

INITIATIVES TO STRENGTHEN CORE BUSINESS, INCLUDING M&A

valora

M&A Strategy

- In recent months, Valora has intensified and invested in its M&A activity with a focus on expanding the network in existing geographies and to strengthen its core business
- Valora also entered into strong partnerships to further grow its business
- Based on a strong expertise in the foodvenience market and the proven post-acquisition integration capabilities, Valora is convinced to create value through acquisition in the near future

Network Expansion

backWERK

- In June 2021, BackWerk communicated its franchise partnership in the Netherlands with HMSHost International for 12 new locations at the largest Dutch train stations

Press P&B Books

- In July 2021, Valora communicated to take over 5 bookshops at railway stations in northern Bavaria, reinforcing its leading position in the German station bookshop market and its partnership with DB

Collaboration

- In April 2021, bob Finance launched its cooperation with PostFinance to offer online consumer credit solutions with attractive conditions and access to a broad customer base

APPENDIX

Half-Year 2021

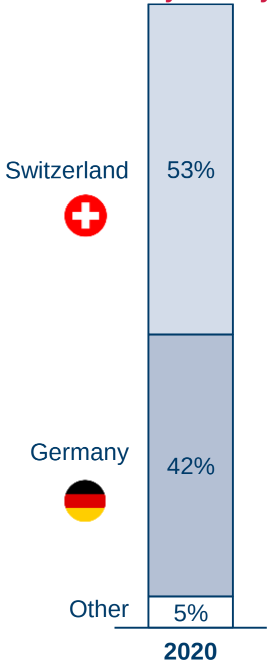
STRONG FORMATS AND DISTINCT PRESENCE IN GERMAN-SPEAKING EUROPE

valora

	Format and number of stores	June 2021	Change vs. Dec. 2020
RETAIL	k kiosk	1,131	-16
RETAIL	Press & Books	192	+1
RETAIL	cigo & subformats	392	-10
RETAIL	avec	172	+4
RETAIL	ServiceStore DB	104	-1
RETAIL	U-Store	24	0
FOOD SERVICE	Ditsch	196	-2
FOOD SERVICE	Brezelkönig CH	56	-5
FOOD SERVICE	Brezelkönig Internat.	4	-
FOOD SERVICE	Caffè Spettacolo*	32	-3
FOOD SERVICE	BackWerk**	341	-4
	Total	2,644	-36

* Thereof 2 POS in Retail Luxembourg
** Including 3 SuperGuud locations in Switzerland

External sales split 2020 by country



OUR MAIN RETAIL & CONVENIENCE FORMATS

k kiosk

Market leader in the kiosk business, mainly supplying tobacco, press and lottery products. A growing share of food as well as fresh products and expanding digital services offering.

Stores: 1,131

cigo

Tobacco retailer also offering press products and a range of services for people on the move.

Stores: 392

Press P&B Books

Specialist in delivering a wealth of reading material. Extensive press offering complemented by selected book titles and a range of services for people on the move.

Stores: 192

avec

Modern convenience format at highly frequented locations, for example train stations or service stations, with an extensive offering of fresh food, other comestibles and regional products.

Stores: 172

Number of stores as per June 2021

OUR MAIN FOOD SERVICE FORMATS

valora

back WERK

Germany's largest self-service bakery with a broad and flexible range of snacks and feel-good food.

Stores: 341

BREZELKÖNIG

Sale of high-end pretzel dough products, such as pretzels, baguettes, croissants, hot dogs or selected sandwich snacks when on the move. Internat. franchise system.

Stores: 60

Ditsch

Leading producer and provider of pretzels and products for immediate consumption for the retail and wholesale market with its own branch network.

Stores: 196

CAFFÈ SPETTACOLO

Italian-themed coffee bar concept with its own locations and an integrated coffee module concept for other Valora formats.

Stores: 32

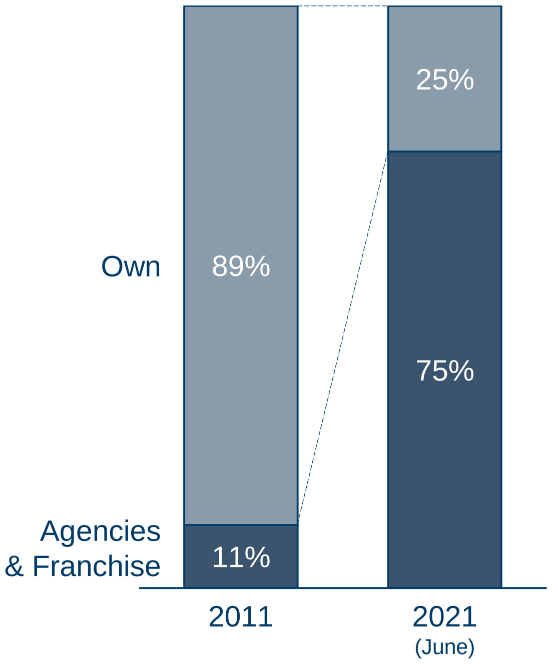
Number of stores as per June 2020

OVERVIEW OF BUSINESS MODELS

TRANSFORMATION FROM AN OWN SALES NETWORK TO AN AGENCY / FRANCHISE MODEL

	Own stores	Agency	Franchise
Operations	Valora	Agent	Franchisee
Inventory	Valora	Valora	Franchisee
Lease agreement	Valora	Valora	Valora
Store investment	Valora	Valora	Franchisee (BW) Valora (R DE)
Fee	None	Valora pays commission to agent	Valora receives franchise fee
# number of stores June 2021	**658**; 25%	**1,154**; 44%	**832**; 31%

R = Retail; DE = Germany; BW = BackWerk



ALTERNATIVE PERFORMANCE MEASURES

valora

Balance sheet

Net debt: Interest bearing debt (excluding lease liability) minus cash & cash equivalents

Capital employed: Capital employed excl. right-of-use asset & sublease net investment

Assets: Assets excl. right-of-use asset and sublease net investment

P&L

EBITDA:

+ EBIT (according to new IFRS 16 standard)
+ Depreciation (excluding depreciation of right-of-use asset)
+ Amortisation

Cash Flow

Free Cash Flow:

+ EBITDA
+ Non-cash items
+/- Net working capital
- Interest and taxes

Eliminating IFRS 16 effect in cash flow:
+ Depreciation of right-of-use asset
- Payments rent / leasing (net)
- Interest expenses

New KPIs / Ratios

ROCE: EBIT / Capital employed

Leverage Ratio: Net debt / EBITDA

Equity Ratio: Equity / Assets

Next Event & Contacts

NEXT EVENT & CONTACTS

NEXT EVENT

FY 2021	23 February, 2022
AGM	6 April, 2022

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