

///ACTION



3i Action Capital Markets Seminar

20 March 2025



Agenda



10.00-12.00

Action's results and strategy
Q&A

Simon Borrows
Chief Executive, 3i

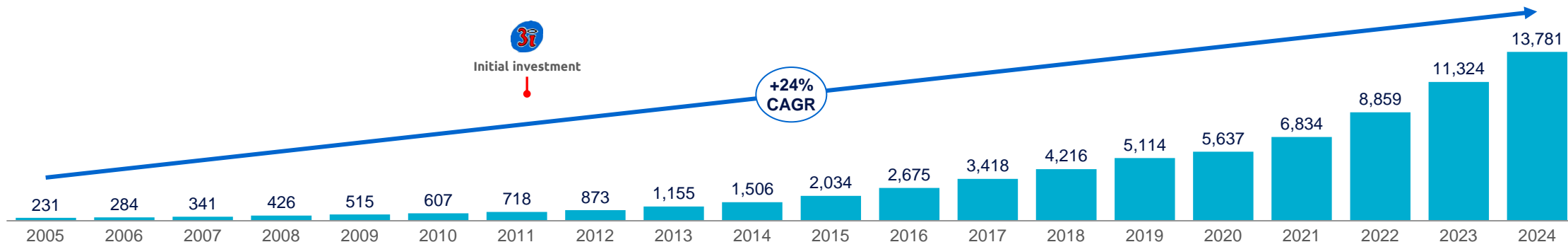
Hajir Hajji
CEO, Action

Joost Sliepenbeek
CFO, Action

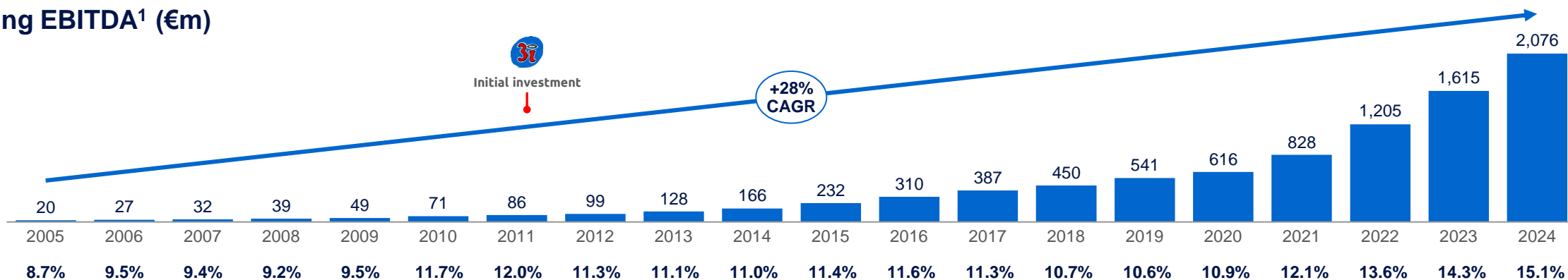
Action's consistent track record of growth continued in 2024



Net sales¹ (€m)



Operating EBITDA¹ (€m)



Strong and consistent growth in sales and EBITDA, with scale benefits manifesting

¹ Including impact of 53rd week in 2015 and 2020.

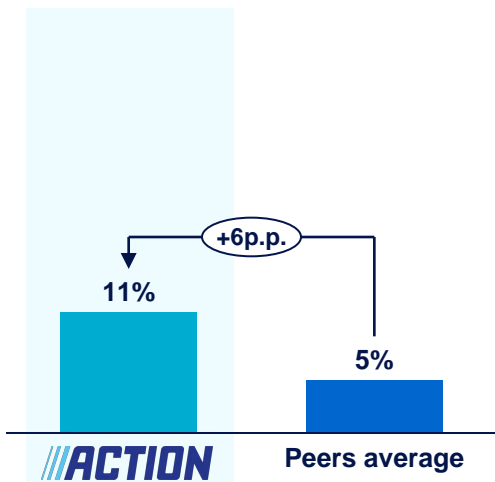
Action continues to outperform its peers

Performance over last five years and last twelve months

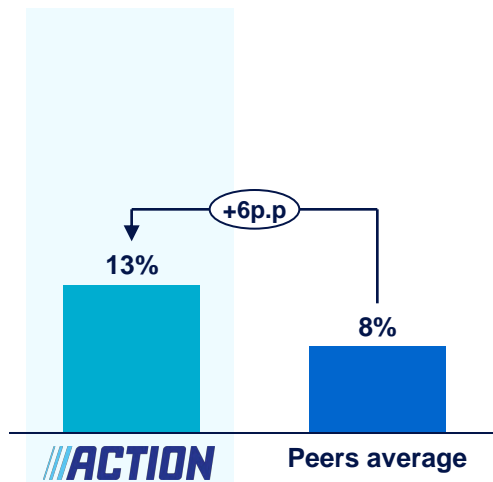


Last five years

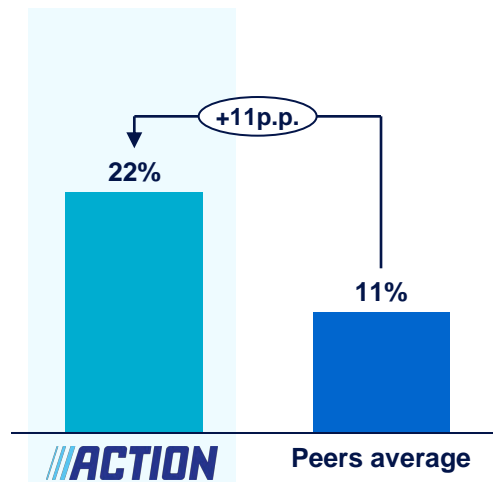
LFL sales growth



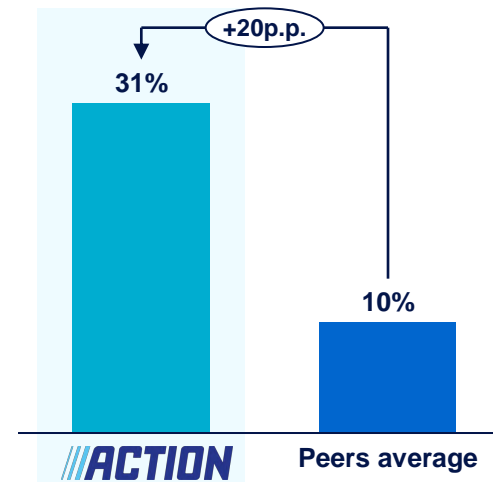
Store growth



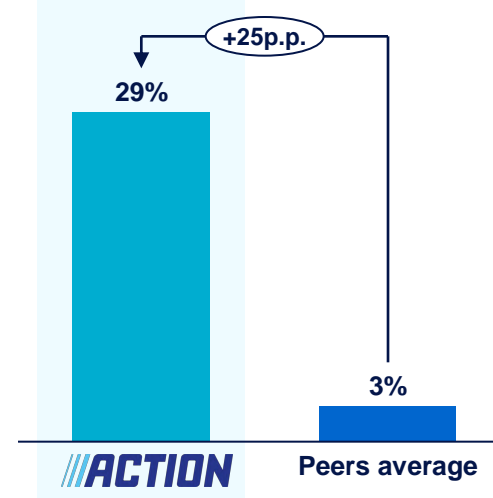
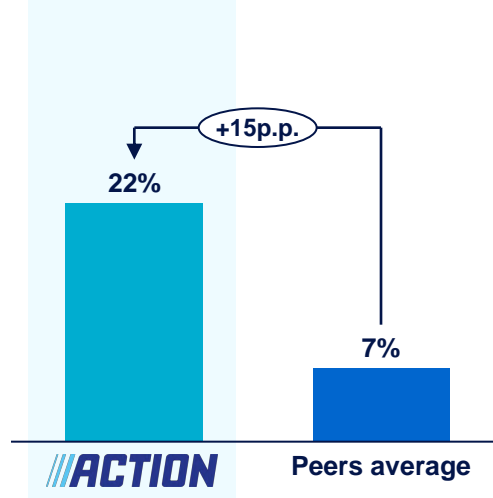
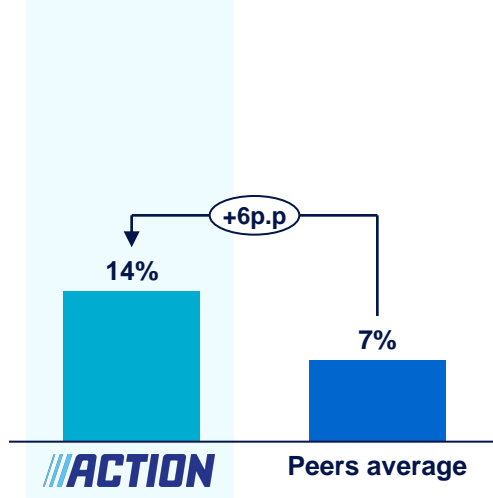
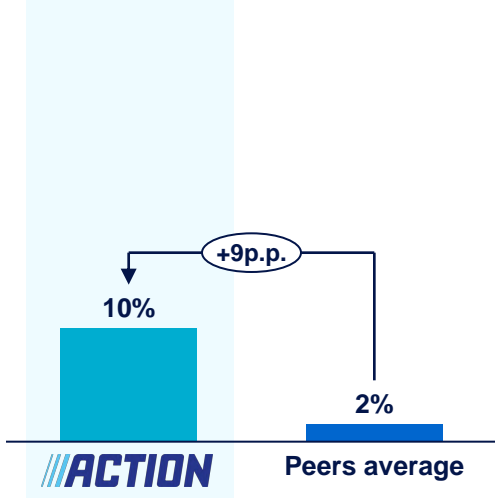
Net sales growth



Operating EBITDA growth



Last 12 months



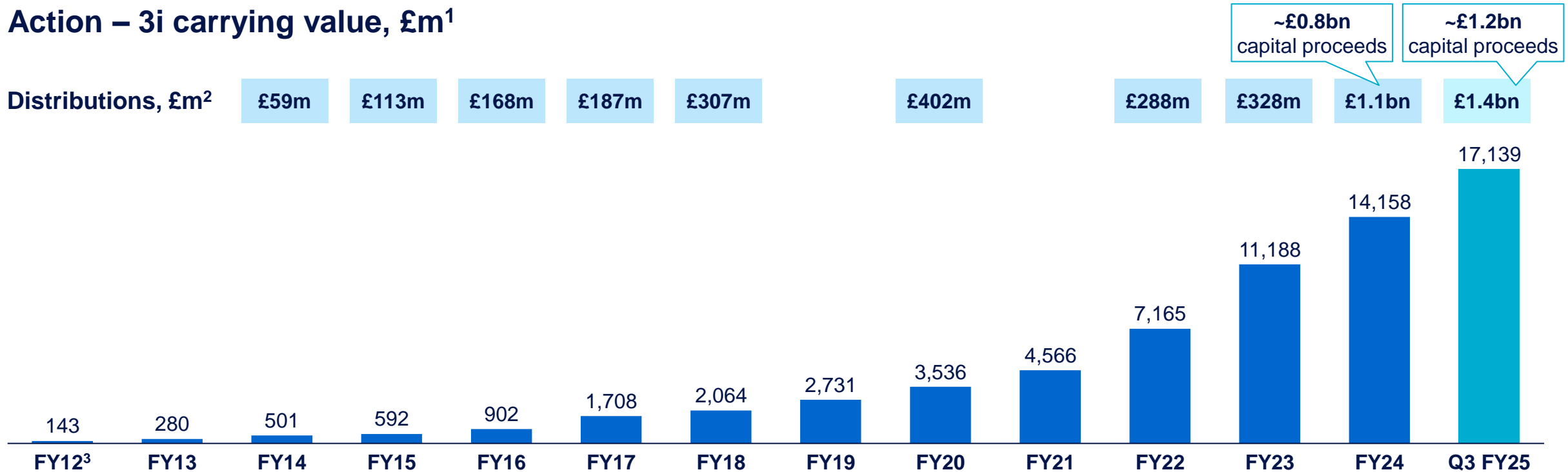
Source: CapIQ, annual and quarterly reports. Peers include B&M, Costco, Dollarama, Dollar General, Five Below, Grocery Outlet, Ollie's Bargain Outlet, Pepco Group.
 Note: Differences in bubble may deviate from the numerical differences in chart labels due to rounding.

Performance drives strong returns for 3i shareholders



Action – 3i carrying value, £m¹

Distributions, £m²



Exceptional **compounding growth** and **~£4.4bn** cumulative distributions to 3i over the ownership period

1 3i financial years.

2 Gross proceeds.

3 3i invested £106m in Action alongside EFV and other co-investors in 2011.

Today's presenters



Hajir Hajji

Chief Executive Officer

Joined in September 1997

Held variety of management positions at Action:

- Commercial Director (2018 – 2021)
- Director of Store Operations (2011 – 2018)
- Head of Sales (2002-2011)
- Regional Manager (1999-2002)

As Commercial Director, responsible for global buying, marketing, e-commerce and sustainability

Played pivotal role in rapid store expansion as Director of Store Operations



Joost Sliepenbeek

Chief Financial Officer

Joined in November 2018

26 years of Consumer & Retail experience

37 years of experience in finance, 25 years as CFO:

- CFO Vion Food Group (2015 – 2018)
- CFO Van Gansewinkel (2013 – 2015)
- CFO C1000 (2009 – 2012)
- CFO HEMA (2007 – 2009)
- CFO Albert Heijn (1999 – 2003)
- Various positions at Ahold (1993 – 2007)

Agenda

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|---------------------------------------|--------------------------|
| 1. Introduction | Simon Borrows |
| 2. Business performance update | Hajir Hajji |
| 3. Strategic update | Hajir Hajji |
| 4. Financial performance 2024 | Joost Sliepenbeek |
| 5. Trading update and outlook | Joost Sliepenbeek |
| 6. Wrap up | Simon Borrows |

The image shows the exterior of an Action store. A large blue banner with the text 'Welcome to Action' is superimposed over the center of the image. The store's facade is modern, with large glass windows and grey panels. The word 'ACTION' is visible on the building's exterior. The window display features various household items like a vacuum, a lawnmower, and a car, along with colorful icons representing different categories. A woman and a child are walking past the store on the left. The sky is clear and blue.

Welcome to Action

ACTION

ACTION

somriure

2024 was another year marked by customer growth and a record number of store openings

€13.8

**Billion
net sales**

+21.7%

+10.3%

**Like-for-like
sales
growth**

€2,076

**Million
operating
EBITDA**

+28.6%

352

**Stores
added**

81%

**Cash
conversion**

Key drivers contributing to our growth in 2024



**ALWAYS THE
LOWEST PRICE**



**FLEXIBLE OFFERING
OF DAILY NECCESITIES**



EXPANSION



COLLEAGUES

Key challenges of 2024



**ECONOMIC
BACKDROP**



**VOLUME GROWTH
IN STORES**



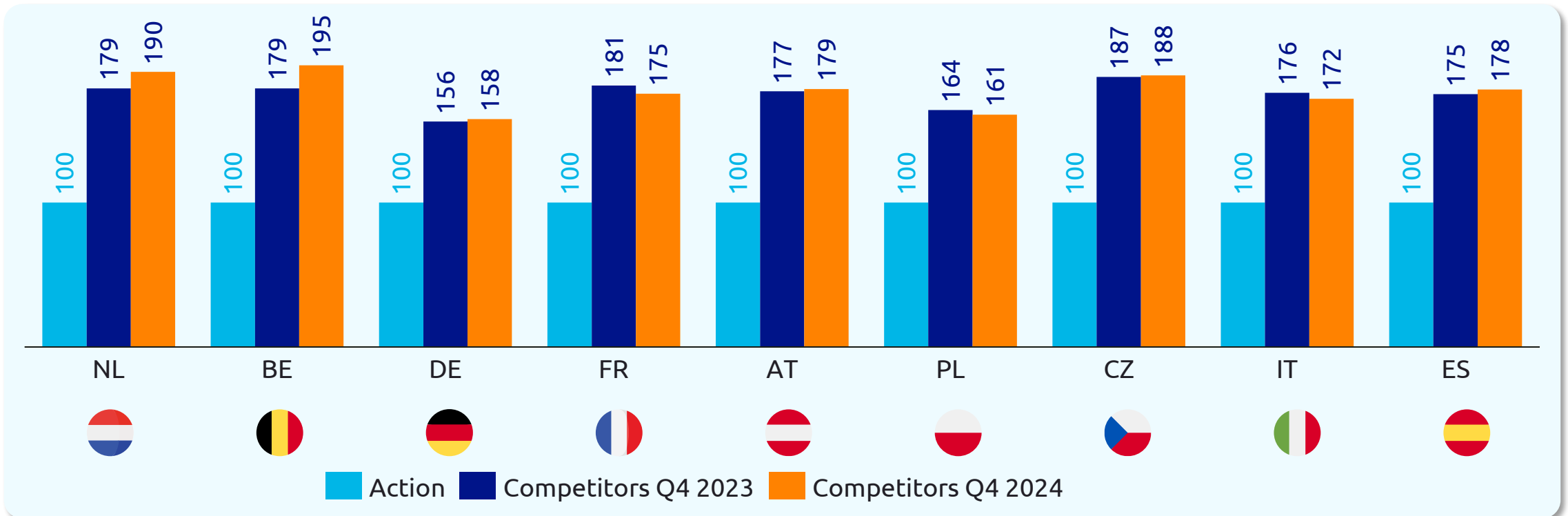
**VOLUME GROWTH
IN SUPPLY CHAIN**



**PARALLEL
INVESTMENTS
IN SYSTEMS**

We maintain a strong price position versus competitors

Price index¹⁾ versus competitors by country

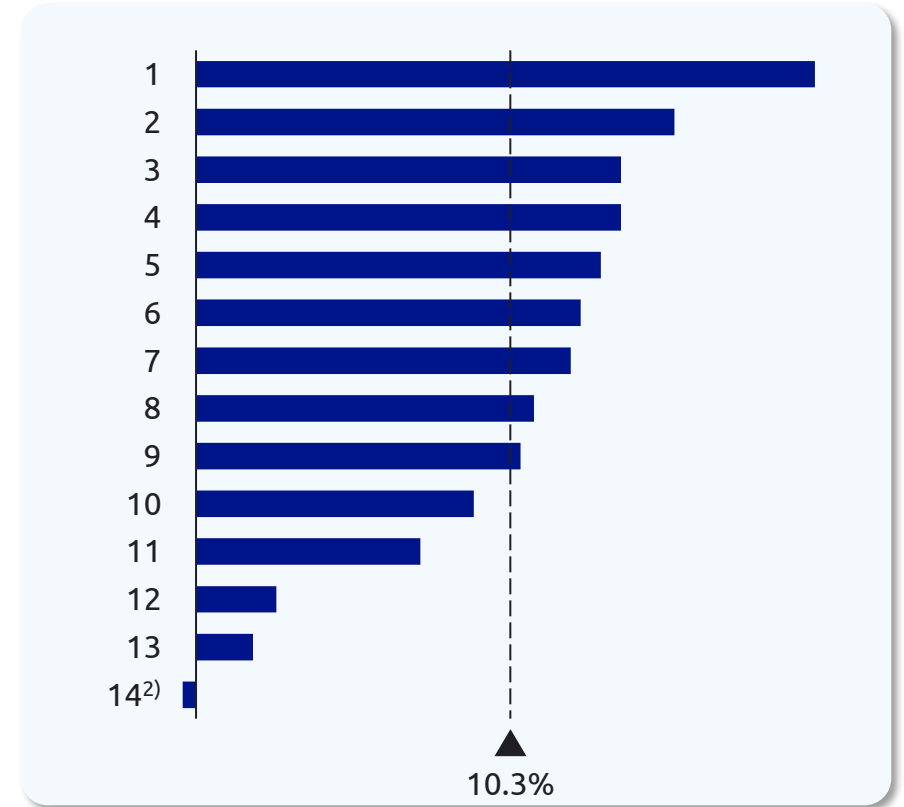


The flexibility of our formula allows us to evolve and adapt our categories

Blueprint changes in 6 categories in 2024

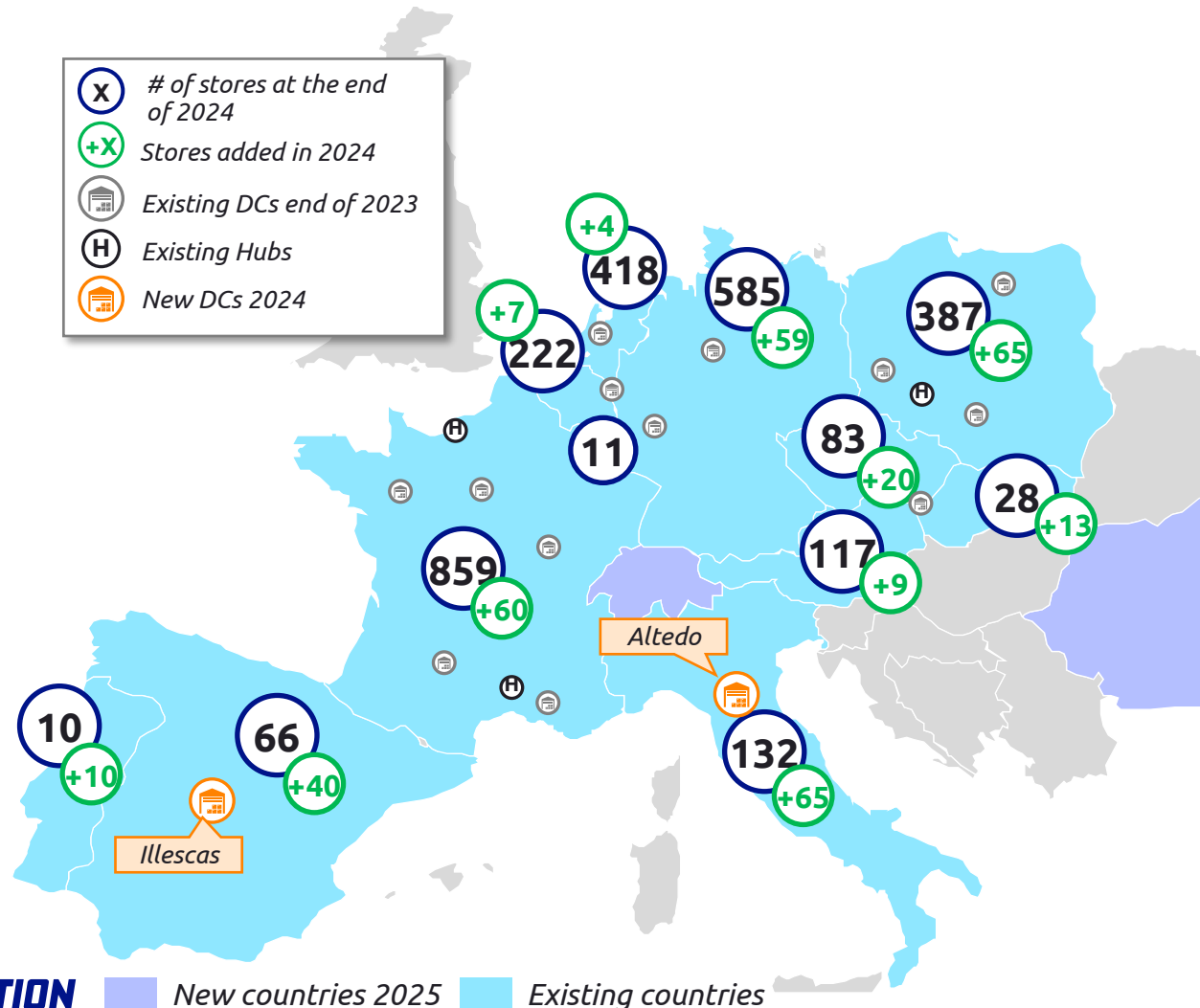


2024 Like-for-like sales growth by category¹⁾



ACTION 1) Like-for-like sales growth refers to net sales in a financial period compared with net sales achieved in the previous period for stores that have been trading for more than 52 weeks, commencing with the first full week that such store is open
 2) LFL adjusted for reduced shelf metres is above average LFL

We added 352 stores and 2 distribution centres across Europe

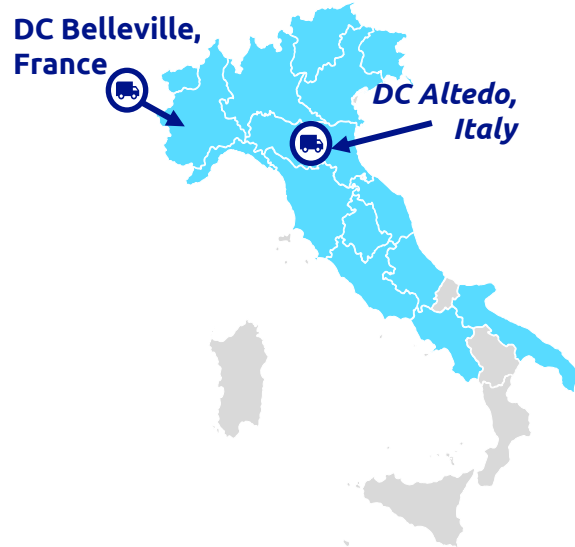


Expansion 2024

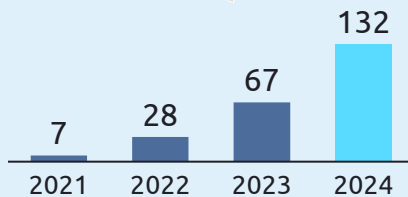
- 2,918** Stores at the end of 2024
- +352** Stores added in 2024
- 15** DCs at the end of 2024
- +2** DCs added in 2024
- Preparations for 2025+ growth**
For the first time 2 new countries (CH+RO), 5 planned DCs (of which 3 in 2025) and preparations for 2026+

Our growth is accelerating in newly opened countries, with a warm welcome from customers

Italy 2021



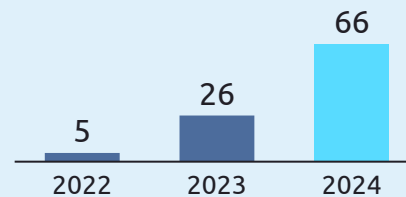
of stores in first years



Spain 2022



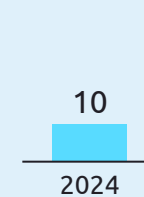
of stores in first years



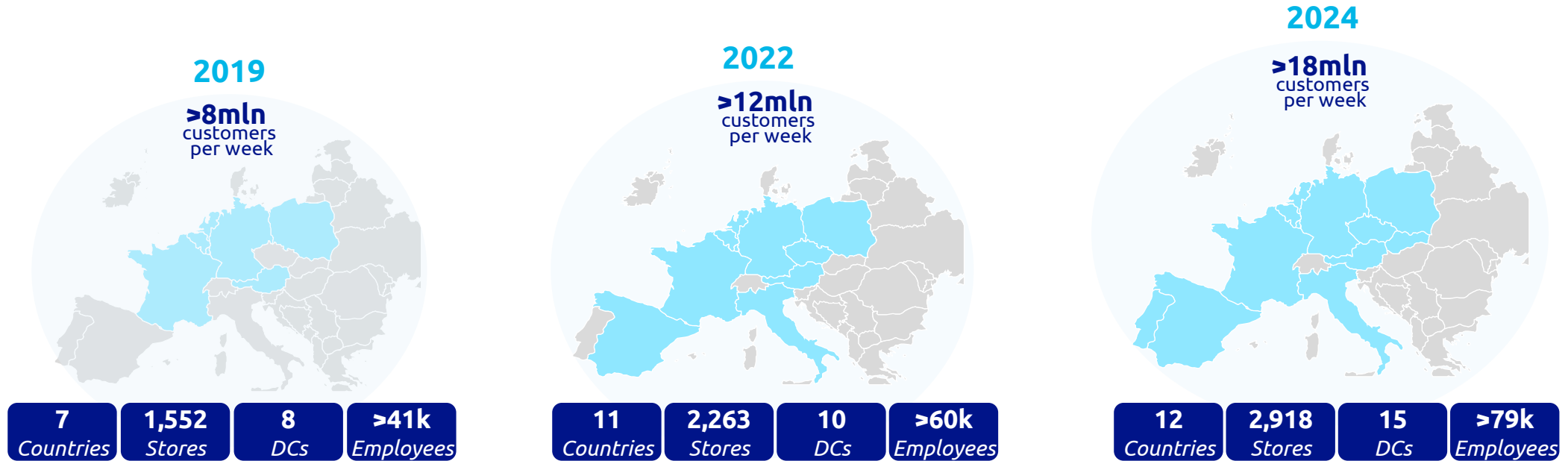
Portugal 2024



of stores in first year



We continue to invest in our systems and organisation to support our volume-driven growth and future ambitions



- Successful new ERP implementation at the end of 2024, replacing our 2006 ERP system to drive our growth ambitions
- New ERP system replaced the core and is benefitting most business departments

- Started the “Fit-for-Growth” programme in 2024 to define a scalable, simple and efficient future IHQ organisation

- Strengthen capabilities
- Increase process efficiency
- Clear roles & responsibilities

We made considerable progress with our Action Sustainability Programme in 2024

People



- **10,641 jobs** were created in 2024 across the company
- **3,507 employees internally promoted** to (store) management position
- **>292k training hours** to support development opportunities across all employees



Planet

- **51% absolute reduction** of CO2 emissions from own operations (scope 1&2) vs 2021
- Opening of first **gas-free DC**, built according to highest **sustainability standards** (BREEAM Outstanding)
- **60%** of direct import shipments on bio-fuel with **Eco-delivery**



Product



- All **timber** and **cocoa** in our private and white label products is now certified sustainable
- All **palm oil** in private and white label food & drink and candles is now certified sustainable
- Our product circularity programme delivered a **9% circularity increase**



Partnership

- Safety and security: supporting 12,880 children through **SOS Children Villages** partnership
- Getting children moving: extended our collaboration with **Johan Cruyff Foundation** by 3 years
- Emergency relief: continued in kind and financial **emergency relief** for child war victims and victims of natural disasters in our communities



We invest in the growth and development of our people

Jobs and development opportunities for many



- 79,681 colleagues
- 10,641 jobs created in 2024
- First Traineeship cohort

As diverse as the communities in which we operate



- 151 nationalities
- 72% female, 28% male

As we grow, our colleagues grow with us



- 3,507 internal promotions
- >292k training hours
- 2 awareness campaigns on health & wellbeing

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Our strategy is simple and consistent



Strengthen our customer proposition



Drive international growth



Maintain a simple, efficient and scalable operating model



Make sustainability accessible



Treasure our people and values

Action is the same everywhere

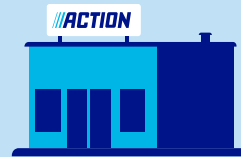


ONE BRAND

Our name works
in all our countries

Products, packaging and marketing
are standardised everywhere

Seamless
international growth



ONE STORE EXPERIENCE

All our stores are the same

More than 90% of our assortment
is the same everywhere

Rapid store rollout

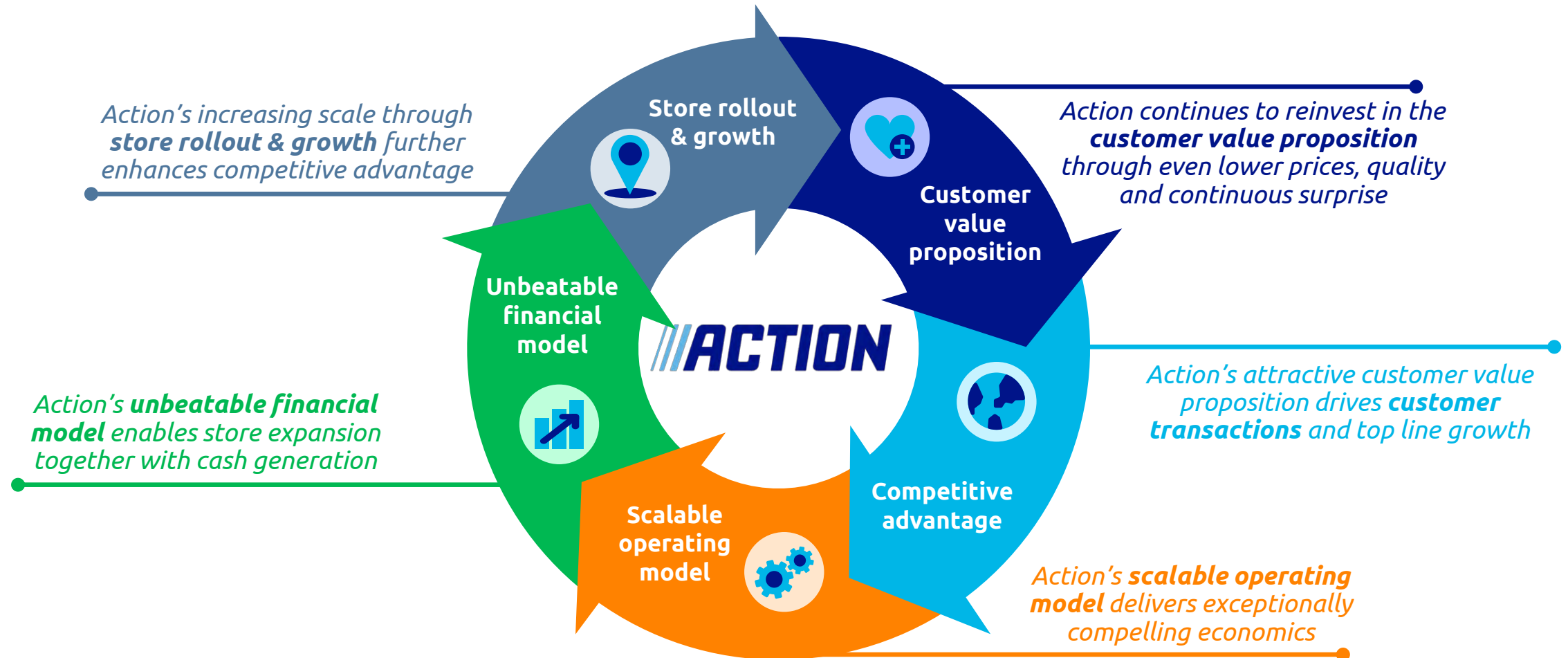


ONE OPERATING MODEL

The same policies, structures,
processes, systems, training,
and so on — everywhere

The same proven formula
everywhere

Our continued growth provides a sustainable competitive advantage



While flexibility and simplicity enable scaling at low cost



Big volume purchases



No fixed assortment



No high street locations



Efficient logistics



Low overhead costs



Low marketing expenditure

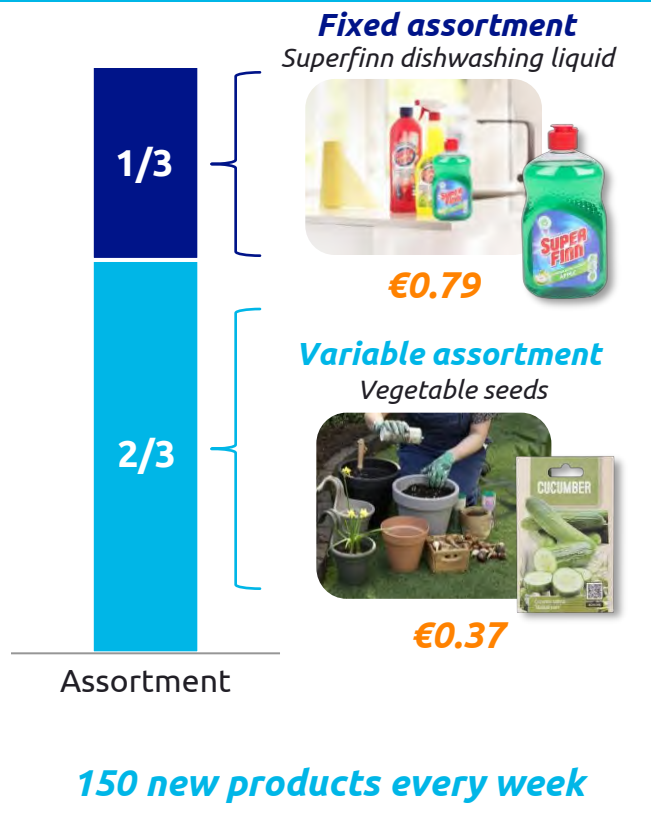
Action offers a surprising assortment across 14 categories at low price points

~6,000 items across 14 categories..

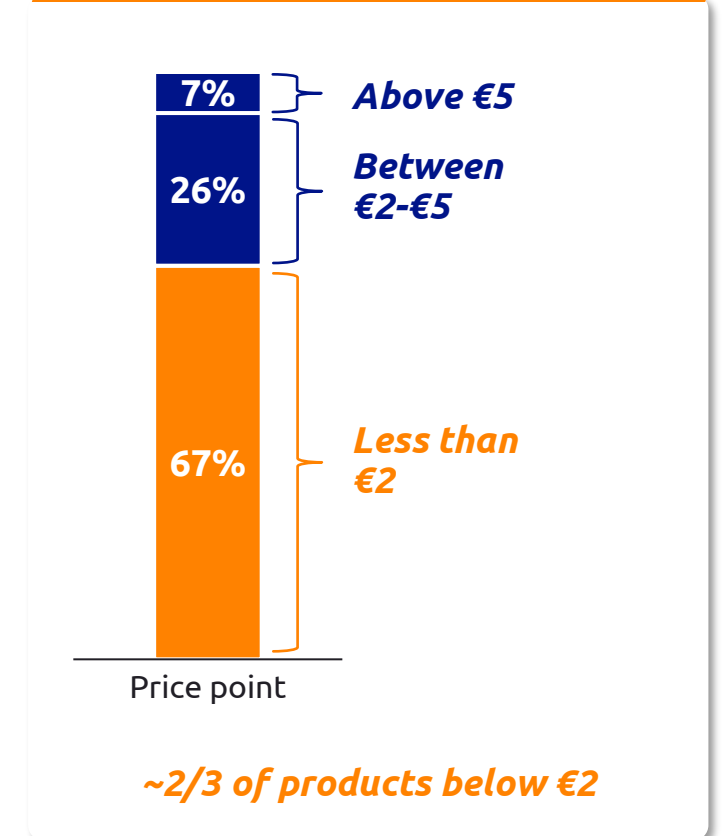


SKUs per category range between ~100 and ~800

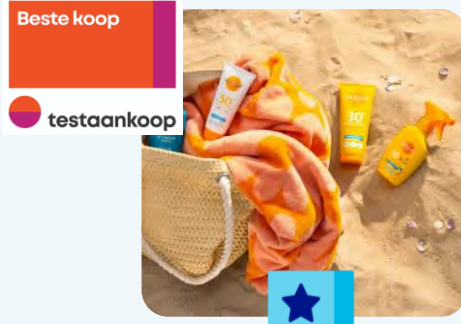
..with a surprising assortment..



..at low price points



Continuous investment in quality has resulted in award-winning private label products



Zenova sensitive sun milk

— Best buy June 2024 in Belgium



Pure Soft toilet paper

— Best buy January 2025 in Belgium



Electric toothbrush head

— Best buy & best in the test January 2025 in the Netherlands



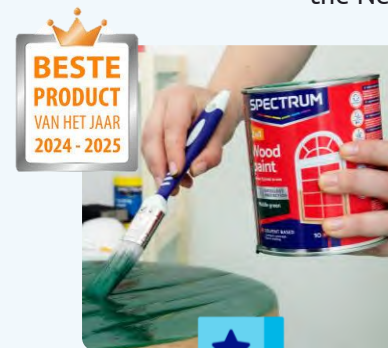
Max & More eyeshadow

— Best product of the year 2024-2025 in Belgium



A-Force high power

— Best tested by Radar on Price/Quality in the Netherlands



Spectrum 2-in-1 wood paint

— Best product of the year 2024-2025 in Belgium

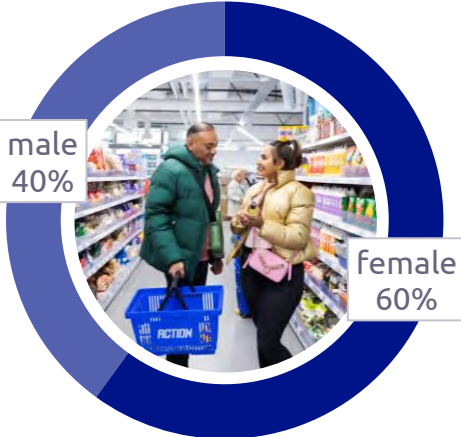


Spectrum Spray paint

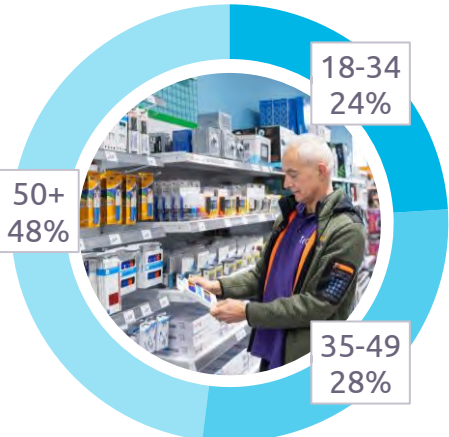
— Best product of the year 2024-2025 in the Netherlands

Action's brand and formula appeal to everyone

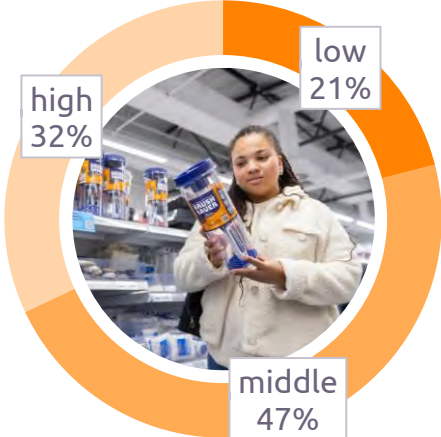
Customers that visited Action stores



GENDER



AGE



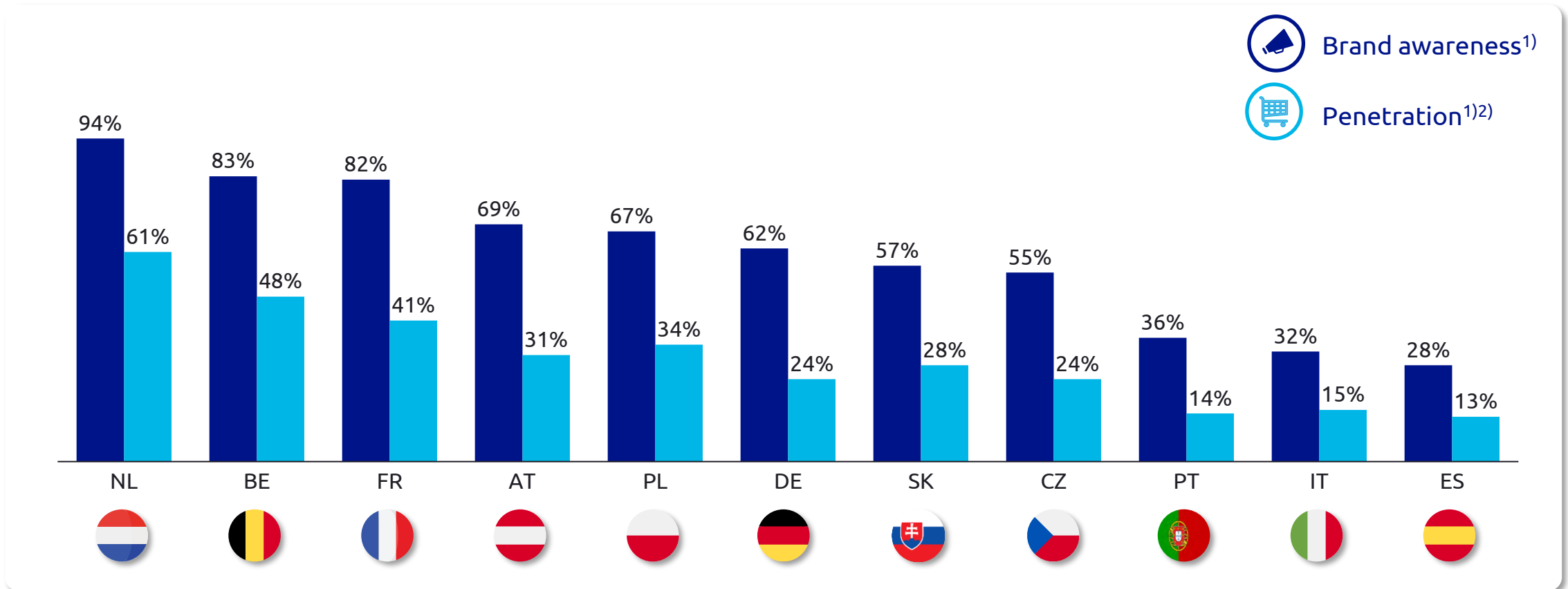
EDUCATION



INCOME

We have well-established touchpoints that enhance awareness and appreciation across various countries

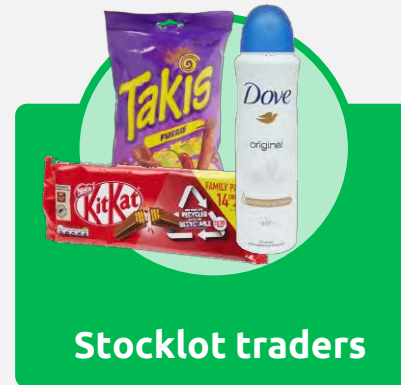
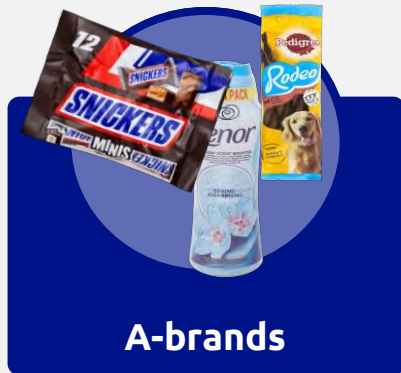
Brand awareness and penetration by country 2024



ACTION 1) For all countries the % applies to catchment inhabitants, except for NL, BE, FR & AT which have national coverage
2) % of clients that purchased one or more products at Action in the previous six months

Our unique sourcing mix and approach to diversification are fundamental to our customer proposition

Our sourcing mix



Diversifying our sourcing



The four pillars of our Action Sustainability Programme to make sustainability accessible

People



Our colleagues are the **beating heart of Action**. We offer stable employment to a fast-growing number of people. We support our colleagues by providing **teamwork, growth and learning opportunities**, so they can reach their potential regardless of their background

Planet



We are committed to **reducing greenhouse gas (GHG) emissions** across our value chain. Our targets were approved in March 2025 by the **Science Based Targets initiative** and support the Paris Climate Agreement

Product



We continually invest in the **quality and sustainability of our products**, and in making our **value chain more transparent** to uphold our ethical sourcing standards, buying only from suppliers who **respect human and labour rights**

Partnership



We are closely connected to the communities in which we work and **contribute to their well-being** where possible. We focus on **helping children**, because they are the future, and we believe all children have a right to grow up in a safe and loving environment

We continue to invest in the development of our people, society, and communities through our partnerships

Objectives 2025

People



3,600 internal promotions across all countries and entities



Conduct employee survey '**Voice of Action**' and follow up in all countries



Publish **DE&I** policy and continue to embed in talent processes (hiring, promotions)



Stable work and development opportunities



Partnership



Continue **SOS Children's Village** partnership and open **Johan Cruyff Foundation** courts in 3 countries



Extend **Fairtrade** partnership, helping cocoa farmers and their families towards a living income



Introduction of new partnership to support local **child cancer organisations** in Action markets



Support of children in need through Partnerships

We are reducing our impact on the environment to ensure responsible future growth

Objectives 2025

Planet



Increase of scope 1&2 absolute **emission reduction target** from 60% to 75% by 2030



Extend **electric transport pilot** for store delivery to 4 more DCs



Opening of **5** new DCs (in 2025/2026) without gas and **BREEAM** or equivalent certification



Reduction of emissions from our operations and the value chain



Product



Deliver full transparency on all tier 1 suppliers



Launch **SBTi engagement programme** for suppliers to set emission reduction targets



Deliver 25% product **packaging reduction** (vs. '19) for fixed assortment and make 100% recyclable

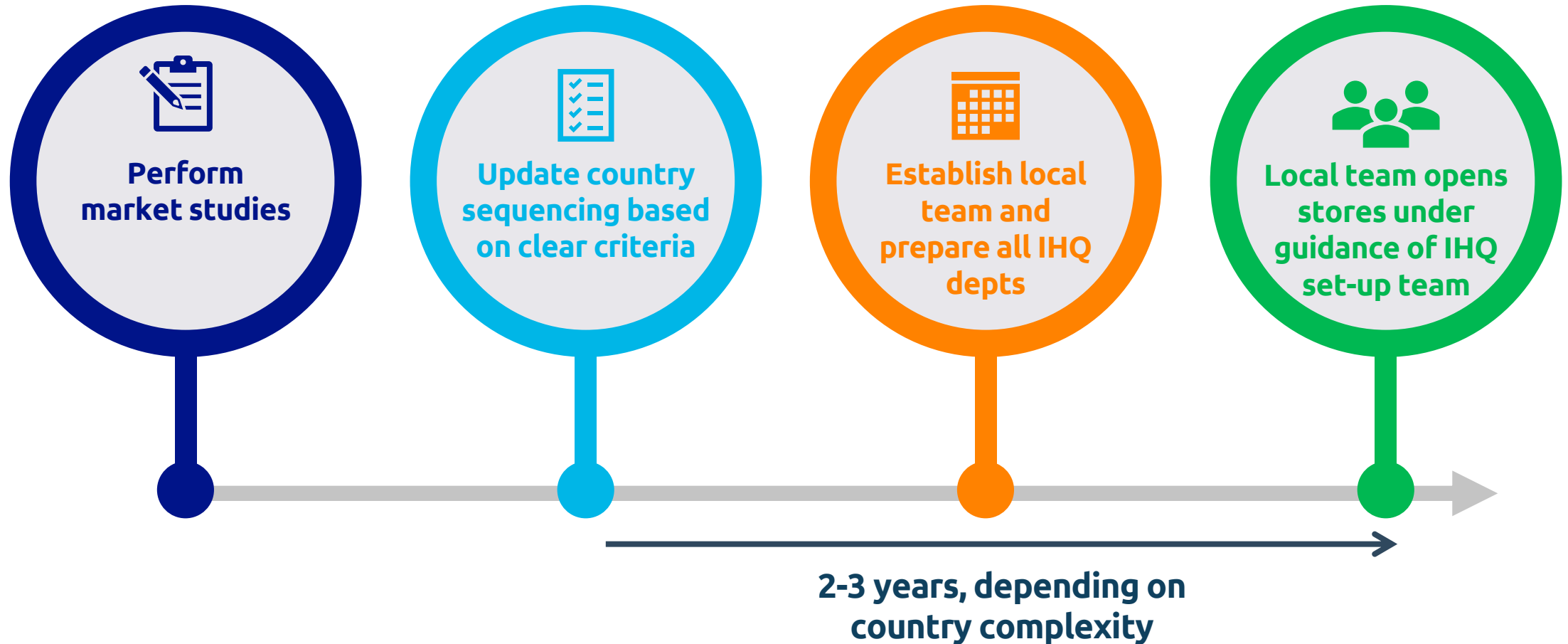


Responsible sourcing of our products

Current markets include a number of growth engines

	Stores per million people ¹⁾		Entry year	# of stores end of 2024	Stores added since 2019
<i>More mature countries</i>	23	Netherlands 	1993	418	+31
	19	Belgium 	2005	222	+40
	16	Luxembourg 	2015	11	+3
	13	Austria 	2015	117	+63
	13	France 	2012	859	+342
	11	Poland 	2017	387	+330
	8	Czechia 	2020	83	+83
	7	Germany 	2009	585	+238
	5	Slovakia 	2023	28	+28
	2	Italy 	2021	132	+132
<i>Recently entered countries</i>	1	Spain 	2022	66	+66
	1	Portugal 	2024	10	+10
	2025	Switzerland 	2025		
		Romania 	2025		

We conduct thorough research before entering new markets

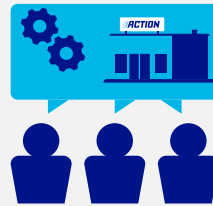


We have a proven and disciplined approach for opening new stores, adhering to our store location criteria



- No compromise on store location criteria:
 - Catchment (>40k)
 - Size (~900m² sales area)
 - Double decker delivery
 - Cost-conscious rent
- Each location is ultimately decided by the Real Estate Committee, which includes the CEO and CFO, following a structured process

1. Store location criteria



- One structured approach to hire and train colleagues
- International store opening teams that train local teams
- One simple and consistent way of working across stores

2. Hire and train local teams



- Dedicated teams in place to build and maintain the store
 - Relocations
 - Enlargements
 - Refurbishments

3. Store set-up and maintenance

Our store format is consistent across countries



České Budějovice - CZ 🇨🇪



Jodoigne - BE 🇧🇪



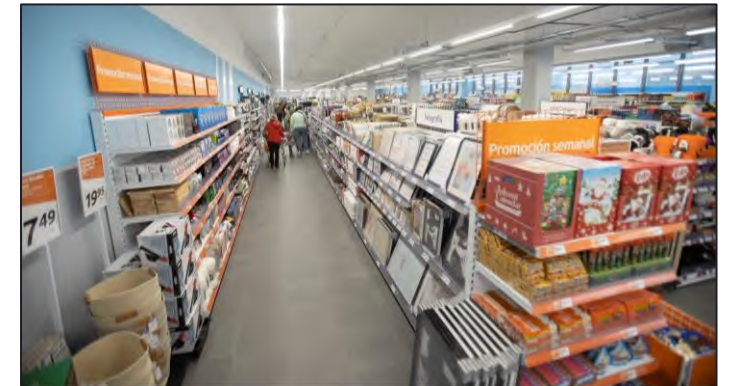
Aulnoye-Aymeries - FR 🇫🇷



Nola - IT 🇮🇹

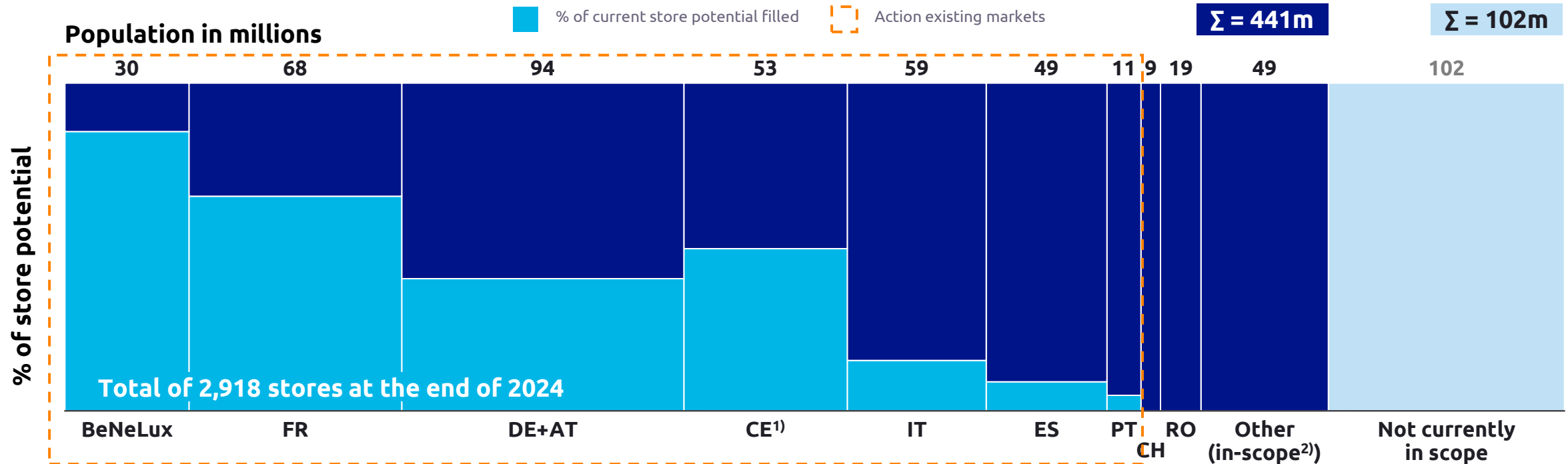


Heerhugowaard - NL 🇳🇱



Santiago de Compostela - ES 🇪🇸

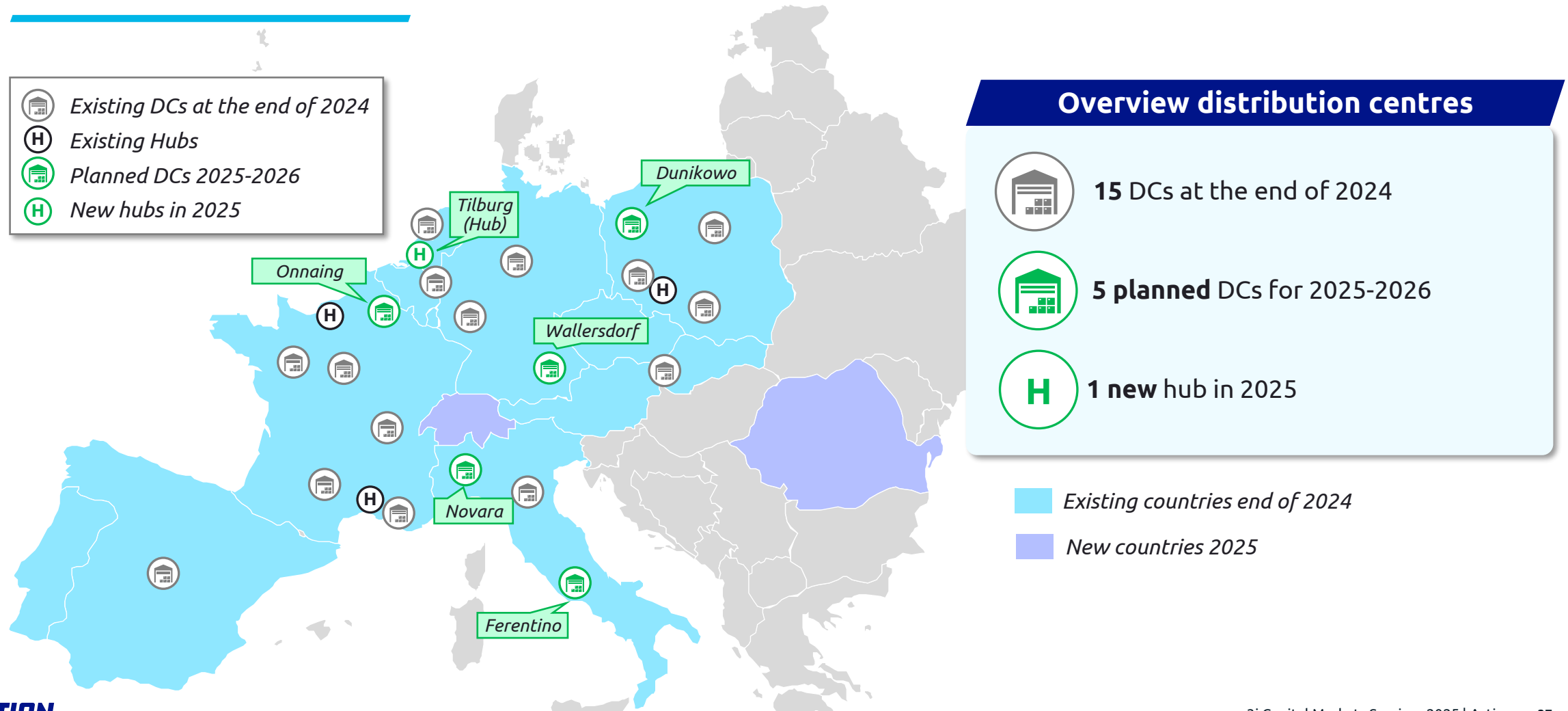
Both existing and new markets show significant further growth opportunities across Europe



Current estimate of additional white space potential in existing and identified in-scope²⁾ countries in Europe is **~4,850** stores, **~+500** additional stores vs potential identified last year

ACTION 1) Central Europe includes Poland, Czechia and Slovakia
 2) In-scope countries represent only a sub-set of greater Europe

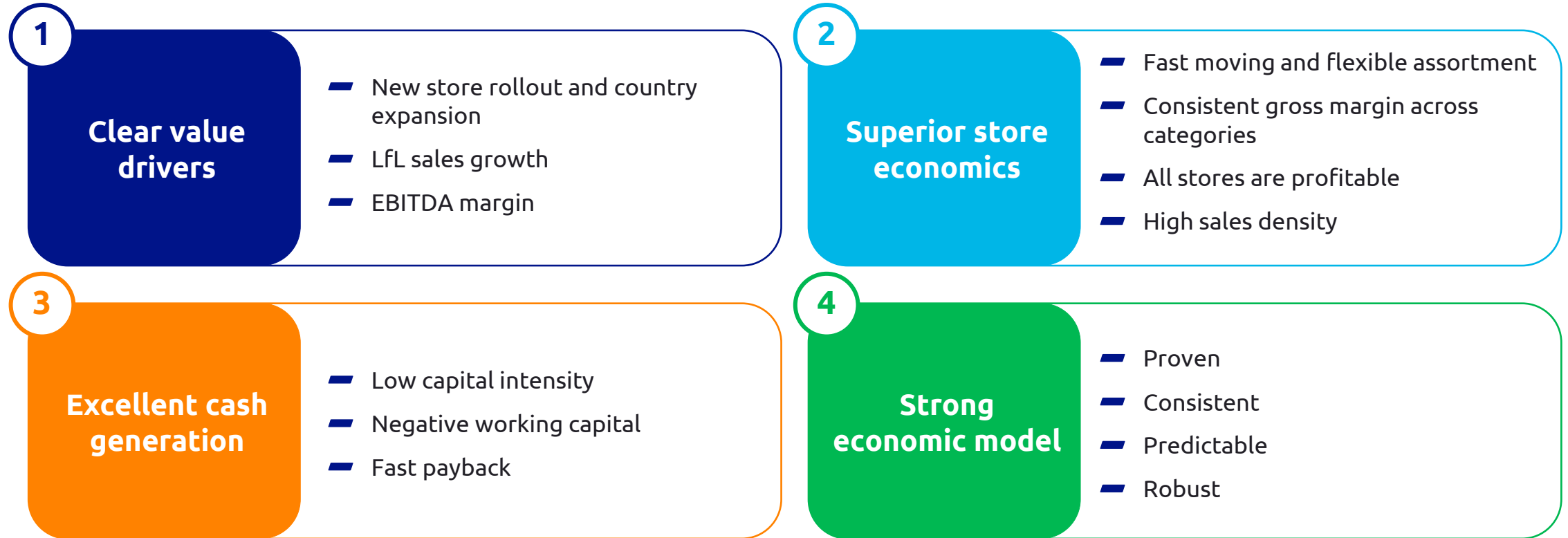
We are building our distribution network further to support our expansion



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Our repeatable financial model remains unchanged



Delivered with discipline and tight control

We had a good financial performance in 2024

The reason is simple...

One single and successful format

Proven to travel across borders

First class store opening teams and processes

Significant white space opportunity



... and the economics are extremely attractive

1

<1 year average historical payback on new store CAPEX

2

All stores are profitable

3

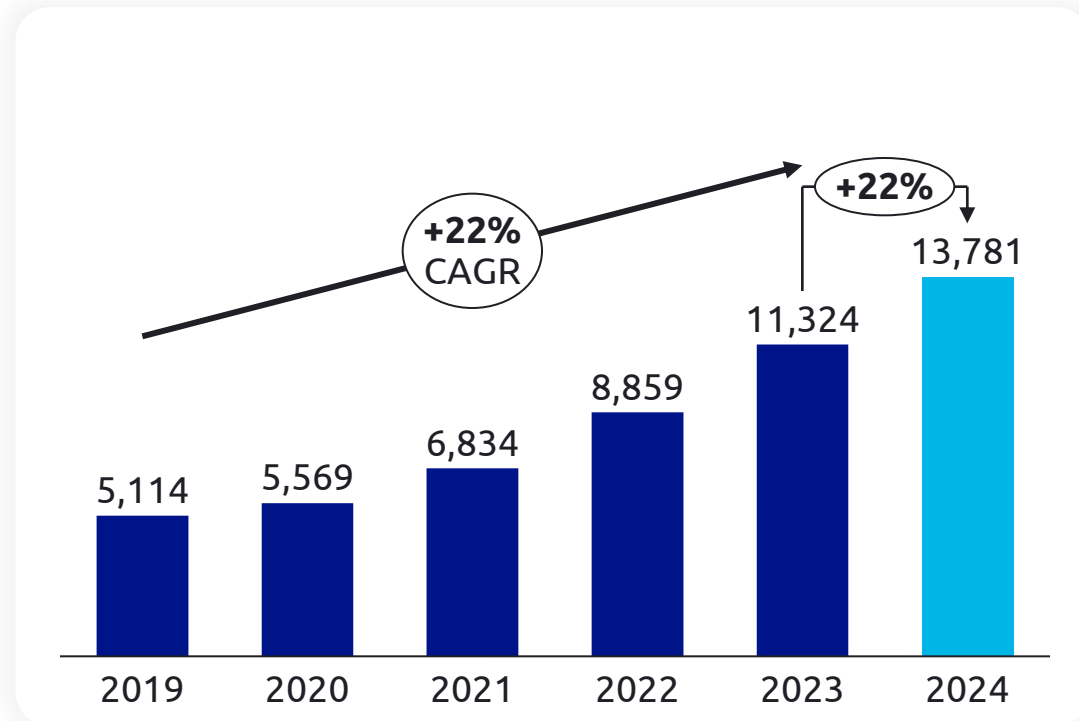
Store expansion self-funding

4

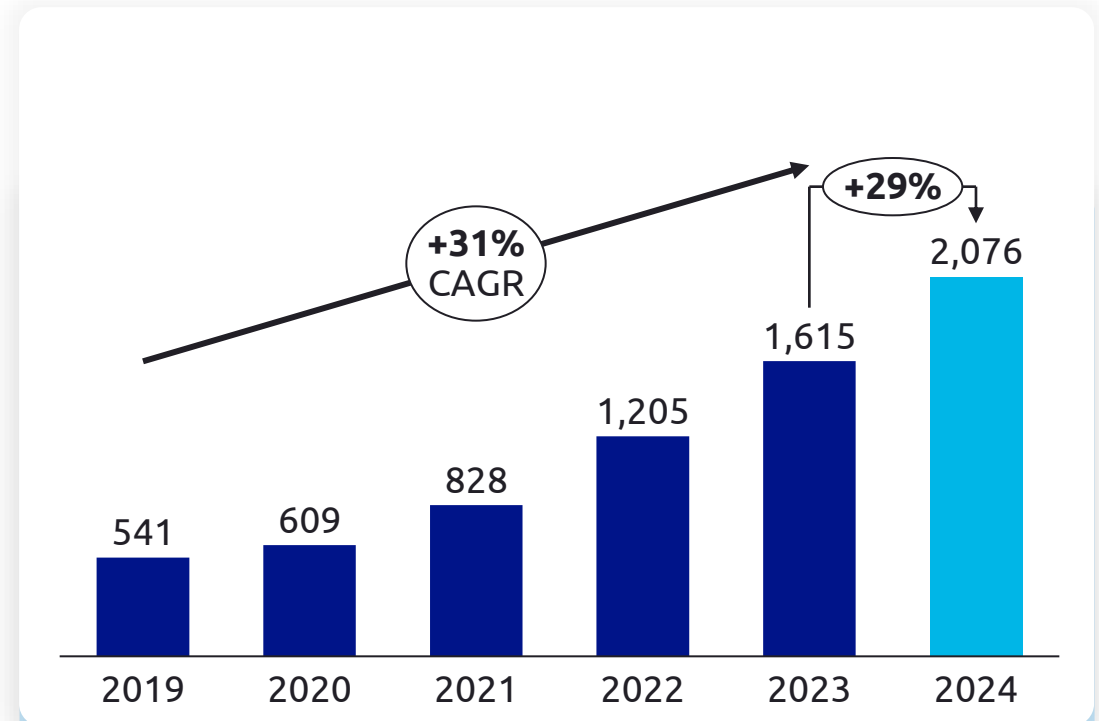
Increasing operating leverage through size and scale

Sales and EBITDA growth in 2024

Net sales (€m)



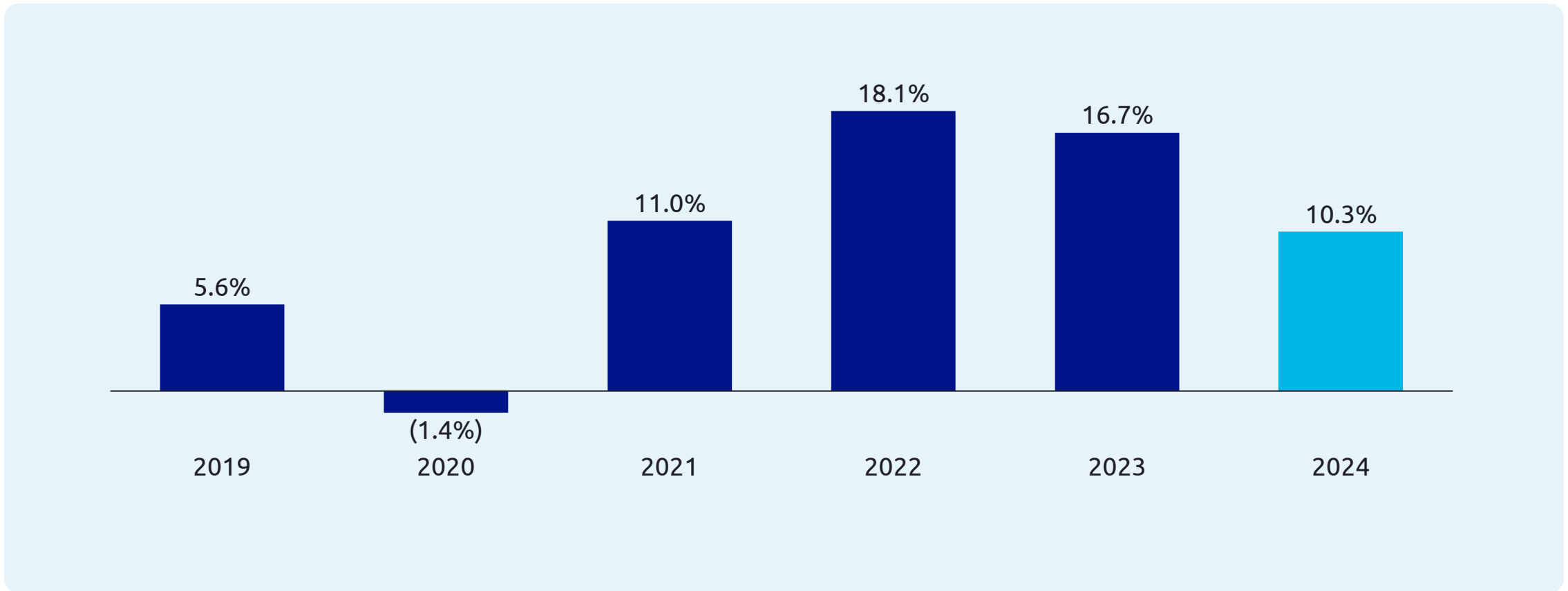
Operating EBITDA (€m)



EBITDA margin%

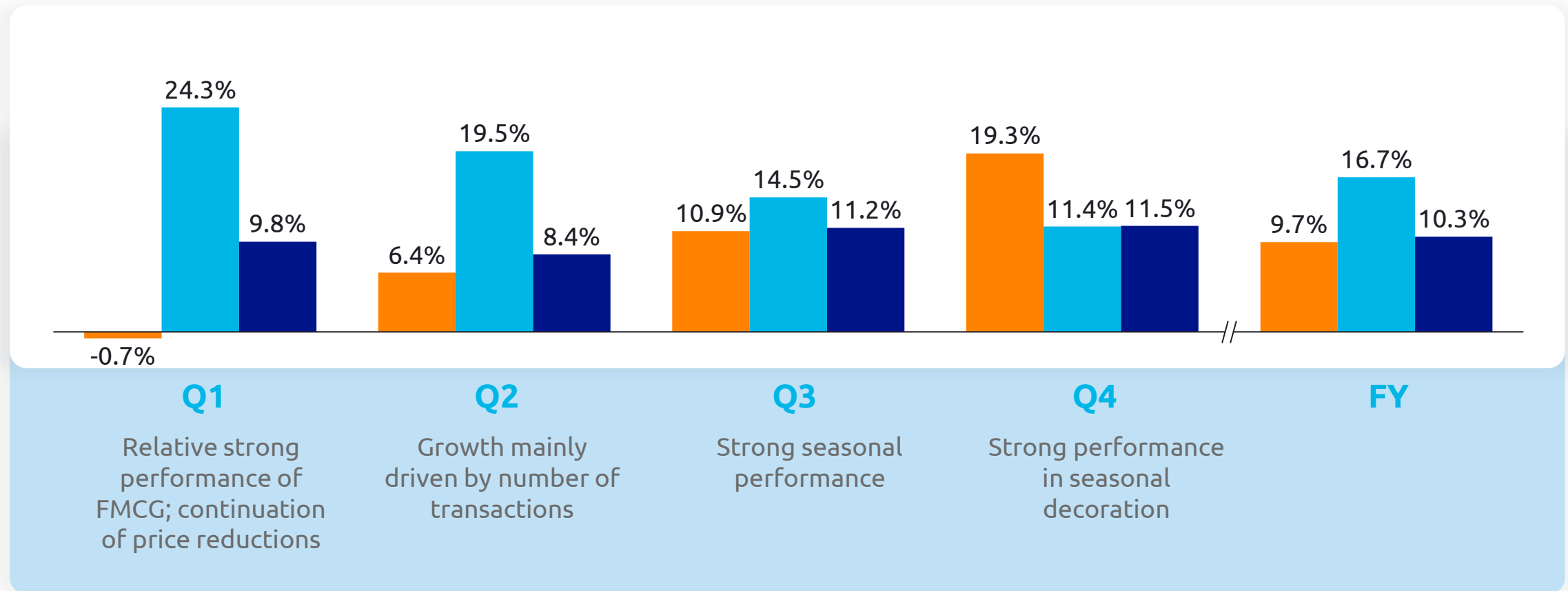


2024 LFL sales growth driven by increase in transactions



Like-for-like sales growth refers to net sales in a financial period compared with net sales achieved in the previous period for stores that have been trading for more than 52 weeks, commencing with the first full week that such store is open. Normalised like-for-like growth % for years 2020, 2021 and 2022 were 10.4%, 7.5%, 9.7%

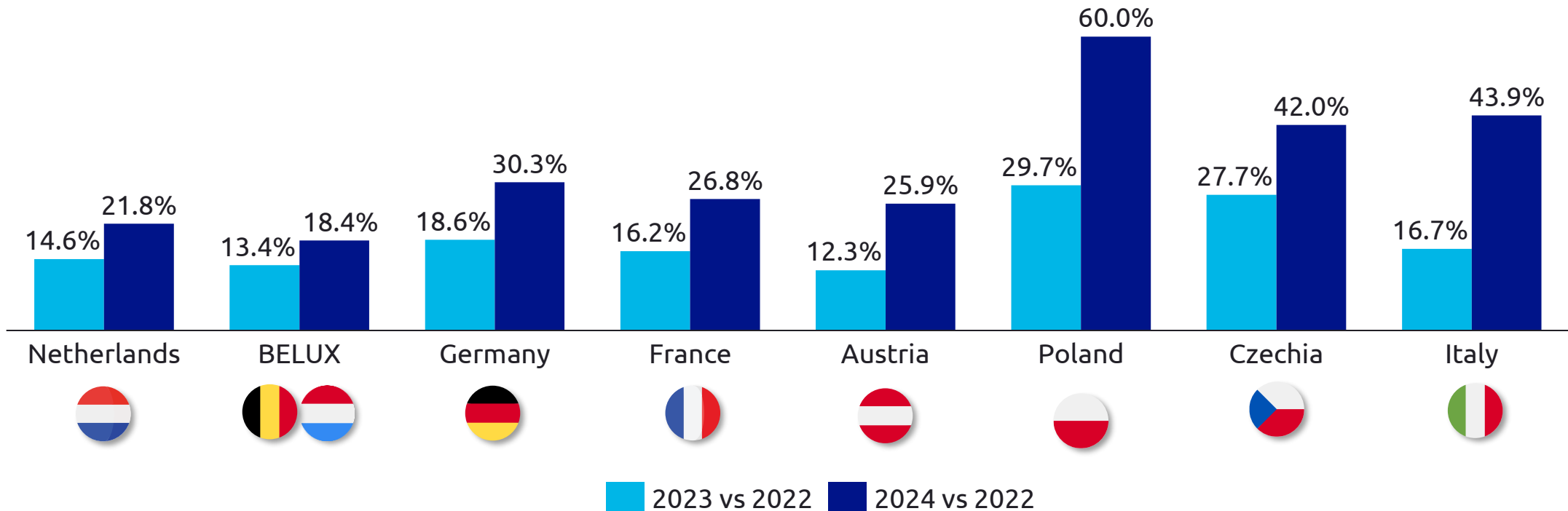
Stable sales growth development in 2024, Q4 positively influenced by good seasonal performance



■ Normalised 2022
 ■ Reported 2023
 ■ Reported 2024

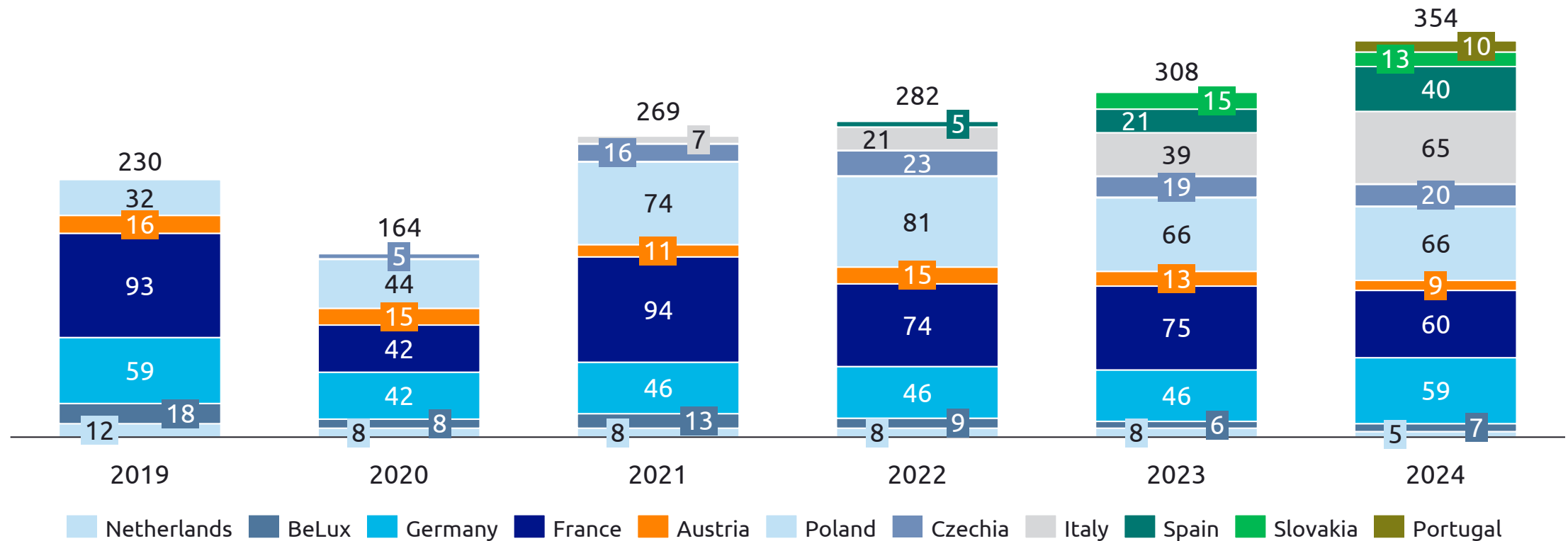
Strong sales growth in all countries

Sales growth by country – stores opened before 2022



Store expansion: another record year

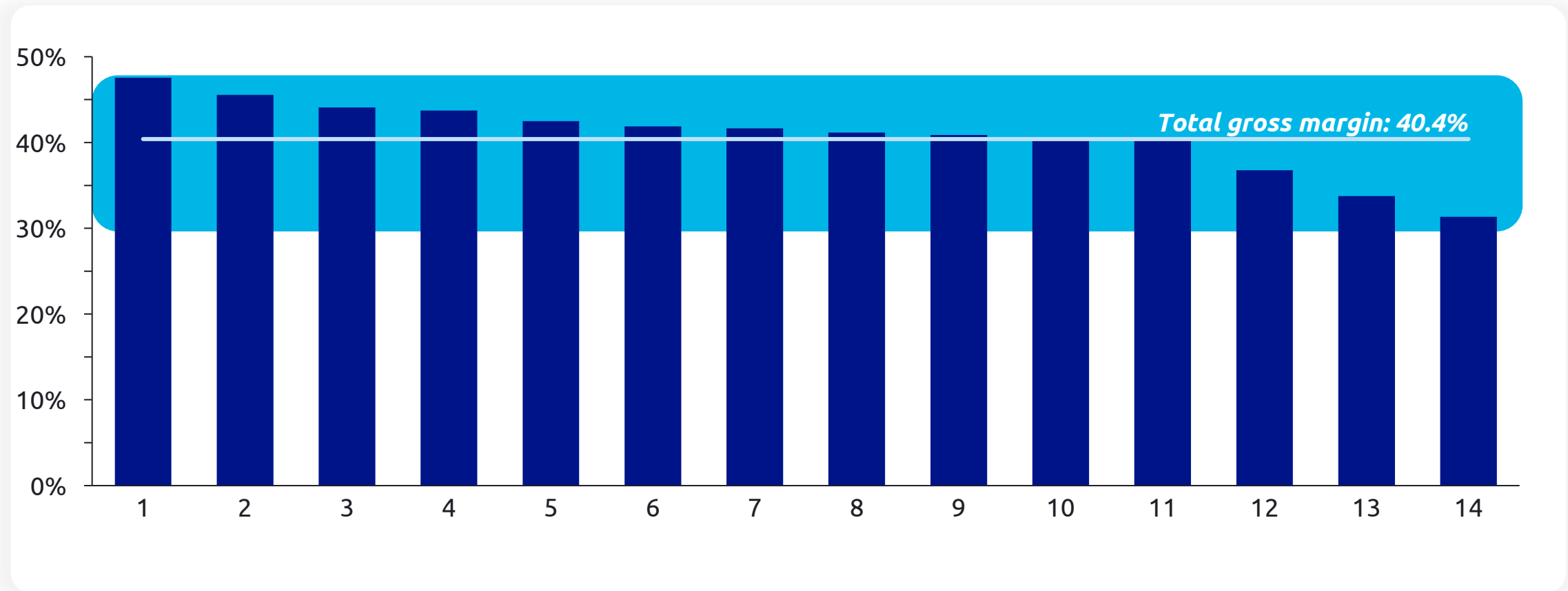
Store opening development by country¹⁾



ACTION 1) Stores added for the years 2019, 2020, 2021, 2022, 2023 and 2024 were 227, 164, 267, 280, 303 and 352 respectively, as a result of store closings

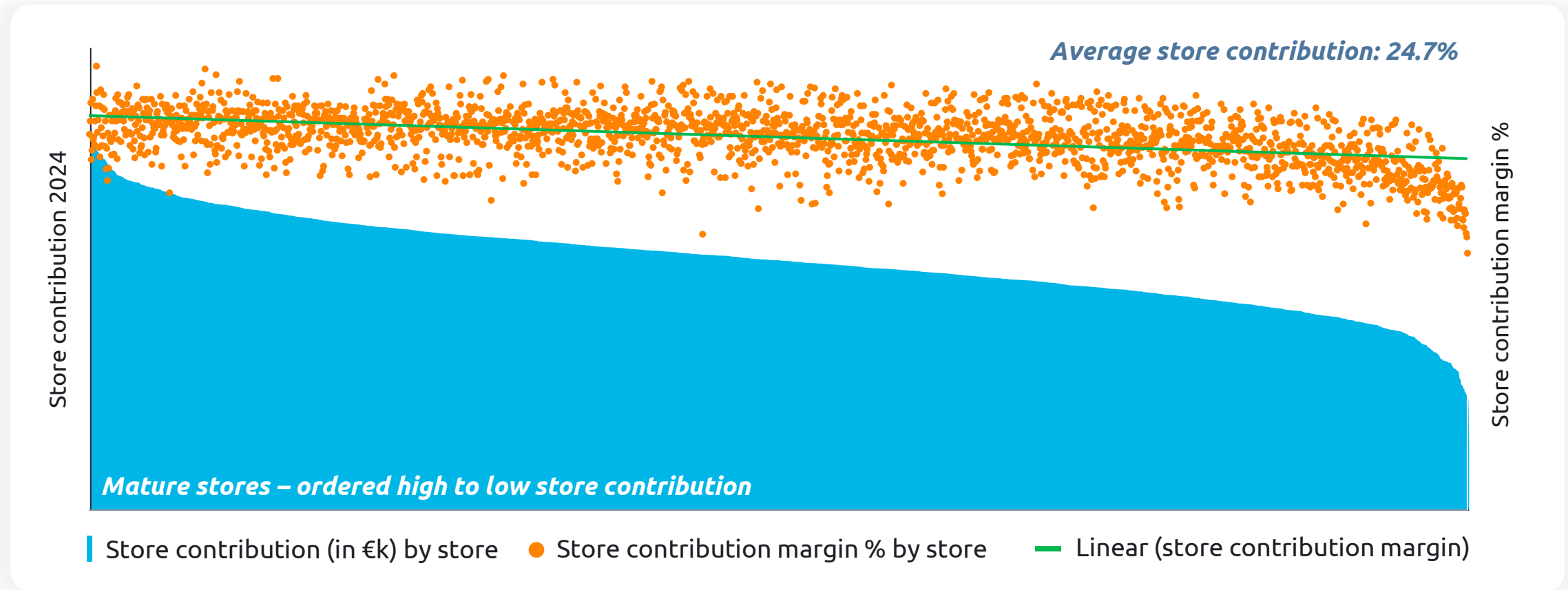
Good margins across all categories

Gross margin by category (%) – 2024



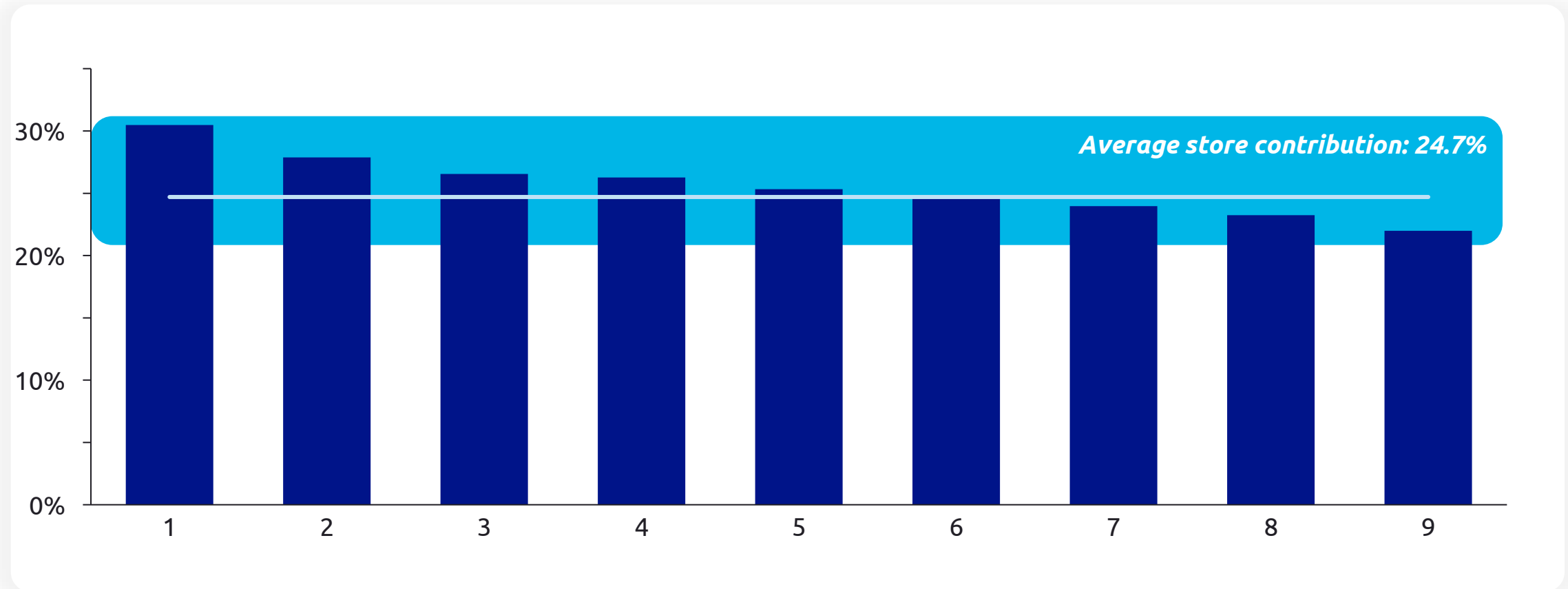
All mature stores are profitable

Store contribution (€k) and store contribution margins (%)¹⁾²⁾



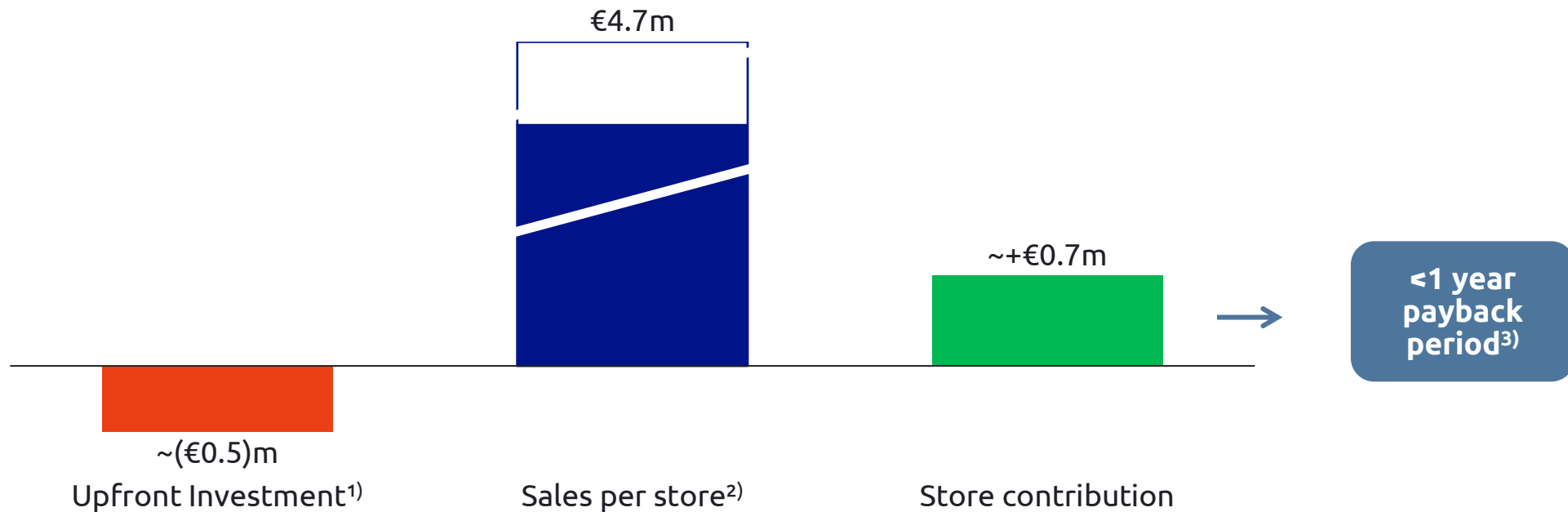
Stable store contribution across countries

Store contribution margin per country – 2024¹⁾



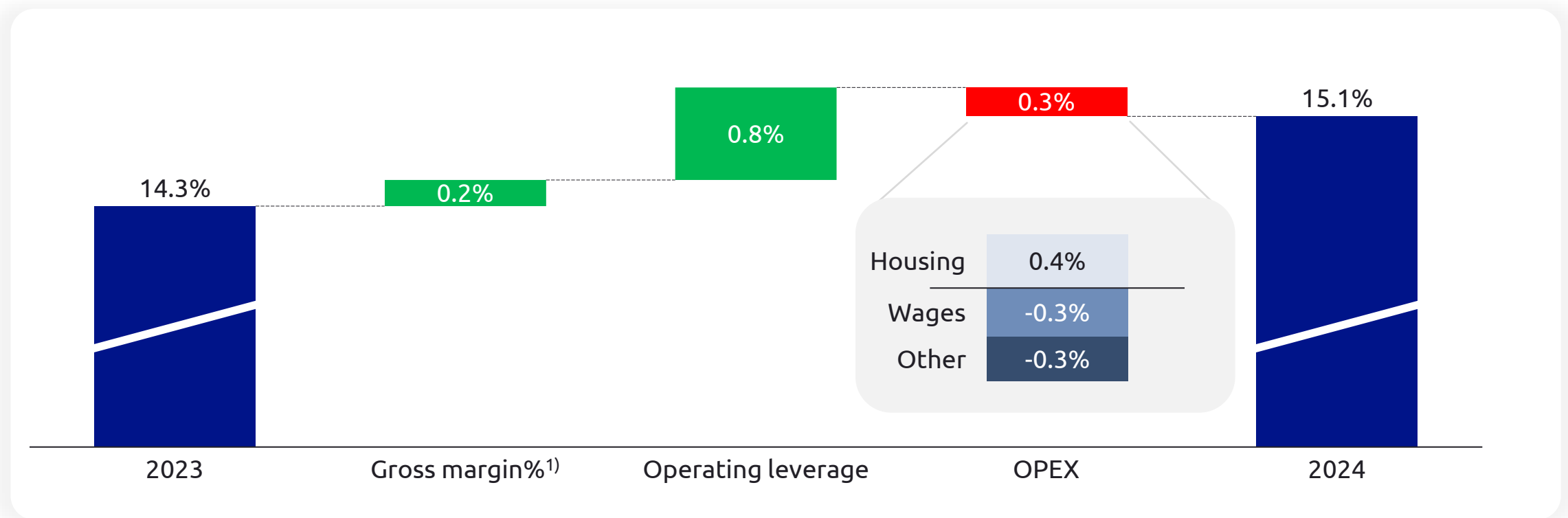
Attractive payback period for new stores

Average payback of stores opened 2020-2023 (€m)



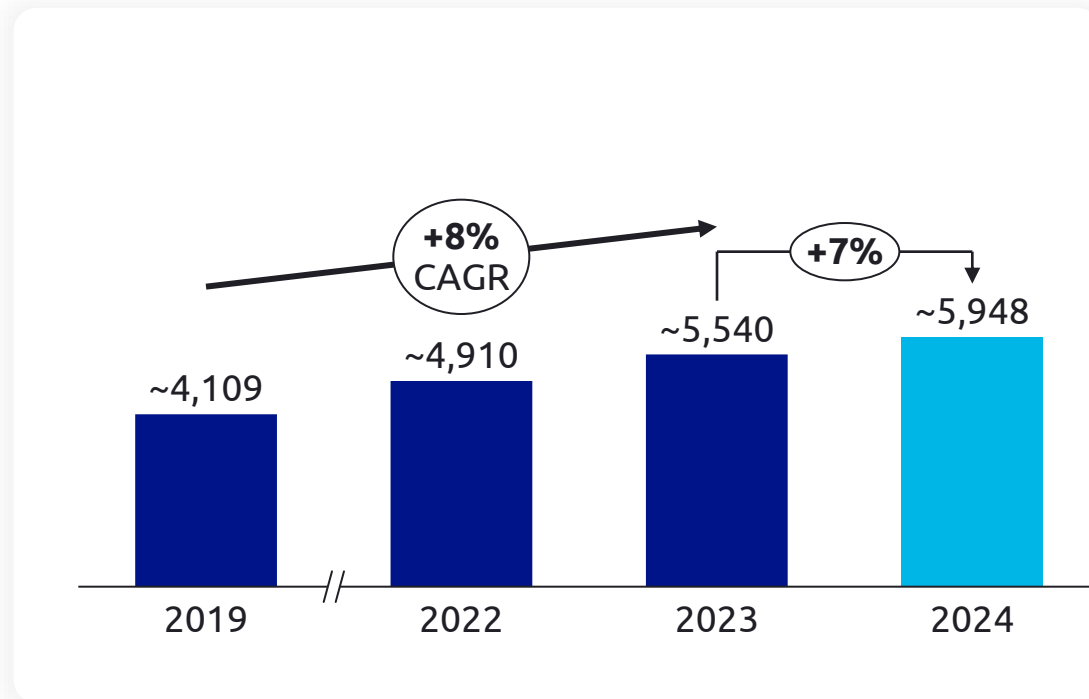
EBITDA margin improvement mainly driven by operating leverage

EBITDA margin development

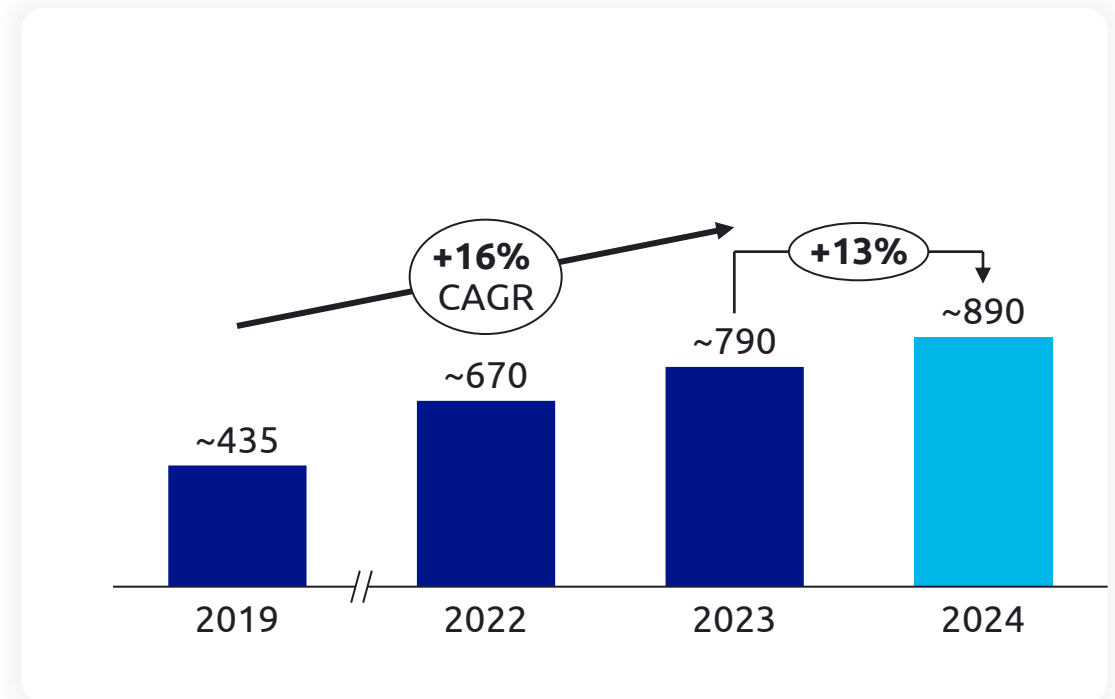


Another step-up in profitability per square metre

Net sales / square metre (€)¹⁾

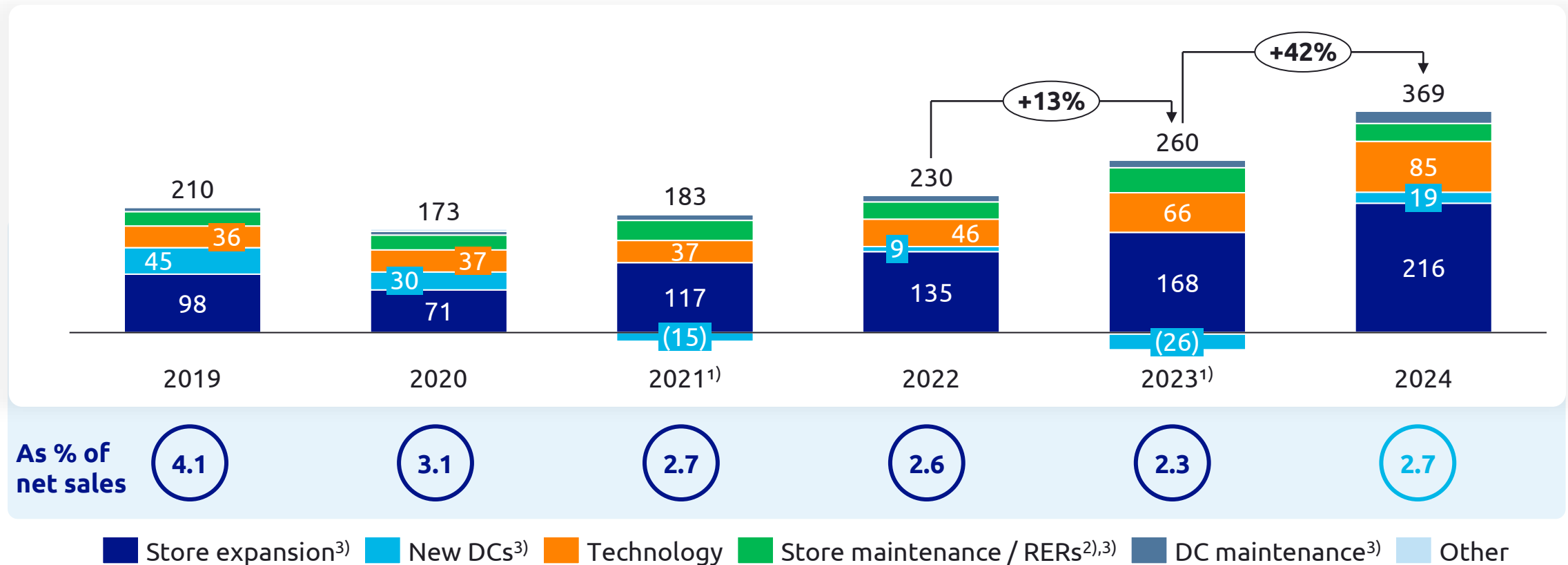


Operating EBITDA / square metre (€)¹⁾



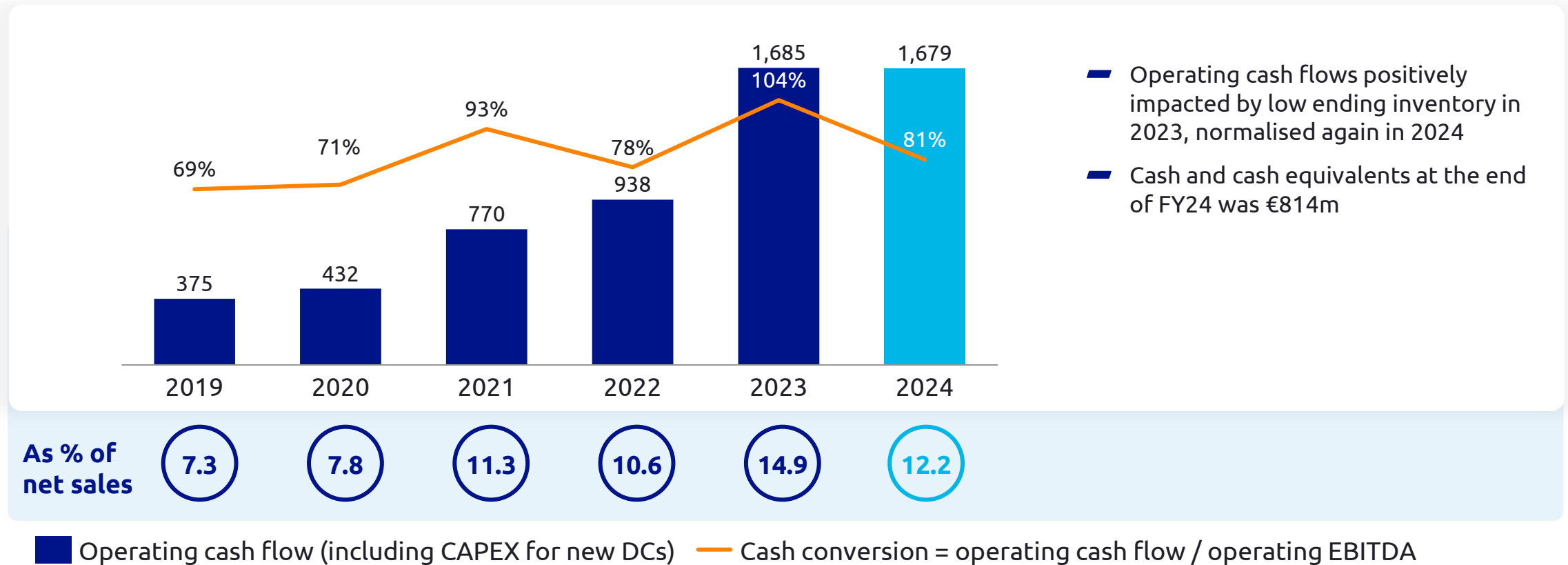
Continued investment in our expansion

CAPEX development (€m)



Cashflow: 2024 cash conversion of 81%

Cash conversion (€m and % of operating EBITDA)



Two successful debt financing transactions in 2024

Transaction overview

	€2.1bn incremental new 7-year TLB debt issuance (A9, July 2024)		€3.1bn leverage neutral Amend, extend and repricing (A10, November 2024)	
Size	\$1.5bn (TLB5)	€700m (TLB6)	€2,545m (TLB7)	€580m (TLB3B)
Pricing (margin/OID)	S+300bps, at Par	E+325bps, at Par	E+325bps, at Par	E+300bps, at Par
Maturity	July 2031		November 2031	September 2028
Comments	The \$1.5bn TLB debt was fully hedged back to EUR and 100% interest rate hedged, at an all-in EUR fixed rate of c.5.6%		Pushed out maturities on €2,545m of TLB debt (from 27/28) and repriced €3,125m generating annual recurring interest savings of €14m	
Ratings	BB Stable – S&P Ba2 Positive – Moody's			

Leverage

	A9 PF ¹⁾	A10 PF ¹⁾	FYE 2024
Net debt	€6,226m	€5,820m	€5,832m
Leverage²⁾	3.5x	3.0x	2.6x

Overview of high-level financials

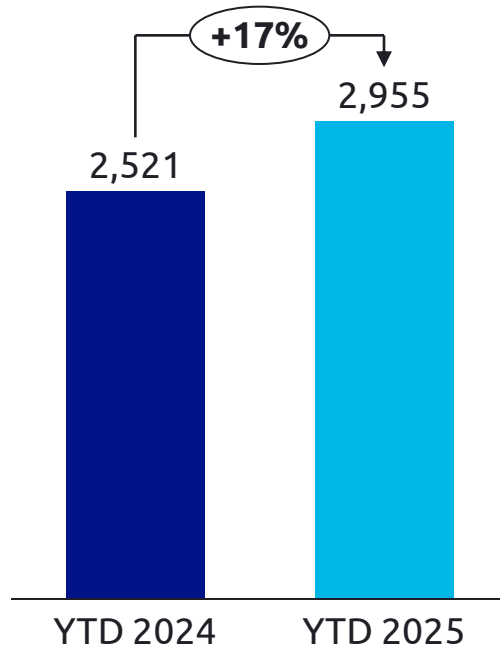
	2022	2023	2024	Change (vs 2023)
Net sales (€m)	8,859	11,324	13,781	+21.7%
LFL sales growth (reported)	18.1%	16.7%	10.3%	
Operating EBITDA (€m)	1,205	1,615	2,076	+28.6%
EBITDA margin	13.6%	14.3%	15.1%	
Cash conversion	78%	104%	81%	
Number of stores (end of year)	2,263	2,566	2,918	+352
Leverage (SFA definition)	1.7x	2.0x	2.6x	

Agenda

- | | |
|---------------------------------------|--------------------------|
| 1. Introduction | Simon Borrows |
| 2. Business performance update | Hajir Hajji |
| 3. Strategic update | Hajir Hajji |
| 4. Financial performance 2024 | Joost Sliepenbeek |
| 5. Trading update and outlook | Joost Sliepenbeek |
| 6. Wrap up | Simon Borrows |

Current trading 2025 and outlook

Net sales to week 11 (€m)



- Sales growth of 17% versus same period in 2024
- 6.1% LfL sales growth for the first 11 weeks of 2025
- 2025 store expansion plan on track with 38 stores added year-to-date
- Cash and cash equivalents at €927m

Debt financing transaction 2025

	€3.5bn leverage neutral repricing (A11, March 2025)		
Size	\$1.5bn (TLB4)	\$1.5bn (TLB5)	€700m (TLB 6)
Pricing (margin/OID)	S+250bps, at Par	S+250bps, at Par	E+275bps, at Par
Maturity	October 2030	July 2031	
Comments	This leverage neutral repricing is generating annual recurring interest savings of €19m		

Outlook 2025

- We aim to add circa 370 stores
- Above YTD like-for-like sales and in the mid to high single digit range
- EBITDA margin expansion of 10 to 20 basis points

Agenda

- | | |
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Action's long-term approach is delivering significant, high-return, international expansion



///ACTION

Milestones 2012-2018 *Proving international expansion*

- Transitioned from founders to **professional management**
- Strengthened **teams** and updated **systems and processes**
- Developed strategy and approach for large scale **international store rollout** across **Northern Europe**

From 321 to **1,325** stores... **+1,004**

From 1 to **5** DCs... **+4**

From 3 to **7** countries... **+4**

Milestones 2019-2024 *Expansion and consolidation*

- Significant **store growth** principally across **Northern Europe and CEE**
- Significant **investment** in planning, commercial and supply chain capabilities
- **Broadening of supplier base** including growth in Direct Import
- Migration to new **scalable ERP system**

... to **2,918** stores **+1,593**

... to **15** DCs **+10**

... to **12** countries **+5**

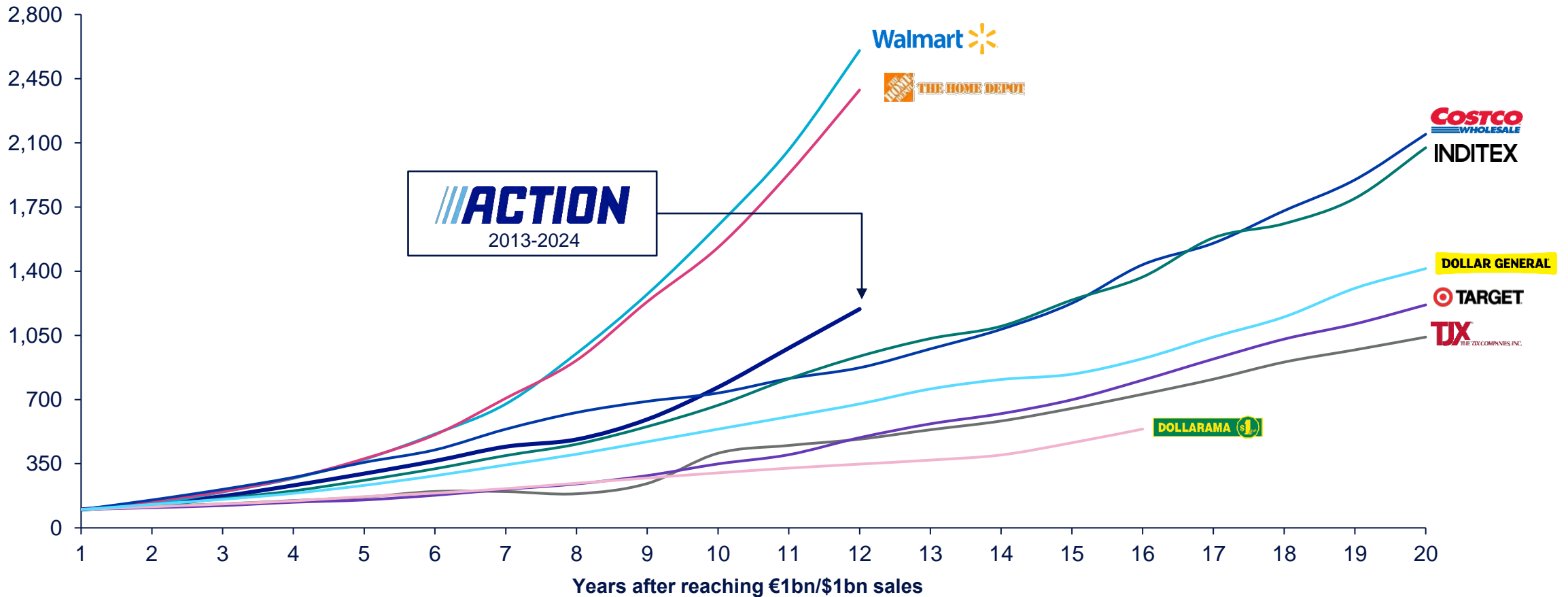
Strategic rollout post 2025 *Simplicity and consistency*

- Over a **decade of identified growth** in in-scope markets in Europe
- Further expansion **in Europe and beyond**
- Well-invested, **scalable platform** for **20+ countries** and related **stores and DCs**
- Long-term growth in line with **best-in-class** international retailers

Action continues to perform in line with best-in-class retailers, with a long growth runway ahead



Top-line growth since €1bn/\$1bn sales (20 years window, rebased to 100)



Source: CapIQ.

Costco starts from \$2bn+ revenue due to data availability. TJX starts from the oldest available revenue information (FY1988/CY1987).

3i provides long-term capital backing and strong governance

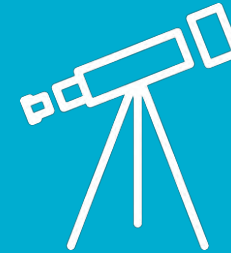


Governance



3i provides active and responsible governance with a focus on the Action Sustainability Programme

Long-term vision



3i brings an ambitious, growth-orientated long-term mindset to Action

Investment



Prioritisation of investment in Action's infrastructure continues to drive value creation for all stakeholders

Values



3i leadership protects and supports Action's customer values and culture

///ACTION



Selection of awards won in 2024

Q&A

Thank you

Appendix: alternative performance measures

- Alternative performance measures in this presentation are used to allow for a better understanding of Action's operating and financial performance
- Action has decided to include like-for-like sales growth, gross margin and operating EBITDA (earnings before interest, tax, depreciation, amortisation and adjusting items - and calculated pre-IFRS 16) as alternative performance measures
- These measures should be considered in addition to, but not as a substitute for, the most directly comparable IFRS measures
- In this appendix we show the reconciliation of gross margin to gross profit and the impact of excluding IFRS 16 in the calculation of operating EBITDA

Impact IFRS on gross profit

In €m	Amount in EUR	Percentage
Gross margin	5,573	40,4%
Margin adjustments ¹⁾	(311)	
Gross profit management reporting	5,262	38,2%
Cost of inventories adjustment ²⁾	(704)	
Gross profit including IFRS CCI	4,557	33,1%
Cost of inventories adjustment IFRS 16 ³⁾	1	
Gross profit including IFRS (financial statements)	4,558	33,1%

1) The margin adjustments in management reporting includes allocation of duties and charges and stock losses

2) Cost charged to inventory (CCI) adjustment includes the supply chain costs of logistics entities that are added to the value of our inventory or cost of sales (when products are sold), in line with IAS 2

3) This adjustments relate to a correction to the total cost charges to inventory (CCI) based on the total expenses including IFRS 16
Due to rounding, the sum of the rows can deviate from the total

Appendix: impact of IFRS16 on Action 2024 financials

Income statement¹⁾

In €m	Excluding IFRS 16	Including IFRS 16	IFRS 16 impact
Gross margin (%)			
Operating EBITDA	2,076	2,450	+374
Adjusting items (Realised)	(9)	(9)	-
Depreciation and amortisation	(226)	(562)	(337)
Operating income	1,842	1,879	+37
Finance costs	(287)	(350)	(63)
Profit before tax	1,555	1,529	(26)
Taxes	(407)	(407)	-
Net profit	1,148	1,122	(26)

Average lease period of Action's store portfolio is 3.0 years (FY2023: 3.1 years)

Balance sheet¹⁾

In €m	Excluding IFRS 16	Including IFRS 16	IFRS 16 impact
Non-current assets	1,549	1,559	+10
Right-of-use asset ²⁾	-	1,267	+1,267
Current assets	1,796	1,752	(44)
Cash and cash equivalents	814	814	-
Assets	4,158	5,392	1,234
Equity	(5,276)	(5,340)	(64)
Financial debt ²⁾	6,590	6,590	-
Lease liabilities ³⁾	-	1,314	+1,314
Current liabilities	2,747	2,731	(16)
Other non-current liabilities	97	97	-
Liabilities	4,158	5,392	1,234