

Q1 2023

Ahold Delhaize Results

May 10, 2023



Cautionary notice

This communication includes forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. Words and expressions such as continu(e)/(ing), well positioned, taking steps, towards, will, outlook, transition or other similar words or expressions are typically used to identify forward-looking statements.

Forward-looking statements are subject to risks, uncertainties and other factors that are difficult to predict and that may cause the actual results of Koninklijke Ahold Delhaize N.V. (the “Company”) to differ materially from future results expressed or implied by such forward-looking statements. Such factors include, but are not limited to, risks relating to the Company’s inability to successfully implement its strategy, manage the growth of its business or realize the anticipated benefits of acquisitions; risks relating to competition and pressure on profit margins in the food retail industry; the impact of economic conditions, including high levels of inflation, on consumer spending; changes in consumer expectations and preferences; turbulence in the global capital markets; political developments, natural disasters and pandemics; climate change; energy supply issues; raw material scarcity and human rights developments in the supply chain; disruption of operations and other factors negatively affecting the Company’s suppliers; the unsuccessful operation of the Company’s franchised and affiliated stores; changes in supplier terms and the inability to pass on cost increases to prices; risks related to environmental, social and governance matters (including performance) and sustainable retailing; food safety issues resulting in product liability claims and adverse publicity; environmental liabilities associated with the properties that the Company owns or leases; competitive labor markets, changes in labor conditions and labor disruptions; increases in costs associated with the Company’s defined benefit pension plans; ransomware and other cybersecurity issues relating to the failure or breach of security of IT systems; the Company’s inability to successfully complete divestitures and the effect of contingent liabilities arising from completed divestitures; antitrust and similar legislation; unexpected outcomes in the Company’s legal proceedings; additional expenses or capital expenditures associated with compliance with federal, regional, state and local laws and regulations; unexpected outcomes with respect to tax audits; the impact of the Company’s outstanding financial debt; the Company’s ability to generate positive cash flows; fluctuation in interest rates; the change in reference interest rate; the impact of downgrades of the Company’s credit ratings and the associated increase in the Company’s cost of borrowing; exchange rate fluctuations; inherent limitations in the Company’s control systems; changes in accounting standards; inability to obtain effective levels of insurance coverage; adverse results arising from the Company’s claims against its self-insurance program; the Company’s inability to locate appropriate real estate or enter into real estate leases on commercially acceptable terms; and other factors discussed in the Company’s public filings and other disclosures.

Forward-looking statements reflect the current views of the Company’s management and assumptions based on information currently available to the Company’s management. Forward-looking statements speak only as of the date they are made, and the Company does not assume any obligation to update such statements, except as required by law.

Welcome

JP O'Meara

SVP Investor Relations





Ahold Delhaize delivers solid Q1 2023 results, driven by its strong U.S. performance, continued customer loyalty and diverse global brand portfolio

- Our brands' efforts to provide customers with the best value at competitive prices continue to deliver strong financial results. Through our Save for Our Customers cost-savings program and by continuing to invest in the expansion of low-cost, high-quality own-brand assortments and personalized benefits through digital omnichannel and loyalty programs, our brands are well positioned to best serve their customers and local communities during these challenging times of elevated inflation.
- Q1 Group net sales were **€21.6 billion**, up **6.3%** at constant exchange rates and up **9.4%** at actual exchange rates.
- Q1 comparable sales excluding gas increased by **6.2%** in the U.S. and **6.1%** in Europe.
- Net consumer online sales increased by **5.9%** in Q1 at constant exchange rates. Grocery online sales increased **9.7%** at constant rates.
- Q1 underlying operating margin was **4.0%**, a decrease of **0.2** percentage points. Strong underlying U.S. margin partially offset declines in European margin and a reduction in GSO insurance gains.
- Q1 IFRS-reported operating income was **€822 million** and Q1 IFRS-reported diluted EPS was **€0.57**.
- Q1 diluted underlying EPS was **€0.61**, an increase of **10.5%** over the prior year at actual rates.
- The Company reiterates its 2023 full-year outlook, including underlying operating margin of **≥4.0%**; underlying EPS at **around 2022 levels**; free cash flow of approximately **€2.0 billion**; and net capital expenditures of approximately **€2.5 billion**.

Q1 2023 Business Highlights

Frans Muller, President & CEO



Our brands continue to deliver solid results through challenging times

Net Sales

€21.6bn

vs LY constant
rates +6.3%

Diluted
Underlying
EPS €0.61
vs LY actual
rates +10.5%



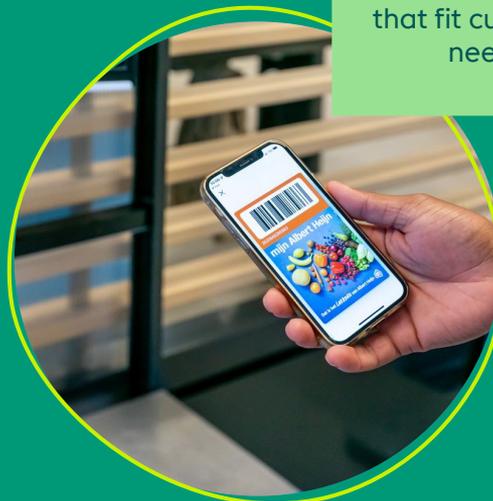
Finding the right balance in the price / value equation

Expanding Price
Favorites and
harmonizing own-
brand assortment



Innovative
assortments focused
on **affordable &**
healthy options

Highly personalized
loyalty programs
that fit customers
needs



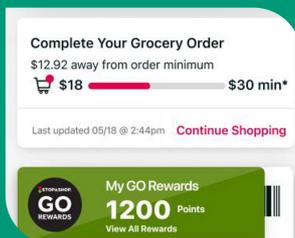
Albert Heijn pushing boundaries in innovation and sustainability



Highlights

- Price Favorites increased to **2,000 items**, including more fruits and vegetables
- Piloting 'True Price' on coffee at 3 AH to go stores to provide transparency on **social & environmental costs**
- Taking steps towards **B Corp Certification**

PDL supports our US brands to execute their omnichannel strategies



Highlights

- ADUSA e-commerce penetration at **8.5%**, up **40bps** compared to Q1 2022
- Rolled out **Native Mobile Apps** at The GIANT Company and Giant Food, with Stop & Shop to follow in Q2
- On track to **migrate Food Lion to the PRISM platform** in Q2



Food Lion continues store investments with Omnichannel Remodel Program



FOOD LION
MVP
customer

FOOD LION



Highlights

- Progressing on first round of converting stores to new omnichannel with first **29 stores** planned for May
- **42** consecutive quarters of positive comparable sales growth
- Energy Star Partner of the Year for **22nd** year



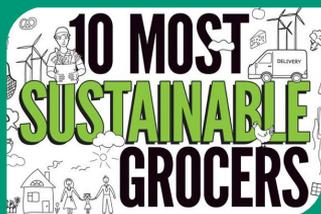
Healthy & Sustainable: Highlights

Ahold Delhaize

Named one of the 10 **most sustainable grocers** by Progressive Grocers

Ahold Delhaize

Priced inaugural **€500m Green Bond** confirming ambition to set pace in sustainable financing



Albert Heijn

Opened **'Beter voor Natuur & Boer'** program to third parties

ADUSA

Launched Reusable Plastic Container program to **eliminate single-use packing** from ADUSA supply-chain

Alfa Beta

Won **3 'Green Brand Awards'** for their contribution to ecological education of students and green strategic planning



Hannaford

Introduced **'Planet Hannaford'** initiative to empower customers to make **eco-friendly choices**, like shopping local and in-season

Delhaize announces intention to affiliate its Belgian stores



Highlights:

- Announced intention to **transform remaining 128 integrated supermarkets** into independent affiliated stores
- With proposed changes, all Delhaize stores will be aligned under **one operating model**
- Intention to continue develop position in the Belgian market as a **leader in fresh, healthy, quality foods** with an emphasis on sustainability



KLEINE LEEUW? KLEINE PRIJS!



Q1 2023

Financial Highlights

Natalie Knight



First Quarter results 2023

Underlying Results



Net sales
€21.6bn
vs LY constant rates
+6.3%

Comparable
Sales Growth
excl. gas
+6.2%
U.S. 6.2% EU 6.1%

Underlying
operating income
€864m
vs LY constant rates
+0.9%

Underlying
operating
margin
4.0%
vs LY constant rates
(0.2) pts

Net Consumer
Online Sales¹
€2.9bn
vs LY constant rates
+5.9%

Underlying income
from continuing op.²
€593m
vs LY constant rates
+3.5%

Diluted Underlying
EPS
€0.61
vs LY actual rates
+10.5%

1. Net consumer online sales is defined as online sales including sales of third parties via bol.com's Plaza. Net consumer online sales excludes Value Added Tax (VAT).
2. Adjusted for impairments of non-current assets, gains and losses on the sale of assets and leases/subleases, restructuring and related charges and other items considered not to be directly related to the underlying operating performance

First Quarter results 2023

IFRS-Reported
Results



Net sales
€21.6bn
vs LY actual rates
+9.4%

Online Sales
€2.2bn
vs LY actual rates
+9.2%

Operating income
€822m
vs LY actual rates
+0.4%

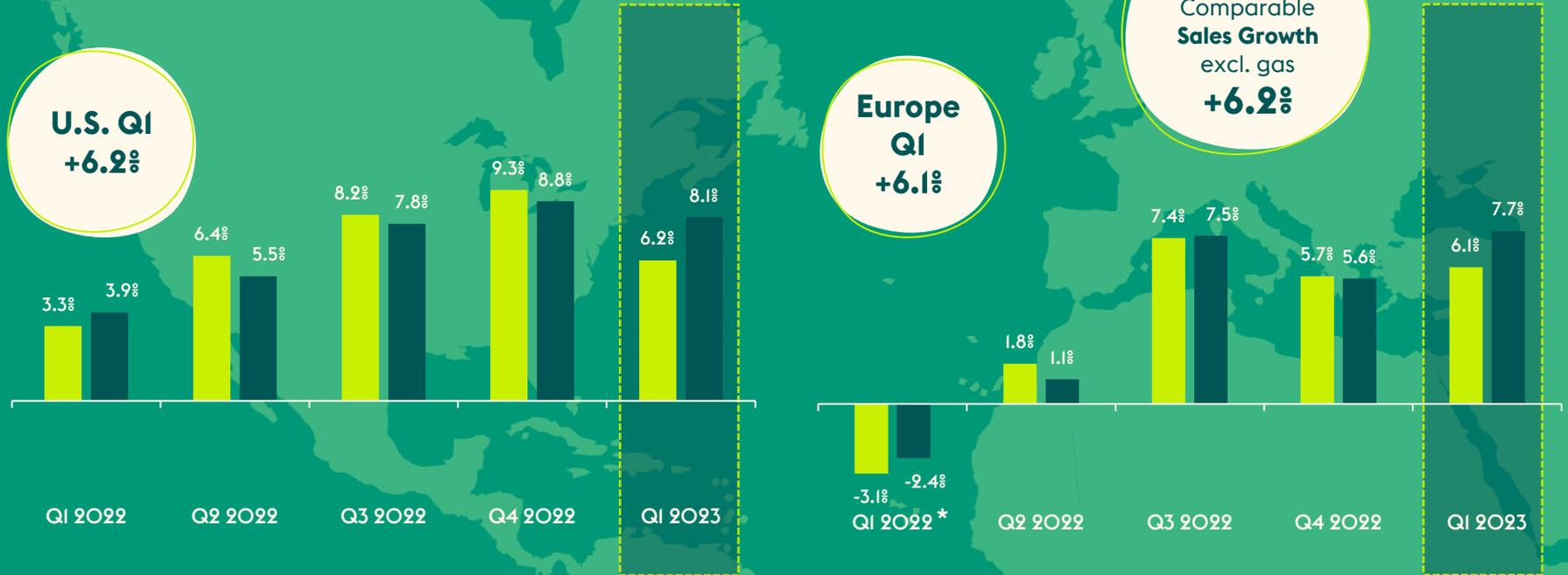
Operating
margin
3.8%
vs LY actual rates
(0.3) pts

Diluted
EPS
€0.57
vs LY actual rates
+6.3%

Income
from continuing
operations
€561m
vs LY actual rates
2.8%

Comparable sales growth trends by region

Ex. Gas



*Q1 2022 weather/calendar impacts on European comparable sales of 0.7 pts restated from prior communication of 0.3pts

USA: Q1 2023

Net sales
€13.5bn
vs LY constant rates
+5.7%

Comparable
sales growth ex gas
6.2%
vs LY
+2.9 pts

Underlying
operating margin
4.8%
vs LY
+0.4 pts

Online
sales growth
11.9%
vs LY constant rates
+7.3 pts

Hannaford

Gained market share
for **7** straight years
since 2016

Stop & Shop

Remodeled NYC stores
continue to exceed
expectations with
**double-digit sales
growth**



Giant Food

Opened **second e-commerce distribution**
center expanding
delivery access for
customers

The GIANT Company

Released Second
Annual **Community
Impact Report**
spotlighting their work
in the community



AMERICA'S BEST

Loyalty Programs



Loyalty Programs

Food Lion, Giant Food
and Stop & Shop named
Newsweek's 2023 **Best
Loyalty Programs**



Europe: Q1 2023

Net sales

€8.1bn

vs LY constant rates
+7.2 %

Comparable
sales growth ex gas

6.1%

vs LY
+9.2 pts

Online
sales growth

2.4%

vs LY constant rates
+4.8 pts

Underlying
operating margin

2.8%

vs LY
(0.7) pts

Albert

For second year, **largest food donor** in Czech Republic, donating **5.6 million meals**

Mega Image

81% of energy usage now comes from **green energy**, up 33.7pts compared to Q1 2022



Maxi Serbia

"My MAXI" loyalty app reached its **one millionth download** and celebrated one-year anniversary

Alfa Beta

Opened **150th** Shop&Go store and plans to open **50 more** to bring total to **200 stores** by the end of 2023



Joint Sourcing

Harmonized an additional **200** products in Benelux and **100** products in CSE



bol.com returns to growth, leaning in on three-pronged business model



bol.com 



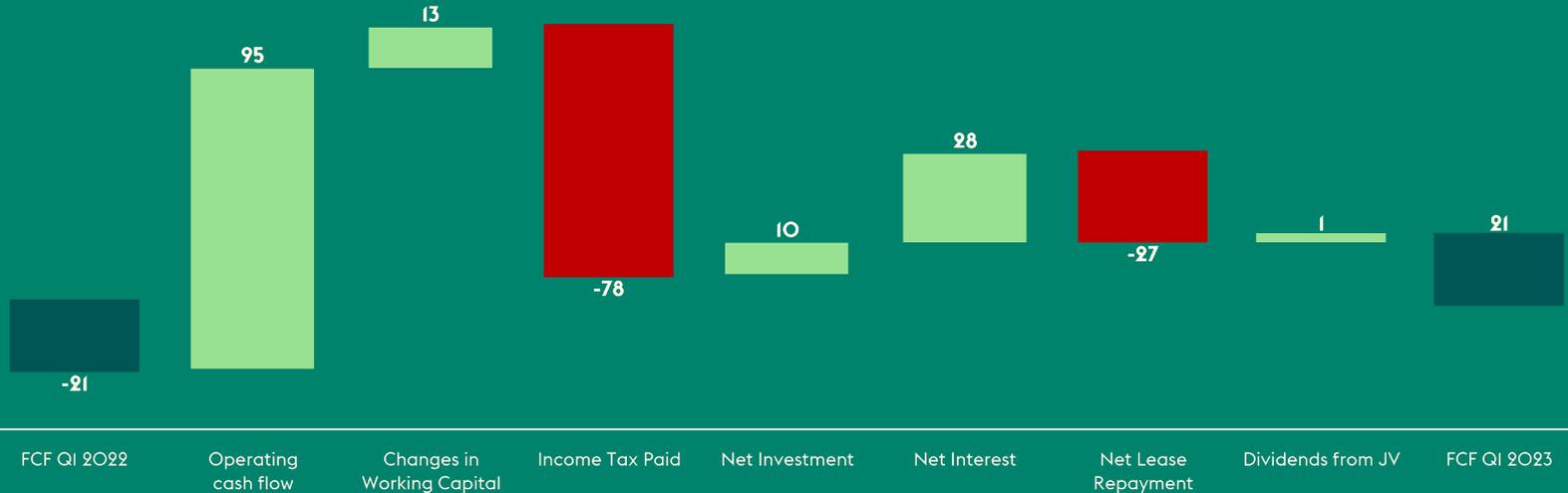
Highlights:

- GMV was **€1.3 billion**, up **1.2%** versus the prior year
- Refined its strategy focusing on three business models: **ecommerce, advertising and logistic services**
- bol.com advertising revenues up **59%** versus prior year
- Announced it will help **sales partners** become **more sustainable**



Q1 Free Cash Flow Bridge

FCF Q1 2023 vs Last Year (in €m)



2023 Outlook

Frans Muller, President & CEO



2023 Priorities Outlook

Double-digit
loyalty sales
growth

Omnichannel
ecosystem



≥20%
complementary
revenue
streams growth



Monetization

Operational
excellence

≥€1 bn
Save for Our
Customers



Accelerate



1.

2.

Calculated as a percentage of underlying income from continuing operations.

Management remains committed to the share buyback and dividend program, but, given the uncertainty caused by the wider macro-economic consequences of the war in Ukraine, will continue to monitor macro-economic developments. The program is also subject to changes resulting from corporate activities, such as material M&A activity.

2023

Announcing our new CFO



Natalie Knight



Jolanda Poots-Bijl

Q&A

FOOD LION

STOP&SHOP



The GIANT Company

Giant

Albert Heijn



Etos

Gall & Gall
SINCE 1884

Peapod
DEPARTMENTAL A.B.S.

Retail Business Services

albert

bol.com
de winkel van ons allemaal

MAXI

Tempo

Βασιλόπουλος
και τον προηγουον το υλοτο

ENA FOOD
CASH & CARRY



freshdirect



European BUSINESS SERVICES

ADUSA SUPPLY CHAIN

Proud companies of

Thank you

