

Annual Report

2021



Who are we

Alza is the largest online retailer in the Czech Republic and Slovakia and a widely acclaimed e-commerce leader and innovator. Since 2014, our business activities have expanded to other EU countries. What is the key to our success?



Tailor-made
**information systems
and IT projects**



In-house
**developer
team**



**A network of stores and
AlzaBoxes** throughout the
Czech Republic, Slovakia,
and now also in AT and HU



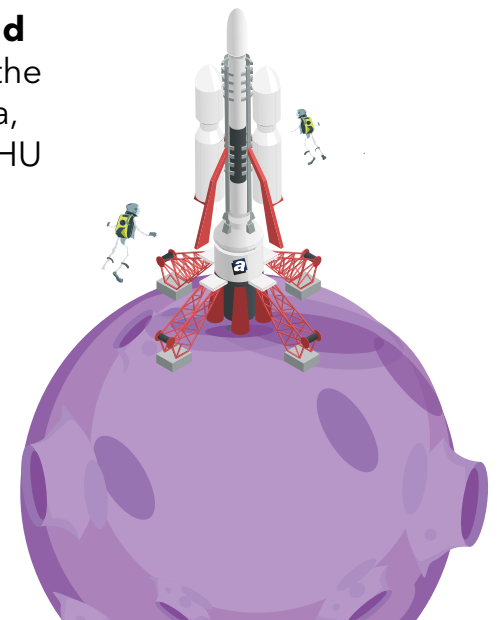
**Modern
logistics
infrastructure**



In-house
AlzaExpres
shipping service



**Effective marketing
and a special Alza for
Business** programme



Our business strategy is based on simple but highly effective principles: we want to offer a wide product portfolio and exceptional services,

always have goods in stock, and create a win-win business strategy. Alza focuses on performance and sets its goals high while

respecting the principles of responsible business towards customers, business partners, employees, society, and the environment.



The diagram features a dark blue background with a white geometric network pattern. A dashed white line forms a large loop around the central equation. On the left side of the loop, there is an illustration of a small brown planet with a ring. On the right side, there is an illustration of a rocket ship. At the bottom right, a green planet is partially visible. The equation $EC := B + IT + M$ is written in large, bold, white capital letters in the center.

$$EC := B + IT + M$$

We are an
E-COMMERCE [EC]
company

Considering our size and complexity, the **MANAGEMENT [M]** is an indelible part of it

We combine **BUSINESS [B]** and **Technology [IT]** by using IT principles as a business catalyst

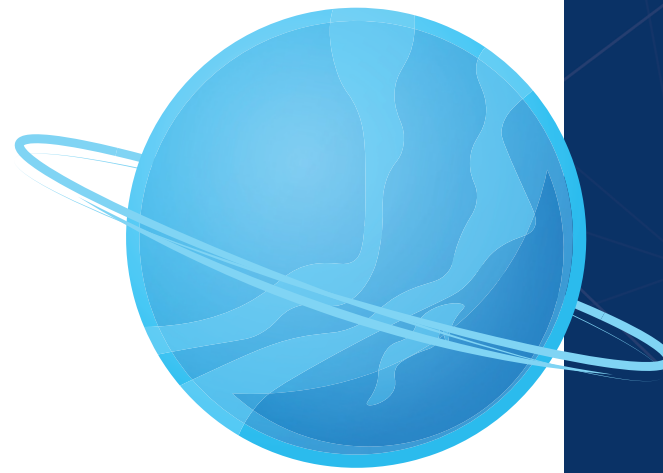
Vision & mission

Our vision is to bring together the worlds of business, technology and the internet to continually create the best shopping opportunities and experiences for our customers and an innovative and creative work environment with the best tools for our people.

The essence of our daily work is to fundamentally transform commerce. Our relentless drive is to make things better. Our corporate identity based on innovation, growth and a pro-customer approach is also reflected in our ultimate goal and mission:



We are creating a world where everyone can experience the joy of shopping with a thought and delivery by teleport.



For more than a quarter of a century we have helped define the concept of e-commerce in Central Europe and we aim to become a global inspiration for 21st century commerce. Our vision to achieve this has 5 core pillars:



Customer obsession

We create the best service for our customers and want to satisfy both their current and future needs. A satisfied customer is a recurring contributor to our growth. Investing in the customer means investing in our future.

We innovate to grow, we grow to survive

Growth is the force that keeps us alive. The demand for constant growth motivates us to keep inventing new things and find new untrodden paths. If we don't disrupt ourselves, someone else will disrupt us.

Setting the sights on Europe

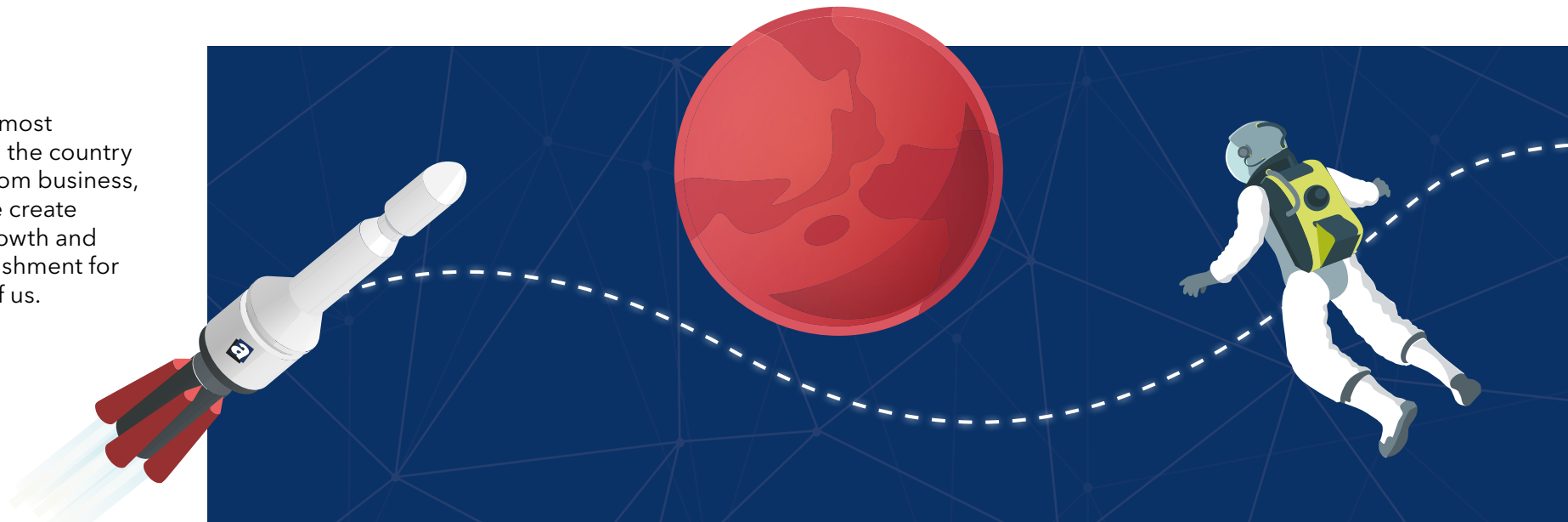
We are becoming a company that has crossed the borders of the Czech Republic and is trying to use everything good we have learned in the EU markets. We are now a pioneer, and in time we aim to become an instrument helping Czech e-commerce to succeed in the wider world.

A platform for 21st century commerce

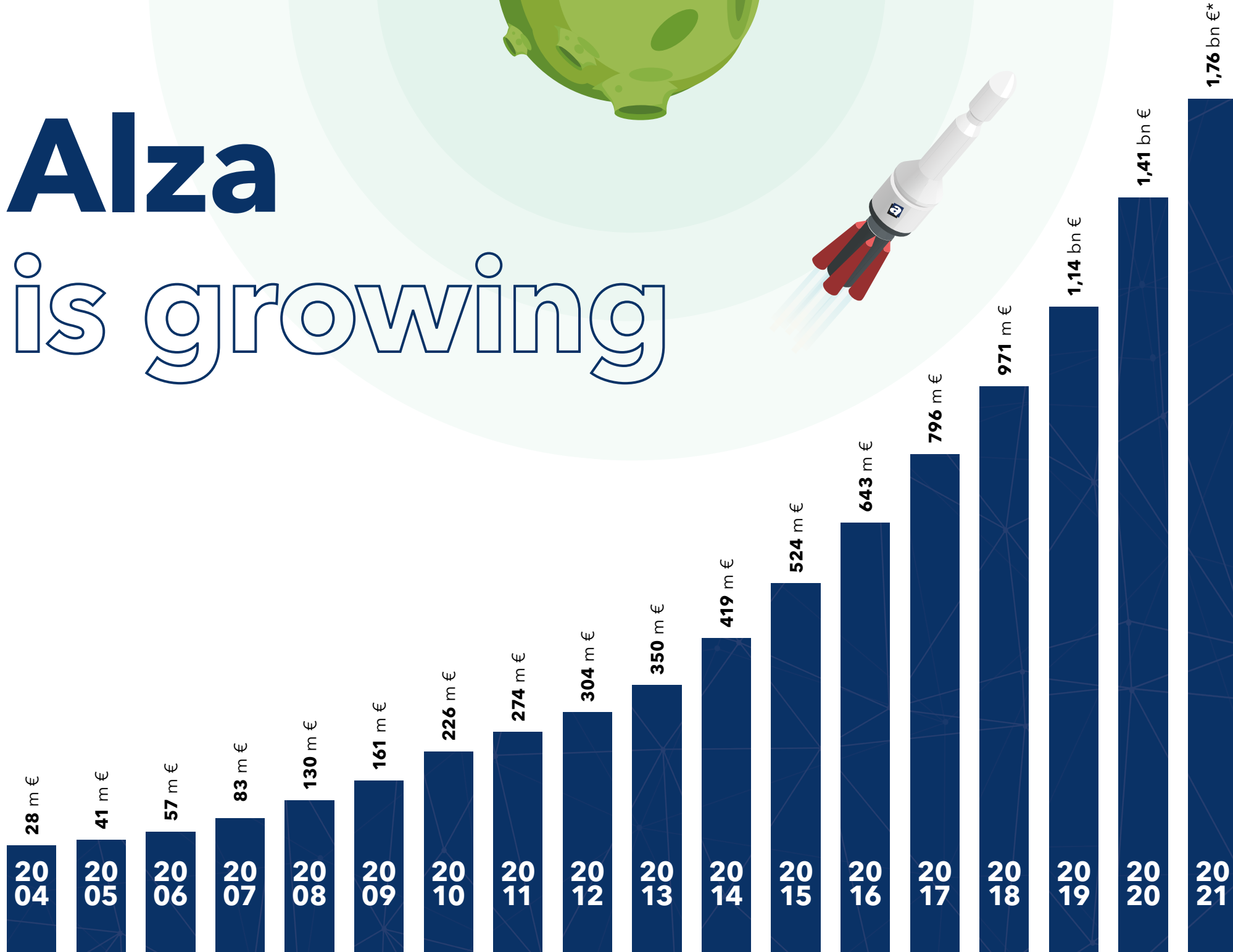
We are building a platform that will enable us to create a better business environment for all its participants—the customer, Alza and the e-commerce partners who use it. This platform has both a physical (AlzaBoxes, etc.) and an electronic layer (Alza Marketplace).

Our people

We shall become the most attractive employer in the country for talented people from business, IT and operations. We create space for personal growth and professional accomplishment for each and every one of us.



Alza is growing



Reporting currency of Alza is CZK. Figures has been converted into EUR using average FX rates as announced by Czech National Bank.
 * Turnover 2021 based on unaudited financial results, estimate.



> 700,000
Active items in stock



20 % Growth



74 % Orders paid by
credit or debit card



17,900,000
Orders



3 Alza
Concept Stores



53 Physical
stores



5.25 Million
customers



42.9 Millions of
products sold



1.75 Billion in
turnover



1,760 Alza boxes



> 1,000
sellers on Alza Marketplace

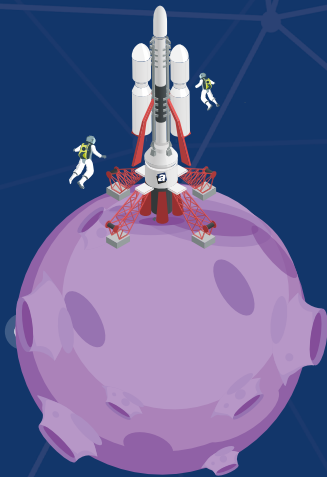
2021



Historical milestones

1994

Alzasoft is established.



1998

The first physical store.



2000

The first online version of our internet store.

2005

Alza's turnover exceeds CZK 1 billion.



2006

The company changes its name to Alza.cz, which is still used today.



2007

Alzák, our alien mascot, is born.

2010

An automated logistics centre opens near Prague.

2014

Alza.cz celebrates a 20-year anniversary, Alza.sk celebrates its 10-year anniversary. Expansion to 26 EU countries. More than 3 million orders processed.

2017

Bitcoin payments are introduced. Electric cars can now be purchased online. The first physical store in Austria and a showroom in Hungary are opened. Alza sponsors the 2BC E-commerce course at VŠE.

2018

Three innovative Alza Concept Stores are opened in Prague. A new showroom opens in Budapest. A IzaPower brand launch. 1,800 new collection points across the Czech Republic and Slovakia. A new logistics centre is opened in Zdiby.

2019

Partnered with the Liftago platform. New payment methods (ApplePay, GooglePay, in-app payments). A new segment—Alza Pet—and Aid Constellation, a unique charity platform, are launched.

2020

A new logistics centre is opened in Senec. A massive expansion of the AlzaBox network and their opening to third parties. Launch of additional product segments on Alza.

2021

We open a new headquarters in Slovakia with a state-of-the-art Alza showroom. The logistics centre in Chrášťany near Prague and a local distribution centre in Budapest are now open. Launch of Alza Marketplace. Almost 1800 AlzaBoxes in service.

2015

A new distribution centre in Slovakia.

2016

Alza starts delivers parcels on weekends. Branches newly remain open on Saturdays and Sundays. Alza Premium club program is launched. The first store in Hungary.



Where do we operate?

Alza is building and steadily expanding its network of branches in all regions of the Czech Republic, Slovakia and, more recently, in two other European countries—Hungary and Austria. The company's showcase are its modern central showrooms in Prague, Bratislava, and Budapest.

For several years now, customers have been able to collect their parcels 24/7 in a network of smart automated collection points, the so-called AlzaBoxes. There are already over 1,800 of them available in the Central Europe and new are being added constantly. By 2023, the

company plans to build an extremely dense network of these self-service boxes, comprising more than 3,000 collection points that will be open to third parties—from shipping carriers to retail players to small e-tailers. Fast delivery is guaranteed by Alza's in-house AlzaExpres shipping

service, which also ships oversized items. Moreover, the hourly time slot schedule allows the customer to choose the exact delivery time. Since 2020 we have also been operating the premium service AlzaExpres Complet, where the customer receives their order straight to

their house or apartment and the Alza employees will then unpack, professionally install the product, collect the packaging material, and even remove the old appliance as part of the service. Just like AlzaBoxes, our in-house shipping is expanding to new regions every year.



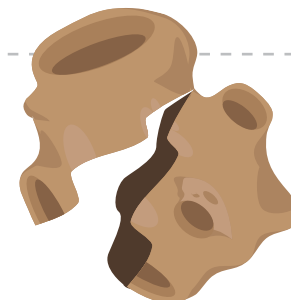
53 stores



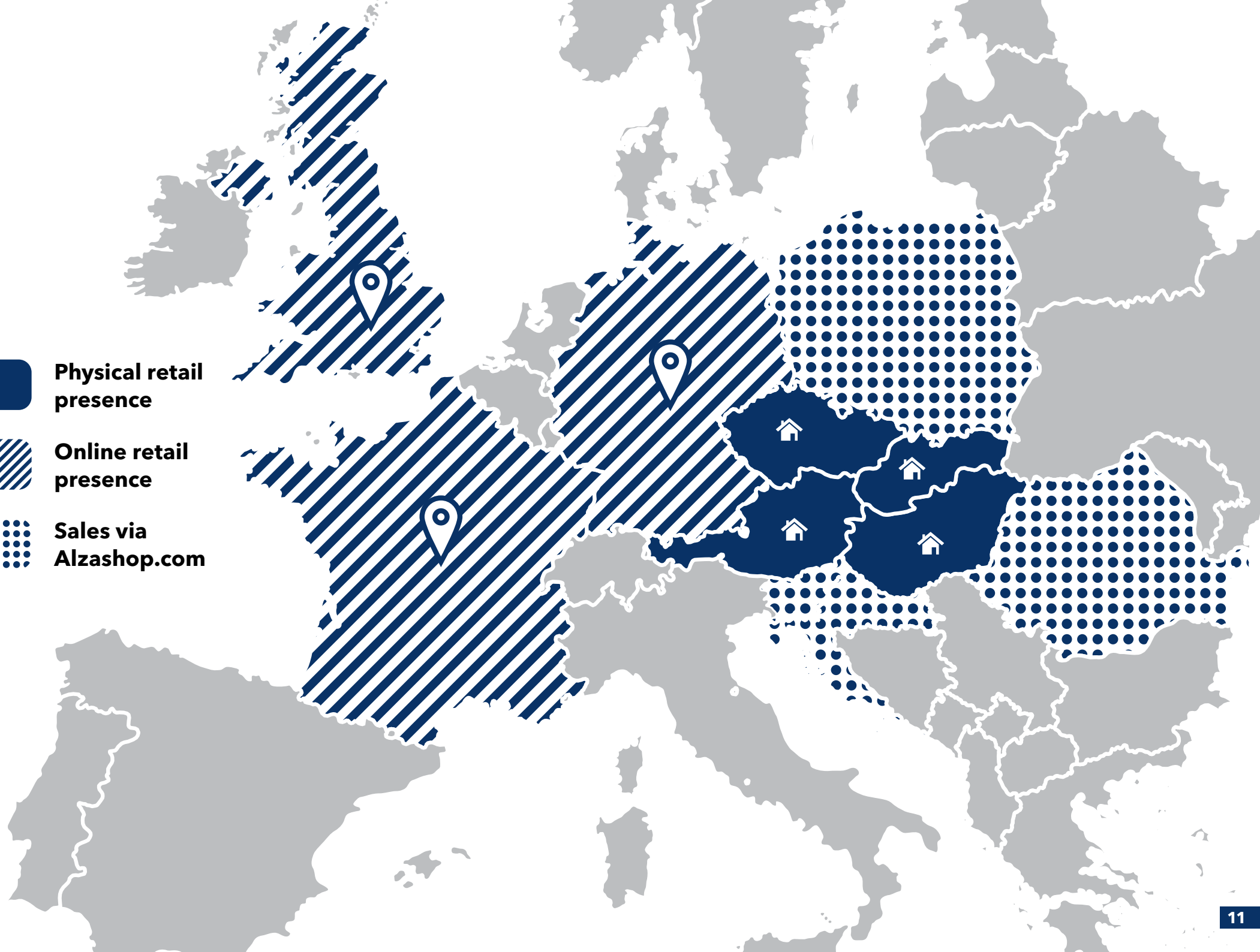
3 Stores
of the Future



1760 AlzaBoxes



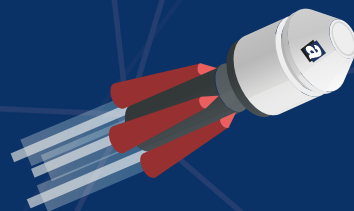
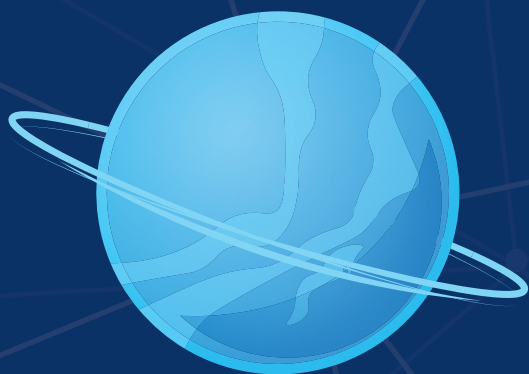
-  **Physical retail presence**
-  **Online retail presence**
-  **Sales via Alzashop.com**



Always one step ahead



Logistics



Liftago

Delivery in Prague within 60 minutes.

Dropshipment

Anyone can sell their products on Alza.cz.

Alza Express and AlzaExpress Complet

Fast delivery with optional installation and clean-up services.

B2B

Special services for entrepreneurs and corporations.

Sales services



Packeta

A renowned logistics network available throughout the Czech Republic.

Green Delivery

E-bike deliveries in Prague and Bratislava

Share & Save

Significant discounts for groups of customers interested in the same product.

Alza for Business

An expedient program for companies with 24/7 delivery and support.





Private brands

18 private brands already available



AlzaErgo

Ergonomic products for office, home and healthy sitting. High quality brackets for TVs, projectors and other audio-video electronics.

AlzaEco

Czech-made environmentally-friendly drugstore products.

Siguro

High-quality designer home appliances.

AlzaPower

High quality accessories, cables, chargers, power banks and batteries with an emphasis on ecological packaging.

AlzaGuard

Accessories for mobile phones and other electronics - tempered glass, covers and cases.

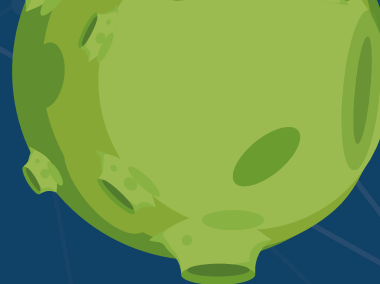
Eternico

Lifestyle accessories and electronics with an excellent price-quality ratio.



Stores of the Future

3 stores in Prague



Express delivery

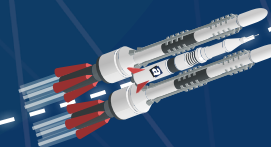
24/7 collection point with deliveries twice a day.

100% self-service

Contactless order process and collection. Expert advice for product selection available via video chat.

Open 365/24/7

Several hundred of the most attractive e-shop items in stock and available for collection on the spot.

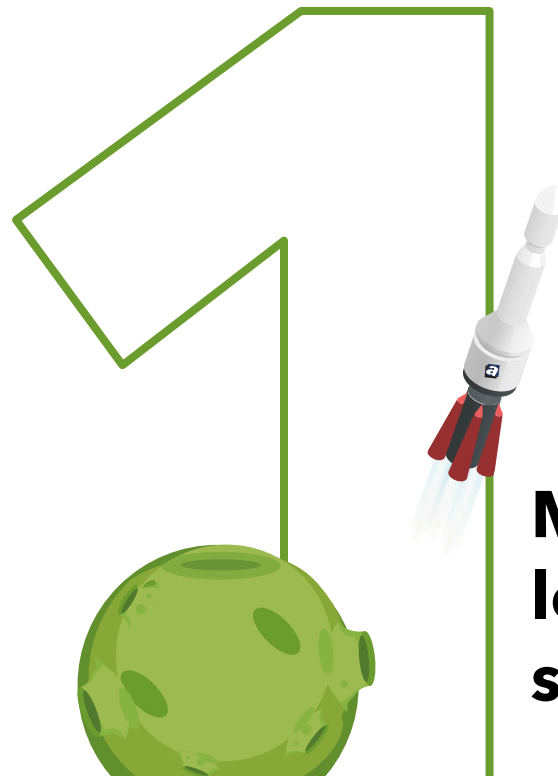


Your wish – Our command

Over the course of our history, Alza has built a solid and loyal customer base. We watch how our customers grow and develop and realise that we need to develop alongside them.

That is why we are constantly expanding our product range and now sell not only consumer **electronics** but also **household appliances, toys, drugstore products and cosmetics, e-books, magazines, jewellery, sports and hobby products, and car and motorcycle accessories**, all with the same passion and emphasis on the quality.

Alza currently offers around 200,000 unique products and the company's dynamic growth presupposes further expansion.



Market leader in services

Services

Alza Premium

Customer program with free shipping, preferential discounts, and other benefits.

Alza NEO

B2B and B2C rental of the latest mobile phones and laptops.

One Third

Pay 1/3 of the price now and the rest later.

Alza card

A payment credit card with up to 55 days interest-free period.

Technical services

Additional services such as technical support, initial set up, or custom PC assembly.



Alza helps others



For its CSR activities, Alza has set 3 basic pillars – philanthropy, environmental protection and, last but not least, long-term support for education. The company is involved in many initiatives, has long supported a number of charitable and non-profit organisations, and also launches its own charity projects. The two newest ones are the Aid Constellation charity platform

and the animal shelter project Alza Pelíšek. For its approach to ecology and environmental protection, Alza.cz ranked second in the prestigious BpS TOP Responsible Company environmental ranking for 2019. This project has been evaluating companies most active in the field of sustainable business practice and responsible behaviour for 16 years.

Aid Constellation is a CSR platform that uses the familiar environment of the largest Czech online retailer and thus allows its customers to financially support the involved charity and non-profit organisations while they are shopping on Alza.cz. All the money collected through the platform is sent to the



affiliated organisations. The platform was launched after three weeks of development in December 2019 and was created as a volunteer project by an enthusiastic team of Alza.cz, a.s. employees. It has collected almost CZK 6 million since then and now involves 95 organisations and 150 specific projects, with the new ones still being added.



Dozens of charity projects supported



Our achievements



HU - Super Store design,
Ország Bolta

MasterCard E-shop
of the Year 2021

Křišťálová lupa Award 2021
- Online Retailer 2nd Place

HU - Ország Bolta,
Super Store

HP Partner of the Year 2021
- Largest Retail or Online Partner

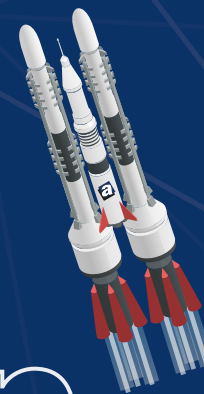


Most Trusted Brand
- Consumer Electronics

TOP Responsible Company
- Environment

Top Employer
- 2nd Place

Partners & cooperation



Canon



BOSCH
Stvořeno pro život



Kingston
TECHNOLOGY

msi



SAMSUNG

Lenovo

Electrolux



Panasonic

AEG



Nikon

acer



LG
Life's Good

honor



HYUNDAI



Tefal



ASUS
IN SEARCH OF INCREDIBLE

SONY

EPSON
EXCEED YOUR VISION

GARMIN



eta
tady je doma



IBM



PHILIPS

Microsoft

logitech

beko

GIGABYTE

Rowenta

GoPro

iRobot

INDESIT

gorenje





 **alza.cz**

