

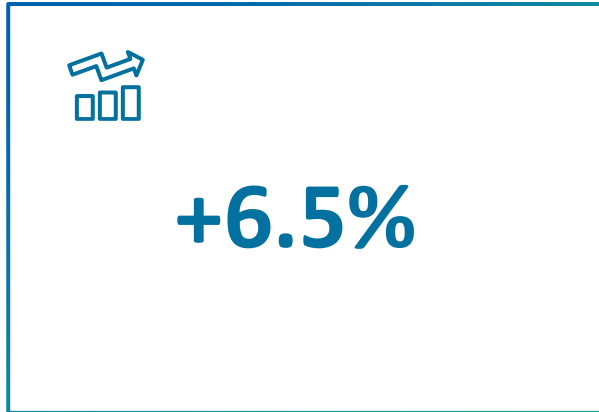
CECONOMY

**HALF-YEAR
FINANCIAL
REPORT**

Q2/H1
2023/24

SELECTED KEY FIGURES

Q2 2023/24



↓

**Sales momentum¹
further increased after
first quarter**



↓

**Adjusted EBIT²
up €26 million compared
to the previous year
thanks to improved sales
and margins**

¹ Sales adjusted for currency effects and portfolio changes, pre IAS 29.

² Adjusted EBIT before non-recurring effects, associates, pre IAS 29 and portfolio changes.

SELECTED KEY FIGURES

H1 2023/24



+4.8%

↓

**Sales increase¹,
growth both online and in the
bricks-and-mortar business**



+€253 m

↓

**Adjusted EBIT² increased
by €44 million in the first
half of the year compared to
the previous year**



+€229 m

↓

**Positive free cash flow
in the first half of the year**



57

↓

**Improvement in the
Net Promoter Score (NPS) to
an all-time half-year high**

¹ Sales adjusted for currency effects and portfolio changes, pre IAS 29.

² Adjusted EBIT before non-recurring effects, associates, pre IAS 29 and portfolio changes.

THE FIRST HALF YEAR IN REVIEW



Dr Karsten Wildberger
Chief Executive Officer

»

Following a strong Christmas business, we further increased our momentum in the second quarter.

Our half-year results show: We don't just promise, we act.

We were able to significantly increase our sales in a challenging economic environment. We gained market share in almost all countries - both online and offline. And we have clearly increased our profitability. We also made strong progress in our strategic growth areas. These successes are the result of the consistent implementation of our turnaround for the future, which puts the customer at the center of everything we do.

«



Dr Kai-Ulrich Deissner
Chief Financial Officer

»

In the second quarter, we recorded increased momentum in sales and EBIT both in our core business and in our growth areas: At the same time, our strong liquidity position consolidates our financial stability.

The restructuring measures are paying off, as can be seen from the improved cost ratio year-on-year.

We are thus continuing to work step by step towards achieving the medium-term targets we presented to the capital market.

«

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This document is a half-year financial report in accordance with Section 115 WpHG [German Securities Trading Act].

CECONOMY is generally steered on the basis of performance indicators derived from IFRS (International Financial Reporting Standards). In addition, the following key performance indicators are used: total sales growth adjusted for currency effects and portfolio changes and EBIT adjusted for non-recurring effects, portfolio changes and earnings effects from companies accounted for using the equity method. For the forecast key figures, the previous year's figures are adjusted accordingly.

The non-recurring effects in the 2023/24 financial year relate in particular to matters in connection with the simplification and digitalisation of central structures and processes as well as changes to the legal framework. Accounting effects of the application of IAS 29 in Türkiye as a hyperinflationary economy are likewise unaccounted for.

In the previous financial year 2022/23, the non-recurring effects included earnings effects from efficiency improvements in connection with (1) the simplification and digitalisation of central structures and processes, (2) the streamlining of the product range, (3) the strengthening of the sales brands in Germany and (4) accounting effects from the application of IAS 29 in hyperinflationary Türkiye.

For more details on the management-relevant key performance indicators, please refer to pages 31 to 35 of CECONOMY's Annual Report 2022/23. The outlook for financial year 2023/24 also included from page 63 onwards contains further information on the adjustment of EBIT for non-recurring effects in the current financial year.

Recognised tax expenses were calculated in accordance with the regulations governing interim financial reporting using the so-called integral approach. Commercial rounding is used for the figures shown in this quarterly statement. This may result in some individual figures not adding up to the totals shown.

FINANCIAL FIGURES AT A GLANCE

Sales and earnings

€ million	Q2 2022/23	Q2 2023/24	Change	H1 2022/23	H1 2023/24	Change
Sales	5,302	5,334	0.6%	12,368	12,318	-0.4%
thereof IAS 29 (hyperinflation in Türkiye)	32	45	39.3%	18	26	47.7%
Sales development adjusted for currency effects and portfolio changes	6.4%	6.5%	-	5.5%	4.8%	-
Like-for-like sales development	6.1%	5.1%	-	5.2%	3.9%	-
Gross margin	17.0%	17.6%	0.6%p.	17.0%	17.3%	0.3%p.
Adjusted gross margin	17.2%	17.8%	0.6%p.	17.2%	17.7%	0.5%p.
EBIT	-106	44	-	115	263	>100%
Adjusted EBIT	-21 ¹	5	-	209 ¹	253	21.2%
Adjusted EBIT margin	-0.4%	0.1%	0.5%p.	1.7%	2.1%	0.4%p.
Net financial result	-15	-26	-68.5%	-40	-66	-65.1%
Tax rate	n/a	n/a	n/a	-8.5%	-18.4%	-9.9%p.
Profit or loss for the period attributable to non-controlling interests	0	0	-	1	2	19.3%
Net result	-47	84	-	80	231	>100%
Undiluted earnings per share (€)	-0.10	0.17	0.27	0.16	0.48	0.31

Other operating key figures

€ million	Q2 2022/23	Q2 2023/24	Change	H1 2022/23	H1 2023/24	Change
Online sales	1,138	1,187	4.2%	2,938	2,989	1.8%
Services & Solutions sales	323	351	8.6%	717	742	3.6%
Earnings share of operating companies recognised at equity	-4	43	-	-5	43	-
Free cash flow	-	-	-	472 ²	229	-51.5%
Investments as per segment report	134	221	64.9%	267	343	28.4%

Statement of financial position

€ million	31/03/2023	31/03/2024	Change
Net working capital	-670	-576	94
Net liquidity (+)/Net debt (-)	-1,666	-1,711	-45

¹ Adjustment for portfolio changes for Portugal

² Adjustment due to a change in presentation of effects of the application of IAS 29 "Financial Reporting in Hyperinflationary Economies". Further details on the adjusted prior-year figures can be found under "Other notes" and there under the notes on the statement of cash flows.

INTERIM GROUP MANAGEMENT REPORT

Strategy

Strategic framework: “experience electronics”

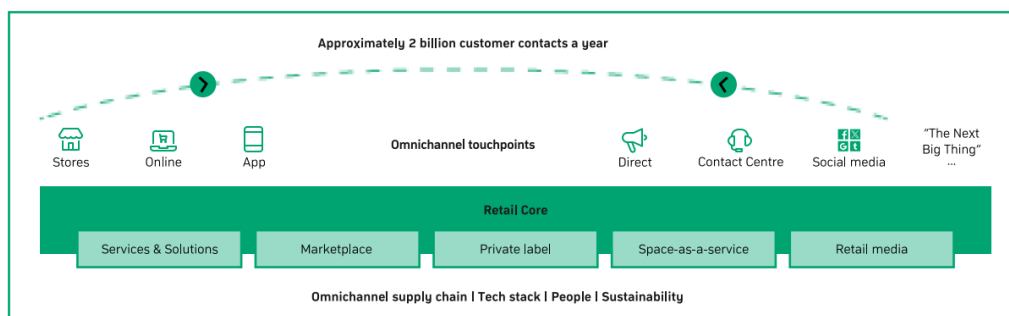
CECONOMY places its customers at the centre of its strategy and consistently gears its activities to their needs. This central strategic principle is also embedded in the company’s purpose: “We create experience electronics to enrich people’s lives.” With its “experience electronics” target picture, CECONOMY as the European market leader sets new standards for customer experience, the conscious discovery of technology and the support for customers in their day-to-day life. This is based on four strategic pillars that improve customer experience and thus increase customer satisfaction and loyalty:

- **Employee experience:** The approximately 50,000 employees offer in-person advice every single day – and crucially set the company apart from pure online retailers. Systematic training, enhancement of the process landscape and service culture help to continuously improve service quality.
- **Shopping experience:** Differentiating shopping experiences start with a personalised approach, rich information and intuitive customer navigation. CECONOMY follows a “mobile-first” omnichannel approach, which integrates customer experiences in the digital and in-store worlds as seamlessly as possible, from a better user experience in the app to modernised stores with “experience zones” that offer the opportunity to experience technology at first hand. It is also vital to select the right product assortment, which is thought and curated from the customers’ perspective. Powerful logistics and the promise of fast, reliable delivery round off the customers’ shopping experience.
- **Usage experience:** CECONOMY’s strategy defines new standards for the customer experience along the entire lifecycle. It is increasingly common that a typical customer experience starts with the trade-in of an old product and is enriched with category-specific services – to support the sale (e.g. financing), to offer peace of mind (e.g. insurance), and for easy use (e.g. repair, coffee capsule subscription) throughout the product lifecycle. To this end, CECONOMY is also entering into more strategic partnerships in order to offer customers the best services on the market.
- **Impact experience:** Sustainability is evolving from a hygiene factor to a key differentiator for CECONOMY, giving customers easier and more holistic access to the circular economy. This includes information, advice, trade-in offers, rental and leasing options and the wide-scale expansion of the sustainable product range, including refurbished products. CECONOMY is underpinning its efforts for customers by significantly accelerating the decarbonisation of its own business activities and with social engagement.

Business model: omnichannel service platform

CECONOMY operates an omnichannel service platform with a reach of around 2 billion customer contacts a year. The platform offers customers and partners a broad spectrum of opportunities to get in touch with consumer electronics and to make use of relevant services.

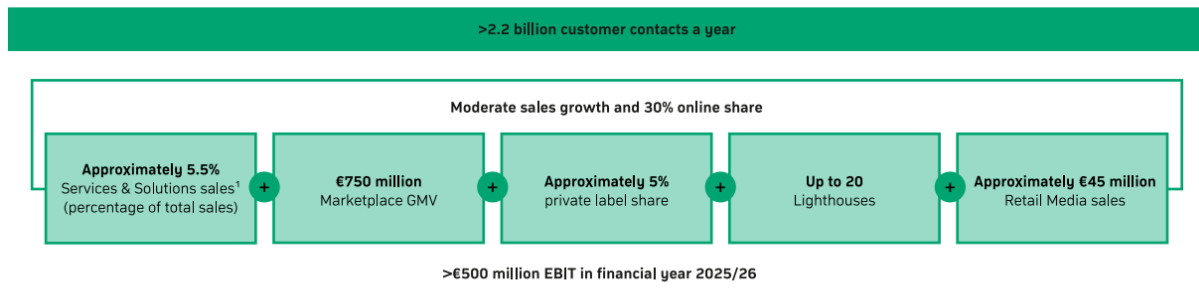
CECONOMY's omnichannel service platform



Retail of consumer electronics and related product categories is the core of the business and is complemented by margin-boosting business models – consisting of services in direct relation to the product purchase, but also product-independent services.

- The basis of the business is the **retail core** business with consumer electronics products. The focus is on a well-curated and increasingly sustainable offering. CECONOMY regularly expands the range with high-growth categories such as gaming, health and electric mobility.
- The **Services & Solutions** business offers a constantly growing portfolio of services such as repairs within a category-specific architecture. This not only maximises customer benefit, but is also an important lever for profitability. Based on recently established billing and management capabilities, new and existing services are increasingly being marketed as a subscription model.
- The **Marketplace** offers an extensive range of products to complement your own retail business. Customers can seamlessly access a manufacturer's complete product range, as well as complementary offerings from third parties. CECONOMY benefits from commissions without taking on inventory risk.
- The **Private Label business** offers attractive price-performance alternatives from the Koenic, ISY, Peaq and ok. brands in the main product categories and thus increases the relevance of the assortment for customers. CECONOMY can generate higher margins thanks to the greater vertical integration. To fully utilise the potential, the focus is put on optimising and integrating the assortment.
- The **space-as-a-service** business offers industry partners access to store space, allowing them to benefit from CECONOMY's reach. Here, leading manufacturers can present their brand and product innovations embedded in a unique shopping experience. CECONOMY thus increases the value of retail space, generates recurring cash flows and deepens its relationship with the industry.
- **Retail Media** enables manufacturers and advertisers to use the wide reach of CECONOMY's digital channels for their own marketing activities. For end customers, this means an enhanced shopping experience thanks to more relevant offer communication, while CECONOMY taps into a highly scalable business that it will expand with additional products.

The targets of the individual business models for financial year 2025/26 are clearly defined, and the capital markets are informed about the progress at regular intervals and with complete transparency.

Targets for financial year 2025/26

¹ Operating Services & Solutions sales as a percentage of total sales (e.g. not including Retail Media, Marketplace commissions and fees, deliveries)

Outlook

We operate in a challenging environment characterised by high volatility. Persistently high inflation rates and geopolitical tensions are impacting consumer sentiment, which has a significant influence on sales in the consumer electronics business. CECONOMY will continue to counteract the uncertainty by consistently aligning our actions with customer requirements in line with our strategy. So we have taken measures in order to prevail under challenging conditions.

For financial year 2023/24, we expect a slight increase in total sales adjusted for currency effects across all segments. We also expect an adjusted EBIT of between €290 and €310 million. This increase is expected to be primarily driven by the Western/Southern Europe segment. Previously, we expected a clear improvement in adjusted EBIT resulting from the DACH and Western/Southern Europe segments. Because of the challenging environment for the consumer electronics market, we continue to expect a decline in the Eastern Europe segment.

The outlook is adjusted for portfolio changes and does not take into account the earnings effects from companies accounted for using the equity method. Accounting effects of the application of IAS 29 in Türkiye as a hyperinflationary economy are likewise unaccounted for. It also does not include non-recurring effects, especially in connection with the simplification and digitalisation of central structures and processes and changes in the legal environment.

Sustainability

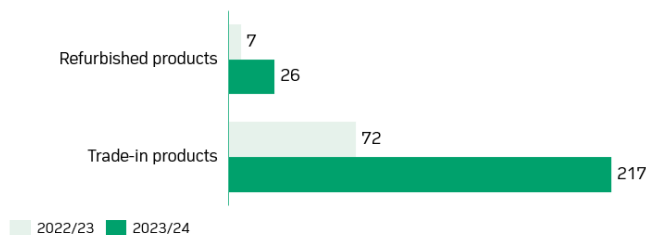
As Europe's leading retail company in the consumer electronics sector, we take great responsibility for people, the environment and society. Sustainability is non-negotiable for us - it is an integral part of the corporate identity of CECONOMY and MediaMarktSaturn and is one of the cornerstones of our strategic development into a customer-focused omnichannel service platform. Our starting points: the environmentally conscious organisation of our own working methods, the promotion of sustainability among our employees and the support of our customers in leading a more sustainable lifestyle.

Our offer

In the first two quarters of the 2023/24 financial year, CECONOMY continued to focus on improving the sustainable customer journey - both online and in stores. The sales share of BetterWay products in the product range rose to 13.7 per cent in the first half of 2023/24 (H1 2022/23: 10.6 per cent).

CECONOMY continued to drive forward the circular economy in the first half of the 2023/24 financial year. CECONOMY tripled the volume of trade-in products in the first half of the 2023/24 financial year compared to the first half of the 2022/23 financial year and bought back 217,370 used products from customers. With regard to the range and sale of remanufactured products, CECONOMY aims to offer customers remanufactured products and increase their affordability. In the first two quarters, the number of products reconditioned by third parties rose from 6,872 in the first half of 2022/23 to 26,187 in the first half of 2023/24 (+281 per cent).

Number of remanufactured products and trade-ins (in thousands):



The processing of 1.5 million repairs in the first half of 2023/24 further underlines CECONOMY's path to becoming a pioneer of the circular economy in retail. Thanks to the omnichannel infrastructure, customers can bring their faulty appliances directly to the stores for repair or send them in.

CO₂ emissions and energy-saving programmes

CECONOMY takes responsibility for the emissions caused directly or indirectly by its own business activities or along the value chain and is endeavouring to become a climate-neutral company. CECONOMY has set itself clear short- and medium-term targets for the reduction of greenhouse gas emissions.

The short-term targets include a reduction of CO₂ emissions in Scope 1 and 2 by 58.8 per cent by 2033 compared to the base year 2019 as well as compensation payments to achieve the net zero target by 2024. In addition, CECONOMY aims to reduce CO₂ emissions within Scope 3 for own-brand products, third-party brand products and transport and distribution activities by 32.5 per cent by 2033. Another short-term target is for 80 per cent of retail suppliers to set their own climate targets by 2028 in line with the Science Based Target Initiative framework.

In the first half of the 2023/24 financial year, CECONOMY achieved the target set for 2030 of using 100 per cent directly sourced green electricity in its shops, administrative buildings, central logistics centres and warehouses ahead of schedule. In addition, CECONOMY is able to offer emission-free delivery in 36 cities.

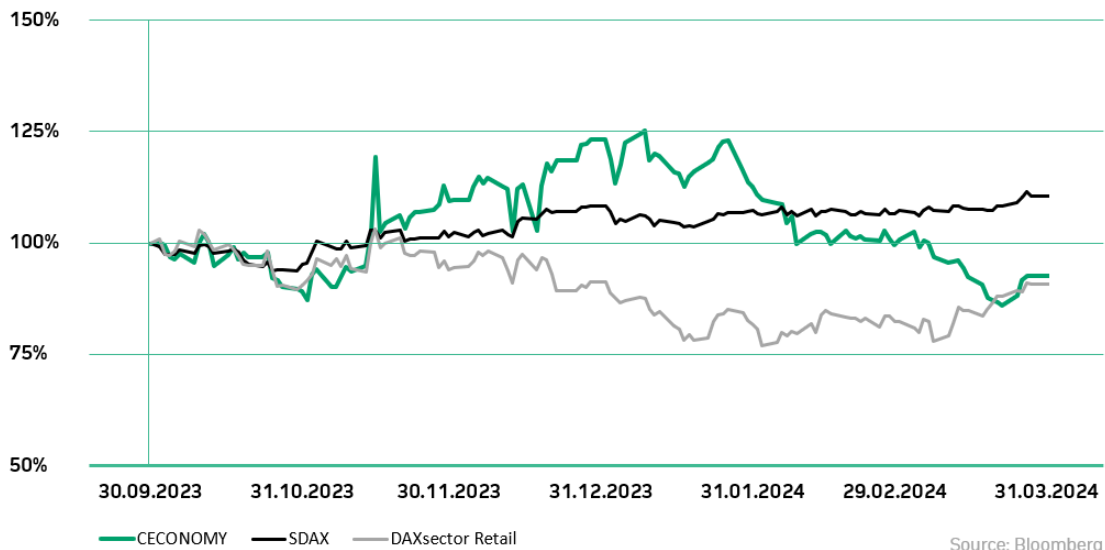
The energy-saving programme at CECONOMY called "STUNEC" (Stop Unnecessary Energy Consumption) was continued in the first half of the 2023/24 financial year with measures such as switching off outdoor advertising in the evenings. In addition, CECONOMY is carrying out modernisation measures in stores in order to further reduce energy consumption. 90 per cent of stores have now switched to LED lighting.

ESG ratings

CECONOMY works continuously on clear and transparent communication of all sustainability-related topics. As a result, the company was able to increase its ESG ratings in the first half of the 2023/24 financial year. CECONOMY improved its Carbon Disclosure Project (CDP) rating from B- to B in the 2022/23 financial year, which is above the industry average for the retail sector (B-). MSCI rated CECONOMY in the AA category in April 2024. The Sustainalytics ESG Risk Rating of CECONOMY also improved in the first half of 2023/24 from 15.8 to 14.7 and was categorised as “Low ESG Risk”.

Rating company	2022/23	Update	2023/24
MSCI	A	April 2024	AA
CDP	B-	February 2024	B
Sustainalytics ESG Risk Rating	15.8	March 2024	14.7

CECONOMY at the capital market



In the first half of the year, the mood on the stock markets remained characterised by the expectation of an interest rate cut in both America and Europe. Mixed economic indicators contributed to volatility and led to a shift in expectations regarding a change in interest rates. The first quarter of the calendar year was also characterised by euphoria about the potential of artificial intelligence (AI). This led to new record valuations for many large technology companies. In Europe, this theme was reflected in the strong outperformance of large mega-cap growth stocks. The strong concentration observed on US indices was thus also reflected in Europe in the Eurostoxx50. Meanwhile, the retail sector remained rather unpopular. Small- and medium-sized companies in particular were unable to keep up with their larger competitors in terms of performance during this period.

The CECONOMY share price was also volatile over the half-year. After reaching a low at the beginning of November, the share price began a general upward trend towards €2.52 by the beginning of January. After a phase of profit-taking from January 2024, the share price consolidated and reached €1.73 in mid-March, closing the quarter (last trading day 28 March) at €1.86.

Events after the reporting date

On 4 April 2024, the rating agency Scope published a rating report in which CECONOMY's rating of BBB- was confirmed with a view to the positive development of profitability, net working capital and level of indebtedness. In addition, the outlook was raised from "negative" to "stable". The rating agency cites the successful implementation of cost-cutting measures, which contributed to stable profitability in the 2022/23 financial year, and the expectation that these measures will also have a positive impact in the coming years as the reason for the improved outlook.

On 18 April 2024, for the €353 million tranche of the syndicated revolving credit line, the second one-year extension option was exercised, extending the term until May 2026. This means that in total credit lines in the amount of €1,060 million are available until May 2026.

On 13 May 2024, CECONOMY announced a more specific guidance for the 2023/24 financial year in an ad hoc announcement. The updated wording is included in the "Outlook" section.

Macroeconomic conditions¹

Macroeconomic conditions remained mixed in the first half of 2023/24, putting further pressure on consumer markets. At +3.3 per cent, global GDP growth in 2023 was slightly below the previous year's level. A lower growth rate of +2.6 per cent is expected for the current year.

The global markets will continue to be characterised by geopolitical uncertainties in the 2023/24 financial year, which will impact both commodity prices and the monetary policy decisions of central banks. Despite a gradual levelling off of inflation, general price levels are still at historically high levels. The tensions in the Middle East are having a significant impact on interest rate trends. In the last two years, interest rates have been raised due to high inflation and continue to hamper economic growth. The increase in international conflicts and crises poses considerable challenges to the stability of the global economy. In particular, the potential escalation in the Middle East harbours an acute risk. These and other tensions, such as Russia's ongoing war of aggression against Ukraine, are jeopardising international trade in goods, particularly between Asia and Europe. Large freight companies are increasingly avoiding the shorter route via the Red Sea and the Suez Canal, which is responsible for around 10 per cent of global trade. These uncertainties are leading to rising commodity prices, particularly in the area of fossil fuels.

The DACH region remains in a tense economic situation with a slightly negative GDP trend in 2023. Only a slight increase in GDP is expected for 2024. The reasons include low investment due to restrictive monetary policy, subdued consumer sentiment and weak export business. In Germany, GDP is also expected to fall slightly or stagnate by -0.1 per cent in 2024. Positive growth of +0.8 per cent is expected for Switzerland, while Hungary can expect growth of +1.8 per cent. Austria, on the other hand, is expected to record negative GDP growth of -0.1 per cent.

In 2023, Western and Southern Europe saw an economic recovery in Spain and Italy, our countries with the highest sales. However, the fundamentally positive recovery prospects for the year 2024 are clouded by the global economic conditions mentioned above. Against this backdrop, muted GDP growth of +0.6 per cent in Italy and +1.5 per cent in Spain is expected for 2024 due to the slowdown in private consumption. GDP growth of +1.3 per cent is expected for Belgium and +0.3 per cent for the Netherlands, which is roughly in line with the previous year's level.

GDP growth is forecast to be positive in Eastern Europe, albeit below the previous year's level. Following stable development in the previous year, Poland is expected to record positive GDP growth of 2.5 per cent in 2024. The economic situation in Türkiye remains characterised by hyperinflationary conditions, rising interest rates and high unemployment. After positive economic growth of +4.5 per cent in 2023, negative GDP growth of -1.2 per cent is forecast for 2024.

Sector development in consumer electronics retail in the first half of the year

In the first half of 2023/24, sales in the consumer electronics retail sector developed slightly positively despite the challenging economic environment. While in-store sales remained stable, the online sector showed a significant increase. Small appliances and the telecommunications sector in particular recorded growth, while products from the IT and consumer electronics sectors recorded the largest decline in sales compared to the previous year. In general, the sales trend was particularly positive for energy-efficient and sustainable products.

DACH

In the first half of 2023/24, German consumer electronics retailers recorded a downward sales trend. Of the product categories with strong sales, telecommunications and small electrical appliances proved to be the main growth factors. Online retail once again acted as a sales pillar for the current financial year, while expenditure in stores declined. As in the previous financial year, Switzerland, Austria and Hungary showed a downward trend in the first half of the year.

WESTERN/SOUTHERN EUROPE

In the first half of the 2023/24 financial year, sales in the Spanish consumer electronics retail sector were up on the previous year. This development was supported by strong demand for TV sets, triggered by the switch-off of a broadcasting signal. Following a negative trend in the previous year, Italy also recorded a similar decline in sales in the first half of the current financial year. In the Dutch market, the online segment recorded positive sales growth in the first half of the 2023/24 financial year. However, there was a slight decline in overall market development due to negative

¹ The GDP growth figures stated in this section relate to the calendar years 2023 and 2024. Accordingly, the 2024 values are forecasts. In contrast, the qualitative statements in the text refer to the reporting period, unless otherwise stated. Recent publications by Feri (Country Dossier - Economic Forecast; Feri Forecast Update - April 2024; Situation and Outlook for the Global Economy) and the market research institute GfK were used as sources for the disclosures in this text.

sales development in stores. The Belgian market is showing positive growth in the current financial year 2023/24 after a downward trend in the past financial year.

EASTERN EUROPE

Türkiye was able to continue the dynamic growth of the previous year due to inflation. The Polish market also continued to develop positively in the current financial year.

Results in detail

Earnings position¹

Quarter	Sales (€ million)		Change	Currency effects	Sales adjusted for currency effects and portfolio changes	Like-for-like sales (local currency)
	Q2 2022/23	Q2 2023/24	Q2 2023/24	Q2 2023/24	Q2 2023/24	Q2 2023/24
Total	5,302	5,334	0.6%	-3.5%	6.5%	5.1%
DACH	2,885 ²	2,839	-1.6%	0.2%	-1.8%	-1.8%
Western/Southern Europe	1,630	1,681	3.1%	0.0%	4.9%	2.2%
Eastern Europe	678	810	19.5%	-40.8%	59.4%	54.6%
Others	110 ²	4	-96.4%	-0.4%	-4.8%	-

² Retroactive adjustment due to altered segment composition; for effects on DACH and Others, see table under "Additional notes on segment reporting" in the notes.

Half-year	Sales (€ million)		Change	Currency effects	Sales adjusted for currency effects and portfolio changes	Like-for-like sales (local currency)
	H1 2022/23	H1 2023/24	H1 2023/24	H1 2023/24	H1 2023/24	H1 2023/24
Total	12,368	12,318	-0.4%	-2.5%	4.8%	3.9%
DACH	6,820 ²	6,677	-2.1%	0.3%	-2.4%	-2.2%
Western/Southern Europe	3,865	3,927	1.6%	0.0%	3.5%	1.6%
Eastern Europe	1,420	1,705	20.1%	-34.5%	54.3%	50.0%
Others	263 ²	9	-96.7%	-0.3%	2.7%	-

² Retroactive adjustment due to altered segment composition; for effects on DACH and Others, see table under "Additional notes on segment reporting" in the notes.

TOTAL SALES AT PREVIOUS YEAR'S LEVEL DESPITE PORTFOLIO CHANGES

In the **first half of 2023/24**, CECONOMY generated consolidated sales of €12.3 billion, a decrease of 0.4 per cent compared to the previous year. This is mainly driven by the disposal of the Swedish and Portuguese subsidiaries and exchange rate effects. Adjusted for currency effects and portfolio changes, sales were up 4.8 per cent year-on-year. On a like-for-like basis, Group sales recorded an increase of 3.9 per cent.

In the **second quarter of 2023/24**, Group sales increased by 0.6 per cent and reached a total of €5.3 billion. This includes effects from the application of IAS 29 (hyperinflation in Türkiye) of €45 million (Q2 2022/23: €32 million). Adjusted for this effect and for currency effects and portfolio changes, sales grew by 6.5 per cent. On a like-for-like basis, Group sales recorded an increase of 5.1 per cent compared to the prior-year period. The second quarter largely continued the currency- and portfolio-adjusted sales trend of the first quarter. An improvement in the trend was achieved in all regions. CECONOMY was able to increase sales on a portfolio-adjusted basis both in stores and online.

EXPLANATION OF SALES IN THE DACH SEGMENT

The DACH segment recorded sales of €6.7 billion in the **first half of 2023/24**, which corresponds to a decline of 2.1 per cent. Adjusted for currency effects and portfolio changes, sales were 2.4 per cent below the comparable figure of the previous year.

In the **second quarter of 2023/24**, sales in the DACH segment fell by 1.6 per cent and totalled €2.8 billion. Adjusted for currency and portfolio effects, there was a decline of 1.8 per cent. Germany, Switzerland and Hungary saw a decline, while Austria recorded an increase in sales. This was due in particular to an increase in online sales, but the in-store business also grew. In Germany, CECONOMY suffered a drop in sales, but was able to gain market share in a difficult market environment. In Switzerland and Hungary, the highly competitive environment also prevented sales growth.

¹ Altered segment composition; see disclosures under "Additional notes on segment reporting" in the notes.

EXPLANATION OF SALES IN THE WESTERN/SOUTHERN EUROPE SEGMENT

The Western/Southern Europe segment reported sales of €3.9 billion in the **first half of 2023/24**, which corresponds to an increase of 1.6 per cent. The previous year's figure still included the sales of the Portuguese country organisation. Adjusted for currency and portfolio effects, this resulted in sales growth of 3.5 per cent.

In the **second quarter of 2023/24**, sales in the Western/Southern Europe segment rose by 3.1 per cent compared to the same period of the previous year to €1.7 billion. Adjusted for currency and portfolio effects, the increase was 4.9 per cent. With the exception of Italy, all countries contributed to sales growth. In Italy, the difficult macroeconomic environment continues to hamper sales. However, gains in market share were again achieved in a shrinking market. The Netherlands achieved significant growth online in particular. The Marketplace was successfully launched also in the Netherlands in mid-March. Sales growth continued in Spain. In addition, the announcement of the switch-off of analogue television led to significantly higher sales in the TV segment.

EXPLANATION OF SALES IN THE EASTERN EUROPE SEGMENT

In the **first half of 2023/24**, sales in the Eastern Europe segment rose by 20.1 per cent to €1.7 billion. The strong devaluation of the Turkish lira continued to weigh on the reporting period. The effect of the application of IAS 29 (Hyperinflation Türkiye) amounts to €26 million in the first half of 2023/24 (H1 2022/23: €18 million). Adjusted for currency and portfolio changes, sales were significantly higher than in the previous year at 54.3 per cent. Sales growth resulted from both price and volume increases.

In the **second quarter of 2023/24**, the Eastern Europe segment recorded an increase in sales of 19.5 per cent to around €0.8 billion. This includes effects from the application of IAS 29 (hyperinflation in Türkiye) of €45 million (Q2 2022/23: €32 million). Adjusted for this effect and for currency effects and portfolio changes, sales grew by 59.4 per cent. However, only the continued positive development in Türkiye contributed to this increase, which was observed both in stores and online. Sales in Poland fell short of the previous year's figure due to intense competition and weak in-store business. Poland recorded growth in online sales, partly due to the launch of the new web shop.

EXPLANATION OF SALES IN THE OTHERS SEGMENT

In the **first half of 2023/24**, sales in the Other segment fell by 96.7 per cent year-on-year to €9 million. This is primarily due to the disposal of the Swedish business. The Other segment now only includes sales from smaller operating companies. Adjusted for currency effects and portfolio changes, sales were up 2.7 per cent year-on-year.

In the **second quarter of 2023/24**, sales in the Other segment fell by 96.4 per cent to €4 million. Here, too, the disposal of the Swedish business is largely responsible for the decline. Adjusted for currency and portfolio effects, sales fell by 4.8 per cent.

Online and Services & Solutions sales in the Group

€ million	Q2 2022/23	Q2 2023/24	Change	H1 2022/23	H1 2023/24	Change
Online sales	1,138	1,187	4.2%	2,938	2,989	1.8%
Services & Solutions sales	323	351	8.6%	717	742	3.6%

ONLINE SHARE OF TOTAL SALES HIGHER THAN PREVIOUS YEAR

Online sales rose by 1.8 per cent to €3.0 billion in the **first half of 2023/24**. Including the Marketplace's net merchandise value (NMV), the online share of total sales is 24.9 per cent after 24.0 per cent in the same period of the previous year.

In the **second quarter of 2023/24**, online business grew in all regions and recorded an increase of 4.2 per cent to sales of €1.2 billion. Including NMV from the Marketplace, the online share of total sales is 22.8 per cent after 21.8 per cent in the same period of the previous year.

SERVICES & SOLUTIONS BUSINESS CONTINUES TO GROW

In the **first half of 2023/24**, sales in the Services & Solutions segment rose by 3.6 per cent to €742 million.

In the **second quarter of 2023/24**, sales in the Services & Solutions business increased by 8.6 per cent to around €351 million. In particular, the sale of extended warranties and mobile phone contracts contributed to sales growth.

Earnings development in the Group

Quarter	Reported EBIT	Reported EBIT	Change compared to prior year	Adjusted EBIT	Adjusted EBIT	Change compared to prior year
€ million	Q2 2022/23	Q2 2023/24	Q2 2023/24	Q2 2022/23	Q2 2023/24	Q2 2023/24
Total¹	-106	44	151	-21	5	26
DACH	-14 ²	-3	10	1 ²	-4	-4
Western/Southern Europe	-47	-17	30	-46 ³	-17	28
Eastern Europe	39	22	-17	33	19	-15
Others	-82 ²	44	126	-7 ²	9	16

¹ Including consolidation.

² Retroactive adjustment due to altered segment composition; for effects on DACH, Others and consolidation, see table under "Additional notes on segment reporting" in the notes.

³ Adjustment for portfolio changes for Portugal in the Western/Southern Europe segment

Half-year	Reported EBIT	Reported EBIT	Change compared to prior year	Adjusted EBIT	Adjusted EBIT	Change compared to prior year
€ million	H1 2022/23	H1 2023/24	H1 2023/24	H1 2022/23	H1 2023/24	H1 2023/24
Total¹	115	263	148	209	253	44
DACH	146 ²	141	-6	161 ²	141	-20
Western/Southern Europe	-15	44	59	-13 ³	44	57
Eastern Europe	72	42	-30	70	64	-5
Others	-91 ²	37	128	-10 ²	5	15

¹ Including consolidation.

² Retroactive adjustment due to altered segment composition; for effects on DACH, Others and consolidation, see table under "Additional notes on segment reporting" in the notes.

³ Adjustment for portfolio changes for Portugal in the Western/Southern Europe segment

ADJUSTED GROUP EBIT IN THE SECOND QUARTER AGAIN SIGNIFICANTLY ABOVE THE PREVIOUS YEAR

In the **first half of 2023/24**, reported Group EBIT increased by €148 million to €263 million (H1 2022/23: €115 million). This includes non-recurring effects of €-29 million, mainly in connection with accounting effects from the application of IAS 29 for Türkiye, which is classified as a hyperinflationary economy. In the previous year, reported Group EBIT included non-recurring effects amounting to approximately €-13 million. Earnings effects from companies accounted for using the equity method totalled approximately €43 million in the reporting period (H1 2022/23: €-5 million). It also includes earnings effects from portfolio changes in connection with the disposal of the Swedish and Portuguese business in the amount of around €-4 million (H1 2022/23: €-76 million). Adjusted for non-recurring effects, earnings effects from companies accounted for using the equity method, and portfolio changes, Group EBIT increased by €44 million to €253 million (H1 2022/23: €209 million).

In the **second quarter of 2023/24**, reported Group EBIT increased by €151 million to €44 million (Q2 2022/23: €-106 million). This includes non-recurring effects totalling around €-1 million. In the previous year, reported Group EBIT included non-recurring effects amounting to approximately €-11 million. Also included are earnings effects from companies accounted for using the equity method in the amount of around €43 million (Q2 2022/23: €-4 million). It also includes earnings effects from portfolio changes in connection with the disposal of the Swedish and Portuguese business in the amount of around €-4 million (Q2 2022/23: €-70 million). Adjusted for non-recurring effects, earnings effects from companies accounted for using the equity method and portfolio changes, Group EBIT increased by €26 million to €5 million (Q2 2022/23: €-21 million).

The Western/Southern Europe segment in particular contributed to the increase in adjusted earnings. At country level, the greatest improvements in earnings were seen in Spain and the Netherlands. The increase in adjusted Group EBIT in the **second quarter of 2023/24** reflected the good sales performance and the improved gross margin. In addition to the improvement in sales and product margins, this was mainly driven by the positive development in our growth areas of Services & Solutions, Marketplace, Retail Media and the higher share of sales accounted for by our own-brand products.

EXPLANATION OF THE RESULT IN THE DACH SEGMENT

In the **first half of 2023/24**, EBIT in the DACH segment totalled €141 million, a decrease of €6 million compared to the previous year (H1 2022/23: €146 million). This includes non-recurring effects amounting to approximately €-1 million

(H1 2022/23: €-15 million). Adjusted for these effects, EBIT in the DACH segment fell by €20 million to €141 million (H1 2022/23: €161 million).

In the **second quarter of 2023/24**, EBIT in the DACH segment increased by €10 million to €-3 million (Q2 2022/23: €-14 million). This includes non-recurring effects of approximately €0 million (Q2 2022/23: €-14 million). Adjusted for these effects, EBIT in the DACH segment decreased by €4 million to €-4 million (Q2 2022/23: €1 million). In Germany, the higher product margin compensated for the slight decline in sales. Austria and Hungary were also able to keep their earnings contribution more or less stable compared to the same quarter in previous year. In Switzerland, the drop in sales led to a decline in earnings.

EXPLANATION OF THE RESULT IN THE WESTERN/SOUTHERN EUROPE SEGMENT

In the **first half of 2023/24**, the Western/Southern Europe segment achieved EBIT of €44 million, up €59 million on the previous year (H1 2022/23: €-15 million). This includes non-recurring effects and effects from portfolio changes totalling around €0 million (H1 2022/23: €-1 million). Adjusted for these earnings effects, EBIT increased by €57 million to €44 million (H1 2022/23: €-13 million).

In the **second quarter of 2023/24**, EBIT in the Western/Southern Europe segment increased by €30 million to €-17 million (Q2 2022/23: €-47 million). This includes non-recurring effects and effects from portfolio changes in the amount of €0 million (Q2 2022/23: €-2 million). Adjusted for these earnings effects, EBIT totalled €-17 million and was therefore €28 million higher than in the previous year (Q2 2022/23: €-46 million). In Spain, the good sales performance and an improvement in the gross margin led to a significant increase in earnings. The increase in personnel costs due to inflation was more than offset by lower marketing expenditure and further cost savings. In the Netherlands, too, the increase in sales combined with an improved gross margin led to a clear rise in earnings. Absolute costs reached the previous year's level, while the cost ratio fell significantly. In Italy, the negative impact of the tense market situation on our sales performance was partially offset by a significant improvement in the gross margin.

EXPLANATION OF THE RESULT IN THE EASTERN EUROPE SEGMENT

At €42 million, EBIT in the Eastern Europe segment in the **first half of 2023/24** was significantly below the previous year's level at €30 million (H1 2022/23: €72 million). This includes non-recurring effects primarily from the application of IAS 29 (hyperinflation Türkiye) in the amount of around €-22 million (H1 2022/23: €3 million). Adjusted EBIT in the Eastern Europe segment fell by €5 million to €64 million (H1 2022/23: €70 million).

In the **second quarter of 2023/24**, EBIT in the Eastern Europe segment fell by €17 million to €22 million (Q2 2022/23: €39 million). This includes non-recurring effects primarily from the application of IAS 29 (hyperinflation Türkiye) in the amount of around €4 million (Q2 2022/23: €6 million). Adjusted for these effects, EBIT in the Eastern Europe segment fell by €15 million to €19 million (Q2 2022/23: €33 million). In Türkiye, higher sales and an improved gross margin almost compensated for the increase in personnel and marketing expenses. In Poland, however, the weaker sales performance combined with stable operating costs led to a significant decline in earnings.

EXPLANATION OF THE RESULT IN THE OTHERS SEGMENT

The Other segment includes, in particular, the holding companies, the earnings effects of companies accounted for using the equity method and the activities of smaller companies. EBIT in the **first half of 2023/24** increased by €128 million year-on-year to €37 million (H1 2022/23: €-91 million). This includes earnings effects from companies accounted for using the equity method in the amount of around €43 million (H1 2022/23: €-5 million) and earnings effects from portfolio changes in the amount of around €-4 million (H1 2022/23: €-75 million). Adjusted for non-recurring effects, earnings effects from companies accounted for using the equity method and portfolio changes, EBIT increased by €15 million to €5 million (H1 2022/23: €-10 million).

In the **second quarter of 2023/24**, EBIT in the Other segment increased by €126 million year-on-year to €44 million (Q2 2022/23: €-82 million). This includes earnings effects from companies accounted for using the equity method of around €43 million (Q2 2022/23: €-4 million) and earnings effects from portfolio changes of around €-4 million (Q2 2022/23: €-68 million). Adjusted for non-recurring effects, earnings effects from companies accounted for using the equity method and portfolio changes, EBIT was up on the previous year at €9 million (Q2 2022/23: €-7 million). The optimisation of the earnings structure at the holding companies is primarily responsible for this increase in earnings.

EBIT adjustments in the Group

Q2 2022/23

€ million	Non-recurring					Adjusted EBIT
	Reported EBIT	Simplification and digitalisation of central structures and processes	Strengthening of the retail brands in Germany	Other	Earnings effects from companies accounted for using the equity method and portfolio changes	
Total¹	-106	-6	-2	-4	-74	-21
DACH	-14 ²	-5 ²	-2	-8 ²	0	1
Western/Southern Europe	-47	0	0	0	-2 ³	-46
Eastern Europe	39	0	0	6	0	33
Others	-82 ²	-1 ²	0	-2 ²	-72	-7

¹ Including consolidation² Retroactive adjustment due to altered segment composition; for effects on DACH, Others and consolidation, see table under "Additional notes on segment reporting" in the notes.³ Adjustment for portfolio changes for Portugal in the Western/Southern Europe segment

Q2 2023/24

€ million	Non-recurring				Adjusted EBIT
	Reported EBIT	Simplification and digitalisation of central structures and processes	Other	Earnings effects from companies accounted for using the equity method and portfolio changes	
Total¹	44	1	-1	40	5
DACH	-3	5	-5	0	-4
Western/Southern Europe	-17	0	0	0	-17
Eastern Europe	22	0	4	0	19
Others	44	-4	0	40	9

¹ Including consolidation

H1 2022/23

€ million	Non-recurring					Adjusted EBIT
	Reported EBIT	Simplification and digitalisation of central structures and processes	Strengthening of the retail brands in Germany	Other	Earnings effects from companies accounted for using the equity method and portfolio changes	
Total¹	115	-6	-2	-6	-81	209
DACH	146 ²	-5 ²	-2	-8 ²	0	161
Western/Southern Europe	-15	0	0	0	-1 ³	-13
Eastern Europe	72	0	0	3	0	70
Others	-91 ²	-1 ²	0	0 ²	-79	-10

¹ Including consolidation² Retroactive adjustment due to altered segment composition; for effects on DACH, Others and consolidation, see table under "Additional notes on segment reporting" in the notes.³ Adjustment for portfolio changes for Portugal in the Western/Southern Europe segment

€ million	Non-recurring				Adjusted EBIT
	Reported EBIT	Simplification and digitalisation of central structures and processes	Other	Earnings effects from companies accounted for using the equity method and portfolio changes	
Total¹	263	-1	-28	39	253
DACH	141	5	-6	0	141
Western/Southern Europe	44	0	0	0	44
Eastern Europe	42	-1	-21	0	64
Others	37	-6	-1	39	5

¹ Including consolidation

EBITDA adjustments in the Group

ADJUSTED GROUP EBITDA DOWN YEAR-ON-YEAR IN THE SECOND QUARTER

Group EBITDA increased by €90 million to €595 million in the **first half of 2023/24** (H1 2022/23: €505 million). Adjusted for non-recurring effects, earnings effects from companies accounted for using the equity method, and portfolio changes, Group EBITDA increased by €55 million to €577 million (H1 2022/23: €523 million).

In the **second quarter of 2023/24**, Group EBITDA increased by €92 million to €211 million (Q2 2022/23: €119 million). Adjusted for non-recurring effects, earnings effects from companies accounted for using the equity method, and portfolio changes, Group EBITDA increased by €33 million to €168 million (Q2 2022/23: €135 million).

Quarter	Reported EBITDA	Reported EBITDA	Change compared to prior year	Adjusted EBITDA	Adjusted EBITDA	Change compared to prior year
	Q2 2022/23	Q2 2023/24	Q2 2023/24	Q2 2022/23	Q2 2023/24	Q2 2023/24
€ million						
Total¹	119	211	92	135	168	33
DACH	72 ²	88	16	87 ²	88	1
Western/Southern Europe	7	34	28	7 ³	34	27
Eastern Europe	55	38	-17	45	30	-16
Others	-12 ²	53	65	-2 ²	18	19

¹ Including consolidation.

² Retroactive adjustment due to altered segment composition; for effects on DACH, Others and consolidation, see table under "Additional notes on segment reporting" in the notes.

³ Adjustment for portfolio changes for Portugal in the Western/Southern Europe segment

€ million	Reported EBITDA	Reported EBITDA	Change compared to prior year	Adjusted EBITDA	Adjusted EBITDA	Change compared to prior year
	H1 2022/23	H1 2023/24	H1 2023/24	H1 2022/23	H1 2023/24	H1 2023/24
Total¹	505	595	90	523	577	55
DACH	324 ²	323	-1	338 ²	323	-15
Western/Southern Europe	92	148	56	91 ³	148	57
Eastern Europe	101	73	-29	93	87	-6
Others	-14 ²	54	67	-1 ²	21	22

¹ Including consolidation.

² Retroactive adjustment due to altered segment composition; for effects on DACH, Others and consolidation, see table under "Additional notes on segment reporting" in the notes.

³ Adjustment for portfolio changes for Portugal in the Western/Southern Europe segment

Financial and asset position

CASH FLOW

€ million	H1 2022/23 ¹	H1 2023/24	Change
Cash flow from operating activities	594	344	-250
Cash flow from investing activities	-86	-63	23
Cash flow from financing activities	-275	-293	-18
Change in net working capital ²	224	-105	-329
Free cash flow	472	229	-243

¹ Adjustments of previous year's figures are explained under "Other notes" and there under the notes on the statement of cash flows.

² Change in net working capital shown from the related statement of financial position items, mainly adjusted for currency effects.

In the first half of the 2023/24 financial year, **cash flow from operating activities** led to a cash inflow of €344 million after a cash inflow of €594 million in the previous year. At €595 million, EBITDA was significantly higher than the previous year's figure (H1 2022/23: €505 million). In addition to the higher operating result, the main driver of the improvement in EBITDA was the positive effect on earnings from companies accounted for using the equity method with a reversal effect in other operating cash flow. In contrast, the change in net working capital led to a cash outflow in the first half of the 2023/24 financial year, while a cash inflow was generated in the same period of the previous year. In the current year, the planned increase in inventories had a negative impact on the change in net working capital. This was partly offset by the increase in trade liabilities and similar liabilities thanks to the good sales performance and the higher order level. By contrast, the cash inflow in the same period of the previous year was mainly driven by a reduction in inventories, based on a higher level of inventories at the beginning of the financial year. In addition, declining receivables due from suppliers, which were able to overcompensate for the drop in trade liabilities and similar liabilities, had a positive effect. Other operating cash flow recorded a higher cash outflow of €78 million in the first half of the 2023/24 financial year (H1 2022/23: €33 million). This was due in particular to the reversal effect of the positive earnings contribution from companies accounted for using the equity method. In addition, the same period of the previous year included a cash inflow from the realisation of claims for damages. In contrast, the cash outflow from payments of income taxes was lower than in the previous year.

Cash flow from investing activities showed a cash outflow of €63 million in the first half of the 2023/24 financial year. This compares with a cash outflow of €86 million in the prior-year period. The lower cash outflow compared to the previous year is due in particular to cash inflows from investment income and higher interest received. At the same time, cash investments in property, plant and equipment were slightly lower.

Cash flow from financing activities showed a cash outflow of €293 million for the first half of the 2023/24 financial year, compared to €275 million in the same period of the previous year. In both the current and the previous year, the cash outflow from financing activities is mainly attributable to the redemption of lease liabilities. Compared to the previous year, the repayment of promissory note loans in particular led to a higher cash outflow. In addition, the generally higher interest rate level – which had varying effects within our country portfolio – contributed to a rise in interest paid. In contrast, the net issuance of commercial paper, which was issued to raise short-term funds, led to an inflow of funds in the current year, whereas there was an outflow of funds in the same period of the previous year. In addition, a higher cash inflow was generated from the drawing of bilateral credit lines compared to the previous year.

Free cash flow totalled €229 million in the first half of the 2023/24 financial year, down €243 million on the previous year's figure of €472 million.

NET WORKING CAPITAL AS OF 31 MARCH 2024 SLIGHTLY INCREASED COMPARED TO THE PREVIOUS YEAR

At €-576 million, **net working capital** as of 31 March 2024 were €94 million higher than the previous year's figure (31/03/23: €-670 million). The continued good sales performance in conjunction with the increased order volume were the main drivers of the significant year-on-year increase in trade liabilities and similar liabilities in the Western/Southern Europe and Eastern Europe segment in particular. The increase in receivables due from suppliers resulted primarily from higher deferrals for later income, while the rise in trade receivables and similar claims was also influenced by the stronger commission business. Overall, the increase in trade liabilities and similar liabilities almost completely offset the increase in receivables due from suppliers and the rise in trade receivables and similar claims. Thanks to successful inventory management, inventories were almost at the previous year's level.

NET DEBT AS OF 31 MARCH 2024 SLIGHTLY INCREASED COMPARED TO THE PREVIOUS YEAR

As of 31 March 2024, **net debt** amounted to €-1,711 million after €-1,666 million in the previous year. The increase in net debt of €45 million is due to lower cash and cash equivalents, while financial liabilities decreased resulting in particular from lower lease liabilities. Adjusted for lease liabilities, net liquidity amounted to €43 million as of 31 March 2024 (31/03/23: €160 million).

INVESTMENTS ABOVE PREVIOUS YEAR'S LEVEL

Investments in the first half of 2023/24 totalled €343 million and were €76 million higher than in the previous year (H1 2022/23: €267 million). The significant increase was primarily due to higher additions to right-of-use assets, which were €75 million higher than in the previous year. The main drivers in the current year were investments in connection with the conversion of existing stores in Germany and Austria from core to lighthouse format and the larger number of new rental agreements in the course of increased expansion activity. In addition, lease extensions and adjustments to existing stores led to a year-on-year increase in the addition to right-of-use assets. In the first half of 2023/24, investments in expansion and modernisation activities over and above the addition of right-of-use assets were almost on a par with the previous year.

In the second quarter of 2023/24, investments totalled €221 million and were €87 million higher than in the previous year (Q2 2022/23: €134 million). The increase was primarily due to a higher addition of right-of-use assets, particularly in Germany, Spain and Austria.

In the first six months of 2023/24, the store network was expanded by a total of 19 locations, of which four locations were added in the second quarter of 2023/24. There were six new openings in Italy, three new openings in Türkiye and one new opening each in Austria, Belgium and Spain. In addition, the Dutch country organisation acquired seven stores from the insolvent electronics retail chain BCC and reopened them under its own name. However, one store in Spain was closed in the reporting period. As of 31 March 2024, the total number of stores was therefore 1,016 (30/09/23: 998 stores). In the same period of the previous year, eight stores were opened and six stores were closed (31/03/23: 1,026 stores). The lower total number of stores at the end of the quarter compared to the previous year is influenced by the stores in Sweden (29 locations) and Portugal (10 locations) that were closed in the 2022/23 financial year. The average sales area per store fell by 1.8 per cent compared to 30 September 2023 from 2,470 square metres to 2,425 square metres as of 31 March 2024.

FINANCING

CECONOMY issues financial instruments on the capital market for medium- and long-term financing. As of 31 March 2024, three promissory note loans with a total volume of €72 million and remaining terms of up to three years were outstanding. A senior unsecured bond of €500 million with a term until June 2026 was also outstanding at the end of the reporting period. In addition, CECONOMY AG has an outstanding convertible bond maturing in June 2027 with a nominal volume of €151 million in connection with the full acquisition of the shares in Media-Saturn-Holding GmbH.

For obtaining short-term financial funding, CECONOMY has a euro-denominated commercial paper programme with a maximum volume of €500 million in place. As of 31 March 2024, commercial paper in the amount of €35 million was outstanding (31/03/23: €10 million).

CECONOMY also has access to syndicated revolving credit lines in the amount of €707 million and €353 million that are linked to sustainability targets. The maturity of the tranche of €353 million was extended by one year to May 2026 using the second extension option. In total credit lines in the amount of €1,060 million are available until May 2026. These credit facilities have never been drawn – and were therefore not utilised as of 31 March 2024.

CECONOMY is rated by the international rating agencies Fitch (BB, outlook "stable"), Standard & Poor's (BB-, outlook "stable") and Scope (BBB-, outlook "negative") as of 31 March 2024. In April 2024, Scope confirmed the rating and adjusted the outlook to "stable".

Opportunities and risks

The main opportunities and risks for CECONOMY and detailed information on the company's opportunity and risk management system are presented in CECONOMY AG's 2022/23 Annual Report on pages 68 to 76. Since the consolidated financial statements were prepared on 13 December 2023, the following changes have occurred with regard to the main opportunities and risks and the expected development of the Group.

Changes in the risk situation

There are no significant changes in the overall risk situation of CECONOMY as of 31 March 2024.

Risks from macroeconomic effects have developed positively due to a normalisation of the consumer price inflation rate. Consumer sentiment is currently easing, but remains at a low level. The development is heterogeneous across the various countries. The Spanish and Hungarian economies are developing very favourably compared to other European countries and the eurozone. Italy, on the other hand, continues to face only a slow recovery in economic growth. Türkiye is affected by a tense domestic political situation, currency devaluation despite the current tightening of monetary policy and high inflation. This could potentially lead to a reduction in growth and therefore consumption. In Germany in particular, economic growth continues to be subdued or stagnant and, despite high salary increases (due to inflation) and a robust labour market, there is a high savings rate, which is reflected in restrained demand across large areas of the industry. The geopolitical situation and the resulting strong uncertainty among consumers in times of multiple crises, coupled with a lack of confidence in economic development (particularly in Germany), may lead to subdued consumer behaviour, further price increases and distortions along the entire value chain in the medium to long term. A loss of purchasing power among private households and possible de-globalisation trends could also lead to a sustained reduction in private consumption. The further development and consequences of the Russian war of aggression against Ukraine could destabilise and burden the economic and political situation in Europe in the longer term. The associated potential deterioration in the consumer climate in most of the countries in which CECONOMY operates represents a significant risk. CECONOMY remains highly resilient, however, and is consistently focussing on new growth opportunities through customer focus and the development of new business areas. This is reflected in a faster adjustment of the product and service portfolio. This enables CECONOMY to defend and strengthen its market position.

Experience from the COVID-19 pandemic and the current geopolitical upheavals have emphasised the high level of dependence on intact supply chain processes. An intensification of the China-Taiwan conflict, the conflict in the Middle East and possible trade restrictions also pose a risk.

Compared to the opportunity and risk report from 2022/23, the risk of "deterioration in the consumer climate – economic crisis" has improved somewhat, but is still considered to be high due to the uncertain macroeconomic and geopolitical situation.

A significant business risk is the ongoing intensification of competition in the digital transformation, particularly from globally active, aggressively priced online retailers such as Amazon, Alibaba and Temu, as well as from European or national online retailers and direct sales companies that are implementing expansion plans and continuing to create a highly competitive online market. The resulting pressure on prices and therefore margins may be further exacerbated by a potential additional increase in logistics and purchasing costs. In principle, the change in consumer behaviour and the associated shift in sales shares from in-store to online retail can be established at a high level. CECONOMY shows a high level of resilience and is able to defend its market positions, thereby improving its risk somewhat. The adaptability of CECONOMY is confirmed and further advanced by new concepts. The risk is still considered to be high, albeit slightly reduced.

In addition, political developments in individual countries, the threat of trade wars and a possible intensification of protectionism remain challenges for CECONOMY's operating business.

Irrespective of the aforementioned issues, the following changes to the risk assessment have occurred since 13 December 2023.

Qualified employees form the basis for the success of the company. Competition for competent specialists remains fierce, especially in the areas relevant for digitalisation. There is therefore a risk that CECONOMY does not have enough suitable employees to fill key positions. This applies to administrative, market and supply chain functions. A range of measures has been implemented to ensure that CECONOMY continues to have sufficient human resources with the specific professional and technological knowledge required. On the one hand, these enable effective management and

further development of human resources and, on the other hand, support the acquisition of new highly qualified employees. CECONOMY considers the risk to be improved but still high due to the positive development of these measures.

Digitalisation and the associated connection of IT systems with the outside world pose the risk of attacks on the IT infrastructure. Especially in the steadily increasing online retail market, IT system failures could have significant effects on CECONOMY's business performance. Consequences may include substantial sales losses and reputational damage. Permanent, uninterrupted availability is a basic requirement for business operations in online retail. Critical network structures and IT systems are therefore continuously reviewed and adjusted in order to prevent interruptions to important business processes. Generally, there has been a continuous increase in hacker attacks. A potential intensification of cyber threats is also anticipated in view of the geopolitical tensions. CECONOMY is investing more heavily in cyber security in order to take all the necessary precautions and increase resilience against attacks. On this basis, the risk has improved slightly, but is still categorised as high by CECONOMY.

An essential part of the management of financial risks is to guarantee unrestricted capital market access for CECONOMY AG. A downgrading of ratings by external rating agencies and lower credit ratings by banks and suppliers could have a negative impact on liquidity and Group financing. These effects may be mutually dependent or reinforcing and may also be influenced by declining economic and/or sector-specific negative development in retail and wholesale in general. This could likewise have negative implications for CECONOMY's net working capital. Despite a small EBIT effect, this could lead to a significant deterioration of the liquidity situation. As a rule, deterioration of net working capital would increase the probability of an additional requirement for finance. CECONOMY therefore continuously optimises and monitors the key figures relevant for the rating in particular in order to be able to initiate countermeasures at short notice. In order to counter this risk, the strategy is aimed chiefly at the optimisation of net working capital through the active management of assets and liabilities. The perception of the company among credit stakeholders has recently improved or stabilised on the basis of the operating performance shown. This is reflected, for example, in the confirmation of the rating by Fitch and Scope, whereby the latter has raised the outlook from "negative" to "stable", which has reduced the risk described above. Due to the ongoing tense macroeconomic situation and regulatory initiatives, which could have a negative impact on net working capital, CECONOMY continues to categorise the risk of "Lower credit ratings from banks and other stakeholders" as high.

There are no going concern risks and at present no such risks are discernible in future either.

Changes in the opportunity situation

The following change occurred with regard to the opportunity portfolio of CECONOMY at the time the consolidated financial statements were prepared on 13 December 2023.

"Artificial intelligence (AI)" was added as a new opportunity. In retail, AI offers numerous opportunities to optimise operational processes and improve the customer experience, to enable new products, and offers a wide range of options for CECONOMY along the value chain. Utilising the potential and the resulting efficiency levers is the current challenge and opportunity for CECONOMY and the entire retail sector.

Further opportunities continue to arise, for example, from the consistent implementation of the business model transformation. This relates in particular to focus areas such as Category Management, Supply Chain, Online and Services & Solutions and the international expansion of successful marketplace activities. The development of new and innovative business areas (e.g. smart home, gaming) and services (e.g. delivery within 90 minutes) is actively driven forward by monitoring changes in customer needs, identifying new trends and developing innovative ideas. The necessary processes and structures are being further optimised for the full implementation of a digitally driven omnichannel sales model.

The topic of sustainability is a fundamental part of our strategy and will continue to gain importance globally in the future based on current social and regulatory developments (e.g. implementation of the "Supply Chain Duty of Care Act"). A holistic sustainability strategy has been developed and consistently implemented in order to meet the expectations of customers, employees, investors, politicians and society. CECONOMY believes that this field provides a wide variety of options for new business areas. These include the creation of a more sustainable product mix in the areas of circular economy business models, high-quality customer advice and education on sustainable consumption, and measures to reduce the CO₂ emissions of the company's own operations. CECONOMY believes that it has a responsibility to society to make a relevant contribution to sustainability.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Income statement

€ million	Q2 2022/23	Q2 2023/24	H1 2022/23	H1 2023/24
Sales	5,302	5,334	12,368	12,318
Cost of sales	-4,402	-4,397	-10,272	-10,187
Gross profit on sales	900	936	2,097	2,131
Other operating income	65	54	111	109
Selling expenses	-848	-825	-1,725	-1,694
General administrative expenses	-151	-161	-294	-317
Other operating expenses	-64	-4	-64	-5
Earnings share of operating companies recognised at equity	-4	43	-5	43
Net impairments on operating financial assets and contract assets	-3	1	-5	-4
Earnings before interest and taxes (EBIT)	-106	44	115	263
Other investment result	0	15	0	15
Interest income	22	19	31	30
Interest expenses	-36 ¹	-57	-70 ¹	-113
Other financial result	-1 ¹	-3	-1 ¹	1
Net financial result	-15	-26	-40	-66
Earnings before taxes (EBT)	-122	19	75	197
Income taxes	75	66	6	36
Profit or loss for the period	-47	85	81	233
Profit or loss for the period attributable to non-controlling interests	0	0	1	2
Profit or loss for the period attributable to shareholders of CECONOMY AG	-47	84	80	231
Undiluted earnings per share in €	-0.10	0.17	0.16	0.48
Diluted earnings per share in €	-0.10	0.17	0.16	0.46

¹ Retroactive reclassification of interest expense in connection with the €500 million bond from the item Other financial result to the item Interest expenses in Q2 2022/23 in the amount of €2 million and in H1 2022/23 in the amount of €5 million.

Reconciliation from profit or loss for the period to total comprehensive income

€ million	Q2 2022/23	Q2 2023/24	H1 2022/23	H1 2023/24
Profit or loss for the period	-47	85	81	233
Other comprehensive income				
Items of other comprehensive income that will not be reclassified subsequently to profit or loss	7	-5	18	-29
Remeasurement of defined benefit pension plans	-6	3	-3	-20
Gains/losses on remeasuring financial instruments measured at fair value through other comprehensive income	12	-5	20	-5
Subsequent measurement of associates/joint ventures accounted for using the equity method	1	-4	1	-4
Items of other comprehensive income that may be reclassified subsequently to profit or loss	8	5	11	0
Currency translation differences from translating the financial statements of foreign operations	8	5	11	0
Other comprehensive income	15	-1	30	-29
Total comprehensive income	-31	84	111	204
Total comprehensive income attributable to non-controlling interests	0	0	1	2
Total comprehensive income attributable to shareholders of CECONOMY AG	-32	84	110	202

Statement of financial position

Assets

€ million	30/09/2023	31/03/2023	31/03/2024
Non-current assets	3,660	3,906	3,746
Goodwill	524	524	524
Other intangible assets	165	161	169
Property, plant and equipment	541	526	536
Right-of-use assets	1,676	1,721	1,655
Financial assets	123	137	116
Investments accounted for using the equity method	257	385	295
Other financial assets	2	2	2
Other assets	3	4	7
Deferred tax assets	368	446	442
Current assets	5,975	6,011	6,245
Inventories	2,918	3,061	3,108
Trade receivables and similar claims	490	418	522
Receivables due from suppliers	1,207	993	1,245
Other financial assets	123	125	130
Other assets	163	219	193
Income tax assets	177	129	150
Cash and cash equivalents	897	1,004	897
Assets held for sale	-	61	-
	9,635	9,917	9,990

Equity and liabilities

€ million	30/09/2023	31/03/2023	31/03/2024
Equity	465	700	663
Share capital	1,240	1,240	1,240
Capital reserve	389	389	389
Reserves retained from earnings	-1,166	-932	-969
Non-controlling interests	2	3	3
Non-current liabilities	2,487	2,597	2,472
Provisions for pensions and similar obligations	316	331	333
Other provisions	88	45	91
Borrowings	2,000	2,098	1,975
Other financial liabilities	11	14	11
Other liabilities	3	4	4
Deferred tax liabilities	69	104	59
Current liabilities	6,683	6,620	6,855
Trade liabilities and similar liabilities	5,320	5,142	5,451
Provisions	82	70	74
Borrowings	584	572	633
Other financial liabilities	405	306	343
Other liabilities	249	335	304
Income tax liabilities	43	94	50
Liabilities related to assets held for sale	-	99	-
	9,635	9,917	9,990

Condensed statement of changes in equity

€ million	Share capital	Capital reserve	Reserves retained from earnings	Total equity before non-controlling interests	Non-controlling interests	Total equity
30/09 or 01/10/2022	1,240	389	-1,039	590	2	592
Profit or loss for the period	0	0	80	80	1	81
Other comprehensive income	0	0	30	30	0	30
Total comprehensive income	0	0	110	110	1	111
Distributions	0	0	-2	-2	0	-2
Equity transactions with change in equity interest without obtaining/relinquishing control	0	0	-1	-1	0	-1
Other changes	0	0	0	0	0	0
31/03/2023	1,240	389	-932	697	3	700
30/09 or 01/10/2023	1,240	389	-1,166	463	2	465
Profit or loss for the period	0	0	231	231	2	233
Other comprehensive income	0	0	-29	-29	0	-29
Total comprehensive income	0	0	202	202	2	204
Distributions	0	0	-5	-5	0	-5
Equity transactions with change in equity interest without obtaining/relinquishing control	0	0	0	0	0	0
Other changes	0	0	-1	-1	0	-1
31/03/2024	1,240	389	-969	660	3	663

Cash flow statement

€ million	H1 2022/23	H1 2023/24
EBIT	115	263
Depreciation/amortisation, impairment losses and reversals of impairment losses on intangible assets, property, plant and equipment, right-of-use assets and impairment losses and reversals of impairment losses on investments accounted for using the equity method and assets held for sale	390	332
Change in provisions for pensions and similar obligations	-15	-20
Change in net working capital ¹	224 ²	-105
Income taxes paid	-58	-12
Reclassification of gains (-)/losses (+) from the disposal of fixed assets	-1	-1
Other	-33 ²	-78
Gain or loss on net monetary position	-27	-35
Cash flow from operating activities	594²	344
Investments in property, plant and equipment	-98	-91
Other investments	-24	-24
Disposals of companies	0	-3
Disposal of long-term assets and other disposals	14	12
Interest received	21 ³	28
Profit and loss transfers	0 ³	15
Cash flow from investing activities	-86³	-63
Profit distribution	-2	-5
thereof dividends paid to the shareholders of CECONOMY AG	0	0
Redemption of liabilities from put options of non-controlling interests	-1	0
Proceeds from long-term borrowings	198	105
Redemption of lease liabilities	-244	-236
Redemption of borrowings (excluding leases)	-218	-145
Change in other current borrowings	50	85
Interest paid	-53	-93
Profit and loss transfers and other financing activities	-5 ³	-4
Cash flow from financing activities	-275³	-293
IAS 29 effects on cash flow from operating, investing and financing activities	5 ²	-6
Total cash flows	238²	-17
Currency and inflation effects on cash and cash equivalents	-18 ²	-23
Total change in cash and cash equivalents	220	-40
Total cash and cash equivalents as of 1 October	791	937
Less the effects of indexing cash and cash equivalents	22	40
Cash and cash equivalents as of 1 October according to statement of financial position	769	897
Total cash and cash equivalents as of 31 March	1,011	897
Less cash and cash equivalents recognised in assets in accordance with IFRS 5	6	0
Cash and cash equivalents as of 31 March in accordance with the statement of financial position	1,004	897

¹ Change in net working capital shown from the related statement of financial position items, mainly adjusted for currency effects.

² Adjustments due to a change in presentation of effects of the application of IAS 29 "Financial Reporting in Hyperinflationary Economies". Further details on the adjusted prior-year figures can be found under "Other notes" and there under the notes on the statement of cash flows.

³ Presented in the previous year in cash flow from financing activities.

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Segment reporting¹

€ million	DACH		Western/ Southern Europe		Eastern Europe		Others		Consolidation		CECONOMY ²	
	Q2	Q2	Q2	Q2	Q2	Q2	Q2	Q2	Q2	Q2	Q2	Q2
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
External sales (net)	2,885	2,839	1,630	1,681	678	810	110	4	0	0	5,302	5,334
Internal sales (net)	0	0	1	1	0	1	52	62	-53	-64	0	0
Sales (net)	2,885	2,839	1,630	1,682	678	811	162	66	-53	-64	5,302	5,334
EBITDA	72	88	7	34	55	38	-12 ³	53	-2	1	119	211
Depreciation/amortisation and impairment losses	91	93	54	52	16	16	70 ⁴	9	0	0	231	170
Reversals of impairment losses	6	2	0	0	0	1	0	0	0	0	6	3
EBIT	-14	-3	-47	-17	39	22	-82 ³	44	-2	1	-106	44
EBIT adjusted	1	-4	-46 ⁵	-17	33	19	-7	9	-2	1	-21	5
Investments	53	122	47	65	24	21	10	12	0	0	134	221
Non-current segment assets	1,645	1,615	951	912	180	197	545	464	0	0	3,322	3,187
Investments accounted for using the equity method	(0)	(0)	(0)	(0)	(0)	(0)	(385)	(295)	(0)	(0)	(385)	(295)

¹ Change in segment composition, see "Supplementary notes on segment reporting"

² Includes external sales in Q2 2023/24 of €2,312 million for Germany (Q2 2022/23: €2,364 million), €478 million for Italy (Q2 2022/23: €502 million) and €600 million for Spain (Q2 2022/23: €527 million) as well as non-current segment assets as of 31/03/24 of €1,831 million for Germany (31/03/23: €1,927 million) and €372 million for Italy (31/03/23: €381 million)

³ In Q2 2023/24, includes income of €43 million from operating companies accounted for using the equity method in the Other segment (Q2 2022/23: €4 million in expenses)

⁴ Includes impairments for disposal group MediaMarkt Sweden in the amount of €63 million

⁵ Adjustment for portfolio changes for Portugal in the Western/Southern Europe segment

€ million	DACH		Western/ Southern Europe		Eastern Europe		Others		Consolidation		CECONOMY ²	
	H1	H1	H1	H1	H1	H1	H1	H1	H1	H1	H1	H1
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
External sales (net)	6,820	6,677	3,865	3,927	1,420	1,705	263	9	0	0	12,368	12,318
Internal sales (net)	1	1	2	2	0	1	124	138	-126	-142	0	0
Sales (net)	6,821	6,678	3,867	3,929	1,420	1,706	387	147	-126	-142	12,368	12,318
EBITDA	324	323	92	148	101	73	-14 ³	54	1	-2	505	595
Depreciation/amortisation and impairment losses	183	184	106	104	29	31	77 ⁴	16	0	0	396	335
Reversals of impairment losses	6	2	0	0	0	1	0	0	0	0	6	3
EBIT	146	141	-15	44	72	42	-91 ³	37	1	-2	115	263
EBIT adjusted	161	141	-13 ⁵	44	70	64	-10	5	1	-2	209	253
Investments	115	178	90	103	38	41	23	21	0	0	267	343
Non-current segment assets	1,645	1,615	951	912	180	197	545	464	0	0	3,322	3,187
Investments accounted for using the equity method	(0)	(0)	(0)	(0)	(0)	(0)	(385)	(295)	(0)	(0)	(385)	(295)

¹ Change in segment composition, see "Supplementary notes on segment reporting"

² Includes external sales in H1 2023/24 of €5,403 million for Germany (H1 2022/23: €5,550 million), €1,214 million for Italy (H1 2022/23: €1,286 million) and €1,370 million for Spain (H1 2022/23: €1,253 million) as well as non-current segment assets as of 31/03/24 of €1,831 million for Germany (31/03/23: €1,927 million) and €372 million for Italy (31/03/23: €381 million)

³ Includes income from operating companies accounted for using the equity method in the Other segment in H1 2023/24 in the amount of €43 million (H1 2022/23: €5 million in expenses)

⁴ Includes impairments for disposal group MediaMarkt Sweden in the amount of €63 million

⁵ Adjustment for portfolio changes for Portugal in the Western/Southern Europe segment

Explanatory notes to the accounting policies applied to the condensed consolidated interim financial statements

CECONOMY AG is a listed corporation based in Düsseldorf, Germany. The condensed consolidated interim financial statements for CECONOMY AG and its subsidiaries cover the period from 1 October 2023 to 31 March 2024 and were subject to an audit review in accordance with Section 115 (5) of the German Securities Trading Act (WpHG).

These condensed consolidated interim financial statements as of 31 March 2024 were prepared in accordance with International Accounting Standard (IAS) 34 ("Interim Financial Reporting"), which regulates interim financial statements in accordance with International Financial Reporting Standards (IFRS). As these are condensed consolidated interim financial statements, not all information and explanatory notes that are required according to the IFRS for consolidated financial statements at the end of a financial year are included.

The condensed consolidated interim financial statements have been prepared in euros. Unless indicated otherwise, all amounts are stated in millions of euros (€ million), applying commercial rounding. In order to provide a better overview, decimal places are not shown in the tables in some cases. Figures in the tables may contain rounding differences.

During the year, any material sales-related and cyclical items were deferred.

All applicable standards and interpretations published by the International Accounting Standards Board (IASB) and endorsed by the European Union were applied in these condensed consolidated interim financial statements. With the exception of the changes in accounting described below, the same accounting and measurement methods were applied as in the last consolidated financial statements as of 30 September 2023. More detailed disclosures on the accounting principles and methods can be found in the notes to the consolidated financial statements as of 30 September 2023 (see Annual Report 2022/23, pages 96-113).

New accounting standards

The new standards and amendments to standards that are generally to be applied for the first time from 1 October 2023, and that CECONOMY considers material are explained below.

IFRS 17 INSURANCE CONTRACTS INCLUDING THE AMENDMENTS TO IFRS 17 AND IFRS 9

IFRS 17 regulates the accounting treatment of insurance contracts and replaces IFRS 4. The adoption standard and the amendments to IFRS 17 and IFRS 9 had no impact on CECONOMY's condensed interim consolidated financial statements, as no corresponding insurance contracts are held.

IAS 1 AND IFRS PRACTICE STATEMENT 2 DISCLOSURE OF ACCOUNTING POLICIES

The amendments to IAS 1 specify which accounting policies are to be presented in the notes and stipulate that significant accounting policies should no longer be disclosed in future, but rather material ones. The amendments to the IFRS Practice Statement 2 "Making Materiality Judgements" contain guidance on the application of the concept of materiality to disclosures on accounting policies. The amendments have no material impact on the condensed interim consolidated financial statements of CECONOMY.

IAS 8 DEFINITION OF ACCOUNTING ESTIMATES

The amendments to IAS 8 include the definition of accounting estimates in order to make it easier to distinguish between accounting policies and accounting estimates. According to the new definition, accounting-related estimates are monetary amounts in the financial statements that are subject to measurement uncertainties. The amendments have no material impact on the condensed interim consolidated financial statements of CECONOMY.

IAS 12 DEFERRED TAX IN CONNECTION WITH ASSETS AND LIABILITIES FROM A TRANSACTION

The amendments to IAS 12 restrict the scope of the initial recognition exemption for deferred taxes. It is clarified that the exemption does not apply to assets and liabilities that result from a single transaction and where taxable and deductible temporary differences of the same amount arise simultaneously on initial recognition. The amendments have no material impact on the condensed interim consolidated financial statements of CECONOMY.

IAS 12 MINIMUM TAXATION - PILLAR TWO - MODEL REGULATIONS

The amendments to IAS 12 provide temporary exceptions to the recognition of deferred taxes resulting from the implementation of global tax regulations on minimum taxation in the respective countries. The additional disclosure

requirements introduced are intended to help a company better understand the risk of income taxes resulting from the reform, particularly before the new legislation comes into force. The amendments have no material impact on the condensed interim consolidated financial statements of CECONOMY.

Estimates and assumptions

As part of the further implementation of CECONOMYs logistics strategy, there was a change in the estimate of incidental acquisition costs in accordance with IAS 2, which led to a positive effect in the almost double-digit million euro range.

Notes to the income statement

Sales

Sales (net) primarily result from product sales and break down as follows:

Quarter	DACH	Western/ Southern Europe	Eastern Europe	Others	CECONOMY
	Q2 2023/24	Q2 2023/24	Q2 2023/24	Q2 2023/24	Q2 2023/24
Product sales	2,646	1,562	774	0	4,983
Services & Solutions	192	118	36	4	351
Total sales	2,839	1,681	810	4	5,334

Half-year	DACH	Western/ Southern Europe	Eastern Europe	Others	CECONOMY
	H1 2023/24	H1 2023/24	H1 2023/24	H1 2023/24	H1 2023/24
Product sales	6,257	3,683	1,635	1	11,576
Services & Solutions	420	244	70	7	742
Total sales	6,677	3,927	1,705	9	12,318

Total sales in the first half of 2023/24 amounted to €12,318 million. Sales of goods totalled €11,576 million and sales from Services & Solutions totalled €742 million.

Total sales in the second quarter of 2023/24 amounted to €5,334 million. Sales of goods accounted for €4,983 million and sales from Services & Solutions €351 million.

EPS

Undiluted earnings per share is calculated by dividing the profit or loss for the period attributable to shareholders of CECONOMY AG by the weighted number of shares outstanding.

	Q2 2022/23	Q2 2023/24	H1 2022/23	H1 2023/24
(Weighted) number of no-par-value shares outstanding – undiluted	485,221,084	485,221,084	485,221,084	485,221,084
Profit or loss for the period attributable to shareholders of CECONOMY AG (€ million) – undiluted	-47	84	80	231
Undiluted earnings per share in €	-0.10	0.17	0.16	0.48

Diluted earnings per share is calculated by dividing the profit or loss for the period attributable to shareholders of CECONOMY AG by the weighted number of shares outstanding adjusted for all dilutive effects of potential ordinary shares, as shown below:

	Q2 2022/23	Q2 2023/24	H1 2022/23	H1 2023/24
(Weighted) number of no-par-value shares outstanding – undiluted	485,221,084	485,221,084	485,221,084	485,221,084
(Weighted) number of potential shares from convertible bonds	27,859,778	27,859,778	27,859,778	27,859,778
(Weighted) number of no-par-value shares outstanding – diluted	513,080,862	513,080,862	513,080,862	513,080,862
Profit or loss for the period attributable to shareholders of CECONOMY AG (€ million) – undiluted	-47	84	80	231
Interest expenses on convertible bonds – after taxes (€ million)	2	2	3	4
Profit or loss for the period attributable to shareholders of CECONOMY AG (€ million) – diluted	-45	86	83	235
Diluted earnings per share in €	-0.10	0.17	0.16	0.46

There was protection against dilution in the second quarter of 2022/23, as the diluted EPS led to a reduction in negative earnings per share due to the inclusion of the convertible bonds.

As of 31 March 2024, CECONOMY AG has issued no preference shares.

Scheduled amortisation and impairment losses

The breakdown of amounts of depreciation/amortisation in the income statement and into the relevant asset categories is as follows:

Q2 2022/23

€ million	Goodwill	Other intangible assets	Property, plant and equipment	Right-of-use assets	Investments accounted for using the equity method	Assets held for sale	Total
Cost of sales	0	0	1	0	0	0	1
thereof depreciation/amortisation	(0)	(0)	(0)	(0)	(0)	(0)	(0)
thereof impairment losses	(0)	(0)	(1)	(0)	(0)	(0)	(1)
Selling expenses	0	1	32	121	0	0	154
thereof depreciation/amortisation	(0)	(1)	(31)	(121)	(0)	(0)	(153)
thereof impairment losses	(0)	(0)	(1)	(0)	(0)	(0)	(1)
General administrative expenses	0	5	5	3	0	0	13
thereof depreciation/amortisation	(0)	(5)	(5)	(3)	(0)	(0)	(13)
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other operating expenses	0	0	0	0	0	63	63
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(63)	(63)
Earnings share of operating companies recognised at equity	0	0	0	0	0	0	0
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Total	0	6	37	125	0	63	231
thereof depreciation/amortisation	(0)	(6)	(36)	(124)	(0)	(0)	(166)
thereof impairment losses	(0)	(0)	(1)	(0)	(0)	(63)	(65)

Q2 2023/24

€ million	Goodwill	Other intangible assets	Property, plant and equipment	Right-of-use assets	Investments accounted for using the equity method	Total
Cost of sales	0	0	0	0	0	0
thereof depreciation/amortisation	(0)	(0)	(0)	(0)	(0)	(0)
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)
Selling expenses	0	1	34	119	0	154
thereof depreciation/amortisation	(0)	(1)	(32)	(119)	(0)	(151)
thereof impairment losses	(0)	(0)	(2)	(1)	(0)	(3)
General administrative expenses	0	10	4	2	0	16
thereof depreciation/amortisation	(0)	(8)	(4)	(2)	(0)	(15)
thereof impairment losses	(0)	(1)	(0)	(0)	(0)	(1)
Other operating expenses	0	0	0	0	0	0
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)
Earnings share of operating companies recognised at equity	0	0	0	0	0	0
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)
Total	0	10	37	122	0	170
thereof depreciation/amortisation	(0)	(9)	(35)	(121)	(0)	(166)
thereof impairment losses	(0)	(1)	(2)	(1)	(0)	(4)

H1 2022/23

€ million	Goodwill	Other intangible assets	Property, plant and equipment	Right-of-use assets	Investments accounted for using the equity method	Assets held for sale	Total
Cost of sales	0	0	1	0	0	0	1
thereof depreciation/amortisation	(0)	(0)	(0)	(0)	(0)	(0)	(0)
thereof impairment losses	(0)	(0)	(1)	(0)	(0)	(0)	(1)
Selling expenses	0	2	63	242	0	0	306
thereof depreciation/amortisation	(0)	(2)	(62)	(241)	(0)	(0)	(305)
thereof impairment losses	(0)	(0)	(1)	(0)	(0)	(0)	(1)
General administrative expenses	0	11	9	6	0	0	26
thereof depreciation/amortisation	(0)	(11)	(9)	(6)	(0)	(0)	(26)
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other operating expenses	0	0	0	0	0	63	63
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(63)	(63)
Earnings share of operating companies recognised at equity	0	0	0	0	0	0	0
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Total	0	12	73	248	0	63	396
 thereof depreciation/amortisation	(0)	(12)	(71)	(247)	(0)	(0)	(331)
 thereof impairment losses	(0)	(0)	(2)	(0)	(0)	(63)	(65)

H1 2023/24

€ million	Goodwill	Other intangible assets	Property, plant and equipment	Right-of-use assets	Investments accounted for using the equity method	Total
Cost of sales	0	0	0	0	0	0
thereof depreciation/amortisation	(0)	(0)	(0)	(0)	(0)	(0)
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)
Selling expenses	0	1	64	237	0	303
thereof depreciation/amortisation	(0)	(1)	(62)	(237)	(0)	(300)
thereof impairment losses	(0)	(0)	(2)	(1)	(0)	(3)
General administrative expenses	0	18	8	6	0	32
thereof depreciation/amortisation	(0)	(17)	(8)	(5)	(0)	(30)
thereof impairment losses	(0)	(1)	(0)	(0)	(0)	(2)
Other operating expenses	0	0	0	0	0	0
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)
Earnings share of operating companies recognised at equity	0	0	0	0	0	0
thereof impairment losses	(0)	(0)	(0)	(0)	(0)	(0)
Total	0	20	72	243	0	335
 thereof depreciation/amortisation	(0)	(18)	(70)	(242)	(0)	(330)
 thereof impairment losses	(0)	(1)	(2)	(1)	(0)	(5)

Notes to the statement of financial position

Investments accounted for using the equity method

As of 31 March 2024, investments in associates and joint ventures accounted for using the equity method amounting to €295 million (30/09/23: €257 million) were recognised. The investment in the associated company Fnac Darty S.A. is recognised as a significant investment accounted for using the equity method.

In the first half of 2023/24, as a result of the subsequent measurement of the investment in Fnac Darty S.A. accounted for using the equity method, €46 million was recognised as income in EBIT (H1 2022/23: expenses amounting to €5 million). In addition, around €-5 million (H1 2022/23: €2 million) was recognised as other comprehensive income or as other changes in other revenue reserves. Information on profit for the period and other changes in equity is provided by Fnac Darty S.A. This information is published in the second and fourth financial quarters of a calendar year and serves as the basis for updating the equity interest.

As of 31 March 2024, the stock exchange price of Fnac Darty S.A. indicated a possible impairment of the shares. Nevertheless, the positive share price performance of Fnac Darty S.A. in the last six months does not allow any conclusions to be drawn that the economic performance or general conditions of Fnac Darty have deteriorated during this period. The financial data recently published by Fnac Darty for the first quarter of 2024, with a stable outlook for the end of the financial year, does not paint a different picture. Overall, there is no substantial evidence to suggest that the recoverable amount is lower than the carrying amount, meaning that, as of 31 March 2024, it can be assumed that the shares in Fnac Darty S.A., which are accounted for using the equity method, are not impaired.

Assets held for sale/Liabilities related to assets held for sale

MEDIAMARKT SWEDEN DISPOSAL GROUP IN THE FIRST HALF OF 2022/23

On 14 February 2023, CECONOMY AG announced that CECONOMY and the North European electronics retailer Power International AS ("Power") had concluded an agreement regarding a strategic transaction and a joint future for the Swedish business. Power Retail Sweden, a wholly owned subsidiary of Power, intended to acquire 100 per cent of MediaMarkt Sweden. In return, CECONOMY would receive a minority stake of 20 per cent in Power Sweden.

From the date the disposal was announced, the MediaMarkt Sweden business was classified as a disposal group in accordance with IFRS 5. Taking into account the consolidation of all items in the consolidated statement of financial position as of 31 March 2023, the assets and liabilities were recognised in the item "assets held for sale" at €61 million and in the item "liabilities related to assets held for sale" at €99 million, respectively. In addition, an impairment loss of €63 million was recognised as of 31 March 2023 in accordance with IFRS 5.

The transaction for the MediaMarkt Sweden business was completed on schedule as of 1 August 2023.

Dividends paid

The dividend distribution of CECONOMY AG is based on the annual financial statements of CECONOMY AG in accordance with German commercial law.

No dividend distribution was made for the 2022/23 financial year.

Effects from the revaluation of defined benefit pension plans

As part of the recognition of actuarial gains and losses, a total of €20 million was recognised as a reduction in equity (H1 2022/23: €3 million as a reduction in equity) in the first six months of the 2023/24 financial year in other comprehensive income at CECONOMY from the revaluation of defined benefit pension plans. The revaluation primarily includes effects from the reduction in the discount rate for the majority of German pension provisions from 4.40 per cent on 1 October 2023 to 3.50 per cent on 31 March 2024.

The country-specific discount rates and pension trend assumptions have developed as follows:

%	30/09/2023			31/03/2024		
	Germany	Switzerland	Other countries	Germany	Switzerland	Other countries
Actuarial interest rate	4.10-4.40	1.95	5.22	3.50-3.60	1.95	4.65
Pension trend	2.20	0.00	N/A	2.20	0.00	N/A

Carrying amounts and fair values by measurement category

Financial instruments are accounted for in accordance with IFRS 9 and allocated to the appropriate accounts.

€ million	31/03/2023				
	Carrying amount	(Amortised) cost	Value in statement of financial position		Fair value
Fair value through profit or loss			Fair value through other comprehensive income		
Assets					
Measured at amortised cost	2,291	2,291	0	0	2,291
Cash and cash equivalents	1,004	1,004	0	0	1,004
Receivables due from suppliers	993	993	0	0	993
Trade receivables and similar claims ¹	155	155	0	0	155
Loans and advance credit granted	16	16	0	0	16
Miscellaneous assets	122	122	0	0	122
Measured at fair value through profit or loss	5	0	5	0	5
Securities	0	0	0	0	0
Derivative financial instruments	5	0	5	0	5
Measured at fair value through other comprehensive income	121	0	0	121	121
Equity instruments	121	0	0	121	121
Equity and liabilities					
Measured at amortised cost	6,030	6,030	0	0	5,854
Financial liabilities ²	844	844	0	0	668
Trade liabilities and similar liabilities ³	4,866	4,866	0	0	4,866
Miscellaneous liabilities	320	320	0	0	320
Measured at fair value through profit or loss	0	0	0	0	0
Derivative financial instruments	0	0	0	0	0

¹ Not including continuing involvement of €70 million or contract assets of €193 million

² Not including lease liabilities of €1,826 million

³ Not including continuing involvement of €70 million or contract liabilities of €207 million

31/03/2024

€ million	Value in statement of financial position				
	Carrying amount	(Amortised) cost	Fair value through profit or loss	Fair value through other comprehensive income	Fair value
Assets					
Measured at amortised cost	2,516	2,516	0	0	2,516
Cash and cash equivalents	897	897	0	0	897
Receivables due from suppliers	1,245	1,245	0	0	1,245
Trade receivables and similar claims ¹	203	203	0	0	203
Loans and advance credit granted	40	40	0	0	40
Miscellaneous assets	132	132	0	0	132
Measured at fair value through profit or loss	0	0	0	0	0
Securities	0	0	0	0	0
Derivative financial instruments	0	0	0	0	0
Measured at fair value through other comprehensive income	76	0	0	76	76
Equity instruments	76	0	0	76	76
Equity and liabilities					
Measured at amortised cost	6,365	6,365	0	0	6,311
Financial liabilities ²	854	854	0	0	800
Trade liabilities and similar liabilities ³	5,157	5,157	0	0	5,157
Miscellaneous liabilities	353	353	0	0	353
Measured at fair value through profit or loss	0	0	0	0	0
Derivative financial instruments	0	0	0	0	0

¹ Not including continuing involvement of €76 million or contract assets of €243 million

² Not including lease liabilities of €1,754 million

³ Not including continuing involvement of €76 million or contract liabilities of €217 million

The classes are formed on the basis of similar risks and characteristics corresponding to the nature of the respective financial instruments. Further subdivision for individual financial assets and liabilities is shown the table above.

The fair value hierarchy consists of three levels and is determined based on the market proximity of the inputs used in the measurement methods. In cases where various inputs are critical for the measurement, the fair value is allocated to the hierarchy level corresponding to the lowest-level input that is relevant for the measurement.

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 inputs: unobservable inputs for the asset or liability

Equity instruments of €76 million (31/03/2023: €121 million) are subsequently measured at fair value through other comprehensive income. €38 million (31/03/2023: €84 million) of this relates to listed companies, with €20 million (31/03/2023: €55 million) attributable to the 15 per cent investment in Russia's leading consumer electronics retailer PJSC "M.video" and €18 million (31/03/2023: €29 million) attributable to the roughly 1 per cent share in METRO AG.

Equity instruments of €37 million (31/03/2023: €37 million) which are not listed on the stock exchange and for which there is no active market are recognised at fair value through other comprehensive income. These equity instruments are not planned to be sold. The main component at €35 million (31/03/2023: €35 million) is the 6.61 per cent investment in METRO PROPERTIES GmbH & Co. KG.

The financial instruments measured at fair value in accordance with IFRS 9 are allocated as follows within the three-level fair value hierarchy:

31/03/2023				
€ million	Total	Level 1	Level 2	Level 3
Assets	126	29	5	92
Measured at fair value through profit or loss	5	0	5	0
Securities	0	0	0	0
Derivative financial instruments	5	0	5	0
Measured at fair value through other comprehensive income	121	29	0	92
Equity instruments	121	29	0	92
Equity and liabilities	0	0	0	0
Measured at fair value through profit or loss	0	0	0	0
Derivative financial instruments	0	0	0	0
Total	126	29	5	92

31/03/2024				
€ million	Total	Level 1	Level 2	Level 3
Assets	76	18	0	57
Measured at fair value through profit or loss	0	0	0	0
Securities	0	0	0	0
Derivative financial instruments	0	0	0	0
Measured at fair value through other comprehensive income	76	18	0	57
Equity instruments	76	18	0	57
Equity and liabilities	0	0	0	0
Measured at fair value through profit or loss	0	0	0	0
Derivative financial instruments	0	0	0	0
Total	76	18	0	57

Equity instruments (level 1) are measured on the basis of quoted market prices in active markets.

The securities (level 1) relate to short-term investments in funds and are measured on the basis of quoted market prices in active markets.

For interest rate swaps and currency transactions (all level 2), there is a mark-to-market measurement on the basis of quoted exchange rates and yield curves available on the market.

The equity instruments without an active market recognised as assets totalling €57 million (31/03/2023: €92 million) as of 31 March 2024 are allocated to fair value level 3.

The fair value of 15 per cent investment in Russia's leading consumer electronics retailer PJSC "M.video" decreased by €35 million to €20 million (31/03/23: €55 million). This change in the carrying amount was recognised in other comprehensive income ("Measurement effects on financial instruments measured at fair value through other comprehensive income") in the third quarter of 2022/23. The shares in PJSC "M.video" are also measured on the basis of a level 3 market valuation as of 31 March 2024, because on this date it was still assumed that a market value for the shares in PJSC "M.video" still could not be reliably derived from the stock market price on the Moscow stock exchange. A markdown was applied to the stock market value of the PJSC "M.video" shares in order to account for the ongoing uncertainty regarding Russian investments and the share's low free float. This markdown was calculated at approximately 62 per cent as of 31 March 2024. The market value estimate for the 15 per cent investment in PJSC "M.video" amounts to €20 million.

Varying the material measurement parameters, a 10 per cent increase in the markdown would decrease the carrying amount by €2 million. Reducing the markdown by 10 per cent points would increase the carrying amount by €2 million. Increasing the exchange rate by 10 per cent would decrease the carrying amount by €2 million. Reducing the exchange rate by 10 per cent would increase the carrying amount by €2 million.

The fair value of the shares in METRO PROPERTIES GmbH & Co. KG amounted to €35 million, as in the previous year. The fair value of the shares is determined by the value of the real estate behind the investment. This accounts for near-term real estate transactions as well as the expected development of the real estate portfolio belonging to METRO PROPERTIES.

During the past reporting period and in the previous year, no transfers were made between levels 1 and 2.

No transfers to or from level 3 were made in the past reporting period or in the previous year.

Financial instruments that are recognised at amortised cost in the statement of financial position, but whose fair values are stated in the notes, are also classified within a three-level fair value hierarchy.

Due to their generally short-terms, the fair values of receivables due from suppliers, trade receivables and similar claims, trade liabilities and similar liabilities and cash and cash equivalents largely correspond to their carrying amounts.

The fair values of bonds, liabilities to banks and promissory note loans are calculated based on the market interest curve in line with the zero-coupon method, taking account of credit spreads (level 2). The values include accrued interest as of the closing date.

The fair values of all miscellaneous financial assets and financial liabilities that are not listed on the stock exchange correspond to the net present values of the payments associated with these items of the statement of financial position. The country-specific yield curves applicable as of the closing date (level 2) were used in the calculation.

Other notes

Notes on the statement of cash flows

In financial year 2022/23, the presentation of effects resulting from the application of IAS 29 “Financial Reporting in Hyperinflationary Economies” in the cash flow statement was changed. In the first half of 2023/24, the previous year’s figures were adjusted as follows:

€ million	H1 2022/23
Change in net working capital	-12
Other in cash flow from operating activities	-4
Gain or loss on net monetary position	0
IAS 29 effects on cash flow from operating, investing and financing activities	-6
Currency effects on cash and cash equivalents	22
Effects on the total change in cash and cash equivalents	0

The adjustments shown in the table above are labelled in the statement of cash flows using footnote 2.

Interest received and profit transfers received were presented in the cash flow from financing activities in the half-year financial report of the previous year. In the current half-year financial report, interest received and profit transfers are presented in separate lines within cash flow from investing activities. This prior-year adjustment is indicated in the statement of cash flows using footnote 3.

Segment reporting

Segmentation is in line with the Group’s internal management and reporting.

CECONOMY’s chief operating decision maker (CODM) in accordance with IFRS 8 (Operating Segments) is the Management Board of CECONOMY AG. The Management Board members have joint responsibility for allocating resources and assessing the Group’s operating profitability. At CECONOMY, management is generally performed at a national level. The CODM of CECONOMY therefore manages the company’s activities on the basis of internal reporting that generally includes key figures for each country. Resource allocation and performance measurement accordingly take place at a national level.

CECONOMY operates in a single business sector, the electronics sector. Combined with a relatively homogeneous alignment, its products, services and customer groups and its sales methods are similar in all countries. Based on similar economic conditions and business activities of the operations, individual countries are aggregated to form the following reportable **operating segments**:

- DACH: Germany, Austria, Switzerland, Hungary
- Western/Southern Europe: Belgium, Italy, Luxembourg, the Netherlands, Spain
- Eastern Europe: Poland, Türkiye

All non-reportable operating segments as well as business activities that do not meet the criteria to be defined as an operating segment are grouped together under “Others”. With retroactive effect from 01/10/22, this primarily includes companies with administrative and cross-divisional functions as well as smaller operating companies.

SUPPLEMENTARY NOTES ON SEGMENT REPORTING

The composition of the DACH segment and the Others segment has been changed and the previous year’s figures restated. The change reflects the effects of the Convergenta transaction (acquisition of shares of non-controlling interests in Media Saturn Holding GmbH). The Media-Saturn Group’s administrative and interdepartmental service companies in Germany are now reported together with those of CECONOMY in the Others segment. They were previously presented in the DACH segment. As well as accounting for the effects of the aforementioned transaction, the change also provides for a better grouping of operating activities on one side and administrative and interdepartmental functions on the other. In segment reporting, the changes only affect the DACH segment, the Others segment and consolidation and have no impact on the net assets, financial position and earnings position of the Group.

The change in segment composition resulted in the following restatements of the prior-year figures for Q2/H1 2022/23:

€ million	DACH			Others			Consolidation		
	Q2 2022/23 before	Restatement	Q2 2022/23 now	Q2 2022/23 before	Restatement	Q2 2022/23 now	Q2 2022/23 before	Restatement	Q2 2022/23 now
External sales (net)	2,888	-3	2,885	107	3	110	0	0	0
Internal sales (net)	10	-10	0	6	46	52	-17	-36	-53
Sales (net)	2,898	-13	2,885	113	49	162	-17	-36	-53
EBITDA	71	1	72	-13	1	-12	0	-2	-2
Depreciation/amortisation and impairment losses	96	-4	91	66	4	70	0	0	0
Reversals of impairment losses	6	0	6	0	0	0	0	0	0
EBIT	-19	6	-14	-79	-4	-82	-0	-2	-2
EBIT adjusted	-3	3	1	-5	-1	-7	-0	-2	-2
Investments	61	-8	53	2	8	10	0	0	0
Non-current segment assets	1,790	-145	1,645	400	145	545	0	0	0
Investments accounted for using the equity method	(0)	(0)	(0)	(385)	(0)	(385)	(0)	(0)	(0)

€ million	DACH			Others			Consolidation		
	H1 2022/23 before	Restatement	H1 2022/23 now	H1 2022/23 before	Restatement	H1 2022/23 now	H1 2022/23 before	Restatement	H1 2022/23 now
External sales (net)	6,827	-7	6,820	257	7	263	0	0	0
Internal sales (net)	20	-20	1	11	113	124	-33	-93	-126
Sales (net)	6,847	-26	6,821	267	120	387	-33	-93	-126
EBITDA	333	-9	324	-21	8	-14	0	1	1
Depreciation/amortisation and impairment losses	192	-9	183	69	9	77	0	0	0
Reversals of impairment losses	6	0	6	0	0	0	0	0	0
EBIT	147	-1	146	-90	-1	-91	0	1	1
EBIT adjusted	162	-1	161	-10	0	-10	0	1	1
Investments	131	-16	115	8	16	23	0	0	0
Non-current segment assets	1,790	-145	1,645	400	145	545	0	0	0
Investments accounted for using the equity method	(0)	(0)	(0)	(385)	(0)	(385)	(0)	(0)	(0)

The main components of segment reporting are described below:

- External sales represent the operating segments' sales with non-Group parties.
- Internal sales show sales with other operating segments.
- Segment EBIT refers to the profit before net financial result and income taxes. Intragroup rental contracts are presented as operating leases in the segments. The properties are leased at market terms. Location-related risks and impairment risks of non-current assets are generally shown in the segments only if they represent risks for the Group. The same applies to deferred assets and liabilities, which are shown at segment level only if this would also be required in the consolidated statement of financial position.
- Segment EBITDA comprises EBIT before depreciation, amortisation, impairment losses and reversals of impairment losses on intangible assets, property, plant and equipment, right-of-use assets and investments accounted for using the equity method.
- In financial year 2023/24, adjusted EBIT, CECONOMY's management-relevant earnings indicator, is adjusted for non-recurring effects and earnings effects from companies recognised at equity and portfolio changes. Non-recurring effects on earnings include effects in connection with the simplification and digitalisation of central structures and processes, legal risks in connection with changes to the legal framework and accounting effects from the application of IAS 29 in hyperinflationary Türkiye. In the comparable reporting period of the previous year, the non-recurring effects also included earnings effects in connection with the strengthening of the sales brands in Germany in addition

to the aforementioned items. In the first half of 2023/24, expenses for non-recurring effects amounted to €29 million (H1 2022/23: €13 million). Income for companies accounted for using the equity method amounted to €43 million (H1 2022/23: €5 million in expenses), resulting from the amortisation of the share in Fnac Darty S.A. Expenses of €4 million (H1 2022/23: €76 million) were recognised for portfolio changes. In the second quarter of 2023/24, expenses for non-recurring effects amounted to €1 million (Q2 2022/23: €11 million). Income for companies accounted for using the equity method amounted to €43 million (Q2 2022/23: €4 million in expenses), resulting from the amortisation of the share in Fnac Darty S.A. Expenses amounting to €4 million (Q2 2022/23: €70 million) were recognised for portfolio changes.

The reconciliation of adjusted EBIT to EBIT is shown below:

€ million	Q2 2022/23	Q2 2023/24
Adjusted EBIT	-21	5
Simplification and digitalisation of central structures and processes	-6	1
Strengthening of the retail brands in Germany	-2	-
Other	-4	-1
Companies accounted for using the equity method and portfolio changes	-74	40
EBIT	-106	44

€ million	H1 2022/23	H1 2023/24
Adjusted EBIT	209	253
Simplification and digitalisation of central structures and processes	-6	-1
Strengthening of the retail brands in Germany	-2	-
Other	-6	-28
Companies accounted for using the equity method and portfolio changes	-81	39
EBIT	115	263

– Segment investments comprises additions (including additions to consolidation group) to non-current intangible assets, property, plant and equipment, right-of-use assets and investments accounted for using the equity method. Excluded here are additions as a result of reclassifying assets held for sale as non-current assets.

– Non-current segment assets comprise all the non-current assets. They particularly do not include financial assets or tax items.

The reconciliation of non-current segment assets to the Group's assets is shown below:

€ million	31/03/2023	31/03/2024
Non-current segment assets	3,322	3,187
Financial assets	137	116
Cash and cash equivalents	1,004	897
Deferred tax assets	446	442
Income tax assets	129	150
Other entitlements to tax refunds ¹	147	128
Inventories	3,061	3,108
Trade receivables and similar claims	418	522
Receivables due from suppliers	993	1,245
Prepaid expenses ¹	65	56
Receivables from other financial transactions ^{2, 3}	5	0
Assets held for sale	61	0
Other ^{1, 2, 3, 4}	127	140
Group assets	9,917	9,990

¹ Included in the "Other assets (current)" balance sheet item

² Included in the "Other financial assets (current)" balance sheet item

³ Included in the "Other financial assets (non-current)" balance sheet item

⁴ Included in the "Other assets (non-current)" balance sheet item

- The transfer pricing system between the segments is based on licence allocation on a cost-plus basis, which comprises cost relief in connection with routine services. The licence allocation, which is calculated on the basis of the segments' sales, covers the use of brands in the Group, among other things.

Contingent liabilities

CECONOMY has contingent liabilities of €51 million in the first half of 2023/24 (H1 2022/23: €18 million). These relate primarily to bank guarantees and income taxes as well as VAT.

Other legal matters

CECONOMY is not currently involved in legal disputes, investigations or other legal matters that could have a material influence on CECONOMY's economic situation or otherwise be of significant importance for CECONOMY.

RELATED PARTY DISCLOSURES

In the first half of the 2023/24 financial year, there was a significant change in the assessment of related parties with significant influence. Taking into account the requirements set out in IAS 28.5 f., CECONOMY concludes that these criteria are no longer met with regard to Franz Haniel & Cie. GmbH (Haniel) due to changed structures. As a result, Haniel is no longer considered a related party of CECONOMY within the meaning of IAS 24, meaning that there is no longer an obligation to disclose the relevant transactions.

EVENTS AFTER THE REPORTING DATE

➤ Information on events after the second quarter can be found on page 10.

RESPONSIBILITY STATEMENT OF THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles for half-yearly financial reporting, the half-yearly consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the material opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Düsseldorf, 13 May 2024

The Management Board



Dr Karsten Wildberger



Dr Kai-Ulrich Deissner

REVIEW REPORT

TO CECONOMY AG, DÜSSELDORF

We have reviewed the condensed consolidated interim financial statements – comprising the income statement, the reconciliation from profit or loss for the period to total comprehensive income, the statement of financial position, the condensed statement of changes in equity, the cash flow statement and selected explanatory notes - and the interim group management report of CECONOMY AG, Düsseldorf, for the period from 1 October 2023 to 31 March 2024 which are part of the half-year financial report pursuant to § [Article] 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our re-view.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) and supplementary compliance with the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, 13 May 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Verena Heineke

German Public Auditor

Christian David Simon

German Public Auditor

FINANCIAL CALENDAR

Quarterly statement Q3/9M 2023/24	Wednesday	14 August 2024	7:00 a.m.
Annual report Q4/FY 2023/24	Wednesday	18 December 2024	7:00 a.m.

All time specifications according to German time.

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GENERAL INFORMATION

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Disclaimer

This half-year financial report contains forward-looking statements. Such forward-looking statements are based on certain assumptions and expectations at the time of publication of this release. These statements are therefore subject to risks and uncertainties, which means that actual results may differ substantially from the future-oriented statements made here. Many of these risks and uncertainties relate to factors that are beyond CECONOMY AG's ability to control or estimate precisely. This includes future market conditions and economic developments, the behaviour of other market participants, the achievement of expected cost savings and productivity improvements, as well as legal and political decisions. CECONOMY AG does not undertake any obligation to publicly correct or update these forward-looking statements to reflect events or circumstances that have occurred after the publication date of this quarterly statement and associated material.