

Press Release

MediaMarktSaturn accelerates growth: CECONOMY reports strong increase in sales, profit and market share

- Sales¹ up 6.5 per cent, half-year figure at €12.3 billion (+4.8 per cent)
- Profitability significantly increased, adjusted EBIT² increased to €253 million in the first half of the year
- Services & Solutions sales^{3,4} up 14.5 per cent in the quarter
- Marketplace sales (GMV) more than doubled in the quarter
- Retail Media revenue almost quintupled in the quarter
- Online sales increased by 8.8 per cent in the quarter
- Customer satisfaction - NPS (Net Promoter Score) reaches new high of 58
- Strong liquidity at the end of the first half of the year
- CECONOMY specifies outlook for 2023/24: Expected adjusted EBIT in the range of €290 million to €310 million exceeds market expectations

CEO Dr Karsten Wildberger:

"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 expanded our market share in almost all countries - both online and offline. And we have significantly increased our profitability. This shows: We are consistently implementing our transformation strategy. We have grown significantly in our strategic growth areas of Services & Solutions, Marketplace and Retail Media. These successes are the result of the consistent implementation of our future transformation, which puts the customer at the centre. I would like to thank all employees for their great commitment, as this success is only possible thanks to their work. With our momentum, I am confident about the second half of the year and am pleased that we have been able to specify our outlook in a positive direction."

Dusseldorf, 15 May 2024 - CECONOMY AG ("CECONOMY"), Europe's leading consumer electronics company, increased its sales by 6.5 per cent¹ to €5.3 billion in the second quarter of 2023/24 (Q2 2022/23: €5.3 billion). The company achieved a trend improvement

¹ Currency and portfolio-adjusted sales, before IAS 29

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

³ Excluding portfolio changes (Sweden, Portugal), before IAS 29. Growth additionally adjusted for currency effects.

⁴ Including Operative Services & Solutions, Retail Media, [MM](#) marketplace commissions and fees, deliveries.

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in all regions compared to the first quarter and achieved growth both in its brick-and-mortar business and online³. In the first half of the year, the company increased its sales by 4.8 per cent¹ to €12.3 billion (H1 2022/23: €12.3 billion) compared to the same period of the previous year.

On the earnings side, adjusted EBIT² rose by €26 million to €5 million in the quarter compared to the previous year. In the first six months, adjusted EBIT² climbed by €44 million to €253 million, an increase of 21 per cent compared to the previous year (H1 2022/23: €209 million). In addition to the improvement in sales and product margin, as well as continued strict cost control, the positive development of the growth areas Services & Solutions, Marketplace and Retail Media and the increased share of private label products in the Group's sales mix contributed to this result.

Improving trend: market share gains in almost all countries

CECONOMY recorded market share gains in eight out of eleven countries in the second quarter, continuing its strong momentum. Particularly good sales growth was achieved in Turkey, Spain, Benelux and Austria. Profitability also increased in Spain and the Benelux countries. In Germany, the largest single market, a higher product margin and strict cost discipline compensated for a slight decline in sales.

Half-year results: online business accounts for almost 25 per cent of total sales

In the second quarter, CECONOMY and MediaMarktSaturn's online business grew in all regions and recorded an increase of 8.8 per cent¹ to sales of €1.2 billion (Q2 2022/23: €1.1 billion). The successful launch of new web shops in Poland and Switzerland had a positive impact, among other things. In the first half of the year, the Group achieved an online share of 24.9 per cent (H1 2022/23: 24.0 per cent).

Right on target: Operational Services & Solutions, Marketplace and Retail Media businesses grow strongly

In the highly profitable Services & Solutions business^{3,4}, a cornerstone of the corporate strategy, CECONOMY increased sales by 14.5 per cent to €349 million in the second quarter (Q2 2022/23: €311 million). The company made gains in the Operative Services & Solutions segment, for example with its offers for extended warranties and mobile phone contracts.

The Marketplace offering, an extension of MediaMarktSaturn's product assortment, also continues to develop favourably: CECONOMY more than doubled its Marketplace sales

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(gross merchandise value) in both the second quarter and the first half of the year. By the end of March, around 1,300 sellers with a total of over 1.7 million products were already represented on the platform. The Marketplace offering was rolled out in the Netherlands at the beginning of March 2024. The company plans to make it available in Italy later in the year.

CECONOMY also recorded significant growth in the strategically important Retail Media segment: in the second quarter, the Group increased its earnings almost fivefold compared to the previous year. In the first six months of the financial year, earnings tripled. CECONOMY continues to expand its range of Retail Media products and solutions in all its markets. CECONOMY's Retail Media assortment now includes advertising products for Marketplace sellers as well as new solutions based on insights into consumer behaviour. Both new solutions have been well received by manufacturers.

All-time high: customer satisfaction continues to rise

CECONOMY and MediaMarktSaturn are focussing on continuously improving the customer experience and customer satisfaction (measured by the NPS = Net Promoter Score). In the course of the second quarter, the NPS reached 58 points, once again exceeding the previous high from the first quarter. Compared to the same period of last year, the Group was able to increase the NPS by 5 points.

Solid financial structure: strong liquidity with significantly improved product availability

Free cash flow totalled €229 million in the first half of the year, resulting in a strong liquidity position of €897 million with significantly improved product availability.

"In the second quarter, we recorded increased momentum in sales and EBIT both in our core business and in our growth areas," said Dr Kai-Ulrich Deissner, CFO of CECONOMY and MediaMarktSaturn. "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 compared to the previous quarter. We are thus continuing to work step by step to achieve the medium-term targets we presented to the capital market."

Specified outlook: Slight increase in currency and portfolio-adjusted total sales and adjusted EBIT in the range of €290 million to €310 million

CECONOMY has specified its outlook for the full financial year 2023/24: The company expects a slight increase in currency- and portfolio-adjusted total sales and now an adjusted

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EBIT in the range between €290 million and €310 million. All segments will contribute to sales growth. The expected improvement in adjusted EBIT should primarily result from the Western/Southern Europe segment.

CEO Dr Karsten Wildberger: "The impressive performance of our team in the first half of the year strengthens my confidence for the year as a whole and makes it clear that we have laid the strategic foundations for further success – especially with regard to our goal of future renewal."

About CECONOMY

CECONOMY AG makes it easier to live in the digital world. It is the leading company in Europe for concepts and brands such as MediaMarkt, MediaWorld and Saturn in the consumer electronics sector. The companies in the CECONOMY portfolio have billions of consumer contacts each year and offer products, services and solutions that make living in the digital world as easy and enjoyable as possible. This helps them create added value for customers and for investors.

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