

German Small Cap Select

mwb research

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CECONOMY AG

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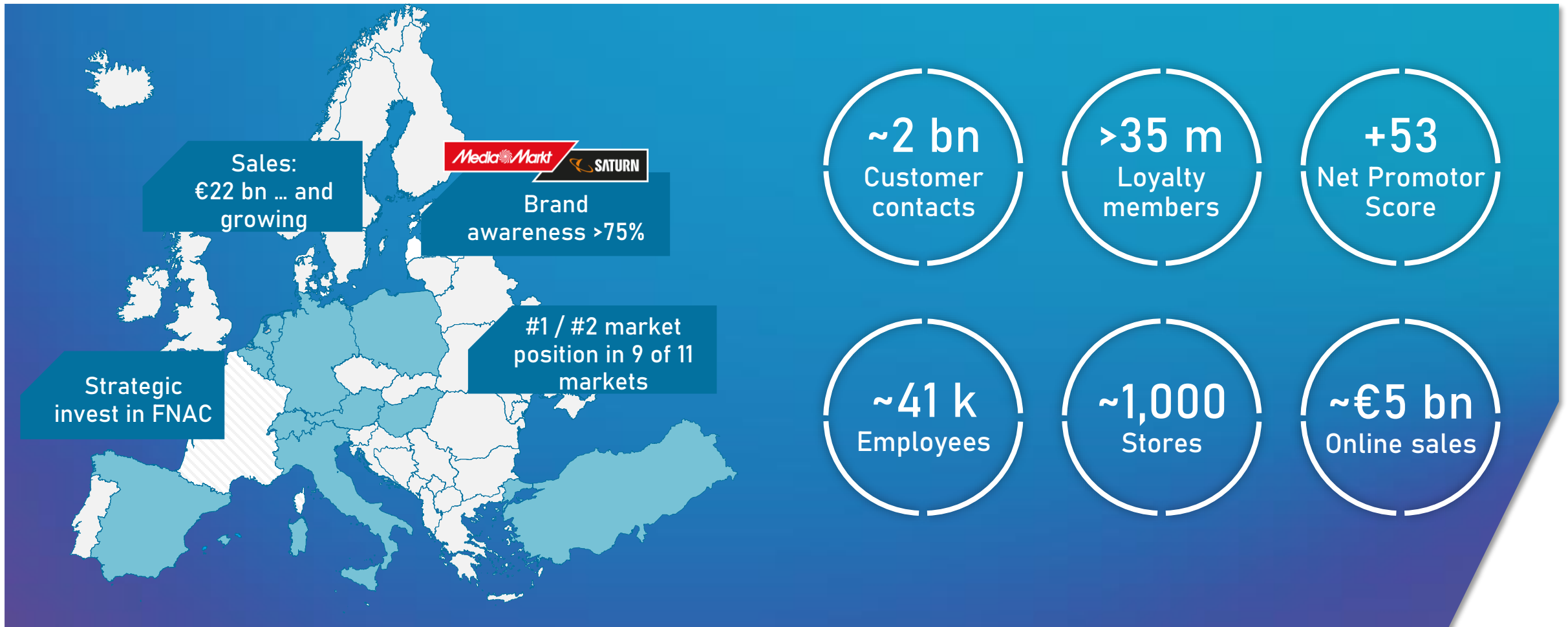
- I. CECONOMY at a glance
- II. Our strategy & mid-term outlook
- III. Financial highlights FY 22/23 – Q1 23/24

Agenda

Highlights summary: Transformation gains traction

- / Reinvented long term business model („from retail to service platform“) with tangible progress in reducing exposure to traditional retail business
- / Strong diversification across business models, regions, and product categories
- / Prudent financial policy and ample liquidity underpinned by a strong improvement of leverage ratio
- / Outlook for FY 23/24 confirmed with slight sales increase and clear EBIT increase
- / We are on track to reach > €500 m EBIT and ca €200 m FCF by FY 25/26







MediaMarktSaturn is market leader in consumer electronics in Europe



All figures refer to FY 22/23

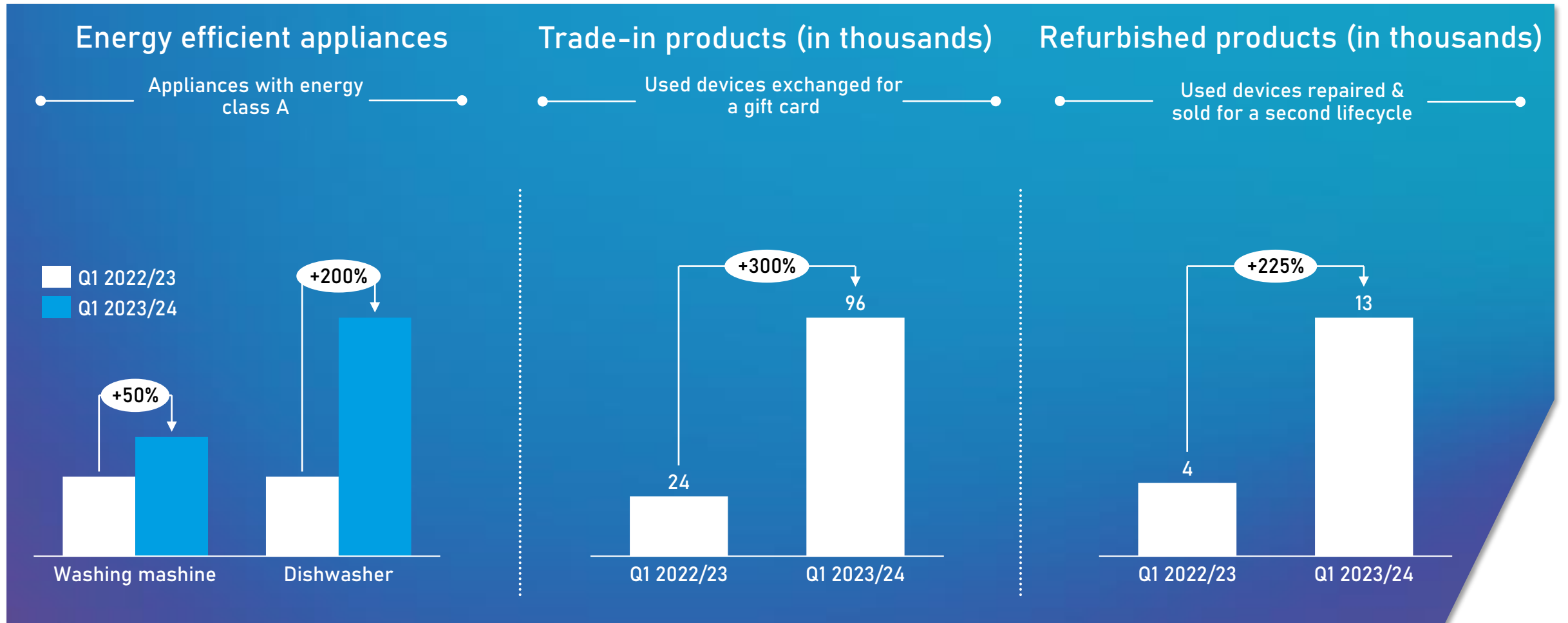
We operate in a constantly growing industry

Growth opportunities

	<p>Sustainability Sustainable and energy-efficient products</p>	+50%	CAGR in energy-efficient category segments ¹
	<p>AI-powered consumer electronics products AI enhancing user experiences by innovative features</p>		some of the most evident applications of AI are smart home, creativity and productivity
	<p>Affordable premium More premium products in key categories</p>	47%	of consumers prefer fewer but higher quality items ¹
	<p>New categories Growth in new categories – health, mobility, virtual reality</p>	+10%	CAGR ^{2,3}
	<p>Adjacent service business Services for higher convenience and “peace of mind”</p>	+16%	CAGR ^{2,3}

¹GfK trend analysis, Source: GfK, CECONOMY analysis; ²Including MMS countries, Denmark, France, Norway, Russia, and United Kingdom; ³Including smart home devices, addressable residential solar PV, AR/VR devices, addressable e-mobility, and digital health

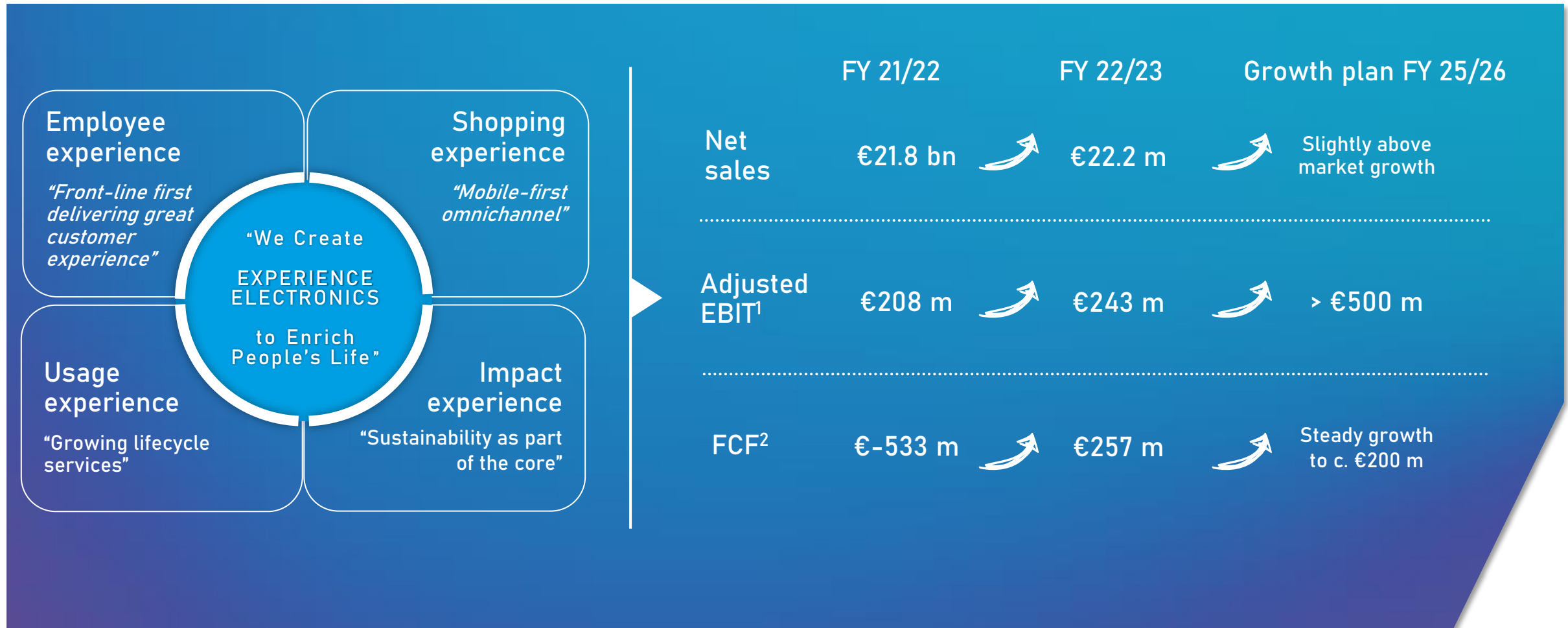
Sustainability is part of our our DNA and represents a growing business opportunity



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We create Experience Electronics to enrich people's life – our omnichannel strategy shows visible progress

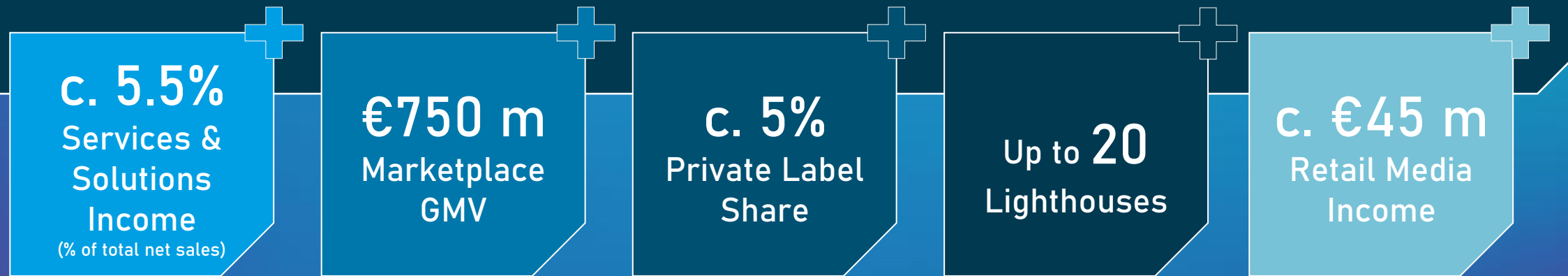


¹Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects; ²Adjusted for IFRS 16 leases

We are moving from Consumer Electronics retail to a retail service platform with additional business models and clear KPIs

Ambition until FY 25/26

Retail Core: Moderate Sales Growth & c. 30% Online Share



>€500 m EBIT¹ FY 25/26

¹Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects


We continue to make good progress on our KPIs with regular capital markets updates

Business fields	KPI	FY 2021/22	FY 2022/23	Target FY 2025/26	Current Trend Q1 23/24
Retail Core	Loyalty members ¹	34 m	39 m	50 m	↖
Retail Core	Online share	25%	23%	c. 30%	→
Retail Core	Modernization rate ¹	30%	50%	> 90%	↑
Retail Core	Stock reach progress ¹	10.3 weeks	9.1 weeks (-11%)	- 10%	↑
Space-as-a-service	# Lighthouses ¹	5	8	Up to 20	↖
Services & Solutions	Income in % of total sales ²	4.5%	4.5%	c. 5.5%	→
Marketplace	GMV	€65 m	€137 m	€750 m	↑
Private Label	Private Label share	2.3%	2.4%	c. 5%	→
Retail Media	Income	c. €5 m	€18 m	c. €45 m	↑


¹31 December 2023. ²Operational Services & Solutions income in % of total net sales (excluding e.g., Retail Media, Marketplace commissions & fees, deliveries).

Our transformation is expected to lead to a more than doubling of our EBIT by FY 25/26.

Key financial figures	FY 21/22	Growth plan FY 25/26
Adjusted EBIT	€208 m ¹	>€500 m
Gross margin	17.6% ¹	c. 20%
Adjusted OPEX ratio	17.7% ¹	c. 18%
Net Sales	€21.1 bn ¹	Slightly above market growth
Cash Investments	€254 m	c. €300 m
Free Cash Flow ²	-€533 m	Steady growth to c. €200 m



EBIT increase of c. 150%

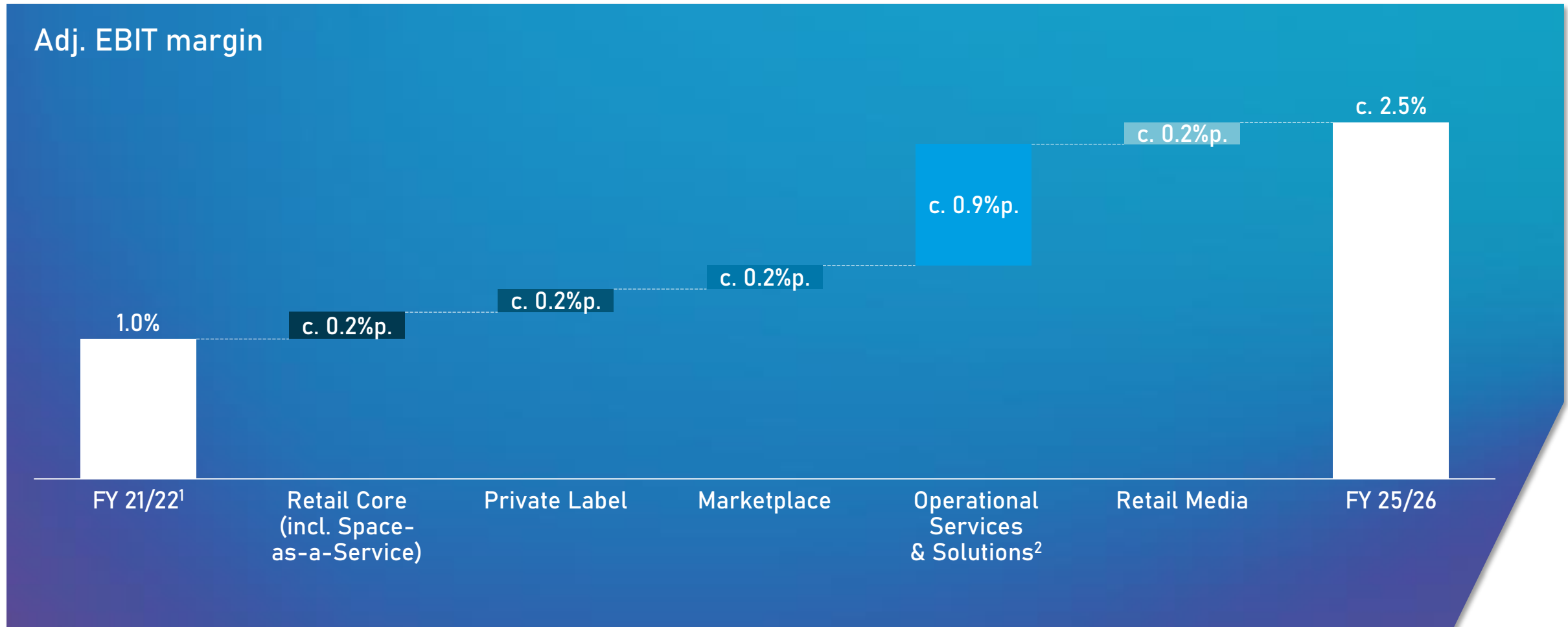


Free Cash Flow increase of c. €700 m

¹Portugal & Sweden adjusted; ²Adjusted for IFRS 16 leases

With the service businesses playing the biggest role in profitability increase

Simplified approximation

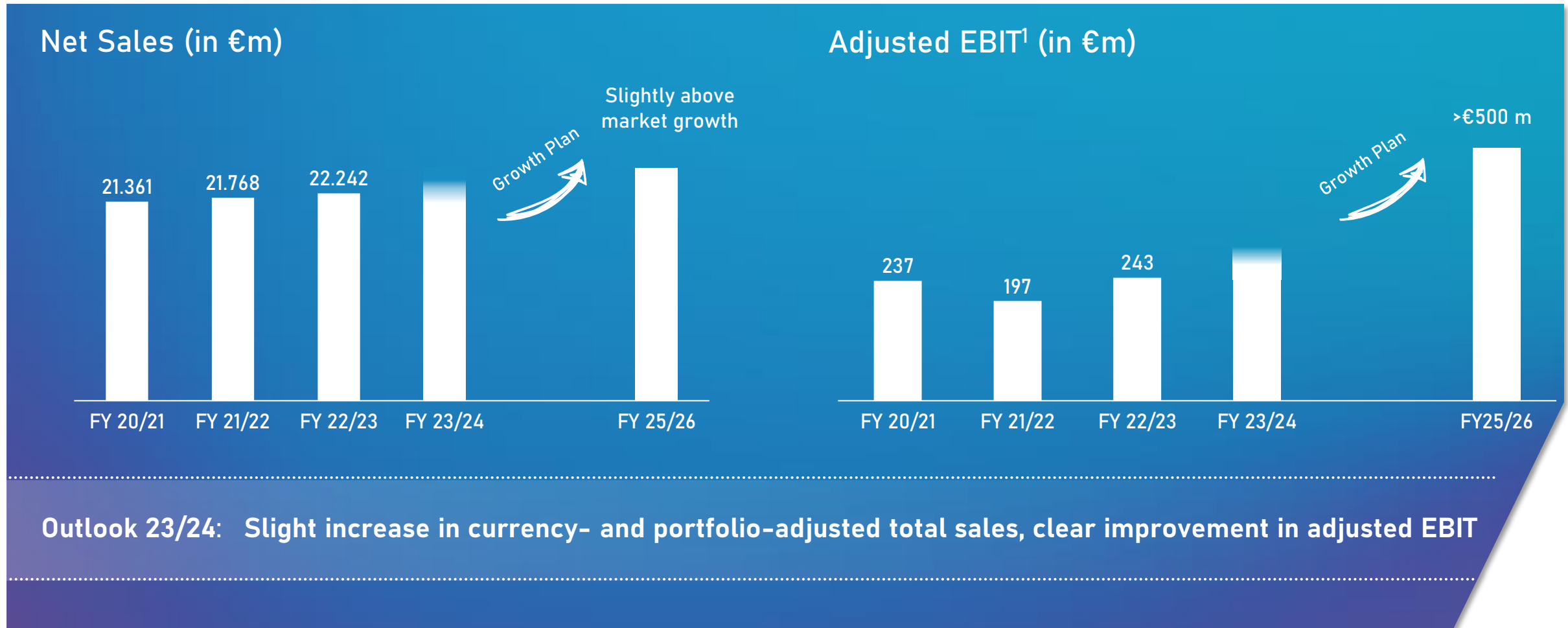


¹Portugal & Sweden adjusted; ²Operational Services & Solutions income in % of total net sales (excluding e.g., Retail Media, Marketplace commissions & fees, deliveries)

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With a strong FY 22/23, we are moving further towards our FY 25/26 targets

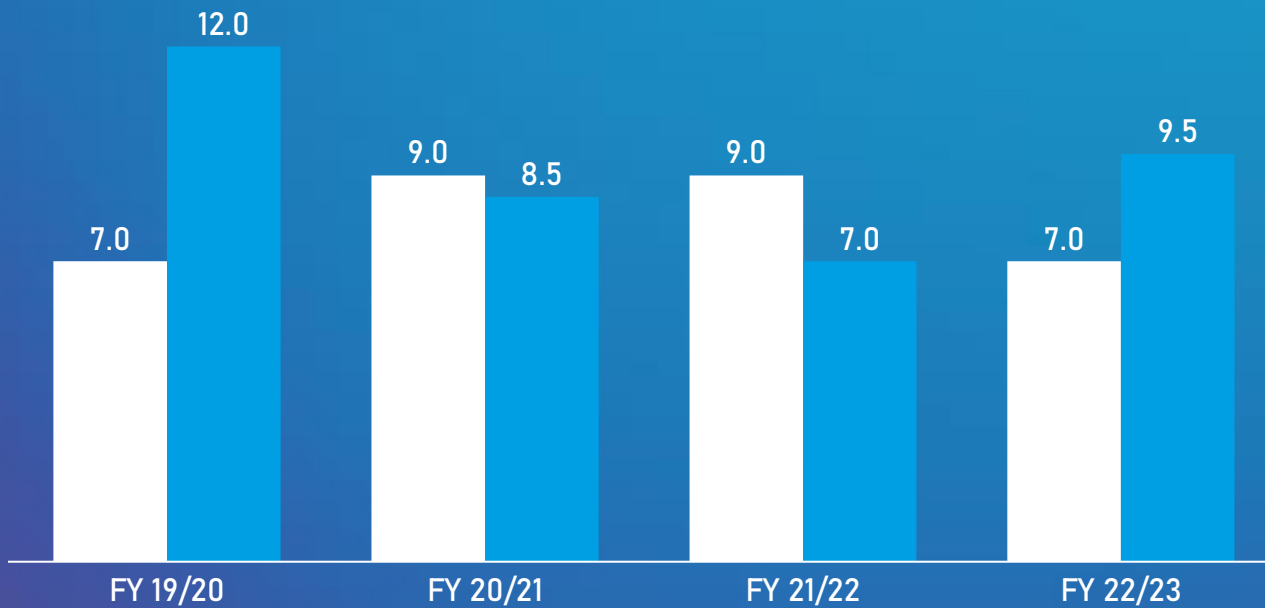


¹Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects

We also recorded further increase in ROCE in FY 22/23

Return on capital employed (%)

Industry average
 CECONOMY



/ +150 bp ROCE improvement in FY 22/23

/ Positive trend vs. sector average

Strong start of the FY 23/24 with +8% adj EBIT growth driven by gross margin improvement

Total Sales

+3.7%¹ to € 7.0bn

Online

Sales up +3.9%¹

Online share 26.4%²

+60bp vs. PY

Growth businesses

Marketplace: +125% GMV

Retail media:

>90% income growth

Operational S&S income
in line with sales growth³

Net Promoter Score (NPS)

+3 points vs. PY to 56

Gross margin

+50bp gross margin
improvement²

Mainly driven by product
margin

Adjusted EBIT⁴

+7.8% to € 248m

Earnings per Share (EPS)

€ 0.30 up +16% vs. PY

Free Cashflow (FCF)

€ 1.5bn FCF generated

Liquidity well above € 2bn

¹Sales adjusted for fx- and portfolio effects, pre-IAS 29. ²Excluding Sweden and Portugal, pre-IAS 29, Online share including Marketplace. ³Excluding one-off effects. ⁴ Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects

Our Purpose

“We Create

EXPERIENCE
ELECTRONICS

to Enrich
People’s Life”

Additional information

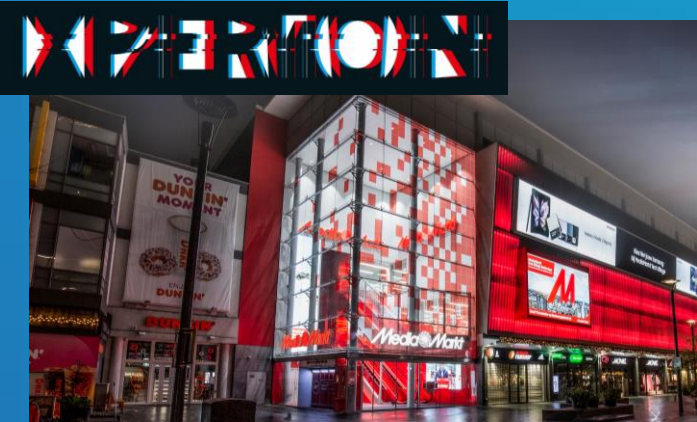
Four store formats, all around experience zones, services, and the human touch

Retail core

LIGHTHOUSE

Inspiration and Experience

>4,000sqm



CORE

Availability and Advice

c. 1,200-3,500sqm



XPRESS

Proximity and Convenience

c. 400-1,100sqm



SMART

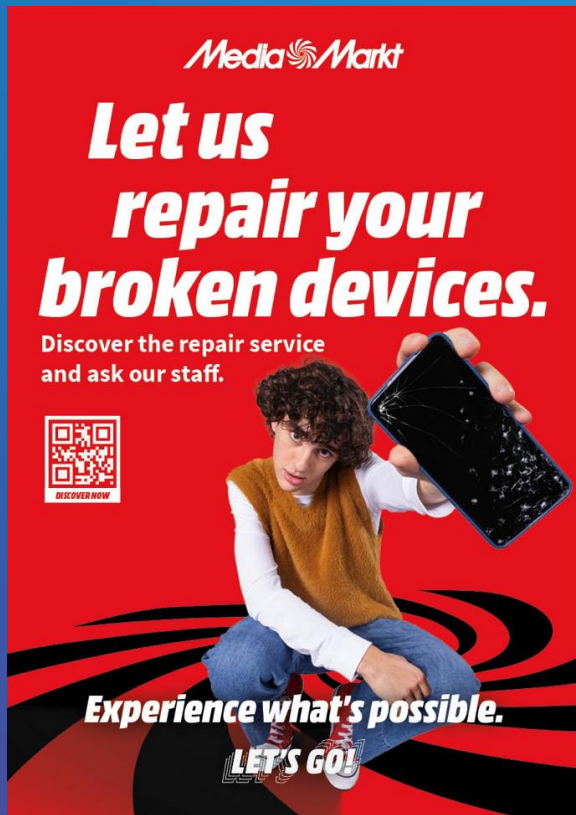
Omnichannel and City center location

c. 70-500sqm



Today's big variety of Services & Solutions Portfolio

c. 5.5%¹
Services & Solutions Income



-  Insurance and warranties (partner based)
-  Telecom and digital products
-  Advice, Installation and Repair Services
-  Consumer Financing (partner based)
-  Sustainability services and others

¹Ambition FY 25/26

Marketplace is the key driver to enrich our assortment

€750¹ m
Marketplace GMV

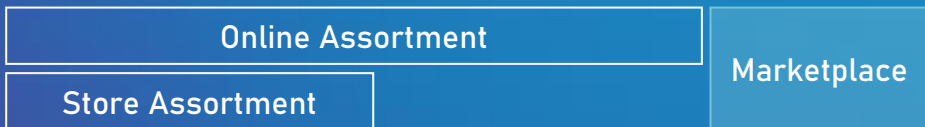
Breadth of assortment →

Yesterday



Reduction of online/
offline assortment

Today



Launch of
marketplaces

Tomorrow



/ Marketplace offers max. choice & availability, reduces our stock and generates commissions

/ Currently c. 1,300 sellers offering c. 1,8 m SKUs with aim to further accelerate

/ Live in 4 countries, representing ~70% of our footprint, with further roll-outs planned



¹Ambition FY 25/26

Our margin accretive private labels are an important part of our assortment

c. 5%¹
Private Label Share

Three key consumer demands...

...addressed by our four very strong private labels

1 Price
Consumers are value-focused and want to buy for the best price

2 Quality
Unbroken consumer demand for high-quality products

3 Design
Consumers value simple and timeless product design

Consumer appliances



Consumer electronics



Accessories for devices



KOENIC

Household appliances for every situation

PEAQ

Consumer electronics par excellence

ISY

Electronic lifestyle products with added value

ok.

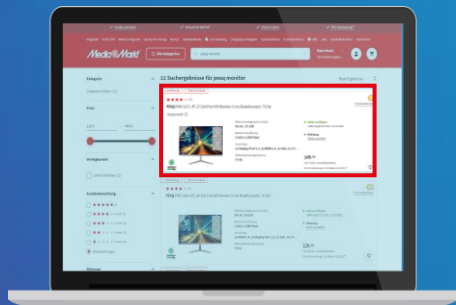
Functional everyday appliances

¹Ambition FY 25/26

We provide an attractive Retail Media platform for our partners

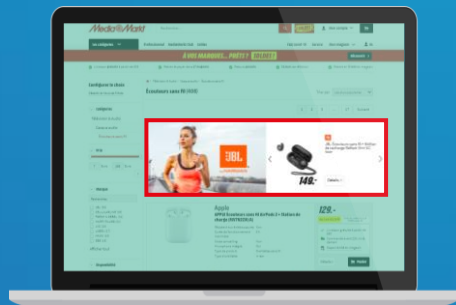
c. € 45¹ m
Retail Media
Income

Sponsored Product Ad



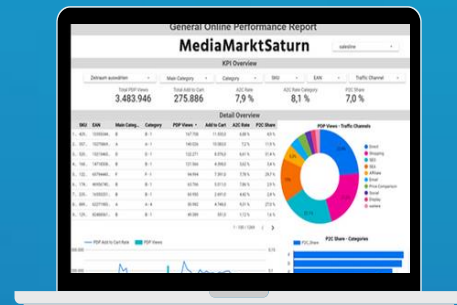
Increase sales and market share based on customer-relevant data including self-service functionality

Sponsored Brand Ad



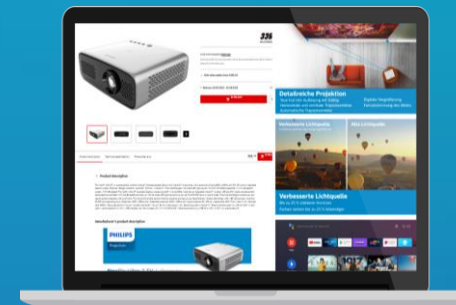
Increase brand awareness across the entire funnel

Consideration & Action Report



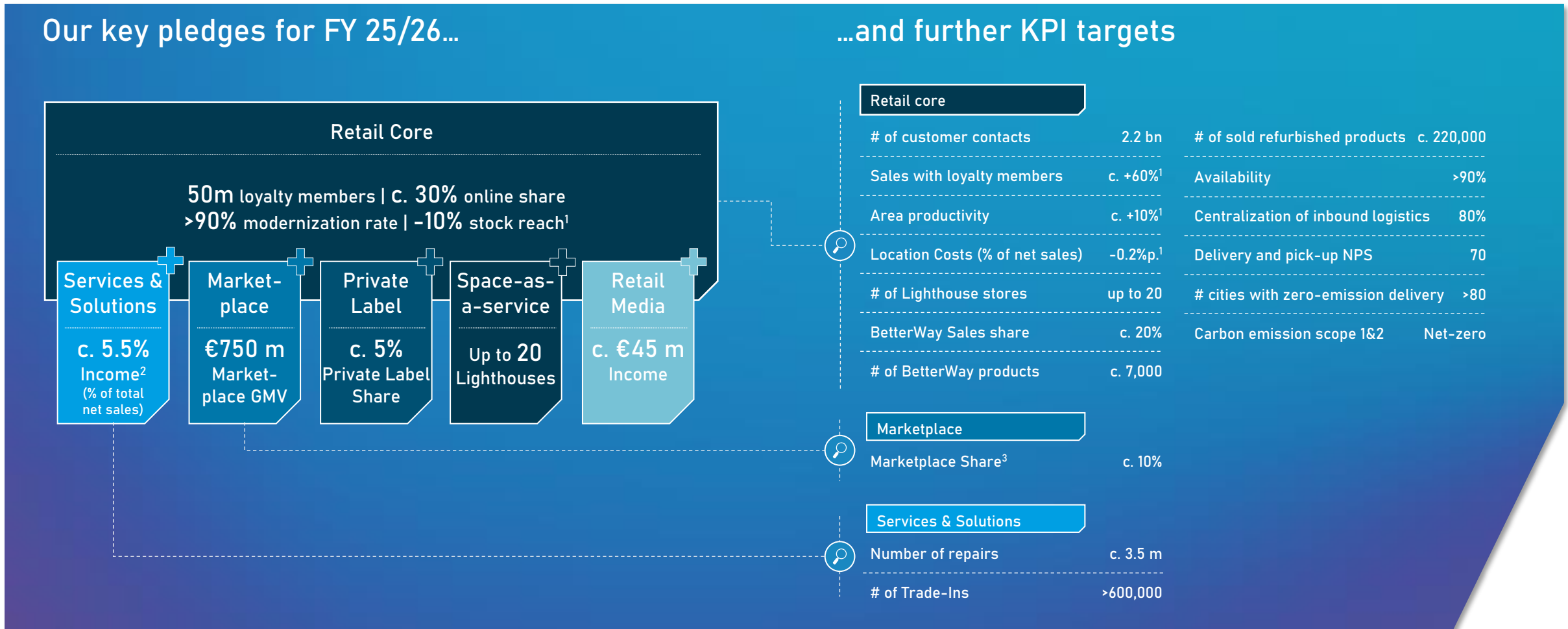
Access to all insights to make data-driven decisions

A+ Content



Transforming the product detail page into a customer experience to boost conversion rates

Our key pledges for FY25/26 – regularly communicated to capital markets



¹Compared to FY 21/22; ²Operational Services & Solutions income in % of total net sales (excluding e.g., Retail Media, Marketplace commissions & fees, deliveries); ³Marketplace gross merchandise value in % of total gross merchandise value (Marketplace + Retail Online), only countries with a Marketplace considered

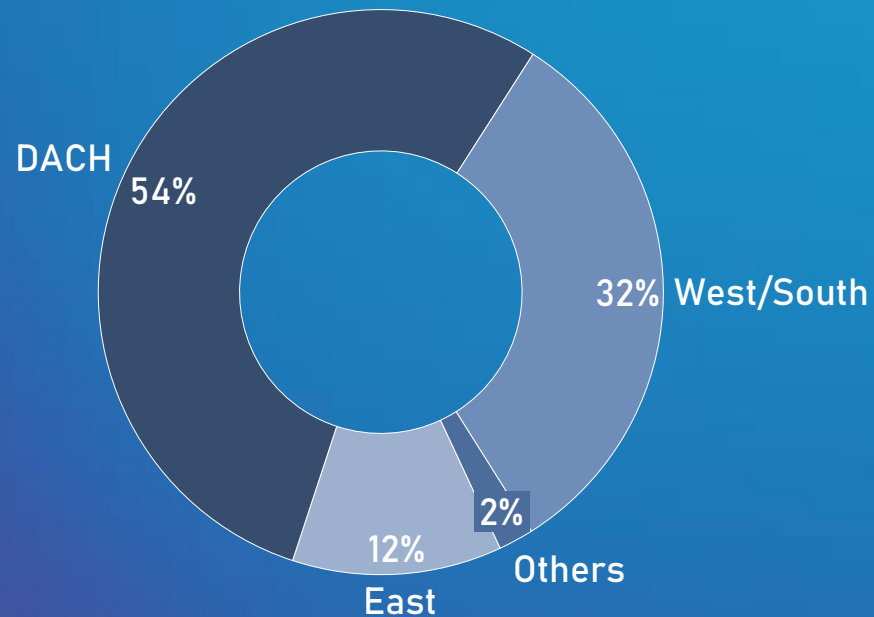
While improving our leverage ratio along the way



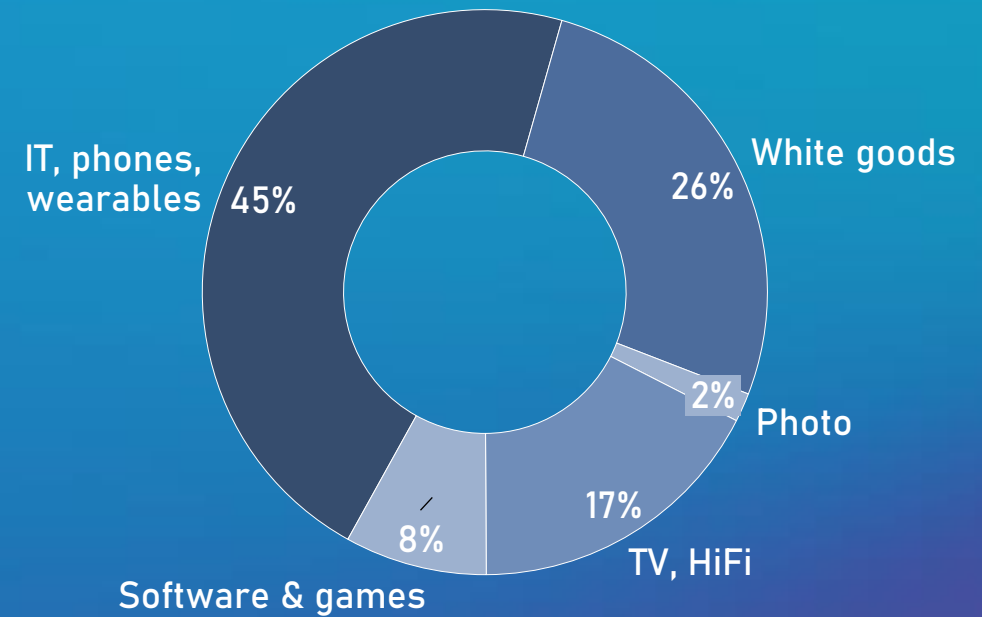
¹For corporate and trade tax

We are well-diversified in terms of both regional and product sales

Sales share by region FY 22/23

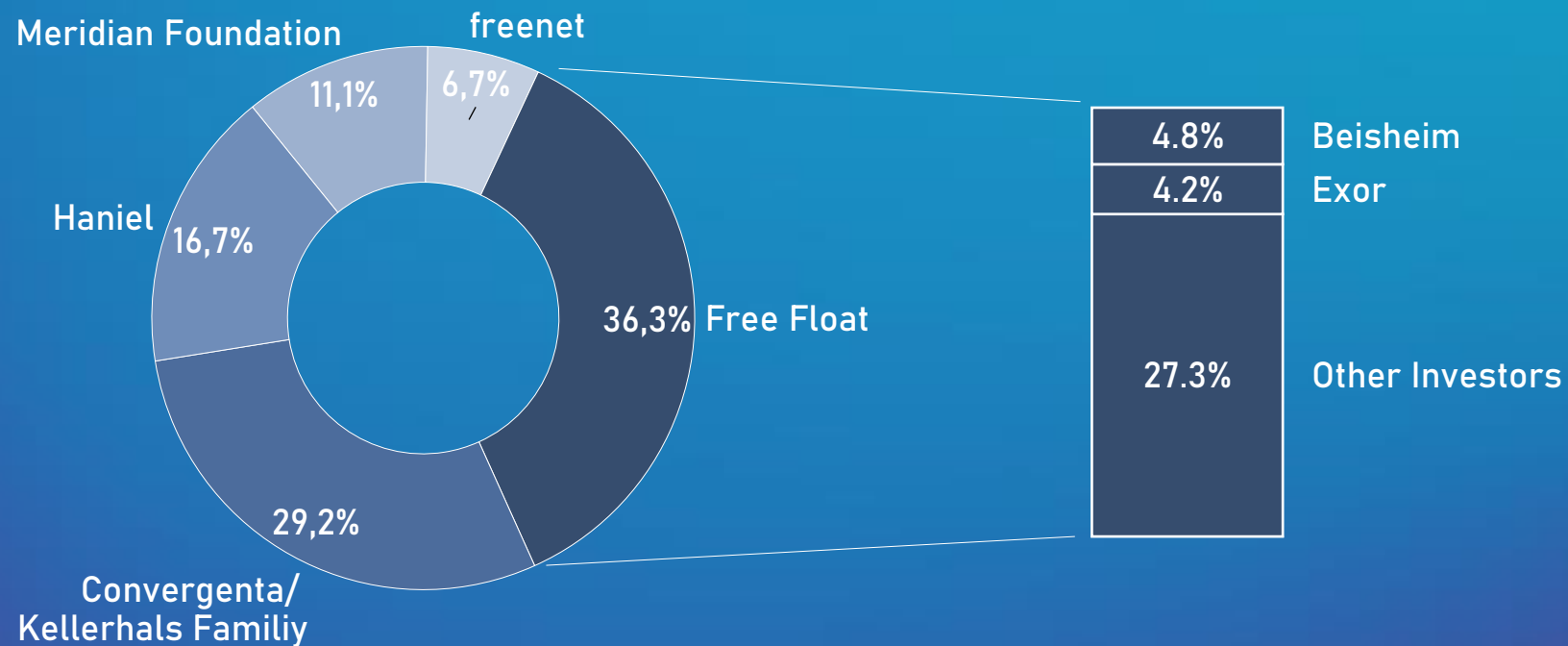


Product sales per category FY 22/23



CECONOMY's shareholder structure

Shareholder structure based on voting rights



¹Voting rights notifications pursuant to sections 33 et. seq WpHG (excl. Instruments) as well as notifications pursuant to Art. 19 EU Market Abuse Regulation (Directors' Dealings) are taken as the basis for the calculations; total number of shares/voting rights: 485,221,084 as of 20.09.2023; ²Free float as defined by Deutsche Börse (German Stock Exchange), <https://deutsche-boerse.com/dbg-en/our-company/know-how/glossary/glossary-article/Float-246568>

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