



## CECONOMY @ Baader Investment Conference

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20 September 2022

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All numbers shown are as reported, unless otherwise stated. All amounts are stated in million euros (€ million) unless otherwise indicated. Amounts below €0.5 million are rounded and reported as 0. Rounding differences may occur.

In the document, the term "CECONOMY" will be used (for simplicity reasons) also in situations where the business of MediaMarktSaturn Retail Group is concerned.



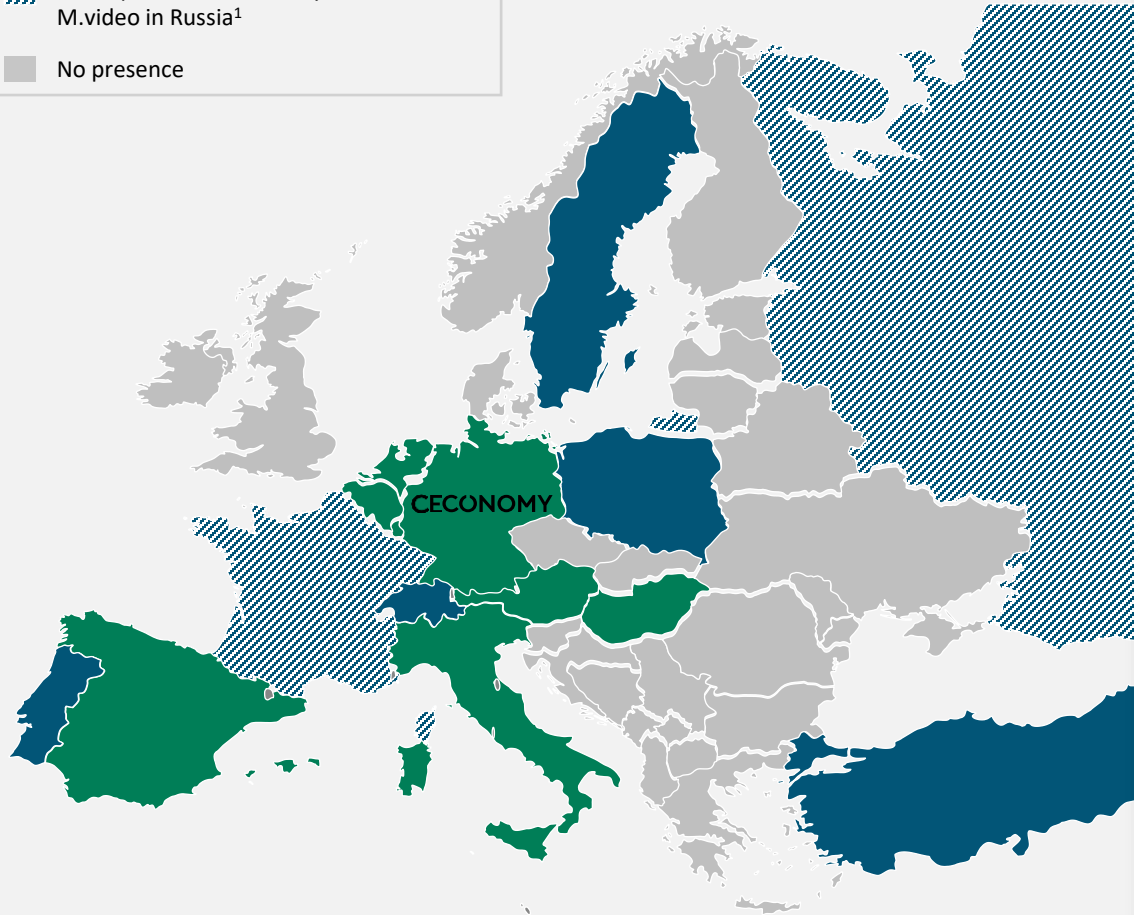
1

**COMPANY PROFILE**

2

**WAY FORWARD**

# We are the largest and well known Consumer Electronics specialist in Europe



Sales
<b>21.4</b> €bn

Online Sales
<b>6.9</b> €bn

Adj. EBIT
<b>237</b> €m

FTE
<b>~45k</b>

Customer Contacts
<b>&gt;2.5</b> bn

Stores
<b>&gt;1,000</b>

## Popular and highly recognized brands

- Aided brand awareness at close to 100% across all countries<sup>2</sup>
- Unaided brand awareness on average at 70%<sup>2</sup>

## Market leader in Europe

- # 1 or # 2 in 8 out of 13 countries of presence

## Online expansion

- Online sales share significantly above pre-COVID-19 levels plus growing marketplace
- C. 40% in-store pick-up rate creating additional cross-selling opportunity

Note: All figures based on FY 20/21. <sup>1</sup>Source: Own CECONOMY analysis based on market research data by GfK and further market research sources. <sup>2</sup>Source: Kantar, Brand Health Tracking.

# We are changing into a leading customer-centric omnichannel player

From		To	Achievements
Transaction	▶	Experience	NPS improvement Services & Solutions as key differentiator
Decentral	▶	Smart central	Organizational re-design implemented, and cost targets overachieved Logistics optimization
Bricks & Mortar	▶	Omnichannel	65% online growth in FY 20/21 New store formats
Fixing	▶	Creating	Marketplace expansion Extended assortment



# We are modernizing our store landscape

Store refresh program: >500 core formats by FY 22/23

~ 150



Remodelled since  
start of program

+ ~ 120



Plan for H2 21/22

+ ~ 250



Plan for FY 22/23



Capex-light remodelling



Increased flexibility regarding  
usage of retail space

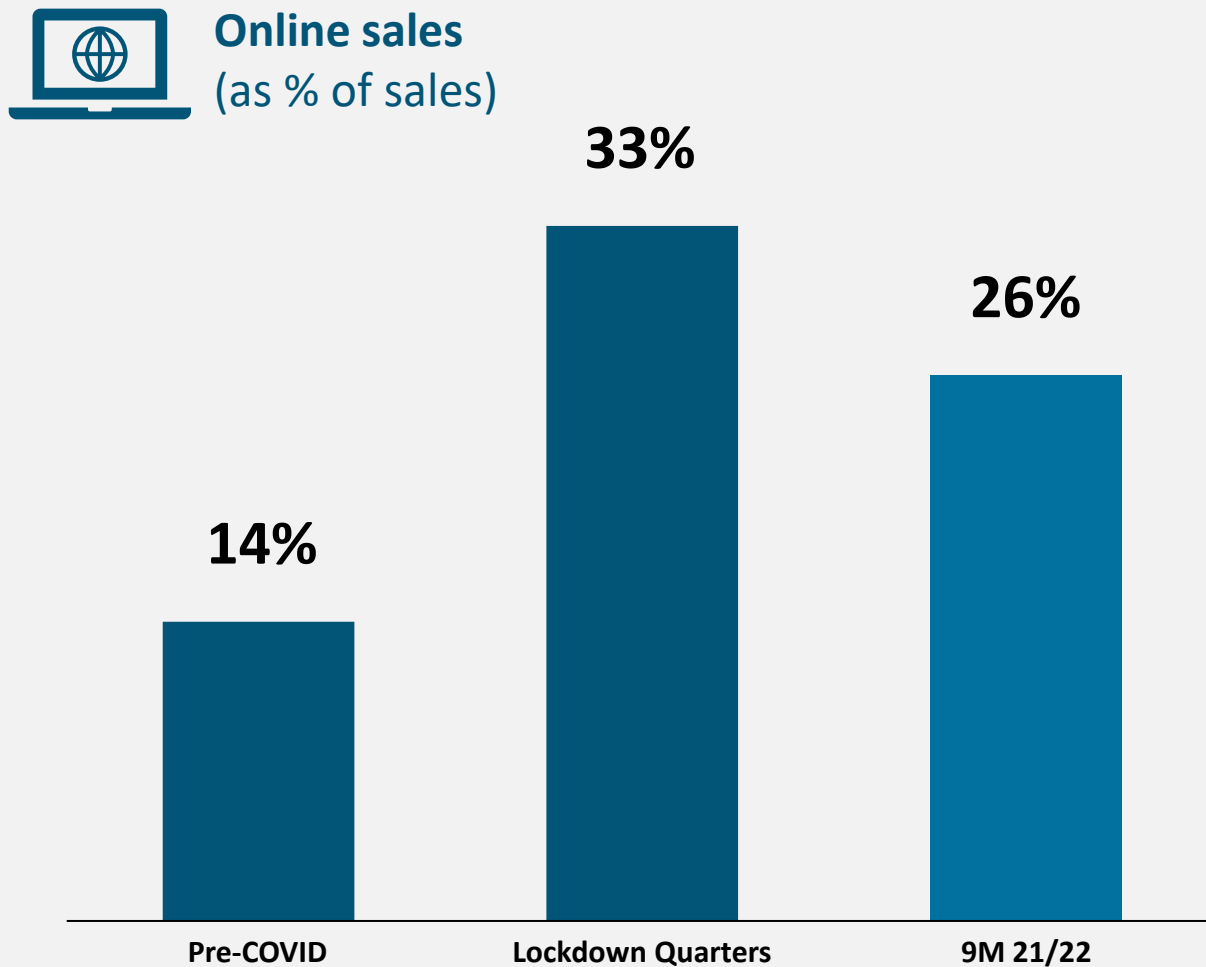


Improved store economics  
and lifted profitability expected



Positive customer feedback  
shows relevance

# We are growing our Online business



3rd largest webshop in Germany<sup>1</sup>,  
2nd largest CE webshop in Europe<sup>2</sup>



COVID-19 as a catalyst for strong  
growth in online business



Sales spiked during lockdowns  
and remained at elevated levels



Continuous improvement of UX  
and delivery excellence fuels growth

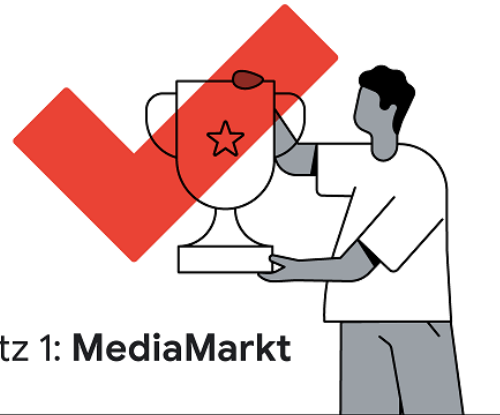
<sup>1</sup>This refers to the MediaMarkt and Saturn webshops combined. Source: EHI – E-Commerce Markt Deutschland 2021. <sup>2</sup>Own analysis based on company reports.

# We are receiving recognition for our efforts and our progress



#1 in customer satisfaction

Google  
Omnichannel Excellence Study 2022



Platz 1: MediaMarkt

Omnichannel player

Best German ESG Retailer 2022



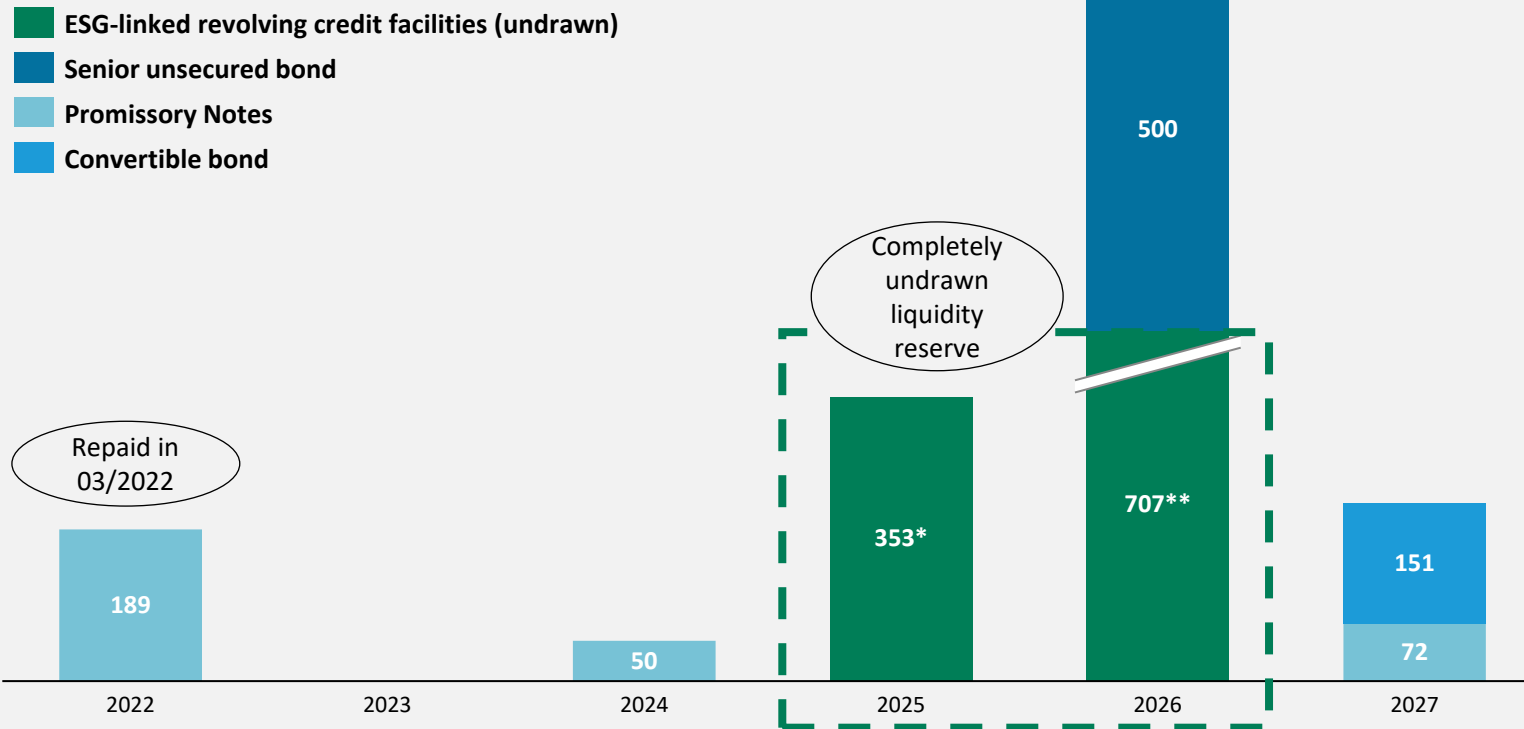
Leading ESG player



# We sustainably secured our financial flexibility with an extended, long-term maturity profile



## Post-pandemic financing structure (€m)



\* With one one-year extension options; first extension option executed in 04/2022

\*\* With two one-year extension options (2023/2024)

- ▶ **Revolving Credit Facilities (RCF – completely undrawn):** First extension option was used to extend the 3-year facility by one year until May 2025 → all bank partners have extended their commitment
- ▶ **Issuance of 60 m€ Promissory Notes (SSD)** in 06/2022 to strengthen long-term funding of the group
- ▶ **Convertible bond (CB)** issuance as part of the full takeover of MediaMarktSaturn in 06/2022



1

**COMPANY PROFILE**

2

**WAY FORWARD**

# Outlook FY 21/22: Adjusted due to adverse macro conditions

## Sales<sup>1</sup>

**On PY level**  
*[20/21: €21,361m]*

## Adj. EBIT<sup>2</sup>

**€150 m to €210 m**  
*[20/21: €237 m]*

## Underlying assumptions

The previous outlook assumed that consumer sentiment would improve after COVID-19 and that inflation would return to normal. The situation has been deteriorating since May, and so these assumptions were no longer valid.

## The updated outlook assumes for Q4 21/22

- ▶ Adverse macro conditions to remain
- ▶ Russian war against Ukraine will not directly spill over to Europe
- ▶ Energy supply shortages will not lead to store closures
- ▶ No further COVID-19 restrictions affecting the retail sector

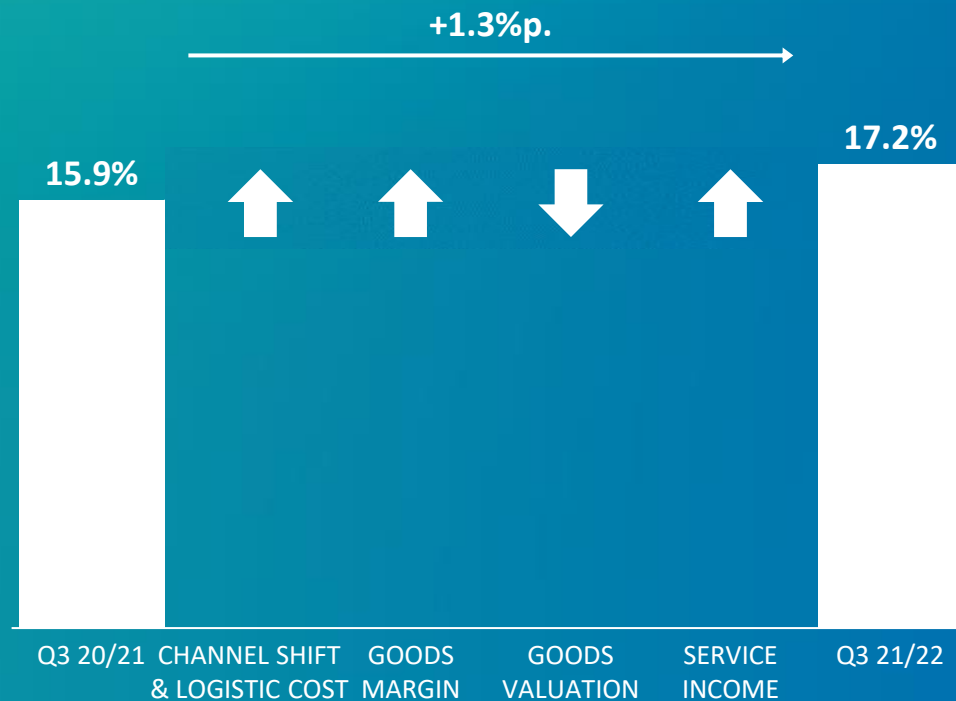
<sup>1</sup>Adj. for currency and portfolio change effects, pre IAS 29. <sup>2</sup>Excl. associates, adj. for portfolio changes, pre IAS 29 and excl. non-recurring effects.

# We improved gross margin versus weak prior year



**Gross margin<sup>1</sup>**  
(as % of sales)

Q3



- ▶ Recovery of stationary business in Q3 influenced gross margin positively
- ▶ Goods margin slightly improved vs COVID-19 affected PY; margin recovery dampened by rising inflation and competitive environment
- ▶ Stock ageing leading to slight deterioration of goods valuation
- ▶ Continued growth of Services & Solutions drives gross margin improvement

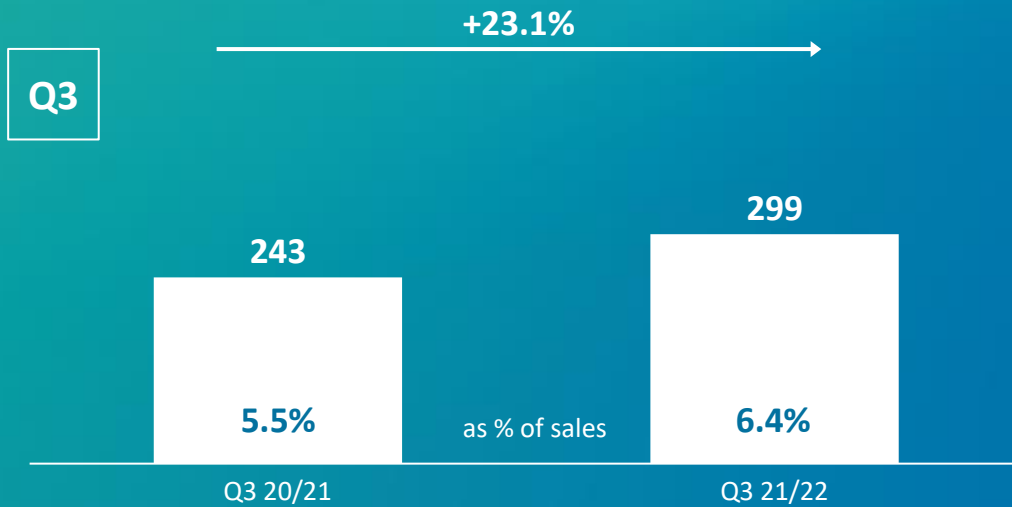
<sup>1</sup>Excl. non-recurring effects and adj. for portfolio changes.



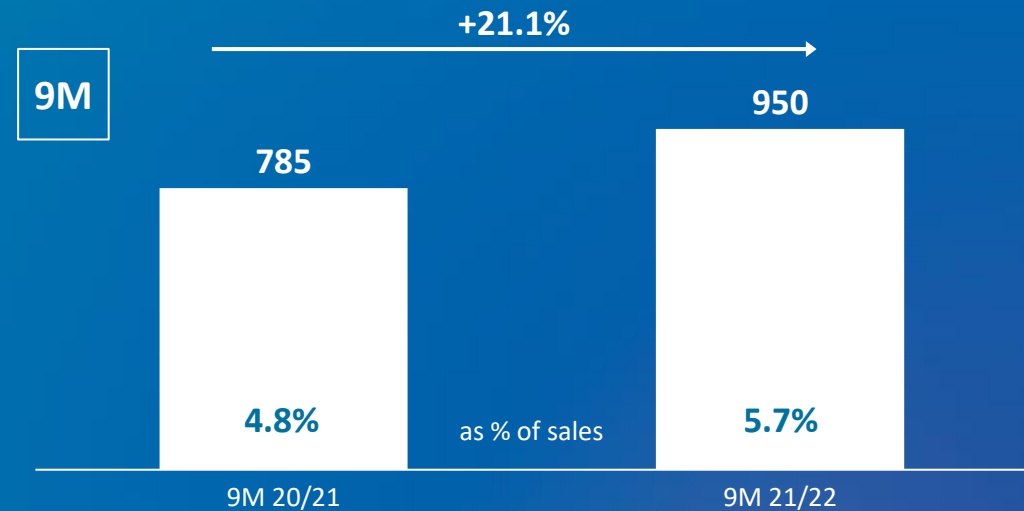
# We have grown our Services & Solutions business



## Services & Solutions sales (€m)



- ▶ Strong growth in Services & Solutions continued in Q3 and resulted in the highest sales share since Q4 18/19
- ▶ Services & Solutions sales increased in all service categories, especially mobile contracts and financing



- ▶ Double digit sales growth in Services & Solutions as a result of the recovery of B&M business and operational progress
- ▶ Attach rate of Services & Solutions increased significantly, driven by both, online and offline

# We focus on managing the crisis and strengthening our business further

## Managing the crisis

### Cost & margin protection

Cost & margin protection

Reducing costs and simplifying structures

Leveraging market position

### Liquidity management

RCF of €1.06 bn undrawn

Extended maturity profile

Improving NWC and cash conversion

## Executing our omnichannel strategy

### *Customer Experience*

- ▶ Continued focus on NPS
- ▶ Services & Solutions, e.g. Financing solutions
- ▶ New global brand campaign

+

### *Online Expansion*

- ▶ Launch of new online capabilities
- ▶ Go-live marketplace in Austria

+

### *Store Landscape*

- ▶ 6 lighthouses until Oct
- ▶ 275 refreshed stores at the end of Q4 and additional 250 stores scheduled for FY 22/23

+

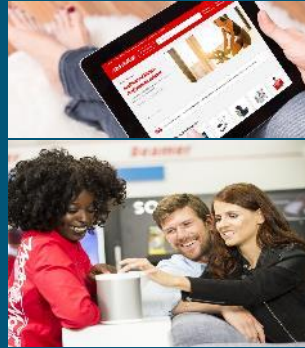
### *ESG*

- ▶ Trade-in proposition in all countries
- ▶ Sustainability propositions, e.g. energy-saving products

# We are in a very good position to accelerate our omnichannel strategy

**>2.5 bn**

Customer touchpoints per year across all channels



2<sup>nd</sup> largest consumer electronics webshop in Europe<sup>1</sup>

3<sup>rd</sup> largest webshop overall in Germany<sup>2</sup>

**6.9 €bn**  
(online sales)

**8 countries**

#1 and #2  
market leading position



14 million online orders were picked up in our stores, with additional cross-selling opportunity

**38%  
pick-up  
rate**

Note FY 20/21 figures. <sup>1</sup>Own analysis based on company reports. <sup>2</sup>This refers to the MediaMarkt and Saturn webshops combined. Source: EHI – E-Commerce Markt Deutschland 2021.



## In summary

- ▶ We are taking action and mastering the current crisis
- ▶ We are preparing ourselves for further macroeconomic headwinds with full focus on liquidity and cost management
- ▶ We are increasing efficiency in our operations, in stores, online and in our logistic networks
- ▶ We are relentlessly executing our omnichannel strategy to strengthen our competitive position



# Q&A



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# Financial calendar

**Q4/FY 21/22  
trading statement**

26 OCTOBER 2022



**Q4/FY 21/22  
results**

15 DECEMBER 2022

